PARIS RE Holdings Ltd. reports net operating income of US $59.4 million for the second quarter of 2009 and US $120.4 million for the first half of 2009

Annualized ROATE of 12.0% for the first half of 2009

Combined ratio of 91.5% for the first half of 2009

Zug, Switzerland, August 10, 2009, PARIS RE Holdings Limited (Euronext: PRI) announced that the Company generated a net operating income[1] of US $59.4 million, or US $0.72 per share, for the second quarter ended June 30, 2009, compared to net operating income of US $81.0 million in the second quarter of 2008. Net operating income for the first half of 2009 was US $120.4 million, or US $1.47 per share, a decrease of 20.1% from US $150.6 million for the first half of 2008.

Highlights from the first half of 2009 include:

- The Company generated an annualized return of 12.0% on average tangible equity (ROATE) for the first half of 2009, compared with 13.0% for the same period of 2008.
- Gross written premium[2] was US $292.5 million for the second quarter of 2009 and US $953.6 million for the first half of 2009 compared to US $319.5 million and US $1,100.0 million, respectively, for the comparable prior year periods.
- The combined ratio was 90.8% for the second quarter of 2009 and 91.5% for the first half of 2009 compared to 88.3% and 90.7%, respectively, for the comparable prior year periods.
- Shareholders' equity was US $2,158.6 million as of June 30, 2009, or US $25.19 per share on an "if converted" basis. On a comparative basis, adding back to shareholders' equity the CHF2.02 per share distribution made on May 5, 2009 (equivalent to US $1.79), shareholders' equity per share increased by 5.30% during the first half of 2009.
- Tangible shareholders' equity[3] was US $2,017.3 million as of June 30, 2009, or US $23.66 per share on an "if converted" basis. On a comparative basis, adding back to tangible shareholders' equity the CHF2.02 per share distribution made on May 5, 2009 (equivalent to US $1.79), tangible shareholders' equity per share increased by 6.66% during the first half of 2009.
- The Company's investment portfolio generated an annualized pre-tax investment income yield (including capital gains and impairments) of 3.64% on average

STOCK INFORMATION

→ **Mnemo**: PRI
→ **ISIN**: CH0032057447
→ **Bloomberg**: PRI FP
→ **Reuters**: PRI PA
→ **Euronext** Paris - B

CONTACTS

+41 41 727 51 57

→ **Analysts & Investors**
Rating agencies
investor.relations@paris-re.com
→ **Media**
press.relations@paris-re.com

[1] Net operating income or result is defined as IFRS net income adjusted to eliminate (i) the after-tax impact of amortization of intangibles resulting principally form the acquisition of the COLISEE RE business, (ii) the after-tax impact of foreign exchange gains and losses principally in connection with the revaluation of US dollar denominated capital in subsidiaries with non-US dollar functional currencies, (iii) after-tax realized capital gains and losses during the period, (iv) after-tax impairments on invested assets, and (v) after tax impact on exceptional fees linked to the combination agreement with PartnerRe.

[2] Gross written premiums are adjusted for retrocession accounted by COLISEE RE in the name of PARIS RE and claims are adjusted for the impact of the Reserve Agreement with COLISEE RE which has been split between premiums, commissions and claims instead of claims only in the previous disclosures.

[3] Tangible shareholders' equity is defined as IFRS shareholders' equity of US $2,017.3 million reduced by intangible assets (primarily related to the acquisition of COLISEE RE's business) net of deferred tax liabilities of US $141.2 million.

invested assets and cash for the first half of 2009. Excluding US $3.8 million in realized capital gains net of impairments generated during the period in the Funds Withheld Account (FWA) and realized losses and impairments generated in the directly held portfolio in the amount of US $2.1 million, the annualized pre-tax investment yield was 3.57%.

- The Company's investment portfolio (including the FWA) had a pre-tax unrealized gain of US $80.9 million as of June 30, 2009[4] compared to a pre-tax unrealized gain of US $69.8 million as of December 31, 2008.

Hans-Peter Gerhardt, Chief Executive Officer of PARIS RE Holdings Ltd., commented:

"The second quarter of 2009 and the first half of the year have produced stable results in line with our expectations. We are pleased with a combined ratio in the very low nineties, especially as we absorbed a one-off charge in the context of a commutation of a legacy exposure. For the next months our focus will be to work closely with our clients to maintain our well balanced portfolio through the upcoming renewals. In the meantime we are preparing ourselves for the planned combination with PartnerRe, expecting that all conditions precedent with respect to the different steps of the transaction will be satisfied.
Mid-year reinsurance renewals in short tail lines continued the positive trend, albeit not at the level anticipated at the start of this year. Overall we are pleased with the average rate level of our book. The absence of meaningful rate hardening at the primary insurance level, however, gives some reason for concern".

