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### SUNCORP BANK PRICES UPSIZED A\$600M COVERED BOND

Suncorp Bank today confirmed it had priced its covered bond transaction, which was upsized following launch this morning. In response to significant investor demand Suncorp Bank has issued a five -year fixed rate tranche, lifting the transaction from A\$500million to A\$600million priced at mid swap + 90bps.

ANZ, Deutsche Bank AG, Citi and Macquarie Bank were Joint Lead Managers for the transaction.

Suncorp Bank Treasurer Tim Hughes said the robust investor demand for the covered bond was testament to the strength of Suncorp Bank's liquidity and funding position.

"The majority of the bonds were taken up by real money investors with the transaction attracting firm bids from 34 investors totalling more than A\$1billion," Mr Hughes said.

"This is our second covered bond transaction following our inaugural split tranche A\$1.6B issue in May this year and forms an important part of Suncorp Bank's funding program," he said.

"Given the recent contraction in spreads in the market we felt it appropriate to take advantage of these favourable conditions and bring forward a portion of our 2013 funding requirements.

"We're pleased with the strong domestic uptake of this issue; one that combined with our other funding deals significantly lengthens our balance sheet and supports profitable growth for Suncorp Bank."

"Opportunities to raise funds through instruments such as covered bonds allow us to reduce our exposure to volatile international wholesale funding markets and put us in good stead to weather the ongoing challenges facing banks.

"As Australia's leading regional bank and part of the Suncorp Group, we're in a unique position with our A+ credit rating providing us access to a diverse range of funding instruments at competitive prices, which enhances our funding mix and ultimately the security of our entire portfolio."

#### ENDS

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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 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.



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