TOWER

14 January 2003

Pam Ross
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 6, 20 Bridge Street
Sydney NSW 2000
AUSTRALIA

Fax: 0800 449 707

Dear Pam

TOWER Limited – Company Announcement

In accordance with the ASX Listing Rules, please note the following:

- **TOWER LIMITED TO BOOST SURPLUS ASSETS IN TOWER AUSTRALIA**

Yours sincerely

Mark Ngan Kee
GROUP COMPANY SECRETARY
TOWER Limited

TOWER

MARKET RELEASE
For Immediate Release

14 January 2002

TOWER LIMITED TO BOOST SURPLUS ASSETS IN TOWER AUSTRALIA

Following discussions with ASIC, TOWER Limited announces that it will increase the surplus assets in TOWER Australia by approximately A$30 million by 31 March 2003.

TOWER Australia already has excess surplus assets over and above the level required by the Life Insurance Act, as disclosed in the financial statements released on 5 December 2002.

The decision to increase the level of surplus assets follows a requirement from APRA that surplus assets are increased back up to the company's target surplus level quickly. The timetable is still under discussion with APRA. The increase is seen by the Board as a prudent step to take in rebuilding confidence in its Australian business. TOWER Limited would not expect any dividend to be paid from TOWER Australia unless target surplus was met and maintained.

TOWER expects to utilise internal sources of funds in the group to achieve the increase and does not intend to undertake an equity issue to provide funds for this purpose.

TOWER does not expect the increase in surplus assets (in TOWER Australia) to affect profit projections for the group.

ENDS

For further information please contact:

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