



IAG agrees sale of 26% interest in SBI General

IAG has agreed to sell the whole of its 26% interest in its joint venture with the State Bank of India, SBI General Insurance Company (SBI General), via two transactions.

Agreements have been reached with:

- Napean Opportunities LLP (part of Premji Invest) to acquire a 16.01% interest; and
- an affiliate of Warburg Pincus LLC to acquire a 9.99% interest.

IAG Managing Director and Chief Executive Office Peter Harmer said: "IAG has enjoyed a strong and successful relationship with the State Bank of India since establishing the SBI General joint venture in 2009. With our sharpened focus on our core territories of Australia and New Zealand, now is the right time for IAG to exit its investment in SBI General."

The transactions, which are subject to regulatory processes and approvals, are expected to complete during IAG's financial year ending 30 June 2020.

Total consideration amounts to over \$640 million based on the current exchange rate. Once both transactions are complete, this is expected to result in an increase in IAG's regulatory capital position of more than \$400 million and a net profit after tax of over \$300 million, which will be recognised in IAG's FY20 results.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia and New Zealand. The Group's businesses underwrite over \$12 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). IAG also has interests in general insurance joint ventures in Malaysia and India. For more information, please visit www.iag.com.au.

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