Suncorp-Metway Ltd
ABN 66 010 831 722

Suncorp Centre
36 Wickham Terrace
BRISBANE QLD 4000

GPO Box 1453,
Brisbane QLD 4001

20 February 2007

Company Announcements Office
Australian Stock Exchange
Level 4, Exchange Centre
20 Bridge Street
Sydney NSW 2000

Suncorp-Metway Limited Dividend Reinvestment Plan

The Suncorp-Metway Ltd Dividend Reinvestment Plan (DRP) Rules have been amended in order to clarify that the Volume Weighted Average Market Price calculation, used for the purpose of determining the price at which shares are transferred or issued under the DRP, only includes days when there is trading in Suncorp shares.

Attached is a copy of the DRP booklet incorporating the amendments to Clause 5.5 of the DRP Rules.

C R Chuter
Corporate Secretary

DIVIDEND REINVESTMENT PLAN

SUNCORP-METWAY LTD
ABN 66 010 831 722

ISSUED FEBRUARY 2007

SUNCORP-METWAY LTD

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SUNCORP-METWAY LTD (SUNCORP)

IS PLEASED TO OFFER SHAREHOLDERS THE OPPORTUNITY TO PARTICIPATE IN THE COMPANY'S DIVIDEND REINVESTMENT PLAN (DRP). THE DRP PROVIDES SHAREHOLDERS WHO HOLD FULLY PAID ORDINARY SHARES WITH A CONVENIENT MEANS OF INCREASING THEIR HOLDING IN SUNCORP BY REINVESTING ALL OR PART OF THEIR DIVIDEND IN ADDITIONAL FULLY PAID ORDINARY SHARES.

HIGHLIGHTS

OF THE DIVIDEND REINVESTMENT PLAN

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- On each dividend payment date, the dividend on participating shares is automatically reinvested in additional shares which the Board of Suncorp may in its absolute discretion, either issue or cause to be acquired on-market by a broker for transfer to shareholders.
- Shares will be transferred or issued under the DRP at the weighted average market price during the five days on which trading in shares in Suncorp occurred immediately following the record date, for determining entitlements in respect of the relevant dividend, and you will not have to pay any brokerage, commission, or stamp duty costs.
- Suncorp pays the administrative costs associated with each issue.
- Shares issued under the DRP will rank equally in all respects with existing fully paid ordinary shares.
- Participation in the DRP is optional. You may join the DRP, vary your participation or withdraw from it at any time.
- A DRP Statement providing details of your participation is sent to you at or before the time of each dividend payment.

HOW TO JOIN THE DRP

If you wish to participate in the DRP, please complete and sign the accompanying DRP Election/Variation Form and return it to Suncorp's Share Registrar in the envelope provided. Subject to the Board's discretion, participation in the DRP will commence with the first dividend payment after Suncorp receives and accepts the duly completed and executed DRP Election/Variation Form, provided the said Form is received by 5.00pm on the record date for determining entitlements to that dividend.

ENQUIRIES

If you wish to enquire about the DRP, please contact Suncorp's Share Registrar – Link Market Services Limited at the following address:

PO Box A118
Sydney South NSW 1234
Telephone: 1300 882 012
Facsimile: (02) 9287 0303
Email: registrars@linkmarketservices.com.au

OPERATION
OF THE DIVIDEND REINVESTMENT
PLAN

ELIGIBILITY

Subject to the Rules of the DRP, participation in the DRP is open to any shareholder who holds fully paid ordinary shares. Any shareholder having a registered address or being resident in a country other than Australia or New Zealand may not be able to participate in the DRP because of the legal requirements applying in that country. The Board has the discretion to determine whether any such shareholder is excluded from the DRP.

Shares which are held subject to an employee incentive scheme (including an incentive scheme for non-executive directors) are not eligible to participate in the DRP, unless the relevant scheme does not prohibit shares held under the scheme from participating in a dividend reinvestment plan and the Board resolves to allow such shares to participate in the DRP.

PARTICIPATION

Participation in the DRP is entirely at the option of the shareholder subject to any share holding limitation that may be determined by the Board from time to time. There are two types of participation.

