

# Financial Results

Full year ended 30 June 2024

21 August 2024



# Important information



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Forward-looking statements may generally be identified by the use of words such as "should", "would", "could", "will", "may", "expect", "intend", "plan", "forecast", "aim", "anticipate", "believe", "outlook", "estimate", "project", "target", "goal", "ambition", "continue", "guidance", "aspiration", "commit" or other similar words. Guidance on future earnings or performance are also forward looking statements. While IAG believes the forward-looking statements to be reasonable, such statements involve risks (both known and unknown) and assumptions, many of which are beyond IAG's control (including adverse

natural peril events causing losses to exceed forecasts, and uncertainties in the Australian and global economic environment). This may cause actual results, outcomes, conditions or circumstances to differ from those expressed, anticipated or implied in such statements. For further information on some of IAG's key risks see 'Note 3.1 Risk and Capital Management' in IAG's FY24 Annual Report.

In addition, there are particular risks and uncertainties associated with implementation of IAG's strategy and related targets, ambitions and goals. As the strategy and related targets, ambitions and goals span a number of years, they are subject to assumptions and dependencies which have greater levels of uncertainty than guidance given for FY25. IAG's ability to execute its strategy and realise its targets, ambitions and goals will depend upon its ability to respond and adjust its business plans (as and when developed) to any changes in such assumptions and dependencies, including disruptions or events that are beyond IAG's control.

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References to currency are to Australian dollars, unless otherwise specified. Prevailing exchange rates have been used to convert local currency amounts into Australian dollars, where appropriate.

Further information, including IAG's business structure, portfolio and partnerships is available on IAG's website at <https://www.iag.com.au/about-us/what-we-do>.

# Nick Hawkins

Managing Director and  
Chief Executive Officer

Introduction





## Acknowledgement of Country

IAG acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters and communities.

We pay our respect to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

# Making your world a safer place

## Delivering on our purpose in FY24



### Helping customers when they need us most

- Enhanced frontline training and adopted new AI tools to better identify and assist vulnerable customers
- Reshaped end-to-end claims experience to allow faster claims resolution
- Paid \$10.7 billion in claims
- Major Event Response Team ready 24/7 to support communities, boosted “All Hands on Deck” program
- Waived premium excesses, extended temporary accommodation arrangements and introduced fee-free flexible payment options for our retail customers
- Digital solutions and AI tools accelerated response times and improved customer service for the intermediated business
- Simplified and enhanced product range and removed complexity from communications

### Building customer and community resilience

- Achieved milestone of 1 million customers proactively taking action to reduce risk from natural hazards
- Invested more than \$10 million in community initiatives
- Helped consumers in Australia tackle extreme weather and prepare for local risks with *Help Nation*
- Built community awareness via *Wild Weather Tracker* reports in Australia and New Zealand
- Introduced more ways for customers to understand risks, plus pricing benefits for taking positive action
- Promoted safe driving and rewarded safe drivers with discounts on ROLLiN’ car insurance premiums
- Provided business customers with tailored cyber insurance

### Making Australia and New Zealand safer and stronger

- Leading in-house natural perils experts provided national data and insight; invested in nation-building research and thought leadership
- Evolved physical risk modelling approach in line with emerging climate science
- Advocated for government investment in resilience and improved land use planning
- Updated IAG’s climate goals and targets in new Climate Action Plan, signed an agreement to source the equivalent of 100% renewable energy for IAG sites in Australia from January 2025

# Supporting customers through current economic conditions

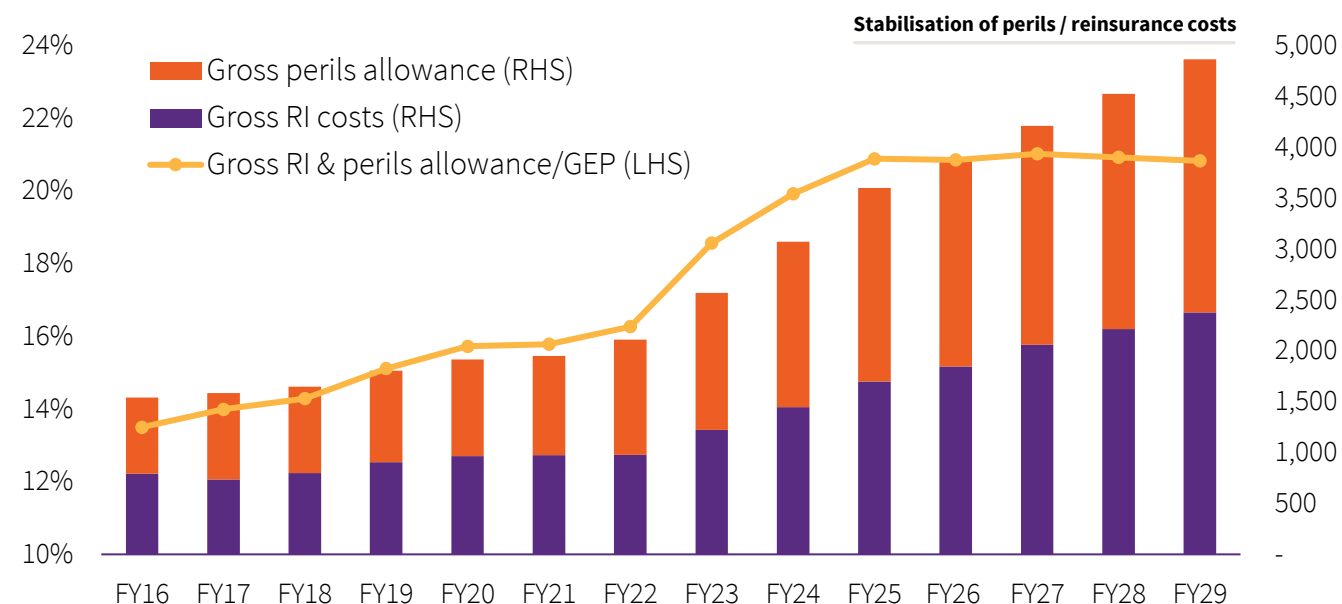


## Proactive help in challenging times

### Managing costs to help customers

- Innovative long-term reinsurance agreements
- Uplifted insurance fraud prevention
- Expanded AMI Hubs (NZ) and RepairHubs providing more efficient and accessible service
- Advocated for the removal of state taxes and levies

### Natural perils and reinsurance costs\*



\*Illustrative only – future premium and exposure growth aligned to average premium growth of ~7.5% over last 5 years

# Building strength and resilience

## Delivering outcomes

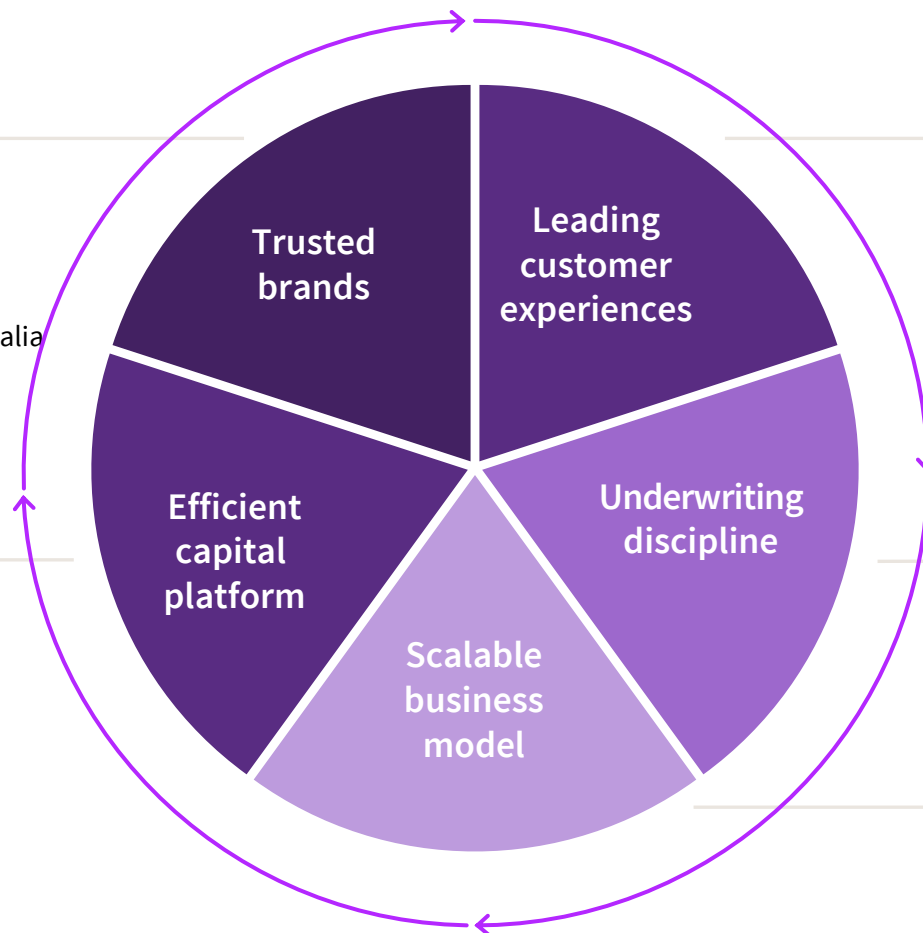


### Leading brands, high trust

- NRMA Insurance #1 most trusted insurance brand in Australia '23 (Roy Morgan)
- NRMA Insurance 2nd strongest brand in Australia '24 (Brand Finance)
- AMI NZ Canstar's '23 Car Insurer of the Year
- +46.8 (Aust), +50 (NZ) Customer tNPS
- ~90% customer retention

### Innovative reinsurance protection

- Strategic agreements
- Long-term natural perils volatility protection
- S&P credit rating upgrade



### Deeper understanding of customers

- AI enablement
- Simplified communications
- Complaints transformation
- Improved time to service
- Increased supplier capacity

