SUMMARY

Trust Re's Gross Written Premium amounted to 273.2m for the nine months ended 30 Sept 2012, compared to 257.7m in the prior year period.

Net Earned Insurance Revenue totalled 144.8m, representing an 11.0% increase from 130.5m during 2011.

The Underwriting profit margin increased by 1.2 percentage points; driven by the 4.5 percentage point improvement in the loss ratio and the 3.3 percentage point deterioration in the acquisition cost ratio.

The Net Underwriting Profit rose by 44.0% versus the previous year to stand at 7.2m this time around.

Cash balances rose rapidly by 296.4% compared to 12 months ago to achieve 280.4m at September 2012. Solid cash generation from underwriting activities was substantially enhanced by receipt of proceeds from asset sales to the parent as at December 2011. Furthermore, the Company sold a substantial part of its fixed income portfolio during the period in order to benefit from its capital appreciation; and as a result, further liquidity was created.

Total shareholders' equity improved by 19.3% to reach 233.8m versus 196.0m one year ago (up 22.0m since December 2011).

HIGHLIGHTS

HIGHLIGHTS Q3 2012 vs. Q3 2011

- Disciplined and selective growth driven by the core Energy business (Facultative +21.8%, Treaty -7.2%).
- Net Underwriting Profit up 44.0%
- Total Profit up 17.9%

Strong Balance Sheet

- Total Assets up 14.5% to 970m
- NTR up 18.6% to 321.7m
- Cash at 28.9% of total assets

KEY RESULTS *(actual)*

(in millions)	Q3 2012	Q3 2011	CHANGE (%)
Gross Written Premium	273.2	257.7	**6.0**
Net Written Premium	176.0	168.7	**4.3**
Net Earned Insurance Revenue	144.8	130.5	**11.0**
Net Underwriting Profit	7.2	5.0	**44.0**
Total Profit	12.4	10.5	**17.9**
KEY RATIOS (%)			
Retention Ratio	64.4	65.5	-
Combined Ratio	95.0	96.2	-
Profit Margin	5.0	3.8	-
Return on Equity	5.6	5.2	-
RESERVE RATIOS (%)			
Loss Reserves/Net Earned Insurance Revenue (**NEIR**)	**129.2**	**117.4**	-
Net Technical Reserves (**NTR**)/Net Written Premium (**NWP**)	**182.8**	**160.7**	-

Reserving ratios increased over the 12 month period, underlining the solid provisioning approach of the Company.

Figures in USD

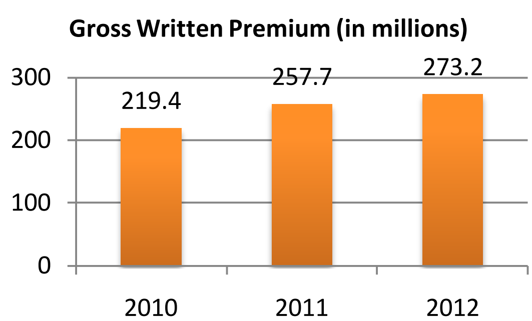
Basis of preparation: Management Accounts (excluding TUL)

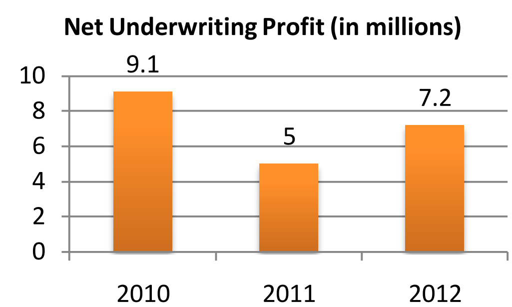
UNDERWRITING PERFORMANCE

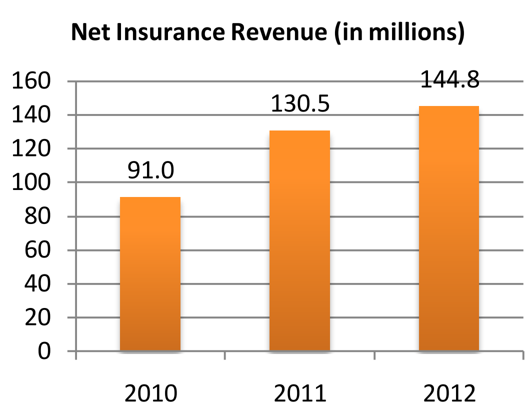
Stable terms and conditions during the first 9 months of 2012 enabled the Company to increase its gross writings by 6.0% compared to 12 months ago. Selective underwriting resulted in a 21.8% increase in the Facultative production led by the core Energy business whilst the Treaty premium declined by 7.2%.

