

PRESS RELEASE

7 May 2008

Singapore-based Reinsurer Asia Capital Reinsurance Launches World's Largest Retakaful Company in Joint Venture with Khazanah Nasional Bhd and Dubai Banking Group

Singapore, 7 May 2008 – ACR Capital Holdings Pte Ltd (ACR) – Singapore's home-grown reinsurance firm focusing exclusively on the Pan Asian market – today announced an agreement with Malaysian national investment company Khazanah Nasional Bhd, and Dubai Banking Group, the global Shari'ah-compliant investment company of Dubai Group, to set up a retakaful company. The announcement followed a meeting between H.H. Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice-President, Prime Minister and Ruler of Dubai and Malaysian Prime Minister Dato' Seri Abdullah Ahmad Badawi, during which they endorsed the new venture.

The new company, named ACR ReTakaful Holdings Limited, will be based in the Dubai International Financial Centre and with a capital of US\$ 300 million will be the world's largest retakaful entity.

It is expected that ACR ReTakaful Holdings Limited will quickly establish two wholly owned retakaful operating companies. "We plan to set up retakaful businesses in Malaysia and in the Middle East as soon as possible," said Mr John Tan Kwang Kherng, Chief Executive of ACR. "We are in discussions with regulators in both locations and hope to commence operations in the near future".

Said Mr Tan "We are naturally delighted to be in partnership with the Dubai Banking Group and Khazanah Nasional Bhd. Both are prestigious institutional investors in new sectors and markets,

and the driving force in shaping and nurturing strategic industries in Malaysia and the Middle East with the objective of promoting economic growth”.

He added “By drawing on the financial strength and stability of our Malaysia and Dubai partners, their strong Asian networks and unrivalled access to the local markets, and at the same time leveraging ACR’s vast management experience and technical expertise in underwriting large risks, we are well positioned to help our clients in Asia compete and succeed in the marketplace, through the efficient management of their risks.

We are also well placed to contribute to the retakaful sector which we believe has good growth prospects. Historically, much of the business in the region has been ceded to international markets, outside of Asia. Establishing ACR ReTakaful Holdings Limited will allow us to retain the business - within local markets and in accordance with Islamic principles”.

The establishment of ACR ReTakaful Holdings Limited is the latest in a series of corporate developments for the dynamic 1½-year-old ACR which wrote more than US\$340 million in non-life premiums in its first financial year, building a book of business which already extends to more than forty countries.

ACR is the first independent reinsurance group with an exclusive focus on serving clients in the fast-growing Asian region and brings an unrivalled expertise in large risk underwriting in the specialist lines of aviation, marine, energy, property, engineering and casualty.

As a result of its strong capitalisation, experienced management team, solid risk management capabilities and the ability to attract highly experienced underwriters, ACR received an initial financial strength rating of A- (Excellent) from AM Best, the world’s leading credit rating company, garnering one of the highest ratings among Asian reinsurers. This financial rating was re-affirmed by AM Best in December 2007.

In addition, ACR was named ‘Company Launch Of The Year’ in The Review magazine’s 14th Worldwide Reinsurance Awards 2007, while its private placement was voted the ‘Most Innovative Deal – Equity’ in The Asset’s Triple A – The Asset Asian Awards 2006.

Beyond Singapore, ACR has a joint venture reinsurance company in Malaysia, as well as representative offices in Taipei and Bahrain.

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