



Third Point Reinsurance Ltd.

Financial Supplement March 31, 2019

(UNAUDITED)

This financial supplement is for informational purposes only. It should be read in conjunction with documents filed with the Securities and Exchange Commission by Third Point Reinsurance Ltd., including the Company's Quarterly Report on Form 10-Q.

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Third Point Reinsurance Ltd.

Basis of Presentation and Non-GAAP Financial Measures:

Unless the context otherwise indicates or requires, as used in this financial supplement references to “we,” “our,” “us,” and the “Company,” refer to Third Point Reinsurance Ltd. (“Third Point Re”) and its directly and indirectly owned subsidiaries, including Third Point Reinsurance Company Ltd. (“Third Point Re BDA”) and Third Point Reinsurance (USA) Ltd. (“Third Point Re USA”), as a combined entity, except where otherwise stated or where it is clear that the terms mean only Third Point Reinsurance Ltd. exclusive of its subsidiaries. We have made rounding adjustments to reach some of the figures included in this financial supplement and, unless otherwise indicated, percentages presented in this financial supplement are approximate.

In presenting the Company’s results, management has included financial measures that are not calculated under standards or rules that comprise accounting principles generally accepted in the United States (GAAP). Such measures, including basic book value per share, diluted book value per share and return on beginning shareholders’ equity, are referred to as non-GAAP measures. These non-GAAP financial measures may be defined or calculated differently by other companies. Management believes these measures allow for a more complete understanding of the underlying business. These measures are used to monitor our results and should not be viewed as a substitute for those determined in accordance with GAAP. Reconciliations of such measures to the most comparable GAAP figures, if any, are included in the attached financial information in accordance with Regulation G.

Safe Harbor Statement Regarding Forward-Looking Statements:

This Financial Supplement includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond the Company’s control. The Company cautions you that the forward-looking information presented in this press release is not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking information contained in this press release. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “plan,” “seek,” “comfortable with,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe” or “continue” or the negative thereof or variations thereon or similar terminology. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors. Although it is not possible to identify all of these risks and factors, they include, among others, the following: results of operations fluctuate and may not be indicative of our prospects; more established competitors; losses exceeding reserves; highly cyclical property and casualty reinsurance industry; downgrade, withdrawal of ratings or change in rating outlook by rating agencies; significant decrease in our capital or surplus; dependence on key executives; dependence on letter of credit facilities that may not be available on commercially acceptable terms; inability to service our indebtedness; limited cash flow and liquidity due to our indebtedness; inability to raise necessary funds to pay principal or interest on debt; potential lack of availability of capital in the future; credit risk associated with the use of reinsurance brokers; future strategic transactions such as acquisitions, dispositions, mergers or joint ventures; technology breaches or failures, including cyber-attacks; lack of control over Third Point Enhanced LP (“TP Fund”); lack of control over the allocation and performance of TP Fund’s investment portfolio; dependence on Third Point LLC to implement TP Fund’s investment strategy; limited ability to withdraw our capital accounts from TP Fund; decline in revenue due to poor performance of TP Fund’s investment portfolio; TP Fund’s investment strategy involves risks that are greater than those faced by competitors; termination by Third Point LLC of our or TP Fund’s investment management agreements; potential conflicts of interest with Third Point LLC; losses resulting from significant investment positions; credit risk associated with the default on obligations of counterparties; ineffective investment risk management systems; fluctuations in the market value of TP Fund’s investment portfolio; trading restrictions being placed on TP Fund’s investments; limited termination provisions in our investment management agreements; limited liquidity and lack of valuation data on certain TP Fund’s investments; U.S. and global economic downturns; specific characteristics of investments in mortgage-backed securities and other asset-backed securities, in securities of issues based outside the U.S., and in special situation or distressed companies; loss of key employees at Third Point LLC; Third Point LLC’s compensation arrangements may incentivize investments that are risky or speculative; increased regulation or scrutiny of alternative investment advisers affecting our reputation; suspension or revocation of our reinsurance licenses; potentially being deemed an investment company under U.S. federal securities law; failure of reinsurance subsidiaries to meet minimum capital and surplus requirements; changes in Bermuda or other law and regulation that may have an adverse impact on our operations; Third Point Re and/or Third Point Re BDA potentially becoming subject to U.S. federal income taxation; potential characterization of Third Point Re and/or Third Point Re BDA as a passive foreign investment company; subjection of our affiliates to the base erosion and anti-abuse tax; potentially becoming subject to U.S. withholding and information reporting requirements under the Foreign Account Tax Compliance Act; and other risks and factors listed under “Risk Factors” in the Company’s most recent Annual Report on Form 10-K and other periodic and current disclosures filed with the Securities and Exchange Commission. All forward-looking statements speak only as of the date made and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Third Point Reinsurance Ltd.
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Third Point Reinsurance Ltd.**Key Performance Indicators****March 31, 2019 and 2018**

