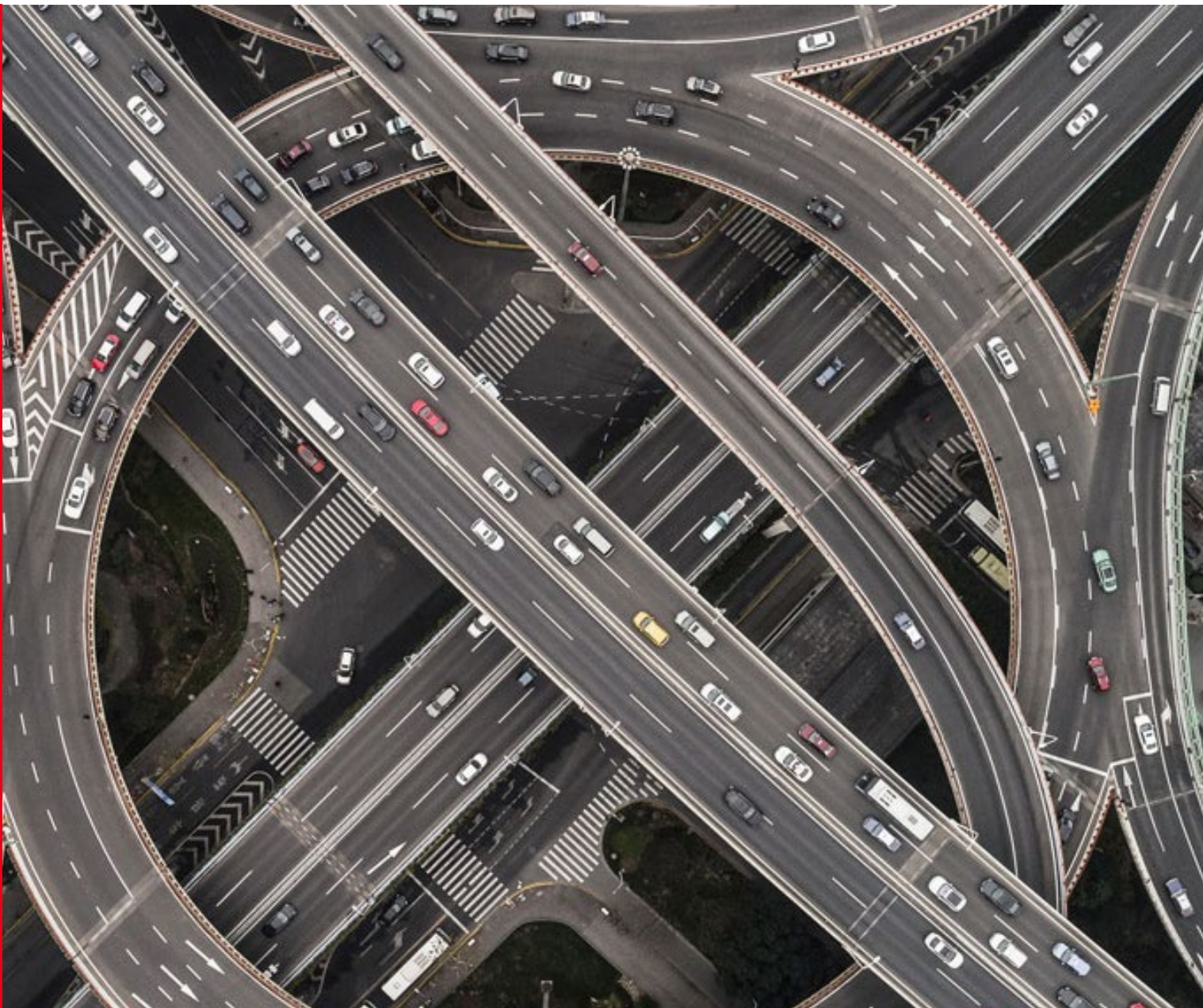




# Aon's Reinsurance Aggregate

Results for the six months to June 30, 2022

October 2022



## Contents

<b>Executive Summary</b>	<b>1</b>
Key Highlights of the ARA's 1H 2022 Results	1
Full Year Outlook	1
<b>ARA Capital</b>	<b>2</b>
Total Capital	2
Evolution of Total Equity	3
Capital Repatriation	5
<b>ARA Premiums</b>	<b>6</b>
Total Gross Premiums Written	6
P&C Gross Premiums Written	7
P&C Ceded Premiums	7
P&C Net Premiums Earned	8
<b>ARA Underwriting Performance</b>	<b>9</b>
P&C Net Combined Ratios	9
<b>ARA Investment Returns</b>	<b>10</b>
Asset Mix	10
Yields	10
<b>ARA Pre-Tax Results</b>	<b>11</b>
<b>ARA Net Income</b>	<b>12</b>
<b>ARA Return on Equity</b>	<b>13</b>
<b>ARA Valuation</b>	<b>14</b>
<b>ARA Ratings</b>	<b>15</b>
<b>Appendix – ARA Data</b>	<b>16</b>

## 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 more than 50% of the world's life and non-life reinsurance premiums and is therefore viewed as a reasonable proxy for the sector as a whole.

The 21 companies included in the study are Alleghany, Arch, Aspen, AXIS, Beazley, Everest Re, Fairfax, Hannover Re, Hiscox, Lancashire, Mapfre, Markel, Munich Re, PartnerRe, QBE, Qatar Insurance, RenRe, SCOR, Swiss Re, SiriusPoint and W.R. Berkley. Argo is no longer covered, due to the limited volumes of assumed reinsurance business now being written.

The first six months of 2022 were notable for an unusual amount of volatility in the capital markets. The pandemic-related inflationary spike that began in 2021 was exacerbated by Russia's invasion of Ukraine in February, prompting aggressive interest rate hikes that, in turn, have raised fears of recession. For US stock markets, it was the worst start to a year in more than half a century.

The long-awaited adjustment to higher interest rates will ultimately boost reinsurers' profitability via higher investment returns, but the speed of the change is having a significant short-term impact on asset values. In addition, high inflation is creating uncertainty around future and legacy loss costs, which may need to be addressed through higher pricing and/or additions to prior year reserves.

For the ARA, the first half of 2022 saw robust premium growth and generally strong underwriting results. However, overall earnings and equity positions were heavily impacted by unrealised losses on investment portfolios, driven by rising interest rates, widening credit spreads and declining stock markets. These effects are being felt across the global insurance industry.

## Key Highlights of the ARA's 1H 2022 Results

- Gross and net property and casualty (P&C) insurance and reinsurance premiums rose by 10%; growth would have been stronger at constant exchange rates.
- P&C underwriting profit rose by 22% to \$7.4bn, representing a net combined ratio of 93.0%, down from 93.7% in the first half of 2021.
- Hannover Re, Munich Re, SCOR and Swiss Re set aside \$1.3bn for new COVID-19 claims derived from their life and health (L&H) reinsurance portfolios, mainly relating to excess mortality.
- The total investment return reported through income statements was a loss of \$1.6bn, compared with a gain of \$17.5bn in the first half of 2021.
- Net income attributable to common shareholders of \$1.3bn represented a non-annualised return on average common shareholders' equity of 0.4%.
- Total equity fell by \$39bn to \$171bn at June 30, 2022, reflecting the additional impact of \$30bn of unrealised losses on bonds booked within other comprehensive income.

## Full Year Outlook

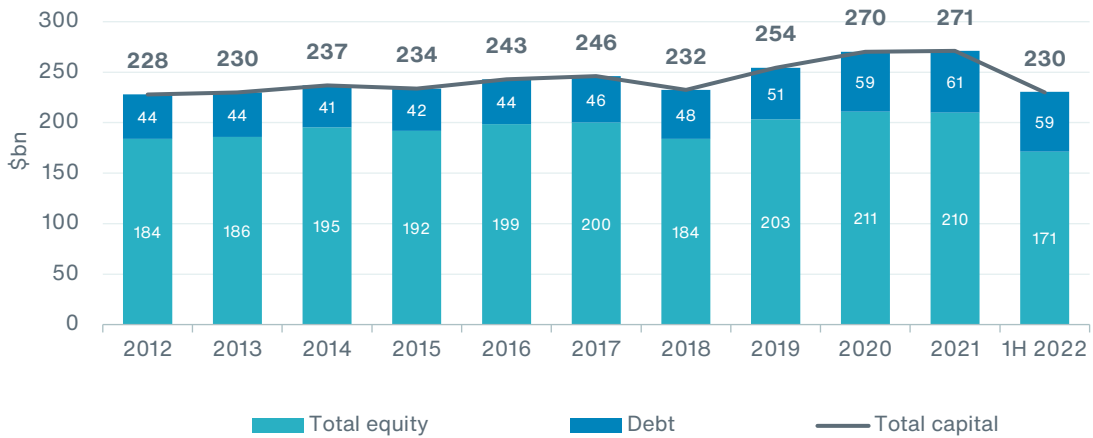
The production of this report has been overshadowed by the devastating impact of Hurricane Ian, which will clearly influence underwriting results in the second half of the year. In addition, interest rates are continuing to rise, which will further pressure total investment returns and reported book values. Overall, 2022 seems destined to be another poor year for reinsurer earnings.

# ARA Capital

## Total Capital

Total capital reported by the 21 ARA companies fell by 15% to \$230bn over the six months to June 30, 2022, partly reflecting strengthening of the US dollar relative to the euro. Total equity fell by 18% to \$171bn, driven by significant unrealised losses on investments, while debt was broadly stable. As a result, the debt-to-total-capital ratio rose to 25.7%, from 22.5% at the end of 2021.

