

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 2, 2006

**RenaissanceRe Holdings Ltd.**

(Exact name of registrant as specified in its charter)

Bermuda	34-0-26512	98-014-1974
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
Renaissance House 8-20 East Broadway, Pembroke Bermuda		HM 19
(Address of principal executive offices)		(Zip Code)

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

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On May 2, 2006, RenaissanceRe Holdings Ltd. (the "Company") issued a press release announcing its financial results for the quarter ended March 31, 2006. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K. This Form 8-K and Exhibit 99.1 hereto are each being furnished to the Securities and Exchange Commission (the "SEC") pursuant to Item 2.02 of Form 8-K and are therefore not to be considered "filed" with the SEC.

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

Exhibit #	Description
99.1*	Copy of the Company's press release, issued May 2, 2006

\* Exhibit 99.1 is being furnished to the SEC pursuant to Item 2.02 and is not being filed with the SEC. Therefore, this exhibit is not incorporated by reference in any of the registrant's other SEC filings.

**SIGNATURES**

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

Date: May 3, 2006

By: \s\ John M. Lummis  
Name: John M. Lummis  
Title: Executive Vice President, Chief  
Operating Officer and Chief Financial  
Officer

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**INDEX TO EXHIBITS**

Exhibit No.	Description
99.1*	Copy of the Company's press release, issued May 2, 2006

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[RENAISSANCERE LOGO]

RENAISSANCERE REPORTS RECORD OPERATING INCOME OF \$195.7 MILLION FOR THE FIRST QUARTER OF 2006; RECORD OPERATING INCOME PER COMMON SHARE OF \$2.73 VS. \$0.76 FOR THE FIRST QUARTER OF 2005.

\$179.0 MILLION OF NET INCOME FOR THE FIRST QUARTER OF 2006; \$2.49 NET INCOME PER COMMON SHARE VS. \$0.62 FOR THE FIRST QUARTER OF 2005.

PEMBROKE, BERMUDA, MAY 2, 2006 -- RenaissanceRe Holdings Ltd. (NYSE: RNR) today reported \$195.7 million in first quarter operating income available to common shareholders compared to \$54.5 million in the first quarter of 2005. Operating income excludes net realized investment losses of \$16.8 million and \$10.2 million in the first quarters of 2006 and 2005, respectively. Operating income per common share was \$2.73 in the first quarter of 2006, compared to \$0.76 in the first quarter of 2005. Net income available to common shareholders was \$179.0 million or \$2.49 per common share in the quarter, compared to net income available to common shareholders of \$44.3 million or \$0.62 per common share for the same quarter of 2005.

Neill A. Currie, CEO, commented, "We had a strong first quarter with over 8% growth in our book value per common share. Our first quarter results benefited from light catastrophe losses and lower than expected reported claims on prior year reserves within our Reinsurance segment, but also demonstrate the ongoing strength of the RenaissanceRe business and franchise."

Mr. Currie continued, "Given improving pricing and terms for catastrophe reinsurance, we grew our managed catastrophe reinsurance premium by 23% in the quarter; for the year, we continue to expect growth of over 15%, but recognize that there is substantial uncertainty - and potential upside - depending largely upon the ultimate magnitude of our opportunities in Florida. Conversely, we are seeing fewer attractive opportunities within specialty reinsurance than we had hoped. Our specialty premium declined by 43% which is more pronounced than our 2006 guidance of a 35% decline, although our specialty premium can fluctuate from quarter to quarter. Our Individual Risk segment is on track with our expectations of 15% top line growth for the year and generated solid underwriting income for the quarter."

Mr. Currie added, "Overall, we are pleased with the performance for the quarter. The team is energized, and we are well positioned to participate in the hardening property catastrophe market we now see for this year."

