

13 January 2017

## Analyst Pack template based on revised operating model

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Suncorp today released an Analyst Pack template showing historical financial information for the revised operating model. It features three functional segments: Insurance, Banking and Wealth, and New Zealand.

Suncorp CFO Steve Johnston said that the template was being released to ensure that analysts and investors could prepare for Suncorp's half year announcement on 9 February 2017.

"Suncorp has previously been recognised for a high standard of financial reporting by the investment community. We have prepared the Analyst Pack template with the objectives of maintaining the quality and transparency of our financial disclosures as well as providing historical information based on the new functional segments."

**Ends**

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SUNCORP GROUP LIMITED ABN 66 145 290 124

# ANALYST PACK

TEMPLATE FOR NEW OPERATING MODEL  
HALF YEAR ENDED  
31 DECEMBER 2016

## Basis of preparation

## Disclaimer

PROFORMA TEMPLATE

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Financial results summary

Operational summary

Result overview

Outlook

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## Contribution to profit by division

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Insurance</b>					
Gross written premium		4,007	3,796		
Net earned premium		3,413	3,480		
Net incurred claims		(2,553)	(2,546)		
Operating expenses		(687)	(724)		
Investment income - insurance funds		143	93		
Insurance trading result		316	303		
Other income		46	25		
Profit before tax		362	328		
Income tax		(108)	(92)		
<b>General Insurance profit after tax</b>		<b>254</b>	<b>236</b>		
<b>Life Insurance profit after tax</b>		<b>45</b>	<b>23</b>		
<b>Insurance profit after tax</b>		<b>299</b>	<b>259</b>		
<b>Banking &amp; Wealth</b>					
Net interest income		563	566		
Net non-interest income		39	49		
Operating expenses		(313)	(326)		
Profit before impairment losses on loans and advances		289	289		
Impairment losses on loans and advances		(5)	(11)		
Bank profit before tax		284	278		
Income tax		(85)	(84)		
<b>Bank profit after tax</b>		<b>199</b>	<b>194</b>		
<b>Wealth profit after tax</b>		<b>12</b>	<b>13</b>		
<b>Banking &amp; Wealth profit after tax</b>		<b>211</b>	<b>207</b>		
<b>New Zealand</b>					
Gross written premium		607	621		
Net earned premium		533	512		
Net incurred claims		(286)	(276)		
Operating expenses		(170)	(168)		
Investment income - insurance funds		12	6		
Insurance trading result		89	74		
Other income		12	10		
Profit before tax		101	84		
Income tax		(28)	(23)		
<b>General Insurance profit after tax</b>		<b>73</b>	<b>61</b>		
<b>Life Insurance profit after tax</b>		<b>32</b>	<b>17</b>		
<b>New Zealand profit after tax</b>		<b>105</b>	<b>78</b>		
<b>Profit after tax from business lines</b>		<b>615</b>	<b>544</b>		
<b>Other profit (loss) before tax <sup>(1)</sup></b>		<b>(106)</b>	<b>30</b>		
Income tax		24	(18)		
<b>Other profit (loss) after tax</b>		<b>(82)</b>	<b>12</b>		
<b>Cash earnings</b>		<b>533</b>	<b>556</b>		
Acquisition amortisation (after tax)		(25)	(26)		
<b>Net profit after tax</b>		<b>508</b>	<b>530</b>		

(1) 'Other' includes investment income on capital held at the Group level (Jun-16: \$11 million, Dec-15: \$7 million), consolidation adjustments (Jun-16: loss \$3 million, Dec-15: \$2 million), recognition of deferred consideration on Tyndall disposal (Jun-16: \$10 million, Dec-15: \$9 million), Group short-term incentive adjustment (Jun-16: loss \$40 million, Dec-15: \$40 million), non-controlling interests (Jun-16: loss \$4 million, Dec-15: loss \$3 million), external interest expense and transaction costs (Jun-16: \$25 million, Dec-15: \$25 million) and Operating model restructuring costs (Jun-16: \$55 million, Dec-15: nil).

## Statement of financial position

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Assets</b>					
Cash and cash equivalents		1,798	1,203		
Receivables due from other banks		552	464		
Trading securities		1,497	1,119		
Derivatives		676	691		
Investment securities		23,384	25,025		
Loans and advances		54,134	52,673		
Premiums outstanding		2,522	2,366		
Reinsurance and other recoveries		1,900	2,204		
Deferred reinsurance assets		858	582		
Deferred acquisition costs		678	656		
Gross policy liabilities ceded under reinsurance		461	419		
Property, plant and equipment		183	180		
Deferred tax assets		205	176		
Goodwill and other intangible assets		5,878	5,845		
Other assets		1,022	842		
<b>Total assets</b>		<b>95,748</b>	<b>94,445</b>		
<b>Liabilities</b>					
Payables due to other banks		332	401		
Deposits and short-term borrowings		44,889	43,504		
Derivatives		628	478		
Amounts due to reinsurers		745	366		
Payables and other liabilities		1,843	1,362		
Current tax liabilities		65	14		
Unearned premium liabilities		4,870	4,687		
Outstanding claims liabilities		9,734	9,713		
Gross policy liabilities		2,912	5,699		
Deferred tax liabilities		110	109		
Managed funds units on issue		1,334	279		
Securitisation liabilities		2,535	3,144		
Debt issues		9,841	8,871		
Subordinated notes		1,389	1,423		
Preference shares		951	949		
<b>Total liabilities</b>		<b>82,178</b>	<b>80,999</b>		
<b>Net assets</b>		<b>13,570</b>	<b>13,446</b>		
<b>Equity</b>					
Share capital		12,679	12,675		
Reserves		198	185		
Retained profits		684	570		
<b>Total equity attributable to owners of the Company</b>		<b>13,561</b>	<b>13,430</b>		
Non-controlling interests		9	16		
<b>Total equity</b>		<b>13,570</b>	<b>13,446</b>		

## Insurance

### Result overview

### Outlook

PROFORMA TEMPLATE

## Profit contribution including discount rate movements and FSL

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>General Insurance</b>					
<b>Gross written premium</b>		4,007	3,796		
Gross unearned premium movement		(183)	77		
Gross earned premium		3,824	3,873		
Outwards reinsurance expense		(411)	(393)		
<b>Net earned premium</b>		3,413	3,480		
<b>Net incurred claims</b>					
Claims expense		(3,118)	(3,064)		
Reinsurance and other recoveries revenue		565	518		
<b>Net incurred claims</b>		(2,553)	(2,546)		
<b>Total operating expenses</b>					
Acquisition expenses		(452)	(454)		
Other underwriting expenses		(235)	(270)		
		(687)	(724)		
<b>Underwriting result</b>		173	210		
Investment income - insurance funds		143	93		
<b>Insurance trading result</b>		316	303		
Managed schemes net contribution		7	10		
Joint venture and other income		(2)	3		
<b>General Insurance operational earnings</b>		321	316		
Investment income - shareholder funds		56	24		
<b>General Insurance profit before tax and capital funding</b>		377	340		
Capital funding		(15)	(12)		
<b>General Insurance profit before tax</b>		362	328		
Income tax		(108)	(92)		
<b>General Insurance profit after tax</b>		254	236		
<b>Life Insurance</b>					
Underlying profit after tax		27	26		
Market adjustments		18	(3)		
<b>Life Insurance profit after tax</b>		45	23		
<b>Insurance profit after tax</b>		299	259		

## General Insurance ratios

	Half Year Ended		
	Dec-16 %	Jun-16 %	Dec-15 %
Acquisition expenses ratio		13.2	13.0
Other underwriting expenses ratio		6.9	7.8
Total operating expenses ratio		20.1	20.8
Loss ratio		74.8	73.2
Combined operating ratio		94.9	94.0
Insurance trading ratio		9.3	8.7

## Profit contribution excluding discount rate movements and FSL

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>General Insurance</b>					
<b>Gross written premium</b>		3,926	3,717		
Gross unearned premium movement		(178)	83		
Gross earned premium		3,748	3,800		
Outwards reinsurance expense		(411)	(393)		
<b>Net earned premium</b>		3,337	3,407		
<b>Net incurred claims</b>					
Claims expense		(2,947)	(3,035)		
Reinsurance and other recoveries revenue		565	518		
<b>Net incurred claims</b>		(2,382)	(2,517)		
<b>Total operating expenses</b>					
Acquisition expenses		(452)	(454)		
Other underwriting expenses		(159)	(197)		
		(611)	(651)		
<b>Underwriting result</b>		344	239		
Investment income - insurance funds		(28)	64		
<b>Insurance trading result</b>		316	303		
Managed schemes net contribution		7	10		
Joint venture and other income		(2)	3		
<b>General Insurance operational earnings</b>		321	316		
Investment income - shareholder funds		56	24		
<b>General Insurance profit before tax and capital funding</b>		377	340		
Capital funding		(15)	(12)		
<b>General Insurance profit before tax</b>		362	328		
Income tax		(108)	(92)		
<b>General Insurance profit after tax</b>		254	236		
<b>Life Insurance</b>					
Underlying profit after tax		27	26		
Market adjustments		18	(3)		
<b>Life Insurance profit after tax</b>		45	23		
<b>Insurance profit after tax</b>		299	259		

## General Insurance ratios

	Half Year Ended		Dec-15 %
	Dec-16 %	Jun-16 %	
Acquisition expenses ratio		13.5	13.3
Other underwriting expenses ratio		4.8	5.8
Total operating expenses ratio		18.3	19.1
Loss ratio		71.4	73.9
Combined operating ratio		89.7	93.0

