Letter to Shareholders

In many ways, 2008 was an excellent year for RenaissanceRe. While our results were below our targeted outcome, our Company performed well considering the forces impacting the world economy. We upheld our principles of maintaining flexibility, focusing on prudent capital management and careful risk selection, we were there for our customers and we positioned ourselves for the future. As it happened, the future came upon us faster than anticipated, and we find ourselves well prepared to execute on potential opportunities emerging from the financial and market dislocations of today.

At the time of writing last year's Letter to Shareholders, I mentioned potential turmoil in the financial markets as one of the major challenges we would likely have to face in 2008. Few of us, however, foresaw just how precipitous the financial market downturn would be, or the extent of the credit crisis. The second half of the year saw the collapse or near-collapse of some of the most established financial services institutions. To compound matters, there were notable large natural catastrophes, resulting in 2008 being the third most costly year for insured catastrophe losses.

Performing in a Tough Market

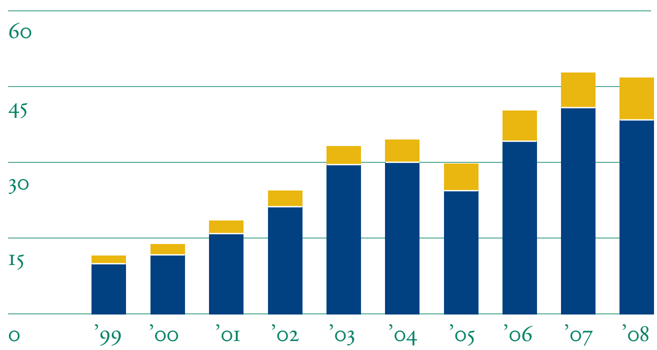
For the year, operating income came in at $193 million, the result of strong underwriting profits despite losses of $276 million from Hurricanes Gustav and Ike. Our operating results were impacted by a total return of negative 2.5% from our investment portfolio, largely due to the financial market downturn. Our operating return on equity was 7.4%. For the year, we suffered a net loss of

$13 million or $0.21 per fully diluted common share reflecting the impact of unrealized and realized losses in our investment portfolio.

One of the weakest segments of our portfolio was in alternative investments, our allocation to hedge funds and private equity funds. We expect the results of these allocations to be more volatile than our fixed income investments, but we also expect them to perform well over time. As we saw the economic environment deteriorate we actively managed our fixed income portfolio to seek to reduce risk in our portfolio, for example reducing our exposure to non-Agency securitized assets such as Alt-A, prime mortgages and commercial mortgages. We expect this period of uncertainty to continue and will actively monitor events and their impact on our portfolio.

Neill A. Currie
President and
Chief Executive Officer

Tangible Book Value per Common Share plus Accumulated Dividends(1)
($)



Tangible Book Value
Accumulated Dividends

(1) In this Annual Report, we refer to various non-GAAP measures, which are explained in the Comments on Regulation G on page 21.

10-Year Compounded Growth in Tangible Book Value per Common Share plus Accumulated Dividends **15.9%**

In 2008, we did not achieve the growth in book value that we strive for. Our tangible book value per share, plus accumulated dividends, decreased this year by 6.9%. The share repurchases we effected, principally in the first half of the year, accounted for approximately five points of that decline. One tenet of our capital management is to return excess capital to our shareholders, and we did so this year by buying back our stock at prices we found attractive at the time. As the credit markets turned, we suspended our share buyback program in order to better position our balance sheet for attractive underwriting opportunities.

We have always managed our Company for long-term results; our financial objective is to build tangible book value per share, plus accumulated dividends, in excess of 15% per year over time. This year we celebrated our 15th anniversary and since our founding, RenaissanceRe has generated an average annual growth in tangible book value per share plus accumulated dividends of 21%.

Despite the year's challenges, our financial strength ratings remain high. A.M. Best and Standard & Poor's affirmed the ratings of our operating entities, highlighting our superior risk-based level of capitalization, excellent underwriting track record and outstanding risk management. I was pleased that A.M. Best upgraded

Credit Ratings

	A.M. Best	S&P	Moody's	Fitch
Reinsurance Segment[1]				
Renaissance Reinsurance	A+	AA-	A2	A
DaVinci	A	A+	-	-
Top Layer Re	A+	AA	-	-
Renaissance Reinsurance of Europe	A+	AA-	-	-
Individual Risk Segment[1]				
Glencoe	A	-	-	-
Stonington	A	-	-	-
Stonington Lloyds	A	-	-	-
Lantana	A	-	-	-
RenaissanceRe[2]	a-	A	Baa1	BBB+

1 The A.M. Best, S&P, Moody's and Fitch ratings for the companies in the Reinsurance and Individual Risk segments reflect the insurer's financial strength rating.

2 The A.M. Best, S&P, Moody's and Fitch ratings for RenaissanceRe represent the credit ratings on its senior unsecured debt.

the financial strength rating of the Glencoe Group and its operating subsidiaries to A. We remain among a select group of reinsurance firms with a "Very Strong" rating from Standard & Poor's, and once again, we maintained our "Excellent" rating for Enterprise Risk Management, which is achieved by only a handful of companies. This year's market turmoil makes this rating particularly meaningful.

Capital and Service

The year ended quite differently from the way it began. At its outset, we encountered relatively soft market conditions but by summertime, credit markets had turned abruptly and capital, which had been so abundant, was suddenly dear and almost inaccessible. Debt and equity markets virtually closed. Our Company, though, remains financially robust and in a strong capital position.

Despite the year's challenges, our financial strength ratings remain high.

We were particularly active, once again, in the Florida marketplace, where Atlantic hurricane risk attracts the preponderance of catastrophe reinsurance dollars. We maintained our long-standing leadership position in that market and our well-earned reputation for supporting our clients. At the same time, we maintained our underwriting discipline, assuming only those risks for which we believed we were being adequately compensated.

The year's major catastrophe highlight in the U.S. was Hurricane Ike, which unleashed substantial damage upon property in Texas, as well as through Kentucky and Ohio and other parts of the Midwest. Together with Hurricane Gustav, these events resulted in a large industry loss for 2008, but the outcomes were within our expectations for events of this magnitude, and we were adequately prepared. We excelled once again at rapid claims payment in the aftermath of Hurricanes Gustav and Ike, a point on which we take great pride.

As the credit crisis took hold, financial market turmoil – and not natural catastrophic events – became the major force driving reinsurance pricing. As we headed into the January 2009 renewal season, we found insurers feeling the effects of losses from both a high-catastrophe year and the investment markets, with limited options of raising capital in the debt and equity markets, shifting relative appetites to shed, rather than absorb, risk. We believe these dynamics contributed to increased demand for traditional reinsurance and the balance sheet protection it affords.

We excelled once again at rapid claims payment in the aftermath of Hurricanes Gustav and Ike …

At RenaissanceRe, as always, we were able to offer capital in the form of reinsurance to our customers when they needed it.

In our Specialty Reinsurance business, which tends toward a few large transactions that are likely to change from year to year, 2008 was not a standout year and premiums were substantially lower than in the prior year. But back in 2007, we felt that sub-prime credits were likely to develop into a major insurance issue and so we determined to reduce writing further reinsurance that exposed us to that risk. Our disciplined approach especially affected our casualty clash business, which provides coverage for exposure to risk on multiple policies from one event. We worked with customers to provide them with a road map for coverage. With the market potentially poised to turn, and with our track record of service and consistency well established, our specialty non-catastrophe reinsurance lines are well positioned for the coming period.

Building Our Franchise, Our People, Our Tools

Early in the year, as is our philosophy in relatively soft market conditions, we focused on improving our operations and strengthening our franchise. We expanded our specialty reinsurance expertise with excellent recruits and are now looking forward to benefiting from their considerable skills as attractive opportunities arise out of the current climate. In a similar vein, we hired noted industry talent to expand specific Individual Risk business areas, such as a highly respected commercial lines specialty insurance writer to build a team in mid-size commercial complex risk, complementing our current work in commercial property insurance.

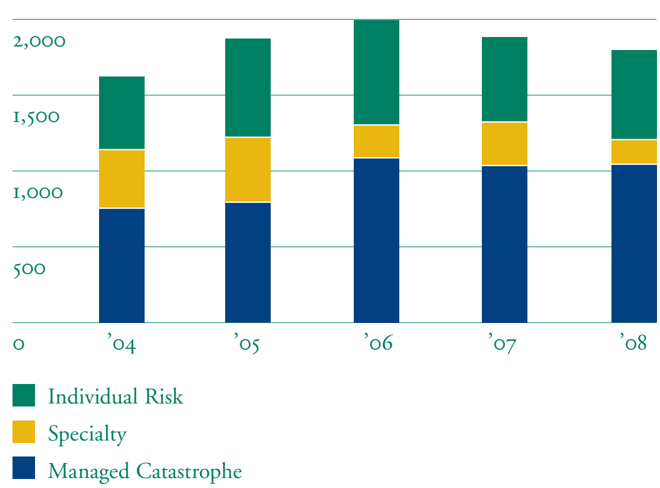
… for our Individual Risk business … the year was highlighted by significant acquisitions and new hires.

Also for our Individual Risk business, which writes both primary insurance and quota share reinsurance, the year was highlighted by significant acquisitions and new hires. While many other companies were retrenching, we chose instead to build up our capabilities.

Our largest acquisition was of the assets of Agro National, a premier managing general underwriter of crop insurance serving the agricultural community. Since 2004, Agro National had worked closely with our Individual Risk operations as a program manager, and we decided to strengthen our multi-peril crop franchise. We were particularly attracted to Agro National for its excellent client relationships, cost-effective structure, and the fact that it is an intensively data-driven business, to which we can bring our superior analytical and technological strengths in risk selection. This acquisition reflected our strategy to balance greater control over our operating capabilities and working in partnership with our program managers. We continue to have strong relationships with our external program managers, who are important to us.

Another important acquisition was that of the assets of Claims Management Services, a claims administrator based in Roswell, Georgia. Our Individual Risk segment had worked with this firm since 2005, and found their services to be excellent and their claims adjusters some of

Gross Managed
Premiums Written by Line[1]
($) millions



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the best in the business. Again, this development brought a better balance to the mix of assets we own versus those we rent.

During the year, our WeatherPredict Consulting affiliate acquired Special Sensory Microwave/Imagery technology that monitors the wetness and temperature of global surfaces. This will add another dimension to our understanding of complex natural peril risks, particularly as it relates to our Agro National crop insurance business.

Leveraging Our Expertise

Our Ventures unit, which offers clients a variety of capital provision alternatives and leverages the Company's core expertise into additional avenues of revenue, had a busy and rewarding year.

Our joint ventures group focuses on providing the market with needed reinsurance capacity in innovative ways. DaVinci, with $1.2 billion of capital, is our 38%-owned joint venture, which enables our partners to invest alongside us in natural catastrophe risk through a separate vehicle with its own balance sheet. In 2008, DaVinci provided a return of 7.5% despite the year's hurricanes, offering our partners

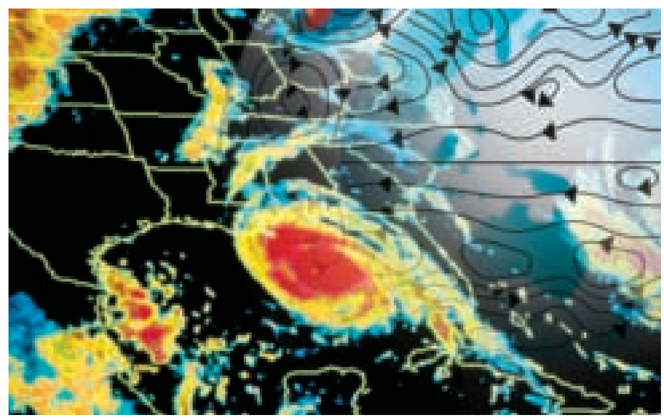
Our joint ventures group focuses on providing the market with needed reinsurance capacity in innovative ways.

a sound investment with sound underwriting results. Top Layer Re, 50%-owned by the Company, provides higher layers of reinsurance coverage for catastrophe-exposed regions outside the United States. At the start of 2009, Top Layer celebrated its 10th anniversary of profitability and an unbroken record of no claims.

We also completed the life cycle of Starbound II, a fully-collateralized joint venture launched in 2007 to provide additional catastrophe reinsurance capacity. The investors in Starbound II, as well as Starbound I and Timicuan Re, two of our previous fully-collateralized joint ventures, have enjoyed attractive returns, showing that we can deliver for our partners while increasing our ability to service our valued reinsurance customer base.

WeatherPredict Consulting, with its expanding team of meteorologists, engineers, oceanographers and physicists, continued to affirm its value to the Company. With advisory services available to outside clients as well as to RenaissanceRe, WeatherPredict Consulting has become a valuable contributor to our understanding of hurricanes and other weather-related phenomena. For example, we were able to place personnel on location as Hurricane Ike made landfall, who were able to monitor and evaluate the impact and severity of the storm in real time, as well as create a unique footprint of Ike and of the accompanying storm surge. This helped our underwriters to make rapid, informed decisions and to share key information with clients as the storm unfolded.

We also increased our professional staffing at RenRe Investment Managers Ltd., which provides weather- and energy-related hedging tools and risk management products which leverage the research of our core business units and of WeatherPredict Consulting.



Risk Mitigation Outreach

RenaissanceRe believes that science-based loss mitigation and safety initiatives represent the most promising means to minimize the physical and economic impact of severe weather events. Along with saving lives and reducing the costs of catastrophes, risk mitigation can play an important role in addressing the issues of the availability and affordability of insurance in storm-vulnerable communities. Last year, I mentioned our partnership with the Federal Alliance for Safe Homes, Inc. (FLASH®), State Farm® and Simpson Strong-Tie, to inform the population at large about storm preparedness through "StormStruck: A Tale of Two Homes™". This new exhibit opened this summer at INNOVENTIONS at *Epcot*® at the *Walt Disney World*® Resort and has attracted large and enthusiastic crowds since its launch.

… science-based initiatives represent the most promising means to minimize the physical and economic impact of severe weather events.

In addition, this year, together with WeatherPredict Consulting, FLASH® and the Institute for Business and Home Safety (IBHS), we led a series of hurricane risk mitigation leadership forums, bringing together top scientists, academics, environmentalists, first responders and policy-makers to advance the search for solutions and hurricane risk mitigation awareness. We have been encouraged by the tremendous feedback and recognition these forums have generated.

Looking Ahead

As we look ahead, financial markets are still unsettled, and we can expect to encounter a multitude of challenges. We will need to focus on optimally managing our assets and allocating our available capital most effectively to support our clients and grow our business. We will have to respond quickly to market opportunities. We will have to continue to monitor political and regulatory activities. And we will have to keep improving our infrastructure to continue operating at the very highest level.

This will demand exceptional execution, to build on the foundation that we have worked so hard to put in place. But I am confident that we will rise to these challenges. We are well positioned to continue to serve our customers in timely, innovative ways, to seize attractive opportunities when they arise, and to build our Company's value for shareholders in the year ahead and beyond.

As a result of the excellent relationships we have established, based upon our quality of service and the above-average financial security we offer, many of our customers continue to prefer doing business with RenaissanceRe, irrespective of market conditions. This helped us through a challenging year and stands us in good stead for the future. We have worked hard to gain such customer loyalty. And we will never take it for granted.

Sincerely,

Neill A. Currie
President and Chief Executive Officer

Message from the Chairman

On behalf of our Board of Directors, I would like to thank the global RenaissanceRe team for their contributions towards helping our clients and our Company navigate this year's challenges. Events this year underscored the importance of vigilant risk management to the basic welfare of any business enterprise. At our Company, robust, ever-evolving risk management is at our very core. Our management team continually seeks to improve and refine its approach to risk management, and our Board of Directors is likewise committed to effective, collaborative oversight of the Company's risk-related policies and practices. I believe this conscientious, collective effort has been a key factor in RenaissanceRe's historical success and underpins our plans for the future.

We believe that our Company is well positioned to support its clients in the challenging, and also potentially exciting, period before us, that RenaissanceRe's strategy and financial position are sound, and that our management team is equipped to undertake the ambitious tasks set before them. Sound corporate governance is also important to achieving these goals, and we Directors will strive to continue to provide both strategic value and effective oversight.

Together with Neill and our fellow Board members, I would like to thank our customers, partners, shareholders and employees for their continued support. We look forward to the continued honor of serving you in the years to come.

W. James MacGinnitie
Chairman of the Board