Applied Investment Management (AIM) Program

AIM Class of 2016 Equity Fund Reports
Fall 2015

Date: September 9, 2015 | ***Time:*** 11:00 - 11:50 p.m. ***Location:*** *AIM Research Room (488)*

Student Presenter	Company Name	Ticker	Sector	Page No.
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These student presentations are an important element of the applied learning experience in the AIM program. The students conduct fundamental equity research and present their recommendations in written and oral format – with the goal of adding their stock to the AIM Equity Fund. Your comments and advice add considerably to their educational experience and is greatly appreciated. Each student will spend about 5-7 minutes presenting their formal recommendation, which is then followed by about 8-10 minutes of Q & A.

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Barclays PLC Sponsored ADR (NYSE: BCS)
September 9, 2015

Conor Connelly — International Financial Services

Barclays is a global financial services holding company that operates in five business segments: Personal and Corporate Banking (PCB), Barclaycard, Africa Banking, Investment Banking, and Head Office. The Personal and Corporate Banking (PCB) segment comprises personal banking, mortgages, wealth & investment management, and corporate banking. Barclaycard is an international payments services provider to retail and business customers, credit cards and consumer lending. The Africa Banking segment is managed under three primary businesses: retail and business banking (RBB), wealth, investment management and insurance (WIMI), and corporate and investment banking (CIB). The Investment Banking division consists of origination-led and returns-focused markets. Finally, Head Office comprises head office and central support functions as well as consolidation adjustments. The company is headquartered in London and led by Executive Chairman John McFarlane. Barclays has 132,300 employees.

Price ($):	15.57
Price Target ($):	20.20
52Wk H-L ($):	18.05 - 13.27
Market Cap (mil):	65,731
Float (mil):	0.0
Short Interest (%):	--
Avg. Daily Vol (mil):	1.9
Dividend ($):	0.06
Yield (%):	2.5

Beta:	1.23
WACC	8.95
M-Term Rev. Gr Rate Est:	--
M-Term EPS Gr Rate Est:	15.0%
Financial Leverage	437.78
ROA (%):	0.02
ROE (%):	0.44
Tier 1 Capital Ratio (%)	14
Credit Provisions/Loans (%	3622.2

FY: Dec	12/31/2013	12/31/2014	12/31/2015	12/31/2016
Revenue (Mil)	57,450.98	53,416.10	39,648.43	40,549.53
% Growth	4.36	-7.02	-25.77	2.27
Net Interest Margin	--	--	1.91	2.00
Pretax Margin	7.97	6.84	27.556	32.64
EPS (Cal)	$0.24	-$0.05	$1.44	$1.75
P/E (Cal)	12.5	13.9	10.8	8.9
BVPS	21.9	20.9	20.7	21.5
P/B	0.8	0.7	0.8	0.7

Recommendation

Barclays has begun implementing a transformative process to cut costs, reallocate capital, and drive revenues to strengthen long-term sustainable growth in a macro-environment on the brink of seeing rising interest rates. The company is expected to achieve a cost to income ratio of 65% in 2016 and 60% in 2017, down from 74% in 2014 and 70% expected in 2015. A decline in absolute costs of GBP250mm in 2016 is consistent with the group cost reduction target, while the 60% 2017 ratio factors in a new benchmark for Investment Banking. A main driver of the cost cut is that the bank plans to cut roughly 30,000 jobs in the next two years, aiming for roughly 100,000 employees. Net income, however, is expected to increase, as the company reallocates capital with new RWA targets and optimizes the balance sheet with little stress, demonstrated by an improving CET1 ratio of 11.1% and a long-term goal of 12%. These factors are expected to boost net income to a 28.6% increase FY2015, 18.3% YoY in 2016, and 15.3% YoY in 2017, and drive EPS to $1.45 in 2015 from $1.08 in 2014, $1.76 in 2016, and $2.01 in 2017. Barclays is also entering a rising interest rate environment in both the U.K. and U.S. for the near future. Net interest income is expected to increase by 3.2% from 2015 to 2016 and 4.9% YoY in 2017, while EBIT is projected to increase by 15.4% and 11.3%, respectively, over those same time frames. Barclays is confidently implementing transformative strategies in order to drive the price of its stock and increase shareholder returns. For these reasons, as well as an attractive price, it is recommended that BCS be added to the AIM International Equity Fund with a price target of $20.20, representing a 25.8% upside.

Investment Thesis

- **U.K. Interest Rate Hike & Global Macro Environment.** The market is currently predicting an October 2016 rate hike for the United Kingdom. Throughout the U.K.'s previous two rate hikes, Barclays has seen substantial historical returns. From February 1994 to February 1998, when the Bank of England raised interest rates from 5.125% to 7.5%, Barclays' stock price increased from $10 to $30. More recently, as the BoE raised rates from 3.75% to 5.75% from March 2003 to early 2007, Barclays saw their stock increase from $22 to a peak of $62.46. Core inflation in the

U.K., one of the main indicators for the timeliness of a rate hike, recently saw a substantial rise from 0.8% to 1.2%. Bank of England Governor Mark Carney has recently stated that the interest rate increase will likely come into sharper relief at the turn of this year. Carney also has hinted that the U.K. will be the first to raise interest rates after the U.S. Looking towards previous U.S. hiking cycles, large cap equities have historically outperformed, averaging 20.7% growth in the 500 days following the initial rate hike. Ex-US equities benefit from U.S. rate hikes as well, gaining an average of 25.9% historically in the 500 days following the initial U.S. rate hike.

- Cost Reduction and Capital Reallocation. Barclays will see reduction in their cost base from GBP17bn in 2014 to less than GBP14.5bn of core costs by 2016. The company also expects to cut risk-weighted assets (RWAs) in the Investment Bank. RWAs of GBP400bn are projected at the end of 2016 for core operations, and the Investment Bank will represent only 30% of RWA, down from 50% at the end of 2013. The company exhibits a very strong balance sheet position, demonstrated by the firm's declining RWAs due to noncore risk reductions. In noncore, Barclay's reported a reduction of GBP8bn of RWAs in 2Q2015, ahead of expectations, and announces a new, lower noncore RWA target of GBP20bn for 2017. Cost reductions and balance sheet optimization are driving expectations of core ROE to exceed 12% in 2016, boosting group ROE to 9% for the year.
- Strong Core Revenue Growth. Core revenues were up 2% YoY in 2Q2015 as Barclay's saw growth in all business segments except for the Investment Bank. Personal and Corporate Banking revenues grew by 1%, Barclaycard revenues were up 13%, Africa saw its revenues grow by 2%, and the Investment Bank was flat. However, the Investment Bank did cut risk weighted assets by 7% YoY.

Valuation

In order to determine an intrinsic value for BCS, a price to book multiple was conducted. Using five industry competitors with an average P/B of 1.21 and Barclays' historical 5-year P/B average of 0.72, and by giving 50% weight to Barclays' historical average and 50% weight to the peer average, a weighted average price to book of 0.97 was determined. Using a BVPS of 20.72, an intrinsic value of $20.20 was generated, representing a 25.8% potential upside.

Risks

- Deflation. As China devalued their currency, Chinese exports became cheaper to Europe and the U.S., as well as the rest of the world. As the U.S. and European countries import Chinese goods, there is a deflationary risk due to the devaluation of their currency. Deflation can cause the central banks to hold on an interest rate hike, posing a threat to Barclay's.
- Regulatory Risks. Proposed changes in Basel rules, ICB implementation, changes in capital regime, and financial reform in OTC derivatives all can cause adverse effects of the company.
- Capital Markets and Credit Cycle Performance. The fixed income cycle and capital markets performance through the investment banking division are key revenue drivers. A slowdown in volumes poses risks to the investment thesis. Additionally, a deterioration in the economic environment can cause adverse effects on the retail and corporate credit cycle, posing a threat to the retail and corporate banking business.

Management

John McFarlane is the Executive Chairman of Barclays PLC. He was appointed to the Board in January 2015 and became Chairman in April 2015. John was previously Chairman of Aviva PLC from July 2012 to 2014. He formerly served as CEO of Australia and New Zealand Banking Group Ltd from 1997 to 2007. Antony Jenkins served as CEO of Barclays before Mr. McFarlane from 2012-2015. Mr. Jenkins was relieved of his duties due to a dispute with the board over the size of the investment bank and the pace of cost cutting.

Ownership

% of Shares Held by All Insider Owners:	--
% of Shares Held by Institutional & Mutual Fund Owners:	4.41%

Source: FactSet

Top 5 Shareholders

Holder	Shares	% Out
Fisher Asset Management LLC	18,605,023 ▲	0.44
T. Rowe Price Associates, Inc.	17,656,682 ▲	0.42
Dimensional Fund Advisors LP	13,674,730 ▲	0.33
T. Rowe Price International Ltd.	10,850,663 ▼	0.26
Fidelity Management & Research Co.	6,782,693 ▲	0.16

Source: FactSet

Peer Analysis

Name	Ticker	Market Cap (mil)	Sales (mil)	Net Margin	P/B	Dividend Yield
Barclays PLC Sponsored ADR	bcs	65,731	52,190	-0.37%	0.72	2.62
Deutsche Bank AG	575035	36,551	49,650	3.52%	0.50	--
HSBC Holdings plc	054052	99,120	58,523	14.88%	0.96	5.14
Royal Bank of Scotland Group plc	B7T772	21,648	16,097	3.47%	0.79	--
Bank of New York Mellon Corporation	BK	43,464	15,391	16.69%	1.26	1.63
Canadian Imperial Bank of Commerce	*CM	37,708	17,126	18.72%	2.32	3.83
	Peer Aver	50,196	34,915	0.1	0.88	3.4

Hornbeck Offshore Services (HOS)
September 9, 2015

Patrick Schulz | Domestic Energy

Hornbeck Offshore Services, Inc. (NYSE: HOS) is an upstream energy company and a leading provider of marine transportation, subsea installation and accommodation support services to the exploration and production, oilfield service, offshore construction and U.S. Military customers. HOS owns and operates the largest fleet of new generation OSVs and MPSVs, which support the deep-well, deepwater and ultra-deepwater requirements of the offshore oil and gas industry. OSVs primarily serve exploratory and developmental drilling rigs, production facilities and supports offshore and subsea construction, installation and decommissioning activities. MPSVs are significantly larger and more specialized for inspection, repair and maintenance activities. HOS mainly operates domestically (77% of Revenues) with three main geographic regions: Gulf of Mexico, Mexico and Brazil. HOS was founded by Todd M. Hornbeck in June 1997 and is headquartered in Covington, LA.

Price ($): (09/04/15)	$	17.85
Price Target ($):	$	26.20
52WK H-L ($):		43.89-15.60
Market Cap (mil):		655.40
Float (mil):		31.24
Short Interest (%):		33.50%
Avg. Daily Vol (mil):		0.92
Dividend ($):	$	-
Yield (%):		-

Beta:	1.41
WACC	8.20%
M-Term Rev. Gr Rate Est:	8.67%
M-Term EPS Gr Rate Est:	11.95%
Debt/Equity:	0.75
Debt/EBITDA (ttm):	3.95
ROA (%):	3.05%
ROE (%):	6.59%
ROIC (%):	3.66%

FY: Dec	2014A	2015E	2016E	2017E
Revenue (Mil)	635	594	633	713
% Growth	9.52%	-6.43%	6.56%	12.69%
Gross Margin	35.10%	34.73%	34.12%	34.46%
EBITDA Margin	44.75%	44.19%	45.62%	44.53%
EPS (Cal)	$2.41	$2.85	$1.28	$1.76
FCF/Share	($8.33)	($3.16)	($3.07)	($2.23)
P/E (Cal)	7.5x	6.3x	14.0x	10.2x
EV/EBITDA	5.1x	5.5x	5.0x	4.6x

