

PARTNERRE LTD
Form 424B5
June 09, 2011
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-158531

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount		
	to be Registered	Aggregate Offering Price	Registration Fee(1)
7.25% Series E Cumulative Redeemable Preferred Shares	14,950,000	\$373,750,000	\$43,392.38(1)

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT
(To Prospectus dated April 10, 2009)

13,000,000 Shares

PartnerRe Ltd.

7.25% SERIES E CUMULATIVE REDEEMABLE PREFERRED SHARES

(Liquidation Preference \$25.00 per share)

PartnerRe Ltd. is offering 13,000,000 shares of its 7.25% Series E Cumulative Redeemable Preferred Shares, which we refer to in this prospectus supplement as the Series E preferred shares.

The Series E preferred shares will not be redeemable before June 1, 2016, except in specified circumstances relating to certain tax events. Beginning on June 1, 2016, PartnerRe Ltd. may redeem the Series E preferred shares, in whole at any time or in part from time to time, at \$25.00 per share plus accumulated and unpaid dividends without interest.

Dividends on the Series E preferred shares are cumulative from the date of issuance and are payable quarterly in arrears on the first day of March, June, September and December, commencing September 1, 2011.

The Series E preferred shares will have no stated maturity and are not subject to any sinking fund or mandatory redemption and are not convertible into any other securities.

PartnerRe Ltd. intends to list the Series E preferred shares on the New York Stock Exchange under the symbol **PRE PrE**, and expects that trading will commence within 30 days after the initial delivery of the Series E preferred shares.

Investing in the Series E preferred shares involves risks. See **Risk Factors** beginning on page S-6 of this prospectus supplement and on page 4 of the accompanying prospectus, as well as in our Annual Report on Form 10-K for the year ended December 31, 2010 and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2011.

PRICE \$25 PER SHARE

	Price to Public(1)	Underwriting Discounts and Commissions(2)		Proceeds to PartnerRe(3)
		Retail	Institutional	
Per Share	\$ 25.0000	\$ 0.7875	\$ 0.5000	\$ 24.2762
Total	\$ 325,000,000	\$ 7,968,712	\$ 1,440,500	\$ 315,590,788

- (1) Plus accrued dividends, if any, from the date of original issuance.
- (2) See Underwriting beginning on page S-29 of this prospectus supplement for additional discussion regarding underwriting discounts and commissions.
- (3) The underwriters may also purchase up to an additional 1,950,000 Series E preferred shares from us at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement to cover overallocments, if any.

None of the Securities and Exchange Commission, state securities regulators, the Minister of Finance and the Registrar of Companies in Bermuda, the Bermuda Monetary Authority and the Autorité des Marchés Financiers in France has approved or disapproved of these securities, or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Series E preferred shares only in book-entry form through the facilities of The Depository Trust Company (DTC) and its direct participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*, on or about June 15, 2011.

Joint Book-Running Managers

BofA Merrill Lynch

Citi

UBS Investment Bank

Wells Fargo Securities

Co-Managers

Barclays Capital

Credit Suisse

HSBC

J.P. Morgan

RBC Capital Markets

RBS

June 8, 2011

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ABOUT THIS PROSPECTUS SUPPLEMENT

You should rely only on information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus filed by PartnerRe Ltd. with the Securities and Exchange Commission (the "SEC"). We have not, and the underwriters have not, authorized anyone to provide you with information that is different. The information in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference may be accurate only as of the dates of those respective documents. Our business, financial condition, results of operation and prospects may have changed since those respective dates.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of Series E preferred shares and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in this prospectus supplement.

References in this prospectus supplement and the accompanying prospectus to PartnerRe, we, us, our or the Company, refer to PartnerRe Ltd. and, unless the context otherwise requires or unless otherwise stated, PartnerRe Ltd.'s subsidiaries. References in this prospectus supplement and the accompanying prospectus to PartnerRe Ltd. refer to PartnerRe Ltd. (excluding its subsidiaries).

