

Wilton Re Holdings Limited and Subsidiaries
Consolidated Balance Sheets

	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007
Assets							
Investments	\$ 2,186,381,348	\$ 1,905,423,890	\$ 1,354,787,877	\$ 1,295,974,889	\$ 1,379,179,967	\$ 1,412,423,841	\$ 1,481,388,486
Short-term investments	393,604,339	300,463,300	122,605,258	102,413,911	52,338,065	56,653,504	76,265,002
Policy Loans	82,014,868	80,844,029	45,310,371	45,270,516	33,145,206	33,120,022	32,598,178
Funds withheld at interest	1,942,102,789	1,921,947,538	2,054,586,843	2,292,907,552	2,471,268,574	2,567,492,484	2,687,791,807
Other invested assets	3,598,822	3,802,722	2,989,500	2,970,627	3,025,270	3,060,585	3,130,570
Total Investments	4,607,702,155	4,213,481,480	3,580,279,850	3,739,537,486	3,938,957,081	4,072,750,436	4,281,174,044
Cash and cash equivalents	159,890,726	437,340,713	699,508,693	728,891,124	368,727,851	335,053,980	271,117,643
Accrued investment income	22,840,881	21,035,318	15,408,715	15,223,148	12,391,136	12,597,789	12,988,215
Premiums receivable	71,443,342	54,379,659	75,520,404	74,393,402	47,893,323	31,849,323	99,261,983
Reinsurance recoverables	52,066,170	92,250,513	78,431,798	77,539,312	68,382,962	67,635,399	66,687,095
Deferred acquisition costs	108,639,865	94,440,757	83,691,006	73,487,865	64,367,539	63,604,044	55,680,717
Value of in-force business acquired	663,589,018	666,772,902	600,316,139	627,434,599	503,892,293	505,272,010	525,807,308
Net Deferred Tax Assets	19,144,390	63,457,661	68,073,873	22,217,684	9,576,626	9,970,962	11,036,295
Other assets	8,494,912	29,035,954	130,916,652	5,358,704,631	5,014,189,017	5,098,733,952	5,323,733,300
Total Assets	\$ 5,711,811,459	\$ 5,692,194,957	\$ 5,332,147,120	\$ 5,358,704,631	\$ 5,014,189,017	\$ 5,098,733,952	\$ 5,323,733,300
Liabilities							
Reserve for future policy benefits	\$ 1,158,060,102	\$ 1,254,022,953	\$ 988,324,671	\$ 978,671,635	\$ 764,917,441	\$ 750,539,444	\$ 717,243,670
Interest sensitive contract liabilities	3,285,537,350	3,307,719,689	3,163,058,876	3,260,025,259	3,227,011,384	3,320,346,970	3,462,886,224
Other reinsurance liabilities	10,592,033	34,660,559	8,547,660	(9,615,884)	363,935	2,392,522	114,197,540
Funds held under reinsurance treaties	16,435,047	16,544,711	16,764,136	16,738,675	16,656,796	16,216,251	16,680,625
Accounts payable and accrued expenses	66,357,636	97,105,384	48,463,989	93,809,267	48,763,830	46,974,170	31,430,385
Short term debt	-	-	112,500,000	118,750,000	125,000,000	131,250,000	137,500,000
Collateral finance facility	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	233,000,000	231,000,000
Total Liabilities	4,766,982,167	4,960,053,296	4,587,659,322	4,708,378,952	4,432,713,966	4,500,721,957	4,710,948,444
Shareholders' equity							
Class A common shares	\$ 18,319,632	\$ 18,319,632	\$ 18,319,632	\$ 14,668,597	\$ 11,515,729	\$ 11,515,729	\$ 11,515,729
Additional paid-in capital	925,145,048	924,446,901	923,741,807	743,196,451	573,928,794	573,452,535	572,972,514
Stock warrants	28,523	28,523	28,523	28,523	28,523	28,523	28,523
Accumulated comprehensive gain (loss)	(18,663,912)	(210,653,396)	(197,602,163)	(107,567,892)	(3,997,414)	13,015,809	28,288,091
Total shareholders' equity	924,829,292	732,141,660	744,487,799	650,325,679	581,475,631	598,012,595	612,784,857
Total liabilities and shareholders' equity	\$ 5,711,811,459	\$ 5,692,194,957	\$ 5,332,147,120	\$ 5,358,704,631	\$ 5,014,189,017	\$ 5,098,733,952	\$ 5,323,733,300

