



MAIDEN HOLDINGS, LTD

August 7, 2013

Maiden Holdings, Ltd. Reports Second Quarter 2013 Operating Earnings⁽¹⁾ of \$20.4 million or \$0.28 Per Diluted Common Share and Net Income of \$20.2 million or \$0.27 Per Diluted Common Share

Highlights for the three months ended June 30, 2013

- Annualized operating return on common equity⁽¹⁾ of 9.7%, the same as the second quarter of 2012;
- Net operating earnings⁽¹⁾ of \$20.4 million, or \$0.28 per diluted common share compared with \$19.7 million, or \$0.27 per diluted common share in the second quarter of 2012;
- Net investment income rose to \$20.7 million or an increase of 3.3% compared to the second quarter of 2012;
- Total investments increased 3.3% in the second quarter of 2013 to \$2.7 billion;
- Net premiums written increased 20.9% to \$497.9 million versus the same period last year;
- Combined ratio⁽⁶⁾ of 97.6% compared to 97.9% in the second quarter of 2012; and
- Book value per common share⁽⁴⁾ of \$11.12, down 7.0% versus year-end 2012, reflecting the impact of rising interest rates.

Highlights for the six months ended June 30, 2013

- Annualized operating return on common equity⁽¹⁾ of 10.0% compared to 9.9% in the first six months of last year;
- Net operating earnings⁽¹⁾ of \$41.5 million, or \$0.56 per diluted common share compared with \$39.1 million, or \$0.53 per diluted common share in the first six months of 2012;
- Combined ratio⁽⁶⁾ of 97.6% compared to 97.9% in the first six months of 2012;
- Net investment income was \$42.7 million, an increase of 10.9% compared to the first six months of 2012;
- Total investments increased 3.7% in the first six months of 2013 to \$2.7 billion; and
- Net premiums written increased 18.4% to \$1.2 billion versus the same period last year.

HAMILTON, Bermuda, Aug. 7, 2013 (GLOBE NEWSWIRE) -- Maiden Holdings, Ltd. (Nasdaq:MHL) ("Maiden") today reported second quarter 2013 net operating earnings⁽¹⁾ of \$20.4 million, or \$0.28 per diluted common share compared with \$19.7 million, or \$0.27 per diluted common share in the comparative quarter in 2012. Net income totaled \$20.2 million, or \$0.27 per diluted common share in the second quarter of 2013, compared with net income of \$14.5 million, or \$0.20 per diluted common share in the second quarter of 2012.

Commenting on the Company's earnings, Art Raschbaum, Chief Executive Officer of Maiden, said: "Maiden's results for the second quarter and the first six months of 2013 reflect improved underwriting performance, no adverse impact from the catastrophe events of the second quarter, strong growth from the AmTrust segment reflecting a favorable North American pricing environment, and an annualized return on common shareholders' equity of 10% for the first half of the year. Over time, we expect rising interest rates to benefit the Company's long-term earnings run rate as we deploy cash and reinvest assets at higher yields. Along with a favorable insurance pricing environment in North America and rising interest rates, we expect that Maiden's profitability will further benefit from expected repayment of the 14% TRUPS in January 2014."

Results for the three months ended June 30, 2013

Net operating earnings⁽¹⁾ for the second quarter of 2013 were \$20.4 million, or \$0.28 per diluted common share compared with \$19.7 million, or \$0.27 per diluted common share in the comparative quarter in 2012. Net income was \$20.2 million, or \$0.27 per diluted common share in the second quarter of 2013, compared with net income of \$14.5 million, or \$0.20 per diluted common share in the second quarter of 2012.

In the second quarter of 2013, net premiums written totaled \$497.9 million, an increase of 20.9% compared to the second quarter of 2012. The Diversified Reinsurance segment net premiums written were down 6.3% to \$134.9 million versus the second quarter of 2012, primarily due to underwriting actions undertaken in 2012 to strengthen profitability. In the AmTrust Quota Share Reinsurance segment, net premiums written increased by 48.5% to \$290.6 million compared to the second

quarter of 2012. The growth of the AmTrust Quota Share Reinsurance segment was driven by both organic premium increases, in particular in the workers' compensation line, and, to a lesser extent, acquisition activity. Net premiums written from the National General Holdings Corporation Quota Share ("NGHC Quota Share", formerly known as the "ACAC Quota Share") were unchanged at \$72.4 million compared to the same period in 2012.

