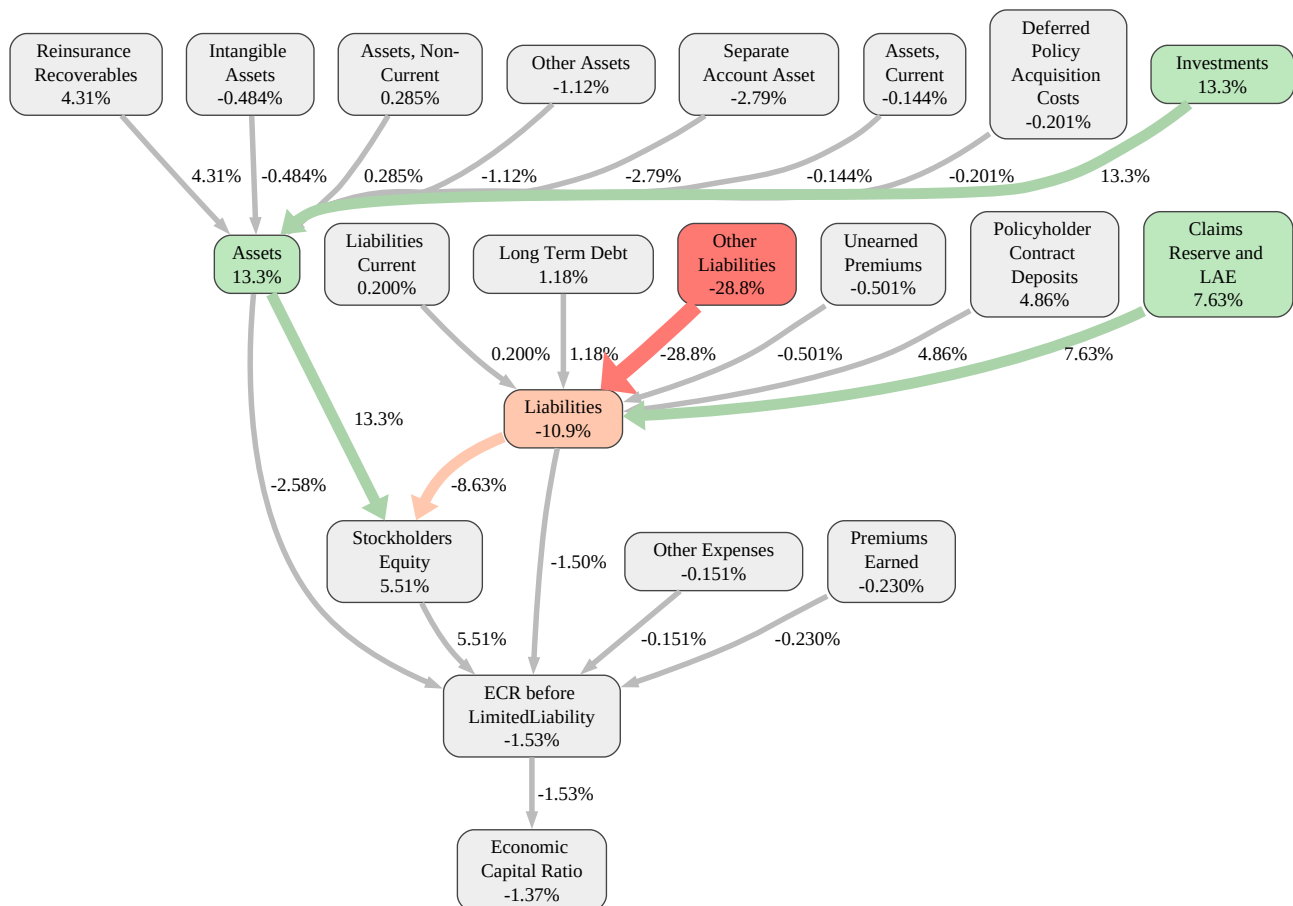




The relative strengths and weaknesses of ARCH Capital Group LTD are analyzed with respect to the market average, including all of its competitors. We analyzed all variables having an effect on the Economic Capital Ratio.

