

3 November 2011
For immediate release

ECCLESIASTICAL INSURANCE GROUP P.L.C. (the "Company")

13 per cent. Debenture Stock due 2018
ISIN GB0003033569 (the "Stock")

The Stock was issued in 1983 and is only £6,000,000 in principal amount. The board of directors of the Company considers that, given the growth in the size of the Company since then, the small size of the Stock outweighs the associated administrative costs and burden, and that it would therefore be appropriate to redeem the entire issue now.

Accordingly, the Company is today giving notice to Stockholders convening a meeting on 29 November 2011 to consider a proposal to redeem all of the Stock at a price of £130 per £100 in principal amount, plus interest accrued to the date of redemption, which would be paid to Stockholders shortly after the necessary Extraordinary Resolution is passed.

The Company has discussed this matter with a Special Committee of the Association of British Insurers. Members of the Special Committee, who hold or manage funds holding in aggregate 67.2% of the Stock, have considered the proposed redemption of the Stock and intend to lodge their proxies in favour of the Extraordinary Resolution in respect of their own holdings and holdings that they manage. Other ABI members will be informed of their decision and invited to consider a similar course of action.

Contact: Rachael J Hall
Group Company Secretary