SPECIALTY INSURANCE & REINSURANCE

Max Capital Group Ltd.

NASDAQ: MXGL

INVESTOR PRESENTATION
QUARTER ENDED – MARCH 31, 2009

BERMUDA IRELAND UNITED STATES LLOYD'S

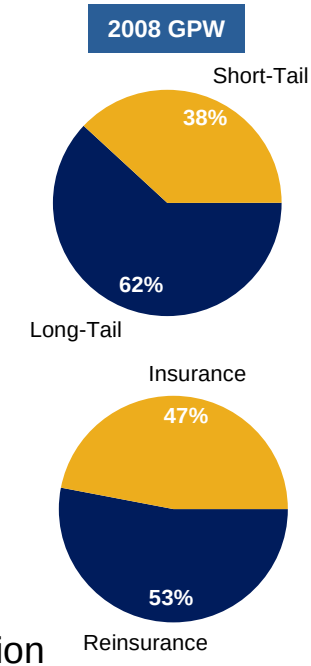
INFORMATION CONCERNING FORWARD LOOKING STATEMENTS

This presentation includes statements about future economic performance, finances, expectations, plans and prospects of the Company that constitute forward-looking statements for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those suggested by such statements.

For further information regarding cautionary statements and factors affecting future results, please refer to the Company's most recent Annual Report on Form 10-K , Quarterly Reports on Form 10-Q filed subsequent to the Annual Report and other documents filed by the Company with the SEC. The Company undertakes no obligation to update or revise publicly any forward-looking statement whether as a result of new information, future developments or otherwise.

Max Capital Today

- **Global underwriter of specialty insurance and reinsurance**
  - Multiple operating platforms - Bermuda, Dublin, United States, and Lloyd's
  - Diversified business profile across specialty classes of business
  - Highly experienced management with proven track record
- **Opportunistic and disciplined underwriting strategy**
  - Analytical and quantitative underwriting orientation
  - 5 year average combined ratio, with cats, of 93%
- **Strong, liquid balance sheet with conservative reserving track record**
  - Gross premiums written (2008) of $1.3 billion and ending equity of $1.3 billion
  - Prudent capital management - $305 million in dividends/repurchases over last 5 years
  - Significant expansion of underwriting platforms with minimal goodwill
- **High quality investment portfolio repositioned to reflect traditional underwriting base**
  - Alternative investments are now a much smaller part of Max's asset base at 11.9% and will be further reduced
- **Max has evolved and repositioned itself since its formation in 1999**



Q1 2009 Strong Results

- **Profitable Q1 2009 underwriting results**
  - Total GPW of $434.3 million, up 41.6% compared to Q1'08, reflects build-out of global platform
    - Max Specialty GPW: $68.8 million
    - Max at Lloyd's $44.2 million
  - Overall combined ratio 89.7%
- **Market conditions improving in 2009**
  - Rate increases on short-tail lines
  - Casualty rates have stopped declining
- **Allocation to alternative investments reduced to 11.9% at 3/31/09 from 14.1% of total invested assets at 12/31/08 and 20.7% at 12/31/07.**
- **Total investment portfolio return: 0.06%**
  - Max Fixed Income Return: (0.41%)
  - Max Alternative Investments Return: 2.06%
  - HFRI Fund of Fund's Index return: 0.47%

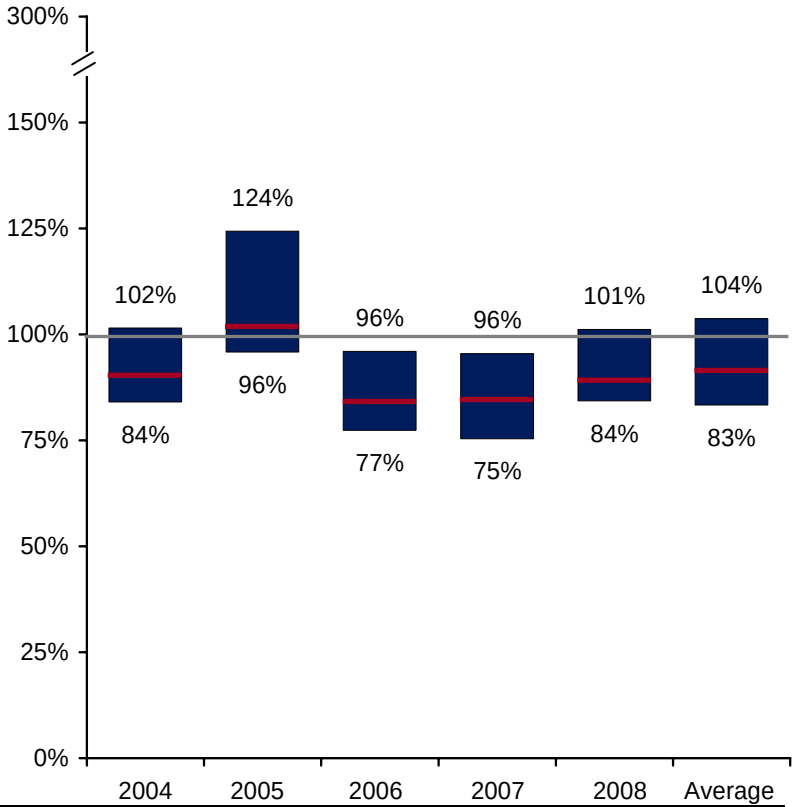
Global Reach Through Established Platforms

