



SHARE PURCHASE

PLAN OFFER

‘08

Bank of
Queensland

bank different®

15 December 2008

Dear Shareholder,

I am pleased to invite you to participate in an important initiative for Bank of Queensland shareholders, the Share Purchase Plan ('Plan') Offer 2008.

This offer is part of the Bank's continuing plan to actively and effectively manage its capital base and to fund future growth.

Participating in this offer will allow you to increase your BOQ shareholding at a discount to the average market price and without paying any brokerage or other charges.

The issue price per share will be the **lesser** of:

- (a) a significant 7.5% discount to the Volume Weighted Average Price over the 5 business days¹ before and including the closing date for the offer on which shares are traded; and
- (b) \$10.08, being the approximate price at which shares were issued under the Bank's recent Dividend Reinvestment Plan issue and partial underwriting².

Accordingly, you will pay no more than \$10.08 per share.

Full details of this Share Purchase Plan and how to participate are contained in the documents accompanying this letter:

- the **Offer Document** – which sets out the terms and conditions of the Plan offer;
- an **Application Form** – for you to complete and return if you wish to participate. You may also apply for shares under the Plan offer by paying your application money via BPAY[®]. If you use BPAY[®] to pay for new shares, you do not need to return the Application Form³.

Please note that if you wish to participate in the offer, you must apply by Friday, 23 January 2009. Before investing, we suggest that you consider contacting your financial advisor.

I hope you are able to take advantage of this opportunity to acquire more shares in BOQ at a discount to the average market price.

I would like to thank you for your continued support and loyalty, and to assure you that our focus remains on enhancing shareholder value.



Neil Summerson
Chairman

¹ 'Business day' has the same meaning as in the ASX Listing Rules.

² The price of \$10.08 has been rounded down from the Dividend Reinvestment Plan price of \$10.0882.

³ New Zealand shareholders cannot use BPAY[®] to apply for new shares.

OFFER DOCUMENT

15 December 2008

Dear Shareholder

As part of our commitment to actively manage the Bank's capital base and in response to retail investor interest in participating in Bank of Queensland capital raisings, the Bank is pleased to provide details of its new Share Purchase Plan offer.

The Bank of Queensland Share Purchase Plan (the 'Plan') gives you the opportunity to acquire up to \$10,000 worth of ordinary shares in Bank of Queensland ('new shares') at an issue price discounted to the average market price on the Australian Securities Exchange ('ASX'). No brokerage or other charges will apply to shares acquired under this Plan.

Funds raised will further strengthen the Bank's capital position and enable it to take advantage of future growth opportunities.

This Offer Document sets out the terms and conditions of the offer under the Plan.

Bank of Queensland has appointed ABN AMRO Morgans Limited as Lead Manager to the Plan offer.

How to Apply and Closing Date

Applications to acquire new shares under the Plan must be made in one of the following two ways:

- Complete and return the Application Form which accompanies this Offer Document together with your cheque, bank draft or money order for the correct amount. Application forms and payment for new shares must be received by the share registry by **5.00pm (Brisbane time) on 23 January 2009**; or
- Submit your payment for new shares via BPAY® by using the personalised reference number shown on your Application Form which is required to identify your holding. If you use BPAY® to pay for new shares, you do not need to return the Application Form. Payment must be received by **5.00pm (Brisbane time) on 23 January 2009**. You must take into account the cut off times your financial institution has in advance of this closing date and time. New Zealand based shareholders cannot apply using BPAY®.

There are a number of different application amounts from which you can choose starting with the **minimum application amount of \$1,000¹** up to **the maximum application amount of \$10,000**, as follows:

\$1,000 worth of new shares	\$3,000 worth of new shares	\$5,000 worth of new shares	\$7,000 worth of new shares	\$10,000 worth of new shares
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Applications may only be made for parcels of new shares in these amounts.

By applying for new shares under the Plan, you will have agreed to be bound by the terms and conditions set out in this Offer Document.

