Investor Presentation

THIRD POINT RE

SEPTEMBER 2015

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements and information in this presentation may constitute forward-looking statements within the meaning of the *Private Securities Litigation Reform Act of 1995*. The words “believe,” “anticipate,” “plan,” “intend,” “foresee,” “guidance,” “potential,” “expect,” “should,” “will” “continue,” “could,” “estimate,” “forecast,” “goal,” “may,” “objective,” “predict,” “projection,” or similar expressions are intended to identify forward-looking statements (including those contained in certain visual depictions) in this presentation. These forward-looking statements reflect the Company’s current expectations and/or beliefs concerning future events. The Company has made every reasonable effort to ensure that the information, estimates, forecasts and assumptions on which these statements are based are current, reasonable and complete. However, these forward-looking statements are subject to a number of risks and uncertainties that may cause the Company’s actual performance to differ materially from that projected in such statements. Although it is not possible to identify all of these risks and factors, they include, among others, the following: (i) limited historical information about the Company; (ii) operational structure currently is being developed; (iii) fluctuation in results of operations; (iv) more established competitors; (v) losses exceeding reserves; (vi) downgrades or withdrawal of ratings by rating agencies; (vii) dependence on key executives; (viii) dependence on letter of credit facilities that may not be available on commercially acceptable terms; (ix) potential inability to pay dividends; (x) inability to service the Company’s indebtedness; (xi) limited cash flow and liquidity due to indebtedness; (xii) unavailability of capital in the future; (xiii) fluctuations in market price of the Company's common shares; (xiv) dependence on clients’ evaluations of risks associated with such clients’ insurance underwriting; (xv) suspension or revocation of reinsurance licenses; (xvi) potentially being deemed an investment company under U.S. federal securities law; (xvii) potential characterization of the Company and/or Third Point Reinsurance Company Ltd. as a passive foreign investment company; (xviii) future strategic transactions such as acquisitions, dispositions, merger or joint ventures (xix) dependence on Third Point LLC to implement the Company’s investment strategy; (xx) termination by Third Point LLC of the investment management agreements; (xxi) risks associated with the Company’s investment strategy being greater than those faced by competitors; (xxii) increased regulation or scrutiny of alternative investment advisers affecting the Company’s reputation; (xxiii) the Company potentially becoming subject to U.S. federal income taxation; (xxiv) the Company potentially becoming subject to U.S. withholding and information reporting requirements under the Foreign Account Tax Compliance Act provisions; and (xxv) other risks and factors listed under “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and other periodic and current disclosures filed with the U.S. Securities and Exchange Commission. All forward-looking statements speak only as of the date made and the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation may also contain non-GAAP financial information. The Company’s management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of the Company’s financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For additional information regarding these non-GAAP financial measures, including any required reconciliations to the most directly comparable financial measure calculated according to GAAP, see in the Appendix section of this presentation.

OUR COMPANY

- Specialty property & casualty reinsurer based in Bermuda
- A- (Excellent) financial strength rating from A.M. Best Company
- Began operations in January 2012 and completed IPO in August 2013
- Investment portfolio managed by Third Point LLC
- Total return focused
  - Flexible and opportunistic reinsurance underwriting
  - Superior investment management

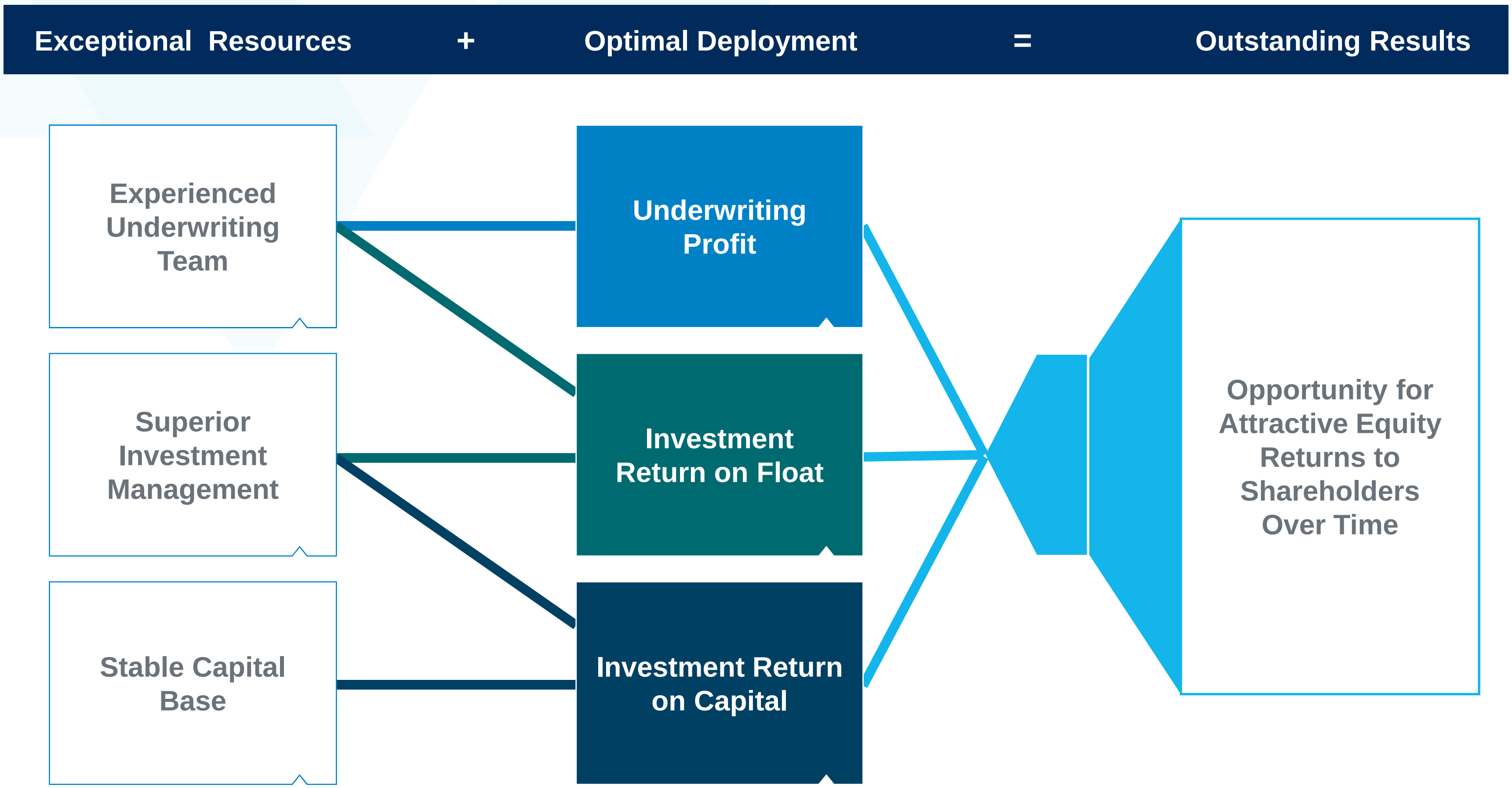
KEY METRICS

	6 Months Ended June 30, 2015	Year Ended December 31, 2014	Year Ended December 31, 2013	Year Ended December 31, 2012
Diluted Book Value Per Share*	$ 14.12	$ 13.55	$ 13.12	$ 10.89
Shareholders' Equity	$ 1.53 billion	$ 1.45 billion	$ 1.39 billion	$ 0.87 billion
Return on Beginning Shareholders' Equity*	4.6%	3.6%	23.4%	13.0%
Growth in Diluted Book Value Per Share*	4.2%	3.3%	20.5%	11.9%
Cumulative Growth in Diluted Book Value Per Share from December 31, 2011*[1]	45.1%	39.2%	34.8%	11.9%

