



QBE EUROPEAN OPERATIONS BRIEFING PACK

The consolidated QBE brand and
QBE's new underwriting business
model



PRESS RELEASE

QBE REBRANDS AND RESTRUCTURES

[London, 5th November 2007] QBE announces the rebrand of Limit Underwriting Limited, Ensign and MBP under the QBE name and the simultaneous launch of its new product and distribution structure.

With effect from the 1st January 2008, QBE's European Operations will move from twelve individual business units and syndicates, which were operating under four different brands, Limit, Ensign MBP and DA Constable Syndicate 386, to offering eight product-focused underwriting divisions. The eight divisions, controlling £2.5bn of income, will unify QBE's company and Lloyd's market operations and will give brokers improved access to an extensive product range.

The new underwriting divisions will be:

Underwriting Division	Managing Director(s)	2008 plan
Casualty	Ash Bathia David Constable	£906m
QBE Re Europe	Jonathan Parry	£368m
Property	Peter O'Neill	£331m
Motor	Matthew Crane	£247m
Marine & Energy	Colin O'Farrell	£246m
Specialty	Graeme Rayner	£137m
Aviation	Emilio Di Silvio	£108m
British Marine	Robert Johnston	£102m
Total		£2445m



Of particular significance to brokers, all product divisions will have access to both Lloyd's and company paper and consequently will be able to provide choice and the appropriate level of security according to the needs of brokers and clients.

The reorganisation will ensure that, as well as enhancing its presence in the key Lloyd's and London company markets, QBE will be able to take its products to market through seven UK regional underwriting centres and fifteen European branches.

QBE will operate three principal distribution centres beyond the London market as follows :

Distribution centre	Managing Director
UK National	Terry Whittaker
European Markets	Doron Grossman
Ireland	Frank Hynes

John Neal, Chief Operating Officer of QBE's European Operations comments "These changes will allow us to leverage the breadth and depth of QBE's capabilities for our brokers and clients alike in a coordinated and focused manner. It's our ability to see things differently and we empower our underwriters within agreed parameters to provide creative and innovative insurance solutions. Our enhanced distribution capabilities and commitment to delivering superior service can only create greater choice and provide increased flexibility for our brokers and clients in the UK, in Europe and internationally."

Steven Burns, Chief Executive Officer of QBE's European Operations adds "We are confident that aligning our Lloyd's and company operations more closely and identifying both with the QBE brand will create an enduring business that will allow us to face the challenges ahead and to grow our business. QBE is going from strength to strength and we feel the time is right to present our operation in Europe uniformly as part of the QBE family. Our businesses in London have been a key pillar in making QBE one of the top 25 global insurance and reinsurance companies with our market capitalisation now in excess of £12



billion. We believe these changes will enhance our reach and ensure that we can remain a centre of excellence for QBE in the years ahead.”

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BACKGROUND INFORMATION

BRAND CONSOLIDATION

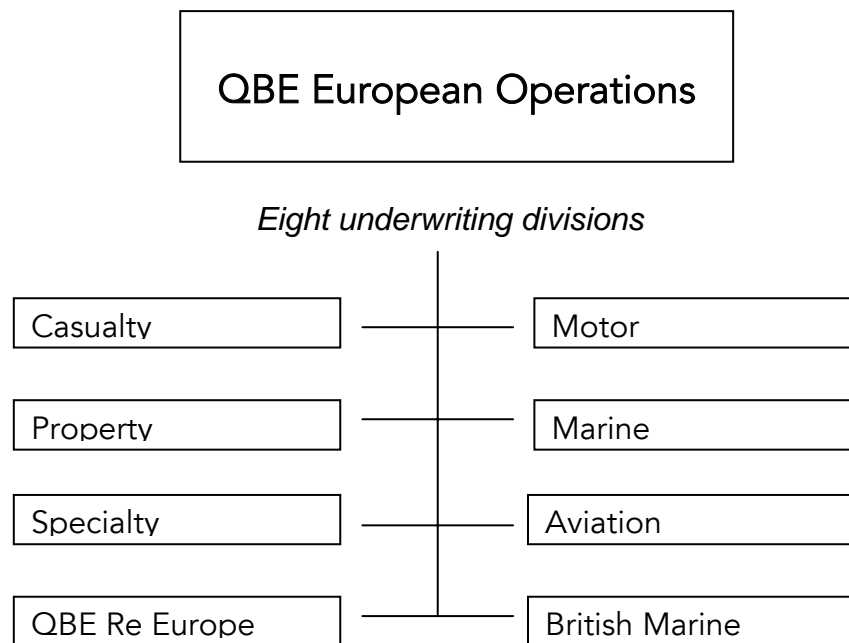
From 01.01.08





QBE EUROPEAN OPERATIONS UNDERWRITING DIVISIONS

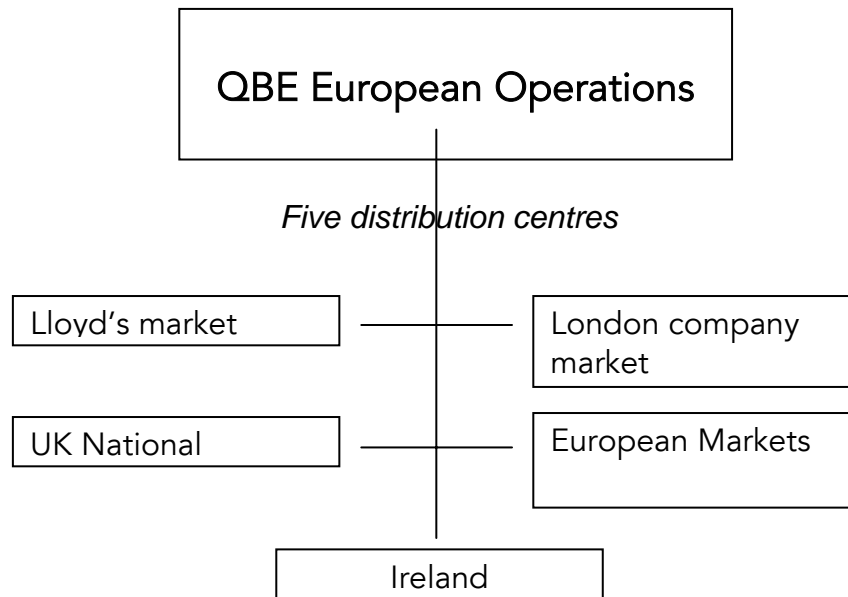
QBE European Operations will be made up of eight underwriting divisions





