

10 May 2013

**SUNCORP BANK PRICES AUSTRALIAN RMBS ISSUE
TRANSACTION UPSIZED TO A\$1.15 BILLION**

Suncorp Bank today confirmed it had finalised pricing of its APOLLO Series 2013-1 RMBS issue which was over-subscribed following launch on 6 May 2013.

In response to significant investor demand, Suncorp upsized the transaction from A\$750m to A\$1.15b.

Class	Rating	Size	WAL	Pricing over 1mth BBSW
A	AAA/AAA	A\$1069.5 million	3.4 yrs	95
AB	AAA/nr	\$63.25 million	5.9 yrs	170
B1	AA-/nr	\$11.50 million	5.9 yrs	280
B2	AA-/nr	\$5.75 million	5.9 yrs	325

Following investor meetings in London, Sydney, Melbourne and Brisbane a total of 30 investors (22 institutional investors and 8 banks) participated in the transaction from a wide range of investor classes, all of whom were keen to support a very strong result. Investors from the UK, Hong Kong, Japan, New Zealand and Australia all participated in the most geographically diverse APOLLO transaction since 2007.

Suncorp Bank CEO David Foster said this transaction was consistent with Suncorp’s stated strategy of taking advantage of funding opportunities as they arose and supported solid lending growth.

“This further supports the Bank’s strong funding and liquidity position, lengthens the balance sheet and underpins profitable growth for our Bank,” he said.

“The broad investor support in multiple tranches was very pleasing, particularly with the addition of offshore investors participating in the APOLLO RMBS programme in greater volume and frequency than we’ve seen for some time.

“It is a testament to the quality of Suncorp mortgages, as collateral and the strength of the APOLLO programme is highly valued by investors.

“It also reflects the maturity of Australian residential mortgage securities, demonstrates the resilience of that market in times of heightened uncertainty and reaffirms its importance to the efficient functioning of the broader banking industry.”

Deutsche Bank AG, Sydney Branch arranged the transaction and was Joint Lead Manager together with Australia and New Zealand Banking Group Limited, Macquarie Bank Limited and National Australia Bank Limited.

The notes are backed by a pool of prime residential first ranking mortgage loans denominated in Australian dollars and originated by Suncorp. The notes are floating rate, principal pass-through, secured, limited recourse, rated securities. The notes may be called on any payment date after the outstanding amount of the mortgages amortises down to 10% of the original value.

ENDS

Media Enquiries: Terri Fellowes +61 7 3835 5580

Analyst/Investor Enquiries: Mark Ley +61 7 3835 5639

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 20 ASX listed company with over \$93 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.