FIRST QUARTER 2006 RESULTS

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PREMIUMS

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Gross premiums written for the first quarter of 2006 were \$748.4 million, compared to \$694.3 million for the same quarter of 2005. Gross premiums written include \$577.7 million in gross premiums written for the Company's Reinsurance segment in the first quarter of 2006, compared to \$585.3 million for the same quarter of 2005; and \$170.7 million in gross premiums written for the Company's Individual Risk segment in the first quarter of 2006, compared to \$109.0 million for the same quarter of 2005. Net premiums written for the first quarter of 2006 were \$697.8 million, compared to \$615.8 million for the same quarter of 2005. Net premiums written include \$548.5 million in net premiums written for the Company's Reinsurance segment in the first quarter of 2006, compared to \$528.1 million for the same quarter of 2005; and \$149.4 million in net premiums written for the Company's Individual Risk segment in the first quarter of 2006, compared to \$87.7 million for the same quarter of 2005.

Net premiums earned for the first quarter of 2006 were \$351.7 million, compared to \$301.5 million for the same quarter of 2005. Net premiums earned include \$213.4 million in net premiums earned for the Company's Reinsurance segment in the first quarter of 2006, compared to \$200.4 million for the same quarter of 2005; and \$138.3 million in net premiums earned for the Company's Individual Risk segment in the first quarter of 2006, compared to \$101.1 million for the same quarter of 2005.

Premiums for the first quarter of 2006 include \$174.1 million of gross premiums written, \$176.7 million of net premiums written and \$60.8 million of net premiums earned by the Company's consolidated joint venture, DaVinci Reinsurance Ltd. ("DaVinci"), during the first quarter of 2006, compared to \$104.7 million of gross premiums written, \$119.4 million of net premiums written and \$40.9 million of net premiums earned by DaVinci during the first quarter of 2005. Since December, 2005, DaVinci has raised \$374.3 million in equity capital

(December 2005 and February 2006) and has increased its funded bank debt by \$60.0 million (April 2006) to support its growth.

#### UNDERWRITING RATIOS, RESERVE DEVELOPMENT

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For the first quarter of 2006, the Company generated a combined ratio of 53.7%, a loss ratio of 28.2% and an underwriting expense ratio of 25.5%, compared to a combined ratio, loss ratio and underwriting expense ratio of 90.2%, 66.9% and 23.3%, respectively, for the first quarter of 2005. During the first quarter of 2006, the Company recorded favorable development on prior year reserves of \$41.9 million or a decrease of 11.9 percentage points in the Company's quarterly loss ratio. Net paid losses for the quarter were \$247.0 million compared to \$159.5 million in the first quarter of 2005.

#### Reinsurance Segment

The Company's Reinsurance segment generated a loss ratio of 17.2% and an underwriting expense ratio of 19.2% for the first quarter of 2006, compared to a loss ratio and underwriting expense ratio of 70.8% and 17.4%, respectively, for the first quarter of 2005. The results for the first quarter of 2006 include \$75.7 million of current accident year net claims and claim expenses resulting in a current accident year loss ratio of 35.5%, compared to current accident year net claims and claim expenses and a current accident year loss ratio of \$160.0 million and 79.9%, respectively, for the first quarter of 2005. The first quarter of 2005 was negatively impacted by European windstorm Erwin which generated \$60.7 million of net claims and claim expenses in the first quarter of 2005 and added 30.3 percentage points to the 2005 first quarter loss ratio. During the first quarter of 2006, the Company's Reinsurance segment contributed \$39.0 million of favorable development on prior year reserves or a decrease of 18.3 percentage points to the Company's quarterly loss ratio. The favorable development was driven by lower than expected reported claims on prior year reserves in the Company's specialty reinsurance unit.

#### Individual Risk Segment

The Company's Individual Risk segment generated a loss ratio of 45.2% and an underwriting expense ratio of 35.2% for the first quarter of 2006, compared to a loss ratio and underwriting expense ratio of 59.0% and 35.2%, respectively, for the first quarter of 2005. The results for the first quarter of 2006 include \$65.4 million of current accident year net claims and claim expenses resulting in a current accident year loss ratio of 47.3%, compared to current accident year net claims and claim expenses and a current accident year loss ratio of \$59.2 million and 58.5%, respectively, in the first quarter of 2005. During the quarter, the Company's Individual Risk segment contributed \$2.9 million of favorable development on prior year reserves.

