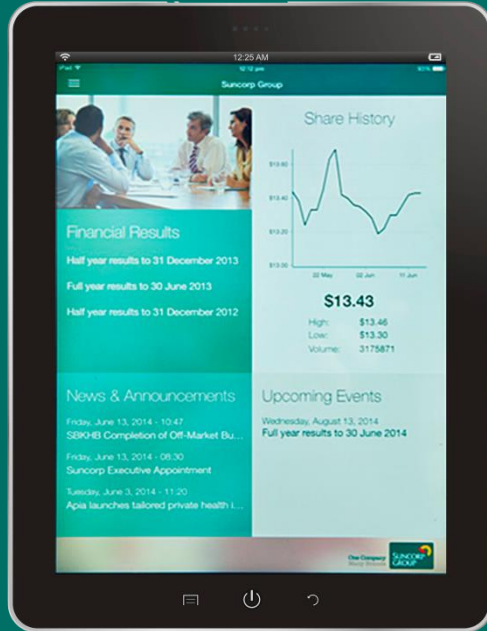


Suncorp Group Limited

An introduction
August 2014



Suncorp Group

Leading financial services brands in Australia and New Zealand

Top 15 ASX listed company

\$18 billion market capitalisation at 13 Aug 2014

\$94 billion in group assets

14,500 employees in Australia and New Zealand

9 million customers

End to end ownership of brands

AAMI



SUNCORP BANK



Asteron Life



vero



AA Insurance

CIL
CARAVAN AND
RV INSURANCE

bingle
.com.au

terri
scheer

Suncorp's shareholder promise

Simplified, de-risked financial services group

Yield

Dividend payout ratio of **60%** to **80%** and return of surplus capital

Organic strategy, focused exclusively in Australia and New Zealand

De-risked and simplified business model



Growth

FY15 growth targets of between **4%** to **6%**

Multi-brand, multi-channel approach leveraging the Group's 9 million customers

Efficiency led growth

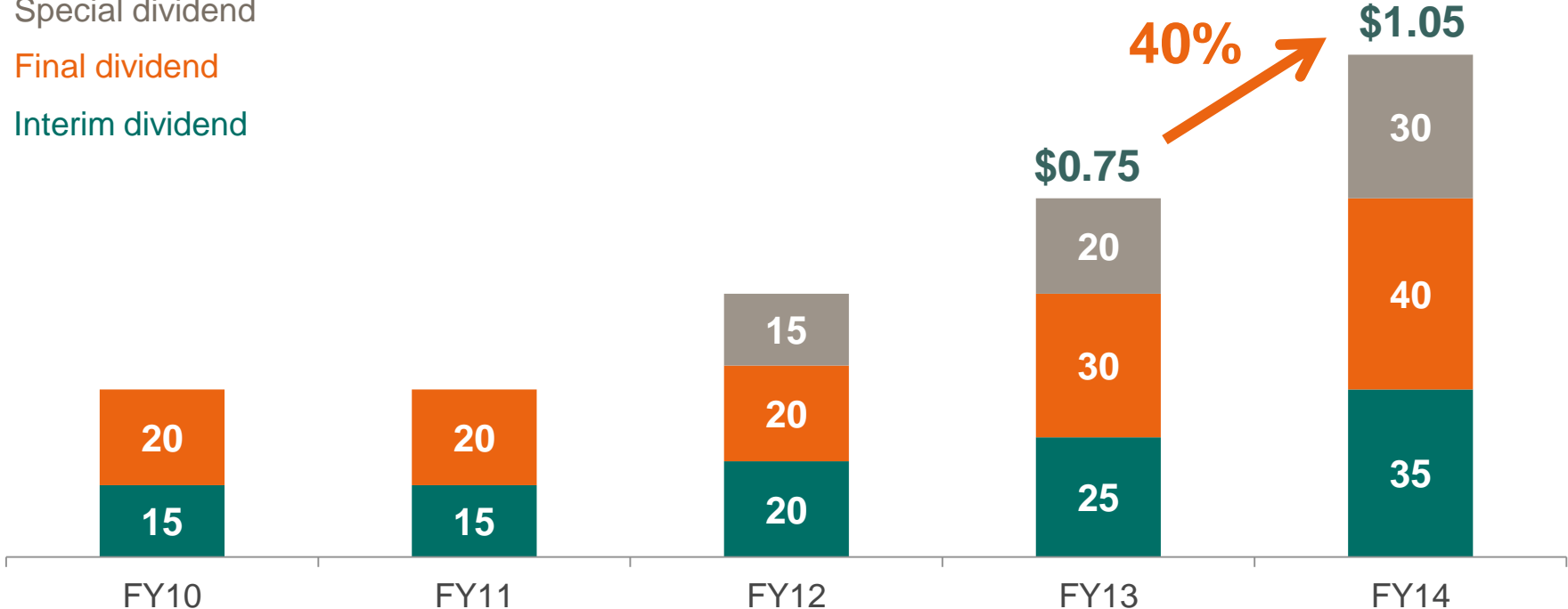
FY14 result overview (\$m)

	FY14	FY13	%Δ
General Insurance NPAT	1,010	883	14.4
Bank NPAT	228	(343)	n/a
Suncorp Life NPAT	92	60	53.3
Business lines NPAT	1,330	600	121.7
Other	(26)	(24)	8.3
Cash earnings	1,304	576	126.4
Life intangible asset write-down	(496)	n/a	n/a
Other profit and acquisition amortisation	(78)	(85)	(8.2)
NPAT	730	491	48.7

