Financial Supplement

December 31, 2009

contact: William Pollett, Treasurer
telephone: +1(441) 299 7576
email: bill.pollett@montpelierre.bm

Application of the Safe Harbor of the Private Securities Litigation Reform Act of 1995:

This financial supplement contains forward-looking statements within the meaning of the United States federal securities laws, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, that are not historical facts, including statements about our beliefs and expectations. These statements are based upon current plans, estimates and projections. Forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and various risk factors, many of which are outside our control, that could cause actual results to differ materially from such statements. See “Risk Factors” contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2008 as filed with the Securities and Exchange Commission. In particular, statements using words such as “may,” “should,” “estimate,” “expect,” “anticipate,” “intend,” “believe,” “predict,” “potential,” or words of similar importance generally involve forward-looking statements.

Important events and uncertainties that could cause our actual results, future dividends or future common share repurchases to differ include, but are not necessarily limited to: market conditions affecting our common share price; the possibility of severe or unanticipated losses from natural or man-made catastrophes, in particular catastrophes that are weather-related; the effectiveness of our loss limitation methods; our dependence on principal employees; our ability to execute the business plans of Syndicate 5151 and MUSIC effectively; increases in our general and administrative expenses due to new business ventures, which expenses may not be recoverable through additional profits; the cyclical nature of the reinsurance business; the levels of new and renewal business achieved; opportunities to increase writings in our core property and specialty reinsurance and insurance lines of business and in specific areas of the casualty reinsurance market and our ability to capitalize on those opportunities; the sensitivity of our business to financial strength ratings established by independent rating agencies; the inherent uncertainty of our risk management process, which is subject to, among other things, industry loss estimates and estimates generated by modeling techniques; the accuracy of estimates reported by cedants and brokers on pro rata contracts and certain excess of loss contracts where a deposit or minimum premium is not specified in the contract; the inherent uncertainties of establishing reserves for loss and loss adjustment expenses, particularly on longer-tail classes of business such as casualty; unanticipated adjustments to premium estimates; changes in the availability, cost or quality of reinsurance or retrocessional coverage; changes in general economic and financial market conditions; changes in and impact of governmental legislation or regulation, including changes in tax laws in the jurisdictions where we conduct business; our ability to assimilate effectively the additional regulatory issues created by our entry into new markets; the amount and timing of reinsurance recoverables and reimbursements we actually receive from our reinsurers; the overall level of competition, and the related demand and supply dynamics in our markets relating to growing capital levels in our industry; declining demand due to increased retentions by cedants and other factors; the impact of terrorist activities on the economy; rating agency policies and practices; unexpected developments concerning the small number of insurance and reinsurance brokers upon whom we rely for a large portion of revenues; our dependence as a holding company upon dividends or distributions from our insurance and reinsurance operating subsidiaries; and the impact of foreign currency fluctuation.

We undertake no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made.

MONTPELIER RE HOLDINGS LTD.
Table of Contents

MONTPELIER RE HOLDINGS LTD.
Consolidated Financial Highlights (unaudited)
$ in millions, except per share amounts

	Three months ended December 31 2009	Three months ended December 31 2008	% change QTR	Year-to-date December 31 2009	Year-to-date December 31 2008	% change YTD
Highlights						
Gross premiums written	$ 79.1	$ 72.6	9%	$ 634.9	$ 620.1	2%
Net premiums written	$ 74.2	$ 73.5	1%	$ 602.2	$ 541.2	11%
Net premiums earned	$ 154.8	$ 134.8	15%	$ 573.2	$ 528.5	8%
Net investment income	$ 21.3	$ 18.6	15%	$ 81.0	$ 86.4	-6%
Operating income [1]	$ 94.1	$ 56.3	67%	$ 270.8	$ 93.1	191%
Net income (loss)	$ 104.7	$ (47.7)	N/M	$ 463.5	$ (145.5)	N/M
Comprehensive income (loss)	$ 103.0	$ (51.3)	N/M	$ 463.8	$ (150.9)	N/M
Total assets				$ 3,102.3	$ 2,797.6	11%
Common shareholders' equity				$ 1,728.5	$ 1,357.6	27%
Per share data						
Operating income per share [2]	$ 1.12	$ 0.67		$ 3.13	$ 1.08	
Comprehensive income (loss) per share [2]	$ 1.23	$ (0.61)		$ 5.36	$ (1.75)	
Fully converted book value per share [3]				$ 21.14	$ 15.94	
Fully converted tangible book value per share [3]				$ 21.08	$ 15.88	
Financial ratios						
Loss and loss adjustment expense ratio:						
Current year	27.1%	48.6%		37.4%	75.5%	
Prior year	-15.7%	-23.9%		-13.2%	-19.7%	
Loss and loss adjustment expense ratio	11.4%	24.7%		24.2%	55.8%	
Acquisition costs ratio	12.7%	16.0%		14.0%	15.9%	
General and administrative expense ratio	24.6%	22.7%		24.0%	19.3%	
Combined ratio	48.7%	63.4%		62.2%	91.0%	
Operating income / Avg shareholders' equity	5.5%	4.1%		17.5%	6.2%	
Change in FCBVPS adj for dividends [4]	7.3%	-3.6%		34.6%	-9.2%	

[1] Excludes net investment and foreign exchange gains and losses, gain on early extinguishment of debt and extraordinary items.