Net premiums earned of \$513.3 million increased 17.4%, or \$76.2 million compared to the second quarter of 2012. Earned premiums decreased 10.4% in the Diversified Reinsurance segment to \$178.3 million compared to the second quarter to 2012. In the same comparative periods, the AmTrust Quota Share Reinsurance segment was up 55.8% and the NGHC Quota Share segment was up 4.8%.

Net investment income of \$20.7 million in the second quarter of 2013 increased 3.3% compared to the second quarter of 2012. Total investments increased \$97.7 million or 3.7% to \$2.7 billion versus December 31, 2012. The average yield on the fixed income portfolio (excluding cash) is 3.54% with an average duration of 4.37 years.

Net loss and loss adjustment expenses of \$343.3 million were up \$42.9 million compared to the second quarter of 2012. The loss ratio⁽⁶⁾ decreased by 1.9 percentage points to 66.5% versus the second quarter of 2012.

Commission and other acquisition expenses together with general and administrative expenses of \$160.4 million increased \$30.5 million in the second quarter of 2013, compared to the year ago quarter, while the total expense ratio⁽⁹⁾ rose to 31.1% in the second quarter of 2013 compared with 29.5% in the same quarter last year. General and administrative expenses for the second quarter of 2013 totaled \$16.8 million compared with \$15.2 million in the second quarter of 2012. The general and administrative expense ratio⁽⁸⁾ decreased to 3.3% in the second quarter of 2013 versus 3.4% in the second quarter of 2012.

The combined ratio⁽¹⁰⁾ for the second quarter of 2013 totaled 97.6% compared with 97.9% in the second quarter of 2012.

Total assets increased 6.5% to \$4.4 billion at June 30, 2013 compared to \$4.1 billion at year-end 2012. Total cash on hand at June 30, 2013 was down 13.2% to \$185.6 million compared to year-end 2012, and consisted of cash and cash equivalents of \$89.4 million and restricted cash and cash equivalents of \$96.2 million. Shareholders' equity was \$956.4 million, a decrease of 5.8% compared to December 31, 2012. Book value per common share was \$11.12 at the end of the second quarter of 2013 or 7.0% lower than at December 31, 2012.

During the second quarter of 2013, the Board of Directors declared dividends of \$0.09 per common share and \$0.515625 per Series A preference share.

Results for the six months ended June 30, 2013

Net income for the six months ended June 30, 2013 was \$45.2 million compared to net income of \$34.9 million in the first half of 2012. Net operating earnings⁽¹⁾ for the first half of 2013 were \$41.5 million, or \$0.56 per diluted common share compared to \$39.1 million or \$0.53 per diluted common share in the first six months of 2012. Annualized operating return on common equity⁽¹⁾ for the six months ended June 30, 2013 was 10.0% compared to 9.9% for the first half of 2012.

Net premiums written rose 18.4%, or \$184.2 million to \$1.2 billion in the first six months of 2013 compared to the same period in 2012. For the first two quarters of 2013, net premiums written in the Diversified Reinsurance segment of \$402.5 million were 6.9% lower than in the first half of 2012. Net premiums written for the AmTrust Quota Share Reinsurance segment was \$635.4 million, up 50.7% compared to the first two quarters of 2012. Net premiums written for the NGHC Quota Share were \$149.1 million in the first six months of 2013 compared to \$148.9 million in the first half of 2012.

Net premiums earned in the first six months of 2013 were \$1.0 billion, an increase of 14.4% or \$126.1 million compared to the first half of 2012. Net premiums earned in the Diversified Reinsurance segment were down 7.2% to \$374.6 million for the first six months of 2013 compared to the same period in 2012. The AmTrust Quota Share Reinsurance segment net premiums earned of \$481.7 million increased 43.5% in the first six months of 2013 compared to the first half of 2012. The NGHC Quota Share segment net premiums earned totaled \$145.4 million in the first half of 2013, up 6.7% compared to the first six months of 2012.