(expressed in thousands of U.S. dollars, except per share data and ratios)

	Three months ended	
	March 31, 2019	March 31, 2018
Key underwriting metrics for Property and Casualty Reinsurance segment:		
Net underwriting loss ⁽¹⁾	\$ (5,740)	\$ (6,363)
Combined ratio ⁽¹⁾	103.8%	104.5 %
Key investment return metrics:		
Net investment income (loss)	\$ 154,953	\$ (2,208)
Net investment return on net investments managed by Third Point LLC	7.2%	(0.2)%
Key shareholders' value creation metrics:		
Basic book value per share ^{(2) (3)}	\$ 14.59	\$ 13.15
Diluted book value per share ^{(2) (3)}	\$ 13.95	\$ 12.98
Increase (decrease) in diluted book value per share ⁽²⁾	7.5%	(1.7)%
Return on beginning shareholders' equity attributable to Third Point Re common shareholders ⁽²⁾	11.0%	(1.6)%

(1) Refer to accompanying "Segment Reporting - Three months ended March 31, 2019 and 2018" for a calculation of net underwriting loss and combined ratio.

(2) Basic book value per share, diluted book value per share and return on beginning shareholders' equity attributable to Third Point Re common shareholders are non-GAAP financial measures. There are no comparable GAAP measures. Refer to accompanying "Basic book value per share and diluted book value per share - by Quarter" for calculation of basic and diluted book value per share and "Return on beginning shareholders' equity - by Quarter" for calculation of return on beginning shareholders' equity attributable to Third Point Re common shareholders.

(3) Prior year comparatives represent amounts as of December 31, 2018.

Third Point Reinsurance Ltd.
Condensed Consolidated Balance Sheets - by Quarter
(expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Assets					
Investment in related party investment fund, at fair value	\$ 1,475,995	\$ 1,284,004	\$ 1,627,924	\$ —	\$ —
Equity securities, trading, at fair value	—	—	—	2,427,768	2,133,170
Debt securities, trading, at fair value	241,059	239,640	244,876	617,913	635,322
Other investments, at fair value	3,087	84	196	52,444	43,109
Total investments	1,720,141	1,523,728	1,872,996	3,098,125	2,811,601
Cash and cash equivalents	54,319	104,183	49,786	17,451	6,410
Restricted cash and cash equivalents	616,844	609,154	581,134	569,968	543,173
Subscription receivable from related party investment fund	15,000	—	30,000	—	—
Due from brokers	637	1,411	12,853	258,764	318,703
Derivative assets, at fair value	—	—	—	34,738	54,114
Interest and dividends receivable	1,891	1,316	1,975	4,385	4,167
Reinsurance balances receivable	758,816	602,448	577,382	631,952	684,897
Deferred acquisition costs, net	233,108	203,842	231,286	264,408	308,903
Unearned premiums ceded	16,139	17,552	16,772	17,606	15,061
Loss and loss adjustment expenses recoverable	2,751	2,031	1,576	1,414	1,332
Other assets	20,488	20,569	13,082	10,808	7,872
Total assets	\$ 3,440,134	\$ 3,086,234	\$ 3,388,842	\$ 4,909,619	\$ 4,756,233
Liabilities					
Accounts payable and accrued expenses	\$ 9,225	\$ 7,261	\$ 9,200	\$ 12,044	\$ 11,273
Reinsurance balances payable	76,766	69,701	71,070	74,013	50,799
Deposit liabilities	144,782	145,342	146,961	129,700	129,957
Unearned premium reserves	767,352	602,936	693,333	792,096	884,758
Loss and loss adjustment expense reserves	986,639	937,157	822,180	791,313	761,631
Securities sold, not yet purchased, at fair value	—	—	—	443,216	355,447
Securities sold under an agreement to repurchase	—	—	—	—	19,067
Due to brokers	—	—	16	926,588	792,633
Derivative liabilities, at fair value	—	—	—	12,380	14,510
Performance fee payable to related party	—	—	—	4,641	20
Participation agreement with related party investment fund	1,521	2,297	23,149	—	—
Interest and dividends payable	1,015	3,055	1,157	5,718	3,049
Senior notes payable, net of deferred costs	113,955	113,911	113,866	113,821	113,777
Total liabilities	2,101,255	1,881,660	1,880,932	3,305,530	3,136,921
Redeemable noncontrolling interests in related party	—	—	—	7,179	6,801
Shareholders' equity					
Common shares	9,429	9,364	9,417	9,963	10,224
Additional paid-in capital	920,207	918,882	924,153	994,170	1,029,179
Retained earnings	409,243	276,328	574,340	587,621	568,019
Shareholders' equity attributable to Third Point Re common shareholders	1,338,879	1,204,574	1,507,910	1,591,754	1,607,422
Noncontrolling interests in related party	—	—	—	5,156	5,089
Total shareholders' equity	1,338,879	1,204,574	1,507,910	1,596,910	1,612,511
Total liabilities, noncontrolling interests and shareholders' equity	\$ 3,440,134	\$ 3,086,234	\$ 3,388,842	\$ 4,909,619	\$ 4,756,233

