



RenaissanceRe Reports Operating EPS of \$1.14 Per Common Share for 2002 Third Quarter

October 21, 2002

PEMBROKE, Bermuda--(BUSINESS WIRE)--Oct. 21, 2002--RenaissanceRe Holdings Ltd. (NYSE: RNR)

- Managed Catastrophe Premium Increases by 54% in the Third Quarter 2002
- Individual Risk Premium Grows to \$81 million in 2002 Third Quarter Compared to \$11 million in 2001
- Specialty Reinsurance Premium Grows to \$48 million in 2002 Third Quarter Compared to \$21 million in 2001
- Achieves Annualized Operating ROE of 25% for the Third Quarter 2002

RenaissanceRe Holdings Ltd. (NYSE: RNR) today reported \$80.4 million in third quarter net operating income available to common shareholders (excluding realized investment gains and losses), compared to \$25.0 million in the third quarter of 2001.

Operating earnings per common share grew to \$1.14 in the third quarter, from \$0.41 per common share in the third quarter of the previous year. Net income available to common shareholders rose to \$88.2 million, or \$1.26 per common share in the quarter, compared to \$29.9 million or \$0.49 per common share for the same quarter of 2001. The third quarter of 2001 reflects the impact of the events of September 11th, 2001.

James N. Stanard, Chairman and CEO, commented: "Gross premiums written for the first nine months of 2002 have more than doubled compared to 2001. Each of our four major business segments -- catastrophe reinsurance, specialty reinsurance, structured products, and individual risk -- are strong contributors to our 25% annualized operating return on equity in the third quarter. Moving forward, we will continue to focus on building shareholder value by aggressively pursuing growth opportunities while maintaining our commitment to disciplined underwriting in all our business."

For the nine months ended September 30, 2002, net operating income available to common shareholders (excluding realized gains and losses on investments and excluding the cumulative effect of a change in accounting principle) was \$260.2 million or \$3.71 per common share, compared to \$99.7 million or \$1.64 per common share for the same period in 2001. Net income available to common shareholders for the nine months ended September 30, 2002 was \$262.6 million or \$3.75 per common share, compared to \$115.2 million or \$1.90 per common share for the same period in 2001.

Gross premiums written for the third quarter of 2002 increased by 129% to \$282.6 million, compared to \$123.6 million for the same quarter of 2001. Net premiums written for the third quarter of 2002 were \$192.7 million, versus \$79.0 million for the same quarter of 2001. Net premiums earned for the third quarter of 2002 were \$191.3 million, compared to \$79.9 million for the same quarter of 2001. Those premiums include \$38.5 million of gross written premiums, \$36.2 million of net written premiums and \$42.3 million of net premiums earned by the Company's consolidated joint venture, DaVinci Re during the third quarter of 2002.

Gross premiums written for the nine months ended September 30, 2002 were \$1.01 billion, compared to \$443.8 million for the same period of 2001. Net premiums written for the nine months ended September 30, 2002 were \$770.3 million, compared to \$293.2 million for the same period of 2001. Net premiums earned for the first nine months of 2002 were \$526.4 million, compared to \$239.4 million for the same period of 2001. Those premiums include \$168.6 million of gross written premiums, \$166.3 million of net written premiums and \$100.1 million of net premiums earned by DaVinci Re during the first nine months of 2002.

Total Managed Catastrophe Premiums Written, representing gross catastrophe premiums written by RenaissanceRe Holdings Ltd. and by related joint ventures, increased by 54% and were \$165.9 million for the third quarter, compared to \$107.4 million for the same quarter of 2001. Total Managed Cat Premiums for the nine months ended September 30, 2002 increased by 64% to \$681.1 million, from \$414.7 million for the same period of 2001.

Net investment income, excluding realized and unrealized investment gains and losses, for the third quarter of 2002 increased to \$26.1 million, compared to \$18.7 million for the same period in 2001, primarily due to the growth in the Company's investment portfolio resulting from financings in the fourth quarter of 2001, and the Company's strong cash flows from operations. Net investment income for the first nine months of 2002 was \$75.2 million, compared to \$54.9 million for the same period in 2001.

The Company also reported an increase in other income to \$8.0 million for the quarter, from \$1.1 million for the same quarter in 2001. Other income for the first nine months of 2002 was \$24.2 million, compared to \$8.8 million for the same period in 2001. The increase primarily relates to an increase from its equity participation in certain of its joint venture activities and an increase in miscellaneous other items.

Claims and claim expenses incurred for the quarter ended September 30, 2002 were \$82.9 million, or 43.3% of net premiums earned. In comparison, claims and claim expenses incurred for the quarter ended September 30, 2001 were \$47.0 million, or 58.8% of net premiums earned. Claims and claim expenses incurred for the nine months ended September 30, 2002 were \$199.2 million or 37.8% of net premiums earned. In comparison, claims and claim expenses incurred for the nine months ended September 30, 2001 were \$121.2 million or 50.6% of net premiums earned. The reduction in the loss ratio during 2002 resulted from the relatively low level of catastrophe losses during 2002 as compared to 2001. Also, the 2001 loss ratio includes losses related to the events of September 11th, 2001.

