



6 May 2020

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

Dear Sir/Madam,

**QBE PRICING ANNOUNCEMENT IN RELATION TO USD500,000,000 OF
CAPITAL NOTES**

Please find attached an announcement for release to the market.

This release has been authorised by the Group Chief Executive Officer.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Carolyn Scobie", enclosed in a thin black rectangular border.

Carolyn Scobie
Company Secretary

Attachment



MARKET RELEASE

6 May 2020

QBE PRICING ANNOUNCEMENT IN RELATION TO USD500,000,000 OF CAPITAL NOTES

QBE announces today that it has priced the issue of USD500,000,000 of Perpetual Fixed Rate Resetting Capital Notes ("**Capital Notes**"), to be issued under its updated USD4,000,000,000 Note Issuance Programme to wholesale investors.

The Capital Notes will be eligible as Additional Tier 1 Capital of QBE under the Australian Prudential Regulation Authority's ("**APRA**") capital adequacy framework. The Capital Notes will be classified as equity on QBE's balance sheet and will be frankable for Australian tax purposes. The Capital Notes will be written off in whole or in part if APRA determines QBE is or would become non-viable. The Capital Notes will not dilute the weighted average number of shares for purposes of QBE's earnings per share calculations.

The Capital Notes are scheduled to pay interest six-monthly. The interest rate for the period until the first reset date is 5.875% per annum. Payment of interest is subject to QBE's discretion and other conditions. Interest is non-cumulative. The Capital Notes are callable at QBE's option (subject to APRA's prior written approval) on 12 May 2025 and every five years after that.

For further information, please contact:

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DISCLAIMER

This market release does not constitute an offer or invitation for the Capital Notes for issue or sale in Australia or any other jurisdiction. Capital Notes are only available for sale to persons in Australia in circumstances where disclosure is not required in accordance with Part 6D.2 or Chapter 7 of the Corporations Act 2001 (Cth).

This market release contains forward-looking statements. Such forward-looking statements involve substantial risks and uncertainties. We have tried, wherever possible, to identify such statements by using words such as "will," "may," "could," "scheduled," and other words and terms of similar meaning or by using future dates in connection with any discussion of, among other things, expectations regarding the completion of the issue of Capital Notes. We cannot guarantee that any forward-looking statement will be realized, although we believe we have been prudent in our plans and assumptions. Achievement of anticipated results is subject to risks, uncertainties and inaccurate assumptions.

This market release may not be distributed or released in the United States. This market release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The securities referenced herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. The securities discussed in this market release may not be offered or sold, directly or indirectly, within the United States or to or for the account or benefit of U.S. persons (as defined in Rule 902(k) under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.