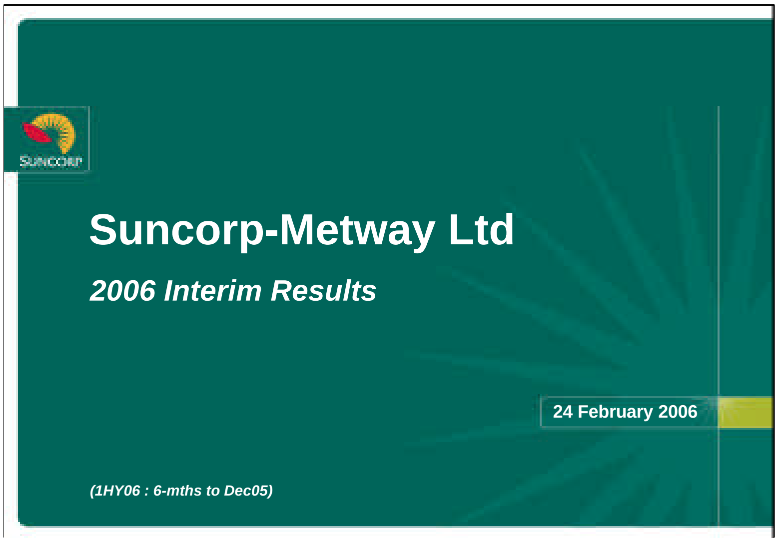


SLIDE

Good morning and welcome, I'm Steve Johnston, General Manager, Communications, Investor and Government Relations.

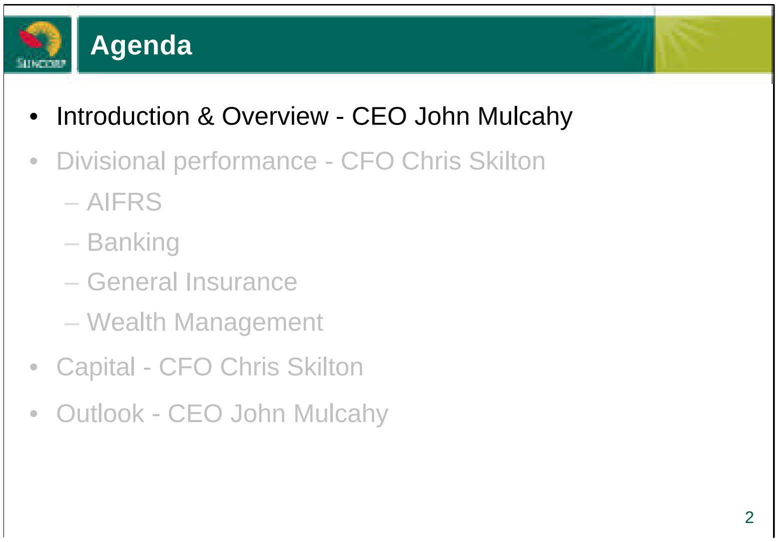
Welcome also to those joining us here in Sydney and via the video conference and the webcast.

The agenda today will be similar to previous results presentations.

We will have an introduction and overview from John Mulcahy, then he will hand over to the CFO, Chris Skilton who will then briefly run through the impacts of IFRS before discussing in more depth our divisional results

John will then summarise, and provide an update of strategy and outlook.

If you could all please turn off your mobile phones



SLIDE

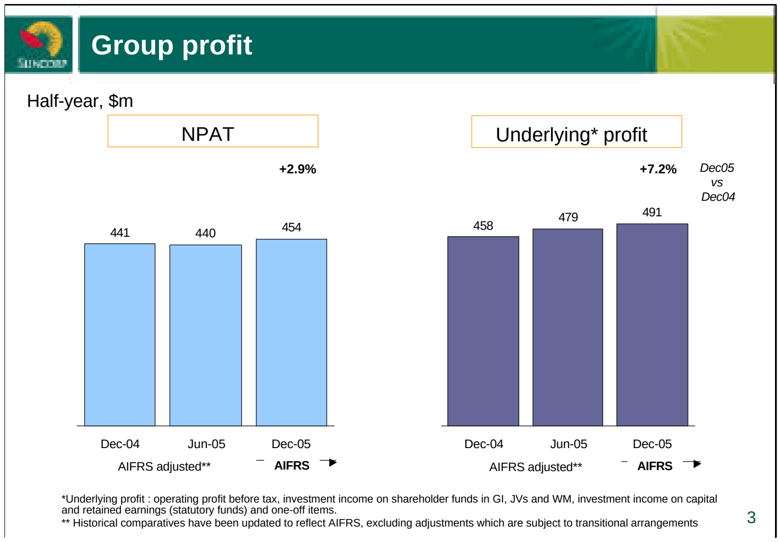
Thank you Steve and good morning ladies and gentlemen.

Thanks for joining us this morning here in Sydney
and those of you listening in from Melbourne,
Brisbane and others on the web-cast.

Most of you will have had a chance to see the results already this morning.

It's a strong result, achieved in a highly competitive environment.

It reflects the underlying strength of our three businesses and the ability of the Suncorp team to grow the bottom line and execute our unique strategy.



SLIDE

Turning to an overview of the results - - This slide shows Net Profit After Tax and Underlying profit for the half year to December 2005.

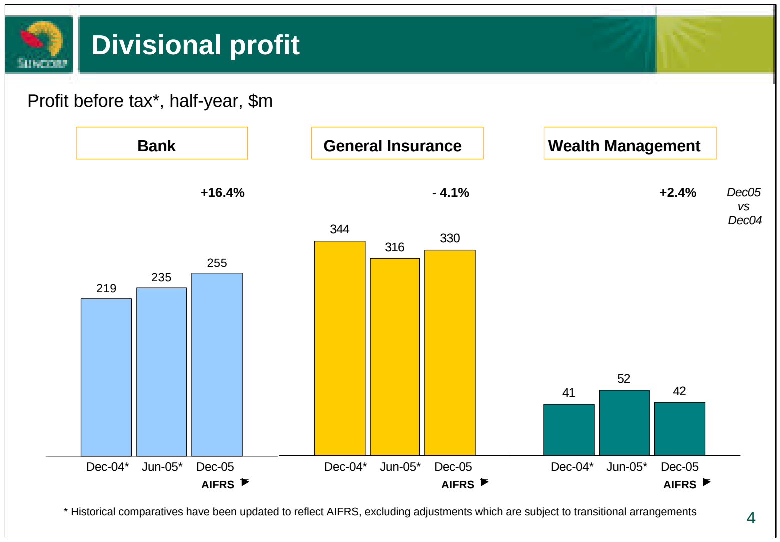
In reporting these results, we've applied the new Australian equivalent to International Financial Reporting Standards (IFRS) for the first time.
Chris will go through this in more detail as part of the financials.

But importantly, while this has meant significant changes to the way in which we calculate and report our financial information, the adoption of IFRS has not had a material impact on the underlying profit in the current, or prior halves

The chart on the left shows the uplift in Net profit by 2.9% to $454 million for the half-year, when compared to the prior December period.

Our Underlying profit , which excludes goodwill, one-off gains and returns on shareholder funds in both GI and Wealth Management, was up by 7.2% to $491 million for the half-year.

This represents a strong operating performance for each of our businesses, particularly given the increasingly competitive market conditions in which they operate.



SLIDE

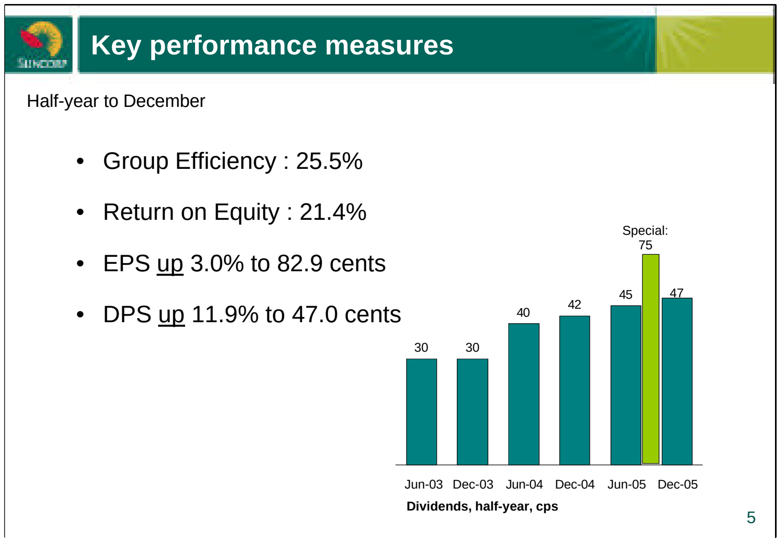
Looking then at each of our three key divisions.

The **Banking** division reported a 16.4% uplift in profit before tax to $255 million for the half year to December. This reflects our focus on driving profitable growth by actively balancing the price and volume mix of the book in order to maximise total income. The margin result for the period was pleasing, falling just 1bps since Dec04 on a like-on-like basis. Lending growth, while slightly below system for the period, remains strong, and importantly has good momentum as we move into the second half. Retail deposits continued to outperform system, despite intense competition. We also maintained our focus on costs, and improved our efficiency, while our asset quality remains sound.

In **General Insurance,** profitability remains robust at $330 million for the half-year. That was underpinned by growth in premium revenue, driven by an uplift in risks in force and favourable claims experience during the period. We continue to invest for growth through increased advertising and marketing spend, while maintaining tight control over other underwriting costs.

And **Wealth Management** contributed profit of $42 million, with higher planned profits offset by lower investment income compared to the prior December on a like for like basis. Strong sales momentum continued, together with an increase in funds under administration.

