



Middlesea Insurance p.l.c.

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MSI/CF/MSE00210

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

Quote

The Board of Directors of Middlesea Insurance plc hereby announces that preliminary unaudited data for the fourth quarter of 2009 relating to the Italian subsidiary Progress Assicurazioni SpA (Progress) indicate a marked deterioration in claims experience during that period. The Board of Progress has appointed an external firm of professional investigative specialists to review the position.

Whereas the preliminary unaudited data relating to Middlesea Insurance and Middlesea Valletta indicate financial performance ahead of that anticipated at the time of preparation of the Rights Issue prospectus, the fourth quarter performance of Progress is likely to cause the overall Middlesea Group consolidated loss for the year to exceed that forecast in the said prospectus.

Unquote

By Order of the Board



Carlo Farrugia
Company Secretary