

Everest Re Group, Ltd.

Financial Supplement

June 30, 2012



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, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
PRODUCTION INFORMATION:										
Gross written premiums	\$ 1,955,484	\$ 2,052,794	\$ 909,018	\$ 1,046,466	\$ 1,104,874	\$ 1,128,506	\$ 987,865	\$ 1,064,929	\$ 1,002,600	\$ 1,163,591
Net written premiums	1,871,543	1,975,005	856,681	1,014,862	1,043,104	1,090,790	955,121	1,019,884	942,130	1,085,225
Net premiums earned	2,035,778	2,051,281	1,037,800	997,978	1,005,728	1,044,338	1,039,835	1,011,446	1,020,159	997,265
INVESTMENT INCOME:										
Pre-tax investment income	\$ 301,767	\$ 337,323	\$ 149,329	\$ 152,438	\$ 126,253	\$ 156,465	\$ 158,618	\$ 178,705	\$ 184,865	\$ 141,368
Effective tax rate	14.9%	13.8%	14.3%	15.6%	13.6%	13.6%	14.7%	12.9%	14.2%	11.6%
After-tax investment income	\$ 256,691	\$ 290,899	\$ 128,040	\$ 128,651	\$ 109,128	\$ 135,123	\$ 135,314	\$ 155,585	\$ 158,677	\$ 124,926
Net pre-tax yield - amortized cost	4.0%	4.5%	3.9%	4.0%	3.3%	4.1%	4.2%	4.8%	5.0%	3.9%
Net after-tax yield - amortized cost	3.4%	3.9%	3.4%	3.4%	2.9%	3.6%	3.6%	4.2%	4.3%	3.4%
CATASTROPHE INFORMATION:										
Net pre-tax catastrophe losses ⁽¹⁾	\$ 47,415	\$ 747,488	\$ 21,807	\$ 25,608	\$ 370,732	\$ 119,386	\$ 112,992	\$ 634,496	\$ 52,600	\$ 89,448
After-tax effect of catastrophe losses on earnings per basic common share	(0.76)	(11.43)	(0.35)	(0.41)	(4.58)	(1.71)	(1.66)	(9.77)	(0.78)	(1.35)
After-tax effect of catastrophe losses on earnings per diluted common share	(0.76)	(11.43)	(0.35)	(0.41)	(4.57)	(1.71)	(1.65)	(9.77)	(0.77)	(1.34)
EFFECTIVE TAX RATE ON:										
Net income (loss)	10.8%	-8.1%	10.4%	11.1%	-196.6%	-571.6%	6.8%	-7.5%	-28.1%	14.8%
Net realized capital gains (losses)	31.4%	31.5%	-49.0%	34.4%	33.2%	-39.3%	-45.1%	36.9%	-37.1%	34.9%
Operating income	7.4%	-8.9%	12.9%	1.7%	-71.8%	0.3%	8.0%	-8.6%	-26.6%	10.2%
AFTER-TAX EARNINGS:										
Net income (loss)	\$ 519,255	\$ (184,582)	\$ 214,551	\$ 304,704	\$ 41,042	\$ 63,054	\$ 131,312	\$ (315,894)	\$ 302,533	\$ 174,200
Per basic common share	9.81	(3.40)	4.10	5.70	0.76	1.16	2.42	(5.81)	5.53	3.12
Per diluted common share	9.79	(3.40)	4.08	5.68	0.76	1.16	2.41	(5.81)	5.51	3.11
Net realized capital gains (losses)	56,314	5,007	(8,462)	64,776	91,726	(83,619)	(2,661)	7,668	44,695	24,930
Per basic common share	1.06	0.09	(0.16)	1.21	1.71	(1.54)	(0.05)	0.14	0.82	0.45
Per diluted common share	1.06	0.09	(0.16)	1.21	1.70	(1.54)	(0.05)	0.14	0.81	0.45
Operating income, excl. net realized capital gains (losses) ⁽²⁾	462,941	(189,590)	223,013	239,928	(50,684)	146,673	133,971	(323,562)	257,838	149,270
Per basic common share	8.75	(3.49)	4.26	4.49	(0.94)	2.71	2.47	(5.95)	4.71	2.67
Per diluted common share	8.72	(3.49)	4.25	4.48	(0.94)	2.70	2.46	(5.95)	4.70	2.67

