

**Essent Group Ltd. and Subsidiaries**  
**Financial Results and Supplemental Information (Unaudited)**  
**Quarter Ended June 30, 2015**

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**Essent Group Ltd. and Subsidiaries**  
**Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

(In thousands, except per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Net premiums written	\$ 92,399	\$ 63,505	\$ 174,656	\$ 115,697
Increase in unearned premiums	(14,038)	(13,163)	(21,257)	(20,605)
Net premiums earned	78,361	50,342	153,399	95,092
Net investment income	4,720	3,080	9,000	4,978
Realized investment gains, net	568	68	1,217	468
Other income	418	793	462	1,566
<b>Total revenues</b>	<b>84,067</b>	<b>54,283</b>	<b>164,078</b>	<b>102,104</b>
<b>Losses and expenses:</b>				
Provision for losses and LAE	2,314	966	4,313	1,868
Other underwriting and operating expenses	27,148	23,648	54,646	47,107
<b>Total losses and expenses</b>	<b>29,462</b>	<b>24,614</b>	<b>58,959</b>	<b>48,975</b>
Income before income taxes	54,605	29,669	105,119	53,129
Income tax expense	17,412	10,114	33,088	18,568
<b>Net income</b>	<b>\$ 37,193</b>	<b>\$ 19,555</b>	<b>\$ 72,031</b>	<b>\$ 34,561</b>
<b>Earnings per share:</b>				
Basic	\$ 0.41	\$ 0.23	\$ 0.80	\$ 0.42
Diluted	0.41	0.23	0.79	0.41
<b>Weighted average shares outstanding:</b>				
Basic	90,344	83,276	90,265	83,071
Diluted	91,674	84,706	91,594	84,701
<b>Net income</b>	\$ 37,193	\$ 19,555	\$ 72,031	\$ 34,561
<b>Other comprehensive income (loss):</b>				
Change in unrealized (depreciation) appreciation of investments	(8,769)	4,915	(3,880)	5,394
Total other comprehensive income (loss)	(8,769)	4,915	(3,880)	5,394
<b>Comprehensive income</b>	<b>\$ 28,424</b>	<b>\$ 24,470</b>	<b>\$ 68,151</b>	<b>\$ 39,955</b>
<b>Loss ratio</b>	3.0%	1.9%	2.8%	2.0%
<b>Expense ratio</b>	34.6%	47.0%	35.6%	49.5%
<b>Combined ratio</b>	37.6%	48.9%	38.4%	51.5%

**Essent Group Ltd. and Subsidiaries**  
**Condensed Consolidated Balance Sheets (Unaudited)**

<u>(In thousands, except per share amounts)</u>	<u>June 30,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
<b>Assets</b>		
Investments available for sale, at fair value		
Fixed maturities	\$ 1,064,013	\$ 846,925
Short-term investments	95,366	210,688
Total investments	<u>1,159,379</u>	<u>1,057,613</u>
Cash	25,590	24,411
Accrued investment income	6,943	5,748
Accounts receivable	14,972	15,810
Deferred policy acquisition costs	10,546	9,597
Property and equipment (at cost, less accumulated depreciation of \$40,841 in 2015 and \$39,260 in 2014)	8,631	5,841
Prepaid federal income tax	95,173	59,673
Other assets	<u>6,254</u>	<u>2,768</u>
<b>Total assets</b>	<u><u>\$ 1,327,488</u></u>	<u><u>\$ 1,181,461</u></u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
Reserve for losses and LAE	\$ 11,931	\$ 8,427
Unearned premium reserve	178,205	156,948
Accrued payroll and bonuses	8,763	14,585
Net deferred tax liability	64,161	37,092
Securities purchased payable	26,897	227
Other accrued liabilities	9,758	8,444
Total liabilities	<u>299,715</u>	<u>225,723</u>
Commitments and contingencies		
<b>Stockholders' Equity</b>		
Common shares, \$0.015 par value:		
Authorized - 233,333; issued - 92,659 shares in 2015 and 92,546 shares in 2014	1,390	1,388
Additional paid-in capital	897,167	893,285
Accumulated other comprehensive income	787	4,667
Retained earnings	128,429	56,398
Total stockholders' equity	<u>1,027,773</u>	<u>955,738</u>
<b>Total liabilities and stockholders' equity</b>	<u><u>\$ 1,327,488</u></u>	<u><u>\$ 1,181,461</u></u>

