

# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	CONSOLIDATED	
		2015 \$m	2014 \$m
Premium revenue	4	11,525	9,721
Outwards reinsurance premium expense	5	(1,196)	(1,077)
Net premium revenue (i)		10,329	8,644
Claims expense	5	(9,363)	(7,058)
Reinsurance and other recoveries revenue	4	2,422	1,857
Net claims expense (ii)	10	(6,941)	(5,201)
Acquisition costs	5	(1,750)	(1,386)
Reinsurance commission revenue	4	52	51
Net acquisition costs		(1,698)	(1,335)
Other underwriting expenses	5	(924)	(752)
Fire services levies	5	(225)	(216)
Underwriting expenses (iii)		(2,847)	(2,303)
Underwriting profit/(loss) (i) + (ii) + (iii)		541	1,140
Investment income on assets backing insurance liabilities	4	585	459
Investment expenses on assets backing insurance liabilities	5	(23)	(20)
Insurance profit/(loss)		1,103	1,579
Investment income on shareholders' funds	4	231	400
Fee and other income	4	187	199
Share of net profit/(loss) of associates	4	6	(8)
Finance costs	5	(107)	(98)
Fee based, corporate and other expenses	5	(465)	(256)
Net income/(loss) attributable to non-controlling interests in unitholders' funds	5	(6)	(14)
Profit/(loss) before income tax		949	1,802
Income tax (expense)/credit	6	(119)	(472)
Profit/(loss) for the year		830	1,330
<b>OTHER COMPREHENSIVE INCOME AND (EXPENSE), NET OF TAX</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurements of defined benefit plans		22	26
Income tax on items that will not be reclassified to profit or loss		(7)	(8)
		15	18
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Net movement in foreign currency translation reserve		(80)	(31)
Income tax on items that may be reclassified to profit or loss		2	13
		(78)	(18)
Other comprehensive income and (expense), net of tax		(63)	-
Total comprehensive income and (expense) for the year, net of tax		767	1,330
<b>PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO</b>			
Shareholders of the Parent		728	1,233
Non-controlling interests		102	97
Profit/(loss) for the year		830	1,330
<b>TOTAL COMPREHENSIVE INCOME AND (EXPENSE) FOR THE YEAR ATTRIBUTABLE TO</b>			
Shareholders of the Parent		665	1,233
Non-controlling interests		102	97
Total comprehensive income and (expense) for the year, net of tax		767	1,330
	NOTE	2015 cents	2014 cents
<b>EARNINGS PER SHARE</b>			
Basic earnings per ordinary share	8	31.22	56.09
Diluted earnings per ordinary share	8	30.45	53.62

The above statement of comprehensive income should be read in conjunction with the notes to the financial statements.

# BALANCE SHEET

AS AT 30 JUNE 2015

	NOTE	CONSOLIDATED	
		2015	2014
		\$m	\$m
<b>ASSETS</b>			
Cash held for operational purposes	22	306	447
Investments	14	15,535	15,377
Premium receivable	15	3,251	3,316
Trade and other receivables	15	653	628
Reinsurance and other recoveries on outstanding claims	11	3,713	3,248
Deferred levies and charges		116	119
Deferred outwards reinsurance expense	12	1,823	706
Deferred acquisition costs	12	1,015	1,028
Deferred tax assets	6	499	324
Property and equipment		235	249
Other assets		134	135
Investment in joint venture and associates	26	561	572
Intangible assets	16	671	700
Goodwill	17	2,890	2,899
Total assets		<u>31,402</u>	<u>29,748</u>
<b>LIABILITIES</b>			
Trade and other payables	18	1,321	1,514
Reinsurance premium payable		1,440	556
Restructuring provision	19	59	50
Current tax liabilities		109	203
Unearned premium liability	13	6,156	6,256
Outstanding claims liability	10	12,687	12,006
Non-controlling interests in unitholders' funds		198	190
Employee benefits provision	27	324	337
Other liabilities		328	90
Interest bearing liabilities	20	1,762	1,752
Total liabilities		<u>24,384</u>	<u>22,954</u>
Net assets		<u>7,018</u>	<u>6,794</u>
<b>EQUITY</b>			
Share capital	21	7,275	6,775
Treasury shares held in trust		(83)	(94)
Reserves		(38)	38
Retained earnings		(337)	(151)
Parent interest		6,817	6,568
Non-controlling interests		201	226
Total equity		<u>7,018</u>	<u>6,794</u>

The above balance sheet should be read in conjunction with the notes to the financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

