

Lancashire Holdings Limited
18 June 2007

Director Shareholding

Lancashire Holdings Limited (the "Company") has been notified that Neil McConachie, executive director and Chief Financial Officer of the Company, has today purchased 7,500 common shares of US\$0.50 each in the Company at a price of £3.355 per share. Neil McConachie's total holding in the Company following the purchase is 27,500 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.