

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	IAG FINANCE (NEW ZEALAND) LIMITED
ABN	97 111 268 243

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	NICHOLAS HAWKINS
Date of last notice	8 SEPTEMBER 2014

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	DIRECT
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	N/A
Date of change	17 OCTOBER 2014
No. of securities held prior to change	474,947 IAG ORDINARY SHARES
Class	IAG ORDINARY SHARES
Number acquired	176,500
Number disposed	NIL
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	NIL
No. of securities held after change	651,447 IAG ORDINARY SHARES
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	EXERCISE OF RIGHTS UNDER THE IAG SHARE AND PERFORMANCE AWARD RIGHTS PLAN TRUST DEED (PLAN TRUST DEED)

+ See chapter 19 for defined terms.

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Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of “notifiable interest of a director” should be disclosed in this part.

Detail of contract	THE INSURANCE AUSTRALIA GROUP (IAG) SHARE AND PERFORMANCE AWARD RIGHTS PLAN TRUST DEED (PLAN TRUST DEED).
Nature of interest	DEFERRED AWARD RIGHTS (DAR'S) AND EXECUTIVE PERFORMANCE RIGHTS (EPR'S) GRANTED BY IAG SHARE PLAN NOMINEE PTY LIMITED, THE TRUSTEE OF THE DAR AND EPR PLAN TRUST IN ACCORDANCE WITH THE PLAN TRUST DEED.
Name of registered holder (if issued securities)	N/A
Date of change	17 OCTOBER 2014
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	30,450 IAG DEFERRED AWARD RIGHTS 909,800 IAG EXECUTIVE PERFORMANCE RIGHTS
Interest acquired	NIL
Interest disposed	176,500 IAG EXECUTIVE PERFORMANCE RIGHTS
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	EXERCISE OF EPR'S UNDER THE INSURANCE AUSTRALIA GROUP SHARE AND PERFORMANCE AWARD RIGHTS PLAN TRUST DEED FOR NIL CONSIDERATION
Interest after change	30,450 IAG DEFERRED AWARD RIGHTS 733,300 IAG EXECUTIVE PERFORMANCE RIGHTS

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺ closed period where prior written clearance was required?	NO
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.