

# Everest Re Group, Ltd.

Financial Supplement

March 31, 2013



**EVEREST**<sup>®</sup>

**EVEREST RE GROUP, LTD.**  
**Supplemental GAAP Operating Information**

(Dollars in thousands, except per share amounts)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
<b>PRODUCTION INFORMATION:</b>										
Gross written premiums	\$ 1,180,790	\$ 1,046,466	\$ 1,180,790	\$ 1,151,056	\$ 1,203,997	\$ 909,018	\$ 1,046,466	\$ 1,104,874	\$ 1,128,506	\$ 987,865
Net written premiums	1,149,693	1,014,862	1,149,693	1,109,076	1,100,452	856,681	1,014,862	1,043,104	1,090,790	955,121
Net premiums earned	1,088,759	997,978	1,088,759	1,119,396	1,009,454	1,037,800	997,978	1,005,728	1,044,338	1,039,835
<b>INVESTMENT INCOME:</b>										
Pre-tax investment income	\$ 145,781	\$ 152,438	\$ 145,781	\$ 146,411	\$ 152,024	\$ 149,329	\$ 152,438	\$ 126,253	\$ 156,465	\$ 158,618
Effective tax rate	16.4%	15.6%	16.4%	15.0%	15.0%	14.3%	15.6%	13.6%	13.6%	14.7%
After-tax investment income	\$ 121,861	\$ 128,651	\$ 121,861	\$ 124,438	\$ 129,162	\$ 128,040	\$ 128,651	\$ 109,128	\$ 135,123	\$ 135,314
Net pre-tax yield - amortized cost	3.7%	4.0%	3.7%	3.8%	4.0%	3.9%	4.0%	3.3%	4.1%	4.2%
Net after-tax yield - amortized cost	3.1%	3.4%	3.1%	3.2%	3.4%	3.4%	3.4%	2.9%	3.6%	3.6%
<b>CATASTROPHE INFORMATION:</b>										
Net pre-tax catastrophe losses <sup>(1)</sup>	\$ (591)	\$ 25,608	\$ (591)	\$ 290,071	\$ 23,633	\$ 21,807	\$ 25,608	\$ 370,732	\$ 119,386	\$ 112,992
After-tax effect of catastrophe losses on earnings per basic common share	0.08	(0.41)	0.08	(4.37)	(0.40)	(0.35)	(0.41)	(4.58)	(1.71)	(1.66)
After-tax effect of catastrophe losses on earnings per diluted common share	0.08	(0.41)	0.08	(4.35)	(0.39)	(0.35)	(0.41)	(4.57)	(1.71)	(1.65)
<b>EFFECTIVE TAX RATE ON:</b>										
Net income (loss)	18.2%	11.1%	18.2%	-54.3%	21.4%	10.4%	11.1%	-196.6%	-571.6%	6.8%
Net realized capital gains (losses)	34.3%	34.4%	34.3%	12.3%	35.7%	-49.0%	34.4%	33.2%	-39.3%	-45.1%
Operating income	12.3%	1.7%	12.3%	-124.2%	17.9%	12.9%	1.7%	-71.8%	0.3%	8.0%
<b>AFTER-TAX EARNINGS:</b>										
Net income (loss)	\$ 384,343	\$ 304,704	\$ 384,343	\$ 58,777	\$ 250,922	\$ 214,551	\$ 304,704	\$ 41,042	\$ 63,054	\$ 131,312
Per basic common share	7.56	5.70	7.56	1.14	4.84	4.10	5.70	0.76	1.16	2.42
Per diluted common share	7.50	5.68	7.50	1.13	4.82	4.08	5.68	0.76	1.16	2.41
Net realized capital gains (losses)	83,271	64,776	83,271	17,126	40,351	(8,462)	64,776	91,726	(83,619)	(2,661)
Per basic common share	1.64	1.21	1.64	0.33	0.78	(0.16)	1.21	1.71	(1.54)	(0.05)
Per diluted common share	1.63	1.21	1.63	0.33	0.78	(0.16)	1.21	1.70	(1.54)	(0.05)
Operating income, excl. net realized capital gains (losses) <sup>(2)</sup>	301,072	239,928	301,072	41,651	210,571	223,013	239,928	(50,684)	146,673	133,971
Per basic common share	5.92	4.49	5.92	0.81	4.06	4.26	4.49	(0.94)	2.71	2.47
Per diluted common share	5.88	4.48	5.88	0.80	4.05	4.25	4.48	(0.94)	2.70	2.46

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Supplemental GAAP Operating Information (cont.)**