Recommendation

As the price of crude oil and natural gas have decreased over 50% since their 2014 highs and volatility still remains questionable, many oil and gas companies are skeptical of starting costly exploration and production projects. HOS has been able to capture a share of the upstream market by continuing their advancements of safety and technology for both their OSVs and MPSVs. Their current fleet consists of 60 new generation OSVs and 6 MPSVs, while HOS expects 7 more newbuild deliveries during the second half of 2015 and FY2016. During these difficult times, management decided to stack 18 new generation OSVs in efforts to reduce operating expenses (decreased 19.46% YoY). HOS has been able to diversify their revenues by providing specialized vessel solutions to non-oilfield customers such as the U.S. government and oceanographic researchers. HOS completed the sale of three OSVs to the U.S. Navy for cash considerations of $114M, resulting in an expected gain on sale of assets of $33.0M and expect the sale of a fourth OSV during Q3. The sale of vessels to the U.S. government typically includes an operations and maintenance contract. Despite HOS's small international expansion, they have seen an 11.94% 5-year CAGR on net sales growth complimented with a 20.69% CAGR for gross margin over the same time period. These growth rates are sustainable through HOS's ability to maintain a younger and more advanced vessel fleet compared to their domestic public company OSV peer group average. While the opportunity to expand their market in the Gulf of Mexico and Mexico have become accessible after PEMEX's monopoly ending, HOS operates a shore-base support facility located in Louisiana, which provides a strategic logistical advantage for servicing drilling rigs, production facilities and other offshore installations. This port mirrors the management's long-term commitment and outlook for the deepwater Gulf of Mexico. Due to expanding opportunities in the Gulf of Mexico and their advanced vessels, it is recommend that HOS be added with a target price of $26.20, representing a 46.75% upside.

Investment Thesis

- **Mexican 75-year old monopoly ending.** In December 2013, the Mexican Congress ended PEMEX's monopoly on drilling activities in Mexico and voted in favor of allowing the government to grant contracts and licenses for exploration and production of oil and gas to foreign firms. This was previously prohibited under Mexico's constitution. Although Round 1 auctions awarded only two blocks of the 14 properties available, the new tenders and joint ventures in the GoM area will generate in over $40 billion in new investments from 20 billion barrels of oil equivalent. HOS is the second largest operator of US-flagged new generation OSVs with a 23% market share and has long-term leases for two shore-base facilities in the GoM area.

- **Newbuild Program Developments.** HOS has one of the youngest fleets of U.S. flagged new generation OSVs and MPSVs. They are currently looking to expand their fleet by adding 7 new vessels under their newbuild program by the end of 2016. All of the vessels constructed under this program will be Jones Act qualified which has become an increasing demand for vessels used in the GoM area. Currently 85% of HOS vessels are qualified as they own the largest fleet of qualified vessels while 89% are considered high-spec including 54% that are ultra-high spec. Hornbeck's new vessels will have DWT capacities of 5,500-6,200 DWT, which allows them to be used in deepwater and ultra-deepwater projects.
- **High Safety and Efficiency Reputation.** HOS has developed newer MPSVs which allow the vessel to be utilized to transport deck or bulk cargoes in capacities exceeding their competitor's new generation OSVs. These new MPSVs enable customers to eliminate the need of chartering an OSV to carry equipment to location and then be installed by a foreign flag MPSV. About 85% of their total forward-contracted revenue is currently with major oil companies, national oil companies and the U.S. government all whom which demand high levels of safety and technological advancements to meet the strict regulation standards in the Gulf of Mexico.