Full Participation: A shareholder may participate in the DRP in respect of all fully paid ordinary shares registered in the name of that shareholder as at each record date for a dividend. Shares issued under the DRP will be added to the shares already participating in the DRP.

Partial Participation: Alternatively, a shareholder may participate in the DRP in respect of a specified number of fully paid ordinary shares which is less than the shareholder's total holding. If part of a shareholder's holding is nominated for participation in the DRP, the balance of the shareholding will receive cash dividends in the normal way.

VARIATION TO LEVEL OF PARTICIPATION OR WITHDRAWAL FROM THE DRP

You may vary your level of participation in the DRP or withdraw from the DRP at any time by completing a DRP Election/Variation Form and sending it to Suncorp's Share Registrar. Subject to the Board's discretion a duly completed and executed DRP Election/Variation Form must be received by 5.00pm on the record date for determining entitlements to the next dividend, for the variation or withdrawal to be effective from and including the next dividend payment.

OPERATION OF THE DRP

In the operation of the DRP for any dividend, the Board of Suncorp may in its absolute discretion either issue new fully paid ordinary shares or cause existing fully paid ordinary shares to be acquired on-market by a broker for transfer to shareholders who participate in the DRP.

ADMINISTRATION COSTS

All administration costs of the DRP will be met by Suncorp. No brokerage, commission or other transaction costs will be payable by participants on shares transferred or issued under the DRP and no stamp or other duties, will, under present law, be payable by participants in respect of such shares.

PRICE

Shares will be issued or transferred at a price which is to be the average of the daily volume weighted average market price (rounded to the nearest cent) of all Suncorp ordinary shares sold on the Australian Stock Exchange during the five days on which trading in shares in Suncorp occurred immediately following the record date for determining entitlements to the relevant dividend.

SALE OF SHARES

Shares participating in the DRP or acquired under the DRP may be sold at any time. When a shareholder with partial participation in the DRP sells shares, the number of shares sold will be deducted first from the non-participating shareholding and then from participating shares unless Suncorp receives notice to the contrary from the shareholder.

If a shareholder sells shares participating in the DRP they should immediately send a DRP Election/Variation Form to Suncorp's Share Registrar withdrawing the shares from the DRP.

TAXATION

Dividends reinvested under the DRP will be assessable for income tax in the same way as cash dividends. If additional taxation advice is required, professional advice should be sought.

CALCULATION OF ENTITLEMENT

The dividend payable on a participant's shares will be applied in acquiring or subscribing for the maximum whole number of fully paid ordinary shares in Suncorp that may be transferred or issued at the price described.

ENTITLEMENT ROUNDING

Where the calculation of the entitlement results in an entitlement which includes a fraction of a share, the following arrangements apply:

- for all dividends **up** to and including the 2006 interim dividend, that entitlement will be rounded up to the next whole share;
- for all subsequent dividends, that entitlement will be rounded **down** to the next whole share. However, any remainder which occurs in calculating an entitlement for a particular dividend will be carried forward and will be added to the next dividend to calculate the number of shares to be acquired at that time.

DIVIDENDS

Shares transferred or issued under the DRP will rank equally in all respects with existing fully paid ordinary shares.

STATEMENTS

Participants in the DRP will be sent a statement on or before the date on which each dividend is paid detailing their participation in the DRP.

RULES

The Rules of the DRP as detailed on pages 9 to 16 may be varied, suspended or terminated by the Board at any time.

RULES

OF THE DIVIDEND REINVESTMENT

PLAN

1 DEFINITIONS

In these Rules, unless the context otherwise requires:

Board means the Board of Directors of Suncorp-Metway Ltd.

DRP means the Suncorp Metway Dividend Reinvestment Plan the terms of which are set out in this document and any variations made to those terms from time to time.

Listing Rules means the official listing rules of the Australian Stock Exchange Limited.

Participant means a shareholder some or all of whose shares are participating in the DRP.

Price means the price at which shares will be transferred or issued under the DRP as calculated in accordance with Clause 5.

