

News Release

PartnerRe Ltd. Reports First Half 2024 Results

PEMBROKE, Bermuda, July 30, 2024 - PartnerRe Ltd. ("the Company") today reported first half 2024 results

Highlights

- Gross premiums written of \$5.3 billion
- Net income attributable to PartnerRe Ltd. of \$358 million
- Operating income of \$366 million and operating income return on equity of 8.9%
- Non-life underwriting result of \$58 million and Non-life combined ratio of 97.9%
- Life and Health allocated underwriting result of \$108 million
- Net investment income of \$366 million

PartnerRe has delivered positive operating results of \$366 million in the first half of 2024.

An increased frequency of mid-sized natural catastrophe events and a reserve strengthening in U.S. Casualty lines impacted the first half of 2024. Despite this, our Non-life business was able to produce an underwriting result of \$58 million.

The contribution from our Life and Health business continues to be a strong source of diversified earnings to PartnerRe as premium volume grew by 19.6% compared to the first half of 2023, with an overall Life and Health allocated underwriting result of \$108 million.

Our investment portfolio also performed well, resulting in a 28.0% growth in net investment income compared to the first half of 2023. We are continuing to see the benefits of shortening duration in prior years enabling us to reinvest and deploy our cash flow from operations at attractive rates.

PartnerRe Chief Executive Officer Philippe Meyenhofer commented,

"Despite an active period marked by several mid-sized catastrophe losses and reserve strengthening in U.S. Casualty, our Non-life business generated a positive underwriting result. In combination with the strong performance of our Life and Health business and growth in our net investment income, PartnerRe delivered an operating return on equity of 8.9% in the first half of 2024. We remain focused on our disciplined approach to executing our strategic objectives and building our diversified business."

Operating income and operating income return on equity are non-GAAP financial measures. See "Non-GAAP Financial Measures" for a reconciliation of non-GAAP measures.

Life and health allocated underwriting result includes net premiums earned, loss and loss expenses, acquisition costs, other income, other expense and allocated net investment income.

PartnerRe Ltd.
Consolidated Statements of Operations and
Comprehensive Income
(Expressed in thousands of U.S. dollars)
(Unaudited)

	For the six months ended	
	June 30, 2024	June 30, 2023
Revenues		
Gross premiums written	\$ 5,334,406	\$ 5,338,876
Net premiums written	\$ 4,519,851	\$ 4,540,383
Increase in unearned premiums	(571,704)	(690,012)
Net premiums earned	3,948,147	3,850,371
Net investment income	366,053	285,741
Net realized and unrealized investment (losses) gains	(19,508)	198,006
Other income	30,940	14,697
Total revenues	4,325,632	4,348,815
Expenses		
Losses and loss expenses	2,980,649	2,455,919
Market risk benefit gains	(7,053)	(19,649)
Acquisition costs	746,064	788,351
Other expenses	210,265	216,401
Interest expense	28,802	28,638
Amortization of intangible assets	3,669	3,994
Net foreign exchange (gains) losses	(35,304)	20,711
Total expenses	3,927,092	3,494,365
Income before taxes and interest in losses of equity method investments	398,540	854,450
Income tax expense	(11,663)	(64,110)
Interest in losses of equity method investments	(24,839)	(2,899)
Net income	362,038	787,441
Net income attributable to redeemable noncontrolling interests	(3,850)	—
Net income attributable to PartnerRe Ltd.	358,188	787,441
Preferred dividends	4,875	4,875
Net income available to PartnerRe Ltd. common shareholder	\$ 353,313	\$ 782,566
Comprehensive income		
Net income	\$ 362,038	\$ 787,441
Change in currency translation adjustment	(11,265)	18,769
Change in net unrealized gains or losses on investments, net of tax	—	(26)
Change in unfunded pension obligation, net of tax	627	182
Changes in discount rate for liability for future policy benefits, net of tax	20,359	12,449
Changes in instrument-specific credit risk for market risk benefits, net of tax	2,177	2,671
Comprehensive income	373,936	821,486
Comprehensive income attributable to redeemable noncontrolling interests	(3,850)	—
Comprehensive income attributable to PartnerRe Ltd.	\$ 370,086	\$ 821,486

PartnerRe Ltd.
Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars, except parenthetical share data)

(Unaudited)

