

## IAG warns shareholders of unsolicited share offers

**Insurance Australia Group Limited (IAG) warns its shareholders they may receive unsolicited offers for their IAG ordinary shares which significantly undervalue them. IAG does not endorse these offers.**

A company trading as **Hassle Free Share Sales Pty Ltd** has been contacting holders of IAG ordinary shares to make an unsolicited offer for those shares, at a value which is significantly lower than the price at which they are currently trading on the Australian Securities Exchange (ASX).

In addition, **Direct Share Purchasing Pty Ltd**, a company associated with Mr David Tweed and which has made undervalued offers in the past, has recently requested certain information from IAG's share register and therefore may be preparing to launch another unsolicited offer for IAG shares. IAG was obliged to provide the requested information under the current provisions of the Corporations Act.

IAG Head of Corporate Affairs & Investor Relations, Ms Carolyn McCann, reiterated IAG does not endorse any unsolicited share offer.

"We urge shareholders to seek independent financial advice and check the current price of IAG shares, which can be found in major newspapers or on IAG's website at [www.iag.com.au](http://www.iag.com.au), before taking any action on such offers," Ms McCann said.

"Rather than accepting an undervalued offer, shareholders could consider either ignoring the offer or, if they want to sell their shares, selling them at the current market price through a broker who is licensed to trade on the ASX," she said.

Since 2002, almost 16,000 IAG shareholders have agreed to sell their ordinary shares for less than market value since organisations like Hassle Free Share Sales Pty Ltd commenced making these unsolicited and undervalued share offers. This has resulted in a cumulative transfer in value of approximately \$17 million to these organisations over that time. This estimate is based on the difference between the price shareholders would have received had they sold their shares on-market compared with the price received under the unsolicited share offers.

Ms McCann said IAG welcomed proposals announced by the Australian Government in February 2010 to change the laws governing access to company share registers.

"IAG believes the Government's proposed changes, if adopted, will ensure improper uses of company registers will be eliminated, while continuing to facilitate legitimate and beneficial access. We look forward to the implementation of these proposed changes," Ms McCann said.

Information for IAG shareholders on this issue is at [www.iag.com.au/shareholder/offers/unsolicited.shtml](http://www.iag.com.au/shareholder/offers/unsolicited.shtml).

### About Insurance Australia Group Limited

Insurance Australia Group Limited (IAG) is an international general insurance group, with operations in Australia, New Zealand, the United Kingdom and Asia. Its current businesses underwrite approximately \$7.8 billion of premium per annum. It sells insurance under many leading brands including NRMA Insurance, CGU, SGIO, SGIC, Swann and The Buzz (Australia); NZI and State (NZ); Equity Red Star (UK); and NZI and Safety (Thailand). For further information please visit [www.iag.com.au](http://www.iag.com.au).

### FURTHER INFORMATION:

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