SUNCORP

NEWS RELEASE

25 October 2006

SUNCORP OUTLINES PLAN TO DELIVER LONG-TERM BENEFITS TO SHAREHOLDERS

With the Group set to celebrate its 10-year anniversary in December, Suncorp today outlined to shareholders the next chapter in its history – the creation of Australia and New Zealand's leading diversified financial services provider.

Addressing the Suncorp Group's annual general meeting of shareholders, Chairman John Story said the Group's decision to enter into a Merger Implementation Agreement with Promina would create shareholder value and deliver long-term benefits to its stakeholders.

Reflecting on Suncorp's achievements over the last 10 years, Mr Story said the Group had provided a strong return for its loyal shareholders.

"In the last 10 years we have grown from a company with assets of $20 billion and 29,000 shareholders to today being one of Australia's Top 25 listed companies, with an asset base of $57 billion and177,000 shareholders," he said.

"The annualised total shareholder return for a Suncorp shareholder over the 10 year period was 24%, a figure exceeding the shareholder returns of the major and regional banks and the only other Australian insurer listed over that period. We have consistently delivered strong returns and dividends over that time."

Mr Story told shareholders that their Board had the utmost confidence in the future of the combined organisation to deliver continued success into the next 10 years and beyond.

Suncorp CEO John Mulcahy said the Group had again started the financial year on a positive note and performance was in line with expectations.

"Suncorp delivered another strong result in 2006 despite increasing competitive pressures. Our immediate priority is to ensure Suncorp's existing businesses continue to deliver strong stand-alone performance, while leveraging logical synergies," he said.

"At a Group level we expect another strong result for Suncorp in 2007, with ordinary dividend growth of at least 10% for the year.

"As John Story stated, Suncorp has a proud history of strong performance and excellent returns to our shareholders, and this has been clearly demonstrated over the last 10 years.

"We believe our acquisition of Promina will ensure we continue to deliver value to our shareholders. It's the right opportunity, at the right time and we have the right people to make it happen."

For further information contact:

Jamin Smith
0409 170 035

Natasha Schmid
0434 073 045