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This announcement is an advertisement and not a prospectus. Investors should not purchase or subscribe for any transferable securities referred to in this announcement except on the basis of information contained in any prospectus (the "Prospectus") in its final form that may be published by Brit PLC, a new English holding company (the "Company") for Achilles Holdings 1 S.à r.l. ("Achilles") and its subsidiaries (Achilles and its subsidiaries being together the "Group", or the "Brit Group") in due course in connection with the admission of the Company's ordinary shares (the "Ordinary Shares") to the premium listing segment of the Official List of the UK Listing Authority (the "UKLA") and to trading on the London Stock Exchange plc's Main Market for listed securities (the "London Stock Exchange") ("Admission").

The financial information contained in this announcement relates to Brit Insurance Holdings B.V. ("BIH"), an indirect subsidiary of Achilles, and its consolidated subsidiaries (collectively, the "BIH Group"). Any Prospectus will contain financial information relating to the Group.

Following its publication the Prospectus will (subject to certain access restrictions) be available online at www.britinsurance.com. This announcement is not an offer to sell, or a solicitation of an offer to acquire, securities in the United States or in any other jurisdiction.

4 March 2014

BRIT

Announcement of Intention to Float on the London Stock Exchange

Brit Group today announces its intention to proceed with an initial public offering of Ordinary Shares in the Company (the "Offer" or the "IPO"). It is intended that the Company will apply for admission to the premium listing segment of the Official List of the UKLA. It is expected that the Offer will complete in April 2014.

Brit is a global specialty insurer and reinsurer, underwriting policies in the Lloyd's market across a broad range of commercial insurance and reinsurance classes with a focus on Property, Casualty and Energy business. Direct insurance accounted for 76% of the Group's 2013 gross written premiums ("GWP") and of this 66% was short tail specialty direct insurance. Having restructured and streamlined its business in recent years, the Group's underwriting is now focused on its dedicated Lloyd's syndicate (2987) (the "Syndicate"), which is one of the largest in the Lloyd's Market (based on total owned underwriting capacity). The Syndicate benefits from the strong financial strength ratings assigned to Lloyd's.

Business highlights

- **Strong underwriting performance** delivered by a team of underwriters with market-leading sector expertise, demonstrated by the continued improvement in attritional loss ratio[1]: down 12.9 percentage points from 2009 to 51.3% in 2013. The low attritional loss ratio in 2013 contributed to a combined operating ratio[2] of 85.2%.
- **Differentiated global distribution reach** through a capital efficient distribution model in the United States and Bermuda, providing access to attractive lines of business that may not otherwise be written in the London market.

- **Well positioned to capitalise on future growth opportunities** through continued development of the Group's established position within the London market together with careful expansion of its distribution model in the United States, Asia and Bermuda.
- **Well managed investment portfolio with strong contributions to Group returns.** The Group holds a mix of core income-generating investments (89% of its total investment portfolio as at 31 December 2013), and higher income assets and total return mandates (11% as at 31 December 2013). The Group has high structural investment leverage (4x Investments/NTA[3]) that enables a higher contribution to return on net tangible assets ("RoNTA") from investment returns.
- **Efficient operating platform with low marginal costs**. The Group has built an operational infrastructure which is flexible and scalable, benefitting from an outsourcing arrangement which supports a significant portion of business processing and IT activity.
- **Strong capital position** demonstrated by the significant surplus capital, amounting to £263 million over management entity capital requirements as at 31 December 2013 (equivalent to a capital ratio[4] of 141%).
- **Strong financial performance in 2013**
    - Return on net tangible assets (excluding the effects of all foreign exchange movements)[5] of 24.5% (2012: 18.5%).
    - Profit after tax increased by 20.1% to £101.7 million (2012: £84.7 million)
    - Combined ratio[2] significantly improved to 85.2% (2012: 93.2%) driven by an improved claims ratio[6] of 48.5% (2012: 56.3%).
    - Return on investments of £56.9 million, and net investment return[7] of 2.2% (2012: £87.2 million/2.9%).

Strategy

The Group intends to maximise RoNTA by focusing on key fundamentals of the specialty insurance business, namely underwriting, investments, operational efficiency and capital management. The Group seeks to pro-actively manage all of these elements in order to deliver value for shareholders. The key strategic objectives for the Group are:

- **Delivering "best in class" underwriting returns**, by maximising profitability across its core book, whilst reacting swiftly to market conditions to reposition or re-underwrite where required. The Group targets a combined ratio in the low 90% range in a year with normal natural catastrophe experience and an attritional loss ratio in the low 50% range in current market conditions.
- **Capitalise on profitable growth opportunities**, by expanding its core Lloyd's operation and continuing to build its profitable US specialty platform, whilst also looking at opportunities to further expand its efficient distribution model globally.
- **Pro-active management of the investment portfolio** to maintain an appropriate balance between risk and return and generate attractive and consistent risk adjusted returns. The Group's current running yield is 2.2% (excluding any capital returns).
- **Continued focus on operating efficiency** to maintain a flexible and scalable operational platform that is fully capable of supporting the expected growth of the business. The Group targets an operating expense ratio[8] of 11-12% of net earned premiums.
- **Focus on control framework**. The Group continues to use rigorous analytics across all areas of the business to identify opportunities to improve efficiency and profitability. The Group has robust controls across the business, clearly set out in a comprehensive risk management framework.
- **Maintain strong capital position with proactive capital management in order to maximise the Group's RoNTA**. The Group maintains a conservative capital position and

targets capital resources in a range of 120-140% of management entity capital requirements through the cycle.

