

3 January 2019

Natural hazard update

Suncorp (ASX: SUN | ADR: SNMCY) today provided an update on the expected financial impact of natural hazard events for the six-month period to 31 December 2018.

Following the significant weather system which resulted in hailstorms across the Sydney, Central Coast and South East Queensland regions in December 2018, Suncorp has received 24,800 claims and expects this number to rise over coming weeks as customers return from holidays. Total claims costs are now expected to exceed the maximum first event retention within Suncorp's reinsurance program, which limits the financial impact of this event to \$250 million pre-tax.

Suncorp's current estimates for natural hazard costs across Australia and New Zealand for the six-month period to 31 December 2018, subject to final actuarial and audit review, are detailed below:

Date	Event	Net costs pre-tax ¹ \$M
Oct-18	Wide Bay Burnett	63
Nov-18	NSW Severe Low	22
Dec-18	East Coast Low	80
Dec-18	NSW & SEQ Hailstorm	250
Total events over \$10 million		415
Other natural hazard attritional claims		185 – 195
Total natural hazard costs		600 – 610
Natural hazard allowance for the half year to 31 December 2018		360
Natural hazard costs above the 1H19 allowance		240 – 250

Suncorp's reinsurance program is further supported by an additional natural hazard aggregate protection cover. This cover provides \$300 million of cover for events greater than \$10 million once aggregate costs have reached \$504 million. As at 31 December 2018, it is estimated that \$415 million¹ of the deductible has been eroded.

Suncorp is encouraging its customers impacted by storm and hail damage to lodge their claims as soon as possible. Suncorp has established additional motor vehicle assessment and repair centres to streamline the claims process for customers. An additional large-scale Hail Assessment Centre will commence operations this week in Botany, which is expected to increase Suncorp's capacity to assess up to a total of 900 cars per day across all sites.

Suncorp will provide a further update on natural hazard costs, together with detailed financial results for the six-month period to 31 December 2018, which will be released to the market on Thursday 14 February 2019.

ENDS

¹ Current estimate of natural hazard costs, subject to final actuarial and audit review

For more information contact:

Media

Brett Zarb

+61 417 256 563
brett.zarb@suncorp.com.au

Analysts/Investors

Kelly Hibbins

+61 414 609 192
+61 2 8121 9208
kelly.hibbins@suncorp.com.au

Jatin Khosla

+61 439 226 872
+61 7 3362 1322
jatin.khosla@suncorp.com.au