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Historical Quarterly Data**

<b>Selected Income Statement Data</b> <i>(In thousands, except per share amounts)</i>	<b>2015</b>		<b>2014</b>			
	<b>June 30</b>	<b>March 31</b>	<b>December 31</b>	<b>September 30</b>	<b>June 30</b>	<b>March 31</b>
<b>Revenues:</b>						
Net premiums written	\$ 92,399	\$ 82,257	\$ 83,219	\$ 77,862	\$ 63,505	\$ 52,192
Net premiums earned	78,361	75,038	67,814	60,323	50,342	44,750
Other revenues	5,706	4,973	4,928	4,298	3,941	3,071
Total revenues	<u>84,067</u>	<u>80,011</u>	<u>72,742</u>	<u>64,621</u>	<u>54,283</u>	<u>47,821</u>
<b>Losses and expenses:</b>						
Provision for losses and LAE	2,314	1,999	3,049	1,391	966	902
Other underwriting and operating expenses	27,148	27,498	25,656	24,469	23,648	23,459
Total losses and expenses	<u>29,462</u>	<u>29,497</u>	<u>28,705</u>	<u>25,860</u>	<u>24,614</u>	<u>24,361</u>
Income before income taxes	54,605	50,514	44,037	38,761	29,669	23,460
Income tax expense	17,412	15,676	15,171	13,691	10,114	8,454
<b>Net income</b>	<u>\$ 37,193</u>	<u>\$ 34,838</u>	<u>\$ 28,866</u>	<u>\$ 25,070</u>	<u>\$ 19,555</u>	<u>\$ 15,006</u>
<b>Earnings per share:</b>						
Basic	\$ 0.41	\$ 0.39	\$ 0.34	\$ 0.30	\$ 0.23	\$ 0.18
Diluted	0.41	0.38	0.33	0.29	0.23	0.18
<b>Weighted average shares outstanding:</b>						
Basic	90,344	90,185	86,134	83,640	83,276	82,864
Diluted	91,674	91,514	87,950	85,028	84,706	84,696
<b>Other Data:</b>						
Loss ratio (1)	3.0%	2.7%	4.5%	2.3%	1.9%	2.0%
Expense ratio (2)	34.6%	36.6%	37.8%	40.6%	47.0%	52.4%
Combined ratio	<u>37.6%</u>	<u>39.3%</u>	<u>42.3%</u>	<u>42.9%</u>	<u>48.9%</u>	<u>54.4%</u>

(1) Loss ratio is calculated by dividing the provision for loss and LAE by net premiums earned.

(2) Expense ratio is calculated by dividing other underwriting and operating expenses by net premiums earned.

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Historical Quarterly Data**

<b>Other Data, continued:</b> (\$ in thousands)	2015		2014			
	June 30	March 31	December 31	September 30	June 30	March 31
<b>Flow:</b>						
New insurance written	\$ 7,225,401	\$ 5,346,820	\$ 6,204,821	\$ 7,283,169	\$ 5,874,334	\$ 3,630,573
New risk written	1,800,027	1,302,710	1,523,527	1,802,408	1,477,547	907,257
<b>Bulk:</b>						
New insurance written	\$ 61,258	\$ —	\$ 300,008	\$ 1,506,529	\$ —	\$ —
New risk written	4,062	—	35,007	30,131	—	—
<b>Consolidated:</b>						
Average premium rate (3)	0.57%	0.58%	0.56%	0.55%	0.54%	0.54%
New insurance written	\$ 7,286,659	\$ 5,346,820	\$ 6,504,829	\$ 8,789,698	\$ 5,874,334	\$ 3,630,573
New risk written	\$ 1,804,089	\$ 1,302,710	\$ 1,558,534	\$ 1,832,539	\$ 1,477,547	\$ 907,257
Insurance in force (end of period)	\$ 57,435,859	\$ 53,253,632	\$ 50,762,594	\$ 46,428,526	\$ 39,379,879	\$ 34,778,057
Risk in force (end of period)	\$ 13,992,701	\$ 12,891,462	\$ 12,227,270	\$ 11,152,497	\$ 9,700,549	\$ 8,493,862
Policies in force	261,996	242,477	229,721	209,841	175,773	154,451
Weighted-average coverage (4)	24.4%	24.2%	24.1%	24.0%	24.6%	24.4%
Annual persistency	80.3%	82.8%	86.4%	88.5%	89.1%	87.9%
Loans in default (count)	605	505	457	312	235	192
Percentage of loans in default	0.23%	0.21%	0.20%	0.15%	0.13%	0.12%

