

21ST CENTURY INSURANCE GROUP
Form 10-Q
April 27, 2006

**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 March 31, 2006

**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 0-6964

21ST CENTURY INSURANCE GROUP
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

95-1935264
(I.R.S. Employer Identification No.)

6301 Owensmouth Avenue
Woodland Hills, California
(Address of principal executive offices)

91367
(Zip Code)

(818) 704-3700
(Registrant's telephone number, including area
code)

www.21st.com
(Registrant's web site)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of the issuer's common stock as of April 12, 2006 was 86,107,238.

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CONDENSED CONSOLIDATED BALANCE SHEETS**

Unaudited

*AMOUNTS IN THOUSANDS, EXCEPT SHARE DATA***March 31, 2006** December 31, 2005**Assets**

Fixed maturity investments available-for-sale, at fair value (amortized cost: \$1,467,093 and \$1,365,948)	\$1,434,761	\$1,354,707
Equity securities available-for-sale, at fair value (cost: \$848 and \$49,210)	850	47,367
Total investments	1,435,611	1,402,074
Cash and cash equivalents	35,146	68,668
Accrued investment income	17,333	16,585
Premiums receivable	107,231	100,900
Reinsurance receivables and recoverables	6,223	6,539
Prepaid reinsurance premiums	2,023	1,946
Deferred income taxes	59,307	56,209
Deferred policy acquisition costs	62,919	59,939
Leased property under capital lease, net o		