(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, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
COMBINED RATIO:										
Loss ratio	59.5%	96.8%	58.6%	60.4%	101.4%	69.0%	70.8%	123.6%	70.6%	67.7%
Commission and brokerage ratio	24.7%	23.1%	25.6%	23.8%	24.7%	21.8%	22.8%	23.4%	24.0%	23.8%
Other underwriting expense ratio	4.8%	4.4%	4.8%	4.8%	4.2%	4.8%	4.4%	4.4%	4.1%	4.4%
Combined ratio	89.0%	124.3%	89.0%	89.0%	130.3%	95.6%	98.0%	151.4%	98.7%	95.9%
CASH FLOW INFORMATION:										
Cash flow provided by operations	\$ 304,510	\$ 338,746	\$ 138,772	\$ 165,738	\$ 112,864	\$ 207,910	\$ 150,640	\$ 188,106	\$ 127,862	\$ 297,771
Paid losses, net	1,428,207	1,292,100	688,702	739,505	768,312	758,425	599,435	692,665	765,342	682,292
Paid cats, net	285,854	186,666	121,948	163,906	167,615	204,889	73,106	113,560	98,813	168,583
Paid (recovered) asbestos and environmental losses, net	29,507	27,753	16,811	12,696	15,844	9,913	9,503	18,250	21,682	34,886
Taxes paid (recovered)	23,801	(12,546)	12,617	11,184	(38,618)	6,627	(24,470)	11,924	5,737	(877)
RETURN ON EQUITY:										
Beginning of period shareholders' equity	\$ 6,071,375	\$ 6,283,517	\$ 6,330,998	\$ 6,071,375	\$ 6,091,841	\$ 6,152,558	\$ 5,914,170	\$ 6,283,517	\$ 6,281,620	\$ 6,035,599
Net unrealized depreciation (appreciation) of investments	(449,580)	(369,439)	(529,949)	(449,580)	(421,631)	(456,587)	(344,949)	(369,439)	(621,761)	(457,098)
Adjusted beginning of period shareholders' equity	\$ 5,621,795	\$ 5,914,078	\$ 5,801,049	\$ 5,621,795	\$ 5,670,210	\$ 5,695,971	\$ 5,569,221	\$ 5,914,078	\$ 5,659,859	\$ 5,578,501
End of period shareholders' equity	\$ 6,417,351	\$ 6,152,558	\$ 6,417,351	\$ 6,330,998	\$ 6,071,375	\$ 6,091,841	\$ 6,152,558	\$ 5,914,170	\$ 6,283,517	\$ 6,281,620
Net unrealized depreciation (appreciation) of investments	(527,900)	(456,587)	(527,900)	(529,949)	(449,580)	(421,631)	(456,587)	(344,949)	(369,439)	(621,761)
Adjusted end of period shareholders' equity	\$ 5,889,451	\$ 5,695,971	\$ 5,889,451	\$ 5,801,049	\$ 5,621,795	\$ 5,670,210	\$ 5,695,971	\$ 5,569,221	\$ 5,914,078	\$ 5,659,859
Average adjusted shareholders' equity	\$ 5,755,623	\$ 5,805,025	\$ 5,845,250	\$ 5,711,422	\$ 5,646,003	\$ 5,683,091	\$ 5,632,596	\$ 5,741,650	\$ 5,786,969	\$ 5,619,180
After-tax operating income, excluding after-tax net realized capital gains (losses) ⁽²⁾	\$ 462,941	\$ (189,590)	\$ 223,013	\$ 239,928	\$ (50,684)	\$ 146,673	\$ 133,971	\$ (323,562)	\$ 257,838	\$ 149,270
After-tax net realized capital gains (losses)	56,314	5,007	(8,462)	64,776	91,726	(83,619)	(2,661)	7,668	44,695	24,930
Net income (loss)	\$ 519,255	\$ (184,582)	\$ 214,551	\$ 304,704	\$ 41,042	\$ 63,054	\$ 131,312	\$ (315,894)	\$ 302,533	\$ 174,200
Return on equity (annualized)										
After-tax operating income, excluding after-tax net realized capital gains (losses) ⁽²⁾	16.1%	-6.5%	15.3%	16.8%	-3.6%	10.3%	9.5%	-22.5%	17.8%	10.6%
After-tax net realized capital gains (losses)	1.9%	0.1%	-0.6%	4.5%	6.5%	5.4%	-0.2%	0.5%	3.1%	1.8%
Net income (loss)	18.0%	-6.4%	14.7%	21.3%	2.9%	4.4%	9.3%	-22.0%	20.9%	12.4%

(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.

(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) 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)

