

5 May 2017

Suncorp closes Capital Notes Offer raising A\$375 million

Suncorp Group Limited (Suncorp) today announced it has completed the Capital Notes offer (the Offer), raising \$375 million through the issue of 3,750,000 Capital Notes for \$100 each.

Following strong investor demand, the size of the Offer has been increased from \$300 million to \$375 million. Suncorp allocated \$300 million on a firm basis under the Broker Firm Offer and Institutional Offer and allocated \$75 million under the Securityholder Offer.

Suncorp has also confirmed the allocation policy applicable to the Offer and the Distribution Rate applicable to the first Distribution in respect of the Capital Notes, which is expected to be paid on 18 September 2017.

Allocation policy

Due to the large volume of Applications received under the Securityholder Offer, it has not been possible to allocate all Securityholder Offer Applicants the full amount of Capital Notes for which they applied. All valid Applications for an amount of \$300,000 or less received under the Securityholder Offer have been accepted in full. Applications for an amount of more than \$300,000 received under the Securityholder Offer have been allocated \$300,000 and 28.5% of additional amounts applied for above \$300,000, rounded down to the next whole Capital Note. Applicants under the Securityholder Offer can confirm their allocation by calling the Suncorp Capital Notes Offer Information Line (details below).

Applicants under the Broker Firm Offer can confirm their allocation with their broker or by calling the Suncorp Capital Notes Offer Information Line (details below).

Allocations to Syndicate Brokers and Institutional Investors were determined under the Bookbuild completed on 28 March 2017.

An advertisement regarding the basis of allocation of Capital Notes will be published on 8 May 2017 in *The Australian* and *The Australian Financial Review*. A copy of the advertisement is attached to this announcement.

Trading on ASX

The Capital Notes were issued today, 5 May 2017, and are expected to begin trading on a deferred settlement basis on the Australian Securities Exchange (ASX) at approximately 10.00am (Sydney time) on 8 May 2017 under the ASX code "SUNPF". Trading on a normal T+2 settlement basis is expected to commence on 11 May 2017.

Holding statements and refund cheques

CHESS transaction confirmation statements and issuer sponsored holding statements, which state the number of Capital Notes issued to successful Applicants, are expected to be sent to successful Applicants by 10 May 2017. Any Application refunds are also expected to be sent by this date.

All Applicants are responsible for determining and confirming the number of Capital Notes allocated to them prior to selling any Capital Notes. Applicants who sell Capital Notes before receiving their CHESS transaction confirmation statement or issuer sponsored holding statement do so at their own risk.

Distribution Rate and first Distribution payment

The first Distribution payment will be AUD \$1.5219 per Capital Note and is expected to be paid on 18 September 2017 (subject to no Payment Condition existing).

The Distribution Rate for the first Distribution payment, which is for the Distribution Period from (and including) 5 May 2017 and ending on (but excluding) 18 September 2017 (being a period of 136 days), will be 4.0845% per annum. The Distribution Rate has been determined under the Capital Notes Terms as follows:

3-month Bank Bill Rate on 5 May 2017	1.7350%	per annum
plus, Margin	4.1000%	per annum
Equivalent unfranked Distribution Rate	5.8350%	per annum
Multiplied by (1 – Tax Rate)	X 0.70	
Distribution Rate (in cash)	4.0845%	per annum

Distributions are expected to be fully franked.

Maximum Conversion Number

For the purposes of the Conversion calculations, the Issue Date VWAP is \$13.50 and the Maximum Conversion Number is:

- 14.8148 in the case of a Mandatory Conversion; and
- 37.0370 in the case of any other Conversion.

The Maximum Conversion Number may be adjusted at a future date to reflect divisions or consolidations of Ordinary Shares (among other matters) in the manner described in the Capital Notes Prospectus.

Participation by Suncorp Directors and their related persons.

Suncorp Directors and their related persons (being their spouses, parents, children and associates) did not participate in the Offer.

Ends

For more information contact:

Securityholders	Suncorp Capital Notes Offer Information Line	1300 882 012 (within Australia) or +61 1300 882 012 (outside Australia) Monday to Friday, 8:00am to 7:30pm (Sydney time) Website: www.suncorpgroup.com.au/sunpf
Media	Nadia Farha	0408 535 993
Analysts/Investors	Susan Troy	0427 169 812

Appendix - Holders of Capital Notes

Included below is a listing of the twenty largest Capital Note Holders and a schedule showing the distribution of Capital Note Holders.

Top 20 Holders

Rank	Name	Total	% Issued capital
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	515,240	13.74%
2	J P MORGAN NOMINEES AUSTRALIA LIMITED	158,689	4.23%
3	NATIONAL NOMINEES LIMITED	79,190	2.11%
4	TANDOM PTY LTD	73,500	1.96%
5	DIMBULU PTY LTD	50,000	1.33%
6	CITICORP NOMINEES PTY LIMITED	40,395	1.08%
7	FEDERATION UNIVERSITY AUSTRALIA	33,370	0.89%
8	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <BKCUST A/C>	30,200	0.81%
9	PACMIN HOLDINGS PTY LIMITED <PENSION FUND NO 2 A/C>	28,900	0.77%
10	RBC INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <PISELECT>	22,500	0.60%
11	PACIFIC DEVELOPMENT CORPORATION PTY LTD	22,290	0.59%
12	NAVIGATOR AUSTRALIA LTD <MLC INVESTMENT SETT A/C>	21,040	0.56%
13	MS MARGARET LYNETTE HARVEY	20,000	0.53%
14	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	18,500	0.49%
15	G C F INVESTMENTS PTY LTD	18,000	0.48%
16	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD DRP	17,200	0.46%
17	MR RONALD CRAIG ROSS <THE ROSS FAMILY A/C>	17,100	0.46%
18	SANDHURST TRUSTEES LTD <DMP ASSET MANAGEMENT A/C>	16,300	0.43%
19	UBS NOMINEES PTY LTD	15,500	0.41%
20	NORA GOODRIDGE INVESTMENTS PTY LIMITED	15,000	0.40%