### Expert, disciplined underwriting

- Risk remediation
- Enhanced perils modelling

### Scalable platform and financial strength

- Enterprise Platform
- Commercial Enablement
- Strong balance sheet

# FY24 result highlights



Net profit after tax

**\$898m**

Return on Equity of 13.5%

Insurance profit

**\$1,438m**

Up 79.1%

Gross Written Premium

**\$16.4bn**

Up 11.3%

Reported insurance margin

**15.6%**

Above 13.5% to 15.5%  
FY24 guidance range

Strong capital position

**1.27 CET1**

Further on-market buyback  
of up to \$350m announced

Final dividend

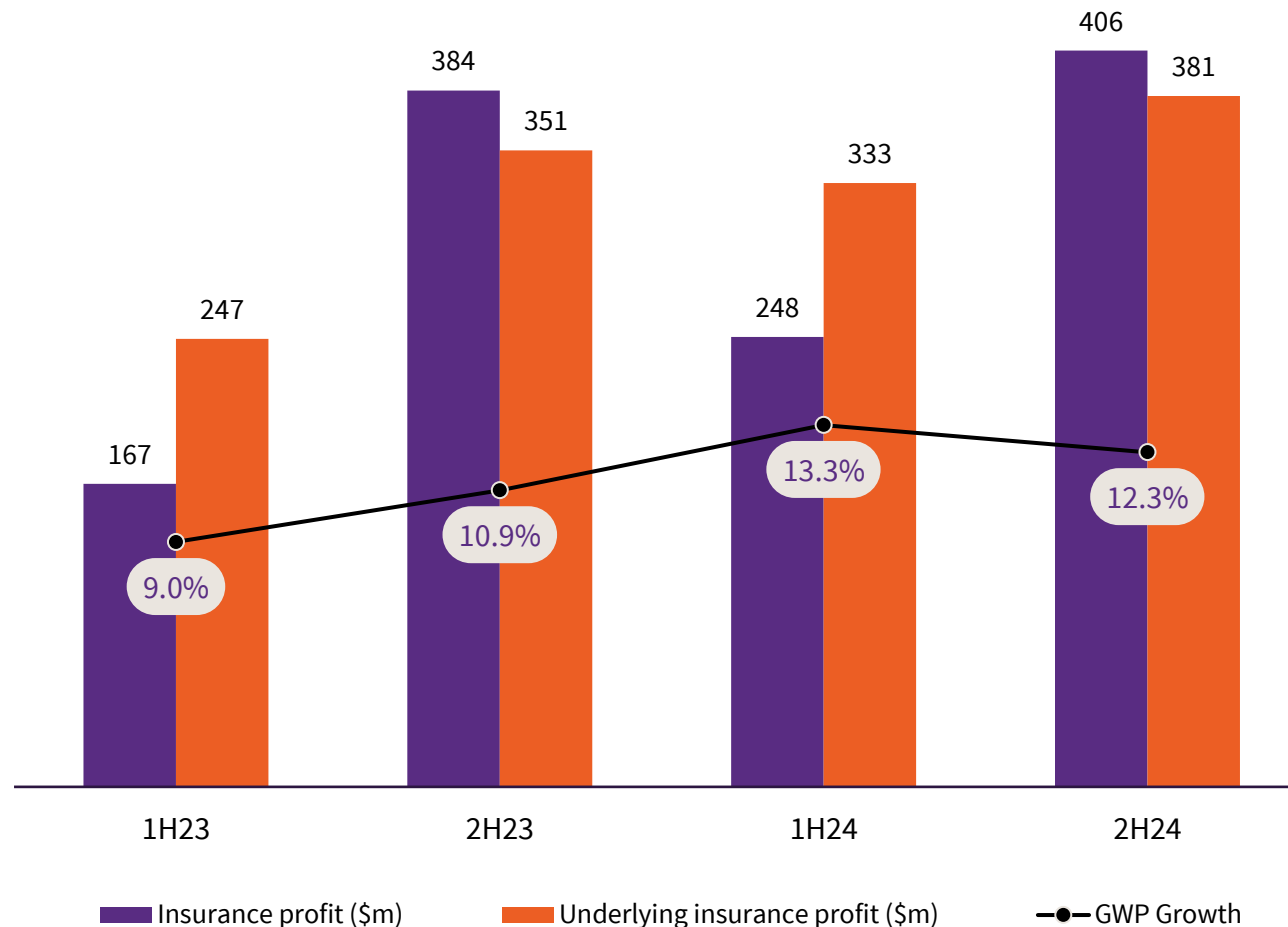
**17cps**

50% franked



## Key highlights

- Strong FY24 GWP growth driven by Motor (↑13%) and Home (↑16%)
- Reported insurance margin improved to 15.2% (FY23: 14.5%)
- Underlying insurance margin improved to 16.6% (FY23: 15.7%) reflecting improvement in claims ratio
- Supporting over 5 million customers
- NRMA Insurance awarded Most Trusted Insurance Brand in Australia for 2023 by Roy Morgan
- Positive feedback from NRMA Insurance ‘HELP’ branding repositioning – A Help Company
- Additional 150 claims staff have supported a material (~20k) reduction in open peril and non-peril claims in Home and Motor with claims net promoter score (NPS) around +50
- Streamlined Motor claims processes to deliver further customer benefits and financial efficiencies

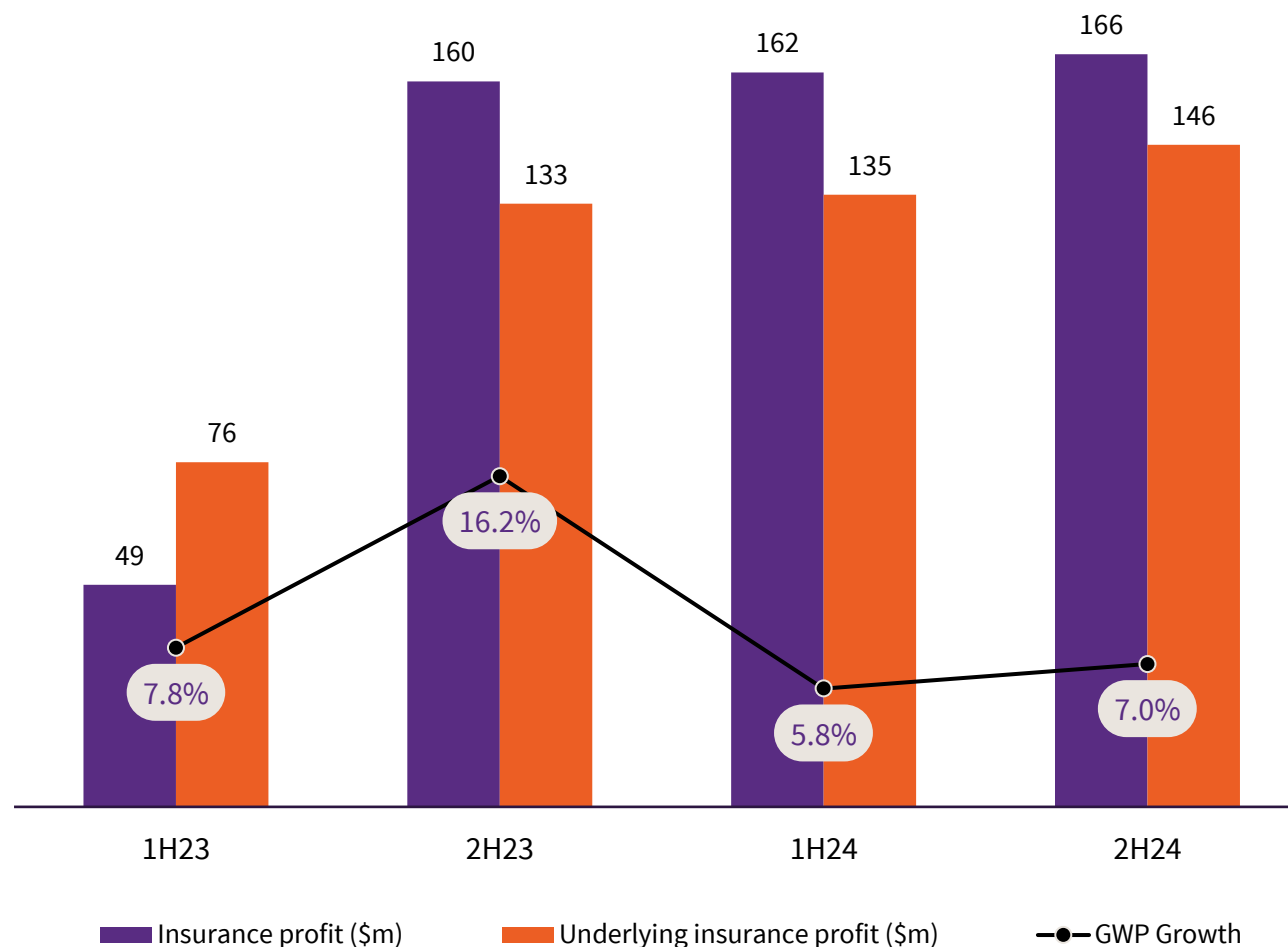


# Intermediated Insurance Australia



## Key highlights

- GWP growth of 6.4% with strong focus on underwriting discipline
- Reported Insurance Profit of \$328m delivers on target of at least \$250m insurance profit in FY24
- Improvement in reported insurance margin to 11.2% (FY23: 7.7%) and underlying insurance margin to 9.6% (FY23: 7.7%)
- Uplift in capability across IIA with ongoing focus on portfolio management
- Clear prioritisation delivering an improved WFI customer NPS of +46 and 23pt improvement in Broker NPS
- Improved claims efficiency through enhanced operational process excellence supported by Gen AI, enabling claims teams and providing improved fraud detection
- Net reserve release of \$11m
- Foundations set for delivery of sustainable profitable growth across CGU & WFI, and will be further enabled through transformation and delivery of Commercial Enablement technology uplift
- Exploring additional APRA licence for IIA

