

Edgar Filing: 21ST CENTURY INSURANCE GROUP - Form 10-Q

ITEM 1. FINANCIAL STATEMENTS

21ST CENTURY INSURANCE GROUP CONSOLIDATED BALANCE SHEET

(Amounts in thousands, except share data)	June 30, 2001	December 31, 2000

ASSETS	(Unaudited)	
Investments, available-for-sale, at fair value and cash:		
Fixed maturities	\$ 893,991	\$ 912,655
Equity securities	-	433
Cash and cash equivalents	3,333	7,240

Total investments and cash	897,324	920,328
Accrued investment income	12,587	12,569
Premiums receivable	76,435	78,983
Reinsurance receivables and recoverables	60,542	50,075
Prepaid reinsurance premiums	16,189	20,300
Deferred income taxes	71,537	72,434
Deferred policy acquisition costs	25,448	22,387
Property and equipment, net of accumulated depreciation	164,997	138,062
Other assets	35,398	33,968

Total assets	\$ 1,360,457	\$ 1,349,106

LIABILITIES AND STOCKHOLDERS' EQUITY		
Unpaid losses and loss adjustment expenses	\$ 288,672	\$ 298,436
Unearned premiums	243,053	236,519
Claims checks payable	37,548	35,982
Reinsurance payable	22,965	15,989
Other liabilities	51,062	41,619

Total liabilities	643,300	628,545

Common stock, without par value; authorized 110,000,000 shares, outstanding 85,187,340 in 2001 and 85,145,817 in 2000	415,869	415,064
Retained earnings	300,577	303,714
Accumulated other comprehensive income	711	1,783

Total stockholders' equity	717,157	720,561

Total liabilities and stockholders' equity	\$ 1,360,457	\$ 1,349,106

See accompanying notes to financial statements.

2

21ST CENTURY INSURANCE GROUP AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

(Amounts in thousands, except per share data)	Three Months Ended June 30,		Six Months Ended June	
	2001	2000	2001	2000

Edgar Filing: 21ST CENTURY INSURANCE GROUP - Form 10-Q

REVENUES

Net premiums earned	\$	217,366	\$	207,062	\$	431,977	\$	407,000
Net investment income		11,561		12,599		23,366		25,000
Other		(209)		(172)		(288)		(1,000)
Realized investment gains (losses)		434		(1,255)		1,550		(4,000)
		229,152		218,234		456,605		427,000

LOSSES AND EXPENSES

Net losses and loss adjustment expenses		192,471		184,153		387,107		363,000
Policy acquisition costs		27,086		24,072		51,212		45,000
Other operating expenses		4,981		6,586		10,469		13,000
Interest and fees expense				960				2,000
		224,538		215,771		448,788		424,000

Income before federal income taxes		4,614		2,463		7,817		3,000
Federal income tax benefit		1,183		2,497		2,902		5,000

NET INCOME \$ 5,797 \$ 4,960 \$ 10,719 \$ 8,000

EARNINGS PER COMMON SHARE

BASIC \$ 0.07 \$ 0.06 \$ 0.13 \$ 0.00

DILUTED \$ 0.07 \$ 0.06 \$ 0.13 \$ 0.00

WEIGHTED AVERAGE COMMON SHARES OUTSTANDING

BASIC 85,177 85,110 85,183 85,000

DILUTED 85,372 85,412 85,366 85,000

DIVIDENDS PER SHARE \$ 0.08 \$ 0.16 \$ 0.16 \$ 0.00

See accompanying notes to financial statements.

3

21ST CENTURY INSURANCE GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)

(Amounts in thousands)	Common Stock	Retained Earnings	Accumulated Other Comprehensive Income	Total
Six Months Ended June 30, 2001				

Edgar Filing: 21ST CENTURY INSURANCE GROUP - Form 10-Q

Balance - January 1, 2001	\$415,064	\$ 303,714	\$	1,783	\$720,561
Comprehensive income		10,719	(1)	(1,072)	(2) 9,647
Cash dividends declared		(13,652)			(13,652)
Other	805	(204)			601

Balance - June 30, 2001	\$415,869	\$ 300,577	\$	711	\$717,157
