



Financial results

Full year ended **30 June 2019**

Peter Harmer

Managing Director and
Chief Executive Officer

Nick Hawkins

Chief Financial Officer

8 August 2019

Overview

FY19 highlights

Further underlying improvement, in line with guidance

Underlying improvement in line with expectations

- GWP growth over 3%
- Higher underlying margin of 16.6%
- Sound performance from Australia
 - Strong personal lines profitability
 - Encouraging commercial lines margin improvement
- Strong profitability and sound growth in New Zealand
- Optimisation program benefits broadly in line with plan
- Partial offset from increased regulatory and compliance costs

Reported margin of 16.9% near mid-point of guidance range

- Full quota share effect
- Perils slightly above allowance
- Lower reserve releases

Asian divestments progressed

- Sale of Thailand completed
- Indonesia / Vietnam completion expected early FY20
- Potential sale of India – in advanced discussions

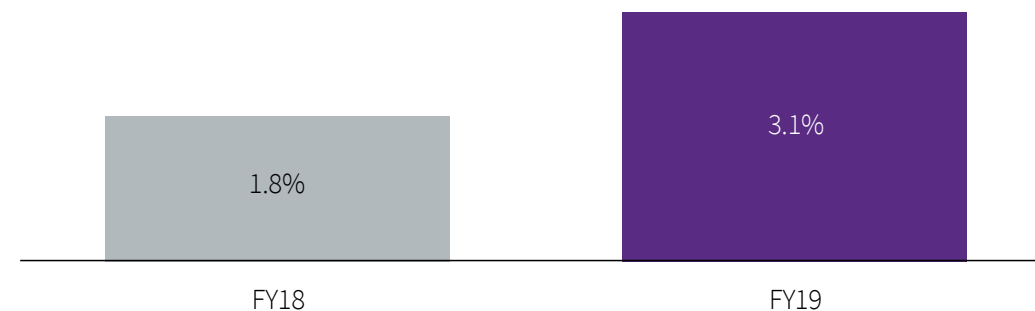
Returning surplus capital

- \$592m capital management initiative completed in November 2018
- Full year dividend equivalent to >79% of cash earnings – top end of target range
- Strong capital position maintained

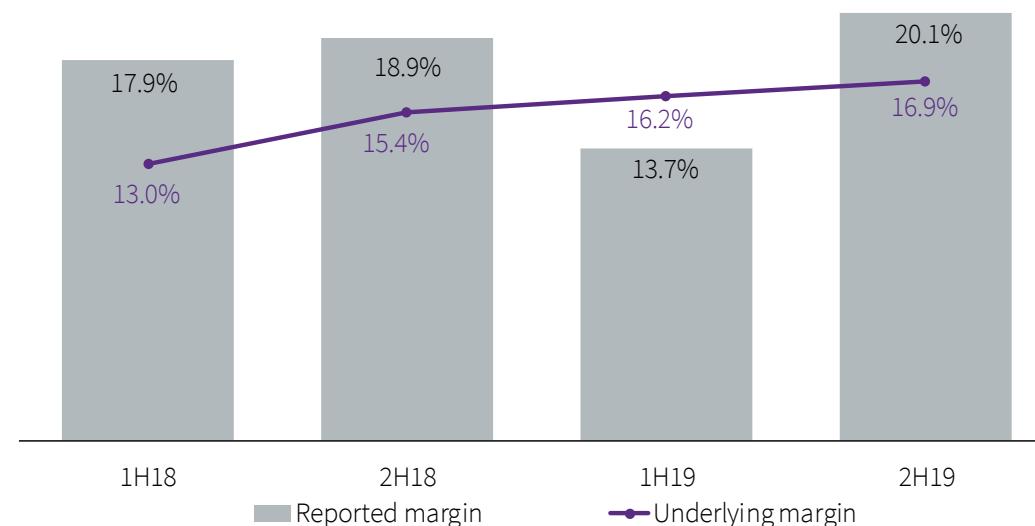
FY20 guidance embraces further positive momentum

- Low single digit GWP growth, post divestments
- Reported margin range of 16-18%
- Further optimisation benefits
- Lower reserve releases

GWP growth



Insurance margin



Simplification well-advanced

Increased future focus
on customer engagement
and growth

FY19 activities

FY20 priorities

Customer



- Enhanced customer digital experiences, via simpler motor and home claim processes
- Adopted a customer journey design framework to deliver offerings and experiences accessible to all customers
- Developed a real-time, interactive customer insights portal, providing IAG employees with a deeper customer understanding

- Meet changing customer needs by accelerating investment in data, artificial intelligence and innovation, to build out new businesses
- Accelerate use of the public cloud to more fully access its benefits, allowing more rapid, efficient and flexible customer decisions
- Apply behavioural science insights to future products to create value for customers and improve their safety

Simplification



- Claims component of systems consolidation largely complete, across Australia and New Zealand
- Transition of targeted activities to offshore operational partners completed
- Progressed divestment of / exit from non-core businesses

- Decommissioning of redundant claims systems following technology platform consolidation
- Commence execution of policy administration system consolidation
- Geographic expansion of optimised repair model within Australia and New Zealand

Agility



- Embedded Leading@IAG program, strengthening connection of IAG's purpose and strategy to individual accountability and performance
- Continued deployment of Future ME program, enabling employees to build their knowledge and preparedness to participate in the workforce of the future

- As part of MyFlex program, launch of Switch shift management tool, enabling greater workforce flexibility in a cost-effective and customer-centric manner
- Continued development of partnerships, products and shared value programs that drive safer communities and deliver on IAG's purpose

Financials

Financial summary

Cash ROE of 14.4%

(excludes profit on sale of Thailand operations)

	FY18	FY19	Change
GWP (\$m)	11,647	12,005	3.1% ▲
Insurance profit (\$m)	1,407	1,224	13.0% ▼
Underlying insurance margin (%)	14.1	16.6	250bps ▲
Reported insurance margin (%)	18.3	16.9	140bps ▼
Fee based business (\$m)	(12)	(9)	nm
Shareholders' funds income (\$m)	165	227	37.6% ▲
Net profit after tax (\$m)	923	1,076	16.6% ▲
Diluted cash EPS (cps)	42.75	38.83	9.2% ▼
Dividend (cps)	34.0	32.0	5.9% ▼
Cash ROE (%)	15.6	14.4	120bps ▼
CET1 multiple	1.26	1.31	5bps ▲

GWP growth

Mid-point of guidance range

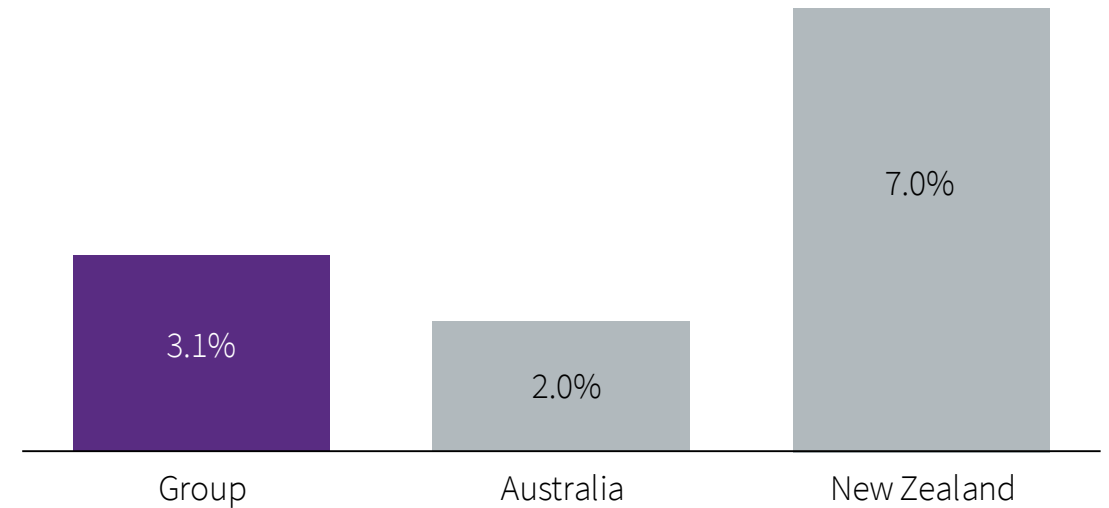
GWP growth of 3.1%

- Short tail personal line rate increases broadly matching claims inflation
- Relatively flat short tail personal lines volumes, with areas of growth:
 - RACV in Australia
 - AMI motor in New Zealand
- Lower NSW CTP rates partially offset by higher volumes
- Continued commercial rate growth
 - ~6% average in Australia
 - Reduced New Zealand momentum
- Lower commercial volumes
- ~\$70m reduction from business exits
- Slight benefit from strengthening NZ\$
- Like-for-like growth close to 4%

