

Everest Re Group, Ltd.

Analyst Supplement

March 31, 2009



EVEREST®

EVEREST RE GROUP, LTD.

Supplemental GAAP Operating Information

(Dollars in thousands, except per share amounts)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
PRODUCTION INFORMATION:										
Gross written premiums	\$ 997,785	\$ 877,502	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502	\$ 1,050,667	\$ 1,074,673	\$ 935,463
Net written premiums	970,746	838,663	970,746	841,197	960,597	864,756	838,663	955,499	1,055,529	918,536
Net premiums earned	932,290	911,973	932,290	908,374	931,859	942,095	911,973	996,394	997,055	999,320
INVESTMENT INCOME:										
Pre-tax investment income	\$ 68,754	\$ 150,132	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132	\$ 174,101	\$ 172,802	\$ 179,693
Effective tax rate	4.5%	14.3%	4.5%	18.5%	14.3%	15.8%	14.3%	14.0%	15.3%	15.4%
After-tax investment income	\$ 65,667	\$ 128,719	\$ 65,667	\$ 61,440	\$ 140,917	\$ 148,150	\$ 128,719	\$ 149,737	\$ 146,287	\$ 152,040
Net pre-tax yield - amortized cost	2.0%	4.1%	2.0%	2.1%	4.5%	4.8%	4.1%	4.8%	4.8%	5.2%
Net after-tax yield - amortized cost	1.9%	3.5%	1.9%	1.7%	3.9%	4.0%	3.5%	4.1%	4.1%	4.4%
CATASTROPHE INFORMATION:										
Net pre-tax catastrophe losses ⁽¹⁾	\$ 32,525	\$ 18,283	\$ 32,525	\$ 7,755	\$ 267,412	\$ 13,747	\$ 18,283	\$ 9,237	\$ 23,904	\$ 70,401
After-tax effect of catastrophe losses on earnings per basic share ⁽¹⁾	(0.44)	(0.20)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)	(0.07)	(0.26)	(0.85)
After-tax effect of catastrophe losses on earnings per diluted share ⁽¹⁾	(0.44)	(0.20)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)	(0.07)	(0.26)	(0.84)
EFFECTIVE TAX RATE ON:										
Net income (loss)	18.4%	7.5%	18.4%	-69.9%	-17.4%	9.7%	7.5%	-115.2%	20.8%	20.0%
Net realized capital gains (losses)	-25.6%	-17.4%	-25.6%	-16.4%	-16.2%	-14.4%	-17.4%	-21.5%	24.3%	24.2%
Net gain on debt repurchase	35.0%	0.0%	35.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating income	11.5%	13.6%	11.5%	0.0%	-12.6%	10.4%	13.6%	10.5%	20.6%	18.5%
AFTER-TAX EARNINGS:										
Net income (loss)	\$ 108,556	\$ 77,933	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933	\$ 12,238	\$ 246,587	\$ 282,868
Per basic share	1.77	1.25	1.77	(0.27)	(3.80)	2.48	1.25	0.20	3.93	4.50
Per diluted share	1.77	1.24	1.77	(0.27)	(3.80)	2.47	1.24	0.19	3.90	4.45
Net realized capital gains (losses)	(48,463)	(112,652)	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)	(50,981)	14,072	69,581
Per basic share	(0.79)	(1.81)	(0.79)	(3.20)	(4.01)	(0.44)	(1.81)	(0.81)	0.22	1.11
Per diluted share	(0.79)	(1.79)	(0.79)	(3.20)	(4.01)	(0.43)	(1.79)	(0.81)	0.22	1.09
Net gain on debt repurchase	50,876	-	50,876	-	-	-	-	-	-	-
Per basic share	0.83	-	0.83	-	-	-	-	-	-	-
Per diluted share	0.83	-	0.83	-	-	-	-	-	-	-
Operating income, excl. net realized capital gains (losses) ⁽²⁾	106,143	190,585	106,143	179,493	12,607	180,047	190,585	63,219	232,515	213,287
Per basic share	1.73	3.06	1.73	2.93	0.21	2.92	3.06	1.01	3.71	3.39
Per diluted share	1.73	3.03	1.73	2.93	0.21	2.90	3.03	1.00	3.68	3.36

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.
Supplemental GAAP Operating Information (cont.)

