



## **GREENLIGHT RE REPORTS FIRST QUARTER 2008 RESULTS**

**GRAND CAYMAN, Cayman Islands (May 12, 2008)** - Greenlight Capital Re, Ltd. (NASDAQ: GLRE) today announced financial results for the first quarter of 2008. Greenlight Re reported a net loss of \$4.8 million for the first quarter of 2008 compared to a net loss of \$13.1 million for the same period in 2007. On a fully diluted per share basis, this resulted in a loss of \$0.13 per share during the first quarter of 2008, compared to a loss of \$0.61 per share for the same period in 2007.

Fully diluted book value per share was \$16.40 as of March 31, 2008, a 20% increase over \$13.67 per share as of March 31, 2007.

“We are pleased to report that the business continues to develop,” said David Einhorn, Chairman of the Board of Directors of Greenlight Re. “We established significant new reinsurance relationships during the quarter, and entered 2008 with a relatively fresh investment portfolio while preserving capital in a very challenging market.”

Greenlight Re’s financial and operating highlights for the first quarter ended March 31, 2008 included:

- Gross written premiums were \$70.8 million compared to \$38.1 million for the first quarter of 2007, while net earned premiums were \$27.5 million compared to \$20.9 million.
- The combined ratio was 96.4% compared to 94.1% for the first quarter of 2007.
- Net investment loss was \$5.8 million, representing a 0.9% loss on the company’s invested assets.

“We believe our underwriting portfolio is well positioned in an increasingly competitive reinsurance market,” said Len Goldberg, Chief Executive Officer of Greenlight Re. “We continue to diversify our business by client, line of business, and broker, as well as by geography, and also increased the premium writings of our frequency portfolio during the quarter. We expect our earned premium and float to grow more significantly in upcoming quarters as a result of the business we have bound. We feel the softening market, together with a low interest rate environment, will highlight the strengths of our differentiated model.”

Greenlight Re will host an Investor Meeting on Tuesday, June 3<sup>rd</sup>, 2008 beginning at 4:00 p.m. Eastern time at the Scandinavia House at 58 Park Avenue in New York City.

## Conference Call Details

Greenlight Re will hold a live conference call to discuss its financial results for the first quarter of 2008 on Tuesday, May 13, 2008 at 9:00 a.m. Eastern time. To participate, please dial in to the conference call at (877) 362-3812 (domestic) or (706) 634-9925 (international), access code 46830598. The conference call topic is Greenlight Re Earnings Conference Call.

A telephone replay of the call will be available from 11:00 a.m. Eastern time on May 13, 2008 until 11:59 p.m. Eastern time on May 20, 2008. The replay of the call may be accessed by dialing (800) 642-1687 (domestic) or (706) 645-9291 (international), access code 46830598. An audio file of the call will also be available on the company's website.

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### Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. Federal securities laws. These statements involve risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements made on behalf of the Company. These risks and uncertainties include the impact of general economic conditions and conditions affecting the insurance and reinsurance industry, the adequacy of our reserves, our ability to assess underwriting risk, trends in rates for property and casualty insurance and reinsurance, competition, investment market fluctuations, trends in insured and paid losses, catastrophes, regulatory and legal uncertainties and other factors described in our annual report on Form 10-K filed with the Securities Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### About Greenlight Capital Re, Ltd.

Greenlight Re ([www.greenlightre.ky](http://www.greenlightre.ky)) is a specialty property and casualty reinsurance company based in the Cayman Islands. The Company provides a variety of custom-tailored reinsurance solutions to the insurance, risk retention group, captive and financial marketplaces. Established in 2004, Greenlight Re selectively offers customized reinsurance solutions in markets where capacity and alternatives are limited. With a focus on deriving superior returns from both sides of the balance sheet, Greenlight Re's assets are managed according to a value-oriented equity-focused strategy that complements the Company's business goal of long-term growth in book value per share.

