

# MANY BRANDS, ONE ATTITUDE

## A SNAPSHOT OF IAG

- Australasia's leading general insurance group.
- Annual gross written premium of \$6.4 billion.
- No.1 position in seven major general insurance markets: motor, home, CTP, workers' compensation, rural, consumer credit and extended warranty.
- 19.2 million active risks in force.
- Insures more than 4.7 million cars, 2.4 million homes, 220,000 businesses and 85,000 farms in Australia, and provides workers' compensation services to 213,000 employers.
- More than 11,500 employees.
- 145 year heritage.
- Network of about 330 branches and customer service centres throughout metropolitan, regional and rural Australia, and 41 sales centres and branches in New Zealand.
- Very strong 'AA' insurer financial strength ratings for key entities from international ratings agency Standard & Poor's – the highest rating for any Australian-based financial institution.

### BRAND VALUE

Several independent studies undertaken during the year confirmed the significant value of our Australian retail brands – NRMA Insurance, SGIO and SGIC – and showed NRMA Insurance to be the most trusted insurance brand in NSW and ACT with the highest commitment score of any insurance brand in Australia, well in excess of international benchmarks.

Similarly, our CGU brand continued to strengthen, with a study indicating awareness of the brand increased almost 20% nationally. Now two-thirds of consumers recognise the brand, a high level given that CGU is predominantly offered through brokers, agents and business partners.

In New Zealand, independent research has shown that our State brand leads the market in terms of awareness, with about seven in 10 New Zealanders aware of the brand. The NZI brand, predominantly sold through brokers, also maintains a strong public presence.

## AUSTRALIA



### AUSTRALIAN PERSONAL INSURANCE OPERATIONS

Our Australian personal insurance business develops, underwrites and distributes personal insurance products, and manages claims and assessing services. It is the largest insurance underwriting and claims and assessing operation in Australia and represents approximately 61% of our business.

Our personal insurance products are sold primarily under our NRMA Insurance brand in NSW, ACT, Queensland and Tasmania. SGIO is our primary brand in Western Australia, and SGIC in South Australia. In Victoria, we distribute home, motor and other insurance products through RACV. Products are distributed through our branches, call centres and representatives. In addition, we sell a range of personal insurance nationally under the Swann Insurance brand.

Personal insurance products distributed nationally by CGU are generally sold by intermediaries (insurance brokers and agents) and business partners (financial institutions and alliances).

### SHORT-TAIL INSURANCE

- Motor vehicle
- Home and contents
- Niche insurance, such as pleasure craft, veteran and classic car, caravan, and travel insurance

### LONG-TAIL INSURANCE

- Compulsory third party

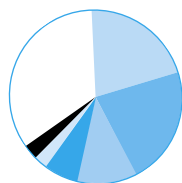
### FINANCIAL PERFORMANCE

Gross written premium	\$3,900 million
Net earned premium	\$3,602 million
Combined operating ratio	87.9%
Insurance margin	16.5%
Number of risks in force	12.8 million

### IAG'S PORTFOLIO OF RISKS

% OF GWP

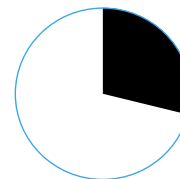
- Motor 34%
- Home 22%
- Short-tail commercial 21%
- CTP 11%
- Liability 6%
- Workers' compensation 3%
- Other short-tail 3%



### IAG'S AUSTRALIAN OPERATIONS

% OF GWP

- Personal insurance 71%
- Commercial insurance 29%



## INTERNATIONAL



### AUSTRALIAN COMMERCIAL INSURANCE OPERATIONS

Our Australian commercial insurance business develops, underwrites and distributes insurance products for businesses.

Our commercial insurance products are sold primarily under our CGU Insurance brand through a network of more than 1,000 intermediaries (insurance brokers and agents).

We are a leading provider of workers' compensation services in Australia and operate in every State and Territory where there is private involvement. In NSW, Victoria and South Australia we collect premiums and manage claims on behalf of the Government. In Western Australia, Tasmania, ACT and the Northern Territory, we underwrite policies and manage claims. Comprehensive risk management services are available to all our employer customers.

Commercial insurance packages are also sold directly under the retail brands NRMA Insurance, SGIO and SGIC. These are largely targeted at sole operators and smaller businesses.

#### SHORT-TAIL INSURANCE

- Commercial property
- Commercial motor and fleet motor
- Construction and engineering
- Farm, crop and livestock
- Marine

#### LONG-TAIL INSURANCE

- Public and products liability
- Professional indemnity
- Directors' and officers'
- Home warranty
- Workers' compensation

#### FINANCIAL PERFORMANCE

Gross written premium	\$1,613 million
Net earned premium	\$1,355 million
Combined operating ratio	95.0%
Insurance margin	9.6%
Number of risks in force	3.7 million

### NEW ZEALAND INSURANCE OPERATIONS

Our New Zealand business is the leading insurance provider in the country in the direct channel and a leading insurer in the intermediated channel.

We hold approximately 40% of the New Zealand market, and are strongly positioned in all geographic markets.

We provide insurance products directly to customers under our State brand and through intermediaries (insurance brokers and agents) under our NZI brand. Our personal lines products are also distributed under third party brands by our corporate partners, including large financial institutions.

#### SHORT-TAIL INSURANCE

- Motor vehicle
- Home and contents
- Commercial property
- Commercial motor and fleet motor
- Construction and engineering
- Niche insurance, such as pleasure craft, boat, caravan, and travel
- Rural and horticultural
- Marine

#### LONG-TAIL INSURANCE

- Surgical
- Personal liability
- Income protection
- Commercial liability

#### CAPTIVE REINSURER

The Group purchases most of its reinsurance protections through its captive reinsurer (IAG Re Limited). The results of that business are reflected in the Group's international operations.

#### ASIAN INTERESTS

IAG has interests in two businesses in Asia – 100% ownership of the Beijing Continental Automobile Association (CAA) roadside assistance venture in China; and a strategic 20% shareholding in Thailand's Safety Insurance.

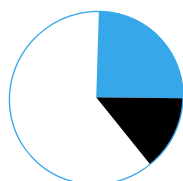
#### FINANCIAL PERFORMANCE

Gross written premium	\$914 million
Net earned premium	\$906 million
Combined operating ratio	94.8%
Insurance margin	7.5%
Number of risks in force	2.7 million

### IAG'S GROUP-WIDE BUSINESS

% OF GWP

- Australian personal insurance operations 61%
- Australian commercial insurance operations 25%
- International operations 14%



### IAG'S BUSINESS BY DURATION

% OF GWP

- Short-tail 80%
- Long-tail 20%

