



RenaissanceRe Reports Operating Income of \$143.1 Million for 2004 Second Quarter; Operating EPS of \$2.00 Per Common Share for the Second Quarter of 2004 vs. \$1.84 for the Second Quarter of 2003

\$116.2 Million Net Income for the Second Quarter of 2004; EPS of \$1.62 for the Second Quarter of 2004 vs. \$2.54 for the Second Quarter of 2003

Achieves Second Quarter 2004 Annualized Operating Return on Equity of 25.2%

Increases 2004 Operating Earnings Estimates to a Range of \$6.95 to \$7.25 per Common Share, from Prior Estimate of \$6.10 to \$6.50

Pembroke, Bermuda, July 27, 2004 -- RenaissanceRe Holdings Ltd. (NYSE: RNR) today reported net operating income available to common shareholders of \$143.1 million for the second quarter of 2004, versus \$130.5 million for the comparable period in 2003. Operating income excludes realized investment gains (losses) of (\$26.9) million and \$49.7 million in the second quarters of 2004 and 2003, respectively. Operating income per common share grew to \$2.00 in the second quarter of 2004, from \$1.84 per common share in the second quarter of 2003. Net income available to common shareholders was \$116.2 million or \$1.62 per common share in the quarter, compared to \$180.2 million or \$2.54 per common share for the same quarter of 2003. The decline in net income resulted primarily from normal course investment activities, with the change in realized investment gains (losses) reflecting the broadly favorable investment environment of 2003 compared with the rising interest rate environment of this past second quarter.

James N. Stanard, Chairman and CEO, commented: "Our strong premium growth reflects two conflicting trends. First, Renaissance has preferred positions on various attractive reinsurance and insurance programs as a result of our strong customer relationships and credit ratings. Second, however, we continue to see price declines, and increasingly have had to turn down business that does not meet our return requirements. For 2004 we have increased estimates of our managed specialty reinsurance premium growth to over 30% compared to 2003; for our individual risk business we are maintaining our estimates of 30% growth; and for cat reinsurance we continue to expect gross managed premium declines of 5% or more. Our current expectation for 2005 is that we will continue to see growth in the individual risk business, but we will likely see a flattening of specialty reinsurance premium and further decreases in cat reinsurance premium."

Mr. Stanard further stated, "In light of the low losses in the first half of the year, we have raised our operating EPS guidance for 2004 to a range of \$6.95 to \$7.25 compared with our previous range of \$6.10 to \$6.50. These earnings estimates assume normal loss activity in the second half of the year."

SECOND QUARTER 2004 RESULTS:

Premiums

Gross premiums written for the second quarter of 2004 were \$326.9 million, compared to \$212.6 million for the same quarter of 2003. Gross premiums written include \$215.3 million attributable to the Company's Reinsurance segment in the second quarter of 2004, compared to \$114.9 million in the comparable 2003 period; and \$111.6 million attributable to the Company's Individual Risk segment in the second quarter of 2004, compared to \$97.7 million for the same quarter of 2003. Net premiums written for the second quarter of 2004 were \$262.8 million,

compared to \$160.2 million for the same quarter of 2003. Net premiums written include \$153.2 million attributable to the Company's Reinsurance segment in the second quarter of 2004, compared to \$65.4 million for the same quarter of 2003; and \$109.7 million attributable to the Company's Individual Risk segment in the second quarter of 2004, compared to \$94.8 million for the same quarter of 2003.

Net premiums earned for the second quarter of 2004 were \$344.0 million, compared to \$275.5 million for the same quarter of 2003. Net premiums earned include \$235.9 million in net premiums earned for the Company's Reinsurance segment in the second quarter of 2004, compared to \$208.9 million for the same quarter of 2003; and \$108.1 million in net premiums earned for the Company's Individual Risk segment in the second quarter of 2004, compared to \$66.6 million for the same quarter of 2003.

Premiums for the second quarter of 2004 include \$34.2 million of gross written premiums, \$38.3 million of net written premiums and \$53.7 million of net premiums earned by the Company's consolidated joint venture, DaVinci Re during the second quarter of 2004, compared to \$17.1 million of gross written premiums, \$19.0 million of net written premiums and \$46.7 million of net premiums earned by DaVinci Re during the second quarter of 2003.

