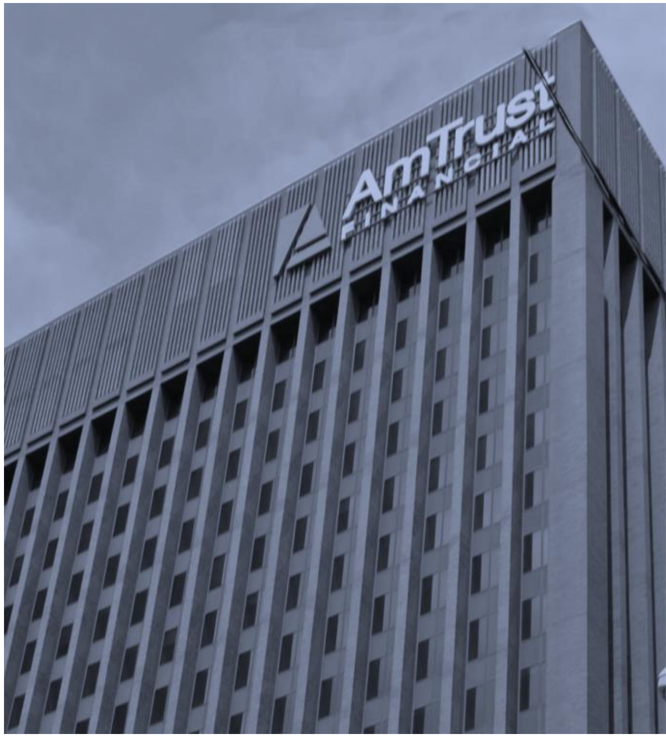
September 2017

AmTrust Financial Services Q2 2017 Investor Presentation



CONSISTENT VISION

DIFFERENTIATED MODEL

SUSTAINABLE GROWTH

Forward Looking Statements

This presentation contains certain forward-looking statements that are intended to be covered by the safe harbors created by the Private Securities Litigation Reform Act of 1995. When we use words such as “anticipate,” “intend,” “plan,” “believe,” “estimate,” “expect,” or similar expressions, we do so to identify forward-looking statements. Examples of forward-looking statements include the plans and objectives of management for future operations, including those relating to future growth of our business activities and availability of funds, and are based on current expectations that involve assumptions that are difficult or impossible to predict accurately and many of which are beyond our control. Actual results may differ materially from those expressed or implied in these statements as a result of significant risks and uncertainties, including, but not limited to, non-receipt of expected payments from insureds or reinsurers, changes in interest rates, a downgrade in the financial strength ratings of our insurance subsidiaries, the effect of the performance of financial markets on our investment portfolio, the amounts, timing and prices of any share repurchases made by us under our share repurchase program, development of claims and the effect on loss reserves, accuracy in projecting loss reserves, the cost and availability of reinsurance coverage, the effects of emerging claim and coverage issues, changes in the demand for our products, our degree of success in integrating acquired businesses, the effect of general economic conditions, state and federal legislation, regulations and regulatory investigations into industry practices, our ability to timely and effectively remediate the material weaknesses in our internal control over financial reporting and implement effective internal control over financial reporting and disclosure controls and procedures in the future, risks associated with conducting business outside the United States, the impact of Brexit, developments relating to existing agreements, disruptions to our business relationships with Maiden Holdings, Ltd. or National General Holdings Corp., breaches in data security or other disruptions with our technology, 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 our filings with the SEC, including our Annual Report on Form 10-K and our quarterly reports on Form 10-Q. Any projections and statements in this supplemental presentation speak only as of the date of this supplemental presentation and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Agenda

- Overview of AmTrust
  - Focused on operational excellence
  - Long-term financial strength and stability
  - Financial strength summary
  - Q2 2017 performance highlights
  - Historical underwriting performance
  - Proprietary technology
  - Investment Portfolio
- Business Segments and Products
  - Small Commercial Business Segment
  - Specialty Risk and Extended Warranty Segment
  - Specialty Program Segment
  - Service and Fee Business
  - Product Mix
  - Geographic Mix
- Why Invest in AmTrust

AmTrust Snapshot

- **Global provider of insurance and risk solutions**
  - Founded in 1998 with a public listing (Nasdaq: AFSI) in 2006
  - Grew from $10M in gross written premiums in 1998 to $7.9B in 2016
  - 8,000 employees in more than 125 offices serving 70 countries around the globe
  - Top three provider of workers' compensation insurance, and a top three warranty writer, in the U.S.
  - Top 13 Lloyd's of London manager by capacity
- **A Fortune 500 company**
  - Included in the Fortune 500 list for the first time in 2017
  - Record revenue of $5.45B in 2016, driven by organic growth and acquisitions
  - Generated over $1.2B of net income in the last three years
- **Strong balance sheet and capital base**(1)
  - Total assets of $25.3B
  - Stockholders equity of $3.7B
  - Total capitalization of $4.9B
  - Book value per share of $14.04
  - Annual dividend per common share of $0.68, paid quarterly

(1) As of June 30, 2017

Focused on Operational Excellence

- **Strong foundation with sound insurance operations built on a consistent vision and differentiated model**
  - Consistent vision and a differentiated model that emphasizes niche opportunities, disciplined underwriting and leveraging technology to service our book of business
- **Focused on organic growth and operational excellence**
  - With strong insurance operations globally, have meaningful opportunities for organic growth
  - Focused on execution to continue to deliver operational excellence
  - We are committed to continuing to support existing book of business and organic growth with a strong capital base and balance sheet
- **The path to excellence across the organization**
  - Organizational structure to align with the size and scale of a global insurance organization
  - Capital structure that reflects a more mature insurer model consistent with the best-in-class members of our peer group
  - Enhancing disclosure regarding the Company's business and financial performance
  - Development of a global financial leadership team and steering committee to drive and execute change
  - Strengthening the internal controls over financial reporting
  - Building on the actuarial excellence we have achieved over past two years, with big-data driven internal actuarial analysis and methodology that allows for greater precision

Long-Term Financial Strength and Stability

- **We took transformative steps in 2017 to increase certainty and confidence in AmTrust's long-term financial strength.**
  - Strengthened our balance sheet and capital base through a $300M common equity raise, to support our insurance business and organic growth opportunities
  - Sold 10,586,000 shares in National General Holdings Corp. (Nasdaq: NGHC) for approximately $211.7M, to simplify our balance sheet and reduce concentration in our investment portfolio composition
  - Entered a reinsurance agreement(1) that provides up to $400M of coverage for adverse net loss reserve development, in excess of stated net loss reserves as of 3/31/17, to reduce AmTrust future reserve volatility
  - Enhanced senior financial leadership team, including appointment of Adam Karkowsky as CFO
- **Increased future earnings consistency by significantly mitigating reserve risk.**
- **Undertook these actions with a long-term view.**
  - Acting in the long-term interests of the Company and our stockholders
  - Demonstrating strength and stability to all of our partners, brokers, agents, and insureds
- **Maintaining underwriting and pricing discipline on new and renewal business.**
- **Applying a conservative view in order to support future profitability and balance sheet strength.**
- **Conservative framework, with higher-visibility earnings, expected to deliver Operating ROE(2)(3) of 12-15%.**

(1) Please see slide 32 for more information on the reinsurance agreement, or adverse development cover (ADC)
(2) See page 30 for Non-GAAP reconciliation of operating EPS and ROE
(3) Based on weighted average diluted shares outstanding

Financial Strength Summary

- On May 25, 2017, issued 24.1M shares of common stock at a price of $12.45 per share, through a common equity raise resulting in gross proceeds of $300 million.
- Contributed the proceeds to our insurance subsidiaries to support their financial strength, continued organic growth, and writing of business.

