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

FORM 10-Q

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

For the quarterly period ended March 31, 2018

OR

o **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	**98-014-1974**
(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 Offices)	(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)

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 Q No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes Q No o

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 Q, Accelerated filer o, Non-accelerated filer o (do not check if a smaller reporting company), Smaller reporting company o, Emerging growth company o

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. o

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

The number of Common Shares, par value US $1.00 per share, outstanding at April 27, 2018 was 40,245,556.

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;
- collection on claimed retrocessional coverage, and new retrocessional reinsurance being available on acceptable terms and providing the coverage that we intended to obtain;
- 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;
- the effect of emerging claims and coverage issues;
- continued 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.;
- 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;
- the success of any of our strategic investments or acquisitions, including our ability to manage our operations as our product and geographical diversity increases;
- 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;
- 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 U.K. to leave the EU;
- changes in regulatory regimes and accounting rules that may impact financial results irrespective of business operations; and
- our need to make many estimates and judgments in the preparation of our financial statements.

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, 2017, 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 per share amounts)

	March 31, 2018	December 31, 2017
Assets	(Unaudited)	(Audited)
Fixed maturity investments trading, at fair value – amortized cost $7,470,003 at March 31, 2018 (December 31, 2017 – $7,434,870)	$ 7,404,761	$ 7,426,555
Short term investments, at fair value	1,616,597	991,863
Equity investments trading, at fair value	387,462	388,254
Other investments, at fair value	692,652	594,793
Investments in other ventures, under equity method	120,232	101,974
Total investments	10,221,704	9,503,439
Cash and cash equivalents	647,973	1,361,592
Premiums receivable	1,684,630	1,304,622
Prepaid reinsurance premiums	794,921	533,546
Reinsurance recoverable	1,572,321	1,586,630
Accrued investment income	43,069	42,235
Deferred acquisition costs	477,010	426,551
Receivable for investments sold	111,431	103,145
Other assets	127,571	121,226
Goodwill and other intangible assets	241,572	243,145
Total assets	$ 15,922,202	$ 15,226,131
Liabilities, Noncontrolling Interests and Shareholders' Equity		
Liabilities		
Reserve for claims and claim expenses	$ 4,912,727	$ 5,080,408
Unearned premiums	1,961,746	1,477,609
Debt	989,995	989,623
Reinsurance balances payable	1,758,948	989,090
Payable for investments purchased	306,664	208,749
Other liabilities	130,505	792,771
Total liabilities	10,060,585	9,538,250
Commitments and Contingencies		
Redeemable noncontrolling interests	1,425,364	1,296,506
Shareholders' Equity		
Preference shares: $1.00 par value – 16,000,000 shares issued and outstanding at March 31, 2018 (December 31, 2017 – 16,000,000)	400,000	400,000
Common shares: $1.00 par value – 40,245,556 shares issued and outstanding at March 31, 2018 (December 31, 2017 – 40,023,789)	40,246	40,024
Additional paid-in capital	38,552	37,355
Accumulated other comprehensive income	194	224
Retained earnings	3,957,261	3,913,772
Total shareholders' equity attributable to RenaissanceRe	4,436,253	4,391,375
Total liabilities, noncontrolling interests and shareholders' equity	$ 15,922,202	$ 15,226,131

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Operations
For the three months ended March 31, 2018 and 2017
(in thousands of United States Dollars, except per share amounts) (Unaudited)

	Three months ended	
	March 31, 2018	March 31, 2017
Revenues		
Gross premiums written	$ 1,159,652	$ 922,090
Net premiums written	$ 663,044	$ 544,136
Increase in unearned premiums	(222,762)	(178,091)
Net premiums earned	440,282	366,045
Net investment income	56,476	54,325
Net foreign exchange gains	3,757	8,165
Equity in earnings (losses) of other ventures	857	(1,507)
Other (loss) income	(1,242)	1,665
Net realized and unrealized (losses) gains on investments	(82,144)	43,373
Total revenues	417,986	472,066
Expenses		
Net claims and claim expenses incurred	171,703	193,081
Acquisition expenses	97,711	83,282
Operational expenses	41,272	47,283
Corporate expenses	6,733	5,286
Interest expense	11,767	10,526
Total expenses	329,186	339,458
Income before taxes	88,800	132,608
Income tax benefit (expense)	3,407	(334)
Net income	92,207	132,274
Net income attributable to redeemable noncontrolling interests	(29,899)	(34,327)
Net income attributable to RenaissanceRe	62,308	97,947
Dividends on preference shares	(5,595)	(5,595)
Net income available to RenaissanceRe common shareholders	$ 56,713	$ 92,352
Net income available to RenaissanceRe common shareholders per common share – basic	$ 1.42	$ 2.26
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 1.42	$ 2.25
Dividends per common share	$ 0.33	$ 0.32

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the three months ended March 31, 2018 and 2017
(in thousands of United States Dollars) (Unaudited)

	Three months ended	
	March 31, 2018	**March 31, 2017**
Comprehensive income		
Net income	$ 92,207	$ 132,274
Change in net unrealized gains on investments	(30)	(1,491)
Comprehensive income	92,177	130,783
Net income attributable to redeemable noncontrolling interests	(29,899)	(34,327)
Comprehensive income attributable to redeemable noncontrolling interests	(29,899)	(34,327)
Comprehensive income attributable to RenaissanceRe	$ 62,278	$ 96,456

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
For the three months ended March 31, 2018 and 2017
(in thousands of United States Dollars) (Unaudited)

	Three months ended	
	March 31, 2018	March 31, 2017
Preference shares		
Balance – January 1	$ 400,000	$ 400,000
Balance – March 31	400,000	400,000
Common shares		
Balance – January 1	40,024	41,187
Repurchase of shares	—	(550)
Exercise of options and issuance of restricted stock awards	222	148
Balance – March 31	40,246	40,785
Additional paid-in capital		
Balance – January 1	37,355	216,558
Repurchase of shares	—	(79,459)
Change in redeemable noncontrolling interests	56	(86)
Exercise of options and issuance of restricted stock awards	1,141	(5,840)
Balance – March 31	38,552	131,173
Accumulated other comprehensive income		
Balance – January 1	224	1,133
Change in net unrealized gains on investments	(30)	(1,491)
Balance – March 31	194	(358)
Retained earnings		
Balance – January 1	3,913,772	4,207,699
Cumulative effect of adoption of ASU 2016-09 (Note 2)	—	2,213
Net income	92,207	132,274
Net income attributable to redeemable noncontrolling interests	(29,899)	(34,327)
Dividends on common shares	(13,224)	(13,027)
Dividends on preference shares	(5,595)	(5,595)
Balance – March 31	3,957,261	4,289,237
Total shareholders' equity	$ 4,436,253	$ 4,860,837

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the three months ended March 31, 2018 and 2017
(in thousands of United States Dollars) (Unaudited)

	Three months ended	
	March 31, 2018	March 31, 2017
Cash flows (used in) provided by operating activities		
Net income	$ 92,207	$ 132,274
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Amortization, accretion and depreciation	13,740	6,390
Equity in undistributed earnings (losses) of other ventures	(314)	4,818
Net realized and unrealized losses (gains) on investments	82,144	(43,373)
Net unrealized (gains) losses included in net investment income	(1,465)	(6,863)
Change in:		
Premiums receivable	(380,008)	(295,952)
Prepaid reinsurance premiums	(261,375)	(186,831)
Reinsurance recoverable	14,309	(46,255)
Deferred acquisition costs	(50,459)	(53,356)
Reserve for claims and claim expenses	(167,681)	86,394
Unearned premiums	484,137	364,922
Reinsurance balances payable	769,858	298,283
Other	(632,442)	(59,412)
Net cash (used in) provided by operating activities	(37,349)	201,039
Cash flows used in investing activities		
Proceeds from sales and maturities of fixed maturity investments trading	2,318,859	2,682,386
Purchases of fixed maturity investments trading	(2,312,461)	(3,007,124)
Net sales of equity investments trading	137	13,747
Net (purchases) sales of short term investments	(594,641)	245,693
Net (purchases) sales of other investments	(98,639)	36,402
Net purchases of investments in other ventures	(17,974)	—
Return of investment from investment in other ventures	—	20,000
Net cash used in investing activities	(704,719)	(8,896)
Cash flows provided by (used in) financing activities		
Dividends paid – RenaissanceRe common shares	(13,224)	(13,027)
Dividends paid – preference shares	(5,595)	(5,595)
RenaissanceRe common share repurchases	—	(80,009)
Net third party redeemable noncontrolling interest share transactions	52,759	(51,166)
Taxes paid on withholding shares	(7,034)	(11,018)
Net cash provided by (used in) financing activities	26,906	(160,815)
Effect of exchange rate changes on foreign currency cash	1,543	1,602
Net (decrease) increase in cash and cash equivalents	(713,619)	32,930
Cash and cash equivalents, beginning of period	1,361,592	421,157
Cash and cash equivalents, end of period	$ 647,973	$ 454,087

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, 2017.

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

- 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.
- The Company also manages property, casualty and specialty reinsurance business written on behalf of joint ventures, which principally 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 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 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.
- Effective January 1, 2013, the Company formed and launched a managed joint venture, Upsilon RFO Re Ltd., formerly known as Upsilon Reinsurance II Ltd. ("Upsilon RFO"), a Bermuda domiciled special purpose insurer ("SPI"), 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.

- Effective November 13, 2014, the Company incorporated RenaissanceRe Upsilon Fund Ltd. (“Upsilon Fund”), an exempted Bermuda segregated accounts company. Upsilon Fund was formed 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.
- Effective November 7, 2016, Fibonacci Reinsurance Ltd. ("Fibonacci Re"), a Bermuda-domiciled SPI, was formed to provide collateralized capacity to Renaissance Reinsurance and its affiliates. Fibonacci Re raised 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 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.

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, 2017, except as noted below.

BASIS OF PRESENTATION

These consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the United States (“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.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (“ASU 2014-09”). ASU 2014-09 provides comprehensive guidance on the recognition of revenue from customers arising from the transfer of goods and services. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 also provides guidance on accounting for certain contract costs and will also require new disclosures. ASU 2014-09 was to be effective for public business entities in annual and interim periods beginning after December 15, 2016, however in July 2015, the FASB decided to defer by one year the effective dates of ASU 2014-09, and as a result, ASU 2014-09 is effective for public business entities in annual and interim periods beginning after December 15, 2017. ASU 2014-09 notably excludes the accounting for insurance contracts, leases, financial instruments and guarantees. The Company’s implementation efforts primarily focused on other income and operational expenses on its consolidated statements of operations. The adoption of ASU 2014-09 did not have a material impact on the Company’s consolidated statements of operations and financial position.

Recognition and Measurement of Financial Assets and Financial Liabilities

In January 2016, the FASB issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities* (“ASU 2016-01”). ASU 2016-01 requires equity investments (except those accounted for under the equity method of accounting or those that result in the consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income, simplifies the impairment assessment of equity investments without readily determinable values by requiring a qualitative assessment to identify impairment, eliminates the requirement to disclose the methods and significant assumptions used to estimate the fair value for financial instruments measured at amortized cost, requires the use of the exit price notion when measuring the fair value of financial instruments for disclosure purposes, requires separate presentation in other comprehensive income of the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk when the organization has elected to measure the liabilities in accordance with the fair value option, requires the separate presentation of financial assets and financial liabilities by measurement category and form of financial asset on the balance sheet or the accompanying notes to the financial statements and clarifies that the reporting organization should evaluate the need for a valuation allowance on a deferred tax asset related to available for sale securities in combination with the organization’s other deferred tax assets. ASU 2016-01 is effective for public business entities in annual and interim periods beginning after December 15, 2017. The adoption of ASU 2016-01 did not have a material impact on the Company’s consolidated statements of operations and financial position.

Classification of Certain Cash Receipts and Cash Payments

In August 2016, the FASB issued ASU No. 2016-15, *Classification of Certain Cash Receipts and Cash Payments* (“ASU 2016-15”). ASU 2016-15 clarifies the classification of receipts and payments in the statement of cash flows. ASU 2016-15 provides guidance related to (1) settlement and payment of zero coupon debt instruments, (2) contingent consideration, (3) proceeds from settlement of insurance claims, (4) proceeds from settlement of corporate and bank owned life insurance policies, (5) distributions from equity method investees, (6) cash receipts from beneficial interests obtained by a transferor, and (7) general guidelines for cash receipts and payments that have more than one aspect of classification. ASU 2016-15 is effective for public business entities for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. The adoption of ASU 2016-15 resulted in the reclassification of $20.0 million of cash inflows from cash flows provided by operating activities, to cash flows used in investing activities for the three months ended March 31, 2017. This amount related to a return of investment associated with the Company’s investment in Top Layer Reinsurance Ltd, recorded under the equity method of accounting.

Improvements to Employee Share-Based Payment Accounting

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting* (“ASU 2016-09”). ASU 2016-09 was issued to simplify several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and the classification of taxes paid on the statements of cash flows. ASU 2016-09 became effective for the Company in annual and interim periods beginning after December 15, 2016. The cumulative effect of the adoption of ASU 2016-09 was a $2.2 million increase to opening retained earnings as of January 1, 2017.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS NOT YET ADOPTED

Leases

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (“ASU 2016-02”). ASU 2016-02 requires lessees to recognize lease assets and lease liabilities on the balance sheet for those leases classified as operating leases under previous guidance. ASU 2016-02 is effective for public business entities for annual and interim periods beginning after December 15, 2018. Early application is permitted. 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.

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 collectibility 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.

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 is effective for public business entities for annual and interim periods beginning after December 15, 2018. Early adoption is permitted. 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; 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.

