To Our Shareholders

RenaissanceRe's success in 2012 resulted from the focused, hard work of our talented people, the integration of our operations, and the continued execution of a clear and consistent strategy across our organization.

Our achievements during the year reflected our ongoing commitment to a strategy focused on excellence in evaluating and underwriting low-frequency, high-severity risks. We continued to benefit by enlisting our competitive advantages in the integrated operation of three core areas: superior client relationships, superior risk selection, and superior capital management – an approach explained later in this annual report.

Twenty Years of Focused Leadership

We are in our 20th year of operation. At our inception, we articulated the goal of being the first-call market for our clients and brokers, identifying the "three superiors" I just mentioned as central drivers to achieving that goal. Over our two decades of operation, those drivers have remained embedded in our culture and proven to be fundamental to our long-term success.

I am proud to see that the business model and guiding principles we developed from the outset and have followed diligently ever since, have enabled us once again to generate attractive returns, despite large industry losses in our core market.

Stepping Up to Opportunity in an Uncertain Market

We have always sought opportunity in difficult markets and to be a consistent source of capital for our clients when they need us most. As 2012 began, the global catastrophe reinsurance market was still somewhat uncertain after the string of major disasters during 2011 and late 2010, which included the Japanese earthquake and tsunami, the New Zealand earthquakes, and Hurricane Irene. After these events, many in our industry reduced exposures during the January 2012 renewal season at a time when our clients were looking for coverages and support. We did not.

At RenaissanceRe, as we have after each major catastrophe since we were formed, we approached the January renewals looking to support our clients as expansively as possible, and to pursue promising opportunities. Despite our prior-year losses, we confidently entered the market, growing managed catastrophe premiums by 35% in the first quarter of 2012. Utilizing our ability to evaluate a wide range of risks quickly, we were able to access some of the most desirable opportunities and assemble a large and attractive portfolio. It included risks such as Japanese, Australian and New Zealand earthquake, as well as our traditionally strong participation in the Atlantic hurricane market.

Later in the year, the June 2012 renewals produced fewer and relatively less attractive growth opportunities than January had offered. However, our leading position in Atlantic hurricane exposed markets and coverages enabled us to write well-priced business. This, along with the decisions we had made in January, allowed us to construct an attractive book of business for the year.

Sandy – A Display of Exceptional Customer Service

In a sense, 2012 can be viewed in two parts: the first nine months, with limited insured catastrophic events, and the final quarter, dominated by Sandy. During the first three

Opposite page:

Neill Currie
Chief Executive Officer

"We continue to be a leader in providing rapid solutions to cedants and capital providers while striving to ensure that the risks we assume are attractive and well-suited to our own overall portfolio."

quarters of the year, we experienced some destructive U.S. tornado activity as well as a heightened number of Atlantic hurricanes but few of these reached major strength and, for the most part, remained at sea.

But in late October, Sandy came ashore inflicting significant property damage and, regrettably, loss of life in the densely populated Northeast, especially New York City and the New Jersey coast. Although some in our industry were surprised by the nature and extent of the losses resulting from Sandy, we were not. Our risk models had incorporated the possibility of an event of this scale and in the geographical proximity in which it occurred. Within days after the storm made landfall, we were assisting our clients to evaluate their losses.

Sandy was a prime example of our integrated system at work: the seamless operation of our underwriting, scientific, modeling and claims teams, working in concert. Although it will take a great deal of time for the total claims from Sandy to develop, we quickly estimated our ultimate loss, establishing that it was within our expectation for an event of this nature and would be contained within that quarter's earnings.

As is the case with all storms, earthquakes or other loss events, Sandy added to our base of information for future modeling. Importantly, it also served as another reminder of the inherent volatility of our business and the importance of our products to our clients. As I have said many times, we expect to incur losses in our business, but believe that through superior risk management, our losses will be manageable and our franchise will endure. Our experience with Sandy, one of the largest insured loss events in U.S. history, certainly supports that view.

Innovative Solutions for Third-Party Capital

As 2012 began, low interest rates continued to force those with capital to explore investment alternatives in order to seek better returns. New market entrants with large pools of capital, including pension funds, hedge funds and university endowments, increasingly turned their attention to our industry.

Again, our flexible business model allowed us to adapt to this market dynamic. Through our Ventures unit, we have always been a leader in developing creative solutions for matching third-party capital with risk/return profiles our capital providers find attractive. Working closely with our underwriters, our Ventures team established a fully collateralized joint venture in January 2012, Upsilon Reinsurance Ltd. ("Upsilon Re"), with a limit of $115 million to write retrocessional protection in a market dislocated by insufficient retrocessional capacity. We built upon the success of Upsilon Re and established Upsilon Re II for 2013, with capacity of $186 million, opening it to new investors.

Similarly, in June 2012 we established Timicuan Reinsurance III Limited ("Tim Re III"), a $96 million vehicle specifically focused on reinsurance for the Florida homeowners market. Tim Re III, like its predecessors, provided our investors with excellent returns.

DaVinci, our long-standing joint venture, which writes the same risks as Renaissance Reinsurance but on a separate balance sheet, significantly diversified its shareholder base. We decreased our ownership during the year from 43% to 33%, to make room for a number of high-quality, long-term investors.

Top Layer Re, our joint venture with State Farm Mutual Automobile Insurance Company that writes high layers of international catastrophe reinsurance, experienced another profitable year. Buyers appreciate the magnitude of the line sizes we offer, along with the claims-paying capability of this partnership. We continue to believe that Top Layer Re is one of the most innovative structures in the market today.

Whether providing limited life vehicles, such as the Upsilon and the Timicuan series, insurance-linked securities, or other ongoing ventures, we have proven ourselves adept at structuring innovative vehicles to match the types of risk our capital providers seek. In a market where capital flows more quickly than ever, we continue to be a leader in providing rapid solutions to cedants and capital providers while striving to ensure that the risks we assume are attractive and well-suited to our own overall portfolio.

"Sandy was a prime example of our integrated system at work: the seamless operation of our underwriting, scientific, modeling and claims teams, working in concert."

"RenaissanceRe Syndicate 1458 promotes broader recognition of the RenaissanceRe brand through the vibrant Lloyd's market."

Credit Ratings	A.M. Best	S&P(4)	Moody's	Fitch
Reinsurance Segment (1)				
Renaissance Reinsurance	A+	AA-	A1	A+
DaVinci	A	A+	A3	–
Glencoe	A	A	–	–
Top Layer Re	A+	AA	–	–
Renaissance Reinsurance of Europe	A+	AA-	–	–
Lloyd's Segment				
RenaissanceRe Syndicate 1458	–	–	–	–
Lloyd's Overall Market Rating (2)	A	A+	–	A+
RenaissanceRe (3)	–	Excellent	–	–

(1) The A.M. Best, S&P, Moody's and Fitch ratings for the companies in the Reinsurance and Insurance segments reflect the insurer's financial strength rating.
(2) The A.M. Best, S&P and Fitch ratings for the Lloyd's Overall Market Rating represent its financial strength rating.
(3) The S&P rating for RenaissanceRe represents the rating on its Enterprise Risk Management practices.
(4) The S&P ratings for the companies in the Reinsurance and Insurance segments reflect, in addition to the insurer's financial strength rating, the insurer's issuer credit rating.

Being a Core Partner in a Global Marketplace

RenaissanceRe has always focused on being a trusted long-term partner offering sophisticated risk management solutions to our clients.

Increasingly, clients want partners to provide solutions in more than one risk area. They seek "core" partners who will work closely with them, take on larger lines and provide a broader range of product offerings.

Our Specialty reinsurance unit is well positioned to help us fulfill this need, and we have developed expertise in a variety of classes beyond natural property catastrophe coverage.

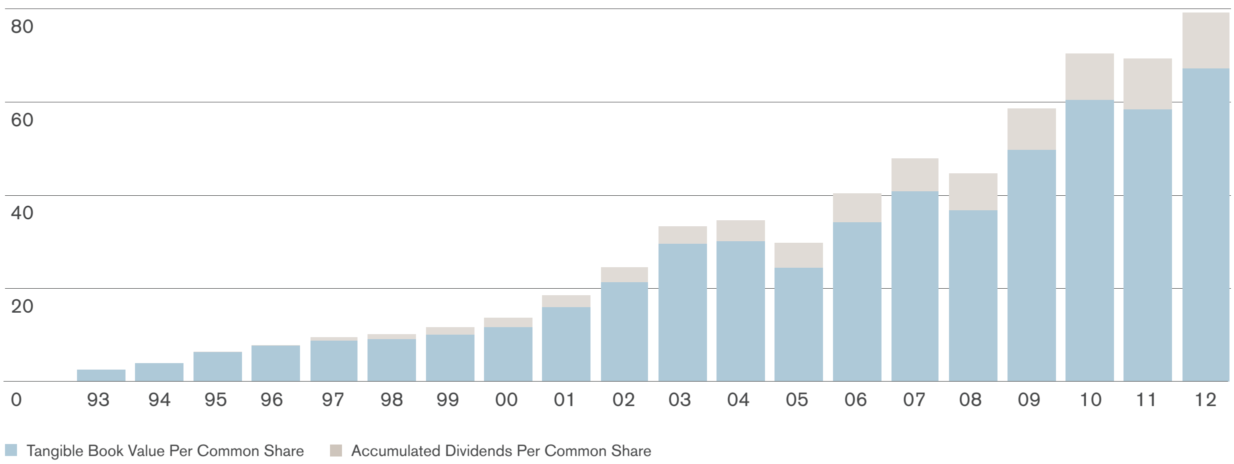
Specialty premiums increased substantially in 2012, up 44% from 2011. We pursued casualty opportunities in the credit and political risk markets, and repositioned Glencoe, our separate Bermuda-based balanced sheet, to write U.S. quota share reinsurance. Our strong Specialty teams have built out a meaningful market position, expanded our product offerings, and enhanced our risk management tools and capabilities.

Our Lloyd's syndicate, which writes both insurance and reinsurance, grew again in 2012 and is continuing to develop as planned. RenaissanceRe Syndicate 1458 promotes broader recognition of the RenaissanceRe brand through the vibrant Lloyd's market and provides access to transactions we would otherwise not see.

We made several steps to increase our global reach during the year. Among other things, Jon Paradine, formerly Chief Underwriting Officer of our flagship operating entity Renaissance Reinsurance, moved to Singapore to explore potential opportunities in this major regional hub to the bourgeoning Asian market.

"Tangible book value per common share, plus accumulated dividends – the primary metric by which we measure the value we create for our shareholders over time – rose by 17% from 2011."

Tangible Book Value Per Common Share Plus Accumulated Dividends ($) (1)



(1) In this Annual Report, we refer to various non-GAAP measures, which are explained in the Comments on Regulation G on pages 21 and 22.

Excellence in Financial Performance and Capital Management

For the year, net income was $566 million and earnings per share were $11.23. Operating income was $402 million and we generated an operating ROE of 12.6%, one of the best among our peers.

Tangible book value per common share plus accumulated dividends – the primary metric by which we measure the value we create for our shareholders over time – rose by 17% from 2011.

Despite Sandy, 2012 was our sixth best year from a net income perspective and our third best in earnings per share.

Our investment portfolio generated attractive risk-adjusted results of 5.1%. Despite the historically low interest rate environment and the continued sluggish U.S. economy, we concluded that pockets of opportunity existed in select fixed-income areas. We believed the housing recovery had substance and increased our allocation to non-agency residential mortgage-backed securities as well as commercial mortgage-backed securities. We also raised our allocation to highly-rated corporate bonds. These decisions paid off, although we continued to maintain a conservative posture with a portfolio duration of about two years.

Our other investments, which account for approximately 10% of our investment portfolio, also performed well. Private equity represents our largest asset class in this portion of the portfolio and largely performed in line with the overall equity markets, returning 9.8% for the year.

At RenaissanceRe, underwriting provides the bulk of our expected profits, not investments. Given the predominantly short-tail nature of our business, we structure our portfolio such that we are able to pay a large number of claims quickly.

"In 2012, we made great strides in implementing investment, accounting and business support tools that allow us to operate seamlessly as an integrated system."

"Our objective is to maintain a unified technological infrastructure linking all our functions onto one global platform."

Therefore, our investments chiefly maintain our liquidity while providing stability and security for our underwriting operations.

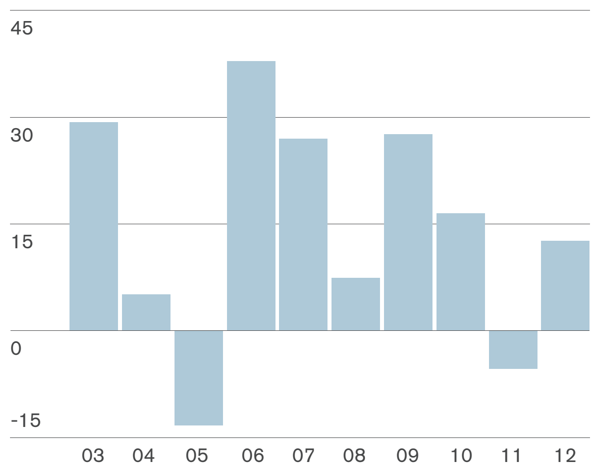
A central tenet of our capital management philosophy has always been to return excess capital to shareholders. During 2012, we repurchased 6.4 million common shares, which we viewed as attractive purchases. In addition, we redeemed 6 million shares or $150 million of our 6.60% Series D Preference Shares, half of the issue outstanding, and returned $110 million of capital to our DaVinci shareholders. We view these actions as being consistent with our commitment to returning capital to our shareholders and joint venture partners whenever we have more capital than we can optimally deploy.

Integration and Collaboration Through Our Technological Capabilities

RenaissanceRe has always used sophisticated technology to aid in the selection of risks and the construction of our portfolio. Over the years, we have spent considerable resources developing our proprietary systems. As we gather an ever-growing amount of information and data, we continue to upgrade capabilities and add capacity to our systems. Our goal is to facilitate the evaluation of transactions with greater granularity, to maintain the highest-quality data, and to incorporate whatever new tools and capabilities our underwriters require.

For the past few years, we have focused on ensuring that every area of the organization benefits from the same high technological standard we have developed on the risk assessment side. In 2012, we made great strides in implementing investment, accounting and business support tools that allow us to operate seamlessly as an integrated system across countries, time zones, currencies and business sectors.

Operating Return On Average Common Equity (%) (1)



(1) In this Annual Report, we refer to various non-GAAP measures, which are explained in the Comments on Regulation G on pages 21 and 22.

Our objective is to maintain a unified technological infrastructure linking all our functions – whether underwriting, risk analytics, investments, accounting or claims processing – onto one global platform, available around the clock in all our locations around the world.

This consolidated platform allows our people to employ the fullest spectrum of tools available, to optimize their interaction and keep them working together as an integrated global entity.

Thought Leadership and Talent

Externally, we continue to be a thought leader in risk mitigation and community resiliency to natural disasters. In 2012, our risk mitigation leadership forums in Orlando and New Orleans brought together elected officials, climatologists and other scientists, emergency responders, "We work hard at hiring smart, well-educated people, who are driven to help our clients and to succeed."

environmental groups and policy experts to discuss the latest ideas for reducing the risks that natural disasters pose to life and property. We were also closely consulted for our flood assessment expertise during the bipartisan reform of the National Flood Insurance Program.

I am proud of the depth of management throughout the Company. We continue to invest in our team and in recruiting new talent to incorporate a more diverse range of perspectives within the senior leaders of our Company. I am delighted that so many of our professionals continue to broaden their skills, through our mentoring and leadership programs and immersion in our culture, to become excellent managers and executives as well as domain experts. As we pursue our strategic plans for the future, it is critical that we continue to attract and retain talented employees who share our ethical standards and our passion for client service and risk management.

Looking Ahead

In the near term, challenges include non-traditional capital continuing to flow into our market, as well as competition steadily growing more sophisticated. Many of the innovations we pioneered, in areas such as catastrophe modeling and structuring vehicles that facilitate third party capital investment, have been imitated or are now commercially available in some fashion. Keeping our edge is a top priority and at the center of our strategy. I believe that over the past two decades, we have put together a company with unsurpassed capabilities in our field. We work hard at hiring smart, well-educated people, who are driven to help our clients and to succeed. We also try to hire people with whom others want to work, with whom clients and brokers want to do business. The importance of this should not be underestimated; our people are a differentiator for RenaissanceRe.

As always, I thank our Board of Directors for their invaluable counsel, as well as my colleagues on the executive committee for their deep commitment to the Company. I would also like to congratulate Kevin O'Donnell, who was promoted to President and remains Global Chief Underwriting Officer. His achievements have helped to instill the highest underwriting standards throughout the Company. Kevin's contributions to our success over the years have been significant and his promotion to President reflects those contributions.

Finally, I want to thank all our employees, whose talents and teamwork make RenaissanceRe such a productive and enjoyable place to work, and of course our many shareholders for their continued support. I am gratified to see how far we have come since our formation twenty years ago and I remain excited about the future prospects of the Company.

Sincerely,

Neill A. Currie
Chief Executive Officer