

AXIS Capital



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John Charman, CEO and President

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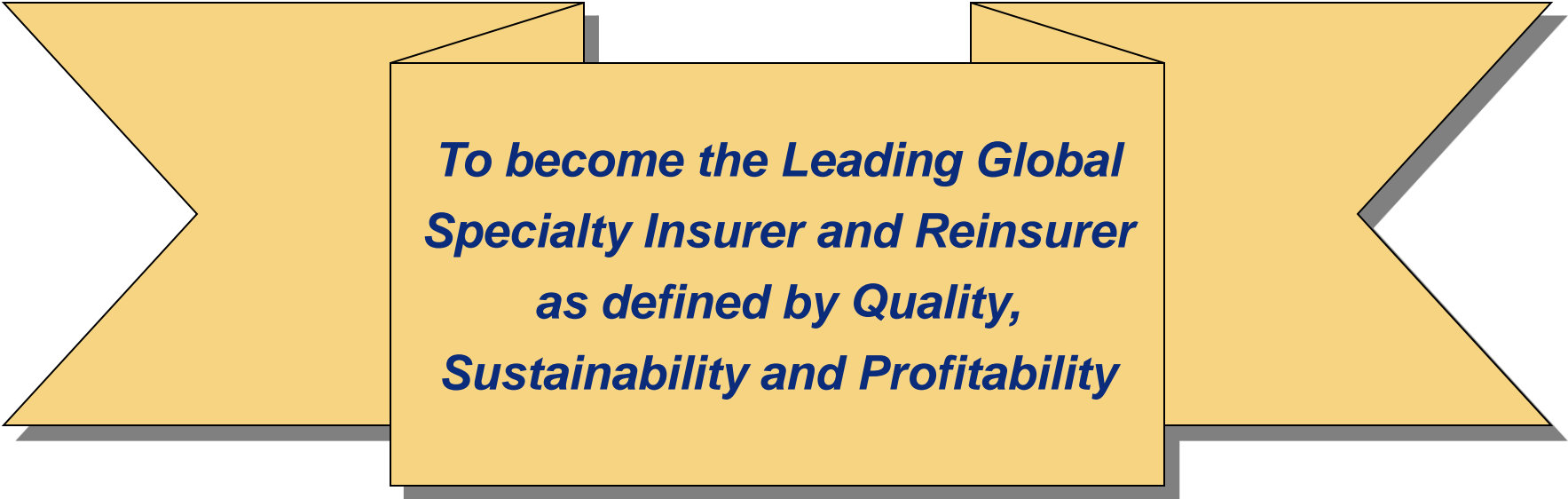
Safe Harbor Disclosure

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,
- 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.

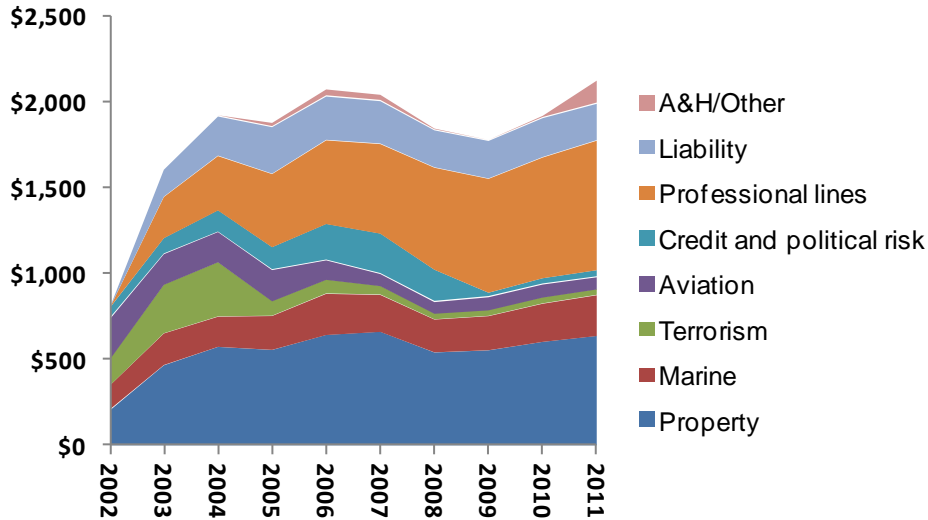
This report is for informational purposes only. It should be read in conjunction with the documents that we file with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934.



