

**Re: Disposal of Indonesian Investment**

RNS Number : 7725B

ARGO Group Limited

09 October 2015

**Argo Group Limited ("Argo" or "the Company")**

**Re: Disposal of Indonesian Investment**

Argo Group Limited ("AGL"), the independent alternative investment manager offering a multi-strategy platform for investing in global emerging markets, announces that certain funds it manages ("Argo Funds" or "the Funds") have reached an agreement for the sale of a significant investment they hold in Indonesia ("Indonesian Investment"). The transaction conditions precedent are now fulfilled and the Funds has received a part of the sale consideration with the balance due over the next two weeks.

The disposal of the Indonesian Investment improves the liquidity of the Funds and creates an opportunity for further transactions with the same counterparty that could in the future mitigate the impact of the book value losses incurred by the Funds as a result of the disposal. The disposal will allow the Funds to pay all outstanding management fees owed to AGL, these stand at USD 5.8m as of 30 September 2015, with the exception of fees due from the Argo Real Estate Opportunities Fund which is not party to the disposal. AGL is a major investor in one of the Funds, namely The Argo Fund ("TAF"). As of 30 June 2015, AGL's investment in TAF was valued at USD 13.8m. The disposal of the Indonesian Investment is not expected to have a significant impact on this valuation.

Once the full sale consideration has been received by the Funds, the Board will consider a resumption of annual dividend payments and or a potential return of capital to shareholders via a share buyback subject to a review of AGL's future strategy and working capital needs.

**Enquiries:**

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