

**PRESS RELEASE 25 March 2011
FOR IMMEDIATE RELEASE
FINAL RESULTS ANNOUNCEMENT**

**Tawa plc
Preliminary results for the year ended 31 December 2010**

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An active year for Tawa, with the acquisition of Island Capital, announced acquisition of Oslo Re, launch of STRIPE®, further capital extraction from risk carriers and continued leveraging of the Tawa/ Pro integration

Tawa plc ("Tawa" or "the Group") today announces preliminary results for the year ended 31 December 2010.

Financial highlights

- **Profit from continuing operations was \$8.6 million (2009: loss of \$0.9 million), whilst there was a loss from discontinued operations of \$6.8m (2009: profit of \$12.1 million);**
- **Profit for the year attributable to shareholders was \$1.8 million (2009: \$11.2 million);**

- The Group's net assets are \$226.3 million of which \$1.3 million derives from non-controlling interest leaving equity attributable to shareholders of \$225 million;
- Net assets per share in US dollars are \$2.00 (£1.26) per share (2009: \$2.02; £1.27);
- During the year Tawa extracted \$47 million from its risk carriers. \$12 million was used to repay debt on the purchase of PXRE Reinsurance Company ('PXRE'); and
- An interim dividend for the year ended 31 December 2010 of 1.25 pence per share will be paid on 1 June 2011 to shareholders on the register at 13 May 2011. The Directors recommend a final dividend of 1.25 pence per share. Subject to shareholder approval at the annual general meeting on 23 June 2011, the dividend will be payable on 2 December 2011 to shareholders on the register at 4 November 2011.

General activities during 2010

- Acquired Island Capital which was completed on 22 October 2010;
- Announced the acquisition of Oslo Reinsurance Company (UK) Limited on 21 December 2010 and completed on 10 March 2011; and
- Restructure of businesses to focus on continuing operations, accelerating the transition of our group from a pure run-off acquirer model to a more diversified insurance investor model.

Tawa measure capital extraction and free cash flow generation as its main performance indicators. In this context a \$35 million dividend from KX Reinsurance Company Limited ('KX Re') was received during the period. This represents the extraction of excess regulatory capital and is free cash available to Tawa. Tawa also received approval for \$12 million of capital extraction from its Connecticut domiciled subsidiary PXRE Reinsurance Company ('PXRE'). The \$12 million were used to repay part of the acquisition debt.

Gilles Erulin, Chief Executive Officer of Tawa plc, commented:

We are in the business of leveraging more than our sole equity, we are leveraging our people skills in insurance restructuring, insurance operations and change management to diversify our investment portfolio and provide services which are value creative to our clients.

In 2010 we accelerated the transition of our group from a pure run-off acquirer model to a more diversified insurance investor model. Pro is definitely providing the Group with a larger footprint in the market, the benefits of which are now beginning to show through.

--ENDS-

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--ENDS--

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Notes for Editors:

Tawa plc was formed in 2001 with the purpose of acquiring or developing assets and business in the insurance industry. Tawa is interested in acquiring run-off portfolios of insurance and reinsurance companies, companies and businesses providing services to the insurance industry and in developing its own products to serve the insurance market as a whole such as STRIPE®.

Since its formation, Tawa has acquired CX Reinsurance Company Limited, KX Reinsurance Company Limited, PXRE Reinsurance Company, Island Capital Limited, Oslo Reinsurance (UK) Limited and the PRO group of companies.

The combined Tawa/PRO team of 300 professionals service a number of the largest insurance businesses in the UK and Europe and deliver a market-wide third-party servicing capability as PRO services active underwriters as well as run-offs and cover London's company and Lloyd's markets as well as Europe and the USA.

In July 2007 Tawa plc was floated on the AIM market.

Further information can be found on the Company's website: www.tawaplco.co.uk.