Third Point Reinsurance Ltd.

Condensed Consolidated Statements of Income (Loss)

(expressed in thousands of U.S. dollars, except share and per share data)

	Three months ended	
	March 31, 2019	March 31, 2018
Revenues		
Gross premiums written	\$ 319,591	\$ 378,360
Gross premiums ceded	(712)	(14,646)
Net premiums written	318,879	363,714
Change in net unearned premium reserves	(165,829)	(221,228)
Net premiums earned	153,050	142,486
Net investment income from investment in related party investment fund (1)	146,991	—
Net investment income before management and performance fees to related parties	7,962	7,839
Management and performance fees to related parties	—	(10,047)
Net investment income (loss)	154,953	(2,208)
Total revenues	308,003	140,278
Expenses		
Loss and loss adjustment expenses incurred, net	95,068	92,620
Acquisition costs, net	57,498	51,405
General and administrative expenses	12,132	9,481
Other expenses	4,125	3,995
Interest expense	2,029	2,029
Foreign exchange losses	2,518	6,611
Total expenses	173,370	166,141
Income (loss) before income tax expense	134,633	(25,863)
Income tax expense	(1,718)	(128)
Net income (loss)	132,915	(25,991)
Net income attributable to noncontrolling interests in related party	—	(10)
Net income (loss) available to Third Point Re common shareholders	\$ 132,915	\$ (26,001)
Earnings (loss) per share available to Third Point Re common shareholders		
Basic earnings (loss) per share available to Third Point Re common shareholders (2)	\$ 1.45	\$ (0.26)
Diluted earnings (loss) per share available to Third Point Re common shareholders (2)	\$ 1.43	\$ (0.26)
Weighted average number of common shares used in the determination of earnings (loss) per share		
Basic	91,669,810	101,195,747
Diluted	92,578,933	101,195,747

(1) Effective August 31, 2018, Third Point Reinsurance Ltd., Third Point Reinsurance Company Ltd. ("Third Point Re BDA") and Third Point Reinsurance (USA) Ltd. ("Third Point Re USA") and together with Third Point Re BDA, the "TPRE Limited Partners", entered into a Limited Partnership Agreement (the "2018 LPA") to invest in Third Point Enhanced LP ("TP Fund"), a related party investment fund. As a result, the management and performance fees are presented within net investment income from investment in related party investment fund from the effective date of the 2018 LPA. Management and performance fees incurred prior to the effective date of the 2018 LPA are reflected in management and performance fees to related parties.

(2) Basic earnings per share is based on the weighted average number of common shares and participating securities outstanding during the period. The weighted average number of common shares excludes any dilutive effect of outstanding warrants, options and unvested restricted shares. Diluted earnings per share is based on the weighted average number of common shares and participating securities outstanding and includes any dilutive effects of warrants, options and unvested restricted shares under share plans and are determined using the treasury stock method. U.S. GAAP requires that unvested share awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid (referred to as "participating securities"), be treated in the same manner as outstanding shares for earnings per share calculations. The Company treats certain of its unvested restricted shares as participating securities. In the event of a net loss, all participating securities, outstanding warrants, options and restricted shares are excluded from both basic and diluted loss per share since their inclusion would be anti-dilutive.

Third Point Reinsurance Ltd.