Total managed cat premiums written, representing gross catastrophe premiums written by Renaissance Reinsurance and by related joint ventures, were \$175.5 million for the second quarter of 2004, compared to \$103.8 million for the same quarter of 2003, representing an increase of 69.1%. The increase was primarily due to timing differences. See the attached supplemental financial data for additional information regarding managed premiums.

Joint Venture Income

During the quarter, income from the DaVinci joint venture and other fee income was \$37.9 million, compared to \$31.6 million during the second quarter of 2003. Of this, \$23.9 million reflects fees and profit commissions, compared to \$15.6 million in the second quarter of 2003, and \$15.7 million reflects equity in earnings of unconsolidated ventures and DaVinci, versus \$16.5 million in the comparable quarter of 2003.

Underwriting Ratios, Reserve Development

For the second quarter of 2004, the Company generated a combined ratio of 58.5%, a loss ratio of 35.1% and an expense ratio of 23.4%, compared to a combined ratio, loss ratio and expense ratio of 57.0%, 36.3% and 20.7%, respectively, for the second quarter of 2003. The increase in the expense ratio primarily relates to the increased scale of the Company's Individual Risk segment, which typically generates higher expense ratios than the Reinsurance segment. For the quarter, the Company's Reinsurance segment generated a loss ratio of 27.6% and an expense ratio of 16.3%, compared to 29.2% and 16.9%, respectively, during the second quarter of 2003. For the quarter, the Company's Individual Risk segment generated a loss ratio of 51.5% and an expense ratio of 38.8%, compared to 58.5% and 32.6%, respectively, during the second quarter of 2003.

During the quarter, the Company recorded favorable development on prior year reserves of \$29.7 million or a benefit of 8.6 percentage points to the Company's quarterly loss ratio. The Company's Reinsurance segment contributed \$27.4 million of favorable development, and the Company's Individual Risk segment contributed \$2.3 million of favorable development. Net recovered losses for the quarter were \$7.8 million. The Company had net recoveries in the second quarter due to the timing of collections on certain reinsurance recoverables. See the attached supplemental financial data for additional information regarding claims and claim expenses incurred and loss ratios by segment.

Investments

Net investment income for the second quarter of 2004 was \$29.8 million, compared to \$34.1 million for the same quarter in 2003. Net investment income includes appreciation (depreciation) related to investments in hedge funds and private equity funds recorded during the second quarter of 2004 of (\$1.3) million compared to \$6.1 million of net appreciation recorded during the second quarter of 2003.

The Company's cash flows from operations were \$231.0 million for the second quarter of 2004.

Shareholders' Equity

Shareholders' equity attributable to common shareholders was \$2.3 billion at June 30, 2004, compared to \$2.1 billion at December 31, 2003. Book value per common share at June 30, 2004 was \$32.60 compared to \$29.61 per common share at December 31, 2003.

This Press Release includes certain non-GAAP financial measures including "operating income," "operating EPS or operating income per common share," "annualized operating return on equity," "managed cat premium" and "summary of income from joint venture relationships." 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, July 28, 2004 at 9:00 a.m. (EST) 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.

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 structured relationships managed by our subsidiary Renaissance Underwriting Managers, and (2) Individual Risk business, 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, 2003, and Form 10-Q for the quarter ended March 31, 2004.

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RenaissanceRe Holdings Ltd. and Subsidiaries
Summary Consolidated Statements of Income
For the three and six month periods ended June 30, 2004 and 2003
(in thousands of United States Dollars, except per share amounts)

