UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-14428

RENAISSANCERE HOLDINGS LTD.

(Exact Name Of Registrant As Specified In Its Charter)

Bermuda	**98-0141974**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

Renaissance House, 12 Crow Lane, Pembroke, Bermuda **HM 19**
(Address of Principal Executive Office) (Zip Code)

(441) 295-4513
(Registrant’s telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol**	**Name of each exchange on which registered**
Common Shares, Par Value $1.00 per share	RNR	New York Stock Exchange
Series C 6.08% Preference Shares, Par Value $1.00 per share	RNR PRC	New York Stock Exchange
Series E 5.375% Preference Shares, Par Value $1.00 per share	RNR PRE	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a Series F 5.750% Preference Share, Par Value $1.00 per share	RNR PRF	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Act.

Large accelerated filer ☒, Accelerated filer ☐, Non-accelerated filer ☐ (do not check if a smaller reporting company), Smaller reporting company ☐, Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of Common Shares, par value US $1.00 per share, outstanding at July 19, 2019 was 44,162,192.

RENAISSANCERE HOLDINGS LTD.
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NOTE ON FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Form 10-Q”) of RenaissanceRe Holdings Ltd. (the “Company” or “RenaissanceRe”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, us. In particular, statements using words such as “may”, “should”, “estimate”, “expect”, “anticipate”, “intend”, “believe”, “predict”, “potential”, or words of similar import generally involve forward-looking statements. For example, we may include certain forward-looking statements in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” with regard to trends in results, prices, volumes, operations, investment results, margins, combined ratios, fees, reserves, market conditions, risk management and exchange rates. This Form 10-Q also contains forward-looking statements with respect to our business and industry, such as those relating to our strategy and management objectives, market standing and product volumes, competition and new entrants in our industry, industry capital, insured losses from loss events, government initiatives and regulatory matters affecting the reinsurance and insurance industries.

The inclusion of forward-looking statements in this report should not be considered as a representation by us or any other person that our current objectives or plans will be achieved. Numerous factors could cause our actual results to differ materially from those addressed by the forward-looking statements, including the following:

- the frequency and severity of catastrophic and other events we cover;
- the effectiveness of our claims and claim expense reserving process;
- our ability to maintain our financial strength ratings;
- the effect of climate change on our business, including the trend towards increasingly frequent and severe climate events;
- collection on claimed retrocessional coverage, and new retrocessional reinsurance being available on acceptable terms and providing the coverage that we intended to obtain;
- the effect of emerging claims and coverage issues;
- the effects of United States (“U.S.”) tax reform legislation and possible future tax reform legislation and regulations, including changes to the tax treatment of our shareholders or investors in our joint ventures or other entities we manage;
- soft reinsurance underwriting market conditions;
- our reliance on a small and decreasing number of reinsurance brokers and other distribution services for the preponderance of our revenue;
- our exposure to credit loss from counterparties in the normal course of business;
- the effect of continued challenging economic conditions throughout the world;
- a contention by the Internal Revenue Service (the “IRS”) that Renaissance Reinsurance Ltd. (“Renaissance Reinsurance”), or any of our other Bermuda subsidiaries, is subject to taxation in the U.S.;
- the success of any of our strategic investments or acquisitions, including our ability to manage our operations as our product and geographical diversity increases;
- our ability to retain our key senior officers and to attract or retain the executives and employees necessary to manage our business;
- the performance of our investment portfolio;
- losses we could face from terrorism, political unrest or war;
- the effect of cybersecurity risks, including technology breaches or failure, on our business;
- our ability to successfully implement our business strategies and initiatives;

- our ability to determine the impairments taken on our investments;
- the effects of inflation;
- the ability of our ceding companies and delegated authority counterparties to accurately assess the risks they underwrite;
- the effect of operational risks, including system or human failures;
- our ability to effectively manage capital on behalf of investors in joint ventures or other entities we manage;
- foreign currency exchange rate fluctuations;
- our ability to raise capital if necessary;
- our ability to comply with covenants in our debt agreements;
- changes to the regulatory systems under which we operate, including as a result of increased global regulation of the insurance and reinsurance industries;
- changes in Bermuda laws and regulations and the political environment in Bermuda;
- our dependence on the ability of our operating subsidiaries to declare and pay dividends;
- aspects of our corporate structure that may discourage third-party takeovers and other transactions;
- the cyclical nature of the reinsurance and insurance industries;
- adverse legislative developments that reduce the size of the private markets we serve or impede their future growth;
- consolidation of competitors, customers and insurance and reinsurance brokers;
- the effect on our business of the highly competitive nature of our industry, including the effect of new entrants to, competing products for and consolidation in the (re)insurance industry;
- other political, regulatory or industry initiatives adversely impacting us;
- increasing barriers to free trade and the free flow of capital;
- our ability to comply with applicable sanctions and foreign corrupt practices laws;
- international restrictions on the writing of reinsurance by foreign companies and government intervention in the natural catastrophe market;
- the effect of Organisation for Economic Co-operation and Development (the “OECD”) or European Union (“EU”) measures to increase our taxes and reporting requirements;
- the effect of the vote by the United Kingdom (the “U.K.”) to leave the EU;
- changes in regulatory regimes and accounting rules that may impact financial results irrespective of business operations;
- our need to make many estimates and judgments in the preparation of our financial statements;
- risks that the ongoing integration of the TMR Group Entities (as defined herein) disrupts or distracts from current plans and operations; and
- our ability to recognize the benefits of the TMR Stock Purchase (as defined herein).

As a consequence, our future financial condition and results may differ from those expressed in any forward-looking statements made by or on behalf of us. The factors listed above, which are discussed in more detail in our filings with the U.S. Securities and Exchange Commission (“SEC”), including our Annual Report on Form 10-K (“Form 10-K”) for the year ended December 31, 2018, should not be construed as exhaustive. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to revise or update forward-looking statements to reflect new information, events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

	June 30, 2019	December 31, 2018
Assets	(Unaudited)	(Audited)
Fixed maturity investments trading, at fair value – amortized cost $10,324,318 at June 30, 2019 (December 31, 2018 – $8,163,962)	$ 10,479,666	$ 8,088,870
Short term investments, at fair value	4,579,171	2,586,520
Equity investments trading, at fair value	273,646	310,252
Other investments, at fair value	955,437	784,933
Investments in other ventures, under equity method	100,396	115,172
Total investments	16,388,316	11,885,747
Cash and cash equivalents	670,626	1,107,922
Premiums receivable	3,140,688	1,537,188
Prepaid reinsurance premiums	1,158,534	616,185
Reinsurance recoverable	2,865,150	2,372,221
Accrued investment income	76,949	51,311
Deferred acquisition costs and value of business acquired	780,756	476,661
Receivable for investments sold	395,787	256,416
Other assets	344,938	135,127
Goodwill and other intangible assets	265,217	237,418
Total assets	$ 26,086,961	$ 18,676,196
Liabilities, Noncontrolling Interests and Shareholders' Equity		
Liabilities		
Reserve for claims and claim expenses	$ 8,484,848	$ 6,076,271
Unearned premiums	3,362,520	1,716,021
Debt	1,382,890	991,127
Reinsurance balances payable	3,280,048	1,902,056
Payable for investments purchased	554,696	380,332
Other liabilities	396,651	513,609
Total liabilities	17,461,653	11,579,416
Commitments and Contingencies		
Redeemable noncontrolling interests	2,712,466	2,051,700
Shareholders' Equity		
Preference shares: $1.00 par value – 16,010,000 shares issued and outstanding at June 30, 2019 (December 31, 2018 – 16,010,000)	650,000	650,000
Common shares: $1.00 par value – 44,162,192 shares issued and outstanding at June 30, 2019 (December 31, 2018 – 42,207,390)	44,162	42,207
Additional paid-in capital	552,210	296,099
Accumulated other comprehensive loss	(3,869)	(1,433)
Retained earnings	4,670,339	4,058,207
Total shareholders' equity attributable to RenaissanceRe	5,912,842	5,045,080
Total liabilities, noncontrolling interests and shareholders' equity	$ 26,086,961	$ 18,676,196

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Operations
For the three and six months ended June 30, 2019 and 2018
(in thousands of United States Dollars, except per share amounts) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Revenues				
Gross premiums written	$ 1,476,908	$ 977,343	$ 3,041,203	$ 2,136,995
Net premiums written	$ 1,022,965	$ 604,509	$ 1,951,996	$ 1,267,553
Increase in unearned premiums	(111,463)	(175,124)	(490,466)	(397,886)
Net premiums earned	911,502	429,385	1,461,530	869,667
Net investment income	115,832	71,356	197,294	127,832
Net foreign exchange gains (losses)	9,309	(10,687)	6,463	(6,930)
Equity in earnings of other ventures	6,812	5,826	11,473	6,683
Other income (loss)	922	1,225	4,093	(17)
Net realized and unrealized gains (losses) on investments	194,003	(17,901)	364,648	(100,045)
Total revenues	1,238,380	479,204	2,045,501	897,190
Expenses				
Net claims and claim expenses incurred	453,373	60,167	680,408	231,870
Acquisition expenses	227,482	105,052	351,433	202,763
Operational expenses	59,814	37,543	104,747	78,815
Corporate expenses	23,847	8,301	62,636	15,034
Interest expense	15,534	11,768	27,288	23,535
Total expenses	780,050	222,831	1,226,512	552,017
Income before taxes	458,330	256,373	818,989	345,173
Income tax expense	(9,475)	(4,506)	(17,006)	(1,099)
Net income	448,855	251,867	801,983	344,074
Net income attributable to redeemable noncontrolling interests	(71,812)	(54,483)	(142,034)	(84,382)
Net income attributable to RenaissanceRe	377,043	197,384	659,949	259,692
Dividends on preference shares	(9,189)	(5,596)	(18,378)	(11,191)
Net income available to RenaissanceRe common shareholders	$ 367,854	$ 191,788	$ 641,571	$ 248,501
Net income available to RenaissanceRe common shareholders per common share – basic	$ 8.36	$ 4.78	$ 14.82	$ 6.21
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 8.35	$ 4.78	$ 14.81	$ 6.21
Dividends per common share	$ 0.34	$ 0.33	$ 0.68	$ 0.66

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the three and six months ended June 30, 2019 and 2018
(in thousands of United States Dollars) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Comprehensive income				
Net income	$ 448,855	$ 251,867	$ 801,983	$ 344,074
Change in net unrealized gains on investments, net of tax	1,309	(1,295)	1,272	(1,325)
Foreign currency translation adjustments, net of tax	(3,708)	—	(3,708)	—
Comprehensive income	446,456	250,572	799,547	342,749
Net income attributable to redeemable noncontrolling interests	(71,812)	(54,483)	(142,034)	(84,382)
Comprehensive income attributable to redeemable noncontrolling interests	(71,812)	(54,483)	(142,034)	(84,382)
Comprehensive income attributable to RenaissanceRe	$ 374,644	$ 196,089	$ 657,513	$ 258,367

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
For the three and six months ended June 30, 2019 and 2018
(in thousands of United States Dollars) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Preference shares				
Beginning balance	$ 650,000	$ 400,000	$ 650,000	$ 400,000
Issuance of shares	—	250,000	—	250,000
Ending balance	650,000	650,000	650,000	650,000
Common shares				
Beginning balance	44,159	40,246	42,207	40,024
Issuance of shares	—	—	1,739	—
Exercise of options and issuance of restricted stock awards	3	17	216	239
Ending balance	44,162	40,263	44,162	40,263
Additional paid-in capital				
Beginning balance	543,889	38,552	296,099	37,355
Issuance of shares	—	—	248,259	—
Offering expenses	—	(8,498)	—	(8,498)
Change in redeemable noncontrolling interests	(213)	271	(216)	327
Exercise of options and issuance of restricted stock awards	8,534	4,769	8,068	5,910
Ending balance	552,210	35,094	552,210	35,094
Accumulated other comprehensive loss				
Beginning balance	(1,470)	194	(1,433)	224
Change in net unrealized gains on investments, net of tax	1,309	(1,295)	1,272	(1,325)
Foreign currency translation adjustments, net of tax	(3,708)	—	(3,708)	—
Ending balance	(3,869)	(1,101)	(3,869)	(1,101)
Retained earnings				
Beginning balance	4,317,455	3,957,261	4,058,207	3,913,772
Net income	448,855	251,867	801,983	344,074
Net income attributable to redeemable noncontrolling interests	(71,812)	(54,483)	(142,034)	(84,382)
Dividends on common shares	(14,970)	(13,244)	(29,439)	(26,468)
Dividends on preference shares	(9,189)	(5,596)	(18,378)	(11,191)
Ending balance	4,670,339	4,135,805	4,670,339	4,135,805
Total shareholders' equity	$ 5,912,842	$ 4,860,061	$ 5,912,842	$ 4,860,061

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the six months ended June 30, 2019 and 2018
(in thousands of United States Dollars) (Unaudited)

	Six months ended	
	June 30, 2019	June 30, 2018
Cash flows provided by operating activities		
Net income	$ 801,983	$ 344,074
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization, accretion and depreciation	(16,529)	24,741
Equity in undistributed earnings of other ventures	5,380	(7,262)
Net realized and unrealized (gains) losses on investments	(364,648)	100,045
Net unrealized gains included in net investment income	(2,181)	(8,714)
Change in:		
Premiums receivable	(965,765)	(655,025)
Prepaid reinsurance premiums	(402,551)	(391,955)
Reinsurance recoverable	55,812	131,639
Deferred acquisition costs	1,911	(84,604)
Reserve for claims and claim expenses	1,061	(378,063)
Unearned premiums	882,888	789,841
Reinsurance balances payable	1,107,889	1,095,944
Other	(321,281)	(611,550)
Net cash provided by operating activities	783,969	349,111
Cash flows used in investing activities		
Proceeds from sales and maturities of fixed maturity investments trading	9,405,348	4,813,208
Purchases of fixed maturity investments trading	(9,230,000)	(5,014,011)
Net sales (purchases) of equity investments trading	125,597	(34,298)
Net purchases of short term investments	(1,972,717)	(1,062,422)
Net purchases of other investments	(133,889)	(111,921)
Net purchases of investments in other ventures	(2,249)	(20,952)
Return of investment from investment in other ventures	11,250	8,464
Net purchase of other assets	(4,108)	—
Net purchase of the TMR Group Entities	(276,206)	—
Net cash used in investing activities	(2,076,974)	(1,421,932)
Cash flows provided by financing activities		
Dividends paid – RenaissanceRe common shares	(29,439)	(26,468)
Dividends paid – preference shares	(18,378)	(11,191)
Issuance of debt, net of expenses	396,411	—
Issuance of preference shares, net of expenses	—	242,371
Net third party redeemable noncontrolling interest share transactions	514,732	64,534
Taxes paid on withholding shares	(7,083)	(7,044)
Net cash provided by financing activities	856,243	262,202
Effect of exchange rate changes on foreign currency cash	(534)	(2,501)
Net decrease in cash and cash equivalents	(437,296)	(813,120)
Cash and cash equivalents, beginning of period	1,107,922	1,361,592
Cash and cash equivalents, end of period	$ 670,626	$ 548,472

See accompanying notes to the consolidated financial statements

NOTE 1. ORGANIZATION

This report on Form 10-Q should be read in conjunction with the RenaissanceRe's Annual Report on Form 10-K ("Form 10-K") for the fiscal year ended December 31, 2018.

RenaissanceRe was formed under the laws of Bermuda on June 7, 1993. Together with its wholly owned and majority-owned subsidiaries and joint ventures, the Company provides property, casualty and specialty reinsurance and certain insurance solutions to its customers.

- On March 22, 2019, the Company's wholly owned subsidiary, RenaissanceRe Specialty Holdings (UK) Limited, completed its previously announced purchase of all of the share capital of Tokio Millennium Re AG (now known as RenaissanceRe Europe AG) ("RenaissanceRe Europe"), Tokio Millennium Re (UK) Limited (now known as RenaissanceRe (UK) Limited) ("RenaissanceRe UK"), and their respective subsidiaries (collectively, the "TMR Group Entities") pursuant to a Stock Purchase Agreement by and among the Company, Tokio Marine & Nichido Fire Insurance Co. Ltd. ("Tokio") and, with respect to certain sections only, Tokio Marine Holdings, Inc. entered into on October 30, 2018 (the "TMR Stock Purchase Agreement") (the "TMR Stock Purchase"). See "Note 3. Acquisition of Tokio Millennium Re" for additional information regarding the TMR Stock Purchase.
- Renaissance Reinsurance, a Bermuda-domiciled reinsurance company, is the Company's principal reinsurance subsidiary and provides property, casualty and specialty reinsurance coverages to insurers and reinsurers on a worldwide basis.
- Renaissance Reinsurance U.S. Inc. ("Renaissance Reinsurance U.S.") is a reinsurance company domiciled in the state of Maryland that provides property, casualty and specialty reinsurance coverages to insurers and reinsurers, primarily in the Americas.
- RenaissanceRe Underwriting Managers U.S. LLC, a specialty reinsurance agency domiciled in the state of Connecticut, provides specialty treaty reinsurance solutions on both a quota share and excess of loss basis; and writes business on behalf of RenaissanceRe Specialty U.S. Ltd. ("RenaissanceRe Specialty U.S."), a Bermuda-domiciled reinsurer, which operates subject to U.S. federal income tax, and RenaissanceRe Syndicate 1458 ("Syndicate 1458").
- Syndicate 1458 is the Company's Lloyd's syndicate. RenaissanceRe Corporate Capital (UK) Limited ("RenaissanceRe CCL"), a wholly owned subsidiary of RenaissanceRe, is Syndicate 1458's sole corporate member and RenaissanceRe Syndicate Management Ltd. ("RSML"), a wholly owned subsidiary of RenaissanceRe, is the managing agent for Syndicate 1458.
- RenaissanceRe Europe, a Swiss-domiciled reinsurance company, provides property, casualty and specialty reinsurance coverages to insurers and reinsurers on a worldwide basis.
- RenaissanceRe UK, a U.K.-domiciled reinsurance company in run-off, provided property, casualty and specialty reinsurance coverages on a worldwide basis. RenaissanceRe UK was placed into run-off effective July 1, 2015, from which date all new and renewal business was written by the U.K. branch of RenaissanceRe Europe.
- The Company also manages property, casualty and specialty reinsurance business written on behalf of joint ventures, which include Top Layer Reinsurance Ltd. ("Top Layer Re"), recorded under the equity method of accounting, and DaVinci Reinsurance Ltd. ("DaVinci"). Because the Company owns a noncontrolling equity interest in, but controls a majority of the outstanding voting power of DaVinci's parent, DaVinciRe Holdings Ltd. ("DaVinciRe"), the results of DaVinci and DaVinciRe are consolidated in the Company's consolidated financial statements and all significant intercompany transactions have been eliminated. Redeemable noncontrolling interest - DaVinciRe represents the interests of external parties with respect to the net income and shareholders' equity of DaVinciRe. Renaissance Underwriting Managers, Ltd. ("RUM"), a wholly owned subsidiary of RenaissanceRe,

acts as exclusive underwriting manager for these joint ventures in return for fee-based income and profit participation.

- RenaissanceRe Medici Fund Ltd. (“Medici”) is an exempted fund, incorporated under the laws of Bermuda. Medici’s objective is to seek to invest substantially all of its assets in various insurance based investment instruments that have returns primarily tied to property catastrophe risk. Third-party investors have subscribed for a portion of the participating, non-voting common shares of Medici. Because the Company owns a noncontrolling equity interest in, but controls a majority of the outstanding voting power of Medici’s parent, RenaissanceRe Fund Holdings Ltd. (“Fund Holdings”), the results of Medici and Fund Holdings are consolidated in the Company’s consolidated financial statements and all significant inter-company transactions have been eliminated. Redeemable noncontrolling interest - Medici represents the interests of external parties with respect to the net income and shareholders’ equity of Medici.
- Upsilon RFO Re Ltd., formerly known as Upsilon Reinsurance II Ltd. (“Upsilon RFO”), a Bermuda domiciled special purpose insurer (“SPI”), is a managed joint venture formed by the Company primarily to provide additional capacity to the worldwide aggregate and per-occurrence primary and retrocessional property catastrophe excess of loss market. Upsilon RFO is considered a variable interest entity (“VIE”) and the Company is considered the primary beneficiary. As a result, Upsilon RFO is consolidated by the Company and all significant inter-company transactions have been eliminated.
- RenaissanceRe Upsilon Fund Ltd. (“Upsilon Fund”), an exempted Bermuda segregated accounts company, was formed by the Company to provide a fund structure through which third-party investors can invest in reinsurance risk managed by the Company. As a segregated accounts company, Upsilon Fund is permitted to establish segregated accounts to invest in and hold identified pools of assets and liabilities. Each pool of assets and liabilities in each segregated account is structured to be ring-fenced from any claims from the creditors of Upsilon Fund’s general account and from the creditors of other segregated accounts within Upsilon Fund. Third-party investors purchase redeemable, non-voting preference shares linked to specific segregated accounts of Upsilon Fund and own 100% of these shares. Upsilon Fund is an investment company and is considered a VIE. The Company is not considered the primary beneficiary of Upsilon Fund and, as a result, the Company does not consolidate the financial position and results of operations of Upsilon Fund.
- Fibonacci Reinsurance Ltd. ("Fibonacci Re"), a Bermuda-domiciled SPI, was formed to provide collateralized capacity to Renaissance Reinsurance and its affiliates. Fibonacci Re raises capital from third-party investors and the Company, via private placements of participating notes which are listed on the Bermuda Stock Exchange. Fibonacci Re is considered a VIE. The Company is not considered the primary beneficiary of Fibonacci Re and, as a result, the Company does not consolidate the financial position and results of operations of Fibonacci Re.
- Effective December 17, 2018, the Company formed Vermeer Reinsurance Ltd. (“Vermeer”), an exempted Bermuda reinsurer, with PGGM, a Dutch pension fund manager. Vermeer provides capacity focused on risk remote layers in the U.S. property catastrophe market. Vermeer is managed by RUM in return for a management fee. The Company maintains a majority voting control of Vermeer, while PGGM retains economic benefits. Vermeer is considered a VIE, as it has voting rights that are not proportional to its participating rights and the Company is the primary beneficiary. As a result, the Company consolidates Vermeer and all significant inter-company transactions have been eliminated. The Company does not currently expect its voting or economic interest in Vermeer to fluctuate.
- Effective December 22, 2017, the Company and Reinsurance Group of America, Incorporated closed an initiative (“Langhorne”) to source third party capital to support reinsurers targeting large in-force life and annuity blocks. Langhorne Holdings LLC (“Langhorne Holdings”) is a company that owns and manages certain reinsurance entities within Langhorne. Langhorne Partners LLC (“Langhorne Partners”) is the general partner for Langhorne and the entity which manages the third-party investors investing into Langhorne Holdings. The Company concluded that Langhorne Holdings meets the definition of a VIE. The Company is not the primary beneficiary of Langhorne Holdings and as a result, the Company does not consolidate the financial position or results of operations of Langhorne Holdings. The Company concluded that Langhorne Partners is not a VIE. The Company will account

for its investments in Langhorne Holdings and Langhorne Partners under the equity method of accounting, one quarter in arrears.

- In connection with the acquisition of the TMR Group Entities, the Company manages Shima Reinsurance Ltd. (“Shima Re”), Norwood Re Ltd. (“Norwood Re”) and Blizzard Re Ltd. (“Blizzard Re”) (together, the “TMR third-party capital vehicles”), which provide third-party investors with access to reinsurance risk formerly managed by the TMR Group Entities. During the second quarter of 2019, some of their legacy portfolios of in-force and expired contracts were transferred to other stop loss reinsurance providers.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

There have been no material changes to the Company’s significant accounting policies as described in its Form 10-K for the year ended December 31, 2018, except as described below.

BASIS OF PRESENTATION

These consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the U.S. (“GAAP”) for interim financial information and in conformity with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. In the opinion of management, these unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company’s financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these statements.

Certain comparative information has been reclassified to conform to the current presentation. Because of the seasonality of the Company’s business, the results of operations and cash flows for any interim period will not necessarily be indicative of the results of operations and cash flows for the full fiscal year or subsequent quarters.

USE OF ESTIMATES IN FINANCIAL STATEMENTS

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported and disclosed amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. The major estimates reflected in the Company’s consolidated financial statements include, but are not limited to, the reserve for claims and claim expenses; reinsurance recoverables, including allowances for reinsurance recoverables deemed uncollectible; estimates of written and earned premiums; fair value, including the fair value of investments, financial instruments and derivatives; impairment charges; and the Company’s deferred tax valuation allowance.

DERIVATIVES

From time to time, the Company enters into derivative instruments such as futures, options, swaps, forward contracts and other derivative contracts primarily to manage its foreign currency exposure, obtain exposure to a particular financial market, for yield enhancement, or for trading and to assume risk. The Company accounts for its derivatives in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic *Derivatives and Hedging*, which requires all derivatives to be recorded at fair value on the Company’s balance sheet as either assets or liabilities, depending on their rights or obligations, with changes in fair value reflected in current earnings. Commencing in the second quarter of 2019, the Company elected to adopt hedge accounting for certain of its derivative instruments used as hedges of a net investment in a foreign operation, as discussed below. The fair value of the Company’s derivatives is estimated by reference to quoted prices or broker quotes, where available, or in the absence of quoted prices or broker quotes, the use of industry or internal valuation models.

Hedges of the Net Investment in a Foreign Operation

Changes in the fair value of derivative instruments used to hedge the net investment in a foreign operation, to the extent effective as a hedge, are recorded as a component of accumulated other comprehensive income (loss) in foreign currency translation adjustments, net of tax. Cumulative changes in fair value recorded in accumulated other comprehensive income (loss) are reclassified into earnings upon the sale, or complete or substantially complete liquidation, of the foreign operation. Any hedge ineffectiveness is recorded immediately in current period earnings as net foreign exchange gains (losses).

Hedge Documentation and Effectiveness Testing

To qualify for hedge accounting treatment, a derivative must be highly effective in mitigating the designated changes in value or cash flow of the hedged item. At the inception of a hedge, the Company formally documents relationships between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking each hedge transaction. The documentation process includes linking derivatives that are designated as net investment hedges to specific assets or liabilities on the consolidated balance sheet. The Company also formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in the net investment in a foreign operation. The Company will discontinue hedge accounting prospectively if it determines that the derivative is no longer highly effective in offsetting changes in the net investment in a foreign operation, the derivative is no longer designated as a hedging instrument, or the derivative expires or is sold, terminated or exercised. If hedge accounting is discontinued, the derivative continues to be carried at fair value on the consolidated balance sheet with changes in its fair value recognized in current period earnings through net realized and unrealized gains (losses) on investments.

FOREIGN EXCHANGE

Foreign Currency Revaluation and Translation

Monetary assets and liabilities denominated in a currency other than the functional currency of the Company’s subsidiaries in which those monetary assets and liabilities reside are revalued into such subsidiary’s functional currency at the prevailing exchange rate on the balance sheet date. Revenues and expenses denominated in a currency other than the functional currency of the Company’s subsidiaries, are valued at the exchange rate on the date on which the underlying revenue or expense transaction occurred. The net effect of these revaluation adjustments are recognized in the Company’s consolidated statement of operations as part of net foreign exchange (gains) losses.

The Company’s functional currency is the U.S. dollar. Certain of the Company’s subsidiaries have a functional currency other than the U.S. dollar. Assets and liabilities of foreign operations whose functional currency is not the U.S. dollar are translated into the Company's U.S. dollar reporting currency at prevailing balance sheet-date exchange rates, while revenue and expenses of such foreign operations are translated into the Company's U.S. dollar functional currency at monthly average exchange rates during the year. The net effect of these translation adjustments, as well as any gains or losses on intercompany balances for which settlement is not planned or anticipated in the foreseeable future, net of applicable deferred income taxes, are included in the Company’s consolidated balance sheet as currency translation adjustments and reflected within accumulated other comprehensive income (loss).

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Leases

In February 2016, the FASB issued Accounting Standards Update (“ASU”) No. 2016-02, *Leases* and subsequently issued a number of other ASUs to amend the guidance, each ultimately reflected in FASB ASC Topic *Leases*. FASB ASC Topic *Leases* requires, among other items, lessees to recognize lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under the previous guidance. FASB ASC Topic *Leases* was effective for public business entities for annual and interim periods beginning after December 15, 2018. The Company has adopted FASB ASC Topic *Leases* through the application of the modified retrospective transition approach. In addition, the Company employed certain practical expedients permitted under the guidance and utilized its incremental borrowing rate in determining the present value of lease payments, not yet paid. The adoption of this guidance did not have a material impact on the Company's consolidated statements of operations and financial position. The Company determined it was not required to record a cumulative effect adjustment to opening retained earnings as of January 1, 2019.

Intra-Entity Transfers of Assets Other Than Inventory

In October 2016, the FASB issued ASU No. 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory* ("ASU 2016-16"). ASU 2016-16 requires entities to recognize the income tax consequences of intra-entity transfers of assets other than inventory when the transfers occur; this is a change from current guidance which prohibits the recognition of current and deferred income taxes until the underlying assets have been sold to outside entities. ASU 2016-16 was effective for public business entities for annual and interim periods beginning after December 15, 2018. The adoption of this guidance did not have a material impact on the Company's consolidated statements of operations and financial position.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

Measurement of Credit Losses on Financial Instruments

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"). ASU 2016-13 modifies the recognition of credit losses by replacing the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. ASU 2016-13 is applicable to financial assets such as loans, debt securities, trade receivables, off-balance sheet credit exposures, reinsurance receivables, and other financial assets that have the contractual right to receive cash. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The Company's invested assets are measured at fair value through net income, and therefore those invested assets would not be impacted by the adoption of ASU 2016-13. The Company has other financial assets, such as reinsurance recoverables, that could be impacted by the adoption of ASU 2016-13. ASU 2016-13 is effective for public business entities that are SEC filers for annual and interim periods beginning after December 15, 2019. The Company is currently evaluating the impact of this guidance; however, it is not expected to have a material impact on the Company's consolidated statements of operations and financial position.

Simplifying the Test for Goodwill Impairment

In January 2017, the FASB issued ASU No. 2017-04, *Simplifying the Test for Goodwill Impairment* ("ASU 2017-04"). Among other things, ASU 2017-04 requires the following: (1) the elimination of step two of the goodwill impairment test; entities will no longer utilize the implied fair value of their assets and liabilities for purposes of testing goodwill for impairment, (2) the quantitative portion of the goodwill impairment test will be performed by comparing the fair value of a reporting unit with its carrying amount; an impairment charge is to be recognized for the excess of carrying amount over fair value, but only to the extent of the amount of goodwill allocated to that reporting unit, and (3) foreign currency translation adjustments are not to be allocated to a reporting unit from an entity's accumulated other comprehensive income (loss); the reporting unit's carrying amount should include only the currently translated balances of the assets and liabilities assigned to the reporting unit. ASU 2017-04 is effective for public business entities that are SEC filers for annual periods, or any interim goodwill impairment tests in annual periods, beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company is currently evaluating the impact of this guidance; however, it is not expected to have a material impact on the Company's consolidated statements of operations and financial position.

Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement

In August 2018, the FASB issued ASU No. 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"). The ASU 2018-13 modifies the disclosure requirements of fair value measurements as part of the disclosure framework project with the objective to improve the effectiveness of disclosures in the notes to the financial statements. ASU 2018-13 allows for removal of the amount and reasons for transfer between Level 1 and Level 2 of the fair value hierarchy; the policy for transfers between levels; and the valuation processes for Level 3 fair value measurements. ASU 2018-13 is effective for all entities for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years. The Company is currently evaluating the impact of this guidance; however, it is not expected to have a material impact on the Company's consolidated statements of operations and financial position.

NOTE 3. ACQUISITION OF TOKIO MILLENNIUM RE

Overview

The aggregate consideration for the TMR Stock Purchase, which closed on March 22, 2019, was $1.6 billion, consisting of cash, RenaissanceRe common shares and a special dividend from the TMR Group Entities, as described in more detail below. The aggregate consideration paid at closing for the TMR Stock Purchase was based on the closing tangible book value of the TMR Group Entities, subject to a post-closing adjustment under the terms of the TMR Stock Purchase Agreement. During the second quarter of 2019 the parties determined that no closing adjustment was required.

In connection with the closing of the TMR Stock Purchase, Tokio, RenaissanceRe Europe and RenaissanceRe UK entered into a reserve development agreement whereby RenaissanceRe Europe and RenaissanceRe UK agreed to cede to Tokio, and Tokio agreed to indemnify and reimburse RenaissanceRe Europe and RenaissanceRe UK for, substantially all of RenaissanceRe Europe and RenaissanceRe UK's adverse development on stated reserves at time of the closing, including unearned premium reserves, subject to certain terms and conditions. The reserve development agreement provides the Company with indemnification on stated reserves, including unearned premium reserves, for RenaissanceRe Europe and RenaissanceRe UK, on a whole-account basis, and takes into consideration adverse performance across the Company's reportable segments. To the extent the combined performance of acquired reserves for claims and claim expenses or unearned premiums is worse than expected on an aggregate basis across reportable segments, the Company is indemnified under the terms of the reserve development agreement and would expect to collect under the reserve development agreement.

At closing, RenaissanceRe Europe and Tokio entered into a retrocessional agreement pursuant to which RenaissanceRe Europe ceded to Tokio all of its liabilities arising from certain stop loss reinsurance contracts RenaissanceRe Europe entered into with third party capital partners which were either in force as of the closing date or which incept prior to December 31, 2021.

The Company recorded certain corporate expenses associated with the acquisition of the TMR Group Entities as follows:

	Three months ended June 30, 2019	Six months ended June 30, 2019
Compensation-related costs	$ 9,187	$ 15,861
Transaction-related costs	1,946	14,838
Integration-related costs	3,355	9,304
Total corporate expenses associated with the acquisition of the TMR Group Entities	$ 14,488	$ 40,003

Purchase Price

The Company's total purchase price for the TMR Group Entities was calculated as follows:

Special Dividend		
Special Dividend paid to common shareholders of Tokio and holders of Tokio equity awards		$ 500,000
RenaissanceRe common shares		
Common shares issued by RenaissanceRe to Tokio	1,739,071	
Common share price of RenaissanceRe (1)	$ 143.75	
Market value of RenaissanceRe common shares issued by RenaissanceRe to Tokio		249,998
Cash consideration		
Cash consideration paid by RenaissanceRe as acquisition consideration		813,595
Total purchase price		1,563,593
Less: Special Dividend paid to Tokio		(500,000)
Net purchase price		$ 1,063,593

(1) RenaissanceRe common share price is based on the 30-day trailing volume weighted average price of $143.7539 as of market close on March 15, 2019, which approximates fair value.

Fair Value of Net Assets Acquired and Liabilities Assumed

The purchase price was allocated to the acquired assets and liabilities of the Company based on estimated fair values on March 22, 2019, the date the transaction closed, as detailed below. During the quarter ended March 31, 2019, the Company recognized goodwill of $13.1 million, based on foreign exchange rates on March 22, 2019, attributable to the excess of the purchase price over the fair value of the net assets of the acquired TMR Group Entities. The Company recognized identifiable finite lived intangible assets of $11.2 million, which will be amortized over a weighted average period of 10.5 years, identifiable indefinite lived intangible assets of $6.8 million, and certain other adjustments to the fair values of the assets acquired, liabilities assumed and shareholders' equity of the TMR Group Entities at March 22, 2019, based on foreign exchange rates on March 22, 2019, as summarized in the table below:

Shareholders' equity of the TMR Group Entities at March 22, 2019	$	1,032,961
Adjustments for fair value, by applicable balance sheet caption:		
Net deferred acquisition costs and value of business acquired		(56,788)
Net reserve for claims and claim expenses		67,782
Goodwill and intangible assets at March 22, 2019 of the TMR Group Entities		(6,569)
Total adjustments for fair value by applicable balance sheet caption before tax impact		4,425
Other assets - net deferred tax liability related to fair value adjustments and value of business acquired		(2,606)
Total adjustments for fair value by applicable balance sheet caption, net of tax		1,819
Adjustments for fair value of the identifiable intangible assets:		
Identifiable indefinite lived intangible assets (insurance licenses)		6,800
Identifiable finite lived intangible assets (top broker relationships and renewal rights)		11,200
Identifiable intangible assets before tax impact		18,000
Other assets - deferred tax liability on identifiable intangible assets		(2,281)
Total adjustments for fair value of the identifiable intangible assets and value of business acquired, net of tax		15,719
Total adjustments for fair value by applicable balance sheet caption, identifiable intangible assets and value of business acquired, net of tax		17,538
Shareholders' equity of the TMR Group Entities at fair value		1,050,499
Total net purchase price paid by RenaissanceRe		1,063,593
Excess purchase price over the fair value of net assets acquired assigned to goodwill	$	13,094

An explanation of the significant fair value adjustments and related future amortization is as follows:

- Net deferred acquisition costs and value of business acquired ("VOBA") - to reflect the elimination of the TMR Group Entities' net deferred acquisition costs, partially offset by the establishment of the value of business acquired asset, which represents the present value of the expected underwriting profit within the unearned premiums liability, net of reinsurance, less costs to service the related policies and a risk premium. The adjustment for VOBA will be amortized to acquisition expenses over approximately two years, as the contracts for business in-force as of the acquisition date expire. VOBA at March 22, 2019 was $287.6 million;
- Reserve for claims and claim expenses - to reflect a decrease related to the present value of the net unpaid claims and claim expenses based on the estimated payout pattern, partially offset by an increase in net claims and claim expenses related to the estimated market based risk margin. The risk margin represents the estimated cost of capital required by a market participant to assume the net claims and claim expenses. This will be amortized using the projected discount and risk margin patterns of the net claims and claims expenses as of the acquisition date;
- Identifiable indefinite lived and finite lived intangible assets - to establish the fair value of identifiable intangible assets related to the acquisition of the TMR Group Entities described in detail below; and

- Other assets - to reflect the net deferred tax liability on identifiable intangible assets.

Identifiable intangible assets and accumulated amortization at June 30, 2019, consisted of the following, based on foreign exchange rates on March 22, 2019, and are included in goodwill and other intangible assets on the Company's consolidated balance sheet:

		Amount	Economic Useful Life
Top broker relationships	$	10,000	10.0 years
Renewal rights		1,200	15.0 years
Insurance licenses		6,800	Indefinite
Gross identifiable intangible assets related to the acquisition of the TMR Group Entities, at March 22, 2019		18,000	
Accumulated amortization (from March 22, 2019 through June 30, 2019)		270	
Net identifiable intangible assets related to the acquisition of the TMR Group Entities at June 30, 2019	$	17,730	

Amortization from the acquisition date, March 22, 2019, through June 30, 2019 was included in the Company's consolidated statements of operations for the three and six months ended June 30, 2019.