Dividends

7.5% yield based on \$14.00 share price

- Special dividend
- Final dividend
- Interim dividend



Suncorp's Strategic Assets

Our focus

Cost	<ul style="list-style-type: none">• Deliver scale cost benefits on third party procured goods / services• Share scale on infrastructure (real estate, enterprise technology) and non-unique business services
Customer	<ul style="list-style-type: none">• Enhancing the value of 9 million customers connections by deepening their relationships with Group brands
Capital	<ul style="list-style-type: none">• Demonstrating a diversification benefit through improved risk-based capital modelling• A+/A1 credit rating
Culture	<ul style="list-style-type: none">• Operating as 'One Company. Many Brands. One Team'

Suncorp Group

Key commitments

1

Group growth of 4% to 6% in the 2015 financial year

2

Simplification benefits of \$225 million in the 2015 financial year

3

'Meet or beat' an underlying ITR of 12% through the cycle

4

60% to 80% dividend payout ratio

5

Continue to return surplus capital

6

Group ROE of at least 10% in the 2015 financial year

7

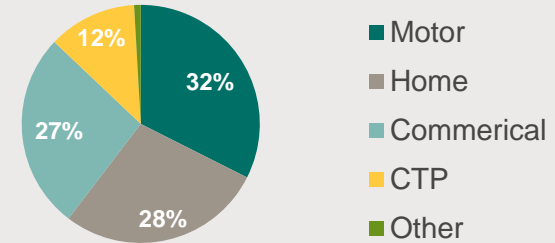
General Insurance

FY14 overview

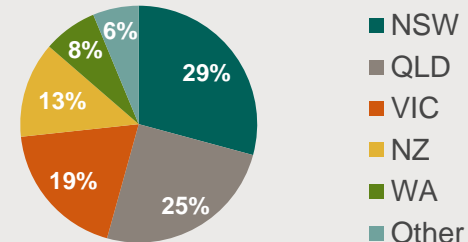
Summary

- FY14 NPAT \$1,010 million
- GWP up 5.1% (ex FSL)
- Underlying ITR of 14.3%
- Reported ITR of 15.5%
- Natural hazard claims \$27 million below allowance
- Reserve releases of \$109 million

Product split (GWP)



Geographic split (GWP)



Gross Written Premium

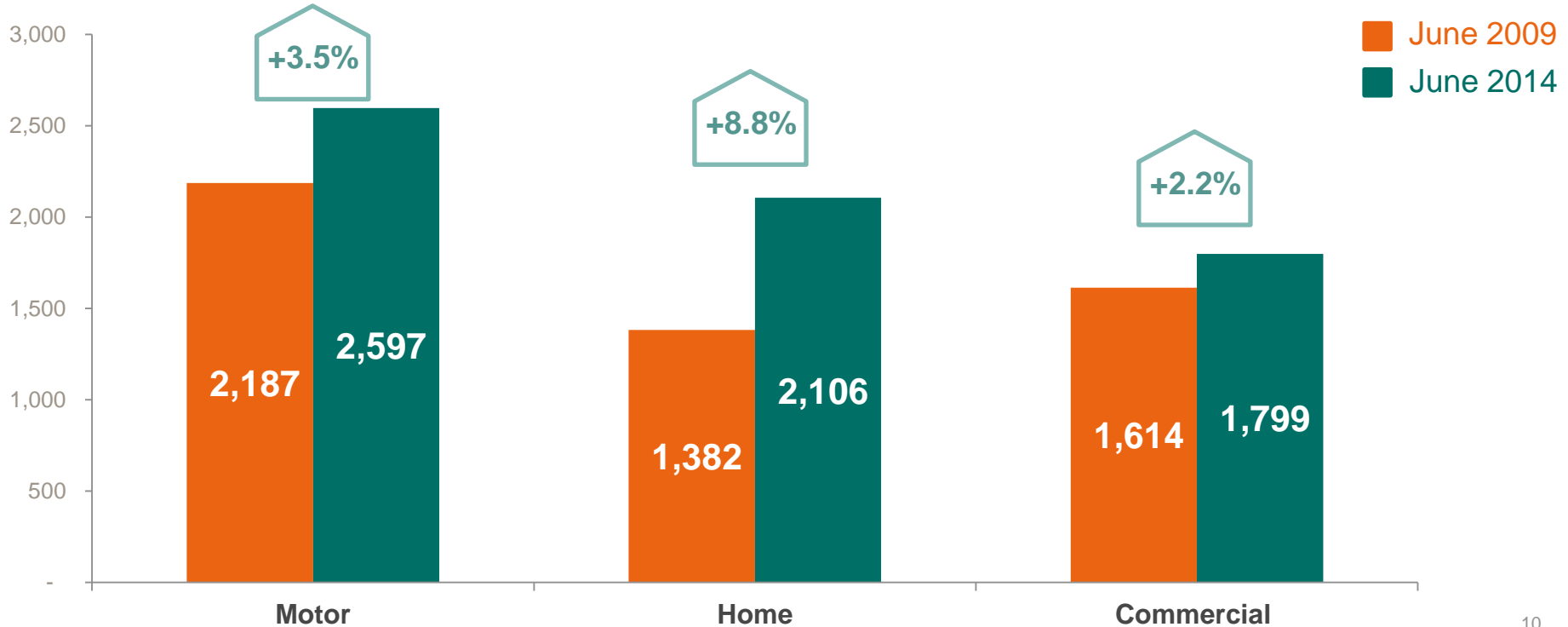
Up 5.1% excluding Fire Service Levies

Product	FY14 (\$m)	%Δ	Factors
Motor	2,829	2.6	Strong retention despite increase in competitive activity
Home	2,439	6.3	Increase in average written premiums offset by unit loss
Commercial	2,329	6.8	Maintaining underwriting discipline
CTP	1,050	7.4	Strong retention in NSW and Qld, entry into ACT
Other	78	(16.1)	Withdrawal from NZ travel insurance market
Total	8,725	5.1	
Australia	7,585	3.1	
New Zealand	1,140	20.8	6.9% in NZD terms

