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**Australia's largest regional bank expands nationally**

Australia's fifth largest bank Suncorp Bank today announced plans to expand its branch network by 20 per cent within three years and double its ATM access points.

At an Australian investment conference in Sydney today, Suncorp Bank CEO David Foster said the Bank would open 30 new branches, doubling its footprint in New South Wales and Western Australia.

He said aggressive targets around liquidity, funding, capital and deposits had been achieved in 2009 creating the platform for sustainable growth in 2010/11.

"We're now driving steady growth as evidenced in mortgage lending which showed strong improvement between the December and March quarters. The business banking pipeline is growing well with our SME proposition being one of the strongest and only no-fee offers in-market," he said.

"We have a major distribution network in Queensland and over the next two years we'll replicate that in WA and in greater Sydney. Under the proposed agreement with Bendigo, ATM access points for Suncorp Bank customers will double nationally."

Mr Foster said the financial crisis forced changes in banking and left an enduring mark both in terms of consolidation and funding.

"Our two biggest competitors disappeared into major banks. In the past 18 months, we've made appropriate changes to position our 'A' rated Bank as the leader of the critically important second-tier banking sector," he said.

"We moved out of high-end corporate and property banking and year to date to March, we achieved \$3.1 billion in runoff, well ahead of target. This gives scope for significant capital release as the portfolio runs off.

"We've de-leveraged and eliminated funding risk, substantially lengthened the balance sheet and achieved high levels of liquidity.

"We hit the top end of our 60% to 70% deposit to lending ratio ahead of plan, proving the agility of our business, and we've considerably strengthened our capital ratios.

"Our strategy is clear and the Suncorp Bank is now uniquely positioned as the leader of the second-tier sector. Smaller, competitive banks are being championed around the world and customers want the service offered by a regional. We consistently lead the majors banks in customer satisfaction.

"Our business is in great shape and we've come out of this stronger than ever."

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**About Suncorp Group:**

Suncorp is one of Australia and New Zealand's largest diversified financial services providers, supplying insurance, banking and life products to more than eight million customers through well-established and recognised brands such as AAMI, Australian Pensioners Insurance Agency, Shannons, Vero, Asteron and Tyndall, as well as Suncorp and GIO. Today Suncorp is Australia's fifth largest bank by assets and second largest domestic general insurance group, with over 16,000 staff. Suncorp has representation in 450 offices, branches and agencies throughout Australia and New Zealand.