	June 30, 2024	December 31, 2023
Assets		
Investments:		
Fixed maturities, at fair value	\$ 16,370,936	\$ 15,090,056
Short-term investments, at fair value	428,278	1,020,257
Equities, at fair value	928,490	917,170
Investments in real estate	55,599	56,188
Other invested assets	3,485,666	3,464,839
Total investments	21,268,969	20,548,510
Cash and cash equivalents	999,410	1,097,423
Accrued investment income	142,207	122,107
Reinsurance balances receivable	4,212,913	3,377,324
Reinsurance recoverable on paid and unpaid losses	2,017,092	1,921,231
Prepaid reinsurance premiums	527,842	215,611
Funds held by reinsured companies	418,355	450,454
Deferred acquisition costs	1,054,226	1,020,704
Market risk benefit assets, at fair value	146,512	144,636
Deposit assets	149,670	164,189
Net tax assets	607,000	563,368
Goodwill	456,380	456,380
Intangible assets	78,184	81,913
Other assets	307,852	324,639
Total assets	\$ 32,386,612	\$ 30,488,489
Liabilities		
Non-life reserves	\$ 13,763,392	\$ 13,151,309
Life and health reserves	2,926,624	2,859,257
Market risk benefit liabilities, at fair value	2,199	5,062
Unearned premiums	3,590,905	2,741,755
Other reinsurance balances payable	979,459	655,240
Debt	1,852,604	1,883,585
Deposit liabilities	5,793	6,009
Net tax liabilities	104,554	57,584
Accounts payable, accrued expenses and other ⁽¹⁾	608,900	704,267
Total liabilities	23,834,430	22,064,068
Redeemable noncontrolling interests	62,550	—
Shareholders' Equity		
Common shares (par value \$0.00000001; issued and outstanding: 100,000,000 shares)	—	—
Preferred shares (par value \$1.00; issued and outstanding: 8,000,000 shares; aggregate liquidation value: \$200,000)	8,000	8,000
Additional paid-in capital	1,929,934	1,929,934
Accumulated other comprehensive income	19,425	7,527
Retained earnings	6,532,273	6,478,960
Total shareholders' equity	8,489,632	8,424,421
Total liabilities, noncontrolling interests and shareholders' equity	\$ 32,386,612	\$ 30,488,489

(1) Includes payables for securities purchased of \$210 million as at June 30, 2024 compared to \$221 million as at December 31, 2023.

PartnerRe Ltd.
Non-GAAP Financial Measures

In addition to the GAAP financial measures set forth herein, the Company has also included certain non-GAAP financial measures. Management believes that these non-GAAP financial measures are useful to investors and other stakeholders and help provide a consistent basis for comparison between quarters and for comparison with other companies within the industry. These measures may not, however, be comparable to similarly titled measures used by other companies outside of the insurance industry. These non-GAAP measures should be considered an addition to, and not a substitute for, measures of financial performance prepared in accordance with GAAP and investors are cautioned not to place undue reliance on these non-GAAP measures in assessing the Company's overall financial performance. The reconciliation of non-GAAP financial measures to the most comparable GAAP financial measures is included within the relevant tables.

Operating Income (Loss) available to Common Shareholder (Operating Income (Loss)); Annualized Operating Return on Average Common Shareholder's Equity (Annualized Operating ROE): The Company uses Operating income (loss) and Annualized Operating ROE to measure performance, as these measures focus on the underlying fundamentals of the Company's operations. Operating income (loss) is calculated after preferred dividends and excludes the impact of market risk benefit gains (losses), net realized and unrealized gains and losses on investments, net foreign exchange gains and losses, interest in earnings (losses) of equity method investments, favorable or adverse prior years' reserves development for which we have ceded the risk under an adverse development cover (ADC) and related changes in amortization of the deferred gain, the impact of non-recurring transactions such as losses on the redemption of preferred shares, the cumulative tax effects of these adjustments, and the portion of these adjustments attributable to the Company's redeemable noncontrolling interests. The Company calculates Annualized Operating ROE using Operating income (loss) for the period divided by the average common shareholder's equity outstanding for the period. Operating income (loss) should not be viewed as a substitute for Net Income (Loss) prepared in accordance with GAAP. Annualized Operating ROE supplements GAAP information. The Company's management believes that Operating income (loss) is useful to stakeholders because it more accurately reflects the underlying fundamentals of the business by removing the variability arising from activity that is largely independent of its business and underwriting processes, such as: fluctuations in the fair value of market risk benefit assets and liabilities; the fluctuations in the fair value of the Company's investment portfolio; fluctuations in foreign exchange rates; fluctuations of returns on the Company's equity method investments; the impact of retroactive reinsurance agreements where the Company believes adjusting for this development shows the ultimate economic benefit of the ADC; the change in the deferred tax asset related to the ETA for transition provisions of the Bermuda CIT Act; the impact of non-recurring transactions such as losses on the redemption of preferred shares; and the portion of these adjustments attributable to the Company's redeemable noncontrolling interests.

