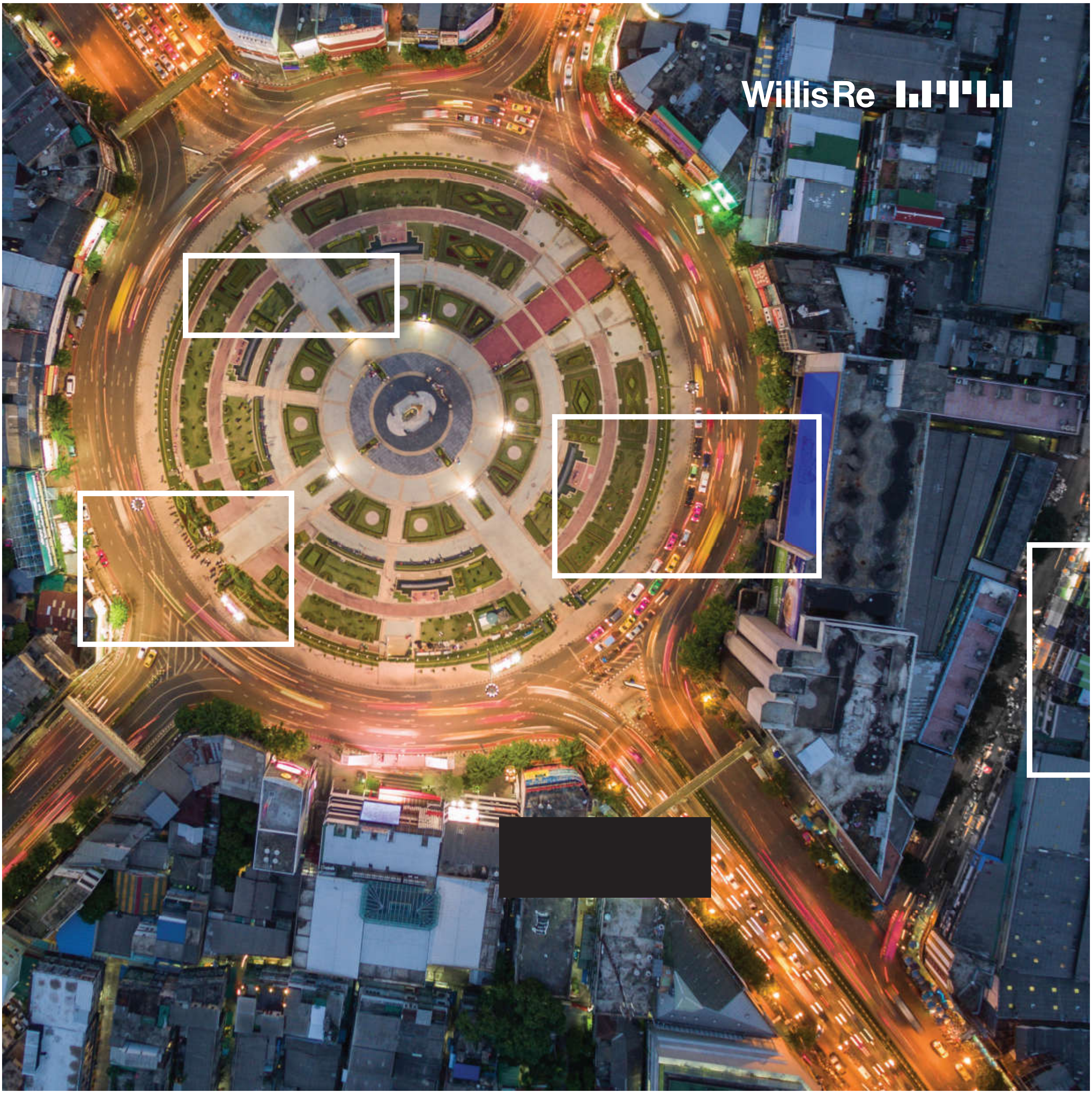


Results for half-year 2020

Reinsurance market report

September 2020

Contents

Key findings

Welcome to the 12th semi-annual publication of Willis Re's Reinsurance market report which tracks the capital and profitability of the global reinsurance industry.

The most visible features of global reinsurers' 2020 HY operating performance and capitalisation have been the gradual emergence of COVID-19 losses and tremendous volatility in investment markets. Less visible, but as important, is the sector's continuing low level of underlying profitability.

Taking the first six months of the year as a whole, the impact on reinsurers' capital has been fairly modest – we calculate that global reinsurance dedicated capital fell 3% in the first half of 2020 to USD 587B. This masks, however, a significantly contrasting picture between the first and second quarter. In late-March, with investment markets tumbling, we had roughly calculated a 30% hit to the global reinsurance capital position(1). The strong recovery of investment markets in Q2, however, largely restored that deficit. Moreover, the industry's capital base is still 12% higher than at the end of 2018 (on a restated basis).(2) This suggests, based on current investment market levels, that COVID-19 is not a capital event for the industry.

Focusing on the **INDEX**(3) companies, which contribute the largest component of the industry's capital:

- Capital in aggregate also declined by 3%.
- Each of the individual moving parts was also quite insignificant, with net income being a negligible positive and unrealised investment losses being a small negative (although this latter item would have seen a big swing quarter to quarter).
- While the industry's capital raising has attracted much attention, in the first half these companies actually returned to shareholders three times more than they raised.

Drilling further into profitability, for the **SUBSET** of companies within the INDEX that provide the relevant disclosure:

- The SUBSET's average combined ratio worsened from 94.9% in 2019 HY to 104.1%. This is principally due to COVID losses, which added on average 11% to combined ratios. A lesser benefit from reserve releases was also a factor, continuing a trend we have seen since 2016.
- Replacing COVID and other nat cat losses with a normalised loss level, and stripping out prior year reserve movements, we estimate the underlying combined ratio at 98.6%. This is better than 2019 HY's 100.5%. The improvement is attributed in our view to industry price increases, which began to gain traction last year, and to the drop in claims frequency seen in 2020 HY.
- Combined ratios also benefitted from a drop in the expense ratio: 32.0% in 2019 HY to 30.7%.
- While underlying underwriting performance improved, it did not improve enough to boost ROEs. While the reported ROE for the SUBSET companies fell to negative 0.7%, the underlying ROE also fell, from an already low 4.2% in 2019 HY to 2.7%.
- The driver was a drop in investment yield, which more than offset the improved underlying combined ratios. The running investment yield (ie excluding the volatile gains component) fell from 2.9% to 2.2%.
- Whether you look at the reported -0.7% or underlying 2.7%, the SUBSET's ROE remains well below the industry's cost of capital of roughly 7-8%.

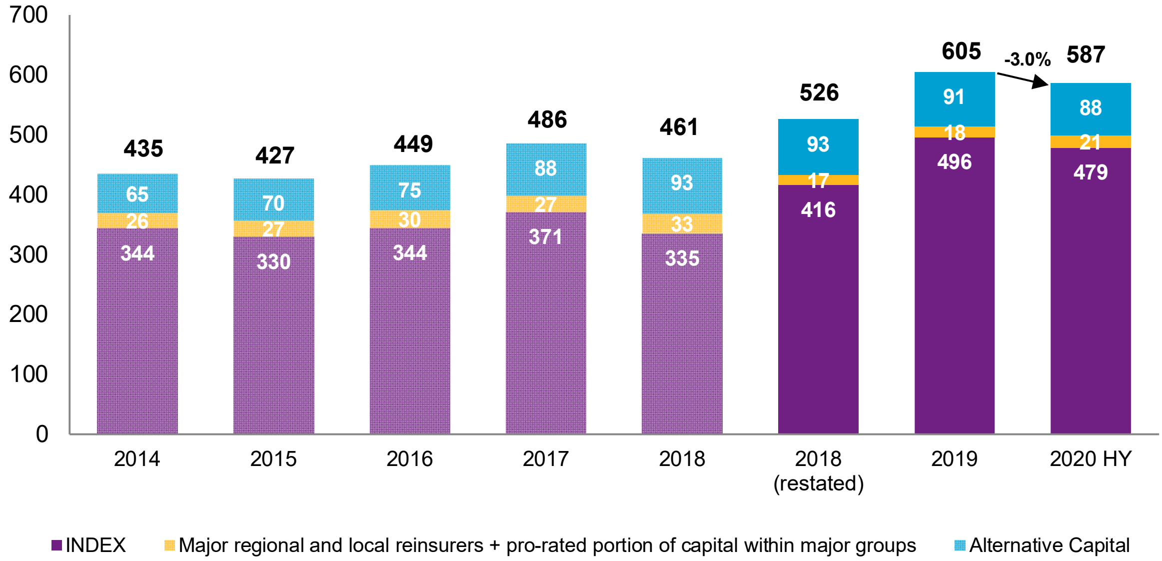
(1) See our COVID flyer which sets out our rough estimates of how investment markets have impacted the global reinsurance capital base at various dates in 2020.
(2) As elaborated in our HY 2019 report, we re-stated year-end 2018 capital from USD 461B to USD 526B, to allow for a change in methodology introduced with our HY 2019 report and to allow for our annual review of constituents.
(3) INDEX relates to those companies listed within Appendix 2 of this report. SUBSET is defined as those companies that make the relevant disclosure in relation to nat cat losses and prior year reserve releases. Appendix 2 also identifies the SUBSET companies.

At a glance[4]

Capital

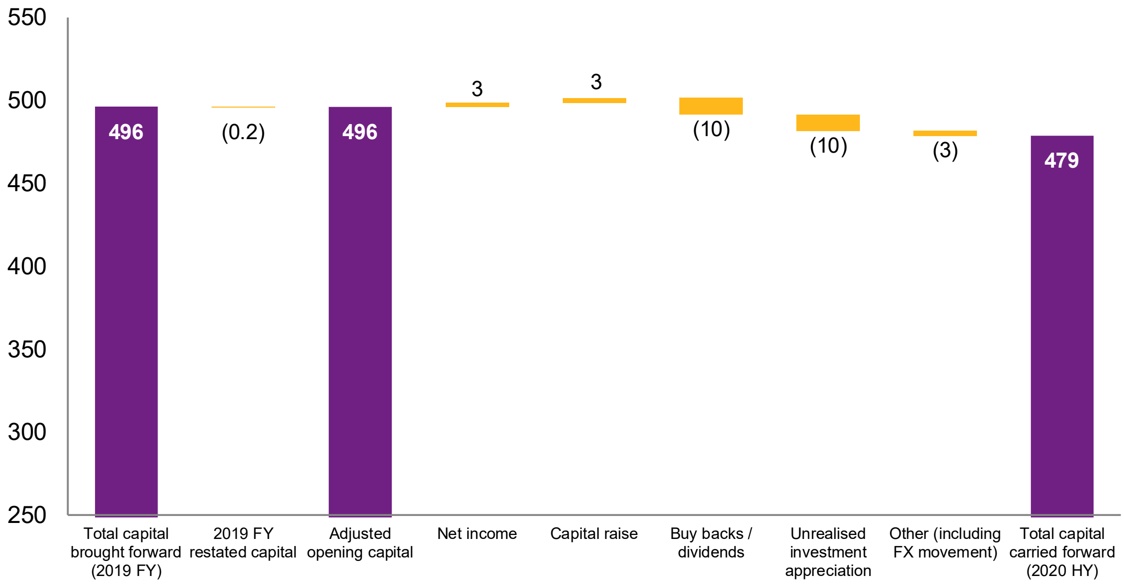
Total industry capital declined modestly in the first half of 2020