NOTE 3. INVESTMENTS

Fixed Maturity Investments Trading

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

	March 31, 2018	December 31, 2017
U.S. treasuries	$ 2,834,487	$ 3,168,763
Agencies	45,365	47,646
Municipal	506,470	509,802
Non-U.S. government (Sovereign debt)	303,056	287,660
Non-U.S. government-backed corporate	191,202	163,651
Corporate	2,147,578	2,063,459
Agency mortgage-backed	693,377	500,456
Non-agency mortgage-backed	302,638	300,331
Commercial mortgage-backed	197,126	202,062
Asset-backed	183,462	182,725
Total fixed maturity investments trading	$ 7,404,761	$ 7,426,555

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.

March 31, 2018	Amortized Cost	Fair Value
Due in less than one year	$ 496,788	$ 495,143
Due after one through five years	4,381,056	4,324,744
Due after five through ten years	1,073,453	1,064,575
Due after ten years	145,438	143,696
Mortgage-backed	1,189,730	1,193,141
Asset-backed	183,538	183,462
Total	$ 7,470,003	$ 7,404,761

Equity Investments Trading

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

	March 31, 2018	December 31, 2017
Financials	$ 253,905	$ 253,543
Communications and technology	51,400	49,526
Industrial, utilities and energy	32,790	34,325
Consumer	23,886	24,779
Healthcare	21,042	21,364
Basic materials	4,439	4,717
Total	$ 387,462	$ 388,254

Pledged Investments

At March 31, 2018, $4.7 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, 2017 - $3.3 billion). Of this amount, $1.7 billion is on deposit with, or in trust accounts for the benefit of, U.S. state regulatory authorities (December 31, 2017 - $1.4 billion).

Reverse Repurchase Agreements

At March 31, 2018, the Company held $65.3 million (December 31, 2017 - $30.0 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	
	March 31, 2018	March 31, 2017
Fixed maturity investments	$ 45,643	$ 43,419
Short term investments	5,304	1,724
Equity investments	698	811
Other investments		
Private equity investments	(434)	7,802
Other	8,023	4,072
Cash and cash equivalents	565	189
	59,799	58,017
Investment expenses	(3,323)	(3,692)
Net investment income	$ 56,476	$ 54,325

Net Realized and Unrealized (Losses) Gains on Investments

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

	Three months ended	
	March 31, 2018	March 31, 2017
Gross realized gains	$ 4,583	$ 11,461
Gross realized losses	(25,853)	(16,533)
Net realized losses on fixed maturity investments	(21,270)	(5,072)
Net unrealized (losses) gains on fixed maturity investments trading	(55,372)	24,635
Net realized and unrealized losses on investments-related derivatives	(4,364)	(56)
Net realized gains on equity investments trading sold during the period	234	20,915
Net unrealized (losses) gains on equity investments trading still held at reporting date	(1,372)	2,951
Net realized and unrealized (losses) gains on equity investments trading	(1,138)	23,866
Net realized and unrealized (losses) gains on investments	$ (82,144)	$ 43,373

NOTE 4. 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 March 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	$ 2,834,487	$ 2,834,487	$ —	$ —
Agencies	45,365	—	45,365	—
Municipal	506,470	—	506,470	—
Non-U.S. government (Sovereign debt)	303,056	—	303,056	—
Non-U.S. government-backed corporate	191,202	—	191,202	—
Corporate	2,147,578	—	2,147,578	—
Agency mortgage-backed	693,377	—	693,377	—
Non-agency mortgage-backed	302,638	—	302,638	—
Commercial mortgage-backed	197,126	—	197,126	—
Asset-backed	183,462	—	183,462	—
Total fixed maturity investments	7,404,761	2,834,487	4,570,274	—
Short term investments	1,616,597	—	1,616,597	—
Equity investments trading	387,462	387,462	—	—
Other investments				
Catastrophe bonds	476,534	—	476,534	—
Private equity partnerships (1)	190,067	—	—	—
Senior secured bank loan funds (1)	13,771	—	—	—
Hedge funds (1)	12,280	—	—	—
Total other investments	692,652	—	476,534	—
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	(2,780)	—	—	(2,780)
Derivatives (3)	7,514	(229)	7,743	—
Total other assets and (liabilities)	4,734	(229)	7,743	(2,780)
	$ 10,106,206	$ 3,221,720	$ 6,671,148	$ (2,780)

(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 March 31, 2018 was $2.5 million and $5.3 million of other assets and other liabilities, respectively.

(3) See "Note 13. Derivative Instruments" for additional information related to the fair value by type of contract, of derivatives entered into by the Company.

At December 31, 2017	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	$ 3,168,763	$ 3,168,763	$ —	$ —
Agencies	47,646	—	47,646	—
Municipal	509,802	—	509,802	—
Non-U.S. government (Sovereign debt)	287,660	—	287,660	—
Non-U.S. government-backed corporate	163,651	—	163,651	—
Corporate	2,063,459	—	2,063,459	—
Agency mortgage-backed	500,456	—	500,456	—
Non-agency mortgage-backed	300,331	—	300,331	—
Commercial mortgage-backed	202,062	—	202,062	—
Asset-backed	182,725	—	182,725	—
Total fixed maturity investments	7,426,555	3,168,763	4,257,792	—
Short term investments	991,863	—	991,863	—
Equity investments trading	388,254	388,254	—	—
Other investments				
Catastrophe bonds	380,475	—	380,475	—
Private equity partnerships (1)	196,220	—	—	—
Senior secured bank loan funds (1)	17,574	—	—	—
Hedge funds (1)	524	—	—	—
Total other investments	594,793	—	380,475	—
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	(2,952)	—	—	(2,952)
Derivatives (3)	4,636	(45)	4,681	—
Total other assets and (liabilities)	1,684	(45)	4,681	(2,952)
	$ 9,403,149	$ 3,556,972	$ 5,634,811	$ (2,952)

(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, 2017 was $2.5 million and $5.5 million of other assets and other liabilities, respectively.

(3) See “Note 13. 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 March 31, 2018, the Company’s U.S. treasuries fixed maturity investments were primarily priced by pricing services and had a weighted average effective yield of 2.3% and a weighted average credit quality of AA (December 31, 2017 - 1.9% 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 March 31, 2018, the Company’s agency fixed maturity investments had a weighted average effective yield of 2.4% and a weighted average credit quality of AA (December 31, 2017 - 2.1% 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 March 31, 2018, the Company’s municipal fixed maturity investments had a weighted average effective yield of 2.5% and a weighted average credit quality of AA (December 31, 2017 - 2.2% and AA, 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 (Sovereign debt)

Level 2 - At March 31, 2018, the Company’s non-U.S. government fixed maturity investments had a weighted average effective yield of 2.4% and a weighted average credit quality of AAA (December 31, 2017 - 2.0% 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 March 31, 2018, the Company's non-U.S. government-backed corporate fixed maturity investments had a weighted average effective yield of 2.7% and a weighted average credit quality of AA (December 31, 2017 - 2.3% and AA, respectively). Non-U.S. government-backed 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 March 31, 2018, the Company's corporate fixed maturity investments principally consisted of U.S. and international corporations and had a weighted average effective yield of 4.2% and a weighted average credit quality of BBB (December 31, 2017 - 3.8% 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 March 31, 2018, the Company's agency mortgage-backed fixed maturity investments included agency residential mortgage-backed securities with a weighted average effective yield of 3.3%, a weighted average credit quality of AA and a weighted average life of 7.3 years (December 31, 2017 - 3.0%, AA and 6.4 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 residential mortgage-backed and non-agency Alt-A fixed maturity investments. At March 31, 2018, the Company's non-agency prime residential mortgage-backed fixed maturity investments had a weighted average effective yield of 3.9%, a weighted average credit quality of non-investment grade, and a weighted average life of 5.3 years (December 31, 2017 - 3.7%, BBB and 5.1 years, respectively). The Company's non-agency Alt-A fixed maturity investments held at March 31, 2018 had a weighted average effective yield of 3.8%, a weighted average credit quality of non-investment grade and a weighted average life of 6.2 years (December 31, 2017 - 3.7%, non-investment grade and 6.2 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 March 31, 2018, the Company's commercial mortgage-backed fixed maturity investments had a weighted average effective yield of 3.3%, a weighted average credit quality of AAA, and a weighted average life of 4.7 years (December 31, 2017 - 2.9%, AAA and 4.5 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 March 31, 2018, the Company's asset-backed fixed maturity investments had a weighted average effective yield of 3.5%, a weighted average credit quality of AAA and a weighted average life of 3.2 years (December 31, 2017 - 2.8%, AAA and 3.0 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 March 31, 2018, the Company's short term investments had a weighted average effective yield of 1.7% and a weighted average credit quality of AAA (December 31, 2017 - 1.4% 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 observable and unobservable inputs (Level 3) used in determining the fair value of assets and liabilities measured at fair value on a recurring basis:

At March 31, 2018	Fair Value (Level 3)	Valuation Technique	Unobservable (U) and Observable (O) Inputs	Low	High	Weighted Average or Actual
Other assets and (liabilities)						
Assumed and ceded (re)insurance contracts	$ 893	Internal valuation model	Bond price (O)	$ 101.46	$ 112.05	$ 107.31
			Liquidity discount (U)	n/a	n/a	1.3%
Assumed and ceded (re)insurance contracts	(3,673)	Internal valuation model	Net undiscounted cash flows (U)	n/a	n/a	$ (4,706)
			Expected loss ratio (U)	n/a	n/a	20.4%
			Net acquisition expense ratio (O)	n/a	n/a	13.7%
			Contract period (O)	2.0 years	4.7 years	4.1 years
			Discount rate (U)	n/a	n/a	2.4%
Total other assets and (liabilities)	$ (2,780)					

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 assets and (liabilities)
Balance - January 1, 2018	$ (2,952)
Total realized and unrealized gains	
Included in other (loss) income	206
Purchases	(34)
Balance - March 31, 2018	$ (2,780)

	Other assets and (liabilities)
Balance - January 1, 2017	$ (13,004)
Total realized and unrealized gains	
Included in other (losses) income	1,071
Purchases	(202)
Balance - March 31, 2017	$ (12,135)

Other assets and liabilities

Assumed and ceded (re)insurance contracts

Level 3 - At March 31, 2018, the Company had a $0.9 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 March 31, 2018, the Company had a $3.7 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. The negative acquisition expense ratio used to determine the fair value of the contracts at March 31, 2018 is the result of override commissions on the contracts being higher than the gross acquisition expenses. 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.

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 March 31, 2018 were debt obligations of $990.0 million (December 31, 2017 - $989.6 million). At March 31, 2018, the fair value of the Company’s debt obligations was $993.9 million (December 31, 2017 – $1.0 billion).

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:

	March 31, 2018	December 31, 2017
Other investments	$ 692,652	$ 594,793
Other assets	$ 2,533	$ 2,542
Other liabilities	$ 5,313	$ 5,494

Included in net investment income for the three months ended March 31, 2018 were net unrealized gains of $1.5 million related to the changes in fair value of other investments (2017 – gains of $6.9 million). Included in other income for the three months ended March 31, 2018 were net unrealized gains of $Nil related to the changes in the fair value of other assets and liabilities (2017 - $Nil).

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 March 31, 2018	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period (Minimum Days)	Redemption Notice Period (Maximum Days)
Private equity partnerships	$ 190,067	$ 416,135	See below	See below	See below
Senior secured bank loan funds	13,771	25,297	See below	See below	See below
Hedge funds	12,280	—	See below	See below	See below
Total other investments measured using net asset valuations	$ 216,118	$ 441,432			

Private equity partnerships – The Company's investments in private equity partnerships included 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 partnerships in advance of dissolution of the applicable private equity partnership. 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 partnership. 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 March 31, 2018, the Company had $13.8 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 – The Company invests in hedge funds that pursue multiple strategies. At March 31, 2018, the Company had $12.3 million of investments in hedge funds that pursue multiple strategies. This included an investment of $11.8 million in a fund primarily focused on global credit opportunities which is redeemable at the option of the shareholder. The remainder of the Company's hedge fund investments consisted of so called "side pocket" investments which are not redeemable at the option of the shareholder.

NOTE 5. 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			
	March 31, 2018		March 31, 2017	
Premiums written				
Direct	$	85,167	$	73,408
Assumed		1,074,485		848,682
Ceded		(496,608)		(377,954)
Net premiums written	$	663,044	$	544,136
Premiums earned				
Direct	$	70,032	$	58,168
Assumed		605,483		498,999
Ceded		(235,233)		(191,122)
Net premiums earned	$	440,282	$	366,045
Claims and claim expenses				
Gross claims and claim expenses incurred	$	225,742	$	251,804
Claims and claim expenses recovered		(54,039)		(58,723)
Net claims and claim expenses incurred	$	171,703	$	193,081

At March 31, 2018, the Company's reinsurance recoverable balance was $1.6 billion (2017 - $1.6 billion). Of this amount, 52.2% is fully collateralized by our reinsurers, 46.8% is recoverable from reinsurers rated A- or higher by major rating agencies and 1.0% is recoverable from reinsurers rated lower than A- by major rating agencies (December 31, 2017 - 54.5%, 44.5% and 1.0%, respectively). The reinsurers with the three largest balances accounted for 9.3%, 8.1% and 6.7%, respectively, of the Company's reinsurance recoverable balance at March 31, 2018 (December 31, 2017 - 10.4%, 7.5% and 7.3%, respectively). The valuation allowance recorded against reinsurance recoverable was $7.8 million at March 31, 2018 (December 31, 2017 - $7.0 million). The three largest company-specific components of the valuation allowance represented 16.1%, 15.2% and 14.2%, respectively, of the Company's total valuation allowance at March 31, 2018 (December 31, 2017 - 11.1%, 9.2% and 8.4%, respectively).