## General Insurance

### Gross Written Premium

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Gross written premium by product</b>					
Motor		1,295	1,273		
Home		1,096	1,097		
Commercial		793	784		
Compulsory third party		648	567		
Worker Compensation and Other		175	75		
<b>Total</b>		<b>4,007</b>	<b>3,796</b>		

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Gross written premium by geography</b>					
Queensland		1,116	1,120		
New South Wales		1,364	1,254		
Victoria		863	824		
Western Australia		312	250		
South Australia		128	129		
Tasmania		81	81		
Other		143	138		
<b>Total</b>		<b>4,007</b>	<b>3,796</b>		

Motor

Home

Commercial

Compulsory Third Party (CTP)

Workers Compensation and other

## Net incurred claims

### Natural hazards

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

Date	Event	Net Costs \$M
Aug 2015	South Coast NSW and Sydney Storms	29
Sep 2015	NSW Central Coast Hail	21
Oct 2015	Fernvale Chinchilla Hail	41
Nov 2015	Sunnybank Hail	15
Nov 2015	Darling Downs Storms	23
Dec 2015	Kurnell Tornado	57
Dec 2015	Great Ocean Road Bushfire	34
Jan 2016	Newcastle and Hunter Heavy Rain	12
Jan 2016	South Sydney Storms	26
Jan 2016	East Australia Storms	74
Jun 2016	East Coast Low #1	109
Jun 2016	East Coast Low #2	9
	Other natural hazards attritional claims (Australia)	270
<b>Total</b>		<b>720</b>
	Less: allowance for natural hazards	(650)
	Natural hazards costs above allowance	70

## Outstanding claims provision breakdown

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

	Actual \$M	Net Central Estimate (Discounted) \$M	Risk Margin (90th Percentile Discounted) \$M	Change In Net Central Estimate <sup>(1)</sup> \$M
Short-tail	1,709	1,559	150	68
Long-tail	5,731	4,873	858	(416)
<b>Total</b>	<b>7,440</b>	<b>6,432</b>	<b>1,008</b>	<b>(348)</b>

(1) This column is equal to the closing central estimate for outstanding claims (before the impact of a change in interest rates) incurred before the opening balance sheet date, less the opening net central estimate for outstanding claims, plus payments and claims handling expenses, less investment income earned on the net central estimate. A negative sign (-) implies that there has been a release from outstanding reserves.

## Outstanding claims provisions over time

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
Gross outstanding claims liabilities		8,610	8,580		
Reinsurance and other recoveries		(1,170)	(1,404)		
<b>Net outstanding claims liabilities</b>		<b>7,440</b>	<b>7,176</b>		
Expected future claims payments and claims handling expenses		6,902	6,725		
Discount to present value		(470)	(558)		
Risk margin		1,008	1,009		
<b>Net outstanding claims liabilities</b>		<b>7,440</b>	<b>7,176</b>		
Short-tail		1,709	1,490		
Long-tail		5,731	5,686		
<b>Total</b>		<b>7,440</b>	<b>7,176</b>		

Risk margins

Operating expenses

Managed schemes

Joint venture and other income

Investment income

## Asset allocation

	Half Year Ended				Dec-16		Dec-16	
	Dec-16		Jun-16	Dec-15	vs Jun-16		vs Dec-15	
	\$M	%	\$M	\$M	%	%	%	
<b>Insurance funds</b>								
Cash and short-term deposits			220	119				
Inflation-linked bonds			1,816	2,190				
Corporate bonds			6,590	5,601				
Semi-Government bonds			631	788				
Commonwealth Government bonds			67	-				
<b>Total Insurance funds</b>			<b>9,324</b>	<b>8,698</b>				
<b>Shareholders' funds</b>								
Cash and short-term deposits			229	74				
Interest-bearing securities			1,734	2,034				
Equities			306	349				
Infrastructure and property			218	173				
<b>Total shareholders' funds</b>			<b>2,487</b>	<b>2,630</b>				
<b>Total</b>			<b>11,811</b>	<b>11,328</b>				

## Credit quality

AVERAGE	Dec-16		Jun-16	Dec-15
	%	%	%	%
AAA			37.9	38.9
AA			25.5	25.1
A			28.9	28.2
BBB			7.7	7.8
			<b>100.0</b>	<b>100.0</b>

## Duration

Duration	Dec-16		Jun-16	Dec-15
<b>Insurance funds</b>				
Interest rate duration (Yrs)			2.3	2.7
Credit spread duration (Yrs)			1.5	1.2
<b>Shareholders' funds</b>				
Interest rate duration (Yrs)			2.1	1.9
Credit spread duration (Yrs)			2.5	2.8

## Investment performance

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Investment income on insurance funds</b>					
Cash and short-term deposits		4	4		
Interest-bearing securities and other		139	89		
<b>Total</b>		<b>143</b>	<b>93</b>		
<b>Investment income on shareholder funds</b>					
Cash and short-term deposits		3	1		
Interest-bearing securities		52	13		
Equities		(4)	1		
Infrastructure and property		5	9		
<b>Total</b>		<b>56</b>	<b>24</b>		
<b>Total investment income</b>		<b>199</b>	<b>117</b>		

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## Life Insurance

### Profit contribution

	Half Year Ended			Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M		
Planned profit margin release <sup>(1)</sup>		8	7		
Experience		6	5		
Other and investments		13	14		
<b>Underlying profit after tax</b>		<b>27</b>	<b>26</b>		
Market adjustments <sup>(2)</sup>		18	(3)		
<b>Net profit after tax</b>		<b>45</b>	<b>23</b>		

<sup>(1)</sup> Planned profit margin release includes the unwind of policy liabilities which refers to the profit impact of changes in the value of policy liabilities due to the passing of time.

<sup>(2)</sup> Market adjustments consist of life risk policy discount rate changes, investment income experience and annuities market adjustments.

### Life Risk in-force annual premium by channel

	Half Year Ended			Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M		
Advised		652	642		
Direct via General Insurance brands		64	60		
Group and other		97	96		
<b>Total</b>		<b>813</b>	<b>798</b>		
<b>Total new business</b>		<b>36</b>	<b>38</b>		

### Market Adjustments

	Half Year Ended			Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M		
Life risk policy liability impact (DAC)		25	4		
Investment income experience		(7)	(7)		
<b>Total market adjustments</b>		<b>18</b>	<b>(3)</b>		

### Life Risk policy liability impact

### Investment income experience

## Life Insurance shareholder investment income

	Half Year Ended			Dec-16 vs Jun-16	Dec-16 vs Dec-15
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M	%	%
Shareholder investment income on invested assets		6	7		
Less underlying investment income:		(13)	(14)		
<b>Investment income experience</b>		<b>(7)</b>	<b>(7)</b>		

PROFORMA TEMPLATE

## Banking & Wealth

Result overview

Outlook

PROFORMA TEMPLATE

## Profit contribution

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Net interest income</b>		563	566		
<b>Net non-interest income</b>					
Net banking fee income and commission		32	35		
Gain on derivative and other financial instruments		2	2		
Other revenue		5	12		
<b>Total net non-interest income</b>		39	49		
<b>Total income</b>		602	615		
<b>Operating expenses</b>					
W		(171)	(181)		
Equipment and occupancy expenses		(49)	(52)		
Hardware, software and dataline expenses		(26)	(21)		
Advertising and promotion		(12)	(14)		
Office supplies, postage and printing		(17)	(15)		
Other		(38)	(43)		
<b>Total Operating expenses</b>		(313)	(326)		
<b>Profit before impairment losses on loans and advances</b>		289	289		
Impairment losses on loans and advances		(5)	(11)		
<b>Bank profit before tax</b>		284	278		
Income tax		(85)	(84)		
<b>Bank profit after tax</b>		199	194		
<b>Wealth profit after tax</b>		12	13		
<b>Bank &amp; Wealth profit after tax</b>		211	207		

## Bank ratios and statistics

	Half Year Ended		
	Dec-16 %	Jun-16 %	Dec-15 %
Lending growth (annualised)		5.43	3.58
Net interest margin (interest-earning assets)		1.86	1.85
Cost to income ratio		51.99	53.01
Impairment losses to gross loans and advances (annualised)		0.02	0.04
Common Equity Tier 1		9.21	9.45
Return on Common Equity Tier 1		13.3	13.1
Deposit to loan ratio		66.7	66.1

## Bank

### Loans and advances

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Housing loans		37,704	36,691		
Securitised housing loans and covered bonds		6,548	6,355		
<b>Total housing loans</b>		<b>44,252</b>	<b>43,046</b>		
Consumer loans		312	345		
Retail loans		44,564	43,391		
Commercial (SME)		5,356	5,203		
Agribusiness		4,360	4,258		
<b>Total Business loans</b>		<b>9,716</b>	<b>9,461</b>		
<b>Total lending</b>		<b>54,280</b>	<b>52,852</b>		
Other loans		18	-		
<b>Gross loans and advances</b>		<b>54,298</b>	<b>52,852</b>		
Provision for impairment		(164)	(179)		
<b>Total loans and advances</b>		<b>54,134</b>	<b>52,673</b>		
<b>Credit-risk weighted assets</b>		<b>26,444</b>	<b>25,613</b>		
<b>Geographical breakdown - Total lending</b>					
Queensland		29,132	28,735		
New South Wales		13,808	13,162		
Victoria		5,499	5,295		
Western Australia		3,747	3,660		
South Australia and other		2,094	2,000		
Outside of Queensland loans		25,148	24,117		
<b>Total lending</b>		<b>54,280</b>	<b>52,852</b>		

