Good morning.

I'm Steve Johnston, General Manager, Communications, Investor and Government Relations.

Let me welcome those joining us here in Sydney and remotely via the video conference and web cast.

Agenda

- Introduction & Overview - John Mulcahy
- Divisional performance - Chris Skilton
  - – Banking
  - – General Insurance
  - – Wealth Management
- Capital update – Chris Skilton
- Integration update - John Mulcahy
- Group outlook - John Mulcahy
- Questions

2

Today, John will start with a brief overview of the result,
and then hand over to Chris who will take you through the divisional results in more detail and provide an update on our capital position.

John will then return and, before providing the outlook for the Group,
will give you an update on the integration
and our progress since we last spoke with the market on March 28.

Given the complexity of this result we have sought to streamline today's presentation, focussing on those issues we believe are most important to your analysis of our business.

The remaining material, including many of our usual slides
has been included in the form of appendices.

With that, I'll now hand over the John.

SUNCORP

Overview of the result

- Strong operating performance of each of our businesses
- No distraction from transaction or integration
- Confirms opportunity for the new Suncorp

3

Thank you Steve,
and good morning ladies and gentlemen.

Most of you
will have had an opportunity to see the numbers already this morning.

It is a most satisfying result
and one we are proud to present today.

At the outset
let me emphasise the three key themes
that emerge from this result:

Firstly:
This is a result that confirms the strong organic,
stand alone, performances
from each of our businesses.
Proving that each of them,
in their own right, is fit and well
and competing strongly
head to head
with their competitors.

Secondly:
It's a result that proves
that the job of completing the Promina transaction,
and taking the first steps of integration,
has not, for one moment,
distracted us from our Business as Usual activities,
nor provided 'easy wins' for any of our competitors.

Overview of the result

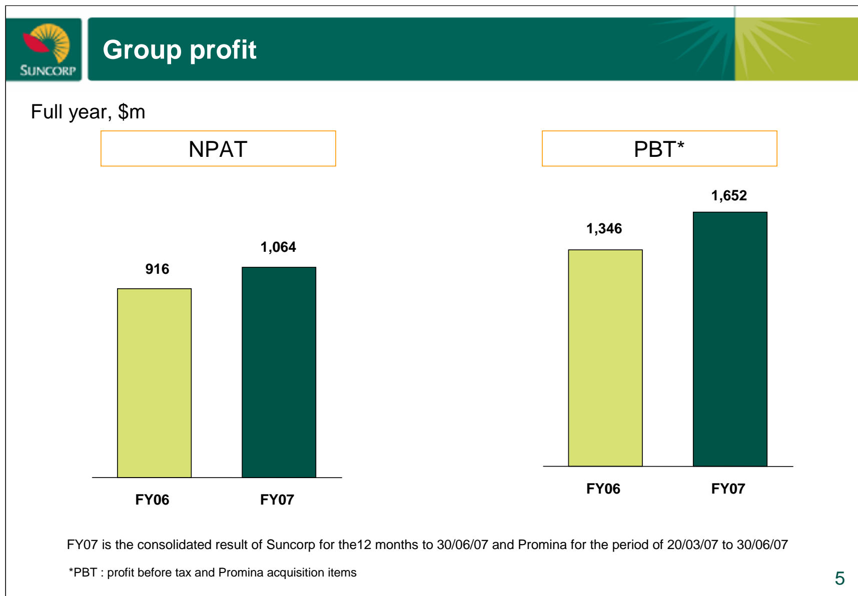
- **Strong operating performance of each of our businesses**
- **No distraction from transaction or integration**
- **Confirms opportunity for the new Suncorp**

4

And **finally,**

It's a result
that further underlines the huge opportunity
we knew existed
when we first started planning for this merger
back in 2005.
The opportunity to identify the best of two strongly performing businesses,
and bring all of this together in a **NEW** Suncorp…

A NEW Suncorp
that is highly focused and agile,
delivering legendary customer experience through targeted brands
and tailored products at the front end
while being highly efficient,
collaborative,
and synergy seeking
where it makes sense to do so.

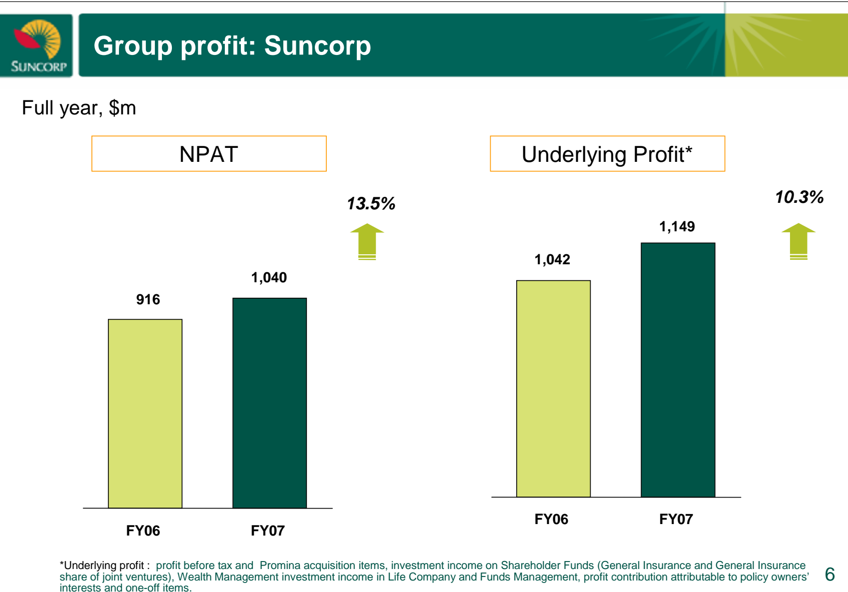


Now first
to the high level numbers
and here we have shown FY07 for the consolidated group --
that is –
Suncorp for the 12 months to June and
Promina for the period since the effective date of the merger of March 20th.

To the left hand side of the slide
you can see that Net Profit After Tax has risen to $1.06 billion.

The right hand chart shows Profit before tax,
And Promina acquisition items,
which
for the purposes of this result
removes much of the transaction and integration noise -
providing a relevant measure of business performance
over the period.

And you can see that the increase here
is a very satisfying 22.7% to $1.65 billion

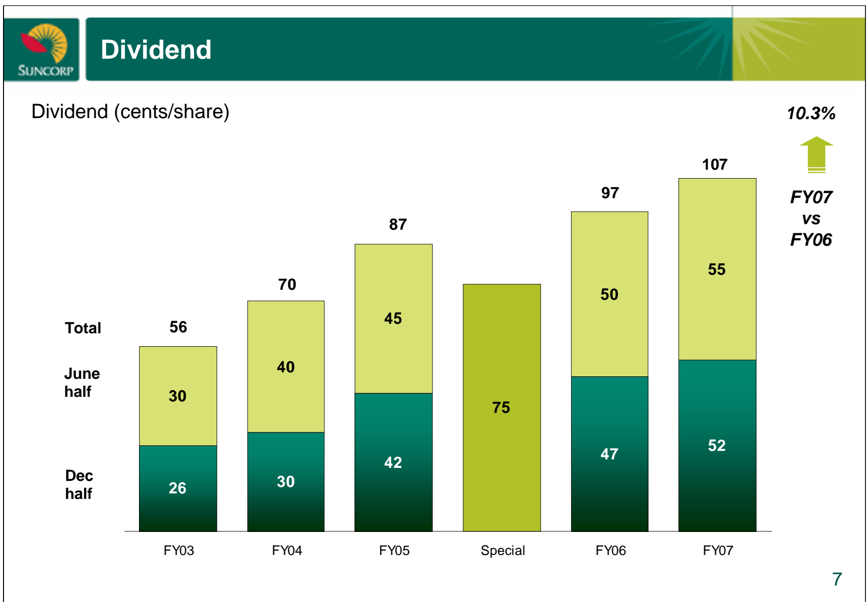


Now

When you remove the contribution from Promina
and you arrive at the Suncorp stand-alone numbers
you can see that the full year performance
has been equally impressive.

On a stand alone basis
NPAT has risen to $1.04 billion
an increase of 13.5% and the first time Suncorp
has topped a billion dollars in NPAT.

On an underlying basis
profit for the stand alone Suncorp businesses
has increased by 10.3%
to $1.149 billion.



To dividend now,
and the Board's continuing confidence
in the performance of our business
has allowed us to declare a final, fully franked, ordinary dividend
of 55 cents,
taking the full year ordinary dividend to 107 cents
an increase of 10.3% over the prior year.

Banking overview

- Result in line with outlook
- Challenging environment including increasing competition, re-pricing of development finance book and imposition of compliance costs
- Strong receivables growth
- Improved efficiency
- Disciplined approach to credit

8

Turning briefly to the top level results
in each of our three divisions

Firstly to the **BANK,**
and the headline result is very pleasing,
with profit contribution increasing by 12.5%
to $569 million.

Achieving this result
has not been without its challenges.

You have heard us talk previously
about the challenges of increasing competition,
the re-pricing of our profitable development finance book
and the imposition of a range of regulatory compliance costs,

These are significant headwinds
requiring measured and disciplined responses.

.

The core of our response continues to be:

- To drive improvements in our market segmentation capability – in other words to have a deeper understanding of our customers and their needs.

- To be innovative around product development and packaging, so that we can, in turn, tailor solutions to customer needs and continually improve the service we provide to our customers.

- To capitalise on our competitive advantages and specialty focus in areas such as development finance and agribusiness and price this accordingly

and,

- To be price competitive across the portfolio.

Further evidence of the success of this approach is that we have exited the year with receivables growth at or above system on a rolling basis across our lending book.

We continue to drive efficiencies across the bank with our banking efficiency again improving over the course of the year, which again demonstrates the tangible benefits of our business model.

And, of course, we remain highly disciplined when it comes to credit.

General Insurance overview

- **Strong performance from all GI brands, despite the impact of NSW storms**
- **No loss of momentum during transaction or integration**
- **Suncorp result benefited from programs to improve claims cost and risk selection**
- **Promina brands continue impressive growth momentum**
- **Integration to deliver "best of both" approach**

In General Insurance,
I am pleased to report
that both the Suncorp and Promina businesses
have maintained their momentum
despite completing a complex transaction
and undertaking the first steps to integrate the two businesses.

And
of course in June
many of our general insurance brands responded impeccably
to the challenges posed by the severe storms
which impacted Newcastle and the Hunter region of New South Wales
and, later that month,
widespread flooding across regional Victoria.

To have emerged from this
and to deliver such a strong result
is a testament to the strength of our brands
and the commitment of our people.

It also underscores the complementary nature of the two businesses
and the enormous opportunity that is available to the combined group.

What made up the former Suncorp GI business
continues to be highly profitable,
reaping the bottom line benefits of efficiencies in claims management,
improvements in risk selection and pricing
and the impact of favourable experience on provisions.

General Insurance overview

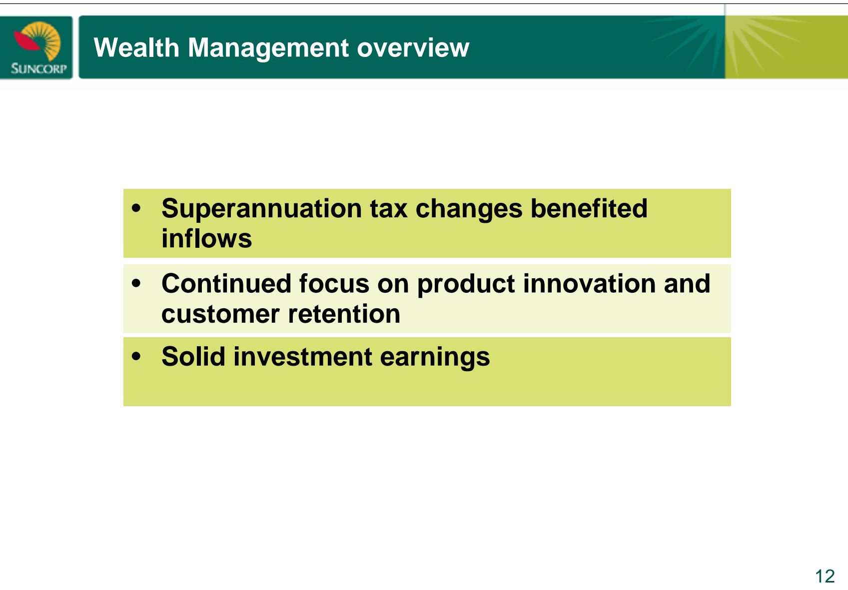
- **Strong performance from all GI brands, despite the impact of NSW storms**
- **No loss of momentum during transaction or integration**
- **Suncorp result benefited from programs to improve claims cost and risk selection**
- **Promina brands continue impressive growth momentum**
- **Integration to deliver "best of both" approach**

11

Evidence of this
can be found at the ITR
which for the year is 19.6%,
ahead of our upgraded forecast of 16% to 19%
and far in excess of our previous long term 11% to 14% target range.

What made up the former Promina GI business,
its house of brands,
continues its enviable growth profile,
particularly in home and motor classes,
growing overall GWP by a very healthy 4.3%
and achieving the forecast ITR of 10% plus.

Putting these two general insurance businesses together
under a true "best of both" approach
will protect the inherent value of both
while unlocking the opportunity
to make the combined business significantly better
than the sum of its parts.



And finally,

to Wealth Management

Again both the former Suncorp and Promina businesses
produced strong results over the course of the year with
a profit contribution, before tax of $229 million.

The focus on superior customer experience and product innovation
enabled both businesses to:

- Leverage off the legislative changes to tax concessions for Superannuation contributions of up to $1 million
- Report strong new business sales in life risk, and
- Retain existing customers in a highly competitive environment.

[pause]

So before I hand over to Chris
I would like to reiterate that this is a satisfying result,
one that proves that the businesses are healthy,

that there is no evidence of distraction

and

that the opportunity is there to combine the best of both
and build a new, more successful Suncorp

So with that I will hand over to Chris

Agenda

- Introduction & Overview - John Mulcahy
- Divisional performance - Chris Skilton
  – Banking
  – General Insurance
  – Wealth Management
- Capital update – Chris Skilton
- Integration update - John Mulcahy
- Group outlook - John Mulcahy
- Questions

13

Thanks John and good morning.

As we have a lot of ground to cover today I'm not going to go into each division's result to the same depth that I have in the past. All of the detailed information you need is in the analyst pack therefore I'm going to keep my comments at a reasonably high level and focus on the key drivers

Profit overview

Full year, $m

	Jun 07	Jun 07 SUN
Banking	569	569
General Insurance	835	706
Wealth Management	229	182
LJ Hooker and Other	33	14
Consolidation	(14)	(14)
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	(141)	
Integration costs	(60)	(35)
Transaction costs	(17)	(17)
Deferred acquisition cost adjustment on consolidation	119	
Alignment of outstanding claims valuations	(10)	105
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

14

At the very start,

I would like to draw your attention to a number of items that relate to the merger with Promina and the consolidation of their results, from the date of the acquisition which of course was 20 March 2007.

These are shown “below the line”, and excluded from the segment results.

Group profit – Acquisition items

Full year, $m

	Jun 07	Jun 07 SUN
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	**(141)**	
Integration costs	(60)	(35)
Transaction costs	(17)	(17)
Deferred acquisition cost adjustment on consolidation	119	
Alignment of outstanding claims valuations	(10)	105
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

15

Firstly, there is the amortisation of intangible assets of $141 million.
As you are aware under AIFRS you no longer have a single goodwill figure, being the difference between the purchase price and the net tangible assets.

