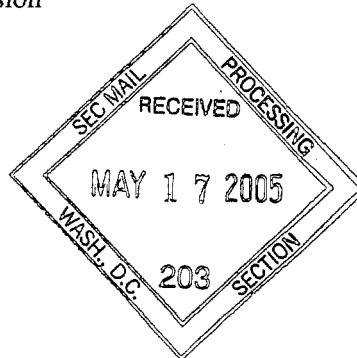




Insurance Australia Group Limited  
ABN 80 090 739 923  
388 George Street  
Sydney NSW 2000  
Telephone 02 9292 9222  
iag.com.au

10 May 2005

United States Securities and Exchange Commission  
450 Fifth Street, NW  
Washington DC 20549



Dear Sirs,

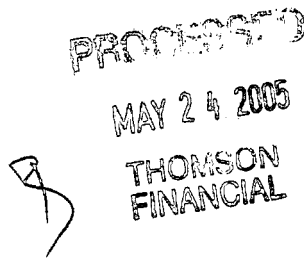
**Rule 12g3 – 2 (b) Exemption Documents: Insurance Australia Group Limited, file no 82-34821**

**SUPPL**

Please find attached documents submitted in accordance with Rule 12g3 – 2(b) for Insurance Australia Group Limited, File no. 82 – 34821.

Yours truly

Glenn Revell  
Company Secretary

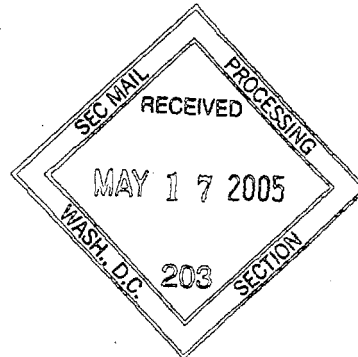


*Handwritten initials and date: JWC 5/23*



6 May 2005

Manager, Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000



Dear Sir/Madam

**INSURANCE AUSTRALIA GROUP LIMITED ('IAG')**

**PRESENTATION BY HEAD OF REINSURANCE TO INVESTORS**

Mr Jan van der Schalk, Head of Reinsurance at IAG will be making a presentation to a group of investors at a conference today. The materials he will be using are attached for information.

Yours sincerely

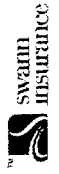
Anne O'Driscoll  
**Group Company Secretary &  
Head of Investor Relations**

Attached: 11 pages



# Reinsurance @ IAG

Jan van der Schalk, Head of Reinsurance  
Insurance Australia Group Limited  
6 May 2005



Insurance Australia Group Limited  
ABN 60 090 739 923

# Reinsurance @ IAG



- Reinsurance as capital
- IAG Re – why & how
- Modelling catastrophies
- Counterparty credit valuation



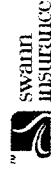
# Reinsurance within IAG



- Provision of capital
  - Purchase protection against extreme, severe events (> 1:100 probability)
  - Core risk management tool
- Earnings volatility mitigation
  - Smooth unexpected deviations from budgeted loss ratios (max retained loss from single event = 2% of net earned premiums)
  - Enables businesses to have greater certainty of results
- Achieve greater capital efficiency
  - Reinsurance can be used to minimise/optimize the capital we put at risk through ‘borrowing’ our counterparties’ capital at a discount to our capital cost



SGIO



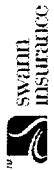
# IAG Re governance



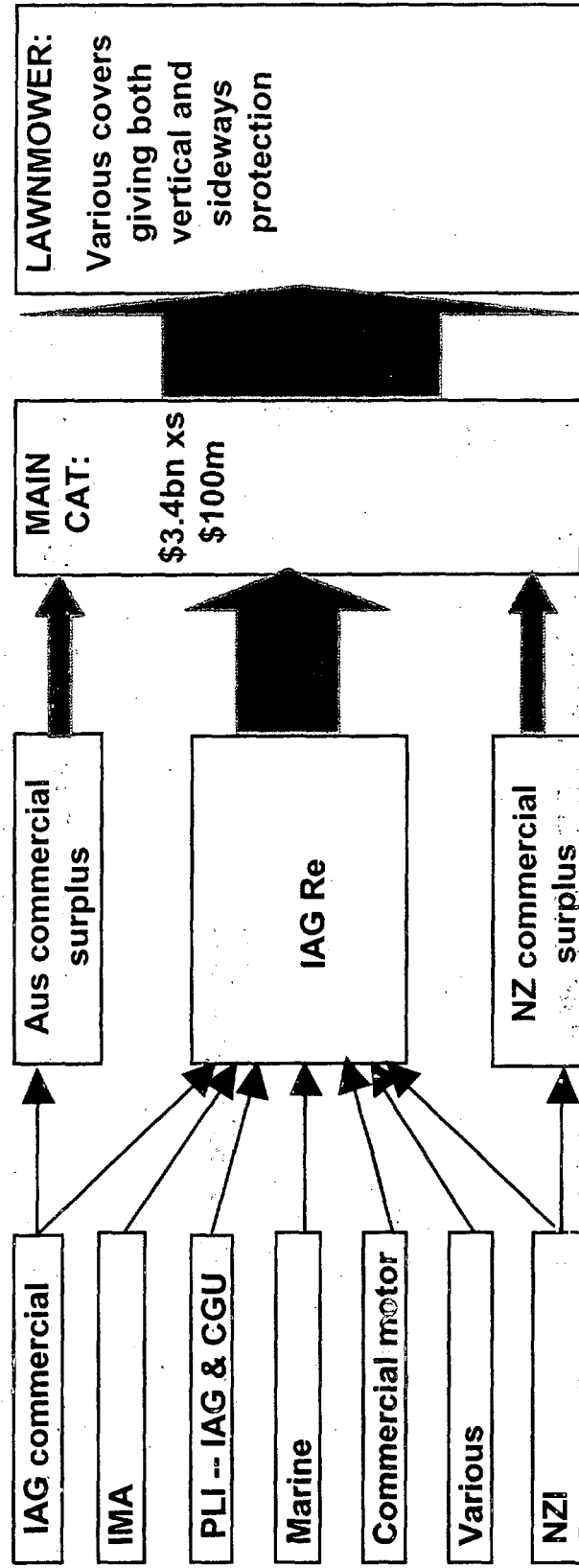
- Domiciled in Ireland, separate Board with 3 external Directors
- APRA regulated
- Direct report to Deputy-CEO
- Strategy and execution approved by IAG's ALCo (executives) and RMCC (IAG non-executive directors)



