

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

21ST CENTURY INSURANCE GROUP

Form 10-Q

October 25, 2001

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (D)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended September 30, 2001

Commission File Number 0-6964

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21ST CENTURY INSURANCE GROUP

-----  
(Exact name of registrant as specified in its charter)

CALIFORNIA

95-1935264

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(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer Identification  
Number)

6301 Owensmouth Avenue, Woodland Hills, California

91367

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(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (818) 704-3700  
Web site : [www.i21.com](http://www.i21.com)

None

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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        X                         NO  
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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 15, 2001
Common Stock, Without Par Value	85,344,615 shares

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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21ST CENTURY INSURANCE GROUP  
CONSOLIDATED BALANCE SHEET

(Amounts in thousands, except share data)	September 30, 2001	December 31, 2000
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ASSETS	(Unaudited)	
Investments, available-for-sale, at fair value and cash:		
Fixed maturities	\$ 862,354	\$ 912,655
Equity securities	-	433
Cash and cash equivalents	62,030	7,240
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Total investments and cash	924,384	920,328
Accrued investment income	12,172	12,569
Premiums receivable	79,899	78,983
Reinsurance receivables and recoverables	41,578	50,075
Prepaid reinsurance premiums	16,124	20,300
Deferred income taxes	66,034	72,434
Deferred policy acquisition costs	25,144	22,387
Property and equipment, net of accumulated depreciation	175,287	138,062
Other assets	21,649	33,968
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Total assets	\$ 1,362,271	\$ 1,349,106
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Unpaid losses and loss adjustment expenses	\$ 291,597	\$ 298,436
Unearned premiums	240,219	236,519
Claims checks payable	37,020	35,982
Reinsurance payable	12,397	15,989
Other liabilities	56,246	41,619
<hr/>		
Total liabilities	637,479	628,545
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Common stock, without par value; authorized 110,000,000 shares, outstanding 85,352,323 in 2001 and 85,145,817 in 2000	416,485	415,064
Retained earnings	296,429	303,714
Accumulated other comprehensive income	11,878	1,783
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Total stockholders' equity	724,792	720,561
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Total liabilities and stockholders' equity	\$ 1,362,271	\$ 1,349,106
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See accompanying notes to financial statements.

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(Amounts in thousands, except per share data)	Three Months Ended September 30,		Nine Mo
	2001	2000	2001
<b>REVENUES</b>			
Net premiums earned	\$ 216,631	\$ 208,109	\$ 648
Net investment income	11,395	12,649	34
Other	(437)	(346)	
Realized investment gains (losses)	962	(299)	2
	228,551	220,113	685
<b>LOSSES AND EXPENSES</b>			
Net losses and loss adjustment expenses	195,220	190,547	582
Policy acquisition costs	25,574	22,744	76
Other operating expenses	6,305	6,888	16
Interest and fees expense	-	804	
	227,099	220,983	675
Income (loss) before federal income taxes	1,452	(870)	9
Federal income tax benefit	1,227	3,441	4
<b>NET INCOME</b>	<b>\$ 2,679</b>	<b>\$ 2,571</b>	<b>\$ 13</b>
<b>EARNINGS PER COMMON SHARE</b>			
BASIC	\$ 0.03	\$ 0.03	\$
DILUTED	\$ 0.03	\$ 0.03	\$
<b>WEIGHTED AVERAGE COMMON SHARES OUTSTANDING</b>			
BASIC	85,353	85,146	85
DILUTED	85,503	85,344	85
DIVIDENDS PER SHARE	\$ 0.08	\$ 0.08	\$

See accompanying notes to financial statements.

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

Accumulated  
Other

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(Amounts in thousands) Nine Months Ended September 30, 2001	Common Stock	Retained Earnings	Comprehensive Income	Total
Balance - January 1, 2001	\$415,064	\$ 303,714	\$ 1,783	\$720,561
Comprehensive income		13,398	(1) 10,095	(2) 23,493
Cash dividends declared		(20,481)		(20,481)
Other	1,421	(202)		1,219
Balance - September 30, 2001	\$416,485	\$ 296,429	\$ 11,878	\$724,792