UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

_X_ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended June 30, 2022

___ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission file number 1-15731

EVEREST RE GROUP, LTD.

(Exact name of registrant as specified in its charter)

Bermuda	**98-0365432**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Seon Place – 4th Floor
141 Front Street
PO Box HM 845
Hamilton HM 19, Bermuda
441-295-0006

(Address, including zip code, and telephone number, including area code, of registrant's principal executive office)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ___

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes X No ___

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	X	Accelerated filer	
Non-accelerated filer		Smaller reporting company	
		Emerging growth company	

Indicate by check mark if the registrant is an emerging growth company and has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange act.

YES ___ NO X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ___ NO X

Securities registered pursuant to Section 12(b) of the Act:

Class	Trading Symbol	Name of Exchange where Registered	Number of Shares Outstanding At August 1, 2022
Common Shares, $0.01 par value	**RE**	**New York Stock Exchange**	**39,410,456**

EVERREST RE GROUP, LTD

Table of Contents
Form 10-Q

EVEREST RE GROUP, LTD.
CONSOLIDATED BALANCE SHEETS

(Dollars and share amounts in thousands, except par value per share)	June 30, 2022 (unaudited)	December 31, 2021
ASSETS:		
Fixed maturities - available for sale, at fair value	$ 21,880,443	$ 22,308,272
(amortized cost: 2022, $23,408,417; 2021, $22,063,592, credit allowances: 2022, $(42,714); 2021, $(29,738))		
Fixed maturities - held to maturity, at amortized cost, net of credit allowances		
(fair value: 2022, $71,245, credit allowances: 2022, $(366))	71,390	-
Equity securities, at fair value	1,299,221	1,825,908
Short-term investments (cost: 2022, $300,854; 2021, $1,178,386)	300,840	1,178,337
Other invested assets	3,055,356	2,919,965
Cash	2,116,049	1,440,861
Total investments and cash	28,723,299	29,673,343
Accrued investment income	178,123	149,105
Premiums receivable	3,406,564	3,293,598
Reinsurance recoverables	2,096,968	2,053,354
Funds held by reinsureds	909,454	868,601
Deferred acquisition costs	836,496	872,289
Prepaid reinsurance premiums	562,550	515,445
Income taxes	336,646	2,381
Other assets	857,550	757,167
TOTAL ASSETS	$ 37,907,650	$ 38,185,283
LIABILITIES:		
Reserve for losses and loss adjustment expenses	$ 19,993,054	$ 19,009,486
Future policy benefit reserve	33,580	35,669
Unearned premium reserve	4,681,010	4,609,634
Funds held under reinsurance treaties	12,658	18,391
Other net payable to reinsurers	492,556	449,723
Losses in course of payment	79,549	260,684
Senior notes	2,346,495	2,345,800
Long term notes	223,824	223,774
Borrowings from FHLB	519,000	519,000
Accrued interest on debt and borrowings	16,664	17,348
Unsettled securities payable	66,150	16,698
Other liabilities	590,244	539,896
Total liabilities	29,054,784	28,046,103
Commitments and contingencies (Note 7)		
SHAREHOLDERS' EQUITY:		
Preferred shares, par value: $0.01; 50,000 shares authorized;		
no shares issued and outstanding	-	-
Common shares, par value: $0.01; 200,000 shares authorized; (2022) 69,947		
and (2021) 69,790 outstanding before treasury shares	700	698
Additional paid-in capital	2,283,513	2,274,431
Accumulated other comprehensive income (loss), net of deferred income		
tax expense (benefit) of $(208,066) at 2022 and $26,781 at 2021	(1,576,854)	11,523
Treasury shares, at cost; 30,529 shares (2022) and 30,524 shares (2021)	(3,848,630)	(3,847,308)
Retained earnings	11,994,137	11,699,836
Total shareholders' equity	8,852,866	10,139,180
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 37,907,650	$ 38,185,283

The accompanying notes are an integral part of the consolidated financial statements.

EVEREST RE GROUP, LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (LOSS)

(Dollars in thousands, except per share amounts)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(unaudited)		(unaudited)	
REVENUES:				
Premiums earned	$ 2,916,237	$ 2,558,372	$ 5,708,003	$ 4,946,237
Net investment income	225,978	407,095	468,808	667,508
Net gains (losses) on investments:				
Credit allowances on fixed maturity securities	(1,490)	(15,927)	(13,343)	(22,904)
Gains (losses) from fair value adjustments	(188,924)	103,525	(325,784)	132,581
Net realized gains (losses) from dispositions	(45,851)	16,511	(50,765)	33,334
Total net gains (losses) on investments	(236,265)	104,109	(389,892)	143,011
Other income (expense)	(71,337)	7,114	(55,977)	63,707
Total revenues	2,834,613	3,076,690	5,730,942	5,820,463
CLAIMS AND EXPENSES:				
Incurred losses and loss adjustment expenses	1,876,247	1,586,141	3,666,110	3,297,560
Commission, brokerage, taxes and fees	630,294	557,749	1,235,523	1,046,760
Other underwriting expenses	169,533	140,844	330,826	283,075
Corporate expenses	15,018	16,168	29,038	28,546
Interest, fees and bond issue cost amortization expense	24,398	15,607	48,476	31,246
Total claims and expenses	2,715,490	2,316,509	5,309,973	4,687,187
INCOME (LOSS) BEFORE TAXES	119,123	760,181	420,969	1,133,276
Income tax expense (benefit)	(3,507)	80,199	588	111,432
NET INCOME (LOSS)	$ 122,630	$ 679,982	$ 420,381	$ 1,021,844
Other comprehensive income (loss), net of tax:				
Unrealized appreciation (depreciation) ("URA(D)") on securities arising during the period	(732,364)	84,171	(1,547,540)	(204,444)
Reclassification adjustment for realized losses (gains) included in net income (loss)	15,841	1,590	20,019	(2,076)
Total URA(D) on securities arising during the period	(716,523)	85,761	(1,527,521)	(206,520)
Foreign currency translation adjustments	(28,269)	34,295	(62,371)	24,713
Reclassification adjustment for amortization of net (gain) loss included in net income (loss)	758	2,043	1,515	4,086
Total benefit plan net gain (loss) for the period	758	2,043	1,515	4,086
Total other comprehensive income (loss), net of tax	(744,034)	122,099	(1,588,377)	(177,721)
COMPREHENSIVE INCOME (LOSS)	$ (621,404)	$ 802,081	$ (1,167,996)	$ 844,123
EARNINGS PER COMMON SHARE:				
Basic	$ 3.11	$ 16.97	$ 10.67	$ 25.50
Diluted	3.11	16.95	10.67	25.47

The accompanying notes are an integral part of the consolidated financial statements.

EVEREST RE GROUP, LTD.
CONSOLIDATED STATEMENTS OF
CHANGES IN SHAREHOLDERS' EQUITY

(Dollars in thousands, except share and dividends per share amounts)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(unaudited)		(unaudited)	
COMMON SHARES (shares outstanding):				
Balance beginning of period	39,448,677	40,082,500	39,266,633	39,983,481
Issued (redeemed) during the period, net	(30,923)	940	156,121	197,421
Treasury shares acquired	-	(68,100)	(5,000)	(165,562)
Balance end of period	39,417,754	40,015,340	39,417,754	40,015,340
COMMON SHARES (par value):				
Balance beginning of period	$ 700	$ 698	$ 698	$ 696
Issued during the period, net	-	-	2	2
Balance end of period	700	698	700	698
ADDITIONAL PAID-IN CAPITAL:				
Balance beginning of period	2,271,890	2,245,737	2,274,431	2,245,301
Share-based compensation plans	11,623	10,653	9,082	11,089
Balance end of period	2,283,513	2,256,390	2,283,513	2,256,390
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS), NET OF DEFERRED INCOME TAXES:				
Balance beginning of period	(832,820)	235,079	11,523	534,899
Net increase (decrease) during the period	(744,034)	122,099	(1,588,377)	(177,721)
Balance end of period	(1,576,854)	357,178	(1,576,854)	357,178
RETAINED EARNINGS:				
Balance beginning of period	11,936,489	10,847,086	11,699,836	10,567,452
Net income (loss)	122,630	679,982	420,381	1,021,844
Dividends declared ($1.65 per share in 2Q 2022 and $3.20 per share YTD in 2022; $1.55 per share in 2Q 2021 and $3.10 per share YTD in 2021)	(64,982)	(62,046)	(126,079)	(124,274)
Balance, end of period	11,994,137	11,465,022	11,994,137	11,465,022
TREASURY SHARES AT COST:				
Balance beginning of period	(3,848,630)	(3,645,717)	(3,847,308)	(3,622,172)
Purchase of treasury shares	-	(16,782)	(1,322)	(40,327)
Balance end of period	(3,848,630)	(3,662,499)	(3,848,630)	(3,662,499)
TOTAL SHAREHOLDERS' EQUITY, END OF PERIOD	$ 8,852,866	$ 10,416,789	$ 8,852,866	$ 10,416,789

The accompanying notes are an integral part of the consolidated financial statements.

EVEREST RE GROUP, LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Dollars in thousands)	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 420,381	$ 1,021,844
Adjustments to reconcile net income to net cash provided by operating activities:		
Decrease (increase) in premiums receivable	(223,030)	(499,647)
Decrease (increase) in funds held by reinsureds, net	(51,451)	(79,485)
Decrease (increase) in reinsurance recoverables	(236,849)	15,836
Decrease (increase) in income taxes	(100,230)	76,452
Decrease (increase) in prepaid reinsurance premiums	(109,716)	(71,566)
Increase (decrease) in reserve for losses and loss adjustment expenses	1,360,076	1,139,879
Increase (decrease) in future policy benefit reserve	(2,089)	(1,226)
Increase (decrease) in unearned premiums	176,631	500,077
Increase (decrease) in other net payable to reinsurers	119,858	72,850
Increase (decrease) in losses in course of payment	(178,091)	70,653
Change in equity adjustments in limited partnerships	(156,868)	(377,120)
Distribution of limited partnership income	105,452	49,053
Change in other assets and liabilities, net	(11,031)	(206,994)
Non-cash compensation expense	23,919	22,439
Amortization of bond premium (accrual of bond discount)	35,052	37,928
Net (gains) losses on investments	389,892	(143,011)
Net cash provided by (used in) operating activities	1,561,906	1,627,962
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from fixed maturities matured/called/repaid - available for sale	1,661,128	1,897,536
Proceeds from fixed maturities matured/called/repaid - held to maturity	333	-
Proceeds from fixed maturities sold - available for sale	772,148	599,737
Proceeds from equity securities sold, at fair value	437,815	474,663
Distributions from other invested assets	204,790	112,398
Cost of fixed maturities acquired - available for sale	(4,070,949)	(3,949,973)
Cost of fixed maturities acquired - held to maturity	(72,061)	-
Cost of equity securities acquired, at fair value	(283,352)	(360,016)
Cost of other invested assets acquired	(307,525)	(309,691)
Net change in short-term investments	878,360	506,285
Net change in unsettled securities transactions	22,512	(103,527)
Net cash provided by (used in) investing activities	(756,801)	(1,132,588)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Common shares issued (redeemed) during the period for share-based compensation, net of expense	(14,835)	(11,349)
Purchase of treasury shares	(1,322)	(40,328)
Dividends paid to shareholders	(126,079)	(124,274)
Cost of shares withheld on settlements of share-based compensation awards	(17,352)	(13,713)
Net cash provided by (used in) financing activities	(159,588)	(189,664)
EFFECT OF EXCHANGE RATE CHANGES ON CASH	29,671	(1,016)
Net increase (decrease) in cash	675,188	304,694
Cash, beginning of period	1,440,861	801,651
Cash, end of period	$ 2,116,049	$ 1,106,345
SUPPLEMENTAL CASH FLOW INFORMATION:		
Income taxes paid (recovered)	$ 100,506	$ 34,780
Interest paid	48,414	31,695

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

For the Three and Six Months Ended June 30, 2022 and 2021

1. GENERAL

Everest Re Group, Ltd. ("Group"), a Bermuda company, through its subsidiaries, principally provides reinsurance and insurance in the U.S., Bermuda and international markets. As used in this document, "Company" means Group and its subsidiaries.

2. BASIS OF PRESENTATION

The unaudited consolidated financial statements of the Company as of June 30, 2022 and December 31, 2021 and for the three and six months ended June 30, 2022 and 2021 include all adjustments, consisting of normal recurring accruals, which, in the opinion of management, are necessary for a fair statement of the results on an interim basis. Certain financial information, which is normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), has been omitted since it is not required for interim reporting purposes. The December 31, 2021 consolidated balance sheet data was derived from audited financial statements but does not include all disclosures required by GAAP. The results for the three and six months ended June 30, 2022 and 2021 are not necessarily indicative of the results for a full year. These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the years ended December 31, 2021, 2020 and 2019, included in the Company's most recent Form 10-K filing.

The Company consolidates the results of operations and financial position of all voting interest entities ("VOE") in which the Company has a controlling financial interest and all variable interest entities ("VIE") in which the Company is considered to be the primary beneficiary. The consolidation assessment, including the determination as to whether an entity qualifies as a VIE or VOE, depends on the facts and circumstances surrounding each entity.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities (and disclosure of contingent assets and liabilities) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Ultimate actual results could differ, possibly materially, from those estimates.

All intercompany accounts and transactions have been eliminated.

Certain reclassifications and format changes have been made to prior years' amounts to conform to the 2022 presentation.

<u>Application of Recently Issued Accounting Standard Changes.</u>

The Company did not adopt any new accounting standards that had a material impact during the three and six months ended June 30, 2022. The Company assessed the adoption impacts of recently issued accounting standards by the Financial Accounting Standards Board on the Company's consolidated financial statements as well as material updates to previous assessments, if any, from the Company's Annual Report on Form 10-K for the year ended December 31, 2021. There were no new material accounting standards issued in the six months ended June 30, 2022, that impacted Group.

Any issued guidance and pronouncements, other than those directly referenced above, are deemed by the Company to be either not applicable or immaterial to its financial statements.

3. INVESTMENTS

The following tables show amortized cost, allowance for credit losses, gross unrealized appreciation/(depreciation) and fair value of fixed maturity securities available for sale as of the dates indicated:

	At June 30, 2022				
(Dollars in thousands)	Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - available for sale					
U.S. Treasury securities and obligations of					
U.S. government agencies and corporations	$ 1,385,608	$ -	$ 7,193	$ (54,571)	$ 1,338,230
Obligations of U.S. states and political subdivisions	528,830	(151)	3,950	(24,348)	508,281
Corporate securities	7,505,558	(25,583)	31,650	(524,848)	6,986,777
Asset-backed securities	4,081,011	-	909	(183,241)	3,898,679
Mortgage-backed securities					
Commercial	1,024,591	-	124	(72,820)	951,895
Agency residential	2,874,574	-	2,937	(186,656)	2,690,855
Non-agency residential	5,349	-	-	(208)	5,141
Foreign government securities	1,463,494	-	11,670	(115,421)	1,359,743
Foreign corporate securities	4,539,402	(16,980)	21,900	(403,480)	4,140,842
Total fixed maturity securities - available for sale	$ 23,408,417	$ (42,714)	$ 80,333	$ (1,565,593)	$ 21,880,443

	At December 31, 2021				
(Dollars in thousands)	Amortized Cost	Allowance for Credit Losses	Unrealized Appreciation	Unrealized Depreciation	Fair Value
Fixed maturity securities - available for sale					
U.S. Treasury securities and obligations of					
U.S. government agencies and corporations	$ 1,407,256	$ -	$ 23,720	$ (10,358)	$ 1,420,618
Obligations of U.S. states and political subdivisions	558,842	(151)	29,080	(1,150)	586,621
Corporate securities	7,443,535	(19,267)	195,210	(62,580)	7,556,898
Asset-backed securities	3,579,439	(7,679)	21,817	(11,848)	3,581,729
Mortgage-backed securities					
Commercial	1,032,506	-	37,550	(5,690)	1,064,366
Agency residential	2,361,208	-	32,997	(18,873)	2,375,332
Non-agency residential	6,530	-	22	(16)	6,536
Foreign government securities	1,423,634	-	41,957	(28,079)	1,437,512
Foreign corporate securities	4,250,642	(2,641)	95,195	(64,536)	4,278,660
Total fixed maturity securities - available for sale	$ 22,063,592	$ (29,738)	$ 477,548	$ (203,130)	$ 22,308,272

The amortized cost and fair value of fixed maturity securities available for sale are shown in the following table by contractual maturity. Mortgage-backed securities are generally more likely to be prepaid than other fixed maturity securities. As the stated maturity of such securities may not be indicative of actual maturities, the totals for mortgage-backed and asset-backed securities are shown separately.

	At June 30, 2022		At December 31, 2021	
(Dollars in thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Fixed maturity securities – available for sale:				
Due in one year or less	$ 1,261,875	$ 1,263,628	$ 1,398,742	$ 1,398,006
Due after one year through five years	7,565,293	7,187,705	7,075,077	7,154,468
Due after five years through ten years	4,746,315	4,285,866	5,003,792	5,100,672
Due after ten years	1,849,409	1,596,674	1,606,298	1,627,163
Asset-backed securities	4,081,011	3,898,679	3,579,439	3,581,729
Mortgage-backed securities:				
Commercial	1,024,591	951,895	1,032,506	1,064,366
Agency residential	2,874,574	2,690,855	2,361,208	2,375,332
Non-agency residential	5,349	5,141	6,530	6,536
Total fixed maturity securities	$ 23,408,417	$ 21,880,443	$ 22,063,592	$ 22,308,272

During the second quarter of 2022, the Company purchased fixed maturity securities classified as held to maturity with an amortized cost of $71.8 million and a fair value of $71.2 million as of June 30, 2022. Fixed maturity securities held to maturity consist of debt securities for which the Company has both the positive intent and ability to hold to maturity or redemption and are reported at amortized cost, net of the current expected credit loss allowance. Interest income for fixed maturity securities held to maturity is determined in the same manner as interest income for fixed maturity securities available for sale.