What is now required is at acquisition, all assets and liabilities acquired are recognised at their fair value, including intangible assets that were not previously recognised by Promina on their balance sheet. These include brands, in-force contracts, distribution relationships and so on. In total, $2.4 billion of these intangible assets have been recognised and will be amortised over their estimated useful lives.

To assist your modelling we have included in the pack a forecast of amortisation charges over the next 4 years. I also note that goodwill is not amortised under AIFRS and that all the intangibles will be subject to periodic impairment tests which could result in additional writedowns if it is considered that there has been a permanent diminution in value.

Group profit – Acquisition items

Full year, $m

	Jun 07	Jun 07 SUN
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	(141)	
Integration costs	**(60)**	**(35)**
Transaction costs	(17)	(17)
Deferred acquisition cost adjustment on consolidation	119	
Alignment of outstanding claims valuations	(10)	105
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

16

The next item in the P&L is integration costs of $60m.
These are the one off costs associated with integrating the businesses of Suncorp and Promina in achieving the estimated $225 million in synergies. These are incremental to the underlying business and form part of the $355 million in total integration costs previously flagged to the market.

Group profit – Acquisition items

Full year, $m

	Jun 07	Jun 07 SUN
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	(141)	
Integration costs	(60)	(35)
Transaction costs	**(17)**	**(17)**
Deferred acquisition cost adjustment on consolidation	119	
Alignment of outstanding claims valuations	(10)	105
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

17

Next we have transaction costs of $17 million.

These costs are associated with completing the acquisition of Promina and not related to any integration activity. Under the old accounting standard they would have been capitalised as part of acquisition, however with the adoption of AIFRS they are now required to be expensed through the P&L accounts.
Some examples of these costs are: the ASX listing fee for the new Suncorp shares issued to Promina's former shareholders, the premium paid to redeem the Promina reset preference shares, and the interest on the bridging facility to fund the cash component of the purchase price.

Group profit – Acquisition items

Full year, $m

	Jun 07	Jun 07 SUN
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	(141)	
Integration costs	(60)	(35)
Transaction costs	(17)	(17)
Deferred acquisition cost adjustment on consolidation	**119**	
Alignment of outstanding claims valuations	(10)	105
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

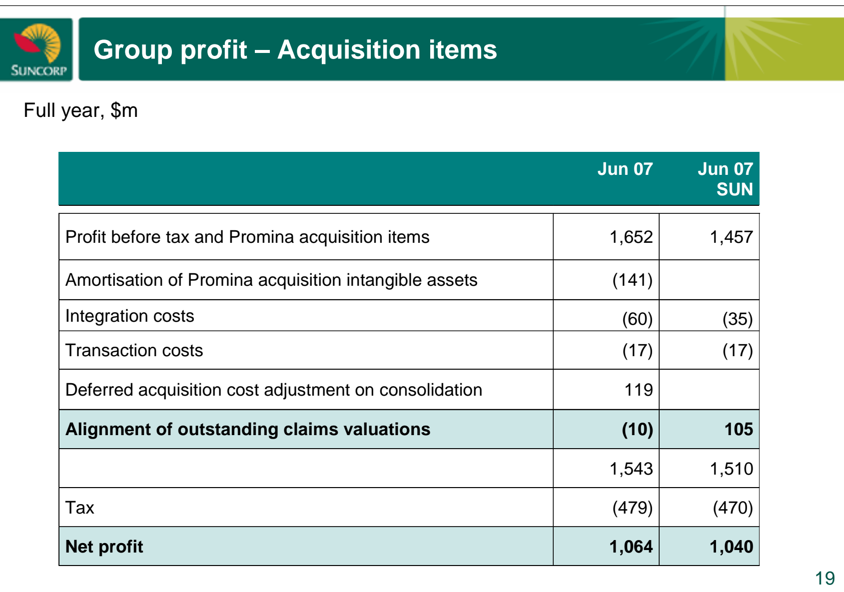
18

Now to the line item “Deferred acquisition cost adjustment on consolidation”, This is a result of some fairly technical, acquisition accounting.

When we consolidate the fair value of the Promina assets and liabilities, the deferred acquisition costs in Promina’s balance sheet cannot be recognised as an asset.

This means that the subsequent associated amortisation of DAC in Promina’s books is reversed at the Suncorp Group level. In effect, the Suncorp Group profit benefits from a DAC holiday this year and in 2008.

This year’s profit includes $119 million and 2008 will benefit by $162 million. Clearly, this is not related to the underlying performance of the general insurance businesses and therefore we have shown this “below the line”.


Group profit – Acquisition items

Full year, $m

	Jun 07	Jun 07 SUN
Profit before tax and Promina acquisition items	1,652	1,457
Amortisation of Promina acquisition intangible assets	(141)	
Integration costs	(60)	(35)
Transaction costs	(17)	(17)
Deferred acquisition cost adjustment on consolidation	119	
Alignment of outstanding claims valuations	**(10)**	**105**
	1,543	1,510
Tax	(479)	(470)
Net profit	**1,064**	**1,040**

19

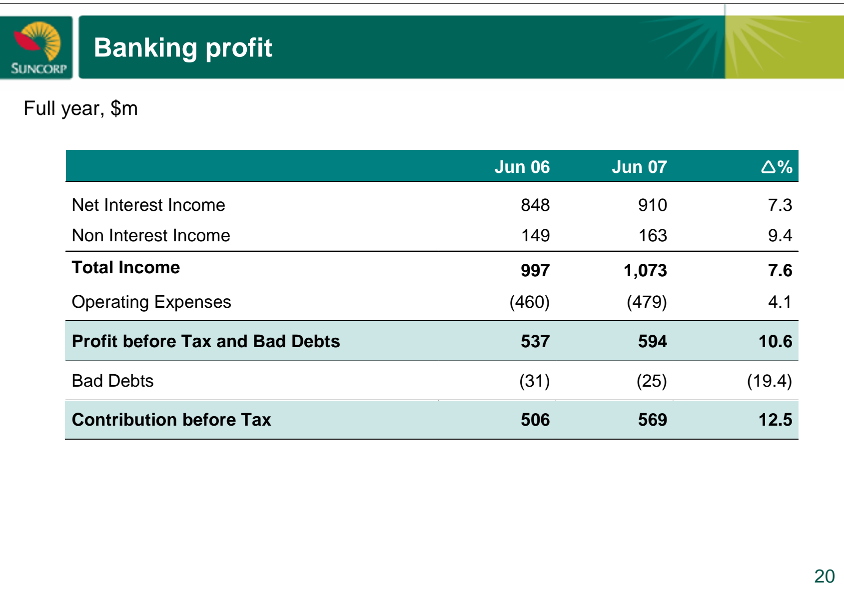
Finally there is the item “Alignment of outstanding clams valuations”,
a net expense of $10 million.

This line item comprises of two major adjustments. Firstly, the increased diversification of risk following the merger with Promina resulted in a reduction in the valuation of Suncorp’s claims provisions, whilst retaining the same level of sufficiency. This reduction was $105 million and can be seen in Suncorp’s stand-alone P&L. Secondly, the Board has resolved to increase Promina’s risk margins to match Suncorp’s 94% level of sufficiency at a cost of $115 million. The net of those two amounts is the $10 million shown in the P&L.

While some may view the later as being unduly conservative we believe it to be a prudent approach to take, in the immediate aftermath of the transaction being completed. When we are comfortable that long term claims trends have been established and volatility in claims data diminishes we will, most likely, move the Group level of sufficiency closer to our target of approximately 90%.

Based on 30 June valuations, this movement would release approximately $230 million to the P&L

So, moving into the divisional results



Banking profit

Full year, $m

	Jun 06	Jun 07	Δ%
Net Interest Income	848	910	7.3
Non Interest Income	149	163	9.4
Total Income	**997**	**1,073**	**7.6**
Operating Expenses	(460)	(479)	4.1
Profit before Tax and Bad Debts	**537**	**594**	**10.6**
Bad Debts	(31)	(25)	(19.4)
Contribution before Tax	**506**	**569**	**12.5**

20

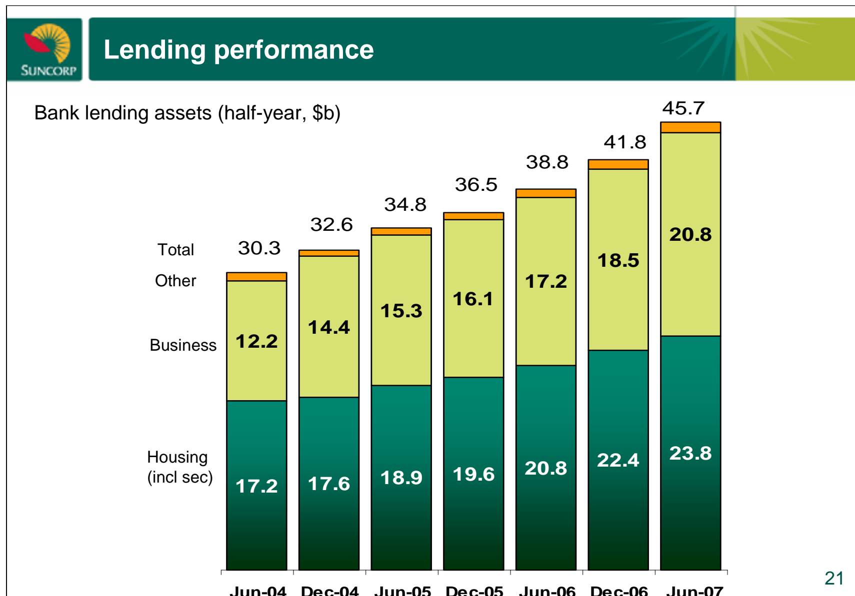
And starting with the Bank, which delivered another solid result, lifting profit before tax by 12.5% to $569 million for the year.

Profit before tax and bad debts grew by 10.6%, which is a strong result given the continuing intense competition in the banking industry and is in line with our guidance.

The focus on managing the price and volume mix of the book resulted in total revenue increasing by a respectable 7.6% on the prior year, while operating expenses increased 4.1%,

With revenue growth exceeding expense growth, the Bank’s cost to income ratio improved to a very competitive 44.6% for the year.

Credit quality remains strong and losses low by historic standards, despite a slight increase in non-performing loans.



If we look at lending,
you can see from this high level summary the continued strong growth that has been achieved in each of our portfolios.

In the **Home** portfolio, lending receivables, including securitised assets, were up by 14.3% to $23.8 billion, which is consistent with our overall approach of growing receivables at, or slightly above, system rates.

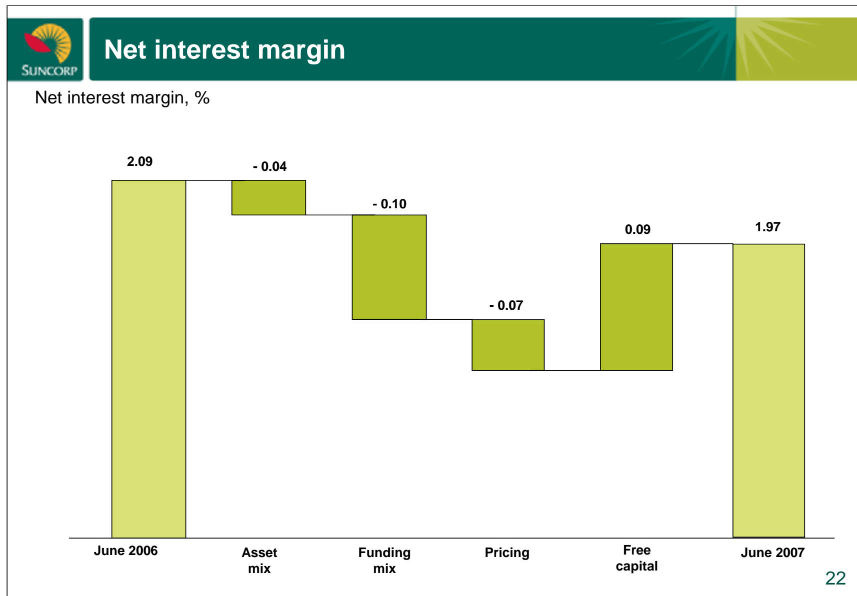
Growth in Queensland continues to be underpinned by the direct distribution network while the indirect channel remains a key component of our overall national distribution strategy.

Business lending increased by 21.3% to $20.8 billion as initiatives introduced last year continued to gain momentum and deliver above system growth.

The key dynamics here are a pleasing rebound in development finance lending in the second half, continuing strong growth in the property investment and corporate lending portfolios and growth of 11% in the agribusiness book, which is not a bad result considering the continued effects of the drought across eastern Australia.

And finally, **Consumer** lending which grew strongly, up 29.3% to $1.06 billion. This is almost double system and is primarily due to increased customer penetration and a strong service offering, rather than via large scale advertising.

Putting all of this together, total assets, including those that have been securitised, reached $45.7 billion, an increase of 18.2% on the prior year.



If we look at net interest margin

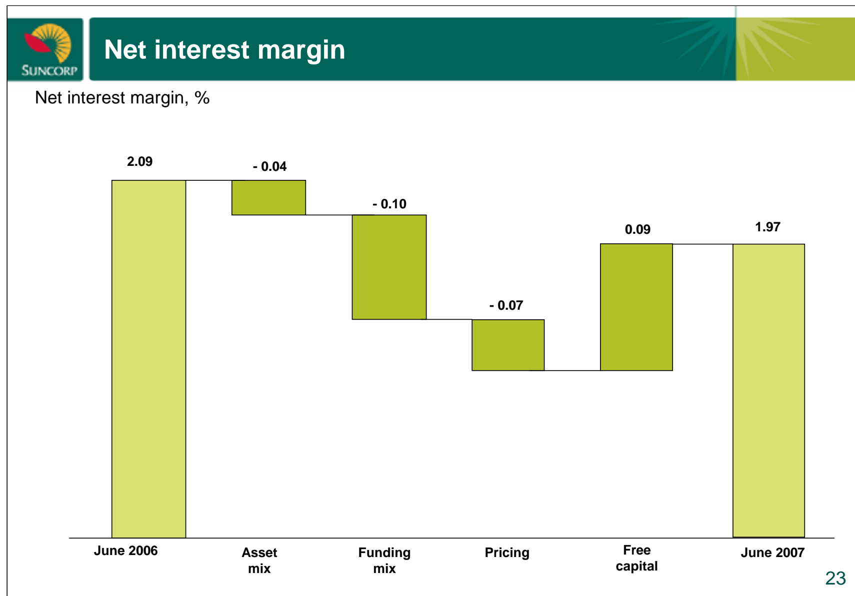
you will see that it has reduced 12 basis points during the year to 1.97%

The waterfall chart on the slide and in the analyst pack provides a summary of margin movements net of yield changes, and assists in identifying the key factors contributing to the outcome.

As was the case at the half year, you will note that the reduction in spread has been greater, as the margin has been supported during the course of the year by the excess capital position held pending the finalisation of the Promina transaction.

The reduction reflects both the composition of the asset and liability books as well as a reduction in spread in line with competitive forces.

On the **asset mix** side, there are a number of contributing factors to take into account. To the positive first, margin has benefited from an increased mix of small business loans, following strong growth over the year. But this is more than offset by the continuing movement of customers from floating to fixed rate mortgages in a rising interest rate environment and repricing pressures in the highly profitable development finance book. The net effect of this is a negative 4 basis points impact on margin.



On the **liability mix** the key factor is an increase in the proportion of high yielding retail and business banking deposit accounts versus cheaper transaction account balances, as well as an increased reliance upon securitisation.