Condensed Consolidated Statements of Income (Loss) - by Quarter (expressed in thousands of U.S. dollars, except share and per share data)

	Three Months Ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Revenues					
Gross premiums written	\$ 319,591	\$ 120,063	\$ 30,064	\$ 49,765	\$ 378,360
Gross premiums ceded	(712)	(1,770)	—	(3,479)	(14,646)
Net premiums written	318,879	118,293	30,064	46,286	363,714
Change in net unearned premium reserves	(165,829)	91,177	97,929	95,207	(221,228)
Net premiums earned	153,050	209,470	127,993	141,493	142,486
Net investment income from investment in related party investment fund (1)	146,991	(278,921)	(1,926)	—	—
Net investment income before management and performance fees to related parties	7,962	2,111	3,641	45,668	7,839
Management and performance fees to related parties	—	—	(5,305)	(14,493)	(10,047)
Net investment income (loss)	154,953	(276,810)	(3,590)	31,175	(2,208)
Total revenues	308,003	(67,340)	124,403	172,668	140,278
Expenses					
Loss and loss adjustment expenses incurred, net	95,068	173,088	88,706	84,000	92,620
Acquisition costs, net	57,498	56,668	40,841	57,584	51,405
General and administrative expenses	12,132	7,553	9,511	9,696	9,481
Other (income) expenses	4,125	2,994	(1,362)	3,983	3,995
Interest expense	2,029	2,074	2,074	2,051	2,029
Foreign exchange (gains) losses	2,518	(3,288)	(1,979)	(8,847)	6,611
Total expenses	173,370	239,089	137,791	148,467	166,141
Income (loss) before income tax (expense) benefit	134,633	(306,429)	(13,388)	24,201	(25,863)
Income tax (expense) benefit	(1,718)	8,417	111	(4,390)	(128)
Net income (loss)	132,915	(298,012)	(13,277)	19,811	(25,991)
Net income attributable to noncontrolling interests in related party	—	—	(4)	(209)	(10)
Net income (loss) available to Third Point Re common shareholders	<u>\$ 132,915</u>	<u>\$ (298,012)</u>	<u>\$ (13,281)</u>	<u>\$ 19,602</u>	<u>\$ (26,001)</u>
Earnings (loss) per share available to Third Point Re common shareholders					
Basic earnings (loss) per share available to Third Point Re common shareholders (2)	\$ 1.45	\$ (3.24)	\$ (0.14)	\$ 0.20	\$ (0.26)
Diluted earnings (loss) per share available to Third Point Re common shareholders (2)	\$ 1.43	\$ (3.24)	\$ (0.14)	\$ 0.19	\$ (0.26)
Weighted average number of common shares used in the determination of earnings (loss) per common share					
Basic	91,669,810	91,967,831	95,671,385	99,498,901	101,195,747
Diluted	92,578,933	91,967,831	95,671,385	102,032,485	101,195,747

(1) As a result of the 2018 LPA, the management and performance fees are presented within net investment income (loss) from investment in related party investment fund from the effective date of the 2018 LPA. Management and performance fees incurred prior to the effective date of the 2018 LPA are reflected in management and performance fees to related parties.

(2) Basic earnings per share is based on the weighted average number of common shares and participating securities outstanding during the period. The weighted average number of common shares excludes any dilutive effect of outstanding warrants, options and unvested restricted shares. Diluted earnings per share is based on the weighted average number of common shares and participating securities outstanding and includes any dilutive effects of warrants, options and unvested restricted shares under share plans and are determined using the treasury stock method. U.S. GAAP requires that unvested share awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid (referred to as “participating securities”), be treated in the same manner as outstanding shares for earnings per share calculations. The Company treats certain of its unvested restricted shares as participating securities. In the event of a net loss, all participating securities, outstanding warrants, options and restricted shares are excluded from both basic and diluted loss per share since their inclusion would be anti-dilutive.

Third Point Reinsurance Ltd.
Segment Reporting - Three months ended March 31, 2019 and 2018

(expressed in thousands of U.S. dollars)

Revenues

Gross premiums written

Gross premiums ceded

Net premiums written

Change in net unearned premium reserves

Net premiums earned

Expenses

Loss and loss adjustment expenses incurred, net

Acquisition costs, net

General and administrative expenses

Total expenses

Net underwriting loss

Net investment income (loss)

Corporate expenses

Other expenses

Interest expense

Foreign exchange losses

Income tax expense

Net income attributable to noncontrolling interests in related party

Net income (loss) available to Third Point Re common shareholders
Property and Casualty Reinsurance - Underwriting Ratios (1):

Loss ratio

Acquisition cost ratio

Composite ratio

General and administrative expense ratio

Combined ratio

(1) Underwriting ratios are calculated by dividing the related expense by net premiums earned.

