QBE

QBE Insurance Group Limited
ABN 28 008 485 014
Head Office
82 Pitt Street
SYDNEY NSW 2000
Australia
Postal Address
Box 82 GPO SYDNEY 2001
Telephone: +61 (2) 9375 4444
Facsimile: +61 (2) 9231 6104
DX 10171, Sydney Stock Exchange

12 April 2012

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

Dear Sir/Madam

Share Purchase Plan ("SPP") – Share Issuance

We refer to our letter of 4 April 2012 and confirm that 14,018,692 shares have been issued pursuant to the QBE Share Purchase Plan raising approximately $150 million.

Approximately 90% of the refunds were processed via direct credit overnight.

Allotment and refund advices, together with refund cheques for those applicants who do not have bank account details recorded on their registered holding, are being dispatched to applicants tomorrow, 13 April 2012.

In our letter dated 6 March 2012, we advised that QBE issued 42,056,075 shares in accordance with our successful institutional placement. For the market's further information, under the institutional placement and the SPP, QBE has raised $600 million.

If QBE had conducted the equity raising via an entitlement offer on similar terms rather than the institutional placement and the SPP, shareholders would have received a pro rata entitlement of approximately 5% of their holding. This is less than the 8.34% allocation being applied to the vast majority of the applications received under the SPP, providing all eligible applicants who held between 10 shares and approximately 28,000 shares on the Record Date an allocation of new shares for at least their pro rata equivalent.

Yours faithfully

Peter Smiles

Peter Smiles
Deputy Company Secretary