PartnerRe Ltd. is offering to sell the Series E preferred shares, and is seeking offers to buy the Series E preferred shares, only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the Series E preferred shares in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the offering of the Series E preferred shares and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Securities may be offered or sold in Bermuda only in compliance with provisions of the Investment Business Act 2003, the Exchange Control Act of 1972, and related regulations of Bermuda that regulate the sale of securities in Bermuda. In addition, specific permission is required from the Bermuda Monetary Authority ("BMA"), pursuant to the provisions of the Exchange Control Act of 1972 and related regulations, for all issuances and transfers of securities of Bermuda companies, other than in cases where the BMA has granted a general permission. The BMA, in its policy dated June 1, 2005, provides that where any equity securities of a Bermuda company, which would include our common shares, are listed on an appointed stock exchange (the New York Stock Exchange ("NYSE")) is deemed to be an appointed stock exchange under Bermuda law), general permission is given for the issue and subsequent transfer of any securities of such company, including the Series E preferred shares described herein, from and/or to a non-resident of Bermuda, for as long as any equity securities of the company remain so listed.

In addition, we will deliver to and file a copy of this prospectus supplement and the accompanying prospectus with the Registrar of Companies in Bermuda in accordance with Bermuda law. The BMA and the Registrar of Companies accept no responsibility for the financial soundness of any proposal or for the correctness of any of the statements made or opinions expressed in this prospectus supplement or in the accompanying prospectus.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus supplement or the accompanying prospectus may be considered forward-looking statements as defined in Section 27A of the United States Securities Act of 1933, as amended (the Securities Act), and Section 21E of the United States Securities Exchange Act of 1934, as amended (the Exchange Act).

Forward-looking statements are made based upon our assumptions and expectations concerning the potential effect of future events on our financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements. Our forward-looking statements could be affected by numerous foreseeable and unforeseeable events and developments.

We have made statements under the captions Business, Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations, and in other sections of our annual report on Form 10-K for the year ended December 31, 2010 (2010 10-K) and under the captions Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations, and in other sections of our quarterly report on Form 10-Q for the three months ended March 31, 2011 (First Quarter 2011 10-Q) that are forward-looking statements. In some cases, you can identify forward-looking statements by forward-looking words such as may, might, will, should, expects, intend, p anticipates, believes, hopes, estimates, predicts, projects, potential, will likely result or continue, the negative of these terms and comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, estimated losses due to catastrophes and other events, our anticipated growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by such forward-looking statements, including those factors described under the caption entitled Risk Factors in this prospectus supplement, the accompanying prospectus, our 2010 10-K and First Quarter 2011 10-Q. You should specifically consider the numerous risks outlined under Risk Factors in this prospectus supplement, the accompanying prospectus, in our 2010 10-K and in our First Quarter 2011 10-Q.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the respective dates of the 2010 10-K, First Quarter 2011 10-Q, this prospectus supplement or the accompanying prospectus to conform our prior statements to actual results or revised expectations.

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SUMMARY

This summary contains basic information about PartnerRe Ltd. and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing in the Series E preferred shares. You should read this entire prospectus carefully, including the sections titled "Risk Factors" in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference (including the risk factors set forth in Part I, Item 1A of PartnerRe Ltd.'s Annual Report on Form 10-K for the year ended December 31, 2010 and the risk factors set forth in Part II, Item 1A of PartnerRe Ltd.'s Quarterly Report on Form 10-Q for the three months ended March 31, 2011), our financial statements and the Series E preferred shares thereto incorporated by reference, and the accompanying prospectus, before making an investment decision.

PartnerRe Ltd.

We provide reinsurance on a worldwide basis through our principal wholly-owned subsidiaries, including Partner Reinsurance Company Ltd., Partner Reinsurance Europe Limited and Partner Reinsurance Company of the U.S.

Risks reinsured include, but are not limited to, property, casualty, motor, agriculture, aviation/space, catastrophe, credit/surety, engineering, energy, marine, specialty property, specialty casualty, multiline and other lines, mortality, longevity and health and alternative risk products. Our alternative risk products include weather and credit protection to financial, industrial and service companies on a worldwide basis.

PartnerRe Ltd. is incorporated under the laws of Bermuda, with its principal executive offices located at 90 Pitts Bay Road, Pembroke HM 08, Bermuda. Its telephone number is (441) 292-0888.

Recent Developments

During the last week of April 2011, a large and violent tornado outbreak among the largest in U.S. history occurred, causing hundreds of deaths and severe destruction to large areas of southern, midwestern and northeastern United States. The worst hit area was the state of Alabama, particularly the city of Tuscaloosa.