Total reinsurance dedicated capital (USD billions)



A modest decline in INDEX capital due to shareholder payouts and investment depreciation

Capital analysis for the INDEX (USD billions)

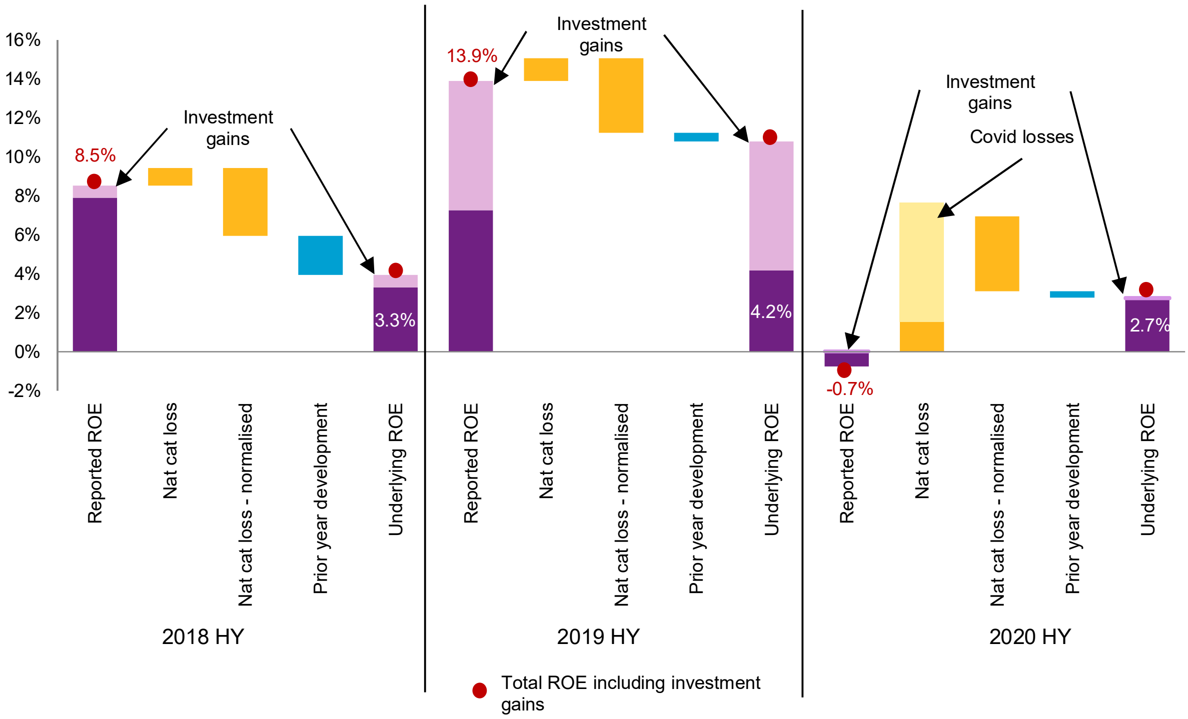


(4) The graphs in this section are repeated in the body of the report, with commentary.

Underlying RoE for the SUBSET

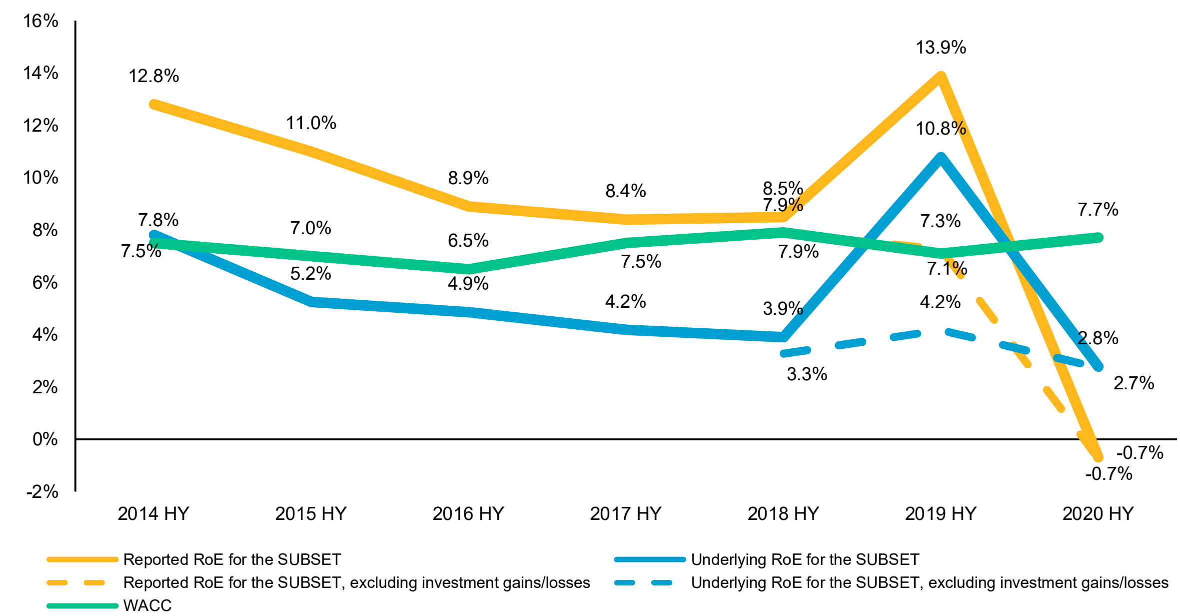
Reported ROE impacted by COVID losses, but the underlying ROE was still weak

RoE analysis for the SUBSET



The underlying ROE is still not showing signs of recovery, and sits well below the industry's cost of capital

RoE for the SUBSET(5)



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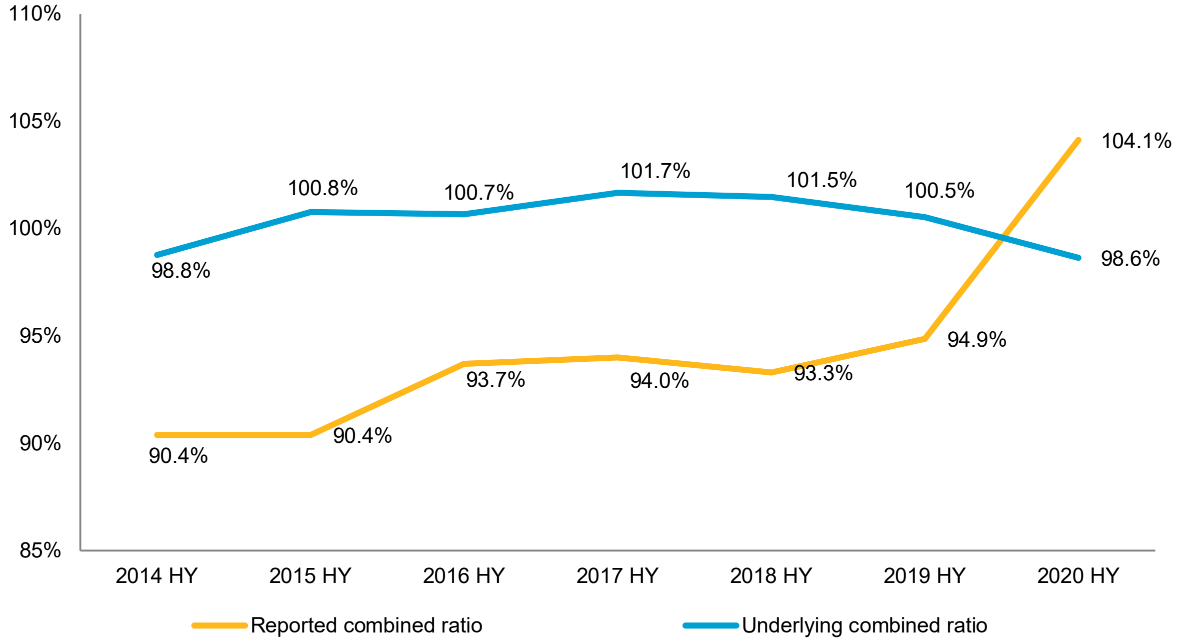
(5)WACC (weighted average cost of capital) source is S&P, and 2020 HY is as of Q1 2020. See footnote 10 on page 12 for more detail.

Combined ratio for the SUBSET

The underlying combined ratio, continues to improve and has fallen below 100% for the first time since 2014

Reported and underlying combined ratio for the SUBSET



The reported combined ratio was weighed down by COVID losses; the benefit from reserve releases also continues to decline

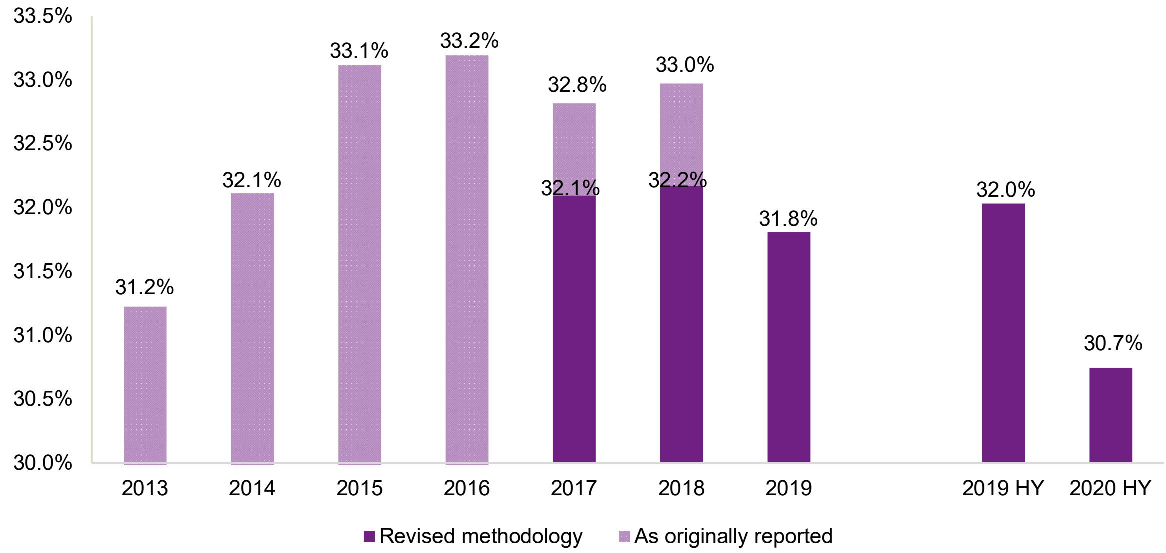
Combined ratio detail for the SUBSET

SUBSET	2014 HY	2015 HY	2016 HY	2017 HY	2018 HY	2019 HY	2020 HY
Reported combined ratio	90.4%	90.4%	93.7%	94.0%	93.3%	94.9%	104.1%
Remove prior year development	4.5%	5.2%	5.2%	3.6%	3.0%	1.2%	0.7%
Accident year combined ratio	94.9%	95.6%	98.9%	97.6%	96.3%	96.0%	104.8%
Strip out nat cat loss	-2.5%	-1.2%	-4.6%	-2.3%	-1.2%	-2.6%	-3.3%
Strip out COVID loss							-11.1%
Ex-nat cat accident year combined ratio	92.4%	94.4%	94.3%	95.3%	95.1%	93.4%	90.5%
Add in normalised nat cat loss	6.4%	6.4%	6.4%	6.4%	6.4%	7.1%	8.2%
Underlying combined ratio	98.8%	100.8%	100.7%	101.7%	101.5%	100.5%	98.6%