	Three months ended		Six months ended	
	June 30, 2004	June 30, 2003	June 30, 2004	June 30, 2003
	(Unaudited)		(Unaudited)	
Revenues				
Gross premiums written	\$ 326,876	\$ 212,560	\$ 1,107,164	\$ 897,727
Net premiums written	\$ 262,842	\$ 160,223	\$ 968,863	\$ 750,593
Decrease (increase) in unearned premiums	81,142	115,312	(315,310)	(211,584)
Net premiums earned	343,984	275,535	653,553	539,009
Net investment income	29,833	34,109	64,883	65,543
Net foreign exchange gains	786	7,640	2,873	11,591
Equity in earnings of unconsolidated ventures	4,923	6,493	11,443	12,561
Other income (loss)	(689)	745	420	182
Net realized gains (losses) on investments	(26,920)	49,660	5,601	70,772
Total revenues	351,917	374,182	738,773	699,658
Expenses				
Claims and claim expenses incurred	120,737	100,076	232,915	182,856
Acquisition expenses	64,047	40,704	122,078	82,837
Operational expenses	16,502	16,332	28,878	31,239
Corporate expenses	4,986	4,677	9,538	8,145
Interest expense	6,334	5,335	12,605	9,834
Total expenses	212,606	167,124	406,014	314,911
Income before minority interest and taxes	139,311	207,058	332,759	384,747
Minority interest - Capital Securities	-	1,827	-	3,282
Minority interest - DaVinci	14,492	20,150	32,482	41,035
Income before taxes	124,819	185,081	300,277	340,430
Income tax benefit	-	-	-	55
Net income	124,819	185,081	300,277	340,485
Dividends on preference shares	8,609	4,917	13,713	9,036
Net income available to common shareholders	\$ 116,210	\$ 180,164	\$ 286,564	\$ 331,449
Operating income per Common Share - diluted *	\$ 2.00	\$ 1.84	\$ 3.92	\$ 3.68
Net income available to common shareholders per Common Share - basic	\$ 1.67	\$ 2.62	\$ 4.12	\$ 4.82
Net income available to common shareholders per Common Share - diluted	\$ 1.62	\$ 2.54	\$ 4.00	\$ 4.68
Average common shares outstanding - basic	69,664	68,914	69,554	68,754
Average common shares outstanding - diluted	71,683	71,056	71,638	70,810
Claims and claim expense ratio	35.1%	36.3%	35.6%	33.9%
Expense ratio	23.4%	20.7%	23.1%	21.2%
Combined ratio	58.5%	57.0%	58.7%	55.1%
Operating return on average common equity (annualized) *	25.2%	30.2%	25.4%	31.6%

* Excludes realized gains (losses) on investments (see comments on Regulation G)

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

	At	
	June 30, 2004	December 31, 2003
	(Unaudited)	(Audited)
Assets		
Fixed maturity investments available for sale, at fair value	\$ 3,117,925	\$ 2,947,841
Short term investments	1,009,011	660,564
Other investments	503,884	369,242
Cash and cash equivalents	74,130	63,397
Total managed investment portfolio and cash	4,704,950	4,041,044
Equity investments in reinsurance company, at fair value	147,962	145,535
Investments in other ventures, under equity method	178,052	41,130
Total investments and cash	5,030,964	4,227,709
Premiums receivable	404,676	167,996
Ceded reinsurance balances	88,326	56,852
Losses recoverable	90,055	149,201
Accrued investment income	31,811	22,793
Deferred acquisition costs	107,718	75,261
Other assets	39,498	29,890
Total assets	\$ 5,793,048	\$ 4,729,702
Liabilities, Minority Interest and Shareholders' Equity		
Liabilities		
Reserve for claims and claim expenses	\$ 1,100,159	\$ 977,892
Reserve for unearned premiums	696,608	349,824
Debt	350,000	350,000
Subordinated obligation to capital trust	103,093	103,093
Reinsurance balances payable	88,741	131,629
Net payable on investments purchased	166,772	-
Other liabilities	88,773	52,123
Total liabilities	2,594,146	1,964,561
Minority interest - DaVinci	398,214	430,498
Shareholders' Equity		
Preference shares	500,000	250,000
Common shares and additional paid-in capital	308,852	314,414
Accumulated other comprehensive income	75,168	113,382
Retained earnings	1,916,668	1,656,847
Total shareholders' equity	2,800,688	2,334,643
Total liabilities, minority interest, and shareholders' equity	\$ 5,793,048	\$ 4,729,702
Book value per common share	\$ 32.60	\$ 29.61
Common shares outstanding	70,565	70,399