CONSOLIDATED	SHARE CAPITAL \$m	TREASURY SHARES HELD IN TRUST \$m	FOREIGN CURRENCY TRANSLATION RESERVE \$m	SHARE BASED REMUN- ERATION RESERVE \$m	RETAINED EARNINGS \$m	NON- CONTROLLING INTERESTS \$m	TOTAL EQUITY \$m
<b>2015</b>							
Balance at the beginning of the financial year	6,775	(94)	10	28	(151)	226	6,794
Profit/(loss) for the year	-	-	-	-	728	102	830
Other comprehensive income and (expense)	-	-	(78)	-	15	-	(63)
Total comprehensive income/(expense) for the year	-	-	(78)	-	743	102	767
<b>Transactions with owners in their capacity as owners</b>							
Shares issued under placement, net of transaction costs	500	-	-	-	-	-	500
Shares acquired and held in trust	-	(35)	-	-	-	-	(35)
Share based payment expense recognised	-	-	-	28	-	-	28
Share based remuneration vested	-	46	-	(26)	(20)	-	-
Non-controlling interests in acquisitions during the year	-	-	-	-	-	2	2
Dividends determined and paid	-	-	-	-	(913)	(129)	(1,042)
Dividends received on treasury shares held in trust	-	-	-	-	4	-	4
Balance at the end of the financial year	<u>7,275</u>	<u>(83)</u>	<u>(68)</u>	<u>30</u>	<u>(337)</u>	<u>201</u>	<u>7,018</u>
<b>2014</b>							
Balance at the beginning of the financial year	5,353	(62)	28	35	(568)	202	4,988
Profit/(loss) for the year	-	-	-	-	1,233	97	1,330
Other comprehensive income and (expense)	-	-	(18)	-	18	-	-
Total comprehensive income/(expense) for the year	-	-	(18)	-	1,251	97	1,330
<b>Transactions with owners in their capacity as owners</b>							
Shares issued under institutional placement, net of transaction costs	1,186	-	-	-	-	-	1,186
Shares issued under Share Purchase Plan, net of transaction costs	236	-	-	-	-	-	236
Shares acquired and held in trust	-	(78)	-	-	-	-	(78)
Share based payment expense recognised	-	-	-	25	-	-	25
Share based remuneration vested	-	46	-	(32)	(14)	-	-
Non-controlling interests in acquisitions during the year	-	-	-	-	-	8	8
Dividends determined and paid	-	-	-	-	(823)	(81)	(904)
Dividends received on treasury shares held in trust	-	-	-	-	3	-	3
Balance at the end of the financial year	<u>6,775</u>	<u>(94)</u>	<u>10</u>	<u>28</u>	<u>(151)</u>	<u>226</u>	<u>6,794</u>

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

# CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2015

	NOTE	CONSOLIDATED	
		2015	2014
		\$m	\$m
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Premium received		<b>11,503</b>	9,661
Reinsurance and other recoveries received		<b>1,938</b>	1,778
Claims costs paid		<b>(8,736)</b>	(6,898)
Outwards reinsurance premium expense paid		<b>(1,427)</b>	(1,130)
Dividends received		<b>39</b>	38
Interest and trust distributions received		<b>555</b>	533
Finance costs paid		<b>(102)</b>	(95)
Income taxes paid		<b>(351)</b>	(432)
Other operating receipts		<b>884</b>	736
Other operating payments		<b>(3,605)</b>	(3,114)
Net cash flows from operating activities	22	<b>698</b>	<b>1,077</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net cash flows on acquisition of/capital injection to subsidiaries and associates		<b>(162)</b>	(312)
Proceeds from disposal of investments and property and equipment		<b>11,315</b>	14,543
Outlays for investments and property and equipment		<b>(12,845)</b>	(14,526)
Net cash flows from investing activities		<b>(1,692)</b>	(295)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Outlays for purchase of treasury shares		<b>(35)</b>	(78)
Proceeds from issue of trust units		<b>126</b>	163
Outlays for redemption of trust units		<b>(125)</b>	(197)
Proceeds from borrowings		-	347
Repayment of borrowings		-	(283)
Dividends paid to IAG shareholders		<b>(913)</b>	(823)
Dividends paid to non-controlling interests		<b>(129)</b>	(81)
Proceeds from issue of shares, net of transaction costs		<b>500</b>	1,422
Dividends received on treasury shares		<b>4</b>	3
Net cash flows from financing activities		<b>(572)</b>	473
Net movement in cash held		<b>(1,566)</b>	1,255
Effects of exchange rate changes on balances of cash held in foreign currencies		<b>(11)</b>	39
Cash and cash equivalents at the beginning of the financial year		<b>3,010</b>	1,716
Cash and cash equivalents at the end of the financial year	22	<b>1,433</b>	<b>3,010</b>

The above cash flow statement should be read in conjunction with the notes to the financial statements.