	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
BALANCE SHEET HIGHLIGHTS:								
Total investments and cash	\$ 16,029,819	\$ 16,116,958	\$ 15,797,381	\$ 15,713,917	\$ 15,836,619	\$ 15,365,817	\$ 15,365,019	\$ 15,487,491
Total assets	18,903,251	19,165,400	18,893,555	18,705,838	18,976,395	18,766,755	18,384,198	18,514,021
Reserve for losses and loss adjustment expenses ("LAE") (gross)	9,890,827	10,029,343	10,123,215	9,979,984	10,145,655	9,969,189	9,340,183	9,331,987
Future policy benefit reserve	66,269	66,842	67,187	61,971	62,608	62,785	63,002	63,747
Revolving credit borrowings	-	-	-	-	40,000	40,000	50,000	83,000
5.4% Senior notes due 10/15/2014	249,882	249,870	249,858	249,847	249,835	249,824	249,812	249,801
6.6% Long term notes due 5/1/2067	238,355	238,355	238,354	238,353	238,352	238,352	238,351	238,350
Junior subordinated debt securities payable	329,897	329,897	329,897	329,897	329,897	329,897	329,897	329,897
Shareholders' equity	6,417,351	6,330,998	6,071,375	6,091,841	6,152,558	5,914,170	6,283,517	6,281,620
Common shares outstanding	51,857	52,625	53,736	53,789	54,346	54,224	54,428	55,023
Book value per common share outstanding	\$ 123.75	\$ 120.30	\$ 112.99	\$ 113.26	\$ 113.21	\$ 109.07	\$ 115.45	\$ 114.16
TOTAL LOSS RESERVES:								
Gross reserve for losses and LAE	\$ 9,890,827	\$ 10,029,343	\$ 10,123,215	\$ 9,979,984	\$ 10,145,655	\$ 9,969,189	\$ 9,340,183	\$ 9,331,987
Reinsurance receivables on unpaid losses	(596,480)	(581,721)	(580,998)	(585,541)	(690,140)	(696,088)	(689,445)	(676,249)
Net reserve for losses and LAE	\$ 9,294,347	\$ 9,447,622	\$ 9,542,217	\$ 9,394,443	\$ 9,455,515	\$ 9,273,101	\$ 8,650,738	\$ 8,655,738
ASBESTOS AND ENVIRONMENTAL LOSS RESERVES:								
Gross loss and LAE reserves	\$ 468,841	\$ 486,492	\$ 499,911	\$ 516,395	\$ 526,722	\$ 535,764	\$ 554,790	\$ 577,537
Net loss and LAE reserves	450,777	467,588	480,160	496,004	505,916	514,656	532,906	554,588
Net asbestos 3 year survival ratio	6.4	5.7	5.8	5.0	5.1	4.9	5.9	5.7
Net asbestos 3 year survival ratio excluding settlements in place	8.6	8.5	8.9	8.9	9.0	8.1	8.7	9.6
END OF PERIOD INVESTMENT PORTFOLIO INFORMATION:								
Pre-tax yield - net of expenses, amortized cost basis	3.7%	3.7%	3.9%	3.9%	4.0%	3.9%	3.9%	4.1%
After-tax yield - net of expenses, amortized cost basis	3.2%	3.3%	3.4%	3.4%	3.5%	3.4%	3.5%	3.7%
Modified duration of fixed income portfolio (in years)	2.9	3.0	3.0	3.1	3.5	3.7	3.8	3.7
Average credit quality	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa2	Aa2
OPERATING LEVERAGE:								
Ratio of net written premiums to shareholders' equity (12 month rolling)	0.62 TO 1	0.65 TO 1	0.68 TO 1	0.66 TO 1	0.65 TO 1	0.68 TO 1	0.63 TO 1	0.63 TO 1
Ratio of net loss and LAE reserves to shareholders' equity	1.45 TO 1	1.49 TO 1	1.57 TO 1	1.54 TO 1	1.54 TO 1	1.57 TO 1	1.38 TO 1	1.38 TO 1

EVEREST RE GROUP, LTD.

Segment Results

(Dollars in thousands)

(unaudited)

TOTAL SEGMENTS

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 1,955,484	\$ 2,052,794	\$ 909,018	\$ 1,046,466	\$ 1,104,874	\$ 1,128,506	\$ 987,865	\$ 1,064,929	\$ 1,002,600	\$ 1,163,591
Net written premiums	1,871,543	1,975,005	856,681	1,014,862	1,043,104	1,090,790	955,121	1,019,884	942,130	1,085,225
Premiums earned	\$ 2,035,778	\$ 2,051,281	\$ 1,037,800	\$ 997,978	\$ 1,005,728	\$ 1,044,338	\$ 1,039,835	\$ 1,011,446	\$ 1,020,159	\$ 997,265
Incurred losses and LAE										
Attritional - current year	1,150,610	1,200,514	577,963	572,647	637,469	584,110	614,396	586,118	648,505	605,911
Attritional - prior year	(399)	(3,763)	(93)	(306)	2,376	4,314	(2,371)	(1,392)	14,352	(20,801)
Catastrophes	60,000	788,050	30,000	30,000	380,083	132,287	123,000	665,050	57,264	89,677
Asbestos & environmental	125	764	-	125	-	-	764	-	-	-
Total incurred losses and LAE	1,210,336	1,985,565	607,870	602,466	1,019,928	720,711	735,789	1,249,776	720,121	674,787
Commission and brokerage	503,292	473,831	265,789	237,503	248,721	227,969	237,374	236,457	245,227	237,473
Other underwriting expenses	98,170	90,853	49,675	48,495	42,113	49,437	45,897	44,956	41,230	44,337
Underwriting gain (loss)	\$ 223,980	\$ (498,968)	\$ 114,466	\$ 109,514	\$ (305,034)	\$ 46,221	\$ 20,775	\$ (519,743)	\$ 13,581	\$ 40,668
Loss ratio										
Attritional - current year	56.6%	58.6%	55.7%	57.4%	63.4%	55.9%	59.1%	57.9%	63.6%	60.8%
Attritional - prior year	0.0%	-0.2%	0.0%	0.0%	0.2%	0.4%	-0.2%	-0.1%	1.4%	-2.1%
Catastrophes	2.9%	38.4%	2.9%	3.0%	37.8%	12.7%	11.8%	65.8%	5.6%	9.0%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Total loss ratio	59.5%	96.8%	58.6%	60.4%	101.4%	69.0%	70.8%	123.6%	70.6%	67.7%
Commission and brokerage ratio	24.7%	23.1%	25.6%	23.8%	24.7%	21.8%	22.8%	23.4%	24.0%	23.8%
Other underwriting expenses	4.8%	4.4%	4.8%	4.8%	4.2%	4.8%	4.4%	4.4%	4.1%	4.4%
Combined ratio	89.0%	124.3%	89.0%	89.0%	130.3%	95.6%	98.0%	151.4%	98.7%	95.9%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	56.9%	59.7%	56.1%	57.6%	64.0%	56.6%	59.7%	59.8%	63.9%	60.8%
Attritional combined ratio	86.6%	87.8%	86.8%	86.4%	93.2%	83.5%	87.2%	88.4%	92.1%	89.0%

(Some amounts may not reconcile due to rounding.)

