

Tawa plc
Interim results for the six months ended 30 June 2009
and
Acquisition of PRO

**Tawa releases interims showing profitable results and a significant reduction in gearing
and announces the acquisition of PRO, the leading run-off service provider**

Tawa plc (“Tawa” or “the Group”) the quoted run-off consolidator, today announces interim results for the six months ended 30 June 2009 and the acquisition of the PRO group of companies (“PRO”) from Swiss Reinsurance Group (“Swiss Re”).

Interim Results Highlights

- Net profits increased by 64% to \$2.3million (June 2008: \$1.4million)
- \$40 million cash extraction from KX Re and reduced gearing with \$37.4 million debt repayment
- Net assets increased by \$5.6 million to \$220.2 million at 30 June 2009 (December 2008: \$214.6 million)
- Net asset value per share \$1.95/£1.18
- Intangible assets reduced by \$5 million
- A final dividend for 2008 of 0.8 cents (0.5 pence) per share was paid in July 2009

The full interim results for the six months ended 30 June 2009 will be sent to shareholders shortly and will be available on the Company’s website at www.tawapl.com.

PRO Acquisition Highlights

- Tawa will acquire the PRO group of companies, comprising PRO Insurance Solutions Limited, PRO Insurance Solutions, Inc and Participant Run-Off (PRO), Iberica, SLU from Swiss Re, subject to FSA approval
- Total maximum consideration of £38 million, comprising initial cash consideration of £4 million and deferred cash consideration of up to £12 million dependent on PRO’s earnings over the five years to 31 December 2014. Prior to acquisition, Swiss Re will receive dividends of approximately £22 million from the PRO companies. Expected net assets of the PRO group of companies at acquisition are £0.5 million
- As part of the transaction, KX Re, a wholly owned subsidiary of Tawa, will purchase an estimated £7 million of insurance receivables from PRO at the time of closing
- Consideration will be funded from Tawa’s existing cash resources and there will be no change to the board or senior management of Tawa arising from the acquisition
- Completion is subject to approval by the FSA
- Founded in 1993, PRO is recognised as one of the leading providers of run-off management and professional services to the international insurance and reinsurance industry. It operates from bases in the UK, USA and Spain and clients include ongoing insurance entities and those in run-off. In 2008, it generated profits after tax of £7 million and disclosed net assets of £20 million
- The acquisition of PRO is in line with Tawa’s strategy of building up a portfolio of diversified run-off businesses

The strong positive movement of financial markets and the enhanced liquidity of the Tawa Group's reinsurance carriers have enabled Tawa to significantly deleverage its balance sheet during the first half of the year by reducing goodwill and repaying bank debt within the balance sheet. The acquisition of PRO will strengthen the Group's revenues from recurring fees and improved stable cash flows.

Gilles Erulin, Tawa plc Chief Executive, commented: "We look forward to welcoming the PRO team to the Tawa Group where their invaluable knowledge of the run-off market and global platform will be of considerable benefit in achieving our strategic goals. We are also pleased that Swiss Re has confirmed that PRO will enjoy preferred provider status for servicing its run-off operations. The deferred consideration element has been agreed between Swiss Re and Tawa to ensure we work hand in hand to increase the profitability and value of PRO over the coming years."

Jonathan Isherwood, Member of Executive Board, Global Head of Claims and Liabilities, Swiss Re, commented: "PRO has been a small but successful part of Swiss Re since 1996. Today marks an important next step in PRO's development. We believe that the combination of skills and experience of PRO and Tawa Group will create the best opportunities for future growth of the business. On a personal note, we have enjoyed working with the Tawa team during this process and are confident that we can continue to partner together going forward."

--ENDS--

Enquiries:

Gilles Erulin, Chief Executive, Tawa plc	020 7068 8000
Jason Richards, Swiss Re	+45 33979408
Peter Rigby or Alex Parry, Haggie Financial LLP	020 7417 8989
James Britton, or Oliver Stratton, KBC Peel Hunt (Nominated Adviser and Broker)	020 7418 8900

Note for Editors

TAWA

Tawa plc is an investment vehicle formed in 2001 with the purpose of acquiring or developing assets and business in the run-off segment of the insurance industry. Tawa is interested in acquiring run-off portfolios of insurance and reinsurance companies, companies and businesses providing services to the run-off industry, but also in developing its own products to serve the run-off market.

By creating a diversified portfolio of businesses at different stages of the run-off process Tawa intends to be a consolidator of this specific market in the UK, US, continental Europe, Bermuda, and elsewhere as opportunities arise.

Since its formation, Tawa has acquired CX Reinsurance Company Limited (CX Re), KX Reinsurance Company Limited (KX Re) and PXRE Reinsurance Company. Its service companies Tawa Management and Tawa Consulting provide services to these three companies and to third parties. Tawa also operates as an incubator for new projects and is currently developing STRIPE, a new claims and post placement transactions processing platform.

In July 2007 Tawa plc was floated on the AIM market.

Further information can be found on the Company's website: www.tawapl.com.

PRO

Founded in 1993, PRO is recognised as one of the leading providers of run-off management and professional services to the international insurance and reinsurance industry.

PRO became a member of the Swiss Re Group in 1996 and since then it has experienced steady growth for 12 successive years in terms of income, numbers of clients and product range. PRO operates in the worldwide (re)insurance markets, and manages multi-billion dollars of liabilities and assets for more than 60 international clients.

PRO has offices in the UK in London and Gloucester and its associate companies PRO Iberica and PRO Inc have offices in Madrid, Barcelona, Boston and New York. Overall the 3 PRO companies employ 300 staff.

PRO 2008 total consolidated revenues were £30.3 million and consolidated post tax earnings were £6.7 million.

The portfolio management, claims and consultancy services offered by PRO along with its successful new debt purchase product will complement Tawa's proven expertise and capability in acquiring portfolios in run-off.

Further information can be found on www.pro-ltd.co.uk.