

2 April 2014

The Manager
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Exchange Centre
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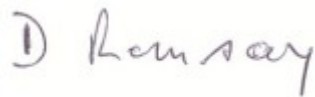
Dear Sir/Madam

2014 Annual General Meeting of Shareholders – Presentation Slides

We refer to our letter earlier today.

Please find attached the presentation slides to be delivered at QBE's Annual General Meeting today.

Yours faithfully



Duncan Ramsay
Company Secretary

Attachment

QBE Insurance Group

2014 Annual General Meeting

Marty Becker • Chairman

John Neal • Group Chief Executive Officer



Chairman's address

Marty Becker



Agenda

1. Earnings stability and predictability
2. Completing the renewal of the Board and Executive team
3. Managing the balance sheet to meet all our stakeholder requirements

Group Chief Executive Officer address

John Neal



Contents

- 2013 financial results summary
- 2014 outlook
- Building for the future

2013 result overview

Results

- Net profit before amortisation and tax \$797M (2012 \$1,348M)
- Net loss after tax of \$254M (2012 profit of \$761M)
- Cash profit \$761M (2012 \$1,042M)
- Insurance profit margin 5.5% (2012 8.0%)

Underlying insurance business

- Underlying 2013 insurance profit margin 10 - 11%
- 2013 accident year central estimate COR 92.5%
- Attritional claims ratio (ex crop/FPS) 48.2% (2012 49.8%)
- Large individual risk and catastrophe claims of 9.7%
- Prior accident year central estimate development \$621M⁽¹⁾

Capital position

- Net tangible assets \$5,923M up 10% from 2012
- Prescribed Capital Amount (PCA) multiple 1.59x (2012 1.57x)
- CET1⁽²⁾ ratio 114% (2012 112%) or 1.9x required minimum

Dividend

- Final dividend 12 Australian cents per share, fully franked
- Full year dividend 32 Australian cents per share
- Cash payout ratio of around 50%⁽³⁾

(1) Before \$69M adjustment for discount on certain long tail portfolios

(2) Common Equity Tier 1

(3) Calculated by converting cash profit to A\$ at the cumulative average rate of exchange

Overview of 2013 divisional results

2013	Group	North America	Latin America	Europe	Australia & New Zealand	Asia Pacific	Equator Re
GWP (\$M)	17,975	5,854	1,380	5,225	4,786	730	3,295
NEP (\$M)	15,396	3,051	1,208	3,609	3,971	500	3,057
Claims ratio (%)	64.5	78.7	61.8	62.0	58.3	42.4	66.2
Commission ratio (%)	16.8	4.4	21.7	18.1	14.9	21.8	27.0
Expense ratio (%)	16.5	32.7	16.1	16.0	14.2	19.8	3.6
COR (%)	97.8	115.8	99.6	96.1	87.4	84.0	96.8
Insurance profit margin (%)	5.5	(14.6)	8.2	5.3	18.8	17.4	5.2
NPAT (\$M)	(254)	(1,301)	61	189	574	57	166
CASH NPAT (\$M)	761	(320)	71	201	582	61	166

2014 targets

Gross written premium • US\$**16.8-17.3**billion

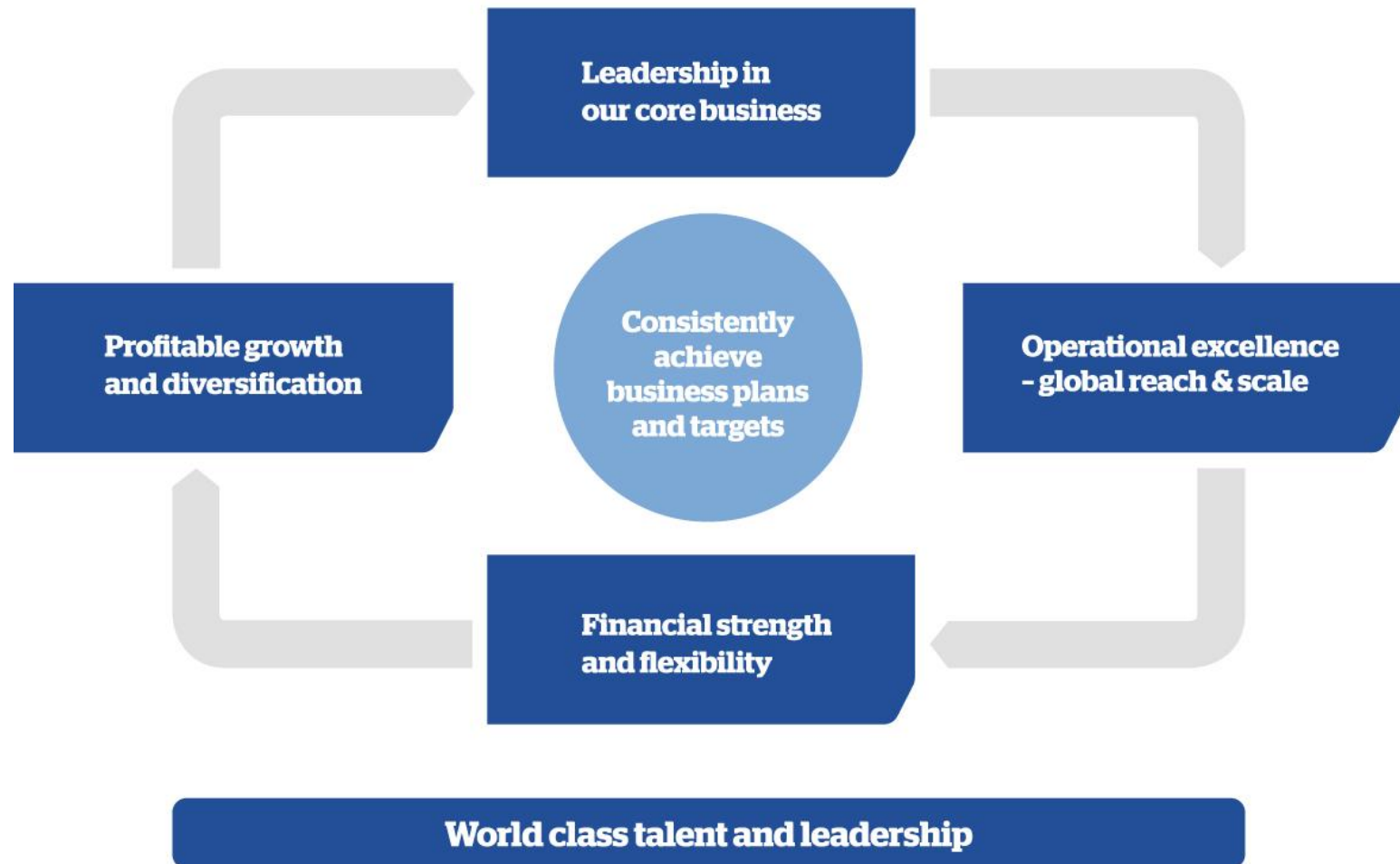
Net earned premium • US\$**14.7-15.2**billion