FY20 guidance of 'low single digit' GWP growth

- Sound growth expected from short tail personal lines
 - Rate increases
 - Modest volume improvement
- Lower CTP GWP – scheme change effects in NSW, ACT and SA
- Further commercial rate increases, reduced pace in New Zealand
- Lower commercial volumes principally from recent business exits
 - Australian underwriting agency-related GWP over \$100m lower

FY19 GWP growth



Insurance margin

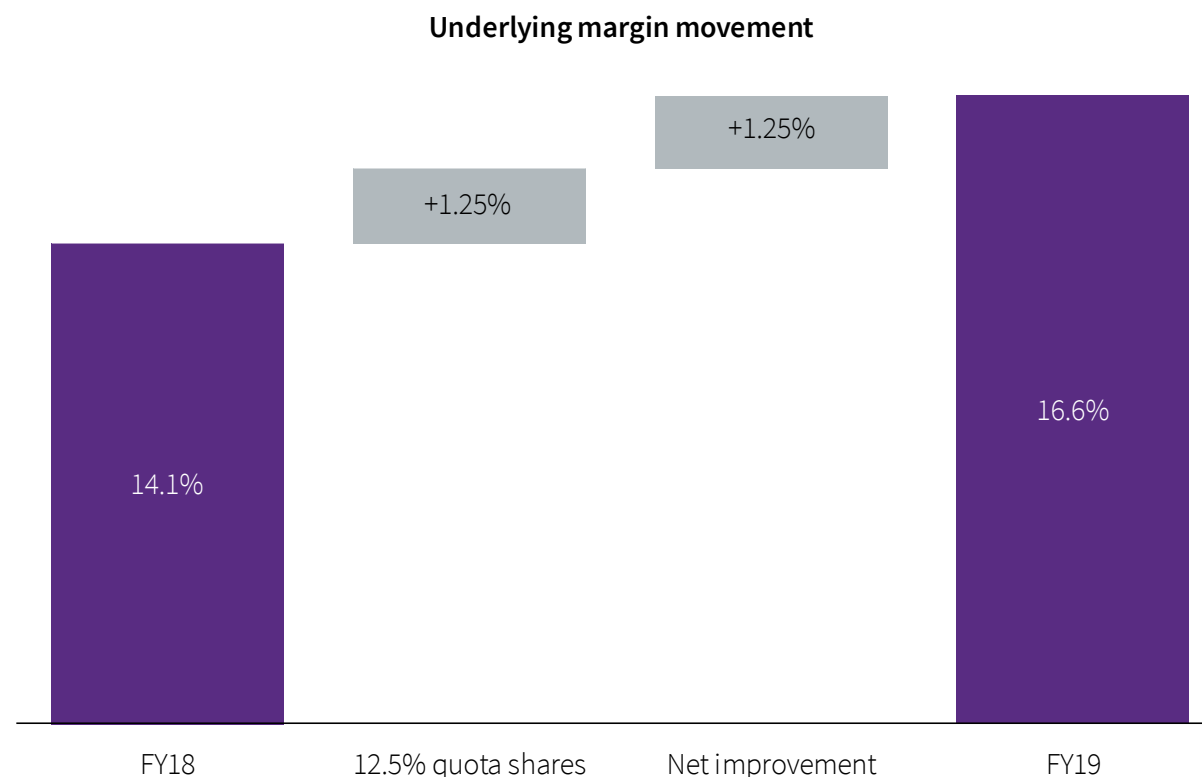
Reported margin in line with guidance, embracing sound underlying improvement

Higher underlying margin of 16.6%

- Full year increase of ~250bps
- ~125bps uplift from full year of 12.5% quota shares
- Remaining underlying improvement of ~125bps contains:
 - Optimisation program benefits of ~\$90m
 - Some offset from increased regulatory costs (~\$20m)
 - Improved commercial lines profitability, helped by more normal large loss experience
 - Lower CTP profitability owing to full year of NSW capped scheme

Reported margin of 16.9%

- At mid-point of 16-18% guidance range
- Prior period reserve releases of 1.7% of NEP
- Small net perils overrun against allowance
- Negative \$20m swing from credit spreads



Reserve releases

Trending down

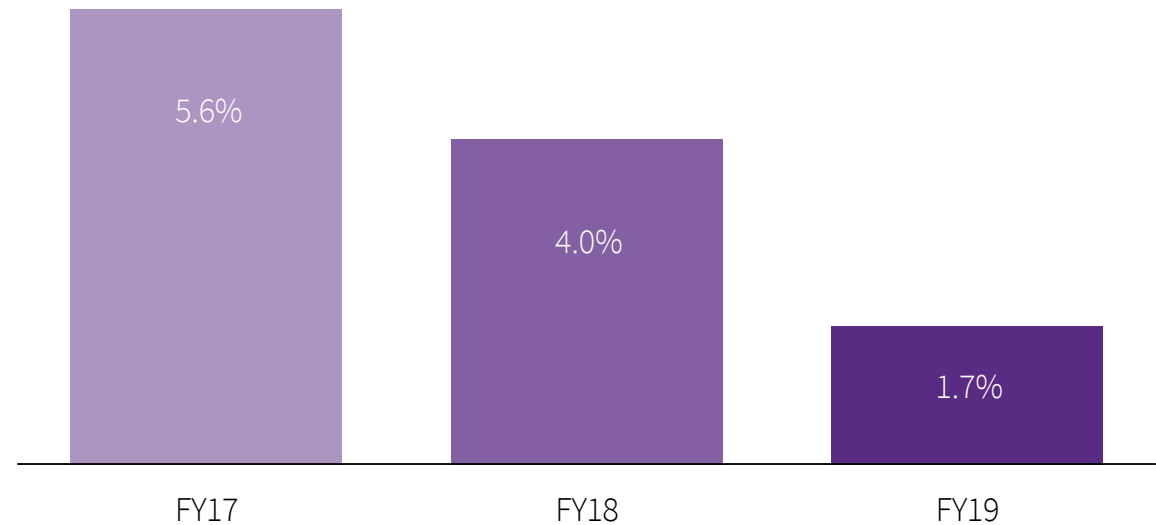
Lower prior period reserve release contribution

- Outcome broadly in line with FY19 guidance of around 2% of NEP
- ~\$180m net reduction vs. FY18
 - Lower CTP releases
 - Long tail Australia Business releases offset by strengthening for past weather events (notably 1H19)
 - Absence of FY18 net strengthening in New Zealand

Guiding to 1% of NEP for FY20

- 2H19 outcome of 1.2%, close to long term assumption
- NSW CTP reform effects

Prior period reserve releases (% of NEP)



