



16 December 2013

Ms Shannon Hong
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Codan Limited
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Dear Shannon

RE: ASX QUERY

This letter is in response to your letter dated 12 December 2013 concerning the company's release of its announcement titled "Business Update and Profit Guidance" on Thursday 12 December 2013.

In response to your queries we respond as follows:

1. **Does the Company consider the update on the first half of FY2014 profit guidance in the Business Update Announcement to be material to the Company for the purposes of listing rule 3.1?**

Yes.

2. **If the answer to question 1 in "no", please advise the basis on which the Company does not consider the update on the first half of FY2014 profit guidance to be material. In answering this question, reference should be made to the Share Price Fall after the release of the Business Update Announcement?**

Not applicable.

3. **If the answer to question 1 is "yes", when did the Company first become aware that its guidance on underlying net profit was likely to vary by a material amount from the guidance provided in the Chairman's Address Announcement?**

Wednesday 11 December 2013, being the date that management completed its assessment of the profit guidance for the half year ending 31 December 2013.

4. **If this was before the Trading Halt, please identify any earlier announcement from the Company which disclosed the update on the first half of FY2014.**

Not applicable.

5. **If there was no earlier announcement, and the Company became aware of the update on the first half of FY2014 prior to the Trading Halt, why was the information not released by the Company to the market at an earlier time? Please comment specifically on the application of listing rule 3.1 and the exceptions to the rule in listing rule 3.1A.**

Not applicable.

6. **Please confirm that the Company is in compliance with listing rule 3.1.**

The Company can confirm that it is in compliance with listing rule 3.1.

Yours sincerely


Michael Barton
Company Secretary