

Arch Capital Group Ltd. (Nasdaq: ACGL), a publicly listed Bermuda exempted and S&P 500 company, provides insurance, reinsurance and mortgage insurance on a worldwide basis through its wholly owned subsidiaries. Arch's financial strength — combined with a disciplined approach to underwriting and risk management — lets us provide the innovative solutions and support expected of a leader.

TOTAL ASSETS

\$51.1B

TOTAL GROSS PREMIUMS WRITTEN¹

\$16.3B

TOTAL CAPITALIZATION

\$16.7B

TOTAL NET RESERVES

\$14.4B

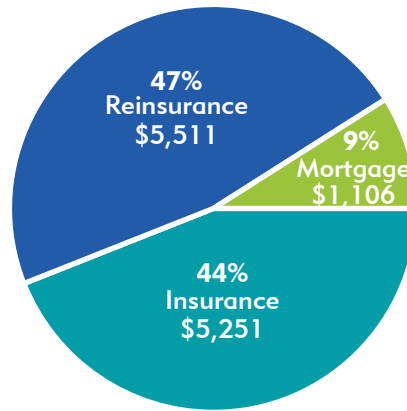
FINANCIAL STRENGTH RATINGS

Standard & Poor's A+	A.M. Best Company A+
Fitch AA-	Moody's A2

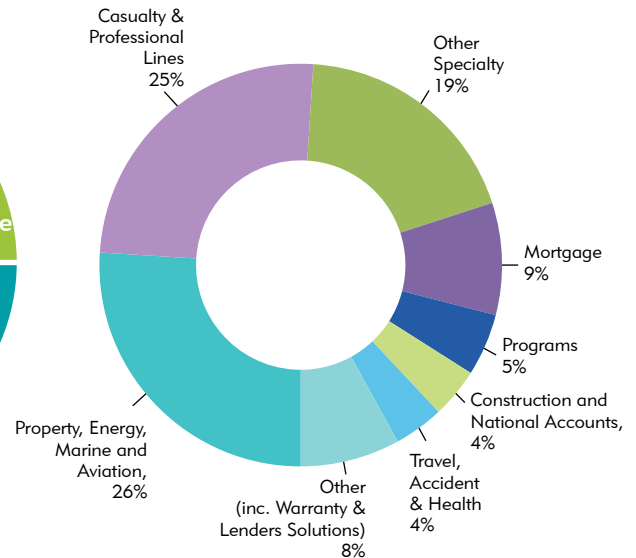
See page two for complete company ratings.

Total Net Premiums Written¹ (\$M)

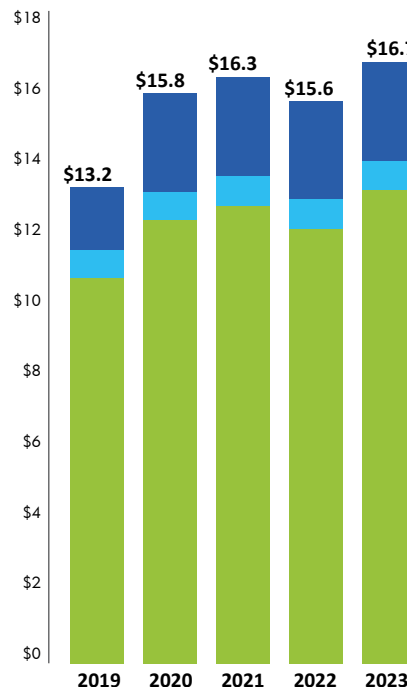
\$11,868



Net Premiums Written by Product Lines¹

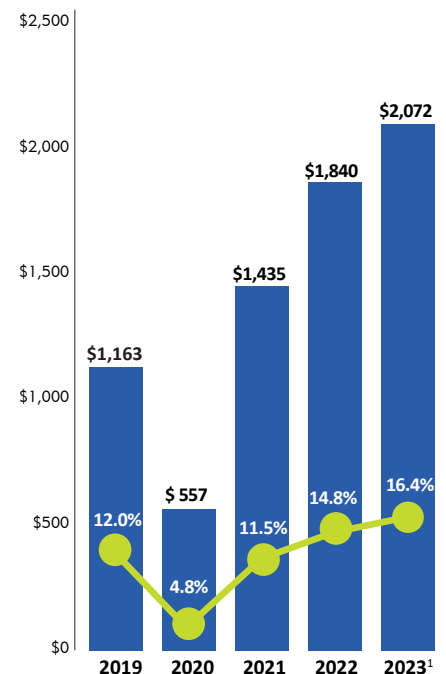


Total Capitalization (\$B)



Common Shareholder Equity
Preferred Shareholder Equity
Debt

Operating Income^{2,3} (\$M)



Operating Income
Return on Average Equity

(1) Trailing 12 months.

