

Everest Re Group, Ltd.

Analyst Supplement

December 31, 2009



EVEREST[®]

EVEREST RE GROUP, LTD.

Supplemental GAAP Operating Information

(Dollars in thousands, except per share amounts)

(unaudited)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
PRODUCTION INFORMATION:										
Gross written premiums	\$ 4,128,955	\$ 3,678,139	\$ 1,028,509	\$ 1,128,840	\$ 973,821	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502
Net written premiums	3,929,761	3,505,213	975,015	1,057,254	926,746	970,746	841,197	960,597	864,756	838,663
Net premiums earned	3,894,098	3,694,301	1,029,520	975,380	956,908	932,290	908,374	931,859	942,095	911,973
INVESTMENT INCOME:										
Pre-tax investment income	\$ 547,793	\$ 565,887	\$ 146,443	\$ 165,387	\$ 167,209	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132
Effective tax rate	9.9%	15.3%	14.9%	8.1%	9.7%	4.5%	18.5%	14.3%	15.8%	14.3%
After-tax investment income	\$ 493,299	\$ 479,226	\$ 124,656	\$ 151,991	\$ 150,985	\$ 65,667	\$ 61,440	\$ 140,917	\$ 148,150	\$ 128,719
Net pre-tax yield - amortized cost	3.8%	4.0%	4.0%	4.6%	4.8%	2.0%	2.1%	4.5%	4.8%	4.1%
Net after-tax yield - amortized cost	3.5%	3.4%	3.4%	4.2%	4.3%	1.9%	1.7%	3.9%	4.0%	3.5%
CATASTROPHE INFORMATION:										
Net pre-tax catastrophe losses ⁽¹⁾	\$ 65,166	\$ 307,198	\$ 972	\$ 24,061	\$ 7,608	\$ 32,525	\$ 7,755	\$ 267,412	\$ 13,747	\$ 18,283
After-tax effect of catastrophe losses on earnings per basic common share ⁽¹⁾	(0.89)	(3.93)	(0.03)	(0.29)	(0.12)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)
After-tax effect of catastrophe losses on earnings per diluted common share ⁽¹⁾	(0.89)	(3.93)	(0.03)	(0.29)	(0.12)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)
EFFECTIVE TAX RATE ON:										
Net income (loss)	14.1%	-77.6%	10.2%	16.5%	12.9%	18.4%	-69.9%	-17.4%	9.7%	7.5%
Net realized capital gains (losses)	228.5%	-16.4%	36.5%	38.0%	30.3%	-25.6%	-16.4%	-16.2%	-14.4%	-17.4%
Net gain on debt repurchase	35.0%	0.0%	0.0%	0.0%	0.0%	35.0%	0.0%	0.0%	0.0%	0.0%
Operating income	11.5%	8.1%	9.2%	13.7%	11.5%	11.5%	0.0%	-12.6%	10.4%	13.6%
AFTER-TAX EARNINGS:										
Net income (loss)	\$ 806,989	\$ (18,758)	\$ 197,227	\$ 228,618	\$ 272,588	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933
Per basic common share	13.26	(0.30)	3.29	3.76	4.44	1.77	(0.27)	(3.79)	2.48	1.24
Per diluted common share	13.22	(0.30)	3.28	3.75	4.43	1.76	(0.27)	(3.79)	2.46	1.24
Net realized capital (losses) gains	(7,594)	(581,490)	5,272	19,254	16,343	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)
Per basic common share	(0.12)	(9.40)	0.09	0.32	0.27	(0.79)	(3.19)	(3.99)	(0.44)	(1.80)
Per diluted common share	(0.12)	(9.40)	0.09	0.32	0.27	(0.79)	(3.19)	(3.99)	(0.43)	(1.79)
Net gain on debt repurchase	50,876	-	-	-	-	50,876	-	-	-	-
Per basic common share	0.84	-	-	-	-	0.83	-	-	-	-
Per diluted common share	0.83	-	-	-	-	0.83	-	-	-	-
Operating income, excl. net realized capital gains (losses) ⁽²⁾	763,707	562,732	191,955	209,364	256,245	106,143	179,493	12,607	180,047	190,585
Per basic common share	12.55	9.10	3.20	3.45	4.17	1.73	2.92	0.20	2.92	3.04
Per diluted common share	12.51	9.10	3.19	3.43	4.16	1.72	2.92	0.20	2.89	3.03