Operating Results

Gross written premium was US $292.5 million in the second quarter of 2009, down 8.4% from the second quarter of 2008.
For the first half of 2009, gross written premium was US $953.6 million, compared to US $1,100.0 million for the half of 2008. The 13.3% reduction in premium is primarily due to the reduction in the credit and surety line of business, which faces challenging market conditions, and to our decision to cease writing wind covers in the Gulf of Mexico to reduce our exposure in some peak zones and to cancel some non profitable treaties. At constant exchange rates, gross written premium decreased by 7.3%.

Net written premium was US $241.2 million for the second quarter of 2009, down 13.2% from the second quarter of 2008.
For the first half of 2009, net written premium was US $816.4 million, down 11.1% from the first half of 2008. The decrease in net written premium resulted primarily from the factors discussed above partially offset by higher retentions in 2009. At constant exchange rates, net written premium decreased by 4.2%.

Net earned premium was almost stable on the first half of 2009, down 2.3% compared to the same prior year period.

The loss ratio for the first half of 2009 was 66.0% compared to 59.5% for the first half of 2008. This increase is due to Windstorm Klaus which generated a pre-tax loss, net of retrocession and reinstatement premium, of US $18.6 million, representing 3.7 points of loss ratio for the first half of 2009. During the second quarter of 2009, the Company entered into a commutation agreement with COLISEE RE in order to terminate a legacy reinsurance treaty covering certain financial guaranty business, and paid an amount of US $7.8 million, representing 1.3 points of loss ratio. In addition, the credit and surety line of business, which remains exposed to the

[4] The unrealized gain was comprised of US $56.8 million in unrealized gains in the directly held assets and US $24.1 million in the Funds Withheld Account. The unrealized gains in the FWA are not reflected in the Company's shareholders' equity account.

financial crisis, had a loss ratio of 134.4% compared to 53.9% in the first half of 2008. The Company had favorable prior year reserve developments of US $1.0 million during the first half of 2009 compared to favorable prior year reserve developments of US $14.5 million during the first half of 2008.

For the three-month and six-month periods ended June 30, 2009, the Company's combined ratio was 90.8% and 91.5%, respectively, compared to 88.3% and 90.7% for the comparable prior year periods.

The following table summarizes the Company's underwriting results for the three and six months ended June 30, 2009:

US $ million

Underwriting results	Six months ended June 30			Variation / pro forma		Three months ended June 30			Variation / pro forma	
	2009	2008 Pro forma	2008	US $ million	%	2009	2008 Pro forma	2008	US $ million	%
Gross written premium [1]	953.6	1,100.0	1,083.7	(146.4)	(13.3%)	292.5	319.5	309.7	(26.9)	(8.4%)
Net written premium [1]	816.4	918.7	901.1	(102.3)	(11.1%)	241.2	277.9	266.5	(36.7)	(13.2%)
Net earned premium [1]	578.1	591.8	573.8	(13.8)	(2.3%)	278.6	309.9	298.5	(31.4)	(10.1%)
Net underwriting income	99.1	135.9	135.9	(36.7)	(27.0%)	48.0	77.1	77.1	(29.1)	(37.8%)
Loss ratio	66.0%	59.5%	56.3%	-	-	64.4%	58.3%	52.5%	-	-
Combined ratio	91.5%	90.7%	90.4%	-	-	90.8%	88.3%	87.8%	-	-
Combined ratio (excluding management equity plan expense)	90.3%	88.3%	87.9%	-	-	88.7%	86.3%	85.7%	-	-

1 Unaudited -Pro forma
Gross written premiums are adjusted for retrocession accounted by COLISEE RE in the name of PARIS RE and claims are adjusted for the impact of the Reserve Agreement with COLISEE RE which has been split between premiums, commissions and claims instead of claims only in the previous disclosures.

Investment Results

Net investment income for the quarter ended June 30, 2009 was down 27.1% to US $43.7 million, compared to US$59.9 million for second quarter of 2008. Net investment income was down 32.6% to US$87.3 million for the first half of 2009 compared to US $129.5 million for the first half of 2008 due to a lower amount of capital gains net of impairments generated within the Funds Withheld Account (FWA), declining yields coming from lower interest rates and a reduced amount of invested assets.

The net investment income for the first half of 2009 includes pre-tax realized capital gains, net of impairments generated within the Funds Withheld Account (FWA) in the amount of US $3.8 million[5] compared to US $22.2 million which was realized in the first half of 2008 in connection with the sale of the Company's equity portfolio. The realized capital gains generated in the FWA and discussed above are included in "net investment income" for reporting purposes in accordance with accounting conventions.

As of June 30, 2009, the Company had cash and invested assets, including assets held by COLISEE RE on a funds-withheld basis for the benefit of PARIS RE, of US $5,183.7 million, a decrease of US $524.5 million or 9.19% from June 30, 2008. The decrease in financial invested assets came from distributions by way of nominal value reduction made in July 2008 and May 2009 in the amount of US $264 million and US $151 million respectively, the share buyback program, and a payment made to COLISEE RE in accordance with the reserve agreement.

