



# NEWS RELEASE

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A.M. BEST ASIA-PACIFIC, LTD., HONG KONG

## FOR IMMEDIATE RELEASE

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### **A.M. Best Upgrades Ratings of RenaissanceRe; Revises Some Outlooks to Stable**

**OLDWICK, NEW JERSEY, U.S.A., Dec. 19, 2007**—A.M. Best Co. has upgraded the financial strength ratings (FSR) to A+ (Superior) from A (Excellent) and the issuer credit ratings (ICR) to “aa-” from “a+” of **Renaissance Reinsurance Ltd.** (RenRe) and **Renaissance Reinsurance of Europe** (Dublin, Ireland). The outlook for these ratings has been revised to stable from positive.

Concurrently, A.M. Best has upgraded the ICR to “a-” from “bbb+” and the debt ratings to “a-” from “bbb+” on senior notes and to “bbb” from “bbb-” on preferred stock of **RenaissanceRe Holdings Ltd.** (RenaissanceRe) [NYSE: RNR]. The outlook for the ICR has been revised to stable from positive, and the outlook for the debt remains stable. A.M. Best also has upgraded the indicative debt ratings to “a-” from “bbb+” for senior notes, to “bbb+” from “bbb” for subordinated notes and to “bbb” from “bbb-” for preferred stock for securities available under shelf registration for RenaissanceRe. The outlook for these ratings is stable.

Additionally, A.M. Best has affirmed the FSR of A (Excellent) and the ICR of “a” and the FSR of A- (Excellent) and the ICRs of “a-” of **DaVinci Reinsurance Ltd.** (DaVinci) and the operating subsidiaries of **Glencoe Group Holdings Ltd.** (Glencoe), respectively. The rating outlook for DaVinci remains stable, and the outlook for Glencoe remains positive. All the above companies are domiciled in Hamilton, Bermuda except where specified. (See link below for a

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detailed listing of the companies and ratings.)

These rating actions reflect RenaissanceRe's continued strong level of capitalization, superior risk management techniques and exceptional historical underwriting track record, with the exception of 2004 and 2005. Year-to-date 2007 earnings have been strong as a result of a benign U.S. hurricane season. On an historical basis, the average five-year return on equity has approximated 18%, including the effects of the 2004 and 2005 U.S. wind seasons. Going forward, A.M. Best anticipates that RenRe will prudently manage the market cycle and continue to produce returns that are above average relative to its overall risk profile.

The ratings also consider the depth and experience of RenaissanceRe's senior management despite the turnover experienced in November 2005 following the receipt of "Wells Notices" from the Securities and Exchange Commission (SEC).

As a market leader in global property catastrophe reinsurance, RenaissanceRe's earnings remain exposed to high severity losses associated with catastrophic events on a worldwide basis. Furthermore, RenaissanceRe's specialty and individual risk businesses have experienced rapid growth in recent years, with the individual risk unit taking significant losses from the 2004 and 2005 hurricane seasons. Nonetheless, these factors are somewhat mitigated by RenaissanceRe's disciplined and analytical underwriting approach, sophisticated catastrophe modeling capabilities and the active monitoring controls over the individual risk business.

A.M. Best will continue to monitor RenaissanceRe's risk-adjusted capital, financial leverage ratios and fixed charge coverage with the expectation that RenaissanceRe will remain within acceptable ranges to support its current FSRs, ICRs and debt ratings.

Concurrently, A.M. Best has withdrawn the FSR of A- (Excellent) and the ICR of "a-" of

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**Overseas Partners Cat Ltd** and assigned the company a category of NR- 3 (Rating Procedure Inapplicable). These rating actions result from the company's not having written new business since 2003 and its having reinsured all of its outstanding loss exposure to **Renaissance Reinsurance Ltd.** in 2007.

For a complete listing of RenaissanceRe Holdings Ltd.'s FSRs, ICRs and debt ratings, please visit [www.ambest.com/press/121901renre.pdf](http://www.ambest.com/press/121901renre.pdf).

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