



Torus agrees to acquire selective renewal rights and personnel of New Castle Re

Hamilton Bermuda, December 18, 2008: Torus Insurance Holdings (Bermuda) Limited announced today that it has entered into a strategic transaction with New Castle Re in Bermuda in which it acquires any rights to renewals and the potential to assume the unearned premium portfolio on a selected group of New Castle Re contracts.

Under the terms of the agreement Torus also acquires New Castle Re personnel who will provide underwriting, analytical and financial services for Torus for all upcoming renewals. Service of the existing New Castle Re portfolio not transferred to Torus will remain the responsibility of New Castle Re, but will be serviced by the existing team. Torus will also provide run-off services for CIG Re, an affiliated company of New Castle Re. New Castle Re was originally formed in November 2005 with a capitalisation of \$500 million by Citadel Investment Group, a financial firm based in Chicago.

Clive Tobin, Chief Executive Officer of Torus, effective January 1, 2009 commented, "We are delighted to acquire a highly respected and talented underwriting team along with the renewal rights on an attractive book of property catastrophe business. Establishing a reinsurance operation is part of our strategic plan. With the opportunities we see emerging in the reinsurance market in 2009 and beyond we are pleased to have accomplished this at an early stage in Torus' evolution. Reinsurance will be an important contributor to Torus' results as we move forward".

Ends

About Torus:

Torus provides specialty insurance products to a global client base through its UK, US and Bermuda based insurance subsidiaries. Areas of expertise include energy, power, utility and construction as well as other highly engineered risk classes. Torus carries a group rating of A - (excellent) from A.M. Best and has capital in excess of US\$700 million provided by First Reserve Corporation.

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