TiptreeFinancial

April 27, 2016

To Our Fellow Investors:

2015 was another year of significant changes at Tiptree Financial Inc. ("Tiptree") and one that we believe will provide the foundation of our strategic direction and future growth going forward. On a consolidated basis, total revenues grew 5.5 times to $440 million, while contributing $58 million of Adjusted EBITDA[1]. Adjusted EBITDA from continuing operations grew by 7.5% driven by acquisitions and organic growth, offset by realized and unrealized marks on our CLO sub notes. Book value per Class A common share increased from $8.94 to $8.96 for the year.

We make capital allocation decisions for long-term value creation. Tiptree's current portfolio of businesses in the areas of insurance, seniors housing, specialty finance and asset management have been assembled with this in mind. We approach these decisions not just as managers but as owners because we are owners; as of March 31st, 2016, directors, officers, employees and related family trusts own an economic interest of more than 15% of Tiptree. Tiptree's primary sources of cash are distributions from our subsidiaries and principal investments, and proceeds from asset sales. We seek to maintain a prudent capital structure and use debt carefully and sparingly. When we do use debt, we seek to limit recourse, avoid market-value margin requirements and have debt payment terms that closely match the cash flows of a specific asset or business.

Tiptree became a public company in mid-2013 to, among other things, establish permanent capital and provide liquidity for our original investors. Tiptree's 2014 acquisition of Fortegra Financial Corporation ("Fortegra"), an insurance and warranty business with high frequency but low severity of claims, added stable and growing cash flow. In 2015, Tiptree used Fortegra's excess cash flow to repay debt incurred to acquire Fortegra and re-invest in Fortegra's business. Tiptree used the proceeds from the 2015 sale of Philadelphia Financial Group, Inc. ("PFG") and other cash flows to re-invest in Tiptree's business including growing our seniors housing real estate holdings, growing the mortgage business, and investing in the asset management business and credit portfolio.

By the end of 2015, substantially all of our original investors exchanged their partnership units for common stock of Tiptree. While this may put near term pressure on our stock price, the exchange of interests has also allowed us to complete a tax restructuring to create a consolidated group for federal income tax purposes, further simplifying our structure and increasing tax efficiencies.

In 2016, our strategy is to grow Tiptree by (1) investing in our core businesses described above to achieve revenue, volume and margin expansion, (2) looking for opportunistic acquisitions and investments in high returning cash flow businesses, and (3) re-deploying capital from non-core, capital intensive or underperforming assets. We believe that our approach to capital management will produce growth in long-term shareholder value. We evaluate our performance primarily by the comparison of our shareholder's long-term total return on capital to alternative investment options and major market indices.

[1] For a reconciliation of Adjusted EBITDA to GAAP net income, see the "Non-GAAP Measures" beginning on p. 53 of the attached Form 10-K.

Our performance this past year was driven by:

- Fortegra's first full year of operations under the Company's ownership which produced $41 million of Adjusted EBITDA. Growing demand for non-bank consumer finance and auto warranty and insurance products contributed to these results.

- Care Investment Trust LLC ("Care") continued its strategy of building out our senior-care real estate portfolio by acquiring $85 million in new senior-housing related investments. In 2016, we expect to see the benefits from Care's 2014 and 2015 property acquisitions as actions taken to improve rental income and NOI take hold.

- The sale of PFG for $142.8 million of cash proceeds plus future payments of $7.3 million. The sale resulted in an after tax gain of approximately $15.6 million for 2015.

- The acquisition on July 1, 2015 of Reliance First Capital LLC ("Reliance"), a mortgage origination business which primarily focuses on agency and government mortgage loans. Reliance's volume and attractive product mix, along with organic growth driven by improvements in the housing market and small business lending, contributed to higher year-over-year results in our specialty finance segment.

- We initiated our strategy of investing in non-performing residential mortgage loans, ending the year with an investment portfolio of $39.7 million. In the first quarter of 2016, we added $8.0 million for a total investment of $47.7 million. We believe that our strategy of buying more complex and difficult loans at a discount and using our expertise to manage these loans through to realization will generate attractive returns for shareholders and stable cash flow for reinvestment.

- During 2015, we made $70 million of additional equity investments in a Telos 7 warehouse and seeded a leveraged loan fund strategy. We believe that our focus on less liquid middle market loans with tighter covenant structures minimizes defaults and supports longer term cash flow stability, despite more volatile near-term GAAP earnings.

- Lastly, in 2015 the Company returned $7.3 million to shareholders in the form of dividends and stock buybacks.

We believe Tiptree is well positioned as a result of the changes we implemented in 2015. Adjusted EBITDA is expected to benefit from continued revenue growth and disciplined expense management at Fortegra. We expect specialty finance volumes to be supported by positive trends in the housing market and an improving product mix. Growing rental income from our current real estate portfolio combined with incremental capital expenditures should drive operating improvements in that segment. In our credit businesses, we expect continued volatility from unrealized gains and losses, but believe that defaults of our portfolio will remain low and the business will provide stable asset management fees and distributions on our principal investments.

And importantly, we expect that investments in our people and infrastructure will deliver improvements in controls and financial reporting, and believe that our efforts to increase transparency in our financial reporting should allow investors to better understand the value of Tiptree.

With best regards,

Michael Barnes	Jonathan Ilany
Executive Chairman	Chief Executive Officer