



Everest Provides Preliminary Information on Second Quarter 2020 Results

July 23, 2020

HAMILTON, Bermuda--(BUSINESS WIRE)--Jul. 23, 2020-- Everest Re Group, Ltd. ("Everest" or the "Company") announced today net investment income, catastrophe losses, and the estimated impact from the ongoing Covid-19 pandemic ("Pandemic") for the second quarter of 2020. Everest is providing details in advance of its full quarterly earnings to be released on August 5, 2020.

Despite the ongoing Pandemic and related economic impacts, Everest expects to report another profitable quarter during 2020, with positive underwriting income and growth in gross written premium across our platform.

The estimated impacts are as follows:

- Everest expects to report net investment income of \$38 million pre-tax. Since Everest reports most limited partnership income on a one quarter lag, the global equity market downturn in the first quarter of 2020 is being reflected in our second quarter results. In turn, the improvement in global equity markets during the second quarter will be reflected in increased limited partnership investment income in our third quarter results.
- Pre-tax net catastrophe losses in the amount of \$15 million arising from claims related to civil unrest in the United States, all within our Insurance segment.
- Pre-tax net Pandemic losses in the amount of \$160 million. The \$160 million is allocated \$130 million to the Company's Reinsurance segment and \$30 million to the Insurance segment. Due to the ongoing nature of this unprecedented event, these losses are substantially classified as incurred but not reported (IBNR) and primarily arise from policies covering event cancellation and postponement, business interruption and workers' compensation, and include a provision for loss adjustment expenses. The second quarter estimate follows an updated and thorough review of existing and potential exposures. Everest continues to evaluate all aspects of our global portfolio. The Pandemic estimate does not account for legal, regulatory or legislative intervention that could retroactively mandate or expand coverage provisions. This amount is in addition to the \$150 million of IBNR reported in the first quarter of 2020.

Risks and Uncertainties

There are significant uncertainties surrounding the ultimate number of claims and scope of loss resulting from the Pandemic. The Company's estimates are based on best available information obtained to date from a review of relevant in-force contracts with potential exposure and estimates of reinsurance recoverables, and also from the Company's clients and brokers. Given the uncertain and evolving nature of the Pandemic, actual ultimate losses from these events may vary materially from these current estimates. Everest anticipates this Pandemic could have a meaningful impact on revenue, as well as net and operating income in future quarters as a result of reinsurance and insurance claims due to the Pandemic and resulting macro-economic market conditions.

This news release contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. Federal securities laws. These statements involve risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements made on behalf of the Company. These risks and uncertainties include the impact of general economic conditions and conditions affecting the insurance and reinsurance industry, the adequacy of our reserves, our ability to assess underwriting risk, trends in rates for property and casualty insurance and reinsurance, competition, investment market and investment income fluctuations, trends in insured and paid losses, catastrophes, pandemic, regulatory and legal uncertainties and other factors described in our latest Annual Report on Form 10-K. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

About Everest Re Group, Ltd.

Everest Re Group, Ltd. ("Everest") is a leading global provider of reinsurance and insurance, operating for close to 50 years through subsidiaries in the U.S., Europe, Singapore, Canada, Bermuda and other territories.

Everest offers property, casualty, and specialty products through its various operating affiliates located in key markets around the world.

Everest common stock (NYSE:RE) is a component of the S&P 500 index.

Additional information about Everest, our people, and our products can be found on our website at

www.everestre.com. All issuing companies may not do business in all jurisdictions.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20200723005861/en/): <https://www.businesswire.com/news/home/20200723005861/en/>

Media: Dane Lope
Group Head of Marketing & Communications
Everest Global Services, Inc.
203.388.3977

Investors: Jon Levenson
Head of Investor Relations
Everest Global Services, Inc.
908.604.3169

Source: Everest Re Group, Ltd.