Beginning in the third quarter of 2011, the Specialty segment is no longer being reported as a separate segment. The businesses which were included within the Specialty segment previously - A&H Primary, A&H Reinsurance, Surety, and Marine & Aviation - have been reclassified within other reporting segments. The A&H primary business, which has increased significantly recently, has been reclassified as part of the Insurance segment. The A&H Reinsurance, Surety and Marine & Aviation businesses, which have declined recently, have been reclassified as part of the U.S. Reinsurance segment. These changes to the reporting segments have been made to better reflect the aggregation of similar businesses and to better reflect how management monitors its businesses. The segment results presented within this document have been restated for all prior reporting periods to reflect the changes in segment classification.

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL REINSURANCE

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 1,488,488	\$ 1,538,805	\$ 653,760	\$ 834,728	\$ 879,518	\$ 892,212	\$ 745,337	\$ 793,468	\$ 787,677	\$ 948,890
Net written premiums	1,486,410	1,530,436	653,613	832,797	870,549	887,395	741,817	788,619	784,410	943,730
Premiums earned	\$ 1,643,611	\$ 1,625,620	\$ 825,632	\$ 817,979	\$ 826,450	\$ 828,118	\$ 827,798	\$ 797,822	\$ 857,606	\$ 838,425
Incurred losses and LAE										
Attritional - current year	873,178	889,506	427,655	445,523	475,185	416,008	462,601	426,905	501,334	483,161
Attritional - prior year	165	(3,763)	471	(306)	(34,309)	(20,686)	(2,371)	(1,392)	(15,799)	(25,201)
Catastrophes	60,000	787,715	30,000	30,000	380,083	129,787	122,665	665,050	57,264	89,677
Asbestos & environmental	125	764	-	125	-	-	764	-	-	-
Total incurred losses and LAE	933,468	1,674,222	458,126	475,342	820,959	525,109	583,659	1,090,563	542,799	547,637
Commission and brokerage	443,059	406,388	237,029	206,030	217,093	189,387	204,495	201,893	215,945	207,487
Other underwriting expenses	48,432	46,580	23,433	24,999	21,201	25,121	23,496	23,084	23,889	24,858
Underwriting gain (loss)	\$ 218,652	\$ (501,570)	\$ 107,044	\$ 111,608	\$ (232,803)	\$ 88,501	\$ 16,148	\$ (517,718)	\$ 74,973	\$ 58,443
Loss ratio										
Attritional - current year	53.1%	54.7%	51.8%	54.5%	57.5%	50.2%	55.8%	53.5%	58.4%	57.6%
Attritional - prior year	0.0%	-0.2%	0.1%	0.0%	-4.2%	-2.5%	-0.3%	-0.2%	-1.8%	-3.0%
Catastrophes	3.7%	48.5%	3.6%	3.6%	46.0%	15.7%	14.9%	83.4%	6.7%	10.7%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
Total loss ratio	56.8%	103.0%	55.5%	58.1%	99.3%	63.4%	70.5%	136.7%	63.3%	65.3%
Commission and brokerage ratio	27.0%	25.0%	28.7%	25.2%	26.3%	22.9%	24.7%	25.3%	25.2%	24.7%
Other underwriting expense ratio	2.9%	2.9%	2.8%	3.1%	2.6%	3.0%	2.8%	2.9%	2.8%	3.0%
Combined ratio	86.7%	130.9%	87.0%	86.4%	128.2%	89.3%	98.0%	164.9%	91.3%	93.0%
Ratios excluding reinstatement premium impact										
Attritional loss ratio - current year	53.5%	56.1%	52.3%	54.8%	58.2%	51.0%	56.6%	55.6%	58.8%	57.6%
Attritional combined ratio	83.7%	84.7%	84.2%	83.2%	87.3%	77.3%	84.4%	85.0%	86.9%	85.4%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

U.S. REINSURANCE

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 504,950	\$ 586,322	\$ 135,468	\$ 369,482	\$ 399,675	\$ 360,833	\$ 280,231	\$ 306,091	\$ 318,819	\$ 435,218
Net written premiums	503,552	584,942	135,321	368,231	399,000	360,331	279,388	305,554	318,464	434,337
Premiums earned	\$ 679,343	\$ 626,635	\$ 321,382	\$ 357,961	\$ 359,254	\$ 326,824	\$ 307,584	\$ 319,051	\$ 376,411	\$ 353,245
Incurred losses and LAE										
Attritional - current year	360,533	338,858	165,916	194,617	217,681	163,756	171,628	167,230	216,292	207,008
Attritional - prior year	6,281	1,059	4,183	2,098	42,397	(2,450)	1,344	(285)	56,748	1,143
Catastrophes	51,219	178,241	26,075	25,144	62,019	32,580	63,248	114,993	17,869	(4,669)
Asbestos & environmental	121	-	-	121	(30)	-	-	-	-	-
Total incurred losses and LAE	418,154	518,158	196,174	221,980	322,067	193,886	236,220	281,938	290,909	203,482
Commission and brokerage	201,482	160,355	109,927	91,555	96,359	71,131	77,488	82,867	103,728	86,288
Other underwriting expenses	20,774	19,778	10,022	10,752	8,669	10,843	9,872	9,906	9,893	11,076
Underwriting gain (loss)	\$ 38,933	\$ (71,656)	\$ 5,259	\$ 33,674	\$ (67,841)	\$ 50,964	\$ (15,996)	\$ (55,660)	\$ (28,119)	\$ 52,399
Loss ratio										
Attritional - current year	53.2%	54.0%	51.6%	54.4%	60.5%	50.0%	55.8%	52.4%	57.5%	58.6%
Attritional - prior year	0.9%	0.2%	1.3%	0.6%	11.8%	-0.7%	0.4%	-0.1%	15.1%	0.3%
Catastrophes	7.5%	28.5%	8.1%	7.0%	17.3%	10.0%	20.6%	36.0%	4.7%	-1.3%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	61.6%	82.7%	61.0%	62.0%	89.6%	59.3%	76.8%	88.3%	77.3%	57.6%
Commission and brokerage ratio	29.7%	25.6%	34.2%	25.6%	26.8%	21.8%	25.2%	26.0%	27.6%	24.4%
Other underwriting expense ratio	3.0%	3.1%	3.2%	3.0%	2.5%	3.3%	3.2%	3.1%	2.6%	3.2%
Combined ratio	94.3%	111.4%	98.4%	90.6%	118.9%	84.4%	105.2%	117.4%	107.5%	85.2%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

