

# AMP Life sale and interim dividend update

15 July 2019



Dear Shareholders

I am writing to update you on the sale of AMP Life (our life insurance and mature businesses in Australia and New Zealand) to Resolution Life.

I regret to advise that the transaction is now highly unlikely to proceed on the originally agreed terms due to challenges in meeting the necessary regulatory approvals in New Zealand.

We believe that achieving the New Zealand approvals would involve significant changes to the structure of the business, meaning the sale would no longer deliver a good commercial outcome for AMP and Resolution Life.

This is exceptionally disappointing as the sale of AMP Life is a foundational element of AMP's strategy.

We are working with Resolution Life to try to find a solution that protects policyholder interests, meets the regulatory requirements and provides certainty around execution of the transaction. For this to happen, we'll need to negotiate new terms with Resolution Life.

The Board will review any revised transaction to determine if it is in the best interests of our shareholders, policyholders and the company. If we cannot reach a transaction on acceptable terms, AMP will retain AMP Life.

Given the uncertainty around the AMP Life sale, the Board expects to continue a prudent approach to managing our capital position and does not expect to pay an interim dividend for the first half of the year.

I understand that this will be very disappointing for you, our shareholders, but the Board's view is that as a customer-centred business, we must continue to maintain a solid capital foundation.

The Board is committed to keeping you informed and we will provide a further update at the half year results on 8 August 2019.

Regards

David Murray

A handwritten signature in black ink, appearing to read "D Murray". The signature is written in a cursive, flowing style.