
Section 1: 8-K (8-K)

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 7, 2019**

SIRIUS INTERNATIONAL INSURANCE GROUP, LTD.

(Exact name of registrant as specified in charter)

Bermuda
(State or other jurisdiction of
incorporation)

001-38731
(Commission
File Number)

98-0529995
(IRS Employer
Identification No.)

14 Wesley Street
Hamilton HM 11, Bermuda
(Address of principal executive offices)

(441) 278-3140
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common shares, par value \$0.01 per share	SG	Nasdaq Global Select Market

Item 2.02. Results of Operations and Financial Condition.

On May 7, 2019, Sirius International Insurance Group, Ltd. issued a press release reporting its financial results for the first quarter ended March 31, 2019 and announcing the availability of its first quarter ended March 31, 2019 investor financial supplement. A copy of the press release and the investor financial supplement are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

The information contained in this Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2 attached hereto, are being furnished pursuant to this Item 2.02. This information shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits. The following exhibits are filed or furnished, as applicable, herewith.

Exhibit Number	Description of Exhibit
99.1	<u>Press Release dated May 7, 2019, announcing the earnings of Sirius International Insurance Group, Ltd. for the First Quarter Ended March 31, 2019</u>
99.2	<u>First Quarter Ended March 31, 2019 Investor Financial Supplement</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Sirius International Insurance Group, Ltd.

Date: May 7, 2019

By: /s/ RALPH A. SALAMONE

Name: Ralph A. Salamone

Title: Chief Financial Officer

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Section 2: EX-99.1 (EX-99.1)

Exhibit 99.1



SIRIUS INTERNATIONAL INSURANCE GROUP, LTD. REPORTS FIRST QUARTER 2019 RESULTS

Hamilton, Bermuda, May 7, 2019 — Sirius International Insurance Group, Ltd. (Nasdaq: SG) (“Sirius Group” or the “Company”) today reported results for the quarter ended March 31, 2019. The Company reported comprehensive income of \$76 million for the first quarter of 2019 compared to \$30 million for the first quarter of 2018.

Book value per common share was \$15.38 as of March 31, 2019 compared to \$14.80 as of December 31, 2018, an increase of 3.9%. Book value per common share as of March 31, 2019 includes a charge of \$8 million, or \$0.07 per common share, related to the increase in redemption value of the Series B preference shares.

Adjusted book value per share(1), which assumes that the Series B preference shares will convert into common shares on a one-for-one basis, in addition to the effects of share-based compensation programs, was \$15.82 as of March 31, 2019, compared to \$15.24 as of December 31, 2018, an increase of 3.8% during the first quarter of 2019.

“The first quarter was a strong one from a bottom line perspective, offering up a great start to the year,” said Kip Oberting, President and Chief Executive Officer of Sirius Group. “Our property segment benefited from low catastrophe loss activity and our accident and health operations continue to provide a meaningful, return on our capital. Our growth in book value was also driven by gains in our investment portfolio, mainly a result of favorable investment markets. We also benefited from gains in the value of investment assets in our strategic investment portfolio.”

- Net income attributable to common shareholders for the first quarter of 2019 was \$95 million, a return on beginning shareholders’ equity of 5.6% for the quarter. Basic earnings per common share was \$0.75 and diluted earnings per common share was \$0.74. This compares to net income attributable to common shareholders of \$41 million and basic and diluted earnings per common share of \$0.32 for the first quarter of 2018. The first quarter of 2019 results reflect the \$8 million charge related to the increase in redemption value of the Series B preference shares incurred.
- For the first quarter of 2019, Operating income attributable to common shareholders was \$13 million compared to \$31 million for the first quarter of 2018.

Chief Financial Officer, Ralph Salamone further commented, “After taking increases in the fourth quarter of 2018, our Typhoon Jebi reserves have held up well in the first quarter of 2019 and we are seeing rate increases on loss impacted accounts in Japan. We did see loss increases on recent U.S. Hurricanes, namely Irma and Michael, where assignments of benefits seem to be taking their toll. Still, our Global Property segment performed well with \$33 million of underwriting income and a 76% combined ratio in the quarter.”

(1) Adjusted book value, Adjusted book value per share and Operating income attributable to common shareholders are non-GAAP financial measures. See the accompanying Reconciliation of Non-GAAP Financial Measures.

First Quarter 2019 Summary

Underwriting

Sirius Group's combined ratio was 91% for the first quarter of 2019 compared to 87% for the first quarter of 2018. The increase in the combined ratio was driven by higher net unfavorable prior year loss reserve development mainly in the Global Property segment. The first quarter of 2019 included 5 points of net unfavorable prior year loss reserve development compared to 1 point of net favorable prior year loss reserve development for the first quarter of 2018. Catastrophe losses were light for both periods; the first quarter of 2019 and 2018 combined ratios each included 1 point of catastrophe losses, net of reinsurance and reinstatement premiums.

- Gross written premiums for the quarter were \$622 million, an increase of 1% compared to the first quarter of 2018.
- Pre-tax catastrophe losses, net of reinsurance and reinstatement premiums, amounted to \$2 million in the quarter. Prior year catastrophe losses related to Hurricanes Irma, Michael, and Florence were increased by \$17 million in the quarter.
- Highlights by reportable segment for the first quarter of 2019 included the following:
 - Global Property produced \$33 million of underwriting income for the quarter and a 76% combined ratio driven mainly by low current year catastrophe losses partially offset by net unfavorable prior year loss reserve development.
 - Global A&H produced \$12 million of underwriting income for the quarter, including net service fee income from IMG and Armada, and a combined ratio of 101%, which was primarily a result of net unfavorable prior year loss reserve development.
 - Specialty & Casualty produced a \$(3) million underwriting (loss) for the quarter and a combined ratio of 103%, mainly driven by poor Aviation results, mainly due to the Ethiopian Airlines flight crash.
 - Runoff & Other produced \$(5) million of underwriting (loss) for the quarter mainly from unfavorable prior year loss reserve development and operating expenses.

Investments and Other

- The investment portfolio returned 2.0% in original currencies and 1.9% in U.S. Dollars.
 - Net investment income increased \$9 million or 82% for the first quarter of 2019 to \$20 million, from \$11 million for the first quarter of 2018, due to a higher interest rate environment.
 - Net realized and unrealized investment gains were \$83 million for the first quarter of 2019 compared to net realized and unrealized investment gains of \$12 million for the first quarter of 2018. The increase was driven by unrealized gains arising from investments consistent with overall market performance, which were somewhat offset by foreign currency translation losses recognized through other comprehensive income of \$42 million.

- Common shareholders' equity ended the first quarter of 2019 at \$1,773 million as compared to \$1,705 million at December 31, 2018. The increase is primarily due to comprehensive income of \$76 million. Adjusted book value ended the first quarter of 2019 at \$2,014 million.

Conference Call

A conference call discussing the first quarter results will be held on May 8, 2019 at 8:30 a.m. Eastern Time. A live, listen-only webcast of the call will be available via the Investor Relations section of our website located at <http://ir.siriusgroup.com>. A replay of the webcast will be available on the website shortly after the call and archived for 1 year. The teleconference can be accessed by dialing (888) 317-6016 for U.S. callers and (412) 317-6016 for international callers.

Supplemental Materials

In addition to this press release, we have provided supplemental financial information relating to first quarter results. Recipients are encouraged to visit the "Financial Information" section of Sirius Group's website located at <http://ir.siriusgroup.com> to view the supplemental financial information.

Non-GAAP Financial Measures

In presenting Sirius Group's results, management has included and discussed non-GAAP financial measures: Adjusted book value, Adjusted book value per share and Operating income attributable to common shareholders. The Company believes that these non-GAAP financial measures, which may be defined and calculated differently by other companies, better explain and enhance the understanding of the Company's results of operations. However, these measures should not be viewed as a substitute for those determined in accordance with generally accepted accounting principles in the United States of America ("GAAP"). A reconciliation of Adjusted book value, Adjusted book value per share and Operating income attributable to common shareholders to the most comparable GAAP measures is included in the attached financial information in accordance with Regulation G.

About Sirius Group

Sirius Group, with roots back to 1945 in Stockholm, is a global multi-line (re)insurer that utilizes its unique global branch network to provide solutions to approximately 2,000 clients in over 150 countries, with approximately 7,200 treaties in force. The primary (re)insurance operating subsidiaries are located in Bermuda, Stockholm, New York, and London. Sirius Group provides a fully diversified set of health and travel products to consumers through its two managing general underwriters, ArmadaGlobal and International Medical Group. Sirius Group has been publicly traded since November 2018. Additional information is available at Sirius Group's website located at www.siriusgroup.com.