Distribution schedule

Ranges	Investors	Securities	% Issued capital
1 to 1,000	4,026	1,381,181	36.83
1,001 to 5,000	395	868,112	23.15
5,001 to 10,000	26	189,975	5.07
10,001 to 100,000	26	636,803	16.98
100,001 and over	2	673,929	17.97
Total	4,475	3,750,000	100.00

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus.

Disclaimer

This announcement does not constitute an offer of any securities (including the Capital Notes) for sale or issue. No action has been taken to register or qualify Capital Notes or the Offer or to otherwise permit a public offering of Capital Notes outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the Capital Notes nor the Ordinary Shares have been or will be registered under the US Securities Act or the securities laws of any state of the United States, and they may not be offered or sold in the United States. The Capital Notes are being offered and sold in the Offer solely outside the United States pursuant to Regulation S under the US Securities Act.

The following advertisement will appear in *The Australian Financial Review* and *The Australian* on 8 May 2017.

Important notice to all Applicants under the Suncorp Group Limited Capital Notes Offer

8 MAY 2017

Suncorp Group Limited (ABN 66 145 290 124) (Suncorp) is pleased to announce that the offer of Capital Notes (Offer) has successfully closed, raising \$375 million (prior to Offer expenses). Through the Offer, 3.75 million Capital Notes have been issued at \$100 each.

ALLOCATION POLICY

The Capital Notes allocation policy is described below.

- **Securityholder Offer:** due to the large volume of applications received under the Securityholder Offer, it has not been possible to allocate to all Securityholder Offer Applicants the full amount of Capital Notes for which they applied. Securityholder Applicants have been allocated the following number of Capital Notes:

Number of Capital Notes applied for	Capital Notes allocated
50 – 3,000	100%
Above 3,000	3,000 Capital Notes plus an additional 28.5% of Capital Notes applied for above 3,000

- **Broker Firm Offer:** allocations to Broker Firm Applicants by a Syndicate Broker were at the discretion of that Syndicate Broker.
- **Institutional Offer:** allocations to Syndicate Brokers and Institutional Investors were determined by Suncorp and the Joint Lead Managers pursuant to the Bookbuild completed on 28 March 2017.
- Applications that were accompanied by cheques that were subsequently dishonoured and online Applications for which BPAY® payments were not received have not received an allocation.
- Securityholder Offer Applicants and Broker Firm Offer Applicants can obtain information about their allocation of Capital Notes by calling the Capital Notes Offer Information Line on the numbers provided below.
- Broker Firm Applicants can also confirm their allocation of Capital Notes with their Syndicate Broker from whom they received their allocation.

DEFERRED SETTLEMENT TRADING

Capital Notes are expected to commence trading on the Australian Securities Exchange (ASX) on a deferred settlement basis today at approximately 10.00am (Sydney time) under the ASX code "SUNPF".

Trading of Capital Notes is expected to commence on a normal settlement basis on Thursday, 11 May 2017.

All successful Applicants are responsible for confirming the number of Capital Notes allocated to them prior to selling any Capital Notes.

Applicants who sell Capital Notes before receiving their CHESS transaction confirmation statement or issuer sponsored holding statement do so at their own risk (even if they obtained information on their allotment from the Capital Notes Offer Information Line or from their Syndicate Broker).

HOLDING STATEMENTS

CHESS transaction confirmation statements and issuer sponsored holding statements stating the number of Capital Notes issued to each successful Applicant are expected to be despatched by 10 May 2017. Any refunds are also expected to be despatched by this date.

FURTHER INFORMATION

Applicants may call their Syndicate Broker or the Suncorp Capital Notes Offer Information Line on **1300 882 012** (within Australia) or **+61 1300 882 012** (outside Australia) between 8:00am and 7:30pm (Sydney time) Monday to Friday (as applicable) to confirm their Capital Notes allocation.

Unless otherwise defined, capitalised terms in this advertisement have the same meaning given to them in the Replacement Prospectus (Prospectus) dated 4 April 2017, which is available at www.suncorpgroup.com.au/sunpf. The Offer has now closed, but offers of Capital Notes were made under and in accordance with the Prospectus and subscriptions for Capital Notes were made through Application Forms accompanying the Prospectus. This advertisement contains general information only and does not take into account the investment objectives, financial situation or particular needs of any investor (including financial and tax issues). Investors should obtain their own independent advice from a qualified financial advisor having regard to their own investment objectives, financial situation and needs. Capital Notes have not been, and Capital Notes will not be, registered under the US Securities Act of 1933, as amended (US Securities Act) or the securities laws of any state or other jurisdiction of the United States. Capital Notes may not be offered, sold or resold in the United States, or to, or for the account or benefit of, a US person (as defined in the US Securities Act), except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. *Registered to BPAY Pty Limited (ABN 69 079 137 518)