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Africa Reinsurance – Segment Review

Turbulent Economic Conditions Fail to Deter Interests in the African Reinsurance Markets

September 2016

A.M. Best
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Segment Review
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A.M. Best-rated reinsurers in the region maintain substantial capital buffers within their risk-adjusted capitalisation.

2015 proved to be a challenging year for Africa's reinsurance markets. A heightened country risk backdrop across the region threatened to stall the progress of prosperous economic conditions and stable political landscapes that had driven the continent's growth over the recent decades.

Until recently, with average gross domestic product (GDP) growth rates far outpacing much of the rest of the world, the region presented an extremely attractive environment for investors seeking enhanced returns. However, shifts in the economic and political landscapes have threatened to diminish interest across the continent, compromising growth in the various reinsurance markets, and as the ease of doing business has diminished, investors have become increasingly risk-averse.

Plummeting commodity prices have affected many of the region's economies, particularly for those territories that are highly dependent on the hydrocarbon industry. These countries suffered a substantial loss of export revenues due to the global disparity between supply and demand that saw oil prices tumble to under USD 30 per barrel from the highs of approximately USD 110. The uncertain economic conditions thus impacted infrastructure deals, with a subsequent effect on (re)insurance demand, as the availability of insurable assets reduced.

Exhibit 1

Reinsurance – Sub-Saharan Africa – Mergers & Acquisitions (2015 to present)

Purchaser	Domicile of Purchaser	Target	Domicile of Target	Status	Date	Deal Value	Notes
Deutsche Investitions- und Entwicklungsgesellschaft	Germany	PTA Reinsurance Co. (ZEP-RE)	Kenya	Completed	Jul-2016	USD 14m	Deutsche Investitions- und Entwicklungsgesellschaft increases its shareholding in ZEP-Re to 14.93%.
Kenya Reinsurance	Kenya	PTA Reinsurance Co. (ZEP-RE)	Kenya	Completed	Jun-2016	USD 20m	Kenya Re increases its shareholding in ZEP-RE.
Capital Alliance Private Equity IV Ltd.	Morocco	Continental Reinsurance plc	Nigeria	Completed	Feb-2016	n/a	SAHAM Finances reduces its shareholding in C-Re Holding Ltd. (the majority owner of Continental Reinsurance).
SAHAM Finances	Morocco	Continental Reinsurance plc	Nigeria	Completed	Sep-2015	n/a	SAHAM Finances announces the acquisition of a 53.6% share in Continental Reinsurance.
International Finance Corporation	United States of America	PTA Reinsurance Co. (ZEP-RE)	Kenya	Announced	May-2015	USD 20m	IFC announces deal in May 2015, then reviewed the deal in November 2015.
Fairfax Financial Holdings	Canada	African Reinsurance Corporation	Nigeria (Pan-Africa)	Completed	Mar-2015	USD 61m	Fairfax Financial Holdings completes its acquisition of a 7.15% stake in African Reinsurance Corporation, the Pan-African reinsurer based in Nigeria.
AXA Group	France	African Reinsurance Corporation	Nigeria (Pan-Africa)	Completed	Mar-2015	USD 61m	AXA Group completes its acquisition of a 7.15% stake in African Reinsurance Corporation, the Pan-African reinsurer based in Nigeria.

Source: A.M. Best data and research

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China's economic slowdown had a consequential effect on the region through reduced demand for its raw material exports. Additionally, the U.S. Federal Reserve's decision to tighten its monetary policy, along with the uncertainty associated with impending elections and the trend of depreciating currencies across the continent, contributed to weakened perceptions regarding Africa's economic prospects.

Despite these challenges and the negative implications for the financial strength of its reinsurers, the region's domestic markets have continued to experience a relatively stable flow of merger and acquisition (M&A) activity (**Exhibit 1**). Interest in the market has continued from regional and international players that promise capital support, technical expertise, and substantial overseas experience, thereby supporting the domestic markets in developing frameworks that mirror global standards.

A.M. Best expects M&A activity on the continent to continue. Low penetration rates and the associated enticing growth prospects, together with the evolving regulatory landscape, are anticipated to remain attractive to stakeholders that are interested in Africa as a longer-term investment strategy. In particular, overseas (re)insurers are likely to continue to view the region's markets favourably in terms of offering a viable strategy of diversification into less catastrophe-prone environments, supporting mandates to expand footprints and optimise returns. Nonetheless, A.M. Best notes that these stakeholders represent a threat to the development of domestic reinsurance markets.

In general, many overseas (re)insurance groups entering Africa's markets utilise reinsurers (or captives) that allow for the centralisation of their reinsurance needs. The entrance of these investors into the shareholding structures of the region's (re)insurers means that these organisations are able to repatriate premiums derived from their affiliates to their domiciles, subject to adherence with local domestication practices. Furthermore, these investor organisations tend to be excellently capitalised, thereby able to support the capitalisation needs of their subsidiaries, as and when required, and hence the higher retention of risks written on these entities' accounts. The benefit of such a capital management strategy and financial flexibility means that less reinsurance risks are available to the open market, thus intensifying competitive conditions, given the overcrowded nature of the domestic segments and the contracting universe of available insurable assets.

In addition to foreign (re)insurance groups entering the region's insurance segments, A.M. Best has observed a number of London market players establishing operations outside of Africa with the objective of accessing (re)insurance risks in the region, further reducing opportunities open to domestic reinsurers. In 2016, the Bermudan/London-based Aspen group established a reinsurance hub in Dubai to access both the Middle East and Sub-Saharan Africa. The group has also partnered with MEARC Management (Pty) Ltd, the South African-based financial services provider that also operates as a Lloyd's-accredited Open Market Correspondent, to provide reinsurance cover to the market. Additionally, XL Catlin has established a reinsurance unit providing facultative and treaty reinsurance in Africa from the London market.

Rating Drivers of African Rated Reinsurers Continue to Meet Expectations Despite Market Challenges

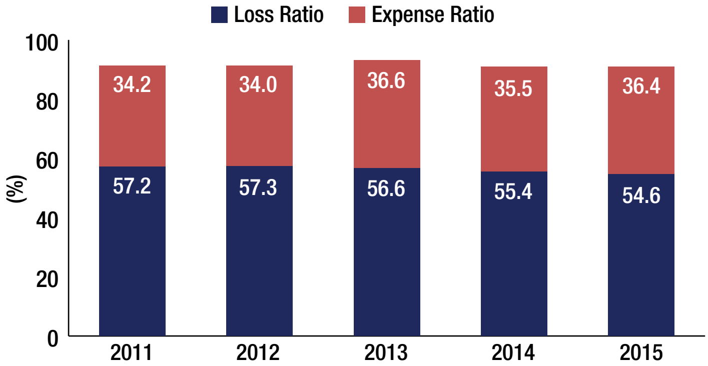
The results of A.M. Best-rated reinsurers in the region remained at a strong level in 2015, in spite of the economic difficulties. Overall performance was supported by strong and relatively stable underwriting results, although combined ratios, which remained positive, were subject to large variations between companies, depending on their domicile and strength of their business profiles. In most instances, companies benefitted from substantial investment returns (emanating from their relatively conservative investment profile) reflective of the high financial risk environment associated with the region.

Exhibits 2 and 3 illustrate the non-life technical performance indicators and return on equity produced by A.M. Best-rated reinsurers, based on the consolidation of their financial accounts for the period 2011 to 2015. Although most reinsurers underwrite life business, this portfolio generally remains a small segment of their operations, due to the underdeveloped nature of this segment of the market. Life business has therefore not been explicitly considered within this analysis.

The technical performance of A.M. Best-rated reinsurers continued to reflect a number of factors. Those entities that maintain a sole focus on Africa, and with a geographically broad spread of risk (as well as utilising an evolving risk management framework), tend to produce better and more stable technical results. In contrast, companies that maintain international profiles can be susceptible to the volatile loss environments of those markets. The majority of reinsurers operating in Africa and those rated by A.M. Best are small by global standards and therefore are unable to achieve economies of scale. Thus expense performance appears worse relative to global reinsurers.

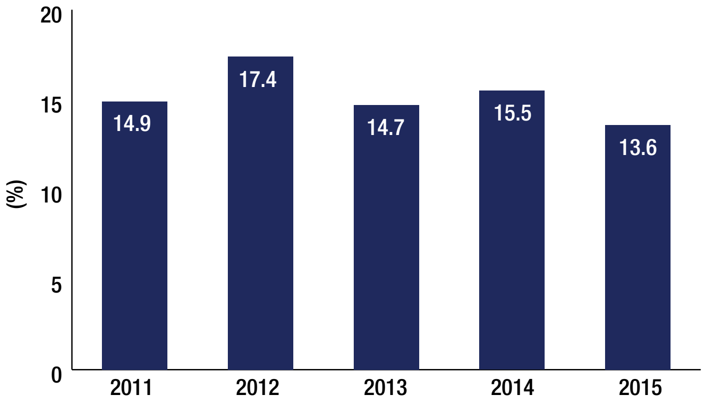
Nonetheless, the double-digit return on equity generated by A.M. Best-rated reinsurers remains robust, in spite of the impact of the global softening in reinsurance conditions and the high level of capital maintained by these entities.

Exhibit 2
Reinsurance – Sub-Saharan Africa – Technical Performance of A.M. Best-Rated Reinsurers (Non-Life)



Notes: 2015 year excludes Continental Re, CICA Re & Ghana Re as financial information is currently unavailable for these companies as at year-end 2015 (for Continental Re, financial information is available but segmental analysis is not).
Sources: BESTLINK – *Best's Statement File – Global*, A.M. Best data and research

Exhibit 3
Reinsurance – Sub-Saharan Africa – Return on Equity of A.M. Best-Rated Reinsurers (Non-Life)

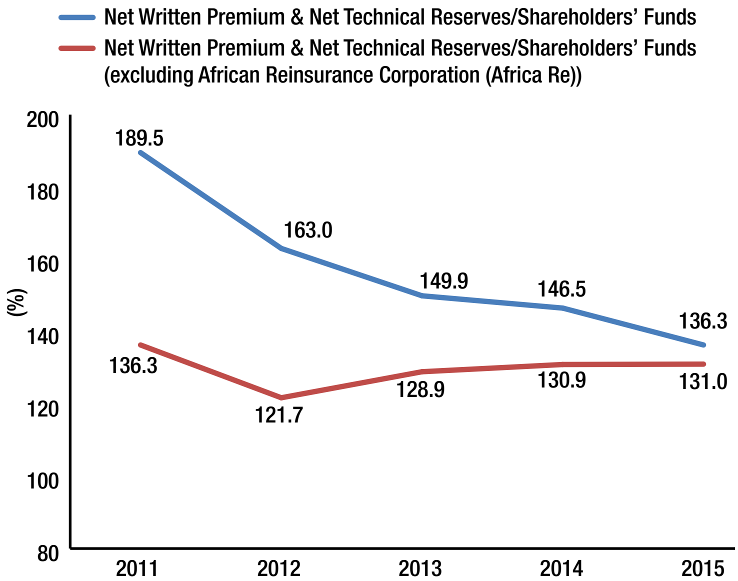


Notes: Financial information from CICA Re and Ghana Re is currently unavailable for these companies as at year-end 2015.
Sources: BESTLINK – *Best's Statement File – Global*, A.M. Best data and research

A.M. Best-rated reinsurers in the region maintain substantial capital buffers within their risk-adjusted capitalisation. This supports their abilities to absorb shock losses arising as a result of the region's volatile operating environment. **Exhibit 4** illustrates A.M. Best-rated reinsurers' utilisation of capital to support their underwriting, through the simplistic approach of comparing the volumes of net written premiums and technical reserves to shareholders' funds. If African Reinsurance Corporation (Africa Re) is excluded from the population of rated reinsurers, the underwriting leverage of these companies is seen to have remained at a relatively stable level as growth in capital has supported these entities' expansion.

Africa Re, the largest reinsurer on the continent, which appears in A.M. Best's Top 50 ranking of global reinsurers by GWP, possesses a highly diversified portfolio, due to its uniquely privileged access to business. As a U.S. dollar reporting organisation, Africa Re is exposed to foreign exchange fluctuations, although the corporation does employ a robust asset liability matching strategy. With the ongoing depreciation in currencies experienced in many countries across the region, Africa Re's reported premiums and surplus base have been affected by the adverse movement in

Exhibit 4
Reinsurance – Sub-Saharan Africa – Underwriting Leverage of A.M. Best-Rated Reinsurers (Non-Life)



Notes: Financial information from CICA Re and Ghana Re is currently unavailable for these companies as at year-end 2015.
Sources: BESTLINK – *Best's Statement File – Global*, A.M. Best data and research

exchange rates. This has resulted in the decline in both its premium volumes (despite growth in local currency terms) and its surplus base, albeit at differing rates, resulting in a negative trending underwriting leverage ratio (**Exhibit 4**). Nonetheless, Africa Re remains a well-capitalised organisation.

Africa's (Re)Insurance Market Dynamics Remain Largely Unchanged

A.M. Best estimates that there are between 35 and 40 reinsurers domiciled in Africa. This number is growing as lawmakers seek to supplement the capacity available to their insurance markets, with the intention of reducing premium outflows to the international reinsurance markets, thus domesticating more profits in their respective countries.

This comes against a backdrop of intensifying competitive conditions, enhanced by the participation of foreign investors in the region as they seek to expand their footprints. Additionally, pressures are also derived from the cross-border expansion strategies undertaken by regional players. These stakeholders typically maintain the objective of attaining the critical mass necessary to support their ongoing viability. Corresponding to a rise in the discovery of oil reserves in recent years, protectionist policies have been implemented to ensure that some insurance profits are maintained within their respective economies. These policies further constrain the development of Africa's reinsurers, particularly those that seek cross-border growth.

The establishment of national reinsurers remains a key feature utilised by lawmakers to support their objectives. These national reinsurers are typically government or quasi state-owned entities that are entitled to the first refusal of compulsory treaty business arising from the country of domicile. In 2016, Ethiopian Reinsurance SC (Ethiopia Re) is expected to be formally established as Ethiopia's first reinsurer, with share capital of Birr 1 billion (approximately USD 50 million). The company's formation comes at a time when the country is noticeably in the process of liberalisation, which will likely lead to an influx of investors that seek to capitalise on the country's prospects. It remains unclear whether Ethiopia Re will benefit from mandatory cessions, as has been the trend noted with the establishment of other national reinsurers in more recent years.

At the same time, regulators are raising minimum capital requirements to more onerous levels. The intention is to improve the financial stability of their respective insurance sectors, but an indirect effect of this is to restrict the participation of regional reinsurers. Pools are also increasingly being utilised as an alternative means to retain business. For example, the Nigerian Insurance Association established the Energy and Allied Risks Insurance Pool of Nigeria in 2015. Managed by Africa Re, the pool initially consisted of 14 members with the initial capacity to underwrite USD 4 million of oil and energy risks, based on the pool members' contribution of 40% of their subscribed lines. Despite the use of pooling arrangements to support underwriting in the region, in reality, the capacity that these pools offer remains small relative to the scale of many of the large risks underwritten.

Local (re)insurers remain heavily reliant on reinsurance to support their underwriting strategies. In particular, for high value corporate risks, international participants continue to undertake a dominant role in supporting the capacity needs of the various segments across the region. This is a function of the low capital base of the primary and reinsurance sectors, along with their limited underwriting capabilities and expertise required to support the high retention of risks. Therefore, international participants are able to support local (re)insurers through the provision of additional technical expertise and sophisticated underwriting skills.

Treaty reinsurance remains highly utilised by the region's markets due to the limited capacity available to the primary and reinsurance segments to support commercial risks underwriting, particularly for high-value contracts. (Re)insurers benefit from significant reinsurance commissions that supplement their earnings, which should encourage companies to focus on the quality of gross underwriting rather than targeting net profits, but in many cases prompts rapid expansion.

Despite the predominance of proportional treaties, A.M. Best continues to observe the moderate shift toward non-proportional arrangements in some markets, particularly for some high-value contracts, as (re)insurers seek to retain more of these risks on their own account, supported by growth of their surplus base. Market participants' approach to increase their risk retentions, and hence potential loss exposures, is an area of material downside risk to their financial strength.

Nevertheless, the domestic (re)insurance sectors' overall low net retention underwriting approach creates longer-term uncertainties regarding the abilities of companies to adjust business strategies in the event of the global hardening of reinsurance conditions. The international markets may well dictate the change in domestic companies' business models, with unfavourable effects on reinsurance demand.

Supranational or regional reinsurers remain an important feature in the promotion and development of the (re)insurance industries across Africa. These companies also create additional competitive pressures for local reinsurers seeking geographic expansion, owing to their often privileged positions in the markets, again limiting business opportunities to the open market. For example, Africa Re is entitled to 5% of treaty cessions derived from both insurers and reinsurers in each of its 36 member states, although in reality the corporation enjoys higher cessions given its financial strength and strong market reputation, whist Compagnie Commune de Réassurance des Etats membres de la CIMA (Conférence Interafricaine des Marchés d'Assurances) (CICA RE) is eligible to receive 15% of cessions derived from companies operating in the CIMA zone.

Cross-border, and in some cases, international expansion into other emerging economies remains the strategy for most local reinsurers in their pursuit of greater diversification and critical mass. Competition is intensifying as a large number of participants compete in a small sector targeting the same risks, given the underinsured and underdeveloped characteristics of their markets. These pressures are not helped by the fragmented nature of the African market and the abundance of capital available to the region.

Move to Risk-Based Regulation Increases Opportunities for Domestic Reinsurers

Insurance market regulators across Sub-Saharan Africa are attempting to implement a risk-based regime similar to the European Union-based directive, Solvency II, with the objective of enhancing the financial stability of their (re)insurance markets and aligning regulatory oversight to that of global standards. Whilst viewed favourably in supporting the positive perception of the markets, A.M. Best believes that it will likely be a longer-term goal for some countries, in view of the highly underdeveloped nature of their respective (re)insurance segments.

South Africa is leading the way with the implementation of its Solvency Assessment and Management (SAM) regime, which is expected to be fully implemented in 2017. This regime, which mirrors that of Solvency II, seeks to establish a risk-based framework, based on a three-pillar approach that (re)insurers must adhere to in order to strengthen the financial stability of the industry. Certain countries, such as Kenya, are following South Africa's lead, with the implementation of a much simplified risk-based capital approach, whilst in other territories, regulators have issued guidelines and discussion papers for risk-based supervision with the intention of engaging and educating the sector prior to any transition.

A strengthening of solvency regulations will likely create opportunities for African reinsurers, at least in the initial stages, as reinsurance is sought as part of companies' capital management strategy, to strengthen solvency requirements. This will offset higher capital burdens associated with potentially new reserving standards for certain lines of business and the risks connected with (re)insurers' insurance, investment, and counterparty risk strategies. However, the onerous requirements of such a regime may also result in the consolidation of small-to-medium-sized players, affecting reinsurance demand.

A key challenge for regulators in these economies will be to develop cost-effective regimes, both for the (re)insurer and the regulator, which has cross-border recognition and co-operation. The ability to both educate and enforce these principles, whilst applying suitable penalties to companies that are non-compliant, will also be a challenge for the regulators.

Key Rating Considerations for the African Reinsurers

A number of A.M. Best-rated reinsurers maintain financial strength ratings of B+ (Good) or higher with stable outlooks (**Exhibit 5**). These reinsurers maintain strong and stable risk-adjusted capitalisation, underpinned by a large and (in some cases) underutilised capital base that is supplemented by solid earnings retention and supportive capital management policies. Additionally, under stressed scenarios, the capital buffers inherent in their risk-adjusted capitalisations are expected to remain at sufficient levels relative to their current rating levels. Reinsurers will be expected to employ capital management strategies that support their business plans.

Exhibit 5

Reinsurance – Sub-Saharan Africa – A.M. Best-Rated Entities

Ratings as of Aug. 26, 2016.

Domicile	Company	AMB #	Best's Financial Strength Rating (FSR)	Best's Long-Term Issuer Credit Rating (ICR)	Best's FSR & ICR Outlook	FSR & ICR Rating Action	Rating Effective Date
Nigeria	African Reinsurance Corporation	083411	A	a	Stable	Upgraded	Jun. 10, 2016
Togo	CICA Re	093852	B	bb+	Stable	Assigned	Jan. 29, 2016
Nigeria	Continental Reinsurance Plc	078723	B+	bbb-	Stable	Affirmed	Feb. 17, 2016
Kenya	East Africa Reinsurance Company Limited	077803	B	bb+	Stable	Affirmed	Nov. 20, 2015
South Africa	General Reinsurance Africa Ltd	086651	A++	aa+	Stable	Affirmed	Oct. 28, 2015
Ghana	Ghana Reinsurance Company Limited	090035	B	bb	Stable[1]	Affirmed	Dec. 11, 2015
Kenya	Kenya Reinsurance Corporation Limited	085416	B+	bbb-	Stable	Affirmed	Dec. 17, 2015
Kenya	ZEP-RE (PTA Reinsurance Company)	078388	B+	bbb-	Stable	Affirmed	Dec. 10, 2015

[1] FSR: Stable ICR: Positive

Sources: BESTLINK – *Best's Statement File – Global*, A.M. Best data and research

As highlighted above, the technical performance of rated companies is strong, partly due to the implementation of a supportive risk management framework. Additionally, companies also benefit from the low frequency of losses associated within certain African insurance sectors, compared with levels experienced in mature global markets.

These reinsurers typically maintain established business profiles in their target markets, either benefiting from their privileged access to business via mandatory cessions, or maintain a diversified profile, thereby alleviating some of the negative pressures arising from unexpected volatility in operating conditions, particularly due to heightened country risk scenarios.

Nonetheless, the current challenges overshadowing Africa's economic and political landscape create a source of negative pressure for A.M. Best-rated reinsurers, if sustained over the mid-to-longer-term. In particular, A.M. Best believes that the following factors are key risks to the sectors' financial strength in the region:

- Exposure to financial system fragility due to the banking sector's concentration and dependence on the hydrocarbon industry.
- Utilisation of an asset liability mismatching approach, as further currency fluctuations will affect these companies' liquidity requirements and ability to meet short-term obligations
- Potential liquidity constraints and erosion to risk-adjusted capitalisation, owing to extended delays in premium collections as economic difficulties squeeze disposable incomes of consumers of insurance services.

To support their credit profiles prospectively, A.M. Best-rated reinsurers will need to demonstrate a risk management framework that identifies and appropriately controls and monitors these risk factors.

On a company-specific basis, reinsurers will need to be mindful that they are operating in a highly competitive environment, with pricing, terms, and conditions dictated by the softening in the wider global reinsurance markets. Additional pressures are also arising from the influx of foreign (re)insurance groups that are better capitalised and benefit from stronger credit profiles. As such, domestic participants must focus on maintaining underwriting discipline as they expand, whilst developing business profiles that support their ability to compete effectively under severe circumstances.

To support their longer-term viability, reinsurers will also need to consider a strategy to reduce their dependence on overseas markets for their capacity requirements. Although beneficial in softening conditions, reinsurers may likely need to adjust their business strategies if market conditions harden. Should management not have the expertise to identify and successfully execute appropriate strategies as market conditions change, financial strength could weaken.

Exhibit 6

Top 50 Global Reinsurance Groups

(Ranked by unaffiliated gross premium written in 2015)

(USD Millions)[1]

2016 Ranking	Company Name	Reinsurance Premiums Written: Life & Non-Life Gross	Life & Non-Life Net	Non-Life only Gross	Non-Life only Net	Total Shareholders'[1] Funds[2]	Ratios[3]: Loss	Expense	Combined
1	Munich Reinsurance Company[4]	36,976	35,279	19,319	18,449	33,837	57.0	32.6	89.7
2	Swiss Re Ltd.	32,249	30,442	19,561	19,197	33,606	53.3	34.1	87.4
3	Hannover Rueck SE[4]	18,651	15,945	10,204	8,851	9,591	69.3	25.3	94.7
4	SCOR S.E.	14,665	13,228	6,254	5,584	6,953	59.1	32.0	91.1
5	Lloyd's [5,6]	12,740	10,237	12,740	10,237	35,903	48.7	38.0	86.7
6	Berkshire Hathaway Inc.[7]	12,236	12,236	7,049	7,049	258,627	N/A	N/A	90.5
7	Reinsurance Group of America Inc.	9,371	N/A	N/A	N/A	6,135	N/A	N/A	N/A
8	China Reinsurance (Group) Corporation	8,283	7,546	4,743	4,652	10,934	58.0	38.0	96.0
9	Everest Re Group Ltd.[8]	5,876	5,378	5,876	5,378	7,609	56.6	26.8	83.4
10	PartnerRe Ltd.	5,548	5,230	4,277	4,022	6,903	54.0	31.6	85.6
11	Korean Reinsurance Company	5,443	3,739	4,812	3,197	1,719	80.5	18.0	98.4
12	Great West Lifeco	4,173	4,065	N/A	N/A	18,220	N/A	N/A	N/A
13	Transatlantic Holdings, Inc	3,662	3,387	3,662	3,387	5,210	55.2	34.3	89.5
14	General Insurance Corporation of India[9]	2,786	2,474	2,751	2,445	5,936	85.2	24.5	109.7
15	XL Group plc	2,583	2,091	2,273	2,029	13,654	45.8	35.2	81.0
16	MAPFRE RE, Compania de Reaseguros S.A.[10]	2,289	2,071	1,724	1,508	1,283	62.8	25.2	87.9
17	R+V Versicherung AG[11]	2,164	2,120	2,136	2,092	2,349	73.5	24.6	98.0
18	The Toa Reinsurance Company, Limited[9,12]	2,067	1,857	2,067	1,857	1,501	72.8	24.7	97.5
19	Axis Capital Holdings Limited	2,021	1,915	2,021	1,915	5,867	54.1	31.9	86.0
20	RenaissanceRe Holdings Ltd.	2,011	1,416	2,011	1,416	4,732	32.0	32.7	64.7
21	MS Amlin plc[13]	1,930	1,588	1,930	1,588	2,741	47.1	31.1	78.2
22	Arch Capital Group Ltd.[14]	1,908	1,504	1,908	1,504	6,944	48.7	34.4	83.1
23	Assicurazioni Generali SpA	1,894	1,894	797	797	26,999	75.3	26.5	101.8
24	QBE Insurance Group Limited	1,624	1,023	1,624	1,023	10,560	45.9	37.5	83.4
25	Tokio Marine Holdings, Inc.[12,15]	1,546	1,339	1,546	1,339	29,152	54.5	38.4	92.9
26	Odyssey Re Holdings Corp.	1,496	1,376	1,496	1,376	3,958	49.8	32.2	82.0
27	MS&AD Insurance Group Holdings, Inc.[9,12]	1,417	N/A	1,417	N/A	22,617	N/A	N/A	N/A
28	Caisse Centrale de Reassurance	1,407	1,369	1,306	1,273	2,388	48.8	14.7	63.5
29	Pacific LifeCorp	1,384	1,384	N/A	N/A	10,104	N/A	N/A	N/A
30	Validus Holdings, Ltd.[16]	1,303	1,149	1,303	1,149	3,794	39.9	27.1	66.9
31	Aspen Insurance Holdings Limited	1,249	1,154	1,249	1,154	3,420	45.8	34.6	80.4
32	Endurance Specialty Holdings, Ltd.	1,235	1,070	1,235	1,070	5,124	35.8	33.6	69.4
33	Deutsche Rueckversicherung AG	1,177	730	1,131	699	242	68.5	30.9	99.4
34	Sirius International Group, Ltd.	1,161	848	1,161	848	2,183	49.9	35.1	85.1
35	Qatar Reinsurance Company, Limited	1,156	343	1,156	343	532	67.6	19.0	86.5
36	IRB - Brasil Resseguros S.A.	1,113	767	1,001	671	814	62.9	20.4	83.3
37	Taiping Reinsurance Co. Ltd[12]	1,033	822	594	505	799	58.4	34.9	93.3
38	Markel Corporation	965	824	965	824	7,841	55.3	34.5	89.7
39	Chubb Limited[17]	883	828	883	828	29,135	34.2	31.0	65.2
40	American Agricultural Insurance Company[18]	850	305	850	305	541	71.4	19.0	90.4
41	Allied World Assurance Company Holdings, AG	801	766	801	766	3,533	53.1	29.0	82.2
42	Maiden Holdings, Ltd.	777	735	777	735	1,349	73.5	29.9	103.3
43	ACR Capital Holdings Pte, Ltd.[19]	739	357	739	357	807	70.6	38.6	109.2
44	Third Point Reinsurance Ltd	702	701	702	701	1,396	68.9	35.8	104.7
45	African Reinsurance Corporation	689	588	645	544	780	54.1	34.3	88.4
46	Hiscox Ltd	649	370	649	370	2,267	26.0	25.4	51.4
47	W.R. Berkley Corporation	643	598	643	598	4,633	58.4	38.2	96.6
48	Sompo Japan Nipponkoa Holdings, Inc [9,12]	638	539	638	539	13,717	N/A	N/A	N/A
49	Nacional de Reaseguros, S.A.	559	405	490	333	319	62.3	30.8	93.2
50	Peak Reinsurance Company Ltd	532	514	457	439	717	67.8	29.6	97.4

[1] All non-USD currencies converted to USD using foreign exchange rate at company's fiscal year-end.
[2] As reported on Balance Sheet.
[3] Non-Life only.
[4] Net premium written data not reported, net premium earned substituted.
[5] Lloyd's premiums are reinsurance only. Premiums for certain groups within the rankings also may include Lloyd's Syndicate premiums when applicable.
[6] Total shareholders' funds includes Lloyd's members' assets and Lloyd's central reserves.
[7] Loss and expense ratio detail not available on a GAAP basis.
[8] Based on Everest Re Group Ltd. consolidated financial statements and includes Mt. Logan segment.
[9] Fiscal year-end March 31, 2016.
[10] Premium data excludes intergroup reinsurance.
[11] Ratios are as reported and calculated on a gross basis.
[12] Net asset value used for total shareholders' funds
[13] MS Amlin data reflects legacy Amlin plc year-end 2015 results.
[14] Based on Arch Capital Group Ltd. consolidated financial statements and includes Watford Re segment.
[15] TSF of Tokio Marine Holdings Inc. at year-end Mar. 31, 2016, premium data based on Tokio Millennium Re AG year-end Dec. 31, 2015.
[16] Based on Validus Holdings, Ltd. consolidated financial statements and includes AlphaCat segment.
[17] Chubb Limited data reflects legacy ACE Ltd year-end 2015 results.
[18] Data and ratios based on U.S. Statutory Filing.
[19] Data based on unaudited calendar year Jan. 1 to Dec. 31, 2015.
(N/A) - Information not applicable or not available at time of publication.

Source: A.M. Best data and research

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