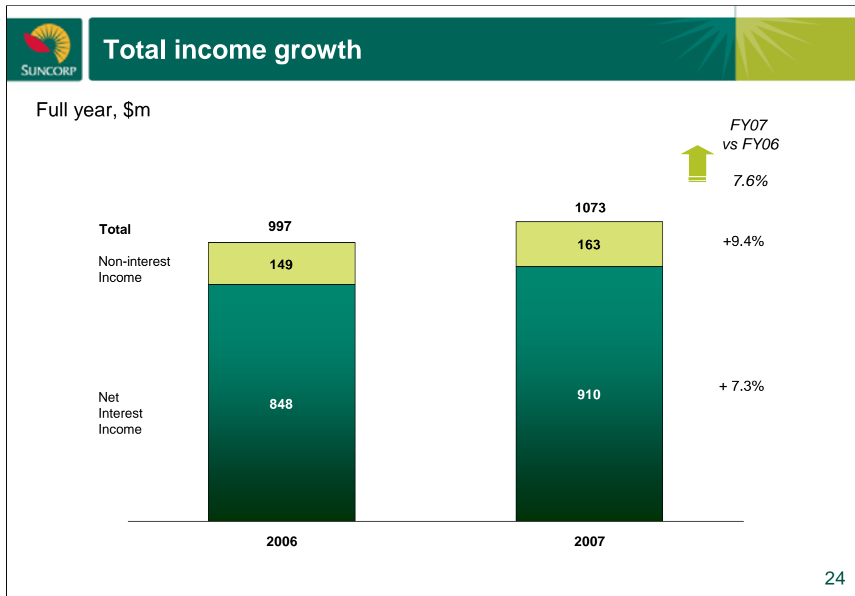
These factors have contributed to a negative 10 basis points impact on margin.

And finally, we have the **pricing impact** of generally lower margins due to competition, which accounts for 7 basis points of margin reduction.

Now, as I pointed out at the half year the trends for us are similar to those of many of our peers with two exceptions:

Firstly, we have a larger proportion of our loan book allocated to development finance, where re-pricing continues to reflect increased competitive forces. While the short term nature of loans in this portfolio accentuates the margin effect of re-pricing it also means the effective rebasing of margins will occur quicker than it would in other portfolios. It will, however, continue to be a dynamic affecting margins over the coming year.

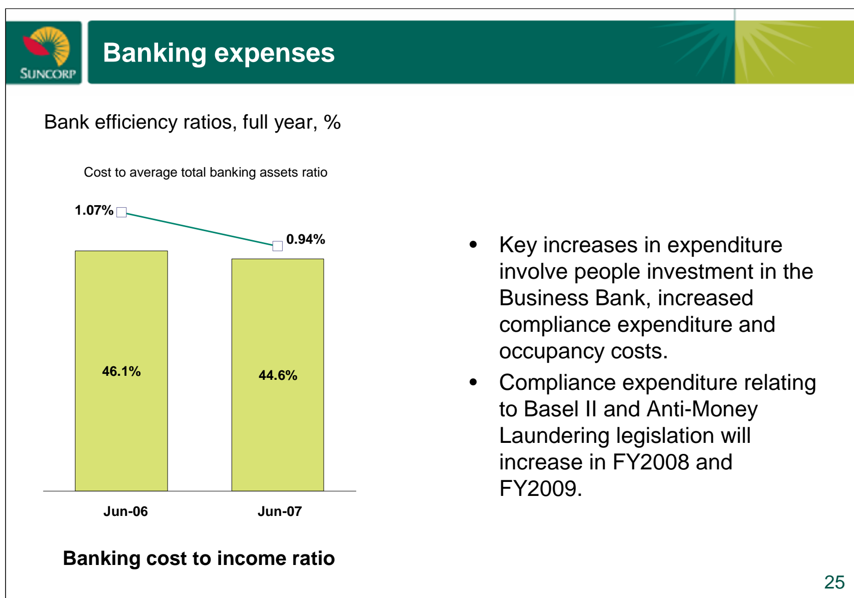
And, secondly, on the deposit side, the relatively low ratio of retail deposits we hold compared to many of our competitors puts us at a disadvantage in a rising interest rate environment. Over the medium to long term, however, this will work in our favour as we will have less overall re-pricing risk than our some of our peers.



The other component of revenue is non-interest income which increased by 9.4% to $163 million. The majority of which is made up of net fee income which rose 8.5% to $140 million for the year.

If we look at the gross components of this number, lending fee revenue increased 16.1%, but this was offset by an uplift in commission expenses relating to increased volumes being written as well as ongoing trail commissions in the intermediary distribution channel.

So putting all of this together, total banking income grew by 7.6% to $1.07 billion for the year, which under the circumstances is a very solid result in what continues to be a highly competitive market.



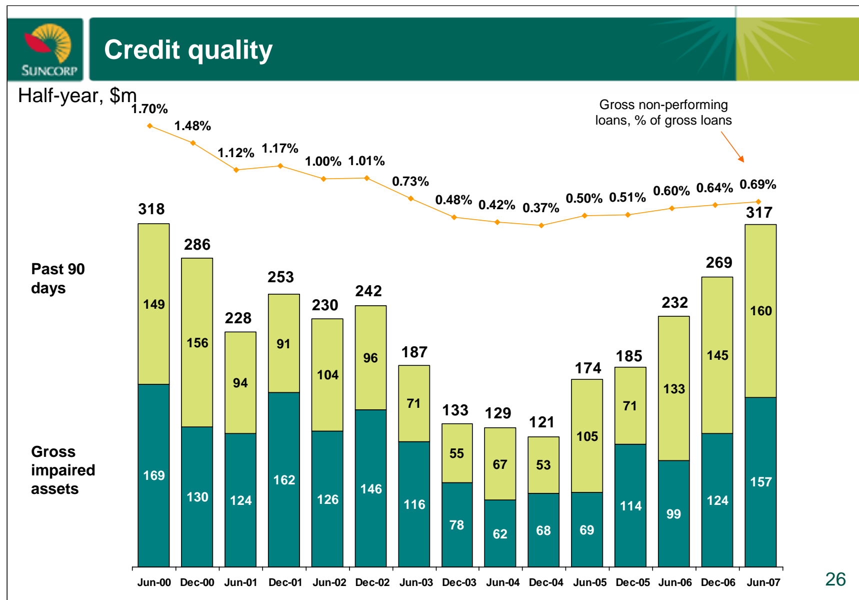
Turning now to expenses, the growth of 4.1% primarily reflects increased investment in people capability in the Business Bank as well as a generally tight labour market driving higher salaries.

The Bank also incurred increased compliance expenditure associated with the implementation of Basel II and Anti-Money Laundering legislation. These programs of work have progressed during 2007 and are expected to increase in size and cost during the 2008 and 2009 financial years.

The relocation to our flagship office at Brisbane Square also increased occupancy costs.

So, in short, as I mentioned earlier, our expense growth was well below revenue growth of 7.6%, resulting in another reduction in our cost to income ratio to 44.6%.

Further, our cost to asset ratio, which is one of the better measures of efficiency, has also continued to improve from 1.07% to 0.94%.



Moving now to credit quality and you can see from this slide that at 30 June although the trend upwards in NPL's has continued they still only represent 69 basis points of gross loans and advances.

You will note that much of the increase in absolute dollars is in gross impaired assets and is due primarily to the development finance book in NSW. However at $100 million this still represents less than 2.5% of the portfolio.

We continue to maintain extremely robust LVR's and this is evidenced by the fact that our specific provision has increased by only $4 million during the course of the year.

Our loan loss expense for the year was a modest $25 million and even adjusting for the $10 million credit to the collective provision, due to a methodology change discussed at the half year, the charge as a percentage of risk weighted assets remains well below historic averages.

In terms of provisioning cover, our total provision including the GRCL, the specific and the collective provisions at $239 million, represents 152% of gross impaired assets and approximately 7 years of write offs at current levels which is a robust position.

While we have clearly seen the bottom of the credit cycle and NPL's may still continue to trend up, it remains our view that there is nothing on the near term horizon which will result in a widespread deterioration in credit quality and a significant increase in loan loss expense.

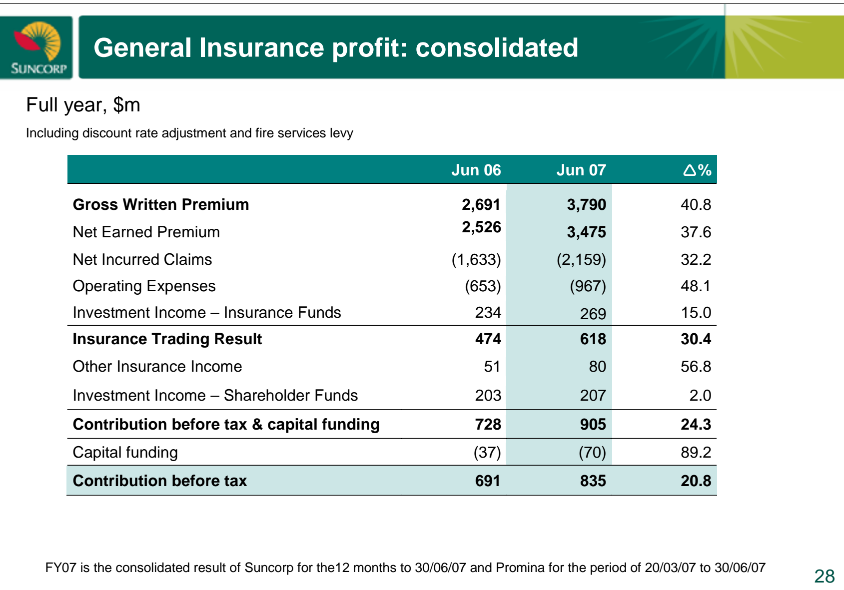
Banking summary

- **Strong receivables growth**
- **Improvement in total revenue**
- **Some margin contraction**
- **Disciplined approach to credit**

27

So to quickly sum up the bank result

We've seen strong lending growth across the portfolio,
Pleasing growth in total revenue,
Despite expected margin and spread contraction,
Continued tight control of expenses
And
Disciplined approach to credit



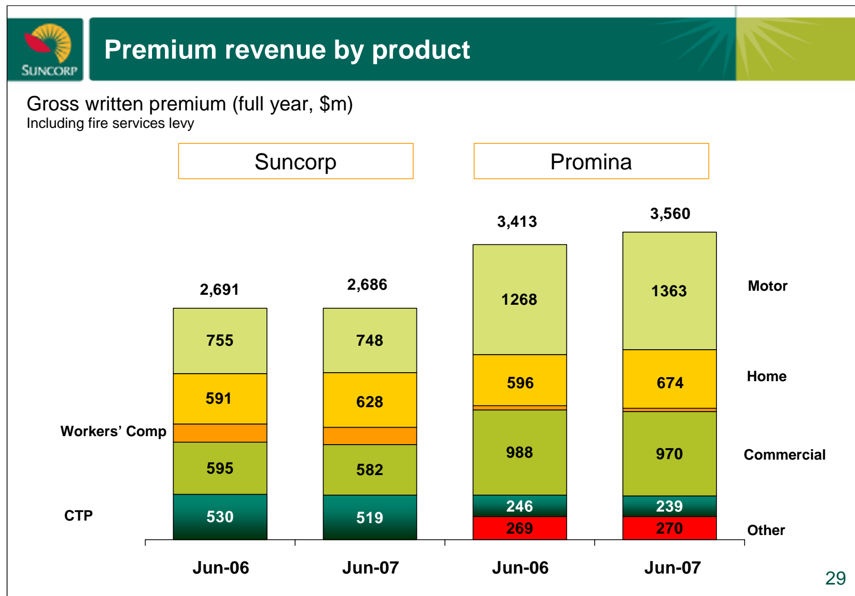
	Jun 06	Jun 07	Δ%
Gross Written Premium	**2,691**	**3,790**	40.8
Net Earned Premium	**2,526**	**3,475**	37.6
Net Incurred Claims	(1,633)	(2,159)	32.2
Operating Expenses	(653)	(967)	48.1
Investment Income – Insurance Funds	234	269	15.0
Insurance Trading Result	**474**	**618**	**30.4**
Other Insurance Income	51	80	56.8
Investment Income – Shareholder Funds	203	207	2.0
Contribution before tax & capital funding	**728**	**905**	**24.3**
Capital funding	(37)	(70)	89.2
Contribution before tax	**691**	**835**	**20.8**

Turning now to General Insurance

The strong profitability of this business continues to be a feature with a profit before tax contribution of $835 million for the full year on a consolidated basis. Promina's contribution before tax and merger related costs was $129 million. As John has previously pointed out both the Suncorp and Promina businesses performed strongly for the year.

Key P&L drivers were:

- GWP growth of 4.3% for the Promina businesses
- Strong improvement in net incurred claims for Suncorp as the benefits of tort law reform and the now largely implemented claims cost reduction program flow through
- Strong ITR's of 19.6% for Suncorp and 11.5% for Promina
- A stable claims environment if we exclude June which included the NSW storms and the Victorian floods.
- and
- Profitability improvement across both businesses on the back of preferred risk selection strategies



Turning now to premium and what we have on this slide is the GWP profiles of both companies for the full year.

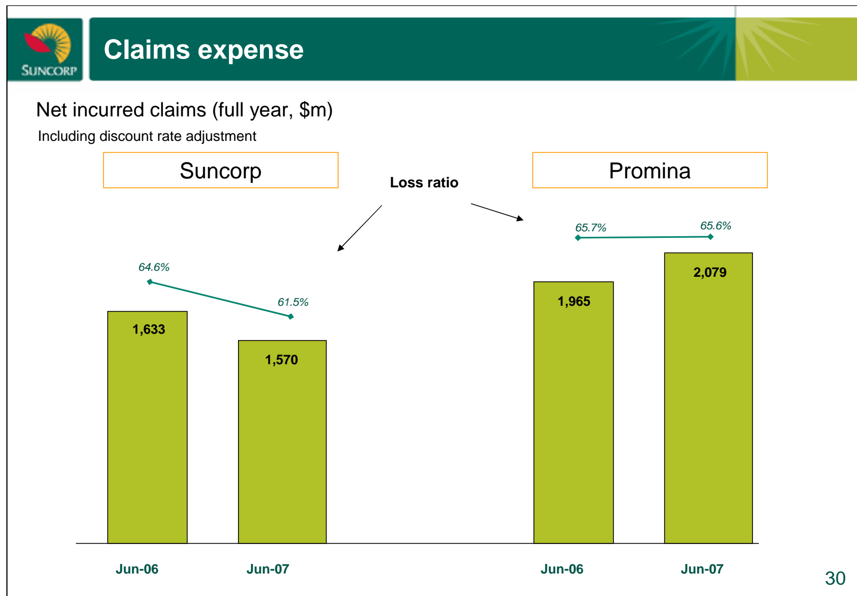
In **CTP,** GWP decreased 2.1% in Suncorp and 2.8% in Promina for the year reflecting the highly competitive market with risk in force growth offsetting premium reductions as the benefits of tort law reforms continue to be passed onto customers. Queensland average premiums declined approximately 3% and NSW premiums declined around 11-13% partly due to the introduction of the Lifetime Care Scheme which came into effect in October 2006.
Now I would like to mention that the CTP regulator in Queensland has reduced the ceiling price of premiums by $28 effective 1 July 2007. This will impact the overall
Qld CTP book by approximately $33 million into the next financial year..

In **Commercial** lines GWP declined 2.2% in Suncorp and 1.8% in Promina as soft market conditions continued to put pressure on premium growth and while retention rates remain favourable, intense competition for new business has definitely impacted volumes as both businesses continue to maintain underwriting and pricing disciplines.