	Bermuda / Dublin Reinsurance	Bermuda / Dublin Insurance	Lloyd's	U.S Specialty Insurance
Major Classes	■ Agriculture ■ Aviation ■ Excess liability ■ Medical malpractice ■ Professional liability ■ Property ■ Marine and energy ■ Whole account ■ Workers' comp ■ Life and annuity	■ Aviation ■ Excess liability ■ Professional liability ■ Property	■ Personal accident ■ Financial institutions ■ Professional liability ■ Property	■ General liability ■ Marine ■ Property
Operating Regions	■ United States ■ Latin America ■ Canada ■ European Union ■ Japan ■ Australia ■ New Zealand	■ United States ■ European Union	■ United Kingdom ■ Japan ■ Denmark	■ United States
Offices	■ Bermuda ■ Dublin	■ Bermuda ■ Dublin ■ Hamburg	■ London ■ Leeds ■ Tokyo ■ Copenhagen	■ New York ■ Philadelphia ■ Richmond ■ Atlanta ■ Dallas ■ San Francisco

Diversified Platforms Generate More Consistent Margins

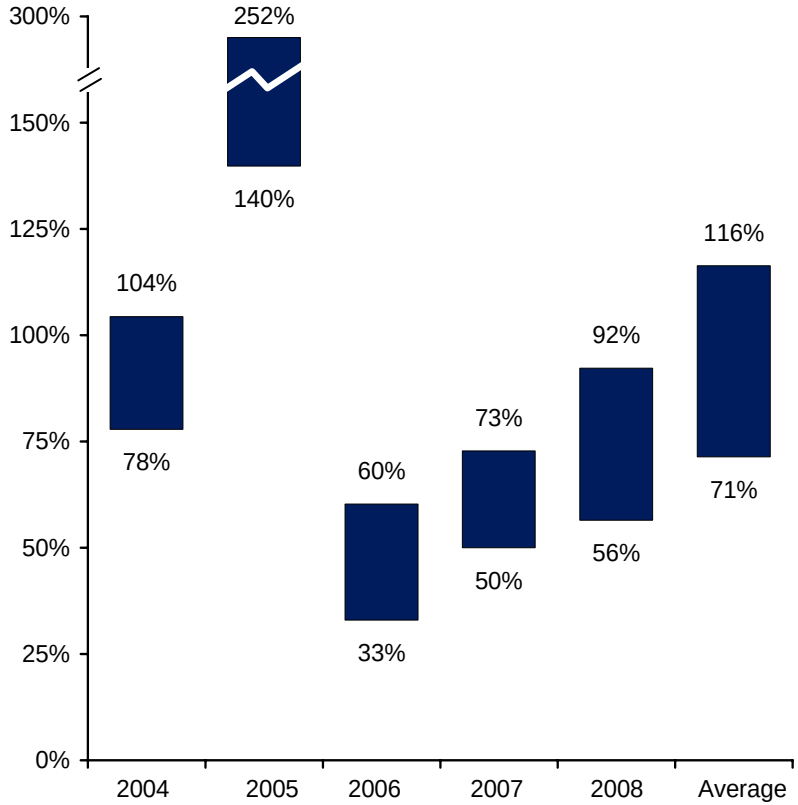
- **Max has performed well within its diversified peer group with less volatility than property focused reinsurers**

Diversified Reinsurers



	2004	2005	2006	2007	2008	Average
Median	94%	116%	85%	83%	94%	94%
Max	**94%**	**106%**	**86%**	**88%**	**92%**	**93%**