These fixed maturity securities held to maturity are comprised of asset-backed securities, with an amortized cost of $62.8 million, gross unrealized appreciation of $0.1 million, gross unrealized depreciation of $0.2 million, and fair value of $62.4 million, and corporate securities, with an amortized cost of $9.0 million, unrealized appreciation of $0.0 million, unrealized depreciation of $0.1 million, and fair value of $8.8 million, as of June 30, 2022. The contractual maturity of the corporate securities held to maturity is 5 years as of June 30, 2022. The stated maturity of asset-backed securities held to maturity may not be indicative of actual maturities.

The Company evaluated fixed maturity securities classified as held to maturity for current expected credit losses as of June 30, 2022 utilizing risk characteristics of each security, including credit rating, remaining time to maturity, adjusted for prepayment considerations, and subordination level, and applying default and recovery rates, which include the incorporation of historical credit loss experience and macroeconomic forecasts, to develop an estimate of current expected credit losses. These fixed maturities classified as held to maturity are of a high credit quality and are all rated investment grade as of June 30, 2022. The allowance for credit losses expected to be recognized over the remaining life of the fixed maturity securities classified as held to maturity is $0.4 million as of June 30, 2022.

The changes in net unrealized appreciation (depreciation) for the Company's available for sale and short-term investments are derived from the following sources for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	2022	2021	2022	2021
Increase (decrease) during the period between the fair value and cost of investments carried at fair value, and deferred taxes thereon:				
Fixed maturity securities - available for sale and short-term investments	$ (832,237)	$ 97,127	$ (1,759,644)	$ (235,581)
Change in unrealized appreciation (depreciation), pre-tax	(832,237)	97,127	(1,759,644)	(235,581)
Deferred tax benefit (expense)	115,714	(11,366)	232,123	29,061
Change in unrealized appreciation (depreciation), net of deferred taxes, included in shareholders' equity	$ (716,523)	$ 85,761	$ (1,527,521)	$ (206,520)

The tables below display the aggregate fair value and gross unrealized depreciation of fixed maturity securities available for sale, by security type and contractual maturity, in each case subdivided according to length of time that individual securities had been in a continuous unrealized loss position for the periods indicated.

	Duration of Unrealized Loss at June 30, 2022 By Security Type					
	Less than 12 months		Greater than 12 months		Total	
(Dollars in thousands)	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	$ 949,790	$ (39,469)	$ 199,364	$ (15,102)	$ 1,149,154	$ (54,571)
Obligations of U.S. states and political subdivisions	210,645	(21,935)	12,067	(2,366)	222,712	(24,301)
Corporate securities	4,911,170	(420,055)	779,916	(104,127)	5,691,086	(524,182)
Asset-backed securities	3,623,327	(180,189)	42,484	(3,052)	3,665,811	(183,241)
Mortgage-backed securities						
Commercial	926,417	(69,573)	21,217	(3,247)	947,634	(72,820)
Agency residential	1,939,847	(116,105)	579,272	(70,551)	2,519,119	(186,656)
Non-agency residential	4,402	(188)	739	(20)	5,141	(208)
Foreign government securities	972,856	(73,986)	177,226	(41,435)	1,150,082	(115,421)
Foreign corporate securities	3,100,785	(329,255)	479,179	(73,849)	3,579,964	(403,104)
Total	$ 16,639,239	$ (1,250,755)	$ 2,291,464	$ (313,749)	$ 18,930,703	$ (1,564,504)
Securities where an allowance for credit loss was recorded	7,213	(1,089)	-	-	7,213	(1,089)
Total fixed maturity securities	$ 16,646,452	$ (1,251,844)	$ 2,291,464	$ (313,749)	$ 18,937,916	$ (1,565,593)

	Duration of Unrealized Loss at June 30, 2022 By Maturity					
	Less than 12 months		Greater than 12 months		Total	
(Dollars in thousands)	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
Fixed maturity securities - available for sale						
Due in one year or less	$ 660,642	$ (4,878)	$ 90,052	$ (7,477)	$ 750,694	$ (12,355)
Due in one year through five years	5,163,545	(300,876)	818,035	(79,426)	5,981,580	(380,302)
Due in five years through ten years	3,087,307	(359,536)	598,581	(114,767)	3,685,888	(474,303)
Due after ten years	1,233,752	(219,410)	141,084	(35,209)	1,374,836	(254,619)
Asset-backed securities	3,623,327	(180,189)	42,484	(3,052)	3,665,811	(183,241)
Mortgage-backed securities	2,870,666	(185,866)	601,228	(73,818)	3,471,894	(259,684)
Total	$ 16,639,239	$ (1,250,755)	$ 2,291,464	$ (313,749)	$ 18,930,703	$ (1,564,504)
Securities where an allowance for credit loss was recorded	7,213	(1,089)	-	-	7,213	(1,089)
Total fixed maturity securities	$ 16,646,452	$ (1,251,844)	$ 2,291,464	$ (313,749)	$ 18,937,916	$ (1,565,593)

The aggregate fair value and gross unrealized losses related to fixed maturity securities available for sale in an unrealized loss position at June 30, 2022 were $18.9 billion and $1.6 billion, respectively. The fair value of securities for the single issuer (the United States government) whose securities comprised the largest unrealized loss position at June 30, 2022, did not exceed 5.3% of the overall fair value of the Company's fixed maturity securities available for sale. The fair value of the securities for the issuer with the second largest unrealized loss position at June 30, 2022, comprised less than 1.3% of the Company's fixed maturity securities available for sale. In addition, as indicated on the above table, there was no significant concentration of unrealized losses in any one market sector. The $1.3 billion of unrealized losses related to fixed maturity securities available for sale that have been in an unrealized loss position for less than one year were generally comprised of foreign and domestic corporate securities, agency residential and commercial mortgage-backed securities, asset-backed securities, U.S government securities and foreign government securities. Of these unrealized losses, $1.1 billion were related to securities that were rated investment grade by at least one nationally recognized rating agency. The $313.7 million of unrealized losses related to fixed maturity securities available for sale in an unrealized loss position for more than one year related primarily to domestic and foreign corporate securities, foreign government securities, agency residential mortgage-backed securities and U.S. government securities. Of these unrealized losses, $300.6 million were related to securities that were rated investment grade by at least one nationally recognized rating agency. In all instances, there were no projected cash flow shortfalls to recover the full book value of the investments and the related interest obligations. The mortgage-backed securities still have excess credit coverage and are current on interest and principal payments. Based upon the Company's current evaluation of securities in an unrealized loss position as of June 30, 2022, the unrealized losses are due to changes in interest rates and non-issuer specific credit spreads and are not credit-related. In addition, the contractual terms of these securities do not permit these securities to be settled at a price less than their amortized cost.

The Company, given the size of its investment portfolio and capital position, does not have the intent to sell these securities; and it is more likely than not that the Company will not have to sell the security before recovery of its cost basis. In addition, all securities currently in an unrealized loss position are current with respect to principal and interest payments.

The tables below display the aggregate fair value and gross unrealized depreciation of fixed maturity securities available for sale, by security type and contractual maturity, in each case subdivided according to length of time that individual securities had been in a continuous unrealized loss position for the periods indicated. The amounts presented in the tables below include $15.7 million of fair value and $(0.4) million of gross unrealized depreciation as of December 31, 2021 related to fixed maturity securities available for sale for which the Company has recorded an allowance for credit losses.

	Duration of Unrealized Loss at December 31, 2021 By Security Type					
	Less than 12 months		Greater than 12 months		Total	
(Dollars in thousands)	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
Fixed maturity securities - available for sale						
U.S. Treasury securities and obligations of						
U.S. government agencies and corporations	$ 504,168	$ (6,264)	$ 91,735	$ (4,094)	$ 595,903	$ (10,358)
Obligations of U.S. states and political subdivisions	51,094	(1,038)	2,558	(112)	53,652	(1,150)
Corporate securities	2,132,576	(38,316)	472,831	(24,264)	2,605,407	(62,580)
Asset-backed securities	1,954,079	(11,180)	41,823	(668)	1,995,902	(11,848)
Mortgage-backed securities						
Commercial	221,852	(2,854)	40,496	(2,836)	262,348	(5,690)
Agency residential	1,101,215	(12,178)	279,697	(6,695)	1,380,912	(18,873)
Non-agency residential	2,320	(14)	156	(2)	2,476	(16)
Foreign government securities	392,447	(9,709)	100,673	(18,370)	493,120	(28,079)
Foreign corporate securities	1,734,510	(46,247)	210,722	(18,289)	1,945,232	(64,536)
Total fixed maturity securities	$ 8,094,261	$ (127,800)	$ 1,240,691	$ (75,330)	$ 9,334,952	$ (203,130)

(Dollars in thousands)	Duration of Unrealized Loss at December 31, 2021 By Maturity					
	Less than 12 months		Greater than 12 months		Total	
	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation	Fair Value	Gross Unrealized Depreciation
Fixed maturity securities - available for sale						
Due in one year or less	$ 129,860	$ (2,415)	$ 136,827	$ (11,832)	$ 266,687	$ (14,247)
Due in one year through five years	2,165,467	(35,264)	446,247	(28,685)	2,611,714	(63,949)
Due in five years through ten years	1,727,823	(47,413)	244,454	(22,038)	1,972,277	(69,451)
Due after ten years	791,645	(16,482)	50,991	(2,574)	842,636	(19,056)
Asset-backed securities	1,954,079	(11,180)	41,823	(668)	1,995,902	(11,848)
Mortgage-backed securities	1,325,387	(15,046)	320,349	(9,533)	1,645,736	(24,579)
Total fixed maturity securities	$ 8,094,261	$ (127,800)	$ 1,240,691	$ (75,330)	$ 9,334,952	$ (203,130)

The aggregate fair value and gross unrealized losses related to investments in an unrealized loss position at December 31, 2021 were $9.3 billion and $203.1 million, respectively. The fair value of securities for the single issuer (the United States government) whose securities comprised the largest unrealized loss position at December 31, 2021, did not exceed 2.7% of the overall fair value of the Company's fixed maturity securities available for sale. The fair value of the securities for the issuer with the second largest unrealized loss comprised less than 0.5% of the Company's fixed maturity securities available for sale. In addition, as indicated on the above table, there was no significant concentration of unrealized losses in any one market sector. The $127.8 million of unrealized losses related to fixed maturity securities available for sale that have been in an unrealized loss position for less than one year were generally comprised of domestic and foreign corporate securities, agency residential mortgage-backed securities, asset-backed securities and foreign government securities. Of these unrealized losses, $116.2 million were related to securities that were rated investment grade by at least one nationally recognized rating agency. The $75.3 million of unrealized losses related to fixed maturity securities available for sale in an unrealized loss position for more than one year related primarily to domestic and foreign corporate securities, foreign government securities and agency residential mortgage-backed securities. Of these unrealized losses, $72.3 million were related to securities that were rated investment grade by at least one nationally recognized rating agency. In all instances, there were no projected cash flow shortfalls to recover the full book value of the investments and the related interest obligations. The mortgage-backed securities still have excess credit coverage and are current on interest and principal payments.

The components of net investment income are presented in the table below for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Fixed maturities	$ 168,769	$ 148,262	$ 316,995	$ 289,178
Equity securities	4,600	3,493	8,746	8,331
Short-term investments and cash	6,587	773	6,746	953
Other invested assets:				
Limited partnerships	47,584	239,966	136,021	354,299
Other	13,991	25,855	25,822	31,874
Gross investment income before adjustments	241,531	418,349	494,330	684,635
Funds held interest income (expense)	772	3,287	4,457	11,253
Future policy benefit reserve income (expense)	(128)	(170)	(350)	(461)
Gross investment income	242,175	421,466	498,437	695,427
Investment expenses	(16,197)	(14,371)	(29,629)	(27,919)
Net investment income	$ 225,978	$ 407,095	$ 468,808	$ 667,508

The Company records results from limited partnership investments on the equity method of accounting with changes in value reported through net investment income. The net investment income from limited partnerships is dependent upon the Company's share of the net asset values of interests underlying each limited partnership. Due to the timing of receiving financial information from these partnerships, the results are generally reported on a one month or quarter lag. If the Company determines there has been a significant decline in value of a limited partnership during this lag period, a loss will be recorded in the period in which the Company identifies the decline.

The Company had contractual commitments to invest up to an additional $2.4 billion in limited partnerships and private placement loan securities at June 30, 2022. These commitments will be funded when called in accordance with the partnership and loan agreements, which have investment periods that expire, unless extended, through 2026.

The Company participates in a private placement liquidity sweep facility (“the facility”). The primary purpose of the facility is to enhance the Company’s return on its short-term investments and cash positions. The facility invests in high quality, short-duration securities and permits daily liquidity. The Company consolidates its participation in the facility. As of June 30, 2022, the fair value of investments in the facility consolidated within the Company’s balance sheets was $377.7 million.

Variable Interest Entities

The Company is engaged with various special purpose entities and other entities that are deemed to be VIEs primarily as an investor through normal investment activities but also as an investment manager. A VIE is an entity that either has investors that lack certain essential characteristics of a controlling financial interest, such as simple majority kick-out rights, or lacks sufficient funds to finance its own activities without financial support provided by other entities. The Company performs ongoing qualitative assessments of its VIEs to determine whether the Company has a controlling financial interest in the VIE and therefore is the primary beneficiary. The Company is deemed to have a controlling financial interest when it has both the ability to direct the activities that most significantly impact the economic performance of the VIE and the obligation to absorb losses or right to receive benefits from the VIE that could potentially be significant to the VIE. Based on the Company’s assessment, if it determines it is the primary beneficiary, the Company consolidates the VIE in the Company’s Consolidated Financial Statements. As of June 30, 2022 and December 31, 2021, the Company did not hold any securities for which it is the primary beneficiary.

The Company, through normal investment activities, makes passive investments in general and limited partnerships and other alternative investments. For these non-consolidated VIEs, the Company has determined it is not the primary beneficiary as it has no ability to direct activities that could significantly affect the economic performance of the investments. The Company’s maximum exposure to loss as of June 30, 2022 and December 31, 2021 is limited to the total carrying value of $3.1 billion and $2.9 billion, respectively, which are included in general and limited partnerships and other alternative investments in Other Invested Assets in the Company's Consolidated Balance Sheets. As of June 30, 2022, the Company has outstanding commitments totaling $2.2 billion whereby the Company is committed to fund these investments and may be called by the partnership during the commitment period to fund the purchase of new investments and partnership expenses. These investments are generally of a passive nature in that the Company does not take an active role in management.

In addition, the Company makes passive investments in structured securities issued by VIEs for which the Company is not the manager. These investments are included in asset-backed securities, which includes collateralized loan obligations and are reported in fixed maturities, available-for-sale and fixed maturities held to maturity. The Company has not provided financial or other support with respect to these investments other than its original investment. For these investments, the Company determined it is not the primary beneficiary due to the relative size of the Company’s investment in comparison to the principal amount of the structured securities issued by the VIEs, the level of credit subordination which reduces the Company’s obligation to absorb losses or right to receive benefits and the Company’s inability to direct the activities that most significantly impact the economic performance of the VIEs. The Company’s maximum exposure to loss on these investments is limited to the amount of the Company’s investment.

The components of net gains (losses) on investments are presented in the tables below for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Fixed maturity securities:				
Allowance for credit losses	$ (1,490)	$ (15,927)	$ (13,343)	$ (22,904)
Net realized gains (losses) from dispositions	(15,560)	10,060	(12,761)	19,234
Equity securities, fair value:				
Net realized gains (losses) from dispositions	(30,926)	3,755	(42,713)	9,993
Gains (losses) from fair value adjustments	(188,924)	103,525	(325,784)	132,581
Other invested assets	583	2,748	4,735	4,094
Short-term investments gain (loss)	52	(52)	(26)	13
Total net gains (losses) on investments	$ (236,265)	$ 104,109	$ (389,892)	$ 143,011

(Some amounts may not reconcile due to rounding.)

Roll Forward of Allowance for Credit Losses – Fixed maturities, available for sale

	Three Months Ended June 30, 2022					Six Months Ended June 30, 2022				
(Dollars in thousands)	Corporate Securities	Asset-Backed Securities	Obligations of U.S. States and Political Subdivisions	Foreign Corporate Securities	Total	Corporate Securities	Asset-Backed Securities	Obligations of U.S. States and Political Subdivisions	Foreign Corporate Securities	Total
Beginning Balance	$ (20,049)	$ (7,679)	$ (151)	$ (13,712)	$ (41,591)	$ (19,267)	$ (7,679)	$ (151)	$ (2,641)	$ (29,738)
Credit losses on securities where credit losses were not previously recorded	(4,887)	-	-	(4,706)	(9,593)	(6,816)	-	-	(15,890)	(22,706)
Increases in allowance on previously impaired securities	(654)	-	-	(732)	(1,386)	(654)	-	-	(732)	(1,386)
Decreases in allowance on previously impaired securities	-	-	-	-	-	-	-	-	-	-
Reduction in allowance due to disposals	7	7,679	-	2,170	9,856	1,154	7,679	-	2,283	11,116
Balance as of June 30, 2022	$ (25,583)	$ -	$ (151)	$ (16,980)	$ (42,714)	$ (25,583)	$ -	$ (151)	$ (16,980)	$ (42,714)

Roll Forward of Allowance for Credit Losses – Fixed maturities, available for sale

	Three Months Ended June 30, 2021				Six Months Ended June 30, 2021				
(Dollars in thousands)	Corporate Securities	Asset-Backed Securities	Foreign Corporate Securities	Total	Corporate Securities	Asset-Backed Securities	Foreign Government Securities	Foreign Corporate Securities	Total
Beginning Balance	$ (3,603)	$ (4,915)	$ (205)	$ (8,723)	$ (1,220)	$ -	$ (22)	$ (503)	$ (1,745)
Credit losses on securities where credit losses were not previously recorded	(13,537)	-	(1,055)	(14,592)	(15,920)	(4,915)	-	(1,055)	(21,890)
Increases in allowance on previously impaired securities	(1,468)	-	-	(1,468)	(1,468)	-	-	-	(1,468)
Decreases in allowance on previously impaired securities	-	-	-	-	-	-	-	-	-
Reduction in allowance due to disposals	133	-	-	133	133	-	22	298	453
Balance as of June 30, 2021	$ (18,475)	$ (4,915)	$ (1,260)	$ (24,650)	$ (18,475)	$ (4,915)	$ -	$ (1,260)	$ (24,650)

The proceeds and split between gross gains and losses from dispositions of fixed maturity and equity securities, are presented in the table below for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	2022	2021	2022	2021
Proceeds from sales of fixed maturity securities, available for sale	$ 353,160	$ 371,459	$ 772,148	$ 599,737
Gross gains from dispositions	7,456	19,870	27,578	34,734
Gross losses from dispositions	(23,016)	(9,810)	(40,339)	(15,500)
Proceeds from sales of equity securities	$ 347,714	$ 193,350	$ 437,815	$ 474,663
Gross gains from dispositions	4,135	5,803	7,643	18,107
Gross losses from dispositions	(35,061)	(2,048)	(50,356)	(8,114)

4. RESERVE FOR LOSSES, LAE AND FUTURE POLICY BENEFIT RESERVE

Activity in the reserve for losses and LAE is summarized for the periods indicated:

	Six Months Ended June 30,	
(Dollars in thousands)	2022	2021
Gross reserves beginning of period	$ 19,009,486	$ 16,322,143
Less reinsurance recoverables on unpaid losses	(1,946,365)	(1,843,691)
Net reserves beginning of period	17,063,121	14,478,452
Incurred related to:		
Current year	3,667,769	3,302,013
Prior years	(1,659)	(4,453)
Total incurred losses and LAE	3,666,110	3,297,560
Paid related to:		
Current year	978,599	710,677
Prior years	1,483,844	1,399,579
Total paid losses and LAE	2,462,443	2,110,256
Foreign exchange/translation adjustment	(259,484)	35,651
Net reserves end of period	18,007,304	15,701,407
Plus reinsurance recoverables on unpaid losses	1,985,750	1,862,760
Gross reserves end of period	$ 19,993,054	$ 17,564,167

(Some amounts may not reconcile due to rounding.)