### Total lending

### Retail loans

## Commercial (SME)

### Commercial (SME) portfolio breakdown

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

	QLD %	NSW %	Other %	Total %	Total \$M
<b>Commercial (SME) breakdown</b>					
Property Investment	27%	4%	4%	35%	1,875
Hospitality & Accommodation	14%	1%	0%	15%	803
Construction & Development	7%	0%	1%	8%	428
Services (Inc. professional services)	10%	5%	3%	18%	964
Retail	5%	1%	1%	7%	375
Manufacturing & Mining	3%	1%	1%	5%	268
Other	9%	2%	1%	12%	643
<b>Total %</b>	<b>75%</b>	<b>14%</b>	<b>11%</b>	<b>100%</b>	
<b>Total \$M</b>	<b>4,017</b>	<b>750</b>	<b>589</b>		<b>5,356</b>

## Agribusiness

### Agribusiness portfolio breakdown

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

	QLD %	NSW %	Other %	Total %	Total \$M
<b>Agribusiness breakdown</b>					
Beef	27%	2%	0%	29%	1,302
Grain & Mixed Farming	11%	17%	3%	31%	1,340
Sheep & Mixed Livestock	5%	4%	1%	10%	431
Cotton	4%	4%	0%	8%	344
Sugar	3%	0%	0%	3%	133
Fruit	3%	0%	0%	3%	131
Other	8%	2%	6%	16%	679
<b>Total %</b>	<b>61%</b>	<b>29%</b>	<b>10%</b>	<b>100%</b>	
<b>Total \$M</b>	<b>2,663</b>	<b>1,271</b>	<b>426</b>		<b>4,360</b>

## Bank funding composition

	Half Year Ended		Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16
	\$M	\$M	\$M	%
<b>Customer funding</b>				
<i>Customer deposits</i>				
At-call deposits		17,758	18,109	
Term deposits		18,471	16,809	
<b>Total customer funding</b>		<b>36,229</b>	<b>34,918</b>	
<b>Wholesale funding</b>				
<i>Domestic funding</i>				
Short-term wholesale		6,511	6,571	
Long-term wholesale		3,588	3,592	
Covered bonds		3,149	2,648	
Subordinated notes		742	742	
<b>Total domestic funding</b>		<b>13,990</b>	<b>13,553</b>	
<i>Overseas funding<sup>(1)</sup></i>				
Short-term wholesale		2,681	2,533	
Long-term wholesale		3,123	2,651	
<b>Total overseas funding</b>		<b>5,804</b>	<b>5,184</b>	
<b>Total wholesale funding</b>		<b>19,794</b>	<b>18,737</b>	
<b>Total funding (excluding securitisation)</b>		<b>56,023</b>	<b>53,655</b>	
<b>Securitisation</b>				
APS 120 qualifying <sup>(2)</sup>		2,345	2,911	
APS 120 non-qualifying		199	243	
<b>Total securitisation</b>		<b>2,544</b>	<b>3,154</b>	
<b>Total funding (including securitisation)</b>		<b>58,567</b>	<b>56,809</b>	
<b>Total funding is represented on the balance sheet by:</b>				
Deposits		36,229	34,918	
Short-term borrowings		9,192	9,104	
Securitisation		2,544	3,154	
Debt issues		9,860	8,891	
Subordinated notes		742	742	
<b>Total funding</b>		<b>58,567</b>	<b>56,809</b>	
<b>Deposit to loan ratio</b>		<b>66.7%</b>	<b>66.1%</b>	

(1) Foreign currency borrowings are hedged back into Australian dollars.

(2) Qualifies for capital relief under APS120.

## Funding

Customer funding

Liquidity Coverage Ratio (LCR)

Net Stable Funding Ratio (NSFR)

Wholesale funding

Wholesale funding instruments maturity portfolio

	Short-term	Long-term	Dec-16	Jun-16	Dec-15	Dec-16 vs Jun-16	Dec-16 vs Dec-15
	\$M	\$M	\$M	\$M	\$M	%	%
<b>Maturity</b>							
0 to 3 months				8,063	7,230		
3 to 6 months				3,336	3,481		
6 to 12 months				1,832	2,232		
1 to 3 years				4,459	4,695		
3+ years				4,648	4,253		
<b>Total wholesale funding instruments</b>				<b>22,338</b>	<b>21,891</b>		

Net interest income

Average banking balance sheet

	Half Year Ended Dec-16			Half Year Ended Jun-16		
	Average Balance	Interest	Average Balance	Average Balance	Interest	Average Balance
	\$M	\$M	%	\$M	\$M	%
<b>Assets</b>						
<b>Interest-earning assets</b>						
Trading and investment securities <sup>(1)</sup>				7,846	119	3.05
Gross loans and advances				52,898	1,190	4.52
<b>Total interest-earning assets</b>				<b>60,744</b>	<b>1,309</b>	<b>4.33</b>
<b>Non-interest earning assets</b>						
Other assets (inc. loan provisions)				1,056		
<b>Total non-interest earning assets</b>				<b>1,056</b>		
<b>Total assets</b>				<b>61,800</b>		
<b>Liabilities</b>						
<b>Interest-bearing liabilities</b>						
Customer deposits				34,749	380	2.20
Wholesale liabilities				21,591	348	3.24
Subordinated loans				742	18	4.88
<b>Total interest-bearing liabilities</b>				<b>57,082</b>	<b>746</b>	<b>2.63</b>
<b>Non-interest bearing liabilities</b>						
Other liabilities				730		
<b>Total non-interest bearing liabilities</b>				<b>730</b>		
<b>Total liabilities</b>				<b>57,812</b>		
<b>Average Shareholders' equity</b>				<b>3,988</b>		
Non-Shareholder accounting equity				(13)		
Convertible preference shares				(450)		
Average Shareholders' equity				3,525		
Goodwill allocated to banking business				(240)		
<b>Average Shareholders' equity (ex goodwill)</b>				<b>3,285</b>		
<b>Analysis of interest margin and spread</b>						
Interest-earning assets				60,744	1,309	4.33
Interest-bearing liabilities				57,082	746	2.63
<b>Net interest spread</b>						<b>1.70</b>
<b>Net interest margin (interest-earning assets)</b>				60,744	563	<b>1.86</b>
<b>Net interest margin (lending assets)</b>				52,898	563	<b>2.14</b>

(1) Includes interest on cash and receivables due from other banks.

## Net non-interest income

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Net banking fee income and commission		32	35		
Gain on derivative and other financial instruments		2	2		
Other income		5	12		
<b>Total net non-interest income</b>		<b>39</b>	<b>49</b>		

## Operating expenses

### Impairment losses on loans and advances

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Collective provision for impairment		(11)	(7)		
Specific provision for impairment		16	16		
Actual net write-offs		-	2		
		<b>5</b>	<b>11</b>		
<b>Impairment losses to gross loans and advances (annualised)</b>		<b>0.02%</b>	<b>0.04%</b>		

### Impaired assets

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Retail lending		27	25		
Agribusiness lending		117	109		
Commercial/SME lending		62	42		
<b>Gross impaired assets</b>		<b>206</b>	<b>176</b>		
Specific provision for impairment		(56)	(60)		
<b>Net impaired assets</b>		<b>150</b>	<b>116</b>		
<b>Gross impaired assets to gross loans and advances</b>		<b>0.38%</b>	<b>0.33%</b>		

## Non-performing loans

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Gross balances of individually impaired loans</b>					
Gross impaired assets		206	176		
Specific provision for impairment		(56)	(60)		
<b>Net impaired assets</b>		150	116		
<b>Size of gross individually impaired assets</b>					
Less than one million		22	20		
Greater than one million but less than ten million		117	100		
Greater than ten million		67	56		
		206	176		
<b>Past due loans not shown as impaired assets</b>		404	381		
<b>Gross non-performing loans</b>		610	557		
<b>Analysis of movements in gross individually impaired assets</b>					
Balance at the beginning of the half year		176	218		
Recognition of new impaired assets		86	48		
Increases in previously recognised impaired assets		4	2		
Impaired assets written off/sold during the half year		(18)	(35)		
Impaired assets which have been reclassified as performing assets or repaid		(42)	(57)		
<b>Balance at the end of the half year</b>		<b>206</b>	<b>176</b>		

## Provision for impairment

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Collective provision</b>					
Balance at the beginning of the period		119	126		
Charge against impairment losses		(11)	(7)		
Balance at the end of the period		108	119		
<b>Specific provision</b>					
Balance at the beginning of the period		60	82		
Charge against impairment losses		16	16		
Impairment provision written off		(18)	(35)		
Unwind of discount		(2)	(3)		
Balance at the end of the period		56	60		
<b>Total provision for impairment - Banking activities</b>		164	179		
<b>Equity reserve for credit loss (ERCL)</b>					
Balance at the beginning of the period		96	146		
Transfer (to) from retained earnings		(11)	(50)		
Balance at the end of the period		85	96		
Pre-tax equivalent coverage		121	137		
<b>Total provision for impairment and equity reserve for credit loss - Banking activities</b>		285	316		
		%	%		
<b>Specific provision for impairment expressed as a percentage of gross impaired assets</b>		27.2	34.1		
<b>Provision for impairment expressed as a percentage of gross loans and advances are as follows:</b>					
Collective provision		0.20	0.23		
Specific provision		0.10	0.11		
Total provision		0.30	0.34		
ERCL coverage		0.22	0.26		
Total provision and ERCL coverage		0.52	0.60		