The asset allocation as of June 30, 2009 was 89.9% fixed income (of which 33.7% was in government bonds, 15.1% in agencies, 2.1% in ABS, 39.0% in corporate bonds), 8.1% cash, cash equivalents and money market funds, and 2% other.

[5] For the six months ended June 30, 2009, the pre-tax capital gain, net of impairment, in the amount of US $3.8 million in the Funds Withheld Account was comprised of the following: (i) US $14.8 million of realized capital gains and (ii) US $11.0 million of impairment charges.

The fixed income portfolio had an average Standard & Poor's credit rating of "AA-" with an average effective duration of 3.2 years as of June 30, 2009.
The Company has no exposure to collateralized loan obligations or collateralized debt obligations and only limited exposure to asset backed securities (ABS) collateralized by US sub-prime and "Alt-A" or low documentation mortgages. As of June 30, 2009, the Company's total ABS exposure was US $106.9 million, of which US $74.1 million was CMO/MBS securities guaranteed by U.S. Government sponsored enterprises and US $13.1 million was U.S. student loans insured under the U.S. Federal Family Education Loan Program and almost entirely reinsured by the U.S. Department of Education. As of June 30, 2009, the ABS collateralized by sub-prime and "Alt-A" residential mortgages[6] represented an amount of US $7.7 million or 0.15% of total financial invested assets.

During the first half of 2009, the Company recognized impairments of US $11.0 million (using average rate of exchange and including FWA impairments) through the income statement.
During the first half of 2009, the Company realized US $2.1 million in net losses before impairments in its directly held investment portfolio, compared to a realized gain of US $0.6 million for the prior year period.

The Company's investment portfolio had pre-tax unrealized gains of US $80.9 million (including US $24.1 million of unrealized gains in the FWA, which is not reflected in the Company's balance sheet) as of June 30, 2009.

General Expenses

General expenses were US $22.4 million for the second quarter of 2009 and US $50.2 million for the first half of 2009 compared to US $40.8 million and US $80.7 million, respectively, for the comparable prior year periods. Before the impact of exchange rates, general expenses decreased by US $24.4 million for the first half of 2009 compared to 2008, representing a decrease of 30.3%. The decrease is principally attributable to a reduction in the amortization cost for the equity incentive plan, to savings realized from cost cutting initiatives undertaken at the end of 2008, and to other income derived from the sale of CGRM's office during the second quarter which was booked as a reduction in expenses.
At constant exchange rates, expenses relating to restricted stock and options were US $7.8 million for the first half of 2009, compared to US $14.2 million for the comparable period of 2008. This decrease is due the full vesting during 2008 of the initial stock grants.
Transaction expenses related to the transaction agreement with PartnerRe are not included in the above numbers as these costs have been considered as one-off expenses and, consequently, not included in our net operating income.

Currency Policy and Foreign Exchange Impact

PARIS RE's currency policy remained unchanged. The Company reports its results in US dollars and, accordingly, it is the Company's policy to invest the shareholders' equity of its major operating subsidiaries (*i.e.*, the Swiss and French subsidiaries) primarily in US dollars in order to minimize currency-related volatility in the Company's shareholders' equity account. As these subsidiaries report their results in their local functional currencies, this policy may create volatility in the Company's IFRS income statement resulting from exchange rate movements. The income statement impact is, however, partially offset by a corresponding debit to the Company's shareholders' equity.

[6] See Table 1 for details

As a result of this policy, the Company's IFRS accounts include after-tax foreign exchange gain for the first half of 2009 in the amount of US $37.6 million, compared to foreign exchange charges of US $139.9 million for the first half of 2008.

These non-cash gains were partially offset by a decrease in the Currency Translation Reserve within the consolidated shareholders' equity at the holding company level in the amount of US $(10.2) million for the first half of 2009. The net effect on the shareholders' equity was a positive US $27.4 million for the first half of 2009.

IFRS Results

The Company's IFRS net income, which includes amortization expense related to the purchase of COLISEE RE's business, currency fluctuations, realized capital gains and losses, impairments and one-off expenses related to the combination agreement with PartnerRe was US $2.4 million, or US $0.03 per share for the second quarter of 2009, and US $121.0 million, or US $1.47 per share, for the first half of 2009. These gains were mainly attributable to the fact discussed above in the net operating income as other elements to reconcile with the net income were almost offset. The IFRS net income is impacted by fees engaged to prepare the combination agreement with PartnerRe.

The following table provides a reconciliation of net operating income to IFRS net income and related diluted per share results.