Wilton Re Holdings Limited and Subsidiaries
Consolidated Statement of Operations and Comprehensive Income (Loss)

	For the Three Months Ended June 30, 2009	For the Three Months Ended March 31, 2009	For the Three Months Ended June 30, 2008	For the Six Months Ended June 30, 2009	For the Six Months Ended June 30, 2008	For the Twelve Months Ended December 31, 2008	For the Twelve Months Ended December 31, 2007
Revenues							
Net premiums	\$ 94,250,235	\$ 75,653,815	\$ 51,066,865	\$ 169,954,051	\$ 106,825,321	\$ 258,014,894	\$ 169,910,366
Policy fees and charges	19,911,778	22,759,039	15,066,533	42,670,817	32,814,682	55,607,999	67,564,873
Inuring third party reinsurance commissions	10,640,666	9,809,984	23,263,227	20,450,620	49,163,112	104,161,837	108,228,130
Investment income net of related expenses	36,435,374	27,902,425	30,575,748	52,419,135	67,836,271	96,016,316	153,396,221
Interest income on funds withheld at interest	20,105,257	32,313,878	251,354	17,941,485	(3,096,072)	(35,779,242)	(3,440,668)
Realized investment losses, net	(5,522,997)	(12,418,488)	(32,714,211)	62,641,520	(62,037,367)	(129,012,269)	7,171,662
Net unrealized appreciation (depreciation) on investments classified as trading and other	91,141,320	(28,499,800)	(21,418,970)	126,362,652	(52,656,350)	(276,219,411)	(14,131,432)
Change in value of derivatives and embedded derivatives, net	139,310,249	(12,847,307)	(21,418,970)	126,362,652	(52,656,350)	(276,219,411)	(14,131,432)
Total revenues	496,311,662	114,563,428	66,140,665	520,865,308	138,665,590	70,910,122	488,699,172
Benefits and Expenses							
Claims and policy benefits, net of reinsurance ceded	93,665,422	59,256,120	36,046,887	152,963,542	77,254,155	172,647,846	166,689,192
Interest credited to interest sensitive contract liabilities	30,851,448	28,615,116	33,965,588	59,446,564	65,779,042	124,906,898	142,494,088
Acquisition costs and other insurance expenses	27,323,337	20,700,999	(2,874,263)	48,024,336	(9,312,464)	(56,377,949)	20,660,560
Operating expenses	9,417,201	11,674,579	7,949,582	21,091,760	17,336,918	42,754,685	34,744,240
Third party and internal administration expense	5,612,010	6,655,724	5,131,010	12,267,734	8,230,253	22,244,296	16,491,545
Due Diligence, transition and conversion costs	191,948	269,369	(2,171,148)	461,317	462,145	3,186,104	18,868,715
Collateral finance facility expense	2,665,163	2,597,104	2,441,997	5,262,267	6,003,406	13,076,826	12,836,963
Interest expense on debt	1,452,645	2,458,785	2,644,445	3,951,429	5,377,644	10,376,581	12,078,167
Total Benefits and Expenses	171,229,193	132,229,795	83,154,066	303,459,988	171,131,098	332,819,288	455,093,528
Net income (loss)/other comprehensive income (loss) for the period before income taxes	235,082,669	(17,646,369)	(17,013,221)	217,406,320	(32,265,508)	(262,009,167)	33,605,644
Income tax expense/(benefit)	43,093,203	(4,595,133)	-	38,498,070	-	(36,138,906)	-
Net income (loss)/other comprehensive income (loss) for the period	\$ 191,989,466	\$ (13,051,236)	\$ (17,013,221)	\$ 178,908,250	\$ (32,265,508)	\$ (225,870,261)	\$ 33,605,644
Reconciliation to operating income (loss):							
Net realized (app) dep and impairments on investment gains classified as trading	5,522,997	12,418,488	(251,354)	17,941,485	3,096,072	35,779,242	3,440,668
Net realized (app) dep and impairments on embedded derivatives	4,691,235	4,329,371	3,012,068	9,020,606	1,018,771	36,111,684	-
Amortization related to realized gains/losses and impairments	(3,616,151)	(5,361,325)	(1,375,798)	(8,997,476)	(1,194,478)	(38,990,081)	(1,573,007)
Net unrealized (app) dep on investment gains classified as trading	(91,141,320)	28,499,800	32,714,211	(62,641,520)	62,037,367	129,012,269	(7,171,662)
Net unrealized (app) dep on embedded derivatives	(137,915,435)	14,359,556	23,420,565	(123,555,879)	52,701,063	278,431,709	12,300,962
Amortization related to unrealized gains/losses	15,655,369	(9,779,638)	(23,740,313)	5,875,730	(91,593,656)	(119,770,693)	(3,520,965)
Net unrealized (app) dep on swap agreements	(1,394,814)	(1,412,159)	(2,001,695)	(2,806,973)	(42,707)	(212,299)	1,630,470
Income tax expense/(benefit)	43,093,203	(4,595,133)	-	38,498,070	-	(36,138,906)	-
Net operating income (loss) before income taxes	26,884,570	25,367,723	14,764,564	52,272,293	33,818,943	56,352,665	36,912,056
Income Tax expense/(benefit)	3,270,107	7,273,778	4,680,859	10,543,865	10,295,608	19,459,367	8,864,867
Net operating income (loss)	\$ 23,614,463	\$ 18,113,946	\$ 10,083,704	\$ 41,728,428	\$ 23,523,334	\$ 38,893,298	\$ 30,047,171