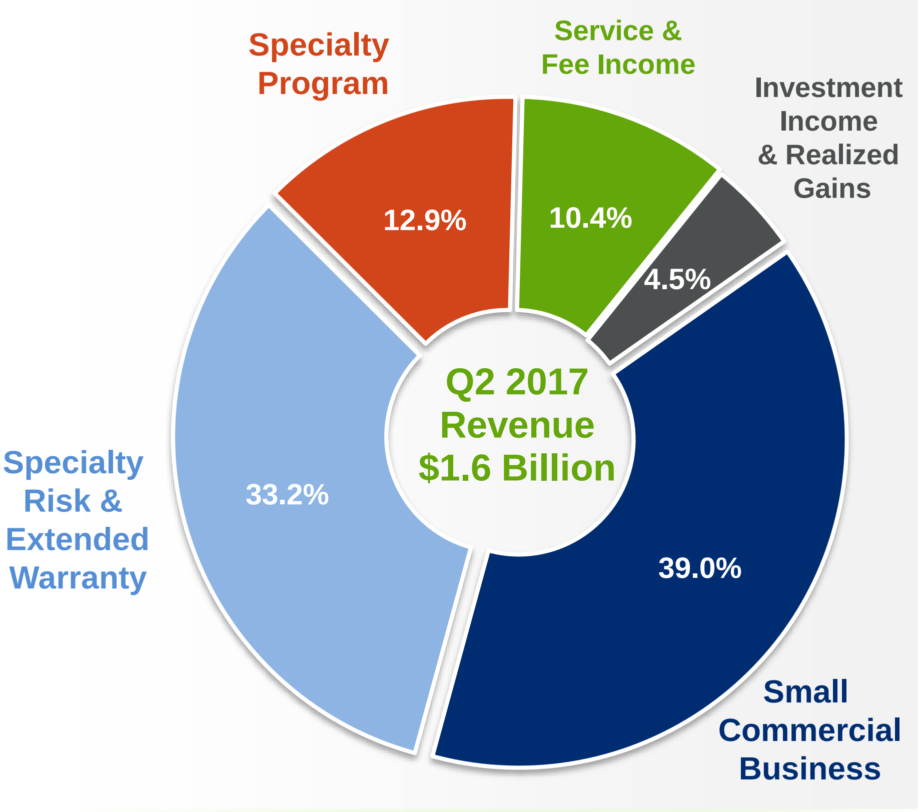
($ millions, except per share amounts)		Q2 2017		Q4 2016
Debt[1]	$	1,284.6	$	1,234.9
AmTrust's stockholders' equity	$	3,663.5	$	3,269.1
Total capital	$	4,948.1	$	4,504.0
Debt-to-capital[2]		26.2%		27.7%
Book value per common share	$	14.04		13.81
Cash, cash equivalents and investments	$	9,879.9		9,235.7

(1) Net of debt issuance costs of $15,611 and $15,960 as of June 30, 2017 and December 31, 2016, respectively
(2) Excludes debt issuance costs

Q2 2017 Consolidated Performance Highlights

- **Gross Written Premium and Total Revenue**
  - $2.2B (+6.1%); $1.6B (+18.2%)
- **Net investment income**
  - $49.2M (-3.0%, primarily due to one-time impact in Q2/17)
- **Service & Fee Income**
  - $168.4M (+35.5%)
- **Loss Ratio**
  - 74.2% vs 66.4%; includes 1.8% of cat events and 5.3% of prior year reserve development ceded under ADC
- **Expense Ratio**
  - 27.0% vs 24.9%; increase was primarily a result of higher direct acquisition costs related to our 2016 acquisitions of Republic, Nationale Borg and ANV, and higher professional services fees

REVENUE MIX

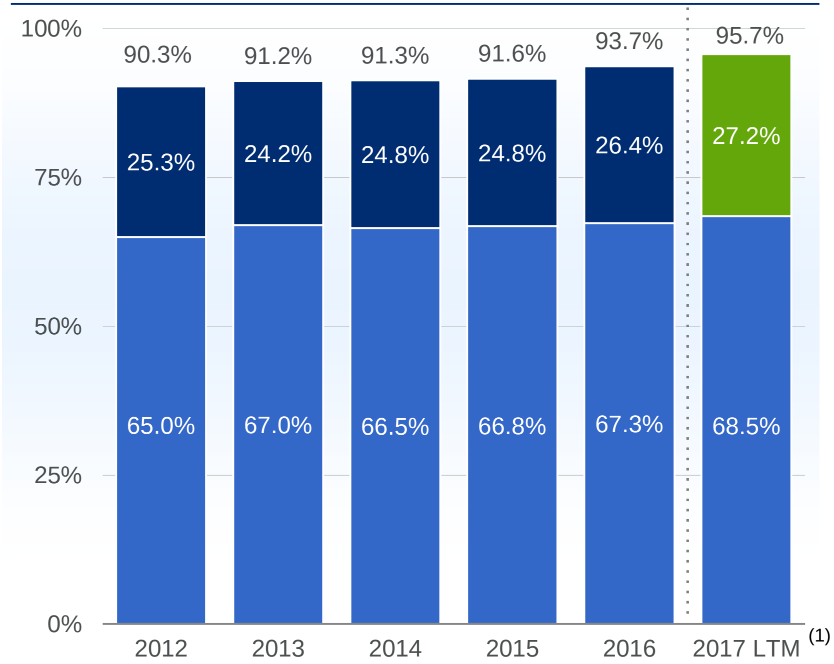


85% Insurance Revenue

History of Strong Underwriting

GROSS WRITTEN PREMIUMS
($, billions)

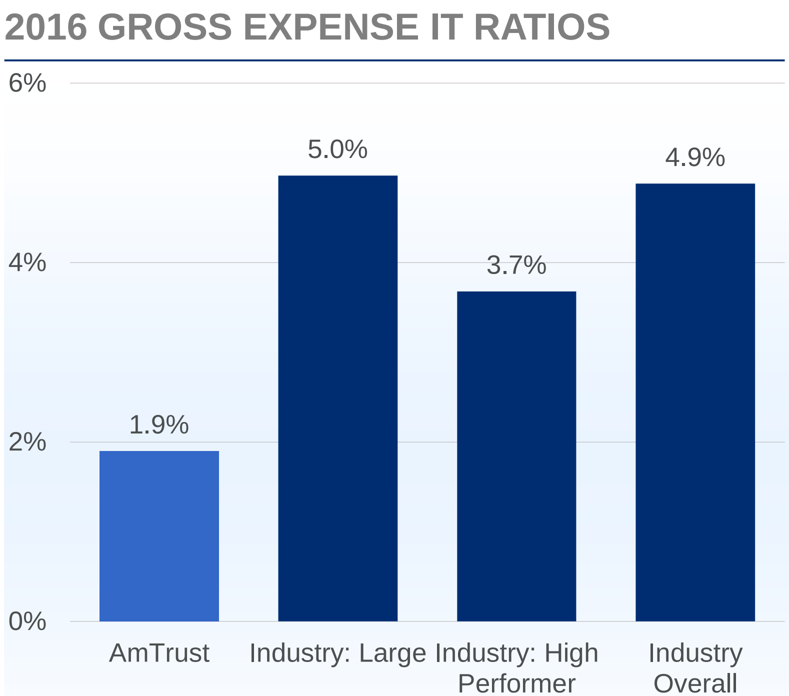
NET COMBINED RATIO
(%)