(Dollars in thousands, except per share amounts)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
<b>COMBINED RATIO:</b>										
Loss ratio	54.4%	60.4%	54.4%	83.2%	59.8%	58.6%	60.4%	101.4%	69.0%	70.8%
Commission and brokerage ratio	21.4%	23.8%	21.4%	20.4%	21.9%	25.6%	23.8%	24.7%	21.8%	22.8%
Other underwriting expense ratio	4.9%	4.8%	4.9%	4.8%	5.5%	4.8%	4.8%	4.2%	4.8%	4.4%
Combined ratio	80.7%	89.0%	80.7%	108.4%	87.2%	89.0%	89.0%	130.3%	95.6%	98.0%
<b>CASH FLOW INFORMATION:</b>										
Cash flow provided by operations	\$ 225,672	\$ 165,738	\$ 225,672	\$ 184,478	\$ 174,926	\$ 138,772	\$ 165,738	\$ 112,864	\$ 207,910	\$ 150,640
Paid losses, net	703,971	739,505	703,971	683,916	741,973	688,702	739,505	768,312	758,425	599,435
Paid cats, net	117,614	163,906	117,614	124,729	140,755	121,948	163,906	167,615	204,889	73,106
Paid (recovered) asbestos and environmental losses, net	9,619	12,696	9,619	12,195	12,891	16,811	12,696	15,844	9,913	9,503
Taxes paid (recovered)	19,188	11,184	19,188	5,291	30,662	12,617	11,184	(38,618)	6,627	(24,470)
<b>RETURN ON EQUITY:</b>										
Beginning of period shareholders' equity	\$ 6,733,467	\$ 6,071,375	\$ 6,733,467	\$ 6,785,372	\$ 6,417,351	\$ 6,330,998	\$ 6,071,375	\$ 6,091,841	\$ 6,152,558	\$ 5,914,170
Net unrealized depreciation (appreciation) of investments	(603,928)	(449,580)	(603,928)	(646,107)	(527,900)	(529,949)	(449,580)	(421,631)	(456,587)	(344,949)
Adjusted beginning of period shareholders' equity	\$ 6,129,539	\$ 5,621,795	\$ 6,129,539	\$ 6,139,265	\$ 5,889,451	\$ 5,801,049	\$ 5,621,795	\$ 5,670,210	\$ 5,695,971	\$ 5,569,221
End of period shareholders' equity	\$ 6,816,866	\$ 6,330,998	\$ 6,816,866	\$ 6,733,467	\$ 6,785,372	\$ 6,417,351	\$ 6,330,998	\$ 6,071,375	\$ 6,091,841	\$ 6,152,558
Net unrealized depreciation (appreciation) of investments	(553,036)	(529,949)	(553,036)	(603,928)	(646,107)	(527,900)	(529,949)	(449,580)	(421,631)	(456,587)
Adjusted end of period shareholders' equity	\$ 6,263,830	\$ 5,801,049	\$ 6,263,830	\$ 6,129,539	\$ 6,139,265	\$ 5,889,451	\$ 5,801,049	\$ 5,621,795	\$ 5,670,210	\$ 5,695,971
Average adjusted shareholders' equity	\$ 6,196,685	\$ 5,711,422	\$ 6,196,685	\$ 6,134,402	\$ 6,014,358	\$ 5,845,250	\$ 5,711,422	\$ 5,646,003	\$ 5,683,091	\$ 5,632,596
After-tax operating income, excluding after-tax net realized capital gains (losses) <sup>(2)</sup>	\$ 301,072	\$ 239,928	\$ 301,072	\$ 41,651	\$ 210,571	\$ 223,013	\$ 239,928	\$ (50,684)	\$ 146,673	\$ 133,971
After-tax net realized capital gains (losses)	83,271	64,776	83,271	17,126	40,351	(8,462)	64,776	91,726	(83,619)	(2,661)
Net income (loss)	\$ 384,343	\$ 304,704	\$ 384,343	\$ 58,777	\$ 250,922	\$ 214,551	\$ 304,704	\$ 41,042	\$ 63,054	\$ 131,312
<b>Return on equity (annualized)</b>										
After-tax operating income, excluding after-tax net realized capital gains (losses) <sup>(2)</sup>	19.4%	16.8%	19.4%	2.7%	14.0%	15.3%	16.8%	-3.6%	10.3%	9.5%
After-tax net realized capital gains (losses)	5.4%	4.5%	5.4%	1.1%	2.7%	-0.6%	4.5%	6.5%	5.4%	-0.2%
Net income (loss)	24.8%	21.3%	24.8%	3.8%	16.7%	14.7%	21.3%	2.9%	4.4%	9.3%

(Some amounts may not reconcile due to rounding.)

(1) Catastrophe losses are net of specific reinsurance and reinstatement premiums but before recoveries under corporate level reinsurance.

(2) The Company generally uses after-tax operating income (loss), a non-GAAP financial measure, to evaluate its performance. After-tax operating income (loss) consists of net income (loss) excluding after-tax net realized capital gains (losses). Although net realized capital gains (losses) are an integral part of the Company's insurance operations, the determination of net realized capital gains (losses) is independent of the insurance underwriting process. The Company believes that the level of net realized capital gains (losses) for any particular period is not indicative of the performance of the underlying business in that particular period. Providing only a GAAP presentation of net income (loss) makes it more difficult for users of the financial information to evaluate the Company's success or failure in its basic business, and may lead to incorrect or misleading assumptions and conclusions. The Company understands that the equity analysts who follow the Company focus on after-tax operating income (loss) in their analyses for the reasons discussed above. The Company provides after-tax operating income (loss) to investors so that they have what management believes to be a useful supplement to GAAP information concerning the Company's performance.

