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AmTrust Financial Services, Inc. Enters Agreements to Sell Shares in National General Holdings Corp.

Selling of shares will further simplify AmTrust's balance sheet and investment portfolio composition

NEW YORK, June 09, 2017 (GLOBE NEWSWIRE) -- **AmTrust Financial Services, Inc.** (Nasdaq:AFSI) (the "**Company**" or "**AmTrust**") announced today that it has entered into agreements to sell 10,586,000 shares it owns in National General Holdings Corp. (Nasdaq:NGHC) ("NGHC" or "National General") for approximately \$211.7 million.

AmTrust has agreed to sell 10,586,000 common shares of NGHC at a price of \$20.00 per share (representing a discount of 8.3% to NGHC's common stock closing market price on the Nasdaq Stock Exchange on June 8, 2017) through separate, privately negotiated purchase agreements with unaffiliated third parties.

The carrying value of the shares being sold was approximately \$135 million as of March 31, 2017. The pre-tax gain on the sale of the shares will be approximately \$76 million (pending AmTrust's proportional share of NGHC's earnings through the date of the sale). AmTrust will invest the funds from the sale in accordance with both the Company's overall corporate investment guidelines as well as individual subsidiary's investment guidelines.

AmTrust has held an ownership interest in NGHC since 2010. The Company's total invested capital in its equity investment in NGHC is approximately \$53 million and its adjusted cost base is approximately \$38 million as of March 31, 2017.

"We are taking the initiative to sell National General shares in order to simplify our balance sheet and investment portfolio composition. Our investment in National General has delivered meaningful returns, as National General's business has grown over the past several years," said Adam Karkowsky, Executive Vice President and Chief Financial Officer, AmTrust. "We appreciate the opportunity that our former Chairman Michael Karfunkel provided us to participate as a co-investor in NGHC's equity."

NGHC is a publicly-held specialty personal lines insurance holding company that operates twenty-two insurance companies in the United States and provides a variety of insurance products, including personal and commercial automobile, homeowners and umbrella, and supplemental health.

No Solicitation

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About AmTrust Financial Services, Inc.

AmTrust Financial Services, Inc., a multinational insurance holding company headquartered in New York City, offers specialty property and casualty insurance products, including workers' compensation, commercial automobile, general liability and extended service and warranty coverage through its primary insurance subsidiaries rated "A" (Excellent) by A.M. Best. For more information about AmTrust visit www.amtrustgroup.com.

Forward-Looking Statements

This news release contains certain forward-looking statements that are intended to be covered by the safe harbors created by the Private Securities Litigation Reform Act of 1995. When we use words such as "anticipate," "intend," "plan," "believe," "estimate," "expect," or similar expressions, we do so to identify forward-looking statements. Examples of forward-looking statements include the plans and objectives of management for future operations, including those relating to future growth of our business activities and availability of funds, projections of the impact of potential errors or misstatements in our financial statements, and estimates of the impact of material weaknesses in our internal control over financial reporting, and are based on current expectations that involve assumptions that are difficult or impossible to predict accurately and many of

which are beyond our control. Actual results may differ materially from those expressed or implied in these statements as a result of significant risks and uncertainties, including, but not limited to, non-receipt of expected payments from insureds or reinsurers, changes in interest rates, a downgrade in the financial strength ratings of our insurance subsidiaries, the effect of the performance of financial markets on our investment portfolio, the amounts, timing and prices of any share repurchases made by us under our share repurchase program, development of claims and the effect on loss reserves, accuracy in projecting loss reserves, the cost and availability of reinsurance coverage, the effects of emerging claim and coverage issues, changes in the demand for our products, our degree of success in integrating acquired businesses, the effect of general economic conditions, state and federal legislation, regulations and regulatory investigations into industry practices, the impact of known or potential errors or misstatements in our financial statements, our ability to timely and effectively remediate the material weaknesses in our internal control over financial reporting and implement effective internal control over financial reporting and disclosure controls and procedures in the future, risks associated with conducting business outside the United States, the impact of Brexit, developments relating to existing agreements, disruptions to our business relationships with Maiden Holdings, Ltd. or National General Holdings Corp., breaches in data security or other disruptions with our technology, heightened competition, changes in pricing environments, and changes in asset valuations. Additional information about these risks and uncertainties, as well as others that may cause actual results to differ materially from those projected, is contained in our filings with the SEC, including our Annual Report on Form 10-K and our quarterly reports on Form 10-Q. The projections and statements in this news release speak only as of the date of this release and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

For more information, please contact:

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