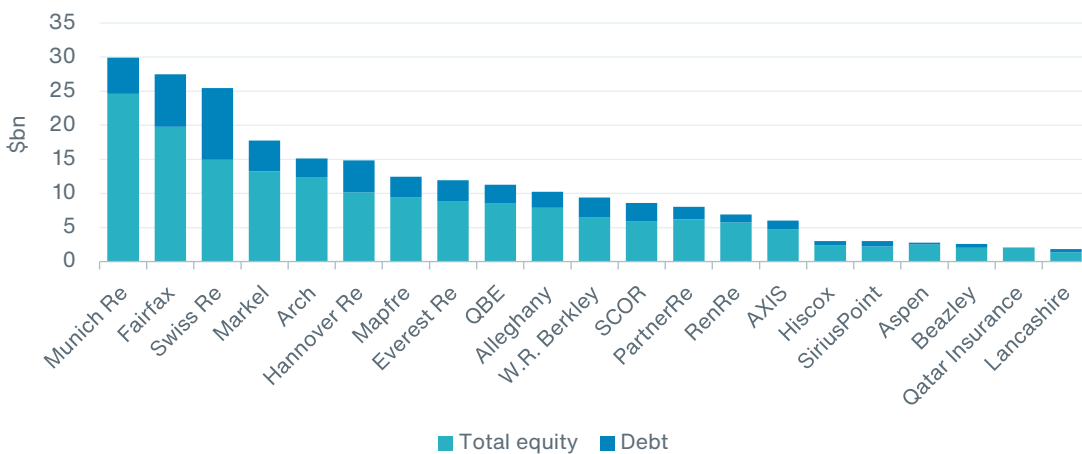
**Exhibit 1: ARA Total Capital**



Source: Aon / company reports

Total capital reported by the 21 ARA companies at June 30, 2022 is shown in Exhibit 2. The three largest companies represented 36% of the total. The median capital size was just under \$10bn.

**Exhibit 2: Total Capital at June 30, 2022**

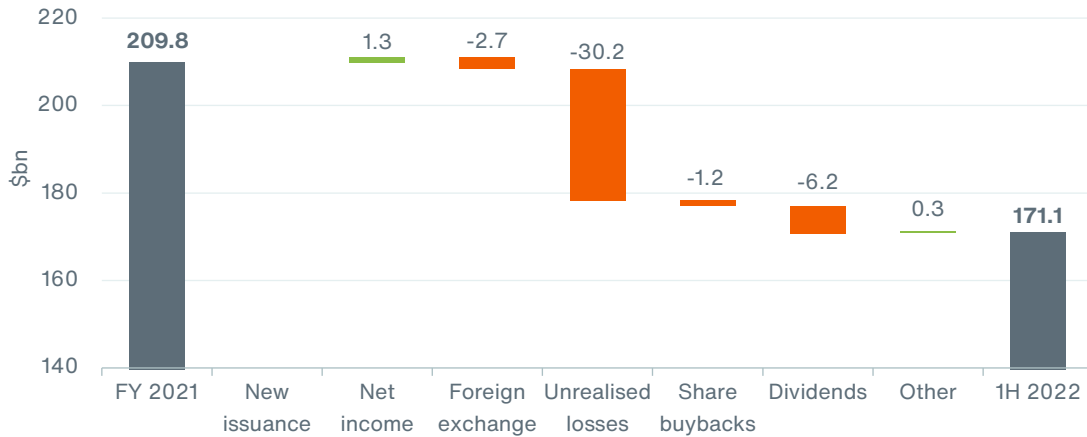


Source: Aon / company reports

## Evolution of Total Equity

The main drivers of the \$39bn reduction in ARA total equity during the first six months of 2022 are shown in Exhibit 3. The dominant factor was \$30bn of unrealised losses on bonds, resulting from rising interest rates. In addition, dividends and share buybacks totalled \$7.3bn.

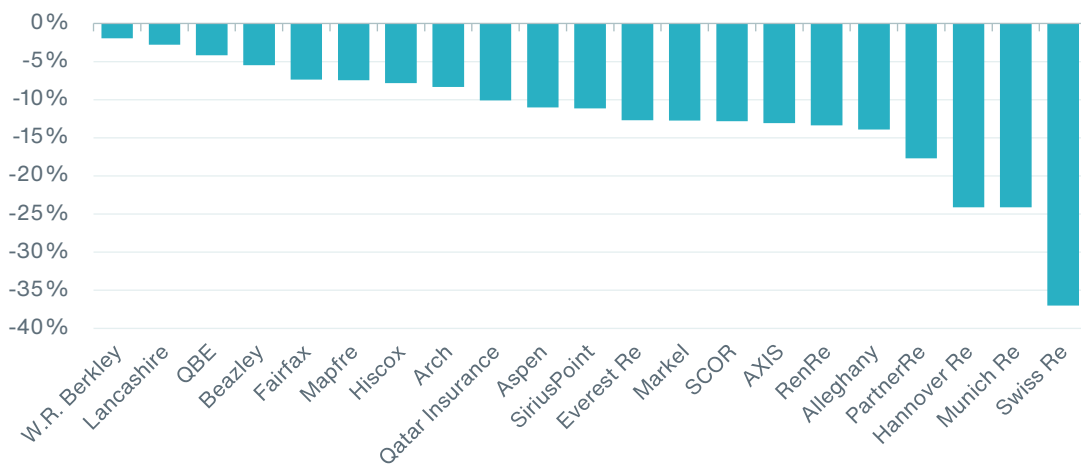
**Exhibit 3: 1H 2022 Evolution of ARA Total Equity**



Source: Aon / company reports

Capital market volatility drove declines in total equity across the board at June 30, 2022, as shown in Exhibit 4. The reductions were most significant at Swiss Re, Munich Re and Hannover Re, reflecting their relatively higher asset leverage. This effect was not confined to the reinsurance sector – many of the world’s largest primary insurance groups were affected in a similar way.

**Exhibit 4: 1H 2022 Changes in Total Equity (in Original Reporting Currency)**



Source: Aon / company reports

The value of low-yielding bonds already held on balance sheets is being written down because they are less attractive on the secondary market in a higher interest rate environment. However, these assets are generally held to maturity and the value usually recovers as that date approaches (known as the ‘pull-to-par’ effect). The unrealised losses are therefore expected to unwind over time.

The European reinsurers also pointed to a 'mismatch' in the major accounting regimes, which requires assets to be fully marked-to-market, without any recognition of the future benefit of higher interest rates. This is an issue that will be addressed with the introduction of IFRS 17.

Solvency II and the Swiss Solvency Test allow future liability cash-flows to be discounted using risk-free rates. Consequently, three of the four European reinsurers reported higher regulatory solvency ratios at June 30, 2022, as shown in Exhibit 5. All were above the stated target ranges.

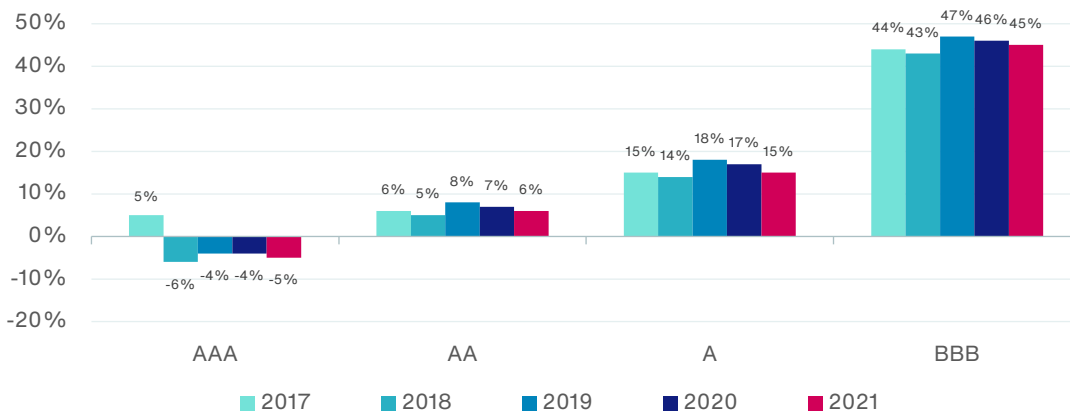
**Exhibit 5: European Regulatory Solvency Ratios**



Source: Aon / company reports

When it comes to the deployment of underwriting capacity, capital adequacy under the risk-based rating agency capital models is generally the binding constraint. Standard & Poor's (S&P) provides the clearest sector view of how this metric has evolved over time, as shown in Exhibit 6.

**Exhibit 6: S&P Global Ratings Top 21 Global Reinsurers' Capital Adequacy by Confidence Level**



S&P's Top 21: Alleghany, Arch, Ascot, Aspen, AXIS, China Re, Everest Re, Fairfax, Fidelis, Hannover Re, Hiscox, Lancashire, Lloyd's, Markel, Munich Re, PartnerRe, Qatar Ins, RenRe, SCOR, SiriusPoint and Swiss Re

Source: S&P Global Ratings risk-based insurance capital adequacy model

In the accompanying report dated September 6, 2022, S&P stated that the global reinsurance sector entered the year with robust capitalisation. In aggregate, their top 21 reinsurers' capital adequacy was redundant by 6% at the 'AA' confidence level at the end of 2021.

S&P believes this buffer will erode in 2022, but will likely remain at the 'AA' level. The agency said: “Improving underwriting earnings, increasing investment income, prudent capital management and sophisticated levels of risk management should sustain the industry's capital adequacy and we expect it to remain a strength for the sector.”

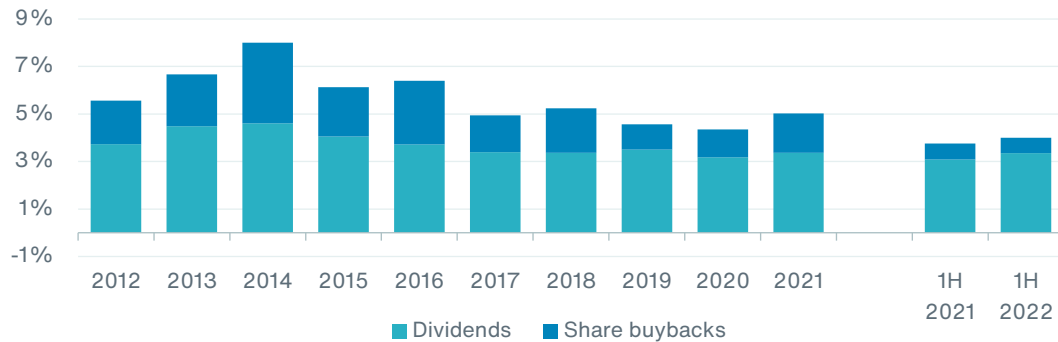
The reductions in reported equity have not triggered negative rating actions. On August 3, 2022, for example, S&P affirmed Swiss Re’s ratings, noting that the regulatory solvency ratio was more reflective of the group’s economic position and that they expected capital adequacy to be maintained at the ‘AA’ level over the 2022-2023 period.

In a report dated August 31, 2022, AM Best expressed a positive view on the relative stability of regulatory solvency ratios, as it was an indicator of effective asset liability management and enterprise risk programmes. However, they see capital utilisation rising across the sector and are concerned about the potential impact of further increases in interest rates.

## Capital Repatriation

The ARA rewarded investors with dividends and share buybacks totalling \$7.3bn in the first half of 2022, up from \$6.8bn in the prior year period. This represented 4% of opening equity.

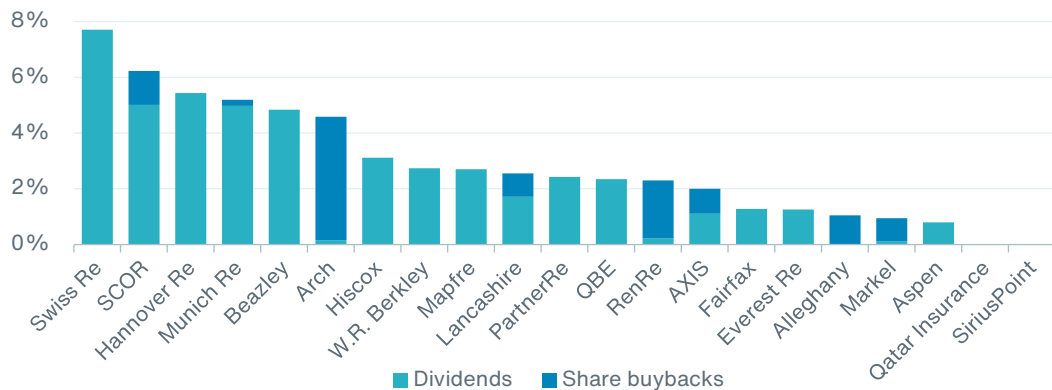
**Exhibit 7: ARA Capital Repatriation as a Percentage of Opening Equity**



Source: Aon / company reports

Capital repatriation by each ARA constituent, relative to opening equity, is shown in Exhibit 8. In many cases, these pay-outs were ultimately not covered by earnings for the period.

**Exhibit 8: Capital Repatriation in 1H 2022 as a Percentage of Opening Equity**



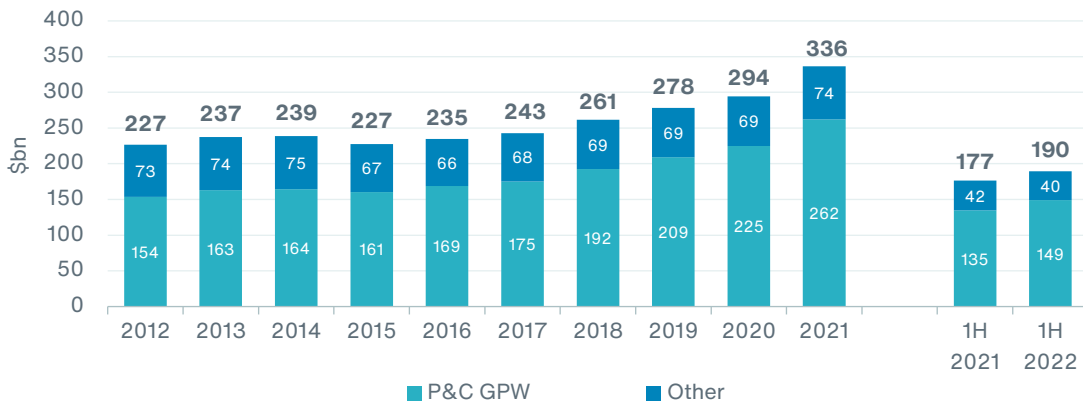
Source: Aon / company reports

# ARA Premiums

## Total Gross Premiums Written

Total gross premiums written (GPW) rose by 7% to \$190bn in the first half of 2022, as shown in Exhibit 9. Growth would have been stronger at constant exchange rates.

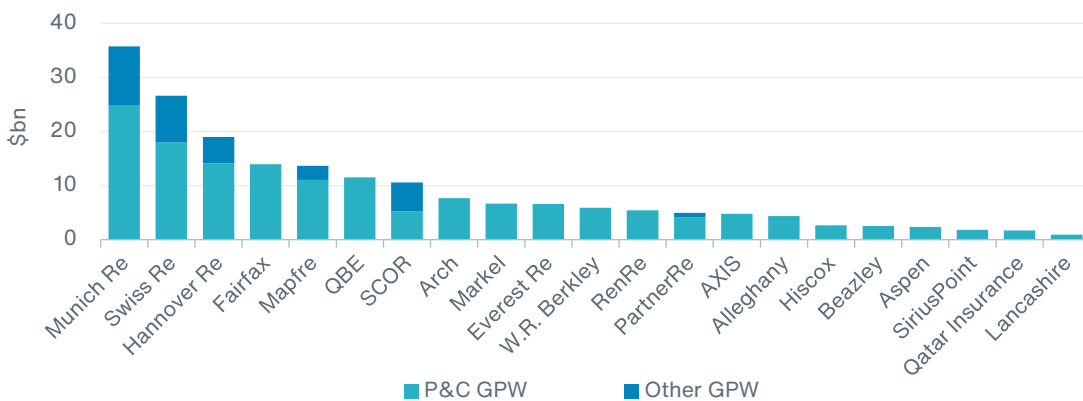
**Exhibit 9: ARA Total GPW**



Source: Aon / company reports

The total GPW of each ARA constituent in the first half of 2022 is shown in Exhibit 10. The three largest companies represented 43% of the aggregated volume. The bulk of the 'Other GPW' is life and health reinsurance business written by Hannover Re, Munich Re, SCOR and Swiss Re.

**Exhibit 10: 1H 2022 Total GPW by ARA Constituent**



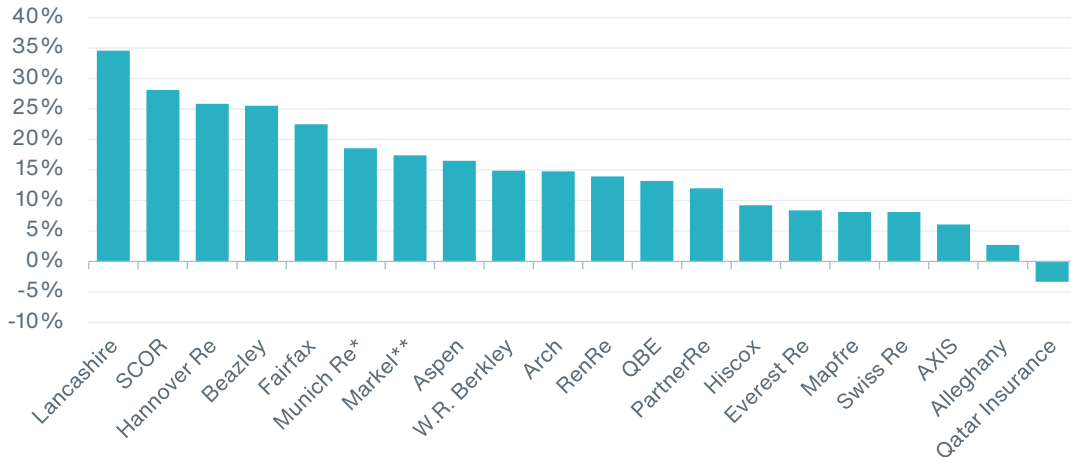
Source: Aon / company reports



## P&C Gross Premiums Written

Gross P&C insurance and reinsurance premiums written by the ARA rose by 10% to \$149bn in the first half of 2022, driven by rate increases and robust demand. Growth rates by individual ARA constituent are shown in Exhibit 11. The median increase in original reporting currency was 15%.