So you can see that yet again each of our businesses has delivered good results.



SLIDE

You can also see here that our key performance ratios remain excellent.

Our Group efficiency ratio which is operating costs as a proportion of operating revenue is a very competitive 25.5% for the half year.

Return on Equity is 21.4% and Earnings per Share was up 3.0% to 82.9 cents per share.

The overall strength of the results, and our confidence in the performance of the underlying businesses, has allowed us to declare an interim ordinary dividend of 47 cents, fully franked.

This is up 12% on the prior December half year.

Our results for the half-year to Dec05 clearly reflect that we continue to have three strong lines of business operating to optimise group synergies.

Suncorp has proven resilient in the face of fierce competition, and delivered underlying growth.

I will now pass over to Chris,
who will go through each of our lines of business results in more detail.

SLIDE

Thank you John.

I'll just reiterate, that this is another good result.

With each of our three businesses again delivering strong underlying operational performances.

It's also pleasing when you consider the nature of competition during the period, particularly in the banking sector, where a significant change in the competitive environment became apparent in about July and continued through the half.

Before I run through each of our main businesses in more detail, I would like to step through at a high level the main IFRS impacts on our results.

Adoption of AIFRS

- Minimal impact on NPAT and Underlying profit
  - goodwill not amortised
- Prior year adjustments
  - statutory changes not material
  - exclude transitional arrangements

	Half-year ended	
Comparatives	Jun05	Dec04
Net Profit (AGAAP)	**408**	**413**
AIFRS adjustments:		
- Goodwill	30	31
- Other	2	(3)
Net Profit AIFRS (statutory)	**440**	**441**

7

SLIDE

I would like to keep this as simple as possible, as there is much more detail in the pack. But the overarching message here is how minimal the impact from the adoption of IFRS has actually been.

The largest affect on NPATwhich I will deal with upfront, is due to goodwill no longer being amortised, which previously impacted the P&L by approximately $30 million each half. However, this obviously has no impact on Underlying profit, or cash earnings.

Leaving goodwill aside, there are two broad categories of IFRS adjustments:
Those where we have had to restate the comparative periods in the statutory accounts, and secondly, those where the change has only been applied from 1 July 2005
for which comparatives have not been restated.

In the pack you have, we have obviously included all of the former adjustments to reflect our Group's Statutory position in updating our prior comparative periods.

As you can see from this slide, The net impact of these adjustments, was relatively immaterial. For example, they decreased the December 04 comparative period profit by just $3mln (excluding goodwill).

However, because prior period comparatives in your packs exclude the impact of certain transitional IFRS arrangements. This means that there are cases where the statutory position does not provide like-on-like comparisons with prior periods.

Where this is the case, we have provided additional information in the pack that estimates what the prior period would have looked like, under IFRS, to give you a meaningful comparison.

However, It is important to note that these are estimates, and are NOT audited.

Statutory AIFRS adjustments

Half year, $m

	Consolidated impact	
	Jun05	**Dec04**
AGAAP Net Profit	**408**	**413**
Group / Other		
Amortisation of Goodwill ceased	30	31
Elimination of Treasury shares	(5)	(4)
Changes in tax expense	3	0
Bank		
Securitisation	0	0
Reduced capitalisation of software assets	(5)	(1)
Share based payments -executive deferred shares	1	1
Wealth Management		
EMVONA written back	(1)	(2)
Change in deferred acquisition costs	(1)	(1)
Additional consolidation of funds	4	2
General Insurance		
Lease securitisation moved on Balance Sheet	5	1
Amortisation of Goodwill within JVs ceased	1	1
AIFRS Net Profit	**440**	**441**

8

SLIDE

Turning to what I'll call our Statutory prior year adjustments for IFRS in more detail, the main adjustment to profit at the Group level are shown in this slide.

I've already mentioned the impact of no longer amortising Goodwill. Treasury shares are also eliminated from consolidated accounts, and there is a change in taxation expense.

In the BANK, a change in treatment of securitised assets results in an
- increase in net interest income
- decrease in net fee income
- increase in operating expenses

However, this is a reclassification between lines, with a zero net impact to the P&L
There is also Reduced capitalisation of software assets which impacts expenses

In WEALTH MANAGEMENT, the impacts almost totally net out, but include the write back of EMNOVA, a change in deferred acquisition costs treatment, and the impact of the additional consolidation of funds.

In GENERAL INSURANCE, the only immaterial impact is a securitised investment moving back on balance sheet which has a minor impact on investment income on technical reserves.

The net impact at a Group level, as you can see from this slide for both the June 05 and December 04 prior comparative periods, is minimal. with the exception of goodwill.

Transitional AIFRS arrangements

Effective 1 July 2005, (unaudited, estimated impact)

Impact on profit, $m	Dec05
Deferral of bank loan establishment fees & expenses	(4)
Reclassification of pref shares from Equity to Debt - *recognition of dividends as interest expense*	(8)
General Provision replaced by Collective Provision	1
Liability Adequacy test	(2)
Change in Wealth Management measurement - *MoS valuations, Life investment contracts*	5
Pre-tax profit impact	**(8)**

AIFRS impacts

9

SLIDE

Turning now to the transitional IFRS arrangements, which are applied from 1 July 05. The impact is more difficult to ascertain as we have not prepared a "before" and "after" set of accounts. Therefore, the numbers on this slide are our best estimates only and I would emphasis that they are unaudited.

In the BANK, income and margin are impacted by the deferral of loan establishment fees and expenses and their reclassification from fee income to net interest income.

Both the BANK and GENERAL INSURANCE profit and loss are impacted by the reclassification of preference shares from equity to debt and the recognition of dividends as interest expense.

The BANK is also affected by the replacement of the General Provision by a Collective Provision.

The liability adequacy test applied in GENERAL INSURANCE results is a write off of some deferred acquisition costs.

And in Wealth, there has been a change in the basis of MoS valuations as well as the measurement for life investment contracts.

I will bring out some of these points in more detail as I go through each of the divisions results.

But again, the point to note is the minimal impact these IFRS changes have on profitability.

Given the largest impact is the treatment of preference share dividends as interest, the impact on profits available to ordinary shareholders is negligible.

Banking profit

Half-year, $m

	Dec04*	Dec05	△%
Net Interest Income	383	422	10.2
Non Interest Income	76	73	(3.9)
Total Income	**459**	**495**	**7.8**
Operating Expenses	(222)	(225)	1.4
Impairment losses on loans & advancements	(18)	(15)	(16.7)
Contribution before tax	**219**	**255**	**16.4**

AIFRS impacts

10

SLIDE
Moving now to discuss each of the business results in detail…

Starting with the **Bank**, which delivered another good performance, lifting profit before tax by 16.4% to $255 million

Asset **growth** remained solid across both the retail and business bank albeit below system, as we managed the volume and price mix to minimise margin compression and maximise total income.

Retail deposit growth was above system, despite intensifying competition.

Our **margin** performance was again a feature declining just 1basis points since Dec04, and 4bps since June. This is excluding IFRS adjustments, and I will address this in more detail in just a moment.

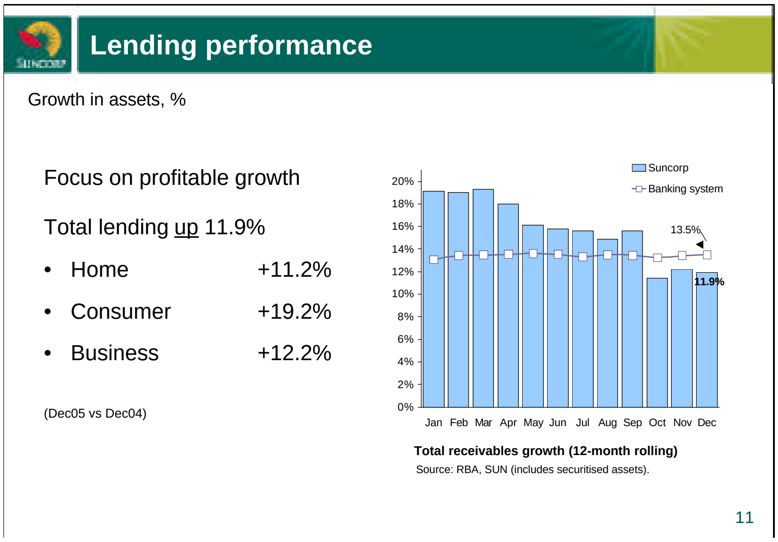
Similarly, the Interest, Fee, and Total income lines are affected by IFRS, but on a like on like basis, total income grew 10%, which is very pleasing, rather than the 7.8% shown here on a statutory basis.

Our continued focus on **cost** control was also a major contributor to the result with operating expenses increasing by just 1.4% to $225million for the 6mths to December and in fact were down 2.2% since June.

With revenue growth outstripping cost growth, our cost to income ratio improved to 45.5% at December, which is highly competitive with the rest of the banking sector, especially given our size.

Loan loss charges remain low, and credit quality strong, However, I would note that you could expect to see some increased volatility in this line in future periods as a result of IFRS changes to provisioning methodologies.

Turning to each of those lines in a little more depth…



SLIDE

Looking first at our **lending** performance, and this slide shows our total receivables growth compared to RBA data for the system as a whole (These are rolling 12 month growth rates).

At 31 December 2005, total assets including securitised assets reached $36.5 billion, which was up 11.9% compared with the prior December. This compares to 13.5% for the system, and is a result of a focus on maximising total income rather than sacrificing margin purely for growth sake. The increase in total income, on a like on like basis, of 10% demonstrates our success in this regard.

