



Middlesea Insurance p.l.c.

MSI/CF/MSE00611

17 May 2011

Company Announcement pursuant to the Listing Rules of the Malta Financial Services Authority

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 p.l.c. hereby announces that the first quarter of 2011 has been characterised by a continued positive technical result emerging from the Group's insurance portfolios. The subdued performance on the Malta Stock Exchange, which during the first quarter of the year showed a steady decline, has had an adverse impact on final profits when compared with the same period of the previous year. The statutory solvency position of the insurance company has continued to improve, and amounts to 370%, which is well above the regulatory requirement of 150%.

As already explained in the 2010 Annual Report and during the Annual General Meeting held on the 3 May 2011, Middlesea Insurance plc will continue to focus on its operations in Malta.

The first three months of the year have yielded positive results, and the Company is looking forward with cautious optimism in seeking to obtain sustainable results in a market which is cyclical and carries inherent risks related to the business of insurance. The Company continues to operate in a highly competitive and challenging environment.

Reference is made to the Company Announcement issued on Friday, 29 April 2011 relating to the proposed change in the shareholding of the Company that is subject to regulatory approval. No other material events and/or transactions have been noted.

Unquote



Carlo Farrugia
Company Secretary

Registered address:
Middle Sea House, Floriana FRN 1442, Malta.

Postal address:
P.O. Box 337 Marsa, GPO 01, Malta.

Telephone: (+356) 2124 6262
Telefax: (+356) 2124 8195
E-mail: middlesea@middlesea.com
Website: www.middlesea.com
Registration Number: C5553