NOTE 6. 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 March 31, 2018	Case Reserves	Additional Case Reserves	IBNR	Total
Property	$ 701,202	$ 850,498	$ 687,209	$ 2,238,909
Casualty and Specialty	740,809	118,380	1,801,361	2,660,550
Other	4,999	—	8,269	13,268
Total	$ 1,447,010	$ 968,878	$ 2,496,839	$ 4,912,727
At December 31, 2017				
Property	$ 696,285	$ 896,522	$ 893,583	$ 2,486,390
Casualty and Specialty	689,962	124,923	1,760,607	2,575,492
Other	6,605	—	11,921	18,526
Total	$ 1,392,852	$ 1,021,445	$ 2,666,111	$ 5,080,408

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

Three months ended March 31,	2018	2017
Net reserves as of January 1	$ 3,493,778	$ 2,568,730
Net incurred related to:		
Current year	203,038	164,075
Prior years	(31,335)	29,006
Total net incurred	171,703	193,081
Net paid related to:		
Current year	9,050	7,729
Prior years	328,129	147,500
Total net paid	337,179	155,229
Foreign exchange	12,104	2,287
Net reserves as of March 31	3,340,406	2,608,869
Reinsurance recoverable as of March 31	1,572,321	325,819
Gross reserves as of March 31	$ 4,912,727	$ 2,934,688

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:

Three months ended March 31,	2018 (Favorable) adverse development	2017 (Favorable) adverse development
Property	$ (27,562)	$ (928)
Casualty and Specialty	(3,791)	30,262
Other	18	(328)
Total favorable development of prior accident years net claims and claim expenses	$ (31,335)	$ 29,006

Changes to prior year estimated claims reserves increased the Company’s net income by $31.3 million during the three months ended March 31, 2018, (2017 - decreased the Company’s net income by $29.0 million), excluding the consideration of changes in reinstatement, adjustment or other premium changes, 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:

Three months ended March 31,	2018 (Favorable) adverse development
Catastrophe net claims and claim expenses	
Large catastrophe events	
2017 Catastrophe Events	$ (27,109)
Other	(4,258)
Total large catastrophe events	(31,367)
Small catastrophe events	
Other	3,805
Total small catastrophe events	3,805
Total catastrophe net claims and claim expenses	(27,562)
Total net favorable development of prior accident years net claims and claim expenses	$ (27,562)

The net favorable development of prior accident years net claims and claim expenses within the Company’s Property segment in the three months ended March 31, 2018 of $27.6 million was comprised of net favorable development of $31.4 million related to large catastrophe events and net adverse development of $3.8 million related to small catastrophe events. Included in net favorable development of prior accident years net claims and claim expenses from large events was $27.1 million of net decreases in the estimated ultimate losses associated with Hurricanes Harvey, Irma and Maria, the Mexico City Earthquake and the wildfires in California during the fourth quarter of 2017 (collectively, the “2017 Catastrophe Events”). In addition, the Company’s Property segment experienced net favorable development of $0.5 million associated with a number of other large and small catastrophe events.

Three months ended March 31,	**2017**
	(Favorable) adverse development
Catastrophe net claims and claim expenses	
Large catastrophe events	
Other	$ 2,586
Total large catastrophe events	2,586
Small catastrophe events	
Fort McMurray Wildfire (2016)	(5,850)
Other	2,336
Total small catastrophe events	(3,514)
Total catastrophe net claims and claim expenses	(928)
Total net favorable development of prior accident years net claims and claim expenses	$ (928)

The net favorable development of prior accident years net claims and claim expenses within the Company's Property segment in the three months ended March 31, 2017 of $0.9 million was principally comprised of net favorable development of $3.5 million associated with small catastrophe events related to a reduction in the estimated ultimate losses associated with the 2016 Fort McMurray Wildfire of $5.9 million, partially offset by net adverse development associated with a number of other large and small events. In addition, the Company experienced net favorable development of $2.6 million from large catastrophe events due principally to a decrease in the estimated ultimate losses associated with a number of other small catastrophe events.

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:

Three months ended March 31,	**2018**	**2017**
	(Favorable) adverse development	(Favorable) adverse development
Actuarial methods	$ (3,791)	$ (5,999)
Ogden Rate change	—	33,481
Actuarial assumption changes	—	2,780
Total adverse (favorable) development of prior accident years net claims and claim expenses	$ (3,791)	$ 30,262

The net favorable development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment in the three months ended March 31, 2018 of $3.8 million was driven by reported losses generally coming in lower than expected on attritional net claims and claim expenses across a number of lines of business.

The net adverse development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment in the three months ended March 31, 2017 of $30.3 million was driven by $33.5 million of adverse development associated with the change in the discount rate used to calculate lump sum awards in U.K. bodily injury cases (the "Ogden Rate"), from 2.5%, to minus 0.75%. Notwithstanding the impact of the Ogden Rate change, the Company experienced $6.0 million of net favorable development related to reported losses coming in lower than expected on attritional net claims and claim expenses across a number of lines of business, partially offset by $2.8 million of adverse development associated with actuarial assumption changes.

NOTE 7. 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, 2017.

Debt Obligations

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

	March 31, 2018		December 31, 2017	
	Fair Value	Carrying Value	Fair Value	Carrying Value
3.450% Senior Notes due 2027	$ 283,281	$ 295,425	$ 294,654	$ 295,303
3.700% Senior Notes due 2025	294,864	297,409	302,781	297,318
5.75% Senior Notes due 2020	262,188	249,353	263,750	249,272
4.750% Senior Notes due 2025 (DaVinciRe) (1)	153,546	147,808	157,050	147,730
	$ 993,879	$ 989,995	$ 1,018,235	$ 989,623

(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.

Credit Facilities

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

At March 31, 2018	Issued or Drawn
RenaissanceRe Revolving Credit Facility	$ —
Uncommitted Standby Letter of Credit Facility with Wells Fargo	101,679
Bilateral Letter of Credit Facility with Citibank Europe	186,709
Funds at Lloyd’s Letter of Credit Facilities	
Renaissance Reinsurance FAL Facility	180,000
Total credit facilities in U.S. dollars	$ 468,388
Funds at Lloyd’s Letter of Credit Facilities	
Specialty Risks FAL Facility	£ 10,000
Total credit facilities in British Pounds	£ 10,000

National Australia Bank Limited Standby Letter of Credit Agreement

Effective as of March 23, 2018, the Company terminated the Standby Letter of Credit Agreement, dated as of May 19, 2015, among National Australia Bank Limited (“NAB”) and Renaissance Reinsurance, RenaissanceRe Specialty Risks Ltd., DaVinci and Platinum Underwriters Bermuda, Ltd. (collectively, the “NAB Facility Applicants”) (the “NAB Standby Letter of Credit Agreement”). The NAB Standby Letter of Credit Agreement provided for a secured, uncommitted facility under which letters of credit were issued from time to time for the respective accounts of the NAB Facility Applicants in multiple currencies. RenaissanceRe unconditionally guaranteed the payment obligations of the NAB Facility Applicants, other than DaVinci.

NOTE 8. NONCONTROLLING INTERESTS

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

	March 31, 2018	December 31, 2017
Redeemable noncontrolling interest - DaVinciRe	$ 1,032,543	$ 1,011,659
Redeemable noncontrolling interest - Medici	392,821	284,847
Redeemable noncontrolling interests	$ 1,425,364	$ 1,296,506

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

	Three months ended	
	March 31, 2018	March 31, 2017
Redeemable noncontrolling interest - DaVinciRe	$ 20,953	$ 31,909
Redeemable noncontrolling interest - Medici	8,946	2,418
Net income attributable to redeemable noncontrolling interests	$ 29,899	$ 34,327

Redeemable Noncontrolling Interest – DaVinciRe

In October 2001, the Company formed DaVinciRe and DaVinci with other equity investors. 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 22.1% at March 31, 2018 (December 31, 2017 - 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.

2017

During January 2017, DaVinciRe redeemed $75.0 million of its outstanding shares from certain existing DaVinciRe shareholders, including RenaissanceRe. In connection with the redemption, DaVinciRe retained a $7.5 million holdback. In addition, RenaissanceRe sold an aggregate of $24.0 million of its shares in DaVinciRe to an existing shareholder and a new shareholder. The Company's noncontrolling economic ownership in DaVinciRe subsequent to these transactions was 22.6%, effective January 1, 2017.

During July 2017, RenaissanceRe purchased $12.0 million of DaVinciRe's outstanding shares from an existing third-party shareholder. The Company's noncontrolling economic ownership in DaVinciRe subsequent to these transactions was 23.5%, effective July 1, 2017.

Effective October 1, 2017, DaVinciRe completed an equity capital raise of $248.6 million from third-party investors and RenaissanceRe. In addition, RenaissanceRe sold an aggregate of $49.7 million of its shares in DaVinciRe to third-party investors. The Company’s noncontrolling economic ownership in DaVinciRe subsequent to these transactions was 22.1%, effective October 1, 2017.

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	
	March 31, 2018	March 31, 2017
Beginning balance	$ 1,011,659	$ 994,458
Redemption of shares from redeemable noncontrolling interest, net of adjustments	(69)	(63,642)
Sale of shares to redeemable noncontrolling interests	—	23,921
Net income attributable to redeemable noncontrolling interest	20,953	31,909
Ending balance	$ 1,032,543	$ 986,646

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.

2017

During 2017, third-party investors subscribed for $149.2 million and redeemed $48.0 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 26.8%, effective at December 31, 2017.

2018

During the three months ended March 31, 2018, third-party investors subscribed for $99.7 million and redeemed $0.7 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 17.1% at March 31, 2018.

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	
	March 31, 2018	March 31, 2017
Beginning balance	$ 284,847	$ 181,136
Redemption of shares from redeemable noncontrolling interest, net of adjustments	(711)	(10,625)
Sale of shares to redeemable noncontrolling interests	99,739	28,416
Net income attributable to redeemable noncontrolling interest	8,946	2,418
Ending balance	$ 392,821	$ 201,345

NOTE 9. VARIABLE INTEREST ENTITIES

Upsilon RFO

Effective January 1, 2013, the Company formed and launched Upsilon RFO, a managed joint venture, and a Bermuda domiciled SPI, 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.

2017

During 2017, Upsilon RFO returned $84.3 million of capital to its investors, including $33.0 million to the Company. In addition, during 2017, $180.6 million of Upsilon RFO non-voting preference shares were issued to existing investors therein, including $27.2 million to the Company, and an existing third-party investor purchased $7.5 million of Upsilon RFO non-voting preference shares from the Company. At December 31, 2017, the Company's participation in the risks assumed by Upsilon RFO was 20.8%.

2018

During the three months ended March 31, 2018, $600.5 million of Upsilon RFO non-voting preference shares were issued to existing investors, including $75.0 million to the Company. This amount was received by the Company prior to December 31, 2017 and was included in other liabilities on the Company's consolidated balance sheet at December 31, 2017, and also included in other operating cash flows on the Company's consolidated statements of cash flows for the year ended December 31, 2017. During the three months ended March 31, 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 the three months ended March 31, 2018. At March 31, 2018, the Company's participation in the risks assumed by Upsilon RFO was 14.1%.

At March 31, 2018, the Company's consolidated balance sheet included total assets and total liabilities of Upsilon RFO of $1.4 billion and $1.4 billion, respectively (December 31, 2017 - $1.2 billion and $1.2 billion, respectively).

See "Note 16. Subsequent Events" for additional information related to Upsilon RFO's non-voting preference shares subsequent to March 31, 2018.

Mona Lisa Re Ltd. ("Mona Lisa Re")

On March 14, 2013, Mona Lisa Re was licensed as a Bermuda domiciled special purpose insurer to provide reinsurance capacity to subsidiaries of RenaissanceRe, namely Renaissance Reinsurance and DaVinci, through reinsurance agreements which will be collateralized and funded by Mona Lisa Re through the issuance of one or more series of principal-at-risk variable rate notes to third-party investors.

Upon issuance of a series of notes by Mona Lisa Re, all of the proceeds from the issuance were deposited into collateral accounts, separated by series, to fund any potential obligation under the reinsurance agreements entered into with Renaissance Reinsurance and/or DaVinci underlying such series of notes. The outstanding principal amount of each series of notes generally will 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 will 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.

The Company concluded that Mona Lisa 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 Mona Lisa Re and concluded it does not have a variable interest in Mona Lisa Re. As a result, the financial position and results of operations of Mona Lisa Re are not consolidated by the Company. The Company has not provided financial or other support to Mona Lisa Re that it was not contractually required to provide.

At March 31, 2018, the total assets and total liabilities of Mona Lisa Re were $25.6 million and $25.6 million, respectively (December 31, 2017 - $25.9 million and $25.9 million, respectively).

The only transactions related to Mona Lisa Re that are recorded in the Company’s consolidated financial statements are the ceded reinsurance agreements entered into by Renaissance Reinsurance and DaVinci which are accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance.* Renaissance Reinsurance and DaVinci have together entered into ceded reinsurance contracts with Mona Lisa Re with gross premiums ceded of $0.2 million and $0.2 million, respectively, during the three months ended March 31, 2018 (2017 - $0.1 million and $37 thousand, respectively). In addition, Renaissance Reinsurance and DaVinci recognized ceded premiums earned related to the ceded reinsurance contracts with Mona Lisa Re of $0.1 million and $0.1 million, respectively, during the three months ended March 31, 2018 (2017 - $1.8 million and $1.3 million, respectively).

Fibonacci Re

Effective November 7, 2016, 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 $11.1 million at March 31, 2018 (December 31, 2017 - $14.1 million).

Renaissance Reinsurance entered into ceded reinsurance contracts with Fibonacci Re with ceded premiums of $4.1 million and ceded premiums earned of $1.2 million during the three months ended March 31, 2018 (2017 - $7.4 million and $1.8 million, respectively).

Langhorne

Effective December 22, 2017, the Company and Reinsurance Group of America, Incorporated closed 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 March 31, 2018 the Company has invested $1.3 million in Langhorne Holdings (December 31, 2017 - $0.6 million), a company that owns and manages certain reinsurance entities within Langhorne. In addition, as of March 31, 2018 the Company has invested $0.1 million in Langhorne Partners (December 31, 2017 - $Nil), 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 investment in Langhorne will increase, perhaps materially, as in-force life and annuity blocks of businesses are written. 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.