On June 5, 2011, we issued a press release to provide an initial estimate of losses related to the tornado outbreak. We expect losses of approximately \$50 to \$70 million for this event.

The net loss for this event, which will be recorded in our second quarter 2011 results, will primarily impact our Catastrophe, North America, and Global (Non-U.S.) Specialty sub-segments.

Loss estimates are pre-tax, net of retrocession and reinstatement premiums, and relate to all reinsurance contracts and insurance-linked securities expected to be impacted by these events.

On May 22, 2011, a series of tornadoes struck the midwestern United States, including Joplin, Missouri. Although we have exposure to losses from these events, at this time, information reported from cedants and brokers is very limited and therefore we are unable to estimate the level of losses we have incurred as a result of these events. If our losses from the May 22, 2011 tornadoes are significant, our results of operations may be adversely affected.

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THE OFFERING

The description of the terms of the Series E preferred shares in this section is not complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of the Certificate of Designation relating to the Series E preferred shares (the Certificate of Designation) and our Bye-Laws (Bye-Laws). See Description of Series E Cumulative Redeemable Preferred Shares.

Securities Offered 13,000,000 7.25% Series E Cumulative Redeemable Preferred Shares, par value \$1.00 per share (the Series E preferred shares) (14,950,000 Series E preferred shares if the underwriters exercise their over-allotment option in full).

Dividends Dividends on the Series E preferred shares will be cumulative from the date of original issuance and will be payable quarterly in arrears on the first day of March, June, September and December of each year (or, if such date is not a business day, on the business day immediately following such date), commencing September 1, 2011, in an amount per share equal to 7.25% of the liquidation preference per annum (equivalent to \$1.8125 per share). See Description of Series E Cumulative Redeemable Preferred Shares Dividend Rights.

Liquidation Rights Upon liquidation, holders of the Series E preferred shares will be entitled to receive from our assets legally available for distribution to shareholders a liquidation preference of \$25.00 per share, plus accrued and unpaid dividends, if any, to the date of liquidation. See Description of Series E Cumulative Redeemable Preferred Shares Liquidation Preference.

Conversion The Series E preferred shares are not convertible into or exchangeable for any other securities of the Company.

Redemption On and after June 1, 2016, the Series E preferred shares will be redeemable at our option in whole at any time or in part from time to time, at a redemption price of \$25.00 per share, plus accrued and unpaid dividends, if any, to the date of redemption, without interest. The Series E preferred shares have no stated maturity and will not be subject to any sinking fund or mandatory redemption. See Description of Series E Cumulative Redeemable Preferred Shares Redemption.

In addition, the Series E preferred shares are redeemable at our option in specified circumstances relating to certain tax events. See Description of Series E Cumulative Redeemable Preferred Shares Tax Redemption.

Under Bermuda law, no redemption of the Series E preferred shares may be effected if, on the date that the redemption is to be effected, we have reasonable grounds for believing that we are, or after the redemption would be, unable to pay our liabilities as they become due.

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Voting Rights

Generally, the holders of the Series E preferred shares will not have any voting rights. However, whenever dividends on the Series E preferred shares or any class or series of capital shares ranking on a parity with the Series E preferred shares with respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, as further described in the Certificate of Designation are in arrears in an amount equivalent to dividends for six full dividend periods (whether or not consecutive), the Certificate of Designation provides that holders of the Series E preferred shares (voting together as a single class with the holders of parity shares) will have the right to elect two directors whose terms of office shall continue until such dividend arrearage is eliminated. In addition, certain transactions that would vary the rights of holders of the Series E preferred shares cannot be made without the approval of the holders of 75% of the Series E preferred shares. See Description of Series E Cumulative Redeemable Preferred Shares Voting Rights.