Valuation

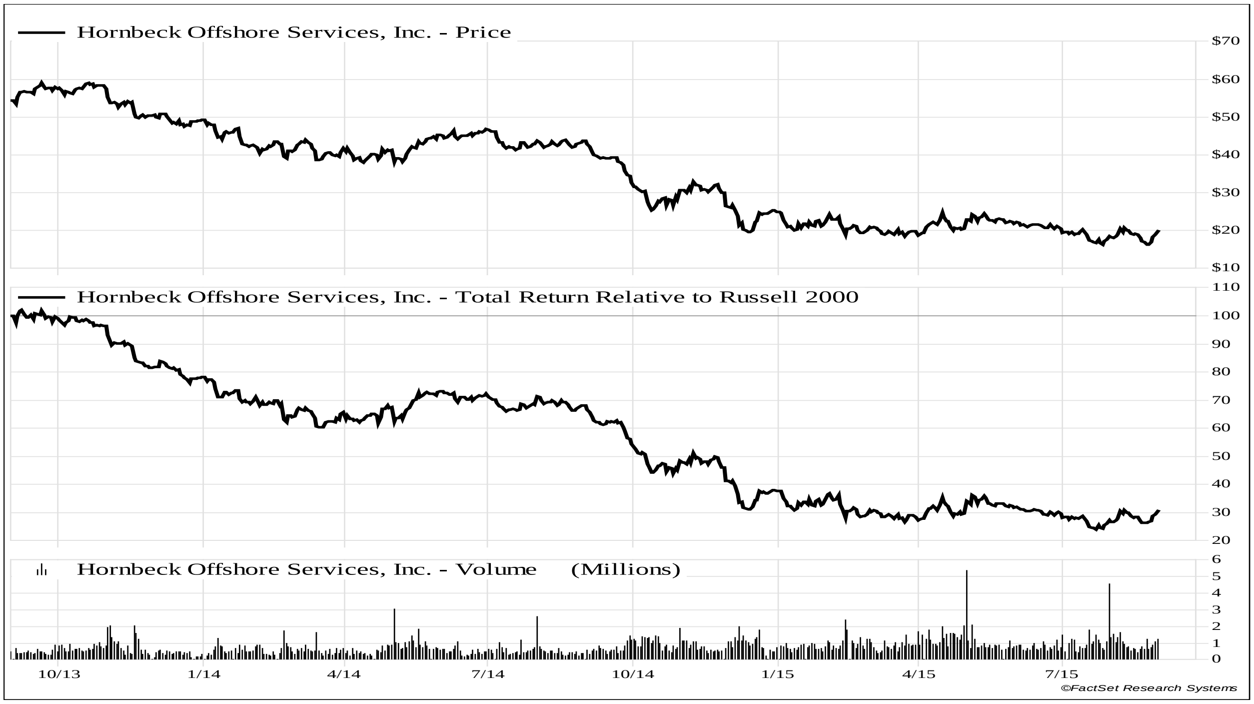
In order to reach an intrinsic value for HOS, a five year DCF model was constructed. Using a terminal growth rate of 2.00% and a WACC of 8.46% an intrinsic value of $27.59 was reached. A sensitivity analysis on the terminal growth rate and WACC ranged from $14.63-$35.92. Additionally, an EV/EBITDA multiple valuation was calculated. Using a 2016E EBITDA of $288.74 and weighing HOS and the comparables multiples equally at 6.05x, an intrinsic value of $26.21 was reached. Finally, a P/B multiple valuation was conducted using a blended average P/B multiple of 0.62, resulting in an intrinsic value of $24.79. By weighing the three models equally, a price target of $26.20 was reached, resulting in a 46.75% potential upside. HOS does not pay dividends.

Risks

- **Increase in Supply of Vessels.** HOS competitors have also announced plans to construct new vessels that will be deployed in domestic and foreign locations. The increase of vessels in HOS' primary geographic market would decrease the day-rates for both their OSVs and MPSVs.
- **Commodity Price Decline and Volatility.** The decline in oil and gas prices has negative effects on any planned drilling projects and ongoing production projects. A continuing decline in commodity prices will drive away projects both domestically and internationally. Historical high volatility in oil and gas exploration, development and production activity will likely to continue.
- **International Competitiveness.** The higher cost structure of owning and operating US-flagged rigs and local international restrictions have prevented HOS from being competitive on a global scale. International markets, in many cases, are cheaper to do business in. HOS makes up only a 5% share of the 1,000 high-spec OSV global market.

Management

Todd Hornbeck is the Chairman, CEO and President since the inception in 1997. Carl Annessa has been the COO and Executive Vice President since 1997. James Harp has been the CFO and Executive Vice President since 2001. Other key executives include John Cook (Executive VP, COO and CIO) and Larry D. Hornbeck (Director). All of these executives have been with the company since their IPO in 2004.



