

## LANCASHIRE HOLDINGS LIMITED

16<sup>th</sup> April 2014  
London UK

### **Founder Richard Brindle to retire and Alex Maloney to be appointed CEO**

Lancashire Holdings Limited (“Lancashire” or the “Group”) today announces that Richard Brindle, the Group's Chief Executive Officer since he founded the business in 2005, has notified the Board of his retirement from the Group and as a director with effect from the forthcoming AGM on 30<sup>th</sup> April 2014. Alex Maloney, currently the Group's Chief Underwriting Officer and Chief Executive of the Group's operating subsidiary in the UK, Lancashire Insurance Company (UK) Limited, will be appointed as Group Chief Executive Officer, subject to necessary regulatory approvals. Paul Gregory, currently Chief Underwriting Officer of Lancashire Insurance Company (UK) Limited, will be promoted to the role of Group Chief Underwriting Officer.

Richard Brindle said, “After nine years at the helm of Lancashire I have decided that the time is right for me to retire from the Group. I have piloted the company through its design, creation, launch, establishment as a major player in its sector, business success, delivery of tremendous results to shareholders, and ability to operate nimbly and intelligently in markets both hard and soft. Lancashire and Cathedral's staff represent a bench-strength of talent that is second to none in this market; they share in the equity of the company and in its unique culture of dedicated service coupled with practical acknowledgement of the debt we owe to those less fortunate than ourselves. These considerations allow me to move on in the sure knowledge that the business is healthy and in good shape, as indeed I am myself. I am grateful to my colleagues past and present, and to the many others who have contributed to our success to date.”

Martin Thomas, the Group's Chairman said: "Richard has been the driving force behind the success of the Group since its formation, building a team of the highest quality and determined to create a distinctive business with a market leading track record. We are sad that he has chosen this moment to retire, and are grateful that he leaves the company in as strong a state as one could wish, renowned for the high quality of its staff, its cadre of talented specialty underwriters, and its ability to respond to shifts in the market. On behalf of the rest of the Board and the entire business, I wish him well for the future. Alex Maloney has demonstrated sound judgement and commercial acumen as our Group Chief Underwriting Officer and has already shown his management skills as Chief Executive of the Group's main UK subsidiary and I am sure that the Group will continue to flourish under his leadership. I look forward to working closely with him in his new role, and with Paul Gregory in the role of Group CUO. Both of these appointments are in accordance with the Board's group succession plan.”

Alex Maloney, incoming CEO, said, “It is a great privilege to be given this opportunity. We have had a good start to 2014, and the acquisition of Cathedral last year has bedded in well. I am excited about the prospects for the Group and look forward to continuing to execute our core strategy and to preserving the unique culture that has been an important element of our success.”

As previously announced, Lancashire Holdings Limited's 2014 first quarter results will be released on 1st May and the earnings call for analysts and investors will take place at 1:00pm (UK time)/ 08:00am EDT.

## Notes

### Alex Maloney

Alex Maloney joined Lancashire in December 2005 and since 2009 has led the Group's underwriting operations as Group Chief Underwriting Officer. Since November 2010 Alex has served as a member of the Board and became Chief Executive Officer of Lancashire Insurance Company (UK) Limited in 2012. On first joining Lancashire in 2005 Alex was responsible for establishing and building the energy underwriting team and account having joined the Group from Zurich where he had previously spent 15 years. Alex also serves as a director of Cathedral Underwriting Limited and has been closely involved with the Cathedral management in the development of the Group Lloyd's strategy. He has been an integral part of the Lancashire Group since its formation and is the natural choice to succeed Richard Brindle following his retirement; Alex has over 20 years underwriting experience and has also worked in the New York and Bermuda markets.