Expenses for the SUBSET

Premium growth outstripped expense growth, bringing the expense ratio down

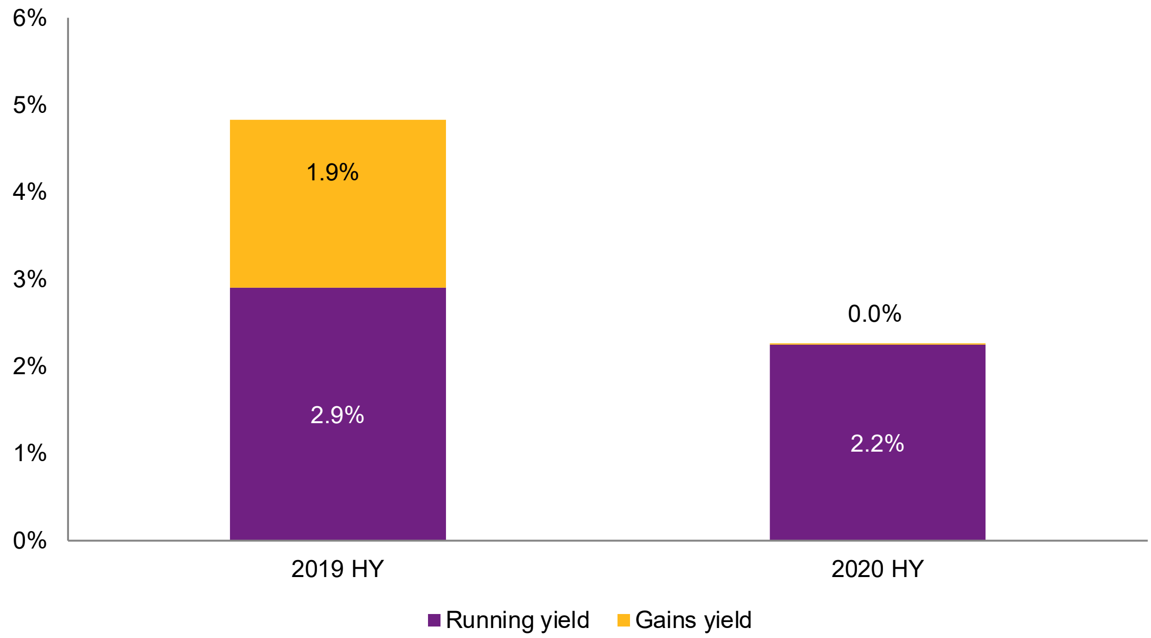
Weighted average expense ratio for the SUBSET



Investment yield for the SUBSET

The investment yield was under pressure, both the yield from gains and the underlying running yield

Investment yield for the SUBSET(6)



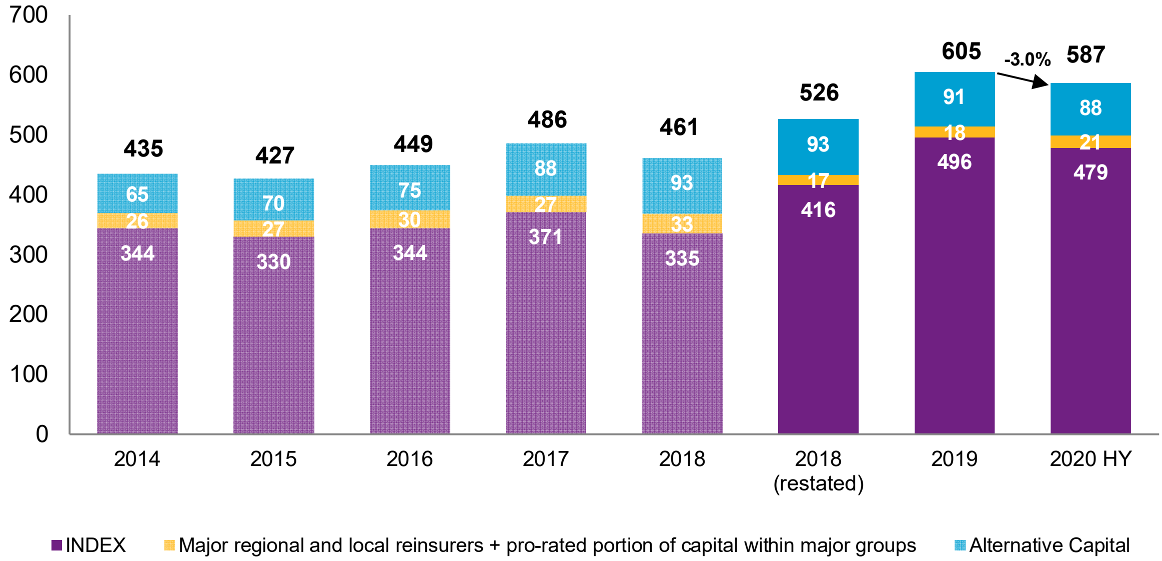
(6) Running yield captures items such as bond coupons, equity dividends and interest income.

Capital

Total reinsurance dedicated capital

Total industry capital declined modestly in the first half of 2020

Chart 1: Total reinsurance dedicated capital (USD billions)



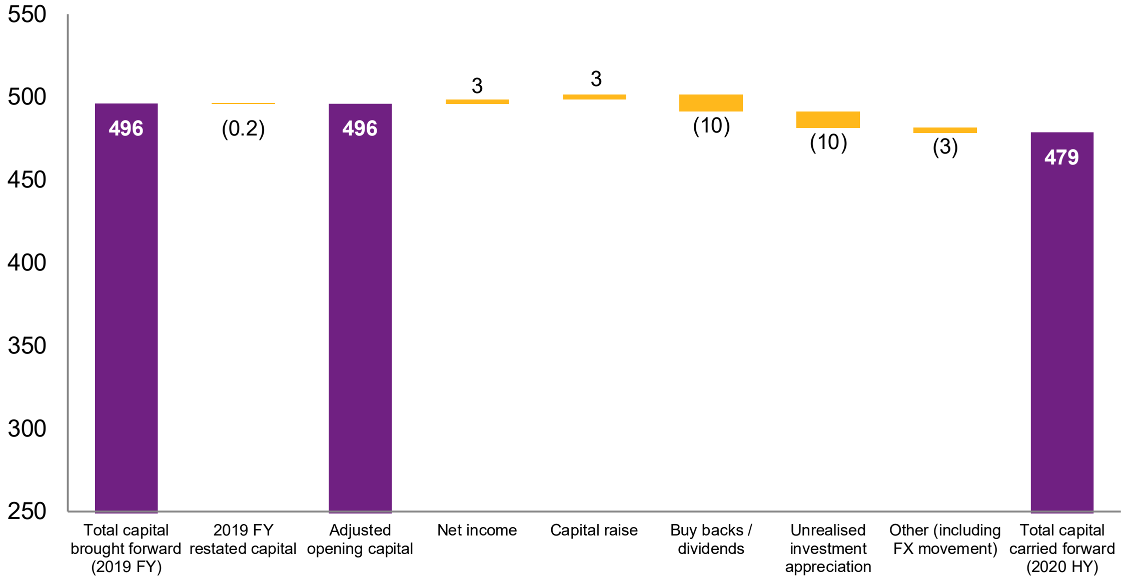
- Global reinsurance dedicated capital totalled USD 587B as of the end of June 2020. This is a decline of 3% from the end-2019 level.
- This year's drop should be seen in the context of strong growth in 2019 which had been fuelled by robust investment markets. The industry's capital base is still 12% higher than at the end of 2018 (on a restated basis).[(7)]
- As well as capital for the INDEX companies declining, alternative capital declined, also by 3%. One driver is that losses and trapped collateral, particularly in sidecars, has not been fully replenished. This follows a slight drop in alternative capital in 2019 as well.

(7) As elaborated in our HY 2019 report, we re-stated year-end 2018 capital from USD 461B to USD 526B, to allow for a change in methodology introduced with our HY 2019 report and to allow for our annual review of constituents.

INDEX capital

A modest decline in INDEX capital due to shareholder payouts and investment depreciation

Chart 2: Capital analysis for the INDEX (USD billions)