Source: Factset

Ownership

% of Shares Held by All Insider and 5% Owners:	12.50%	▲
% of Shares Held by Institutional & Mutual Fund Owners:	120.90%	▲

Source: FactSet

Top 5 Shareholders

Holder	Shares		% Out
Fine Capital Partners L.P.	3,508,000	▼	9.80
Fidelity Management & Research	3,208,000	▲	9.00
Dimensional Fund Advisors L.P.	3,035,000	▲	8.50
BHR Capital LLC	2,959,000	▲	8.30
BlackRock Fund Advisors	2,685,000	▼	7.50

Source: FactSet

Peer Analysis

Name	Ticker	Market Cap (mil)	Sales (mil)	EBITDA	EV/ EBITDA	Price to Book
Hornbeck Offshore	HOS	655.4	598.2	272.7	5.4	0.5
SEACOR	CKH	1,104.4	1,223.4	188.3	8.9	0.8
Tidewater	TDW	782.0	1,414.6	377.0	5.9	0.3
GulfMark Offshore	GLF	192.7	408.4	113.3	6.1	0.2
Farstad Shipping	FAR-NO	85.9	623.1	230.3	5.9	0.1
Siem Offshore	SIOFF-NO	177.4	522.9	196.0	6.7	0.1
Peer Averages		468.5	838.5	221.0	6.7	0.3

Source: FactSet

Greenlight Capital Re, Ltd. (GLRE)
September 9, 2015

Colin Canfield International Financials

Greenlight Capital Re (XNYS: GLRE) is the publically traded reinsurance subsidiary of Greenlight Capita Inc., David Einhorn's long-short value oriented hedge fund headquartered in New York, New York. As an offshore vehicle for the benefit of Greenlight Capital, they operate out of the Cayman Islands as an exempted company under the Companies law of the Cayman Islands. Due to this piece of legislature, Greenlight enjoys the comfort of a 20 year tax-free period in the event of any enacted taxation. With respect to revenues, GLRE derives all sales from their property and casualty reinsurance segment. In effect, the company offers investors a much cheaper alternative of exposure to Einhorn's investment strategies than the $1M required for a hedge fund investment as well a means to play the nascent reinsurance industry.

Price ($):	24.22	Beta:	0.86	FY: Dec	12/31/2013	12/31/2014	12/31/2015	12/31/2016
Price Target ($):	32.83	WACC	6.84	Revenue (Mil)	639.61	690.21	218.83	545.57
52Wk H-L ($):	35.02 - 23.45	M-Term Rev. Gr Rate Est:		% Growth	24.69	7.91	-68.30	149.32
Market Cap (mil):	747.67	M-Term EPS Gr Rate Est:	N/A	Net Interest Margin	#N/A	#N/A	#N/A	#N/A
Float (mil):	29.59	Financial Leverage	0	Pretax Margin	36.43	16.32	-79.97	27.04
Short Interest (%):	4.58	ROA (%):	-1.68	EPS (Cal)	6.13	2.94	-4.21	4.23
Avg. Daily Vol (mil):	0.17	ROE (%):	-4.86	P/E (Cal)	5.50	11.11	#N/A	5.73
Dividend ($):	0	Tier 1 Capital Ratio (%)	N/A	BVPS	28.39	31.17	27.23	31.11
Yield (%):	0	Credit Provisions/Loans (%)	N/A	P/B	1.19	1.05	0.89	0.78

Recommendation

After sliding -17.3% QTD due to concerns over David Einhorn's continued '15 losses, investors remain lethargic about the rapid turnaround story they have come to expect from the esteemed stock picker's management style. With global markets exhibiting extensive volatility as of late, Greenlight stands ready to benefit from not only the relative stability of domestic equities compared to global equities, but also a number of key macro and microeconomic factors. First, with the probability of a Fed rate hike continuing to rise, GLRE should be able to cash in on the accretionary nature of interest rates on the insurance industry's earnings. Next, as the insurance industry has begun to appreciate the full accessibility of reinsurance, companies are effectively utilizing lower risk transfer margins in catastrophe exposed regions to meet demand for new classes of underlying insurance risks. Lastly, the nature of the companies trading securities reflect Einhorn's investment positioning and strategies, giving investors a cheap way to play his expected turnaround in performance in the mid-term With these factors in mind, it is recommended that Greenlight Capital Re be added to the AIM International Portfolio with a price target of $32.83, representing a 24.13% upside. The company does not pay a dividend.

