

# Everest Re Group, Ltd.

Financial Supplement

March 31, 2016



**EVEREST**<sup>®</sup>

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

(Dollars in thousands, except per share amounts)  
(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
<b>PRODUCTION INFORMATION:</b>										
Gross written premiums	\$ 1,353,189	\$ 1,418,024	\$ 1,353,189	\$ 1,487,085	\$ 1,724,943	\$ 1,261,661	\$ 1,418,024	\$ 1,402,892	\$ 1,667,279	\$ 1,415,361
Net written premiums	1,181,457	1,224,289	1,181,457	1,321,949	1,500,355	1,135,718	1,224,289	1,268,440	1,467,824	1,195,134
Net premiums earned	1,218,867	1,272,488	1,218,867	1,372,235	1,362,864	1,285,255	1,272,488	1,318,313	1,351,780	1,248,670
<b>INVESTMENT INCOME:</b>										
Pre-tax investment income	\$ 102,524	\$ 122,566	\$ 102,524	\$ 110,514	\$ 115,403	\$ 124,990	\$ 122,566	\$ 134,023	\$ 142,107	\$ 131,205
Effective tax rate	18.4%	19.3%	18.4%	19.7%	18.5%	18.4%	19.3%	17.7%	19.0%	17.0%
After-tax investment income	\$ 83,688	\$ 98,888	\$ 83,688	\$ 88,701	\$ 94,039	\$ 101,935	\$ 98,888	\$ 110,243	\$ 115,105	\$ 108,887
Net pre-tax yield - amortized cost	2.5%	3.0%	2.5%	2.7%	2.8%	3.1%	3.0%	3.3%	3.5%	3.3%
Net after-tax yield - amortized cost	2.2%	2.4%	2.2%	2.2%	2.3%	2.5%	2.4%	2.7%	2.8%	2.7%
<b>CATASTROPHE INFORMATION:</b>										
Net pre-tax catastrophe losses <sup>(1)</sup>	\$ 9,843	\$ (182)	\$ 9,843	\$ (7,342)	\$ 31,752	\$ 26,445	\$ (182)	\$ (13,358)	\$ 26,296	\$ 38,672
After-tax effect of catastrophe losses on earnings per basic common share <sup>(1)</sup>	(0.20)	(0.01)	(0.20)	0.18	(0.62)	(0.51)	(0.01)	0.21	(0.51)	(0.70)
After-tax effect of catastrophe losses on earnings per diluted common share <sup>(1)</sup>	(0.20)	(0.01)	(0.20)	0.18	(0.61)	(0.51)	(0.01)	0.21	(0.51)	(0.69)
<b>EFFECTIVE TAX RATE ON:</b>										
Net income (loss)	3.0%	11.3%	3.0%	15.0%	-7.4%	14.6%	11.3%	12.8%	7.1%	18.0%
Net realized capital gains (losses)	-31.3%	-34.4%	-31.3%	63.5%	-30.2%	-36.1%	-34.4%	35.2%	-41.1%	33.2%
Operating income	11.4%	12.0%	11.4%	13.8%	17.4%	16.6%	12.0%	12.0%	8.1%	15.0%
<b>AFTER-TAX EARNINGS:</b>										
Net income (loss)	\$ 171,686	\$ 322,978	\$ 171,686	\$ 357,281	\$ 88,553	\$ 209,057	\$ 322,978	\$ 340,123	\$ 274,916	\$ 290,184
Per basic common share	4.03	7.26	4.03	8.32	2.02	4.72	7.26	7.54	6.05	6.32
Per diluted common share	4.00	7.19	4.00	8.26	2.00	4.68	7.19	7.47	6.00	6.26
Net realized capital gains (losses)	(50,979)	(6,896)	(50,979)	3,831	(111,680)	(15,448)	(6,896)	8,655	(5,563)	39,413
Per basic common share	(1.20)	(0.15)	(1.20)	0.09	(2.55)	(0.35)	(0.15)	0.19	(0.12)	0.86
Per diluted common share	(1.19)	(0.15)	(1.19)	0.09	(2.53)	(0.35)	(0.15)	0.19	(0.12)	0.85
Operating income, excl. net realized capital gains (losses) <sup>(2)</sup>	222,665	329,874	222,665	353,450	200,233	224,505	329,874	331,468	280,479	250,771
Per basic common share	5.23	7.41	5.23	8.23	4.57	5.07	7.41	7.34	6.18	5.46
Per diluted common share	5.19	7.34	5.19	8.17	4.53	5.03	7.34	7.28	6.12	5.41

(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, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
<b>COMBINED RATIO:</b>										
Loss ratio	57.5%	56.2%	57.5%	51.0%	63.9%	60.6%	56.2%	53.4%	61.7%	58.1%
Commission and brokerage ratio	22.6%	22.2%	22.6%	22.9%	21.7%	22.6%	22.2%	23.6%	21.1%	22.5%
Other underwriting expense ratio	5.9%	4.7%	5.9%	5.0%	5.0%	4.8%	4.7%	4.9%	4.6%	4.6%
Combined ratio	86.0%	83.1%	86.0%	78.9%	90.6%	88.0%	83.1%	81.9%	87.4%	85.2%
<b>CASH FLOW INFORMATION:</b>										
Cash flow provided by operations	\$ 367,145	\$ 350,569	\$ 367,145	\$ 294,793	\$ 270,204	\$ 181,068	\$ 350,569	\$ 359,427	\$ 306,074	\$ 193,959
Paid losses, net	685,866	652,824	685,866	746,643	803,898	666,742	652,824	704,554	786,506	682,932
Paid cats, net	26,310	40,138	26,310	43,290	40,035	44,236	40,138	60,271	73,721	78,823
Paid (recovered) asbestos and environmental losses, net	4,941	32,635	4,941	26,464	8,388	9,021	32,635	15,160	28,898	12,483
Taxes paid (recovered)	5,000	24,266	5,000	41,622	29,882	69,086	24,266	6,895	49,319	80,981
<b>RETURN ON EQUITY:</b>										
Beginning of period shareholders' equity	\$ 7,608,585	\$ 7,451,120	\$ 7,608,585	\$ 7,486,320	\$ 7,726,662	\$ 7,666,630	\$ 7,451,120	\$ 7,382,187	\$ 7,322,868	\$ 7,037,511
Net unrealized depreciation (appreciation) of investments	(42,810)	(223,249)	(42,810)	(138,440)	(204,903)	(328,637)	(223,249)	(264,832)	(344,588)	(256,500)
Adjusted beginning of period shareholders' equity	\$ 7,565,775	\$ 7,227,871	\$ 7,565,775	\$ 7,347,880	\$ 7,521,759	\$ 7,337,993	\$ 7,227,871	\$ 7,117,355	\$ 6,978,280	\$ 6,781,011
End of period shareholders' equity	\$ 7,840,299	\$ 7,666,630	\$ 7,840,299	\$ 7,608,585	\$ 7,486,320	\$ 7,726,662	\$ 7,666,630	\$ 7,451,120	\$ 7,382,187	\$ 7,322,868
Net unrealized depreciation (appreciation) of investments	(218,153)	(328,637)	(218,153)	(42,810)	(138,440)	(204,903)	(328,637)	(223,249)	(264,832)	(344,588)
Adjusted end of period shareholders' equity	\$ 7,622,146	\$ 7,337,993	\$ 7,622,146	\$ 7,565,775	\$ 7,347,880	\$ 7,521,759	\$ 7,337,993	\$ 7,227,871	\$ 7,117,355	\$ 6,978,280
Average adjusted shareholders' equity	\$ 7,593,961	\$ 7,282,932	\$ 7,593,961	\$ 7,456,828	\$ 7,434,820	\$ 7,429,876	\$ 7,282,932	\$ 7,172,613	\$ 7,047,818	\$ 6,879,646
After-tax operating income, excluding after-tax net realized capital gains (losses) <sup>(2)</sup>	\$ 222,665	\$ 329,874	\$ 222,665	\$ 353,450	\$ 200,233	\$ 224,505	\$ 329,874	\$ 331,468	\$ 280,479	\$ 250,771
After-tax net realized capital gains (losses)	(50,979)	(6,896)	(50,979)	3,831	(111,680)	(15,448)	(6,896)	8,655	(5,563)	39,413
Net income (loss)	\$ 171,686	\$ 322,978	\$ 171,686	\$ 357,281	\$ 88,553	\$ 209,057	\$ 322,978	\$ 340,123	\$ 274,916	\$ 290,184
<b>Return on equity (annualized)</b>										
After-tax operating income, excluding after-tax net realized capital gains (losses) <sup>(2)</sup>	11.7%	18.1%	11.7%	19.0%	10.8%	12.1%	18.1%	18.5%	15.9%	14.6%
After-tax net realized capital gains (losses)	-2.7%	-0.4%	-2.7%	0.2%	-6.0%	-0.8%	-0.4%	0.5%	-0.3%	2.3%
Net income (loss)	9.0%	17.7%	9.0%	19.2%	4.8%	11.3%	17.7%	19.0%	15.6%	16.9%

(Some amounts may not reconcile due to rounding.)

(1) Catastrophe losses are net of specific reinsurance and reinstatement premiums.

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

**EVEREST RE GROUP, LTD.**

**Supplemental GAAP Balance Sheet Information**

(Dollars in thousands, except per share amounts)

(unaudited)

	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
<b>BALANCE SHEET HIGHLIGHTS:</b>								
Total investments and cash	\$ 17,070,971	\$ 16,676,405	\$ 16,676,774	\$ 17,039,968	\$ 17,008,809	\$ 16,880,801	\$ 17,108,609	\$ 17,105,435
Total assets	20,855,854	20,550,828	20,847,639	20,635,626	20,594,421	20,345,524	21,088,189	20,741,968
Reserve for losses and loss adjustment expenses ("LAE") (gross)	9,985,979	9,951,798	9,965,963	9,783,570	9,633,982	9,720,813	9,795,429	9,704,463
Future policy benefit reserve	58,438	58,910	59,580	59,456	59,693	59,820	57,633	58,368
4.868 Senior notes due 6/1/2044	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
5.4% Senior notes due 10/15/2014	-	-	-	-	-	-	249,998	249,984
6.6% Long term notes due 5/1/2067	238,369	238,368	238,367	238,366	238,365	238,364	238,363	238,362
Shareholders' equity	7,840,299	7,608,585	7,486,320	7,726,662	7,666,630	7,451,120	7,382,187	7,322,868
Common shares outstanding	42,400	42,694	43,084	44,193	44,410	44,686	45,250	45,691
Book value per common share outstanding	\$ 184.91	\$ 178.21	\$ 173.76	\$ 174.84	\$ 172.63	\$ 166.75	\$ 163.14	\$ 160.27
<b>TOTAL LOSS RESERVES:</b>								
Gross reserve for losses and LAE	\$ 9,985,979	\$ 9,951,798	\$ 9,965,963	\$ 9,783,570	\$ 9,633,982	\$ 9,720,813	\$ 9,795,429	\$ 9,704,463
Reinsurance receivables on unpaid losses	(899,893)	(881,503)	(806,098)	(631,815)	(656,553)	(655,095)	(614,569)	(502,090)
Net reserve for losses and LAE	\$ 9,086,086	\$ 9,070,295	\$ 9,159,865	\$ 9,151,755	\$ 8,977,429	\$ 9,065,718	\$ 9,180,860	\$ 9,202,373
<b>ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:</b>								
Net loss and LAE reserves	\$ 314,679	\$ 319,620	\$ 307,643	\$ 416,555	\$ 425,576	\$ 458,211	\$ 335,602	\$ 364,500
Net asbestos 3 year survival ratio	5.9	5.9	6.6	7.5	7.2	8.7	6.2	7.7
<b>END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:</b>								
Pre-tax book yield to maturity	2.8%	3.0%	3.1%	3.0%	3.1%	3.1%	3.0%	3.3%
After-tax book yield to maturity	2.5%	2.6%	2.7%	2.6%	2.6%	2.7%	2.6%	2.8%
Modified duration of fixed income portfolio (in years)	3.1	3.2	3.2	3.2	3.1	3.1	3.1	3.1
Average credit quality	Aa3	Aa3	A1	A1	A1	A1	A1	A1
<b>OPERATING LEVERAGE:</b>								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.66 TO 1	0.68 TO 1	0.69 TO 1	0.66 TO 1	0.67 TO 1	0.69 TO 1	0.69 TO 1	0.69 TO 1
Ratio of net loss and LAE reserves to shareholders' equity	1.16 TO 1	1.19 TO 1	1.22 TO 1	1.18 TO 1	1.17 TO 1	1.22 TO 1	1.24 TO 1	1.26 TO 1

**EVEREST RE GROUP, LTD.**

**Segment Results**

(Dollars in thousands)

(unaudited)

**TOTAL SEGMENTS**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 1,353,189	\$ 1,418,024	\$ 1,353,189	\$ 1,487,085	\$ 1,724,943	\$ 1,261,661	\$ 1,418,024	\$ 1,402,892	\$ 1,667,279	\$ 1,415,361
Net written premiums	1,181,457	1,224,289	1,181,457	1,321,949	1,500,355	1,135,718	1,224,289	1,268,440	1,467,824	1,195,134
Premiums earned	\$ 1,218,867	\$ 1,272,488	\$ 1,218,867	\$ 1,372,235	\$ 1,362,864	\$ 1,285,255	\$ 1,272,488	\$ 1,318,313	\$ 1,351,780	\$ 1,248,670
Incurred losses and LAE										
Attritional - current year	692,358	715,761	692,358	737,861	837,391	751,519	715,761	725,955	804,544	685,171
Attritional - prior year	(1,413)	(747)	(1,413)	(30,816)	8	(90)	(747)	(9,219)	475	(662)
Catastrophes	9,804	141	9,804	(7,281)	34,213	26,755	141	(14,089)	29,329	41,103
Total incurred losses and LAE	700,749	715,155	700,749	699,764	871,612	778,184	715,155	702,647	834,348	725,612
Commission and brokerage	275,006	283,094	275,006	314,839	295,193	290,520	283,094	310,760	285,414	281,112
Other underwriting expenses	72,110	58,741	72,110	68,447	67,979	61,902	58,741	65,889	61,548	56,829
Underwriting gain (loss)	\$ 171,002	\$ 215,498	\$ 171,002	\$ 289,185	\$ 128,080	\$ 154,649	\$ 215,498	\$ 239,017	\$ 170,470	\$ 185,117
Loss ratio										
Attritional - current year	56.8%	56.3%	56.8%	53.8%	61.4%	58.5%	56.3%	55.1%	59.5%	54.9%
Attritional - prior year	-0.1%	-0.1%	-0.1%	-2.2%	0.0%	0.0%	-0.1%	-0.6%	0.0%	-0.1%
Catastrophes	0.8%	0.0%	0.8%	-0.6%	2.5%	2.1%	0.0%	-1.1%	2.2%	3.3%
Total loss ratio	57.5%	56.2%	57.5%	51.0%	63.9%	60.6%	56.2%	53.4%	61.7%	58.1%
Commission and brokerage ratio	22.6%	22.2%	22.6%	22.9%	21.7%	22.6%	22.2%	23.6%	21.1%	22.5%
Other underwriting expenses	5.9%	4.7%	5.9%	5.0%	5.0%	4.8%	4.7%	4.9%	4.6%	4.6%
Combined ratio	86.0%	83.1%	86.0%	78.9%	90.6%	88.0%	83.1%	81.9%	87.4%	85.2%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	56.8%	56.3%	56.8%	53.8%	61.6%	58.5%	56.3%	55.0%	59.7%	55.0%
Attritional combined ratio	85.3%	83.1%	85.3%	81.7%	88.3%	85.9%	83.1%	83.6%	85.4%	82.1%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**TOTAL REINSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 977,029	\$ 1,077,766	\$ 977,029	\$ 1,127,810	\$ 1,235,819	\$ 918,031	\$ 1,077,766	\$ 1,095,762	\$ 1,303,168	\$ 1,098,881
Net written premiums	857,505	920,707	857,505	1,018,452	1,081,394	835,871	920,707	1,003,538	1,157,133	915,062
Premiums earned	\$ 931,419	\$ 1,012,367	\$ 931,419	\$ 994,286	\$ 1,002,121	\$ 1,017,408	\$ 1,012,367	\$ 1,030,052	\$ 1,061,262	\$ 1,000,386
Incurred losses and LAE										
Attritional - current year	493,872	534,969	493,872	487,217	574,459	564,730	534,969	491,939	568,483	508,872
Attritional - prior year	(8,349)	(745)	(8,349)	(151,420)	861	(32,400)	(745)	(29,580)	(3,241)	371
Catastrophes	9,977	329	9,977	(7,276)	33,964	26,732	329	(14,109)	29,282	41,337
Total incurred losses and LAE	495,500	534,553	495,500	328,521	609,284	559,062	534,553	448,250	594,524	550,580
Commission and brokerage	231,525	244,531	231,525	265,751	244,924	252,227	244,531	275,518	244,996	241,204
Other underwriting expenses	30,467	28,444	30,467	31,016	32,303	28,644	28,444	31,562	30,236	27,701
Underwriting gain (loss)	\$ 173,927	\$ 204,839	\$ 173,927	\$ 368,998	\$ 115,610	\$ 177,475	\$ 204,839	\$ 274,722	\$ 191,506	\$ 180,901
Loss ratio										
Attritional - current year	53.0%	52.9%	53.0%	49.0%	57.3%	55.5%	52.9%	47.7%	53.5%	50.9%
Attritional - prior year	-0.9%	-0.1%	-0.9%	-15.3%	0.1%	-3.2%	-0.1%	-2.8%	-0.3%	0.0%
Catastrophes	1.1%	0.0%	1.1%	-0.7%	3.4%	2.6%	0.0%	-1.4%	2.8%	4.1%
Total loss ratio	53.2%	52.8%	53.2%	33.0%	60.8%	54.9%	52.8%	43.5%	56.0%	55.0%
Commission and brokerage ratio	24.9%	24.2%	24.9%	26.7%	24.4%	24.8%	24.2%	26.7%	23.1%	24.1%
Other underwriting expense ratio	3.2%	2.8%	3.2%	3.2%	3.3%	2.9%	2.8%	3.1%	2.9%	2.8%
Combined ratio	81.3%	79.8%	81.3%	62.9%	88.5%	82.6%	79.8%	73.3%	82.0%	81.9%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	53.0%	52.9%	53.0%	49.0%	57.5%	55.5%	52.9%	47.7%	53.7%	51.0%
Attritional combined ratio	81.1%	79.8%	81.1%	78.9%	85.2%	83.1%	79.8%	77.5%	79.7%	77.9%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**U.S. REINSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 536,706	\$ 562,647	\$ 536,706	\$ 532,616	\$ 601,570	\$ 451,059	\$ 562,647	\$ 491,209	\$ 679,905	\$ 453,115
Net written premiums	470,691	484,403	470,691	472,205	511,238	388,006	484,403	447,686	615,078	423,279
Premiums earned	\$ 486,541	\$ 511,094	\$ 486,541	\$ 472,253	\$ 488,485	\$ 480,848	\$ 511,094	\$ 508,511	\$ 559,488	\$ 489,129
Incurred losses and LAE										
Attritional - current year	240,812	247,686	240,812	208,177	225,520	259,226	247,686	241,932	246,737	231,202
Attritional - prior year	(4,541)	(676)	(4,541)	(98,785)	511	(24,168)	(676)	22,246	1,326	445
Catastrophes	173	(2,124)	173	16,114	(87)	(6,313)	(2,124)	(11,126)	941	7,367
Total incurred losses and LAE	236,444	244,886	236,444	125,506	225,944	228,745	244,886	253,052	249,004	239,014
Commission and brokerage	117,317	122,784	117,317	129,256	121,050	120,171	122,784	127,125	123,432	122,766
Other underwriting expenses	13,459	11,529	13,459	13,033	13,718	11,807	11,529	12,529	12,118	11,454
Underwriting gain (loss)	\$ 119,321	\$ 131,895	\$ 119,321	\$ 204,458	\$ 127,773	\$ 120,125	\$ 131,895	\$ 115,805	\$ 174,934	\$ 115,895
Loss ratio										
Attritional - current year	49.5%	48.4%	49.5%	44.1%	46.2%	53.9%	48.4%	47.6%	44.1%	47.3%
Attritional - prior year	-0.9%	-0.1%	-0.9%	-20.9%	0.2%	-5.0%	-0.1%	4.4%	0.2%	0.1%
Catastrophes	0.0%	-0.4%	0.0%	3.4%	-0.1%	-1.3%	-0.4%	-2.2%	0.2%	1.5%
Total loss ratio	48.6%	47.9%	48.6%	26.6%	46.3%	47.6%	47.9%	49.8%	44.5%	48.9%
Commission and brokerage ratio	24.1%	24.0%	24.1%	27.4%	24.8%	25.0%	24.0%	25.0%	22.1%	25.1%
Other underwriting expense ratio	2.8%	2.3%	2.8%	2.7%	2.7%	2.4%	2.3%	2.4%	2.1%	2.3%
Combined ratio	75.5%	74.2%	75.5%	56.7%	73.8%	75.0%	74.2%	77.2%	68.7%	76.3%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	49.5%	48.5%	49.5%	44.1%	46.2%	53.9%	48.5%	47.6%	44.1%	47.3%
Attritional combined ratio	76.4%	74.8%	76.4%	74.2%	73.8%	81.4%	74.8%	75.0%	68.4%	74.7%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

**INTERNATIONAL (reinsurance)**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 235,591	\$ 326,998	\$ 235,591	\$ 344,286	\$ 363,092	\$ 299,830	\$ 326,998	\$ 407,778	\$ 412,316	\$ 458,605
Net written premiums	202,500	261,738	202,500	312,106	318,478	316,656	261,738	359,398	352,608	315,590
Premiums earned	\$ 250,450	\$ 305,569	\$ 250,450	\$ 315,883	\$ 291,396	\$ 338,263	\$ 305,569	\$ 352,504	\$ 320,020	\$ 319,998
Incurred losses and LAE										
Attritional - current year	145,132	177,876	145,132	156,072	195,511	191,858	177,876	161,307	212,988	170,260
Attritional - prior year	(7,431)	(51)	(7,431)	(28,707)	350	(3,020)	(51)	(15,668)	(4,567)	(74)
Catastrophes	9,834	1,827	9,834	(8,226)	33,152	33,249	1,827	(1,631)	28,138	34,247
Total incurred losses and LAE	147,535	179,652	147,535	119,139	229,013	222,087	179,652	144,008	236,559	204,433
Commission and brokerage	64,286	70,614	64,286	71,859	70,894	84,813	70,614	90,513	73,143	71,599
Other underwriting expenses	7,823	8,115	7,823	9,011	9,128	8,049	8,115	9,915	8,758	8,088
Underwriting gain (loss)	\$ 30,806	\$ 47,188	\$ 30,806	\$ 115,874	\$ (17,639)	\$ 23,314	\$ 47,188	\$ 108,068	\$ 1,560	\$ 35,878
Loss ratio										
Attritional - current year	57.9%	58.2%	57.9%	49.4%	67.1%	56.8%	58.2%	45.8%	66.5%	53.2%
Attritional - prior year	-3.0%	0.0%	-3.0%	-9.1%	0.1%	-0.9%	0.0%	-4.4%	-1.4%	0.0%
Catastrophes	4.0%	0.6%	4.0%	-2.6%	11.4%	9.8%	0.6%	-0.5%	8.8%	10.7%
Total loss ratio	58.9%	58.8%	58.9%	37.7%	78.6%	65.7%	58.8%	40.9%	73.9%	63.9%
Commission and brokerage ratio	25.7%	23.1%	25.7%	22.7%	24.3%	25.1%	23.1%	25.7%	22.9%	22.4%
Other underwriting expense ratio	3.1%	2.7%	3.1%	2.9%	3.2%	2.3%	2.7%	2.7%	2.7%	2.5%
Combined ratio	87.7%	84.6%	87.7%	63.3%	106.1%	93.1%	84.6%	69.3%	99.5%	88.8%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	57.9%	58.2%	57.9%	49.4%	67.6%	56.8%	58.2%	45.7%	67.1%	53.6%
Attritional combined ratio	86.7%	84.0%	86.7%	75.0%	95.3%	84.2%	84.0%	74.2%	93.0%	78.6%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Segment Results (cont.)**

(Dollars in thousands)

(unaudited)

**BERMUDA (reinsurance)**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 204,732	\$ 188,121	\$ 204,732	\$ 250,908	\$ 271,157	\$ 167,142	\$ 188,121	\$ 196,775	\$ 210,947	\$ 187,161
Net written premiums	184,314	174,566	184,314	234,141	251,678	131,209	174,566	196,454	189,447	176,193
Premiums earned	\$ 194,428	\$ 195,704	\$ 194,428	\$ 206,150	\$ 222,240	\$ 198,297	\$ 195,704	\$ 169,037	\$ 181,754	\$ 191,259
Incurred losses and LAE										
Attritional - current year	107,928	109,407	107,928	122,968	153,428	113,646	109,407	88,700	108,758	107,410
Attritional - prior year	3,623	(18)	3,623	(23,928)	-	(5,212)	(18)	(36,158)	-	-
Catastrophes	(30)	626	(30)	(15,164)	899	(204)	626	(1,352)	203	(277)
Total incurred losses and LAE	111,521	110,015	111,521	83,876	154,327	108,230	110,015	51,190	108,961	107,133
Commission and brokerage	49,922	51,133	49,922	64,636	52,980	47,243	51,133	57,880	48,421	46,839
Other underwriting expenses	9,185	8,800	9,185	8,972	9,457	8,788	8,800	9,118	9,360	8,159
Underwriting gain (loss)	\$ 23,800	\$ 25,756	\$ 23,800	\$ 48,666	\$ 5,476	\$ 34,036	\$ 25,756	\$ 50,849	\$ 15,012	\$ 29,128
Loss ratio										
Attritional - current year	55.5%	55.9%	55.5%	59.6%	69.0%	57.3%	55.9%	52.5%	59.8%	56.1%
Attritional - prior year	1.9%	0.0%	1.9%	-11.5%	0.0%	-2.6%	0.0%	-21.4%	0.0%	0.0%
Catastrophes	0.0%	0.3%	0.0%	-7.4%	0.4%	-0.1%	0.3%	-0.8%	0.1%	-0.1%
Total loss ratio	57.4%	56.2%	57.4%	40.7%	69.4%	54.6%	56.2%	30.3%	59.9%	56.0%
Commission and brokerage ratio	25.7%	26.1%	25.7%	31.4%	23.8%	23.8%	26.1%	34.2%	26.6%	24.5%
Other underwriting expense ratio	4.7%	4.5%	4.7%	4.3%	4.3%	4.4%	4.5%	5.4%	5.2%	4.3%
Combined ratio	87.8%	86.8%	87.8%	76.4%	97.5%	82.8%	86.8%	69.9%	91.7%	84.8%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	55.5%	55.9%	55.5%	59.6%	69.0%	57.3%	55.9%	52.4%	59.8%	56.2%
Attritional combined ratio	85.9%	86.5%	85.9%	95.3%	97.1%	85.6%	86.5%	91.9%	91.6%	84.9%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

**TOTAL INSURANCE**

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
Gross written premiums	\$ 376,160	\$ 340,258	\$ 376,160	\$ 359,275	\$ 489,124	\$ 343,630	\$ 340,258	\$ 307,130	\$ 364,111	\$ 316,481
Net written premiums	323,952	303,581	323,952	303,497	418,960	299,848	303,581	264,902	310,690	280,073
Premiums earned	\$ 287,448	\$ 260,121	\$ 287,448	\$ 377,949	\$ 360,742	\$ 267,848	\$ 260,121	\$ 288,261	\$ 290,518	\$ 248,283
Incurred losses and LAE										
Attritional - current year	198,486	180,791	198,486	250,644	262,931	186,789	180,791	234,016	236,061	176,300
Attritional - prior year	6,936	(2)	6,936	120,604	(852)	32,310	(2)	20,361	3,716	(1,033)
Catastrophes	(173)	(188)	(173)	(5)	249	24	(188)	21	46	(234)
Total incurred losses and LAE	205,249	180,601	205,249	371,243	262,328	219,123	180,601	254,398	239,823	175,033
Commission and brokerage	43,481	38,563	43,481	49,088	50,268	38,294	38,563	35,242	40,418	39,908
Other underwriting expenses	41,643	30,297	41,643	37,429	35,677	33,258	30,297	34,329	31,311	29,128
Underwriting gain (loss)	\$ (2,925)	\$ 10,660	\$ (2,925)	\$ (79,811)	\$ 12,469	\$ (22,827)	\$ 10,660	\$ (35,708)	\$ (21,034)	\$ 4,214
Loss ratio										
Attritional - current year	69.1%	69.5%	69.1%	66.3%	72.9%	69.7%	69.5%	81.2%	81.2%	71.0%
Attritional - prior year	2.4%	0.0%	2.4%	31.9%	-0.3%	12.1%	0.0%	7.1%	1.3%	-0.4%
Catastrophes	-0.1%	-0.1%	-0.1%	0.0%	0.1%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Total loss ratio	71.4%	69.4%	71.4%	98.2%	72.7%	81.8%	69.4%	88.3%	82.5%	70.5%
Commission and brokerage ratio	15.1%	14.8%	15.1%	13.0%	13.9%	14.3%	14.8%	12.2%	13.9%	16.1%
Other underwriting expense ratio	14.5%	11.7%	14.5%	9.9%	9.9%	12.4%	11.7%	11.9%	10.8%	11.7%
Combined ratio	101.0%	95.9%	101.0%	121.1%	96.5%	108.5%	95.9%	112.4%	107.2%	98.3%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	69.1%	69.5%	69.1%	66.3%	72.9%	69.7%	69.5%	81.2%	81.2%	71.0%
Attritional combined ratio	98.7%	96.0%	98.7%	89.2%	96.7%	96.5%	96.0%	105.3%	105.9%	98.8%

(Some amounts may not reconcile due to rounding.)

**EVEREST RE GROUP, LTD.**

**Supplemental Investment Portfolio Analysis**

(Dollars in thousands)

(unaudited)

**INVESTMENTS AND CASH**

	At March 31, 2016			At December 31, 2015		
	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)	Market Value	Cost/ Amortized Cost	Pre-tax Unrealized Gains/(Losses)
<b>Investments and cash:</b>						
Fixed maturities-available for sale, at market value	\$ 13,761,652	\$ 13,480,045	\$ 281,607	\$ 13,357,294	\$ 13,276,206	\$ 81,088
Fixed maturities-available for sale, at fair value	1,870	1,870	-	2,102	2,102	-
Equity securities-available for sale, at market value	114,388	123,354	(8,966)	108,940	122,271	(13,331)
Equity securities-available for sale, at fair value	1,313,404	1,313,404	-	1,337,733	1,337,733	-
Other invested assets	1,109,186	1,109,186	-	786,994	786,994	-
Short-term investments	441,528	441,528	-	799,684	799,684	-
Cash	328,943	328,943	-	283,658	283,658	-
<b>Total</b>	<b>\$ 17,070,971</b>	<b>\$ 16,798,330</b>	<b>\$ 272,641</b>	<b>\$ 16,676,405</b>	<b>\$ 16,608,648</b>	<b>\$ 67,757</b>

**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	\$ 13,761,652	94.7%	\$ 13,357,294	92.5%
Fixed maturities-available for sale, at fair value	1,870	0.0%	2,102	0.0%
Short-term investments	441,528	3.0%	799,684	5.5%
Cash	328,943	2.3%	283,658	2.0%
<b>Total</b>	<b>\$ 14,533,993</b>	<b>100.0%</b>	<b>\$ 14,442,738</b>	<b>100.0%</b>

	At March 31, 2016			At December 31, 2015		
	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
<b>Investment Sectors:</b>						
Treasury	\$ 919,512	6.3%	\$ 27,568	\$ 816,877	5.7%	\$ 11,604
Agency	2,507	0.0%	12	2,533	0.0%	17
Corporate	4,811,401	33.2%	78,749	4,804,432	33.3%	(12,168)
Mortgage-backed securities						
Agency	2,473,289	17.0%	37,778	2,320,524	16.1%	7,259
Non-agency residential	328	0.0%	(5)	369	0.0%	(4)
Alt.-A	508	0.0%	5	529	0.0%	9
Commercial	273,018	1.9%	3,895	266,299	1.8%	1,375
Asset-backed securities	515,719	3.5%	1,169	467,226	3.2%	(3,094)
Municipal	702,077	4.8%	37,596	703,075	4.9%	33,130
Non-US	4,065,163	28.0%	94,840	3,977,532	27.5%	42,960
Cash & short-term investments	770,471	5.3%	-	1,083,342	7.5%	-
<b>Total</b>	<b>\$ 14,533,993</b>	<b>100.0%</b>	<b>\$ 281,607</b>	<b>\$ 14,442,738</b>	<b>100.0%</b>	<b>\$ 81,088</b>

	At March 31, 2016		At December 31, 2015	
	Market Value	% of Total	Market Value	% of Total
<b>Credit Quality:</b>				
AAA	\$ 6,462,208	44.5%	\$ 6,378,676	44.2%
AA	2,544,614	17.5%	2,546,399	17.6%
A	2,788,565	19.2%	2,766,456	19.2%
BBB	1,402,424	9.6%	1,416,632	9.8%
BB	800,790	5.5%	810,458	5.6%
B	401,546	2.8%	409,098	2.8%
Rated Below B	72,810	0.5%	65,516	0.5%
Other	61,036	0.4%	49,503	0.3%
<b>Total</b>	<b>\$ 14,533,993</b>	<b>100.0%</b>	<b>\$ 14,442,738</b>	<b>100.0%</b>

**EVEREST RE GROUP, LTD.**

**Supplemental Investment Portfolio Analysis (cont.)**

(Dollars in thousands)

(unaudited)

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

	March 31, 2016	
	Market Value	Unrealized Gain / (Loss)
<u>Top 20 Largest Corporate Fixed Income Positions:</u>		
Royal Bank of Canada	\$ 108,439	\$ 2,402
Apple Inc.	86,994	3,064
Daimler AG	86,519	1,911
JPMorgan Chase & Co.	81,391	4,921
The Toronto-Dominion Bank	76,553	3,371
Caterpillar Financial Services Corporation	76,278	4,735
Toyota Motor Credit Corporation	70,520	2,499
The Bank of Nova Scotia	66,435	831
General Electric Capital Corporation	66,194	5,426
National Australia Bank Limited	64,846	2,676
Deere & Company	60,927	1,609
Westpac Banking Corporation	58,945	2,724
Wells Fargo & Company	55,950	1,362
Commonwealth Bank of Australia	55,606	2,559
Verizon Communications Inc.	55,224	4,708
Lloyds Banking Group plc	54,596	2,432
Kredit Fuer Wiederaufbau	50,082	4,412
Sumitomo Mitsui Banking Corporation	49,868	625
International Bank for Reconstruction & Development	49,254	1,208
American Express Company	49,105	2,229
Total	<u>\$ 1,323,726</u>	<u>\$ 55,704</u>

