

**Sirius International Group, Ltd.**  
**Consolidated Balance Sheets**

Millions, except share and per share amounts	September 30, 2016 (Unaudited)	December 31, 2015
<b>Assets</b>		
Fixed maturity investments, at fair value	\$ 3,157.4	\$ 2,359.0
Short-term investments, at amortized cost (which approximates fair value)	304.7	323.2
Common equity securities, at fair value	126.5	730.1
Other long-term investments	92.5	78.2
Total investments	3,681.1	3,490.5
Cash	133.0	141.5
Reinsurance recoverable on unpaid losses	288.8	283.1
Reinsurance recoverable on paid losses	13.0	10.2
Insurance and reinsurance premiums receivable	451.7	323.6
Funds held by ceding companies	96.2	90.6
Investments in unconsolidated affiliates	-	151.9
Deferred acquisition costs	95.6	74.6
Deferred tax asset	307.4	275.7
Ceded unearned insurance and reinsurance premiums	128.0	87.7
Accrued investment income	16.4	16.8
Other assets	112.0	99.3
<b>Total assets</b>	\$ 5,323.2	\$ 5,045.5
<b>Liabilities</b>		
Loss and loss adjustment expense reserves	\$ 1,644.9	\$ 1,644.4
Unearned insurance and reinsurance premiums	489.9	342.2
Debt	393.1	403.0
Deferred tax liability	292.8	263.6
Funds held under reinsurance treaties	60.3	52.9
Ceded reinsurance payable	105.8	67.1
Accounts payable on unsettled investment purchases	17.4	-
Other liabilities	100.7	89.6
<b>Total liabilities</b>	3,104.9	2,862.8
<b>Shareholders' equity</b>		
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	1,019.9	986.2
Accumulated other comprehensive income (loss), after-tax:		
Net unrealized foreign currency translation losses	(166.4)	(144.3)
Other, net	(0.2)	(1.2)
<b>Total shareholders' equity</b>	2,217.4	2,182.6
<b>Non-controlling interests</b>	0.9	0.1
<b>Total equity</b>	2,218.3	2,182.7
<b>Total liabilities and shareholders' equity</b>	\$ 5,323.2	\$ 5,045.5

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

Millions	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>Revenues</b>				
Gross written insurance and reinsurance premiums	\$ 293.8	\$ 259.5	\$ 1,020.7	\$ 939.1
Net written insurance and reinsurance premiums	\$ 223.5	\$ 191.5	\$ 755.7	\$ 679.1
Earned insurance and reinsurance premiums	\$ 229.3	\$ 202.8	\$ 648.9	\$ 623.3
Net investment income	14.2	10.5	39.3	27.8
Net realized and unrealized investment gains	11.9	0.4	70.3	37.6
Other revenue	(4.3)	1.8	(7.6)	(20.2)
Total revenues	251.1	215.5	750.9	668.5
<b>Expenses</b>				
Loss and loss adjustment expenses	118.3	121.7	388.7	311.3
Insurance and reinsurance acquisition expenses	53.5	45.4	158.8	135.5
Other underwriting expenses	27.2	24.8	77.0	78.0
General and administrative expenses	7.1	5.4	41.7	10.5
Accretion of fair value adjustment to loss and loss adjustment expense reserves	0.1	0.2	0.5	0.5
Interest expense on debt	6.8	6.6	20.1	20.0
Total expenses	213.0	204.1	686.8	555.8
<b>Pre-tax income</b>	<b>38.1</b>	<b>11.4</b>	<b>64.1</b>	<b>112.7</b>
Income tax (expense) benefit	(4.4)	(2.6)	(7.6)	(24.2)
<b>Income before equity in earnings of unconsolidated affiliates</b>	<b>33.7</b>	<b>8.8</b>	<b>56.5</b>	<b>88.5</b>
Equity in earnings of unconsolidated affiliates, net of tax	-	1.2	6.6	14.5
<b>Net income before dividends on preference shares</b>	<b>33.7</b>	<b>10.0</b>	<b>63.1</b>	<b>103.0</b>
Dividends on preference shares	-	-	(9.4)	(9.4)
<b>Net income attributable to Sirius Group's common shareholders</b>	<b>33.7</b>	<b>10.0</b>	<b>53.7</b>	<b>93.6</b>
<b>Other comprehensive income, net of tax</b>				
Change in equity in net unrealized gains (losses) from investments in unconsolidated affiliates, net of tax	-	2.9	-	(27.0)
Change in foreign currency translation, net of tax	(14.9)	(18.5)	(22.1)	(62.3)
Net change in other, net of tax	-	0.1	1.0	0.3
<b>Comprehensive income attributable to Sirius Group's common shareholders</b>	<b>\$ 18.8</b>	<b>\$ (5.5)</b>	<b>\$ 32.6</b>	<b>\$ 4.6</b>

**Sirius International Group, Ltd.**  
**Consolidated Statements of Shareholders' Equity**  
**(Unaudited)**

Sirius Group's Shareholders' Equity							
Millions	Common shares and paid-in surplus	Preference shares and paid-in surplus	Retained earnings	AOCL, after-tax	Total	Non- Controlling Interests	Total Equity
<b>Balances at January 1, 2016</b>	\$ 1,091.9	\$ 250.0	\$ 986.2	\$ (145.5)	\$ 2,182.6	\$ 0.1	\$ 2,182.7
Net income before dividends on preference shares	-	-	63.1	-	63.1	-	63.1
Net change in unrealized investment gains from investments in unconsolidated affiliates	-	-	-	-	-	-	-
Net change in foreign currency translation	-	-	-	(22.1)	(22.1)	-	(22.1)
Net change in interest rate swap	-	-	-	0.2	0.2	-	0.2
Dividends declared on preference shares	-	-	(9.4)	-	(9.4)	-	(9.4)
Net change in other	-	-	-	0.8	0.8	-	0.8
Comprehensive income (loss)	-	-	53.7	(21.1)	32.6	-	32.6
Dividends declared on common shares	-	-	(20.0)	-	(20.0)	-	(20.0)
Contribution from sale of OneBeacon	22.1	-	-	-	22.1	-	22.1
Other, net	0.1	-	-	-	0.1	0.8	0.9
<b>Balances at September 30, 2016</b>	<b>\$ 1,114.1</b>	<b>\$ 250.0</b>	<b>\$ 1,019.9</b>	<b>\$ (166.6)</b>	<b>\$ 2,217.4</b>	<b>\$ 0.9</b>	<b>\$ 2,218.3</b>