- Proprietary technology drives lower expense ratio relative to peer group
  - Results in lower origination costs and high retention, and enables strong data analytics
- Ceding commission further reduces net acquisition costs
- Higher expense ratio in 2017 reflects costs associated with higher acquisition costs related to our 2016 acquisitions of Republic, Nationale Borg, and ANV, and higher professional service fees

(1) 2017 LTM loss ratio and combined ratio are adjusted for the unfavorable prior year reserve development ceded under the ADC

Proprietary Technology Lowers Expenses



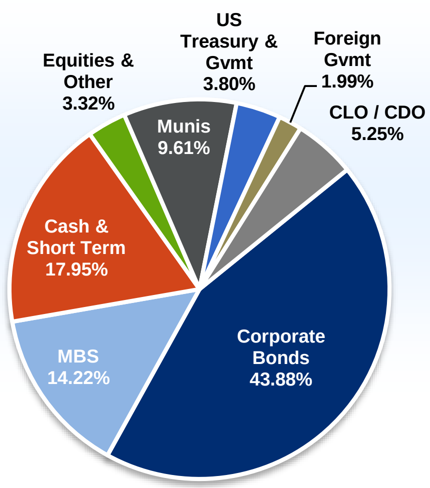
- Proprietary systems result in lower processing costs
- Significant capacity with multiple data center nodes
- Single platform provides timely and granular analysis of business and efficient absorption of acquisitions
- System creates quick response to market opportunities and can adapt and innovate at a fast rate

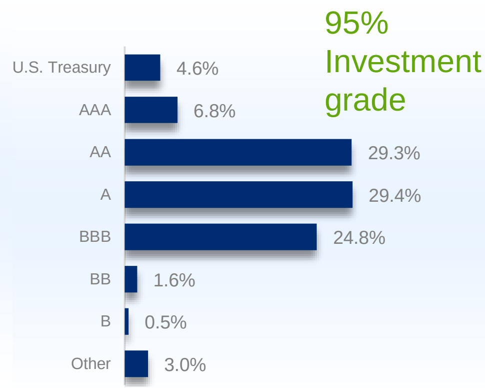
We build our own	We consolidate to common platforms	IT costs well below industry average

Industry Source: Novarica
Note: Industry Large > $1B

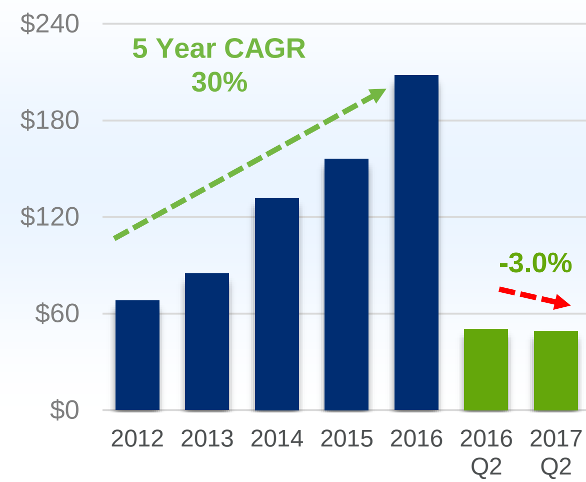
Investment Portfolio Overview

Asset Allocation





Investment Income



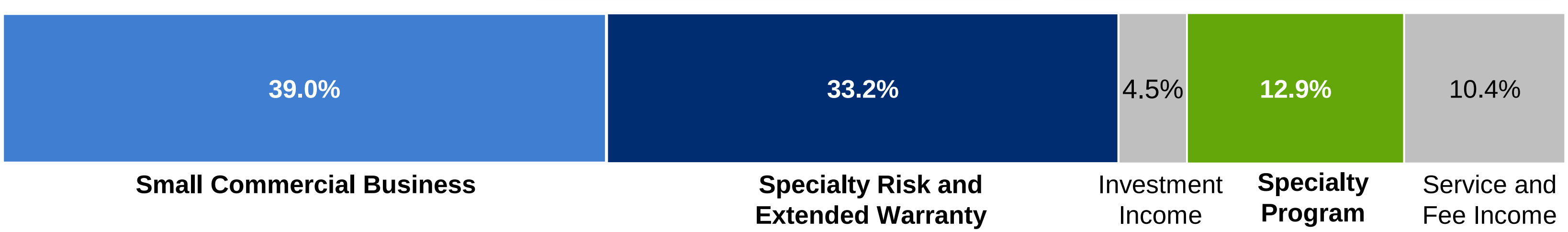
- $9.9B investment portfolio as of Q2 2017
- 95% of the fixed maturity portfolio are investment grade securities
- Average fixed maturity portfolio duration of 4.66 years with yield of 3.1%
- Continue to hold a highly liquid investment grade fixed income portfolio, with increased allocation toward floating rate structure products (e.g. CLOs and CMBS)
- Other assets in our portfolio include positions in:
  - Real Estate Partnerships and other investments of approximately $150M

BUSINESS SEGMENTS AND PRODUCTS

Revenue Contribution by Business Segment

	Small Commercial Business	Specialty Risk and Extended Warranty	Specialty Program
Largest Markets	California, New York, Florida, New Jersey, Texas	United States, UK, Italy, France, Sweden	California, New York, New Jersey, Florida, Texas
Primary Products	• Workers' Compensation insurance in low and medium hazard classes • ~58% of segment's GWP is Workers' Compensation • ~42% of segment's GWP is commercial package and other low-hazard P&C products	• Low hazard and non-catastrophic accidental damage and mechanical breakdown coverage for consumer and commercial goods in U.S. and E.U. • Specialty commercial and consumer coverage internationally	• Over 58 programs in workers' compensation, general liability and property coverage to specialized niche sectors or geographic regions through risk sharing agreements with 43 MGAs

Q2 2017 Revenue $1.62 Billion, by Business Segment



Small Commercial Business Overview

We are dedicated to small business.
AmTrust offers multi-line workers' compensation and commercial insurance for small businesses across the U.S., distributed through over 9,500 retail and wholesale agents. Our focus is on small account sizes and lower hazard industry classes, combined with constant review and analysis to mitigate loss volatility. Average policy size of ~$10K, for businesses with 8-10 employees.