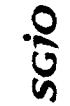
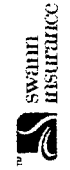
SGIO



# IAG Re: how it works

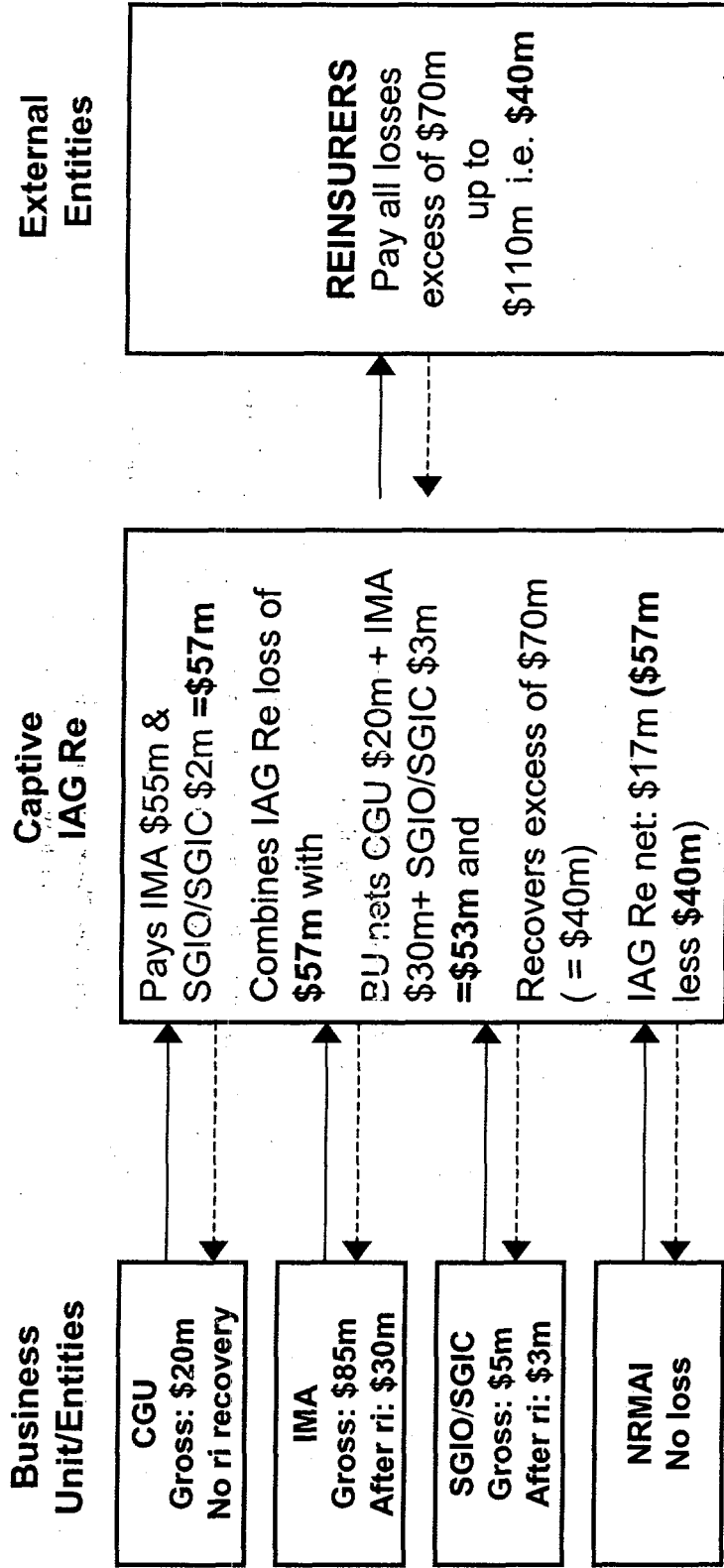


- Individual entities retain risk based on their capital and risk appetite – the chart reflects the group perspective