Natural perils

Use of FY19 stop-loss cover reduces perils overrun to \$19m

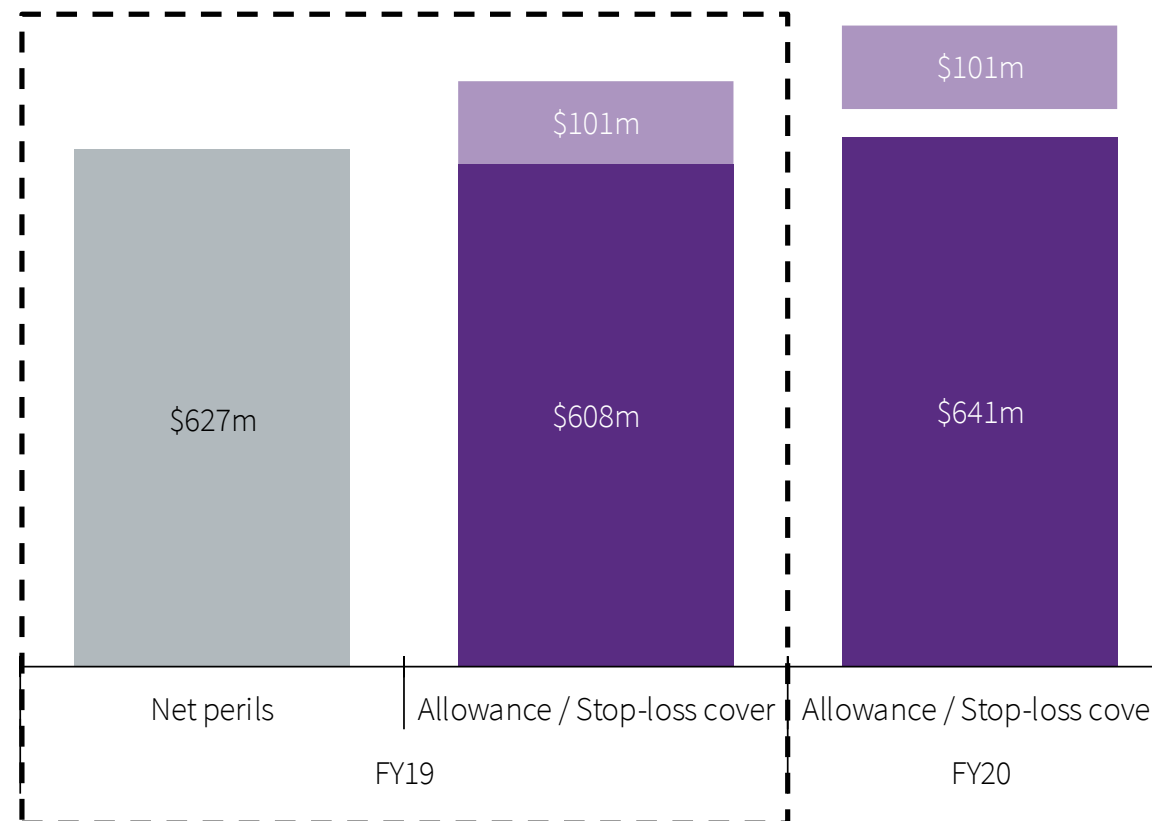
FY19 net perils outcome \$19m above allowance

- Two contrasting halves:
 - 1H19 \$110m above allowance – major hailstorm event
 - 2H19 \$91m below allowance – after full use of \$101m stop-loss protection
- Reasonably active year in Australia, with quiet final quarter
- Benign conditions in New Zealand
- Lower attritional (<\$15m) perils activity (\$280m) compared to FY18 (\$357m)

FY20 perils allowance of \$641m

- Gross allowance (100%) increased ~5.5% to \$950m
- Net (post-quota share) allowance of \$641m, up from \$608m
- FY20-specific stop-loss perils cover of \$101m vs \$675m – gap of \$34m above allowance
- Lower MER of ~\$135m at 30 June 2019 (vs. \$169m at 1 January 2019)
 - Reflects partial erosion of deductible on calendar 2019 aggregate cover

Natural perils vs allowance



Expenses

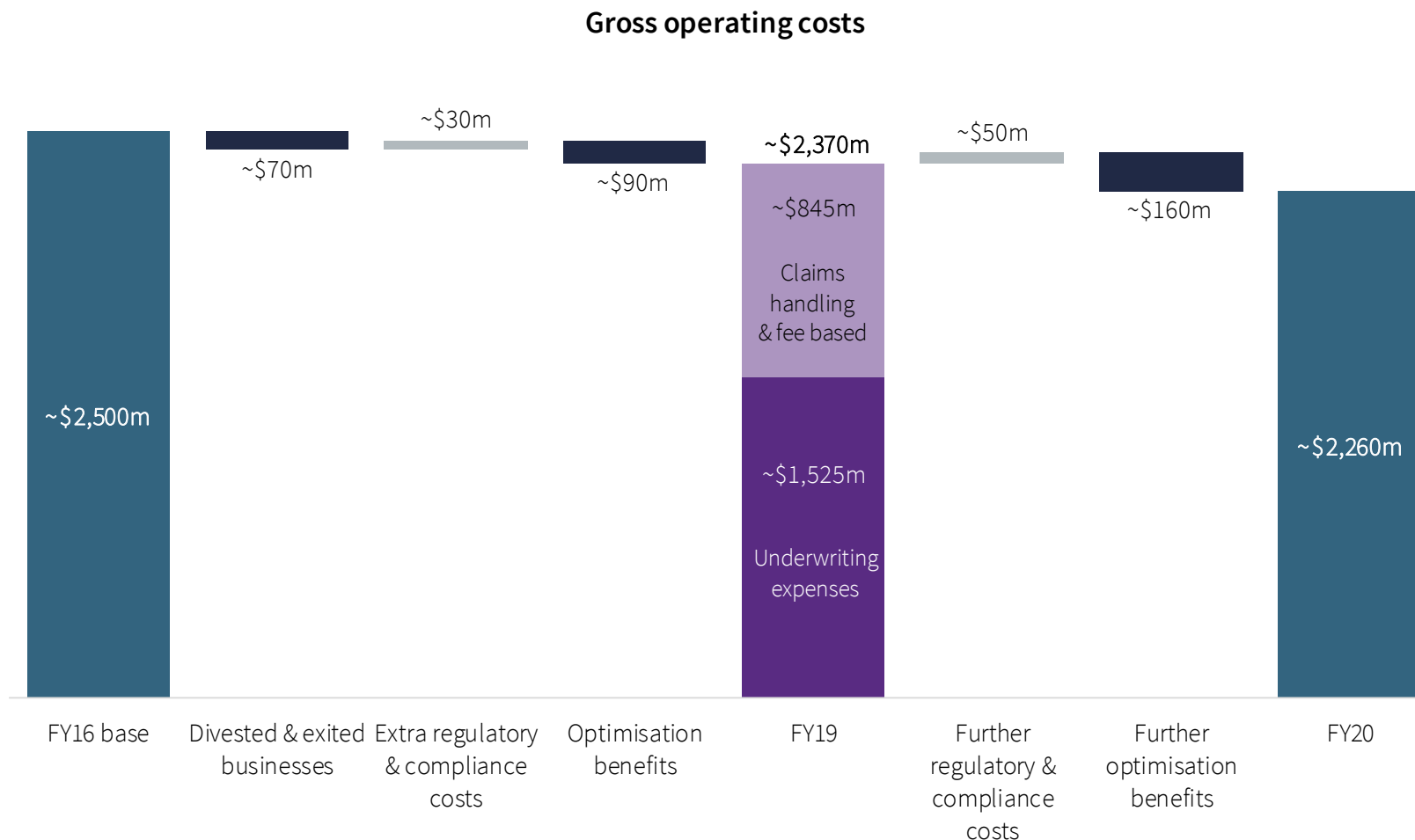
Optimisation benefits emerging to plan – partial offset from increased regulatory costs

Optimisation program tracking to plan

- ~\$90m reduction in gross operating costs
- On target to achieve ~\$250m cumulative reduction in FY20

Partially offset by higher regulatory and compliance costs

- ~\$30m extra annual cost in FY19 (~\$20m increment over FY18)
- Expectation of a further increase of up to \$50m in FY20 (~\$80m incremental run rate)
 - Investment in risk-related systems and resources
 - Increased regulatory requirements



Australia

Strong Consumer result, encouraging progress in Business

GWP growth of 2.0%

- Rate increases of 4-5% in short tail personal lines
- Modestly lower CTP GWP – post-reform rate reduction
- Motor and home renewal levels high and stable
- ~\$70m GWP reduction from exiting smaller business areas
- Average commercial rate increase of ~6%, across the year
- Lower commercial volumes, influenced by pricing remediation activity

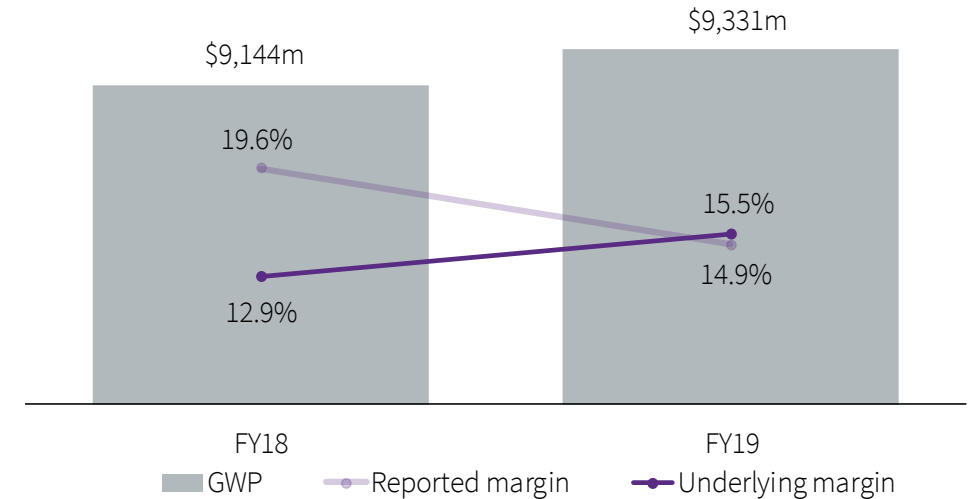
Higher underlying margin of 15.5%

- ~140bps improvement ex-quota share
- Benefits from Group-wide optimisation program
- Higher Consumer margin
 - Personal line rates broadly matching claims inflation
 - Lower CTP profitability - full year of NSW cap
- Encouraging improvement in Business margin
 - More normal large loss experience
- Lower reported margin of 14.9%
 - Adverse perils effect
 - Lower reserve releases