Wilton Re Holdings Limited and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity

	<u>For the Three Months Ended June 30, 2009</u>	<u>For the Year Ended December 31, 2008</u>
Common Shares		
Balance at the beginning of the period	\$ 18,319,632	\$ 11,515,729
Common shares repurchased during the period	-	-
Common shares issued during the period	-	6,803,903
Balance at the end of the period	<u>18,319,632</u>	<u>18,319,632</u>
Additional paid-in-capital		
Balance at the beginning of the period	923,741,811	572,972,512
Stock option expense during the period	1,403,236	4,921,647
Common shares repurchased during the period	-	-
Common shares issued during the period	-	345,847,652
Balance at the end of the period	<u>925,145,047</u>	<u>923,741,811</u>
Stock warrants		
Balance at the beginning of the period	28,523	28,523
Common shares issued during the period	-	-
Balance at the end of the period	<u>28,523</u>	<u>28,523</u>
Accumulated income (loss)		
Balance at the beginning of the period	(197,602,167)	28,268,094
Net income (loss) for the period	178,938,257	(225,870,261)
Balance at the end of the period	<u>(18,663,910)</u>	<u>(197,602,167)</u>
Total Shareholders' Equity	<u>\$ 924,829,292</u>	<u>\$ 744,487,799</u>