(2) Excludes the results of Somers Group Holdings Ltd. (formerly Watford Holdings Ltd.).

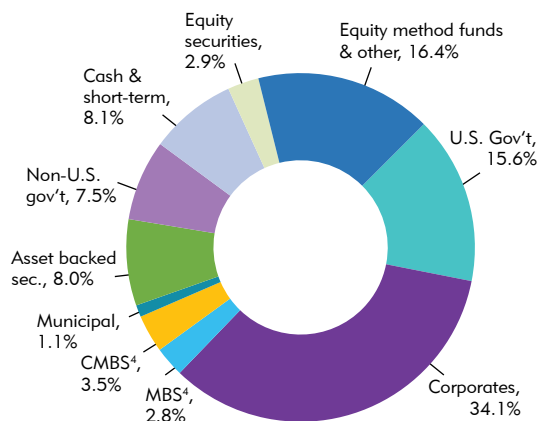
(3) Presentation represents a "non-GAAP" financial measure as defined in Regulation G.

Investment Portfolio

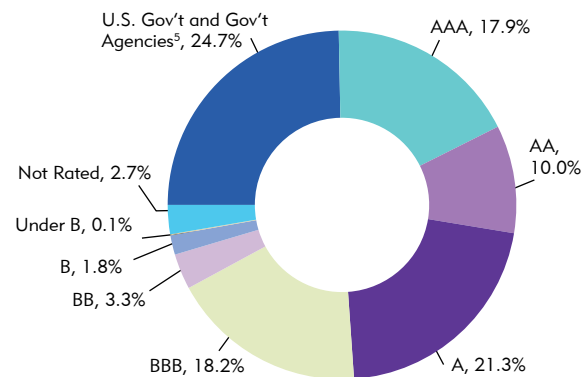
Arch's total return investment approach focuses on improving the Company's Return on Equity through thoughtful target allocation and periodic rebalancing while avoiding undue risk.

- (4) MBS = Mortgage backed securities.
CMBS = Commercial mortgage backed securities.
(5) Includes U.S. government-sponsored agency MBS and agency CMBS.

Investments by Type



Fixed Maturities by Rating



Credit and Financial Strength Ratings

Ratings are as of April 25, 2023.

Credit Ratings			
	S&P	Moody's	Fitch Ratings
Senior Unsecured	A-	Baa1	BBB+
Preferred Stock	BBB	Baa3	BBB

Financial Strength Ratings				
	S&P	Moody's	Fitch Ratings	A.M. Best
Arch Insurance Company	A+	A2	AA-	A+
Arch Specialty Insurance Company	A+	A2	AA-	A+
Arch Indemnity Insurance Company	A+	-	AA-	A+
Arch Property Casualty Insurance Company	A+	A2	AA-	A+
Arch Insurance (UK) Limited	A+	A2	AA-	A+
Arch Insurance Canada Ltd.	A+	-	-	A+
Arch Reinsurance Ltd.	A+	A2	AA-	A+
Arch Reinsurance Company	A+	A2	AA-	A+
Arch Reinsurance Europe Underwriting dac	A+	-	AA-	-
Alwyn Insurance Company Limited	-	-	-	A+
Arch Mortgage Insurance Company	A+	A3		
United Guaranty Residential Insurance Company	A+	A3		
Arch Mortgage Guaranty Company	A+	A3		
Arch LMI Pty Ltd	A	A3		
Arch Insurance (EU) dac	A+	-		
Arch MI Asia Limited	A	-		

For financial information on our [U.S.](#) and [non-U.S.](#) operating subsidiaries, visit ir.archgroup.com and our periodic filings with the SEC.

Non-GAAP Financial Measure

Operating Income refers to “after-tax operating income or loss available to Arch common shareholders,” which is defined as net income available to Arch common shareholders, excluding net realized gains or losses (which includes changes in the allowance for credit losses on financial assets and net impairment losses recognized in earnings), equity in net income or loss of investment funds accounted for using the equity method, net foreign exchange gains or losses, transaction costs and other, loss on redemption of preferred shares, and net of income taxes.

