

Everest Re Group, Ltd.

Analyst Supplement

June 30, 2009



EVEREST[®]

EVEREST RE GROUP, LTD.
Supplemental GAAP Operating Information

(Dollars in thousands, except per share amounts)

(unaudited)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
PRODUCTION INFORMATION:										
Gross written premiums	\$ 1,971,606	\$ 1,782,825	\$ 973,821	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502	\$ 1,050,667	\$ 1,074,673
Net written premiums	1,897,492	1,703,419	926,746	970,746	841,197	960,597	864,756	838,663	955,499	1,055,529
Net premiums earned	1,889,198	1,854,068	956,908	932,290	908,374	931,859	942,095	911,973	996,394	997,055
INVESTMENT INCOME:										
Pre-tax investment income	\$ 235,963	\$ 326,049	\$ 167,209	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132	\$ 174,101	\$ 172,802
Effective tax rate	8.2%	15.1%	9.7%	4.5%	18.5%	14.3%	15.8%	14.3%	14.0%	15.3%
After-tax investment income	\$ 216,652	\$ 276,869	\$ 150,985	\$ 65,667	\$ 61,440	\$ 140,917	\$ 148,150	\$ 128,719	\$ 149,737	\$ 146,287
Net pre-tax yield - amortized cost	3.4%	4.5%	4.8%	2.0%	2.1%	4.5%	4.8%	4.1%	4.8%	4.8%
Net after-tax yield - amortized cost	3.1%	3.8%	4.3%	1.9%	1.7%	3.9%	4.0%	3.5%	4.1%	4.1%
CATASTROPHE INFORMATION:										
Net pre-tax catastrophe losses ⁽¹⁾	\$ 40,133	\$ 32,030	\$ 7,608	\$ 32,525	\$ 7,755	\$ 267,412	\$ 13,747	\$ 18,283	\$ 9,237	\$ 23,904
After-tax effect of catastrophe losses on earnings per basic common share ⁽¹⁾	(0.56)	(0.36)	(0.12)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)	(0.07)	(0.26)
After-tax effect of catastrophe losses on earnings per diluted common share ⁽¹⁾	(0.55)	(0.35)	(0.12)	(0.44)	(0.06)	(3.53)	(0.16)	(0.20)	(0.07)	(0.26)
EFFECTIVE TAX RATE ON:										
Net income (loss)	14.5%	8.9%	12.9%	18.4%	-69.9%	-17.4%	9.7%	7.5%	-115.2%	20.8%
Net realized capital gains (losses)	-22.9%	-16.8%	30.3%	-25.6%	-16.4%	-16.2%	-14.4%	-17.4%	-21.5%	24.3%
Net gain on debt repurchase	35.0%	0.0%	0.0%	35.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating income	11.5%	12.1%	11.5%	11.5%	0.0%	-12.6%	10.4%	13.6%	10.5%	20.6%
AFTER-TAX EARNINGS:										
Net income (loss)	\$ 381,144	\$ 230,960	\$ 272,588	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933	\$ 12,238	\$ 246,587
Per basic common share	6.21	3.71	4.44	1.77	(0.27)	(3.79)	2.48	1.24	0.19	3.92
Per diluted common share	6.19	3.69	4.43	1.76	(0.27)	(3.79)	2.46	1.24	0.19	3.89
Net realized capital gains (losses)	(32,120)	(139,672)	16,343	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)	(50,981)	14,072
Per basic common share	(0.52)	(2.25)	0.27	(0.79)	(3.19)	(3.99)	(0.44)	(1.80)	(0.81)	0.22
Per diluted common share	(0.52)	(2.23)	0.27	(0.79)	(3.19)	(3.99)	(0.43)	(1.79)	(0.81)	0.22
Net gain on debt repurchase	50,876	-	-	50,876	-	-	-	-	-	-
Per basic common share	0.83	-	-	0.83	-	-	-	-	-	-
Per diluted common share	0.83	-	-	0.83	-	-	-	-	-	-
Operating income, excl. net realized capital gains (losses) ⁽²⁾	362,388	370,632	256,245	106,143	179,493	12,607	180,047	190,585	63,219	232,515
Per basic common share	5.90	5.96	4.17	1.73	2.92	0.20	2.92	3.04	1.00	3.70
Per diluted common share	5.88	5.92	4.16	1.72	2.92	0.20	2.89	3.03	1.00	3.67

(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)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
COMBINED RATIO:										
Loss ratio	60.2%	62.0%	59.2%	61.1%	52.3%	87.3%	64.2%	59.8%	78.3%	58.5%
Commission and brokerage ratio	24.1%	25.4%	24.0%	24.2%	26.5%	23.4%	26.0%	24.9%	26.3%	24.1%
Other underwriting expense ratio	4.5%	4.4%	4.7%	4.4%	4.7%	4.3%	4.2%	4.4%	3.8%	4.0%
Combined ratio	88.8%	91.8%	87.9%	89.7%	83.5%	115.0%	94.4%	89.1%	108.4%	86.6%
CASH FLOW INFORMATION:										
Cash flow provided by operations	\$ 283,927	\$ 232,288	\$ 103,421	\$ 180,506	\$ 55,308	\$ 375,399	\$ (18,364)	\$ 250,652	\$ 235,740	\$ 355,963
Paid losses, net	1,224,015	1,112,241	657,600	566,415	673,471	525,743	642,197	470,044	592,809	518,647
Paid cats, net	126,577	148,224	52,525	74,052	89,581	52,704	79,842	68,382	87,897	86,021
Paid (recovered) asbestos and environmental losses, net	75,126	6,909	57,979	17,147	59,139	12,266	22,679	(15,770)	41,941	9,210
Taxes paid (recovered)	67,779	100,704	40,644	27,135	7,669	(97,418)	67,486	33,218	14,824	107,438
RETURN ON EQUITY:										
Beginning of period shareholders' equity	\$ 4,960,355	\$ 5,684,770	\$ 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	163,359	(73,221)	116,411	163,359	282,223	91,765	(52,700)	(73,221)	(8,910)	67,447
Adjusted beginning of period shareholders' equity	\$ 5,123,714	\$ 5,611,549	\$ 5,156,265	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284	\$ 5,611,549	\$ 5,603,434	\$ 5,405,372
End of period shareholders' equity	\$ 5,545,415	\$ 5,567,603	\$ 5,545,415	\$ 5,039,854	\$ 4,960,355	\$ 5,036,576	\$ 5,567,603	\$ 5,632,984	\$ 5,684,770	\$ 5,612,344
Net unrealized (appreciation) depreciation of investments	(11,525)	91,765	(11,525)	116,411	163,359	282,223	91,765	(52,700)	(73,221)	(8,910)
Adjusted end of period shareholders' equity	\$ 5,533,890	\$ 5,659,368	\$ 5,533,890	\$ 5,156,265	\$ 5,123,714	\$ 5,318,799	\$ 5,659,368	\$ 5,580,284	\$ 5,611,549	\$ 5,603,434
Average adjusted shareholders' equity	\$ 5,328,802	\$ 5,635,459	\$ 5,345,078	\$ 5,139,990	\$ 5,221,257	\$ 5,489,084	\$ 5,619,826	\$ 5,595,917	\$ 5,607,492	\$ 5,504,403
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	\$ 362,388	\$ 370,632	\$ 256,245	\$ 106,143	\$ 179,493	\$ 12,607	\$ 180,047	\$ 190,585	\$ 63,219	\$ 232,515
After-tax net realized capital (losses) gains	(32,120)	(139,672)	16,343	(48,463)	(196,084)	(245,734)	(27,020)	(112,652)	(50,981)	14,072
After-tax realized gain on debt repurchase	50,876	-	-	50,876	-	-	-	-	-	-
Net income (loss)	\$ 381,144	\$ 230,960	\$ 272,588	\$ 108,556	\$ (16,591)	\$ (233,127)	\$ 153,027	\$ 77,933	\$ 12,238	\$ 246,587
Return on equity (annualized)										
After-tax operating income, excluding after-tax net realized capital gains (losses) and after-tax gain on debt repurchase ⁽²⁾	13.6%	13.2%	19.2%	8.3%	13.8%	0.9%	12.8%	13.6%	4.5%	16.9%
After-tax net realized capital (losses) gains	-1.2%	-5.0%	1.2%	-3.8%	-15.1%	-17.9%	-2.0%	-8.1%	-3.6%	1.0%
After-tax realized gain on debt repurchase	1.9%	0.0%	0.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income (loss)	14.3%	8.2%	20.4%	8.4%	-1.3%	-17.0%	10.8%	5.5%	0.9%	17.9%

(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)

	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
BALANCE SHEET HIGHLIGHTS:								
Total investments and cash	\$ 14,207,305	\$ 13,601,083	\$ 13,714,280	\$ 14,119,579	\$ 14,580,935	\$ 14,996,499	\$ 14,936,172	\$ 14,888,798
Total assets	17,326,935	16,724,994	16,846,590	17,370,387	17,792,928	18,046,001	17,999,482	17,860,928
Reserve for losses and loss adjustment expenses ("LAE") (gross)	8,815,875	8,775,462	8,840,660	9,247,610	9,078,381	9,124,432	9,040,606	8,811,411
Future policy benefit reserve	67,320	69,334	66,172	66,893	70,865	75,404	78,417	88,906
8.75% Senior notes due 3/15/2010	199,894	199,857	199,821	199,786	199,751	199,718	199,685	199,653
5.4% Senior notes due 10/15/2014	249,748	249,738	249,728	249,718	249,708	249,699	249,689	249,689
6.6% Long term notes due 5/1/2067	238,347	238,346	399,643	399,642	399,641	399,640	399,639	399,638
Junior subordinated debt securities payable	329,897	329,897	329,897	329,897	329,897	329,897	329,897	546,393
Shareholders' equity	5,545,415	5,039,854	4,960,355	5,036,576	5,567,603	5,632,984	5,684,770	5,612,344
Common shares outstanding	60,853	61,542	61,414	61,408	61,644	61,896	62,864	62,827
Book value per common share outstanding	\$ 91.13	\$ 81.89	\$ 80.77	\$ 82.02	\$ 90.32	\$ 91.01	\$ 90.43	\$ 89.33
TOTAL LOSS RESERVES:								
Gross reserve for losses and LAE	\$ 8,815,875	\$ 8,775,462	\$ 8,840,660	\$ 9,247,610	\$ 9,078,381	\$ 9,124,432	\$ 9,040,606	\$ 8,811,411
Reinsurance receivables on unpaid losses	(626,028)	(685,014)	(690,509)	(690,047)	(705,504)	(666,967)	(707,523)	(709,225)
Net reserve for losses and LAE	\$ 8,189,847	\$ 8,090,448	\$ 8,150,151	\$ 8,557,563	\$ 8,372,877	\$ 8,457,465	\$ 8,333,083	\$ 8,102,186
ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:								
Gross loss and LAE reserves	\$ 704,507	\$ 768,762	\$ 786,842	\$ 854,103	\$ 870,997	\$ 901,040	\$ 922,843	\$ 652,192
Net loss and LAE reserves	673,944	731,923	749,070	808,209	820,475	843,154	827,384	558,101
END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:								
Pre-tax yield - net of expenses, amortized cost basis	4.0%	4.2%	4.5%	4.5%	4.5%	4.4%	4.7%	4.7%
After-tax yield - net of expenses, amortized cost basis	3.6%	3.7%	4.0%	3.9%	3.8%	3.7%	3.9%	3.9%
Modified duration of fixed income portfolio (in years)	3.9	3.9	4.1	4.4	4.4	4.1	3.9	3.7
After-tax yield - net of expenses, amortized cost basis	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
OPERATING LEVERAGE:								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.67 TO 1	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
Ratio of net loss and LAE reserves to shareholders' equity	1.48 TO 1	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

EVEREST RE GROUP, LTD.
Segment Results

(Dollars in thousands)

(unaudited)

TOTAL SEGMENTS

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 1,971,606	\$ 1,782,825	\$ 973,821	\$ 997,785	\$ 896,147	\$ 999,167	\$ 905,323	\$ 877,502	\$ 1,050,667	\$ 1,074,673
Net written premiums	1,897,492	1,703,419	926,746	970,746	841,197	960,597	864,756	838,663	955,499	1,055,529
Premiums earned	\$ 1,889,198	\$ 1,854,068	\$ 956,908	\$ 932,290	\$ 908,374	\$ 931,859	\$ 942,095	\$ 911,973	\$ 996,394	\$ 997,055
Incurred losses and LAE	1,136,690	1,150,092	566,785	569,905	475,212	813,668	604,742	545,350	780,016	583,240
Commission and brokerage	455,252	471,860	229,214	226,038	240,789	218,045	244,713	227,147	261,575	240,135
Other underwriting expenses	77,325	72,562	40,970	36,355	38,898	37,078	35,158	37,404	47,254	33,471
Underwriting gain (loss)	\$ 219,931	\$ 159,554	\$ 119,939	\$ 99,992	\$ 153,475	\$ (136,932)	\$ 57,482	\$ 102,072	\$ (92,451)	\$ 140,209
Loss ratio	60.2%	62.0%	59.2%	61.1%	52.3%	87.3%	64.2%	59.8%	78.3%	58.5%
Commission and brokerage ratio	24.1%	25.4%	24.0%	24.2%	26.5%	23.4%	26.0%	24.9%	26.3%	24.1%
Other underwriting expenses	4.1%	4.0%	4.3%	4.0%	4.3%	4.0%	3.7%	4.1%	4.7%	3.3%
Combined ratio	88.4%	91.4%	87.5%	89.3%	83.1%	114.7%	93.9%	88.8%	109.3%	85.9%
Attritional - current year	\$ 1,071,316	\$ 1,036,199	\$ 552,512	\$ 518,804	\$ 497,254	\$ 516,833	\$ 532,552	\$ 503,647	\$ 556,998	\$ 554,410
Attritional - prior year	23,962	75,003	6,021	17,941	(41,546)	(9,055)	54,101	20,902	(103,941)	(39,426)
Catastrophes	41,412	38,890	8,252	33,160	19,504	305,890	18,089	20,801	15,735	29,965
Asbestos & environmental	-	-	-	-	-	-	-	-	311,224	38,291
Total incurred losses and LAE	\$ 1,136,690	\$ 1,150,092	\$ 566,785	\$ 569,905	\$ 475,212	\$ 813,668	\$ 604,742	\$ 545,350	\$ 780,016	\$ 583,240

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL INSURANCE (U.S. insurance)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 418,228	\$ 401,437	\$ 213,511	\$ 204,717	\$ 176,340	\$ 194,021	\$ 190,977	\$ 210,460	\$ 278,387	\$ 228,207
Net written premiums	351,495	330,488	169,054	182,441	126,219	160,250	153,892	176,596	190,782	210,725
Premiums earned	\$ 334,637	\$ 375,713	\$ 168,617	\$ 166,020	\$ 161,388	\$ 168,421	\$ 181,199	\$ 194,514	\$ 180,456	\$ 184,422
Incurred losses and LAE	236,347	327,444	120,324	116,023	106,804	115,606	193,505	133,939	123,259	128,397
Commission and brokerage	64,699	74,719	33,179	31,520	36,641	35,368	39,351	35,368	33,746	33,851
Other underwriting expenses	36,433	30,242	19,152	17,281	17,206	16,876	15,900	14,342	18,595	15,242
Underwriting (loss) gain	\$ (2,842)	\$ (56,692)	\$ (4,038)	\$ 1,196	\$ 737	\$ 571	\$ (67,557)	\$ 10,865	\$ 4,856	\$ 6,932
Loss ratio	70.6%	87.2%	71.4%	69.9%	66.2%	68.6%	106.8%	68.9%	68.3%	69.6%
Commission and brokerage ratio	19.3%	19.9%	19.7%	19.0%	22.7%	21.0%	21.7%	18.2%	18.7%	18.3%
Other underwriting expense ratio	10.9%	8.0%	11.3%	10.4%	10.6%	10.1%	8.8%	7.3%	10.3%	8.3%
Combined ratio	100.8%	115.1%	102.4%	99.3%	99.5%	99.7%	137.3%	94.4%	97.3%	96.2%
Attritional - current year	\$ 235,847	\$ 260,000	\$ 119,824	\$ 116,023	\$ 105,204	\$ 115,806	\$ 128,361	\$ 131,639	\$ 123,559	\$ 128,797
Attritional - prior year	500	67,700	500	-	1,600	(200)	65,400	2,300	(300)	(400)
Catastrophes	-	(256)	-	-	-	-	(256)	-	-	-
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 236,347	\$ 327,444	\$ 120,324	\$ 116,023	\$ 106,804	\$ 115,606	\$ 193,505	\$ 133,939	\$ 123,259	\$ 128,397

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL REINSURANCE

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 1,553,378	\$ 1,381,388	\$ 760,310	\$ 793,068	\$ 719,807	\$ 805,146	\$ 714,346	\$ 667,042	\$ 772,280	\$ 846,466
Net written premiums	1,545,997	1,372,931	757,692	788,305	714,978	800,347	710,864	662,067	764,717	844,804
Premiums earned	\$ 1,554,561	\$ 1,478,355	\$ 788,291	\$ 766,270	\$ 746,986	\$ 763,438	\$ 760,896	\$ 717,459	\$ 815,938	\$ 812,633
Incurred losses and LAE	900,343	822,648	446,461	453,882	368,408	698,062	411,237	411,411	656,757	454,843
Commission and brokerage	390,553	397,141	196,035	194,518	204,148	182,677	205,362	191,779	227,829	206,284
Other underwriting expenses	40,892	42,320	21,818	19,074	21,692	20,202	19,258	23,062	28,659	18,229
Underwriting gain (loss)	\$ 222,773	\$ 216,246	\$ 123,977	\$ 98,796	\$ 152,738	\$ (137,503)	\$ 125,039	\$ 91,207	\$ (97,307)	\$ 133,277
Loss ratio	57.9%	55.6%	56.6%	59.2%	49.3%	91.4%	54.0%	57.3%	80.5%	56.0%
Commission and brokerage ratio	25.1%	26.9%	24.9%	25.4%	27.3%	23.9%	27.0%	26.7%	27.9%	25.4%
Other underwriting expense ratio	2.7%	2.9%	2.8%	2.5%	3.0%	2.7%	2.6%	3.3%	3.5%	2.2%
Combined ratio	85.7%	85.4%	84.3%	87.1%	79.6%	118.0%	83.6%	87.3%	111.9%	83.6%
Attritional - current year	\$ 835,469	\$ 776,199	\$ 432,688	\$ 402,781	\$ 392,050	\$ 401,027	\$ 404,191	\$ 372,008	\$ 433,439	\$ 425,613
Attritional - prior year	23,462	7,303	5,521	17,941	(43,146)	(8,855)	(11,299)	18,602	(103,641)	(39,026)
Catastrophes	41,412	39,146	8,252	33,160	19,504	305,890	18,345	20,801	15,735	29,965
Asbestos & environmental	-	-	-	-	-	-	-	-	311,224	38,291
Total incurred losses and LAE	\$ 900,343	\$ 822,648	\$ 446,461	\$ 453,882	\$ 368,408	\$ 698,062	\$ 411,237	\$ 411,411	\$ 656,757	\$ 454,843