- **Sustainable regular dividend, supplemented by special dividends**, as capital position, returns and reserves permit. The Group's board of directors (the "Board") currently expects a base interim dividend of £25 million for 2014, representing one-third of the expected annual dividend. The Group would expect to pay the remainder of the annual dividend in early 2015. The Group intends to pay a sustainable regular dividend supplemented by special dividends when excess capital cannot be attractively deployed.

Commenting on today's announcement, Mark Cloutier, Chief Executive Officer of Brit Group said:

"We are very pleased to be bringing Brit to the market following a period of successful change for the business.

In recent years we have transformed Brit into a global specialty insurer and re-insurer operating through our Lloyd's of London platform. We have sold non-core businesses, focused our underwriting on profitable specialty business lines with short tail risks, and expanded our global distribution in the US, Bermuda and China. We have built a stronger investment management capability, and transformed the quality and efficiency of our operating infrastructure. The results of this hard work are seen in our financial performance. Our 24.5% return on net tangible assets in 2013, following 18.5% return in 2012, reflects our ability to create significant value and deliver strong shareholder returns.

Our simpler, more focused business is now able to take maximum advantage of the global distribution and capital efficiency provided by Lloyd's to generate further profitable growth. We have put in place a strong senior management team focused on a clear strategy, and we are expanding our underwriting teams internationally in select lines of business. We see a number of opportunities ahead and believe we have laid strong foundations for continued outperformance."

Commenting on today's announcement, Dr. Richard Ward, Non-Executive Chairman of Brit Group said:

"Brit has reshaped itself into a world leader in global specialty insurance and reinsurance. Mark Cloutier has assembled an impressive team who are delivering strong returns founded on disciplined underwriting and a robust risk management framework. Through its expanded international reach the business has further opportunities to grow profitably. I am confident that Brit is well positioned for the next phase of its development as a publicly listed company."

Overview of the Offer

- The Offer will comprise a sale of a portion of the Ordinary Shares held by the Group's existing shareholders, including funds affiliated with Apollo Global Management, LLC (together, the "Apollo Shareholders"), funds managed by CVC Capital Partners (together, the "CVC Shareholders"), and management
- The IPO will achieve a minimum free float of 25%
- The Apollo Shareholders and the CVC Shareholders, respectively, are expected to remain the Group's largest shareholders following completion of the Offer
- It is intended that an over-allotment option of up to 10% of the total offer size will be made available by certain shareholders
- The Apollo Shareholders and the CVC Shareholders, respectively, agree to certain shareholding lock-up arrangements for 180 days following completion of the Offer
- Management and other employee selling shareholders agree to certain shareholding lock-up arrangements for 365 days following completion of the Offer

- The syndicate for the IPO comprises J.P. Morgan Securities plc (which conducts its UK investment banking activities as "J.P. Morgan Cazenove") as Sole Sponsor, Joint Global Co-ordinator and Joint Bookrunner, UBS Limited ("UBS") as Joint Global Co-ordinator and Joint Bookrunner, and Canaccord Genuity Limited and Numis Securities Limited as Co-Lead Managers

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Key strengths and investment highlights of Brit

The combination of a prudent and efficient capital structure, underwriting discipline, balanced investment strategy and a scalable operating platform has resulted in the Group generating a pre-FX RoNTA of 24.5% in 2013 (17.2% including foreign exchange movements other than on non-monetary items) (2012: 18.5% and 16.8% respectively). In particular, the Board believes that the Group's performance in recent years is rooted in the following key strengths:

i. Specialty insurance focus delivering underwriting profitability

The Group's underwriting platform focuses on writing business in areas where market conditions are attractive and where it can leverage its existing knowledge and underwriting expertise to maximise profitability.

(A) The current portfolio focuses predominantly on direct insurance and, within that category, on Property, Energy and Casualty (which the Group considers its core business), areas which have historically provided high returns on capital for Lloyd's underwriters and where market conditions are currently favourable.

(B) While focused on its core expertise, the Group nevertheless writes business across a diverse range of business lines with a focus on underwriting profitability, with the underlying risk spread worldwide. This diversification allows the Group to write business in a variety of sectors across a broad geographic base and reduces the likelihood that the Group will be overly exposed to losses either in any one or closely correlated business line(s) or stemming from a particular region.