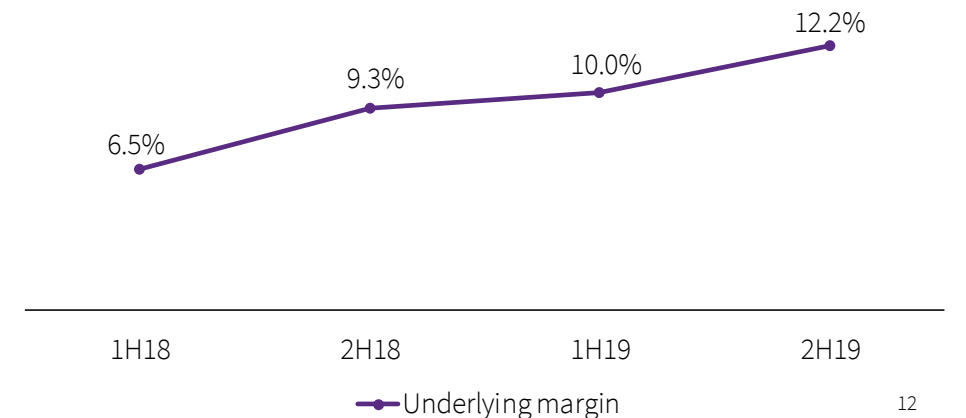
Positive FY20 outlook

- Further improvement in underlying margin expected
 - Increased optimisation-related benefits
 - Partial offset from increased regulatory costs
- Reported profit to include lower reserve releases
- Modest GWP growth
 - Short tail personal line rate increases
 - Lower CTP GWP
 - Flat commercial GWP – further rate increases, lower volumes
 - >\$100m reduction from divestment of underwriting agencies

Australia - GWP / insurance margin



Australia Business - underlying margin



New Zealand

Strong performance maintained

NZ\$ GWP growth of 5.2%

- Consumer growth of ~5%
 - Largely rate-driven
 - Supplemental volume growth in motor
 - Led by AMI brand and bank partners channel
- Business growth of over 5%
 - Deceleration of rate increases
 - Lower overall volumes
 - Strong commercial motor growth (rate + volume)
 - Improved retention
- Favourable FX effect – reported GWP growth of 7.0%

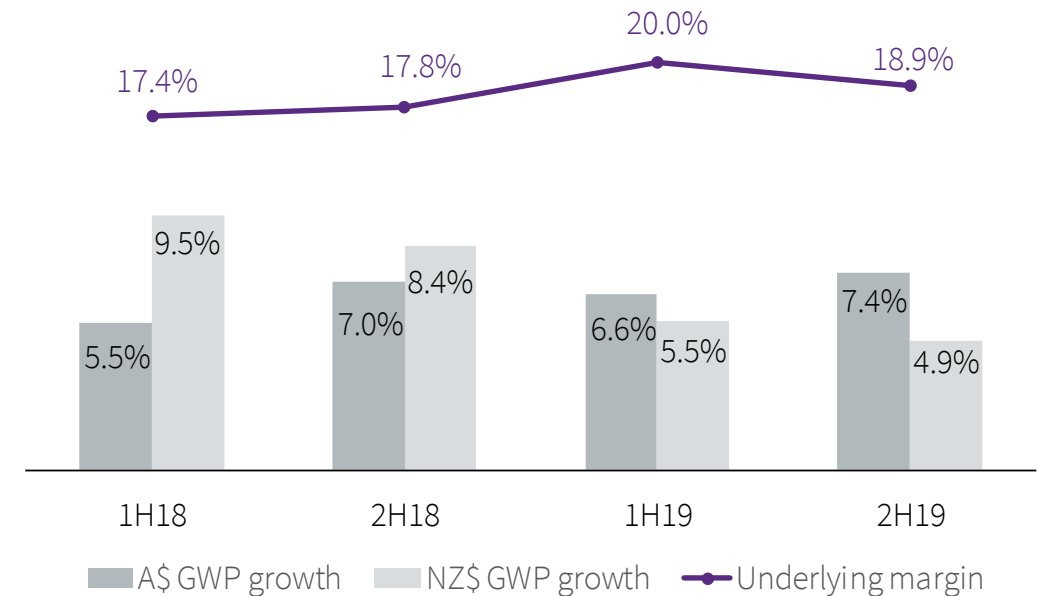
Higher FY19 underlying margin of 19.5%

- ~65bps improvement, ex-quota share effect
- Improved commercial lines' profitability - earn-through of rate increases
- Benign claims experience, including non-perils
- Higher reported margin of 24.7%
 - Very low peril incidence
 - Absence of FY18 net reserve strengthening

Sound GWP growth outlook

- GWP growth expected from both Consumer and Business
 - Mixture of rate and volume
- Underlying profitability expected to remain strong

New Zealand - GWP growth / underlying margin



FY20 reported margin guidance

Incorporates further underlying improvement

Margin impact

FY19 reported margin

16.9%

FY20 net underlying improvement

- Realisation of ~\$160m incremental optimisation benefits
- Up to \$50m increase in regulatory and compliance costs
- Earn through of rate increases
- Adverse impact of lower interest rates on running yield
- Normalised claims experience in New Zealand

Up to 180bps



Lower reserve releases

(1% expectation, vs. 1.7% in FY19)

(70bps)



Natural perils in line with allowance

(FY19 above allowance)

30bps



No investment market movement

(FY19 small negative from widening of spreads)

10bps



Increased perils allowance drag

(\$33m increase in net allowance to \$641m)

(~40bps)

