



Middlesea Insurance p.l.c.

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Registration Number: C5553

MSI/CF/MSE00411

29 April 2011

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 (Middlesea Insurance plc or the Company) has been informed that agreement has been reached between Mapfre Internacional (Mapfre) and Munich Re that, subject to certain regulatory approvals, Mapfre will be acquiring Munich Re's current 19.9% shareholding in Middlesea Insurance plc. Following completion of this acquisition, Mapfre will increase its aggregate shareholding in Middlesea Insurance plc to 50.98% of the issued share capital, and will thereby acquire a controlling interest in the Company.

Mapfre has also communicated to the Directors of the Company its desire to maintain the listed company status of Middlesea Insurance plc, and to work with the Listing Authority and the other shareholders in this regard. Pursuant to the requirements of Chapter 11 of the Listing Rules, upon acquisition of a controlling interest in the Company, Mapfre will be required to make a Mandatory Bid for the remaining shares in the Company, whereby the other shareholders in the Company will become entitled (but not obliged) to sell their shareholding in the Company to Mapfre.

The Company has also been informed that Bank of Valletta plc, which currently holds 31.08% of the issued share capital of the Company, has agreed with Mapfre that it will not tender its shares under the General Offer.

Unquote

By Order of the Board

Carlo Farrugia
Company Secretary