



CBL Corporation Limited

Overview Presentation to FNZC Wealth Advisors
based on information to 30 June 2017

3rd November 2017

Disclaimer and important information

The information in this presentation has been prepared by CBL Corporation Limited (CBL) to provide a general overview of CBL and its operations. It has been prepared solely for informational purposes and does not purport to be complete or comprehensive and does not constitute financial product, investment, tax or other advice. CBL has not independently verified the information contained herein, nor does CBL make any representation or warranty, either express or implied, as to the accuracy, completeness or reliability of the information contained in this presentation. This presentation does not take into account your personal objectives, financial situation or needs and you should consult your financial and other advisors before making any investment in CBL.

This presentation is not and should not be construed as an offer to sell or a solicitation of an offer to buy CBL securities and may not be relied upon in connection with any purchase of CBL securities. No money is currently being sought. CBL shares cannot currently be applied for or acquired under any intended offer. If an offer is made, it will be made in accordance with the provisions of the Financial Markets Conduct Act 2013.

Past performance information provided in this presentation may not be a reliable indication of future performance. The valuations, forecasts, estimates, opinions and projections contained herein involve elements of subjective judgment and analysis. Any opinions expressed in this material are subject to change without notice and may differ or be contrary to opinions expressed by other parties associated with CBL as a result of using different assumptions and criteria. This presentation may contain certain forward-looking statements with respect to the financial condition, results of operations and business of CBL. Forward looking statements **can generally be identified by use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. All such forward-looking statements** involve known and unknown risks, significant uncertainties, assumptions, contingencies, and other factors, many of which are outside the control of CBL, which may cause the actual results or performance of CBL to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements speak only as of the date of this presentation. CBL undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such dates or to update or keep current any of the information contained herein. Any estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and performance) are based upon the best judgment of CBL from the information available as of the date of this presentation. Actual results may vary from the projections and such variations may be material. You are cautioned not to place undue reliance on forward-looking statements.

In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. CBL's securities have not been, and will not be, registered under the U.S. Securities Act of 1933 (the Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold in the United States without registration except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities laws.

Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future. CBL, its officers, employees, agents and/or advisers expressly disclaim any and all liability relating or resulting from inaccurate or incomplete information and the use or reliance of all or any part of this presentation or any of the information contained herein.

Certain financial data included in the presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, including earnings before interest, tax, depreciation and amortization, or EBITDA, and underlying profit. These non-GAAP financial measures do not have a standardized meaning prescribed by International Financial Reporting Standards (IFRS) and therefore may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS. Although CBL's management uses these measures in assessing the performance of CBL's business, and CBL believes these non-GAAP financial measures provide useful information to other users in measuring the financial performance and condition of the business, you are cautioned not to place undue reliance on any non-GAAP financial measures included in the following material. All amounts are disclosed in New Zealand dollars (NZ\$) unless otherwise indicated.

The information has not been and will not be independently verified or audited. This presentation is provided to each recipient on a confidential basis and it, and the information it contains, must not be provided or disclosed to any other person.

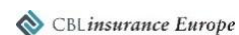
CBL Group Overview

Specialist international insurance group listed on the NZX and ASX with NZ\$700m mcap

- Established 44 years ago in NZ, CBL Group comprises three insurers and three MGAs
- Specialist in writing non-traditional credit and financial risk, including building, construction and other related areas
- Experienced senior management
- Entrepreneurial culture driving innovation in distribution, product and market development
- Strong growth in GWP with 5 year CAGR to FY16 of more than 31%
- Highly profitable with combined operating ratio of circa 80% and operating profit CAGR of about 37% since FY12
- CBL Insurance Financial Strength Rating of A- (excellent) by AM Best
- Strong liquidity with about NZ\$445m of cash or cash equivalent investments and another NZ\$67m of liquid investments

CBL Group

Operating Subsidiaries and Strategic Investments



Activity	Risk taker	Risk taker	Risk taker	Risk taker	MGA	MGA	MGA	Insurance Manager
Ownership %	100%	100%	100%	35%	100%	92%	71%	40%
Revenue Type	Premiums	Premiums	Premiums	Premiums	Commissions and Fees	Commissions and Fees	Commissions and Fees	Fees
FY2016 GWP (NZ\$m)	247.5	39.9	46.1	n/a	n/a	n/a	n/a	n/a
Regulator	Reserve Bank of New Zealand	Central Bank of Ireland	Australian Prudential Regulation Authority	Insurance Commission Mexico	UK Financial Conduct Authority	UK Financial Conduct Authority	Commissariat aux Assurances Luxembourg	Central Bank of Ireland