9

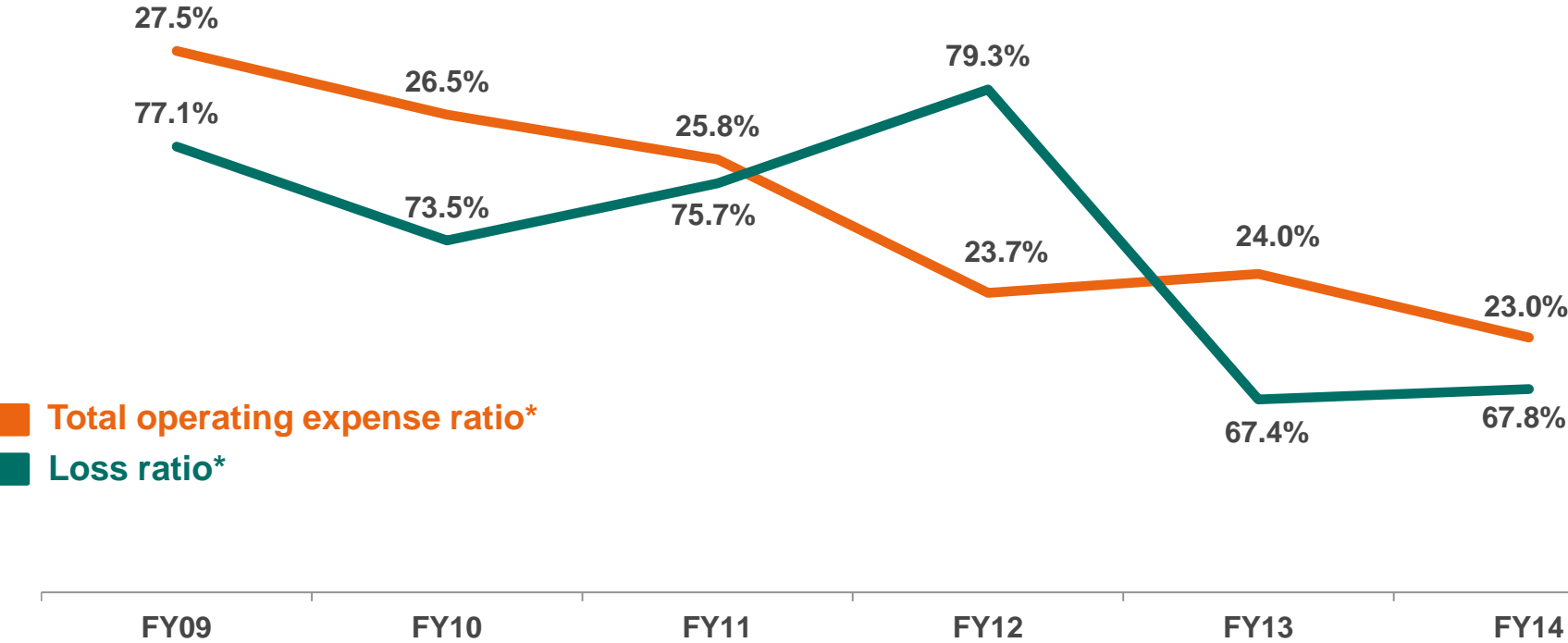
Suncorp 5yr Australian CAGR (\$m)

