

Arch Capital Group Ltd. (Nasdaq: ACGI), is a publicly listed Bermuda exempted company. Arch, which is part of the S&P 500 Index, 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 — enables us to provide the innovative solutions and support expected of a leader.

TOTAL ASSETS

\$62.8B

TOTAL GROSS PREMIUMS WRITTEN¹

\$19.6B

TOTAL CAPITALIZATION

\$22.1B

TOTAL NET RESERVES

\$16.6B

FINANCIAL STRENGTH RATINGS

Standard & Poor's

A+

A.M. Best Company

A+

Fitch

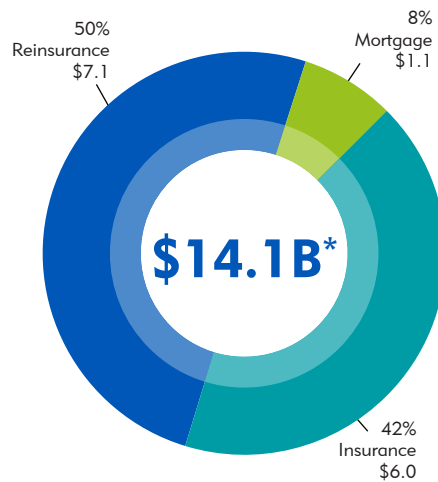
AA-

Moody's

A2

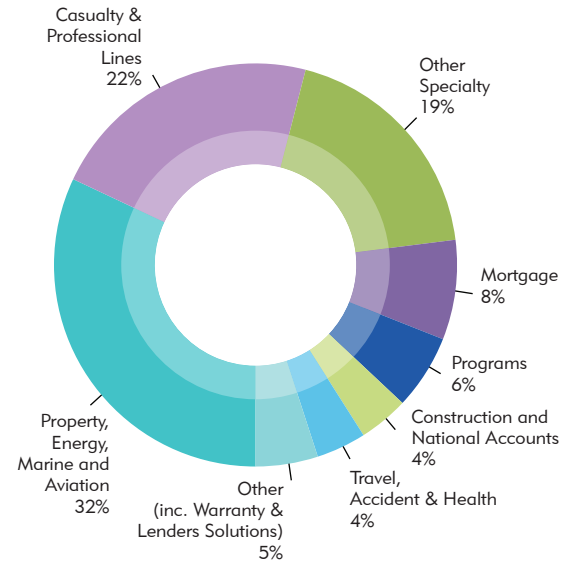
See page two for complete company ratings.

Total Net Premiums Written¹ (\$B)

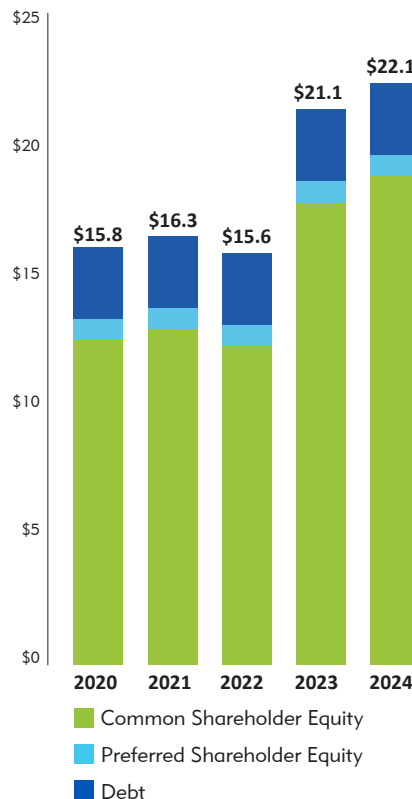


* Amounts presented have been rounded and may not reconcile due to rounding differences.

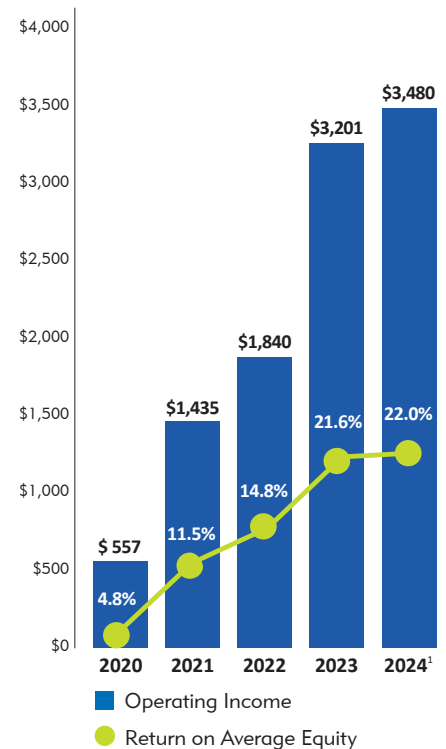
Net Premiums Written by Product Lines¹



Total Capitalization (\$B)



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



(1) Trailing 12 months.

