



Follow-up Notice to Potential Mandatory Suspension of Dividends Notice

Pursuant to the provisions of Section 4 of the Certificate of Designations for the Non-Cumulative Perpetual Preferred Shares (the "Perpetual Preferred Shares") of Scottish Re Group Limited (the "Company"), the Company hereby notifies holders of the Perpetual Preferred Shares that the Company may not meet certain financial tests required for the Company to pay dividends, as described in more detail below. As a result, the Company may be precluded by the terms of the Perpetual Preferred Shares from declaring and paying dividends on the October 15, 2008 dividend payment date.

The Company may be precluded from declaring and paying such dividends unless the Company, through the generation of earnings or issuance of new ordinary shares, increases the Adjusted Shareholders' Equity Amount ("ASEA") by \$855.4 million by June 30, 2008.

In addition, pursuant to the terms of forbearance agreements we entered into on June 30, 2008 with the counterparties of certain of our collateral finance facilities, we are prohibited from declaring cash dividends, returning any capital or making any capital distribution or other payment with respect to our securities during the forbearance period.

Other Financial Information:

Trailing Four Quarters Consolidated Net Income/(loss) (in \$US millions)

Quarter ended	
3/31/2007	\$ (33,216)
6/30/2007	102,690
9/30/2007	(190,072)
12/31/2007	(775,145)

Trailing four quarters	\$ (895,743)
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Adjusted Shareholders' Equity Amount

12/31/2007	\$ 298,171
12/31/2005	\$ 1,281,703

Terms not otherwise defined herein shall have the definition given them in the prospectus supplement dated June 28, 2005 regarding the Perpetual Preferred Shares.