Workers Comp GWP declined 4.3% in both businesses as soft market conditions were driven by solid profitability from the schemes. Growth in the underlying business was supported by strong retention rates and growth in wages in force offset by lower average premiums resulting from the 12.7% reduction in the June 2007 Gazette rates in WA and aggressive pricing by competitors.

Home was the standout portfolio with GWP growth of 6.3% to $628 million in Suncorp and 13.1% to $674 million in Promina driven by higher average premiums and continued product innovation. During the year both businesses introduced new products including the Suncorp Platinum product aimed at higher sum insured customers and the AAMI Home buildings Policy with complete replacement cover.

And finally to **Motor** with GWP growth of 7.5% to $1,363 million in Promina, despite an intensely competitive market and slightly negative growth to $748 million for Suncorp.
Both businesses continue to focus on unique segmented customer offerings to broaden the customer base and improve profitability through preferred risk selection strategies.



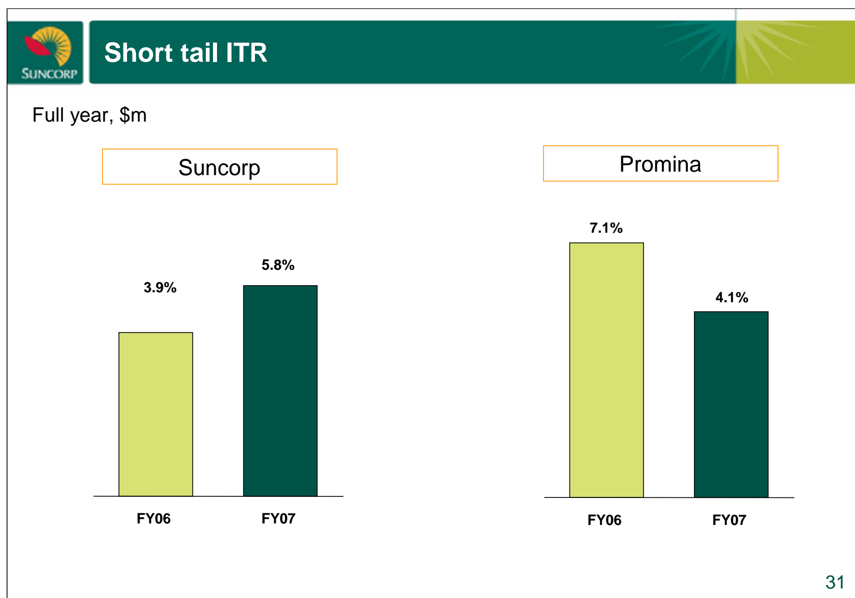
If I now move to claims,

Net incurred claims for the year for Suncorp were down 3.9% which when combined with a 1.1% lift in net earned premium, resulted in a 4.8% improvement in the loss ratio to 61.5%. [This includes the impact of discount rate movements which reduced claims expense by $63 million. In 2006 the impact was $76 million].

And for Promina

Net incurred claims for the year were up 5.8% on the prior corresponding period which, when combined with a 6% lift in net earned premium, resulted in a relatively stable loss ratio of 65.6%. [Here the impact of discount rate movements reduced claims expense by $41 million. The 2006 impact was $48 million].

As I have pointed out previously there are a number of dynamics at work when we discuss the claims expense line and the best way to look at it is to segment the book between short tail and long tail classes, remembering that the claims experience of the former emerges very quickly whereas on the long tail side it can take an average of 5 years.



So to short tail first and looking at the claims expense for both companies. The above slide highlights the different geographic profiles and how the impact of storm events in different states affects the short tail ITR outcome.

Short tail ITR for Suncorp was 5.8% up from 3.9% on the prior year.

The key drivers were:

Storm related claims costs were estimated at $184 million including the costs associated with the NSW June 2007 storms. In 2006 estimated storm costs were fairly similar at $182 million including the net costs of Cyclone Larry.

Benefits continue to flow from the claims cost reduction projects which are now largely implemented

Favourable commercial large losses when compared with the prior year

Underlying claims experience continues to be favourable across all products but particularly in motor and commercial where the strategy of preferred risk selection is improving the overall quality of the portfolios.

For Promina

The short tail ITR was 4.1% down from 7.1% on the prior year.

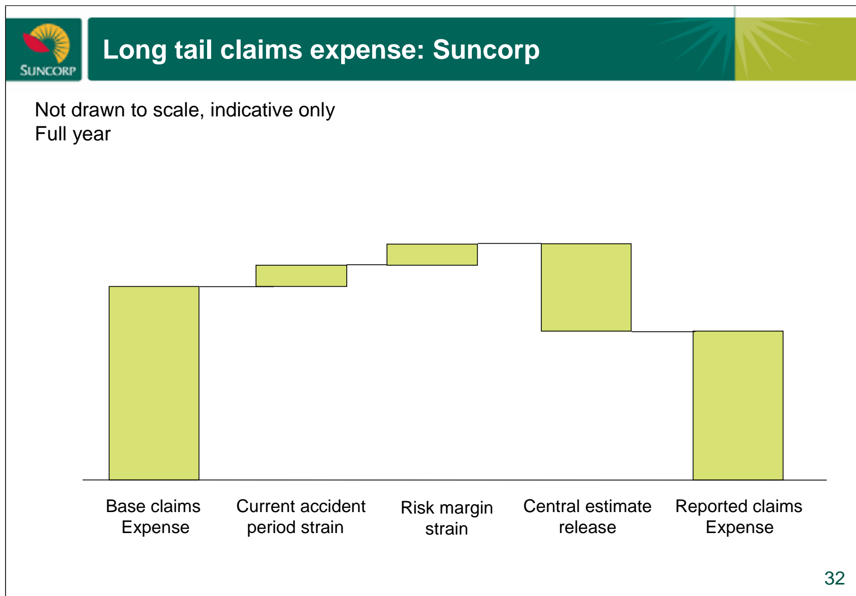
Key drivers were:

Storm related costs in short tail classes for Australia and NZ, including the net costs associated with the NSW storms, were estimated at $68 million compared to $63 million in 2006 including the net costs of Cyclone Larry

and

Increased claims costs in home due to higher construction costs being offset by flat claims costs in motor reflecting the efficiency of the AAMI motor claims process

So the short tail story is one of 2 companies with differing exposures, at different stages of the claims management cycle but both focused on profitability.



Let me now address claims expense in **long tail** classes:

We continue to see favourable claims frequency and settlement experience with little evidence of superimposed inflation across both the businesses. The benefits of tort law reform continue to flow through to the valuation of outstanding claims and resulted in prior year central estimate releases for the full year of $300 million for Suncorp and $198 million for Promina including New Zealand.

The majority of the releases from both companies originated from the commercial liability classes, due to further quarters of post-reform experience having passed the statute of limitations and the CTP book as both claims size and frequency remained positive.

You will notice in the pack we have provided more detail around these releases and have again included the Suncorp ITR adjustment table to enable you to understand the complex relationship between prior year releases and strains on current profits.

I would point out that this adjustment table relates only to the $300 million in releases on the Suncorp book.

.

ITR adjustment: Suncorp

Full year, $m

		Jun-07
Insurance Trading Result		500
Releases at central estimate	(300)	
Add back superimposed inflation (assumed to be sustainable)	82	(218)
		282
Add strains on current year profits		
Net risk margin strain	(11)	
Current accident period strain	110	99
ITR excluding strains, and superimposed inflation		381

33

As you know reported claims expense is influenced by **current accident period strain**, or new business strain. This is the difference between the pricing of premiums and the more conservative valuation basis adopted in the financial statements.

During the full year to June, this current accident period strain, on a net central estimate basis for Suncorp was $110 million.

Net risk margin strain which is the additional risk margin provided on the current accident period less the risk margin released from claims settled during the year as well as prior period releases. This was a negative $11 million for the full year as we released more risk margin than was provided for on new business.

And finally there is an allowance for superimposed inflation that is assumed in the pricing and valuation models, and to the extent that it does not occur in any particular period it will contribute approximately $41 million per half to the ITR.

This all comes together in the table on the slide which summarises the manner in which each of these factors impacts the ITR.

Let me stress again that this is not a process of us attempting to normalise our profits. It's purely designed to assist your understanding of the impact and interrelationship of the material components of the long tail claims expense that I have just referred to.

The final point I would like to make in relation to provisioning is that the risk margin we hold as percentage of the central estimate has changed from 28% to 25% due to a more diversified risk profile with a level of sufficiency remaining at approximately 94%. This compares to our target level of sufficiency of approximately 90%. As I have stated in the past, when we have sufficient actual claims experience to reduce the uncertainties regarding the extent and sustainability of the tort reform benefits, we will likely reduce that level of sufficiency closer to our target of approximately 90%. The difference between 90% and 94% for the group is approximately $230 million.

General Insurance summary

- **Strong, diversified and profitable**
- **Long tail classes benefit from favourable claims experience**
- **Strong performance in short tail ITR**
- **Continued benefits from claims cost reduction projects and improved risk selection**

34

So, in summary for GI, we have:

- a strong, diverse and profitable business
- benefiting from improved profitability, conservative provisioning and favourable claims experiences in long tail classes
- a strong ITR result in short tail despite increasing competition and storm related events
- Continued benefits from claims management efficiencies and improved risk based pricing capabilities.

Wealth Management profit: consolidated

Full year, $m

	Jun 06	Jun 07	Δ%
Life Risk			
Planned profit margins	5	22	340.0
Experience profits	8	18	125.0
Recapture of losses	-	1	
Life Risk	13	41	215.4
Funds Management	**40**	**55**	37.5
Total Wealth Mgmt underlying profit	**53**	**96**	81.1
Net investment income on s/holder assets	**18**	**27**	50.0
Net profit after tax and minority interests	**71**	**123**	73.2

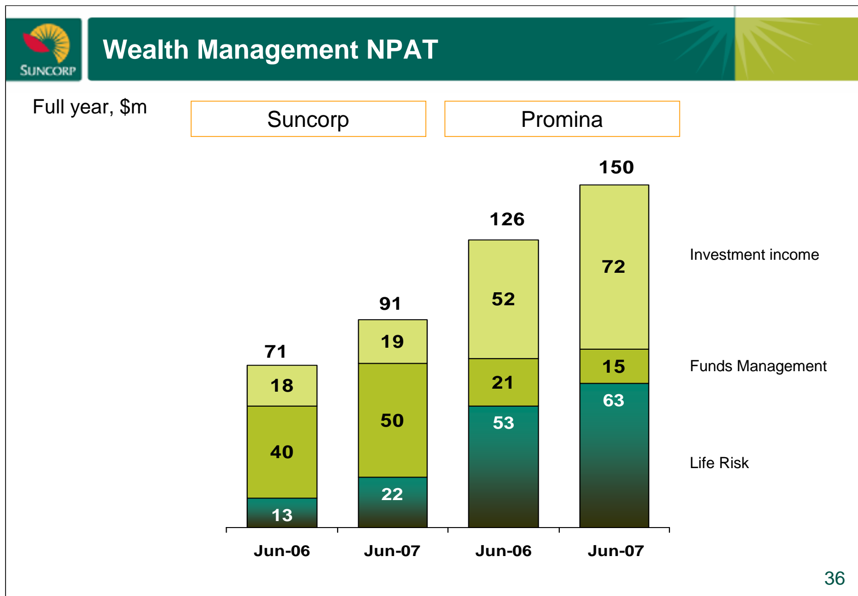
FY07 is the consolidated result of Suncorp for the12 months to 30/06/07 and Promina for the period of 20/03/07 to 30/06/07

35

Turning now to Wealth Management,

And profit after tax and minority interests for the consolidated entity was $123 million for the full year.

Promina’s contribution before tax and merger costs was $47 million.



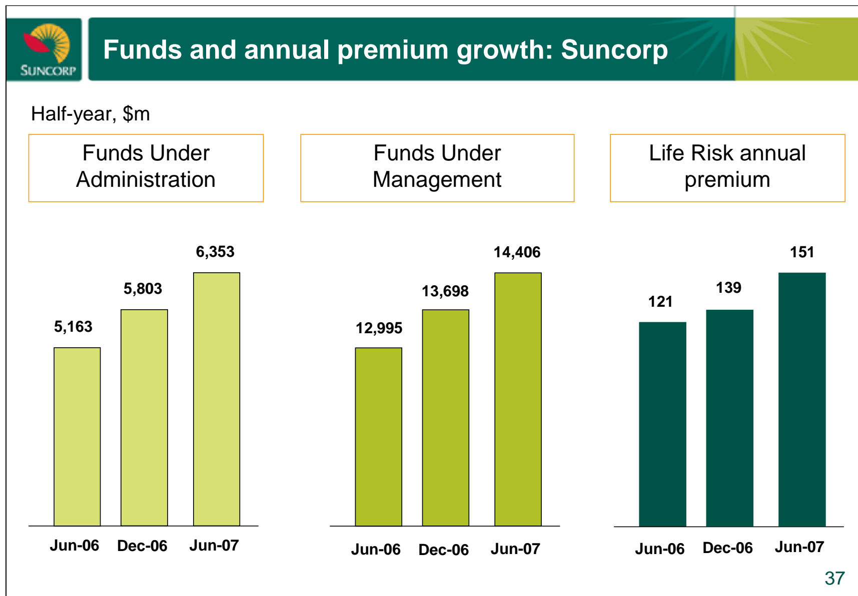
Net profit after tax and minority interests for Suncorp increased 28.2% to 91 million for the year to June 2007. Promina reported a net profit after tax of $150 million, an increase of 19% on the prior year.

Both businesses continued to focus on the delivery of superior customer experiences and product innovation.

The life risk operations of both companies experienced strong growth from increased experience profit and growth in annual premiums.

Funds management which includes the retail investment business, asset management and distribution benefited from the legislative changes to superannuation and buoyant equity markets

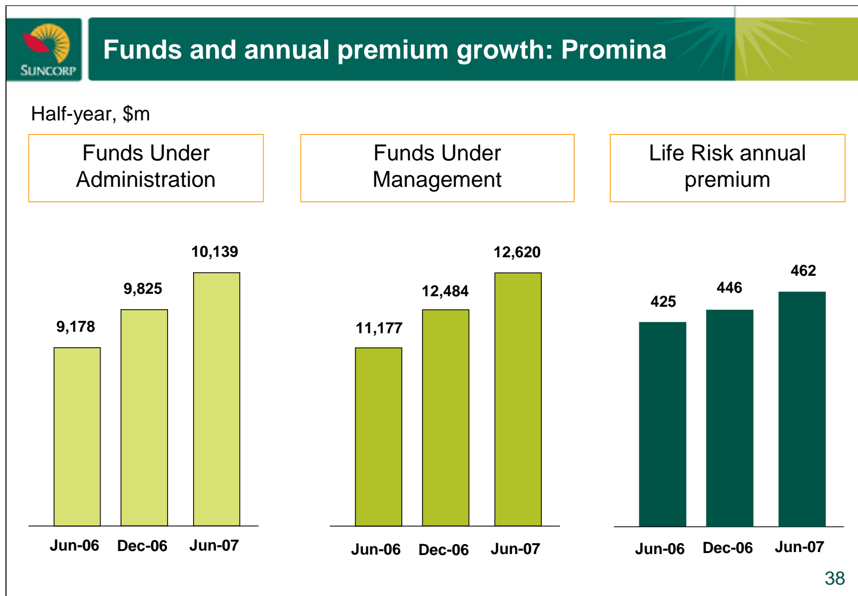
Investment income was also strong across both businesses.



The Suncorp result was driven by

- Strong growth in funds under administration driven by good investment earnings and net flows.
- Growth in funds under management driven by increased inflows and
- Good experience profit.