Cautionary Note Regarding Forward-Looking Statements

We have made statements in this document that are forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995, including statements about our capital position and the impact of rate and loss changes. You can identify forward-looking statements by the use of forward-looking terminology such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “target,” “continue,” “could,” “may,” “might,” “will,” “possible,” “potential,” “predict,” “should,” “would,” “seeks,” “likely,” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements are based on the current expectations of the management of Sirius Group and speak only as of the date of this document. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, Sirius Group’s exposure to unpredictable catastrophic and casualty events and unexpected accumulations of attritional losses; increased competition from existing insurers and reinsurers and from alternative capital providers, such as insurance-linked funds and collateralized special purpose insurers; decreased demand for Sirius Group’s insurance or reinsurance products, consolidation and cyclical changes in the insurance and reinsurance industry; the inherent uncertainty of estimating loss and loss adjustment expenses reserves, including asbestos and environmental reserves, and the possibility that such reserves may be inadequate to cover Sirius Group’s ultimate liability for losses; a decline in Sirius Group’s operating subsidiaries’ ratings with rating agencies; the exposure of Sirius Group’s investments to interest rate, credit, equity risks and market volatility, which may limit Sirius Group’s net income and may affect the adequacy of its capital and liquidity; the impact of various risks associated with transacting business in foreign countries, including foreign currency exchange-rate risk and political risks on investments in, and revenues from, Sirius Group’s operations outside the U.S.; the possibility that Sirius Group may become subject to additional onerous governmental or regulatory requirements or fail to comply with applicable regulatory and solvency requirements; Sirius Group’s significant deferred tax assets may become materially impaired as a result of insufficient taxable income or a reduction in applicable corporate tax rates or other change in applicable tax law; a decrease in the fair value of Global A&H and/or Sirius Group’s intangible assets may result in future impairments; the limited liquidity and trading of Sirius Group’s securities; CMIG International Holding Pte. Ltd.’s status as a controlling shareholder; Sirius Group’s status as a publicly traded company, foreign private issuer and controlled company; and other factors identified in Sirius Group’s Annual Report on Form 10-K for the year ended December 31, 2018, and other filings with the U.S. Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should any of the assumptions made by the management of Sirius Group prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Except as required by applicable law, we disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, or new information, data or methods, future events or other changes.

Contact:

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Sirius International Insurance Group, Ltd.
Consolidated Balance Sheets
As at March 31, 2019 and December 31, 2018 (Unaudited)

(Expressed in millions of U.S. dollars, except share information)	March 31, 2019	December 31, 2018
Assets		
Fixed maturity investments, trading at fair value (<i>Amortized cost 2019: \$1,814.8; 2018: \$1,952.9</i>)	\$ 1,846.4	\$ 1,949.2
Short-term investments, at fair value (<i>Amortized cost 2019: \$830.5; 2018: \$716.1</i>)	833.6	715.5
Equity securities, trading at fair value (<i>Cost 2019: \$398.4; 2018: \$409.4</i>)	394.4	380.0
Other long-term investments, at fair value (<i>Cost 2019: \$351.7; 2018: \$337.6</i>)	389.7	365.0
Cash	116.0	119.4
Restricted cash	13.0	12.8
Total investments and cash	3,593.1	3,541.9
Accrued investment income	12.7	14.1
Insurance and reinsurance premiums receivable	818.7	630.6
Reinsurance recoverable on unpaid losses	349.3	350.2
Reinsurance recoverable on paid losses	50.5	55.0
Funds held by ceding companies	202.8	186.8
Ceded unearned insurance and reinsurance premiums	200.5	159.8
Deferred acquisition costs	152.6	141.6
Deferred tax asset	171.6	202.5
Accounts receivable on unsettled investment sales	1.7	5.0
Goodwill	400.7	400.6
Intangible assets	191.7	195.6
Other assets	161.1	124.0
Total assets	\$ 6,307.0	\$ 6,007.7
Liabilities		
Loss and loss adjustment expense reserves	\$ 1,976.3	\$ 2,016.7
Unearned insurance and reinsurance premiums	860.5	647.2
Ceded reinsurance payable	231.3	206.9
Funds held under reinsurance treaties	123.4	110.6
Deferred tax liability	230.6	237.4
Debt	686.1	696.8
Accounts payable on unsettled investment purchases	9.9	3.2
Other liabilities	173.1	150.5
Total liabilities	4,291.2	4,069.3
Commitments and contingencies		
Mezzanine equity		
Series B preference shares	240.6	232.2
Common shareholders' equity		
Common shares (<i>shares issued and outstanding: 2019:115,262,303; 2018:115,151,251</i>)	1.2	1.2
Additional paid-in surplus	1,090.2	1,089.1
Retained earnings	911.8	816.6
Accumulated other comprehensive (loss)	(230.2)	(202.4)
Total common shareholders' equity	1,773.0	1,704.5
Non-controlling interests	2.2	1.7
Total equity	1,775.2	1,706.2
Total liabilities, mezzanine equity, and equity	\$ 6,307.0	\$ 6,007.7

Sirius International Insurance Group, Ltd.
Consolidated Statements of Income (Unaudited)
For the three months ended March 31, 2019 and 2018

(Expressed in millions of U.S. dollars, except share and per share information)	Three months ended March 31,	
	2019	2018
Revenues		
Net earned insurance and reinsurance premiums	\$ 311.9	\$ 284.5
Net investment income	20.1	10.8
Net realized investment gains (losses)	9.0	(3.7)
Net unrealized investment gains	74.0	16.0
Net foreign exchange gains (losses)	5.1	(3.5)
Other revenue	19.6	23.4
Total revenues	439.7	327.5
Expenses		
Loss and loss adjustment expenses	183.9	141.0
Insurance and reinsurance acquisition expenses	63.3	63.0
Other underwriting expenses	35.3	43.2
General and administrative expenses	24.4	14.3
Intangible asset amortization expenses	3.9	3.9
Interest expense on debt	7.6	7.7
Total expenses	318.4	273.1
Pre-tax income	121.3	54.4
Income tax (expense)	(17.2)	(11.1)
Net income	104.1	43.3
Income attributable to non-controlling interests	(0.4)	(0.2)
Net income attributable to Sirius Group	103.7	43.1
Change in carrying value of Series B preference shares	(8.4)	—
Accrued dividends on Series A redeemable preference shares	—	(2.6)
Net income attributable to Sirius Group common shareholders	\$ 95.3	\$ 40.5
Net income per common share and common share equivalent		
Basic earnings per common share and common share equivalent	\$ 0.75	\$ 0.32
Diluted earnings per common share and common share equivalent	\$ 0.74	\$ 0.32
Weighted average number of common shares and common share equivalents outstanding:		
Basic weighted average number of common shares and common share equivalents outstanding	115,182,331	120,000,000
Diluted weighted average number of common shares and common share equivalents outstanding	127,335,314	120,000,000
Loss ratio		
	59.0%	49.6%
Acquisition expense ratio		
	20.3%	22.1%
Other underwriting expense ratio		
	11.3%	15.2%
Combined ratio	90.6%	86.9%

Sirius International Insurance Group, Ltd.
Consolidated Statements of Comprehensive Income (Unaudited)
For the three months ended March 31, 2019 and 2018

(Expressed in millions of U.S. dollars)	Three months ended March 31,	
	2019	2018
Comprehensive income		
Net income	\$ 104.1	\$ 43.3
Other comprehensive (loss), net of tax		
Change in foreign currency translation, net of tax	(27.8)	(13.4)
Total other comprehensive (loss)	<u>(27.8)</u>	<u>(13.4)</u>
Comprehensive income	76.3	29.9
Income attributable to non-controlling interests	(0.4)	(0.2)
Comprehensive income attributable to Sirius Group	<u><u>\$ 75.9</u></u>	<u><u>\$ 29.7</u></u>

Sirius International Insurance Group, Ltd.
Consolidated Underwriting Results by Segment

(Expressed in millions of U.S. dollars)	Three months ended March 31, 2019					
	Global Property	Global A&H	Specialty & Casualty	Runoff & Other	Corporate Elimination	Total
Gross written premiums	\$ 330.7	\$ 169.3	\$ 120.9	\$ 1.4	\$ —	\$ 622.3
Net written premiums	\$ 241.3	\$ 134.9	\$ 108.2	\$ 0.4	\$ —	\$ 484.8
Net earned insurance and reinsurance premiums	\$ 139.7	\$ 96.1	\$ 75.7	\$ 0.4	\$ —	\$ 311.9
Loss and allocated LAE	(62.6)	(63.2)	(47.6)	(1.1)	—	(174.5)
Insurance and reinsurance acquisition expenses	(25.8)	(26.6)	(20.5)	(0.7)	10.3	(63.3)
Technical profit (loss)	51.3	6.3	7.6	(1.4)	10.3	74.1
Unallocated LAE	(2.1)	(1.5)	(1.9)	(0.5)	(3.4)	(9.4)
Other underwriting expenses	(16.2)	(6.1)	(8.2)	(2.1)	(2.7)	(35.3)
Underwriting income (loss)	33.0	(1.3)	(2.5)	(4.0)	4.2	29.4
Service fee revenue	—	36.3	—	—	(11.0)	25.3
Managing general underwriter unallocated LAE	—	(4.1)	—	—	4.1	—
Managing general underwriter other underwriting expenses	—	(2.7)	—	—	2.7	—
General and administrative expenses, MGU + Runoff & Other	—	(16.2)	—	(0.8)	—	(17.0)
Underwriting income (loss), including net service fee income	\$ 33.0	\$ 12.0	\$ (2.5)	\$ (4.8)	\$ —	\$ 37.7
Underwriting Ratios (1) (2)						
Loss ratio	46.3%	67.3%	65.4%	NM	NM	59.0%
Acquisition expense ratio	18.5%	27.7%	27.1%	NM	NM	20.3%
Other underwriting expense ratio	11.6%	6.3%	10.8%	NM	NM	11.3%
Combined ratio	76.4%	101.3%	103.3%	NM	NM	90.6%

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

(2) Ratios considered not meaningful (“NM”) to Runoff & Other and Corporate Eliminations.

Sirius International Insurance Group, Ltd.
Consolidated Underwriting Results by Segment

(Expressed in millions of U.S. dollars)	Three months ended March 31, 2018					
	Global Property	Global A&H	Specialty & Casualty	Runoff & Other	Corporate Elimination	Total
Gross written premiums	\$ 346.6	\$ 145.6	\$ 115.5	\$ 7.5	\$ —	\$ 615.2
Net written premiums	\$ 247.2	\$ 115.5	\$ 100.6	\$ 6.1	\$ —	\$ 469.4
Net earned insurance and reinsurance premiums	\$ 136.1	\$ 88.0	\$ 54.4	\$ 6.0	\$ —	\$ 284.5
Loss and allocated LAE	(70.4)	(45.8)	(21.6)	2.4	—	(135.4)
Insurance and reinsurance acquisition expenses	(29.3)	(29.2)	(14.1)	(0.7)	10.3	(63.0)
Technical profit (loss)	36.4	13.0	18.7	7.7	10.3	86.1
Unallocated LAE	(1.9)	(1.6)	(1.2)	(0.9)	—	(5.6)
Other underwriting expenses	(17.4)	(8.0)	(8.0)	(1.4)	(8.4)	(43.2)
Underwriting income (loss)	17.1	3.4	9.5	5.4	1.9	37.3
Service fee revenue	—	32.8	—	—	(10.3)	22.5
Managing general underwriter unallocated LAE	—	—	—	—	—	—
Managing general underwriter other underwriting expenses	—	(8.4)	—	—	8.4	—
General and administrative expenses, MGU + Runoff & Other	—	(9.5)	—	(1.1)	—	(10.6)
Underwriting income (loss), including net service fee income	\$ 17.1	\$ 18.3	\$ 9.5	\$ 4.3	—	\$ 49.2
Underwriting Ratios (1) (2)						
Loss ratio	53.1%	53.9%	41.9%	NM	NM	49.6%
Acquisition expense ratio	21.5%	33.2%	25.9%	NM	NM	22.1%
Other underwriting expense ratio	12.8%	9.1%	14.7%	NM	NM	15.2%
Combined ratio	87.4%	96.2%	82.5%	NM	NM	86.9%

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

(2) Ratios considered not meaningful (“NM”) to Runoff & Other and Corporate Eliminations.

Sirius International Insurance Group, Ltd.
Reconciliation of Non-GAAP Financial Measures

Adjusted book value per share

Adjusted book value and Adjusted book value per share are non-GAAP financial measures used to show the Company's total worth on a per-share basis and are useful to management and investors in analyzing the intrinsic value of the Company.

Adjusted shares outstanding is derived by summing Common shares outstanding, Series B preference shares outstanding (which were issued to the cornerstone investors), and the Earned portion of share-based compensation awards. Adjusted book value is derived by summing Total common shareholders' equity, the Series B preference share amount reflected in mezzanine equity, and the Earned portion of future proceeds from stock option awards. Outstanding warrants are excluded as they are anti-dilutive as of the respective reporting dates.

At March 31, 2019, Adjusted book value and Adjusted book value per share include the earned effects of share-based compensation awards issued during 2019.

Adjusted book value per share is derived by dividing the Adjusted book value by the Adjusted shares outstanding. The reconciliation to Total common shareholders' equity and Book value per common share, the most directly comparable GAAP measures, are presented in the table below.

(Expressed in millions of U.S. Dollars, except share amounts)	March 31, 2019	December 31, 2018
Common shares outstanding	115,262,303	115,151,251
Series B preference shares outstanding	11,901,670	11,901,670
Earned share-based compensation awards, excluding stock options	95,541	—
Earned portion of Stock option awards issued	38,193	—
Adjusted shares outstanding	127,297,707	127,052,921
Total common shareholders' equity	\$ 1,773.0	\$ 1,704.5
Series B preference shares	240.6	232.2
Earned portion of future proceeds from stock option awards	0.5	—
Adjusted book value	\$ 2,014.1	\$ 1,936.7
Book value per common share	\$ 15.38	\$ 14.80
Adjusted book value per share	\$ 15.82	\$ 15.24

Operating income attributable to common shareholders

The Company uses Operating income attributable to common shareholders as a measure to evaluate the underlying fundamentals of its operations and believes it to be a useful measure of its core performance. Operating income attributable to common shareholders as used herein differs from net income attributable to common shareholders, which the Company believes is the most directly comparable GAAP measure, by the exclusion of net realized and unrealized gains and losses on investments, net foreign exchange gains (losses) and the associated income tax expense or benefit. The Company's management believes that Operating income attributable to common shareholders is useful to investors because it is more reflective of the Company's core business, as it removes the variability arising from fluctuations in the Company's fixed maturity investment portfolio, equity investments trading, investments-related derivatives, and net foreign exchange gains (losses) and the associated income tax expense or benefit of those fluctuations. The following is a reconciliation of net income attributable to common shareholders to Operating income attributable to common shareholders:

(Expressed in millions of U.S. dollars)	Three months ended	
	March 31,	
	2019	2018
Net income attributable to common shareholders	\$ 95.3	\$ 40.5
Adjustment for net realized and unrealized (gains) on investments	(83.0)	(12.3)
Adjustment for net foreign exchange (gains) losses	(5.1)	3.5
Adjustment for income tax expense (benefit) (1)	5.7	(0.8)
Operating income attributable to common shareholders	\$ 12.9	\$ 30.9

- (1) Adjustment for income tax expense (benefit) represents the income tax (expense) benefit associated with the adjustment for net realized and unrealized (gains) on investments and the income tax expense (benefit) associated with the adjustment for net foreign exchange gains. The income tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors.

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Section 3: EX-99.2 (EX-99.2)

Exhibit 99.2



Sirius International Insurance Group, Ltd.

Investor 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 Sirius International Insurance Group, Ltd., including its Quarterly Report on Form 10-Q for the quarter ended March 31, 2019.

Sirius International Insurance Group, Ltd.
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Sirius International Insurance Group, Ltd.
Basis of Presentation

BASIS OF PRESENTATION AND NON-GAAP FINANCIAL MEASURES:

Sirius International Insurance Group, Ltd. (the “Company”) is a Bermuda exempted company whose principal businesses are conducted through its wholly-owned insurance and reinsurance subsidiaries and other affiliates (collectively with the Company, “Sirius Group”, “we,” “our” and “us”). Sirius Group provides insurance, reinsurance and insurance services on a worldwide basis.

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 and discussed certain non-GAAP financial measures. The Company believes that these non-GAAP measures, which may be defined and calculated differently by other companies, better explain and enhance the understanding of the Company’s results of operations. However, these measures should not be viewed as a substitute for those determined in accordance with U.S. GAAP.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This financial supplement contains forward-looking statements within the meaning of the federal securities laws, including the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by forward-looking terminology such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “target,” “continue,” “could,” “may,” “might,” “will,” “possible,” “potential,” “predict,” “should,” “would,” “seeks,” “likely” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements are based on the current expectations of the management of the Company and speak only as of the date of this document. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, the following:

- Sirius Group’s exposure to unpredictable catastrophic and casualty events and unexpected accumulations of attritional losses;
- increased competition from existing insurers and reinsurers and from alternative capital providers, such as insurance-linked funds and collateralized special purpose insurers;
- decreased demand for Sirius Group’s insurance or reinsurance products, consolidation and cyclical changes in the insurance and reinsurance industry;
- the inherent uncertainty of estimating loss and loss adjustment expenses reserves, including asbestos and environmental reserves, and the possibility that such reserves may be inadequate to cover Sirius Group’s ultimate liability for losses;
- a decline in the Company’s operating subsidiaries’ ratings with rating agencies;
- the exposure of Sirius Group’s investments to interest rate, credit, equity risks and market volatility, which may limit Sirius Group’s net income and may affect the adequacy of its capital and liquidity;
- the impact of various risks associated with transacting business in foreign countries, including foreign currency exchange-rate risk and political risks on investments in, and revenues from, Sirius Group’s operations outside the U.S.;
- the possibility that Sirius Group may become subject to additional onerous governmental or regulatory requirements or fail to comply with applicable regulatory and solvency requirements;
- Sirius Group’s significant deferred tax assets may become materially impaired as a result of insufficient taxable income or a reduction in applicable corporate tax rates or other change in applicable tax law;
- a decrease in the fair value of Global A&H and/or Sirius Group’s intangible assets may result in future impairments;
- the limited liquidity and trading of the Company’s securities;
- CMIG International Holding Pte. Ltd.’s status as a controlling shareholder;

- risks related to the Sirius Group's status as a publicly traded company, foreign private issuer and controlled company; and
- risks identified in Sirius Group's Annual Report on Form 10-K for the year ended December 31, 2018, and other filings with the U.S. Securities and Exchange Commission.

Should one or more of these risks or uncertainties materialize, or should any of the assumptions made by the management of the Company prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Except to the extent required by applicable law or regulation, Sirius Group undertakes no obligation to publicly update or revise any forward-looking statements to reflect changes in underlying assumptions or factors, or new information, data or methods, future events or other circumstances after the date of this financial supplement.

Sirius International Insurance Group, Ltd.
Key Performance Indicators

(Expressed in millions of U.S. dollars, except share and per share information)	Three months ended March 31,	
	2019	2018
Key Underwriting Metrics:		
Underwriting income (1)	\$ 29.4	\$ 37.3
Combined ratio (2)	90.6%	86.9%
Key Investment Return Metrics:		
Net investment income	\$ 20.1	\$ 10.8
Total return on investments:		
U.S. dollars	1.9%	0.2%
Local currencies	2.0%	0.2%
Selected Financial Data:		
Basic earnings per common share and common share equivalent	\$ 0.75	\$ 0.32
Diluted earnings per common share and common share equivalent	\$ 0.74	\$ 0.32
Basic weighted average number of common shares and common share equivalents outstanding	115,182,331	120,000,000
Diluted weighted average number of common shares and common share equivalents outstanding	127,335,314	120,000,000
Operating income attributable to common shareholders (3)	\$ 12.9	\$ 30.9
Return on equity (4)	5.6%	2.1%
Growth in Adjusted book value per share	3.8%	1.6%

- (1) Underwriting income is calculated as net earned insurance and reinsurance premiums less loss and loss adjustment expenses, insurance and reinsurance acquisition expenses, and other underwriting expenses.
- (2) The combined ratio is calculated by combining the loss ratio, the acquisition expense ratio, and the other underwriting expense ratio.
- (3) Operating income attributable to common shareholders is a non-GAAP financial measure. See the accompanying Reconciliation of Non-GAAP Financial Measures for an explanation and calculation of Operating income attributable to common shareholders.
- (4) Return on equity is calculated by dividing net income attributable to Sirius Group's common shareholders for the period by the beginning common shareholders' equity.

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Selected Balance Sheet Data:					
Book value per common share	\$ 15.38	\$ 14.80	\$ 16.44	\$ 16.64	\$ 16.23
Adjusted book value per share (1)	\$ 15.82	\$ 15.24	\$ 16.44	\$ 16.64	\$ 16.23

- (1) Adjusted book value per share is a non-GAAP financial measure. See the accompanying Reconciliation of Non-GAAP Financial Measures for an explanation and calculation of Adjusted book value per share.

Sirius International Insurance Group, Ltd.
Consolidated Statements of Income
For the Three Months Ended March 31, 2019 and 2018

(Expressed in millions of U.S. dollars)	Three months ended March 31,	
	2019	2018
Revenues		
Net earned insurance and reinsurance premiums	\$ 311.9	\$ 284.5
Net investment income	20.1	10.8
Net realized investment gains (losses)	9.0	(3.7)
Net unrealized investment gains	74.0	16.0
Net foreign exchange gains (losses)	5.1	(3.5)
Other revenue	19.6	23.4
Total revenues	439.7	327.5
Expenses		
Loss and loss adjustment expenses	183.9	141.0
Insurance and reinsurance acquisition expenses	63.3	63.0
Other underwriting expenses	35.3	43.2
General and administrative expenses	24.4	14.3
Intangible asset amortization expenses	3.9	3.9
Interest expense on debt	7.6	7.7
Total expenses	318.4	273.1
Pre-tax income	121.3	54.4
Income tax (expense)	(17.2)	(11.1)
Net income	104.1	43.3
Less: Income attributable to non-controlling interests	(0.4)	(0.2)
Net income attributable to Sirius Group	103.7	43.1
Less: Accrued dividends on Series A redeemable preference shares	—	(2.6)
Less: Change in carrying value of Series B preference shares	(8.4)	—
Net income attributable to Sirius Group's common shareholders	\$ 95.3	\$ 40.5

Sirius International Insurance Group, Ltd.
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31, 2019 and 2018

(Expressed in millions of U.S. dollars)	Three months ended March 31,	
	2019	2018
Comprehensive income		
Net income	\$ 104.1	\$ 43.3
Other comprehensive (loss)		
Change in foreign currency translation, net of tax	(27.8)	(13.4)
Total other comprehensive (loss)	(27.8)	(13.4)
Comprehensive income	76.3	29.9
Net (income) attributable to non-controlling interests	(0.4)	(0.2)
Comprehensive income attributable to Sirius Group	\$ 75.9	\$ 29.7

Sirius International Insurance Group, Ltd.
Consolidated Balance Sheets

(Expressed in millions of U.S. dollars, except share information)	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Assets					
Fixed maturity investments, trading at fair value	\$ 1,846.4	\$ 1,949.2	\$ 1,979.6	\$ 1,885.4	\$ 2,059.0
Short-term investments, at fair value	833.6	715.5	760.0	819.6	801.0
Equity securities, trading at fair value	394.4	380.0	430.4	415.1	369.7
Other long-term investments, at fair value	389.7	365.0	349.0	316.6	286.8
Cash	116.0	119.4	106.5	114.1	174.9
Restricted cash	13.0	12.8	15.0	15.9	16.6
Total investments and cash	3,593.1	3,541.9	3,640.5	3,566.7	3,708.0
Accrued investment income	12.7	14.1	12.1	12.5	13.6
Insurance and reinsurance premiums receivable	818.7	630.6	762.5	807.4	723.7
Reinsurance recoverable on unpaid losses	349.3	350.2	349.0	358.3	327.8
Reinsurance recoverable on paid losses	50.5	55.0	29.8	17.8	21.2
Funds held by ceding companies	202.8	186.8	180.0	157.4	162.3
Ceded unearned insurance and reinsurance premiums	200.5	159.8	191.2	207.3	173.0
Deferred acquisition costs	152.6	141.6	152.8	151.4	151.0
Deferred tax asset	171.6	202.5	197.7	197.9	217.6
Accounts receivable on unsettled investment sales	1.7	5.0	0.1	—	0.2
Goodwill	400.7	400.6	400.7	400.8	401.3
Intangible assets	191.7	195.6	207.5	208.4	212.3
Other assets	161.1	124.0	134.8	124.2	92.6
Total assets	\$ 6,307.0	\$ 6,007.7	\$ 6,258.7	\$ 6,210.1	\$ 6,204.6
Liabilities					
Loss and loss adjustment expense reserves	\$ 1,976.3	\$ 2,016.7	\$ 1,891.0	\$ 1,827.1	\$ 1,875.9
Unearned insurance and reinsurance premiums	860.5	647.2	766.9	800.5	765.9
Ceded reinsurance payable	231.3	206.9	239.2	254.2	182.8
Funds held under reinsurance treaties	123.4	110.6	105.4	72.6	82.5
Deferred tax liability	230.6	237.4	256.9	255.7	253.1
Debt	686.1	696.8	697.7	695.9	717.6
Accounts payable on unsettled investment purchases	9.9	3.2	18.1	6.2	97.3
Other liabilities	173.1	150.5	200.6	191.8	173.2
Total liabilities	4,291.2	4,069.3	4,175.8	4,104.0	4,148.3
Mezzanine equity					
Series A redeemable preference shares	—	—	108.8	108.8	108.8
Series B preference shares	240.6	232.2	—	—	—
Total mezzanine equity	240.6	232.2	108.8	108.8	108.8
Common shareholders' equity					
Common shares	1.2	1.2	1.2	1.2	1.2
Additional paid-in surplus	1,090.2	1,089.1	1,199.3	1,199.3	1,199.3
Retained earnings	911.8	816.6	970.2	998.2	900.4
Accumulated other comprehensive (loss)	(230.2)	(202.4)	(197.7)	(202.4)	(153.9)
Total common shareholders' equity	1,773.0	1,704.5	1,973.0	1,996.3	1,947.0
Non-controlling interests	2.2	1.7	1.1	1.0	0.5
Total equity	1,775.2	1,706.2	1,974.1	1,997.3	1,947.5
Total liabilities, mezzanine equity, and equity	\$ 6,307.0	\$ 6,007.7	\$ 6,258.7	\$ 6,210.1	\$ 6,204.6

