



***RenaissanceRe Reports Net Income of \$190.5 Million for the First Quarter of 2013 or \$4.23 Per Diluted Common Share; Quarterly Operating Income of \$176.6 Million or \$3.92 Per Diluted Common Share***

**Pembroke, Bermuda, May 1, 2013** -- RenaissanceRe Holdings Ltd. (NYSE: RNR) today reported net income available to RenaissanceRe common shareholders of \$190.5 million or \$4.23 per diluted common share in the first quarter of 2013, compared to \$201.4 million or \$3.88 per diluted common share in the first quarter of 2012. Operating income available to RenaissanceRe common shareholders was \$176.6 million or \$3.92 per diluted common share for the first quarter of 2013, compared to \$155.5 million or \$2.98, respectively, in the first quarter of 2012. The Company reported an annualized return on average common equity of 24.3% and an annualized operating return on average common equity of 22.5% in the first quarter of 2013, compared to 25.6% and 19.7%, respectively, in the first quarter of 2012. Book value per common share increased \$2.93, or 4.3%, in the first quarter of 2013 to \$71.07, compared to a 5.8% increase in the the first quarter of 2012. Tangible book value per common share plus accumulated dividends increased \$3.22, or 4.8%, in the first quarter of 2013, compared to a 6.3% increase in the first quarter of 2012.

See Comments on Regulation G for a reconciliation of non-GAAP measures.

Neill A. Currie, CEO, commented: "We enjoyed strong first quarter results, with an annualized operating ROE of 22.5% and 4.8% growth in tangible book value per share plus dividends for the quarter. Our results reflect strong underwriting profits, principally driven by our high-quality portfolio, the absence of significant catastrophe losses in the quarter, and solid total returns in our investment portfolio."

Mr. Currie added: "We are working with our customers to meet their needs for the upcoming renewal period. Our long-standing customer relationships, experienced underwriting team and superior capital management put us in a strong position to construct an attractive portfolio of risks during this period."

**FIRST QUARTER 2013 HIGHLIGHTS** <sup>(1)</sup>

- Underwriting income of \$173.0 million and a combined ratio of 36.2%, compared to \$196.6 million and 29.4%, respectively. The decrease in underwriting income was primarily driven by an \$11.7 million increase in net claims and claim expenses as a result of lower favorable development occurring during the quarter and a \$7.4 million decrease in net premiums earned due to a combination of lower gross premiums written and an increase in ceded premiums written principally within the Company's catastrophe unit, as discussed below.
- Gross premiums written decreased \$28.7 million, or 4.3%, to \$635.4 million with the decrease being driven by the Company's catastrophe and specialty units, and partially offset by growth in the Company's Lloyd's segment.
- Total investment income of \$51.4 million, which includes the sum of net investment income, net realized and unrealized gains on investments and net other-than-temporary impairments, compared to \$113.7 million. The decrease was primarily driven by lower total returns in the Company's fixed maturity investment portfolio, combined with lower returns in the Company's portfolio of other investments, principally driven by the Company's private equity investments.
- Other income improved \$46.1 million to income of \$7.0 million, compared to a loss of \$39.1 million, primarily due to \$8.7 million of income in the Company's weather and energy risk management operations, compared to a loss of \$35.5 million from such operations as a result of unusually warm weather experienced in parts of the United Kingdom and certain parts of the United States during the first quarter of 2012.

## **Underwriting Results by Segment <sup>(1)</sup>**

### *Reinsurance Segment*

Gross premiums written in the Reinsurance segment were \$561.1 million, a decrease of \$48.6 million, or 8.0%, comprised of a \$30.4 million decrease in the Company's catastrophe unit reflecting the non-renewal or renewal at lower rates for a number of contracts during the January 2013 renewals and an \$18.2 million decrease in the Company's specialty unit, primarily due to the timing of certain multi-year contracts in the comparative quarter.

Managed catastrophe premiums totaled \$529.7 million, a decrease of \$29.3 million, or 5.2%, primarily driven by the reduction in gross premiums written in the catastrophe unit discussed above. The Company's managed catastrophe premiums are prone to significant volatility due to the timing of contract inception and also due to the business being characterized by a relatively small number of relatively large transactions.

The Reinsurance segment generated underwriting income of \$168.3 million and a combined ratio of 27.9%, compared to \$194.1 million and 23.5%, respectively, primarily as a result of a \$20.4 million decrease in net premiums earned due to a decrease in gross premiums written, as discussed above, combined with an increase in ceded premiums written reflecting the inception of several new contracts and the external cession of business in Upsilon Reinsurance II Ltd., a managed joint venture, and a \$5.1 million increase in net claims and claim expenses principally due to lower favorable development.

The Reinsurance segment experienced \$33.6 million of favorable development on prior years reserves, compared to \$46.8 million, including \$18.5 million and \$15.2 million of favorable development in the catastrophe and specialty units, respectively. Favorable development on prior years reserves within the catastrophe unit was primarily due to a number of relatively small reductions in estimated ultimate losses on prior period events. The specialty unit experienced prior accident years favorable development of \$15.2 million principally due to the Company's annual actuarial assumption review which resulted in net reductions to prior accident years reserves of \$10.4 million.

### *Lloyd's Segment*

Gross premiums written in the Lloyd's segment were \$74.3 million, an increase of \$19.5 million, or 35.5%, primarily due to continued organic growth within the segment. The Lloyd's segment generated underwriting income of \$4.2 million and a combined ratio of 89.0%, compared to underwriting income of \$1.1 million and a combined ratio of 95.6%, respectively. The increase in underwriting income in the Lloyd's segment reflects the continued growth in gross premiums written noted above, partially offset by an increase in net claims and claims expenses of \$5.5 million, primarily due to attritional loss activity.

### **Other Items <sup>(1)</sup>**

- During the first quarter of 2013, the Company repurchased 1.4 million common shares in open market transactions at an aggregate cost of \$111.3 million and at an average share price of \$81.29.
- Net income attributable to redeemable noncontrolling interests of \$38.6 million decreased from \$53.6 million, primarily impacted by a decrease in profitability of DaVinciRe, partially offset by a decrease in the Company's ownership percentage in DaVinciRe from 34.7% at March 31, 2012 to 32.9% at March 31, 2013.
- During January 2013, DaVinciRe redeemed shares from certain DaVinciRe shareholders, including the Company, while certain other existing DaVinciRe shareholders purchased additional shares in DaVinciRe. The net redemption as a result of these transactions was \$150.0 million. The Company's ownership in DaVinciRe was 32.9% at March 31, 2013.
- The Company repaid the full \$100.0 million of its outstanding 5.875% Senior Notes upon their scheduled maturity of February 15, 2013 using available cash and investments.

This Press Release includes certain non-GAAP financial measures including “operating income available to RenaissanceRe common shareholders”, “operating income available to RenaissanceRe common shareholders per common share - diluted”, “operating return on average common equity - annualized”, “managed catastrophe premiums”, “tangible book value per common share” and “tangible book value per common share plus accumulated dividends.” A reconciliation of such measures to the most comparable GAAP figures in accordance with Regulation G is presented in the attached supplemental financial data.

Please refer to the “Investor Information - Financial Reports - Financial Supplements” section of the Company's website at [www.renre.com](http://www.renre.com) for a copy of the Financial Supplement which includes additional information on the Company's financial performance.

RenaissanceRe Holdings Ltd. will host a conference call on Thursday, May 2, 2013 at 10:00 a.m. (ET) to discuss this release. Live broadcast of the conference call will be available through the “Investor Information - Company Webcasts” section of RenaissanceRe's website at [www.renre.com](http://www.renre.com).

RenaissanceRe Holdings Ltd. is a global provider of reinsurance and insurance. The Company's business consists of two reportable segments: (i) Reinsurance, which includes catastrophe reinsurance, specialty reinsurance and certain property catastrophe and specialty joint ventures managed by the Company's ventures unit, and (ii) Lloyd's, which includes reinsurance and insurance business written through Syndicate 1458.