An explanation of the identifiable intangible assets is as follows:

- Top broker relationships - the value of the TMR Group Entities' relationships with their top four brokers (Marsh & McLennan Companies, Inc., Aon plc, Willis Group Holdings Public Limited Company and Jardine Lloyd Thompson Group plc.) after taking into consideration the expectation of the renewal of these relationships and the associated expenses. These will be amortized on a straight-line basis over the economic useful life as of the acquisition date;
- Renewal rights - the value of policy renewal rights after taking into consideration written premium on assumed retention ratios and the insurance cash flows and the associated equity cash flows from these renewal policies over the expected life of the renewals. These will be amortized on a straight-line basis over the economic useful life as of the acquisition date; and
- Insurance licenses - the value of insurance licenses acquired which provide the ability to write reinsurance in all 50 states of the U.S. and the District of Columbia.

As part of the allocation of the purchase price, included in the adjustment to other assets in the table above is a deferred tax liability of $2.3 million related to the estimated fair value of the intangible assets recorded, as well as a net deferred tax liability of $2.6 million related to certain other adjustments to the fair values of the assets acquired, VOBA, liabilities assumed and shareholders' equity. Other net deferred tax liabilities recorded primarily relate to differences between financial reporting and tax bases of the acquired assets and liabilities as of the acquisition date, March 22, 2019. The Company estimates that none of the goodwill that was recorded will be deductible for income tax purposes.

Financial Results

The following table summarizes the net contribution from the acquisition of the TMR Group Entities since March 22, 2019 that have been included in the Company's consolidated statements of operations and comprehensive income for the three and six months ended June 30, 2019. The operating activities of the TMR Group Entities from the acquisition date, March 22, 2019, through June 30, 2019 are included in the Company's consolidated statements of operations for the three and six month ended June 30, 2019.

The unaudited net contribution of the acquisition and integration of the TMR Group Entities is provided for informational purposes only and is not necessarily, and should not be assumed to be, an indication of the results that may be achieved in the future. These results are not used as a part of management analysis of the financial performance of the Company's business. These results, where possible, are adjusted for transaction and integration related costs. However, these results do not give consideration to the impact of possible revenue enhancements, expense efficiencies, synergies or asset dispositions that may be achieved in the future. These results involve significant estimates and are not indicative of the future results of the acquired TMR Group Entities, which will be further impacted by potential changes in targeted business mix, investment management strategies, and synergies recognized from changes in the combined entity's operating structure, as well as the impact of changes in other business and capital management strategies.

Since the acquisition date, a growing number of underlying policies have been underwritten onto different legal entities, staffing has been allocated to new activities, and reinsurance has been purchased to cover combined risks, only some of which would have been reflected in the underlying legacy TMR Group Entities results. In future quarters, the summary results of the TMR Group Entities will become increasingly impracticable to produce, and even less indicative of the results of the acquired TMR Group Entities, given the significant estimates involved and the nature and pace of our integration activities, which are intended to integrate the TMR Group Entities as quickly as possible.

	Three months ended June 30, 2019	Six months ended June 30, 2019
Total revenues	$ 416,830	$ 416,830
Net income available to RenaissanceRe common shareholders (1)	$ 90,915	$ 65,396

(1) Includes $14.5 million and $40.0 million of corporate expenses associated with the acquisition of the TMR Group Entities for the three and six months ended June 30, 2019, respectively. The Company recorded $25.5 million of corporate expenses associated with the acquisition of the TMR Group Entities for the three months ended March 31, 2019.

Taxation

A net deferred tax liability of $5.7 million was established in conjunction with the acquisition of the TMR Group Entities. A valuation allowance of $35.7 million has been recorded against the TMR Group Entities deferred tax assets, a predominant amount of which was related to the TMR Group Entities' U.S. operations and was recorded prior to acquisition of the TMR Group Entities.

Supplemental Pro Forma Information

The following table presents unaudited pro forma consolidated financial information for the three and six months ended June 30, 2019 and 2018, respectively, and assumes the acquisition of the TMR Group Entities occurred on January 1, 2018. The unaudited pro forma consolidated financial information is provided for informational purposes only and is not necessarily, and should not be assumed to be, an indication of the results that would have been achieved had the transaction been completed as of January 1, 2018 or that may be achieved in the future. The unaudited pro forma consolidated financial information does not give consideration to the impact of possible revenue enhancements, expense efficiencies, synergies or asset dispositions that may result from the acquisition of the TMR Group Entities. In addition, unaudited pro forma consolidated financial information does not include the effects of costs associated with any restructuring or integration activities resulting from the acquisition of the TMR Group Entities, as they are nonrecurring.

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Total revenues	$ 1,238,380	$ 822,840	$ 2,386,526	$ 1,548,109
Net income available to RenaissanceRe common shareholders	$ 367,854	$ 222,936	$ 698,248	$ 250,541

Among other adjustments, and in addition to the fair value adjustments and recognition of goodwill, VOBA and identifiable intangible assets noted above, other material nonrecurring pro forma adjustments directly attributable to the acquisition of the TMR Group Entities principally included certain adjustments to recognize transaction related costs, align accounting policies, and amortize fair value adjustments, VOBA, and identifiable definite lived intangible assets, net of related tax impacts.

Defined Benefit Pension Plan

The TMR Group Entities have a contributory defined benefit pension plan for certain employees, which was not material to RenaissanceRe's results of operations, financial condition or cash flows.

The plan offers mandatory benefits as prescribed by the applicable law, as well as voluntary benefits. The TMR Group Entities and the members of the plan contribute a defined percentage of salary to the pension arrangement. At retirement, the accumulated contributions are converted into a pension.

At March 22, 2019, the net balance sheet liability was $6.1 million, comprising $21.2 million of projected benefit obligation and $15.1 million of plan assets at fair value.

NOTE 4.INVESTMENTS

Fixed Maturity Investments Trading

The following table summarizes the fair value of fixed maturity investments trading:

	June 30, 2019	December 31, 2018
U.S. treasuries	$ 3,961,306	$ 3,331,411
Agencies	334,923	174,883
Municipal	2,859	6,854
Non-U.S. government	370,505	279,818
Non-U.S. government-backed corporate	207,668	160,063
Corporate	3,268,511	2,450,244
Agency mortgage-backed	1,167,735	817,880
Non-agency mortgage-backed	266,963	278,680
Commercial mortgage-backed	374,584	282,294
Asset-backed	524,612	306,743
Total fixed maturity investments trading	$ 10,479,666	$ 8,088,870

Contractual maturities of fixed maturity investments trading are described in the following table. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

June 30, 2019	Amortized Cost	Fair Value
Due in less than one year	$ 618,766	$ 616,578
Due after one through five years	5,104,023	5,176,183
Due after five through ten years	1,841,585	1,896,176
Due after ten years	450,065	456,835
Mortgage-backed	1,785,109	1,809,282
Asset-backed	524,770	524,612
Total	$ 10,324,318	$ 10,479,666

Equity Investments Trading

The following table summarizes the fair value of equity investments trading:

	June 30, 2019	December 31, 2018
Financials	$ 211,756	$ 200,357
Communications and technology	24,621	42,333
Industrial, utilities and energy	13,486	24,520
Consumer	11,811	20,639
Healthcare	9,791	18,925
Basic materials	2,181	3,478
Total	$ 273,646	$ 310,252

Pledged Investments

At June 30, 2019, $7.0 billion of cash and investments at fair value were on deposit with, or in trust accounts for the benefit of, various counterparties, including with respect to the Company's letter of credit facilities (December 31, 2018 - $5.7 billion). Of this amount, $2.9 billion is on deposit with, or in trust accounts for the benefit of, U.S. state regulatory authorities (December 31, 2018 - $2.0 billion).

Reverse Repurchase Agreements

At June 30, 2019, the Company held $189.0 million (December 31, 2018 - $3.7 million) of reverse repurchase agreements. These loans are fully collateralized, are generally outstanding for a short period of time and are presented on a gross basis as part of short term investments on the Company's consolidated balance sheets. The required collateral for these loans typically includes high-quality, readily marketable instruments at a minimum amount of 102% of the loan principal. Upon maturity, the Company receives principal and interest income.

Net Investment Income

The components of net investment income are as follows:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Fixed maturity investments	$ 88,106	$ 50,416	$ 149,589	$ 96,059
Short term investments	17,807	7,633	29,651	12,937
Equity investments	916	1,490	1,943	2,188
Other investments				
Private equity investments	10,309	3,860	12,763	3,426
Other	630	10,658	7,875	18,681
Cash and cash equivalents	2,306	1,039	3,823	1,604
	120,074	75,096	205,644	134,895
Investment expenses	(4,242)	(3,740)	(8,350)	(7,063)
Net investment income	$ 115,832	$ 71,356	$ 197,294	$ 127,832

Net Realized and Unrealized Gains (Losses) on Investments

Net realized and unrealized gains (losses) on investments are as follows:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Gross realized gains	$ 28,512	$ 5,133	$ 52,885	$ 9,716
Gross realized losses	(7,217)	(26,519)	(30,160)	(52,372)
Net realized gains (losses) on fixed maturity investments	21,295	(21,386)	22,725	(42,656)
Net unrealized gains (losses) on fixed maturity investments trading	121,991	(9,420)	225,913	(64,792)
Net realized and unrealized gains (losses) on investments-related derivatives	37,173	1,038	50,969	(3,326)
Net realized gains on equity investments trading sold during the period	31,899	348	30,738	582
Net unrealized (losses) gains on equity investments trading still held at reporting date	(18,355)	11,519	34,303	10,147
Net realized and unrealized gains on equity investments trading	13,544	11,867	65,041	10,729
Net realized and unrealized gains (losses) on investments	$ 194,003	$ (17,901)	$ 364,648	$ (100,045)

NOTE 5.FAIR VALUE MEASUREMENTS

The use of fair value to measure certain assets and liabilities with resulting unrealized gains or losses is pervasive within the Company's consolidated financial statements. Fair value is defined under accounting guidance currently applicable to the Company to be the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between open market participants at the measurement date. The Company recognizes the change in unrealized gains and losses arising from changes in fair value in its consolidated statements of operations.

FASB ASC Topic *Fair Value Measurements and Disclosures* prescribes a fair value hierarchy that prioritizes the inputs to the respective valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to valuation techniques that use at least one significant input that is unobservable (Level 3). The three levels of the fair value hierarchy are described below:

- Fair values determined by Level 1 inputs utilize unadjusted quoted prices obtained from active markets for identical assets or liabilities for which the Company has access. The fair value is determined by multiplying the quoted price by the quantity held by the Company;
- Fair values determined by Level 2 inputs utilize inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals, broker quotes and certain pricing indices; and
- Level 3 inputs are based all or in part on significant unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In these cases, significant management assumptions can be used to establish management's best estimate of the assumptions used by other market participants in determining the fair value of the asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement of the asset or liability. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and the Company considers factors specific to the asset or liability.

In order to determine if a market is active or inactive for a security, the Company considers a number of factors, including, but not limited to, the spread between what a seller is asking for a security and what a buyer is bidding for the same security, the volume of trading activity for the security in question, the price of the security compared to its par value (for fixed maturity investments), and other factors that may be indicative of market activity.

There have been no material changes in the Company's valuation techniques, nor have there been any transfers between Level 1 and Level 2, or Level 2 and Level 3 during the period represented by these consolidated financial statements.

Below is a summary of the assets and liabilities that are measured at fair value on a recurring basis and also represents the carrying amount on the Company's consolidated balance sheets:

At June 30, 2019	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed maturity investments				
U.S. treasuries	$ 3,961,306	$ 3,961,306	$ —	$ —
Agencies	334,923	—	334,923	—
Municipal	2,859	—	2,859	—
Non-U.S. government	370,505	—	370,505	—
Non-U.S. government-backed corporate	207,668	—	207,668	—
Corporate	3,268,511	—	3,268,511	—
Agency mortgage-backed	1,167,735	—	1,167,735	—
Non-agency mortgage-backed	266,963	—	266,963	—
Commercial mortgage-backed	374,584	—	374,584	—
Asset-backed	524,612	—	524,612	—
Total fixed maturity investments	10,479,666	3,961,306	6,518,360	—
Short term investments	4,579,171	—	4,579,171	—
Equity investments trading	273,646	273,646	—	—
Other investments				
Catastrophe bonds	652,668	—	652,668	—
Private equity investments (1)	270,246	—	—	74,810
Senior secured bank loan funds (1)	20,591	—	—	—
Hedge funds (1)	11,932	—	—	—
Total other investments	955,437	—	652,668	74,810
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	7,942	—	—	7,942
Derivatives (3)	554	(207)	761	—
Total other assets and (liabilities)	8,496	(207)	761	7,942
	$ 16,296,416	$ 4,234,745	$ 11,750,960	$ 82,752

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) Included in assumed and ceded (re)insurance contracts at June 30, 2019 was $42.4 million of other assets and $34.4 million of other liabilities.

(3) See "Note 14. Derivative Instruments" for additional information related to the fair value by type of contract, of derivatives entered into by the Company.

At December 31, 2018	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed maturity investments				
U.S. treasuries	$ 3,331,411	$ 3,331,411	$ —	$ —
Agencies	174,883	—	174,883	—
Municipal	6,854	—	6,854	—
Non-U.S. government	279,818	—	279,818	—
Non-U.S. government-backed corporate	160,063	—	160,063	—
Corporate	2,450,244	—	2,450,244	—
Agency mortgage-backed	817,880	—	817,880	—
Non-agency mortgage-backed	278,680	—	278,680	—
Commercial mortgage-backed	282,294	—	282,294	—
Asset-backed	306,743	—	306,743	—
Total fixed maturity investments	8,088,870	3,331,411	4,757,459	—
Short term investments	2,586,520	—	2,586,520	—
Equity investments trading	310,252	310,252	—	—
Other investments				
Catastrophe bonds	516,571	—	516,571	—
Private equity investments (1)	242,647	—	—	54,545
Senior secured bank loan funds (1)	14,482	—	—	—
Hedge funds (1)	11,233	—	—	—
Total other investments	784,933	—	516,571	54,545
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	(8,359)	—	—	(8,359)
Derivatives (3)	12,399	484	11,915	—
Total other assets and (liabilities)	4,040	484	11,915	(8,359)
	$ 11,774,615	$ 3,642,147	$ 7,872,465	$ 46,186

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) Included in assumed and ceded (re)insurance contracts at December 31, 2018 was $5.0 million of other assets and $13.3 million of other liabilities.

(3) See "Note 14. Derivative Instruments" for additional information related to the fair value by type of contract, of derivatives entered into by the Company.

Level 1 and Level 2 Assets and Liabilities Measured at Fair Value

Fixed Maturity Investments

Fixed maturity investments included in Level 1 consist of the Company's investments in U.S. treasuries. Fixed maturity investments included in Level 2 are agencies, municipal, non-U.S. government, non-U.S. government-backed corporate, corporate, agency mortgage-backed, non-agency mortgage-backed, commercial mortgage-backed and asset-backed.

The Company's fixed maturity investments are primarily priced using pricing services, such as index providers and pricing vendors, as well as broker quotations. In general, the pricing vendors provide pricing for a high volume of liquid securities that are actively traded. For securities that do not trade on an exchange, the pricing services generally utilize market data and other observable inputs in matrix pricing models to determine month end prices. Observable inputs include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, bids, offers, reference data and industry and economic events. Index pricing generally relies on market traders as the primary source for pricing; however, models are also utilized to provide prices for all index eligible securities. The models use a variety of observable inputs such as benchmark yields, transactional data, dealer runs, broker-dealer quotes and corporate actions. Prices are generally verified using third-party data. Securities which are priced by an index provider are generally included in the index.

In general, broker-dealers value securities through their trading desks based on observable inputs. The methodologies include mapping securities based on trade data, bids or offers, observed spreads, and performance on newly issued securities. Broker-dealers also determine valuations by observing secondary trading of similar securities. Prices obtained from broker quotations are considered non-binding, however they are based on observable inputs and by observing secondary trading of similar securities obtained from active, non-distressed markets.

The Company considers these broker quotations to be Level 2 inputs as they are corroborated with other market observable inputs. The techniques generally used to determine the fair value of the Company’s fixed maturity investments are detailed below by asset class.

U.S. treasuries

Level 1 - At June 30, 2019, the Company’s U.S. treasuries fixed maturity investments were primarily priced by pricing services and had a weighted average yield to maturity of 1.8% and a weighted average credit quality of AA (December 31, 2018 - 2.5% and AA, respectively). When pricing these securities, the pricing services utilize daily data from many real time market sources, including active broker dealers. Certain data sources are regularly reviewed for accuracy to attempt to ensure the most reliable price source is used for each issue and maturity date.

Agencies

Level 2 - At June 30, 2019, the Company’s agency fixed maturity investments had a weighted average yield to maturity of 2.3% and a weighted average credit quality of AA (December 31, 2018 - 3.0% and AA, respectively). The issuers of the Company’s agency fixed maturity investments primarily consist of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and other agencies. Fixed maturity investments included in agencies are primarily priced by pricing services. When evaluating these securities, the pricing services gather information from market sources and integrate other observations from markets and sector news. Evaluations are updated by obtaining broker dealer quotes and other market information including actual trade volumes, when available. The fair value of each security is individually computed using analytical models which incorporate option adjusted spreads and other daily interest rate data.

Municipal

Level 2 - At June 30, 2019, the Company’s municipal fixed maturity investments had a weighted average yield to maturity of 3.2% and a weighted average credit quality of AA (December 31, 2018 - 4.8% and A, respectively). The Company’s municipal fixed maturity investments are primarily priced by pricing services. When evaluating these securities, the pricing services gather information regarding the security from third-party sources such as trustees, paying agents or issuers. Evaluations are updated by obtaining broker dealer quotes and other market information including actual trade volumes, when available. The pricing services also consider the specific terms and conditions of the securities, including any specific features which may influence risk. In certain instances, securities are individually evaluated using a spread over widely accepted market benchmarks.

Non-U.S. government

Level 2 - At June 30, 2019, the Company’s non-U.S. government fixed maturity investments had a weighted average yield to maturity of 2.0% and a weighted average credit quality of AAA (December 31, 2018 - 2.7% and AAA, respectively). The issuers of securities in this sector are non-U.S. governments and their respective agencies as well as supranational organizations. Securities held in these sectors are primarily priced by pricing services that employ proprietary discounted cash flow models to value the securities. Key quantitative inputs for these models are daily observed benchmark curves for treasury, swap and high issuance credits. The pricing services then apply a credit spread for each security which is developed by in-depth and real time market analysis. For securities in which trade volume is low, the pricing services utilize data from more frequently traded securities with similar attributes. These models may also be supplemented by daily market and credit research for international markets.

Non-U.S. government-backed corporate

Level 2 - At June 30, 2019, the Company's non-U.S. government-backed corporate fixed maturity investments had a weighted average yield to maturity of 2.2% and a weighted average credit quality of AA (December 31, 2018 - 2.8% and AA, respectively). Non-U.S. government-backed corporate fixed maturity investments are primarily priced by pricing services that employ proprietary discounted cash flow models to value the securities. Key quantitative inputs for these models are daily observed benchmark curves for treasury, swap and high issuance credits. The pricing services then apply a credit spread to the respective curve for each security which is developed by in-depth and real time market analysis. For securities in which trade volume is low, the pricing services utilize data from more frequently traded securities with similar attributes. These models may also be supplemented by daily market and credit research for international markets.

Corporate

Level 2 - At June 30, 2019, the Company's corporate fixed maturity investments principally consisted of U.S. and international corporations and had a weighted average yield to maturity of 3.2% and a weighted average credit quality of A (December 31, 2018 - 4.9% and BBB, respectively). The Company's corporate fixed maturity investments are primarily priced by pricing services. When evaluating these securities, the pricing services gather information from market sources regarding the issuer of the security and obtain credit data, as well as other observations, from markets and sector news. Evaluations are updated by obtaining broker dealer quotes and other market information including actual trade volumes, when available. The pricing services also consider the specific terms and conditions of the securities, including any specific features which may influence risk. In certain instances, securities are individually evaluated using a spread which is added to the U.S. treasury curve or a security specific swap curve as appropriate.

Agency mortgage-backed

Level 2 - At June 30, 2019, the Company's agency mortgage-backed fixed maturity investments included agency residential mortgage-backed securities with a weighted average yield to maturity of 2.9%, a weighted average credit quality of AA and a weighted average life of 4.8 years (December 31, 2018 - 3.5%, AA and 7.1 years, respectively). The Company's agency mortgage-backed fixed maturity investments are primarily priced by pricing services using a mortgage pool specific model which utilizes daily inputs from the active to be announced market which is very liquid, as well as the U.S. treasury market. The model also utilizes additional information, such as the weighted average maturity, weighted average coupon and other available pool level data which is provided by the sponsoring agency. Valuations are also corroborated with daily active market quotes.

Non-agency mortgage-backed

Level 2 - The Company's non-agency mortgage-backed fixed maturity investments include non-agency prime, non-agency Alt-A and other non-agency residential mortgage-backed securities. At June 30, 2019, the Company's non-agency prime residential mortgage-backed fixed maturity investments had a weighted average yield to maturity of 3.6%, a weighted average credit quality of non-investment grade, and a weighted average life of 4.5 years (December 31, 2018 - 4.4%, non-investment grade and 4.7 years, respectively). The Company's non-agency Alt-A fixed maturity investments held at June 30, 2019 had a weighted average yield to maturity of 4.1%, a weighted average credit quality of non-investment grade and a weighted average life of 6.4 years (December 31, 2018 - 4.7%, non-investment grade and 6.3 years, respectively). Securities held in these sectors are primarily priced by pricing services using an option adjusted spread model or other relevant models, which principally utilize inputs including benchmark yields, available trade information or broker quotes, and issuer spreads. The pricing services also review collateral prepayment speeds, loss severity and delinquencies among other collateral performance indicators for the securities valuation, when applicable.

Commercial mortgage-backed

Level 2 - At June 30, 2019, the Company’s commercial mortgage-backed fixed maturity investments had a weighted average yield to maturity of 2.8%, a weighted average credit quality of AAA, and a weighted average life of 5.4 years (December 31, 2018 - 3.6%, AAA and 5.0 years, respectively). Securities held in these sectors are primarily priced by pricing services. The pricing services apply dealer quotes and other available trade information such as bids and offers, prepayment speeds which may be adjusted for the underlying collateral or current price data, the U.S. treasury curve and swap curve as well as cash settlement. The pricing services discount the expected cash flows for each security held in this sector using a spread adjusted benchmark yield based on the characteristics of the security.

Asset-backed

Level 2 - At June 30, 2019, the Company’s asset-backed fixed maturity investments had a weighted average yield to maturity of 3.6%, a weighted average credit quality of AAA and a weighted average life of 3.5 years (December 31, 2018 - 4.3%, AAA and 3.2 years, respectively). The underlying collateral for the Company’s asset-backed fixed maturity investments primarily consists of bank loans, student loans, credit card receivables, auto loans and other receivables. Securities held in these sectors are primarily priced by pricing services. The pricing services apply dealer quotes and other available trade information such as bids and offers, prepayment speeds which may be adjusted for the underlying collateral or current price data, the U.S. treasury curve and swap curve as well as cash settlement. The pricing services determine the expected cash flows for each security held in this sector using historical prepayment and default projections for the underlying collateral and current market data. In addition, a spread is applied to the relevant benchmark and used to discount the cash flows noted above to determine the fair value of the securities held in this sector.

Short Term Investments

Level 2 - At June 30, 2019, the Company’s short term investments had a weighted average yield to maturity of 2.0% and a weighted average credit quality of AAA (December 31, 2018 - 2.1% and AAA, respectively). The fair value of the Company’s portfolio of short term investments is generally determined using amortized cost which approximates fair value and, in certain cases, in a manner similar to the Company’s fixed maturity investments noted above.

Equity Investments, Classified as Trading

Level 1 - The fair value of the Company’s portfolio of equity investments, classified as trading is primarily priced by pricing services, reflecting the closing price quoted for the final trading day of the period. When pricing these securities, the pricing services utilize daily data from many real time market sources, including applicable securities exchanges. All data sources are regularly reviewed for accuracy to attempt to ensure the most reliable price source was used for each security.

Other investments

Catastrophe bonds

Level 2 - The Company’s other investments include investments in catastrophe bonds which are recorded at fair value based on broker or underwriter bid indications.

Other assets and liabilities

Derivatives

Level 1 and Level 2 - Other assets and liabilities include certain derivatives entered into by the Company. The fair value of these transactions includes certain exchange traded futures contracts which are considered Level 1, and foreign currency contracts and certain credit derivatives, determined using standard industry valuation models and considered Level 2, as the inputs to the valuation model are based on observable market inputs. For credit derivatives, these inputs include credit spreads, credit ratings of the underlying referenced security, the risk free rate and the contract term. For foreign currency contracts, these inputs include spot rates and interest rate curves.

Level 3 Assets and Liabilities Measured at Fair Value

Below is a summary of quantitative information regarding the significant unobservable inputs (Level 3) used in determining the fair value of assets and liabilities measured at fair value on a recurring basis:

At June 30, 2019	Fair Value (Level 3)	Valuation Technique	Unobservable Inputs	Low	High	Weighted Average or Actual
Other investments						
Private equity investment	$ 10,401	External valuation model	Indicative pricing	$ —	$ 104.58	$ 104.01
Private equity investments	64,409	Internal valuation model	Liquidity discount	n/a	n/a	12.5%
Total other investments	74,810					
Other assets and (liabilities)						
Assumed and ceded (re)insurance contracts	382	Internal valuation model	Bond price	$ 100.50	$ 106.35	$ 103.73
			Liquidity discount	n/a	n/a	1.3%
Assumed and ceded (re)insurance contracts	(9,396)	Internal valuation model	Net undiscounted cash flows	n/a	n/a	$ 10,628
			Expected loss ratio	n/a	n/a	37.1%
			Discount rate	n/a	n/a	1.8%
Assumed and ceded (re)insurance contracts	16,956	Internal valuation model	Expected loss ratio	n/a	n/a	0.0%
Total other assets and (liabilities)	7,942					
Total other assets and (liabilities) measured at fair value on a recurring basis using Level 3 inputs	$ 82,752					

Below is a reconciliation of the beginning and ending balances, for the periods shown, of assets and liabilities measured at fair value on a recurring basis using Level 3 inputs. Interest and dividend income are included in net investment income and are excluded from the reconciliation.

	Other investments	Other assets and (liabilities)	Total
Balance - April 1, 2019	$ 63,695	$ 11,827	$ 75,522
Total realized and unrealized gains (losses)			
Included in other income (loss)	3,493	(935)	2,558
Total foreign exchange losses	(7)	—	(7)
Purchases	7,629	(2,950)	4,679
Sales	—	—	—
Settlements	—	—	—
Balance - June 30, 2019	$ 74,810	$ 7,942	$ 82,752

	Other investments	Other assets and (liabilities)	Total
Balance - January 1, 2019	$ 54,545	$ (8,359)	$ 46,186
Total realized and unrealized gains (losses)			
Included in other income (loss)	2,382	158	2,540
Total foreign exchange losses	(8)	—	(8)
Purchases	17,891	(3,847)	14,044
Settlements	—	20	20
Amounts acquired (1)	—	19,970	19,970
Balance - June 30, 2019	$ 74,810	$ 7,942	$ 82,752

(1) Represents the fair value of the other assets acquired from the TMR Group Entities, measured at fair value on a recurring basis using Level 3 inputs at March 22, 2019. See “Note 3. Acquisition of Tokio Millennium Re” for additional information related to the acquisition of the TMR Group Entities.

	Other assets and (liabilities)
Balance - April 1, 2018	$ (2,780)
Total realized and unrealized gains	
Included in other income (loss)	439
Purchases	323
Balance - June 30, 2018	$ (2,018)

	Other assets and (liabilities)
Balance - January 1, 2018	$ (2,952)
Total realized and unrealized gains	
Included in other income (loss)	645
Purchases	289
Balance - June 30, 2018	$ (2,018)

Other investments

Private equity investments

Level 3 - At June 30, 2019, the Company's other investments included a $10.4 million private equity investment which is recorded at fair value, with the fair value obtained through the receipt of an indicative pricing obtained from the insurance manager of the security. The Company considers the price obtained to be unobservable, as there is little, if any, market activity for this security. This unobservable input in isolation can cause significant increases or decreases in fair value. Generally, an increase in the indicative pricing would result in an increase in the fair value of this private equity investment.

Level 3 - At June 30, 2019, the Company's other investments included $64.4 million of private equity investments which are recorded at fair value, with the fair value obtained through the use of internal valuation models. The Company measured the fair value of these investments using multiples of net tangible book value of the underlying entity. The significant unobservable inputs used in the fair value measurement of these investments are liquidity discount rates applied to each of the net tangible book value multiples used in the internal valuation models. These unobservable inputs in isolation can cause significant increases or decreases in fair value. The discount rates are applied to each of the comparable net tangible book value multiples which are used to determine fair value. The comparable net tangible book value multiples are observable and based on the trading multiples of public industry peers of the underlying entity. Generally, an increase in the liquidity discount rate would result in a decrease in the fair value of this private equity investment.

Other assets and liabilities

Assumed and ceded (re)insurance contracts

Level 3 - At June 30, 2019, the Company had a $0.4 million net asset related to an assumed reinsurance contract accounted for at fair value, with the fair value obtained through the use of an internal valuation model. The inputs to the internal valuation model are principally based on indicative pricing obtained from independent brokers and pricing vendors for similarly structured marketable securities. The most significant unobservable inputs include prices for similar marketable securities and a liquidity premium. The Company considers the prices for similar securities to be unobservable, as there is little, if any market activity for these similar assets. In addition, the Company has estimated a liquidity premium that would be required if the Company attempted to effectively exit its position by executing a short sale of these securities. Generally, an increase in the prices for similar marketable securities or a decrease in the liquidity premium would result in an increase in the expected profit and ultimate fair value of this assumed reinsurance contract.

Level 3 - At June 30, 2019, the Company had a $9.4 million net liability related to assumed and ceded (re)insurance contracts accounted for at fair value, with the fair value obtained through the use of an internal valuation model. The inputs to the internal valuation model are principally based on proprietary data as observable market inputs are generally not available. The most significant unobservable inputs include the assumed and ceded expected net cash flows related to the contracts, including the expected premium, acquisition expenses and losses; the expected loss ratio and the relevant discount rate used to present value the net cash flows. The contract period and acquisition expense ratio are considered an observable input as each is defined in the contract. Generally, an increase in the net expected cash flows and expected term of the contract and a decrease in the discount rate, expected loss ratio or acquisition expense ratio, would result in an increase in the expected profit and ultimate fair value of these assumed and ceded (re)insurance contracts.

Level 3 - At June 30, 2019, the Company had a $17.0 million net asset related to assumed and ceded (re)insurance contracts accounted for at fair value, with the fair value obtained through the use of internal valuation models. The inputs to the models are primarily based on the unexpired period of risk and an evaluation of the probability of loss. The fair value of the contracts are sensitive to loss-triggering events. In the event of a loss, the Company would adjust the fair value of the contract to account for a recovery or liability in accordance with the contract terms and the estimate of exposure under the contract. The inputs for the contracts are based on management's evaluation and are unobservable.

Financial Instruments Disclosed, But Not Carried, at Fair Value

The Company uses various financial instruments in the normal course of its business. The Company’s insurance contracts are excluded from the fair value of financial instruments accounting guidance, unless the Company elects the fair value option, and therefore, are not included in the amounts discussed herein. The carrying values of cash and cash equivalents, accrued investment income, receivables for investments sold, certain other assets, payables for investments purchased, certain other liabilities, and other financial instruments not included herein approximated their fair values.

Debt

Included on the Company’s consolidated balance sheet at June 30, 2019 were debt obligations of $1.4 billion (December 31, 2018 - $991.1 million). At June 30, 2019, the fair value of the Company’s debt obligations was $1.4 billion (December 31, 2018 – $974.7 million).

The fair value of the Company’s debt obligations is determined using indicative market pricing obtained from third-party service providers, which the Company considers Level 2 in the fair value hierarchy. There have been no changes during the period in the Company’s valuation technique used to determine the fair value of the Company’s debt obligations.

The Fair Value Option for Financial Assets and Financial Liabilities

The Company has elected to account for certain financial assets and financial liabilities at fair value using the guidance under FASB ASC Topic *Financial Instruments* as the Company believes it represents the most meaningful measurement basis for these assets and liabilities. Below is a summary of the balances the Company has elected to account for at fair value:

	June 30, 2019	December 31, 2018
Other investments	$ 955,437	$ 784,933
Other assets	$ 42,372	$ 4,968
Other liabilities	$ 34,430	$ 13,327

Included in net investment income for the three and six months ended June 30, 2019 were net unrealized losses of $0.8 million and net unrealized gains of $2.2 million, respectively, related to the changes in fair value of other investments (2018 – net unrealized gains of $7.2 million and $8.7 million, respectively). Included in other income (loss) for the three and six months ended June 30, 2019 were net unrealized gains of $Nil and $Nil, respectively, related to the changes in the fair value of other assets and liabilities (2018 - net unrealized gains of $Nil and gains of $Nil, respectively).

Measuring the Fair Value of Other Investments Using Net Asset Valuations

The table below shows the Company’s portfolio of other investments measured using net asset valuations as a practical expedient:

At June 30, 2019	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period (Minimum Days)	Redemption Notice Period (Maximum Days)
Private equity investments	$ 195,436	$ 372,916	See below	See below	See below
Senior secured bank loan funds	20,591	11,977	See below	See below	See below
Hedge funds	11,932	—	See below	See below	See below
Total other investments measured using net asset valuations	$ 227,959	$ 384,893			

Private equity investments – A significant portion of the Company’s investments in private equity investments include alternative asset limited partnerships (or similar corporate structures) that invest in certain private equity asset classes including U.S. and global leveraged buyouts, mezzanine investments, distressed securities, real estate, and oil, gas and power. The Company generally has no right to redeem its interest in any of these private equity investments in advance of dissolution of the applicable private equity investment. Instead, the nature of these investments is that distributions are received by the Company in connection with the liquidation of the underlying assets of the respective private equity investment. It is estimated that the majority of the underlying assets of the limited partnerships would liquidate over 7 to 10 years from inception of the respective limited partnership.

Senior secured bank loan funds – At June 30, 2019, the Company had $20.6 million invested in closed end funds which invest primarily in loans. The Company has no right to redeem its investment in these funds. It is estimated that the majority of the underlying assets in these closed end funds would begin to liquidate over 4 to 5 years from inception of the applicable fund.

Hedge funds – At June 30, 2019, the Company had $11.9 million of investments in hedge funds that are primarily focused on global credit opportunities which are generally redeemable at the option of the shareholder.

NOTE 6.REINSURANCE

The Company purchases reinsurance and other protection to manage its risk portfolio and to reduce its exposure to large losses. The Company currently has in place contracts that provide for recovery of a portion of certain claims and claim expenses, generally in excess of various retentions or on a proportional basis. In addition to loss recoveries, certain of the Company's ceded reinsurance contracts provide for payments of additional premiums, for reinstatement premiums and for lost no-claims bonuses, which are incurred when losses are ceded to the respective reinsurance contracts. The Company remains liable to the extent that any reinsurer fails to meet its obligations.

The following table sets forth the effect of reinsurance and retrocessional activity on premiums written and earned and on net claims and claim expenses incurred:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Premiums written				
Direct	$ 99,538	$ 90,573	$ 210,506	$ 175,740
Assumed	1,377,370	886,770	2,830,697	1,961,255
Ceded	(453,943)	(372,834)	(1,089,207)	(869,442)
Net premiums written	$ 1,022,965	$ 604,509	$ 1,951,996	$ 1,267,553
Premiums earned				
Direct	$ 90,638	$ 69,904	$ 180,452	$ 139,936
Assumed	1,202,144	601,735	1,967,577	1,207,218
Ceded	(381,280)	(242,255)	(686,499)	(477,487)
Net premiums earned	$ 911,502	$ 429,385	$ 1,461,530	$ 869,667
Claims and claim expenses				
Gross claims and claim expenses incurred	$ 752,056	$ 76,945	$ 1,090,175	$ 302,687
Claims and claim expenses recovered	(298,683)	(16,778)	(409,767)	(70,817)
Net claims and claim expenses incurred	$ 453,373	$ 60,167	$ 680,408	$ 231,870

At June 30, 2019, the Company's reinsurance recoverable balance was $2.9 billion (December 31, 2018 - $2.4 billion). Of the Company's reinsurance recoverable balance at June 30, 2019, 59.4% is fully collateralized by our reinsurers, 37.6% is recoverable from reinsurers rated A- or higher by major rating agencies and 3.0% is recoverable from reinsurers rated lower than A- by major rating agencies (December 31, 2018 - 60.8%, 38.0% and 1.2%, respectively). The reinsurers with the three largest balances accounted for 13.3%, 7.0% and 6.5%, respectively, of the Company's reinsurance recoverable balance at June 30, 2019 (December 31, 2018 - 15.5%, 6.7% and 6.5%, respectively). The valuation allowance recorded against reinsurance recoverable was $7.8 million at June 30, 2019 (December 31, 2018 - $9.0 million). The three largest company-specific components of the valuation allowance represented 15.0%, 7.5% and 6.5%, respectively, of the Company's total valuation allowance at June 30, 2019 (December 31, 2018 - 16.2%, 14.8% and 12.3%, respectively).

NOTE 7. RESERVE FOR CLAIMS AND CLAIM EXPENSES

The Company believes the most significant accounting judgment made by management is its estimate of claims and claim expense reserves. Claims and claim expense reserves represent estimates, including actuarial and statistical projections at a given point in time, of the ultimate settlement and administration costs for unpaid claims and claim expenses arising from the insurance and reinsurance contracts the Company sells. The Company establishes its claims and claim expense reserves by taking claims reported to the Company by insureds and ceding companies, but which have not yet been paid ("case reserves"), adding estimates for the anticipated cost of claims incurred but not yet reported to the Company, or incurred but not enough reported to the Company (collectively referred to as "IBNR") and, if deemed necessary, adding costs for additional case reserves which represent the Company's estimates for claims related to specific contracts previously reported to the Company which it believes may not be adequately estimated by the client as of that date, or adequately covered in the application of IBNR.