The Company believes that showing net income available to Arch common shareholders exclusive of the items referred to above reflects the underlying fundamentals of the Company’s business since the Company evaluates the performance of and manages its business to produce an underwriting profit. In addition to presenting net income available to Arch common shareholders, the Company believes that this presentation enables investors and other users of the Company’s financial information to analyze the Company’s performance in a manner similar to how the Company’s management analyzes performance. The Company also believes that this measure follows industry practice and, therefore, allows the users of the Company’s financial information to compare the Company’s performance with its industry peer group. The Company believes that the equity analysts and certain rating agencies that follow the Company and the insurance industry as a whole generally exclude these items from their analyses for the same reasons.

The presentation of after-tax operating income available to Arch common shareholders and annualized operating return on average common equity are non-GAAP financial measures as defined in Regulation G. The reconciliation of such measures to net income available to Arch common shareholders and annualized net income return on average common equity (the most directly comparable GAAP financial measures) in accordance with Regulation G is included below:

(U.S. Dollars in millions)	December 31,				TTM* March 31, 2023
	2019	2020	2021	2022	
Net income available to Arch common shareholders	\$ 1,595	\$ 1,364	\$ 2,093	\$ 1,436	\$ 1,955
Net realized (gains) losses	(350)	(815)	(307)	663	354
Equity in net (income) loss of investment funds accounted for using the equity method	(124)	(147)	(366)	(116)	(127)
Net foreign exchange (gains) losses	11	81	(43)	(101)	(80)
Transaction costs and other	15	10	1	1	(1)
Loss on redemption of preferred shares	-	-	15	-	-
Income tax expense (benefit)	16	64	42	(43)	(29)
After-tax operating income available to Arch common shareholders	1,163	557	1,435	1,840	2,072
Beginning common shareholders' equity	8,660	10,717	12,326	12,716	12,090
Ending common shareholders' equity	10,717	12,326	12,716	12,080	13,158
Average common shareholders' equity	9,689	11,522	12,521	12,398	12,624
Annualized return on average common equity	16.5%	11.8%	16.7%	11.6%	15.5%
Annualized operating return on average common equity	12.0%	4.8%	11.5%	14.8%	16.4%

Details for TTM calculation

(U.S. Dollars in millions)	Three months Ended				TTM* March 31, 2023
	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	
Net income available to Arch common shareholders	\$ 394	\$ 7	\$ 849	\$ 705	\$ 1,955
Net realized (gains) losses	267	184	(80)	(17)	354
Equity in net (income) loss of investment funds accounted for using the equity method	(58)	19	(40)	(48)	(127)
Net foreign exchange (gains) losses	(88)	(91)	81	18	(80)
Transaction costs and other	-	-	-	(1)	(1)
Income tax expense (benefit)	(9)	(13)	(4)	(3)	(29)
After-tax operating income available to Arch common shareholders	506	106	806	654	2,072
Beginning common shareholders' equity	12,090	11,588	10,966	12,080	12,090
Ending common shareholders' equity	11,588	10,966	12,080	13,158	13,158
Average common shareholders' equity	11,839	11,277	11,523	12,619	12,624
Annualized return on average common equity	13.3%	0.2%	29.5%	22.3%	15.5%
Annualized operating return on average common equity	17.1%	3.8%	28.0%	20.7%	16.4%

* Trailing twelve months (TTM).

This information is qualified in its entirety by reference to reports filed by Arch Capital Group Ltd. (“Arch Capital”) with the SEC, including, without limitation, the risks and other factors set forth therein, and the ratings reports issued by ratings agencies from time to time. Please note that any opinions, estimates or forecasts regarding the performance of Arch Capital and its subsidiaries made by the ratings agencies are their estimates alone and do not represent opinions, forecasts or predictions of, and have not been adopted by, Arch Capital or its subsidiaries. Arch Capital and its subsidiaries undertake no obligation to publicly update or revise any information contained herein. From time to time, Arch Capital posts additional financial information and presentations to its website, archgroup.com, including information with respect to its subsidiaries, and investors and other recipients of this information are encouraged to check the website regularly for additional information regarding Arch Capital.