Property Focused Reinsurers



	2004	2005	2006	2007	2008	Average
Median	78%	201%	55%	61%	89%	97%

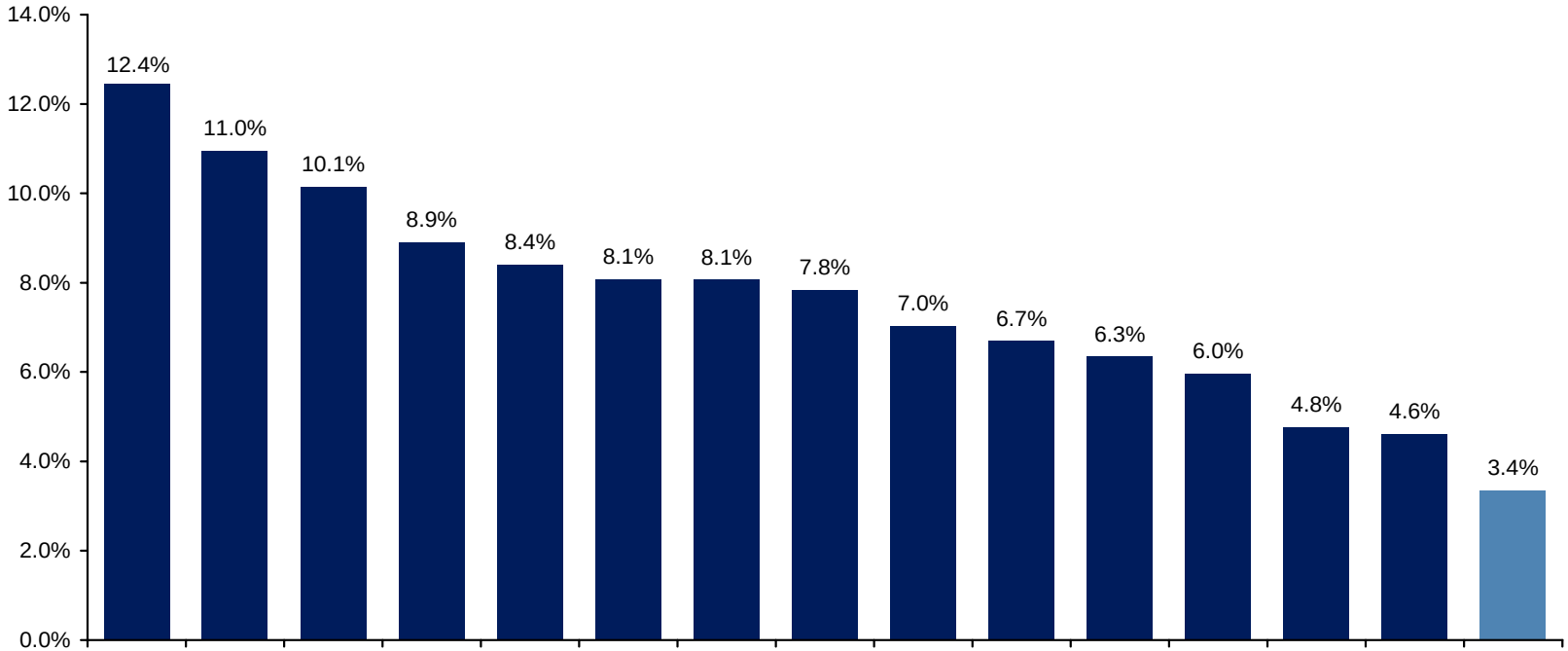
Source: Company filings.

Property focused reinsurers include RNR, IPC, VR, MRH and FSR. Diversified reinsurers include RE, AXS, ACGL, TRH, PRE, ORH, AWH, ENH, AHL, PTP and MXGL.

Max's Diversified Portfolio Limits CAT Losses

- **Max had the lowest losses from Ike/Gustav as a % of equity of all its peers**

Ike/Gustav Ultimate Net Losses as a % of 6/30/08 Common Equity ($ in millions)



