



28 February 2007

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

Dear Sir/Madam,

Re: QBE SHARE PLACEMENT

Please find attached an announcement for release to the market.

Yours faithfully,

Duncan Ramsay
Company Secretary

QBE INSURANCE GROUP LIMITED
ABN 28 008 485 014

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QBE INSURANCE GROUP LIMITED

MARKET ANNOUNCEMENT

QBE SHARE PLACEMENT

QBE Insurance Group today announced the successful placement of 12.5 million shares to institutional shareholders overnight raising \$406 million. The shares do not qualify for the forthcoming 55 cents per share final 2006 dividend.

QBE's Group Chief Executive Officer, Frank O'Halloran said: "The funds raised from this issue, together with the dividend underwriting arrangements previously announced, will meet our target equity requirements over the next 12 months as part of our financing the recently announced US acquisitions." He added: "This issue has completed the placement component of our fundraising".

Settlement is due 7 March 2007 and shares are intended to be issued and listed for trading on 8 March 2007.

For further information, please call + 61 2 9375 4226 or email investor.relations@qbe.com

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