INTERNATIONAL (reinsurance)

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 621,535	\$ 597,596	\$ 344,241	\$ 277,294	\$ 314,795	\$ 326,053	\$ 288,749	\$ 308,847	\$ 300,864	\$ 323,741
Net written premiums	621,525	590,544	344,232	277,293	306,416	321,601	286,043	304,501	297,917	319,405
Premiums earned	\$ 630,524	\$ 633,495	\$ 334,407	\$ 296,117	\$ 310,305	\$ 300,692	\$ 317,160	\$ 316,335	\$ 298,299	\$ 301,267
Incurred losses and LAE										
Attritional - current year	308,113	334,026	159,482	148,631	167,611	138,644	168,825	165,201	159,876	172,350
Attritional - prior year	(3,327)	(10,010)	(535)	(2,792)	(78,175)	(20,017)	(5,013)	(4,997)	(11,121)	(24,797)
Catastrophes	3,635	502,330	1,302	2,333	287,052	50,848	57,806	444,524	26,247	75,807
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	308,421	826,346	160,249	148,172	376,488	169,475	221,618	604,728	175,002	223,360
Commission and brokerage	152,967	152,216	81,776	71,191	80,548	78,228	73,786	78,430	67,068	78,574
Other underwriting expenses	13,283	13,389	6,543	6,740	6,369	7,549	6,950	6,439	7,283	6,675
Underwriting gain (loss)	\$ 155,853	\$ (358,456)	\$ 85,839	\$ 70,014	\$ (153,100)	\$ 45,440	\$ 14,806	\$ (373,262)	\$ 48,946	\$ (7,342)
Loss ratio										
Attritional - current year	48.8%	52.8%	47.7%	50.1%	54.0%	46.2%	53.3%	52.3%	53.6%	57.1%
Attritional - prior year	-0.5%	-1.6%	-0.2%	-0.9%	-25.2%	-6.7%	-1.6%	-1.6%	-3.7%	-8.2%
Catastrophes	0.6%	79.2%	0.4%	0.8%	92.5%	16.9%	18.2%	140.5%	8.8%	25.2%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	48.9%	130.4%	47.9%	50.0%	121.3%	56.4%	69.9%	191.2%	58.7%	74.1%
Commission and brokerage ratio	24.3%	24.0%	24.5%	24.0%	26.0%	26.0%	23.3%	24.8%	22.5%	26.1%
Other underwriting expense ratio	2.1%	2.2%	1.9%	2.4%	2.0%	2.5%	2.1%	2.0%	2.4%	2.2%
Combined ratio	75.3%	156.6%	74.3%	76.4%	149.3%	84.9%	95.3%	218.0%	83.6%	102.4%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

BERMUDA (reinsurance)

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 362,003	\$ 354,887	\$ 174,051	\$ 187,952	\$ 165,048	\$ 205,326	\$ 176,357	\$ 178,530	\$ 167,994	\$ 189,931
Net written premiums	361,333	354,950	174,060	187,273	165,133	205,463	176,386	178,564	168,029	189,988
Premiums earned	\$ 333,744	\$ 365,490	\$ 169,843	\$ 163,901	\$ 156,891	\$ 200,602	\$ 203,054	\$ 162,436	\$ 182,896	\$ 183,913
Incurred losses and LAE										
Attritional - current year	204,532	216,622	102,257	102,275	89,893	113,608	122,148	94,474	125,166	103,803
Attritional - prior year	(2,789)	5,188	(3,177)	388	1,469	1,781	1,298	3,890	(61,426)	(1,547)
Catastrophes	5,146	107,144	2,623	2,523	31,012	46,359	1,611	105,533	13,148	18,539
Asbestos & environmental	4	764	-	4	30	-	764	-	-	-
Total incurred losses and LAE	206,893	329,718	101,703	105,190	122,404	161,748	125,821	203,897	76,888	120,795
Commission and brokerage	88,610	93,817	45,326	43,284	40,186	40,028	53,221	40,596	45,149	42,625
Other underwriting expenses	14,375	13,413	6,868	7,507	6,163	6,729	6,674	6,739	6,713	7,107
Underwriting gain (loss)	\$ 23,866	\$ (71,458)	\$ 15,946	\$ 7,920	\$ (11,862)	\$ (7,903)	\$ 17,338	\$ (88,796)	\$ 54,146	\$ 13,386
Loss ratio										
Attritional - current year	61.3%	59.3%	60.3%	62.5%	57.4%	56.6%	60.2%	58.2%	68.4%	56.4%
Attritional - prior year	-0.8%	1.4%	-1.9%	0.2%	0.9%	0.9%	0.6%	2.4%	-33.6%	-0.8%
Catastrophes	1.5%	29.3%	1.5%	1.5%	19.7%	23.1%	0.8%	64.9%	7.2%	10.1%
Asbestos & environmental	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%
Total loss ratio	62.0%	90.2%	59.9%	64.2%	78.0%	80.6%	62.0%	125.5%	42.0%	65.7%
Commission and brokerage ratio	26.6%	25.7%	26.7%	26.4%	25.6%	20.0%	26.2%	25.0%	24.7%	23.2%
Other underwriting expense ratio	4.2%	3.7%	4.0%	4.6%	4.0%	3.3%	3.3%	4.2%	3.7%	3.8%
Combined ratio	92.8%	119.6%	90.6%	95.2%	107.6%	103.9%	91.5%	154.7%	70.4%	92.7%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.

