

Arch Capital Group Ltd. (Nasdaq: ACGL), 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

**\$58.9B**

## TOTAL GROSS PREMIUMS WRITTEN

**\$18.4B**

## TOTAL CAPITALIZATION

**\$21.1B**

## TOTAL NET RESERVES

**\$16.1B**

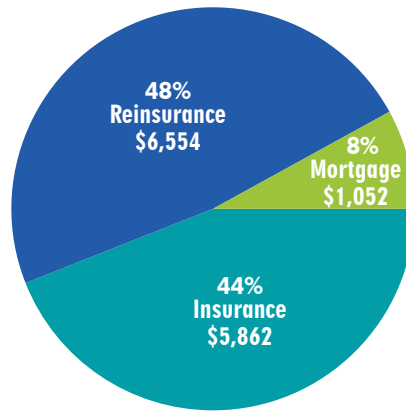
## FINANCIAL STRENGTH RATINGS



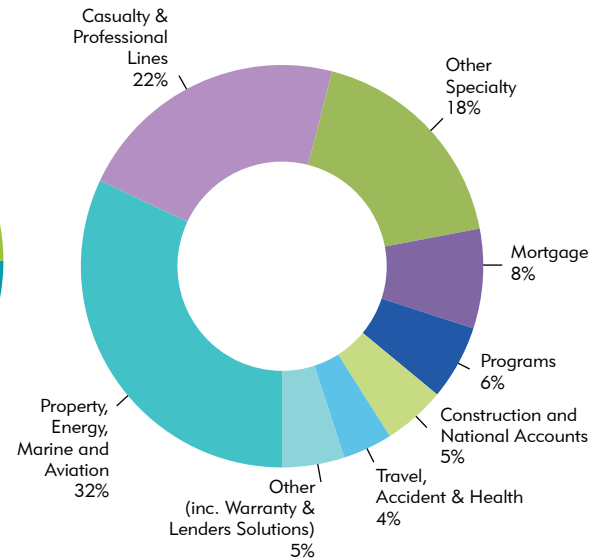
See page two for complete company ratings.

## Total Net Premiums Written (\$M)

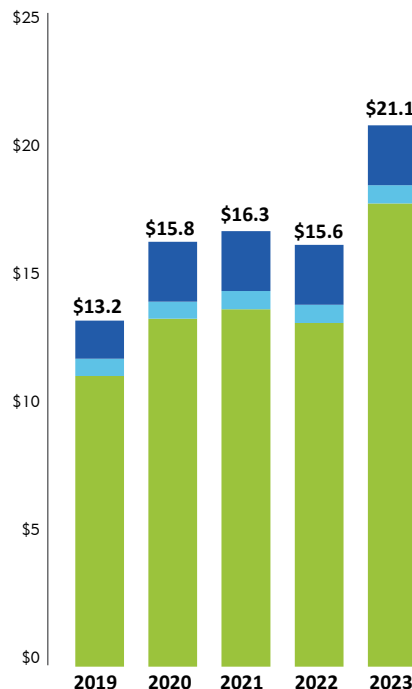
**\$13,468**



## Net Premiums Written by Product Lines

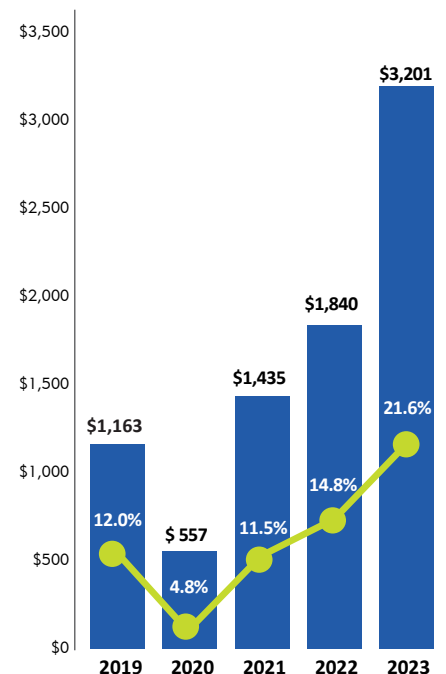


## Total Capitalization (\$B)



Common Shareholder Equity  
Preferred Shareholder Equity  
Debt

## Operating Income<sup>1,2</sup> (\$M)



Operating Income  
Return on Average Equity

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

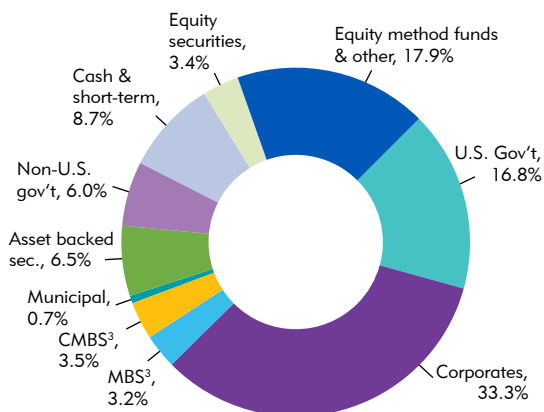
(2) Presentation represents a "non-GAAP" financial measure as defined in Regulation G.

# Investment Portfolio

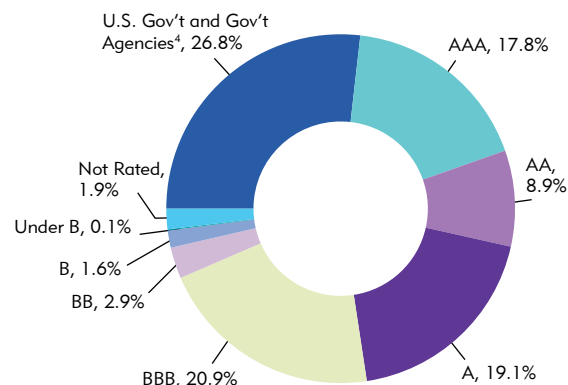
Arch's total return investment approach focuses on improving the Company's Return on Equity through thoughtful target allocation and periodic rebalancing while avoiding undue risk.

- (3) MBS = Mortgage backed securities.  
CMBS = Commercial mortgage backed securities.
- (4) 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 December 31, 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+	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](http://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,				
	2019	2020	2021	2022	2023
Net income available to Arch common shareholders	\$ 1,595	\$ 1,364	\$ 2,093	\$ 1,436	\$ 4,403
Net realized (gains) losses	(350)	(815)	(307)	663	165
Equity in net (income) loss of investment funds accounted for using the equity method	(124)	(147)	(366)	(115)	(278)
Net foreign exchange (gains) losses	11	81	(43)	(102)	62
Transaction costs and other	15	10	1	-	6
Loss on redemption of preferred shares	-	-	15	-	-
Income tax expense (benefit)	16	64	42	(42)	(1,157)
After-tax operating income available to Arch common shareholders	1,163	557	1,435	1,840	3,201
Beginning common shareholders' equity	8,660	10,717	12,326	12,716	12,080
Ending common shareholders' equity	10,717	12,326	12,716	12,080	17,523
Average common shareholders' equity	9,689	11,522	12,521	12,398	14,802
Annualized return on average common equity	16.5%	11.8%	16.7%	11.6%	29.7%
Annualized operating return on average common equity	12.0%	4.8%	11.5%	14.8%	21.6%

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](http://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.