[2] See Page 13 for calculation and Page 14 for a discussion of our use of certain Financial Measures Disclosures.

[3] See Page 12 for calculation and Page 14 for a discussion of our use of certain Financial Measures Disclosures.

[4] Change in FCBVPS adj for dividends represents the change in fully converted book value per share in the period adjusted for dividends declared. See page 14 for a discussion of our use of certain Financial Measures Disclosures.

MONTPELIER RE HOLDINGS LTD.
Summary Consolidated Balance Sheets (unaudited)
in millions, except per share amounts

	Dec 31 2009	Sept 30 2009	June 30 2009	Mar 31 2009	Dec 31 2008
ASSETS					
Investments, cash and cash equivalents	$ 2,711.8	$ 2,720.3	$ 2,597.6	$ 2,451.2	$ 2,365.2
Premiums receivable	161.5	223.4	287.2	236.0	168.5
Deferred acquisition costs	38.2	45.0	46.7	39.2	28.4
Reinsurance recoverable on paid and unpaid losses	114.1	121.3	131.2	147.4	159.3
Unearned premium ceded	14.7	18.0	12.1	19.4	20.8
Other assets	62.0	77.9	69.3	65.6	55.4
Total Assets	$ 3,102.3	$ 3,205.9	$ 3,144.1	$ 2,958.8	$ 2,797.6
LIABILITIES					
Loss and loss adjustment expense reserves	$ 680.8	$ 719.0	$ 750.3	$ 778.5	$ 808.9
Unearned premium	215.4	299.5	333.1	286.6	185.2
Debt	331.7	331.7	331.6	331.6	352.5
Other liabilities	145.9	133.5	132.1	124.8	93.4
Total Liabilities	1,373.8	1,483.7	1,547.1	1,521.5	1,440.0
SHAREHOLDERS' EQUITY					
Common shareholder's equity	1,728.5	1,722.2	1,597.0	1,437.3	1,357.6
Total Liabilities and Shareholders' Equity	$ 3,102.3	$ 3,205.9	$ 3,144.1	$ 2,958.8	$ 2,797.6
Fully converted book value per share [1]	$ 21.14	$ 19.78	$ 18.12	$ 16.37	$ 15.94
Fully converted tangible book value per share [1]	$ 21.08	$ 19.73	$ 18.06	$ 16.31	$ 15.88

[1] See Page 12 for calculation and Page 14 for a discussion of our use of certain Financial Measures Disclosures.

MONTPELIER RE HOLDINGS LTD.
Summary Consolidated Income Statements (unaudited)
$ in millions, except per share amounts

	Q4-09	Q3-09	Q2-09	Q1-09	Q4-08	YTD 2009	YTD 2008
Underwriting revenues							
Gross premiums written	$ 79.1	$ 120.8	$ 184.4	$ 250.6	$ 72.6	$ 634.9	$ 620.1
Reinsurance premiums ceded	(4.9)	(14.5)	(0.5)	(12.8)	0.9	(32.7)	(78.9)
Net premiums written	74.2	106.3	183.9	237.8	73.5	602.2	541.2
Gross premiums earned	163.1	152.9	149.7	147.8	155.1	613.5	607.0
Earned reinsurance premiums ceded	(8.3)	(9.3)	(8.3)	(14.4)	(20.3)	(40.3)	(78.5)
Net premiums earned	154.8	143.6	141.4	133.4	134.8	573.2	528.5
Loss and loss adjustment expenses	(17.7)	(41.5)	(33.3)	(46.2)	(33.2)	(138.7)	(295.1)
Acquisition costs	(19.7)	(17.4)	(19.5)	(23.9)	(21.6)	(80.5)	(83.9)
General and administrative expenses	(38.0)	(36.2)	(34.2)	(28.7)	(30.7)	(137.1)	(102.0)
Underwriting income	79.4	48.5	54.4	34.6	49.3	216.9	47.5
Net investment income	21.3	20.2	20.5	19.0	18.6	81.0	86.4
Interest and other financing expenses	(6.5)	(6.6)	(6.7)	(6.5)	(6.6)	(26.3)	(26.8)
Other revenue (expense)	-	0.1	0.2	0.2	(0.9)	0.5	0.9
Other non-underwriting expenses	-	-	-	(0.2)	(3.1)	(0.2)	(11.9)
Income tax benefit (provision)	(0.1)	(2.0)	-	1.0	(1.0)	(1.1)	(1.1)
Net income attributable to noncontrolling interest in Blue Ocean	-	-	-	-	-	-	(1.9)
Operating income [1]	94.1	60.2	68.4	48.1	56.3	270.8	93.1
Net realized investment gains (losses)	23.9	4.9	7.4	(5.4)	(49.7)	30.8	(71.7)
Net unrealized investment gains (losses)	(11.9)	76.3	85.6	9.1	(62.2)	159.1	(171.4)
Gain on early extinguishment of debt	-	-	-	5.9	-	5.9	-
Net foreign exchange gains (losses)	(1.4)	6.1	(2.4)	(5.4)	7.9	(3.1)	3.5
Excess of fair value of acquired net assets over cost - Blue	-	-	-	-	-	-	1.0
Net income (loss) attributable to the Company	104.7	147.5	159.0	52.3	(47.7)	463.5	(145.5)
Other comprehensive income (loss) items	(1.7)	(0.3)	3.5	(1.2)	(3.6)	0.3	(5.4)
Comprehensive income (loss)	$ 103.0	$ 147.2	$ 162.5	$ 51.1	$ (51.3)	$ 463.8	$ (150.9)
Loss and loss adjustment expense ratio:							
Current year	27.1%	42.5%	35.8%	45.7%	48.6%	37.4%	75.5%
Prior year	-15.7%	-13.5%	-12.2%	-11.0%	-23.9%	-13.2%	-19.7%
Loss and loss adjustment expense ratio	11.4%	29.0%	23.6%	34.7%	24.7%	24.2%	55.8%
Acquisition costs ratio	12.7%	12.1%	13.7%	17.9%	16.0%	14.0%	15.9%
General and administrative expense ratio	24.6%	25.2%	24.2%	21.5%	22.7%	24.0%	19.3%
Combined ratio	48.7%	66.3%	61.5%	74.1%	63.4%	62.2%	91.0%
Operating income per share [1]	$ 1.12	$ 0.69	$ 0.78	$ 0.56	$ 0.67	$ 3.13	$ 1.08
Comprehensive income (loss) per share [1]	$ 1.23	$ 1.68	$ 1.85	$ 0.59	$ (0.61)	$ 5.36	$ (1.75)
Operating income / Avg shareholders' equity	5.5%	3.6%	4.5%	3.4%	4.1%	17.5%	6.2%
Comprehensive income (loss) / Avg shareholders' equity	6.0%	8.9%	10.7%	3.7%	-3.7%	30.1%	-10.0%