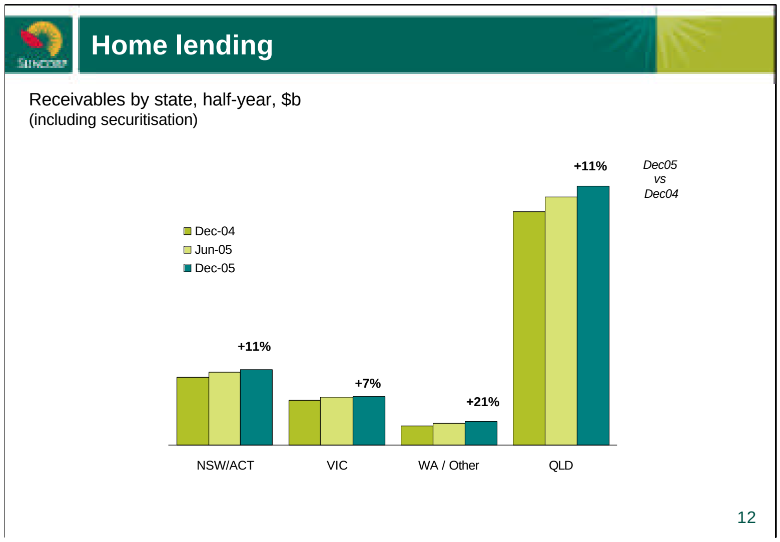
Geographically, growth has been supported by the robust economic conditions in Queensland, where lending assets were up 13% to $22 billion. Interstate growth continues to diversify our book, particularly driven from Western Australia, where assets grew 28% on December 2004, admittedly off a relatively small base. Lending in Other states (NSW, VIC) remain robust, but has slowed in line with the market and their less favourable underlying economic conditions.

Looking at a split of the book by the class of business :

Home lending receivables, including securitised assets, were up by 11.2% to $19.6 billion at December, despite a softening market and intense competition, particularly in intermediary channels

Consumer receivables remained strong, up 19% on the prior December, driven by success in growing our Clear Options credit card book.

And **Business** lending increased 12% to $16.1billion, despite all divisions experiencing increasing intensity in competition, again, particularly in intermediary channels.



SLIDE

Looking a bit closer at the home lending portfolio, strong growth continues in Queensland and Western Australia, supported by the relative strength of those economies. Receivables in those state increased by 11 % and 25% respectively compared to the prior corresponding period.

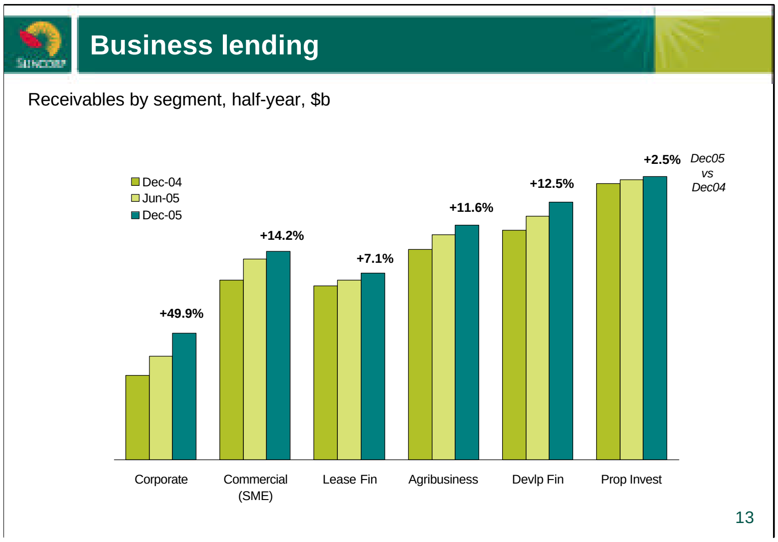
Growth continued in other states, but there was a slowdown in line with the performance of the respective economies.

Assets outside of Queensland now collectively total approximately 36% of the home lending book which demonstrates that we are continuing to diversify the portfolio.

Growth is also being supported by our direct distribution channels, particularly in Queensland, where we maintain a strong foothold and brand awareness.

Currently, assets through our direct channels represent around 60% of our total home lending book and were up by 8% on the prior December.

Our intermediary channels also remained strong, with receivables up 17% despite the increased competitive focus on that market and intensified pricing.



SLIDE

Turning to **Business** lending, and our overall level of growth remains robust. Again, growth has been best in Queensland and Western Australia. Breaking the book down by class of business :

The intensity of competition in the **Commercial SME** market certainly picked up during the half, with a renewed focus on this sector as the housing market cooled. However you can see that we still grew receivables by 14% during the period.

We remain confident in our ability to continue to compete effectively in this sector and have a number of initiatives which we expect will stimulate increased growth as we go forward.

We also continue to develop our position in the **Corporate** market, targeting growth in high quality, individual corporate clients and through participation in quality loan syndications.

Growth in the **Development Finance** portfolio has certainly eased, up 12.5% on the prior corresponding period, compared to the near 30% growth rate for the year to December 04. This however was anticipated with the arrival of a softening in demand, particularly in New South Wales and Victoria.

And **Property investment** growth has also eased, with the portfolio remaining relatively stable, up 2.5% on prior December to $3.3 billion.Both property portfolios remain well diversified by state and individual exposure, and credit quality remain strong.

Our **Leasing** portfolio, which includes equipment finance also continues to grow steadily. Assets from this segment increased 7% on the prior December with the majority of business referred via third party brokers with whom we continue to maintain a strong reputation.

And finally, **Agribusiness** receivables increased by 12% over the period to December, though there was some softening since June. This performance has been underpinned by good rains across eastern Australia, renewed confidence in sugar and a favourable outlook for rural industries.

So on the lending side of the balance sheet:
- the performance has been very strong with a focus on optimising total income
- the book remains well diversified,
- and assets are well secured

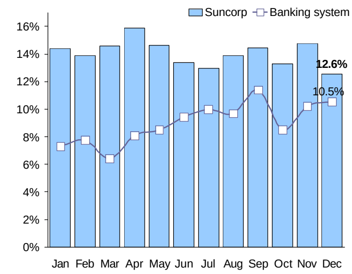
Deposits performance

Growth in liabilities, %

Core retail deposits up 12.6%

- Investment +21.7%
- Transaction +13.7%

(Dec05 vs Dec04)



Liabilities growth (12-month rolling)
Source: RBA, SUN (Core Retail Deposits)

14

SLIDE

Turning now to funding,

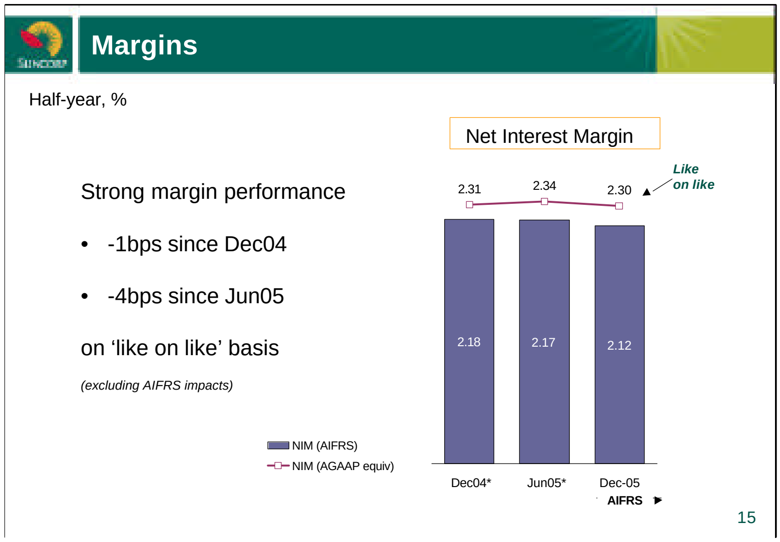
This slide shows retail funding compared to RBA system (12month rolling growth).

In the important retail deposit market we continue to outperform system despite intensifying competition, particularly in the segment of high interest bearing deposit accounts.

Core retail deposits, which is net of treasury, grew by 12.6% to $13.6 billion. This compares with an industry growth rate of 10.5% for the period.

The strength of this result was drawn from growth in transaction deposits - up 13.7% - primarily from the ongoing success of our Everyday Options (EDO) transaction and savings account.

Investment deposits also grew strongly, up 21.7%.



SLIDE

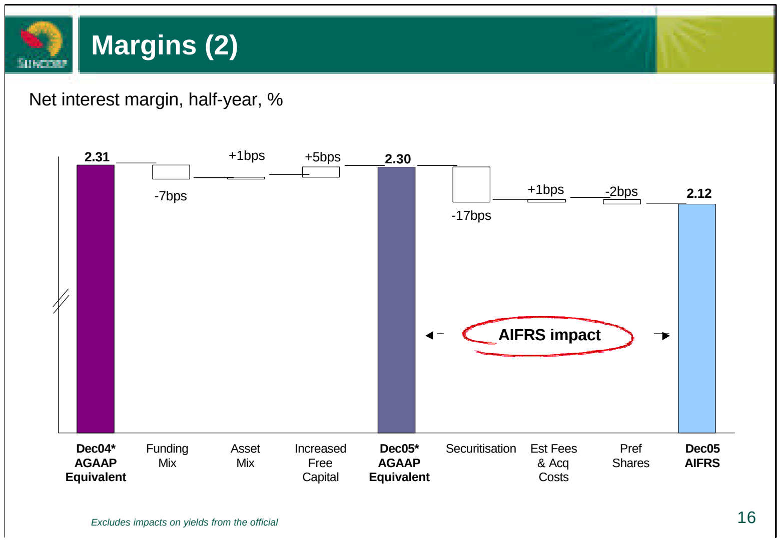
If we turn now to interest margin and spread.