Record Date is as defined in the Listing Rules.

Rules means the rules of the DRP set out in this document and any variations made to those rules from time to time.

Shares means fully paid ordinary shares in the capital of Suncorp-Metway Ltd.

Shareholder means a registered holder of fully paid ordinary shares.

Suncorp means Suncorp-Metway Ltd (ABN 66 010 831 722)

2 PARTICIPATION IN THE DRP

2.1 The DRP is a means by which shareholders may elect to reinvest all or part of their dividends in additional shares.

2.2 Participation in the DRP is subject to these Rules.

2.3 Participation is optional and not transferable and is open to each shareholder unless excluded under these Rules.

2.4 Any shareholder having a registered address or being resident in a country other than Australia or New Zealand may not be eligible to participate in the DRP because of the legal requirements applying in that country. The Board has the discretion to determine whether any such shareholder is excluded from the DRP.

2.5 Shares which are held subject to an employee incentive scheme (including an incentive scheme for non-executive directors) are not eligible to participate in the DRP, unless the relevant scheme does not prohibit shares held under the scheme from participating in a dividend reinvestment plan and the Board resolves to allow such shares to participate in the DRP.

2.6 The Board is entitled (but not obliged) to refuse a shareholder participation in the DRP where that shareholder has, in the opinion of the Board, split a shareholding or acquired shares as part of such a split, in order to increase the number of DRP shares that may be allotted to that shareholder or another person.

3 APPLICATION TO PARTICIPATE

3.1 Application to participate in the DRP is to be made on the prescribed form (DRP Election/Variation Form).

3.2 Upon receipt and acceptance by Suncorp of a duly completed and executed DRP Election/Variation Form, participation will commence from the next record date for determining entitlements for dividends.

3.3 The Board may, in its absolute discretion, refuse or accept an application to participate in the DRP, and suspend or withdraw shares from participation.

3.4 If the Board decides to reject an application for participation it will inform the relevant shareholder of its decision in writing within a reasonable time of receipt of the application.

4 DEGREE OF PARTICIPATION

4.1 Participation may be either full or partial.

4.2 Under full participation, all shares registered in the participant's name from time to time, including shares issued pursuant to the DRP, will be subject to the DRP. If a shareholder does not wish to exclude any shares from the DRP the shareholder must lodge a duly completed and executed DRP Election/Variation Form electing full participation.

4.3 Under partial participation, only that number of shares as specified in the DRP Election/Variation Form by the shareholder (being less than the shareholder's total shareholding) will be subject to the DRP. However, if at the relevant record date the number of shares held by the participant is less than the number of shares the participant has specified for participation in the DRP Election/Variation Form then the provisions of the DRP in respect of that dividend payment will apply to the lesser number of shares. Where a shareholder is a partial participant, all shares subsequently acquired by the shareholder, whether under the DRP or otherwise, will only participate in the DRP to the extent that the shareholder alters the participation level in accordance with Clause 9.

4.4 If a DRP Election/Variation Form does not indicate the level of participation in the DRP, it will be deemed to be an application for full participation.

5 OPERATION OF THE DRP

5.1 Each dividend which is payable to a participant in respect of shares subject to the DRP and which is available for payment to the participant will be applied on the participant's behalf in acquiring or subscribing for additional shares other than a dividend which the board in its absolute discretion, determines will not be so applied.

5.2 The Board in its absolute discretion will determine with respect to the operation of the DRP for any dividend whether to issue new shares or to cause a broker to arrange the purchase and transfer of existing shares to a participant, or to apply a combination of both options, to satisfy the obligations of Suncorp under these Rules.

5.3 If the Board determines to cause the purchase and transfer of shares to participants, the shares may be acquired through a broker in the market in such manner as the Board considers appropriate.