**EVEREST RE GROUP, LTD.**
**Supplemental GAAP Balance Sheet Information**

(Dollars in thousands, except per share amounts)

(unaudited)

	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
<b>BALANCE SHEET HIGHLIGHTS:</b>								
Total investments and cash	\$ 16,562,194	\$ 16,576,196	\$ 16,533,957	\$ 16,029,819	\$ 16,116,958	\$ 15,797,381	\$ 15,713,917	\$ 15,836,619
Total assets	19,802,071	19,777,907	19,667,473	18,903,251	19,165,400	18,893,555	18,705,838	18,976,395
Reserve for losses and loss adjustment expenses ("LAE") (gross)	9,843,262	10,069,055	9,847,174	9,890,827	10,029,343	10,123,215	9,979,984	10,145,655
Future policy benefit reserve	65,311	66,107	65,734	66,269	66,842	67,187	61,971	62,608
Revolving credit borrowings	-	-	-	-	-	-	-	40,000
5.4% Senior notes due 10/15/2014	249,919	249,907	249,894	249,882	249,870	249,858	249,847	249,835
6.6% Long term notes due 5/1/2067	238,358	238,357	238,356	238,355	238,355	238,354	238,353	238,352
Junior subordinated debt securities payable	329,897	329,897	329,897	329,897	329,897	329,897	329,897	329,897
Shareholders' equity	6,816,866	6,733,467	6,785,372	6,417,351	6,330,998	6,071,375	6,091,841	6,152,558
Common shares outstanding	49,966	51,418	51,708	51,857	52,625	53,736	53,789	54,346
Book value per common share outstanding	\$ 136.43	\$ 130.96	\$ 131.22	\$ 123.75	\$ 120.30	\$ 112.99	\$ 113.26	\$ 113.21
<b>TOTAL LOSS RESERVES:</b>								
Gross reserve for losses and LAE	\$ 9,843,262	\$ 10,069,055	\$ 9,847,174	\$ 9,890,827	\$ 10,029,343	\$ 10,123,215	\$ 9,979,984	\$ 10,145,655
Reinsurance receivables on unpaid losses	(558,888)	(602,750)	(612,139)	(596,480)	(581,721)	(580,998)	(585,541)	(690,140)
Net reserve for losses and LAE	\$ 9,284,374	\$ 9,466,305	\$ 9,235,035	\$ 9,294,347	\$ 9,447,622	\$ 9,542,217	\$ 9,394,443	\$ 9,455,515
<b>ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:</b>								
Gross loss and LAE reserves	\$ 432,789	\$ 442,821	\$ 455,592	\$ 468,841	\$ 486,492	\$ 499,911	\$ 516,395	\$ 526,722
Net loss and LAE reserves	416,072	425,691	437,886	450,777	467,588	480,160	496,004	505,916
Net asbestos 3 year survival ratio	7.0	7.1	7.4	6.4	5.7	5.8	5.0	5.1
Net asbestos 3 year survival ratio excluding settlements in place	8.1	8.1	8.6	8.6	8.5	8.9	8.9	9.0
<b>END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:</b>								
Pre-tax yield - net of expenses, amortized cost basis	3.4%	3.5%	3.6%	3.7%	3.7%	3.9%	3.9%	4.0%
After-tax yield - net of expenses, amortized cost basis	2.9%	3.0%	3.1%	3.2%	3.3%	3.4%	3.4%	3.5%
Modified duration of fixed income portfolio (in years)	3.2	3.0	2.9	2.9	3.0	3.0	3.1	3.5
Average credit quality	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3
<b>OPERATING LEVERAGE:</b>								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.62 TO 1	0.61 TO 1	0.59 TO 1	0.62 TO 1	0.65 TO 1	0.68 TO 1	0.66 TO 1	0.65 TO 1
Ratio of net loss and LAE reserves to shareholders' equity	1.36 TO 1	1.41 TO 1	1.36 TO 1	1.45 TO 1	1.49 TO 1	1.57 TO 1	1.54 TO 1	1.54 TO 1

**EVEREST RE GROUP, LTD.**

**Segment Results**

(Dollars in thousands)

(unaudited)

