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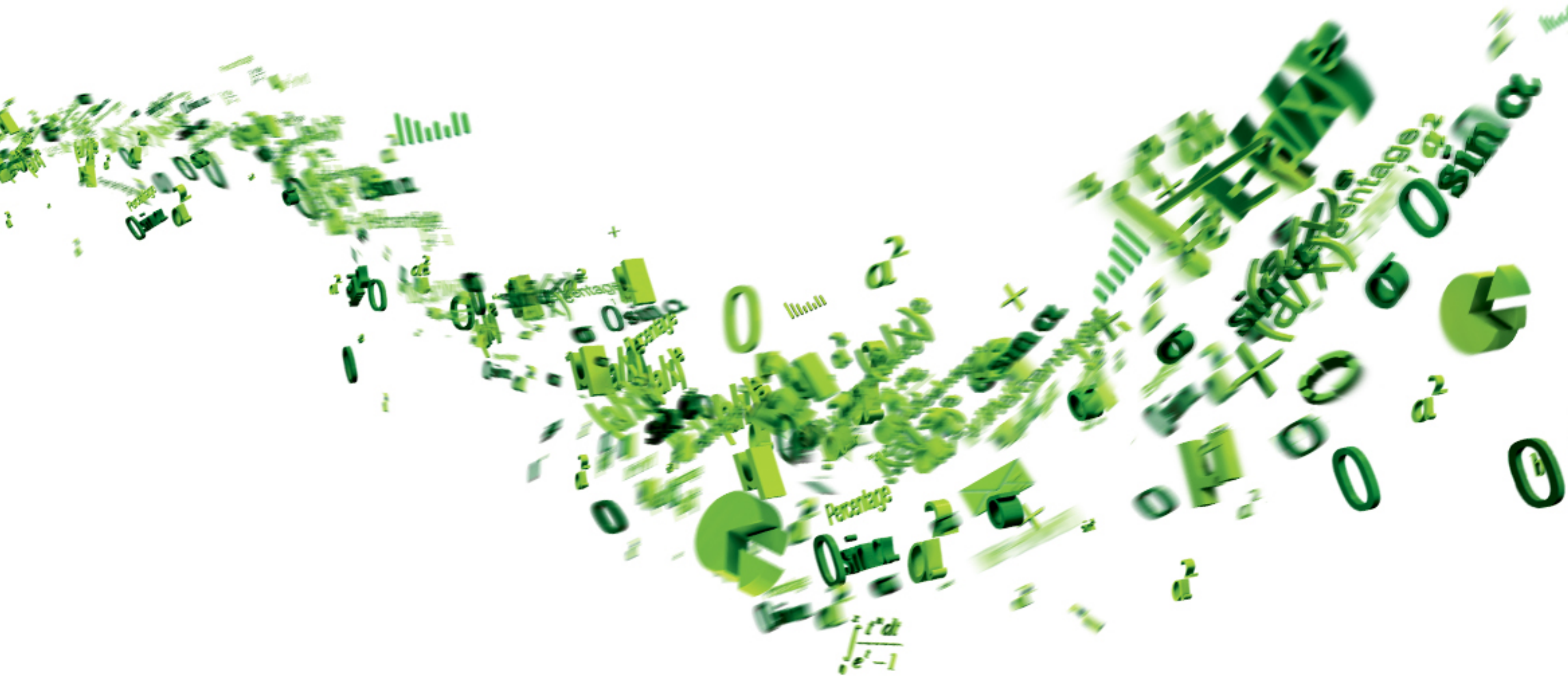


Aon's Reinsurance Aggregate

Results for the Year to 31 December 2018

Empower Results®

Contents

Executive Summary

Welcome to the latest edition of our report series tracking the financial performance of leading reinsurance carriers in the global market, also known as Aon's Reinsurance Aggregate ('the ARA'). The ARA underwrites around 50% of the world's non-life reinsurance premiums and a large majority of the life reinsurance premiums. It is therefore a reasonable proxy for the sector as a whole.

The 23 companies included in the study are Alleghany, Arch, Argo, Aspen, AXIS, Beazley, Everest Re, Fairfax, Hannover Re, Hiscox, Lancashire, Mapfre, Markel, Munich Re, Partner Re, QBE, Qatar Insurance, Renaissance Re, SCOR, Sirius, Swiss Re, Third Point Re and W.R. Berkley. Timely availability of relatively consistent financial data is a major factor in constituent selection.

The last two years have been dominated by natural catastrophe events. Aggregated losses to the private market in 2017 and 2018 are estimated at USD220 billion, an unprecedented total in a two-year period. Many commentators have expressed surprise that this level of loss could be absorbed without more significant consequences, in terms of the pricing and availability of reinsurance capacity.

This report helps to explain why the reinsurance sector has proved to be so resilient. Net catastrophe losses of 'only' USD32 billion for the ARA (derived in part from insurance operations) demonstrate the extent to which peak risk is now being shared with the capital markets. At sector level, Aon estimates the reinsured portion of the total losses incurred in 2017 and 2018 at no more than 30%.

This level of loss hurt the earnings of traditional reinsurers but was not sufficient to materially erode the excess capital that had built-up prior to these events. As a result, continuity of supply has been maintained, financial strength ratings are generally unchanged and flattening of the pricing cycle has been demonstrated. This is clearly to the benefit of reinsurance buyers.

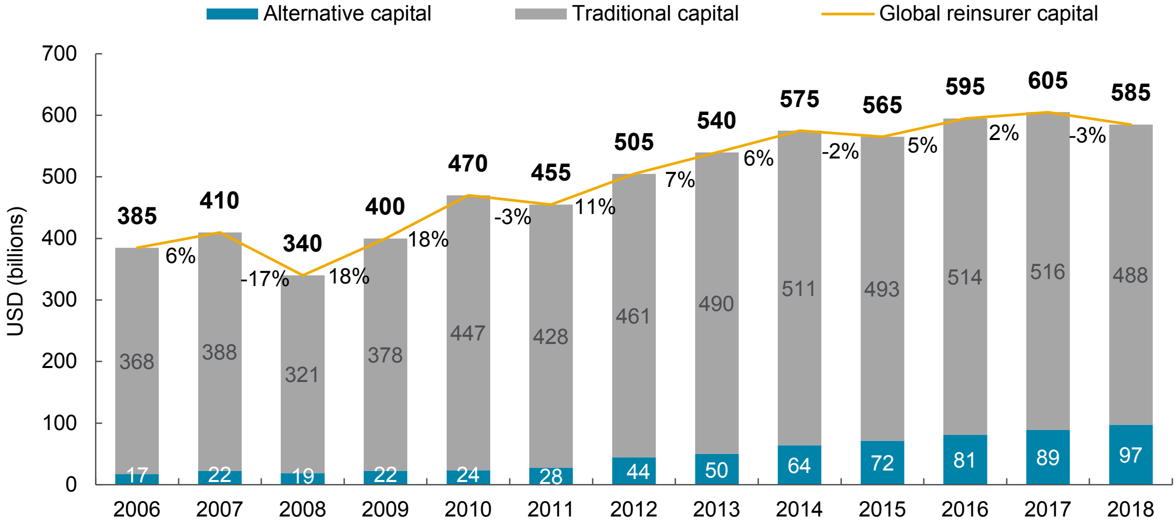
For the ARA, operating performance showed some improvement in 2018. The year featured strong premium growth, a small underwriting profit (combined ratio: 99.2%) and a lower overall investment return, impacted by unrealized losses on bonds and a stock market correction in the fourth quarter. Return on equity stood at 4.2%, up from 2.7% in 2017, but still well below the cost of capital.

Sector consolidation is continuing, as evidenced by RenRe's recent acquisition of Tokio Millennium Re. The record catastrophe losses of the last two years have only served to highlight the benefits of scale and diversification, while cost pressure remains ever present, particularly for smaller companies. Against this backdrop, Aon expects to see further M&A activity in the short to medium term.

Global Reinsurer Capital

Aon estimates that global reinsurer capital fell by 3% to USD585 billion over the year to 31 December 2018. This calculation is a broad measure of the capital available for insurers to trade risk with and includes both traditional and alternative forms of reinsurer capital.

Exhibit 1: Global Reinsurer Capital



Source: Aon

Traditional equity capital was estimated at USD488 billion at the end of 2018, down USD28 billion, or 5%, relative to a year earlier. The main drivers were

- Above average natural catastrophe losses – around USD90 billion of (re)insured losses were incurred globally in 2018, making it the fourth most expensive year on record
- Rising US interest rates – resulting in unrealised losses on bond portfolios, which were reported within income statements and/or taken directly to equity positions
- A stock market correction in the fourth quarter – a recent accounting change under US GAAP introduced significant additional volatility to reported results*
- Strengthening of the US dollar – capital positions reported in other currencies are converted to US dollars for the purposes of the global reinsurer capital calculation

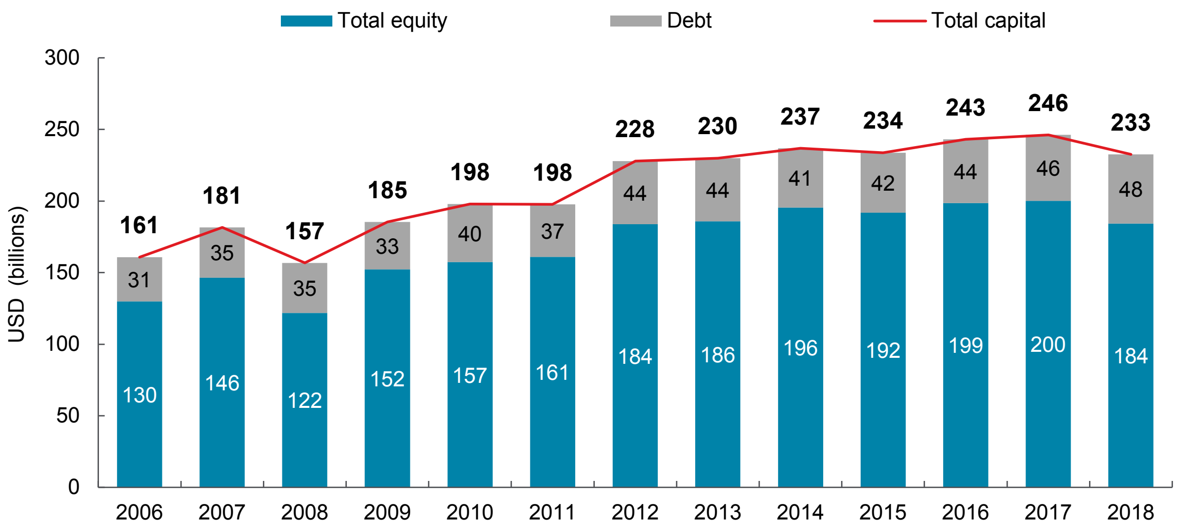
Assets under management in the alternative capital sector are estimated at USD97 billion at the end of 2018, up USD8 billion, or 9%, relative to the prior year-end. The total is shown gross of the collateral trapped on contracts impacted by the major natural catastrophe losses in 2017 and 2018. Headline growth has slowed, partly due to the impact of redemption requests, but further expansion is expected once this area of the market has fully digested the losses incurred over the last two years.

* Financial Accounting Standards Board, Accounting Standards Update (ASU) No. 2016-01, Financial Instruments (Topic 825): Recognition and Measurement of Financial Assets and Liabilities means that, with effect from 1 January 2018, equity securities are no longer classified as available-for-sale, with unrealised gains and losses recognised in other comprehensive income. Rather, all changes in fair value of equity securities are now recognised in net income.

ARA Capital

Total capital deployed by the ARA stood at USD233 billion at 31 December 2018, a reduction of USD13 billion, or 5%, relative to a year earlier. Total equity fell by USD16 billion, or 8%, to USD184 billion, of which USD171 billion was related to common shareholders, USD5 billion to preferred shareholders and USD8 billion to minority interests. Total debt rose by 4% to USD48 billion, generating a debt to total capital ratio of 20.6%, up from 18.7% at the end of 2017.

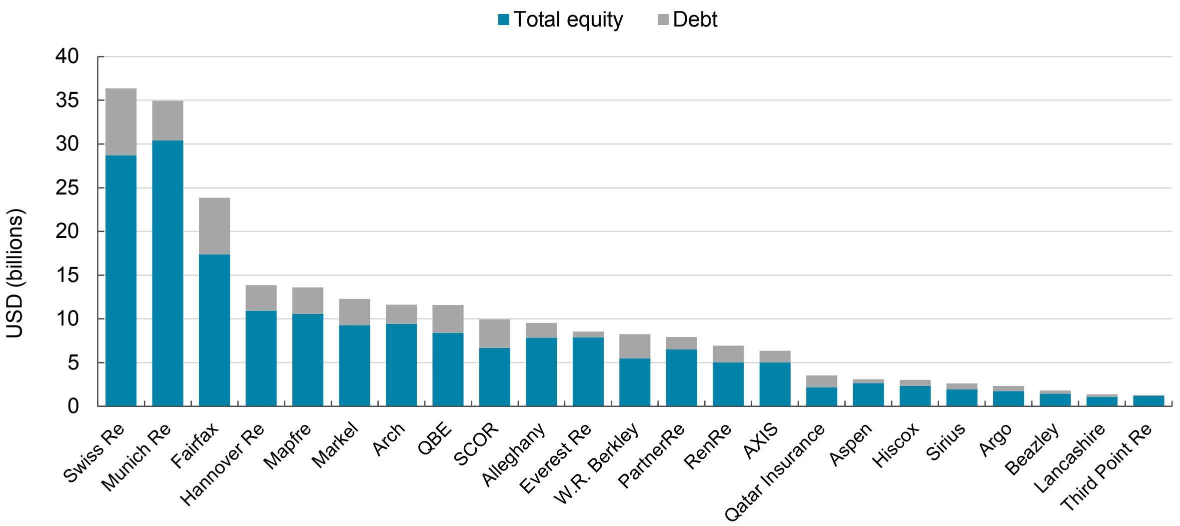
Exhibit 2: ARA Total Capital



Source: Aon / company reports

The total capital positions of the 23 ARA constituents at the end of 2018 are shown in Exhibit 3. The three largest companies represented 41% of the total, while the median size was USD8 billion.

Exhibit 3: Total Capital at 31 December 2018

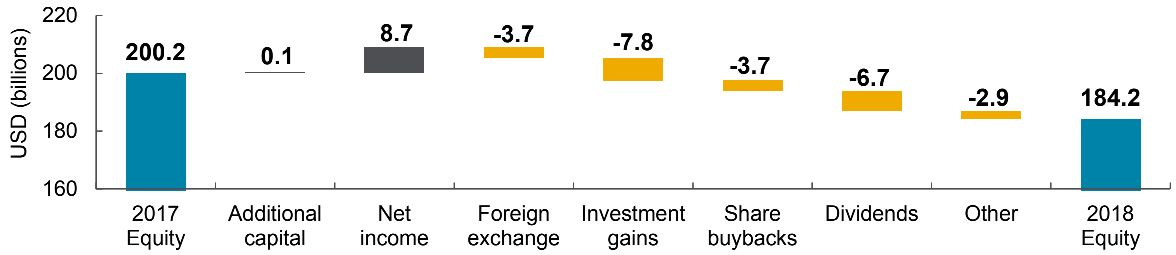


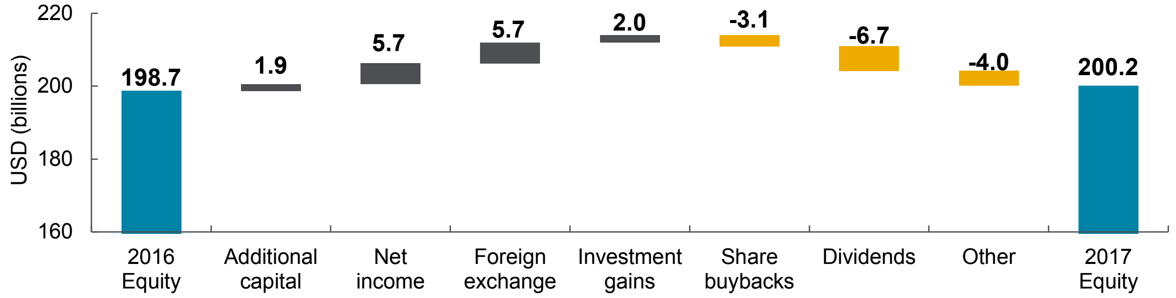
Source: Aon / company reports

Capital Development

Upon conversion to US dollars, ARA total equity stood at USD184 billion at 31 December 2018. The main drivers of the USD16 billion reduction relative to a year earlier are summarised in the top half of Exhibit 4. Net income of USD8.7 billion was out-weighed by dividends and share buybacks of USD10.4 billion, unrealised investment losses of USD7.8 billion, foreign exchange losses of USD3.7 billion and other adjustments of USD2.9 billion.

Exhibit 4: Evolution of ARA Total Equity

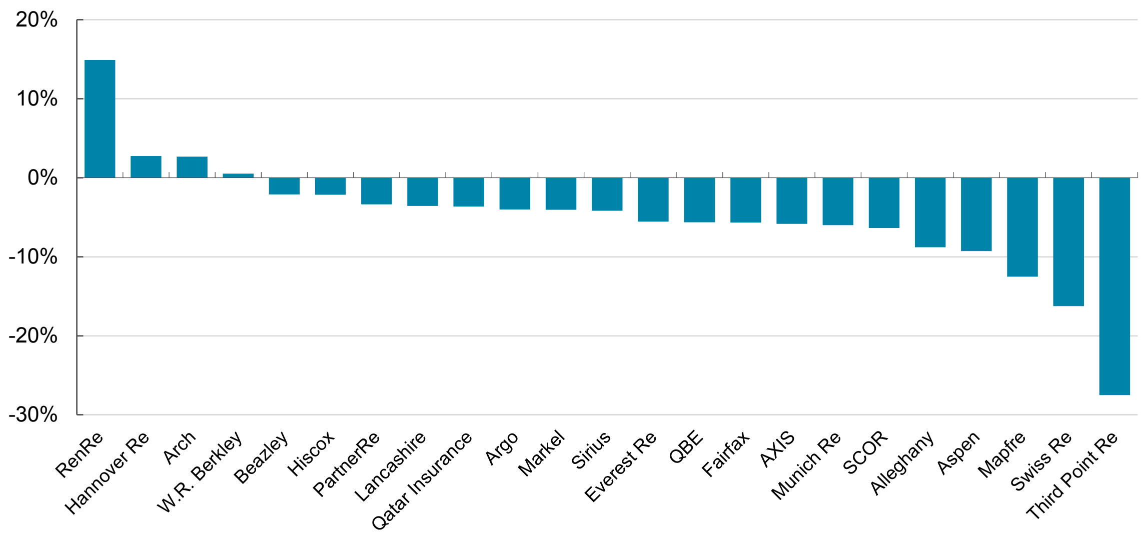




Source: Aon / company reports

Changes in the total equity of the 23 ARA constituents during 2018 are shown in Exhibit 5. Only four companies reported growth, the most notable being RenRe, which raised USD250 million of new capital via an issuance of preference shares and another USD250 million via a private placement to State Farm. The companies reporting the most significant reductions were Third Point Re (driven by a net loss of USD317 million and share buybacks of USD139 million) and Swiss Re (reflecting dividends and share buybacks of USD2.9 billion and unrealised investment losses of USD2.8 billion).

Exhibit 5: 2018 Changes in Total Equity (Original Reporting Currency)

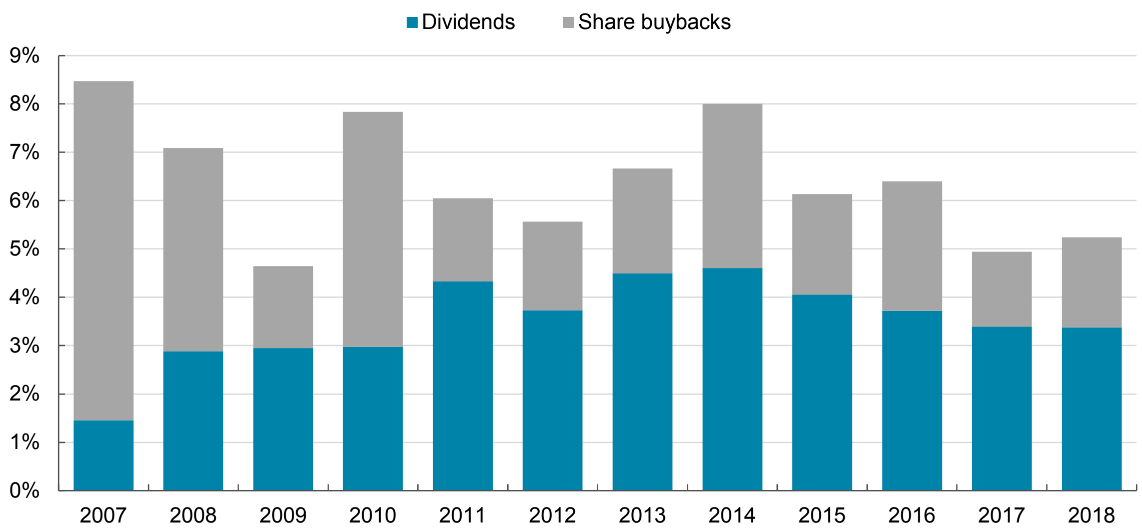


Source: Aon / company reports

Capital Management

Over the last 12 years, the ARA has returned almost USD130 billion of capital to investors, in the form of dividends and share buybacks, representing an average of 6.4% of opening equity per year.

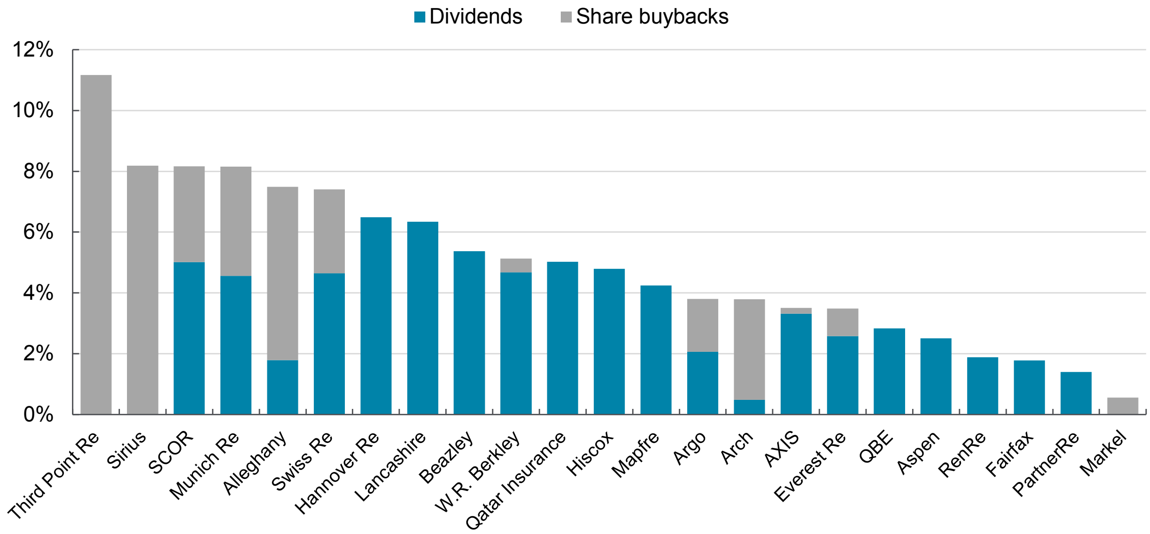
Exhibit 6: ARA Dividends and Share Buybacks (% of Opening Equity)



Source: Aon / company reports

Capital returns continued in 2018, despite the impact of record natural catastrophe losses in the prior year. The distribution by ARA constituent, relative to opening equity, is shown below.

Exhibit 7: 2018 Dividends and Share Buybacks (% of Opening Equity)

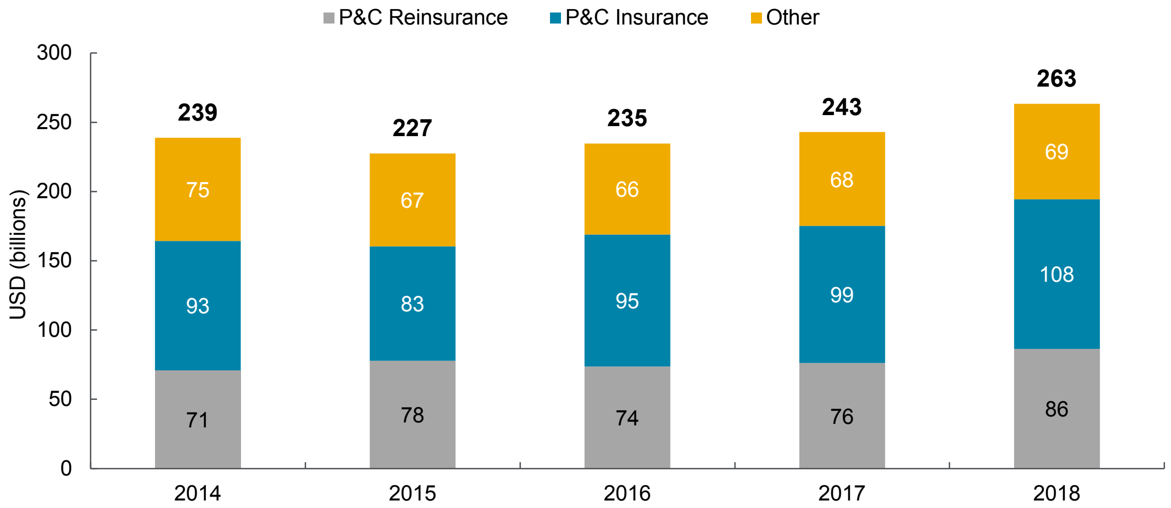


Source: Aon / company reports

Premium Income

Total gross premiums written (GPW) by the ARA climbed by 8% to USD263 billion in 2018. Property and casualty (P&C) premiums rose by USD19 billion, or 11%, to USD194 billion, split primary insurance USD108 billion (up 9%) and assumed reinsurance USD86 billion (up 13%). 'Other' mainly comprises life and health reinsurance business conducted by the European composite reinsurers.

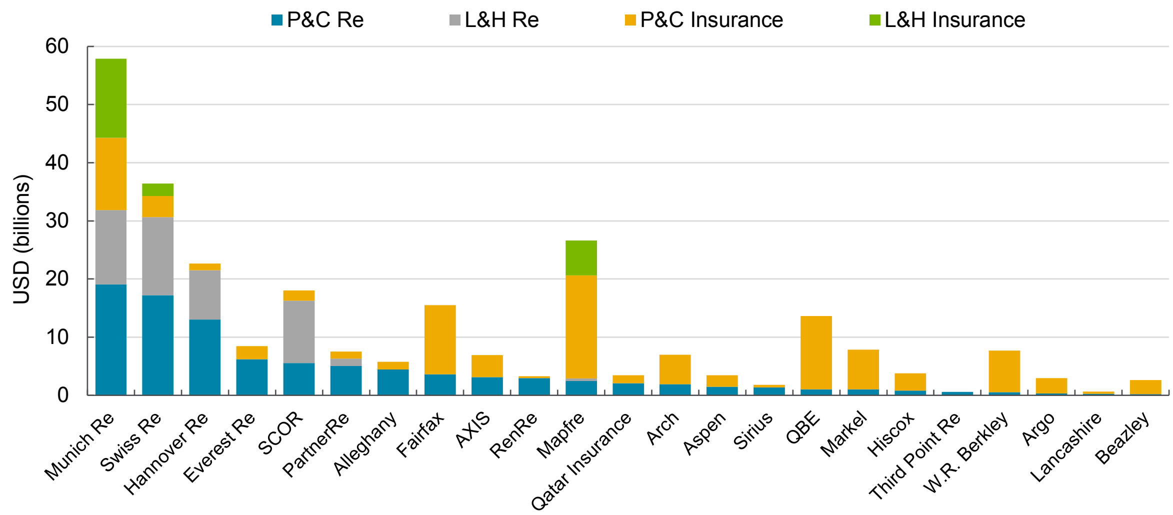
Exhibit 8: ARA Total Gross Premiums Written



Source: Aon / company reports

Exhibit 9 shows a breakdown of the total GPW of each ARA constituent in 2018, sorted by P&C reinsurance volume, based on our best interpretation of the available data.

Exhibit 9: 2018 Total Gross Premiums Written

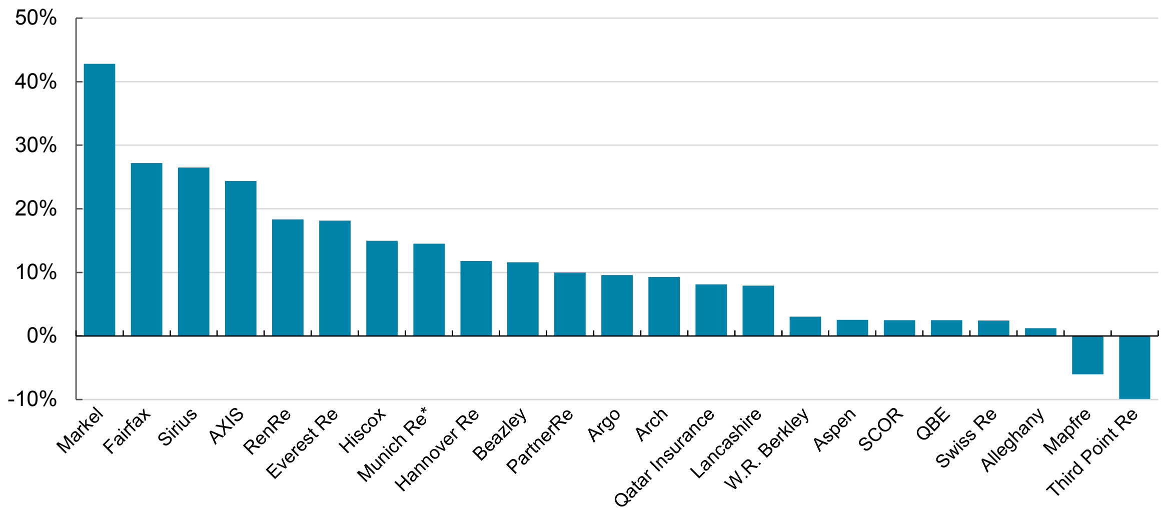


Source: Aon / company reports

Gross Premium Development

In original reporting currencies, four ARA constituents reported total P&C GPW growth of more than 20% in 2018. In the cases of Markel, Fairfax and AXIS, these increases were driven largely by M&A activity (respectively, the acquisitions of State National, Allied World and Novae). Only two companies reported reductions, as shown in Exhibit 10.

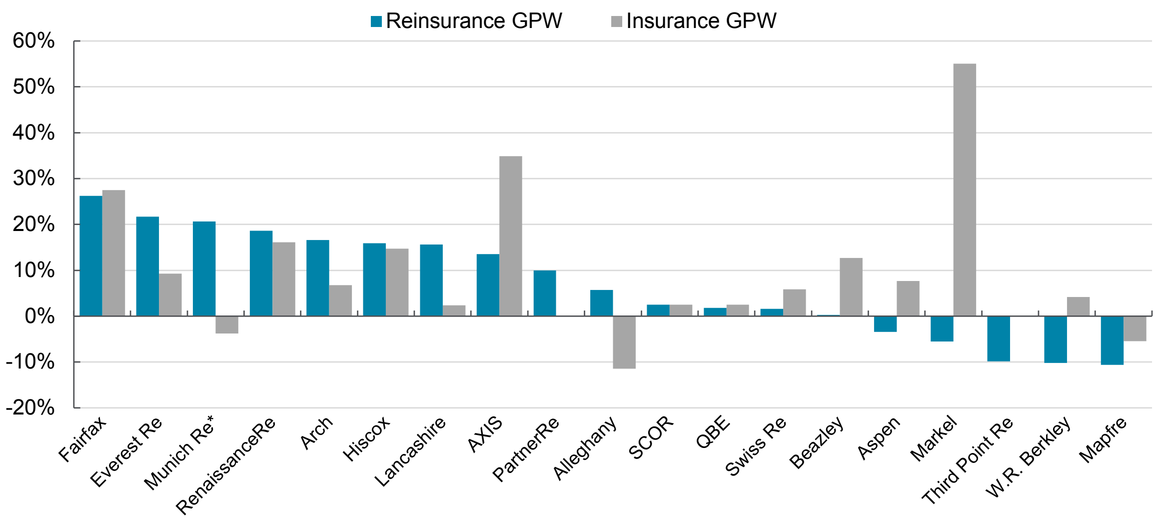
Exhibit 10: 2018 P&C GPW Growth (Original Reporting Currency)



Note: * Excluding ERGO
Source: Aon / company reports

Exhibit 11 captures the growth/contraction in the P&C primary insurance and assumed reinsurance books of the ARA constituents in 2018, based on our best interpretation of the available data. The chart is sorted by growth in P&C reinsurance premiums.

Exhibit 11: 2018 P&C Segmental Growth (Original Reporting Currency)

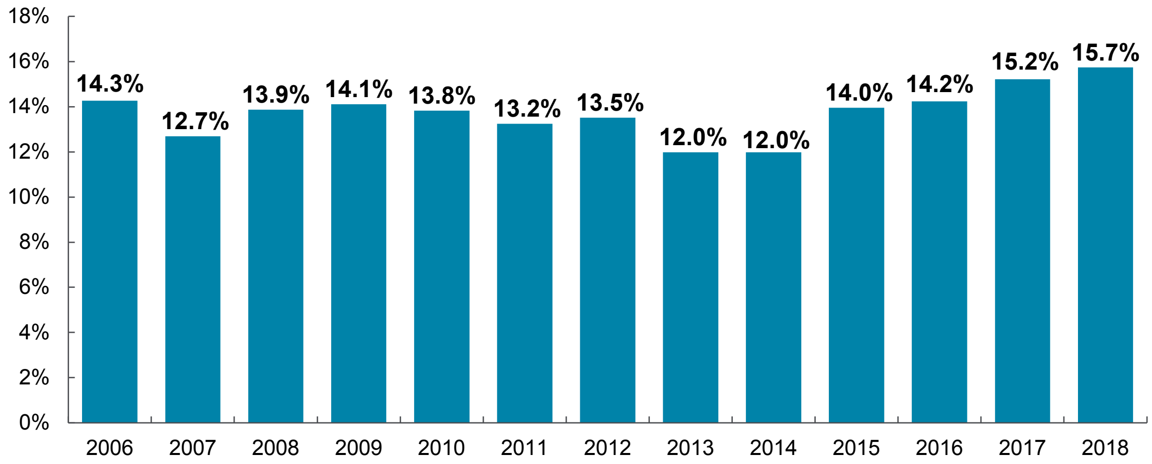


Note: * Excluding ERGO
Source: Aon / company reports

Reinsurance Purchasing

Total P&C net premiums written (NPW) by the ARA rose by 5% to USD144 billion in 2018. The overall reinsurance cession ratio increased to 15.7%, from 15.2% in 2017. One of the factors in the recent upward trend is the increasing amount of peak risk being transferred to the capital markets.

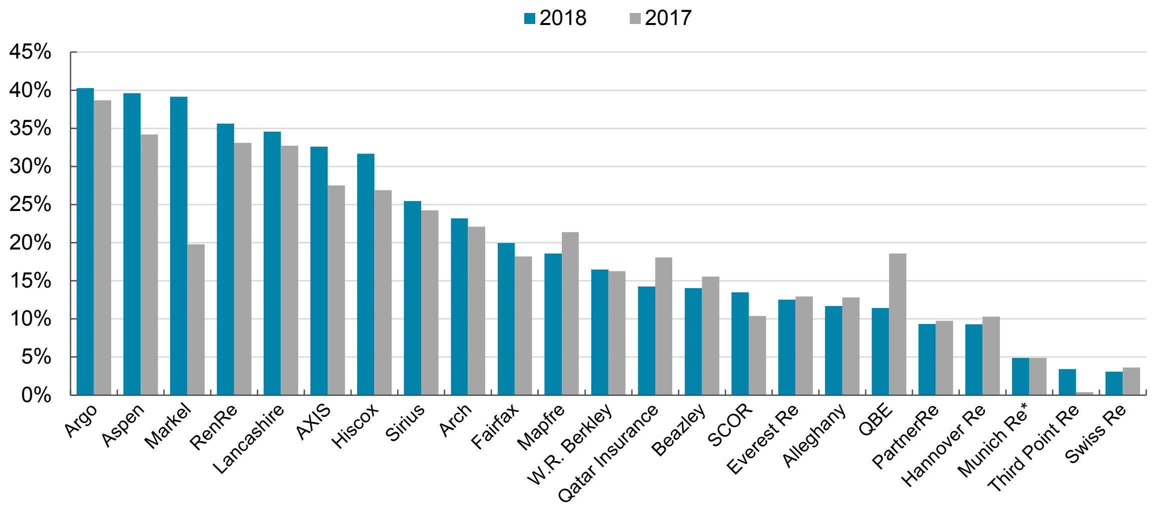
Exhibit 12: ARA Reinsurance Cession Ratios (P&C Business Only)



Source: Aon / company reports

The reinsurance cession ratios of each ARA constituent over the last two years are shown below. The 2018 outcome at Markel is distorted by the recent acquisition of the State National fronting business.

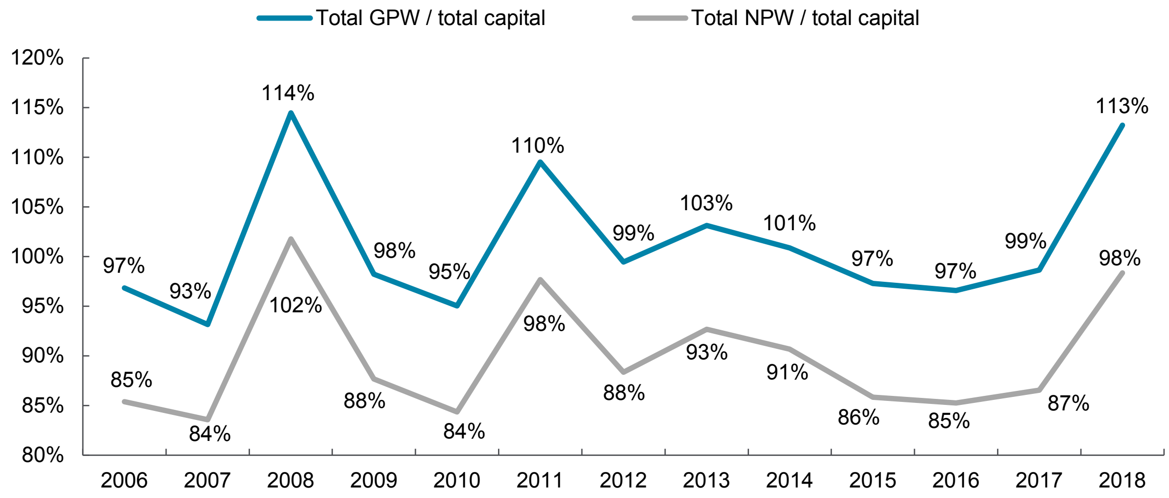
Exhibit 13: Reinsurance Cession Ratios (P&C Business Only)



Note: * Excluding ERGO
Source: Aon / company reports

Higher premium volumes and reductions in equity resulted in materially increased underwriting leverage across the ARA on both a gross and net basis in 2018, as shown in Exhibit 14.

Exhibit 14: ARA Gross and Net Premium Leverage

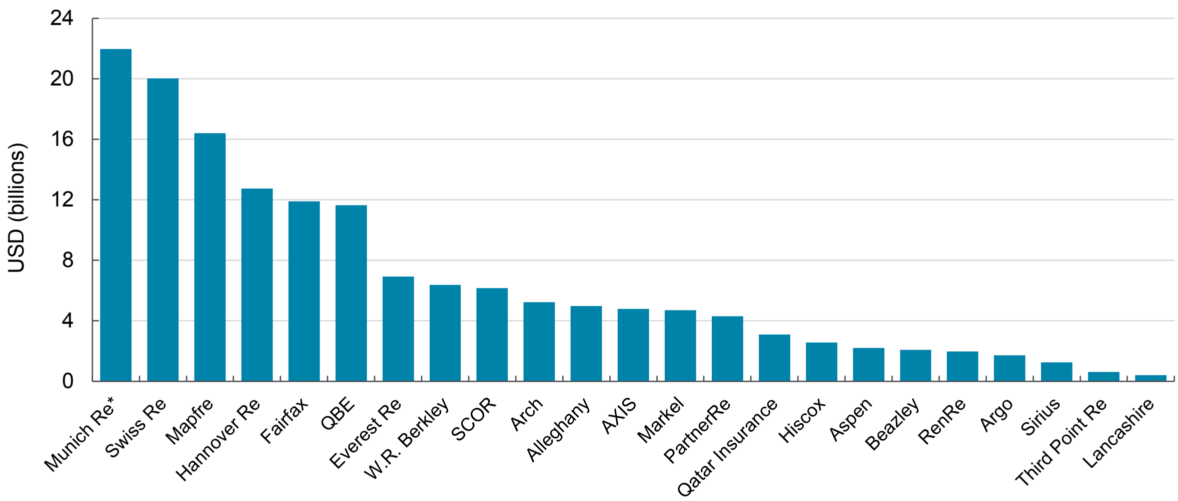


Source: Aon / company reports

Net Premium Development

Total P&C net premiums earned (NPE) by the ARA rose by 9% to USD154 billion in 2018. The volumes by ARA constituent are shown below.

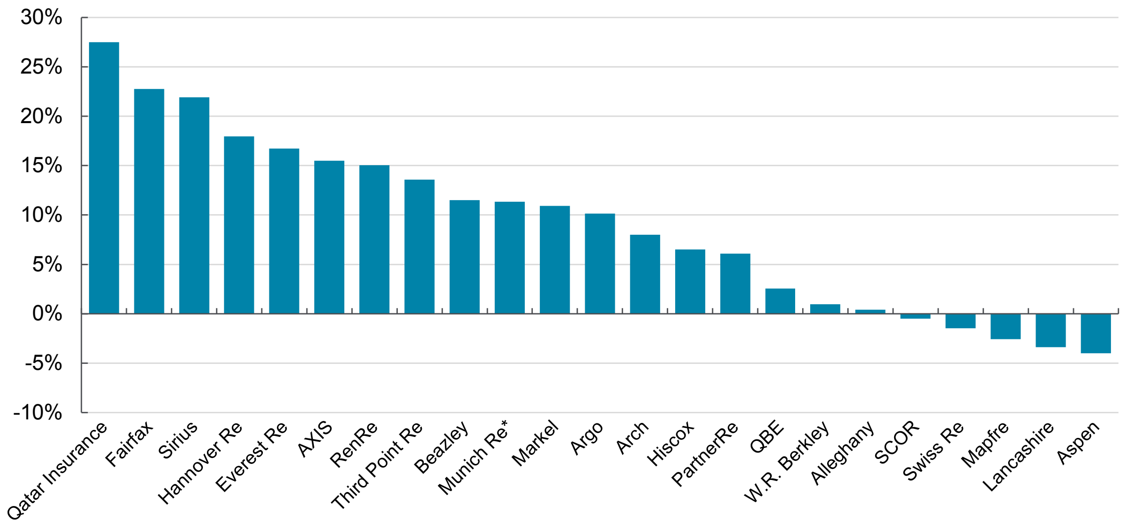
Exhibit 15: 2018 Total P&C NPE



Note: * Excluding ERGO
Source: Aon / company reports

In original reporting currencies, half of the ARA constituents reported growth in total P&C net premiums earned of more than 10% in 2018. Five companies reported reductions, as shown below.

Exhibit 16: 2018 Growth in Total P&C NPE (Original Reporting Currency)

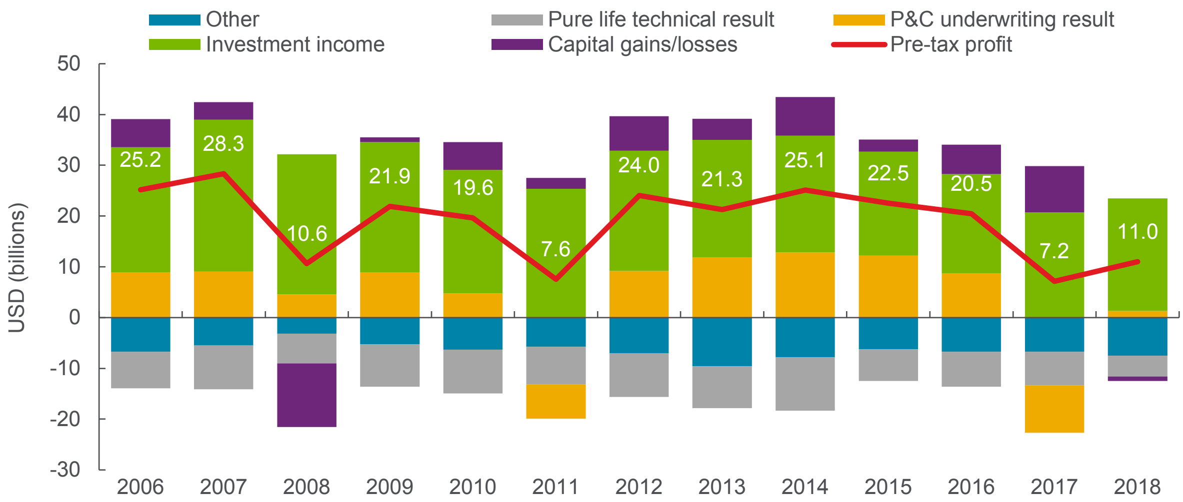


Note: * Excluding Ergo
Source: Aon / company reports

Earnings

The ARA reported pre-tax profit of USD11.0 billion in 2018, an increase of 53% relative to 2017. Ordinary investment income rose by 7% to USD22.2 billion, but the total return was impacted by an adverse swing of USD10.0 billion in realised and unrealised capital gains. P&C underwriting profit of USD1.3 billion was a significant improvement on the loss of USD9.3 billion reported in 2017 and included favourable prior year reserve development of USD5.3 billion.

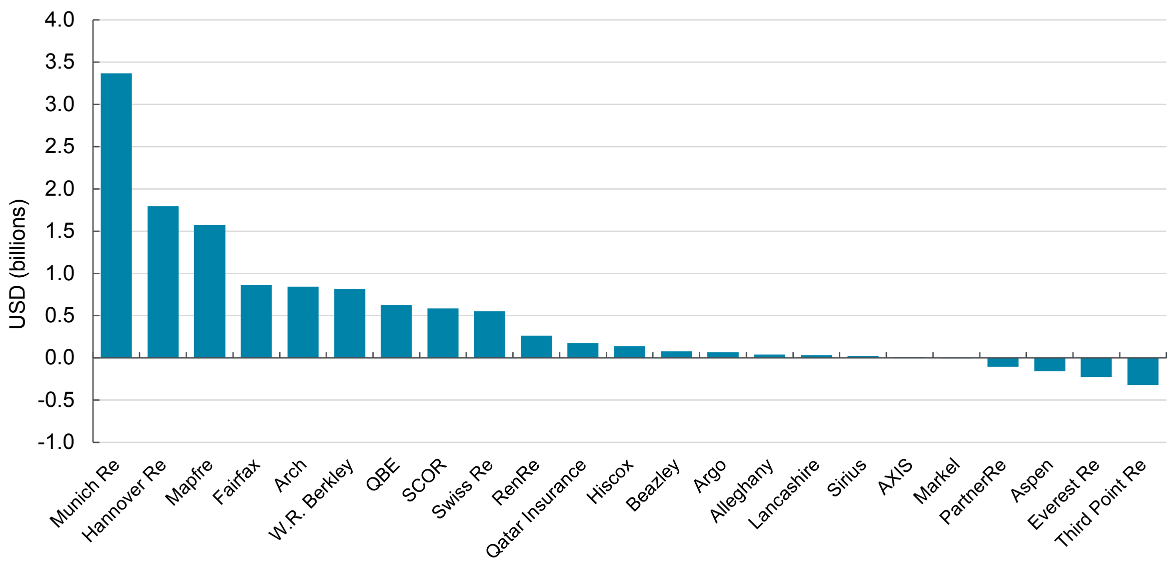
Exhibit 17: ARA Pre-Tax Results



Source: Aon / company reports

The distribution of the reported pre-tax results of the ARA constituents in 2018 is shown below. Only five companies reported losses on this basis.

Exhibit 18: 2018 Pre-Tax Results

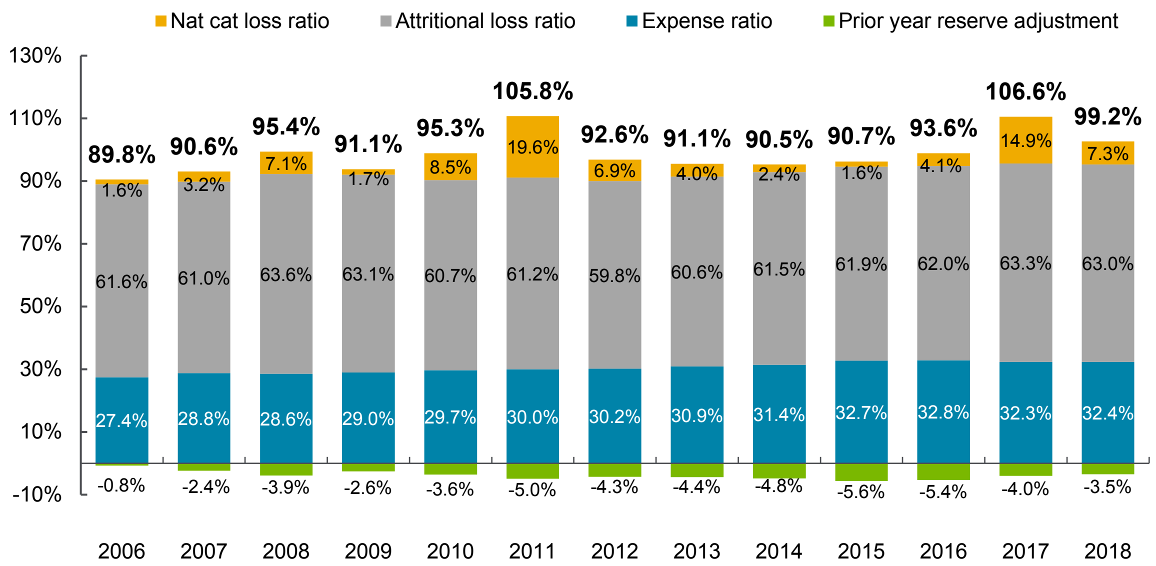


Source: Aon / company reports

Underwriting Performance

On a calendar year basis, the ARA net combined ratio improved by 7.4pp to 99.2% in 2018. Disclosed natural catastrophe losses of USD11.3 billion were around half the level seen in 2017, contributing 7.3 percentage points (pp). Favourable prior year reserve development declined slightly to USD5.3 billion, providing 3.5pp of benefit. The accident year ARA net combined ratio improved to 102.7% in 2018, from 110.6% in the prior year.

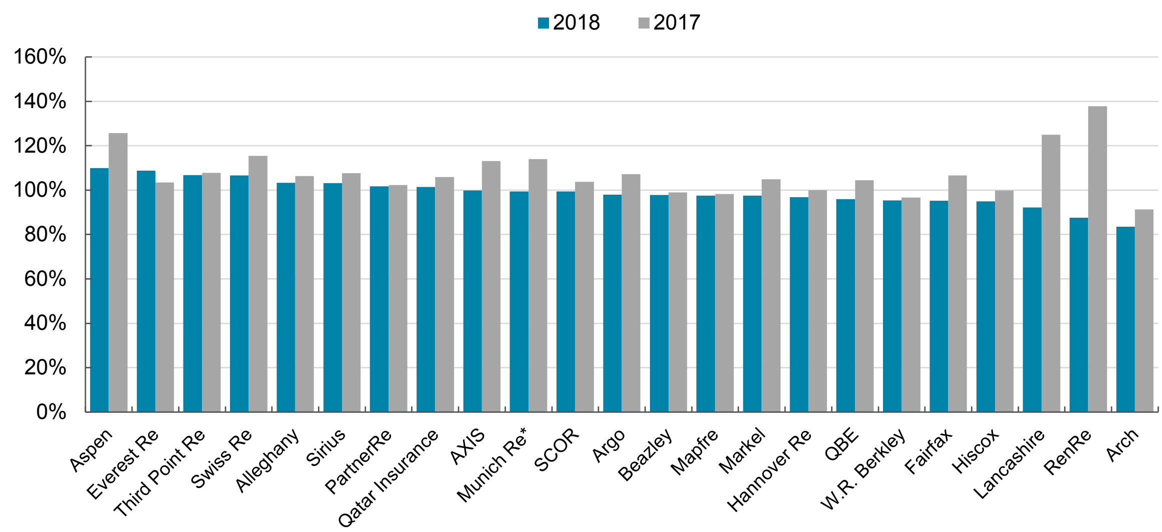
Exhibit 19: ARA Net Combined Ratio



Source: Aon / company reports

The net combined ratios reported by the ARA constituents over the last two years are shown in Exhibit 20. Eight companies posted underwriting losses on their total P&C business in 2018.

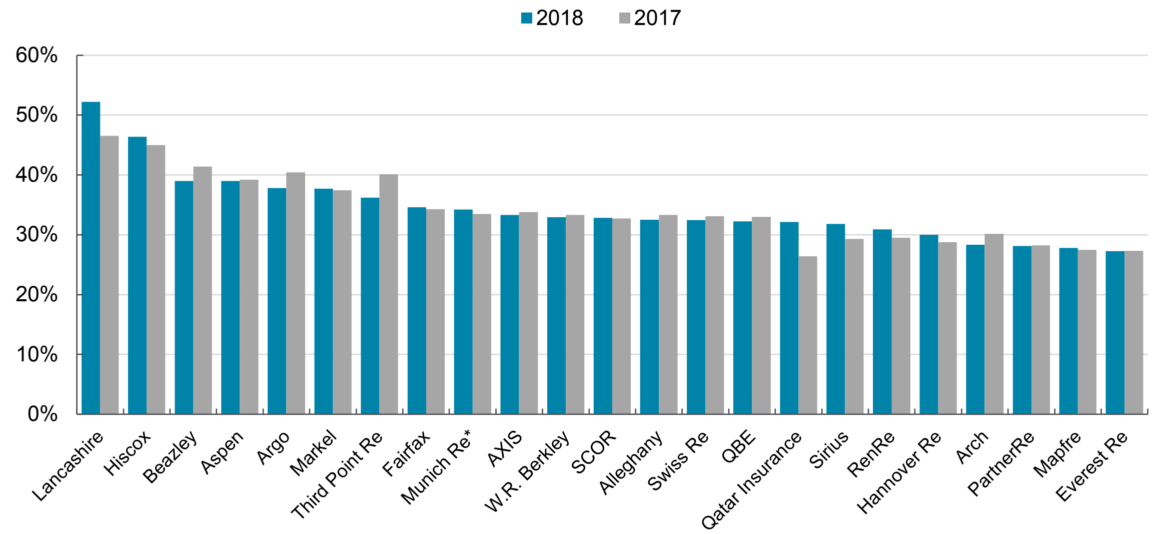
Exhibit 20: Net Combined Ratios



Note: * Excluding ERGO
Source: Aon / company reports

Operating efficiency is becoming an increasingly important competitive differentiator across the reinsurance sector. The net expense ratios reported by the ARA constituents over the last two years are shown below.

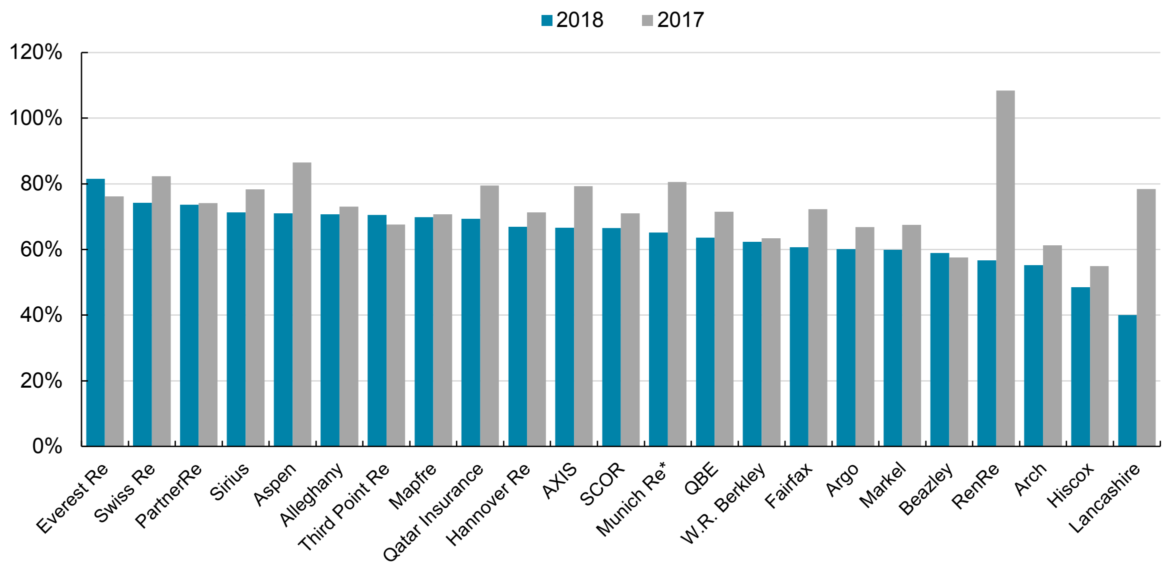
Exhibit 21: Net Expense Ratios



Note: * Excluding ERGO
Source: Aon / company reports

The net loss ratios reported by the ARA constituents for the last two years are shown in Exhibit 22. Most results improved in 2018, reflecting the lesser impact of natural catastrophe losses.

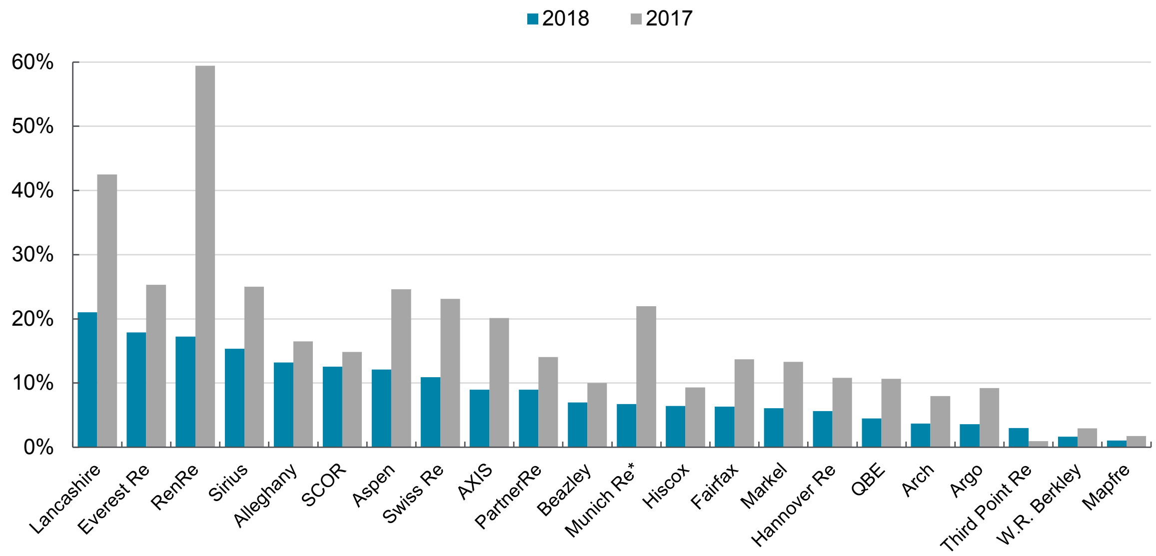
Exhibit 22: Net Loss Ratios



Note: * Excluding ERGO
Source: Aon / company reports

Disclosed net natural catastrophe losses in the last two years, as a percentage of P&C net premiums earned in those years, are shown in Exhibit 23. Reporting standards are not consistent across the industry and this represents our best interpretation of the available data.

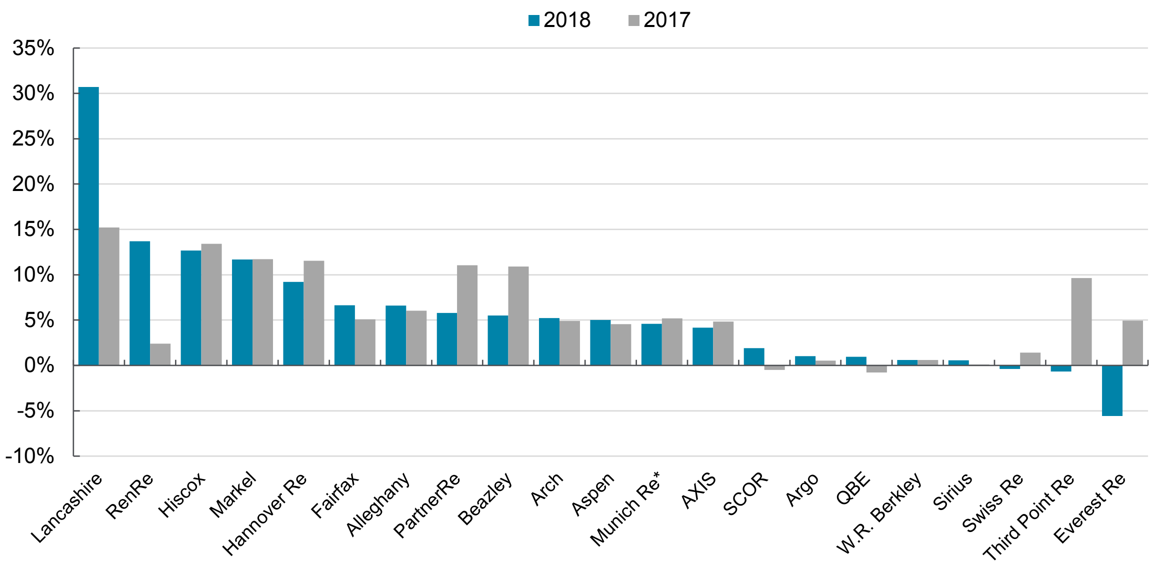
Exhibit 23: Net Natural Catastrophe Losses (Combined Ratio Points)



Note: * Excluding ERGO
Source: Aon / company reports

Exhibit 24 shows prior year loss reserve adjustments as a percentage of total P&C net premiums earned over the last two years. Most ARA constituents continue to report redundancies benefiting their underwriting results. The adverse development at Everest Re in 2018 was driven by increases to natural catastrophe loss estimates relating to 2017 events.

