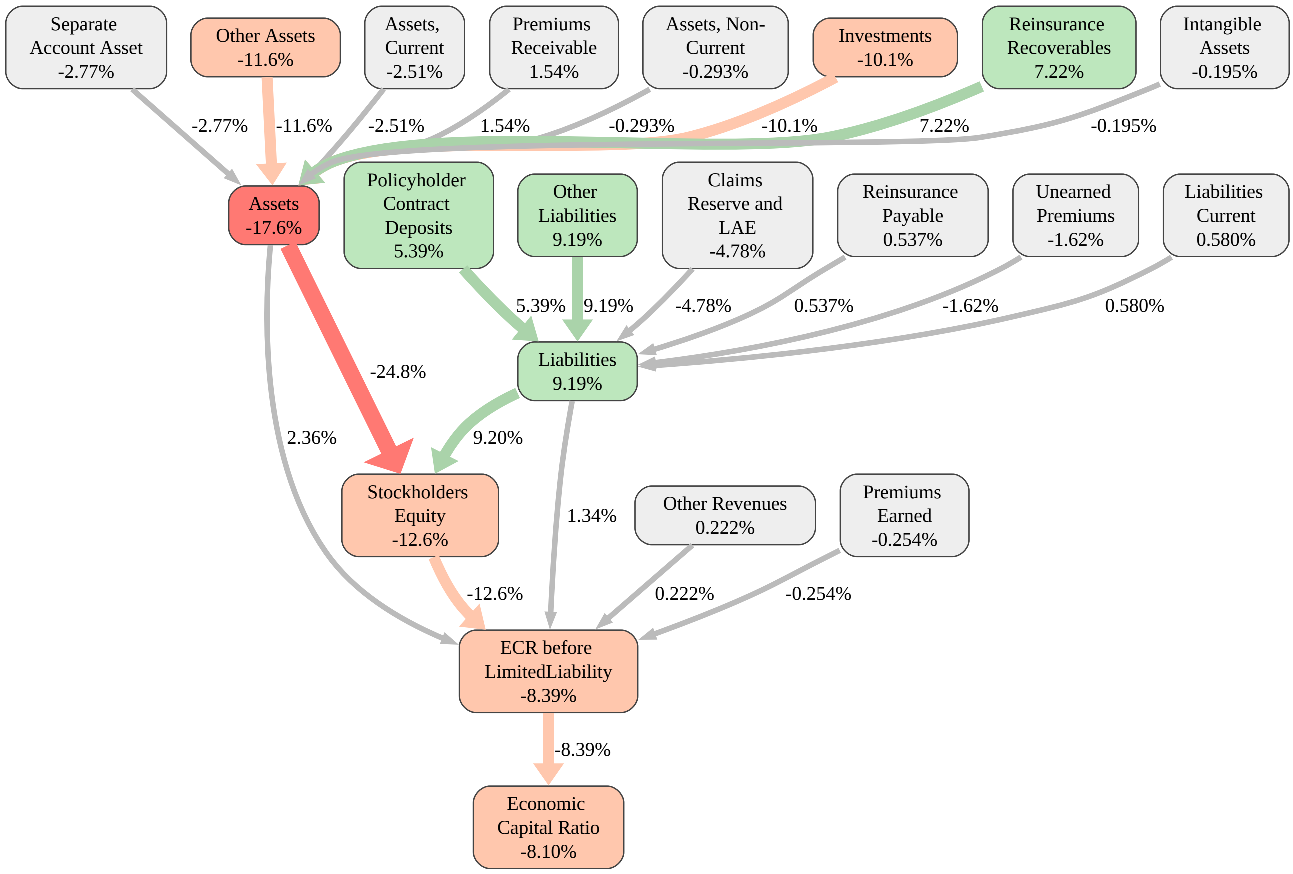
NON-LIFE INSURANCE 2016

Hanover Insurance Group Inc
Rank 40 of 51



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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 Liabilities, increasing the Economic Capital Ratio by 9.2% points.The greatest weakness of Hanover Insurance Group Inc is the variable Assets, reducing the Economic Capital Ratio by 18% points.

The company's Economic Capital Ratio, given in the ranking table, is 85%, being 8.1% points below the market average of 93%.