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

U.S. REINSURANCE

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 530,482	\$ 434,067	\$ 266,151	\$ 264,331	\$ 243,366	\$ 280,467	\$ 200,348	\$ 233,719	\$ 240,018	\$ 327,483
Net written premiums	526,806	427,952	266,306	260,500	243,603	277,243	198,079	229,873	235,550	327,051
Premiums earned	\$ 559,048	\$ 527,368	\$ 295,891	\$ 263,157	\$ 257,499	\$ 265,473	\$ 238,084	\$ 289,284	\$ 297,613	\$ 317,741
Incurred losses and LAE	296,690	293,598	158,905	137,785	141,254	363,313	116,736	176,862	305,610	167,254
Commission and brokerage	135,412	150,367	70,073	65,339	67,106	55,857	70,101	80,266	88,428	81,158
Other underwriting expenses	15,585	15,660	8,023	7,562	8,680	7,840	6,850	8,810	12,187	7,279
Underwriting gain (loss)	\$ 111,361	\$ 67,743	\$ 58,890	\$ 52,471	\$ 40,459	\$ (161,537)	\$ 44,397	\$ 23,346	\$ (108,612)	\$ 62,050
Loss ratio	53.1%	55.7%	53.7%	52.4%	54.9%	136.9%	49.0%	61.1%	102.7%	52.6%
Commission and brokerage ratio	24.2%	28.5%	23.7%	24.8%	26.1%	21.0%	29.4%	27.7%	29.7%	25.6%
Other underwriting expense ratio	2.8%	3.0%	2.7%	2.9%	3.3%	2.9%	3.0%	3.1%	4.1%	2.3%
Combined ratio	80.1%	87.2%	80.1%	80.1%	84.3%	160.8%	81.4%	91.9%	136.5%	80.5%
Attritional - current year	\$ 286,075	\$ 243,783	\$ 160,531	\$ 125,544	\$ 105,645	\$ 121,905	\$ 107,252	\$ 136,531	\$ 127,326	\$ 157,994
Attritional - prior year	12,536	31,763	505	12,031	9,419	11,702	(2,910)	34,673	(48,652)	(28,000)
Catastrophes	(1,921)	18,052	(2,131)	210	26,190	229,706	12,394	5,658	9,204	5,105
Asbestos & environmental	-	-	-	-	-	-	-	-	217,732	32,155
Total incurred losses and LAE	\$ 296,690	\$ 293,598	\$ 158,905	\$ 137,785	\$ 141,254	\$ 363,313	\$ 116,736	\$ 176,862	\$ 305,610	\$ 167,254

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

SPECIALTY UNDERWRITING (reinsurance)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 116,111	\$ 139,113	\$ 57,188	\$ 58,923	\$ 66,481	\$ 54,828	\$ 84,202	\$ 54,911	\$ 68,515	\$ 70,508
Net written premiums	113,713	137,277	55,746	57,967	63,668	53,274	83,006	54,271	65,293	69,422
Premiums earned	\$ 118,050	\$ 131,140	\$ 54,916	\$ 63,134	\$ 65,333	\$ 55,305	\$ 78,855	\$ 52,285	\$ 61,997	\$ 67,126
Incurred losses and LAE	82,716	69,887	42,675	40,041	41,817	54,165	41,538	28,349	37,897	39,618
Commission and brokerage	33,495	36,040	14,913	18,582	18,662	16,122	19,646	16,394	19,980	17,273
Other underwriting expenses	3,844	4,245	1,999	1,845	1,873	1,937	1,834	2,411	3,382	1,718
Underwriting (loss) gain	\$ (2,005)	\$ 20,968	\$ (4,671)	\$ 2,666	\$ 2,981	\$ (16,919)	\$ 15,837	\$ 5,131	\$ 738	\$ 8,517
Loss ratio	70.1%	53.3%	77.7%	63.4%	64.0%	97.9%	52.7%	54.2%	61.1%	59.0%
Commission and brokerage ratio	28.4%	27.5%	27.2%	29.4%	28.6%	29.2%	24.9%	31.4%	32.2%	25.7%
Other underwriting expense ratio	3.2%	3.2%	3.6%	3.0%	2.8%	3.5%	2.3%	4.6%	5.5%	2.6%
Combined ratio	101.7%	84.0%	108.5%	95.8%	95.4%	130.6%	79.9%	90.2%	98.8%	87.3%
Attritional - current year	\$ 78,085	\$ 77,034	\$ 40,375	\$ 37,710	\$ 40,412	\$ 33,392	\$ 47,350	\$ 29,684	\$ 35,873	\$ 35,182
Attritional - prior year	-	(9,008)	8	(8)	1,488	(17)	(6,008)	(3,000)	(1,827)	1,500
Catastrophes	4,631	1,861	2,292	2,339	(83)	20,790	196	1,665	3,851	2,936
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 82,716	\$ 69,887	\$ 42,675	\$ 40,041	\$ 41,817	\$ 54,165	\$ 41,538	\$ 28,349	\$ 37,897	\$ 39,618

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

INTERNATIONAL (reinsurance)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 525,003	\$ 405,362	\$ 274,253	\$ 250,750	\$ 250,485	\$ 248,821	\$ 218,984	\$ 186,378	\$ 216,267	\$ 213,635
Net written premiums	523,629	405,187	272,902	250,727	248,153	248,797	218,901	186,286	215,916	213,570
Premiums earned	\$ 508,855	\$ 404,958	\$ 254,341	\$ 254,514	\$ 250,391	\$ 230,107	\$ 213,990	\$ 190,968	\$ 212,097	\$ 203,080
Incurred losses and LAE	288,879	243,007	133,538	155,341	127,864	133,943	133,261	109,746	118,471	125,286
Commission and brokerage	129,302	102,120	62,965	66,337	69,901	58,899	55,810	46,310	54,249	48,622
Other underwriting expenses	10,304	9,801	5,684	4,620	5,288	4,691	4,747	5,054	6,439	4,144
Underwriting gain	\$ 80,370	\$ 50,030	\$ 52,154	\$ 28,216	\$ 47,338	\$ 32,574	\$ 20,172	\$ 29,858	\$ 32,938	\$ 25,028
Loss ratio	56.8%	60.0%	52.5%	61.0%	51.1%	58.2%	62.3%	57.5%	55.9%	61.7%
Commission and brokerage ratio	25.4%	25.2%	24.8%	26.1%	27.9%	25.6%	26.1%	24.3%	25.6%	23.9%
Other underwriting expense ratio	2.0%	2.4%	2.2%	1.8%	2.1%	2.0%	2.2%	2.6%	3.0%	2.1%
Combined ratio	84.2%	87.6%	79.5%	88.9%	81.1%	85.8%	90.6%	84.4%	84.5%	87.7%
Attritional - current year	\$ 272,732	\$ 218,755	\$ 135,268	\$ 137,464	\$ 151,897	\$ 130,746	\$ 116,793	\$ 101,962	\$ 118,835	\$ 108,454
Attritional - prior year	926	4,639	8	918	(31,084)	(7,006)	7,666	(3,027)	(9,977)	3,500
Catastrophes	15,221	19,613	(1,738)	16,959	7,051	10,203	8,802	10,811	9,613	13,332
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	\$ 288,879	\$ 243,007	\$ 133,538	\$ 155,341	\$ 127,864	\$ 133,943	\$ 133,261	\$ 109,746	\$ 118,471	\$ 125,286

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

BERMUDA (reinsurance)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
Gross written premiums	\$ 381,782	\$ 402,846	\$ 162,718	\$ 219,064	\$ 159,475	\$ 221,030	\$ 210,812	\$ 192,034	\$ 247,480	\$ 234,840
Net written premiums	381,849	402,515	162,738	219,111	159,554	221,033	210,878	191,637	247,958	234,761
Premiums earned	\$ 368,608	\$ 414,889	\$ 183,143	\$ 185,465	\$ 173,763	\$ 212,553	\$ 229,967	\$ 184,922	\$ 244,231	\$ 224,686
Incurred losses and LAE	232,058	216,156	111,343	120,715	57,473	146,641	119,702	96,454	194,779	122,685
Commission and brokerage	92,344	108,614	48,084	44,260	48,479	51,799	59,805	48,809	65,172	59,231
Other underwriting expenses	11,159	12,614	6,112	5,047	5,851	5,734	5,827	6,787	6,651	5,088
Underwriting gain (loss)	\$ 33,047	\$ 77,505	\$ 17,604	\$ 15,443	\$ 61,960	\$ 8,379	\$ 44,633	\$ 32,872	\$ (22,371)	\$ 37,682
Loss ratio	63.0%	52.1%	60.8%	65.1%	33.1%	69.0%	52.1%	52.2%	79.8%	54.6%
Commission and brokerage ratio	25.1%	26.2%	26.3%	23.9%	27.9%	24.4%	26.0%	26.4%	26.7%	26.3%
Other underwriting expense ratio	2.9%	3.0%	3.3%	2.7%	3.3%	2.7%	2.5%	3.6%	2.7%	2.3%
Combined ratio	91.0%	81.3%	90.4%	91.7%	64.3%	96.1%	80.6%	82.2%	109.2%	83.2%
Attritional - current year	\$ 198,577	\$ 236,627	\$ 96,514	\$ 102,063	\$ 94,096	\$ 114,984	\$ 132,796	\$ 103,831	\$ 151,405	\$ 123,983
Attritional - prior year	10,000	(20,091)	5,000	5,000	(22,969)	(13,534)	(10,047)	(10,044)	(43,185)	(16,026)
Catastrophes	23,481	(380)	9,829	13,652	(13,654)	45,191	(3,047)	2,667	(6,933)	8,592
Asbestos & environmental	-	-	-	-	-	-	-	-	93,492	6,136
Total incurred losses and LAE	\$ 232,058	\$ 216,156	\$ 111,343	\$ 120,715	\$ 57,473	\$ 146,641	\$ 119,702	\$ 96,454	\$ 194,779	\$ 122,685

EVEREST RE GROUP, LTD.
Supplemental Investment Portfolio Analysis

(Dollars in thousands)
(unaudited)

