



Catalina enters into an agreement to acquire Alea Group Holdings (Bermuda) Ltd.

Hamilton, Bermuda - Catalina Holdings (Bermuda) Ltd ("Catalina"), announces it has signed a definitive agreement to acquire Alea Group Holdings (Bermuda) Ltd. ("Alea Group") from FIN Acquisition Limited, a subsidiary of investment funds managed by affiliates of Fortress Investment Group LLC (collectively, "Fortress").

Alea Group is predominantly a property casualty reinsurer which went into run-off in 2005 and was acquired in July 2007 by Fortress. In October 2009, Catalina acquired Alea Holdings UK Ltd from Alea Group.

At 30th June 2013, Alea Group had total assets of US\$540m, gross reserves of \$270m, net reserves of \$252m and net asset value of \$103m.

This is Catalina's second acquisition in 2013, and eleventh transaction since the business was originally established in 2005. Total assets of Catalina pro forma for this acquisition will be in excess of \$2 billion. The acquisition consideration will be satisfied from Catalina's cash at hand. The acquisition is subject to regulatory approval by the Bermuda Monetary Authority and New York Department of Financial Services.

Chris Fagan, Chairman and Chief Executive of Catalina, said:

"Alea Group is well known to Catalina due to our acquisition of Alea UK in 2009. Our track record with Fortress and our wider market reputation were helpful in the execution of this transaction.

We continue to see a significant level of deal flow in the non-life run-off sector across the US, Bermuda and Europe. Increasingly more of the transactions are reinsurance or portfolio transfer transactions for legacy liabilities. Catalina has regulated insurance company balance sheets in all of the major jurisdictions and is well positioned to provide reinsurance solutions for legacy reserves, as well as substantial company acquisitions."

Mayer Brown LLP acted as legal advisor to Catalina in this transaction. Willis Capital Markets and Advisory acted as financial advisor and Willkie Farr & Gallagher LLP acted as legal advisor to Alea Group in this transaction.

Catalina Holdings (Bermuda) Ltd ("Catalina") is a long term consolidator in the non-life insurance/reinsurance run-off sector. Catalina was established in 2005 to focus solely on the acquisition and management of non-life insurance/reinsurance companies in run-off. Our shareholders include substantial financial institutions including funds managed by Apollo Global Management (pending regulatory approvals), Ontario Teachers Pension Plan and Caisse de Depot et Placement du Quebec. Since its foundation, Catalina has made over \$1 billion of acquisitions in the non-life insurance and reinsurance run-off sector. Catalina has received change of control approvals from Bermudian, Irish, Swiss, UK (FSA/PRA and Lloyd's) and various US state insurance regulators in prior transactions. We currently maintain offices in Bermuda, Colorado, London, Dublin, New York and Pfaffikon, Switzerland. As of June 30, 2013, Catalina had total assets of \$1.4 billion and shareholders' equity of \$435 million. In addition Catalina's shareholders have committed a further \$200 million of equity to finance future transactions. For further details about Catalina's acquisitions or its management team please refer to www.catalinare.com.