NOTE 10. SHAREHOLDERS' EQUITY

Dividends

The Board of Directors of RenaissanceRe declared a dividend of $0.33 per common share, payable on March 29, 2018 to common shareholders of record on March 15, 2018 and, accordingly, RenaissanceRe paid the dividend on March 29, 2018.

The Board of Directors approved the payment of quarterly dividends on the Series C 6.08% Preference Shares and Series E 5.375% 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).

During the three months ended March 31, 2018, the Company paid $5.6 million in preference share dividends (2017 - $5.6 million) and $13.2 million in common share dividends (2017 - $13.0 million).

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 three months ended March 31, 2018, the Company's did not repurchase any of its common shares. At March 31, 2018, $500.0 million remained available for repurchase under the share repurchase program.

NOTE 11. EARNINGS PER SHARE

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

(common shares in thousands)	Three months ended March 31, 2018	Three months ended March 31, 2017
Numerator:		
Net income available to RenaissanceRe common shareholders	$ 56,713	$ 92,352
Amount allocated to participating common shareholders (1)	(546)	(907)
Net income allocated to RenaissanceRe common shareholders	$ 56,167	$ 91,445
Denominator:		
Denominator for basic income per RenaissanceRe common share - weighted average common shares	39,552	40,408
Per common share equivalents of employee stock options and restricted shares	47	215
Denominator for diluted income per RenaissanceRe common share - adjusted weighted average common shares and assumed conversions	39,599	40,623
Net income available to RenaissanceRe common shareholders per common share – basic	$ 1.42	$ 2.26
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 1.42	$ 2.25

(1) Represents earnings attributable to holders of unvested restricted shares issued pursuant to the Company's 2001 Stock Incentive Plan, 2010 Performance-Based Equity Incentive Plan, 2016 Long-Term Incentive Plan and to the Company's non-employee directors.

NOTE 12. 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 and the remnants of its former Bermuda-based insurance operations.

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 March 31, 2018	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 706,968	$ 452,684	$ —	$ 1,159,652
Net premiums written	$ 354,077	$ 308,967	$ —	$ 663,044
Net premiums earned	$ 225,049	$ 215,233	$ —	$ 440,282
Net claims and claim expenses incurred	30,607	141,078	18	171,703
Acquisition expenses	40,721	56,990	—	97,711
Operational expenses	26,546	14,593	133	41,272
Underwriting income (loss)	$ 127,175	$ 2,572	$ (151)	129,596
Net investment income			56,476	56,476
Net foreign exchange gains			3,757	3,757
Equity in earnings of other ventures			857	857
Other loss			(1,242)	(1,242)
Net realized and unrealized losses on investments			(82,144)	(82,144)
Corporate expenses			(6,733)	(6,733)
Interest expense			(11,767)	(11,767)
Income before taxes				88,800
Income tax benefit			3,407	3,407
Net income attributable to redeemable noncontrolling interests			(29,899)	(29,899)
Dividends on preference shares			(5,595)	(5,595)
Net income available to RenaissanceRe common shareholders				$ 56,713
Net claims and claim expenses incurred – current accident year	$ 58,169	$ 144,869	$ —	$ 203,038
Net claims and claim expenses incurred – prior accident years	(27,562)	(3,791)	18	(31,335)
Net claims and claim expenses incurred – total	$ 30,607	$ 141,078	$ 18	$ 171,703
Net claims and claim expense ratio – current accident year	25.8 %	67.3 %		46.1 %
Net claims and claim expense ratio – prior accident years	(12.2)%	(1.8)%		(7.1)%
Net claims and claim expense ratio – calendar year	13.6 %	65.5 %		39.0 %
Underwriting expense ratio	29.9 %	33.3 %		31.6 %
Combined ratio	43.5 %	98.8 %		70.6 %

Three months ended March 31, 2017	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 520,529	$ 401,561	$ —	$ 922,090
Net premiums written	$ 289,871	$ 254,265	$ —	$ 544,136
Net premiums earned	$ 186,988	$ 179,059	$ (2)	$ 366,045
Net claims and claim expenses incurred	38,838	154,571	(328)	193,081
Acquisition expenses	29,103	54,179	—	83,282
Operational expenses	27,665	19,607	11	47,283
Underwriting income (loss)	$ 91,382	$ (49,298)	$ 315	42,399
Net investment income			54,325	54,325
Net foreign exchange gains			8,165	8,165
Equity in losses of other ventures			(1,507)	(1,507)
Other income			1,665	1,665
Net realized and unrealized gains on investments			43,373	43,373
Corporate expenses			(5,286)	(5,286)
Interest expense			(10,526)	(10,526)
Income before taxes and noncontrolling interests				132,608
Income tax expense			(334)	(334)
Net income attributable to noncontrolling interests			(34,327)	(34,327)
Dividends on preference shares			(5,595)	(5,595)
Net income available to RenaissanceRe common shareholders				$ 92,352
Net claims and claim expenses incurred – current accident year	$ 39,766	$ 124,309	$ —	$ 164,075
Net claims and claim expenses incurred – prior accident years	(928)	30,262	(328)	29,006
Net claims and claim expenses incurred – total	$ 38,838	$ 154,571	$ (328)	$ 193,081
Net claims and claim expense ratio – current accident year	21.3 %	69.4%		44.8%
Net claims and claim expense ratio – prior accident years	(0.5)%	16.9%		7.9%
Net claims and claim expense ratio – calendar year	20.8 %	86.3%		52.7%
Underwriting expense ratio	30.3 %	41.2%		35.7%
Combined ratio	51.1 %	127.5%		88.4%

NOTE 13. 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 speculation. 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.

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 March 31, 2018	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
Interest rate futures	$ 175	157	$ 18	Other assets	$ —	$ 18
Interest rate swaps	357	—	357	Other assets	—	357
Foreign currency forward contracts (1)	7,070	175	6,895	Other assets	—	6,895
Foreign currency forward contracts (2)	79	78	1	Other assets	—	1
Credit default swaps	1,600	—	1,600	Other assets	—	1,600
Total	$ 9,281	$ 410	$ 8,871		$ —	$ 8,871

	Derivative Liabilities					
At March 31, 2018	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
Interest rate futures	$ 404	157	$ 247	Other liabilities	$ 247	$ —
Interest rate swaps	53	—	53	Other liabilities	53	—
Foreign currency forward contracts (1)	479	—	479	Other liabilities	—	479
Foreign currency forward contracts (2)	643	78	565	Other liabilities	—	565
Credit default swaps	13	—	13	Other liabilities	13	—
Total	$ 1,592	$ 235	$ 1,357		$ 313	$ 1,044

(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.

At December 31, 2017	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
Interest rate futures	$ 684	524	$ 160	Other assets	$ —	$ 160
Interest rate swaps	424	—	424	Other assets	—	424
Foreign currency forward contracts (1)	3,865	358	3,507	Other assets	—	3,507
Foreign currency forward contracts (2)	39	11	28	Other assets	—	28
Credit default swaps	1,518	—	1,518	Other assets	—	1,518
Total	$ 6,530	$ 893	$ 5,637		$ —	$ 5,637

At December 31, 2017	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
Interest rate futures	$ 729	524	$ 205	Other liabilities	$ 205	$ —
Foreign currency forward contracts (1)	670	—	670	Other liabilities	—	670
Foreign currency forward contracts (2)	115	11	104	Other liabilities	—	104
Credit default swaps	22	—	22	Other liabilities	22	—
Total	$ 1,536	$ 535	$ 1,001		$ 227	$ 774

(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.

Refer to “Note 3. 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 March 31,		2018	2017
Interest rate futures	Net realized and unrealized (losses) gains on investments	$ (2,337)	$ (158)
Interest rate swaps	Net realized and unrealized (losses) gains on investments	(106)	—
Foreign currency forward contracts (1)	Net foreign exchange gains	6,743	1,060
Foreign currency forward contracts (2)	Net foreign exchange gains	(691)	(633)
Credit default swaps	Net realized and unrealized (losses) gains on investments	(1,921)	102
Total		$ 1,688	$ 371

(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.

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 March 31, 2018.

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 March 31, 2018, the Company had $1.5 billion of notional long positions and $812.7 million of notional short positions of primarily Eurodollar, U.S. treasury and non-U.S. dollar futures contracts (December 31, 2017 - $1.5 billion and $801.1 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 March 31, 2018, the Company had $22.9 million of notional positions paying a fixed rate and $6.9 million receiving a fixed rate denominated in U.S. dollars (December 31, 2017 - $40.3 million and $Nil, 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 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

March 31, 2018, the Company had outstanding underwriting related foreign currency contracts of $218.6 million in notional long positions and $25.4 million in notional short positions, denominated in U.S. dollars (December 31, 2017 - $215.4 million and $44.2 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 March 31, 2018, the Company had outstanding investment portfolio related foreign currency contracts of $66.4 million in notional long positions and $40.5 million in notional short positions, denominated in U.S. dollars (December 31, 2017 - $16.6 million and $5.1 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. The fair value of credit derivatives is determined using industry valuation models, broker bid indications or internal pricing valuation techniques. The fair value of these credit derivatives 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 March 31, 2018, the Company had outstanding credit derivatives of $1.0 million in notional positions to hedge credit risk and $41.1 million in notional positions to assume credit risk, denominated in U.S. dollars (December 31, 2017 - $1.0 million and $18.8 million, respectively).

NOTE 14.   COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

There are no material changes from the commitments and contingencies previously disclosed in the Company’s Form 10-K for the year ended December 31, 2017.

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 accordingly. Currently, 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 15. CONDENSED CONSOLIDATING FINANCIAL INFORMATION PROVIDED IN CONNECTION WITH OUTSTANDING DEBT OF SUBSIDIARIES

The following tables present condensed consolidating balance sheets at March 31, 2018 and December 31, 2017, condensed consolidating statements of operations and condensed consolidating statements of comprehensive income for the three months ended March 31, 2018 and 2017, and condensed consolidating statements of cash flows for the three months ended March 31, 2018. Each of RenRe North America Holdings Inc. and RenaissanceRe Finance, Inc. is a 100% owned subsidiary of RenaissanceRe. On June 1, 2017, the notes issued by Platinum Underwriters Finance, Inc. ("Platinum Finance") matured and the Company repaid the aggregate principal amount plus applicable accrued interest in full. Platinum Finance was subsequently dissolved on November 30, 2017. Prior to the liquidation of Platinum Finance, it was a 100% owned subsidiary of RenaissanceRe. For additional information related to the terms of the Company's outstanding debt securities, see "Note 9. Debt and Credit Facilities" in the "Notes to Consolidated Financial Statements" in the Company's Form 10-K for the year ended December 31, 2017 and "Note 7. Debt and Credit Facilities" in the "Notes to Consolidated Financial Statements" included herein.

Condensed Consolidating Balance Sheet at March 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	$ 70,641	$ 112,716	$ 22,433	$ 10,015,914	$ —	$ 10,221,704
Cash and cash equivalents	8,150	97	1,175	638,551	—	647,973
Investments in subsidiaries	4,090,065	53,476	1,137,922	—	(5,281,463)	—
Due from subsidiaries and affiliates	137,639	91,891	—	—	(229,530)	—
Premiums receivable	—	—	—	1,684,630	—	1,684,630
Prepaid reinsurance premiums	—	—	—	794,921	—	794,921
Reinsurance recoverable	—	—	—	1,572,321	—	1,572,321
Accrued investment income	16	223	46	42,784	—	43,069
Deferred acquisition costs	—	—	—	477,010	—	477,010
Receivable for investments sold	48	—	6	111,377	—	111,431
Other assets	439,667	21,340	433,056	82,133	(848,625)	127,571
Goodwill and other intangible assets	123,728	—	—	117,844	—	241,572
Total assets	$ 4,869,954	$ 279,743	$ 1,594,638	$ 15,537,485	$ (6,359,618)	$ 15,922,202
Liabilities, Noncontrolling Interests and Shareholders' Equity						
Liabilities						
Reserve for claims and claim expenses	$ —	$ —	$ —	$ 4,912,727	$ —	$ 4,912,727
Unearned premiums	—	—	—	1,961,746	—	1,961,746
Debt	417,000	—	842,188	147,807	(417,000)	989,995
Amounts due to subsidiaries and affiliates	9,639	61	106,900	—	(116,600)	—
Reinsurance balances payable	—	—	—	1,758,948	—	1,758,948
Payable for investments purchased	—	—	—	306,664	—	306,664
Other liabilities	7,062	793	9,457	119,676	(6,483)	130,505
Total liabilities	433,701	854	958,545	9,207,568	(540,083)	10,060,585
Redeemable noncontrolling interests	—	—	—	1,425,364	—	1,425,364
Shareholders' Equity						
Total shareholders' equity	4,436,253	278,889	636,093	4,904,553	(5,819,535)	4,436,253
Total liabilities, noncontrolling interests and shareholders' equity	$ 4,869,954	$ 279,743	$ 1,594,638	$ 15,537,485	$ (6,359,618)	$ 15,922,202