Net investment income in the first half of 2013 was \$42.7 million, up 10.9% compared to the same period in 2012. This reflects a 13.5% increase in total investments at the end of the second quarter of 2013 compared to the end of the second quarter of 2012, which was somewhat offset by a decrease in book yield (excluding cash) to 3.54% from 3.74% at the end of June 2012.

Net loss and loss adjustment expenses for the first six months of 2013 were \$678.2 million, up \$89.9 million compared to the same period in 2012. The loss ratio⁽⁶⁾ increased 0.5 percentage points to 67.2% versus the first six months of 2012.

Commission and other acquisition expenses together with general and administrative expenses of \$306.8 million increased \$30.9 million compared to the first six months of 2012 and resulted in a total expense ratio⁽⁹⁾ of 30.4% compared with 31.2% in the first half of 2012. General and administrative expenses for the first six months of 2013 totaled \$30.9 million compared with \$29.0 million in the first two quarters of 2012. These results reflected a general and administrative expense ratio⁽⁸⁾ of 3.1% in the first six months of 2013 and 3.2% in the comparative period last year.

The combined ratio⁽¹⁰⁾ for the first six months of 2013 was 97.6%, which improved compared to the combined ratio⁽¹⁰⁾ for the first six months of last year of 97.9%.

NGHC Quota Share

Maiden and NGHC have agreed to terminate their multi-year quota share reinsurance contract following NGHC's highly successful equity issuance of a 25% stake in NGHC through a private placement transaction. Under the terms of the agreement, NGHC maintains the right to terminate the quota share contract within 60 days of the initiation of a private placement or initial public offering. The termination is effective August 1, 2013, and is subject to regulatory approval by NGHC. The termination is by mutual agreement and takes effect on a run-off basis on that date.

Commenting on the termination, Maiden's Chief Executive Officer, Art Raschbaum, said, "We are very pleased to have had the opportunity to support NGHC as a quota share reinsurance capital provider. Following NGHC's equity issuance, the quota share capital support provided by Maiden is now unnecessary. Importantly with robust growth in our AmTrust business segment and favorable prospects for continued development of our diversified portfolio, the termination should have a negligible impact on Maiden's continued profitable growth."

(1)(4) Please see the Non-GAAP Financial Measures table for additional information on these non-GAAP financial measures and reconciliation of these measures to GAAP measures.

(6)(8)(9)(10) Loss ratio, general and administrative expense ratio, expense ratio and combined ratio are operating metrics. Please see the additional information on these measures under Segment information tables.

Conference Call

Maiden's CEO Art Raschbaum and CFO John Marshaleck will review these results tomorrow morning via teleconference and live audio webcast beginning at 8:30 a.m. ET.

To participate in the conference call, please access one of the following no later than 8:25 a.m. ET:

U.S. Callers: 1.877.734.5373

Outside U.S. Callers: 1.973.200.3059

Passcode: 22942949

Webcast: http://www.maiden.bm/presentations_conferences

A replay of the conference call will be available beginning 11:30 a.m. ET on August 8, 2013 through midnight on August 15, 2013. To listen to the replay, please dial toll free: 1.855.859.2056 (U.S. Callers) or toll: 1.404.537.3406 (callers outside the U.S.) and enter the Passcode: 22942949; or access http://www.maiden.bm/presentations_conferences.

About Maiden Holdings, Ltd.

Maiden Holdings, Ltd. is a Bermuda-based holding company formed in 2007. Through its subsidiaries, which are each A- rated (excellent) by A.M. Best, the Company is focused on providing non-catastrophic, customized reinsurance products and services to small and mid-size insurance companies in the United States and Europe. As of June 30, 2013, Maiden had \$4.4 billion in assets and shareholders' equity of \$956.4 million.

The Maiden Holdings, Ltd. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=5006>

Forward Looking Statements

This release contains "forward-looking statements" which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements are based on the Company's current expectations and beliefs concerning future developments and their potential effects on the Company. There can be no assurance that actual developments will be those anticipated by the Company. Actual results may differ materially from those projected as a result of significant risks and uncertainties, including non-receipt of the expected payments, changes in interest rates, effect of the performance of financial markets on investment income and fair values of investments, developments of claims and the effect on loss reserves, accuracy in projecting loss reserves, the impact of competition and pricing environments, changes in

the demand for the Company's products, the effect of general economic conditions and unusual frequency of storm activity, adverse state and federal legislation, regulations and regulatory investigations into industry practices, developments relating to existing agreements, heightened competition, changes in pricing environments, and changes in asset valuations. Additional information about these risks and uncertainties, as well as others that may cause actual results to differ materially from those projected is contained in Item 1A. Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2012 as updated in periodic filings with the SEC. The Company undertakes no obligation to publicly update any forward-looking statements, except as may be required by law.