**TOTAL SEGMENTS**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 1,180,790	\$ 1,046,466	\$ 1,180,790	\$ 1,151,056	\$ 1,203,997	\$ 909,018	\$ 1,046,466	\$ 1,104,874	\$ 1,128,506	\$ 987,865
Net written premiums	1,149,693	1,014,862	1,149,693	1,109,076	1,100,452	856,681	1,014,862	1,043,104	1,090,790	955,121
Premiums earned	\$ 1,088,759	\$ 997,978	\$ 1,088,759	\$ 1,119,396	\$ 1,009,454	\$ 1,037,800	\$ 997,978	\$ 1,005,728	\$ 1,044,338	\$ 1,039,835
Incurred losses and LAE										
Attritional - current year	592,687	572,647	592,687	609,104	579,211	577,963	572,647	637,469	584,110	614,396
Attritional - prior year	(43)	(306)	(43)	(2,829)	(557)	(93)	(306)	2,376	4,314	(2,371)
Catastrophes	-	30,000	-	325,000	25,000	30,000	30,000	380,083	132,287	123,000
Asbestos & environmental	-	125	-	-	-	-	125	-	-	764
Total incurred losses and LAE	592,644	602,466	592,644	931,275	603,654	607,870	602,466	1,019,928	720,711	735,789
Commission and brokerage	233,046	237,503	233,046	228,327	221,082	265,789	237,503	248,721	227,969	237,374
Other underwriting expenses	52,946	48,495	52,946	53,727	55,762	49,675	48,495	42,113	49,437	45,897
Underwriting gain (loss)	\$ 210,123	\$ 109,514	\$ 210,123	\$ (93,933)	\$ 128,956	\$ 114,466	\$ 109,514	\$ (305,034)	\$ 46,221	\$ 20,775
Loss ratio										
Attritional - current year	54.4%	57.4%	54.4%	54.5%	57.4%	55.7%	57.4%	63.4%	55.9%	59.1%
Attritional - prior year	0.0%	0.0%	0.0%	-0.3%	-0.1%	0.0%	0.0%	0.2%	0.4%	-0.2%
Catastrophes	0.0%	3.0%	0.0%	29.0%	2.5%	2.9%	3.0%	37.8%	12.7%	11.8%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Total loss ratio	54.4%	60.4%	54.4%	83.2%	59.8%	58.6%	60.4%	101.4%	69.0%	70.8%
Commission and brokerage ratio	21.4%	23.8%	21.4%	20.4%	21.9%	25.6%	23.8%	24.7%	21.8%	22.8%
Other underwriting expenses	4.9%	4.8%	4.9%	4.8%	5.5%	4.8%	4.8%	4.2%	4.8%	4.4%
Combined ratio	80.7%	89.0%	80.7%	108.4%	87.2%	89.0%	89.0%	130.3%	95.6%	98.0%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	54.5%	57.6%	54.5%	56.2%	57.5%	56.1%	57.6%	64.0%	56.6%	59.7%
Attritional combined ratio	80.7%	86.4%	80.7%	82.2%	84.9%	86.8%	86.4%	93.2%	83.5%	87.2%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**TOTAL REINSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 928,109	\$ 834,728	\$ 928,109	\$ 879,440	\$ 869,466	\$ 653,760	\$ 834,728	\$ 879,518	\$ 892,212	\$ 745,337
Net written premiums	924,444	832,797	924,444	874,151	868,398	653,613	832,797	870,549	887,395	741,817
Premiums earned	\$ 889,927	\$ 817,979	\$ 889,927	\$ 877,649	\$ 790,935	\$ 825,632	\$ 817,979	\$ 826,450	\$ 828,118	\$ 827,798
Incurred losses and LAE										
Attritional - current year	454,167	445,523	454,167	421,410	404,220	427,655	445,523	475,185	416,008	462,601
Attritional - prior year	(2,844)	(306)	(2,844)	(50,888)	(6,607)	471	(306)	(34,309)	(20,686)	(2,371)
Catastrophes	30	30,000	30	318,358	24,988	30,000	30,000	380,083	129,787	122,665
Asbestos & environmental	-	125	-	-	-	-	125	-	-	764
Total incurred losses and LAE	451,353	475,342	451,353	688,880	422,601	458,126	475,342	820,959	525,109	583,659
Commission and brokerage	202,421	206,030	202,421	210,008	182,040	237,029	206,030	217,093	189,387	204,495
Other underwriting expenses	26,223	24,999	26,223	27,068	29,177	23,433	24,999	21,201	25,121	23,496
Underwriting gain (loss)	\$ 209,930	\$ 111,608	\$ 209,930	\$ (48,307)	\$ 157,117	\$ 107,044	\$ 111,608	\$ (232,803)	\$ 88,501	\$ 16,148
Loss ratio										
Attritional - current year	51.0%	54.5%	51.0%	48.0%	51.0%	51.8%	54.5%	57.5%	50.2%	55.8%
Attritional - prior year	-0.3%	0.0%	-0.3%	-5.8%	-0.8%	0.1%	0.0%	-4.2%	-2.5%	-0.3%
Catastrophes	0.0%	3.6%	0.0%	36.3%	3.2%	3.6%	3.6%	46.0%	15.7%	14.9%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
Total loss ratio	50.7%	58.1%	50.7%	78.5%	53.4%	55.5%	58.1%	99.3%	63.4%	70.5%
Commission and brokerage ratio	22.7%	25.2%	22.7%	23.9%	23.0%	28.7%	25.2%	26.3%	22.9%	24.7%
Other underwriting expense ratio	3.0%	3.1%	3.0%	3.1%	3.7%	2.8%	3.1%	2.6%	3.0%	2.8%
