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HAMILTON, Bermuda – Catlin Group Limited ('CGL': London Stock Exchange), the international specialty property/casualty insurer and reinsurer, announces its financial results for the year ended 31 December 2009.

Financial Highlights

- Record profit before tax of US\$603 million (2008: -US\$13 million)
- 33% return on net tangible assets (2008: -3%)
- 24% return on equity (2008: -2%)
- 27% increase in net tangible assets per share to US\$5.90 (2008: US\$4.63); 15% increase in sterling net tangible assets per share ¹
- 8% increase in annual dividend to 25 pence (40.0 US cents) per share (2008: 23.2 pence; 37.9 US cents) ¹
- 12% increase in gross premiums written to US\$3.7 billion on constant currency basis; 8% increase on a reported basis (2008: US\$3.4 billion)
- 17% increase in net premiums earned to US\$2.9 billion on constant currency basis; 12% increase on a reported basis (2008: US\$2.6 billion)
- 89% combined ratio (2008: 95%)
- 5.9% investment return for period (2008: -1.4%)
- 8.3% effective tax rate

Operational Highlights

- Non-London underwriting hubs produced 37% of gross premiums written, 39% of total underwriting contribution
- 6% increase in average weighted premium rates across all classes during 2009
- Loss ratio decreased to 58% (2008: 63%); attritional loss ratio stable
- 35% increase in gross premiums written in January 2010 by non-London underwriting hubs (on constant currency basis)
- Average weighted premium rates increased by 1% across portfolio during January 2010 renewals
- Claims service rated best in London market by independent survey

¹ Prior period per share amounts adjusted for the impact of the 2 for 5 Rights Issue completed in March 2009.

US\$m	2009	2008
Gross premiums written	3,715	3,437
Net premiums written	3,168	2,611
Net premiums earned	2,918	2,596
Net underwriting contribution ¹	651	454
Total investment return	419	(85)
Net income/(loss) before income taxes	603	(13)
Net income/(loss) to common stockholders	509	(47)
Earnings per share (US dollars) ²	1.52	(0.16)
Total dividend per share (pence) ²	25.0	23.2
Total dividend per share (US cents) ²	40.0	37.9
Loss ratio ³	57.6%	62.9%
Expense ratio ³	31.5%	32.0%
Combined ratio ³	89.1%	94.9%
Investment return	5.9%	(1.4%)
Return on net tangible assets ⁴	33.2%	(2.8%)
Return on equity ⁴	24.3%	(1.9%)

	31 December 2009	31 December 2008	% change
Total assets	11,682	9,659	21%
Investments and cash	7,693	5,933	30%
Stockholders' equity	3,278	2,469	33%
Unearned premiums	1,724	1,536	12%
Book value per share (US dollars) ^{2.5}	\$7.68	\$6.61	16%
Book value per share (sterling) ^{2.5}	£4.74	£4.53	5%
Net tangible book value per share (US dollars) ^{2.5}	\$5.90	\$4.63	27%
Net tangible book value per share (sterling) ^{2.5}	£3.64	£3.17	15%

¹ Net underwriting contribution is defined as net premiums earned less losses and loss expenses and policy acquisition costs.

² Prior period per share amounts adjusted for the impact of the 2 for 5 Rights Issue completed in March 2009.

³ The expense ratio and the combined ratio include policy acquisition costs and most administrative expenses. These ratios now exclude profit-related bonuses, share option scheme costs and certain other Group corporate costs; these costs had previously been

included in these ratios.

⁴ Returns on net tangible assets and equity exclude preferred shares and are calculated by reference to opening balances (adjusted for capital issued during the year).

⁵ Book value and net tangible book value per share exclude preferred shares and treasury shares.

Note: A table of rebased ratios and per-share amounts is included in the attachments at the end of the Financial Review.

Sir Graham Hearne, Chairman of Catlin Group Limited, said:

“I am pleased to report that Catlin has produced excellent financial results for 2009, including record profits, a 33 per cent return on net tangible assets and a 24 per cent return on equity. Net tangible assets per share increased by 27 per cent and book value per share increased by 16 per cent.

“As Catlin celebrates its 25th anniversary, I believe that the Group is in a strong position to provide further value for its shareholders.”

Stephen Catlin, Chief Executive of Catlin Group Limited, said:

“Twenty-five years after establishing the Group and ten years after we set up our first office outside London, Catlin has achieved a major milestone: Our non-London underwriting hubs in 2009 produced nearly 40 per cent of our underwriting contribution. We expect the value of our global distribution system to increase in terms of both premium volume and underwriting profitability.

“I look forward to the Group’s continuing success as Catlin enters its second 25 years. The current market environment is good, with attractive pricing levels for most business classes, although the investment environment remains challenging. Absent extreme events, we foresee steady increases in our underwriting performance as our international underwriting hubs continue to mature.”

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Notes to editors:

1. Catlin Group Limited, headquartered in Bermuda, is an international specialist property/casualty insurer and reinsurer writing more than 30 classes of business worldwide through six underwriting hubs. Catlin shares are traded on the London Stock Exchange (ticker symbol: CGL). More information about Catlin can be found at www.catlin.com.
2. Catlin's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ('US GAAP'). The Group reports in US dollars.
3. Catlin management will make a presentation to investment analysts at 10am GMT today at the Group's London office. The presentation will be broadcast live on the Group's website (www.catlin.com). The webcast will also be available on demand later today.
4. Rates of exchange at 31 December 2009 – balance sheet: £1 = US\$1.62 (2008: £1 = US\$1.46); income statement (average rate): £1 = US\$1.56 (2008: £1 = US\$1.85).
5. Earnings per share are based on weighted average shares in issue of 334 million during 2009. Book value per share is based on 350 million shares in issue at 31 December 2009. Both calculations exclude Treasury Shares held in trust. Prior period amounts have been adjusted for the impact of the Rights Issue concluded in March 2009.
6. Detailed information regarding Catlin's operations and financial results for the year ended 31 December 2009 is attached, including statements from the Chairman and Chief Executive along with underwriting, financial and investment information.
7. Catlin is the title sponsor of the Catlin Arctic Survey, an ongoing scientific project in the Arctic whose aim is to produce scientific data that scientists can use to predict the effects of climate change and other environmental changes. More information regarding the Survey is available at www.catlinarcticsurvey.com.

See the preliminary results in PDF format