Wilton Re Holdings Limited and Subsidiaries
Consolidated Statement of Cash Flows

	For the Three Month Period Ended June 30, 2009	For the Year Ended December 31, 2008
Cash flows from operating activities:		
Net income (loss)/other comprehensive income (loss) for the period	\$ 178,938,250	\$ (225,870,261)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Proceeds from sales of investments	255,102,291	257,743,678
Proceeds from maturities of investments	-	-
Purchases of investments	(647,156,505)	(292,573,923)
Accretion and amortization of discounts and premiums on securities, net	(5,834,174)	(3,771,123)
Net realized (gains)losses on investments	17,941,865	35,783,204
Net unrealized (gains)losses on investments	(62,830,335)	129,127,419
Interest credited to interest sensitive contracts	59,446,564	124,908,898
Mark to market on embedded derivative	(123,555,879)	278,431,709
Non-cash equity compensation expense	1,403,261	4,921,647
Change in assets and liabilities:		
Accrued investment income	(3,498,742)	(2,440,500)
Deferred income taxes	38,312,907	(68,073,873)
Premiums receivable	4,077,062	23,741,579
Reinsurance recoverables	26,365,628	(11,744,703)
Funds withheld at interest	236,039,933	354,773,255
Acquisition costs deferred	(22,948,859)	(28,010,289)
Value of in-force business acquired	25,826,624	(74,508,831)
Other assets	141,341,179	(118,887,307)
Reserve for future policy benefits	(38,843,283)	271,081,001
Funds held under reinsurance treaties	(1,120,589)	73,510
Other reinsurance liabilities	(17,319,968)	(105,649,890)
Accounts payable and accrued expenses	10,231,768	17,033,603
Net cash flows from operating activities	<u>71,918,997</u>	<u>566,088,805</u>
Cash flows from investing activities:		
Net purchases, sales and maturities of short term investments	(270,826,877)	(46,048,902)
Acquisition of TLIC, net	46,780,679	-
Other invested assets	(609,322)	141,070
Fixed assets purchased	1,039,412	(993,041)
Change in policy loans	(1,491,151)	(12,712,193)
Net cash flows from investing activities	<u>(225,107,259)</u>	<u>(59,613,067)</u>
Cash flows from financing activities:		
Proceeds from issuance of common shares	(0)	352,651,549
Proceeds (repayment) from short term debt	(112,500,000)	(25,000,000)
Proceeds from collateral finance facility	-	19,000,000
Change in Interest Sensitive contract liabilities	(273,929,696)	(424,736,246)
Net cash flows from financing activities	<u>(386,429,696)</u>	<u>(78,084,698)</u>
Increase (decrease) in cash and cash equivalents	(539,617,957)	428,391,040
Cash and cash equivalents at the beginning of the year	<u>699,508,683</u>	<u>271,117,643</u>
Cash and cash equivalents at the end of the period	<u>\$ 159,890,726</u>	<u>\$ 699,508,683</u>

Wilton Re Holdings Limited and Subsidiaries
Consolidating Balance Sheet
June 30, 2009

