



PRESS RELEASE

QBE COMPLETES ACQUISITION OF BURNETT & CO

[London, 27 January 2009] QBE Holdings Inc has completed the acquisition of US-based underwriting agency Burnett & Co Inc. (Burnett). The purchase of Burnett was included in QBE's market announcement on November 26th of last year and was one of five acquisitions announced at the time, including that of ZC Sterling Corporation.

Burnett is a Managing General Agent, which specialises in underwriting marine and energy liabilities and has operated in the London market for over 30 years. With two offices in the US, in New Orleans and Houston, Burnett comprises over 20 people and achieves an annual premium in excess of \$70m.

The acquisition has been made by QBE's Americas division, the Burnett operation will be managed from London by QBE Marine & Energy Syndicate 1036 under the leadership of Colin O'Farrell, Managing Director.

Colin O'Farrell commented "QBE has had an excellent relationship with Burnett since the syndicate was formed over 20 years ago and we are delighted that they will form part of the team. It was QBE's expertise and ability to deploy significant capacity on every line of business that Burnett underwrites that sealed the deal. We look forward to this strengthening our position further."

Burnett will continue to trade under its current name for the foreseeable future.

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Notes to editors

About QBE's Marine & Energy Syndicate 1036

1036 is a leading syndicate, underwriting direct risks within the Lloyd's Insurance Market and is headed by Colin O'Farrell, Managing Director. The syndicate underwrites a worldwide account, specialising in the areas of hull, energy, liability, specie, cargo, political risks, war and allied risks.

For further information, visit <http://www.qbeeurope.com/marine-energy>

About Burnett & Co.

Established in 1960, Burnett is an independent wholesaler representing the London and domestic US market. Burnett specialises in underwriting Marine and Energy business and its product offerings range from Control of Well to Oil & Gas Liabilities and Social Services Liabilities.

For further information, visit <http://www.bcoinc.com/burnett.swf>

QBE in Europe

QBE's European Operations, which accounts for almost 40% of QBE Group turnover, is a leading specialist in London market and European commercial lines business. Active in both the Lloyd's and company market, QBE offers considerable diversity to the broking community. Structured around eight product-focused underwriting divisions - casualty, QBE Re Europe, property, motor, marine & energy, specialty, aviation - all of our operations have the ability to write on both Lloyd's and company market paper. The group also includes P&I specialist, British Marine. In addition to the London Market, QBE operates from seven UK-regional centres and has a presence in 15 European countries.

QBE Globally

QBE Insurance Group is Standard & Poor's 'A+' rated and is one of the world's leading international insurers and reinsurers, headquartered in Sydney, Australia. We operate out of 45 countries across the globe, with a presence in all key insurance markets and are lead underwriters within our chosen markets, setting rates and conditions. For the year ended 31 December 2007, the company underwrote gross written premium totaling £5,188 million and held shareholders' funds of £3,746 million.