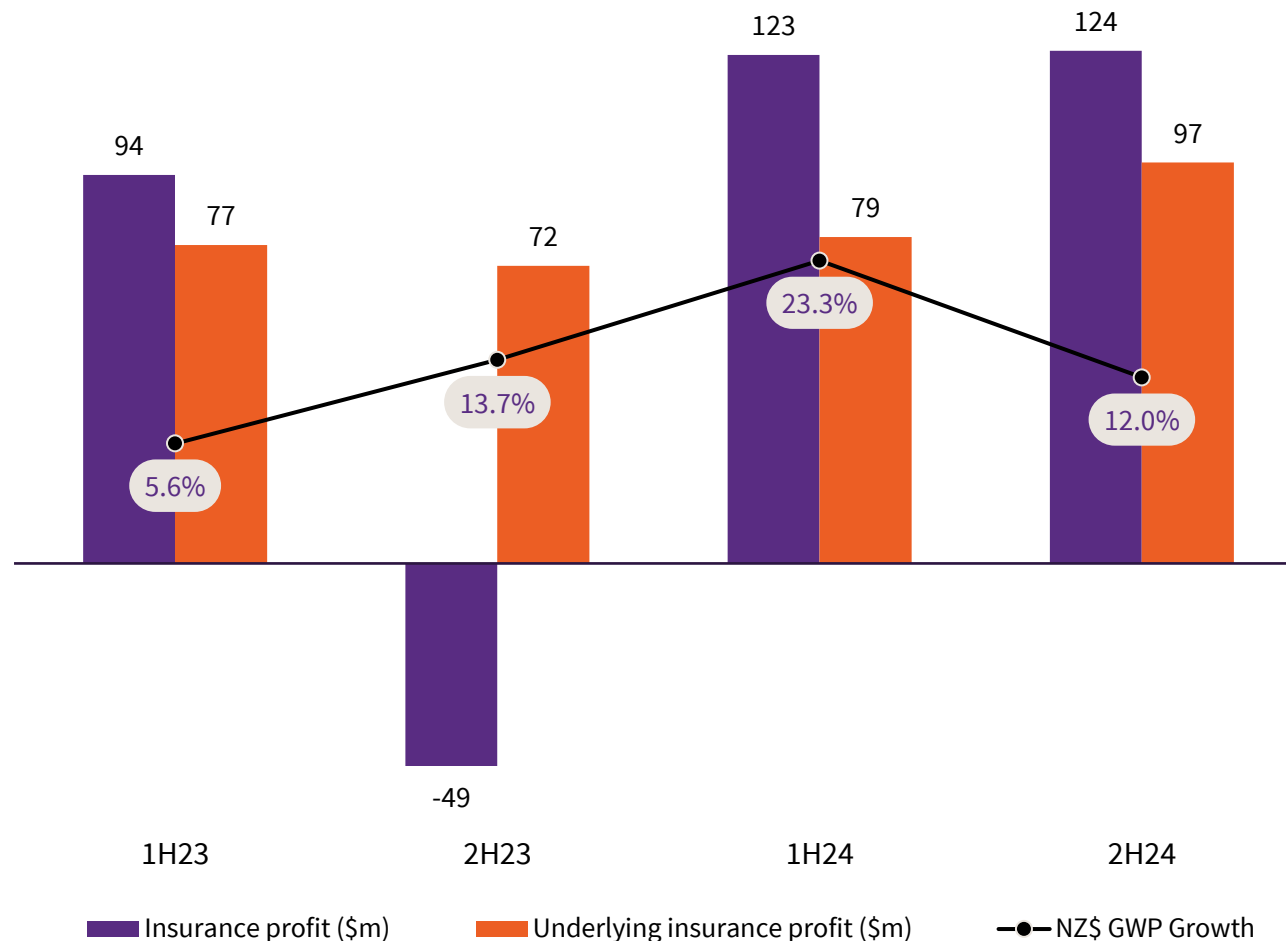


# New Zealand Retail



## Key highlights

- GWP up 18.6% to over A\$2bn
- NZ\$ underlying GWP growth of ~19% adjusting for timing of processing changes and customer refunds
- Reported insurance profit rebounding strongly to \$247m (FY23: \$45m)
- Underlying insurance profit \$176m (FY23: \$149m)
- State and AMI Home & Landlord products live on Enterprise Platform with positive early signs including ~15% increase in quote conversions
- Continued roll out of Enterprise Platform, with State and AMI Motor products to transition in FY25, and remaining bank partners through FY25 – FY26
- Reduction of ~44k in total open claims
- Expanded RepairHub to 9 sites across New Zealand covering 24% of drivable repairs and delivering improved customer satisfaction (NPS), ~20% lower costs

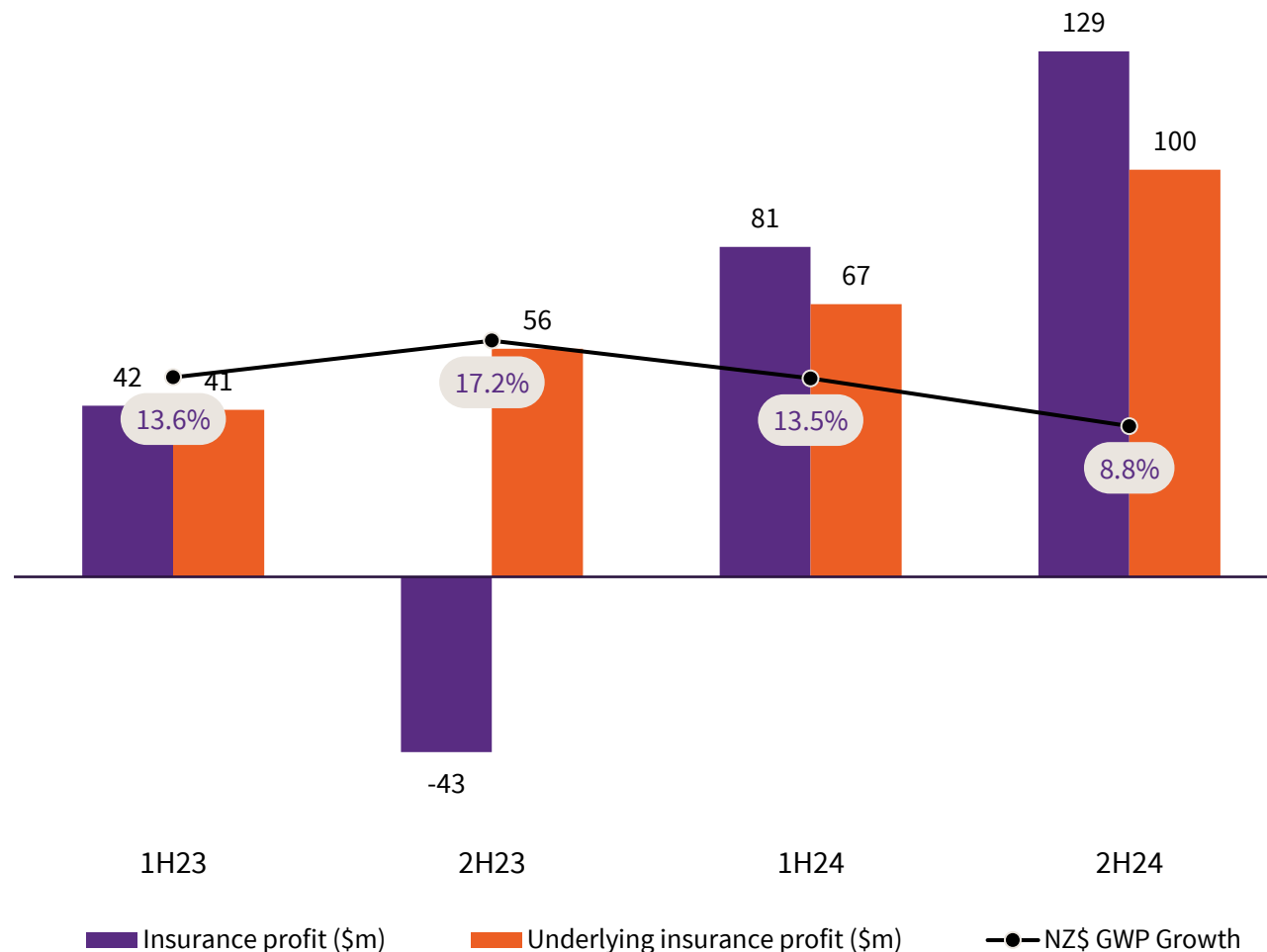


# New Zealand Intermediated



## Key highlights

- GWP growth of 12.2% to over A\$1.7bn
- NZ\$ GWP growth of ~11%
- Strong insurance profit rebound to \$210m following small loss in FY23
- Underlying insurance profit increased to \$167m (FY23: \$97m)
- NZI is celebrating 165 years and has 365,000 customers supported by over 3,500 broker partners
- Retained 34 of 35 large accounts during recent renewals
- Innovative preventative customer initiatives:
  - » Fleet Fit improving road safety
  - » Partnering with Upguard to provide cyber security intelligence
  - » Electrical Inspectors identifying and rectifying 1,500 electrical defects



# William McDonnell

## Chief Financial Officer

Financials



# Financial summary



	FY23	FY24	Change	
GWP (\$m)	14,729	16,400	11.3%	▲
NEP (\$m)	8,326	9,244	11.0%	▲
Administration expense ratio ex levies (%)	11.9	11.9	-	Flat
Reported insurance profit (\$m)	803	1,438	79.1%	▲
Reported insurance margin (%)	9.6	15.6	600bps	▲
Underlying insurance profit (\$m)	1,052	1,337	27.1%	▲
Underlying insurance margin (%)	12.6	14.5	190bps	▲
Net profit after tax (\$m)	832 <sup>1</sup>	898	7.9%	▲
Cash earnings (\$m)	452	905	100.2%	▲
Dividend (cps)	15.0	27.0	80.0%	▲
CET1 ratio	1.12	1.27	15pts	▲

1. The comparative period (FY23) statutory net profit after tax (\$825m) has been restated to reflect the adoption of AASB 17. The FY23 management net profit after tax (\$832m) has not been restated to reflect AASB 17 adjustments as these do not reflect management decision making at the time.

# Strong top-line growth



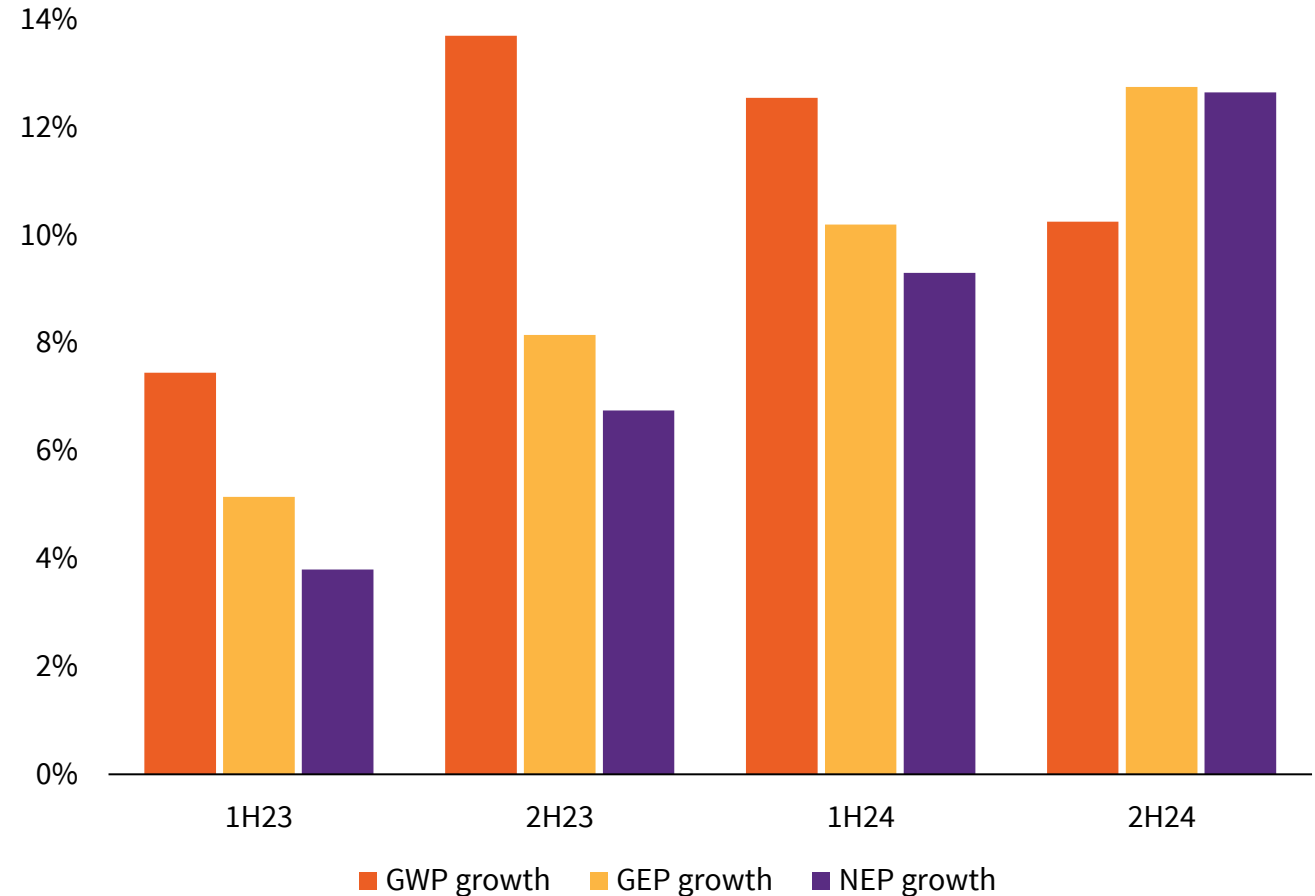
## Reported FY24 GWP growth of 11.3%:

- Strong premium increases reflecting claims inflation, higher reinsurance costs and increased perils allowance
- Strong renewal rates for direct channels in Australia and New Zealand
- Slight volume decline in Home and Motor products over the year with more recent positive trends following Enterprise Platform implementation
- IIA continued focus on underwriting discipline and remediation of underperforming portfolios

**Gross Earned Premium (GEP) growth of 11.5% in FY24 and 12.7% in 2H24**

**Net Earned Premium (NEP) growth of 11.0% in FY24 and 12.7% in 2H24**

Group GWP, GEP & NEP growth

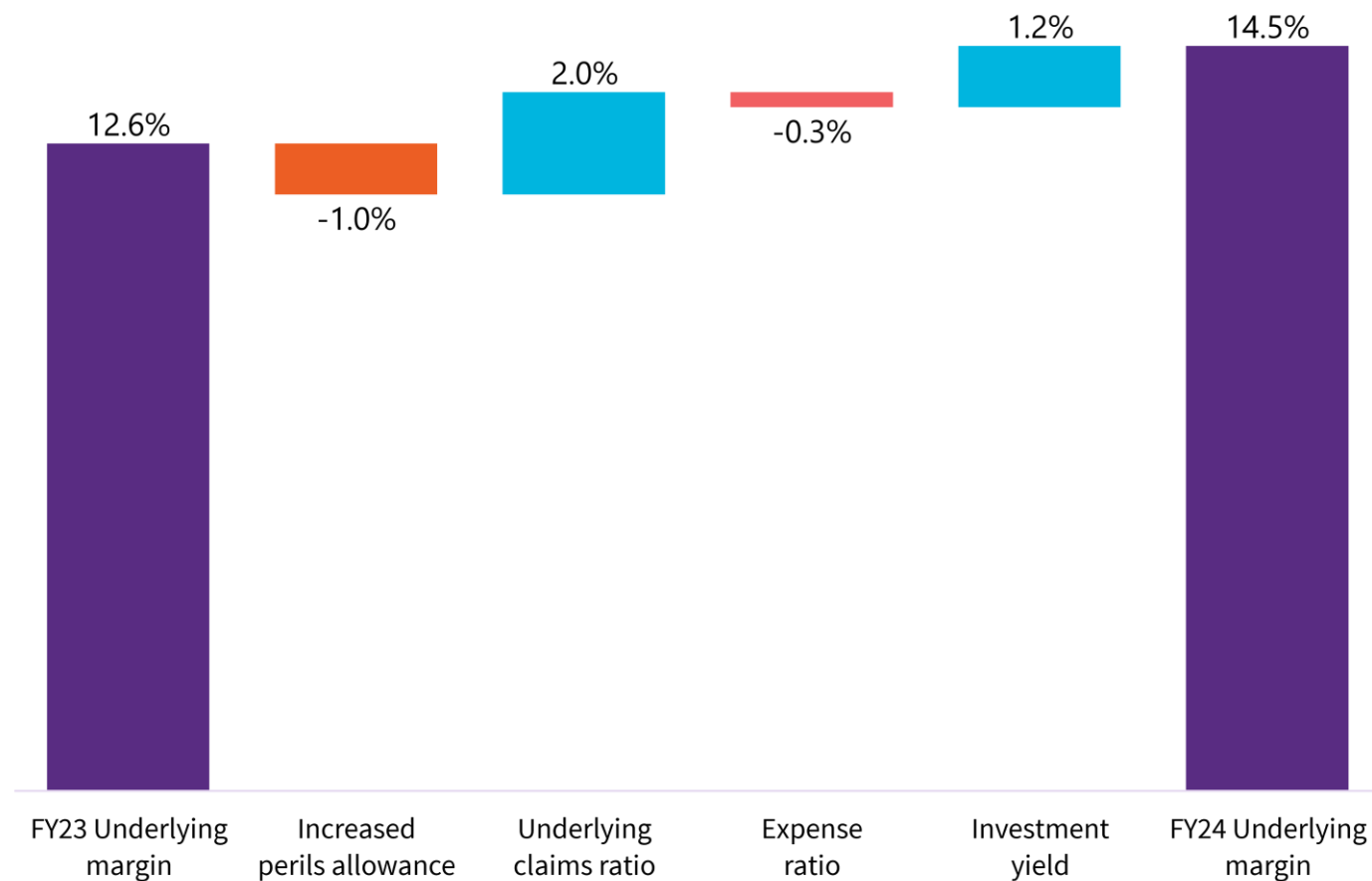


# Underlying insurance margin



## Strong NEP growth drives improvement in underlying insurance margin to 14.5% (FY23: 12.6%):

- Increased perils allowance to \$1,098m (FY23: \$909m)
- 200bps claims ratio improvement
- Expense ratio increase to 23.4% (FY23: 23.1%), driven by higher levies, commissions and ongoing technology investments
- Higher investment yield



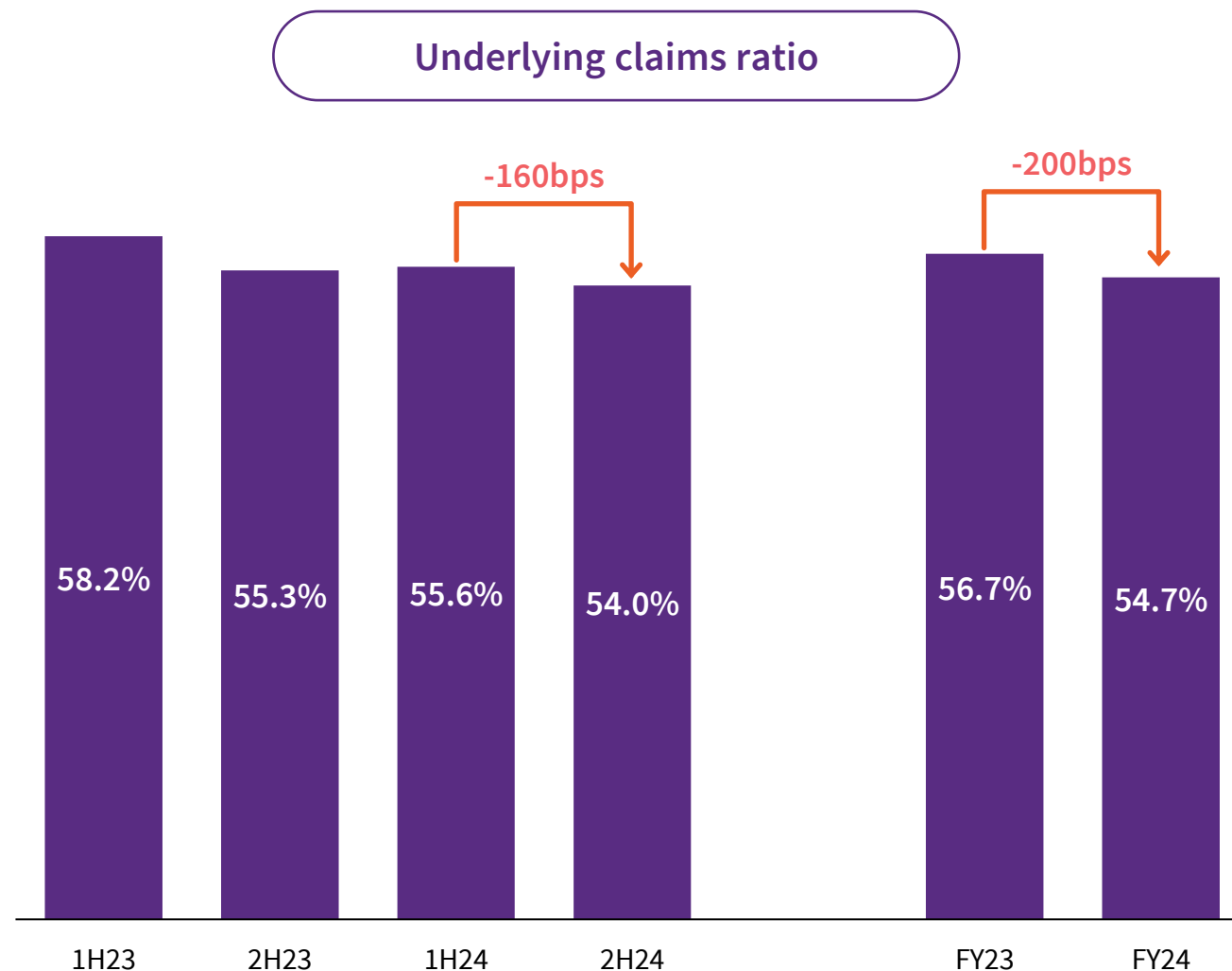


# Improvement in underlying claims ratio



## 200bps improvement in underlying claims ratio in FY24

- Benefit of 11% NEP growth exceeding claims inflation
- Improved motor repair capacity and gradual benefit from reduction in used car prices
- Motor frequency benefit in New Zealand and expansion of RepairHub and improved closure rates also mitigating inflationary pressure
- Ongoing inflationary pressure in Home repairs (trades) primarily fire and water damage claims
- Active portfolio management in IIA, along with claims initiatives to reduce leakage and fraud



