



TransRe

Business Summary

Including Financials as of June 30, 2014

(All financials are from Alleghany Corporation's SEC filings unless otherwise noted)

August 2014

Your decision to do business with us, to place your trust in us, is based on your need for a partner with:

A Strong Business

A Solid Investment Portfolio

A Positive Reputation

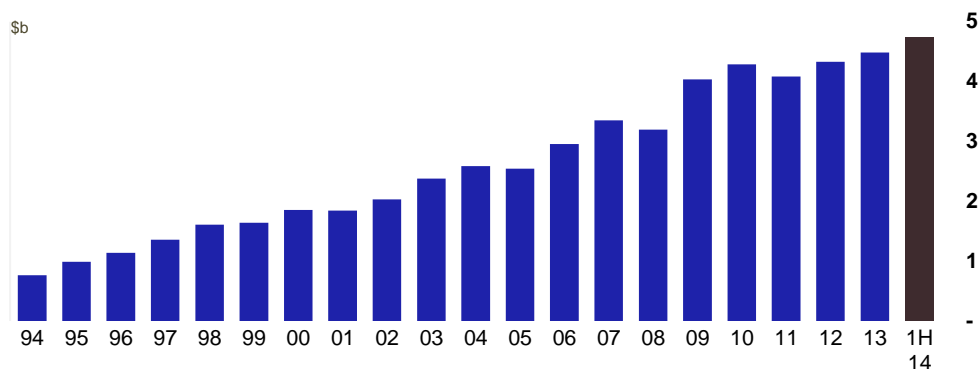
A Stable Ownership Structure

A Complete Suite Of Products

A Worldwide Network Of Local Support

A Singular Focus On Reinsurance

STOCKHOLDERS' EQUITY



- Built through cycles
- Demonstrated resilience

OPERATING PERFORMANCE

\$m	1H 2014	2013
Net Premiums Written	\$1,770	\$3,248
Underwriting Profit	165	334

%	1H 2014	2013
Loss Ratio	58.3%	58.8%
Combined Ratio	89.9%	89.9%

- Solid performance
- Consistent

BALANCE SHEET (\$m)

Assets	Jun 30, 2014	Dec 31, 2013
Investments		
Available for sale securities at fair value		
Equity securities	\$1,384.7	\$1,157.8
Debt securities	12,183.0	12,027.1
Short-term investments	225.8	657.6
	<u>13,793.5</u>	<u>13,842.5</u>
Other Invested assets	360.0	283.7
Total investments	<u>14,153.5</u>	<u>14,126.2</u>
Cash	296.2	378.7
Reinsurance recoverables	504.4	475.2
Goodwill and intangible assets	35.5	31.1
All other Assets	<u>1,730.3</u>	<u>1,548.8</u>
Total assets	<u>\$16,719.9</u>	<u>\$16,560.0</u>

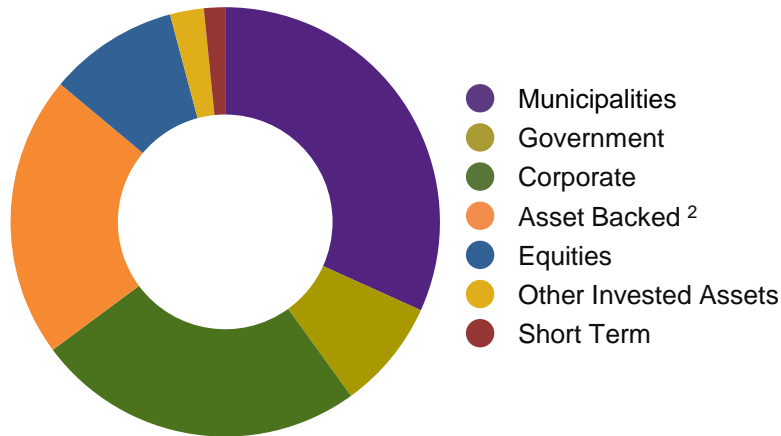
Liabilities & Stockholders' Equity	Jun 30, 2014	Dec 31, 2013
Loss and loss adjustment expenses	\$9,295.5	\$9,473.1
Unearned premiums	1,236.3	1,067.1
Senior notes	1,086.7	1,095.5
All other liabilities	369.5	438.5
Total liabilities	<u>11,988.0</u>	<u>12,074.2</u>
Total stockholders' equity	<u>4,731.9</u>	<u>4,485.8</u>
Total liabilities & stockholders' equity	<u>\$16,719.9</u>	<u>\$16,560.0</u>

