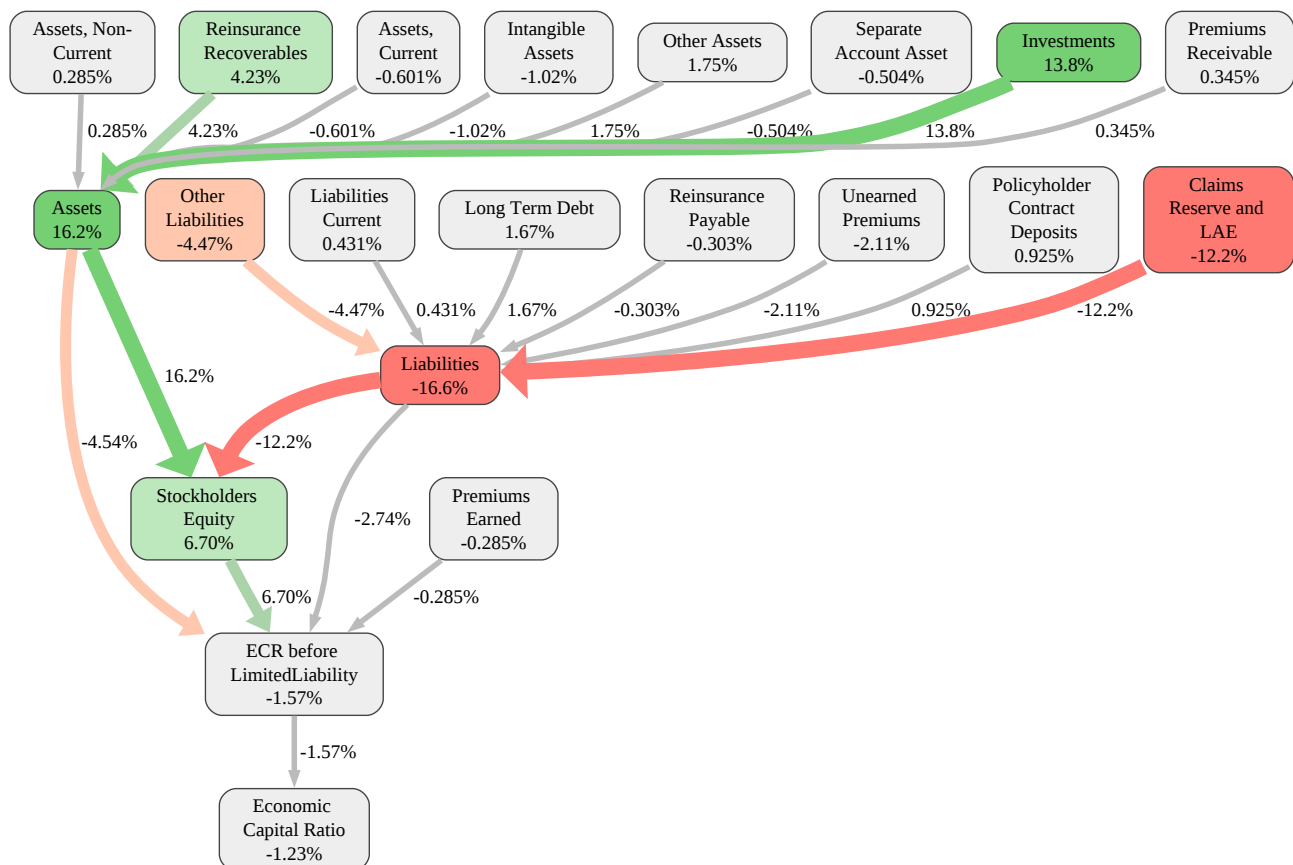




The relative strengths and weaknesses of ARCH Capital Group LTD are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

