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Enstar Group Limited Announces Reinsurance of \$1.1 Billion of Allianz's Legacy U.S. Business

HAMILTON, Bermuda, Feb. 17, 2016 (GLOBE NEWSWIRE) -- Enstar Group Limited (Nasdaq:ESGR) announced today that one of its wholly owned subsidiaries has entered into an agreement to reinsure portfolios of Allianz Re's U.S. run-off business.

Enstar's subsidiary will assume net reinsurance reserves of approximately \$1.1 billion, by reinsuring 50% of certain workers' compensation, construction defect, and asbestos, pollution and toxic tort business originally held by Fireman's Fund Insurance Company. Enstar will also provide consulting services with respect to the entire \$2.2 billion portfolio, including Allianz Re's retained 50% share.

Under the reinsurance transaction (which is subject to final regulatory approval), Enstar will transfer approximately \$110 million to a reinsurance collateral trust and will also offer a limited parental guarantee. The combined monetary total of the support offered by Enstar will initially be capped at \$270 million.

Commenting on the transaction, Dominic Silvester, Enstar's Chief Executive Officer, said:

"Implementing a reinsurance transaction of this complexity and magnitude for Allianz, a global industry leader, demonstrates clearly the scope and scale of the solutions that Enstar can provide."

"We welcome the opportunity to continue to work with Allianz, and we appreciate the trust and confidence Allianz has placed in Enstar to structure, manage and advise on this sizeable transaction."

About Enstar

Enstar Group Limited and its operating subsidiaries acquire, reinsure, and manage diversified insurance businesses through a network of service companies in Bermuda, the United States, the United Kingdom, Continental Europe, Australia, and other international locations. Enstar is a market leader in completing legacy acquisitions, having acquired over 70 companies and portfolios since its formation in 2001. Enstar's active underwriting businesses include the StarStone group of companies, an A- rated global specialty insurance group with multiple global underwriting platforms, and the Atrium group of companies, which manage and underwrite specialist insurance and reinsurance business for Lloyd's Syndicate 609. For further information about Enstar, see www.enstargroup.com.

Cautionary Statement

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding the intent, belief or current expectations of Enstar and its management team. Investors are cautioned that any such forward-looking statements speak only as of the date they are made, are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Important risk factors regarding Enstar can be found under the heading "Risk Factors" in Enstar's Form 10-K for the year ended December 31, 2014 and Form 10-Q for the quarterly period ended June 30, 2015, and are incorporated herein by reference. Furthermore, Enstar undertakes no obligation to update any written or oral forward-looking statements or publicly announce any updates or revisions to any of the forward-looking statements contained herein, to reflect any change in its expectations with regard thereto or any change in events, conditions, circumstances or assumptions underlying such statements, except as required by law.

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