## Gross non-performing loans coverage by portfolio

## Wealth

### Wealth profit contribution

	Half Year Ended		Dec-15	Dec-16	Dec-16
	Dec-16	Jun-16		vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Planned profit margin		13	10		
Experience profits		(2)	-		
Underlying investment income		5	6		
<b>Underlying profit after tax</b>		<b>16</b>	<b>16</b>		
Market adjustments		(7)	(1)		
Investment income experience		3	(2)		
<b>Profit attributed to shareholder</b>		<b>12</b>	<b>13</b>		

### Funds under management and administration

	Half Year Ended		Dec-15	Dec-16	Dec-16
	Dec-16	Jun-16		vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Funds under management and administration</b>					
Opening balance at the start of the period		7,424	7,412		
Net inflows (outflows)		(85)	(46)		
Investment income and other		113	58		
<b>Balance at the end of the period</b>		<b>7,452</b>	<b>7,424</b>		
<b>New business</b>		<b>172</b>	<b>213</b>		

## New Zealand

Result overview

Outlook

PROFORMA TEMPLATE

Profit contribution (AU\$)

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>General Insurance</b>					
<b>Gross written premium</b>		<b>607</b>	<b>621</b>		
Gross unearned premium movement		9	(26)		
Gross earned premium		616	595		
Outwards reinsurance expense		(83)	(83)		
<b>Net earned premium</b>		<b>533</b>	<b>512</b>		
<b>Net incurred claims</b>					
Claims expense		(387)	(431)		
Reinsurance and other recoveries revenue		101	155		
<b>Net incurred claims</b>		<b>(286)</b>	<b>(276)</b>		
<b>Total operating expenses</b>					
Acquisition expenses		(120)	(120)		
Other underwriting expenses		(50)	(48)		
<b>Total operating expenses</b>		<b>(170)</b>	<b>(168)</b>		
<b>Underwriting result</b>		<b>77</b>	<b>68</b>		
Investment income - insurance funds		12	6		
<b>Insurance trading result</b>		<b>89</b>	<b>74</b>		
Joint venture and other income		1	-		
<b>General Insurance operational earnings</b>		<b>90</b>	<b>74</b>		
Investment income - shareholder funds		11	10		
<b>General Insurance profit before tax</b>		<b>101</b>	<b>84</b>		
Income tax		(28)	(23)		
<b>General Insurance profit after tax</b>		<b>73</b>	<b>61</b>		
<b>Life Insurance</b>					
Underlying profit after tax		23	16		
Market adjustments		9	1		
<b>Life Insurance profit after tax</b>		<b>32</b>	<b>17</b>		
<b>New Zealand profit after tax</b>		<b>105</b>	<b>78</b>		

General Insurance ratios

	Dec-16 %	Jun-16 %	Dec-15 %
Acquisition expenses ratio		22.5	23.4
Other underwriting expenses ratio		9.4	9.4
Total operating expenses ratio		31.9	32.8
Loss ratio		53.7	53.9
Combined operating ratio		85.6	86.7
<b>Insurance trading ratio</b>		<b>16.7</b>	<b>14.5</b>

## Profit contribution (NZ\$)

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>General Insurance</b>					
<b>Gross written premium</b>		<b>658</b>	<b>681</b>		
Gross unearned premium movement		9	(28)		
Gross earned premium		667	653		
Outwards reinsurance expense		(90)	(91)		
<b>Net earned premium</b>		<b>577</b>	<b>562</b>		
<b>Net incurred claims</b>					
Claims expense		(415)	(475)		
Reinsurance and other recoveries revenue		106	172		
<b>Net incurred claims</b>		<b>(309)</b>	<b>(303)</b>		
<b>Total operating expenses</b>					
Acquisition expenses		(132)	(131)		
Other underwriting expenses		(54)	(52)		
<b>Total operating expenses</b>		<b>(186)</b>	<b>(183)</b>		
<b>Underwriting result</b>		<b>82</b>	<b>76</b>		
Investment income - insurance funds		13	7		
<b>Insurance trading result</b>		<b>95</b>	<b>83</b>		
Joint venture and other income		1	-		
<b>General Insurance operational earnings</b>		<b>96</b>	<b>83</b>		
Investment income - shareholder funds		13	10		
<b>General Insurance profit before tax</b>		<b>109</b>	<b>93</b>		
Income tax		(30)	(25)		
<b>General Insurance profit after tax</b>		<b>79</b>	<b>68</b>		
<b>Life Insurance</b>					
Underlying profit after tax		25	17		
Market adjustments		9	2		
<b>Life Insurance profit after tax</b>		<b>34</b>	<b>19</b>		
<b>New Zealand profit after tax</b>		<b>113</b>	<b>87</b>		

## General Insurance ratios

	Half Year Ended		Dec-15 %
	Dec-16 %	Jun-16 %	
Acquisition expenses ratio		22.9	23.3
Other underwriting expenses ratio		9.4	9.3
Total operating expenses ratio		32.3	32.6
Loss ratio		53.6	53.9
Combined operating ratio		85.9	86.5
<b>Insurance trading ratio</b>		<b>16.5</b>	<b>14.8</b>

## General Insurance

### Gross Written Premium

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Gross written premium by product</b>					
Motor		163	154		
Home		219	208		
Commercial		252	295		
Other		24	24		
<b>Total</b>		<b>658</b>	<b>681</b>		

Motor

Home

Commercial

Other

## Net incurred claims

### Natural hazards

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

DATE	EVENT	Net Costs \$M
July 15	Heavy Rain Upper North Island and Storm Conditions North Island	3
Feb 16	NZ South Island Earthquake	3
	Other CAT events	5
<b>Total</b>		<b>11</b>
	Less: allowance for natural hazards	(21)
	Natural hazards costs above/(below) allowance	(11)

## Outstanding claims provision breakdown

\*The below table contains data as at 30 June 2016. It will be updated to reflect information for the six months ending 31 December 2016 in the HY17 Analyst Pack.

	Actual \$M	Net Central Estimate (Discounted) \$M	Risk Margin (90TH Percentile Discounted) \$M	Change In Net Central Estimate <sup>(1)</sup> \$M
Short-tail	196	172	24	(4)
Long-tail	88	67	21	4
<b>Total</b>	<b>284</b>	<b>239</b>	<b>45</b>	<b>(0)</b>

(1) This column is equal to the closing central estimate for outstanding claims (before the impact of a change in interest rates) incurred before the opening balance sheet date, less the opening net central estimate for outstanding claims, plus payments and claims handling expenses, less investment income earned on the net central estimate. A negative sign (–) implies that there has been a release from outstanding reserves.

## Outstanding claims provisions over time

The net outstanding claims liabilities are also shown by major class of insurance business.

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
Gross outstanding claims liabilities		855	959		
Reinsurance and other recoveries		(571)	(673)		
<b>Net outstanding claims liabilities</b>		<b>284</b>	<b>286</b>		
Expected future claims payments and claims handling expenses		245	252		
Discount to present value		(6)	(10)		
Risk margin		45	44		
<b>Net outstanding claims liabilities</b>		<b>284</b>	<b>286</b>		
Short-tail		196	207		
Long-tail		88	79		
<b>Total</b>		<b>284</b>	<b>286</b>		

## Risk margins

## Operating expenses

## Asset allocation

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Insurance funds</b>					
Cash and short-term deposits		154	145		
Corporate bonds		330	315		
Local government bonds		57	56		
Government bonds		5	5		
<b>Total Insurance funds</b>		<b>546</b>	<b>521</b>		
<b>Shareholders' funds</b>					
Cash and short-term deposits		56	53		
Interest-bearing securities		206	231		
Equities		118	100		
<b>Total shareholders' funds</b>		<b>380</b>	<b>384</b>		
<b>Total</b>		<b>926</b>	<b>905</b>		

## Credit quality

AVERAGE	Dec-16 %	Jun-16 %	Dec-15 %
AAA		8.6	9.1
AA		62.9	60.6
A		26.3	27.7
BBB		2.2	2.6
		<b>100.0</b>	<b>100.0</b>

## Duration

	Dec-16	Jun-16	Dec-15
<b>Insurance funds</b>			
Interest rate duration (Yrs)		1.4	1.4
<b>Shareholders' funds</b>			
Interest rate duration (Yrs)		2.6	2.5

## Investment performance

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Investment income on insurance funds</b>					
Cash and short-term deposits		2	2		
Interest-bearing securities and other		11	5		
<b>Total</b>		<b>13</b>	<b>7</b>		
<b>Investment income on shareholder funds</b>					
Cash and short-term deposits		1	2		
Interest-bearing securities		7	4		
Equities		5	4		
<b>Total</b>		<b>13</b>	<b>10</b>		
<b>Total investment income</b>		<b>26</b>	<b>17</b>		

PROFORMA TEMPLATE

## Life Insurance

### Profit contribution

	Half Year Ended			Dec-16 vs Jun-16	Dec-16 vs Dec-15
	Dec-16	Jun-16	Dec-15		
<b>Life New Zealand</b>	\$M	\$M	\$M	%	%
Planned profit margin		16	16		
Experience		3	(4)		
Other and investments		6	5		
<b>Underlying profit after tax</b>		<b>25</b>	<b>17</b>		
<b>Market adjustments</b>		<b>9</b>	<b>2</b>		
<b>Net profit after tax</b>		<b>34</b>	<b>19</b>		