Segment Results (cont.)

(Dollars in thousands)

(unaudited)

TOTAL INSURANCE

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
Gross written premiums	\$ 466,996	\$ 513,989	\$ 255,258	\$ 211,738	\$ 225,356	\$ 236,294	\$ 242,528	\$ 271,461	\$ 214,923	\$ 214,701
Net written premiums	385,133	444,569	203,068	182,065	172,555	203,395	213,304	231,265	157,720	141,495
Premiums earned	\$ 392,167	\$ 425,661	\$ 212,168	\$ 179,999	\$ 179,278	\$ 216,220	\$ 212,037	\$ 213,624	\$ 162,553	\$ 158,840
Incurred losses and LAE										
Attritional - current year	277,432	311,008	150,308	127,124	162,284	168,102	151,795	159,213	147,171	122,750
Attritional - prior year	(564)	-	(564)	-	36,685	25,000	-	-	30,151	4,400
Catastrophes	-	335	-	-	-	2,500	335	-	-	-
Asbestos & environmental	-	-	-	-	-	-	-	-	-	-
Total incurred losses and LAE	276,868	311,343	149,744	127,124	198,969	195,602	152,130	159,213	177,322	127,150
Commission and brokerage	60,233	67,443	28,760	31,473	31,628	38,582	32,879	34,564	29,282	29,986
Other underwriting expenses	49,738	44,273	26,242	23,496	20,912	24,316	22,401	21,872	17,341	19,479
Underwriting gain (loss)	\$ 5,328	\$ 2,602	\$ 7,422	\$ (2,094)	\$ (72,231)	\$ (42,280)	\$ 4,627	\$ (2,025)	\$ (61,392)	\$ (17,775)
Loss ratio										
Attritional - current year	70.7%	73.0%	70.9%	70.6%	90.5%	77.7%	71.5%	74.5%	90.6%	77.2%
Attritional - prior year	-0.1%	0.0%	-0.3%	0.0%	20.5%	11.6%	0.0%	0.0%	18.5%	2.8%
Catastrophes	0.0%	0.1%	0.0%	0.0%	0.0%	1.2%	0.2%	0.0%	0.0%	0.0%
Asbestos & environmental	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total loss ratio	70.6%	73.1%	70.6%	70.6%	111.0%	90.5%	71.7%	74.5%	109.1%	80.0%
Commission and brokerage ratio	15.4%	15.8%	13.6%	17.5%	17.6%	17.8%	15.5%	16.2%	18.0%	18.9%
Other underwriting expense ratio	12.6%	10.5%	12.3%	13.1%	11.7%	11.3%	10.6%	10.2%	10.7%	12.3%
Combined ratio	98.6%	99.4%	96.5%	101.2%	140.3%	119.6%	97.8%	100.9%	137.8%	111.2%

(Some amounts may not reconcile due to rounding.)

EVEREST RE GROUP, LTD.
Supplemental Investment Portfolio Analysis
(Dollars in thousands)
(unaudited)

INVESTMENTS AND CASH

	At June 30, 2012			At December 31, 2011		
	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	\$ 12,480,411	\$ 11,845,861	\$ 634,550	\$ 12,293,524	\$ 11,731,173	\$ 562,351
Fixed maturities-available for sale, at fair value	62,831	62,831	-	113,606	113,606	-
Equity securities-available for sale, at market value	331,212	335,081	(3,869)	448,930	463,620	(14,690)
Equity securities-available for sale, at fair value	1,215,455	1,215,455	-	1,249,106	1,249,106	-
Other invested assets	593,459	593,459	-	558,232	558,232	-
Short-term investments	947,600	947,600	-	685,332	685,332	-
Cash	398,851	398,851	-	448,651	448,651	-
Total	\$ 16,029,819	\$ 15,399,138	\$ 630,681	\$ 15,797,381	\$ 15,249,720	\$ 547,661

FIXED INCOME AND CASH

	At June 30, 2012		At December 31, 2011	
	Market Value	% of Total	Market Value	% of Total
Fixed income investments and cash:				
Fixed maturities-available for sale, at market value	\$ 12,480,411	89.8%	\$ 12,293,524	90.8%
Fixed maturities-available for sale, at fair value	62,831	0.5%	113,606	0.8%
Short-term investments	947,600	6.8%	685,332	5.1%
Cash	398,851	2.9%	448,651	3.3%
Total	\$ 13,889,693	100.0%	\$ 13,541,113	100.0%