#### EQUITY IN EARNINGS OF OTHER VENTURES

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Equity in earnings of other ventures generated \$6.6 million in income in the first quarter of 2006 compared to \$7.6 million in income in the first quarter of 2005. In 2006 this included the Company's equity in the earnings of its

investments in Top Layer Reinsurance Ltd. ("Top Layer Re"), ChannelRe Holdings Ltd. ("ChannelRe") and Tower Hill Capital Holdings Inc. ("Tower Hill"). In 2005, it included the Company's equity in the earnings of its interests in Top Layer Re and ChannelRe. The decrease was principally due to a \$0.7 million and a \$0.4 million reduction of equity in earnings from Top Layer Re and ChannelRe, respectively.

#### OTHER INCOME

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During the first quarter of 2006 the Company recognized a \$1.7 million net loss on fees and other items compared to a \$3.5 million net loss in the first quarter of 2005. Fee income remained stable at \$1.0 million in the first quarter of 2006 compared to the first quarter of 2005. Other items generated a loss of \$2.7 million in the first quarter of 2006, principally driven by a \$3.3 million mark-to-market loss on the Company's warrant to purchase 2.5 million shares of Platinum Underwriters Holding Ltd. ("Platinum") common stock, compared with a loss of \$4.5 million in the first quarter of 2005, which included a \$2.1 million mark-to-market loss on the Platinum warrant and a \$2.0 million mark-to-market loss on the Company's short position in credit derivatives.

#### NET INVESTMENT INCOME AND NET REALIZED GAINS AND LOSSES ON INVESTMENTS

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Net investment income for the first quarter of 2006 was \$80.4 million, compared to \$51.2 million for the same quarter in 2005 reflecting a higher yield on our

portfolio of fixed maturity investments available for sale and short term investments, partially offset by our decreased allocation to higher yield fixed maturity investments. Other investments, which include the Company's hedge fund and private equity investments, generated \$26.7 million of net investment income in the first quarter of 2006 compared with \$18.7 million in the first quarter of 2005.

During the first quarter of 2006, the Company recorded \$16.8 million of net realized losses compared to \$10.2 million in the first quarter of 2005. Included in net realized losses are other than temporary impairment charges of \$18.8 million and \$2.8 million in the first quarter of 2006 and 2005, respectively, with respect to the Company's portfolio of fixed maturity investments available for sale.

#### OTHER ITEMS

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Corporate expenses of \$5.7 million were incurred during the first quarter of 2006 compared to \$11.3 million in the first quarter of 2005. The difference in such expenses principally relates to the difference in costs incurred related to the Company's internal review and the ongoing investigations into the Company and certain of its present and former executive officers by governmental authorities, which totaled \$1.2 million in the first quarter of 2006 compared to \$7.4 million in the first quarter of 2005.

The Company's cash flows from operations were \$146.1 million for the first quarter of 2006, compared to \$253.2 million for the first quarter of 2005.

Shareholders' equity attributable to common shareholders was \$1.9 billion at March 31, 2006, compared to \$1.8 billion at December 31, 2005. Book value per common share at March 31, 2006 was \$26.65, compared to \$24.52 per common share at December 31, 2005.

This press release includes certain non-GAAP financial measures including "operating income," "operating income per common share," "operating return on average common equity (annualized)" and "managed catastrophe premium". A reconciliation of such measures to the most comparable GAAP figures in accordance with Regulation G is presented in the attached supplemental financial data.

RenaissanceRe Holdings Ltd. will host a conference call on Wednesday, May 3, 2006 at 8:30 a.m. (EDT) to discuss this release. Live broadcast of the conference call will be available through the Investor Section of RenaissanceRe's website at [www.renre.com](http://www.renre.com).

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RenaissanceRe Holdings Ltd. is a global provider of reinsurance and insurance. Our business consists of two segments: (1) Reinsurance, which includes catastrophe reinsurance, specialty reinsurance and certain joint ventures and other investments managed by our subsidiary RenaissanceRe Ventures Ltd., and (2) Individual Risk, which includes primary insurance and quota share reinsurance.