# Favourable perils experience



**\$983m actual net perils costs, \$115m below FY24 allowance**

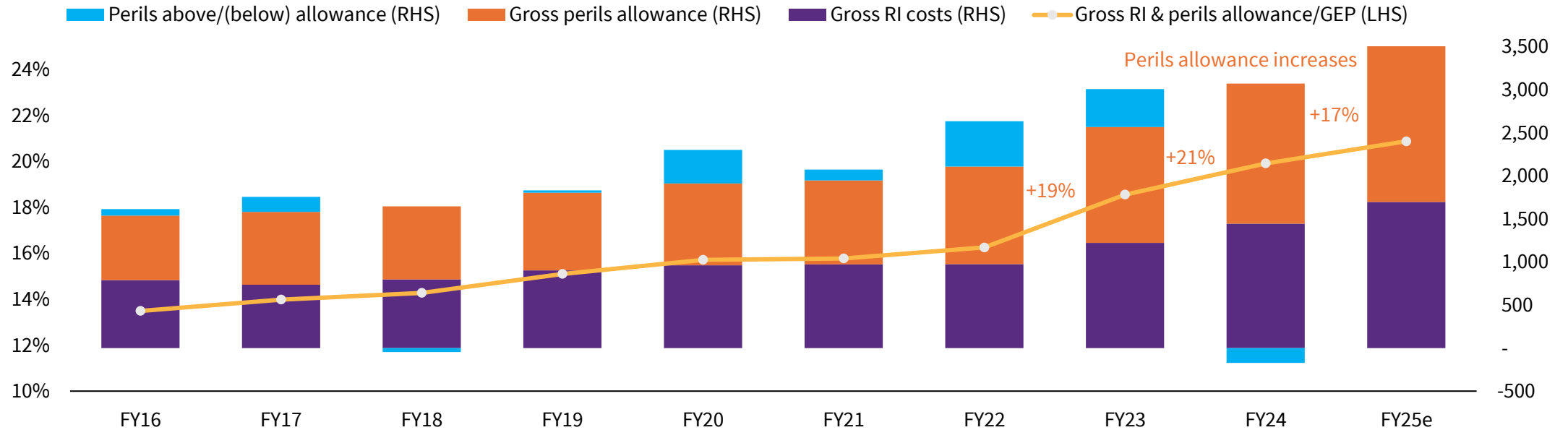
- Slightly below ~\$1,000m expectation announced on 28 June 2024
- Favorability primarily in New Zealand
- DIA and IIA broadly in line with allowance

**FY25 net perils allowance of \$1,283m, up 17%**

- Strong downside protection with the long-term volatility reinsurance
- Net perils costs capped at \$1,283m in over 90% of modelled scenarios

**Downside perils volatility substantially reduced from FY25 to FY29**

**IAG natural perils volatility**

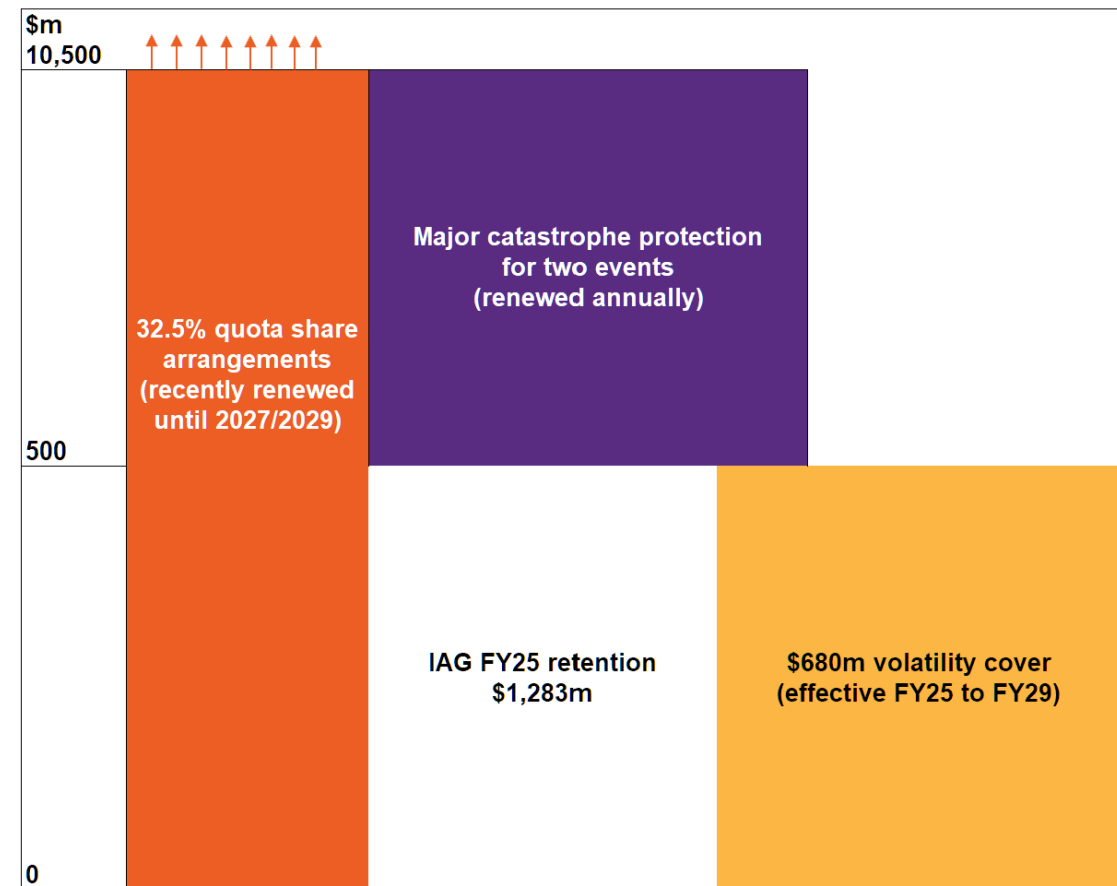


# Innovative reinsurance protection

## Long-term natural perils volatility protection

- Provides greater certainty over natural perils cost for customers
- Improves future financial stability
- Annual cost flat over the five-year arrangement
- Attaches at \$1,283m post-quota share, the FY25 perils allowance
- Expected profit commission arrangement delivers a graduated premium offset in the majority of years
- Replaces amalgam of drop-down covers and aggregate cover

## FY25 reinsurance program



# Expenses

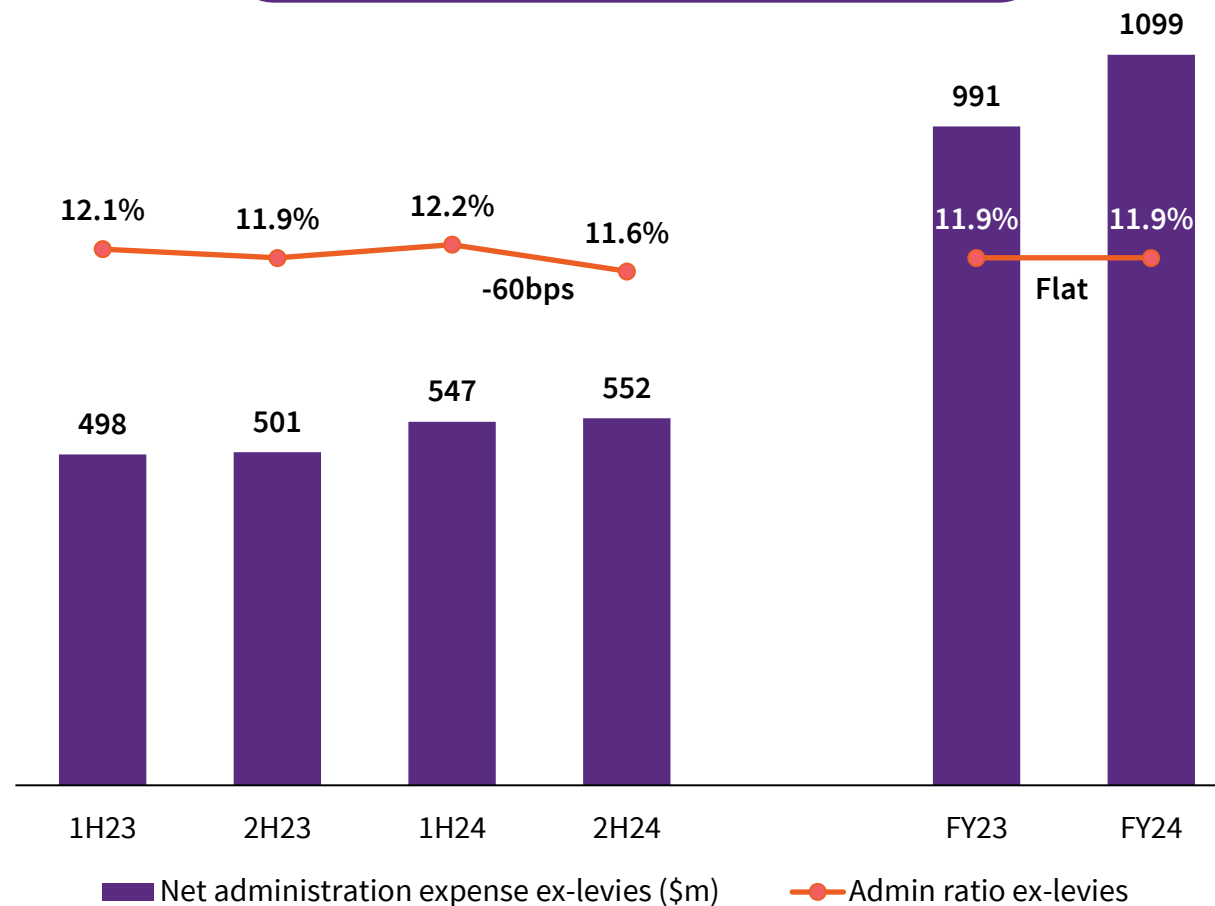


## FY24 admin ratio ex-levies flat at 11.9%

- Administration expenses up ~11% including higher technology costs including amortisation
- Additional compliance spend, including costs related to cyber and data security

2H24 admin ratio ex-levies 60bps lower compared to 1H24 and 30bps lower than 2H23