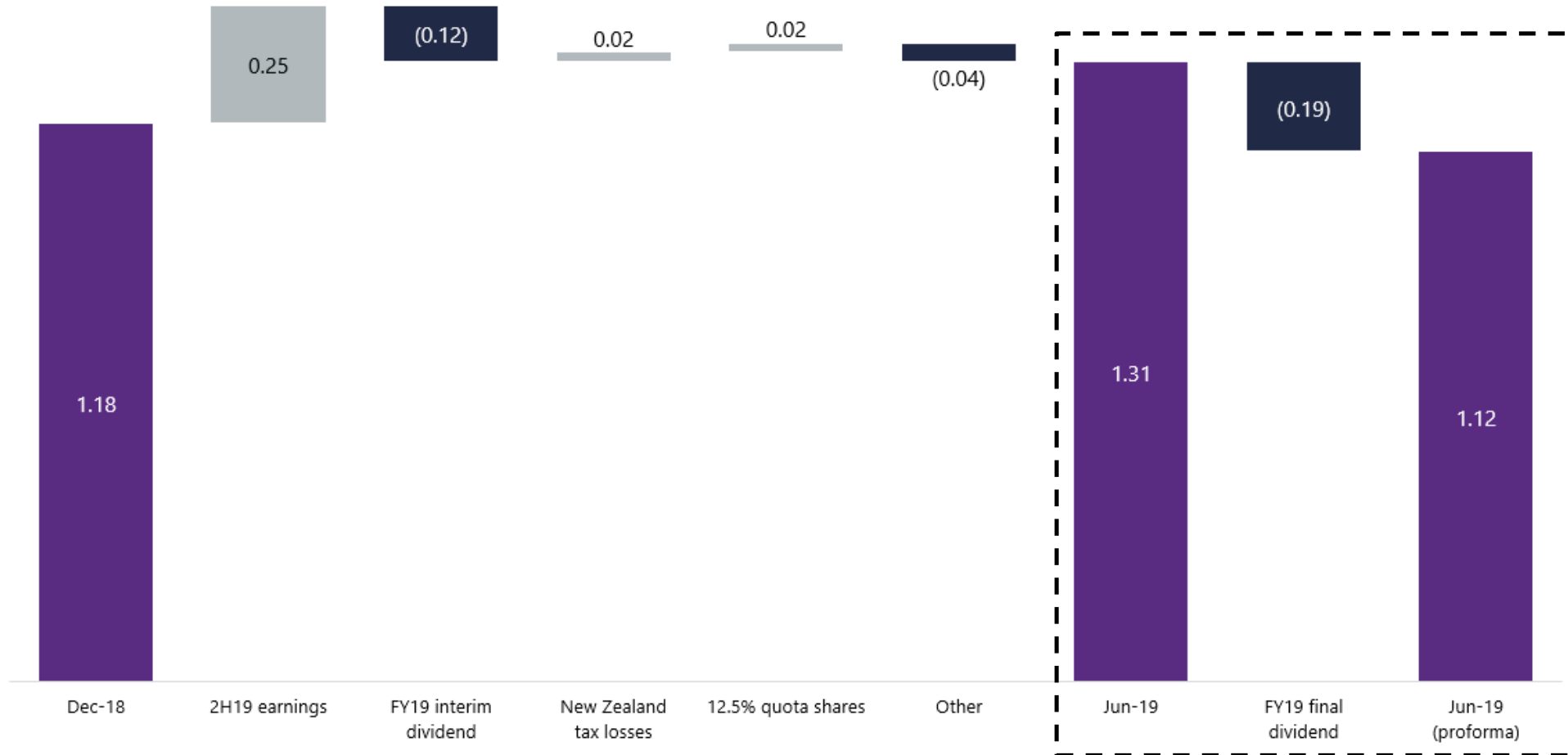


FY20 reported margin guidance

16.0–18.0%

Capital

Strong CET1 capital position



Dividend

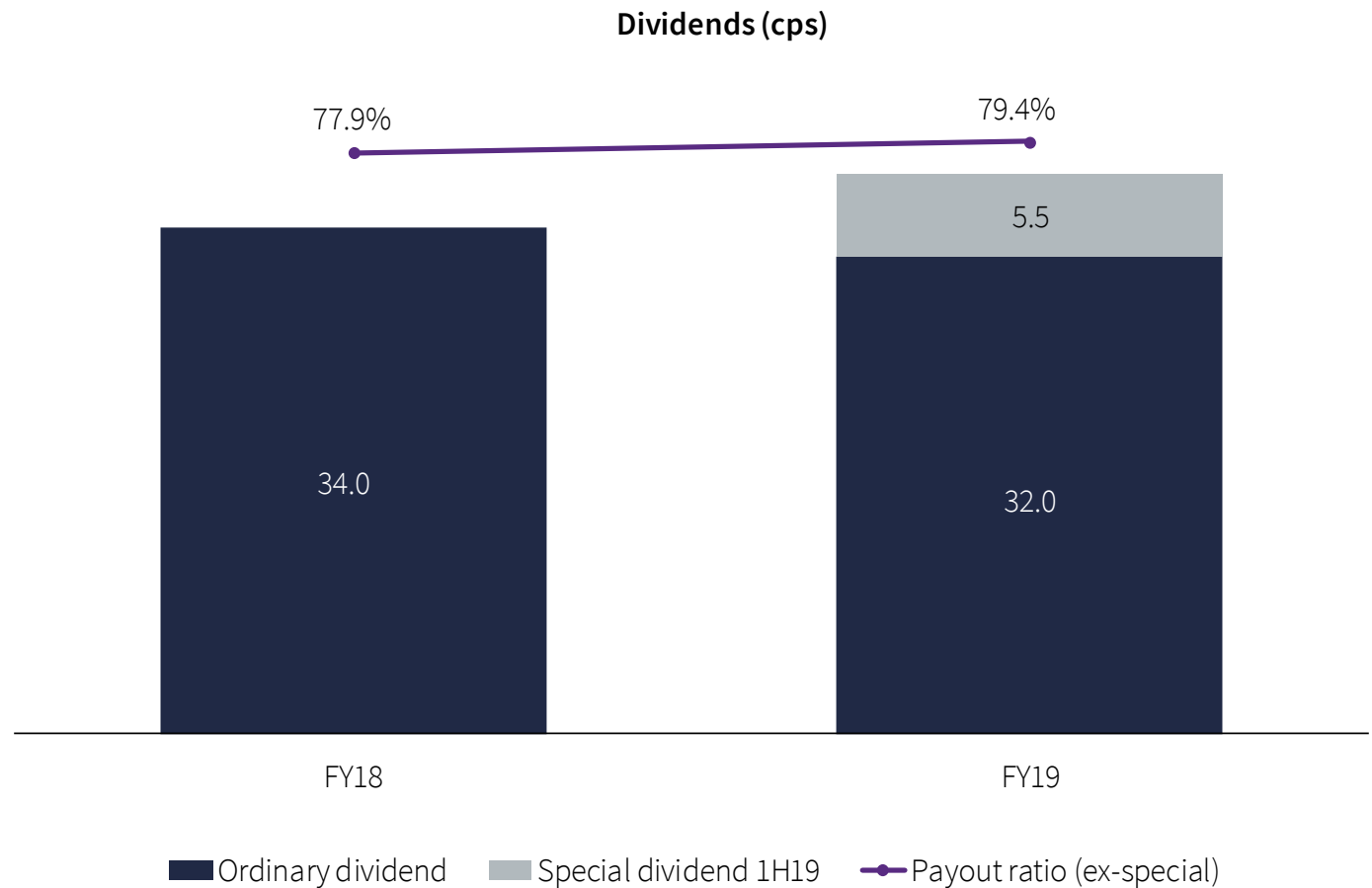
High end of targeted payout ratio range

Consistent dividend policy applied

- 60-80% of cash earnings in any one financial year
- Recent history of paying to top end of range

Reduced franking capacity

- Final dividend franked to 70%
- In line with previously indicated range
- Lower franking capacity reflects:
 - Increased payout ratio
 - Franked capital management initiatives
 - Absence of franking generation in New Zealand



Outlook

FY20 outlook

Further improvement in underlying performance expected

FY20 guidance measures

GWP growth
Low single digit

Reported
insurance margin
16–18%

Underlying assumptions

1 Net losses from
natural perils of \$641m,
in line with allowance

2 Reserve releases of
around 1%

3 No material
movement in foreign
exchange rates or
investment markets

GWP growth guidance of ‘low single digit’

- Rate increases and modest volume growth across short tail personal lines
- Further commercial rate increases, reduced pace in New Zealand
- Lower commercial volumes, principally from business exits (>\$100m reduction in GWP from divested underwriting agency interests)
- Lower CTP GWP – scheme change effects in NSW, ACT and SA

Reported insurance margin guidance of 16–18%

- Improved underlying performance, including an increase in pre-tax benefit from optimisation program initiatives of ~\$160m
- Some offset from increased regulatory and compliance costs – up to \$50m increment in FY20

Fee based business

- Increased pre-tax loss of ~\$50m – accelerated investment in data, artificial intelligence and innovation technologies, and associated new businesses

Our value proposition

Delivering strong shareholder returns



Investment case

- Leading player with scale advantage in Australia and New Zealand (low single digit growth)
- Digitally-enabled insurer that is customer-led and data-driven
- Innovation in capital management
- Improved efficiencies

Value drivers



Customer



Simplification



Agility



Shareholder value

Through-the-cycle targets

- Cash ROE 1.5x WACC
- High dividend (60-80% of cash earnings payout)
- Top quartile TSR



Australia



New Zealand



Appendix – Group results

GROUP RESULTS	1H18 A\$m	2H18 A\$m	1H19 A\$m	2H19 A\$m	FY18 A\$m	FY19 A\$m
Gross written premium	5,649	5,998	5,881	6,124	11,647	12,005
Gross earned premium	5,780	5,742	5,984	5,958	11,522	11,942
Reinsurance expense	(1,613)	(2,238)	(2,373)	(2,331)	(3,851)	(4,704)
Net earned premium	4,167	3,504	3,611	3,627	7,671	7,238
Net claims expense	(2,505)	(2,112)	(2,358)	(2,261)	(4,617)	(4,619)
Commission expense	(387)	(320)	(324)	(351)	(707)	(675)
Underwriting expense	(653)	(517)	(535)	(506)	(1,170)	(1,041)
Underwriting profit	622	555	394	509	1,177	903
Investment income on technical reserves	123	107	102	219	230	321
Insurance profit	745	662	496	728	1,407	1,224
Net corporate expense	-	(9)	5	(9)	(9)	(4)
Interest	(39)	(43)	(48)	(46)	(82)	(94)
Profit/(loss) from fee based business	-	(12)	5	(14)	(12)	(9)
Share of profit from associates	19	15	19	26	34	45
Investment income on shareholders' funds	129	36	(7)	234	165	227
Profit before income tax and amortisation	854	649	470	919	1,503	1,389
Income tax expense	(211)	(173)	(123)	(240)	(384)	(363)
Profit after income tax (before amortisation)	643	476	347	679	1,119	1,026
Non-controlling interests	(19)	(60)	(25)	(73)	(79)	(98)
Profit after income tax and non-controlling interests (before amortisation)	624	416	322	606	1,040	928
Amortisation and impairment	(65)	(28)	(29)	(28)	(93)	(57)
Profit attributable to IAG shareholders from continuing operations	559	388	293	578	947	871
Net profit/(loss) after tax from discontinued operations	(8)	(16)	207	(2)	(24)	205
Profit attributable to IAG shareholders	551	372	500	576	923	1,076