QBE EUROPEAN OPERATIONS DISTRIBUTION CENTRES

The above eight product divisions will be delivered via five distribution centres





Marine & energy

Managing Director Colin O'Farrell 2008 Capacity: £246m

Marine & energy will continue to largely trade via its Syndicate 1036 franchise but will also selectively access business opportunities using company paper.

Aviation

Managing Director Emilio Di Silvio 2008 Capacity: £108m

Aviation will continue to focus its underwriting activities via its dedicated specialist Syndicate 5555. The Syndicate was launched in September 2006.

QBE Re Europe

Managing Director: Jonathan Parry 2008 Capacity: £368m

Launched in September 2007, QBE Re Europe combines the strengths of the short-tail treaty portfolio underwritten by both Syndicate 566 and QBE Reinsurance (Europe) in Ireland with the casualty treaty portfolios previously underwritten in Syndicate 2000.

British Marine

Managing Director Robert Johnston 2008 Capacity £137m

British Marine is the only QBE sub-brand to retain its name. It was acquired by QBE Group in 2005 and specialises in worldwide P&I and hull for smaller ships.



DISTRIBUTION CENTRES

UK National

Managing Director : Terry Whittaker

Outside of London, QBE will underwrite from seven UK regional centres – Birmingham, Bristol, Chelmsford, Glasgow, Leeds Manchester, Stafford and, with each offering market leading products from the casualty property and motor portfolios. During 2008 QBE will expand its scope in the regions and will begin to offer additional products to compliment its core offerings.

European Markets

Managing Director: Doron Grossman

The European Markets division comprises 15 country operations, spanning Western, Central and Eastern Europe. The countries below will be able to offer product from QBE's eight underwriting divisions.

Bulgaria	Germany	Slovakia
Czech Republic	Hungary	Spain
Denmark	Italy	Sweden
Estonia	Macedonia	Switzerland
France	Romania	Ukraine

QBE Ireland

Managing Director: Frank Hynes

Launched on October 3rd 2007, QBE Ireland is the combination of the Irish operations of DA Constable Syndicate 386, Ensign and QBE Insurance (Europe). QBE Ireland offers liability, motor and commercial products and will expand to offer Professional Indemnity cover in 2008.



KEY PEOPLE



Steven Burns

Chief Executive Officer, QBE's European Operations

Steven joined QBE when Limit was acquired by QBE in 2000. He had been managing director of Limit since 1999 and has been CEO of QBE's Lloyd's division since 2000. Trained as a chartered accountant, he joined Lloyd's managing agency Janson Green in 1987 and became finance director before it was acquired by Limit in 1996. He has extensive experience at Lloyd's, was a member of the Council of Lloyd's for the 2003 to 2005 years and has been a non-executive director of the Lloyd's Franchise Board since late 2004.



John Neal

Chief Operating Officer, QBE's European Operations and Managing Director, QBE Insurance (Europe)

John Neal has over 20 years experience in the insurance industry. He has held senior roles in both Lloyd's and company market organisations. Until 2004, he was owner and CEO of the Lloyd's managing agency, Ensign. QBE acquired Ensign's motor business in 2004 which saw John appointed to the board of QBE European Operations and was subsequently appointed Managing Director of QBE Insurance (Europe), the company market operation in 2005. In 2007, John was appointed Chief Operating Officer for QBE's European Operations



ABOUT QBE

QBE Insurance Group 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 2006, the company underwrote gross written premium totaling £4,182 million and held shareholders' funds of £2,533 million.

Since 1981, QBE Insurance Group has successfully completed 100 acquisitions; including the high profile acquisitions of Limit Underwriting plc in 2000 and Praetorian Financial Group and Wintherthur US in 2007.

The Group consists of three geographically focused operational divisions: European Operations, based in London, the Americas, managed from New York, and the Australian Pacific Asia operation – managed from Sydney.

QBE in Europe

QBE European Operations, which accounts for 45% of QBE Group turnover, is a leading specialist in London market and European commercial lines business. QBE offers considerable diversity to the broking community, active in both the Lloyd's and company markets.

Appetite for risk

QBE is known throughout the market for its healthy appetite for risk and willingness to work flexibly in partnership with brokers. From policy inception to claims settlement, the QBE approach is to use our market expertise to understand the needs of the individual client. Then we tailor our solutions to fit those needs. We don't believe that one size fits all or that we should follow what other insurers do, which means we are always willing to take a view on specialist risks.

Ratings

Standard & Poor's insurer financial strength and counterparty credit rating for QBE's main insurance subsidiaries is A+ (Stable). Fitch Ratings insurer financial strength rating for QBE's main underwriting subsidiaries is A+, and the agency has also affirmed a long-term credit rating at A. Their outlook for all ratings is Positive. A. M. Best assigned the financial strength rating of the QBE Group of companies A (Excellent).

All figures are correct as at 31 December 2006

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