Current year incurred losses were $3.7 billion and $3.3 billion for the six months ended June 30, 2022 and 2021, respectively. Gross and net reserves increased for the six months ended June 30, 2022, reflecting an increase in underlying exposure due to premium growth and the impact of $45.0 million of incurred losses related to the Ukraine/Russia war, partially offset by a reduction of $115.0 million in current year catastrophe losses.

The war in the Ukraine is ongoing and an evolving event. Economic and legal sanctions have been levied against Russia, specific named individuals and entities connected to the Russian government, as well as businesses located in the Russian Federation and/or owned by Russian nationals by numerous countries, including the United States. The significant political and economic uncertainty surrounding the war and associated sanctions have impacted economic and investment markets both within Russia and around the world. The Company has recorded $45.0 million of incurred underwriting losses related to the Ukraine/Russia war for the three and six months ended June 30, 2022.

5. FAIR VALUE

GAAP guidance regarding fair value measurements addresses how companies should measure fair value when they are required to use fair value measures for recognition or disclosure purposes under GAAP and provides a common definition of fair value to be used throughout GAAP. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly fashion between market participants at the measurement date. In addition, it establishes a three-level valuation hierarchy for the disclosure of fair value measurements. The valuation hierarchy is based on the transparency of inputs to the valuation of an asset or liability. The level in the hierarchy within which a given fair value measurement falls is determined based on the lowest level input that is significant to the measurement, with Level 1 being the highest priority and Level 3 being the lowest priority.

The levels in the hierarchy are defined as follows:

Level 1: Inputs to the valuation methodology are observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in an active market;

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument;

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's fixed maturity and equity securities are primarily managed by third party investment asset managers. The investment asset managers managing publicly traded securities obtain prices from nationally recognized pricing services. These services seek to utilize market data and observations in their evaluation process. They use pricing applications that vary by asset class and incorporate available market information and when fixed maturity securities do not trade on a daily basis the services will apply available information through processes such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing. In addition, they use model processes, such as the Option Adjusted Spread model to develop prepayment and interest rate scenarios for securities that have prepayment features.

The investment asset managers do not make any changes to prices received from either the pricing services or the investment brokers. In addition, the investment asset managers have procedures in place to review the reasonableness of the prices from the service providers and may request verification of the prices. The Company also continually performs quantitative and qualitative analysis of prices, including but not limited to initial and ongoing review of pricing methodologies, review of prices obtained from pricing services and third party investment asset managers, review of pricing statistics and trends, and comparison of prices for certain securities with a secondary price source for reasonableness. No material variances were noted during these price validation procedures. In limited situations, where financial markets are inactive or illiquid, the Company may use its own assumptions about future cash flows and risk-adjusted discount rates to determine fair value. At June 30, 2022, $2.2 billion of fixed maturities were fair valued using unobservable inputs. The majority of these fixed maturities were valued by investment managers' valuation committees and many of these fair values were substantiated by valuations from independent third parties. The Company has procedures in place to evaluate these independent third party valuations. At December 31, 2021, $2.1 billion of fixed maturities were fair valued using unobservable inputs.

The Company internally manages a public equity portfolio which had a fair value at June 30, 2022 and December 31, 2021 of $ 896.9 million and $ 1.3 billion, respectively. During the fourth quarter of 2021, the Company began to internally manage a portfolio of collateralized loan obligations included in asset-backed securities, available for sale, which had a fair value of $2.1 billion and $2.0 billion at June 30, 2022 and December 31, 2021, respectively. All prices for these securities were obtained from publicly published sources or nationally recognized pricing vendors.

Equity securities denominated in U.S. currency with quoted prices in active markets for identical assets are categorized as Level 1 since the quoted prices are directly observable. Equity securities traded on foreign exchanges are categorized as Level 2 due to the added input of a foreign exchange conversion rate to determine fair value. The Company uses foreign currency exchange rates published by national ly recognized sources.

Fixed maturity securities listed in the tables have been categorized as Level 2, since a particular security may not have traded but the pricing services are able to use valuation models with observable market inputs such as interest rate yield curves and prices for similar fixed maturity securities in terms of issuer, maturity and seniority. For foreign government securities and foreign corporate securities, the fair values provided by the third party pricing services in local currencies, and where applicable, are converted to U.S. dollars using currency exchange rates from nationally recognized sources.

In addition to the valuations from investment managers, some of the fixed maturities with fair values categorized as Level 3 result when prices are not available from the nationally recognized pricing services and are derived using unobservable inputs. The Company will value the securities with unobservable inputs using comparable market information or receive fair values from investment managers. The investment managers may obtain non-binding price quotes for the securities from brokers. The single broker quotes are provided by market makers or broker-dealers who are recognized as market participants in the markets in which they are providing the quotes. The prices received from brokers are reviewed for reasonableness by the third party asset managers and the Company. If the broker quotes are for foreign denominated securities, the quotes are converted to U.S. dollars using currency exchange rates from nationally recognized sources.

The composition and valuation inputs for the presented fixed maturities categories Level 1 and Level 2 are as follows:

- U.S. Treasury securities and obligations of U.S. government agencies and corporations are primarily comprised of U.S. Treasury bonds and the fair value is based on observable market inputs such as quoted prices, reported trades, quoted prices for similar issuances or benchmark yields;

- Obligations of U.S. states and political subdivisions are comprised of state and municipal bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities, benchmark yields and credit spreads;

- Corporate securities are primarily comprised of U.S. corporate and public utility bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities, benchmark yields and credit spreads;

- Asset-backed and mortgage-backed securities fair values are based on observable inputs such as quoted prices, reported trades, quoted prices for similar issuances or benchmark yields and cash flow models using observable inputs such as prepayment speeds, collateral performance and default spreads;

- Foreign government securities are comprised of global non-U.S. sovereign bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities and models with observable inputs such as benchmark yields and credit spreads and then, where applicable, converted to U.S. dollars using an exchange rate from a nationally recognized source;

- Foreign corporate securities are comprised of global non-U.S. corporate bond issuances and the fair values are based on observable market inputs such as quoted market prices, quoted prices for similar securities and models with observable inputs such as benchmark yields and credit spreads and then, where applicable, converted to U.S. dollars using an exchange rate from a nationally recognized source.

The following tables present the fair value measurement levels for all assets and liabilities, which the Company has recorded at fair value as of the periods indicated:

(Dollars in thousands)	June 30, 2022	Fair Value Measurement Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Fixed maturities, available for sale				
U.S. Treasury securities and obligations of				
U.S. government agencies and corporations	$ 1,338,230	$ -	$ 1,338,230	$ -
Obligations of U.S. States and political subdivisions	508,281	-	508,281	-
Corporate securities	6,986,777	-	6,124,350	862,427
Asset-backed securities	3,898,679	-	2,643,282	1,255,397
Mortgage-backed securities				
Commercial	951,895	-	946,204	5,691
Agency residential	2,690,855	-	2,690,855	-
Non-agency residential	5,141	-	5,141	-
Foreign government securities	1,359,743	-	1,359,743	-
Foreign corporate securities	4,140,842	-	4,100,881	39,961
Total fixed maturities, available for sale	21,880,443	-	19,716,967	2,163,476
Equity securities, fair value	1,299,221	1,226,921	72,300	-

(Dollars in thousands)	December 31, 2021	Fair Value Measurement Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Fixed maturities, available for sale				
U.S. Treasury securities and obligations of				
U.S. government agencies and corporations	$ 1,420,618	$ -	$ 1,420,618	$ -
Obligations of U.S. States and political subdivisions	586,621	-	586,621	-
Corporate securities	7,556,898	-	6,756,324	800,574
Asset-backed securities	3,581,729	-	2,330,448	1,251,281
Mortgage-backed securities				
Commercial	1,064,366	-	1,064,366	-
Agency residential	2,375,332	-	2,375,332	-
Non-agency residential	6,536	-	6,536	-
Foreign government securities	1,437,512	-	1,437,512	-
Foreign corporate securities	4,278,660	-	4,262,645	16,015
Total fixed maturities, available for sale	22,308,272	-	20,240,402	2,067,870
Equity securities, fair value	1,825,908	1,742,367	83,541	-

In addition, $297.2 million and $286.6 million of investments within other invested assets on the consolidated balance sheets as of June 30, 2022 and December 31, 2021, respectively, are not included within the fair value hierarchy tables as the assets are measured at NAV as a practical expedient to determine fair value.

The following table presents the activity under Level 3, fair value measurements using significant unobservable inputs for fixed maturities available for sale, for the periods indicated:

	Total Fixed Maturities, Available for Sale									
	Three Months Ended June 30, 2022					Six Months Ended June 30, 2022				
(Dollars in thousands)	Corporate Securities	Asset-Backed Securities	CMBS	Foreign Corporate	Total	Corporate Securities	Asset-Backed Securities	CMBS	Foreign Corporate	Total
Beginning balance fixed maturities	$ 714,656	$ 1,388,691	$ 5,890	$ 15,926	$ 2,125,163	$ 800,574	$ 1,251,281	$ -	$ 16,015	$ 2,067,870
Total gains or (losses) (realized/unrealized)										
Included in earnings	(4,534)	35	-	16	(4,483)	11,409	137	-	29	11,575
Included in other comprehensive income (loss)	(3,003)	(47,202)	(199)	(3,747)	(54,151)	(7,170)	(75,990)	(222)	(3,808)	(87,190)
Purchases, issuances and settlements	27,750	61,565	-	7,632	96,947	(69,944)	227,661	5,913	7,591	171,221
Transfers in/(out) of Level 3 and reclassification of securities in/(out) of investment categories	127,558	(147,692)	-	20,134	-	127,558	(147,692)	-	20,134	-
Ending balance	$ 862,427	$ 1,255,397	$ 5,691	$ 39,961	$ 2,163,476	$ 862,427	$ 1,255,397	$ 5,691	$ 39,961	$ 2,163,476
The amount of total gains or losses for the period included in earnings (or changes in net assets) attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ (5,261)	$ 7,679	$ -	$ -	$ 2,418	$ (4,943)	$ 7,679	$ -	$ -	$ 2,736

(Some amounts may not reconcile due to rounding.)

	Total Fixed Maturities, Available for Sale							
	Three Months Ended June 30, 2021				Six Months Ended June 30, 2021			
(Dollars in thousands)	Corporate Securities	Asset-Backed Securities	Foreign Corporate	Total	Corporate Securities	Asset-Backed Securities	Foreign Corporate	Total
Beginning balance fixed maturities	$ 704,542	$ 785,360	$ 5,598	$ 1,495,500	$ 701,492	$ 623,033	$ 5,699	$ 1,330,224
Total gains or (losses) (realized/unrealized)								
Included in earnings	(13,761)	206	137	(13,418)	(15,550)	(3,962)	140	(19,372)
Included in other comprehensive income (loss)	4,582	7,610	(85)	12,107	7,418	4,475	(36)	11,857
Purchases, issuances and settlements	10,208	22,100	(763)	31,545	12,211	191,730	(916)	203,025
Transfers in/(out) of Level 3 and reclassification of securities in/(out) of investment categories	-	-	-	-	-	-	-	-
Ending balance	$ 705,571	$ 815,276	$ 4,887	$ 1,525,734	$ 705,571	$ 815,276	$ 4,887	$ 1,525,734
The amount of total gains or losses for the period included in earnings (or changes in net assets) attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ (17,279)	$ (4,915)	$ -	$ (22,194)	$ (17,279)	$ (4,915)	$ -	$ (22,194)

(Some amounts may not reconcile due to rounding.)

The Company’s fixed maturity securities held to maturity are recorded at amortized cost, net of credit allowances, with a carrying value of $71.4 million and a fair value of $71.2 million as of June 30, 2022. The fair values of these securities are determined in a similar manner as the Company’s fixed maturity securities available for sale as described above. The fair values of these securities incorporate the use of significant unobservable inputs and therefore are classified as Level 3 within the fair value hierarchy as of June 30, 2022.

6. EARNINGS PER COMMON SHARE

Basic earnings per share are calculated by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share reflect the potential dilution that would occur if options granted under various share-based compensation plans were exercised resulting in the issuance of common shares that would participate in the earnings of the entity.

Net income (loss) per common share has been computed as per below, based upon weighted average common basic and dilutive shares outstanding.

(Dollars in thousands, except per share amounts)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Net income (loss) per share:				
Numerator				
Net income (loss)	$ 122,630	$ 679,982	$ 420,381	$ 1,021,844
Less: dividends declared-common shares and unvested common shares	(64,982)	(62,045)	(126,079)	(124,274)
Undistributed earnings	57,648	617,937	294,302	897,570
Percentage allocated to common shareholders (1)	98.6 %	98.6 %	98.7 %	98.7 %
	56,870	609,411	290,356	885,595
Add: dividends declared-common shareholders	64,184	61,245	124,466	122,659
Numerator for basic and diluted earnings per common share	$ 121,054	$ 670,656	$ 414,822	$ 1,008,254
Denominator				
Denominator for basic earnings per weighted -average common shares	38,898	39,527	38,861	39,535
Effect of dilutive securities:				
Options	-	41	7	48
Denominator for diluted earnings per adjusted weighted-average common shares	38,898	39,567	38,867	39,582
Per common share net income (loss)				
Basic	$ 3.11	$ 16.97	$ 10.67	$ 25.50
Diluted	$ 3.11	$ 16.95	$ 10.67	$ 25.47
(1) Basic weighted-average common shares outstanding	38,898	39,527	38,861	39,535
Basic weighted-average common shares outstanding and unvested common shares expected to vest	39,430	40,080	39,389	40,069
Percentage allocated to common shareholders	98.6 %	98.6 %	98.7 %	98.7 %

(Some amounts may not reconcile due to rounding.)

There were no anti-diluted options outstanding for the three and six months ended June 30, 2022 and 2021.

All outstanding options granted under share-based compensation plans expire on September 19, 2022.

7. COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, the Company is involved in lawsuits, arbitrations and other formal and informal dispute resolution procedures, the outcomes of which will determine the Company's rights and obligations under insurance and reinsurance agreements. In some disputes, the Company seeks to enforce its rights under an agreement or to collect funds owing to it. In other matters, the Company is resisting attempts by others to collect funds or enforce alleged rights. These disputes arise from time to time and are ultimately resolved through both informal and formal means, including negotiated resolution, arbitration and litigation. In all such matters, the Company believes that its positions are legally and commercially reasonable. The Company considers the statuses of these proceedings when determining its reserves for unpaid loss and loss adjustment expenses.

Aside from litigation and arbitrations related to these insurance and reinsurance agreements, the Company is not a party to any other material litigation or arbitration.

8. OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the components of comprehensive income (loss) in the consolidated statements of operations for the periods indicated:

	Three Months Ended June 30, 2022			Six Months Ended June 30, 2022		
(Dollars in thousands)	Before Tax	Tax Effect	Net of Tax	Before Tax	Tax Effect	Net of Tax
Unrealized appreciation (depreciation) ("URA(D)") on securities - non-credit related	$ (848,704)	$ 116,340	$ (732,364)	$ (1,781,013)	$ 233,473	$ (1,547,540)
Reclassification of net realized losses (gains) included in net income (loss)	16,467	(626)	15,841	21,369	(1,350)	20,019
Foreign currency translation adjustments	(30,896)	2,627	(28,269)	(65,499)	3,128	(62,371)
Reclassification of benefit plan liability amortization included in net income (loss)	959	(201)	758	1,919	(404)	1,515
Total other comprehensive income (loss)	$ (862,174)	$ 118,140	$ (744,034)	$ (1,823,224)	$ 234,847	$ (1,588,377)

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
(Dollars in thousands)	Before Tax	Tax Effect	Net of Tax	Before Tax	Tax Effect	Net of Tax
Unrealized appreciation (depreciation) ("URA(D)") on securities - non-credit related	$ 94,009	$ (9,838)	$ 84,171	$ (235,157)	$ 30,713	$ (204,444)
Reclassification of net realized losses (gains) included in net income (loss)	3,118	(1,528)	1,590	(424)	(1,652)	(2,076)
Foreign currency translation adjustments	38,022	(3,727)	34,295	29,034	(4,321)	24,713
Reclassification of benefit plan liability amortization included in net income (loss)	2,586	(543)	2,043	5,172	(1,086)	4,086
Total other comprehensive income (loss)	$ 137,735	$ (15,636)	$ 122,099	$ (201,375)	$ 23,654	$ (177,721)

The following table presents details of the amounts reclassified from AOCI for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,		Affected line item within the statements of
AOCI component	2022	2021	2022	2021	operations and comprehensive income (loss)
(Dollars in thousands)					
URA(D) on securities	$ 16,467	$ 3,118	$ 21,369	$ (424)	Other net realized capital gains (losses)
	(626)	(1,528)	(1,350)	(1,652)	Income tax expense (benefit)
	$ 15,841	$ 1,590	$ 20,019	$ (2,076)	Net income (loss)
Benefit plan net gain (loss)	$ 959	$ 2,586	$ 1,919	$ 5,172	Other underwriting expenses
	(201)	(543)	(404)	(1,086)	Income tax expense (benefit)
	$ 758	$ 2,043	$ 1,515	$ 4,086	Net income (loss)

The following table presents the components of accumulated other comprehensive income (loss), net of tax, in the consolidated balance sheets for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	2022	2021	2022	2021
Beginning balance of URA (D) on securities	$ (571,602)	$ 431,878	$ 239,397	$ 724,159
Current period change in URA (D) of investments - non-credit related	(716,523)	85,761	(1,527,521)	(206,520)
Ending balance of URA (D) on securities	(1,288,124)	517,639	(1,288,124)	517,639
Beginning balance of foreign currency translation adjustments	(211,583)	(124,972)	(177,481)	(115,390)
Current period change in foreign currency translation adjustments	(28,269)	34,295	(62,371)	24,713
Ending balance of foreign currency translation adjustments	(239,852)	(90,677)	(239,852)	(90,677)
Beginning balance of benefit plan net gain (loss)	(49,634)	(71,827)	(50,392)	(73,870)
Current period change in benefit plan net gain (loss)	758	2,043	1,515	4,086
Ending balance of benefit plan net gain (loss)	(48,877)	(69,784)	(48,877)	(69,784)
Ending balance of accumulated other comprehensive income (loss)	$ (1,576,854)	$ 357,178	$ (1,576,854)	$ 357,178

(Some amounts may not reconcile due to rounding.)