Appendix – Group ratios and key metrics

Insurance Ratios - Continuing Business	1H18	2H18	1H19	2H19	FY18	FY19
Loss ratio	60.1%	60.3%	65.3%	62.3%	60.2%	63.8%
Immunised loss ratio	60.9%	60.1%	64.6%	59.5%	60.5%	62.0%
Expense ratio	25.0%	23.9%	23.8%	23.7%	24.5%	23.7%
Commission ratio	9.3%	9.1%	9.0%	9.7%	9.2%	9.3%
Administration ratio	15.7%	14.8%	14.8%	14.0%	15.3%	14.4%
Combined ratio	85.1%	84.2%	89.1%	86.0%	84.7%	87.5%
Immunised combined ratio	85.9%	84.0%	88.4%	83.2%	85.0%	85.7%
Reported insurance margin	17.9%	18.9%	13.7%	20.1%	18.3%	16.9%
Underlying insurance margin	13.0%	15.4%	16.2%	16.9%	14.1%	16.6%
Key Financial Metrics (Total Operations)	1H18	2H18	1H19	2H19	FY18	FY19
Reported ROE (average equity) (% pa)	16.8%	11.2%	15.4%	18.4%	14.0%	16.7%
Cash ROE (average equity) (% pa)	19.1%	12.2%	9.8%	19.6%	15.6%	14.4%
Basic EPS (cents)	23.32	15.75	21.31	24.99	39.06	46.26
Diluted EPS (cents)	22.60	15.58	20.48	24.16	38.30	44.58
Cash EPS (cents)	26.66	17.11	13.60	26.56	43.78	40.04
Diluted cash EPS (cents)	25.73	16.86	13.40	25.63	42.75	38.83
DPS (cents)	14.00	20.00	12.00	20.00	34.00	32.00
Probability of adequacy	90%	90%	90%	90%	90%	90%
CET1 multiple	1.19	1.26	1.18	1.31	1.26	1.31
PCA multiple	1.81	2.03	2.00	2.12	2.03	2.12

Appendix – divisional performance

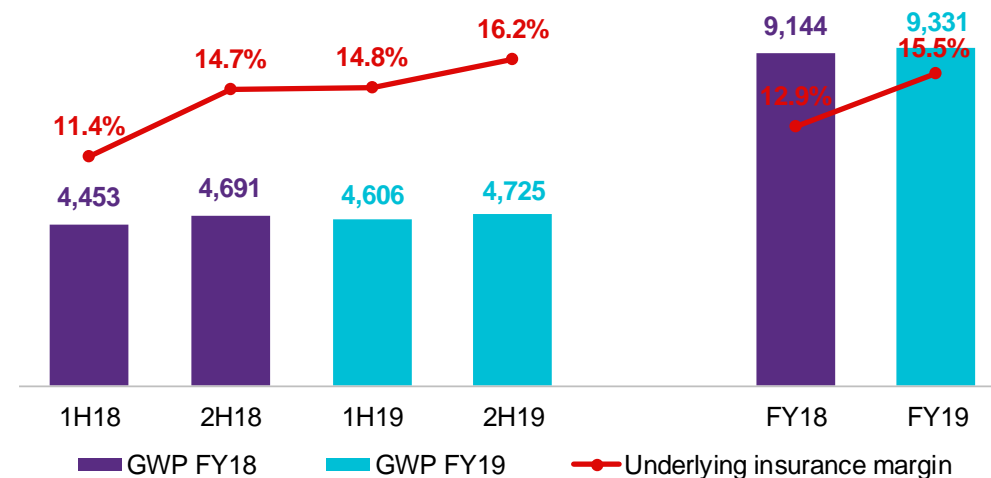
DIVISION	FY18				FY19			
	GWP		INSURANCE MARGIN		GWP		INSURANCE MARGIN	
	Reported A\$m	Growth %	Reported %	Underlying %	Reported A\$m	Growth %	Reported %	Underlying %
Australia	9,144	0.7	19.6	12.9	9,331	2.0	14.9	15.5
<i>Consumer</i>	6,214	1.6	24.0	15.5	6,355	2.3	17.3	17.5
<i>Business</i>	2,930	(1.1)	10.7	7.8	2,976	1.6	9.8	11.1
New Zealand	2,486	6.3	13.8	17.6	2,660	7.0	24.7	19.5
Corporate & Other	17	nm	nm	nm	14	nm	nm	nm
Total Group	11,647	1.8	18.3	14.1	12,005	3.1	16.9	16.6

Appendix – Australia

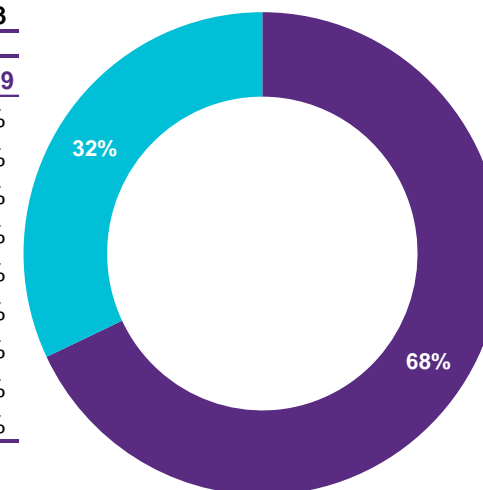
	1H18 A\$m	2H18 A\$m	1H19 A\$m	2H19 A\$m	FY18 A\$m	FY19 A\$m
AUSTRALIA RESULTS						
Gross written premium	4,453	4,691	4,606	4,725	9,144	9,331
Gross earned premium	4,612	4,519	4,698	4,625	9,131	9,323
Reinsurance expense	(1,285)	(1,762)	(1,864)	(1,807)	(3,047)	(3,671)
Net earned premium	3,327	2,757	2,834	2,818	6,084	5,652
Net claims expense	(1,995)	(1,636)	(1,943)	(1,821)	(3,631)	(3,764)
Commission expense	(291)	(238)	(239)	(251)	(529)	(490)
Underwriting expense	(536)	(413)	(437)	(401)	(949)	(838)
Underwriting profit	505	470	215	345	975	560
Investment income on technical reserves	120	95	89	193	215	282
Insurance profit	625	565	304	538	1,190	842
Profit/(loss) from fee based business	5	(10)	9	(10)	(5)	(1)
Share of profit/(loss) from associates	2	-	1	1	2	2
Total divisional result	632	555	314	529	1,187	843

	1H18	2H18	1H19	2H19	FY18	FY19
Insurance Ratios						
Loss ratio	60.0%	59.3%	68.6%	64.6%	59.7%	66.6%
Immunised loss ratio	60.5%	59.3%	67.8%	61.0%	59.9%	64.4%
Expense ratio	24.8%	23.6%	23.8%	23.1%	24.3%	23.5%
Commission ratio	8.7%	8.6%	8.4%	8.9%	8.7%	8.7%
Administration ratio	16.1%	15.0%	15.4%	14.2%	15.6%	14.8%
Combined ratio	84.8%	82.9%	92.4%	87.7%	84.0%	90.1%
Immunised combined ratio	85.3%	82.9%	91.6%	84.1%	84.2%	87.9%
Reported insurance margin	18.8%	20.5%	10.7%	19.1%	19.6%	14.9%
Underlying insurance margin	11.4%	14.7%	14.8%	16.2%	12.9%	15.5%

GWP (\$M) / UNDERLYING INSURANCE MARGIN (%)