Three months ended			
2019		2018	
Property and Casualty Reinsurance	Total	Property and Casualty Reinsurance	Total
\$ 319,591	\$ 319,591	\$ 378,360	\$ 378,360
(712)	(712)	(14,646)	(14,646)
318,879	318,879	363,714	363,714
(165,829)	(165,829)	(221,228)	(221,228)
153,050	153,050	142,486	142,486
95,068	95,068	92,620	92,620
57,498	57,498	51,405	51,405
6,224	6,224	4,824	4,824
158,790	158,790	148,849	148,849
\$ (5,740)	(5,740)	\$ (6,363)	(6,363)
	154,953		(2,208)
	(5,908)		(4,657)
	(4,125)		(3,995)
	(2,029)		(2,029)
	(2,518)		(6,611)
	(1,718)		(128)
	—		(10)
	\$ 132,915		\$ (26,001)
	62.1%		65.0%
	37.6%		36.1%
	99.7%		101.1%
	4.1%		3.4%
	103.8%		104.5%

Third Point Reinsurance Ltd.
Property and Casualty Reinsurance Segment - by Quarter ⁽¹⁾
 (expressed in thousands of U.S. dollars)

	Three Months Ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Revenues					
Gross premiums written	\$ 319,591	\$ 120,063	\$ 30,064	\$ 49,765	\$ 378,360
Gross premiums ceded	(712)	(1,770)	—	(3,479)	(14,646)
Net premiums written	318,879	118,293	30,064	46,286	363,714
Change in net unearned premium reserves	(165,829)	91,177	97,929	95,207	(221,228)
Net premiums earned	153,050	209,470	127,993	141,493	142,486
Expenses					
Loss and loss adjustment expenses incurred, net	95,068	173,088	88,706	84,000	92,620
Acquisition costs, net	57,498	56,668	40,841	57,584	51,405
General and administrative expenses	6,224	4,085	4,763	4,963	4,824
Total expenses	158,790	233,841	134,310	146,547	148,849
Net underwriting loss	<u>\$ (5,740)</u>	<u>\$ (24,371)</u>	<u>\$ (6,317)</u>	<u>\$ (5,054)</u>	<u>\$ (6,363)</u>
Underwriting ratios ⁽¹⁾					
Loss ratio	62.1%	82.6%	69.3%	59.4%	65.0%
Acquisition cost ratio	37.6%	27.0%	31.9%	40.7%	36.1%
Composite ratio	99.7%	109.6%	101.2%	100.1%	101.1%
General and administrative expense ratio	4.1%	2.0%	3.7%	3.5%	3.4%
Combined ratio	<u>103.8%</u>	<u>111.6%</u>	<u>104.9%</u>	<u>103.6%</u>	<u>104.5%</u>

(1) Underwriting ratios are calculated by dividing the related expense by net premiums earned.

Third Point Reinsurance Ltd.
Gross Premiums Written by Lines and Type of Business - by Quarter
 (expressed in thousands of U.S. dollars)

	Three Months Ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Line and Type of Business					
Property Catastrophe	\$ 41,514	\$ —	\$ —	\$ —	\$ —
Other Property	12,467	10,619	(3,578)	1,660	369
Property	<u>53,981</u>	<u>10,619</u>	<u>(3,578)</u>	<u>1,660</u>	<u>369</u>
Workers Compensation	22,810	202	6,948	23,815	5,859
Auto	26,568	(5,790)	(1,295)	(54)	73,631
Other Casualty	28,514	7,619	31,375	19,749	73,730
Casualty	<u>77,892</u>	<u>2,031</u>	<u>37,028</u>	<u>43,510</u>	<u>153,220</u>
Credit & Financial Lines	17,310	21,547	1,190	2,476	75,363
Multi-line	174,130	17,333	(4,607)	114	149,408
Other Specialty	1,631	(1,346)	31	(2,336)	—
Specialty	<u>193,071</u>	<u>37,534</u>	<u>(3,386)</u>	<u>254</u>	<u>224,771</u>
Total prospective reinsurance contracts	\$ 324,944	\$ 50,184	\$ 30,064	\$ 45,424	\$ 378,360
Retroactive reinsurance contracts	(5,353)	69,879	—	4,341	—
Total property and casualty reinsurance segment	<u>\$ 319,591</u>	<u>\$ 120,063</u>	<u>\$ 30,064</u>	<u>\$ 49,765</u>	<u>\$ 378,360</u>

