



**EVEREST®**

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*Investor Presentation*

**Everest Re Group, Ltd.  
Wessex House, 45 Reid Street, 2<sup>nd</sup> Floor  
Hamilton HM DX, Bermuda**

# Cautionary note on forward-looking statements



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***This presentation 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 U.S. Federal securities laws. These statements involve risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements made on behalf of the company. These risks and uncertainties include the impact of general economic conditions and conditions affecting the insurance and reinsurance industry, the adequacy of our reserves, our ability to assess underwriting risk, trends in rates for property and casualty insurance and reinsurance, competition, investment market fluctuations, trends in insured and paid losses, catastrophes, regulatory and legal uncertainties and other factors described in our latest Annual Report on Form 10-K. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.***

# Corporate Objectives

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*Everest Re Group is a worldwide multi-line reinsurance and insurance company. Our key objectives are to:*

- Maximize book value per common share over time, and
- Earn a mid teens ROE over each market cycle.

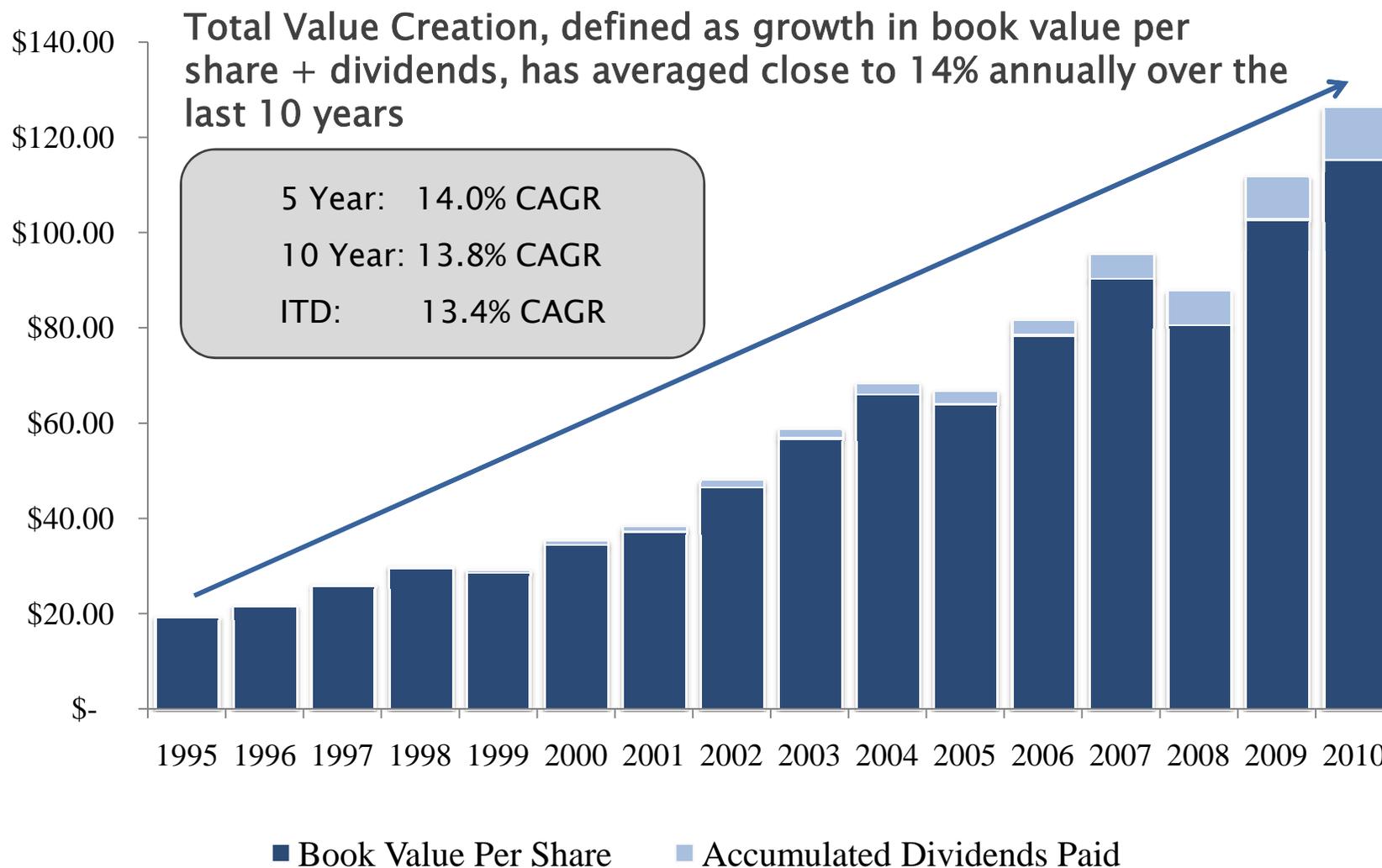
# Financial Highlights



| (\$ millions)                      | For the year ended December 31, |            |            |            |            |
|------------------------------------|---------------------------------|------------|------------|------------|------------|
|                                    | 2006                            | 2007       | 2008       | 2009       | 2010       |
| <b>Income Statement Data:</b>      |                                 |            |            |            |            |
| Gross Premiums Written             | \$ 4,000.9                      | \$ 4,077.6 | \$ 3,678.1 | \$ 4,129.0 | \$ 4,200.7 |
| Net Premiums Earned                | 3,853.2                         | 3,997.5    | 3,694.3    | 3,894.1    | 3,934.6    |
| Net Investment Income              | 629.4                           | 682.4      | 565.9      | 547.8      | 653.5      |
| Operating Income (Loss)            | 817.9                           | 776.9      | 562.7      | 763.7      | 518.1      |
| Net Income (Loss)                  | 840.8                           | 839.3      | (18.8)     | 807.0      | 610.8      |
| <b>Balance Sheet Data:</b>         |                                 |            |            |            |            |
| Cash and Investments               | 13,957.1                        | 14,936.2   | 13,714.3   | 14,918.8   | 15,365.0   |