Annual premiums on risk products increased 24.8% for the year, primarily driven by good customer retention and continuing growth in premiums from a major Group Life client.



In Promina

Funds under administration and funds under management increased significantly for the year boosted by equity markets and strong institutional sales.

In New Zealand the funds management business delivered a contribution of $11 million reflecting the market leading position of New Zealand Guardian Trust.

Annual premiums on risk products increased in Australia by 7% and 15.5% in New Zealand. This result was driven by increased new business, benefit indexation and age re-rating.

Agenda

- Introduction & Overview - John Mulcahy
- Divisional performance - Chris Skilton
  - Banking
  - General Insurance
  - Wealth Management
- Capital update – Chris Skilton
- Integration update - John Mulcahy
- Group outlook - John Mulcahy
- Questions

39

Turning now to capital

Capital position

	30 Jun 2006	1 July 06 Adjusted	31 Dec 2006	30 Jun 2007	Target
Suncorp MCR coverage	1.79x	1.79x	1.83x	1.66x	1.60x
VIL MCR coverage				2.72x	
Bank Capital Adequacy ratio	12.31%	11.90%	11.34%	9.86%	10%-10.5%
Bank ACE	6.07%	5.59%	6.09%	5.05%	4.5%-5.0%

40

This slide illustrates that surplus capital previously held has been fully utilised in funding the merger with Promina. I make that statement because there is still a view by some in the market that we raised more capital through the entitlements issue than was necessary. That was not the case. As at June 30 the Suncorp general insurance group has an MCR coverage of 1.66 times, marginally above the target 1.6 times. The bank's capital adequacy ratio of 9.86% is slightly below the target range of 10% -10.5%.

At first glance it may appear that there is surplus capital in the Promina general insurance business. The VIL consolidated MCR coverage, as calculated under APRA's formula, stood at 2.72 times. However this ratio needs to be adjusted for a number of internal exposures to unregulated companies within the group and to close out the funding transactions of the merger. These will reduce VIL's MCR coverage to 1.81 times – a reasonable but significantly smaller surplus over the target of 1.6 times.

We have previously indicated that there is a potential for a capital initiative following the merger but this is dependent on completing the following pieces of work.

Firstly, we must undertake a corporate restructuring of the general insurance licensed entities to improve capital efficiencies of those subsidiaries. At present, any surplus capital in the consolidated general insurance position is locked within individual subsidiaries in order to meet their Level 1 regulatory capital requirements. To minimise transaction costs, this restructuring will not be completed until during the June quarter of 2008.

Secondly, we are engaging credit agencies in a review of our capital targets obviously with the constraint of retaining our current credit rating.

Our capital strategy will also be considered having regard to any major insurable events and, as has been highlighted over the last month, any long term impact of investment market volatility on our shareholder fund portfolios.

For these reasons we cannot be definitive about any particular capital transaction until these factors have been worked through, and we will keep the market updated as appropriate.

Summary

- **Strong growth momentum and disciplined credit approach**
- **Improved risk selection, claims cost reduction and a stable claims environment**
- **Strong increases in funds under administration**
- **Capital position remains strong**

41

So, to summarise, we have again achieved a strong result in each of the three business lines:

In Banking, we have achieved our forecast in a challenging competitive environment and maintained our disciplined approach to credit.

In General Insurance, our solid result was driven by improved risk selection, further benefits of our claims cost reduction program, product innovation, a relatively stable claims environment excluding the June NSW storms and releases from the long tail book.

And, in Wealth Management, we achieved strong increases in funds under administration and funds under management taking advantage of the superannuation tax changes.

And our capital position remains strong.

With that, I will now hand back to John.

Agenda

- Introduction & Overview - John Mulcahy
- Divisional performance - Chris Skilton
  - Banking
  - General Insurance
  - Wealth Management
- Capital update – Chris Skilton
- Integration update - John Mulcahy
- Group outlook - John Mulcahy
- Questions

Integration Principles

•To maximise the benefits flowing from the transaction the Integration approach is underpinned by a set of Integration Principles agreed by the Executive Team and the Board:

- **Taking the best from both organisations**
- **Making fact-based and transparent decisions**
- **Seeking to enhance the customer experience**
- **Optimising the outcomes of Business as Usual and Integration**
- **Remaining committed to our desired end state business model**

43

Thanks Chris.
Let me now turn to Integration

The merger of Suncorp and Promina
was a significant transaction
and historical event for both organisations.

As a combined Group
we have now embarked upon an exciting period of our evolution.

We have ambitious goals
and today I want to talk about our plan for integration
and our progress to date.

To effectively integrate our two businesses,
which had different business models
and differing cultures,
we believe that our focus should be on identifying
and implementing
the best practices of both organisations across the wider Group.

This will allow us to maximise the benefits flowing from the transaction.

Integration principles

•To maximise the benefits flowing from the transaction the Integration approach is underpinned by a set of Integration Principles agreed by the Executive Team and the Board:

- **Taking the best from both organisations**
- **Making fact-based and transparent decisions**
- **Seeking to enhance the customer experience**
- **Optimising the outcomes of Business as Usual and Integration**
- **Remaining committed to our desired end state business model**

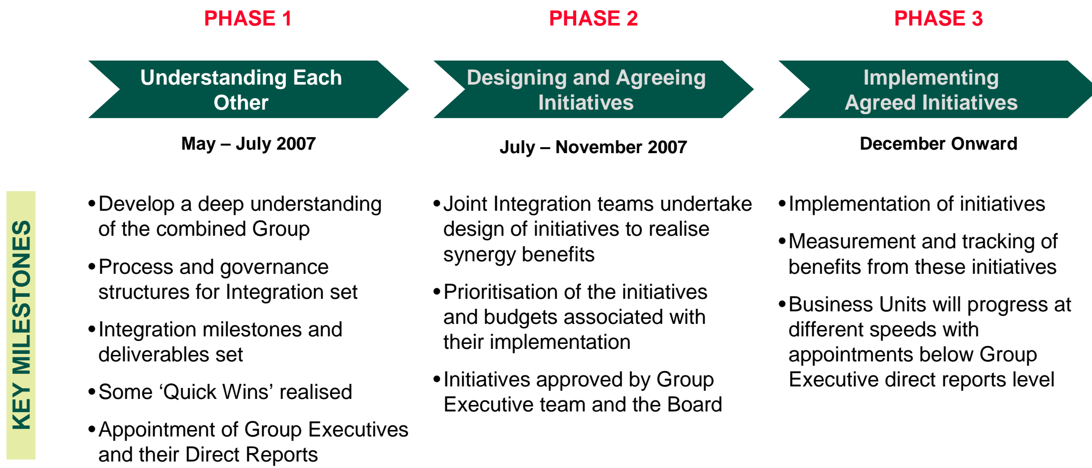
44

To help us achieve that
we set Integration Principles
to guide our approach.

They commit us to making fact-based decisions
and balancing both Business as Usual and Integration objectives.

They explain that we are committed to achieving our desired end state business model and will be continually seeking
to enhance the experience of our customers.

Adhering to these principles
will ensure we meet the ambitious goals we have set ourselves
and build a company with a collaborative culture
which is set up to achieve sustainable results,
rather than purely short-term success.



Earlier in the year,
we told you that we would lay out a clear plan
to deliver integration outcomes.

We have.

We have considered Integration in the context of our longer term strategy
and the need to ensure
that while Integration progresses
our businesses need to continue to be well managed.

As a result, our journey will follow three phases.

Phase 1

Phase 1 has been completed.

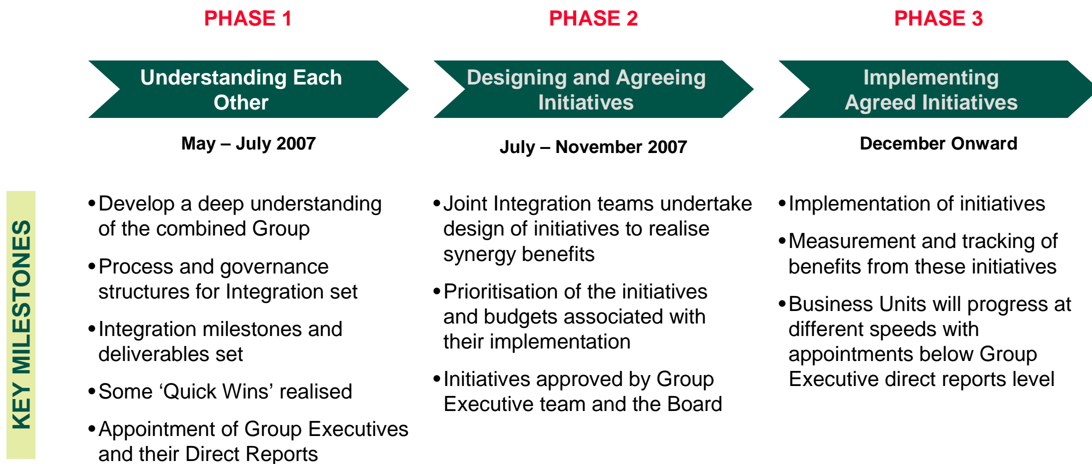
This phase was earmarked as a period
where we would spend time getting to know each other -
our businesses and our new colleagues.

We have also aggressively pursued Quick Win integration initiatives
in areas where the benefits of the merger were obvious
and implementation was not dependent
upon having established a Group Business Model.

We set Integration milestones and deliverables
and also established the infrastructure
that would be required to take us through to the next stage of intense activity.

I will look at what we have already achieved in more detail in a moment.

We have planned a measured and methodical approach to Integration



46

Phase 2

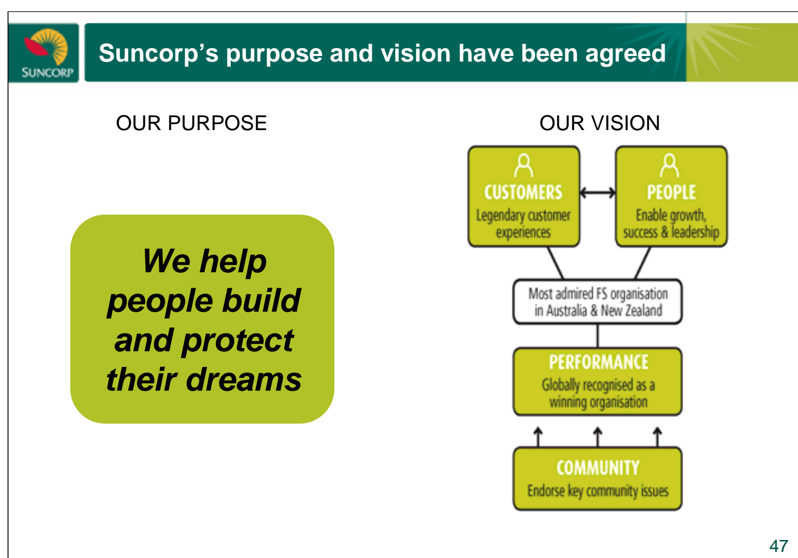
We recently entered Phase 2 and
are now developing a portfolio of initiatives across the Group
to realise the benefits of Integration.

The initiatives will be budgeted,
prioritised
and signed off by Group Executives
before being presented to the Board
for approval by the end of the year.

Detailed implementation plans are also being developed.

Phase 3

Immediately following approval by the Board,
implementation of the initiatives will begin
And continue throughout Phase 3.



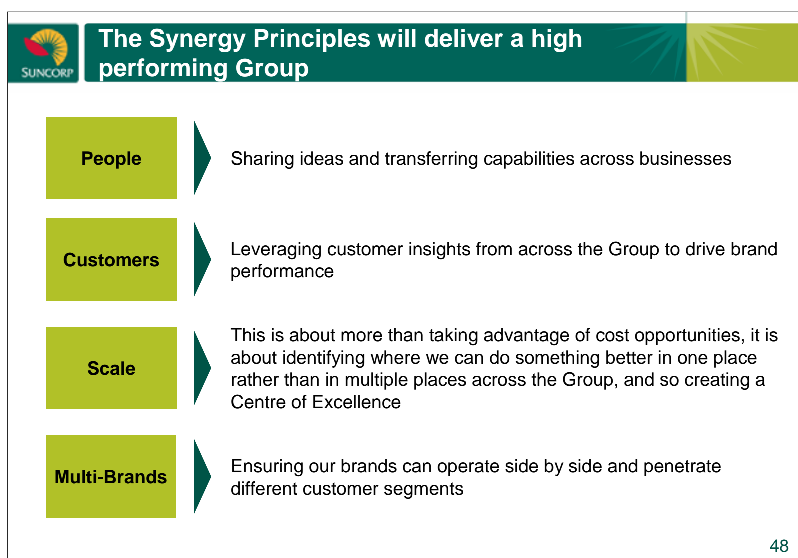
Since the merger transaction completed on 20 March
we have achieved a great deal.

Shortly after the group executive team were appointed we came together and embarked on a process called strategic conversations

Coming out of that process
we agreed the purpose and vision
for the new Suncorp.

We believe these two simple statements
clearly articulate why we are in business
and how we want to be viewed by our stakeholders.

These statements provide an ambitious target
to align our combined teams and shape their endeavours.



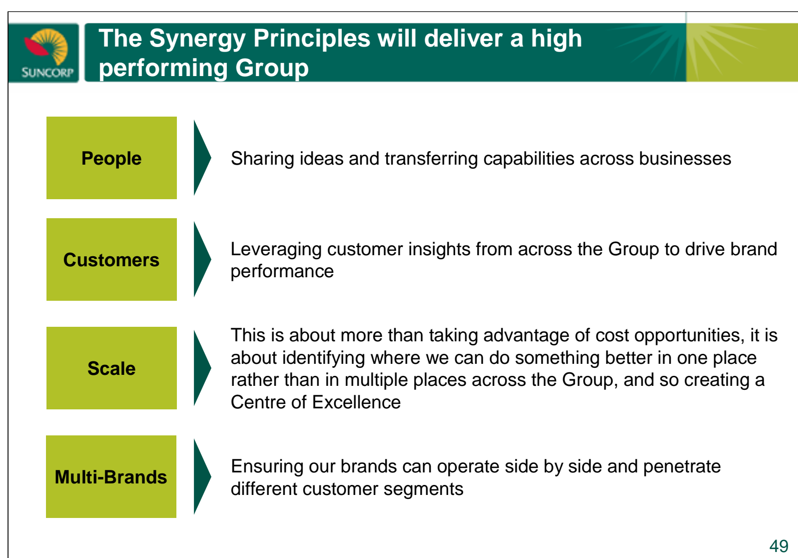
Once we had decided on the purpose and vision,
we moved quickly to designing the high-level business model
which would facilitate us achieving our goals.

The first step was to define the set of fundamental principles
upon which our business model would be dependent.