Sirius International Insurance Group, Ltd.
Consolidated Statements of Shareholders' Equity

(Expressed in millions of U.S. dollars)	Year to date for the period ended,				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Common shares					
Balance at beginning of period	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2	\$ 1.2
Issue of common shares	—	0.1	—	—	—
Share repurchase from CM Bermuda	—	(0.1)	—	—	—
Balance at end of period	1.2	1.2	1.2	1.2	1.2
Additional paid-in surplus					
Balance at beginning of period	1,089.1	1,197.9	1,197.9	1,197.9	1,197.9
Issuance of common shares and warrants, net of expenses	—	52.7	—	—	—
Share compensation expense	1.2	2.5	—	—	—
Share repurchase from CM Bermuda	—	(163.9)	—	—	—
Return of capital to CM Bermuda	—	(1.6)	—	—	—
Capital contribution from former parent	—	1.4	1.4	1.4	1.4
Other, net	(0.1)	0.1	—	—	—
Balance at end of period	1,090.2	1,089.1	1,199.3	1,199.3	1,199.3
Retained earnings					
Balance at beginning of period	816.6	858.4	858.4	858.4	858.4
Cumulative effect of an accounting change	—	1.6	1.6	1.6	1.6
Balance at beginning of period, as adjusted	816.6	860.0	860.0	860.0	860.0
Net income (loss)	104.1	(16.7)	113.8	141.5	43.3
Income attributable to non-controlling interest	(0.4)	(1.4)	(0.9)	(0.6)	(0.2)
Accrued dividends on Series A redeemable preference shares	—	(2.6)	(2.6)	(2.6)	(2.6)
Change in carrying value of Series B preference shares	(8.4)	(36.4)	—	—	—
Redemption of Series A redeemable preference shares	—	13.8	—	—	—
Other, net	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Balance at end of period	911.8	816.6	970.2	998.2	900.4
Accumulated other comprehensive (loss)					
Balance at beginning of period	(202.4)	(140.5)	(140.5)	(140.5)	(140.5)
Accumulated net foreign currency translation (losses)					
Balance at beginning of period	(202.4)	(140.5)	(140.5)	(140.5)	(140.5)
Net change in foreign currency translation	(27.8)	(61.9)	(57.2)	(61.9)	(13.4)
Balance at end of period	(230.2)	(202.4)	(197.7)	(202.4)	(153.9)
Balance at the end of period	(230.2)	(202.4)	(197.7)	(202.4)	(153.9)
Total common shareholders' equity	1,773.0	1,704.5	1,973.0	1,996.3	1,947.0
Non-controlling interests	2.2	1.7	1.1	1.0	0.5
Total equity	\$ 1,775.2	\$ 1,706.2	\$ 1,974.1	\$ 1,997.3	\$ 1,947.5

Sirius International Insurance Group, Ltd.
Consolidated Statements of Income — Segment Results Format
For the Three Months Ended March 31, 2019 and 2018

(Expressed in millions of U.S. dollars)	Three months ended March 31,	
	2019	2018
Underwriting Results:		
Gross written premiums	\$ 622.3	\$ 615.2
Net written premiums	\$ 484.8	\$ 469.4
Net earned insurance and reinsurance premiums	\$ 311.9	\$ 284.5
Loss and allocated loss adjustment expenses (“LAE”)	(174.5)	(135.4)
Insurance and reinsurance acquisition expenses	(63.3)	(63.0)
Technical profit	74.1	86.1
Unallocated LAE	(9.4)	(5.6)
Other underwriting expenses	(35.3)	(43.2)
Underwriting income	29.4	37.3
Service fee revenue	25.3	22.5
General and administrative expenses, MGU + Runoff & Other	(17.0)	(10.6)
Underwriting income, including net service fee income	37.7	49.2
Net investment income	20.1	10.8
Net realized investment gains (losses)	9.0	(3.7)
Net unrealized investment gains	74.0	16.0
Net foreign exchange gains (losses)	5.1	(3.5)
Other revenue	(5.7)	0.9
General and administrative expenses	(7.4)	(3.7)
Intangible asset amortization expenses	(3.9)	(3.9)
Interest expense on debt	(7.6)	(7.7)
Pre-tax income	121.3	54.4
Income tax (expense)	(17.2)	(11.1)
Net income	104.1	43.3
Less: Income attributable to non-controlling interests	(0.4)	(0.2)
Net income attributable to Sirius Group	103.7	43.1
Less: Accrued dividends on Series A redeemable preference shares	—	(2.6)
Less: Change in carrying value of Series B preference shares	(8.4)	—
Net income attributable to Sirius Group’s common shareholders	\$ 95.3	\$ 40.5

Sirius International Insurance Group, Ltd.
Consolidated Underwriting Results by Segment

(Expressed in millions of U.S. dollars)	Three months ended March 31, 2019					
	Global Property	Global A&H	Specialty & Casualty	Runoff & Other	Corporate Elimination	Total
Gross written premiums	\$ 330.7	\$ 169.3	\$ 120.9	\$ 1.4	\$ —	\$ 622.3
Net written premiums	\$ 241.3	\$ 134.9	\$ 108.2	\$ 0.4	\$ —	\$ 484.8
Net earned insurance and reinsurance premiums	\$ 139.7	\$ 96.1	\$ 75.7	\$ 0.4	\$ —	\$ 311.9
Loss and allocated LAE	(62.6)	(63.2)	(47.6)	(1.1)	—	(174.5)
Insurance and reinsurance acquisition expenses	(25.8)	(26.6)	(20.5)	(0.7)	10.3	(63.3)
Technical profit (loss)	51.3	6.3	7.6	(1.4)	10.3	74.1
Unallocated LAE	(2.1)	(1.5)	(1.9)	(0.5)	(3.4)	(9.4)
Other underwriting expenses	(16.2)	(6.1)	(8.2)	(2.1)	(2.7)	(35.3)
Underwriting income (loss)	33.0	(1.3)	(2.5)	(4.0)	4.2	29.4
Service fee revenue	—	36.3	—	—	(11.0)	25.3
Managing general underwriter unallocated LAE	—	(4.1)	—	—	4.1	—
Managing general underwriter other underwriting expenses	—	(2.7)	—	—	2.7	—
General and administrative expenses, MGU + Runoff & Other	—	(16.2)	—	(0.8)	—	(17.0)
Underwriting income (loss), including net service fee income	\$ 33.0	\$ 12.0	\$ (2.5)	\$ (4.8)	\$ —	\$ 37.7
Underwriting ratios (1) (2)						
Loss ratio	46.3%	67.3%	65.4%	NM	NM	59.0%
Acquisition expense ratio	18.5%	27.7%	27.1%	NM	NM	20.3%
Other underwriting expense ratio	11.6%	6.3%	10.8%	NM	NM	11.3%
Combined ratio	76.4%	101.3%	103.3%	NM	NM	90.6%

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

(2) Ratios considered not meaningful (“NM”) to Runoff & Other and Corporate Eliminations.