Pro-forma "other income", which includes aggregate earnings from joint venture activities, fees related to catastrophe business, and miscellaneous other items, is presented in the supplemental disclosures. The principal differences between other income as reported and the pro-forma presentation are that the results of DaVinciRe Holdings Ltd. are reflected as if it were reported under the equity method, and the pro-forma presentation also includes fees earned on certain quota share cessions of catastrophe business by the Company which are reflected on the income statement as a reduction of acquisition and operational expenses. During the quarter, the Company recorded pro-forma other income of \$29.8 million, compared to \$3.1 million during the third quarter of 2001. Of the total \$29.8 million of pro-forma other income during the quarter, \$16.9 million relates to fees and profit commissions, compared to \$2.8 million in the third quarter of 2001, and \$10.9 million relates to the Company's portion of the earnings from its

joint ventures, versus \$2.3 million in the comparable period of 2001.

For the nine months ended September 30, 2002, the Company recorded pro-forma other income of \$81.0 million, compared to \$16.0 million for the same period of 2001. Of the total \$81.0 million of pro-forma other income during the first nine months, \$46.2 million relates to fees and profit commissions, compared to \$12.2 million in the first nine months of 2001, and \$29.6 million relates to the Company's portion of the earnings from its joint ventures, versus \$7.2 million in the comparable period of 2001.

Shareholders' equity attributable to common shareholders was \$1.34 billion at September 30, 2002, compared to \$1.08 billion at December 31, 2001. Book value per common share at September 30, 2002 was \$19.44 per common share, compared to \$15.83 per common share at December 31, 2001. The share and per-share information in this press release reflects the Company's three-for-one stock split in May 2002, as if the split had occurred for all periods presented.

RenaissanceRe Holdings Ltd. will host a conference call on Tuesday, October 22, 2002 at 9:30 a.m. (ET) to discuss this release. Live broadcast of the conference call will be available through the Investor Section of RenaissanceRe's website at www.renre.com.

RenaissanceRe Holdings Ltd. is a global provider of reinsurance and insurance. The Company's principal product is property catastrophe reinsurance.

Cautionary Statement under "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995: Statements made in this news release contain information about the Company's future business prospects. These statements may be considered "forward-looking." These statements are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements. For further information regarding cautionary statements and factors affecting future operations results, please refer to RenaissanceRe Holdings Ltd.'s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2001, and Form 10-Q for the quarters ended March 31, 2002 and June 30, 2002.

RenaissanceRe Holdings Ltd. and Subsidiaries
Summary Consolidated Statements of Income
For the periods ended September 30, 2002 and 2001 (in thousands
of United States Dollars, except per share amounts)
(Unaudited)

	Quarters Ended		Year to Date	
	Sept. 30, 2002	Sept. 30, 2001	Sept. 30, 2002	Sept. 30, 2001
Revenues				
Gross premiums written	\$282,597	\$ 123,571	\$1,013,725	\$443,791
Net premiums written	\$192,687	\$ 79,030	\$ 770,300	\$ 293,208
Decrease (increase) in unearned premiums	(1,377)	903	(243,940)	(53,844)
Net premiums earned	191,310	79,933	526,360	239,364
Net investment income	26,065	18,738	75,212	54,892
Net foreign exchange gains (losses)	888	(1,051)	2,588	(1,113)
Other income	7,951	1,070	24,227	8,840
Net realized gains on investments	7,891	4,978	11,545	15,474
Total revenues	234,105	103,668	639,932	317,457
Expenses				
Claims and claim expenses incurred	82,931	46,986	199,198	121,196
Acquisition expenses	23,802	11,461	62,719	34,614
Operational expenses	9,616	9,408	30,241	27,814
Corporate expenses	3,466	1,366	10,844	7,674
Interest expense	3,499	2,699	9,646	4,246
Total expenses	123,314	71,920	312,648	195,544