	WRHL	WREB	WRUSH	WRAC	WRNY	RRHL	RRAC	FSR	USM	TLIC	WRS	Eliminations	Consolidated Wilton Re
Assets													
Investments	\$ 3,589,552	\$ 80,232,765	\$ -	\$ 455,856,037	\$ 1,005,014,825	\$ 602,189	\$ 71,274,275	\$ -	\$ -	\$ 569,831,695	\$ -	\$ -	\$ 2,166,381,348
Short-term investments	2,999,475	1,289,994	-	554,361	761,946	23,132,575	346,825,024	-	-	17,930,982	-	-	393,604,339
Policy loans	-	11,713,546	-	2,922,056	31,364,055	-	-	-	-	36,015,201	-	-	82,014,858
Funds withheld at interest	-	1,730,437,667	-	424,248,886	822,591	-	-	-	-	(213,406,355)	-	-	1,942,102,789
Other invested assets	-	-	-	-	2,732,483	-	-	-	-	866,339	-	-	3,598,822
Total investments	6,569,027	1,823,683,972	-	883,581,340	1,040,695,901	23,734,715	418,199,269	-	-	411,237,842	-	-	4,607,702,155
Cash and cash equivalents	32,548,494	53,466,843	5,909,658	8,897,874	16,494,804	141,337	1,768,315	2,125,287	1,287,607	34,403,999	2,846,528	-	159,890,726
Accrued investment income	27,342	727,311	-	6,312,238	10,696,237	191	375,715	84,088	15,776	4,600,983	-	-	22,840,881
Premiums receivable	-	43,163,654	-	15,460,834	1,204,015	-	21,750,887	-	-	(10,136,048)	-	-	71,443,342
Reinsurance recoverable	(4,799,322)	3,586,228	-	2,993,708	46,405,574	-	-	-	-	16,362,318	-	(12,482,337)	52,066,170
Deferred acquisition costs	-	27,091,137	-	36,238,468	29,224,016	-	33,827,929	-	-	9,481,341	-	-	106,639,865
Value of business acquired	-	293,642,957	-	216,440,421	51,725,653	-	74,796,122	-	-	47,286,900	-	-	663,569,016
Net deferred tax assets	-	-	-	(620,071)	(303,414)	-	(33,525,064)	-	-	1,266,692	-	-	19,144,390
Other assets*	861,482,723	(463,465)	550,654,814	317,221,816	(303,414)	251,793,194	2,832,627	31,289	77,809	525,520	10,729,297	(1,989,087,278)	8,494,912
Total Assets	\$ 895,628,264	\$ 2,247,099,697	\$ 556,564,472	\$ 1,486,627,618	\$ 1,196,142,789	\$ 275,669,496	\$ 520,026,810	\$ 2,240,624	\$ 1,381,192	\$ 515,026,347	\$ 13,575,825	\$ (1,989,569,615)	\$ 5,711,811,459
Liabilities													
Reserve for future policy benefits	\$ -	\$ 399,405,200	\$ -	\$ 278,123,019	\$ 119,609,569	\$ -	\$ 208,299,791	\$ -	\$ -	\$ 152,622,523	\$ -	\$ -	\$ 1,158,060,102
Interest sensitive contract liabilities	-	1,472,329,201	-	674,710,983	932,226,278	-	-	-	-	206,271,788	-	-	3,265,537,350
Other reinsurance liabilities	(4,799,322)	6,189,028	-	3,142,800	3,123,405	-	(2,849,746)	-	-	16,268,205	-	(12,482,337)	10,592,033
Funds held under reinsurance treaties	-	-	-	14,041,992	16,455,047	-	489,440	17,127	765	22,828,547	6,079,638	-	16,455,047
Accounts payable and accrued expenses	637,477	7,282,227	-	-	-	6,688	-	-	-	-	-	-	66,357,636
Collateral finance facility	-	-	-	-	250,000,000	250,000,000	-	-	-	-	-	-	250,000,000
Total liabilities	(3,961,845)	1,887,195,656	-	970,017,894	1,086,088,174	250,006,688	205,939,485	17,127	765	388,091,063	6,079,638	(12,482,337)	4,786,992,167
Shareholders' equity													
Class A common shares	\$ 18,319,632	\$ 250,000	\$ 10	\$ 2,500,000	\$ 2,502,500	\$ -	\$ 250,000	\$ 79	\$ 79	\$ 1,855,520	\$ 10	\$ (7,356,198)	\$ 18,319,632
Additional paid-in capital	925,145,059	304,633,780	556,724,890	535,815,013	160,560,782	55,471,000	281,550,000	2,331,396	1,333,062	101,611,046	8,699,890	(1,978,731,060)	925,145,048
Stock warrants	28,523	-	-	-	-	-	-	-	-	-	-	-	28,523
Accumulated comprehensive income (loss)	(43,703,115)	55,029,201	(160,528)	(21,505,289)	(63,008,657)	(29,808,162)	62,286,325	(107,978)	47,296	13,470,718	(1,203,713)	-	(18,653,812)
Total shareholders' equity	899,790,109	359,912,981	556,554,472	516,809,724	110,054,615	25,662,838	314,086,325	2,223,497	1,380,437	116,935,284	7,466,287	(1,989,087,278)	924,628,292
Total liabilities and shareholders' equity	\$ 895,628,264	\$ 2,247,099,697	\$ 556,564,472	\$ 1,486,627,618	\$ 1,196,142,789	\$ 275,669,496	\$ 520,026,810	\$ 2,240,624	\$ 1,381,192	\$ 515,026,347	\$ 13,575,825	\$ (1,989,569,615)	\$ 5,711,811,459

Note: The equity of Wilton Re Holdings Limited does not include the cumulative retained earnings of the subsidiaries therefore the consolidated shareholders' equity is primarily investment in subsidiaries

