



Middlesea Insurance p.l.c.

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Registration Number: C5553

MSI/CF/MSE09907

8 November 2007

Company Announcement in accordance with MFSA Listing Rules 9.51 to 9.53

The following is a Company Announcement issued by Middlesea Insurance p.l.c. pursuant to the Malta Financial Services Authority Listing Rules 9.51 and 9.53.

QUOTE

The Board of Directors of Middlesea Insurance p.l.c. announces that no material events and/or transactions have taken place during the third quarter of the current financial year that would require disclosure under the applicable Listing Rules.

For the nine months ended on the 30 September 2007 the Middlesea Group registered a positive overall result from its operations in Malta and Italy. The technical underwriting results of the Italian subsidiary, Progress Assicurazioni SpA and Middlesea Insurance plc improved over the comparative returns registered the previous year. The specialised life insurance company of the Group, Middlesea Valletta Life Assurance Co. Ltd., continued with its positive contribution to the Group profit and maintained its leading position in the Maltese market.

The high volatility of the international capital markets registered during the 3rd quarter of 2007, both in the Bond and Equity markets impacted negatively the Group's growth in profits during the period as compared to the first half of the year. The Group continues to



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monitor closely its investments in the local and foreign capital markets, in line with its Investment Strategy.

Mr Mario C. Grech, Executive Chairman, commenting on the year-to-date outturn, said: "The positive results registered by the group have been affected by the movements in local and foreign capital markets. That will continue to present a challenge during the full financial year. Nonetheless, we remain focused to meet these challenges and to seek further growth opportunities in the local and foreign markets. The financial position of the Middlesea Group has remained very sound".

UNQUOTE



Carlo Farrugia
Company Secretary