SUNCORP

NEWS RELEASE

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Suncorp announces interest rate changes

Suncorp today announced it would increase interest rates on its variable home lending products, reflecting the continued higher cost of wholesale funding.

Effective Saturday, 5 April 2008, Suncorp's variable rates on home loans will increase by 0.05% pa for new and existing customers.

Suncorp Group Executive Retail Banking, David Foster said the change was made in light of sustained increases to short and long term wholesale funding costs.

"Suncorp has absorbed much of the increase in wholesale funding costs caused by world events since August 2007 and we continue to absorb some of this increase along with our customers," Mr Foster said.

"Given the continuing volatility in global markets, we are of the view that rates in the wholesale funding market will remain high for some time and we have made this change to balance the needs of customers and shareholders."

Suncorp's Back to Basics home loan, one of the most competitive 'basic' home loans available in the market will increase to 8.79% pa (8.84% pa Comparison Rate*). Suncorp's Standard Variable home loan will increase to 9.37% pa (9.52% pa Comparison Rate*).

Mr Foster said in light of the increase, Suncorp's lending specialists would assist home loan customers to review their current arrangements to ensure they remained appropriate.

"For customers who would like the certainty of fixed repayments, Suncorp has a range of competitive fixed home loan rates available for periods from 1 to 5 years.

"Customers who need assistance or financial advice should contact their nearest Suncorp branch or phone 13 11 55."

ENDS

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*Based upon $150,000 over 25 years. WARNING: This comparison rate is true only for the examples given and may not include all fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate.