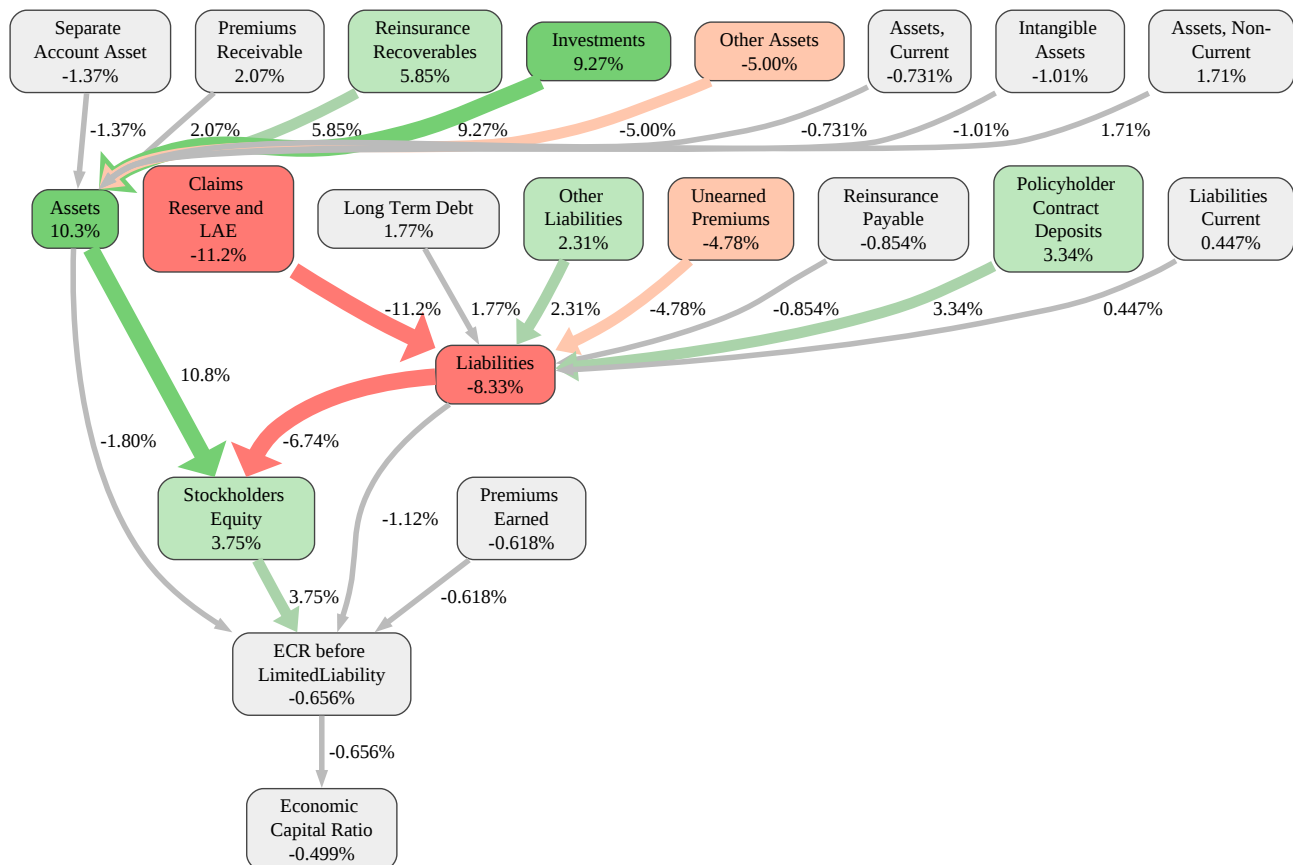




The relative strengths and weaknesses of ARCH Capital Group LTD are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

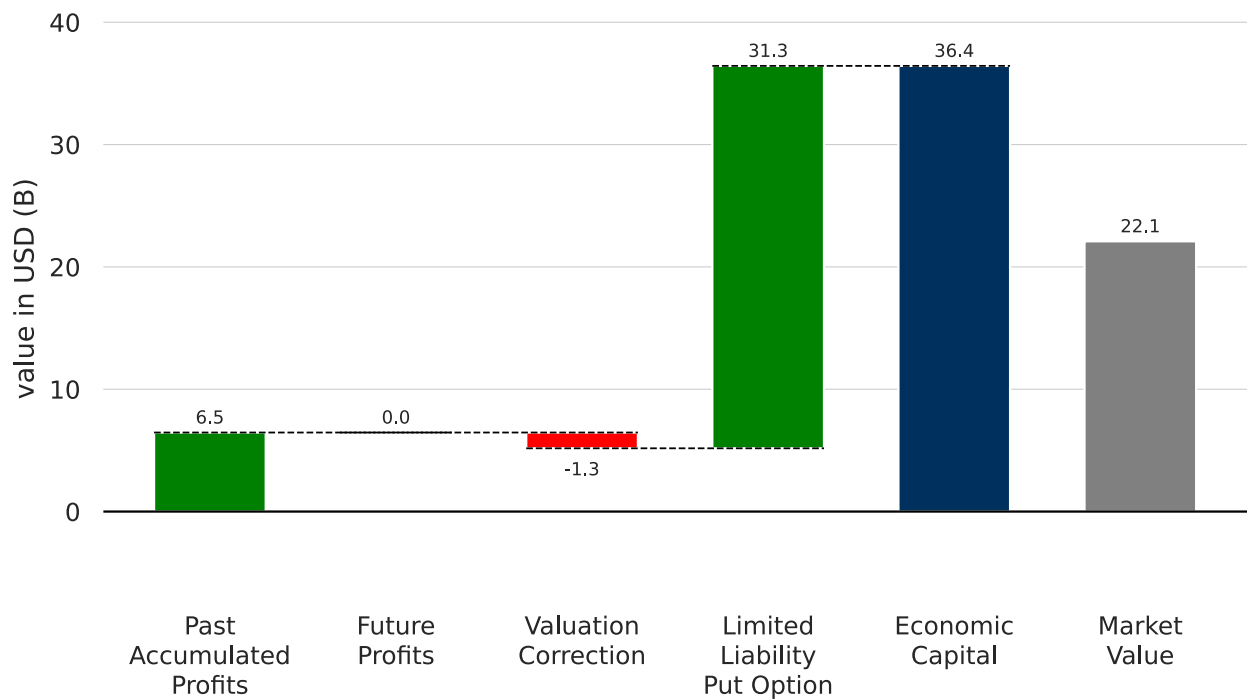
The greatest strength of ARCH Capital Group LTD compared to the market average is the variable Assets, increasing the Economic Capital Ratio by 10% points. The greatest weakness of ARCH Capital Group LTD is the variable Claims Reserve and LAE, reducing the Economic Capital Ratio by 11% points.

The company's Economic Capital Ratio, given in the ranking table, is 88%, being 0.50% points below the market average of 88%.

Input Variable	Value in 1000 USD
Assets, Current	855,118
Assets, Non-Current	2,919,605
Claims Reserve and LAE	20,031,943
Deferred Acquisition Costs Amortization	1,739,580
Deferred Policy Acquisition Costs	1,263,870
General and Administrative Expense	1,223,657
Insurance Commissions and Fees	13,227
Intangible Assets	0
Investment Income	0
Investments	27,292,927
Liabilities Current	0
Long Term Debt	0
Other Assets	3,671,359
Other Compr. Net Income	-1,587,060
Other Expenses	215,522
Other Liabilities	5,921,503
Other Net Income	0
Other Revenues	-76,496
Policyholder Benefits and Claims	5,027,517
Policyholder Contract Deposits	249,238
Premiums Earned	9,678,077
Premiums Receivable	3,624,777
Reinsurance Payable	1,529,919
Reinsurance Recoverables	8,362,851
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	7,337,002

Output Variable	Value in 1000 USD
Assets	47,990,507
Liabilities	35,069,605
Expenses	8,206,276
Revenues	9,614,808
Stockholders Equity	12,920,902
Net Income	1,408,532
Comprehensive Net Income	615,002
BaseVar	309,598,343
ECR before LimitedLiability	12%
Economic Capital Ratio	88%

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.