(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)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
COMBINED RATIO:										
Loss ratio	61.0%	66.0%	63.1%	60.2%	59.2%	61.1%	52.3%	87.3%	64.2%	59.8%
Commission and brokerage ratio	23.8%	25.2%	23.7%	23.5%	24.0%	24.2%	26.5%	23.4%	26.0%	24.9%
Other underwriting expense ratio	4.8%	4.4%	4.9%	5.0%	4.7%	4.4%	4.7%	4.3%	4.2%	4.4%
Combined ratio	89.6%	95.6%	91.7%	88.7%	87.9%	89.7%	83.5%	115.0%	94.4%	89.1%
CASH FLOW INFORMATION:										
Cash flow provided by operations	\$ 784,738	\$ 662,995	\$ 186,068	\$ 314,743	\$ 103,421	\$ 180,506	\$ 55,308	\$ 375,399	\$ (18,364)	\$ 250,652
Paid losses, net	2,385,388	2,311,455	599,110	562,263	657,600	566,415	673,471	525,743	642,197	470,044
Paid cats, net	235,341	290,509	50,565	58,199	52,525	74,052	89,581	52,704	79,842	68,382
Paid (recovered) asbestos and environmental losses, net	136,378	78,314	10,073	51,179	57,979	17,147	59,139	12,266	22,679	(15,770)
Taxes paid (recovered)	111,831	10,955	41,069	2,983	40,644	27,135	7,669	(97,418)	67,486	33,218
RETURN ON EQUITY:										
Beginning of period shareholders' equity	\$ 4,960,355	\$ 5,684,770	\$ 6,084,952	\$ 5,545,415	\$ 5,039,854	\$ 4,960,355	\$ 5,036,576	\$ 5,567,603	\$ 5,632,984	\$ 5,684,770
Net unrealized depreciation (appreciation) of investments	163,359	(73,221)	(355,035)	(11,525)	116,411	163,359	282,223	91,765	(52,700)	(73,221)
Adjusted beginning of period shareholders' equity	\$ 5,123,714	\$ 5,611,549	\$ 5,729,917	\$ 5,533,890	\$ 5,156,265	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284	\$ 5,611,549
End of period shareholders' equity	\$ 6,101,722	\$ 4,960,355	\$ 6,101,722	\$ 6,084,952	\$ 5,545,415	\$ 5,039,854	\$ 4,960,355	\$ 5,036,576	\$ 5,567,603	\$ 5,632,984
Net unrealized (depreciation) appreciation of investments	(309,275)	163,359	(309,275)	(355,035)	(11,525)	116,411	163,359	282,223	91,765	(52,700)
Adjusted end of period shareholders' equity	\$ 5,792,448	\$ 5,123,714	\$ 5,792,448	\$ 5,729,917	\$ 5,533,890	\$ 5,156,265	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284
Average adjusted shareholders' equity	\$ 5,458,081	\$ 5,367,632	\$ 5,761,183	\$ 5,631,904	\$ 5,345,078	\$ 5,139,990	\$ 5,221,257	\$ 5,489,084	\$ 5,619,826	\$ 5,595,917
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	\$ 763,707	\$ 562,732	\$ 191,955	\$ 209,364	\$ 256,245	\$ 106,143	\$ 179,493	\$ 12,607	\$ 180,047	\$ 190,585
After-tax net realized capital (losses) gains	(7,594)	(581,490)	5,272	19,254	16,343	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)
After-tax realized gain on debt repurchase	50,876	-	-	-	-	50,876	-	-	-	-
Net income (loss)	\$ 806,989	\$ (18,758)	\$ 197,227	\$ 228,618	\$ 272,588	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933
Return on equity (annualized)										
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	14.0%	10.5%	13.3%	14.9%	19.2%	8.3%	13.8%	0.9%	12.8%	13.6%
After-tax net realized capital (losses) gains	-0.1%	-10.8%	0.4%	1.3%	1.2%	-3.8%	-15.1%	-17.9%	-2.0%	-8.1%
After-tax realized gain on debt repurchase	0.9%	0.0%	0.0%	0.0%	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%
Net income (loss)	14.8%	-0.3%	13.7%	16.2%	20.4%	8.4%	-1.3%	-17.0%	10.8%	5.5%

(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)

