

27 August 2014

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

Dear Sir,

Settlement of Institutional Placement

QBE issued 64,356,436 shares on 26 August 2014 ("Shares") in accordance with QBE's successful institutional placement notified to you on 19 August 2014. The total number of QBE shares on issue becomes 1,341,959,131.

The Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act 2001 ("Act"). As at the date of this notice, the Company has complied with:

- (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
- (ii) section 674 of the Act.

This notice is given under paragraph 5(e) of section 708A of the Act.

Yours faithfully

A handwritten signature in blue ink, appearing to be "P Horton", written over a light blue circular stamp.

Peter Horton
Group General Counsel & Company Secretary