	At June 30, 2012			At December 31, 2011		
	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)	Market Value	% of Total	Pre-tax Unrealized Gains/(Losses)
Investment Sectors:						
Treasury	\$ 309,081	2.2%	\$ 14,980	\$ 300,634	2.2%	\$ 16,120
Agency	24,697	0.2%	760	21,007	0.2%	1,100
Corporate	3,855,150	27.7%	212,611	3,707,040	27.4%	169,760
Mortgage-backed securities						
Agency	2,127,654	15.3%	70,951	2,282,593	16.8%	83,656
Non-agency residential	5,660	0.0%	336	43,816	0.3%	(107)
Alt.-A	8,217	0.1%	164	9,273	0.1%	(169)
Commercial	328,287	2.4%	17,111	321,427	2.4%	11,040
Asset-backed securities						
Other	191,558	1.4%	6,660	191,745	1.4%	6,588
Subprime	1,765	0.0%	67	1,661	0.0%	(118)
Municipal	1,446,226	10.4%	92,826	1,660,905	12.3%	102,290
Non-US	4,244,947	30.6%	218,084	3,867,029	28.5%	172,191
Cash & short-term investments	1,346,451	9.7%	-	1,133,983	8.4%	-
Total	\$ 13,889,693	100.0%	\$ 634,550	\$ 13,541,113	100.0%	\$ 562,351

	At June 30, 2012		At December 31, 2011	
	Market Value	% of Total	Market Value	% of Total
Credit Quality: ⁽¹⁾				
AAA	\$ 6,646,034	47.8%	\$ 6,652,217	49.1%
AA	2,229,312	16.1%	2,587,950	19.1%
A	2,472,498	17.8%	2,162,421	16.0%
BBB	1,285,602	9.3%	995,058	7.3%
BB	932,111	6.7%	791,937	5.8%
B	256,619	1.8%	293,931	2.2%
Other	67,517	0.5%	57,599	0.5%
Total	\$ 13,889,693	100.0%	\$ 13,541,113	100.0%

⁽¹⁾ Prior to the first quarter of 2012, the credit quality of an investment was based on the lowest indicated credit rating. The Company has converted to using the highest indicated rating and the December 31, 2011 table has been adjusted to reflect this change.

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

(Dollars in thousands)

(unaudited)

FIXED INCOME AND CASH (cont.)

	June 30, 2012	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
European Investment Bank	\$ 90,577	\$ 4,824
JPMorgan Chase & Co.	83,367	6,249
Kredit Fuer Wiederaufbau	76,465	2,815
General Electric Capital Corporation	75,499	5,341
National Australia Bank Limited	71,555	2,435
The Goldman Sachs Group, Inc.	59,924	(510)
PNC Financial Services Group, Inc.	58,820	5,042
ConocoPhillips	57,259	5,846
Daimler AG	56,937	527
MetLife, Inc.	56,173	1,489
Royal Bank of Canada	53,259	1,878
Credit Suisse Group	52,701	2,951
Caterpillar Financial Services Corporation	50,610	3,684
The Toronto-Dominion Bank	48,786	4,161
Bank of Nova Scotia	46,487	2,162
Barclays Bank PLC	46,182	2,212
Council of Europe	44,155	1,720
Verizon Communications, Inc.	43,124	5,237
Bank of New York Mellon Corporation	42,727	2,143
Australia and New Zealand Banking Group Limited	42,240	598
Total	\$ 1,156,847	\$ 60,804

	December 31, 2011	
	Market Value	Unrealized Gain / (Loss)
Top 20 Largest Corporate Fixed Income Positions:		
European Investment Bank	\$ 102,733	\$ 2,382
JPMorgan Chase & Co.	81,798	4,669
Kredit Fuer Wiederaufbau	76,516	2,649
General Electric Capital Corporation	75,561	4,066
ConocoPhillips	57,700	6,144
PNC Financial Services Group, Inc.	57,335	3,563
National Australia Bank Limited	54,488	1,630
Credit Suisse Group	51,689	1,596
MetLife, Inc.	51,630	1,376
The Goldman Sachs Group, Inc.	50,841	(1,779)
Caterpillar Financial Services Corporation	47,343	3,713
Morgan Stanley	44,370	(1,284)
Barclays Bank PLC	43,900	92
Bank Nederlandse Gemeenten	43,372	237
Verizon Communications, Inc.	42,609	4,742
Bank of New York Mellon Corporation	42,474	1,852
Wal-Mart Stores, Inc.	42,218	3,343
Australia and New Zealand Banking Group Limited	41,289	(274)
The Toronto-Dominion Bank	38,885	3,308
U.S. Bancorp	38,140	1,714
Total	\$ 1,084,891	\$ 43,739

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

(Dollars in thousands)

(unaudited)

