



Association of Bermuda Insurers and Reinsurers

XL House
One Bermudiana Road
Hamilton HM 11 Bermuda
Tel: 441-294-7221
Fax: 441-296-4207

1301 Pennsylvania Avenue, N.W.
Suite 900
Washington, DC 20004-1701
Tel: 202 783 2434
Fax: 202-638-0936

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ABIR CY 2009 Global Underwriting Results

Hamilton, Bermuda: The Association of Bermuda Insurers and Reinsurers (ABIR) today released the 2009 global underwriting results for its 23 member (re)insurers. The companies write insurance and reinsurance from underwriting centers in Bermuda, Europe and the United States. The 23 (re)insurers wrote \$61 billion (US) in global gross written premium on a capital and surplus base of \$84 billion. They reported net income of \$12.4 billion and had an average combined ratio of 85%. The premium to surplus ratio for the group as a whole was .73 to 1.

Year 2009 was a recovery year for (re)insurers everywhere, and this was reflected in the ABIR results. Capital and surplus grew 33% (\$63 B to \$84 B) from 2008 to 2009. When removing the anomalous results from the 2008 financial crises, capital and surplus can be viewed as growing 16% (\$73 B to \$84 B) from 2007 to 2009. Insurers performed well during the financial crisis, so the 2009 results show the ABIR membership moving from “strength to greater strength.” 2008 results were also impacted by extraordinary catastrophe losses including Hurricane Ike; while 2009 was characterized as a benign catastrophe loss year.

Premium written has remained flat during the three year period 2007, 2008 and 2009. ABIR members reported \$59 B in global gross written premium in 2007, \$61 B in 2008 and \$61 B in 2009. Net income in 2009 was reported at \$12.4 B. This compares to a \$125 million loss in 2008. The net income is up 8% (\$11.5 B to \$12.4 B) when comparing 2007 to 2009.

Approximately 59% of ABIR member premium is insurance although six ABIR members wrote only reinsurance. ABIR members include 16 of the top 35 global reinsurers as measured by AM Best. The ABIR membership wrote approximately 18% of the global reinsurance premium (2008); and is estimated to write 40% of the property catastrophe reinsurance premium for European (broker) and US insurance markets. The ABIR member groups write about 30% of the Lloyds of London premium. The companies write primarily wholesale commercial property and casualty insurance and reinsurance.

When measured by gross premium the six largest ABIR members are: ACE Limited, XL Capital Limited, Partner Re Limited, Catlin Group Limited, Arch Capital Group Limited and Axis Capital Holdings Limited. When measured by capital and surplus, the six largest ABIR members are: ACE limited, XL Capital Limited, Partner Re Limited, Axis Capital Holdings Limited, Arch Capital Group Limited and Validus Holdings Limited.

ABIR members employed (yearend 2008) 31,000 people worldwide including 1,800 in Bermuda, 16,000 in the US and more than 7,000 in Europe.

Attached File: ABIR member individual and aggregate results; For more information contact Brad Kading at Bradley.Kading@ABIR.bm