*Cautionary Statement under “Safe Harbor” Provisions of the Private Securities Litigation Reform Act of 1995: Statements made in this earnings release contain information about the Company's future business prospects. These statements may be considered “forward-looking.” These statements are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements. For further information regarding cautionary statements and factors affecting future results, please refer to RenaissanceRe Holdings Ltd.'s filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K and its Quarterly Reports on Form 10-Q.*

(1) All comparisons are with the first quarter of 2012 unless specifically stated.

**INVESTOR CONTACT:**

Rohan Pai  
Director of Investor Relations  
RenaissanceRe Holdings Ltd.  
(441) 295-4513

**MEDIA CONTACT:**

Kekst and Company  
Peter Hill or Dawn Dover  
(212) 521-4800

**RenaissanceRe Holdings Ltd.**  
**Summary Consolidated Statements of Operations**

(in thousands of United States Dollars, except per share amounts and percentages)

(Unaudited)

|   | Three months ended |                   |
|---|--------------------|-------------------|
|   | March 31,<br>2013  | March 31,<br>2012 |
| <b>Revenues</b>   |                    |                   |
| Gross premiums written  | \$ 635,418         | \$ 664,151        |
| Net premiums written  | \$ 436,813         | \$ 492,575        |
| Increase in unearned premiums   | (165,558)          | (213,910)         |
| Net premiums earned   | 271,255            | 278,665           |
| Net investment income   | 43,615             | 66,971            |
| Net foreign exchange gains (losses)   | 1,756              | (1,460)           |
| Equity in earnings of other ventures  | 5,835              | 5,470             |
| Other income (loss)   | 7,004              | (39,094)          |
| Net realized and unrealized gains on investments  | 13,850             | 46,113            |
| Total other-than-temporary impairments  | —                  | (161)             |
| Portion recognized in other comprehensive income, before taxes  | —                  | 27                |
| Net other-than-temporary impairments  | —                  | (134)             |
| <b>Total revenues</b>   | <b>343,315</b>     | <b>356,531</b>    |
| <b>Expenses</b>   |                    |                   |
| Net claims and claim expenses incurred  | 27,251             | 15,552            |
| Acquisition expenses  | 25,009             | 24,111            |
| Operational expenses  | 46,014             | 42,383            |
| Corporate expenses  | 4,529              | 4,811             |
| Interest expense  | 5,034              | 5,718             |
| <b>Total expenses</b>   | <b>107,837</b>     | <b>92,575</b>     |
| Income from continuing operations before taxes  | 235,478            | 263,956           |
| Income tax (expense) benefit  | (122)              | 37                |
| <b>Income from continuing operations</b>  | <b>235,356</b>     | <b>263,993</b>    |
| Loss from discontinued operations   | —                  | (173)             |
| <b>Net income</b>   | <b>235,356</b>     | <b>263,820</b>    |
| Net income attributable to noncontrolling interests   | (38,607)           | (53,641)          |
| <b>Net income available to RenaissanceRe</b>  | <b>196,749</b>     | <b>210,179</b>    |
| Dividends on preference shares  | (6,275)            | (8,750)           |
| <b>Net income available to RenaissanceRe common shareholders</b>  | <b>\$ 190,474</b>  | <b>\$ 201,429</b> |
| Income from continuing operations available to RenaissanceRe common shareholders per common share - basic     | \$ 4.32            | \$ 3.93           |
| Income from discontinued operations available to RenaissanceRe common shareholders per common share - basic   | —                  | —                 |
| <b>Net income available to RenaissanceRe common shareholders per common share - basic</b>                     | <b>\$ 4.32</b>     | <b>\$ 3.93</b>    |
| Income from continuing operations available to RenaissanceRe common shareholders per common share - diluted   | \$ 4.23            | \$ 3.88           |
| Income from discontinued operations available to RenaissanceRe common shareholders per common share - diluted | —                  | —                 |
| <b>Net income available to RenaissanceRe common shareholders per common share - diluted</b>                   | <b>\$ 4.23</b>     | <b>\$ 3.88</b>    |
| Average shares outstanding - basic  | 43,461             | 50,377            |
| Average shares outstanding - diluted  | 44,290             | 50,981            |
| Net claims and claim expense ratio  | 10.0%              | 5.6%              |
| Underwriting expense ratio  | 26.2%              | 23.8%             |
| Combined ratio  | 36.2%              | 29.4%             |
| Operating income available to RenaissanceRe common shareholders per common share - diluted (1)                | \$ 3.92            | \$ 2.98           |
| Operating return on average common equity - annualized (1)  | 22.5%              | 19.7%             |

(1) See Comments on Regulation G for a reconciliation of non-GAAP financial measures.

