



Suncorp-Metway Limited
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14 September 2006

Company Announcements Office
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Suncorp Metway Reset Preference Shares (SUNPA)

The reset terms for the Reset Preference Share (**RPS**), as announced on 30 June 2006, will commence today, 14 September 2006.

Dividend Rate

The Market Rate to be used in determining the dividends payable on the securities over the period from 14 September 2006 to the next reset date (14 September 2011) is 6.24%, which is the five year swap rate on 14 September 2006.

Accordingly, the Dividend Rate, calculated in accordance with the formula announced on 30 June 2006, will be 5.068%.

RPS holders will be also be entitled to have franking credits attached to the dividend.

Exchange details

The Company received Holder Exchange Notices in relation to 1,059,372 RPS.

Each of those RPS will be exchanged for the Exchange Number of fully paid ordinary shares (ASX code: SUN) (determined in accordance with the terms and conditions of the RPS).

The Exchange Number for each RPS exchanged was calculated by dividing the issue price of \$100 per RPS by the volume weighted average price (**VWAP**).

The VWAP is \$19.5908 being 97.5% of the average of the daily volume weighted average sale price of the Company's fully paid ordinary shares over the 20 trading day period prior to 14 September 2006. The ordinary shares were quoted cum dividend during this period. However, exchanging RPS holders will not be entitled to receive the dividend on the ordinary shares issued to them, accordingly, the VWAP has been reduced for the dividend.

Number of RPS exchanged	1,059,372
Number of fully paid ordinary shares to be issued	5,407,789
Total number of RPS that will remain on issue	1,440,628
Total number of fully paid ordinary shares that will be on issue following the exchange	562,404,346

C R Chuter
Corporate Secretary