Sirius International Insurance Group, Ltd.
Segment Data — Quarterly
Global Property

(Expressed in millions of U.S. dollars)	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Gross written premiums	\$ 330.7	\$ 86.7	\$ 203.7	\$ 325.4	\$ 346.6
Net written premiums	241.3	85.9	144.9	177.0	247.2
Net earned insurance and reinsurance premiums	139.7	159.7	172.7	167.5	136.1
Loss and allocated LAE	(62.6)	(206.4)	(173.2)	(68.2)	(70.4)
Insurance and reinsurance acquisition expenses	(25.8)	(27.6)	(30.1)	(34.1)	(29.3)
Technical profit (loss)	51.3	(74.3)	(30.6)	65.2	36.4
Unallocated LAE	(2.1)	(2.8)	(3.3)	(2.5)	(1.9)
Other underwriting expenses	(16.2)	(15.2)	(17.5)	(18.1)	(17.4)
Underwriting income (loss)	\$ 33.0	\$ (92.3)	\$ (51.4)	\$ 44.6	\$ 17.1
Underwriting ratios (1)					
Loss ratio	46.3%	131.0%	102.2%	42.2%	53.1%
Acquisition expense ratio	18.5%	17.3%	17.4%	20.4%	21.5%
Other underwriting expense ratio	11.6%	9.5%	10.1%	10.8%	12.8%
Combined ratio	76.4%	157.8%	129.7%	73.4%	87.4%

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

Sirius International Insurance Group, Ltd.
Segment Data — Quarterly
Global A&H

(Expressed in millions of U.S. dollars)	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Gross written premiums	\$ 169.3	\$ 125.6	\$ 117.1	\$ 112.3	\$ 145.6
Net written premiums	134.9	93.6	87.9	82.8	115.5
Net earned insurance and reinsurance premiums	96.1	99.2	89.6	80.8	88.0
Loss and allocated LAE	(63.2)	(51.0)	(51.3)	(40.9)	(45.8)
Insurance and reinsurance acquisition expenses	(26.6)	(27.4)	(26.7)	(26.4)	(29.2)
Technical profit	6.3	20.8	11.6	13.5	13.0
Unallocated LAE	(1.5)	(1.6)	(1.7)	(1.0)	(1.6)
Other underwriting expenses	(6.1)	(6.7)	(6.4)	(6.3)	(8.0)
Underwriting (loss) income	(1.3)	12.5	3.5	6.2	3.4
Service fee revenue	36.3	26.2	29.3	27.4	32.8
MGU unallocated LAE	(4.1)	(4.2)	(4.7)	(5.1)	—
MGU other underwriting expenses	(2.7)	(2.2)	(2.0)	(3.5)	(8.4)
MGU General and administrative expenses	(16.2)	(16.1)	(13.8)	(14.2)	(9.5)
Underwriting income, including net service fee income	\$ 12.0	\$ 16.2	\$ 12.3	\$ 10.8	\$ 18.3
Underwriting ratios (1)					
Loss ratio	67.3%	53.0%	59.2%	51.9%	53.9%
Acquisition expense ratio	27.7%	27.6%	29.8%	32.7%	33.2%
Other underwriting expense ratio	6.3%	6.8%	7.1%	7.8%	9.1%
Combined ratio	101.3%	87.4%	96.1%	92.4%	96.2%

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

Sirius International Insurance Group, Ltd.
Segment Data — Quarterly
Specialty & Casualty

(Expressed in millions of U.S. dollars)	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Gross written premiums	\$ 120.9	\$ 72.2	\$ 76.5	\$ 60.9	\$ 115.5
Net written premiums	108.2	64.4	72.6	55.1	100.6
Net earned insurance and reinsurance premiums	75.7	71.2	58.4	55.5	54.4
Loss and allocated LAE	(47.6)	(55.5)	(34.1)	(31.7)	(21.6)
Insurance and reinsurance acquisition expenses	(20.5)	(20.6)	(16.2)	(14.6)	(14.1)
Technical profit (loss)	7.6	(4.9)	8.1	9.2	18.7
Unallocated LAE	(1.9)	(1.4)	(1.6)	(1.7)	(1.2)
Other underwriting expenses	(8.2)	(3.9)	(8.4)	(7.9)	(8.0)
Underwriting (loss) income	\$ (2.5)	\$ (10.2)	\$ (1.9)	\$ (0.4)	\$ 9.5
Underwriting ratios (1)					
Loss ratio	65.4%	79.9%	61.1%	60.2%	41.9%
Acquisition expense ratio	27.1%	28.9%	27.7%	26.3%	25.9%
Other underwriting expense ratio	10.8%	5.5%	14.4%	14.2%	14.7%
Combined ratio	103.3%	114.3%	103.2%	100.7%	82.5%

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

Sirius International Insurance Group, Ltd.
Segment Data — Quarterly
Runoff & Other

(Expressed in millions of U.S. dollars)	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Gross written premiums	\$ 1.4	\$ 18.3	\$ 0.7	\$ 6.4	\$ 7.5
Net written premiums	0.4	17.8	0.3	5.4	6.1
Net earned insurance and reinsurance premiums	0.4	17.7	0.4	5.1	6.0
Loss and allocated LAE	(1.1)	(25.3)	10.2	(0.3)	2.4
Insurance and reinsurance acquisition expenses	(0.7)	(0.5)	(0.1)	(1.5)	(0.7)
Technical (loss) profit	(1.4)	(8.1)	10.5	3.3	7.7
Unallocated LAE	(0.5)	—	(0.7)	—	(0.9)
Other underwriting expenses	(2.1)	(1.1)	(1.4)	(2.4)	(1.4)
Underwriting (loss) income	(4.0)	(9.2)	8.4	0.9	5.4
General and administrative expenses	(0.8)	(0.2)	(0.8)	(1.0)	(1.1)
Underwriting (loss) income, including net service fee income	\$ (4.8)	\$ (9.4)	\$ 7.6	\$ (0.1)	\$ 4.3

Sirius International Insurance Group, Ltd.
Gross Written Premiums by Segment

(Expressed in millions of U.S. dollars)	Three months ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Global Property					
Other Property	\$ 152.8	\$ 79.0	\$ 138.8	\$ 232.5	\$ 172.7
Property Catastrophe Excess	165.3	7.8	55.3	45.6	166.6
Agriculture	12.6	(0.1)	9.6	47.3	7.3
Total	330.7	86.7	203.7	325.4	346.6
Global A&H	169.3	125.6	117.1	112.3	145.6
Specialty & Casualty					
Casualty	61.8	39.8	41.4	28.1	27.1
Aviation & Space	17.3	27.1	13.5	10.8	21.1
Trade Credit	19.7	(9.8)	10.7	6.2	41.0
Marine	14.4	7.1	1.5	8.5	17.6
Contingency	1.7	3.4	2.8	3.5	6.9
Environmental	4.4	3.4	3.9	2.4	0.4
Surety	1.6	1.2	2.7	1.4	1.4
Total	120.9	72.2	76.5	60.9	115.5
Runoff & Other	1.4	18.3	0.7	6.4	7.5
Total	\$ 622.3	\$ 302.8	\$ 398.0	\$ 505.0	\$ 615.2

Sirius International Insurance Group, Ltd.
Net Earned Insurance and Reinsurance Premiums by Segment

(Expressed in millions of U.S. dollars)	Three months Ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Global Property					
Other Property	\$ 90.4	\$ 101.7	\$ 98.6	\$ 103.1	\$ 93.3
Property Catastrophe Excess	44.1	45.2	50.9	42.0	42.4
Agriculture	5.2	12.8	23.2	22.4	0.4
Total	139.7	159.7	172.7	167.5	136.1
Global A&H	96.1	99.2	89.6	80.8	88.0
Specialty & Casualty					
Casualty	38.4	30.1	23.2	16.8	10.7
Aviation & Space	14.6	16.2	14.1	15.3	14.8
Trade Credit	10.8	10.2	11.7	9.5	11.1
Marine	8.5	9.2	4.0	9.6	13.4
Contingency	1.6	3.7	3.1	3.7	4.5
Surety	1.2	1.4	1.9	0.5	(0.1)
Environmental	0.6	0.4	0.4	0.1	—
Total	75.7	71.2	58.4	55.5	54.4
Runoff & Other	0.4	17.7	0.4	5.1	6.0
Total	\$ 311.9	\$ 347.8	\$ 321.1	\$ 308.9	\$ 284.5