Wilton Re Holdings Limited and Subsidiaries
Consolidating Statement of Operations and Comprehensive Income (Loss)
For the Six Months Ended June 30, 2009

	WRHL	WREB	WRUSH	WRAC	WRNY	RRHL	RRAC	Financial Services Reinsurance	US Managers	TLIC	WRS	Consolidated Wilton Re
Revenues												
Net premiums	\$ -	\$ 78,174,798	\$ -	\$ 43,119,604	\$ 2,827,363	\$ -	\$ 41,488,492	\$ -	\$ -	\$ 4,343,784	\$ -	#####
Policy fees and charges	-	434,780	-	7,429,901	18,024,178	-	-	-	-	16,781,948	-	42,670,817
Inuring third party reinsurance commissions	-	2,362,974	-	9,464,134	409,189	-	8,224,343	-	-	-	-	20,460,620
Investment income net of related expenses	255,764	2,794,353	1,397	14,492,465	33,996,382	19,254	1,443,354	48,935	2,156	(4,056,954)	1,372	64,337,789
Investment income on funds withheld at interest	-	43,148,778	-	13,348,692	(22,361)	-	-	-	-	(4,056,954)	-	52,419,135
Realized investment losses, net	(204,494)	(2,242,574)	-	(2,642,521)	(12,502,191)	1,617	(1,040,860)	-	-	689,497	-	(17,941,485)
Net unrealized appreciation (depreciation) on investments classified as trading and other	265,710	4,700,030	-	12,791,474	14,431,091	11,153	6,337,535	-	-	24,104,527	-	62,641,520
Change in value of derivatives and embedded derivatives, net	2,803,973	81,630,173	-	41,925,705	-	-	-	-	-	-	-	126,382,852
Total Revenues	3,103,953	210,994,301	1,397	139,929,444	57,163,682	32,024	56,452,843	48,935	2,156	53,165,200	1,372	520,895,308
Expenses												
Claims and policy benefits, net of reinsurance ceded	-	1,263,808	-	86,083,211	24,412,132	-	24,335,328	-	-	16,859,063	-	152,953,542
Interest credited to interest sensitive contract liabilities	-	22,166,494	-	14,579,254	18,839,153	-	-	-	-	3,858,662	-	59,446,564
Acquisition costs and other insurance costs	-	66,927,803	-	(35,272,240)	(1,254,271)	-	10,051,467	-	-	5,571,575	-	46,024,336
Operating expenses	2,700,904	(1,336,115)	91,180	9,657,520	3,798,579	25,191	181,085	-	-	5,783,862	189,574	21,081,780
Third party and internal administration expense	-	417,989	-	11,013,922	2,159,329	-	(997,900)	-	-	(325,630)	25	12,267,734
Due Diligence, transition and conversion costs	-	-	-	369,917	70,959	-	-	-	-	-	20,441	461,317
Collateral finance facility expenses	-	-	-	103,204	-	5,159,083	-	-	-	-	-	5,262,287
Interest expense on debt	3,951,429	-	-	-	-	-	-	-	-	-	-	3,951,429
Total Benefits and Expenses	6,552,334	91,442,960	91,180	86,534,788	46,025,881	5,164,274	33,569,960	-	-	31,747,532	210,040	303,459,988
Net Income (loss)/other comprehensive Income (loss) for the period before Income taxes	(3,548,380)	119,551,321	(89,782)	53,394,656	9,137,802	(5,152,249)	22,882,863	48,935	2,156	21,417,668	(208,669)	217,436,320
Income tax expense/benefit	-	-	-	17,769,340	4,043,566	-	8,720,332	17,127	755	7,946,950	-	38,498,070
Net Income (loss)/other comprehensive Income (loss) for the period	(3,548,380)	119,551,321	(89,782)	35,625,316	5,094,236	(5,152,249)	14,162,531	31,808	1,401	13,470,718	(208,669)	178,938,250
Reconciliation to operating loss:												
Net realized (ep) dep and impairments on investment gains classified as trading	204,494	2,242,574	-	2,642,521	12,502,131	(1,617)	1,040,860	-	-	(689,497)	-	17,941,485
Net realized (ep) dep and impairments on embedded derivatives	-	7,005,374	-	2,011,232	-	-	-	-	-	-	-	9,020,606
Amortization related to realized gains/losses and impairments	(265,710)	(4,936,703)	-	(1,211,471)	(2,849,302)	(11,153)	(6,337,535)	-	-	(24,104,527)	-	(62,641,520)
Net unrealized (ep) dep on investment gains classified as trading	-	(81,630,173)	-	(41,925,705)	(14,431,091)	(11,153)	-	-	-	-	-	(123,555,879)
Net unrealized (ep) dep on embedded derivatives	-	(8,972,865)	-	2,106,872	3,987,312	-	-	-	-	8,774,431	-	5,875,730
Net unrealized (ep) dep on swap agreements	(2,803,973)	-	-	-	-	-	-	-	-	-	-	(2,806,973)
Income tax expense/benefit	(6,416,570)	28,563,478	(89,782)	17,769,340	4,043,566	(5,165,020)	8,720,332	17,127	755	7,946,950	(208,669)	52,272,283
Net operating Income (loss) before Income taxes	-	-	(31,424)	4,226,631	8,326,852	(1,807,757)	17,586,208	48,935	2,156	5,398,075	(73,034)	10,543,865
Income tax expense/benefit	-	-	\$ (56,359)	1,479,321	2,914,398	\$ (3,357,263)	6,165,173	17,127	755	1,889,326	\$ (135,635)	\$ 41,728,408
Net operating Income (loss)	\$ (6,416,570)	\$ 29,563,478	\$ (56,359)	\$ 2,747,310	\$ 5,412,453	\$ (3,357,263)	\$ 11,431,035	\$ 31,808	\$ 1,401	\$ 3,508,749	\$ (135,635)	\$ 41,728,408

