

HIH CREDITORS APPROVE SCHEMES OF ARRANGEMENT

On 29 March 2006, meetings of the creditors of the eight companies in the HIH Insurance group listed below approved Australian Schemes of Arrangement ("Schemes") for those companies. Separate meetings of creditors of the four HIH Group companies with branches in the UK were also held on that date and English Schemes for those companies were approved by the creditors.

The table below lists the companies for which Schemes have been approved by meetings of creditors.

Australian Schemes	English Schemes
HIH Casualty & General Insurance Limited	HIH Casualty & General Insurance Limited
FAI General Insurance Company Limited	FAI General Insurance Company Limited
CIC Insurance Limited	FAI Insurances Limited
FAI Insurances Limited	World Marine and General Insurances Pty Limited
FAI Reinsurances Pty Limited	
FAI Traders Insurance Company Pty Limited	
HIH Underwriting & Insurance (Australia) Pty Limited	
World Marine & General Insurances Pty Limited	

All Australian and English Schemes are subject to the sanction of the Courts in their respective jurisdictions. The date for all of the sanction hearings will be Thursday, 27 April 2006. The hearing for the Australian Schemes will be held in the Supreme Court of New South Wales, 184 Phillip Street, Sydney, and the English Schemes at the Royal Courts of Justice, Strand, London.

All Scheme Creditors are entitled to attend these hearings in person or by counsel to support or oppose the sanction of each of the Schemes of Arrangement.

The Australian Liquidators and UK Provisional Liquidators consider that approval of these Schemes is an important step forward in the liquidation process.

Subject to the sanction of the Schemes by the courts, it is expected that the first interim dividend for HIH Casualty and General Insurance Limited, FAI General Insurance Company Limited and CIC Insurance Limited will be paid within the next three months. It is likely that this dividend will be 5 cents in the dollar.

Any queries regarding the Schemes should be directed to the HIH Scheme Helpline on +61 2 9650 5777 or via email at enquiries@hih.com.au.