The following table summarizes the Company's claims and claim expense reserves by segment, allocated between case reserves, additional case reserves and IBNR:

At June 30, 2019	Case Reserves	Additional Case Reserves	IBNR	Total
Property	$ 1,191,810	$ 1,635,595	$ 791,628	$ 3,619,033
Casualty and Specialty	1,450,805	128,701	3,280,133	4,859,639
Other	3,010	—	3,166	6,176
Total	$ 2,645,625	$ 1,764,296	$ 4,074,927	$ 8,484,848
At December 31, 2018				
Property	$ 690,718	$ 1,308,307	$ 1,087,229	$ 3,086,254
Casualty and Specialty	771,537	116,877	2,096,979	2,985,393
Other	1,458	—	3,166	4,624
Total	$ 1,463,713	$ 1,425,184	$ 3,187,374	$ 6,076,271

Activity in the liability for unpaid claims and claim expenses is summarized as follows:

Six months ended June 30,	2019	2018
Net reserves as of beginning of period	$ 3,704,050	$ 3,493,778
Net incurred related to:		
Current year	684,481	419,434
Prior years	(4,073)	(187,564)
Total net incurred	680,408	231,870
Net paid related to:		
Current year	52,332	23,902
Prior years	570,561	445,790
Total net paid	622,893	469,692
Amounts acquired (1)	1,858,775	—
Foreign exchange	(642)	(8,602)
Net reserves as of end of period	5,619,698	3,247,354
Reinsurance recoverable as of end of period	2,865,150	1,454,991
Gross reserves as of end of period	$ 8,484,848	$ 4,702,345

(1) Represents the fair value of the TMR Group Entities reserves for claims and claim expenses, net of reinsurance recoverables, acquired at March 22, 2019. See "Note 3. Acquisition of Tokio Millennium Re" for additional information related to the acquisition of the TMR Group Entities.

Prior Year Development of the Reserve for Net Claims and Claim Expenses

The Company's estimates of claims and claim expense reserves are not precise in that, among other things, they are based on predictions of future developments and estimates of future trends and other variable factors. Some, but not all, of the Company's reserves are further subject to the uncertainty inherent in actuarial methodologies and estimates. Because a reserve estimate is simply an insurer's estimate at a point in time of its ultimate liability, and because there are numerous factors that affect reserves and claims payments that cannot be determined with certainty in advance, the Company's ultimate payments will vary, perhaps materially, from its estimates of reserves. If the Company determines in a subsequent period that adjustments to its previously established reserves are appropriate, such adjustments are recorded in the period in which they are identified. On a net basis, the Company's cumulative favorable or unfavorable development is generally reduced by offsetting changes in its reinsurance recoverables, as well as changes to loss related premiums such as reinstatement premiums and redeemable noncontrolling interest for changes in claims and claim expenses that impact DaVinciRe, all of which generally move in the opposite direction to changes in the Company's ultimate claims and claim expenses.

The following table details the Company's prior year development by segment of its liability for unpaid claims and claim expenses:

Six months ended June 30,	2019	2018
	(Favorable) adverse development	(Favorable) adverse development
Property	$ 12,640	$ (170,707)
Casualty and Specialty	(16,730)	(16,787)
Other	17	(70)
Total net favorable development of prior accident years net claims and claim expenses	$ (4,073)	$ (187,564)

Changes to prior year estimated claims reserves increased the Company's net income by $4.1 million during the six months ended June 30, 2019 (2018 - increased the Company's net income by $187.6 million), excluding the consideration of changes in reinstatement, adjustment or other premium items, profit commissions, redeemable noncontrolling interest - DaVinciRe and income tax.

Property Segment

The following tables detail the development of the Company’s liability for unpaid claims and claim expenses for its Property segment, allocated between large and small catastrophe net claims and claim expenses and attritional net claims and claim expenses, included in the other line item:

Six months ended June 30,	2019 (Favorable) adverse development
Catastrophe net claims and claim expenses	
Large catastrophe events	
2017 Large Loss Events	$ (56,234)
New Zealand Earthquake (2011)	(7,485)
Tohoku Earthquake and Tsunami (2011)	(4,693)
New Zealand Earthquake (2010)	25,865
2018 Large Loss Events	52,132
Other	(12,275)
Total large catastrophe events	(2,690)
Small catastrophe events and attritional loss movements	
Other small catastrophe events and attritional loss movements	9,521
Total small catastrophe events and attritional loss movements	9,521
Total catastrophe and attritional net claims and claim expenses	6,831
Actuarial assumption changes	5,809
Total net adverse development of prior accident years net claims and claim expenses	$ 12,640

The net adverse development of prior accident years net claims and claim expenses within the Company’s Property segment in the six months ended June 30, 2019 of $12.6 million was comprised of net favorable development of $2.7 million related to large catastrophe events, net adverse development of $9.5 million related to small catastrophe events and attritional loss movements and net adverse development of $5.8 million related to actuarial assumption changes. Included in net favorable development of prior accident years net claims and claim expenses from large catastrophe events was $56.2 million of net decreases in the estimated ultimate losses associated with Hurricanes Harvey, Irma and Maria, the Mexico City Earthquake, the wildfires in California during the fourth quarter of 2017 and certain losses associated with aggregate loss contracts (collectively, the “2017 Large Loss Events”), more than offset by $52.1 million of net increases in the estimated ultimate losses associated with Typhoons Jebi, Mangkhut and Trami, Hurricane Florence, the wildfires in California during the third and fourth quarters of 2018 and Hurricane Michael (collectively, the “2018 Large Loss Events”) and $25.9 million of net increases in the estimated ultimate losses associated with the 2010 New Zealand Earthquake.

The Company’s Property segment also experienced net adverse development of $9.5 million associated with a number of other small catastrophe events and attritional loss movements primarily driven by increases in the estimated ultimate net claims and claim expenses within the Company’s other property class of business.

Six months ended June 30,		2018
		(Favorable) adverse development
Catastrophe net claims and claim expenses		
Large catastrophe events		
2017 Large Loss Events	$	(156,213)
Total large catastrophe events		(156,213)
Small catastrophe events and attritional loss movements		
Other small catastrophe events and attritional loss movements		(8,812)
Total small catastrophe events and attritional loss movements		(8,812)
Total catastrophe and attritional net claims and claim expenses		(165,025)
Actuarial assumption changes		(5,682)
Total net favorable development of prior accident years net claims and claim expenses	$	(170,707)

The net favorable development of prior accident years net claims and claim expenses within the Company's Property segment in the six months ended June 30, 2018 of $170.7 million was comprised of net favorable development of $156.2 million related to the 2017 Large Loss Events and net favorable development of $8.8 million related to small catastrophe events and attritional loss movements. In addition, the Company's Property segment experienced net favorable development of $5.7 million related to actuarial assumption changes associated with the other property class of business.

Casualty and Specialty Segment

The following table details the development of the Company's liability for unpaid claims and claim expenses for its Casualty and Specialty segment:

Six months ended June 30,		2019		2018
		(Favorable) adverse development		(Favorable) adverse development
Actuarial methods	$	(28,850)	$	(9,001)
Actuarial assumption changes		12,120		(7,786)
Total net favorable development of prior accident years net claims and claim expenses	$	(16,730)	$	(16,787)

The net favorable development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment of $16.7 million in the six months ended June 30, 2019 was comprised of net favorable development of $28.9 million related to reported losses generally coming in lower than expected on attritional net claims and claim expenses and certain assumption changes across a number of lines of business, partially offset by net adverse development of $12.1 million associated with actuarial assumption changes.

The net favorable development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment was $16.8 million in the six months ended June 30, 2018 driven by reported losses generally coming in lower than expected on attritional net claims and claim expenses and certain assumption changes across a number of lines of business.

NOTE 8. DEBT AND CREDIT FACILITIES

Except as noted below, there have been no material changes to the Company's debt obligations and credit facilities as described in its Form 10-K for the year ended December 31, 2018.

Debt Obligations

A summary of the Company's debt obligations on its consolidated balance sheets is set forth below:

	June 30, 2019		December 31, 2018	
	Fair Value	Carrying Value	Fair Value	Carrying Value
3.600% Senior Notes due 2029	$ 409,760	$ 391,016	$ —	$ —
3.450% Senior Notes due 2027	304,620	296,043	283,680	295,797
3.700% Senior Notes due 2025	311,763	297,871	292,557	297,688
5.750% Senior Notes due 2020	255,650	249,766	255,938	249,602
4.750% Senior Notes due 2025 (DaVinciRe) (1)	150,225	148,194	142,539	148,040
Total debt	$ 1,432,018	$ 1,382,890	$ 974,714	$ 991,127

(1) RenaissanceRe owns a noncontrolling economic interest in its joint venture DaVinciRe. Because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of RenaissanceRe. However, RenaissanceRe does not guarantee or provide credit support for DaVinciRe and RenaissanceRe's financial exposure to DaVinciRe is limited to its investment in DaVinciRe's shares and counterparty credit risk arising from reinsurance transactions.

3.600% Senior Notes Due 2029

On April 2, 2019, the Company issued $400.0 million of its 3.600% Senior Notes due April 15, 2029, with interest on the notes payable on April 15 and October 15 of each year, commencing on October 15, 2019. The notes are redeemable at the applicable redemption price, subject to the terms described in the indenture for the notes. However, the notes may not be redeemed prior to April 15, 2022 without approval from the Bermuda Monetary Authority (the "BMA") and may not be redeemed at any time prior to their maturity if enhanced capital requirements, as established by the BMA, would be breached immediately before or after giving effect to the redemption of such notes, unless, in each case, the Company replaces the capital represented by the notes to be redeemed with capital having equal or better capital treatment as the notes under applicable BMA rules. The notes contain various covenants including limitations on mergers and consolidations, and restrictions as to the disposition of, and the placing of liens on, the stock of designated subsidiaries. The net proceeds from this offering were used to repay, in full, the $200.0 million outstanding under the Company's revolving credit facility at March 31, 2019, which the Company used to partially fund the purchase price for the TMR Stock Purchase, and the remainder of the net proceeds will be used for general corporate purposes. See "Note 3. Acquisition of Tokio Millennium Re" for additional information related to the acquisition of the TMR Group Entities.

Credit Facilities

The outstanding amounts issued or drawn under each of the Company's significant credit facilities is set forth below:

At June 30, 2019		Issued or Drawn
RenaissanceRe Revolving Credit Facility (1)	$	—
Uncommitted Standby Letter of Credit Facility with Wells Fargo		32,009
Secured Letter of Credit Facility with Citibank Europe		238,267
Renaissance Reinsurance FAL Facility		255,000
Mizuho Letters of Credit (2)		188,873
Mitsubishi Letters of Credit (2)		154,521
Credit Suisse Letter of Credit Facility		111,052
Uncommitted, Unsecured Letter of Credit Facility with Citibank Europe		221,909
Total credit facilities in U.S. dollars	$	1,201,631
Specialty Risks FAL Facility (1)	£	—
Total credit facilities in pound sterling	£	—

(1) At June 30, 2019, no amounts were issued or drawn under these facilities.

(2) These letters of credit were transferred to the Company in connection with the acquisition of the TMR Group Entities. See below under "TMR Group Entities Letters of Credit" for additional information and "Note 3. Acquisition of Tokio Millennium Re" for additional information related to the acquisition of the TMR Group Entities.

Uncommitted, Unsecured Letter of Credit Facility with Citibank Europe

On March 22, 2019, Renaissance Reinsurance, RenaissanceRe Specialty U.S., Renaissance Reinsurance U.S. and RenaissanceRe Europe and Citibank Europe Plc ("CEP") entered into a Master Agreement for Issuance of Payment Instruments (the "Master Agreement") and a Facility Letter for Issuance of Payment Instruments (the "Facility Letter" and, together with the Master Agreement, the "Citi Unsecured Facility"). On April 26, 2019, RenaissanceRe UK Limited (together with Renaissance Reinsurance, RenaissanceRe Specialty U.S., Renaissance Reinsurance U.S. and RenaissanceRe Europe, the "Citi Unsecured Applicants") became a party to the Citi Unsecured Facility.

The Citi Unsecured Facility is an uncommitted, unsecured letter of credit facility pursuant to which CEP or one of its correspondents may issue standby letters of credit or similar instruments in multiple currencies for the account of one or more of the Citi Unsecured Applicants. The obligations of the Citi Unsecured Applicants under the Citi Unsecured Facility are guaranteed by the Company.

In the Master Agreement, each Citi Unsecured Applicant makes representations and warranties that are customary for facilities of this type and agrees that it will comply with certain informational and other customary undertakings. The Master Agreement contains events of default customary for facilities of this type. In the case of an event of default under the Citi Unsecured Facility, CEP may exercise certain remedies, including requiring that the relevant Citi Unsecured Applicant pledge cash collateral in an amount equal to the maximum actual and contingent liability of the issuing bank under the letters of credit and similar instruments issued for such Citi Unsecured Applicant under the Citi Unsecured Facility, and taking certain actions with respect to the collateral pledged by such Citi Unsecured Applicant (including the sale thereof). In addition, CEP may require that the relevant Citi Unsecured Applicant pledge cash collateral if certain minimum ratings are not satisfied.

Credit Suisse Letter of Credit Facility

On March 22, 2019, RenaissanceRe Europe, the Company and Credit Suisse (Switzerland) Ltd. ("CS") entered into an amended and restated letter of credit facility agreement (the "CS A&R LC Agreement"). The CS A&R LC Agreement is a $125 million committed, unsecured letter of credit facility pursuant to which CS (or any other fronting bank acting on behalf of CS) may issue letters of credit or similar instruments in multiple currencies for the account of RenaissanceRe Europe. The obligations of RenaissanceRe Europe under the CS A&R LC Agreement are guaranteed by the Company.

In the CS A&R LC Agreement, RenaissanceRe Europe and the Company make representations, warranties and covenants that are customary for facilities of this type, and agree to comply with certain informational and other customary undertakings. The CS A&R LC Agreement also contains certain financial covenants applicable to the Company, including the requirement to maintain the ratio of consolidated debt to capital of not more than 0.35:1, to maintain a minimum consolidated net worth initially of approximately $3.0 billion, subject to an annual adjustment, and to maintain the Company's credit rating with S&P and A.M. Best of at least A-.

The CS A&R LC Agreement contains events of default customary for facilities of this type. At any time on or after the occurrence of an event of default, CS may exercise remedies, including canceling the commitment, requiring that RenaissanceRe Europe pledge cash collateral in an amount equal to the maximum liability of the issuing bank under the letters of credit and similar instruments issued under the CS A&R LC Agreement, and demanding that RenaissanceRe Europe procure the release by the beneficiaries of the letters of credit and similar instruments issued under the CS A&R LC Agreement.

Uncommitted Standby Letter of Credit Facility with Wells Fargo

Effective June 21, 2019, the Company, and certain of its affiliates, Renaissance Reinsurance, Renaissance Reinsurance U.S., DaVinci and RenaissanceRe Europe (such affiliates, collectively, the "Wells Fargo Applicants") entered into an Amended and Restated Standby Letter of Credit Agreement with Wells Fargo Bank, National Association ("Wells Fargo") which amended and restated the Standby Letter of Credit Agreement, dated as of December 23, 2014 (as amended, the "Wells Fargo A&R LC Agreement"). The Wells Fargo A&R LC Agreement provides for an uncommitted facility under which letters of credit may be issued from time to time for the respective accounts of the Wells Fargo Applicants. As of the effective date of the Wells Fargo A&R LC Agreement, all letters of credit that were issued and outstanding under the prior agreement were deemed issued under and governed by the terms and conditions of the Wells Fargo A&R LC Agreement and RenaissanceRe Europe was added as a new Wells Fargo Applicant. The obligations of the Wells Fargo Applicants other than DaVinci are guaranteed by the Company. The Wells Fargo A&R LC Agreement provides the Wells Fargo Applicants with the ability to request secured letter of credit issuances, and also includes an option for Wells Fargo Applicants to request the issuance of up to $25 million of unsecured letters of credit (outstanding on such request date).The Wells Fargo A&R LC Agreement contains representations, warranties and covenants in respect of the Company and the Wells Fargo Applicants that are customary for facilities of this type. Under the Wells Fargo A&R LC Agreement, each Wells Fargo Applicant is required to pledge eligible collateral having a value sufficient to cover all of its obligations under the Wells Fargo A&R LC Agreement with respect to secured letters of credit issued for its account. In the case of an event of default under the Wells Fargo A&R LC Agreement, Wells Fargo may exercise certain remedies, including conversion of collateral into cash.

RenaissanceRe Revolving Credit Facility and Secured Letter of Credit Facility with Citibank Europe

In June 2019, the Second Amended and Restated Credit Agreement, dated as of November 9, 2018, between Wells Fargo, the Company, Renaissance Reinsurance, RenaissanceRe Specialty U.S., Renaissance Reinsurance U.S., RenaissanceRe Finance Inc., RenRe North America Holdings Inc., and various financial institutions party thereto and the Facility Letter, dated of September 17, 2010, as amended, between CEP, Renaissance Reinsurance, DaVinci, RenaissanceRe Specialty U.S., Renaissance Reinsurance U.S. and Renaissance Reinsurance of Europe were amended to add RenaissanceRe Europe as a party.

Renaissance Reinsurance Funds at Lloyd's Letter of Credit Facility

Effective March 7, 2019, the stated amount of the Funds at Lloyd's letter of credit issued to Renaissance Reinsurance pursuant to the letter of credit facility with Bank of Montreal, CEP and ING Bank N.V., London Branch as lenders, evidenced by a letter of credit reimbursement agreement dated as of November 23, 2015 (the "Renaissance Reinsurance FAL Facility"), was increased from $180.0 million to $255.0 million.

TMR Group Entities Letters of Credit

In connection with the acquisition of the TMR Group Entities, certain letters of credit were transferred to the Company, as follows: (a) Mizuho Bank, Ltd. issued certain letters of credit for the account of RenaissanceRe Europe pursuant to a Letter of Credit and Reimbursement Agreement, dated as of May 14, 2012, as previously amended, (b) The Bank of Tokyo-Mitsubishi UFJ Ltd., Düsseldorf Branch, issued certain letters of credit for the account of RenaissanceRe Europe pursuant to a Committed Revolving Standby Letter of Credit Agreement, dated as of September 29, 2017, and (c) The Bank of Tokyo-Mitsubishi UFJ, Ltd. issued certain letters of credit for the account of RenaissanceRe UK pursuant to a Facility Letter, dated as of December 21, 2006. The parties have agreed that no new letters of credit will be issued under these facilities.

NOTE 9.NONCONTROLLING INTERESTS

A summary of the Company's redeemable noncontrolling interests on its consolidated balance sheets is set forth below:

	June 30, 2019	December 31, 2018
Redeemable noncontrolling interest - DaVinciRe	$ 1,431,101	$ 1,034,946
Redeemable noncontrolling interest - Medici	515,915	416,765
Redeemable noncontrolling interest - Vermeer	765,450	599,989
Redeemable noncontrolling interests	$ 2,712,466	$ 2,051,700

A summary of the Company's redeemable noncontrolling interests on its consolidated statements of operations is set forth below:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Redeemable noncontrolling interest - DaVinciRe	$ 59,855	$ 50,252	$ 122,388	$ 71,205
Redeemable noncontrolling interest - Medici	1,704	4,231	4,185	13,177
Redeemable noncontrolling interest - Vermeer	10,253	—	15,461	—
Net income attributable to redeemable noncontrolling interests	$ 71,812	$ 54,483	$ 142,034	$ 84,382

Redeemable Noncontrolling Interest – DaVinciRe

RenaissanceRe owns a noncontrolling economic interest in DaVinciRe; however, because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of the Company. The portion of DaVinciRe's earnings owned by third parties is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. The Company's noncontrolling economic ownership in DaVinciRe was 21.9% at June 30, 2019 (December 31, 2018 - 22.1%).

DaVinciRe shareholders are party to a shareholders agreement which provides DaVinciRe shareholders, excluding RenaissanceRe, with certain redemption rights that enable each shareholder to notify DaVinciRe of such shareholder's desire for DaVinciRe to repurchase up to half of such shareholder's initial aggregate number of shares held, subject to certain limitations, such as limiting the aggregate of all share repurchase requests to 25% of DaVinciRe's capital in any given year and satisfying all applicable regulatory requirements. If total shareholder requests exceed 25% of DaVinciRe's capital, the number of shares repurchased will be reduced among the requesting shareholders pro-rata, based on the amounts desired to be repurchased. Shareholders desiring to have DaVinci repurchase their shares must notify DaVinciRe before March 1 of each year. The repurchase price will be based on GAAP book value as of the end of the year in which the shareholder notice is given, and the repurchase will be effective as of January 1 of the following year. The repurchase price is generally subject to a true-up for potential development on outstanding loss reserves after settlement of all claims relating to the applicable years.

2019

Effective June 1, 2019, DaVinciRe completed an equity capital raise of $349.2 million, comprised of $263.1 million from third-party investors and $86.1 million from RenaissanceRe. In addition, RenaissanceRe sold an aggregate of $11.6 million of its shares in DaVinciRe to a third-party investor. The Company's noncontrolling economic ownership in DaVinciRe subsequent to these transactions was 21.9%, effective June 1, 2019.

The Company expects its noncontrolling economic ownership in DaVinciRe to fluctuate over time.

The activity in redeemable noncontrolling interest – DaVinciRe is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Beginning balance	$ 1,097,245	$ 1,032,543	$ 1,034,946	$ 1,011,659
Redemption of shares from redeemable noncontrolling interest, net of adjustments	(698)	(370)	(932)	(439)
Sale of shares to redeemable noncontrolling interests	274,699	—	274,699	—
Net income attributable to redeemable noncontrolling interest	59,855	50,252	122,388	71,205
Ending balance	$ 1,431,101	$ 1,082,425	$ 1,431,101	$ 1,082,425

Redeemable Noncontrolling Interest - RenaissanceRe Medici Fund Ltd. ("Medici")

Medici is an exempted company incorporated under the laws of Bermuda and its objective is to seek to invest substantially all of its assets in various insurance-based investment instruments that have returns primarily tied to property catastrophe risk. RenaissanceRe owns a noncontrolling economic interest in Medici; however, because RenaissanceRe controls all of Medici's outstanding voting rights, the financial statements of Medici are included in the consolidated financial statements of the Company. The portion of Medici's earnings owned by third parties is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. Any shareholder may redeem all or any portion of its shares as of the last day of any calendar month, upon at least 30 calendar days' prior irrevocable written notice to Medici.

2018

During the six months ended June 30, 2018, third-party investors subscribed for $156.5 million and redeemed $43.5 million of the participating, non-voting common shares of Medici. As a result of these net subscriptions, the Company's noncontrolling economic ownership in Medici was 16.8% at June 30, 2018.

2019

During the six months ended June 30, 2019, third-party investors subscribed for $132.4 million and redeemed $37.4 million of the participating, non-voting common shares of Medici. As a result of these net subscriptions, the Company's noncontrolling economic ownership in Medici was 13.9% at June 30, 2019.

The Company expects its noncontrolling economic ownership in Medici to fluctuate over time.

The activity in redeemable noncontrolling interest – Medici is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Beginning balance	$ 406,958	$ 392,821	$ 416,765	$ 284,847
Redemption of shares from redeemable noncontrolling interest, net of adjustments	(21,556)	(42,792)	(37,440)	(43,503)
Sale of shares to redeemable noncontrolling interests	128,809	56,743	132,405	156,482
Net income attributable to redeemable noncontrolling interest	1,704	4,231	4,185	13,177
Ending balance	$ 515,915	$ 411,003	$ 515,915	$ 411,003

Redeemable Noncontrolling Interest – Vermeer

Vermeer is an exempted Bermuda reinsurer that provides capacity focused on risk remote layers in the U.S. property catastrophe market. Vermeer is managed by RUM in return for a management fee. The Company maintains majority voting control of Vermeer, while the sole third-party investor, PGGM, retains all of the economic benefits. The Company concluded that Vermeer is a VIE as it has voting rights that are not proportional to its participating rights, and the Company is the primary beneficiary. As a result, the Company consolidates Vermeer and all significant inter-company transactions have been eliminated. The portion of Vermeer's earnings owned by PGGM is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. The Company has not provided any financial or other support to Vermeer that it was not contractually required to provide.

2018

During the three months ended December 31, 2018, PGGM subscribed for $600.0 million of the participating, non-voting common shares of Vermeer and the Company subscribed for $1 thousand of all the voting, non-participating shares of Vermeer.

2019

During the three months ended June 30, 2019, PGGM subscribed for $150.0 million of the participating, non-voting common shares of Vermeer.

The activity in redeemable noncontrolling interest – Vermeer is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Beginning balance	$ 605,197	$ —	$ 599,989	$ —
Sale of shares to redeemable noncontrolling interest	150,000	—	150,000	—
Net income attributable to redeemable noncontrolling interest	10,253	—	15,461	—
Ending balance	$ 765,450	$ —	$ 765,450	$ —

NOTE 10.VARIABLE INTEREST ENTITIES

Upsilon RFO

Upsilon RFO is a managed joint venture and a Bermuda domiciled SPI that was formed by the Company primarily to provide additional capacity to the worldwide aggregate and per-occurrence retrocessional property catastrophe excess of loss market.

The shareholders (other than the Class A shareholder) participate in substantially all of the profits or losses of Upsilon RFO while their shares remain outstanding. The shareholders (other than the Class A shareholder) indemnify Upsilon RFO against losses relating to insurance risk and therefore these shares have been accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance*.

Upsilon RFO is considered a VIE as it has insufficient equity capital to finance its activities without additional financial support. The Company is the primary beneficiary of Upsilon RFO as it has the power over the activities that most significantly impact the economic performance of Upsilon RFO and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to Upsilon RFO, in accordance with the accounting guidance. As a result, the Company consolidates Upsilon RFO and all significant inter-company transactions have been eliminated. Other than its equity investment in Upsilon RFO, the Company has not provided financial or other support to Upsilon RFO that it was not contractually required to provide.

2018

During 2018, $856.7 million of Upsilon RFO non-voting preference shares were issued to existing investors, including $109.8 million to the Company. At December 31, 2018, the Company's participation in the risks assumed by Upsilon RFO was 14.0%.

Payments for certain of the shares issued during 2018 were received by the Company prior to January 1, 2018 were included in other liabilities on the Company's consolidated balance sheet at December 31, 2017, and in other operating cash flows on the Company's consolidated statements of cash flows for 2017. During 2018, in connection with the issuance of the non-voting preference shares of Upsilon RFO, other liabilities were reduced by this amount, and reinsurance balances payable were increased by an offsetting amount, with corresponding impacts to other operating cash flows and the change in reinsurance balances payable on the Company consolidated statements of cash flows for 2018.

2019

During the six months ended June 30, 2019, Upsilon RFO returned $74.0 million of capital to its investors. In addition, during the six months ended June 30, 2019, $604.8 million of Upsilon RFO non-voting preference shares were issued to existing investors, including $100.0 million to the Company. At June 30, 2019, the Company's participation in the risks assumed by Upsilon RFO was 16.4%.

At June 30, 2019, the Company's consolidated balance sheet included total assets and total liabilities of Upsilon RFO of $2.8 billion and $2.8 billion, respectively (December 31, 2018 - $2.2 billion and $2.2 billion, respectively).

Vermeer

Vermeer is an exempted Bermuda reinsurer that provides capacity focused on risk remote layers in the U.S. property catastrophe market. Vermeer is considered a VIE as it has voting rights that are not proportional to its participating rights. The Company is the primary beneficiary of Vermeer as it has the power over the activities that most significantly impact the economic performance of Vermeer and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to Vermeer, in accordance with the accounting guidance. The portion of Vermeer's earnings owned by PGGM is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. See "Note 9. Noncontrolling Interests" for additional information regarding Vermeer. Other than the Company's minimal equity investment, it has not provided any financial or other support to Vermeer that it was not contractually required to provide.

At June 30, 2019, the Company's consolidated balance sheet included total assets and total liabilities of Vermeer of $807.5 million and $38.7 million, respectively (December 31, 2018 - $600.4 million and $0.4 million, respectively). In addition, the Company's consolidated balance sheet included redeemable noncontrolling interests associated with Vermeer of $765.5 million at June 30, 2019 (December 31, 2018 - $600.0 million).

Fibonacci Re

Fibonacci Re, a Bermuda-domiciled SPI, was formed to provide collateralized capacity to Renaissance Reinsurance and its affiliates.

Upon issuance of a series of notes by Fibonacci Re, all of the proceeds from the issuance are deposited into collateral accounts, separated by series, to fund any potential obligation under the reinsurance agreements entered into with Renaissance Reinsurance underlying such series of notes. The outstanding principal amount of each series of notes generally is expected to be returned to holders of such notes upon the expiration of the risk period underlying such notes, unless an event occurs which causes a loss under the applicable series of notes, in which case the amount returned is expected to be reduced by such noteholder's pro rata share of such loss, as specified in the applicable governing documents of such notes. In addition, holders of such notes are generally entitled to interest payments, payable quarterly, as determined by the applicable governing documents of each series of notes. RUM receives an origination and structuring fee in connection with the formation and operation of Fibonacci Re.

The Company concluded that Fibonacci Re meets the definition of a VIE as it does not have sufficient equity capital to finance its activities. The Company evaluated its relationship with Fibonacci Re and concluded it is not the primary beneficiary of Fibonacci Re as it does not have power over the activities that most significantly impact the economic performance of Fibonacci Re. As a result, the Company does not consolidate the financial position or results of operations of Fibonacci Re.

The only transactions related to Fibonacci Re that will be recorded in the Company's consolidated financial statements will be the ceded reinsurance agreements entered into by Renaissance Reinsurance that are accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance,* and the fair value of the participating notes owned by the Company. Other than its investment in the participating notes of Fibonacci Re, the Company has not provided financial or other support to Fibonacci Re that it was not contractually required to provide.

The fair value of the Company's investment in the participating notes of Fibonacci Re is included in other investments. Net of third-party investors, the fair value of the Company's investment in Fibonacci Re was $1.0 million at June 30, 2019 (December 31, 2018 - $6.0 million).

Renaissance Reinsurance entered into ceded reinsurance contracts with Fibonacci Re with ceded premiums written of $47 thousand and ceded premiums earned of $47 thousand during the six months ended June 30, 2019 (2018 - $9.1 million and $3.1 million, respectively). During the six months ended June 30, 2019, Renaissance Reinsurance ceded $7.5 million of net claims and claim expenses to Fibonacci Re (2018 - $Nil) and as of June 30, 2019 had a net reinsurance recoverable of $7.5 million from Fibonacci Re (December 31, 2018 - $Nil).

Langhorne

The Company and Reinsurance Group of America, Incorporated formed Langhorne, an initiative to source third party capital to support reinsurers targeting large in-force life and annuity blocks. In connection with Langhorne, as of June 30, 2019 the Company has invested $1.7 million in Langhorne Holdings (December 31, 2018 - $1.3 million), a company that owns and manages certain reinsurance entities within Langhorne. In addition, as of June 30, 2019 the Company has invested $0.1 million in Langhorne Partners (December 31, 2018 - $0.1 million), the general partner for Langhorne and the entity which manages the third-party investors investing into Langhorne Holdings.

The Company concluded that Langhorne Holdings meets the definition of a VIE as the voting rights are not proportional with the obligations to absorb losses and rights to receive residual returns. The Company evaluated its relationship with Langhorne Holdings and concluded it is not the primary beneficiary of Langhorne Holdings, as it does not have power over the activities that most significantly impact the economic performance of Langhorne Holdings. As a result, the Company does not consolidate the financial position or results of operations of Langhorne Holdings. The Company separately evaluated Langhorne Partners and concluded that it was not a VIE. The Company accounts for its investments in Langhorne Holdings and Langhorne Partners under the equity method of accounting, one quarter in arrears.

The Company anticipates that its absolute investment in Langhorne will increase, perhaps materially, as in-force life and annuity blocks of businesses are written. The Company expects its absolute and relative ownership in Langhorne Partners to remain stable. Other than its current and committed future equity investment in Langhorne, the Company has not provided financial or other support to Langhorne that it was not contractually required to provide.

Shima Re and Norwood Re

Shima Re and Norwood Re were acquired on March 22, 2019 in connection with the acquisition of the TMR Group Entities. See “Note 3. Acquisition of Tokio Millennium Re” for additional information related to the acquisition of the TMR Group Entities. Shima Re is a Bermuda domiciled Class 3 insurer. Norwood Re is a Bermuda domiciled SPI and is wholly owned by the Norwood Re Purpose Trust. Shima Re and Norwood Re are each registered as a segregated accounts company and each provides third-party investors with access to reinsurance risk. The maximum exposure of each segregated account is fully collateralized and is funded by cash and term deposits or investments as prescribed by the participant thereto.

Shima Re and Norwood Re are considered VIEs as they have voting rights that are not proportional to their participating rights. The Company evaluated its relationships with Shima Re and Norwood Re and concluded it is not the primary beneficiary of any segregated account, as it does not have power over the activities that most significantly impact the economic performance of any segregated account. As a result, the Company does not consolidate the financial position or results of operations of Shima Re, Norwood Re or their segregated accounts. The Company has not provided any financial or other support to any segregated account of Shima Re or Norwood Re that it was not contractually required to provide.

NOTE 11.SHAREHOLDERS’ EQUITY

Dividends

The Board of Directors of RenaissanceRe declared dividends of $0.34 per common share, payable to common shareholders of record on March 15, 2019 and June 14, 2019, respectively, and the Company paid the dividends on March 29, 2019 and June 28, 2019, respectively.

The Board of Directors approved the payment of quarterly dividends on the Series C 6.08% Preference Shares, Series E 5.375% Preference Shares and 5.750% Series F Preference Shares to preference shareholders of record in the amounts and on the quarterly record dates and dividend payment dates set forth in the prospectus supplement and Certificate of Designation for the applicable series of preference shares, unless and until further action is taken by the Board of Directors. The dividend payment dates for the preference shares will be the first day of March, June, September and December of each year (or if this date is not a business day, on the business day immediately following this date). The record dates for the preference share dividends are one day prior to the dividend payment dates. The amount of the dividend on the Series C 6.08% Preference Shares is an amount per share equal to 6.08% of the liquidation preference per annum (the equivalent to $1.52 per share per annum, or $0.38 per share per quarter). The amount of the dividend on the Series E 5.375% Preference Shares is an amount per share equal to 5.375% of the liquidation preference per annum (the equivalent to $1.34375 per share per annum, or $0.3359375 per share per quarter). The amount of the dividend on the 5.750% Series F Preference Shares is an amount per share equal to 5.750% of the liquidation preference per annum (the equivalent to $1,437.50 per 5.750% Series F Preference Share per annum, or $359.375 per 5.750% Series F Preference Share per quarter, or $1.4375 per Depositary Share per annum, or $0.359375 per Depositary Share per quarter).

During the six months ended June 30, 2019, the Company paid $18.4 million in preference share dividends (2018 - $11.2 million) and $29.4 million in common share dividends (2018 - $26.5 million).

TMR Stock Purchase

On March 22, 2019, in connection with the closing of the TMR Stock Purchase, the Company issued 1,739,071 of its common shares to Tokio as part of the aggregate consideration payable to Tokio under the TMR Stock Purchase Agreement. See “Note 3. Acquisition of Tokio Millennium Re” for additional information related to the acquisition of the TMR Group Entities.

Share Repurchases

The Company's share repurchase program may be effected from time to time, depending on market conditions and other factors, through open market purchases and privately negotiated transactions. On November 10, 2017, RenaissanceRe's Board of Directors approved a renewal of its authorized share repurchase program for an aggregate amount of up to $500.0 million. Unless terminated earlier by RenaissanceRe's Board of Directors, the program will expire when the Company has repurchased the full value of the common shares authorized. The Company's decision to repurchase common shares will depend on, among other matters, the market price of the common shares and the capital requirements of the Company. During the six months ended June 30, 2019, the Company did not repurchase any of its common shares. At June 30, 2019, $500.0 million remained available for repurchase under the share repurchase program.

NOTE 12.EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per common share:

	Three months ended		Six months ended	
(common shares in thousands)	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Numerator:				
Net income available to RenaissanceRe common shareholders	$ 367,854	$ 191,788	$ 641,571	$ 248,501
Amount allocated to participating common shareholders (1)	(4,393)	(2,174)	(7,483)	(2,583)
Net income allocated to RenaissanceRe common shareholders	$ 363,461	$ 189,614	$ 634,088	$ 245,918
Denominator:				
Denominator for basic income per RenaissanceRe common share - weighted average common shares	43,483	39,641	42,774	39,597
Per common share equivalents of employee stock options and restricted shares	38	13	32	25
Denominator for diluted income per RenaissanceRe common share - adjusted weighted average common shares and assumed conversions	43,521	39,654	42,806	39,622
Net income available to RenaissanceRe common shareholders per common share – basic	$ 8.36	$ 4.78	$ 14.82	$ 6.21
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 8.35	$ 4.78	$ 14.81	$ 6.21

(1) Represents earnings attributable to holders of unvested restricted shares issued pursuant to the Company's 2001 Stock Incentive Plan, 2016 Long-Term Incentive Plan and to the Company's non-employee directors.

NOTE 13.SEGMENT REPORTING

The Company's reportable segments are defined as follows: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of the Company's operating subsidiaries and certain joint ventures managed by the Company's ventures unit, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of the Company's operating subsidiaries and certain joint ventures managed by the Company's ventures unit. In addition to its reportable segments, the Company has an Other category, which primarily includes its strategic investments, investments unit, corporate expenses, capital servicing costs, noncontrolling interests, certain expenses related to acquisitions and the remnants of its former Bermuda-based insurance operations. The results of operations of the TMR Group Entities from March 22, 2019, through June 30, 2019, are reflected in the Company's existing reportable segments for the three and six months ended June 30, 2019.

The Company's Property segment is managed by the Chief Underwriting Officer - Property and the Casualty and Specialty segment is managed by the Chief Underwriting Officer - Casualty and Specialty, each of whom operate under the direction of the Company's Group Chief Underwriting Officer, who in turn reports to the Company's President and Chief Executive Officer.

The Company does not manage its assets by segment; accordingly, net investment income and total assets are not allocated to the segments.