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**GREENLIGHT CAPITAL RE, LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

**March 31, 2008 and December 31, 2007**  
(expressed in thousands of U.S. dollars, except per share and share amounts)

	<u>March 31,</u> <u>2008</u> <u>(unaudited)</u>	<u>December 31,</u> <u>2007</u>
<b>Assets</b>		
Investments in securities		
Fixed maturities, trading at fair value .....	\$ 4,296	\$ 1,520
Equity investments, trading at fair value.....	589,146	570,440
Other investments, at estimated fair value .....	13,227	18,576
Total investments in securities.....	<u>606,669</u>	<u>590,536</u>
Cash and cash equivalents .....	59,657	64,192
Restricted cash and cash equivalents .....	272,995	371,607
Financial contracts receivable, at fair value.....	3,961	222
Reinsurance balances receivable.....	77,363	43,856
Loss and loss adjustment expense recoverables .....	7,916	6,721
Deferred acquisition costs.....	15,135	7,302
Unearned premiums ceded.....	13,257	8,744
Other assets.....	<u>1,788</u>	<u>965</u>
<b>Total assets</b> .....	<u><u>\$ 1,058,741</u></u>	<u><u>\$ 1,094,145</u></u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Securities sold, not yet purchased, at fair value .....	\$ 258,322	\$ 332,706
Financial contracts payable, at fair value .....	1,880	17,746
Loss and loss adjustment expense reserves .....	52,139	42,377
Unearned premium reserves .....	97,892	59,298
Reinsurance balances payable .....	27,501	19,140
Funds withheld .....	8,976	7,542
Other liabilities .....	3,905	2,869
Performance fee payable to related party .....	—	6,885
Minority interest in joint venture .....	<u>6,712</u>	<u>—</u>
<b>Total liabilities</b> .....	<u>457,327</u>	<u>488,563</u>
<b>Shareholders' equity</b>		
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, 29,979,252 (2007: 29,847,787); Class B: par value \$0.10; authorized, 25,000,000; issued and outstanding, 6,254,949 (2007: 6,254,949)).....	3,623	3,610
Additional paid-in capital .....	477,430	476,861
Retained earnings .....	<u>120,361</u>	<u>125,111</u>
<b>Total shareholders' equity</b> .....	<u>601,414</u>	<u>605,582</u>
<b>Total liabilities and shareholders' equity</b> .....	<u><u>\$ 1,058,741</u></u>	<u><u>\$ 1,094,145</u></u>

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

**For the three months ended March 31, 2008 and 2007**  
**(expressed in thousands of U.S. dollars, except per share and share amounts)**

	Three months ended March 31,	
	2008	2007
<b>Revenues</b>		
Gross premiums written .....	\$ 70,766	\$ 38,064
Gross premiums ceded.....	(9,272)	(13,743)
Net premiums written .....	61,494	24,321
Change in net unearned premium reserves .....	(34,002)	(3,400)
Net premiums earned .....	27,492	20,921
Net investment loss.....	(5,762)	(14,381)
Total revenues .....	21,730	6,540
<b>Expenses</b>		
Loss and loss adjustment expenses incurred, net .....	12,124	8,988
Acquisition costs .....	9,929	7,712
General and administrative expenses .....	4,460	2,980
Total expenses .....	26,513	19,680
Net loss before minority interest.....	(4,783)	(13,140)
Minority interest in loss of joint venture.....	33	—
<b>Net loss</b> .....	\$ (4,750)	\$ (13,140)
<b>Earnings (loss) per share</b>		
Basic .....	\$ (0.13)	\$ (0.61)
Diluted .....	(0.13)	(0.61)
<b>Weighted average number of Ordinary Shares used in the determination of</b>		
Basic .....	35,981,312	21,558,915
Diluted .....	35,981,312	21,558,915

Due to the opportunistic and customized nature of our underwriting operations, we expect to report different loss and expense ratios in both our frequency and severity businesses from period to period. The following table provides the ratios for the three month periods ended March 31, 2008 and 2007:

	Three months ended March 31, 2008			Three months ended March 31, 2007		
	Frequency	Severity	Total	Frequency	Severity	Total
Loss ratio .....	44.5%	43.3%	44.1%	53.8%	8.4%	43.0%
Acquisition cost ratio .....	46.7%	16.1%	36.1%	40.6%	24.9%	36.9%
Composite ratio.....	91.2%	59.4%	80.2%	94.4%	33.3%	79.9%
Internal expense ratio.....			16.2%			14.2%
Combined ratio .....			96.4%			94.1%