



Association of Bermuda Insurers and Reinsurers

International (Re)Insurers' Global Underwriting Report

Six Months Ended June 30, 2010
September 20, 2010

(IN THOUSANDS)

Reinsurer	Gross Premiums Written Jun-10	Direct Premiums Written Jun-10	Net Premiums Written Jun-10	Net Premiums Written Jun-09	Net Premiums Earned Jun-10	Losses & Loss Adj. Expenses Jun-10	Loss Ratio	Net Commission and Brokerage Jun-10	Underwriting Expense Jun-10	Expense Ratio	Combined Ratio	Net Underwriting Profit/(Loss) Jun-10	Net Investment Income Jun-10	Realized Gain/(Loss) Securities Jun-10	Other Revenue Jun-10	Other Expense Jun-10	Net Income Jun-10	Total Equity Jun-10
ACE Limited (1)	9,944,264	8,011,587	6,991,229	6,839,282	6,510,196	3,894,780	60.3%	1,089,693	923,257	30.9%	91.2%	602,466	1,022,109	177,013	0	103,021	1,432,129	21,409,650
Allied World Assurance Company	998,010	640,771	803,087	766,476	677,248	420,876	62.1%	78,722	131,552	31.0%	93.1%	46,098	134,496	172,252	913	22,477	317,699	3,468,543
Alterra Capital Holdings Limited (2)	770,120	411,782	537,185	536,734	487,500	316,384	58.6%	73,042	62,473	27.6%	86.2%	35,601	101,667	(9,084)	619	(15,350)	139,828	2,926,967
Arch Capital Group Ltd. (3)	1,770,787	1,217,709	1,392,012	1,516,717	1,292,928	791,196	61.2%	223,422	192,148	32.2%	93.4%	86,162	183,509	109,896	33,192	(55,859)	460,445	4,398,003
Argo Group International Holdings Ltd. (4)	839,800	720,100	600,500	749,700	648,000	428,000	66.0%	150,100	94,700	37.8%	103.8%	(24,800)	66,900	19,500	300	(3,700)	46,800	1,627,600
Ariel Holdings Ltd. (5)	478,674	122,962	408,989	372,865	290,444	179,978	62.0%	44,637	58,044	36.7%	98.7%	26,014	32,974	27,413	18,229	20,511	61,261	1,397,665
Aspen Insurance Holdings Limited (6)	1,248,200	474,800	1,118,900	991,300	947,500	655,500	69.2%	162,300	94,700	29.2%	98.4%	35,000	116,900	18,000	4,800	33,400	127,200	3,303,900
Assured Guaranty Ltd. (7)	289,041	298,106	345,196	432,468	716,042	306,191	42.8%	13,390	104,819	16.5%	59.3%	291,642	175,173	975	320,430	56,796	525,513	3,868,565
AXIS Capital Holdings Limited (8)	2,365,074	985,822	2,032,573	1,863,314	1,431,219	871,632	60.9%	240,825	170,323	31.2%	92.1%	149,282	187,203	40,795	843	24,517	335,102	5,495,302
Catlin Group Limited (9)	2,460,712	1,451,179	1,893,073	1,772,692	1,571,895	1,019,779	64.9%	324,740	187,594	32.6%	97.5%	39,782	69,654	66,817	811	90,832	79,334	3,192,583
Endurance Specialty Holdings Ltd. (10)	1,308,437	695,967	1,153,745	1,062,942	821,584	525,544	64.0%	130,652	117,009	29.8%	93.8%	48,379	89,830	4,348	0	27,934	114,382	2,844,105
Flagstone Reinsurance Holdings, S.A. (11)	769,813	0	617,623	554,783	448,894	279,242	62.2%	88,421	83,897	38.4%	100.6%	(2,666)	15,504	832	17,572	(16,821)	44,773	1,196,303
Hardy Underwriting Bermuda Limited (12)	233,860	92,116	167,370	168,967	146,757	92,428	62.1%	33,729	10,839	39.6%	101.7%	9,761	3,945	(1,493)	136	11,188	2,959	223,423
Hiscox Ltd. (13)	1,380,001	817,686	1,043,325	1,032,266	904,535	495,811	54.8%	208,485	146,890	38.8%	93.6%	53,349	47,308	30,135	0	(17,462)	119,959	1,803,302
Lancashire Group (14)	460,141	321,831	422,204	337,909	316,444	160,934	50.9%	52,210	2,108	26.5%	77.4%	101,192	27,587	25,553	0	46,988	105,775	1,360,902
Montpelier Re Holdings Ltd. (15)	474,246	16,369	457,878	421,686	306,805	187,848	61.2%	45,782	50,846	31.5%	92.7%	22,329	38,846	29,818	1,318	13,077	79,841	1,621,460
PartnerRe Ltd. (16)	3,049,501	0	2,896,899	2,152,717	2,258,410	1,716,967	73.9%	464,251	186,606	29.9%	103.8%	(109,414)	347,576	191,519	2,028	115,812	270,581	7,071,242
Platinum Underwriters Holdings, Ltd. (17)	414,767	0	399,145	453,389	411,610	236,043	57.3%	81,417	29,194	26.9%	84.2%	64,956	72,877	33,434	1,425	24,521	139,560	2,105,435
RenaissanceRe Holdings Ltd. (18)	1,404,971	387,181	968,545	1,078,206	604,648	126,724	21.0%	84,619	114,927	33.0%	54.0%	278,378	94,788	118,875	(15,460)	82,210	396,438	3,775,242
Torus Insurance Holdings Limited (19)	393,100	264,900	313,100	127,800	161,800	118,400	73.2%	30,200	42,100	44.7%	117.9%	(28,900)	25,900	3,100	0	9,700	(10,100)	990,600
Validus Holdings, Ltd. (20)	1,387,795	231,443	1,229,330	900,121	895,638	673,425	75.2%	150,302	119,370	30.1%	105.3%	(47,459)	69,108	23,839	60,638	41,232	61,404	3,602,926
XL Capital Ltd. (21)	3,635,132	2,182,424	2,901,889	2,845,848	2,671,246	1,886,483	66.1%	381,697	407,704	30.3%	96.4%	(4,638)	610,918	(137,938)	77,834	135,479	337,885	10,507,232
Total Results	36,076,446	19,344,735	28,693,797	26,978,182	24,521,343	15,384,165	62.1%	4,152,636	3,331,100	31.1%	93.2%	1,672,514	3,534,772	945,599	525,628	750,503	5,188,768	88,190,950