Combined ratio	76.4%	86.4%	76.4%	105.5%	80.1%	87.0%	86.4%	128.2%	89.3%	98.0%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	51.1%	54.8%	51.1%	50.0%	51.2%	52.3%	54.8%	58.2%	51.0%	56.6%
Attritional combined ratio	76.8%	83.2%	76.8%	78.1%	77.9%	84.2%	83.2%	87.3%	77.3%	84.4%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**U.S. REINSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 434,791	\$ 369,482	\$ 434,791	\$ 372,239	\$ 433,494	\$ 135,468	\$ 369,482	\$ 399,675	\$ 360,833	\$ 280,231
Net written premiums	434,639	368,231	434,639	370,458	432,453	135,321	368,231	399,000	360,331	279,388
Premiums earned	\$ 392,616	\$ 357,961	\$ 392,616	\$ 383,413	\$ 353,651	\$ 321,382	\$ 357,961	\$ 359,254	\$ 326,824	\$ 307,584
Incurred losses and LAE										
Attritional - current year	186,126	194,617	186,126	163,770	182,492	165,916	194,617	217,681	163,756	171,628
Attritional - prior year	(1,543)	2,098	(1,543)	(31,248)	(2,353)	4,183	2,098	42,397	(2,450)	1,344
Catastrophes	13,575	25,144	13,575	287,773	31,806	26,075	25,144	62,019	32,580	63,248
Asbestos & environmental	-	121	-	-	-	-	121	(30)	-	-
Total incurred losses and LAE	198,158	221,980	198,158	420,295	211,945	196,174	221,980	322,067	193,886	236,220
Commission and brokerage	87,326	91,555	87,326	72,062	77,090	109,927	91,555	96,359	71,131	77,488
Other underwriting expenses	10,534	10,752	10,534	11,235	12,767	10,022	10,752	8,669	10,843	9,872
Underwriting gain (loss)	\$ 96,598	\$ 33,674	\$ 96,598	\$ (120,179)	\$ 51,849	\$ 5,259	\$ 33,674	\$ (67,841)	\$ 50,964	\$ (15,996)
Loss ratio										
Attritional - current year	47.4%	54.4%	47.4%	42.8%	51.6%	51.6%	54.4%	60.5%	50.0%	55.8%
Attritional - prior year	-0.4%	0.6%	-0.4%	-8.2%	-0.7%	1.3%	0.6%	11.8%	-0.7%	0.4%
Catastrophes	3.5%	7.0%	3.5%	75.0%	9.0%	8.1%	7.0%	17.3%	10.0%	20.6%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	50.5%	62.0%	50.5%	109.6%	59.9%	61.0%	62.0%	89.6%	59.3%	76.8%
Commission and brokerage ratio	22.2%	25.6%	22.2%	18.8%	21.8%	34.2%	25.6%	26.8%	21.8%	25.2%
Other underwriting expense ratio	2.7%	3.0%	2.7%	2.9%	3.6%	3.2%	3.0%	2.5%	3.3%	3.2%
Combined ratio	75.4%	90.6%	75.4%	131.3%	85.3%	98.4%	90.6%	118.9%	84.4%	105.2%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**INTERNATIONAL (reinsurance)**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 297,560	\$ 277,294	\$ 297,560	\$ 326,483	\$ 244,288	\$ 344,241	\$ 277,294	\$ 314,795	\$ 326,053	\$ 288,749
Net written premiums	293,982	277,293	293,982	322,966	244,254	344,232	277,293	306,416	321,601	286,043
Premiums earned	\$ 311,978	\$ 296,117	\$ 311,978	\$ 315,441	\$ 268,875	\$ 334,407	\$ 296,117	\$ 310,305	\$ 300,692	\$ 317,160
Incurred losses and LAE										
Attritional - current year	164,445	148,631	164,445	155,067	125,859	159,482	148,631	167,611	138,644	168,825
Attritional - prior year	(1,301)	(2,792)	(1,301)	(4,443)	(4,462)	(535)	(2,792)	(78,175)	(20,017)	(5,013)
Catastrophes	(1,945)	2,333	(1,945)	12,473	(6,590)	1,302	2,333	287,052	50,848	57,806
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	161,199	148,172	161,199	163,097	114,807	160,249	148,172	376,488	169,475	221,618
Commission and brokerage	71,444	71,191	71,444	86,669	60,480	81,776	71,191	80,548	78,228	73,786
Other underwriting expenses	7,930	6,740	7,930	7,762	8,249	6,543	6,740	6,369	7,549	6,950
Underwriting gain (loss)	\$ 71,405	\$ 70,014	\$ 71,405	\$ 57,913	\$ 85,339	\$ 85,839	\$ 70,014	\$ (153,100)	\$ 45,440	\$ 14,806
Loss ratio										
Attritional - current year	52.7%	50.1%	52.7%	49.1%	46.9%	47.7%	50.1%	54.0%	46.2%	53.3%
Attritional - prior year	-0.4%	-0.9%	-0.4%	-1.4%	-1.7%	-0.2%	-0.9%	-25.2%	-6.7%	-1.6%
Catastrophes	-0.6%	0.8%	-0.6%	4.0%	-2.5%	0.4%	0.8%	92.5%	16.9%	18.2%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	51.7%	50.0%	51.7%	51.7%	42.7%	47.9%	50.0%	121.3%	56.4%	69.9%
Commission and brokerage ratio	22.9%	24.0%	22.9%	27.5%	22.5%	24.5%	24.0%	26.0%	26.0%	23.3%
Other underwriting expense ratio	2.5%	2.4%	2.5%	2.4%	3.1%	1.9%	2.4%	2.0%	2.5%	2.1%
Combined ratio	77.1%	76.4%	77.1%	81.6%	68.3%	74.3%	76.4%	149.3%	84.9%	95.3%