A 'home insurance' cycle



Operating expense and loss ratios

Underwriting and expense discipline



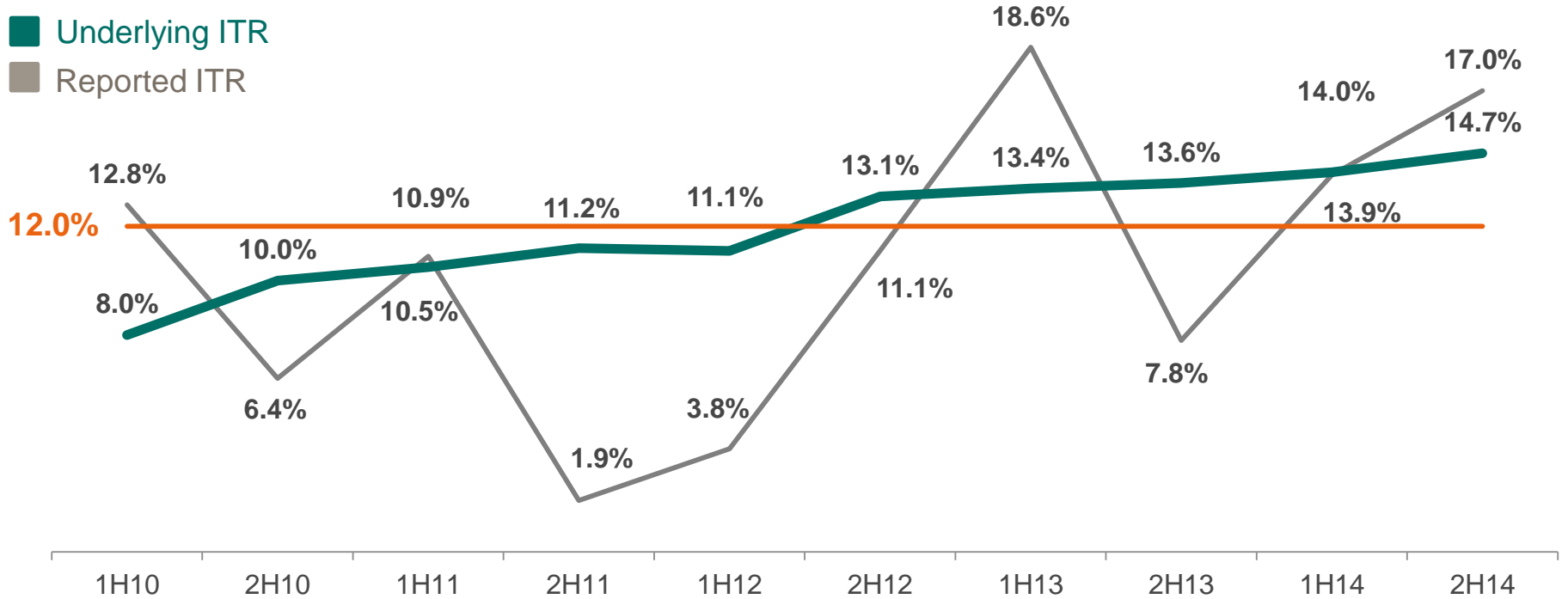
*including FSL

Underlying and Reported ITR

Building Blocks and Simplification delivering

■ Underlying ITR

■ Reported ITR



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Personal Insurance brands

Differentiated offerings, preserving core elements of each brand

AAMI

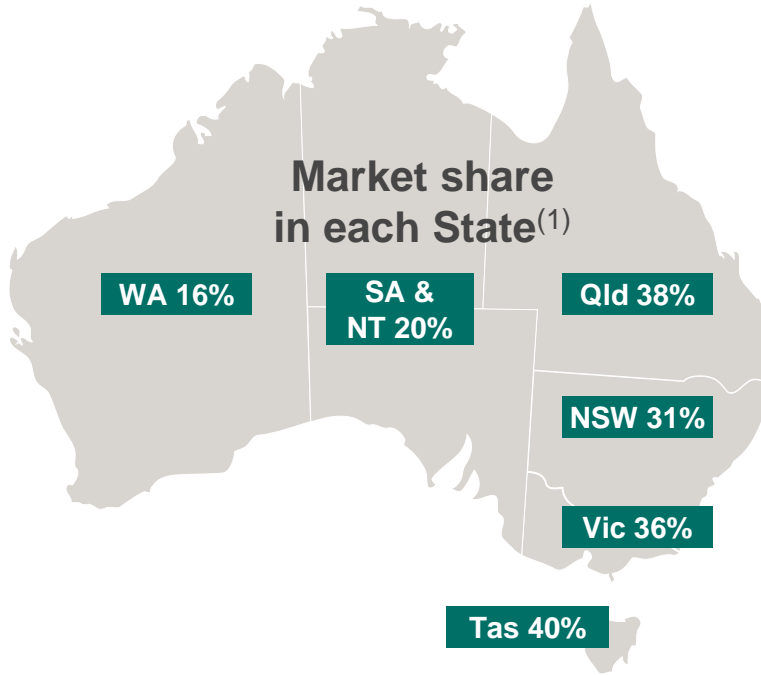
Lead national brand:

- Eliminating stress
- Competitive price positions



State based brand in NSW and VIC:

- Providing certainty
- Service excellence and more comprehensive cover



⁽¹⁾ Roy Morgan market share (June 2014)



Suncorp Insurance:

