



Middlesea Insurance p.l.c.

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Company Announcement in accordance with MFSA Listing Rules 8.6.12

Middlesea Insurance p.l.c. (the Company), which holds 51% of the shares of Middlesea Valletta Life Assurance Co. Ltd (MSV), the life assurance specialist associate of the Company, has sold a number of shares amounting to 1% of the shareholding in MSV to Bank of Valletta p.l.c. As a consequence the holding of the Company is now 50%.

Concurrently, Bank of Valletta p.l.c. has purchased from Münchener Rückversicherungs-Gesellschaft the 10% shareholding held by that company in MSV.

Following these transactions, Middlesea Insurance p.l.c. and Bank of Valletta p.l.c. now each hold 50% of MSV's total equity, represented by 4,300,000 ordinary shares of one Maltese lira (Lm1) each fully paid up.

The Company has become aware that the Government of Malta has been approached by Münchener Rückversicherungs-Gesellschaft, which had expressed its interest in acquiring from the Government's a further 7% shareholding in Middlesea Insurance p.l.c. Negotiations as to the terms and conditions (including the price) are taking place.

This is in line with the decision taken by Munich Re who prefer to concentrate their interest in Malta through their shareholding in the holding company, Middlesea Insurance p.l.c. Once the transaction goes through, Munich Re shareholding will rise to 19.99%.

E.M. Borg
Company Secretary