



Association of Bermuda Insurers & Reinsurers

ABIR's International (Re) Insurers' Global Underwriting Report

Twelve Months Ended December 31, 2013

Prepared April 7, 2014

(Thousands)

Reinsurer	Gross Premiums Written	Direct Premiums Written	Net Premiums Written	Prior Year Net Premiums Written	Net Premiums Earned	Net Losses & Loss Adj. Expenses	Loss Ratio	Net Commission and Brokerage	Other Underwriting Expense	Expense Ratio	Combined Ratio	Net Underwriting Profit/(Loss)	Net Investment Income	Realized Gain/(Loss) on Securities	Other Revenue	Other Expense	Net Income	Total Equity
ACE Limited (1)	22,828,000	19,212,000	17,025,000	16,075,000	16,613,000	9,847,000	59.6%	2,659,000	2,211,000	28.4%	88.0%	1,896,000	2,144,000	504,000	0	306,000	3,758,000	28,825,000
Allied World Assurance Company Holdings, AG (2)	2,738,664	1,804,910	2,120,481	1,837,823	2,005,833	1,123,242	56.0%	252,673	352,285	30.2%	86.2%	277,633	157,564	59,525	0	67,062	417,880	3,519,826
Arch Capital Group Ltd. (3)	4,196,623	2,754,582	3,351,367	3,052,235	3,145,952	1,679,424	53.4%	556,464	458,327	32.5%	85.9%	451,737	267,219	70,232	22,780	69,463	709,731	5,647,496
Argo Group (4)	1,888,400	1,576,100	1,351,300	1,244,500	1,284,600	742,000	57.8%	238,000	272,800	39.8%	97.5%	31,800	100,000	71,300	(4,900)	18,500	143,200	1,563,000
Aspen Insurance Holdings Limited (5)	2,646,700	1,512,800	2,299,700	2,246,900	2,171,800	1,223,700	56.3%	422,000	316,900	36.3%	92.6%	209,200	186,400	39,000	0	91,900	329,300	3,299,600
Assured Guaranty Ltd. (6)	241,810	225,102	238,729	424,339	871,136	153,598	17.6%	10,656	207,159	25.0%	42.6%	499,723	393,248	51,598	350,965	154,284	807,564	5,114,580
AXIS Capital Holdings Limited (7)	4,697,041	2,559,138	3,928,200	3,337,456	3,707,065	2,134,195	57.6%	664,191	485,134	33.4%	91.0%	427,969	409,312	75,564	4,424	178,378	727,465	5,867,962
Catlin Group Limited (8)	5,309,373	3,343,149	4,051,522	3,834,296	3,948,338	2,063,233	52.3%	881,873	434,476	33.3%	85.6%	568,756	115,857	7,669	11,490	271,642	436,176	3,782,962
Endurance Specialty holdings Ltd. (9)	2,665,244	1,475,429	2,048,933	2,029,495	2,016,484	1,219,684	60.5%	304,430	294,906	29.7%	90.2%	197,464	166,216	13,548	0	59,460	311,915	2,886,549
Hiscox Ltd. (10)	2,656,284	2,037,939	2,143,051	2,009,621	2,005,815	811,633	39.8%	477,929	365,123	43.2%	83.0%	351,130	66,538	26,943	1,802	64,200	371,616	2,325,611
Lancashire Holdings Limited (11)	679,736	488,382	557,640	576,124	568,098	188,079	33.1%	123,357	2,462	37.1%	70.2%	254,200	26,849	(19,856)	35,663	110,629	190,041	1,460,402
Montpelier Re Holdings Ltd. (12)	705,970	144,694	603,132	615,659	599,644	126,478	21.1%	90,511	119,214	35.0%	56.1%	263,441	64,036	(49,238)	(40,888)	26,925	210,574	1,886,965
PartnerRe Ltd. (13)	5,569,706	0	5,396,526	4,572,860	5,198,210	3,157,808	56.7%	1,077,628	330,089	28.6%	85.3%	632,685	484,367	(160,735)	16,565	260,458	664,008	6,766,159
Platinum Underwriters Holdings, Ltd. (14)	579,761	0	567,121	565,000	553,413	167,446	30.3%	123,767	55,486	32.4%	62.7%	206,714	72,046	21,887	3,711	46,353	223,278	1,746,707
RenaissanceRe Holdings Ltd. (15)	1,605,412	54,334	1,203,947	1,102,657	1,114,626	171,287	15.4%	125,501	191,105	28.4%	43.8%	626,733	208,028	35,076	22,752	225,221	665,673	3,904,384
Tokio Millennium Re AG (16)	897,169	0	779,005	727,572	664,449	308,422	47.8%	146,244	27,671	35.2%	83.0%	182,112	33,641	631	4,414	78,158	140,026	1,273,059
Validus Holdings, Ltd. (17)	2,401,106	544,722	2,028,521	1,858,934	2,102,045	793,932	37.8%	360,310	342,895	33.4%	71.2%	604,908	96,072	3,258	29,927	201,116	532,666	4,201,751
XL Group plc (18)	7,741,135	5,050,953	6,199,404	6,281,451	6,309,521	4,197,166	62.0%	909,323	957,841	30.5%	92.5%	245,191	957,716	95,575	298,226	459,287	1,059,916	11,349,298
Total Results	70,048,134	42,784,234	55,893,579	52,391,922	54,880,029	30,108,327	53.5%	9,423,857	7,424,873	31.5%	85.0%	7,927,396	5,949,109	845,977	756,931	2,689,036	11,699,029	95,421,311