[1] Diluted Book Value Per Share as of December 31, 2011 = $9.73

* Non-GAAP financial measure; please see descriptions and reconciliations on slides 29 and 30

TOTAL RETURN BUSINESS MODEL DESIGNED TO DELIVER SUPERIOR RETURNS

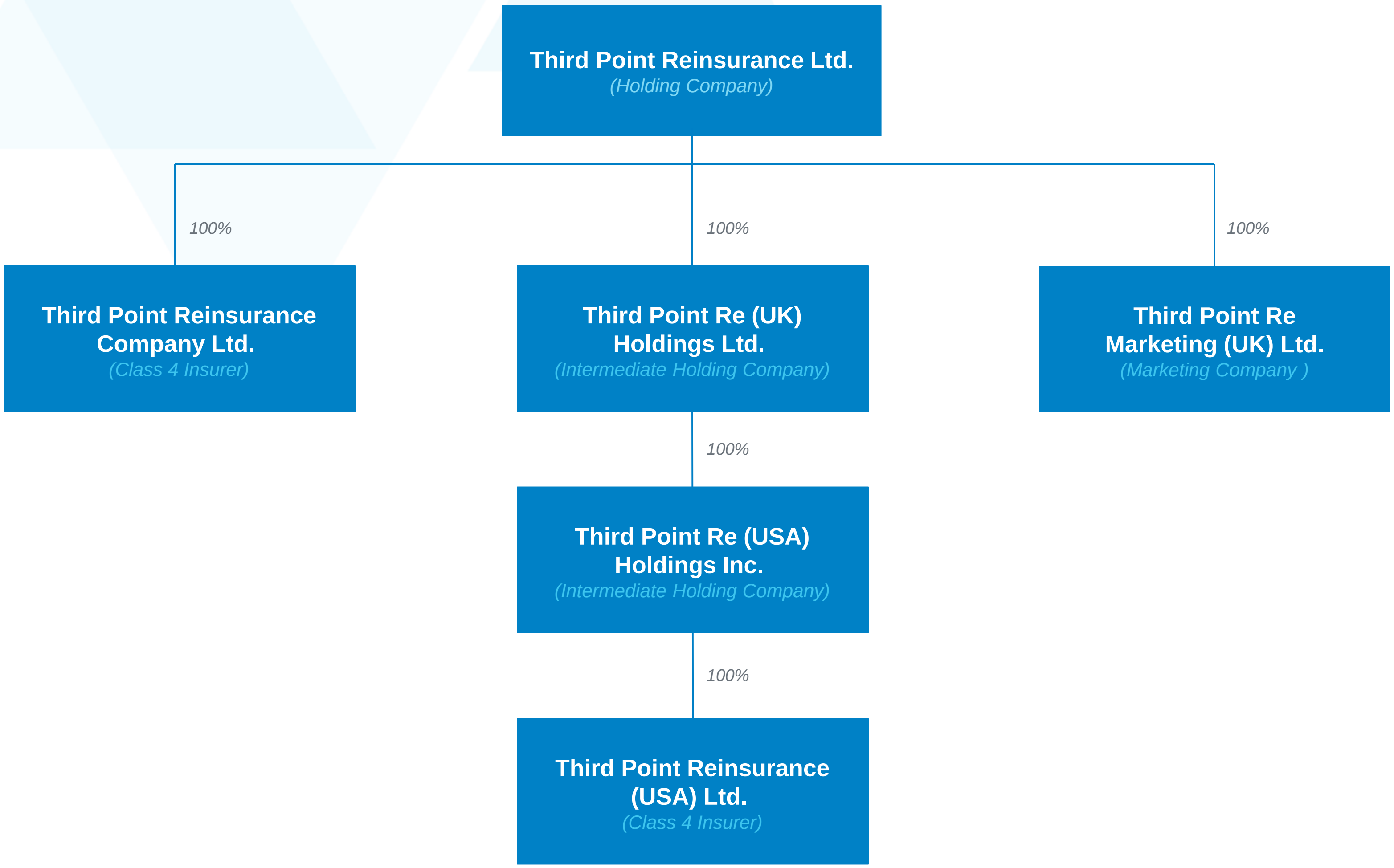


EXPERIENCED SENIOR MANAGEMENT TEAM

		CEO Experience
John Berger ***Chairman & CEO***	• CEO, Reinsurance, Vice Chairman of the Board, Alterra Capital Holdings Limited • CEO & President, Harbor Point Re Limited • CEO & President, Chubb Re, Inc. • President, F&G Re	✓
Robert Bredahl ***President & COO***	• CEO, Aon Benfield Securities • President, Aon Benfield Americas • CEO, Benfield U.S. Inc. & CEO, Benfield Advisory • Board Member, Benfield Group PLC	✓
Tony Urban ***EVP Underwriting***	• President & CEO, JRG Reinsurance Company • CUO & Head of Reins. Operations, Endurance Reinsurance Corporation of America • EVP & CUO, AXA Corporate Solutions Reinsurance Company	✓
Dan Malloy ***EVP Underwriting***	• EVP, Co-Head of Specialty Lines, Aon Benfield • President & CEO, Stockton Reinsurance Ltd. • President, Center Re Bermuda	✓

- Strong business relationships
- Expertise in writing all lines of property, casualty & specialty reinsurance
- Track record of capitalizing on market opportunities and producing strong underwriting results
- Significant business-building experience

ORGANIZATIONAL STRUCTURE – KEY ENTITIES[1]



[1]This organizational structure diagram does not include the entities associated with our catastrophe risk management segment. In December 2014, we announced that we would be winding down our catastrophe fund management business due to challenging market conditions.

FLEXIBLE & OPPORTUNISTIC UNDERWRITING STRATEGY

- Our total return model provides crucial flexibility in today's market environment
- We leverage strong relationships to access attractive opportunities
- We are the lead underwriter on many of our transactions
- Limited property cat exposure on rated balance sheet

TRADITIONAL QUOTA SHARES

- Non-standard auto
- Ex-wind homeowners
- General liability

- We focus on lines of business with lower volatility
- We provide reinsurance support to small and medium size insurers seeking surplus relief
- These transactions are typically relationship-driven, since reinsurance plays such a key role in the client’s capital structure

OPPORTUNISTIC DEALS

- Regional workers' compensation
- Financial lines
- Distressed situations

- Our relationships allow us to often be the first call for many special situations
- We look for dislocated markets and distressed situations where higher risk-adjusted returns are available
- We manage our downside exposure with structural features and contract terms & conditions

