



# NEWS RELEASE

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6 February 2009

## **SUNCORP COMPLETES \$855 MILLION CAPITAL RAISING**

Suncorp-Metway Limited ("Suncorp") today announced the completion of the \$855 million institutional component of its capital raising ("Institutional Offer"), comprising approximately \$390 million through an underwritten placement ("Institutional Placement") and approximately \$465 million through the underwritten institutional component of the accelerated non-renounceable 1 for 5 pro-rata entitlement offer ("Institutional Entitlement Offer")<sup>1</sup>.

The amount raised through the Institutional Entitlement Offer was higher than originally anticipated due to an increase in the number of shareholders classified as institutional, rather than retail, shareholders. Participation from Eligible Institutional Shareholders in the Institutional Offer was over 90% by number of shares available to these Shareholders. The balance of the shares available in the Institutional Entitlement Offer were taken up by Eligible Institutional Shareholders and other Institutional Investors through the Institutional Bookbuild.

Chief executive John Mulcahy said, "We were pleased with the strong support the offer received from our existing institutional shareholders, as well as new investors."

The Offer was announced to the market on 5 February 2009. The proceeds from the Offer will be used to strengthen Suncorp's capital position and balance sheet.

### **Completion of Institutional Offer**

Approximately \$390 million will be raised through the Placement at \$4.50 per share, which will result in the issue of approximately 86.7 million new shares. Approximately \$465 million will be raised through the Institutional Entitlement Offer at the same price, and will result in the issue of approximately 103.3 million new shares.

The new shares from the Institutional Entitlement Offer and Institutional Placement are expected to be issued on Thursday 19 February 2009 and commence trading on ASX on the same day. As the new shares will not be entitled to the interim dividend for FY2009, they will trade under the ASX code [SUNN] until after the ex-entitlement date for the FY2009 Interim Dividend, currently expected to be Friday 27 February 2009.

### **Commencement of Retail Entitlement Offer**

The retail component of the entitlement offer ("Retail Entitlement Offer") opens on Monday 16 February 2009 and is expected to close at 5.00pm (AEDT) on Friday 13 March 2009. Eligible retail Shareholders will have the opportunity to participate at the same price and offer ratio as the Institutional Entitlement Offer.

<sup>1</sup> Subject to no termination rights arising under the underwriting agreement prior to settlement on 18 February 2009.

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Suncorp shares are expected to resume trading on ASX on Monday 9 February 2009.

This announcement is not a prospectus and does not constitute an offer of securities. Eligible Retail Shareholders wishing to acquire New Shares will need to complete the Entitlement and Acceptance Form that will be sent to them.

## ENDS

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This press release includes "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Suncorp-Metway Limited, and its officers, employees, agents or associates, including risks associated with the ability of Suncorp-Metway Limited to pay the expected dividend. Actual results, performance or achievements may vary materially from any projections and forward looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward-looking statements and Suncorp-Metway Limited assumes no obligation to update such information.

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