(3) Average premium rate is calculated by dividing net premiums earned by average insurance in force for the period.

(4) Weighted-average coverage is calculated by dividing end of period risk in force by insurance in force.

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**New Insurance Written: Flow**

**NIW by Credit Score**

	Three Months Ended				Six Months Ended			
	June 30, 2015		June 30, 2014		June 30, 2015		June 30, 2014	
(\$ in thousands)								
>=760	\$ 3,261,740	45.1%	\$ 2,651,224	45.1%	\$ 5,608,531	44.6%	\$ 4,265,660	44.9%
740-759	1,165,784	16.1	964,322	16.4	2,060,160	16.4	1,601,181	16.8
720-739	1,063,764	14.7	858,348	14.6	1,843,176	14.7	1,394,819	14.7
700-719	733,531	10.2	629,211	10.7	1,272,607	10.1	1,004,711	10.6
680-699	574,039	8.0	490,259	8.3	1,026,485	8.2	805,526	8.5
<=679	426,543	5.9	280,970	4.9	761,262	6.0	433,010	4.5
Total	<u>\$ 7,225,401</u>	<u>100.0%</u>	<u>\$ 5,874,334</u>	<u>100.0%</u>	<u>\$ 12,572,221</u>	<u>100.0%</u>	<u>\$ 9,504,907</u>	<u>100.0%</u>
Weighted-average credit score	748		749		748		749	

**NIW by LTV**

	Three Months Ended				Six Months Ended			
	June 30, 2015		June 30, 2014		June 30, 2015		June 30, 2014	
(\$ in thousands)								
85.00% and below	\$ 893,957	12.4%	\$ 671,651	11.4%	\$ 1,703,195	13.5%	\$ 1,107,384	11.7%
85.01% to 90.00%	2,514,695	34.8	1,976,596	33.6	4,333,466	34.5	3,217,124	33.8
90.01% to 95.00%	3,645,029	50.4	3,204,930	54.6	6,278,080	49.9	5,130,693	54.0
95.01% and above	171,720	2.4	21,157	0.4	257,480	2.1	49,706	0.5
Total	<u>\$ 7,225,401</u>	<u>100.0%</u>	<u>\$ 5,874,334</u>	<u>100.0%</u>	<u>\$ 12,572,221</u>	<u>100.0%</u>	<u>\$ 9,504,907</u>	<u>100.0%</u>
Weighted-average LTV	92%		92%		91%		92%	

**NIW by Product**

	Three Months Ended				Six Months Ended			
	June 30, 2015		June 30, 2014		June 30, 2015		June 30, 2014	
Single Premium policies		23.8%		18.6%		23.8%		18.5%
Monthly Premium policies		76.2		81.4		76.2		81.5
		<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>

**NIW by Purchase vs. Refinance**

	Three Months Ended				Six Months Ended			
	June 30, 2015		June 30, 2014		June 30, 2015		June 30, 2014	
Purchase		78.4%		86.6%		74.5%		86.0%
Refinance		21.6		13.4		25.5		14.0
		<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>		<u>100.0%</u>

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**New Insurance Written: Bulk**