Investment Thesis

- **Talent Speaks for Itself.** David Einhorn has been down this road before. With significant losses in the recent near term, the investment community has begun to question his investment style and stock picking ability once again. Although he is not the direct controller of GLRE, the companies trading pattern correlates with his fund's performance due to way their trading securities replicate the hedge funds positioning and performance. As a result, the expected reversal of the parent company's performance will lead to a return to fair value for the reinsurer.
- **Rate Hike Probability.** With the market pricing in at least one rate hike before year end, with a September hike beginning to be the probably course of action, GLRE will be able to benefit from an increase in rates. As rates increase, not only will they be able to charge more when providing insurance plans to other insurers, but they also have an increased opportunity for risk arbitrage.

- **The Reinsurance Boom.** As a whole, the reinsurance industry grew 25% YoY 2013-2014, with total alternative issued premiums expected to achieve a growth of 250% by 2018, representing a CAGR of 35.7%. The importance of this hedging instrument, especially as expectations of volatile weather continue to rise, has catalyzed companies to work to diversify their risk as much as possible. Though it arbitrage ability is not as expansive as its competitors, GLRE still has the ability to take part in the explosive growth of the industry as a whole.

Valuation

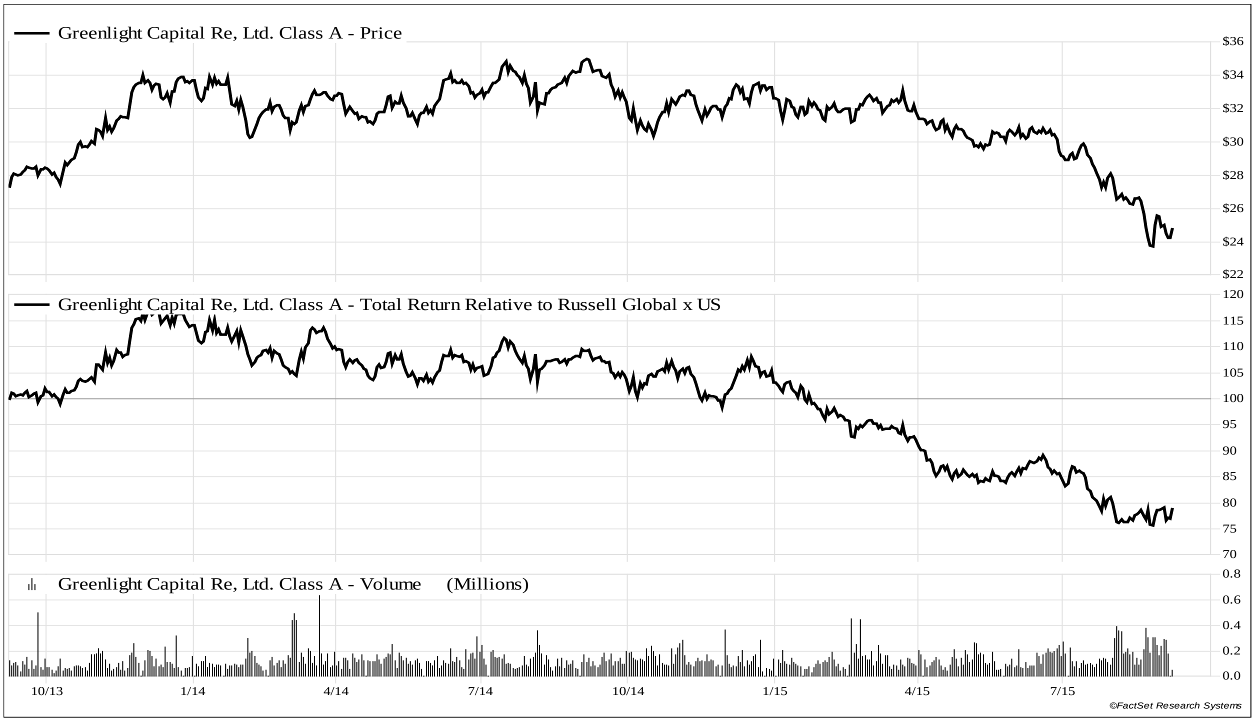
To find the intrinsic value of GLRE, comparable peer model using P/B and forward year P/E was conducted to calculate the share price. On a forward year P/E basis, GLRE's P/E came out to be 5.89x with a peer average of 11.66x. The P/B for GLRE was .85x with a peer average of 1.05x. Weighting the P/B average and forward year P/E evenly, the model yielded an intrinsic value of $37.82. However, due to the fact that GLRE operates more as a tax shield vehicle for their parent company than as a pure reinsurance business, a 10% discount was applied, awarding the company an intrinsic value of $32.83, representing a 24.13% upside. The company does not pay a dividend.