Small Business Insurance Coverages

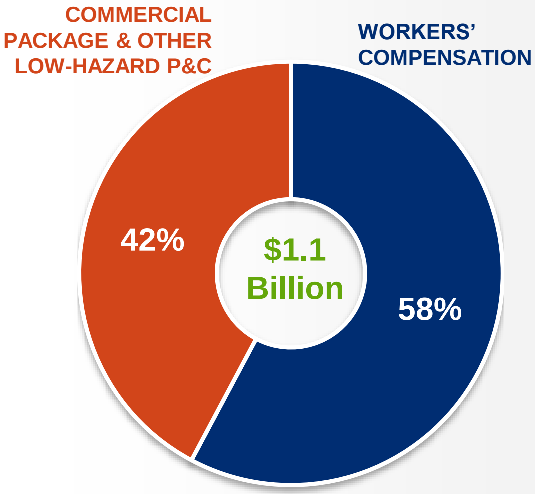
- Workers' Compensation
- Businessowners (BOP)
- Commercial Package (ezPac)
- Commercial Auto (ezAuto)
- Contractors GL/IM (ezArtisan)
- AmTrust Workplace (EPLI)
- Garage (Auto Service Plus)
- Directors & Officers
- Fiduciary Bonds/Professional
- Transportation (Motor Carrier)
- Surety (Contractors & License Bonds)
- Umbrella

Preferred Industry Classes

- Restaurants
- Hospitality
- Offices/Professional
- Retail
- Community Banks
- Auto Service
- Service Industries
- Light Manufacturing
- Not-for-Profits
- Artisan contractors
- Wholesale operations
- Schools

MARKET LEADERSHIP

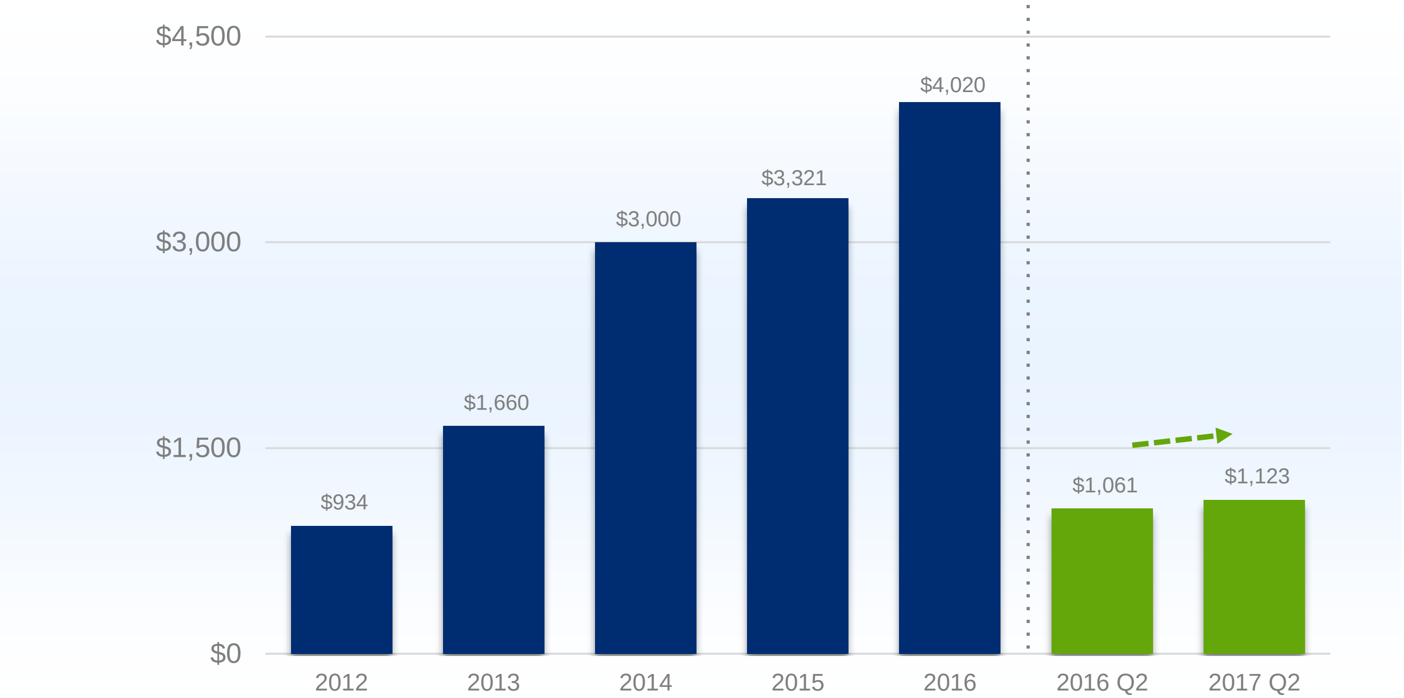
AmTrust ranks **Top 3** workers' comp carrier



SMALL COMMERCIAL BUSINESS Q2 2017 Gross Written Premium

Small Commercial Business Performance

GWP ($, Millions)



%				Small Commercial Business			
Ratios	**2012**	**2013**	**2014**	**2015**	**2016**	**Q2/16**	**Q2/17**
Loss	65.0	65.8	65.7	65.4	66.3	66.8	73.9
Unfavorable PYD ceded under ADC	—	—	—	—	—	—	(6.1)
Loss, net of ADC	65.0	65.8	65.7	65.4	66.3	66.8	67.8
Expense	26.2	26.6	26.2	25.8	26.9	26.2	26.9
Combined, net of ADC	91.2	92.4	91.9	91.2	93.2	93.0	94.7

Specialty Risk & Extended Warranty Overview

We provide specialized business and warranty insurance solutions.
AmTrust offers a variety of specialty risk products globally, including payment protection insurance, motor vehicle service contracts, consumer and commercial product coverage. Manage millions of active warranty contracts as the third largest provider in the U.S. Specialty Risks in the E.U. are carefully selected niches that are lower exposure, including Italian hospital liability, specialty auto, legal expense, and home warranty, as well as writings through Lloyd's of London syndicates. Approximately 60% of GWP written outside of U.S.

Specialty Risk Insurance Coverages

- Automotive
- Consumer electronics and appliances
- Commercial equipment
- Recreational vehicle and power sports
- A large array of products that allows for growth in shifting markets

Distribution Channels

- Original equipment manufacturers
- Retailers
- Automotive dealers
- Affinity partners
- Direct-to-consumer
- Brokers, third-party administrators, and MGAs
- A variety of channels for product delivery assures flexibility as opportunities develop

EXTENDED WARRANTY MARKET LEADERSHIP

AmTrust ranks **Top 3** warranty provider in the U.S.

MANAGE MILLIONS OF ACTIVE CONTRACTS

AmTrust at Lloyd's

Acquired in 2013, AmTrust at Lloyd's underwrites **specialty risk solutions** through our Lloyd's syndicates and as a Managing General Agent, backed by the financial security at Lloyd's

Syndicate 1206
Underwrites Consumer Products, Political & Credit Risk

Syndicate 1861
Underwrites a number of bespoke products designed for both London and International markets

Syndicate 5820
Primarily provides property and short-tail specialty and casualty insurance in both London and International markets

Syndicate 44 & 79
Specialize in niche life insurance products for businesses and high value individuals

A+

Standard & Poor's:
A+ (STRONG)

Specialty Risk & Extended Warranty Performance

GWP ($, Millions)

%	Specialty Risk & Extended Warranty						
Ratios	**2012**	**2013**	**2014**	**2015**	**2016**	**Q2/16**	**Q2/17**
Loss	63.0	67.2	66.5	67.6	66.3	64.6	68.8
Unfavorable PYD ceded under ADC	—	—	—	—	—	—	(1.8)
Loss, net of ADC	63.0	67.2	66.5	67.6	66.3	64.6	67.0
Expense	19.0	18.8	21.6	21.3	24.1	22.0	26.0
Combined, net of ADC	82.0	86.0	88.2	88.9	90.4	86.6	93.0

Specialty Program Overview

Commercial insurance with in-depth knowledge of specific industries and sectors.
We write commercial insurance for narrowly defined classes of insureds, requiring in-depth knowledge of the insured's business segment. We also partner with managing general agents and other wholesale agents and claims administrators with a focus on placing our MGA's on our underwriting system and managing our claims.