(Dollars in thousands, except per share amounts)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
COMBINED RATIO:										
Loss ratio	61.1%	59.8%	61.1%	52.3%	87.3%	64.2%	59.8%	78.3%	58.5%	62.0%
Commission and brokerage ratio	24.2%	24.9%	24.2%	26.5%	23.4%	26.0%	24.9%	26.3%	24.1%	23.5%
Other underwriting expense ratio	4.4%	4.4%	4.4%	4.7%	4.3%	4.2%	4.4%	3.8%	4.0%	3.7%
Combined ratio	89.7%	89.1%	89.7%	83.5%	115.0%	94.4%	89.1%	108.4%	86.6%	89.2%
CASH FLOW INFORMATION:										
Cash flow provided by operations	\$ 180,506	\$ 250,652	\$ 180,506	\$ 55,308	\$ 375,399	\$ (18,364)	\$ 250,652	\$ 235,740	\$ 355,963	\$ 100,427
Paid losses, net	566,415	470,044	566,415	673,471	525,743	642,197	470,044	592,809	518,647	571,794
Paid cats, net	74,052	68,382	74,052	89,581	52,704	79,842	68,382	87,897	86,021	127,947
Paid (recovered) asbestos and environmental losses, net	17,147	(15,770)	17,147	59,139	12,266	22,679	(15,770)	41,941	9,210	26,909
Taxes paid (recovered)	27,135	33,218	27,135	7,669	(97,418)	67,486	33,218	14,824	107,438	135,022
RETURN ON EQUITY:										
Beginning of period shareholders' equity	\$ 4,960,355	\$ 5,684,770	\$ 4,960,355	\$ 5,036,576	\$ 5,567,603	\$ 5,632,984	\$ 5,684,770	\$ 5,612,344	\$ 5,337,925	\$ 5,196,883
Net unrealized depreciation (appreciation) of investments	163,359	(73,221)	163,359	282,223	91,765	(52,700)	(73,221)	(8,910)	67,447	(53,785)
Adjusted beginning of period shareholders' equity	\$ 5,123,714	\$ 5,611,549	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284	\$ 5,611,549	\$ 5,603,434	\$ 5,405,372	\$ 5,143,098
End of period shareholders' equity	\$ 5,039,854	\$ 5,632,984	\$ 5,039,854	\$ 4,960,355	\$ 5,036,576	\$ 5,567,603	\$ 5,632,984	\$ 5,684,770	\$ 5,612,344	\$ 5,337,925
Net unrealized depreciation (appreciation) of investments	116,411	(52,700)	116,411	163,359	282,223	91,765	(52,700)	(73,221)	(8,910)	67,447
Adjusted end of period shareholders' equity	\$ 5,156,265	\$ 5,580,284	\$ 5,156,265	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284	\$ 5,611,549	\$ 5,603,434	\$ 5,405,372
Average adjusted shareholders' equity	\$ 5,139,990	\$ 5,595,917	\$ 5,139,990	\$ 5,221,257	\$ 5,489,084	\$ 5,619,826	\$ 5,595,917	\$ 5,607,492	\$ 5,504,403	\$ 5,274,235
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	\$ 106,143	\$ 190,585	\$ 106,143	\$ 179,493	\$ 12,607	\$ 180,047	\$ 190,585	\$ 63,219	\$ 232,515	\$ 213,287
After-tax net realized capital (losses) gains	(48,463)	(112,652)	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)	(50,981)	14,072	69,581
After-tax realized gain on debt repurchase	50,876	-	50,876	-	-	-	-	-	-	-
Net income (loss)	\$ 108,556	\$ 77,933	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933	\$ 12,238	\$ 246,587	\$ 282,868
Return on equity (annualized)										
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	8.3%	13.6%	8.3%	13.8%	0.9%	12.8%	13.6%	4.5%	16.9%	16.2%
After-tax net realized capital (losses) gains	-3.8%	-8.1%	-3.8%	-15.1%	-17.9%	-2.0%	-8.1%	-3.6%	1.0%	5.3%
After-tax realized gain on debt repurchase	3.9%	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income (loss)	8.4%	5.5%	8.4%	-1.3%	-17.0%	10.8%	5.5%	0.9%	17.9%	21.5%

(Some amounts may not reconcile due to rounding.)

(1) Catastrophe losses are net of specific reinsurance and reinstatement premiums but before recoveries under corporate level reinsurance. A catastrophe is a property event with expected reported losses of at least \$5.0 million before corporate level reinsurance and taxes.

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

EVEREST RE GROUP, LTD.
Supplemental GAAP Balance Sheet Information

(Dollars in thousands, except per share amounts)

(unaudited)