	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
BALANCE SHEET HIGHLIGHTS:								
Total investments and cash	\$ 14,918,816	\$ 15,113,049	\$ 14,207,305	\$ 13,601,083	\$ 13,714,280	\$ 14,119,579	\$ 14,580,935	\$ 14,996,499
Total assets	18,001,312	18,128,891	17,326,935	16,724,994	16,846,590	17,370,387	17,792,928	18,046,001
Reserve for losses and loss adjustment expenses ("LAE") (gross)	8,937,858	8,889,681	8,815,875	8,775,462	8,840,660	9,247,610	9,078,381	9,124,432
Future policy benefit reserve	64,536	66,153	67,320	69,334	66,172	66,893	70,865	75,404
8.75% Senior notes due 3/15/2010	199,970	199,931	199,894	199,857	199,821	199,786	199,751	199,718
5.4% Senior notes due 10/15/2014	249,769	249,759	249,748	249,738	249,728	249,718	249,708	249,699
6.6% Long term notes due 5/1/2067	238,348	238,347	238,347	238,346	399,643	399,642	399,641	399,640
Junior subordinated debt securities payable	329,897	329,897	329,897	329,897	329,897	329,897	329,897	329,897
Shareholders' equity	6,101,722	6,084,952	5,545,415	5,039,854	4,960,355	5,036,576	5,567,603	5,632,984
Common shares outstanding	59,318	60,398	60,853	61,542	61,414	61,408	61,644	61,896
Book value per common share outstanding	\$ 102.87	\$ 100.75	\$ 91.13	\$ 81.89	\$ 80.77	\$ 82.02	\$ 90.32	\$ 91.01
TOTAL LOSS RESERVES:								
Gross reserve for losses and LAE	\$ 8,937,858	\$ 8,889,681	\$ 8,815,875	\$ 8,775,462	\$ 8,840,660	\$ 9,247,610	\$ 9,078,381	\$ 9,124,432
Reinsurance receivables on unpaid losses	(641,269)	(629,535)	(626,028)	(685,014)	(690,509)	(690,047)	(705,504)	(666,967)
Net reserve for losses and LAE	\$ 8,296,589	\$ 8,260,146	\$ 8,189,847	\$ 8,090,448	\$ 8,150,151	\$ 8,557,563	\$ 8,372,877	\$ 8,457,465
ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:								
Gross loss and LAE reserves	\$ 638,674	\$ 652,337	\$ 704,507	\$ 768,762	\$ 786,842	\$ 854,103	\$ 870,997	\$ 901,040
Net loss and LAE reserves	613,121	622,765	673,944	731,923	749,070	808,209	820,475	843,154
END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:								
Pre-tax yield - net of expenses, amortized cost basis	4.1%	4.0%	4.0%	4.2%	4.5%	4.5%	4.5%	4.4%
After-tax yield - net of expenses, amortized cost basis	3.6%	3.5%	3.6%	3.7%	4.0%	3.9%	3.8%	3.7%
Modified duration of fixed income portfolio (in years)	3.8	3.8	3.9	3.9	4.1	4.4	4.4	4.1
Average credit quality	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
OPERATING LEVERAGE:								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.64 TO 1	0.62 TO 1	0.67 TO 1	0.72 TO 1	0.71 TO 1	0.72 TO 1	0.67 TO 1	0.67 TO 1
Ratio of net loss and LAE reserves to shareholders' equity	1.36 TO 1	1.36 TO 1	1.48 TO 1	1.61 TO 1	1.64 TO 1	1.70 TO 1	1.50 TO 1	1.50 TO 1

EVEREST RE GROUP, LTD.

Segment Results

(Dollars in thousands)

(unaudited)

TOTAL SEGMENTS

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 4,128,955	\$ 3,678,139	\$ 1,028,509	\$ 1,128,840	\$ 973,821	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502
Net written premiums	3,929,761	3,505,213	975,015	1,057,254	926,746	970,746	841,197	960,597	864,756	838,663
Premiums earned	\$ 3,894,098	\$ 3,694,301	\$ 1,029,520	\$ 975,380	\$ 956,908	\$ 932,290	\$ 908,374	\$ 931,859	\$ 942,095	\$ 911,973
Incurred losses and LAE	2,374,058	2,438,972	650,121	587,247	566,785	569,905	475,212	813,668	604,742	545,350
Commission and brokerage	928,333	930,694	243,824	229,257	229,214	226,038	240,789	218,045	244,713	227,147
Other underwriting expenses	167,178	148,538	45,349	44,504	40,970	36,355	38,898	37,078	35,158	37,404
Underwriting gain (loss)	\$ 424,529	\$ 176,097	\$ 90,226	\$ 114,372	\$ 119,939	\$ 99,992	\$ 153,475	\$ (136,932)	\$ 57,482	\$ 102,072
Loss ratio	61.0%	66.0%	63.1%	60.2%	59.2%	61.1%	52.3%	87.3%	64.2%	59.8%
Commission and brokerage ratio	23.8%	25.2%	23.7%	23.5%	24.0%	24.2%	26.5%	23.4%	26.0%	24.9%
Other underwriting expenses	4.3%	4.0%	4.4%	4.6%	4.3%	4.0%	4.3%	4.0%	3.7%	4.1%
Combined ratio	89.1%	95.2%	91.2%	88.3%	87.5%	89.3%	83.1%	114.7%	93.9%	88.8%
Attritional - current year	\$ 2,181,432	\$ 2,050,286	\$ 556,079	\$ 554,037	\$ 552,512	\$ 518,804	\$ 497,254	\$ 516,833	\$ 532,552	\$ 503,647
Attritional - prior year	124,761	24,402	92,113	8,686	6,021	17,941	(41,546)	(9,055)	54,101	20,902
Catastrophes	67,436	364,284	1,500	24,524	8,252	33,160	19,504	305,890	18,089	20,801
Asbestos & environmental	429	-	429	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 2,374,058	\$ 2,438,972	\$ 650,121	\$ 587,247	\$ 566,785	\$ 569,905	\$ 475,212	\$ 813,668	\$ 604,742	\$ 545,350