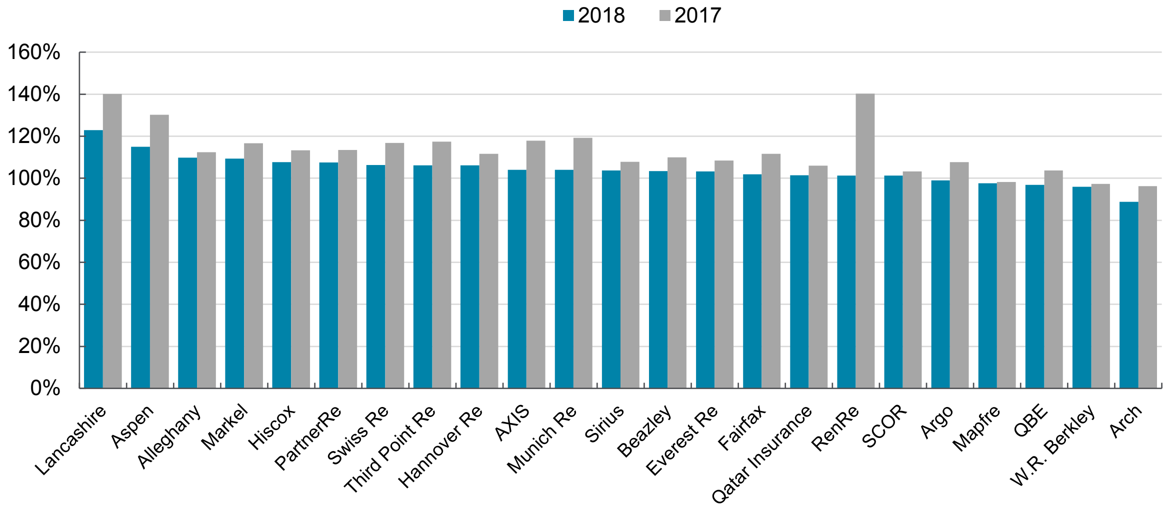
Exhibit 24: Prior Year Loss Reserve Adjustments (Combined Ratio Points)



Note: * Excluding ERGO
Source: Aon / company reports

Exhibit 25 shows the accident year combined ratios reported by the ARA constituents over the last two years (i.e. before the impact of prior year reserve adjustments). On this basis, only five companies were profitable in 2018.

Exhibit 25: Accident Year Combined Ratios



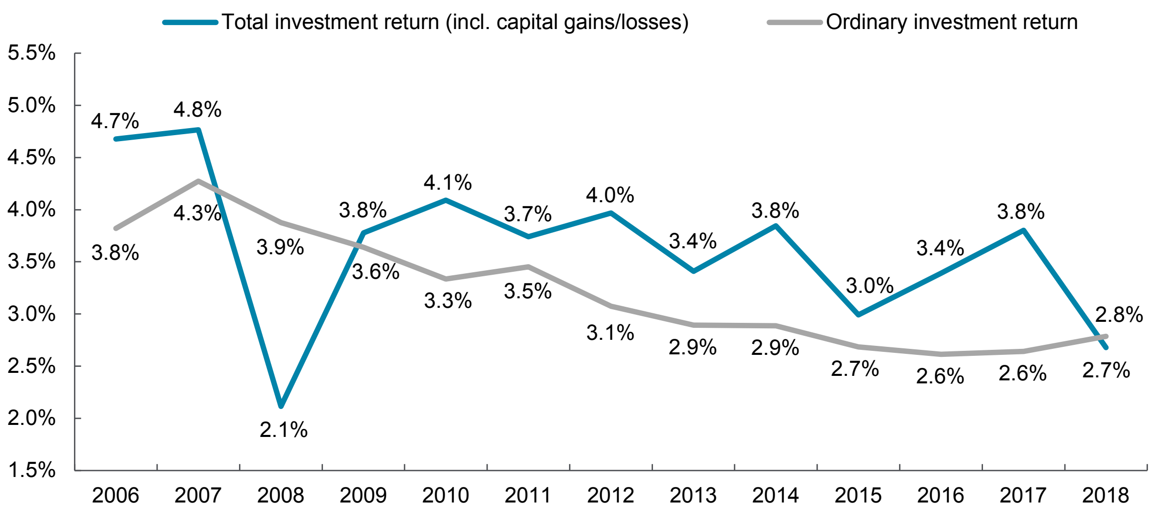
Note: * Excluding ERGO
Source: Aon / company reports

Investment Results

The ARA's invested asset base totalled USD779 billion at 31 December 2018. The allocation by investment type was fixed-income securities 65%, loans 9%, cash/short-term 7%, deposits with cedants 5%, equities 5%, real estate 2% and other 7%.

Ordinary and total investment yields reported through ARA income statements since 2006 are shown in Exhibit 26. The ordinary yield showed an uptick in 2018 for the first time since the financial crisis, but it is still down by more than a third since 2007. The total return was at its lowest point since 2008.

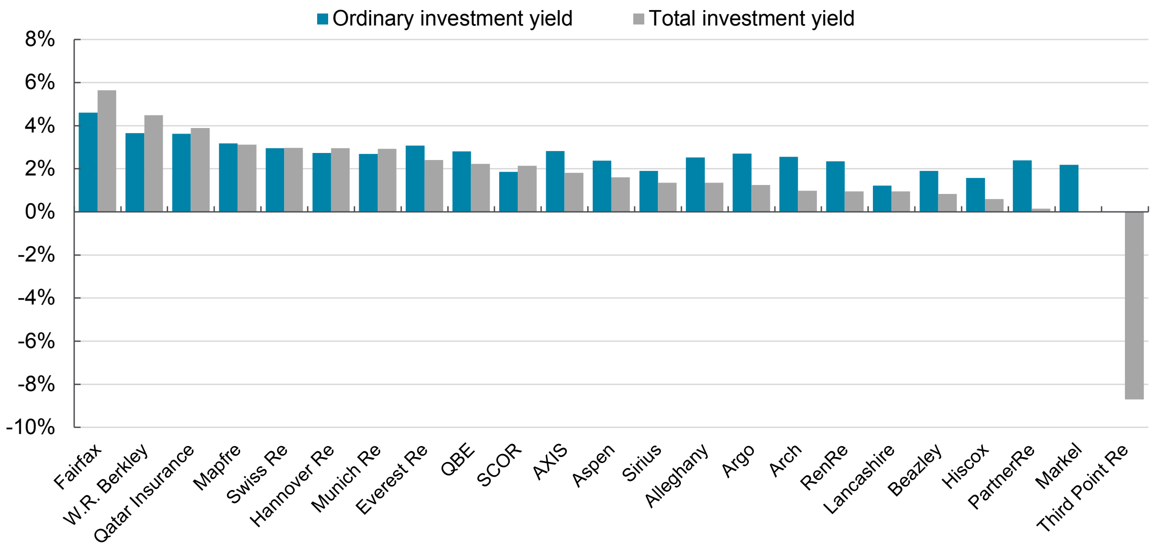
Exhibit 26: ABA Investment Yield



Source: Aon / company reports

Exhibit 27 shows the ordinary and total investment yields reported by the ARA constituents through their income statements in 2018. In many cases, the total yield was lower than the ordinary yield, driven by unrealised losses on bonds and equities.

Exhibit 27: 2018 Investment Yields

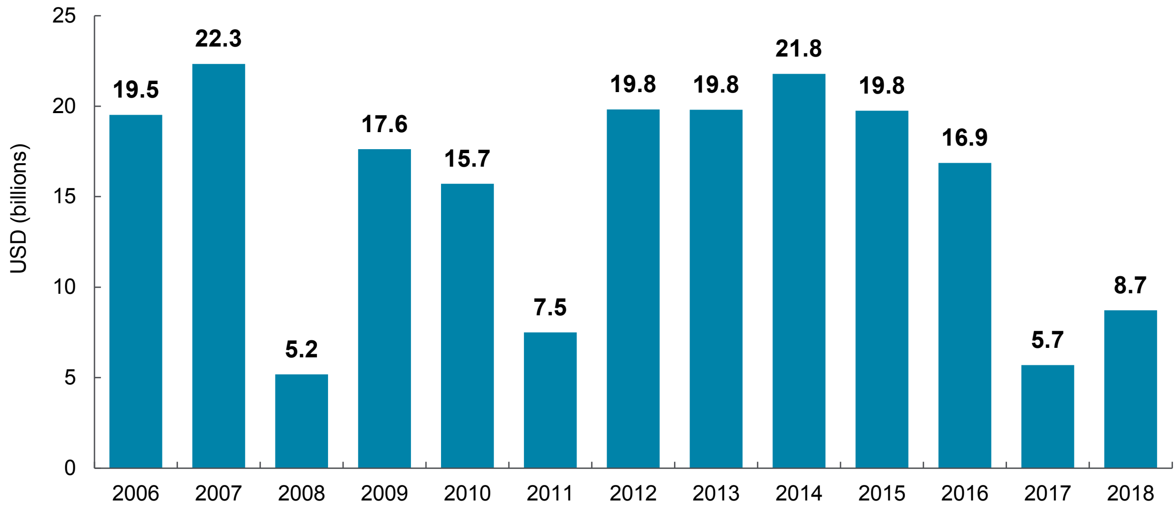


Source: Aon / company reports

Net Income

The ARA reported total net income of USD8.7 billion in 2018, an increase of 53% relative to the prior year. The progression since 2006 is shown in Exhibit 28. Net income aggregates to USD200 billion over the period shown.

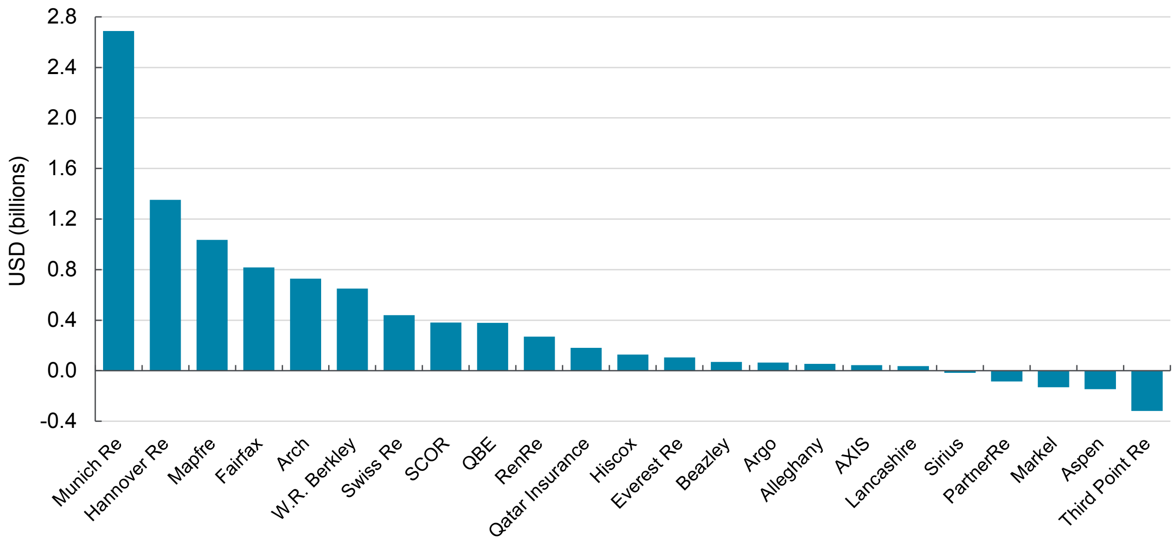
Exhibit 28: ARA Net Income



Source: Aon / company reports

The reported net income of the ARA constituents in 2018 is shown in Exhibit 29. Five companies reported overall losses for the year.

Exhibit 29: 2018 Net Income

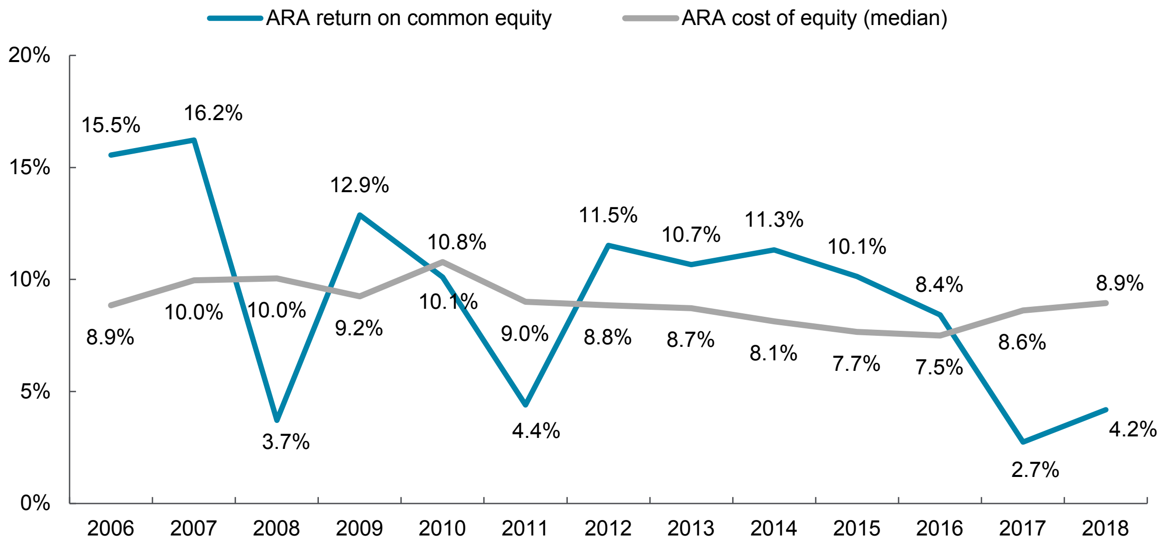


Source: Aon / company reports

Return on Equity

Exhibit 30 shows the development of net income attributable to common shareholders relative to average common shareholders' funds across the ARA since 2006. Return on equity over this entire period averages 9.4%, but earnings in the last two years have not come close to covering the cost of equity. This is likely to result in further pressure for consolidation within the sector.

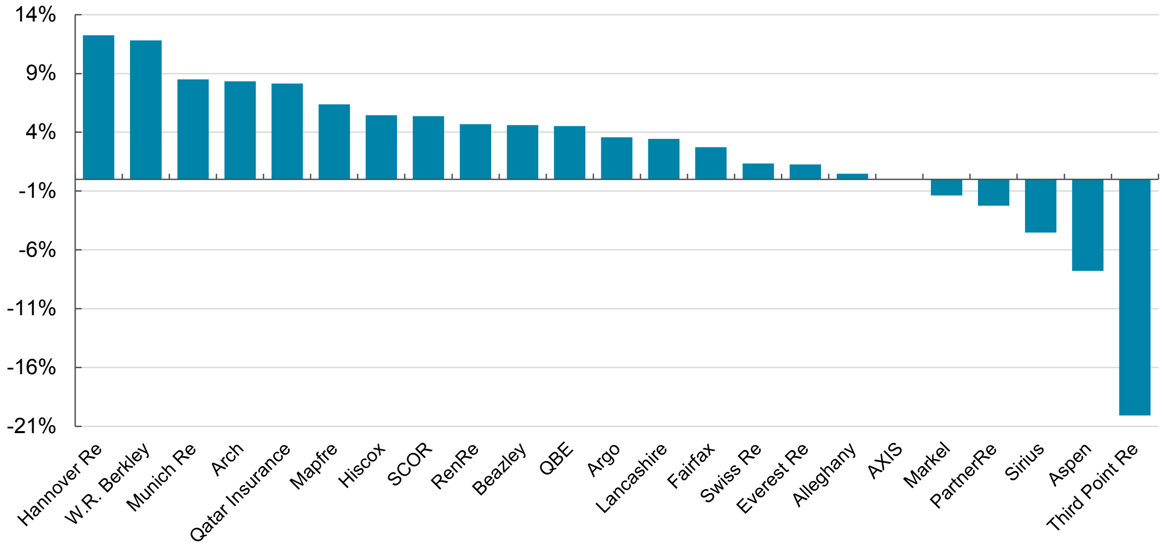
Exhibit 30: ARA Return on Common Equity



Source: Aon / company reports

The reported return on common equity across the ARA constituents in 2018 is shown in Exhibit 31. The 20% loss at Third Point Re was driven largely by its differentiated investment strategy.

Exhibit 31: 2018 Return on Common Equity

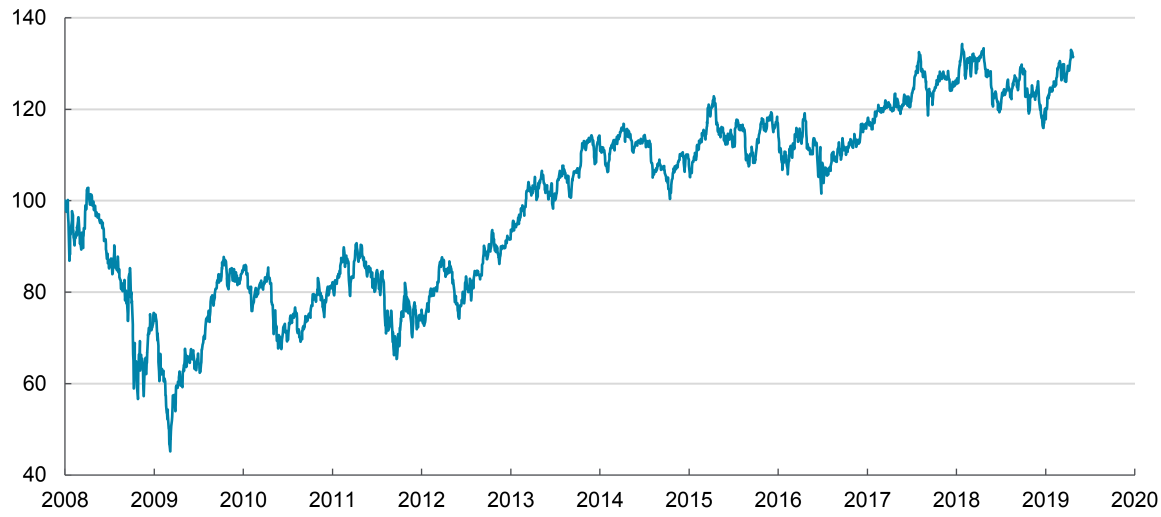


Source: Aon / company reports

Valuation

The development of total ARA market capitalisation since the beginning of 2008 is shown below. The recovery since the depths of the financial crisis in early 2009 and the European sovereign debt crisis in late 2011 has been maintained.

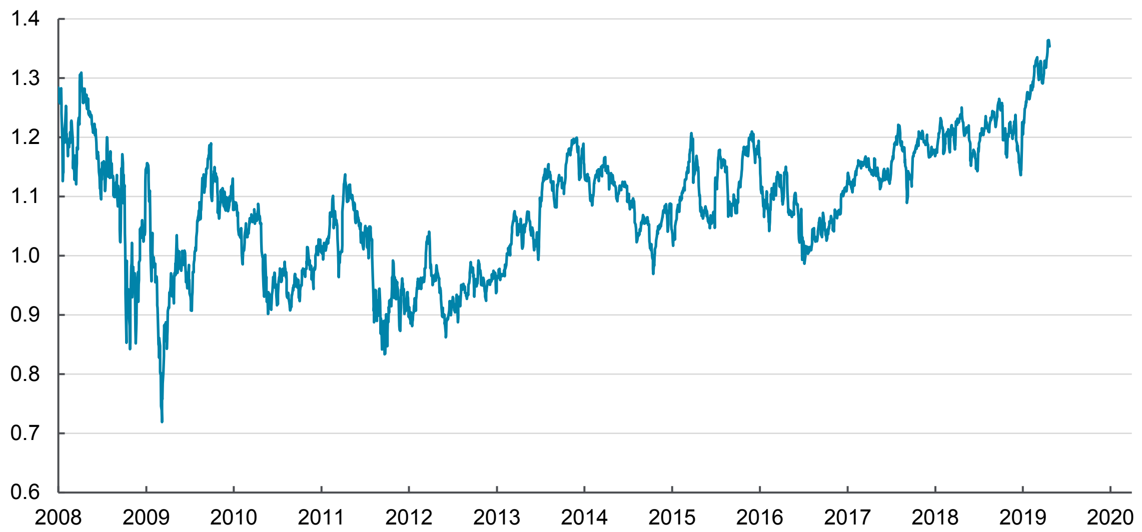
Exhibit 32: ARA Market Capitalisation Index



Note: As of 25 April 2019
Source: Bloomberg

The development of the ARA's trailing price-to-book ratio since the beginning of 2008 is shown below. Recent weeks have finally seen a recovery to the levels observed prior to the financial crisis.

Exhibit 33: ARA Price-to-Book Ratio



Note: As of 25 April 2019
Source: Bloomberg

Financial Strength Ratings

The table below shows the current financial strength ratings and outlooks of the lead reinsurance operating entities within each ARA constituent. Changes since the beginning of 2018 are colour-coded. There has been only one rating downgrade in this period, while outlook changes have been modest and balanced overall.

Exhibit 34: Financial Strength Ratings

ARA Constituent	Lead Reinsurance Operating Entity	A.M. Best		S&P	
Arch	Arch Reinsurance Ltd	A+	Stable	A+	Stable
Argo	Argo Re Ltd	A	Stable	-	-
Aspen	Aspen Bermuda Ltd	A	Stable	A	Negative
AXIS	AXIS Specialty Ltd	A+	Negative	A+	Stable
Beazley	Lloyd's Syndicate 2623	A	Stable	A+	Negative
Everest Re	Everest Reinsurance (Bermuda) Ltd	A+	Stable	A+	Stable
Hannover Re	Hannover Rück SE	A+	Stable	AA-	Stable
Hiscox	Hiscox Insurance Company (Bermuda) Ltd	A	Stable	A	Stable
Lancashire	Lancashire Insurance Company Ltd	A	Stable	A-	Stable
Mapfre	MAPFRE Re, Compania de Reaseguros SA	A	Stable	A	Positive
Markel	Markel Bermuda Ltd	A	Stable	A	Stable
Munich Re	Munich Reinsurance Company	A+	Stable	AA-	Stable
Fairfax	Odyssey Reinsurance Company	A	Stable	A-	Positive
PartnerRe	Partner Reinsurance Company Ltd	A	Positive	A+	Stable
Qatar Insurance	Qatar Reinsurance Company Limited	A	Stable	A	Stable
QBE	QBE Europe SA/NV	A	Stable	A+	Stable
RenRe	Renaissance Reinsurance Ltd	A+	Stable	A+	Stable
SCOR	SCOR SE	A	Stable	AA-	Stable
Sirius	Sirius International Insurance Corporation (publ)	A	Stable	A-	Stable
Swiss Re	Swiss Reinsurance Company	A+	Stable	AA-	Stable
Third Point Re	Third Point Reinsurance Company Ltd	A-	Stable	-	-
Alleghany	Transatlantic Reinsurance Company	A+	Stable	A+	Stable
W.R. Berkley	Berkley Insurance Company	A+	Stable	A+	Stable

Key:
- Upgrade / outlook raised relative to 1 January 2018
- Downgrade / outlook lowered relative to 1 January 2018

Ratings as at 25 April 2019
Source: Aon / A.M. Best / Standard and Poor's

Appendix: ARA Data

Exhibit 35: Results for the Year Ended 31 December 2018

Company	Reporting currency (millions)	P&C GPW 2017	P&C GPW 2018	Change	P&C NPE 2017	P&C NPE 2018	Change
Alleghany	USD	5,697	5,767	1%	4,955	4,976	0%
Arch	USD	6,368	6,961	9%	4,845	5,232	8%
Argo	USD	2,697	2,955	10%	1,572	1,732	10%
Aspen	USD	3,361	3,447	3%	2,307	2,215	-4%
AXIS	USD	5,556	6,910	24%	4,149	4,791	15%
Beazley	USD	2,344	2,615	12%	1,869	2,085	12%
Everest Re	USD	7,174	8,475	18%	5,938	6,932	17%
Fairfax	USD	12,208	15,528	27%	9,701	11,909	23%
Hannover Re	EUR	10,711	11,976	12%	9,159	10,804	18%
Hiscox	USD	3,286	3,778	15%	2,416	2,574	7%
Lancashire	USD	592	639	8%	428	414	-3%
Mapfre	EUR	18,155	17,061	-6%	14,255	13,890	-3%
Markel	USD	5,507	7,864	43%	4,248	4,712	11%
Munich Re*	EUR	17,843	20,437	15%	16,723	18,618	11%
PartnerRe	USD	4,605	5,065	10%	4,055	4,302	6%
QBE	USD	13,328	13,657	2%	11,351	11,640	3%
RenRe	USD	2,798	3,310	18%	1,718	1,976	15%
SCOR	EUR	6,025	6,175	2%	5,242	5,216	0%
Swiss Re	USD	20,371	20,864	2%	20,318	20,020	-1%
Qatar Insurance	QAR	11,659	12,606	8%	8,900	11,346	27%
Sirius	USD	1,439	1,821	27%	1,035	1,262	22%
Third Point Re	USD	642	578	-10%	547	621	14%
W.R. Berkley	USD	7,477	7,702	3%	6,311	6,372	1%
ARA (Total)	**USD**	**168,211**	**187,102**	**11%**	**141,464**	**154,174**	**9%**

Notes: * Excluding ERGO
Figures in reporting currencies, but converted to USD (millions) for ARA lines

Source: Aon / company reports

Exhibit 35: Results for the Year Ended 31 December 2018 (continued)

	Calendar Year						
Company	Net Loss Ratio 2017	Net Loss Ratio 2018	Expense Ratio 2017	Expense Ratio 2018	Combined Ratio 2017	Combined Ratio 2018	Change
Alleghany	73.1%	70.7%	33.3%	32.5%	106.4%	103.2%	-3.1pp
Arch	61.3%	55.2%	30.1%	28.3%	91.4%	83.6%	-7.8pp
Argo	66.8%	60.1%	40.4%	37.8%	107.2%	97.9%	-9.3pp
Aspen	86.5%	71.0%	39.2%	39.0%	125.7%	110.0%	-15.7pp
AXIS	79.2%	66.6%	33.8%	33.3%	113.1%	99.9%	-13.2pp
Beazley	57.5%	58.9%	41.4%	39.0%	99.0%	97.9%	-1.1pp
Everest Re	76.2%	81.5%	27.3%	27.3%	103.5%	108.8%	5.3pp
Fairfax	72.3%	60.6%	34.3%	34.6%	106.6%	95.2%	-11.4pp
Hannover Re	71.3%	66.9%	28.8%	30.0%	100.0%	96.9%	-3.1pp
Hiscox	54.9%	48.5%	45.0%	46.4%	99.9%	94.9%	-5.0pp
Lancashire	78.4%	40.0%	46.6%	52.2%	124.9%	92.2%	-32.7pp
Mapfre	70.7%	69.8%	27.5%	27.8%	98.2%	97.6%	-0.6pp
Markel	67.5%	59.9%	37.4%	37.7%	104.9%	97.6%	-7.3pp
Munich Re*	80.5%	65.2%	33.5%	34.2%	114.0%	99.4%	-14.6pp
PartnerRe	74.1%	73.7%	28.2%	28.1%	102.3%	101.8%	-0.6pp
QBE	71.5%	63.6%	33.0%	32.3%	104.5%	95.9%	-8.6pp
RenRe	108.4%	56.7%	29.5%	30.9%	137.9%	87.6%	-50.3pp
SCOR	71.0%	66.5%	32.7%	32.8%	103.7%	99.3%	-4.3pp
Swiss Re	82.3%	74.2%	33.1%	32.4%	115.4%	106.6%	-8.8pp
Qatar Insurance	79.5%	69.3%	26.4%	32.1%	105.9%	101.5%	-4.5pp
Sirius	78.4%	71.3%	29.3%	31.8%	107.6%	103.1%	-4.5pp
Third Point Re	67.6%	70.5%	40.1%	36.2%	107.8%	106.8%	-1.0pp
W.R. Berkley	63.4%	62.4%	33.3%	32.9%	96.7%	95.3%	-1.4pp
ARA	**74.3%**	**66.8%**	**32.3%**	**32.4%**	**106.6%**	**99.2%**	**-7.4pp**

Note: * Excluding ERGO

Source: Aon / company reports

Exhibit 35: Results for the Year Ended 31 December 2018 (continued)

Company	PY Reserve Adjustment 2017	PY Reserve Adjustment 2018	Adjustment as % of NPE 2017	Adjustment as % of NPE 2018	Acc. Year Combined Ratio 2017	Acc. Year Combined Ratio 2018	Change
Alleghany	-299	-329	6.0%	6.6%	112.4%	109.9%	-2.6pp
Arch	-238	-273	4.9%	5.2%	96.3%	88.8%	-7.5pp
Argo	-8	-18	0.5%	1.0%	107.7%	98.9%	-8.8pp
Aspen	-105	-111	4.6%	5.0%	130.2%	115.0%	-15.2pp
AXIS	-200	-200	4.8%	4.2%	117.9%	104.1%	-13.8pp
Beazley	-204	-115	10.9%	5.5%	109.9%	103.4%	-6.5pp
Everest Re	-293	387	4.9%	-5.6%	108.4%	103.2%	-5.2pp
Fairfax	-492	-789	5.1%	6.6%	111.7%	101.9%	-9.8pp
Hannover Re	-1,058	-997	11.6%	9.2%	111.6%	106.1%	-5.5pp
Hiscox	-324	-327	13.4%	12.7%	113.3%	107.6%	-5.7pp
Lancashire	-65	-127	15.2%	30.7%	140.1%	122.9%	-17.3pp
Mapfre	n.d.	n.d.	n.d.	n.d.	n.d.	n.d	n.d
Markel	-498	-551	11.7%	11.7%	116.6%	109.3%	-7.3pp
Munich Re*	-870	-856	5.2%	4.6%	119.2%	104.0%	-15.2pp
PartnerRe	-448	-249	11.1%	5.8%	113.4%	107.6%	-5.8pp
QBE	89	-113	-0.8%	1.0%	103.7%	96.8%	-6.8pp
RenRe	-41	-271	2.4%	13.7%	140.3%	101.3%	-39.0pp
SCOR	26	-100	-0.5%	1.9%	103.2%	101.3%	-1.9pp
Swiss Re	-287	79	1.4%	-0.4%	116.9%	106.3%	-10.6pp
Qatar Insurance	n.d.	n.d.	n.d.	n.d.	n.d.	n.d	n.d
Sirius	n.d.	n.d.	n.d.	n.d.	n.d.	n.d	n.d
Third Point Re	-53	4	9.6%	-0.7%	117.4%	106.1%	-11.3pp
W.R. Berkley	-37	-39	0.6%	0.6%	97.3%	95.9%	-1.4pp
ARA (Total)	**-5,652**	**-5,339**	**4.0%**	**3.5%**	**110.6%**	**102.7%**	**-7.9pp**

Note: * Excluding ERGO
Figures in reporting currencies, but converted to USD (millions) for ARA lines

Source: Aon / company reports

Exhibit 35: Results for the Year Ended 31 December 2018 (continued)

Company	Net Investment Income 2017	Net Investment Income 2018	Capital Gains / Losses 2017	Capital Gains / Losses 2018	Total Investment Return 2017	Total Investment Return 2018	Change
Alleghany	451	501	90	-234	541	267	-51%
Arch	471	564	292	-347	763	217	-72%
Argo	140	133	39	-72	179	61	-66%
Aspen	189	198	121	-65	310	134	-57%
AXIS	401	439	36	-156	437	283	-35%
Beazley	69	95	70	-54	138	41	-70%
Everest Re	543	581	153	-127	696	454	-35%
Fairfax	1,230	1,793	2,049	405	3,279	2,198	-33%
Hannover Re	1,429	1,420	345	110	1,774	1,530	-14%
Hiscox	76	97	31	-60	106	37	-65%
Lancashire	22	23	9	-5	31	18	-42%
Mapfre	1,585	1,561	424	-32	2,009	1,528	-24%
Markel	406	434	-5	-438	400	-3	n.m.
Munich Re	5,829	5,895	2,253	528	8,082	6,423	-21%
PartnerRe	402	416	232	-390	635	26	-96%
QBE	593	689	184	-143	777	546	-30%
RenRe	230	280	138	-166	369	114	-69%
SCOR	513	550	241	82	754	632	-16%
Swiss Re	3,708	4,075	1,606	14	5,314	4,089	-23%
Qatar Insurance	724	833	247	62	971	895	-8%
Sirius	57	71	-38	-21	19	51	164%
Third Point Re					392	-251	n.m.
W.R. Berkley	576	674	336	154	912	829	-9%
ARA	**20,724**	**22,171**	**9,098**	**-874**	**29,822**	**21,297**	**-29%**

Notes: Figures in reporting currencies, but converted to USD (millions) for ARA lines
n.m. = not meaningful

Source: Aon / company reports

Exhibit 35: Results for the Year Ended 31 December 2018 (continued)

Company	Net Income 2017	Net Income 2018	Change	Return on Equity* 2017	Return on Equity* 2018	Change
Alleghany	100	55	-46%	1.1%	0.5%	-0.6pp
Arch	630	728	16%	7.1%	8.3%	1.2pp
Argo	50	64	26%	2.8%	3.6%	0.8pp
Aspen	-266	-146	-45%	-11.5%	-7.8%	3.8pp
AXIS	-369	43	n.m.	-8.6%	0.0%	8.6pp
Beazley	130	68	-48%	8.7%	4.6%	-4.1pp
Everest Re	469	104	-78%	5.7%	1.3%	-4.4pp
Fairfax	1,615	818	-49%	16.2%	2.7%	-13.5pp
Hannover Re	1,045	1,146	10%	10.9%	12.2%	1.3pp
Hiscox	34	128	278%	1.5%	5.5%	4.0pp
Lancashire	-71	38	n.m.	-6.1%	3.4%	9.6pp
Mapfre	1,098	878	-20%	7.9%	6.4%	-1.5pp
Markel	401	-130	n.m.	4.4%	-1.4%	-5.8pp
Munich Re	392	2,276	481%	1.3%	8.5%	7.2pp
PartnerRe	264	-86	n.m.	3.6%	-2.2%	-5.9pp
QBE	-1,253	378	n.m.	-13.0%	4.5%	17.6pp
RenRe	-355	269	n.m.	-5.8%	4.7%	10.5pp
SCOR	285	322	13%	4.4%	5.4%	0.9pp
Swiss Re	326	440	35%	0.9%	1.4%	0.4pp
Qatar Insurance	424	664	57%	5.1%	8.2%	3.0pp
Sirius	-136	-17	-88%	-8.0%	-4.5%	3.5pp
Third Point Re	282	-317	n.m.	18.1%	-20.1%	-38.2pp
W.R. Berkley	553	649	17%	10.5%	11.8%	1.3pp
ARA	**5,706**	**8,723**	**52.9%**	**2.7%**	**4.2%**	**1.4pp**

Notes: * Common net income as a percentage of average common equity
Figures in reporting currencies, but converted to USD (millions) for ARA lines
n.m. = not meaningful

Source: Aon / company reports

Exhibit 35: Results for the Year Ended 31 December 2018 (continued)

Company	Cash and Investments 2017	Cash and Investments 2018	Change	Total Equity 2017	Total Equity 2018	Change
Alleghany	20,345	19,306	-5%	8,621	7,862	-9%
Arch	21,947	22,056	0%	9,197	9,440	3%
Argo	4,920	4,926	0%	1,820	1,747	-4%
Aspen	8,788	7,915	-10%	2,929	2,656	-9%
AXIS	16,148	14,986	-7%	5,341	5,030	-6%
Beazley	4,888	5,046	3%	1,499	1,467	-2%
Everest Re	18,919	18,878	0%	8,369	7,904	-6%
Fairfax	39,177	38,683	-1%	18,412	17,365	-6%
Hannover Re	50,872	52,871	4%	9,287	9,542	3%
Hiscox	6,018	6,327	5%	2,368	2,317	-2%
Lancashire	1,971	1,881	-5%	1,107	1,068	-4%
Mapfre	49,281	48,820	-1%	10,513	9,198	-13%
Markel	20,570	19,238	-6%	9,668	9,274	-4%
Munich Re	219,649	219,761	0%	28,198	26,500	-6%
PartnerRe	17,764	17,097	-4%	6,745	6,517	-3%
QBE	26,171	22,915	-12%	8,901	8,400	-6%
RenRe	10,865	12,994	20%	4,391	5,045	15%
SCOR	29,322	29,703	1%	6,225	5,828	-6%
Swiss Re	142,692	132,750	-7%	34,294	28,727	-16%
Qatar Insurance	22,297	23,639	6%	8,274	7,972	-4%
Sirius	3,758	3,729	-1%	2,023	1,938	-4%
Third Point Re	3,545	2,237	-37%	1,661	1,205	-28%
W.R. Berkley	18,401	18,541	1%	5,451	5,480	1%
ARA	**812,135**	**778,640**	**-4%**	**200,164**	**184,182**	**-8%**

Figures in reporting currencies, but converted to USD (millions) for ARA lines

Source: Aon / company reports

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