

24 November 2017

Suncorp closes Capital Notes 2 Offer raising \$375 million

Suncorp Group Limited (Suncorp) today announced it has completed the Capital Notes 2 offer (the Offer), raising \$375 million through the issue of 3.75 million Capital Notes 2 for \$100 each.

Following strong investor demand, the size of the Offer has been increased from \$300 million to \$375 million.

Suncorp has also confirmed the allocation policy applicable to the Offer and the Distribution Rate applicable to the first Distribution in respect of the Capital Notes 2, which is expected to be paid on 19 March 2018.

Allocation policy

All valid Applications under the Reinvestment Offer have been accepted in full. Applicants under the Reinvestment Offer can confirm their allocation by calling the Suncorp Capital Notes 2 Offer Information Line (details below).

Applicants under the Broker Firm Offer can confirm their allocation with their broker or by calling the Suncorp Capital Notes 2 Offer Information Line (details below).

Allocations to Syndicate Brokers and Institutional Investors were determined under the Bookbuild completed on 30 October 2017.

An advertisement regarding the basis of allocation of Capital Notes 2 will be published on 27 November 2017 in *The Australian* and *The Australian Financial Review*. A copy of the advertisement is attached to this announcement.

Trading on ASX

The Capital Notes 2 were issued today, 24 November 2017, and are expected to begin trading on a deferred settlement basis on the Australian Securities Exchange (ASX) at approximately 10:00am (Sydney time) on 27 November 2017 under the ASX code "SUNPG". Trading on a normal T+2 settlement basis is expected to commence on 30 November 2017.

Holding statements and refund cheques

CHESS transaction confirmation statements and issuer sponsored holding statements, which state the number of Capital Notes 2 issued to successful Applicants, are expected to be sent to successful Applicants by 29 November 2017. Any Application refunds are also expected to be sent by this date.

All Applicants are responsible for determining and confirming the number of Capital Notes 2 allocated to them prior to selling any Capital Notes 2. Applicants who sell Capital Notes 2 before receiving their CHESS transaction confirmation statement or issuer sponsored holding statement do so at their own risk.

Distribution Rate and first Distribution payment

The first Distribution payment will be \$1.1865 per Capital Note 2 and is expected to be paid on 19 March 2018 (subject to no Payment Condition existing).

The Distribution Rate for the first Distribution payment, which is for the Distribution Period from (and including) 24 November 2017 and ending on (but excluding) 19 March 2018 (being a period of 115 days), will be 3.7660% per annum. The Distribution Rate has been determined under the Capital Notes 2 Terms as follows:

3-month Bank Bill Rate on 24 November 2017	1.7300%	per annum
plus, Margin	3.6500%	per annum
Equivalent unfranked Distribution Rate	5.3800%	per annum
Multiplied by (1 – Tax Rate)	x 0.70	
Distribution Rate (in cash)	3.7660%	per annum

Distributions are expected to be fully franked.

Maximum Conversion Number

For the purposes of the Conversion calculations, the Issue Date VWAP is \$13.88 and the Maximum Conversion Number is:

- 14.4092 in the case of a Mandatory Conversion; and
- 36.0231 in the case of any other Conversion.

The Maximum Conversion Number may be adjusted at a future date to reflect divisions or consolidations of Ordinary Shares (among other matters) in the manner described in the Capital Notes 2 Prospectus.

Participation by Suncorp Directors and their related persons

Suncorp Directors and their related persons (being their spouses, parents, children and associates) did not participate in the Offer.

Ends

For more information contact:

Securityholders	Suncorp Capital Notes 2 Offer Information Line	1300 882 012 (within Australia) or +61 1300 882 012 (outside Australia) Monday to Friday, 8:00am to 7:30pm (Sydney time) Website: www.suncorpgroup.com.au/sunpg
Media	Brett Zarb	+61 417 256 563
Analysts/Investors	Kelly Hibbins Andrew Dempster	+61 414 609 192 +61 497 799 960

Appendix - Holders of Capital Notes 2

Included below is a listing of the twenty largest Capital Note 2 Holders and a schedule showing the distribution of Capital Note 2 Holders.

Top 20 Holders

Rank	Name	Total	% Issued capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	334,905	8.93
2	EASTCOTE PTY LTD <VAN LIESHOUT FAMILY A/C>	80,000	2.13
3	J P MORGAN NOMINEES AUSTRALIA LIMITED	71,531	1.91
4	DIMBULU PTY LTD	60,000	1.6
5	NATIONAL NOMINEES LIMITED	58,833	1.57
6	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	57,450	1.53
7	IOOF INVESTMENT MANAGEMENT LIMITED <IPS SUPER A/C>	55,932	1.49
8	PACMIN HOLDINGS PTY LIMITED <PENSION FUND NO 2 A/C>	32,000	0.85
9	NULIS NOMINEES (AUSTRALIA) LIMITED <NAVIGATOR MAST PLAN SETT A/C>	25,298	0.67
10	AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	24,020	0.64
11	NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	23,856	0.64
12	INVIA CUSTODIAN PTY LIMITED <JOHN WADE NO 2 A/C>	21,900	0.58
13	THE WALTER AND ELIZA HALL INSTITUTE OF MEDICAL RESEARCH	20,000	0.53
14	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	15,208	0.41
15	INVIA CUSTODIAN PTY LIMITED <A/M UNIT A/C>	14,650	0.39
16	G C F INVESTMENTS PTY LTD	12,000	0.32
17	T & N ARGYRIDES INVESTMENTS PTY LTD <SUPER FUND A/C>	11,635	0.31
18	CAMBERWELL INVESTMENTS PTY LTD	11,250	0.3
19	IOOF INVESTMENT MANAGEMENT LIMITED <IPS IDPS A/C>	10,864	0.29
20	AVANTEOS INVESTMENTS LIMITED <FINHQ I IDPS A/C>	10,807	0.29