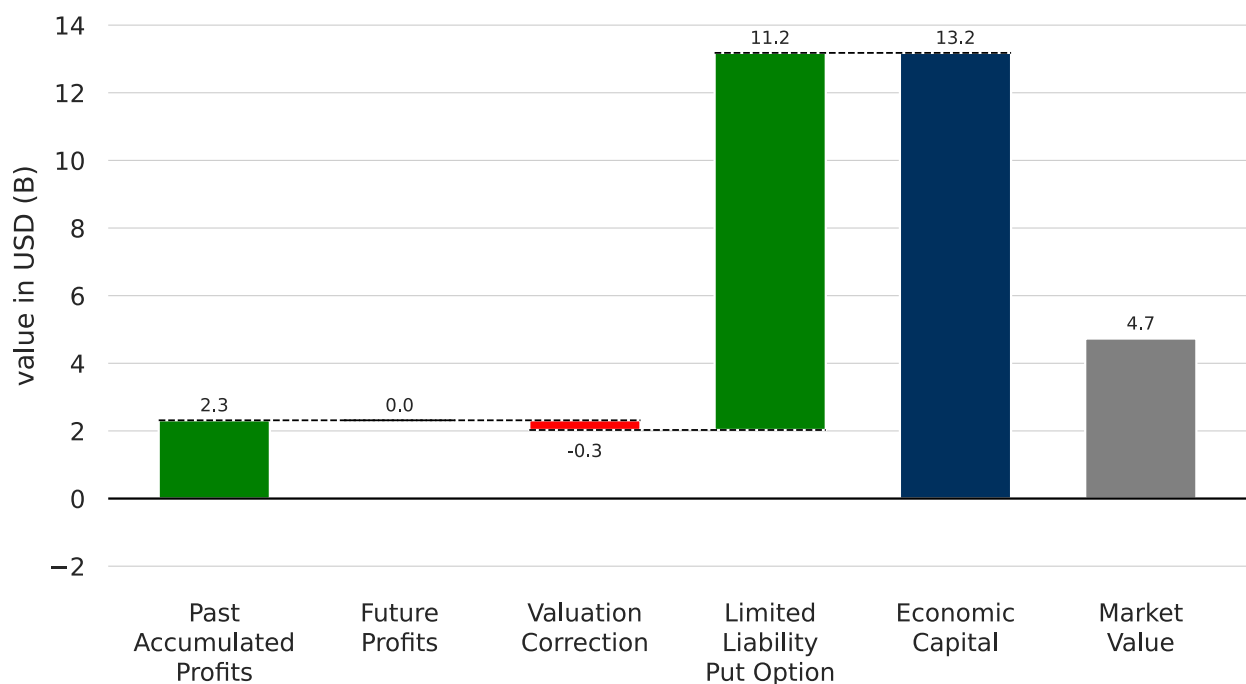
The greatest strength of ARCH Capital Group LTD compared to the market average is the variable Investments, increasing the Economic Capital Ratio by 13% points. The greatest weakness of ARCH Capital Group LTD is the variable Other Liabilities, reducing the Economic Capital Ratio by 29% points.

The company's Economic Capital Ratio, given in the ranking table, is 89%, being 1.4% points below the market average of 90%.

Input Variable	Value in 1000 USD
Assets, Current	351,699
Assets, Non-Current	445,239
Claims Reserve and LAE	0
Deferred Acquisition Costs Amortization	462,937
Deferred Policy Acquisition Costs	279,109
General and Administrative Expense	431,480
Insurance Commissions and Fees	3,429
Intangible Assets	0
Investment Income	0
Investments	12,001,049
Liabilities Current	0
Long Term Debt	0
Other Assets	1,445,830
Other Compr. Net Income	0
Other Expenses	4,979
Other Liabilities	10,967,545
Other Net Income	0
Other Revenues	428,063
Policyholder Benefits and Claims	1,727,553
Policyholder Contract Deposits	0
Premiums Earned	2,631,815
Premiums Receivable	501,563
Reinsurance Payable	133,866
Reinsurance Recoverables	2,117,280
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	1,411,872

Output Variable	Value in 1000 USD
Assets	17,141,769
Liabilities	12,513,283
Expenses	2,626,949
Revenues	3,063,307
Stockholders Equity	4,628,486
Net Income	436,358
Comprehensive Net Income	436,358
BaseVar	158,520,859
ECR before Limited Liability	14%
Economic Capital Ratio	89%

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.