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### **Company release no. 21 / 2011 – Postponement of rights issue**

As announced in Company release no. 45 / 2010 – ‘Interim release’ Tower Group A/S initially planned to offer a rights issue during the first quarter of 2011.

The going concern of the Company is dependent on the successful conclusion of the planned rights-issue.

The Company's management has evaluated that a successful conclusion of the planned rights-issue and the Company in general are dependent on current, ongoing negotiations with the Company's banks in regard to a revision of the stand-still agreements entered into as part of the reconstruction in Spring 2010, including amortisation postponement and a suspension of the consequences of certain breaches of covenants.

The Company's management therefore decided to postpone the planned rights issue until the end of the 2<sup>nd</sup> quarter of 2011 in order to give the Company time to negotiate such agreements with the Company's banks. The Company expects the negotiations with the Company's banks to be concluded at or around the end of the 2<sup>nd</sup> quarter 2011.

As stated in the Annual Report 2009/2010, the first half of the Company's financial year 2011 will be characterised by the creation of a new budget model based on a property balanced CAPEX planning to support the S6 restructuring statement to be used for the final negotiations with the banks regarding a revision of the stand-still agreements.

Due to the creation of the new budget model and to ensure that this and the outcome of the S6 restructuring statement can be contained in the Prospectus, the Company has decided to postpone the announcement of the Prospectus. At this moment, the Company expects the rights issue to be offered during the first part of the 3<sup>rd</sup> quarter of 2011.

The Company is in negotiations with the banks and the majority shareholder, BXR Tower B.V., in order to resolve liquidity issues at the end of Q2 2011. The Company is confident that it will reach an amicable solution before the end of Q2.

Best regards  
Tower Group A/S

Martin Côté  
CEO

Questions regarding this release can be directed to CEO Martin Côté on tel.: +420 725 716 755.