



MAIDEN HOLDINGS, LTD

## **Maiden Holdings, Ltd. Announces Acquisition of GMAC RE, LLC**

HAMILTON, Bermuda, Nov 3, 2008 (GlobeNewswire via COMTEX News Network) -- Maiden Holdings, Ltd. (Nasdaq:MHL) today announced that it has acquired the reinsurance operations of GMAC Insurance (GMACI), including its book of assumed reinsurance business. As part of the transaction, which closed today, Maiden Holdings' (Maiden) wholly owned subsidiary Maiden Holdings North America, Ltd. acquired GMAC RE LLC, the reinsurance managing general agent writing business on behalf of Motors Insurance Corporation and the renewal rights for the business written by GMAC RE.

GMAC RE has for over twenty-five years, provided reinsurance to small and regional insurance companies. Its range of products include broker and direct treaty, accident and health, excess and surplus lines, facultative and specialty risk reinsurance. The GMAC RE team, approximately 120 people who are joining Maiden, conduct business with over seventy regional insurance companies who benefit from GMAC RE's focus on client service and dedicated trust products. GMAC RE's profitable book of business emphasizes high customer retention, targeted geographic expansion and product diversity.

In connection with the closing of the transaction, GMAC RE management and employees have transitioned to Maiden and GMAC RE was renamed Maiden RE. Under the name Maiden RE they will continue to provide service, staff and security to customers who will benefit from a strong balance sheet.

Maiden Holdings North America also entered into an agreement to acquire two licensed insurance companies, GMAC Direct Insurance Company and Integon Specialty Insurance Company. Consummation of the acquisition of the insurance companies is subject to regulatory approval. Transitionally, a GMACI insurance company will continue to write reinsurance which Maiden will reinsure on a 100% basis. Following completion of the acquisition of the insurance companies, business will be written directly by Maiden.

As part of the transaction Maiden's Bermuda reinsurance subsidiary, Maiden Insurance Company, Ltd., assumed the outstanding loss reserves associated with the GMAC RE business (approximately \$750 million as of September 30, 2008) along with unearned premium of roughly \$200 million. In 2007, GMAC RE produced approximately \$525 million in gross written premium and \$65 million in pre-tax earnings. Following completion of the transaction Maiden will be a specialty reinsurance company with approximately \$1 billion plus in annual written premium.

In support of the transaction Maiden plans to raise additional equity of approximately \$260 million through a rights offering to existing shareholders. Should the rights offering generate less than the planned \$260 million the founding shareholders have committed equity funds which will be utilized as a backstop up to the full \$260 million (this press release does not constitute an offer of any securities for sale).

Barry Zyskind, Chairman of Maiden Holdings, Ltd., stated, "Maiden was formed with the purpose of providing specialty, non-catastrophic reinsurance to regional insurers while simultaneously identifying unique opportunities for significant growth and diversification of business.

"We believe that with the acquisition of GMAC RE, Maiden will fast-forward its business plan and the combination of GMAC RE with existing Maiden business will uniquely position the Company in the marketplace while furthering our goal of achieving ROEs in excess of fifteen percent.

"We welcome the GMAC RE team. Their leadership and management expertise will benefit Maiden as its development continues."

Maiden Holdings, Ltd. will hold a conference call to discuss the acquisition and third quarter earnings on Wednesday, November 12th at 3:00 p.m. Atlantic Time (2:00 p.m. ET). Details for accessing the call can be found at <http://ir.maiden.bm>.

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About Maiden Holdings, Ltd.

Maiden Holdings, Ltd. is a Bermuda holding company formed in 2007 to offer customized reinsurance products and services, through its subsidiary Maiden Insurance Company, Ltd., to small and mid-size insurance companies in the United States and

Europe.

#### Forward-Looking Statement

This release contains "forward-looking statements" which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements are based on the Company's current expectations and beliefs concerning future developments and their potential effects on the Company. There can be no assurance that actual developments will be those anticipated by the Company. Actual results may differ materially from those projected as a result of significant risks and uncertainties, including non-receipt of expected payments, changes in interest rates, effect of the performance of financial markets on investment income and fair values of investments, developments of claims and the effect on loss reserves, accuracy in projecting loss reserves, ability to renew the GMAC RE business, the impact of competition and pricing environments, changes in the demand for the Company's products, the effect of general economic conditions, adverse state and federal legislation, regulations and regulatory investigations into industry practices, developments relating to existing agreements, heightened competition, changes in pricing environments, and changes in asset valuations. The Company undertakes no obligation to publicly update any forward-looking statements.

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