RenaissanceRe Holdings Ltd. and Subsidiaries
Supplemental Financial Data
(in thousands of United States Dollars)

Segment Information

	Three months ended June 30, 2004			
	Reinsurance	Individual Risk	Other	Total
Gross premiums written (1)	\$ 215,284	\$ 111,592	\$ -	\$ 326,876
Net premiums written	\$ 153,162	\$ 109,680	-	\$ 262,842
Net premiums earned	\$ 235,862	\$ 108,122	-	\$ 343,984
Claims and claim expenses incurred	65,016	55,721	-	120,737
Acquisition expenses	27,936	36,111	-	64,047
Operational expenses	10,624	5,878	-	16,502
Underwriting income	\$ 132,286	\$ 10,412	-	142,698
Other items			\$ (26,488)	(26,488)
Net income available to common shareholders				\$ 116,210
Claims and claim expenses incurred - current accident year	\$ 92,375	\$ 58,060		\$ 150,435
Claims and claim expenses incurred - prior years	(27,359)	(2,339)		(29,698)
Net claims and claim expenses incurred - total	\$ 65,016	\$ 55,721		\$ 120,737
Claims and claim expense ratio - accident year	39.2%	53.7%		43.7%
Claims and claim expense ratio - calendar year	27.6%	51.5%		35.1%
Underwriting expense ratio	16.3%	38.8%		23.4%
Combined ratio	43.9%	90.3%		58.5%

(1) Reinsurance segment gross premiums written excludes \$0.8 million of premiums ceded from the Individual Risk segment.

	Three months ended June 30, 2003			
	Reinsurance	Individual Risk	Other	Total
Gross premiums written (1)	\$ 114,872	\$ 97,688	\$ -	\$ 212,560
Net premiums written	\$ 65,424	\$ 94,799	-	\$ 160,223
Net premiums earned	\$ 208,905	\$ 66,630	-	\$ 275,535
Claims and claim expenses incurred	61,100	38,976	-	100,076
Acquisition expenses	22,220	18,484	-	40,704
Operational expenses	13,107	3,225	-	16,332
Underwriting income	\$ 112,478	\$ 5,945	-	118,423
Other items			\$ 61,741	61,741
Net income available to common shareholders				\$ 180,164
Claims and claim expenses incurred - current accident year	\$ 66,270	\$ 46,563		\$ 112,833
Claims and claim expenses incurred - prior years	(5,170)	(7,587)		(12,757)
Net claims and claim expenses incurred - total	\$ 61,100	\$ 38,976		\$ 100,076
Claims and claim expense ratio - accident year	31.7%	69.9%		41.0%
Claims and claim expense ratio - calendar year	29.2%	58.5%		36.3%
Underwriting expense ratio	16.9%	32.6%		20.7%
Combined ratio	46.1%	91.1%		57.0%

(1) Reinsurance segment gross premiums written excludes \$1.0 million of premiums ceded from the Individual Risk segment.

RenaissanceRe Holdings Ltd. and Subsidiaries
Supplemental Financial Data
(in thousands of United States Dollars)

Segment Information, cont'd

	Six months ended June 30, 2004			
	<u>Reinsurance</u>	<u>Individual Risk</u>	<u>Other</u>	<u>Total</u>
Gross premiums written (1)	\$ 875,634	\$ 231,530	\$ -	\$ 1,107,164
Net premiums written	\$ 749,400	\$ 219,463	-	\$ 968,863
Net premiums earned	\$ 444,655	\$ 208,898	-	\$ 653,553
Claims and claim expenses incurred	123,555	109,360	-	232,915
Acquisition expenses	51,747	70,331	-	122,078
Operational expenses	16,750	12,128	-	28,878
Underwriting income	\$ 252,603	\$ 17,079	-	269,682
Other items			\$ 16,882	16,882
Net income available to common shareholders				\$ 286,564
Claims and claim expenses incurred - current accident year	\$ 167,785	\$ 116,517		\$ 284,302
Claims and claim expenses incurred - prior years	(44,230)	(7,157)		(51,387)
Net claims and claim expenses incurred - total	\$ 123,555	\$ 109,360		\$ 232,915
Claims and claim expense ratio - accident year	37.7%	55.8%		43.5%
Claims and claim expense ratio - calendar year	27.8%	52.4%		35.6%
Underwriting expense ratio	15.4%	39.5%		23.1%
Combined ratio	43.2%	91.9%		58.7%

(1) Reinsurance segment gross premiums written excludes \$0.8 million of premiums ceded from the Individual Risk segment.