- Providing insurance to Queenslanders
- Strong community connections

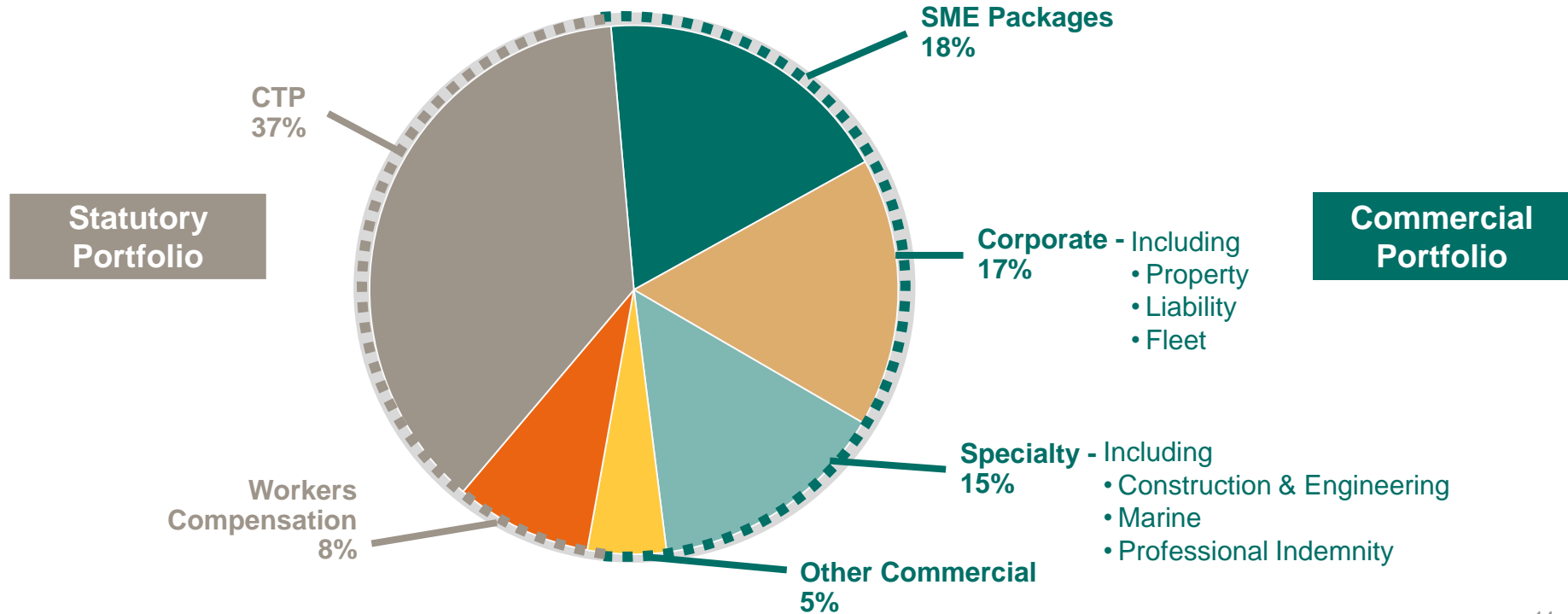


National life stage brand:

- Rewarding experience
- Delivering service excellence
- Protecting what matters to Australia's Over 50s

Commercial Insurance: products overview

GWP \$2.9 billion



New Zealand General Insurance

Second largest with 24% market share

Intermediated



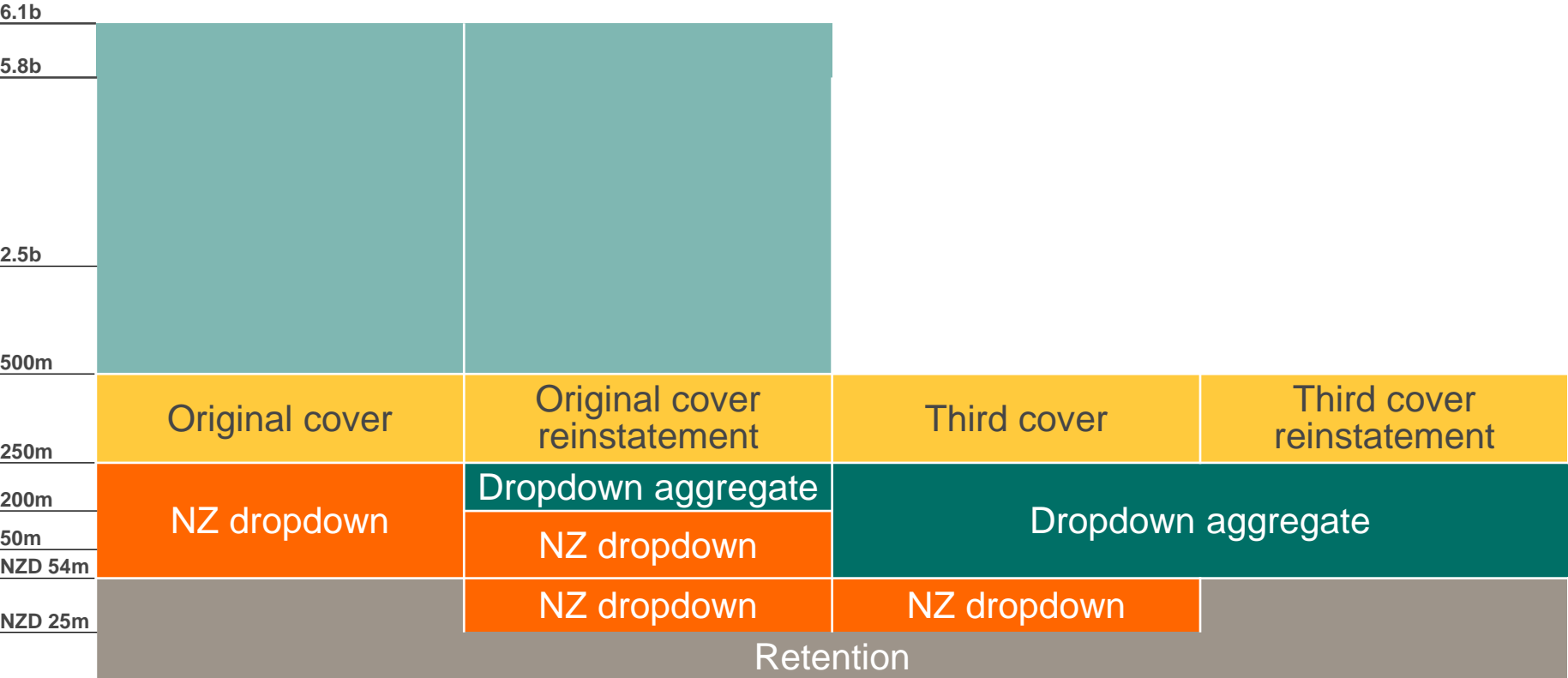
- 19% share of total market GWP
- 1st or 2nd largest in most classes
- Leader in broker channels

