



IAG prices institutional subordinated debt issue

Insurance Australia Group Limited (IAG) today advised that it has successfully priced \$450 million of securities under the wholesale A\$ subordinated debt offering announced today. The securities are scheduled to be issued on 24 August 2020.

The subordinated debt qualifies as Tier 2 Capital under the Australian Prudential Regulation Authority's (APRA) capital adequacy framework for general insurers.

"We are pleased to have achieved such a positive outcome in these challenging times" said Michelle McPherson, IAG's Acting Chief Financial Officer.

The \$450 million issue will pay investors interest quarterly at a floating rate equal to the three-month market rate (currently BBSW) plus a margin of 2.45% per annum.

This release has been authorised by IAG's Disclosure Committee.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia and New Zealand. The Group's businesses underwrite over \$12 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); and NZI, State, AMI and Lumley (New Zealand). IAG also has an interest in a general insurance joint venture in Malaysia. For further information, please visit www.iag.com.au.

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