



Bank of America Merrill Lynch Insurance Conference 2013

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AXIS Capital

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Safe Harbor Disclosure

Statements in this presentation that are not historical facts, including statements regarding our estimates, beliefs, expectations, intentions, strategies or projections, may be “forward-looking statements” within the meaning of the U.S. federal securities laws, including the Private Securities Litigation Reform Act of 1995. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the United States securities laws. In some cases, these statements can be identified by the use of forward-looking words such as “may,” “should,” “could,” “anticipate,” “estimate,” “expect,” “plan,” “believe,” “predict,” “potential,” “intend” or similar expressions. Our expectations are not guarantees and are based on currently available competitive, financial and economic data along with our operating plans. Forward-looking statements contained in this presentation may include, but are not limited to, information regarding our estimates of losses related to catastrophes and other large losses, measurements of potential losses in the fair value of our investment portfolio, our expectations regarding pricing and other market conditions and valuations of the potential impact of movements in interest rates, equity prices, credit spreads and foreign currency rates.

Forward-looking statements only reflect our expectations and are not guarantees of performance. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements. We believe that these factors include, but are not limited to, the following:

- The occurrence and magnitude of natural and man-made disasters,
- Actual claims exceeding our loss reserves,
- General economic, capital and credit market conditions,
- The failure of any of the loss limitation methods we employ,
- The effects of emerging claims, coverage and regulatory issues, including uncertainty related to coverage definitions, limits, terms and conditions
- The failure of our cedants to adequately evaluate risks,
- Inability to obtain additional capital on favorable terms, or at all,
- The loss of one or more key executives,
- A decline in our ratings with rating agencies,
- Loss of business provided to us by our major brokers,
- Changes in accounting policies or practices,
- The use of industry catastrophe models and changes to these models,
- Changes in governmental regulations,
- Increased competition,
- Changes in the political environment of certain countries in which we operate or underwrite business, and
- Fluctuations in interest rates, credit spreads, equity prices and/or currency values.

This report is for informational purposes only. It should be read in conjunction with the documents that we file with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934.



Retrospective on 2012 – An Eventful Year

Management transitions completed

Commitment on Mission, Goals and Strategy

Responded to uneven improvements in our various markets

- Generally not enough to offset lower interest rates

Delivered satisfactory performance

- Generally favorable loss year (ex Sandy)
- High single digit ROE
- Strongest ever financial position

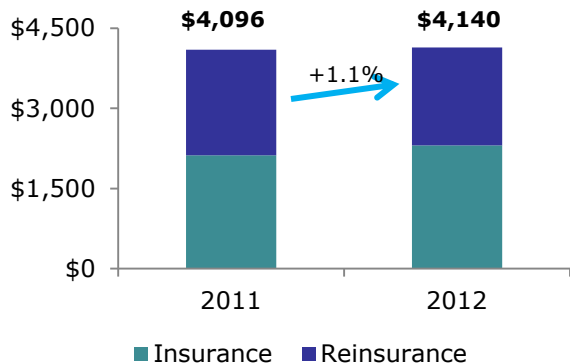
**KEPT OUR FOCUS ON MARKETS AND CLIENTS
STRONG, READY & WELL POSITIONED FOR 2013**