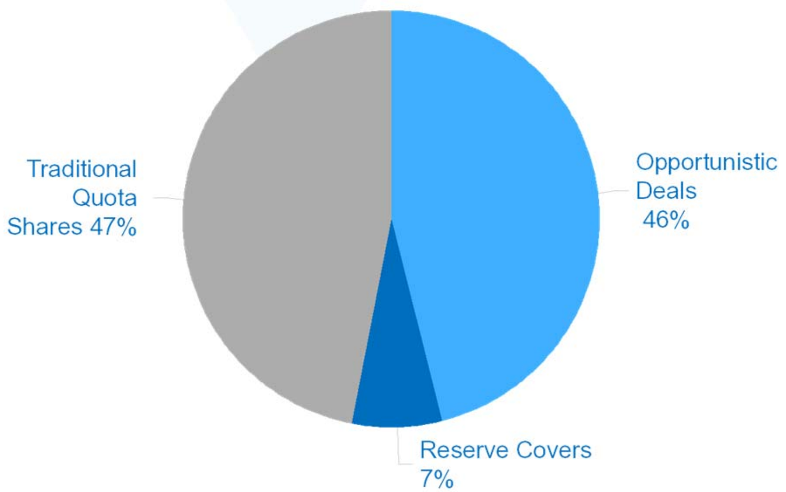
RESERVE COVERS

- Bermuda reinsurers
- Lloyds Syndicates
- US Insurers
- Captives

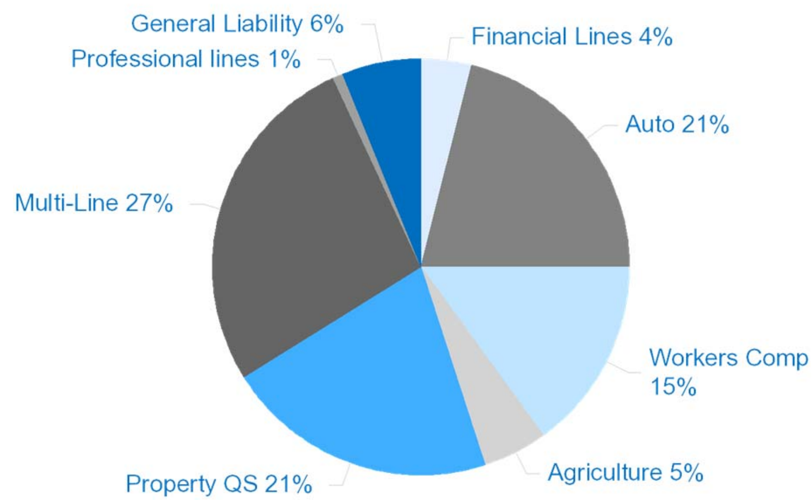
- Reserve covers provide clients with reinsurance protection, capital relief and potentially enhanced investment returns
- Relationships are key – decision-maker is typically the client's CEO or CFO
- Our team has a reputation for sophisticated structuring to meet each client's specific needs

DIVERSIFIED PREMIUM BASE

Gross Premium Written Since Inception[1] by Type of Transaction



Gross Premium Written Since Inception[1] by Line of Business



[1]As of 6/30/2015
Note: All figures are for P&C Segment only

REINSURANCE RISK MANAGEMENT

Risk Management Culture

- Reinsurance business plan complements our investment management strategy: no property catastrophe excess treaties on rated balance sheet and premium and reserve leverage lower than peer group
- Company-wide focus on risk management
- Robust underwriting and operational controls

Holistic Risk Control Framework

- Measure use of risk capital using internally-developed capital model, A.M. Best BCAR model and Bermuda Monetary Authority BSCR model
- Developed a comprehensive Risk Register that is appropriate for our business model
- Instituted a Risk Appetite Statement that governs overall sensitivities in underwriting, investment, and enterprise portfolio

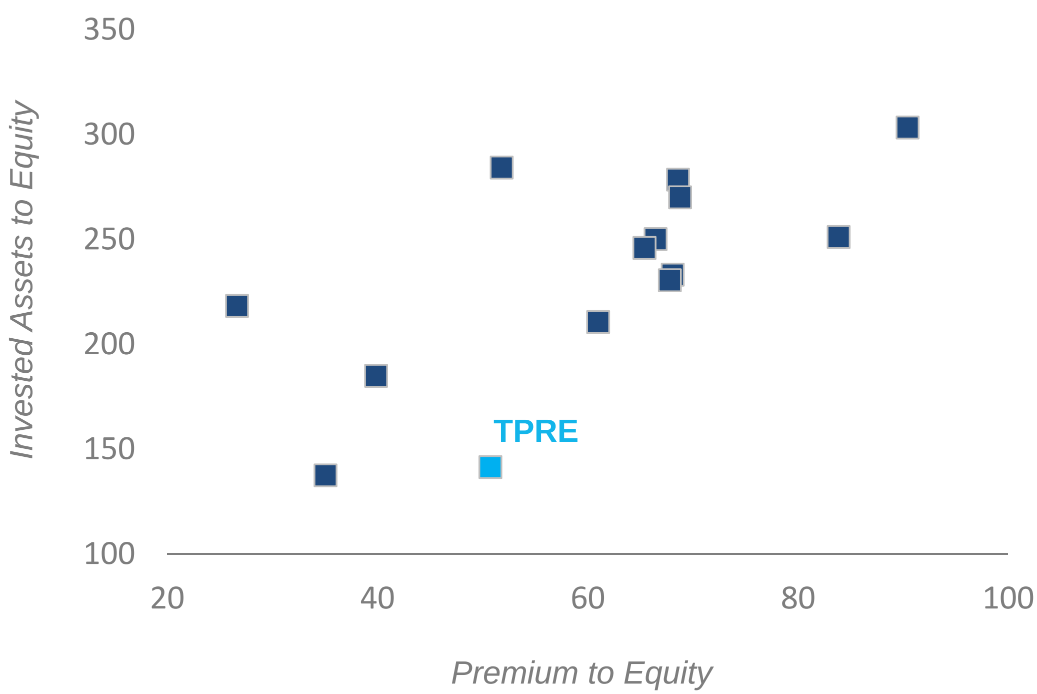
Ongoing Risk Oversight

- Own Risk Self Assessment (ORSA) report produced quarterly and provided to management / Board of Directors
- Provides management with meaningful statistics on our current capital requirement and comparisons to our risk appetite statement
- Growing in scope

REINSURANCE RISK MANAGEMENT (CONT'D)

Bermuda Reinsurer Leverage Metrics

(Percent)



- Low premium leverage and asset leverage compared to peer group
- Limited legacy reserves
- Limited catastrophe risk

Source: Dowling & Co; As of 06/30/2015; "Premium to Equity" = Trailing 12 months' net premium written divided by shareholders' equity; "Invested Assets to Equity" = Invested assets and cash divided by shareholders' equity; Peer group = ACGL, AGII, AWH, AXS, RE, XL, AHL, ENH, GLRE, LRE, PRE, RNR, VR

NEW U.S. PLATFORM

New Hires to Help Establish & Manage U.S. Operations

Thomas Wafer

- Chairman Reinsurance, Alterra Capital
- CEO Reinsurance, Alterra Capital & President, Alterra Re USA
- President, Harbor Point Re U.S.
- MD International Underwriting, Harbor Point Re
- MD International Underwriting, Chubb Re

