

Reconciliation of Adjusted Net Income

(\$ in thousands)

Trailing Twelve Months Ended June 30, 2025

	Insurance	Tiptree Capital		Corporate	Total
		Mortgage	Other		
Income (loss) before taxes	\$ 200,295	\$ 3,472	\$ (6,488)	\$ (40,242)	\$ 157,037
Less: Income tax (benefit) expense	(45,254)	(784)	(61)	(17,052)	(63,151)
Less: Net realized and unrealized gains (losses) ⁽¹⁾	(11,681)	(465)	3,659	-	(8,487)
Plus: Intangibles amortization ⁽²⁾	14,400	-	-	-	14,400
Plus: Stock-based compensation expense	10,292	-	-	7,013	17,305
Plus: Non-recurring expenses ⁽³⁾	4,325	-	1,350	-	5,675
Plus: Non-cash fair value adjustments ⁽⁴⁾	2,957	-	-	-	2,957
Plus: Impact of tax deconsolidation of Fortegra ⁽⁵⁾	-	-	-	25,333	25,333
Less: Tax on adjustments ⁽⁶⁾	(7,104)	63	146	(3,483)	(10,378)
Adjusted net income (before NCI)	\$ 168,230	\$ 2,286	\$ (1,394)	\$ (28,431)	\$ 140,691
Less: Impact of non-controlling interests	(35,125)	-	-	-	(35,125)
Adjusted net income	\$ 133,105	\$ 2,286	\$ (1,394)	\$ (28,431)	\$ 105,566
 Average stockholders' equity	 \$ 640,063	 \$ 54,643	 \$ 72,166	 \$ (96,154)	 \$ 670,718
Adjusted return on average equity ⁽⁷⁾	26.3%	4.2%	-1.9%	NM%	21.0%

Notes

(1) Net realized and unrealized gains (losses) added back in Adjusted net income excludes net realized and unrealized gains (losses) from the mortgage segment and unrealized gains (losses) on mortgage servicing rights.

(2) Specifically associated with acquisition purchase accounting. See Note (7) Goodwill and Intangible Assets, net, of the Company's Form 10-Q for the period ended June 30, 2025.

(3) Included in other expenses were expenses related to legal, banker and other expenses including expenses associated with preparation of the registration statement for the withdrawn Fortegra initial public offering in 2024.

(4) Non-cash fair-value adjustments represent a change in fair value of the Fortegra Additional Warrant liability which are added back to adjusted net income.

(5) Included in the adjustment is an add-back of \$25.3 million related to deferred tax expense from the WP Transaction.

(6) Tax on adjustments represents the tax applied to the total non-GAAP adjustments and includes adjustments for non-recurring or discrete tax impacts.

(7) Total Adjusted return on average equity after non-controlling interests was 22.5% based on \$105.6 million of Adjusted net income over \$468.1 million of average Tiptree Inc. stockholders' equity.