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL INSURANCE (U.S. insurance)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 842,564	\$ 771,798	\$ 193,845	\$ 230,491	\$ 213,511	\$ 204,717	\$ 176,340	\$ 194,021	\$ 190,977	\$ 210,460
Net written premiums	656,178	616,957	144,184	160,499	169,054	182,441	126,219	160,250	153,892	176,596
Premiums earned	\$ 671,119	\$ 705,522	\$ 168,080	\$ 168,402	\$ 168,617	\$ 166,020	\$ 161,388	\$ 168,421	\$ 181,199	\$ 194,514
Incurred losses and LAE	538,626	549,854	171,495	130,784	120,324	116,023	106,804	115,606	193,505	133,939
Commission and brokerage	124,388	146,728	25,098	34,591	33,179	31,520	36,641	35,368	39,351	35,368
Other underwriting expenses	74,627	64,324	18,212	19,982	19,152	17,281	17,206	16,876	15,900	14,342
Underwriting (loss) gain	\$ (66,522)	\$ (55,384)	\$ (46,725)	\$ (16,955)	\$ (4,038)	\$ 1,196	\$ 737	\$ 571	\$ (67,557)	\$ 10,865
Loss ratio	80.3%	77.9%	102.0%	77.7%	71.4%	69.9%	66.2%	68.6%	106.8%	68.9%
Commission and brokerage ratio	18.5%	20.8%	14.9%	20.5%	19.7%	19.0%	22.7%	21.0%	21.7%	18.2%
Other underwriting expense ratio	11.1%	9.2%	10.9%	11.9%	11.3%	10.4%	10.6%	10.1%	8.8%	7.3%
Combined ratio	109.9%	107.9%	127.8%	110.1%	102.4%	99.3%	99.5%	99.7%	137.3%	94.4%
Attritional - current year	\$ 479,607	\$ 481,010	\$ 122,766	\$ 120,994	\$ 119,824	\$ 116,023	\$ 105,204	\$ 115,806	\$ 128,361	\$ 131,639
Attritional - prior year	59,019	69,100	48,729	9,790	500	-	1,600	(200)	65,400	2,300
Catastrophes	-	(256)	-	-	-	-	-	-	(256)	-
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 538,626	\$ 549,854	\$ 171,495	\$ 130,784	\$ 120,324	\$ 116,023	\$ 106,804	\$ 115,606	\$ 193,505	\$ 133,939

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL REINSURANCE

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 3,286,391	\$ 2,906,341	\$ 834,664	\$ 898,349	\$ 760,310	\$ 793,068	\$ 719,807	\$ 805,146	\$ 714,346	\$ 667,042
Net written premiums	3,273,583	2,888,256	830,831	896,755	757,692	788,305	714,978	800,347	710,864	662,067
Premiums earned	\$ 3,222,979	\$ 2,988,779	\$ 861,440	\$ 806,978	\$ 788,291	\$ 766,270	\$ 746,986	\$ 763,438	\$ 760,896	\$ 717,459
Incurred losses and LAE	1,835,432	1,889,118	478,626	456,463	446,461	453,882	368,408	698,062	411,237	411,411
Commission and brokerage	803,945	783,966	218,726	194,666	196,035	194,518	204,148	182,677	205,362	191,779
Other underwriting expenses	92,551	84,214	27,137	24,522	21,818	19,074	21,692	20,202	19,258	23,062
Underwriting gain (loss)	\$ 491,051	\$ 231,481	\$ 136,951	\$ 131,327	\$ 123,977	\$ 98,796	\$ 152,738	\$ (137,503)	\$ 125,039	\$ 91,207
Loss ratio	56.9%	63.2%	55.6%	56.6%	56.6%	59.2%	49.3%	91.4%	54.0%	57.3%
Commission and brokerage ratio	24.9%	26.2%	25.4%	24.1%	24.9%	25.4%	27.3%	23.9%	27.0%	26.7%
Other underwriting expense ratio	3.0%	2.9%	3.1%	3.0%	2.8%	2.5%	3.0%	2.7%	2.6%	3.3%
Combined ratio	84.8%	92.3%	84.1%	83.7%	84.3%	87.1%	79.6%	118.0%	83.6%	87.3%
Attritional - current year	\$ 1,701,825	\$ 1,569,276	\$ 433,313	\$ 433,043	\$ 432,688	\$ 402,781	\$ 392,050	\$ 401,027	\$ 404,191	\$ 372,008
Attritional - prior year	65,742	(44,698)	43,384	(1,104)	5,521	17,941	(43,146)	(8,855)	(11,299)	18,602
Catastrophes	67,436	364,540	1,500	24,524	8,252	33,160	19,504	305,890	18,345	20,801
Asbestos & environmental	429	-	429	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 1,835,432	\$ 1,889,118	\$ 478,626	\$ 456,463	\$ 446,461	\$ 453,882	\$ 368,408	\$ 698,062	\$ 411,237	\$ 411,411