	Six months ended June 30, 2003			
	<u>Reinsurance</u>	<u>Individual Risk</u>	<u>Other</u>	<u>Total</u>
Gross premiums written (1)	\$ 736,196	\$ 161,531	\$ -	\$ 897,727
Net premiums written	\$ 623,277	\$ 127,316	-	\$ 750,593
Net premiums earned	\$ 409,338	\$ 129,671	-	\$ 539,009
Claims and claim expenses incurred	117,996	64,860	-	182,856
Acquisition expenses	45,077	37,760	-	82,837
Operational expenses	25,191	6,048	-	31,239
Underwriting income	\$ 221,074	\$ 21,003	-	242,077
Other items			\$ 89,372	89,372
Net income available to common shareholders				\$ 331,449
Claims and claim expenses incurred - current accident year	\$ 135,784	\$ 71,555		\$ 207,339
Claims and claim expenses incurred - prior years	(17,788)	(6,695)		(24,483)
Net claims and claim expenses incurred - total	\$ 117,996	\$ 64,860		\$ 182,856
Claims and claim expense ratio - accident year	33.2%	55.2%		38.5%
Claims and claim expense ratio - calendar year	28.8%	50.0%		33.9%
Underwriting expense ratio	17.2%	33.8%		21.2%
Combined ratio	46.0%	83.8%		55.1%

(1) Reinsurance segment gross premiums written excludes \$5.7 million of premiums ceded from the Individual Risk segment.

RenaissanceRe Holdings Ltd. and Subsidiaries
Supplemental Financial Data
(in thousands of United States Dollars)

<u>Gross Written Premiums</u>	Three months ended		Six months ended	
	<u>June 30, 2004</u>	<u>June 30, 2003</u>	<u>June 30, 2004</u>	<u>June 30, 2003</u>
Renaissance cat premium	\$ 120,405	\$ 64,211	\$ 419,541	\$ 372,930
Renaissance specialty premium	60,675	33,557	291,130	219,639
Total Renaissance Reinsurance premium	181,080	97,768	710,671	592,569
DaVinci cat premium (1)	29,885	16,402	133,081	123,218
DaVinci specialty premium	4,319	702	31,882	20,409
Total DaVinci Reinsurance premium	34,204	17,104	164,963	143,627
Total Reinsurance premium	215,284	114,872	875,634	736,196
Individual Risk premium (2)	111,592	97,688	231,530	161,531
Total premiums	<u>\$ 326,876</u>	<u>\$ 212,560</u>	<u>\$ 1,107,164</u>	<u>\$ 897,727</u>
Total Managed Cat Premiums (3)	<u>\$ 175,506</u>	<u>\$ 103,774</u>	<u>\$ 616,893</u>	<u>\$ 568,509</u>
Total Managed Specialty Premiums	<u>\$ 64,994</u>	<u>\$ 34,259</u>	<u>\$ 323,012</u>	<u>\$ 240,048</u>

(1) Excludes premium ceded to Renaissance of \$3.5 million for the three months ended June 30, 2004 and \$8.4 million for the six months ended June 30, 2004.

(2) Includes combined premium ceded to Renaissance and DaVinci of \$1.0 million for the three months ended June 30, 2003 and \$5.7 million for the six months ended June 30, 2003. Such amounts of premium are excluded from the Renaissance and DaVinci premiums shown above.

(3) Total Managed Cat Premiums include Renaissance and DaVinci Cat Premium, as above, and Cat Premium of \$25.2 million and \$23.2 million for the three months ended June 30, 2004 and 2003, respectively, and Cat premium of \$64.3 million and \$72.4 million for the six months ended June 30, 2004 and 2003, respectively, written on behalf of our joint venture, Top Layer Re.

