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8 August 2025

**The Manager**

Market Announcements Office  
ASX Limited  
Level 4  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir / Madam,

**Market Release for the half year ended 30 June 2025**

Further to the announcement today of our results for the half year ended 30 June 2025, please find attached a market release in relation to those results.

This release has been authorised by the QBE Board of Directors.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Carolyn Scobie'.

Carolyn Scobie  
**Company Secretary**  
Attachment

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# 2025 Half year result

“QBE delivered a solid 1H25 result and is on track to achieve our full year outlook. We are executing well against a clear strategy, with efforts to reshape our portfolio and stabilise performance underpinning improved results. We have strong momentum in the business and are motivated to deliver another year of excellent returns in 2025”

Andrew Horton | Group CEO

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QBE announced 1H25 statutory net profit after tax of \$1,022 million, which increased from \$802 million in 1H24. Adjusted net profit after tax increased to \$997 million from \$777 million in the prior period, resulting in an adjusted return on equity of 19.2%.

Gross written premium growth of 6%, or 8% excluding exited portfolios was supported by continued organic growth in a number of focus areas. We have executed well against our growth strategy, and are on track to extend our track record of sustainable growth in 2025. The Group combined operating ratio improved to 92.8% from 93.8% in the prior period, highlighting the greater balance and breadth of performance across the business. Strong investment performance continued, with total investment income of \$788 million equating to a return of 2.4%.

QBE’s indicative regulatory Prescribed Capital Amount (PCA) multiple of 1.85x reduced slightly from 1.86x at 31 December 2024, and remains well positioned relative to the Group’s 1.6-1.8x target range. The Board has declared an interim dividend of 31 Australian cents per share, representing an interim dividend payout ratio of 30% of adjusted net profit after tax.

## Summary income statement and underwriting performance

FOR THE HALF YEAR ENDED 30 JUNE		MANAGEMENT BASIS	
		2025	2024
Gross written premium	US\$M	13,820	13,051
Net insurance revenue	US\$M	8,814	8,512
Net claims ratio	%	62.8	64.2
Net commission ratio	%	17.9	17.6
Expense ratio	%	12.1	12.0
<b>Combined operating ratio</b>	%	<b>92.8</b>	93.8
Net insurance finance (loss) income	US\$M	(132)	223
Fixed income gains (losses) from changes in risk-free rates	US\$M	141	(231)
Net investment income	US\$M	788	733
Net investment return	%	2.4	2.4
Tax rate	%	23.1	23.3
<b>Net profit after income tax</b>	<b>US\$M</b>	<b>1,022</b>	802
Adjusted net profit after income tax	US\$M	997	777
<b>Adjusted return on equity</b>	%	<b>19.2</b>	16.8
Basic earnings per share – adjusted basis	US cents	66.1	51.9
Dividend payout ratio (percentage of adjusted net profit after tax)	%	30	31
<b>Dividend per share</b>	<b>A cents</b>	<b>31</b>	24
<b>AS AT</b>		<b>30 JUN 2025</b>	<b>31 DEC 2024</b>
Debt to total capital	%	25.2	19.9
PCA multiple		1.85x	1.86x

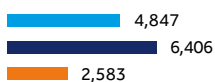
# Underwriting performance

The Group's combined operating ratio of 92.8% improved from 93.8% in the prior period, driven by strong underwriting performance within our core business, the progressive run-off of non-core portfolios, and favourable prior year development.

## Gross written premium (US\$M)

**13,820**

↑ 6% from 2024



Solid momentum continued in the period, with the drag from exited lines now fading. Excluding Crop, gross written premium growth was 6%, and 8% on further excluding exited portfolios.

## Ex-rate GWP growth

Group

↑ 5%



Ex-rate growth was 5% for the period, or 4% excluding Crop, and 7% on further excluding portfolio exits. Our teams achieved pleasing progress in a number of growth focus areas including Reinsurance, Accident and Health, Cyber and Portfolio solutions.

## Ex-cat claims ratio

**61.5%**

2024 **61.3%**

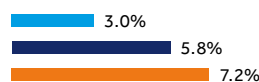


The ex-cat claims ratio of 61.5% increased from 61.3% in the prior period. On excluding risk adjustment and Crop, the ex-cat claims ratio increased to 55.4% from 54.8%, primarily driven by elevated large loss activity and a change in business mix, which more than offset the benefit from favourable rate increases.

## Catastrophe claims ratio

**5.4%**

2024 **6.2%**

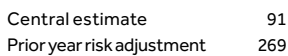


The net cost of catastrophe claims of \$479 million or 5.4% of net insurance revenue reduced from \$527 million or 6.2% in the prior period. The result was comfortably below the Group's first half catastrophe allowance of \$549 million.

