



MAIDEN HOLDINGS, LTD

Maiden Holdings, Ltd. Reports Fourth Quarter Net Income of \$20.0 Million

HAMILTON, Bermuda, Feb 25, 2009 (GlobeNewswire via COMTEX News Network) -- Maiden Holdings, Ltd. (Nasdaq:MHL), today reported net income of \$20.0 million or \$0.34 per share for the fourth quarter ended December 31, 2008. Net written premium for the fourth quarter 2008 was \$340.5 million.

"We are pleased with the Company's fourth quarter results and significant growth reflecting the acquisition of GMAC RE. With profitable underwriting, strengthened earnings and a high quality investment portfolio we are well positioned to build upon strong customer relationships and continue the Company's profitable expansion," stated Art Raschbaum, President and CEO of Maiden Holdings, Ltd.

Fourth Quarter and Full Year 2008 Highlights:

- * Net written premium for fourth quarter 2008 was \$340.5 million
- * Net written premium for the year ended December 31, 2008 was \$727.4 million
- * Operating earnings of \$16.8 million for the quarter ended December 31, 2008
- * Operating earnings for the year ended December 31, 2008 were \$58.0 million
- * Annualized return on equity for the fourth quarter was 16.1%
- * The combined ratio for the fourth quarter was 97.2%(1)
- * The combined ratio for the full year ended December 31, 2008 was 94.9%(1)
- * Book value per share was \$8.70 as of December 31, 2008, an increase of \$0.68 over September 30, 2008

Fourth Quarter and Full Year 2008 Results:

Revenue:

Net written premium for the fourth quarter was \$340.5 million and net earned premium was \$163.8 million. For the year ended December 31, 2008, net written premium was \$727.4 million and net earned premium was \$420.1 million compared to \$247.4 million net written premium and net earned premium of \$110.2 million in 2007, following mid-year commencement of operations.

Net investment income for the quarter ended December 31, 2008 was \$12.9 million, net investment income for the year was \$37.2 million compared to \$15.2 million in 2007.

Net realized investment gains for the quarter ended December 31, 2008 were \$4.8 million. During the year ended December 31, 2008 the Company realized net investment losses of \$37.6 million.

Operating earnings for the quarter ended December 31, 2008 were \$16.8 million. Operating earnings is a non-GAAP financial measure defined by the Company as net income, excluding realized investment gains and losses and non-recurring general and administrative expenses related to the acquisition of GMAC RE. Operating earnings for the year ended December 31, 2008 were \$58.0 million compared to operating earnings of \$21.9 million for 2007. The Company recorded net income of \$20.0 million for the fourth quarter and \$18.8 million for the year ended December 31, 2008.

Expenses:

For the fourth quarter ended December 31, 2008, the Company's loss and loss adjustment expenses were \$115.3 million, the loss ratio for the quarter was 70.4%, for the year ended December 31, 2008 the loss ratio was 62.8%.

The Company's expense ratio for the fourth quarter 2008 was 26.8%(1) and 32.1%(1) for the year ended December 31, 2008.

For 2007 the Company's loss ratio was 59.0% and the expense ratio was 34.9%.

Other Matters:

Shareholders' equity as of December 31, 2008 was \$509.8 million compared to \$537.3 million as of December 31, 2007. During the fourth quarter the Board of Directors declared a dividend of \$0.06, during the year ended December 31, 2008 the Company declared total dividends of \$0.21. Book value per share as of December 31, 2008 was \$8.70.

During the first quarter of 2009 Maiden's wholly owned subsidiary Maiden Holdings North America, Ltd. issued debentures in the amount of \$260 million, as part of the transaction Maiden issued 11.7 million shares of common stock to the purchasers of the debentures.

Conference Call:

On Thursday, February 26th, at 11:00 a.m. Atlantic Time (10:00 a.m. ET), the Company will hold a conference call regarding its fourth quarter earnings and full year results:

Toll Dial-in (International Callers): 719.325.4804

Toll-free Dial-in: 877.879.6209

Webcast: <http://ir.maiden.bm>

In order to participate in the conference call, you must register at <http://ir.maiden.bm>. At the time of the call slides will be available for reference at <http://ir.maiden.bm>.

A replay of the conference call will be available starting at 2:00 p.m. Atlantic Time on Thursday, February 26th, 2009 through Thursday, March 5th, 2009 by dialing toll 719.457.0820 or toll-free 888.203.1112. The passcode for the replay is 1025974. Replay of the webcast will also be available at <http://ir.maiden.bm>.

About Maiden Holdings, Ltd.

Maiden Holdings, Ltd. is a Bermuda holding company formed in 2007 to offer customized reinsurance products and services to regional and specialty insurance companies in the United States and Europe.

The Maiden Holdings, Ltd. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5006>

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 the 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, 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.

Maiden Holdings, Ltd.