These four fundamental principles,
that we call synergy principles are:

People - This principle is about the sharing of knowledge
and transferring of capabilities across teams

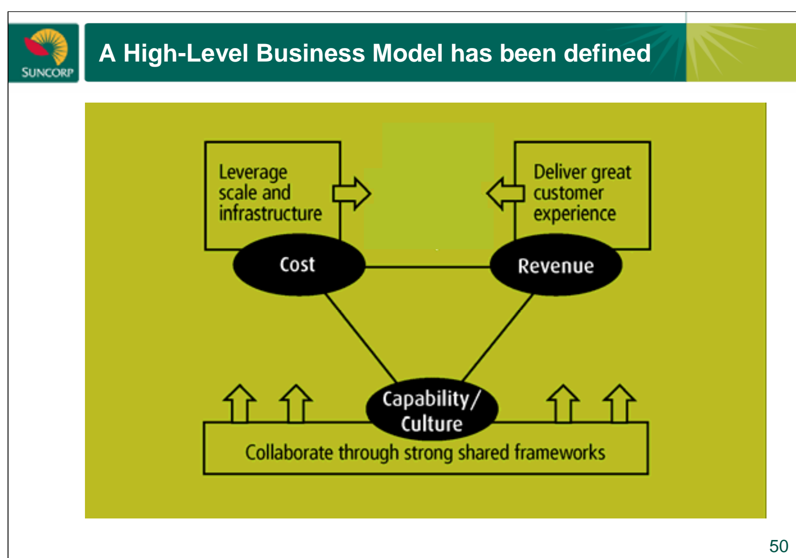
Customers - We want to leverage customer insights
from across the Group
to drive performance within brands,
within Business Units
and across Business Units.



Scale –
Scale is about more than just driving down costs.
It is about creating Centres of Excellence throughout the Group where we have identified that we can do something well in one place rather than in multiple places.
This will create advantages in cost,
capability
and quality of output.

Multi-brands –
We want to optimise our multiple brands
to ensure they can operate side by side
while effectively penetrating different customer segments.

These Synergy Principles have not only guided the Executive Team in the development of the Business Unit Business Models
but have also set the foundation for Integration.



Once we defined the Synergy Principles,
we were able to settle on a high-level business model
that not only joins together our six businesses
to form a diversified financial services company
but clearly demonstrates that we are taking the best of Promina and the best of Suncorp
to build our new Group.

We believe that this model
will ensure we achieve our vision
and create a sustainable competitive advantage.

We will do this by using the capabilities we have across the Group
to build on the best practices of both organisations
from both a cost and revenue perspective.

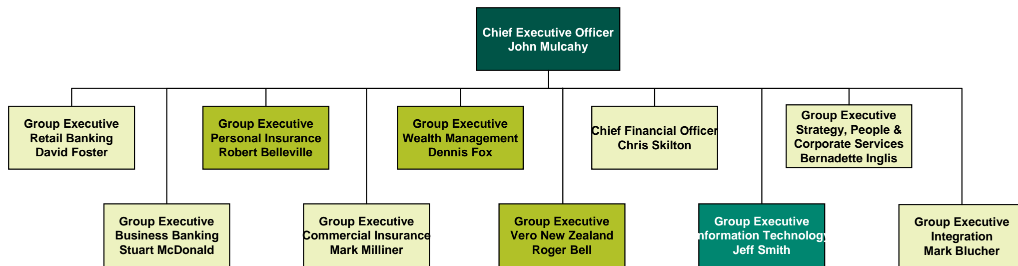
On the revenue side we will increase **revenue**
by delivering legendary customer experience,
through tailored and meaningfully segmented brands
and innovative customer solutions
which can be developed quickly.

On the cost side
we will reduce **cost**
by leveraging scale and infrastructure
thereby allowing us to reinvest in our business.

The model will be underpinned by strong common frameworks
and a strong culture of collaboration
to enable us to efficiently increase revenue
while at the same time reducing cost.

We believe that when we make this work
we will have created something which our competitors in the market will want to replicate but won't be able to.

Building the new Suncorp



- **Priority on defining BU models and structures**
- **Design and appointment process guided by synergy and integration principles**
- **Commitment to "best of both"**

Origination
- Suncorp
- Promina
- External/Vacant

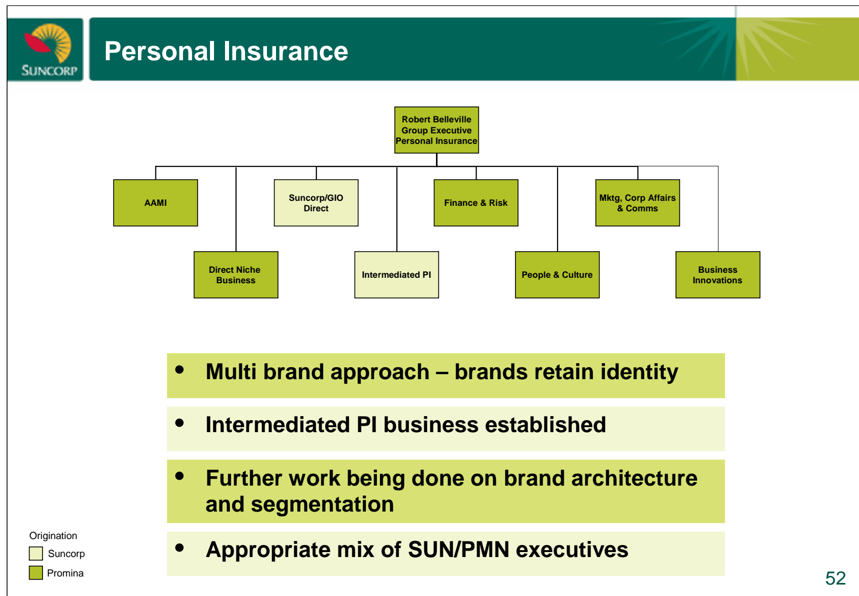
51

Once the high level Business Model and Synergy Principles had been agreed,
Group Executives spent time in their own businesses
defining their own Business Models and structures.

Over the last 6 weeks
Group Executives of all Business Units
have progressively announced their structures
and new teams of direct reports.

During the design and appointment process
Group Executives were guided not only by the four Synergy Principles
but also adhered to the Integration Principles
ensuring that their final structures illustrated a commitment to our 'Best of Both'
approach.

Over the last few weeks,
the media and some in the market have shown an interest in the appointments.
So I want to spend a few minutes
discussing some of the changes with you
and the high level rationale
underpinning the key business lines structures.



Turning first to Personal Insurance.

As you know Robert Belleville is our Group Executive Personal Insurance.

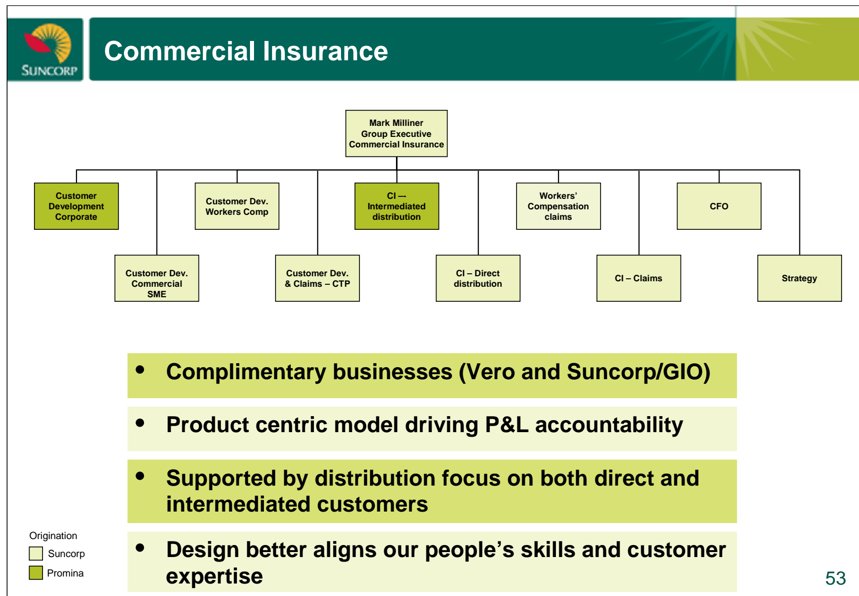
Robert's structure reflects his desire
to ensure that his businesses remain focussed on our customers,
our competitors
and our performance.

You can see clearly that the multi-brand approach,
where executives have accountability for brand operations,
which was so successful for the former Promina business,
has been retained.

In addition
we have a newly formed Intermediated Personal Insurance business.
which will provide a high level of focus on this key segment.

Further work is being undertaken by the Personal Insurance strategy team,
led by Michael Kay,
to understand and define brand segmentation.

As you would expect
the structure has a heavy weighting
of former Promina executives.



To Commercial Insurance,
led by Mark Milliner.

This structure reflects a product-centric business model
with areas of focus around customer development,
including:
Corporate,
Commercial SME,
Workers' Comp
and CTP.

These teams will be supported by executives
and teams
with clear accountability
for claims and distribution
to both intermediated and direct customer bases.

The executive team includes a mix of the current Suncorp and Vero Executives
as well as three newly promoted managers from Suncorp and Vero
all selected as the best fit for the new business's requirements
now and in the future.

Wealth Management

Dennis Fox
Group Executive
Wealth Management

SWM NZ
Wealth Platform
Asset Mgmt
Life Risk
Advice
CFO, Fund & Support Services

- Combination of strong risk business, insurance portfolio and funds management
- Strengthened distribution channels with IFA network, aligned advisors and bank branch network
- Support functions to the centre to achieve synergies
- Larger business = greater opportunity for growth

Origination
Suncorp
Promina

54

Onto Wealth Management
led by Dennis Fox.

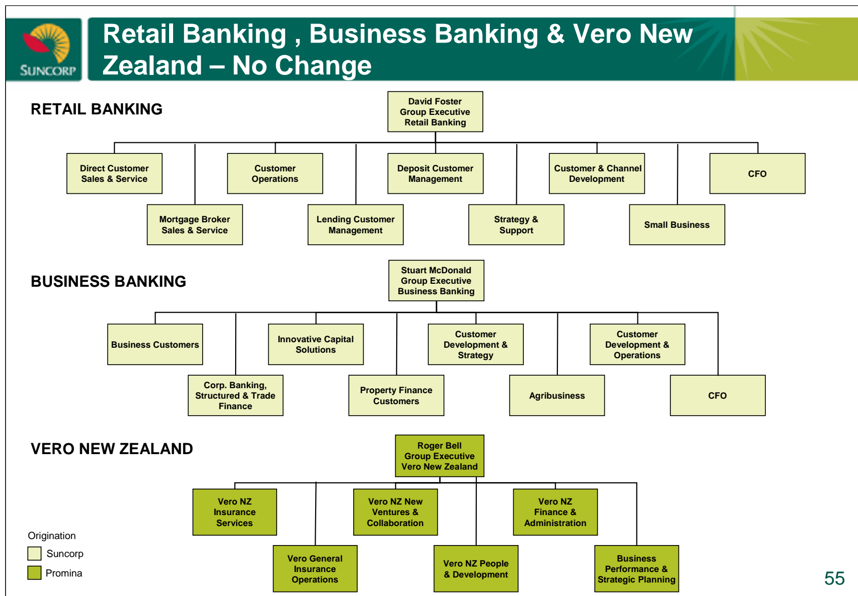
And here, our new structure
is designed to use our existing resources
and business model
to grow profit.

We will take advantage of our opportunities
by growing our Risk business via our IFA, Suncorp bank advisers, other Suncorp companies and through the Group Risk market.

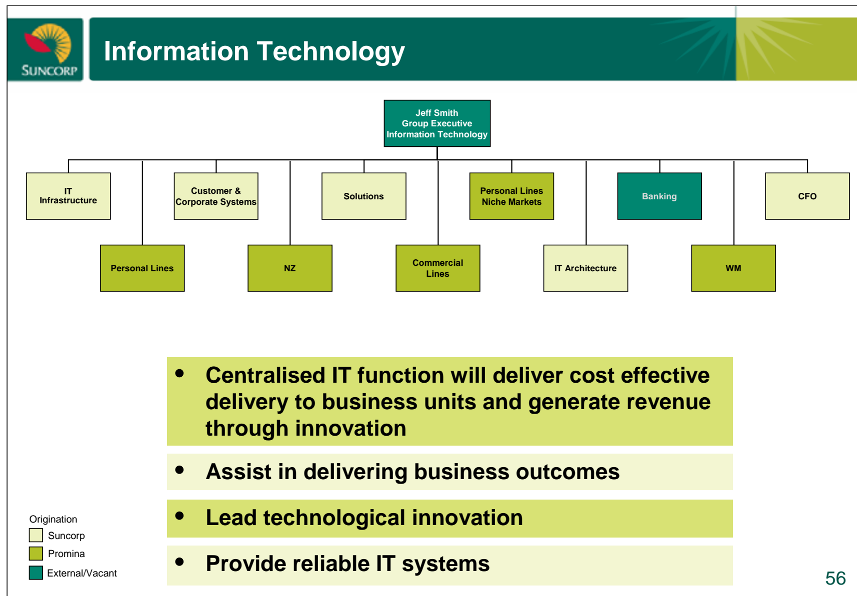
Our Wealth Platform business will focus on developing a sustainable,
high-quality product suite for our bank channel
and, where we can compete effectively,
for the external market.

Our Asset Management business will grow
by exploiting Tyndall and Suncorp Investment Management's
two high-performing Equity teams, Fixed Income and alternative asset capabilities.

While Dennis's direct report team contains exclusively Promina executives,
key Suncorp executives have also been retained
throughout the wealth organisation.



Both the Business and Retail Banks
saw little change,
as did the Vero NZ business
where Roger Bell and his team
continue to drive fantastic results
across the Tasman.



The changes to our IT environment
during Integration
will be critical to our future success.

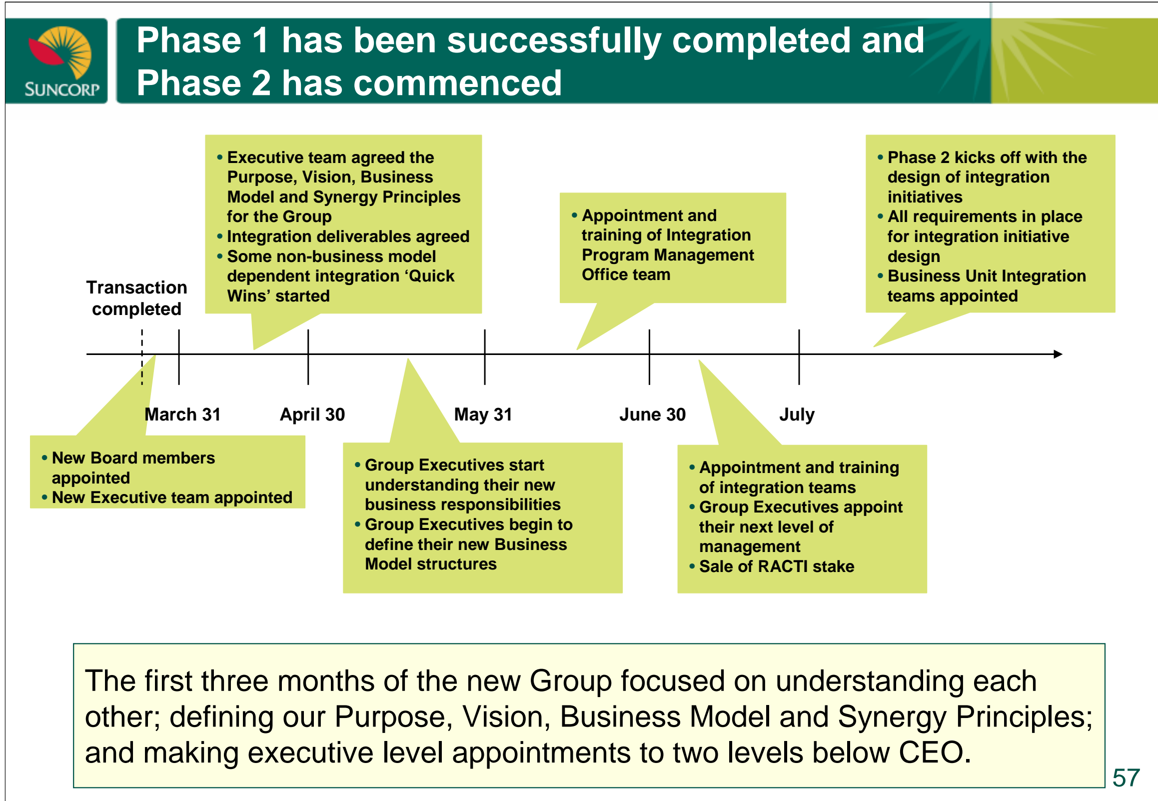
IT opportunities have already been identified
to share the best of both
with decisions on

– end state data storage systems and processes,
– disaster recovery systems,
– data centre networks,
– business desktop environments and
– telecommunications and telephony systems

which will create an IT Infrastructure Highway to support a range of BU specific initiatives.