Third Point Reinsurance Ltd.
Net Investments Managed by Third Point LLC - by Quarter⁽¹⁾
 (expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Assets					
Total investments, including investment in related party investment fund	\$ 1,717,054	\$ 1,523,644	\$ 1,872,800	\$ 3,097,918	\$ 2,811,372
Cash and cash equivalents	3,647	1,017	10,387	43	476
Restricted cash and cash equivalents	616,844	609,154	581,134	569,968	543,173
Due from brokers	637	1,411	12,853	258,764	318,703
Derivative assets, at fair value	—	—	—	34,738	54,114
Interest and dividends receivable	1,891	1,316	1,975	4,385	4,167
Total assets	\$ 2,340,073	\$ 2,136,542	\$ 2,479,149	\$ 3,965,816	\$ 3,732,005
Liabilities and noncontrolling interests in related party					
Accounts payable and accrued expenses	\$ 188	\$ 114	\$ 740	\$ 3,070	\$ 3,616
Securities sold, not yet purchased	—	—	—	443,216	355,447
Securities sold under an agreement to repurchase	—	—	—	—	19,067
Due to brokers	—	—	16	926,588	792,633
Derivative liabilities, at fair value	—	—	—	12,380	14,510
Performance fee payable to related party	—	—	—	4,641	20
Participation agreement with related party investment fund	1,521	2,297	23,149	—	—
Interest and dividends payable	—	—	131	2,696	2,034
Total noncontrolling interests in related party	—	—	—	12,335	11,890
Total liabilities and noncontrolling interests in related party	1,709	2,411	24,036	1,404,926	1,199,217
Total net investments managed by Third Point LLC	\$ 2,338,364	\$ 2,134,131	\$ 2,455,113	\$ 2,560,890	\$ 2,532,788

Third Point Reinsurance Ltd.
Net Investment Return by Investment Strategy - by Quarter

Summary of net investment return on investments managed by Third Point LLC (1)	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Long					
Equity	8.4 %	(13.3)%	1.9 %	3.4 %	(0.7)%
Credit	0.9 %	(1.0)%	0.2 %	0.3 %	0.4 %
Other	0.7 %	(0.7)%	(1.2)%	(1.3)%	0.5 %
	<u>10.0 %</u>	<u>(15.0)%</u>	<u>0.9 %</u>	<u>2.4 %</u>	<u>0.2 %</u>
Short					
Equity	(2.4)%	3.1 %	(1.1)%	(1.9)%	— %
Credit	(0.3)%	0.1 %	— %	(0.2)%	(0.1)%
Other	(0.1)%	0.4 %	— %	0.7 %	(0.3)%
	<u>(2.8)%</u>	<u>3.6 %</u>	<u>(1.1)%</u>	<u>(1.4)%</u>	<u>(0.4)%</u>
Net					
Equity	6.0 %	(10.2)%	0.8 %	1.5 %	(0.7)%
Credit	0.6 %	(0.9)%	0.2 %	0.1 %	0.3 %
Other	0.6 %	(0.3)%	(1.2)%	(0.6)%	0.2 %
	<u>7.2 %</u>	<u>(11.4)%</u>	<u>(0.2)%</u>	<u>1.0 %</u>	<u>(0.2)%</u>

(1) Net investment return represents the return on our net investments managed by Third Point LLC, net of fees. The net investment return on net investments managed by Third Point LLC is the percentage change in value of a dollar invested over the reporting period on our net investment assets managed by Third Point LLC. Effective August 31, 2018, we transitioned from our separately managed account structure to investing in the TP Fund, managed by Third Point LLC. In addition, certain collateral assets supporting reinsurance contracts held by Third Point Re BDA and Third Point Re USA (the "Collateral Assets") are managed by Third Point LLC from the effective date. See Note 4 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2018 for additional information. The net investment return reflects the combined results of investments managed on behalf of Third Point Re BDA and Third Point Re USA prior to the transition date of August 31, 2018 and the investment in the TP Fund and Collateral Assets from the date of transition. Prior to the transition date of August 31, 2018, the stated return is net of noncontrolling interests and net of withholding taxes, which are presented as a component of income tax expense in our consolidated statements of income. Net investment return is the key indicator by which we measure the performance of Third Point LLC, our investment manager.

