

IAG purchases additional catastrophe reinsurance cover

IAG has strengthened its reinsurance cover through the purchase of additional catastrophe protection.

Details of the additional cover are:

- \$1 billion of gross protection in excess of \$7 billion, including one prepaid reinstatement;
- Placement to the extent of 80% to reflect existing quota share arrangements; and
- A contractual period of 19 months, commencing 1 June 2017 and concluding on 31 December 2018.

IAG's existing main catastrophe tower, up to \$7 billion gross, operates on a calendar year basis and will be subject to renewal on 1 January 2018.

IAG Chief Financial Officer Nick Hawkins said: "We are always looking for ways to strengthen our reinsurance protection in a cost effective manner, and this purchase meets those requirements. It significantly extends the upper end of our gross protection."

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia, New Zealand, Thailand, Vietnam and Indonesia. The Group's businesses underwrite over \$11 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); NZI, State, AMI and Lumley Insurance (New Zealand); Safety and NZI (Thailand); AAA Assurance (Vietnam); and Asuransi Parolamas (Indonesia). IAG also has interests in general insurance joint ventures in Malaysia and India. For further information, please visit www.iag.com.au.

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