	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
BALANCE SHEET HIGHLIGHTS:								
Total investments and cash	\$ 13,601,083	\$ 13,714,280	\$ 14,119,579	\$ 14,580,935	\$ 14,996,499	\$ 14,936,172	\$ 14,888,798	\$ 14,407,712
Total assets	16,724,994	16,846,590	17,370,387	17,792,928	18,046,001	17,999,482	17,860,928	17,484,453
Reserve for losses and loss adjustment expenses (gross)	8,775,462	8,840,660	9,247,610	9,078,381	9,124,432	9,040,606	8,811,411	8,743,833
Future policy benefit reserve	69,334	66,172	66,893	70,865	75,404	78,417	88,906	93,537
8.75% Senior notes due 3/15/2010	199,857	199,821	199,786	199,751	199,718	199,685	199,653	199,621
5.4% Senior notes due 10/15/2014	249,738	249,728	249,718	249,708	249,699	249,689	249,689	249,670
6.6% Long term notes due 5/1/2067	238,346	399,643	399,642	399,641	399,640	399,639	399,638	399,637
Junior subordinated debt securities payable	329,897	329,897	329,897	329,897	329,897	329,897	546,393	546,393
Shareholders' equity	5,039,854	4,960,355	5,036,576	5,567,603	5,632,984	5,684,770	5,612,344	5,337,925
Common shares outstanding	61,542	61,414	61,408	61,644	61,896	62,864	62,827	63,199
Book value per share outstanding	\$ 81.89	\$ 80.77	\$ 82.02	\$ 90.32	\$ 91.01	\$ 90.43	\$ 89.33	\$ 84.46
TOTAL LOSS RESERVES:								
Gross loss and loss adjustment expense ("LAE") reserves	\$ 8,775,462	\$ 8,840,660	\$ 9,247,610	\$ 9,078,381	\$ 9,124,432	\$ 9,040,606	\$ 8,811,411	\$ 8,743,833
Reinsurance receivables on unpaid losses	(685,014)	(690,509)	(690,047)	(705,504)	(666,967)	(707,523)	(709,225)	(735,813)
Net loss and LAE reserves	\$ 8,090,448	\$ 8,150,151	\$ 8,557,563	\$ 8,372,877	\$ 8,457,465	\$ 8,333,083	\$ 8,102,186	\$ 8,008,020
ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:								
Gross loss and LAE reserves	\$ 768,762	\$ 786,842	\$ 854,103	\$ 870,997	\$ 901,040	\$ 922,843	\$ 652,192	\$ 637,888
Net loss and LAE reserves	731,923	749,070	808,209	820,475	843,154	827,384	558,101	529,020
END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:								
Pre-tax yield - net of expenses, amortized cost basis	4.2%	4.5%	4.5%	4.5%	4.4%	4.7%	4.7%	4.6%
After-tax yield - net of expenses, amortized cost basis	3.7%	4.0%	3.9%	3.8%	3.7%	3.9%	3.9%	3.9%
Modified duration of fixed income portfolio (in years)	3.9	4.1	4.4	4.4	4.1	3.9	3.7	3.8
Average credit quality	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
OPERATING LEVERAGE:								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.72 TO 1	0.71 TO 1	0.72 TO 1	0.67 TO 1	0.67 TO 1	0.69 TO 1	0.70 TO 1	0.73 TO 1
Ratio of net loss and LAE reserves to shareholders' equity	1.61 TO 1	1.64 TO 1	1.70 TO 1	1.50 TO 1	1.50 TO 1	1.47 TO 1	1.44 TO 1	1.50 TO 1

EVEREST RE GROUP, LTD.

Segment Results

(Dollars in thousands)

(unaudited)

TOTAL SEGMENTS

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 997,785	\$ 877,502	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502	\$ 1,050,667	\$ 1,074,673	\$ 935,463
Net written premiums	970,746	838,663	970,746	841,197	960,597	864,756	838,663	955,499	1,055,529	918,536
Premiums earned	\$ 932,290	\$ 911,973	\$ 932,290	\$ 908,374	\$ 931,859	\$ 942,095	\$ 911,973	\$ 996,394	\$ 997,055	\$ 999,320
Incurred losses and LAE	569,905	545,350	569,905	475,212	813,668	604,742	545,350	780,016	583,240	619,114
Commission and brokerage	226,038	227,147	226,038	240,789	218,045	244,713	227,147	261,575	240,135	234,423
Other underwriting expenses	36,355	37,404	36,355	38,898	37,078	35,158	37,404	47,254	33,471	29,740
Underwriting gain (loss)	\$ 99,992	\$ 102,072	\$ 99,992	\$ 153,475	\$ (136,932)	\$ 57,482	\$ 102,072	\$ (92,451)	\$ 140,209	\$ 116,043
Loss ratio	61.1%	59.8%	61.1%	52.3%	87.3%	64.2%	59.8%	78.3%	58.5%	62.0%
Commission and brokerage ratio	24.2%	24.9%	24.2%	26.5%	23.4%	26.0%	24.9%	26.3%	24.1%	23.5%
Other underwriting expenses	4.0%	4.1%	4.0%	4.3%	4.0%	3.7%	4.1%	4.7%	3.3%	2.9%
Combined ratio	89.3%	88.8%	89.3%	83.1%	114.7%	93.9%	88.8%	109.3%	85.9%	88.4%
Attritional - current year	\$ 518,804	\$ 503,647	\$ 518,804	\$ 497,254	\$ 516,833	\$ 532,552	\$ 503,647	\$ 556,998	\$ 554,410	\$ 538,143
Attritional - prior year	17,941	20,902	17,941	(41,546)	(9,055)	54,101	20,902	(103,941)	(39,426)	(37,389)
Catastrophes	33,160	20,801	33,160	19,504	305,890	18,089	20,801	15,735	29,965	80,341
Asbestos & environmental	-	-	-	-	-	-	-	311,224	38,291	38,019
Total incurred losses and LAE	\$ 569,905	\$ 545,350	\$ 569,905	\$ 475,212	\$ 813,668	\$ 604,742	\$ 545,350	\$ 780,016	\$ 583,240	\$ 619,114