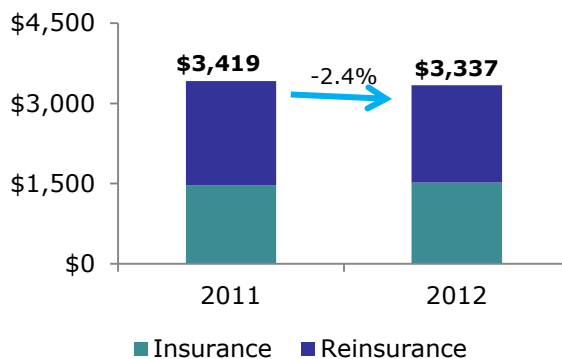
2012 vs 2011 Results

\$ in millions

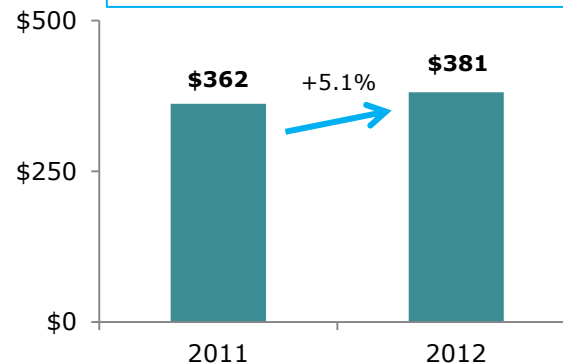
Gross Written Premiums



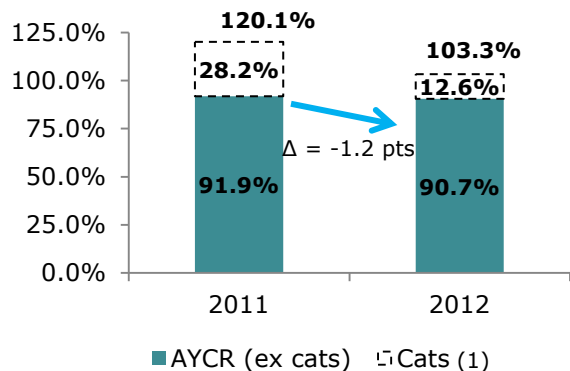
Net Written Premiums



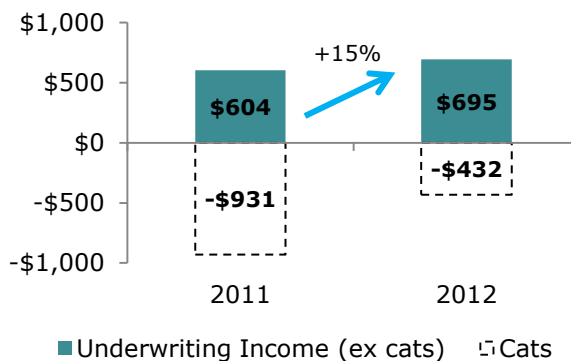
Net Investment Income



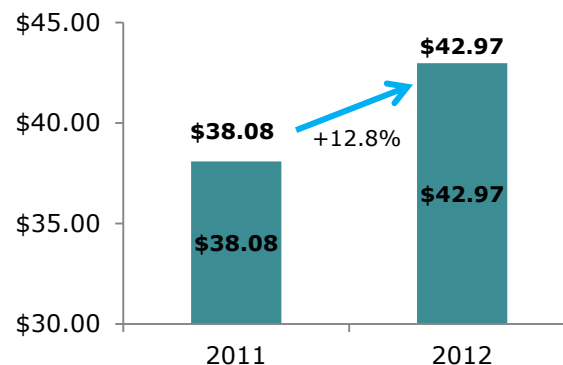
Accident Year Combined Ratio



Underwriting Income



Diluted Book Value Per Share



(1) 2011 cats include New Zealand II/III, Japanese EQ and tsunami, January Australia floods/Yasi, Q2 U.S. Weather, Danish floods, Thai Floods, Hurricane Irene and Tropical Storm Lee. 2012 cats include Storm Sandy, U.S. crop losses, Hurricane Isaac, Q1/Q2 US weather.