	For the six months ended			
	June 30, 2024		June 30, 2023	
	\$	ROE ⁽¹⁾	\$	ROE ⁽¹⁾
Net income available to PartnerRe Ltd. common shareholder	\$ 353,313	8.6 %	\$ 782,566	23.9 %
Less: adjustments for non-operating items				
Market risk benefit gains	7,053	0.2	19,649	0.6
Net realized and unrealized investment (losses) gains	(19,508)	(0.5)	198,006	6.0
Net foreign exchange gains (losses)	35,304	0.9	(20,711)	(0.6)
Interest in losses of equity method investments	(24,839)	(0.6)	(2,899)	(0.1)
Adverse prior years' reserve development subject to ADC	(6,920)	(0.2)	(61,949)	(1.9)
Tax effects of adjustments	651	—	14,631	0.4
Net loss attributable to redeemable noncontrolling interests ⁽²⁾	(4,605)	(0.1)	—	—
Operating income available to PartnerRe Ltd. common shareholder	\$ 366,177	8.9 %	\$ 635,839	19.5 %

	For the six months ended			
	June 30, 2024		June 30, 2023	
Beginning of period common shareholder's equity	\$	8,224,421	\$	6,197,320
End of period common shareholder's equity	\$	8,289,632	\$	6,913,931
Average common shareholder's equity	\$	8,257,027	\$	6,555,626

	June 30, 2024		December 31, 2023	
	Total shareholders' equity	\$	8,489,632	\$
Preferred shares, aggregate liquidation value at \$25 per share		200,000		200,000
Common shareholder's equity or book value	\$	8,289,632	\$	8,224,421

Capital structure:

Total debt	\$	1,852,604	\$	1,883,585
Preferred shares, aggregate liquidation value		200,000		200,000
Common shareholder's equity		8,289,632		8,224,421
Total capital	\$	10,342,236	\$	10,308,006

(1) ROE is calculated as net income or loss attributable to common shareholder divided by average common shareholder's equity, annualized for the period. The average common shareholder's equity is calculated using the sum of the beginning of period and end of period common shareholder's equity divided by two.

(2) Represents the portion of the adjustments for non-operating items above that are attributable to the Company's redeemable noncontrolling interests.



PartnerRe Ltd. is a leading global (re)insurer that helps insurance companies reduce their earnings volatility, strengthen their capital and grow their businesses through reinsurance solutions. Risks are underwritten on a worldwide basis through the Company's three segments: P&C, Specialty, and Life and Health. For the year ended June 30, 2024, total revenues were \$4.3 billion. At June 30, 2024, total assets were \$32.4 billion, total capital was \$10.3 billion and total shareholders' equity was \$8.5 billion. PartnerRe maintains strong financial strength ratings as follows: A.M. Best A+ / Moody's A1 / Standard & Poor's A+.

Please refer to the "Financial Information - Annual Reports" section of the Company's website for a copy of the Company's Annual Report at: www.partnerre.com/financial-information/annual-reports/. Forward-looking statements contained in this press release, such as those related to company performance, are based on the Company's assumptions and expectations concerning future events and financial performance. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. PartnerRe's forward-looking statements could be affected by numerous foreseeable and unforeseeable events and developments such as exposure to catastrophe, pandemic or other large property and casualty losses, credit, interest, currency and other risks associated with the Company's investment portfolio, adequacy of reserves, levels and pricing of new and renewal business achieved, changes in accounting policies, risks associated with implementing business strategies, and other factors. In light of the significant uncertainties inherent in the forward-looking information contained herein, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. The Company disclaims any obligation to publicly update or revise any forward-looking information or statements. The Company's estimate for recent catastrophic and pandemic losses is based on a preliminary analysis of the Company's exposures, the current assumption of total insured industry losses and preliminary information received from certain cedants to date. There is material uncertainty associated with the Company's loss estimates given the nature, magnitude and recency of these loss events and the limited claims information received to date. The ultimate loss therefore may differ materially from the current preliminary estimate.

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