



PRESS RELEASE

TRISURA GROUP REPORTS FIRST QUARTER OF 2018 RESULTS

TORONTO, May 10, 2018 — Trisura Group Ltd. (“Trisura” or “Trisura Group”) (TSX: TSU), a leading international specialty insurance holding company, today announced financial results for the first quarter of 2018.

Greg Morrison, CEO of Trisura, stated, “We continued executing our strategic plan in the first quarter of 2018, making progress across a number of initiatives.

Our Specialty P&C business lines performed well with 21.7% premium growth, and a strong 83.6% combined ratio in Canada.

The new US team started writing business and bound four transactions, generating fee income and premiums in its first quarter of operations. Through internal resources, we increased the capital in the US platform which will further enhance our ability to write new business. The team is excited to continue our trajectory of growth and strong underwriting performance through the year.”

Highlights

- ✓ Excellent premium growth in Q1 2018, increasing gross premiums written by 21.7% and net premiums written by 22.8% supported by strong top line growth in Canadian Specialty P&C lines and new business written in the US.
- ✓ Net Income of \$1.9 million and annualized ROE of 6.1% at Trisura Group, book value per share increased to \$18.68 from \$18.35 at year-end 2017.
- ✓ Strong underwriting performance in our Canadian Specialty P&C lines with combined ratio of 83.6% and trailing 12-month operating return on equity of 14.5%
- ✓ Increased the capital and surplus of our US company, Trisura Specialty by \$7.1 million from internal resources to support its development and move its AM Best size categorization to VII.

Amounts in C\$ millions	Q1 2018	Q1 2017	variance
Gross Premiums Written	34.8	28.6	21.7%
Net Premiums Written	23.9	19.5	22.8%
Net Underwriting Income	1.2	1.4	(17.9%)
Net Investment Income	1.9	0.7	156.7%
Net Income (Loss)	1.9	(4.0)	146.2%
Earnings Per Common Share - basic, \$	0.28	n/a	n/a
Earnings Per Common Share - diluted, \$	0.27	n/a	n/a
Book Value Per Share, \$	18.68	n/a	n/a
Debt-to-Capital Ratio	19.4%	n/a	n/a
ROE (Annualized)	6.1%	n/a	n/a
ROE since Spin-off on June 22, 2017 (Annualized)	4.6%	n/a	n/a
Combined Ratio - Canadian Specialty P&C	83.6%	87.7%	(4.1) pts
ROE on Canadian Specialty P&C - trailing 12 months	14.5%	7.9%	6.6 pts



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Underwriting

- Continued strong operational performance from our Canadian Specialty P&C insurance operations, achieving an 83.6% combined ratio.

Capital

- The minimum capital test ("MCT") ratio of our Canadian Specialty P&C subsidiary, Trisura Guarantee Insurance Company was 242% as at March 31, 2018 (255% as at December 31, 2017), which comfortably exceeds regulatory requirements of 150%.
- Trisura Specialty Insurance Company's capital and surplus of \$64.3 million as at March 31, 2018 is well in excess of the \$19.3 million minimum capital requirements of the Oklahoma Insurance Department.
- Trisura International Insurance Company had capital of \$27.3 million as at March 31, 2018 which was well in excess of its regulatory capital requirement of \$0.2 million.
- Consolidated debt-to-capital ratio of 19.4% as at March 31, 2018 is below its long-term target maximum of 20%.
- Increased capital flexibility by transitioning debt from a term loan at our Canadian subsidiary to a revolving credit facility at the group level.

Investments

- Net investment income of \$1.9 million compared to \$0.7 million in Q1 2017. Interest and dividend income was slightly higher in Q1 2018, as we deployed the US portfolio into fixed income assets, and the assets in the reinsurance portfolio continued to benefit from rising interest rates in Europe.
- Build out of our in-house investment management function progressed including deployment of our US portfolio assets and development of portfolio administration systems.

About Trisura Group

Trisura Group Ltd. is an international specialty insurance holding company operating in the surety, risk solutions, corporate insurance and reinsurance segments of the market. Trisura has three principal regulated subsidiaries: Trisura Guarantee Insurance Company in Canada, Trisura Specialty Insurance Company in the US and Trisura International Insurance Ltd. in Barbados. Trisura Group is listed on the Toronto Stock Exchange under the symbol "TSU".

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



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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
As at March 31, 2018 and December 31, 2017
 (in thousands of Canadian dollars, except as otherwise noted)

As at	March 31, 2018	December 31, 2017
Cash and cash equivalents	104,627	165,675
Investments	247,750	190,641
Premiums and accounts receivable, and other assets	23,370	23,172
Deferred acquisition costs	42,979	40,266
Recoverable from reinsurers	63,828	65,254
Capital assets and intangible assets	2,690	2,612
Deferred tax assets	779	740
Total assets	486,023	488,360
Accounts payable, accrued and other liabilities	13,921	19,795
Reinsurance premiums payable	13,106	17,555
Unearned premiums	122,771	115,357
Unearned reinsurance commissions	5,810	5,566
Unpaid claims and loss adjustment expenses	177,012	178,885
Loan payable	29,700	29,700
Total liabilities	362,320	366,858
Shareholders' equity	123,703	121,502
Total liabilities and shareholders' equity	486,023	488,360



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Trisura Group Ltd.
Consolidated Statements of Comprehensive Income (Loss)
For the three-month periods ended March 31
(in thousands of Canadian dollars, except as otherwise noted)

	Q1 2018	Q1 2017
Gross premiums written	34,824	28,615
Net premiums written	23,911	19,466
Net premiums earned	19,254	17,629
Fee income	3,276	2,929
Total underwriting revenue	22,530	20,558
Net claims	(4,703)	(4,265)
Net commissions	(7,597)	(6,632)
Premium taxes	(936)	(897)
Operating expenses	(8,121)	(7,335)
Net claims and expenses	(21,357)	(19,129)
Net underwriting income	1,173	1,429
Net investment income	1,910	744
Foreign exchange loss	(117)	(15)
Interest expense	(231)	(276)
Change in minority interests	-	(5,158)
Income (loss) before income taxes	2,735	(3,276)
Income tax expense	(872)	(759)
Net income (loss)	1,863	(4,035)
Other comprehensive income	302	765
Comprehensive income (loss)	2,165	(3,270)



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Trisura Group Ltd.
Consolidated Statements of Cash Flows
For the three-month periods ended March 31
(in thousands of Canadian dollars, except as otherwise noted)

	Q1 2018	Q1 2017
Net income (loss) from operating activities	1,863	(4,035)
Non-cash items to be deducted	1,101	237
Stock options granted	88	-
Change in working capital operating items	(7,064)	(6,051)
Realized gains (losses) on AFS investments	492	(28)
Income taxes paid	(931)	(4,188)
Interest paid	(233)	(268)
Net cash used in operating activities	(4,684)	(14,333)
Proceeds on disposal of investments	5,762	4,412
Purchases of investments	(64,217)	(4,044)
Net purchases of capital and intangible assets	(229)	(41)
Net cash (used in) from investing activities	(58,684)	327
Change in minority interests	-	5,158
Dividends paid	(24)	-
Issuance of new loan payable	29,700	-
Repayment of note payable	-	(319)
Repayment of loan payable	(29,700)	(2,700)
Net cash (used in) from financing activities	(24)	2,139
Net decrease in cash	(63,392)	(11,867)
Cash at beginning of the period	165,675	122,096
Currency translation	2,344	(885)
Cash at the end of the period	104,627	109,344