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL INSURANCE (U.S. insurance)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 204,717	\$ 210,460	\$ 204,717	\$ 176,340	\$ 194,021	\$ 190,977	\$ 210,460	\$ 278,387	\$ 228,207	\$ 161,637
Net written premiums	182,441	176,596	182,441	126,219	160,250	153,892	176,596	190,782	210,725	145,392
Premiums earned	\$ 166,020	\$ 194,514	\$ 166,020	\$ 161,388	\$ 168,421	\$ 181,199	\$ 194,514	\$ 180,456	\$ 184,422	\$ 178,080
Incurred losses and LAE	116,023	133,939	116,023	106,804	115,606	193,505	133,939	123,259	128,397	125,251
Commission and brokerage	31,520	35,368	31,520	36,641	35,368	39,351	35,368	33,746	33,851	35,420
Other underwriting expenses	17,281	14,342	17,281	17,206	16,876	15,900	14,342	18,595	15,242	12,014
Underwriting gain (loss)	\$ 1,196	\$ 10,865	\$ 1,196	\$ 737	\$ 571	\$ (67,557)	\$ 10,865	\$ 4,856	\$ 6,932	\$ 5,395
Loss ratio	69.9%	68.9%	69.9%	66.2%	68.6%	106.8%	68.9%	68.3%	69.6%	70.3%
Commission and brokerage ratio	19.0%	18.2%	19.0%	22.7%	21.0%	21.7%	18.2%	18.7%	18.3%	19.9%
Other underwriting expense ratio	10.4%	7.3%	10.4%	10.6%	10.1%	8.8%	7.3%	10.3%	8.3%	6.8%
Combined ratio	99.3%	94.4%	99.3%	99.5%	99.7%	137.3%	94.4%	97.3%	96.2%	97.0%
Attritional - current year	\$ 116,023	\$ 131,639	\$ 116,023	\$ 105,204	\$ 115,806	\$ 128,361	\$ 131,639	\$ 123,559	\$ 128,797	\$ 130,252
Attritional - prior year	-	2,300	-	1,600	(200)	65,400	2,300	(300)	(400)	(4,700)
Catastrophes	-	-	-	-	-	(256)	-	-	-	(301)
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 116,023	\$ 133,939	\$ 116,023	\$ 106,804	\$ 115,606	\$ 193,505	\$ 133,939	\$ 123,259	\$ 128,397	\$ 125,251

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL REINSURANCE

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 793,068	\$ 667,042	\$ 793,068	\$ 719,807	\$ 805,146	\$ 714,346	\$ 667,042	\$ 772,280	\$ 846,466	\$ 773,826
Net written premiums	788,305	662,067	788,305	714,978	800,347	710,864	662,067	764,717	844,804	773,144
Premiums earned	\$ 766,270	\$ 717,459	\$ 766,270	\$ 746,986	\$ 763,438	\$ 760,896	\$ 717,459	\$ 815,938	\$ 812,633	\$ 821,240
Incurred losses and LAE	453,882	411,411	453,882	368,408	698,062	411,237	411,411	656,757	454,843	493,863
Commission and brokerage	194,518	191,779	194,518	204,148	182,677	205,362	191,779	227,829	206,284	199,003
Other underwriting expenses	19,074	23,062	19,074	21,692	20,202	19,258	23,062	28,659	18,229	17,726
Underwriting gain (loss)	\$ 98,796	\$ 91,207	\$ 98,796	\$ 152,738	\$ (137,503)	\$ 125,039	\$ 91,207	\$ (97,307)	\$ 133,277	\$ 110,648
Loss ratio	59.2%	57.3%	59.2%	49.3%	91.4%	54.0%	57.3%	80.5%	56.0%	60.1%
Commission and brokerage ratio	25.4%	26.7%	25.4%	27.3%	23.9%	27.0%	26.7%	27.9%	25.4%	24.2%
Other underwriting expense ratio	2.5%	3.3%	2.5%	3.0%	2.7%	2.6%	3.3%	3.5%	2.2%	2.2%
Combined ratio	87.1%	87.3%	87.1%	79.6%	118.0%	83.6%	87.3%	111.9%	83.6%	86.5%
Attritional - current year	\$ 402,781	\$ 372,008	\$ 402,781	\$ 392,050	\$ 401,027	\$ 404,191	\$ 372,008	\$ 433,439	\$ 425,613	\$ 407,891
Attritional - prior year	17,941	18,602	17,941	(43,146)	(8,855)	(11,299)	18,602	(103,641)	(39,026)	(32,689)
Catastrophes	33,160	20,801	33,160	19,504	305,890	18,345	20,801	15,735	29,965	80,642
Asbestos & environmental	-	-	-	-	-	-	-	311,224	38,291	38,019
Total incurred losses and LAE	\$ 453,882	\$ 411,411	\$ 453,882	\$ 368,408	\$ 698,062	\$ 411,237	\$ 411,411	\$ 656,757	\$ 454,843	\$ 493,863