CONSOLIDATED UNDERWRITING RESULTS (\$m)

YTD 2014	Property	Casualty & Other	Total
Premiums written			
Gross	\$608.9	\$1,279.5	\$1,888.4
Net	521.9	1,247.9	1,769.8
Net premiums earned	<u>493.2</u>	<u>1,132.0</u>	<u>1,625.2</u>
Net loss and LAE:			
Current year (ex catastrophes)	216.8	799.1	1,015.9
Current year catastrophe losses	17.6	-	17.6
Prior years	(51.3)	(35.6)	(86.9)
	<u>183.1</u>	<u>763.5</u>	<u>946.6</u>
Commissions, brokerage and other underwriting expenses	<u>146.1</u>	<u>367.8</u>	<u>513.9</u>
Underwriting profit/(loss)	<u>\$164.0</u>	<u>\$0.7</u>	<u>164.7</u>
Net investment income			163.0
Net realized capital gains			61.4
OTTI losses			(2.2)
Other income			1.5
Other operating expenses			(29.0)
Amortization of intangible assets			4.5
Interest expense			<u>(24.5)</u>
Earnings before income taxes			<u>\$339.4</u>

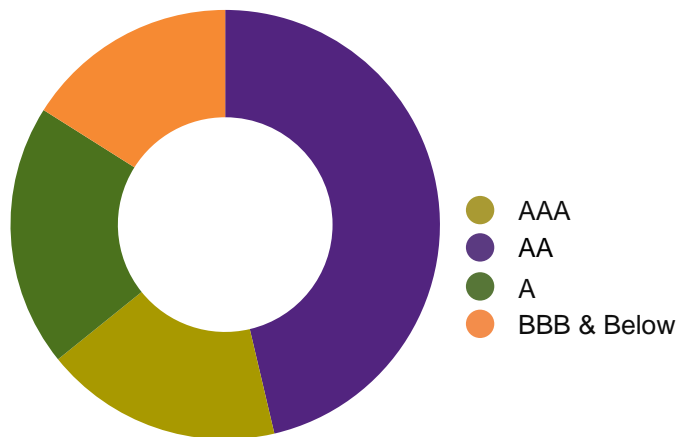
Ratios	Property	Casualty & Other	Total
Net Loss and LAE:			
Current year (ex catastrophe)	44.0%	70.6%	62.5%
Current year catastrophe losses	3.6%	0.0%	1.1%
Prior years	<u>(10.4%)</u>	<u>(3.1%)</u>	<u>(5.3%)</u>
	<u>37.2%</u>	<u>67.5%</u>	<u>58.3%</u>
Expense	<u>29.6%</u>	<u>32.5%</u>	<u>31.6%</u>
Combined	<u>66.8%</u>	<u>100.0%</u>	<u>89.9%</u>

INVESTMENT PROFILE¹



- Conservative, diversified portfolio
- Primary focus - liquid, investment-grade fixed maturity securities
- Objectives
 - Preserve capital
 - Increase surplus
 - Maintain liquidity
 - Optimize after-tax investment income
 - Total rate of return to exceed benchmark

FIXED MATURITY RATINGS¹



- Fixed Maturity Portfolio
 - Average credit rating: AA-
 - Rated A or better: 84%
 - Munis Rated A or Better: 99.9%

¹ As at June 30, 2014
² Principally government backed

AGENCY RATINGS

	Financial Strength Rating	Outlook
Standard & Poor's	A+	Stable
A. M. Best	A (Excellent)	Positive
Moody's	A1	Stable

