



PRESS RELEASE

TRISURA GROUP REPORTS SECOND QUARTER 2017 RESULTS

TORONTO, August 10, 2017 — Trisura Group Ltd. (“Trisura” or “Trisura Group”) (TSX: TSU) today announced financial results for the quarter ended June 30, 2017 and new management appointments, including the appointment of Jimmy Doyle as Chief Financial Officer.

“Trisura had an excellent quarter. We began trading on the TSX, delivered solid results in our Canadian operations, and continued to develop our international operations. Our new US entity, Trisura Specialty Insurance Company, received its license to operate as a non-admitted surplus line insurer in all states in the US. We are now focused on gaining a rating for Trisura Specialty Insurance Company to enhance our ability to source business.” said Greg Morrison, CEO of Trisura.

Second Quarter 2017 Financial Results

Q2 2017 Highlights

- ✓ Strong growth in Q2 across both gross and net premiums written, increasing 25% and 8% respectively compared to the same period in 2016 driven by increased activity in our Risk Solutions group at Trisura Guarantee Insurance Company (“Trisura Guarantee”).
- ✓ Consistent underwriting results with net underwriting income of \$3.3 million compared to \$2.8 million in Q2 2016, driven by strong underwriting performance at Trisura Guarantee.
- ✓ Combined ratio of 84% and ROE of 13.8% at Trisura Guarantee.
- ✓ Net income of \$1.8 million compared to \$2.4 million in Q2 2016 with the reduction due to corporate expenses related to the spinoff of Trisura (the “spinoff”) and the launch of our US platform.
- ✓ Continued development of our US platform, with the receipt of our US license to operate as a non-admitted surplus line insurer subsequent to quarter-end.
- ✓ Strong capital position with increase in shareholders’ equity of \$34.8 million since December 31, 2016 principally as a result of the cash injection made by Brookfield Asset Management Inc. (“Brookfield”), prior to the spinoff.

\$ 000	Q2 2017	Q2 2016	\$ Variance
Gross premiums written	43,336	34,548	8,788
Net premiums written	26,968	24,973	1,995
Net underwriting income - P&C Business	3,266	2,658	608
Combined Ratio - P&C Business	84.2%	85.8%	(1.6%)
ROE on P&C Business over past 12 months	13.8%	17.3%	(3.5%)
Net underwriting income (loss)	1,428	1,497	(69)
Net investment income	1,593	1,818	(225)
Net income (loss)	1,760	2,443	(683)
Comprehensive (loss) income	(1,676)	4,732	(6,408)
Shareholders' Equity (Q2 as at Dec 31, 2016)	105,703	70,888	34,815
Earnings per common share, basic and diluted, \$	0.30*	n/a	
Book value per share \$	18.18	n/a	

* \$0.30275 EPS for the quarter ended June 30, 2017 attributable to Brookfield Asset Management Inc. prior to spinoff on June 22, 2017 and to Trisura shareholders post-spinoff.

Note: P&C Business reflects Trisura Guarantee operations only. ROE is calculated on comprehensive income of Trisura Guarantee. See M&DA for further details.



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Capital

- The minimum capital test (“MCT”) ratio of Trisura Guarantee was 266% as at June 30, 2017 (272% as at December 31, 2016), which comfortably exceeds regulatory requirements of 150%.
- Trisura International Insurance Company (“Trisura International”)’s capital of \$25.7 million as at June 30, 2017 was well in excess of its regulatory capital requirement of \$0.3 million.
- Trisura Group had a debt-to-capital ratio of 22.3% as at June 30, 2017 compared to 32.5% as at December 31, 2016 with the reduction reflecting the continuing repayment of Trisura’s bank loan and the capital contribution at spinoff.

Investments

- Trisura’s investment income in Q2 2017 was \$1.6 million, compared to \$1.8 million in Q2 2016.

Management Appointments

Trisura Group continued to develop its management team and group infrastructure in anticipation of future growth. Jimmy Doyle, currently the Chief Risk Officer of Trisura and the head of Trisura International, has been appointed Chief Financial Officer of Trisura to succeed Allen Taylor. Mr. Doyle’s Chief Risk Officer role at Trisura will be incorporated into his mandate as CFO. David Scotland, currently Vice President, Finance & Controller at Trisura Guarantee, will be taking on the additional role of Vice President, Finance at Trisura, assisting Mr. Doyle as CFO.

“Allen Taylor was instrumental in our spinoff, and oversaw our initial quarterly results as a standalone public company; we appreciate the valuable work he has done for Trisura.” said Greg Morrison. “Jimmy Doyle and David Scotland have been very involved within Trisura’s businesses for many years. We look forward to Jimmy and David playing a strong leadership role in the financial management of Trisura, as we continue to execute our growth strategy.”

These management appointments will take effect on August 15, 2017 and the services agreement between Brookfield and Trisura under which Brookfield provided CFO services to Trisura will be terminated at that time.

Investment Committee and Management Services Agreement

The Board of Directors of Trisura has formed an Investment Committee (the “IC”) comprised of independent directors Paul Gallagher, Bart Hedges, and David Nowak to oversee the investments of Trisura Group. The IC has approved a management services agreement with Trisura’s largest shareholder, Partners Value Investments LP (“PVI”). Pursuant to this agreement, PVI will provide David Clare to act as Chief Investment Officer of Trisura Group. The management services agreement will be reviewed annually and is cancellable on 30 days’ notice.