- (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) Alterra Capital Holdings consolidated results include the operating segments of Insurance, Reinsurance, U.S. Speciality, Alterra at Lloyd's and Life & Annuity Reinsurance. Loss ratio, expense ratio and combined ratio are calculated based on property and casualty business only, and exclude life and annuity business. Net underwriting profit/loss includes life and annuity business. Reported results include the results of Harbor Point Limited from May 12, 2010. On a proforma basis including the results of Harbor Point Limited from January 1, 2010, gross premiums written were \$1,153,455, direct premiums written were \$411,782 and net premiums written were \$912,607.
- (3) Arch Capital Group Ltd. is a Bermuda public limited liability company which provides insurance and reinsurance on a worldwide basis through its wholly owned subsidiaries.
- (4) Results are on a US GAAP consolidated basis. Results include Argo Group US, Argo Re and Argo International.
- (5) The results of Ariel Holdings Ltd. are on a consolidated U.S. GAAP basis and include the results of Ariel Reinsurance Company Ltd., Atrium Underwriting Group Limited and Valiant Insurance Group, Inc. As Ariel has adopted FAS 159 we have included \$17,570 of unrealized gains in realized gains and losses above.
- (6) The business of Aspen Insurance Holdings Limited is conducted through its wholly-owned subsidiaries: Aspen Insurance Limited (Bermuda Operating Company), Acorn Limited (Bermuda Company), Aspen (UK) Holdings Limited (UK) Holding Limited (UK Holding Company), Aspen Managing Agency Limited (Managing Agent to Lloyds's Syndicate 4711) and Aspen Underwriting Limited (Lloyd's Corporate Member).
- (7) 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. The definition of Underwriting Gain/Loss per the company's 10Q as filed with the SEC is not the same as in the return. Please refer to Note 19 of the 10Q filed for June 30, 2010.
- (8) We are reporting on a consolidated basis, including the following subsidiaries: Axis Specialty Limited (Bermuda), Axis Reinsurance Company (NY), Axis Insurance Company (Illinois), Axis Surplus Insurance Co (Illinois), Axis Specialty Insurance Co (Connecticut), Axis Reinsurance Europe Ltd (Dublin), Axis Specialty Europe (Dublin). The Company does not prepare statutory financial statements.
- (9) 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 amortisation charges, profit related bonuses, share option scheme costs and certain other Group corporate cost.
- (10) Endurance Specialty Insurance Ltd., Endurance Worldwide Insurance Limited, Endurance Reinsurance Corporation of America, Endurance American Specialty Insurance Company, Endurance American Risk Solutions Assurance Co., American Agri-Business Insurance Company & ARMTech Insurance Services, Inc.
- (11) These consolidated results are prepared in accordance with U.S. GAAP. Results include the accounts of Flagstone Reinsurance Holdings, S.A. and its wholly owned subsidiaries, including Flagstone Reinsurance Suisse, S.A.
- (12) This filing is on a group basis representing the following individual companies: Hardy Underwriting Group PLC, Hardy Re Limited, Hardy Bermuda Limited, Hardy Underwriting Limited, Hardy Names Limited and Hardy Underwriting Agencies Limited. Hardy Underwriting Bermuda Limited also owns 50% of the ordinary share capital in Hardy Arig Insurance Management (HAIM), a joint venture with The Arab Insurance Group (ARIG). The company was established in 2009 and is based in Bahrain. The income statement reflects foreign exchange gains or losses, including gains or losses on the retranslation of net non-monetary items in the balance sheet, where the accounting convention is to recognise underwriting profit or losses at the average rate of exchange for the period, the balance sheet is converted at closing rates, the retranslation of the result for the period recognised at average rates to closing rates is recognised as a foreign exchange loss or gain.
- (13) 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 \$21,593 of net fair value gains on financial investments at fair value. Ratios include foreign exchange gains, excluding foreign exchange impact expense ratio is 40.0% and combined ratio is 94.8%. Converted from GBP at average rate relevant for the period. (2010: 1.526; 2009: 1.493) Capital and surplus translated at closing USD rate of 1.50.