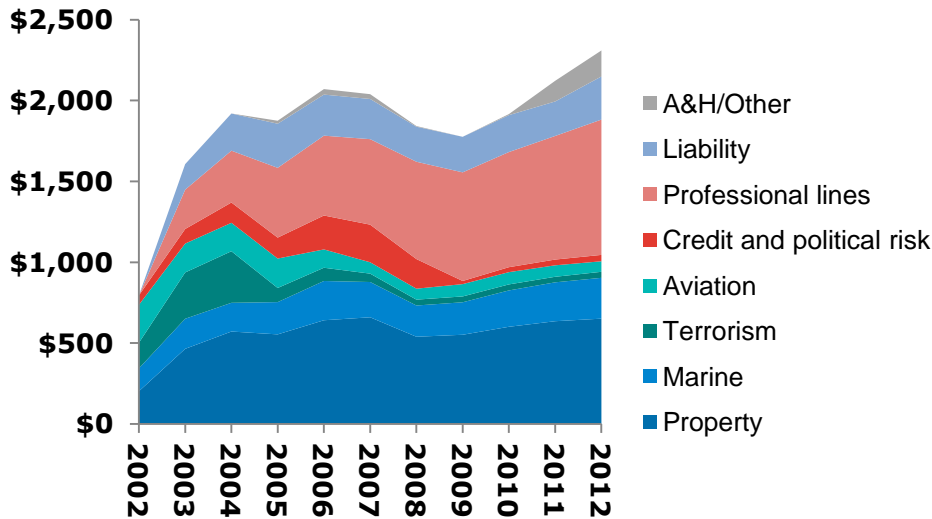


Diversified Global Insurer and Reinsurer

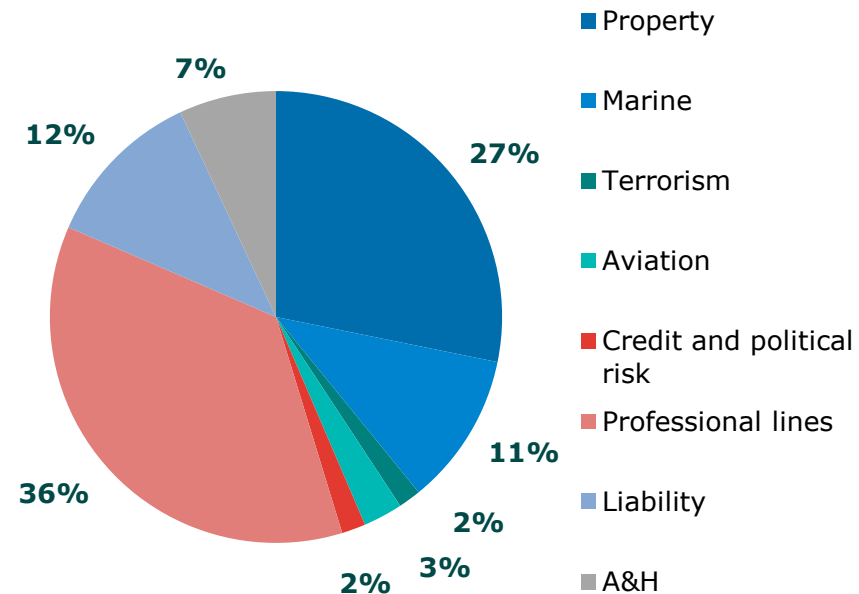
AXIS Insurance Overview

(\$ in millions)

AXIS Insurance 2002-2012 GPW



**AXIS Insurance
2012 GPW by LOB = \$2,309 million
56% of Consolidated GPW**



AXIS Insurance	Aggregate 2002-2012	2012
GPW	\$20.3 Bn	\$2.3 Bn
NPW	\$13.8 Bn	\$1.5 Bn
Combined Ratio	83%	96%
Underwriting Profit	\$2.1 Bn	\$65 M