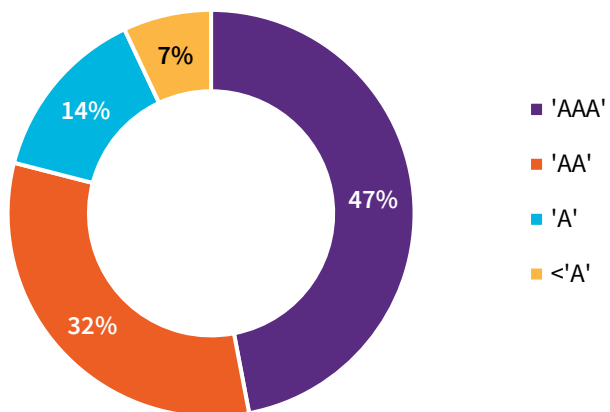
### Administration expenses ex-levies



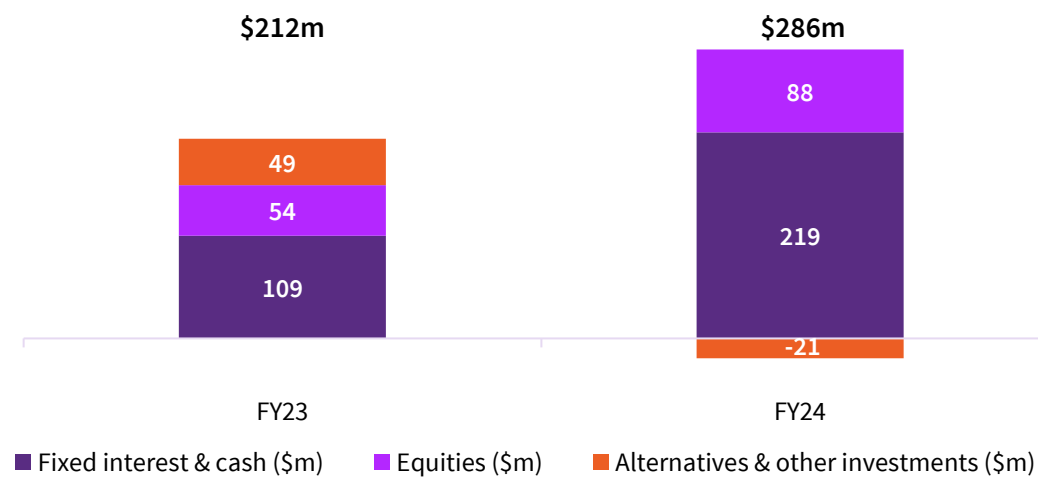
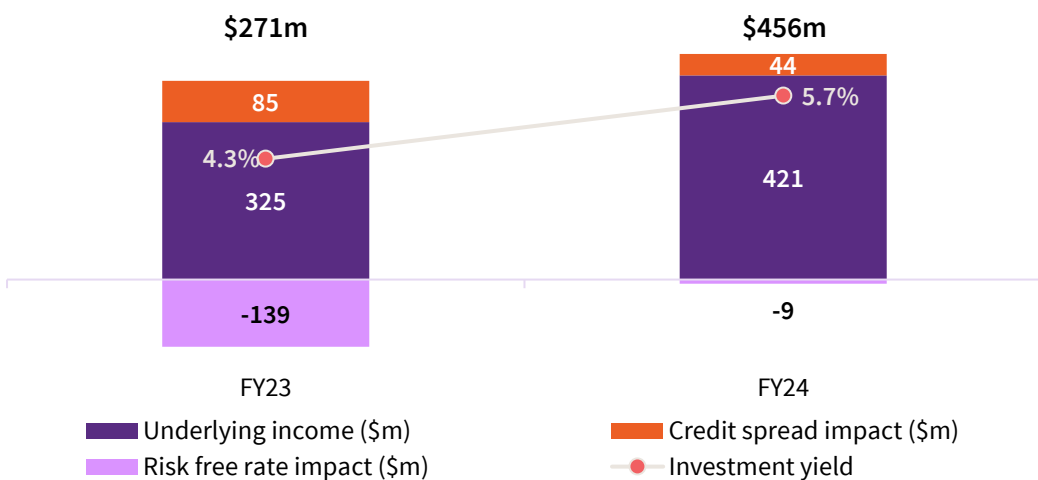
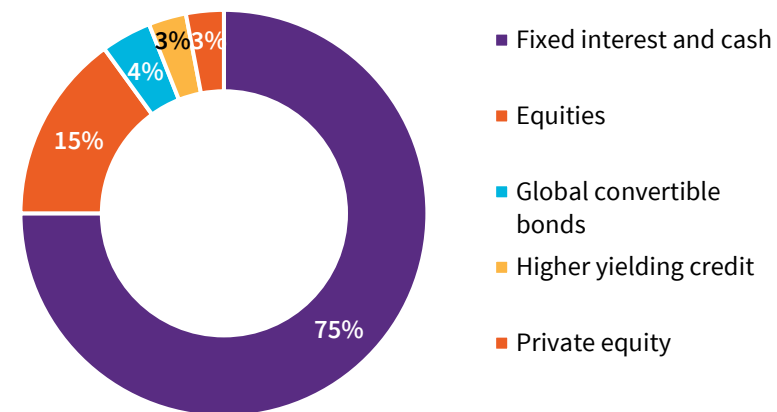
# Strong investment result across all asset classes



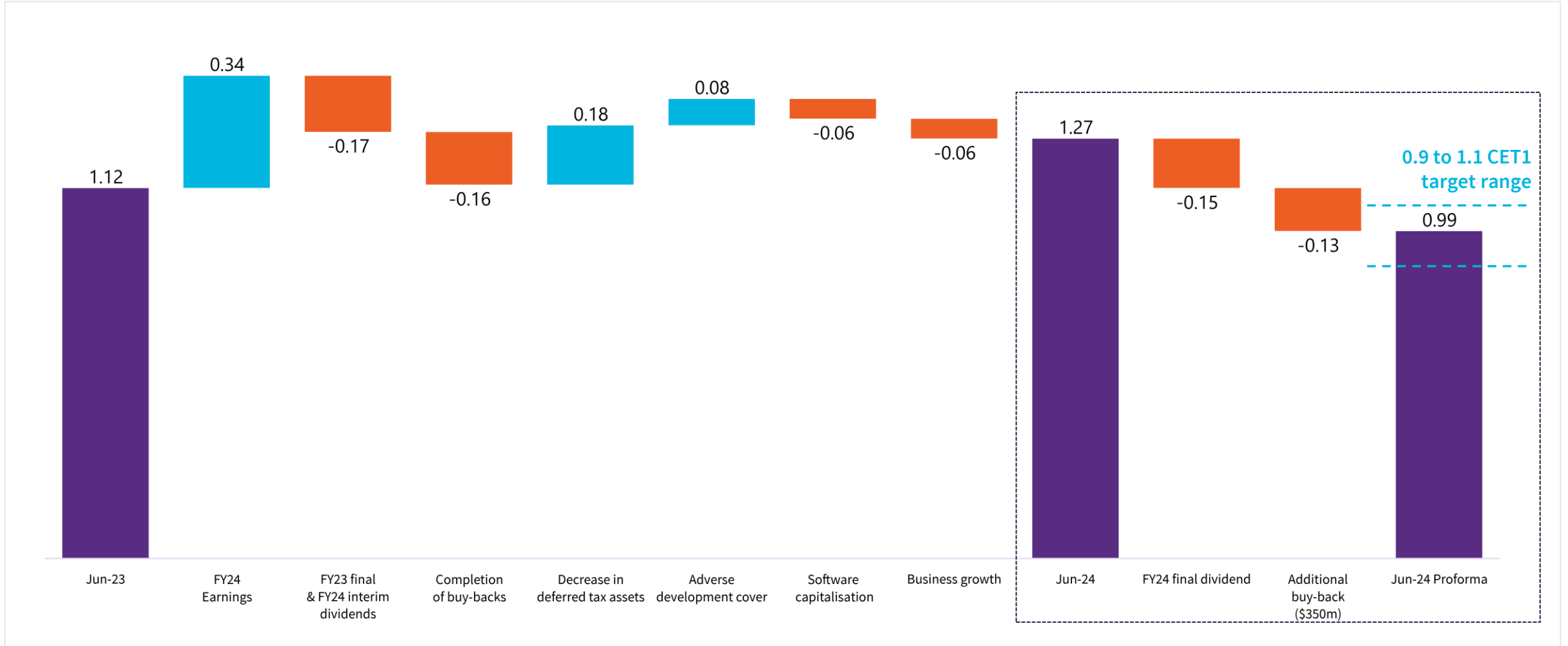
Technical reserves portfolio of ~\$7bn



Shareholders' funds portfolio of ~\$6bn



# Strong CET1 capital position



# Nick Hawkins

Managing Director and  
Chief Executive Officer

Guidance & Outlook



# FY25 guidance<sup>1</sup>



GWP growth of 'mid-to-high single digit'