Sirius International Insurance Group, Ltd.
Net Investment Income

(Expressed in millions of U.S. dollars)	Three months ended,				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Fixed maturity investments	\$ 16.8	\$ 15.4	\$ 14.2	\$ 13.7	\$ 9.9
Short-term investments	0.4	1.4	2.4	0.5	0.8
Equity securities	2.7	2.3	5.9	7.1	1.2
Other long-term investments	3.9	2.7	2.7	1.3	1.2
Total investment income	23.8	21.8	25.2	22.6	13.1
Investment expenses	(3.7)	(2.2)	(3.4)	(3.4)	(2.3)
Net investment income	\$ 20.1	\$ 19.6	\$ 21.8	\$ 19.2	\$ 10.8

Sirius International Insurance Group, Ltd.
Investment Holdings — Cost to Fair Value Reconciliation

(Expressed in millions of U.S. dollars)	March 31, 2019					
	Cost or amortized cost	Gross unrealized gains	Gross unrealized losses	Net foreign currency gains (losses)	Fair value	Percentage
Fixed Maturity Investments						
Corporate debt securities	\$ 614.6	\$ 3.0	\$ (2.7)	\$ 13.2	\$ 628.1	18.1%
Asset-backed securities	476.7	0.3	(3.9)	3.8	476.9	13.8%
Residential mortgage-backed securities	415.1	5.2	(3.9)	9.4	425.8	12.2%
U.S. government and government agency	151.9	0.3	(0.2)	6.4	158.4	4.6%
Commercial mortgage-backed securities	113.6	0.4	(1.6)	1.2	113.6	3.3%
Non-U.S. government and government agency	37.8	—	(0.1)	0.8	38.5	1.1%
Preferred stocks	2.5	0.1	—	(0.1)	2.5	0.1%
U.S. States, municipalities and political subdivision	2.6	—	—	—	2.6	0.1%
Total fixed maturity investments	1,814.8	9.3	(12.4)	34.7	1,846.4	53.3%
Equity securities	398.4	26.2	(38.7)	8.5	394.4	11.4%
Total equity securities	398.4	26.2	(38.7)	8.5	394.4	11.4%
Total fixed maturity and equity securities	2,213.2	35.5	(51.1)	43.2	2,240.8	64.7%
Other long-term investments						
Hedge funds and private equity funds	275.9	27.8	(9.5)	7.5	301.7	8.7%
Limited liability companies and private equity securities	75.8	20.5	(11.0)	2.7	88.0	2.5%
Total other long-term investments	351.7	48.3	(20.5)	10.2	389.7	11.2%
Short-term investments	830.5	0.2	(0.1)	3.0	833.6	24.1%
Total investments	\$ 3,395.4	\$ 84.0	\$ (71.7)	\$ 56.4	\$ 3,464.1	100.0%

Sirius International Insurance Group, Ltd.
Investment Holdings — Quarterly
Investment Type

	<u>March 31, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2018</u>	<u>June 30, 2018</u>	<u>March 31, 2018</u>
	Fair Value %	Fair Value %	Fair Value %	Fair Value %	Fair Value %
Cash and investment holdings					
Fixed maturity investments					
Corporate debt securities	17.4%	19.6%	21.8%	21.9%	24.1%
Asset-backed securities	13.3%	14.0%	11.4%	8.9%	8.3%
Residential mortgage-backed securities	11.9%	11.7%	12.2%	12.2%	12.4%
U.S. government and government agency	4.3%	4.7%	3.2%	2.7%	2.2%
Commercial mortgage-backed securities	3.2%	3.3%	4.2%	4.7%	5.7%
Non-U.S. government and government agency	1.1%	1.4%	1.3%	2.3%	2.5%
Preferred stocks	0.1%	0.2%	0.3%	0.2%	0.3%
U.S. States, municipalities and political subdivision	0.1%	0.1%	0.0%	0.0%	0.0%
Total fixed maturity investments	51.4%	55.0%	54.4%	52.9%	55.5%
Equity securities	11.0%	10.7%	11.8%	11.6%	10.0%
Total fixed maturity and equity securities	62.4%	65.7%	66.2%	64.5%	65.5%
Other long-term investments					
Hedge funds and private equity funds	8.4%	8.6%	7.7%	7.0%	6.0%
Limited liability companies and private equity securities	2.4%	1.8%	1.9%	1.9%	1.7%
Total other long-term investments	10.8%	10.4%	9.6%	8.9%	7.7%
Short-term investments	23.2%	20.2%	20.9%	23.0%	21.6%
Total investments	96.4%	96.3%	96.7%	96.4%	94.8%
Cash and restricted cash	3.6%	3.7%	3.3%	3.6%	5.2%
Total cash and invested assets	100.0%	100.0%	100.0%	100.0%	100.0%

Sirius International Insurance Group, Ltd.
Investment Holdings — Quarterly
Credit Quality and Maturity Profile

	<u>March 31, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2018</u>	<u>June 30, 2018</u>	<u>March 31, 2018</u>
	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>
Credit Quality of Fixed Maturities					
AAA	31.1%	30.9%	28.9%	27.9%	25.4%
AA	43.3%	42.0%	38.8%	37.3%	37.7%
A	13.8%	14.9%	17.7%	17.6%	17.9%
BBB	8.4%	8.6%	10.0%	11.0%	13.1%
Other	3.4%	3.6%	4.6%	6.2%	5.9%
Total fixed maturity investments	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Maturity Profile of Fixed Maturities					
Due in one year or less	13.6%	13.2%	12.1%	9.4%	7.2%
Due after one year through five years	30.7%	32.6%	35.0%	37.0%	41.6%
Due after five years through ten years	0.6%	1.3%	1.3%	4.1%	2.3%
Due after ten years	0.0%	0.0%	0.0%	0.4%	1.0%
Mortgage-backed and asset-backed securities	55.0%	52.5%	51.0%	48.7%	47.4%
Preferred Stocks	0.1%	0.4%	0.6%	0.4%	0.5%
Total	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Sirius International Insurance Group, Ltd.
Impact of Foreign Currency Translation

(Expressed in millions of U.S. dollars)	Three months ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Net realized investment gains (losses) - foreign currency(1)	\$ 10.9	\$ 6.6	\$ 4.7	\$ 7.1	\$ (1.1)
Net unrealized investment gains (losses) - foreign currency(2)	25.0	(7.4)	(5.5)	29.7	18.9
Net realized and unrealized investment gains (losses) - foreign currency	35.9	(0.8)	(0.8)	36.8	17.8
Net foreign exchange gains (losses) - foreign currency translation gains (losses)(3)	4.1	(3.0)	(0.4)	21.5	(2.1)
Net foreign exchange gains (losses) - currency swaps(3)	1.0	4.0	(0.1)	4.3	(1.3)
Net foreign exchange (losses) - other(3)	—	—	—	(0.1)	(0.1)
Income tax (benefit) expense	(0.2)	2.4	0.1	—	(0.5)
Total foreign currency remeasurement gains (losses) recognized through net income (loss), after tax	40.8	2.6	(1.2)	62.5	13.8
Change in foreign currency translation on investments recognized through other comprehensive income (loss), after tax	(41.7)	(4.0)	6.4	(78.6)	(20.4)
Change in foreign currency translation on non-investment net liabilities recognized through other comprehensive income (loss), after tax	13.9	(0.7)	(1.7)	30.1	7.0
Total foreign currency translation (losses) gains recognized through other comprehensive income (loss), after tax	(27.8)	(4.7)	4.7	(48.5)	(13.4)
Total foreign currency gains (losses) recognized in comprehensive income (loss), after tax	\$ 13.0	\$ (2.1)	\$ 3.5	\$ 14.0	\$ 0.4

(1) Component of Net realized investment gains (losses) on the Consolidated Statements of Income

(2) Component of Net unrealized investment gains (losses) on the Consolidated Statements of Income

(3) Component of Net foreign exchange gains (losses) on the Consolidated Statements of Income

Sirius International Insurance Group, Ltd.
Net Realized and Unrealized Investment Gains (Losses)

(Expressed in millions of U.S. dollars)	Three months ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Gross realized gains	\$ 14.1	\$ 10.6	\$ 11.3	\$ 12.0	\$ 8.4
Gross realized (losses)	(5.1)	(16.3)	(7.4)	(4.2)	(12.1)
Net realized gains (losses) on investments(1)	9.0	(5.7)	3.9	7.8	(3.7)
Net unrealized gains (losses) on investments(2)	74.0	(52.2)	(11.7)	24.7	16.0
Net realized and unrealized gains (losses) on investments	\$ 83.0	\$ (57.9)	\$ (7.8)	\$ 32.5	\$ 12.3

(1) Includes \$10.9 million, \$6.6 million, \$4.7 million, \$7.1 million and \$(1.1) million of realized gains (losses) due to foreign currency for the three months ended March 31, 2019, December 31, 2018, September 30, 2018, June 30, 2018 and March 31, 2018, respectively.