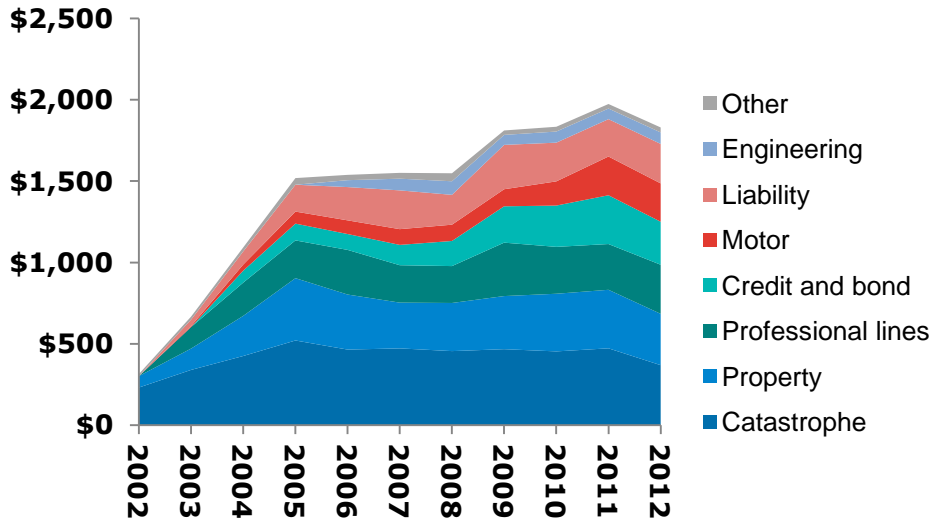


Diversified Global Insurer and Reinsurer

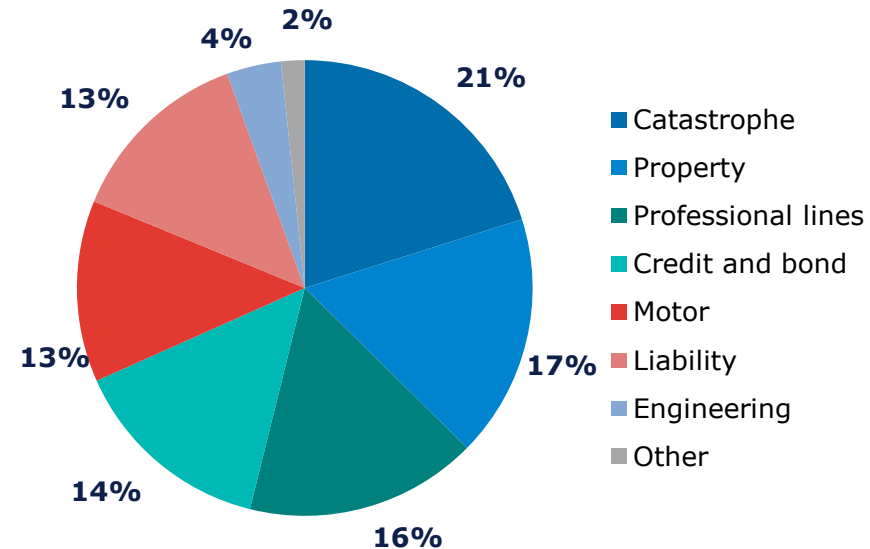
AXIS Reinsurance Overview

(\$ in millions)