(Some amounts may not reconcile due to rounding.)



**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**BERMUDA (reinsurance)**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 195,758	\$ 187,952	\$ 195,758	\$ 180,718	\$ 191,684	\$ 174,051	\$ 187,952	\$ 165,048	\$ 205,326	\$ 176,357
Net written premiums	195,823	187,273	195,823	180,727	191,691	174,060	187,273	165,133	205,463	176,386
Premiums earned	\$ 185,333	\$ 163,901	\$ 185,333	\$ 178,795	\$ 168,409	\$ 169,843	\$ 163,901	\$ 156,891	\$ 200,602	\$ 203,054
Incurred losses and LAE										
Attritional - current year	103,596	102,275	103,596	102,573	95,869	102,257	102,275	89,893	113,608	122,148
Attritional - prior year	-	388	-	(15,197)	208	(3,177)	388	1,469	1,781	1,298
Catastrophes	(11,600)	2,523	(11,600)	18,112	(228)	2,623	2,523	31,012	46,359	1,611
Asbestos & environmental	-	4	-	-	-	-	4	30	-	764
Total incurred losses and LAE	91,996	105,190	91,996	105,488	95,849	101,703	105,190	122,404	161,748	125,821
Commission and brokerage	43,651	43,284	43,651	51,277	44,470	45,326	43,284	40,186	40,028	53,221
Other underwriting expenses	7,759	7,507	7,759	8,071	8,161	6,868	7,507	6,163	6,729	6,674
Underwriting gain (loss)	\$ 41,927	\$ 7,920	\$ 41,927	\$ 13,959	\$ 19,929	\$ 15,946	\$ 7,920	\$ (11,862)	\$ (7,903)	\$ 17,338
Loss ratio										
Attritional - current year	55.9%	62.5%	55.9%	57.3%	56.9%	60.3%	62.5%	57.4%	56.6%	60.2%
Attritional - prior year	0.0%	0.2%	0.0%	-8.5%	0.1%	-1.9%	0.2%	0.9%	0.9%	0.6%
Catastrophes	-6.3%	1.5%	-6.3%	10.2%	-0.1%	1.5%	1.5%	19.7%	23.1%	0.8%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%
Total loss ratio	49.6%	64.2%	49.6%	59.0%	56.9%	59.9%	64.2%	78.0%	80.6%	62.0%
Commission and brokerage ratio	23.6%	26.4%	23.6%	28.7%	26.4%	26.7%	26.4%	25.6%	20.0%	26.2%
Other underwriting expense ratio	4.2%	4.6%	4.2%	4.5%	4.9%	4.0%	4.6%	4.0%	3.3%	3.3%
Combined ratio	77.4%	95.2%	77.4%	92.2%	88.2%	90.6%	95.2%	107.6%	103.9%	91.5%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**TOTAL INSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Gross written premiums	\$ 252,681	\$ 211,738	\$ 252,681	\$ 271,616	\$ 334,531	\$ 255,258	\$ 211,738	\$ 225,356	\$ 236,294	\$ 242,528
Net written premiums	225,249	182,065	225,249	234,925	232,054	203,068	182,065	172,555	203,395	213,304
Premiums earned	\$ 198,832	\$ 179,999	\$ 198,832	\$ 241,747	\$ 218,519	\$ 212,168	\$ 179,999	\$ 179,278	\$ 216,220	\$ 212,037
Incurred losses and LAE										
Attrititional - current year	138,520	127,124	138,520	187,694	174,991	150,308	127,124	162,284	168,102	151,795
Attrititional - prior year	2,801	-	2,801	48,059	6,050	(564)	-	36,685	25,000	-
Catastrophes	(30)	-	(30)	6,642	12	-	-	-	2,500	335
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	141,291	127,124	141,291	242,395	181,053	149,744	127,124	198,969	195,602	152,130
Commission and brokerage	30,625	31,473	30,625	18,319	39,042	28,760	31,473	31,628	38,582	32,879
Other underwriting expenses	26,723	23,496	26,723	26,659	26,585	26,242	23,496	20,912	24,316	22,401
Underwriting gain (loss)	\$ 193	\$ (2,094)	\$ 193	\$ (45,626)	\$ (28,161)	\$ 7,422	\$ (2,094)	\$ (72,231)	\$ (42,280)	\$ 4,627
Loss ratio										
Attrititional - current year	69.7%	70.6%	69.7%	77.6%	80.1%	70.9%	70.6%	90.5%	77.7%	71.5%
Attrititional - prior year	1.4%	0.0%	1.4%	19.9%	2.8%	-0.3%	0.0%	20.5%	11.6%	0.0%
Catastrophes	0.0%	0.0%	0.0%	2.8%	0.0%	0.0%	0.0%	0.0%	1.2%	0.2%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	71.1%	70.6%	71.1%	100.3%	82.9%	70.6%	70.6%	111.0%	90.5%	71.7%
Commission and brokerage ratio	15.4%	17.5%	15.4%	7.6%	17.9%	13.6%	17.5%	17.6%	17.8%	15.5%
Other underwriting expense ratio	13.4%	13.1%	13.4%	11.0%	12.1%	12.3%	13.1%	11.7%	11.3%	10.6%
Combined ratio	99.9%	101.2%	99.9%	118.9%	112.9%	96.5%	101.2%	140.3%	119.6%	97.8%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**  
**Supplemental Investment Portfolio Analysis**

(Dollars in thousands)  
(unaudited)

**INVESTMENTS AND CASH**

	At March 31, 2013			At December 31, 2012		
	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)
<b>Investments and cash:</b>						
Fixed maturities-available for sale, at market value	\$ 13,148,334	\$ 12,499,731	\$ 648,603	\$ 13,141,657	\$ 12,444,880	\$ 696,777
Fixed maturities-available for sale, at fair value	36,127	36,127	-	41,470	41,470	-
Equity securities-available for sale, at market value	141,873	132,027	9,846	143,493	131,630	11,863
Equity securities-available for sale, at fair value	1,393,774	1,393,774	-	1,255,557	1,255,557	-
Other invested assets	536,274	536,274	-	596,590	596,590	-
Short-term investments	781,676	781,676	-	860,379	860,379	-
Cash	524,136	524,136	-	537,050	537,050	-
<b>Total</b>	<b>\$ 16,562,194</b>	<b>\$ 15,903,745</b>	<b>\$ 658,449</b>	<b>\$ 16,576,196</b>	<b>\$ 15,867,556</b>	<b>\$ 708,640</b>

**FIXED INCOME AND CASH**

	At March 31, 2013		At December 31, 2012	
	Market Value	% of Total	Market Value	% of Total
<b>Fixed income investments and cash:</b>				
Fixed maturities-available for sale, at market value	\$ 13,148,334	90.8%	\$ 13,141,657	90.1%
Fixed maturities-available for sale, at fair value	36,127	0.2%	41,470	0.3%
Short-term investments	781,676	5.4%	860,379	5.9%
Cash	524,136	3.6%	537,050	3.7%
<b>Total</b>	<b>\$ 14,490,273</b>	<b>100.0%</b>	<b>\$ 14,580,556</b>	<b>100.0%</b>

