



ASX ANNOUNCEMENT

15 July 2010

UPDATE ON RAA AND RACQ INSURANCE JOINT VENTURES

Suncorp today announced that its 50% shareholdings in the Royal Automobile Association of South Australia (RAA) and the Royal Automobile Club of Queensland (RACQ) insurance joint ventures have been independently valued at a combined total of \$348 million.

The RACQ transaction remains subject to regulatory approval.

Suncorp expects both transactions will be reported as part of its financial result for the year ended 30 June 2010. The combined after tax profit of both transactions will be between \$110 million and \$125 million subject to finalisation of the tax treatment.

Both joint ventures operated as standalone manufacturing entities with distribution through the RAA and RACQ in South Australia and Queensland respectively. Suncorp's divestment of its shareholding in RAA Insurance and RACQ Insurance will not impact the Group's ability to compete in either market.

Ends

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