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

U.S. REINSURANCE

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 1,172,304	\$ 957,900	\$ 296,255	\$ 345,567	\$ 266,151	\$ 264,331	\$ 243,366	\$ 280,467	\$ 200,348	\$ 233,719
Net written premiums	1,167,222	948,798	294,110	346,306	266,306	260,500	243,603	277,243	198,079	229,873
Premiums earned	\$ 1,150,336	\$ 1,050,340	\$ 314,592	\$ 276,696	\$ 295,891	\$ 263,157	\$ 257,499	\$ 265,473	\$ 238,084	\$ 289,284
Incurred losses and LAE	574,757	798,165	157,087	120,980	158,905	137,785	141,254	363,313	116,736	176,862
Commission and brokerage	272,165	273,330	82,906	53,847	70,073	65,339	67,106	55,857	70,101	80,266
Other underwriting expenses	36,181	32,180	10,931	9,665	8,023	7,562	8,680	7,840	6,850	8,810
Underwriting gain (loss)	\$ 267,233	\$ (53,335)	\$ 63,668	\$ 92,204	\$ 58,890	\$ 52,471	\$ 40,459	\$ (161,537)	\$ 44,397	\$ 23,346
Loss ratio	50.0%	76.0%	49.9%	43.7%	53.7%	52.4%	54.9%	136.9%	49.0%	61.1%
Commission and brokerage ratio	23.7%	26.0%	26.4%	19.5%	23.7%	24.8%	26.1%	21.0%	29.4%	27.7%
Other underwriting expense ratio	3.1%	3.1%	3.5%	3.5%	2.7%	2.9%	3.3%	2.9%	3.0%	3.1%
Combined ratio	76.8%	105.1%	79.8%	66.7%	80.1%	80.1%	84.3%	160.8%	81.4%	91.9%
Attritional - current year	\$ 550,830	\$ 471,333	\$ 130,025	\$ 134,730	\$ 160,531	\$ 125,544	\$ 105,645	\$ 121,905	\$ 107,252	\$ 136,531
Attritional - prior year	30,574	52,884	34,261	(16,223)	505	12,031	9,419	11,702	(2,910)	34,673
Catastrophes	(7,076)	273,948	(7,628)	2,473	(2,131)	210	26,190	229,706	12,394	5,658
Asbestos & environmental	429	-	429	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 574,757	\$ 798,165	\$ 157,087	\$ 120,980	\$ 158,905	\$ 137,785	\$ 141,254	\$ 363,313	\$ 116,736	\$ 176,862

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

SPECIALTY UNDERWRITING (reinsurance)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 234,774	\$ 260,422	\$ 51,048	\$ 67,615	\$ 57,188	\$ 58,923	\$ 66,481	\$ 54,828	\$ 84,202	\$ 54,911
Net written premiums	229,960	254,219	49,338	66,909	55,746	57,967	63,668	53,274	83,006	54,271
Premiums earned	\$ 234,537	\$ 251,778	\$ 49,648	\$ 66,839	\$ 54,916	\$ 63,134	\$ 65,333	\$ 55,305	\$ 78,855	\$ 52,285
Incurred losses and LAE	163,377	165,869	32,508	48,153	42,675	40,041	41,817	54,165	41,538	28,349
Commission and brokerage	72,572	70,824	19,737	19,340	14,913	18,582	18,662	16,122	19,646	16,394
Other underwriting expenses	8,719	8,055	2,492	2,383	1,999	1,845	1,873	1,937	1,834	2,411
Underwriting (loss) gain	\$ (10,131)	\$ 7,030	\$ (5,089)	\$ (3,037)	\$ (4,671)	\$ 2,666	\$ 2,981	\$ (16,919)	\$ 15,837	\$ 5,131
Loss ratio	69.7%	65.9%	65.5%	72.0%	77.7%	63.4%	64.0%	97.9%	52.7%	54.2%
Commission and brokerage ratio	30.9%	28.1%	39.8%	28.9%	27.2%	29.4%	28.6%	29.2%	24.9%	31.4%
Other underwriting expense ratio	3.7%	3.2%	5.0%	3.6%	3.6%	3.0%	2.8%	3.5%	2.3%	4.6%
Combined ratio	104.3%	97.2%	110.3%	104.5%	108.5%	95.8%	95.4%	130.6%	79.9%	90.2%
Attritional - current year	\$ 160,020	\$ 150,838	\$ 35,506	\$ 46,429	\$ 40,375	\$ 37,710	\$ 40,412	\$ 33,392	\$ 47,350	\$ 29,684
Attritional - prior year	(3,618)	(7,537)	(6,119)	2,501	8	(8)	1,488	(17)	(6,008)	(3,000)
Catastrophes	6,975	22,568	3,121	(777)	2,292	2,339	(83)	20,790	196	1,665
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 163,377	\$ 165,869	\$ 32,508	\$ 48,153	\$ 42,675	\$ 40,041	\$ 41,817	\$ 54,165	\$ 41,538	\$ 28,349

