

QBE Insurance Group Limited ABN 28 008 485 014
Level 27, 8 Chifley Square, SYDNEY NSW 2000 Australia
GPO Box 82, Sydney NSW 2001
telephone + 612 9375 4444 • facsimile + 612 9231 6104

www.qbe.com



27 June 2016

The Manager
Market Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

QBE response to United Kingdom referendum outcome

Please find attached an announcement for release to the market.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Carolyn Scobie", written in a cursive style.

Carolyn Scobie
Company Secretary

Encl.



MARKET RELEASE

27 June 2016

QBE RESPONSE TO UNITED KINGDOM REFERENDUM OUTCOME

QBE Insurance Group Limited (QBE) notes that the United Kingdom (UK) referendum regarding ongoing membership of the European Union (EU) has seen a majority of votes cast in favour of leaving the EU.

The referendum outcome may require a revised approach in relation to approximately GBP500 million of insurance and reinsurance premium that QBE currently sources from EU member countries that is written via branches of UK regulated entities under current EU passporting rules.

Should EU passporting rules not be preserved, QBE will be required to renew this business into newly established licensed EU entities.

The exit transition timetable is expected to take a minimum of two years. This period provides ample time for any requisite administrative transition and to ensure our service commitments to QBE's European customers are uninterrupted. Thus our ability to source business from EU member countries remains unchanged.

Accordingly, QBE does not anticipate any material impact on our day to day insurance operations as a result of the UK's decision to leave the EU.

- ENDS -

For further information, please contact:

Investor Relations

Group Head of Investor Relations
Tony Jackson
Tel: +61 (2) 9375 4364
investor.relations@qbe.com

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8 Chifley Square
SYDNEY NSW 2000
Australia
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Media Enquiries

David Symons
Cell: +61 (0) 410 559 184
Email: david.symons@qbe.com

QBE Insurance Group Limited is listed on the Australian Securities Exchange, is one of the top 20 global insurance and reinsurance companies as measured by net earned premium and has operations in 37 countries.

IMPORTANT DISCLAIMER

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 market release.