INVESTMENTS AND CASH

	At June 30, 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	\$ 11,803,246	\$ 11,769,608	\$ 33,638	\$ 10,759,612	\$ 10,932,076	\$ (172,464)
Fixed maturities-available for sale, at fair value	48,269	48,269	-	43,090	43,090	-
Equity securities-available for sale, at market value	15,556	13,676	1,880	16,900	14,915	1,985
Equity securities-available for sale, at fair value	132,443	132,443	-	119,829	119,829	-
Other invested assets	628,137	633,819	(5,682)	679,356	687,265	(7,909)
Short-term investments	1,107,354	1,107,354	-	1,889,799	1,889,799	-
Cash	472,300	472,300	-	205,694	205,694	-
Total	\$ 14,207,305	\$ 14,177,469	\$ 29,836	\$ 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	\$ 11,803,246	87.9%	\$ 10,759,612	83.4%
Fixed maturities-available for sale, at fair value	48,269	0.4%	43,090	0.3%
Short-term investments	1,107,354	8.2%	1,889,799	14.7%
Cash	472,300	3.5%	205,694	1.6%
Total	\$ 13,431,169	100.0%	\$ 12,898,195	100.0%

	At June 30, 2009			At December 31, 2008		
	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
Investment Sectors:						
Treasury	\$ 350,771	2.6%	\$ 15,571	\$ 408,718	3.2%	\$ 54,523
Agency	56,987	0.4%	1,836	109,928	0.9%	5,222
Corporate	2,353,142	17.5%	(55,108)	2,199,885	17.1%	(142,803)
Mortgage-backed securities						
Agency	1,908,636	14.2%	46,280	1,359,871	10.5%	25,829
Non-Agency	515,848	3.8%	(119,838)	478,976	3.7%	(131,973)
Alt.-A	32,669	0.2%	(6,276)	39,545	0.3%	(3,823)
Asset-backed securities						
Other	342,053	2.6%	1,224	241,356	1.9%	(27,476)
Subprime	6,780	0.1%	(2,598)	11,893	0.1%	(1,083)
Municipal	3,825,347	28.5%	50,225	3,795,718	29.4%	(51,036)
Non-US	2,459,282	18.3%	102,322	2,156,812	16.7%	100,156
Cash & short-term investments	1,579,654	11.8%	-	2,095,493	16.2%	-
Total	\$ 13,431,169	100.0%	\$ 33,638	\$ 12,898,195	100.0%	\$ (172,464)

Credit Quality:

	Market Value	% of Total	Market Value	% of Total
AAA	\$ 6,752,765	50.3%	\$ 6,650,442	51.6%
AA	2,519,446	18.8%	2,591,815	20.1%
A	2,469,016	18.4%	2,278,490	17.7%
BBB	1,393,896	10.4%	1,205,457	9.3%
BB	151,669	1.1%	90,832	0.7%
B	68,051	0.5%	48,227	0.4%
Other	76,326	0.5%	32,932	0.2%
Total	\$ 13,431,169	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.)

	June 30, 2009	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
Network Rail	\$ 69,862	\$ 286
PNC Financial Services Group, Inc.	68,466	(5,790)
AT&T, Inc.	66,331	2,419
European Investment Bank	63,884	10
Wells Fargo & Co.	56,779	137
JP Morgan Chase & Co.	52,634	(2,639)
Goldman Sachs Group, Inc.	52,179	(906)
American Express Company	49,635	(2,408)
Kredit Fuer Wiederaufbau	49,534	(644)
Citigroup, Inc.	48,782	(3,184)
Morgan Stanley	46,448	812
Bank Nederlandse Gemeenten	44,239	(2,016)
Credit Suisse Group	42,941	1,463
Prudential Financial, Inc.	39,843	(5,351)
France Telecom	38,379	1,106
ConocoPhillips	35,094	1,372
General Electric Capital Corp.	34,956	(1,957)
Landesbank Baden-Württemberg	32,975	1,640
US Bancorp	32,791	737
Vodafone Group, plc	32,491	1,013
Total	\$ 958,243	\$ (13,900)

	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
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	\$ 955,654	\$ (6,808)

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

(Dollars in thousands)

(unaudited)

EQUITIES

	June 30, 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	\$ 15,543	HSBC French Government Bond Fund - Class C	\$ 16,884
Mirant Corporation	9,321	Mirant Corporation	11,175
Nexen, Inc.	7,803	Barrick Gold Corporation	7,005
El DuPont de Nemours & Co.	6,474	El DuPont de Nemours & Co.	6,482
Barrick Gold Corporation	6,391	Newmont Mining Corp.	6,280
Newmont Mining Corp.	5,350	Nexen, Inc.	5,492
Calpine Corp.	5,150	Unisource Energy Corp.	4,698
Gold Fields, Ltd.	4,489	Post Properties, Inc.	4,698
Unisource Energy Corp.	4,427	Berkshire Hathaway Holdings - Class B	3,712
Post Properties, Inc.	3,826	Gold Fields, Ltd.	3,466
Meredith Corp.	3,654	Calpine Corp.	3,384
Berkshire Hathaway Holdings - Class B	3,568	Pfizer, Inc.	3,315
NV Energy, Inc.	3,508	State Auto Financial Corp.	3,255
Loews Corp.	3,247	H&R Block, Inc.	3,238
Tootsie Roll Industries, Inc.	3,042	NV Energy, Inc.	3,215
Pfizer, Inc.	2,868	Tootsie Roll Industries, Inc.	3,145
Automatic Data Processing, Inc.	2,853	Automatic Data Processing, Inc.	3,076
Cimarex Energy Co.	2,803	Petro-Canada	2,655
Petro-Canada	2,785	Meredith Corp.	2,363
Marathon Oil Corporation	2,630	Xerox Corp.	2,283
Total	<u>\$ 99,732</u>	Total	<u>\$ 99,821</u>

EVEREST RE GROUP, LTD.