5.4 Subject to clause 5.4A Suncorp will in respect of each dividend payable to a participant;

- determine the amount of the dividend payable (less withholding tax if applicable) in respect of that participant's shares subject to the DRP;
- add to that amount an amount equal to the remainder (if any) from the immediately preceding dividend paid in respect of that participant's shares subject to the DRP at that time;
- determine the maximum number of additional shares which may be acquired under the DRP by dividing the amount of dividend payable to the participant, plus the remainder (if any) from the immediately preceding dividend paid, by the price, rounded down to the next whole share; and
- on behalf and in the name of the participant, issue or cause a broker to purchase and transfer that number of additional shares.

The remainder for a particular dividend payable to a participant is the remainder which occurs when the amount of dividend payable to the participant plus the remainder (if any) from the immediately preceding dividend paid in respect of that participant's shares subject to the DRP at that time is divided by the price.

5.4A The following transitional arrangements will apply:

- the remainder to be added to the 2006 interim dividend and to the 2006 final dividend shall be zero; and
- the maximum number of additional shares which may be acquired by a participant under the DRP in respect of the 2006 interim dividend will be rounded up to the next whole share.

5.5 The shares will be transferred or issued under the DRP at the price which will be the average of the daily volume weighted average market price (rounded to the nearest cent) of all shares sold on the ASX Limited automated trading system during the five days on which trading in shares in Suncorp occurred immediately following the record date in respect of the relevant dividend, less a discount (if any) determined by the Board from time to time.

5.6 The weighted average market price referred to above will be calculated by the Board or another suitable person nominated by the Board, by reference to information the Board approves for the purpose from time to time. The determination by the Board or some other person nominated by the Board of the price will be binding on all participants.

6 SHARES TO BE ISSUED UNDER THE DRP

Shares issued under the DRP will be issued within the time period required by Listing Rules and, from the date of issue, will rank equally in all respects with existing shares.

7 PARTICIPATION COSTS

No brokerage, commission, or other transaction costs will be payable by participants in respect of shares transferred or issued under the DRP and no stamp or other duties will be payable, under present law, by participants in respect of shares transferred or issued under the DRP.

8 DRP STATEMENTS

On or before the date on which the relevant dividend is paid, Suncorp will send each participant a statement that complies with sub-division 202-E of the Income Tax Assessment Act 1997, and which states:

- the total number of shares registered in the participant's name at the record date;
- the total number of participating shares;
- the amount of dividend payable to the participant in respect of the participating shares at the record date;
- the amount of dividend payable in respect of shares which did not participate in the DRP (if any);
- any percentage by which the market price will be discounted in order to determine the number of shares to be issued or transferred under the DRP;
- the number of shares that Suncorp will issue or cause to be transferred to the participant in respect of the dividend;
- the date on which the issue or transfer of those shares will occur;
- whether or not there is a franking credit on an amount specified on the dividend;
- the franking percentage for the dividend;
- the amount of any withholding tax that has been deducted from the dividend by Suncorp or any other amount that Suncorp is entitled to retain or withhold;
- such other information that the Board may decide.

9 VARIATION OR TERMINATION OF PARTICIPATION

9.1 Subject to Clause 13, a participant may at any time give written notice to Suncorp on the prescribed DRP Election/Variation Form:

- increasing or decreasing the number of shares participating in the DRP; or
- terminating participation in the DRP.

The alteration or termination takes effect from the next record date.

9.2 If a participant increases the level of participation in the DRP to full participation, all of the participant's shares as at the date of the DRP Election/Variation Form and all shares subsequently acquired by the participant (including shares transferred or issued under the DRP) will participate in the DRP.

9.3 If a participant increases or decreases the level of participation in the DRP to below full participation, only that number of shares specified in the DRP Election/Variation Form will participate in the DRP and no shares subsequently acquired by the participant (including shares transferred or issued under the DRP) will participate in the DRP unless the participant elects to vary their level of participation in the DRP to include those shares by completing and sending a DRP Election/Variation Form.

9.4 If a participant dies, participation in the DRP will be terminated upon receipt by Suncorp of written notice of the death. If a participant is declared bankrupt or is wound up, participation in the DRP will be terminated upon receipt by Suncorp of a notification of bankruptcy or winding up from the participant or the participant's trustee in bankruptcy or liquidator, as the case may be. The death, bankruptcy or winding up of one or more joint holders will not automatically terminate participation.