## Prior accident year claims development (US\$M)

**360**

2024 **282**



The result included favourable development of the central estimate of net outstanding claims by \$91 million, compared with adverse development of \$18 million in the prior period.

## Net commission ratio

**17.9%**

2024 **17.6%**

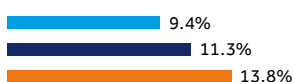


The net commission ratio increased to 17.9% from 17.6% in the prior period, primarily due to business mix changes across the Group, including growth in Portfolio Solutions and Reinsurance, which carry a higher commission ratio.

## Expense ratio

**12.1%**

2024 **12.0%**



The Group's expense ratio of 12.1% increased slightly from 12.0% in the prior period. Constant currency expense growth of 5% reduced from 9% in the prior period, and continues to support elevated investment in QBE's transformation agenda.

## Combined operating ratio

**92.8%**



The combined operating ratio improved to 92.8% from 93.8% in the prior period. The result was supported by favourable central estimate development and catastrophe experience, an encouraging outcome following recent efforts to strengthen portfolio resilience and reserve stability.

● Group ● North America ● International ● Australia Pacific

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# Investment portfolio performance

Total investment income of \$788 million delivered a return of 2.4%. The result was broadly stable compared to \$733 million or 2.4% in the prior period, supported by strong performance across both core fixed income and risk asset portfolios. Investment income also included a benefit of \$36 million associated with movement in foreign exchange rates through the period.

The core fixed income portfolio delivered a return of 2.0% or \$557 million, compared with \$633 million in the prior period. The result included a \$14 million drag from modestly wider credit spreads, compared to a \$55 million benefit in the prior period. The core fixed income yield remained strong, albeit moderating slightly in the period, with the 30 June 2025 exit yield at 3.8%.

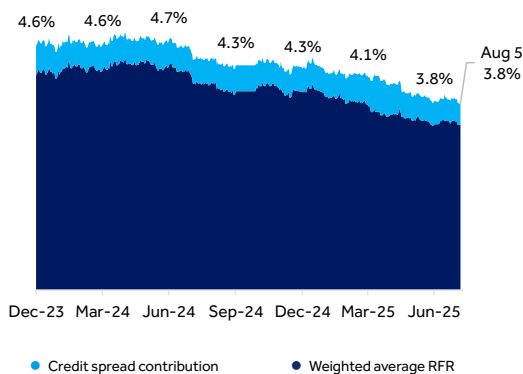
Risk asset performance improved notably with a return of 4.6% or \$209 million, compared with 3.3% in the prior period. Returns were supportive across most asset classes, with a particularly strong contribution from developed market equities, enhanced fixed income and alternatives. Following recent weakness, some stabilisation in property valuations through the period supported a positive return in the unlisted property portfolio.

Funds under management of \$34.0 billion increased by 11% compared to \$30.6 billion at 31 December 2024, or 5% on a constant currency basis. This was predominately driven by continued premium growth and strong investment returns in the period. The allocation to risk assets remained stable at 14% (and 15% on a committed basis).

## 1H25 investment return

	\$M	%
FI yield (ex risk-free rate)	571	2.1
Credit spreads (mark to market)	(14)	(0.1)
Risk assets	209	4.6
Expenses and other	22	0.1
<b>Net return</b>	<b>788</b>	<b>2.4</b>

## Core fixed income yield



# Balance sheet and capital management

## APRA PCA multiple

**1.85x**



QBE's indicative PCA multiple of 1.85x at 30 June 2025 remained broadly in line with 1.86x at 31 December 2024. Allowing for the payment of the 2025 interim dividend of 31 Australian cents per share, the pro-forma PCA multiple would decline to 1.81x at 30 June 2025.

## Debt to total capital

**25.2%**



Total borrowings of \$3.7 billion increased from \$2.7 billion at 31 December 2024, primarily driven by Tier 2 issuances in the period to replace Additional Tier 1 capital notes totaling \$900 million which were accounted for as equity. As a result, debt to total capital increased to 25.2% from 19.9% at 31 December 2024.

## Adjusted return on equity

**19.2%**



Adjusted net profit after tax increased to \$997 million from \$777 million in the prior period, and equates to an annualised adjusted return on equity of 19.2%.

# Strategic priorities

QBE Group CEO, Andrew Horton said: “QBE delivered a solid result in the first half of 2025 and remains on track to meet our full year targets. This reflects continued execution of our strategy and a sustained focus on building a high-quality, consistent business.”

“Ongoing focus and execution against our strategic agenda continues, reflecting our ambition to deliver more predictable performance and sustainable long-term growth.”

“Our approach to portfolio optimisation has matured, moving beyond remediation to active portfolio management that balances diversification with returns. The balance we have achieved across product classes and geographies is now delivering tangible financial benefits and will continue to drive future performance.”

“Our purpose of enabling a more resilient future is brought to life every day by our teams, our partners, and the customers and communities we support. The extreme weather events witnessed across the globe this period have had a profound impact on many communities. QBE remains focused on supporting affected customers, and we continue to implement new initiatives to help deliver the support our customers need.”



**Portfolio optimisation**



**Bring the enterprise together**



**Our people**



**Sustainable growth**



**Modernise our business**



**Customer**

## Outlook

**Gross written premium**

2025 constant currency GWP growth in the mid-single digits

**Combined operating ratio**

Combined operating ratio of ~92.5%

**Investment returns**

1H25 exit core fixed income yield of 3.8%

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## Result presentation

Group CEO, Andrew Horton, and Group CFO, Inder Singh, will host a result briefing today (Friday 8 August 2025) at 9:30am (AEST). Access details are below.

### Webcast and conference call

The briefing will be available for viewing as a live webcast and conference call. **All participants need to register** to access the webcast or conference call using the links below.

#### Registration is now open:

Webcast (watch or listen only): <https://edge.media-server.com/mmc/p/uy83eaao>

Teleconference (Q&A participation): <https://register-conf.media-server.com/register/BI9d8cd94a432c49fab0ce1a155b8d5776>

Questions will only be open to analysts and investors who join via the teleconference.

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## Contact details

For further information, please contact:

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## Basis of presentation (unless otherwise stated)

1. All figures are expressed in US dollars unless otherwise stated.
2. Premium growth rates are quoted on a constant currency basis.
3. Premium rate changes exclude North America Crop and/or Australian compulsory third party motor (CTP).
4. Funds under management comprise cash and cash equivalents, investments and investment properties.
5. Total investment income excludes fixed income gains or losses from changes in risk-free rates.
6. Core fixed income excludes enhanced fixed income risk assets, which comprise emerging market debt, high yield debt and private credit.
7. Total core fixed income yield includes assets measured at fair value through profit and loss, and fair value through other comprehensive income.
8. Adjusted net profit after income tax adjusts for Additional Tier 1 capital coupon accruals.
9. Adjusted return on equity (ROE) refers to adjusted net profit after income tax expressed as a percentage of adjusted average shareholders' equity. Adjusted closing and average shareholders' equity excludes the carrying value of Additional Tier 1 capital notes and in 2025, the fair value through other comprehensive income (FVOCI) reserve.
10. APRA PCA calculations at 30 June 2025 are indicative. Prior year calculation has been updated to be consistent with APRA returns finalised subsequent to year end.
11. Analysis of the Group by division excludes the Corporate & Other segment.
12. 30 June 2024 Shareholders' equity has been restated to reflect an updated transitional adjustment relating to discounting on initial application of AASB 17 Insurance Contracts. Adjusted return on equity and other related balance sheet metrics have been restated accordingly.

## Disclaimer

The information in this announcement provides an overview of the results for the half year ended 30 June 2025.

This announcement should be read in conjunction with all information which QBE has lodged with the Australian Securities Exchange (ASX). Copies of those lodgements are available from either the ASX website [www.asx.com.au](http://www.asx.com.au) or QBE's website [www.qbe.com](http://www.qbe.com).

The information is supplied in summary form and is therefore not necessarily complete. Prior to making a decision in relation to QBE's securities, products or services, investors, potential investors and customers must undertake their own due diligence as to the merits and risks associated with that decision, which includes obtaining independent financial, legal and tax advice on their personal circumstances. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

This announcement contains certain 'forward-looking information' and 'forward-looking statements' within the meaning of applicable securities laws. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'outlook' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of QBE, that may cause actual results to differ materially from those

either expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward-looking statements. Such forward-looking statements only speak as of the date of this announcement and QBE assumes no obligation to update such information.

Any forward-looking statements assume no material variation in catastrophe claims or premium rates relative to our business plans; no significant change in equity markets and interest rates; no major movement in budgeted foreign exchange rates; no material change to key inflation and economic growth forecasts; recoveries from our reinsurance panel; no unplanned asset sales and no substantial change in regulation. Should one or more of these assumptions prove incorrect, actual results may differ materially from the expectations described in this announcement.

This announcement does not constitute an offer or invitation for the sale or purchase of securities. In particular, this announcement does not constitute an offer of securities for sale in the United States, or to any person that is, or is acting for the account or benefit of, any U.S. person, or in any other jurisdiction in which such an offer would be illegal. Securities of QBE may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. persons without registration under the Securities Act or an exemption from registration.