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

|   | March 31,<br>2013   | December 31,<br>2012 |
|---|---------------------|----------------------|
| <b>Assets</b>   |                     |                      |
| Fixed maturity investments trading, at fair value                           | \$ 4,511,885        | \$ 4,665,421         |
| Fixed maturity investments available for sale, at fair value                | 45,254              | 83,442               |
| Total fixed maturity investments, at fair value                             | 4,557,139           | 4,748,863            |
| Short term investments, at fair value                                       | 997,889             | 821,163              |
| Equity investments trading, at fair value                                   | 555                 | 58,186               |
| Other investments, at fair value  | 652,802             | 644,711              |
| Investments in other ventures, under equity method                          | 92,054              | 87,724               |
| Total investments   | 6,300,439           | 6,360,647            |
| Cash and cash equivalents   | 335,625             | 325,358              |
| Premiums receivable   | 654,368             | 491,365              |
| Prepaid reinsurance premiums  | 170,216             | 77,082               |
| Reinsurance recoverable   | 162,948             | 192,512              |
| Accrued investment income   | 29,921              | 33,478               |
| Deferred acquisition costs  | 77,914              | 52,622               |
| Receivable for investments sold   | 163,584             | 168,673              |
| Other assets  | 193,521             | 218,405              |
| Goodwill and other intangibles  | 8,384               | 8,486                |
| <b>Total assets</b>   | <b>\$ 8,096,920</b> | <b>\$ 7,928,628</b>  |
| <b>Liabilities, Noncontrolling Interests and Shareholders' Equity</b>       |                     |                      |
| <b>Liabilities</b>  |                     |                      |
| Reserve for claims and claim expenses                                       | \$ 1,755,783        | \$ 1,879,377         |
| Unearned premiums   | 658,209             | 399,517              |
| Debt  | 254,315             | 351,775              |
| Reinsurance balances payable  | 380,939             | 290,419              |
| Payable for investments purchased   | 397,517             | 278,787              |
| Other liabilities   | 207,535             | 253,438              |
| <b>Total liabilities</b>  | <b>3,654,298</b>    | <b>3,453,313</b>     |
| Redeemable noncontrolling interest - DaVinciRe                              | 875,770             | 968,259              |
| <b>Shareholders' Equity</b>   |                     |                      |
| Preference shares   | 400,000             | 400,000              |
| Common shares   | 44,510              | 45,542               |
| Accumulated other comprehensive income                                      | 6,050               | 13,622               |
| Retained earnings   | 3,112,545           | 3,043,901            |
| <b>Total shareholders' equity attributable to RenaissanceRe</b>             | <b>3,563,105</b>    | <b>3,503,065</b>     |
| Noncontrolling interest   | 3,747               | 3,991                |
| <b>Total shareholders' equity</b>   | <b>3,566,852</b>    | <b>3,507,056</b>     |
| <b>Total liabilities, noncontrolling interests and shareholders' equity</b> | <b>\$ 8,096,920</b> | <b>\$ 7,928,628</b>  |
| <b>Book value per common share</b>  | <b>\$ 71.07</b>     | <b>\$ 68.14</b>      |

**RenaissanceRe Holdings Ltd.**  
**Supplemental Financial Data - Segment Information**

(in thousands of United States Dollars, except percentages)

(Unaudited)

