

26 Feb 2016

FOR IMMEDIATE RELEASE TO THE MARKET

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Participating Organisation of the Australian Stock Exchange

UBS DIVIDEND BUILDERS: DIVIDEND ANNOUNCEMENT

UBS AG, Australia Branch ("**UBS**") issued **IAGISI** Series of Investment Builders (**"UBS Dividend Builders"**) over fully paid ordinary Shares of Insurance Australia Group Limited pursuant to the Master Product Disclosure Statements dated 17 Oct 2014 respectively and the relevant Term Sheet for the Series referred to collectively as the ("**PDS**").

Insurance Australia Group Limited recently announced the following dividend ("Dividend")

Dividend amount (AUD): \$0.1300 Interim Dividend

Ex-Dividend Date: 29 Feb 2016 Dividend record date: 02 Mar 2016 Dividend payment date: 30 Mar 2016

The Dividend is 100% Franked.

Correspondingly, the UBS Dividend Builders will commence trading ex-Dividend on 29 Feb 2016 and will have a Dividend record date of 02 Mar 2016.

Holders should be aware that Insurance Australia Group Limited may amend the amount of the Dividend payable, including for changes in foreign exchange rates (or revoke payment of the Dividend), prior to the Dividend payment date and Holders are entitled only to the Dividend actually paid by Insurance Australia Group Limited.

The Dividend amount will be paid to Holders as soon as reasonably practicable after receipt of the Dividend in cleared funds by UBS Nominees Pty Ltd, as Security Trustee, from Insurance Australia Group Limited (payment to Holders is expected to be made within 5 Business Days of the Security Trustee receiving the Dividend). The Security Trustee is expected to receive such funds on 30 Mar 2016, the Dividend payment date.

Capitalised terms used in this announcement have the same meaning as that given in the PDS.

Yours faithfully,

UBS AG, Australia Branch

Anand Kannan Associate Director UBS AG, Australia Branch

Grant Schwulst Manager - Equities Settlement

UBS AG, Australia Branch