# IAG Re & Canberra bushfires

How does it operate? With Canberra IAG loss @ \$110m



Note: illustrative only – these limits no longer apply

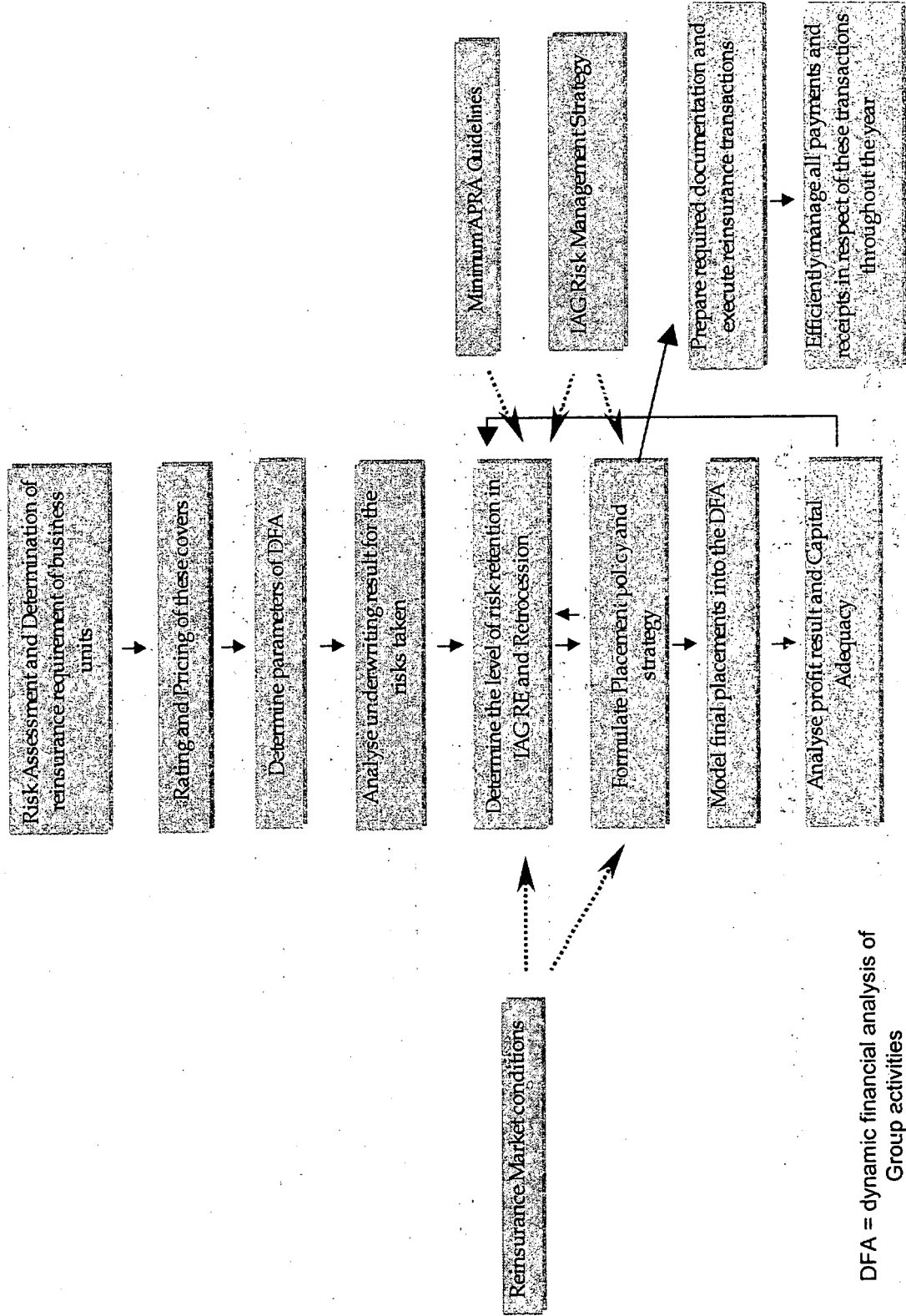
→ Premiums

← Claims

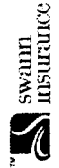




# Reinsurance process



DFA = dynamic financial analysis of Group activities



Insurance Australia Group Limited  
ABN 60 090 739 923



# Catastrophe modelling

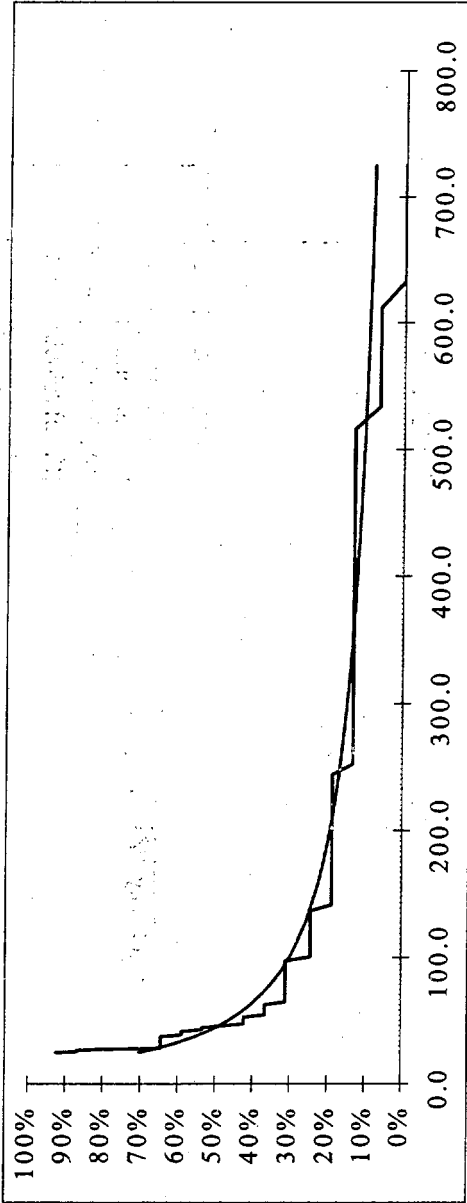
IAG/CG - Australia and NZ combined



Layer	Limit	Excess	500	Fitted	Expected Loss Costs												
					B. Cost	1.92%	Cyclone	0.46%	AUS eq	1.93%	Other NZ	0.21%	NZ eq	0.88%	Sum	5.16%	Reinst Adj
4	500	500			1.68%												