Three months ended March 31, 2013

|  | Reinsurance | Lloyd's   | Other      | Eliminations | Total      |
|--|-------------|-----------|------------|--------------|------------|
| Gross premiums written   | \$ 561,126  | \$ 74,292 | \$ —       | \$ —         | \$ 635,418 |
| Net premiums written   | \$ 380,872  | \$ 55,924 | \$ 17      |              | \$ 436,813 |
| Net premiums earned  | \$ 233,460  | \$ 37,779 | \$ 16      |              | \$ 271,255 |
| Net claims and claim expenses incurred                         | 13,400      | 14,528    | (677)      |              | 27,251     |
| Acquisition expenses   | 18,059      | 6,916     | 34         |              | 25,009     |
| Operational expenses   | 33,675      | 12,178    | 161        |              | 46,014     |
| Underwriting income  | \$ 168,326  | \$ 4,157  | \$ 498     |              | 172,981    |
| Net investment income  |             |           | 43,615     |              | 43,615     |
| Net foreign exchange gains                                     |             |           | 1,756      |              | 1,756      |
| Equity in earnings of other ventures                           |             |           | 5,835      |              | 5,835      |
| Other income   |             |           | 7,004      |              | 7,004      |
| Net realized and unrealized gains on investments               |             |           | 13,850     |              | 13,850     |
| Corporate expenses   |             |           | (4,529)    |              | (4,529)    |
| Interest expense   |             |           | (5,034)    |              | (5,034)    |
| Income from continuing operations before taxes                 |             |           |            |              | 235,478    |
| Income tax expense   |             |           | (122)      |              | (122)      |
| Net income attributable to noncontrolling interests            |             |           | (38,607)   |              | (38,607)   |
| Dividends on preference shares                                 |             |           | (6,275)    |              | (6,275)    |
| Net income available to RenaissanceRe common shareholders      |             |           |            |              | \$ 190,474 |
| Net claims and claim expenses incurred – current accident year | \$ 47,029   | \$ 17,871 | \$ —       |              | \$ 64,900  |
| Net claims and claim expenses incurred – prior accident years  | (33,629)    | (3,343)   | (677)      |              | (37,649)   |
| Net claims and claim expenses incurred – total                 | \$ 13,400   | \$ 14,528 | \$ (677)   |              | \$ 27,251  |
| Net claims and claim expense ratio – current accident year     | 20.1 %      | 47.3 %    | — %        |              | 23.9 %     |
| Net claims and claim expense ratio – prior accident years      | (14.4)%     | (8.8)%    | (4,231.3)% |              | (13.9)%    |
| Net claims and claim expense ratio – calendar year             | 5.7 %       | 38.5 %    | (4,231.3)% |              | 10.0 %     |
| Underwriting expense ratio                                     | 22.2 %      | 50.5 %    | 1,218.8 %  |              | 26.2 %     |
| Combined ratio   | 27.9 %      | 89.0 %    | (3,012.5)% |              | 36.2 %     |

Three months ended March 31, 2012

|  | Reinsurance | Lloyd's   | Other      | Eliminations (1) | Total      |
|--|-------------|-----------|------------|------------------|------------|
| Gross premiums written   | \$ 609,762  | \$ 54,817 | \$ —       | \$ (428)         | \$ 664,151 |
| Net premiums written   | \$ 458,638  | \$ 33,937 | \$ —       |                  | \$ 492,575 |
| Net premiums earned  | \$ 253,818  | \$ 24,822 | \$ 25      |                  | \$ 278,665 |
| Net claims and claim expenses incurred                         | 8,324       | 9,001     | (1,773)    |                  | 15,552     |
| Acquisition expenses   | 19,386      | 4,668     | 57         |                  | 24,111     |
| Operational expenses   | 32,044      | 10,057    | 282        |                  | 42,383     |
| Underwriting income  | \$ 194,064  | \$ 1,096  | \$ 1,459   |                  | 196,619    |
| Net investment income  |             |           | 66,971     |                  | 66,971     |
| Net foreign exchange losses                                    |             |           | (1,460)    |                  | (1,460)    |
| Equity in earnings of other ventures                           |             |           | 5,470      |                  | 5,470      |
| Other loss   |             |           | (39,094)   |                  | (39,094)   |
| Net realized and unrealized gains on investments               |             |           | 46,113     |                  | 46,113     |
| Net other-than-temporary impairments                           |             |           | (134)      |                  | (134)      |
| Corporate expenses   |             |           | (4,811)    |                  | (4,811)    |
| Interest expense   |             |           | (5,718)    |                  | (5,718)    |
| Income from continuing operations before taxes                 |             |           |            |                  | 263,956    |
| Income tax benefit   |             |           | 37         |                  | 37         |
| Loss from discontinued operations                              |             |           | (173)      |                  | (173)      |
| Net income attributable to noncontrolling interests            |             |           | (53,641)   |                  | (53,641)   |
| Dividends on preference shares                                 |             |           | (8,750)    |                  | (8,750)    |
| Net income available to RenaissanceRe common shareholders      |             |           |            |                  | \$ 201,429 |
| Net claims and claim expenses incurred – current accident year | \$ 55,144   | \$ 16,280 | \$ —       |                  | \$ 71,424  |
| Net claims and claim expenses incurred – prior accident years  | (46,820)    | (7,279)   | (1,773)    |                  | (55,872)   |
| Net claims and claim expenses incurred – total                 | \$ 8,324    | \$ 9,001  | \$ (1,773) |                  | \$ 15,552  |
| Net claims and claim expense ratio – current accident year     | 21.7 %      | 65.6 %    | — %        |                  | 25.6 %     |
| Net claims and claim expense ratio – prior accident years      | (18.4)%     | (29.3)%   | (7,092.0)% |                  | (20.0)%    |
| Net claims and claim expense ratio – calendar year             | 3.3 %       | 36.3 %    | (7,092.0)% |                  | 5.6 %      |
| Underwriting expense ratio                                     | 20.2 %      | 59.3 %    | 1,356.0 %  |                  | 23.8 %     |
| Combined ratio   | 23.5 %      | 95.6 %    | (5,736.0)% |                  | 29.4 %     |