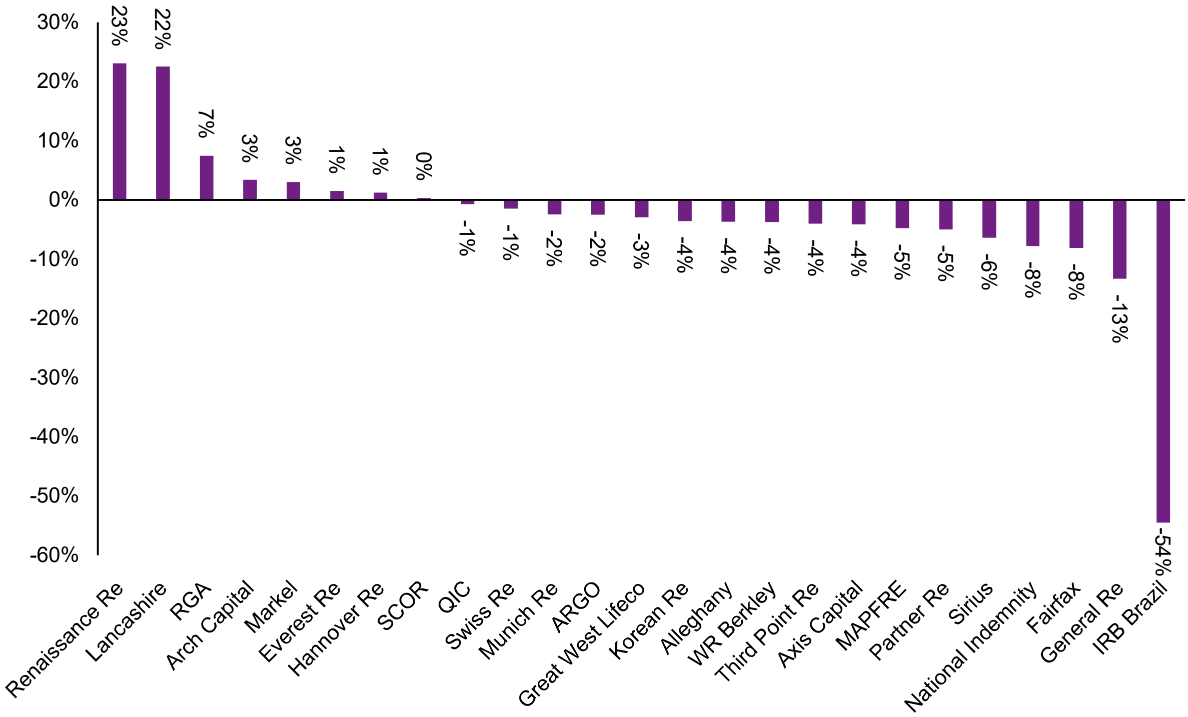


- Focusing on the INDEX[8] companies, which contribute the largest component of the industry's capital, capital for this group also declined by 3% in the first half.
- While the industry's capital raising has attracted much attention, completed raises by companies in our INDEX in the first half measured only USD 3B, or a little less than 1% of the opening stock of capital. This figure excludes a number of start-ups that are in the process of raising capital and a USD 0.4B raise by IRB in July.
- Capital raising was in fact more than offset by the the amount of money returned to shareholders, either through dividends or buy-backs. Amounting to USD 10B, this figure was only fractionally lower than 2019 HY's USD 11B. A number of companies in the global insurance and reinsurance sectors have chosen to suspend or reduce dividend payments and buy-backs – or have been required to do so by their regulator – due to COVID. In aggregate, though, for our INDEX companies, this impact was fairly small.
- Net income was a negligible USD 3B. As elaborated in the ROE section below, net income for our SUBSET companies was actually slightly negative.
- Unrealised investment appreciation, which had been strongly positive in 2019 was negative USD 10B. This figure would have been much more negative in March, but the subsequent rebound in investment markets nearly restored equilibrium.

(8) INDEX relates to those companies listed within Appendix 2 of this report. SUBSET is defined as those companies that make the relevant disclosure in relation to nat cat losses and prior year reserve releases. Appendix 2 also identifies the SUBSET companies.

Except for those who raised capital, capital fell for most reinsurers in the first half

Chart 3: Movement in capital reported as at FY 2019 for the INDEX constituents[9]



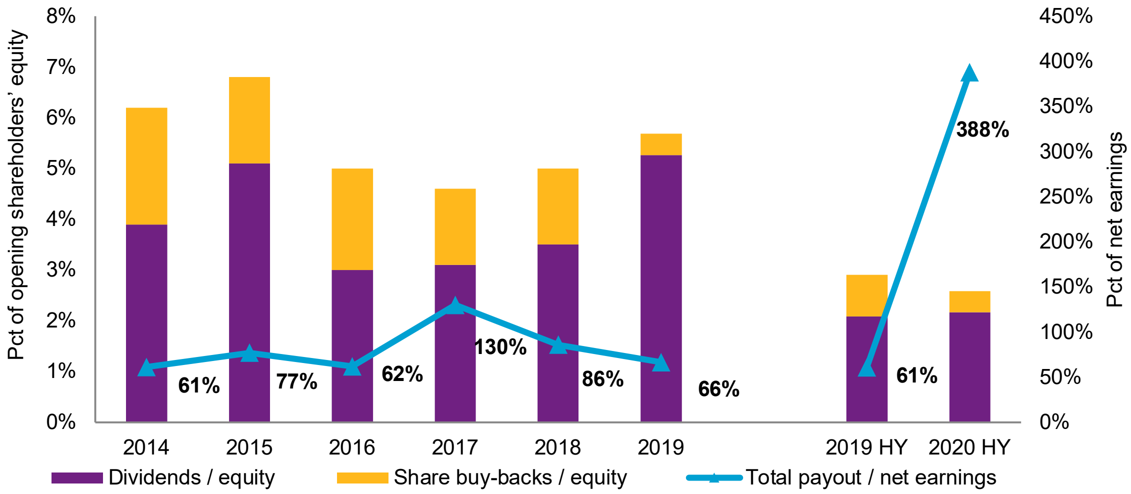
- The 3% average decline in INDEX capital in the first half was fairly evenly spread across the constituents, with two-thirds of constituents recording a drop in capital.
- Given that equity markets were still down slightly at the end of June, those companies with higher equity weightings in their investment portfolios are the ones that saw the greater declines in their capital: General Re, Fairfax and National Indemnity.
- IRB recorded a 27% drop in capital in local currency terms, due principally to a COVID-driven underwriting loss and investment depreciations. The 54% drop shown above in USD terms was additionally driven by a weakening of the Brazilian Real.
- The three INDEX companies who recorded the strongest growth were those who raised capital in the first half: Renaissance Re, Lancashire and, to a lesser extent, RGA.

(9) Excludes companies who have not yet reported HY 2020.

Return of capital

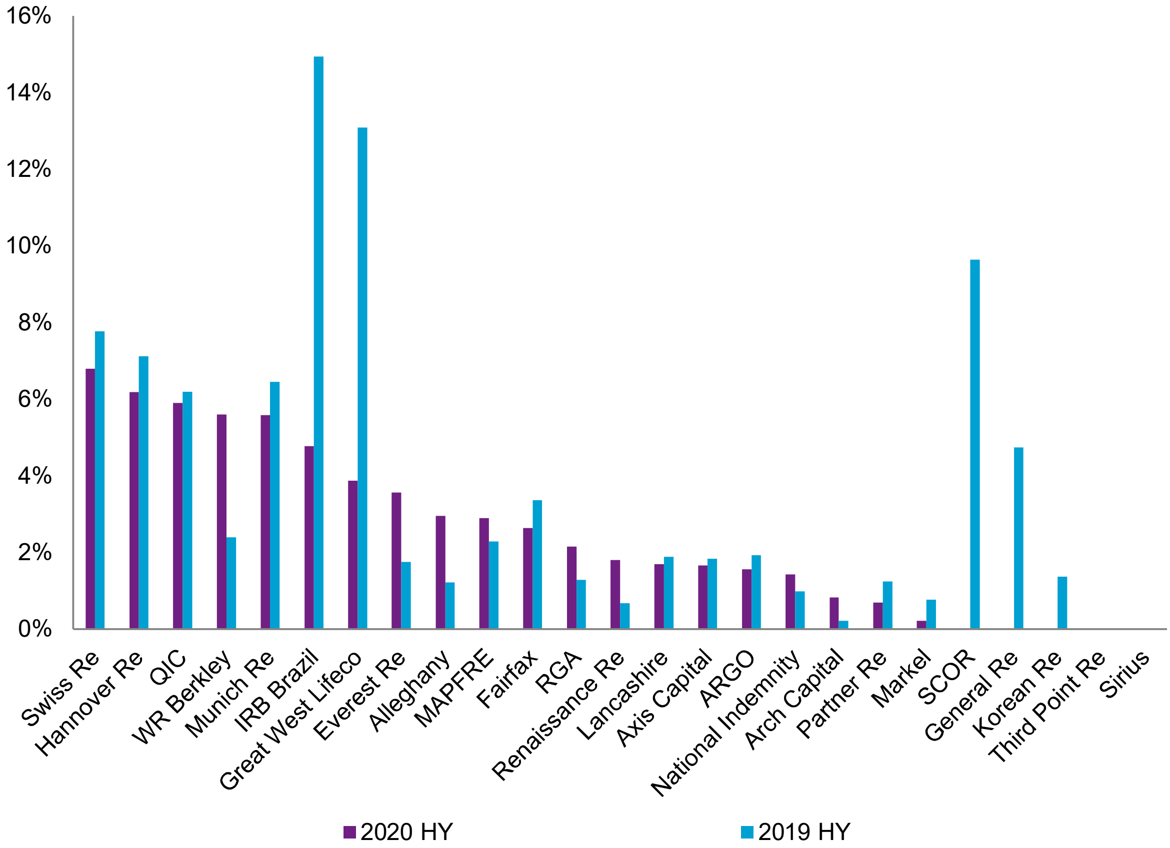
The return of capital to shareholders reduced only slightly in the first half

Chart 4: Return of capital (as percent of opening shareholders' equity) and payout ratio for the INDEX



Most reinsurers maintained payouts near the prior-year level

Chart 5: Return of capital (as percent of opening shareholders' equity) for the INDEX constituents



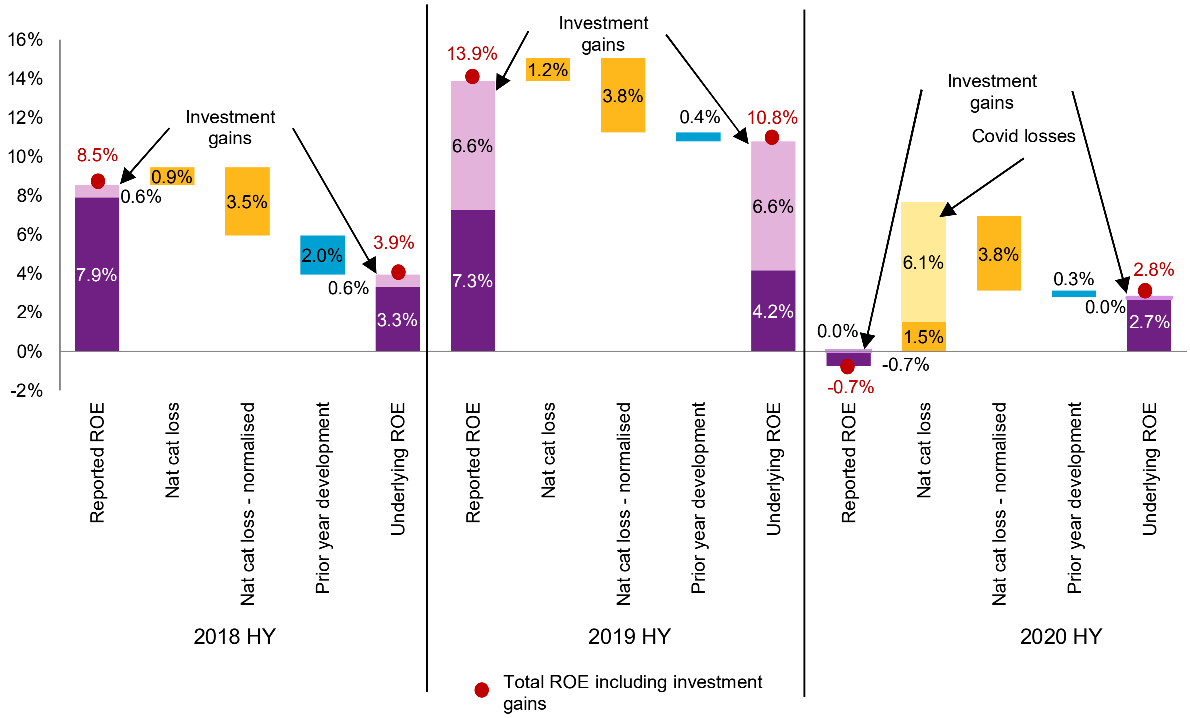
- Capital returned to shareholders through either dividends or buy-backs reduced only fractionally in the first half, from USD 11B in 2019 HY to USD 10B.
- Despite all the headlines about regulatory forbearance, most reinsurers maintained the ability – and exercised that ability – to return capital to shareholders. This reflects the still strong capital position of the industry.
- The 2020 HY payout was a very high percent of earnings, of course, given the sector's abnormally low earnings level. In past years this payout ratio has been in the 60-80% range.
- Of our INDEX companies, SCOR was the notable exception, as the French regulator has recommended that all French (re)insurers do not pay dividends in 2020.
- Additionally, Great West Lifeco and General Re did not repeat the exceptional payouts made last year.