CBL Group Global Reach

Eight offices, four continents, writing business in 25 countries



 CBLinsurance

 CBLinsurance Europe

 asset
insure

 EISL
EUROPEAN INSURANCE
SERVICES LTD

 SFS
Securities & Financial Services

 PFP

 DEPOSIT
POWER
The Power to Purchase

 FIDUCIA
Alianza Fiduciaria

 AlliedRiskManagement

International Expertise

Strong international growth with new programs to be launched in 2018 and 2019

- Since 2000 focused on growing international market opportunities, with long-term partnerships now up to 15 years
- Largest market is Europe including France, Italy, Spain and Ireland
- Still experiencing strong growth in established markets with France growing 45% and Italy growing 38% in 1H17*
- Other existing markets growing in excess of 30% in 1H17*
- New products accounted for \$29m (+17.8%) of GWP growth over 2H16
- Continually developing new markets on back of international expertise including Mexico, India and South East Asia

Key insurance products

Builders Warranty

- Policy to new home purchasers, indemnifying them from losses sustained as a result of the insolvency of the builder leading to non-completion of the home, or failure of the builder to remedy post-completion defects in the home

Credit & Surety Bonds

- Bonds and Guarantees provided on behalf of clients to better secure a financial or contractual obligation to a third party. Almost always required as part of a building or construction contract, and used as an alternative to providing a bank guarantee

Deposit Bonds

- Deposit Bonds are used by residential purchasers as an alternative to paying a cash deposit on a home or apartment when buying a property

Professional & Civil Liability

- Specialist non standard insurance to cover legal and accountancy fee liabilities
- Third Party Liability
- Warranty & Reps Insurance
- Other niche special liability covers

Credit Enhancement

- Policy that provides the borrower with enhanced collateral or guarantees in order to achieve a more efficient funding package

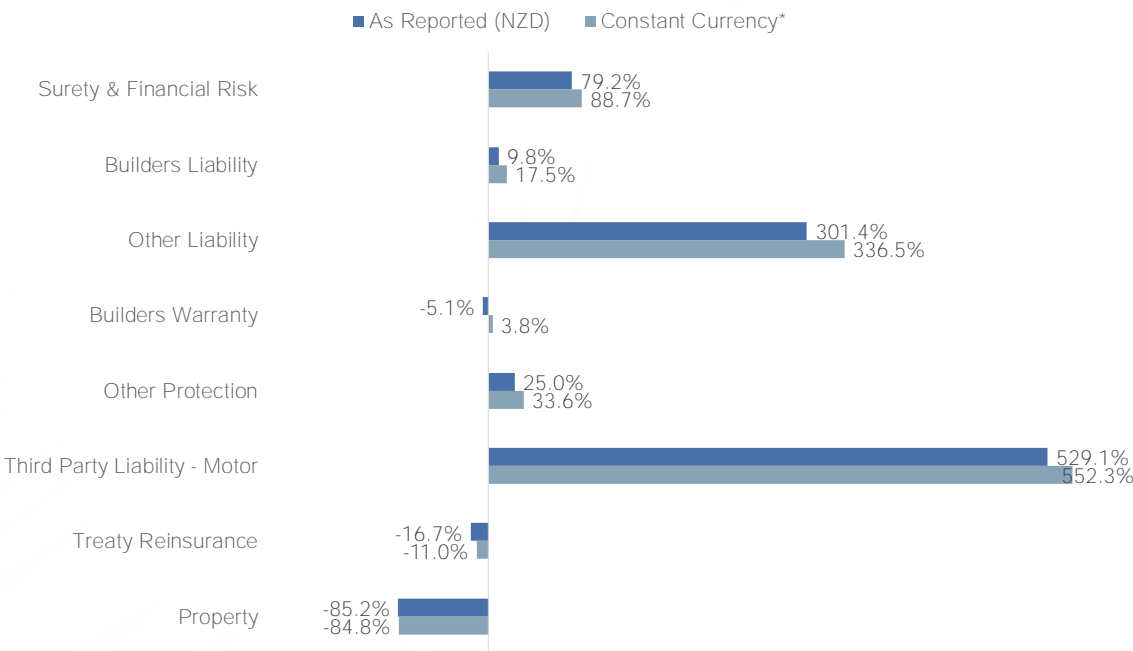
Payment Security Bonds

- Insurance bonds provided as an alternative to our client obtaining a bank guarantee to secure their regular purchase obligations to their key supplier. Generally only done in respect of essential services, such as Fuel Retailer Bonds, Electricity Supply Bonds, Travel Agent Bonds, Franchisee Supply Payment Bonds to Franchisors

