AmTrust Financial Update – November 2017

2017 has been a transformative year for AmTrust as we have taken several steps that have fundamentally transformed our balance sheet and significantly strengthened our capital base.

Capital Strength

These transactions will establish the strongest capital base in AmTrust's history and position our Company to continue to grow as a premier multinational property and casualty insurer.

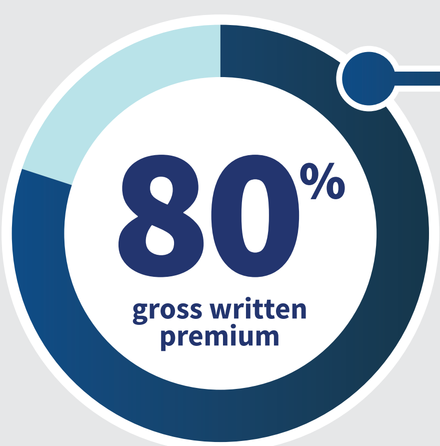
Nearly $1.7 Billion in tangible capital creation

- ~$300 Million capital raise in May 2017
- ~$200 Million sale of a personal lines policy management system to National General Holdings in September 2017
- ~$1.2 Billion capital generated from agreement to transfer a 51% equity interest in a portion of our U.S. Fee business to Madison Dearborn Partners*

Q3 2017 Financial Results

Prior Year Development Ceded to the Adverse Development Cover

On November 6, we announced a prior year reserve development of $327 million in the third quarter, which was fully ceded under the adverse development cover agreement (ADC) we entered in the second quarter of 2017, ahead of our Q3 2017 results. Under statutory accounting, AmTrust immediately receives the full benefit of the ADC in the calculation of statutory capital. This adverse development was driven primarily by long-tailed, terminated programs in AmTrust's Specialty Program segment, consistent with industry peers who have written programs in the past. We have also significantly re-underwritten and re-priced many of our active, ongoing programs to help ensure profitability and results in-line with our expectations.



Our Small Commercial Business and Specialty Risk and Extended Warranty segments

representing approximately 80% of gross written premium

continue to perform well in 2017

and years prior despite emerging loss experience beyond our prior indications.

*Pre-tax proceeds based on an enterprise value of $1.15 billion and subject to post-closing purchase price adjustments, final tax and indebtedness calculations

AmTrust FINANCIAL

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In the aggregate, even with the effect of the adverse development allocated to its contributing segments, our overall book of business continues to be very profitable while taking action to reduce the effect of the under-performing Specialty Program book of business.

Each quarter we go through an extensive reserve evaluation process, which incorporates all updated and new information to date, in this case through Q3 2017. These analyses and diagnostics demonstrated trends and adverse experience that were above our expectations. We have chosen to take a prudent approach and reflect the trends and adverse experience to an extent that has significantly increased our confidence around reserves associated with accident years 2016 and prior.

"We are carrying our 2017 accident year loss ratio above the average loss ratio of [prior accident] years, excluding specialty programs, which gives us confidence in the profitability of our book of business" said Barry Zyskind, Chairman, President and Chief Executive Officer.

A.M. Best

Long-Term Issue Credit Ratings and FSR ratings are temporarily under review until our full year 2017 results are final, and the MDP transaction closes. We look forward to completing the MDP transaction announced on November 6, and further demonstrating the increased capital strength of AmTrust in 2018, and into the future.

A.M. Best recognizes the value of the MDP transaction, which will be fully realized when it closes in the first half of 2018, and commented as follows:

"Significant improvement in balance sheet strength is expected following the closure of the fee business sale; however, until the transaction is closed, these benefits will not be realized."

"Risk-adjusted capitalization, as measured by Best's Capital Adequacy Ratio (BCAR), also is expected to strengthen materially. The overall improvement in the holding company's position upon closure of the sale will be a net positive to AFSI's ratings and those of its subsidiaries."

A.M. Best also emphasized that their ratings review is temporary until we close the MDP transaction and file our 2017 financials. A.M. Best anticipates keeping the ratings under review until:

- the fee business sale closes, and A.M. Best has assessed the impact of the actual closing terms on risk-adjusted capital; and
- year-end 2017 financials have been filed, and A.M Best has assessed the full-year reserve information to determine appropriate capital charges associated with the enterprise reserves.

AmTrust's "A" (Excellent) Financial Strength rating remains intact during this review.

A.M. Best rating of "A" (Excellent) FSC "XV"