



CANOPIUS

PRESS RELEASE

11th May 2009

CANOPIUS GROUP LIMITED

CANOPIUS ANNOUNCES RECORD RESULTS FOR 2008

Canopus Group Limited (“Canopus”), one of the largest privately-owned Lloyd’s insurance underwriting businesses, today announces record results for the year ended 31st December 2008.

Financial highlights – A solid performance

- Gross written premiums £457m (2007: £455m)
- Net earned premiums up £30m at £326m
- Profit before tax: £43m – a 31% increase over 2007’s £33m
- Return on equity (post tax) of 19%
- Investment income £49m, a 7.5% return on average invested funds
- Group total financial resources up £81m to £331m

Strong foundations for the future

- Group restructured into three divisions - UK, International and Underwriting Agencies
- Key senior management developments

Amid the continued turbulence of the financial markets and in the wake of Hurricane Ike, Canopus has performed solidly, bucking the wider trend for 2008 by delivering increased investment returns and record profits.

The £30 million increase in investment returns over 2007 represents a return of 7.5% on average invested funds and was the result of a strategic reduction of exposures to financial institutions and corporate credits in September 2007.

During 2008 the Group significantly bolstered its financial position with an equity issue and new unsecured letter of credit facilities. These contributed £58 million and £24 million respectively to the Group's increased financial resources which now total £331 million. 2008's strong result and the Group's healthy balance sheet have positioned Canopus well to steer through the current conditions and into the upturn.

Also in 2008, Canopus restructured its businesses into three divisions – UK, International and Underwriting Agencies – in order to streamline operations and to reflect the increasing scale of the Group.

Canopus achieved substantial growth outside the UK in 2008 with good progress in Bermuda and the launch of new operations in Singapore and Dublin. In response to this, Jim Giordano, Chief Underwriting Officer of Canopus Group, assumed responsibility for the strategic development of the International Division.

The Group further strengthened its senior management team with the recruitment of Tim Carroll and the promotion of Stephen Manning to the positions of Underwriting Director and Chief Operating Officer respectively of the UK division led by Clive Watson.

Michael Watson, Chairman of Canopus, commented:

"With the wider economic turmoil and one of the worst years ever for insurance claims from catastrophic and risk losses, 2008 was a very challenging year for the insurance industry. Despite these demanding conditions, Canopus has delivered an exceptional 2008 result and strengthened its platform, both in terms of structure and financial position, thereby underpinning our ability to capitalise on future growth opportunities."

"2009 has begun satisfactorily with Syndicate 4444 generating gross premiums written of £216 million in the first quarter (2008: £142 million), achieving renewal retention of 87% and an average rate increase of 3%."

- Ends -

For further information please contact:

Michael Watson, Canopus Holdings UK Limited	+44 20 7337 3730
David Haggie or Fiona Gibson, Haggie Financial	+44 20 7417 8989

Notes to Editors

1. Canopus Group Limited is a specialist insurance underwriting group with operations in London, Bermuda, Singapore, Dublin and Australia. Canopus is owned by management and Englefield Capital LLP, a private equity company.
2. Canopus Group Limited is the parent of Canopus Managing Agents Limited at Lloyd's (CMA). CMA manages flagship Syndicate 4444 on behalf of the Group and third parties. Syndicate 4444's gross premiums written for the 2008 underwriting year were £461 million.

3. Syndicate 4444 focuses on the following classes of insurance and reinsurance:

- UK Homeowners and Miscellaneous Property
- Property and Liability for the UK SME sector
- Global Property
- Crisis Management
- North American Facilities
- Marine & Energy
- Casualty, including Professional Indemnity, Financial Institutions, General Liability, Accident & Health and Excess Casualty
- Treaty Reinsurance including Property, Casualty and Marine