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HD **National Australia Bank Mulls Selling Life Insurance Unit**
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National Australia Bank Ltd. is gauging interest in its life-insurance operation among potential suitors, according to two people familiar with the matter.

If NAB elects to seek a buyer for the business, it would be further evidence that Chief Executive Andrew Thorburn is acting swiftly to refocus on core operations in Australia and New Zealand since taking the helm on Aug. 1.

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A spokesman for the bank, based in Melbourne, declined to comment. Already, the CEO has swept in a new management team and unveiled plans to exit NAB's U.S. banking business.

If the bank goes ahead with a **sale**, the insurance business would likely attract the attention of a range of suitors including Japanese, **Chinese** and Canadian insurers, who have been expanding outside their home markets.

In June, Dai-ichi Life Insurance Co. said it would acquire U.S. insurer Protective Life Corp. for around US\$5.7 billion, the largest **purchase** of a foreign **company** by a Japanese life insurer.

Shanghai-based Fosun International Ltd. bought a 20% stake in Ironshore, a U.S. insurer, for US\$463.83 million in August. And in January, Fosun paid €1 billion (US\$1.27 billion) for a stake in the insurance arm of Portuguese state bank Caixa Geral de Depósitos, beating a bid by Apollo Global Management.

Still, the life insurance industry in Australia is facing headwinds. Growth is sluggish in the broader economy and some customers are allowing policies to lapse, or switching to better deals, taking advantage of strong competition and easier online shopping.

NAB's net income from life insurance was 560 million Australian dollars (US\$497 million) in the last fiscal year, a fall of 24% compared with the prior year. Pressures on the result included a rise in claims and moves to strengthen insurance reserves.

In 2009, under its previous CEO, Cameron Clyne, NAB greatly expanded its life-insurance operations and investment platform, buying the wealth-management business of Aviva Australia Holdings for A\$825 million.

Mr. Thorburn late last month said the bank was planning an initial public offering of Great Western Bancorp Inc., a lender in South Dakota, toward the end of the year, the first step toward selling the bank outright. The Australian bank bought Great Western six years ago for just over A\$1 billion.

Weeks before Mr. Thorburn officially took over as CEO, NAB agreed to sell a £625 million (US\$1 billion) basket of mainly distressed U.K. loans to the private-equity **firm** Cerberus Global Investors. The bank took on the **commercial** real-**estate** portfolio of its British banking units, Yorkshire Bank and Scotland's Clydesdale Bank, about two years ago.

Mr. Thorburn has said NAB would seek to speed up the **sale** of noncore assets.

CO dimli : The Dai-ichi Life Insurance Company, Limited | ncbnk : National Australia Bank Ltd | prtc : Protective Life Corp

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