

Yet another undervalued offer for IAG shares

Insurance Australia Group Limited (IAG) has warned its shareholders a company trading as Hassle Free Share Sales Pty Ltd has launched another offer for IAG ordinary shares, which significantly undervalues the shares.

Hassle Free Share Sales is offering \$1.60 per share, which is significantly less than the price IAG shares were trading on the Australian Securities Exchange (ASX) as at close of business yesterday. This follows a number of similarly low valued offers from Hassle Free Share Sales issued in recent months.

IAG Head of Investor Relations & Corporate Affairs, Ms Carolyn McCann, again reiterated IAG does not endorse any unsolicited share offer and said it is not necessary for shareholders to take any action with respect to it.

“IAG shareholders who receive an offer from Hassle Free Share Sales, or any other company, to sell their shares should carefully consider their options when deciding whether to accept it, given the offer price is significantly below the price they’d receive if they sold their shares on the ASX,” Ms McCann said.

“We urge shareholders to seek independent financial advice and check the current price of IAG shares, which can be found in the business pages of major newspapers, on the ASX website at www.asx.com.au or IAG’s website at www.iag.com.au, before taking any action on unsolicited offers to buy their shares.

“Rather than accepting an undervalued offer, shareholders could consider either not accepting by ignoring the offer or, if they want to sell their shares, sell them at the current market price, through a broker who is licensed to trade on ASX.”

Ms McCann said IAG had informed ASIC of this latest offer, and will continue to work closely with the regulator to ensure IAG shareholders’ interests are protected to the extent permitted currently under law. IAG has published information for its shareholders on this issue at www.iag.com.au/shareholder/offers/unsolicited.shtml

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About Insurance Australia Group

Insurance Australia Group Limited (IAG) is a general insurance group with operations in Australia, New Zealand, the United Kingdom and Asia. Its current businesses underwrite around \$7.5 billion of premium per annum. It employs around 15,000 people. It sells insurance under many leading brands including NRMA Insurance, CGU, SGIO, SGIC and Swann (Australia); NZI and State (NZ); Equity Red Star (UK); and NZI and Safety (Thailand). For further information please visit www.iag.com.au

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