

AMERICAN OVERSEAS GROUP LTD.

NET INCOME AND OPERATING INCOME BY SEGMENT

(dollars in thousands)

June 30, 2019

	Net income available to common shareholders	Net realized loss on sales of investments	Net change in fair value of credit derivatives	Fair value adjustments	Amortization of intangibles	Operating income
<b>Property and casualty:</b>						
Net premiums earned	\$ 3,881					\$ 3,881
Losses and loss adjustment expenses	(972)					(972)
Acquisition expenses	(2,689)					(2,689)
Fee income	6,052					6,052
Operating expenses	(4,525)					(4,525)
Amortization expense	-					-
Income tax	(2)					(2)
Property and casualty	1,745	-	-	-	-	1,745
<b>Financial guaranty:</b>						
Net premiums earned	(14,263)			12,852		(1,411)
Net change in fair value of credit derivatives	261		(189)			72
Losses and loss adjustment expenses	(4,985)			(1,822)		(6,807)
Acquisition expenses	3,133			(2,855)		278
Operating expenses	(1,899)					(1,899)
Financial guaranty	(17,753)	-	(189)	8,175	-	(9,767)
<b>Corporate and Investing</b>						
Net investment income	1,336					1,336
Net realized loss on sales of investments	87	(87)				-
Fair value adjustment	11,917			(11,917)		-
Operating expenses	(253)					(253)
Interest expense	(902)					(902)
Other expense, net of other income	31					31
Corporate and investing	12,216	(87)	-	(11,917)	-	212
<b>Group total</b>	<b>\$ (3,793)</b>	<b>\$ (87)</b>	<b>\$ (189)</b>	<b>\$ (3,741)</b>	<b>\$ -</b>	<b>\$ (7,810)</b>

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	Net income available to common shareholders	Net realized loss on sales of investments	Net change in fair value of credit derivatives	Fair value adjustments	Amortization of intangibles	Operating income
<b>Property and casualty:</b>						
Net premiums earned	\$ 1,408					\$ 1,408
Losses and loss adjustment expenses	(946)					(946)
Acquisition expenses	(355)					(355)
Fee income	5,969					5,969
Operating expenses	(4,722)					(4,722)
Amortization expense	-					-
Income tax	(2)					(2)
Property and casualty	1,352	-	-	-	-	1,352
<b>Financial guaranty:</b>						
Net premiums earned	(409)			2,560		2,151
Net change in fair value of credit derivatives	59		(59)			0
Losses and loss adjustment expenses	(417)			(1,924)		(2,341)
Acquisition expenses	181			(569)		(388)
Operating expenses	(1,990)					(1,990)
Financial guaranty	(2,576)	-	(59)	67	-	(2,568)
<b>Corporate and Investing</b>						
Net investment income	1,123					1,123
Net realized loss on sales of investments	1	(15,601)		15,600		-
Fair value adjustment	(274)			274		-
Operating expenses	(263)					(263)
Interest expense	(1,095)					(1,095)
Other expense, net of other income	(33)					(33)
Corporate and investing	(541)	(15,601)	-	15,874	-	(268)
Group total	\$ (1,765)	\$ (15,601)	\$ (59)	\$ 15,941	\$ -	\$ (1,484)