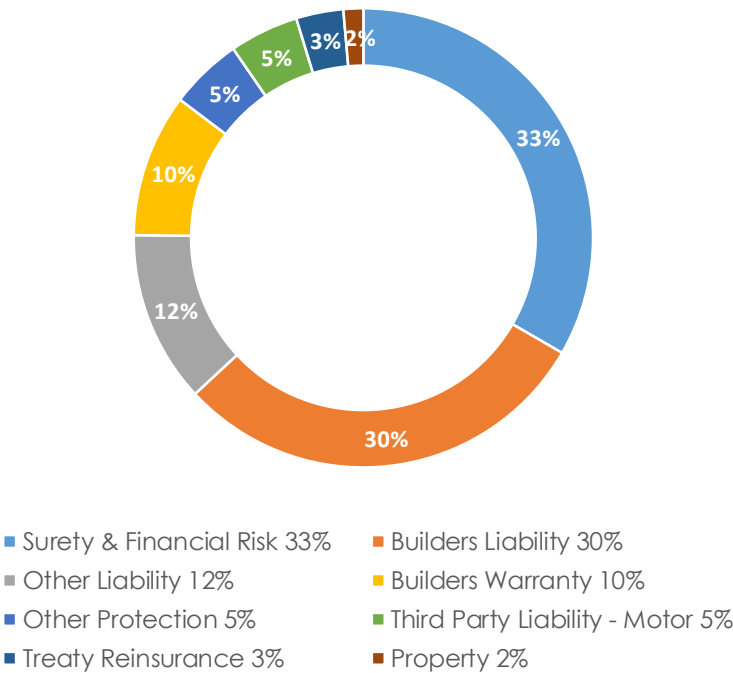
GWP by Product – Constant Currency*

CBL’s largest product groups experienced strong growth despite FX

Product Growth Rates 1H17 vs 1H16



GWP by Product 1H17



*GWP includes CBL Insurance, CBL Insurance Europe and Assetinsure only; GWP in all periods is revalued to 1H17 average FX rates

Growth Initiatives

CBL has been expanding its products and market during 1H17

New Products New Markets

- Successfully launched domestic builders warranty product in Victoria, Australia for pre-approved builders, including the use of innovative mobile and online product delivery
- Secured share of credit default government program for small consumer lending in Mexico
- US-Mexico border crossing third party liability insurance for heavy vehicles under NAFTA directives in respect of state minimum requirements. Program expected to grow to include passenger vehicles in 2019

Existing Products New Markets

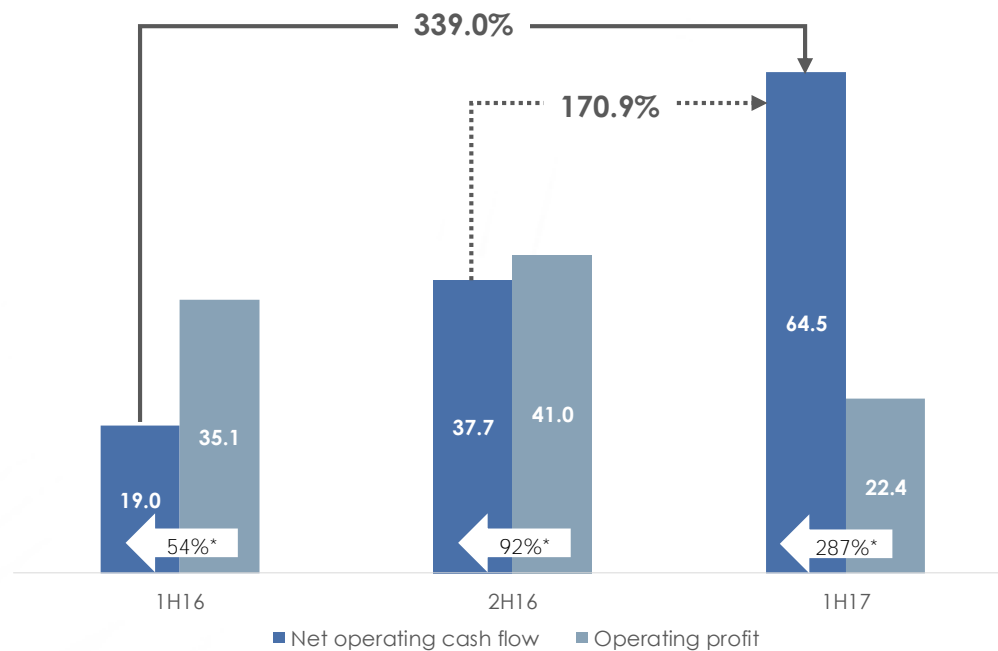
- MOU signed with SREI Infrastructure Finance, a listed infrastructure and asset finance group, to enter into JV, including the online delivery of payment securities for India Power, a SREI subsidiary
- Strategic alliance with DUAL Spain growing strongly
- Fuel bond credit payment supply program taken to UK, and signed and launched with BP Oil