| Total Assets                       | 17,107.6                        | 17,999.5   | 16,846.6   | 18,001.3   | 18,408.0   |
| Shareholders' Equity               | 5,107.7                         | 5,684.8    | 4,960.4    | 6,101.7    | 6,283.5    |
| Book Value per Common Share        | 78.53                           | 90.43      | 80.77      | 102.87     | 115.45     |
| <b>Financial Ratios:</b>           |                                 |            |            |            |            |
| Combined Ratio*                    | 89.0%                           | 91.3%      | 95.2%      | 89.1%      | 102.8%     |
| Pretax Operating Return on Revenue | 22.9%                           | 22.1%      | 16.2%      | 21.1%      | 11.9%      |
| After-Tax Operating ROE            | 18.7%                           | 14.6%      | 10.5%      | 14.0%      | 8.9%       |
| Net Income ROE                     | 19.3%                           | 15.7%      | -0.3%      | 14.8%      | 10.4%      |

\* Adjusted to exclude corporate expenses

# Generating Shareholder Value



# Long Term Performance

## Demonstrates Strong Cycle Management



| Key Profitability Measures | 5 Year<br>2006-2010 | 10 Year<br>2001 -2010 | ITD<br>1996-2010 |
|----------------------------|---------------------|-----------------------|------------------|
| Combined Ratio*            | 93.8%               | 98.7%                 | 99.4%            |
| Pretax Operating ROR       | 18.8%               | 13.5%                 | 14.2%            |
| Operating ROE              | 13.3%               | 11.2%                 | 11.8%            |
| BVPS CAGR                  | 12.5%               | 12.9%                 | 12.6%            |
| Shareholder Value          | 14.0%               | 13.8%                 | 13.3%            |

Strong results despite challenges posed by:

- Soft market 1997-2001
- Asbestos development (excluding asbestos, the 5 year combined ratio and pretax ROR was 91.3% and 21.0%, respectively)
- High period of catastrophe loss activity (2004, 2005, 2008, 2010)
- Financial market meltdown starting in 2007 and into 2008
- Low interest rate environment

\* Weighted average; adjusted to exclude corporate expenses

# Leading Business Franchise



- Strong Brand Recognition
- Top ratings (A+, Aa3)
- Experienced Management Team and Board of Directors
- Winning Culture – disciplined, focused on profitable growth, accountable – results oriented, flat and nimble in decision making
- Efficient Operating Structure – 4.4% group expense ratio and 2.9% expense ratio for reinsurance operations only
- Long Term Client Relationships
- Strong Balance Sheet – \$5.9 Billion in GAAP equity
- Diversified Book of Business – Reinsurance/Insurance; Property/Casualty; U.S./Non U.S.



# Key Strategy Drivers

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- Emphasize underwriting profitability, not volume
- Understand and control risks
- Provide top quality client service
- Operate efficiently and effectively
- Attract and retain high quality staff
- Maintain superior financial strength

# Multiple Distribution Channels

## Ability to Respond to Global Opportunities



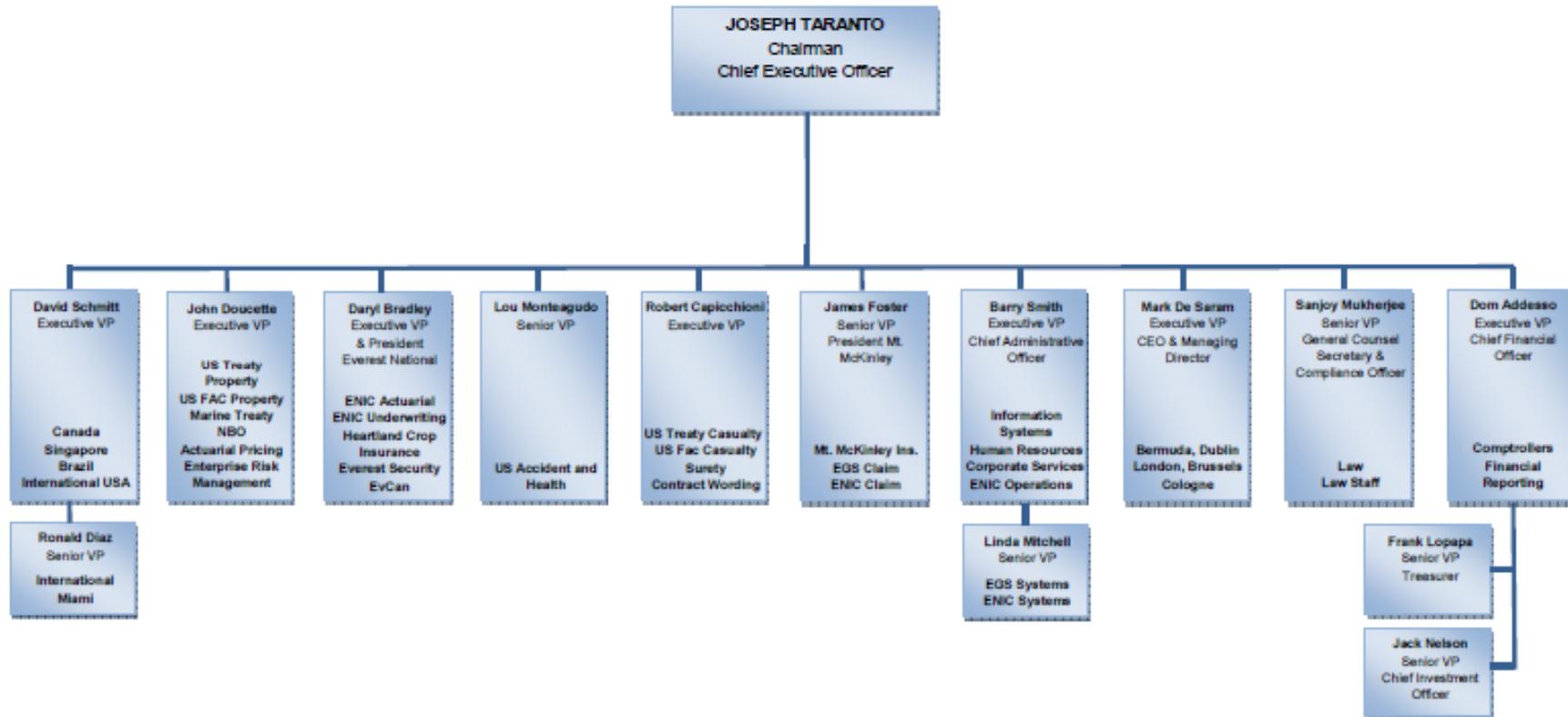
**Key Operating Subsidiaries are located in the United States, Ireland and Bermuda.**

**International Operations are conducted through London, Ireland, Toronto, Brussels, Cologne, Brazil and Singapore.**



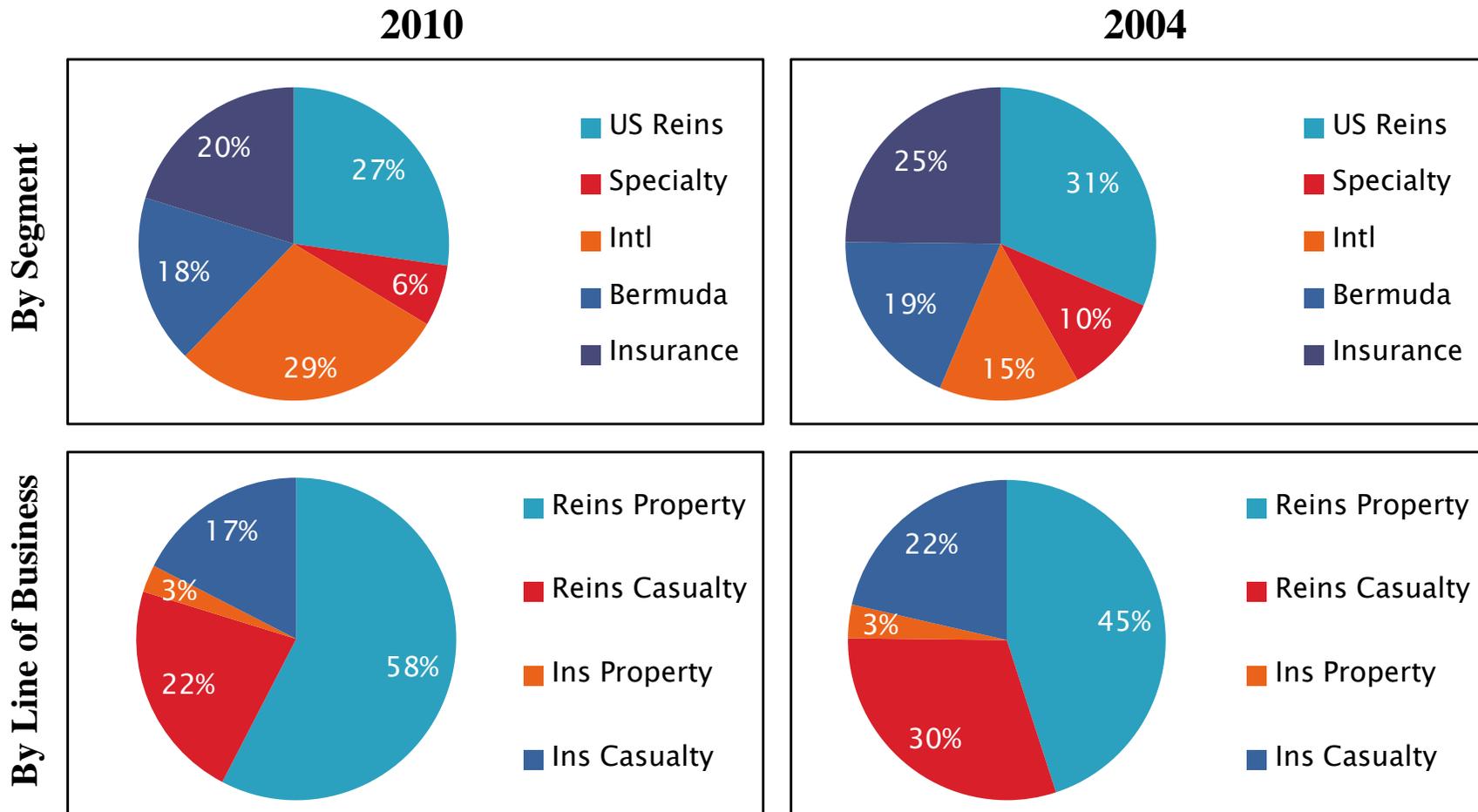
**995 employees worldwide (as of 4/1/11)**