Jonathan Norton

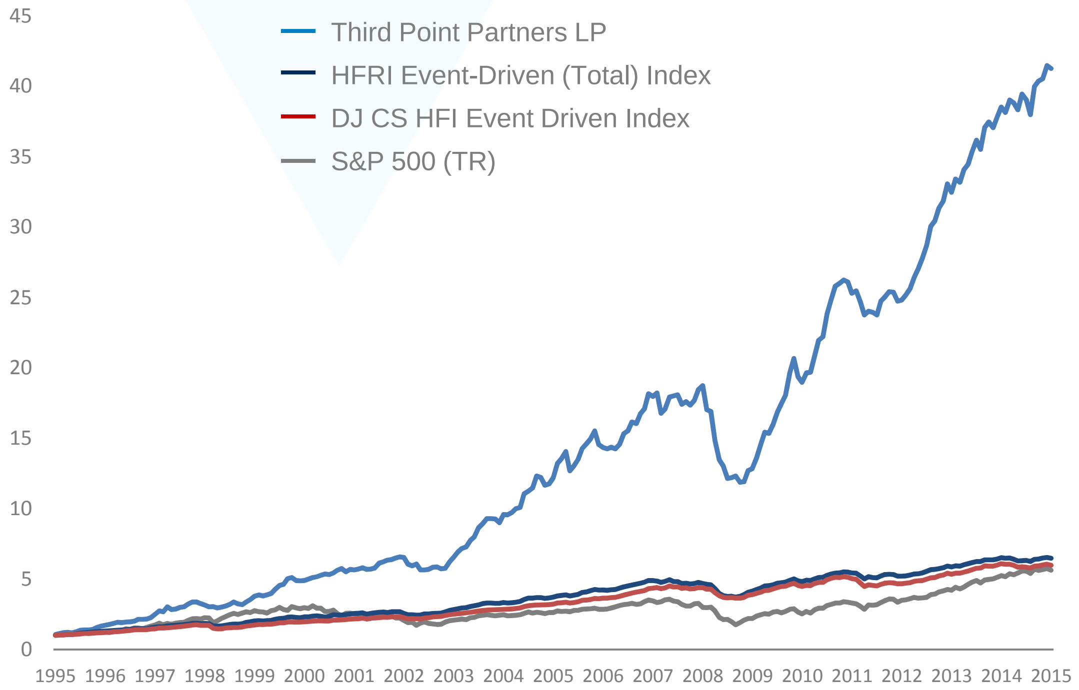
- Chief Actuary, Alterra Re USA
- Chief Actuary, Harbor Point Re
- Chief Actuary, Chubb Re
- Managing Director, Guy Carpenter

- U.S. onshore presence a key component of overall growth strategy
  - Strengthen relationships with U.S. cedents and brokers
  - Develop first-hand knowledge of cedent underwriting and claims capabilities
- Structure optimized for our investment strategy: Third Point Reinsurance (USA) Ltd. is a Bermuda-domiciled reinsurer that will apply for a 953D U.S. federal tax election
  - Assets can be invested in a separate account managed by Third Point LLC
  - U.S. activity is permitted, including a new office in New Jersey
- Strong financial support from Third Point Re group
  - Senior unsecured notes benefit from a full guarantee from Third Point Reinsurance Ltd.
  - 75% quota share with Third Point Reinsurance Company Ltd.
  - Net worth maintenance agreement with Third Point Reinsurance Ltd. ($250m minimum surplus)

MARKET-LEADING INVESTMENT MANAGEMENT

Illustrative Net Return Since Inception

($ Thousands)



- Third Point LLC owned and led by Daniel S. Loeb
- 20.4% net annualized returns since inception in 1995[1]
- Risk-adjusted returns driven by superior security selection and lower volatility

Notes: For Third Point Partners L.P. after fees, expenses and incentive allocation; Past performance is not necessarily indicative of future results; all investments involve risk including the loss of principal; The historical performance of Third Point Partners L.P. (i) for the years 2001 through June 30, 2015 reflects the total return after incentive allocation for each such year as included in the audited statement of financial condition of Third Point Partners L.P. for those years and (ii) for the years 1995 through 2000 reflects the total return after incentive allocation for each such year as reported by Third Point Partners L.P. Total return after incentive allocation for the years 2001 through June 30, 2015 is based on the net asset value for all limited partners of Third Point Partners L.P. taken as a whole, some of whom pay no incentive allocation or management fees, whereas total return after incentive allocation for the years 1995 through 2000 is based on the net asset value for only those limited partners of Third Point Partners L.P. that paid incentive allocation and management fees. In each case, results are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, if any, and include the reinvestment of all dividends, interest, and capital gains; The illustrative return is calculated as a theoretical investment of $1,000 in Third Point Partners, L.P. at inception relative to the same theoretical investment in two hedge fund indices designed to track performance of certain "event-driven" hedge funds over the same period of time. All references to the Dow Jones Credit Suisse HFI Event Driven Index ("DJ-CS HFI") and HFRI Event-Driven Total Index ("HFRI") reflect performance calculated through Dec 31, 2014. The DJ-CS HFI is an asset-weighted index and includes only funds, as opposed to separate accounts. The DJ-CS HFI uses the Dow Jones Credit Suisse database and consists only of event driven funds deemed to be "event-driven" by the index and that have a minimum of $50 million in assets under management, a minimum of a 12-month track record, and audited financial statements. The HFRI consists only of event driven funds with a minimum of $50 million in assets under management or a minimum of a 12-month track record. Both indices state that returns are reported net of all fees and expenses. While Third Point Partners L.P. has been compared here with the performance of well-known and widely recognized indices, the indices have not been selected to represent an appropriate benchmark for Third Point Partners L.P., whose holdings, performance and volatility may differ significantly from the securities that comprise the indices.

[1]From formation of Third Point Partners L.P. in June 1995 through June 30, 2015.

RELATIONSHIP WITH THIRD POINT LLC

Investment Management Agreement

- Exclusive relationship through 2016, followed by successive 3-year terms on renewal
- Investments are managed on substantially the same basis as the main Third Point LLC hedge funds
- We pay the standard 2% management fee and 20% performance allocation. The performance allocation is subject to a standard high water mark

Risk Management

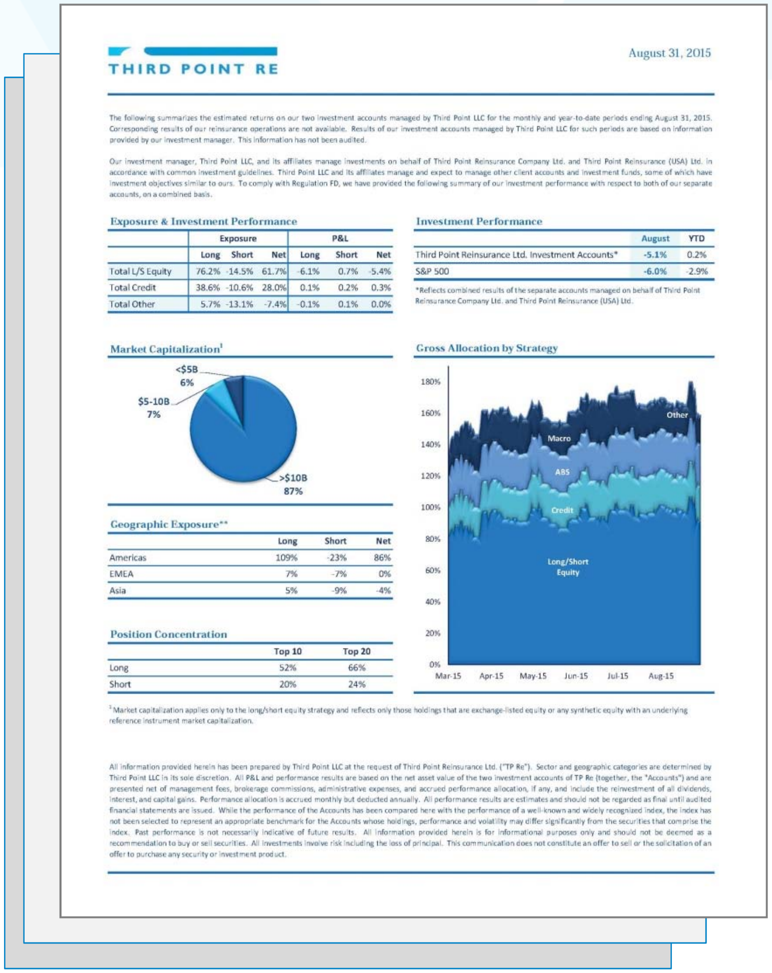
- Restrictions on leverage, position concentrations and illiquid, private investments
- Key man and performance termination provisions
- Allowed to diversify portfolio to address concerns of A.M. Best or regulator

Liquidity

- Investments are held in a separate account – Third Point Re has full ownership of investment portfolio to provide liquidity for claims and expenses
- More than 95% of investments are within FAS 157 Levels 1 & 2[1]
- Separate account may be used at any time to pay claims and expenses

[1] As of June 30, 2015

THIRD POINT LLC PORTFOLIO RISK MANAGEMENT



THIRD POINT RE

August 31, 2015

The following summarizes the estimated returns on our two investment accounts managed by Third Point LLC for the monthly and year-to-date periods ending August 31, 2015. Corresponding results of our reinsurance operations are not available. Results of our investment accounts managed by Third Point LLC for such periods are based on information provided by our investment manager. This information has not been audited.