Wilton Re Holdings Limited and Subsidiaries
Consolidating Statement of Operations and Comprehensive Income (Loss)
For the Three Months Ended June 30, 2009

	WRHL	WRFB	WRUSH	WRAC	WRNY	RRHL	RRAC	Financial Services Reinsurance	US Managers	TLIC	WRS	Consolidated Wilton Re
Revenues												
Net premiums	\$ -	\$ 40,594,714	\$ -	\$ 23,662,469	\$ 1,064,502	\$ -	\$ 21,750,887	\$ -	\$ -	\$ 7,217,633	\$ -	\$ 94,290,235
Policy fees and charges	-	(2,471,101)	-	4,340,693	9,066,230	-	-	-	-	6,873,956	-	19,911,778
Inuring third party reinsurance commissions	-	(551,529)	-	4,612,846	211,424	-	-	-	-	-	-	10,640,666
Investment income net of related expenses	88,887	1,486,442	726	8,761,014	16,640,526	6,269	6,167,925	48,935	2,156	8,763,448	586	36,435,374
Investment income on funds withheld at interest	-	28,985,336	-	(6,607,905)	60,740	-	-	-	-	(3,112,914)	-	20,105,257
Realized investment losses, net	(141,508)	(528,552)	-	(881,320)	(4,366,594)	-	6,400	-	-	386,578	-	(5,522,997)
Net unrealized appreciation (depreciation) on investments classified as trading and other	147,961	4,215,310	-	12,489,559	51,348,372	2,000	4,513,508	-	-	18,424,610	-	91,141,320
Change in value of derivatives and embedded derivatives, net	1,394,814	86,221,512	-	49,693,922	74,027,200	8,270	33,060,164	-	-	-	-	139,310,249
Total Revenues	1,468,154	159,932,132	726	97,071,308	74,027,200	8,270	33,060,164	48,935	2,156	40,875,311	586	406,311,682
Expenses												
Claims and policy benefits, net of reinsurance ceded	-	(16,475,202)	-	67,169,316	19,332,418	-	12,397,698	-	-	12,843,252	-	95,087,422
Interest credited to interest sensitive contract liabilities	-	10,848,899	-	7,039,700	9,084,187	-	-	-	-	2,486,662	-	29,459,448
Acquisition and other insurance expenses	-	54,928,520	-	(36,448,458)	(612,064)	-	5,664,862	-	-	3,790,476	-	27,323,337
Operating expenses	956,728	(4,038,726)	45,616	5,618,074	1,946,442	7,519	(239,696)	-	-	5,035,688	65,557	9,417,201
Third party administration expense	-	342,565	-	4,477,880	1,117,195	-	-	-	-	(325,630)	-	5,612,010
Due Diligence, transition and conversion costs	-	-	-	125,367	56,614	-	-	-	-	-	9,767	181,948
Collateral finance facility expenses	-	-	-	121,204	-	2,543,979	-	-	-	-	-	2,665,163
Interest expense on debt	1,492,645	-	-	-	-	-	-	-	-	-	-	1,492,645