Maiden Holdings, Ltd.

Balance Sheet

(in thousands (000's), except per share data)

| | June 30, 2013 (Unaudited) | December 31, 2012 (Audited) |
|--|------------------------------|--------------------------------|
| Assets | | |
| Fixed maturities, available-for-sale, at fair value (<i>Amortized cost 2013: \$2,665,870; 2012: \$2,475,202</i>) | \$2,714,867 | \$2,618,697 |
| Other investments, at fair value (<i>Cost 2013: \$4,087; 2012: \$2,599</i>) | 4,438 | 2,901 |
| Total investments | 2,719,305 | 2,621,598 |
| Cash and cash equivalents | 89,375 | 81,543 |
| Restricted cash and cash equivalents | 96,215 | 132,327 |
| Accrued investment income | 21,515 | 21,007 |
| Reinsurance balances receivable, net | 685,095 | 522,614 |
| Funds withheld | 43,706 | 42,712 |
| Prepaid reinsurance premiums | 48,944 | 38,725 |
| Reinsurance recoverable on unpaid losses | 101,143 | 110,858 |
| Loan to related party | 167,975 | 167,975 |
| Deferred commission and other acquisition expenses | 314,839 | 270,669 |
| Goodwill and intangible assets, net | 92,503 | 94,393 |
| Other assets | 25,235 | 33,742 |
| Total Assets | \$4,405,850 | \$4,138,163 |
| Liabilities and Equity | | |
| Liabilities | | |
| Reserve for loss and loss adjustment expenses | \$1,844,086 | \$1,740,281 |
| Unearned premiums | 1,129,796 | 936,497 |
| Accrued expenses and other liabilities | 141,359 | 111,957 |
| Senior notes | 207,500 | 207,500 |
| Junior subordinated debt | 126,348 | 126,317 |
| Total Liabilities | 3,449,089 | 3,122,552 |
| Equity | | |
| Preference Shares - Series A | 150,000 | 150,000 |
| Common shares | 735 | 733 |
| Additional paid-in capital | 577,960 | 575,869 |
| Accumulated other comprehensive income | 48,035 | 141,130 |
| Retained earnings | 183,436 | 151,308 |
| Treasury stock, at cost | (3,801) | (3,801) |
| Total Maiden Shareholders' Equity | 956,365 | 1,015,239 |
| Noncontrolling interest in subsidiaries | 396 | 372 |
| Total Equity | 956,761 | 1,015,611 |
| Total Liabilities and Equity | \$4,405,850 | \$4,138,163 |

| | | |
|--|-------------------|-------------------|
| Book value per common share (4) | \$11.12 | \$11.96 |
| Common shares outstanding | 72,514,437 | 72,343,947 |

Maiden Holdings, Ltd.
Income Statement
(in thousands (000's), except per share data)
(Unaudited)