Third Point Reinsurance Ltd.
General and Administrative Expenses - by Quarter
(expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Payroll and related	\$ 5,352	\$ 3,105	\$ 2,555	\$ 4,687	\$ 4,587
Share compensation expenses	1,458	—	2,398	1,313	1,245
Legal and accounting	1,917	983	1,651	1,508	1,416
Travel and entertainment	527	460	554	449	602
IT related	659	656	470	433	474
Occupancy	427	396	325	246	281
Corporate insurance	175	187	170	189	183
Board of director and related	203	232	242	237	226
Credit facility fees	962	1,143	756	184	57
Other general and administrative expenses	452	391	390	450	410
	<u>\$ 12,132</u>	<u>\$ 7,553</u>	<u>\$ 9,511</u>	<u>\$ 9,696</u>	<u>\$ 9,481</u>
G&A related to underwriting activities	\$ 6,224	\$ 4,085	\$ 4,763	\$ 4,963	\$ 4,824
Corporate expenses	5,908	3,468	4,748	4,733	4,657
	<u>\$ 12,132</u>	<u>\$ 7,553</u>	<u>\$ 9,511</u>	<u>\$ 9,696</u>	<u>\$ 9,481</u>

Third Point Reinsurance Ltd.
Basic and Diluted Book Value per Share - by Quarter

(expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Basic and diluted book value per share numerator:					
Shareholders' equity attributable to Third Point Re common shareholders	\$ 1,338,879	\$ 1,204,574	\$ 1,507,910	\$ 1,591,754	\$ 1,607,422
Effect of dilutive warrants issued to founders and an advisor	34,950	—	34,950	34,950	34,950
Effect of dilutive stock options issued to directors and employees	49,142	—	51,422	51,422	51,422
Diluted book value per share numerator:	<u>\$ 1,422,971</u>	<u>\$ 1,204,574</u>	<u>\$ 1,594,282</u>	<u>\$ 1,678,126</u>	<u>\$ 1,693,794</u>
Basic and diluted book value per share denominator:					
Common shares outstanding	94,292,914	93,639,610	94,169,725	99,627,399	102,244,248
Unvested restricted shares	(2,524,109)	(2,025,113)	(2,041,475)	(2,050,115)	(1,992,162)
Basic book value per share denominator:	<u>91,768,805</u>	<u>91,614,497</u>	<u>92,128,250</u>	<u>97,577,284</u>	<u>100,252,086</u>
Effect of dilutive warrants issued to founders and an advisor	3,494,979	—	3,494,979	3,494,979	3,494,979
Effect of dilutive stock options issued to directors and employees	4,914,229	—	5,123,531	5,123,531	5,123,531
Effect of dilutive restricted shares issued to directors and employees	1,848,791	1,209,285	1,462,358	1,202,464	1,155,187
Diluted book value per share denominator:	<u>102,026,804</u>	<u>92,823,782</u>	<u>102,209,118</u>	<u>107,398,258</u>	<u>110,025,783</u>
Basic book value per share ⁽¹⁾	\$ 14.59	\$ 13.15	\$ 16.37	\$ 16.31	\$ 16.03
Diluted book value per share ⁽¹⁾	\$ 13.95	\$ 12.98	\$ 15.60	\$ 15.63	\$ 15.39
Increase (decrease) in diluted book value per share	7.5%	(16.8)%	(0.2)%	1.6%	(1.7)%

- (1) Basic book value per share and diluted book value per share are non-GAAP financial measures and there are no comparable GAAP measures. Basic book value per share, as presented, is a non-GAAP financial measure and is calculated by dividing shareholders' equity attributable to Third Point Re common shareholders by the number of common shares outstanding, excluding the total number of unvested restricted shares, at period end. Diluted book value per share, as presented, is a non-GAAP financial measure and represents basic book value per share combined with the impact from dilution of all in-the-money share options issued, warrants and unvested restricted shares outstanding as of any period end. For unvested restricted shares with a performance condition, we include the unvested restricted shares for which we consider vesting to be probable. Change in basic book value per share is calculated by taking the change in basic book value per share divided by the beginning of period book value per share. Change in diluted book value per share is calculated by taking the change in diluted book value per share divided by the beginning of period diluted book value per share. We believe that long-term growth in diluted book value per share is the most important measure of our financial performance because it allows our management and investors to track over time the value created by the retention of earnings. In addition, we believe this metric is used by investors because it provides a basis for comparison with other companies in our industry that also report a similar measure.