Our investment manager, Third Point LLC, and its affiliates manage investments on behalf of Third Point Reinsurance Company Ltd. and Third Point Reinsurance (USA) Ltd. in accordance with common investment guidelines. Third Point LLC and its affiliates manage and expect to manage other client accounts and investment funds, some of which have investment objectives similar to ours. To comply with Regulation FD, we have provided the following summary of our investment performance with respect to both of our separate accounts, on a combined basis.

Exposure & Investment Performance

	Exposure			P&L		
	Long	Short	Net	Long	Short	Net
Total L/S Equity	76.2%	-14.5%	61.7%	-6.1%	0.7%	-5.4%
Total Credit	38.6%	-10.6%	28.0%	0.1%	0.2%	0.3%
Total Other	5.7%	-13.1%	-7.4%	-0.1%	0.1%	0.0%

Investment Performance

	August	YTD
Third Point Reinsurance Ltd. Investment Accounts*	-5.1%	0.2%
S&P 500	-6.0%	-2.9%

*Reflects combined results of the separate accounts managed on behalf of Third Point Reinsurance Company Ltd. and Third Point Reinsurance (USA) Ltd.

Market Capitalization[1]

Gross Allocation by Strategy

Geographic Exposure**

	Long	Short	Net
Americas	109%	-23%	86%
EMEA	7%	-7%	0%
Asia	5%	-9%	-4%

Position Concentration

	Top 10	Top 20
Long	52%	66%
Short	20%	24%

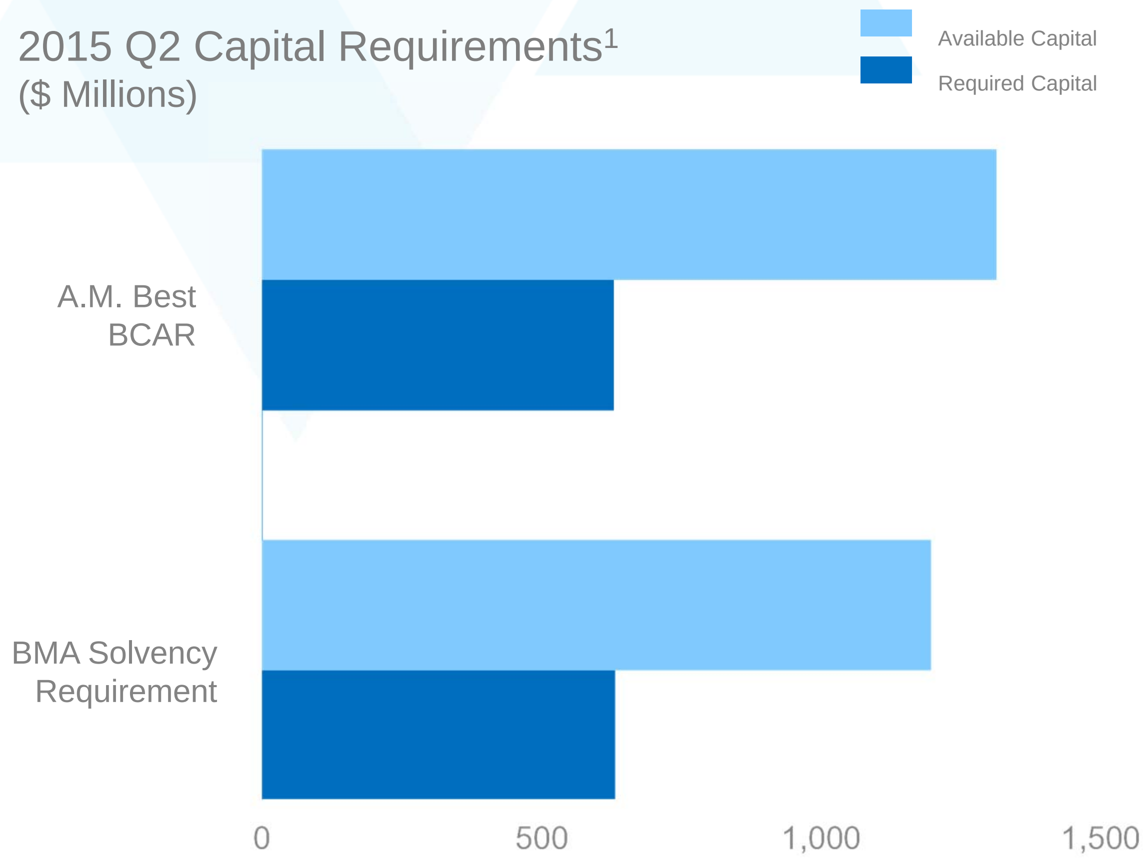
[1] Market capitalization applies only to the long/short equity strategy and reflects only those holdings that are exchange-listed equity or any synthetic equity with an underlying reference instrument market capitalization.

All information provided herein has been prepared by Third Point LLC at the request of Third Point Reinsurance Ltd. ("TP Re"). Sector and geographic categories are determined by Third Point LLC in its sole discretion. All P&L and performance results are based on the net asset value of the two investment accounts of TP Re (together, the "Accounts") and are presented net of management fees, brokerage commissions, administrative expenses, and accrued performance allocation, if any, and include the reinvestment of all dividends, interest, and capital gains. Performance allocation is accrued monthly but deducted annually. All performance results are estimates and should not be regarded as final until audited financial statements are issued. While the performance of the Accounts has been compared here with the performance of a well-known and widely recognized index, the index has not been selected to represent an appropriate benchmark for the Accounts whose holdings, performance and volatility may differ significantly from the securities that comprise the index. Past performance is not necessarily indicative of future results. All information provided herein is for informational purposes only and should not be deemed as a recommendation to buy or sell securities. All investments involve risk including the loss of principal. This communication does not constitute an offer to sell or the solicitation of an offer to purchase any security or investment product.