| | For the Three Months Ended June 30, 2013 | For the Three Months Ended June 30, 2012 | For the Six Months Ended June 30, 2013 | For the Six Months Ended June 30, 2012 |
|--|---|---|---|---|
| Revenues: | | | | |
| Gross premiums written | <u>\$535,457</u> | <u>\$445,228</u> | <u>\$1,250,177</u> | <u>\$1,058,440</u> |
| Net premiums written | <u>\$497,949</u> | <u>\$411,960</u> | <u>\$1,187,008</u> | <u>\$1,002,793</u> |
| Change in unearned premiums | 15,324 | 25,156 | (185,293) | (127,181) |
| Net premiums earned | 513,273 | 437,116 | 1,001,715 | 875,612 |
| Other insurance revenue | 2,780 | 2,274 | 7,995 | 7,028 |
| Net investment income | 20,745 | 20,085 | 42,724 | 38,522 |
| Net realized (losses) gains on investment | (53) | (2,939) | 3,230 | (1,574) |
| Total revenues | <u>536,745</u> | <u>456,536</u> | <u>1,055,664</u> | <u>919,588</u> |
| Expenses: | | | | |
| Net loss and loss adjustment expenses | 343,347 | 300,435 | 678,242 | 588,352 |
| Commission and other acquisition expenses | 143,572 | 114,663 | 275,902 | 246,921 |
| General and administrative expenses | 16,817 | 15,208 | 30,912 | 29,039 |
| Total expenses | <u>503,736</u> | <u>430,306</u> | <u>985,056</u> | <u>864,312</u> |
| Income from operations (2) | <u>33,009</u> | <u>26,230</u> | <u>70,608</u> | <u>55,276</u> |
| Other expenses | | | | |
| Amortization of intangible assets | (945) | (1,091) | (1,890) | (2,181) |
| Foreign exchange and other gains (losses) | 1,049 | (874) | 2,596 | 105 |
| Interest and amortization expenses | (9,570) | (9,568) | (19,140) | (17,246) |
| Total other expenses | <u>(9,466)</u> | <u>(11,533)</u> | <u>(18,434)</u> | <u>(19,322)</u> |
| Income before income taxes | <u>23,543</u> | <u>14,697</u> | <u>52,174</u> | <u>35,954</u> |
| Income taxes: | | | | |
| Current tax (benefit) expense | (53) | (155) | 520 | 483 |
| Deferred tax expense | 265 | 246 | 216 | 487 |
| Income tax expense | <u>212</u> | <u>91</u> | <u>736</u> | <u>970</u> |
| Net income | <u>23,331</u> | <u>14,606</u> | <u>51,438</u> | <u>34,984</u> |
| Less: income attributable to noncontrolling interest | (32) | (65) | (59) | (66) |
| Net income attributable to Maiden | <u>23,299</u> | <u>14,541</u> | <u>51,379</u> | <u>34,918</u> |

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Dividends on preference shares | (3,094) | -- | (6,188) | -- |
| Net income attributable to Maiden common shareholders | \$20,205 | \$14,541 | \$45,191 | \$34,918 |
| Net operating earnings attributable to Maiden common shareholders (1) | \$20,419 | \$19,691 | \$41,471 | \$39,055 |
| Basic earnings per common share attributable to Maiden shareholders | \$ 0.28 | \$ 0.20 | \$ 0.62 | \$ 0.48 |
| Diluted earnings per common share attributable to Maiden shareholders | \$ 0.27 | \$ 0.20 | \$ 0.61 | \$ 0.48 |
| Basic operating earnings per common share attributable to Maiden shareholders | \$ 0.28 | \$ 0.27 | \$ 0.57 | \$ 0.54 |
| Diluted operating earnings per common share attributable to Maiden shareholders | \$ 0.28 | \$ 0.27 | \$ 0.56 | \$ 0.53 |
| Dividends declared per common share | \$ 0.09 | \$ 0.08 | \$ 0.18 | \$ 0.16 |
| Weighted average number of basic shares outstanding | 72,454,400 | 72,258,550 | 72,435,982 | 72,242,440 |
| Weighted average number of diluted shares outstanding | 73,684,301 | 73,040,926 | 73,596,794 | 73,063,659 |
| Net loss and loss adjustment expense ratio (6) | 66.5% | 68.4% | 67.2% | 66.7% |
| Commission and other acquisition expense ratio (7) | 27.8% | 26.1% | 27.3% | 28.0% |
| General and administrative expense ratio (8) | 3.3% | 3.4% | 3.1% | 3.2% |
| Expense ratio (9) | 31.1% | 29.5% | 30.4% | 31.2% |
| Combined ratio (10) | 97.6% | 97.9% | 97.6% | 97.9% |
| Annualized return on common equity | 9.6% | 7.2% | 10.9% | 8.8% |
| Annualized operating return on common equity | 9.7% | 9.7% | 10.0% | 9.9% |