### Life Risk in-force annual premium by channel

	Half Year Ended			Dec-16 vs Jun-16	Dec-16 vs Dec-15
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M	%	%
Advised		185	179		
Direct		38	37		
Group and other		6	6		
<b>Total</b>		<b>229</b>	<b>222</b>		
<b>Total new business</b>		<b>12</b>	<b>13</b>		

### Funds under management and administration

	Half Year Ended			Dec-16 vs Jun-16	Dec-16 vs Dec-15
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M	%	%
<b>Funds under management and administration</b>					
Opening balance at the start of the period		751	750		
Net inflows (outflows)		(6)	1		
Investment income and other					
<b>Balance at the end of the period</b>		<b>745</b>	<b>751</b>		

### Operating expenses

## Market adjustments

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Life risk policy liability impact		6	1		
Investment income experience		4	1		
Annuities market adjustments		(1)	-		
<b>Total market adjustments</b>		<b>9</b>	<b>2</b>		

## Life Risk policy liability impact

## Investment income experience

## Shareholder investment income

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Shareholder investment income on invested assets		7	4		
Less underlying investment income:		(3)	(3)		
<b>Investment income experience</b>		<b>4</b>	<b>1</b>		

## Group Capital

## Investments

### Investment strategy and arrangements

### Investment markets commentary

The key market metrics for the year are in the table below:

Investment Variables	Dec-16	Jun-16	Dec-16 vs Jun-16
3 year bond yield		1.55	
10 year bond yield		1.98	
10 year breakeven inflation rate		1.57	
AA 3 year credit spreads		119	
Semi-government spreads		35	
Australian fixed interest (Bloomberg composite index)		8,987	
Australian equities (total return)		48,872	
International equities (hedged total return)		1,235	

## Suncorp Group Limited

(Pre-tax)	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Investment income</b>					
Cash and short-term deposits		3	3		
Interest-bearing securities and other		8	4		
<b>Total</b>		<b>11</b>	<b>7</b>		

## Dividends

The Group's franking credit balance is set out below.

Franking credits	Half Year Ended		Dec-15 \$M
	Dec-16 \$M	Jun-16 \$M	
Franking credits available for subsequent financial periods based on a tax rate of 30% after proposed dividends		146	156

## Income tax

	Half Year Ended		Dec-15 \$M
	Dec-16 \$M	Jun-16 \$M	
<b>Reconciliation of prima facie income tax expense to actual tax expense:</b>			
<b>Profit before tax</b>		748	759
<b>Prima facie domestic corporation tax rate of 30% (2015: 30%)</b>		224	228
Effect of tax rates in foreign jurisdiction		(3)	(2)
Effect of income taxed at non-corporate tax rate - Life		1	3
<b>Tax effect of amounts not deductible (assessable) in calculating taxable income:</b>			
Non-deductible expenses		7	7
Non-deductible expenses - Life		11	-
Amortisation of intangible assets		3	3
Dividend adjustments		7	2
Tax exempt revenues		(2)	-
Current year rebates and credits		(25)	(6)
Prior year under/over provision		4	(7)
Other		9	(2)
<b>Total income tax expense (Credit) on pre-tax profit</b>		236	226
<b>Effective tax rate</b>		31.6%	29.8%
<b>Income tax expense recognised in profit consists of:</b>			
<b>Current tax expense</b>			
Current tax movement		258	265
Current year rebates and credits		(1)	(30)
Adjustments for prior financial years		4	(37)
<b>Total current tax expense</b>		261	198
<b>Deferred tax expense</b>			
Origination and reversal of temporary differences		(25)	(2)
Adjustments for prior financial years		-	30
<b>Total deferred tax expense</b>		(25)	28
<b>Total income tax expense</b>		236	226
<b>Income tax expense (benefit) by business unit</b>			
Insurance		128	102
Banking & Wealth		90	89
New Zealand		42	30
Other		(24)	5
<b>Total income tax expense</b>		236	226

## Reinsurance

## Appendix 1 – Consolidated statement of comprehensive income and financial position

### Consolidated statement of comprehensive income

This consolidated statement of comprehensive income presents revenue and expense categories that are reported for statutory purposes.

	Half Year Ended				
	Dec-16	Jun-16	Dec-15	Dec-16	Dec-16
	\$M	\$M	\$M	vs Jun-16	vs Dec-15
				%	%
<b>Revenue</b>					
Insurance premium income		4,937	4,962		
Reinsurance and other recoveries income		829	792		
Interest income on					
- financial assets not at fair value through profit or loss		1,298	1,324		
- financial assets at fair value through profit or loss		308	298		
Dividend and trust distribution income		50	121		
Fees and other income		268	300		
<b>Total revenue</b>		<b>7,690</b>	<b>7,797</b>		
<b>Expenses</b>					
Claims expense and movement in policyowner liabilities		(3,737)	(3,824)		
Outwards reinsurance premium expense		(631)	(589)		
Underwriting and policy maintenance expenses		(1,139)	(1,195)		
Interest expense on					
- financial liabilities not at fair value through profit or loss		(737)	(756)		
- financial liabilities at fair value through profit or loss		(46)	(48)		
Net losses on financial assets and liabilities not at fair value through profit or loss		(27)	(133)		
Impairment loss on loans and advances		(5)	(11)		
Amortisation and depreciation expense		(94)	(71)		
Fees, overheads and other expenses		(526)	(411)		
<b>Total expenses</b>		<b>(6,942)</b>	<b>(7,038)</b>		
<b>Profit before tax</b>		<b>748</b>	<b>759</b>		
Income tax expense		(236)	(226)		
<b>Profit for the period</b>		<b>512</b>	<b>533</b>		
<b>Other comprehensive income</b>					
<b>Items that will be reclassified subsequently to profit or loss</b>					
Net change in fair value of cash flow hedges		5	21		
Net change in fair value of available-for-sale financial assets		1	(3)		
Exchange differences on translation of foreign operations		19	56		
Income tax expense		(1)	(6)		
		24	68		
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Actuarial gains/(losses) on defined benefit plans		(10)	-		
Income tax on other comprehensive income		3	-		
		(7)	-		
<b>Total other comprehensive income</b>		<b>17</b>	<b>68</b>		
<b>Total comprehensive income for the period</b>		<b>529</b>	<b>601</b>		
<b>Profit for the period attributable to:</b>					
Owners of the Company		508	530		
Non-controlling interests		4	3		
<b>Profit for the period</b>		<b>512</b>	<b>533</b>		
<b>Total comprehensive income for the period attributable to:</b>					
Owners of the Company		525	598		
Non-controlling interests		4	3		
<b>Total comprehensive income for the period</b>		<b>529</b>	<b>601</b>		

### Consolidated statement of financial position

## Appendix 1 – Consolidated statement of comprehensive income and financial position (continued)

## SGL statement of financial position

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Current assets</b>					
Cash and cash equivalents		2	2		
Financial assets designated at fair value through profit and loss		520	510		
Due from related parties		140	84		
Other assets		3	5		
<b>Total current assets</b>		<b>665</b>	<b>601</b>		
<b>Non-current assets</b>					
Investment in subsidiaries		13,909	13,905		
Due from related parties		770	770		
Deferred tax assets		6	6		
Other assets		79	83		
<b>Total non-current assets</b>		<b>14,764</b>	<b>14,764</b>		
<b>Total assets</b>		<b>15,429</b>	<b>15,365</b>		
<b>Current liabilities</b>					
Payables and other liabilities		7	9		
Current tax liabilities		62	13		
Due to related parties		31	20		
<b>Total current liabilities</b>		<b>100</b>	<b>42</b>		
<b>Non-current liabilities</b>					
Subordinated notes		765	763		
Preference shares		951	949		
<b>Total non-current liabilities</b>		<b>1,716</b>	<b>1,712</b>		
<b>Total liabilities</b>		<b>1,816</b>	<b>1,754</b>		
<b>Net assets</b>		<b>13,613</b>	<b>13,611</b>		
<b>Equity</b>					
Share capital		12,776	12,775		
Reserves		-	-		
Retained profits		837	836		
<b>Total equity</b>		<b>13,613</b>	<b>13,611</b>		

## SGL profit contribution

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Revenue</b>					
Dividend and interest income from subsidiaries		425	594		
Interest and trust distribution income on financial assets at fair value through profit or loss		11	7		
Other income		2	2		
<b>Total revenue</b>		<b>438</b>	<b>603</b>		
<b>Expenses</b>					
Interest expense on financial liabilities at amortised cost		(45)	(44)		
Operating expenses		(3)	(2)		
<b>Total expenses</b>		<b>(48)</b>	<b>(46)</b>		
<b>Profit before income tax</b>		<b>390</b>	<b>557</b>		
Income tax expense		(2)	(2)		
<b>Profit for the period</b>		<b>388</b>	<b>555</b>		