[1] See Page 13 for calculation and Page 14 for a discussion of our use of certain Financial Measures Disclosures.

MONTPELIER RE HOLDINGS LTD.
Net Premiums Written by Line of Business
(unaudited)
in millions

Net Premiums Written	Q4-09	Q3-09	Q2-09	Q1-09	Q4-08	YTD 2009	YTD 2008
Bermuda							
Property Catastrophe - Treaty Reinsurance	$ 12.9	$ 28.4	$ 111.4	$ 102.5	$ 27.8	$ 255.2	$ 259.5
Property Specialty - Treaty Reinsurance	12.8	12.0	13.3	27.9	9.7	66.0	75.0
Other Specialty - Treaty Reinsurance	5.3	13.0	15.5	35.4	7.3	69.2	62.5
Property & Specialty Individual Risk	4.9	11.2	14.1	7.0	4.5	37.2	29.9
	$ 35.9	**$ 64.6**	**$ 154.3**	**$ 172.8**	**$ 49.3**	**$ 427.6**	**$ 426.9**
Syndicate 5151							
Property Catastrophe - Treaty Reinsurance	$ 0.5	$ 3.1	$ 2.4	$ 24.8	$ 1.9	$ 30.8	$ 29.4
Property Specialty - Treaty Reinsurance	5.2	6.2	2.8	11.1	4.0	25.3	15.4
Other Specialty - Treaty Reinsurance	7.2	11.5	7.7	18.5	5.9	44.9	28.2
Property & Specialty Individual Risk	17.1	12.9	12.7	7.2	9.6	49.9	35.7
	$ 30.0	**$ 33.7**	**$ 25.6**	**$ 61.6**	**$ 21.4**	**$ 150.9**	**$ 108.7**
MUSIC							
Property Catastrophe - Treaty Reinsurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Specialty - Treaty Reinsurance	-	-	-	-	-	-	-
Other Specialty - Treaty Reinsurance	-	-	-	-	-	-	-
Property & Specialty Individual Risk	8.3	8.0	4.0	3.4	2.8	23.7	5.6
	$ 8.3	**$ 8.0**	**$ 4.0**	**$ 3.4**	**$ 2.8**	**$ 23.7**	**$ 5.6**
Consolidated Total NWP							
Property Catastrophe - Treaty Reinsurance	$ 13.4	$ 31.5	$ 113.8	$ 127.3	$ 29.7	$ 286.0	$ 288.9
Property Specialty - Treaty Reinsurance	18.0	18.2	16.1	39.0	13.7	91.3	90.4
Other Specialty - Treaty Reinsurance	12.5	24.5	23.2	53.9	13.2	114.1	90.7
Property & Specialty Individual Risk	30.3	32.1	30.8	17.6	16.9	110.8	71.2
	$ 74.2	**$ 106.3**	**$ 183.9**	**$ 237.8**	**$ 73.5**	**$ 602.2**	**$ 541.2**
Reinstatements included in NWP	**$ (1.8)**	**$ 3.0**	**$ -**	**$ 0.2**	**$ 14.0**	**$ 1.4**	**$ 21.2**
Consolidated 12 Mo. Rolling NWP	**$ 602.2**	**$ 601.5**	**$ 586.9**	**$ 556.9**	**$ 541.2**		

MONTPELIER RE HOLDINGS LTD.
Net Premiums Earned by Line of Business
(unaudited)
in millions