Yet again we had a very pleasing result.

Our reported net interest margin for the half year period was 2.12%.

However, to get a truer picture, we have to take into account the impacts of IFRS.

On a like-on-like basis,
which is in effect, an "AGAAP" margin performance,
net interest margins declined just 1 basis point on December 2004



SLIDE

This waterfall chart provides a summary of margin movements and helps to identify the key factors contributing to the outcome.. . .

Moving from left to right, net of yield changes the main impact was from increased competition in the market place for retail deposits, which impacted on our funding mix and resulted in a 7bps movement on margin.

Importantly,
our focus on pricing disciplines and profit management resulted in an offsetting impact on margin of 1 basis points due to asset mix. And a further positive 5 basis point benefit was provided from increased free capital.

The analysis excludes the impacts on yields from the official rate rise in March 2005, which is 15pbs on assets and liabilities.

So in all - 1 basis point underlying movement compared to the prior period on a like on like comparative basis.

In adjusting for IFRS, we then take into account the impact of the consolidation of securitised loans and funding, the deferral of loan establishment fees and costs, and the impact from the reclassification of the Group's preference shares as a debt instrument.

The combination of stable margins and solid lending volumes led to the strong growth in net interest income of 9.2% on a like on like basis.

Fee income

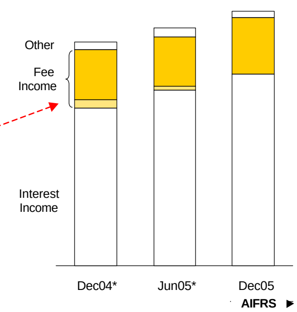
Half-year, $m

AIFRS impact

6mths to:	Dec04*	Jun05*	Dec05	
'Like on Like'	**58**	**58**	**65**	**+12.1%**
Lending Establishment Fee adjustments				
- Revenue	21	18	-	
- Expense	(12)	(14)	-	
Net Banking Fee Income (AIFRS)	**67**	**62**	**65**	

(unaudited)

Fee Income



17

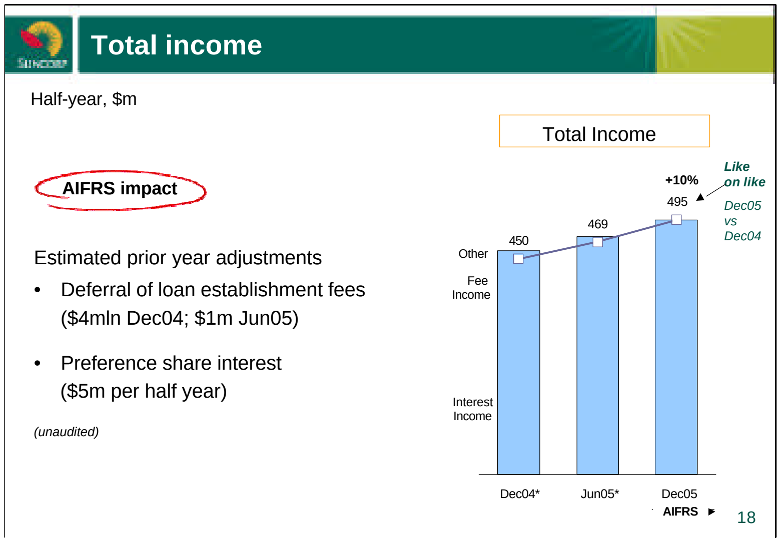
SLIDE

Net Banking fee income was also impacted by the adoption of IFRS.

Which now requires loan establishment fee revenue and expenses to be included in the net interest income line.

If we exclude these adjustments from comparatives, underlying bank fee income rose by a strong 12.1% compared to December 2004.

The movement is primarily attributable to a rise in transaction fees, and other net lending fees during the period.



SLIDE

Putting the components together,
and the Total Income line improved by 10% on a like on like basis to $495 million .

This uses estimates to include the IFRS impact from the deferral of loan establishment fees ($4m in Dec04) and preference share interest ($5m) on total income.

This is obviously not our statutory position,
but it does provide a truer picture of underlying growth relative to prior period.

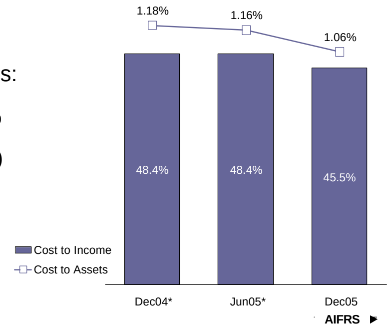
Bank efficiency

Half-year, %

- Increased focus on costs
- Dec05 operating expenses:

vs Dec04	+1.4%
vs Jun05	(2.2%)

Revenue growth
>>
Cost growth



19

SLIDE

Revenue growth continues to be well in excess of expense growth, resulting in improved operational efficiency - with the cost to income ratio reducing to 45.5% in the half-year.

The bank maintained strong operating cost control during the period, with operating costs of $225 million up by just 1.4% compared to the prior December half and down 2.2% since the June 05 half.

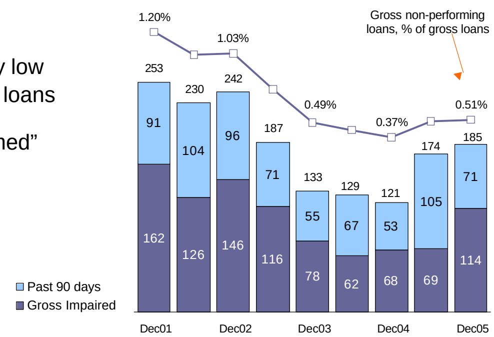
In anticipation of slower revenue growth, a consequence of the price-based competition, continued focus was maintained on expense management, particularly in relation to controls over the fixed cost base.

Importantly, this has been achieved while still continuing to make appropriate reinvestment in the business.

Credit quality - impaired assets

Half-year, $m

- NPL at historically low levels as % gross loans
- Cycle has “bottomed”



20

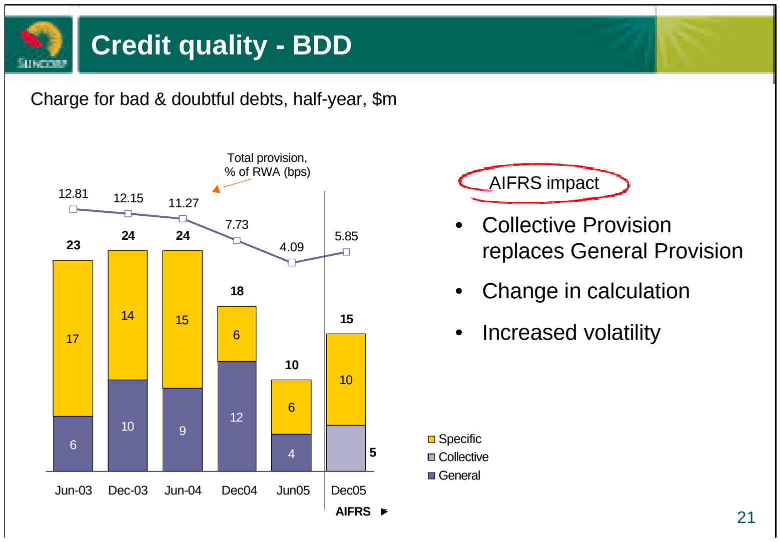
SLIDE

Credit quality remains very robust, despite an uplift in gross non performing loans to $185 million at December.

While the level of non performing loans does represent an increase on prior periods, it is important to recognise that this remains low on an historic basis. It does however suggest that the commercial credit cycle probably reached a floor around 12-months ago. Whether or not we will return to long term historic norms or the amplitude of the credit cycle has decreased, still remains to be seen.

There has clearly been an increase in the gross impaired assets to $114 million, caused by a small number of larger balances in the business banking book migrating from past-90days due, to impaired assets status.

However - the resultant small increase in specific provisioning again emphasises the relative high level of security we hold against these loans.



SLIDE

The Charge for bad and doubtful debts of $15 million was down from $18 million in the prior corresponding period. Under IFRS, however, the composition has changed in that the movement in the general provision has been replaced by the movement in the collective provision. The concept behind the specific provision remains largely unchanged.

In any case, the total charge for bad and doubtful debts equates to just 6 basis points of RWA, reflecting the strong underlying credit quality of the book and the high level of security held.

