

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

Portfolio Update

To: SFM, London Stock Exchange and
Bermuda Stock Exchange

Date: 2 February, 2018

2018 Portfolio Highlights

- As a result of the 2017 catastrophic events and increases in rates, the 2018 portfolio indicative maximum net return is approximately 23 percent on invested capital (c. 43 percent greater than the 2017 portfolio maximum net returns of 16 percent). These figures are all net of hedging costs.
- The maximum capital exposed to a worst-case single event is limited to 8 percent for the 2018 portfolio, compared to 10 percent for the 2017 portfolio.
- Continued increased demand for Markel CATCo Re Ltd. (the “Reinsurer”) products has led to 100 percent of available capital being deployed at 1 January 2018.

2017 Portfolio Summary

- 2017 net asset value (“NAV”) return for the Ordinary Shares was -27.6 percent.
- Loss reserves were implemented in an amount as a percent of 1 January 2017 NAV as follows:
 - Hurricanes Harvey, Irma and Maria: c. 28.6 percent (net of recoveries on hedges);
 - California Wildfires: c. 17 percent;
 - Mexico Earthquakes, Cyclone Debbie, US Convective Storms: c. 2 percent.
- The total Side Pocket Investments (“SPI’s”) held at 31 December 2017 by calendar year of underwriting are as follows as a percentage of the Company’s 1 January 2017 NAV:
 - 2015: c. 1.2 percent (c. 3.2 percent of Ordinary shares at 31 December 2016);
 - 2016: c. 6.1 percent (c. 7.1 percent of Ordinary and C shares at 31 December 2016);
 - 2017: c. 41.5 percent.
- The 2017 annual dividend was announced on 31 January 2018. Annual dividends of \$0.05476 in respect of each of the Ordinary Shares will go ex-dividend on 8 February 2018. It is expected that this dividend will be paid to Ordinary shareholders on 26 February 2018.
- After reflecting 2017 SPIs and loss reserves, the ordinary shares, post dividend, will have c. 35 percent of NAV available for reinvestment in the 2018 portfolio.
- Since inception (incl. the aforementioned dividend), the Company has returned capital of \$234m to Ordinary and C Share investors by way of dividends and return of value distributions. The original Ordinary shareholders from December 2010 have received

approximately 75% of their original investment through such distributions.

For further information:

Judith Wynne

General Counsel

Markel CATCo Investment Management Ltd.

Telephone: +1 441 493 9005

Email: judith.wynne@markelcatco.com

Mark Way

Chief Operating Officer

Markel CATCo Investment Management Ltd.

Telephone: +1 441 493 9001

Email: mark.way@markelcatco.com

David Benda / Hugh Jonathan

Numis Securities Limited

Telephone: +44 (0) 20 7260 1000