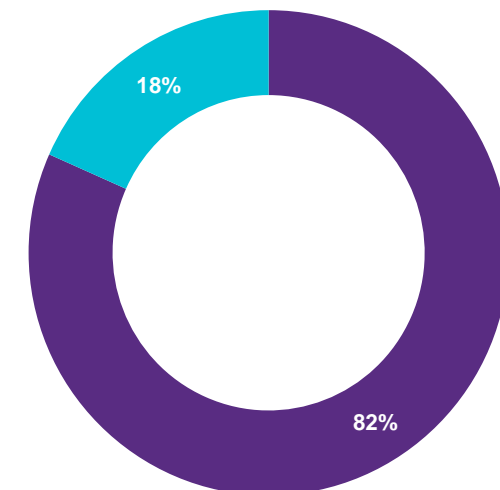


FY19 GWP BY SEGMENT



■ Consumer
■ Business

FY19 GWP BY TAIL



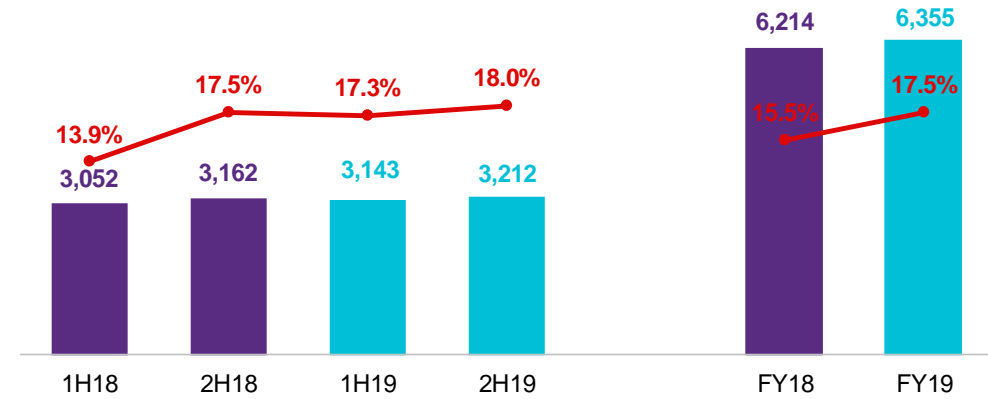
■ Short Tail
■ Long Tail

Appendix – Australia Consumer

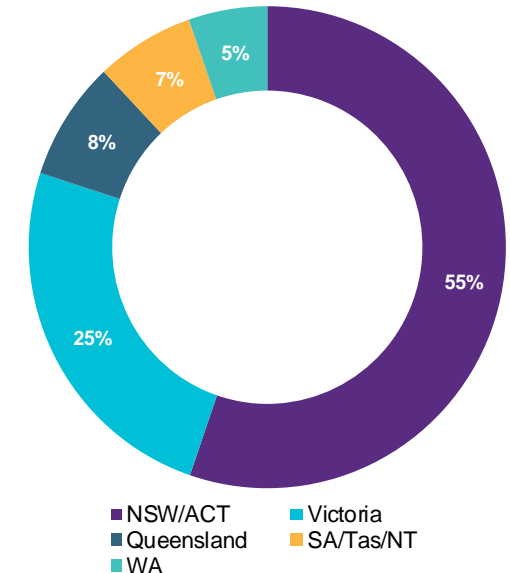
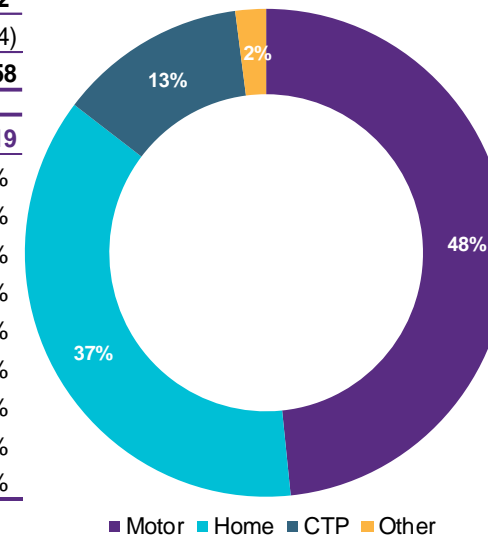
GWP (\$M) / UNDERLYING INSURANCE MARGIN (%)

AUSTRALIA CONSUMER RESULTS	1H18 A\$m	2H18 A\$m	1H19 A\$m	2H19 A\$m	FY18 A\$m	FY19 A\$m
Gross written premium	3,052	3,162	3,143	3,212	6,214	6,355
Gross earned premium	3,092	3,035	3,174	3,152	6,127	6,326
Reinsurance expense	(878)	(1,208)	(1,273)	(1,237)	(2,086)	(2,510)
Net earned premium	2,214	1,827	1,901	1,915	4,041	3,816
Net claims expense	(1,345)	(1,071)	(1,330)	(1,259)	(2,416)	(2,589)
Commission expense	(122)	(106)	(106)	(126)	(228)	(232)
Underwriting expense	(315)	(249)	(267)	(233)	(564)	(500)
Underwriting profit	432	401	198	297	833	495
Investment income on technical reserves	77	61	52	115	138	167
Insurance profit	509	462	250	412	971	662
Profit/(loss) from fee based business	-	-	-	(4)	-	(4)
Total divisional result	509	462	250	408	971	658

Insurance Ratios	1H18	2H18	1H19	2H19	FY18	FY19
Loss ratio	60.7%	58.6%	70.0%	65.7%	59.8%	67.8%
Immunised loss ratio	61.2%	58.6%	69.3%	62.9%	60.0%	66.1%
Expense ratio	19.7%	19.4%	19.6%	18.8%	19.6%	19.2%
Commission ratio	5.5%	5.8%	5.6%	6.6%	5.6%	6.1%
Administration ratio	14.2%	13.6%	14.0%	12.2%	14.0%	13.1%
Combined ratio	80.4%	78.0%	89.6%	84.5%	79.4%	87.0%
Immunised combined ratio	80.9%	78.0%	88.9%	81.7%	79.6%	85.3%
Reported insurance margin	23.0%	25.3%	13.2%	21.5%	24.0%	17.3%
Underlying insurance margin	13.9%	17.5%	17.3%	18.0%	15.5%	17.5%



FY19 GWP BY CLASS FY19 GWP BY STATE

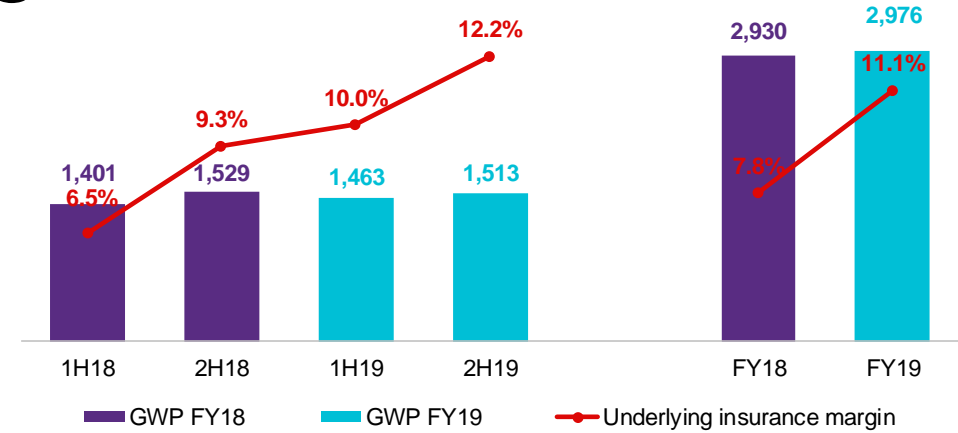


Appendix – Australia Business

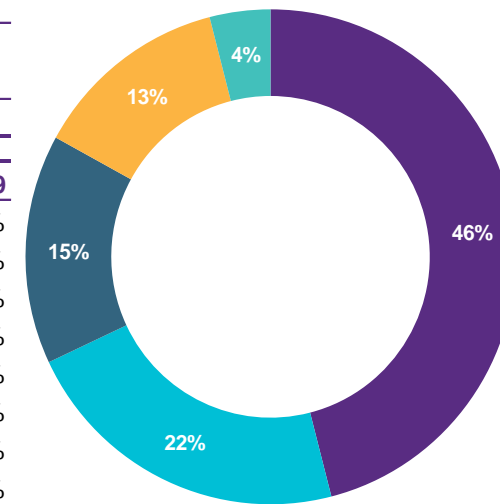
AUSTRALIA BUSINESS RESULTS	1H18 A\$m	2H18 A\$m	1H19 A\$m	2H19 A\$m	FY18 A\$m	FY19 A\$m
Gross written premium	1,401	1,529	1,463	1,513	2,930	2,976
Gross earned premium	1,520	1,484	1,524	1,473	3,004	2,997
Reinsurance expense	(407)	(554)	(591)	(570)	(961)	(1,161)
Net earned premium	1,113	930	933	903	2,043	1,836
Net claims expense	(650)	(565)	(613)	(562)	(1,215)	(1,175)
Commission expense	(169)	(132)	(133)	(125)	(301)	(258)
Underwriting expense	(221)	(164)	(170)	(168)	(385)	(338)
Underwriting profit	73	69	17	48	142	65
Investment income on technical reserves	43	34	37	78	77	115
Insurance profit	116	103	54	126	219	180
Profit/(loss) from fee based business	5	(10)	9	(6)	(5)	3
Share of profit/(loss) from associates	2	-	1	1	2	2
Total divisional result	123	93	64	121	216	185

