



109725 000 IAG D16DC



MR PETER LAWRENCE BROWNE &
MS SUSANNE MARY MOSS
<BROWNE & MOSS SUPERANN A/C>
3A HORACE STREET
MALVERN VIC 3144

Insurance Australia Group Limited

ABN 60 090 739 923 ASX Code: IAG

UPDATE YOUR INFORMATION:



Online:

www.investorcentre.com/iag
iag@computershare.com.au
www.iag.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 4709 Melbourne
Victoria 3001 Australia

ENQUIRIES:



(within Australia) 1300 360 688
(international) +61 3 9415 4210

Holder number:	HIN WITHHELD
Record date:	20 August 2019
Payment date:	30 September 2019
TFN/ABN:	Quoted
Share Price 20/08/19:	\$7.76
Share Value 20/08/19:	\$26,508.16

DIVIDEND STATEMENT

The details below relate to the final dividend of 20 cents per share for Insurance Australia Group Limited (IAG), for the period 1 January 2019 to 30 June 2019. This dividend is 70% franked at the Company tax rate of 30% and has been forwarded to the account detailed below.

Share Class	Shares Held 20/08/2019	Total Dividend per share	Unfranked Amount \$	Franked Amount \$	Gross Payment \$	Withholding Tax \$	Net Payment \$	Franking Credit \$
ORD	3,416	20 cents	204.96	478.24	683.20	0.00	683.20	204.96

KEY FIGURES FOR THE FULL YEAR ENDED 30 JUNE 2019

\$12,005m GROSS WRITTEN PREMIUM (\$M)

FY19	12,005
FY18	11,647

16.9% REPORTED INSURANCE MARGIN (%)

FY19	16.9
FY18	18.3

\$1,076m NET PROFIT AFTER TAX (\$M)

FY19	1,076
FY18	923

For information about what contributed to these results, see the 2019 overview on the reverse of this page.

Detailed information about our results is available in the Reports and Results area of our website (www.iag.com.au).

PAYMENT INSTRUCTIONS

COMMONWEALTH BANK OF AUSTRALIA

BSB: 063-000

ACC: *****49

You will be subject to income tax on any dividends paid on your IAG shares. IAG is required to provide the ATO with the details of any dividends paid to you. Imputation credits attaching to these dividends should be available to reduce your income tax payable with any excess being refundable to you provided certain requirements are met. These comments are of a general nature and it is important that you seek your own independent taxation advice specific to your circumstances.

You should keep this statement to assist you in preparing your income tax return.

2019 overview

Financial strength



\$12,005m

Gross written premium

up 3.1% from 2018



\$1,224m

Insurance profit

down 13% from 2018



16.9%

Reported insurance margin

down 140 basis points from 2018



16.6%

Underlying insurance margin

up 250 basis points from 2018



14.4%

Cash return on equity

down 120 basis points from 2018



\$931m

Cash earnings

down 10% from 2018



\$5.0bn

Total regulatory capital

consistent with 2018

For detailed information about our 2019 results, visit the Results & Reports area of our website at www.iag.com.au and access financial statements, the investor report and management's results presentation.

Community



5,244 hrs

Volunteered by employees



\$10.4m

Community investment

Customers

This year, our Australia and New Zealand businesses insured:



~\$2.15^{tn}

in assets



6.53m

Cars

1 in ~4 cars



2.8m

Homes

1 in 4 homes

Heartbeat/Interactive Net Promoter Score¹:

+43

Australia

+46

New Zealand



\$8,670m

Claims paid

down from \$9,006m in 2018

¹ Our Interactive Net Promoter Score (Heartbeat) measures frontline advocacy via surveys of personal and business insurance customers who have had a recent interaction with IAG, either by telephone, visiting a branch or agency, or through having lodged or settled a claim. Customer feedback and Heartbeat scores are reported in the Heartbeat portal in real time. In Australia, Heartbeat figures as at June 2019 are calculated on a 12-month rolling average.

Shareholders



12.0 cents

per share interim dividend

100% franked



20.0 cents

per share final dividend

70% franked¹

The full year dividend of 32.0 cents per share equates to a payout ratio of 79.4% of cash earnings, in line with IAG's stated dividend policy to distribute 60-80% of cash earnings in any full financial year.

¹ In August 2018 IAG advised that, from July 2019, it would not be in a position to guarantee fully franked dividend payments. This reflects:

- the move to a higher payout policy in recent years;
- a sequence of capital management activities being conducted, often using IAG's franking capacity; and
- a significant portion of the company's earnings being derived from New Zealand, where no franking credit generation attaches.