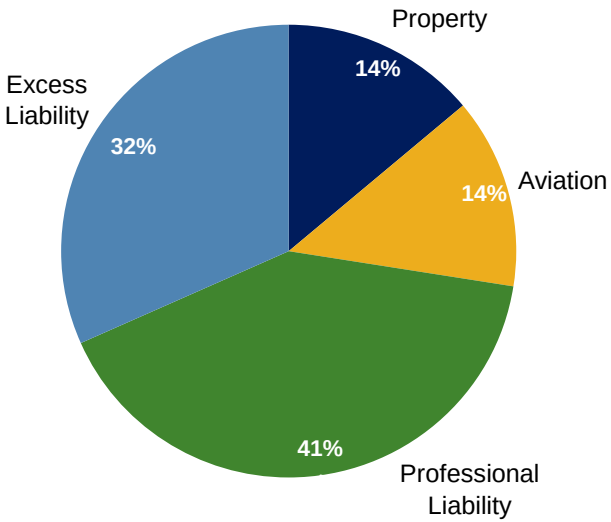
	VR	FSR	RNR	MRH	PTP[2]	ACGL	AXS	PRE[1]	AHL	IPCR[2]	ENH	ORH	AWH	RE	MXGL
Losses	$256	$140	$276	$140	$165	$287	$384	$305	$171	$135	$148	$155	$113	$257	$50

Source: Company filings, as of 12/31/08. Losses are generally disclosed net of reinstatement premiums.
Note: TRH goes not disclose specific losses but did lose "$169.7 million principally relating to Hurricane Ike" or 5.0% of 6/30/08 common equity.
(1) Results reflect Ike only.
(2) Equity includes preferred, which subsequently converted to common.

Max Has a Strong Market Position in Specialty Classes …

Bermuda / Dublin Insurance

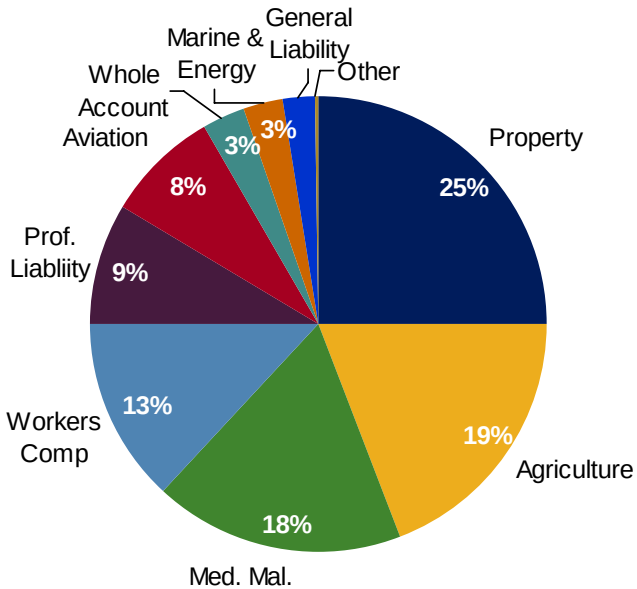
- **2008 GPW - $389 million**



- Working layer excess business
- Focus on Fortune 1000 customers
- 2008 combined ratio = 88%

Bermuda / Dublin Reinsurance

- **2008 GPW - $420 million**

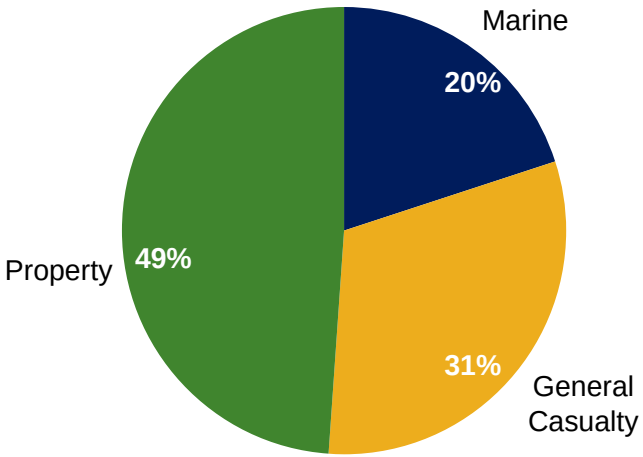


- Working layer excess / quota share business
- Cross class capability
- 2008 combined ratio = 87%