# Experienced Management Team

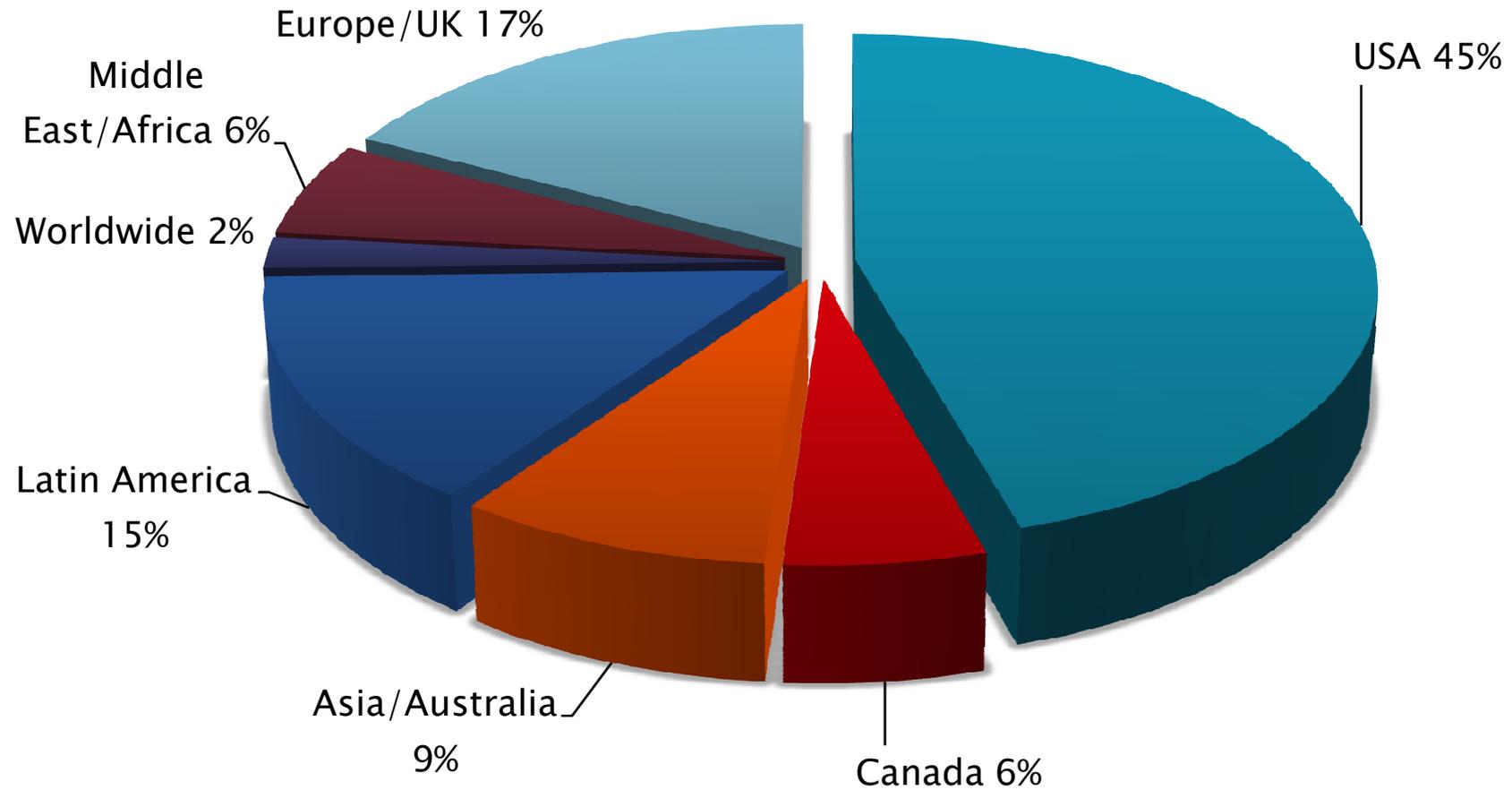


*Average Years of Service is 17 Years*

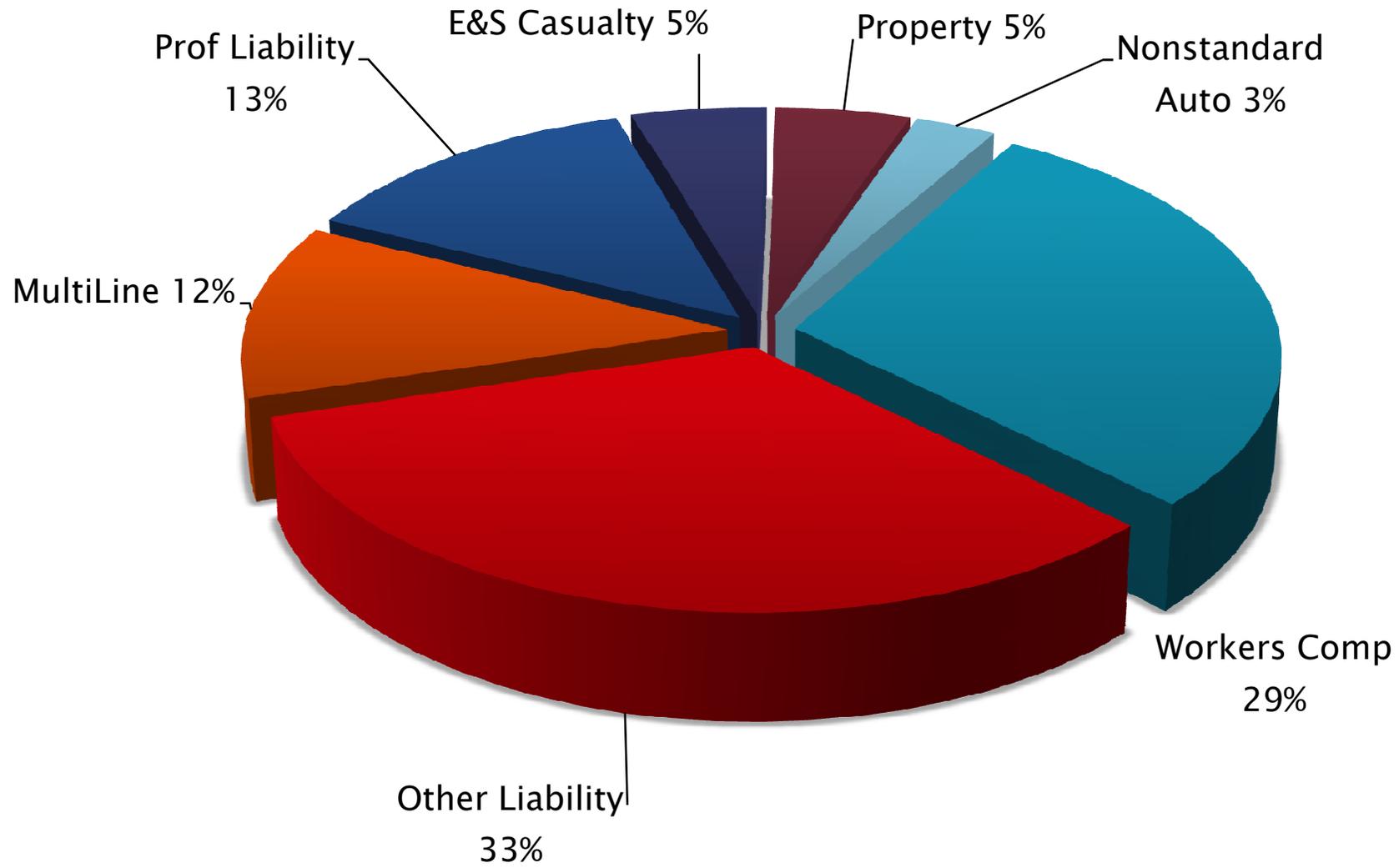
# Strategic Management of the Portfolio



# Geographical Diversity in Reinsurance Book



# Insurance Business by Line



# Capital Management Objectives

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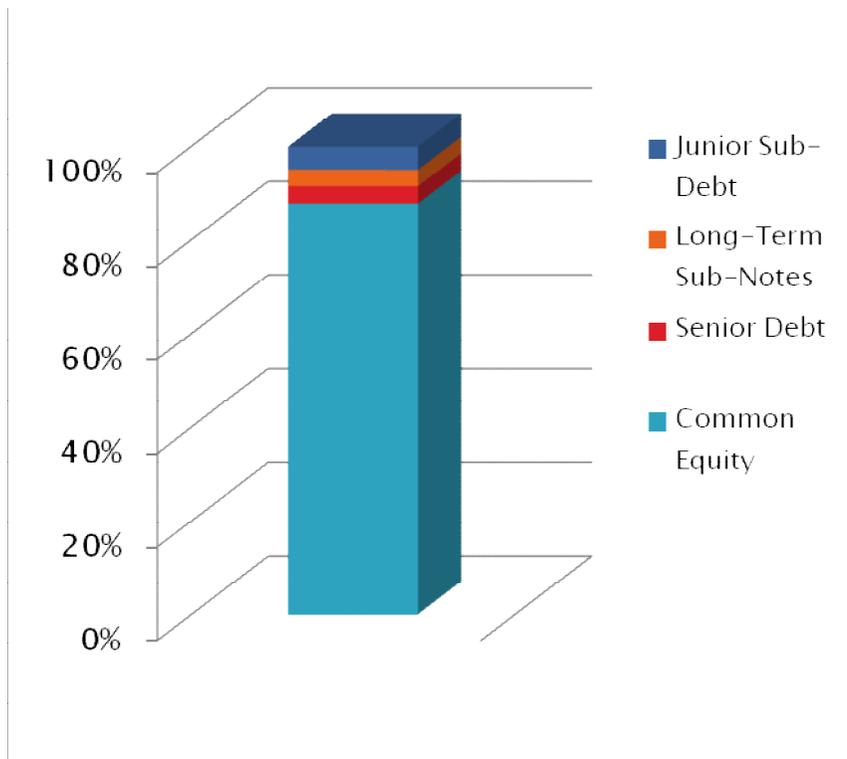
- Maintain capital at levels in excess of those required to retain ratings
- Target mid-teens ROE over the cycle
