

CATCo Reinsurance Opportunities Fund Ltd. (“the Company”)

Hurricane Sandy Update – updated PCS loss reserve estimate

To: SFM, London Stock Exchange and  
Bermuda Stock Exchange

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Further to the Board of Directors’ announcements on 23 January 2013 and 25 March 2013 in relation to events of Hurricane Sandy which began on 23 October 2012, Property Claims Services (“PCS”), an independent company which investigates reported disasters and determines the extent and type of damage, dates of occurrence and geographic areas affected primarily within the US, has issued a third re-survey loss estimate based largely on a follow-up with affected insurers.

The updated loss estimate was \$18.75 billion, which remains unchanged from their second re-survey loss estimate released on 22 March 2013.

As this third re-survey loss estimate is equal to the prior two re-surveys, PCS would ordinarily label this loss estimate as “final” at \$18.75 billion, which would then lead to a final settlement of all of CATCo-Re’s Industry Loss Warranty contracts exposed to Hurricane Sandy. However, PCS has elected to allow for one more re-survey within 60 days due to the complexity and severity of this event.

The existing retrocessional reinsurance loss reserve provision that is included in the Company’s Net Asset Value calculation is based on an insured industry loss of \$20 billion. The Board of Directors remains of the opinion that there is no need to amend the existing retrocessional reinsurance loss reserve provision that is currently in place.

**For further information, please contact:**

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