

GREENLIGHT CAPITAL RE, LTD.  
Form 10-Q  
August 02, 2010

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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

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.)

65 MARKET STREET  
SUITE 1207, CAMANA BAY  
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)

Not Applicable

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(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	30,196,835	
Class B Ordinary Shares, \$0.10 par value	6,254,949	
(Class)		(Outstanding as of July 30, 2010)

## GREENLIGHT CAPITAL RE, LTD.

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## PART I — FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

GREENLIGHT CAPITAL RE, LTD.  
CONDENSED CONSOLIDATED BALANCE SHEETS

June 30, 2010 and December 31, 2009

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

	June 30, 2010 (unaudited)	December 31, 2009
Assets		
Investments		
Debt instruments, trading, at fair value	\$ 55,294	\$ 95,838
Equity securities, trading, at fair value	649,431	593,201
Other investments, at fair value	169,665	141,561
Total investments	874,390	830,600
Cash and cash equivalents	16,033	31,717
Restricted cash and cash equivalents	523,986	590,871
Financial contracts receivable, at fair value	17,504	30,117
Reinsurance balances receivable	137,920	82,748
Loss and loss adjustment expense recoverables	8,950	7,270
Deferred acquisition costs, net	45,338	34,401
Unearned premiums ceded	5,510	6,478
Notes receivable	15,434	15,424
Other assets	6,537	4,754
Total assets	\$ 1,651,602	\$ 1,634,380
Liabilities and shareholders' equity		
Liabilities		
Securities sold, not yet purchased, at fair value	\$ 488,366	\$ 570,875
Financial contracts payable, at fair value	15,624	16,200
Due to prime brokers	21,013	—
Loss and loss adjustment expense reserves	164,747	137,360
Unearned premium reserves	164,469	118,899
Reinsurance balances payable	32,028	34,301
Funds withheld	17,787	14,711
Other liabilities	11,786	12,796
Performance compensation payable to related party	518	—
Total liabilities	916,338	905,142
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, 30,196,835 (2009: 30,063,893); Class B: par value \$0.10; authorized, 25,000,000; issued and outstanding, 6,254,949 (2009: 6,254,949))	3,645	3,632
Additional paid-in capital	483,327	481,449

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Non-controlling interest in joint venture	29,471	30,597
Retained earnings	218,821	213,560
Total shareholders' equity	735,264	729,238
Total liabilities and shareholders' equity	\$ \$1,651,602	\$ 1,634,380

The accompanying Notes