



NEWS RELEASE

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SUNCORP COMPLETES US\$2.5 BILLION DEBT RAISING

Suncorp today advised it had completed pricing on a benchmark US\$2.5 billion funding transaction.

The deal comprised a two year floating component of US\$1.0 billion, priced at *libor* + 125 basis points, and a three year floating component of US\$1.5 billion, priced at *libor* +150 basis points.

Acting chief executive officer Chris Skilton said Suncorp was prudently diversifying its funding sources to ensure it remains well positioned despite continued market volatility.

"In current market conditions, it makes sense to conservatively manage our funding position. We will continue to explore opportunities to further lengthen our balance sheet where it makes sense to do so," he said.

"The Group is in a very strong position, from both a funding and a capital perspective despite the current economic cycle."

In A\$ terms, the transaction represents a raising of approximately \$3.5 billion and brings the total of term funding raised since 1 January 2009 to over A\$7.0 billion. Other long-term transactions since 1 January 2009 have been:

- \$355 million in a domestic two-year private placement;
- \$1.6 billion (equivalent) in a GBP five-year benchmark transaction;
- \$250 million (equivalent) in a Swiss Franc one-year private placement;
- \$510 million (equivalent) in a five-year Yen private placement; as well as
- a \$1 billion institutional and retail capital raising.

As a result of these initiatives, the weighted average term of Suncorp's balance sheet liabilities (including securitisation) will increase to around 1.25 years compared to 0.98 years at 31 December 2008 and 0.69 years at 30 June 2008.

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