9. CREDIT FACILITIES

The Company has multiple active letter of credit facilities for a total commitment of up to $1.2 billion as of June 30, 2022. The Company also has additional uncommitted letter of credit facilities of up to $340.0 million which may be accessible via written request and corresponding authorization from the applicable lender. There is no guarantee the uncommitted capacity will be available to us on a future date.

The terms and outstanding amounts for each facility are discussed below:

Group Credit Facility

Effective May 26, 2016, Group, Everest Reinsurance (Bermuda), Ltd. ("Bermuda Re") and Everest International Reinsurance, Ltd. ("Everest International"), both direct subsidiaries of Group, entered into a five year, $800.0 million senior credit facility with a syndicate of lenders, which amended and restated in its entirety the June 22, 2012, four year, $800.0 million senior credit facility. Both the May 26, 2016 and June 22, 2012 senior credit facilities, which have similar terms, are referred to as the "2016 Group Credit Facility". Wells Fargo Corporation ("Wells Fargo Bank") is the administrative agent for the 2016 Group Credit Facility.

Effective May 26, 2021, the term of the 2016 Group Credit Facility expired. The Company elected not to renew this facility to allow for the replacement by other collateralized bi-lateral letter of credit facilities such as those described below. As a result of the non-renewal in May 2021, letter of credit commitment/availability in the 2016 Group Credit Facility was limited only to the letters of credit already issued. Those letters of credit were subsequently cancelled from this facility and the facility is now fully matured. Prior to its maturity, the Company was in compliance with all Group Credit Facility covenants.

The following table summarizes the outstanding letters of credit and/or borrowings for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Wells Fargo Bank Group Credit Facility	$ -	$ -		$ 39,198	$ 39,198	12/30/2022
Total Wells Fargo Bank Group Credit Facility	$ -	$ -		$ 39,198	$ 39,198	

Bermuda Re Wells Fargo Letter of Credit Facility

Effective February 23, 2021, Bermuda Re entered into a letter of credit issuance facility with Wells Fargo referred to as the "2021 Bermuda Re Wells Fargo Letter of Credit Facility." The Bermuda Re Wells Fargo Letter of Credit Facility originally provided for the issuance of up to $ 50.0 million of secured letters of credit. Effective May 5, 2021, the agreement was amended to provide for the issuance of up to $500.0 million of secured letters of credit.

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Wells Fargo Bank Bilateral LOC Agreement	$ 500,000	$ 435,413	12/30/2022	$ 500,000	$ 351,497	12/30/2022
Total Wells Fargo Bank Bilateral LOC Agreement	$ 500,000	$ 435,413		$ 500,000	$ 351,497	

Bermuda Re Citibank Letter of Credit Facility

Effective August 9, 2021, Bermuda Re entered into a new letter of credit issuance facility with Citibank N.A. which superseded the previous letter of credit issuance facility with Citibank N.A. that was effective December 31, 2020. Both of these agreements are referred to as the "Bermuda Re Citibank Letter of Credit Facility". The current Bermuda Re Citibank Letter of Credit Facility provides for the committed issuance of up to $ 230.0 million of secured letters of credit. In addition, the facility provided for the uncommitted issuance of up the $140.0 million, which may be accessible via written request by the Company and corresponding authorization from Citibank N.A.

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Bermuda Re Citibank LOC Facility- Committed	$ 230,000	$ 419	12/16/22	$ 230,000	$ 4,425	02/28/22
		208,340	12/31/22		925	03/01/22
		473	01/21/23		1,264	11/24/22
		4,425	02/28/23		423	12/16/22
		1,097	03/01/23		146	12/20/22
		975	08/15/23		216,622	12/31/22
		1,222	09/23/23		473	01/21/23
		145	12/20/23		985	08/15/23
		–			1,234	09/23/23
Bermuda Re Citibank LOC Facility - Uncommitted	140,000	84,203	12/31/22	140,000	84,203	12/31/22
		21,671	03/30/26		22,731	12/30/25
Total Citibank Bilateral Agreement	$ 370,000	$ 322,970		$ 370,000	$ 333,429	

Bermuda Re Bayerische Landesbank Credit Facility

Effective August 27, 2021 Bermuda Re entered into a letter of credit issuance facility with Bayerische Landesbank, an agreement referred to as the "Bermuda Re Bayerische Landesbank Bilateral LOC Facility". The Bermuda Re Bayerische Landesbank Bilateral LOC Facility provides for the committed issuance of up to $200.0 million of secured letters of credit.

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Bayerische Landesbank Bilateral LOC Agreement	$ 200,000	$ 153,427	12/31/2022	$ 200,000	$ 154,691	12/31/2022
Total Bayerische Landesbank Bilateral LOC Agreement	$ 200,000	$ 153,427		$ 200,000	$ 154,691	

Bermuda Re Lloyd's Bank Credit Facility.

Effective October 8, 2021 Bermuda Re entered into a letter of credit issuance facility with Lloyd's Bank Corporate Markets PLC, an agreement referred to as the "Bermuda Re Lloyd's Bank Credit Facility". The Bermuda Re Lloyd's Bank Credit Facility provides for the committed issuance of up to $50.0 million of secured letters of credit, and subject to credit approval a maximum total facility amount of $250.0 million.

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Bermuda Re Lloyd's Bank Credit Facility-Committed	$ 50,000	$ 46,008	12/31/2022	$ 50,000	$ 46,008	12/31/2022
Bermuda Re Lloyd's Bank Credit Facility-Uncommitted	200,000	84,806	12/31/2022	-	-	
Total Bermuda Re Lloyd's Bank Credit Facility	$ 250,000	$ 130,814		$ 50,000	$ 46,008	

Bermuda Re Barclays Bank Credit Facility.

Effective November 3, 2021 Bermuda Re entered into a letter of credit issuance facility with Barclays Bank PLC, an agreement referred to as the "Bermuda Re Barclays Credit Facility". The Bermuda Re Barclays Credit Facility provides for the committed issuance of up to $200.0 million of secured letters of credit.

The following table summarizes the outstanding letters of credit for the periods indicated:

(Dollars in thousands)	At June 30, 2022			At December 31, 2021		
Bank	Capacity	In Use	Date of Expiry	Capacity	In Use	Date of Expiry
Bermuda Re Barclays Bilateral Letter of Credit Facility	$ 200,000	$ 171,628	12/31/2022	$ 200,000	$ 186,299	12/31/2022
Total Bermuda Re Barclays Bilateral Letter of Credit Facility	$ 200,000	$ 171,628		$ 200,000	$ 186,299	

Federal Home Loan Bank Membership

Everest Reinsurance Company ("Everest Re") is a member of the Federal Home Loan Bank of New York ("FHLBNY"), which allows Everest Re to borrow up to 10% of its statutory admitted assets. As of June 30, 2022, Everest Re had admitted assets of approximately $20.8 billion which provides borrowing capacity of up to approximately $2.1 billion. As of June 30, 2022, Everest Re has $519.0 million of borrowings outstanding, with maturities in November and December, 2022, and interest payable at interest rates between 0.53% and 0.65%. Everest Re incurred interest expense of $0.8 million and $0.3 million for the three months ended June 30, 2022 and 2021, respectively. Everest Re incurred interest expense of $1.5 million and $0.6 million for the six months ended June 30, 2022 and 2021, respectively. The FHLBNY membership agreement requires that 4.5% of borrowed funds be used to acquire additional membership stock.

10. COLLATERALIZED REINSURANCE AND TRUST AGREEMENTS

Certain subsidiaries of Group have established trust agreements, which effectively use the Company's investments as collateral, as security for assumed losses payable to certain non-affiliated ceding companies. At June 30, 2022, the total amount on deposit in trust accounts was $2.0 billion.

The Company reinsures some of its catastrophe exposures with the segregated accounts of Mt. Logan Re. Mt. Logan Re is a Collateralized insurer registered in Bermuda and 100% of the voting common shares are owned by Group. Each segregated account invests predominantly in a diversified set of catastrophe exposures, diversified by risk/peril and across different geographic regions globally.

The following table summarizes the premiums and losses that are ceded by the Company to Mt. Logan Re segregated accounts and assumed by the Company from Mt. Logan Re segregated accounts.

	Three Months Ended June 30,		Six Months Ended June 30,	
Mt. Logan Re Segregated Accounts	2022	2021	2022	2021
(Dollars in thousands)				
Ceded written premiums	$ 31,805	$ 56,183	$ 82,044	$ 155,293
Ceded earned premiums	41,068	71,422	91,511	149,529
Ceded losses and LAE	21,097	31,052	61,717	111,895
Assumed written premiums	580	2,741	1,373	5,217
Assumed earned premiums	580	2,741	1,373	5,217
Assumed losses and LAE	-	-	-	-

Effective April 1, 2018, the Company entered into a retroactive reinsurance transaction with one of the Mt. Logan Re segregated accounts to retrocede $269.2 million of casualty reserves held by Bermuda Re related to accident years 2002 through 2015. As consideration for entering the agreement, the Company transferred cash of $252.0 million to the Mt. Logan Re segregated account. The maximum liability to be retroceded under the agreement will be $319.0 million. The Company will retain liability for any amounts exceeding the maximum liability. As of June 30, 2022 and December 31, 2021, the Company has a reinsurance recoverable of $181.2 million and $206.1 million, respectively. In addition, the Company has a deferred gain liability of $14.2 million and $15.5 million as of June 30, 2022 and December 31, 2021, respectively, reported in other liabilities.

The Company entered into various collateralized reinsurance agreements with Kilimanjaro Re Limited ("Kilimanjaro"), a Bermuda based special purpose reinsurer, to provide the Company with catastrophe reinsurance coverage. These agreements are multi-year reinsurance contracts which cover named storm and earthquake events. The table below summarizes the various agreements.

(Dollars in thousands)

Class	Description	Effective Date	Expiration Date	Limit	Coverage Basis
Series 2018-1 Class A-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/30/2018	5/5/2023	$ 62,500	Aggregate
Series 2018-1 Class B-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/30/2018	5/5/2023	200,000	Aggregate
Series 2019-1 Class A-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2023	150,000	Occurrence
Series 2019-1 Class B-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2023	275,000	Aggregate
Series 2019-1 Class A-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2024	150,000	Occurrence
Series 2019-1 Class B-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	12/12/2019	12/19/2024	275,000	Aggregate
Series 2021-1 Class A-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	150,000	Occurrence
Series 2021-1 Class B-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	85,000	Aggregate
Series 2021-1 Class C-1	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/21/2025	85,000	Aggregate
Series 2021-1 Class A-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	150,000	Occurrence
Series 2021-1 Class B-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	90,000	Aggregate
Series 2021-1 Class C-2	US, Canada, Puerto Rico – Named Storm and Earthquake Events	4/8/2021	4/20/2026	90,000	Aggregate
Series 2022-1 Class A	US, Canada, Puerto Rico – Named Storm and Earthquake Events	6/22/2022	6/22/2025	300,000	Aggregate
	Total available limit as of June 30, 2022			$ 2,062,500	

Recoveries under these collateralized reinsurance agreements with Kilimanjaro are primarily dependent on estimated industry level insured losses from covered events, as well as the geographic location of the events. The estimated industry level of insured losses is obtained from published estimates by an independent recognized authority on insured property losses. Currently, none of the published insured loss estimates for catastrophe events during the applicable covered periods of the various agreements have exceeded the single event retentions or aggregate retentions under the terms of the agreements that would result in a recovery.

Kilimanjaro has financed the various property catastrophe reinsurance coverages by issuing catastrophe bonds to unrelated, external investors. The proceeds from the issuance of the Notes listed below are held in reinsurance trusts throughout the duration of the applicable reinsurance agreements and invested solely in U.S. government money market funds with a rating of at least "AAAm" by Standard & Poor's.

(Dollars in thousands)

Note Series	Issue Date	Maturity Date	Amount
Series 2018-1 Class A-2	4/30/2018	5/5/2023	$ 62,500
Series 2018-1 Class B-2	4/30/2018	5/5/2023	200,000
Series 2019-1 Class A-1	12/12/2019	12/19/2023	150,000
Series 2019-1 Class B-1	12/12/2019	12/19/2023	275,000
Series 2019-1 Class A-2	12/12/2019	12/19/2024	150,000
Series 2019-1 Class B-2	12/12/2019	12/19/2024	275,000
Series 2021-1 Class A-1	4/8/2021	4/21/2025	150,000
Series 2021-1 Class B-1	4/8/2021	4/21/2025	85,000
Series 2021-1 Class C-1	4/8/2021	4/21/2025	85,000
Series 2021-1 Class A-2	4/8/2021	4/20/2026	150,000
Series 2021-1 Class B-2	4/8/2021	4/20/2026	90,000
Series 2021-1 Class C-2	4/8/2021	4/20/2026	90,000
Series 2022-1 Class A	6/22/2022	6/22/2025	300,000
			$ 2,062,500

11. SENIOR NOTES

The table below displays Everest Reinsurance Holdings' ("Holdings") outstanding senior notes. Fair value is based on quoted market prices, but due to limited trading activity, these senior notes are considered Level 2 in the fair value hierarchy.

				June 30, 2022		December 31, 2021	
(Dollars in thousands)	Date Issued	Date Due	Principal Amounts	Consolidated Balance Sheet Amount	Fair Value	Consolidated Balance Sheet Amount	Fair Value
4.868% Senior notes	6/5/2014	6/1/2044	$ 400,000	$ 397,373	$ 374,212	$ 397,314	$ 503,840
3.5% Senior notes	10/7/2020	10/15/2050	1,000,000	980,310	769,220	980,046	1,054,520
3.125% Senior notes	10/4/2021	10/15/2052	1,000,000	968,811	701,820	968,440	983,140
			$ 2,400,000	$ 2,346,495	$ 1,845,252	$ 2,345,800	$ 2,541,500

Interest expense incurred in connection with these senior notes is as follows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars In thousands	2022	2021	2022	2021
Interest expense incurred 4.868% Senior notes	$ 4,868	$ 4,868	$ 9,736	$ 9,736
Interest expense incurred 3.5% Senior notes	8,807	8,805	17,614	17,610
Interest expense incurred 3.125% Senior notes	7,827	-	15,741	-
	$ 21,502	$ 13,673	$ 43,090	$ 27,346

12. LONG TERM SUBORDINATED NOTES

The table below displays Holdings' outstanding fixed to floating rate long term subordinated notes. Fair value is based on quoted market prices, but due to limited trading activity, these subordinated notes are considered Level 2 in the fair value hierarchy.

			Maturity Date		June 30, 2022		December 31, 2021	
(Dollars in thousands)	Date Issued	Original Principal Amount	Scheduled	Final	Consolidated Balance Sheet Amount	Fair Value	Consolidated Balance Sheet Amount	Fair Value
Long term subordinated notes	4/26/2007	$ 400,000	5/15/2037	5/1/2067	$ 223,824	$ 189,012	$ 223,774	$ 216,289

During the fixed rate interest period from May 3, 2007 through May 14, 2017, interest was at the annual rate of 6.6%, payable semi-annually in arrears on November 15 and May 15 of each year, commencing on November 15, 2007. During the floating rate interest period from May 15, 2017 through maturity, interest will be based on the 3 month LIBOR plus 238.5 basis points, reset quarterly, payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, subject to Holdings' right to defer interest on one or more occasions for up to ten consecutive years. Deferred interest will accumulate interest at the applicable rate compounded quarterly for periods from and including May 15, 2017. The reset quarterly interest rate for May 16, 2022 to August 14, 2022 is 3.80%.

Holdings may redeem the long term subordinated notes on or after May 15, 2017, in whole or in part at 100% of the principal amount plus accrued and unpaid interest; however, redemption on or after the scheduled maturity date and prior to May 1, 2047 is subject to a replacement capital covenant. This covenant is for the benefit of certain senior note holders and it mandates that Holdings receive proceeds from the sale of another subordinated debt issue, of at least similar size, before it may redeem the subordinated notes. The Company's 4.868% senior notes, due on June 1, 2044, 3.5% senior noted due on October 15, 2050 and 3.125% senior notes due on October 15, 2052 are the Company's long term indebtedness that rank senior to the long term subordinated notes.

On March 19, 2009, Group announced the commencement of a cash tender offer for any and all of the 6.60% fixed to floating rate long term subordinated notes. Upon expiration of the tender offer, the Company had reduced its outstanding debt by $161.4 million. In addition, during 2020, the Company repurchased and retired $13.2 million of the notes.