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

U.S. REINSURANCE

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 264,331	\$ 233,719	\$ 264,331	\$ 243,366	\$ 280,467	\$ 200,348	\$ 233,719	\$ 240,018	\$ 327,483	\$ 271,670
Net written premiums	260,500	229,873	260,500	243,603	277,243	198,079	229,873	235,550	327,051	271,566
Premiums earned	\$ 263,157	\$ 289,284	\$ 263,157	\$ 257,499	\$ 265,473	\$ 238,084	\$ 289,284	\$ 297,613	\$ 317,741	\$ 314,293
Incurred losses and LAE	137,785	176,862	137,785	141,254	363,313	116,736	176,862	305,610	167,254	110,169
Commission and brokerage	65,339	80,266	65,339	67,106	55,857	70,101	80,266	88,428	81,158	81,328
Other underwriting expenses	7,562	8,810	7,562	8,680	7,840	6,850	8,810	12,187	7,279	7,320
Underwriting gain (loss)	\$ 52,471	\$ 23,346	\$ 52,471	\$ 40,459	\$ (161,537)	\$ 44,397	\$ 23,346	\$ (108,612)	\$ 62,050	\$ 115,476
Loss ratio	52.4%	61.1%	52.4%	54.9%	136.9%	49.0%	61.1%	102.7%	52.6%	35.1%
Commission and brokerage ratio	24.8%	27.7%	24.8%	26.1%	21.0%	29.4%	27.7%	29.7%	25.6%	25.9%
Other underwriting expense ratio	2.9%	3.1%	2.9%	3.3%	2.9%	3.0%	3.1%	4.1%	2.3%	2.3%
Combined ratio	80.1%	91.9%	80.1%	84.3%	160.8%	81.4%	91.9%	136.5%	80.5%	63.3%
Attritional - current year	\$ 125,544	\$ 136,531	\$ 125,544	\$ 105,645	\$ 121,905	\$ 107,252	\$ 136,531	\$ 127,326	\$ 157,994	\$ 139,040
Attritional - prior year	12,031	34,673	12,031	9,419	11,702	(2,910)	34,673	(48,652)	(28,000)	(36,501)
Catastrophes	210	5,658	210	26,190	229,706	12,394	5,658	9,204	5,105	(8,845)
Asbestos & environmental	-	-	-	-	-	-	-	217,732	32,155	16,475
Total incurred losses and LAE	\$ 137,785	\$ 176,862	\$ 137,785	\$ 141,254	\$ 363,313	\$ 116,736	\$ 176,862	\$ 305,610	\$ 167,254	\$ 110,169

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

SPECIALTY UNDERWRITING (reinsurance)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 58,923	\$ 54,911	\$ 58,923	\$ 66,481	\$ 54,828	\$ 84,202	\$ 54,911	\$ 68,515	\$ 70,508	\$ 76,377
Net written premiums	57,967	54,271	57,967	63,668	53,274	83,006	54,271	65,293	69,422	75,852
Premiums earned	\$ 63,134	\$ 52,285	\$ 63,134	\$ 65,333	\$ 55,305	\$ 78,855	\$ 52,285	\$ 61,997	\$ 67,126	\$ 77,111
Incurred losses and LAE	40,041	28,349	40,041	41,817	54,165	41,538	28,349	37,897	39,618	54,620
Commission and brokerage	18,582	16,394	18,582	18,662	16,122	19,646	16,394	19,980	17,273	15,432
Other underwriting expenses	1,845	2,411	1,845	1,873	1,937	1,834	2,411	3,382	1,718	1,775
Underwriting gain (loss)	\$ 2,666	\$ 5,131	\$ 2,666	\$ 2,981	\$ (16,919)	\$ 15,837	\$ 5,131	\$ 738	\$ 8,517	\$ 5,284
Loss ratio	63.4%	54.2%	63.4%	64.0%	97.9%	52.7%	54.2%	61.1%	59.0%	70.8%
Commission and brokerage ratio	29.4%	31.4%	29.4%	28.6%	29.2%	24.9%	31.4%	32.2%	25.7%	20.0%
Other underwriting expense ratio	3.0%	4.6%	3.0%	2.8%	3.5%	2.3%	4.6%	5.5%	2.6%	2.3%
Combined ratio	95.8%	90.2%	95.8%	95.4%	130.6%	79.9%	90.2%	98.8%	87.3%	93.1%
Attritional - current year	\$ 37,710	\$ 29,684	\$ 37,710	\$ 40,412	\$ 33,392	\$ 47,350	\$ 29,684	\$ 35,873	\$ 35,182	\$ 42,780
Attritional - prior year	(8)	(3,000)	(8)	1,488	(17)	(6,008)	(3,000)	(1,827)	1,500	3,579
Catastrophes	2,339	1,665	2,339	(83)	20,790	196	1,665	3,851	2,936	8,261
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 40,041	\$ 28,349	\$ 40,041	\$ 41,817	\$ 54,165	\$ 41,538	\$ 28,349	\$ 37,897	\$ 39,618	\$ 54,620

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

INTERNATIONAL (reinsurance)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 250,750	\$ 186,378	\$ 250,750	\$ 250,485	\$ 248,821	\$ 218,984	\$ 186,378	\$ 216,267	\$ 213,635	\$ 202,626
Net written premiums	250,727	186,286	250,727	248,153	248,797	218,901	186,286	215,916	213,570	202,621
Premiums earned	\$ 254,514	\$ 190,968	\$ 254,514	\$ 250,391	\$ 230,107	\$ 213,990	\$ 190,968	\$ 212,097	\$ 203,080	\$ 208,895
Incurred losses and LAE	155,341	109,746	155,341	127,864	133,943	133,261	109,746	118,471	125,286	162,432
Commission and brokerage	66,337	46,310	66,337	69,901	58,899	55,810	46,310	54,249	48,622	53,052
Other underwriting expenses	4,620	5,054	4,620	5,288	4,691	4,747	5,054	6,439	4,144	4,332
Underwriting gain (loss)	\$ 28,216	\$ 29,858	\$ 28,216	\$ 47,338	\$ 32,574	\$ 20,172	\$ 29,858	\$ 32,938	\$ 25,028	\$ (10,921)
Loss ratio	61.0%	57.5%	61.0%	51.1%	58.2%	62.3%	57.5%	55.9%	61.7%	77.8%
Commission and brokerage ratio	26.1%	24.3%	26.1%	27.9%	25.6%	26.1%	24.3%	25.6%	23.9%	25.4%
Other underwriting expense ratio	1.8%	2.6%	1.8%	2.1%	2.0%	2.2%	2.6%	3.0%	2.1%	2.0%
Combined ratio	88.9%	84.4%	88.9%	81.1%	85.8%	90.6%	84.4%	84.5%	87.7%	105.2%
Attritional - current year	\$ 137,464	\$ 101,962	\$ 137,464	\$ 151,897	\$ 130,746	\$ 116,793	\$ 101,962	\$ 118,835	\$ 108,454	\$ 110,271
Attritional - prior year	918	(3,027)	918	(31,084)	(7,006)	7,666	(3,027)	(9,977)	3,500	5,561
Catastrophes	16,959	10,811	16,959	7,051	10,203	8,802	10,811	9,613	13,332	46,600
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 155,341	\$ 109,746	\$ 155,341	\$ 127,864	\$ 133,943	\$ 133,261	\$ 109,746	\$ 118,471	\$ 125,286	\$ 162,432