Combined operating ratio • around **93**%

Insurance profit margin • around **10**% of net earned premium

Building for the future

Value creation model



Closing comments

Tough actions in 2013

- Highly experienced leadership now in place
- Claims provisions substantially strengthened
- Top line sacrificed for future sustainable profitability
- Operational transformational program setting platform for lower operating costs

Strong fundamentals underpin 2014 targets

- 2013 accident year COR 92.5% encouraging
- Improved reserving certainty – PoA 90%+
- Overall premium rate increases expected to counter inflation
- North American business targeting significant margin improvement across 2014 – 2016
- Improvement in capital, balance sheet and gearing

Continuing focus on value creation

- Leadership in core
- Global reach and scale
- Financial strength & flexibility
- Profitable growth & diversification
- Leadership & Talent

Formal business

Marty Becker, Chairman



Item 1:

- To receive and consider the annual financial report and the reports of the directors and of the auditors of the Company for the year ended 31 December 2013

Item 2:

- To adopt the remuneration report

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- To adopt the remuneration report

Resolution	For	Open	Against	Abstain
2	687,910,247	5,310,869	61,888,698	4,206,907
	91.1%	0.7%	8.2%	

Item 3:

- To approve the grant of conditional rights under the 2014 Long-term Incentive Plan to the Group Chief Executive Officer

Maximum initial award	VWAP share price	Initial maximum number of rights
A\$3.15m	A\$12.68	248,423

Item 3:

- To approve the grant of conditional rights under the 2014 Long-term Incentive Plan to the Group Chief Executive Officer

Resolution	For	Open	Against	Abstain
3	722,359,067	4,291,242	27,658,153	4,046,030
	95.8%	0.5%	3.7%	

Item 4a:

- To elect Mr W M Becker as a director of the Company

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Resolution	For	Open	Against	Abstain
4a	742,586,979	5,476,971	8,348,115	3,219,758
	98.2%	0.7%	1.1%	

Item 4b:

- To elect Ms M M Y Leung as a director

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- To elect Ms M M Y Leung as a director

Resolution	For	Open	Against	Abstain
4b	507,440,301	5,487,264	242,146,066	4,558,192
	67.2%	0.7%	32.1%	

Thank you



Important disclaimer

This presentation should be read in conjunction with all information which QBE has lodged with the Australian Securities Exchange ("ASX"). Copies of those lodgements are available from either the ASX website www.asx.com.au or QBE's website www.qbe.com.

Prior to making a decision in relation to QBE's securities, products or services, investors, potential investors and customers must undertake their own due diligence as to the merits and risks associated with that decision, which includes obtaining independent financial, legal and tax advice on their personal circumstances.

This presentation contains certain "forward-looking statements" for the purposes of the U.S. Private Securities Litigation Reform Act of 1995. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of QBE that may cause actual results to differ materially from those either expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward-looking statements. Such forward-looking statements only speak as of the date of this presentation and QBE assumes no obligation to update such information.

Any forward-looking statements assume large individual risk and catastrophe claims do not exceed the significant allowance in our business plans; no overall reduction in premium rates; no significant fall in equity markets and interest rates; no major movement in budgeted foreign exchange rates; no material change to key inflation and economic growth forecasts; recoveries from our strong reinsurance panel; and no substantial change in regulation. Should one or more of these assumptions prove incorrect, actual results may differ materially from the expectations described in this presentation.