

16 October 2023

### **Tower updates FY23 guidance and large events costs**

Kiwi insurer Tower (NZX/ASX: TWR) has revised its underlying net profit after tax (NPAT) FY23 guidance to between \$7m and \$10m including large events, up from a range of between a loss of \$2m and a profit of \$3m, based on preliminary unaudited results.

Tower's previous profit guidance issued on 19 July assumed full use of its \$50m large events allowance. However, due to lower-than-expected costs from Vanuatu cyclone claims, favourable foreign exchange rates and experiencing no large events since May 9, large events costs in FY23 are now expected to total around \$38m.

Gross written premiums are expected to total \$526m, up 17% on the prior year reflecting rating increases, organic growth, and strong customer retention.

Reported profit will be impacted by additional non-underlying costs including an increase to the customer remediation provision.

More information will be provided in Tower's FY23 full year results announcement which will be made on 23 November.

### **ENDS**

This announcement has been authorised by:

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