**Exhibit 11: 1H 2022 P&C GPW Growth by ARA Constituent (Original Reporting Currency)**



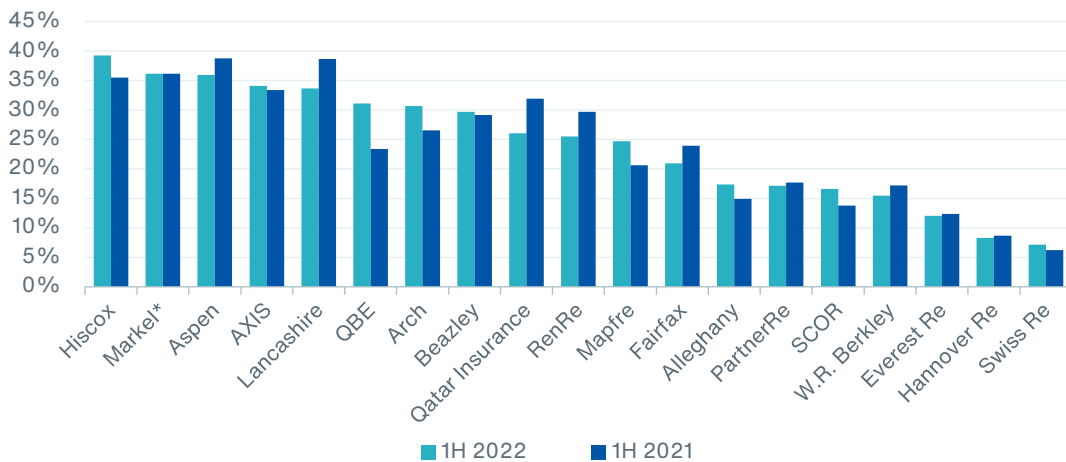
Notes: \* Excludes ERGO, \*\* Excludes State National fronting business

Source: Aon / company reports

## P&C Ceded Premiums

Ceded premiums across the ARA's P&C business as a whole rose by 15% to \$28.0bn in the first half of 2022, representing a cession ratio of 18.8%, up from 18.1% in the first half of 2021. Year-on-year changes by individual ARA constituent are shown in Exhibit 12.

**Exhibit 12: Outwards Cession Ratios (P&C Business Only)**



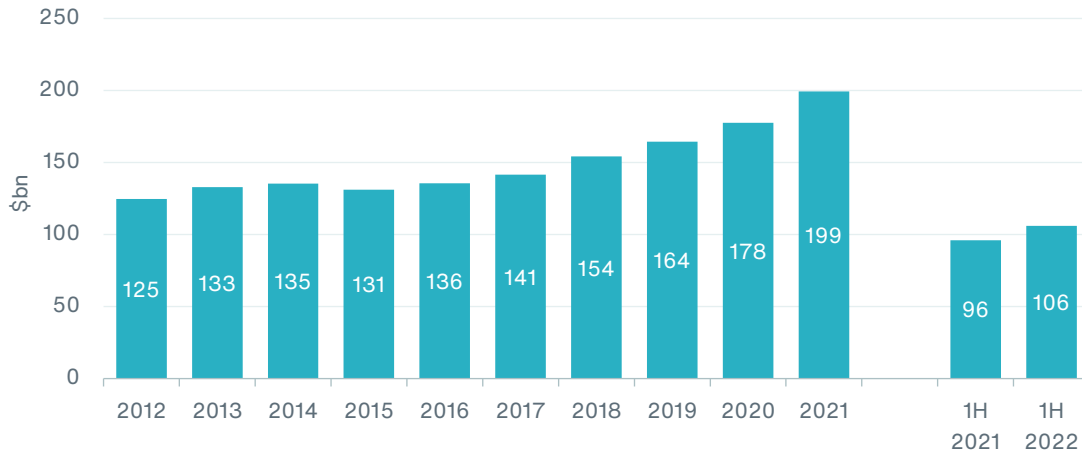
Note: \* Excludes State National fronting business

Source: Aon / company reports

## P&C Net Premiums Earned

P&C insurance and reinsurance net premiums earned (NPE) rose by 10% to \$106bn in the first half of 2022, reflecting the benefit of compounding rate increases.

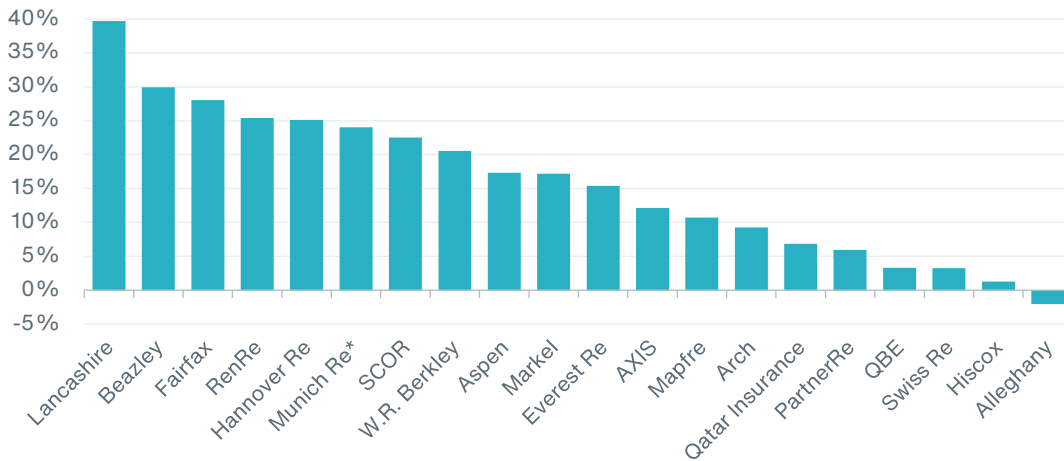
**Exhibit 13: ARA P&C NPE**



Source: Aon / company reports

Most of the ARA constituents showed significant growth in P&C NPE in original reporting currency, as shown in Exhibit 14, providing strong support to reported underwriting results.

**Exhibit 14: 1H 2022 P&C NPE Growth by ARA Constituent (Original Reporting Currency)**



Note: \* Excludes ERGO

Source: Aon / company reports

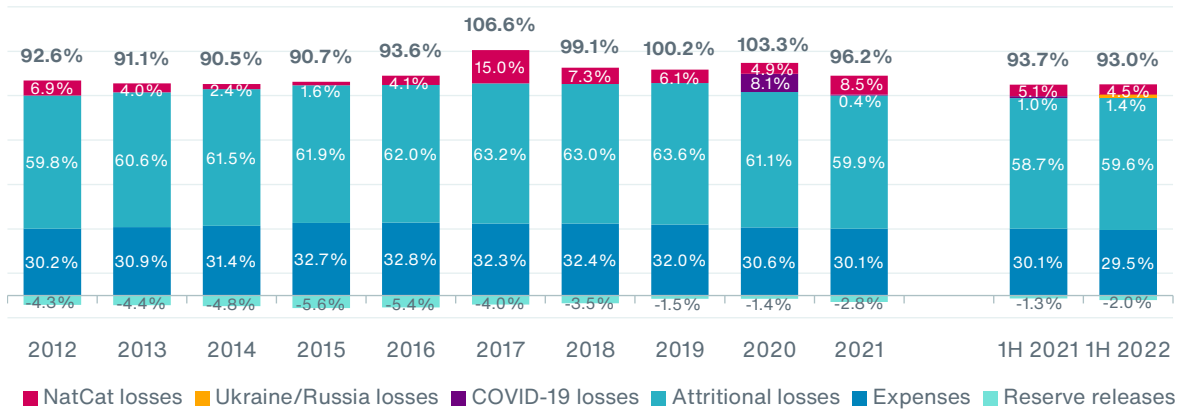
# ARA Underwriting Performance

## P&C Net Combined Ratios

Underwriting results have shown significant improvement over the last 18 months, despite ongoing high levels of insured losses from natural catastrophe events. This reflects the benefit of compound rate increases, coupled with movement away from low-lying layers and aggregate covers.

P&C underwriting profit rose by 22% to \$7.4bn in the first half of 2022, representing a strong net combined ratio of 93.0%, albeit with limited recognition of potential losses relating to Russia's invasion of Ukraine, particularly in the aviation class.

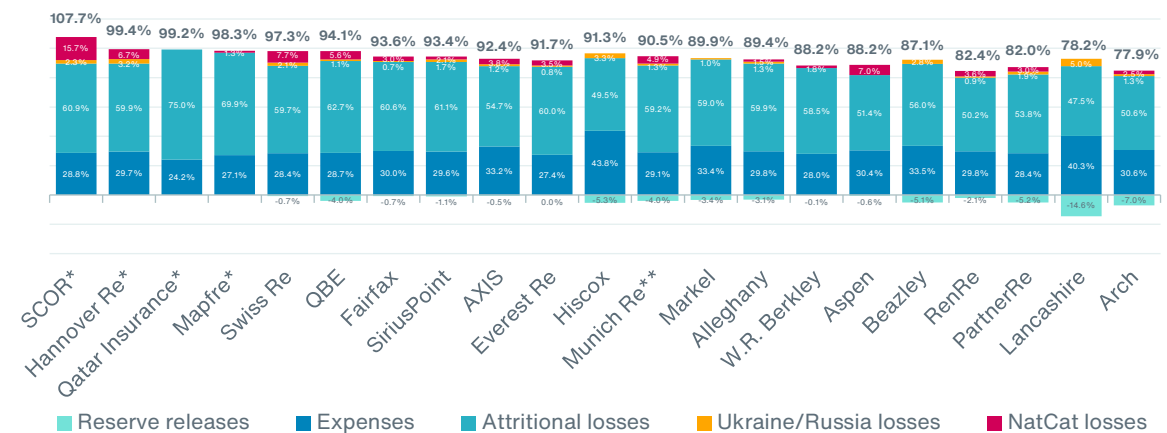
**Exhibit 15: ARA Net Combined Ratio**



Source: Aon / company reports

The net combined ratios reported by the ARA constituents in the first half of 2022 are shown in Exhibit 16. SCOR was the only company that posted an underwriting loss in the period.