Interest expense incurred in connection with these long term subordinated notes is as follows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	2022	2021	2022	2021
Interest expense incurred	$ 1,927	$ 1,460	$ 3,458	$ 2,922

13. SEGMENT REPORTING

The Reinsurance operation writes worldwide property and casualty reinsurance and specialty lines of business, on both a treaty and facultative basis, through reinsurance brokers, as well as directly with ceding companies. Business is written in the U.S., Bermuda, and Ireland offices, as well as, through branches in Canada, Singapore, the United Kingdom and Switzerland. The Insurance operation writes property and casualty insurance directly and through brokers, surplus lines brokers and general agents within the U.S., Bermuda, Canada, Europe, Singapore and South America through its offices in the U.S., Canada, Chile, Singapore, United Kingdom, Ireland and a branch in the Netherlands.

These segments are managed independently, but conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, investments and support operations.

Management generally monitors and evaluates the financial performance of these operating segments based upon their underwriting results.

Underwriting results include earned premium less losses and loss adjustment expenses ("LAE") incurred, commission and brokerage expenses and other underwriting expenses. The Company measures its underwriting results using ratios, in particular loss, commission and brokerage and other underwriting expense ratios, which, respectively, divide incurred losses, commissions and brokerage and other underwriting expenses by premiums earned.

The Company does not maintain separate balance sheet data for its operating segments. Accordingly, the Company does not review and evaluate the financial results of its operating segments based upon balance sheet data.

The following tables present the underwriting results for the operating segments for the periods indicated:

	Three Months Ended June 30, 2022			Six Months Ended June 30, 2022		
(Dollars in thousands)	Reinsurance	Insurance	Total	Reinsurance	Insurance	Total
Gross written premiums	$ 2,201,210	$ 1,245,829	$ 3,447,038	$ 4,386,822	$ 2,246,567	$ 6,633,389
Net written premiums	2,122,221	899,242	3,021,464	4,203,670	1,629,806	5,833,477
Premiums earned	$ 2,139,559	$ 776,678	$ 2,916,237	$ 4,205,813	$ 1,502,189	$ 5,708,003
Incurred losses and LAE	1,382,104	494,143	1,876,247	2,706,820	959,290	3,666,110
Commission and brokerage	530,859	99,435	630,294	1,045,101	190,422	1,235,523
Other underwriting expenses	52,063	117,470	169,533	102,516	228,310	330,826
Underwriting gain (loss)	$ 174,534	$ 65,630	$ 240,165	$ 351,376	$ 124,168	$ 475,544
Net investment income			225,978			468,808
Net gains (losses) on investments			(236,265)			(389,892)
Corporate expenses			(15,018)			(29,038)
Interest, fee and bond issue cost amortization expense			(24,398)			(48,476)
Other income (expense)			(71,337)			(55,977)
Income (loss) before taxes			$ 119,123			$ 420,969

(Some amounts may not reconcile due to rounding.)

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
(Dollars in thousands)	Reinsurance	Insurance	Total	Reinsurance	Insurance	Total
Gross written premiums	$ 2,148,235	$ 1,041,905	$ 3,190,140	$ 4,207,250	$ 1,914,323	$ 6,121,573
Net written premiums	2,059,919	749,492	2,809,411	3,972,868	1,390,479	5,363,347
Premiums earned	$ 1,920,801	$ 637,571	$ 2,558,372	$ 3,698,253	$ 1,247,984	$ 4,946,237
Incurred losses and LAE	1,168,139	418,002	1,586,141	2,440,045	857,515	3,297,560
Commission and brokerage	473,258	84,490	557,749	881,982	164,777	1,046,760
Other underwriting expenses	47,065	93,779	140,844	99,061	184,014	283,075
Underwriting gain (loss)	$ 232,339	$ 41,300	$ 273,639	$ 277,165	$ 41,678	$ 318,843
Net investment income			407,095			667,508
Net gains (losses) on investments			104,109			143,011
Corporate expenses			(16,168)			(28,546)
Interest, fee and bond issue cost amortization expense			(15,607)			(31,246)
Other income (expense)			7,114			63,707
Income (loss) before taxes			$ 760,181			$ 1,133,276

(Some amounts may not reconcile due to rounding.)

The Company produces business in the U.S., Bermuda and internationally. The net income deriving from and assets residing in the individual foreign countries in which the Company writes business are not identifiable in the Company's financial records. Based on gross written premium, the table below presents the largest country, other than the U.S., in which the Company writes business, for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars in thousands)	2022	2021	2022	2021
United Kingdom gross written premium	$ 312,343	$ 249,314	$ 623,924	$ 615,462

14. SHARE-BASED COMPENSATION PLANS

For the three months ended June 30, 2022, a total of 2,330 restricted stock awards were granted on May 10, 2022 with a fair value of $280.98 per share.

For the six months ended June 30, 2022, a total of 199,138 restricted stock awards were granted: 187,760, 9,048 and 2,330 restricted share awards were granted on February 23, 2022, February 24, 2022 and May 10, 2022, with a fair value of $301.535 per share, $287.9425 per share and $280.98 per share, respectively. Additionally, 18,340 performance share unit awards were granted on February 23, 2022, with a fair value of $301.535 per unit.

15. INCOME TAXES

The Company is domiciled in Bermuda and has subsidiaries and/or branches in Canada, Chile, Ireland, the Netherlands, Singapore, Switzerland, the United Kingdom, and the United States. The Company's Bermuda domiciled subsidiaries are exempt from income taxation under Bermuda law until 2035. The Company's non-Bermudian subsidiaries and branches are subject to income taxation at varying rates in their respective domiciles.

The Company generally applies the estimated Annualized Effective Tax Rate ("AETR") approach for calculating its tax provision for interim periods as prescribed by ASC 740-270, Interim Reporting. Under the AETR approach, the estimated annualized effective tax rate is applied to the interim year-to-date pre-tax income/(loss) to determine the income tax expense or benefit for the year-to-date period. The tax expense or benefit for the quarter represents the difference between the year-to-date tax expense or benefit for the current year-to-date period less such amount for the immediately preceding year-to-date period. Management considers the impact of all known events in its estimation of the Company's annual pre-tax income/(loss) and annualized effective tax rate.

16. SUBSEQUENT EVENTS

The Company has evaluated known recognized and non-recognized subsequent events. The Company does not have any subsequent events to report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Industry Conditions.
The worldwide reinsurance and insurance businesses are highly competitive, as well as cyclical by product and market. As such, financial results tend to fluctuate with periods of constrained availability, higher rates and stronger profits followed by periods of abundant capacity, lower rates and constrained profitability. Competition in the types of reinsurance and insurance business that we underwrite is based on many factors, including the perceived overall financial strength of the reinsurer or insurer, ratings of the reinsurer or insurer by A.M. Best and/or Standard & Poor's, underwriting expertise, the jurisdictions where the reinsurer or insurer is licensed or otherwise authorized, capacity and coverages offered, premiums charged, other terms and conditions of the reinsurance and insurance business offered, services offered, speed of claims payment and reputation and experience in lines written. Furthermore, the market impact from these competitive factors related to reinsurance and insurance is generally not consistent across lines of business, domestic and international geographical areas and distribution channels.

We compete in the U.S., Bermuda and international reinsurance and insurance markets with numerous global competitors. Our competitors include independent reinsurance and insurance companies, subsidiaries or affiliates of established worldwide insurance companies, reinsurance departments of certain insurance companies, domestic and international underwriting operations, including underwriting syndicates at Lloyd's of London and certain government sponsored risk transfer vehicles. Some of these competitors have greater financial resources than we do and have established long term and continuing business relationships, which can be a significant competitive advantage. In addition, the lack of strong barriers to entry into the reinsurance business and recently, the securitization of reinsurance and insurance risks through capital markets provide additional sources of potential reinsurance and insurance capacity and competition.

Worldwide insurance and reinsurance market conditions historically have been competitive. Generally, there was ample insurance and reinsurance capacity relative to demand, as well as additional capital from the capital markets through insurance linked financial instruments. These financial instruments such as side cars, catastrophe bonds and collateralized reinsurance funds, provided capital markets with access to insurance and reinsurance risk exposure. The capital markets demand for these products was being primarily driven by a low interest environment and the desire to achieve greater risk diversification and potentially higher returns on their investments. This increased competition was generally having a negative impact on rates, terms and conditions; however, the impact varies widely by market and coverage.

The industry continues to deal with the impacts of a global pandemic, COVID-19 and its subsequent variants. We continue to service and meet the needs of our clients while ensuring the safety and health of our employees and customers.

Prior to the pandemic, there was a growing industry consensus that there was some firming of (re)insurance rates for the areas impacted by the recent catastrophes. The increased frequency of catastrophe losses that continued to be experienced in 2022 and throughout 2021 appears to be further pressuring the increase of rates. As business activity continues to regain strength, rates also appear to be firming in most lines of business, particularly in the casualty lines that had seen significant losses such as excess casualty and directors' and officers' liability. Other casualty lines are experiencing modest rate increase, while some lines such as workers' compensation were experiencing softer market conditions. It is too early to tell what the impact on pricing conditions will be, but it is likely to change depending on the line of business and geography.

While we are unable to predict the full impact the pandemic will have on the insurance industry as it continues to have a negative impact on the global economy, we are well positioned to continue to service our clients. Our capital position remains a source of strength, with high quality invested assets, significant liquidity and a low operating expense ratio. Our diversified global platform with its broad mix of products, distribution and geography is resilient.

The war in the Ukraine is ongoing and an evolving event. Economic and legal sanctions have been levied against Russia, specific named individuals and entities connected to the Russian government, as well as businesses located in the Russian Federation and/or owned by Russian nationals by numerous countries, including the United States. The significant political and economic uncertainty surrounding the war and associated sanctions have impacted economic and investment markets both within Russia and around the world. The Company has recorded $45.0 million of incurred underwriting losses related to the Ukraine/Russia war as of the three and six months ended June 30, 2022.

Financial Summary.
We monitor and evaluate our overall performance based upon financial results. The following table displays a summary of the consolidated net income (loss), ratios and shareholders' equity for the periods indicated.

	Three Months Ended June 30,		Percentage Increase/	Six Months Ended June 30,		Percentage Increase/
(Dollars in millions)	2022	2021	(Decrease)	2022	2021	(Decrease)
Gross written premiums	$ 3,447.0	$ 3,190.1	8.1 %	$ 6,633.4	$ 6,121.6	8.4 %
Net written premiums	3,021.5	2,809.4	7.5 %	5,833.5	5,363.3	8.8 %
REVENUES:						
Premiums earned	$ 2,916.2	$ 2,558.4	14.0 %	$ 5,708.0	$ 4,946.2	15.4 %
Net investment income	226.0	407.1	-44.5 %	468.8	667.5	-29.8 %
Net gains (losses) on investments	(236.3)	104.1	NM	(389.9)	143.0	NM
Other income (expense)	(71.3)	7.1	NM	(56.0)	63.7	-187.9 %
Total revenues	2,834.6	3,076.7	-7.9 %	5,730.9	5,820.5	-1.5 %
CLAIMS AND EXPENSES:						
Incurred losses and loss adjustment expenses	1,876.2	1,586.1	18.3 %	3,666.1	3,297.6	11.2 %
Commission, brokerage, taxes and fees	630.3	557.7	13.0 %	1,235.5	1,046.8	18.0 %
Other underwriting expenses	169.5	140.8	20.4 %	330.8	283.1	16.9 %
Corporate expenses	15.0	16.2	-7.1 %	29.0	28.5	1.7 %
Interest, fees and bond issue cost amortization expense	24.4	15.6	56.3 %	48.5	31.2	55.1 %
Total claims and expenses	2,715.4	2,316.5	17.2 %	5,309.9	4,687.2	13.3 %
INCOME (LOSS) BEFORE TAXES	119.1	760.2	-84.3 %	421.0	1,133.3	-62.9 %
Income tax expense (benefit)	(3.5)	80.2	-104.4 %	0.6	111.4	-99.5 %
NET INCOME (LOSS)	$ 122.6	$ 680.0	-82.0	$ 420.4	$ 1,021.8	-58.9 %
			Point			Point
RATIOS:			Change			Change
Loss ratio	64.3 %	62.0 %	2.3	64.2 %	66.7 %	(2.5)
Commission and brokerage ratio	21.6 %	21.8 %	(0.2)	21.6 %	21.2 %	0.4
Other underwriting expense ratio	5.8 %	5.5 %	0.3	5.8 %	5.7 %	0.1
Combined ratio	91.8 %	89.3 %	2.5	91.7 %	93.6 %	(1.9)

	At June 30,	At December 31,	Percentage Increase/
(Dollars in millions, except per share amounts)	2022	2021	(Decrease)
Balance sheet data:			
Total investments and cash	$ 28,723.3	$ 29,673.3	-3.2 %
Total assets	37,907.7	38,185.3	-0.7 %
Loss and loss adjustment expense reserves	19,993.1	19,009.5	5.2 %
Total debt	3,089.3	3,088.6	- %
Total liabilities	29,054.8	28,046.1	3.6 %
Shareholders' equity	8,852.9	10,139.2	-12.7 %
Book value per share	224.59	258.21	-13.0 %

(NM, not meaningful)

(Some amounts may not reconcile due to rounding.)

Revenues.

Premiums. Gross written premiums increased by 8.1% to $3.4 billion for the three months ended June 30, 2022, compared to $3.2 billion for the three months ended June 30, 2021, reflecting a $203.9 million, or 19.6%, increase in our insurance business and a $53.0 million, or 2.5%, increase in our reinsurance business. The rise in insurance premiums was primarily due to increases across all lines of business, notably specialty casualty business, professional liability business and other specialty business. The increase in reinsurance premiums was primarily due to increases in property catastrophe excess of loss business and casualty pro rata business, partially offset by a decline in property pro rata business. Gross written premiums increased by 8.4% to $6.6 billion for the six months ended June 30, 2022, compared to $6.1 billion for the six months ended June 30, 2021, reflecting a $332.2 million, or 17.4%, increase in our insurance business and a $179.6 million, or 4.3%, increase in our reinsurance business. The rise in insurance premiums was primarily due to increases across all lines of business, notably specialty casualty business, professional liability business and other specialty business. The increase in reinsurance premiums was primarily due to increases in casualty pro rata business and financial lines of business.

Net written premiums increased by 7.5% to $3.0 billion for the three months ended June 30, 2022, compared to $2.8 billion for the three months ended June 30, 2021. Net written premiums increased by 8.8% to $5.8 billion for the six months ended June 30, 2022, compared to $5.4 billion for the six months ended June 30, 2021. The percentage increases in net written premiums are consistent with the percentage changes in gross written premiums. Premiums earned increased by 14.0% to $2.9 billion for the three months ended June 30, 2022, compared to $2.6 billion for the three months ended June 30, 2021. Premiums earned increased by 15.4% to $5.7 billion for the six months ended June 30, 2022, compared to $4.9 billion for the six months ended June 30, 2021. The changes in premiums earned relative to net written premiums are primarily the result of timing; premiums are earned ratably over the coverage period whereas written premiums are recorded at the initiation of the coverage period. Accordingly, the significant increases in gross written premiums from pro rata business during the latter half of 2021 contributed to the current quarter and year-to-date percentage increases in net earned premiums.

Other Income (Expense). We recorded other expense of $71.3 million and $56.0 million for the three and six months ended June 30, 2022, respectively. We recorded other income of $7.1 million and $63.7 million for the three and six months ended June 30, 2021, respectively. The changes were primarily the result of fluctuations in foreign currency exchange rates. We recognized foreign currency exchange expense of $73.9 million and foreign currency exchange income of $8.8 million for the three months ended June 30, 2022 and 2021, respectively. We recognized foreign currency exchange expense of $60.8 million and foreign currency exchange income of $60.6 million for the six months ended June 30, 2022 and 2021, respectively.

Net Investment Income. Refer to Consolidated Investments Results Section below.

Net Gains (Losses) on Investments. Refer to Consolidated Investments Results Section below.

Claims and Expenses.

Incurred Losses and Loss Adjustment Expenses. The following table presents our incurred losses and loss adjustment expenses ("LAE") for the periods indicated.

	Three Months Ended June 30,															
(Dollars in millions)		Current Year	Ratio %/ Pt Change			Prior Years	Ratio %/ Pt Change			Total Incurred	Ratio %/ Pt Change					
2022																
Attritional	$	1,792.0	61.4	%	$	(0.7)	-	%	$	1,791.2	61.4	%				
Catastrophes		85.0	2.9	%		-	-	%		85.0	2.9	%				
Total	$	1,877.0	64.3	%	$	(0.7)	-	%	$	1,876.2	64.3	%				
2021																
Attritional	$	1,543.8	60.3	%	$	(2.6)	-0.1	%	$	1,541.1	60.2	%				
Catastrophes		45.0	1.8	%		-	-	%		45.0	1.8	%				
Total	$	1,588.8	62.1	%	$	(2.6)	-0.1	%	$	1,586.1	62.0	%				
Variance 2022/2021																
Attritional	$	248.2	1.1	pts	$	1.9	0.1	pts	$	250.1	1.2	pts				
Catastrophes		40.0	1.1	pts		-	-	pts		40.0	1.1	pts				
Total	$	288.2	2.2	pts	$	1.9	0.1	pts	$	290.1	2.3	pts				

	Six Months Ended June 30,											
(Dollars in millions)		Current Year	Ratio %/ Pt Change			Prior Years	Ratio %/ Pt Change			Total Incurred	Ratio %/ Pt Change	
2022												
Attritional	$	3,467.8	60.8	%	$	(1.7)	-	%		3,466.1	60.8	%
Catastrophes		200.0	3.5	%		-	-	%		200.0	3.5	%
Total	$	3,667.8	64.3	%	$	(1.7)	-	%	$	3,666.1	64.2	%
2021												
Attritional	$	2,987.0	60.4	%	$	(4.5)	-0.1	%		2,982.6	60.3	%
Catastrophes		315.0	6.4	%		-	-	%		315.0	6.4	%
Total	$	3,302.0	66.8	%	$	(4.5)	-0.1	%	$	3,297.6	66.7	%
Variance 2022/2021												
Attritional	$	480.8	0.4	pts	$	2.8	0.1	pts	$	483.5	0.5	pts
Catastrophes		(115.0)	(2.9)	pts		-	-	pts		(115.0)	(2.9)	pts
Total	$	365.8	(2.5)	pts	$	2.8	0.1	pts	$	368.5	(2.5)	pts

(Some amounts may not reconcile due to rounding.)