***To become the Leading Global
Specialty Insurer and Reinsurer
as defined by Quality,
Sustainability and Profitability***

Diversified Global Insurer

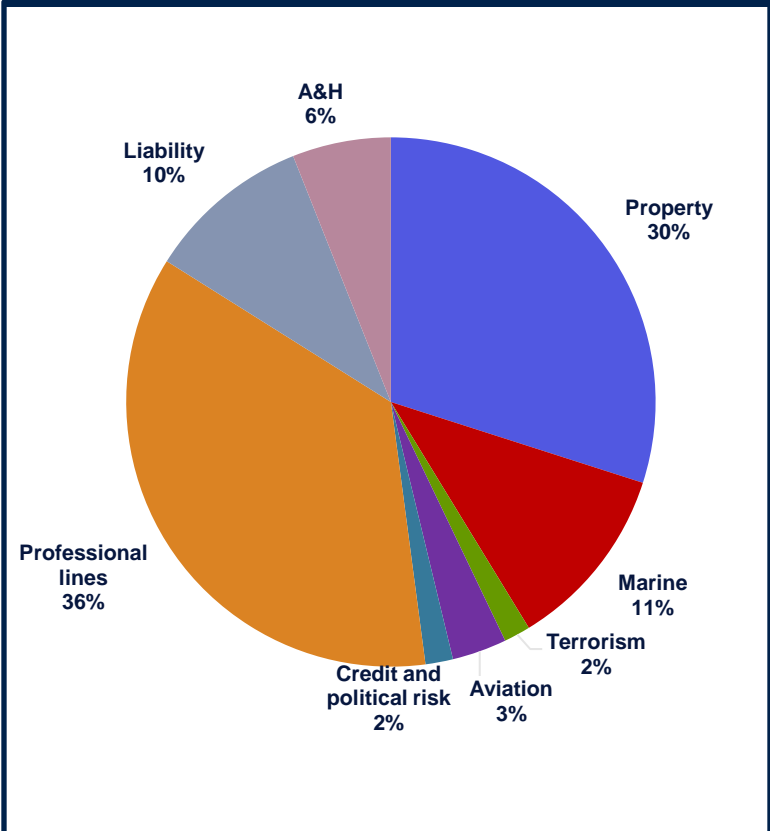
AXIS Insurance 2002-2011 GPW



AXIS Insurance	Aggregate 2002-2011	2011
GPW	\$18.0 Bn	\$2.1 Bn
NPW	\$12.2 Bn	\$1.5 Bn
Combined Ratio	81%	98%
Underwriting Profit	\$2.0 Bn	\$35 M