(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, 2017	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	$ 225,266	$ 129,732	$ 31,255	$ 9,117,186	$ —	$ 9,503,439
Cash and cash equivalents	14,656	139	1,469	1,345,328	—	1,361,592
Investments in subsidiaries	4,105,760	36,140	1,141,733	—	(5,283,633)	—
Due from subsidiaries and affiliates	4,602	91,891	—	—	(96,493)	—
Premiums receivable	—	—	—	1,304,622	—	1,304,622
Prepaid reinsurance premiums	—	—	—	533,546	—	533,546
Reinsurance recoverable	—	—	—	1,586,630	—	1,586,630
Accrued investment income	405	428	82	41,320	—	42,235
Deferred acquisition costs	—	—	—	426,551	—	426,551
Receivable for investments sold	135	51	8	102,951	—	103,145
Other assets	433,468	21,342	430,481	76,703	(840,768)	121,226
Goodwill and other intangible assets	124,960	—	—	118,185	—	243,145
Total assets	$ 4,909,252	$ 279,723	$ 1,605,028	$ 14,653,022	$ (6,220,894)	$ 15,226,131
Liabilities, Redeemable Noncontrolling Interest and Shareholders' Equity						
Liabilities						
Reserve for claims and claim expenses	$ —	$ —	$ —	$ 5,080,408	$ —	$ 5,080,408
Unearned premiums	—	—	—	1,477,609	—	1,477,609
Debt	417,000	—	841,892	147,731	(417,000)	989,623
Amounts due to subsidiaries and affiliates	82,579	54	92,794	—	(175,427)	—
Reinsurance balances payable	—	—	—	989,090	—	989,090
Payable for investments purchased	—	—	—	208,749	—	208,749
Other liabilities	18,298	1,053	14,117	764,432	(5,129)	792,771
Total liabilities	517,877	1,107	948,803	8,668,019	(597,556)	9,538,250
Redeemable noncontrolling interests	—	—	—	1,296,506	—	1,296,506
Shareholders' Equity						
Total shareholders' equity	4,391,375	278,616	656,225	4,688,497	(5,623,338)	4,391,375
Total liabilities, redeemable noncontrolling interest and shareholders' equity	$ 4,909,252	$ 279,723	$ 1,605,028	$ 14,653,022	$ (6,220,894)	$ 15,226,131

(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 March 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
Revenues						
Net premiums earned	$ —	$ —	$ —	$ 440,282	$ —	$ 440,282
Net investment income	6,035	513	1,234	56,305	(7,611)	56,476
Net foreign exchange (losses) gains	(3)	—	—	3,760	—	3,757
Equity in earnings (losses) of other ventures	—	—	1,211	(354)	—	857
Other loss	—	—	—	(1,242)	—	(1,242)
Net realized and unrealized losses on investments	(661)	(1,286)	(259)	(79,938)	—	(82,144)
Total revenues	5,371	(773)	2,186	418,813	(7,611)	417,986
Expenses						
Net claims and claim expenses incurred	—	—	—	171,703	—	171,703
Acquisition expenses	—	—	—	97,711	—	97,711
Operational expenses	1,313	10	11,070	37,933	(9,054)	41,272
Corporate expenses	3,684	—	—	3,049	—	6,733
Interest expense	1,108	—	9,252	2,515	(1,108)	11,767
Total expenses	6,105	10	20,322	312,911	(10,162)	329,186
(Loss) income before equity in net income (loss) of subsidiaries and taxes	(734)	(783)	(18,136)	105,902	2,551	88,800
Equity in net income (loss) of subsidiaries	62,426	834	(3,813)	—	(59,447)	—
Income (loss) before taxes	61,692	51	(21,949)	105,902	(56,896)	88,800
Income tax benefit	616	221	1,815	755	—	3,407
Net income (loss)	62,308	272	(20,134)	106,657	(56,896)	92,207
Net loss attributable to redeemable noncontrolling interests	—	—	—	(29,899)	—	(29,899)
Net income (loss) attributable to RenaissanceRe	62,308	272	(20,134)	76,758	(56,896)	62,308
Dividends on preference shares	(5,595)	—	—	—	—	(5,595)
Net income (loss) available (attributable) to RenaissanceRe common shareholders	$ 56,713	$ 272	$ (20,134)	$ 76,758	$ (56,896)	$ 56,713

(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 (Loss) for the three months ended March 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
Comprehensive income (loss)						
Net income (loss)	$ 62,308	$ 272	$ (20,134)	$ 106,657	$ (56,896)	$ 92,207
Change in net unrealized gains on investments	—	—	—	(30)	—	(30)
Comprehensive income (loss)	62,308	272	(20,134)	106,627	(56,896)	92,177
Net income attributable to redeemable noncontrolling interests	—	—	—	(29,899)	—	(29,899)
Comprehensive income attributable to noncontrolling interests	—	—	—	(29,899)	—	(29,899)
Comprehensive income (loss) attributable to RenaissanceRe	$ 62,308	$ 272	$ (20,134)	$ 76,728	$ (56,896)	$ 62,278

(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 March 31, 2017	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	Platinum Underwriters Finance, 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	$ —	$ —	$ —	$ —	$ 366,045	$ —	$ 366,045
Net investment income	5,457	426	841	269	53,583	(6,251)	54,325
Net foreign exchange gains	—	—	—	—	8,165	—	8,165
Equity in losses of other ventures	—	—	—	(752)	(755)	—	(1,507)
Other (loss) income	(1)	—	—	—	1,666	—	1,665
Net realized and unrealized gains (losses) on investments	53	2,921	4,725	(26)	35,700	—	43,373
Total revenues	5,509	3,347	5,566	(509)	464,404	(6,251)	472,066
Expenses							
Net claims and claim expenses incurred	—	—	—	—	193,081	—	193,081
Acquisition expenses	—	—	—	—	83,282	—	83,282
Operational expenses	3,298	24	50	7,979	42,058	(6,126)	47,283
Corporate expenses	5,208	—	—	—	78	—	5,286
Interest expense	140	—	1,476	6,542	2,508	(140)	10,526
Total expenses	8,646	24	1,526	14,521	321,007	(6,266)	339,458
(Loss) income before equity in net income of subsidiaries and taxes	(3,137)	3,323	4,040	(15,030)	143,397	15	132,608
Equity in net income of subsidiaries	101,353	1,086	9,843	16,498	—	(128,780)	—
Income before taxes	98,216	4,409	13,883	1,468	143,397	(128,765)	132,608
Income tax (expense) benefit	(269)	(1,098)	(1,308)	3,072	(731)	—	(334)
Net income	97,947	3,311	12,575	4,540	142,666	(128,765)	132,274
Net income attributable to redeemable noncontrolling interests	—	—	—	—	(34,327)	—	(34,327)
Net income attributable to RenaissanceRe	97,947	3,311	12,575	4,540	108,339	(128,765)	97,947
Dividends on preference shares	(5,595)	—	—	—	—	—	(5,595)
Net income available to RenaissanceRe common shareholders	$ 92,352	$ 3,311	$ 12,575	$ 4,540	$ 108,339	$ (128,765)	$ 92,352

(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 March 31, 2017	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	Platinum Underwriters Finance, 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	$ 97,947	$ 3,311	$ 12,575	$ 4,540	$ 142,666	$ (128,765)	$ 132,274
Change in net unrealized gains on investments	—	—	—	—	(1,491)	—	(1,491)
Comprehensive income	97,947	3,311	12,575	4,540	141,175	(128,765)	130,783
Net income attributable to redeemable noncontrolling interests	—	—	—	—	(34,327)	—	(34,327)
Comprehensive income attributable to redeemable noncontrolling interests	—	—	—	—	(34,327)	—	(34,327)
Comprehensive income available to RenaissanceRe	$ 97,947	$ 3,311	$ 12,575	$ 4,540	$ 106,848	$ (128,765)	$ 96,456

(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 three months ended March 31, 2018	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	Platinum Underwriters Finance, 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	$ (6,875)	$ 659		$ (23,449)	$ (7,684)	$ (37,349)
Cash flows provided by (used in) investing activities						
Proceeds from sales and maturities of fixed maturity investments trading	119,542	42,793		27,672	2,128,852	2,318,859
Purchases of fixed maturity investments trading	(20,216)	(22,956)		(12,698)	(2,256,591)	(2,312,461)
Net (purchases) sales of equity investments trading	—	(21)		—	158	137
Net sales (purchases) of short term investments	54,728	(4,024)		(5,925)	(639,420)	(594,641)
Net sales of other investments	—	—		—	(98,639)	(98,639)
Dividends and return of capital from subsidiaries	177,250	—		—	(177,250)	—
Contributions to subsidiaries	(150,205)	(16,500)		—	166,705	—
Due to (from) subsidiary	(154,877)	7		14,106	140,764	—
Net cash provided by (used in) investing activities	26,222	(701)	—	23,155	(753,395)	(704,719)
Cash flows (used in) provided by financing activities						
Dividends paid – RenaissanceRe common shares	(13,224)	—	—	—	—	(13,224)
Dividends paid – preference shares	(5,595)	—	—	—	—	(5,595)
Net third party redeemable noncontrolling interest share transactions	—	—		—	52,759	52,759
Taxes paid on withholding shares	(7,034)	—	—	—	—	(7,034)
Net cash (used in) provided by financing activities	(25,853)	—	—	—	52,759	26,906
Effect of exchange rate changes on foreign currency cash	—	—	—	—	1,543	1,543
Net decrease in cash and cash equivalents	(6,506)	(42)	—	(294)	(706,777)	(713,619)
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	$ 8,150	$ 97	$ —	$ 1,175	$ 638,551	$ 647,973

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

Condensed Consolidating Statement of Cash Flows for the three months ended March 31, 2017	RenaissanceRe Holdings Ltd. (Parent Guarantor)	RenRe North America Holdings Inc. (Subsidiary Issuer)	Platinum Underwriters Finance, 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	$ (12,358)	$ (8,594)	$ 5,188	$ (17,914)	$ 234,717	$ 201,039
Cash flows provided by (used in) investing activities						
Proceeds from sales and maturities of fixed maturity investments trading	38,449	12,473	36,397	15,449	2,579,618	2,682,386
Purchases of fixed maturity investments trading	(63,417)	(12,438)	(36,790)	—	(2,894,479)	(3,007,124)
Net (purchases) sales of equity investments trading	—	(74)	(2,181)	—	16,002	13,747
Net sales (purchases) of short term investments	269,585	(590)	(5,087)	(3,374)	(14,841)	245,693
Net sales of other investments	—	—	—	—	36,402	36,402
Return of investment from investment in other ventures	—	—	—	—	20,000	20,000
Dividends and return of capital from subsidiaries	65,180	9,175	—	9,175	(83,530)	—
Contributions to subsidiaries	(162,550)	—	—	(9,175)	171,725	—
Due (from) to subsidiaries	(28,130)	50	(34)	2,522	25,592	—
Net cash provided by (used in) investing activities	119,117	8,596	(7,695)	14,597	(143,511)	(8,896)
Cash flows used in financing activities						
Dividends paid – RenaissanceRe common shares	(13,027)	—	—	—	—	(13,027)
Dividends paid – preference shares	(5,595)	—	—	—	—	(5,595)
RenaissanceRe common share repurchases	(80,009)	—	—	—	—	(80,009)
Net third party redeemable noncontrolling interest share transactions	—	—	—	—	(51,166)	(51,166)
Taxes paid on withholding shares	(11,018)	—	—	—	—	(11,018)
Net cash used in financing activities	(109,649)	—	—	—	(51,166)	(160,815)
Effect of exchange rate changes on foreign currency cash	—	—	—	—	1,602	1,602
Net (decrease) increase in cash and cash equivalents	(2,890)	2	(2,507)	(3,317)	41,642	32,930
Cash and cash equivalents, beginning of period	7,067	162	6,671	9,397	397,860	421,157
Cash and cash equivalents, end of period	$ 4,177	$ 164	$ 4,164	$ 6,080	$ 439,502	$ 454,087

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

NOTE 16. SUBSEQUENT EVENTS

Effective April 1, 2018, Upsilon RFO issued $31.7 million of non-voting preference shares to investors, including $26.5 million to the Company. Effective April 1, 2018, the Company’s participation in the risks assumed by Upsilon RFO was 16.9%.

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 months ended March 31, 2018 and 2017, respectively, as well as our liquidity and capital resources at March 31, 2018. 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, 2017. 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, Ireland, Singapore, Switzerland, the United Kingdom and the United States. Our operating subsidiaries include Renaissance Reinsurance, RenaissanceRe Specialty U.S. Ltd., Renaissance Reinsurance U.S., Renaissance Reinsurance of Europe Unlimited Company ("Renaissance Reinsurance of Europe") and Syndicate 1458. We also underwrite reinsurance on behalf of joint ventures, including Top Layer Re, Upsilon RFO, Fibonacci Re and DaVinci. In addition, through Medici, we invest in various insurance based investment instruments that have returns primarily tied to property catastrophe risk.

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, 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, joint ventures and underwriting platforms around the world, including DaVinci, Renaissance Reinsurance, Top Layer Re, Fibonacci Re and Upsilon RFO in Bermuda, Renaissance Reinsurance U.S. in the U.S., and Syndicate 1458 in the United Kingdom (the "U.K."). 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. Although each underwriting platform may write any or all of our classes of business, our Bermuda platform has traditionally written, and continues to write, the preponderance of our property business and our U.S. platform and Syndicate 1458 write a significant portion of our casualty and specialty business. 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 increased 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. 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 and Medici; 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, notwithstanding the impact of the write-down of a portion of our deferred tax asset in the fourth quarter of 2017 associated with the reduction in the U.S. corporate tax rate from 35% to 21% effective January 1, 2018 pursuant to the Tax Cuts and Jobs Act of 2017 (the "Tax Bill"), which was enacted on December 22, 2017. 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.

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 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

The Company’s 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, 2017. There have been no material changes to our critical accounting estimates as disclosed in our Form 10-K for the year ended December 31, 2017.

SUMMARY OF RESULTS OF OPERATIONS

Below is a discussion of the results of operations for the first quarter of 2018, compared to the first quarter of 2017.