I would mention here that the movement in the collective impairment provision charged to the income statement will be more volatile in future periods, as the calculation used has more variables, than the old general provision. Also that volatility will be difficult to predict.

~~~~~~~~~~~

So that's the bank's story

Strong asset and liability growth,
with minimal margin compression,
Superior cost control
and continued robust credit quality.
~~~~~~~~~~~

General Insurance profit*

Half-year, $m

	Dec 04	Dec 05	△%
Gross Written Premium	**1,255**	**1,290**	2.8
Net Earned Premium	1,201	1,231	2.5
Net Incurred Claims	(840)	(888)	5.7
Acquisition Expenses	(150)	(171)	14.0
Operating Expenses	(104)	(109)	4.8
Investment Income – Technical Provisions	104	146	40.4
Insurance Trading Result	**211**	**209**	**(0.9)**
Other Insurance Income	23	24	4.3
Investment Income – Shareholder Funds	122	116	(4.9)
Contribution before tax & GIO funding	**356**	**349**	**(2.0)**
Funding expense	(12)	(19)	58.3
Contribution before tax	**344**	**330**	**(4.1)**

*before impact of discount rate adjustments

AIFRS impacts

22

SLIDE

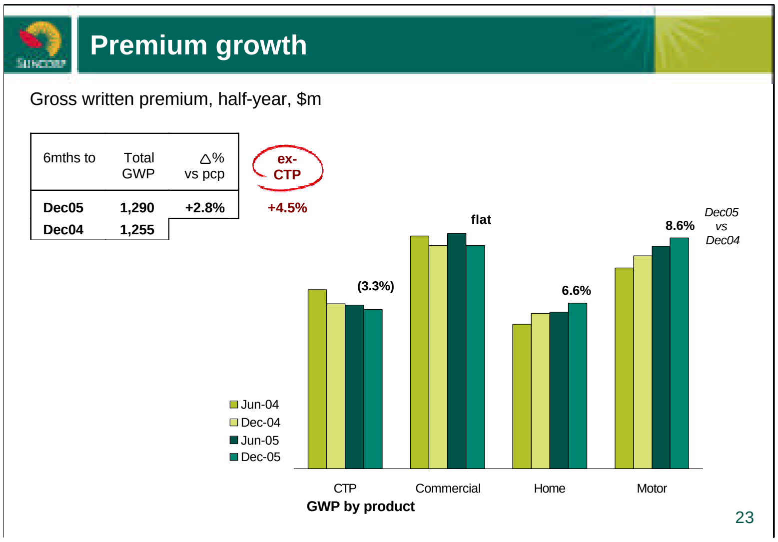
Turning now to General Insurance.

The strong performance and underlying growth momentum has continued.
with the business contributing profit before tax of $330 million for the half year to December.

The key points of the P&L are:
1) Solid premium growth, underpinned by increases in risks in force
2) Favourable claims expenses on long tail classes.
3) Offset by Increased acquisition expense driven by increased marketing and the accounting treatment of deferred acquisition costs,
4) Resulting in an ITR of $209 million, which is a margin of 17% on NEP.

As mentioned previously, the bottom line result is impacted by the IFRS reclassification
of pref.. shares from equity to debt, which results in the allocation of around $3 Mln per half in interest expense to the GI business.

SLIDE



Looking at premium. .

Total GWP increased by 2.8% to $1.3 billion for the half year which was supported by strong growth in risks in force. NEP growth was up 2.5% to $1.2 billion.

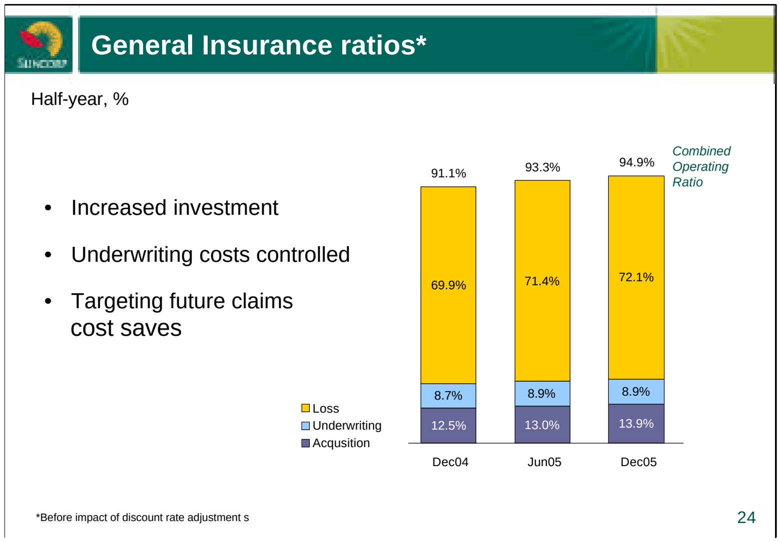
A couple of important points on this slide:

Firstly, you can see that **CTP premium** has reduced by 3.3% on the prior December. This is actually a commendable result, given our headline CTP premium rates have reduced by 6.0% in Queensland, and 6% in New South Wales over that period. Offsetting this, we have achieved good growth in Risks in Force, meaning we have been able to maintain relatively stable market share in Queensland, and improved it to 7.9% in NSW. But with CTP representing about 20% of our GWP this is clearly having a dampening impact on our aggregate revenue growth. If you exclude CTP from the equation, GWP increased by 4.5% in the period

In **commercial** lines, GWP remained relatively flat, at $367m for the half year. This market has been fairly soft, particularly in property classes, however in most cases we have stuck with our technical pricing levels. In workers comp, there has been some premium growth, with higher inforce wages on renewed business, combined with slight prices increases. You can also see the seasonality in the commercial business, due to the June renewal patterns.

The good news story here, is the continued positive momentum in our **Home**, and **Motor** portfolios - On the whole, prices rises have been modest, reflecting the competitive market conditions, particularly in our home state of Queensland. So growth has primarily been achieved through an uplift in risks in force. The SUN brand continues to perform strongly, with increased new business and improved retention. But this is now being supported by solid improvements in GIO, following the brand repositioning, as well as continued investment in marketing campaigns to support new product launches.

We are also investing strongly in acquisition and customer service initiatives, which will support continued growth in underlying revenue. So we expect this momentum to continue.



SLIDE

Looking now at our main insurance ratios.
and as usual, these figures are before the impact of discount rate adjustments.

Firstly, looking at expenses, our expense ratio for the half year increased to 22.8% due to a 10% growth in total operating expenses.

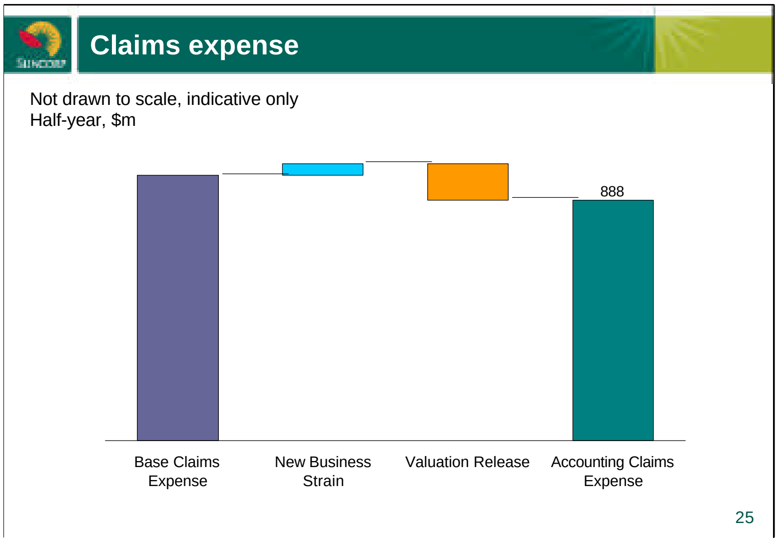
However, the majority of this uplift was in acquisition costs, with the acquisition expense ratio increasing to 13.9%.

This was largely due to the impact of lower deferral of acquisition costs relative to the prior period as our business mix continues to move towards direct channels, which have lower deferral assumption rates applied. Rates of actual business volume growth have also been exceeding premium volumes, largely due to rate reductions in CTP.

During the period the level of marketing spend increased, specifically around the GIO brand, but also more generally in line with increased business volumes and inflation.

Importantly, growth in costs is directly linked to business growth rather than overheads.

Our administration expenses were tightly managed, growing 4.8% on the prior December.



SLIDE

Turning to claims expense - again, before the impact discount rate movements.

Net incurred claims increased by 5.7% to $888 million for the half year.
This is above the rate of growth in NEP, leading to an increase in the loss ratio for the half year to 72.1%, from 69.9% in the prior December period.

There are always a lot of dynamics at work, but I want to draw out the key factors impacting claims expense:

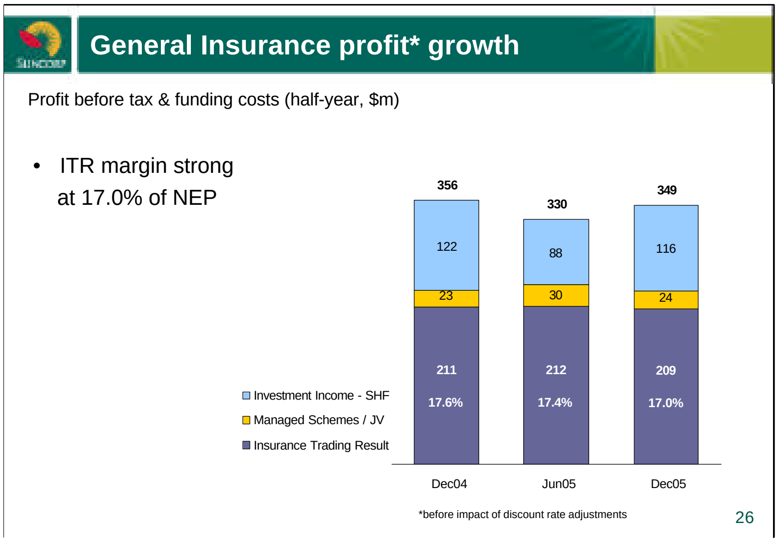
- Firstly, Storm activity for the period was higher than anticipated, albeit less than the prior December half. Total storm cost for the half year was $68 million, compared to $76million in the Dec04 period, and a very costly June 2005 half year of $116 million.

- Claims frequency in short tail personal lines continues as predicted, while commercial insurance working losses have moved to a more normal long term position, from the recent unusually favourable experience.
I should also note that these results don't include any benefits from the claims cost reduction program from which we are targetting significant benefits in future periods.

- the underlying claims incidence and settlement experience in Long tail insurance, particularly QLD CTP, continues to be favourable, with little evidence of superimposed inflation. This flowed through to valuations, and resulted in a prior year release of $135 million, which is reflected in the P&L.