A summary of the significant components of the Company's revenues and expenses by segment is as follows:

Three months ended June 30, 2019	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 839,200	$ 637,708	$ —	$ 1,476,908
Net premiums written	$ 544,115	$ 478,850	$ —	$ 1,022,965
Net premiums earned	$ 425,013	$ 486,489	$ —	$ 911,502
Net claims and claim expenses incurred	146,874	306,501	(2)	453,373
Acquisition expenses	89,711	137,963	(192)	227,482
Operational expenses	36,764	23,016	34	59,814
Underwriting income (loss)	$ 151,664	$ 19,009	$ 160	170,833
Net investment income			115,832	115,832
Net foreign exchange gains			9,309	9,309
Equity in earnings of other ventures			6,812	6,812
Other income			922	922
Net realized and unrealized gains on investments			194,003	194,003
Corporate expenses			(23,847)	(23,847)
Interest expense			(15,534)	(15,534)
Income before taxes and redeemable noncontrolling interests				458,330
Income tax expense			(9,475)	(9,475)
Net income attributable to redeemable noncontrolling interests			(71,812)	(71,812)
Dividends on preference shares			(9,189)	(9,189)
Net income available to RenaissanceRe common shareholders				$ 367,854
Net claims and claim expenses incurred – current accident year	$ 136,111	$ 317,029	$ —	$ 453,140
Net claims and claim expenses incurred – prior accident years	10,763	(10,528)	(2)	233
Net claims and claim expenses incurred – total	$ 146,874	$ 306,501	$ (2)	$ 453,373
Net claims and claim expense ratio – current accident year	32.0%	65.2 %		49.7 %
Net claims and claim expense ratio – prior accident years	2.6%	(2.2)%		— %
Net claims and claim expense ratio – calendar year	34.6%	63.0 %		49.7 %
Underwriting expense ratio	29.7%	33.1 %		31.6 %
Combined ratio	64.3%	96.1 %		81.3 %

Six months ended June 30, 2019	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 1,871,584	$ 1,169,619	$ —	$ 3,041,203
Net premiums written	$ 1,108,345	$ 843,651	$ —	$ 1,951,996
Net premiums earned	$ 715,758	$ 745,772	$ —	$ 1,461,530
Net claims and claim expenses incurred	202,957	477,434	17	680,408
Acquisition expenses	143,450	208,175	(192)	351,433
Operational expenses	65,308	39,405	34	104,747
Underwriting income (loss)	$ 304,043	$ 20,758	$ 141	324,942
Net investment income			197,294	197,294
Net foreign exchange gains			6,463	6,463
Equity in earnings of other ventures			11,473	11,473
Other income			4,093	4,093
Net realized and unrealized gains on investments			364,648	364,648
Corporate expenses			(62,636)	(62,636)
Interest expense			(27,288)	(27,288)
Income before taxes and redeemable noncontrolling interests				818,989
Income tax expense			(17,006)	(17,006)
Net income attributable to redeemable noncontrolling interests			(142,034)	(142,034)
Dividends on preference shares			(18,378)	(18,378)
Net income available to RenaissanceRe common shareholders				$ 641,571
Net claims and claim expenses incurred – current accident year	$ 190,317	$ 494,164	$ —	$ 684,481
Net claims and claim expenses incurred – prior accident years	12,640	(16,730)	17	(4,073)
Net claims and claim expenses incurred – total	$ 202,957	$ 477,434	$ 17	$ 680,408
Net claims and claim expense ratio – current accident year	26.6%	66.3 %		46.8 %
Net claims and claim expense ratio – prior accident years	1.8%	(2.3)%		(0.2)%
Net claims and claim expense ratio – calendar year	28.4%	64.0 %		46.6 %
Underwriting expense ratio	29.1%	33.2 %		31.2 %
Combined ratio	57.5%	97.2 %		77.8 %

Three months ended June 30, 2018	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 552,627	$ 424,716	$ —	$ 977,343
Net premiums written	$ 297,832	$ 306,677	$ —	$ 604,509
Net premiums earned	$ 204,138	$ 225,247	$ —	$ 429,385
Net claims and claim expenses incurred	(74,269)	134,524	(88)	60,167
Acquisition expenses	40,850	64,201	1	105,052
Operational expenses	23,810	13,552	181	37,543
Underwriting income (loss)	$ 213,747	$ 12,970	$ (94)	226,623
Net investment income			71,356	71,356
Net foreign exchange losses			(10,687)	(10,687)
Equity in earnings of other ventures			5,826	5,826
Other income			1,225	1,225
Net realized and unrealized losses on investments			(17,901)	(17,901)
Corporate expenses			(8,301)	(8,301)
Interest expense			(11,768)	(11,768)
Income before taxes and redeemable noncontrolling interests				256,373
Income tax expense			(4,506)	(4,506)
Net income attributable to redeemable noncontrolling interests			(54,483)	(54,483)
Dividends on preference shares			(5,596)	(5,596)
Net income available to RenaissanceRe common shareholders				$ 191,788
Net claims and claim expenses incurred – current accident year	$ 68,876	$ 147,520	$ —	$ 216,396
Net claims and claim expenses incurred – prior accident years	(143,145)	(12,996)	(88)	(156,229)
Net claims and claim expenses incurred – total	$ (74,269)	$ 134,524	$ (88)	$ 60,167
Net claims and claim expense ratio – current accident year	33.7 %	65.5 %		50.4 %
Net claims and claim expense ratio – prior accident years	(70.1)%	(5.8)%		(36.4)%
Net claims and claim expense ratio – calendar year	(36.4)%	59.7 %		14.0 %
Underwriting expense ratio	31.7 %	34.5 %		33.2 %
Combined ratio	(4.7)%	94.2 %		47.2 %

Six months ended June 30, 2018	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 1,259,595	$ 877,400	$ —	$ 2,136,995
Net premiums written	$ 651,909	$ 615,644	$ —	$ 1,267,553
Net premiums earned	$ 429,187	$ 440,480	$ —	$ 869,667
Net claims and claim expenses incurred	(43,662)	275,602	(70)	231,870
Acquisition expenses	81,571	121,191	1	202,763
Operational expenses	50,356	28,145	314	78,815
Underwriting income (loss)	$ 340,922	$ 15,542	$ (245)	356,219
Net investment income			127,832	127,832
Net foreign exchange losses			(6,930)	(6,930)
Equity in earnings of other ventures			6,683	6,683
Other loss			(17)	(17)
Net realized and unrealized losses on investments			(100,045)	(100,045)
Corporate expenses			(15,034)	(15,034)
Interest expense			(23,535)	(23,535)
Income before taxes and redeemable noncontrolling interests				345,173
Income tax expense			(1,099)	(1,099)
Net income attributable to redeemable noncontrolling interests			(84,382)	(84,382)
Dividends on preference shares			(11,191)	(11,191)
Net income available to RenaissanceRe common shareholders				$ 248,501
Net claims and claim expenses incurred – current accident year	$ 127,045	$ 292,389	$ —	$ 419,434
Net claims and claim expenses incurred – prior accident years	(170,707)	(16,787)	(70)	(187,564)
Net claims and claim expenses incurred – total	$ (43,662)	$ 275,602	$ (70)	$ 231,870
Net claims and claim expense ratio – current accident year	29.6 %	66.4 %		48.2 %
Net claims and claim expense ratio – prior accident years	(39.8)%	(3.8)%		(21.5)%
Net claims and claim expense ratio – calendar year	(10.2)%	62.6 %		26.7 %
Underwriting expense ratio	30.8 %	33.9 %		32.3 %
Combined ratio	20.6 %	96.5 %		59.0 %

NOTE 14.DERIVATIVE INSTRUMENTS

From time to time, the Company may enter into derivative instruments such as futures, options, swaps, forward contracts and other derivative contracts primarily to manage its foreign currency exposure, obtain exposure to a particular financial market, for yield enhancement, or for trading and to assume risk. The Company’s derivative instruments can be exchange traded or over-the-counter, with over-the-counter derivatives generally traded under International Swaps and Derivatives Association master agreements, which establish the terms of the transactions entered into with the Company’s derivative counterparties. In the event a party becomes insolvent or otherwise defaults on its obligations, a master agreement generally permits the non-defaulting party to accelerate and terminate all outstanding transactions and net the transactions’ marked-to-market values so that a single sum in a single currency will be owed by, or owed to, the non-defaulting party. Effectively, this contractual close-out netting reduces credit exposure from gross to net exposure. Where the Company has entered into master netting agreements with counterparties, or the Company has the legal and contractual right to offset positions, the derivative positions are generally netted by counterparty and are reported accordingly in other assets and other liabilities. Commencing in the second quarter of 2019, the Company elected to adopt hedge accounting for certain of its derivative instruments used as hedges of a net investment in a foreign operation.

The tables below show the gross and net amounts of recognized derivative assets and liabilities at fair value, including the location on the consolidated balance sheets of the Company's principal derivative instruments:

	Derivative Assets					
At June 30, 2019	**Gross Amounts of Recognized Assets**	**Gross Amounts Offset in the Balance Sheet**	**Net Amounts of Assets Presented in the Balance Sheet**	**Balance Sheet Location**	**Collateral**	**Net Amount**
Derivative instruments not designated as hedges						
Interest rate futures	$ 87	$ 85	$ 2	Other assets	$ —	$ 2
Interest rate swaps	8	—	8	Other assets	—	8
Foreign currency forward contracts (1)	4,980	379	4,601	Other assets	—	4,601
Foreign currency forward contracts (2)	199	199	—	Other assets	—	—
Credit default swaps	115	—	115	Other assets	—	115
Total return swaps	6,550	—	6,550	Other assets	—	6,550
Equity futures	3	—	3	Other assets	—	3
Total	$ 11,942	$ 663	$ 11,279		$ —	$ 11,279

	Derivative Liabilities					
At June 30, 2019	**Gross Amounts of Recognized Liabilities**	**Gross Amounts Offset in the Balance Sheet**	**Net Amounts of Liabilities Presented in the Balance Sheet**	**Balance Sheet Location**	**Collateral Pledged**	**Net Amount**
Derivative instruments not designated as hedges						
Interest rate futures	$ 294	$ 85	$ 209	Other liabilities	$ 205	$ 4
Interest rate swaps	26	—	26	Other liabilities	26	—
Foreign currency forward contracts (1)	8,857	—	8,857	Other liabilities	—	8,857
Foreign currency forward contracts (2)	453	199	254	Other liabilities	—	254
Total derivative instruments not designated as hedges	9,630	284	9,346		231	9,115
Derivative instruments designated as hedges						
Foreign currency forward contracts (3)	1,379	—	1,379	Other liabilities	—	1,379
Total	$ 11,009	$ 284	$ 10,725		$ 231	$ 10,494

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.
(2) Contracts used to manage foreign currency risks in investment operations.
(3) Contracts designated as hedges of a net investment in a foreign operation.

At December 31, 2018	Derivative Assets					
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets Presented in the Balance Sheet	Balance Sheet Location	Collateral	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 971	636	$ 335	Other assets	$ —	$ 335
Interest rate swaps	860	—	860	Other assets	—	860
Foreign currency forward contracts (1)	16,459	2,260	14,199	Other assets	—	14,199
Foreign currency forward contracts (2)	3,194	71	3,123	Other assets	—	3,123
Equity futures	1,390	977	413	Other assets	—	413
Total	$ 22,874	$ 3,944	$ 18,930		$ —	$ 18,930

At December 31, 2018	Derivative Liabilities					
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Liabilities Presented in the Balance Sheet	Balance Sheet Location	Collateral Pledged	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 910	636	$ 273	Other liabilities	$ 273	$ —
Interest rate swaps	506	—	506	Other liabilities	254	252
Foreign currency forward contracts (1)	4,154	—	4,154	Other liabilities	—	4,154
Foreign currency forward contracts (2)	72	71	1	Other liabilities	—	1
Credit default swaps	1,606	—	1,606	Other liabilities	1,605	1
Equity futures	977	977	—	Other liabilities	—	—
Total	$ 8,225	$ 1,684	$ 6,540		$ 2,132	$ 4,408

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.
(2) Contracts used to manage foreign currency risks in investment operations.

See “Note 4. Investments” for information on reverse repurchase agreements.

The location and amount of the gain (loss) recognized in the Company's consolidated statements of operations related to its principal derivative instruments are shown in the following table:

	Location of gain (loss) recognized on derivatives	Amount of gain (loss) recognized on derivatives	
Three months ended June 30,		**2019**	**2018**
Derivative instruments not designated as hedges			
Interest rate futures	Net realized and unrealized gains (losses) on investments	$ 23,077	$ (115)
Interest rate swaps	Net realized and unrealized gains (losses) on investments	835	241
Foreign currency forward contracts (1)	Net foreign exchange gains (losses)	(11,616)	(6,374)
Foreign currency forward contracts (2)	Net foreign exchange gains (losses)	590	1,343
Credit default swaps	Net realized and unrealized gains (losses) on investments	1,046	884
Total return swaps	Net realized and unrealized gains (losses) on investments	4,501	—
Equity futures	Net realized and unrealized gains (losses) on investments	7,714	28
Total derivative instruments not designated as hedges		26,147	(3,993)
Derivative instruments designated as hedges			
Foreign currency forward contracts (3)	Accumulated other comprehensive loss	844	—
Total		$ 26,991	$ (3,993)

	Location of gain (loss) recognized on derivatives	Amount of gain (loss) recognized on derivatives	
Six months ended June 30,		**2019**	**2018**
Derivative instruments not designated as hedges			
Interest rate futures	Net realized and unrealized gains (losses) on investments	$ 29,307	$ (2,439)
Interest rate swaps	Net realized and unrealized gains (losses) on investments	1,184	135
Foreign currency forward contracts (1)	Net foreign exchange gains (losses)	(7,174)	369
Foreign currency forward contracts (2)	Net foreign exchange gains (losses)	(2,281)	652
Credit default swaps	Net realized and unrealized gains (losses) on investments	5,456	(1,037)
Total return swaps	Net realized and unrealized gains (losses) on investments	5,035	—
Equity futures	Net realized and unrealized gains (losses) on investments	9,987	15
Total derivative instruments not designated as hedges		41,514	(2,305)
Derivative instruments designated as hedges			
Foreign currency forward contracts (3)	Accumulated other comprehensive loss	844	—
Total		$ 42,358	$ (2,305)

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.
(2) Contracts used to manage foreign currency risks in investment operations.
(3) Contracts designated as hedges of a net investment in a foreign operation.

The Company is not aware of the existence of any credit-risk related contingent features that it believes would be triggered in its derivative instruments that are in a net liability position at June 30, 2019.

Derivative Instruments Not Designated as Hedges

Interest Rate Derivatives

The Company uses interest rate futures and swaps within its portfolio of fixed maturity investments to manage its exposure to interest rate risk, which may result in increasing or decreasing its exposure to this risk.

Interest Rate Futures

The fair value of interest rate futures is determined using exchange traded prices. At June 30, 2019, the Company had $3.7 billion of notional long positions and $202.3 million of notional short positions of primarily Eurodollar, U.S. treasury and non-U.S. dollar futures contracts (December 31, 2018 - $1.9 billion and $545.8 million, respectively).

Interest Rate Swaps

The fair value of interest rate swaps is determined using the relevant exchange traded price where available or a discounted cash flow model based on the terms of the contract and inputs, including, where applicable, observable yield curves. At June 30, 2019, the Company had $32.2 million of notional positions paying a fixed rate and $23.5 million receiving a fixed rate denominated in U.S. dollar swap contracts (December 31, 2018 - $78.4 million and $32.1 million, respectively).

Foreign Currency Derivatives

The Company's functional currency is the U.S. dollar. The Company writes a portion of its business in currencies other than U.S. dollars and may, from time to time, experience foreign exchange gains and losses in the Company's consolidated financial statements. All changes in exchange rates, with the exception of non-monetary assets and liabilities, are recognized in the Company's consolidated statements of operations.

Underwriting and Non-Investments Operations Related Foreign Currency Contracts

The Company's foreign currency policy with regard to its underwriting operations is generally to hold foreign currency assets, including cash, investments and receivables that approximate the foreign currency liabilities, including claims and claim expense reserves and reinsurance balances payable. When necessary, the Company may use foreign currency forward and option contracts to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities associated with its underwriting operations. The fair value of the Company's underwriting operations related foreign currency contracts is determined using indicative pricing obtained from counterparties or broker quotes. At June 30, 2019, the Company had outstanding underwriting related foreign currency contracts of $786.0 million in notional long positions and $820.4 million in notional short positions, denominated in U.S. dollars (December 31, 2018 - $354.1 million and $601.2 million, respectively).

Investment Portfolio Related Foreign Currency Forward Contracts

The Company's investment operations are exposed to currency fluctuations through its investments in non-U.S. dollar fixed maturity investments, short term investments and other investments. From time to time, the Company may employ foreign currency forward contracts in its investment portfolio to either assume foreign currency risk or to economically hedge its exposure to currency fluctuations from these investments. The fair value of the Company's investment portfolio related foreign currency forward contracts is determined using an interpolated rate based on closing forward market rates. At June 30, 2019, the Company had outstanding investment portfolio related foreign currency contracts of $128.1 million in notional long positions and $40.7 million in notional short positions, denominated in U.S. dollars (December 31, 2018 - $121.3 million and $42.9 million, respectively).

Credit Derivatives

The Company's exposure to credit risk is primarily due to its fixed maturity investments, short term investments, premiums receivable and reinsurance recoverable. From time to time, the Company may purchase credit derivatives to hedge its exposures in the insurance industry, and to assist in managing the credit risk associated with ceded reinsurance. The Company also employs credit derivatives in its investment portfolio to either assume credit risk or hedge its credit exposure.

Credit Default Swaps

The fair value of the Company's credit default swaps is determined using industry valuation models, broker bid indications or internal pricing valuation techniques. The fair value of these credit default swaps can change based on a variety of factors including changes in credit spreads, default rates and recovery rates, the correlation of credit risk between the referenced credit and the counterparty, and market rate inputs such as interest rates. At June 30, 2019, the Company had outstanding credit default swaps of $Nil in notional positions to hedge credit risk and $88.5 million in notional positions to assume credit risk, denominated in U.S. dollars (December 31, 2018 - $1.0 million and $126.2 million, respectively).

Total Return Swaps

During the six months ended June 30, 2019, the Company entered into certain total return swap contracts. The Company uses total return swaps as a means to manage spread duration and credit exposure in its investment portfolio. The fair value of the Company's total return swaps is determined using broker-dealer bid quotations, market-based prices from pricing vendors or valuation models. At June 30, 2019, the Company had $225.0 million of notional long positions (long credit) and $Nil of notional short positions (short credit), denominated in U.S. dollars.

Equity Derivatives

Equity Futures

The Company uses equity derivatives in its investment portfolio from time to time to either assume equity risk or hedge its equity exposure. The fair value of the Company's equity futures is determined using market-based prices from pricing vendors. At June 30, 2019, the Company had $Nil notional long position and $Nil notional short position of equity futures, denominated in U.S. dollars (December 31, 2018 - $44.7 million and $Nil, respectively).

Derivative Instruments Designated as Hedges of a Net Investment in a Foreign Operation

Foreign Currency Derivatives

Hedges of a Net Investment in a Foreign Operation

In connection with the acquisition of the TMR Group Entities, the Company acquired certain entities with non-U.S. dollar functional currencies, including RenaissanceRe Europe, Australia Branch, which has an Australian dollar functional currency. The Company has entered into foreign exchange forwards to hedge the Australian dollar net investment in foreign operations, on an after-tax basis, from changes in the exchange rate between the U.S. dollar and the Australian dollar.

The Company utilizes foreign exchange forward contracts to hedge the fair value of its net investment in a foreign operation. During the three and six months ended June 30, 2019, the Company entered into foreign exchange forward contracts that were formally designated as hedges of its investment in RenaissanceRe Europe, Australia Branch. There was no ineffectiveness in these transactions.

The table below provides a summary of derivative instruments designated as hedges of a net investment in a foreign operation, including the weighted average U.S. dollar equivalent of foreign denominated net assets that were hedged and the resulting derivative gain that was recorded in foreign currency translation adjustments, net of tax, within accumulated other comprehensive loss on the Company's consolidated statements of changes in shareholders' equity:

	Three months ended		Six months ended	
	June 30, 2019	June 30, 2018	June 30, 2019	June 30, 2018
Weighted average of U.S. dollar equivalent of foreign denominated net assets	$ 80,037	$ —	$ 80,037	$ —
Derivative gains (1)	$ 844	$ —	$ 844	$ —

(1) Derivative gains from derivative instruments designated as hedges of the net investment in a foreign operation are recorded in foreign currency translation adjustments, net of tax, within accumulated other comprehensive loss on the Company's consolidated statements of changes in shareholders' equity.

NOTE 15.COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

There are no material changes from the commitments, contingencies and other items previously disclosed in the Company's Form 10-K for the year ended December 31, 2018, other than disclosures associated with the adoption of FASB ASC Topic *Leases* as outlined below. See "Note 2. Significant Accounting Policies" for additional information related to the adoption of FASB ASC Topic *Leases.*

Leases

The Company's operating leases primarily relate to office space for its global underwriting platforms, principally in Bermuda, Australia, Ireland, Singapore, Switzerland, the U.K. and the U.S. These leases expire at various dates through 2027 with a weighted average lease term of 1.9 years. Included in other assets and other liabilities at June 30, 2019 is a right-to-use asset of $19.1 million and a lease liability of $19.1 million, respectively, associated with the Company's operating leases and reflected as a result of the Company's adoption of FASB ASC Topic *Leases* (December 31, 2018 - $Nil and $Nil, respectively). For the three and six months ended June 30, 2019, the Company recorded an operating lease expense of $2.5 million and $4.2 million, respectively, included in other income (loss) (2018 - $Nil and $Nil, respectively).

The Company's financing leases primarily relate to office space in Bermuda with an initial lease term of 20 years, ending in 2028, and a bargain renewal option for an additional 30 years. Included in other assets and other liabilities at June 30, 2019 is a right-to-use asset of $20.2 million and a lease liability of $25.5 million, respectively, associated with the Company's finance leases and reflected as a result of the Company's adoption of FASB ASC Topic *Leases* (December 31, 2018 - $20.6 million and $25.6 million, respectively). For the three and six months ended June 30, 2019, the Company recorded interest expense of $0.6 million and $1.3 million, respectively, associated with its finance leases (2018 - $0.7 million and $1.3 million, respectively) and amortization of its finance leases right-to-use asset of $0.2 million and $0.4 million, respectively, included in other income (loss) (2018 - $0.2 million and $0.4 million, respectively).

Future minimum lease payments under existing operating and finance leases are detailed below, excluding the bargain renewal option on the finance lease related to office space in Bermuda:

	Future minimum lease payments	
	Operating leases	Finance leases
2019 (remaining)	$ 3,935	$ 1,665
2020	5,439	3,336
2021	4,962	3,336
2022	4,235	3,336
2023	1,569	2,830
2024	86	2,661
After 2024	211	10,129
Future minimum lease payments under existing leases	$ 20,437	$ 27,293

Legal Proceedings

The Company and its subsidiaries are subject to lawsuits and regulatory actions in the normal course of business that do not arise from or directly relate to claims on reinsurance treaties or contracts or direct surplus lines insurance policies. In the Company's industry, business litigation may involve allegations of underwriting or claims-handling errors or misconduct, disputes relating to the scope of, or compliance with, the terms of delegated underwriting agreements, employment claims, regulatory actions or disputes arising from the Company's business ventures. The Company's operating subsidiaries are subject to claims litigation involving, among other things, disputed interpretations of policy coverages. Generally, the Company's direct surplus lines insurance operations are subject to greater frequency and diversity of claims and claims-related litigation than its reinsurance operations and, in some jurisdictions, may be subject to direct actions by allegedly injured persons or entities seeking damages from policyholders. These lawsuits, involving or arising out of claims on policies issued by the Company's subsidiaries which are typical to the insurance industry in general and in the normal course of business, are considered in its loss and loss expense reserves. In addition, the Company may from time to time engage in litigation or arbitration related to its claims for payment in respect of ceded reinsurance, including disputes that challenge the Company's ability to enforce its underwriting intent. Such matters could result, directly or indirectly, in providers of protection not meeting their obligations to the Company or not doing so on a timely basis. The Company may also be subject to other disputes from time to time, relating to operational or other matters distinct from insurance or reinsurance claims. Any litigation or arbitration, or regulatory process contains an element of uncertainty, and the value of an exposure or a gain contingency related to a dispute is difficult to estimate. The Company believes that no individual litigation or arbitration to which it is presently a party is likely to have a material adverse effect on its financial condition, business or operations.

NOTE 16.CONDENSED CONSOLIDATING FINANCIAL INFORMATION PROVIDED IN CONNECTION WITH OUTSTANDING DEBT OF SUBSIDIARIES

The following tables are provided in connection with outstanding debt of the Company's subsidiaries and present condensed consolidating balance sheets at June 30, 2019 and December 31, 2018, condensed consolidating statements of operations and condensed consolidating statements of comprehensive income for the three and six months ended June 30, 2019 and 2018, and condensed consolidating statements of cash flows for the six months ended June 30, 2019 and 2018. Each of RenRe North America Holdings Inc. and RenaissanceRe Finance Inc. is a 100% owned subsidiary of RenaissanceRe and has outstanding debt securities. For additional information related to the terms of the Company's outstanding debt securities, see "Note 8. Debt and Credit Facilities in the Notes to the Consolidated Financial Statements" in the Company's Form 10-K for the year ended December 31, 2018 and "Note 8. Debt and Credit Facilities in the Notes to the Consolidated Financial Statements" included herein.

Condensed Consolidating Balance Sheet at June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Assets						
Total investments	$ 69,829	$ 116,814	$ 7,977	$ 16,193,696	$ —	$ 16,388,316
Cash and cash equivalents	5,196	3,676	4,456	657,298	—	670,626
Investments in subsidiaries	5,613,992	61,282	1,278,129	—	(6,953,403)	—
Due from subsidiaries and affiliates	17,983	101,579	—	—	(119,562)	—
Premiums receivable	—	—	—	3,140,688	—	3,140,688
Prepaid reinsurance premiums	—	—	—	1,158,534	—	1,158,534
Reinsurance recoverable	—	—	—	2,865,150	—	2,865,150
Accrued investment income	(153)	258	5	76,839	—	76,949
Deferred acquisition costs	—	—	—	780,756	—	780,756
Receivable for investments sold	83	7	—	395,697	—	395,787
Other assets	805,017	14,172	317,709	(1,871,207)	1,079,247	344,938
Goodwill and other intangible assets	118,344	—	—	146,873	—	265,217
Total assets	$ 6,630,291	$ 297,788	$ 1,608,276	$ 23,544,324	$ (5,993,718)	$ 26,086,961
Liabilities, Noncontrolling Interests and Shareholders' Equity						
Liabilities						
Reserve for claims and claim expenses	$ —	$ —	$ —	$ 8,484,848	$ —	$ 8,484,848
Unearned premiums	—	—	—	3,362,520	—	3,362,520
Debt	691,016	—	843,680	148,194	(300,000)	1,382,890
Amounts due to subsidiaries and affiliates	2,312	68	109,583	—	(111,963)	—
Reinsurance balances payable	—	—	—	3,280,048	—	3,280,048
Payable for investments purchased	—	36	—	554,660	—	554,696
Other liabilities	24,121	308	14,036	368,521	(10,335)	396,651
Total liabilities	717,449	412	967,299	16,198,791	(422,298)	17,461,653
Redeemable noncontrolling interests	—	—	—	2,712,466	—	2,712,466
Shareholders' Equity						
Total shareholders' equity	5,912,842	297,376	640,977	4,633,067	(5,571,420)	5,912,842
Total liabilities, noncontrolling interests and shareholders' equity	$ 6,630,291	$ 297,788	$ 1,608,276	$ 23,544,324	$ (5,993,718)	$ 26,086,961

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor, Subsidiary Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Balance Sheet at December 31, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Assets						
Total investments	$ 313,360	$ 77,842	$ 28,885	$ 11,465,660	$ —	$ 11,885,747
Cash and cash equivalents	3,534	3,350	9,604	1,091,434	—	1,107,922
Investments in subsidiaries	4,414,475	58,458	1,215,663	—	(5,688,596)	—
Due from subsidiaries and affiliates	57,039	101,579	—	—	(158,618)	—
Premiums receivable	—	—	—	1,537,188	—	1,537,188
Prepaid reinsurance premiums	—	—	—	616,185	—	616,185
Reinsurance recoverable	—	—	—	2,372,221	—	2,372,221
Accrued investment income	1,046	310	127	49,828	—	51,311
Deferred acquisition costs	—	—	—	476,661	—	476,661
Receivable for investments sold	203	23,885	—	232,328	—	256,416
Other assets	458,842	22,571	313,636	(1,403,636)	743,714	135,127
Goodwill and other intangible assets	120,476	—	—	116,942	—	237,418
Total assets	$ 5,368,975	$ 287,995	$ 1,567,915	$ 16,554,811	$ (5,103,500)	$ 18,676,196
Liabilities, Redeemable Noncontrolling Interest and Shareholders' Equity						
Liabilities						
Reserve for claims and claim expenses	$ —	$ —	$ —	$ 6,076,271	$ —	$ 6,076,271
Unearned premiums	—	—	—	1,716,021	—	1,716,021
Debt	300,000	—	843,086	148,041	(300,000)	991,127
Amounts due to subsidiaries and affiliates	6,453	217	102,243	—	(108,913)	—
Reinsurance balances payable	—	—	—	1,902,056	—	1,902,056
Payable for investments purchased	—	24	—	380,308	—	380,332
Other liabilities	17,442	5,362	13,918	482,422	(5,535)	513,609
Total liabilities	323,895	5,603	959,247	10,705,119	(414,448)	11,579,416
Redeemable noncontrolling interests	—	—	—	2,051,700	—	2,051,700
Shareholders' Equity						
Total shareholders' equity	5,045,080	282,392	608,668	3,797,992	(4,689,052)	5,045,080
Total liabilities, redeemable noncontrolling interest and shareholders' equity	$ 5,368,975	$ 287,995	$ 1,567,915	$ 16,554,811	$ (5,103,500)	$ 18,676,196

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Operations for the three months ended June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Revenues						
Net premiums earned	$ —	$ —	$ —	$ 911,502	$ —	$ 911,502
Net investment income	10,676	524	2,017	114,964	(12,349)	115,832
Net foreign exchange (losses) gains	(6,059)	—	—	15,368	—	9,309
Equity in earnings of other ventures	—	—	652	6,160	—	6,812
Other income	—	—	—	922	—	922
Net realized and unrealized gains on investments	4,516	6,063	102	183,322	—	194,003
Total revenues	9,133	6,587	2,771	1,232,238	(12,349)	1,238,380
Expenses						
Net claims and claim expenses incurred	—	—	—	453,373	—	453,373
Acquisition expenses	—	—	—	227,482	—	227,482
Operational expenses	2,135	16	8,607	21,190	27,866	59,814
Corporate expenses	3,842	—	9	18,084	1,912	23,847
Interest expense	5,693	—	9,254	587	—	15,534
Total expenses	11,670	16	17,870	720,716	29,778	780,050
(Loss) income before equity in net income of subsidiaries and taxes	(2,537)	6,571	(15,099)	511,522	(42,127)	458,330
Equity in net income of subsidiaries	378,726	1,717	28,655	—	(409,098)	—
Income before taxes	376,189	8,288	13,556	511,522	(451,225)	458,330
Income tax benefit (expense)	854	(1,348)	1,732	(10,713)	—	(9,475)
Net income	377,043	6,940	15,288	500,809	(451,225)	448,855
Net income attributable to redeemable noncontrolling interests	—	—	—	(71,812)	—	(71,812)
Net income attributable to RenaissanceRe	377,043	6,940	15,288	428,997	(451,225)	377,043
Dividends on preference shares	(9,189)	—	—	—	—	(9,189)
Net income available attributable to RenaissanceRe common shareholders	$ 367,854	$ 6,940	$ 15,288	$ 428,997	$ (451,225)	$ 367,854

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Comprehensive Income for the three months ended June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance, Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Comprehensive income						
Net income	$ 377,043	$ 6,940	$ 15,288	$ 500,809	$ (451,225)	$ 448,855
Change in net unrealized gains on investments	—	—	—	1,309	—	1,309
Foreign currency translation adjustments, net of tax	—	—	—	(3,708)	—	(3,708)
Comprehensive income	377,043	6,940	15,288	498,410	(451,225)	446,456
Net income attributable to redeemable noncontrolling interests	—	—	—	(71,812)	—	(71,812)
Comprehensive income attributable to redeemable noncontrolling interests	—	—	—	(71,812)	—	(71,812)
Comprehensive income attributable to RenaissanceRe	$ 377,043	$ 6,940	$ 15,288	$ 426,598	$ (451,225)	$ 374,644

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Operations for the six months ended June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Revenues						
Net premiums earned	$ —	$ —	$ —	$ 1,461,530	$ —	$ 1,461,530
Net investment income	18,953	1,119	4,077	194,296	(21,151)	197,294
Net foreign exchange (losses) gains	(6,060)	—	—	12,523	—	6,463
Equity in earnings of other ventures	—	—	1,617	9,856	—	11,473
Other income	—	—	—	4,093	—	4,093
Net realized and unrealized gains on investments	5,518	14,222	211	344,697	—	364,648
Total revenues	18,411	15,341	5,905	2,026,995	(21,151)	2,045,501
Expenses						
Net claims and claim expenses incurred	—	—	—	680,408	—	680,408
Acquisition expenses	—	—	—	351,433	—	351,433
Operational expenses	2,604	27	20,940	63,799	17,377	104,747
Corporate expenses	42,670	—	9	16,162	3,795	62,636
Interest expense	7,576	—	18,506	1,206	—	27,288
Total expenses	52,850	27	39,455	1,113,008	21,172	1,226,512
(Loss) income before equity in net income of subsidiaries and taxes	(34,439)	15,314	(33,550)	913,987	(42,323)	818,989
Equity in net income of subsidiaries	693,613	2,545	62,187	—	(758,345)	—
Income before taxes	659,174	17,859	28,637	913,987	(800,668)	818,989
Income tax benefit (expense)	775	(3,153)	3,394	(18,022)	—	(17,006)
Net income	659,949	14,706	32,031	895,965	(800,668)	801,983
Net income attributable to redeemable noncontrolling interests	—	—	—	(142,034)	—	(142,034)
Net income attributable to RenaissanceRe	659,949	14,706	32,031	753,931	(800,668)	659,949
Dividends on preference shares	(18,378)	—	—	—	—	(18,378)
Net income available to RenaissanceRe common shareholders	$ 641,571	$ 14,706	$ 32,031	$ 753,931	$ (800,668)	$ 641,571

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor, Subsidiary Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Comprehensive Income for the six months ended June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Comprehensive income						
Net income	$ 659,949	$ 14,706	$ 32,031	$ 895,965	$ (800,668)	$ 801,983
Change in net unrealized gains on investments	—	—	—	1,272	—	1,272
Foreign currency translation adjustments, net of tax	—	—	—	(3,708)	—	(3,708)
Comprehensive income	659,949	14,706	32,031	893,529	(800,668)	799,547
Net income attributable to redeemable noncontrolling interests	—	—	—	(142,034)	—	(142,034)
Comprehensive income attributable to noncontrolling interests	—	—	—	(142,034)	—	(142,034)
Comprehensive income attributable to RenaissanceRe	$ 659,949	$ 14,706	$ 32,031	$ 751,495	$ (800,668)	$ 657,513

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor, Subsidiary Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Operations for the three months ended June 30, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Revenues						
Net premiums earned	$ —	$ —	$ —	$ 429,385	$ —	$ 429,385
Net investment income	5,927	577	1,206	71,257	(7,611)	71,356
Net foreign exchange (losses) gains	(1)	—	—	(10,686)	—	(10,687)
Equity in earnings of other ventures	—	—	544	5,282	—	5,826
Other income	—	—	—	1,225	—	1,225
Net realized and unrealized gains (losses) on investments	16	1,713	(67)	(19,563)	—	(17,901)
Total revenues	5,942	2,290	1,683	476,900	(7,611)	479,204
Expenses						
Net claims and claim expenses incurred	—	—	—	60,167	—	60,167
Acquisition expenses	—	—	—	105,052	—	105,052
Operational expenses	2,668	21	8,174	33,106	(6,426)	37,543
Corporate expenses	5,036	—	7	3,258	—	8,301
Interest expense	1,108	—	9,254	2,514	(1,108)	11,768
Total expenses	8,812	21	17,435	204,097	(7,534)	222,831
(Loss) income before equity in net income of subsidiaries and taxes	(2,870)	2,269	(15,752)	272,803	(77)	256,373
Equity in net income of subsidiaries	202,525	716	21,152	—	(224,393)	—
Income before taxes	199,655	2,985	5,400	272,803	(224,470)	256,373
Income tax benefit (expense)	(2,271)	(468)	2,022	(3,789)	—	(4,506)
Net income	197,384	2,517	7,422	269,014	(224,470)	251,867
Net income attributable to redeemable noncontrolling interests	—	—	—	(54,483)	—	(54,483)
Net income attributable to RenaissanceRe	197,384	2,517	7,422	214,531	(224,470)	197,384
Dividends on preference shares	(5,596)	—	—	—	—	(5,596)
Net income available to RenaissanceRe common shareholders	$ 191,788	$ 2,517	$ 7,422	$ 214,531	$ (224,470)	$ 191,788

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Comprehensive Income for the three months ended June 30, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Comprehensive income						
Net income	$ 197,384	$ 2,517	$ 7,422	$ 269,014	$ (224,470)	$ 251,867
Change in net unrealized gains on investments	—	—	—	(1,295)	—	(1,295)
Comprehensive income	197,384	2,517	7,422	267,719	(224,470)	250,572
Net income attributable to redeemable noncontrolling interests	—	—	—	(54,483)	—	(54,483)
Comprehensive income attributable to redeemable noncontrolling interests	—	—	—	(54,483)	—	(54,483)
Comprehensive income attributable to RenaissanceRe	$ 197,384	$ 2,517	$ 7,422	$ 213,236	$ (224,470)	$ 196,089

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Operations for the six months ended June 30, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Revenues						
Net premiums earned	$ —	$ —	$ —	$ 869,667	$ —	$ 869,667
Net investment income	11,962	1,090	2,440	127,562	(15,222)	127,832
Net foreign exchange losses	(4)	—	—	(6,926)	—	(6,930)
Equity in earnings of other ventures	—	—	1,755	4,928	—	6,683
Other loss	—	—	—	(17)	—	(17)
Net realized and unrealized (losses) gains on investments	(645)	427	(326)	(99,501)	—	(100,045)
Total revenues	11,313	1,517	3,869	895,713	(15,222)	897,190
Expenses						
Net claims and claim expenses incurred	—	—	—	231,870	—	231,870
Acquisition expenses	—	—	—	202,763	—	202,763
Operational expenses	3,981	31	19,244	71,039	(15,480)	78,815
Corporate expenses	8,720	—	7	6,307	—	15,034
Interest expense	2,216	—	18,506	5,029	(2,216)	23,535
Total expenses	14,917	31	37,757	517,008	(17,696)	552,017
(Loss) income before equity in net income of subsidiaries and taxes	(3,604)	1,486	(33,888)	378,705	2,474	345,173
Equity in net income of subsidiaries	264,951	1,550	17,339	—	(283,840)	—
Income (loss) before taxes	261,347	3,036	(16,549)	378,705	(281,366)	345,173
Income tax (expense) benefit	(1,655)	(247)	3,837	(3,034)	—	(1,099)
Net income (loss)	259,692	2,789	(12,712)	375,671	(281,366)	344,074
Net income attributable to redeemable noncontrolling interests	—	—	—	(84,382)	—	(84,382)
Net income (loss) attributable to RenaissanceRe	259,692	2,789	(12,712)	291,289	(281,366)	259,692
Dividends on preference shares	(11,191)	—	—	—	—	(11,191)
Net income (loss) available (attributable) to RenaissanceRe common shareholders	$ 248,501	$ 2,789	$ (12,712)	$ 291,289	$ (281,366)	$ 248,501

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Comprehensive Income (Loss) for the six months ended June 30, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	Consolidating Adjustments (2)	RenaissanceRe Consolidated
Comprehensive income (loss)						
Net income (loss)	$ 259,692	$ 2,789	$ (12,712)	$ 375,671	$ (281,366)	$ 344,074
Change in net unrealized gains on investments	—	—	—	(1,325)	—	(1,325)
Comprehensive income (loss)	259,692	2,789	(12,712)	374,346	(281,366)	342,749
Net income attributable to redeemable noncontrolling interests	—	—	—	(84,382)	—	(84,382)
Comprehensive income attributable to noncontrolling interests	—	—	—	(84,382)	—	(84,382)
Comprehensive income (loss) attributable to RenaissanceRe	$ 259,692	$ 2,789	$ (12,712)	$ 289,964	$ (281,366)	$ 258,367

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.
(2) Includes Parent Guarantor and Subsidiary Issuer consolidating adjustments.

