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Market Information
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Level 2, NZX Centre
11 Cable Street
Wellington
NEW ZEALAND

Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 6, 20 Bridge Street
Sydney NSW 2000
AUSTRALIA

TOWER confirms intention to return capital

TOWER Limited advises that it intends to return to shareholders as soon as practical an initial \$70 million of capital realised from the sale of the majority of its life insurance business.

Chief Executive Officer David Hancock said TOWER remained committed to returning a total of \$114.5 million to shareholders as and when was appropriate.

Mr Hancock said TOWER had always ensured that it was strongly capitalised, above minimum solvency requirements, and would continue to take this prudent approach to its capital management programme.

“We continue to review our capital management plan following the issue of full insurance licences for our general insurance and retained life insurance businesses,” he said.

With minimum solvency margin requirements now confirmed, it was appropriate that some capital realised from the execution of TOWER’s strategic review, and which was surplus to capital and business requirements, was returned to shareholders, Mr Hancock said.

TOWER will confirm the process and timing for the initial return of \$70 million of capital to shareholders shortly.

ENDS

David Hancock
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