(C) The Group acts as lead underwriter for approximately 50% of the business it writes. Since the lead underwriter is responsible for setting the price and agreeing the terms of the policy, the Group is better able to make effective use of its underwriting expertise.

(D) The Group writes approximately 55% of its direct insurance business in the open market, retaining full underwriting control. This approach shortens the distribution chain, makes direct use of the ability of the Group's underwriters to select individual risks and the Board believes that this enables the Group to benefit from a more significant increase in rates following a large loss.

(E) The Board believes that the Group is well placed to continue to attract top quality underwriters in both its core business areas and complementary business lines with attractive outlooks.

The Board believes that the foregoing will underpin underwriting profitability for the Group.

ii. Focused Lloyd's business with substantial scale

The Group's business model of writing all its business through the Syndicate is a key factor that differentiates the Group from many of its peers. The Lloyd's market structure offers a number of substantial advantages, listed below, on which the Group, as a significant player at Lloyd's (with a fully-owned capacity of £1.0 billion in 2014), is well placed to capitalise.

(A) **Efficient platform:** The Lloyd's capital structure (including the Central Fund) affords all members, including the Group, the ability to write business benefitting from favourable capital requirements compared to similarly rated non-Lloyd's entities. As such, the Group is able to maintain equivalent capital surplus to non-Lloyd's market participants whilst operating on a more efficient capital base and generating higher return on capital.

(B) **Financial backing and rating strength:** Lloyd's financial security and strong ratings enable the Lloyd's market to attract diverse and specialist insurance business on a global basis. The financial strength of the Lloyd's market is underpinned by the Central Fund, which at 30 June 2013 had assets of approximately £2.4 billion. Lloyd's syndicates are able to underwrite with the benefit of the strong Lloyd's financial rating: A (Excellent) from A.M. Best, A+ (Strong) from Fitch and A+ (Strong) from Standard & Poor's.

(C) **Distribution capability:** Lloyd's has established global distribution access with direct or reinsurance licensing in over 200 territories and operational hubs in key international markets. This provides the Group with low cost access to new business opportunities in these markets (for example in China).

(D) **Brand strength:** Lloyd's has an established global brand and is a leading participant in global specialty insurance and reinsurance.

(E) **Funding flexibility:** Lloyd's affords greater flexibility in the means of funding capital requirements compared to standalone insurance companies. Lloyd's efficiencies are therefore further enhanced by the ability of Lloyd's members to use letters of credit or bank guarantees to support their underwriting capacity, which the Group uses prudently.

(F) **Barriers to entry:** Lloyd’s, through its membership-based participation model, has higher barriers to entry than the broader non-life property and casualty insurance market. Memberships are approved by the Lloyd’s Council and applicants are required to satisfy a range of admission criteria before such membership is granted.

These advantages, combined with the Group’s own underwriting strategy, have enabled the Group to generate attractive pre-FX RoNTA of 24.5% in 2013 and 18.5% in 2012 whilst maintaining capital strength and flexibility.

iii. Differentiated global distribution reach focused on attractive lines

In addition to accessing the significant distribution capability of the Lloyd’s market, the Group has developed, and continues to grow, its own global distribution network, focusing on an efficient service company model in the United States and Bermuda. This enables the Group to access additional business that may not otherwise be accessed in London. In 2013, 94% of the Group’s underwriting business originated in London and 6% from the Group’s overseas distribution network.

The Group’s distribution network predominantly comprises wholly owned overseas service companies, which employ underwriters who have the authority to write business and handle claims on behalf of the Syndicate (i.e., the companies act as managing general agents). As the underwriting is being effected through the Syndicate, there is no requirement for the service companies to hold regulatory capital. Accordingly, this “service company” model is an efficient way of broadening the distribution capability of the Group.

The main focus of the Group’s international distribution strategy to date has been the United States, where the Group’s first local underwriting office was opened in Chicago in 2009. The business now trades as Brit Global Specialty USA, or BGSU, which in 2013 wrote approximately 6% of the Group’s GWP. In 2012, the size of the excess and surplus lines market in the United States was estimated by A.M. Best to be approximately $35 billion. In 2013, the Lloyd’s market wrote business amounting to 18% of the US excess and surplus lines market. Through BGSU, the Group has direct access to the much wider part of that market (82%), which would not otherwise have been accessible in London.

BGSU is expanding, having recently acquired the renewal rights of the excess and surplus property business of Maiden Holdings, Ltd, and hired new teams to join its public entity business line and to write new business focusing on the criminal justice sector.

Following the growth of the BGSU platform (from GWP of £35 million in 2011 to £67 million in 2013) and the experience gained through expanding the platform, the Group has recently developed a similar distribution platform in Bermuda, writing casualty and property treaty business, and has also commenced writing business on the Lloyd's China platform. Going forward, management intends to continue to focus on retaining what the Board believes is an efficient and flexible business model in relation to the expansion of its distribution reach.

iv. Underwriting teams delivering strong underwriting track record

The executive and underwriting management teams have a track record of delivering underwriting profit and growth, underpinned by effective portfolio management. That track record can be seen in the improvement in the Group’s attritional loss ratio, which decreased 12.9 percentage points from 2009 to 51.3% in 2013.