Reported insurance profit of \$1,400m to \$1,600m

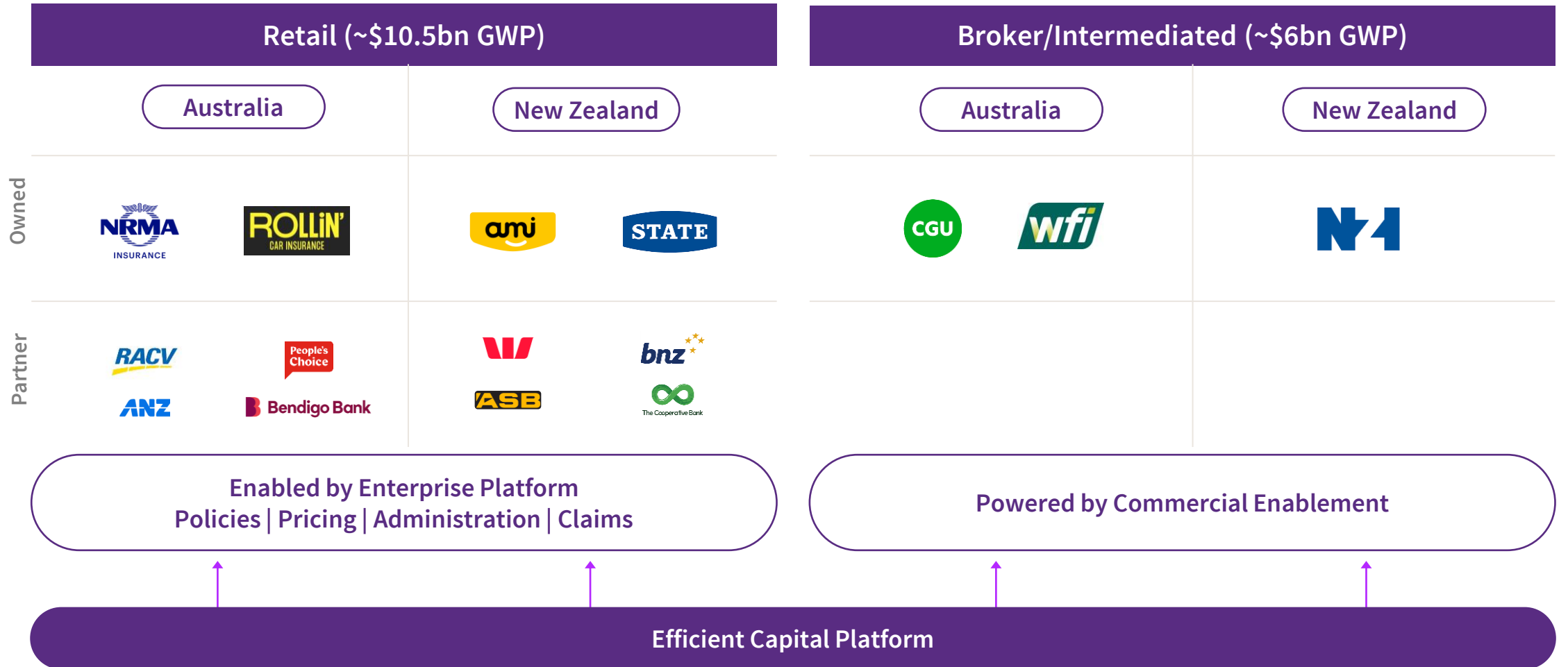
	\$	%
<b>FY24 Reported insurance profit/ margin</b>	1,438m	15.6
<b>FY24 Underlying insurance profit/ margin</b>	1,337m	14.5
<b>FY25 Underlying insurance margin drivers</b>		
<ul style="list-style-type: none"><li>• Net Earned Premium growth<ul style="list-style-type: none"><li>• Earn through of rate increases</li><li>• Higher reinsurance expense</li></ul></li><li>• Stable claims inflation</li><li>• Strong investment income</li><li>• Perils allowance of \$1,283m with strong downside risk protection</li></ul>		
<b>FY25 Reported insurance profit/ margin</b>	1,400m to 1,600m	13.5 to 15.5

<sup>1</sup> Refer to Appendix 1 for further details on IAG's FY25 Guidance and targets. Also refer to the Important Information disclaimer on page 2.



# A stronger, more resilient IAG

## Scalable business positioned for growth



# Strategic Focus

## Clear and consistent IAG strategy



### Purpose

We make your world a safer place

### Strategy

Create a stronger, more resilient IAG

### People

Our people are the difference: bringing our purpose to life and delivering our strategy

Focus	Approach	Ambitions <sup>1</sup>	Targets <sup>1</sup>
<b>Grow with our customers</b>	Deliver outstanding personalised service when our customers need us the most	<ul style="list-style-type: none"> <li>1m additional direct customers</li> </ul>	<b>15%</b> Insurance Margin  <b>14-15%</b> ROE  (on a 'through the cycle' basis)
<b>Build better businesses</b>	Focus on underwriting expertise, active portfolio management and pricing excellence	<ul style="list-style-type: none"> <li>Reducing expense ratio</li> </ul>	
<b>Create value through digital</b>	Create connected experiences that seamlessly assist and reward our customers as they unlock the value of our network	<ul style="list-style-type: none"> <li>\$400m value from DIA claims and supply chain cost reductions</li> <li>Common core insurance platform for personal lines across Australia and NZ</li> </ul>	
<b>Manage our risks</b>	Actively manage risk and capital in our business so we can continue to manage the risks in our customers' lives	<ul style="list-style-type: none"> <li>Accelerate risk maturity to Integrated</li> </ul>	

<sup>1</sup> These ambitions and targets are subject to assumptions and dependencies, including that there are no material adverse developments in macro-economic conditions and disruptions or events beyond IAG's control (for example, natural perils events in excess of IAG's allowances). As they span a number of years, these assumptions and dependencies have a greater level of uncertainty than financial year guidance. Refer to the Important Information disclaimer on page 2 of this presentation for further detail.



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# Appendix 1: FY25 Guidance and Outlook



**IAG's confidence in its underlying business is reflected in guidance for FY25** which includes:

- **GWP growth of 'mid-to-high single digit'**. This assumes premium increases to cover ongoing claims inflation and the increased natural perils allowance combined with direct customer and volume growth
- **Reported insurance profit guidance of \$1,400 million to \$1,600 million**, equating to a reported insurance margin of 13.5% to 15.5% and assumes:
  - continued momentum in the underlying performance of IAG's businesses;
  - a natural peril allowance of \$1,283 million;
  - no material prior period reserve releases or strengthening; and
  - no material movement in macro-economic conditions including foreign exchange rates or investment markets

**This FY25 guidance aligns to IAG's targets to deliver a 15% reported insurance margin and a reported ROE of 14% to 15% on a 'through the cycle' basis.**

These targets are subject to assumptions and dependencies, including that there are no material adverse developments in macro-economic conditions and disruptions or events beyond IAG's control. As they span a number of years, these assumptions and dependencies have a greater level of uncertainty than the FY25 guidance. Refer to the Important Information disclaimer on page 2 of this presentation for further detail.

# Appendix 2: Group Profit & Loss



<b>GROUP RESULTS</b>	<b>1H23 A\$m</b>	<b>2H23 A\$m</b>	<b>1H24 A\$m</b>	<b>2H24 A\$m</b>	<b>FY23 A\$m</b>	<b>FY24 A\$m</b>
<b>Gross written premium</b>	<b>7,061</b>	<b>7,668</b>	<b>7,947</b>	<b>8,453</b>	<b>14,729</b>	<b>16,400</b>
Gross earned premium	6,853	6,985	7,550	7,875	13,838	15,425
Reinsurance expense	(2,740)	(2,772)	(3,054)	(3,127)	(5,512)	(6,181)
<b>Net earned premium</b>	<b>4,113</b>	<b>4,213</b>	<b>4,496</b>	<b>4,748</b>	<b>8,326</b>	<b>9,244</b>
Net claims expense	(2,911)	(2,955)	(3,108)	(2,987)	(5,866)	(6,095)
Commission expense	(366)	(394)	(418)	(443)	(760)	(861)
Administration expense	(575)	(593)	(646)	(660)	(1,168)	(1,306)
<b>Underwriting profit/(loss)</b>	<b>261</b>	<b>271</b>	<b>324</b>	<b>658</b>	<b>532</b>	<b>982</b>
Investment income on technical reserves	89	182	290	166	271	456
<b>Insurance profit/(loss)</b>	<b>350</b>	<b>453</b>	<b>614</b>	<b>824</b>	<b>803</b>	<b>1,438</b>
Net corporate expense	353	184	(7)	-	537	(7)
Interest	(64)	(81)	(85)	(100)	(145)	(185)
Profit/(loss) from fee-based business	(14)	(23)	(12)	(24)	(37)	(36)
Share of profit/(loss) from associates	(8)	(5)	-	-	(13)	-
Investment income on shareholders' funds	72	140	147	139	212	286
<b>Profit/(loss) before income tax and amortisation</b>	<b>689</b>	<b>668</b>	<b>657</b>	<b>839</b>	<b>1,357</b>	<b>1,496</b>
Income tax expense	(213)	(216)	(201)	(257)	(429)	(458)
<b>Profit/(loss) after income tax (before amortisation)</b>	<b>476</b>	<b>452</b>	<b>456</b>	<b>582</b>	<b>928</b>	<b>1,038</b>
Non-controlling interests	(6)	(87)	(46)	(89)	(93)	(135)
<b>Profit/(loss) after income tax and non-controlling interests (before amortisation)</b>	<b>470</b>	<b>365</b>	<b>410</b>	<b>493</b>	<b>835</b>	<b>903</b>
Amortisation and impairment	(2)	(1)	(3)	(2)	(3)	(5)
<b>Profit/(loss) attributable to IAG shareholders</b>	<b>468</b>	<b>364</b>	<b>407</b>	<b>491</b>	<b>832</b>	<b>898</b>

# Appendix 3: Group Insurance Ratios



<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	70.8%	70.1%	69.1%	62.9%	70.5%	65.9%
Immunised loss ratio	72.1%	71.2%	68.5%	63.7%	71.6%	66.0%
Expense ratio	22.9%	23.5%	23.7%	23.2%	23.1%	23.4%
Commission ratio	8.9%	9.4%	9.3%	9.3%	9.1%	9.3%
Administration ratio	14.0%	14.1%	14.4%	13.9%	14.0%	14.1%
Combined ratio	93.7%	93.6%	92.8%	86.1%	93.6%	89.3%
Immunised combined ratio	95.0%	94.7%	92.2%	86.9%	94.7%	89.4%
<b>Reported insurance margin</b>	<b>8.5%</b>	<b>10.8%</b>	<b>13.7%</b>	<b>17.4%</b>	<b>9.6%</b>	<b>15.6%</b>
<b>Underlying insurance margin</b>	<b>10.7%</b>	<b>14.6%</b>	<b>13.7%</b>	<b>15.3%</b>	<b>12.6%</b>	<b>14.5%</b>

# Appendix 4: DIA Profit & Loss and Insurance Ratios



<b>DIRECT INSURANCE AUSTRALIA</b>	<b>1H23 A\$m</b>	<b>2H23 A\$m</b>	<b>1H24 A\$m</b>	<b>2H24 A\$m</b>	<b>FY23 A\$m</b>	<b>FY24 A\$m</b>
<b>Gross written premium</b>	<b>3,219</b>	<b>3,421</b>	<b>3,647</b>	<b>3,843</b>	<b>6,640</b>	<b>7,490</b>
Gross earned premium	3,097	3,190	3,439	3,618	6,287	7,057
Reinsurance expense	(1,223)	(1,266)	(1,349)	(1,416)	(2,489)	(2,765)
<b>Net earned premium</b>	<b>1,874</b>	<b>1,924</b>	<b>2,090</b>	<b>2,202</b>	<b>3,798</b>	<b>4,292</b>
Net claims expense	(1,443)	(1,300)	(1,605)	(1,500)	(2,743)	(3,105)
Commission expense	(61)	(65)	(76)	(83)	(126)	(159)
Administration expense	(255)	(284)	(301)	(305)	(539)	(606)
<b>Underwriting profit/(loss)</b>	<b>115</b>	<b>275</b>	<b>108</b>	<b>314</b>	<b>390</b>	<b>422</b>
Investment income on technical reserves	52	109	140	92	161	232
<b>Insurance profit/(loss)</b>	<b>167</b>	<b>384</b>	<b>248</b>	<b>406</b>	<b>551</b>	<b>654</b>
Profit/(loss) from fee-based business	(4)	(6)	(3)	(18)	(10)	(21)
Share of profit/(loss) from associates	(8)	(5)	-	-	(13)	-
<b>Total divisional result</b>	<b>155</b>	<b>373</b>	<b>245</b>	<b>388</b>	<b>528</b>	<b>633</b>
<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	77.0%	67.6%	76.8%	68.1%	72.2%	72.3%
Immunised loss ratio	78.0%	68.3%	76.4%	68.7%	73.1%	72.4%
Expense ratio	16.9%	18.2%	18.0%	17.7%	17.5%	17.8%
Commission ratio	3.3%	3.4%	3.6%	3.8%	3.3%	3.7%
Administration ratio	13.6%	14.8%	14.4%	13.9%	14.2%	14.1%
Combined ratio	93.9%	85.8%	94.8%	85.8%	89.7%	90.1%
Immunised combined ratio	94.9%	86.5%	94.4%	86.4%	90.6%	90.2%
Reported insurance margin	8.9%	20.0%	11.9%	18.4%	14.5%	15.2%
Underlying insurance margin	13.2%	18.2%	15.9%	17.3%	15.7%	16.6%