### Paul Gregory

Paul Gregory joined Lancashire in May 2007 as a member of the underwriting team and was responsible for underwriting the Energy account and assisting in the development of Lancashire Middle East. In January 2009, Paul was appointed Chief Underwriting Officer for Lancashire Insurance Company (UK) Limited and is responsible for all lines of business written from the Lancashire London office. Paul graduated in Finance from the University of Birmingham and participated in the Marsh Graduate Scheme in 2001 as an Account Executive in the Energy Team which was followed by experience as an Underwriter in the Energy team at AIG in 2005. Paul has also worked closely with the Cathedral management team in the development of Syndicate 3010 and the Group's Lloyd's strategy.

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### About Lancashire

Lancashire, through its UK and Bermuda-based operating subsidiaries, is a global provider of specialty insurance and reinsurance products. The Group companies carry the following ratings:

	<b>Financial Strength Rating</b> <sup>(1)</sup>	<b>Financial Strength Outlook</b> <sup>(1)</sup>	<b>Long Term Issuer Rating</b> <sup>(2)</sup>
A.M. Best	A (Excellent)	Stable	bbb
Standard & Poor's	A-	Stable	BBB

(1) Financial Strength Rating and Financial Strength Outlook apply to Lancashire Insurance Company Limited and Lancashire Insurance Company (UK) Limited.

(2) Long Term Issuer Rating applies to Lancashire Holdings Limited.

NB: Cathedral benefits from Lloyd's ratings: A.M. Best: A (Excellent); Standard & Poor's: A+ (Strong) and Fitch: A+ (Strong).

Lancashire has capital in excess of \$1.5 billion and its common shares trade on the Main Market of the London Stock Exchange under the ticker symbol LRE. Lancashire has its corporate headquarters and mailing address at Level 11, Vitro, 60 Fenchurch Street, London EC3M 4AD, United Kingdom and its registered office at Power House, 7 Par-la-Ville Road, Hamilton HM 11, Bermuda.

For more information on Lancashire, visit the Company's website at [www.lancashiregroup.com](http://www.lancashiregroup.com)

Lancashire Insurance Company Limited is regulated by the Bermuda Monetary Authority in Bermuda.

Lancashire Insurance Company (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK.

Kinesis Capital Management Limited is regulated by the Bermuda Monetary Authority in Bermuda.

Cathedral Underwriting Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the UK.

For more information on Lancashire's subsidiary and Lloyd's segment, Cathedral Capital Limited ("Cathedral"), visit Cathedral's website at [www.cathedralcapital.com](http://www.cathedralcapital.com)

**NOTE REGARDING FORWARD-LOOKING STATEMENTS:**

CERTAIN STATEMENTS AND INDICATIVE PROJECTIONS (WHICH MAY INCLUDE MODELED LOSS SCENARIOS) MADE IN THIS RELEASE OR OTHERWISE THAT ARE NOT BASED ON CURRENT OR HISTORICAL FACTS ARE FORWARD-LOOKING IN NATURE INCLUDING, WITHOUT LIMITATION, STATEMENTS CONTAINING THE WORDS "BELIEVES", "ANTICIPATES", "PLANS", "PROJECTS", "FORECASTS", "GUIDANCE", "INTENDS", "EXPECTS", "ESTIMATES", "PREDICTS", "MAY", "CAN", "WILL", "SEEKS", "SHOULD", OR, IN EACH CASE, THEIR NEGATIVE OR COMPARABLE TERMINOLOGY. ALL SUCH STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACTS INCLUDING, WITHOUT LIMITATION, THE GROUP'S FINANCIAL POSITION, RESULTS OF OPERATIONS, PROSPECTS, GROWTH, CAPITAL MANAGEMENT PLANS AND EFFICIENCIES, ABILITY TO CREATE VALUE, DIVIDEND POLICY, OPERATIONAL FLEXIBILITY, COMPOSITION OF MANAGEMENT, BUSINESS STRATEGY, PLANS AND OBJECTIVES OF MANAGEMENT FOR FUTURE OPERATIONS (INCLUDING DEVELOPMENT PLANS AND OBJECTIVES RELATING TO THE GROUP'S INSURANCE BUSINESS) ARE FORWARD LOOKING STATEMENTS. SUCH FORWARD-LOOKING STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE GROUP TO BE MATERIALLY DIFFERENT FROM FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