Incurred losses and LAE increased by 18.3% to $1.9 billion for the three months ended June 30, 2022, compared to $1.6 billion for the three months ended June 30, 2021, primarily due to an increase of $248.2 million in current year attritional losses and an increase of $40.0 million in current year catastrophe losses. The increase in current year attritional losses was mainly due to the impact of the increase in premiums earned and $45.0 million of attritional losses incurred due to the Ukraine/Russia war. The current year catastrophe losses of $85.0 million for the three months ended June 30, 2022 related primarily to the 2022 South Africa flood ($45.0 million), the 2022 Canada derecho ($18.0 million), the 2022 2nd quarter U.S. storms ($12.0 million) and the 2022 Western Europe Convective storm ($10.0 million). The $45.0 million of current year catastrophe losses for the three months ended June 30, 2021 related to Tropical Storm Claudette, the Texas winter storms, the 2021 Australia floods and the Europe Convective storms.

Incurred losses and LAE increased by 11.2% to $3.7 billion for the six months ended June 30, 2022, compared to $3.3 billion for the six months ended June 30, 2021, primarily due to an increase of $480.8 million in current year attritional losses, partially offset by a decline of $115.0 million in current year catastrophe losses. The increase in current year attritional losses was mainly due to the impact of the increase in premiums earned and $45.0 million of attritional losses incurred due to the Ukraine/Russia war. The current year catastrophe losses of $200.0 million for the six months ended June 30, 2022 related primarily to the 2022 Australia floods ($76.4 million), the 2022 South Africa flood ($45.0 million), the 2022 European storms ($30.0 million), the 2022 Canada derecho ($18.0 million), the 2022 2nd quarter U.S. storms ($12.0 million), the 2022 Western Europe Convective

Storm ($10.0 million) and the 2022 March U.S. storms ($8.6 million). The $315.0 million of current year catastrophe losses for the six months ended June 30, 2021 related primarily to the Texas winter storms ($270.0 million) with the rest of the losses emanating from Tropical Storm Claudette, the 2021 Australia floods, Victoria Australia flooding and the Europe Convective storms.

Commission, Brokerage, Taxes and Fees. Commission, brokerage, taxes and fees increased by 13.0% to $630.3 million for the three months ended June 30, 2022, compared to $557.7 million for the three months ended June 30, 2021. Commission, brokerage, taxes and fees increased by 18.0% to $1.2 billion for the six months ended June 30, 2022, compared to $1.0 billion for the six months ended June 30, 2021. The increases were primarily due to the impact of the increases in premiums earned and changes in the mix of business.

Other Underwriting Expenses. Other underwriting expenses were $169.5 million and $140.8 million for the three months ended June 30, 2022 and 2021, respectively. Other underwriting expenses were $330.8 million and $283.1 million for the six months ended June 30, 2022 and 2021, respectively. The increases in other underwriting expenses were mainly due to the impact of the increase in premiums earned as well as the continued build out of our insurance operations, including an expansion of the international insurance platform.

Corporate Expenses. Corporate expenses, which are general operating expenses that are not allocated to segments, were $15.0 million and $16.2 million for the three months ended June 30, 2022 and 2021, respectively, and $29.0 million and $28.5 million for the six months ended June 30, 2022 and 2021, respectively. The variances are mainly due to the changes in variable incentive compensative expenses.

Interest, Fees and Bond Issue Cost Amortization Expense. Interest, fees and other bond amortization expense was $24.4 million and $15.6 million for the three months ended June 30, 2022 and 2021, respectively. Interest, fees and other bond amortization expense was $48.5 million and $31.2 million for the six months ended June 30, 2022 and 2021, respectively. The increases were primarily due to the issuance of $1.0 billion of senior notes in October 2021. Interest expense was also impacted by the movements in the floating interest rate related to the long term subordinated notes, which is reset quarterly per the note agreement. The floating rate was 3.80% as of June 30, 2022.

Income Tax Expense (Benefit). We had income tax benefit of $3.5 million and income tax expense of $80.2 million for the three months ended June 30, 2022 and 2021, respectively. We had income tax expense of $0.6 million and $111.4 million for the six months ended June 30, 2022 and 2021, respectively. Income tax expense is primarily a function of the geographic location of the Company's pre-tax income and the statutory tax rates in those jurisdictions. The effective tax rate ("ETR") is primarily affected by tax-exempt investment income, foreign tax credits and dividends. Variations in the ETR generally result from changes in the relative levels of pre-tax income, including the impact of catastrophe losses and net capital gains (losses), among jurisdictions with different tax rates.

Net Income (Loss).

Our net income was $122.6 million and $680.0 million for the three months ended June 30, 2022 and 2021, respectively. Our net income was $420.4 million and $1.0 billion for the six months ended June 30, 2022 and 2021, respectively. These changes were primarily driven by the financial component fluctuations explained above.

Ratios.
Our combined ratio increased by 2.5 points to 91.8% for the three months ended June 30, 2022, compared to 89.3% for the three months ended June 30, 2021 and decreased by 1.9 points to 91.7% for the six months ended June 30, 2022, compared to 93.6% for the six months ended June 30, 2021. The loss ratio component increased 2.3 points for the three months ended June 30, 2022 over the same period last year mainly due to an increase of $40.0 million in current year catastrophe losses and an increase of $45.0 million in current year attritional losses due to the Ukraine/Russia war. The loss ratio component decreased 2.5 points for the six months ended June 30, 2022 over the same period last year mainly due to a decline of $115.0 million in current year catastrophe losses, partially offset by an increase of $45.0 million in current year attritional losses due to the Ukraine/Russia war. The commission and brokera ge ratio components decreased slightly to 21.6% for the three months ended June 30, 2022 compared to 21.8% for the three months ended June 30, 2021 and increased to 21.6% for the six months ended June 30, 2022 compared to 21.2% for the six months ended June 30, 2021. These changes were mainly due to changes in the mix of business. The other underwriting expense ratios increased to 5.8% for the three months ended June 30, 2022 compared to 5.5% for the three months ended June 30, 2021 and increased slightly to 5.8% for the six months ended June 30, 2022 compared to 5.7% for the six months ended June 30, 2021. These increases were mainly due to higher insurance operations costs.

Shareholders' Equity.
Shareholders' equity decreased by $1.3 billion to $8.9 billion at June 30, 2022 from $10.1 billion at December 31, 2021, principally as a result of $1.5 billion of unrealized depreciation on fixed maturity portfolio net of tax, $126.1 million of shareholder dividends, $62.4 million of net foreign currency translation adjustments, and the repurchase of 5,000 common shares for $1.3 million, partially offset by $420.4 million of net income, $9.1 million of share-based compensation transactions and $1.5 million of net benefit plan obligation adjustments, net of tax.

Consolidated Investment Results

Net Investment Income.
Net investment income decreased by 44.5% to $226.0 million for the three months ended June 30, 2022 compared with net investment income of $407.1 million for the three months ended June 30, 2021. The decrease for the three months ended June 30, 2022 was primarily the result of a decline of $192.4 million in limited partnership income, partially offset by an additional $20.5 million of income from fixed maturity investments. Net investment income decreased by 29.8% to $468.8 million for the six months ended June 30, 2022 compared with investment income of $667.5 million for the six months ended June 30, 2021. The decrease for the six months ended June 30, 2022 was primarily the result of a decline of $218.3 million in limited partnership income, partially offset by an additional $27.8 million of income from fixed maturity investments. The limited partnership income primarily reflects increases in their reported net asset values. As such, until these asset values are monetized and the resultant income is distributed, they are subject to future increases or decreases in the asset value, and the results may be volatile.

The following table shows the components of net investment income for the periods indicated.

(Dollars in millions)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Fixed maturities	$ 168.8	$ 148.3	$ 317.0	$ 289.2
Equity securities	4.6	3.5	8.7	8.3
Short-term investments and cash	6.6	0.7	6.7	1.0
Other invested assets				
Limited partnerships	47.6	240.0	136.0	354.3
Other	14.0	25.9	25.8	31.9
Gross investment income before adjustments	241.5	418.3	494.3	684.6
Funds held interest income (expense)	0.8	3.3	4.5	11.3
Future policy benefit reserve income (expense)	(0.1)	(0.2)	(0.4)	(0.5)
Gross investment income	242.2	421.5	498.4	695.4
Investment expenses	(16.2)	(14.4)	(29.6)	(27.9)
Net investment income	$ 226.0	$ 407.1	$ 468.8	$ 667.5

(Some amounts may not reconcile due to rounding.)

The following table shows a comparison of various investment yields for the periods indicated.

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Six Months Ended June 30, 2022	Six Months Ended June 30, 2021
Annualized pre-tax yield on average cash and invested assets	3.0 %	6.3 %	3.2 %	5.3 %
Annualized after-tax yield on average cash and invested assets	2.6 %	5.5 %	2.7 %	4.6 %
Annualized return on invested assets	-0.1 %	7.9 %	-0.5 %	6.3 %

Net Gains (Losses) on Investments.

The following table presents the composition of our net gains (losses) on investments for the periods indicated.

	Three Months Ended June 30,			Six Months Ended June 30,		
(Dollars in millions)	2022	2021	Variance	2022	2021	Variance
Realized gains (losses) from dispositions:						
Fixed maturity securities, available for sale:						
Gains	$ 7.4	$ 19.8	$ (12.4)	$ 27.6	$ 34.7	$ (7.1)
Losses	(23.0)	(9.8)	(13.2)	(40.3)	(15.5)	(24.8)
Total	(15.6)	10.0	(25.6)	(12.8)	19.2	(32.0)
Equity securities, fair value:						
Gains	4.1	5.8	(1.7)	7.6	18.1	(10.5)
Losses	(35.1)	(2.0)	(33.1)	(50.4)	(8.1)	(42.3)
Total	(30.9)	3.8	(34.7)	(42.7)	10.0	(52.7)
Other Invested Assets:						
Gains	3.4	4.1	(0.8)	7.9	5.6	2.3
Losses	(2.8)	(1.4)	(1.4)	(3.1)	(1.5)	(1.6)
Total	0.6	2.7	(2.1)	4.7	4.1	0.6
Total net realized gains (losses) from dispositions:						
Gains	14.9	29.7	(14.8)	43.1	58.4	(15.4)
Losses	(60.8)	(13.2)	(47.6)	(93.8)	(25.1)	(68.7)
Total	(45.9)	16.5	(62.3)	(50.8)	33.3	(84.1)
Allowance for credit losses:	(1.5)	(15.9)	14.4	(13.3)	(22.9)	9.6
Gains (losses) from fair value adjustments:						
Equity securities, fair value	(188.9)	103.5	(292.4)	(325.8)	132.6	(458.4)
Total	(188.9)	103.5	(292.4)	(325.8)	132.6	(458.4)
Total net gains (losses) on investments	$ (236.3)	$ 104.1	$ (340.3)	$ (389.9)	$ 143.0	$ (532.9)

(Some amounts may not reconcile due to rounding.)

Net gains (losses) on investments during the three months ended June 30, 2022 primarily relate to net losses from fair value adjustments on equity securities in the amount of $188.9 million as a result of equity market declines during the second quarter of 2022. In addition, we realized $45.9 million of losses due to the disposition of investments and recorded an increase to the allowance for credit losses of $1.5 million.

Net gains (losses) on investments during the six months ended June 30, 2022 primarily relate to net losses from fair value adjustments on equity securities in the amount of $325.8 million as a result of equity market declines during the first six months of 2022. In addition, we realized $50.8 million of losses due to the disposition of investments and recorded an increase to the allowance for credit losses of $13.3 million primarily related to our direct holdings of Russian corporate fixed maturity securities.

Segment Results.

The Company manages its reinsurance and insurance operations as autonomous units and key strategic decisions are based on the aggregate operating results and projections for these segments of business.

The Reinsurance operation writes worldwide property and casualty reinsurance and specialty lines of business, on both a treaty and facultative basis, through reinsurance brokers, as well as directly with ceding companies. Business is written in the U.S., Bermuda, and Ireland offices, as well as, through branches in Canada, Singapore, the United Kingdom and Switzerland. The Insurance operation writes property and casualty insurance directly and through brokers, surplus lines brokers and general agents within the U.S., Bermuda, Canada, Europe, Singapore and South America through its offices in the U.S., Canada, Chile, Singapore, the United Kingdom, Ireland and a branch located in the Netherlands.

These segments are managed independently, but conform with corporate guidelines with respect to pricing, risk management, control of aggregate catastrophe exposures, capital, investments and support operations. Management generally monitors and evaluates the financial performance of these operating segments based upon their underwriting results.

Underwriting results include earned premium less losses and loss adjustment expenses ("LAE") incurred, commission and brokerage expenses and other underwriting expenses. We measure our underwriting results using ratios, in particular loss, commission and brokerage and other underwriting expense ratios, which, respectively, divide incurred losses, commissions and brokerage and other underwriting expenses by premiums earned.

The Company does not maintain separate balance sheet data for its operating segments. Accordingly, the Company does not review and evaluate the financial results of its operating segments based upon balance sheet data.

Our loss and LAE reserves are management's best estimate of our ultimate liability for unpaid claims. We re-evaluate our estimates on an ongoing basis, including all prior period reserves, taking into consideration all available information, and in particular, recently reported loss claim experience and trends related to prior periods. Such re-evaluations are recorded in incurred losses in the period in which re-evaluation is made.

The following discusses the underwriting results for each of our segments for the periods indicated.

Reinsurance.

The following table presents the underwriting results and ratios for the Reinsurance segment for the periods indicated.

	Three Months Ended June 30,				Six Months Ended June 30,			
(Dollars in millions)	2022	2021	Variance	% Change	2022	2021	Variance	% Change
Gross written premiums	$ 2,201.2	$ 2,148.2	$ 53.0	2.5 %	$ 4,386.8	$ 4,207.3	$ 179.6	4.3 %
Net written premiums	2,122.2	2,059.9	62.3	3.0 %	4,203.7	3,972.9	230.8	5.8 %
Premiums earned	$ 2,139.6	$ 1,920.8	$ 218.8	11.4 %	$ 4,205.8	$ 3,698.3	$ 507.6	13.7 %
Incurred losses and LAE	1,382.1	1,168.1	214.0	18.3 %	2,706.8	2,440.0	266.8	10.9 %
Commission and brokerage	530.9	473.3	57.6	12.2 %	1,045.1	882.0	163.1	18.5 %
Other underwriting expenses	52.1	47.1	5.0	10.6 %	102.5	99.1	3.4	3.5 %
Underwriting gain (loss)	$ 174.5	$ 232.3	$ (57.8)	-24.9 %	$ 351.4	$ 277.2	$ 74.2	26.8 %
				Point Chg				Point Chg
Loss ratio	64.6 %	60.8 %		3.8	64.4 %	66.0 %		(1.6)
Commission and brokerage ratio	24.8 %	24.6 %		0.2	24.8 %	23.8 %		1.0
Other underwriting expense ratio	2.4 %	2.5 %		(0.1)	2.4 %	2.7 %		(0.3)
Combined ratio	91.8 %	87.9 %		3.9	91.6 %	92.5 %		(0.9)

(NM, Not Meaningful)

(Some amounts may not reconcile due to rounding.)

Premiums. Gross written premiums increased by 2.5% to $2.2 billion for the three months ended June 30, 2022 from $2.1 billion for the three months ended June 30, 2021, primarily due to increases in property catastrophe excess of loss business and casualty pro rata business, partially offset by a decline in property pro rata business. Net written premiums increased by 3.0% to $2.12 billion for the three months ended June 30, 2022 compared to $2.06 billion for the three months ended June 30, 2021. The higher percentage increase in net written premiums compared to gross written premiums mainly related to a reduction in business ceded to the segregated accounts of Mt. Logan Re in the three months ended June 30, 2022 compared to the three months ended June 30, 2021. Premiums earned increased by 11.4% to $2.1 billion for the three months ended June 30, 2022, compared to $1.9 billion for the three months ended June 30, 2021. The change in premiums earned relative to net written premiums is primarily the result of timing; premiums are earned ratably over the coverage period whereas written premiums are recorded at the initiation of the coverage period. Accordingly, the significant increases in gross written premiums from pro rata business during the latter half of 2021 contributed to the current quarter percentage increase in net earned premiums.

Gross written premiums increased by 4.3% to $4.4 billion for the six months ended June 30, 2022 from $4.2 billion for the six months ended June 30, 2021, primarily due to increases in casualty pro rata business and financial lines of business. Net written premiums increased by 5.8% to $4.2 billion for the six months ended June 30, 2022 compared to $4.0 billion for the six months ended June 30, 2021. The higher percentage increase in net written premiums compared to gross written premiums mainly related to a reduction in business ceded to the segregated accounts of Mt. Logan Re in the six months ended June 30, 2022 compared to the six months ended June 30, 2021. Premiums earned increased by 13.7% to $4.2 billion for the six months ended June 30, 2022, compared to $3.7 billion for the six months ended June 30, 2021. The change in premiums earned relative to net written premiums is primarily the result of timing; premiums are earned ratably over the coverage period whereas written premiums are recorded at the initiation of the coverage period. Accordingly, the significant increases in gross written premiums from pro rata business during the latter half of 2021 contributed to the current year-to-date percentage increase in net earned premiums.

Incurred Losses and LAE. The following table presents the incurred losses and LAE for the Reinsurance segment for the periods indicated.