… With an Attractive Position in the U.S. Market and Lloyd's

U.S. Insurance

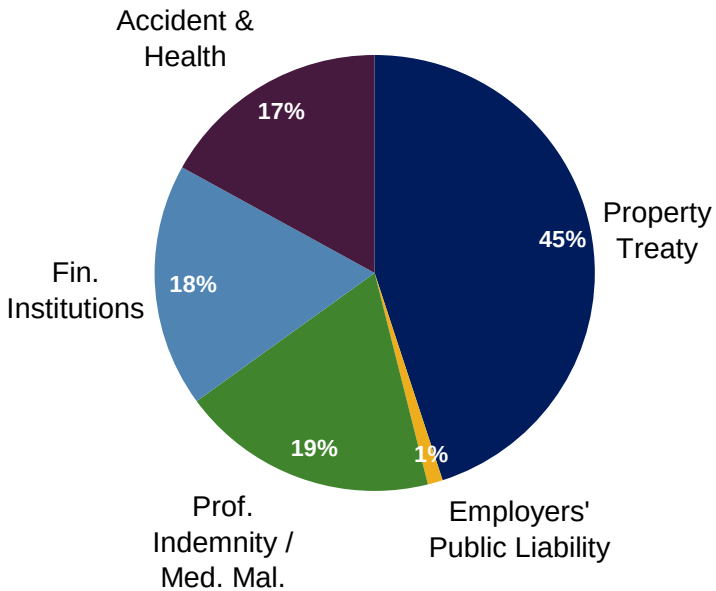
- **2008 GPW - $194 million**



- Launched in 2007
- Nationwide niche E&S underwriter
- Growing into expense base – target combined ratio of 85% to 90%
- Expected GPW of $250 million in 2009