**NIW by Credit Score**

	<b>Three Months Ended</b>				<b>Six Months Ended</b>			
	<b>June 30, 2015</b>		<b>June 30, 2014</b>		<b>June 30, 2015</b>		<b>June 30, 2014</b>	
	(\$ in thousands)							
>=760	\$ 48,709	79.5%	\$ —	0.0%	\$ 48,709	79.5%	\$ —	0.0%
740-759	6,266	10.2	—	—	6,266	10.2	—	—
720-739	4,950	8.1	—	—	4,950	8.1	—	—
700-719	1,333	2.2	—	—	1,333	2.2	—	—
680-699	—	—	—	—	—	—	—	—
<=679	—	—	—	—	—	—	—	—
<b>Total</b>	<b>\$ 61,258</b>	<b>100.0%</b>	<b>\$ —</b>	<b>0.0%</b>	<b>\$ 61,258</b>	<b>100.0%</b>	<b>\$ —</b>	<b>0.0%</b>
Weighted-average credit score	778		N/A		778		N/A	

**NIW by LTV**

	<b>Three Months Ended</b>				<b>Six Months Ended</b>			
	<b>June 30, 2015</b>		<b>June 30, 2014</b>		<b>June 30, 2015</b>		<b>June 30, 2014</b>	
	(\$ in thousands)							
85.00% and below	\$ 61,258	100.0%	\$ —	0.0%	\$ 61,258	100.0%	\$ —	0.0%
85.01% to 90.00%	—	—	—	—	—	—	—	—
90.01% to 95.00%	—	—	—	—	—	—	—	—
95.01% and above	—	—	—	—	—	—	—	—
<b>Total</b>	<b>\$ 61,258</b>	<b>100.0%</b>	<b>\$ —</b>	<b>0.0%</b>	<b>\$ 61,258</b>	<b>100.0%</b>	<b>\$ —</b>	<b>0.0%</b>
Weighted-average LTV	79%		N/A		79%		N/A	

**NIW by Product**

	<b>Three Months Ended</b>				<b>Six Months Ended</b>			
	<b>June 30, 2015</b>		<b>June 30, 2014</b>		<b>June 30, 2015</b>		<b>June 30, 2014</b>	
	(\$ in thousands)							
Single Premium policies		100.0%		0.0%		100.0%		0.0%
Monthly Premium policies		—		—		—		—
		<u>100.0%</u>		<u>0.0%</u>		<u>100.0%</u>		<u>0.0%</u>

**NIW by Purchase vs. Refinance**

	<b>Three Months Ended</b>				<b>Six Months Ended</b>			
	<b>June 30, 2015</b>		<b>June 30, 2014</b>		<b>June 30, 2015</b>		<b>June 30, 2014</b>	
	(\$ in thousands)							
Purchase		97.6%		0.0%		97.6%		0.0%
Refinance		2.4		—		2.4		—
		<u>100.0%</u>		<u>0.0%</u>		<u>100.0%</u>		<u>0.0%</u>

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Insurance in Force and Risk in Force: Consolidated**

**Portfolio by Credit Score**

Total IIF by FICO score (\$ in thousands)	<u>June 30, 2015</u>		<u>March 31, 2015</u>		<u>June 30, 2014</u>	
>=760	\$ 27,079,306	47.2%	\$ 25,345,630	47.6%	\$ 20,157,165	51.2%
740-759	9,814,404	17.1	9,204,965	17.3	6,963,735	17.7
720-739	8,274,037	14.4	7,613,387	14.3	5,502,718	14.0
700-719	5,596,235	9.7	5,143,705	9.6	3,481,564	8.8
680-699	4,238,060	7.4	3,842,342	7.2	2,368,613	6.0
<=679	2,433,817	4.2	2,103,603	4.0	906,084	2.3
<b>Total</b>	<b>\$ 57,435,859</b>	<b>100.0%</b>	<b>\$ 53,253,632</b>	<b>100.0%</b>	<b>\$ 39,379,879</b>	<b>100.0%</b>

Weighted-average credit score 751 752 756

Total RIF by FICO score (\$ in thousands)	<u>June 30, 2015</u>		<u>March 31, 2015</u>		<u>June 30, 2014</u>	
>=760	\$ 6,557,638	46.9%	\$ 6,112,309	47.4%	\$ 4,913,013	50.6%
740-759	2,410,327	17.2	2,244,474	17.4	1,722,247	17.8
720-739	2,041,686	14.6	1,865,939	14.5	1,376,538	14.2
700-719	1,347,680	9.6	1,224,580	9.5	855,985	8.8
680-699	1,045,595	7.5	939,792	7.3	601,426	6.2
<=679	589,775	4.2	504,368	3.9	231,340	2.4
<b>Total</b>	<b>\$ 13,992,701</b>	<b>100.0%</b>	<b>\$ 12,891,462</b>	<b>100.0%</b>	<b>\$ 9,700,549</b>	<b>100.0%</b>