- Portfolio diversification across industries, geographies, asset classes and strategies
- Highly liquid portfolio – investment manager can dynamically shift exposures depending on macro/market developments
- Security selection with extensive diligence process
- Approach includes index and macro hedging and tail risk protection
- Institutional platform with robust investment and operational risk management procedures

STRONG CAPTIAL BASE

2015 Q2 Capital Requirements[1]
($ Millions)

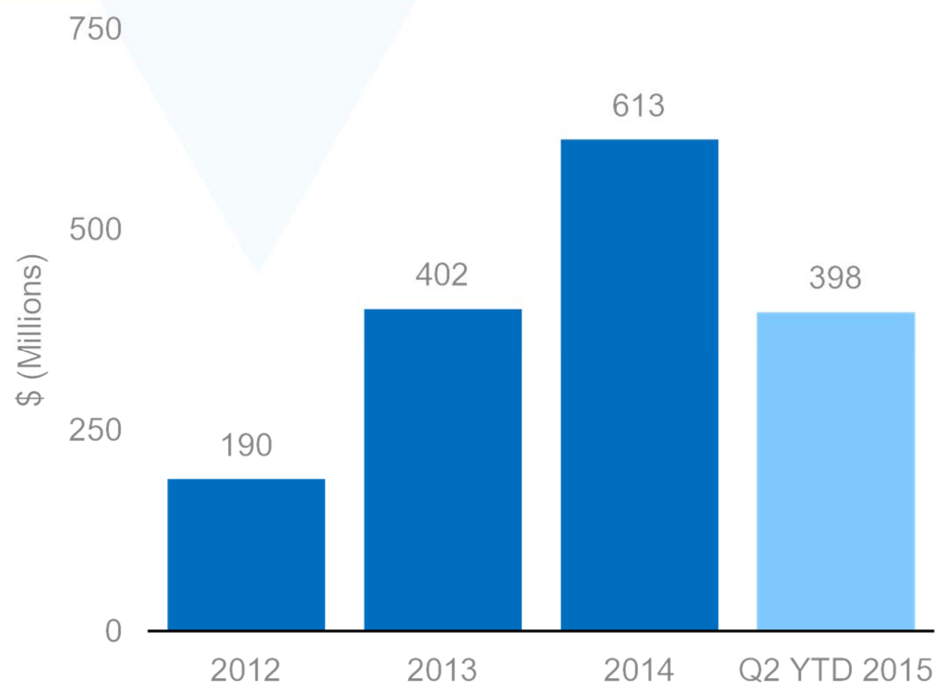


- Publicly-traded capital base
- Significant capacity to support growth

[1]As of 06/30/2015; Amounts for A.M. Best and BMA estimated by TPRE based on the most recent models provided by these entities

STRONG PREMIUM GROWTH

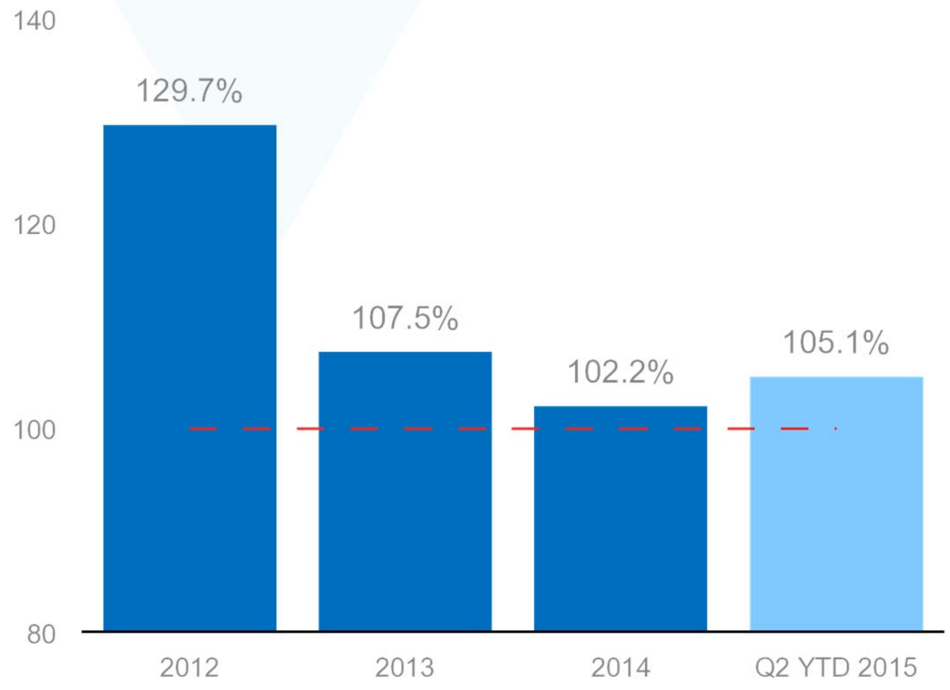
Total Gross Written Premium
($ Millions)



- Robust growth since inception
- Broad range of lines of business and distribution sources (brokers)
- Management views the company's pipeline of opportunities as strong
- Strong contribution from new US platform

WE EXPECT OUR COMBINED RATIO TO REMAIN ABOVE 100% IN THIS MARKET ENVIRONMENT

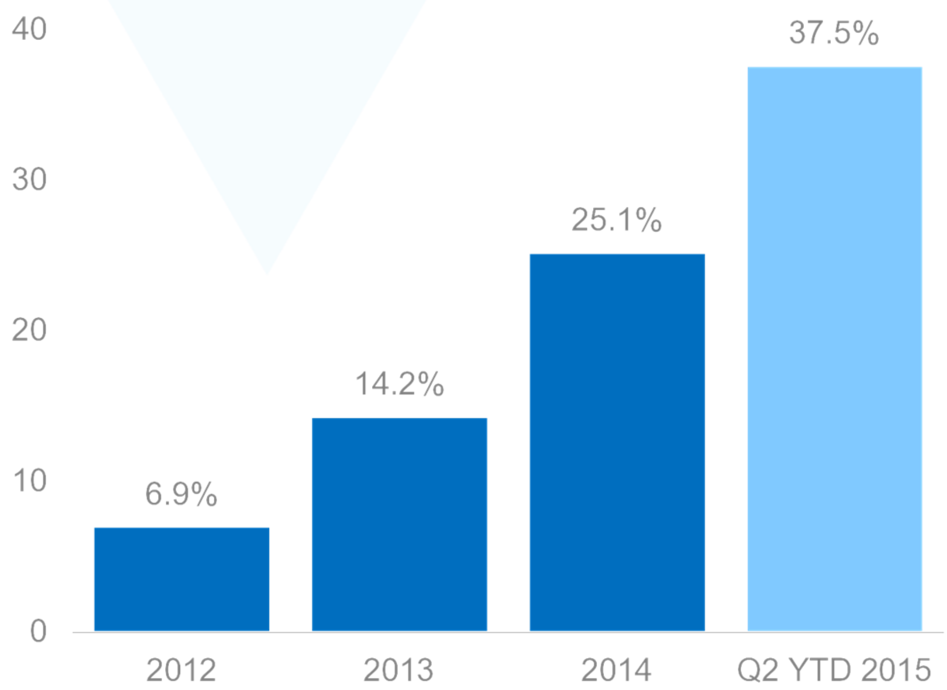
P&C Segment Combined Ratio
(Percent)



- Combined ratio improved from 2012-13 levels as reinsurance operation gained scale
- Our focus on low volatility reinsurance business limits our potential to produce sub-100% combined ratios until reinsurance market conditions improve

