

14 December 2005

Validus Reinsurance announces launch

New Bermuda-based reinsurer, rated A- (Excellent) by A.M. Best

Hamilton, Bermuda. Validus Reinsurance, Ltd ('Validus Re'), a Bermuda-based and BMA approved Class 4 reinsurer, is pleased to announce its formal launch today. The company has raised an initial \$1bn in equity capital and has received a rating of A- (Excellent) from A.M. Best.

Validus Re has been formed in response to favourable market conditions following the large insured losses incurred in 2004 and 2005. The company's underwriting strategy will focus on creating a balanced, diversified portfolio of low frequency, high severity property and specialty business in the following classes: property per risk; property catastrophe; property proportional; workers' comp cat; marine & energy; aerospace; marine war & aviation war; terrorism; and retrocession. The Validus Re team has experienced underwriters, modelers and actuaries in each business class.

The company will pursue a conservative investment strategy designed to emphasize the preservation of invested assets and to provide liquidity for the prompt payment of claims.

Validus Re has assembled a management and underwriting team with exceptional skills and experience in the insurance and reinsurance industries. Edward Noonan will serve as Chairman and CEO of the company. Mr Noonan was previously Acting CEO of United America Indemnity and President and CEO of American Reinsurance Company. Former Chairman and CEO of Willis Re North America George Reeth has been appointed as President.

Validus Re is a wholly-owned subsidiary of Validus Holdings, Ltd, incorporated in Bermuda. Aquiline Capital Partners LLC ('Aquiline'), a specialist financial services investment firm is the founder and lead investor in Validus Holdings, Ltd. The Aquiline investment team is led by Jeff Greenberg, who has joined the board of directors. Other investors represented on the board include Goldman Sachs, Merrill Lynch Global Private Equity, Vestar Capital Partners and New Mountain Capital.

Edward Noonan, Chairman and CEO, Validus Re, commented:

"Validus Re has an exceptionally strong balance sheet. Our financial strength, combined with our A- (Excellent) rating from A.M. Best, provides us with a platform to provide meaningful capacity to the global market. The management, risk modeling and underwriting teams will provide a prompt and responsive service, timely payment of claims and customised reinsurance solutions for our clients."

Validus Re will conduct its operations and be managed and controlled from Bermuda.

-ENDS-

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