Income Statement

(in thousands (000's), except per share data)

(Unaudited)

For the

For the

Period from

	Three Months Ended December 31, 2008	Three Months Ended December 31, 2007	For the Year Ended December 31, 2008	May 31, 2007 (inception) to December 31, 2007
Revenues:				
Premium income:				
Net premiums written	\$ 340,525	\$ 56,552	\$ 727,395	\$ 247,353
Change in unearned premiums	(176,681)	(9,332)	(307,313)	(137,166)
	-----	-----	-----	-----
Net earned premium	163,844	47,220	420,082	110,187
Net investment income	12,894	7,672	37,240	15,233
Net realized investment gains (losses)	4,819	83	(37,555)	170
	-----	-----	-----	-----
Total revenues	181,557	54,975	419,767	125,590
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Expenses:				
Loss and loss adjustment expenses	115,322	27,350	263,682	65,017
Commission and other acquisition expenses	34,644	15,218	119,703	35,525
Amortization of intangible assets	1,253	--	1,253	--
Foreign exchange loss	998	1	1,362	1
General and administrative expenses	9,337	1,583	14,973	2,960
	-----	-----	-----	-----
Total expenses	161,554	44,152	400,973	103,503
	-----	-----	-----	-----
Net income	\$ 20,003	\$ 10,823	\$ 18,794	\$ 22,087
	=====	=====	=====	=====
Operating earnings(2)	\$ 16,820	\$ 10,740	\$ 57,985	\$ 21,917
	=====	=====	=====	=====
Basic and diluted earnings per common share	\$ 0.34	\$ 0.18	\$ 0.32	\$ 0.44
	=====	=====	=====	=====
Dividends declared per common share	\$ 0.06	\$ --	\$ 0.21	\$ 0.025
	=====	=====	=====	=====
Weighted average number of basic and diluted shares outstanding	58,734,106	59,550,000	59,344,912	50,759,772
Combined ratio	98.6%	93.5%	95.5%	93.9%
Combined ratio (excl. amortization of intangible assets and foreign exchange) (1)	97.2%	93.5%	94.8%	93.9%
Annualized return on equity	16.1%	8.0%	3.6%	14.1%

Maiden Holdings, Ltd.
Balance Sheet
(in thousands (000's), except per share data)
(unaudited)

	(Unaudited)	
	31-Dec-08	31-Dec-07
Assets		
Fixed maturities, available-for-sale, at fair value (amortized cost \$460,754; \$488,765)	\$ 458,364	\$ 474,789
Other investments, at fair value (cost \$5,818; \$15,176)	5,291	15,656
Restricted investments, at fair value (amortized cost \$703,173)	661,591	--
	-----	-----
Total investments	1,125,246	490,445
Cash and cash equivalents	131,897	35,729
Restricted cash and cash equivalents	409,277	--
Accrued investment income	10,293	3,204
Reinsurance balances receivable, net	71,895	27,990
Loan to related party	167,975	113,542
Prepaid expenses and other assets	1,141	454
Deferred commission and other acquisition costs	104,470	44,215
Furniture and equipment, net	1,443	29
Goodwill	49,747	--
Intangible assets	55,147	--
Due from broker	33	--
	-----	-----
Total Assets	\$2,128,564	\$ 715,608
	=====	=====
Liabilities and Shareholders' Equity		
Liabilities		
Loss and loss adjustment expense reserves	\$ 895,608	\$ 38,508
Unearned premiums	444,479	137,166
Accrued expenses and other liabilities	46,072	2,589
Securities sold under agreements to repurchase, at contract value	232,646	--
	-----	-----
Total Liabilities	1,618,805	178,263
	-----	-----
Shareholders' Equity:		
Common shares	596	596
Additional paid-in capital	530,519	529,647
Treasury stock	(3,801)	--
Accumulated other comprehensive loss	(44,499)	(13,496)
Retained earnings	26,944	20,598
	-----	-----
Total Shareholders' Equity	509,759	537,345
	-----	-----
Total Liabilities and Shareholders' Equity	\$2,128,564	\$ 715,608
	=====	=====
Book value per share	\$ 8.70	\$ 9.02

Common shares outstanding 58,587,664 59,550,000

Maiden Holdings, Ltd.
Income Statement
(in thousands (000's), except per share data)
(Unaudited)

	For the Three Months Ended December 31, 2008	For the Three Months Ended December 31, 2007	For the Year Ended December 31, 2008	Period from May 31, 2007 (inception) to December 31, 2007
Reconciliation of net income to operating earnings:				
Net income	\$ 20,003	\$ 10,823	\$ 18,794	\$ 22,087
Less: Net realized gains (losses)	4,819	83	(37,555)	170
Add: Non-recurring general and administrative expenses relating to acquisition of GMAC Re	1,636	--	1,636	--
Operating earnings(2)	\$ 16,820	\$ 10,740	\$ 57,985	\$ 21,917
Operating earnings per common share:				
Basic and diluted earnings per share	\$ 0.29	\$ 0.18	\$ 0.98	\$ 0.43

(1) Combined and expense ratios exclude amortization of intangible assets and foreign exchange loss.

(2) Net operating income is a non-GAAP financial measure defined by the Company as net income excluding realized investment gains and losses and non-recurring general and administrative expenses relating to acquisition, which provides a useful indicator of trends in the Company's underlying operations.

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