10 REDUCTION OR TERMINATION OF PARTICIPATION WHERE NO NOTICE IS GIVEN

10.1 Where all of a participant's shares are subject to the DRP and the participant disposes of part of those shares then, unless the participant advises Suncorp otherwise, the remaining shares held by the participant will continue to participate in the DRP.

10.2 Where some of a participant's shares are subject to the DRP and the participant disposes of part of that shareholding, then unless the participant advises Suncorp otherwise, the shares disposed of will be deemed to be shares not participating in the DRP. If the number of shares disposed of is more than the number of the participant's shares not participating in the DRP, the disposal will be deemed to include all the participant's shareholding not participating in the DRP, and the balance (if any) will be attributed to shares participating in the DRP.

10.3 Where a participant disposes of all shares without giving Suncorp notice of termination of participation, the participant will be deemed to have terminated participation in the DRP with respect to the shareholding on the date Suncorp registered a transfer or instrument of disposal of the participant's holding.

11 VARIATION, SUSPENSION AND TERMINATION OF THE DRP

11.1 The DRP may be varied, suspended or terminated by the Board at any time in the Board's absolute discretion. The variation, suspension or termination will take effect upon the date specified by the Board. The Board may give written notice of any such variation, suspension or termination as it considers appropriate. A variation, suspension or termination of the DRP will not be invalidated by the accidental omission to give notice of the variation, suspension or termination to a shareholder and will not give rise to any liability on the part of, or right or action against, the Board or Suncorp.

11.2 Any suspension under Clause 11.1 will continue until such time as the Board resolves to recommence or terminate the DRP. If the DRP is recommenced, election as to participation in respect to the previously suspended DRP will be valid and have full force and effect in accordance with these Rules for the purposes of the DRP. The date and conditions of the recommencement (including any directions as to shares recommencing to participate in the DRP) shall be notified to shareholders.

11.3 Upon variation of the DRP, participants will continue to participate under the varied DRP unless a DRP Election/Variation Form to the contrary is received by Suncorp.

12 STOCK EXCHANGE LISTING

Suncorp will apply from time to time (as issues of shares are made) for the shares issued under the DRP to be quoted on the official list of the Australian Stock Exchange Limited.

13 APPLICATION AND NOTICES

13.1 Applications and notices to Suncorp will be in writing and in accordance with the forms prescribed by Suncorp from time to time.

13.2 The applications and notices will be effective upon receipt by Suncorp subject to:

- these Rules;
- in the case of applications, acceptance by Suncorp.

Applications or notices must be received by 5.00pm on the relevant record date. Any applications or notices received after that time will not be effective in respect of that dividend payment but will be effective from the next relevant record date.

14 GENERAL

14.1 Any dividend payable on shares which a participant has nominated as participating in the DRP and which dividend Suncorp is entitled to retain as a result of a charge in favour of Suncorp in accordance with the Constitution of Suncorp, or other requirement of law, will not be available for the purpose of participating in the DRP.

14.2 These Rules will be binding upon each person who is or becomes a shareholder of Suncorp.

14.3 The Board may implement the DRP in the manner as the Board thinks fit, and may settle any difficulty which may arise either generally or in a particular case in connection with the DRP as the Board thinks fit. Without prejudice to the general powers of the Board under the Constitution and these Rules, the Board may settle in the manner as the Board thinks fit any difficulty, anomaly or dispute which may arise in connection with, or by reason of, the operation of the DRP, whether generally or in relation to any shareholder or any share or shares and the determination of the Board will be conclusive and binding on all shareholders and other persons to whom the determination relates.

14.4 Neither Suncorp nor any other officer of Suncorp will be liable or responsible to any participant for any loss or alleged loss or disadvantage suffered or incurred by a participant as a result, directly or indirectly, of the establishment or operation of the DRP or participation in the DRP or in relation to any advice given with respect to participation in the DRP.

14.5 The DRP, its operation and these Rules will be governed by the laws of the State of Queensland and each shareholder submits to the jurisdiction of the Courts of that State.

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