



ASX Announcement

4 November 2010

SUNCORP RELEASES NOHC RESTRUCTURE EXPLANATORY MEMORANDUM

Suncorp-Metway Ltd today announced the Explanatory Memorandum outlining its proposal to restructure the Suncorp Group under a new ASX-listed non-operating holding company, Suncorp Group Limited (SGL), has been registered with the Australian Securities and Investments Commission.

The Explanatory Memorandum, which will be sent to shareholders in mid-November, details how the NOHC restructure would simplify the Suncorp Group's corporate structure and convey to the market a clearer understanding of the quality and value of each of its businesses.

The proposal involves shareholders who hold Suncorp-Metway Ltd (SML) ordinary shares on the record date, expected to be 4 January 2011, exchanging their shares for an equivalent number of SGL shares through a scheme of arrangement. The proposal does not represent a taxable event for ordinary shareholders who are tax resident in Australia.

As part of the NOHC restructure proposal outlined in the Explanatory Memorandum, shareholders will also be asked to approve a buy-back of SML shares. The buy-back will transfer capital within the Suncorp Group – it will not involve a buy-back of shares from, or a return of capital to, existing SML ordinary shareholders.

The Explanatory Memorandum also includes an Independent Expert Report provided by Grant Samuel & Associates which concludes that:

- the scheme and the NOHC restructure are in the best interests of SML's ordinary shareholders;
- the Buy-back is in the best interests of ordinary shareholders and Convertible Preference Share (CPS) holders;
- the Buy-back will not materially prejudice SML's ability to pay its creditors, including Reset Preference Share (RPS) holders and depositors; and
- the NOHC restructure will not materially prejudice the Suncorp Group's policy holders and depositors.

The Suncorp Board unanimously recommends shareholders approve the NOHC restructure proposal by voting in favour of the required resolutions at general meetings to be held on 15 December 2010.

A copy of the Explanatory Memorandum is attached to this announcement, and is available on www.suncorpgroup.com.au. Retail shareholders requiring information about Suncorp's NOHC restructure proposal can call the toll-free information line on 1300 882 012.

Ends



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