

IAG BOARD APPOINTMENTS

Insurance Australia Group Limited (IAG) today announced changes to its Board with the retirement of two non-executive directors and the appointment of two non-executive directors.

Mr John Astbury and Mr Geoffrey Cousins, who joined the Board shortly before IAG became a listed public company in August 2000, will retire from the Board on 31 August 2007.

Two new non-executive directors, Mr Hugh Fletcher and Ms Anna Hynes, have been appointed to the Board effective 1 September 2007.

IAG Chairman, Mr James Strong, paid tribute to the retiring directors and welcomed the new Board members.

"I would like to thank our retiring directors, Mr Astbury and Mr Cousins, who have made tremendous contributions to the Group during their tenure over the past seven years. Each of them has played a significant role in guiding the Group from listing through a period of rapid growth," Mr Strong said.

"I am delighted to welcome Mr Hugh Fletcher and Ms Anna Hynes to our Board. Both directors bring significant experience, particularly in the insurance sector, and knowledge gained through senior positions held in international businesses.

"Mr Fletcher has extensive knowledge of our company, having been a director on our IAG New Zealand board since 2003 and previously an independent director of New Zealand Insurance Limited (NZI) since December 1998.

"Ms Hynes also has extensive knowledge of the insurance sector having been a director on the Promina Group Board. She brings more than 20 years experience in marketing, brand and general management having held senior positions in a number of multi-national organisations," Mr Strong said.

See overleaf for IAG Board composition and biographies of the two new Non-executive Directors.

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IAG Board Members (effective 1 September 2007)

- Mr James Strong, Chairman and Non-executive Director
- Mr Michael Hawker, Managing Director and Chief Executive Officer
- Ms Yasmin Allen, Non-executive Director
- Mr Phillip Colebatch, Non-executive Director
- Mr Hugh Fletcher, Non-executive Director
- Mr Neil Hamilton, Non-executive Director
- Ms Anna Hynes, Non-executive Director
- Mr Rowan Ross, Non-executive Director
- Mr Brian Schwartz, Non-executive Director

Director biographies

Anna Hynes

Anna was until recently a Non-Executive Director of Promina Group Limited and Country Road Limited. She also has over 20 years experience in general management and marketing roles in financial services and consumer products companies. Anna spent most of her executive career at American Express where she held a number of senior positions, most recently Country Head New Zealand. She has also worked in the UK, Asia, and USA as well as Australia and New Zealand. Anna has an MBA from Harvard Business School and B.Sc (Hons) from the University of NSW.

Mr Hugh Fletcher

Mr Hugh Fletcher is a non-executive Director of The Reserve Bank of New Zealand, Fletcher Building Limited, Rubicon Limited, Vector Limited and IAG New Zealand Limited, Chancellor of The University of Auckland, and Chairman of the venture capital fund No 8 Venture's Advisory Board. He was formerly Chairman of New Zealand Insurance Limited and CGNU Australia.

Mr Hugh Fletcher was appointed to the IAG NZ board on 1 July 2003. Previously Mr Fletcher had been an independent director of New Zealand Insurance Limited since December 1998.

Mr Fletcher has a joint BSc/BCom, and a MCom with first class Honours in Economics. He also obtained an MBA from Stanford University, California.

Mr Fletcher was a former Chief Executive Officer of Fletcher Challenge Limited, a New Zealand head-quartered corporation with assets in the global building, energy, forestry and paper industries. Mr Fletcher retired from an executive position in December 1997 after 28 years as an executive, 11 of which he served as chief executive.

About Insurance Australia Group Limited

Insurance Australia Group Limited (IAG) is an international general insurance group, with operations in Australia, New Zealand, the United Kingdom and Asia. Its current businesses underwrite more than \$7.5 billion of premium per annum. It employs more than 16,000 people of which around 11,000 are in Australia. It sells insurance under many leading brands including NRMA Insurance, CGU, SGIO and SGIC (Australia); NZI and State (NZ); Equity Red Star and Hastings Direct (UK); and NZI and Safety (Thailand). For further information please visit www.iag.com.au

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