The IT team, led by Jeff Smith
(who I must say has made a major contribution to the business
in the short time that he has been with us)
have developed a model that allows scope for significant savings
and enable a dramatic improvement in quality,
cost,
innovation
and speed of delivery.

The distributed model adopted means it operates
to support each Business Unit.
Each Business Unit will decide on IT business initiatives
and priorities
with support from specialised production centres or Centres of Excellence.



Also during phase 1 of integration
we also moved quickly to appoint joint 'Quick Win' teams.

We established an Integration Business Unit lead by Mark Blucher.
And Mark appointed a team to work with him in the Integration Program Management Office.

We appointed and trained over 40 Integration Leaders and Integration Coordinators
to support the Group Executives in the design of Integration initiatives
for their Business Units.

Since the beginning of Phase 2,
Group Executives have mobilised joint Integration teams within their Business Units.

And

I am pleased to report that teams have already made considerable progress
and are on track
to deliver a portfolio of initiatives
which will result in the realisation of synergy benefits
to the Board
for sign-off by the end of the year.

Inroads have already been made to deliver synergy benefits

Suncorp still expects to incur a total of approximately $355 million of one-off integration costs in order to achieve annualised synergy benefits of $225 million

At 30 June $55 million of annualised synergy benefit 'Quick Wins' have been locked in:

- Combining the reinsurance programs of the two organisations has identified a cost saving of $41 million per annum
- Operational efficiencies have been identified by eliminating duplication to achieve cost savings of $14 million per annum

$10 million allowance for increased funding in pre-merger estimate of net synergies

$105 million in claims diversification benefits

58

I want to take a moment
to talk to you about the quick wins
we have already seen.

At 30 June
$55 million of annualised synergy benefits have been locked in,
in two key areas:

Firstly by combining the Reinsurance programs of the two organisations
to reduce the cost of reinsurance for the combined entity
by $41 million.

And secondly, at an operational level
by eliminating duplication of roles
at the Group Executive and Group Executive direct reports levels
and other operating efficiencies
achieving savings of $14 million.

In addition, the original estimate of net synergies
included a $10 million allowance for increased cost of funding
for our banking operations.
The experience to date with debt issues into Asia in March
and a securitisation issue in May
suggests there has been no increase in borrowing spreads
as a direct consequence of the merger.

[more]

Inroads have already been made to deliver synergy benefits

Suncorp still expects to incur a total of approximately $355 million of one-off integration costs in order to achieve annualised synergy benefits of $225 million

At 30 June $55 million of annualised synergy benefit 'Quick Wins' have been locked in:

- Combining the reinsurance programs of the two organisations has identified a cost saving of $41 million per annum
- Operational efficiencies have been identified by eliminating duplication to achieve cost savings of $14 million per annum

$10 million allowance for increased funding in pre-merger estimate of net synergies

$105 million in claims diversification benefits

59

You would also be aware that following the completion of the merger,
Standard and Poors upgraded Suncorp's Group Credit Rating
To A+ positive outlook.

While the quantum of synergy realisation during this phase
is ahead of the our pre-merger forecasts
I caution against using this data
to draw conclusions about the overall quantum of synergies available as a result of the merger.

We still expect to incur a total of approximately $355 million
of one-off integration costs
in order to achieve annualised synergy benefits of $225 million
but will rely on the detailed work being undertaken during phase 2 of the Integration
to provide the level of confidence necessary to accurately update the market.

And finally, as Chris mentioned in his presentation,
$105 million in diversification benefits
have been achieved as a direct result of the merger.

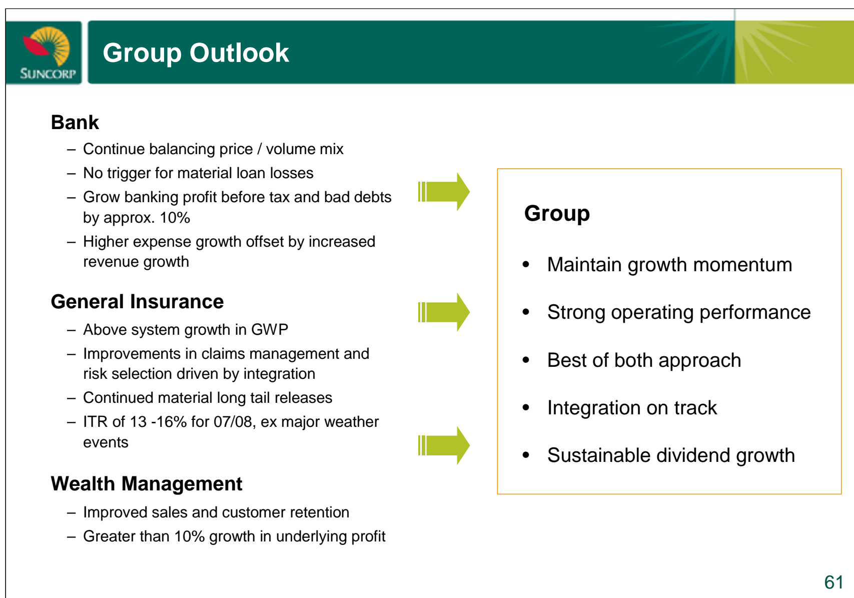
Agenda

- Introduction & Overview - John Mulcahy
- Divisional performance - Chris Skilton
  - Banking
  - General Insurance
  - Wealth Management
- Capital update – Chris Skilton
- Integration update - John Mulcahy
- Group outlook - John Mulcahy
- Questions

60

So
You can see that we have developed a clear plan
around what is required to deliver the integration efficiently,
and in a manner
that protects the inherent value in both organisations
and builds an even stronger financial services organisation.

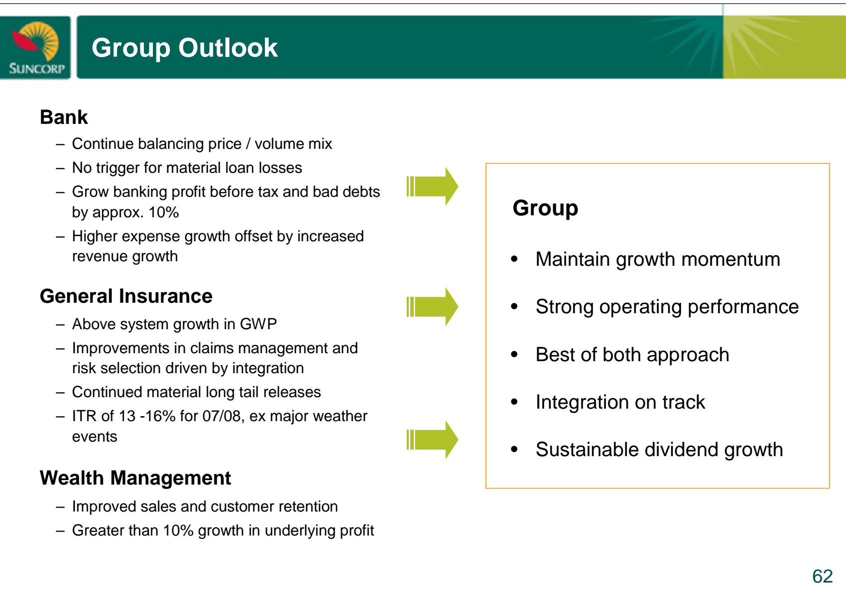
So finally, let me turn to our outlook.



At the **macro** level
recent interest rate rises
signal the Reserve Bank's determination
to keep a tight rein on inflation.
Therefore, it is reasonable to expect that there will be some moderation
in credit formation, particularly in the retail mortgage market.

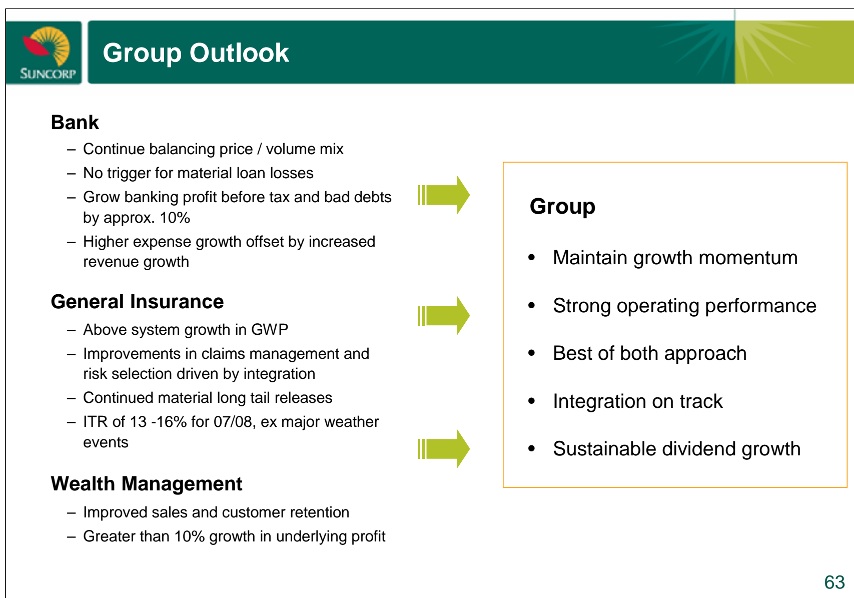
This, in turn, may flow through to increases in non-performing loans.
But, I would emphasise,
that because of our robust loan to value ratios
we do not believe there is a likelihood of a material increase in loan loss expense.

While we have no direct exposure to sub prime mortgage markets
in the United States
the secondary impact of tightening liquidity and widening credit spreads
clearly could have an impact on credit markets in Australia.
We believe we are well positioned to effectively manage
our way through such a scenario.



In **Banking**
we will continue to balance price and volume
to grow the overall portfolio at,
or slightly above
system rates of growth.
We aim to achieve superior profitability at those levels
by leveraging our specialty lending
in areas such as development finance
as well as capitalising on our strong brand
and distribution footprint
in the growth state of Queensland.

Assuming no major changes in underlying market conditions
we would expect to grow profit before tax and bad debts
by approximately 10% for the year.

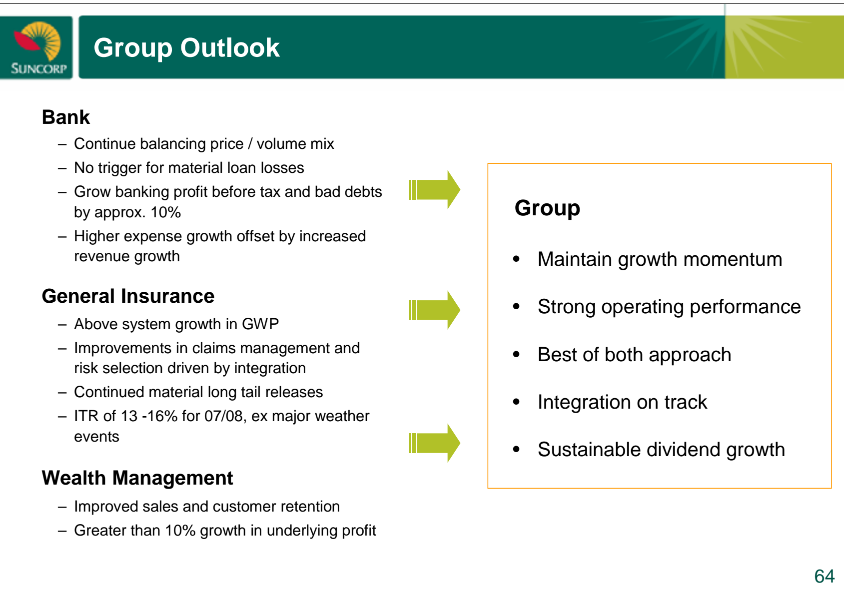


In General Insurance
we expect better that system growth
across our full portfolio
as we leverage the strong growth profile of the former Promina brands
and an improving growth profile across the Suncorp and GIO brands.

Offsetting this to some extent
will be continuing premium reductions
in CTP and other personal injury classes
as customers continue to benefit from
the tort law reforms.
We also expect pricing in commercial lines to remain soft
at least in the short term.

With respect to short tail claims expense
we expect further improvements in claims management
and risk selection
to be driven through the integration process
with considerable opportunity existing across all brands
under a “best of both” model.

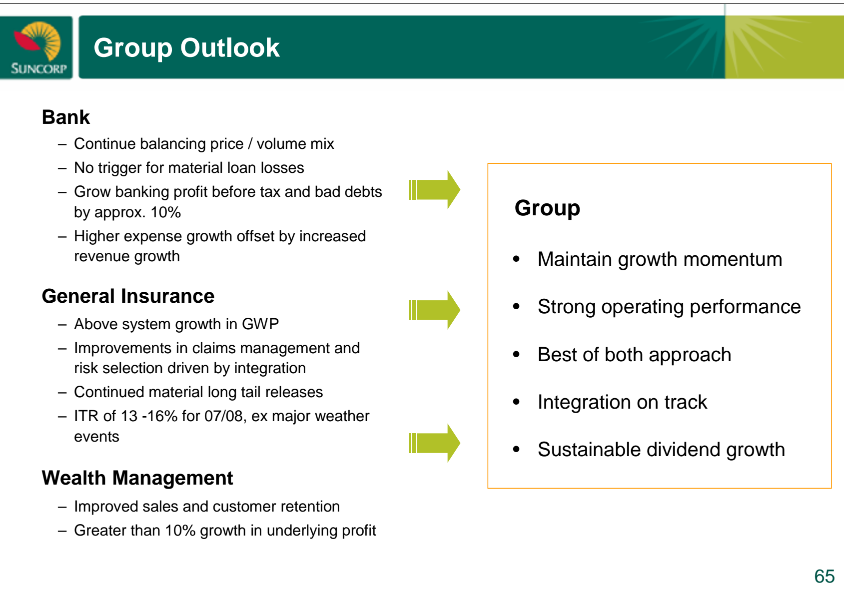
There is considerable discussion
about the link between recent major storm frequency
and the broader climate change debate,
we will continue to enhance our risk based pricing engines
to ensure we are appropriately pricing for risk
across the portfolio.



In long tail classes
We anticipate the potential and size of releases
Will moderate over time
As underlying valuation parameters align with premium prices.
However,
assuming current claims trends continue
we expect they will still make a material contribution
to profit in the year to 30 June 2008.

Taking all these factors into account
we expect that for the year to June 2008
we will achieve the previously stated guidance
for both the Suncorp GI business,
which was for the ITR to be 16-19% excluding major weather events
and for Promina, which was for 10+% ITR excluding major weather events.

This will result in an ITR for the merged Group
in the range of 13% to 16%
excluding any major weather events.



In **Wealth** management
we anticipate continued growth in Funds under Administration
through increased sales and customer retention.
we expect sales growth will continue to be supported
by leveraging our banking and general insurance customer bases
for wealth management solutions.

On an underlying basis,
which excludes investment returns on shareholder funds
we expect to achieve profit growth
of greater than 10% in the wealth management business.