- (1) The results are on a consolidated U.S. GAAP basis and include the results of ACE Limited, ACE Bermuda, ACE Global Markets, ACE Tempest Life Re (including ACE Tempest Re Bermuda) and ACE Group Holdings, Inc. The underwriting ratios are for the consolidated business, excluding the life segment.
- (2) The data provided are on a GAAP consolidated group basis.
- (3) Arch Capital Group Ltd. a Bermuda-based company with approximately \$6.55 billion in capital at December 31, 2013, provides insurance and reinsurance on a worldwide basis through its wholly owned subsidiaries.
- (4) These results are on a consolidated U.S. GAAP basis and include the following business segments: Commercial Specialty, Excess and Surplus Lines, International Specialty, Syndicate 1200 and Run-off Lines. Net premiums earned include other reinsurance-related expenses.
- (5) The business of Aspen Insurance Holdings Limited is conducted through its principal operating subsidiaries: Aspen Insurance UK Limited ("Aspen U.K."), Aspen (UK) Holdings Limited ("Aspen U.K. Holdings"), Aspen (US) Holdings Limited ("Aspen U.S. Holdings Ltd."), Aspen Insurance UK Services Limited ("Aspen UK Services"), AIUK Trustees Limited ("AIUK Trustees"), Aspen Bermuda Limited ("Aspen Bermuda", formerly Aspen Insurance Limited), Aspen Underwriting Limited ("AUL", corporate member of Lloyd's Syndicate 4711, "Syndicate 4711"), Aspen Managing Agency Limited ("AMAL"), Aspen U.S. Holdings, Inc. ("Aspen U.S. Holdings"), Aspen Specialty Insurance Company ("Aspen Specialty"), Aspen Specialty Insurance Management Inc. ("Aspen Management"), Aspen Re America, Inc. ("Aspen Re America"), Aspen Insurance U.S. Services Inc. ("Aspen U.S. Services"), Aspen Re America CA, LLC ("ARA - CA"), Aspen Specialty Insurance Solutions LLC ("ASIS"), Aspen Re America Risk Solutions LLC ("Aspen Solutions"), Acorn Limited ("Acorn"), APJ Continuation Limited. ("APJ"), APJ Asset Protection Jersey Limited ("APJ Jersey"), Aspen UK Syndicate Services Limited ("AUSSL", formerly APJ Services Limited), Aspen Risk Management Limited ("ARML"), Aspen American Insurance Company ("AAIC"), Aspen Aspen Recoveries Limited ("Aspen Recoveries"), Aspen Capital Management, Ltd ("ACM"), Silverton Re Ltd. ("Silverton"), Aspen Capital Advisors Inc ("ACA"), Peregrine Reinsurance Ltd ("Peregrine"), Aspen Cat Fund Limited ("ACF").
- (6) Reported results are for Assured Guaranty Ltd, a Bermuda based holding company and include the results of its principal operating subsidiaries, Assured Guaranty Corp, Assured Guaranty Municipal Corp and Assured Guaranty Re Ltd. and their respective subsidiaries
- (7) AXIS Capital Holdings Limited is reporting on a consolidated basis, including the following principal subsidiaries: AXIS Specialty Limited (Bermuda), AXIS Reinsurance Company (New York), AXIS Insurance Company (Illinois), AXIS Surplus Insurance Company (Illinois), AXIS Specialty Insurance Company (Connecticut), AXIS Re SE (Dublin) and AXIS Specialty Europe SE (Dublin).
- (8) Catlin Group Limited includes 4 reporting segments aligned to underwriting hubs, which correspond to where the business is written: London/UK, Bermuda, US and International, which comprises the Group's Asia-Pacific, Europe and Canada underwriting hubs. The Consolidated Results of Operations for the Group are presented on a US GAAP basis. The expense ratio does not include financing and amortization charges, profit related bonuses, share option scheme costs and certain other Group corporate costs.
- (9) These results are on a consolidated U.S. GAAP basis and include the accounts of: Endurance Specialty Insurance Ltd.; Endurance Worldwide Insurance Limited; Endurance Reinsurance Corporation of America, Endurance American Insurance Company; Endurance American Specialty Insurance Company; Endurance Risk Solutions Assurance Co.; American Agri-Business Insurance Company; and ARMtech Insurance Services, Inc. Included in realized gain/loss on securities is \$1,616 of net impairment losses.