**Portfolio by LTV**

Total IIF by LTV (\$ in thousands)	<u>June 30, 2015</u>		<u>March 31, 2015</u>		<u>June 30, 2014</u>	
85.00% and below	\$ 6,801,098	11.9%	\$ 6,382,552	12.0%	\$ 4,928,612	12.5%
85.01% to 90.00%	19,751,418	34.4	18,422,873	34.6	14,516,271	36.9
90.01% to 95.00%	29,600,148	51.5	27,288,976	51.2	19,489,901	49.5
95.01% and above	1,283,195	2.2	1,159,231	2.2	445,095	1.1
<b>Total</b>	<b>\$ 57,435,859</b>	<b>100.0%</b>	<b>\$ 53,253,632</b>	<b>100.0%</b>	<b>\$ 39,379,879</b>	<b>100.0%</b>

Weighted-average LTV 92% 92% 91%

Total RIF by LTV (\$ in thousands)	<u>June 30, 2015</u>		<u>March 31, 2015</u>		<u>June 30, 2014</u>	
85.00% and below	\$ 761,349	5.4%	\$ 716,057	5.6%	\$ 550,950	5.7%
85.01% to 90.00%	4,676,693	33.4	4,350,761	33.7	3,434,553	35.4
90.01% to 95.00%	8,335,450	59.6	7,644,265	59.3	5,567,538	57.4
95.01% and above	219,209	1.6	180,379	1.4	147,508	1.5
<b>Total</b>	<b>\$ 13,992,701</b>	<b>100.0%</b>	<b>\$ 12,891,462</b>	<b>100.0%</b>	<b>\$ 9,700,549</b>	<b>100.0%</b>

**Portfolio by Loan Amortization Period**

Total IIF by Loan Amortization Period (\$ in thousands)	<u>June 30, 2015</u>		<u>March 31, 2015</u>		<u>June 30, 2014</u>	
FRM 30 years and higher	\$ 50,910,993	88.6%	\$ 46,922,016	88.1%	\$ 34,103,315	86.6%
FRM 20-25 years	1,434,585	2.5	1,336,976	2.5	1,150,105	2.9
FRM 15 years	2,683,327	4.7	2,619,532	4.9	2,434,151	6.2
ARM 5 years and higher	2,406,954	4.2	2,375,108	4.5	1,692,308	4.3
<b>Total</b>	<b>\$ 57,435,859</b>	<b>100.0%</b>	<b>\$ 53,253,632</b>	<b>100.0%</b>	<b>\$ 39,379,879</b>	<b>100.0%</b>



**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Other Risk in Force**

<u>(In thousands)</u>	<u>June 30, 2015</u>	<u>March 31, 2015</u>	<u>June 30, 2014</u>
ACIS (A)	\$ 66,291	\$ 63,533	\$ —

(A) Essent Reinsurance Ltd. provides insurance or reinsurance in connection with Freddie Mac's Agency Credit Insurance Structure ("ACIS") program, and covers the risk in force on the loans in the reference pools associated with STACR notes issued by Freddie Mac.

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Portfolio Vintage Data: Consolidated**

Origination year	Original Insurance Written (\$ in thousands)	Remaining Insurance in Force (\$ in thousands)	% Remaining of Original Insurance	Insurance in Force as of June 30, 2015					
				% Purchase	>90% LTV	>95% LTV	FICO < 700	FICO >= 760	% FRM
2010	\$ 245,898	\$ 61,948	25.2%	74.1%	41.2%	0.0%	3.1%	60.4%	98.1%
2011	3,229,720	1,060,637	32.8	73.4	40.9	0.2	4.6	56.7	94.0
2012	11,241,161	6,588,716	58.6	71.3	50.1	0.5	5.2	56.0	97.2
2013	21,152,638	15,544,043	73.5	75.3	53.3	1.8	7.8	51.2	96.6
2014	24,799,434	21,735,013	87.6	84.3	57.0	3.3	15.2	42.5	94.1
2015 (through June 30)	12,633,479	12,445,502	98.5	74.6	51.8	2.1	14.2	44.6	97.3
Total	<u>\$ 73,302,330</u>	<u>\$ 57,435,859</u>	78.4	78.1	53.8	2.2	11.6	47.1	95.8

