

Citizens Property Insurance Corporation Closes \$2.4 Billion Bond Sale
~Strong Liquidity Program in Place as 2010 Hurricane Season Approaches~

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MIAMI, FL – Citizens Property Insurance Corporation announces that it has closed on a \$2.4 billion dollar bond sale, and will enter the 2010 hurricane season in strong shape and on firm financial footing. The bonds, issued on April 6th, were for Citizens' High Risk Account. For the first time in Citizens' history, and in a direct reflection of four years without catastrophic storms and strong leadership, no external liquidity was needed for the PLA/CLA (Personal Line Account/Commercial Line Account) and there is no debt outstanding on the PLA/CLA.

James R. Malone, Chairman of the Citizens Board of Governors said, "I very much appreciate the dedication and tireless efforts of the staff at Citizens. This was a very successful raise for which the whole organization can be proud. Due in part to this bond issue, Citizens will have adequate liquidity resources to handle the upcoming storm season and meet its obligation to policyholders. The success of Citizens in closing this bond sale is not only indicative-that capital markets are coming back, but also of Citizens' ability to access capital at extremely favorable rates. This achievement provides important cash flow to Citizens which will ensure timely claims payment in the event of a hurricane."

Added Sharon Binnun, CFO and Senior Vice President of Citizens, "This financing provides Citizens with sufficient liquidity that can be used for multiple storm seasons at a reasonable cost. The improved market conditions coupled with an outstanding financing team achieved this goal." Citizens expects to have approximately \$14 billion in readily available cash resources to pay hurricane catastrophe claims.

"Citizens was able to place bonds with a broad array of top-tier institutional and retail investors. Market reception was very good, and resulted in financing costs that were over 150 basis points lower than Citizens' 2009 liquidity financing," added John Forney of Raymond James, and Citizens' financial advisor.

The Citizens' Board of Governors previously approved adding \$2.4 billion in a combination of bonds and/or bank credit lines as part of the 2010 liquidity financing program. Citizens successfully placed \$2.4 billion of bonds with maturities between one and seven years and interest rates ranging from 1.28% to 4.43%, thereby completing the liquidity program and eliminating the need to pursue pre-event bank facilities. Of this amount, bonds totaling \$2.05 billion were issued using tax-exempt fixed rates and \$350 million was completed using tax-exempt floating rate instruments.

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Citizens is a State-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary admitted market. Citizens is currently the largest property insurer in Florida with just over one million policies in force.