Direct



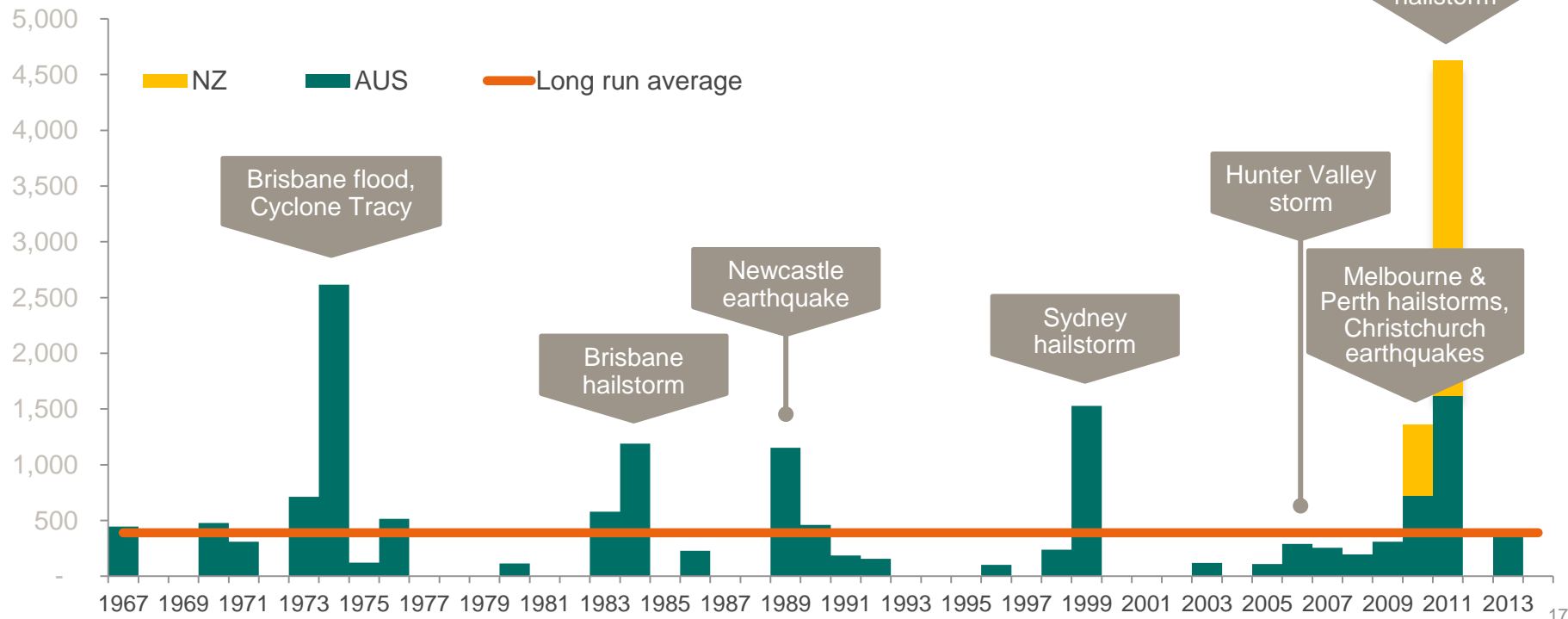
- 5% share of total market GWP
- 2nd largest direct player
- Strong growth in motor insurance

FY15 Reinsurance program



Natural hazards since 1967

Suncorp long-term catastrophic loss experience
Events greater than \$100m, gross of all reinsurance

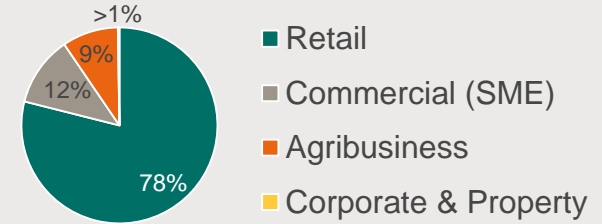


Suncorp Bank overview

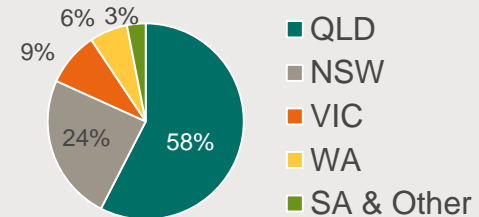
Summary

- Bank NPAT \$228 million
- Home lending up 5.0%
- Agribusiness up 7.3%
- NIM of 1.72% (1.78% for 2H14)
- Cost / income ratio down 2% to 57.4% (55.5% for 2H14)
- Deposit to loan ratio 65.8%