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

BERMUDA (reinsurance)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
Gross written premiums	\$ 219,064	\$ 192,034	\$ 219,064	\$ 159,475	\$ 221,030	\$ 210,812	\$ 192,034	\$ 247,480	\$ 234,840	\$ 223,153
Net written premiums	219,111	191,637	219,111	159,554	221,033	210,878	191,637	247,958	234,761	223,105
Premiums earned	\$ 185,465	\$ 184,922	\$ 185,465	\$ 173,763	\$ 212,553	\$ 229,967	\$ 184,922	\$ 244,231	\$ 224,686	\$ 220,941
Incurred losses and LAE	120,715	96,454	120,715	57,473	146,641	119,702	96,454	194,779	122,685	166,642
Commission and brokerage	44,260	48,809	44,260	48,479	51,799	59,805	48,809	65,172	59,231	49,191
Other underwriting expenses	5,047	6,787	5,047	5,851	5,734	5,827	6,787	6,651	5,088	4,299
Underwriting gain (loss)	\$ 15,443	\$ 32,872	\$ 15,443	\$ 61,960	\$ 8,379	\$ 44,633	\$ 32,872	\$ (22,371)	\$ 37,682	\$ 809
Loss ratio	65.1%	52.2%	65.1%	33.1%	69.0%	52.1%	52.2%	79.8%	54.6%	75.4%
Commission and brokerage ratio	23.9%	26.4%	23.9%	27.9%	24.4%	26.0%	26.4%	26.7%	26.3%	22.3%
Other underwriting expense ratio	2.7%	3.6%	2.7%	3.3%	2.7%	2.5%	3.6%	2.7%	2.3%	1.9%
Combined ratio	91.7%	82.2%	91.7%	64.3%	96.1%	80.6%	82.2%	109.2%	83.2%	99.6%
Attritional - current year	\$ 102,063	\$ 103,831	\$ 102,063	\$ 94,096	\$ 114,984	\$ 132,796	\$ 103,831	\$ 151,405	\$ 123,983	\$ 115,800
Attritional - prior year	5,000	(10,044)	5,000	(22,969)	(13,534)	(10,047)	(10,044)	(43,185)	(16,026)	(5,328)
Catastrophes	13,652	2,667	13,652	(13,654)	45,191	(3,047)	2,667	(6,933)	8,592	34,626
Asbestos & environmental	-	-	-	-	-	-	-	93,492	6,136	21,544
Total incurred losses and LAE	\$ 120,715	\$ 96,454	\$ 120,715	\$ 57,473	\$ 146,641	\$ 119,702	\$ 96,454	\$ 194,779	\$ 122,685	\$ 166,642

EVEREST RE GROUP, LTD.
Supplemental Investment Portfolio Analysis

(Dollars in thousands)
(unaudited)

INVESTMENTS AND CASH

	At March 31, 2009			At December 31, 2008		
	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)
Investments and cash:						
Fixed maturities-available for sale, at market value	\$ 11,195,981	\$ 11,294,284	\$ (98,303)	\$ 10,759,612	\$ 10,932,076	\$ (172,464)
Fixed maturities-available for sale, at fair value	47,391	47,391	-	43,090	43,090	-
Equity securities-available for sale, at market value	14,358	12,618	1,740	16,900	14,915	1,985
Equity securities-available for sale, at fair value	109,788	109,788	-	119,829	119,829	-
Other invested assets	593,261	602,812	(9,551)	679,356	687,265	(7,909)
Short-term investments	1,173,056	1,173,056	-	1,889,799	1,889,799	-
Cash	467,248	467,248	-	205,694	205,694	-
Total	\$ 13,601,083	\$ 13,707,197	\$ (106,114)	\$ 13,714,280	\$ 13,892,668	\$ (178,388)

FIXED INCOME AND CASH

Fixed income investments and cash:

	Market Value	% of Total	Market Value	% of Total
Fixed maturities-available for sale, at market value	\$ 11,195,981	86.9%	\$ 10,759,612	83.4%
Fixed maturities-available for sale, at fair value	47,391	0.4%	43,090	0.3%
Short-term investments	1,173,056	9.1%	1,889,799	14.7%
Cash	467,248	3.6%	205,694	1.6%
Total	\$ 12,883,676	100.0%	\$ 12,898,195	100.0%