Cautionary Statement under "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995: Statements made in this news release contain information about the Company's future business prospects. These statements may be considered "forward-looking." These statements are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by such forward-looking statements. For further information regarding cautionary statements and factors affecting future results, please refer to RenaissanceRe Holdings Ltd.'s filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2005.

#### INVESTOR CONTACT:

Todd R. Fonner  
Senior Vice President - Treasurer  
RenaissanceRe Holdings Ltd.  
(441) 239-4801

#### MEDIA CONTACT:

David Lilly or Dawn Dover  
Kekst and Company  
(212) 521-4800

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	THREE MONTHS ENDED	
	MARCH 31, 2006	MARCH 31, 2005
<b>REVENUES</b>		
Gross premiums written	\$ 748,392	\$ 694,333
	=====	=====
Net premiums written	\$ 697,835	\$ 615,793
Increase in unearned premiums	(346,163)	(314,292)
	-----	-----
Net premiums earned	351,672	301,501
Net investment income	80,434	51,215
Net foreign exchange gains	3,023	714
Equity in earnings of other ventures	6,552	7,567
Other loss	(1,679)	(3,515)
Net realized losses on investments	(16,756)	(10,189)
	-----	-----
TOTAL REVENUES	423,246	347,293
	-----	-----
<b>EXPENSES</b>		
Net claims and claim expenses incurred	99,178	201,648
Acquisition expenses	68,814	51,508
Operational expenses	20,931	18,843
Corporate expenses	5,739	11,339
Interest expense	9,301	6,605
	-----	-----
TOTAL EXPENSES	203,963	289,943
	-----	-----
Income before minority interest and taxes	219,283	57,350
Minority interest - DaVinciRe	31,457	4,384
	-----	-----
Income before taxes	187,826	52,966
Income tax expense	(183)	-
	-----	-----
NET INCOME	187,643	52,966
Dividends on preference shares	8,663	8,663
	-----	-----
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 178,980	\$ 44,303
	=====	=====
Operating income available to common shareholders per Common Share - diluted (1)	\$ 2.73	\$ 0.76
Net income available to common shareholders per Common Share - basic	\$ 2.52	\$ 0.63
Net income available to common shareholders per Common Share - diluted	\$ 2.49	\$ 0.62
Average shares outstanding - basic	70,935	70,358
Average shares outstanding - diluted	71,786	71,951
Net claims and claim expense ratio	28.2%	66.9%
Underwriting expense ratio	25.5%	23.3%
	-----	-----
Combined ratio	53.7%	90.2%
	=====	=====
Operating return on average common equity (annualized) (1)	42.7%	10.2%
	=====	=====

(1) Excludes net realized losses on investments (see - "Comments on Regulation G")

	MARCH 31, 2006	DECEMBER 31, 2005
	(Unaudited)	(Audited)
ASSETS		
Fixed maturity investments available for sale, at fair value	\$ 3,101,935	\$ 2,872,294
Short term investments, at cost	1,621,623	1,653,618
Other investments, at fair value	506,974	586,467
Investments in other ventures, under equity method	172,618	178,774
	-----	-----
Total investments	5,403,150	5,291,153
Cash and cash equivalents	240,684	174,001
Premiums receivable	566,956	363,105
Ceded reinsurance balances	62,856	57,134
Losses recoverable	625,697	673,190
Accrued investment income	31,785	25,808
Deferred acquisition costs	138,802	107,951
Other assets	88,332	178,919
	-----	-----
TOTAL ASSETS	\$ 7,158,262	\$ 6,871,261
	=====	=====
LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Reserve for claims and claim expenses	\$ 2,419,252	\$ 2,614,551
Reserve for unearned premiums	853,629	501,744
Debt	500,000	500,000
Subordinated obligation to capital trust	103,093	103,093
Reinsurance balances payable	268,620	292,307
Other liabilities	65,850	142,815
	-----	-----
TOTAL LIABILITIES	4,210,444	4,154,510
	-----	-----
Minority interest - DaVinciRe	531,929	462,911
SHAREHOLDERS' EQUITY		
Preference shares	500,000	500,000
Common shares and additional paid-in capital	352,055	351,285
Accumulated other comprehensive income	2,088	4,760
Retained earnings	1,561,746	1,397,795
	-----	-----
TOTAL SHAREHOLDERS' EQUITY	2,415,889	2,253,840
	-----	-----
TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY	\$ 7,158,262	\$ 6,871,261
	=====	=====
BOOK VALUE PER COMMON SHARE	\$ 26.65	\$ 24.52
	=====	=====
COMMON SHARES OUTSTANDING	71,881	71,523
	=====	=====

RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES  
UNAUDITED SUPPLEMENTAL FINANCIAL DATA - SEGMENT INFORMATION  
(in thousands of United States Dollars)

	THREE MONTHS ENDED MARCH 31, 2006			
	REINSURANCE	INDIVIDUAL RISK	OTHER	TOTAL
	-----	-----	-----	-----
Gross premiums written (1)	\$ 577,668	\$ 170,724	\$ -	\$ 748,392
	=====	=====		=====
Net premiums written	\$ 548,457	\$ 149,378	-	\$ 697,835
	=====	=====		=====
Net premiums earned	\$ 213,373	\$ 138,299	-	\$ 351,672
Net claims and claim expenses incurred	36,680	62,498	-	99,178
Acquisition expenses	28,506	40,308	-	68,814
Operational expenses	12,544	8,387	-	20,931
	-----	-----	-----	-----
Underwriting income	\$ 135,643	\$ 27,106	-	162,749
	=====	=====		
Net investment income			80,434	80,434

Equity in earnings of other ventures			6,552	6,552
Other loss			(1,679)	(1,679)
Interest and preference share dividends			(17,964)	(17,964)
Minority interest - DaVinciRe			(31,457)	(31,457)
Other items, net			(2,899)	(2,899)
Net realized losses on investments			(16,756)	(16,756)
			-----	-----
Net income available to common shareholders			\$ 16,231	\$ 178,980
			=====	=====
Net claims and claim expenses incurred				
- current accident year	\$ 75,713	\$ 65,367		\$ 141,080
Net claims and claim expenses incurred				
- prior years	(39,033)	(2,869)		(41,902)
	-----	-----		-----
Net claims and claim expenses incurred				
- total	\$ 36,680	\$ 62,498		\$ 99,178
	=====	=====		=====
Net claims and claim expense ratio				
- accident year	35.5%	47.3%		40.1%
	=====	=====		=====
Net claims and claim expense ratio				
- calendar year	17.2%	45.2%		28.2%
Underwriting expense ratio	19.2%	35.2%		25.5%
	-----	-----		-----
Combined ratio	36.4%	80.4%		53.7%
	=====	=====		=====

(1) Reinsurance segment gross premiums written excludes \$6.1 million of premiums assumed from the Individual Risk segment.

	THREE MONTHS ENDED MARCH 31, 2005			
	REINSURANCE	INDIVIDUAL RISK	OTHER	TOTAL
	-----	-----	-----	-----
Gross premiums written (1)	\$ 585,284	\$ 109,049	\$ -	\$ 694,333
	=====	=====		=====
Net premiums written	\$ 528,133	\$ 87,660	-	\$ 615,793
	=====	=====		=====
Net premiums earned	\$ 200,370	\$ 101,131	-	\$ 301,501
Net claims and claim expenses incurred	141,944	59,704	-	201,648
Acquisition expenses	20,538	30,970	-	51,508
Operational expenses	14,227	4,616	-	18,843
	-----	-----	-----	-----
Underwriting income	\$ 23,661	\$ 5,841	-	29,502
	=====	=====		=====
Net investment income			51,215	51,215
Equity in earnings of other ventures			7,567	7,567
Other loss			(3,515)	(3,515)
Interest and preference share dividends			(15,268)	(15,268)
Minority interest - DaVinciRe			(4,384)	(4,384)
Other items, net			(10,625)	(10,625)
Net realized losses on investments			(10,189)	(10,189)
			-----	-----
Net income available to common shareholders			\$ 14,801	\$ 44,303
			=====	=====
Net claims and claim expenses incurred				
- current accident year	\$ 160,036	\$ 59,202		\$ 219,238
Net claims and claim expenses incurred				
- prior years	(18,092)	502		(17,590)
	-----	-----		-----
Net claims and claim expenses incurred				
- total	\$ 141,944	\$ 59,704		\$ 201,648
	=====	=====		=====
Net claims and claim expense ratio				
- accident year	79.9%	58.5%		72.7%
	=====	=====		=====
Net claims and claim expense ratio				
- calendar year	70.8%	59.0%		66.9%
Underwriting expense ratio	17.4%	35.2%		23.3%
	-----	-----		-----
Combined ratio	88.2%	94.2%		90.2%
	=====	=====		=====

