

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

Portfolio Update

To: SFM, London Stock Exchange and
Bermuda Stock Exchange

Date: 31 January, 2017

Highlights

- 2016 net asset value (“NAV”) return for the Ordinary Shares was 8.12 percent and 7.27 percent for the C Shares, outperforming the Eureka Hedge Insurance Linked Securities Advisors Index by 57 percent and 40 percent respectively.
- The total Side Pocket Investments (“SPI’s”) held at 31 December 2016 amounted to 10.5 percent of the Company’s NAV. SPI’s held by the Ordinary Shares amounted to approximately 11.5 percent of Ordinary Share NAV consisting of c.1.6 percent in relation to 2014 events, c.3.2 percent in relation to 2015 events and c.6.7 percent in relation to 2016 events.
- The side pockets related to 2015’s catastrophic events have reduced to c. 3.2 percent at 31 December 2016 from the 5.5 percent established at 31 December 2015.
- SPI’s held by C Shares at 31 December 2016 amounted to c.7 percent of C Share NAV and relate only to 2016 events.
- Increased demand for Markel CATCo Re Ltd. (the “Reinsurer”) products has led to 100 percent of available capital being deployed at 1 January 2017.
- Consistent with the 2016 portfolio, the 2017 portfolio provides for an indicative maximum net return of approximately 16 percent on invested capital (inclusive of the two percent attritional reserve).
- Maximum capital exposed to a worst-case single event is not more than 10 percent.
- Average risk of 2017 portfolio at similar levels to 2016’s portfolio.
- The 2016 annual dividend was announced on 26 January 2017. Annual dividends of \$0.07180 in respect of each of the Ordinary Shares and \$0.05795 in respect of the C Shares will be paid to Shareholders on 17 February 2017.

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