

6 January 2012

MELBOURNE AND CHRISTCHURCH CLAIMS UPDATE

Suncorp Group Limited (Suncorp) today provided preliminary estimates of the financial impacts of the recent Melbourne hailstorm and Christchurch earthquake.

Both events occurred over the Christmas holiday period, impacting claims lodgement and assessment. Therefore, the expected financial impacts may vary as claims are finalised.

The Melbourne hailstorm on 25 December 2011 caused widespread damage across residential areas in the city's northern suburbs and is expected to cost \$200 million to \$250 million. Suncorp's reinsurance arrangements provide protection should the cost of this event exceed \$250 million.

Around 28,000 claims have been received across Suncorp's personal and commercial insurance brands to date, with about two-thirds of these being for damage to vehicles and the remainder for other property damage.

The Christchurch earthquake on 23 December 2011 is expected to cost between A\$10 million (NZ\$13 million) and A\$20 million (NZ\$26 million).

Suncorp expects its natural hazard costs for the six months to 31 December 2011 to be in the range of \$360 million and \$420 million. This is \$120 million to \$180 million above the \$240 million natural hazard allowance for the period.

Group chief executive Patrick Snowball said the priority at this stage was assisting customers and Suncorp's major claims event capabilities had been activated to ensure this occurred.

Additional claims and assessing resources, including mobile customer response teams, have been mobilised and mass assessment centres have been set up to fast-track the process of repairing hail damaged cars in Melbourne.

Any Suncorp customers who have not yet lodged a claim due to the holiday period are encouraged to do so as quickly as possible.

Suncorp's half year results announcement will be held on 22 February 2012.

Ends

For more information contact:

Media:	Jamin Smith, (07) 3135 4321
Analysts/Investors:	Mark Ley, (07) 3135 3991