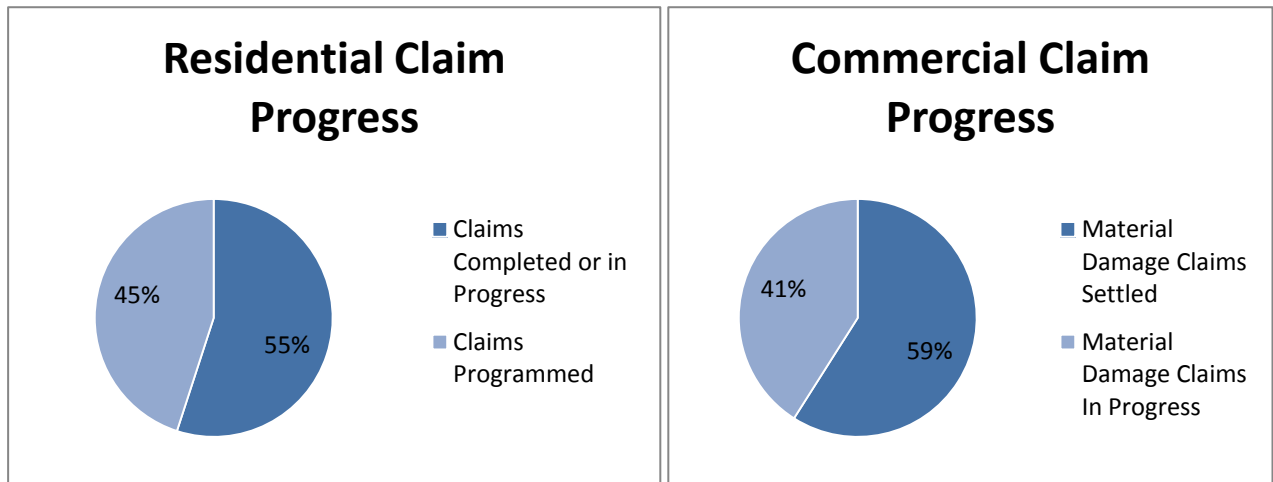


CANTERBURY RECOVERY UPDATE



9 April 2013

Key Progress Statistics



- 55% of all residential over cap claims have been settled or are in progress
- Over 1,650 customers have moved into new homes we have helped them to build, purchase or repair
- 45% of residential over cap claims are queued in our Rebuild & Repair Programme, due to begin between now and the last quarter of 2014
- 28% of non-EQC claims have been completed or settled
- We have built 139 new homes
- We have completed major repairs on 59 homes
- We currently have 739 new homes and 1,159 major repairs in some stage of construction
- We have 275 active TC3 claims
- We have completed over 400 geotechnical assessments of TC3 properties
- 77% of business interruption claims have been settled
- 59% of commercial material damage claims have been settled

IAG's Residential Red Zone Progress

Helping our Residential Red Zone customers to move forward in their recovery remain our priority.

Close to 2,300 IAG customers returned Crown offer forms. To date 22% of these have chosen Option 1, 75% have chosen Option 2, only 3% have not made a decision and less than 1% have opted not to choose an option.



CANTERBURY RECOVERY UPDATE



Insurance is changing for many New Zealanders

Talking letterboxes and well-known builder John ‘Cocksy’ Cocks feature in a current IAG campaign designed to help inform and educate the many home owners facing changes to their home insurance policies over the next 15 months.

The campaign, “need2know”, addresses the shift of IAG’s unspecified replacement home insurance policies to maximum specified sum insured policies.

A specified sum insured home policy sets a maximum amount that is able to be applied to reinstating a home in the event of it sustaining major damage or being destroyed through unforeseen circumstances.

To support customers, and homeowners in general, IAG has launched a comprehensive website **www.need2know.org.nz**. The website includes an online calculator that can help homeowners by estimating a likely rebuild cost for a home based on information such as its age, size, location, slope of the property it is built on and quality of fixtures and fittings.

Supporting Our Customers

IAG is a key partner of the CERA Rebuild & Recovery Expo to be held at the CBS Arena on April 27 and April 28.

The Expo, open from 9am–4pm on Saturday and 10am–4pm on Sunday, will provide the latest information for homeowners and residents about the rebuild and recovery of greater Christchurch.

For IAG customers in the rebuild or repair process this is a great opportunity to come and talk to the people that will help you through the next stage of your reinstatement, including insurers, banks and builders. IAG will also participate in two Insurance Panel discussions to be held over the weekend.

IAG Customer Forum

In addition to our presence at the CERA Expo, IAG will host a Customer Forum next month. The Forum will include a short presentation and breakout sessions including

- New Home Builders
- Repair Builders
- Cross Lease and Shared Property
- Engineering – foundation designs etc

Invitations will be sent directly to customers’ mid-April.



