

As of April 30, 2018, there were 79,329,028 outstanding Common Shares, \$0.175 par value per share, of the registrant.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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Validus Holdings, Ltd.

Consolidated Balance Sheets

As at March 31, 2018 (unaudited) and December 31, 2017

(Expressed in thousands of U.S. dollars, except share and per share information)

	March 31, 2018 (unaudited)	December 31, 2017
Assets		
Fixed maturity investments trading, at fair value (amortized cost: 2018—\$5,874,140; 2017—\$5,876,261)	\$5,803,022	\$5,858,348
Short-term investments trading, at fair value (amortized cost: 2018—\$3,638,995; 2017—\$3,381,714)	3,638,940	3,381,757
Other investments, at fair value (cost: 2018—\$331,950; 2017—\$330,416)	357,246	355,218
Investments in investment affiliates, equity method (cost: 2018—\$75,302; 2017—\$61,944)	13,471	100,137
Cash and cash equivalents	672,173	754,990
Restricted cash	302,277	394,663
Total investments and cash	10,887,129	10,845,113
Premiums receivable	1,865,460	939,487
Deferred acquisition costs	309,825	213,816
Prepaid reinsurance premiums	390,900	132,938
Securities lending collateral	4,210	2,717
Loss reserves recoverable	979,944	1,233,997
Paid losses recoverable	59,892	46,873
Income taxes recoverable	7,705	9,044
Deferred tax asset	56,739	52,467
Receivable for investments sold	31,512	12,182
Intangible assets	169,168	171,411
Goodwill	229,573	229,573
Accrued investment income	29,621	29,096
Other assets	578,964	508,165
Total assets	\$15,600,642	\$14,426,879
Liabilities		
Reserve for losses and loss expenses	\$4,632,629	\$4,831,390
Unearned premiums	2,242,368	1,147,186
Reinsurance balances payable	398,861	331,645
Securities lending payable	4,210	2,717
Deferred tax liability	3,633	4,600
Payable for investments purchased	85,946	74,496
Accounts payable and accrued expenses	520,916	1,225,875
Notes payable to AlphaCat investors	1,268,194	1,108,364
Senior notes payable	245,614	245,564
Debentures payable	539,572	539,158
Total liabilities	9,941,943	9,510,995
Commitments and contingent liabilities		
Redeemable noncontrolling interests	1,423,110	1,004,094
Shareholders' equity		
Preferred shares (Issued and Outstanding: 2018—16,000; 2017—16,000)	400,000	400,000
Common shares (Issued: 2018—162,003,969; 2017—161,994,491; Outstanding: 2018—79,329,028; 2017—79,319,550)	28,351	28,349

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Treasury shares (2018—82,674,941; 2017—82,674,941)	(14,468) (14,468)
Additional paid-in capital	824,356	814,641	
Accumulated other comprehensive income (loss)	9,405	(22,192)
Retained earnings	2,653,588	2,688,742	
Total shareholders' equity available to Validus	3,901,232	3,895,072	
Noncontrolling interests	334,357	16,718	
Total shareholders' equity	4,235,589	3,911,790	
Total liabilities, noncontrolling interests and shareholders' equity	\$ 15,600,642	\$ 14,426,879	

The accompanying notes are an integral part of these unaudited consolidated financial statements.

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Validus Holdings, Ltd.

Consolidated Statements of (Loss) Income and Comprehensive Income

For the Three Months Ended March 31, 2018 and 2017 (unaudited)

(Expressed in thousands of U.S. dollars, except share and per share information)

Three Months Ended

March 31,

2018 2017

(unaudited)

Revenues

Gross premiums written \$1,832,456 \$1,190,857

Reinsurance premiums ceded (376,294)