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# IAG ON TRACK TO DELIVER ON FY13 GUIDANCE



Insurance Australia Group Limited (IAG) today advised shareholders at its annual general meeting (AGM) that the company was on track to deliver an improved financial outcome in FY13.

IAG Managing Director and CEO, Mr Mike Wilkins, said the Group had recorded a strong underlying operating performance in the opening months of the current financial year.

"Our performance in the first quarter has built on the momentum evident in FY12," Mr Wilkins said.

"We are on track to deliver our full year guidance of an improved insurance margin of 11–13% and gross written premium growth of 9–11% and we are seeing the benefits of initiatives such as CGU's new operating model and the integration of AMI in New Zealand."

IAG Chairman Mr Brian Schwartz told the AGM a major focus of the Group was on ensuring that it has the capacity and capability to deliver on its strategy, including continuing to grow Australia and New Zealand and having Asia represent 10% of GWP by 2016.

"There is an absolute focus on strategy at all levels of the Group – from the Board, to management, and employees. As a result, I believe we are creating considerable value for all those who have a stake in our Group, our customers, our people and our shareholders."

IAG's guidance for the 2013 financial year assumes net losses from natural perils in line with budgeted allowances of \$640 million, no material movement in foreign exchange rates or investment markets and lower prior period reserve releases of 1-2% of net earned premium.

#### **About Insurance Australia Group**

Insurance Australia Group (IAG) is the parent company of an international general insurance group, with operations in Australia, New Zealand, the United Kingdom and Asia. Its current businesses underwrite over \$9 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); Equity Red Star (UK); and Safety and NZI (Thailand). For further information please visit www.iag.com.au.

## **Corporate Affairs**

Andrew Tubb T +61 (0)2 9292 3134 M +61 (0)411 014 771 E andrew.tubb@iag.com.au

### **Investor Relations**

Simon Phibbs T +61 (0)2 9292 8796 M +61 (0)411 011 899 E simon.phibbs@iag.com.au

## Insurance Australia Group Limited

ABN 60 090 739 923 388 George Street Sydney NSW 2000 Australia T +61 (0)2 9292 9222 www.iag.com.au