



Notification of dividend / distribution

Update Summary

Entity name

INSURANCE AUSTRALIA GROUP LIMITED

Security on which the Distribution will be paid

IAGPD - CAP NOTE 3-BBSW+4.70% PERP NON-CUM RED T-06-23

Announcement Type

Update to previous announcement

Date of this announcement

Wednesday March 15, 2017

Reason for the Update

Update to Section 3D.4

Refer to below for full details of the announcement

Announcement Details

Part 1 - Entity and announcement details

1.1 Name of +Entity

INSURANCE AUSTRALIA GROUP LIMITED

1.2 Registered Number Type

ABN

Registration Number

60090739923

1.3 ASX issuer code

IAG

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Update to Section 3D.4

1.4b Date of previous announcement(s) to this update

Wednesday March 15, 2017

1.5 Date of this announcement

Wednesday March 15, 2017

1.6 ASX +Security Code

IAGPD



ASX +Security Description

CAP NOTE 3-BBSW+4.70% PERP NON-CUM RED T-06-23

Part 2A - All dividends/distributions basic details

2A.1 Type of dividend/distribution

Ordinary

2A.2 The Dividend/distribution:

relates to a period of one quarter

2A.3 The dividend/distribution relates to the financial reporting or payment period ending ended/ending (date)

Wednesday June 14, 2017

2A.4 +Record Date

Wednesday June 7, 2017

2A.5 Ex Date

Tuesday June 6, 2017

2A.6 Payment Date

Thursday June 15, 2017

2A.7 Are any of the below approvals required for the dividend/distribution before business day 0 of the timetable?

- Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity required before business day 0 of the timetable for the dividend/distribution.

No

2A.8 Currency in which the dividend/distribution is made ("primary currency")

AUD - Australian Dollar

2A.9 Total dividend/distribution payment amount

per +security (in primary currency) for all	Estimated or Actual?
dividends/distributions notified in this form	Actual

AUD 1.14510000

2A.10 Does the entity have arrangements relating to the currency in which the dividend/distribution is paid to securityholders that it wishes to disclose to the market?

No

2A.11 Does the entity have a securities plan for dividends/distributions on this +security?

We do not have a securities plan for dividends/distributions on this security

**2A.12 Does the +entity have tax component information apart from franking?**

No

Part 3A - Ordinary dividend/distribution

3A.1 Is the ordinary dividend/distribution estimated at this time?

No

3A.1a Ordinary dividend/distribution estimated amount per +security

AUD

3A.1b Ordinary Dividend/distribution amount per security

AUD 1.14510000

3A.2 Is the ordinary dividend/distribution franked?

Yes

3A.2a Is the ordinary dividend/distribution fully franked?

Yes

3A.3 Percentage of ordinary dividend/distribution that is franked

100.0000 %

3A.3a Applicable corporate tax rate for franking credit (%)

30.0000 %

3A.4 Ordinary dividend/distribution franked amount per +security

AUD 1.14510000

3A.5 Percentage amount of dividend which is unfranked

0.0000 %

3A.6 Ordinary dividend/distribution unfranked amount per +security excluding conduit foreign income amount

AUD 0.00000000

3A.7 Ordinary dividend/distribution conduit foreign income amount per security

AUD

Part 3D - Preference +security distribution rate details

3D.1 Start date of payment period

Wednesday March 15, 2017

3D.2 End date of payment period

Wednesday June 14, 2017

3D.3 Date dividend/distribution rate is set (optional)

Wednesday March 15, 2017

3D.4 Describe how the date that dividend/distribution rate is set is determined

First day of the distribution period

3D.5 Number of days in the dividend/distribution period

92

3D.6 Dividend/distribution base rate (pa)

1.7900 %



3D.7 Comments on how dividend/distribution base rate is set

3 month bank bill swap rate as at 15 March 2017

3D.8 Dividend/distribution margin

4.7000 %

3D.9 Comments on how dividend/distribution margin is set

As described in section 3.1 of Capital Notes Terms as included in Capital Notes Prospectus dated 29 November 2016

3D.10 Any other rate / multiplier used in calculating dividend/distribution rate

0.0000 %

3D.11 Comments on how other rate used in calculating dividend/distribution rate is set

3D.12 Total dividend/distribution rate for the period (pa)

6.4900 %

3D.13 Comment on how total distribution rate is set

Total dividend rate of 6.4900% is reduced by the value of the franking credit (T - 30) attached to this payment. Total dividend rate shown at Section 3D.12 x 0.7 x 92/365 = \$1.1451

Part 5 - Further information

5.1 Please provide any further information applicable to this dividend/distribution

5.2 Additional information for inclusion in the Announcement Summary