

FBD Holdings Plc (“FBD” or “The Group”)

Pre-close Trading Statement for the half year to 30 June 2008

FBD Holdings plc has continued to make solid progress in the year to 30 June 2008

OPERATING PROFIT

Underwriting

Net earned premiums in our primary underwriting business are in line with the same period in 2007. This will be a very satisfactory result in an environment where some market participants continue to compete for new business at unrealistic rates. Informed market opinion and other indications continue to support the hardening of rates in the second half of this year. We are ideally placed to take advantage of an improving rate environment. Claims and other costs are running at anticipated levels.

In light of the uncertain outlook for financial markets, we further reduced our investment in equities in the second quarter of 2008. While this decision benefited our actual investment return, the new asset mix will result in a lower longer term investment return.

Non-Underwriting

Challenging market conditions for our leisure and property development businesses in Ireland and Spain have resulted in a behind budget performance in the year to date. We remain focused on new marketing and sales initiatives and cost efficiencies to address the situation.

PROFIT BEFORE TAXATION

The volatility in financial markets and the weakness in the UK commercial property market has had an impact on short term fluctuations in investment return, and consequently on profit before taxation.

SPECIAL DISTRIBUTION

We continue to investigate the most tax efficient method of distributing the €94.2m arising from our reserve release in 2007. We will finalise the timing of the payment once our investigations are complete.

INTERIM RESULTS

The Group's interim results are scheduled to be announced on Wednesday, 27 August 2008.

For Reference

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