**Exhibit 16: Net Combined Ratios by ARA Constituent**



Notes: \* Prior year reserve movement not disclosed \*\* Excludes ERGO

Source: Aon / company reports

# ARA Investment Returns

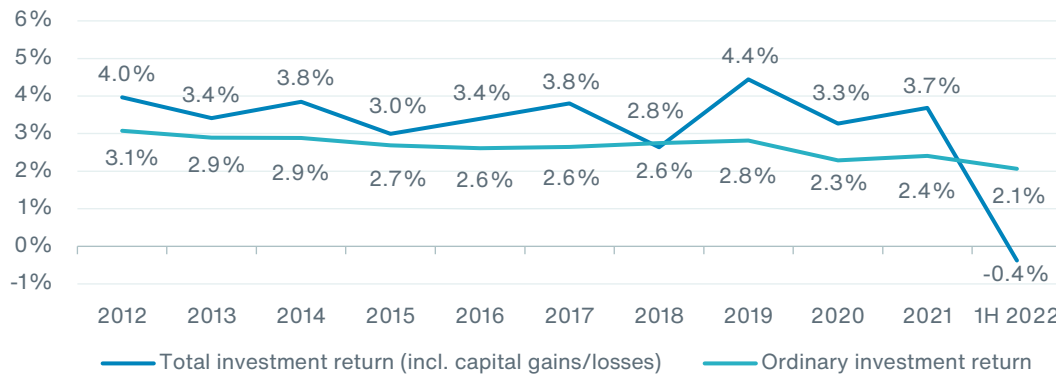
## Asset Mix

Cash and investments across the ARA fell by 9% to \$811bn at 30 June 2022, reflecting the impact of unrealised losses and strengthening of the US dollar. The asset mix was bonds 61%, cash/short-term 12%, loans 7%, equities 6%, deposits with cedants 6%, real estate 2% and other 6%.

## Yields

The ARA's annualised ordinary investment yield dipped to 2.1% in the first half of 2022, as shown in Exhibit 17. The total investment yield reported through income statements was a loss of 0.4%. This captures only a portion of the volatility on the asset side, as the majority of the unrealised losses on bonds were booked 'below the line', within other comprehensive income.

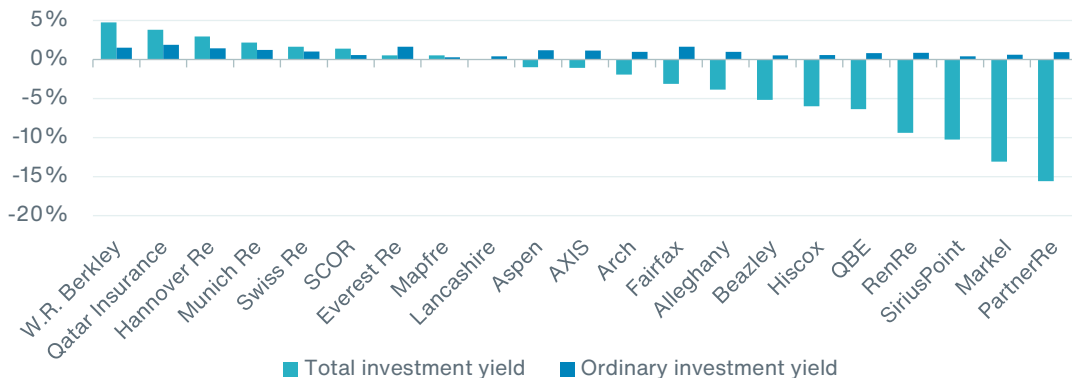
**Exhibit 17: ARA Income Statement Investment Yields**



Source: Aon / company reports

The ordinary and total investment yields reported by the ARA constituents through their income statements, prior to the impact of hedging strategies and foreign exchange movements, are shown in Exhibit 18. Management teams have some optionality around asset classification, which affects where unrealised losses are booked, hence the wide spread of total yields.

**Exhibit 18: 1H 2022 Investment Yields by ARA Constituent**

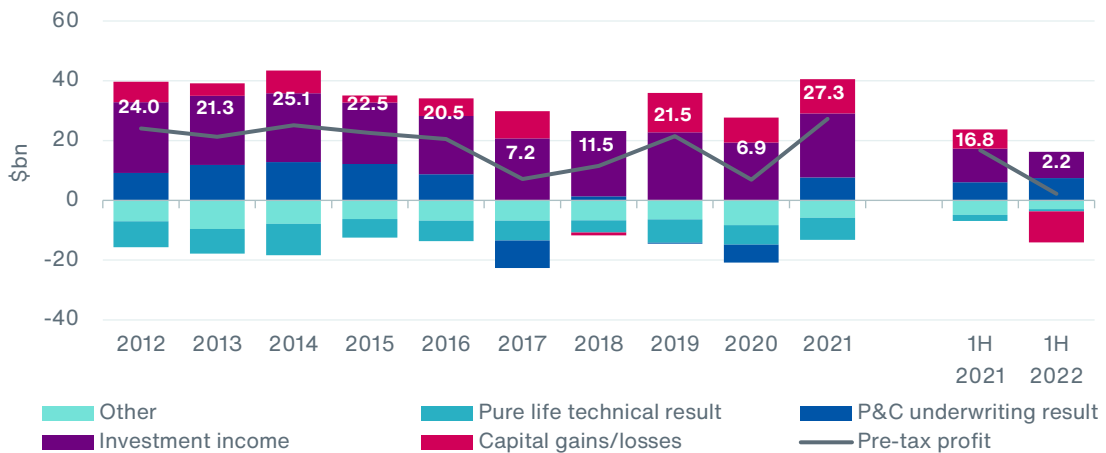


Source: Aon / company reports

## ARA Pre-Tax Results

The ARA reported pre-tax profit of \$2.2bn for the first half of 2022, down from \$16.8bn in the prior year period. The main drivers were P&C underwriting profit of \$7.4bn and net investment income of \$8.8bn, offset by realised and unrealised losses of \$10.4bn, as shown in Exhibit 19.

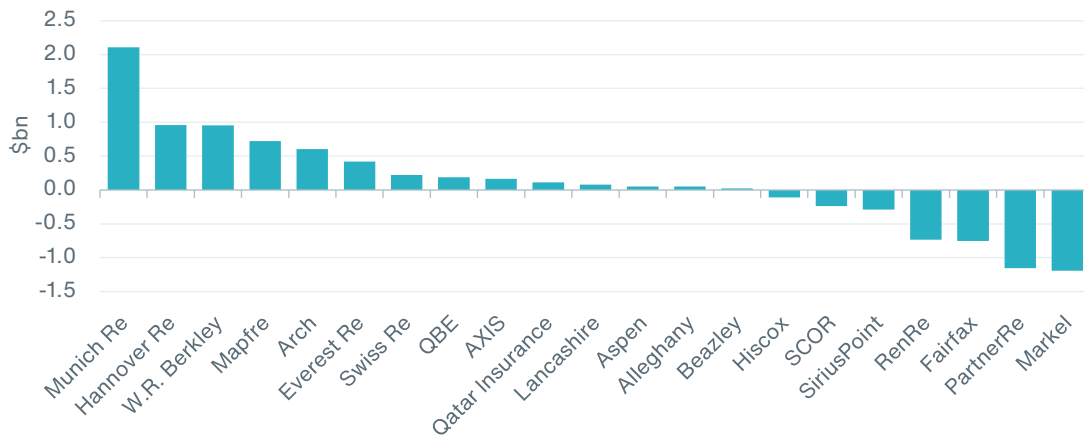
**Exhibit 19: ARA Pre-Tax Results**



Source: Aon / company reports

The distribution of the reported pre-tax results of the ARA constituents in the first half of 2022 is shown in Exhibit 20. Seven companies reported losses on this basis.

**Exhibit 20: 1H 2022 Pre-Tax Results by ARA Constituent**

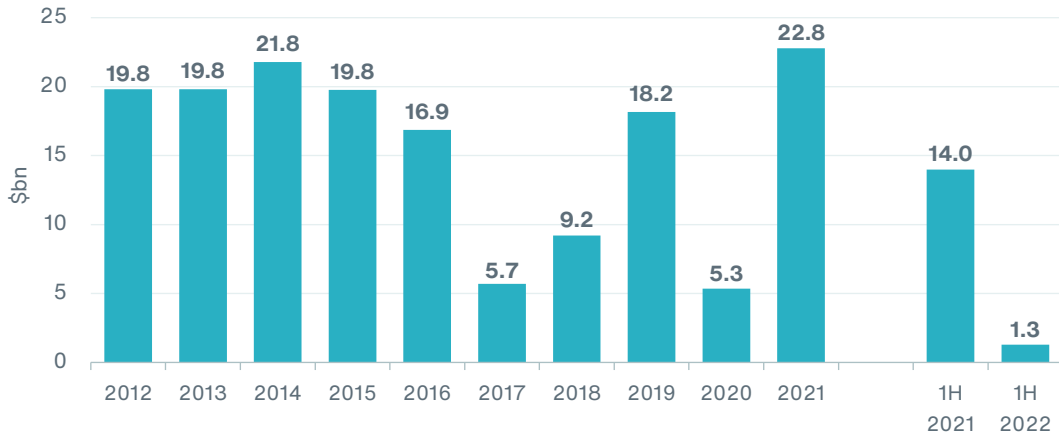


Source: Aon / company reports

## ARA Net Income

The ARA reported net income of \$1.3bn for the first half of 2022, down from \$14.0bn in the prior year period. The progression since 2012 is shown in Exhibit 21.