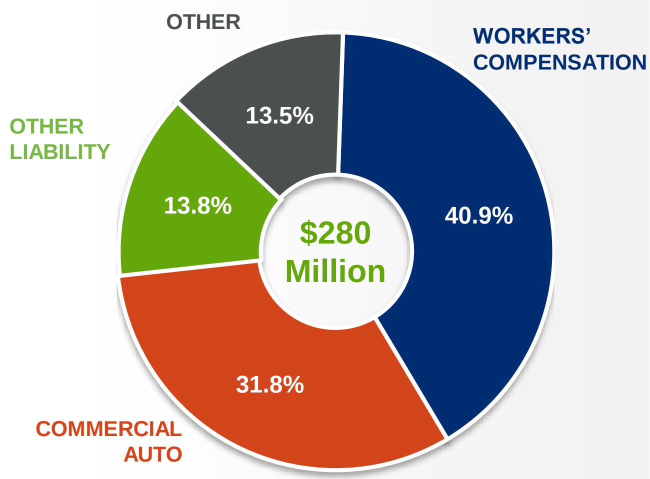
Specialty Program Insurance Coverages

- Workers' compensation
- General liability
- Property
- Professional Liability

Preferred Industry Classes

- Retail
- Wholesale
- Services operations
- Artisan contracting
- Trucking (WC)
- Light and medium manufacturing
- Healthcare
- Professional employer organizations

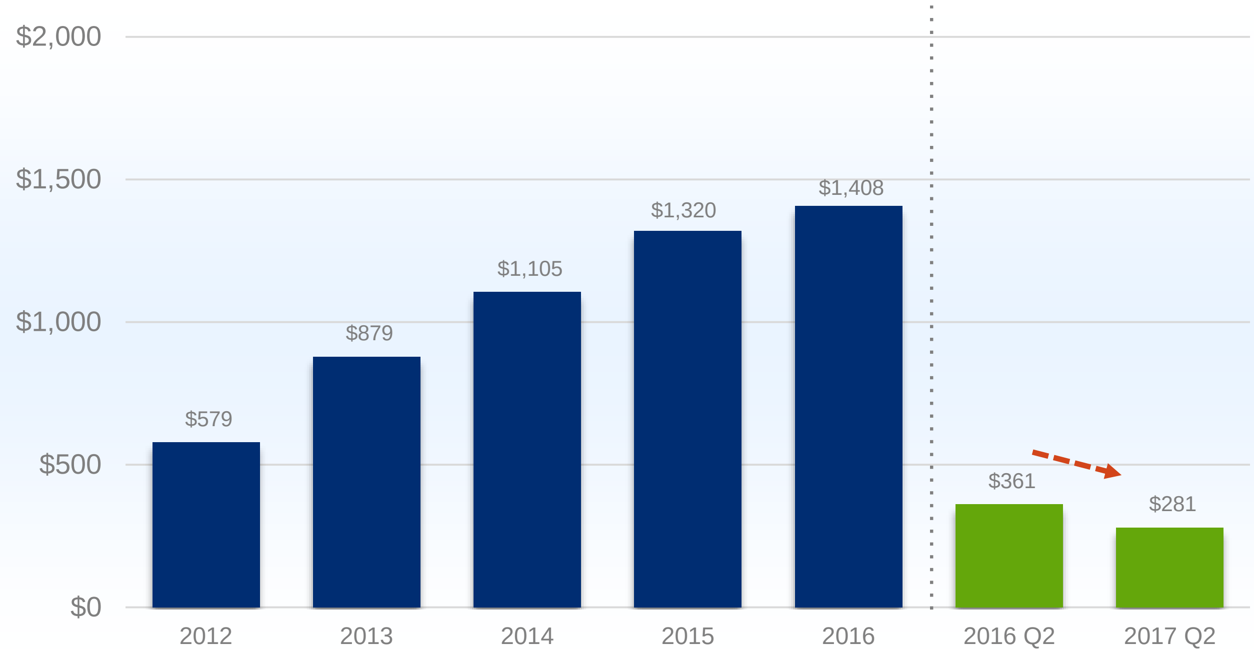
Miscellaneous Professionals



Q2 2017 Gross Written Premium

Specialty Program Performance

GWP ($, Millions)



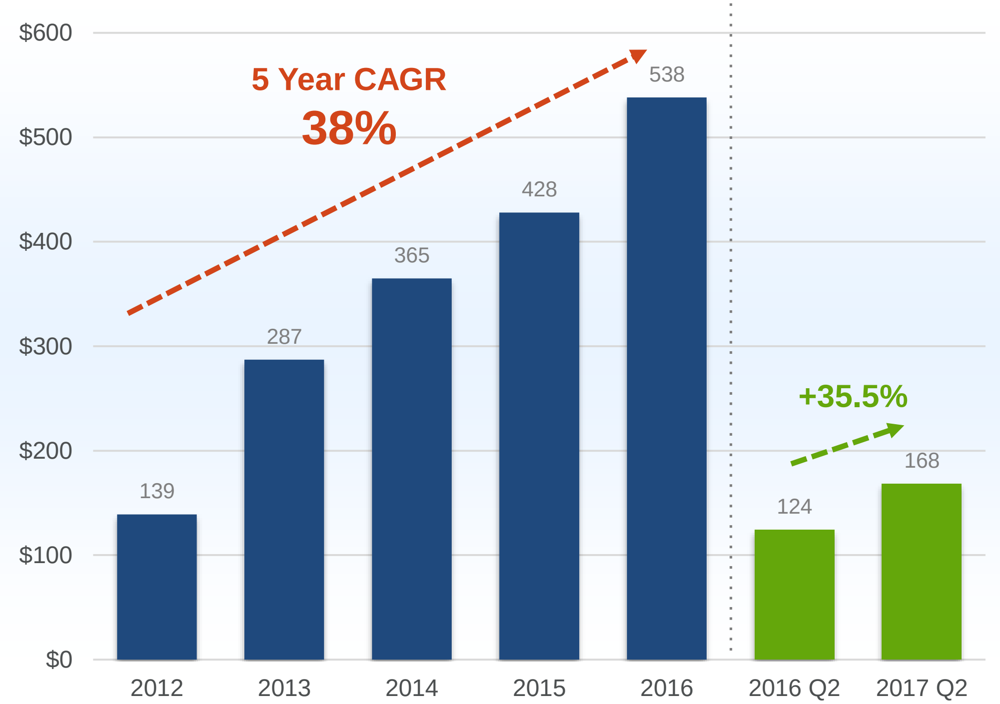
%	Specialty Program						
Ratios	**2012**	**2013**	**2014**	**2015**	**2016**	**Q2/16**	**Q2/17**
Loss	68.4	68.2	67.3	68.9	71.5	67.8	89.0
Unfavorable PYD ceded under ADC	—	—	—	—	—	—	(11.8)
Loss, net of ADC	68.4	68.2	67.3	68.9	71.5	67.8	77.2
Expense	27.9	27.6	27.2	27.6	28.8	26.1	29.9
Combined, net of ADC	96.3	95.8	94.4	96.5	100.3	93.9	107.1

