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Enstar Group Limited Announces Closure of Transaction to Reinsure \$1.1 Billion of Allianz's Legacy U.S. Business

HAMILTON, Bermuda, March 31, 2016 (GLOBE NEWSWIRE) -- Enstar Group Limited (NASDAQ:ESGR) announced today that one of its wholly owned subsidiaries completed a previously announced transaction to reinsure portfolios of Allianz Re's U.S. run-off business.

The closing followed receipt of regulatory approval and satisfaction of closing conditions. In the transaction, Enstar assumes net reinsurance reserves of approximately \$1.1 billion, by reinsuring 50% of certain workers' compensation, construction defect, and asbestos, pollution and toxic tort business originally held by Fireman's Fund Insurance Company.

Consideration for the transaction includes Enstar transferring approximately \$110 million to a reinsurance collateral trust, which was funded from available cash on hand, and the provision of a limited parental guarantee. The combined monetary total of the support offered by Enstar will initially be capped at \$270 million.

As part of the transaction, Enstar is providing consulting services with respect to the entire \$2.2 billion portfolio, including Allianz Re's retained 50% share.

About Enstar

Enstar is a multi-faceted insurance group that offers innovative capital release solutions and specialty underwriting capabilities through its network of group companies in Bermuda, the United States, the United Kingdom, Continental Europe, Australia, and other international locations. Enstar is a market leader in completing legacy acquisitions, having acquired over 70 companies and portfolios since its formation in 2001. Enstar's active underwriting businesses include the StarStone group of companies, an A- rated global specialty insurance group with multiple global underwriting platforms, and the Atrium group of companies, which manage and underwrite specialist insurance and reinsurance business for Lloyd's Syndicate 609. For further information about Enstar, see www.enstargroup.com.

Cautionary Statement

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding the intent, belief or current expectations of Enstar and its management team. Investors are cautioned that any such forward-looking statements speak only as of the date they are made, are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those projected in the forward-looking statements as a result of various factors. Important risk factors regarding Enstar can be found under the heading "Risk Factors" in Enstar's Form 10-K for the year ended December 31, 2015 and are incorporated herein by reference. Furthermore, Enstar undertakes no obligation to update any written or oral forward-looking statements or publicly announce any updates or revisions to any of the forward-looking statements contained herein, to reflect any change in its expectations with regard thereto or any change in events, conditions, circumstances or assumptions underlying such statements, except as required by law.

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