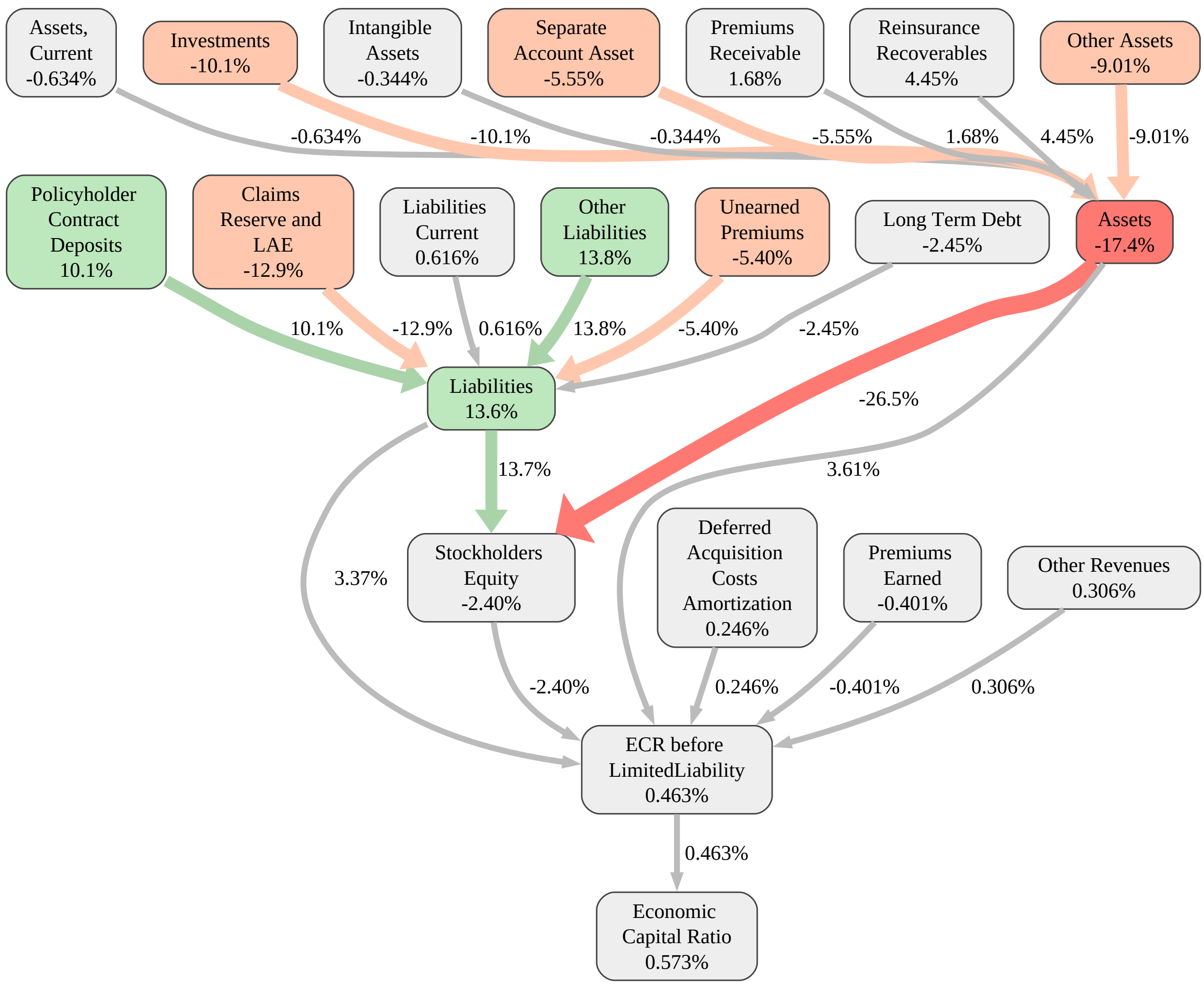
NON-LIFE INSURANCE 2011

Hanover Insurance Group Inc
Rank 16 of 34



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The relative strengths and weaknesses of Hanover Insurance Group Inc are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

The greatest strength of Hanover Insurance Group Inc compared to the market average is the variable Other Liabilities, increasing the Economic Capital Ratio by 14% points.The greatest weakness of Hanover Insurance Group Inc is the variable Assets, reducing the Economic Capital Ratio by 17% points.

The company's Economic Capital Ratio, given in the ranking table, is 89%, being 0.57% points above the market average of 88%.