US $ million, except per share data in US $

From net operating income to net income	Six months ended June 30		Three months ended June 30	
	2009	**2008**	**2009**	**2008**
Net operating income	**120.4**	**150.6**	**59.4**	**81.0**
Net realized capital gains / (losses)	(2.1)	0.6	(1.9)	(0.5)
Taxes on net realized capital (gains) / losses	0.4	(0.3)	0.3	0.0
Impairment	0.0	-	0.3	-
Tax on impairment	0.0	-	0.0	-
Amortization of intangibles	(29.0)	(49.3)	(7.4)	(16.5)
Taxes associated with intangibles	6.7	12.7	0.6	3.1
Costs linked to combination agreement with PartnerRe	(12.9)	-	(12.9)	-
Net FX gains / (losses) & changes in fair value in FX	49.7	(145.3)	(27.8)	38.3
Taxes on FX (gains) / losses & changes in fair value in FX	(12.1)	5.4	(8.2)	(1.4)
IFRS net income	**121.0**	**(25.6)**	**2.4**	**103.9**
Diluted per common share results				
Net operating income (US $ per share)	1.47	1.72	0.72	0.95
IFRS net income (US $ per share)	1.47	(0.29)	0.03	1.22
Weighted average common shares outstanding - diluted (million of shares)	82.07	87.70	82.61	85.49

Diluted weighted average common shares and common share equivalents outstanding used in the calculation of net operating income and IFRS net income per common share was 82.07 million in the first half of 2009.

Shareholders' Equity; Book Value Per Share

Shareholders' equity at June 30, 2009 was US $2,158.6 million and tangible shareholders' equity was US $2,017.3 million. Book value per share and book value per share on an "if converted" basis was US $26.35 and US $25.19, respectively, as of June 30, 2009. Tangible book value per share and tangible book value per share on an "if converted" basis was US $24.63 and US $23.66, respectively, as of June 30, 2009[7]

[7] See Table 2

Events Post June 30, 2009

Combination agreement with PartnerRe

On July 6, 2009 PARIS RE Holdings Limited announced that its Board of Directors approved a combination agreement with PartnerRe Ltd., ("PartnerRe"), a global multi-line re-insurer, according to which PartnerRe intends to acquire in a multi-step transaction all the outstanding securities of PARIS RE[8].

Capital management

On July 9, 2009 PARIS RE Holdings Limited announced that, in connection with the transaction with PartnerRe, a conditional capital distribution by way of a reduction of the nominal value of PARIS RE's shares will be proposed to the Extraordinary General Meeting of shareholders to be held on August 11, 2009 and will amount to up to CHF4.17 per share, the CHF equivalent of US $3.85 as of July 7, 2009, the date on which PARIS RE fixed the U.S. dollar/Swiss franc currency exchange rate to be used for the extraordinary cash distribution[9].

PARIS RE intends to implement this distribution, subject to the conditions set forth in the agreements entered into with PartnerRe on July 4, 2009 being satisfied and requisite regulatory approvals being obtained, immediately prior to the closing of the block purchase by PartnerRe of approximately 57.5%[10] of PARIS RE's outstanding shares, which purchase is expected to take place in the fourth quarter of 2009. If the share capital repayment is not paid in full prior to the closing of the block purchase due to, among other things, the failure to obtain all necessary regulatory approvals, each holder of PARIS RE common shares that holds PARIS RE common shares on the relevant record date occurring shortly prior to the settlement of the exchange offer (including PartnerRe with respect to the PARIS RE common shares owned by PartnerRe and its subsidiaries at that time) will receive the remaining per share portion in the form of cash by way of a capital distribution from PARIS RE immediately prior to the settlement of the exchange offer. The cash payment, however, will only be paid if the exchange offer is settled.

PARIS RE's will not hold a conference call on first half 2009 results. A slide presentation providing complementary information will be posted on the Company's website from 10.00am today.

Consolidated financial statement for the 6-month period ending June 30, 2008 will be posted on the Company's website, Investor relations section on August 10, 2009.

[8] See press release n°11-09 dated July 6, 2009
[9] See press release n°12-09 dated July 9, 2009
[10] Based on the number of outstanding shares as of June 30, 2009 (80,628,629).

COMING NEXT

→ **3Q09 results**
Thursday November 12, 2009

PARIS RE Holdings Ltd.
Postrasse 30, Postfach 851
CH-6301 Zug
+41 41 727 51 51
www.paris-re.com

→ About PARIS RE

PARIS RE is a global provider of re-insurance solutions through its operating subsidiaries located in Switzerland, France, the United States, Singapore, Canada and Bermuda. PARIS RE employs approximately 390 people. PARIS RE operates in all lines of facultative and treaty reinsurance covering property, casualty, marine, aviation & space, credit & surety, life, accident & health as well as a wide range of other risks. At its formation, PARIS RE acquired essentially all of the active business of COLISEE RE.

PARIS RE's majority shareholders are an investor group led by Hellman & Friedman, Stone Point Capital, Vestar Capital Partners and Crestview Partners.