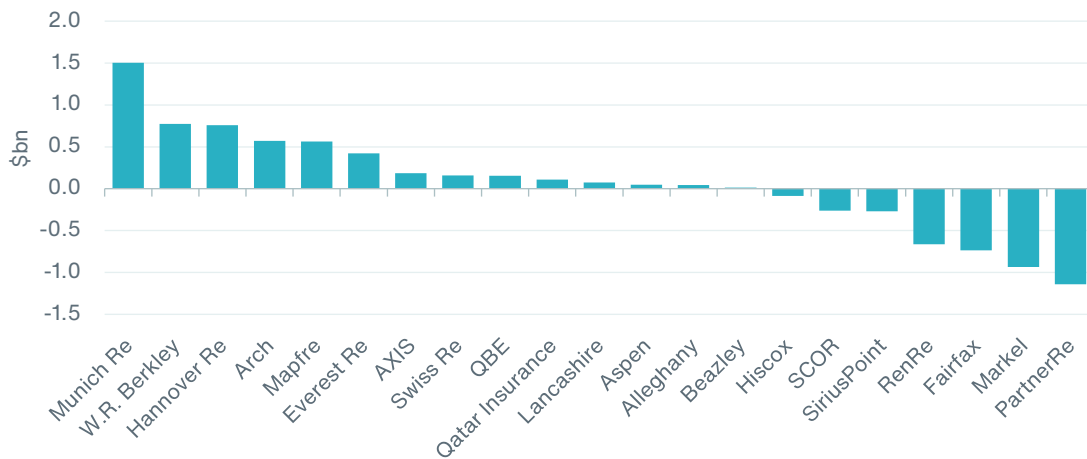
**Exhibit 21: ARA Net Income**



Source: Aon / company reports

The distribution of the reported post-tax results of the ARA constituents in the first half of 2022 is shown in Exhibit 22. Seven companies reported losses on this basis.

**Exhibit 22: 1H 2022 Net Income by ARA Constituent**

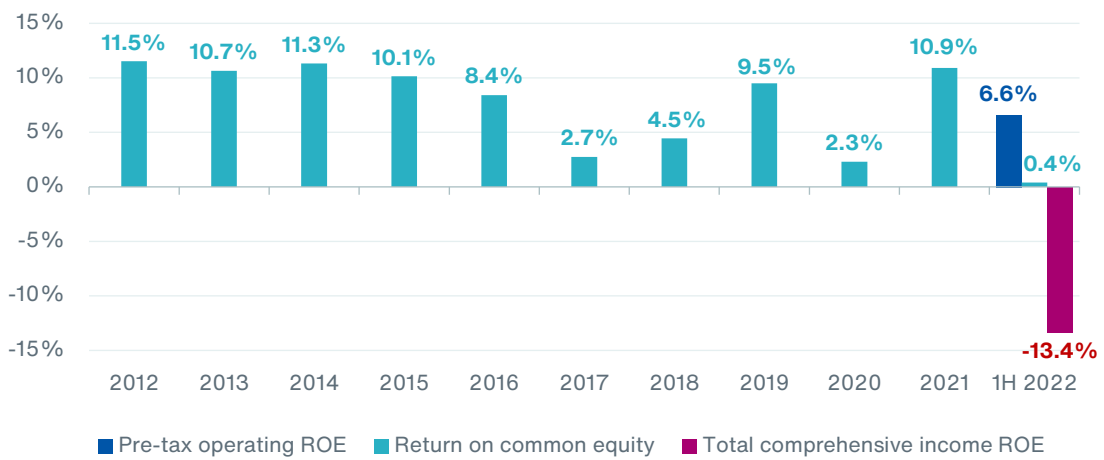


Source: Aon / company reports

## ARA Return on Equity

The progression of net income attributable to common shareholders relative to average common shareholders' funds is shown in Exhibit 23. The return was 0.4% on a non-annualised basis in the first half of 2022. The pre-tax operating return, which excludes the effects of the capital market volatility, stood at 6.6% (annualised: 13.2%). The return based on comprehensive income, which includes all of the capital market volatility, was a loss of 13.4%.

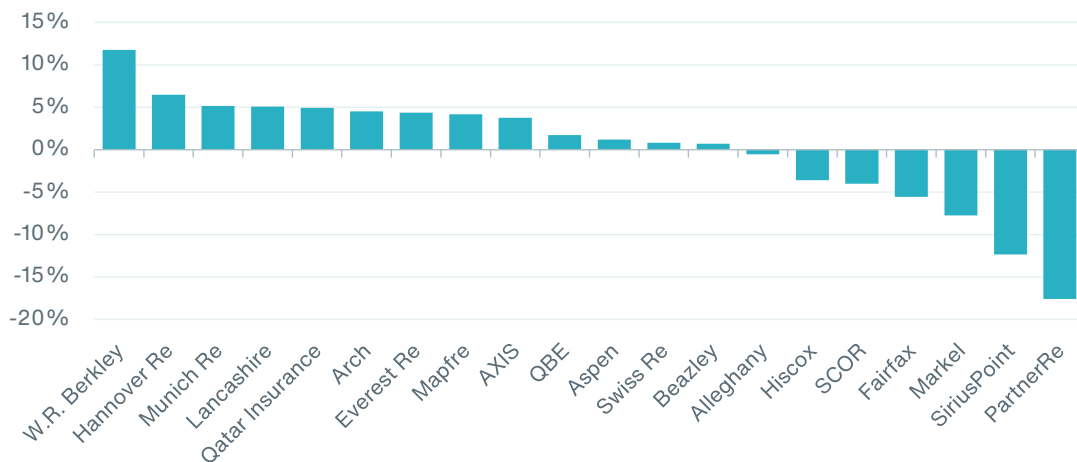
**Exhibit 23: ARA Return on Equity**



Note: Non-annualised for 1H 2022  
Source: Aon / company reports

The return on common equity by ARA constituent in the first half of 2022 is shown in Exhibit 24. These outcomes are not directly comparable due to variations in accounting regimes and asset classification, which can affect where unrealised losses are booked.

**Exhibit 24: 1H 2022 Return on Common Equity by ARA Constituent**

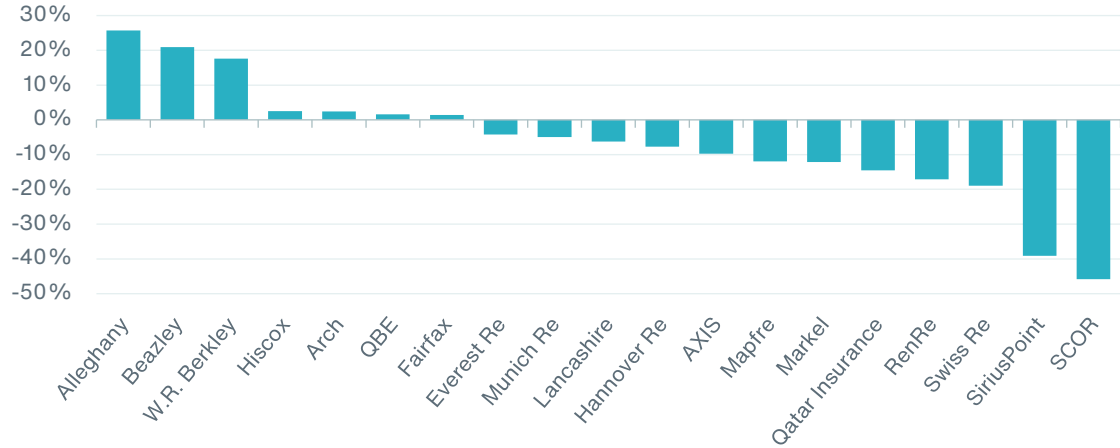


Source: Aon / company reports

## ARA Valuation

The development of the share prices of the listed ARA constituents since the beginning of 2022 is shown in Exhibit 25. Aspen and PartnerRe do not feature, as they are privately-owned.

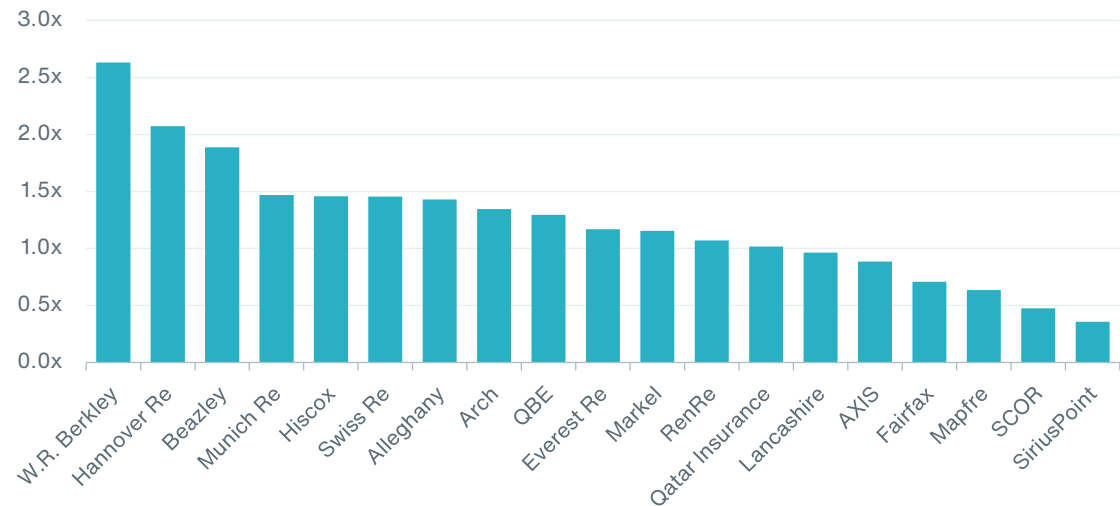
**Exhibit 25: ARA Constituent Share Price Development Since January 1, 2022**



Source: S&P Capital IQ, as of September 30, 2022

The current trailing price-to-book ratios of the listed ARA constituents are shown in Exhibit 26. The median ratio is 1.17x. Several companies are trading at a significant discount to book value.

