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## IAG SHARE PURCHASE PLAN RAISES APPROXIMATELY \$236 MILLION



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Insurance Australia Group Limited (IAG) today announced it had successfully completed its Share Purchase Plan (SPP).

IAG has accepted all applications from eligible shareholders for approximately \$236 million of new shares. Valid applications have been accepted in full, with no scaleback applied.

IAG will issue approximately 43 million new shares at \$5.47 per share and these shares will commence trading on Tuesday, 4 February 2014. Holding statements will be mailed to participating shareholders from Thursday, 6 February 2014.

IAG's Managing Director and Chief Executive Officer, Mr Mike Wilkins, said he was pleased that so many Australian and New Zealand resident shareholders participated in the SPP. "Although applications for the SPP exceeded our initial target of \$200 million, we accepted the oversubscriptions we received to ensure that we met all the demand from eligible retail shareholders," he said.

### ABOUT THE SPP

Under IAG's SPP, which closed on 24 January 2014, eligible IAG shareholders could invest up to \$15,000 in new shares at \$5.47 per share. This is the same price paid by institutional investors in IAG's strongly supported \$1.2 billion equity placement in December 2013, and is the lesser of:

- a 4% discount to the closing price of existing IAG shares on 13 December 2013 (\$5.47); or
- a 2% discount to the five day volume-weighted average price of IAG ordinary shares traded on the Australian Securities Exchange (ASX) up to and including the 24 January 2014 closing date of the SPP (\$5.51).

As previously announced, money raised in the SPP, along with that raised in the December institutional placement, will be used to partially fund the acquisition of Wesfarmers' insurance underwriting businesses in Australia and New Zealand, which was announced on 16 December 2013. The balance of the acquisition will be funded through internal resources and subordinated debt. The acquisition supports IAG's strategic priorities of accelerating profitable growth in Australia and sustaining its market-leading position in New Zealand.

### ABOUT INSURANCE AUSTRALIA GROUP

Insurance Australia Group Limited (IAG) is the parent company of a general insurance group with controlled operations in Australia, New Zealand, Thailand and Vietnam, employing around 13,500 people. Its current businesses underwrite approaching \$10 billion of premium per annum, selling insurance under many leading brands including NRMA Insurance, CGU, SGIO, SGIC and Swann (Australia); NZI, State and AMI (New Zealand); Safety and NZI (Thailand); and AAA Assurance (Vietnam). IAG also has interests in general insurance joint ventures in Malaysia, India and China. For further information please visit [www.iag.com.au](http://www.iag.com.au).

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