Total Benefits and Expenses	2,449,372	45,608,056	45,616	48,103,063	30,924,991	2,551,498	17,822,805	-	-	23,630,448	95,324	171,229,193
Net Income (loss)/other comprehensive Income (loss) for the period before income taxes	(964,218)	114,326,076	(44,890)	48,969,225	43,102,210	(2,543,228)	15,237,349	48,935	2,156	6,224,265	(94,788)	235,082,669
Income tax expense/benefit	-	-	-	16,562,210	14,607,791	-	5,681,055	17,127	755	-	-	43,083,203
Net Income (loss)/other comprehensive Income (loss) for the period	(964,218)	114,326,076	(44,890)	32,406,015	28,494,419	(2,543,228)	9,556,294	31,808	1,401	10,820,599	(94,788)	191,989,466
Reconciliation to operating Income (loss):												
Net realized (ep) dep and impairments on investment gains classified as trading	141,508	528,552	-	881,320	4,366,594	-	(6,400)	-	-	(386,576)	-	5,522,997
Net realized (ep) dep and impairments on embedded derivatives	-	3,536,189	-	1,155,046	-	-	-	-	-	-	-	4,691,235
Amortization related to realized gains/losses and impairments	-	(2,422,086)	-	(700,600)	(463,455)	(2,000)	(4,513,508)	-	-	-	-	(3,616,151)
Net unrealized (ep) dep on investment gains classified as trading	(147,961)	(4,215,310)	-	(12,489,559)	(51,348,372)	(2,000)	(18,424,610)	-	-	(18,424,610)	-	(91,141,320)
Net unrealized (ep) dep on embedded derivatives	-	(86,221,512)	-	(46,693,922)	-	-	-	-	-	-	-	(137,915,435)
Amortization related to unrealized gains/losses	-	(3,626,007)	-	2,209,412	10,364,113	-	-	-	-	6,706,851	-	15,655,369
Net unrealized (ep) dep on swap agreements	(1,394,814)	-	-	16,562,210	14,607,791	-	5,681,055	-	-	-	-	(1,394,814)
Income tax expense/benefit	(2,365,485)	19,906,891	(44,890)	(9,670,076)	5,991,090	(2,545,229)	10,717,441	17,127	755	4,938,526	(94,788)	26,884,570
Net operating Income (loss) before income taxes	-	-	(15,712)	(3,384,527)	2,096,881	(890,630)	3,751,104	17,127	755	1,728,484	(33,176)	3,270,107
Income tax expense/benefit	-	-	\$ (29,179)	\$ (6,285,550)	\$ 3,694,208	\$ (1,654,399)	\$ 6,966,337	\$ 31,808	\$ 1,401	\$ 3,210,042	\$ (61,512)	\$ 23,614,463
Net operating Income (loss)	(2,365,485)	19,906,891	\$ (29,179)	\$ (6,285,550)	\$ 3,694,208	\$ (1,654,399)	\$ 6,966,337	\$ 31,808	\$ 1,401	\$ 3,210,042	\$ (61,512)	\$ 23,614,463