- (14) 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 \$12,780 which represents the net increase in unrealized gains net of tax of \$55, for the six months to 30 June 2010. The information above includes Lancashire Holdings Limited and its five wholly owned subsidiaries: Lancashire Insurance Company Limited, Lancashire Insurance Company Limited, Lancashire Insurance Marketing Services Limited, Lancashire Insurance Services Limited and Lancashire Marketing Services (Middle East) Limited. LIHL is a holding company for a wholly owned operating subsidiary, Lancashire Insurance Company (UK) Limited.
- (15) Montpelier Re Holdings Ltd. consolidated results include major operating segments Montpelier Bermuda, Montpelier Syndicate 5151 and MUSIC. All premium associated with certain classes of business written by Montpelier Syndicate 5151 has been classified as reinsurance premium assumed in this report.
- (16) Results for PartnerRe Ltd. are on a U.S. GAAP basis. Realized gains (losses) on securities for the year ended June 30, 2010 of \$191,519 includes changes in unrealized gains on investments of \$191,098 and realized gains on investments of \$422. PartnerRe consolidated pro-forma gross premiums written for the six-months ended June 30, 2009 (as if Paris Re had adopted PartnerRe's accounting policies effective January 1, 2008) are \$3,047,826. Consolidated pro-forma gross premiums written for the six-months ended June 30, 2009 are calculated as the summation of PartnerRe's previously reported gross premiums written for the six months ended June 30, 2009 plus Paris Re's pro-forma written for the six months ended June 30, 2009. Paris Re's pro-forma adjusted gross premiums written include adjustments to align Paris Re's accounting policies to those of PartnerRe related to the recognition of gross premiums written on proportional treaties and the earning of premiums commensurate with the seasonality of the underlying exposure.
- (17) Platinum Underwriters Holdings, Ltd. and its subsidiaries operate primarily through two licensed reinsurance subsidiaries: Platinum Underwriters Bermuda, Ltd. and Platinum Underwriters Reinsurance, Inc. Realized gain/(loss) on securities of \$33,343 includes \$121 of net changes in the value of insurance linked securities to which we have elected to apply the fair value measurement attributes of ASC 825.
- (18) RenaissanceRe Holdings Ltd. is comprised of two reportable segments: Reinsurance and Insurance. The Reinsurance segment includes Renaissance Reinsurance Ltd., RenaissanceRe Syndicate 1458 and certain joint ventures, namely, DaVinci Reinsurance Ltd. and Top Layer Reinsurance Ltd. The Insurance segment primarily includes the operating subsidiaries of RenRe Insurance Holdings Ltd. These operating subsidiaries principally include Stonington Insurance Company, Glencoe Insurance Ltd. and Lantana Insurance Ltd. Included in realized gain / (loss) on securities of \$118,875, is \$66,813 of realized gains on fixed maturity investments; unrealized losses on fixed maturity investments trading of \$52,891; and net other-than-temporary impairments of \$629.
- (19) Consolidated figures include the results of Torus Insurance (Bermuda) Limited, Torus Speciality Insurance Company Limited and Torus Insurance (UK) Ltd.
- (20) These numbers are on a consolidated basis and include the following reporting companies: Validus Reinsurance, Ltd. and Talbot Holdings, Ltd. Operating results of IPC have been included from September 4, 2009, date of acquisition.
- (21) XL Capital Ltd is organized into three operating segments: Insurance, Reinsurance and Life Operations, in addition to the Corporate segment. 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. Other Income includes net fee income and other as well as net income from financial, investment and other operating affiliates. Other expenses includes corporate and structured products operating expenses, foreign exchange gains or losses, interest expenses, non-controlling interest in net loss of subsidiary, loss on settlement of guarantee and impairment of goodwill. Effective July 1, 2010 the parent company re-domiciled from the Cayman Islands to Ireland. Additionally, the parent company's name was change from XL Capital Ltd to XL Group plc.