In the remainder of the report we focus on our SUBSET constituents.

Return on equity

Reported ROE impacted by COVID losses, but the underlying ROE was still weak

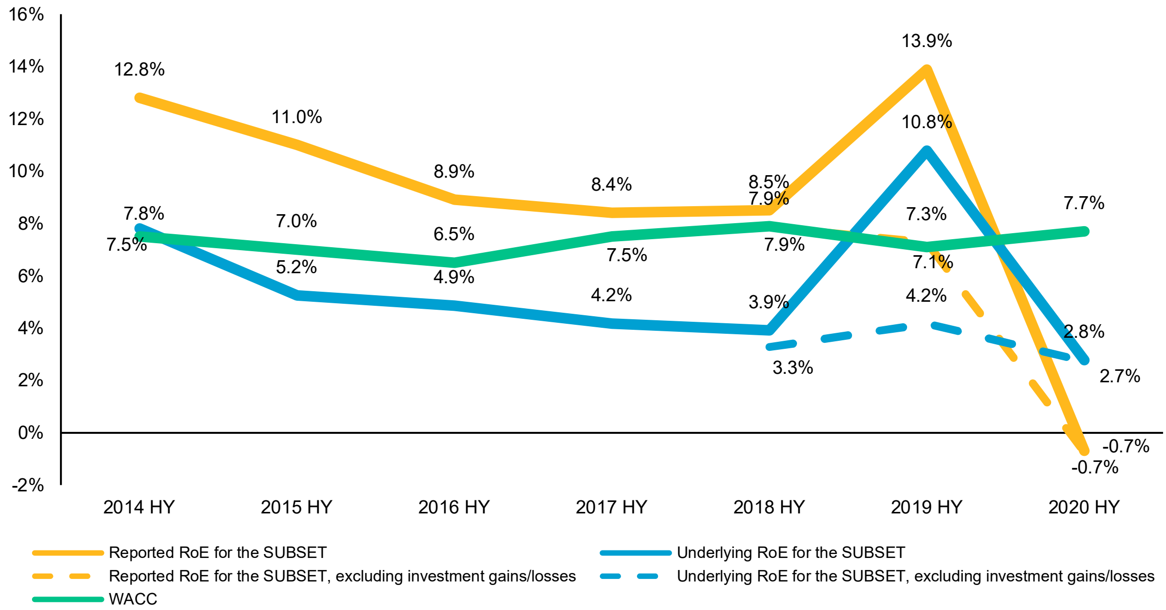
Chart 6: RoE analysis for the SUBSET



- The average ROE for the SUBSET companies declined from an abnormally high 13.9% in the first half of 2019 to negative 0.7%.
- We calculate that COVID losses cost 6.1 percentage points on the ROE. Replacing COVID and other nat cat losses with a 'normal' cat load, and also removing the benefit of prior year development and investment gains, we put the underlying ROE at 2.7%. While better than the reported ROE, it is a deterioration versus last year's 4.2% measured on the same basis.
- This deterioration in underlying ROE came despite an improvement in the average underlying combined ratio, as set out below. Pressure on investment income, seen in lower running yields, more than offset the improved underlying underwriting performance.

The underlying ROE is still not showing signs of recovery, and sits well below the industry's cost of capital

Chart 7: RoE for the SUBSET[10]

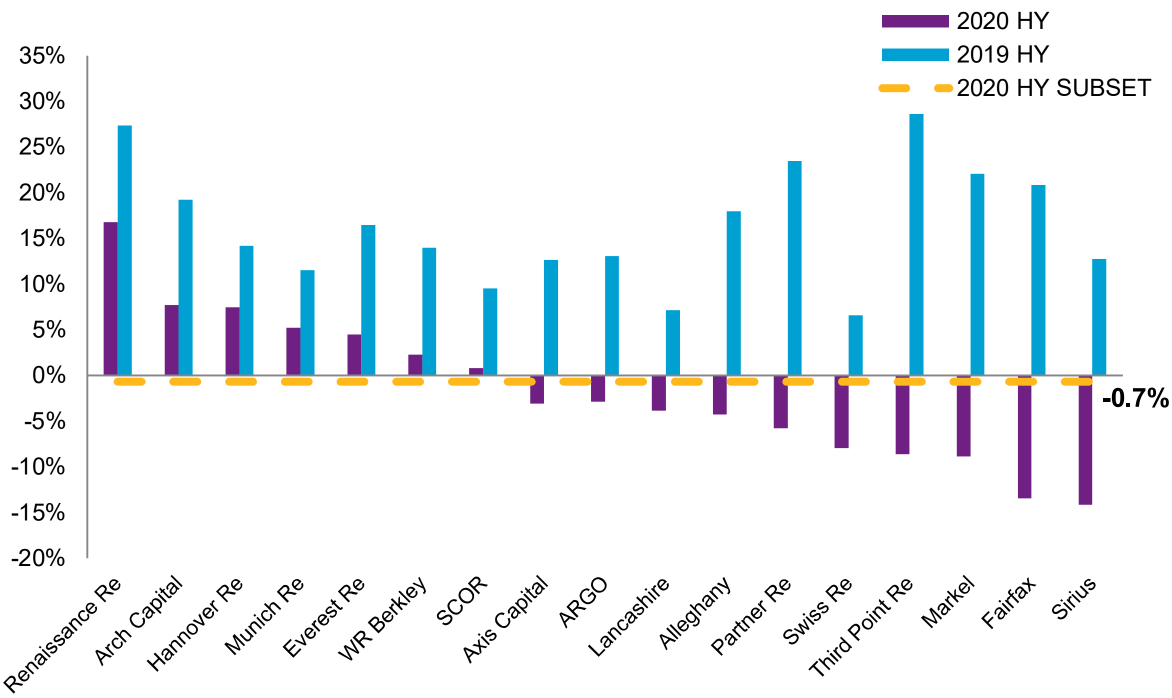


- Whether measured on a reported or underlying basis, the SUBSET's first half reported ROE was well below the industry's weighted average cost of capital (WACC), which S&P puts in the 7% range.
- The underlying ROE is still not showing signs of recovery either. While reinsurance pricing is firming, leading to an improved underlying combined ratio (as set out below), pressure from lower investment income is keeping the ROE subdued.

(10) WACC (weighted average cost of capital) source is S&P, and 2020 HY is as of Q1 2020. S&P has commented on the increase of WACC in Q1 2020 as follows: "…the cost of capital rose to about 7.7% as a result of higher equity and credit risk premiums, partially mitigated by declining risk-free rates. Since first-quarter 2020, the cost of capital has decreased again but remained visibly above the level at year-end 2019. In addition, any constraints on alternative capital, which the sector has come to rely on heavily, will also push up the cost of doing business."

A wide range of ROEs for the individual reinsurers

Chart 8: Reported RoE for the SUBSET constituents(11)



- The SUBSET's -0.7% ROE was an average of a wide range.
- A number of reinsurers were able to keep their ROE in positive territory, most notably Ren Re, with a 17% return. This was boosted by unrealised appreciation of its fixed income investments – excluding that it reported an operating ROE of 8%.
- At the other extreme, as noted above, equity-sensitive companies recorded some of the most negative ROEs, due in part to the unrealised loss on their equity portfolios.

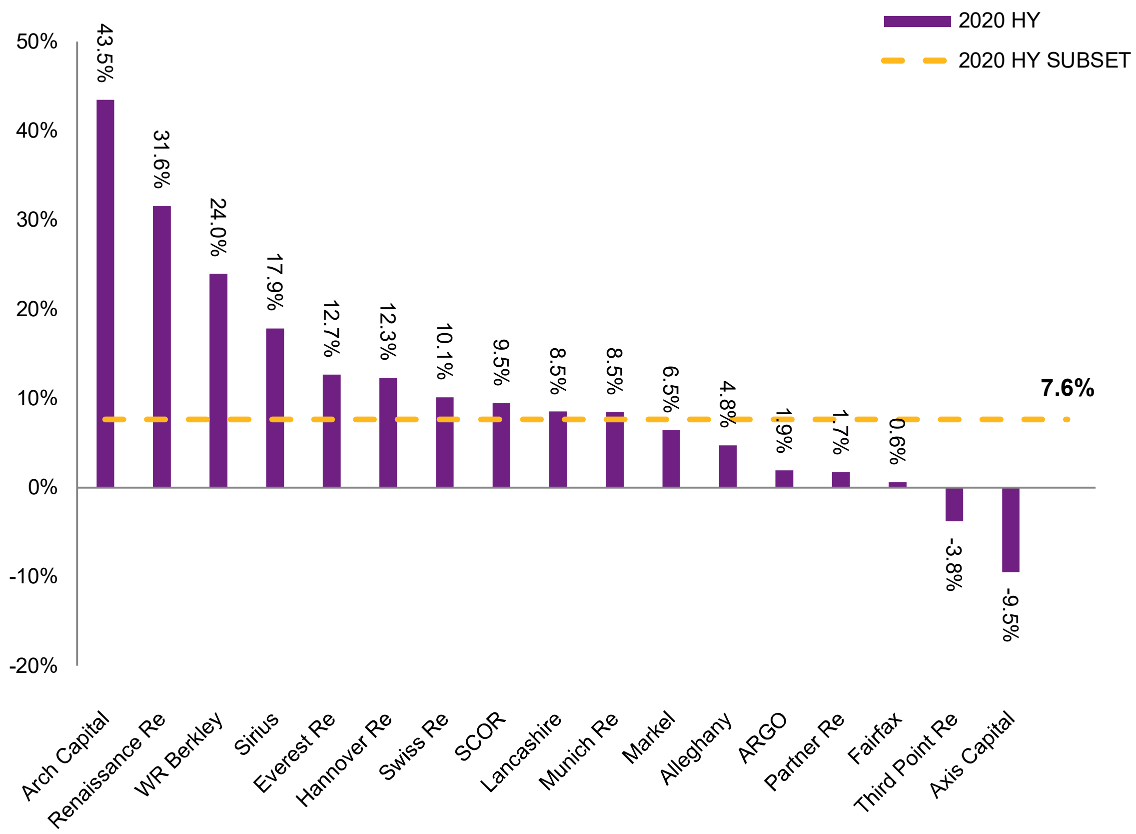
(11) RoEs are based on 'all-in' net income. They do not necessarily match the 'headline' RoEs reported by the companies as these are sometimes struck on an operating net income basis.