CANTERBURY RECOVERY UPDATE



Our Rebuild and Repair Programme Gains Momentum



We now have over 700 new homes in construction, as well as 1,150 major repairs underway.

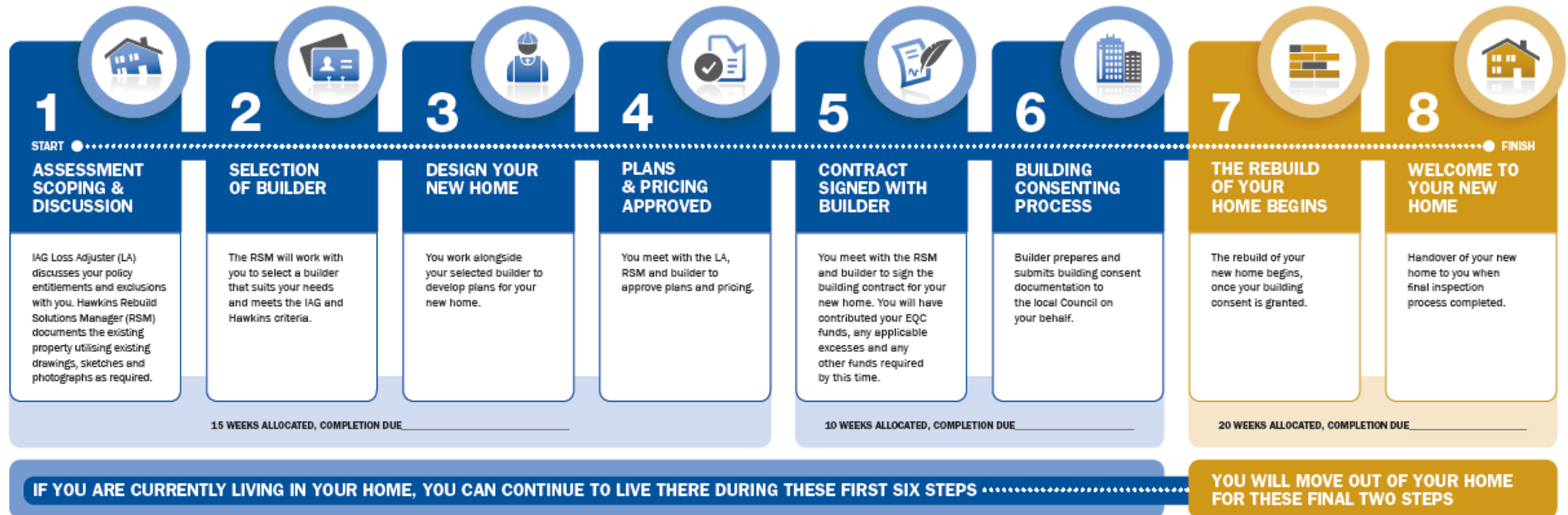
The typical Repair or Rebuild Programme is around 45 weeks from beginning to end.

A comprehensive customer education campaign based on the eight typical steps a rebuild or repair follows (pictured below) is currently underway.

The campaign, designed to 'ready' customers for the next stage of their reinstatement project includes direct mail, above-the-line advertising, customer expos and forums, and staff training sessions.

For a comprehensive overview of the eight step process see the latest IAG customer newsletter available online at <http://www.iag.co.nz/>.

Hard copies can be requested from canterburyearthquakeclaims@iag.co.nz.



CANTERBURY RECOVERY UPDATE



Repairing an important piece of Canterbury history



Built in 1880, Garth and Kate Carnaby's Lincoln home, Spring Grove is an important part of not only their family's history, but the history of the area.

On the West Coast at the time of the September 2010 earthquake the Carnabys returned home to find their beautifully restored historic villa in ruins. Five large, original brick chimneys were in various stages of ruin – two were a pile of bricks, whilst the other three were leaning precariously into rooms; windows were broken; books and antiques were flung around the house.

A complex repair job, involving re-piling a section of the house, re-roofing the entire house, recreating architectural features including ceiling roses, chimneys and cornices, the repair took over 12 months to complete. The Carnabys were able to remain in their home the entire time, with various tradespeople working around them.

“While we understand that many people still have a long way to go on their recovery journey, we are just thrilled to have our home, and a piece of Canterbury history restored for ourselves and others to enjoy,” said Garth, at the recent re-opening of their home.

“We have had a wonderful experience and could not speak more highly of those involved in the process.

“From our insurer, State; through to our Project Manager, Hawkins; our builder, architect, painter and all the other sub-contractors, we are just thrilled”.

