### Consolidated Balance Sheets

June 30, 2016  
(Unaudited)  
December 31, 2015

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed maturity investments, at fair value</td>
<td>$3,056.3</td>
<td>$2,359.0</td>
<td></td>
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</tr>
<tr>
<td>Short-term investments, at amortized cost (which approximates fair value)</td>
<td>471.0</td>
<td>323.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common equity securities, at fair value</td>
<td>113.3</td>
<td>730.1</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Other long-term investments</td>
<td>75.2</td>
<td>78.2</td>
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<tr>
<td><strong>Total investments</strong></td>
<td>3,715.8</td>
<td>3,490.5</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Cash</td>
<td>176.1</td>
<td>141.5</td>
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<tr>
<td>Reinsurance recoverable on unpaid losses</td>
<td>282.6</td>
<td>283.1</td>
<td></td>
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<tr>
<td>Reinsurance recoverable on paid losses</td>
<td>9.8</td>
<td>10.2</td>
<td></td>
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<tr>
<td>Insurance and reinsurance premiums receivable</td>
<td>470.9</td>
<td>323.6</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Funds held by ceding companies</td>
<td>95.7</td>
<td>90.6</td>
<td></td>
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</tr>
<tr>
<td>Investments in unconsolidated affiliates</td>
<td>-</td>
<td>151.9</td>
<td></td>
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</tr>
<tr>
<td>Deferred acquisition costs</td>
<td>93.6</td>
<td>74.6</td>
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<tr>
<td>Deferred tax asset</td>
<td>272.1</td>
<td>275.7</td>
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<tr>
<td>Ceded unearned insurance and reinsurance premiums</td>
<td>143.7</td>
<td>87.7</td>
<td></td>
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</tr>
<tr>
<td>Accrued investment income</td>
<td>19.3</td>
<td>16.8</td>
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<td></td>
</tr>
<tr>
<td>Accounts receivable on unsettled investment sales</td>
<td>48.6</td>
<td>29.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>100.3</td>
<td>70.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$5,428.5</td>
<td>$5,045.5</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss and loss adjustment expense reserves</td>
<td>$1,652.6</td>
<td>$1,644.4</td>
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<tr>
<td>Unearned insurance and reinsurance premiums</td>
<td>511.1</td>
<td>342.2</td>
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<tr>
<td>Debt</td>
<td>403.3</td>
<td>403.0</td>
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<tr>
<td>Deferred tax liability</td>
<td>258.8</td>
<td>263.6</td>
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<tr>
<td>Funds held under reinsurance treaties</td>
<td>55.4</td>
<td>52.9</td>
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<tr>
<td>Ceded reinsurance payable</td>
<td>121.2</td>
<td>67.1</td>
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<tr>
<td>Accounts payable on unsettled investment purchases</td>
<td>154.6</td>
<td>-</td>
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<tr>
<td>Other liabilities</td>
<td>72.1</td>
<td>89.6</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>3,229.1</td>
<td>2,862.8</td>
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</table>

<table>
<thead>
<tr>
<th>Shareholders' equity</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Common shares at $1.00 par value per share - authorized 12,000 shares; issued and outstanding, 12,000 shares</td>
<td>0.1</td>
<td>0.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preference shares at $0.01 par value per share - 250,000 shares</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Additional paid-in surplus - common shares</td>
<td>1,114.0</td>
<td>1,091.8</td>
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<td></td>
<td></td>
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<tr>
<td>Additional paid-in surplus - preference shares</td>
<td>250.0</td>
<td>250.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Retained earnings</td>
<td>986.2</td>
<td>986.2</td>
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<td></td>
<td></td>
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<tr>
<td>Accumulated other comprehensive income (loss), after-tax:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net unrealized foreign currency translation losses</td>
<td>(151.5)</td>
<td>(144.3)</td>
<td></td>
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<td></td>
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<tr>
<td>Other, net</td>
<td>(0.2)</td>
<td>(1.2)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td>2,198.6</td>
<td>2,182.6</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

| Non-controlling interests | 0.8 | 0.1 |  |

| Total equity | 2,199.4 | 2,182.7 |  |

| Total liabilities and shareholders' equity | $5,428.5 | $5,045.5 |  |
### Consolidated Statements of Operations and Comprehensive Income (Unaudited)

#### Six Months Ended June 30,

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