- Optimize capital structure; conservatively leverage the balance sheet
- Manage capital flows to/from shareholders to maintain capital efficiency/maximize value per share
- Near term – maintain shorter duration and continue to further diversify the portfolio. Seek to mitigate credit and interest rate risk.

# Conservative Leverage and Liquidity



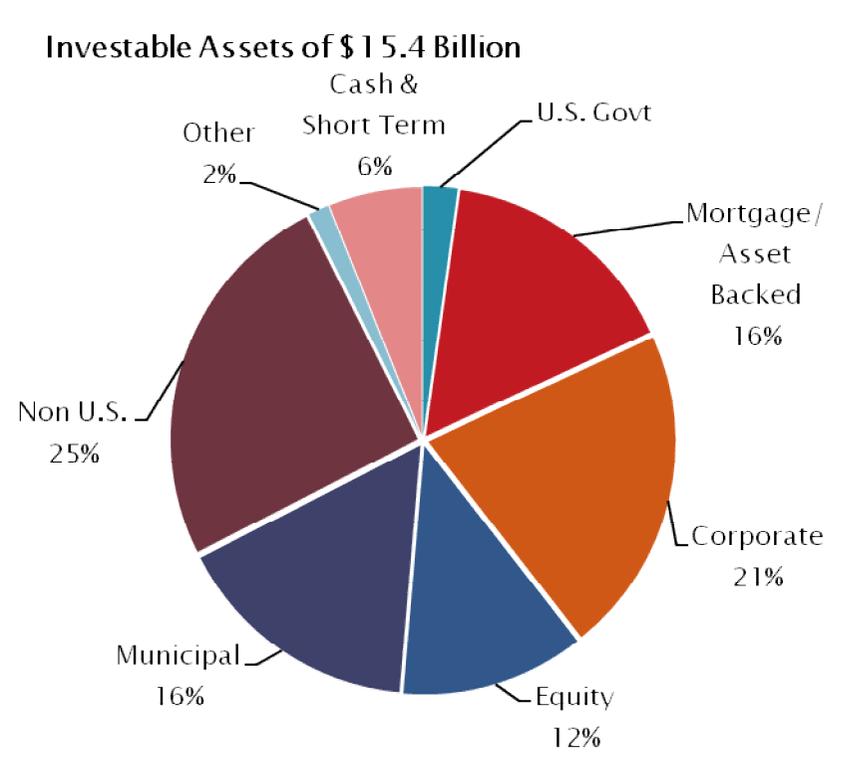
As of 3/31/11

## Capitalization



- Debt/Total Capital 12.2%
- Adjusted Debt/Total Capital 3.7%

## Liquidity



- \$1.0b credit facilities with first maturity in 2011
- Strong positive cash flows

# In Summary ...



- Recognized balance sheet strength – flight to quality
- Global franchise – expansive distribution platform
- Experienced management team – seasoned & opportunistic
- Diversified risk profile – prudent risk management
- Disciplined underwriting approach – profitability before growth
- Efficient operating structure
- Proven track record

## EVEREST RE GROUP, LTD.

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