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

INTERNATIONAL (reinsurance)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 1,084,476	\$ 904,668	\$ 286,870	\$ 272,603	\$ 274,253	\$ 250,750	\$ 250,485	\$ 248,821	\$ 218,984	\$ 186,378
Net written premiums	1,081,337	902,137	286,817	270,891	272,902	250,727	248,153	248,797	218,901	186,286
Premiums earned	\$ 1,053,538	\$ 885,456	\$ 282,468	\$ 262,215	\$ 254,341	\$ 254,514	\$ 250,391	\$ 230,107	\$ 213,990	\$ 190,968
Incurred losses and LAE	613,251	504,814	159,002	165,370	133,538	155,341	127,864	133,943	133,261	109,746
Commission and brokerage	267,121	230,920	69,478	68,341	62,965	66,337	69,901	58,899	55,810	46,310
Other underwriting expenses	23,083	19,780	6,620	6,159	5,684	4,620	5,288	4,691	4,747	5,054
Underwriting gain	\$ 150,083	\$ 129,942	\$ 47,368	\$ 22,345	\$ 52,154	\$ 28,216	\$ 47,338	\$ 32,574	\$ 20,172	\$ 29,858
Loss ratio	58.2%	57.0%	56.3%	63.1%	52.5%	61.0%	51.1%	58.2%	62.3%	57.5%
Commission and brokerage ratio	25.4%	26.1%	24.6%	26.1%	24.8%	26.1%	27.9%	25.6%	26.1%	24.3%
Other underwriting expense ratio	2.2%	2.2%	2.3%	2.3%	2.2%	1.8%	2.1%	2.0%	2.2%	2.6%
Combined ratio	85.8%	85.3%	83.2%	91.5%	79.5%	88.9%	81.1%	85.8%	90.6%	84.4%
Attritional - current year	\$ 546,696	\$ 501,398	\$ 134,067	\$ 139,897	\$ 135,268	\$ 137,464	\$ 151,897	\$ 130,746	\$ 116,793	\$ 101,962
Attritional - prior year	19,353	(33,451)	16,109	2,318	8	918	(31,084)	(7,006)	7,666	(3,027)
Catastrophes	47,202	36,867	8,826	23,155	(1,738)	16,959	7,051	10,203	8,802	10,811
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 613,251	\$ 504,814	\$ 159,002	\$ 165,370	\$ 133,538	\$ 155,341	\$ 127,864	\$ 133,943	\$ 133,261	\$ 109,746

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

BERMUDA (reinsurance)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
Gross written premiums	\$ 794,837	\$ 783,351	\$ 200,491	\$ 212,564	\$ 162,718	\$ 219,064	\$ 159,475	\$ 221,030	\$ 210,812	\$ 192,034
Net written premiums	795,064	783,102	200,566	212,649	162,738	219,111	159,554	221,033	210,878	191,637
Premiums earned	\$ 784,568	\$ 801,205	\$ 214,732	\$ 201,228	\$ 183,143	\$ 185,465	\$ 173,763	\$ 212,553	\$ 229,967	\$ 184,922
Incurred losses and LAE	484,047	420,270	130,029	121,960	111,343	120,715	57,473	146,641	119,702	96,454
Commission and brokerage	192,087	208,892	46,605	53,138	48,084	44,260	48,479	51,799	59,805	48,809
Other underwriting expenses	24,568	24,199	7,094	6,315	6,112	5,047	5,851	5,734	5,827	6,787
Underwriting gain	\$ 83,866	\$ 147,844	\$ 31,004	\$ 19,815	\$ 17,604	\$ 15,443	\$ 61,960	\$ 8,379	\$ 44,633	\$ 32,872
Loss ratio	61.7%	52.5%	60.6%	60.6%	60.8%	65.1%	33.1%	69.0%	52.1%	52.2%
Commission and brokerage ratio	24.5%	26.1%	21.7%	26.4%	26.3%	23.9%	27.9%	24.4%	26.0%	26.4%
Other underwriting expense ratio	3.1%	2.9%	3.3%	3.2%	3.3%	2.7%	3.3%	2.7%	2.5%	3.6%
Combined ratio	89.3%	81.5%	85.6%	90.2%	90.4%	91.7%	64.3%	96.1%	80.6%	82.2%
Attritional - current year	\$ 444,279	\$ 445,707	\$ 133,715	\$ 111,987	\$ 96,514	\$ 102,063	\$ 94,096	\$ 114,984	\$ 132,796	\$ 103,831
Attritional - prior year	19,433	(56,594)	(867)	10,300	5,000	5,000	(22,969)	(13,534)	(10,047)	(10,044)
Catastrophes	20,335	31,157	(2,819)	(327)	9,829	13,652	(13,654)	45,191	(3,047)	2,667
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 484,047	\$ 420,270	\$ 130,029	\$ 121,960	\$ 111,343	\$ 120,715	\$ 57,473	\$ 146,641	\$ 119,702	\$ 96,454