Input Variable	Value in 1000 USD
Assets, Current	290,400
Assets, Non-Current	398,100
Claims Reserve and LAE	4,798,000
Deferred Acquisition Costs Amortization	669,000
Deferred Policy Acquisition Costs	345,300
General and Administrative Expense	413,800
Insurance Commissions and Fees	0
Intangible Assets	179,200
Investment Income	290,800
Investments	4,965,900
Liabilities Current	0
Long Term Debt	605,900
Other Assets	364,800
Other Compr. Net Income	107,900
Other Expenses	59,900
Other Liabilities	-849,200
Other Net Income	1,900
Other Revenues	20,400
Policyholder Benefits and Claims	1,856,300
Policyholder Contract Deposits	0
Premiums Earned	2,841,000
Premiums Receivable	772,000
Reinsurance Payable	34,400
Reinsurance Recoverables	1,254,200
Revenues Y+1	0
Revenues Y+2	0
Revenues Y+3	0
Revenues Y+4	0
Revenues Y+5	0
Separate Account Asset	0
Unearned Premiums	1,520,300

Output Variable	Value in 1000 USD
Assets	8,569,900
Liabilities	6,109,400
Expenses	2,999,000
Revenues	3,152,200
Stockholders Equity	2,460,500
Net Income	155,100
Comprehensive Net Income	209,050
BaseVar	102,491,626
ECR before LimitedLiability	14%
Economic Capital Ratio	89%

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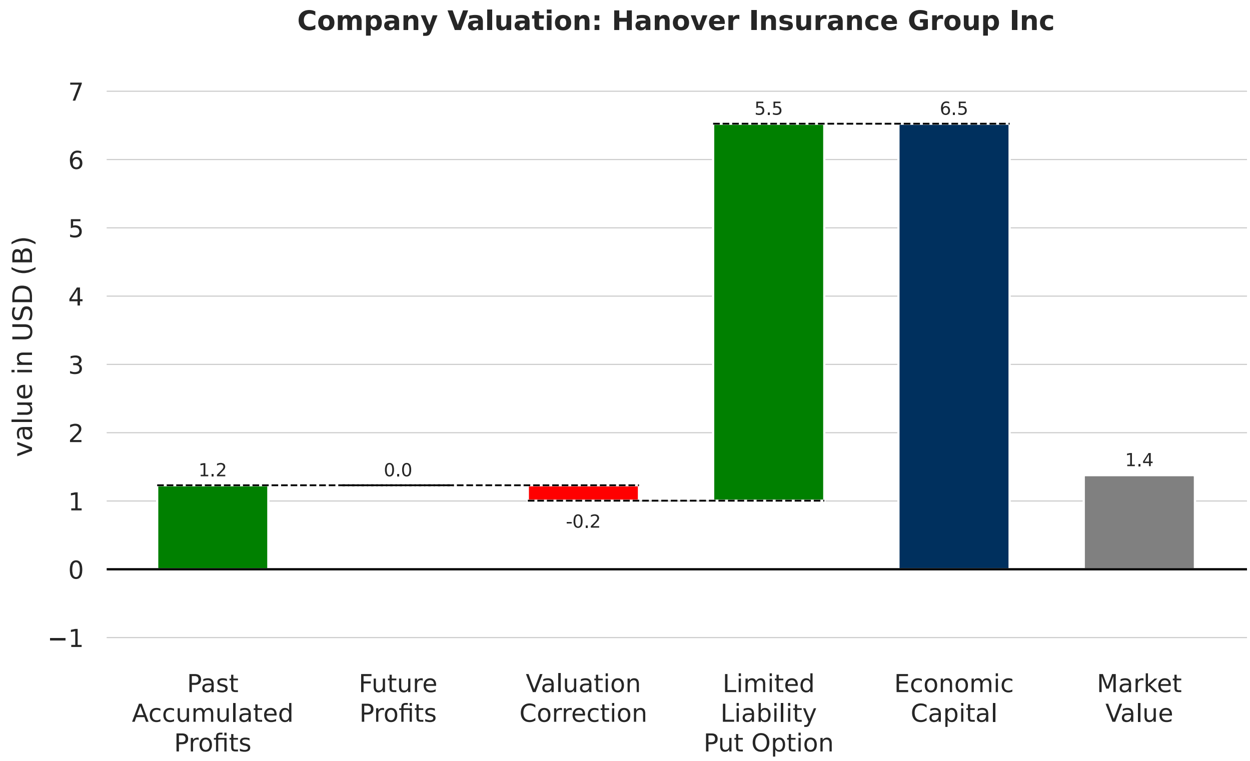

The RealRate Economic Capital of a company is its Past Accumulated Profits plus its Future Profits plus its Valuation Correction plus its Limited Liability Put Option. Past Accumulated Profits and Future Profits can be negative. The Limited Liability Put Option accounts for the limited liability of the shareholders, so the Economic Capital never falls below zero. Where the company is listed, its market value is shown next to it.