Risks

- **Investing Trends.** Einhorn's key investment strategies rely on a value oriented style that, at the moment, has fallen out of favor within the investment community as a risk-on environment spurred investors to seek more exciting growth opportunities. With China's selloff catalyzing market volatility, the Street's love of growth has been somewhat disrupted, but the fear of chasing value remains rather unfavorable with Einhorn absorbing huge losses on bets on gold in addition to several equities positions demonstrating this trend. Without a reversal in this cycle, Einhorn and, by extension, GLRE could continue to experience a material downturn.
- **Risk Arbitrage.** In the reinsurance business, GLRE experiences an inherent amount of risk when conducting swaps between coverage areas. Though profitable, a systematic shift in weather patterns or significant uptick in natural disasters could end up leaving the company exposed to significant losses. Though backed by Einhorn's capital, consequential losses from these events could scare away investors into other, safer financial services positions.
- **The Other Side of Rates.** As investors try to peg what will happens if and when the Fed raises rates, they still do not have an idea of what exactly will happen. Within the reinsurance industry, forward rates are dependent on a number of underlying factors, most of all rates. The nature of the reinsurance industry is inherently complex in that, as rates change, so do forward policy insurance rates and then forward rates on reinsurance packages. Much like the complex risk of derivatives, a surprise in rate impacts could damage GLRE's ability to effectively arbitrage policies.

Management

Barton Hedges has served as CEO of GLRE since August 2011 after joining the company in 2005 as President and Chief Underwriting Officer of Greenlight Reinsurance Ltd., a subsidiary of GLRE. He has over 20 years of experience in the property and casualty insurance and reinsurance industry. Tim Courtis, the CFO and Principal Accounting Officer, has been with GLRE since May 2006 after working for European International Reinsurance Company and has over 18 years of experience within the reinsurance industry. Lastly, David Einhorn serves as President and Director of Greenlight Capital, Inc., the owner of GLRE, after founding the fund in 1996 with an initial investment of $900k. His track record of hedge performance has been one of the premium standards of long/short value investing until as of late.



Source: FactSet

Ownership

% of Shares Held by All Insider Owners:	4.13%
% of Shares Held by Institutional & Mutual Fund Owners:	87.88%

Source: FactSet

Top 5 Shareholders

Holder	Shares		% Out
The Vanguard Group, Inc.	1,917,038	▲	6.21
Fiduciary Management, Inc.	1,750,837	▲	5.67
BlackRock Fund Advisors	1,436,434	▲	4.65
Dimensional Fund Advisors LP	1,415,397	▼	4.59
Royce & Associates LLC	943,165	▲	3.06

Source: FactSet

Peer Analysis

Name	Ticker	Market Cap (mil)	Sales (mil)	Net Margin	P/B	Dividend Yield
Greenlight Capital Re, Ltd. Class A	GLRE	748	550	15.88%	1.05	0.00
Third Point Reinsurance Ltd.	TPRE	1,399	671	8.19%	0.93	0.00
Alleghany Corporation	Y	7,340	5,185	12.94%	1.00	0.00
Everest RE Group, Ltd.	RE	7,642	6,042	20.46%	1.02	1.88
PartnerRe Ltd.	PRE	6,609	6,295	16.54%	0.78	2.35
ACE Limited	ACE	32,432	19,358	14.80%	1.40	0.00
Peer Averages		5,748	4,548	14.53%	0.93	1.1

Source: FactSet