Cautionary Statement Regarding Forward-Looking Statements

*This communication may contain "forward-looking statements" about PARIS RE and PartnerRe within the meaning of the "safe harbor" provisions of the of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on PARIS RE's and PartnerRe's assumptions and expectations concerning future events and financial performance, in each case, as they relate to PARIS RE, PartnerRe or the combined company. 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. These forward-looking statements could be affected by numerous foreseeable and unforeseeable events and developments such as exposure to catastrophe, or other large property and casualty losses, adequacy of reserves, risks associated with implementing business strategies and integrating new acquisitions, levels and pricing of new and renewal business achieved, credit, **interest**, currency and other risks associated with the PARIS RE's, PartnerRe's, or the combined company's investment portfolio, changes in accounting policies, the risk that a condition to closing of the proposed transaction may not be satisfied, the risk that a regulatory approval that may be required for the proposed transaction is not obtained or is obtained subject to conditions that are not anticipated, failure to consummate or delay in consummating the proposed transaction for other reasons, and other factors identified in PartnerRe's filings with the United States Securities and Exchange Commission and in PARIS RE's Registration Document (Document de Référence) filed with the Autorité des Marchés Financiers (the French securities regulator, the "AMF") on April 29, 2009 under the n° R.09-036, which is also available in English on PARIS RE's web site (http://www.paris-re.com). 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. Each of PARIS RE and PartnerRe disclaims any obligation to publicly update or revise any forward-looking information or statements.*

Additional Information and Where to Find It

If required by the applicable laws and regulations, PartnerRe will file a registration statement and exchange offer prospectus with the United States Securities and Exchange Commission (the "SEC") in connection with the proposed transaction. PARIS RE urges investors and shareholders to read such documents when they become available and any other relevant documents filed with the SEC because they will contain important information. If these documents are filed, investors and shareholders will be able to obtain these documents free of charge at the website maintained by the SEC at www.sec.gov. In addition, documents filed with the SEC by PartnerRe are available free of charge by contacting Robin Sidders, Director of Investor Relations, PartnerRe Ltd., 90 Pitts Bay Road, Pembroke, Bermuda HM 08, (441) 292-0888 or on the investor relations portion of the PartnerRe website at www.partnerre.com. An information document and a document in response will be filed with the AMF and will be published and available on the website of the AMF (www.amf-france.org).

Important Information for Investors and Shareholders

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The distribution of this communication may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe any such restrictions.

Subject to satisfaction of certain conditions precedent, PartnerRe will file an exchange offer for PARIS RE shares and warrants to purchase such shares. The offer remains subject to review by the AMF.

Consolidated Balance Sheet

US $ million (net)

Assets	June 30, 2009	December 31, 2008
Intangible assets	**198.2**	**224.9**
Funds Withheld Asset (FWA)	2,315.9	2,472.8
Directly held assets	2,629.9	2,206.9
Financial invested assets	**4,945.8**	**4,679.8**
Ceded technical reserves	**285.3**	**230.4**
Deferred tax assets	**3.5**	**18.8**
Receivables arising from reinsurance operations	198.3	151.5
Reserve agreement	27.4	39.6
Other operating receivables	19.7	58.5
Fixed assets	2.8	3.6
Technical accruals - assets	891.7	603.9
Other assets	**1,139.8**	**857.1**
Cash and cash equivalents	**237.9**	**380.7**
Total assets	**6,810.5**	**6,391.7**

Liabilities	June 30, 2009	December 31, 2008
Capital and capital in excess of nominal value	1,181.1	1,317.2
Retained earnings and other reserves	636.4	658.5
Currency translation reserves	220.0	230.2
Net income for the year	121.0	(34.2)
Common shareholders' equity	**2,158.6**	**2,171.8**
Gross technical reserves	4,125.8	3,781.4
Foreign exchange natural hedging	0.0	6.4
Liabilities relating to reinsurance and investment contracts	**4,125.8**	**3,787.8**
Provisions for risks and charges	**11.4**	**11.9**
Deferred tax liabilities	**87.4**	**92.5**
Debt	**-**	**-**
Payables relating to reinsurance operations	169.7	130.1
Reserve agreement	103.7	109.6
Payables - current tax position	14.8	8.8
Other operating payables	56.0	50.6
Technical accruals - liabilities	83.2	28.6
Other payables	**427.3**	**327.7**
Bank overdrafts	**-**	**-**
Total liabilities	**6,810.5**	**6,391.7**

US $ million (net)

Tangible shareholders' equity	June 30, 2009	December 31, 2008
Shareholders' equity	2,158.6	2,171.8
Intangible	(198.2)	(224.9)
Deferred taxes on intangible	56.9	62.8
Tangible shareholders' equity	**2,017.3**	**2,009.6**