AUSTRALIA													
Layer	4	IAG Re			RMS			AIR			Hail/AUS		
		Other	Cyclone	EQ	Wind	EQ	EQ	Wind	EQ	EQ	Wind	EQ	EQ
		1.74%	0.60%	1.44%	2.00%	2.49%	0.14%	2.22%	0.53%	1.56%	1.01%	0.27%	7.97%

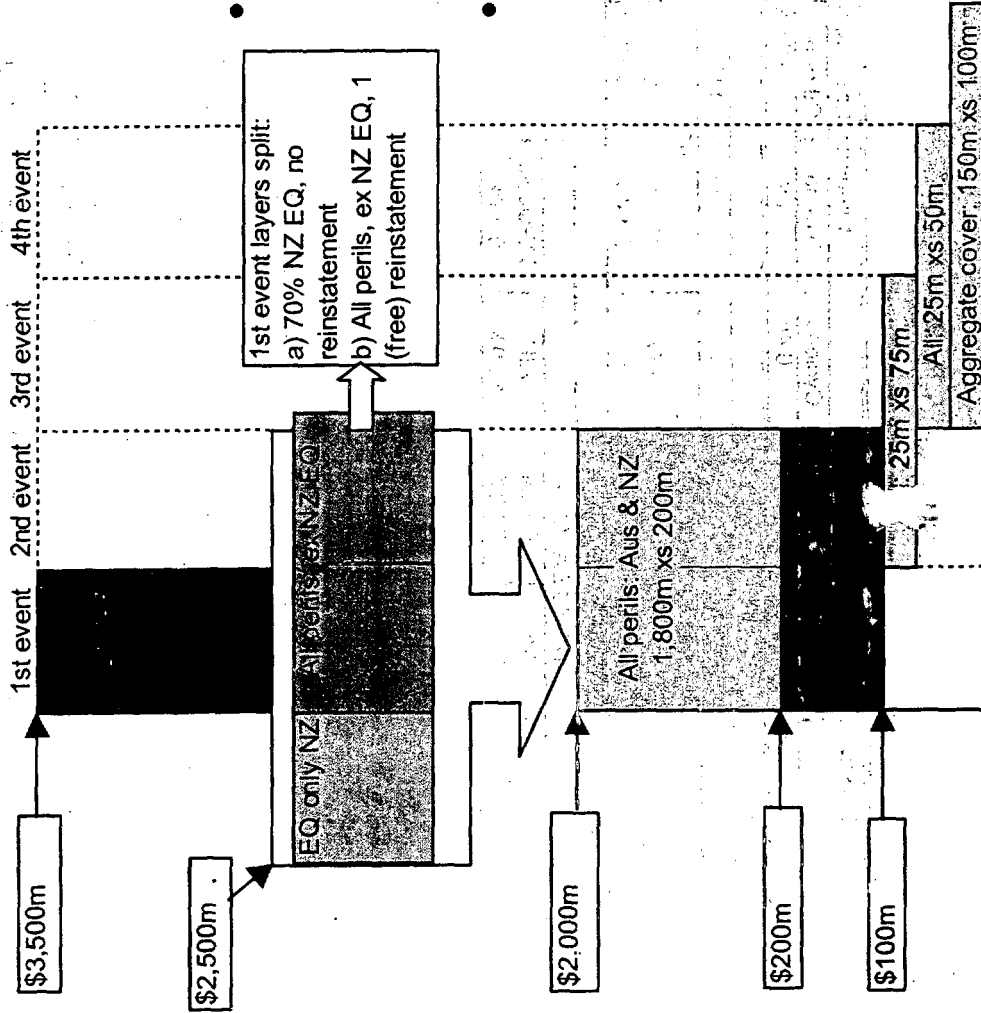
NEW ZEALAND					
Layer	4	IAG Re		AIR	
		0.83%	1.32%	GAPQuake	0.38%



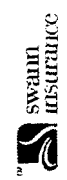
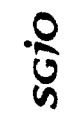
- Reliance on one model considered inappropriate
- Multiple models reviewed and blended model adopted



