

10 April 2013

## SUNCORP GROUP LIMITED ("SUNCORP") LAUNCHES SUBORDINATED NOTES ("NOTES") OFFER AND REINVESTMENT OFFER FOR ELIGIBLE CPS HOLDERS

Suncorp today announced its intention to raise approximately A\$500 million with the ability to raise more or less, through an offer of Notes. The Notes are expected to be quoted on the Australian Securities Exchange ("ASX").

The Notes will qualify as Tier 2 regulatory capital for Australian Prudential Regulation Authority purposes.

The proceeds from the offer will be used for general corporate, funding and capital management purposes, including the refinancing of the Convertible Preference Shares ("CPS") issued by Suncorp-Metway Limited ("SML") in 2008.

Existing holders of CPS issued by SML may be eligible to participate in the Reinvestment Offer, allowing them to apply to reinvest the face value of their CPS in Notes. This means that CPS Holders that apply to participate in the Reinvestment Offer are expected to receive one Note for every CPS reinvested plus a Pro Rata Dividend on 22 May 2013.

CPS Holders that choose not to participate in the Reinvestment Offer will continue to hold CPS until 14 June 2013, when SML intends to resell all remaining CPS on issue to Suncorp. This means that CPS Holders that choose not to participate in the Reinvestment Offer are expected to receive \$100 plus the quarterly dividend per CPS on 14 June 2013.

John Nesbitt, Suncorp Group CFO said, "Suncorp has a strong balance sheet with a significant amount of excess capital above operating targets. The launch of the Notes offer is consistent with Suncorp's strategy to replace hybrid capital and maintain current gearing levels."

Full details of this investment opportunity and the terms and conditions of the Notes are set out in the Prospectus lodged with the Australian Securities and Investments Commission ("ASIC") and ASX today.

The Prospectus is available to Australian investors at [www.suncorpgroup.com.au/notes](http://www.suncorpgroup.com.au/notes), or by calling the Notes Offer Information Line below. A Replacement Prospectus, containing the Margin and Application Forms, is expected to be made available on 18 April 2013.

UBS has been appointed as Sole Structuring Adviser and Joint Lead Manager.

ANZ, National Australia Bank, RBS Morgans and Westpac Institutional Bank have been appointed as Joint Lead Managers. Bell Potter and JBWere have been appointed as Co-managers.

Investors should read the Prospectus in full before deciding whether to apply to invest in Notes. Applications may only be made using the Application Form attached to or accompanying the replacement Prospectus.

### Ends

For more information contact:

#### CPS Holders and Securityholders:

Notes Offer Information Line:  
1300 882 012 (within Australia)  
+61 1300 882 012 (outside Australia)  
Monday to Friday—8:00am to 7:30pm (Sydney time)

#### Media: Analysts/Investors:

Michelle Barry, 0402 892 789  
Mark Ley, 0411 139 134  
Nicole McGinn, 0437 792 504

### More information about the Offer

The Offer comprises:

- an Institutional Offer to certain Institutional Investors;
- a Broker Firm Offer to Australian resident retail and high net worth clients of Syndicate Brokers;
- a Reinvestment Offer made to Eligible CPS Holders; and
- a Securityholder Offer to Eligible Securityholders.

### Key features of Suncorp Subordinated Notes

- Notes are unsecured, subordinated, cumulative notes to be issued by Suncorp.
- Holders of Notes will receive floating rate, cumulative interest payments, to be paid quarterly in arrears (subject to the Solvency Condition<sup>1</sup>). Interest payments will not have any franking credits attached to them.
- The Interest Rate will be calculated on a quarterly basis as the sum of the 90 day Bank Bill Rate plus the Margin.
- The Margin will be determined under the Bookbuild, and is expected to be in the range of 2.85% and 3.10% per annum.
- Suncorp will redeem the Notes on the Maturity Date, being 22 November 2023, provided the Solvency Condition is satisfied, unless before that date, the Notes are redeemed or a Non-Viability Trigger Event occurs.
- The minimum investment in Notes is \$5,000 (50 Notes), other than for Eligible CPS Holders who should see the Prospectus for the limits that apply to them.

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<sup>1</sup> If a Non-Viability Trigger Event occurs, all obligations to pay Interest (and other amounts) on the Notes will cease.

## Indicative timetable

<b>Key dates for the Offer</b>	<b>Date</b>
Lodgement of this Prospectus with ASIC	10 April 2013
Bookbuild	17 April 2013
Announcement of the Margin	18 April 2013
Lodgement of the Replacement Prospectus with ASIC	18 April 2013
Opening Date	18 April 2013
Closing Date for the Reinvestment Offer and Securityholder Offer	10 May 2013
Closing Date for the Broker Firm Offer (excluding applications in respect of Reinvested CPS)	20 May 2013
Issue Date	22 May 2013
Notes commence trading on ASX (deferred settlement basis)	23 May 2013
Holding Statements despatched by	24 May 2013
Notes commence trading on ASX (normal settlement basis)	27 May 2013
<b>Key dates for Notes</b>	<b>Date</b>
First Interest Payment Date	22 August 2013
First Optional Redemption Date	22 November 2018
Maturity Date	22 November 2023
<b>Key dates for Eligible CPS Holders</b>	<b>Date</b>
Record date for determining Eligible CPS Holders for Reinvestment Offer	5 April 2013
Opening Date for the Reinvestment Offer	18 April 2013
Closing Date for the Reinvestment Offer	10 May 2013
Closing Date for the Broker Firm Offer (applications in respect of Reinvested CPS)	10 May 2013
Reinvestment Date and payment of Pro Rata Dividend on Reinvested CPS	22 May 2013
Last day of ASX trading for remaining CPS	30 May 2013
Ex-dividend date for final dividend on remaining CPS	31 May 2013
Record date for final dividend on remaining CPS	6 June 2013
Resale date and payment date for final dividend on remaining CPS	14 June 2013

### **Dates may change**

These dates are indicative only and may change without notice.

Suncorp and the Joint Lead Managers may agree to vary the timetable, including extending any Closing Date, closing the Offer early without notice or accepting late Applications, whether generally or in particular cases, or withdrawing the Offer at any time before Notes are issued, at their discretion.

### **Definitions**

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus.

### **Disclaimer**

This announcement does not constitute an offer of any securities (including the Notes) for sale or issue. No action has been taken to register or qualify Notes or the Offer or to otherwise permit a public offering of Notes outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the Notes nor the Ordinary Shares have been or will be registered under the US Securities Act or the securities laws of any state of the United States, and they may not be offered or sold in the United States. The Notes are being offered and sold in the Offer solely outside the United States pursuant to Regulation S under the US Securities Act.