Sirius Group's Shareholders' Equity							
Millions	Common shares and paid-in surplus	Preference shares and paid-in surplus	Retained earnings	AOCL, after-tax	Total	Non- Controlling Interests	Total Equity
<b>Balances at January 1, 2015</b>	\$ 1,091.7	\$ 250.0	\$ 727.4	\$ (50.5)	\$ 2,018.6	\$ -	\$ 2,018.6
Net income before dividends on preference shares	-	-	103.0	-	103.0	-	103.0
Net change in unrealized investment losses from investments in unconsolidated affiliates	-	-	-	(27.0)	(27.0)	-	(27.0)
Net change in foreign currency translation	-	-	-	(62.3)	(62.3)	-	(62.3)
Net change in interest rate swap	-	-	-	0.2	0.2	-	0.2
Dividends declared on preference shares	-	-	(9.4)	-	(9.4)	-	(9.4)
Net change in other	-	-	-	0.1	0.1	-	0.1
Comprehensive income (loss)	-	-	93.6	(89.0)	4.6	-	4.6
Dividends declared on common shares	-	-	(10.0)	-	(10.0)	-	(10.0)
Dividends/distributions to non-controlling interests	-	-	-	-	-	-	-
Other, net	0.2	-	(0.2)	-	-	-	-
<b>Balances at September 30, 2015</b>	<b>\$ 1,091.9</b>	<b>\$ 250.0</b>	<b>\$ 810.8</b>	<b>\$ (139.5)</b>	<b>\$ 2,013.2</b>	<b>\$ -</b>	<b>\$ 2,013.2</b>

**Sirius International Group, Ltd.**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

Millions	Nine Months Ended September 30,	
	2016	2015
<b>Cash flows from operations:</b>		
Net income	\$ 63.1	\$ 103.0
(Credits) charges to reconcile net income to net cash provided from (used for) operations:		
Net realized and unrealized investment gains	(70.4)	(38.3)
Amortization and depreciation	11.6	20.8
Excess of fair value of acquired net assets over cost	(6.2)	-
Net gain on sale of consolidated affiliates	-	(1.0)
Undistributed equity in earnings of unconsolidated affiliates, after-tax	(6.6)	(14.5)
Other operating items:		
Net change in loss and LAE reserves	10.0	(83.8)
Net change in reinsurance recoverable on paid and unpaid losses	(8.9)	30.6
Net change in funds held by ceding companies	(7.5)	4.7
Net change in unearned insurance and reinsurance premiums	134.3	112.9
Net change in ceded reinsurance premiums payable	17.0	68.4
Net change in ceded unearned insurance and reinsurance premiums	(21.4)	(49.0)
Net change in insurance and reinsurance premiums receivable	(134.8)	(130.5)
Net change in deferred acquisition costs	(22.4)	(16.5)
Net change in funds held under reinsurance treaties	8.1	(8.8)
Net change in current and deferred income taxes, net	(22.3)	(9.3)
Net change in other assets and liabilities, net	(6.7)	23.0
<b>Net cash (used in) provided from operations</b>	<b>(63.1)</b>	<b>11.7</b>
<b>Cash flows from investing activities:</b>		
Net change in short-term investments	10.3	98.2
Sales of fixed maturities and convertible fixed maturity investments	1,842.1	1,748.3
Maturities, calls and paydowns of fixed maturity and convertible fixed maturity investments	114.3	153.9
Sales of common equity securities	830.3	278.4
Distributions and redemptions of other long-term investments	20.8	9.0
Sales of consolidated subsidiaries and unconsolidated affiliates, net of cash sold	173.5	14.3
Contributions to other long-term investments	(35.8)	(9.5)
Purchases of common equity securities	(211.5)	(266.1)
Purchases of fixed maturities and convertible fixed maturity investments	(2,746.5)	(1,998.5)
Purchases of consolidated and unconsolidated affiliates, net of cash acquired	27.5	-
Net change in unsettled investment purchases and sales	48.9	23.4
Other, net	4.5	(3.7)
<b>Net cash provided from investing activities</b>	<b>78.4</b>	<b>47.7</b>
<b>Cash flows from financing activities:</b>		
Repayment of Debt	(10.5)	-
Collateral provided by interest rate cap counterparties	(1.2)	(2.1)
Cash dividends paid on common shares	(20.0)	(10.0)
Cash dividends paid on preference shares	(9.4)	(9.4)
Contribution from sale of OneBeacon	22.1	-
Other, net	0.8	-
<b>Net cash used for financing activities</b>	<b>(18.2)</b>	<b>(21.5)</b>
<b>Effect of exchange rate changes on cash</b>	<b>(5.6)</b>	<b>(4.1)</b>
<b>Net increase in cash during year</b>	<b>(8.5)</b>	<b>33.8</b>
<b>Cash balance at beginning of year</b>	<b>141.5</b>	<b>111.0</b>
<b>Cash balance at end of year</b>	<b>\$ 133.0</b>	<b>\$ 144.8</b>