# Catastrophe: Programme diagram



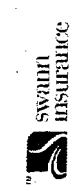
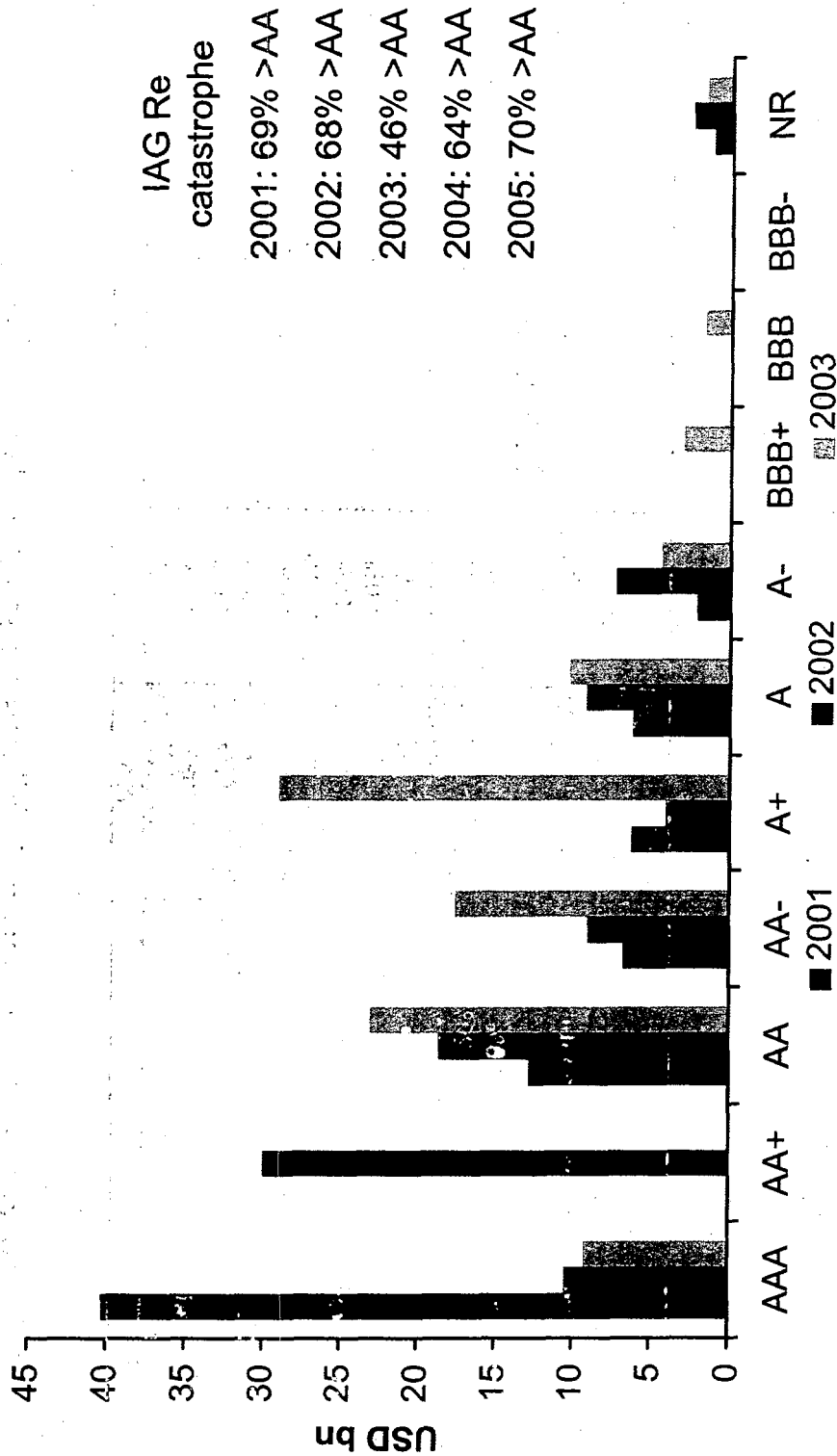
- APRA requires catastrophe cover to be purchased to cover single event risk to 1:250 year level
- IAG modelled limits exceed this by looking at it as 1:250 event on a whole of portfolio basis



# Counterparty credit – S&P rating trend 2001 – 2003



Gross premiums: Top 20 reinsurers worldwide

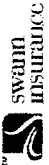


# Counterparty credit – a method for valuing reinsurance



Cover	Event probability band	Event probability	Severity factor		Adjusted CPR limit
			Modelling	Systemic	
Catastrophe	>20%	100%		0.10	9.12
	10%-20%	15.0%		0.67	20.41
	5%-10%	7.0%		1.43	21.04
Risk excess	1%-5%	3.0%		3.33	27.92
	<1%	1.0%		10.00	
	>30%	100%		0.10	
Surplus	5%-30%	17.0%		0.59	
Facultative	largest Aus. Event limit Wellington	5.0%		2.00	
	largest ICA zone	1.0%		10.00	
Other		1.0%		10.00	
Total		0.1%		10.00	
Total					995

- Counterparty limits are established for each type of cover reflecting the probability and severity of the event that would underlie claiming on the cover



# Counterparty credit – IAG Re model output

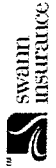
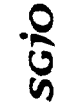


Rating:		Default probability
S&P		0.89%
Bests		0.60%
Moody's		0.81%
Weighted default probability		0.77%

CPR status	Actual
XOL Recoveries – short	1.9
XOL Recoveries – long	71.5
Prop / Fac	0.8
Other Recoveries – xol	9.6
UEP XOL	16.2
UEP (Prop and Facultative)	3.7
Contingent short	153.01
Contingent long	11.87

Adjusted CPR score	269
Maximum limit for rating:	276
Utilisation	97%

- This is the form of output that the model generates for each reinsurer to which it is applied
- Takes account of credit rating, debtors, IBNR/IBNER and live covers



# Conclusion

- Reinsurance is an integral part of IAG's capital and risk management
- Value add potential and sophistication have increased and continue to evolve

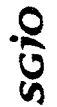




# Questions

[Faint, mostly illegible text and dashed boxes, likely representing a form or document content.]