Investment Sectors:

	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
Treasury	\$ 392,047	3.0%	\$ 50,476	\$ 408,718	3.2%	\$ 54,523
Agency	108,432	0.9%	4,005	109,928	0.9%	5,222
Corporate	2,162,682	16.8%	(153,296)	2,199,885	17.1%	(142,803)
Mortgage-backed securities						
Agency	1,804,859	14.0%	47,423	1,359,871	10.5%	25,829
Non-Agency	503,568	3.9%	(139,955)	478,976	3.7%	(131,973)
Alt.-A	35,253	0.3%	(6,196)	39,545	0.3%	(3,823)
Asset-backed securities						
Other	333,530	2.6%	(14,831)	241,356	1.9%	(27,476)
Subprime	9,642	0.1%	(1,452)	11,893	0.1%	(1,083)
Municipal	3,839,074	29.8%	33,813	3,795,718	29.4%	(51,036)
Non-US	2,054,285	15.9%	81,710	2,156,812	16.7%	100,156
Cash & short-term investments	1,640,304	12.7%	-	2,095,493	16.2%	-
Total	\$ 12,883,676	100.0%	\$ (98,303)	\$ 12,898,195	100.0%	\$ (172,464)

Credit Quality:

	Market Value	% of Total	Market Value	% of Total
AAA	\$ 6,583,867	51.1%	\$ 6,650,442	51.6%
AA	2,563,878	19.9%	2,591,815	20.1%
A	2,311,016	17.9%	2,278,490	17.7%
BBB	1,194,757	9.3%	1,205,457	9.3%
BB	114,022	0.9%	90,832	0.7%
B	62,821	0.5%	48,227	0.4%
Other	53,315	0.4%	32,932	0.2%
Total	\$ 12,883,676	100.0%	\$ 12,898,195	100.0%

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

(Dollars in thousands)

(unaudited)

FIXED INCOME AND CASH (cont.)

	March 31, 2009	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
AT&T, Inc.	\$ 64,335	\$ 340
PNC Financial Services Group, Inc.	64,245	(96)
European Investment Bank	59,951	1,555
Network Rail	59,409	(720)
Bank of America Corporation	52,665	(11,259)
Wells Fargo & Co.	51,498	(5,174)
American Express Company	45,718	(6,224)
Kredit Fuer Wiederaufbau	44,987	(909)
JP Morgan Chase & Co.	44,695	(10,610)
General Electric Capital Corp.	43,557	(4,989)
Citigroup, Inc.	41,302	(13,407)
Goldman Sachs Group, Inc.	40,250	(4,360)
Bank Nederlandse Gemeenten	38,746	(1,644)
Morgan Stanley	36,619	(823)
France Telecom	33,915	805
International Lease Finance Corp. (AIG)	31,232	(9,612)
Vodafone Group, plc	31,048	456
US Bancorp	29,864	(2,266)
Landesbank Baden-Württemberg	29,738	1,821
Comcast Corporation	29,102	1,055
Total	\$ 872,876	\$ (66,061)

	December 31, 2008	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
Wells Fargo & Co.	\$ 98,132	\$ (4,508)
PNC Financial Services Group, Inc.	72,416	8,038
AT&T, Inc.	64,947	(108)
European Investment Bank	63,205	6,024
Network Rail	60,648	1,929
JP Morgan Chase & Co.	55,452	(4,600)
American Express Company	49,203	(2,244)
Citigroup, Inc.	47,828	(7,624)
Kredit Fuer Wiederaufbau	46,518	319
General Electric Capital Corp.	45,966	(1,975)
Bank of America Corporation	43,372	(9,140)
Goldman Sachs Group, Inc.	41,926	(3,291)
Bank Nederlandse Gemeenten	38,910	1,276
International Lease Finance Corp. (AIG)	38,363	(4,184)
Morgan Stanley	35,193	(1,999)
France Telecom	34,006	449
CIT Group, Inc.	33,701	9,334
Merrill Lynch & Co.	31,286	(132)
Credit Suisse Group	31,186	(476)
Vodafone Group, plc	31,077	436
Total	\$ 963,335	\$ (12,476)

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

(Dollars in thousands)

(unaudited)

