

PRESS RELEASE

StarStone 2015 results reported by Enstar Group *StarStone increases net earnings as transformation continues*

29 February 2016 – LONDON: The StarStone Group announced today net earnings before noncontrolling interest from active underwriting operations of US\$20.8m million for the year ended December 31, 2015, as reported by Enstar Group Limited.

Financial highlights

- Full year net earnings of \$20.8 million (2014: \$4.3 million)
- Full year net loss ratio of 57.4% (2014: 60.2%)
- Full year combined ratio of 98.6% (2014: 101.8%)
- Gross written premium of \$825 million (2014: \$702 million)

Operational highlights

- Strong underwriting performance in a challenging environment, particularly in the property and casualty lines, supported by advantageous reinsurance market conditions
- Selective top-line growth in property, marine, casualty and workers' compensation lines, delivered through a combination of organic growth and new underwriters in core products
- StarStone continued to leverage opportunities from Enstar's run-off operations to identify selected premium to write
- Strong expense control, offset by restructuring costs attributable to continued execution of the operational strategy
- Achieved meaningful growth in net earnings despite the impact of net realized and unrealized investment losses
- Successful global rebrand as StarStone

Strategic initiatives

- As part of its ongoing business improvement, StarStone has initiated a process to create a single insurance vehicle for its non-Lloyd's European business to maximise operational flexibility in the future

Nick Packer, StarStone Group Chairman and CEO, said:

"StarStone again increased its net earnings in 2015, and I am very pleased with our improvement. Continuing our transformation, we are progressing with expense management and recorded strong underwriting results while

PRESS RELEASE

delivering selective top-line growth. Our commitment to underwriting discipline is demonstrated by the improved combined ratio for the year, which in turn shows the value of a focused specialty portfolio and the expertise we have in the business.

"While the market remains challenging, we retain our belief that good opportunities exist for measured and profitable growth in our core lines over the long-term."

ABOUT STARSTONE

StarStone Insurance Bermuda Limited is an international, A- rated insurance group with six wholly owned insurance platforms, including Lloyd's Syndicate 1301. StarStone underwrites business across the Property, Specialty and Casualty risk classes from operations in London, Continental Europe and the US. StarStone is owned by Enstar Group Limited, the Trident V funds managed by Stone Point Capital LLC and Dowling Capital Partners I, L.P. For further information about StarStone, see www.starstone.com.

ABOUT ENSTAR

Enstar Group Limited is a multi-faceted insurance group that offers innovative capital release solutions and specialty underwriting capabilities through its network of group companies in Bermuda, the United States, the United Kingdom, Continental Europe, Australia, and other international locations. Enstar is a market leader in completing legacy acquisitions, having acquired over 70 companies and portfolios since its formation in 2001. Enstar's active underwriting businesses include the StarStone group of companies, and the Atrium group of companies, which manage and underwrite specialist insurance and reinsurance business for Lloyd's Syndicate 609. For further information about Enstar, see www.enstargroup.com.

ABOUT STONE POINT CAPITAL

Stone Point Capital LLC is a financial services-focused private equity firm based in Greenwich, Connecticut. The firm has raised six private equity funds – the Trident Funds – with aggregate committed capital of approximately \$13 billion. In addition to the capital invested by the Trident Funds, Stone Point Capital has secured approximately \$7 billion of equity co-investments since 2001. Stone Point Capital targets investments in the global financial services industry, including investments in companies that provide outsourced services to financial institutions, banks and depository institutions, asset management firms, insurance and reinsurance companies, insurance distribution and other insurance-related businesses, specialty lending and other credit opportunities, mortgage services companies and employee benefits and healthcare companies. For further information about Stone Point Capital, see www.stonepoint.com.

PRESS RELEASE

ADDITIONAL INFORMATION AND NON-GAAP FINANCIAL MEASURES

This press release refers to certain financial information of Enstar. For complete financial information regarding Enstar, refer to its annual report on Form 10-K filed with the SEC on February 29, 2016, which can be found at www.enstargroup.com/financials.cfm.

StarStone was acquired April 1, 2014 and is owned by StarStone Specialty Holdings Limited (formerly named Bayshore Holdings Limited) ("StarStone Holdings"), an entity owned 59% by Enstar, with the Trident Funds owning 39.3% and Dowling Capital Partners owning 1.7%. Net earnings attributable to Enstar for its ownership interest in StarStone's active underwriting operations were \$13.7 million for the year ended December 31, 2015, as compared to a net loss of \$10.6 million for the nine months Enstar owned StarStone in 2014. 2014 full year results and the 2014 combined ratio figure for StarStone disclosed in this release include three months prior to acquisition.

The loss ratio and combined ratio for StarStone are non-GAAP financial measures, which may be defined or calculated differently by other companies. There are no comparable GAAP measures to StarStone's loss ratio and combined ratio. The ratios exclude expense and net premiums earned amounts related to Starstone Holdings, which we believe is the most meaningful presentation because these amounts are not incremental and/or directly related to the individual underwriting operations. For information on this non-GAAP financial measure, refer to "Non-GAAP Financial Measures" on page 50 of Enstar's Form 10-K.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding the intent, belief or current expectations of Enstar, StarStone and their respective management teams. Investors are cautioned that any such forward-looking statements speak only as of the date they are made, are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Important risk factors regarding Enstar can be found under the heading "Risk Factors" in Enstar's Form 10-K for the year ended December 31, 2015 and are incorporated herein by reference. Furthermore, Enstar and StarStone undertake no obligation to update any written or oral forward-looking statements or publicly announce any updates or revisions to any of the forward-looking statements contained herein, to reflect any change in its expectations with regard thereto or any change in events, conditions, circumstances or assumptions underlying such statements, except as required by law.

PRESS CONTACT: UK:

Jenna Kerr

Enstar Group / StarStone Communications

jenna.kerr@starstone.com

+44 (0)20 3206 8251