EQUITIES AT FAIR VALUE

	June 30, 2012		December 31, 2011
<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>	<u>Top 20 Largest Equity Positions:</u>	<u>Fair Value</u>
Chevron Corporation	\$ 28,821	Chevron Corporation	\$ 30,809
Wells Fargo & Company	25,438	AT&T, Inc.	26,668
Pfizer, Inc.	24,795	Pfizer, Inc.	26,023
Johnson & Johnson	23,795	E.I. du Pont de Nemours and Company	22,244
Merck & Company, Inc.	21,844	ConocoPhillips	22,221
Exxon Mobil Corporation	21,057	Wells Fargo & Company	22,169
AT&T, Inc.	20,889	Johnson & Johnson	21,687
Lowe's Companies, Inc.	20,138	Xcel Energy, Inc.	21,369
The Home Depot, Inc.	20,051	The Home Depot, Inc.	19,540
Berkshire Hathaway, Inc.	18,138	Exxon Mobil Corporation	18,961
Intel Corporation	15,996	Kimberly-Clark Corporation	18,520
E.I. du Pont de Nemours and Company	15,382	Merck & Company, Inc.	18,477
Fiserv, Inc.	15,371	Kinder Morgan Energy Partners, LP	17,948
ConocoPhillips	14,850	Lowe's Companies, Inc.	17,088
Kraft Foods, Inc.	14,810	Kraft Foods, Inc.	15,268
Marsh & McLennan Companies, Inc.	14,230	Automatic Data Processing, Inc.	15,107
Kinder Morgan Energy Partners, LP	13,459	Marsh & McLennan Companies, Inc.	15,068
JPMorgan Chase & Co.	12,850	Verizon Communications, Inc.	15,028
Microsoft Corporation	12,677	General Electric Company	14,136
Philip Morris International, Inc.	12,644	Eaton Corporation	12,571
Total	<u>\$ 367,235</u>	Total	<u>\$ 390,902</u>

EVEREST RE GROUP, LTD.

Supplemental Investment Income and Realized Capital Gains (Losses)

(Dollars in thousands)

(unaudited)

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
NET INVESTMENT INCOME										
Fixed maturities	\$ 244,946	\$ 265,524	\$ 120,602	\$ 124,344	\$ 124,787	\$ 131,680	\$ 132,668	\$ 132,856	\$ 143,853	\$ 143,801
Equity securities	33,504	25,019	16,228	17,276	16,760	15,794	13,156	11,863	4,058	2,763
Short-term investments and cash	527	676	358	169	239	366	439	237	177	364
Other invested assets										
Limited partnerships	29,286	50,975	16,439	12,847	(9,849)	15,725	14,344	36,631	40,339	(1,108)
Other	1,026	4,723	(492)	1,518	(462)	(1,520)	4,126	597	389	183
Total gross investment income	309,289	346,917	153,135	156,154	131,475	162,045	164,733	182,184	188,816	146,003
Interest (debited) credited on funds held	(6,381)	324	(3,268)	(3,113)	(1,715)	(958)	955	(631)	(668)	688
Interest (debited) credited to future policy benefit reserves	1,147	707	509	638	1,815	476	637	70	1,252	626
Other investment expenses	12,756	8,563	6,565	6,191	5,122	6,062	4,523	4,040	3,367	3,321
Total investment expenses	7,522	9,594	3,806	3,716	5,222	5,580	6,115	3,479	3,951	4,635
Total net investment income	\$ 301,767	\$ 337,323	\$ 149,329	\$ 152,438	\$ 126,253	\$ 156,465	\$ 158,618	\$ 178,705	\$ 184,865	\$ 141,368

	Six Months Ended		Three Months Ended							
	June 30, 2012	June 30, 2011	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010	September 30, 2010
NET REALIZED CAPITAL GAINS (LOSSES)										
Fixed maturities	\$ 6,132	\$ (34,859)	\$ (285)	\$ 6,417	\$ 5,231	\$ 17,360	\$ (5,079)	\$ (29,780)	\$ (9,604)	\$ (1,526)
Equity securities	76,008	42,170	(16,295)	92,303	132,051	(155,032)	235	41,935	42,194	39,823
Short-term investments	(1)	-	-	(1)	1	1	(1)	1	1	(2)
Total net realized capital gains (losses)	\$ 82,139	\$ 7,311	\$ (16,580)	\$ 98,719	\$ 137,283	\$ (137,671)	\$ (4,845)	\$ 12,156	\$ 32,591	\$ 38,295

EVEREST RE GROUP, LTD.
Supplemental Investment Portfolio Analysis

(Dollars in thousands)
(unaudited)

BREAKOUT OF FOREIGN CORPORATE, SOVEREIGN AND SUPRANATIONAL

FIXED INCOME SECURITIES BY COUNTRY

	At June 30, 2012				
	Foreign Banks	Foreign Corporate	Sovereign	Supranational	Grand Total
Asia	\$ 264,649	\$ 87,286	\$ 252,863	\$ -	\$ 604,798
Canada	228,159	322,307	666,760	-	1,217,226
Europe	526,827	483,533	788,695	-	1,799,055
Europe (distressed) ⁽¹⁾	11,112	33,906	-	-	45,018
Latin America	37,334	95,480	29,876	-	162,690
Other Countries	14,874	134,792	18,635	247,859	416,160
Total	\$ 1,082,955	\$ 1,157,304	\$ 1,756,829	\$ 247,859	\$ 4,244,947

	At December 31, 2011				
	Foreign Banks	Foreign Corporate	Sovereign	Supranational	Grand Total
Asia	\$ 146,538	\$ 107,074	\$ 236,951	\$ -	\$ 490,563
Canada	159,070	298,406	668,102	-	1,125,578
Europe	484,449	499,267	756,833	-	1,740,549
Europe (distressed) ⁽¹⁾	8,723	57,012	-	-	65,735
Latin America	15,336	106,541	48,306	-	170,183
Other Countries	6,799	24,337	4,092	239,194	274,422
Total	\$ 820,915	\$ 1,092,637	\$ 1,714,284	\$ 239,194	\$ 3,867,030

⁽¹⁾ Europe (distressed) encompasses Portugal, Italy, Ireland, Greece and Spain.