# Appendix 5: IIA Profit & Loss and Insurance Ratios



<b>INTERMEDIATED INSURANCE AUSTRALIA</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>
<b>Gross written premium</b>	<b>2,303</b>	<b>2,502</b>	<b>2,436</b>	<b>2,678</b>	<b>4,805</b>	<b>5,114</b>
Gross earned premium	2,270	2,221	2,402	2,461	4,491	4,863
Reinsurance expense	(923)	(863)	(977)	(969)	(1,786)	(1,946)
<b>Net earned premium</b>	<b>1,347</b>	<b>1,358</b>	<b>1,425</b>	<b>1,492</b>	<b>2,705</b>	<b>2,917</b>
Net claims expense	(916)	(834)	(933)	(919)	(1,750)	(1,852)
Commission expense	(206)	(222)	(229)	(240)	(428)	(469)
Administration expense	(207)	(197)	(224)	(227)	(404)	(451)
<b>Underwriting profit/(loss)</b>	<b>18</b>	<b>105</b>	<b>39</b>	<b>106</b>	<b>123</b>	<b>145</b>
Investment income on technical reserves	31	55	123	60	86	183
<b>Insurance profit/(loss)</b>	<b>49</b>	<b>160</b>	<b>162</b>	<b>166</b>	<b>209</b>	<b>328</b>
Profit/(loss) from fee-based business	(1)	(8)	(3)	(3)	(9)	(6)
<b>Total divisional result</b>	<b>48</b>	<b>152</b>	<b>159</b>	<b>163</b>	<b>200</b>	<b>322</b>
<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	68.0%	61.4%	65.5%	61.6%	64.7%	63.5%
Immunised loss ratio	70.2%	63.5%	64.3%	63.3%	66.8%	63.8%
Expense ratio	30.7%	30.8%	31.8%	31.3%	30.7%	31.6%
Commission ratio	15.3%	16.3%	16.1%	16.1%	15.8%	16.1%
Administration ratio	15.4%	14.5%	15.7%	15.2%	14.9%	15.5%
Combined ratio	98.7%	92.2%	97.3%	92.9%	95.4%	95.1%
Immunised combined ratio	100.9%	94.3%	96.1%	94.6%	97.5%	95.4%
Reported insurance margin	3.6%	11.8%	11.4%	11.1%	7.7%	11.2%
Underlying insurance margin	5.7%	9.8%	9.5%	9.8%	7.7%	9.6%



# Appendix 6: NZ Profit & Loss and Insurance Ratios



<b>NEW ZEALAND</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>
<b>Gross written premium</b>	<b>1,539</b>	<b>1,745</b>	<b>1,864</b>	<b>1,932</b>	<b>3,284</b>	<b>3,796</b>
Gross earned premium	1,486	1,574	1,709	1,796	3,060	3,505
Reinsurance expense	(593)	(643)	(728)	(742)	(1,236)	(1,470)
<b>Net earned premium</b>	<b>893</b>	<b>931</b>	<b>981</b>	<b>1,054</b>	<b>1,824</b>	<b>2,035</b>
Net claims expense	(551)	(822)	(570)	(567)	(1,373)	(1,137)
Commission expense	(99)	(107)	(113)	(120)	(206)	(233)
Administration expense	(113)	(112)	(121)	(128)	(225)	(249)
<b>Underwriting profit/(loss)</b>	<b>130</b>	<b>(110)</b>	<b>177</b>	<b>239</b>	<b>20</b>	<b>416</b>
Investment income on technical reserves	6	18	27	14	24	41
<b>Insurance profit/(loss)</b>	<b>136</b>	<b>(92)</b>	<b>204</b>	<b>253</b>	<b>44</b>	<b>457</b>
Profit/(loss) from fee-based business	-	-	-	(1)	-	(1)
<b>Total divisional result</b>	<b>136</b>	<b>(92)</b>	<b>204</b>	<b>252</b>	<b>44</b>	<b>456</b>
<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	61.7%	88.3%	58.1%	53.8%	75.3%	55.9%
Immunised loss ratio	62.4%	88.4%	57.9%	53.8%	75.7%	55.8%
Expense ratio	23.8%	23.5%	23.8%	23.5%	23.6%	23.6%
Commission ratio	11.1%	11.5%	11.5%	11.4%	11.3%	11.4%
Administration ratio	12.7%	12.0%	12.3%	12.1%	12.3%	12.2%
Combined ratio	85.5%	111.8%	81.9%	77.3%	98.9%	79.5%
Immunised combined ratio	86.2%	111.9%	81.7%	77.3%	99.3%	79.4%
Reported insurance margin	15.2%	(9.9%)	20.8%	24.0%	2.4%	22.5%
Underlying insurance margin	13.2%	13.8%	14.9%	18.7%	13.5%	16.9%

# Appendix 7: NZ Retail Profit & Loss and Insurance Ratios



<b>NEW ZEALAND RETAIL</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>
<b>Gross written premium</b>	<b>822</b>	<b>928</b>	<b>1,034</b>	<b>1,041</b>	<b>1,750</b>	<b>2,075</b>
Gross earned premium	809	846	919	959	1,655	1,878
Reinsurance expense	(302)	(325)	(368)	(375)	(627)	(743)
<b>Net earned premium</b>	<b>507</b>	<b>521</b>	<b>551</b>	<b>584</b>	<b>1,028</b>	<b>1,135</b>
Net claims expense	(322)	(485)	(342)	(359)	(807)	(701)
Commission expense	(22)	(24)	(25)	(27)	(46)	(52)
Administration expense	(72)	(71)	(76)	(82)	(143)	(158)
<b>Underwriting profit/(loss)</b>	<b>91</b>	<b>(59)</b>	<b>108</b>	<b>116</b>	<b>32</b>	<b>224</b>
Investment income on technical reserves	3	10	15	8	13	23
<b>Insurance profit/(loss)</b>	<b>94</b>	<b>(49)</b>	<b>123</b>	<b>124</b>	<b>45</b>	<b>247</b>
Profit/(loss) from fee-based business	-	-	-	(1)	-	(1)
<b>Total divisional result</b>	<b>94</b>	<b>(49)</b>	<b>123</b>	<b>123</b>	<b>45</b>	<b>246</b>
<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	63.5%	93.1%	62.1%	61.5%	78.5%	61.8%
Immunised loss ratio	64.1%	93.3%	61.9%	61.5%	78.9%	61.7%
Expense ratio	18.5%	18.2%	18.3%	18.6%	18.4%	18.5%
Commission ratio	4.3%	4.6%	4.5%	4.6%	4.5%	4.6%
Administration ratio	14.2%	13.6%	13.8%	14.0%	13.9%	13.9%
Combined ratio	82.0%	111.3%	80.4%	80.1%	96.9%	80.3%
Immunised combined ratio	82.6%	111.5%	80.2%	80.1%	97.3%	80.2%
Reported insurance margin	18.5%	(9.4%)	22.3%	21.2%	4.4%	21.8%
Underlying insurance margin	15.1%	13.8%	14.3%	16.6%	14.5%	15.5%

# Appendix 8: NZ Intermediated Profit & Loss and Insurance Ratios



<b>NEW ZEALAND INTERMEDIATED</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>	<b>A\$m</b>
<b>Gross written premium</b>	<b>717</b>	<b>817</b>	<b>830</b>	<b>891</b>	<b>1,534</b>	<b>1,721</b>
Gross earned premium	677	728	790	837	1,405	1,627
Reinsurance expense	(291)	(318)	(360)	(367)	(609)	(727)
<b>Net earned premium</b>	<b>386</b>	<b>410</b>	<b>430</b>	<b>470</b>	<b>796</b>	<b>900</b>
Net claims expense	(229)	(337)	(228)	(208)	(566)	(436)
Commission expense	(77)	(83)	(88)	(93)	(160)	(181)
Administration expense	(41)	(41)	(45)	(46)	(82)	(91)
<b>Underwriting profit/(loss)</b>	<b>39</b>	<b>(51)</b>	<b>69</b>	<b>123</b>	<b>(12)</b>	<b>192</b>
Investment income on technical reserves	3	8	12	6	11	18
<b>Insurance profit/(loss)</b>	<b>42</b>	<b>(43)</b>	<b>81</b>	<b>129</b>	<b>(1)</b>	<b>210</b>
Profit/(loss) from fee-based business	-	-	-	-	-	-
<b>Total divisional result</b>	<b>42</b>	<b>(43)</b>	<b>81</b>	<b>129</b>	<b>(1)</b>	<b>210</b>
<b>Insurance Ratios</b>	<b>1H23</b>	<b>2H23</b>	<b>1H24</b>	<b>2H24</b>	<b>FY23</b>	<b>FY24</b>
Loss ratio	59.3%	82.2%	53.0%	44.3%	71.1%	48.4%
Immunised loss ratio	60.1%	82.2%	52.8%	44.3%	71.5%	48.3%
Expense ratio	30.5%	30.2%	31.0%	29.6%	30.4%	30.2%
Commission ratio	19.9%	20.2%	20.5%	19.8%	20.1%	20.1%
Administration ratio	10.6%	10.0%	10.5%	9.8%	10.3%	10.1%
Combined ratio	89.8%	112.4%	84.0%	73.9%	101.5%	78.6%
Immunised combined ratio	90.6%	112.4%	83.8%	73.9%	101.9%	78.5%
Reported insurance margin	10.9%	(10.5%)	18.8%	27.4%	(0.1%)	23.3%
Underlying insurance margin	10.6%	13.6%	15.5%	21.2%	12.2%	18.5%