Net Premiums Earned	Q4-09	Q3-09	Q2-09	Q1-09	Q4-08	YTD 2009	YTD 2008
Bermuda							
Property Catastrophe - Treaty Reinsurance	$ 66.1	$ 66.7	$ 59.6	$ 57.5	$ 76.2	$ 249.9	$ 267.2
Property Specialty - Treaty Reinsurance	16.0	12.7	17.6	22.1	16.5	68.4	84.9
Other Specialty - Treaty Reinsurance	15.8	17.7	19.6	19.5	13.0	72.6	70.9
Property & Specialty Individual Risk	10.2	9.5	7.5	7.9	8.5	35.1	39.8
	$ 108.1	**$ 106.6**	**$ 104.3**	**$ 107.0**	**$ 114.2**	**$ 426.0**	**$ 462.8**
Syndicate 5151							
Property Catastrophe - Treaty Reinsurance	$ 8.8	$ 10.2	$ 8.5	$ 7.0	$ 4.6	$ 34.5	$ 23.1
Property Specialty - Treaty Reinsurance	7.1	6.9	10.2	5.1	4.4	29.3	8.6
Other Specialty - Treaty Reinsurance	13.1	6.3	5.9	5.6	3.0	30.9	7.1
Property & Specialty Individual Risk	12.2	9.6	9.6	7.0	7.4	38.4	24.8
	$ 41.2	**$ 33.0**	**$ 34.2**	**$ 24.7**	**$ 19.4**	**$ 133.1**	**$ 63.6**
MUSIC							
Property Catastrophe - Treaty Reinsurance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Specialty - Treaty Reinsurance	-	-	-	-	-	-	-
Other Specialty - Treaty Reinsurance	-	-	-	-	-	-	-
Property & Specialty Individual Risk	5.5	4.0	2.9	1.7	1.2	14.1	2.1
	$ 5.5	**$ 4.0**	**$ 2.9**	**$ 1.7**	**$ 1.2**	**$ 14.1**	**$ 2.1**
Consolidated Total NPE							
Property Catastrophe - Treaty Reinsurance	$ 74.9	$ 76.9	$ 68.1	$ 64.5	$ 80.8	$ 284.4	$ 290.3
Property Specialty - Treaty Reinsurance	23.1	19.6	27.8	27.2	20.9	97.7	93.5
Other Specialty - Treaty Reinsurance	28.9	24.0	25.5	25.1	16.0	103.5	78.0
Property & Specialty Individual Risk	27.9	23.1	20.0	16.6	17.1	87.6	66.7
	$ 154.8	**$ 143.6**	**$ 141.4**	**$ 133.4**	**$ 134.8**	**$ 573.2**	**$ 528.5**
Reinstatements included in NPE	**$ (1.8)**	**$ 3.0**	**$ -**	**$ 0.2**	**$ 14.0**	**$ 1.4**	**$ 21.2**
Consolidated 12 Mo. Rolling NPE	**$ 573.2**	**$ 553.2**	**$ 543.8**	**$ 521.6**	**$ 528.5**		

MONTPELIER RE HOLDINGS LTD.
Losses Paid to Incurred Analysis (unaudited)
in millions

	Three months ended December 31, 2009			Three months ended December 31, 2008		
	Gross	Recoveries	Net	Gross	Recoveries	Net
Reserve for losses, beginning of period	$ 719.0	$ 78.7	$ 640.3	$ 931.6	$ 128.1	$ 803.5
Losses incurred:						
Current year	42.7	0.7	42.0	80.3	14.9	65.4
Prior years	(27.0)	(2.7)	(24.3)	(38.4)	(6.2)	(32.2)
Total losses incurred	15.7	(2.0)	17.7	41.9	8.7	33.2
Net impact of foreign currency movements	0.2	-	0.2	0.6	-	0.6
Paid losses:						
Current year	14.7	(0.1)	14.8	110.5	7.5	103.0
Prior years	39.4	7.2	32.2	54.7	6.4	48.3
Total paid losses	54.1	7.1	47.0	165.2	13.9	151.3
Reserve for losses, end of period	$ 680.8	$ 69.6	$ 611.2	$ 808.9	$ 122.9	$ 686.0

	Year ended December 31, 2009			Year ended December 31, 2008		
	Gross	Recoveries	Net	Gross	Recoveries	Net
Reserve for losses, beginning of period	$ 808.9	$ 122.9	$ 686.0	$ 860.7	$ 152.5	$ 708.2
Losses incurred:						
Current year	219.9	5.5	214.4	445.5	46.3	399.2
Prior years	(109.0)	(33.3)	(75.7)	(119.6)	(15.5)	(104.1)
Total losses incurred	110.9	(27.8)	138.7	325.9	30.8	295.1
Net impact of foreign currency movements	(0.5)	-	(0.5)	0.6	-	0.6
Paid losses:						
Current year	31.4	1.3	30.1	133.2	7.8	125.4
Prior years	207.1	24.2	182.9	245.1	52.6	192.5
Total paid losses	238.5	25.5	213.0	378.3	60.4	317.9
Reserve for losses, end of period	$ 680.8	$ 69.6	$ 611.2	$ 808.9	$ 122.9	$ 686.0