US $ million

Net operating income *(After breakdown of net income from retrocessions)*	Six months ended June 30			Three months ended June 30		
	2009	2008 Pro forma	2008	2009	2008 Pro forma	2008
Gross written premiums [1]	**953.6**	**1,100.0**	**1,083.7**	**292.5**	**319.5**	**309.7**
Premiums ceded [1]	(137.2)	(181.3)	(182.5)	(51.4)	(41.6)	(43.3)
Net written premium [1]	**816.4**	**918.7**	**901.1**	**241.2**	**277.9**	**266.5**
Net variation in unearned premium reserves [1]	(238.3)	(326.9)	(327.4)	37.4	32.0	32.0
Net earned premium [1]	**578.1**	**591.8**	**573.8**	**278.6**	**309.9**	**298.5**
Commissions and brokerage [1]	(97.7)	(103.9)	(114.7)	(51.2)	(52.2)	(64.6)
Claims [1]	(381.3)	(352.1)	(323.3)	(179.4)	(180.6)	(156.8)
Net underwriting income	**99.1**	**135.9**	**135.9**	**48.0**	**77.1**	**77.1**
Net investment income	87.3	129.5	129.5	43.7	59.9	59.9
Financial results – other	(0.3)	(0.9)	(0.9)	(0.2)	(0.1)	(0.1)
Net financial income before realized gains and losses and exchange rate impact	**86.9**	**128.6**	**128.6**	**43.5**	**59.8**	**59.8**
General expenses before amortization of intangibles and costs linked to combination agreement with PartnerRe	**(50.2)**	**(80.7)**	**(80.7)**	**(22.4)**	**(40.8)**	**(40.8)**
Net operating income before tax	**135.8**	**183.7**	**183.7**	**69.0**	**96.1**	**96.1**
Income tax	(15.4)	(33.1)	(33.1)	(9.7)	(15.1)	(15.1)
Net operating income	**120.4**	**150.6**	**150.6**	**59.4**	**81.0**	**81.0**

1 Unaudited -Pro forma
Gross written premiums are adjusted for retrocession accounted by COLISEE RE in the name of PARIS RE and claims are adjusted for the impact of the Reserve Agreement with COLISEE RE which has been split between premiums, commissions and claims instead of claims only in the previous disclosures.

Ratios						
Loss ratio	**66.0%**	**59.5%**	**56.3%**	**64.4%**	**58.3%**	**52.5%**
Net expense ratio	**25.6%**	**31.2%**	**34.1%**	**26.4%**	**30.0%**	**35.3%**
Commission and brokerage ratio	**16.9%**	**17.6%**	**20.0%**	**18.4%**	**16.8%**	**21.6%**
General expenses ratio	**8.7%**	**13.6%**	**14.1%**	**8.0%**	**13.2%**	**13.7%**
General expenses ratio (excluding management equity plan expense)	**7.5%**	**11.3%**	**11.6%**	**5.9%**	**11.1%**	**11.6%**
Combined ratio	**91.5%**	**90.7%**	**90.4%**	**90.8%**	**88.3%**	**87.8%**
Combined ratio (excluding management equity plan expense)	**90.3%**	**88.3%**	**87.9%**	**88.7%**	**86.3%**	**85.7%**

Non-IFRS Measures

In addition to the IFRS measures included within this release, we have presented the following non-IFRS measures:

Net Operating Income. We define net operating income as IFRS net income plus (i) the after-tax impact of the intangible amortization resulting from the acquisition of AXA's reinsurance operations, (ii) the after-tax impact of foreign exchange gains and losses principally in connection with the revaluation of US dollar-denominated capital in subsidiaries with non-US dollar functional currencies, (iii) after-tax realized capital gains and losses during the period, and (iv) after-tax impairments on invested asset.

Diluted Book Value and Tangible Book Value Per Share Using "If Converted" Method. We define diluted book value and tangible book value per share assuming that all warrants and options (both vested and unvested) are exercised if their strike price does not exceed the fully diluted book value per share on an "if converted" basis. See the reconciliation in Table 2.

Tangible Shareholders' Equity. Tangible shareholders' equity is defined as IFRS shareholders' equity reduced by (i) intangible assets primarily related to the acquisition of COLISEE RE net of (ii) deferred tax liabilities in connection with the intangible assets.

Accounting for Currencies

Foreign Currency Translations in Local Accounts. Transactions conducted in foreign currencies (currencies other than the functional currency) are converted into the functional currency at the exchange rate in effect on the closing date of the transaction, using for practical purposes, the average annual exchange rate.

Conversion of Financial Statements of a Foreign Affiliate. Where the functional currency of a PARIS RE affiliate does not match the reporting currency, the consolidated balance sheet of such entity is converted using the closing date exchange rate while the income statement is converted using the average exchange rate of the period. Exchange rate differences are recorded as variations in shareholders' equity on the line item "currency translation reserve".