EVEREST RE GROUP, LTD.
Supplemental Investment Portfolio Analysis

(Dollars in thousands)
(unaudited)

INVESTMENTS AND CASH

	At December 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	\$ 13,005,949	\$ 12,614,742	\$ 391,207	\$ 10,759,612	\$ 10,932,076	\$ (172,464)
Fixed maturities-available for sale, at fair value	50,528	50,528	-	43,090	43,090	-
Equity securities-available for sale, at market value	16,301	13,970	2,331	16,900	14,915	1,985
Equity securities-available for sale, at fair value	380,025	380,025	-	119,829	119,829	-
Other invested assets	545,284	546,158	(874)	679,356	687,265	(7,909)
Short-term investments	673,131	673,131	-	1,889,799	1,889,799	-
Cash	247,598	247,598	-	205,694	205,694	-
Total	\$ 14,918,816	\$ 14,526,152	\$ 392,664	\$ 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	\$ 13,005,949	93.0%	\$ 10,759,612	83.4%
Fixed maturities-available for sale, at fair value	50,528	0.4%	43,090	0.3%
Short-term investments	673,131	4.8%	1,889,799	14.7%
Cash	247,598	1.8%	205,694	1.6%
Total	\$ 13,977,206	100.0%	\$ 12,898,195	100.0%

Investment Sectors:

	At December 31, 2009			At December 31, 2008		
	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
Treasury	\$ 354,153	2.5%	\$ 14,314	\$ 408,718	3.2%	\$ 54,523
Agency	26,848	0.2%	1,854	109,928	0.9%	5,222
Corporate	2,516,496	18.0%	72,931	2,199,885	17.1%	(142,803)
Mortgage-backed securities						
Agency	2,368,444	17.0%	57,618	1,359,871	10.5%	25,829
Non-agency residential	128,884	0.9%	(14,565)	128,251	1.0%	(41,865)
Alt.-A	31,737	0.2%	(2,314)	39,545	0.3%	(3,823)
Commercial	442,618	3.2%	(32,586)	350,725	2.7%	(90,108)
Asset-backed securities						
Other	309,175	2.2%	4,663	241,356	1.9%	(27,476)
Subprime	4,554	0.0%	(1,362)	11,893	0.1%	(1,083)
Municipal	3,853,859	27.6%	159,592	3,795,718	29.4%	(51,036)
Non-US	3,019,709	21.6%	131,062	2,156,812	16.7%	100,156
Cash & short-term investments	920,729	6.6%	-	2,095,493	16.2%	-
Total	\$ 13,977,206	100.0%	\$ 391,207	\$ 12,898,195	100.0%	\$ (172,464)

Credit Quality:

	Market Value	% of Total	Market Value	% of Total
AAA	\$ 6,635,739	47.5%	\$ 6,650,442	51.6%
AA	2,736,560	19.6%	2,591,815	20.1%
A	2,819,629	20.2%	2,278,490	17.7%
BBB	1,454,080	10.4%	1,205,457	9.3%
BB	120,237	0.9%	90,832	0.7%
B	90,134	0.6%	48,227	0.4%
Other	120,827	0.8%	32,932	0.2%
Total	\$ 13,977,206	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.)

	December 31, 2009	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
European Investment Bank	\$ 76,929	\$ (1,274)
PNC Financial Services Group, Inc.	75,313	1,448
Network Rail	72,666	115
AT&T, Inc.	66,943	3,596
JPMorgan Chase & Co.	58,857	3,853
Goldman Sachs Group, Inc.	57,384	2,033
American Express Company	54,878	1,939
Wells Fargo & Co.	54,551	1,981
Bank Nederlandse Gemeenten	51,698	(1,725)
Morgan Stanley	51,362	2,915
Prudential Financial, Inc.	47,439	2,315
Credit Suisse Group	46,910	3,593
Citigroup, Inc.	46,175	1,271
ConocoPhillips	44,960	2,639
Vodafone Group, plc	44,751	1,652
Kredit Fuer Wiederaufbau	43,174	(975)
France Telecom	43,007	1,388
General Electric Capital Corp.	41,691	770
The Bank of New York Mellon Corporation	37,167	627
US Bancorp	34,106	2,210
Total	<u>\$ 1,049,961</u>	<u>\$ 30,371</u>

	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
JPMorgan 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
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
Landesbank Baden-Württemberg	30,682	1,484
Total	<u>\$ 955,654</u>	<u>\$ (6,808)</u>

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

(Dollars in thousands)

(unaudited)

EQUITIES

	December 31, 2009
<u>Top 20 Largest Equity Positions:</u>	<u>Market Value</u>
HSBC French Government Bond Fund - Class C	\$ 16,288
Pfizer, Inc.	10,754
El DuPont de Nemours & Co.	10,525
BP, plc	10,429
The Home Depot, Inc.	10,166
Nexen, Inc.	8,624
Mirant Corporation	8,605
JPMorgan Chase & Co.	8,101
Dominion Resources, Inc.	7,792
Chevron Corp.	7,668
Barrick Gold Corporation	7,305
Xcel Energy, Inc.	6,848
Merck & Co. Inc.	6,643
Gold Fields, Ltd.	6,581
Exxon Mobil Corp.	6,239
Johnson & Johnson	6,203
Automatic Data Processing, Inc.	5,995
Wells Fargo & Company	5,938
Newmont Mining Corp.	5,852
Microsoft Corporation	5,773
Total	<u>\$ 162,329</u>

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

EVEREST RE GROUP, LTD.