MONTPELIER RE HOLDINGS LTD.
Losses and Loss Ratios
(unaudited)
$ in millions

MONTPELIER RE

TOTAL	Q4-09	Q3-09	Q2-09	Q1-09	Q4-08
Net reserves: start	$ 640.3	$ 662.1	$ 672.6	$ 686.0	$ 803.5
Change in prior AY	(24.3)	(19.4)	(17.3)	(14.7)	(32.2)
Paid losses	(47.0)	(62.9)	(44.1)	(59.0)	(151.3)
Current yr. incurred losses	42.0	60.9	50.6	60.9	65.4
Net impact of foreign currency	0.2	(0.4)	0.3	(0.6)	0.6
Net reserves: end	$ 611.2	$ 640.3	$ 662.1	$ 672.6	$ 686.0
IBNR	$ 411.6	$ 402.9	$ 405.9	$ 383.1	$ 369.9
Net earned premium	$ 154.8	$ 143.6	$ 141.4	$ 133.4	$ 134.8
Net loss ratio	11.4%	29.0%	23.6%	34.7%	24.7%
Net loss ratio excl. prior AY adjusts.	27.1%	42.5%	35.8%	45.7%	48.6%
Prior AY adjusts.	-15.7%	-13.5%	-12.2%	-11.0%	-23.9%
IBNR as a % of net reserves	67%	63%	61%	57%	54%

MONTPELIER RE HOLDINGS LTD.
Consolidated Investment Portfolio (unaudited)
$ in millions

MONTPELIER RE

Composition:	December 31, 2009 Amortized Cost	December 31, 2009 Gain (Loss)	December 31, 2009 Fair Value	December 31, 2009 %	September 30, 2009 Fair Value	September 30, 2009 %	June 30, 2009 Fair Value	June 30, 2009 %	March 31, 2009 Fair Value	March 31, 2009 %	December 31, 2008 Fair Value	December 31, 2008 %
Fixed maturities	$ 2,177.8	29.7	$ 2,207.5	82%	$ 2,228.4	81%	$ 2,086.5	80%	$ 1,828.5	75%	$ 1,706.6	73%
Equity securities	150.3	16.9	167.2	6%	156.4	6%	173.3	7%	202.5	8%	242.3	10%
Other investments	95.1	(1.0)	94.1	3%	85.5	3%	79.1	3%	135.9	6%	148.3	6%
Cash equivalents	8.0	-	8.0	0%	71.7	3%	26.6	1%	79.0	3%	48.4	2%
Cash and restricted cash	235.1	(0.1)	235.0	9%	178.3	7%	232.1	9%	205.2	8%	219.6	9%
Total investments and cash	$ 2,666.3	45.5	$ 2,711.8	100%	$ 2,720.3	100%	$ 2,597.6	100%	$ 2,451.1	100%	$ 2,365.2	100%
Fixed maturities allocation:												
Mortgage-backed and asset-backed securities [1]	$ 819.2	(4.2)	$ 815.0	37%	$ 828.8	38%	$ 762.6	37%	$ 688.4	38%	$ 599.2	35%
Government & government-sponsored entities	797.5	(1.3)	796.2	36%	745.1	33%	671.0	32%	542.8	30%	554.9	33%
Corporate bonds [2]	537.1	34.6	571.7	26%	629.7	28%	628.3	30%	557.4	30%	460.4	27%
Municipal bonds	24.0	0.6	24.6	1%	24.8	1%	24.6	1%	39.9	2%	92.1	5%
Total fixed maturities	$ 2,177.8	29.7	$ 2,207.5	100%	$ 2,228.4	100%	$ 2,086.5	100%	$ 1,828.5	100%	$ 1,706.6	100%
Other investments:												
Limited partnership interests and private investment funds	$ 61.8	(1.4)	$ 60.4	64%	$ 57.2	67%	$ 54.6	69%	$ 54.1	40%	$ 63.4	43%
Catastrophe bonds	10.0	-	10.0	11%	-	- %	-	- %	57.0	42%	60.9	41%
Symetra Financial	20.0	2.6	22.6	24%	24.1	28%	23.4	30%	23.0	17%	23.2	15%
Derivative instruments	3.3	(2.2)	1.1	1%	4.2	5%	1.1	1%	1.8	1%	0.8	1%
Total other investments	$ 95.1	(1.0)	$ 94.1	100%	$ 85.5	100%	$ 79.1	100%	$ 135.9	100%	$ 148.3	100%
Total investment return:												
Net investment income			$ 21.3		20.2		$ 20.5		$ 19.0		$ 18.6	
Net realized investment gains (losses)			23.9		4.9		7.4		(5.4)		(49.7)	
Net unrealized investment gains (losses)			(11.9)		76.3		85.6		9.1		(62.2)	
Net derivative investment and FX gains (losses)			(0.1)		6.1		(3.2)		(3.4)		7.9	
Change in value of Symetra Financial			(1.4)		0.7		0.4		(0.2)		2.6	
Total investment return			$ 31.8		108.2		$ 110.7		$ 19.1		$ (82.8)	
Total quarterly return on average fair value %			1.1%		4.0%		4.4%		0.6%		-3.5%	
Average yield to worst of fixed maturities and cash equivalents			3.7%		3.8%		4.4%		4.8%		5.1%	
Average duration of fixed maturities, cash and cash equivalents			2.1 years		2.0 years		2.1 years		1.6 years		1.7 years	
Average credit quality of fixed maturities and cash equivalents			AA+		AA+		AA+		AA+		AA+	
Average duration of fixed maturities			2.5 years		2.4 years		2.5 years		1.9 years		2.3 years	

[1] See Page 9 for additional detail regarding our investments in mortgage-backed and asset-backed securities.