TABLE 1

US $ million

Exposure to ABS	June 30, 2009	March 31, 2009	December 31, 2008
ABS Residential	19.4	21.9	28.8
of which "Subprime"	5.0	5.6	7.8
of which "Alt A"	2.9	3.2	3.7
of which "Manufactured housing"	5.2	6.5	7.3
of which "Prime"	6.4	6.7	10.1
CMBS	1.4	2.6	2.7
ABS Auto	-	-	-
ABS Credit Card	-	-	-
ABS Equipment	-	-	-
Agency CMO/MBS	72.2	74.7	76.5
ABS Student Loan	13.4	14.8	16.0
Total net book value	**106.4**	**114.0**	**124.1**
Unrealized losses	0.5	(1.1)	(3.2)
Total market value	**106.9**	**112.9**	**120.9**
Total financial investments	5,183.7	5,058.0	5,060.5
% of total financial investments	**2.1%**	**2.2%**	**2.4%**

US $ million

Detail of impairment and unrealized losses on ABS	June 30, 2009	March 31, 2009	December 31, 2008
Unrealized gains and losses on ABS before impairment	(31.9)	(33.2)	(30.2)
Total impairment on balance sheet	(32.4)	(32.1)	(27.0)
Outstanding unrealized losses on ABS	0.5	(1.1)	(3.2)

TABLE 2

US $ million, except per share data in US $

Book value per share	June 30, 2009	December 31, 2008
Common shareholders' equity	2,158.6	2,171.8
Number of shares net of treasury shares	80,628.7	80,659.7
Plus: RSUs including directors' equity plan	1,281.7	806.3
Number of shares	81,910.4	81,466.1
Book value per share (Primary)	**26.35**	**26.66**

Common shareholders' equity	2,158.6	2,171.8
Less: Intangible	(198.2)	(224.9)
Less: Deferred tax liability associated with intangible	56.9	62.8
Tangible shareholders' equity	2,017.3	2,009.6
Number of shares	81,910.4	81,466.1
Tangible book value per share (Primary)	**24.63**	**24.67**

Common shareholders' equity	2,158.6	2,171.8
Plus: Proceeds from exercise of options	38.6	40.1
Plus: Proceeds from exercise of warrants	128.3	143.5
Adjusted shareholders' equity	2,325.5	2,355.4
Common shares outstanding	80,628.7	80,659.7
Plus: RSUs including directors' equity plan	1,281.7	806.3
Plus: Options	1,904.3	1,968.7
Plus: Warrants	8,487.8	8,487.8
Diluted common shares outstanding	92,302.4	91,922.5
Diluted book value per share (diluted on "If converted" basis)	**25.19**	**25.62**

Common shareholders' equity	2,158.6	2,171.8
Less: Intangible	(198.2)	(224.9)
Less: Deferred tax liability associated with intangible	56.9	62.8
Tangible shareholders' equity	**2,017.3**	**2,009.6**
Plus: Proceeds from exercise of options	38.6	40.1
Plus: Proceeds from exercise of warrants	128.3	143.5
Adjusted shareholders' equity	**2,184.2**	**2,193.2**
Common shares outstanding	80,628.7	80,659.7
Plus: RSUs including directors' equity plan	1,281.7	806.3
Plus: Options	1,904.3	1,968.7
Plus: Warrants	8,487.8	8,487.8
Diluted common shares outstanding	92,302.4	91,922.5
Diluted tangible book value per share (diluted on "If converted" basis)	**23.66**	**23.86**

TABLE 3

US $ million

Reserve Agreement reclassifications	June 30, 2008 Pro forma	Reserve Agreement reclassifications	June 30, 2008
Gross written premiums [1]	**1,100.0**	**16.3**	**1,083.7**
Premiums ceded [1]	(181.3)	1.3	(182.5)
Net written premium [1]	**918.7**	**17.6**	**901.1**
Net variation in unearned premium reserves [1]	(326.9)	0.5	(327.4)
Net earned premium [1]	**591.8**	**18.0**	**573.8**
Claims net of retrocession [1]	(352.1)	(28.8)	(323.3)
Commissions and brokerage net of retrocession [1]	(103.9)	10.8	(114.7)
Net underwriting income	**135.9**	**(0.0)**	**135.9**

1 Unaudited -Pro forma
Gross written premiums are adjusted for retrocession accounted by COLISEE RE in the name of PARIS RE and claims are adjusted for the impact of the Reserve Agreement with COLISEE RE which has been split between

