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SUNCORP ANNOUNCES CHANGES TO GROUP STRUCTURE AND EXECUTIVE TEAM

Suncorp CEO, John Mulcahy today announced changes to the Group structure and composition of his senior executive team following the retirement of Group Executive, Peter Johnstone.

Mr Mulcahy said, "Peter's retirement provides me with an opportunity to make some adjustments to the structure of the business and the senior team in order to ensure Suncorp is well placed for the next phase of its growth."

"In officially announcing Peter's retirement I want to place on record my thanks for his contribution stretching over 10 years. Peter has been instrumental in Suncorp's success, having led key transformation projects such as the integration of QIDC, Suncorp and Metway Bank in 1996 and the successful acquisition and integration of the GIO business in 2001. We wish him well in retirement."

The changes to the executive team are:

- Bernadette Inglis, currently Group Executive, Wealth Management, Strategy and Marketing will assume leadership of a combined Retail Bank and Wealth Management Division.
- Diana Eilert, currently Group Executive, General Insurance will lead an expanded Central Services portfolio comprising Human Resources, Information Technology, Marketing and Joint Ventures.
- Mark Blucher, currently Group Executive, Retail Banking will assume the new role of Group Executive, General Insurance - Personal Lines.
- Mark Milliner, who has been a key member of the General Insurance management team, will be promoted to the position of Group Executive, General Insurance - Commercial Lines.
- David Foster, currently General Manager, Group Strategy will assume the new role of Group Executive, Strategy which will include strategy, corporate projects, strategic procurement and communications.

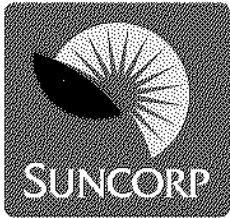
The roles of Chief Financial Officer, Chris Skilton and Group Executive Business Banking, Stuart McDonald remain unchanged.

As a consequence of the changes, Hemant Kogekar, who has led the Information Technology function for the past 18 months has decided to leave Suncorp.

"I take this opportunity to thank Hemant for his key role in leading Suncorp's IT development over the past 18 months. During this time Hemant significantly improved the customer focus of his IT team. I wish him well in the future."

Mr Mulcahy said Suncorp's general insurance business had grown to a point where it now made sense to split the business along personal and commercial lines.

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"This change will ensure our resources are directed to our key objective of driving growth across our general insurance business. It will also assist us in better tailoring insurance products and bundled packages for each of our customer segments.

"This model has already worked successfully for us in banking with that business split along retail and business lines", Mr Mulcahy said.

"I am delighted that we have an executive of the calibre of Mark Blucher to lead the general insurance personal lines business. Mark has been instrumental in the outstanding results achieved by Suncorp's banking operations and I am very confident that he will replicate this success in general insurance."

"It is also a testament to Suncorp's succession planning that we have been able to promote Mark Milliner into a role which capitalises on his experience and proven track record."

Mr Mulcahy said the move to consolidate the retail banking business with wealth management would optimise product offerings and distribution networks.

"With more than 20 years experience in the financial services industry, Bernadette Inglis has the right mix of skills and experience to bring these businesses together."

Mr Mulcahy said the expanded central portfolio of HR, IT and Marketing would be the engine room of the company. "The success of Suncorp is inextricably linked to the ability of our central services teams to be centres of excellence in supporting our customer facing businesses."

"Diana Eilert is the best person to lead this group. She has a strong background in business consulting and, having run our general insurance business, understands exactly what is required from the centre of the organisation to ensure success."

"Strategy is very important to set the future direction of the organisation and David Foster has shown strong strategic skills in Retail Banking and more recently in the Group Strategy role," Mr Mulcahy said.

The changes are effective from 1 July.

In order to ensure a smooth transition, Peter Johnstone will remain at Suncorp until 30 September.

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