EQUITIES

	March 31, 2009		December 31, 2008
<u>Top 20 Largest Equity Positions:</u>	<u>Market Value</u>	<u>Top 20 Largest Equity Positions:</u>	<u>Market Value</u>
HSBC French Government Bond Fund - Class C	\$ 14,349	HSBC French Government Bond Fund - Class C	\$ 16,884
Newmont Mining Corp.	6,772	Mirant Corporation	11,175
Mirant Corporation	6,751	Barrick Gold Corporation	7,005
Nexen, Inc.	6,436	El DuPont de Nemours & Co.	6,482
Barrick Gold Corporation	6,176	Newmont Mining Corp.	6,280
El DuPont de Nemours & Co.	5,643	Nexen, Inc.	5,492
Unisource Energy Corp.	4,702	Unisource Energy Corp.	4,698
Gold Fields, Ltd.	4,014	Post Properties, Inc.	4,698
Berkshire Hathaway Holdings - Class B	3,345	Berkshire Hathaway Holdings - Class B	3,712
Petro-Canada	3,251	Gold Fields, Ltd.	3,466
Calpine Corp.	3,166	Calpine Corp.	3,384
NV Energy, Inc.	3,053	Pfizer, Inc.	3,315
Post Properties, Inc.	2,887	State Auto Financial Corp.	3,255
Automatic Data Processing, Inc.	2,750	H&R Block, Inc.	3,238
H&R Block, Inc.	2,685	NV Energy, Inc.	3,215
Tootsie Roll Industries, Inc.	2,667	Tootsie Roll Industries, Inc.	3,145
Pfizer, Inc.	2,604	Automatic Data Processing, Inc.	3,076
Meredith Corp.	2,380	Petro-Canada	2,655
State Auto Financial Corp.	2,242	Meredith Corp.	2,363
Hess Corporation	2,141	Xerox Corp.	2,283
Total	<u>\$ 88,014</u>	Total	<u>\$ 99,821</u>

EVEREST RE GROUP, LTD.

Supplemental Investment Income and Realized Capital (Losses) Gains

(Dollars in thousands)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
NET INVESTMENT INCOME										
Fixed maturities	\$ 144,622	\$ 128,361	\$ 144,622	\$ 141,822	\$ 140,009	\$ 133,233	\$ 128,361	\$ 124,212	\$ 120,806	\$ 125,061
Equity securities	696	5,350	696	2,769	4,947	6,880	5,350	13,527	2,972	4,626
Short-term investments and cash	3,561	22,605	3,561	8,466	8,896	12,121	22,605	30,847	34,012	25,095
Other invested assets										
Limited partnerships	(72,946)	(5,088)	(72,946)	(73,307)	11,076	25,088	(5,088)	8,724	16,650	26,229
Other	774	1,461	774	253	275	291	1,461	707	495	439
Total gross investment income	76,707	152,689	76,707	80,003	165,203	177,613	152,689	178,017	174,935	181,450
Interest debited on funds held	(1,006)	(711)	(1,006)	(516)	(2,004)	(1,024)	(711)	(132)	(594)	(691)
Interest credited to future policy benefit reserves	6,790	1,008	6,790	2,824	728	720	1,008	1,729	861	941
Other investment expenses	2,169	2,260	2,169	2,335	2,001	2,000	2,260	2,319	1,866	1,507
Total investment expenses	7,953	2,557	7,953	4,643	725	1,696	2,557	3,916	2,133	1,757
Total net investment income	\$ 68,754	\$ 150,132	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132	\$ 174,101	\$ 172,802	\$ 179,693

	Three Months Ended		Three Months Ended							
	March 31, 2009	March 31, 2008	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007
NET REALIZED CAPITAL (LOSSES) GAINS										
Fixed maturities	\$ (47,813)	\$ (1,037)	\$ (47,813)	\$ (12,825)	\$ (167,674)	\$ (5,988)	\$ (1,037)	\$ (5,524)	\$ (7,779)	\$ (2,247)
Equity securities	(17,326)	(135,397)	(17,326)	(221,528)	(125,697)	(25,553)	(135,397)	(59,439)	26,358	94,008
Other invested assets	-	-	-	-	-	-	-	-	-	13
Short-term investments	2	51	2	(163)	6	(25)	51	1	-	-
Total net realized capital (losses) gains	\$ (65,137)	\$ (136,383)	\$ (65,137)	\$ (234,516)	\$ (293,365)	\$ (31,566)	\$ (136,383)	\$ (64,962)	\$ 18,579	\$ 91,774

EVEREST RE GROUP, LTD.

Asbestos Exposures as of March 31, 2009

(Dollars in thousands)

(unaudited)

	End of Period Reserves	3 Yr Survival Ratio	1st Qtr. 2009 Incurred	ITD Incurred
Direct Operations - Gross:				
Settlements in place ⁽¹⁾	\$ 72,911	NA	\$ 17,567	\$ 554,584
Unsettled claims	41,409	NA	(17,448)	360,270
IBNR	80,069	NA	(119)	80,067
Total	194,389	2.7	-	994,921
Reinsurance Operations - Gross:				
Case reserves	139,262	NA	2,780	740,338
Supplemental case reserves ⁽²⁾	147,251	NA	11,810	149,181
IBNR	237,839	NA	(14,590)	237,838
Total	524,352	11.8	-	1,127,357
Total operations - gross	\$ 718,741	6.1	\$ -	\$ 2,122,278
Adjusted total - excluding settlements in place	\$ 645,830	8.8		
Direct operations	\$ 181,241	2.7	\$ -	\$ 494,031
Reinsurance operations	499,779	11.6	-	741,817
Total operations	681,020	6.2	-	1,235,848
Stop loss cession	-	NA	-	(160,000)
Total operations - net	\$ 681,020	10.8	\$ -	\$ 1,075,848
Adjusted total - excluding settlements in place	\$ 613,837	8.9		

(1) Settlement in place claims represent definitive settlement arrangements, which lower but do not eliminate potential variability. Currently there are seven such arrangements in place.

(2) Supplemental case reserves are case specific reserves determined by Everest Re to be needed over and above those reported by the ceding company.

NA, Not applicable