- Strategic reduction of specialty programs in 2016 that did not perform to expectations
- Focused on renewing and writing specialty programs where we can obtain adequate rate
- New experienced leadership in place for Specialty Program segment

Service and Fee Business

- **Fee-based business represents approx. 10% of total revenue**
- **Complementary and synergistic to insurance business**
- **Sources of service and fee revenue**
  - Warranty and Consumer Services
  - Assigned Risk
  - Policy Issuance Fees
  - Workers' Compensation Fund Management
  - Insurance Brokerage Fees
  - Unemployment Insurance Services
  - IT Systems Management and Support
  - Asset Management
- **Growth driven organically and through acquisition**

SERVICE AND FEE REVENUE
($, millions)



High-margin, unencumbered source of cash flow, requiring limited capital

Service and Fee Business Revenue Sources

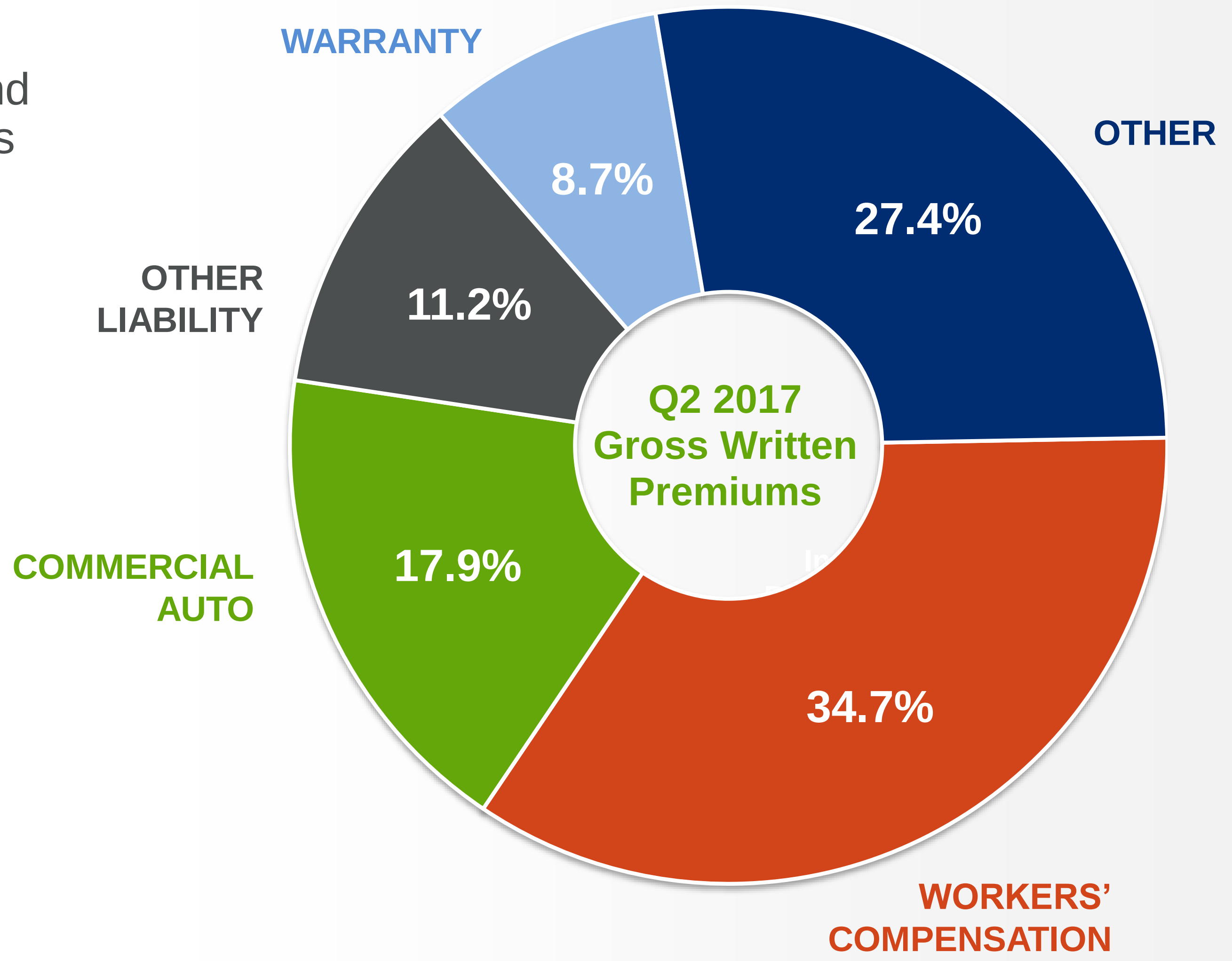
($ in Millions)

Business	2014	2015	2016	Q2 2017
AMT Warranty	$48.3	$68.1	$136.8	$52.1
AmTrust Specialty Equipment	51.7	46.4	37.1	8.0
AmTrust[1] Solutions	58.4	35.5	23.2	4.9
Car Care	42.4	39.2	37.1	9.4
NCCI Assigned Risk	34.4	35.2	29.3	8.8
Distribution[2]	32.5	29.6	24.9	9.0
NGHC Services	27.6	38.6	46.1	11.8
First Nonprofit	21.2	23.4	27.8	7.1
Other	48.9	112.1	175.7	57.2
Total	**$365.4**	**$428.1**	**$538.0**	**$168.4**

[1]Formerly AMCS or AmTrust Consumer Services
[2]Distribution includes: Insco-Dico, BTIS and OwnerGUARD

