

10 March 2011

CBPE backs acquisition by Kane Group of HSBC Insurance Management

CBPE Capital LLP (“CBPE”) and Kane Group (“Kane”) are delighted to announce the acquisition of HSBC Insurance Management (“HIM”)*, for consideration of \$27.5m. The transaction creates the world’s largest independent Insurance Manager, with operations in the UK, North America, Bermuda, Cayman, Guernsey, Malta and the Middle East. The acquisition was entirely funded by CBPE.

The combined Group will be led by a highly experienced team of senior managers from the insurance industry. This includes Stephen May, CEO of Kane, who has held senior positions at Marsh and Benfield Group, and Clive James, Director of Kane, who was previously Global Managing Director of AON Captive Management. Keith Tozzi, current Chairman of Ingemino Ltd and former Chairman of Concateno plc and Inspicio plc, has been appointed Chairman.

HIM has an extensive and diverse customer base providing management, administration and structuring support services for: Captives; Cell Companies; Insurance Linked Securities; Insurance and Reinsurance Companies; and Life, Pensions and Investment (LPI). Kane was established in 2008 when management, led by Stephen May, completed a MBO of the London operations of Heritage Group, a Guernsey-based Insurance Manager.

Stephen May said: “This agreement is a major step forward in the overall growth strategy for Kane. The acquisition will position us as the world’s largest independent insurance manager and clearly supports our aim of creating a global, domicile-neutral platform from which to offer our independent, expert advice. We welcome the new employees and customers of HIM into our Group and look forward to building and developing long-term successful relationships.”

Commenting on the investment, Andy Nelson, CBPE Investment Director, said: “We are delighted to announce this transaction, having worked closely with the management of Kane over a number of months to develop the business plan and make the HIM acquisition. Combining the two businesses represents a great opportunity to create an independent Insurance Manager of scale and international reach.”

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Notes to editors**About CBPE**

- CBPE invests in transactions with a value of up to £150m.
- It focuses on investment in the following sectors:
 - Support services
 - Consumer
 - Leisure
 - Industrial
 - Transport & distribution
 - Healthcare & pharmaceutical
- For further information visit www.cbpel.com

About HIM

* HIM is the marketing name for the collection of HSBC companies that perform insurance management services around the world. The acquisition includes: HSBC Insurance Holdings (Bermuda) Ltd, HSBC Insurance SPC Ltd, the insurance management business and assets of HSBC Bank (Cayman) Ltd, and HSBC Insurance Agency (USA).