Participation

Participation in the Plan is open to all shareholders registered as holders of ordinary shares of Bank of Queensland at 7.00pm (Sydney time) on **10 December 2008** and whose address in Bank of Queensland's share register is in Australia or New Zealand.

The Board of Bank of Queensland has determined it is either not lawful or not practical for shareholders in other jurisdictions to participate in the Plan.

Participation is entirely at the option of shareholders.

Offers made under the Plan are not renounceable. **This means that only the shareholder whose name is recorded on the register of shareholders may accept the offer under the Plan.** Shareholders cannot transfer their right to acquire new shares under this offer to another person.

Each registered shareholder may only participate in the offer up to the maximum limit of \$10,000, even if the shareholder has more than one registered holding.

If you are recorded with one or more other persons as the joint holder of a holding of shares, that joint holding is considered to be a single registered holding for the purpose of the Plan, and the joint holders are entitled to participate in the Plan in respect of that single holding. If the same joint holders receive more than one offer under the Plan due to multiple identical holdings, those joint holders may only apply for one maximum parcel of shares.

If you are a joint holder and you also have a separate holding in your individual name, you may only apply for one maximum parcel of \$10,000 worth of shares in aggregate between your joint and individual holdings.

¹All references to currency are to Australian dollars.

Where a trustee or nominee is a registered holder of shares and is expressly noted on the register as holding shares on account of a named beneficiary, the named beneficiary will be taken to be the registered holder of those shares. An application or certification by, or issue to, the trustee or nominee will be taken to be an application or certification by, or an issue to, the named beneficiary.

If you have more than one registered holding and you hold shares in one or more of those holdings as trustee or nominee for a named beneficiary, you may apply once on behalf of each named beneficiary.

Some examples of eligibility are given at the end of this Offer Document.

The Application Form includes a certification by the applicant, which is required by law, that the amount subscribed under this offer, together with amounts subscribed in any similar plan offer by Bank of Queensland in the last 12 months by the applicant, does not exceed \$10,000.

Each applicant who applies in accordance with these terms and conditions should be able to make the certification because 12 months has elapsed since the Bank's last Share Purchase Plan offer.

Bank of Queensland reserves the right to reject any application at its discretion, including but not limited to where the maximum application limit or any other term of the Plan has not been complied with.

Any shareholders who hold shares on behalf of persons who are 'US persons' (as defined in Regulation S under the US Securities Act of 1933) or who act for the account or benefit of a US person are not entitled to participate in the Plan.

Pricing

The price per share for each new share issued under this offer ('issue price') is an amount equal to the **lesser** of:

- (a) the Volume Weighted Average Price ('VWAP') over the 5 business days² before and including the closing date for the offer on which shares are traded less a discount of 7.5%; and
- (b) \$10.08, being the VWAP over the period 17 to 21 November 2008 less a 2.5% discount, which is the approximate price at which shares were issued under the recent Dividend Reinvestment Plan issue and partial underwriting³.

We will announce the final issue price to the ASX as soon as it is able to be calculated.

The number of new shares to be issued to each applicant will be calculated by dividing the amount subscribed by you by the issue price. Fractions will be rounded up to the nearest whole share.

The market price of shares in Bank of Queensland may rise or fall between the date of this offer and the date that new shares are issued to you. This means that the number of new shares you receive may be more or less than the number you might calculate using the market price of the shares on the date you decide to apply. Shareholders should be aware that the issue price will not be more than the maximum price of \$10.08.

We recommend that you obtain your own financial advice in relation to this offer and consider price movements of shares in Bank of Queensland before accepting this offer.

Allocation of shares

There is no minimum or maximum amount to be raised under this offer. The Board may decide to issue to any person fewer new shares than that person applied for under the Plan. This may be by way of a scale back mechanism, the details of which will be announced if necessary.

The Board will not issue new shares to an applicant if the issue of those shares, either alone or in conjunction with the issue of shares under other applications received by Bank of Queensland, would contravene any law or the Listing Rules of the ASX.