Three months ended March 31,	2018	2017	Change
(in thousands, except per share amounts and percentages)			
Statement of operations highlights			
Gross premiums written	$ 1,159,652	$ 922,090	$ 237,562
Net premiums written	$ 663,044	$ 544,136	$ 118,908
Net premiums earned	$ 440,282	$ 366,045	$ 74,237
Net claims and claim expenses incurred	171,703	193,081	(21,378)
Acquisition expenses	97,711	83,282	14,429
Operational expenses	41,272	47,283	(6,011)
Underwriting income	$ 129,596	$ 42,399	$ 87,197
Net investment income	$ 56,476	$ 54,325	$ 2,151
Net realized and unrealized (losses) gains on investments	(82,144)	43,373	(125,517)
Total investment result	$ (25,668)	$ 97,698	$ (123,366)
Net income	$ 92,207	$ 132,274	$ (40,067)
Net income available to RenaissanceRe common shareholders	$ 56,713	$ 92,352	$ (35,639)
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 1.42	$ 2.25	$ (0.83)
Dividends per common share	$ 0.33	$ 0.32	$ 0.01
Key ratios			
Net claims and claim expense ratio – current accident year	46.1 %	44.8%	1.3 %
Net claims and claim expense ratio – prior accident years	(7.1)%	7.9%	(15.0)%
Net claims and claim expense ratio – calendar year	39.0 %	52.7%	(13.7)%
Underwriting expense ratio	31.6 %	35.7%	(4.1)%
Combined ratio	70.6 %	88.4%	(17.8)%
Return on average common equity - annualized	5.7 %	8.3%	(2.6)%
Book value	March 31, 2018	December 31, 2017	Change
Book value per common share	$ 100.29	$ 99.72	$ 0.57
Accumulated dividends per common share	18.33	18.00	0.33
Book value per common share plus accumulated dividends	$ 118.62	$ 117.72	$ 0.90
Change in book value per common share plus change in accumulated dividends	0.9 %		
Balance sheet highlights	March 31, 2018	December 31, 2017	Change
Total assets	$ 15,922,202	$ 15,226,131	$ 696,071
Total shareholders' equity attributable to RenaissanceRe	$ 4,436,253	$ 4,391,375	$ 44,878

Net income available to RenaissanceRe common shareholders was $56.7 million in the first quarter of 2018, compared to $92.4 million in the first quarter of 2017, a decrease of $35.6 million. As a result of our net income available to RenaissanceRe common shareholders in the first quarter of 2018, we generated an annualized return on average common equity of 5.7% and our book value per common share increased from $99.72 at December 31, 2017 to $100.29 at March 31, 2018, a 0.9% increase, after considering the change in accumulated dividends paid to our common shareholders.

The most significant events affecting our financial performance during the first quarter of 2018, on a comparative basis to the first quarter of 2017, include:

- *Gross Premiums Written* - our gross premiums written increased by $237.6 million, or 25.8%, to $1.2 billion, in the first quarter of 2018, compared to the first quarter of 2017, driven primarily by increases of $186.4 million in the Property segment and $51.1 million in the Casualty and Specialty segment. Our gross premiums written are discussed in additional detail below in “Underwriting Results by Segment”;
- *Underwriting Results* - we generated underwriting income of $129.6 million and a combined ratio of 70.6% in the first quarter of 2018, compared to $42.4 million and 88.4%, respectively, in the first quarter of 2017. Our underwriting income was comprised of our Property segment, which generated underwriting income of $127.2 million and a combined ratio of 43.5%, and our Casualty and Specialty segment, which generated underwriting income of $2.6 million and a combined ratio of 98.8%, each in the first quarter of 2018. Our underwriting results 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 loss of $25.7 million in the first quarter of 2018, compared to a gain of $97.7 million in the first quarter of 2017, a decrease of $123.4 million. The decrease in the total investment result was principally due to realized and unrealized losses on our fixed maturity investment portfolio driven by an upward shift in the interest rate yield curve during the first quarter of 2018, compared to less pronounced yield curve impacts in the first quarter of 2017. In addition, our equity investments trading portfolio experienced significant realized gains during the first quarter of 2017, which did not reoccur during the first quarter of 2018. Our fixed maturity investment portfolio generated higher net investment income during the first quarter of 2018, compared to the first quarter of 2017, principally driven by higher average invested assets and the impact of interest rate increases during recent periods.

Underwriting Results by Segment

Property

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

Three months ended March 31,	2018	2017	Change
(in thousands, except percentages)			
Gross premiums written	$ 706,968	$ 520,529	$ 186,439
Net premiums written	$ 354,077	$ 289,871	$ 64,206
Net premiums earned	$ 225,049	$ 186,988	$ 38,061
Net claims and claim expenses incurred	30,607	38,838	(8,231)
Acquisition expenses	40,721	29,103	11,618
Operational expenses	26,546	27,665	(1,119)
Underwriting income	$ 127,175	$ 91,382	$ 35,793
Net claims and claim expenses incurred – current accident year	$ 58,169	$ 39,766	$ 18,403
Net claims and claim expenses incurred – prior accident years	(27,562)	(928)	(26,634)
Net claims and claim expenses incurred – total	$ 30,607	$ 38,838	$ (8,231)
Net claims and claim expense ratio – current accident year	25.8 %	21.3 %	4.5 %
Net claims and claim expense ratio – prior accident years	(12.2)%	(0.5)%	(11.7)%
Net claims and claim expense ratio – calendar year	13.6 %	20.8 %	(7.2)%
Underwriting expense ratio	29.9 %	30.3 %	(0.4)%
Combined ratio	43.5 %	51.1 %	(7.6)%

Property Gross Premiums Written

In the first quarter of 2018, our Property segment gross premiums written increased by $186.4 million, or 35.8%, to $707.0 million, compared to $520.5 million in the first quarter of 2017.

Gross premiums written in the catastrophe class of business were $590.3 million in the first quarter of 2018, an increase of $175.9 million, or 42.4%, compared to the first quarter of 2017. The increase in gross premiums written in the catastrophe class of business was driven primarily by an improved rate environment combined with expanded participation on existing transactions and certain new transactions in the catastrophe excess of loss market. Gross premiums written in the other property class of business were $116.6 million in the first quarter of 2018, an increase of $10.5 million, or 9.9%, compared to the first quarter of 2017. The increase in gross premiums written in the other property class of business was primarily driven by growth across a number of our underwriting platforms, both from existing relationships and through new opportunities.

Property Ceded Premiums Written

Three months ended March 31,	2018	2017	Change
(in thousands)			
Ceded premiums written - Property	$ 352,891	$ 230,658	$ 122,233

Ceded premiums written in our Property segment increased $122.2 million to $352.9 million in the first quarter of 2018, compared to $230.7 million in the first quarter of 2017. The increase was principally due to a significant portion of the increase in gross premiums written in the catastrophe class of business noted above being ceded through the Company’s managed joint venture, Upsilon RFO.

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 $127.2 million in the first quarter of 2018, compared to $91.4 million in the first quarter of 2017. In the first quarter of 2018, our Property segment generated a net claims and claim expense ratio of 13.6%, an underwriting expense ratio of 29.9% and a combined ratio of 43.5%, compared to 20.8%, 30.3% and 51.1%, respectively, in the first quarter of 2017. Principally impacting the Property segment underwriting result and combined ratio was favorable development on prior accident years net claims and claim expenses of $27.6 million, or 12.2 percentage points, during the first quarter of 2018, compared to $0.9 million, or 0.5 percentage points, in the first quarter of 2017, combined with an increase in net premiums earned driven by the growth in net premiums written over the trailing twelve months. The favorable development during the first quarter of 2018 was principally driven by $27.1 million of net decreases in the estimated ultimate losses associated with the 2017 Catastrophe Events.

Property Profit Commissions and Fees

Three months ended March 31,	**2018**	**2017**	**Change**
(in thousands)			
Profit commissions and fees	$ 14,449	$ 22,116	$ (7,667)
Decrease in underwriting expense ratio	6.4%	11.8%	(5.4)%
Net impact of profit commissions and fees	$ 27,104	$ 33,608	$ (6,504)

We have entered into various joint ventures and specialized quota share retrocession agreements pursuant to which we cede a portion of our property book of business and earn profit commissions, as applicable, and fee income. We record these profit commissions and fees as reductions in acquisition and operating expenses, respectively, and, accordingly, these profit commissions and fees have reduced our underwriting expense ratios.

In addition, we are entitled to certain fee income and profit commissions from DaVinci. Since the results of DaVinci and its parent, DaVinciRe, are consolidated in our results of operations, the majority of these fees and profit commissions are eliminated in our consolidated financial statements and are principally reflected in redeemable noncontrolling interest – DaVinciRe. The net impact of all fees and profit commissions related to these joint ventures and specialized quota share cessions within our Property segment was $27.1 million in the first quarter of 2018, compared to $33.6 million in the first quarter of 2017.

Casualty and Specialty Segment

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

Three months ended March 31,	2018	2017	Change
(in thousands, except percentages)			
Gross premiums written	$ 452,684	$ 401,561	$ 51,123
Net premiums written	$ 308,967	$ 254,265	$ 54,702
Net premiums earned	$ 215,233	$ 179,059	$ 36,174
Net claims and claim expenses incurred	141,078	154,571	(13,493)
Acquisition expenses	56,990	54,179	2,811
Operational expenses	14,593	19,607	(5,014)
Underwriting income (loss)	$ 2,572	$ (49,298)	$ 51,870
Net claims and claim expenses incurred – current accident year	$ 144,869	$ 124,309	$ 20,560
Net claims and claim expenses incurred – prior accident years	(3,791)	30,262	(34,053)
Net claims and claim expenses incurred – total	$ 141,078	$ 154,571	$ (13,493)
Net claims and claim expense ratio – current accident year	67.3 %	69.4%	(2.1)%
Net claims and claim expense ratio – prior accident years	(1.8)%	16.9%	(18.7)%
Net claims and claim expense ratio – calendar year	65.5 %	86.3%	(20.8)%
Underwriting expense ratio	33.3 %	41.2%	(7.9)%
Combined ratio	98.8 %	127.5%	(28.7)%

Casualty and Specialty Gross Premiums Written

In the first quarter of 2018, our Casualty and Specialty segment gross premiums written increased $51.1 million, or 12.7%, to $452.7 million, compared to $401.6 million in the first quarter of 2017. The $51.1 million increase was principally due to selective growth from new and existing business within certain classes of business where we found comparably attractive risk-return attributes.

Casualty and Specialty Ceded Premiums Written

Three months ended March 31,	2018	2017	Change
(in thousands)			
Ceded premiums written - Casualty and Specialty	$ 143,717	$ 147,296	$ (3,579)

Ceded premiums written in our Casualty and Specialty segment were $143.7 million in the first quarter of 2018 compared to $147.3 million in the first quarter of 2017, a decrease of $3.6 million, primarily reflecting decreased purchases of retrocessional reinsurance principally for our casualty lines of business.

Casualty and Specialty Underwriting Results

Our Casualty and Specialty segment generated underwriting income of $2.6 million and had a combined ratio of 98.8% in the first quarter of 2018, compared to an underwriting loss of $49.3 million and a combined ratio of 127.5% in the first quarter of 2017. The decrease in the Casualty and Specialty segment combined ratio in the first quarter of 2018, compared to the first quarter of 2017, was primarily driven by a 20.8 percentage point decrease in the Casualty and Specialty segment net claims and claim expenses ratio as a result of net favorable development on prior accident years net claims and claim expenses compared to net adverse development in the first quarter of 2017, combined with a 7.9 percentage point decrease in the underwriting expense ratio. The decrease in the underwriting expense ratio was primarily driven by an increase in net premiums earned while continuing to leverage the Casualty and Specialty segment’s existing expense base.

During the first quarter of 2018, the Casualty and Specialty segment experienced net favorable development on prior accident years net claims and claim expenses of $3.8 million, or 1.8 percentage points, compared to $30.3 million, or 16.9 percentage points, of adverse development on prior accident years net claims and claim expenses in the first quarter of 2017. The favorable development during the first quarter of 2018 was principally driven by reported losses coming in lower than expected, compared to the first quarter of 2017 which experienced adverse development associated with the decrease in the Ogden Rate during that period.

Profit Commissions and Fees

Three months ended March 31,	2018	2017	Change
(in thousands, except percentages)			
Profit commissions and fees	$ 9,316	$ 8,532	$ 784
Decrease in underwriting expense ratio	4.3%	4.8%	(0.5)%

We have various specialized quota share retrocession agreements in place pursuant to which we cede a portion of our casualty and specialty book of business and earn profit commissions, as applicable, and fee income. We record these profit commissions and fees as reductions in acquisition and operating expenses, respectively, and, accordingly, these profit commissions and fees have reduced our underwriting expense ratios.

Net Investment Income

Three months ended March 31,	2018	2017	Change
(in thousands)			
Fixed maturity investments	$ 45,643	$ 43,419	$ 2,224
Short term investments	5,304	1,724	3,580
Equity investments trading	698	811	(113)
Other investments			
Private equity investments	(434)	7,802	(8,236)
Other	8,023	4,072	3,951
Cash and cash equivalents	565	189	376
	59,799	58,017	1,782
Investment expenses	(3,323)	(3,692)	369
Net investment income	$ 56,476	$ 54,325	$ 2,151

Net investment income was $56.5 million in the first quarter of 2018, compared to $54.3 million in the first quarter of 2017, an increase of $2.2 million, principally driven by higher average invested assets in our fixed maturity and short term investment portfolios, combined with the impact of interest rate increases during recent periods. Partially offsetting this was lower returns in our portfolio of private equity investments in the first quarter of 2018, compared to the first quarter of 2017.

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 $1.5 million in the first quarter of 2018, compared to unrealized gains of $6.9 million in the first quarter of 2017.