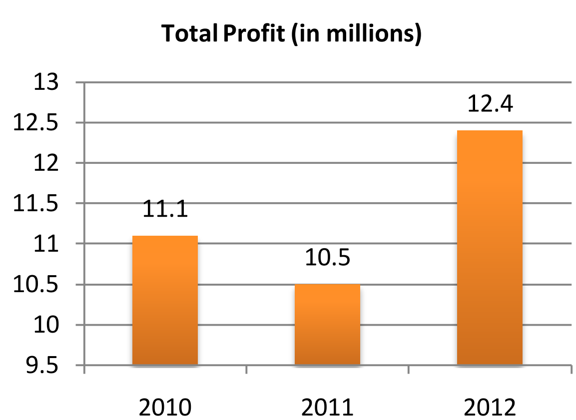
The reduction in the Treaty income emanated from corrective actions taken on proportional accounts which did not fit the profitability criteria. The non proportional component of the Treaty portfolio reached 27.4% while the lead income in the portfolio jumped by 43% to stand at 11.7% of the overall Treaty income.

The combined ratio decreased from 96.2% to 95.0% led by a fall in the loss ratio due to a stable loss environment.









Figures in USD
Basis of preparation: Management Accounts (excluding TUL)

Company's Summary Statement of Income – *excluding TUL (actual)*

	Q3 2012	Q3 2011
Gross Written Premium	273,180,020	257,715,037
Ceded Written Premium	97,223,692	89,007,933
Total Insurance Revenue*	**144,815,978**	**130,499,125**
Net incurred acquisition cost	31,948,058	23,980,650
Net incurred claims	94,545,107	91,068,873
Gross underwriting profit/(loss)	18,322,813	15,449,602
Less operational expenses	11,129,070	10,475,880
Net underwriting profit/(loss)	**7,193,743**	**4,973,722**
Net non-technical income	5,182,967	5,523,893
NET PROFIT	**12,376,710**	**10,497,615**

**Net Earned Revenue*

MAJOR LOSSES AND NET IMPACT

The largest loss during the first 9 months of 2012 was the Atlantic Oilfield (date of loss 16th January 2012). It cost the Company 6.1m net and contributed 4.2 points to the loss ratio.

Asset Allocation

The Company continued to reduce its exposure to fixed income and equities during the first 9 months of the year, opting to increase its cash weighting instead. This manoeuvre marks the Company's drive to de-risk its balance sheet.

INVESTED ASSET DISTRIBUTION

	Q3 2012	Q4 2011	Q3 2011
Equities	23.0%	28.9%	37.1%
Bonds	4.8%	17.6%	18.3%
Cash	72.2%	53.5%	44.6%
TOTAL INVESTED *(in millions)*	388.0	271.7	235.6

Non Technical Performance

Non technical income fell short by 5.5% compared to 12 months ago (5.2m vs. 5.5m). The main reason was FOREX losses during the period as a result of the devaluation of the Sudanese Pound and depreciation of the Indian Rupee against the US Dollar.

Excluding the FOREX impact, the non technical income would have increased by 28.0% as a result of the higher interest earned on the increased cash reserves of the Company. Moreover, enhanced management fees from finite contracts and the FAIR syndicate, contributed further to this increase.

NON- TECHNICAL INCOME DISTRIBUTION *(in millions)*

	Q3 2012	Q3 2011
Interest, Dividends and Realised Gains	7.0	6.0
Fees and Other Income	2.8	1.4
FOREX	(1.2)	0.5
Non-Technical Expenses	3.4	2.4
TOTAL	**5.2**	**5.5**

Figures in USD
Basis of preparation: Management Accounts (excluding TUL)

Trust Underwriting Limited (TUL)

TUL contributed 1.5m in profits to the bottom line. Following the Lloyd's Release Test in May 2012, a cash distribution of 1.7m was received. Revised Lloyd's estimates for 2010 year of account have shown improvements compared to last year. Although Hurricane Sandy will have an impact on the Lloyd's market, it is not expected to substantially alter the profitability achieved at September 2012.

KEY RESULTS (*actual vs. budget*)

(in millions)	Q3 2012 *(actual)*	Q3 2012 *(budget)*	CHANGE (%)
Gross Written Premium	273.2	264.9	**3.1**
Net Written Premium	176.0	186.7	**(5.7)**
Net Earned Insurance Revenue	144.8	148.3	**(2.4)**
Net Underwriting Profit	7.2	9.6	**(25.0)**
Total Profit	12.4	12.5	**(0.8)**
KEY RATIOS (%)			
Retention Ratio	64.4	70.5	-
Combined Ratio	95.0	93.6	-
Profit Margin	5.0	6.4	-

Overall production exceeded the budget by 3.1 percentage points.

The Retention ratio underperformed by 6.1 points; driven by reinstatement premiums in respect of the Thai floods and the Atlantic Oilfield losses.

The Combined ratio deteriorated by 1.4 percentage points as a result of the 0.9 percentage point rise in the Loss Ratio and the 0.5% percentage point increase in the acquisition cost ratio.

Whilst the Net Underwriting Profit dropped by 2.4m, total profit only dropped 0.1m compared to the budget as it was bolstered by the strong performance of non-technical income.

Figures in USD
Basis of preparation: Management Accounts (excluding TUL)