The Board of Bank of Queensland reserves the right at its discretion to cancel the Plan at any time up to the time of issue of new shares under the Plan, or to extend the closing date.

If the Plan is cancelled or Bank of Queensland issues a lesser number of new shares than a shareholder applied for, application money received from shareholders not applied in subscribing for new shares will be returned to the applying shareholder/s, without interest, by way of cheque sent to their registered address. Any interest received on application money may be retained by Bank of Queensland whether or not new shares are issued under the Plan.

Issue of new shares

New shares are expected to be issued by 2 February 2009. Allotment confirmations setting out the number of new shares allocated to you are expected to be despatched on or about 5 February 2009.

² 'Business day' has the same meaning as in the ASX Listing Rules.

³ The price of \$10.08 has been rounded down from the Dividend Reinvestment Plan issue price of \$10.0882.

New shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in Bank of Queensland on the date of issue.

Bank of Queensland will, promptly after issue of new shares under this Plan, make application for the new shares to be listed for quotation on the ASX. The new shares are expected to commence quotation on the ASX on 6 February 2009.

Costs of Participation

No brokerage, commissions or other transaction costs will be payable by participants in respect of the application for, and issue of, new shares under the Plan.

Disputes

Bank of Queensland may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant or application, and the decision of Bank of Queensland will be conclusive and binding on all participants and other persons to whom the determination relates.

Bank of Queensland reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of Bank of Queensland under these conditions may be exercised by the Directors or any delegate of the Directors.

ASIC Relief

This offer of new shares under the Plan is made in accordance with an instrument of relief granted to Bank of Queensland which is based on ASIC Class Order 02/831. That instrument grants relief from the requirement to prepare a prospectus for the offer of new shares under the Plan.

If you have any enquiries concerning the offer please contact your financial advisor or ABN AMRO Morgans on 134 226 (refer to www.abnamromorgans.com.au for the nearest office) or Bank of Queensland's share registry (Computershare Investor Services Pty Limited) on 1800 779 639 within Australia or +61 3 9615 5970 for New Zealand callers.

Examples of permitted applications

Registered Name recorded in Share Register	Who can apply for new shares	Maximum dollar value of new shares application
Jane Citizen	Jane Citizen	\$10,000 in aggregate
Michael Citizen and Jane Citizen	Michael Citizen and Jane Citizen, jointly	
Michael Citizen as trustee for Mary Citizen	Michael Citizen as trustee for Mary Citizen	\$10,000
ABC Pty Ltd as trustee for Citizen Super Fund	ABC Pty Ltd as trustee for Citizen Super Fund	\$10,000
ABC Pty Ltd as trustee for Jane Citizen	ABC Pty Ltd may not apply for shares if Jane Citizen or Michael and Jane Citizen have already applied for the maximum new shares	Nil
XYZ Nominees Ltd (Client Account)	XYZ Nominees Ltd (Client Account)	\$10,000
XYZ Nominees Ltd as trustee for XYZ Investment Fund	XYZ Nominees Ltd as trustee for XYZ Investment Fund	\$10,000
XYZ Nominees Ltd	XYZ Nominees Ltd may apply in its own name (unless the Share Register expressly notes a Client Account and XYZ Nominees Ltd has applied for its Client Account holding - see above)	\$10,000

Australian Business and Company Numbers

ABN 32 009 656 740
ACN 009 656 740

Registered Office

Bank of Queensland Limited
Level 17, BOQ Centre
259 Queen Street
Brisbane Qld 4000

Telephone: (07) 3212 3333
Facsimile: (07) 3212 3399

Website: www.boq.com.au

Investor Relations: (07) 3212 3463

Customer Service: 1300 55 72 72

Auditors

KPMG
Riparian Plaza
Level 16, 71 Eagle Street
Brisbane Qld 4000

Share Registry

Computershare Investor
Services Pty Ltd
Level 19, CPA Building
307 Queen Street
Brisbane Qld 4000

Telephone: 1800 779 639
Facsimile: (07) 3237 2152

E-Communication

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To register please call 1800 779 639.