(2) Includes \$25.0 million, \$(7.4) million, \$(5.5) million, \$29.7 million and \$18.9 million of unrealized gains (losses) due to foreign currency for the three months ended March 31, 2019, December 31, 2018, September 30, 2018, June 30, 2018 and March 31, 2018, respectively.

Sirius International Insurance Group, Ltd.
Book Value Per Share and Adjusted Book Value Per Share

(Expressed in millions of U.S. dollars except share amounts)	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Numerator:					
Total common shareholders' equity (A)	\$ 1,773.0	\$ 1,704.5	\$ 1,973.0	\$ 1,996.3	\$ 1,947.0
Series B preference shares	240.6	232.2	—	—	—
Earned portion of future proceeds from stock option awards	0.5	—	—	—	—
Adjusted book value (1) numerator (B)	\$ 2,014.1	\$ 1,936.7	\$ 1,973.0	\$ 1,996.3	\$ 1,947.0
Denominator:					
Common shares outstanding (C)	115,262,303	115,151,251	120,000,000	120,000,000	120,000,000
Series B preference shares outstanding	11,901,670	11,901,670	—	—	—
Earned share-based compensation awards, excluding stock options	95,541	—	—	—	—
Earned portion of Stock option awards issued	38,193	—	—	—	—
Adjusted shares outstanding (D)	127,297,707	127,052,921	120,000,000	120,000,000	120,000,000
Book value per common share (A)/(C)	\$ 15.38	\$ 14.80	\$ 16.44	\$ 16.64	\$ 16.23
Adjusted book value per share (1) (B)/(D)	\$ 15.82	\$ 15.24	\$ 16.44	\$ 16.64	\$ 16.23

(1) Adjusted book value and Adjusted book value per share are non-GAAP financial measures. See the accompanying Reconciliation of Non-GAAP Financial Measures for an explanation and calculation of Adjusted book value and Adjusted book value per share. Outstanding warrants are excluded as they are anti-dilutive as of the respective reporting dates.

Sirius International Insurance Group, Ltd.
Basic and Diluted Earnings Per Share

(Expressed in millions of U.S. dollars except for share and per share amounts)	Three months ended,	
	March 31, 2019	March 31, 2018
Numerator:		
Net income	\$ 104.1	\$ 43.3
Less: Income attributable to non-controlling interests	(0.4)	(0.2)
Less: Accrued dividends on Series A redeemable preference shares	—	(2.6)
Adjustment of Series B preference carrying value	(8.4)	—
Net income available for dividends out of undistributed earnings	95.3	40.5
Less: Earnings attributable to Series A redeemable preference shares	—	(1.7)
Less: Earnings attributable to Series B preference shares	(8.9)	—
Net income available to Sirius Group's common shareholders	\$ 86.4	\$ 38.8
Adjustment of Series B preference carrying value	8.4	—
Net income available to Sirius Group's common shareholders on a fully diluted basis	<u>\$ 94.8</u>	<u>\$ 38.8</u>
Denominator:		
Weighted average shares outstanding for basic earnings per share	115,182,331	120,000,000
Weighted average shares outstanding for diluted earnings per share	127,335,314	120,000,000
Earnings per share		
Basic earnings per share	<u>\$ 0.75</u>	<u>\$ 0.32</u>
Diluted earnings per share	<u>\$ 0.74</u>	<u>\$ 0.32</u>

Sirius International Insurance Group, Ltd.
Return on Common Shareholders' Equity — Consecutive Quarters

(Expressed in millions of U.S. dollars)	Three months ended				
	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Beginning common shareholders' equity	\$ 1,704.5	\$ 1,973.0	\$ 1,996.3	\$ 1,947.0	\$ 1,917.0
Net income (loss) attributable to common shareholders	\$ 95.3	\$ (153.6)	\$ (28.0)	\$ 97.8	\$ 40.5
Return on beginning common shareholders' equity	<u>5.6%</u>	<u>-7.8%</u>	<u>-1.4%</u>	<u>5.0%</u>	<u>2.1%</u>

Sirius International Insurance Group, Ltd.
Reserves for Unpaid Losses and Loss Adjustment Expenses

(Expressed in millions of U.S. dollars)	Three months ended	
	March 31, 2019	March 31, 2018
Gross beginning balance	\$ 2,016.7	\$ 1,898.5
Less: beginning reinsurance recoverable on unpaid losses	(350.2)	(319.7)
Net loss and LAE reserve balance	1,666.5	1,578.8
Losses and LAE incurred relating to:		
Current year losses	167.3	143.5
Prior years losses	16.6	(2.5)
Total net incurred losses and LAE	183.9	141.0
Foreign currency translation adjustment to net loss and LAE reserves	(3.4)	6.7
Loss and LAE paid relating to:		
Current year losses	36.2	31.3
Prior years losses	183.8	147.1
Total loss and LAE payments	220.0	178.4
Net ending balance	1,627.0	1,548.1
Plus ending reinsurance recoverable on unpaid losses	349.3	327.8
Gross ending balance	\$ 1,976.3	\$ 1,875.9

Sirius International Insurance Group, Ltd.
Reconciliation of Non-GAAP Financial Measures

Adjusted book value per share

Adjusted book value and Adjusted book value per share are non-GAAP financial measures used to show the Company's total worth on a per-share basis and is useful to management and investors in analyzing the intrinsic value of the Company.

Adjusted shares outstanding is derived by summing Common shares outstanding, Series B preference shares outstanding (which were issued to the cornerstone investors), and the Earned portion of share-based compensation awards. Adjusted book value is derived by summing Total common shareholders' equity, the Series B preference share amount reflected in mezzanine equity, and the Earned portion of future proceeds from stock option awards. Outstanding warrants are excluded as they are anti-dilutive as of the respective reporting dates.

At March 31, 2019, Adjusted book value and Adjusted book value per share include the earned effects of share-based compensation awards issued during 2019.

Adjusted book value per share is derived by dividing the Adjusted book value by the Adjusted shares outstanding. The reconciliation to Total common shareholders' equity and Book value per common share, the most directly comparable GAAP measures, are presented in the table below.

(Expressed in millions of U.S. dollars, except share amounts)	March 31, 2019	December 31, 2018
Common shares outstanding	115,262,303	115,151,251
Series B preference shares outstanding	11,901,670	11,901,670
Earned share-based compensation awards, excluding stock options	95,541	—
Earned portion of Stock option awards issued	38,193	—
Adjusted shares outstanding	127,297,707	127,052,921
Total common shareholders' equity	\$ 1,773.0	\$ 1,704.5
Series B preference shares	240.6	232.2
Earned portion of future proceeds from stock option awards	0.5	—
Adjusted book value	\$ 2,014.1	\$ 1,936.7
Book value per common share	\$ 15.38	\$ 14.80
Adjusted book value per share	\$ 15.82	\$ 15.24

Sirius International Insurance Group, Ltd.
Reconciliation of Non-GAAP Financial Measures

Operating income attributable to common shareholders

The Company uses Operating income attributable to common shareholders as a measure to evaluate the underlying fundamentals of its operations and believes it to be a useful measure of its core performance. Operating income attributable to common shareholders as used herein differs from net income attributable to common shareholders, which the Company believes is the most directly comparable GAAP measure, by the exclusion of net realized and unrealized gains and losses on investments, net foreign exchange gains (losses) and the associated income tax expense or benefit. The Company's management believes that Operating income attributable to common shareholders is useful to investors because it is more reflective of the Company's core business, as it removes the variability arising from fluctuations in the Company's fixed maturity investment portfolio, equity investments trading, investments-related derivatives, and net foreign exchange gains (losses) and the associated income tax expense or benefit of those fluctuations. The following is a reconciliation of net income attributable to common shareholders to Operating income attributable to common shareholders:

<u>(Expressed in millions of U.S. dollars)</u>	<u>Three months ended March 31,</u>	
	<u>2019</u>	<u>2018</u>
Net income attributable to common shareholders	\$ 95.3	\$ 40.5
Adjustment for net realized and unrealized (gains) on investments	(83.0)	(12.3)
Adjustment for net foreign exchange (gains) losses	(5.1)	3.5
Adjustment for income tax expenses (benefit) (1)	5.7	(0.8)
Operating income attributable to common shareholders	\$ 12.9	\$ 30.9

- (1) Adjustment for income tax expense (benefit) represents the income tax (expense) benefit associated with the adjustment for net realized and unrealized (gains) on investments and the income tax expense (benefit) associated with the adjustment for net foreign exchange gains. The income tax impact is estimated by applying the statutory rates of applicable jurisdictions, after consideration of other relevant factors.