

Maiden Holdings, Ltd.  
Form 10-Q  
August 09, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 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 June 30, 2010

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

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

Commission File No. 001-34042

MAIDEN HOLDINGS, LTD.

(Exact name of registrant as specified in its charter)

Bermuda  
(State or other jurisdiction of  
incorporation or organization)

98-0570192  
(IRS Employer Identification No.)

131 Front Street, Hamilton, Bermuda  
(Address of principal executive offices)

HM12  
(Zip Code)

(441) 292-7090  
(Registrant's telephone number, including area code)

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.

Large accelerated filer

Accelerated filer

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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 Securities Exchange Act). Yes  No

As of August 5, 2010, the Registrant had one class of Common Stock (\$.01 par value),  
of which 70,293,106 shares were issued and outstanding.

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## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

MAIDEN HOLDINGS, LTD.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(In Thousands of United States Dollars, Except Par Value and Per Share Data)

	June 30, 2010 (Unaudited)	December 31, 2009 (Audited)
<b>ASSETS</b>		
Investments:		
Fixed maturities, available for sale, at fair value (Amortized cost 2010: \$1,576,293; 2009: \$1,623,382)	\$ 1,633,906	\$ 1,661,692
Other investments, at fair value (Cost 2010: \$5,801; 2009:\$5,684)	5,677	5,549
<b>Total investments</b>	<b>1,639,583</b>	<b>1,667,241</b>
Cash and cash equivalents	179,063	107,396
Restricted cash and cash equivalents	168,396	144,944
Accrued investment income	13,643	11,405
Reinsurance balances receivable (includes \$95,610 and \$43,382 from related parties in 2010 and 2009, respectively)	271,199	208,495
Prepaid reinsurance	31,762	28,752
Reinsurance recoverable on unpaid losses	12,144	11,984
Loan to related party	167,975	167,975
Deferred commission and other acquisition costs (includes \$113,425 and \$85,979 from related parties in 2010 and 2009, respectively)	196,912	172,983
Other assets	54,855	11,818
Intangible assets, net	48,380	51,284
Goodwill	52,617	52,617
<b>Total assets</b>	<b>\$ 2,836,529</b>	<b>\$ 2,636,894</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Liabilities		
Reserve for loss and loss adjustment expenses (includes \$215,506 and \$174,046 from related parties in 2010 and 2009, respectively)	\$ 1,077,084	\$ 1,006,320
Unearned premiums (includes \$346,126 and \$264,751 from related parties in 2010 and 2009, respectively)	664,685	583,478
Accrued expenses and other liabilities	83,843	60,044
Securities sold under agreements to repurchase, at contract value	70,972	95,401
Junior subordinated debt	215,156	215,125
<b>Total liabilities</b>	<b>2,111,740</b>	<b>1,960,368</b>
Commitments and Contingencies		
Shareholders' equity	713	713

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Common shares (\$0.01 par value; 71,254,437 and 71,253,625 shares issued in 2010 and 2009, respectively; 70,292,101 and 70,291,289 shares outstanding in 2010 and 2009, respectively)

Additional paid-in capital	576,539	576,086
Accumulated other comprehensive income	57,489	32,747
Retained earnings	93,849	70,781
Treasury shares, at cost (2010 and 2009: 962,336 shares)	(3,801)	(3,801)
Total shareholders' equity	724,789	676,526
Total liabilities and shareholders' equity	\$ 2,836,529	\$ 2,636,894

See accompanying notes to the unaudited condensed consolidated financial statements.

MAIDEN HOLDINGS, LTD.  
 CONDENSED CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME  
 (In Thousands of United States Dollars, Except Per Share Data)  
 (Unaudited)

	For the Three Months Ended June 30, 2010	For the Three Months Ended June 30, 2009	For the Six Months Ended June 30, 2010	For the Six Months Ended June 30, 2009
<b>Revenues:</b>				
Gross premiums written	\$ 334,784	\$ 238,356	\$ 662,166	\$ 574,905
Net premiums written	\$ 313,050	\$ 238,356	\$ 624,341	\$ 574,905
Change in unearned premiums	(29,266)	(14,515)	(76,628)	(140,972)
Net earned premium	283,784	223,841	547,713	433,933
Net investment income	18,875	15,113	36,456	29,372
Net realized and unrealized investment gains (losses)				