New Products Existing Markets

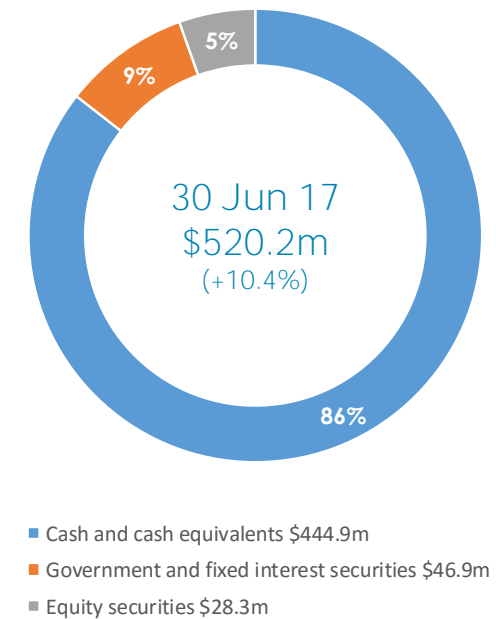
- Insuring the financial liability of municipals in France relating to statutory liability payments

Strong Cash Flow and Liquidity

\$64.5m net operating cash flow 1H17 and \$445m of cash as at 30 June 2017



Investments Analysis



*Cash Conversion Ratio = Net operating cash flow / Operating profit

Capital Management

CBL has repaid \$15m in principal during 1H17

- Drew down a further €50 million from ANZ to settle the SFS acquisition on 5 January 2017 and repaid \$15m during 1H17 against the ANZ NZD denominated loan to meet agreed repayments
- Movements in other loan balances reflect currency translation adjustments, as these loans are denominated in foreign currency **to match CBL's earnings and cash flow, and amortisation of capitalised costs**
- CBL Group will continue to target a long-term capital structure that maintains investment grade credit metrics

NZD Millions	30-Jun-17	31-Dec-16	Movement
ANZ bank loan – NZD	49.7	64.2	(14.5)
ANZ bank loan – EUR	78.0	-	78.0
Vendor loan note	24.1	22.7	1.4
Fixed interest loan	8.0	7.6	0.4
Other bank loans	2.7	2.3	0.4
Total debt	162.6	96.9	65.7
Total debt / total debt plus equity	34.8%	24.9%	
Operating profit / interest ¹	5.8x	11.7x	

Notes:

1. Interest is adjusted for FIIG repayment costs of \$7.4 million that were incurred in 2H16 and is calculated based on 12 months of operating earnings and interest costs. Additional bank establishment costs relating to SFS have also been included in interest.

AM Best Credit Rating

CBL Insurance Financial Strength Rating: A- (Excellent)

CBL Corporation Issuer Credit Rating: bbb-

- CBL Insurance has an AM Best Financial Strength Rating (FSR) of A- (Excellent) with a Stable outlook and an Issuer Credit Rating (ICR) of a- with a Stable outlook, reaffirmed on 17th July 2017
- CBL Corporation was assigned an ICR of bbb- with a Stable outlook on 18th August 2017, this is its first rating
- AM Best was founded in 1899 and is a credit rating organisation with an exclusive focus on the insurance industry, registered with the U.S. Securities and Exchange Commission as a nationally recognised statistical rating organisation
- AM Best rates more than 3,500 insurance companies in more than 80 countries. As a comparison, the other major rating agencies rate about 1,900 insurance companies between them
- The table to the right aligns the rating scales of AM Best and S&P



