

26 February 2009

Calliden reaches milestones

FY 2008 Results

Calliden Group Limited today reported a net profit of \$9.146 million including a \$2.1m tax benefit, compared with a net profit of \$1.3 million in 2007.

Gross written premium was reported as \$200 million for the year ended 31 December 2008, a 61% increase on the previous year's GWP of \$124.4 million.

The Group has declared its first dividend as a general insurer. The dividend is 1.25 cents per share fully franked.

Commenting on the results, Nick Kirk, Chief Executive Officer and Managing Director of the Calliden Group, said:

"It is gratifying to be able to report that despite a challenging environment Calliden is bigger, more profitable and more streamlined than the year before.

A profit of over \$9M, our first fully franked dividend as a general insurer and reaching \$200M in gross written premiums are all good achievements for the Group.

The progress underpinning these headlines has also been strong.

Loss ratios net and gross of reinsurance have improved despite falling interest rates which had a 3% impact.

We achieved the consolidation of the two insurers into one, on budget and ahead of schedule. Calliden Insurance Limited is very well capitalised at 2.4 times the minimum. Our systems integration is on schedule, one IT infrastructure is in place and the first of four insurance system conversions will take place in April.

The Group's conservative investment philosophy has protected it from the worst of investment market volatility. Our technical insurance funds are duration matched which has cushioned us from the impact of reduced interest rates.

Calliden's reinsurance programme has been renewed and provides comprehensive capital protection which has already provided value following the devastating bush fire losses in Victoria."

Outlook for FY 2009

"An improving price environment provides Calliden with opportunities for continued organic growth in 2009. Our focus will be carefully navigating the challenges of a lower investment return and uncertain economic environment while profitably growing our business.

Through the breadth of our offerings and geographical reach, we will continue to position ourselves as a genuine alternative to the major insurers."

Mr Nick Kirk will be giving a presentation on the full year results of the Group on Friday 27 February 2009 at 8.30am AEST.

The telephone number to access the briefing is in the attached slide. The PowerPoint slides that Mr Kirk will be talking to will be made available this afternoon.

For further information please contact

Nick Kirk, Chief Executive Officer and Managing Director, Calliden Group, 02 9551 1111

Dial in Details

Friday 27th February at 8.30am (AEST)

Please note that to participate in this conference call you will need a touchtone phone

Dial in numbers:

Australia	1800 554 798
New Zealand	0800 450 585
Singapore	800 6163 105
Japan	0053 1250 084
Hong Kong	800 901 587
United Kingdom	0808 234 8407
United States of America	1866 839 8029

- Approximately 10 minutes before the scheduled time, please dial the relevant number above.
- You will be greeted by an Operator and asked for your **CONFIRMATION CODE – 9993382**.
- You will then be placed in Listen Only (mute) mode with hold music until the conference is due to commence.
- At the start of the conference your line will be taken off hold music and you will be placed back in Listen Only mode.
- Should you wish to ask a question or make a comment please dial *1 (star one) to register your questions.
- Should you wish to cancel your question at any time then please dial *2 (star two).
- Please note that all questions will be answered at the conclusion of the presentation.
- If you are disconnected during the call then please redial your conference Dial In number.
- At any time during the call please dial *0 (star zero) for operator assistance.

If you have any queries in regards to the above then please contact katherine.formosa@calliden.com.au / 02 9551 1102.