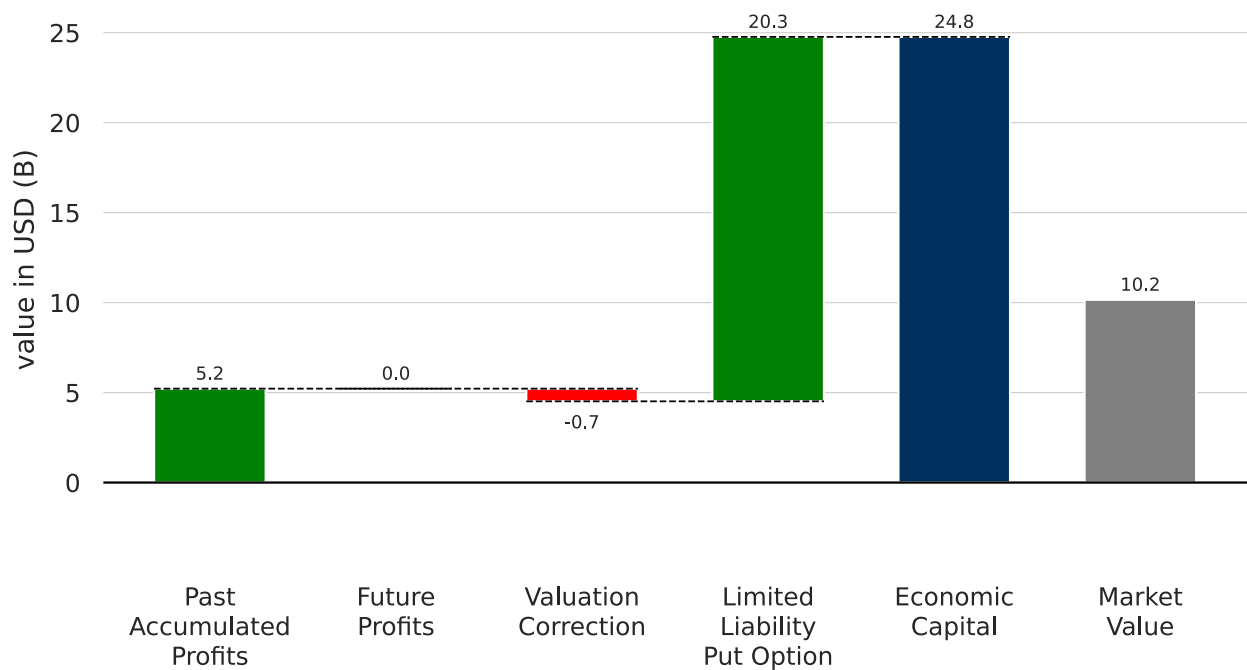
The greatest strength of ARCH Capital Group LTD compared to the market average is the variable Assets, increasing the Economic Capital Ratio by 16% points. The greatest weakness of ARCH Capital Group LTD is the variable Liabilities, reducing the Economic Capital Ratio by 17% points.

The company's Economic Capital Ratio, given in the ranking table, is 92%, being 1.2% points below the market average of 93%.

Input Variable	Value in 1000 USD
Assets, Current	646,556
Assets, Non-Current	929,611
Claims Reserve and LAE	11,853,297
Deferred Acquisition Costs Amortization	805,135
Deferred Policy Acquisition Costs	569,574
General and Administrative Expense	756,803
Insurance Commissions and Fees	15,073
Intangible Assets	0
Investment Income	0
Investments	21,745,284
Liabilities Current	0
Long Term Debt	0
Other Assets	3,133,313
Other Compr. Net Income	-116,818
Other Expenses	270,703
Other Liabilities	5,543,980
Other Net Income	0
Other Revenues	203,520
Policyholder Benefits and Claims	2,890,106
Policyholder Contract Deposits	236,630
Premiums Earned	5,231,975
Premiums Receivable	1,299,150
Reinsurance Payable	393,107
Reinsurance Recoverables	3,894,841
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	3,753,636

Output Variable	Value in 1000 USD
Assets	32,218,329
Liabilities	21,780,650
Expenses	4,722,747
Revenues	5,450,568
Stockholders Equity	10,437,679
Net Income	727,821
Comprehensive Net Income	669,412
BaseVar	208,803,959
ECR before LimitedLiability	17%
Economic Capital Ratio	92%

Company Valuation: ARCH Capital Group LTD



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.