**Exhibit 26: ARA Constituent Trailing Price-to-Book Ratios**



Source: S&P Capital IQ, as of September 30, 2022



## ARA Ratings

The current AM Best and Standard & Poor's (S&P) financial strength ratings and outlooks of the lead reinsurance operating entities within each ARA constituent are shown in Exhibit 27. Any changes since the beginning of 2022 are colour-coded.

### Exhibit 27: ARA Constituent Financial Strength Ratings

ARA Constituent	Lead Reinsurance Operating Entity	AM Best		Standard & Poor's	
		Rating	Outlook	Rating	Outlook
Alleghany	Transatlantic Reinsurance Company	A+	Stable	A+	Watch Pos
Arch	Arch Reinsurance Ltd	A+	Stable	A+	Stable
Aspen	Aspen Bermuda Ltd	A	Stable	A-	Stable
AXIS	AXIS Specialty Ltd	A	Stable	A+	Stable
Beazley	Lloyd's Syndicate 2623	A	Stable	A+	Stable
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+	Stable
Markel	Markel Bermuda Ltd	A	Stable	A	Stable
Munich Re	Munich Reinsurance Company	A+	Stable	AA-	Stable
Fairfax	Odyssey Reinsurance Company	A	Stable	A	Stable
PartnerRe	Partner Reinsurance Company Ltd	A+	Stable	A+	Stable
Qatar Insurance	Qatar Reinsurance Company Limited	A	Negative	A	Negative
QBE	QBE Europe SA/NV	A	Stable	A+	Stable
RenRe	Renaissance Reinsurance Ltd	A+	Stable	A+	Stable
SCOR	SCOR SE	A+	Negative	AA-	Negative
SiriusPoint	SiriusPoint Int'l Ins Corp (publ)	A-	Stable	A-	Negative
Swiss Re	Swiss Reinsurance Company	A+	Stable	AA-	Negative
W.R. Berkley	Berkley Insurance Company	A+	Stable	A+	Stable

Note: Ratings at October 6, 2022

Source: Aon / AM Best / Standard & Poor's

Key: ● Upgrade / outlook raised since January 1, 2022

● Downgrade / outlook lowered since January 1, 2022

## Appendix – ARA Data

**Exhibit 28: Results for the Six Months to June 30, 2022**

Company	Reporting currency (millions)	P&C GPW 1H 2021	P&C GPW 1H 2022	Change	P&C NPE 1H 2021	P&C NPE 1H 2022	Change
Alleghany	USD	4,270	4,385	3%	3,389	3,321	-2%
Arch	USD	6,683	7,671	15%	4,069	4,446	9%
Aspen	USD	2,019	2,351	16%	1,131	1,327	17%
AXIS	USD	4,477	4,748	6%	2,261	2,535	12%
Beazley	USD	2,035	2,555	26%	1,390	1,806	30%
Everest Re	USD	6,122	6,633	8%	4,946	5,708	15%
Fairfax	USD	11,406	13,971	22%	7,745	9,919	28%
Hannover Re	EUR	10,267	12,922	26%	7,847	9,819	25%
Hiscox	USD	2,426	2,650	9%	1,423	1,441	1%
Lancashire	USD	697	938	35%	315	441	40%
Mapfre	EUR	9,347	10,106	8%	6,313	6,989	11%
Markel*	USD	5,689	6,678	17%	3,066	3,593	17%
Munich Re**	EUR	13,486	15,990	19%	12,082	14,984	24%
PartnerRe	USD	3,676	4,117	12%	2,516	2,665	6%
Qatar Insurance	QAR	6,504	6,289	-3%	4,064	4,343	7%
QBE	USD	10,203	11,552	13%	6,571	6,789	3%
RenRe	USD	4,747	5,408	14%	2,347	2,943	25%
SCOR	EUR	3,768	4,827	28%	3,023	3,704	23%
SiriusPoint	USD	905	1,822	101%	698	1,098	57%
Swiss Re	USD	16,644	17,990	8%	13,008	13,433	3%
W.R. Berkley	USD	5,146	5,912	15%	3,822	4,606	21%
<b>ARA (Total)</b>	<b>USD</b>	<b>134,906</b>	<b>149,023</b>	<b>10%</b>	<b>96,001</b>	<b>106,056</b>	<b>10%</b>

Notes: \* Excludes State National fronting business \*\* Excludes ERGO

Figures in reporting currency, but converted to \$m for ARA lines

Source: Aon / company reports

**Exhibit 29: Results for the Six Months to June 30, 2022 (continued)**

Company	Reporting currency (millions)	Calendar Year					
		Net Loss Ratio 1H 2021	Net Loss Ratio 1H 2022	Expense Ratio 1H 2021	Expense Ratio 1H 2022	Combined Ratio 1H 2021	Combined Ratio 1H 2022
Alleghany	USD	64.9%	59.7%	29.5%	29.8%	94.4%	89.4%
Arch	USD	58.1%	47.3%	28.2%	30.6%	86.2%	77.9%
Aspen	USD	63.2%	57.8%	31.6%	30.4%	94.7%	88.2%
AXIS	USD	61.1%	59.3%	33.6%	33.2%	94.7%	92.4%
Beazley	USD	57.3%	53.7%	36.6%	33.5%	93.9%	87.1%
Everest Re	USD	66.7%	64.2%	26.9%	27.4%	93.6%	91.7%
Fairfax	USD	63.6%	63.6%	31.5%	30.0%	95.1%	93.6%
Hannover Re	EUR	67.2%	69.8%	29.0%	29.7%	96.2%	99.4%
Hiscox	USD	48.2%	47.5%	44.9%	43.8%	93.1%	91.3%
Lancashire	USD	38.4%	37.9%	42.2%	40.3%	80.7%	78.2%
Mapfre	EUR	66.0%	71.2%	27.7%	27.1%	93.7%	98.3%
Markel	USD	55.3%	56.5%	35.1%	33.4%	90.4%	89.9%
Munich Re*	EUR	65.1%	61.4%	29.3%	29.1%	94.3%	90.5%
PartnerRe	USD	67.1%	53.5%	25.4%	28.4%	92.4%	82.0%
Qatar Insurance	QAR	68.9%	75.0%	35.1%	24.2%	104.0%	99.2%
QBE	USD	61.2%	65.4%	29.0%	28.7%	90.2%	94.1%
RenRe	USD	59.1%	52.6%	28.4%	29.8%	87.5%	82.4%
SCOR	EUR	68.5%	78.9%	28.7%	28.8%	97.2%	107.7%
SiriusPoint	USD	57.0%	63.8%	34.7%	29.6%	91.7%	93.4%
Swiss Re	USD	63.7%	68.9%	30.3%	28.4%	94.0%	97.3%
W.R. Berkley	USD	60.8%	60.2%	33.1%	28.0%	93.9%	88.2%
<b>ARA (Total)</b>	<b>USD</b>	<b>63.5%</b>	<b>63.6%</b>	<b>30.1%</b>	<b>29.5%</b>	<b>93.7%</b>	<b>93.0%</b>

Notes: \* Excludes ERGO

Figures in reporting currency, but converted to \$m for ARA lines

Source: Aon / company reports

**Exhibit 28: Results for the Six Months to June 30, 2022 (continued)**

Company	Reporting currency (millions)	PY Reserve Adjustment 1H 2021	PY Reserve Adjustment 1H 2022	Adjustment as % of NPE 1H 2021	Adjustment as % of NPE 1H 2022	Acc. Year Combined Ratio 1H 2021	Acc. Year Combined Ratio 1H 2022
Alleghany	USD	-142	-102	-4.2%	-3.1%	98.6%	92.5%
Arch	USD	-109	-313	-2.7%	-7.0%	88.9%	84.9%
Aspen	USD	7	-7	0.6%	-0.6%	94.1%	88.8%
AXIS	USD	-12	-13	-0.5%	-0.5%	95.2%	92.9%
Beazley	USD	-96	-93	-6.9%	-5.1%	100.8%	92.3%
Everest Re	USD	-4	-2	-0.1%	0.0%	93.6%	91.7%
Fairfax	USD	-75	-70	-1.0%	-0.7%	96.1%	94.3%
Hannover Re	EUR	-250	0	-3.2%	0.0%	99.3%	99.4%
Hiscox	USD	-79	-77	-5.6%	-5.3%	98.7%	96.6%
Lancashire	USD	-54	-64	-17.0%	-14.6%	97.7%	92.8%
Mapfre	EUR	0	0	0.0%	0.0%	93.7%	98.3%
Markel	USD	-226	-123	-7.4%	-3.4%	97.7%	93.3%
Munich Re*	EUR	-483	-599	-4.0%	-4.0%	98.3%	94.5%
PartnerRe	USD	36	-138	1.4%	-5.2%	91.0%	87.1%
Qatar Insurance	QAR	200	0	4.9%	0.0%	99.1%	99.2%
QBE	USD	-73	-272	-1.1%	-4.0%	91.3%	98.1%
RenRe	USD	-61	-61	-2.6%	-2.1%	90.1%	84.5%
SCOR	EUR	0	0	0.0%	0.0%	97.2%	107.7%
SiriusPoint	USD	-10	-12	-1.4%	-1.1%	93.1%	94.5%
Swiss Re	USD	-301	-90	-2.3%	-0.7%	96.3%	98.0%
W.R. Berkley	USD	-4	-3	-0.1%	-0.1%	94.0%	88.3%
<b>ARA (Total)</b>	<b>USD</b>	<b>-1,202</b>	<b>-2,093</b>	<b>-1.3%</b>	<b>-2.0%</b>	<b>94.9%</b>	<b>95.0%</b>