Input Variable	Value in 1000 USD
Assets, Current	338,800
Assets, Non-Current	493,400
Claims Reserve and LAE	6,574,400
Deferred Acquisition Costs Amortization	1,033,200
Deferred Policy Acquisition Costs	508,800
General and Administrative Expense	655,600
Insurance Commissions and Fees	0
Intangible Assets	186,000
Investment Income	325,400
Investments	7,953,400
Liabilities Current	0
Long Term Debt	812,800
Other Assets	283,800
Other Compr. Net Income	-152,500
Other Expenses	130,300
Other Liabilities	813,300
Other Net Income	700
Other Revenues	3,800
Policyholder Benefits and Claims	2,884,100
Policyholder Contract Deposits	0
Premiums Earned	4,704,800
Premiums Receivable	1,391,700
Reinsurance Payable	205,200
Reinsurance Recoverables	2,635,000
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	2,540,800

Output Variable	Value in 1000 USD
Assets	13,790,900
Liabilities	10,946,500
Expenses	4,703,200
Revenues	5,034,000
Stockholders Equity	2,844,400
Net Income	331,500
Comprehensive Net Income	255,250
BaseVar	233,136,557
ECR before LimitedLiability	9.3%
Economic Capital Ratio	85%

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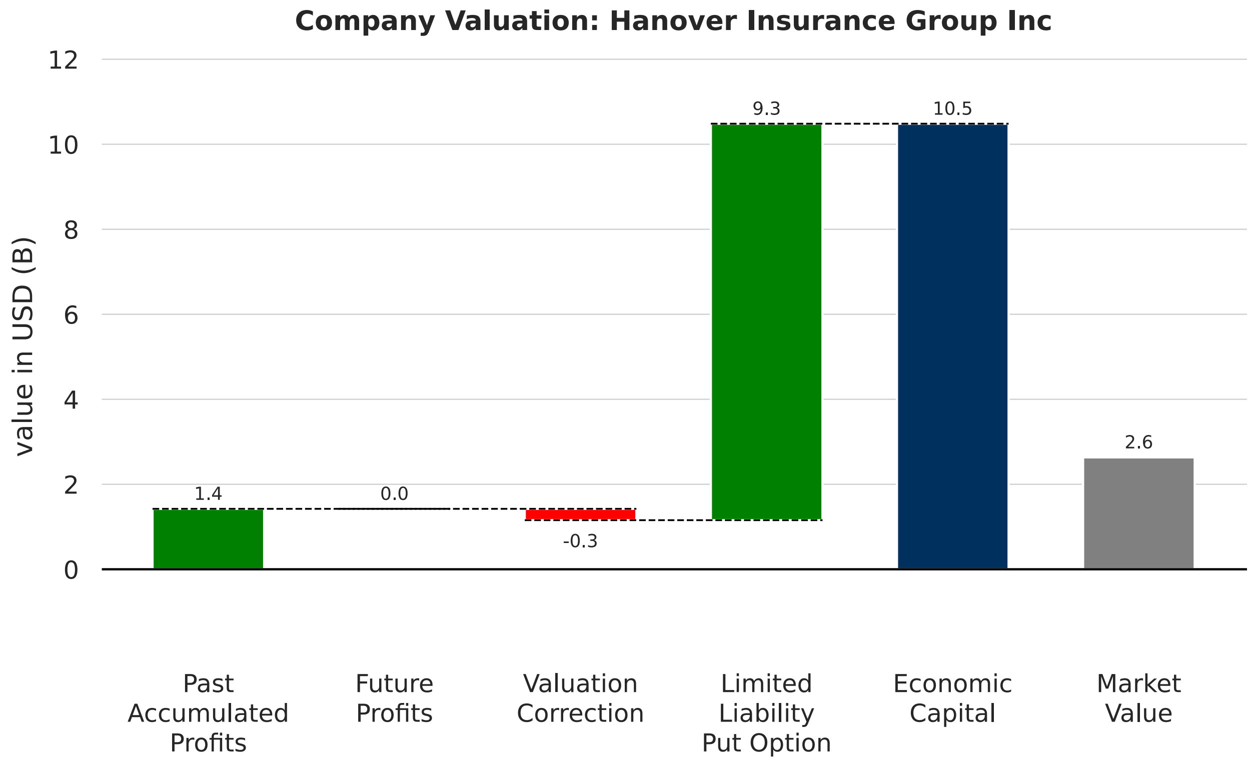

The RealRate Economic Capital of a company is its Past Accumulated Profits plus its Future Profits plus its Valuation Correction plus its Limited Liability Put Option. Past Accumulated Profits and Future Profits can be negative. The Limited Liability Put Option accounts for the limited liability of the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