

FBD Holdings PLC  
17 April 2007

## PUBLIC ANNOUNCEMENT

### FBD HOLDINGS PLC ('FBD' OR 'THE GROUP')

#### DISTRIBUTION OF €177 MILLION

At a Meeting on 16th April 2007, the Board of FBD Holdings plc decided to distribute €177m of the Company's financial reserves to shareholders.

It is intended to make the distribution on 27th June 2007 to shareholders on the register on 8th June 2007.

The precise mode of distribution will be advised to shareholders in due course, further to an Extraordinary General Meeting of the Company which is scheduled to follow the AGM on 22nd May 2007. (Notice of these Meetings will issue in coming days). Inter alia, a special resolution to allow flexibility in the method of distribution in the future will be recommended by the Board to the Meeting for approval, as a possible alternative to distribution via a special dividend. Following the Meeting's decision on this resolution, the Board will determine the mode of distribution.

The Board also decided at its Meeting on 16th April that, subject to the forthcoming Annual General Meeting's renewal of the authorisation for the Company to undertake market purchases of its own shares, (not exceeding 10% of the issued shares in aggregate), the Company may undertake market purchases if such purchases are deemed to be in the best interests of shareholders.

Commenting on the Board's decision, Mr. Michael Berkery, Chairman said:

*'The successful development of the FBD Group has generated significant cash, particularly in recent years. The Company has been proactive in its management of capital and has repatriated €265m. to shareholders since March 2005. The remaining capital not required in our businesses has been prudently invested while the potential to deploy it to pursue development opportunities in the core underwriting business or related financial services businesses was being investigated.'*

*'Following its assessment of the Group's capital requirements in the context of its ambitious growth plans, the Board has determined that €177m. of capital will not be required to pursue those plans and has decided to distribute it to shareholders. This is further evidence of the Group's disciplined capital management and will enhance the return on equity for shareholders'*

ENDS

#### For Reference

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