## Appendix 2 – Ratio calculations

### Ratios and statistics

	Half Year Ended		Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Dec-15
				%
<b>Performance ratios</b>				
Earnings per share <sup>(1)</sup>				
Basic	(cents)	39.73	41.45	
Diluted	(cents)	39.02	40.56	
Cash earnings per share <sup>(1)</sup>				
Basic	(cents)	41.69	43.49	
Diluted	(cents)	40.86	42.47	
Return on average shareholders' equity <sup>(1)</sup>	(%)	7.7	7.9	
Cash return on average shareholders' equity <sup>(1)</sup>	(%)	8.1	8.3	
Return on average total assets	(%)	1.07	1.11	
Insurance trading ratio	(%)	10.3	9.4	
Underlying insurance trading ratio	(%)	11.0	10.1	
Bank net interest margin (interest-earning assets)	(%)	1.86	1.85	
<b>Shareholder summary</b>				
Ordinary dividends per ordinary share	(cents)	38.0	30.0	
Special dividends per ordinary share	(cents)	-	-	
Payout ratio (excluding special dividend) <sup>(1)</sup>				
Net profit after tax	(%)	95.7	72.4	
Cash earnings	(%)	91.2	69.0	
Payout ratio (including special dividend) <sup>(1)</sup>				
Net profit after tax	(%)	95.7	72.4	
Cash earnings	(%)	91.2	69.0	
Weighted average number of shares				
Basic	(million)	1,278.6	1,278.5	
Diluted	(million)	1,358.2	1,358.5	
Number of shares at end of period	(million)	1,278.7	1,278.3	
Net tangible asset backing per share	(\$)	6.02	5.95	
Share price at end of period	(\$)	12.18	12.14	
<b>Productivity</b>				
General Insurance expense ratio	(%)	21.7	22.4	
Bank cost to income ratio	(%)	52.0	53.0	
<b>Financial position</b>				
Total assets	(\$ million)	95,748	94,445	
Net tangible assets	(\$ million)	7,692	7,601	
Net assets	(\$ million)	13,570	13,446	
Average Shareholders' Equity	(\$ million)	13,303	13,261	
<b>Capital</b>				
General Insurance Group PCA coverage	(times)	1.67	1.73	
Bank capital adequacy ratio - Total	(%)	13.53	13.97	
Bank Common Equity Tier 1 ratio	(%)	9.21	9.45	
Suncorp Life total capital	(\$ million)	567	541	
Additional capital held by Suncorp Group Limited	(\$ million)	148	243	

<sup>(1)</sup> Refer to Appendix 11 for definitions.

## Appendix 2 – Ratio calculations (continued)

## Earnings per share

## Numerator

	Half Year Ended		
	Dec-16	Jun-16	Dec-15
	\$M	\$M	\$M
<b>Earnings:</b>			
Profit attributable to ordinary equity holders of the company (basic)		508	530
Interest expense on convertible preference shares (net of tax)		22	21
Profit attributable to ordinary equity holders of the company (diluted)		530	551

## Denominator

	Half Year Ended		
	Dec-16	Jun-16	Dec-15
	No. of Shares	No. of Shares	No. of Shares
<b>Weighted average number of shares:</b>			
Weighted average number of ordinary shares (basic)		1,278,551,701	1,278,526,717
Effect of conversion of convertible preference shares		79,666,795	79,932,669
Weighted average number of ordinary shares (diluted)		1,358,218,496	1,358,459,386

## Cash earnings per share

## Numerator

	Half Year Ended		
	Dec-16	Jun-16	Dec-15
	\$M	\$M	\$M
<b>Earnings:</b>			
Cash Profit attributable to ordinary equity holders of the company (basic)		533	556
Interest expense on convertible preference shares (net of tax)		22	21
Cash Profit attributable to ordinary equity holders of the company (diluted)		555	577

## Denominator

	Half Year Ended		
	Dec-16	Jun-16	Dec-15
	No. of Shares	No. of Shares	No. of Shares
<b>Weighted average number of shares:</b>			
Weighted average number of ordinary shares (basic)		1,278,551,701	1,278,526,717
Effect of conversion of convertible preference shares		79,666,795	79,932,669
Weighted average number of ordinary shares (diluted)		1,358,218,496	1,358,459,386

## Appendix 2 – Ratio calculations (continued)

### ASX listed securities

	Half Year Ended		
	Dec-16	Jun-16	Dec-15
<b>Ordinary shares (SUN) each fully paid</b>			
Number at the end of the period		1,286,600,980	1,286,600,980
Dividend declared for the period (cents per share)		38	30
<b>Convertible preference shares (SUNPC) each fully paid</b>			
Number at the end of the period		5,600,000	5,600,000
Dividend declared for the period (\$ per share) <sup>(1)</sup>		2.42	2.41
<b>Convertible preference shares (SUNPE) each fully paid</b>			
Number at the end of the period		4,000,000	4,000,000
Dividend declared for the period (\$ per share) <sup>(1)</sup>		1.98	1.98
<b>Subordinated Notes (SUNPD)</b>			
Number at the end of the period		7,700,000	7,700,000
Interest per note		2.48	2.51
<b>Floating Rate Capital Notes (SBKHB)</b>			
Number at the end of the period		715,383	715,383
Interest per note		1.44	1.48

<sup>(1)</sup> Classified as interest expense.

## Appendix 3 – Underlying ITR

	Dec-16 \$M	Jun-16 \$M	Dec-15 \$M
<b>Reported ITR</b>		<b>405</b>	<b>377</b>
Reported reserve releases (above) below long-run expectations		(151)	(77)
Natural hazards above (below) long-run allowances		32	28
Investment income mismatch		148	59
Other:			
Risk margin		(43)	(7)
Abnormal (Simplification/restructuring) expenses		43	24
<b>Underlying ITR</b>		<b>434</b>	<b>404</b>
<b>Underlying ITR ratio</b>		<b>11.0%</b>	<b>10.1%</b>

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## Appendix 4 – General Insurance ITR Split

### Personal Insurance

	Half Year Ended			Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M		
Gross written premium		2,404	2,383		
Net earned premium		2,098	2,144		
Net incurred claims		(1,609)	(1,610)		
Acquisition expenses		(244)	(243)		
Other underwriting expenses		(125)	(153)		
Total operating expenses		(369)	(396)		
<b>Underwriting result</b>		120	138		
Investment income - insurance funds		(12)	11		
<b>Insurance trading result</b>		108	149		
		%	%		%
<b>Ratios</b>					
Acquisition expenses ratio		11.6	11.3		
Other underwriting expenses ratio		6.0	7.1		
Total operating expenses ratio		17.6	18.4		
Loss ratio		76.7	75.1		
Combined operating ratio		94.3	93.5		
Insurance trading ratio		5.1	6.9		

### Commercial Insurance

	Half Year Ended			Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M		
Gross written premium		1,603	1,413		
Net earned premium		1,315	1,336		
Net incurred claims		(944)	(936)		
Acquisition expenses		(208)	(211)		
Other underwriting expenses		(110)	(117)		
Total operating expenses		(318)	(328)		
<b>Underwriting result</b>		53	72		
Investment income - insurance funds		155	82		
<b>Insurance trading result</b>		208	154		
		%	%		%
<b>Ratios</b>					
Acquisition expenses ratio		15.8	15.8		
Other underwriting expenses ratio		8.4	8.8		
Total operating expenses ratio		24.2	24.6		
Loss ratio		71.8	70.1		
Combined operating ratio		96.0	94.7		
Insurance trading ratio		15.8	11.5		

## Appendix 4 – General Insurance ITR Split (continued)

### New Zealand (AU\$)

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
Gross written premium		607	621		
Net earned premium		533	512		
Net incurred claims		(286)	(276)		
Acquisition expenses		(120)	(120)		
Other underwriting expenses		(50)	(48)		
Total operating expenses		(170)	(168)		
<b>Underwriting result</b>		77	68		
Investment income - insurance funds		12	6		
<b>Insurance trading result</b>		89	74		
	%	%	%		
<b>Ratios</b>					
Acquisition expenses ratio		22.5	23.4		
Other underwriting expenses ratio		9.4	9.4		
Total operating expenses ratio		31.9	32.8		
Loss ratio		53.7	53.9		
Combined operating ratio		85.6	86.7		
Insurance trading ratio		16.7	14.5		

### General Insurance Short-tail (includes NZ)

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Short-tail</b>					
Gross written premium		3,494	3,472		
Net earned premium		2,996	3,010		
Net incurred claims		(2,163)	(2,197)		
Acquisition expenses		(459)	(448)		
Other underwriting expenses		(228)	(255)		
Total operating expenses		(687)	(703)		
<b>Underwriting result</b>		146	110		
Investment income - insurance funds		8	20		
<b>Insurance trading result</b>		154	130		
	%	%	%		
<b>Ratios</b>					
Acquisition expenses ratio		15.3	14.9		
Other underwriting expenses ratio		7.6	8.5		
Total operating expenses ratio		22.9	23.4		
Loss ratio		72.2	73.0		
Combined operating ratio		95.2	96.4		
Insurance trading ratio		5.1	4.3		

## Appendix 4 – General Insurance ITR Split (continued)

### General Insurance Long-tail (includes NZ)

	Half Year Ended			Dec-16 vs Jun-16	Dec-16 vs Dec-15
	Dec-16	Jun-16	Dec-15		
	\$M	\$M	\$M	%	%
<b>Long-tail</b>					
Gross written premium		1,120	945		
Net earned premium		950	982		
Net incurred claims		(676)	(625)		
Acquisition expenses		(113)	(126)		
Other underwriting expenses		(57)	(63)		
Total operating expenses		(170)	(189)		
<b>Underwriting result</b>		104	168		
Investment income - insurance funds		147	79		
<b>Insurance trading result</b>		251	247		
	%	%	%		
<b>Ratios</b>					
Acquisition expenses ratio		11.9	12.8		
Other underwriting expenses ratio		6.0	6.4		
Total operating expenses ratio		17.9	19.2		
Loss ratio		71.2	63.7		
Combined operating ratio		89.1	82.9		
Insurance trading ratio		26.4	25.2		