Underwriting performance

Premium volumes

Robust premium growth for many of the reinsurers

Chart 9: 2019 change in relevant[12] net earned premium (USD basis) for the SUBSET constituents



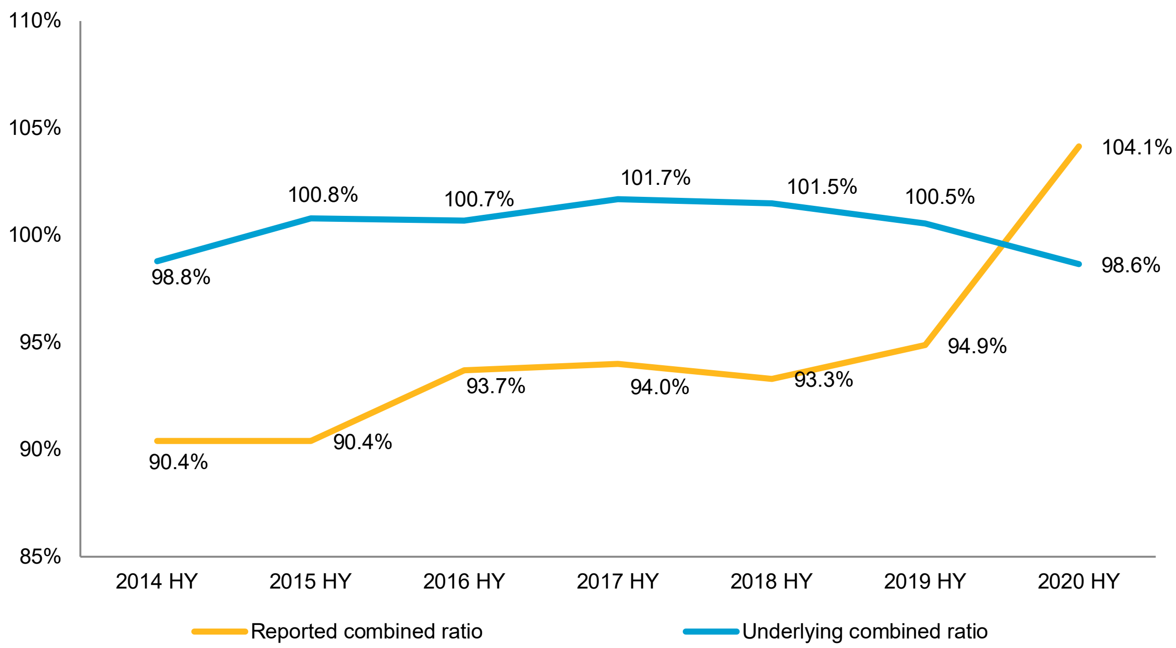
- Premium income, on average, grew by a robust 7.6% in the first half for the SUBSET companies. Higher prices will have had an impact, but most companies, in explaining their growth, put more emphasis on exposure growth.
- The strong growth at Arch and Ren Re was also attributable to acqusitions (Barbican and TMR, respectively). Excluding Barbican, we roughly put Arch's growth at a still very strong 25-30%.

(12) Net earned premiums relate to the reinsurance segment if disclosure is available,or otherwise to the consolidated group. Appendix 1 explains in more detail.

Combined ratio for the SUBSET

The underlying combined ratio, continues to improve and has fallen below 100% for the first time since 2014

Chart 10: Reported and underlying combined ratio for the SUBSET



The reported combined ratio was weighed down by COVID losses; the benefit from reserve releases also continues to decline

Chart 11: Combined ratio detail for the SUBSET

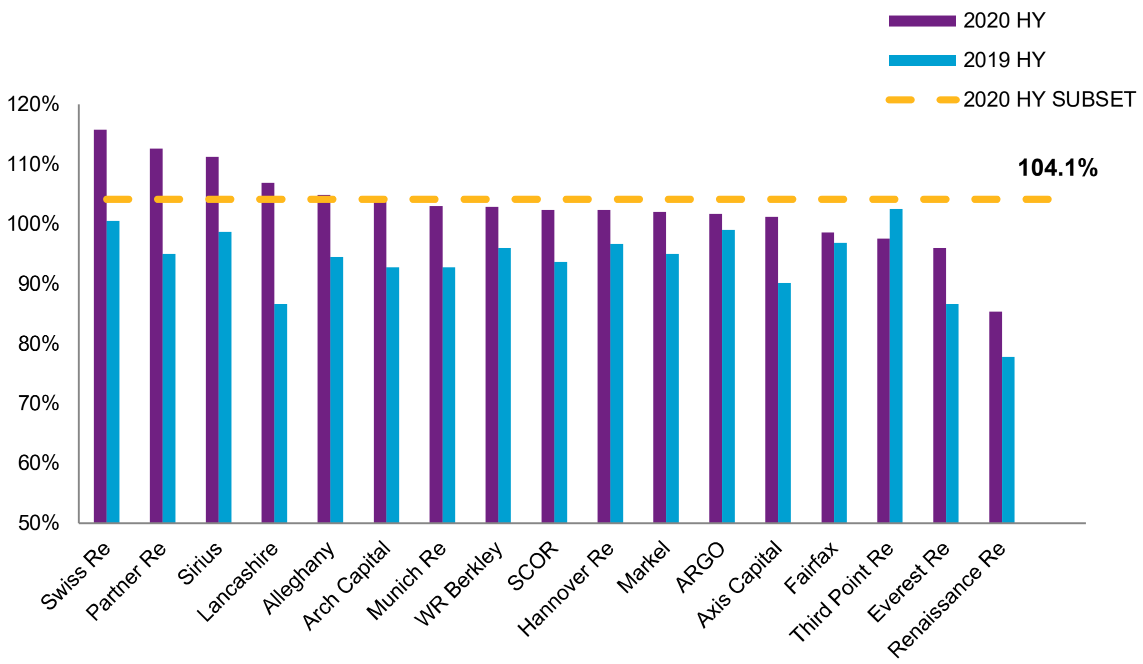
SUBSET	2014 HY	2015 HY	2016 HY	2017 HY	2018 HY	2019 HY	2020 HY
Reported combined ratio	90.4%	90.4%	93.7%	94.0%	93.3%	94.9%	104.1%
Remove prior year development	4.5%	5.2%	5.2%	3.6%	3.0%	1.2%	0.7%
Accident year combined ratio	94.9%	95.6%	98.9%	97.6%	96.3%	96.0%	104.8%
Strip out nat cat loss	-2.5%	-1.2%	-4.6%	-2.3%	-1.2%	-2.6%	-3.3%
Strip out COVID loss							-11.1%
Ex-nat cat accident year combined ratio	92.4%	94.4%	94.3%	95.3%	95.1%	93.4%	90.5%
Add in normalised nat cat loss	6.4%	6.4%	6.4%	6.4%	6.4%	7.1%	8.2%
Underlying combined ratio	98.8%	100.8%	100.7%	101.7%	101.5%	100.5%	98.6%

- The SUBSET's combined ratio deteriorated markedly in the first half, to 104.1%.
- The worsening is mainly attributable to COVID losses, which added 11 percentage points on average to the combined ratio.

- Prior year development, ie reserve releases, also provided less of a benefit than in prior periods – only a 0.7 percentage point benefit in 2020 HY.
- Stripping out PYD and replacing nat cat + COVID losses with a normalised nat cat load(13), we put the underlying combined ratio at 98.6%.
- This is a marked improvement on 2019 HY's 100.5%, and continues the improving trend seen in half-year figures since 2017. We attribute this to industry price increases, which began to gain traction last year, and to the drop in claims frequency seen in 2020 HY.

Most reinsurers recorded combined ratios greater than 100% in the first half

Chart 12: Reported combined ratios for the SUBSET constituents



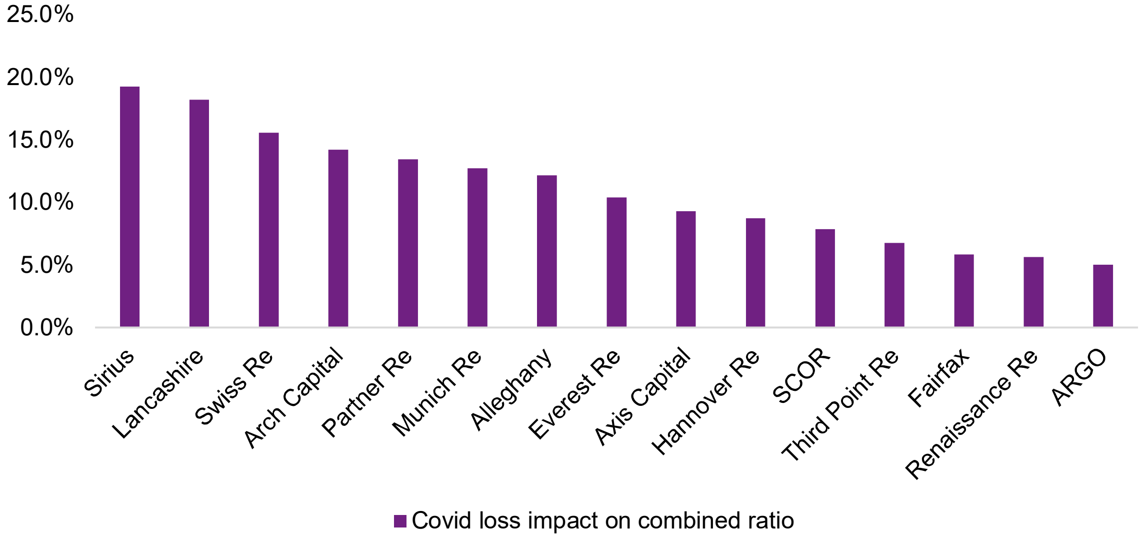
- Three quarters of the SUBSET companies recorded a combined ratio of over 100% in the first half. Some companies' combined ratios were particularly high due to high COVID losses and/or reserve strengthening.
- At the other end of the spectrum, Ren Re achieved a strong combined ratio of 85%. It booked relatively less COVID losses than peers and also recorded an above-average drop in its expense ratio.

(13) The normalized nat cat load is the five year moving average of the SUBSET's nat cat losses, calculated on the basis of annual results.