Condensed Consolidating Statement of Cash Flows for the six months ended June 30, 2019	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	RenaissanceRe Consolidated
Cash flows (used in) provided by operating activities					
Net cash (used in) provided by operating activities	$ (359,699)	$ 2,691	$ (33,592)	$ 1,174,569	$ 783,969
Cash flows provided by (used in) investing activities					
Proceeds from sales and maturities of fixed maturity investments trading	277,030	15,655	43,746	9,068,917	9,405,348
Purchases of fixed maturity investments trading	(36,905)	(15,726)	(14,098)	(9,163,271)	(9,230,000)
Net (purchases) sales of equity investments trading	—	(2,450)	—	128,047	125,597
Net sales (purchases) of short term investments	4,212	305	(8,544)	(1,968,690)	(1,972,717)
Net purchases of other investments	—	—	—	(133,889)	(133,889)
Net purchases of investments in other ventures	—	—	—	(2,249)	(2,249)
Return of investment from investments in other ventures	—	—	—	11,250	11,250
Net purchases of other assets	—	—	—	(4,108)	(4,108)
Dividends and return of capital from subsidiaries	587,264	—	—	(587,264)	—
Contributions to subsidiaries	(850,807)	—	—	850,807	—
Due (from) to subsidiary	39,056	(149)	7,340	(46,247)	—
Net purchase of the TMR Group Entities	—	—	—	(276,206)	(276,206)
Net cash provided by (used in) investing activities	19,850	(2,365)	28,444	(2,122,903)	(2,076,974)
Cash flows provided by financing activities					
Dividends paid – RenaissanceRe common shares	(29,439)	—	—	—	(29,439)
Dividends paid – preference shares	(18,378)	—	—	—	(18,378)
Issuance of debt, net of expenses	396,411	—	—	—	396,411
Net third party redeemable noncontrolling interest share transactions	—	—	—	514,732	514,732
Taxes paid on withholding shares	(7,083)	—	—	—	(7,083)
Net cash provided by financing activities	341,511	—	—	514,732	856,243
Effect of exchange rate changes on foreign currency cash	—	—	—	(534)	(534)
Net increase (decrease) in cash and cash equivalents	1,662	326	(5,148)	(434,136)	(437,296)
Cash and cash equivalents, beginning of period	3,534	3,350	9,604	1,091,434	1,107,922
Cash and cash equivalents, end of period	$ 5,196	$ 3,676	$ 4,456	$ 657,298	$ 670,626

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.

Condensed Consolidating Statement of Cash Flows for the six months ended June 30, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	RenaissanceRe Finance Inc. (Subsidiary Issuer)	Other RenaissanceRe Holdings Ltd. Subsidiaries and Eliminations (Non-guarantor Subsidiaries) (1)	RenaissanceRe Consolidated
Cash flows (used in) provided by operating activities					
Net cash (used in) provided by operating activities	$ (7,183)	$ 1,213	$ (32,605)	$ 387,686	$ 349,111
Cash flows (used in) provided by investing activities					
Proceeds from sales and maturities of fixed maturity investments trading	120,555	62,334	35,946	4,594,373	4,813,208
Purchases of fixed maturity investments trading	(246,764)	(46,047)	(16,397)	(4,704,803)	(5,014,011)
Net purchases of equity investments trading	—	(675)	—	(33,623)	(34,298)
Net sales (purchases) of short term investments	56,048	(154)	(5,001)	(1,113,315)	(1,062,422)
Net purchases of other investments	—	—	—	(111,921)	(111,921)
Net purchases of investments in other ventures	—	—	—	(20,952)	(20,952)
Return of investment from investment in other ventures	—	—	—	8,464	8,464
Dividends and return of capital from subsidiaries	278,864	—	—	(278,864)	—
Contributions to subsidiaries	(250,238)	(16,848)	—	267,086	—
Due (from) to subsidiaries	(161,104)	50	21,333	139,721	—
Net cash (used in) provided by investing activities	(202,639)	(1,340)	35,881	(1,253,834)	(1,421,932)
Cash flows provided by financing activities					
Dividends paid – RenaissanceRe common shares	(26,468)	—	—	—	(26,468)
Dividends paid – preference shares	(11,191)	—	—	—	(11,191)
Issuance of preference shares, net of expenses	242,371	—	—	—	242,371
Net third party redeemable noncontrolling interest share transactions	—	—	—	64,534	64,534
Taxes paid on withholding shares	(7,044)	—	—	—	(7,044)
Net cash provided by financing activities	197,668	—	—	64,534	262,202
Effect of exchange rate changes on foreign currency cash	—	—	—	(2,501)	(2,501)
Net (decrease) increase in cash and cash equivalents	(12,154)	(127)	3,276	(804,115)	(813,120)
Cash and cash equivalents, beginning of period	14,656	139	1,469	1,345,328	1,361,592
Cash and cash equivalents, end of period	$ 2,502	$ 12	$ 4,745	$ 541,213	$ 548,472

(1) Includes all other subsidiaries of RenaissanceRe Holdings Ltd. and eliminations.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our results of operations for the three and six months ended June 30, 2019 and 2018, respectively, as well as our liquidity and capital resources at June 30, 2019. This discussion and analysis should be read in conjunction with the unaudited consolidated financial statements and notes thereto included in this filing and the audited consolidated financial statements and notes thereto contained in our Form 10-K for the fiscal year ended December 31, 2018.

On March 22, 2019, we acquired the TMR Group Entities, including RenaissanceRe Europe, RenaissanceRe UK and their subsidiaries, pursuant to the TMR Stock Purchase Agreement that we entered into on October 30, 2018. As a result of the acquisition, each of the TMR Group Entities became our wholly owned subsidiaries. The operating activities of the TMR Group Entities for the period from the acquisition date, March 22, 2019, through June 30, 2019 are included in our consolidated statements of operations for the three and six months ended June 30, 2019. The Company accounted for the acquisition of the TMR Group Entities under the acquisition method of accounting in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic Business Combinations.

The second quarter of 2019 was the first full quarter that reflected the results of the TMR Group Entities in our results of operations. As such, the following discussion and analysis of our results of operations for the three and six months ended June 30, 2019, compared to the three and six months ended June 30, 2018, as well as our liquidity and capital resources at June 30, 2019, should be read in that context. In addition, the results of operations for the three and six months ended June 30, 2019 and financial condition at June 30, 2019 may not be reflective of the ultimate ongoing business of the combined entities.

Refer to “Note 3. Acquisition of Tokio Millennium Re” in our “Notes to the Consolidated Financial Statements” for additional information with respect to the acquisition of the TMR Group Entities.

This filing contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from the results described or implied by these forward-looking statements. See “Note on Forward-Looking Statements.”

In this Form 10-Q, references to “RenaissanceRe” refer to RenaissanceRe Holdings Ltd. (the parent company) and references to “we,” “us,” “our” and the “Company” refer to RenaissanceRe Holdings Ltd. together with its subsidiaries, unless the context requires otherwise.

All dollar amounts referred to in this Form 10-Q are in U.S. dollars unless otherwise indicated.

Due to rounding, numbers presented in the tables included in this Form 10-Q may not add up precisely to the totals provided.

OVERVIEW

RenaissanceRe is a global provider of reinsurance and insurance. We provide property, casualty and specialty reinsurance and certain insurance solutions to customers, principally through intermediaries. Established in 1993, we have offices in Bermuda, Australia, Ireland, Singapore, Switzerland, the United Kingdom (the “U.K.”) and the U.S. Our operating subsidiaries include Renaissance Reinsurance, RenaissanceRe Specialty U.S. Ltd., Renaissance Reinsurance U.S., RenaissanceRe Europe, RenaissanceRe UK, Renaissance Reinsurance of Europe Unlimited Company (“Renaissance Reinsurance of Europe”) and Syndicate 1458. We also underwrite reinsurance on behalf of joint ventures, including DaVinci, Fibonacci Re, Top Layer Re, Upsilon RFO and Vermeer. In addition, through Medici, we invest in various insurance based investment instruments that have returns primarily tied to property catastrophe risk. We also pursue a number of other opportunities through our ventures unit, which has responsibility for creating and managing our joint ventures, executing customized reinsurance transactions to assume or cede risk and managing certain strategic investments directed at classes of risk other than catastrophe reinsurance.

We aspire to be the world’s best underwriter by matching well-structured risks with efficient sources of capital and our mission is to produce superior returns for our shareholders over the long term. We seek to accomplish these goals by being a trusted, long-term partner to our customers for assessing and managing risk, delivering responsive and innovative solutions, leveraging our core capabilities of risk assessment and information management, investing in these core capabilities in order to serve our customers across the cycles that have historically characterized our markets and keeping our promises. Our strategy focuses on superior risk selection, superior customer relationships and superior capital management. We provide value to our customers and joint venture partners in the form of financial security, innovative products, and responsive service. We are known as a leader in paying valid claims promptly. We principally measure our financial success through long-term growth in tangible book value per common share plus the change in accumulated dividends, which we believe is the most appropriate measure of our financial performance and in respect of which we believe we have delivered superior performance over time.

Our core products include property, casualty and specialty reinsurance and certain insurance products principally distributed through intermediaries, with whom we seek to cultivate strong long-term relationships. We believe we have been one of the world's leading providers of catastrophe reinsurance since our founding. In recent years, through the strategic execution of a number of initiatives, including organic growth and acquisitions, we have expanded our casualty and specialty platform and products and believe we are a leader in certain casualty and specialty lines of business. We have determined our business consists of the following reportable segments: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures managed by our ventures unit, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures managed by our ventures unit.

To best serve our clients in the places they do business, we have operating subsidiaries, branches, joint ventures and underwriting platforms around the world, including DaVinci, Fibonacci Re, Renaissance Reinsurance, Top Layer Re, Upsilon RFO and Vermeer in Bermuda, Renaissance Reinsurance U.S. in the U.S., Syndicate 1458 in the U.K. and RenaissanceRe Europe in Switzerland, with branches in Australia, Bermuda, the U.K. and the U.S. We write property and casualty and specialty reinsurance through our wholly owned operating subsidiaries, joint ventures and Syndicate 1458 and certain insurance products primarily through Syndicate 1458. Syndicate 1458 provides us with access to Lloyd's extensive distribution network and worldwide licenses and also writes business through delegated authority arrangements. The underwriting results of our operating subsidiaries and underwriting platforms are included in our Property and Casualty and Specialty segment results as appropriate.

Since a meaningful portion of the reinsurance and insurance we write provides protection from damages relating to natural and man-made catastrophes, our results depend to a large extent on the frequency and severity of such catastrophic events, and the coverages we offer to customers affected by these events. We are exposed to significant losses from these catastrophic events and other exposures we cover. Accordingly, we expect a significant degree of volatility in our financial results and our financial results may vary significantly from quarter-to-quarter and from year-to-year, based on the level of insured catastrophic losses occurring around the world. We view our exposure to casualty and specialty lines of business as an efficient use of capital given these risks are generally less correlated with our property lines of business. This has allowed us to bring additional capacity to our clients, across a wider range of product offerings, while continuing to be good stewards of our shareholders' capital.

We continually explore appropriate and efficient ways to address the risk needs of our clients and the impact of various regulatory and legislative changes on our operations. We have created and managed, and continue to manage, multiple capital vehicles across a number of jurisdictions and may create additional risk bearing vehicles or enter into additional jurisdictions in the future. In addition, our differentiated strategy and capability position us to pursue bespoke or large solutions for clients, which may be non-recurring. This, and other factors including the timing of contract inception, could result in significant volatility of premiums in both our Property and Casualty and Specialty segments. As our product and geographical diversity increases, we may be exposed to new risks, uncertainties and sources of volatility.

Our revenues are principally derived from three sources: (1) net premiums earned from the reinsurance and insurance policies we sell; (2) net investment income and realized and unrealized gains from the investment of our capital funds and the investment of the cash we receive on the policies which we sell; and (3) fees and other income received from our joint ventures, advisory services and various other items.

Our expenses primarily consist of: (1) net claims and claim expenses incurred on the policies of reinsurance and insurance we sell; (2) acquisition costs which typically represent a percentage of the premiums we write; (3) operating expenses which primarily consist of personnel expenses, rent and other operating expenses; (4) corporate expenses which include certain executive, legal and consulting expenses, costs for research and development, transaction and integration-related expenses, and other miscellaneous costs, including those associated with operating as a publicly traded company; (5) redeemable noncontrolling interests, which represent the interests of third parties with respect to the net income of DaVinciRe, Medici and Vermeer; and (6) interest and dividend costs related to our debt and preference shares. We are also subject to taxes in certain jurisdictions in which we operate. Since the majority of our income is currently earned in Bermuda, which does not have a corporate income tax, the tax impact to our operations has historically been minimal. In the future, our net tax exposure may increase as our operations expand geographically, or as a result of adverse tax developments.

The underwriting results of an insurance or reinsurance company are discussed frequently by reference to its net claims and claim expense ratio, underwriting expense ratio, and combined ratio. The net claims and claim expense ratio is calculated by dividing net claims and claim expenses incurred by net premiums earned. The underwriting expense ratio is calculated by dividing underwriting expenses (acquisition expenses and operational expenses) by net premiums earned. The combined ratio is the sum of the net claims and claim expense ratio and the underwriting expense ratio. A combined ratio below 100% indicates profitable underwriting prior to the consideration of investment income. A combined ratio over 100% indicates unprofitable underwriting prior to the consideration of investment income. We also discuss our net claims and claim expense ratio on a current accident year basis and a prior accident years basis. The current accident year net claims and claim expense ratio is calculated by taking current accident year net claims and claim expenses incurred, divided by net premiums earned. The prior accident years net claims and claim expense ratio is calculated by taking prior accident years net claims and claim expenses incurred, divided by net premiums earned.

Segments

Our reportable segments are defined as follows: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures managed by our ventures unit, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures managed by our ventures unit. In addition to our two reportable segments, we have an Other category, which primarily includes our strategic investments, investments unit, corporate expenses, capital servicing costs, noncontrolling interests and the remnants of our former Bermuda-based insurance operations. The results of operations of the TMR Group Entities from March 22, 2019, through June 30, 2019, are reflected in the Company's existing reportable segments for the three and six months ended June 30, 2019.

Ventures

We pursue a number of other opportunities through our ventures unit, which has responsibility for creating and managing our joint ventures, executing customized reinsurance transactions to assume or cede risk and managing certain strategic investments directed at classes of risk other than catastrophe reinsurance.

New Business

From time to time we consider diversification into new ventures, either through organic growth, the formation of new joint ventures, or the acquisition of or the investment in other companies or books of business of other companies. This potential diversification includes opportunities to write targeted, additional classes of risk-exposed business, both directly for our own account and through new joint venture opportunities. We also regularly evaluate potential strategic opportunities we believe might utilize our skills, capabilities, proprietary technology and relationships to support possible expansion into further risk-related coverages, services and products. Generally, we focus on underwriting or trading risks where we believe reasonably sufficient data is available and our analytical abilities provide us with a competitive advantage, in order for us to seek to model estimated probabilities of losses and returns in respect of our then current portfolio of risks.

We regularly review potential strategic transactions that might improve our portfolio of business, enhance or focus our strategies, expand our distribution or capabilities, or provide other benefits. In evaluating potential new ventures or investments, we generally seek an attractive estimated return on equity, the ability to develop or capitalize on a competitive advantage, and opportunities which we believe will not detract from our core operations. We believe that our ability to attract investment and operational opportunities is supported by our strong reputation and financial resources, and by the capabilities and track record of our ventures unit.

SUMMARY OF CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimates include “Claims and Claim Expense Reserves”, “Premiums and Related Expenses”, “Reinsurance Recoverables”, “Fair Value Measurements and Impairments” and “Income Taxes”, and are discussed in Management’s Discussion and Analysis of Financial Condition and Results of Operations in our Form 10-K for the year ended December 31, 2018. There have been no material changes to our critical accounting estimates as disclosed in our Form 10-K for the year ended December 31, 2018.

SUMMARY OF RESULTS OF OPERATIONS

Below is a discussion of the results of operations for the second quarter of 2019, compared to the second quarter of 2018.

Three months ended June 30,	2019	2018	Change
(in thousands, except per share amounts and percentages)			
Statement of operations highlights			
Gross premiums written	$ 1,476,908	$ 977,343	$ 499,565
Net premiums written	$ 1,022,965	$ 604,509	$ 418,456
Net premiums earned	$ 911,502	$ 429,385	$ 482,117
Net claims and claim expenses incurred	453,373	60,167	393,206
Acquisition expenses	227,482	105,052	122,430
Operational expenses	59,814	37,543	22,271
Underwriting income	$ 170,833	$ 226,623	$ (55,790)
Net investment income	$ 115,832	$ 71,356	$ 44,476
Net realized and unrealized gains (losses) on investments	194,003	(17,901)	211,904
Total investment result	$ 309,835	$ 53,455	$ 256,380
Net income	$ 448,855	$ 251,867	$ 196,988
Net income available to RenaissanceRe common shareholders	$ 367,854	$ 191,788	$ 176,066
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 8.35	$ 4.78	$ 3.57
Dividends per common share	$ 0.34	$ 0.33	$ 0.01
Key ratios			
Net claims and claim expense ratio – current accident year	49.7%	50.4 %	(0.7)%
Net claims and claim expense ratio – prior accident years	—%	(36.4)%	36.4 %
Net claims and claim expense ratio – calendar year	49.7%	14.0 %	35.7 %
Underwriting expense ratio	31.6%	33.2 %	(1.6)%
Combined ratio	81.3%	47.2 %	34.1 %
Return on average common equity - annualized	28.9%	18.6 %	10.3 %
Book value	June 30, 2019	March 31, 2019	Change
Book value per common share	$ 119.17	$ 111.05	$ 8.12
Accumulated dividends per common share	20.00	19.66	0.34
Book value per common share plus accumulated dividends	$ 139.17	$ 130.71	$ 8.46
Change in book value per common share plus change in accumulated dividends	7.6%		

Net income available to RenaissanceRe common shareholders was $367.9 million in the second quarter of 2019, compared to $191.8 million in the second quarter of 2018, an increase of $176.1 million. As a result of our net income available to RenaissanceRe common shareholders in the second quarter of 2019, we generated an annualized return on average common equity of 28.9% and our book value per common share increased from $111.05 at March 31, 2019 to $119.17 at June 30, 2019, a 7.6% increase, after considering the change in accumulated dividends paid to our common shareholders.

The most significant events affecting our financial performance during the second quarter of 2019, on a comparative basis to the second quarter of 2018, include:

- *TMR Group Entities* - The second quarter of 2019 is the first quarter that reflects the results of the TMR Group Entities in our results of operations. As such, our results of operations for the second quarter of 2019, compared to the second quarter of 2018, should be viewed in that context.
- *Underwriting Results* - we generated underwriting income of $170.8 million and a combined ratio of 81.3% in the second quarter of 2019, compared to $226.6 million and 47.2%, respectively, in the second quarter of 2018. Our underwriting income in the second quarter of 2019 was primarily driven by our Property segment, which generated underwriting income of $151.7 million and a combined ratio of 64.3%. Our Casualty and Specialty segment generated underwriting income of $19.0 million and a combined ratio of 96.1%. Additionally, the business acquired in connection with the TMR Group Entities positively impacted the underwriting results for the second quarter of 2019. In comparison, our underwriting income in the second quarter of 2018 included underwriting income of $213.7 million in our Property segment and underwriting income of $13.0 million in our Casualty and Specialty segment.

  Underwriting income decreased in the second quarter of 2019 compared to the second quarter of 2018, primarily as a result of changes in the estimates of the net negative impact of the 2017 Large Loss Events (as defined herein) during the second quarter of 2018, resulting in a net positive impact on the underwriting result of $92.0 million, and a corresponding reduction in the combined ratio of 23.5 percentage points, principally within our Property segment, in the second quarter of 2018. Our underwriting results are discussed in additional detail below in “Underwriting Results by Segment”;
- *Gross Premiums Written* - our gross premiums written increased by $499.6 million, or 51.1%, to $1.5 billion, in the second quarter of 2019, compared to the second quarter of 2018, with an increase of $286.6 million in the Property segment and an increase of $213.0 million in the Casualty and Specialty segment, driven by expanded participation on existing transactions and certain new transactions, rate improvements and the impact of the acquisition of the TMR Group Entities. Our gross premiums written are discussed in additional detail below in “Underwriting Results by Segment”;
- *Investment Results* - our total investment result, which includes the sum of net investment income and net realized and unrealized gains and losses on investments, was a gain of $309.8 million in the second quarter of 2019, compared to a gain of $53.5 million in the second quarter of 2018, an increase of $256.4 million. The increase in the total investment result was principally due to significant net realized and unrealized gains from the Company’s fixed maturity, public equity and investments-related derivative portfolios, combined with higher net investment income primarily driven by the Company’s fixed maturity, short term and private equity investments. Also driving the investment result for the second quarter of 2019 was higher average invested assets, primarily resulting from the acquisition of the TMR Group Entities combined with capital raised in certain of our consolidated third-party capital vehicles, and the subsequent investment of those funds as part of our consolidated investment portfolio; and
- *Net Income Attributable to Redeemable Noncontrolling Interests* - our net income attributable to redeemable noncontrolling interests was $71.8 million in the second quarter of 2019, compared to $54.5 million in the second quarter of 2018. The increase was primarily driven by the results of operations of Vermeer being included in net income attributable to redeemable noncontrolling interests in the second quarter of 2019, combined with DaVinciRe generating higher underwriting income and higher total investment results.

Net Negative Impact on Second Quarter 2018 Results

Net negative impact includes the sum of estimates of net claims and claim expenses incurred, earned reinstatement premiums assumed and ceded, lost profit commissions and redeemable noncontrolling interest. Our estimates of net negative impact are based on a review of its potential exposures, preliminary discussions with certain counterparties and catastrophe modeling techniques. Our actual net negative impact, both individually and in the aggregate, will vary from these estimates, perhaps materially. Changes in these estimates will be recorded in the period in which they occur.

Meaningful uncertainty regarding the estimates, and the nature and extent of the losses, associated with the 2017 Large Loss Events remains, driven by the magnitude and relatively recent occurrence of each event, the contingent nature of business interruption and other exposures, potential uncertainties relating to reinsurance recoveries and other factors inherent in loss estimation, among other things. Seismic events generally have longer development periods than windstorm events, which may be amplified in certain instances by dynamics such as the risk of geological liquefaction and the potential for uncertainty in claims adjudication.

See the financial data below for additional information detailing the net positive impact on our consolidated financial statements in the second quarter of 2018 resulting from decreases in the estimates of the net negative impact of the 2017 Large Loss Events.

Three months ended June 30, 2018		Change in Estimates of the 2017 Large Loss Events (1)
(in thousands, except percentages)		
Decrease in net claims and claims expenses incurred	$	128,626
Assumed reinstatement premiums earned		(32,266)
Ceded reinstatement premiums earned		2,180
Lost profit commissions		(6,577)
Net positive impact on underwriting result		91,963
Redeemable noncontrolling interest - DaVinciRe		(15,263)
Net positive impact on net income available to RenaissanceRe common shareholders	$	76,700
Percentage point impact on consolidated combined ratio		(23.5)
Net positive impact on Property segment underwriting result	$	86,136
Net positive impact on Casualty and Specialty segment underwriting result		5,827
Net positive impact on underwriting result	$	91,963

(1) An initial estimate of the net negative impact of the 2017 Large Loss Events was recorded in our consolidated financial statements during 2017. The amounts noted in the table above reflect changes in the estimates of the net negative impact of 2017 Large Loss Events recorded in the second quarter of 2018.

Underwriting Results by Segment

Property

Below is a summary of the underwriting results and ratios for our Property segment:

Three months ended June 30,	2019	2018	Change
(in thousands, except percentages)			
Gross premiums written	$ 839,200	$ 552,627	$ 286,573
Net premiums written	$ 544,115	$ 297,832	$ 246,283
Net premiums earned	$ 425,013	$ 204,138	$ 220,875
Net claims and claim expenses incurred (recovered)	146,874	(74,269)	221,143
Acquisition expenses	89,711	40,850	48,861
Operational expenses	36,764	23,810	12,954
Underwriting income	$ 151,664	$ 213,747	$ (62,083)
Net claims and claim expenses incurred – current accident year	$ 136,111	$ 68,876	$ 67,235
Net claims and claim expenses incurred – prior accident years	10,763	(143,145)	153,908
Net claims and claim expenses incurred – total	$ 146,874	$ (74,269)	$ 221,143
Net claims and claim expense ratio – current accident year	32.0%	33.7 %	(1.7)%
Net claims and claim expense ratio – prior accident years	2.6%	(70.1)%	72.7 %
Net claims and claim expense ratio – calendar year	34.6%	(36.4)%	71.0 %
Underwriting expense ratio	29.7%	31.7 %	(2.0)%
Combined ratio	64.3%	(4.7)%	69.0 %

Property Gross Premiums Written

In the second quarter of 2019, our Property segment gross premiums written increased by $286.6 million, or 51.9%, to $839.2 million, compared to $552.6 million in the second quarter of 2018.

Gross premiums written in the catastrophe class of business were $602.7 million in the second quarter of 2019, an increase of $164.9 million, or 37.7%, compared to the second quarter of 2018. The increase in gross premiums written in the catastrophe class of business in the second quarter of 2019 was driven primarily by expanded participation on existing transactions and certain new transactions, rate improvements and the impact of the acquisition of the TMR Group Entities, including the TMR third-party capital vehicles.

Gross premiums written in the other property class of business were $236.5 million in the second quarter of 2019, an increase of $121.6 million, or 105.9%, compared to the second quarter of 2018. The increase in gross premiums written in the other property class of business was primarily driven by growth across a number of the Company’s underwriting platforms, both from existing relationships and through new opportunities, rate improvements and the acquisition of the TMR Group Entities.

Property Ceded Premiums Written

Three months ended June 30,	2019	2018	Change
(in thousands)			
Ceded premiums written - Property	$ 295,085	$ 254,795	$ 40,290

Ceded premiums written in our Property segment were $295.1 million in the second quarter of 2019, an increase of $40.3 million, or 15.8%, compared to the second quarter of 2018. The increase in ceded premiums written in the second quarter of 2019 was principally due to a portion of the increase in gross premiums written in the catastrophe class of business noted above being ceded to third-party investors in our managed vehicles, in particular the TMR third-party capital vehicles and Upsilon RFO, as well as an overall increase in ceded purchases.

Due to the potential volatility of the reinsurance contracts which we sell, we purchase reinsurance to reduce our exposure to large losses and to help manage our risk portfolio. To the extent that appropriately priced coverage is available, we anticipate continued use of retrocessional reinsurance to reduce the impact of large losses on our financial results and to manage our portfolio of risk; however, the buying of ceded reinsurance in our Property segment is based on market opportunities and is not based on placing a specific reinsurance program each year. In addition, in future periods we may utilize the growing market for insurance-linked securities to expand our purchases of retrocessional reinsurance if we find the pricing and terms of such coverages attractive.

Property Underwriting Results

Our Property segment generated underwriting income of $151.7 million in the second quarter of 2019, compared to underwriting income of $213.7 million in the second quarter of 2018. In the second quarter of 2019, our Property segment generated a net claims and claim expense ratio of 34.6%, an underwriting expense ratio of 29.7% and a combined ratio of 64.3%, compared to negative 36.4%, positive 31.7% and negative 4.7%, respectively, in the second quarter of 2018.

Principally impacting the Property segment underwriting result and combined ratio in the second quarter of 2019, compared to the second quarter of 2018, was net adverse development on prior accident years net claims and claim expenses of $10.8 million, or an increase in the combined ratio of 2.6 percentage points, during the second quarter of 2019, primarily driven by higher than expected losses in the other property class of business, compared to decreases in the net negative impact of the 2017 Large Loss Events during the second quarter of 2018, which resulted in a net positive impact on the underwriting result of $86.1 million, and a corresponding reduction in the combined ratio of 50.1 percentage points.

In connection with the net adverse development on prior accident years, in the second quarter of 2019, a change in the estimate of the net negative impact of the 2018 Large Loss Events resulted in a net negative impact on net income available to RenaissanceRe common shareholders of $23.2 million, which was offset by decreases in the net negative impact of the 2017 Large Loss Events and other prior period events.

Casualty and Specialty Segment

Below is a summary of the underwriting results and ratios for our Casualty and Specialty segment:

Three months ended June 30,	2019	2018	Change
(in thousands, except percentages)			
Gross premiums written	$ 637,708	$ 424,716	$ 212,992
Net premiums written	$ 478,850	$ 306,677	$ 172,173
Net premiums earned	$ 486,489	$ 225,247	$ 261,242
Net claims and claim expenses incurred	306,501	134,524	171,977
Acquisition expenses	137,963	64,201	73,762
Operational expenses	23,016	13,552	9,464
Underwriting income	$ 19,009	$ 12,970	$ 6,039
Net claims and claim expenses incurred – current accident year	$ 317,029	$ 147,520	$ 169,509
Net claims and claim expenses incurred – prior accident years	(10,528)	(12,996)	2,468
Net claims and claim expenses incurred – total	$ 306,501	$ 134,524	$ 171,977
Net claims and claim expense ratio – current accident year	65.2 %	65.5 %	(0.3)%
Net claims and claim expense ratio – prior accident years	(2.2)%	(5.8)%	3.6 %
Net claims and claim expense ratio – calendar year	63.0 %	59.7 %	3.3 %
Underwriting expense ratio	33.1 %	34.5 %	(1.4)%
Combined ratio	96.1 %	94.2 %	1.9 %

Casualty and Specialty Gross Premiums Written

In the second quarter of 2019, our Casualty and Specialty segment gross premiums written increased by $213.0 million, or 50.1%, to $637.7 million, compared to $424.7 million in the second quarter of 2018. The increase was due to business acquired in connection with the acquisition of the TMR Group Entities, as well as the growth from new and existing business opportunities written in the current and prior periods across various classes of business within the segment and rate improvements.

Casualty and Specialty Ceded Premiums Written

Three months ended June 30,	2019	2018	Change
(in thousands)			
Ceded premiums written - Casualty and Specialty	$ 158,858	$ 118,039	$ 40,819

Ceded premiums written in our Casualty and Specialty segment were $158.9 million in the second quarter of 2019, compared to $118.0 million in the second quarter of 2018, an increase of $40.8 million, primarily as a result of increased gross premiums written subject to our retrocessional quota share reinsurance programs.

Casualty and Specialty Underwriting Results

Our Casualty and Specialty segment generated underwriting income of $19.0 million in the second quarter of 2019 compared to underwriting income of $13.0 million the second quarter of 2018. In the second quarter of 2019, our Casualty and Specialty segment generated a net claims and claim expense ratio of 63.0%, an underwriting expense ratio of 33.1% and a combined ratio of 96.1% compared to 59.7%, 34.5% and 94.2%, respectively, in the second quarter of 2018. The increase in underwriting income was primarily due to the growth in net premiums earned as a result of the business acquired in connection with the acquisition of the TMR Group Entities.

During the second quarter of 2019, the increase in the Casualty and Specialty segment combined ratio was driven by an increase of 3.3 percentage points in the net claims and claim expense ratio, principally the result of lower net favorable development on prior accident years net claims and claim expenses in the second quarter of 2019, compared to the second quarter of 2018. Partially offsetting the increase in the net claims and claim expense ratio was a 1.4 percentage point decrease in the underwriting expense ratio, primarily the result of a decrease in the operating expense ratio due to improved operating leverage as a result of the business acquired in connection with the acquisition of the TMR Group Entities.

Fee Income

Three months ended June 30,	2019	2018	Change
(in thousands)			
Management fee income			
Joint ventures	$ 9,519	$ 7,125	$ 2,394
Managed funds	6,467	2,745	3,722
Structured reinsurance products and other	9,976	7,958	2,018
Total management fee income	25,962	17,828	8,134
Performance fee income			
Joint ventures	5,218	6,869	(1,651)
Managed funds	470	1,175	(705)
Structured reinsurance products and other	8,541	6,802	1,739
Total performance fee income (1)	14,229	14,846	(617)
Total fee income	$ 40,191	$ 32,674	$ 7,517

(1) Performance fees are based on the performance of the individual vehicles and/or products, and could be negative in any given quarter when large losses occur, which can result in the reversal of previously accrued performance fees.

Total fee income is earned through third-party capital management as well as various joint ventures and certain structured retrocession agreements to which we are a party. Joint ventures include DaVinciRe, Top Layer Re, Vermeer and certain entities investing in Langhorne. Managed funds include Upsilon Fund and Medici. Structured reinsurance products and other includes Fibonacci Re, as well as certain other vehicles and reinsurance contracts which transfer risk to capital. The TMR third-party capital vehicles which we manage in connection with the acquisition of the TMR Group Entities also generate management and performance fee income, though this fee income was not material to our results of operations for the second quarter of 2019.

In the second quarter of 2019, total fee income increased $7.5 million, to $40.2 million, compared to $32.7 million in the second quarter of 2018, primarily driven by an increase in the dollar value of capital being managed, combined with improved underlying performance.

Net Investment Income

Three months ended June 30, (in thousands)	2019	2018	Change
Fixed maturity investments	$ 88,106	$ 50,416	$ 37,690
Short term investments	17,807	7,633	10,174
Equity investments trading	916	1,490	(574)
Other investments			
Private equity investments	10,309	3,860	6,449
Other	630	10,658	(10,028)
Cash and cash equivalents	2,306	1,039	1,267
	120,074	75,096	44,978
Investment expenses	(4,242)	(3,740)	(502)
Net investment income	$ 115,832	$ 71,356	$ 44,476

Net investment income was $115.8 million in the second quarter of 2019, compared to $71.4 million in the second quarter of 2018, an increase of $44.5 million. Impacting our net investment income for the second quarter of 2019 was improved performance in our fixed maturity and short term investment portfolios combined with higher average invested assets, primarily resulting from the acquisition of the TMR Group Entities and additional capital raised in certain of our consolidated third-party capital vehicles, and the subsequent investment of those funds as part of our consolidated investment portfolio.

Our private equity and other investment portfolios are accounted for at fair value with the change in fair value recorded in net investment income, which included net unrealized losses of $0.8 million in the second quarter of 2019, compared to unrealized gains of $7.2 million in the second quarter of 2018.

Net Realized and Unrealized Gains (Losses) on Investments

Three months ended June 30, (in thousands)	2019	2018	Change
Gross realized gains	$ 28,512	$ 5,133	$ 23,379
Gross realized losses	(7,217)	(26,519)	19,302
Net realized gains (losses) on fixed maturity investments	21,295	(21,386)	42,681
Net unrealized gains (losses) on fixed maturity investments trading	121,991	(9,420)	131,411
Net realized and unrealized gains on investments-related derivatives	37,173	1,038	36,135
Net realized gains on equity investments trading	31,899	348	31,551
Net unrealized (losses) gains on equity investments trading	(18,355)	11,519	(29,874)
Net realized and unrealized gains (losses) on investments	$ 194,003	$ (17,901)	$ 211,904

An important element of our investment strategy is to seek to preserve capital and provide us with a high level of liquidity. A large majority of our investments are invested in the fixed income markets and, therefore, our realized and unrealized holding gains and losses on investments are highly correlated to fluctuations in interest rates. Therefore, as interest rates decline, we will tend to have realized and unrealized gains from our investment portfolio, and as interest rates rise, we will tend to have realized and unrealized losses from our investment portfolio.

Net realized and unrealized gains on investments were $194.0 million in the second quarter of 2019, compared to net realized and unrealized losses of $17.9 million in the second quarter of 2018, an increase of $211.9 million. Principally impacting our net realized and unrealized gains on investments were the improved performances from our fixed maturity, equity and investments-related derivative portfolios.

Net Foreign Exchange Gains (Losses)

Three months ended June 30,	2019	2018	Change
(in thousands)			
Net foreign exchange gains (losses)	$ 9,309	$ (10,687)	$ 19,996

Our functional currency is the U.S. dollar. We routinely write a portion of our business in currencies other than U.S. dollars and invest a portion of our cash and investment portfolio in those currencies. In addition, and in connection with the acquisition of the TMR Group Entities, we acquired certain entities with non-U.S. dollar functional currencies. As a result, we may experience foreign exchange gains and losses in our consolidated financial statements. We are primarily impacted by the foreign currency risk exposures associated with our underwriting operations, investment portfolio, and our operations with non-U.S. dollar functional currencies, and may, from time to time, enter into foreign currency forward and option contracts to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities.

