

MEDIA RELEASE  
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### **Suncorp New Zealand announces 2017 half year results**

Suncorp Group Limited today reported net profit after tax (NPAT) of A\$537 million for the six months to 31 December 2016.

Suncorp New Zealand's general insurance and life insurance businesses delivered an after tax contribution of NZ\$37 million (HY16: NZ\$87 million), due to the Kaikoura earthquake and additional claims from the 2010/11 Canterbury earthquakes.

### **General insurance business delivers strong underlying result**

Suncorp New Zealand's general insurance business, which includes Vero Insurance and AA Insurance (a joint venture), delivered an after tax profit of NZ\$19 million (HY16: NZ\$68 million).

Gross Written Premium (GWP) outperformed the New Zealand general insurance market, up 4.8% to NZ\$714 million. Motor was up 7% and Home 9%.

Suncorp New Zealand CEO, Paul Smeaton, said despite the earthquake events, the general insurance business was in a strong position, and was delivering on its strategic priorities.

"Over the past six months we added another corporate partner, with Vero entering into a long-term distribution and underwriting partnership with Turners Limited," said Mr Smeaton.

"In addition to this, Vero and Capital S.M.A.R.T opened two state-of-the-art repair facilities, which will lower average motor claims costs, and speed up customer repairs."

### **Solid growth for life insurance businesses**

Suncorp New Zealand's life brands, Asteron Life and AA Life (a joint venture) recorded an after tax profit of NZ\$18 million (HY16: NZ\$19 million).

In-force premium increased 8.1%, driven by increases in new business, market-leading customer retention rates, and hybrid commission structures. Underlying profits increased by 41%, reflecting a positive claims and lapse experience of NZ\$5 million.

Mr Smeaton confirmed that the New Zealand life business was out of scope from the optimisation programme and strategic alternatives being explored for Suncorp's Australian life insurance business, which was announced at Suncorp's half year results today.

"The New Zealand life business is strategically important to the implementation of our strategy, and it continues to deliver strong financial returns, as seen in today's results announcement.

Mr Smeaton said the New Zealand life business operates as a standalone entity, with its own licence to operate, governance, manufacturing capability, people, and strong adviser network. He said he was excited about the next six months, as Suncorp New Zealand continued to deliver on its vision to be the number one choice for New Zealanders.

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[ASX announcement here](#)

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