(1) Represents \$0.4 million of gross premiums ceded from the Reinsurance segment to the Lloyd's segment for the three months ended March 31, 2012.

**RenaissanceRe Holdings Ltd.**  
**Supplemental Financial Data - Gross Premiums Written and Managed Premiums**  
(in thousands of United States Dollars)  
(Unaudited)

|   | Three months ended       |                          |
|---|--------------------------|--------------------------|
|   | March 31,<br>2013        | March 31,<br>2012        |
| <b><u>Reinsurance Segment</u></b>   |                          |                          |
| Renaissance catastrophe premiums  | \$ 310,002               | \$ 330,427               |
| Renaissance specialty premiums  | 81,617                   | 99,545                   |
| Total Renaissance premiums  | <u>391,619</u>           | <u>429,972</u>           |
| DaVinci catastrophe premiums  | 168,794                  | 178,813                  |
| DaVinci specialty premiums  | 713                      | 977                      |
| Total DaVinci premiums  | <u>169,507</u>           | <u>179,790</u>           |
| Total catastrophe unit premiums   | <u>478,796</u>           | <u>509,240</u>           |
| Total specialty unit premiums   | 82,330                   | 100,522                  |
| <b>Total Reinsurance segment gross premiums written</b>                                 | <b><u>\$ 561,126</u></b> | <b><u>\$ 609,762</u></b> |
| <b><u>Lloyd's Segment</u></b>   |                          |                          |
| Specialty   | \$ 55,757                | \$ 39,329                |
| Catastrophe   | 18,535                   | 15,488                   |
| <b>Total Lloyd's segment gross premiums written</b>                                     | <b><u>\$ 74,292</u></b>  | <b><u>\$ 54,817</u></b>  |
| <b><u>Managed Premiums (1)</u></b>  |                          |                          |
| Total catastrophe unit gross premiums written   | \$ 478,796               | \$ 509,240               |
| Catastrophe premiums written on behalf of the Company's joint venture, Top Layer Re (2) | 32,382                   | 34,305                   |
| Catastrophe premiums written in the Lloyd's segment                                     | 18,535                   | 15,488                   |
| <b>Total managed catastrophe premiums (1)</b>   | <b><u>\$ 529,713</u></b> | <b><u>\$ 559,033</u></b> |

- (1) See Comments on Regulation G for a reconciliation of non-GAAP financial measures.  
(2) Top Layer Re is accounted for under the equity method of accounting.