Net Realized and Unrealized (Losses) Gains on Investments

Three months ended March 31,	2018	2017	Change
(in thousands)			
Gross realized gains	$ 4,583	$ 11,461	$ (6,878)
Gross realized losses	(25,853)	(16,533)	(9,320)
Net realized losses on fixed maturity investments	(21,270)	(5,072)	(16,198)
Net unrealized (losses) gains on fixed maturity investments trading	(55,372)	24,635	(80,007)
Net realized and unrealized losses on investments-related derivatives	(4,364)	(56)	(4,308)
Net realized gains on equity investments trading	234	20,915	(20,681)
Net unrealized (losses) gains on equity investments trading	(1,372)	2,951	(4,323)
Net realized and unrealized (losses) gains on investments	$ (82,144)	$ 43,373	$ (125,517)

Our investment portfolio 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 losses on investments were $82.1 million in the first quarter of 2018, compared to net realized and unrealized gains of $43.4 million in the first quarter of 2017, a decrease of $125.5 million. Included in net realized and unrealized losses on investments are the following components:

- net realized and unrealized losses on our portfolio of fixed maturity investments trading of $76.6 million during the first quarter of 2018, compared to net realized and unrealized gains of $19.6 million in the first quarter of 2017, a decrease of $96.2 million, principally driven by an upward shift in the interest rate yield curve during the first quarter of 2018, compared to less pronounced yield curve impacts in the first quarter of 2017;
- net realized and unrealized losses on equity investments trading of $1.1 million in the first quarter of 2018, compared to net realized and unrealized gains of $23.9 million in the first quarter of 2017, a decrease of $25.0 million, driven by lower returns on a certain of the our larger positions within our equity investments trading portfolio; and
- net realized and unrealized losses on certain investments-related derivatives of $4.4 million in the first quarter of 2018, compared to losses of $0.1 million in the first quarter of 2017, reflecting a net long position generating unrealized losses in the rising interest rate environment.

Net Foreign Exchange Gains

Three months ended March 31,	2018	2017	Change
(in thousands)			
Foreign exchange gains	$ 3,757	$ 8,165	$ (4,408)

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. As a result, we may experience foreign exchange gains and losses in our consolidated financial statements. All changes in exchange rates are recognized in our consolidated statements of operations. We are primarily impacted by the foreign currency risk exposures associated with our underwriting operations and investment portfolio, 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 (Losses) of Other Ventures

Three months ended March 31,	2018	2017	Change
(in thousands)			
Top Layer Re	$ 2,033	$ 2,484	$ (451)
Tower Hill Companies	(910)	(4,058)	3,148
Other	(266)	67	(333)
Total equity in earnings (losses) of other ventures	$ 857	$ (1,507)	$ 2,364

Equity in earnings (losses) of other ventures primarily represents our pro-rata share of the net income (loss) from our investments in Tower Hill Insurance Group, LLC, Tower Hill Holdings, Inc., Tower Hill Re Ltd. and Tower Hill Signature Insurance 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.

Equity in earnings of other ventures was $0.9 million, compared to equity in losses of other ventures of $1.5 million in the first quarter of 2017, an increase of $2.4 million. Impacting equity in earnings of other ventures was equity in losses of the Tower Hill Companies of $0.9 million in the first quarter of 2018, compared to equity in losses of $4.1 million in the first quarter of 2017, a reduction in losses of $3.1 million, principally due to improved profitably of the Tower Hill Companies.

Other Income

Three months ended March 31,	2018	2017	Change
(in thousands)			
Assumed and ceded reinsurance contracts accounted for as derivatives and deposits	$ (1,523)	$ 1,498	$ (3,021)
Other items	281	167	114
Total other income	$ (1,242)	$ 1,665	$ (2,907)

In the first quarter of 2018, we incurred an other loss of $1.2 million, compared to other income of $1.7 million in the first quarter of 2017, a decrease of $2.9 million.

Corporate Expenses

Three months ended March 31,	2018	2017	Change
(in thousands)			
Corporate expenses	$ 6,733	$ 5,286	$ 1,447

Corporate expenses include certain executive, director, legal and consulting expenses, costs for research and development, 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 were $6.7 million in the first quarter of 2018, compared to $5.3 million in the first quarter of 2017.

Income Tax Benefit (Expense)

Three months ended March 31,	2018	2017	Change
(in thousands)			
Income tax benefit (expense)	$ 3,407	$ (334)	$ 3,741

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 benefit of $3.4 million in the first quarter of 2018, compared to an income tax expense of $0.3 million in the first quarter of 2017, principally driven by investment losses in our U.S.-based operations.

Net Income Attributable to Redeemable Noncontrolling Interests

Three months ended March 31,	2018	2017	Change
(in thousands)			
Net income attributable to redeemable noncontrolling interests	$ (29,899)	$ (34,327)	$ 4,428

Our net income attributable to redeemable noncontrolling interests was $29.9 million in the first quarter of 2018, compared to $34.3 million in the first quarter of 2017, a change of $4.4 million, principally due to lower total investment results in DaVinciRe, and a decrease in our ownership in DaVinciRe to 22.1% at March 31, 2018, compared to 22.6% at March 31, 2017. We expect our ownership in DaVinciRe to fluctuate over time.

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 among others, Bermuda, the U.S., the U.K. and Ireland. For example, insurance laws require our insurance subsidiaries to maintain certain measures of solvency and liquidity. The regulations governing the ability of us and our principal operating subsidiaries 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” of our Form 10-K for the year ended December 31, 2017.

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. In 2017 we experienced a net negative impact of $720.2 million from hurricanes Harvey, Irma and Maria and the Mexico City Earthquake (the “Q3 2017 Catastrophe Events”), the wildfires in California during the fourth quarter of 2017 (the “Q4 2017 California Wildfires”) and losses associated with aggregate loss contracts (the “Q4 2017 Aggregate Losses”). 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 Q3 2017 Catastrophe Events, Q4 2017 California Wildfires and Q4 2017 Aggregate Losses.

Dividends and return of capital by our principal operating subsidiaries to RenaissanceRe, net of capital contributions by RenaissanceRe to our principal operating subsidiaries, were $78.1 million during the first quarter of 2018 (2017 - $134.8 million).

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 March 31, 2018, we believe the statutory capital and surplus of our group exceeded the minimum amount required to be maintained under Bermuda law. We are currently completing our 2017 group BSCR, which must be filed with the BMA on or before May 31, 2018, and we believe we will exceed the target level of required economic statutory capital.

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 Subsidiaries

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 March 31, 2018, 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. is defined as a Class 3B insurer, and Renaissance Reinsurance and DaVinci 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 2017 BSCR for Renaissance Reinsurance, RenaissanceRe Specialty U.S. and DaVinci was filed with the BMA on or before the April 30, 2018 filing deadline, and each company exceeded the minimum amount required to be maintained under Bermuda law. In addition, audited annual financial statements prepared in accordance with GAAP for each of Renaissance Reinsurance, RenaissanceRe Specialty U.S. and DaVinci are filed prior to April 30 of each year with the BMA and are available free of charge on the BMA’s website.

U.K. Subsidiaries

Underwriting capacity, or stamp capacity, of a member of Lloyd’s 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 March 31, 2018, the FAL required to support the underwriting activities at Lloyd’s through Syndicate 1458 was £405.8 million (December 31, 2017 - £405.8 million). Actual FAL posted for Syndicate 1458 at March 31, 2018 by RenaissanceRe CCL was £376.4 million, supported by a $180.0 million letter of credit and a $346.9 million deposit of cash and fixed maturity securities (December 31, 2017 - $180.0 million and $347.3 million, respectively). See “Note 7. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” for additional information related to this letter of credit facility.

U.S. Subsidiaries

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 March 31, 2018, 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 2018, Renaissance Reinsurance U.S. has an ordinary dividend capacity of $24.1 million (2017 - $25.4 million).

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 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, 2017 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 three months ended March 31, 2018 for details of these facilities.

Cash Flows

Three months ended March 31,		2018		2017
(in thousands)				
Net cash (used in) provided by operating activities	$	(37,349)	$	201,039
Net cash used in investing activities		(704,719)		(8,896)
Net cash provided by (used in) financing activities		26,906		(160,815)
Effect of exchange rate changes on foreign currency cash		1,543		1,602
Net (decrease) increase in cash and cash equivalents		(713,619)		32,930
Cash and cash equivalents, beginning of period		1,361,592		421,157
Cash and cash equivalents, end of period	$	647,973	$	454,087

2018

During the first quarter of 2018, our cash and cash equivalents decreased $713.6 million, to $648.0 million at March 31, 2018, compared to $1.4 billion at December 31, 2017.

Cash flows used in operating activities. Cash flows used in operating activities during the first quarter of 2018 were $37.3 million, compared to cash flows provided by operating activities of $201.0 million during the first quarter of 2017. Cash flows used in operating activities during the first quarter of 2018 were primarily the result of certain adjustments to reconcile our net income of $92.2 million to net cash used in operating activities, including:

- a decrease in other operating cash flows of $632.4 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 first quarter of 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 the Company consolidated statements of cash flows for the first quarter of 2018. See "Note 9. Variable Interest Entities" for additional information related to Upsilon RFO's non-voting preference shares during the first quarter of 2018;
- an increase in unearned premiums of $484.1 million due to the timing of renewals;
- increases in premiums receivable and deferred acquisition costs of $380.0 million and $50.5 million, respectively, due to the timing of payments of our gross premiums written and amortization of of deferred acquisition costs, respectively;
- an increase of $261.4 million in our prepaid reinsurance premiums due to ceded premiums written associated renewals in the first quarter of 2018; and
- a decrease in our reserve for claims and claim expenses of $167.7 million as a result of claims and claims expenses incurred of $225.7 million during the first quarter of 2018, more than offset by claims payments of $405.5 million, largely associated with the 2017 Catastrophe Events.

Cash flows used in investing activities. During the first quarter of 2018, our cash flows used in investing activities were $704.7 million, principally reflecting net purchases of short term and other investments of $594.6 million and $98.6 million, respectively.

Cash flows provided by financing activities. Our cash flows provided by financing activities in the first quarter of 2018 were $26.9 million, and were principally the result of:

- net inflows of $52.8 million related to a net contribution of capital from third-party shareholders, principally in Medici; partially offset by
- dividends paid on our common and preferred shares of $13.2 million and $5.6 million, respectively.

2017

During the three months ended March 31, 2017, our cash and cash equivalents increased $32.9 million, to $454.1 million at March 31, 2017, compared to $421.2 million at December 31, 2016.

Cash flows provided by operating activities. Cash flows provided by operating activities during the three months ended March 31, 2017 were $221.0 million, compared to cash flows used in operating activities of $1.6 million during the three months ended March 31, 2016. Cash flows provided by operating activities during the three months ended March 31, 2017 were primarily the result of certain adjustments to reconcile our net income of $132.3 million to net cash provided by operating activities, including:

- an increase in unearned premiums of $364.9 million due to the gross premiums written associated with our January 1 renewals and a $298.3 million increase in reinsurance balances payable due to the timing of payments of our premiums ceded;
- an increase in our reserve for claims and claim expenses of $86.4 million as a result of claims and claims expenses incurred of $251.8 million, partially offset by claims payments of $167.8 million;
- increases in premiums receivable and deferred acquisition costs of $296.0 million and $53.4 million, respectively, due to the gross premiums written associated with our January 1 renewals noted above;
- an increase of $186.8 million in our prepaid reinsurance premiums due to ceded premiums written associated with our January 1 renewals; and
- an increase of $46.3 million in our reinsurance recoverable.

Cash flows used in investing activities. During the three months ended March 31, 2017, our cash flows used in investing activities were $28.9 million, principally reflecting net purchases of fixed maturity investments of $324.7 million, partially offset by net sales of short term investments of $245.7 million.

Cash flows used in financing activities. Our cash flows used in financing activities in the three months ended March 31, 2017 were $160.8 million, and were principally the result of the settlement of $80.0 million of common share repurchases, net outflows of $51.2 million related to a net return of capital to third party shareholders, principally in DaVinciRe and Medici, and $13.0 million and $5.6 million of dividends paid on our common and preferred shares, 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 is as follows:

(in thousands)	At March 31, 2018	At December 31, 2017	Change
Common shareholders' equity	$ 4,036,253	$ 3,991,375	$ 44,878
Preference shares	400,000	400,000	—
Total shareholders' equity attributable to RenaissanceRe	4,436,253	4,391,375	44,878
3.450% Senior Notes due 2027	295,425	295,303	122
3.700% Senior Notes due 2025	297,409	297,318	91
5.75% Senior Notes due 2020	249,353	249,272	81
4.750% Senior Notes due 2025 (DaVinciRe) (1)	147,808	147,730	78
Total debt	$ 989,995	$ 989,623	$ 372
Total shareholders' equity attributable to RenaissanceRe and debt	$ 5,426,248	$ 5,380,998	$ 45,250

(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 first quarter of 2018, our total shareholders' equity attributable to RenaissanceRe and debt increased by $45.3 million, to $5.4 billion.

Our shareholders' equity attributable to RenaissanceRe increased $44.9 million during the first quarter of 2018 principally as a result of:

- our comprehensive income attributable to RenaissanceRe of $62.3 million; and
- $13.2 million and $5.6 million of dividends on our common and preference shares, respectively.

Credit Facilities

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

At March 31, 2018	Issued or Drawn
RenaissanceRe Revolving Credit Facility	$ —
Uncommitted Standby Letter of Credit Facility with Wells Fargo	101,679
Bilateral Letter of Credit Facility with Citibank Europe	186,709
Renaissance Reinsurance FAL Facility	180,000
Total credit facilities in U.S. dollars	$ 468,388
Specialty Risks FAL Facility	£ 10,000
Total credit facilities in pound sterling	£ 10,000

Effective as of March 23, 2018, we terminated the NAB Standby Letter of Credit Agreement, which provided for a secured, uncommitted facility under which letters of credit were issued from time to time for the respective accounts of the NAB Facility Applicants in multiple currencies. We determined that the NAB Standby Letter of Credit Agreement, which had originally been entered into to support certain reinsurance obligations, was no longer needed as we maintain sufficient capacity under our continuing credit facilities to meet our estimated future needs.

There have been no other material changes to our credit facilities as disclosed in our Form 10-K for the year ended December 31, 2017.