[2] Corporate bonds includes bank loans. See page 10 for additional details.

MONTPELIER RE HOLDINGS LTD.
Consolidated Investment Detail
Mortgage-Backed and Asset-Backed Securities
(unaudited)

$ in millions

At December 31, 2009

Mortgage-backed and asset-backed securities	Amortized Cost	Fair Value	Gain (Loss)	Rating	Option Adjusted Duration	Average Life	Fair Value: Subprime	Fair Value: Alt-A	Fair Value: Insurance wrapped [1]
Residential-Mortgage Backed:									
GNMA	$ 49.6	$ 51.8	$ 2.2	AAA					
FNMA	96.1	97.6	1.5	AAA					
Freddie Mac	80.5	80.9	0.4	AAA					
Total Residential Mortgage-Backed	$ 226.2	$ 230.3	$ 4.1	AAA	2.7	3.4			
Collateralized Residential Mortgage Obligations:									
GNMA	$ 121.0	$ 118.0	$ (3.0)	AAA					
FNMA	102.1	103.6	1.5	AAA					
Freddie Mac	141.4	142.4	1.0	AAA					
Total agency CMOs	364.5	364.0	(0.5)						
Non-agency CMOs	19.1	18.7	(0.4)	AAA				$ 5.4	
Non-agency CMOs	3.4	3.4	-	AA					
Non-agency CMOs	1.5	1.5	-	A					
Non-agency CMOs	2.9	2.8	(0.1)	BBB				1.5	
Non-agency CMOs	13.7	13.2	(0.5)	B					
Non-agency CMOs	7.5	6.8	(0.7)	CCC				4.2	
Non-agency CMOs	12.9	12.9	-	D					
Total Non-agency CMOs	61.0	59.3	(1.7)						
Total Collateralized Residential Mortgage Obligations	$ 425.5	$ 423.3	$ (2.2)	AA+	1.7	2.4	-	$ 11.1	-
Asset-Backed Securities:									
Credit card	$ 42.7	$ 43.5	0.8	AAA					
Auto	6.2	6.4	0.2	AAA					
Auto	6.4	6.6	0.2	AA-					
Auto	5.0	5.0	-	BB-					5.0
Home Equity	6.6	6.3	(0.3)	AAA			$ 14.5		
Home Equity	8.3	8.2	(0.1)	AA					
Home Equity	0.6	0.4	(0.2)	CCC			0.5		
Home Equity	1.2	0.1	(1.1)	C					
Home Equity	3.2	3.2	-	NR					
Equipment	2.2	2.2	-	AAA					
Equipment	9.4	8.1	(1.3)	BBB-					8.1
Commercial Mortgage Backed Securities	42.7	43.4	0.7	AAA					
Commercial Mortgage Backed Securities	24.1	19.6	(4.5)	AA					
Miscellaneous	4.8	4.8	-	AAA					
Miscellaneous	4.1	3.6	(0.5)	BBB-					3.6
Total Asset-Backed Securities	$ 167.5	$ 161.4	$ (6.1)	AA	1.3	2.1	$ 15.0	$ -	$ 16.7
Total Mortgage-Backed and Asset-Backed Securities	$ 819.2	$ 815.0	$ (4.2)				$ 15.0	$ 11.1	$ 16.7

[1] We estimate that our insurance wrapped investments at December 31, 2009 would be BBB- or better, if they were rated, excluding the effects of financial guarantee enhancements.

MONTPELIER RE HOLDINGS LTD.
Consolidated Investment Detail - Corporate Bonds
(unaudited)
in millions

MONTPELIER RE

At December 31, 2009

Corporate Bonds - Quality:

	Amortized Cost	Fair Value	Gain	Option Adjusted Duration (Years)
AAA	$ 11.2	$ 11.2	$ -	1.6
AA	58.6	61.4	2.8	3.8
A	242.2	254.3	12.1	2.7
BBB	120.8	131.3	10.5	5.8
Below BBB	94.9	104.1	9.2	3.2
Not Rated (primarily bank loans)	9.4	9.4	-	1.3
Total Corporate Bonds	$ 537.1	$ 571.7	$ 34.6	3.4

Corporate Bonds - By Sector:

	Amortized Cost	Fair Value	Gain (Loss)	Option Adjusted Duration (Years)
Industrial	$ 277.9	$ 298.0	20.1	4.1
Financial	182.7	196.9	14.2	2.7
Utility	22.1	23.1	1.0	6.6
All Others	54.4	53.7	(0.7)	1.5
Total	$ 537.1	$ 571.7	$ 34.6	3.4

Corporate Bonds - Top Ten Holdings:

	Amortized Cost	Fair Value	Gain	% of Total Corp. Bonds
ConocoPhillips	$ 19.3	$ 20.4	$ 1.1	4%
BA Covered Bond issuer	16.0	17.1	1.1	3%
General Electric	14.8	16.0	1.2	3%
Citigroup	13.8	14.7	0.9	3%
BP Capital	13.7	14.3	0.6	3%
Verizon Communications Inc	13.1	13.9	0.8	2%
Wachovia Bank	13.2	13.6	0.4	2%
Morgan Stanley	12.9	13.2	0.3	2%
Wyeth	12.3	12.8	0.5	2%
Diageo Capital	12.0	12.6	0.6	2%
Total	$ 141.1	$ 148.6	$ 7.5	26%

