

QBE Financial Credentials

Standard & Poor's Rating

QBE is an international general insurance and reinsurance group operating in over 40 countries worldwide, offering a diversity of general insurance and reinsurance lines. The parent company of the group, QBE Insurance Group Limited, has been listed on the Australian Stock Exchange for over 30 years and has an Issuer Credit Rating of A- from Standard & Poor's. The main insurance operating entities of the QBE Group, including QBE Insurance (International) Limited, have a Financial Strength Rating of A+ from Standard & Poor's.

For information on the name of the QBE company in your market, visit www.qbe.com and follow the links to "Contacts", or simply click here.

Standard & Poor's Rating Scale

Standard & Poor's provides selected QBE companies with a financial strength rating. The rating scale is shown in the table below. The ratings range from "AA" to "CCC" and may be modified by the addition of a plus or minus sign to show relative standing within major rating categories.

AAA (Extremely Strong)	BBB (Good)	CCC (Very Weak)
AA (Very Strong)	BB (Marginal)	CC (Extremely Weak)
A (Strong)	B (Weak)	R (Regulatory Action)
Plus(+) or Minus(-)		

The Certificate of Rating is available for inspection at the registered office of QBE Insurance (International) Limited, 82 Pitt Street, Sydney, Australia. Telephone +61 (2) 9375 4444 or facsimile +61 (2) 9235 3166. Please note that whilst Standard & Poor's (Australia) Pty Ltd is the trading entity that issues the Certificate, the rating is universally Standard & Poor's.

FINANCIAL HIGHLIGHTS

	Year to 31 Dec 2005	Year to 31 Dec 2004 ¹
Net profit after tax (\$m)	1,091	857
Basic earnings per share (cents) ²	142.5	123.1
Diluted earnings per share (cents) ³	130.8	109.1
Dividend payout (\$m)	556	392
Dividend per share (cents) ²	71.0	54.0
Net tangible assets per share (\$)	4.76	4.10
Total investments & cash (\$m) ^{4,5}	17,597	14,975
Total assets (\$m)	29,665	25,036
Return on average shareholders' funds (%) ^{6,7}	23.9	24.5
Shareholders' funds (\$m)	5,093	4,032
Capital adequacy multiple	1.9	1.8

All dollar values quoted in AUD.

- 2004 information has been restated for the impact of AIFRS
- Reflects shares notified to the Australian Stock Exchange
- Assumes that all hybrid securities are fully dilutive
- Excludes ABC financial assets pledged for funds at Lloyds
- Includes financial assets, cash and investment properties
- 2004 comparatives are calculated with reference to the AIFRS adjusted shareholders' funds of \$2,951 million at 1 January 2004
- Includes the equity portion of hybrid securities issues in 2002 and 2004