Maiden Holdings, Ltd.
Non - GAAP Financial Measure
(in thousands (000's), except per share data)
(Unaudited)

| | For the Three Months Ended June 30, 2013 | For the Three Months Ended June 30, 2012 | For the Six Months Ended June 30, 2013 | For the Six Months Ended June 30, 2012 |
|---|---|---|---|---|
| Reconciliation of net income attributable to Maiden common shareholders to net operating earnings: | | | | |
| Net income attributable to Maiden common shareholders | \$20,205 | \$14,541 | \$45,191 | \$34,918 |
| Add (subtract) | | | | |
| Net realized losses (gains) on investment | 53 | 2,939 | (3,230) | 1,574 |
| Foreign exchange and other (gains) losses | (1,049) | 874 | (2,596) | (105) |
| Amortization of intangible assets | 945 | 1,091 | 1,890 | 2,181 |
| Non-cash deferred tax expense | 265 | 246 | 216 | 487 |
| Net operating earnings attributable to Maiden common shareholders (1) | \$20,419 | \$19,691 | \$41,471 | \$39,055 |

Operating earnings per common share attributable to Maiden shareholders:

| | | | | |
|---|--------|--------|--------|--------|
| Basic earnings per common share attributable to Maiden shareholders | \$0.28 | \$0.27 | \$0.57 | \$0.54 |
| Diluted earnings per common share attributable to Maiden | | | | |

| | | | | |
|--------------|--------|--------|--------|--------|
| shareholders | \$0.28 | \$0.27 | \$0.56 | \$0.53 |
|--------------|--------|--------|--------|--------|

Reconciliation of net income attributable to Maiden to income from operations:

| | | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| Net income attributable to Maiden | \$23,299 | \$14,541 | \$51,379 | \$34,918 |
| Add (subtract) | | | | |
| Foreign exchange and other (gains) losses | (1,049) | 874 | (2,596) | (105) |
| Amortization of intangible assets | 945 | 1,091 | 1,890 | 2,181 |
| Interest and amortization expenses | 9,570 | 9,568 | 19,140 | 17,246 |
| Income tax expense | 212 | 91 | 736 | 970 |
| Income attributable to noncontrolling interest | 32 | 65 | 59 | 66 |
| Income from operations (2) | <u>\$33,009</u> | <u>\$26,230</u> | <u>\$70,608</u> | <u>\$55,276</u> |

| | June 30, 2013 | December 31, 2012 |
|--------------------------------------|--------------------|--------------------|
| Investable assets: | | |
| Total investments | \$2,719,305 | \$2,621,598 |
| Cash and cash equivalents | 89,375 | 81,543 |
| Restricted cash and cash equivalents | 96,215 | 132,327 |
| Funds withheld (3) | 24,153 | 26,494 |
| Loan to related party | 167,975 | 167,975 |
| Total investable assets (3) | <u>\$3,097,023</u> | <u>\$3,029,937</u> |

| | June 30, 2013 | December 31, 2012 |
|-----------------------------------|--------------------|--------------------|
| Capital: | | |
| Senior notes | \$207,500 | \$207,500 |
| Junior subordinated debt | 126,348 | 126,317 |
| Total Maiden shareholders' equity | <u>956,365</u> | <u>1,015,239</u> |
| Total capital (5) | <u>\$1,290,213</u> | <u>\$1,349,056</u> |

(1) Net operating earnings is a non-GAAP financial measure defined by the Company as net income attributable to Maiden common shareholders excluding realized and unrealized investment gains and losses, foreign exchange and other gains and losses, amortization of intangible assets and non-cash deferred tax charge and should not be considered as an alternative to net income. The Company's management believes that net operating earnings is a useful indicator of trends in the Company's underlying operations. The Company's measure of net operating earnings may not be comparable to similarly titled measures used by other companies.

(2) Income from Operations is a non-GAAP financial measure defined by the Company as net income attributable to Maiden excluding foreign exchange and other gains and losses, amortization of intangible assets, interest and amortization expenses, income tax expense and income or loss attributable to noncontrolling interest and should not be considered as an alternative to net income. The Company's management believes that income from operations is a useful measure of the Company's underlying earnings fundamentals based on its underwriting and investment income before financing costs. This income from operations enables readers of this information to more clearly understand the essential operating results of the Company. The Company's measure of income from operations may not be comparable to similarly titled measures used by other companies.

(3) Investable assets is the total of the Company's investments, cash and cash equivalents, loan to a related party and the portion of the funds withheld balance that comprises fixed maturity securities and cash and cash equivalents.