Lending assets \$50 billion



Lending assets by geography



Suncorp Bank

Key targets

NIM **1.75%** to **1.85%**

Retail deposit to lending ratio **60%** to **70%**

Disciplined cost management driving down **cost to income ratio**

Sustainable lending growth of **1** to **1.3** times system

Australia's leading regional bank

Basel II **advanced accreditation**

New banking platform – Project **Ignite**

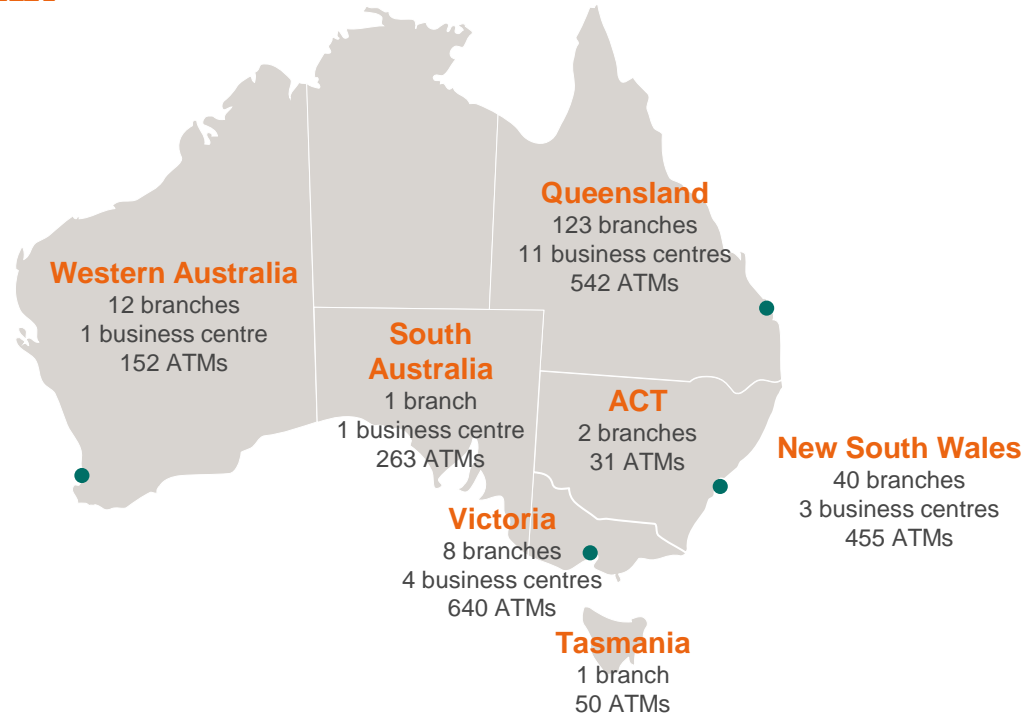
A+/A1 credit rating

Excellent customer **satisfaction**

Suncorp Bank

Australia's leading regional bank

- Total customer base of 1,109,000 growth of 12%
- Complete customer growth of 50%
- Network of 200+ branches & business centres
- Access to over 2150 ATMs
- Award-winning Mobile Banking App

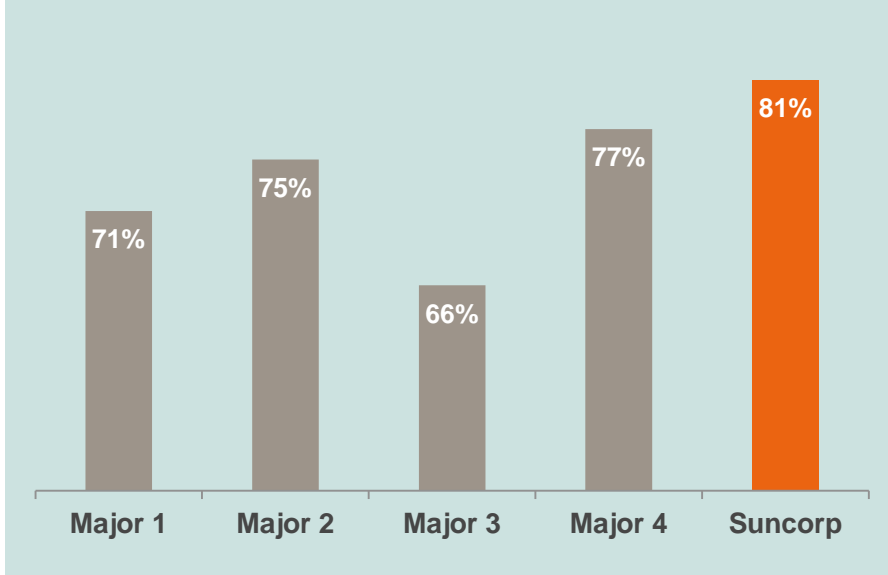


Branch, Business Centre and ATM data as at June 2014.
Customer figures at June 2014. Growth from June 2011.
Mobile Banking App won the QLD iAward, June 2014.

Suncorp Bank

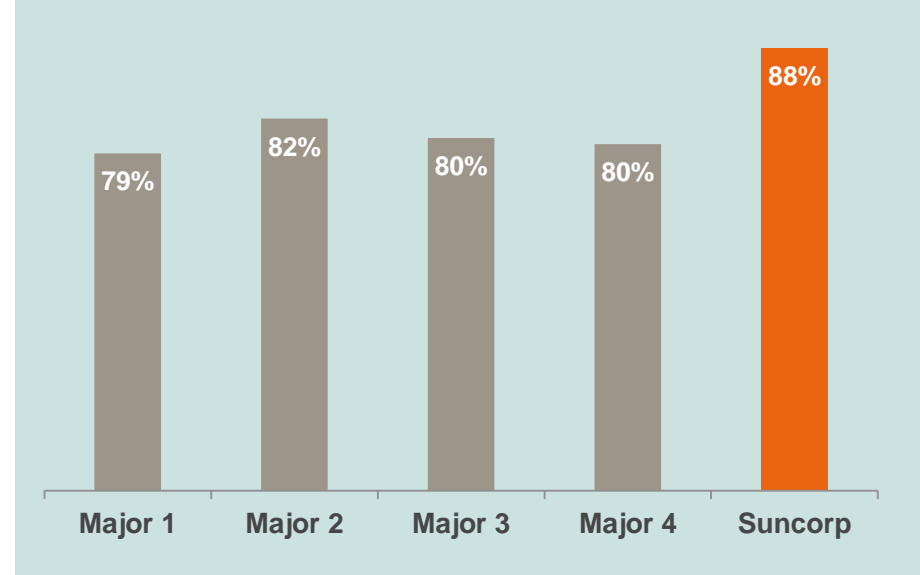
Excellent customer satisfaction

Business customer satisfaction* (%)



* BFSM MFI Satisfaction June 2014 (6mma),

Retail customer satisfaction** (%)



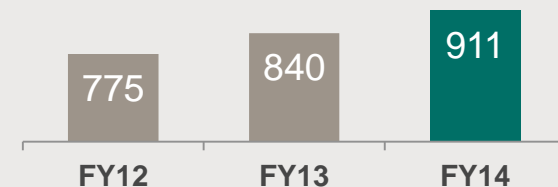
** Roy Morgan single source Retail Satisfaction June 2014 (6mma)