Ranking

The Series E preferred shares:

will rank senior to our junior shares with respect to the payment of dividends and distributions upon our liquidation, dissolution or winding up. Junior shares include our common shares and any other class of shares that rank junior to the Series E preferred shares either as to the payment of dividends or as to the distribution of assets upon liquidation, dissolution or winding up;

will rank *pari passu* with each other series of shares ranking on parity with the Series E preferred shares as to the payment of dividends and distributions upon our liquidation, dissolution or winding up, which we refer to as our parity shares. As of the date of this prospectus supplement, our Series C Cumulative Redeemable Preferred Shares (the Series C preferred shares) and our Series D Cumulative Redeemable Preferred Shares (the Series D preferred shares) are the only classes or series of parity shares outstanding; and

will rank junior to any series of shares ranking senior to the Series E preferred shares as to the payment of dividends and distributions upon our liquidation, dissolution or winding up.

See Description of Series E Cumulative Redeemable Preferred Shares Dividend Rights and Liquidation Preference.

Payment of Additional Amounts and Tax Redemption Subject to certain limitations, we will pay additional amounts to holders of the Series E preferred shares, as additional dividends, to make up for any deduction or withholding for any taxes or other charges imposed by or on behalf of Bermuda or any other jurisdiction

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in which we are organized, or any political subdivision thereof, on amounts we must pay with respect to the Series E preferred shares, so that the net amounts paid will be equal to the amounts we would otherwise be required to pay had no such withholding or deduction been required. See Description of Series E Cumulative Redeemable Preferred Shares Payment of Additional Amounts. If there is a substantial probability that we or any successor corporation would become obligated to pay any additional amounts as a result of a change in tax law (as described in Description of Series E Cumulative Redeemable Preferred Shares Tax Redemption), we will also have the option to redeem the Series E preferred shares, at any time in whole or in part from time to time, at a redemption price of \$25.00 per share plus accrued and unpaid dividends, if any, to the date of redemption. See Description of Series E Cumulative Redeemable Preferred Shares Tax Redemption.

Maturity

The Series E preferred shares do not have any maturity date, and we are not required to redeem the Series E preferred shares. Holders of the Series E preferred shares will have no right to have the Series E preferred shares redeemed. Accordingly, the Series E preferred shares will remain outstanding indefinitely, unless and until we decide to redeem them.

Limitations on Transfer and Ownership

Our Bye-Laws and the Certificate of Designation provide that, subject to waiver by the board of directors, no person may acquire ownership of our shares (including the Class E preferred shares) if such purchase would result in (1) such person owning or controlling more than 9.9% of our outstanding shares (as determined by value) or (2) such person becoming a holder of more than 9.9% of the total combined voting power of all classes of our shares entitled to vote at a general meeting of our shareholders or in any other circumstance in which our shareholders are entitled to vote (a Ten Percent Shareholder). In the case of (2) above, the votes conferred by the controlled shares (including any Series E preferred shares) will be automatically reduced by whatever amount is necessary so that after any such reduction such person will not be a Ten Percent Shareholder. For these purposes, references to ownership or control of our shares mean ownership within the meaning of Section 958 of the Internal Revenue Code. Our Bye-Laws provide for additional limitations on transfer and ownership of our capital stock.

New York Stock Exchange Listing

We intend to list the Series E preferred shares on the New York Stock Exchange and expect that trading will commence within 30 days after initial delivery of the Series E preferred shares. While the underwriters have advised us that they intend to make a market in the Series E preferred shares, they are under no obligation to do so. This is the initial offering of the Series E preferred shares and there is no existing market for them. We cannot assure you that a market for the Series E preferred shares will develop upon commencement of trading.

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Use of Proceeds	We intend to use the net proceeds from the sale of the Series E preferred shares for general corporate purposes.
Risk Factors	You should consider carefully all of the information set forth or referred to in this prospectus supplement and the accompanying prospectus, and, in particular, should evaluate the specific factors set forth in the sections entitled "Risk Factors" in this prospectus supplement, the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2010 and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2011.
Form of Series E Preferred Shares	The Series E preferred shares will be represented by one or more global securities registered in the name of The Depository Trust Company or its nominee. This means that holders will not receive a certificate for their Series E preferred shares. Ownership interests in the Series E preferred shares will be shown on, and transfers of the Series E preferred shares will be effected only through, records maintained by participants in The Depository Trust Company. The Depository Trust Company and the dividend disbursing agent for the Series E preferred shares will be responsible for dividend payments to you.
Transfer Agent	Computershare Trust Company, NA

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RISK FACTORS

Before investing in the Series E preferred shares, you should carefully consider the following risk factors and all other information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus, including the Risk Factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Report on Form 10-Q for the three months ended March 31, 2011. These risks could materially affect our business, results of operations or financial condition. You could lose all or part of your investment.