Notes: \* Excludes ERGO

Figures in reporting currency, but converted to \$m for ARA lines

Source: Aon / company reports

**Exhibit 30: Results for the Six Months to June 30, 2022 (continued)**

<b>Company</b>	<b>Reporting currency (millions)</b>	<b>Net Investment Income 1H 2021</b>	<b>Net Investment Income 1H 2022</b>	<b>Capital Gains / Losses 1H 2021</b>	<b>Capital Gains / Losses 1H 2022</b>	<b>Total Investment Return 1H 2021</b>	<b>Total Investment Return 1H 2022</b>
Alleghany	USD	280	219	345	-646	625	-427
Arch	USD	404	281	345	-559	750	-278
Aspen	USD	69	89	3	-126	72	-38
AXIS	USD	219	184	103	-268	322	-84
Beazley	USD	38	38	46	-231	84	-193
Everest Re	USD	668	469	143	-390	811	79
Fairfax	USD	448	813	2,306	-1,580	2,755	-767
Hannover Re	EUR	805	952	61	28	866	980
Hiscox	USD	43	43	19	-261	61	-218
Lancashire	USD	17	10	6	-11	22	0
Mapfre	EUR	873	113	0	0	873	113
Markel	USD	193	166	1,202	-1,913	1,394	-1,747
Munich Re	EUR	2,720	2,864	1,362	-344	4,082	2,520
PartnerRe	USD	182	183	80	-1,725	262	-1,543
Qatar Insurance	QAR	587	469	0	0	587	469
QBE	USD	239	222	-172	-1,091	67	-869
RenRe	USD	164	192	-160	-1,221	4	-1,029
SCOR	EUR	215	183	111	44	326	227
SiriusPoint	USD	264	-347	0	0	264	-347
Swiss Re	USD	1,836	1,311	199	-269	2,035	1,042
W.R. Berkley	USD	327	345	59	195	386	540
<b>ARA (Total)</b>	<b>USD</b>	<b>11,205</b>	<b>8,840</b>	<b>6,409</b>	<b>-10,393</b>	<b>17,614</b>	<b>-1,553</b>

Note: Figures in reporting currency, but converted to \$m for ARA lines

Source: Aon / company reports

**Exhibit 31: Results for the Six Months to June 30, 2022 (continued)**

Company	Reporting currency (millions)	Net Income 1H 2021	Net Income 1H 2022	Change	Return on Equity* 1H 2021	Return on Equity* 1H 2022	Change
Alleghany	USD	658	45	-93%	7.1%	-0.5%	-7.6pp
Arch	USD	1,194	572	-52%	8.7%	4.5%	-4.2pp
Aspen	USD	87	48	-45%	2.7%	1.2%	-1.5pp
AXIS	USD	359	184	-49%	7.2%	3.8%	-3.4pp
Beazley	USD	140	14	-90%	7.4%	0.7%	-6.7pp
Everest Re	USD	1,022	420	-59%	10.1%	4.4%	-5.8pp
Fairfax	USD	2,103	-737	n.m.	15.0%	-5.6%	-20.5pp
Hannover Re	EUR	704	692	-2%	6.1%	6.5%	0.4pp
Hiscox	USD	119	-87	n.m.	4.9%	-3.6%	-8.5pp
Lancashire	USD	48	74	55%	3.1%	5.1%	2.0pp
Mapfre	EUR	490	514	5%	4.3%	4.2%	-0.1pp
Markel	USD	1,383	-933	n.m.	10.5%	-7.7%	-18.3pp
Munich Re	EUR	1,695	1,376	-19%	5.7%	5.2%	-0.5pp
PartnerRe	USD	287	-1,141	n.m.	3.6%	-17.6%	-21.2pp
Qatar Insurance	QAR	351	401	14%	4.1%	4.9%	0.8pp
QBE	USD	450	154	-66%	5.2%	1.7%	-3.4pp
RenRe	USD	247	-664	n.m.	2.4%	-12.3%	-14.7pp
SCOR	EUR	380	-239	n.m.	6.1%	-4.0%	-10.1pp
SiriusPoint	USD	240	-269	n.m.	11.5%	-12.3%	-23.9pp
Swiss Re	USD	1,044	160	-85%	4.1%	0.8%	-3.3pp
W.R. Berkley	USD	469	772	65%	7.2%	11.8%	4.5pp
<b>ARA (Total)</b>	<b>USD</b>	<b>13,984</b>	<b>1,284</b>	<b>-90.8%</b>	<b>6.7%</b>	<b>0.4%</b>	<b>-6.3pp</b>

Notes: \* Common net income as a percentage of average common equity; non-annualised

Figures in reporting currency, but converted to \$m for ARA lines

Source: Aon / company reports

**Exhibit 28: Results for the Six Months to June 30, 2022 (continued)**

Company	Reporting currency (millions)	Cash and Investments 2021	Cash and Investments 1H 2022	Change	Total Equity 2021	Total Equity 1H 2022	Change
Alleghany	USD	22,600	21,498	-5%	9,187	7,907	-14%
Arch	USD	30,533	26,483	-13%	13,546	12,418	-8%
Aspen	USD	7,658	7,414	-3%	2,775	2,469	-11%
AXIS	USD	16,247	15,829	-3%	5,411	4,703	-13%
Beazley	USD	7,013	7,939	13%	2,131	2,014	-5%
Everest Re	USD	27,855	29,633	6%	10,139	8,853	-13%
Fairfax	USD	46,851	52,030	11%	21,315	19,749	-7%
Hannover Re	EUR	63,566	68,540	8%	12,756	9,682	-24%
Hiscox	USD	7,497	7,103	-5%	2,539	2,340	-8%
Lancashire	USD	2,630	2,611	-1%	1,413	1,373	-3%
Mapfre	EUR	42,761	41,968	-2%	9,667	8,948	-7%
Markel	USD	27,260	26,081	-4%	15,202	13,263	-13%
Munich Re	EUR	237,590	227,386	-4%	30,945	23,486	-24%
PartnerRe	USD	20,458	19,144	-6%	7,544	6,210	-18%
Qatar Insurance	QAR	24,982	24,392	-2%	8,518	7,657	-10%
QBE	USD	27,891	26,776	-4%	8,882	8,513	-4%
RenRe	USD	21,855	21,996	1%	6,624	5,739	-13%
SCOR	EUR	32,207	32,127	0%	6,402	5,581	-13%
SiriusPoint	USD	7,086	6,437	-9%	2,503	2,224	-11%
Swiss Re	USD	132,802	121,841	-8%	23,678	14,919	-37%
W.R. Berkley	USD	22,018	23,585	7%	6,668	6,537	-2%
<b>ARA (Total)</b>	<b>USD</b>	<b>886,374</b>	<b>810,974</b>	<b>-9%</b>	<b>209,835</b>	<b>171,321</b>	<b>-18%</b>

Note: Figures in reporting currency but converted to \$m for ARA lines

Source: Aon / company reports



---

**Mike Van Slooten**

Head of Business Intelligence  
Aon | Reinsurance Solutions  
+44 (0) 20 7522 8106  
mike.vanslooten@aon.com

**Paris Hadjiantonis**

Business Intelligence  
Aon | Reinsurance Solutions  
+44 (0) 20 7086 7086  
paris.hadjiantonis@aon.com

**Ludo Van Wijk**

Business Intelligence  
Aon | Reinsurance Solutions  
+44 (0) 20 7086 6542  
ludo.van.wijk@aon.com

**Marie Teissier**

Business Intelligence  
Aon | Reinsurance Solutions  
+44 (0) 20 7522 3951  
marie.teissier@aon.com

**Oliver Troop**

Business Intelligence  
Aon | Reinsurance Solutions  
+44 (0) 20 7086 2814  
oliver.troop@aon.com

**About Aon:**

Aon plc (NYSE: AON) exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business. Follow Aon on [Twitter](#) and [LinkedIn](#). Stay up-to-date by visiting the [Aon Newsroom](#) and sign up for News Alerts [here](#).

Aon  
The Aon Centre  
The Leadenhall Building  
122 Leadenhall Street  
London  
EC3V 4AN  
+44 (0)20 7088 0044  
www.aon.com

Published by Aon's Reinsurance Solutions business, part of Aon UK Limited.

Registered office: The Aon Centre, The Leadenhall Building,  
122 Leadenhall Street, London, EC3V 4AN.

©Copyright Aon UK Limited 2022. All rights reserved.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any way or by any means, including photocopying or recording, without the written permission of the copyright holder, application for which should be addressed to the copyright holder.

Aon UK Limited is a wholly owned subsidiary of Aon plc.

Aon UK Limited is authorised and regulated by the Financial Conduct Authority.