

MEDIA CONTACT:

Steven Kennedy
Kennedy & Company
914/961-2436 ext. 13
steven@kennedycom.com

INVESTOR RELATIONS CONTACT:

Nicole Stansell
Primus Guaranty, Ltd.
212/697-1992
investorrelations@primusguaranty.com

**PRIMUS COMPLETES TRANSACTION WITH
CYPRESSTREE INVESTMENT MANAGEMENT**

Hamilton, Bermuda – July 9, 2009 – Primus Asset Management, Inc., a wholly owned subsidiary of Primus Guaranty, Ltd. (NYSE:PRS), today announced it has completed the acquisition of CypressTree Investment Management, LLP. Founded in 1995, CypressTree manages leveraged loans and high yield bonds in a variety of investment products, including collateralized loan obligations (CLOs), collateralized swap obligations (CSOs), off-shore funds and separately managed accounts. Its assets under management total approximately \$2.4 billion.

CypressTree will operate as a wholly owned subsidiary of Primus Asset Management, which now has over \$25 billion in assets under management in structured credit vehicles. This includes the \$21 billion notional credit default swaps portfolio of Primus Financial Products, LLC, as well as eight CLOs with \$3.2 billion in assets and three CSOs totaling \$800 million.

About Primus Guaranty

Primus Guaranty, Ltd. is a Bermuda company, with its principal operating subsidiaries, Primus Financial Products, LLC and Primus Asset Management, Inc., headquartered in New York City. Primus Financial Products provides protection against the risk of default on corporate, sovereign and asset-backed security obligations through the sale of credit swaps to dealers and banks. Primus Asset Management and its CypressTree subsidiary provide credit portfolio management services to Primus Financial Products and manage private investment vehicles, including eight collateralized loan obligations and three synthetic collateralized swap obligations for third parties.

Safe Harbor Statement

Some of the statements included in this press release and other statements Primus Guaranty may make, particularly those anticipating future financial performance, business prospects, growth and operating strategies, market performance, valuations and similar matters, are forward-looking statements that involve a number of assumptions, risks and uncertainties, which change over time. For those statements, Primus Guaranty claims the protection of the safe harbor for forward-looking statements contained in the U.S. Private Securities Litigation Reform Act of 1995. Any such statements speak only as of the date they are made, and Primus Guaranty assumes no duty to, and does not undertake to, update any forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements, and future results could differ materially from historical performance. For a discussion of the factors that

could affect the company's actual results please refer to the risk factors identified from time to time in the company's SEC reports, including, but not limited to, Primus Guaranty's Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission.

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