Detail on COVID-19 losses

Wide range of booked COVID losses may reflect differences in approach

Chart 13: Impact of COVID-19 losses on combined ratio for the SUBSET constituents

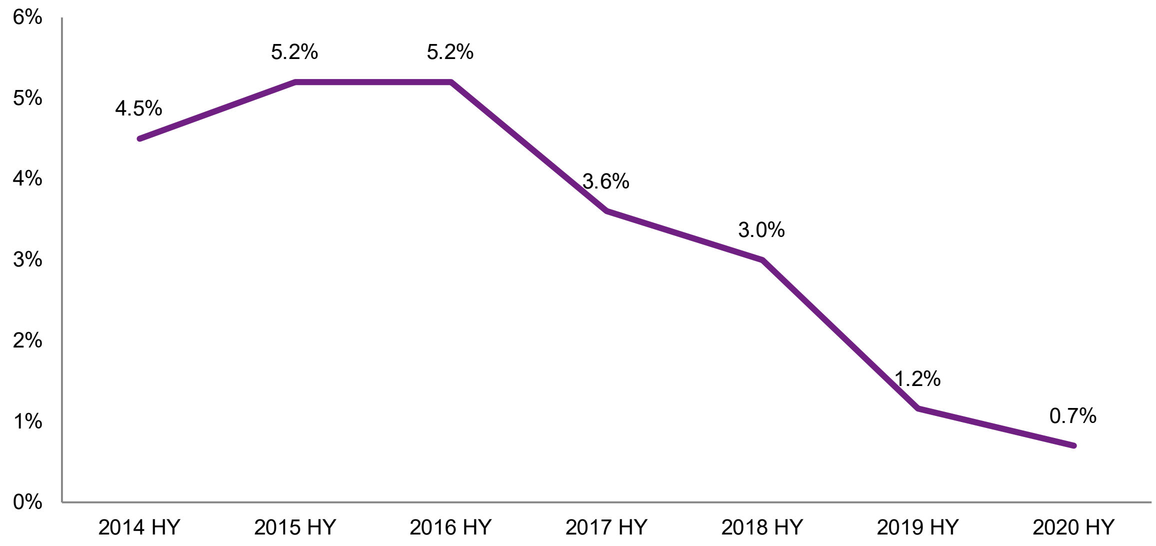


- The most significant feature of the first half of 2020 was of course COVID-19. The SUBSET companies booked COVID losses in both Q1 and Q2 and the graph above shows the cumulative first half booking as a percent of premium income.
- Sirius, Lancashire and Swiss Re all booked COVID losses with an impact of more than 15 percentage points on the combined ratio.
- Given the unprecedented nature of this loss, and that loss emergence and claim payments will take a long time to develop, there is understandably a wide variation in how companies have approached their loss booking. For example, some companies appear to have booked their loss on an 'ultimate' basis whereas others have taken the more conventional 'incurred' approach.

Prior year loss development

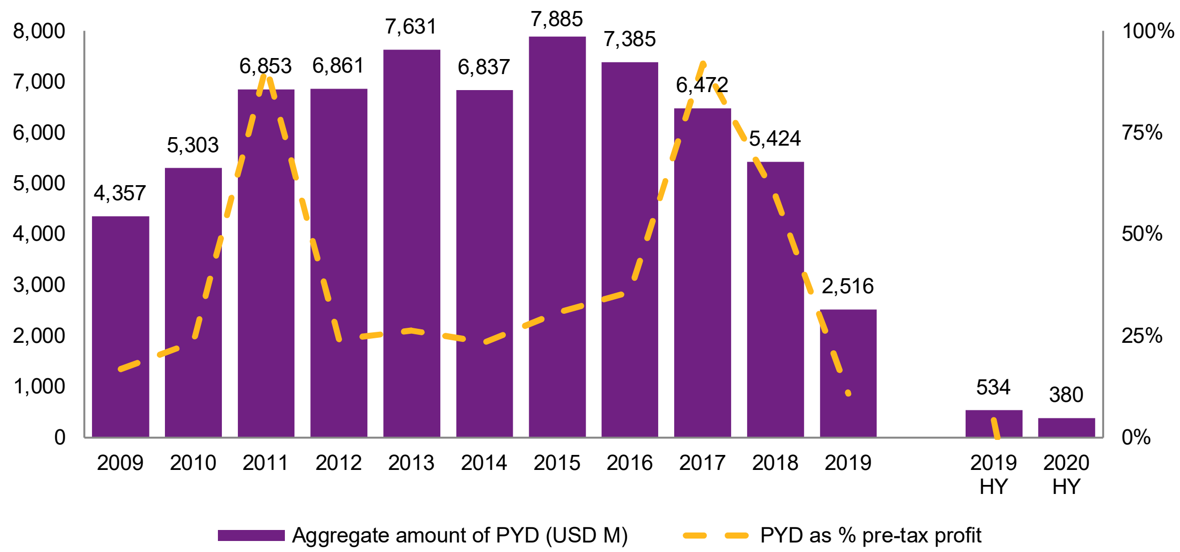
Support from reserve releases continues to decline

Chart 14: Prior year development impact on combined ratio for the SUBSET (positive number = benefit)(14)



Continued reduction in aggregate reserve releases

Chart 15: Prior year development for the SUBSET (positive number = benefit))(15)



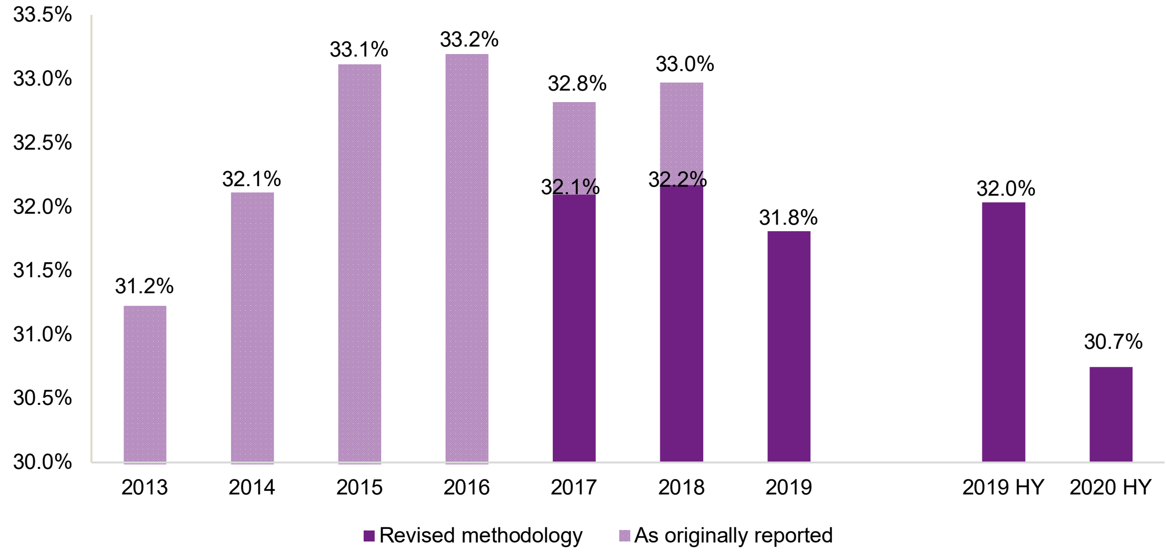
- The benefit to combined ratios from reserve releases has been reducing since 2016, and this trend continued in the first half of 2020. In aggregate for the SUBSET, reserve releases benefitted the combined ratio by 0.7 percentage points, down from 1.2 percentage points in 2019 HY.

(14) Positive number indicates a favourable prior year impact.
(15) PYD as a percent of pre-tax profit is not shown for 2020 HY as aggregate pre-tax profit for the SUBSET was negative.

Expense ratios for the SUBSET

Premium growth outstripped expense growth, bringing the expense ratio down

Chart 16: Weighted average expense ratio for the SUBSET

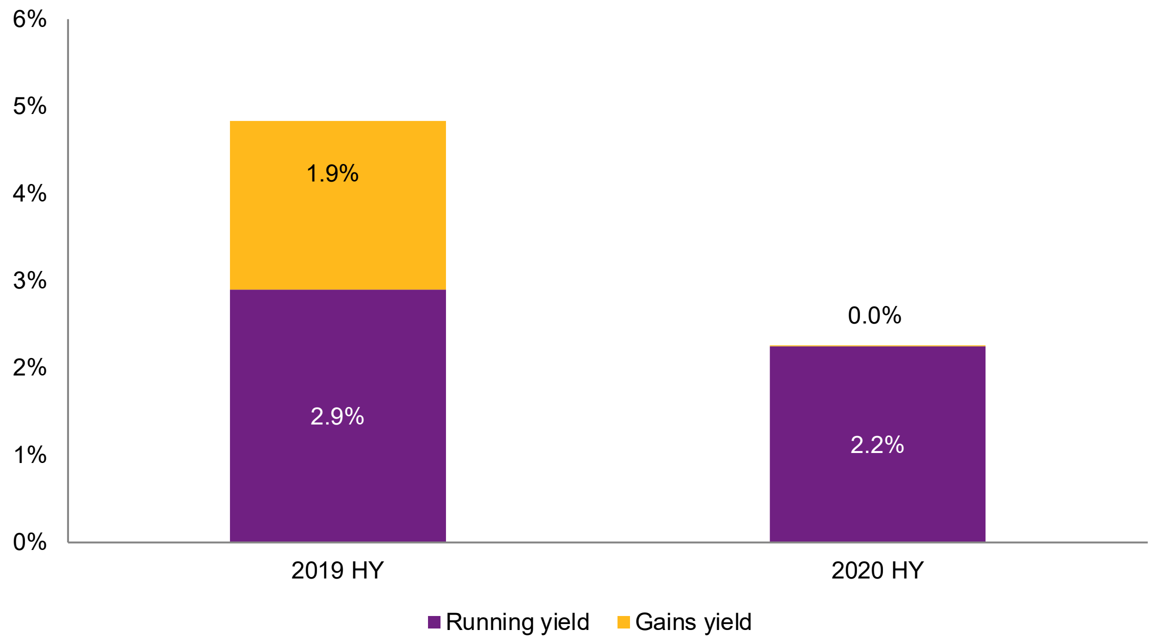


- Having seen steady increases over 2013-18, the average expense ratio for the subset declined in 2019 and fell markedly again in the first half of 2020, from 32.0% in 2019 HY to 30.7%.
- Part of the explanation is the SUBSET's robust premium growth, with 8% premium growth outstripping 3% growth in expenses.
- Additionally, the trend of rising ceding commissions paid by reinsurers has stopped, and in many cases this trend has reversed.
- It is also possible that the COVID lock-down helped to contain expense growth. While the majority of most reinsurer's expense ratio is ceding commissions and other acquisition costs, management expenses will still be a material component.