Third Point Reinsurance Ltd.
Earnings (Loss) per Share - by Quarter
(expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Weighted-average number of common shares outstanding:					
Basic number of common shares outstanding	91,669,810	91,967,831	95,671,385	99,498,901	101,195,747
Dilutive effect of options	291,248	—	—	1,274,609	—
Dilutive effect of warrants	207,134	—	—	878,977	—
Dilutive effect of restricted shares with service and performance condition	410,741	—	—	379,998	—
Diluted number of common shares outstanding	<u>92,578,933</u>	<u>91,967,831</u>	<u>95,671,385</u>	<u>102,032,485</u>	<u>101,195,747</u>
Basic earnings (loss) per common share:					
Net income (loss) available to Third Point Re common shareholders	\$ 132,915	\$ (298,012)	\$ (13,281)	\$ 19,602	\$ (26,001)
Net income allocated to Third Point Re participating common shareholders	(173)	—	—	(6)	—
Net income (loss) allocated to Third Point Re common shareholders	<u>\$ 132,742</u>	<u>\$ (298,012)</u>	<u>\$ (13,281)</u>	<u>\$ 19,596</u>	<u>\$ (26,001)</u>
Basic earnings (loss) per share available to Third Point Re common shareholders ⁽¹⁾	\$ 1.45	\$ (3.24)	\$ (0.14)	\$ 0.20	\$ (0.26)
Diluted earnings (loss) per common share:					
Net income (loss) available to Third Point Re common shareholders	\$ 132,915	\$ (298,012)	\$ (13,281)	\$ 19,602	\$ (26,001)
Net income allocated to Third Point Re participating common shareholders	(171)	—	—	(6)	—
Net income (loss) allocated to Third Point Re common shareholders	<u>\$ 132,744</u>	<u>\$ (298,012)</u>	<u>\$ (13,281)</u>	<u>\$ 19,596</u>	<u>\$ (26,001)</u>
Diluted earnings (loss) per share available to Third Point Re common shareholders ⁽¹⁾	\$ 1.43	\$ (3.24)	\$ (0.14)	\$ 0.19	\$ (0.26)

(1) Basic earnings per share is based on the weighted average number of common shares and participating securities outstanding during the period. The weighted average number of common shares excludes any dilutive effect of outstanding warrants, options and unvested restricted shares. Diluted earnings per share is based on the weighted average number of common shares and participating securities outstanding and includes any dilutive effects of warrants, options and unvested restricted shares under share plans and are determined using the treasury stock method. U.S. GAAP requires that unvested share awards that contain non-forfeitable rights to dividends or dividend equivalents, whether paid or unpaid (referred to as “participating securities”), be treated in the same manner as outstanding shares for earnings per share calculations. The Company treats certain of its unvested restricted shares as participating securities. In the event of a net loss, all participating securities, outstanding warrants, options and restricted shares are excluded from both basic and diluted loss per share since their inclusion would be anti-dilutive.

Third Point Reinsurance Ltd.

Return on Beginning Shareholders' Equity - by Quarter

(expressed in thousands of U.S. dollars)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Net income (loss) available to Third Point Re common shareholders	\$ 132,915	\$ (298,012)	\$ (13,281)	\$ 19,602	\$ (26,001)
Shareholders' equity attributable to Third Point Re common shareholders - beginning of period	1,204,574	1,507,910	1,591,754	1,607,422	1,656,089
Impact of weighting related to shareholders' equity from shares repurchased	—	(1,750)	(24,447)	(7,606)	(3,243)
Adjusted shareholders' equity attributable to Third Point Re common shareholders - beginning of period	\$ 1,204,574	\$ 1,506,160	\$ 1,567,307	\$ 1,599,816	\$ 1,652,846
Return on beginning shareholders' equity attributable to Third Point Re common shareholders ⁽¹⁾	11.0%	(19.8)%	(0.8)%	1.2%	(1.6)%

- (1) Return on beginning shareholders' equity attributable to Third Point Re common shareholders, as presented, is a non-GAAP financial measure. Return on beginning shareholders' equity attributable to Third Point Re common shareholders is calculated by dividing net income (loss) available to Third Point Re common shareholders by the beginning shareholders' equity attributable to Third Point Re common shareholders. We believe that return on beginning shareholders' equity attributable to Third Point Re common shareholders is an important measure because it assists our management and investors in evaluating the Company's profitability. We have also adjusted the beginning shareholders' equity for the impact of the shares repurchased on a weighted average basis. For period where there is a loss, this adjustment decreased the stated returns on beginning shareholders' equity and for period where there is a gain, this adjustment increased the stated returns on beginning shareholders' equity.