	Three Months Ended June 30,					
(Dollars in millions)	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2022						
Attritional	$ 1,302.8	60.9 %	$ (0.7)	- %	1,302.1	60.9 %
Catastrophes	80.0	3.7 %	-	- %	80.0	3.7 %
Total Segment	$ 1,382.8	64.6 %	$ (0.7)	- %	$ 1,382.1	64.6 %
2021						
Attritional	$ 1,134.6	59.1 %	$ (1.4)	-0.1 %	1,133.1	59.0 %
Catastrophes	35.0	1.8 %	-	- %	35.0	1.8 %
Total Segment	$ 1,169.6	60.9 %	$ (1.4)	-0.1 %	$ 1,168.1	60.8 %
Variance 2022/2021						
Attritional	$ 168.2	1.8 pts	$ 0.7	0.1 pts	$ 169.0	1.9 pts
Catastrophes	45.0	1.9 pts	-	- pts	45.0	1.9 pts
Total Segment	$ 213.2	3.7 pts	$ 0.7	0.1 pts	$ 214.0	3.8 pts

	Six Months Ended June 30,					
(Dollars in millions)	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2022						
Attritional	$ 2,519.1	59.9 %	$ (2.3)	-0.1 %	2,516.8	59.9 %
Catastrophes	190.0	4.5 %	-	- %	190.0	4.5 %
Total Segment	$ 2,709.1	64.4 %	$ (2.3)	-0.1 %	$ 2,706.8	64.4 %
2021						
Attritional	$ 2,185.8	59.1 %	$ (3.3)	-0.1 %	2,182.5	59.0 %
Catastrophes	257.5	7.0 %	-	- %	257.5	7.0 %
Total Segment	$ 2,443.3	66.1 %	$ (3.3)	-0.1 %	$ 2,440.0	66.0 %
Variance 2022/2021						
Attritional	$ 333.3	0.8 pts	$ 0.9	- pts	$ 334.2	0.8 pts
Catastrophes	(67.5)	(2.5) pts	-	- pts	(67.5)	(2.5) pts
Total Segment	$ 265.8	(1.7) pts	$ 0.9	- pts	$ 266.7	(1.6) pts

Incurred losses increased by 18.3% to $1.4 billion for the three months ended June 30, 2022, compared to $1.2 billion for the three months ended June 30, 2021. The increase was primarily due to an increase of $168.2 million in current year attritional losses and an increase of $45.0 million in current year catastrophe losses. The increase in current year attritional losses was mainly related to the impact of the increase in premiums earned and $45.0 million of attritional losses incurred due to the Ukraine/Russia war. The current year catastrophe losses of $80.0 million for the three months ended June 30, 2022 related primarily to the 2022 South Africa flood ($45.0 million), the 2022 Canada derecho ($18.0 million), the 2022 Western Europe Convective storm ($10.0 million) and the 2022 2nd quarter U.S. storms ($7.0 million). The $35.0 million of current year catastrophe losses for the three months ended June 30, 2021 related primarily to Tropical Storm Claudette, the Victoria Australia flooding and the Europe Convective storms.

Incurred losses increased by 10.9% to $2.7 billion for the six months ended June 30, 2022, compared to $2.4 billion for the six months ended June 30, 2021. The increase was primarily due to an increase of $333.3 million in current year attritional losses, partially offset by a decrease of $67.5 million in current year catastrophe losses. The increase in current year attritional losses was mainly related to the impact of the increase in premiums earned and $45.0 million of attritional losses due to the Ukraine/Russia war. The current year catastrophe losses of $190.0 million for the six months ended June 30, 2022 related primarily to the 2022 Australia floods ($76.4 million), the 2022 South Africa flood ($45.0 million), the 2022 European storms ($30.0 million), the 2022 Canada derecho ($18.0 million), the 2022 Western Europe Convective storm ($10.0 million), the 2022 2nd quarter U.S. storms ($7.0 million) and the 2022 March U.S. storms ($3.6 million). The $257.5 million of current year catastrophe losses for the six months ended June 30, 2021 primarily related to the Texas winter storms ($212.5

million) with the rest of the losses emanating from Tropical Storm Claudette, the 2021 Australia floods, the Victoria Australia flooding and the Europe Convective storms.

Segment Expenses. Commission and brokerage expense increased by 12.2% to $530.9 million for the three months ended June 30, 2022 compared to $473.3 million for the three months ended June 30, 2021. Commission and brokerage expense increased by 18.5% to $1.0 billion for the six months ended June 30, 2022 compared to $882.0 million for the six months ended June 30, 2021. The increases were mainly due to the impact of the increases in premiums earned and changes in the mix of business.

Segment other underwriting expenses increased to $52.1 million for the three months ended June 30, 2022 from $47.1 million for the three months ended June 30, 2021. Segment other underwriting expenses increased to $102.5 million for the six months ended June 30, 2022 from $99.1 million for the six months ended June 30, 2021. The increases were mainly due to the impact of increases in premiums earned.

Insurance.

The following table presents the underwriting results and ratios for the Insurance segment for the periods indicated.

	Three Months Ended June 30,				Six Months Ended June 30,			
(Dollars in millions)	2022	2021	Variance	% Change	2022	2021	Variance	% Change
Gross written premiums	$ 1,245.8	$ 1,041.9	$ 203.9	19.6 %	$ 2,246.7	$ 1,914.3	$ 332.2	17.4 %
Net written premiums	899.2	749.5	149.7	20.0 %	1,629.8	1,390.5	239.3	17.2 %
Premiums earned	$ 776.7	$ 637.6	$ 139.1	21.8 %	$ 1,502.2	$ 1,248.0	$ 254.2	20.4 %
Incurred losses and LAE	494.1	418.0	76.1	18.2 %	959.3	857.5	101.8	11.9 %
Commission and brokerage	99.4	84.5	14.9	17.7 %	190.4	164.8	25.6	15.6 %
Other underwriting expenses	117.5	93.8	23.7	25.3 %	228.3	184.0	44.3	24.1 %
Underwriting gain (loss)	$ 65.6	$ 41.3	$ 24.3	58.9 %	$ 124.2	$ 41.7	$ 82.5	197.9 %
				Point Chg				Point Chg
Loss ratio	63.6 %	65.6 %		-2.0	63.9 %	68.7 %		(4.8)
Commission and brokerage ratio	12.8 %	13.3 %		-0.5	12.7 %	13.2 %		(0.5)
Other underwriting expense ratio	15.1 %	14.6 %		0.5	15.2 %	14.8 %		0.4
Combined ratio	91.5 %	93.5 %		-2.0	91.7 %	96.7 %		(4.9)

(NM not meaningful)

(Some amounts may not reconcile due to rounding.)

Premiums. Gross written premiums increased by 19.6% to $1.2 billion for the three months ended June 30, 2022 compared to $1.0 billion for the three months ended June 30, 2021. This rise was primarily related to increases across all lines of business, notably specialty casualty business, professional liability business and other specialty business. Net written premiums increased by 20.0% to $899.2 million for the three months ended June 30, 2022 compared to $749.5 million for the three months ended June 30, 2021, which is consistent with the change in gross written premiums. Premiums earned increased 21.8% to $776.7 million for the three months ended June 30, 2022 compared to $637.6 million for the three months ended June 30, 2021. The change in premiums earned relative to net written premiums is the result of timing; premiums are earned ratably over the coverage period whereas written premiums are recorded at the initiation of the coverage period. Accordingly, the significant increases in gross written premiums during the latter half of 2021 contributed to the current quarter percentage increase in net earned premiums.

Gross written premiums increased by 17.4% to $2.2 billion for the six months ended June 30, 2022 compared to $1.9 billion for the six months ended June 30, 2021. This rise was primarily related to increases across all lines of business, notably specialty casualty business, professional liability business and other specialty business. Net written premiums increased by 17.2% to $1.6 billion for the six months ended June 30, 2022 compared to $1.4 billion for the six months ended June 30, 2021, which is consistent with the change in gross written premiums.

Premiums earned increased 20.4% to $1.5 million for the six months ended June 30, 2022 compared to $1.2 billion for the six months ended June 30, 2021. The change in premiums earned relative to net written premiums is the result of timing; premiums are earned ratably over the coverage period whereas written premiums are recorded at the initiation of the coverage period. Accordingly, the significant increases in gross written premiums during the latter half of 2021 contributed to the current year-to-date percentage increase in net earned premiums.

Incurred Losses and LAE. The following table presents the incurred losses and LAE for the Insurance segment for the periods indicated.

	Three Months Ended June 30,					
(Dollars in millions)	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2022						
Attritional	$ 489.1	63.0 %	$ -	- %	489.1	63.0 %
Catastrophes	5.0	0.6 %	-	- %	5.0	0.6 %
Total Segment	$ 494.1	63.6 %	$ -	- %	$ 494.1	63.6 %
2021						
Attritional	$ 409.2	64.2 %	$ (1.2)	-0.2 %	408.0	64.0 %
Catastrophes	10.0	1.6 %	-	- %	10.0	1.6 %
Total Segment	$ 419.2	65.8 %	$ (1.2)	-0.2 %	$ 418.0	65.6 %
Variance 2022/2021						
Attritional	$ 79.9	(1.2) pts	$ 1.2	0.2 pts	$ 81.1	(1.0) pts
Catastrophes	(5.0)	(1.0) pts	-	- pts	(5.0)	(1.0) pts
Total Segment	$ 74.9	(2.2) pts	$ 1.2	0.2 pts	$ 76.1	(2.0) pts

	Six Months Ended June 30,					
(Dollars in millions)	Current Year	Ratio %/ Pt Change	Prior Years	Ratio %/ Pt Change	Total Incurred	Ratio %/ Pt Change
2022						
Attritional	$ 948.6	63.1 %	$ 0.7	- %	949.3	63.1 %
Catastrophes	10.0	0.7 %	-	- %	10.0	0.7 %
Total Segment	$ 958.6	63.8 %	$ 0.7	- %	$ 959.3	63.9 %
2021						
Attritional	$ 801.2	64.2 %	$ (1.2)	-0.1 %	800.0	64.1 %
Catastrophes	57.5	4.6 %	-	- %	57.5	4.6 %
Total Segment	$ 858.7	68.8 %	$ (1.2)	-0.1 %	$ 857.5	68.7 %
Variance 2022/2021						
Attritional	$ 147.4	(1.1) pts	$ 1.9	0.1 pts	$ 149.3	(1.0) pts
Catastrophes	(47.5)	(3.9) pts	-	- pts	(47.5)	(3.9) pts
Total Segment	$ 99.9	(5.0) pts	$ 1.9	0.1 pts	$ 101.8	(4.8) pts

(Some amounts may not reconcile due to rounding.)

Incurred losses and LAE increased by 18.2% to $494.1 million for the three months ended June 30, 2022 compared to $418.0 million for the three months ended June 30, 2021. The increase was mainly due to an increase of $79.9 million in current year attritional losses, partially offset by a decrease in current year catastrophe losses of $5.0 million. The increase in current year attritional losses was primarily due to the impact of the increase in premiums earned. The current year catastrophe losses of $5.0 million related to the 2022 2nd quarter U.S. storms. The $10.0 million of current year catastrophe losses for the three months ended June 30, 2021 related to the Texas winter storms.

Incurred losses and LAE increased by 11.9% to $959.3 million for the six months ended June 30, 2022 compared to $857.5 million for the six months ended June 30, 2021. The increase was mainly due to an increase of $147.4 million in current year attritional losses, partially offset by a decrease in current year catastrophe losses of $47.5 million. The increase in current year attritional losses was primarily due to the impact of the increase in premiums earned. The current year catastrophe losses of $10.0 million related to the 2022 March U.S. storms

($5.0 million) and the 2022 2nd quarter U.S. storms ($5.0 million). The $57.5 million of current year catastrophe losses for the six months ended June 30, 2021 related to the Texas winter storms.

Segment Expenses. Commission and brokerage increased by 17.7% to $99.4 million for the three months ended June 30, 2022 compared to $84.5 million for the three months ended June 30, 2021. Commission and brokerage increased by 15.6% to $190.4 million for the six months ended June 30, 2022 compared to $164.8 million for the six months ended June 30, 2021. These increases were mainly due to the impact of the increase in premiums earned.

Segment other underwriting expenses increased to $117.5 million for the three months ended June 30, 2022 compared to $93.8 million for the three months ended June 30, 2021. Segment other underwriting expenses increased to $228.3 million for the six months ended June 30, 2022 compared to $184.0 million for the six months ended June 30, 2021. These increases were mainly due to the impact of the increases in premiums earned and increased expenses related to the continued build out of the insurance business, including an expansion of the international insurance platform.

FINANCIAL CONDITION

Investments. Total investments were $26.6 billion at June 30, 2022, a decrease of $1.6 million compared to $28.2 billion at December 31, 2021. This decrease was primarily related to declines in fixed maturity securities, equity securities and short-term investments. Fixed maturity securities decreased due to declines in fair values resulting primarily from higher interest rates, partially offset by net purchases of fixed maturity securities during the period. Equity securities decreased due to declines in fair values due to diminished market performance as well as net sales of equity securities during the period. Short-term investments decreased as a result of the reinvestment of funds into other vehicles.

The Company's limited partnership investments are comprised of limited partnerships that invest in private equities. Generally, the limited partnerships are reported on a quarter lag. We receive annual audited financial statements for all of the limited partnerships which are prepared using fair value accounting in accordance with FASB guidance. For the quarterly reports, the Company reviews the financial reports for any unusual changes in carrying value. If the Company becomes aware of a significant decline in value during the lag reporting period, the loss will be recorded in the period in which the Company identifies the decline.

The table below summarize the composition and characteristics of our investment portfolio as of the dates indicated.

	At June 30, 2022	At December 31, 2021
Fixed income portfolio duration (years)	3.1	3.2
Fixed income composite credit quality	A+	A+

Reinsurance Recoverables.
Reinsurance recoverables for both paid and unpaid losses totaled $2.1 billion and $2.1 billion at June 30, 2022 and December 31, 2021, respectively. At June 30, 2022, $618.1 million, or 29.5%, was receivable from Mt. Logan Re collateralized segregated accounts; $224.2 million, or 10.7%, was receivable from Munich Reinsurance America, Inc. ("Munich Re") and $131.5 million, or 6.3% was receivable from Endurance Specialty Holdings, Ltd. ("Endurance"). No other retrocessionaire accounted for more than 5% of our recoverables.

Loss and LAE Reserves. Gross loss and LAE reserves totaled $20.0 billion and $19.0 billion at June 30, 2022 and December 31, 2021, respectively.

The following tables summarize gross outstanding loss and LAE reserves by segment, classified by case reserves and IBNR reserves, for the periods indicated.

	At June 30, 2022			
(Dollars in millions)	Case Reserves	IBNR Reserves	Total Reserves	% of Total
Reinsurance	$ 5,853.5	$ 8,623.4	$ 14,476.9	72.4 %
Insurance	1,639.8	3,731.1	5,370.9	26.9 %
Total excluding A&E	7,493.3	12,354.6	19,847.8	99.3 %
A&E	145.2	-	145.2	0.7 %
Total including A&E	$ 7,638.5	$ 12,354.6	$ 19,993.1	100.0 %

(Some amounts may not reconcile due to rounding.)

	At December 31, 2021			
(Dollars in millions)	Case Reserves	IBNR Reserves	Total Reserves	% of Total
Reinsurance	$ 5,415.0	$ 8,312.3	$ 13,727.3	72.2 %
Insurance	1,546.2	3,562.4	5,108.6	26.9 %
Total excluding A&E	6,961.2	11,874.7	18,835.9	99.1 %
A&E	163.7	9.9	173.6	0.9 %
Total including A&E	$ 7,124.8	$ 11,884.7	$ 19,009.5	100.0 %

(Some amounts may not reconcile due to rounding.)

Changes in premiums earned and business mix, reserve re-estimations, catastrophe losses and changes in catastrophe loss reserves and claim settlement activity all impact loss and LAE reserves by segment and in total.

Our loss and LAE reserves represent management's best estimate of our ultimate liability for unpaid claims. We continuously re-evaluate our reserves, including re-estimates of prior period reserves, taking into consideration all available information and, in particular, newly reported loss and claim experience. Changes in reserves resulting from such re-evaluations are reflected in incurred losses in the period when the re-evaluation is made. Our analytical methods and processes operate at multiple levels including individual contracts, groupings of like contracts, classes and lines of business, internal business units, segments, legal entities, and in the aggregate. In order to set appropriate reserves, we make qualitative and quantitative analyses and judgments at these various levels. Additionally, the attribution of reserves, changes in reserves and incurred losses among accident years requires qualitative and quantitative adjustments and allocations at these various levels. We utilize actuarial science, business expertise and management judgment in a manner intended to ensure the accuracy and consistency of our reserving practices. Nevertheless, our reserves are estimates, which are subject to variation, which may be significant.

There can be no assurance that reserves for, and losses from, claim obligations will not increase in the future, possibly by a material amount. However, we believe that our existing reserves and reserving methodologies lessen the probability that any such increase would have a material adverse effect on our financial condition, results of operations or cash flows.

Asbestos and Environmental Exposures. A&E exposures represent a separate exposure group for monitoring and evaluating reserve adequacy. The following table summarizes the outstanding loss reserves with respect to A&E reserves on both a gross and net of retrocessions basis for the periods indicated.

(Dollars in millions)		At June 30, 2022		At December 31, 2021
Gross reserves	$	145.2	$	175.2
Ceded reserves		(15.8)		(19.0)
Net reserves	$	129.4	$	156.1

(Some amounts may not reconcile due to rounding.)

With respect to asbestos only, at June 30, 2022, we had net asbestos loss reserves of $129.7 million, or 100.2%, of total net A&E reserves, all of which was for assumed business.

Ultimate loss projections for A&E liabilities cannot be accomplished using standard actuarial techniques. We believe that our A&E reserves represent management's best estimate of the ultimate liability; however, there can be no assurance that ultimate loss payments will not exceed such reserves, perhaps by a significant amount.

Industry analysts use the "survival ratio" to compare the A&E reserves among companies with such liabilities. The survival ratio is typically calculated by dividing a company's current net reserves by the three year average of annual paid losses. Hence, the survival ratio equals the number of years that it would take to exhaust the current reserves if future loss payments were to continue at historical levels. Using this measurement, our net three year asbestos survival ratio was 3.6 years at June 30, 2022. These metrics can be skewed by individual large settlements occurring in the prior three years and therefore, may not be indicative of the timing of future payments.

LIQUIDITY AND CAPITAL RESOURCES

Capital. Shareholders' equity at June 30, 2022 and December 31, 2021 was $8.9 billion and $10.1 billion, respectively. Management's objective in managing capital is to ensure its overall capital level, as well as the capital levels of its operating subsidiaries, exceed the amounts required by regulators, the amount needed to support our current financial strength ratings from rating agencies and our own economic capital models. The Company's capital has historically exceeded these benchmark levels.