Insurance Australia Group Limited  
ABN 60 090 739 923





Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

INSURANCE AUSTRALIA GROUP LIMITED

ABN

60 090 739 923

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |                                                                                                                                                                                                                                                |                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| 1 +Class of +securities issued or to be issued                                                                                                                                                                                                 | Fully paid ordinary shares                                   |
| 2 Number of +securities issued or to be issued (if known) or maximum number which may be issued                                                                                                                                                | 215,837 ✓                                                    |
| 3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | On the same terms as existing Ordinary Shares listed on ASX. |

**Appendix 3B**  
**New issue announcement**

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes

5 Issue price or consideration

An exercise price of \$1 has been paid by each holder upon the exercise of the Performance Share Rights irrespective of the number rights exercised by that holder, ie \$5 in total.

6 Purpose of the issue  
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

Shares were issued on exercise of employee Performance Share Rights

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

29 April 2005

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
1,594,194,890 ✓	Ordinary
3,500,000 ✓	Reset Preference Shares (LAGPA)
2,000,000 ✓	Reset Preference Shares (LAGPB)

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	<sup>+</sup> Class
		993,082	Options over unissued shares
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Ordinary Shares will, from the date of allotment, carry the right to participate in dividends	

## Part 2 - Bonus issue or pro rata issue

- 11 Is security holder approval required?
- 12 Is the issue renounceable or non-renounceable?
- 13 Ratio in which the <sup>+</sup>securities will be offered
- 14 <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates
- 15 <sup>+</sup>Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents
- Note: Security holders must be told how their entitlements are to be dealt with.
- Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations

**Appendix 3B**  
**New issue announcement**

---

- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

**Appendix 3B**  
**New issue announcement**

---

**Entities that have ticked box 34(b)**

38 Number of securities for which  
 +quotation is sought 

--

39 Class of +securities for which  
 quotation is sought 

--

40 Do the +securities rank equally in all  
 respects from the date of allotment  
 with an existing +class of quoted  
 +securities?

If the additional securities do not  
 rank equally, please state:

- the date from which they do
- the extent to which they  
 participate for the next dividend,  
 (in the case of a trust,  
 distribution) or interest payment
- the extent to which they do not  
 rank equally, other than in  
 relation to the next dividend,  
 distribution or interest payment

--

41 Reason for request for quotation  
 now

Example: In the case of restricted securities, end of  
 restriction period

(if issued upon conversion of  
 another security, clearly identify that  
 other security)

--

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

**Appendix 3B**  
**New issue announcement**

---

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

*Anne O'Driscoll*

27 April 2005

Sign here: ..... Date: .....  
(Company Secretary)

Anne O'Driscoll

Print name: .....

=====



**Appendix 3Y**  
**Change of Director's Interest Notice**

*Rule 3.19A.2*

# Appendix 3Y

## Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/9/2001.

<b>Name of entity</b>	Insurance Australia Group Limited
<b>ABN</b>	60 090 739 923

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	MICHAEL J HAWKER
<b>Date of last notice</b>	29 March 2005

### Part 1 - Change of director's relevant interests in securities

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Direct or indirect interest</b>	Direct
<b>Nature of indirect interest (including registered holder)</b> Note: Provide details of the circumstances giving rise to the relevant interest.	N/A
<b>Date of change</b>	18 April 2005
<b>No. of securities held prior to change</b>	<ol style="list-style-type: none"> <li>1. 1,128,919 (Direct interest)</li> <li>2. 60,000 Performance Share Rights over unissued shares in Insurance Australia Group Limited (IAG) issued under IAG's Performance Share Rights Plan.</li> </ol>
<b>Class</b>	Ordinary Shares
<b>Number acquired</b>	21,140
<b>Number disposed</b>	N/A
<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and estimated valuation	\$133,070

**Appendix 3Y**  
**Change of Director's Interest Notice**

<b>No. of securities held after change</b>	<ol style="list-style-type: none"> <li>1. 1,150,059 (Direct interest)</li> <li>2. 60,000 Performance Share Rights over unissued shares in Insurance Australia Group Limited (IAG) issued under IAG's Performance Share Rights Plan.</li> </ol>
<b>Nature of change</b> <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Allocation of ordinary shares under Dividend Reinvestment Plan

**Part 2 – Change of director's interests in contracts**

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Detail of contract</b>	
<b>Nature of interest</b>	
<b>Name of registered holder (if issued securities)</b>	
<b>Date of change</b>	
<b>No. and class of securities to which interest related prior to change</b> <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	
<b>Interest acquired</b>	
<b>Interest disposed</b>	
<b>Value/Consideration</b> <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	
<b>Interest after change</b>	

82-34821

Insurance Australia  
Group Limited  
ABN 60 090 739 923  
388 George Street  
Sydney NSW 2000  
Telephone 02 9292 9222  
iag.com.au

20 April 2005

Manager, Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000



Dear Sir/Madam

**INSURANCE AUSTRALIA GROUP LIMITED ('IAG')**

**PRESENTATION BY CGU CEO TO INVESTORS**

Mr Mario Pirone, CEO of CGU Insurance (ie the Australian insurance operations of IAG) will be making a presentation to a group of investors today. The materials he will be using are attached for information.