Supplemental Investment Income and Realized Capital (Losses) Gains

(Dollars in thousands)

(unaudited)

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
NET INVESTMENT INCOME										
Fixed maturities	\$ 570,798	\$ 543,425	\$ 136,435	\$ 145,408	\$ 144,333	\$ 144,622	\$ 141,822	\$ 140,009	\$ 133,233	\$ 128,361
Equity securities	3,574	19,946	1,391	757	730	696	2,769	4,947	6,880	5,350
Short-term investments and cash	5,965	52,088	93	629	1,682	3,561	8,466	8,896	12,121	22,605
Other invested assets										
Limited partnerships	(19,022)	(42,231)	10,205	23,452	20,267	(72,946)	(73,307)	11,076	25,088	(5,088)
Other	74	2,280	371	(1,332)	261	774	253	275	291	1,461
Total gross investment income	561,389	575,508	148,495	168,914	167,273	76,707	80,003	165,203	177,613	152,689
Interest (debited) credited on funds held	(4,081)	(4,255)	(1,015)	397	(2,457)	(1,006)	(516)	(2,004)	(1,024)	(711)
Interest credited to future policy benefit reserves	8,804	5,280	547	755	712	6,790	2,824	728	720	1,008
Other investment expenses	8,873	8,596	2,520	2,375	1,809	2,169	2,335	2,001	2,000	2,260
Total investment expenses	13,596	9,621	2,052	3,527	64	7,953	4,643	725	1,696	2,557
Total net investment income	\$ 547,793	\$ 565,887	\$ 146,443	\$ 165,387	\$ 167,209	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132

	Twelve Months Ended		Three Months Ended							
	December 31, 2009	December 31, 2008	December 31, 2009	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008
NET REALIZED CAPITAL (LOSSES) GAINS										
Fixed maturities	\$ (48,857)	\$ (187,524)	\$ (209)	\$ (1,355)	\$ 520	\$ (47,813)	\$ (12,825)	\$ (167,674)	\$ (5,988)	\$ (1,037)
Equity securities	46,506	(508,175)	8,490	32,415	22,927	(17,326)	(221,528)	(125,697)	(25,553)	(135,397)
Other invested assets	-	-	-	-	-	-	-	-	-	-
Short-term investments	39	(131)	19	3	15	2	(163)	6	(25)	51
Total net realized capital (losses) gains	\$ (2,312)	\$ (695,830)	\$ 8,300	\$ 31,063	\$ 23,462	\$ (65,137)	\$ (234,516)	\$ (293,365)	\$ (31,566)	\$ (136,383)

EVEREST RE GROUP, LTD.

Asbestos Exposures as of December 31, 2009

(Dollars in thousands)

(unaudited)

	End of Period Reserves	3 Yr Survival Ratio	4th Qtr. 2009 Incurred	ITD Incurred
Direct Operations - Gross:				
Settlements in place ⁽¹⁾	\$ 37,295	NA	\$ 3	\$ 580,426
Unsettled claims	21,829	NA	(140)	342,767
IBNR	<u>71,730</u>	NA	<u>137</u>	<u>71,728</u>
Total	130,854	1.7	-	994,921
Reinsurance Operations - Gross:				
Case reserves	128,745	NA	8,595	776,237
Supplemental case reserves ⁽²⁾	142,126	NA	(2,112)	144,055
IBNR	<u>207,066</u>	NA	<u>(6,483)</u>	<u>207,065</u>
Total	477,937	9.7	-	1,127,357
Total operations - gross	<u>\$ 608,791</u>	4.8	<u>\$ -</u>	<u>\$ 2,122,278</u>
Adjusted total - excluding settlements in place	<u>\$ 571,496</u>	8.7		
Direct operations	\$ 122,955	1.8	\$ 428	\$ 494,459
Reinsurance operations	<u>458,157</u>	9.8	<u>(106)</u>	<u>741,711</u>
Total operations	581,113		322	1,236,170
Stop loss cession	<u>-</u>	NA	<u>-</u>	<u>(160,000)</u>
Total operations - net	<u>\$ 581,113</u>	7.0	<u>\$ 322</u>	<u>\$ 1,076,170</u>
Adjusted total - excluding settlements in place	<u>\$ 546,076</u>	9.0		

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

(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

(Some amounts may not reconcile due to rounding.)