AXIS Reinsurance 2002-2012 GPW



**AXIS Reinsurance
2012 GPW by LOB = \$1,830 million
44% of Consolidated GPW**

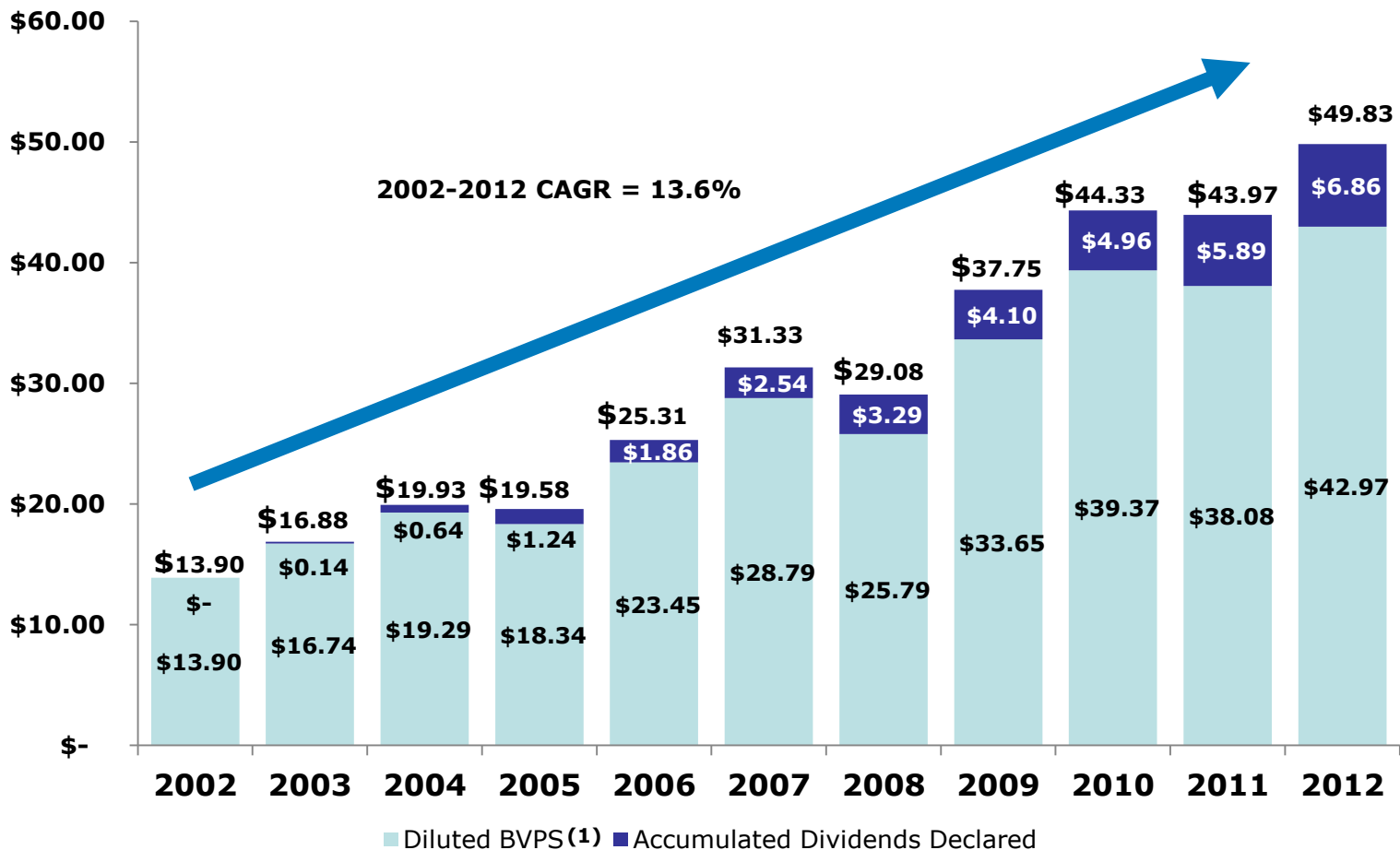


AXIS Reinsurance	Aggregate 2002-2012	2012
GPW	\$15.7 Bn	\$1.8 Bn
NPW	\$15.5 Bn	\$1.8 Bn
Combined Ratio	89%	89%
Underwriting Profit(Loss)	\$1.6 Bn	\$198 M



Driving Shareholder Value Creation

Total value creation per share calculated as diluted book value per share plus accumulated declared dividends has grown at an annualized rate of 13.6% since 2002



(1) Diluted book value per share calculated using treasury stock method. 12/31/02 diluted BVPS is proforma for AXIS Capital IPO.



Right Value Proposition and Mission for Evolving Environment

AXIS is a global insurer and reinsurer, providing our clients and distribution partners a broad range of risk transfer products and services, meaningful capacity and unquestioned financial strength.

We nurture an ethical, entrepreneurial and disciplined culture that promotes outstanding client service, intelligent risk taking and superior risk adjusted returns for our shareholders.

The achievement of our objectives will position AXIS as the leading global diversified insurance and reinsurance company as measured by quality, sustainability and profitability.

