

Lancashire Holdings Limited
10 May 2007

Director Shareholding

Lancashire Holdings Limited (the "Company") has been notified that Martin Thomas, a non executive Chairman of the Company, purchased 6,950 common shares of US\$0.50 each in the Company at a price of £3.5364 per share. The purchase took place on 10th May, 2007. Martin Thomas's total holding in the Company following the purchase is 6,950 shares.

For further information, please contact:

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About Lancashire

Lancashire, through its UK and Bermuda-based insurance subsidiaries, is a global provider of specialty insurance products. Its insurance subsidiaries carry the Lancashire group rating of A minus (Excellent) from A.M. Best with a stable outlook. Lancashire has capital in excess of US\$1 billion and its common shares trade on AIM under the ticker symbol LRE. Lancashire is headquartered at Mintflower Place, 8 Par-La-Ville Road, Hamilton HM 08, Bermuda. The mailing address is Lancashire Holdings Limited, P.O. Box HM 2358, Hamilton HM HX, Bermuda. For more information on Lancashire, visit the Company's website at www.lancashiregroup.com.