Income before minority interest and taxes and change in accounting principle	110,791	31,748	327,284	121,913
Minority interest - Capital Securities	1,759	1,823	5,423	5,565
Minority interest - DaVinci	17,689	-	40,636	-
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Income before taxes and change in accounting principle	91,343	29,925	281,225	116,348
Income tax expense (benefit)	59	(3)	382	1,175
Cumulative effect of a change in accounting principle - SFAS 142 - Goodwill	-	-	(9,187)	-
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Net income	91,284	29,928	271,656	115,173
Dividends on Series A Preference Shares	3,038	-	9,079	-
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Net income available to Common Shareholders	\$ 88,246	\$ 29,928	\$ 262,577	\$ 115,173
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Operating earnings per Common Share - diluted (a)	\$ 1.14	\$ 0.41	\$ 3.71	\$ 1.64
Earnings per Common Share - basic	\$ 1.30	\$ 0.51	\$ 3.90	\$ 1.99
Earnings per Common Share - diluted	\$ 1.26	\$ 0.49	\$ 3.75	\$ 1.90
Average shares outstanding - basic	67,865	58,131	67,326	57,882
Average shares outstanding - diluted	70,272	60,864	70,090	60,669
Claims and claim expense ratio	43.3%	58.8%	37.8%	50.6%
Expense ratio	17.5%	26.1%	17.7%	26.1%
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Combined ratio	60.8%	84.9%	55.5%	76.7%
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Operating return on average equity (annualized) (a)	24.9%	12.5%	28.9%	17.5%
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(a) - Excludes realized gains and losses on investments and cumulative effect of a change in accounting principle - SFAS 142 - Goodwill.

RenaissanceRe Holdings Ltd. and Subsidiaries
Summary Consolidated Balance Sheets
(in thousands of United States Dollars, except per share amounts)

As at

	September 30, 2002	December 31, 2001
	(Unaudited)	(Audited)
Assets		
Fixed maturity investments available for sale, at fair value (Amortized cost \$2,211,608 and \$1,266,188 at September 30, 2002 and December 31, 2001, respectively)	\$ 2,254,919	\$ 1,282,483
Short term investments	397,552	733,925
Other investments	96,920	38,307
Cash and cash equivalents	86,451	139,715
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Total investments and cash	2,835,842	2,194,430
Premiums receivable	318,978	102,202
Ceded reinsurance balances	126,660	41,690
Losses and premiums recoverable	219,614	217,556
Accrued investment income	20,708	17,696
Deferred acquisition costs	59,444	12,814
Other assets	59,967	57,264
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Total assets	\$ 3,641,213	\$ 2,643,652
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Liabilities, Minority Interest and Shareholders' Equity		
Liabilities		
Reserve for claims and claim expenses	\$ 754,215	\$ 572,877
Reserve for unearned premiums	464,393	125,053
Debt	275,000	183,500
Reinsurance balances payable	164,950	115,967
Other	56,656	58,650
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Total liabilities	1,715,214	1,056,047
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Minority Interest -		
Capital Securities	84,630	87,630
Minority Interest -		
DaVinci	348,301	274,951
Shareholders' Equity		
Series A Preference Shares	150,000	150,000
Common shares and additional paid-in capital	323,071	264,623
Unearned stock grant compensation	(20,470)	(20,163)
Accumulated other comprehensive income	38,509	16,295
Retained earnings	1,001,958	814,269
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Total shareholders' equity	1,493,068	1,225,024
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Total liabilities, minority interest, and shareholders' equity	\$ 3,641,213	\$ 2,643,652
	=====	=====
Book value per Common Share		
	\$ 19.44	\$ 15.83
	=====	=====
Common Shares outstanding		
	69,076	67,893
	=====	=====

RenaissanceRe Holdings Ltd. and Subsidiaries
Supplemental Financial Data
(in thousands of United States Dollars)
(Unaudited)

Gross Written

Premiums	Quarters Ended		Nine Months Ended	
	Sept. 30,	Sept. 30,	Sept. 30,	Sept. 30,
	2002	2001	2002	2001

Cat Premium

Renaissance	\$ 114,756	\$ 92,099	\$ 404,530	\$ 349,372
DaVinci	38,491	-	168,554	-
Assumed from OP Cat	-	-	34,873	-

Total Cat Premium 153,247 92,099 607,957 349,372

Specialty Reinsurance

Premium	48,104	20,773	220,759	58,527
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Total Reinsurance

Premium	201,351	112,872	828,716	407,899
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Individual Risk

Premium	81,246	10,699	185,009	35,892
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Total Premiums \$ 282,597 \$ 123,571 \$ 1,013,725 \$ 443,791

Total Managed

Cat Premiums	\$ 165,906	\$ 107,445	\$ 681,056	\$ 414,657
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Other Income

Quarters Ended Nine Months Ended

	Sept. 30,	Sept. 30,	Sept. 30,	Sept. 30,
	2002	2001	2002	2001

As Reported

Cat business - fee income	\$ 941	\$ 851	\$ 2,941	\$ 5,143
Cat business - equity pick up	4,923	2,291	16,059	7,212
Other items	2,087	(2,071)	5,227	(3,515)

Total other income -

as reported	\$ 7,951	\$ 1,071	\$ 24,227	\$ 8,840
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Pro-forma (a)

Cat business - fee income	\$ 16,854	\$ 2,813	\$ 46,162	\$ 12,168
Cat business - equity pick up	10,874	2,291	29,611	7,212
Other items	2,087	(1,999)	5,227	(3,360)

Total other income -

pro-forma \$ 29,815 \$ 3,105 \$ 81,000 \$ 16,020
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(a) Adjusted to reflect DaVinci under the equity method and other fee income on managed cat business.

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