**RenaissanceRe Holdings Ltd.**  
**Supplemental Financial Data - Total Investment Result**

(in thousands of United States Dollars)

(Unaudited)

|  | Three months ended |                   |
|--|--------------------|-------------------|
|  | March 31,<br>2013  | March 31,<br>2012 |
| Fixed maturity investments   | \$ 24,310          | \$ 26,333         |
| Short term investments   | 318                | 500               |
| Equity investments trading   | —                  | 170               |
| Other investments  |                    |                   |
| Hedge funds and private equity investments   | 14,880             | 28,473            |
| Other  | 6,995              | 14,170            |
| Cash and cash equivalents  | 52                 | 26                |
|  | <u>46,555</u>      | <u>69,672</u>     |
| Investment expenses  | (2,940)            | (2,701)           |
| <b>Net investment income</b>   | <u>43,615</u>      | <u>66,971</u>     |
| Gross realized gains   | 34,080             | 36,286            |
| Gross realized losses  | (4,554)            | (6,950)           |
| <b>Net realized gains on fixed maturity investments</b>                                | <u>29,526</u>      | <u>29,336</u>     |
| Net unrealized (losses) gains on fixed maturity investments trading                    | (23,065)           | 14,257            |
| Net realized gains on equity investments trading                                       | 17,561             | —                 |
| Net unrealized (losses) gains on equity investments trading                            | (10,172)           | 2,520             |
| <b>Net realized and unrealized gains on investments</b>                                | <u>13,850</u>      | <u>46,113</u>     |
| Total other-than-temporary impairments   | —                  | (161)             |
| Portion recognized in other comprehensive income, before taxes                         | —                  | 27                |
| <b>Net other-than-temporary impairments</b>  | <u>—</u>           | <u>(134)</u>      |
| <b>Change in net unrealized gains on fixed maturity investments available for sale</b> | <u>(6,067)</u>     | <u>778</u>        |
| <b>Total investment income</b>   | <u>\$ 51,398</u>   | <u>\$ 113,728</u> |

### Comments on Regulation G

In addition to the GAAP financial measures set forth in this Press Release, the Company has included certain non-GAAP financial measures in this Press Release within the meaning of Regulation G. The Company has provided these financial measurements in previous investor communications and the Company's management believes that these measurements are important to investors and other interested persons, and that investors and such other persons benefit from having a consistent basis for comparison between quarters and for the comparison with other companies within the industry. These measures may not, however, be comparable to similarly titled measures used by companies outside of the insurance industry. Investors are cautioned not to place undue reliance on these non-GAAP measures in assessing the Company's overall financial performance.

The Company uses "operating income available to RenaissanceRe common shareholders" as a measure to evaluate the underlying fundamentals of its operations and believes it to be a useful measure of its corporate performance. "Operating income available to RenaissanceRe common shareholders" as used herein differs from "net income available to RenaissanceRe common shareholders," which the Company believes is the most directly comparable GAAP measure, by the exclusion of net realized and unrealized gains and losses on investments and net other-than-temporary impairments. The Company's management believes that "operating income available to RenaissanceRe common shareholders" is useful to investors because it more accurately measures and predicts the Company's results of operations by removing the variability arising from fluctuations in the Company's fixed maturity investment portfolio and equity investments trading. The Company also uses "operating income available to RenaissanceRe common shareholders" to calculate "operating income available to RenaissanceRe common shareholders per common share - diluted" and "operating return on average common equity - annualized". The following is a reconciliation of: 1) net income available to RenaissanceRe common shareholders to operating



income available to RenaissanceRe common shareholders; 2) net income available to RenaissanceRe common shareholders per common share - diluted to operating income available to RenaissanceRe common shareholders per common share - diluted; and 3) return on average common equity - annualized to operating return on average common equity - annualized:

|  | Three months ended |                   |
|--|--------------------|-------------------|
|  | March 31,<br>2013  | March 31,<br>2012 |
| (in thousands of United States Dollars, except percentages)                                |                    |                   |
| Net income available to RenaissanceRe common shareholders                                  | \$ 190,474         | \$ 201,429        |
| Adjustment for net realized and unrealized gains on investments                            | (13,850)           | (46,113)          |
| Adjustment for net other-than-temporary impairments  | —                  | 134               |
| Operating income available to RenaissanceRe common shareholders                            | <u>\$ 176,624</u>  | <u>\$ 155,450</u> |
| Net income available to RenaissanceRe common shareholders per common share - diluted       | \$ 4.23            | \$ 3.88           |
| Adjustment for net realized and unrealized gains on investments                            | (0.31)             | (0.90)            |
| Adjustment for net other-than-temporary impairments  | —                  | —                 |
| Operating income available to RenaissanceRe common shareholders per common share - diluted | <u>\$ 3.92</u>     | <u>\$ 2.98</u>    |
| Return on average common equity - annualized   | 24.3 %             | 25.6 %            |
| Adjustment for net realized and unrealized gains on investments                            | (1.8)%             | (5.9)%            |
| Adjustment for net other-than-temporary impairments  | — %                | — %               |
| Operating return on average common equity - annualized                                     | <u>22.5 %</u>      | <u>19.7 %</u>     |

The Company has also included in this Press Release “managed catastrophe premiums”. “Managed catastrophe premiums” is defined as gross catastrophe premiums written by Renaissance Reinsurance and its related joint ventures. “Managed catastrophe premiums” differs from total catastrophe unit gross premiums written, which the Company believes is the most directly comparable GAAP measure, due to the inclusion of catastrophe premiums written on behalf of the Company’s joint venture Top Layer Re, which is accounted for under the equity method of accounting and the inclusion of catastrophe premiums written on behalf of the Company’s Lloyd’s segment. The Company’s management believes “managed catastrophe premiums” is useful to investors and other interested parties because it provides a measure of total catastrophe premiums, as applicable, assumed by the Company through its consolidated subsidiaries and related joint ventures.

The Company has also included in this Press Release “tangible book value per common share” and “tangible book value per common share plus accumulated dividends”. “Tangible book value per common share” is defined as book value per common share excluding goodwill and intangible assets per share; “tangible book value per common share plus accumulated dividends” is defined as book value per common share excluding goodwill and intangible assets per share, plus accumulated dividends. “Tangible book value per common share” differs from book value per common share, which the Company believes is the most directly comparable GAAP measure, due to the exclusion of goodwill and intangible assets per share. The Company's management believes “tangible book value per common share” and “tangible book value per common share plus accumulated dividends” are useful to investors because they provide a more accurate measure of the realizable value of shareholder returns, excluding the impact of goodwill and intangible assets. The following is a reconciliation of book value per common share to tangible book value per common share and tangible book value per common share plus accumulated dividends:

|   | At                |                      |                       |                  |                   |
|---|-------------------|----------------------|-----------------------|------------------|-------------------|
|   | March 31,<br>2013 | December 31,<br>2012 | September 30,<br>2012 | June 30,<br>2012 | March 31,<br>2012 |
| Book value per common share   | \$ 71.07          | \$ 68.14             | \$ 68.20              | \$ 65.07         | \$ 62.68          |
| Adjustment for goodwill and other intangibles (1)   | (0.85)            | (0.86)               | (0.85)                | (0.83)           | (0.84)            |
| Tangible book value per common share  | 70.22             | 67.28                | 67.35                 | 64.24            | 61.84             |
| Adjustment for accumulated dividends  | 12.28             | 12.00                | 11.73                 | 11.46            | 11.19             |
| Tangible book value per common share plus accumulated dividends                             | <u>\$ 82.50</u>   | <u>\$ 79.28</u>      | <u>\$ 79.08</u>       | <u>\$ 75.70</u>  | <u>\$ 73.03</u>   |
| Quarter change in book value per common share   | 4.3%              | (0.1)%               | 4.8%                  | 3.8%             | 5.8%              |
| Quarter change in tangible book value per common share plus change in accumulated dividends | 4.8%              | 0.3 %                | 5.3%                  | 4.3%             | 6.3%              |

(1) At March 31, 2013, December 31, 2012, September 30, 2012, June 30, 2012 and March 31, 2012, goodwill and other intangibles included \$29.3 million, \$30.4 million, \$32.2 million, \$33.3 million and \$34.5 million, respectively, of goodwill and other intangibles included in investments in other ventures, under equity method.