The teams and, in particular, Matthew Wilson, the Chief Underwriting Officer, have been focused on improving the performance of the underwriting portfolio over the past five years with the following results:

(A) **Profit:** the Group has a track record of profitability in its core business lines of Property, Casualty and Energy. In 2013, these classes together comprised 47.9% of GWP and delivered attritional loss ratios of 41.2%, 48.3% and 56.6%, respectively.

(B) **Growth:** the Group's strategy has been to target growth in both existing lines of business where the Group already has a track record of profitability and underwriting expertise, as well as adding new lines to the portfolio. In line with this strategy, the Group has grown as follows:

- Since 2010, the Group has grown in existing lines of Property open market, Energy Upstream and US excess and surplus lines. These areas have together grown by 34% per annum (based on GWP) over the last three years and, in 2013, represented 21% of total GWP. These lines have also grown profitably with attritional loss ratios improved in each line over the same period. In Property open market, GWP increased from £46 million in 2010 to £91 million in 2013. In Energy Upstream, GWP increased from £35 million in 2010 to £91 million in 2013, and GWP for US specialty lines increased from £22 million to £67 million in the same period.

- In 2013, the Group added several complementary product lines, including Fine Art and Specie, Political and Credit Risks and High Value Homeowners, launched additional distribution capability in Bermuda and China, and recruited a new UK property team. The US specialty offering was further strengthened through the purchase of renewal rights from Maiden Holdings. In aggregate, the Board believes that these new initiatives have the potential to generate approximately £150 million of GWP in the medium term for the Group.

v. Well managed investment portfolio with strong contributions to Group returns

The Board believes that the Group's balanced and well controlled approach to investment is a core strength of the Group.

The Group targets a balance of core income-generating investments with higher income assets and total return mandates across a range of sectors to balance risk and yield and to diversify away from pure fixed income investments. The Group seeks to achieve this mix whilst remaining broadly matched to currency exposure and with sufficient liquidity, even in extreme stress scenarios. The Group's investments are overseen by an experienced internal team and managed by external asset managers acting within a well-defined risk framework and control environment that contains investment guidelines determined by asset class. The Board believes that this structure allows the Group to react quickly to market conditions.

The combination of the Group's specialty lines insurance focus and its utilisation of the efficient Lloyd's platform gives the Group significant investable assets relative to its net tangible assets, with such investable assets approximately 4x the Group's net tangible assets as at 31 December 2013. In turn this supports higher RoNTA from investment returns.

The investment portfolio has achieved net investment returns of 2.4% in 2011, 2.9% in 2012 and 2.2% in 2013 despite the current low yield environment. The Board believes that the current portfolio is positioned for interest rate rises given the portfolio duration of two years as at 31 December 2013 as compared with the 3.3 year target for solvency matching.

vi. Efficient and scalable operating platform

The Group operates from an efficient platform positioned to support growth of the business at low marginal cost. The Group continues to invest in improving the efficiency of the platform across all areas, predominantly operations and IT, and has outsourced a significant portion of its operational infrastructure to a third party provider.

The Board believes the outsourcing model positions the Group well to support any growth in the business at a relatively low marginal cost. Where the underwriting business of the Group grows, rather than having to invest in additional operational infrastructure, the Group can increase the level of services offered by the third party provider. This can generally be accomplished in a shorter time period and at a lower cost, when compared with the development of the Group's own internal operational systems and processes. The Board therefore believes the Group's platform provides it with flexibility and scalability to take advantage of growth opportunities that may emerge in the future.

vii. Robust risk framework, effective catastrophe exposure management and conservative reserving approach

The Board believes that the Group has robust controls in relation to the risks it faces across its business, clearly set out in a comprehensive risk management framework. Risk management is delivered within a well defined governance structure with clear reporting lines, overseen by the Board and a dedicated Chief Risk Officer.

In relation to its underwriting business, the Group's Underwriting Guidelines contain strict controls and policies governing the size and type of risk to which underwriters can expose the Group. The Group's catastrophe exposure is well defined and managed and the Group has remained profitable even in periods of significant market losses such as in 2011 and 2012. The Group has a conservative approach to catastrophe risk, which is reflected in its lower focus on Property Treaty business in its inwards reinsurance book and efficient utilisation of reinsurance to protect the portfolio.

The Board believes that the Group's reserving process, overseen by the Chief Actuary, who reports directly to the CEO, is prudent and well established. The Group's reserving policy is to reserve to a "conservative best estimate" and carry an explicit risk margin above the best estimate. Annual independent reviews have demonstrated that the Group's internal best estimate contains a surplus over the independent estimate. Over time, the Group's conservative approach to reserving has resulted in a track record of reserve releases across a broad range of lines of business.

viii. Strong capital position and proactive approach to capital management

As a result of the Group's Lloyd's focus, the Group benefits from lower entity capital requirements compared to non-Lloyd's businesses, as agreed with the relevant regulatory body.