THESE FACTORS INCLUDE, BUT ARE NOT LIMITED TO: THE GROUP'S ABILITY TO INTEGRATE ITS BUSINESSES AND PERSONNEL, THE SUCCESSFUL RETENTION AND MOTIVATION OF THE GROUP'S KEY MANAGEMENT, THE INCREASED REGULATORY BURDEN FACING THE GROUP, THE NUMBER AND TYPE OF INSURANCE AND REINSURANCE CONTRACTS THAT THE GROUP WRITES OR MAY WRITE; THE PREMIUM RATES WHICH MAY BE AVAILABLE AT THE TIME OF SUCH RENEWALS WITHIN ITS TARGETED BUSINESS LINES; THE POSSIBLE LOW FREQUENCY OF LARGE EVENTS; POTENTIALLY UNUSUAL LOSS FREQUENCY; THE IMPACT THAT THE GROUP'S FUTURE OPERATING RESULTS, CAPITAL POSITION AND RATING AGENCY AND OTHER CONSIDERATIONS MAY HAVE ON THE EXECUTION OF ANY CAPITAL MANAGEMENT INITIATIVES OR DIVIDENDS; THE POSSIBILITY OF GREATER FREQUENCY OR SEVERITY OF CLAIMS AND LOSS ACTIVITY THAN THE GROUP'S UNDERWRITING, RESERVING OR INVESTMENT PRACTICES HAVE ANTICIPATED; THE RELIABILITY OF, AND CHANGES IN ASSUMPTIONS TO, CATASTROPHE PRICING, ACCUMULATION AND ESTIMATED LOSS MODELS; THE EFFECTIVENESS OF ITS LOSS LIMITATION METHODS; THE POTENTIAL LOSS OF KEY PERSONNEL; A DECLINE IN THE GROUP'S OPERATING SUBSIDIARIES' RATING WITH A.M. BEST, STANDARD & POOR'S, MOODY'S OR OTHER RATING AGENCIES; INCREASED COMPETITION ON THE BASIS OF PRICING, CAPACITY, COVERAGE TERMS OR OTHER FACTORS; CYCLICAL DOWNTURNS OF THE INDUSTRY; THE IMPACT OF A DETERIORATING CREDIT ENVIRONMENT FOR ISSUERS OF FIXED INCOME INVESTMENTS; THE IMPACT OF SWINGS IN MARKET INTEREST RATES AND SECURITIES PRICES; A RATING DOWNGRADE OF, OR A MARKET DECLINE IN, SECURITIES IN ITS INVESTMENT PORTFOLIO; CHANGES IN GOVERNMENTAL REGULATIONS OR TAX LAWS IN JURISDICTIONS WHERE THE GROUP CONDUCTS BUSINESS; ANY OF LANCASHIRE'S BERMUDIAN SUBSIDIARIES BECOMING SUBJECT TO INCOME TAXES IN THE UNITED STATES OR THE UNITED KINGDOM; THE INAPPLICABILITY TO THE GROUP OF SUITABLE EXCLUSIONS FROM THE NEW UK CFC REGIME; AND ANY CHANGE IN THE UK GOVERNMENT OR UK GOVERNMENT POLICY WHICH IMPACTS THE NEW CFC REGIME .

ALL FORWARD-LOOKING STATEMENTS IN THIS RELEASE SPEAK ONLY AS AT THE DATE OF PUBLICATION. LANCASHIRE EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING (SAVE AS REQUIRED TO COMPLY WITH ANY LEGAL OR REGULATORY OBLIGATIONS INCLUDING THE RULES OF THE LONDON STOCK EXCHANGE) TO DISSEMINATE ANY UPDATES OR

REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT ANY CHANGES IN THE GROUP'S EXPECTATIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED.