

Whittington aims for global expansion with significant new cash investment

London, 18 November 2005 - The insurance division of Omni Whittington Group is to demerge and benefit from a major injection of expansion capital in a landmark deal announced today.

Whittington Group Pte Limited, a new holding company, will be domiciled in Singapore and will have net assets of more than US\$80 million. This company will acquire the insurance businesses of the Omni Whittington Group as soon as regulatory approvals are received and will have substantial cash available to fund acquisitions and expansion. The majority of the expansion capital comes from two of Hong Kong's leading equity investment funds, UCL Asia and GEMS.

Whittington's objective is to take advantage of favourable market conditions to grow rapidly and expand into new geographic markets. The company will look to acquire more insurance companies or portfolios in run-off and develop its range of outsource services. In addition, Whittington is also seeking to make more investments in 'live' underwriting operations in emerging markets and Lloyd's.

UCL Asia and GEMS will be majority shareholders in the new business with Tony Hobrow (CEO), and Edward de Jager (Chairman) as minority shareholders, alongside other senior management. Mr Hobrow will be CEO of the new business and Mr de Jager will be non-executive Chairman.

Mr Hobrow, CEO of Whittington, said: *"This new phase in Whittington's evolution marks a huge stride forward for the business, bringing much increased financial strength and global reach. It gives us the capital and the resources we need to take full advantage of major new opportunities opening up around the world in a number of insurance-related activities.*

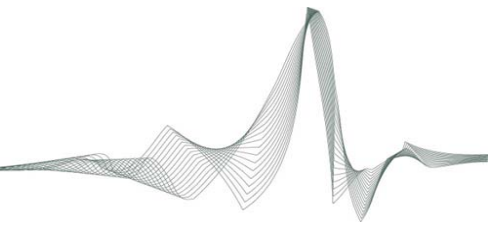
"Over the past two years we have talked to numerous potential investors, but we felt that both UCL Asia and GEMS shared a common vision and culture with us, and were willing to make a simple cash deal that gives us funds available to invest from day one.

"This is a uniquely exciting proposition to our new shareholders. We want to increase our activities across the lifecycle of the insurance industry, make further acquisitions of companies in run-off and expand our services and investment activities globally. These new partners have the financial strength, the contacts and the commercial skills to complement our insurance team."

Simon Murray, Executive Chairman and founder of GEMS, indicated his enthusiasm for the deal: *"From the beginning, we were enormously impressed with the expertise and deep knowledge of the insurance sector shown by Tony Hobrow and the senior management at the Group - this view was strengthened when we spent further time with them to understand the business in more detail. Our philosophy has always been about backing strong driven*



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management teams, and in this case we feel highly confident that with the extra funding firepower, Whittington Group can take advantage of the enormous opportunity in UK, Asia, Europe and the USA in the next few years. With a leading position in the UK and Asia, the Group is positioned at the heart of a highly specialised and high growth sector."

The new Whittington Group will have net assets of more than US\$80 million to support its ambitious growth plans in the UK, Asia, Europe and the US.

"This balance sheet will place the new Whittington Group in a very strong competitive position. We're confident that the Group will go from strength to strength with such a strong foundation," Hobrow added.

Whittington's senior management team is the same that managed Omni Whittington's insurance business and includes Richard Whatton as General Manager for Europe and the US, Elaine Seaburgh as Group Finance Director and Stephanie Mocatta as Group Business Development Director.

The debt division of Omni Whittington Group, based in the Netherlands, will retain control of its highly profitable emerging market and sovereign debt business. It will also retain its investment in the Lloyd's business, Managing Agency Partners Ltd. The sale will allow it to deploy substantially more capital into its retained business.

Prior to its acquisition by the Dutch group, Omni, in 1999, Whittington was originally formed as a subsidiary of Murray Lawrence Group, and was launched in 1993.

The transaction remains subject to regulatory approval in various territories.

Omni Whittington's insurance services business currently has offices in London, Folkestone, Chester and Gloucester in the UK, Singapore, and New Orleans in the US. During recent years, the business has made significant investments in a range of activities including Lloyd's managing agencies Illium and Managing Agency Partners, and acquired a number of businesses in run-off, the first acquisition being Crombie Insurance Co. Ltd and the latest European acquisition being Reliance National Insurance Company (Europe) Ltd. The company currently has US\$10 billion of client and owned insurance liabilities under management.