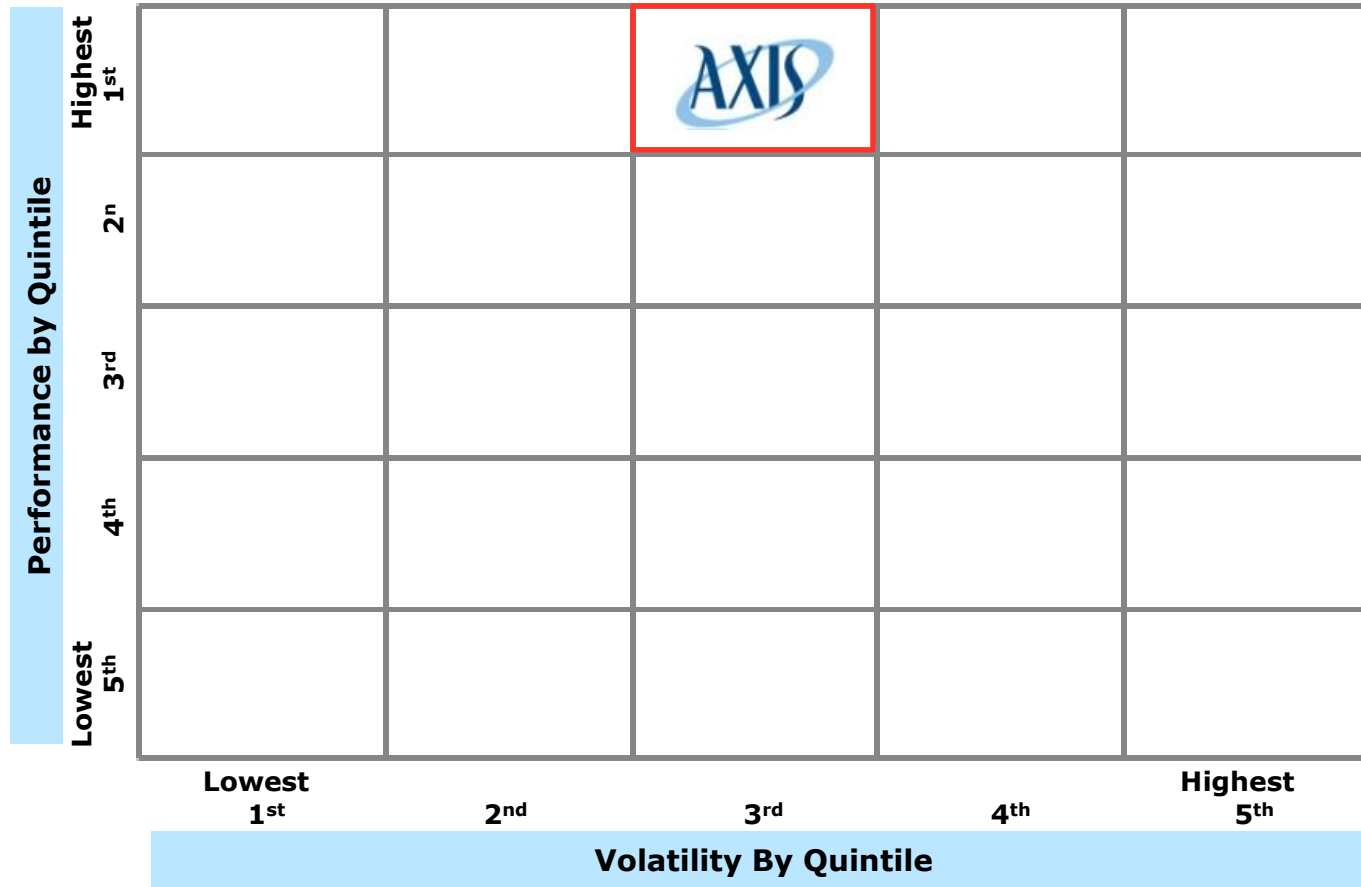
AXIS Economic Goal

To maximize Returns on Equity and Book Value per Share growth through superior Evaluation, Assumption and Management of Risk, within agreed risk appetite

- Maintain over-the-cycle 15% ROE goal
- Even if unlikely to be met in next 2-3 years
- Average result over an extended period (7-10 years).
- Commitment to beat first decade's 14.2% average ROE
- Achievement of 15% target subject to conditions beyond our control, thus also have relative performance target

Relative Performance:

Superior Returns with Industry Average Volatility



AXIS Strategic Objectives

Diversifying growth for better balance and lower volatility

Higher risk-adjusted returns through improved data and analytics

Enhanced operational effectiveness

Development and empowerment of our staff and culture

Deliver on our financial goals

AXIS Strategy

To accomplish our Mission and Objectives, AXIS will:

- Attract, develop, retain and motivate the best team in the industry by nurturing an ethical, risk-aware, achievement-oriented culture that promotes Professionalism, Responsibility, Integrity, Discipline and Entrepreneurialism
- Offer a diversified range of products and services across market segments and geographies
- Develop and maintain deep and trustful relationships with clients and distribution partners, based on best-in-class service and effective solutions for their risk management needs
- Underwrite a balanced portfolio of risks, including complex and volatile lines, and moderate volatility with risk limits, diversification and risk management
- Modulate risk appetite and capital across the cycle, commensurate with available market returns, and
- Maintain unquestioned financial strength, characterized by financial discipline and transparency

