



August 26, 2014

## Enstar Group Limited to Acquire Companion Property and Casualty Insurance Company

HAMILTON, Bermuda, Aug. 26, 2014 (GLOBE NEWSWIRE) -- Enstar Group Limited (Nasdaq:ESGR) announced today that it has entered into a definitive agreement to acquire Companion Property and Casualty Insurance Company ("Companion") from Blue Cross and Blue Shield of South Carolina. Companion is a South Carolina-based insurance group writing property, casualty, specialty and workers compensation business, and has also provided fronting and third party administrative services.

The total consideration for the transaction will be \$218 million. Enstar expects to finance the purchase price through a combination of cash on hand and debt financing. Completion of the transaction is conditioned on, among other things, governmental and regulatory approvals and satisfaction of various customary closing conditions. The transaction is expected to close by the end of the fourth quarter of 2014.

"We are pleased to announce our agreement to acquire Companion, which continues the successful expansion of our property and casualty business in the U.S." said Dominic Silvester, Chief Executive Officer of Enstar.

Enstar expects to operate the business largely as part of its property and casualty legacy business, while working with Companion to ensure that its policyholders continue to receive excellent service. Enstar and its Torus subsidiaries are assessing opportunities for policy renewals of certain Companion business into Torus.

Enstar Group Limited and its operating subsidiaries acquire 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 60 companies and portfolios since its formation in 2001. Enstar's active underwriting businesses include the Atrium group of companies, which manage and underwrite specialist insurance and reinsurance business for Lloyd's Syndicate 609, and the Torus group of companies, an A-rated global specialty insurance group with multiple global underwriting platforms. For further information about Enstar, see [www.enstargroup.com](http://www.enstargroup.com).

*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 transaction 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. 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, 2013 and Form 10-Q for the three and six months ended June 30, 2014, 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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