



29 February 2012

The Manager
Company Announcements
ASX Limited
Level 6
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

QBE announces successful completion of A\$450 million Institutional Share Placement

Please find attached an announcement for release to the market.

Yours faithfully,

Duncan Ramsay
Company Secretary

Encl.

QBE Insurance Group Limited
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MARKET RELEASE

29 February 2012

QBE announces successful completion of A\$450 million Institutional Share Placement

QBE has successfully completed an institutional placement of approximately 42 million ordinary shares at A\$10.70 per share to raise A\$450 million of new capital. The shares do not qualify for the forthcoming A\$0.25 per share 2011 final dividend.

The placement was well oversubscribed and had strong broad based support from QBE's existing domestic and offshore institutional shareholders as well as a number of new shareholders.

Settlement is scheduled to occur on Monday, 5 March 2012, with the placement shares being allotted and quoted on the Australian Securities Exchange on Tuesday, 6 March 2012.

As previously announced, QBE intends to offer retail shareholders the opportunity to participate in a non-underwritten share purchase plan (SPP) to raise up to A\$150 million. Further details of the SPP will be provided to eligible shareholders in due course.

For further information, please contact:

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QBE Insurance Group Limited

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QBE Insurance Group Limited is listed on the Australian Securities Exchange, is recognised as one of the top 20 global insurance and reinsurance companies as measured by net earned premium and has operations in 52 countries.

DISCLAIMER

This market release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The securities referenced herein have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States absent registration except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable U.S. state securities laws.