

9th March 2010

QBE expands into direct mortgage insurance in Hong Kong

QBE Lenders' Mortgage Insurance Limited (QBE LMI) today announced that it will expand its operations into the Hong Kong mortgage insurance market. QBE Group has been doing business for over 90 years in the Hong Kong market.

Through its subsidiary, QBE Mortgage Insurance (Asia) Limited (QBE MI Asia) will offer flexible and adaptable products to help customers manage and reduce risk. QBE MI Asia will be an alternative mortgage insurance option for banks allowing them to transfer risk and give them the confidence to lend through economic cycles.

QBE MI Asia will expand market reach for banks thereby assisting borrowers to achieve the security their own home provides to bring up their families.

QBE LMI has been providing mortgage insurance for over 45 years in Australia and QBE Group (the ultimate holding company) is a top 25 company in the global insurance and reinsurance market. With the backing of QBE LMI and the QBE Group, QBE MI Asia will offer a powerful combination of experience, relationships and resources.

Last night at their exclusive launch function, Chairman Ian Graham said "QBE MI Asia has over 12 years experience in the Hong Kong market. We see a strong opportunity to work closely with banks to offer flexible and adaptable solutions backed by high levels of customer service".

Managing Director of QBE MI Asia, Jonathan Chan said "I am proud to announce that recently we have established a relationship with Standard Chartered Bank (Hong Kong) Limited. I am excited about this new partnership and with the help of our highly respected team here in Hong Kong we are well on our way to a successful future in Hong Kong".

Mr Graham also said "We have a rich history in the region, we understand the local market, we have the financial strength and most importantly, we are now providing a choice in the Hong Kong mortgage insurance market. QBE MI Asia as a flexible risk partner will provide banks with the confidence to be responsive to the changing mortgage needs of Hong Kong residents in the future".

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Background on QBE MI Asia

QBE MI Asia serves the needs of banks in selected Asian markets, offering products that protect banks against losses associated with borrower default on residential mortgage loans.

QBE MI Asia's Standard & Poor's insurer financial strength of AA- of demonstrates the underlying strength and ability of the business to meet policy holder commitments throughout the economic cycles over a long period of time.

Operating in the Hong Kong market for over 12 years, our major strength is our ability to identify, develop and roll out flexible products and services.

Background on QBE LMI (Parent of QBE MI Asia)

QBE LMI is a leading mortgage insurer, credit enhancer and residential property market specialist with over 45 years experience in the Australian market and over 20 years in the New Zealand market. Through our proactive approach, innovative products and services, and longstanding knowledge and expertise, QBE LMI has helped its customers to manage and reduce risk.

QBE LMI's insurer financial strength ratings include:

- > Standard & Poor's Ratings Services AA - (Stable Outlook)
- > Moody's Investors Service Aa3 (Negative Outlook)
- > Fitch Ratings AA - (Stable Outlook)

Our ultimate holding company, the QBE Group is listed on the Australian Stock Exchange and has offices in 45 countries throughout Asia Pacific, the Americas and Europe, employing over 13,000 staff worldwide.

For further information, please contact:

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