(1) Reinsurance segment gross premiums written excludes \$11.5 million of premiums assumed from the Individual Risk segment.



RENAISSANCERE HOLDINGS LTD. AND SUBSIDIARIES  
UNAUDITED SUPPLEMENTAL FINANCIAL DATA  
(in thousands of United States Dollars)

GROSS WRITTEN PREMIUMS	THREE MONTHS ENDED	
- - - - -	MARCH 31, 2006	MARCH 31, 2005
	-----	-----
Renaissance catastrophe premiums	\$ 281,725	\$ 253,019
Renaissance specialty premiums	121,843	227,525
	-----	-----
Total Renaissance Reinsurance premiums	403,568	480,544
	-----	-----
DaVinci catastrophe premiums	152,879	82,638
DaVinci specialty premiums	21,221	22,102
	-----	-----
Total DaVinci Reinsurance premiums	174,100	104,740
	-----	-----
Total Reinsurance premiums (1)	577,668	585,284
Individual Risk premiums	170,724	109,049
	-----	-----
Total premiums	\$ 748,392	\$ 694,333
	=====	=====
Total managed catastrophe premiums (2)	\$ 460,389	\$ 375,438
	=====	=====
Total specialty premiums	\$ 143,064	\$ 249,627
	=====	=====

- (1) Reinsurance gross premiums written excludes \$6.1 million of premiums assumed from the Individual Risk segment for the three months ended March 31, 2006 and \$11.5 million of premiums assumed from the Individual Risk segment for the three months ended March 31, 2005.
- (2) Total managed catastrophe premiums include Renaissance and DaVinci catastrophe premium, as above, and catastrophe premium of \$25.8 million and \$39.8 million for the three months ended March 31, 2006 and 2005, respectively, written on behalf of our joint venture, Top Layer Re. (see - "Comments on Regulation G")

COMMENTS ON REGULATION G

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

The Company uses "operating income" as a measure to evaluate the underlying fundamentals of its operations and believes it to be a useful measure of its corporate performance. "Operating income" as used herein differs from "net income available to common shareholders", which the Company believes is the most directly comparable GAAP measures, by the exclusion of net realized gains and losses on investments. In addition, the Company's management believes that "operating income" is useful to investors because they more accurately measure and predict the Company's results of operations by removing the variability arising from fluctuations in the Company's investment portfolio, which is not considered by management to be a relevant indicator of business operations. The Company also uses "operating income" to calculate "operating income per common share" and "operating return on average common equity (annualized)". The following is a reconciliation of 1) net income available to common shareholders to operating income available to common shareholders; 2) net income available to common shareholders per common share to operating income available to common shareholders per common share; and 3) return on average common equity

(annualized) to operating return on average common equity (annualized):

(In thousands of U.S. dollars, except for per share amounts)	THREE MONTHS ENDED	
	MARCH 31, 2006	MARCH 31, 2005
Net income available to common shareholders	\$ 178,980	\$ 44,303
Adjustment for net realized losses on investments	16,756	10,189
Operating income available to common shareholders	\$ 195,736	\$ 54,492
Net income available to common shareholders per common share	\$ 2.49	\$ 0.62
Adjustment for net realized losses on investments	0.24	0.14
Operating income available to common shareholders per common share - diluted	\$ 2.73	\$ 0.76
Return on average common equity (annualized)	39.0%	8.3%
Adjustment for net realized losses on investments	3.7%	1.9%
Operating return on average common equity (annualized)	42.7%	10.2%

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