Equity in Earnings of Other Ventures

Three months ended June 30,	2019	2018	Change
(in thousands)			
Tower Hill Companies	$ 3,953	$ 4,555	$ (602)
Top Layer Re	2,342	1,999	343
Other	517	(728)	1,245
Total equity in earnings of other ventures	$ 6,812	$ 5,826	$ 986

Equity in earnings of other ventures primarily represents our pro-rata share of the net income (loss) from our investments in Bluegrass Insurance Management, LLC, Tower Hill Claims Service, LLC, Tower Hill Holdings, Inc., Tower Hill Insurance Group, LLC, Tower Hill Insurance Managers, LLC, Tower Hill Re Holdings, Inc., Tower Hill Select Insurance Holdings, Inc., Tower Hill Signature Insurance Holdings, Inc. and Tomoka Re Holdings, Inc. (collectively, the “Tower Hill Companies”) and Top Layer Re, and, except for Top Layer Re, is recorded one quarter in arrears. The carrying value of these investments on our consolidated balance sheets, individually or in the aggregate, may differ from the realized value we may ultimately attain, perhaps significantly so. The other category includes our equity investments in a select group of insurance and insurance-related companies.

Equity in earnings of other ventures was $6.8 million in the second quarter of 2019, compared to $5.8 million in the second quarter of 2018, an increase of $1.0 million, driven by the improved profitability of our equity investments in a select group of insurance and insurance-related companies in the other category.

Other Income

Three months ended June 30,	2019	2018	Change
(in thousands)			
Assumed and ceded reinsurance contracts accounted for as derivatives and deposits	$ 759	$ 787	$ (28)
Other items	163	438	(275)
Total other income	$ 922	$ 1,225	$ (303)

In the second quarter of 2019, we generated other income of $0.9 million, compared to $1.2 million in the second quarter of 2018, a decrease of $0.3 million, principally driven by our assumed and ceded reinsurance contracts accounted for as derivatives and deposits.

Corporate Expenses

Three months ended June 30,	2019	2018	Change
(in thousands)			
Corporate expenses	$ 23,847	$ 8,301	$ 15,546

Corporate expenses include certain executive, director, legal and consulting expenses, costs for research and development, costs associated with corporate acquisitions, impairment charges related to goodwill and other intangible assets, and other miscellaneous costs, including those associated with operating as a publicly traded company. Corporate expenses increased to $23.8 million in the second quarter of 2019, compared to $8.3 million in the second quarter of 2018, primarily due to $14.5 million of corporate expenses associated with the acquisition of the TMR Group Entities, comprised of $9.2 million of compensation-related costs, $3.4 million of integration-related costs and $1.9 million of transaction-related costs.

Income Tax Expense

Three months ended June 30,	2019	2018	Change
(in thousands)			
Income tax expense	$ (9,475)	$ (4,506)	$ (4,969)

We are subject to income taxes in certain jurisdictions in which we operate; however, since the majority of our income is generally earned in Bermuda, which does not have a corporate income tax, the tax impact to our operations has historically been minimal.

We recognized an income tax expense of $9.5 million in the second quarter of 2019, compared to $4.5 million in the second quarter of 2018, principally driven by investment gains in our U.S. based operations.

Net Income Attributable to Redeemable Noncontrolling Interests

Three months ended June 30,	2019	2018	Change
(in thousands)			
Net income attributable to redeemable noncontrolling interests	$ (71,812)	$ (54,483)	$ (17,329)

Our net income attributable to redeemable noncontrolling interests was $71.8 million in the second quarter of 2019, compared to $54.5 million in the second quarter of 2018, a change of $17.3 million, principally due to the results of operations of Vermeer being included in net income attributable to redeemable noncontrolling interests in the second quarter of 2019, combined with DaVinciRe generating higher underwriting income and higher total investment results in the second quarter of 2019, compared to the second quarter of 2018.

SUMMARY OF RESULTS OF OPERATIONS

Below is a discussion of the results of operations for the six months ended June 30, 2019, compared to the six months ended June 30, 2018.

Six months ended June 30,	2019	2018	Change
(in thousands, except per share amounts and percentages)			
Statement of operations highlights			
Gross premiums written	$ 3,041,203	$ 2,136,995	$ 904,208
Net premiums written	$ 1,951,996	$ 1,267,553	$ 684,443
Net premiums earned	$ 1,461,530	$ 869,667	$ 591,863
Net claims and claim expenses incurred	680,408	231,870	448,538
Acquisition expenses	351,433	202,763	148,670
Operational expenses	104,747	78,815	25,932
Underwriting income	$ 324,942	$ 356,219	$ (31,277)
Net investment income	$ 197,294	$ 127,832	$ 69,462
Net realized and unrealized gains (losses) on investments	364,648	(100,045)	464,693
Total investment result	$ 561,942	$ 27,787	$ 534,155
Net income	$ 801,983	$ 344,074	$ 457,909
Net income available to RenaissanceRe common shareholders	$ 641,571	$ 248,501	$ 393,070
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 14.81	$ 6.21	$ 8.60
Dividends per common share	$ 0.68	$ 0.66	$ 0.02
Key ratios			
Net claims and claim expense ratio – current accident year	46.8 %	48.2 %	(1.4)%
Net claims and claim expense ratio – prior accident years	(0.2)%	(21.5)%	21.3 %
Net claims and claim expense ratio – calendar year	46.6 %	26.7 %	19.9 %
Underwriting expense ratio	31.2 %	32.3 %	(1.1)%
Combined ratio	77.8 %	59.0 %	18.8 %
Return on average common equity - annualized	26.4 %	12.2 %	14.2 %
Book value	June 30, 2019	December 31, 2018	Change
Book value per common share	$ 119.17	$ 104.13	$ 15.04
Accumulated dividends per common share	20.00	19.32	0.68
Book value per common share plus accumulated dividends	$ 139.17	$ 123.45	$ 15.72
Change in book value per common share plus change in accumulated dividends	15.1 %		

Net income available to RenaissanceRe common shareholders was $641.6 million in the six months ended June 30, 2019, compared to net income available to RenaissanceRe common shareholders of $248.5 million in the six months ended June 30, 2018, an increase of $393.1 million. As a result of our net income available to RenaissanceRe common shareholders in the six months ended June 30, 2019, we generated an annualized return on average common equity of 26.4% and our book value per common share increased from $104.13 at December 31, 2018 to $119.17 at June 30, 2019, a 15.1% increase, after considering the change in accumulated dividends paid to our common shareholders.

The most significant events affecting our financial performance during the six months ended June 30, 2019, on a comparative basis to the six months ended June 30, 2018, include:

- *TMR Group Entities* - The second quarter of 2019 is the first quarter that reflects the results of the TMR Group Entities in our results of operations. As such, our results of operations for the six months ended June 30, 2019, compared to the six months ended June 30, 2018, should be viewed in that context.
- *Underwriting Results* - we generated underwriting income of $324.9 million and had a combined ratio of 77.8% in the six months ended June 30, 2019, compared to underwriting income of $356.2 million and a combined ratio of 59.0%, in the six months ended June 30, 2018. Our underwriting income in the six months ended June 30, 2019 was comprised of $304.0 million of underwriting income in our Property segment and $20.8 million of underwriting income in our Casualty and Specialty segment. In comparison, our underwriting income in the six months ended June 30, 2018 was comprised of our Property segment, which generated underwriting income of $340.9 million, and our Casualty and Specialty segment, which generated underwriting income of $15.5 million. During the six months ended June 30, 2018, our underwriting results were positively impacted by a decrease in the estimate of the net negative impact of the 2017 Large Loss Events resulting in a net positive impact on the underwriting result of $125.8 million, and a corresponding reduction in the combined ratio of 15.2 percentage points, principally within our Property segment. Our underwriting results are discussed in additional detail below in “Underwriting Results by Segment”;
- *Gross Premiums Written* - our gross premiums written increased by $904.2 million, or 42.3%, to $3.0 billion, in the six months ended June 30, 2019, compared to the six months ended June 30, 2018, with an increase of $612.0 million in the Property segment and an increase of $292.2 million in the Casualty and Specialty segment, driven by expanded participation on existing transactions and certain new transactions, rate improvements and the impact of the acquisition of the TMR Group Entities. Our gross premiums written are discussed in additional detail below in “Underwriting Results by Segment”;
- *Investment Results* - our total investment result, which includes the sum of net investment income and net realized and unrealized gains and losses on investments, was a gain of $561.9 million in the six months ended June 30, 2019, compared to a gain of $27.8 million in the six months ended June 30, 2018, an increase of $534.2 million. Impacting the investment results were significant net realized and unrealized gains on our fixed maturity, equity and investment-related derivative portfolios, primarily driven by higher average invested assets and the impact of interest rate decreases during the six months ended June 30, 2019; and
- *Net Income Attributable to Redeemable Noncontrolling Interests* - our net income attributable to redeemable noncontrolling interests was $142.0 million in the six months ended June 30, 2019, compared to $84.4 million in the six months ended June 30, 2018. The increase was primarily driven by the results of operations of Vermeer being included in net income attributable to redeemable noncontrolling interests in the six months ended June 30, 2019, combined with DaVinciRe generating higher underwriting income and higher total investment results.

Net Negative Impact on Six Months Ended June 30, 2018 Results

See the financial data below for additional information detailing the net positive impact on our consolidated financial statements in the six months ended June 30, 2018 resulting from decreases in the estimates of the net negative impact of the 2017 Large Loss Events.

Six months ended June 30, 2018	Change in Estimates of the 2017 Large Loss Events (1)
(in thousands, except percentages)	
Decrease in net claims and claims expenses incurred	$ 156,186
Assumed reinstatement premiums earned	(26,207)
Ceded reinstatement premiums earned	2,397
Lost profit commissions	(6,577)
Net positive impact on underwriting result	125,799
Redeemable noncontrolling interest - DaVinciRe	(17,284)
Net positive impact on net income available to RenaissanceRe common shareholders	$ 108,515
Percentage point impact on consolidated combined ratio	(15.2)
Net positive impact on Property segment underwriting result	$ 119,378
Net positive impact on Casualty and Specialty segment underwriting result	6,421
Net positive impact on underwriting result	$ 125,799

(1) An initial estimate of the net negative impact of the 2017 Large Loss Events was recorded in our consolidated financial statements during 2017. The amounts noted in the table above reflect changes in the estimates of the net negative impact of the 2017 Large Loss Events recorded in the six months ended June 30, 2018.

Underwriting Results by Segment

Property Segment

Below is a summary of the underwriting results and ratios for our Property segment:

Six months ended June 30,	2019	2018	Change
(in thousands, except percentages)			
Gross premiums written	$ 1,871,584	$ 1,259,595	$ 611,989
Net premiums written	$ 1,108,345	$ 651,909	$ 456,436
Net premiums earned	$ 715,758	$ 429,187	$ 286,571
Net claims and claim expenses incurred (recovered)	202,957	(43,662)	246,619
Acquisition expenses	143,450	81,571	61,879
Operational expenses	65,308	50,356	14,952
Underwriting income	$ 304,043	$ 340,922	$ (36,879)
Net claims and claim expenses incurred – current accident year	$ 190,317	$ 127,045	$ 63,272
Net claims and claim expenses incurred – prior accident years	12,640	(170,707)	183,347
Net claims and claim expenses incurred – total	$ 202,957	$ (43,662)	$ 246,619
Net claims and claim expense ratio – current accident year	26.6%	29.6 %	(3.0)%
Net claims and claim expense ratio – prior accident years	1.8%	(39.8)%	41.6 %
Net claims and claim expense ratio – calendar year	28.4%	(10.2)%	38.6 %
Underwriting expense ratio	29.1%	30.8 %	(1.7)%
Combined ratio	57.5%	20.6 %	36.9 %

Property Gross Premiums Written

In the six months ended June 30, 2019, our Property segment gross premiums written increased by $612.0 million, or 48.6%, to $1.9 billion, compared to $1.3 billion in the six months ended June 30, 2018.

Gross premiums written in the catastrophe class of business were $1.4 billion in the six months ended June 30, 2019, an increase of $419.8 million, or 40.8%, compared to the six months ended June 30, 2018. The increase in gross premiums written in the catastrophe class of business in the six months ended June 30, 2019 was driven by expanded participation on existing transactions and certain new transactions, rate improvements and the impact of the acquisition of the TMR Group Entities.

Gross premiums written in the other property class of business were $423.7 million in the six months ended June 30, 2019, an increase of $192.2 million, or 83.0%, compared to the six months ended June 30, 2018. The increase in gross premiums written in the other property class of business was primarily driven by growth across our underwriting platforms, both from existing relationships and through new opportunities we believe have comparably attractive risk-return attributes, rate improvements and business acquired in connection with the acquisition of the TMR Group Entities.

Property Ceded Premiums Written

Six months ended June 30,	2019	2018	Change
(in thousands)			
Ceded premiums written - Property	$ 763,239	$ 607,686	$ 155,553

Ceded premiums written in our Property segment increased by $155.6 million, to $763.2 million, in the six months ended June 30, 2019, compared to $607.7 million in the six months ended June 30, 2018. The increase in ceded premiums written was principally due to a significant portion of the increase in gross premiums written in the catastrophe class of business noted above being ceded to third-party investors in our managed vehicles, in particular Upsilon RFO, as well as an overall increase in ceded purchases.

Property Underwriting Results

Our Property segment generated underwriting income of $304.0 million in the six months ended June 30, 2019, compared to underwriting income of $340.9 million in the six months ended June 30, 2018, a decrease of $36.9 million. In the six months ended June 30, 2019, our Property segment generated a net claims and claim expense ratio of 28.4%, an underwriting expense ratio of 29.1% and a combined ratio of 57.5%, compared to negative 10.2%, 30.8% and 20.6%, respectively, in the six months ended June 30, 2018.

Principally impacting the Property segment underwriting result and combined ratio in the six months ended June 30, 2019 was net adverse development on prior accident years net claims and claim expenses of $12.6 million, or an increase in the combined ratio of 1.8 percentage points, primarily driven by higher than expected losses in the other property class of business, compared to net favorable development of $170.7 million, or 39.8 percentage points, in the six months ended June 30, 2018. The net favorable development in the six months ended June 30, 2018 included decreases in the estimates of the net negative impact of the 2017 Large Loss Events, which resulted in a net positive impact on the underwriting result of $119.4 million and a corresponding reduction in the combined ratio of 30.4 percentage points.

See "Note 7. Reserve for Claims and Claim Expenses" in our "Notes to the Consolidated Financial Statements" for additional information related to the development of prior accident years net claims and claim expenses.

Casualty and Specialty Segment

Below is a summary of the underwriting results and ratios for our Casualty and Specialty segment:

Six months ended June 30,	2019	2018	Change
(in thousands, except percentages)			
Gross premiums written	$ 1,169,619	$ 877,400	$ 292,219
Net premiums written	$ 843,651	$ 615,644	$ 228,007
Net premiums earned	$ 745,772	$ 440,480	$ 305,292
Net claims and claim expenses incurred	477,434	275,602	201,832
Acquisition expenses	208,175	121,191	86,984
Operational expenses	39,405	28,145	11,260
Underwriting income	$ 20,758	$ 15,542	$ 5,216
Net claims and claim expenses incurred – current accident year	$ 494,164	$ 292,389	$ 201,775
Net claims and claim expenses incurred – prior accident years	(16,730)	(16,787)	57
Net claims and claim expenses incurred – total	$ 477,434	$ 275,602	$ 201,832
Net claims and claim expense ratio – current accident year	66.3 %	66.4 %	(0.1)%
Net claims and claim expense ratio – prior accident years	(2.3)%	(3.8)%	1.5 %
Net claims and claim expense ratio – calendar year	64.0 %	62.6 %	1.4 %
Underwriting expense ratio	33.2 %	33.9 %	(0.7)%
Combined ratio	97.2 %	96.5 %	0.7 %

Casualty and Specialty Gross Premiums Written

In the six months ended June 30, 2019, our Casualty and Specialty segment gross premiums written increased by $292.2 million, or 33.3%, to $1.2 billion, compared to $877.4 million in the six months ended June 30, 2018. The increase was due to the business acquired in connection with the acquisition of the TMR Group Entities, as well as continued growth from new and existing business opportunities written in the current and prior periods across various classes of business within the segment and rate improvements.

Casualty and Specialty Ceded Premiums Written

Six months ended June 30,	2019	2018	Change
(in thousands)			
Ceded premiums written - Casualty and Specialty	$ 325,968	$ 261,756	$ 64,212

Ceded premiums written in our Casualty and Specialty segment increased by $64.2 million, to $326.0 million, in the six months ended June 30, 2019, compared to $261.8 million in the six months ended June 30, 2018, primarily resulting from increased gross premiums written subject to our retrocessional quota share reinsurance programs.

Casualty and Specialty Underwriting Results

Our Casualty and Specialty segment generated underwriting income of $20.8 million in the six months ended June 30, 2019, compared to underwriting income of $15.5 million in the six months ended June 30, 2018. In the six months ended June 30, 2019, our Casualty and Specialty segment generated a net claims and claim expense ratio of 64.0%, an underwriting expense ratio of 33.2% and a combined ratio of 97.2%, compared to 62.6%, 33.9% and 96.5%, respectively, in the six months ended June 30, 2018.

During the six months ended June 30, 2019, the increase in the Casualty and Specialty segment combined ratio was driven by an increase of 1.4 percentage points in the net claims and claim expense ratio principally the result of lower net favorable development on prior accident years net claims and claim expenses in the six months ended June 30, 2019, compared to the six months ended June 30, 2018. Partially offsetting the increase in the net claims and claim expense ratio was a 0.7 percentage point decrease in the underwriting expense ratio primarily the result of a decrease in the operating expense ratio due to improved operating leverage as a result of the business acquired in connection with the acquisition of the TMR Group Entities.

Our Casualty and Specialty segment experienced net favorable development on prior accident years net claims and claim expenses of $16.7 million, or 2.3 percentage points, during the six months ended June 30, 2019, compared to $16.8 million, or 3.8 percentage points, respectively, in the six months ended June 30, 2018. The net favorable development during the six months ended June 30, 2019 and 2018 was principally driven by reported losses coming in lower than expected. See “Note 7. Reserve for Claims and Claim Expenses” in our “Notes to the Consolidated Financial Statements” for additional information related to the development of prior accident years net claims and claim expenses.

Fee Income

Six months ended June 30,	2019	2018	Change
(in thousands)			
Management fee income			
Joint ventures	$ 19,254	$ 13,494	$ 5,760
Managed funds	10,264	5,151	5,113
Structured reinsurance products and other	18,221	16,569	1,652
Total management fee income	47,739	35,214	12,525
Performance fee income			
Joint ventures	7,756	11,047	(3,291)
Managed funds	768	1,953	(1,185)
Structured reinsurance products and other	12,732	10,168	2,564
Total performance fee income (1)	21,256	23,168	(1,912)
Total fee income	$ 68,995	$ 58,382	$ 10,613

In the six months ended June 30, 2019, total fee income increased $10.6 million, to $69.0 million, compared to $58.4 million in the six months ended June 30, 2018, primarily driven by an increase in the dollar value of capital being managed. Fee income generated by the TMR third-party capital vehicles was not material to our results of operations for the six months ended June 30, 2019.

Net Investment Income

Six months ended June 30,	2019	2018	Change
(in thousands)			
Fixed maturity investments	$ 149,589	$ 96,059	$ 53,530
Short term investments	29,651	12,937	16,714
Equity investments trading	1,943	2,188	(245)
Other investments			
Private equity investments	12,763	3,426	9,337
Other	7,875	18,681	(10,806)
Cash and cash equivalents	3,823	1,604	2,219
	205,644	134,895	70,749
Investment expenses	(8,350)	(7,063)	(1,287)
Net investment income	$ 197,294	$ 127,832	$ 69,462

Net investment income was $197.3 million in the six months ended June 30, 2019, compared to $127.8 million in the six months ended June 30, 2018, an increase of $69.5 million. Impacting our net investment income for the six months ended June 30, 2019 was improved performance in our fixed maturity and short term investment portfolios combined with higher average invested assets, primarily resulting from the acquisition of the TMR Group Entities and additional capital raised in certain of our consolidated third-party capital vehicles, and the subsequent investment of those funds as part of our consolidated investment portfolio.

Our private equity and other investment portfolios are accounted for at fair value with the change in fair value recorded in net investment income, which included net unrealized gains of $2.2 million in the six months ended June 30, 2019, compared to $8.7 million in the six months ended June 30, 2018.

Net Realized and Unrealized Gains (Losses) on Investments

Six months ended June 30,	2019	2018	Change
(in thousands)			
Gross realized gains	$ 52,885	$ 9,716	$ 43,169
Gross realized losses	(30,160)	(52,372)	22,212
Net realized gains (losses) on fixed maturity investments	22,725	(42,656)	65,381
Net unrealized gains (losses) on fixed maturity investments trading	225,913	(64,792)	290,705
Net realized and unrealized gains (losses) on investments-related derivatives	50,969	(3,326)	54,295
Net realized gains on equity investments trading	30,738	582	30,156
Net unrealized gains on equity investments trading	34,303	10,147	24,156
Net realized and unrealized gains (losses) on investments	$ 364,648	$ (100,045)	$ 464,693

Net realized and unrealized gains on investments were $364.6 million in the six months ended June 30, 2019, compared to net realized and unrealized losses of $100.0 million in the six months ended June 30, 2018, an increase of $464.7 million. Principally impacting our net realized and unrealized gains on investments in the six months ended June 30, 2019 were:

- net realized and unrealized gains on our fixed maturity investments trading of $248.6 million in the six months ended June 30, 2019, compared to net realized and unrealized losses of $107.4 million in the six months ended June 30, 2018, an increase of $356.1 million, principally driven by a downward shift in the interest rate yield curve during the six months ended June 30, 2019, compared to an upward shift in the yield curve in the six months ended June 30, 2018;
- net realized and unrealized gains on our investment-related derivatives of $51.0 million in the six months ended June 30, 2019, compared to losses of $3.3 million in the six months ended June 30, 2018, an increase of $54.3 million, principally driven by the interest rate activity noted above; and
- net realized and unrealized gains on equity investments trading of $65.0 million in the six months ended June 30, 2019, compared to $10.7 million in the six months ended June 30, 2018, an increase of $54.3 million, principally driven by higher returns on certain of our larger equity positions during the six months ended June 30, 2019.

Net Foreign Exchange Gains (Losses)

Six months ended June 30,	2019	2018	Change
(in thousands)			
Net foreign exchange gains (losses)	$ 6,463	$ (6,930)	$ 13,393

Our functional currency is the U.S. dollar. We routinely write a portion of our business in currencies other than U.S. dollars and invest a portion of our cash and investment portfolio in those currencies. In addition, and in connection with the acquisition of the TMR Group Entities, we acquired certain entities with non-U.S. dollar functional currencies. As a result, we may experience foreign exchange gains and losses in our consolidated financial statements. We are primarily impacted by the foreign currency risk exposures associated with our underwriting operations, investment portfolio, and operations with non-U.S. dollar functional currencies, and may, from time to time, enter into foreign currency forward and option contracts to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities.

Equity in Earnings of Other Ventures

Six months ended June 30,	2019	2018	Change
(in thousands)			
Top Layer Re	$ 4,607	$ 4,032	$ 575
Tower Hill Companies	4,454	3,645	809
Other	2,412	(994)	3,406
Total equity in earnings of other ventures	$ 11,473	$ 6,683	$ 4,790

Equity in earnings of other ventures was $11.5 million in the six months ended June 30, 2019, compared to $6.7 million in the six months ended June 30, 2018, an increase of $4.8 million, principally driven by improved profitability of our equity investments in a select group of insurance and insurance-related companies within the other category.

Other Income (Loss)

Six months ended June 30,	2019	2018	Change
(in thousands)			
Assumed and ceded reinsurance contracts accounted for as derivatives and deposits	$ 3,865	$ (736)	4,601
Other	228	719	(491)
Total other income (loss)	$ 4,093	$ (17)	$ 4,110

In the six months ended June 30, 2019, we generated other income of $4.1 million, compared to an other loss of $17 thousand in the six months ended June 30, 2018, an increase of $4.1 million, driven by our assumed and ceded reinsurance contracts accounted for as derivatives and deposits.

Corporate Expenses

Six months ended June 30,	2019	2018	Change
(in thousands)			
Corporate expenses	$ 62,636	$ 15,034	$ 47,602

Corporate expenses include certain executive, director, legal and consulting expenses, costs for research and development, costs associated with corporate acquisitions, impairment charges related to goodwill and other intangible assets, and other miscellaneous costs, including those associated with operating as a publicly traded company. Corporate expenses increased $47.6 million, to $62.6 million, in the six months ended June 30, 2019, compared to $15.0 million in the six months ended June 30, 2018. During the six months ended June 30, 2019, we recorded $40.0 million of corporate expenses associated with the acquisition of the TMR Group Entities, comprised of $15.9 million of compensation-related costs, $14.8 million of transaction-related costs and $9.3 million of integration-related costs.

Income Tax Expense

Six months ended June 30,	2019	2018	Change
(in thousands)			
Income tax expense	$ (17,006)	$ (1,099)	$ (15,907)

In the six months ended June 30, 2019, we recognized an income tax expense of $17.0 million, compared to $1.1 million in the six months ended June 30, 2018. The income tax expense in the six months ended June 30, 2019 was principally driven by investment gains in our U.S. based operations.

Net Income Attributable to Redeemable Noncontrolling Interests

Six months ended June 30,	2019	2018	Change
(in thousands)			
Net income attributable to redeemable noncontrolling interests	$ (142,034)	$ (84,382)	$ (57,652)

Our net income attributable to redeemable noncontrolling interests was $142.0 million in the six months ended June 30, 2019, compared to $84.4 million in the six months ended June 30, 2018, a change of $57.7 million. The increase was primarily driven by the results of operations of Vermeer being included in net income attributable to redeemable noncontrolling interests in the six months ended June 30, 2019, combined with DaVinciRe generating higher underwriting income and higher total investment results.

LIQUIDITY AND CAPITAL RESOURCES

Financial Condition

RenaissanceRe is a holding company, and we therefore rely on dividends from our subsidiaries and investment income to make principal and interest payments on our debt and to make dividend payments to our preference and common shareholders. The payment of dividends by our subsidiaries is, under certain circumstances, limited by the applicable laws and regulations in the various jurisdictions in which our subsidiaries operate, including Bermuda, the U.S., the U.K., Switzerland, Australia and Ireland. For example, insurance laws require our insurance subsidiaries to maintain certain measures of solvency and liquidity. The regulations governing our and our principal operating subsidiaries' ability to pay dividends are discussed in detail in "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Liquidity and Capital Resources, Financial Condition" and "Note 17. Statutory Requirements" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2018.

In the aggregate, our principal operating subsidiaries have historically produced sufficient cash flows to meet their expected claims payments and operational expenses and to provide dividend payments to us. Our subsidiaries also maintain a concentration of investments in high quality liquid securities, which management believes will provide additional liquidity for extraordinary claims payments should the need arise. See "Capital Resources" section below.

Dividends and return of capital by our principal operating subsidiaries to RenaissanceRe, net of capital contributions by RenaissanceRe to our principal operating subsidiaries, were $509.4 million during the six months ended June 30, 2019 (2018 - $79.7 million).

During late 2018 we experienced significant losses from large loss events and as we would expect following events of this magnitude, it was necessary for RenaissanceRe to contribute capital to certain of its principal operating subsidiaries to ensure they were able to maintain levels of capital adequacy and liquidity in compliance with various laws and regulations, support rating agency capital requirements, pay valid claims quickly and be adequately capitalized to pursue business opportunities as they arise. We believe RenaissanceRe and our principal operating subsidiaries continue to be adequately capitalized following the events noted above.

Group Supervision

The Bermuda Monetary Authority ("BMA") is our group supervisor. Under the Insurance Act 1978, amendments thereto and related regulations of Bermuda (collectively, the "Insurance Act"), we are required to maintain capital at a level equal to our enhanced capital requirement ("ECR"), which is established by reference to the Bermuda Solvency Capital Requirement (the "BSCR") model. The BSCR is a mathematical model designed to give the BMA robust methods for determining an insurer's capital adequacy. Underlying the BSCR is the belief that all insurers should operate on an ongoing basis with a view to maintaining their capital at a prudent level in excess of the minimum solvency margin otherwise prescribed under the Insurance Act. At June 30, 2019, we believe the statutory capital and surplus of our group exceeded the minimum amount required to be maintained under Bermuda law. Our 2018 group BSCR was filed with the

BMA in advance of the May 31, 2019 filing deadline, and we exceeded the minimum amount required to be maintained under Bermuda law.

Class 3A, 3B and 4 insurers and insurance groups are also required to prepare and publish a financial condition report (“FCR”). The FCR provides, among other things, details of measures governing the business operations, corporate governance framework and solvency and financial performance of the insurer or insurance group. We received approval from the BMA to file a consolidated group FCR, inclusive of our Bermuda-domiciled insurance subsidiaries and Top Layer Re. Our most recent FCR is available on our website.

Bermuda

Bermuda regulations require BMA approval for any reduction of capital in excess of 15% of statutory capital, as defined in the Insurance Act. The Insurance Act also requires the Bermuda insurance subsidiaries of RenaissanceRe to maintain certain measures of solvency and liquidity. At June 30, 2019, we believe the statutory capital and surplus of our Bermuda insurance subsidiaries exceeded the minimum amount required to be maintained under Bermuda law.

Under the Insurance Act, RenaissanceRe Specialty U.S. and Vermeer are defined as Class 3B insurers, and DaVinci and Renaissance Reinsurance are classified as Class 4 insurers, and must each maintain capital at a level equal to an ECR which is established by reference to the BSCR model. The 2018 BSCR for DaVinci, Renaissance Reinsurance and RenaissanceRe Specialty U.S. was filed with the BMA on or before the April 30, 2019 filing deadline, and each company exceeded the minimum amount required to be maintained under Bermuda law. Vermeer was not required to file a BSCR for 2018. In addition, audited annual financial statements prepared in accordance with GAAP for each of DaVinci, Renaissance Reinsurance, RenaissanceRe Specialty U.S. and Vermeer are filed prior to April 30 of each year with the BMA, if applicable, and are available free of charge on the BMA’s website. RenaissanceRe Europe’s Bermuda branch is also registered as a Class 3B insurer under the Insurance Act. However, for the year ended December 31, 2018, it applied for and was granted exemptions and modifications to the requirements to file an annual statutory financial return, maintain minimum levels of statutory capital and surplus and file a capital and solvency return.

U.K.

As a member of Lloyd’s, the underwriting capacity, or stamp capacity, of Syndicate 1458 must be supported by providing a deposit in the form of cash, securities or letters of credit, which are referred to as Funds at Lloyd’s (“FAL”). The amount of FAL is determined by Lloyd’s and is based on Syndicate 1458’s solvency and capital requirement as calculated through its internal model. In addition, if the FAL are not sufficient to cover all losses, the Lloyd’s Central Fund provides an additional level of security for policyholders. At June 30, 2019, the FAL required to support the underwriting activities at Lloyd’s through Syndicate 1458 was £514.4 million (December 31, 2018 - £427.5 million). Actual FAL posted for Syndicate 1458 at June 30, 2019 was £539.6 million, supported by a $255.0 million letter of credit and a $430.0 million deposit of cash and fixed maturity securities (December 31, 2018 - $180.0 million and $390.8 million, respectively). See “Note 8. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” for additional information related to this letter of credit facility.

RenaissanceRe Europe’s U.K. branch is authorized by the Prudential Regulation Authority (the “PRA”), and is regulated by both the PRA and Financial Conduct Authority (the “FCA”). It is subject to the Solvency II regime and applied for and was granted a modification of the rules for the year ended December 31, 2018.

RenaissanceRe UK is authorized by the PRA, and is regulated by both the PRA and FCA. RenaissanceRe UK is subject to the Solvency II regime and applied for and was granted waivers of certain reporting requirements for the year ended December 31, 2018, including in respect of group supervision. As of December 31, 2018 it met its minimum capital and surplus requirements. RenaissanceRe UK was required to prepare a FCR for the year ended December 31, 2018, which is available on our website.

U.S.

Renaissance Reinsurance U.S. is domiciled in Maryland, which has adopted the NAIC's model law that uses a risk-based capital ("RBC") model to monitor and regulate the solvency of licensed life, health, and property and casualty insurance and reinsurance companies. The RBC calculation is used to measure an insurer's capital adequacy with respect to the risk characteristics of the insurer's premiums written and net claims and claim expenses, rate of growth and quality of assets, among other measures. At June 30, 2019, we believe the statutory capital and surplus of Renaissance Reinsurance U.S. exceeded the minimum capital adequacy level required to be maintained under U.S. law.

Renaissance Reinsurance U.S. is subject to certain restrictions on its ability to pay dividends pursuant to Maryland law, including making appropriate filings with and obtaining certain approvals from its regulator. During 2019, Renaissance Reinsurance U.S. will have an ordinary dividend capacity of $31.2 million (2018 - $24.1 million).

RenaissanceRe Europe’s U.S. branch is required to file financial statements prepared in accordance with statutory accounting practices prescribed or permitted by the U.S. insurance regulators. Its minimum required statutory capital and surplus is based on the greater of the RBC level that would trigger regulatory action or minimum requirements per state insurance regulation. At June 30, 2019, we believe RenaissanceRe Europe’s U.S. branch exceeded the minimum required statutory capital and surplus requirement and also exceeded the RBC minimum required level.

RenaissanceRe Europe’s U.S. branch does not pay ordinary dividends and would need approval from the New York State Department of Financial Services for any return of capital to RenaissanceRe Europe.

Switzerland

RenaissanceRe Europe is regulated by the Swiss Financial Market Supervisory Authority (“FINMA”) pursuant to the Insurance Supervision Act. Its accounts are prepared in accordance with the Swiss Code of Obligations, the Insurance Supervision Act and the Insurance Supervision Ordinance. RenaissanceRe Europe is obligated to maintain a minimum level of capital based on the Swiss Code of Obligations and Insurance Supervision Act. In addition, it is required to perform a minimum solvency margin calculation based on the Swiss Solvency Test (“SST”) regulations as stipulated by the Insurance Supervision Act and the Insurance Supervision Ordinance. The SST is based on an economic view and required capital is derived from a combination of internal and standard models. The amount of dividends that RenaissanceRe Europe is permitted to distribute is restricted to freely distributable reserves which consist of retained earnings and the current year profit. The solvency and capital requirements must still be met following any distribution. At June 30, 2019, we believe RenaissanceRe Europe exceeded the minimum solvency and capital requirements required to be maintained under Swiss law. RenaissanceRe Europe was required to prepare a FCR for the year ended December 31, 2018, which is available on our website.

Australia

RenaissanceRe Europe’s Australia branch is regulated by the Australian Prudential Regulation Authority (“APRA”) and is authorized to carry on insurance business under subsection 12(2) of the Insurance Act 1973. RenaissanceRe Europe’s Australia branch’s regulatory reporting is prepared in accordance with the Australian Accounting Standards and APRA Prudential Standards. APRA Prudential Standards require the maintenance of net assets in Australia in excess of a calculated Prescribed Capital Amount (“PCA”). The net assets in Australia at June 30, 2019 were above the PCA estimated under the APRA Prudential Standards.

Top Layer Re

Renaissance Reinsurance is obligated to make a mandatory capital contribution of up to $50.0 million in the event that a loss reduces Top Layer Re’s capital below a specified level.

Liquidity and Cash Flows

Holding Company Liquidity

As a Bermuda-domiciled holding company, RenaissanceRe has limited operations of its own and its assets consist primarily of investments in subsidiaries, and, to a degree, cash and securities in amounts which fluctuate over time. Accordingly, RenaissanceRe’s future cash flows largely depend on the availability of dividends or other statutorily permissible payments from our subsidiaries. As discussed above, the ability to pay such dividends is limited by the applicable laws and regulations in the various jurisdictions in which our subsidiaries operate.

RenaissanceRe’s principal uses of liquidity are: (1) common share related transactions including dividend payments to our common shareholders and common share repurchases, (2) preference share related transactions including dividend payments to our preference shareholders and preference share redemptions, (3) interest and principal payments on debt, (4) capital investments in our subsidiaries, (5) acquisition of new or existing companies or businesses, such as our recent acquisition of the TMR Group Entities and (6) certain corporate and operating expenses.

We attempt to structure our organization in a way that facilitates efficient capital movements between RenaissanceRe and our operating subsidiaries and to ensure that adequate liquidity is available when required, giving consideration to applicable laws and regulations, and the domiciliary location of sources of liquidity and related obligations.

Sources of Liquidity

Historically, cash receipts from operations, consisting of premiums and investment income, have provided sufficient funds to pay losses and operating expenses of our subsidiaries and to fund dividends to RenaissanceRe. The premiums received by our operating subsidiaries are generally received months or even years before losses are paid under the policies related to such premiums. Premiums and acquisition expenses generally are received within the first two years of inception of a contract while operating expenses are generally paid within a year of being incurred. It generally takes much longer for claims and claims expenses to be reported and ultimately settled, requiring the establishment of reserves for claims and claim expenses. Therefore, the amount of claims paid in any one year is not necessarily related to the amount of net claims incurred in that year, as reported in the consolidated statement of operations.

While we expect that our liquidity needs will continue to be met by our cash receipts from operations, as a result of the combination of current market conditions, lower than usual investment yields, and the nature of our business where a large portion of the coverages we provide can produce losses of high severity and low frequency, future cash flows from operating activities cannot be accurately predicted and may fluctuate significantly between individual quarters and years. In addition, due to the magnitude and complexity of certain large loss events, meaningful uncertainty remains regarding losses from these events and our actual ultimate net losses from these events may vary materially from preliminary estimates, which would impact our cash flows from operations.

Our “shelf” registration statement on Form S-3 under the Securities Act allows for the public offering of various types of securities, including common shares, preference shares and debt securities, and thus provides a source of liquidity. Because we are a “well-known seasoned issuer” as defined by the rules promulgated under the Securities Act, we are also eligible to file additional automatically effective registration statements on Form S-3 in the future for the potential offering and sale of an unlimited amount of debt and equity securities.

In addition, we maintain letter of credit facilities which provide liquidity. Refer to “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, Liquidity and Capital Resources, Capital Resources” in our Form 10-K for the year ended December 31, 2018 and “Part I, Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, Capital Resources” in our Form 10-Q for the six months ended June 30, 2019 for details of these facilities.