<u>Other Income and Equity in Earnings of Unconsolidated Ventures</u>	Three months ended		Six months ended	
	<u>June 30, 2004</u>	<u>June 30, 2003</u>	<u>June 30, 2004</u>	<u>June 30, 2003</u>
<u>As Reported</u>				
Fee income	\$ 1,074	\$ 1,250	\$ 2,189	\$ 2,478
Other items	(1,763)	(505)	(1,769)	(2,296)
Total other income (loss) - as reported	(689)	745	420	182
Equity in earnings of unconsolidated ventures	4,923	6,493	11,443	12,561
Total	<u>\$ 4,234</u>	<u>\$ 7,238</u>	<u>\$ 11,863</u>	<u>\$ 12,743</u>
<u>Summary of income from joint venture relationships (1)</u>				
Fee income (2)	\$ 23,933	\$ 15,616	\$ 40,901	\$ 35,820
Other items	(1,763)	(505)	(1,769)	(2,296)
Total other income	22,170	15,111	39,132	33,524
Equity in earnings of unconsolidated ventures and DaVinci	15,743	16,522	32,522	34,224
Total	<u>\$ 37,913</u>	<u>\$ 31,633</u>	<u>\$ 71,654</u>	<u>\$ 67,748</u>

(1) Reported GAAP presentation adjusted to reflect:

- fee income and the Company's interest in DaVinci as if DaVinci were accounted for under the equity method.
- other fee income on managed cat business which is reflected on the income statement as a reduction of acquisition and operational expenses.

(2) Excludes fee income received on capital invested by RenaissanceRe Holdings.

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 measure, 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 it more accurately measures and predicts 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. The following is a reconciliation of 1) net income available to common shareholders to operating income; 2) net income available to common shareholders per common share to operating income per common share; and 3) return on average common equity to operating return on average common equity:

(In thousands of U.S. dollars)	Three months ended		Six months ended	
	June 30, 2004	June 30, 2003	June 30, 2004	June 30, 2003
Net income available to common shareholders	\$ 116,210	\$ 180,164	\$ 286,564	\$ 331,449
Adjustment for net realized losses (gains) on investments	26,920	(49,660)	(5,601)	(70,772)
Operating income	<u>\$ 143,130</u>	<u>\$ 130,504</u>	<u>\$ 280,963</u>	<u>\$ 260,677</u>
Net income available to common shareholders per common share - diluted	\$ 1.62	\$ 2.54	\$ 4.00	\$ 4.68
Adjustment for net realized losses (gains) on investments	0.38	(0.70)	(0.08)	(1.00)
Operating income per common share - diluted	<u>\$ 2.00</u>	<u>\$ 1.84</u>	<u>\$ 3.92</u>	<u>\$ 3.68</u>
Return on average common equity (annualized)	20.5%	41.7%	25.9%	40.2%
Adjustment for net realized losses (gains) on investments	4.7%	(11.5%)	(0.5%)	(8.6%)
Operating return on average common equity (annualized)	<u>25.2%</u>	<u>30.2%</u>	<u>25.4%</u>	<u>31.6%</u>

The Company has also included in this Press Release “managed cat premium”. “Managed cat premium” is defined as gross catastrophe premium written by Renaissance Reinsurance and its related joint ventures. “Managed cat 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 our joint venture Top Layer Re, which is accounted for under the equity method of accounting. Refer to supplemental financial data on gross written premiums.

The Company has also included in this Press Release "summary of income from joint venture relationships" which is a non-GAAP financial measure. The principal differences between "summary of income from joint venture relationships" and "other income and equity in earnings of unconsolidated ventures," which the Company believes is the most directly comparable GAAP measure, are that the results of DaVinci Reinsurance Ltd., a joint venture the financial results of which are consolidated in the Company's financial statements, are reflected in "summary of income from joint venture relationships" as if reported under the equity accounting method, and that this presentation also includes fees earned on certain quota share cessions of catastrophe business by the Company which are reflected on its income statement as a reduction of acquisition and operational expenses.