The strength of the Group's capital base is demonstrated by the significant surplus capital, amounting to £263 million over entity capital requirements, as at 31 December 2013 (equivalent to a capital ratio of 141%), which the Group holds to provide a buffer in the event of results volatility and in order to pursue opportunities without requiring a capital injection. In addition, the Group maintains a £100 million undrawn revolving credit facility, providing additional liquidity. The Group has also implemented a solvency matching strategy on currency risk and interest rate risk that has the objective of protecting this capital ratio against foreign currency and interest rate movements. While this can be expected to result in fluctuations in earnings (due to the impact of foreign currency and interest rate movements on the income statement), it protects against the risk of additional capital being required solely as a result of fluctuations in currency and interest rates.

The Group maintains a capital policy of holding 120-140% of management entity capital requirements and is currently at the top end of this range. In the event of further surplus capital being created and in the absence of attractive profitable growth opportunities, management expects surplus over the target range to be returned to shareholders. The Board believes that the cross-cycle earnings power of the business coupled with the strong capital buffer and efficient capital management provide a strong base from which to support an attractive dividend policy, as set out below.

ix. Track-record of stable value creation

The Group has been highly cash generative in recent years, and has distributed dividends even in years with high catastrophe losses. The Group paid dividends of £100 million in 2013, £100 million in 2012 (excluding £270 million of special dividends relating to the disposal of its non-core regional UK business), £72 million in 2011, and £47 million in 2010.

x. Well positioned to capitalise on future growth opportunities

The Board believes that the Group is well positioned to capitalise on attractive opportunities for selective future growth. Future premium growth is expected to arise from continued development of the Group's position within the London market, together with careful expansion of its distribution network in the United States, Asia and Bermuda.

In relation to the core London market underwriting activity, the Board believes that the Group will continue to attract new individuals and teams who will be able to write profitable niche specialty business that is complementary to its existing well established Property and Casualty lines.

The Group’s use of wholly owned service companies in its international distribution strategy makes expansion into new territories efficient, offering a relatively low cost and capital flexible structure from which to generate increased underwriting business. The Group’s experience with this model in the United States and, more recently, Bermuda, will assist it in exploiting future opportunities in those territories or elsewhere.

The Group’s operating platform is well placed to complement any future growth, being both flexible and scalable. The Board therefore believes that any future growth would be adequately supported by the existing operating platform.

Financial highlights

BIH Group

	Year ended 31 December		
	2011	**2012**	**2013**
	£m	£m	£m
Gross written premium	1,179.9	1,147.9	1,185.7
Direct business	*829.2*	*847.6*	*904.7*
Reinsurance business	*350.7*	*300.3*	*281.0*
Operating profit (continuing operations)	68.4	113.6	126.6

Total profit after tax (including discontinued operations[9])	76.0	84.7	101.7
Net assets	976.2	684.1	687.4
Net tangible assets	897.2	649.1	649.6

Key performance indicators

	Year ended 31 December		
	2011	**2012**	**2013**
Profitability:			
Return on net tangible assets (%)[10]	8.6%	16.8%	17.2%
RoNTA (excluding all foreign exchange movements) (%)[5]	8.6%	18.5%	24.5%
Cumulative total value created (£ in million)[11]	79.4	201.3	301.8
Business performance:			
Attritional loss ratio (%)[1]	56.4%	51.9%	51.3%
Major claims ratio (%)[12]	14.4%	6.1%	3.2%
Reserve release ratio (%)[13]	(9.5)%	(1.7)%	(6.0)%
Claims ratio (%)[6]	61.3%	56.3%	48.5%
Commission ratio (%)[14]	26.1%	25.8%	24.9%
Operating expense ratio (%)[8]	12.2%	11.1%	11.8%
Expense ratio[15]	38.3%	36.9%	36.7%
Combined ratio (%)[2]	99.6%	93.2%	85.2%
Other:			
Net investment return (%)[7]	2.4%	2.9%	2.2%
Solvency ratio (%)[16]	120%	125%	141%
Gearing ratio (%)[17]	25.0%	23.4%	23.2%

Reasons for the offer

The Apollo and CVC Shareholders are looking to realise part of their investment in the Group by way of the Offer. In addition, while the Group is not receiving any proceeds from the Offer, the Board believes that Admission will benefit the Group as it will:

- give the Group access to a wider range of capital-raising options which may be of use in the future; and
- assist in recruiting, retaining and incentivising key management and employees.

Dividend policy

The Board believes that the Group's RoNTA in 2012 and 2013 coupled with the capital buffer demonstrate the ability of the business to support a sustainable regular dividend for shareholders. The Board expect that any additional capital not required for profitable growth opportunities to be returned to shareholders, as has been the case in most recent years. The Group does not have a progressive dividend policy.