Suncorp Life overview

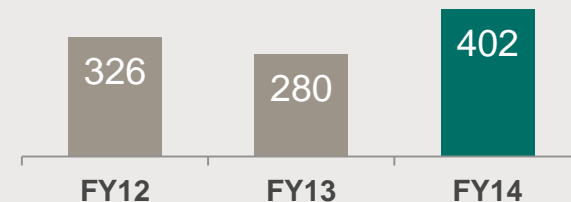
Summary

- **NPAT** \$92 million
- **Underlying profit after tax** \$84 million
- Rebased lapse and claims assumptions on 27 May 2014
- Reduction in planned margins reflects strengthened assumptions and additional reinsurance
- Increased **reinsurance** contributed to \$535 million of capital returned to the Group
- **Life Risk inforce** annual premiums up 8.5%
- **Direct** new business sales up 3.0%
- **Super** up 43.6% driven by Everyday Super

Life Risk in-force annual premium (\$m)



Superannuation new business (\$m)

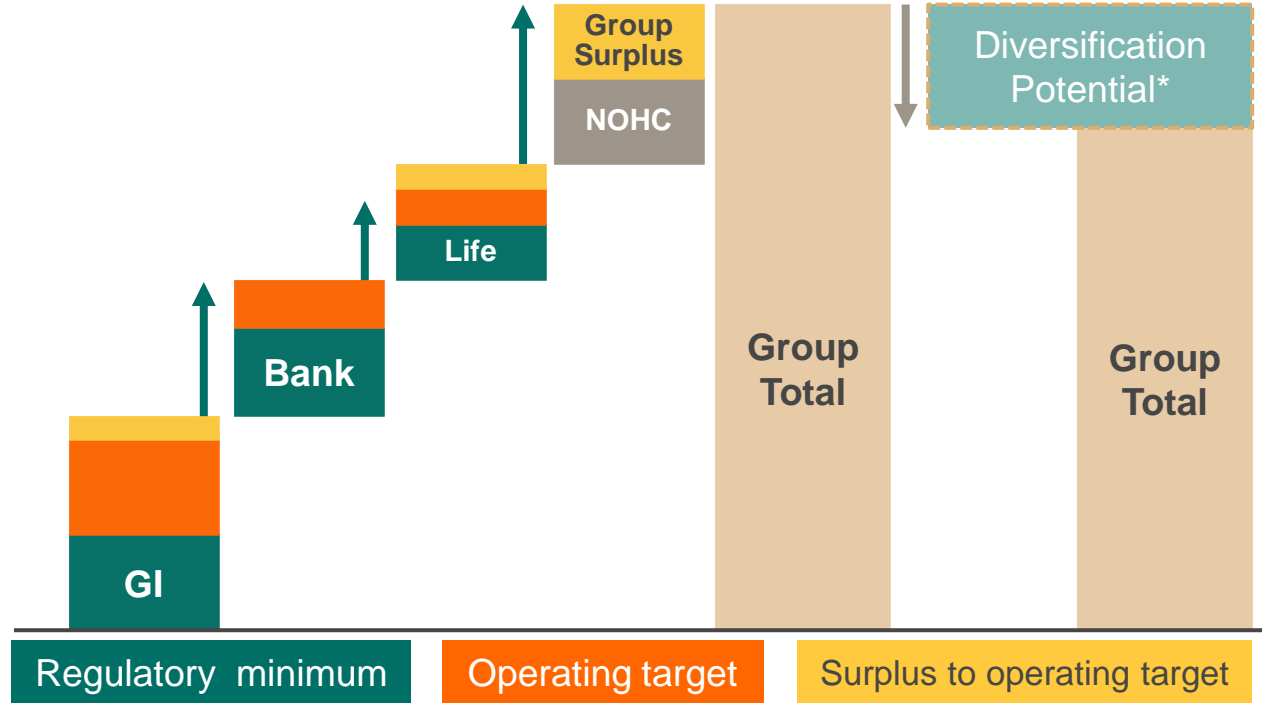


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Capital

Risk-based capital modelling progressing

- Simplification and de-risking have supported capital returns
- Balance sheet very strong
- Risk-based capital on track
- Enhance decision making



*Chart not to scale

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Suncorp capital at 30 June 2014

\$831 million excess to CET1 targets post dividend

\$m	General Insurance	Bank	Life	NOHC and other entities	Suncorp Group total
CET1	3,524	2,648	455	555	7,182
CET1 target	2,342	2,557	358	193	5,450
Excess (pre-div)	1,182	91	97	362	1,732
Dividend					(901)
Excess (post-div)					831
CET1 ratios (pre-div)	1.66x	8.54%	1.57x		
CET1 targets	1.10x	8.25%	Amount equal to sum of PCA plus a target excess		

Important disclaimer

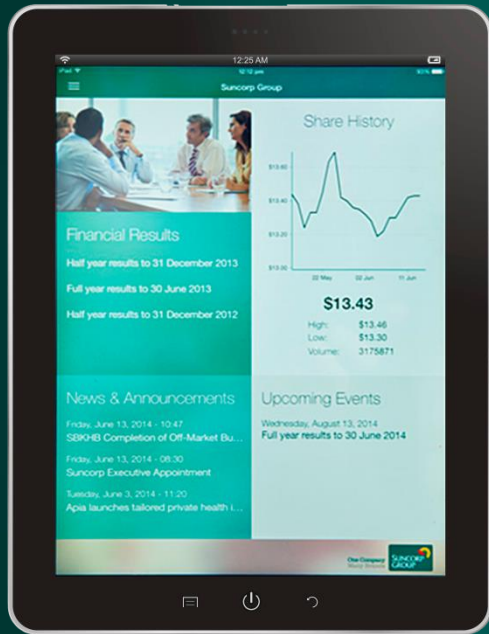
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