Risk Factors Relating to This Offering

We may not have sufficient cash from our operations to enable us to pay dividends on or to redeem the Series E preferred shares following the payment of expenses and the establishment of any reserves.

We may not have sufficient cash available each quarter to pay dividends. In addition, we may have insufficient cash available to redeem the Series E preferred shares. The amount of dividends we can pay or use to redeem Series E preferred shares depends upon the amount of cash we generate from our operations that will be available for dividends or to redeem the Series E preferred shares, which may fluctuate based on, among other things:

the level of our operating costs and estimated losses due to catastrophes and other events;

prevailing global and regional economic and political conditions;

the effect of governmental regulations;

changes in the basis of taxation of our activities in various jurisdictions;

our ability to raise additional equity to satisfy our capital needs;

restrictions under our credit facilities or any debt, including existing restrictions under our debt agreements that, upon the occurrence of certain events that constitute or would constitute events of default, prevent us from declaring or paying dividends, redeeming shares of our capital stock or making liquidation payments; and

the amount of any cash reserves established by our board of directors.

The amount of cash we generate from our operations may differ materially from our net income or loss for the period, which will be affected by non-cash items. As a result of these and the other factors mentioned above, we may pay dividends during periods when we record losses and may not pay dividends during periods when we record net income.

The Series E preferred shares are equity and are subordinate to our existing and future indebtedness.

The Series E preferred shares are equity interests and do not constitute indebtedness. As such, the Series E preferred shares will rank junior to all of our indebtedness and other non-equity claims with respect to assets available to satisfy our claims, including in our liquidation. As of March 31, 2011, our total consolidated long-term debt was \$813 million, which is in addition to any other indebtedness (including valid contractual claims) to which the Series E preferred shares would be subordinated. We may incur additional debt and other obligations in the future. Our existing and future indebtedness may restrict payments of dividends on the Series E preferred shares. Additionally, as described in our Annual Report on Form 10-K for the year ended December 31, 2010, we are subject to certain regulatory and other constraints affecting our ability to pay dividends and make other payments.

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Your economic interests in the Series E preferred shares could be adversely affected by the issuance of additional preferred shares, including additional Series E preferred shares, and by other transactions.

There are outstanding at this time Series C preferred shares having an aggregate liquidation preference of \$290 million and Series D preferred shares having an aggregate liquidation preference of \$230 million. The Series E preferred shares will be on par with the Series C preferred shares and the Series D preferred shares with respect to the payment of dividends and the distribution of assets upon a liquidation, dissolution or winding up of PartnerRe Ltd. The issuance of additional preferred shares on par with or senior to our Series E preferred shares would adversely affect the economic interests of the holders of our Series E preferred shares, and any issuance of preferred shares senior to our Series E preferred shares or of additional indebtedness could affect our ability to pay dividends on, redeem or pay the liquidation preference on our Series E preferred shares in the event of a liquidation, dissolution or winding up of PartnerRe Ltd.

You may be unable to sell your Series E preferred shares if an active trading market does not develop.

The Series E preferred shares are a new issue with no established trading market. Although we intend to apply to have the Series E preferred shares approved for listing on the NYSE, there may be little or no secondary market for the Series E preferred shares. Even if a secondary market for the Series E preferred shares develops, it may not provide significant liquidity, and transaction costs in any secondary market could be high. As a result, the difference between bid and ask prices in any secondary market could be substantial. As a result, holders of the Series E preferred shares may be required to bear the financial risks of an investment in the Series E preferred shares for an indefinite period of time.

The Series E preferred shares ratings may be downgraded.

We have sought to obtain a rating for the Series E preferred shares. If any ratings are assigned to the Series E preferred shares in the future or if we issue other securities with a rating, such ratings, if they are lower than market expectations or are subsequently lowered or withdrawn, could adversely affect the market for or the market value of the Series E preferred shares. A rating is not a recommendation to purchase, sell or hold any particular security, including the Series E preferred shares. Ratings do not reflect market prices or suitability of a security for a particular investor and any future rating of the Series E preferred shares may not reflect all risks related to us and our business, or the structure or market value of the Series E preferred shares. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. Any such downward revision or withdrawal of a rating could have an adverse effect on the market price of the Series E preferred shares.

