RENAISSANCERE HOLDINGS LTD Form 10-Q November 02, 2012

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, 2012
OR
o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

THE SECURITIES EXCHANGE ACT OF I

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 October 31, 2012 was 48,156,329.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATMENTS

RenaissanceRe Holdings Ltd. and Subsidiaries

Consolidated Balance Sheets

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

(in thousands of Officed States Bollars, except per share amounts)				
	September 30, 2012	December 31, 2011		
Assets	(Unaudited)	(Audited)		
Fixed maturity investments trading, at fair value				
(Amortized cost \$4,971,116 and \$4,265,929 at September 30, 2012 and	\$5,089,540	\$4,291,465		
December 31, 2011, respectively)	+ - , ,	+ 1,-2 -, 100		
Fixed maturity investments available for sale, at fair value				
(Amortized cost \$82,045 and \$130,669 at September 30, 2012 and December 31, 94,826				
2011, respectively)	·	142,052		
Short term investments, at fair value	679,356	905,477		
Equity investments trading, at fair value	57,617	50,560		
Other investments, at fair value	752,000	748,984		
Investments in other ventures, under equity method	82,212	70,714		
Total investments	6,755,551	6,209,252		
Cash and cash equivalents	249,123	216,984		
Premiums receivable	701,240	471,878		
Prepaid reinsurance premiums	189,592	58,522		
Reinsurance recoverable	209,490	404,029		
Accrued investment income	37,327	33,523		
Deferred acquisition costs	83,222	43,721		
Receivable for investments sold	344,367	117,117		
Other assets	215,008	180,992		
Goodwill and other intangible assets	8,588	8,894		
Total assets	\$8,793,508	\$7,744,912		
Liabilities, Noncontrolling Interests and Shareholders' Equity				
Liabilities				
Reserve for claims and claim expenses	\$1,782,680	\$1,992,354		
Unearned premiums	718,261	347,655		
Debt	358,595	353,620		
Reinsurance balances payable	356,136	256,883		
Payable for investments purchased	576,052	303,264		
Other liabilities	206,709	211,369		
Liabilities of discontinued operations held for sale	1,318	13,507		
Total liabilities	3,999,751	3,478,652		
Commitments and Contingencies				
Redeemable noncontrolling interest – DaVinciRe	950,822	657,727		
Shareholders' Equity				
Preference Shares: \$1.00 par value – 22,000,000 shares issued and outstanding a September 30, 2012 (December 31, 2011 – 22,000,000)	550,000			
Common shares: \$1.00 par value – 48,228,296 shares issued and outstanding at September 30, 2012 (December 31, 2011 – 51,542,955)	48,228	51,543		
Accumulated other comprehensive income	14,067	11,760		
Retained earnings	3,226,661	2,991,890		
Total shareholders' equity attributable to RenaissanceRe	3,838,956	3,605,193		
Total shareholders equity authorition to Reliaissance Re	5,050,750	3,003,173		

Noncontrolling interest	3,979	3,340
Total shareholders' equity	3,842,935	3,608,533
Total liabilities, noncontrolling interests and shareholders' equity	\$8,793,508	\$7,744,912
See accompanying notes to the consolidated financial statements		

RenaissanceRe Holdings Ltd. and Subsidiaries

Consolidated Statements of Operations

For the three and nine months ended September 30, 2012 and 2011

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

	Three months ended		Nine months ended	
	September 30,	September 30,	September 30,	September 30,
	2012	2011	2012	2011
Revenues				
Gross premiums written	\$136,359	\$139,938	\$1,467,846	\$1,392,006
Net premiums written	\$105,035	\$103,010	\$1,025,240	\$983,580
Increase in unearned premiums	157,588	126,214	(239,536)	(231,640)
Net premiums earned	262,623	229,224	785,704	751,940
Net investment income (loss)	45,164	(27,940)	126,878	65,669
Net foreign exchange gains (losses)	3,001	(2,650)	3,951	(6,511)
Equity in earnings (losses) of other ventures	4,310	4,794	16,626	(13,831)
Other (loss) income	(881)	(2,015)	(28,686)	42,963
Net realized and unrealized gains on investments	76,258	16,983	153,374	46,748
Total other-than-temporary impairments		(498)	(395)	(498)
Portion recognized in other comprehensive income,		49	52	49
before taxes		49	32	49
Net other-than-temporary impairments				