Our two main operating companies Bermuda Re and Everest Re are regulated by the Bermuda Monetary Authority ("BMA") and the State of Delaware, Department of Insurance, respectively. Both regulatory bodies have their own capital adequacy models based on statutory capital as opposed to GAAP basis equity. Failure to meet the required statutory capital levels could result in various regulatory restrictions, including business activity and the payment of dividends to their parent companies.

The regulatory targeted capital and the actual statutory capital for Bermuda Re and Everest Re were as follows:

	Bermuda Re [(1)] At December 31,				Everest Re [(2)] At December 31,			
(Dollars in millions)		2021		2020		2021		2020
Regulatory targeted capital	$	2,169.3	$	1,923.2	$	2,960.0	$	2,489.8
Actual capital	$	3,184.1	$	2,930.3	$	5,717.1	$	5,276.0

(1) Regulatory targeted capital represents the target capital level from the applicable year's BSCR calculation.
(2) Regulatory targeted capital represents 200% of the RBC authorized control level calculation for the applicable year.

Our financial strength ratings as determined by A.M. Best, Standard & Poor's and Moody's are important as they provide our customers and investors with an independent assessment of our financial strength using a rating scale that provides for relative comparisons. We continue to possess significant financial flexibility and access to debt and equity markets as a result of our financial strength, as evidenced by the financial strength ratings as assigned by independent rating agencies.

We maintain our own economic capital models to monitor and project our overall capital, as well as the capital at our operating subsidiaries. A key input to the economic models is projected income and this input is continually compared to actual results, which may require a change in the capital strategy.

As part of our capital strategy, we model our potential exposure to catastrophe losses arising from a single event. Projected catastrophe losses are generally summarized in term of probable maximum loss ("PML"). A full discussion on PMLs is included in our December 31, 2021 Form 10-K filing in PART 1, Item 1. Business, Risk Management of Underwriting and Reinsurance Arrangements. We focus on the projected net economic loss from a catastrophe in a given zone as compared to our shareholders' equity. Economic loss is the PML exposure, net of third party reinsurance, reduced by estimated reinstatement premiums to renew coverage and estimated income taxes. In our December 31, 2021 Form 10-K, we reported that our projected net economic loss from our largest projected 100-year event represented approximately 4.8% of our December 31, 2021 shareholders' equity. During the first half of 2022, our net exposure to catastrophes has changed due to the market conditions and business decisions. As a result, our projected net economic loss from our largest 100-year event in a given zone represents approximately 7.4% of our June 30, 2022 shareholders' equity.

The table below reflects the Company's PML exposure, net of third party reinsurance at various return periods for its top zones/perils (as ranked by largest 1 in 100 year economic loss) based on projection data as of July 1, 2022.

Return Periods (in years)	1 in 20	1 in 50	1 in 100	1 in 250	1 in 500	1 in 1,000
Exceeding Probability	5.0%	2.0%	1.0%	0.4%	0.2%	0.1%
(Dollars in millions)						
Zone/ Peril						
California, Earthquake	$ 161	$ 649	$ 913	$ 1,299	$ 1,636	$ 2,469
Southeast U.S., Wind	484	652	837	1,055	1,263	1,696
Texas Wind	140	385	587	889	1,111	1,350
Europe Wind	147	335	506	781	928	1,036
Chile Earthquake	89	218	407	686	932	1,084

The projected economic losses, defined as PML exposures, net of third party reinsurance, reinstatement premiums and estimated income taxes, for the top zones/perils scheduled are as follows:

Return Periods (in years)	1 in 20	1 in 50	1 in 100	1 in 250	1 in 500	1 in 1,000
Exceeding Probability	5.0%	2.0%	1.0%	0.4%	0.2%	0.1%
(Dollars in millions)						
Zone/ Peril						
California, Earthquake	$ 127	$ 478	$ 659	$ 943	$ 1,226	$ 1,834
Southeast U.S., Wind	304	418	527	685	838	1,165
Texas Wind	104	273	406	586	752	909
Europe Wind	120	263	383	608	704	802
Chile Earthquake	67	164	307	531	721	845

On October 4, 2021, we issued $1.0 billion of 31 year senior notes with an interest coupon rate of 3.125%. These senior notes will mature on October 15, 2052 and will pay interest semi-annually.

During the first half of 2022, we repurchased 5,000 shares for $1.3 million in the open market and paid $126.1 million in dividends to adjust our capital position and enhance long term expected returns to our shareholders. In 2021, we repurchased 887,622 shares for $225.1 million in the open market and paid $246.7 million in dividends to adjust our capital position and enhance long term expected returns to our shareholders. We may at times enter into a Rule 10b5-1 repurchase plan agreement to facilitate the repurchase of shares. On May 22, 2020, our existing Board authorization to purchase up to 30 million of our shares was amended to authorize the purchase of up to 32 million shares. As of June 30, 2022, we had repurchased 30.5 million shares under this authorization.

We may continue, from time to time, to seek to retire portions of our outstanding debt securities through cash repurchases, in open-market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will be subject to and depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved in any such transactions, individually or in the aggregate, may be material.

Liquidity. Our liquidity requirements are generally met from positive cash flow from operations. Positive cash flow results from reinsurance and insurance premiums being collected prior to disbursements for claims, which disbursements generally take place over an extended period after the collection of premiums, sometimes a period of many years. Collected premiums are generally invested, prior to their use in such disbursements, and investment income provides additional funding for loss payments. Our net cash flows from operating activities were $1.6 billion and $1.6 billion for the six months ended June 30, 2022 and 2021, respectively. Additionally, these cash flows reflected net catastrophe loss payments of $377.1 million and $334.7 million for the six months ended June 30, 2022 and 2021, respectively and net tax payments of $100.5 million and $34.8 million for the six months ended June 30, 2022 and 2021, respectively.

If disbursements for claims and benefits, policy acquisition costs and other operating expenses were to exceed premium inflows, cash flow from reinsurance and insurance operations would be negative. The effect on cash flow from insurance operations would be partially offset by cash flow from investment income. Additionally, cash inflows from investment maturities and dispositions, both short-term investments and longer term maturities are available to supplement other operating cash flows.

As the timing of payments for claims and benefits cannot be predicted with certainty, we maintain portfolios of long term invested assets with varying maturities, along with short-term investments that provide additional liquidity for payment of claims. At June 30, 2022 and December 31, 2021, we held cash and short-term investments of $2.4 billion and $2.6 billion, respectively. Our short-term investments are generally readily marketable and can be converted to cash. In addition to these cash and short-term investments, at June 30, 2022, we had $1.3 billion of available for sale fixed maturity securities maturing within one year or less, $7.2 billion maturing within one to five years and $5.9 billion maturing after five years. Our $1.3 billion of equity securities are comprised primarily of publicly traded securities that can be easily liquidated. We believe that these fixed maturity and equity securities, in conjunction with the short-term investments and positive cash flow from operations, provide ample sources of liquidity for the expected payment of losses in the near future. We do not anticipate selling a significant amount of securities to pay losses and LAE but have the ability to do so. Sales of securities might result in net gains (losses) on investments. At June 30, 2022 we had $1.5 billion of net pre-tax unrealized depreciation related to fixed maturity securities, comprised of $1.6 billion of pre-tax unrealized depreciation and $80.3 million of pre-tax unrealized appreciation.

Management generally expects annual positive cash flow from operations, which reflects the strength of overall pricing. However, given the recent set of catastrophic events, cash flow from operations may decline and could become negative in the near term as significant claim payments are made related to the catastrophes. However, as indicated above, the Company has ample liquidity to settle its catastrophe claims.

In addition to our cash flows from operations and liquid investments, we also have multiple active credit facilities that provide commitments of up to $1.2 billion of collateralized standby letters of credit to support business written by our Bermuda operating subsidiaries. In addition, the Company has the ability to request access to an additional $340.0 million of uncommitted credit facilities, which would require approval from the applicable lender. There is no guarantee the uncommitted capacity will be available to us on a future date. See Note 9 – Credit Facilities for further details.

Market Sensitive Instruments.
The SEC's Financial Reporting Release #48 requires registrants to clarify and expand upon the existing financial statement disclosure requirements for derivative financial instruments, derivative commodity instruments and other financial instruments (collectively, "market sensitive instruments"). We do not generally enter into market sensitive instruments for trading purposes.

Our current investment strategy seeks to maximize after-tax income through a high quality, diversified, fixed maturity portfolio, while maintaining an adequate level of liquidity. Our mix of investments is adjusted periodically, consistent with our current and projected operating results and market conditions. The fixed maturity securities in the investment portfolio are comprised of non-trading available for sale securities. Additionally, we have invested in equity securities.

The overall investment strategy considers the scope of present and anticipated Company operations. In particular, estimates of the financial impact resulting from non-investment asset and liability transactions, together with our capital structure and other factors, are used to develop a net liability analysis. This analysis includes estimated payout characteristics for which our investments provide liquidity. This analysis is considered in the development of specific investment strategies for asset allocation, duration and credit quality. The change in overall market sensitive risk exposure principally reflects the asset changes that took place during the period.

Interest Rate Risk. Our $28.7 billion investment portfolio, at June 30, 2022, is principally comprised of fixed maturity securities, which are generally subject to interest rate risk and some foreign currency exchange rate risk, and some equity securities, which are subject to price fluctuations and some foreign exchange rate risk. The overall economic impact of the foreign exchange risks on the investment portfolio is partially mitigated by changes in the dollar value of foreign currency denominated liabilities and their associated income statement impact.

Interest rate risk is the potential change in value of the fixed maturity securities portfolio, including short-term investments, from a change in market interest rates. In a declining interest rate environment, it includes prepayment risk on the $3.6 billion of mortgage-backed securities in the $22.0 billion fixed maturity portfolio. Prepayment risk results from potential accelerated principal payments that shorten the average life and thus the expected yield of the security.

The table below displays the potential impact of fair value fluctuations and after-tax unrealized appreciation on our fixed maturity portfolio (including $300.8 million of short-term investments) for the period indicated based on upward and downward parallel and immediate 100 and 200 basis point shifts in interest rates. For legal entities with a U.S. dollar functional currency, this modeling was performed on each security individually. To generate appropriate price estimates on mortgage-backed securities, changes in prepayment expectations under different interest rate environments were taken into account. For legal entities with a non-U.S. dollar functional currency, the effective duration of the involved portfolio of securities was used as a proxy for the fair value change under the various interest rate change scenarios.

	Impact of Interest Rate Shift in Basis Points At June 30, 2022				
	-200	-100	0	100	200
(Dollars in millions)					
Total Fair Value	$ 23,745.3	$ 22,999.0	$ 22,252.7	$ 21,506.4	$ 20,760.1
Fair Value Change from Base (%)	6.7 %	3.4 %	0.0 %	(3.4) %	(6.7) %
Change in Unrealized Appreciation					
After-tax from Base ($)	$ 1,296.2	$ 648.1	$ -	$ (648.1)	$ (1,296.2)

We had $20.0 billion and $19.0 billion of gross reserves for losses and LAE as of June 30, 2022 and December 31, 2021, respectively. These amounts are recorded at their nominal value, as opposed to present value, which would reflect a discount adjustment to reflect the time value of money. Since losses are paid out over a period of time, the present value of the reserves is less than the nominal value. As interest rates rise, the present value of the reserves decreases and, conversely, as interest rates decline, the present value increases. These movements are the opposite of the interest rate impacts on the fair value of investments. While the difference between present value and nominal value is not reflected in our financial statements, our financial results will include investment income over time from the investment portfolio until the claims are paid. Our loss and loss reserve obligations have an expected duration of approximately 3.7 years, which is reasonably consistent with our fixed income portfolio. If we were to discount our loss and LAE reserves, net of ceded reserves, the discount would be approximately $2.5 billion resulting in a discounted reserve balance of approximately $15.5 billion, representing approximately 69.8% of the value of the fixed maturity investment portfolio funds.

Equity Risk. Equity risk is the potential change in fair value of the common stock, preferred stock and mutual fund portfolios arising from changing prices. Our equity investments consist of a diversified portfolio of individual securities and mutual funds, which invest principally in high quality common and preferred stocks that are traded on the major exchanges, and mutual fund investments in emerging market debt. The primary objective of the equity portfolio is to obtain greater total return relative to our core bonds over time through market appreciation and income.

The table below displays the impact on fair value and after-tax change in fair value of a 10% and 20% change in equity prices up and down for the period indicated.

	Impact of Percentage Change in Equity Fair/Market Values At June 30, 2022				
(Dollars in millions)	-20%	-10%	0%	10%	20%
Fair Value of the Equity Portfolio	$ 1,039.4	$ 1,169.3	$ 1,299.2	$ 1,429.1	$ 1,559.1
After-tax Change in Fair Value	$ (206.0)	$ (103.0)	$ -	$ 103.0	$ 206.0

Foreign Currency Risk. Foreign currency risk is the potential change in value, income and cash flow arising from adverse changes in foreign currency exchange rates. Each of our non-U.S./Bermuda (“foreign”) operations maintains capital in the currency of the country of its geographic location consistent with local regulatory guidelines. Each foreign operation may conduct business in its local currency, as well as the currency of other countries in which it operates. The primary foreign currency exposures for these foreign operations are the Canadian Dollar, the Singapore Dollar, the British Pound Sterling and the Euro. We mitigate foreign exchange exposure by generally matching the currency and duration of our assets to our corresponding operating liabilities. In accordance with FASB guidance, the impact on the fair value of available for sale fixed maturities due to changes in foreign currency exchange rates, in relation to functional currency, is reflected as part of other comprehensive income. Conversely, the impact of changes in foreign currency exchange rates, in relation to functional currency, on other assets and liabilities is reflected through net income as a component of other income (expense). In addition, we translate the assets, liabilities and income of non-U.S. dollar functional currency legal entities to the U.S. dollar. This translation amount is reported as a component of other comprehensive income.

Safe Harbor Disclosure.

This report contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the federal securities laws. In some cases, these statements can be identified by the use of forward-looking words such as “may”, “will”, “should”, “could”, “anticipate”, “estimate”, “expect”, “plan”, “believe”, “predict”, “potential” and “intend”. Forward-looking statements contained in this report include information regarding our reserves for losses and LAE, the CARES Act, the impact of the Tax Cut and Jobs Act, the adequacy of capital in relation to regulatory required capital, the adequacy of our provision for uncollectible balances, estimates of our catastrophe exposure, the effects of catastrophic and pandemic events on our financial statements, the ability of Everest Re, Holdings, Holdings Ireland, Dublin Holdings, Bermuda Re and Everest International to pay dividends and the settlement costs of our specialized equity index put option contracts. Forward-looking statements only reflect our expectations and are not guarantees of performance. These statements involve risks, uncertainties and assumptions. Actual events or results may differ materially from our expectations. Important factors that could cause our actual events or results to be materially different from our expectations include those discussed under the caption ITEM 1A, “Risk Factors” in the Company’s most recent 10-K filing. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk Instruments. See “Liquidity and Capital Resources - Market Sensitive Instruments” in PART I – ITEM 2.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, our management carried out an evaluation, with the participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)). Based on their evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission’s rules and forms. Our management, with the participation of the Chief Executive Officer and Chief Financial Officer, also conducted an evaluation of our internal control over financial reporting to determine whether any changes occurred during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there has been no such change during the quarter covered by this report.

PART II

ITEM 1. LEGAL PROCEEDINGS

In the ordinary course of business, the Company is involved in lawsuits, arbitrations and other formal and informal dispute resolution procedures, the outcomes of which will determine the Company’s rights and obligations under insurance and reinsurance agreements. In some disputes, the Company seeks to enforce its rights under an agreement or to collect funds owing to it. In other matters, the Company is resisting attempts by others to collect funds or enforce alleged rights. These disputes arise from time to time and are ultimately resolved through both informal and formal means, including negotiated resolution, arbitration and litigation. In all such matters, the Company believes that its positions are legally and commercially reasonable. The Company considers the statuses of these proceedings when determining its reserves for unpaid loss and loss adjustment expenses.

Aside from litigation and arbitrations related to these insurance and reinsurance agreements, the Company is not a party to any other material litigation or arbitration.

ITEM 1A. RISK FACTORS

No material changes.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities.

Issuer Purchases of Equity Securities				
	(a)	(b)	(c)	(d)
Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (1)
April 1 - 30, 2022	-	$ -	-	1,465,181
May 1 - 31, 2022	1,601	$ 276.8129	-	1,465,181
June 1 - 30, 2022	801	$ 270.2875	-	1,465,181
Total	2,402	$ -	-	-

(1) On May 22, 2020, the Company's executive committee of the Board of Directors approved an amendment to the share repurchase program authorizing the Company and/or its subsidiary Holdings, to purchase up to a current aggregate of 32.0 million of the Company's shares (recognizing that the number of shares authorized for repurchase has been reduced by those shares that have already been purchased) in open market transactions, privately negotiated transactions or both. Currently, the Company and/or its subsidiary Holdings have repurchased 30.5 million of the Company's shares.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Index

Exhibit No.	Description
31.1	Section 302 Certification of Juan C. Andrade
31.2	Section 302 Certification of Mark Kociancic
32.1	Section 906 Certification of Juan C. Andrade and Mark Kociancic
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Labels Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Everest Re Group, Ltd.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Everest Re Group, Ltd.
(Registrant)

/S/ MARK KOCIANCIC
Mark Kociancic
Executive Vice President and
Chief Financial Officer

(Duly Authorized Officer and Principal Financial Officer)

Dated: August 4, 2022

Exhibit 31.1

CERTIFICATIONS

I, Juan C. Andrade, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Everest Re Group, Ltd;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f)and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 4, 2022

/S/ JUAN C. ANDRADE

Juan C. Andrade
President and
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Mark Kociancic, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Everest Re Group, Ltd;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f)and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 4, 2022

/S/ MARK KOCIANCIC
Mark Kociancic
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

CERTIFICATIONS PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the quarter ended June 30, 2022 of Everest Re Group, Ltd., a company organized under the laws of Bermuda (the “Company”), filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned hereby certify, pursuant to 18 U.S.C. ss. 1350, as enacted by section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 4, 2022

/S/ JUAN C. ANDRADE
Juan C. Andrade
President and
Chief Executive Officer

/S/ MARK KOCIANCIC
Mark Kociancic
Executive Vice President and
Chief Financial Officer