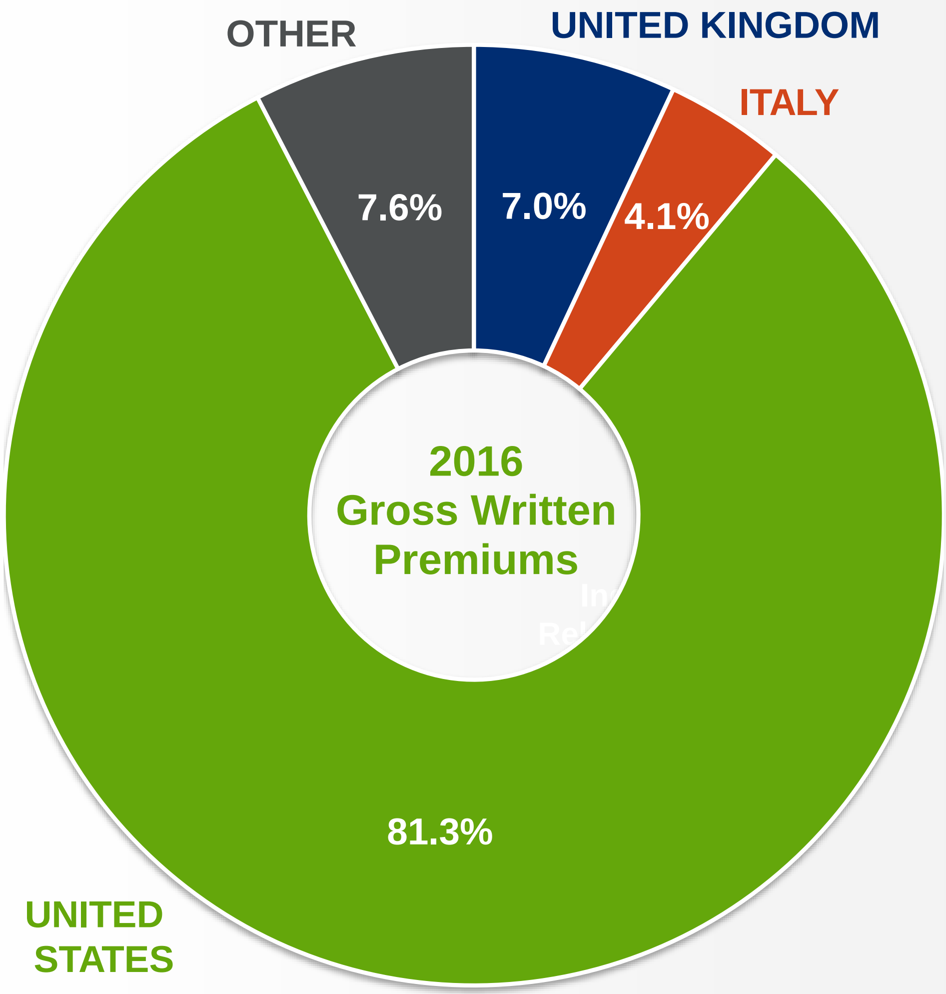
Diverse Product Mix

- Balanced mix of higher frequency and low hazard business lines
- Business lines with predictable loss experience
- Lower pricing pressures
- Higher retention rates
- Differentiated workers' comp franchise in small business market
- Attractive warranty insurance franchise



Diversifying Geographic Footprint

- Leveraging existing core competencies (people, technology, data, etc.) to act on new opportunities globally
- Continue to target lower risk, shorter tail business lines
- Increasing global diversification to insulate against country-specific volatility
- Growth opportunities in Europe as well as Southeast Asia



Why Invest in AmTrust?

Positioned to deliver profitable, sustainable growth

1. **Conservative approach to support future profitability, with double-digit GAAP and Operating ROE[(1)(2)]**
   - Increased future earnings consistency by significantly mitigating reserve risk with ADC
   - Maintaining underwriting and pricing discipline on new and renewal business
   - Applying a conservative view in order to support future profitability and balance sheet strength
   - Growing investment income on $9B+ investment portfolio
   - Embedded value in growing and high-margin service and fee business
   - Conservative framework, with higher-visibility earnings, expected to deliver GAAP and Operating ROE[(1)(2)] of 12-15%
   - Book value of $14.04/share with current price/book below 1.0x

2. **Built for operational excellence**
   - Proprietary technology platform lowers expenses, improves service, and drives underwriting and actuarial excellence
   - Experienced global management team with deep functional expertise across leadership team (Operations, Finance, IT, Sales, Underwriting, Claims, Actuarial)

3. **Strong financial alignment of interests**
   - Significant AmTrust management ownership drives absolute alignment to create long-term value for AmTrust stockholders
   - Enhancing disclosure regarding the Company’s business and financial performance to facilitate greater recognition of value creation

(1) See Q2 2017 earnings release and 10-Q for Non-GAAP reconciliation of operating EPS and ROE
(2) Based on weighted average diluted shares outstanding

AmTrust is a global provider of insurance and risk solutions, focused on niche opportunities and operational excellence to drive profitability and attractive long-term stockholder returns.

CONSISTENT VISION

Dedicated to small business

Target **lower hazard risk** industry classes

Expand in areas that fit our niche insurance focus

Maintain underwriting and actuarial **excellence**

Service-oriented claims management

DIFFERENTIATED MODEL

Innovative technology allows AmTrust to operate with a low expense ratio, while being highly responsive and adaptive

Multi-line, Multi-region product portfolio reduces volatility and cyclicality

SUSTAINABLE GROWTH

Growing Financial Capacity

Thoughtful Capital Management

A Returns-Based Framework for Creating Long-Term Stockholder Value

FINANCIAL INFORMATION

Summary Income Statement

($, millions, except per share amounts)	2014[2]	2015[2]	2016	Q2 2016[3]	Q2 2017	% Change
Gross Written Premium	$ 6,092.4	$ 6,799.5	$ 7,949.3	$ 2,073.1	$ 2,199.7	*6.1%*
Net Written Premium	$ 3,941.2	$ 4,261.9	$ 4,851.3	$ 1,268.4	$ 1,371.9	*8.2%*
Net Earned Premium	$ 3,506.8	$ 4,021.2	$ 4,668.0	$ 1,181.8	$ 1,380.7	*16.8%*
Service and Fee Income	365.4	428.1	538.0	124.3	168.4	*35.5%*
Net Investment Income & Realized Gains	148.0	164.4	244.5	65.8	72.7	*10.4%*
Total Revenues	**4,020.2**	**4,613.8**	**5,450.5**	**1,371.9**	**1,621.8**	***18.2%***
Loss and LAE Expense	2,331.3	2,688.1	3,142.3	784.4	1,024.5	*30.6%*
Acquisition Cost and Other Underwriting Expense	870.7	993.5	1,230.2	294.5	373.2	*26.7%*
Other Expense	422.5	473.3	564.1	134.3	199.9	*48.8%*
Income before Other Income (Expense), Equity Earnings, Interest Expense & Tax	$ 395.7	$ 458.8	$ 513.9	$ 158.7	$ 24.3	*(84.7)%*
(Loss)/Gains from Life Settlements	12.3	19.8	46.1	12.7	(1.3)	*NM*
Equity In Earnings of Unconsolidated Subsidiary	28.4	25.4	15.6	4.8	69.5	*NM*
Non-Controlling Interest	0.4	(6.9)	(19.4)	(5.8)	(6.7)	*N/M*
Foreign Currency Gain (Loss)	56.4	47.3	(29.3)	(29.0)	(58.9)	*N/M*
Gain on Acquisition/Sale	6.6	5.8	48.8	39.1	—	*N/M*
Loss of Extinguishment of Debt	(9.8)	(5.3)	—	—	—	*N/M*
Net Income attributable to AFSI	$ 415.7	$ 450.7	$ 411.0	$ 138.7	$ 22.4	*(83.9)%*
Dividends on Preferred Stock	(12.7)	(31.6)	(47.8)	(11.6)	(16.6)	*N/M*
Operating Earnings[1]	$ 429.8	$ 469.5	$ 408.7	$ 135.3	$ 72.9	*(46.1)%*
Operating Diluted EPS[1]	$ 2.70	$ 2.79	$ 2.34	$ 0.77	$ 0.40	*(48.1)%*
Operating ROE[1]	30.2%	24.4%	17.8%	22.9%	11.4%	
Loss Ratio	66.5%	66.8%	67.3%	66.4%	74.2%	
Expense Ratio	24.8%	24.8%	26.4%	24.9%	27.0%	
Combined Ratio	91.3%	91.6%	93.7%	91.3%	101.2%	

(1) Please see the Non-GAAP reconciliation on slide 31 for important information about these Non-GAAP measures.
(2) Updated Year-end financial results as provided on April 4, 2017
(3) Updated Q2 2016 financial results as provided on June 30, 2017