Investment performance

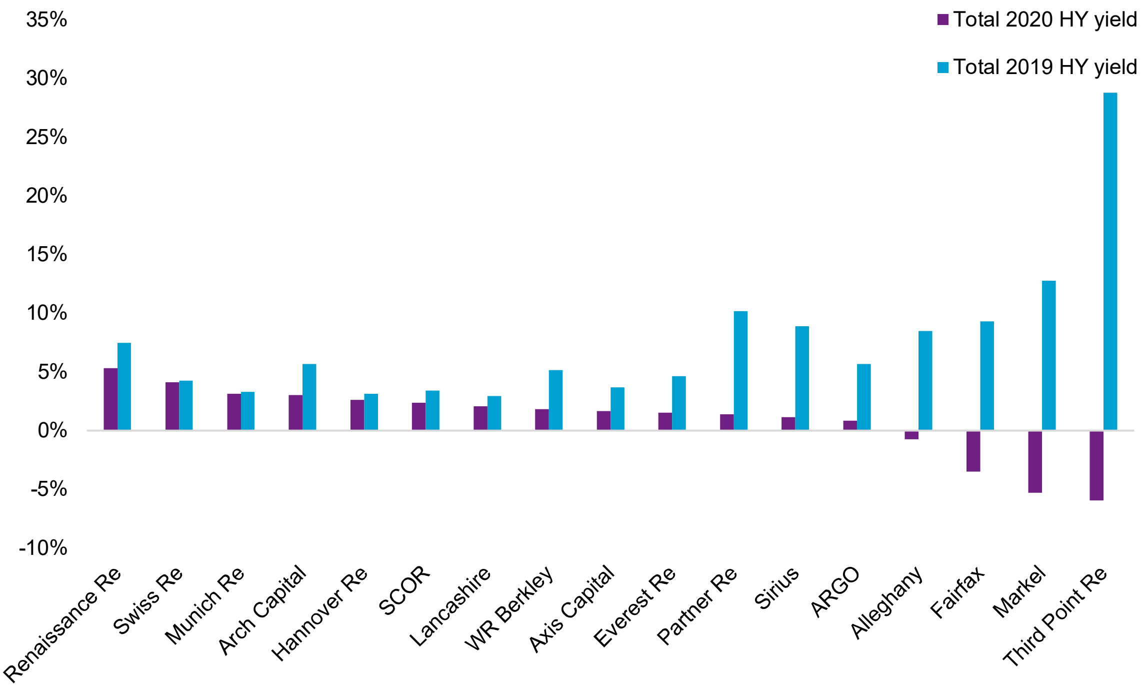
The investment yield was under pressure, both the yield from gains and the underlying running yield

Chart 17: Investment yield for the SUBSET(16)



Yields were lower for nearly every company, particularly those with larger equity exposures

Chart 18: All-in investment yield for the SUBSET constituents



(16) Running yield captures items such as bond coupons, equity dividends and interest income.

- As well as high reported combined ratios, reinsurers' ROEs were hit in 2020 HY by a decline in investment income.
- The more volatile component of the investment yield – investment gains/losses – fell back from an exceptionally high 1.9% in 2019 HY to almost exactly zero.
- The running yield, which is generally considered to be more recurring, has held up remarkably well over the past few years in the face of declining interest rates. But it did finally fall meaningfully in 2020 HY for the SUBSET companies, from 2.9% in 2019 HY to 2.2%.
- It is this drop in the running yield which has pushed the SUBSET's underlying ex-gains ROE down in 2020 HY, despite the improved underlying combined ratio.
- The companies showing the greatest swing in investment yield – abnormally high in 2019 HY to negative in 2020 HY – are several who report under US GAAP and have meaningful equity exposures. Under US GAAP the full mark-to-market of equities flows through the P&L.

Appendix 1

Methodology

In our 2019 HY report we broadened our definition of capital to include subordinated debt and minority interests. We also introduced the rules below to choose the constituents of our capital calculation for the traditional reinsurance market. As per Chart 1, these components are the INDEX, Major regional and local reinsurers, and pro-rated portion of capital within major groups.

We review and adjust our constituents annually based on year-end data.

The constituents of these components within this report have been selected by applying the rules below to year-end 2019 disclosures.

INDEX

Capital at least USD 1B **or** total group NWP at least USD 1B, **and** reinsurance NWP at least 10% of group NWP.

Major regional and local reinsurers[17]

Capital at least USD 250M **or** total group NWP at least USD 250M, **and** reinsurance NWP at least 10% of group NWP.

Pro rata of composites[18]

In the case of large groups whose reinsurance NWP is less than 10% of group NWP, we take a pro-rated portion of capital which must be at least USD 250M.

Segment versus group data for the SUBSET

In our combined ratio analysis, we use P&C reinsurance segment combined ratios for those SUBSET reinsurers which provide the disclosure. Otherwise, we use group combined ratios. In calculating the SUBSET averages we weight these combined ratios according to the appropriate segment or group net earned premium. In the section on premium volumes we show the growth rate in this 'relevant NEP'. In Appendix 2, premium income is on a written basis and relates to the entire group.

(17) Applies to constituents which don't qualify for the INDEX.
(18) Applies to constituents which don't qualify for the INDEX or Major regional and local reinsurers.

Appendix 2

HY 2020 results summary for the Willis Reinsurance Index

Group 2020 HY results table (USD millions)																	
Consolidated data unless otherwise stated	Notes	Total capital				Net written premium				Net income				Combined ratio			
		2018 FY	2019 FY	2020 HY	Δ 6mth	2018 HY	2019 HY	2020 HY	Δ HY/HY	2018 HY	2019 HY	2020 HY	Δ HY/HY	2018 HY	2019 HY	2020 HY	Δ HY/HY
Alleghany	(1)	7,693	8,777	8,456	-3.7%	2,529	2,832	3,012	6.3%	467	736	-184	-125.0%	91.4%	94.5%	104.9%	10.4%
Arch Capital	(1)	10,231	12,260	12,671	3.4%	2,711	2,705	3,513	29.9%	371	897	422	-52.9%	87.4%	92.8%	104.3%	11.5%
ARGO		2,004	2,039	1,988	-2.5%	810	816	837	2.5%	67	120	-25	-121.0%	96.1%	99.0%	101.7%	2.7%
Aspen	(1)(2)	2,656	2,726	2,726													
Axis Capital	(1)	5,030	5,964	5,717	-4.1%	2,986	2,847	2,735	-3.9%	177	286	-73	-125.5%	89.5%	90.1%	101.2%	11.1%
CCR, France	(2)	2,903	2,946	2,946													
China Re	(2)	12,687	13,928	13,928													
Convex	(2)		1,634	1,634													
DEVK Re	(2)	2,335	2,435	2,435													
Everest Re	(1)	8,140	9,370	9,510	1.5%	3,419	3,636	4,219	16.0%	280	692	207	-70.0%	100.1%	86.6%	96.0%	9.4%
Fairfax		17,588	18,088	16,621	-8.1%	6,416	7,296	7,402	1.5%	747	1,264	-824	-165.2%	96.1%	96.9%	98.6%	1.7%
Fidelis	(2)	1,205	1,360	1,360													
General Re	(5)	10,550	12,104	10,494	-13.3%	677	870	969	11.3%	407	126	-198	-256.9%	92.2%	91.4%	125.9%	34.5%
GIC India	(3)	7,764	5,247	5,247													
Great West Lifeco	(4)	20,152	19,770	19,194		12,580	4,279	15,601	264.6%	1,222	837	883	5.5%				
Hamilton Re	(2)	1,759	1,677	1,677													
Hannover Re	(1)	12,635	15,250	15,434	1.2%	11,032	11,973	13,145	9.8%	672	748	443	-40.8%	95.7%	96.7%	102.3%	5.6%
IRB Brazil		1,033	1,155	526	-54.5%	720	790	695	-11.9%	158	192	-136	-171.0%	82.6%	81.2%	138.0%	56.8%
Korean Re		2,010	2,132	2,056	-3.6%	2,415	2,378	2,346	-1.3%	104	116	98	-15.3%	97.5%	98.2%	98.8%	0.6%
Lancashire		1,262	1,388	1,700	22.5%	234	223	283	26.9%	76	39	-26	-166.5%	67.1%	86.6%	106.9%	20.3%
MAPFRE		11,814	12,599	11,997	-4.8%	12,267	11,475	9,823	-14.4%	466	423	299	-29.4%	97.4%	95.9%	96.7%	0.8%
Markel	(1)	9,100	11,078	11,410	3.0%	2,515	2,783	3,103	11.5%	214	1,074	-484	-145.1%	91.0%	95.0%	102.0%	7.0%
Milli Re	(2)	434	489	489													
Munich Re	(1)	34,565	38,621	37,672	-2.5%	28,086	26,962	28,451	5.5%	1,873	1,836	884	-51.9%	95.5%	92.8%	103.0%	10.2%
National Indemnity	(5)	122,471	167,718	154,663	-7.8%	12,593	13,474	14,557	8.0%	4,800	4,809	2,185	-54.6%	91.6%	95.1%	91.3%	-3.8%
Pacific LifeCorp	(2)	13,072	16,055	16,055													
Partner Re		6,588	7,340	6,974	-5.0%	3,143	3,783	3,269	-13.6%	28	805	-204	-125.4%	94.3%	95.0%	112.6%	17.6%
QIC		2,633	2,806	2,786	-0.7%	1,549	1,552	1,493	-3.8%	106	112	-57	-150.8%				
R&V Versicherung	(2)	2,461	2,412	2,412													
Renaissance Re		5,045	5,971	7,347	23.0%	1,268	1,952	2,451	25.5%	260	660	510	-22.7%	59.0%	77.8%	85.4%	7.6%
RGA	(4)	9,569	12,720	13,672	7.5%	5,177	5,502	5,609	2.0%	305	372	70	-81.2%				
SCOR		9,280	9,856	9,889	0.3%	8,307	8,112	8,089	-0.3%	317	323	29	-91.1%	91.4%	93.7%	102.3%	8.6%
Sirius		2,242	2,157	2,019	-6.4%	790	887	936	5.6%	141	111	-112	-200.5%	84.9%	98.7%	111.2%	12.5%
Swiss Re	(1)	33,368	38,948	38,371	-1.5%	18,334	21,356	21,861	2.4%	1,006	953	-1,135	-219.1%	92.9%	100.5%	115.8%	15.3%
Third Point Re		1,205	1,414	1,357	-4.0%	410	400	331	-17.1%	-6	186	-60	-132.1%	104.0%	102.5%	97.6%	-4.9%
Toa Re	(3)	1,624	1,592	1,592													
Validus Re	(2)	3,259	3,447	3,447													
WR Berkley	(1)	6,387	7,317	7,045	-3.7%	3,289	3,453	3,586	3.8%	346	399	68	-82.9%	104.2%	96.0%	102.9%	6.9%
XL	(1)(2)	11,636	13,210	13,210													
Index aggregate	(6)(7)	416,389	495,999	478,726	-3.5%	144,258	142,333	158,315	11.2%	14,603	18,115	2,579	-85.8%	93.6%	94.9%	100.0%	5.1%
Subset aggregate	(6)(7)	175,018	198,563	196,905	-0.8%	96,279	102,014	107,221	5.1%	7,035	11,128	-564	-105.1%	93.6%	94.9%	104.1%	9.3%

NB : Shaded rows in the above summary denote SUBSET groups

(1) Combined ratios are in respect of the P&C Reinsurance segment only.

(2) Due to lack of disclosure at the time of the report, total capital shown for 2020 HY is based on 2019 FY disclosure.

(3) Companies which have a March 31 financial year-end. Data for the year ended March 31 2020 is included in the column headed 2019 FY (and similar for prior years), and 2020 HY data is also based on year-end March 31 2020 disclosure.

(4) Figures for net premiums are net earned premiums, not net written premiums.

(5) Numbers are sourced from unconsolidated financial statements.

(6) Total of numbers reported, converted to USD at exchange rates prevailing at end of reporting period for total capital figures. For net income and NWP figures, we use average exchange rates over the reporting period.

(7) Pre-FY 2019 aggregates shown in this appendix will not necessarily match the aggregates shown in body of report. In the body, prior year figures have generally not been restated for changes in constituents. The figures here have been restated.

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The Reinsurance Market Report

The Willis Re Reinsurance Market Report is a half yearly publication providing an aggregate analysis of the size and performance of the global reinsurance market. The report is based on the Willis Reinsurance Index group of reinsurance companies from across the globe.

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