

**Lancashire Holdings Limited**

(the “Company”)

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them**

The Company announces that, on 13 September 2016, Alex Maloney, Executive Director and Chief Executive Officer exercised 128,610 Restricted Share Awards (“RSS awards”) granted as nil-cost options over the Company’s common shares of US\$0.50 each. Of these RSS awards 98,976 were granted under the LHL Restricted Share Scheme and 29,634 were granted under the LHL Restricted Share Scheme Bonus Deferral Plan.

Mr. Maloney sold 60,614 of the resulting shares at the price shown below to cover the tax, national insurance and fees arising as a result of the exercise and retained the balance of 67,996 shares. The exercise was satisfied using existing shares in issue held by the Lancashire Holdings Limited Employee Benefit Trust.

Following this transaction, Alex Maloney has an interest in the Company of 513,512 common shares (which includes 100,000 held via a connected person), representing 0.2574%.

Additionally, Alex Maloney also holds the following interests in the Company:

Restricted Share Scheme – Deferred Bonus Awards – 93,987 (vesting is subject to time and employment conditions only).

Restricted Share Scheme Awards– 587,795 (Pursuant to the Rules of the Restricted Share Scheme, the number of shares that will actually vest depends on the satisfaction of certain conditions including employment, performance and time conditions).

*The notification made in accordance with Article 19 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) is set out below:*

<b>1</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>	
a)	Name	<i>Alex Maloney</i>
<b>2</b>	<b>Reason for the notification</b>	
a)	Position/status	<i>Executive Director and Group Chief Executive Officer</i>
b)	Initial notification/Amendment	<i>Initial notification</i>
<b>3</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>	
a)	Name	<i>Lancashire Holdings Limited</i>
b)	LEI	<i>5493002UNUYXLHOWF752</i>
<b>4</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>	
a)	Description of the financial instrument, type of instrument Identification code	<i>Common Shares of US\$0.50 each</i> <i>ISIN: BMG5361W1047</i>
b)	Nature of the transaction	<i>(i)Exercise of 128,610 Restricted Share Awards (“RSS awards”)</i>

		<i>granted as nil-cost options over common shares of US\$0.50 each, of which 98,976 were granted under the LHL Restricted Share Scheme and 29,634 were granted under the LHL Restricted Share Scheme Bonus Deferral Plan and (ii) subsequent sale of 60,614 shares to cover tax liabilities and fees.</i>	
c)	Price(s) and volume(s)	<b>Price(s)</b>	<b>Volume(s)</b>
		<i>nil</i>	<i>128,610 shares acquired on exercise of RSS awards</i>
		<i>£6.500673</i>	<i>60,614 shares sold to cover tax liabilities</i>
d)	Aggregated information Aggregated volume Price	N/A	
e)	Date of the transaction	2016-09-13	
f)	Place of the transaction	<i>(XLON) London Stock Exchange – Regulated Market</i>	

**Name of authorised official of issuer for making notification**

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**15 September 2016**