(4) Calculated by dividing total Maiden shareholders' equity less the preference shares - series A by total common shares outstanding.

(5) Capital is the total of the Company's senior notes, junior subordinated debt and Maiden shareholders' equity.

Supplemental Financial Data - Segment Information
(in thousands (000's))
(Unaudited)

| For the Three Months Ended June 30, 2013 | Diversified Reinsurance | AmTrust Quota Share Reinsurance | NGHC Quota Share | Total |
|---|------------------------------------|--|-----------------------------|-----------------|
| Net premiums written | \$134,934 | \$290,578 | \$72,437 | \$497,949 |
| Net premiums earned | \$178,336 | \$261,404 | \$73,533 | \$513,273 |
| Other insurance revenue | 2,780 | -- | -- | 2,780 |
| Net loss and loss adjustment expenses | (120,837) | (172,925) | (49,585) | (343,347) |
| Commissions and other acquisition expenses | (44,438) | (76,198) | (22,936) | (143,572) |
| General and administrative expenses | (11,153) | (505) | (179) | (11,837) |
| Underwriting income | \$4,688 | \$11,776 | \$833 | \$17,297 |

Reconciliation to net income attributable to Maiden common shareholders

| | |
|--|-----------------|
| Net investment income and realized losses on investment | 20,692 |
| Amortization of intangible assets | (945) |
| Foreign exchange and other gains | 1,049 |
| Interest and amortization expenses | (9,570) |
| Other general and administrative expenses | (4,980) |
| Income tax expense | (212) |
| Income attributable to noncontrolling interest | (32) |
| Dividends on preference shares | (3,094) |
| Net income attributable to Maiden common shareholders | \$20,205 |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Net loss and loss adjustment expense ratio (6) | 66.7% | 66.2% | 67.4% | 66.5% |
| Commission and other acquisition expense ratio (7) | 24.5% | 29.1% | 31.2% | 27.8% |
| General and administrative expense ratio (8) | 6.2% | 0.2% | 0.3% | 3.3% |
| Combined ratio (10) | 97.4% | 95.5% | 98.9% | 97.6% |

| For the Three Months Ended June 30, 2012 | Diversified Reinsurance | AmTrust Quota Share Reinsurance | NGHC Quota Share | Total |
|---|------------------------------------|--|-----------------------------|-----------------|
| Net premiums written | \$143,981 | \$195,629 | \$72,350 | \$411,960 |
| Net premiums earned | \$199,130 | \$167,816 | \$70,170 | \$437,116 |
| Other insurance revenue | 2,274 | -- | -- | 2,274 |
| Net loss and loss adjustment expenses | (138,420) | (116,755) | (45,260) | (300,435) |
| Commissions and other acquisition expenses | (47,945) | (44,590) | (22,128) | (114,663) |
| General and administrative expenses | (12,145) | (530) | (194) | (12,869) |
| Underwriting income | \$2,894 | \$5,941 | \$2,588 | \$11,423 |

Reconciliation to net income attributable to Maiden common shareholders

| | |
|---|---------|
| Net investment income and realized losses on investment | 17,146 |
| Amortization of intangible assets | (1,091) |
| Foreign exchange losses | (874) |
| Interest and amortization expenses | (9,568) |
| Other general and administrative expenses | (2,339) |

| | |
|--|------|
| Income tax expense | (91) |
| Income attributable to noncontrolling interest | (65) |

Net income attributable to Maiden common shareholders \$14,541

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Net loss and loss adjustment expense ratio (6) | 68.7% | 69.6% | 64.5% | 68.4% |
| Commission and other acquisition expense ratio (7) | 23.8% | 26.6% | 31.5% | 26.1% |
| General and administrative expense ratio (8) | 6.1% | 0.3% | 0.3% | 3.4% |
| Combined ratio (10) | <u>98.6%</u> | <u>96.5%</u> | <u>96.3%</u> | <u>97.9%</u> |

