

8 October 2012

SUNCORP BANK REDUCES VARIABLE INTEREST RATES BY 0.19% p.a.

Suncorp Bank today announced it will reduce its variable home loan interest rate by 0.19%p.a., effective 26 October 2012.

Suncorp Bank's standard variable rate on home loans will drop to 6.69% p.a. (6.84% p.a. Comparison Rate^[i]) for new and existing customers.

The rate cut of 0.19% p.a. also applies to Suncorp Bank's Small Business variable rates.

In addition, Suncorp Bank has further slashed its three and five-year fixed rates, offering a market leading three-year fixed rate of 5.37%*, effective 9 October 2012. Unlike other banks, this discounted rate is available both as a standalone rate and part of a package.

Suncorp Bank Chief Executive Officer David Foster said the Reserve Bank of Australia's decision to cut the official cash rate this month was reflective of weaker growth in the global economy, and was likely to provide a boost in consumer and business confidence alike in the lead up to the Christmas trading period.

"Despite Australian economic fundamentals remaining relatively sound, ongoing concerns about the global economy continue to impact confidence levels in Australia. While interest rate cuts alone won't solve these issues, they are likely to spark renewed activity in consumer spending and the property market, both of which have remained subdued for some time," Mr Foster said.

"Interest rates are among the lowest they've been in more than three years making it a good time not only for current borrowers to consider their loan options and the ultra competitive rates around at the moment, but also for those looking to enter the property market."

For information on Suncorp Bank visit www.suncorp.com.au

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About Suncorp:

Suncorp Group includes leading general insurance, banking, life insurance, superannuation and investment brands in Australia and New Zealand. The Group has around 16,000 employees and relationships with nine million customers. It is a Top 25 ASX listed company with over \$95 billion in assets. Today Suncorp is Australia's leading regional bank, largest domestic general insurance group, and second largest in New Zealand and has representation in 450 offices, branches and agencies throughout Australia and New Zealand.

[i] Based on \$150,000 over 25 years. WARNING: This comparison rate is true only for examples given and may not include fees and charges. Different terms, fees or other loan amounts might result in a different comparison rate.

*6.60% p.a. Comparison Rate^[i] . Loans with an LVR less than 80%.

