



# Annuity & Life Re

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## FOR IMMEDIATE RELEASE

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## ANNUITY & LIFE RE FIRST QUARTER 2006 EARNINGS REPORT

Hamilton, Bermuda, May 19, 2006 9:00 a.m. ET – Annuity and Life Re (Holdings), Ltd. (ANNRF.PK) today reported financial results for the three months ended March 31, 2006. The Company reported a net loss of \$(355,552) or \$(0.01) per fully diluted share as compared to a net loss of \$(768,665) or \$(.03) per fully diluted share for the three months ended March 31, 2005. Total Stockholder's Equity at March 31, 2006 was \$45,136,586.

Net realized investment losses for the three months ended March 31, 2006 were \$(360,863), as compared with net realized investment gains of \$(401,150) for the three months ended March 31, 2005.

Gross unrealized losses on the Company's investments were \$(558,826) as of March 31, 2006, as compared to gross unrealized losses of \$(113,947) at March 31, 2005. The Company's investment portfolio currently maintains an average credit quality of AA. Cash used by operations for the three months ended March 31, 2006 was \$3,917,214 as compared to cash used by operations of \$37,057,460 for the three months ended March 31, 2005.

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Annuity and Life Re (Holdings), Ltd. has historically provided annuity and life reinsurance to insurers through its wholly owned subsidiaries, Annuity and Life Reassurance, Ltd. and Annuity and Life Reassurance America, Inc.

Investors are also directed to consider the risks and uncertainties discussed in the Company's 2005 Annual Report to Shareholders for the year ended December 31, 2005. The Annual Report, this press release and the Company's financial statements are available from the Company's website at [www.alre.bm](http://www.alre.bm).