## Appendix 5 – Group capital

Group capital position

General Insurance capital

Bank capital

Life capital

Capital instruments

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## Appendix 6 – Operating expenses

	Dec-16	Jun-16	Dec-15
	\$M	\$M	\$M
<b>Australia General Insurance operating expenses</b>			
Acquisition expenses		452	454
Other underwriting expenses		235	270
<b>Australia General Insurance operating expenses</b>		<b>687</b>	<b>724</b>
<b>New Zealand General Insurance operating expenses</b>			
Acquisition expenses		120	120
Other underwriting expenses		50	48
<b>New Zealand General Insurance operating expenses</b>		<b>170</b>	<b>168</b>
<b>Bank operating expenses</b>			
Other underwriting expenses		313	326
<b>Bank operating expenses</b>		<b>313</b>	<b>326</b>
<b>Life operating expenses</b>			
Other underwriting expenses		139	142
<b>Life operating expenses</b>		<b>139</b>	<b>142</b>
<b>Group total operating expenses</b>		<b>1,309</b>	<b>1,360</b>

PROFORMA TEMPLATE

## Appendix 7 – Life Embedded Value

The components of value are shown in the table below:

### Embedded Value and Value of One Year's Sales

	Half Year Ended		Dec-15 \$M	Dec-16	Dec-16
	Dec-16	Jun-16		vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Adjusted net worth</b>		<b>78</b>	<b>85</b>		
Value of distributable profits		1,689	1,623		
Value of imputation credits		247	228		
<b>Value of in-force</b>		<b>1,936</b>	<b>1,851</b>		
<b>Traditional Embedded Value</b>		<b>2,014</b>	<b>1,936</b>		
<b>Value of One Year's Sales (VOYS)</b>		<b>25</b>	<b>23</b>		

### Change in Embedded Value

## Appendix 8 – Life Risk Assumptions

### Life Risk Assumptions (Australia)

	Dec-16 % per annum	Jun-16 % per annum
<b>Investment return for underlying asset classes (gross of tax)</b>		
Risk-free rate (at 10 years)		2.0
Cash		2.0
Fixed interest		2.5
Australian equities (inc. allowance for franking credits) <sup>(1)</sup>		6.0
International equities		6.0
Property		4.5
<b>Investment returns (net of tax)</b>		<b>2.3</b>
<b>Inflation</b>		
Expense Inflation		2.5
<b>Risk discount rate</b>		<b>6.0</b>

### Life Risk Assumptions (New Zealand)

	Dec-16 % per annum	Jun-16 % per annum
<b>Investment return for underlying asset classes (gross of tax)</b>		
Risk-free rate (at 10 years)		3.2
Cash		2.7
Fixed interest		2.7
Australian equities (inc. allowance for franking credits)		6.9
International equities		5.9
Property		4.9
<b>Investment returns (net of tax)</b>		<b>2.0</b>
<b>Inflation</b>		
Expense Inflation		2.3
<b>Risk discount rate</b>		<b>6.3</b>

## Appendix 9 – Statement of assets and liabilities

## General Insurance

	Half Year Ended		Dec-15 \$M	Dec-16	Dec-16
	Dec-16 \$M	Jun-16 \$M		vs Jun-16 %	vs Dec-15 %
<b>Assets</b>					
Cash and cash equivalents		444	285		
Investment securities		12,536	12,086		
Derivatives		28	37		
Loans and advances		2,971	2,612		
Reinsurance and other recoveries		1,714	2,035		
Deferred insurance assets		1,614	1,312		
Due from related parties		180	165		
Property, plant and equipment		46	38		
Other assets		169	164		
Goodwill and intangible assets		5,036	5,061		
<b>Total assets</b>		<b>24,738</b>	<b>23,795</b>		
<b>Liabilities</b>					
Payables and other liabilities		1,494	828		
Derivatives		177	139		
Due to related parties		299	182		
Deferred tax liabilities		14	34		
Unearned premium liabilities		4,864	4,681		
Outstanding claims liabilities		9,425	9,479		
Subordinated notes		552	588		
<b>Total liabilities</b>		<b>16,825</b>	<b>15,931</b>		
<b>Net assets</b>		<b>7,913</b>	<b>7,864</b>		
<b>Reconciliation of Net assets to Common Equity Tier 1 Capital</b>					
<b>Net assets</b>		<b>7,913</b>	<b>7,864</b>		
Insurance liabilities in excess of liability valuation		495	505		
Reserves excluded from regulatory capital		(11)	(11)		
Additional Tier 1 capital		(510)	(510)		
Goodwill allocated to GI Business		(4,465)	(4,461)		
Other Intangibles (including software assets)		(590)	(586)		
Other Tier 1 Deductions		(5)	(4)		
<b>Common Equity Tier 1 Capital</b>		<b>2,827</b>	<b>2,797</b>		

## Appendix 9 – Statement of assets and liabilities (continued)

### Life Insurance and Wealth

	Half Year Ended		Dec-15 \$M	Dec-16 vs Jun-16 %	Dec-16 vs Dec-15 %
	Dec-16 \$M	Jun-16 \$M			
<b>Total assets</b>					
<b>Assets</b>					
Invested assets		2,206	4,957		
Assets backing annuity policies		140	130		
Assets backing participating policies		2,314	2,247		
Deferred tax assets		33	53		
Reinsurance ceded		461	419		
Other assets		345	271		
Goodwill and intangible assets		223	223		
		<b>5,722</b>	<b>8,300</b>		
<b>Liabilities</b>					
Payables		287	257		
Subordinated debt		100	100		
Outstanding claims liabilities		309	234		
Deferred tax liabilities		95	91		
Policy liabilities		2,651	5,381		
Unvested policyholder benefits <sup>(1)</sup>		261	318		
		<b>3,703</b>	<b>6,381</b>		
<b>Total net assets</b>		<b>2,019</b>	<b>1,919</b>		
<b>Policyholder assets</b>					
Invested assets		715	3,512		
Assets backing annuity policies		140	130		
Assets backing participating policies		2,314	2,247		
Other assets		43	65		
		<b>3,212</b>	<b>5,954</b>		
<b>Liabilities</b>					
Payables		-	-		
Policy liabilities		2,951	5,636		
Unvested policyholder benefits <sup>(2)</sup>		261	318		
		<b>3,212</b>	<b>5,954</b>		
<b>Policyholder net assets</b>		<b>-</b>	<b>-</b>		
<b>Shareholder assets</b>					
<b>Assets</b>					
Invested assets		1,491	1,445		
Deferred tax assets		33	53		
Reinsurance ceded		461	419		
Other assets		302	206		
Goodwill and intangible assets		223	223		
		<b>2,510</b>	<b>2,346</b>		
<b>Liabilities</b>					
Payables		287	257		
Subordinated debt		100	100		
Outstanding claims liabilities		309	234		
Deferred tax liabilities		95	91		
Policy liabilities		(300)	(255)		
		<b>491</b>	<b>427</b>		
<b>Shareholder net assets</b>		<b>2,019</b>	<b>1,919</b>		
<b>Reconciliation of net equity to Common Equity Tier 1 Capital</b>					
<b>Net equity - Life line of business</b>		2,019	1,919		
Goodwill & intangibles		(223)	(223)		
Policy liability adjustment and Deferred tax		(1,328)	(1,254)		
Other Tier 1 Deductions		(1)	(1)		
<b>Common Equity Tier 1 Capital</b>		<b>467</b>	<b>441</b>		

- (1) The large movements reflect restructuring in the Wealth corporate structure.  
(2) Includes participating business policyholder retained profits.

## Appendix 9 – Statement of assets and liabilities (continued)

## Bank

	Half Year Ended		Dec-15 \$M	Dec-16	Dec-16
	Dec-16	Jun-16		vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
<b>Assets</b>					
Cash and cash equivalents		1,028	765		
Receivables due from other banks		552	464		
Trading securities		1,497	1,119		
Derivatives		675	663		
Investment securities		5,225	5,520		
Loans and advances		54,134	52,673		
Due from related parties		295	268		
Deferred tax assets		44	47		
Other assets		145	190		
Goodwill and intangible assets		262	262		
<b>Total assets</b>		<b>63,857</b>	<b>61,971</b>		
<b>Liabilities</b>					
Deposits and short-term borrowings		45,421	44,022		
Derivatives		498	358		
Payables due to other banks		332	401		
Payables and other liabilities		346	323		
Due to related parties		135	99		
Securitisation liabilities		2,544	3,154		
Debt issues		9,860	8,891		
Subordinated notes		742	742		
<b>Total liabilities</b>		<b>59,878</b>	<b>57,990</b>		
<b>Net assets</b>		<b>3,979</b>	<b>3,981</b>		
<b>Reconciliation of net equity to Common Equity Tier 1 Capital</b>					
<b>Net equity - Banking line of business</b>		<b>3,979</b>	<b>3,981</b>		
Additional Tier 1 capital		(450)	(450)		
Goodwill allocated to Banking Business		(240)	(240)		
Regulatory capital equity adjustments		(29)	(23)		
Regulatory capital deductions		(295)	(299)		
Other reserves excluded from Common Equity Tier 1		(85)	(96)		
<b>Common Equity Tier 1 Capital</b>		<b>2,880</b>	<b>2,873</b>		