Let me also note that we have maintained our level of sufficiency at June at the same level as December - which is between 93-94%. Therefore we continue to have a very robust reserve position and in fact total claim provisions have increased by $365 million or 7.6% over the last 12 months.

-As a consequence it should be noted that prior year releases are partially offset by the profit strain on current year business as we continue make prudent provisions against the current accident period, including a substantial risk margin, pending the development of that experience.



SLIDE

After taking account of investment income on technical provisions, which increased 40% over the prior period to $146 million (before discount rate impacts), this resulted in an insurance trading margin of $209 million or 17% on NEP.

- well above what we still believe to be the medium to long term target range of between 11-14%.

Investment income on shareholders funds, although at a high level in absolute terms, remained relatively flat compared to prior period.

The remaining component of GI profit is income on managed schemes and the contribution from our Joint Ventures, which collectively, remained relatively stable at $24 million.

PAUSE

So in summary,
a robust result driven by solid premium growth, given our mix of business.
Maintenance of a historically high trading margin
and strong investment returns on both technical reserves and shareholder funds.

Wealth Management profit

Half-year, $m

	Dec 04	Dec 05	△%
Statutory Underlying Profit:			
Life Company	18	22	22.2%
Funds Management	5	5	-
Underlying Profit Wealth Management	23	27	17.4%
Underlying profit before tax *(estimated unaudited AIFRS comparatives)*	**26**	**27**	**3.8%**

AIFRS impacts

27

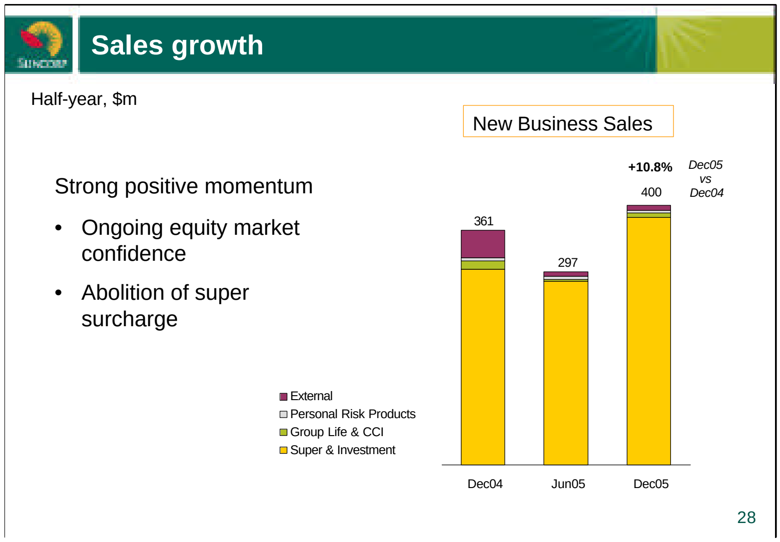
SLIDE

Turning now to Wealth Management,
If we look at underlying profit, which excludes one-off items and investment income on shareholder funds, and is a better measure of core performance, then profit for the period was $27 million

Again - this doesn't show a true like-on-like position in terms of prior year comparatives as the Life company is impacted by changes to MoS methodologies.

So to reflect this, we have estimated the full IFRS impact.

After restating prior years, the underlying profit of $27million is up 3.8% from $26m in December 2004. with higher planned profits offset by lower investment income compared to the prior December period.

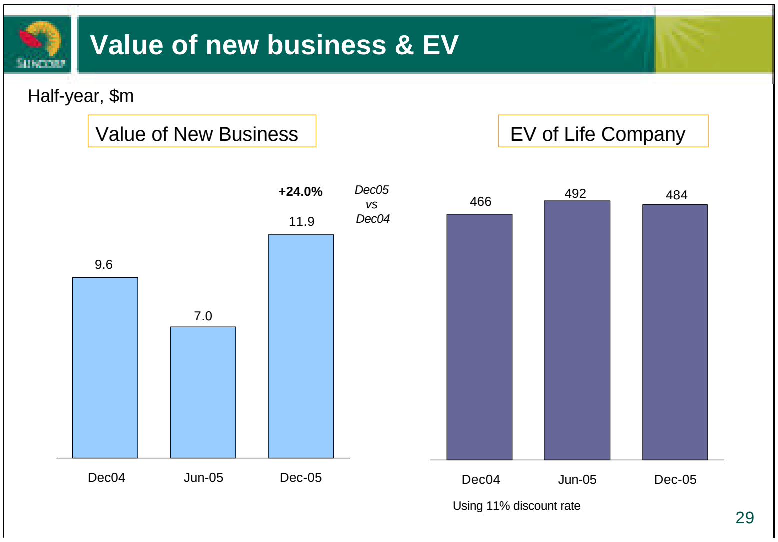


SLIDE

New Business sales in the Life Company were up strongly by 10.8%, to $400 Million for the half year, largely driven by strong Suncorp branded super and investment product sales which is the yellow bar on this chart.

Collectively, sales of these products grew 13% to 388mln during the period.

The momentum was supported by continued positive sentiment in the equity markets, as well a the abolition of the superannuation surcharge.

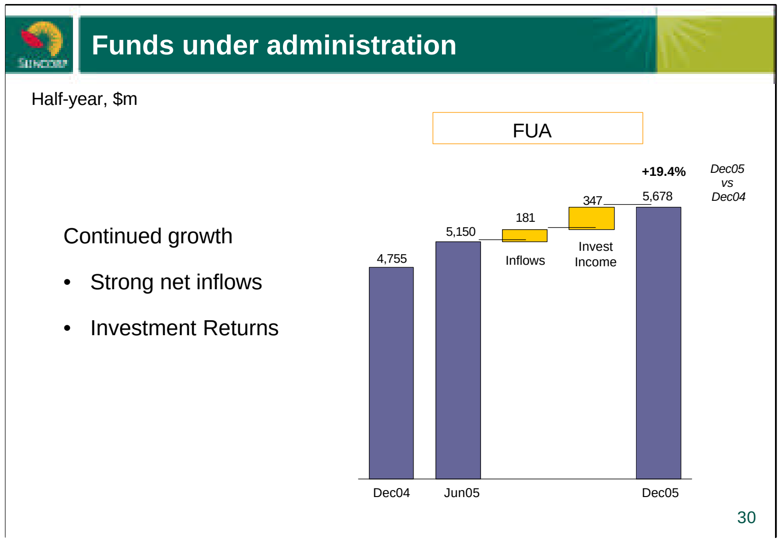


SLIDE

On the **left** you can see the continued improvement in the value of new business which was up 24% to $11.9 million, compared to $9.6 million in the prior December, and $7.0 million at June.

This was mainly due to increased volume of higher margin Suncorp product sales, and improved profitability of risk products. And is despite the negative impact of a reduction in fees for super and allocated pension products, which was made during the Jun05 half.

The chart on the **right** shows the Embedded value of the Life Company which at $484 million, is up on the prior December, but marginally down compared to June. This was mainly due to the payment of a dividend up to the Group as part of our overall capital management strategy



SLIDE

This slide shows the continued improvement in our Funds Under Administration, which were up 19.4% to $5.7 billion at December 05.

This benefited from the favourable investment environment, but also due to good net inflows, which improved 27% to $181 million for the half year.

Funds under Management, which includes the funds invested on behalf of our Insurance business, totalled $12.3 billion at December 2004.

~~~~~~~~~~~

So a good result for Wealth Management,
Displaying strong sales performance
particularly of higher value Suncorp products,
and continued growth in Funds Under Administration.
~~~~~~~~~~~

SLIDE

Turning to capital.

.

Capital position

Half-year

	31 Dec 04	30 Jun 05	31 Dec 05	Target
General Insurance MCR coverage	1.95x	1.88x	**1.69x**	1.6x
Bank Capital Adequacy Ratio	10.44%	11.51%	**10.79%**	10-10.5%
Bank ACE	5.59%	6.85%	**5.44%**	5-5.5%

32

SLIDE

And our capital position remains healthy at the end of the period.

In the bank, the capital adequacy ratio is at 10.79%, and ACE at 5.44%.

The General Insurance MCR is at 1.69 times coverage and we maintain strong capital reserves in the Life Company

Obviously the fall from June 05 is as a result of the payment of the special dividend of 75 cents to shareholders in October 2005.

All our key ratios are within their respective target ranges and above regulatory minimums.

However, our capital position has been affected by IFRS changes at 1 July 05 and the regulatory capital adequacy ratio will also be affected by changes being made by APRA, effective 1 July 2006, in response to IFRS.

AIFRS impacts

$m adjustments

30 June 2005 AGAAP Total Parent entity interest	**4,500**
AIFRS adjustments to comparatives	
Business combinations & Goodwill	63
Consolidation of SPV	(36)
EMNOVA	(18)
Intangible Assets	(24)
Other	17
Total impact	**2**
30 June 2005 AIFRS Total Parent entity interest	**4,502**

1 July 2005 Transition Adjustments	
Reclassification of preference shares	(250)
Liability adequacy test	(40)
Banking loan provisioning	36
Life Insurance Measurement	(45)
Loan establishment fees & exp deferral	(23)
Hedge Accounting	(19)
Tax	39
Total impact	**(302)**
Total Parent Entity Interest AIFRS	**4,200**

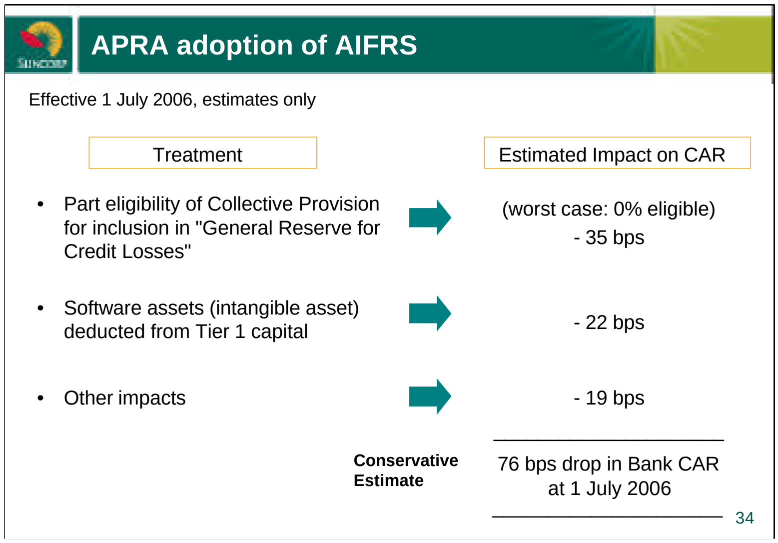
33

SLIDE

If we have a look at the impact IFRS has had on EQUITY in more detail, you can see the effect of restating the comparatives balance sheet at 30 June 2005 was in fact negligible with only a $2 million increase in equity.

The transition adjustments at 1 July 2005 were more profound, reducing equity by $302 million. However, $250 million of that adjustment relates to the reclassification of preference shares as a liability. This adjustment obviously has no impact on equity belonging to ordinary shareholders.

The other major adjustment at 1 July 2005 is the write-off of $40 million in deferred acquisition costs in the General Insurance business, as a result of applying the Liability Adequacy test. I must say I strongly disagree with the underlying concept of this requirement as the need to write off DAC arises purely because of our very conservative reserving policies rather than any question of writing unprofitable business.



SLIDE

Further to this, with the move by APRA to adopt IFRS based capital reporting for the Bank from 1 July 2006, there will also be some notable impacts on our regulatory capital position, due to the proposed treatment of some balance sheets items.

Firstly - APRA has proposed a change in treatment of the **Collective Provision**, which will result in only part of the collective provision being eligible for inclusion in APRA's "General Reserve for Credit Losses". In estimating a worst case scenario, and assuming that <u>none</u> of our collective provision will be eligible for inclusion, we estimate that this would result in a 35 bps drop to our Capital Adequacy Ratio.

Secondly, the Group's **Software Assets**, which under IFRS were reclassified as Intangible assets, will be required to be deducted from Tier 1 Capital from 1 July 2006.
We estimate that this will negatively impact our CAR by 22 basis points.

There will also be some **other impacts**, including the elimination of the asset revaluation reserve, changes in the valuation of capitalised expenditure, and deferred income, and changes in the valuation of hedged transactions.
Collectively, these are estimated to result in a 19 basis point drop in the CAR.

So putting that all together, the net impact of these regulatory changes on a conservative estimate, is anticipated to result in a 76 basis point drop to our Capital Adequacy ratio at 1 July 2006. Even so, the CAR will still remain within our target range.

However, we expect that APRA will allow part of the collective provision to be treated as capital, so the impact is likely to be less.

Finally, I would note that the rating agencies have yet to conclude how these items will impact the ACE ratio which will clearly have an influence on the timing and extent of our future capital management options..

~~~~~~~~~~~

So, before I hand back to John, let me summarise.
From my perspective this is yet another very strong operating performance from the three lines of business in an increasingly competitive environment.
We have achieved this because of the strong foundation and management capabilities that have been built, particularly over the past three years . This means we can compete effectively regardless of the external environment and I believe positions us well for the
~~~~~~~~~~~

SLIDE

Thankyou Chris.

And let me take the opportunity to publicly thank Chris and his team
for the expert way they have worked through the many changes
brought about by the adoption of AIFRS
and the implications of those changes on the way we report.

Let me now provide you with an update
on progress towards our goal of becoming
the most desirable financial services company in Australia.

SLIDE

Reaching our goal requires continued focus on our Six strategic levers, which have been presented to you before. These are the basis of our strong performance over the last 2 1/2 years, the basis of our current good performance and certainly provide the platform for the future.

While each of these is critical to delivering on our strategy, during 2006 we have emphasized three of them: High Performing Team, Customer Focus and Group Synergies.

Delivering on our strategy is dependent on the capabilities of our High Performing Team.

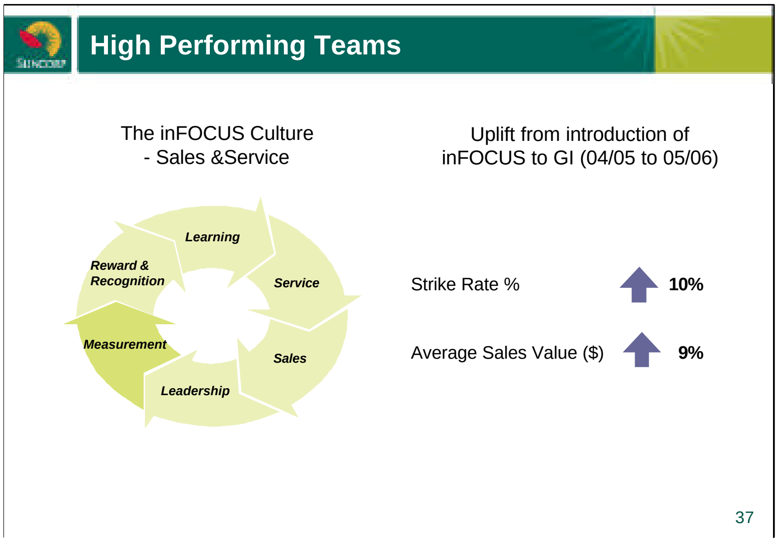
We continue to invest in training and development programs, and have improved our business readiness and induction programs.

In a tight labor market, our retention levels have continued to improve. But more importantly, Suncorp has a culture of collaboration where people work together to achieve our common goals, where the best practices from one part of the Company are applied in other areas, and we carefully prioritize our initiatives and investment to maximize returns.

Customer focus continues to be a critical success driver. This incorporates customer service and customer solutions. We continue to provide our customers with the products and services that meet their needs. While we enjoy a reputation for providing strong customer service, we continually raise the bar, to ensure we exceed our customers increased expectations. We continue to roll out new initiatives to improve customer service and to improve the way in which we communicate with our customers.

We also continue to make good progress on delivering on the Group Synergies available to us through our unique business model. We have completed a number of successful pilots which are now being incorporated into the daily practices of our business, and I will provide a brief overview of these shortly.

We are clearly seeing our model deliver us unique competitive advantages over our competitors and set us up well to compete and win in this challenging market.



SLIDE

I wanted to provide a little more detail and some examples of our progress in these three items.

The first is High Performing Teams.
A core part of our focus on High Performing Teams is our superior Sales and Service Culture. To assist this, we have developed and implemented a comprehensive cultural program in our Retail Bank which has and continues to deliver strong results.

Key components of the program include:

Learning: which covers things like induction, learning and development programs and weekly training & coaching sessions.

Service : which sets out clearly defined service standards for our customer service as well as internal divisions

Sales: Clearly defined activities, targets, referral processes and leads management disciplines

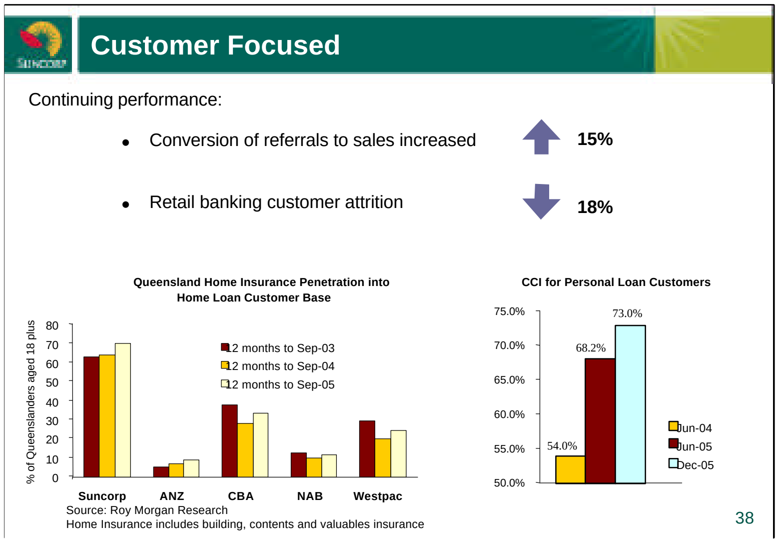
Leadership: Built on our Leadership framework this provides greater empowerment and accountability and non-negotiable work practices for customer service and team leadership

Measurement: We purposely measure all elements of the sales and service cycle including behaviours, activities, and outcomes with all results communicated by way of a league ladder available to staff on our internal Intranet

Reward and Recognition: As well as very structured performance <u>reward</u> systems, we also focus on regular <u>recognition</u> for highly performing individuals and teams

Given the ongoing success we have seen in Retail Banking where cross sell rates continue to increase we have leveraged this program into our General Insurance call centres.

The introduction of inFOCUS to General Insurance is delivering pleasing early results with increases in sales strike rates of 10% and increases in average sales value of 9%.



SLIDE

Our second lever being focussed on in 2006 is Customer Focus.

Customer Focus is about
- understanding our customers' needs and
- providing solutions that meet those needs.

We do this by
- designing solutions that are useful, useable and desirable to them, based on our insights around their needs, and
- aligning our sales and service culture in a way that results in them having a great experience with us.

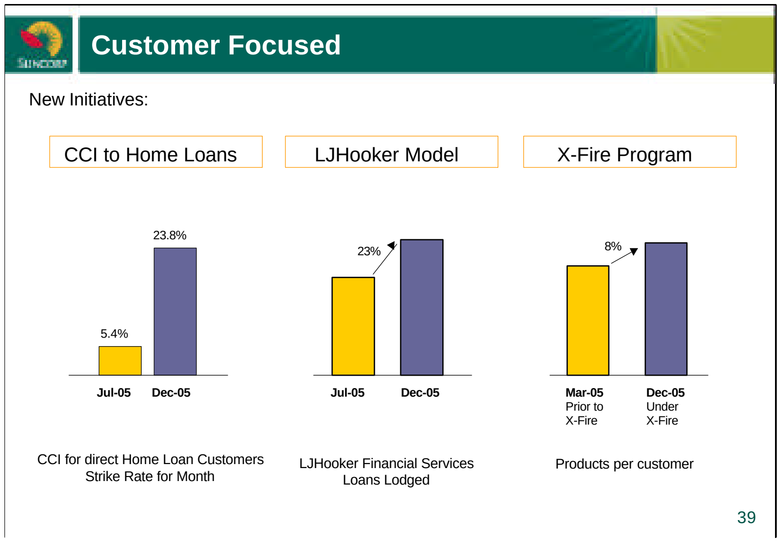
We have a number of initiatives that continue to be a key focus for us and you have seen these in previous presentations:

Our year to date conversion of referrals to sales has increased by 15% over the half year which reflects better staff skills, better lead quality and more relevant solutions for our customers.

- Customer attrition has improved over the last 18 months in Retail Banking by about 18%*

- Home Insurance to Home Loans and CCI to Personal loans continue to improve.

Our Home Insurance to Home Loans continues to be a clear market leader.



SLIDE

In addition to these customer focussed initiatives that you are familiar with we have introduced a number of new initiatives built on customer insight and design principles.

Following the success of CCI with Personal Loans, we have introduced a new solution of CCI for direct Home Loan customers.

This initiative is showing pleasing results with about a quarter of our new direct Home Loan customers now taking up this product and trending upward.

A unique group asset is our LJ Hooker business. We have worked hard with the Hooker team to revamp our model and value proposition. This is starting to show some positive results. LJ Hooker Loans lodged improved by 23% in the half to December 05*. We continue to see strong potential in the Real Estate Business and will continue to evolve our model for the Real Estate Industry.

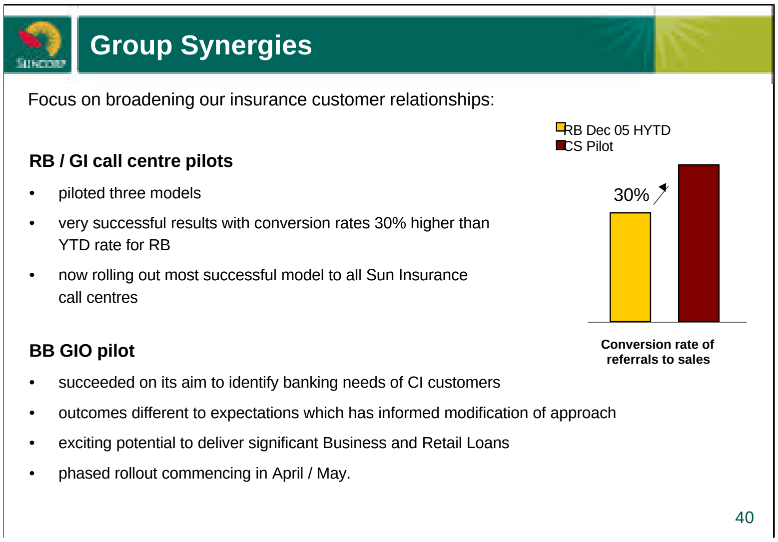
As you know, we source a significant portion of our Home Loan Business from Intermediaries. We are working with our introducers to deliver a broader range of solutions to our customers via a unique process known internally as Cross-Fire.

Essentially, this is a robust 'on-boarding process' to ensure customers have a good experience when joining Suncorp, ensure all their needs are met and in the long term improve our retention of these customers. These factors are beneficial to the customer, the Intermediary and for us.

In addition to the increased cross sell we have seen this translate already into lower error rates (over halved), strong broker satisfaction and better customer retention, with retention rates now as strong as our direct business.

Our goal is for these customers to hold more products per customer than the Direct customers of our competitors**

SLIDE



The third lever being focussed on in 2006 is Group Synergies.
Our Business model which is the basis of our competitive advantage provides a unique opportunity to deliver banking solutions to General Insurance customers. We have been designing and piloting a number of initiatives with some pleasing results.
The first is a pilot between our General Insurance and banking call centers.

To arrive at a model that we are now in the process of rolling out, we trialed three approaches. The pilots tested different referral protocols as well as technology tools providing referral and leads capability. The pilot results show higher conversion rates of referrals - about 30% higher than our normal referral conversion rates*.

Full rollout of the Customer Solutions model to the Suncorp Insurance call centre teams is underway . This will be followed by a roll out to the GIO call centre teams.

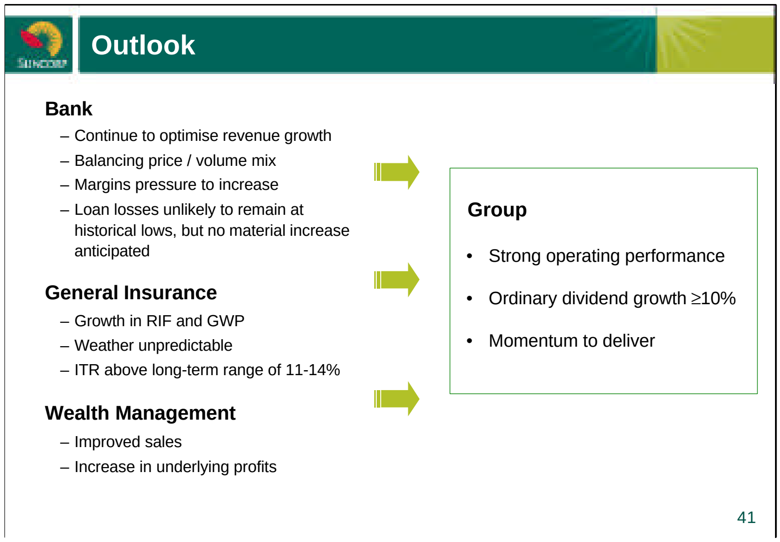
In addition to the process and tools, we are working on unique offers to drive customer take up even further.

We have also been running pilots involving our Commercial Insurance base and Business Banking. This pilot involved our GIO Insurance Representatives contacting their customers to determine interest in meeting with BB Manager to discuss business banking needs.
The pilot succeeded in its aim to identify banking needs of our Tier 1 GIO Commercial Insurance Customers. The pilot delivered valuable learnings that did differ from our initial hypothesis.

Some key learning's we took away included higher take up in particular industries, a longer lead time, margins more competitive but offset by a much larger average loan size. A phased rollout is now underway.

We believe the opportunity exists to deliver significant new Banking business.
We are excited about the potential opportunity to roll this model out across all our Commercial Insurance and Workers Compensation customers.

So that just gives you an indication of the application of our strategy and the focus we have.
We are confident that our unique business model and strategy will give us a competitive advantage and provide increasing value to all our stakeholders, particularly our shareholders.



SLIDE

From our perspective, general macro economic conditions remain sound. The national economy is still strong, while the Queensland economy continues to perform above the national average on many key measures. Unemployment remains low and interest rate rises do not appear to be on the immediate horizon.

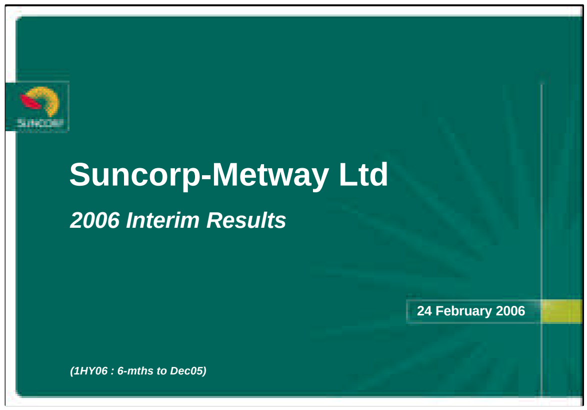
We expect intense competition to remain a feature across our businesses but, most particularly, in the banking sector.

In Banking, as you know, profit growth is typically lower in the second half of the year as there were fewer days than in the December half. We will continue to optimise revenue growth by balancing the price and volume mix. We do, however, expect to see some margin contraction whilst achieving increased volume growth. Although we believe we have passed the bottom of the credit cycle, we see nothing on the horizon that would stimulate a material increase in bad debts expense.

For General Insurance, we are confident that we will continue to grow risks in force and deliver GWP growth for the year despite softening prices in key products, particularly CTP and commercial lines. We also expect claims experience in long tail classes to remain favourable. In the absence of any major loss event, we anticipate the ITR for the year will be above our long term range of 11% - 14%.

In Wealth Management, our sales momentum is expected to continue and lead to an increase in underlying profits for the year.

Therefore at the Group level, we expect another strong result for the year, with an increase in underlying profit. We reconfirm our expectation of ordinary dividend growth of at least 10% for the year.



SLIDE

So, in conclusion. We have described this as a strong result in a half which featured a marked increase in competition.

In our view it's been a disciplined and measured response to that competition.

We have continued to optimise our income by growing the top line, protecting our margins and maintaining tight control over costs.

And we are now well placed to increasingly capture the synergies that are available to us through our conglomerate model.

Thank you ladies and gentlemen.

ORDER OF QUESTIONS
- SYD
- MLB
- BRS
- TELECONFERENCE