

WHITE MOUNTAINS INSURANCE GROUP LTD  
Form 10-Q  
May 02, 2016  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the period ended March 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-8993

WHITE MOUNTAINS INSURANCE GROUP, LTD.  
(Exact name of Registrant as specified in its charter)

Bermuda (State or other jurisdiction of incorporation or organization)	94-2708455 (I.R.S. Employer Identification No.)
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80 South Main Street, Hanover, New Hampshire (Address of principal executive offices)	03755-2053 (Zip Code)
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Registrant's telephone number, including area code: (603) 640-2200

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

As of May 2, 2016, 5,064,039 common shares with a par value of \$1.00 per share were outstanding (which includes 66,469 restricted common shares that were not vested at such date).

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WHITE MOUNTAINS INSURANCE GROUP, LTD.

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## Part I. FINANCIAL INFORMATION.

## Item 1. Financial Statements

WHITE MOUNTAINS INSURANCE GROUP, LTD.  
CONSOLIDATED BALANCE SHEETS

(Millions, except share amounts)	March 31, 2016	December 31, 2015
Assets	Unaudited	
Fixed maturity investments, at fair value	\$2,613.2	\$ 2,639.7
Short-term investments, at amortized cost (which approximates fair value)	261.7	211.3
Common equity securities, at fair value	443.0	1,113.9
Other long-term investments	321.8	315.8
Total investments	3,639.7	4,280.7
Cash (restricted: \$8.4 and \$5.8)	178.8	179.3
Reinsurance recoverable on unpaid losses	150.9	186.5
Reinsurance recoverable on paid losses	16.6	7.5
Insurance premiums receivable	234.3	223.3
Deferred acquisition costs	109.8	107.6
Deferred tax asset	133.6	112.8
Ceded unearned insurance premiums	36.3	29.5
Accrued investment income	13.4	14.0
Accounts receivable on unsettled investment sales	4.5	41.9
Goodwill and intangible assets	371.5	375.7
Other assets	286.9	316.8
Assets held for sale	5,215.5	4,407.0
Total assets	\$10,391.8	\$ 10,282.6
Liabilities		
Loss and loss adjustment expense reserves	\$1,349.6	\$ 1,395.8
Unearned insurance premiums	626.5	612.6
Debt	532.6	440.5
Deferred tax liability	7.1	7.0
Accrued incentive compensation	114.2	141.7
Ceded reinsurance payable	31.8	30.5
Funds held under insurance contracts	134.9	137.8
Accounts payable on unsettled investment purchases	6.9	—
Other liabilities	229.8	264.7
Liabilities held for sale	3,121.1	2,884.0
Total liabilities	6,154.5	5,914.6
Equity		
White Mountains's common shareholders' equity		
White Mountains's common shares at \$1 par value per share - authorized 50,000,000 shares;		
issued and outstanding 5,415,462 and 5,623,735 shares	5.4	5.6
Paid-in surplus	933.5	972.6
Retained earnings	2,959.6	3,084.9
Accumulated other comprehensive loss, after tax:		
Net unrealized foreign currency translation losses	(108.3	) (145.6
Pension liability and other	(4.3	) (4.3
Total White Mountains's common shareholders' equity	3,785.9	3,913.2
Non-controlling interests	451.4	454.8
Total equity	4,237.3	4,368.0

Total liabilities and equity	\$10,391.8	\$ 10,282.6
See Notes to Consolidated Financial Statements		

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WHITE MOUNTAINS INSURANCE GROUP, LTD.  
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME  
Unaudited

	Three Months Ended March 31,	
(Millions, except per share amounts)	2016	2015
Revenues:		
Earned insurance premiums	\$282.1	