Significant Advantages

Growing global insurance/reinsurance platform

Increasingly diversified book of business by product and geography

Deep relationships

Excellent market reputation

Ability to access and underwrite complex risks

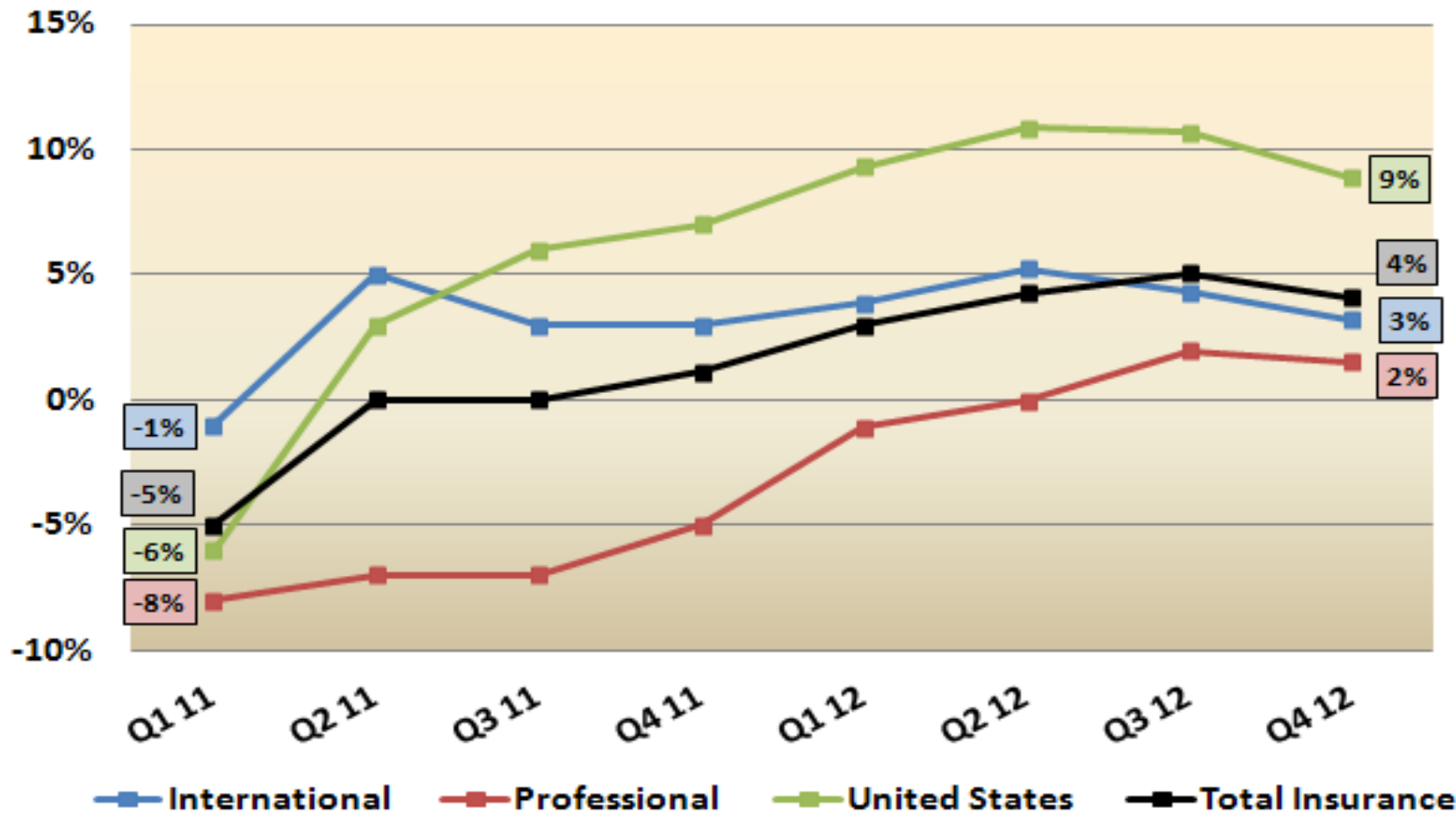
Strong underwriting culture

Strong capital and ratings

Successful track record

AXIS Insurance: Improving Market Conditions

Rate Change by Quarter – Q1 2011 through Q4 2012



Profitable, Diversifying, Balanced Growth

Enhanced producer relationship management

Economic sectors and geographies likely to exhibit stronger growth

Market share expansion in established markets

New initiatives

Opportunistic acquisitions



Focused on offering the best products

- Coverage, Capacity, Consistency

With the best service

- Responsiveness, Superior Claims Handling

Presented by the best team in the industry

- Expertise, Creativity, Relationships

Promising New Initiatives

	AXIS Insurance	AXIS Reinsurance
Product	<ul style="list-style-type: none"> • Accident and Health • Renewable Energy • International PL • Select Casualty Lines 	<ul style="list-style-type: none"> • Agriculture • Marine
Geography	<ul style="list-style-type: none"> • Canada • Asia • Australia 	<ul style="list-style-type: none"> • Canada • Asia • Latin America

Building the AXIS A&H Franchise

Attractive Opportunity for AXIS

- Large global market with significant fragmentation
- Profitable risks provide diversification and growth opportunities

