

PLATINUM UNDERWRITERS HOLDINGS LTD
Form 10-Q
October 28, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2011

OR

- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 001-31341

Platinum Underwriters Holdings, Ltd.
(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of
incorporation or organization)

98-0416483
(I.R.S. Employer Identification
No.)

The Belvedere Building
69 Pitts Bay Road
Pembroke, Bermuda
(Address of principal executive
offices)

HM 08
(Zip Code)

(441) 295-7195
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer”, “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ___ No

The registrant had 37,330,450 common shares, par value \$0.01 per share, outstanding as of October 14, 2011.

PLATINUM UNDERWRITERS HOLDINGS, LTD.
 QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2011

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Platinum Underwriters Holdings, Ltd. and Subsidiaries
Consolidated Balance Sheets
(\$ in thousands, except share data)

	(Unaudited)	
	September 30, 2011	December 31, 2010
ASSETS		
Investments:		
Fixed maturity available-for-sale securities at fair value (amortized cost - \$2,351,803 and \$2,889,502, respectively)	\$2,496,649	\$2,865,827
Fixed maturity trading securities at fair value (amortized cost - \$151,539 and \$174,631, respectively)	160,676	182,146
Short-term investments	538,887	176,648
Total investments	3,196,212	3,224,621
Cash and cash equivalents	1,127,305	987,877
Accrued investment income	32,682	31,288
Reinsurance premiums receivable	152,633	162,682
Reinsurance recoverable on ceded losses and loss adjustment expenses	41,599	13,973
Prepaid reinsurance premiums	15,426	4,461
Funds held by ceding companies	91,886	84,078
Deferred acquisition costs	31,417	36,584
Deferred tax assets	31,670	47,777
Other assets	27,165	20,972
Total assets	\$4,747,995	\$4,614,313
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Unpaid losses and loss adjustment expenses	\$2,468,987	\$2,217,378
Unearned premiums	141,814	154,975
Debt obligations	250,000	250,000
Commissions payable	56,413	59,388
Other liabilities	103,869	37,117
Total liabilities	\$3,021,083	\$2,718,858
Shareholders' Equity		
Common shares, \$0.01 par value, 200,000,000 shares authorized, 37,330,450 and 37,757,926 shares issued and outstanding, respectively	\$373	\$377
Additional paid-in capital	373,790	453,619
Accumulated other comprehensive income (loss)	126,838	(24,488)
Retained earnings	1,225,911	1,465,947
Total shareholders' equity	\$1,726,912	\$1,895,455
Total liabilities and shareholders' equity	\$4,747,995	\$4,614,313

See accompanying notes to consolidated financial statements.

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Platinum Underwriters Holdings, Ltd. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)
For the Three and Nine Months Ended September 30, 2011 and 2010
(\$ in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
Revenue:				
Net premiums earned	\$ 166,813	\$ 183,404	\$ 522,130	\$ 595,014
Net investment income	29,762	31,078	96,105	103,955
Net realized gains (losses) on investments	7,498	44,351	3,216	99,297
Total other-than-temporary impairment losses	(8,315)	(6,624)	(7,815)	(17,485)
Portion of impairment losses recognized in accumulated other comprehensive income (loss)	3,864	2,576	191	(8,075)
Net impairment losses on investments	(4,451)	(4,048)	(7,624)	(25,560)
Other income (expense)	(198)	(171)	838	(42)
Total revenue	199,424	254,614	614,665	772,664

Expenses: