

IAG off-market share buy-back – VWAP Market Price

On 19 August 2016, Insurance Australia Group Limited (IAG) announced its intention to return around \$300 million to shareholders through an off-market ordinary share buy-back (Buy-Back).

Shareholders were invited to tender some or all of their shares at discounts of between 4% and 14% inclusive (at 1% intervals) to the VWAP Market Price¹, or as a Final Price Tender, by 7.00pm today (Sydney time).

The VWAP Market Price for the Buy-Back tender has been determined to be \$5.5127.

On this basis, for the range of Tender Discounts set out in the Buy-Back booklet, the equivalent Buy-Back Prices (rounded to the nearest cent) are as follows:

Tender Discount	Equivalent Buy-Back Price
14%	\$4.74
13%	\$4.80
12%	\$4.85
11%	\$4.91
10%	\$4.96
9%	\$5.02
8%	\$5.07
7%	\$5.13
6%	\$5.18
5%	\$5.24
4%	\$5.29

The results of the Buy-Back, including the actual Buy-Back Discount, Buy-Back Price and any scale back, are expected to be announced on Monday, 10 October 2016.

For enquiries, please refer to IAG's website at www.iag.com.au/shareholder-centre/public-offers-and-proposals or contact the IAG Buy-Back Information Line on 1300 640 412 from within Australia or on +61 3 9415 4067 from outside Australia.

¹ VWAP Market Price means the VWAP (as defined in the Buy-Back booklet) of IAG ordinary shares on ASX over the five trading days up to and including the Closing Date, calculated to four decimal places, as determined by IAG after 4.30pm (Sydney time) on 7 October 2016.

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About IAG

IAG is the parent company of a general insurance group with controlled operations in Australia, New Zealand, Thailand, Vietnam and Indonesia, employing more than 15,000 people. Its businesses underwrite over \$11 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); NZI, State, AMI and Lumley Insurance (New Zealand); Safety and NZI (Thailand); AAA Assurance (Vietnam); and Asuransi Parolamas (Indonesia). IAG also has interests in general insurance joint ventures in Malaysia and India. For further information please visit www.iag.com.au.

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