Balance Statement Highlights

($, millions, except per share amounts)	Restated 2014	Restated 2015	2016	YTD 2017	% Change
Cash and Investments	$ 5,648.1	$ 7,211.6	$ 9,235.7	$ 9,879.9	7.0%
Reinsurance Recoverable	2,440.7	3,007.4	4,329.5	5,395.4	24.6%
Premiums Receivable, Net	1,892.0	2,236.0	2,802.2	3,093.2	10.4%
Goodwill and Intangible Assets	667.7	800.0	1,243.1	1,348.2	8.5%
Deferred Policy Acquisition Costs	629.3	693.6	928.9	1,121.2	20.7%
Other Assets	2.581.0	3,317.5	4,075.3	4,490.3	10.2%
Total Assets	**$ 13.858.8**	**$ 17,266.1**	**$ 22,614.7**	**$ 25,328.2**	**12.0%**
Loss and LAE Reserve	5.664.2	7,208.4	10,140.7	11,149.5	9.9%
Unearned Premiums	3.449.5	4,014.4	4,880.1	5,297.2	8.5%
Debt	746.0	993.1	1,234.9	1,284.6	4.0%
Other Liabilities	1,927.1	2,148.7	2,892.0	3,699.2	27.9%
Total Liabilities	**$ 11,786.8**	**$ 14,364.6**	**$ 19,147.7**	**$ 21,430.5**	**11.9%**
Redeemable Non-Controlling Interest	0.6	1.2	1.4	1.2	(13.1)%
AmTrust Financial Stockholders' Equity	1,912.2	2,723.8	3,269.1	3,663.5	12.1%
Non-Controlling Interest	159.2	176.5	196.5	233.0	18.5%
Total Stockholders' Equity	**$ 2,071.4**	**$ 2,900.2**	**$ 3,465.6**	**$ 3,896.5**	**12.4%**
Total Liability and Stockholder's Equity	**$ 13,858.8**	**$ 17,266.1**	**$ 22,614.7**	**$ 25,328.2**	**12.0%**
Book Value Per Share	$ 10.37	$ 12.74	$ 13.81	$ 14.04	1.7%

Non-GAAP Reconciliation

($, millions, except per share amounts)		Restated 2014	Restated 2015	2016	Restated 2Q16	2Q17
Net income to AFSI common stockholders		$ 401.8	$ 418.8	$ 363.1	$ 127.2	$ 5.8
Less	Realized gain on investments	16.4	8.1	36.5	15.1	23.5
	Foreign currency transaction gain/(loss)	56.4	47.3	(29.3)	(29.0)	(58.9)
	Non-cash interest on convertible senior notes	(2.6)	(6.0)	(6.3)	(1.5)	(1.6)
	Loss on extinguishment of debt	(9.8)	(5.3)	—	—	—
	Non-cash amortization of intangible assets	(96.4)	(101.8)	(65.4)	(12.8)	(18.7)
	Gain resulting from decrease in ownership percentage of equity investment in unconsolidated subsidiary (related party)	14.7	9.3	—	—	68.4
	Acquisition gain	—	5.8	48.8	39.1	—
	Deferred gain on retroactive reinsurance	—	—	—	—	(14.1)
	Gain on sale	6.6	—	—	—	—
	One time retroactive reinsurance payment and associated claims monitoring fee at net present value	—	—	—	—	(58.9)
	Tax effect of adjustments reflected above[2]	(13.2)	(8.1)	(29.8)	(19.0)	(6.6)
Net operating earnings attributable to AmTrust common share[1]		**$ 429.8**	**$ 469.5**	**$ 408.7**	**$ 135.3**	**$ 72.7**
Operating diluted earnings per share[1]		$ 2.70	$ 2.79	$ 2.34	$ 0.77	$ 0.40
Average common shares outstanding – diluted		159.0	168.4	174.5	175.0	181.5
Operating ROE [1]		30.2%	24.4%	17.8%	22.9%	11.4%
Average equity		1,424.9	1,926.7	2,298.3	2,320.8	2,552.6

(1) Please see the Non-GAAP reconciliation footnote on slide 31 for important information about these Non-GAAP measures.
(2) Please see the Non-GAAP reconciliation footnote on slide 31 for important information about these Non-GAAP measures.

Non-GAAP Reconciliation Footnote

(1) References to operating earnings attributable to AmTrust common stockholders ("Operating Earnings"), operating earnings per diluted share ("EPS"), and operating return on common equity are non-GAAP financial measures. Operating Earnings is defined by the Company as net income attributable to AmTrust common stockholders less net realized gain on investments, non-cash amortization of intangible assets, non-cash interest on convertible senior notes, loss on extinguishment of debt, foreign currency transaction gain (loss), gain resulting from decrease in ownership of equity investment in unconsolidated subsidiaries (related party), gain on acquisition, gain on sale, one time retroactive reinsurance payment and associated claims monitoring fee at net present value, deferred gain on retroactive reinsurance and the income tax impact on certain of these aforementioned adjustments. Operating Earnings should not be considered an alternative to net income. Operating earnings per diluted share is defined by the Company as Operating Earnings divided by the weighted average diluted shares outstanding for the period and should not be considered an alternative to earnings per diluted share. Operating return on common equity is defined by the Company as Operating Earnings divided by the average common equity for the period and should not be considered an alternative to return on common equity. The Company believes Operating Earnings, operating earnings per diluted share, and operating return on common equity are more relevant measures of the Company's profitability because Operating Earnings, operating earnings per diluted share, and operating return on common equity contain the components of net income upon which the Company's management has the most influence and excludes factors outside management's direct control and non-recurring items. The Company's measure of Operating Earnings, operating earnings per diluted share, and operating return on common equity may not be comparable to similarly titled measures used by other companies.

(2) The Company calculated the income tax effect of certain adjustments using the U.S. federal statutory income tax rate of 35%. Specifically, realized gain on investments, gain resulting from a decrease in ownership percentage of equity investment in unconsolidated subsidiary (related party), one time retroactive reinsurance payment and associated claims monitoring fee at net present value, and deferred gain on retroactive reinsurance are predominantly U.S. sourced and, therefore, are subject to tax at 35%. In addition, gain on acquisition and gain on sale are both U.S. and foreign sourced gain that are ultimately subject to tax at 35%. The Company does not report non-cash amortization of intangible assets, non-cash interest on convertible senior notes, loss on extinguishment of debt, or foreign currency transaction (gain)/loss net of tax.

Impact of Reinsurance Agreement for adverse net loss reserve development, in excess of stated net loss reserves as of March 31, 2017

- Reinsurance agreement provides:
  - Up to $1.025 billion of coverage for adverse net loss reserve development, attaching when losses exceed approximately $5.96 billion of net loss reserves and extending $400 million in coverage in excess of the carried loss reserves as of March 31, 2017 of approximately $6.59 billion up to approximately $6.99 billion
- Cost of agreement:
  - Approximately $675 million, of which $50 million represents consideration in excess of ceded losses booked as expense in Q2 2017
  - Expense liability of approximately $9 million, the present value of a $1 million annual claims administration monitoring fee for up to 30 years
- Impact on Q2 2017 results:
  - Incurred costs related to the premium paid were offset by incurred losses related to prior year development (PYD), ceded to the adverse development cover (ADC)
  - The expense and income related to the reinsurance netted to $0 for the quarter
  - Income from losses ceded to the ADC in excess of the premium paid are deferred and recognized over the recovery period. In Q2 2017, recorded a deferred gain of approximately $14 million, which will be earned into income over the estimated claims settlement period as a reduction to incurred losses
  - Q2 2017 reported loss ratio was 74.2%, and would have been 68.9% after adjusting for the PYD ceded under the ADC
- The Company believes the ADC improves its earnings consistency and financial stability by significantly mitigating reserve risk going forward.