



**QBE INSURANCE GROUP LIMITED**  
ABN 28 008 485 014

82 Pitt Street  
Sydney NSW 2000

**Postal Address**  
GPO Box 82  
Sydney NSW 2001

Telephone: (02) 9375 4444  
Facsimile: (02) 9231 6104  
DX 10171 Sydney Stock Exchange

16 December 2004

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

Dear Sir,

re: Further conversion of Liquid Yield Option securities ("LYONs")  
to QBE ordinary shares

We refer to our previous announcements regarding the conversion of LYONs.

A further portion of QBE LYONs was converted into 97,091 ordinary shares of the Company today ("Conversion Shares"). The total number of QBE shares on issue becomes 745,177,084.

So far, 53,950,630 QBE shares have been issued as a result of LYONs conversions. 398,986 LYONs remain to be converted and if converted at this time would result in the issue of a further 51,799,776 QBE shares.

The Conversion 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 707A of the Act.

Yours faithfully,

A handwritten signature in cursive script that reads 'D Ramsay'.

Duncan Ramsay  
Company Secretary