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Portfolio Geographic Data: Consolidated**

**IIF by State**

	<u>As of June 30, 2015</u>	<u>As of March 31, 2015</u>	<u>As of June 30, 2014</u>
CA	9.9%	10.0%	11.0%
TX	8.3	8.4	8.5
FL	5.8	5.6	5.1
WA	4.6	4.5	4.0
NC	4.0	4.0	4.3
IL	4.0	3.9	3.9
MA	3.4	3.7	2.6
NJ	3.4	3.4	3.5
PA	3.3	3.4	3.3
GA	3.3	3.3	3.5
All Others	50.0	49.8	50.3
TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

**RIF by State**

	<u>As of June 30, 2015</u>	<u>As of March 31, 2015</u>	<u>As of June 30, 2014</u>
CA	9.5%	9.6%	10.4%
TX	8.6	8.6	8.3
FL	6.1	5.9	5.3
WA	4.7	4.6	4.0
NC	4.1	4.2	4.4
IL	4.0	4.0	4.0
GA	3.5	3.5	3.6
NJ	3.3	3.4	3.4
AZ	3.2	3.2	3.3
PA	3.2	3.2	3.4
All Others	49.8	49.8	49.9
TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Defaults, Reserve for Losses and LAE, and Claims**

**Rollforward of Insured Loans in Default**

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Beginning default inventory	505	192	457	159
Plus: new defaults	385	151	766	318
Less: cures	(270)	(98)	(590)	(226)
Less: claims paid	(15)	(10)	(28)	(16)
Ending default inventory	<u>605</u>	<u>235</u>	<u>605</u>	<u>235</u>

**Rollforward of Reserve for Losses and LAE**

(\$ in thousands)	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Reserve for losses and LAE at beginning of period	\$ 10,065	\$ 3,804	\$ 8,427	\$ 3,070
Add provision for losses and LAE occurring in:				
Current year	3,374	1,166	6,079	2,452
Prior years	(1,060)	(200)	(1,766)	(584)
Incurring losses during the period	2,314	966	4,313	1,868
Deduct payments for losses and LAE occurring in:				
Current year	140	—	140	—
Prior years	308	264	669	432
Loss and LAE payments during the period	448	264	809	432
Reserve for losses and LAE at end of period	<u>\$ 11,931</u>	<u>\$ 4,506</u>	<u>\$ 11,931</u>	<u>\$ 4,506</u>

**Claims**

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>	<b>June 30,</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Number of claims paid	15	10	28	16
Total amount paid for claims (in thousands)	\$ 431	\$ 263	\$ 780	\$ 422
Average amount paid per claim (in thousands)	\$ 29	\$ 26	\$ 28	\$ 26
Severity	88%	54%	81%	62%

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Defaults, Reserve for Losses and LAE, and Claims**

As of June 30, 2015

(\$ in thousands)	Number of Policies in Default	Percentage of Policies in Default	Amount of Reserves	Percentage of Reserves	Defaulted RIF	Reserves as a Percentage of RIF
Missed Payments:						
Three payments or less	289	48%	\$ 2,797	26%	\$ 16,188	17%
Four to eleven payments	243	40	5,680	52	12,715	45
Twelve or more payments	58	10	2,003	18	2,500	80
Pending claims	15	2	478	4	540	89
Total	<u>605</u>	<u>100%</u>	<u>10,958</u>	<u>100%</u>	<u>\$ 31,943</u>	<u>34</u>
IBNR			822			
LAE			151			
Total			<u>\$ 11,931</u>			
Average reserve per default:						
Case			\$ 18.1			
Total			\$ 19.7			
Default Rate	0.23%					