## Appendix 10 – Life invested shareholder assets

### Australia Life invested shareholder assets (AU\$)

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Cash		500	407		
Fixed interest securities		713	798		
Equities		31	18		
Property		10	9		
<b>Total</b>		<b>1,254</b>	<b>1,232</b>		

### New Zealand Life invested shareholder assets (NZ\$)

	Half Year Ended			Dec-16	Dec-16
	Dec-16	Jun-16	Dec-15	vs Jun-16	vs Dec-15
	\$M	\$M	\$M	%	%
Cash		27	26		
Fixed interest securities		221	201		
<b>Total</b>		<b>248</b>	<b>227</b>		

PROFORMA TEMPLATE

## Appendix 11 – Definitions

Acquisition expense ratio	Acquisition expenses expressed as a percentage of net earned premium
ADI	Authorised Deposit-taking Institution
Annuities market adjustments	The value of annuity obligations are determined by discounting future obligations into today's dollars using risk-free rates. The value of such obligations fluctuates as market referenced discount rates change. The value of assets backing annuity obligations also fluctuates with investment markets. The net impact of both of these market-driven valuation changes are removed from Suncorp Life's Underlying Profit and recorded as annuity market adjustments
APRA	Australian Prudential Regulation Authority
Basis points (bps)	A 'basis point' is 1/100th of a percentage point
Cash earnings	Net profit after tax adjusted for the amortisation of acquisition intangible assets, the profit or loss on divestments and their tax effect
Cash earnings per share	Basic: cash earnings divided by the weighted average number of ordinary shares (net of treasury shares) outstanding during the period  Diluted: cash earnings adjusted for consequential changes in income or expenses associated with the dilutive potential ordinary shares divided by the weighted average number of diluted shares (net of treasury shares) outstanding during the period
Cash return on average shareholders' equity	Cash earnings divided by average equity attributable to owners of the Company. Averages are based on monthly balances over the period. The ratio is annualised for half years
Combined operating ratio	The percentage of net earned premium that is used to meet the costs of all claims incurred plus pay the costs of acquiring (including commission), writing and servicing the General Insurance business
Common Equity Tier 1 (CET1)	Common Equity Tier 1 Capital comprises accounting equity plus adjustments for intangible assets and regulatory reserves
Common Equity Tier 1 Ratio	Common Equity Tier 1 divided by the Prescribed Capital Amount for Life and General Insurance, or total risk-weighted assets for the Bank
Connected Customer	Connected customers represent customers with two or more needs met across the following need categories: Home / Property; Self; Mobility and Money
Cost to income ratio	Operating expenses of the Banking business divided by total income from Banking activities
Credit risk-weighted assets	Total of the carrying value of each asset class multiplied by their assigned risk weighting, as defined by APRA
Deferred acquisition costs (DAC)	The portion of acquisition costs not yet expensed on the basis that it can be reliably measured and it is probable that it will give rise to premium revenue that will be brought to account in subsequent financial periods
Deposit to loan ratio	Total retail deposits divided by total loans and advances, excluding other receivables
Diluted shares	Diluted shares is based on the weighted average number of ordinary shares outstanding during the period adjusted for potential ordinary shares that are dilutive in accordance with AASB 133 Earnings per Share
Effective tax rate	Income tax expense divided by profit before tax
Embedded Value	Embedded Value is equivalent to the sum of the adjusted net worth and the net present value of all future cash flows distributable to the shareholder that are expected to arise from in-force business, together with the value of franking credits
Equity reserve for credit losses	The equity reserve for credit losses represents the difference between the collective provision for impairment and the estimate of credit losses across the credit cycle based on guidance provided by APRA
Fire service levies (FSL)	The expense levied on premiums for insurance policies with a fire risk component, which is recoverable from insurance companies by the applicable State Government. Fire service levies were established to cover corresponding fire brigade charges
Funds under administration (FUA)	Funds where the Superannuation Australia business receives a fee for the administration of an asset portfolio
General Insurance – Commercial	Commercial products consist of commercial motor insurance, commercial property insurance, marine insurance, industrial special risk insurance, public liability and professional indemnity insurance and compulsory third party insurance
General Insurance – Personal	Personal products consist of home and contents insurance, motor insurance, boat insurance, and travel insurance

## Appendix 11 – Definitions (continued)

Gross non-performing loans	Gross impaired assets plus past due loans
Impairment losses to gross loans and advances	Impairment losses on loans and advances divided by gross loans and advances. The ratio is annualised for half years
Insurance Trading Result	Underwriting result plus investment income on assets backing technical reserves
Insurance Trading Ratio (ITR)	The insurance trading result expressed as a percentage of net earned premium
Life insurance policyholders' interests	Amounts due to an entity or person who owns a life insurance policy. This need not be the insured. This is distinct from shareholders' interests
Life risk in-force annual premiums	Total annualised statistical premium for all business in-force at the date (including new business written during the reporting period)
Life risk new business annual premiums	Total annualised statistical premium for policies issued during the reporting period
Life underlying profit after tax	Net profit after tax less market adjustments. Market adjustments represents the impact of movements in discount rates on the value of policy liabilities, investment income experience on invested shareholder assets and annuities mismatches
Loss ratio	Net claims incurred expressed as a percentage of net earned premium. Net claims incurred consist of claims paid during the period increased (or decreased) by the increase (decrease) in outstanding claims liabilities
Net interest spread	The difference between the average interest rate on average interest earning assets and the average interest rate on average interest bearing liabilities
Net profit after tax	Net profit after tax attributable to owners of the Company derived in accordance with Australian Accounting Standards
Net tangible asset backing per share	Total equity less intangible assets divided by ordinary shares at the end of the period adjusted for treasury shares
Other underwriting expenses ratio	Other underwriting expenses expressed as a percentage of net earned premium
Past due loans	Loans outstanding for more than 90 days
Payout ratio – cash earnings	Ordinary shares (net of treasury shares) at the end of the period multiplied by the ordinary dividend per share for the period divided by cash earnings
Payout ratio – net profit after tax	Ordinary shares (net of treasury shares) at the end of the period multiplied by the ordinary dividend per share for the period divided by profit after tax
Profit after tax from business lines	The net profit after tax for the Insurance, Banking and Wealth and New Zealand business lines
Return on average shareholders' equity	Net profit after tax divided by average equity attributable to owners of the Company. Averages are based on monthly balances over the period. The ratio is annualised for half years
Return on average total assets	Net profit after tax divided by average total assets. Averages are based on beginning and end of period balances. The ratio is annualised for half years
Return on Common Equity Tier 1	Net profit after tax adjusted for dividends paid on capital notes divided by average Common Equity Tier 1 Capital. Average Common Equity Tier 1 Capital is based on the monthly balance of Common Equity Tier 1 Capital over the period. The ratio is annualised for half years
Total capital ratio	Total capital divided by the Prescribed Capital Amount for Life and General Insurance, or total risk-weighted assets for the Bank, as defined by APRA
Total operating expense ratio	Total operating expenses (acquisition and other underwriting expenses) expressed as a percentage of net earned premium
Total risk-weighted assets	Bank credit risk-weighted assets, off-balance sheet positions and market risk capital charge and operational risk charge, as defined by APRA
Treasury shares	Ordinary shares of Suncorp Group Limited that are acquired by subsidiaries
Value of one year's sales (VOYS)	An estimate of the present value of all distributable profits expected from the new policies sold in a given year

## Appendix 12 – 2017 key dates <sup>(1)</sup>

### Ordinary shares (SUN)

#### Half year results announcement

**9 February 2017**

Ex-dividend date

21 February 2017

Dividend payment

3 April 2017

#### Full year results and final dividend announcement

**3 August 2017**

Ex-dividend date

16 August 2017

Dividend payment

20 September 2017

#### Annual General Meeting

**21 September 2017**

### Convertible Preference Shares 2 (SUNPC)

### Convertible Preference Shares 3 (SUNPE)

Ex-dividend date 9 March 2017  
Dividend payment 17 March 2017

Ex-dividend date 2 March 2017  
Dividend payment 17 March 2017

Ex-dividend date 8 June 2017  
Dividend payment 19 June 2017

Ex-dividend date 1 June 2017  
Dividend payment 19 June 2017

Ex-dividend date 8 September 2017  
Dividend payment 18 September 2017

Ex-dividend date 1 September 2017  
Dividend payment 18 September 2017

Ex-dividend date 8 December 2017  
Dividend payment 18 December 2017

Ex-dividend date 1 December 2017  
Dividend payment 18 December 2017

### Subordinated Notes (SUNPD)

### Floating Rate Capital Notes (SBKHB)

Ex-interest date 13 February 2017  
Interest payment 22 February 2017

Ex-interest date 14 February 2017  
Interest payment 2 March 2017

Ex-interest date 11 May 2017  
Interest payment 22 May 2017

Ex-interest date 12 May 2017  
Interest payment 30 May 2017

Ex-interest date 11 August 2017  
Interest payment 22 August 2017

Ex-interest date 14 August 2017  
Interest payment 30 August 2017

Ex-interest date 13 November 2017  
Interest payment 22 November 2017

Ex-interest date 14 November 2017  
Interest payment 30 November 2017

(1) All dates are subject to change. Dividend dates will be confirmed upon their declaration.