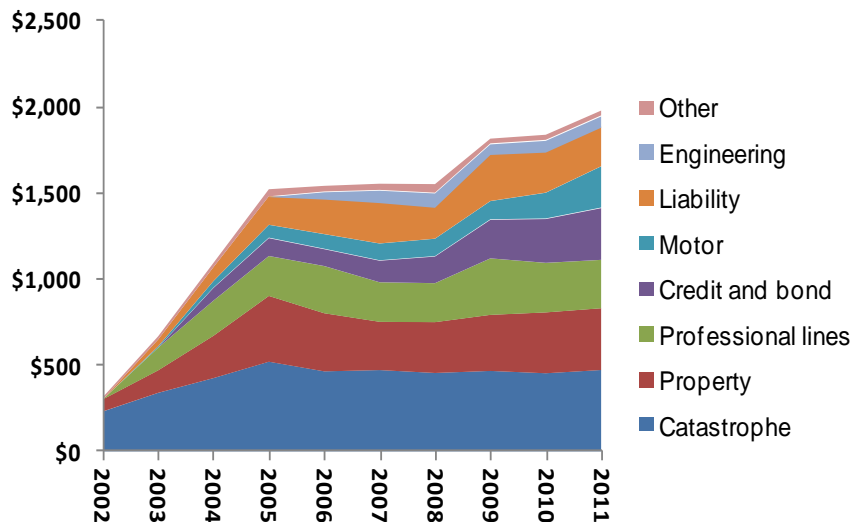
AXIS Insurance

2011 GPW by LOB = \$2,122 million
52% of Consolidated GPW



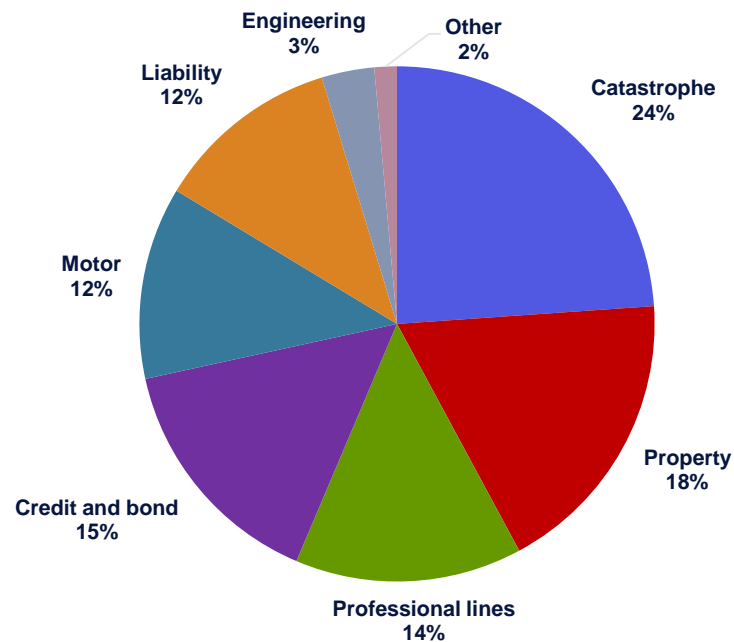
Diversified Global Reinsurer

AXIS Reinsurance 2002-2011 GPW



AXIS Reinsurance

2011 GPW by LOB = \$1,974 million
48% of Consolidated GPW

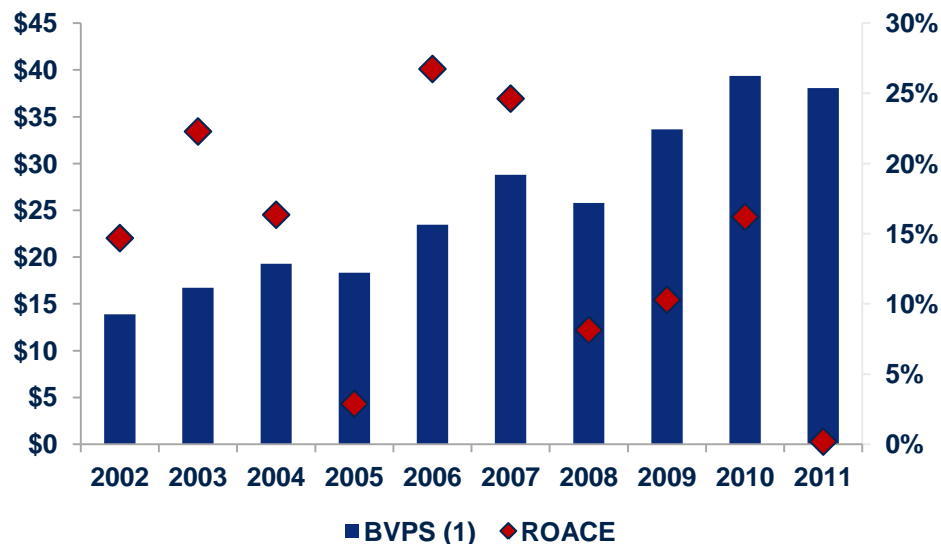


AXIS Reinsurance	Aggregate 2002-2011	2011
GPW	\$13.9 Bn	\$2.0 Bn
NPW	\$13.7 Bn	\$2.0 Bn
Combined Ratio	89%	119%
Underwriting Profit(Loss)	\$1.4 Bn	\$(362) M

Excellent Financial Performance

Excellent returns over time, despite several unprecedented industry stresses, and consistent dividend increases since IPO

ROACE and Diluted Book Value per Share ⁽¹⁾



Common Dividends Per Share



10-Year Average ROACE	14.2%
10-Year BVPS ⁽¹⁾ CAGR	11.8%
10-Year Value Creation ⁽²⁾ CAGR	13.7%

- (1) Diluted book value per share calculated using Treasury stock method. Note 12/31/02 diluted book value per share is pro forma for AXIS Capital IPO
 (2) Value creation calculated on change in diluted book value per share and cumulative declared dividends

AXIS Strategy In Current Market Environment

Focused on a strong foundation for underwriting execution and a strong, stable and competitive capital base with financial flexibility appropriate for this phase of the P&C cycle

Underwriting



- 🌐 **Manage risk appetite**
- 🌐 **Incorporate lessons from recent experience**
- 🌐 **Prepare to accelerate underwriting**
- 🌐 **Continue to cultivate distribution footprint and new initiatives (e.g. A&H)**

Investments



- 🌐 **Maintain exposure to investment-grade spread assets**
- 🌐 **Maintain liquidity and shorter duration**
- 🌐 **Optimize total return through continued diversification away from interest rate sensitive assets**

Capital



- 🌐 **Maintain financial flexibility**
- 🌐 **Maintain financial strength but “right size” to opportunity**
- 🌐 **Dividend policy characterized by consistent increase and attractive yield**



AXIS is Well Positioned

- 🌐 Global insurance and reinsurance platform
- 🌐 Diversified book of business by product and geography
- 🌐 Excellent market reputation
- 🌐 Deep relationships
- 🌐 Ability to access and underwrite complex risks
- 🌐 Strong entrepreneurial and underwriting culture
- 🌐 Strong capital and ratings and conservative balance sheet
- 🌐 Successful track record

Conclusion

- ① Capacity for greater-than-industry growth in favorable markets and less-than-industry revenue reduction in difficult markets
 - Sufficient scale to provide larger capacity – competitive advantage
 - Not so large as to lose agility
 - Sufficient diversity to manage cycle and volatility successfully
 - Continued investment in franchise
- ② Focused on delivering long-term value for our shareholders
 - Industry-leading underwriting results
 - Industry-leading ROACEs with industry-average volatility
 - Industry-leading book value growth with industry-average volatility
 - Financial goal of 15% average ROACE, but recognize difficulty of achieving in a record low interest-rate environment