

LEAD AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To: the Directors of Insurance Australia Group Limited

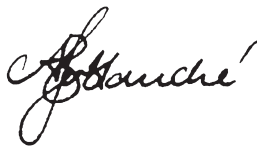
I declare that both the Firm and I were and remain independent in accordance with professional rules and statutory requirements on auditor independence in relation to the audit for the financial year ended 30 June 2006 ("the audit").

To the best of my knowledge and belief, in relation to the audit there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 other than contraventions (relating to minor matters rectified within seven days and reported to the Directors) covered by ASIC Class Order 05 / 910; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



KPMG



Dr Andries B Terblanché

Partner

Sydney

25th August 2006