Max at Lloyd's

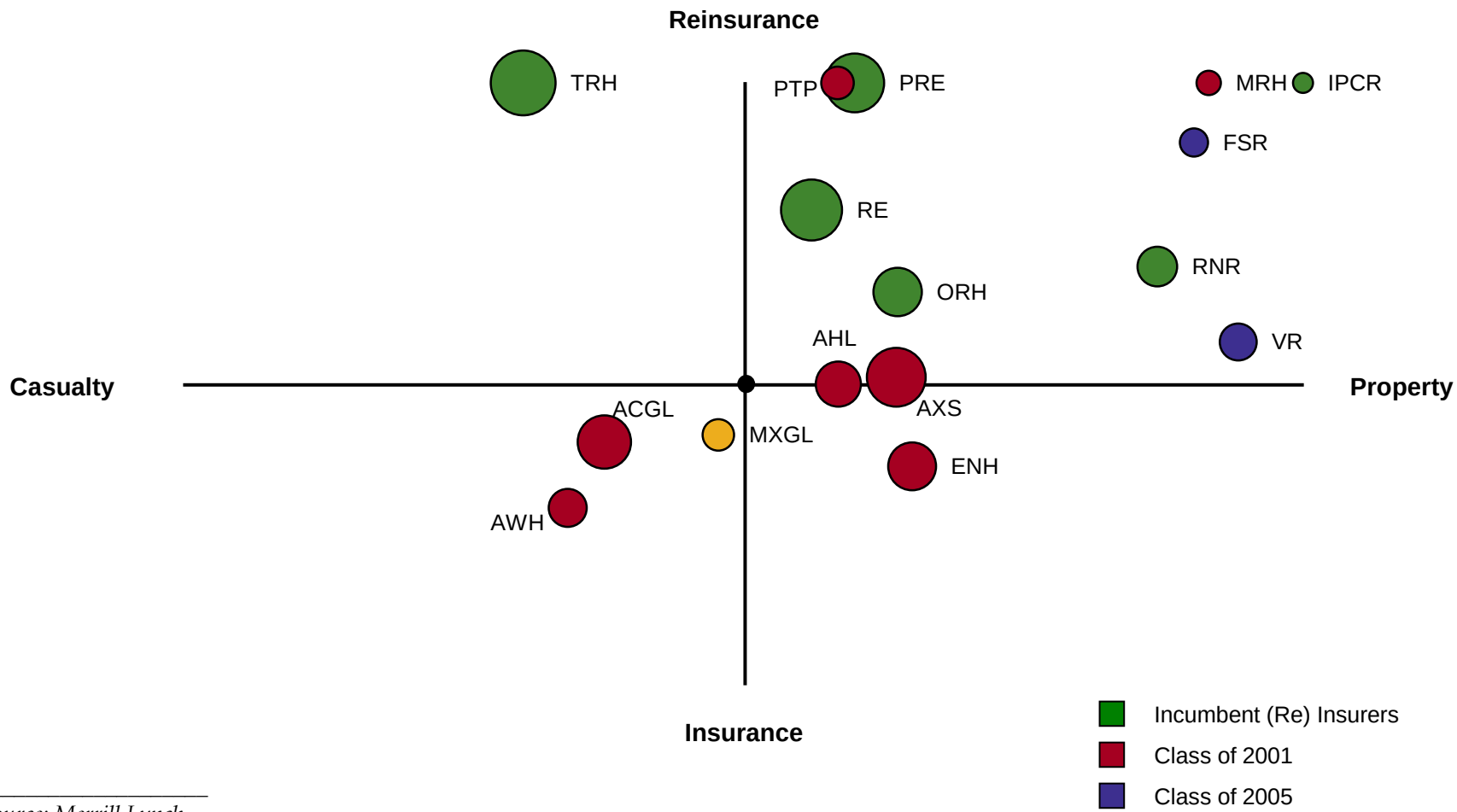
- **2008 GPW - £65 million (1)**



- Acquired in November 2008
- Direct and reinsurance
- Expected GPW of $150 million in 2009

(1) *GPW reflects full year of business, which includes periods prior to the acquisition by Max.*

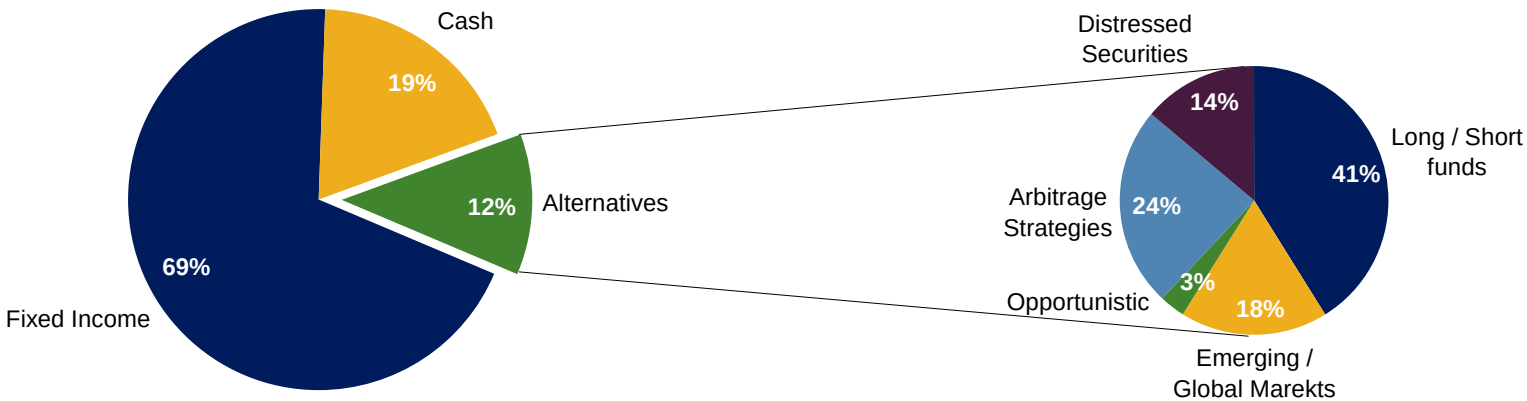
Diversified Premium Mix: A Key Differentiator



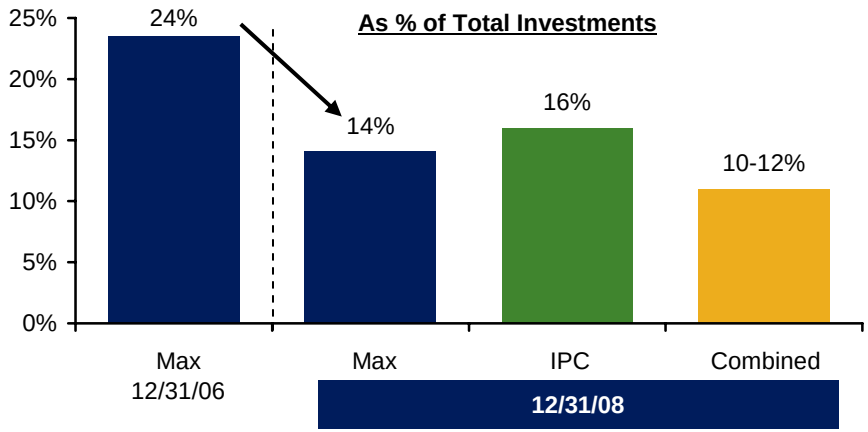
Source: Merrill Lynch
Note: Based on full year 2008 property and casualty gross premiums written. Certain allocations have been estimated.