Yours sincerely

Anne O'Driscoll  
**Group Company Secretary &  
Head of Investor Relations**

Attached: 11 pages



SGIO



STATE

N4



# **CGU Insurance**

**Mario Pirone**  
**Chief Executive Officer**

**20 April 2005**

# Contents



■ CGU BUSINESS

■ MARKET CONDITIONS

■ STRATEGIC RESPONSE



# CGU Business

■ Product / Distribution

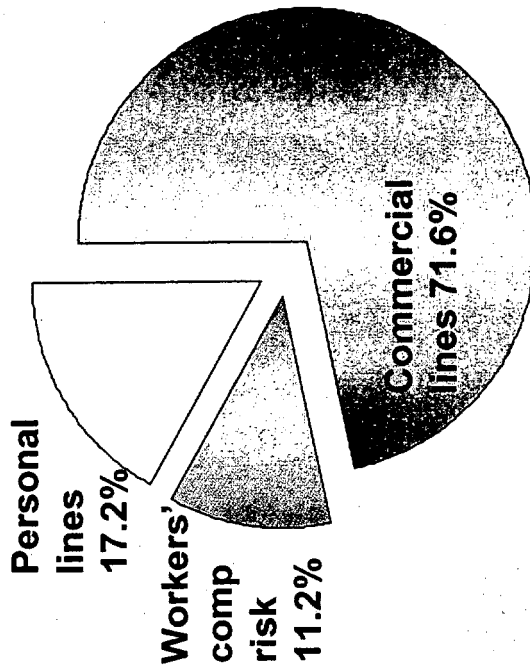
■ Operational Structure

■ Customer

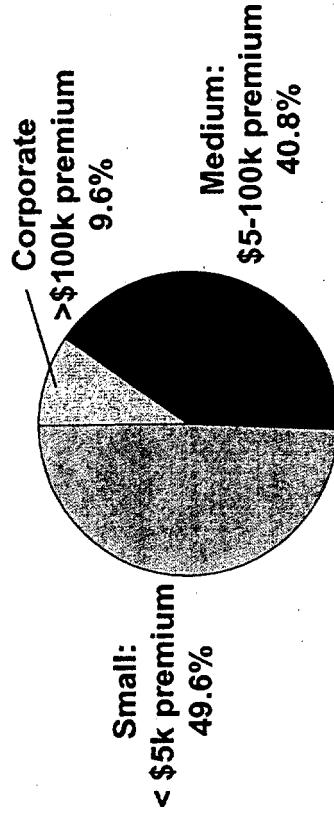
CGU's portfolio (risk business) is weighted towards SME's for both commercial & personal lines in city and regional markets...



