



Redemption of \$550 million Reset Exchangeable Securities (RES)

IAG and its wholly-owned subsidiary, IAG Finance (New Zealand) Limited (ABN 97 111 268 243) (the Issuer) today give notice that all outstanding Reset Exchangeable Securities (ASX: IANG) will be Redeemed on the Reset Date of 16 December 2019, in accordance with the RES Terms.

Investors were informed of IAG's intention to redeem the RES in IAG's FY19 Investor Report and Annual Report released on 8 August 2019.

On 16 December 2019, subject to the RES Terms, each RES Holder will receive the face value of \$100 (Redemption Amount) plus the final Interest Payment of \$0.9656 for each RES held on 6 December 2019 (the record date for payment of the Interest Payment). The total Redemption Amount payable in respect of all RES on issue is \$550 million.

The last day of trading of RES on the Australian Securities Exchange (ASX) will be 4 December 2019.

A copy of the redemption notice that will be sent to all RES Holders is attached.

Key dates

Event	Date
Last day of trading of RES on ASX	4 December 2019
Record date for Interest Payment	6 December 2019
Date for payment of Redemption Amount and Interest Payment	16 December 2019

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the RES Terms.

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 almost \$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 interests in general insurance joint ventures in Malaysia and India. For more information, please visit www.iag.com.au.

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Dear RES Holder

Notice of Redemption of Reset Exchangeable Securities issued by IAG Finance (New Zealand) Limited (ASX: IANG)

IAG Finance (New Zealand) Limited (ABN 97 111 268 243) (**Issuer**) gives notice that, in accordance with the RES Terms, it has elected to Redeem all of its outstanding Reset Exchangeable Securities on 16 December 2019.¹

On 16 December 2019, subject to the RES Terms, you will be paid the face value of \$100 (**Redemption Amount**) plus a final Interest Payment of \$0.9656 (**Interest Payment**) for each RES you hold on 6 December 2019. The Interest Payment will be for the period from (and including) 15 September 2019 to (but not including) 16 December 2019.

The Registrar will pay the Redemption Amount and Interest Amount by way of direct credit (electronic funds transfer). Please ensure that your account details have been notified to the Registrar and remain up to date. You do not need to take any action in response to this notice unless you wish to amend your account details. Any changes must be made before 5.00pm (Sydney time) on 6 December 2019.

You may sell your RES on the Australian Securities Exchange (**ASX**) at the prevailing market price on or before 4 December 2019, which will be the last trading date for RES. You will not be entitled to receive the Redemption Amount or Interest Payment for RES sold on or before 4 December 2019.

The Australian taxation consequences in relation to the Redemption Amount and the Interest Payment may vary according to individual circumstances. It is recommended that you seek independent tax advice.

This notice constitutes an Issuer Notice and notice of the Redemption of RES in accordance with the RES Terms. For further information, please call 1300 360 688 (within Australia) or +61 3 9415 4210 (international).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sejil Mistry'.

Sejil Mistry
Company Secretary

¹ The RES terms set out in the Explanatory Statement for the proposed amendment of the terms of RES are available at https://www.iag.com.au/sites/default/files/Documents/Shareholder%20centre/RES_Explanatory_Statement_2009.pdf