

Blue Capital Global Reinsurance Fund Limited



July 2015 Fact Sheet

Key Statistics

Ticker

LSE BCGR.L/BCGR LN
BSX BCGR.BH

ISIN BMG1189R1043
SEDOL B7TT4M6

NAV† \$1.0496

Share Price‡ \$1.01375

Premium/
(Discount) -3.42%

Market Cap \$202.5 million

Net Assets \$208.9 million

† NAV per share as at 31 July 2015

‡ Closing mid-price at 31 July 2015

Key Information

Launch date

6 December 2012

Domicile

Bermuda

Listings

London Stock Exchange (SFM)
Bermuda Stock Exchange

Master Fund

Blue Water Master Fund Ltd.

Investment Manager

Blue Capital Management Ltd.

Broker

Jefferies International Limited

Reporting

Monthly NAV

Target Dividend Yield¹

LIBOR+6% p.a.

Target Long-Term Total Return¹

LIBOR+10% p.a.

Management Fee

1.5% p.a. (1.25% p.a. for NAV in excess of \$300 million)

Performance Fee

15% p.a. of returns in excess of high water mark and LIBOR+3% hurdle; subject to LIBOR+10% trigger

Overview

The investment objective of Blue Capital Global Reinsurance Fund Limited (the "Fund") is to generate attractive returns from a sustainable dividend yield and longer term capital growth by investing substantially all of its assets in a segregated account of Blue Water Master Fund Ltd. This segregated account (the "Master Fund") invests in a diversified portfolio of collateralised reinsurance-linked contracts and other investments whose value is based on insured catastrophe event risks, which are largely uncorrelated to traditional asset classes. Blue Capital Management Ltd. ("Blue Capital"), the Fund's investment manager, is wholly owned by Endurance Specialty Holdings Ltd. (NYSE, Ticker "ENH"), a recognised leader in property catastrophe reinsurance.

NAV Total Return

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	0.3%	0.4%	0.5%	0.7%	0.1%	0.8%	1.0%	2.4%	3.2%	1.9%	0.1%	0.0%	11.8%
2014	0.2%	0.3%	0.0%	-0.1%	0.3%	0.4%	1.3%	1.9%	2.4%	1.1%	0.3%	0.5%	8.8%
2015	0.3%	0.3%	0.3%	0.2%	0.2%	0.7%	0.7%						2.6%

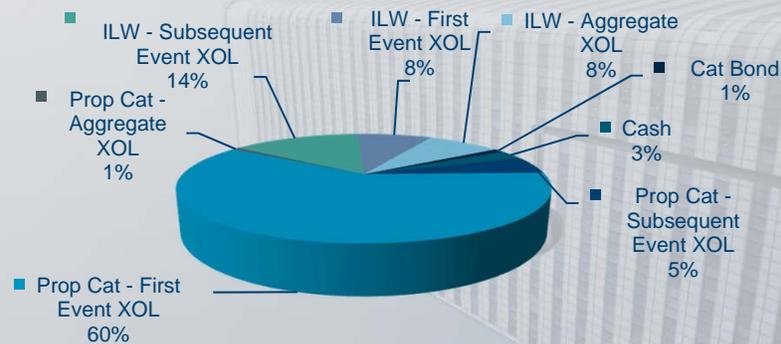
Source: Blue Capital Management Ltd.

Portfolio Overview

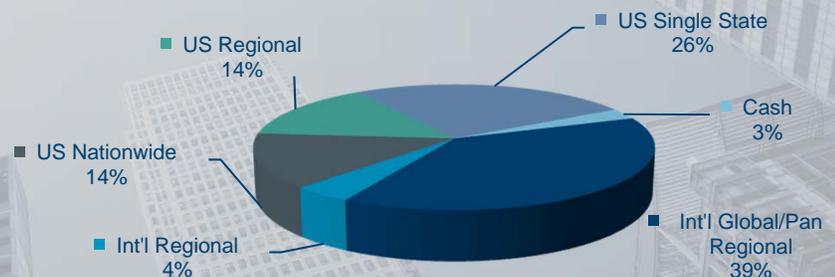
- The portfolio is 97% deployed, with 66% invested in the traditional property catastrophe reinsurance market and 31% in the non-traditional market. The fund is considered fully deployed.
- The Fund is primarily focused on regional and single state/country insurance companies where Blue Capital has strong relationships and a robust understanding of the underlying risk.