Dividends (to the extent paid) are linked to past performance and future prospects, expected cash flows and working capital needs, as well as the availability of distributable reserves. The Board currently expects a base interim dividend of £25 million for 2014, representing one-third of the expected annual dividend and paid in the third quarter of this year. The Group would expect to pay the remainder of the annual dividend in early 2015. The Group expects the regular dividend to be supplemented by special dividends when excess capital cannot be attractively deployed in order to maintain surplus capital within the target range of 120-140% of entity management capital requirements.

Board of Directors

It is intended that the Board will, at Admission, comprise ten members, including the independent Chairman, the Chief Executive Officer, four independent Non-Executive Directors and four Non-Executive Directors who are not deemed to be independent for the purposes of the UK Corporate Governance Code.

Independent Non-Executive Chairman: Dr. Richard Ward

Chief Executive Officer: Mark Cloutier

Independent Non-Executive Director: Hans-Peter Gerhardt

Independent Non-Executive Director: Maarten Hulshoff

Independent Non-Executive Director: Ipe Jacob

Independent Non-Executive Director: Willem Stevens

Non-Executive Director: Jonathan Feuer

Non-Executive Director: Sachin Khajuria

Non-Executive Director: Gernot Lohr

Non-Executive Director: Kamil Salame

NOTES TO EDITORS

Board biographies

Dr Richard Ward was appointed Chairman of Brit Insurance Holdings B.V. in February 2014. He is also the Chair of the board of Brit Syndicates Limited. Previously, he served as Chief Executive of Lloyd’s from April 2006 to December 2013. He served as CEO at the International Petroleum Exchange (IPE), re-branded ICE Futures from 1999 to October 2005 and vice-chairman from October 2005 until April 2006. Prior to this, Dr. Ward held a range of senior positions at BP, after pursuing a scientific career with the Science & Engineering Research Council (SERC). He is a board member of Partnership Assurance Group plc.

Mark Cloutier was appointed Chief Executive Officer of the Group in October 2011. He serves on the boards of Brit Insurance Holdings B.V. and Brit Syndicates Limited. With over 35 years’ experience working in the international insurance and reinsurance sector, Mr Cloutier holds a number of non-executive positions and has held a number of CEO and senior executive positions, including as CEO of the Alea Group, CEO of Overseas Partners Re and president of E.W. Blanch Insurance Services Inc. He has worked with a variety of private equity investors including Kohlberg Kravis Roberts (KKR) and Fortress.

Hans-Peter Gerhardt serves on the board of Brit Insurance Holdings B.V. He has more than 30 years of experience in the reinsurance sector in a range of senior roles with major global reinsurance companies. Mr Gerhardt started his reinsurance career at Hannover Re, where he spent seven years underwriting treaty businesses for the US and South African markets. From 1988 to 2003, he held both underwriting and management functions for Cologne Re Group, which merged into General Cologne Re, where he finished as vice-chairman of the management Board of Cologne Re as well as a member of the General Re group’s executive committee.

During this period, Mr Gerhardt was also chairman of Faraday, General Cologne Re's London operations, and Europa Re. He then joined the AXA Group in 2003 as chief executive officer of AXA Re and, in addition, served as chairman of AXA Liabilities Managers (run-off operations). Mr Gerhardt's last executive position was as Chief Executive Officer of Paris Re, which he created in 2006 with the support of private equity investors to acquire the business and management team of AXA Re. Paris Re was acquired by Partner Re in 2009 and he stepped down in June 2010 after the completion of the merger. Mr Gerhardt is a non-executive director of Asia Capital Re and a non-executive director elect of African Risk Capacity Reinsurance Co. of Bermuda.

Maarten Hulshoff serves on the board of Brit Insurance Holdings B.V. He is a Dutch national and holds a master's degree in economics from the Erasmus University in the Netherlands. He has held various management positions with Citigroup in Europe and Asia and has been chairman of the managing Board of NCM (renamed Atradius), Rabobank International and Rodamco Europe (merged into Unibail Rodamco). He currently holds a number of senior board positions within a number of major companies, including as a member of the supervisory board of Goedland, a member of the board of Damen Shipyards Group and a member of the board of HB Reavis.

Ipe Jacob serves on the boards of Brit Insurance Holdings B.V. and Brit Syndicates Limited. He is a fellow of the Institute of Chartered Accountants in England and Wales and has served on its Review Committee for six years. He has held various management positions, including setting up Grant Thornton's Financial Services Group and serving as its managing partner and then senior partner. During his career as a partner of Grant Thornton and predecessor firms, he specialised in reorganisation and restructuring assignments in the financial services sector, particularly insurance and banking. Mr Jacob currently holds a number of non-executive roles, including at City International Insurance Company Limited and Age UK Enterprises Limited, where he is also the chair of the Audit & Risk Committee (this non-executive role will end on 31 March 2014).