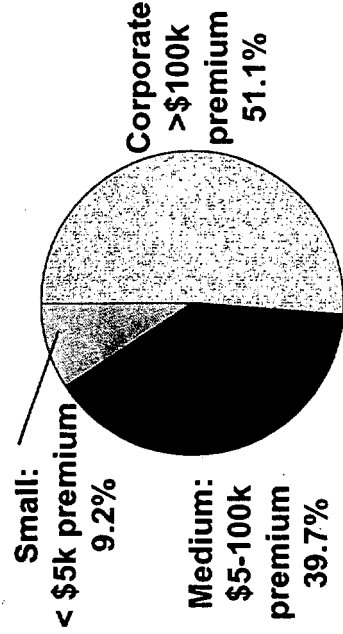
**GWP by class**



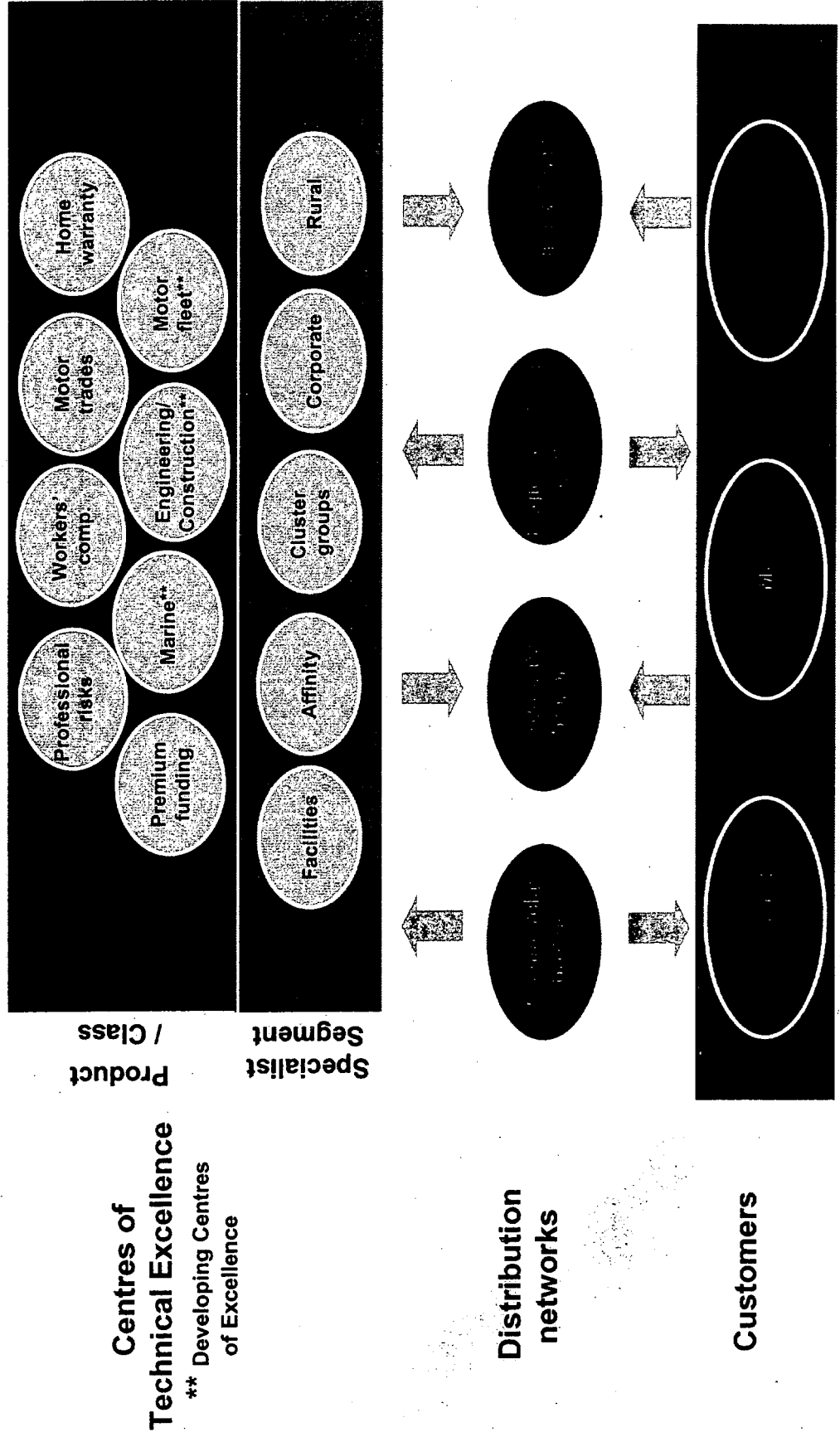
**Commercial lines GWP by segment**



**Workers' comp. risk GWP by segment**



Key aspect of the strategy is to develop Centres of Technical Excellence which improve risk selection and provide CGU distribution with strong marketing opportunities with the broker market





External surveys rate CGU highly in customer service & products...claims service in personal lines is an area for improvement



### JP MORGAN SURVEY 2004\*

#### HIGHLIGHTS

- Ranked #3 overall by Major Brokers and Middle Market Brokers
- Ranked #1 in professional indemnity and directors & officers products
- Ranked in the Top 3 for key broker measures in underwriting, product design, policy administration, sales support and staff knowledge

#### AREAS FOR IMPROVEMENT

- Not rated in Top 3 for claims administration by Major Brokers

### NIBA BROKER SURVEY 2004\*

#### HIGHLIGHTS

- CGU rated No1 for the most insurance placed. QBE rated No2
- CGU rated above industry average on 3 of the top 5 key factors used by brokers in selecting an insurer
  - Financial stability
  - Policy conditions
  - Flexibility / willingness to negotiate
- CGU flagship "Business Package Policy" rated No1 product in its class

#### AREAS FOR IMPROVEMENT

- CGU rated lowest in market for claims handling. Broker feedback indicating emphasis on personal lines models

\* Key independent industry surveys



# Contents

■ CGU BUSINESS

■ MARKET CONDITIONS

■ STRATEGIC RESPONSE

# Market conditions



- Pricing
  - Corporate commercial
  - SME Commercial
  - Workers' compensation
- Reinsurance
- Customers
  - Remuneration
  - Profiling
- Tort law reform
  - Liability
  - Professional indemnity
- People
  - Competition for talent
  - Technical expertise



# Contents

■ CGU BUSINESS

■ MARKET CONDITIONS

■ STRATEGIC RESPONSE



# Strategic response

- Growth
  - New product segments
  - Customer profiling
- Profitability
  - Technical pricing
  - Business mix
  - Expense management
- Customer
  - Claims models
  - eCommerce
- People
  - Engagement
  - Insurance academy



Insurance Australia  
Group Limited  
ABN 60 090 739 923  
388 George Street  
Sydney NSW 2000  
Telephone 02 9292 9222  
iag.com.au

18 April 2005

Manager, Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000



Dear Sir/Madam

**INSURANCE AUSTRALIA GROUP LIMITED ('IAG')**  
**CHANGE TO IAG'S DIVIDEND PAYMENT METHOD**

Please find attach a letter addressed to holders of IAG ordinary shares with registered addresses in Australia advising a change to IAG's dividend payment method from October 2005. This letter, with relevant attachments, will be sent to shareholders today.

If you have any queries concerning the above, please do not hesitate to contact me on (02) 9292 3169.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anne O'Driscoll', written in a cursive style.

Anne O'Driscoll  
**Group Company Secretary &  
Head of Investor Relations**

**Attachment (2 pages)**

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Dear Shareholder

### **An important change to our dividend payment method**

From October 2005 Insurance Australia Group Limited (IAG) will pay all future dividend payments into shareholders' nominated Australian bank or financial institution accounts by direct credit, or into the dividend reinvestment plan.

That is, we will no longer pay dividends by cheque.

If IAG already pays your dividend payments into your nominated account, or you participate in the dividend reinvestment plan (and you wish to continue with these arrangements), you don't have to read this letter.

### **Why has the dividend payment method changed?**

Direct crediting is a much more secure and convenient way for you to receive your dividend payments than by cheque. These are some of the benefits to you:

- Dividends are credited to your account on the payment date as cleared funds, which means that you can immediately use your funds, instead of first having to deposit your cheque and then waiting for the funds to clear before accessing your money;
- It removes the risk of loss, fraud or theft of your dividend payment cheques; and
- It will generate savings for the company, which benefits all shareholders, because paying by direct credit is less expensive than using cheques and reduces the cost of issuing large numbers of replacement payments for those cheques that go missing.

### **What are your options for future dividend payments?**

As we will no longer be issuing dividend cheques, you need to choose another method of receiving your dividend payments. These are your options:

- We can pay all your future dividends into your Australian bank or financial institution; or
- We can pay some of your future dividends into your account, and some can participate in IAG's dividend reinvestment plan; or
- All your future dividends can participate in IAG's dividend reinvestment plan.