

RENAISSANCERE HOLDINGS LTD  
Form 10-Q  
November 06, 2013

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-Q  
Q QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended September 30, 2013  
OR  
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from                  to

Commission File No. 001-14428  
RENAISSANCERE HOLDINGS LTD.  
(Exact Name Of Registrant As Specified In Its Charter)  
Bermuda    98-014-1974  
(State or Other Jurisdiction of                      (I.R.S. Employer  
Incorporation or Organization)                          Identification Number)  
Renaissance House, 12 Crow Lane, Pembroke HM 19 Bermuda  
(Address of Principal Executive Offices)  
(441) 295-4513  
(Registrant's telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes Q No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes Q No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company, as defined in Rule 12b-2 of the Act. Large accelerated filer Q, Accelerated filer o, Non-accelerated filer o, Smaller reporting company o

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

The number of Common Shares, par value US \$1.00 per share, outstanding at November 4, 2013 was 44,413,413.

RENAISSANCERE HOLDINGS LTD.  
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## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

RenaissanceRe Holdings Ltd. and Subsidiaries

Consolidated Balance Sheets

(in thousands of United States Dollars, except per share amounts)

|   | September 30,<br>2013<br>(Unaudited) | December 31,<br>2012<br>(Audited) |
|---|--------------------------------------|-----------------------------------|
| Assets  |                                      |                                   |
| Fixed maturity investments trading, at fair value<br>(Amortized cost \$4,722,167 and \$4,549,112 at September 30, 2013 and<br>December 31, 2012, respectively)      | \$4,751,237                          | \$4,660,168                       |
| Fixed maturity investments available for sale, at fair value<br>(Amortized cost \$34,091 and \$71,445 at September 30, 2013 and December 31,<br>2012, respectively) | 38,530                               | 83,442                            |
| Short term investments, at fair value   | 925,329                              | 821,163                           |
| Equity investments trading, at fair value   | 113,986                              | 58,186                            |
| Other investments, at fair value  | 500,770                              | 644,711                           |
| Investments in other ventures, under equity method  | 97,660                               | 87,724                            |
| Total investments   | 6,427,512                            | 6,355,394                         |
| Cash and cash equivalents   | 266,350                              | 304,145                           |
| Premiums receivable   | 735,937                              | 491,365                           |
| Prepaid reinsurance premiums  | 166,340                              | 77,082                            |
| Reinsurance recoverable   | 149,201                              | 192,512                           |
| Accrued investment income   | 26,887                               | 33,478                            |
| Deferred acquisition costs  | 103,844                              | 52,622                            |
| Receivable for investments sold   | 240,191                              | 168,673                           |
| Other assets  | 113,159                              | 110,777                           |
| Goodwill and other intangible assets  | 8,978                                | 8,486                             |
| Assets of discontinued operations held for sale   | 115,556                              | 134,094                           |
| Total assets  | \$8,353,955                          | \$7,928,628                       |
| Liabilities, Noncontrolling Interests and Shareholders' Equity  |                                      |                                   |
| Liabilities   |                                      |                                   |
| Reserve for claims and claim expenses   | \$1,683,709                          | \$1,879,377                       |
| Unearned premiums   | 754,077                              | 399,517                           |
| Debt  | 249,407                              | 349,339                           |
| Reinsurance balances payable  | 358,988                              | 290,419                           |
| Payable for investments purchased   | 407,788                              | 278,787                           |
| Other liabilities   | 183,362                              | 198,434                           |
| Liabilities of discontinued operations held for sale  | 56,275                               | 57,440                            |
| Total liabilities   | 3,693,606                            | 3,453,313                         |
| Commitments and Contingencies   |                                      |                                   |
| Redeemable noncontrolling interest  | 945,915                              | 968,259                           |
| Shareholders' Equity  |                                      |                                   |
| Preference Shares: \$1.00 par value – 16,000,000 shares issued and outstanding at<br>September 30, 2013 (December 31, 2012 – 16,000,000)                            | 400,000                              | 400,000                           |
| Common shares: \$1.00 par value – 44,390,632 shares issued and outstanding at<br>September 30, 2013 (December 31, 2012 – 45,542,203)                                | 44,391                               | 45,542                            |
| Accumulated other comprehensive income  | 4,566                                | 13,622                            |
| Retained earnings   | 3,261,757                            | 3,043,901                         |

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|  |             |             |
|--|-------------|-------------|
| Total shareholders' equity attributable to RenaissanceRe             | 3,710,714   | 3,503,065   |
| Noncontrolling interest  | 3,720       | 3,991       |
| Total shareholders' equity   | 3,714,434   | 3,507,056   |
| Total liabilities, noncontrolling interests and shareholders' equity | \$8,353,955 | \$7,928,628 |
| See accompanying notes to the consolidated financial statements      |             |             |

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## RenaissanceRe Holdings Ltd. and Subsidiaries

## Consolidated Statements of Operations

For the three and nine months ended September 30, 2013 and 2012

(in thousands of United States Dollars, except per share amounts) (Unaudited)

|  | Three months ended    |                       | Nine months ended     |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
|  | September 30,<br>2013 | September 30,<br>2012 | September 30,<br>2013 | September 30,<br>2012 |
| Revenues   |                       |                       |                       |                       |
| Gross premiums written   | \$182,649             | \$136,359             | \$1,521,290           | \$1,467,846           |
| Net premiums written   | \$127,241             | \$105,035             | \$1,123,163           | \$1,025,240           |
| Decrease (increase) in unearned premiums                       | 167,476               | 157,588               | (265,302 )            | (239,536 )            |
| Net premiums earned  | 294,717               | 262,623               | 857,861               | 785,704               |
| Net investment income  | 59,931                | 46,135                | 129,296               | 126,725               |
| Net foreign exchange gains                                     | 488                   | 3,187                 | 170                   | 3,468                 |
| Equity in earnings of other ventures                           | 7,313                 | 4,310                 | 16,920                | 16,626                |
| Other income (loss)  | 651                   | (1,053 )              | (2,186 )              | 730                   |
| Net realized and unrealized gains (losses) on investments      | 28,472                | 75,297                | (26,788 )             | 150,982               |
| Total other-than-temporary impairments                         | —                     | —                     | —                     | (395 )                |
| Portion recognized in other comprehensive income, before taxes | —                     | —                     | —                     | —                     |