

Greenlight Capital Re, Ltd.
Form 10-Q
May 04, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2009

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 001-33493

GREENLIGHT CAPITAL RE, LTD.

(Exact Name of Registrant as Specified in Its Charter)

CAYMAN ISLANDS
(State or Other Jurisdiction of
Incorporation or Organization)

N/A
(I.R.S. Employer Identification No.)

THE GRAND PAVILION
802 WEST BAY ROAD
P.O. BOX 31110
GRAND CAYMAN
CAYMAN ISLANDS
(Address of Principal Executive
Offices)

KY1-1205
(Zip Code)

(345) 943-4573
(Registrant's Telephone Number, Including Area Code)

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Not Applicable

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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 (or for such shorter period that the registrant was required to file such reports), 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 (or for such shorter period that the registrant was required to submit and post such files).

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 the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) 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

Class A Ordinary Shares, \$0.10 par value	29,986,192
Class B Ordinary Shares, \$0.10 par value (Class)	6,254,949 (Outstanding as of April 30, 2009)

GREENLIGHT CAPITAL RE, LTD.

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2009 and December 31, 2008

(expressed in thousands of U.S. dollars, except per share and share amounts)

	March 31, 2009 (unaudited)	December 31, 2008
Assets		
Investments in securities		
Debt securities, trading, at fair value	\$ 109,091	\$ 70,214
Equity securities, trading, at fair value	436,490	409,329
Other investments, at fair value	11,755	14,423
Total investments in securities	557,336	493,966
Cash and cash equivalents	56,310	94,144
Restricted cash and cash equivalents	344,520	248,330
Financial contracts receivable, at fair value	23,563	21,419
Reinsurance balances receivable	87,932	59,573
Loss and loss adjustment expense recoverables	7,000	11,662
Deferred acquisition costs, net	24,347	17,629
Unearned premiums ceded	6,464	7,367
Notes receivable	16,915	1,769
Other assets	4,417	2,146
Total assets	\$ 1,128,804	\$ 958,005
Liabilities and shareholders' equity		
Liabilities		
Securities sold, not yet purchased, at fair value	\$ 319,337	\$ 234,301
Financial contracts payable, at fair value	26,465	17,140
Loss and loss adjustment expense reserves	99,734	81,425
Unearned premium reserves	112,482	88,926
Reinsurance balances payable	37,176	34,963
Funds withheld	3,382	3,581
Other liabilities	6,651	6,229
Performance compensation payable to related party	3,032	—
Total liabilities	608,259	466,565
Shareholders' equity		
Preferred share capital (par value \$0.10; authorized, 50,000,000; none issued)	—	—
Ordinary share capital (Class A: par value \$0.10; authorized, 100,000,000; issued and outstanding, 29,986,192 (2008: 29,781,736); Class B: par value \$0.10; authorized, 25,000,000; issued and outstanding, 6,254,949 (2008: 6,254,949))	3,624	3,604
Additional paid-in capital	478,516	477,571
Non-controlling interest in joint venture	6,388	6,058
Retained earnings	32,017	4,207

Total shareholders' equity	520,545	491,440
Total liabilities and shareholders' equity	\$ 1,128,804	\$ 958,005

The accompanying Notes to the Condensed Consolidated Financial Statements are an integral part of the Condensed Consolidated Financial Statements.

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GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

For the three months ended March 31, 2009 and 2008
(expressed in thousands of U.S. dollars, except per share and share amounts)

	Three months ended March 31,	
	2009	2008
Revenues		
Gross premiums written	\$ 71,871	\$ 70,766
Gross premiums ceded	(1,220)	