



June 5, 2013

## Enstar Group Limited to Acquire Atrium Underwriting Group and Arden Reinsurance

HAMILTON, Bermuda, June 5, 2013 (GLOBE NEWSWIRE) -- Enstar Group Limited (Nasdaq:ESGR) announced today that it has entered into definitive agreements with Arden Holdings Limited under which Enstar will acquire Atrium Underwriting Group Limited and Arden Reinsurance Company Limited. Atrium is an underwriting business at Lloyd's of London, which manages Syndicate 609 and provides approximately one quarter of the syndicate's capital. Atrium specializes in accident and health, aviation, marine property, non-marine property, professional liability, property and casualty binding authorities, reinsurance, upstream energy, war and terrorism insurance, cargo and fine art. Arden Reinsurance is a Bermuda-based reinsurance company that provides reinsurance to Atrium and is currently in the process of running off certain other discontinued businesses.

The purchase price for Atrium will be approximately \$183.0 million and the purchase price for Arden Reinsurance will be approximately \$79.6 million. Completion of each transaction is conditioned on, among other things, governmental and regulatory approvals and satisfaction of various customary closing conditions. The two transactions are governed by separate purchase agreements and the acquisition of each company is not conditioned on the acquisition of the other. Both transactions are expected to close by the end of the fourth quarter of 2013.

Dominic Silvester, Enstar's Chief Executive Officer, said, "The acquisition of Atrium's 'live' underwriting platform will represent a further evolution of Enstar's business. Our core focus remains on acquiring insurance and reinsurance companies that are in run-off, however we believe Atrium will provide us with a high quality operation at Lloyd's that includes a skilled underwriting and management team that will help create new opportunities for us to grow and prosper."

Steve Cook, Chief Executive Officer of Atrium, said, "We are delighted to be able to play a key role in Enstar's strategic expansion into the 'live' underwriting environment. Atrium intends to continue its existing strategy and plans under Enstar's ownership whilst evaluating opportunities that may arise from Enstar's future acquisitions. Atrium believes it has found a culturally compatible and financially secure strategic owner."

Enstar, a Bermuda company, acquires and manages insurance and reinsurance companies in run-off and portfolios of insurance and reinsurance business in run-off, and provides management, consultancy and other services to the insurance and reinsurance industry.

The Enstar Group Limited logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5734>

*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. In particular, Enstar may not be able to complete the proposed transactions on the terms summarized above or other acceptable terms, or at all, due to a number of factors, including but not limited to the failure to obtain governmental and regulatory approvals or to satisfy other closing conditions. Additional important risk factors regarding Enstar may be found under the heading "Risk Factors" in Enstar's Form 10-K for the year ended December 31, 2012, 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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