	December 31, 2015	
	Market Value	Unrealized Gain / (Loss)
<u>Top 20 Largest Corporate Fixed Income Positions:</u>		
Royal Bank of Canada	\$ 89,823	\$ 1,060
Daimler AG	85,255	535
Apple Inc.	84,649	746
JPMorgan Chase & Co.	81,037	4,639
Toyota Motor Credit Corporation	79,221	1,104
The Toronto-Dominion Bank	75,224	2,393
Caterpillar Financial Services Corporation	74,937	3,400
Commonwealth Bank of Australia	72,307	2,728
General Electric Capital Corporation	66,373	5,476
The Bank of Nova Scotia	65,388	140
Westpac Banking Corporation	58,939	2,217
Wells Fargo & Company	56,382	168
Verizon Communications Inc.	54,809	4,127
Lloyds Banking Group plc	54,641	2,414
Kredit Fuer Wiederaufbau	52,506	4,001
Deere & Company	51,874	205
American Express Company	49,273	2,498
Sumitomo Mitsui Banking Corporation	49,178	(62)
BP Capital Markets p.l.c.	47,777	434
Canadian Imperial Bank of Commerce	46,676	(797)
Total	<u>\$ 1,296,269</u>	<u>\$ 37,426</u>

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

(Dollars in thousands)

(unaudited)

**EQUITIES AT FAIR VALUE**

	March 31, 2016		December 31, 2015
<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>	<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>
Wells Fargo & Company	\$ 31,464	Wells Fargo & Company	\$ 35,368
Microsoft Corporation	24,078	The Home Depot, Inc.	25,835
The Home Depot, Inc.	23,317	Microsoft Corporation	23,793
Brookfield Asset Management Inc.	22,433	The Charles Schwab Corporation	21,240
Ametek Inc.	19,444	Ametek Inc.	20,848
The Charles Schwab Corporation	18,491	Brookfield Asset Management Inc.	20,254
Berkshire Hathaway, Inc.	18,475	Valeant Pharmaceuticals International, Inc.	18,643
Johnson & Johnson	18,263	Visa Inc.	17,564
Visa Inc.	17,475	Johnson & Johnson	17,338
Nestlé S.A.	16,858	Berkshire Hathaway, Inc.	17,194
General Electric Company	16,670	Nestlé S.A.	16,815
Liberty Global plc	16,534	Celgene Corporation	16,730
Simon Property Group, Inc.	16,233	JPMorgan Chase & Co.	16,652
Chevron Corporation	16,206	United Parcel Service, Inc.	16,463
Exxon Mobil Corporation	16,021	General Electric Company	16,335
JPMorgan Chase & Co.	15,407	Chevron Corporation	16,128
Verizon Communications Inc.	14,594	Simon Property Group, Inc.	15,441
Merck & Company, Inc.	14,238	Liberty Global plc	15,409
Pfizer Inc.	14,225	Allergan plc	15,063
Cisco Systems, Inc.	14,119	Exxon Mobil Corporation	14,387
Total	<u>\$ 364,545</u>	Total	<u>\$ 377,500</u>

**EVEREST RE GROUP, LTD.**

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

(Dollars in thousands)

(unaudited)

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
<b>NET INVESTMENT INCOME</b>										
Fixed maturities	\$ 102,525	\$ 109,355	\$ 102,525	\$ 106,127	\$ 108,134	\$ 109,481	\$ 109,355	\$ 113,885	\$ 115,057	\$ 117,562
Equity securities	11,139	11,678	11,139	9,834	11,090	13,015	11,678	11,082	11,086	13,566
Short-term investments and cash	400	230	400	322	273	400	230	410	259	558
Other invested assets										
Limited partnerships	(6,158)	6,968	(6,158)	438	370	6,655	6,968	15,210	21,690	6,226
Other	(850)	625	(850)	438	(242)	983	625	399	869	330
Gross investment income before adjustments	107,056	128,856	107,056	117,159	119,625	130,534	128,856	140,986	148,961	138,242
Funds held interest income (expense)	2,540	2,876	2,540	2,605	2,569	2,717	2,876	2,596	1,817	2,041
Future policy benefit reserve income (expense)	(301)	(393)	(301)	(505)	(300)	(709)	(393)	(771)	(471)	(141)
Gross investment income	109,295	131,339	109,295	119,259	121,894	132,542	131,339	142,811	150,307	140,142
Investment Expenses	6,771	8,773	6,771	8,745	6,491	7,552	8,773	8,788	8,200	8,937
Net investment income	\$ 102,524	\$ 122,566	\$ 102,524	\$ 110,514	\$ 115,403	\$ 124,990	\$ 122,566	\$ 134,023	\$ 142,107	\$ 131,205

	Three Months Ended		Three Months Ended							
	March 31, 2016	March 31, 2015	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014
<b>NET REALIZED CAPITAL GAINS (LOSSES)</b>										
Fixed maturities	\$ (45,935)	\$ (33,952)	\$ (45,935)	\$ (46,096)	\$ (25,680)	\$ (18,801)	\$ (33,952)	\$ (42,985)	\$ 6,349	\$ (2,084)
Equity securities	(28,325)	23,447	(28,325)	56,602	(134,306)	(5,377)	23,447	56,337	(15,796)	61,104
Short-term investments	1	-	1	1	15	-	-	-	(1)	(4)
Total net realized capital gains (losses)	\$ (74,259)	\$ (10,505)	\$ (74,259)	\$ 10,507	\$ (159,971)	\$ (24,178)	\$ (10,505)	\$ 13,352	\$ (9,448)	\$ 59,016