Maiden Holdings, Ltd.
Supplemental Financial Data - Segment Information
(in thousands (000's))
(Unaudited)

| For the Six Months Ended June 30, 2013 | Diversified Reinsurance | AmTrust Quota Share Reinsurance | NGHC Quota Share | Total |
|---|------------------------------------|--|-----------------------------|-----------------|
| Net premiums written | \$402,544 | \$635,396 | \$149,068 | \$1,187,008 |
| Net premiums earned | \$374,585 | \$481,692 | \$145,438 | \$1,001,715 |
| Other insurance revenue | 7,995 | -- | -- | 7,995 |
| Net loss and loss adjustment expenses | (261,600) | (318,570) | (98,072) | (678,242) |
| Commissions and other acquisition expenses | (89,220) | (141,330) | (45,352) | (275,902) |
| General and administrative expenses | (21,951) | (994) | (353) | (23,298) |
| Underwriting income | <u>\$9,809</u> | <u>\$20,798</u> | <u>\$1,661</u> | <u>\$32,268</u> |

Reconciliation to net income attributable to Maiden common shareholders

| | |
|--|----------|
| Net investment income and realized gains on investment | 45,954 |
| Amortization of intangible assets | (1,890) |
| Foreign exchange and other gains | 2,596 |
| Interest and amortization expenses | (19,140) |
| Other general and administrative expenses | (7,614) |
| Income tax expense | (736) |
| Income attributable to noncontrolling interest | (59) |
| Dividends on preference shares | (6,188) |

Net income attributable to Maiden common shareholders \$45,191

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Net loss and loss adjustment expense ratio (6) | 68.4% | 66.1% | 67.4% | 67.2% |
| Commission and other acquisition expense ratio (7) | 23.3% | 29.3% | 31.2% | 27.3% |
| General and administrative expense ratio (8) | 5.7% | 0.3% | 0.3% | 3.1% |
| Combined ratio (10) | <u>97.4%</u> | <u>95.7%</u> | <u>98.9%</u> | <u>97.6%</u> |

| For the Six Months Ended June 30, 2012 | Diversified Reinsurance | AmTrust Quota Share Reinsurance | NGHC Quota Share | Total |
|---|------------------------------------|--|-----------------------------|--------------|
| Net premiums written | \$432,277 | \$421,644 | \$148,872 | \$1,002,793 |

| | | | | |
|--|----------------|-----------------|----------------|-----------|
| Net premiums earned | \$403,593 | \$335,695 | \$136,324 | \$875,612 |
| Other insurance revenue | 7,028 | -- | -- | 7,028 |
| Net loss and loss adjustment expenses | (270,812) | (229,611) | (87,929) | (588,352) |
| Commissions and other acquisition expenses | (112,094) | (91,759) | (43,068) | (246,921) |
| General and administrative expenses | (22,593) | (909) | (367) | (23,869) |
| Underwriting income | <u>\$5,122</u> | <u>\$13,416</u> | <u>\$4,960</u> | \$23,498 |

Reconciliation to net income attributable to Maiden common shareholders

| | | | | |
|--|--|--|--|-----------------|
| Net investment income and realized losses on investment | | | | 36,948 |
| Amortization of intangible assets | | | | (2,181) |
| Foreign exchange gains | | | | 105 |
| Interest and amortization expenses | | | | (17,246) |
| Other general and administrative expenses | | | | (5,170) |
| Income tax expense | | | | (970) |
| Income attributable to noncontrolling interest | | | | (66) |
| Net income attributable to Maiden common shareholders | | | | <u>\$34,918</u> |

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Net loss and loss adjustment expense ratio (6) | 66.0% | 68.4% | 64.5% | 66.7% |
| Commission and other acquisition expense ratio (7) | 27.3% | 27.3% | 31.6% | 28.0% |
| General and administrative expense ratio (8) | 5.5% | 0.3% | 0.3% | 3.2% |
| Combined ratio (10) | <u>98.8%</u> | <u>96.0%</u> | <u>96.4%</u> | <u>97.9%</u> |

(6) Calculated by dividing net loss and loss adjustment expenses by the sum of net premiums earned and other insurance revenue.

(7) Calculated by dividing commission and other acquisition expenses by the sum of net premiums earned and other insurance revenue.

(8) Calculated by dividing general and administrative expenses by the sum of net premiums earned and other insurance revenue.

(9) Calculated by adding together the commission and other acquisition expense ratio and general and administrative expense ratio.

(10) Calculated by adding together the net loss and loss adjustment expense ratio and expense ratio.

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