

Sirius International Group, Ltd.
Consolidated Balance Sheets

Millions, except share and per share amounts	June 30, 2016 (Unaudited)	December 31, 2015
Assets		
Fixed maturity investments, at fair value	\$ 3,056.3	\$ 2,359.0
Short-term investments, at amortized cost (which approximates fair value)	471.0	323.2
Common equity securities, at fair value	113.3	730.1
Other long-term investments	75.2	78.2
Total investments	<u>3,715.8</u>	<u>3,490.5</u>
Cash	176.1	141.5
Reinsurance recoverable on unpaid losses	282.6	283.1
Reinsurance recoverable on paid losses	9.8	10.2
Insurance and reinsurance premiums receivable	470.9	323.6
Funds held by ceding companies	95.7	90.6
Investments in unconsolidated affiliates	-	151.9
Deferred acquisition costs	93.6	74.6
Deferred tax asset	272.1	275.7
Ceded unearned insurance and reinsurance premiums	143.7	87.7
Accrued investment income	19.3	16.8
Accounts receivable on unsettled investment sales	48.6	29.0
Other assets	100.3	70.3
Total assets	<u>\$ 5,428.5</u>	<u>\$ 5,045.5</u>
Liabilities		
Loss and loss adjustment expense reserves	\$ 1,652.6	\$ 1,644.4
Unearned insurance and reinsurance premiums	511.1	342.2
Debt	403.3	403.0
Deferred tax liability	258.8	263.6
Funds held under reinsurance treaties	55.4	52.9
Ceded reinsurance payable	121.2	67.1
Accounts payable on unsettled investment purchases	154.6	-
Other liabilities	72.1	89.6
Total liabilities	<u>3,229.1</u>	<u>2,862.8</u>
Shareholders' equity		
Common shares at \$1.00 par value per share - authorized 12,000 shares; issued and outstanding, 12,000 shares	0.1	0.1
Preference shares at \$0.01 par value per share - 250,000 shares	-	-
Additional paid-in surplus - common shares	1,114.0	1,091.8
Additional paid-in surplus - preference shares	250.0	250.0
Retained earnings	986.2	986.2
Accumulated other comprehensive income (loss), after-tax:		
Net unrealized foreign currency translation losses	(151.5)	(144.3)
Other, net	(0.2)	(1.2)
Total shareholders' equity	<u>2,198.6</u>	<u>2,182.6</u>
Non-controlling interests	<u>0.8</u>	<u>0.1</u>
Total equity	<u>2,199.4</u>	<u>2,182.7</u>
Total liabilities and shareholders' equity	<u>\$ 5,428.5</u>	<u>\$ 5,045.5</u>

Sirius International Group, Ltd.
Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

Millions	Six Months Ended June 30,	
	2016	2015
Revenues		
Gross written insurance and reinsurance premiums	\$ 726.9	\$ 679.6
Net written insurance and reinsurance premiums	\$ 532.2	\$ 487.6
Earned insurance and reinsurance premiums	\$ 419.6	\$ 420.5
Net investment income	25.1	17.3
Net realized and unrealized investment gains	58.4	37.2
Other revenue	(3.3)	(22.0)
Total revenues	499.8	453.0
Expenses		
Loss and loss adjustment expenses	270.4	189.6
Insurance and reinsurance acquisition expenses	105.3	90.1
Other underwriting expenses	49.8	53.2
General and administrative expenses	34.6	5.1
Accretion of fair value adjustment to loss and loss adjustment expense reserves	0.4	0.3
Interest expense on debt	13.3	13.4
Total expenses	473.8	351.7
Pre-tax income	26.0	101.3
Income tax (expense) benefit	(3.2)	(21.6)
Income before equity in earnings of unconsolidated affiliates	22.8	79.7
Equity in earnings of unconsolidated affiliates, net of tax	6.6	13.3
Net income before dividends on preference shares	29.4	93.0
Dividends on preference shares	(9.4)	(9.4)
Net income attributable to Sirius Group's common shareholders	20.0	83.6
Other comprehensive income, net of tax		
Change in equity in net unrealized gains (losses) from investments in unconsolidated affiliates, net of tax	-	(29.9)
Change in foreign currency translation, net of tax	(7.2)	(43.8)
Net change in other, net of tax	1.0	0.2
Comprehensive income attributable to Sirius Group's common shareholders	\$ 13.8	\$ 10.1