
IAG update on Northern Sydney hailstorm

IAG has received more than 13,000 claims to date, predominantly motor, from the Northern Sydney hailstorm on 18 February 2017.

The Group, which released its 1H17 financial results today, operates through NRMA Insurance, CGU Insurance, Coles Insurance and WFI Insurance brands in the affected areas.

IAG Executive General Manager Short Tail Claims, Cheryl Chantry said: "Our immediate focus is to help customers affected by the storms as soon as possible, and additional employees have been allocated to the claims and repair management teams."

IAG has mobilised drones to capture aerial imagery of roof damage in the Sydney area to help fast-track the claims assessment process. Almost half of NRMA customers who have lodged claims chose to do so online through the NRMA website which means a faster and simpler claims lodgement process. NRMA customers account for the majority of IAG customer claims for this event.

IAG is also setting up specialist hail repair units across Wollongong, Castle Hill and Chatswood to help assess and repair hail damaged vehicles. These units will be in place from the end of the week.

Customers are encouraged to make contact as soon as possible if they need to lodge a claim, access emergency accommodation or request technical property assistance with a verified building specialist.

While it is too early to determine the net cost of the Northern Sydney hailstorm, IAG has assumed the net cost from this event together with further perils in FY17 will be within its current perils allowance and available reinsurance cover.

IAG's natural perils allowance for FY17 is \$680 million and the company today reported net natural peril claim costs of \$420 million for 1H17.

IAG's reinsurance cover, post quota share, comprises:

- A calendar 2017 main catastrophe program which limits a first event exposure to \$200 million;
- A calendar 2017 aggregate cover which provides \$380 million of protection excess of \$260 million, with qualifying events capped at \$180 million excess of \$20 million per event; and
- An FY17 specific cover which provides \$96 million of protection directly above the \$680 million perils allowance.

About IAG

IAG is the parent company of a general insurance group (the Group) with controlled operations in Australia, New Zealand, Thailand, Vietnam and Indonesia. The Group's businesses underwrite over \$11 billion of premium per annum, selling insurance under many leading brands, including: NRMA Insurance, CGU, SGIO, SGIC, Swann Insurance and WFI (Australia); NZI, State, AMI and Lumley Insurance (New Zealand); Safety and NZI (Thailand); AAA Assurance (Vietnam); and Asuransi Parolamas (Indonesia). IAG also has interests in general insurance joint ventures in Malaysia and India. For further information, please visit www.iag.com.au.

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