INDUSTRY FEEDBACK

	Year	Recognition
Flaspohler	2008	North America Broker Rated #3
	2009	North America Customer Rated #5
	2010	North America Broker Rated #3
	2011	North America Customer Rated #7
	2012	North America Broker Rated #4
	2013	North America Customer Rated #5
	2013	Latin America Customer Rated #5
Reactions	2008	London Market #1
	2009	Global Casualty #1
	2010	London CEO Award
	2012	Global Casualty #1
	2013	North America Casualty #1
Information Week	2008	Top 500 Innovator
	2009	Top 500 Innovator
	2010	Top 250 Innovator
	2011	Top 250 Innovator
	2012	Top 500 Innovator
	2013	Top 500 Innovator

- 'well diversified mix of business'
- 'excellent reputation with brokers and clients'
- 'very strong capital adequacy'
- 'conservative investment portfolio'

- 'very flexible in their thinking'
- 'extremely responsive to our needs'
- 'they are focused on reinsurance'

● **Your reinsurer of choice**

COMPANIES



Alleghany

- Founded in 1929: NYSE listed: Y
- Seeks to 'create stockholder value through the ownership and management of a small group of operating subsidiaries and investments, anchored by a core position in property and casualty reinsurance and insurance'

BUSINESS UNITS



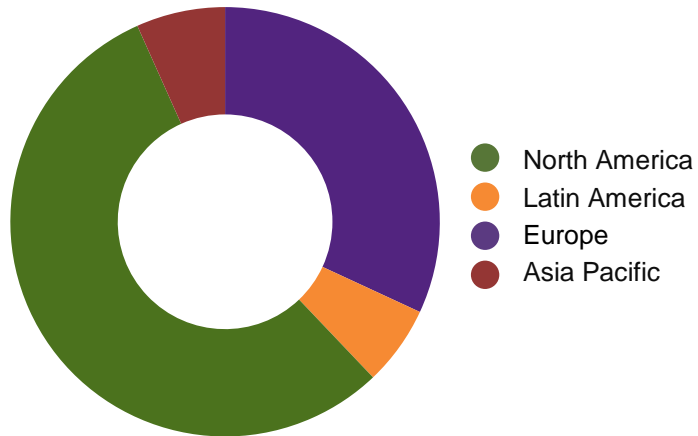
- Other insurance operating subsidiaries and investments:

RSUI Group – US based specialty insurer

CapSpecialty – US based insurer

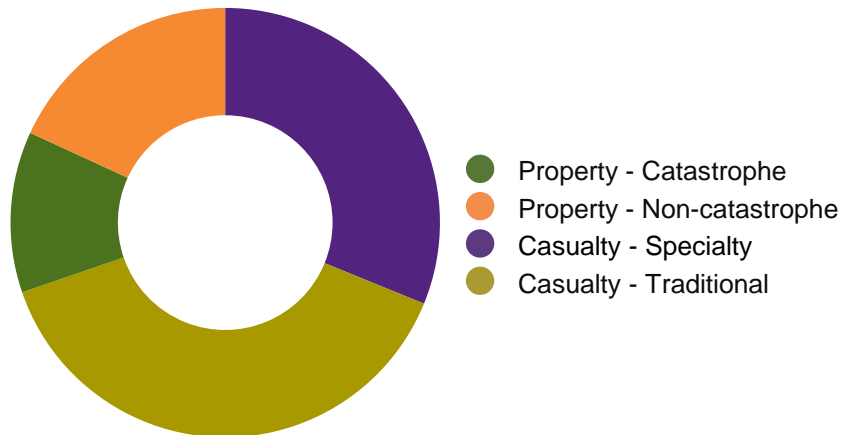
Pacific Comp – US based insurer

PREMIUM BY OFFICE



- Working where our customers are
- Understanding local needs
- Leveraging global skills
- Delivering solutions

PREMIUM BY PRODUCT



- All products, all locations
- Specialty focus
- Significant capacity
- Desire to lead customer lines

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A strong reputation takes a long time to build – and a moment to lose.

We know that and are committed to preserving our record of excellence.

We make the same commitment to you that we make to every client:

We are here for you.

We will be here for you.

We are the right risk partner for you.