Portfolio Allocation as at 31 July 2015

PORTFOLIO BY CONTRACT TYPE



PORTFOLIO BY GEOGRAPHY



¹These are targets only and not profit forecasts. There can be no assurance that these targets will be met or that the Fund will make any returns or distributions whatsoever or that investors will recover all or any of their investment. Prospective investors should decide for themselves whether or not the target returns and distributions are reasonable or achievable in deciding whether to invest in the Fund.

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Market Update

Portfolio pricing pressures moderated during the important June / July mid-year renewal period. The portfolio experienced risk-adjusted pricing decreases of approximately 4% when compared to 2014. This stabilization in pricing was an outcome of the increase in demand in U.S. Hurricane risk during June. The portfolio continues to be focused on clients and structures that provide the portfolio the most favorable risk adjusted return characteristics for this part of the reinsurance pricing cycle. Although promising signals were evident in the market, Blue Capital non-renewed several programs that were inadequately priced and repositioned to layers that had better relative pricing.

Recent Announcements

On 31 July 2015, Endurance Specialty Holdings Ltd. ("Endurance") completed its acquisition (the "Merger") of Montpelier Re Holdings Ltd ("Montpelier"). Upon closing the Merger, Endurance became the ultimate parent holding company of Blue Capital. Through its ownership of Montpelier, Endurance indirectly holds 25.1% of the ordinary shares of the Fund. In connection with the Merger, Blue Capital announced on 14 August 2015 that Adam Szakmary had been promoted to Chief Executive Officer and Portfolio Manager following the resignation of Mr. William Pollett. This appointment remains subject to immigration approval.

Ernst & Young Ltd. replaced PricewaterhouseCoopers Ltd. as the Fund's independent registered public accounting firm following PWC's resignation on 30 June 2015 due to an impending independence conflict arising out of the Merger.

On 16 July 2015, the Fund declared a dividend of US\$0.033 per ordinary share, which was paid in August 2015.

On 9 July 2015, the Fund announced the appointment of S. George Cubbon as an independent director.

Portfolio Exposure – First Event by Zone / Peril¹



WS = Windstorm/Hurricane, EQ = Earthquake
The maximum exposure limit in any one zone is 35% of the Master Fund NAV.

Modeled Probable Maximum Loss as Percentage of NAV^{2,3,4}



¹ For contracts that overlap zones, the full policy exposure is counted in each exposed zone. ² The illustrative portfolio and expected loss impact on the illustrative portfolio are hypothetical and for illustrative purposes only. There is no guarantee that hypothetical catastrophe events would be as illustrated in this slide and would reflect the actual loss impact on the portfolio. Further, the illustrative loss impact does not take into account any costs, expenses or other factors which are not attributable to the reinsurance arrangements, save for the management and performance fees referred to in the assumptions (see footnote 3). As such, the inclusion of the hypothetical returns set out should not in any way be construed as forecasting the actual returns from the portfolio should such hypothetical events occur. ³ Results produced using AIR Worldwide CLASIC/2 Version 15.0. ⁴ Modeled Probable Maximum Losses (PML's) are 1 in 100 year event modeled loss, except for earthquake which is 1 in 250 year.

Investor Contact



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DISCLAIMER:

Important Information: This factsheet has been prepared by Blue Capital as investment manager of the Fund, solely to provide additional information to the shareholders of the Fund as a whole and should not be relied on by any other party or for any other purpose.

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