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FOR IMMEDIATE RELEASE

PRIMUS ANNOUNCES THIRD CREDIT MITIGATION TRANSACTION

Hamilton, Bermuda – November 5, 2009 – Primus Guaranty, Ltd. (NYSE:PRS) announced that its subsidiary, Primus Financial Products, LLC (“Primus Financial”) has completed its third credit mitigation transaction. Primus Financial assigned a portfolio of credit swaps with its largest single counterparty, comprising notional principal of \$2.65 billion of bespoke tranche transactions and approximately \$250 million of single name credit swaps, to a newly formed subsidiary which is wholly owned by Primus Financial. Primus Financial paid its subsidiary an assignment fee of \$100 million. The subsidiary and the counterparty have agreed to restructure the portfolio such that the single name credit swaps are terminated and the bespoke tranche transactions are revised to reflect a new notional principal totaling \$1.75 billion. In addition, the attachment points on certain of the restructured tranche transactions have been increased. The subsidiary has paid the counterparty a restructuring fee of \$10 million. Future credit swap premiums payable by the counterparty on the restructured portfolio are approximately \$15 million less than the future premiums on the portfolio prior to restructuring. The last restructured tranche matures in December 2014.

Each of the three credit mitigation transactions included certain reference entities which Primus Financial concluded had a high risk profile. To date, Primus Financial has terminated approximately \$2.5 billion of single-name credit swaps, and has capped its exposure to an additional \$2.9 billion of credit swaps, assigning them to wholly owned subsidiaries. In aggregate, counterparties have received \$31.5 million to terminate or amend credit swaps and Primus Financial has paid net assignment fees amounting to \$126 million to its subsidiaries in these transactions. Any capital remaining at the final maturity of the credit swaps in the two subsidiaries will be returned to Primus Financial.

The company continues to discuss with its counterparties potential credit mitigation transactions, as it actively manages its credit protection portfolio in amortization. Primus Financial’s previously announced strategy is to address certain concentration issues in a small number of higher risk sectors, including insurance, building/development and retail, among others, seeking to reduce the overall risk in Primus Financial’s portfolio and thereby preserve its capital. No assurance can be given that the company will be successful in completing risk mitigation transactions or, if successful, that Primus Financial will achieve the desired risk reductions in its portfolio.

About Primus Guaranty

Primus Guaranty, Ltd. is a Bermuda company with operations in New York, Boston and London. Through its subsidiaries, the company is a leading manager of corporate credit assets and provider of credit protection. Primus manages assets in structured credit funds and operating companies, across a

range of asset classes – including investment grade, high yield and leveraged loans – using both cash and synthetic instruments.

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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