



Press Release

AM Best re-affirms AEGIS Syndicate 1225's A rating

London, 5 March 2007 – AEGIS London today welcomed the decision of rating agency AM Best to affirm its Best's Syndicate Rating of A (Excellent) and issuer credit rating (ICR) of "a" to Lloyd's Syndicate 1225, which is managed by AEGIS. The outlook for both ratings is stable.

In the report, A M Best recognises the support provided by the financial strength of the Lloyd's market and the benefits derived from the syndicate's association with its ultimate parent, Associated Electric and Gas Insurance Services Ltd (AEGIS Bermuda),.

The report also acknowledges the syndicate's strong business profile: "Syndicate 1225's strong profile for its core energy business continues to be supported by its association with AEGIS Bermuda and has helped the syndicate to gain a leadership position in its market. Overall, the syndicate led on approximately 38% of the policies it wrote in 2006 and has a prominent position in the utility property, non-marine casualty and energy casualty markets where it leads on approximately 81%, 48% and 45% of its risks, respectively," the report said.

Commenting on the affirmed rating, AEGIS London Managing Director Stuart Davies said: "Starting from relatively modest beginnings in the London market, the syndicate has developed to become a leader in the London energy market. We are pleased that A M Best has recognised AEGIS Syndicate 1225's strong financial position and business profile and we regard the affirmation of our rating

as another step on the road to achieving our medium-term growth and development goals.”

For Best's Ratings, an overview of the rating process and rating methodologies, see www.ambest.com/ratings

ENDS

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FWD – PR for AEGIS

Notes to Editors

AEGIS London

AEGIS London is the UK-based subsidiary of AEGIS (Associated Electric & Gas Insurance Services Limited). It operates AEGIS Energy Syndicate 1225 which has a capacity of £221 million for 2007.

The syndicate was originally created to provide global insurance facilities for AEGIS members. Its focus has now widened and includes leading a wide range of onshore and offshore energy risks in the Lloyd's market. As a result of this success the AEGIS London team has expanded to 70 people over the last five years.

AEGIS London is focused on providing cover for a wide range of clients in the global energy market, especially:

- Indigenous utilities in various countries, including the US
- Owners of international power projects

- Oil and gas accounts, including all aspects of oil and gas exploration, production, storage, transmission and processing
- Various contractors serving these market sectors

The main areas of cover provided are:

- Power utility
- Offshore energy
- Non-marine property
- Non-marine casualty
- Marine casualty
- Cargo, Specie, War and Terrorism

AEGIS

(Associated Electric & Gas Insurance Services Limited)

AEGIS is a mutual insurance company owned by its policyholder members, with gross written premiums of more than US \$1 billion. It was established in Bermuda in 1975, and is an eligible surplus lines insurer in most jurisdictions in the United States.

AEGIS aims to provide its members with superior insurance and risk management products through a secure and stable market to enable members to achieve the lowest overall long-term cost of risk. Industry sectors covered include gas and electric utilities, related energy companies, water utilities, pipeline companies, transmission & distribution companies, and oil and gas exploration and production companies.

AEGIS writes excess liability, fiduciary and employee benefits liability, professional liability, excess workers' compensation, directors and officers liability, employment practices liability, and property. In alliance with a strategic partner, AEGIS offers its members primary general liability, commercial automobile liability, umbrella liability, and workers' compensation.

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