MONTPELIER RE HOLDINGS LTD.
Reinsurance Recoverable by Rating (unaudited)
$ in millions

The A.M. Best ratings of our reinsurers related to reinsurance recoverable on paid and unpaid losses as of the dates presented are as follows:

	Dec 31 2009			Sept 30 2009			Jun 30 2009			Mar 31 2009			Dec 31 2008		
Reinsurance recoverable on paid losses															
A++	$	-	- %	$	-	- %	$	-	- %	$	33.5	81 %	$	29.3	81 %
A+		42.7	96		39.9	94		36.6	86		1.7	4		0.5	1
A		1.7	4		1.9	4		0.5	1		0.7	2		0.8	2
A-		0.1	-		0.8	2		5.7	13		5.6	13		5.8	16
Unrated [1]		-	-		-	-		0.2	-		-	-		-	-
Recoverable under MUSIC guarantee [2]		-	-		-	-		-	-		-	-		-	-
	$	**44.5**	**100 %**	**$**	**42.6**	**100 %**	**$**	**43.0**	**100 %**	**$**	**41.5**	**100 %**	**$**	**36.4**	**100 %**
Reinsurance recoverable on unpaid losses															
A++	$	0.4	1 %	$	0.7	1 %	$	1.5	2 %	$	23.8	23 %	$	27.9	23 %
A+		27.7	40		31.9	40		35.4	40		17.2	16		17.9	15
A		30.1	43		33.6	43		36.5	40		37.4	36		38.6	31
A-		2.3	3		2.6	3		3.1	4		6.7	6		8.1	7
Unrated [1]		3.0	4		3.1	4		3.1	4		11.9	11		21.6	17
Recoverable under MUSIC guarantee [2]		6.1	9		6.8	9		8.6	10		8.9	8		8.8	7
	$	**69.6**	**100 %**	**$**	**78.7**	**100 %**	**$**	**88.2**	**100 %**	**$**	**105.9**	**100 %**	**$**	**122.9**	**100 %**
Total reinsurance recoverable															
A++	$	0.4	- %	$	0.7	1 %	$	1.5	1 %	$	57.3	39 %	$	57.2	35 %
A+		70.4	62		71.8	58		72.0	54		18.9	13		18.4	12
A		31.8	28		35.5	29		37.0	28		38.1	26		39.4	24
A-		2.4	2		3.4	3		8.8	7		12.3	8		13.9	9
Unrated [1]		3.0	3		3.1	3		3.3	3		11.9	8		21.6	14
Recoverable under MUSIC guarantee [2]		6.1	5		6.8	6		8.6	7		8.9	6		8.8	6
	$	**114.1**	**100 %**	**$**	**121.3**	**100 %**	**$**	**131.2**	**100 %**	**$**	**147.4**	**100 %**	**$**	**159.3**	**100 %**

[1] Obligation either fully collateralized or reinsurer has an S&P financial strength rating equivalent to an A.M. Best rating of A- or better.

[2] In support of MUSIC's remaining loss reserves acquired in 2007, MUSIC benefits from a trust deposit maintained by the seller and reinsurance from third party reinsurers (each rated A- or better) which collectively exceeded the $6.1 million in remaining reserves at December 31, 2009. In addition, MUSIC has a full indemnification from the seller covering any adverse development from its past business.

MONTPELIER RE HOLDINGS LTD.
Fully Converted Book Value Per Share (unaudited)
$ in millions, except per share amounts

	Dec 31 2009	Sept 30 2009	Jun 30 2009	Mar 31 2009	Dec 31 2008
Numerator					
Book value per share and fully converted book value per share numerator (common shareholders' equity)	**$ 1,728.5**	**$ 1,722.2**	**$ 1,597.0**	**$ 1,437.3**	**$ 1,357.6**
Intangible asset	(4.8)	(4.8)	(4.8)	(4.8)	(4.8)
Fully converted tangible book value per share numerator	**$ 1,723.7**	**$ 1,717.4**	**$ 1,592.2**	**$ 1,432.5**	**$ 1,352.8**
Denominator (in shares)					
Common shares outstanding	79,998,795	85,208,223	86,383,542	86,329,283	91,826,704
Less: common shares subject to share issuance agreement [1]	-	-	-	-	(7,920,000)
Book value per share denominator	**79,998,795**	**85,208,223**	**86,383,542**	**86,329,283**	**83,906,704**
Dilutive effect of share based obligations under benefit plans	1,768,769	1,841,469	1,764,763	1,487,195	1,281,619
Fully converted book value per share and fully converted tangible book value per share denominator	**81,767,564**	**87,049,692**	**88,148,305**	**87,816,478**	**85,188,323**
Book value per share	$ 21.61	$ 20.21	$ 18.49	$ 16.65	$ 16.18
Fully converted book value per share	$ 21.14	$ 19.78	$ 18.12	$ 16.37	$ 15.94
Fully converted tangible book value per share	$ 21.08	$ 19.73	$ 18.06	$ 16.31	$ 15.88
Dividend per common share	$ 0.09	$ 0.075	$ 0.075	$ 0.075	$ 0.075
Change in FCBVPS [2] *Quarter*	6.8%	9.2%	10.7%	2.7%	-4.0%
Change in FCBVPS adj for dividends [3] *Quarter*	7.3%	9.6%	11.1%	3.2%	-3.6%
Change in FCBVPS adj for dividends [3] *Rolling 12 months*	34.6%	21.0%	0.9%	-6.2%	-9.2%
Annualized Change in FCBVPS adj for dividends [3] *Since inception*	10.1%				

[1] The share issuance agreement was terminated on February 27, 2009.
[2] FCBVPS = Fully converted book value per share. See Page 14 for a discussion of our use of certain Financial Measures Disclosures.

MONTPELIER RE HOLDINGS LTD.
Basic and Diluted Earnings Per Share (unaudited)
$ in millions, except per share amounts

	Q4-09	Q3-09	Q2-09	Q1-09	Q4-08	YTD 2009	YTD 2008
Numerator							
Operating income[1]	$ 94.1	$ 60.2	$ 68.4	$ 48.1	$ 56.3	$ 270.8	$ 93.1
Adjustment to operating income related to participating securities	(1.8)	(1.3)	(1.2)	(0.7)	-	(5.0)	-
Operating income per share numerator	**$ 92.3**	**$ 58.9**	**$ 67.2**	**$ 47.4**	**$ 56.3**	**$ 265.8**	**$ 93.1**
Net investment and foreign exchange gains and losses and income taxes	10.6	87.3	90.6	(1.7)	(104.0)	186.8	(239.6)
Gain on early extinguishment of debt	-	-	-	5.9	-	5.9	-
Excess of fair value of acquired net assets over cost - Blue Ocean	-	-	-	-	-	-	1.0
Adjustment to net income related to participating securities	(0.3)	(1.6)	(1.6)	(0.1)	-	(3.6)	-
Earnings per share numerator	**$ 102.6**	**$ 144.6**	**$ 156.2**	**$ 51.5**	**$ (47.7)**	**$ 454.9**	**$ (145.5)**
Other comprehensive income (loss) items	(1.7)	(0.3)	3.5	(1.2)	(3.6)	0.3	(5.4)
Comprehensive income (loss) per share numerator	**$ 100.9**	**$ 144.3**	**$ 159.7**	**$ 50.3**	**$ (51.3)**	**$ 455.2**	**$ (150.9)**
Denominator							
Average common shares outstanding	82,121,535	85,991,769	86,365,456	90,275,950	91,574,970	86,188,677	93,579,337
Less: average common shares subject to the share issuance agreement	-	-	-	(5,280,000)	(7,920,000)	(1,320,000)	(7,920,000)
Adjusted average common shares outstanding	82,121,535	85,991,769	86,365,456	84,995,950	83,654,970	84,868,677	85,659,337
Average vested participating securities	-	-	-	-	457,288	-	430,447
Per share denominator	**82,121,535**	**85,991,769**	**86,365,456**	**84,995,950**	**84,112,258**	**84,868,677**	**86,089,784**
Operating income per share[1]	$ 1.12	$ 0.69	$ 0.78	$ 0.56	$ 0.67	$ 3.13	$ 1.08
Earnings (loss) per share	$ 1.25	$ 1.68	$ 1.81	$ 0.61	$ (0.57)	$ 5.36	$ (1.69)
Comprehensive income (loss) per share	$ 1.23	$ 1.68	$ 1.85	$ 0.59	$ (0.61)	$ 5.36	$ (1.75)

[1] Excludes net investment and foreign exchange gains and losses, early extinguishment of debt and extraordinary gains. See Page 1
for a discussion of the use of certain Financial Measures Disclosures.

Financial Measures Disclosures

In presenting our results, we have included and discussed certain financial measures. These measures are important for an understanding of our overall results of operations. We believe that these measures are important to investors and other interested parties, and that such persons benefit from having a consistent basis for comparison with other companies within the industry. However, these measures may not be comparable to similarly titled measures used by companies either inside or outside of the insurance industry.

In addition to presenting net income, management believes that showing operating income, which is net income excluding net investment and foreign exchange gains and losses, gain on early extinguishment of debt and extraordinary gains, enables investors and other users of our financial information to analyze our performance in a manner similar to how management analyzes the Company's performance. These measures focus on the underlying fundamentals of our operations without the influence of realized and unrealized gains and losses from investments, which is driven by the timing of the disposition of investments and the change in our investments' market value and not by our operating performance, foreign exchange movements, income taxes or non-recurring transactions, which are unrelated to our underlying business. We believe that analysts and certain rating agencies who evaluate us exclude these items from their analysis for the same reasons.

This financial supplement also contains presentations of "book value per share", "fully converted book value per share" and "fully converted tangible book value per share". These calculations are based on total shareholders' equity (as adjusted in certain circumstances as indicated on page 12) divided by our common shares outstanding in the case of "book value per share" and by the sum of our common shares and dilutive common share equivalents outstanding (assuming their issuance) in the case of "fully converted book value per share" and "fully converted tangible book value per share". The Company believes that these measures, in particular "fully converted book value per share", reflect the value attributable to a common share and are of interest to both our shareholders and the investment community.

This financial supplement also contains the presentation of "change in fully converted book value adjusted for dividends". This calculation represents the change in fully converted book value per share in the period adjusted for dividends declared. We believe that this measure accurately reflects the return provided to our shareholders, as it takes into account the effect of all dilutive securities and the effect of dividends.