About Trisura Group

Trisura Group Ltd. is a leading international specialty insurance provider operating in the surety, risk solutions, corporate insurance and reinsurance segments of the market. Trisura has three principal regulated subsidiaries: Trisura Guarantee Insurance Company, Trisura International Insurance and Trisura Specialty Insurance Company. Trisura Group is listed on the Toronto Stock Exchange under the symbol “TSU”.



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Further information is available at <http://www.trisura.com/group>. Important information may be disseminated exclusively via the website; investors should consult the site to access this information. Details regarding the operations of Trisura Group are also set forth in regulatory filings. A copy of the filings may be obtained on Trisura Group's SEDAR profile at www.sedar.com.

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Cautionary Statement Regarding Forward-Looking Statements and Information

Note: This news release contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of applicable Canadian securities regulations. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Trisura Group, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as "expects," "anticipates," "plans," "believes," "estimates," "seeks," "intends," "targets," "projects," "forecasts" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may," "will," "should," "would" and "could."

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of Trisura Group to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; the behavior of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, Trisura Group undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

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Trisura Group Ltd.
Consolidated Statements of Financial Position
Unaudited, C\$ thousands
As at June 30, 2017 and December 31, 2016

\$ 000	2017 Q2	2016 Q4
Cash and cash equivalents	160,344	122,096
Investments	190,151	194,393
Premiums and accounts receivable and other	24,388	22,069
Deferred acquisition costs	35,306	30,985
Recoverable from reinsurers	57,317	47,120
Fixed and intangible assets	1,964	2,116
Deferred tax assets	647	622
Total assets	470,117	419,401
Accounts payable, accrued and other liabilities	18,483	25,434
Reinsurance premiums payable	13,448	13,461
Unearned premiums	107,119	90,612
Unearned reinsurance commissions	7,094	4,928
Unpaid claims and loss adjustment expenses	166,670	163,970
Loan payable	30,400	34,100
Minority interests	21,200	16,008
Total liabilities	364,414	348,513
Shareholders' equity	105,703	70,888
Total liabilities and shareholders' equity	470,117	419,401

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Trisura Group Ltd.
Consolidated Statements of Operating Results
Unaudited, C\$ thousands
For the three-month and six-month periods ended June 30

\$ 000	Q2 2017	Q2 2016	Q2 2017 YTD	Q2 2016 YTD
Gross premiums written	43,336	34,548	71,951	59,928
Net premiums written	26,968	24,973	46,434	42,263
Net premiums earned	19,948	17,818	37,577	33,478
Fee income	128	95	3,057	3,046
Total underwriting revenue	20,076	17,913	40,634	36,524
Net claims	3,072	5,839	7,337	14,260
Net commissions	6,256	5,775	12,888	11,715
Premium taxes	1,093	860	1,990	1,596
Operating expenses	8,227	3,942	15,562	10,472
Net claims and expenses	18,648	16,416	37,777	38,043
Net underwriting income (loss)	1,428	1,497	2,857	(1,519)
Net investment income	1,593	1,818	2,337	8,031
Foreign exchange gains (losses)	130	(26)	115	(178)
Interest expense	(263)	-	(539)	-
Change in minority interests	-	-	(5,158)	(160)
Income (loss) before income taxes	2,888	3,289	(388)	6,174
Income tax expense	(1,128)	(846)	(1,887)	(1,760)
Net income (loss)	1,760	2,443	(2,275)	4,414
Other comprehensive (loss) income	(3,436)	2,289	(2,671)	(4,468)
Comprehensive (loss) income	(1,676)	4,732	(4,946)	(54)

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Trisura Group Ltd.
Consolidated Statements of Cash Flows
Unaudited, C\$ thousands
For the three-month and six-month periods ended June 30

\$ 000	Q2 2017	Q2 2016	Q2 2017 YTD	Q2 2016 YTD
Net income (loss) from operating activities	1,760	2,442	(2,275)	4,414
Non-cash items to be deducted:				
Depreciation and amortization	175	143	290	271
Unrealized (losses) gains	(77)	(363)	46	(493)
Change in minority interests	-	-	5,158	160
Change in working capital operating items	14,702	(2,385)	8,652	(1,104)
Realized (losses) on AFS assets	(336)	(957)	(364)	(1,040)
Income taxes paid	(967)	(1,775)	(5,155)	(1,797)
Interest paid	(256)	-	(524)	(4)
Net cash from (used in) operating activities	15,001	(2,895)	5,828	407
Proceeds on disposal of investments	15,420	31,208	19,832	31,503
Purchases of investments	(115,618)	(16,938)	(119,662)	(18,890)
Sales (purchases) of capital assets	(66)	(706)	(107)	(799)
Net cash (used in) from investing activities	(100,264)	13,564	(99,937)	11,814
Dividends paid	-	(1,643)	-	(1,643)
Shares issued	140,270	-	140,270	-
Shares redeemed	-	(2,000)	-	(2,000)
Repayment of notes payable	(36)	(34)	(355)	(274)
Repayment of loans payable	(1,000)	212	(3,700)	(6,641)
Net cash from (used in) financing activities	139,234	(3,465)	136,215	(10,558)
Net increase (decrease) in cash	53,971	7,204	42,106	1,663
Cash at beginning of the period	109,344	91,237	122,096	101,388
Currency translation	(2,971)	(933)	(3,858)	(5,543)
Cash at the end of the period	160,344	97,508	160,344	97,508