	At March 31, 2013			At December 31, 2012		
	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
<b>Investment Sectors:</b>						
Treasury	\$ 313,258	2.2%	\$ 10,578	\$ 312,122	2.1%	\$ 10,072
Agency	10,286	0.1%	463	10,349	0.1%	496
Corporate	4,071,965	28.1%	234,471	4,061,559	27.8%	239,845
Mortgage-backed securities						
Agency	2,265,586	15.6%	49,131	2,152,136	14.8%	60,463
Non-agency residential	2,264	0.0%	231	3,233	0.0%	467
Alt.-A	4,351	0.0%	(78)	4,816	0.0%	(78)
Commercial	316,549	2.2%	24,421	320,088	2.2%	25,492
Asset-backed securities						
Other	173,872	1.2%	6,067	174,558	1.2%	6,580
Subprime	1,902	0.0%	281	2,020	0.0%	382
Municipal	1,169,539	8.1%	69,313	1,291,963	8.9%	76,973
Non-US	4,854,889	33.5%	253,725	4,850,283	33.3%	276,085
Cash & short-term investments	1,305,812	9.0%	-	1,397,429	9.6%	-
<b>Total</b>	<b>\$ 14,490,273</b>	<b>100.0%</b>	<b>\$ 648,603</b>	<b>\$ 14,580,556</b>	<b>100.0%</b>	<b>\$ 696,777</b>

	At March 31, 2013		At December 31, 2012	
	Market Value	% of Total	Market Value	% of Total
<b>Credit Quality:</b>				
AAA	\$ 5,965,655	41.2%	\$ 6,494,694	44.5%
AA	2,789,003	19.3%	2,343,124	16.1%
A	2,641,934	18.2%	2,680,852	18.4%
BBB	1,530,314	10.5%	1,613,591	11.1%
BB	1,047,446	7.2%	1,008,013	6.9%
B	385,508	2.7%	341,496	2.3%
Other	130,413	0.9%	98,786	0.7%
<b>Total</b>	<b>\$ 14,490,273</b>	<b>100.0%</b>	<b>\$ 14,580,556</b>	<b>100.0%</b>

**EVEREST RE GROUP, LTD.****Supplemental Investment Portfolio Analysis (cont.)**

(Dollars in thousands)

(unaudited)

**FIXED INCOME AND CASH (cont.)**

	March 31, 2013	
	Market Value	Unrealized Gain / (Loss)
<u>Top 20 Largest Corporate Fixed Income Positions:</u>		
National Australia Bank Limited	\$ 96,843	\$ 3,289
Royal Bank of Canada	79,470	2,404
JPMorgan Chase & Co.	72,954	9,131
Kredit Fuer Wiederaufbau	70,453	3,462
General Electric Capital Corporation	70,139	6,310
Bank of Nova Scotia	62,651	2,316
European Investment Bank	60,952	4,372
PNC Financial Services Group, Inc.	58,572	4,779
Westpac Banking Corporation	56,384	1,530
Daimler AG	56,086	1,225
Canadian Imperial Bank of Commerce	53,263	981
Credit Suisse Group	53,015	3,415
The Goldman Sachs Group, Inc.	51,871	3,913
Caterpillar Financial Services Corporation	50,710	3,680
Toyota Motor Credit Corporation	49,970	1,534
The Toronto-Dominion Bank	49,004	4,754
American Express Company	48,623	6,513
ConocoPhillips	47,744	4,780
Council of Europe	44,918	2,355
National Bank of Canada	43,847	898
Total	<u>\$ 1,177,469</u>	<u>\$ 71,641</u>

	December 31, 2012	
	Market Value	Unrealized Gain / (Loss)
<u>Top 20 Largest Corporate Fixed Income Positions:</u>		
National Australia Bank Limited	\$ 90,754	\$ 2,587
European Investment Bank	87,113	4,633
JPMorgan Chase & Co.	85,984	8,550
General Electric Capital Corporation	77,489	5,997
Kredit Fuer Wiederaufbau	71,913	3,485
Bank of Nova Scotia	66,045	2,552
Royal Bank of Canada	64,537	1,939
PNC Financial Services Group, Inc.	59,160	5,374
Daimler AG	57,403	437
Credit Suisse Group	53,516	3,384
Caterpillar Financial Services Corporation	53,413	3,479
The Goldman Sachs Group, Inc.	51,965	3,621
The Toronto-Dominion Bank	49,748	4,564
Australia and New Zealand Banking Group Limited	49,469	723
ConocoPhillips	48,342	5,329
Barclays Bank PLC	48,275	3,615
Duke Energy Corporation	47,658	2,649
MetLife, Inc.	47,646	1,537
American Express Company	45,339	6,929
Council of Europe	44,882	1,205
Total	<u>\$ 1,200,651</u>	<u>\$ 72,589</u>

**EVEREST RE GROUP, LTD.****Supplemental Investment Portfolio Analysis (cont.)**

(Dollars in thousands)

(unaudited)