We are able to redeem the Series E preferred shares at our option at any time beginning on June 1, 2016 and in specified circumstances relating to certain tax events.

On and after June 1, 2016, the Series E preferred shares will be redeemable at our option in whole at any time or in part from time to time, for cash at a redemption price of \$25.00 per share, plus all accrued and unpaid dividends, if any, thereon to the date fixed for redemption, without interest. In addition, the Series E preferred shares will be redeemable at our option in specified circumstances relating to certain tax events. See

Description of Series E Cumulative Redeemable Preferred Shares Tax Redemption. Even if we do not exercise our option to redeem some or all of the Series E preferred shares, our ability to do so may adversely affect the value of the Series E preferred shares. It is our sole option whether to redeem some or all of the Series E preferred shares. If we redeem your Series E preferred shares, you may not be able to invest the proceeds in an investment with a comparable return.

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A classification of the Series E preferred shares by the National Association of Insurance Commissioners may impact U.S. insurance companies that purchase the Series E preferred shares.

The National Association of Insurance Commissioners (NAIC) may from time to time, in its discretion, classify securities in U.S. insurers portfolios as either debt, preferred equity or common equity instruments. The NAIC s written guidelines for classifying securities as debt, preferred equity or common equity include subjective factors that require the relevant NAIC examiner to exercise substantial judgment in making a classification. There is therefore a risk that the Series E preferred shares may be classified by NAIC as common equity instead of preferred equity. The NAIC classification determines the amount of risk based capital (RBC) charges incurred by insurance companies in connection with an investment in a security. Securities classified as common equity by the NAIC carry RBC charges that can be significantly higher than the RBC requirement for debt or preferred equity. Therefore, any classification of the Series E preferred shares as common equity may adversely affect U.S. insurance companies that hold Series E preferred shares. In addition, a determination by the NAIC to classify the Series E preferred shares as common equity may adversely impact the trading of the Series E preferred shares in the secondary market.

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The following table sets forth summary historical consolidated financial and other data of PartnerRe. The year-end financial data has been derived from our audited financial statements, which have been audited by Deloitte & Touche Ltd. The financial and other data for the interim periods has been derived from our unaudited financial statements and include, in the opinion of management, all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of the financial data. The results for the interim periods do not necessarily indicate the results to be expected for the full fiscal year. As our reinsurance operations are exposed to low-frequency high-severity risk events, some of which are seasonal, results for certain periods may include unusually low loss experience, while results for other periods may include significant catastrophic losses. In addition, our Balance Sheet data reflects the consolidated financial position of the Company and its subsidiaries as at December 31, 2008, 2009 and 2010, including Paris Re as at December 31, 2009 and 2010 following the acquisition of Paris Re during 2009. The Statement of Operations data reflects the consolidated results of the Company and its subsidiaries for the years ended December 31, 2008, 2009 and 2010 and the three months ended March 31, 2010 and 2011, including the results of Paris Re from October 2, 2009. You should read the following information in conjunction with our financial statements and the related notes and the other financial and statistical information that is included or incorporated by reference in this prospectus.

	Three Months Ended		Year Ended December 31,		
	2011	2010	2010	2009	2008
	(in millions of U.S. dollars or common shares, except per share data and ratios)				
Statement of Operations data:					
Gross premiums written	\$ 1,558	\$ 1,909	\$ 4,885	\$ 4,001	\$ 4,028
Net premiums written	1,470	1,784	4,705	3,949	3,989
Net premiums earned	1,065	1,154	4,776	4,120	3,928
Net investment income	152	173	673	596	573
Net realized and unrealized investment (losses) gains	(112)	146	402	591	(531)
Net realized gain on purchase of capital efficient notes				89	
Other income	2	1	10	22	10
Total revenues	1,107	1,474	5,861	5,418	3,980
Losses and loss expenses and life policy benefits	1,608	1,013	3,284	2,296	2,609
Total expenses	1,941	1,369	4,892	3,635	3,918
(Loss) income before taxes and interest in earnings (losses) of equity investments	(834)	105	969	1,783	