Investment Portfolio Highlights

- **Max maintains a highly rated and highly liquid portfolio**



- **Alternatives allocation is decreasing**



- Market neutral / absolute return focus
- Max alternatives in line with Bermuda peers
- 3/31/09: Max allocation now 12%
- Max Target Allocation = 10 - 12%
  - Hedge funds 5-7%
  - Others 3-5%
- Bermuda Peers(1) (average) = 10%

Source: Company filings.

(1) Peers include: IPCR, PRE, ORH, ACGL, RE, RNR, MRH, ENH, TRH, AXS, AWH, PTP, VR, AHL, FSR, and GLRE. Peer average represents 12/31/08 allocation of preferred / equities and "other investments" as % of total investments.

Max Strongly Positioned in 2009

- **Max Bermuda and Dublin (Insurance/Reinsurance)**
  - Rates rising in short-tail property cat and energy
  - Long-tail lines have stabilized and stopped declining
- **Max Specialty**
  - Strong distribution relationships continue to generate a high flow of business
  - Market dislocations provide the opportunity to add teams and new products
  - Benefiting from improving property rates
  - Profitability improving as the business matures and can retain more business
- **Max at Lloyd's**
  - Newest platform to Max that provides access to global specialty business, high credit ratings, worldwide licenses
  - Experienced team underwriting a seasoned book of business
  - Opportunity to recruit new teams in attractive product lines
    - International casualty reinsurance
    - Marine and personal accident insurance
- **Life Reinsurance**
  - Only writes "closed" blocks of business with no variable annuity exposure
  - Provides surplus relief which will be in high demand as many life insurers are capital constrained

2009 Guidance

- **Property and Casualty GPW growth target of 20% to 22% driven by:**
  - Max at Lloyd's
  - Max Specialty
  - Bermuda/Dublin Insurance and Reinsurance relatively flat
- **Combined ratio target of 88% to 90%**
  - Assumes a cat load of 4-6 points
  - Does not include reserve releases
  - Improved profitability at Max Specialty as earned premiums offset higher expenses to build-out the platform
- **Investment allocations**
  - 88% Fixed income
  - 10-12% Alternatives
    - **5-7% hedge funds**
    - **3-5% other**
- **Target ROE is 15% over the course of the cycle**

Investment Opportunity in Max Today

- **Strongly positioned to capitalize on market dislocations**
- **"Merger of equals" with IPC creates a world class specialty insurer/reinsurer**
- **Diversified portfolio with four quality underwriting platforms**
- **Committed to reducing alternative investment exposure**
  - Target reduction as a percentage of total investments to 10-12%
  - Further commitment to changing alternative investment mix by reducing hedge funds to 5-7%
  - Introduction of other alternative investment classes e.g. high yield bonds
- **Demonstrated commitment to enhancing shareholder value**
- **Well capitalized liquid balance sheet with financial flexibility**
- **Valuation at a significant discount to "specialty insurance" peers**

Stock Valuation Is Lagging Underwriting Performance

	Average Price / Book Value			
	3-Year	2-Year	1-Year	Current
Max	**0.99x**	**0.93x**	**0.78x**	**0.73x**
Diversified	1.15	1.06	0.91	0.88

Source: FactSet, SNL and company filings.
Note: Based on primary book value per share.
(1) Diversified peers include RE, AXS, ACGL, TRH, PRE, ORH, AWH, ENH, AHL, and PTP.

APPENDIX

Strong Balance Sheet

($ in millions)	March 31, 2009	December 31, 2008
Cash & Fixed Maturities	$4,436	$4,603
Alternative Investments	599	754
Premium Receivables	674	555
Losses Recoverable	880	847
Other Assets	588	493
Total Assets	$7,177	$7,252
Property & Casualty Losses	$3,005	$2,938
Life & Annuity Benefits	1,307	1,367
Deposit Liabilities	153	219
Funds Withheld	149	164
Unearned Premium	690	574
Bank Loan	300	375
Senior Notes	91	91
Other Liabilities	219	244
Total Liabilites	$5,914	$5,972
Shareholders' Equity	1,263	1,280
	$7,177	$7,252

Quarterly Results Comparison

($ in millions)	Three months ended March 31, 2009	Three months ended March 31, 2008
Gross Premiums Written	$434	$307
Net Premiums Earned	190	136
Net Investment Income	41	50
Net Gains (Losses) on Alternative Investments	18	(26)
Net Realized Gains on Fixed Maturities	1	1
Other Income	1	1
Total Revenues	251	162
Total Losses, Expenses & Taxes	206	155
Net Income	$45	$8