**EQUITIES AT FAIR VALUE**

	March 31, 2013		December 31, 2012
<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>	<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>
Johnson & Johnson	\$ 34,839	Johnson & Johnson	\$ 29,283
Chevron Corporation	31,478	Chevron Corporation	28,648
Wells Fargo & Company	27,676	Wells Fargo & Company	24,637
Pfizer, Inc.	22,833	Pfizer, Inc.	22,038
Berkshire Hathaway, Inc.	22,462	Lowe's Companies, Inc.	21,003
Exxon Mobil Corporation	21,562	Exxon Mobil Corporation	20,710
Lowe's Companies, Inc.	21,174	Merck & Company, Inc.	19,942
AT&T, Inc.	20,014	Berkshire Hathaway, Inc.	19,148
Microsoft Corporation	19,691	Microsoft Corporation	18,620
ConocoPhillips	19,269	AT&T, Inc.	18,388
Merck & Company, Inc.	18,711	ConocoPhillips	16,905
JPMorgan Chase & Co.	16,689	JPMorgan Chase & Co.	15,462
Marsh & McLennan Companies, Inc.	15,467	Oracle Corporation	15,064
Oracle Corporation	15,237	Marsh & McLennan Companies, Inc.	14,041
Fiserv, Inc.	14,845	Fiserv, Inc.	13,353
Kinder Morgan Energy Partners, LP	14,478	Simon Property Group, Inc.	13,118
McDonald's, Corp.	14,379	Kinder Morgan Energy Partners, LP	12,868
Phillip Morris International, Inc.	13,721	Phillip Morris International, Inc.	12,335
Southern Company	13,297	Equity Residential	12,206
General Electric Company	13,262	General Electric Company	12,040
Total	<u>\$ 391,084</u>	Total	<u>\$ 359,809</u>

**EVEREST RE GROUP, LTD.**

**Supplemental Investment Income and Realized Capital Gains (Losses)**

(Dollars in thousands)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
<b>NET INVESTMENT INCOME</b>										
Fixed maturities	\$ 120,757	\$ 124,344	\$ 120,757	\$ 122,031	\$ 122,824	\$ 120,602	\$ 124,344	\$ 124,787	\$ 131,680	\$ 132,668
Equity securities	9,741	17,276	9,741	12,258	13,394	16,228	17,276	16,760	15,794	13,156
Short-term investments and cash	304	169	304	341	384	358	169	239	366	439
Other invested assets										
Limited partnerships	17,483	12,847	17,483	17,039	18,571	16,439	12,847	(9,849)	15,725	14,344
Other	2,321	1,518	2,321	1,398	1,427	(492)	1,518	(462)	(1,520)	4,126
Gross investment income before adjustments	150,606	156,154	150,606	153,067	156,600	153,135	156,154	131,475	162,045	164,733
Funds held interest income (expense)	4,429	3,113	4,429	1,734	2,465	3,268	3,113	1,715	958	(955)
Future policy benefit reserve income (expense)	(531)	(638)	(531)	(1,259)	(496)	(509)	(638)	(1,815)	(476)	(637)
Gross investment income	154,504	158,629	154,504	153,542	158,569	155,894	158,629	131,375	162,527	163,141
Investment Expenses	8,723	6,191	8,723	7,131	6,545	6,565	6,191	5,122	6,062	4,523
Net investment income	\$ 145,781	\$ 152,438	\$ 145,781	\$ 146,411	\$ 152,024	\$ 149,329	\$ 152,438	\$ 126,253	\$ 156,465	\$ 158,618

	Three Months Ended		Three Months Ended							
	March 31, 2013	March 31, 2012	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
<b>NET REALIZED CAPITAL GAINS (LOSSES)</b>										
Fixed maturities	\$ 4,713	\$ 6,417	\$ 4,713	\$ 5,573	\$ 596	\$ (285)	\$ 6,417	\$ 5,231	\$ 17,360	\$ (5,079)
Equity securities	122,008	92,303	122,008	13,944	62,163	(16,295)	92,303	132,051	(155,032)	235
Short-term investments	14	(1)	14	1	(16)	-	(1)	1	1	(1)
Total net realized capital gains (losses)	\$ 126,735	\$ 98,719	\$ 126,735	\$ 19,518	\$ 62,743	\$ (16,580)	\$ 98,719	\$ 137,283	\$ (137,671)	\$ (4,845)

**EVEREST RE GROUP, LTD.**  
**Supplemental Investment Portfolio Analysis**

(Dollars in thousands)  
(unaudited)

**BREAKOUT OF FOREIGN CORPORATE, SOVEREIGN AND SUPRANATIONAL**

**FIXED INCOME SECURITIES BY REGION**

	At March 31, 2013				
	Foreign Banks	Foreign Corporate	Sovereign	Supranational	Grand Total
Asia	\$ 334,292	\$ 130,749	\$ 250,598	\$ -	\$ 715,639
Canada	338,336	344,247	677,905	-	1,360,488
Europe	526,324	529,491	828,708	-	1,884,523
Europe (distressed) <sup>(1)</sup>	10,711	47,420	-	-	58,131
Latin America	71,964	188,663	76,651	-	337,278
Other Countries	26,225	212,606	44,299	215,700	498,830
Total	\$ 1,307,852	\$ 1,453,176	\$ 1,878,161	\$ 215,700	\$ 4,854,889

	At December 31, 2012				
	Foreign Banks	Foreign Corporate	Sovereign	Supranational	Grand Total
Asia	\$ 315,763	\$ 126,173	\$ 258,654	\$ -	\$ 700,590
Canada	286,517	334,087	669,255	-	1,289,859
Europe	562,157	537,997	862,544	-	1,962,698
Europe (distressed) <sup>(1)</sup>	13,102	45,055	-	-	58,157
Latin America	64,674	175,950	78,643	-	319,267
Other Countries	23,728	209,932	43,132	242,920	519,712
Total	\$ 1,265,941	\$ 1,429,194	\$ 1,912,228	\$ 242,920	\$ 4,850,283

<sup>(1)</sup> Europe (distressed) encompasses Portugal, Italy, Ireland, Greece and Spain.