A review of the Group's capital structure is being undertaken
following the merger
to optimise the Group's capital potential.
This project, which will be undertaken in consultation with Ratings Agencies,
is expected to be completed
during the June quarter of 2008.

The Group's capital strategy will also take into account
overall operating conditions, including any major insurable events,
and the long term impact of investment market volatility
on the Groups shareholder fund portfolios.

Accordingly, we expect the Group will be well placed to consider
Its capital management options by the end of June 2008.

So rolling this up to the **Group** level
and we anticipate providing sustainable growth in dividends,
although growth may not necessarily be at the same rate as recent years.
It remains likely that the merged groups payout ratio
will temporarily rise
as a result of the timing of synergy realisation
and integration expenses
on consolidated earnings.

Before I hand back to Steve

I would like to introduce the members of the Group Executive

That are with us today.

Starting with Roger Bell, Group Executive, Vero NZ,

Robert Belleville, Group Executive, Personal Lines

Mark Blucher, Group Executive, Integration

David Foster, Group Executive, Retail Bank

Denis Fox, Group Executive, Wealth Management

Bernadette Inglis, Group Executive, Strategy, People and Corporate Services

Stuart McDonald, Group Executive, Business Bank

Mark Milliner, Group Executive, Commercial Insurance

Jeff Smith, Group Executive, Information Technology

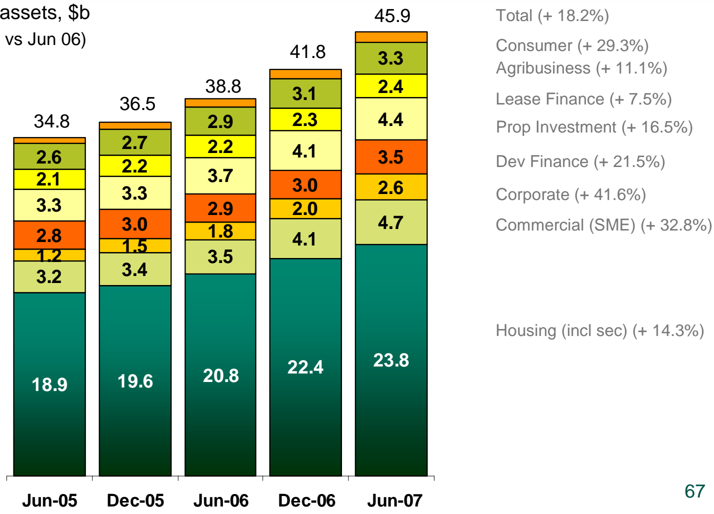
And Of Course

Chris Skilton our CFO.

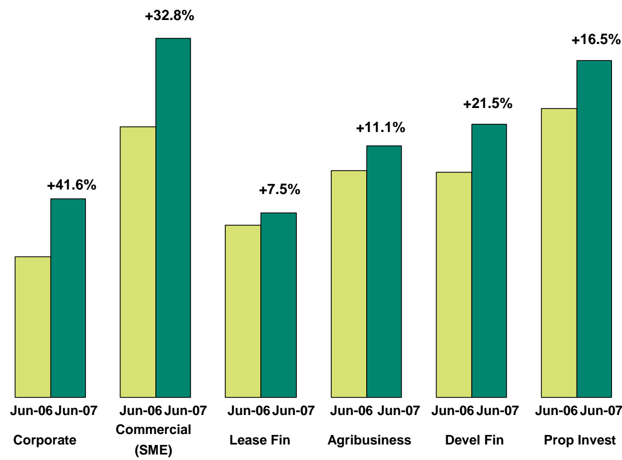
So, let me hand back to Steve

To moderate the questions.

Lending performance



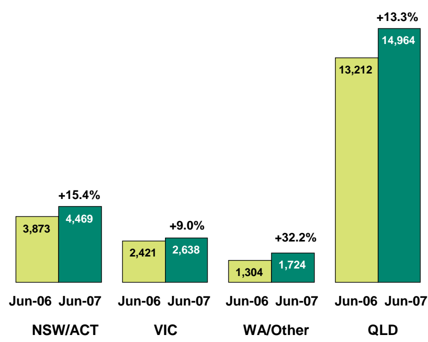
67



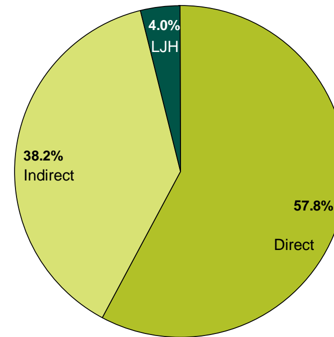
SUNCORP
Business lending performance
Receivables growth by segment, full year, %
+41.6%
+32.8%
+7.5%
+11.1%
+21.5%
+16.5%
Jun-06 Jun-07
Corporate
Jun-06 Jun-07
Commercial (SME)
Jun-06 Jun-07
Lease Fin
Jun-06 Jun-07
Agribusiness
Jun-06 Jun-07
Devel Fin
Jun-06 Jun-07
Prop Invest
68

Home lending performance

Receivables by state, $m
(including securitisation)



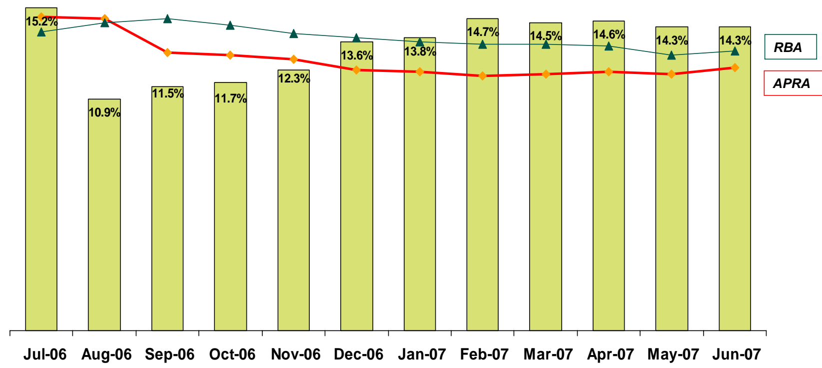
Receivables by channel
(including securitisation)



69

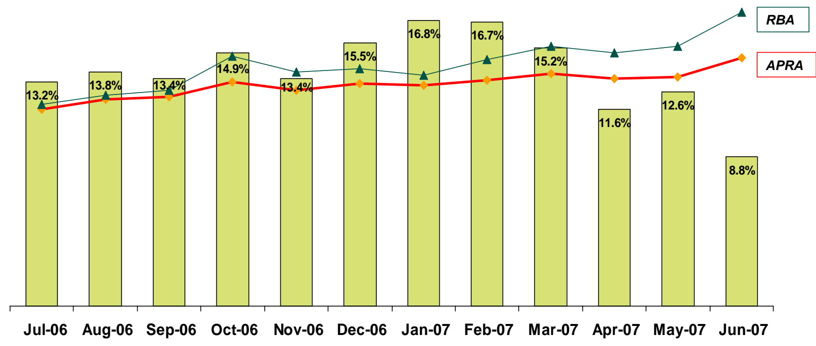
Lending performance

Home lending, 12 month growth



Deposits performance

Retail deposits, 12 month growth

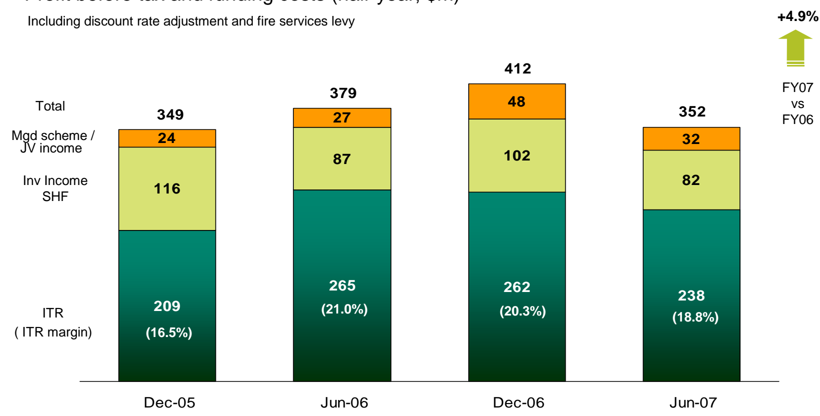


71

General Insurance profit growth: Suncorp

Profit before tax and funding costs (half-year, $m)

Including discount rate adjustment and fire services levy

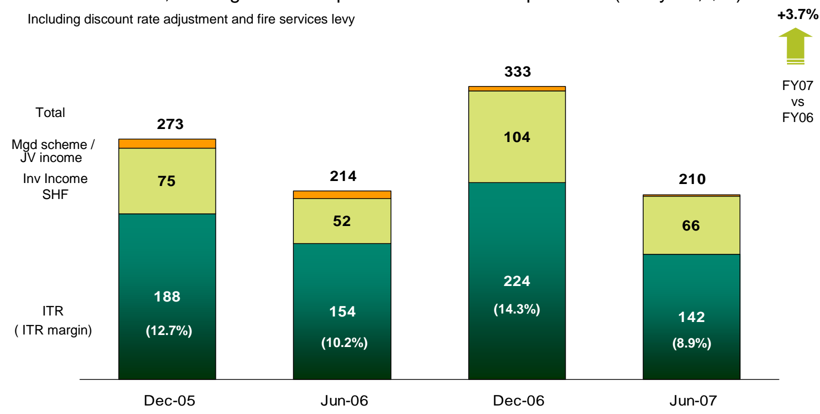


72

General Insurance profit growth: Promina

Profit before tax, funding costs and profit from non-core operations (half-year, $m)

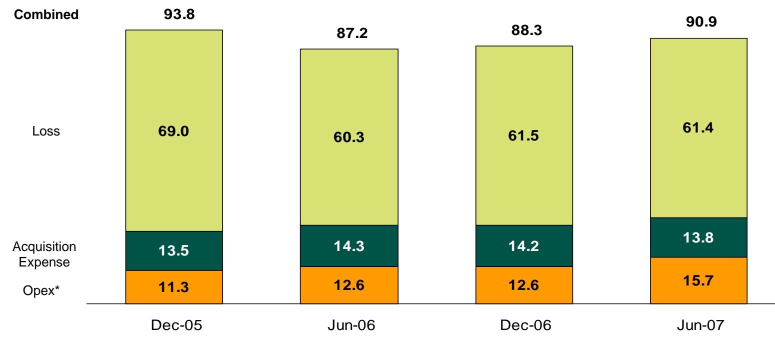
Including discount rate adjustment and fire services levy



General Insurance ratios: Suncorp

Half-year (%)

Including discount rate adjustment and fire services levy

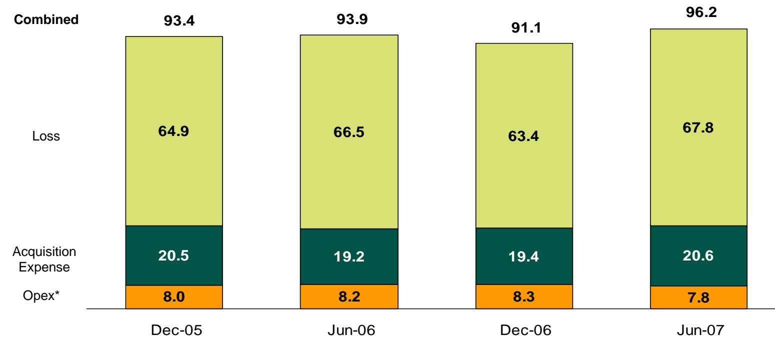


*Opex: Other underwriting expenses ratio

General Insurance ratios: Promina

Half-year (%)

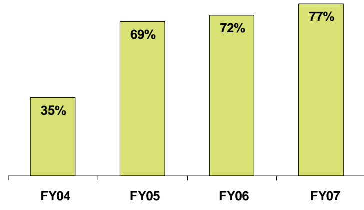
Including discount rate adjustment and fire services levy



*Opex: Other underwriting expenses ratio

Cross-sell metrics

Consumer Credit Insurance Penetration into Personal Loan Base



- Measures penetration of our personal loan base with consumer credit insurance

Source: Suncorp data

Cross-sell metrics

General Insurance / Retail Bank call centre referral program

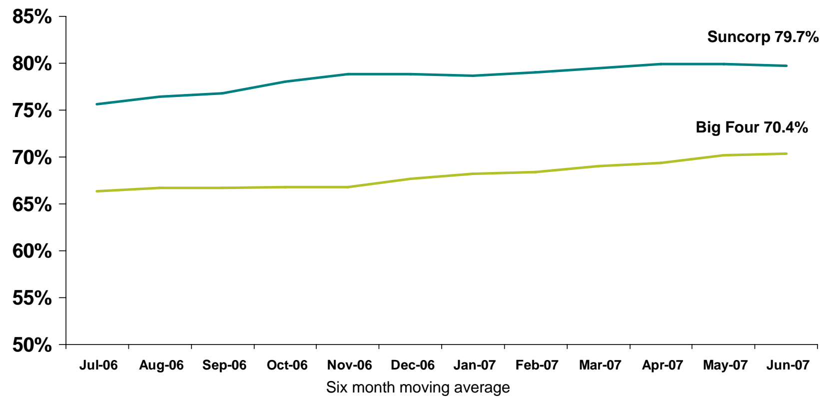
- GI call centre consultant does a 'warm hand-over' to a Banking specialist to complete a financial needs analysis for the customer.
- For the year to June 2007, over 20,000 product referrals were made with a conversion to sale ratio of around 36%.

Commercial Insurance / Business Banking customer offer

- The offer combines term lending with commercial insurance for Property Investment and Commercial banking customers.
- For the year to June 2007, 13% of all new business sales in these two segments include both a loan and insurance.
- 50% of sales via the offer have been through new relationships to Suncorp.

Customer satisfaction - Banking

Banking customer satisfaction

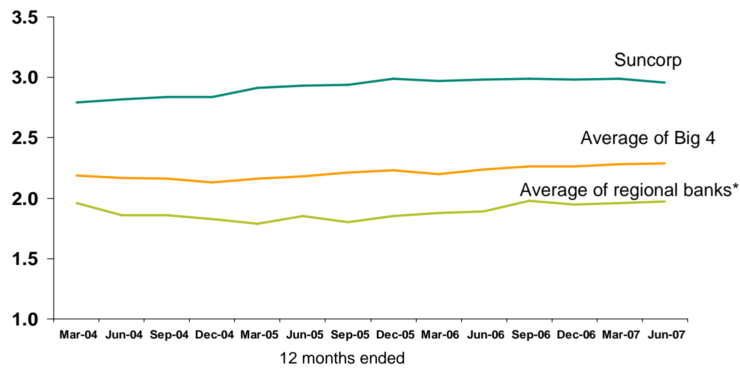


Source: Roy Morgan Research Pty Ltd., Australia

Base: Australians aged 14 plus with at least a transaction account at that institution

Overall satisfaction is measured as "very" or "fairly satisfied".

Products per customer - Banking



** Regional banks defined as St George, Bank of Qld, Adelaide Bank, Bankwest, Bendigo*

Source: Roy Morgan Research Pty Ltd., Australia
Base: Queenslanders aged 14 plus
Products include All Accounts, Credit Cards, Loans, Investments and Insurance.

79

Disclaimer

- This report contains general information which is current as at the 27 August, 2007. It is not a recommendation or advice in relation to Suncorp-Metway Limited or any product or service offered by the Suncorp Group. This report should be read in conjunction with all other information concerning Suncorp-Metway Limited filed with the Australian Stock Exchange.