



PRESS RELEASE

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Conditional sale of a majority interest in Public Service Properties Investments Limited (formerly known as USI Group Holdings Limited)

The board of USI Group Holdings AG (“USI”) is pleased to announce that subject to the fulfilment of certain preconditions, it has agreed to sell to institutional investors for cash a majority interest in its wholly owned subsidiary, Public Service Properties Investments Limited (“PSP”). Contemporaneous with this sale, which is expected to become unconditional on 26th March 2007, PSP is raising additional funds through a placing of new shares for cash. Following this sale and fund raising, USI will own approximately 25% of the enlarged PSP.

The shares of PSP will be admitted to trading on the AIM market of the London Stock Exchange on 26th March and USI will remain the largest single shareholder.

For purposes of the transaction, PSP has been valued at approximately £66.2 million, which implies a net asset value per USI share of approximately CHF 200.

USI intends to use its net cash proceeds to continue to invest in line with its investment policy and criteria. The Company will make a further announcement on this matter once all preconditions to the sale have been satisfied.

Dr iur V. Lanfranconi (Chairman)

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