- (10) Results presented in accordance with IFRS and include the Hiscox Ltd owned portion of Syndicate 33, Hiscox Insurance Company (Bermuda) Limited, Hiscox Insurance Company (Guernsey) Limited, Hiscox Insurance Company Limited and Hiscox USA. Realized Gain On Securities includes \$23,206 of net fair value losses on financial investments at fair value. Ratios include foreign exchange gains, excluding foreign exchange impact expense ratio is 42.3% and combined ratio is 82.1%. Converted from GBP at average rate relevant for the period. (2013 : 1.563 ; 2012 : 1.5847). Capital and surplus translated at closing USD rate of 1.65.
- (11) The Group's consolidated financial information is prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The amount shown as a realized gain/(loss) on securities contains (\$32,501) which represents the net change in unrealized gains/losses on investments including tax recovery of \$849 for the twelve months ended 31 December 2013. Lancashire Holdings Limited ("LHL") and its subsidiaries operate primarily through the following subsidiaries: Lancashire Insurance Company Limited, Lancashire Insurance Company (UK) Limited, Kinesis Capital Management Limited ("KCML") and Cathedral Capital Limited. All ownership interests are 100% except for KCML which is 87.43% owned by LHL.
- (12) Montpelier Re Holdings Ltd. consolidated results include four reportable segments: Montpelier Bermuda, Montpelier at Lloyd's Collateralized Reinsurance and MUSIC runoff.
- (13) Results for PartnerRe Ltd. (PartnerRe) are on a U.S. GAAP basis and include the results of its principal wholly-owned subsidiaries, including Partner Reinsurance Company Ltd., Partner Reinsurance Europe SE and Partner Reinsurance Company of the U.S. Realized losses on securities for the year ended December 31, 2013 of \$160,765 includes changes in net unrealized losses on investments of \$351,125 and net realized gains on investments of \$190,330. Loss ratio, expense ratio and combined ratio are for non-life results only.
- (14) The results for Platinum Underwriters Holdings, Ltd. and its subsidiaries are presented on a consolidated U.S. GAAP basis. We operate primarily through two licensed reinsurance subsidiaries: Platinum Underwriters Bermuda, Ltd. and Platinum Underwriters Reinsurance, Inc.
- (15) RenaissanceRe Holdings Ltd. is a global provider of reinsurance and insurance. The Company's business consists of three reportable segments: (1) Catastrophe Reinsurance, which includes catastrophe reinsurance and certain property catastrophe joint ventures managed by the Company's ventures unit; (2) Specialty Reinsurance, which includes specialty reinsurance and certain specialty joint ventures managed by the Company's ventures unit; and (3) Lloyd's, which includes reinsurance and insurance business written through RenaissanceRe Syndicate 1458.
- (16) The results are on a consolidated IFRS basis and include the results of Tokio Millennium Re AG (Switzerland, Bermuda and Australia) and its three wholly owned subsidiaries; Tokio Solution Management Ltd., Shima Reinsurance Ltd. And TMR Management, Inc.
- (17) Validus Holdings, Ltd. is a provider of reinsurance, insurance, and insurance linked securities management operating through three primary segments, Validus Reinsurance, Ltd., Talbot Holdings Ltd. and AlphaCat Managers, Ltd. Validus Reinsurance, Ltd. ("Validus Re") is a Bermuda based reinsurer focused on short tail lines of reinsurance. Talbot Holdings Ltd. ("Talbot") is the Bermuda parent of the specialty insurance group primarily operating within the Lloyd's insurance market through Syndicate 1183. AlphaCat Managers, Ltd. ("AlphaCat") is a Bermuda based investment adviser managing capital for third parties and the Group in insurance linked securities and other property catastrophe reinsurance investments.
- (18) XL Group plc, through its operating subsidiaries, (collectively the "Company"), is a leading provider of insurance and reinsurance coverages to industrial, commercial, and professional firms, insurance companies and other enterprises on a worldwide basis. The Company operates in three business segments; Insurance, Reinsurance, and Life operations. These consolidated financial results include the accounts of the Company and all of its subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for year-end financial information. Other underwriting expenses exclude corporate operating expenses. Ratios are based on net premiums earned from property and casualty operations. The underwriting expense ratio excludes foreign exchange gains and losses.