Willem Stevens serves on the boards of Brit Insurance Holdings B.V., and is a Dutch national and an independent counsel on legal, tax and corporate governance issues. He is a member of the supervisory board of AZL N.V., Exploitatie Nederlandse Staatsloterij, Stichting Holland Casino and TBI Holdings B.V. He is a vice-chairman of Stichting Diabetes Onderzoek Nederland. He is a managing director of Michelin Finance B.V., chairman of the voting foundation of Unique N.V., Sequoia and VEROZ. He is a governor of Harvard Law School Association of Europe.

Jonathan Feuer serves on the board of Brit Insurance Holdings B.V. He is a managing partner and Head of the Financial Institutions Group at CVC, having joined in 1988. He previously worked for Baring Brothers & Co. Ltd in London in the corporate finance department and Ernst & Whinney in London, where he qualified as a chartered accountant. Mr Feuer is currently a director on the boards of CVC Capital Partners Group Sarl, CVC Capital Partners SICAV-FIS S.A., CVC Capital Partners Ltd and Cunningham Lindsey Group. He holds an MSc Degree in Mathematics, Operational Research, Statistics and Economics from the University of Warwick and has participated in the Advanced Management Programme at Harvard Business School.

Sachin Khajuria serves on the boards of Brit Insurance Holdings B.V. and all of its key holding companies. Mr. Khajuria is a partner of Apollo, and has 17 years of experience in financing, analysing and managing private equity and distressed debt investments. Mr. Khajuria graduated from the University of Cambridge with BA and MA honours degrees in economics, and is a member of Trinity College.

Gernot Lohr serves on the board of Brit Insurance Holdings B.V. A German national, Mr Lohr joined Apollo in 2007 after having been a founding partner at Infinity Point LLC, Apollo's joint venture partner for the financial services industry since 2005. Before that time he spent eight years in financial services investment banking at Goldman Sachs & Co in New York. He also worked at McKinsey & Company and B. Metzler Corporate Finance in Frankfurt. He is a director of Athene Re and was a director of Countrywide. He graduated from the University of Karlsruhe, Germany, with a joint master's degree in economics and engineering and holds an MBA from the MIT Sloan School of Management.

Kamil Salame serves on the board of Brit Insurance Holdings B.V. A US national, Mr Salame is a partner of CVC and US Head of CVC's Financial Institutions Group. In addition to Brit Insurance, he currently serves on the boards of Avolon Aerospace Limited and Cunningham Lindsey Group. Mr. Salame was a director of Aspen from its formation in 2002 until 2007 and a director of Montpelier Re from its formation in 2001 to 2006. Mr. Salame received a BS from Georgetown University, an MBA from Columbia Business School and a JD from Columbia University School of Law, where he was a Harlan Fiske Stone Scholar.

Prior to publication of the final Prospectus in relation to the Offer, it is intended that each of the individuals above will be appointed as directors of the Company.

Forward looking statements

This announcement contains "forward-looking" statements, beliefs or opinions, including statements with respect to the business, financial condition, results of operations and plans of the Group. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "could," "should," "shall," "risk," "intends," "estimates," "aims," "plans," "predicts," "continues," "assumes," "targets," "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions.

These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors or the Group with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, concerning, amongst other things, the results of operations, financial condition, prospects, growth and strategies of the Group and the industry in which it operates.

These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking statements contained in this announcement speak only as of the date of this document. The Group, J.P. Morgan Securities plc, UBS Limited, Canaccord Genuity Limited, Numis Securities Limited and their respective affiliates expressly disclaim any obligation or undertaking to update, review or revise any forward-looking statements contained in this document to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules or the Disclosure and Transparency Rules of the Financial Conduct Authority (the "FCA").

Note on the financial information included in this announcement

As referred to above, the financial information included in this announcement pertains to the BIH Group because the directors and management of the Group use the consolidated financial statements of the BIH Group to evaluate certain key measures of the Group's business performance, profitability, investment return, capital requirements and gearing. The financial information in the Prospectus will be that of the Group. The principal differences between the financial information of the Group and of the BIH Group relate to the acquisition of the BIH Group by Achilles Netherlands Holdings B.V., an indirect subsidiary of Achilles, in 2011, which are not material. The Prospectus will, if issued, include information on these principal differences.

Important notice

Neither this announcement nor any copy of it may be taken or transmitted, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada or Japan or to any persons in any of those jurisdictions or any other jurisdictions where to do so would constitute a violation of the relevant securities laws of such jurisdiction.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefore. The Offer and the distribution of this announcement and other information in connection with the Admission and Offer in certain jurisdictions may be restricted by law and persons into whose possession this announcement, any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute an offer to sell or a solicitation of an offer to purchase any securities in any jurisdiction in which such offer or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction. In particular, these materials are not an offer of securities for sale in the United States. The securities proposed to be offered by the Group have not been and will not be registered under the U.S. Securities Act of 1993 (the "Securities Act") or under any securities laws of any State of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offering of securities in the United States.