Insurance Ratios	1H18	2H18	1H19	2H19	FY18	FY19
Loss ratio	58.4%	60.8%	65.7%	62.2%	59.5%	64.0%
Immunised loss ratio	59.0%	60.6%	64.6%	57.1%	59.8%	60.9%
Expense ratio	35.1%	31.8%	32.5%	32.4%	33.5%	32.5%
Commission ratio	15.2%	14.2%	14.3%	13.8%	14.7%	14.1%
Administration ratio	19.9%	17.6%	18.2%	18.6%	18.8%	18.4%
Combined ratio	93.5%	92.6%	98.2%	94.6%	93.0%	96.5%
Immunised combined ratio	94.1%	92.4%	97.1%	89.5%	93.3%	93.4%
Reported insurance margin	10.4%	11.1%	5.8%	14.0%	10.7%	9.8%
Underlying insurance margin	6.5%	9.3%	10.0%	12.2%	7.8%	11.1%

GWP (\$M) / UNDERLYING INSURANCE MARGIN (%)

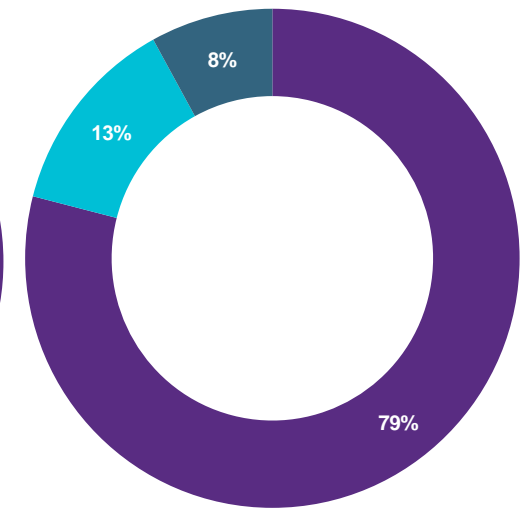


FY19 GWP BY CLASS



- SME
- Speciality Lines
- Fleet/Commercial Motor
- Workers' Compensation
- Personal Lines

FY19 GWP BY SEGMENT



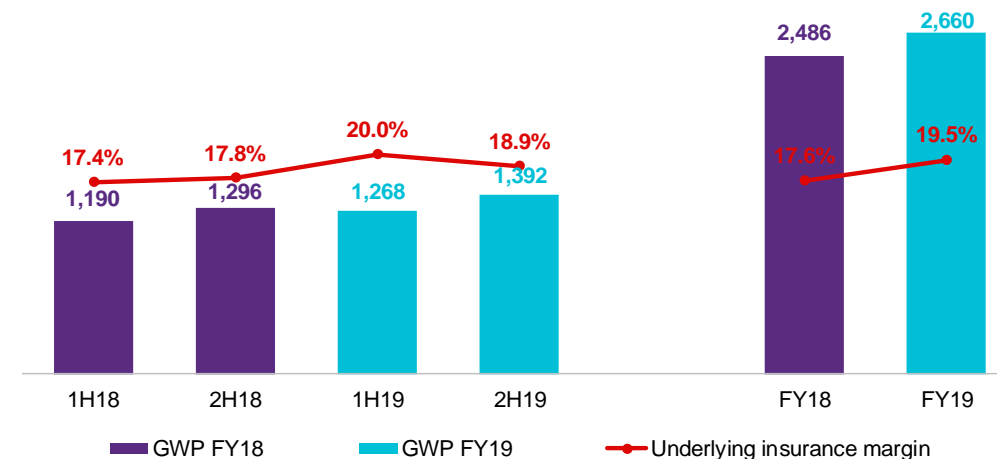
- SME
- Corporate
- Consumer

Appendix – New Zealand

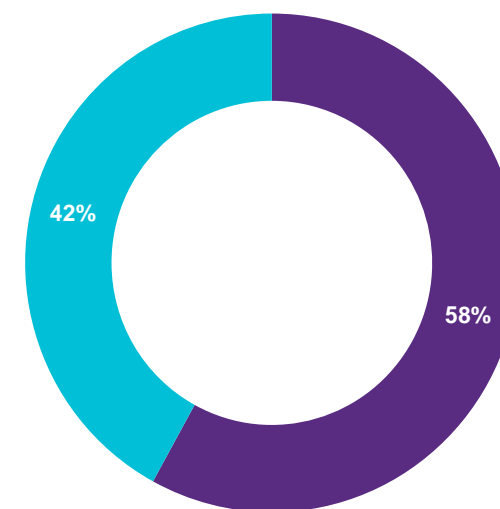
NEW ZEALAND RESULTS	1H18 A\$m	2H18 A\$m	1H19 A\$m	2H19 A\$m	FY18 A\$m	FY19 A\$m
Gross written premium	1,190	1,296	1,268	1,392	2,486	2,660
Gross earned premium	1,160	1,214	1,277	1,327	2,374	2,604
Reinsurance expense	(323)	(471)	(503)	(520)	(794)	(1,023)
Net earned premium	837	743	774	807	1,580	1,581
Net claims expense	(507)	(468)	(411)	(435)	(975)	(846)
Commission expense	(95)	(80)	(81)	(98)	(175)	(179)
Underwriting expense	(117)	(104)	(98)	(104)	(221)	(202)
Underwriting profit	118	91	184	170	209	354
Investment income on technical reserves	1	8	9	27	9	36
Insurance profit	119	99	193	197	218	390

Insurance Ratios	1H18	2H18	1H19	2H19	FY18	FY19
Loss ratio	60.6%	63.0%	53.1%	53.9%	61.7%	53.5%
Immunised loss ratio	62.4%	62.7%	52.7%	53.5%	62.5%	53.1%
Expense ratio	25.4%	24.8%	23.2%	25.0%	25.1%	24.1%
Commission ratio	11.4%	10.8%	10.5%	12.1%	11.1%	11.3%
Administration ratio	14.0%	14.0%	12.7%	12.9%	14.0%	12.8%
Combined ratio	86.0%	87.8%	76.3%	78.9%	86.8%	77.6%
Immunised combined ratio	87.8%	87.5%	75.9%	78.5%	87.6%	77.2%
Reported insurance margin	14.2%	13.3%	24.9%	24.4%	13.8%	24.7%
Underlying insurance margin	17.4%	17.8%	20.0%	18.9%	17.6%	19.5%

GWP (\$M) / UNDERLYING INSURANCE MARGIN (%)

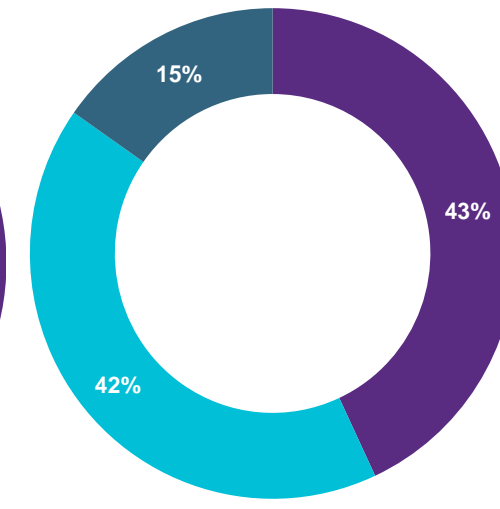


FY19 GWP BY CLASS



■ Consumer
■ Business

FY19 GWP BY CHANNEL



■ Broker/Agent
■ Direct
■ Affinity

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