As of December 31, 2014

(\$ in thousands)	Number of Policies in Default	Percentage of Policies in Default	Amount of Reserves	Percentage of Reserves	Defaulted RIF	Reserves as a Percentage of RIF
Missed Payments:						
Three payments or less	247	54%	\$ 2,381	31%	\$ 13,059	18%
Four to eleven payments	167	37	3,748	49	8,132	46
Twelve or more payments	34	7	1,147	15	1,510	76
Pending claims	9	2	424	5	419	101
Total	<u>457</u>	<u>100%</u>	<u>7,700</u>	<u>100%</u>	<u>\$ 23,120</u>	<u>33</u>
IBNR			578			
LAE			149			
Total			<u>\$ 8,427</u>			
Average reserve per default:						
Case			\$ 16.8			
Total			\$ 18.4			
Default Rate	0.20%					

As of June 30, 2014

(\$ in thousands)	Number of Policies in Default	Percentage of Policies in Default	Amount of Reserves	Percentage of Reserves	Defaulted RIF	Reserves as a Percentage of RIF
Missed Payments:						
Three payments or less	121	51%	\$ 1,266	31%	\$ 6,316	20%
Four to eleven payments	92	39	2,026	49	4,083	50
Twelve or more payments	20	9	724	18	990	73
Pending claims	2	1	105	2	103	102
Total	<u>235</u>	<u>100%</u>	<u>4,121</u>	<u>100%</u>	<u>\$ 11,492</u>	<u>36</u>
IBNR			309			
LAE			76			
Total			<u>\$ 4,506</u>			
Average reserve per default:						
Case			\$ 17.5			
Total			\$ 19.2			
Default Rate	0.13%					

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Investment Portfolio**

**Investment Portfolio by Asset Class**

Asset Class (\$ in thousands)	June 30, 2015		December 31, 2014	
	Fair Value	Percent	Fair Value	Percent
U.S. Treasury securities	\$ 166,181	14.3%	\$ 74,216	7.0%
U.S. agency securities	3,196	0.3	4,520	0.4
U.S. agency mortgage-backed securities	104,236	9.0	83,540	7.9
Municipal debt securities	260,887	22.5	195,546	18.5
Corporate debt securities	363,632	31.4	296,829	28.1
Mortgage-backed securities	50,750	4.4	66,086	6.3
Asset-backed securities	130,128	11.2	126,188	11.9
Money market funds	80,369	6.9	210,688	19.9
Total Investments	\$ 1,159,379	100.0%	\$ 1,057,613	100.0%

**Investment Portfolio by Credit Rating**

Rating (1) (\$ in thousands)	June 30, 2015		December 31, 2014	
	Fair Value	Percent	Fair Value	Percent
Aaa	\$ 509,624	44.0%	\$ 545,807	51.6%
Aa1	53,428	4.6	47,792	4.5
Aa2	77,463	6.7	51,958	4.9
Aa3	67,968	5.9	48,261	4.6
A1	100,655	8.7	74,161	7.0
A2	110,740	9.5	67,413	6.4
A3	86,548	7.5	71,964	6.8
Baa1	70,109	6.0	60,399	5.7
Baa2	72,327	6.2	79,727	7.5
Baa3	10,517	0.9	10,131	1.0
Below Baa3	—	—	—	—
Total Investments	\$ 1,159,379	100.0%	\$ 1,057,613	100.0%

(1) Based on ratings issued by Moody's, if available. S&P rating utilized if Moody's not available.

**Investment Portfolio by Duration and Book Yield**

Effective Duration (\$ in thousands)	June 30, 2015		December 31, 2014	
	Fair Value	Percent	Fair Value	Percent
< 1 Year	\$ 235,260	20.3%	\$ 332,399	31.4%
1 to < 2 Years	132,001	11.4	85,971	8.1
2 to < 3 Years	188,325	16.2	167,504	15.8
3 to < 4 Years	142,899	12.3	106,432	10.1
4 to < 5 Years	97,351	8.4	80,300	7.6
5 or more Years	363,543	31.4	285,007	27.0
Total Investments	\$ 1,159,379	100.0%	\$ 1,057,613	100.0%

Pre-tax investment income yield:

Three months ended June 30, 2015	1.81%
Six months ended June 30, 2015	1.75%

Net cash and investments at holding company, Essent Group Ltd.:

(\$ in thousands)	
As of June 30, 2015	\$ 107,616
As of December 31, 2014	\$ 126,327

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Insurance Company Capital**

	As of	
	June 30, 2015	December 31, 2014
(\$ in thousands)		
<b>US Mortgage Insurance Business:</b>		
Combined statutory capital <b>(A)</b>	\$ 816,441	\$ 705,890
Combined net risk in force <b>(B)</b>	\$ 12,492,050	\$ 11,426,748
Risk to capital ratios: <b>(C)</b>		
Essent Guaranty, Inc.	15.7:1	16.4:1
Essent Guaranty of PA, Inc.	11.7:1	14.6:1
Combined <b>(D)</b>	15.3:1	16.2:1
<b>Essent Reinsurance Ltd. Mortgage Insurance Business:</b>		
Stockholder's equity (GAAP basis)	\$ 162,464	\$ 155,123
Net risk in force <b>(B)</b>	\$ 1,555,162	\$ 835,976

**(A)** Combined statutory capital equals the sum of statutory capital of Essent Guaranty, Inc. plus Essent Guaranty of PA, Inc., after eliminating the impact of intercompany transactions. Statutory capital is computed based on accounting practices prescribed or permitted by the Pennsylvania Insurance Department.

**(B)** Net risk in force represents total risk in force, net of reinsurance ceded and net of exposures on policies for which loss reserves have been established.

**(C)** The risk to capital ratio is calculated as the ratio of net risk in force to statutory capital.

**(D)** The combined risk to capital ratio equals the sum of the net risk in force of Essent Guaranty, Inc. and Essent Guaranty of PA, Inc. divided by the combined statutory capital.

**Essent Group Ltd. and Subsidiaries**  
**Supplemental Information**  
**Reconciliation of Non-GAAP Financial Measure - Adjusted Book Value per Share**

We believe that long-term growth in Adjusted Book Value per Share is an important measure of our financial performance and is a measure used to determine vesting on certain restricted stock granted to senior management under the Company's long-term incentive plan. Adjusted Book Value per Share is a financial measure that is not calculated under standards or rules that comprise accounting principles generally accepted in the United States (GAAP) and is referred to as a non-GAAP measure. Adjusted Book Value per Share may be defined or calculated differently by other companies. Adjusted Book Value per Share is one measure used to monitor our results and should not be viewed as a substitute for those measures determined in accordance with GAAP.

Adjusted Book Value per Share is calculated by dividing Adjusted Book Value by Common Shares and Share Units Outstanding. Adjusted Book Value is defined as consolidated stockholders' equity of the Company, excluding accumulated other comprehensive income (loss) plus the proceeds, if any, from the assumed exercise of all "in-the-money" options, warrants and similar instruments. Common Shares and Share Units Outstanding is defined as total common shares outstanding plus all equity instruments (including restricted share units) issued to management and the Board of Directors and any "in-the-money" options, warrants and similar instruments. Accumulated other comprehensive income (loss) includes unrealized gains and losses that arise from changes in the market value of the Company's investments that are classified as available for sale. The Company does not view these unrealized gains and losses to be indicative of our fundamental operating performance. As of June 30, 2015 and December 31, 2014, the Company does not have any options, warrants and similar instruments outstanding.

The following table sets forth the reconciliation of Adjusted Book Value to the most comparable GAAP amount as of June 30, 2015 and December 31, 2014 in accordance with Regulation G:

<u>(In thousands, except per share amounts)</u>	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Numerator:		
Total Stockholders' Equity (Book Value)	\$ 1,027,773	\$ 955,738
Subtract: Accumulated Other Comprehensive Income	<u>787</u>	<u>4,667</u>
Adjusted Book Value	<u>\$ 1,026,986</u>	<u>\$ 951,071</u>
Denominator:		
Total Common Shares Outstanding	92,659	92,546
Add: Restricted Share Units Outstanding	<u>540</u>	<u>664</u>
Total Common Shares and Share Units Outstanding	<u>93,199</u>	<u>93,210</u>
Adjusted Book Value per Share	<u>\$ 11.02</u>	<u>\$ 10.20</u>