Any purchase or subscription of Ordinary Shares in the proposed Offer or other securities should be made solely on the basis of the information contained in the final form Prospectus to be issued by the Group in connection with the Offer. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change. However, the Group does not undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Group to proceed with the Offer or any transaction or arrangement referred to herein. This announcement has not been approved by any competent regulatory authority.

This announcement does not constitute a recommendation concerning the Offer. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance. Potential investors should consult a professional advisor as to the suitability of the Offer for the person concerned.

J.P. Morgan Securities plc and UBS Limited, each of which is, in the United Kingdom, authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and FCA, together with Canaccord Genuity Limited and Numis Securities Limited, each of which is, in the United Kingdom, authorised and regulated by the FCA (together with J.P. Morgan Securities plc and UBS Limited, the "Banks"), are each acting exclusively for the Group and no one else in connection with the Offer and will not regard any other person as their respective client in relation to the Offer and will not be responsible to anyone other than the Group for providing the protections afforded to their respective clients or for giving advice in relation to the Offer or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, the Banks or any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Ordinary Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Group or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, once published, to the Ordinary Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Banks or any of their respective affiliates acting as investors for their own accounts. The Banks or any of their respective affiliates do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Banks, nor any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Group, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offer, a stabilising manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with a view to supporting the market price of the Ordinary Shares at a higher level than that which might otherwise prevail in the open market. The stabilising manager will not be required to enter into such transactions and such transactions may be effected on any stock, market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Ordinary Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the stabilising manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Ordinary Shares above the offer price. Save as required by law or regulation, neither the stabilising manager nor any of its agents intends to disclose the extent of any overallotments made and/or stabilisation transactions conducted in relation to the Offer.

The contents of this announcement, which have been prepared by and are the sole responsibility of Brit Insurance Holdings B.V., have been approved by J.P. Morgan Securities plc and UBS Limited solely for the purposes of section 21 of the Financial Services and Markets Act 2000 (as amended).

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1 The Group's attritional loss ratio measures claims, excluding major claims and reserve movements, as a percentage of net earned premiums.

2 The Group's combined ratio is the sum of the claims ratio and the expense ratio. The combined ratio is the ratio, in percentage terms, of net claims incurred, acquisition costs plus insurance related expenses to net earned premiums.

3 Total investments plus cash divided by net tangible assets at YE 2013.

4 Capital ratio is measured as the sum of available financial resources divided by management entity capital requirements.

5 This consists of RoNTA excluding the effects of all foreign exchange movements and FX derivatives.

6 The Group's claims ratio measures net claims incurred (excluding the effect of foreign exchange movements on non-monetary items) as a percentage of net earned premiums. The claims for any particular period reflect claims incurred for that period, as well as any increases or decreases in estimates of claims in respect of all prior periods. The claims ratio is the aggregate of the reserve release ratio, major claims ratio and the attritional loss ratio.

7 The Group's net investment return represents its investment return (net of investment management fees) expressed as a percentage of average invested assets during a particular period.

8 The Group's operating expense ratio is defined as insurance related expenses (excluding the effect of foreign exchange movements on non-monetary items) as a percentage of net earned premiums.

9 During 2012, the Group completed the sale of its non-core UK regional business (which focused on developing business opportunities within the UK general commercial insurance markets through both wholesale and retail brokers) and the sale of its historical UK liabilities. The results of these businesses (except for business classes that were transferred to the Group's direct insurance business) up to the date of sale of the historical UK liabilities were classified as discontinued operations.

10 The Group calculates RoNTA as profit after tax before the effects of foreign exchange movement on non-monetary items and before charges in respect of intangible assets (including impairment charges), divided by net tangible assets at the beginning of the period (adjusted on a weighted average basis for capital distributions share buybacks or share issues during the period).

11 The Group defines total value created as the increase in net tangible assets during a period, before capital distributions and dividends.

12 The Group's major claims ratio measures claims (net of reinsurance and allowing for reinstatement and tax) on natural or man-made catastrophes and, on large single risk loss events, in each case in excess of £10m, as a percentage of net earned premium.

13 The Group's reserve release ratio measures reserve releases/strengthening (net of reinsurance) and prior year margin movement as a percentage of net earned premiums for the period in which the reserves are released/strengthened.

14 The Group's commission ratio measures acquisition commissions (excluding the effect of foreign exchange movements on non-monetary items) as a percentage of net earned premiums.

15 The Group's expense ratio is the sum of its commission ratio and operating expense ratio.

16 The Group's solvency ratio refers to the Group's available capital resources (including unutilised letters of credit available under the Group's revolving credit facility) as a percentage of its capital requirements.

17 The Group's gearing ratio is defined as the Group's borrowings including its subordinated debt plus letters of credit as a proportion of Brit Group's Consolidated Net Tangible Assets plus subordinated debt.