

NATIXIS and White Mountains Create Pentelia Capital Management and Close Pentelia Limited, Its First Fund, at \$600 Million

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HAMILTON, Bermuda, April 26 /PRNewswire-FirstCall/ -- As part of its ongoing development in the areas of insurance and alternative asset management, NATIXIS, in partnership with White Mountains Insurance Group, Ltd. (NYSE: WTM), have created Pentelia Capital Management ("PCM"), an asset management company based in Bermuda, and have closed PCM's first fund, Pentelia Limited, with total capital commitments of approximately US\$ 600 million.

Pentelia Limited is a highly innovative alternative investment fund designed to participate in a broad array of rapidly-growing insurance risk securitization markets. The fund will invest in a diversified portfolio of life and non-life insurance-linked assets including adverse mortality bonds, weather derivatives, terrorism insurance, life settlements, cat bonds and property catastrophe reinsurance. The fund has created a new Bermuda reinsurance company, Pentelia Re, in order to be able to offer direct reinsurance coverage on a collateralized basis if desired. The fund's stated investment strategy is to invest in a number of remote- probability insurance events and to deliver a consistent return with little to no correlation with financial markets.

PCM, based in Hamilton, Bermuda, specializes in the underwriting and management of insurance-linked assets and investments and has specific expertise in each of the asset classes mentioned above.

White Mountains Insurance Group, Ltd. is the parent of White Mountains Re Group, Ltd., a Bermuda-based global reinsurer. Pentelia Limited's business plan is complementary to White Mountains Re.

ADDITIONAL INFORMATION

NATIXIS, the "investments and projects bank," is the jointly held bank of Caisse d'Epargne and Banque Populaire and is active in corporate and investment banking, asset management, private equity and private banking, financial services and receivables management. NATIXIS has nearly 23,000 employees and had net banking income of euro 7.2bn in 2006.

NATIXIS holds leading positions in its businesses in France, Europe and worldwide. For example, it is the largest asset management bank in France with euro 584bn under management and the largest bank in France for employee savings. NATIXIS is recognized worldwide for its expertise in credit insurance, private equity and structured finance (including real estate, commodities, asset-backed finance and leveraged finance).

Through its subsidiary IXIS Corporate & Investment Bank ("IXIS CIB"), NATIXIS is very active in insurance risk asset classes. IXIS CIB has been a significant factor in the creation and execution of a number of insurance risk securitizations and climate-related transactions on behalf of insurance and industrial clients and has distinguished itself by participating in the first securitization of an auto insurance portfolio (the SPARC transaction) and the first securitization of a pandemic risk (the OSIRIS transaction).

White Mountains is a Bermuda-domiciled financial services holding company traded on the New York Stock Exchange and the Bermuda Stock Exchange under the

symbol WTM. Additional financial information and other items of interest are available at the Company's web site located at www.whitemountains.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of

1995

This earnings release may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included or referenced in this release which address activities, events or developments which we expect or anticipate will or may occur in the future are forward-looking statements. The words "will," "believe," "intend," "expect," "anticipate," "project," "estimate," "predict" and similar expressions are also intended to identify forward-looking statements. These forward-looking statements include, among others, statements with respect to White Mountains':

- growth in book value per share or return on equity;
- business strategy;
- financial and operating targets or plans;
- incurred losses and the adequacy of its loss and loss adjustment expense reserves and related reinsurance;
- projections of revenues, income (or loss), earnings (or loss) per share, dividends, market share or other financial forecasts; expansion and growth of our business and operations; and
- future capital expenditures.

These statements are based on certain assumptions and analyses made by White Mountains in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate in the circumstances. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that could

cause actual results to differ materially from expectations, including:

- the risks associated with Item 1A of White Mountains' 2006 Annual Report on Form 10-K;
- claims arising from catastrophic events, such as hurricanes, earthquakes, floods or terrorist attacks;
- the continued availability of capital and financing;
- general economic, market or business conditions;
- business opportunities (or lack thereof) that may be presented to it and pursued;
- competitive forces, including the conduct of other property and casualty insurers and reinsurers;
- changes in domestic or foreign laws or regulations, or their interpretation, applicable to White Mountains, its competitors or its clients;
- an economic downturn or other economic conditions adversely affecting its financial position;
- recorded loss reserves subsequently proving to have been inadequate; v other factors, most of which are beyond White Mountains' control.

Consequently, all of the forward-looking statements made in this earnings release are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by White Mountains will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, White Mountains or its business or operations. White Mountains assumes no obligation to publicly update any such forward-looking statements, whether as a result of new information, future events or otherwise.

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