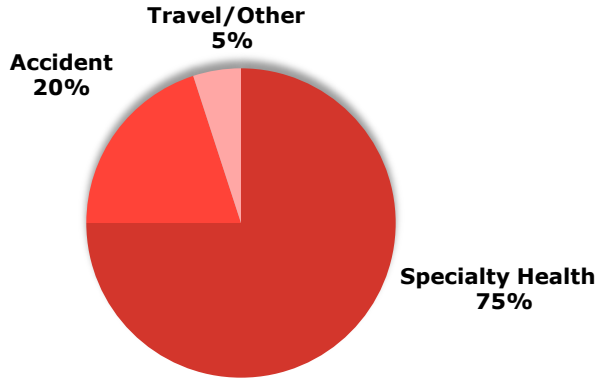
Highly Successful Start-up based on a Differentiated Platform

- Highly qualified team with track record of success
- Global presence
- Advantages of hybrid insurance and reinsurance model
- Leader in product innovation
- Delivering clients the security of compliance
- Valued partner for distributors

Building the AXIS A&H Franchise

Product Innovation, Global Presence and Distribution

AXIS A&H
2012 GWP = \$161M



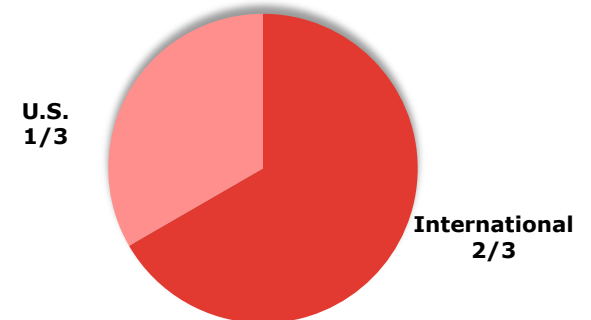
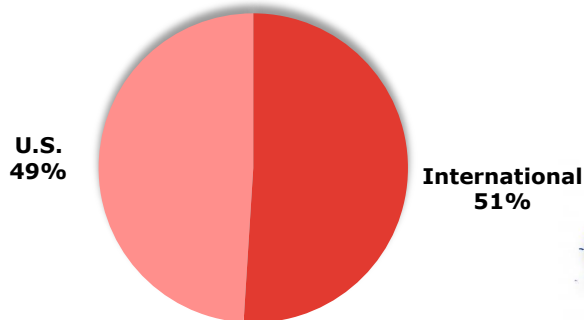
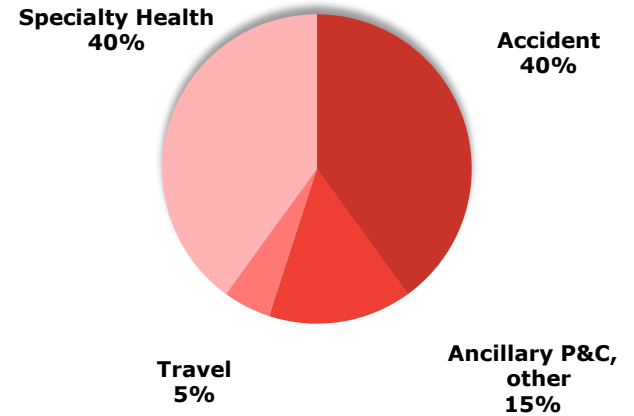
Specialty Health

- Supplemental health, critical illness, limited health benefits
- Focus on underwriting-driven classes, not managed care

Accident

- Broad portfolio of death, disability and medical
- Cat exposure

AXIS A&H
5+ Years GWP > \$500 M



ROE < 0%

ROE > 15%



Optimizing Group Catastrophe Portfolio

Rebalancing in Insurance segment

- Broadening commercial property portfolio away from peak U.S. zones, which historically dominated our portfolio
- Reduced catastrophe exposure utilized through MGA distribution and re-allocating to opportunities in commercial property benefiting in current environment

Rebalancing in Reinsurance segment

- Reduced exposure to lower return Mid-Atlantic and Northeast zones
- Deploying more capital in higher return Southeast and Gulf regions
- Renewed focus on dynamically constructing an efficient portfolio

Rebalancing Consolidated portfolio

- Introducing more residential exposure through reinsurance segment
- Reviewing risk management guidelines for “non-U.S. peril zones”
- Increased focus on return we are earning on our global cat exposures

People and Culture

- **Invest in our intellectual capital**
 - Strong new talent recruited
 - Development programs
- **Establish supportive organizational structure**
 - Appropriate empowerment, delegation & controls
- **Core value, goals and brand attributes**

AXIS Brand Attributes

Clear strategy and direction

Growing global presence

Expanding portfolio of attractive risks

Expert, service-oriented team

Superior results

Attractive shareholder rewards