Supplemental Investment Income and Realized Capital (Losses) Gains

(Dollars in thousands)

(unaudited)

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
NET INVESTMENT INCOME										
Fixed maturities	\$ 288,955	\$ 261,594	\$ 144,333	\$ 144,622	\$ 141,822	\$ 140,009	\$ 133,233	\$ 128,361	\$ 124,212	\$ 120,806
Equity securities	1,426	12,230	730	696	2,769	4,947	6,880	5,350	13,527	2,972
Short-term investments and cash	5,243	34,726	1,682	3,561	8,466	8,896	12,121	22,605	30,847	34,012
Other invested assets										
Limited partnerships	(52,679)	20,000	20,267	(72,946)	(73,307)	11,076	25,088	(5,088)	8,724	16,650
Other	1,035	1,752	261	774	253	275	291	1,461	707	495
Total gross investment income	243,980	330,302	167,273	76,707	80,003	165,203	177,613	152,689	178,017	174,935
Interest debited on funds held	(3,463)	(1,735)	(2,457)	(1,006)	(516)	(2,004)	(1,024)	(711)	(132)	(594)
Interest credited to future policy benefit reserves	7,502	1,728	712	6,790	2,824	728	720	1,008	1,729	861
Other investment expenses	3,978	4,260	1,809	2,169	2,335	2,001	2,000	2,260	2,319	1,866
Total investment expenses	8,017	4,253	64	7,953	4,643	725	1,696	2,557	3,916	2,133
Total net investment income	\$ 235,963	\$ 326,049	\$ 167,209	\$ 68,754	\$ 75,360	\$ 164,478	\$ 175,917	\$ 150,132	\$ 174,101	\$ 172,802

	Six Months Ended		Three Months Ended							
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008	June 30, 2008	March 31, 2008	December 31, 2007	September 30, 2007
NET REALIZED CAPITAL (LOSSES) GAINS										
Fixed maturities	\$ (47,293)	\$ (7,025)	\$ 520	\$ (47,813)	\$ (12,825)	\$ (167,674)	\$ (5,988)	\$ (1,037)	\$ (5,524)	\$ (7,779)
Equity securities	5,601	(160,950)	22,927	(17,326)	(221,528)	(125,697)	(25,553)	(135,397)	(59,439)	26,358
Other invested assets	-	-	-	-	-	-	-	-	-	-
Short-term investments	17	26	15	2	(163)	6	(25)	51	1	-
Total net realized capital (losses) gains	\$ (41,675)	\$ (167,949)	\$ 23,462	\$ (65,137)	\$ (234,516)	\$ (293,365)	\$ (31,566)	\$ (136,383)	\$ (64,962)	\$ 18,579

EVEREST RE GROUP, LTD.

Asbestos Exposures as of June 30, 2009

(Dollars in thousands)

(unaudited)

	End of Period Reserves	3 Yr Survival Ratio	2nd Qtr. 2009 Incurred	ITD Incurred
Direct Operations - Gross:				
Settlements in place ⁽¹⁾	\$ 37,817	NA	\$ (233)	\$ 554,350
Unsettled claims	40,828	NA	(125)	360,146
IBNR	<u>80,427</u>	NA	<u>358</u>	<u>80,425</u>
Total	159,072	2.0	-	994,921
Reinsurance Operations - Gross:				
Case reserves	125,365	NA	8,919	749,257
Supplemental case reserves ⁽²⁾	141,853	NA	(5,397)	143,784
IBNR	<u>234,317</u>	NA	<u>(3,522)</u>	<u>234,316</u>
Total	501,535	10.2	-	1,127,357
Total operations - gross	<u>\$ 660,607</u>	5.2	<u>\$ -</u>	<u>\$ 2,122,278</u>
Adjusted total - excluding settlements in place	<u>\$ 622,790</u>	8.2		
Direct operations	\$ 149,527	2.1	\$ -	\$ 494,031
Reinsurance operations	<u>479,187</u>	10.2	<u>-</u>	<u>741,817</u>
Total operations	628,714		-	1,235,848
Stop loss cession	<u>-</u>	NA	<u>-</u>	<u>(160,000)</u>
Total operations - net	<u>\$ 628,714</u>	8.8	<u>\$ -</u>	<u>\$ 1,075,848</u>
Adjusted total - excluding settlements in place	<u>\$ 593,738</u>	8.4		

(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