Distribution schedule

Ranges	Investors	Securities	% Issued capital
1 to 1,000	4,881	1,595,153	43
1,001 to 5,000	449	989,518	26
5,001 to 10,000	29	213,190	6
10,001 to 100,000	19	617,234	16
100,001 and over	1	334,905	9
Total	5,379	3,750,000	100

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 Capital Notes 2) for sale or issue. No action has been taken to register or qualify Capital Notes 2 or the Offer or to otherwise permit a public offering of Capital Notes 2 outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the Capital Notes 2 nor the Ordinary Shares have been or will be registered under the U.S. 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 Capital Notes 2 are being offered and sold in the Offer solely outside the United States pursuant to Regulation S under the U.S. Securities Act.

The following advertisement will appear in *The Australian Financial Review* and *The Australian* on 27 November 2017.

Important notice to all Applicants under the Suncorp Group Limited Capital Notes 2 Offer

27 NOVEMBER 2017

Suncorp Group Limited (ABN 66 145 290 124) (Suncorp) is pleased to announce that the offer of Capital Notes 2 (Offer) has successfully closed, raising \$375 million (prior to Offer expenses). Through the Offer, 3.75 million Capital Notes 2 have been issued at \$100 each.

ALLOCATION POLICY

The Capital Notes 2 allocation policy is described below.

- **Reinvestment Offer:** all Applications under the Reinvestment Offer have been accepted in full.
- **Broker Firm Offer:** Allocations to Syndicate Brokers have been agreed by the Joint Lead Managers and Suncorp following completion of the Bookbuild completed on 30 October 2017. Allocations to Broker Firm Applicants by a Syndicate Broker were at the discretion of that Syndicate Broker.
- **Institutional Offer:** allocations to Institutional Investors were determined by Suncorp and the Joint Lead Managers pursuant to the Bookbuild completed on 30 October 2017.

Reinvestment Offer Applicants and Broker Firm Offer Applicants can obtain information about their allocation of Capital Notes 2 by calling the Capital Notes 2 Offer Information Line on the numbers provided below.

Broker Firm Applicants can also confirm their allocation of Capital Notes 2 with their Syndicate Broker from whom they received their allocation.

DEFERRED SETTLEMENT TRADING

Capital Notes 2 are expected to commence trading on the Australian Securities Exchange (ASX) on a deferred settlement basis today at approximately 10:00am (Sydney time) under the ASX code "SUNPG".

Trading of Capital Notes 2 is expected to commence on a normal settlement basis on Thursday, 30 November 2017.

All successful Applicants are responsible for confirming the number of Capital Notes 2 allocated to them prior to selling any Capital Notes 2.

Applicants who sell Capital Notes 2 before receiving their CHESST transaction confirmation statement or issuer sponsored holding statement do so at their own risk (even if they obtained information on their allotment from the Capital Notes 2 Offer Information Line or from their Syndicate Broker).

HOLDING STATEMENTS

CHESST transaction confirmation statements and issuer sponsored holding statements stating the number of Capital Notes 2 issued to each successful Applicant are expected to be despatched by 29 November 2017. Any refunds are also expected to be despatched by this date.

FURTHER INFORMATION

Applicants may call their Syndicate Broker or the Suncorp Capital Notes 2 Offer Information Line on **1300 882 012** (within Australia) or **+61 1300 882 012** (outside Australia) between 8:00am and 7:30pm (Sydney time) Monday to Friday (as applicable) to confirm their Capital Notes 2 allocation.

Unless otherwise defined, capitalised terms in this advertisement have the same meaning given to them in the replacement Prospectus (Prospectus) dated 31 October 2017, which is available at www.suncorpgroup.com.au/sunpg. The Offer has now closed, but offers of Capital Notes 2 were made under and in accordance with the Prospectus and subscriptions for Capital Notes 2 were made through Application Forms accompanying the Prospectus. This advertisement contains general information only and does not take into account the investment objectives, financial situation or particular needs of any investor (including financial and tax issues). Investors should obtain their own independent advice from a licensed adviser having regard to their own investment objectives and circumstances before making an investment decision. Capital Notes 2 have not been, and Capital Notes 2 will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Capital Notes 2 may not be offered, sold or resold in the United States, or to, or for the account or benefit of, a U.S. person (as defined in the U.S. Securities Act), except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

