



ASX ANNOUNCEMENT - 29 January 2010

**TOWER AUSTRALIA INFORCE AND NEW BUSINESS PREMIUM
PERIOD ENDED 31 DECEMBER 2009**

TOWER Australia Group Limited (ASX: TAL) today reported its quarterly new business and inforce premium information for the quarter ended 31 December 2009.

Inforce Premiums \$m				Inforce Growth Rates	
Segment	Dec-09	Sep-09	Dec-08	Year on Year	Quarter on Quarter
Individual Lump Sum	415.6	403.2	359.4	15.6%	3.1%
Individual Income Protection	131.0	128.3	117.7	11.3%	2.1%
Total Individual Risk	546.6	531.5	477.1	14.6%	2.8%
Group Risk	361.7	252.3	288.1	25.1%	43.3%
Total Risk	908.2	783.8	766.2	18.5%	15.9%

The value of individual inforce premiums for life insurance and income protection rose by 14.6% over the last year and 2.8% in the quarter. Strong growth was once again experienced in individual lump sum, up 15.6% year on year.

Growth in group risk inforce premium was 43.3% in the December quarter reflecting the AustralianSuper appointment.

New Regular Premiums (Quarter Ending) \$m				New Regular Premium Growth Rates	
Segment	Dec-09	Sep-09	Dec-08	Year on Year	Quarter on Quarter
Individual Lump Sum	30.9	33.8	27.1	14.0%	-8.7%
Individual Income Protection	7.4	8.2	6.7	10.9%	-9.0%
Total Individual Risk	38.3	42.0	33.8	13.4%	-8.7%
Group Risk	112.2	27.9	6.7	1574.8%	302.9%
Total Risk	150.5	69.8	40.5	271.8%	115.5%

New business in the individual risk segment grew 13.4% year on year but new business levels were 8.7% lower than in the September 2009 quarter. This reflects usual seasonal patterns with new business levels generally lower in the December quarter which includes the lead up to the Christmas.

The group risk new business in the December 2009 quarter includes the AustralianSuper business.

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For further information please contact:

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