Cash Flows

Six months ended June 30,	2019	2018
(in thousands)		
Net cash provided by operating activities	$ 783,969	$ 349,111
Net cash used in investing activities	(2,076,974)	(1,421,932)
Net cash provided by financing activities	856,243	262,202
Effect of exchange rate changes on foreign currency cash	(534)	(2,501)
Net decrease in cash and cash equivalents	(437,296)	(813,120)
Cash and cash equivalents, beginning of period	1,107,922	1,361,592
Cash and cash equivalents, end of period	$ 670,626	$ 548,472

2019

During the six months ended June 30, 2019, our cash and cash equivalents decreased by $437.3 million, to $670.6 million at June 30, 2019, compared to $1.1 billion at December 31, 2018.

Cash flows provided by operating activities. Cash flows provided by operating activities during the six months ended June 30, 2019 were $784.0 million, compared to cash flows used by operating activities of $349.1 million during the six months ended June 30, 2018. Cash flows provided by operating activities during the six months ended June 30, 2019 were primarily the result of certain adjustments to reconcile our net income of $802.0 million to net cash provided by operating activities, including:

- an increase in reinsurance balances payable of $1.1 billion principally driven by the issuance of non-voting preference shares to investors in Upsilon RFO, which are accounted for as prospective reinsurance and included in reinsurance balances payable on our consolidated balance sheet. See “Note 10. Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares;
- an increase in unearned premiums of $882.9 million due the growth in gross premiums written across both our Property and Casualty and Specialty segments, combined with the timing of the January and June renewals; partially offset by
- increases in premiums receivable of $965.8 million due to the timing of receipts of our gross premiums written;
- an increase of $402.6 million in our prepaid reinsurance premiums due to ceded premiums written associated with the January and June renewals;
- a decrease in other operating cash flows of $321.3 million primarily reflecting subscriptions received in advance of the issuance of Upsilon RFO’s non-voting preference shares effective January 1, 2019, which were recorded in other liabilities at December 31, 2018. During the first six months of 2019, in connection with the issuance of the non-voting preference shares of Upsilon RFO, other liabilities were reduced by the subscriptions received in advance, and reinsurance balances payable were increased by an offsetting amount, with corresponding impacts to other operating cash flows and the change in reinsurance balances payable, as noted above, on our consolidated statements of cash flows for the first six months of 2019. See “Note 10. Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares; and
- net realized and unrealized gains on investments of $364.6 million principally due to improved performances from our fixed maturity, public equity and investments-related derivative portfolios.

Cash flows used in investing activities. During the six months ended June 30, 2019, our cash flows used in investing activities were $2.1 billion, principally reflecting net purchases of short term investments and other investments of $2.0 billion and $133.9 million, respectively, partially offset by net sales of fixed maturity investments and equity investments of $175.3 million and $125.6 million, respectively. The net purchase of short term investments was funded in part by the capital received from investors in Upsilon RFO and the net sales of fixed maturity and equity investments, as noted above. The net purchase of other investments during the six months ended June 30, 2019, was primarily driven by an increased allocation to catastrophe bonds. In addition, we completed our acquisition of the TMR Group Entities on March 22, 2019, resulting in a net cash outflow of $276.2 million, comprised of cash consideration paid by RenaissanceRe as acquisition consideration of $813.6 million, net of cash acquired from the TMR Group Entities of $537.4 million. See “Note 3. Acquisition of Tokio Millennium Re” in our “Notes to the Consolidated Financial Statements” for additional information related to the acquisition of the TMR Group Entities.

Cash flows provided by financing activities. Our cash flows provided by financing activities in the six months ended June 30, 2019 were $856.2 million, and were principally the result of:

- net inflows of $396.4 million associated with the April 2, 2019 issuance of $400.0 million of our 3.600% Senior Notes due April 15, 2029;
- net inflows of $514.7 million related to a net contribution of capital from third-party shareholders, principally in DaVinciRe, Medici, Vermeer and Upsilon RFO; partially offset by
- dividends paid on our common and preference shares of $29.4 million and $18.4 million, respectively.

2018

During the six months ended June 30, 2018, our cash and cash equivalents decreased $813.1 million, to $548.5 million at June 30, 2018, compared to $1.4 billion at December 31, 2017.

Cash flows provided by operating activities. Cash flows provided by operating activities during the six months ended June 30, 2018 were $349.1 million, compared to $321.0 million during the six months ended June 30, 2017. Cash flows provided by operating activities during the six months ended June 30, 2018 were primarily the result of certain adjustments to reconcile our net income of $344.1 million to net cash provided by operating activities, including:

- an increase in reinsurance balances payable of $1.1 billion principally driven by the issuance of non-voting preference shares to investors in Upsilon RFO, following capital being deployed in the vehicle, which are accounted for as prospective reinsurance and included in reinsurance balances payable on our consolidated balance sheet. See “Note 10. Variable Interest Entities” for additional information related to Upsilon RFO’s non-voting preference shares;
- an increase in unearned premiums of $789.8 million due to the timing of renewals;
- net realized and unrealized losses on investments of $100.0 million principally related to our portfolio of fixed maturity investments which experienced an upward shift in the interest rate yield curve during the six months ended June 30, 2018; partially offset by
- increases in premiums receivable and deferred acquisition costs of $655.0 million and $84.6 million, respectively, due to the timing of payments of our gross premiums written and amortization of deferred acquisition costs, respectively;
- a decrease in other operating cash flows of $611.6 million primarily reflecting subscriptions received in advance of the issuance of Upsilon RFO’s non-voting preference shares effective January 1, 2018, which were recorded in other liabilities at December 31, 2017. During the six months ended June 30, 2018, in connection with the issuance of the non-voting preference shares of Upsilon RFO, other liabilities were reduced by the subscriptions received in advance, and reinsurance balances payable were increased by an offsetting amount, with corresponding impacts to other operating cash flows and the change in reinsurance balances payable on our consolidated statements of cash flows for the six months ended June 30, 2018, as discussed above. See “Note 10. Variable Interest Entities” for additional information related to Upsilon RFO’s non-voting preference shares;
- an increase of $392.0 million in our prepaid reinsurance premiums due to ceded premiums written associated renewals in the six months ended June 30, 2018; and
- a decrease in our reserve for claims and claim expenses of $378.1 million as a result of claims and claims expenses incurred of $302.7 million during the six months ended June 30, 2018, more than offset by claims payments of $672.1 million, largely associated with the 2017 Large Loss Events.

Cash flows used in investing activities. During the six months ended June 30, 2018, our cash flows used in investing activities were $1,421.9 million, principally reflecting net purchases of short term, fixed maturity and other investments of $1,062.4 million, $200.8 million and $111.9 million, respectively. The net purchase of short term and fixed maturity investments was funded in part by the capital received from investors in Upsilon RFO, as discussed above, and the proceeds from the issuance of our 5.750% Series F Preference Shares, as discussed below. In addition, we increased our allocation to other investments during the six months ended June 30, 2018.

Cash flows provided by financing activities. Our cash flows provided by financing activities in the six months ended June 30, 2018 were $262.2 million, and were principally the result of:

- net inflows of $242.4 million associated with the issuance of $250.0 million of Depositary Shares (each representing a 1/1000th interest in a share of our 5.750% Series F Preference Shares), net of underwriting discount;
- net inflows of $64.5 million related to a net contribution of capital from third-party shareholders, principally in Medici; partially offset by
- dividends paid on our common and preference shares of $26.5 million and $11.2 million, respectively.

Capital Resources

In the normal course of our operations, we may from time to evaluate additional share or debt issuances given prevailing market conditions and capital management strategies, including for our operating subsidiaries and joint ventures. In addition, we enter into agreements with financial institutions to obtain letter of credit facilities for the benefit of our operating subsidiaries in their reinsurance and insurance business.

Our total shareholders' equity attributable to RenaissanceRe and debt was as follows:

(in thousands)	At June 30, 2019	At December 31, 2018	Change
Common shareholders' equity	$ 5,262,842	$ 4,395,080	$ 867,762
Preference shares	650,000	650,000	—
Total shareholders' equity attributable to RenaissanceRe	5,912,842	5,045,080	867,762
3.600% Senior Notes due 2029	391,016	—	391,016
3.450% Senior Notes due 2027	296,043	295,797	246
3.700% Senior Notes due 2025	297,871	297,688	183
5.750% Senior Notes due 2020	249,766	249,602	164
4.750% Senior Notes due 2025 (DaVinciRe) (1)	148,194	148,040	154
Total debt	$ 1,382,890	$ 991,127	$ 391,763
Total shareholders' equity attributable to RenaissanceRe and debt	$ 7,295,732	$ 6,036,207	$ 1,259,525

(1) RenaissanceRe owns a noncontrolling economic interest in its joint venture DaVinciRe. Because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of RenaissanceRe. However, RenaissanceRe does not guarantee or provide credit support for DaVinciRe and RenaissanceRe's financial exposure to DaVinciRe is limited to its investment in DaVinciRe's shares and counterparty credit risk arising from reinsurance transactions.

During the six months ended June 30, 2019, our total shareholders' equity attributable to RenaissanceRe and debt increased by $1.3 billion, to $7.3 billion.

Our shareholders' equity attributable to RenaissanceRe increased $867.8 million during the six months ended June 30, 2019 principally as a result of:

- our comprehensive income attributable to RenaissanceRe of $657.5 million;

- the issuance of 1,739,071 of our common shares to Tokio in connection with the TMR Stock Purchase; and partially offset by
- $29.4 million and $18.4 million of dividends on our common and preference shares, respectively.

Our debt increased $391.8 million during the six months ended June 30, 2019 principally as a result of the April 2, 2019 issuance of $400.0 million of 3.600% Senior Notes due April 15, 2029. The net proceeds from this offering were used to repay, in full, the $200.0 million that was outstanding under our revolving credit agreement at March 31, 2019, and the remainder of the net proceeds will be used for general corporate purposes. See “Note 3. Acquisition of Tokio Millennium Re” in our “Notes to the Consolidated Financial Statements” for additional information regarding the acquisition of the TMR Group Entities and “Note 8. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” for additional information regarding the issuance of our 3.600% Senior Notes Due 2029.

Credit Facilities

The outstanding amounts drawn under each of our significant credit facilities is set forth below:

At June 30, 2019		Issued or Drawn
RenaissanceRe Revolving Credit Facility (1)	$	—
Uncommitted Standby Letter of Credit Facility with Wells Fargo		32,009
Secured Letter of Credit Facility with Citibank Europe		238,267
Renaissance Reinsurance FAL Facility		255,000
Mizuho Letters of Credit (2)		188,873
Mitsubishi Letters of Credit (2)		154,521
Credit Suisse Letter of Credit Facility		111,052
Uncommitted, Unsecured Letter of Credit Facility with Citibank Europe		221,909
Total credit facilities in U.S. dollars	$	1,201,631
Specialty Risks FAL Facility (1)	£	—
Total credit facilities in pound sterling	£	—

(1) At June 30, 2019, no amounts were issued or drawn under these facilities.

(2) These letters of credit were transferred to us in connection with the acquisition of the TMR Group Entities. See “Note 3. Acquisition of Tokio Millennium Re” in our “Notes to the Consolidated Financial Statements” for additional information related to the acquisition of the TMR Group Entities.

During the six months ended June 30, 2019, we amended certain of our existing credit facilities and entered into several new credit facilities following the TMR Stock Purchase to address the need to transfer or replace certain letters of credit that were transferred to us as a result of the acquisition of the TMR Group Entities. In addition, we exercised our option to increase the FAL Facility letter of credit by $75.0 million. The material amendments to the existing credit facilities and new credit facilities are described further in “Note 8. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements”. There have been no other material changes to our credit facilities as disclosed in our Form 10-K for the year ended December 31, 2018.

For additional information related to the terms of our debt and significant credit facilities, see “Note 8. Debt and Credit Facilities” in our “Notes to Consolidated Financial Statements” and “Note 8. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” in our Form 10-K for the year ended December 31, 2018. Refer to “Note 11. Shareholders’ Equity” in our “Notes to the Consolidated Financial Statements” in our Form 10-K for additional information related to our common and preference shares.

Multi-Beneficiary Reinsurance Trusts

Assets held under trust at June 30, 2019 with respect to our multi-beneficiary reinsurance trusts totaled $1.3 billion and $331.7 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2018 - $1.2 billion and $385.8 million, respectively), compared to the minimum amount required under U.S. state regulations of $894.5 million and $247.5 million, respectively, at June 30, 2019 (December 31, 2018 - $1.1 billion and $356.9 million, respectively).

Multi-Beneficiary Reduced Collateral Reinsurance Trusts

Assets held under trust at June 30, 2019 with respect to our multi-beneficiary reduced collateral reinsurance trusts totaled $51.5 million and $38.5 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2018 - $50.3 million and $63.2 million, respectively), compared to the minimum amount required under U.S. state regulations of $38.1 million and $30.6 million, respectively (December 31, 2018 - $36.8 million and $26.9 million, respectively).

Ratings

Financial strength ratings are important to the competitive position of reinsurance and insurance companies. We have received high long-term issuer credit and financial strength ratings from A.M. Best Company, Inc. (“A.M. Best”), S&P Global Ratings (“S&P”), Moody’s Investors Service (“Moody’s”) and Fitch Ratings Ltd. (“Fitch”), as applicable. These ratings represent independent opinions of an insurer’s financial strength, operating performance and ability to meet policyholder obligations, and are not an evaluation directed toward the protection of investors or a recommendation to buy, sell or hold any of our securities. Rating organizations continually review the financial positions of our principal operating subsidiaries and joint ventures and ratings may be revised or revoked by the agencies which issue them.

The ratings of our principal operating subsidiaries and joint ventures and the Enterprise Risk Management rating of RenaissanceRe as of July 19, 2019 are presented below.

	A.M. Best	S&P	Moody’s	Fitch
Renaissance Reinsurance Ltd. (1)	A+	A+	A1	A+
DaVinci Reinsurance Ltd. (1)	A	A+	A3	—
Renaissance Reinsurance of Europe Unlimited Company (1)	A+	A+	—	—
Renaissance Reinsurance U.S. Inc. (1)	A+	A+	—	—
RenaissanceRe Europe AG (1)	A+	A+	—	—
RenaissanceRe Specialty U.S. (1)	A+	A+	—	—
RenaissanceRe (UK) Limited	—	A+	—	—
Top Layer Reinsurance Ltd. (1)	A+	AA	—	—
Vermeer Reinsurance Ltd. (1)	A	—	—	—
RenaissanceRe Syndicate 1458	—	—	—	—
Lloyd's Overall Market Rating (2)	A	A+	—	AA-
RenaissanceRe (3)	Very Strong	Very Strong	—	—

(1) The A.M. Best, S&P, Moody's and Fitch ratings for the companies set forth in the table above reflect the insurer's financial strength rating and, in addition to the insurer’s financial strength rating, the S&P ratings reflect the applicable insurer's long-term issuer credit rating.

(2) The A.M. Best, S&P and Fitch ratings for the Lloyd's Overall Market Rating represent Syndicate 1458's financial strength rating.

(3) The A.M. Best rating for RenaissanceRe reflects a very strong Enterprise Risk Management ("ERM") score within A.M. Best’s credit ratings methodology. The S&P rating for RenaissanceRe represents the rating on its ERM practices.

On March 22, 2019, following the closing of the acquisition of the TMR Group Entities, A.M. Best removed from under review with developing implications and affirmed the long-term issuer credit and financial strength ratings of RenaissanceRe, Renaissance Reinsurance, Davinci, Renaissance Reinsurance U.S., RenaissanceRe Specialty U.S. and Renaissance Reinsurance of Europe, affirmed the ratings of Vermeer, and aligned the ratings of RenaissanceRe Europe with those of our other entities. The ratings were assigned a “stable” outlook.

On March 25, 2019, S&P revised its outlook on RenaissanceRe and its operating subsidiaries to stable from negative. In addition, S&P removed its ratings on RenaissanceRe Europe from CreditWatch with negative implications, where they were placed on November 2, 2018, and affirmed its "A+" issuer credit rating and financial strength rating on RenaissanceRe Europe. The ratings on RenaissanceRe UK remain on CreditWatch negative, where they were placed on November 2, 2018.

As of July 19, 2019, there were no other material changes to our ratings as disclosed in our Form 10-K for the year ended December 31, 2018.

Reserve for Claims and Claim Expenses

We believe the most significant accounting judgment made by management is our estimate of claims and claim expense reserves. Claims and claim expense reserves represent estimates, including actuarial and statistical projections at a given point in time, of the ultimate settlement and administration costs for unpaid claims and claim expenses arising from the insurance and reinsurance contracts we sell. We establish our claims and claim expense reserves by taking claims reported to us by insureds and ceding companies, but which have not yet been paid ("case reserves"), adding IBNR and, if deemed necessary, adding costs for additional case reserves. Additional case reserves represent our estimates for claims related to specific contracts previously reported to us which we believe may not be adequately estimated by the client as of that date, or adequately covered in the setting of IBNR.

Our reserving techniques, assumptions and processes differ among our Property and Casualty and Specialty segments. See "Note 7. Reserve for Claims and Claim Expenses" in our "Notes to the Consolidated Financial Statements" included herein for more information on prior year development of the reserve for claims and claim expenses and analysis of our incurred and paid claims development for each of our Property and Casualty and Specialty segments. See "Note 7. Reserve for Claims and Claim Expenses" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2018 for more information on the risks we insure and reinsure, the reserving techniques, assumptions and processes we follow to estimate our claims and claim expense reserves, prior year development of the reserve for claims and claim expenses, analysis of our incurred and paid claims development and claims duration information for each of our Property and Casualty and Specialty segments. In addition, refer to "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, Summary of Critical Accounting Estimates, Claims and Claim Expense Reserves" in our Form 10-K for the year ended December 31, 2018 for more information on the reserving techniques, assumptions and processes we follow to estimate our claims and claim expense reserves, our current estimates versus our initial estimates of our claims reserves, and sensitivity analysis for each of our Property and Casualty and Specialty segments.

Investments

The table below shows our invested assets:

(in thousands, except percentages)	June 30, 2019		December 31, 2018		Change
U.S. treasuries	$ 3,961,306	24.2%	$ 3,331,411	28.0%	$ 629,895
Agencies	334,923	2.0%	174,883	1.5%	160,040
Municipal	2,859	—%	6,854	0.1%	(3,995)
Non-U.S. government	370,505	2.3%	279,818	2.4%	90,687
Non-U.S. government-backed corporate	207,668	1.3%	160,063	1.3%	47,605
Corporate	3,268,511	19.9%	2,450,244	20.6%	818,267
Agency mortgage-backed	1,167,735	7.1%	817,880	6.8%	349,855
Non-agency mortgage-backed	266,963	1.6%	278,680	2.4%	(11,717)
Commercial mortgage-backed	374,584	2.3%	282,294	2.4%	92,290
Asset-backed	524,612	3.2%	306,743	2.6%	217,869
Total fixed maturity investments, at fair value	10,479,666	63.9%	8,088,870	68.1%	2,390,796
Short term investments, at fair value	4,579,171	28.0%	2,586,520	21.8%	1,992,651
Equity investments trading, at fair value	273,646	1.7%	310,252	2.6%	(36,606)
Other investments, at fair value	955,437	5.8%	784,933	6.5%	170,504
Total managed investment portfolio	16,287,920	99.4%	11,770,575	99.0%	4,517,345
Investments in other ventures, under equity method	100,396	0.6%	115,172	1.0%	(14,776)
Total investments	$ 16,388,316	100.0%	$ 11,885,747	100.0%	$ 4,502,569

At June 30, 2019, we held investments totaling $16.4 billion, compared to $11.9 billion at December 31, 2018. In connection with the acquisition of the TMR Group Entities, we acquired total investments with a fair market value of $2.3 billion on March 22, 2019, the date of acquisition. Our investment guidelines stress preservation of capital, market liquidity, and diversification of risk. Notwithstanding the foregoing, our investments are subject to market-wide risks and fluctuations, as well as to risks inherent in particular securities. In addition to the information presented above and below, see “Note 4. Investments” and “Note 5. Fair Value Measurements” in our “Notes to the Consolidated Financial Statements” for additional information regarding our investments and the fair value measurement of our investments, respectively.

As the reinsurance coverages we sell include substantial protection for damages resulting from natural and man-made catastrophes, as well as for potentially large casualty and specialty exposures, we expect from time to time to become liable for substantial claim payments on short notice. Accordingly, our investment portfolio as a whole is structured to seek to preserve capital and provide a high level of liquidity, which means that the large majority of our investment portfolio consists of highly rated fixed income securities, including U.S. treasuries, agencies, municipals, highly rated sovereign and supranational securities, high-grade corporate securities and mortgage-backed and asset-backed securities. We also have an allocation to publicly traded equities reflected on our consolidated balance sheet as equity investments trading and an allocation to other investments (including catastrophe bonds, private equity investments, senior secured bank loan funds and hedge funds). At June 30, 2019, our portfolio of equity investments trading totaled $273.6 million, or 1.7%, of our total investments (December 31, 2018 - $310.3 million or 2.6%). Our portfolio of other investments totaled $955.4 million, or 5.8%, of our total investments at June 30, 2019 (December 31, 2018 - $784.9 million or 6.5%).

Other Investments

The table below shows our portfolio of other investments:

(in thousands)	June 30, 2019	December 31, 2018	Change
Catastrophe bonds	$ 652,668	$ 516,571	$ 136,097
Private equity investments	270,246	242,647	27,599
Senior secured bank loan funds	20,591	14,482	6,109
Hedge funds	11,932	11,233	699
Total other investments	$ 955,437	$ 784,933	$ 170,504

We account for our other investments at fair value in accordance with FASB ASC Topic *Financial Instruments.* The fair value of certain of our fund investments, which principally include private equity funds, senior secured bank loan funds and hedge funds, is recorded on our consolidated balance sheet in other investments, and is generally established on the basis of the net valuation criteria established by the managers of such investments, if applicable. The net valuation criteria established by the managers of such investments is established in accordance with the governing documents of such investments. Many of our fund investments are subject to restrictions on redemptions and sales which are determined by the governing documents and limit our ability to liquidate these investments in the short term.

Some of our fund managers and fund administrators are unable to provide final fund valuations as of our current reporting date. We typically experience a reporting lag to receive a final net asset value report of one month for our hedge funds and senior secured bank loan funds and three months for private equity funds, although we have occasionally experienced delays of up to six months at year end, as the private equity funds typically complete their year-end audits before releasing their final net asset value statements.

In circumstances where there is a reporting lag between the current period end reporting date and the reporting date of the latest fund valuation, we estimate the fair value of these funds by starting with the prior month or quarter-end fund valuations, adjusting these valuations for actual capital calls, redemptions or distributions, and the impact of changes in foreign currency exchange rates, and then estimating the return for the current period. In circumstances in which we estimate the return for the current period, all information available to us is utilized. This principally includes using preliminary estimates reported to us by our fund managers, obtaining the valuation of underlying portfolio investments where such underlying investments are publicly traded and therefore have a readily observable price, using information that is available to us with respect to the underlying investments, reviewing various indices for similar investments or asset classes, and estimating returns based on the results of similar types of investments for which we have obtained reported results, or other valuation methods, where possible. Actual final fund valuations may differ, perhaps materially so, from our estimates and these differences are recorded in our consolidated statement of operations in the period in which they are reported to us as a change in estimate. Included in net investment income for the six months ended June 30, 2019 is a loss of $5.6 million (2018 - income of $0.4 million) representing the change in estimate during the period related to the difference between our estimated net investment income due to the lag in reporting discussed above and the actual amount as reported in the final net asset values provided by our fund managers.

Our estimate of the fair value of catastrophe bonds is based on quoted market prices, or when such prices are not available, by reference to broker or underwriter bid indications. See “Note 5. Fair Value Measurements” in our “Notes to the Consolidated Financial Statements” for additional information regarding the fair value of measurement of our investments.

We have committed capital to private equity investments, other investments and investments in other ventures of $1.2 billion, of which $723.7 million has been contributed at June 30, 2019. Our remaining commitments to these investments at June 30, 2019 totaled $436.4 million. In the future, we may enter into additional commitments in respect of private equity investments or individual portfolio company investment opportunities.

EFFECTS OF INFLATION

The potential exists, after a catastrophe loss, for the development of inflationary pressures in a local economy. We consider the anticipated effects on us in our catastrophe loss models. Our estimates of the potential effects of inflation are also considered in pricing and in estimating reserves for unpaid claims and claim expenses. In addition, it is possible that the risk of general economic inflation has increased which could, among other things, cause claims and claim expenses to increase and also impact the performance of our investment portfolio. The actual effects of this potential increase in inflation on our results cannot be accurately known until, among other items, claims are ultimately settled. The onset, duration and severity of an inflationary period cannot be estimated with precision.

OFF-BALANCE SHEET AND SPECIAL PURPOSE ENTITY ARRANGEMENTS

At June 30, 2019, we had not entered into any off-balance sheet arrangements, as defined in Item 303(a)(4) of Regulation S-K.

CONTRACTUAL OBLIGATIONS

In the normal course of business, we are party to a variety of contractual obligations as summarized in our Form 10-K for the year ended December 31, 2018. We consider these contractual obligations when assessing our liquidity requirements. As of June 30, 2019, there were no material changes in our contractual obligations as disclosed in the table of contractual obligations, and related footnotes, included in our Form 10-K for the year ended December 31, 2018, except as described below.

On March 22, 2019, as a result of the acquisition of the TMR Group Entities, which was accounted for under the acquisition method of accounting in accordance with FASB ASC Topic *Business Combinations*, total consideration paid was allocated among acquired assets and assumed liabilities based on the fair values of the assets acquired and liabilities assumed. See “Note 3. Acquisition of Tokio Millennium Re” in our “Notes to the Consolidated Financial Statements” for additional information related to the acquisition of the TMR Group Entities.

Reserve for Claims and Claim Expenses

Claims and claim expense reserves acquired in the acquisition of the TMR Group Entities totaled $2.4 billion at March 22, 2019. Because of the nature of the coverages that we provide, the amount and timing of the cash flows associated with our policy liabilities will fluctuate, perhaps significantly, and therefore are highly uncertain.

3.600% Senior Notes Due 2029

On April 2, 2019, we issued $400.0 million of our 3.600% Senior Notes due April 15, 2029. The net proceeds from this offering were used to repay, in full, the $200.0 million outstanding under our revolving credit facility at March 31, 2019, which we used to partially fund the purchase price for the TMR Stock Purchase, and the remainder of the net proceeds will be used for general corporate purposes. See “Note 8. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” for additional information regarding the issuance of our 3.600% Senior Notes Due 2029.

CURRENT OUTLOOK

Property Exposed Market Developments

In 2018, the insurance and reinsurance markets were impacted by large loss events including Typhoons Jebi, Mangkut and Trami, Hurricanes Florence and Michael in the U.S., wildfires across the state of California, and numerous other events around the world. We currently estimate that these events gave rise to more than $80 billion of industry-wide insured losses. These significant 2018 events follow a number of significant natural disasters in 2017, including Hurricanes Harvey, Irma and Maria, the Mexico City Earthquake in the third quarter of 2017, and wildfires in many areas of California. In addition, the market has been impacted by continuing, significant adverse development from these events, particularly Typhoon Jebi and Hurricanes Irma and Michael.

Given the nature and breadth of these events, the associated losses affected an unusually large number of regions, and, accordingly, insureds, reinsurance lines and reinsurers. In addition, the ultimate scale of the losses, loss estimation, length of payout periods, social inflation risk and other factors continue to be uncertain for these loss events, both for the individual events and in the aggregate. Moreover, we believe a large number of our clients and competitors have been impacted by significant ongoing adverse development on these large events; in particular, we estimate that, by itself, the industry's reported 2019 adverse development on Typhoon Jebi would constitute the largest insured industry loss event of 2019 to date, just as the reported 2018 adverse development on Hurricane Irma would have been one of the largest insured loss events of 2018. We believe that this adverse development arose from underestimations of exposure and incurred loss; loss reporting delays in the regions impacted by Typhoon Jebi; aggressive litigation and adjustment practices, particularly but not limited to in the state of Florida; other elevated loss adjustment expenses; and other factors. We believe that revised views of risk as a result of this experience, and the potential diminishment of capacity or risk appetite from the insurance-linked securities market, may contribute favorably to market conditions in future periods, although there can be no assurance that these developments will occur or be sustained.

Overall, the January 2019 renewal season was generally stable. However, when viewed as a whole, loss affected programs and lines did manifest improved terms and conditions, and other property-exposed coverages have also exhibited beneficial changes, particularly retrocessional coverages. These developments facilitated our growth in gross premiums written, both in our existing operations and more particularly by presenting opportunities to deploy additional third party capital. We believe these trends continued in respect of the June 2019 renewals. However, in respect of the exposures which were ceded to the market during June 2019, in general we assessed that prevailing rate increases were not sufficient to offset increases in exposure, continuing risks from social inflation, and the adverse impact of years of sustained reinsurance rate decreases. Accordingly, we sought to re-balance our portfolio, managing our net exposure to southeast windstorm risk to a relatively flat level compared to the prior year measured in terms of the proportion of our shareholders' equity we believe to be exposed to southeast windstorm risk, but reducing our estimated modeled net exposure to the domestic Florida market.

We believe it is possible that the overall developments described above may contribute to sustainable general market dynamics that could continue to support improving market conditions in lines and regions we target and in which we have differentiating expertise. In particular, we believe that these large loss events, the scale and pace of adverse development and other market dynamics have helped drive demand for complex, holistic product coverages for which we believe we have competitive advantages. However, at this time we cannot know with certainty whether any such positive developments will transpire or be sustained, or the degree to which we will continue to benefit from them.

We expect that over time reinsurance demand for many coverages and solutions will continue to lag the pace of growth in available capital and we believe we are well positioned to benefit from these developments as shown, for example, in our efforts to optimize our gross-to-net portfolio. However, we estimate that to date in 2019 capital supply from alternative capital providers has not, for the first time in some time, continued to grow. In any case, over the medium and longer term, we anticipate the market will be characterized by an ample supply of capital, including third party capital, notwithstanding the significant impacts of the large loss events of 2017 and 2018, and the continuing adverse development therefrom.

Furthermore, cedants in many of the key markets we serve are large and increasingly sophisticated. They may be able to manage large and growing retentions, access risk transfer capital in expanding forms, and may seek to focus their reinsurance relationships on a core group of well-capitalized, highly-rated reinsurers who can provide a complete product suite as well as value-added service. While we believe we are well positioned to compete for business we find attractive, these dynamics may limit the degree to which the market sustains favorable improvements in the near-term or continue to introduce or exacerbate long-term challenges in our markets.

Casualty and Specialty Exposed Market Developments

Certain of the markets in which our Casualty and Specialty segment operate generally experienced favorable rate trends and stable terms and conditions in respect of the early 2019 renewals. In particular, we have observed favorable conditions for accounts that exhibited elevated loss emergence or underlying rate deterioration, but we also estimate that the favorable market trends have extended more broadly. In the near term, we continue to expect that current pricing trends exhibited during the year are likely to continue, with terms and conditions for loss-affected lines of business, such as the liability exposures impacted by the California wildfires, continuing to show moderate improvement and certain other areas of the casualty and specialty market potentially maintaining less pronounced but positive adjustments. Moreover, we believe that pockets of casualty and specialty lines may provide attractive opportunities for stronger or well-positioned reinsurers and that, given our strong ratings, expanded product offerings, and increased U.S. market presence, we are well positioned to compete for business that we find attractive, such as the large, bespoke coverages we have structured and provided for the California wildfire liability market. At the same time, we also estimate that underlying loss costs for many casualty and specialty lines of business have continued to rise. We plan to continue to seek unique or differentiated opportunities to provide coverage on large programs open only to us or select markets. However, we cannot assure you that positive market trends will continue, that we will succeed in identifying and expanding on attractive programs or obtain potentially attractive new programs, or that future, currently unforeseen developments, will not adversely impact the casualty and specialty markets.

Relatedly, specific renewal terms vary widely by insured account and our ability to shape our portfolio to improve its estimated risk and return characteristics is subject to a range of competitive and commercial factors. We cannot assure you that these positive dynamics will be sustained, or that we will participate fully in improving terms. We intend to seek to maintain strong underwriting discipline and, in light of prevailing market conditions, cannot provide assurance that we will succeed in growing or maintaining our current combined in-force book of business.

General Economic Conditions

Underlying economic conditions in several of the key markets we serve remained generally stable in 2019, with certain of our core markets, including the U.S., experiencing economic growth. Economic growth contributes positively to demand for our coverages and services, particularly in jurisdictions with high insurance penetration and the potential for risk concentration. We also continue to seek and participate in efforts to enhance insurance penetration in respect of select perils and regions, although such efforts are complex and frequently long-term and uncertain in nature.

We continue to believe that meaningful risk remains for political and economic uncertainty, economic weakness or adverse disruptions in general economic and financial market conditions. Moreover, any future economic growth may be at a comparatively suppressed rate for a relatively extended period of time. Declining or weak economic conditions could reduce demand for the products sold by us or our customers, impact the risk-adjusted attractiveness and absolute returns and yields of our investment portfolio, or weaken our overall ability to write business at risk-adequate rates. Persistent low levels of economic activity could also adversely impact other areas of our financial performance, by contributing to unforeseen premium adjustments, mid-term policy cancellations or commutations or asset devaluation, among other things. In addition, it is possible that increasing uncertainties related to cross-border trade will diminish economic growth for specific sectors which drive the insurance market disproportionately. Our specialty and casualty reinsurance and Lloyd’s portfolios in particular could be exposed to risks arising from economic weakness or dislocations, including with respect to a potential increase of claims in directors and officers, errors and omissions, surety, casualty clash and other lines of business. In addition, we believe our consolidated credit risk, reflecting our counterparty dealings with customers, agents, brokers, retrocessionaires, capital providers and parties associated with our investment portfolio, among others, is likely to be higher during a period of economic weakness. Any of the foregoing or other outcomes of a period of economic weakness could adversely impact our financial position or results of operations.

The sustained environment of low interest rates in recent years lowered the yields at which we invest our assets relative to longer-term historical levels. In 2018, rates increased in respect of the securities which predominantly characterize our portfolio, contributing to comparatively high net realized and unrealized losses over those periods, while increasing the then-projected forward yields on our portfolio. More recently, we have seen decreases in prevailing interest rates, contributing significantly to comparably high net realized and unrealized gains from our invested assets over the immediate period. However, as we invest cash from new premiums written or reinvest the proceeds of invested assets that mature or that we choose to sell, we expect the yield on our portfolio to be adversely impacted by a declining interest rate environment. While it is possible yields will improve in future periods, we currently anticipate a period of declining interest rates and broader uncertainty. We are unable to predict with certainty when conditions will substantially and sustainably improve, or the pace of any such improvement.

We continue to monitor the risk that our principal markets will experience increased inflationary conditions, potentially exacerbated by interest rate cuts. Inflationary conditions would cause costs related to our claims and claim expenses to increase and impact the performance of our investment portfolio, among other things. The onset, duration and severity of an inflationary period cannot be estimated with precision.

Legislative and Regulatory Update

The Tax Bill was signed into law on December 22, 2017. The Tax Bill amends a range of U.S. federal tax rules applicable to individuals, businesses and international taxation, including, among other things, altering the current taxation of insurance premiums ceded from a U.S. domestic corporation to any non-U.S. affiliate. The Tax Bill and future regulatory actions pertaining to it could adversely impact the insurance and reinsurance industry and our own results of operations by increasing taxation of certain activities and structures in our industry. We are unable to predict all of the ultimate impacts of the Tax Bill and other proposed tax reform regulations and legislation on our business and results of operations. While we continue to estimate that the near term economic impact of the Tax Bill to us will be minimal, uncertainty regarding the impact of the Tax Bill remains, as a result of factors including future regulatory and rulemaking processes, the prospects of additional corrective or supplemental legislation, potential trade or other litigation and other factors. For example, as contemplated by the Tax Bill, in July 2019 the Department of Treasury and the IRS issued comprehensive proposed regulations on passive foreign investment companies (also known as PFICs), which could potentially impact U.S. shareholders of RenaissanceRe Holdings Ltd. or certain of our joint venture vehicles. While we estimate, from our initial assessment, that our pubic shareholders should not be directly impacted, we could be adversely impacted if joint venture vehicles were competitively harmed by the final form of such regulation. The proposed regulations are not finalized and are subject, among other things, to a comment period. Further, it is possible that other tax legislation could be introduced and enacted in the future that would have an adverse impact on us.

In prior Congressional sessions, Congress has considered a range of potential legislation which would, if enacted, provide for matters such as the creation of (i) a federal reinsurance catastrophe fund; (ii) a federal consortium to facilitate qualifying state residual markets and catastrophe funds in securing reinsurance; and (iii) a federal bond guarantee program for state catastrophe funds in qualifying state residual markets. In April 2016, H.R.4947, the Natural Disaster Reinsurance Act of 2016, which would create a federal reinsurance program to cover any losses insured or reinsured by eligible state programs arising from natural catastrophes, including losses from floods, earthquakes, tropical storms, tornadoes, volcanic eruption and winter storms, was introduced. If enacted, this bill, or legislation similar to any of these proposals, would, we believe, likely contribute to the growth of state entities offering below-market priced insurance and reinsurance in a manner adverse to us and market participants more generally. Such legislation could also encourage cessation, or even reversal, of reforms and stabilization initiatives that have been enacted in the state of Florida and other catastrophe-exposed states in recent years. While we believe such legislation will continue to be vigorously opposed, if adopted these bills would likely diminish the role of private market catastrophe reinsurers and could adversely impact our financial results, perhaps materially.

In June 2012, Congress passed the Biggert-Waters Bill, which provided for a five-year renewal of the National Flood Insurance Program (the “NFIP”) and, among other things, authorized the Federal Emergency Management Agency (“FEMA”) to carry out initiatives to determine the capacity of private insurers, reinsurers, and financial markets to assume a greater portion of the flood risk exposure in the U.S., and to assess the capacity of the private reinsurance market to assume some of the program’s risk. Commencing in January 2017, FEMA has, acting under authority contemplated by the Biggert-Waters Bill, secured annual reinsurance protection for the NFIP. Most recently, in January 2018, FEMA announced that it had renewed its reinsurance program to provide for $1.32 billion of protection in respect of 2019, covering 14% of NFIP’s losses between $4 billion and $6 billion, 25.6% of its losses between $6 billion and $8 billion, and 26.6% of its losses between $8 billion and $10 billion. In addition, NFIP has procured an additional $500 million of private market protection via the FloodSmart Re $500 million Series 2018-1 Notes. It is possible this program will continue and potentially expand in future periods and may encourage other U.S. federal programs to explore private market risk transfer initiatives; however, we cannot assure you that any such developments will in fact occur, or that if they do transpire we will succeed in participating.