TABLE 4

US $ million

Six months ended June 30

	Property		Casualty		Marine / Aviation / Space		Credit / Surety		Facultatives		Life / Accident & Health		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums	**460.7**	**495.6**	**157.5**	**180.9**	**57.2**	**76.3**	**94.3**	**137.4**	**120.1**	**135.1**	**63.8**	**74.8**	**953.6**	**1,100.0**
Net written premiums	**373.5**	**369.5**	**157.5**	**180.3**	**55.6**	**73.5**	**83.3**	**126.8**	**83.8**	**96.2**	**62.8**	**72.4**	**816.4**	**918.7**
Net earned premiums	**238.5**	**218.7**	**111.0**	**113.5**	**44.3**	**54.0**	**48.6**	**65.0**	**83.5**	**105.1**	**52.1**	**35.5**	**578.1**	**591.8**
Claims net of retrocession	-101.5	-87.0	-88.7	-77.6	-30.5	-34.7	-65.4	-35.0	-44.8	-91.8	-50.5	-26.0	-381.3	-352.1
Commissions & brokerage net of retrocession	-33.0	-27.9	-24.0	-24.3	-5.7	-7.4	-17.0	-22.4	-12.7	-16.4	-5.2	-5.5	-97.7	-103.9
Net underwriting income	**104.1**	**103.8**	**-1.6**	**11.6**	**8.1**	**11.9**	**-33.8**	**7.6**	**26.0**	**-3.1**	**-3.6**	**4.0**	**99.1**	**135.9**
General expenses	-24.1	-34.2	-7.8	-13.2	-3.3	-6.2	-1.7	-5.4	-9.0	-17.1	-4.3	-4.7	-50.2	-80.7
Net underwriting income after general expenses	**80.0**	**69.6**	**-9.4**	**-1.6**	**4.8**	**5.7**	**-35.5**	**2.2**	**17.0**	**-20.2**	**-7.9**	**-0.8**	**48.9**	**55.1**
Total loss ratio net of reinsurance	42.5%	39.8%	79.9%	68.3%	68.9%	64.3%	134.4%	53.9%	53.6%	87.3%	96.8%	73.2%	66.0%	59.5%
Net commissions & brokerage ratio	13.8%	12.7%	21.6%	21.4%	12.9%	13.7%	35.0%	34.4%	15.3%	15.6%	10.1%	15.6%	16.9%	17.6%
General Expense Ratio	10.1%	15.6%	7.0%	11.6%	7.4%	11.4%	3.6%	8.3%	10.7%	16.3%	8.2%	13.3%	8.7%	13.6%
Combined Ratio	**66.5%**	**68.2%**	**108.5%**	**101.4%**	**89.2%**	**89.4%**	**173.0%**	**96.6%**	**79.6%**	**119.2%**	**115.1%**	**102.1%**	**91.5%**	**90.7%**

Three months ended June 30

	Property		Casualty		Marine / Aviation / Space		Credit / Surety		Facultatives		Life / Accident & Health		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross written premiums	**155.4**	**158.4**	**26.6**	**44.3**	**6.6**	**8.9**	**2.3**	**2.7**	**75.8**	**82.2**	**25.7**	**22.9**	**292.5**	**319.5**
Net written premiums	**117.6**	**133.8**	**26.9**	**44.2**	**6.9**	**6.8**	**0.3**	**2.4**	**63.7**	**67.8**	**25.7**	**23.0**	**241.2**	**277.9**
Net earned premiums	**98.1**	**114.1**	**56.1**	**59.8**	**17.8**	**25.8**	**25.1**	**31.4**	**50.4**	**60.2**	**31.0**	**18.6**	**278.6**	**309.9**
Claims net of retrocession	-34.7	-39.0	-49.1	-37.6	-12.0	-17.3	-23.1	-19.8	-27.0	-51.7	-33.5	-15.2	-179.4	-180.6
Commissions & brokerage net of retrocession	-15.8	-14.6	-12.3	-12.9	-2.3	-2.8	-9.1	-10.7	-8.6	-9.4	-3.1	-1.9	-51.2	-52.2
Net underwriting income	**47.6**	**60.5**	**-5.4**	**9.3**	**3.5**	**5.7**	**-7.0**	**0.9**	**14.8**	**-0.9**	**-5.6**	**1.5**	**48.0**	**77.1**
General expenses	-12.4	-15.6	-3.3	-6.7	-1.2	-3.2	0.1	-3.6	-3.1	-8.9	-2.7	-2.8	-22.4	-40.8
Net underwriting income after general expenses	**35.3**	**44.9**	**-8.6**	**2.6**	**2.3**	**2.4**	**-6.9**	**-2.7**	**11.7**	**-9.8**	**-8.3**	**-1.2**	**25.5**	**36.3**
Total loss ratio net of reinsurance	35.4%	34.2%	87.6%	62.8%	67.4%	67.2%	91.9%	63.2%	53.6%	85.8%	107.9%	81.8%	64.4%	58.3%
Net commissions & brokerage ratio	16.1%	12.8%	22.0%	21.6%	12.9%	10.8%	36.1%	34.0%	17.0%	15.6%	10.1%	10.0%	18.4%	16.8%
General Expense Ratio	12.6%	13.7%	5.8%	11.2%	6.6%	12.6%	-0.5%	11.4%	6.1%	14.7%	8.6%	14.8%	8.0%	13.2%
Combined Ratio	**64.0%**	**60.7%**	**115.4%**	**95.6%**	**86.9%**	**90.6%**	**127.5%**	**108.6%**	**76.7%**	**116.2%**	**126.6%**	**106.6%**	**90.8%**	**88.3%**