SIGNIFICANT FLOAT GENERATION

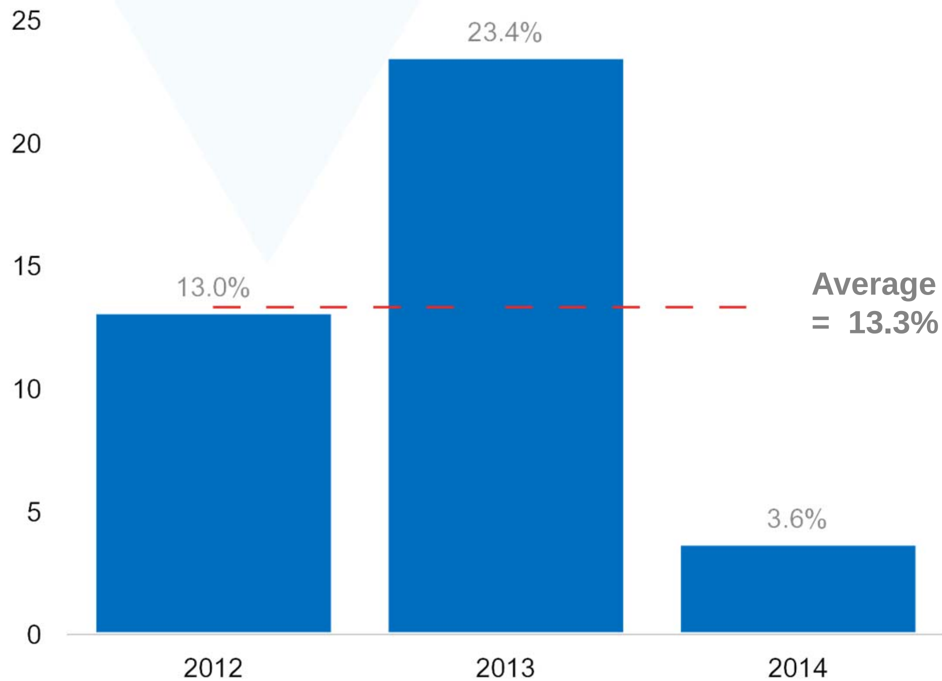
Float as a Percentage of Total Shareholders' Equity
(Percent)



- Float = holding premium until claims must be paid
- If the underlying reinsurance risk is attractive, generating float allows a reinsurer to access investment "leverage" at low or no cost
- Certain lines of business provide reinsurers with float for several years
- We are currently operating close to our optimal level of float

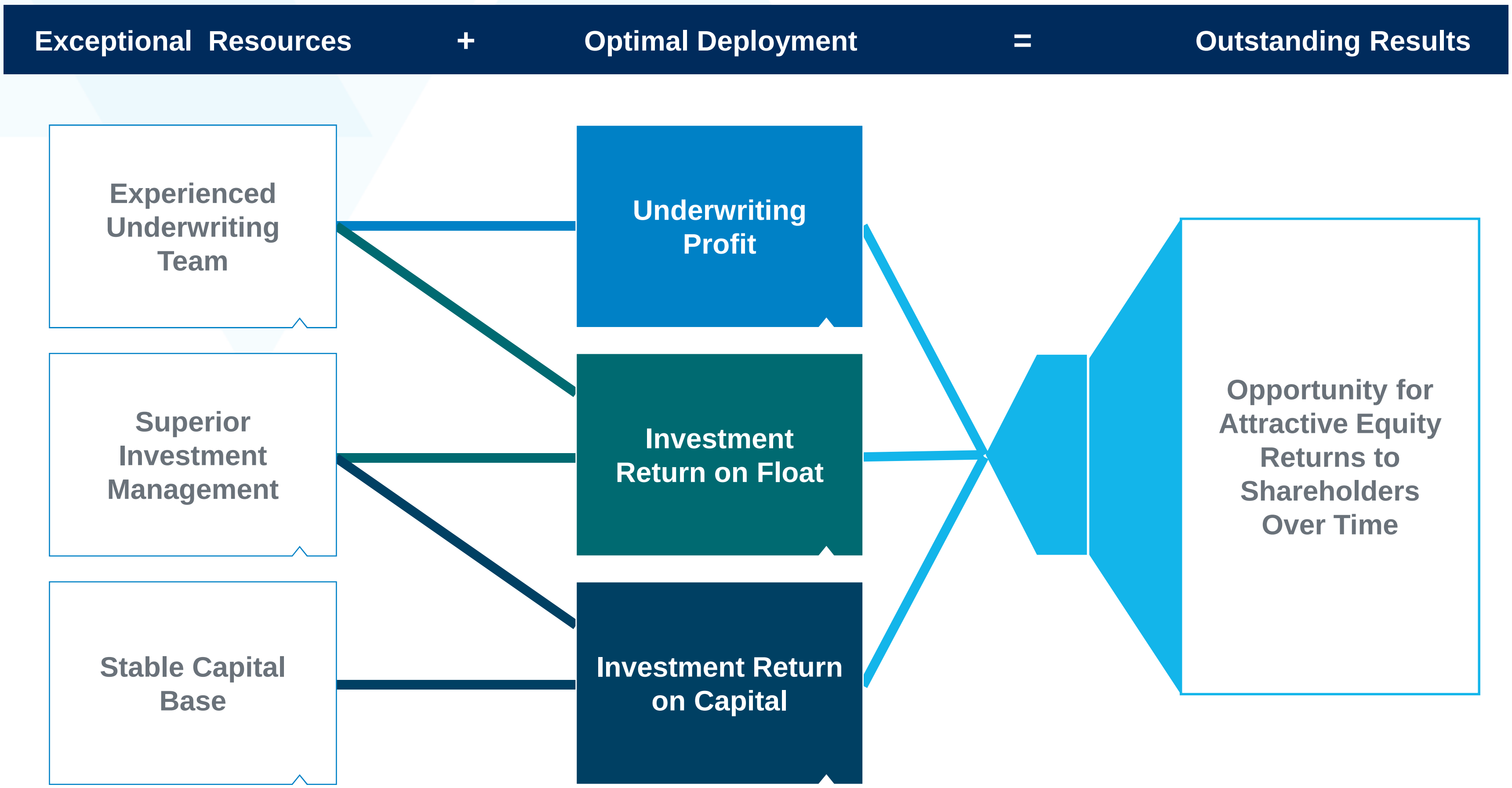
ATTRACTIVE RETURNS SINCE INCEPTION

Return on Beginning Shareholders' Equity[1]
(Percent)



- Returns have been attractive, even through the start-up phase
- We are reaching scale in the underwriting operation
- We believe that we are well-positioned to out-perform in a challenging market environment
- ROE for Q2 YTD 2015 was 4.6%

TOTAL RETURN BUSINESS MODEL DESIGNED TO DELIVER SUPERIOR RETURNS



APPENDIX

KEY FINANCIAL HIGHLIGHTS

Consolidated Income Statement ($000s)

	Six months ended 6/30/2015	Year ended 12/31/2014	Year ended 12/31/2013	Year ended 12/31/2012
Gross premiums written	$ 397,676	$ 613,300	$ 401,937	$ 190,374
Gross premiums ceded	(1,477)	(150)	(9,975)	—
Net premiums earned	259,653	444,532	220,667	96,481
Net investment income (1)	103,529	85,582	258,125	136,868
Total revenues	363,182	530,114	478,792	233,349
Loss and loss adjustment expenses incurred, net	157,799	283,147	139,812	80,306
Acquisition costs, net	102,155	137,206	67,944	24,604
General and administrative expenses	25,975	40,008	33,036	27,376
Other expenses (1)	5,016	7,395	4,922	446
Interest expense	3,088	—	—	—
Foreign exchange gains	(54)	—	—	—
Total expenses	293,979	467,756	245,714	132,732
Income before income tax expense	69,203	62,358	233,078	100,617
Income tax expense	(2,013)	(5,648)	—	—
Income including non-controlling interests	67,190	56,710	233,078	100,617
Income attributable to non-controlling interests	(1,058)	(6,315)	(5,767)	(1,216)
Net income	$ 66,132	$ 50,395	$ 227,311	$ 99,401

Selected Income Statement Ratios (2)

	Six months ended 6/30/2015	Year ended 12/31/2014	Year ended 12/31/2013	Year ended 12/31/2012
Loss ratio	60.8%	65.5%	65.7%	83.2%
Acquisition cost ratio	39.4%	31.5%	31.5%	25.5%
Composite ratio	100.2%	97.0%	97.2%	108.7%
General and administrative expense ratio	4.9%	5.2%	10.3%	21.0%
Combined ratio	**105.1%**	**102.2%**	**107.5%**	**129.7%**
Net investment return (3)	**4.8%**	**5.1%**	**23.9%**	**17.7%**

Highlights

- Generated $1.603 billion of gross premiums written from inception to date.
- Gross premium written in the Property and Casualty Segment increased by 106.7% in 2013 and by 52.8% in 2014.
- Interest expense related to 2015 debt issuance.
- Income tax related to U.S. operations.