Comparison of Rating Scales¹

	Financial Strength Rating		Issuer Credit Rating	
	AM Best	S&P	AM Best	S&P
	A++	AAA	aaa	AAA
	A+	AA	aa	AA
	A A-	A	a	A
Investment grade↑	B++ B+	BBB	bbb	BBB
Sub-investment grade↓	B B-	BB	bb	BB
	C++ C+	B	b	B

Source:

1. U.S. Securities and Exchange Commission, Report to Congress, Credit Rating Standardization Study, September 2012; European Securities and Markets Authority, Mapping of AM Best Europe-Rating Services Ltd credit assessments under the Standardised Approach, October 2014

Appendices



Financial Results

1H17 reported profit down -32.3% on 1H16, up 4.1% on 2H16

NZD Millions	1H17	1H16	Movement	2H16	Movement
Gross written premium	204.5	158.9	28.7%	162.8	25.6%
Total revenue	206.2	152.7	35.0%	180.7	14.1%
Net claims expense	(76.0)	(44.4)	71.2%	(42.0)	81.0%
Acquisition costs	(51.3)	(43.4)	18.2%	(42.1)	21.9%
Operating expenses	(56.4)	(29.8)	89.3%	(55.6)	1.4%
Operating profit	22.4	35.1	-36.2%	41.0	-45.4%
Profit before tax	17.8	25.1	-29.1%	19.0	-6.3%
Income tax expense	(5.2)	(6.5)	-20.0%	(6.9)	-24.6%
Reported profit	12.6	18.6	-32.3%	12.1	4.1%
Reported profit attributable to non-controlling interests	(0.1)	0.1		0.9	
Reported profit attributable to shareholders	12.7	18.5	-31.4%	11.3	12.4%
Earnings per share attributable to shareholders (cps)	5.4	8.4	-36.1%	4.8	12.7%
Dividends per share (cps)	1.5	3.0		2.0	

- GWP up 28.7% on 1H16 and up 25.6% on 2H16, with total revenue up 35.0% on 1H16 and up 14.1% on 2H16
- Most of the increased GWP in 1H earned in next 12 – 18 months
- Increased claims cost is mostly related to estimated future claims liabilities in respect of French long-tail business, and a strengthening of reserves in this area in 1H17, including policies written in prior periods (refer “CBL Insurance Claims Strengthening Explained” on page 18 for further detail)
- Operating profit down -36.2% on 1H16, and -45.4% down on 2H16
- Earnings per share attributable to shareholders down -36.1% on 1H17, but up 12.7% on 2H16

Underlying Profit

1H17 underlying profit \$23.6m up 1.7%, and \$23.9m excluding SFS up 3.0%

NZD Millions	1H17	1H16	Movement	2H16	Movement
Reported profit	12.6	18.6	-32.3%	12.1	4.1%
Prior year reserve movements ¹	13.7	(1.1)		(1.3)	
Capital raising and business acquisition costs ²	1.2	2.2		4.2	
Foreign exchange translation adjustment ³	(4.4)	4.4		5.3	
Finance costs ⁴	4.3	-		7.8	
Tax effect ⁵	(3.8)	(0.9)		(3.3)	
Underlying profit	23.6	23.2	1.7%	24.8	-4.8%
Underlying profit per share attributable to shareholders (cps)	10.0	10.5	-4.8%	10.2	-2.0%
SFS normalisation adjustments ⁶	(0.3)	-		4.1	
Underlying profit (excl SFS)	23.9	23.2	3.0%	20.7	15.5%

Notes:

1. Prior year reserve movements. 1H17 is adjusted for the total prior year reserve movement. Historical half year periods have been restated to reflect that period's portion of the prior year reserve movement.

2. Non-recurring costs relating to acquiring businesses, including SFS, Affirmative and Allied Risk, and capital raising costs associated with the share placement and share purchase plan.

3. Unrealised FX translation adjustment in order to report our FX denominated assets and liabilities into NZD.

4. Non-recurring costs includes: the initial transaction costs associated with the SFS acquisition facility; costs associated with early repayment of FIIG note including accelerated amortisation of issue costs and repayment premium, and establishment costs; reversal of the discount to present value of the contingent consideration relating to the SFS acquisition.