The statutory authorization for the operation and continuation of the NFIP has expired and received a series of short term extensions. The NFIP's current authorization has been extended to September 30, 2019. Legislative language under consideration in the House of Representatives would clarify that flood insurance provided by private firms satisfies the requirement that homeowners maintain flood coverage on mortgaged properties that are backed by a federal guarantee and located in a flood zone. In January 2019, the Federal Deposit Insurance Corp. and Office of the Comptroller of the Currency issued rules requiring lenders to accept private flood insurance policies that have coverage at least as comprehensive as that offered by NFIP, and providing a framework to evaluate alternative flood coverage; these rules went into effect on July 1, 2019. Congress is also considering legislative language that would direct FEMA to consider policy holders who discontinue an NFIP policy and then later return to the NFIP as having continuous coverage if they can demonstrate that a flood insurance policy from a private firm was maintained throughout the interim period. To the extent these laws, rules and regulations are adopted and enforced, they could incrementally contribute to the growth of private residential flood opportunities and the financial stabilization of the NFIP. However, reauthorization of the NFIP remains subject to meaningful uncertainty; and whether a successful reauthorization would continue market-enhancing reforms is significantly uncertain. Accordingly, we cannot assure you that legislation to reform the NFIP will indeed be enacted or that the private market for residential flood protection will be enhanced if it is.

In recent years, market conditions for insurance in the state of Florida have been significantly impacted by the increasingly prevalent utilization of a practice referred to as "assignment of benefits," or "AOB". We currently estimate that the impacts of AOB have contributed adversely and significantly to the ultimate economic losses borne by the insurance market in light of recent large Florida loss events, including Hurricanes Irma and Michael. An AOB is an instrument executed by a primary policyholder that is deemed to permit certain third parties, such as water extraction companies, roofers or plumbers, to "stand in the shoes" of the insured and seek direct payments from the policyholder's insurance company.

In April 2019, SB 122: The Insurance Assignment Agreements Act (the "AOB Reform Bill") became law in Florida, effective July 1, 2019. Among other things, the AOB Reform Bill is intended to change the way attorneys' fees are calculated to provide less incentive for plaintiff attorneys to file frivolous suits; requires written notice to the insurer of a filing; more clearly informs insureds of their rights; allows Florida domestic insurers the option of offering policies with and without AOB language included; and requires service providers in Florida to give an insurer and the consumer prior written notice of at least 10 business days before filing suit on a claim. We are cautiously optimistic that this law will eliminate some of the more egregious practices that have contributed to adverse industry results in Florida. However, we believe that the likely estimated impact to exposed loss in reinsurance treaties and programs will not be material. Moreover, media outlets have reported that there has been a measurable spike in AOB filings before the bill effective date of July 1, 2019 and that plaintiff firms have announced identified "workarounds" to the AOB Reform Bill provisions. In addition the AOB Reform Bill is not intended to remediate the adverse impacts of prior practices in respect of the large losses in 2017 and 2018. In general, we continue to estimate that the dynamics and practices we refer to as "social inflation" will continue to adversely impact loss trends in Florida. Accordingly, these ongoing challenges have impacted our own risk selection criteria with respect to Florida exposures, and our estimation of the number of programs we believe are submitted at attractive risk-adjusted terms.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are principally exposed to four types of market risk: interest rate risk, foreign currency risk, credit risk, and equity price risk. Our investment guidelines permit, subject to approval, investments in derivative instruments such as futures, options, foreign currency forward contracts and swap agreements, which may be used to assume risks or for hedging purposes.

There were no material changes to these market risks, as disclosed in “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk,” in our Form 10-K for the year ended December 31, 2018, during the six months ended June 30, 2019, except as described below. See “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk,” in our Form 10-K for the year ended December 31, 2018 for a discussion of our exposure to these risks.

In connection with the acquisition of the TMR Group Entities, we anticipate a modest increase in our foreign currency risk as it relates to: (i) the potential for increased volatility in our realized and unrealized foreign exchange gains (losses) in our consolidated statements of operations resulting from the addition of foreign currency denominated assets and liabilities, and (ii) non-U.S. dollar functional currency for certain of the TMR Group Entities and the resulting impact from currency translation adjustments in our statement of changes in shareholders’ equity as the non-U.S. dollar financial statements are translated into U.S. dollars.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures: Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(b) and 15d-15(b) of the Exchange Act, as of the end of the period covered by this report. Based upon that evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that, at June 30, 2019, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in Company reports filed or submitted under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting: There were no changes in our internal control over financial reporting during the quarter ended June 30, 2019, which were identified in connection with our evaluation required pursuant to Rules 13a-15 or 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material changes to the legal proceedings previously disclosed in our Form 10-K for the year ended December 31, 2018.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed in our Form 10-K for the year ended December 31, 2018. Certain of these risk factors were updated in our prospectus supplement filed with the SEC on April 1, 2019.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our share repurchase program may be effected from time to time, depending on market conditions and other factors, through open market purchases and privately negotiated transactions. On November 10, 2017, our Board of Directors approved a renewal of our authorized share repurchase program to an aggregate amount of up to $500.0 million. Unless terminated earlier by our Board of Directors, the program will expire when we have repurchased the full value of the shares authorized. The table below details the repurchases that were made under the program during the second quarter of 2019, and also includes other shares purchased, which represents common shares surrendered by employees in respect of withholding tax obligations on the vesting of restricted stock, or in lieu of cash payments for the exercise price of employee stock options.

	Total shares purchased		Other shares purchased		Shares purchased under publicly announced repurchase program		Dollar maximum amount still available under repurchase program
	Shares purchased	Average price per share	Shares purchased	Average price per share	Shares purchased	Average price per share	(in thousands)
Beginning dollar amount available to be repurchased							$ 500,000
April 1 - 30, 2019	69	$ 146.10	69	$ 146.10	—	$ —	—
May 1 - 31, 2019	587	$ 166.19	587	$ 166.19	—	$ —	—
June 1 - 30, 2019	—	$ —	—	$ —	—	$ —	—
Total	656	$ 164.08	656	$ 164.08	—	$ —	$ 500,000

During the six months ended June 30, 2019, we did not repurchase any of our common shares in open market transactions under our share repurchase program. In the future, we may authorize additional purchase activities under the currently authorized share repurchase program, increase the amount authorized under the share repurchase program, or adopt additional trading plans.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

10.1 Amended and Restated Standby Letter of Credit Agreement, dated June 21, 2019, by and among Wells Fargo Bank, National Association. Renaissance Reinsurance Ltd., Renaissance Reinsurance U.S. Inc., DaVinci Reinsurance Ltd. and RenaissanceRe Europe AG. (1)

10.2 First Amendment to Loan Documents, dated June 11, 2019, by and among Wells Fargo Bank, National Association, the financial institutions party thereto from time to time, RenaissanceRe Holdings Ltd., Renaissance Reinsurance Ltd., RenaissanceRe Specialty U.S. Ltd., Renaissance Reinsurance U.S. Inc., RenaissanceRe Europe AG, RenaissanceRe Finance Inc. and RenRe North America Holdings Inc.

10.3 Deed of Amendment and Accession, dated June 24, 2019, by and among Citibank Europe plc, Renaissance Reinsurance Ltd., DaVinci Reinsurance Ltd., RenaissanceRe Specialty U.S. Ltd., Renaissance Reinsurance of Europe, Renaissance Reinsurance U.S. Inc and RenaissanceRe Europe AG.

31.1 Certification of Kevin J. O'Donnell, Chief Executive Officer of RenaissanceRe Holdings Ltd., pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

31.2 Certification of Robert Qutub, Chief Financial Officer of RenaissanceRe Holdings Ltd., pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.

32.1 Certification of Kevin J. O'Donnell, Chief Executive Officer of RenaissanceRe Holdings Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Robert Qutub, Chief Financial Officer of RenaissanceRe Holdings Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

101.SCH XBRL Taxonomy Extension Schema Document

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document

101.LAB XBRL Taxonomy Extension Label Linkbase Document

101.DEF XBRL Taxonomy Extension Definition Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

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(1) Incorporated by reference to RenaissanceRe Holdings Ltd.'s Current Report on Form 8-K, filed with the Commission on June 24, 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RENAISSANCERE HOLDINGS LTD.

Date: July 24, 2019

/s/ Robert Qutub
Robert Qutub
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

Date: July 24, 2019

/s/ James C. Fraser
James C. Fraser
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

EXHIBIT 10.2
Execution Version

FIRST AMENDMENT TO LOAN DOCUMENTS

THIS FIRST AMENDMENT TO LOAN DOCUMENTS, dated as of the 11th day of June, 2019 (this "First Amendment"), is entered into among RENAISSANCERE HOLDINGS LTD., a Bermuda company (the "Borrower"), RENAISSANCE REINSURANCE LTD., a Bermuda company ("Renaissance Reinsurance"), RENAISSANCERE SPECIALTY U.S. LTD., a Bermuda company ("RenaissanceRe Specialty U.S."), and RENAISSANCE REINSURANCE U.S. INC., a Maryland corporation ("Renaissance Reinsurance U.S."; and collectively with the Borrower, Renaissance Reinsurance and RenaissanceRe Specialty U.S., the "Existing Account Parties" and each an "Existing Account Party"), RENAISSANCERE EUROPE AG, a Swiss corporation (Aktiengesellschaft) (the "New Account Party"), RENAISSANCERE FINANCE INC., a Delaware corporation ("RenaissanceRe Finance"), and RENRE NORTH AMERICA HOLDINGS, INC., a Delaware corporation ("RenRe North America"; and collectively with RenaissanceRe Finance the "Guarantors" and each a "Guarantor"), the financial institutions party hereto (the "Lenders"), and Wells Fargo Bank, National Association, as administrative agent for the Lenders (the "Administrative Agent").

RECITALS

A. Reference is made to the Second Amended and Restated Credit Agreement, dated as of November 9, 2018 (the "Credit Agreement"), among the Existing Account Parties, the Lenders, and the Administrative Agent. Capitalized terms used herein without definition shall have the meanings given to them in the Credit Agreement.

B. Reference is made to the Guaranty Agreement, dated November 9, 2018, by RenRe North America Holdings, Inc. and RenaissanceRe Finance, Inc. in favor of the Administrative Agent and Lenders (the "Guaranty").

C. The Existing Account Parties, the New Account Party and the Guarantors (collectively, the "Loan Parties") desire to amend the Credit Agreement in order for the New Account Party to join the Credit Agreement as an "Account Party" and desire to make certain other amendments to the Credit Agreement and the other Loan Documents. The Lenders and the Administrative Agent have agreed to make such amendments to the Loan Documents on the terms and conditions set forth herein.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Article I

AMENDMENTS TO LOAN DOCUMENTS

1.1 Joinder of New Account Party. Each party hereto agrees that the New Account Party shall be deemed to be a party to and an "Account Party" under the Credit Agreement and shall be bound by all of the terms and provisions applicable to an "Account Party" under the Credit Agreement and the other Loan Documents. Without limiting the foregoing, the New Account Party hereby agrees that, by its execution of this First Amendment, the New Account Party shall have all of the obligations of an "Account Party" under the Credit Agreement as if it had executed the Credit Agreement, including, without limitation, all obligations, covenants, agreements, representations and warranties applicable to an "Account Party." Each party hereto further agrees that all references in the Credit Agreement, the Guaranty and in all other Loan Documents to the terms "Account Party", "Account Parties", "Loan Party", or "Loan Parties" shall be deemed amended to include the New Account Party for all purposes.

1.2 Guaranty of Obligations of New Account Party. The Borrower and each Guarantor acknowledge and agree that pursuant to **Section 1.1** of this First Amendment, the New Account Party is, from and after the First Amendment Effective Date, an Account Party and Loan Party for all purposes under the Guaranty and the guaranty set forth in Article XII of the Credit Agreement, and such guaranty provisions shall cover all Obligations of the New Account Party under the Loan Documents in the same manner the Borrower and the Guarantors guarantee the Obligations of the Existing Account Parties under such guaranty provisions.

1.3 Definitions. Section 1.1 of the Credit Agreement is hereby amended by:

(a) Deleting the definition of "Debtor Relief Laws" and inserting in its place the following:

"Debtor Relief Laws" means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief Laws of the United States, Bermuda, Switzerland or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

(b) Deleting the definition of "Executive Officer" and inserting in its place the following:

"Executive Officer" means, as to any Person, the president, the chief financial officer, the chief executive officer, the general counsel, the treasurer or the secretary (or, with respect to any Person incorporated under the laws of Switzerland, the managing director and head of underwriting or head of finance and business operations) and, solely for purposes of notices given pursuant to Article II or Article III, any other officer or employee of the Borrower so designated by any of the foregoing persons in a notice to the Administrative Agent. Any document delivered hereunder that is signed by an Executive Officer of the Borrower shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of the Borrower and such Executive Officer shall be conclusively presumed to have acted on behalf of the Borrower.

(c) Deleting the definition of "Material Subsidiary" and inserting in its place the following:

"Material Subsidiary" means (a) Renaissance Reinsurance and (b) each other Subsidiary of the Borrower that either (i) as of the end of the most recently completed Fiscal Year of the Borrower for which audited financial statements are available, has assets that exceed 10% of the total consolidated assets of the Borrower and all its Subsidiaries as of the last day of such period or (ii) for the most recently completed Fiscal Year of the Borrower for which audited financial statements are available, has revenues that exceed 10% of the consolidated revenue of the Borrower and all of its Subsidiaries for such period; provided, that on any date of determination as to whether any Subsidiary is a Material Subsidiary, if subsequent to the most recently completed Fiscal Year of the Borrower for which audited financial statements are available, the Borrower or any Subsidiary of the Borrower completed one or more acquisitions that required the preparation of pro forma financial information of the type required by Article XI of Regulation S-X promulgated by the Securities and Exchange Commission, then such pro forma financial information (or, if multiple such acquisitions shall have been completed, then the most recent of such pro forma financial information) shall be used in place of the aforesaid audited financial statements to determine whether such Subsidiary is a Material Subsidiary.

(d) Adding the following defined term in appropriate alphabetical order.

"Unreimbursed Amount" means the amount drawn on a Letter of Credit that has not been reimbursed by an Account Party pursuant to Section 3.1(f) or Section 3.2(e).

1.4 Due Organization, Authorization, etc. Section 5.1 of the Credit Agreement is hereby amended by deleting clause (a) thereof and inserting in its place the following:

"(a) is duly organized or incorporated, validly existing and (to the extent applicable) in good standing under the Laws of the jurisdiction of organization or incorporation,"

1.5 GAAP Financial Statements. Section 6.1(a) of the Credit Agreement is hereby amended by deleting "(other than RIHL and RIHL II)" in each of clauses (i) and (ii) and inserting in its place in each such clause the following:

"(other than (A) RIHL, (B) RIHL II and (C) any Material Subsidiary that is a holding company the assets of which primarily consist of investments in other Material Subsidiaries)"

1.6 SAP Financial Statements. Section 6.1(b) of the Credit Agreement is hereby amended by deleting the section and inserting in its place the following:

"Within 5 days after the date filed with the Regulator for each of its Fiscal Years, a copy of the Annual Statement of each Material Insurance Subsidiary for such Fiscal Year, if any, required by such Department to be filed, each of which statements delivered to be prepared in accordance with SAP and accompanied by the certification of the chief financial officer, chief executive officer or the chief accounting officer (or, with respect to any Person incorporated under the laws of Switzerland, the managing director and head of underwriting or head of finance and business operations) of such Material Insurance Subsidiary that such financial statement presents fairly, in all material respects, in conformity with SAP, the financial position of such Material Insurance Subsidiary for the period then ended."

1.7 Borrowing Base Certificate. Section 6.12(c) of the Credit Agreement is hereby amended by deleting "Authorized Officer" and replacing it with "Executive Officer".

1.8 Borrower Net Worth. Section 7.7 of the Credit Agreement is hereby amended by deleting "Consolidated Net Worth" and replacing it with "Borrower Net Worth".

1.9 Condition to Issuance of Secured Letters of Credit. Section 9.2 of the Credit Agreement is hereby amended by adding the following clause (g) at the end of such Section.

"(g) Legal Opinions. With respect to the issuance of a Secured Letter of Credit for the account of any Account Party (or the conversion of any Unsecured Letter of Credit to a Secured Letter of Credit), to the extent requested by the Administrative Agent, the Administrative Agent shall have received customary legal opinions in form and substance reasonably satisfactory to the Administrative Agent related to the Security Documents governing such Secured Letter of Credit."

1.10 Service of Process. Section 11.14(d) of the Credit Agreement is hereby amended by replacing the reference to "THE BORROWER" in such Section with "EACH LOAN PARTY THAT IS ORGANIZED OR INCORPORATED IN A JURISDICTION OUTSIDE OF THE UNITED STATES".

1.11 Judgment Currency. The following provision is hereby added as Section 11.22 of the Credit Agreement.

"SECTION 11.22 Judgment Currency. The obligations of any Loan Party in respect of any sum due to the Lenders hereunder or under any other Loan Document shall, notwithstanding any judgment in a currency (the "judgment currency") other than the currency in which such sum originally due to such party is denominated (the "original currency"), be discharged only to the extent that on the Business Day following receipt by such party of any sum adjudged to be so due in the judgment currency such party may, in accordance with normal, reasonable banking procedures in the relevant jurisdiction, purchase the original currency with the judgment currency. If the amount of the original currency so purchased is less than the sum originally due to such party in the original currency, such Loan Party agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such party against such loss, and if the amount of the original currency so purchased exceeds the sum originally due to such party to this Agreement, such party agrees to remit to such Loan Party the amount of such excess. This covenant shall survive the termination of this Agreement and payment of all Obligations."

ARTICLE II

CONDITIONS OF EFFECTIVENESS

This First Amendment shall become effective as of the date (such date being referred to as the "First Amendment Effective Date") when, and only when, each of the following conditions precedent shall have been satisfied:

2.1 Execution of First Amendment. The Administrative Agent (or its counsel) shall have received executed counterparts of this First Amendment from each Lender and each Loan Party.

2.2 Legal Opinions. The Administrative Agent shall have received the legal opinions of (i) Willkie Farr & Gallagher LLP, New York counsel to the Loan Parties, and (ii) Homburger, Swiss counsel to the New Account Party, in each case dated the First Amendment Effective Date and addressed to the Administrative Agent and the Lenders in form and substance reasonably acceptable to the Administrative Agent.

2.3 Secretary's or Director's Certificates. The Administrative Agent shall have received a certificate of the secretary, an assistant secretary, the company secretary or a director of the New Account Party, dated the First Amendment Effective Date and in form and substance reasonably satisfactory to the Administrative Agent, certifying (i) as to a true and correct copy of the Organization Documents of such New Account Party as in effect on the First Amendment Effective Date, (ii) as to the due incorporation or valid existence of such New Account Party as a company or corporation organized or incorporated under the laws of the jurisdiction of its organization or incorporation, and the absence of any proceeding for the dissolution or liquidation of such New Account Party, (iii) that attached thereto is a true and complete copy of resolutions adopted by the board of directors (or similar governing body) of such New Account Party, authorizing the execution, delivery this First Amendment and the performance of its obligations under this First Amendment and the other Loan Documents, and (iv) as to the incumbency and genuineness of the signature of each authorized person of such New Account Party executing this First Amendment or any other Loan Documents, and attaching all such copies of the documents described above.

2.4 Officer's Certificate. The Administrative Agent shall have received a certificate, signed by an Executive Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, certifying that (A) all representations and warranties of the Loan Parties contained in the Credit Agreement and the other Loan Documents (including the representations and warranties set forth in **Article III** hereof) are true and correct as of the First Amendment Effective Date, both immediately before and after giving effect to this First Amendment (except to the extent any such representation or warranty is expressly stated to have been made as of a specific date, in which case such representation or warranty shall be true and correct as of such date), and (B) no Default or Event of Default has occurred and is continuing, both immediately before and after giving effect to this First Amendment.

2.5 Fees and Expenses. The Borrower shall have paid all reasonable out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, negotiation, execution and delivery of this First Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent with respect thereto).

2.6 Patriot Act Information. The Administrative Agent and the Lenders shall have received any information necessary for the Administrative Agent or any Lender to verify the identity of the New Account Party as required by the Patriot Act or other “know your customer” and anti-money laundering rules and regulations.

2.7 Beneficial Ownership Certification. At least five days prior to the First Amendment Effective Date, if the New Account Party qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, then the New Account Party shall have delivered to the Administrative Agent, and any Lender requesting the same, a Beneficial Ownership Certification in relation to the New Account Party.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Each Loan Party hereby represents and warrants to the Administrative Agent and Lenders that (i) the representations and warranties contained in the Credit Agreement and the other Loan Documents, to the extent applicable to such Loan Party, are true and correct in all material respects on and as of the First Amendment Effective Date, both immediately before and after giving effect to this First Amendment (except to the extent any such representation or warranty is expressly stated to have been made as of a specific date, in which case such representation or warranty shall be true and correct in all material respects as of such date), (ii) this First Amendment has been duly authorized, executed and delivered by each Loan Party and constitutes the legal, valid and binding obligation of the Loan Parties enforceable against them in accordance with its terms, (iii) no Default or Event of Default has occurred and is continuing on the First Amendment Effective Date, both immediately before and after giving effect to this First Amendment, and (iv) as of the First Amendment Effective Date, the information included in any Beneficial Ownership Certification delivered pursuant to **Section 2.7** of this First Amendment is true and correct in all respects.

ARTICLE IV

ACKNOWLEDGEMENT AND CONFIRMATION

Each Loan Party hereby confirms and agrees that, after giving effect to this First Amendment, the Credit Agreement and the other Loan Documents to which it is a party remain in full force and effect and enforceable against such Loan Party in accordance with their respective terms and shall not be discharged, diminished, limited or otherwise affected in any respect, and the amendments contained herein shall not, in any manner, be construed to constitute payment of, or impair, limit, cancel or extinguish, or constitute a novation in respect of, the Obligations of any Loan Party evidenced by or arising under the Credit Agreement or the other Loan Documents, which shall not in any manner be impaired, limited, terminated, waived or released, but shall continue in full force and effect. Each Loan Party represents and warrants to the Lenders that it has no knowledge of any claims, counterclaims, offsets, or defenses to or with respect to its obligations under the Loan

Documents, or if such Loan Party has any such claims, counterclaims, offsets, or defenses to the Loan Documents or any transaction related to the Loan Documents, the same are hereby waived, relinquished, and released in consideration of the execution of this First Amendment. This acknowledgement and confirmation by the Loan Parties is made and delivered to induce the Administrative Agent and the Lenders to enter into this First Amendment, and the Loan Parties acknowledge that the Administrative Agent and the Lenders would not enter into this First Amendment in the absence of the acknowledgement and confirmation contained herein.

ARTICLE V

MISCELLANEOUS

5.1 Governing Law. THIS FIRST AMENDMENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS FIRST AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

5.2 Submission to Jurisdiction. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, THE LC ADMINISTRATOR OR THE FRONTING BANK OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS FIRST AMENDMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS FIRST AMENDMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER, THE LC ADMINISTRATOR OR THE FRONTING BANK MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS FIRST AMENDMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

5.3 Full Force and Effect. Except as expressly amended hereby, the Credit Agreement and other Loan Documents shall continue in full force and effect in accordance with the provisions thereof on the date hereof. As used in the Loan Documents, “hereinafter,” “hereto,” “hereof,” and words of similar import shall, unless the context otherwise requires, mean the Loan Documents after amendment by this First Amendment. Any reference to the Credit Agreement or any of the other Loan Documents herein or in any such documents shall refer to the Credit Agreement or Loan Documents as amended hereby. This First Amendment is limited as specified and shall not constitute or be deemed to constitute an amendment, modification or waiver of any provision of the Credit Agreement or the other Loan Documents except as expressly set forth herein. This First Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

5.4 Expenses. Borrower agrees (i) to pay all reasonable fees and expenses of counsel to the Administrative Agent, and (ii) to reimburse the Administrative Agent for all other reasonable out-of-pocket costs and expenses, in each case, in connection with the preparation, negotiation, execution and delivery of this First Amendment and the other Loan Documents delivered in connection herewith.

5.5 Severability. To the extent any provision of this First Amendment is prohibited by or invalid under the applicable law of any jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity and only in any such jurisdiction, without prohibiting or invalidating such provision in any other jurisdiction or the remaining provisions of this First Amendment in any jurisdiction.

5.6 Successors and Assigns. This First Amendment shall be binding upon, inure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto. No assignment of any right or obligation arising under this First Amendment may be made except as would be permitted under Section 11.6 of the Credit Agreement, and any purported assignment not in conformity with such provision shall be null and void.

5.7 Construction. The headings of the various sections and subsections of this First Amendment have been inserted for convenience only and shall not in any way affect the meaning or construction of any of the provisions hereof.

5.8 Counterparts. This First Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this First Amendment by telecopy or by electronic mail in a .pdf or similar file shall be effective as delivery of a manually executed counterpart of this First Amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed by their respective authorized persons as of the day and year first above written.

NEW ACCOUNT PARTY:

RENAISSANCERE EUROPE AG

By: /s/ Aditya K. Dutt

Name: Aditya K. Dutt

Title: Authorized Person

<u>EXISTING ACCOUNT PARTIES</u>:

RENAISSANCERE HOLDINGS LTD.

By: /s/ Robert Qutub

Name: Robert Qutub

Title: Executive Vice President & Chief Financial Officer

RENAISSANCE REINSURANCE LTD.

By: /s/ Aditya K. Dutt

Name: Aditya K. Dutt

Title: Senior Vice President & Treasurer

RENAISSANCERE SPECIALTY U.S. LTD.

By: /s/ Aditya K. Dutt

Name: Aditya K. Dutt

Title: Senior Vice President & Treasurer

RENAISSANCE REINSURANCE U.S. INC.

By: /s/ Aditya K. Dutt

Name: James Conway

Title: Senior Vice President, General Counsel & Secretary

GUARANTORS:

RENRE NORTH AMERICA HOLDINGS INC.

By: /s/ Robert Qutub

Name: Robert Qutub

Title: Chief Financial Officer

RENAISSANCERE FINANCE INC.

By: /s/ Robert Qutub

Name: Robert Qutub

Title: Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Fronting Bank, LC Administrator, a Swingline Lender, and a Lender

By: /s/ William R. Goley

Name: William R. Goley

Title: Managing Director

CITIBANK, N.A., as a Swingline Lender and a Lender

By: /s/ John Modin

Name: John Modin

Title: Vice President & Managing Director

BMO Harris Bank N.A., as a Lender

By: /s/ Debra Basler

Name: Debra Basler

Title: Managing Director

BARCLAYS BANK PLC, as Lender

By: /s/ Karla K. Maloof

Name: Karla K. Maloof

Title: MD, Head of Insurance - Americas

Executed in: New York

HSBC BANK USA, NATIONAL ASSOCIATION, as Lender

By: /s/ Daniel Hartmannn

Name: Daniel Hartmannn

Title: Vice President, Financial Institutions Group

ROYAL BANK OF CANADA, as Lender

By: /s/ Tim Stephens

Name: Tim Stephens

Title: Authorized Signatory

THE BANK OF NEW YORK MELLON, as Lender

By: /s/ Michael Peireri

Name: Michael Peireri

Title: Director

First Amendment to Loan Documents

DEED OF AMENDMENT AND ACCESSION

Date: June 24, 2019

Among:

(1) Citibank Europe plc ("***Bank***");
(2) Renaissance Reinsurance Ltd.;
(3) DaVinci Reinsurance Ltd.;
(4) RenaissanceRe Specialty U.S. Ltd.;
(5) Renaissance Reinsurance of Europe; and
(6) Renaissance Reinsurance U.S. Inc. (formerly Platinum Underwriters Reinsurance, Inc.). (collectively, parties (2), (3), (4), (5), and (6) shall be known as the "***Existing Companies***"); and
(7) RenaissanceRe Europe AG (party (7) shall be known as the "***Acceding Company***").

When referenced collectively, the Existing Companies and the Acceding Company shall be known as the "***Companies***."

1. Background

By the execution of the following the Existing Companies and the Bank have established a facility for the issuance of letters of credit: *Facility Letter* dated 17 September 2010 as amended by Letters of Amendment dated 14 July 2011 , 1 October, 2013, 23 December 2014, 31 March 2015 , 30 December 2015, 14 January 2016, 31 December 2016, 29 December 2017, and 31 December 2018 (collectively, the "***Committed Facility Letter***").

The parties have agreed to certain further amendments to the Committed Facility Letter as detailed in this deed.

Terms and expressions defined in the Committed Facility Letter shall have the same meanings when used in this deed unless the context otherwise requires or the contrary is otherwise indicated.

The parties to this deed hereby agree that from the Effective Date (as defined below) the rights and obligations of the parties under the Committed Facility Letter and the terms of the Committed Facility Letter shall be amended as specifically set out below.

2. Effective Date

The following amendments shall take effect on and from 24 June 2019 ("***Effective Date***").

3. Accession

The Acceding Company hereby accedes to the rights, and assume the obligations, of a "Company" under the Committed Facility Letter.

The Acceding Company agrees to execute and deliver to the Bank each of the following Facility Documents:

(i) An accession letter to the Facility Fee Letter;
(ii) Each document listed in Clause 3 of the Facility Letter; and
(iii) Any other document required to be delivered in connection with such Facility Documents (such Facility Documents and additional document(s), collectively the "Transaction Documents."

As of the date hereof and as to itself, the Acceding Company hereby makes the representations and warranties set forth in Clause 8 of the Committed Facility Letter; provided, that, with respect to the representations and warranties set forth in paragraph (d) thereof, the "Latest Financials" referred to therein shall be deemed to be a reference to the financial statements of the Acceding Company as of the fiscal year ended in 31 December 2018 previously provided to the Bank. For the avoidance of doubt, this paragraph shall not prejudice in any way nor act as a waiver in respect of the Bank's rights under the Committed Facility Letter to request and/or receive any documents from the Acceding Company.

4. Costs and expenses

Each party to this deed shall bear its own costs and expenses in relation to the amendments agreed pursuant to the terms of this deed.

5. Affirmation and acceptance

With effect from the Effective Date, the terms and conditions of the Committed Facility Letter shall be read and construed by reference to this deed and all references to the Committed Facility Letter shall be deemed to incorporate the relevant amendments contained within this deed and all references in the Committed Facility Letter to " this Committed Facility Letter" shall with effect from the Effective Date be references to the Committed Facility Letter as amended by this deed.

In the event of any conflict between the terms of this deed and the Committed Facility Letter, the terms of this deed shall prevail. Except as amended by the terms of this deed, all of the terms and conditions of the Committed Facility Letter shall continue to apply and remain in full force and effect. The Companies shall, at the request of Bank, do all such acts necessary or desirable to give effect to the amendments effected or to be effected pursuant to the terms of this deed.

6. Continuation of Security

The Companies confirm that, on and after the Effective Date:

(a) notwithstanding the amendments made to the Committed Facility Letter pursuant to this deed,

(i) the Amended and Restated Pledge Agreement dated 25 November 2014 between Renaissance Reinsurance Ltd. and Bank, as amended by Letter of Amendment dated 22 November 2016, (the "RRL Pledge Agreement") and any security granted under it continues in full force and effect;

(ii) the Amended and Restated Pledge Agreement dated 25 November 2014 between DaVinci Reinsurance Ltd. and Bank, as amended by Letter of Amendment dated 22 November 2016, (the "DaVinci Pledge Agreement") and any security granted under it continues in full force and effect;

(iii) the Amended and Restated Pledge Agreement dated 25 November 2014 between RenaissanceRe Specialty U.S. Ltd. and Bank, as amended by Letter of Amendment dated 22 November 2016, (the "RSUS Pledge Agreement") and any security granted under it continues in full force and effect;

(iv) the Amended and Restated Pledge Agreement dated 25 November 2014 between Renaissance Reinsurance of Europe and Bank, as amended by Letter of Amendment dated 22 November 2016, (the "ROE Pledge Agreement") and any security granted under it continues in full force and effect;

(v) the Pledge Agreement dated 31 March 2015 between Renaissance Reinsurance U.S. Inc. (formerly Platinum Underwriters Reinsurance Inc.) and Bank, as amended by Letter of Amendment dated 22 November 2016, (the "RRUS Pledge Agreement") and any security granted under it continues in full force and effect;

(vi) the Pledge Agreement dated the date hereof between RenaissanceRe Europe AG and Bank (the “RREAG Pledge Agreement”), and any security granted under it continues in full force and effect;

(vii) the RRL Pledge Agreement, ROE Pledge Agreement, DaVinci Pledge Agreement, RRUS Pledge Agreement, RSUS Pledge Agreement and RREAG Pledge Agreement, collectively, the “Pledge Agreements”;

(viii) the Amended and Restated Account Control Agreement dated 25 November 2014 between Renaissance Reinsurance Ltd., Citibank Europe plc and The Bank of New York Mellon, as amended by Letter of Amendment dated 22 November 2016, (the “RRL Control Agreement”) and any security granted under it continues in full force and effect;

(ix) the Amended and Restated Account Control Agreement dated 25 November 2014 between DaVinci Reinsurance Ltd., Citibank Europe plc and The Bank of New York Mellon, as amended by Letter of Amendment dated 22 Nov ember 2016, (the “DaVinci Control Agreement”) and any security granted under it continues in full force and effect;

(x) the Amended and Restated Account Control Agreement dated 25 November 2014 between RenaissanceRe Specialty U.S. Ltd., Citibank Europe plc and The Bank of New York Mellon, as amended by Letter of Amendment dated 22 November 2016, (the “RSUS Control Agreement”) and any security granted under it continues in full force and effect;

(xi) the Amended and Restated Account Control Agreement dated 25 November 2014 between Renaissance Reinsurance of Europe, Citibank Europe plc and The Bank of New York Mellon, as amended by Letter of Amendment dated 22 November 2016, (the “ROE Control Agreement”) and any security granted under it continues in full force and effect;

(xii) the Account Control Agreement dated 31 March 2015 between Renaissance Reinsurance U.S. Inc. (formerly Platinum Underwriters Reinsurance Inc.), Citibank Europe plc and The Bank of New York Mellon, as amended by Letter of Amendment dated 22 November 2016, (the “RRUS Control Agreement”) and any security granted under it continues in full force and effect;

(xiii) the Account Control Agreement dated the date hereof between RenaissanceRe Europe AG, Citibank Europe plc and The Bank of New York Mellon (the “RREAG Control Agreement”), and any security granted under it continues in full force and effect; and

(xiv) the RRL Control Agreement, ROE Control Agreement, DaVinci Control Agreement, RRUS Control Agreement, RSUS Control Agreement and RREAG Control Agreement, collectively, the “Control Agreements”,

such Pledge Agreements, Control Agreements and security extend to all obligations established by the Committed Facility Letter, as amended pursuant to this deed.

7. Counterparts

This deed may be executed in counterparts, each of which shall be deemed to be an original, and all such counterparts taken together shall constitute one and the same agreement. This amendment shall take effect as a deed notwithstanding it is signed under hand by Bank.

8. Third party rights

No person shall have any right to enforce any provision of this deed under the Contracts (Rights of Third Parties) Act 1999.

9. Governing law

This deed (and any non-contractual obligation, dispute, controversy proceedings or claim of whatever nature arising out of it or in any way relating to this deed or its formation) shall be governed by and construed in accordance with English law.

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Signatories to the Deed of Amendment and Accession

EXECUTED AS A DEED BY RENAISSANCE REINSURANCE LTD.
acting by an officer

In the presence of

Signed /s/ Aditya K. Dutt

Name Aditya K. Dutt

Title Senior Vice President & Treasurer

Signature of Witness /s/ Phelecia Barnett

Name of Witness Phelecia Barnett

Address 12 Crow Lane, Pembroke, HM 19, Bermuda

EXECUTED AS A DEED BY DAVINCI REINSURANCE LTD.
acting by an officer

In the presence of

Signed /s/ Aditya K. Dutt

Name Aditya K. Dutt

Title Treasurer

Signature of Witness /s/ Phelecia Barnett

Name of Witness Phelecia Barnett

Address 12 Crow Lane, Pembroke, HM 19, Bermuda

EXECUTED AS A DEED BY RENAISSANCERE SPECIALITY U.S. LTD.
acting by an officer

In the presence of

Signed /s/ Aditya K. Dutt

Name Aditya K. Dutt

Title Senior Vice President & Treasurer

Signature of Witness /s/ Phelecia Barnett

Name of Witness Phelecia Barnett

Address 12 Crow Lane, Pembroke, HM 19, Bermuda

EXECUTED AS A DEED BY RENAISSANCE REINSURANCE OF EUROPE
acting by a director

In the presence of

Signed /s/ Ian Branagan

Name Ian Branagan

Title Director

Signature of Witness /s/ Clare McKinlay

Name of Witness Clair McKinlay

Address 18th Floor, 125 Old Broad Street, London, EC2N 1AR, UK

EXECUTED AS A DEED BY RENAISSANCE REINSURANCE U.S. INC.
acting by an officer

In the presence of

Signed /s/ James Conway

Name James Conway

Title Senior Vice President, General Counsel & Secretary

Signature of Witness /s/ Molly E. Gardner

Name of Witness Molly E. Gardner

Address 140 Broadway, Suite 4200, New York, NY, 10005, USA

EXECUTED AS A DEED BY Signed /s/ Aditya K. Dutt

RENAISSANCERE EUROPE AG Name Aditya K. Dutt

Title Authorized Person

Acting by an authorized person Signature of Witness /s/ Phelecia Barnett

In the presence of Name of Witness Phelecia Barnett

Address Beethovenstrasse 33, CH-8002, Zürich, Switzerland

WE HEREBY CONFIRM OUR ACCEPTANCE ON BEHALF OF BANK:

By: /s/ Niall Tuckey

Name: Niall Tuckey

Title: Director

Exhibit 31.1

CERTIFICATION

I, Kevin J. O'Donnell, certify that:

1. I have reviewed this Form 10-Q of RenaissanceRe Holdings Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2019

/s/ Kevin J. O'Donnell

Kevin J. O'Donnell
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Robert Qutub, certify that:

1. I have reviewed this Form 10-Q of RenaissanceRe Holdings Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2019

/s/ Robert Qutub

Robert Qutub

Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Form 10-Q of RenaissanceRe Holdings Ltd. (the “Company”) for the quarter ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kevin J. O'Donnell, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kevin J. O'Donnell

Kevin J. O'Donnell
Chief Executive Officer
July 24, 2019

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-Q of RenaissanceRe Holdings Ltd. (the “Company”) for the quarter ended June 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Robert Qutub, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert Qutub

Robert Qutub
Chief Financial Officer
July 24, 2019