(1) Prior to 2014, changes in estimated fair value of embedded derivatives were recorded in net investment income. As these embedded derivatives have become more prominent, the presentation has been modified and changes in the estimated fair value of embedded derivatives are now recorded in other expenses in the consolidated statements of income. In addition, fixed interest crediting features on these contracts that were recorded in net investment income are now classified in other expenses in the condensed consolidated statements of income.
(2) Underwriting ratios are for the property and casualty reinsurance segment only; Underwriting ratios are calculated by dividing the related expense by net premiums earned.
(3) Net investment return represents the return on our investments managed by Third Point LLC, net of fees.

KEY FINANCIAL HIGHLIGHTS (con't)

Selected Balance Sheet Data ($000s)

	As of 6/30/2015	As of 12/31/2014	As of 12/31/2013	As of 12/31/2012
Total assets	$ 3,636,861	$ 2,582,580	$ 2,159,890	$ 1,402,017
Total liabilities	2,081,257	1,300,532	649,494	473,696
Total shareholders' equity	1,555,604	1,552,048	1,510,396	928,321
Non-controlling interests	(29,600)	(100,135)	(118,735)	(59,777)
Shareholders' equity attributable to shareholders	**$ 1,526,004**	**$ 1,451,913**	**$ 1,391,661**	**$ 868,544**

Investments ($000s)

	As of 6/30/2015	As of 12/31/2014	As of 12/31/2013	As of 12/31/2012
Total investments managed by Third Point LLC	**$ 2,157,949**	**$ 1,802,184**	**$ 1,559,442**	**$ 925,453**

Selected Balance Sheet Metrics

	Six months ended 6/30/2015	Year ended 12/31/2014	Year ended 12/31/2013	Year ended 12/31/2012
Diluted book value per share*	$ 14.12	$ 13.55	$ 13.12	$ 10.89
Growth in diluted book value per share*	4.2%	3.3%	20.5%	11.9%
Return on beginning shareholders' equity*	4.6%	3.6%	23.4%	13.0%

* Non-GAAP financial measure; please see descriptions and reconciliations on slides 29 and 30

Highlights

- $286.0 million of capital raised with 2013 IPO.
- $115.0 million of debt issued in 2015.
- $584.1 million of float.
- 60.2% cumulative net investment return through June 30, 2015.

NON-GAAP MEASURES

Book value per share

Book value per share as used by our management is a non-GAAP financial measure, as it is calculated after deducting the impact of non-controlling interests. Book value per share is calculated by dividing shareholders' equity attributable to shareholders, adjusted for subscriptions receivable, by the number of issued and outstanding shares at period end. In addition, diluted book value per share is also a non-GAAP financial measure and represents book value per share combined with the impact from dilution of all in-the-money share options issued, warrants and unvested restricted shares outstanding as of any period end. We believe that long-term growth in diluted book value per share is the most important measure of our financial performance because it allows our management and investors to track over time the value created by the retention of earnings. In addition, we believe this metric is used by investors because it provides a basis for comparison with other companies in our industry that also report a similar measure. The following table sets forth the computation of basic and diluted book value per share as of June 30, 2015, December 31, 2014, December 31, 2013 and 2012:

($000s, Except Share and per Share Amounts)

	As of 6/30/2015	As of 12/31/2014	As of 12/31/2013	As of 12/31/2012
Basic and fully diluted book value per share numerator:				
Total shareholders' equity	$ 1,555,604	$ 1,552,048	$ 1,510,396	$ 928,321
Less: non-controlling interests	(29,600)	(100,135)	(118,735)	(59,777)
Shareholders' equity attributable to shareholders	1,526,004	1,451,913	1,391,661	868,544
Effect of dilutive warrants issued to founders and an advisor	46,512	46,512	46,512	36,480
Effect of dilutive stock options issued to directors and employees	60,240	61,705	101,274	51,670
Fully diluted book value per share numerator:	$ 1,632,756	$ 1,560,130	$ 1,539,447	$ 956,694
Basic and fully diluted book value per share denominator:				
Issued and outstanding shares	104,000,321	103,397,542	103,264,616	78,432,132
Effect of dilutive warrants issued to founders and an advisor	4,651,163	4,651,163	4,651,163	3,648,006
Effect of dilutive stock options issued to directors and employees	6,005,391	6,151,903	8,784,961	5,167,045
Effect of dilutive restricted shares issued to employees	954,829	922,610	657,156	619,300
Fully diluted book value per share denominator:	115,611,704	115,123,218	117,357,896	87,866,483
Basic book value per share	**$ 14.67**	**$ 14.04**	**$ 13.48**	**$ 11.07**
Diluted book value per share	**$ 14.12**	**$ 13.55**	**$ 13.12**	**$ 10.89**

NON-GAAP MEASURES (con't)

Growth in diluted book value per share

Calculated by taking the change in diluted book value per share divided by the beginning of period diluted book value per share. We believe that long-term growth in the diluted book value per share is the most important measure of our financial performance because it allows our management and investors to track over time the value created by the retention of earnings. In addition, we believe that this metric is used by investors because it provides a basis for comparison with other companies in our industry that also report a similar measure.

Return on beginning shareholders' equity

Calculated by dividing net income by the beginning shareholders' equity attributable to shareholders. For purposes of determining December 31, 2011 shareholders' equity attributable to shareholders, we add back the impact of subscriptions receivable to shareholders' equity attributable to shareholders. For the year ended December 31, 2013 and December 31, 2014, we have also adjusted the beginning shareholders' equity for the impact of the issuance of shares in our IPO on a weighted average basis. This adjustment lowers the stated return on beginning shareholders' equity attributable to shareholders. We believe this metric is used by investors to supplement measures of our profitability.

($000s)	Six months ended 6/30/2015	Year ended 12/31/2014	Year ended 12/31/2013	Year ended 12/31/2012
Net income	$ 66,132	$ 50,395	$ 227,311	$ 99,401
Shareholders' equity attributable to shareholders -beginning of period	1,451,913	1,391,661	868,544	585,425
Subscriptions receivable	—	—	—	177,507
Impact of weighting related to shareholders' equity from IPO	—	—	104,502	—
Adjusted shareholders' equity attributable to shareholders - beginning of period	$ 1,451,913	$ 1,391,661	$ 973,046	$ 762,932
Return on beginning shareholders' equity	4.6%	3.6%	23.4%	13.0%

Insurance float

In an insurance or reinsurance operation, float arises because premiums and proceeds associated with deposit accounted reinsurance contracts are collected before losses are paid. In some instances, the interval between premium receipts and loss payments can extend over many years. During this time interval, insurance and reinsurance companies invest the premiums received and seek to generate investment returns. Float is not a concept defined by U.S. GAAP and therefore, there are no comparable U.S. GAAP measures. Float, as a result, is considered to be a non-GAAP measure. We believe that net investment income generated on float is an important consideration in evaluating the overall contribution of our property and casualty reinsurance operation to our consolidated results. It is also explicitly considered as part of the evaluation of management's performance for the purposes of incentive compensation.