5. Tax effect of deductible costs and assessable income of the adjusting items at 28% NZ corporate tax rate.

6. Normalised for SFS results in 2H16 which relates to the 3 months from 1 October 2016 to 31 December 2016, and full 6 months in 1H17, as well as finance costs directly relating to the acquisition, not accounted for elsewhere in business acquisition costs.

CBL Board and Senior Management

CBL Corporation – Board of Directors

Sir John Wells Non-Executive Independent Chairman	Alistair Hutchison Non-Executive Deputy Chairman	Peter Harris Managing Director	Ian Marsh Non-Executive Independent Director	Anthony Hannon Non-Executive Independent Director	Paul Donaldson Non-Executive Independent Director
---	--	--------------------------------------	--	---	---

Senior management

Carden Mulholland, Group Chief Financial Officer

- Responsible for all the Group's financial operations
- 10 years with CBL
- Has over 20 years' experience in the banking and finance sector having recently worked for Macquarie Bank

Dean Finlay, Director International Business

- Manages CBL's international sales and servicing operations
- 7 years with CBL
- Previous experience with Farmers Mutual Insurance Group, Tower Insurance and ISOS Australia

Jenny Macfarlane, Underwriter

- 16 years with CBL
- Over 30 years' experience in the insurance industry
- Responsible for risk underwriting and is a member of the Underwriting Risk Committee

Peter Wedgwood, Executive Director, Assetinsure

- Has pioneered a number of specialist credit insurance and securitisation products into Australia through his various companies over the past 30 years

Mark Christer, Head of Europe

- Over 10 years with Royal Sun Alliance, established More Than and was Managing Director of personal lines
- Previously a management consultant with KPMG
- Joined CBL in 2017

Pierre Galeon, EISL, Managing Director

- Pierre has considerable experience with client relationship management
- Held executive positions in Barclays, American Express, Marsh Europe, the Howden Broking Group and Experian
- Joined EISL in 2016

Antoine Guiguet, CEO, SFS

- Joined SFS in 2011 as Legal and Tax Director, appointed as CEO in 2016
- Previously a specialist lawyer focused on taxation and construction insurance, with Master's degree in law from DESS
- Joined CBL Group in 2017 as a result of the SFS acquisition

Larry Sherin, CEO, CBL Insurance Europe

- Was Executive Chairman of Allied Risk Holdings, a professional insurance management firm in Ireland
- Previously CEO of Zurich Insurance Services and QBE Ireland
- Joined CBLIE in 2017, but has been working with CBLIE for more than 5 years

Product Groups

CBL groups products into 8 main categories reflective of the underlying risk

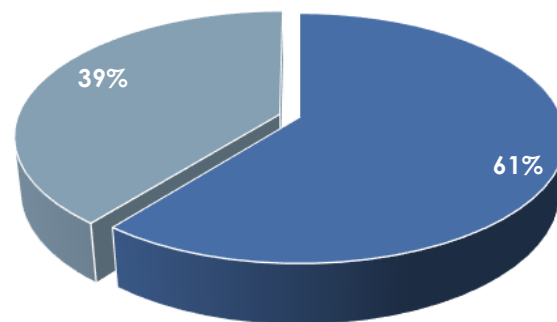


CBL Insurance Claims Strengthening Explained

Total Claims Strengthening of \$16.5m (pre tax), \$11.9m (post tax)

Current Period	\$2.3m
Prior Years	\$14.2m
Total Claims Strengthening	\$16.5m

\$6.5m net increase to claims reserves



\$10.0m increase due to a reduction of discount rates used to present value claims reserves

- \$12.5m increase (\$11.5m on the French business and \$1m on other lines) relating to a change in the ultimate loss ratios as a result of advice from the independent actuaries for CBL Insurance, PwC, to increase the claims reserves – strengthening looks back over policies issued over the last 10 years and forward for the next 10 years
- \$6m decrease relating to an explicit analysis of claims handling costs compared to the market average used previously resulted in a reduction of the estimated claims handling costs to be more in line with CBL Insurance experience

- The reduction in the discount to present value reflects a change in the estimated discount rate for the Euro denominated claims reserves
- Previously the discount was based on 10-year European government bond yields – new estimate based on a yield curve issued by EIOPA (European Insurance and Occupational Pensions Authority)
- If Euro government bond yields increase in the future, the discounted present value would reverse (dependent on rate movement and claims reserve balance at that time)