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

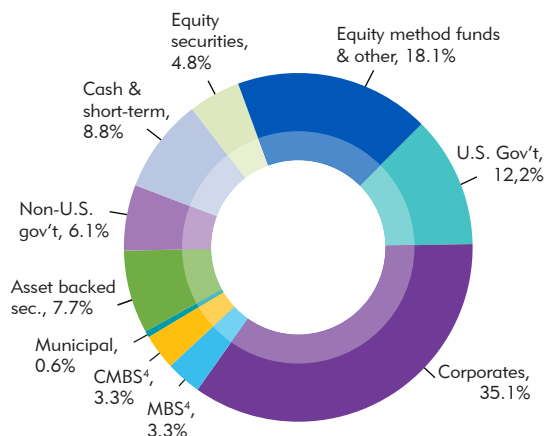
(3) Presentation represents a "non-GAAP" financial measure as defined in Regulation G.

Investment Portfolio

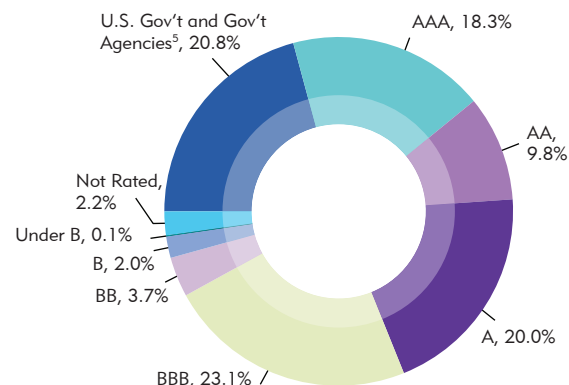
Arch's total return investment approach focuses on improving the Company's Return on Equity through thoughtful target allocation and periodic rebalancing while avoiding undue risk.

- (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 March 31, 2024.

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+	A2	A+	-
United Guaranty Residential Insurance Company	A+	A2	A+	-
Arch Mortgage Guaranty Company	A+	A2	A+	-
Arch LMI Pty Ltd	A	A2	-	-
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 (which for the 2023 fourth quarter includes a one-time deferred tax benefit related to the enactment of Bermuda’s new corporate income tax).

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)	Year Ended December 31,				TTM* March 31, 2024
	2020	2021	2022	2023	
Net income available to Arch common shareholders	\$ 1,364	\$ 2,093	\$ 1,436	\$ 4,403	\$ 4,808
Net realized (gains) losses	(815)	(307)	663	165	115
Equity in net (income) loss of investment funds accounted for using the equity method	(147)	(366)	(115)	(278)	(329)
Net foreign exchange (gains) losses	81	(43)	(102)	62	13
Transaction costs and other	10	1	-	6	14
Loss on redemption of preferred shares	-	15	-	-	-
Income tax expense (benefit)	64	42	(42)	(1,157)	(1,141)
After-tax operating income available to Arch common shareholders	557	1,435	1,840	3,201	3,480
Beginning common shareholders' equity	10,717	12,326	12,716	12,080	13,158
Ending common shareholders' equity	12,326	12,716	12,080	17,523	18,525
Average common shareholders' equity	11,522	12,521	12,398	14,802	15,842
Annualized return on average common equity	11.8%	16.7%	11.6%	29.7%	30.3%
Annualized operating return on average common equity	4.8%	11.5%	14.8%	21.6%	22.0%

Details for TTM calculation (U.S. Dollars in millions)	Three Months Ended				TTM* March 31, 2024
	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	
Net income available to Arch common shareholders	\$ 661	\$ 713	\$ 2,324	\$ 1,110	\$ 4,808
Net realized (gains) losses	123	248	(189)	(67)	115
Equity in net (income) loss of investment funds accounted for using the equity method	(69)	(59)	(102)	(99)	(329)
Net foreign exchange (gains) losses	6	(22)	60	(31)	13
Transaction costs and other	2	1	4	7	14
Loss on redemption of preferred shares	-	-	-	-	-
Income tax expense (benefit)	3	(5)	(1,152)	13	(1,141)
After-tax operating income available to Arch common shareholders	726	876	945	933	3,480
Beginning common shareholders' equity	13,158	13,811	14,409	17,523	13,158
Ending common shareholders' equity	13,811	14,409	17,523	18,525	18,525
Average common shareholders' equity	13,485	14,110	15,966	18,024	15,842
Annualized return on average common equity	19.6%	20.2%	58.2%	24.6%	30.3%
Annualized operating return on average common equity	21.5%	24.8%	23.7%	20.7%	22.0%

* 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.