For additional information related to the terms of our debt and significant credit facilities, see “Note 7. Debt and Credit Facilities” in our “Notes to Consolidated Financial Statements” and “Note 9. Debt and Credit Facilities” in our “Notes to Consolidated Financial Statements” in our Form 10-K for the year ended December 31, 2017. Refer to “Note 12. Shareholders’ Equity” in our “Notes to 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 March 31, 2018 with respect to our multi-beneficiary reinsurance trusts totaled $1.2 billion and $375.6 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2017 - $1.2 billion and $377.0 million, respectively), compared to the minimum amount required under U.S. state regulations of $1.0 billion and $285.8 million, respectively, at March 31, 2018 (December 31, 2017 - $1.1 billion and $326.9 million, respectively).

Multi-Beneficiary Reduced Collateral Reinsurance Trusts

Assets held under trust at March 31, 2018 with respect to our multi-beneficiary reduced collateral reinsurance trusts totaled $49.2 million and $61.9 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2017 - $49.4 million and $62.0 million, respectively), compared to the minimum amount required under U.S. state regulations of $38.0 million and $33.9 million, respectively (December 31, 2017 - $39.7 million and $46.0 million, respectively).

Redeemable Noncontrolling Interest – DaVinciRe

Our noncontrolling economic ownership in DaVinciRe was 22.1% at March 31, 2018 (December 31, 2017 - 22.1%). See “Note 8. Noncontrolling Interests” in our “Notes to Consolidated Financial Statements” for additional information related to DaVinciRe.

Ratings

Financial strength ratings are important to the competitive position of reinsurance and insurance companies. We have received high claims-paying and financial strength ratings from A.M. Best Company, Inc. (“A.M. Best”), Standard and Poor’s Rating Services (“S&P”), Moody’s Investors Service (“Moody’s”) and Fitch Ratings Ltd. (“Fitch”). 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 April 27, 2018 are presented below.

	A.M. Best	S&P	Moody's	Fitch
Renaissance Reinsurance (1)	A+	A+	A1	A+
DaVinci (1)	A	A+	A3	—
Renaissance Reinsurance U.S. (1)	A+	A+	—	—
RenaissanceRe Specialty U.S. (1)	A+	A+	—	—
Renaissance Reinsurance of Europe (1)	A+	A+	—	—
Top Layer Re (1)	A+	AA	—	—
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 insurer's 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 refers to the Enterprise Risk Management ("ERM") A.M. Best score within A.M. Best's credit ratings methodology. The S&P rating for RenaissanceRe represents the rating on its ERM practices.

On February 28, 2018, S&P lowered the financial strength ratings of Renaissance Reinsurance, DaVinci, Renaissance Reinsurance of Europe, Renaissance Reinsurance U.S. and RenaissanceRe Specialty U.S to "A+" with a stable outlook from "AA-" with a negative outlook. S&P attributed the downgrade to negative market pressures despite the Company's strong market position. The "A" range ("A+","A", "A-"), which is the third highest rating assigned by S&P, indicates that S&P believes the insurers have strong capacity to meet their respective financial commitments but they are somewhat more susceptible to adverse effects or changes in circumstances and economic conditions than insurers rated higher. S&P assigns an issuer credit rating to an entity which is an opinion on the creditworthiness of the obligor with respect to a specific financial obligation.

On March 1, 2018, A.M. Best upgraded the financial strength ratings of Renaissance Reinsurance U.S. and RenaissanceRe Specialty U.S. to "A+" from "A". The outlook for these ratings is stable. A.M. Best also revised the outlooks to stable from negative for Renaissance Reinsurance, Renaissance Reinsurance of Europe and RenaissanceRe. "A+" is the second highest designation of A.M. Best's sixteen rating levels. "A+" rated insurance companies are defined as "Superior" companies and are considered by A.M. Best to have a very strong ability to meet their obligations to policyholders.

There have been no other material changes to our ratings as disclosed in our Form 10-K for the year ended December 31, 2017.

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 application of IBNR.

Our reserving techniques, assumptions and processes differ among our Property and Casualty and Specialty segments. Refer to "Note 6. Reserve for Claims and Claim Expenses" in our "Notes to 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. Refer to "Note 8. 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, 2017 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, 2017 for more information on 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)	March 31, 2018		December 31, 2017		Change
U.S. treasuries	$ 2,834,487	27.7%	$ 3,168,763	33.3%	$ (334,276)
Agencies	45,365	0.5%	47,646	0.5%	(2,281)
Municipal	506,470	5.0%	509,802	5.4%	(3,332)
Non-U.S. government (Sovereign debt)	303,056	3.0%	287,660	3.0%	15,396
Non-U.S. government-backed corporate	191,202	1.9%	163,651	1.7%	27,551
Corporate	2,147,578	21.0%	2,063,459	21.7%	84,119
Agency mortgage-backed	693,377	6.8%	500,456	5.3%	192,921
Non-agency mortgage-backed	302,638	2.9%	300,331	3.1%	2,307
Commercial mortgage-backed	197,126	1.9%	202,062	2.1%	(4,936)
Asset-backed	183,462	1.7%	182,725	2.0%	737
Total fixed maturity investments, at fair value	7,404,761	72.4%	7,426,555	78.1%	(21,794)
Short term investments, at fair value	1,616,597	15.8%	991,863	10.4%	624,734
Equity investments trading, at fair value	387,462	3.8%	388,254	4.1%	(792)
Other investments, at fair value	692,652	6.8%	594,793	6.3%	97,859
Total managed investment portfolio	10,101,472	98.8%	9,401,465	98.9%	700,007
Investments in other ventures, under equity method	120,232	1.2%	101,974	1.1%	18,258
Total investments	$ 10,221,704	100.0%	$ 9,503,439	100.0%	$ 718,265

At March 31, 2018, we held investments totaling $10.2 billion, compared to $9.5 billion at December 31, 2017. 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, refer to "Note 3. Investments" and "Note 4. Fair Value Measurements" in our "Notes to the Consolidated Financial Statements" for additional information regarding our investments and the fair value of measurement of our investments, respectively.

As the reinsurance coverages we sell include substantial protection for damages resulting from natural and man-made catastrophes, 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 partnerships, senior secured bank loan funds, hedge funds, and other investments). At March 31, 2018, our portfolio of equity investments trading totaled $387.5 million, or 3.8%, of our total investments (December 31, 2017 - $388.3 million or 4.1%). Our portfolio of other investments totaled $692.7 million, or 6.8%, of our total investments at March 31, 2018 (December 31, 2017 - $594.8 million or 6.3%).

Other Investments

The table below shows our portfolio of other investments:

(in thousands)	March 31, 2018	December 31, 2017	Change
Catastrophe bonds	$ 476,534	$ 380,475	$ 96,059
Private equity partnerships	190,067	196,220	(6,153)
Senior secured bank loan funds	13,771	17,574	(3,803)
Hedge funds	12,280	524	11,756
Total other investments	$ 692,652	$ 594,793	$ 97,859

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 first quarter of 2018 is a loss of $0.1 million (2017 - income of $1.7 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. Refer to “Note 4. 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 partnerships and other investments of $1.1 billion, of which $595.0 million has been contributed at March 31, 2018. Our remaining commitments to these investments at March 31, 2018 totaled $490.2 million. In the future, we may enter into additional commitments in respect of private equity partnerships 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 March 31, 2018, 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, 2017. We consider these contractual obligations when assessing our liquidity requirements. As of March 31, 2018, 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, 2017.

CURRENT OUTLOOK

Property Exposed Market Developments

In 2017, the insurance and reinsurance markets were impacted by Hurricanes Harvey, Irma and Maria and the Mexico City Earthquake in the third quarter of 2017 and additional events, most notably the devastating wildfires in many areas of the state of California, in the fourth quarter of 2017. Modeling firms, analysts and other industry observers have estimated that, in the aggregate, the impact of these events to the industry could approach or potentially exceed $100 billion. Given the nature and breadth of these events, losses have affected an unusually large number of regions, and, accordingly, insureds, reinsurance lines and reinsurers.

Partly as a result of these events, industry conditions improved broadly in respect of the January 2018 renewal season, albeit at the lower end of our expectations, facilitating growth in existing operations and presenting opportunities to deploy additional third party capital. Generally, loss affected programs and lines saw the most marked improvement in terms and conditions, but other property-exposed coverages also exhibited beneficial changes. However, market-wide rate increases were not as steep or as broad as those experienced in renewals following most of the previous years with catastrophic losses of this scale, and rate increases on the whole were lower than expectations reflected in market publications issued early in the renewal season. In addition, we cannot know with certainty how long these positive developments may be sustained, or the degree to which we will continue to benefit from them.

Moreover, we continue to expect that reinsurance demand for many coverages and solutions will continue to lag the pace of growth in available capital. While 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, continued growth of capital supply from both traditional market participants, and increasingly alternative capital providers, will continue to impact the markets in which we participate. In respect of the Florida market, which in general is characterized by contracts renewing on June 1, we currently anticipate the market will be characterized by ample supply of capital, including third party capital, and relatively flat demand, notwithstanding the significant impacts of Hurricane Irma. In addition, the market challenges posed by the worsening issues relating to abuse of “assignments of benefits”, summarized in more detail below, is likely to impact our own risk selection criteria, potentially reducing the number of accounts we believe are submitted at attractive risk-adjusted terms. Accordingly, while we believe we are positioned to compete robustly, with unique expertise, market presence and relationships, we do not currently believe we will assemble a portfolio as large or as attractive as experienced in prior large southeast windstorms. These assessments have informed our capital allocation determinations in the first half of the year.

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

The markets in which our Casualty and Specialty segment operate generally experienced favorable rate trends and stable terms and conditions in and around the January 2018 renewal season. While favorable conditions were most observable in respect of accounts exhibiting elevated loss emergence or underlying rate deterioration, we estimate that the favorable market trend extended more broadly. We continue to expect casualty insurance and reinsurance capacity to remain generally abundant during 2018, but believe casualty and specialty market trends and industry loss events in recent periods contributed to the discipline impacting certain programs and lines. Overall, we continue to estimate that the market will be characterized by ample capacity. In the near term, we anticipate that terms and conditions in respect of loss-affected lines of business should continue to improve and that other areas of the casualty and specialty market may also maintain less pronounced but positive adjustments. Moreover, we continue to believe that pockets of casualty and specialty lines may provide attractive opportunities for stronger or well-positioned reinsurers and that we are well positioned to compete for business that we find attractive given our strong ratings, expanded product offerings, and increased U.S. market presence.

However, specific renewal terms vary widely by insured account and our ability to shape our portfolio to improve its risk and return characteristics as estimated by us 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 have remained generally stable or improved in 2018 to date, with our core markets, including the U.S., experiencing moderate economic growth and increases in prevailing interest rates. This 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 continue to believe that meaningful risk remains for 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. In addition, persistent low levels of economic activity could 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. 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. More recently, we have seen increases in interest rates, and as we invest cash from new premiums written or reinvest the proceeds of invested assets that mature or that we choose to sell, the yield on our portfolio may be favorably impacted by the increasing interest rate environment. However, such an increase in prevailing interest rates could contribute to higher realized and unrealized losses associated with our currently invested assets in the near term. While it is possible yields will improve in future periods, we are unable to predict with certainty when conditions will substantially improve, or the pace of any such improvement.

We continue to monitor the risk that our principal markets will experience increased inflationary conditions, which 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 United States 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. Further, it is possible that other 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. In January 2017, FEMA announced that, acting under authority contemplated by the Biggert-Waters Bill, it had secured reinsurance protection for the NFIP for the 2017 year indemnifying FEMA for flood claims on an occurrence basis; the layer is structured to cover 26% of losses between $4 billion and $8 billion. In January 2018, FEMA announced that it renewed and expanded its reinsurance program which for the 2018 coverage year protects for 18.6% of NFIP losses between $4 billion and $6 billion, and 54.3% of losses between $6 billion and $8 billion. 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.

On January 22, 2018, the statutory authorization for the operation and continuation of the NFIP was extended to February 8, 2018, and has subsequently expired and received a series of short term extensions. Most recently, in March 2018, the program received a temporary reauthorization until July 31,

2018. 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. Draft language also 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. If ultimately approved by the full Congress, we believe that such legislation 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. We cannot assure you that such legislation 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”. 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. According to the Florida Office of Insurance Regulation (the “OIR”), while there were 405 AOB lawsuits across Florida in 2006, that number rose to 28,200 in 2016. Moreover, according to the OIR, claims with an AOB have a much higher degree of severity than claims without one. For example, in 2018 the OIR estimated that between 2015 and 2017, the frequency of water claims rose by 44% and the severity of water claims rose by 18%. As a result, we believe that usage of AOBs is contributing significantly to loss trends in Florida and is having an impact on the profitability and financial condition of certain of the state’s domestic property insurance companies. While both private companies and the OIR are exploring non-statutory means to mitigate these issues, legislative reforms proposed over the last several years have not been enacted. A continuation of these trends could weaken or potentially impair primary insurance companies, reduce demand for reinsurance and discourage the strengthening of the private insurance market that we believe had otherwise been evident in Florida. Such trends would adversely impact the Florida market and many of the companies we seek to serve.

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, 2017, during the first quarter of 2018. See “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk,” in our Form 10-K for the year ended December 31, 2017 for a discussion of our exposure to these risks.

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 March 31, 2018, 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 March 31, 2018, 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, 2017.

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, 2017.

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 first quarter of 2018, 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
January 1 - 31, 2018	—	$ —	—	$ —	—	$ —	—
February 1 - 28, 2018	513	$ 130.98	513	$ 130.98	—	$ —	—
March 1 - 31, 2018	37,214	$ 148.00	37,214	$ 148.00	—	$ —	—
Total	37,727	$ 147.77	37,727	$ 147.77	—	$ —	$ 500,000

During the first quarter of 2018, 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

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

101.SCH XBRL Taxonomy Extension Schema Document

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document

101.LAB XBRL Taxonomy Extension Label Linkbase Document

101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

101.DEF XBRL Taxonomy Extension Definition Linkbase Document

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: May 2, 2018

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

Date: May 2, 2018

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

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: May 2, 2018

/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: May 2, 2018

/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 March 31, 2018, 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
May 2, 2018

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 March 31, 2018, 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
May 2, 2018