Property & Casualty Underwriting		
Loss Ratio	66%	69%
Expense Ratio	24%	20%
Combined Ratio	90%	89%

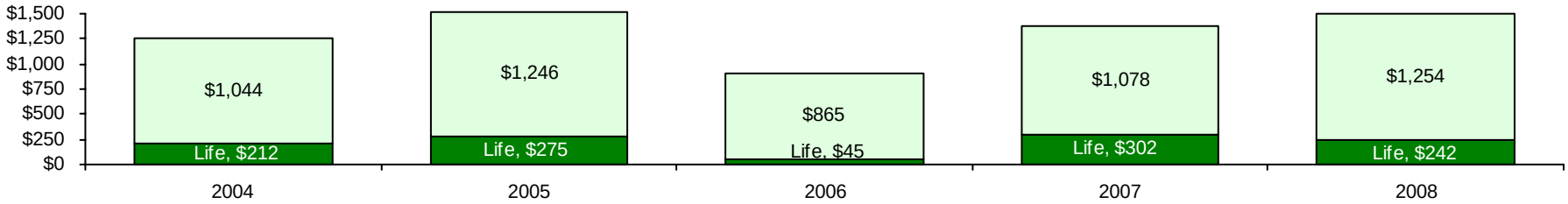
Diversified Operating Platform

Three months ended March 31, 2009
($ in millions)

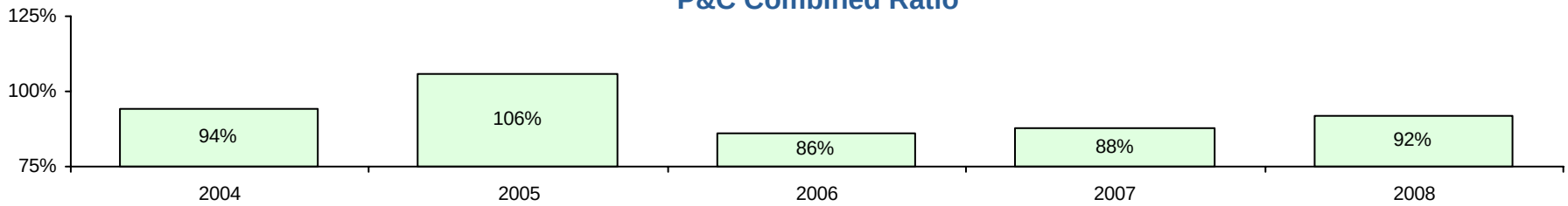
	Property & Casualty					Life & Annuity	Corporate	Consolidated
	Bermuda / Dublin			Max at				
	Insurance	Reinsurance	U.S. Specialty	Lloyd's	Total	Reinsurance		
Gross premiums written	$87.7	$233.0	$68.8	$44.2	$433.7	$0.6	$0.0	$434.3
Reinsurance premiums ceded	(54.9)	(51.4)	(40.7)	(17.3)	(164.3)	(0.1)	0.0	(164.4)
Net premiums written	$32.7	$181.6	$28.2	$26.9	$269.4	$0.5	$0.0	$269.9
Earned premiums	102.2	124.0	54.4	28.2	308.8	0.6	0.0	309.4
Earned premiums ceded	(52.2)	(26.5)	(33.0)	(7.4)	(119.0)	(0.1)	0.0	(119.1)
Net premiums earned	50.0	97.5	21.4	20.9	189.8	0.5	0.0	190.3
Net investment income	5.2	9.2	1.6	0.8	16.9	11.6	12.0	40.5
Net gains on alternative investments	1.2	3.0	0.0	0.0	4.3	7.9	5.9	18.0
Net realized gains (losses) on fixed maturities	0.0	0.0	0.1	0.5	0.6	0.0	(0.2)	0.4
Other income	1.1	0.0	(0.2)	0.1	1.1	0.0	0.2	1.3
Total revenues	$57.7	$109.7	$23.0	$22.2	$212.6	$19.9	$18.0	$250.5
Net losses and loss expenses	36.5	66.2	12.1	10.0	124.7	0.0	0.0	124.7
Claims and policy benefits	0.0	0.0	0.0	0.0	0.0	14.3	0.0	14.3
Acquisition costs	(1.4)	17.5	1.2	3.2	20.4	0.2	0.0	20.6
Interest expense	0.0	(0.5)	0.0	0.0	(0.5)	(0.4)	4.8	3.9
Foreign exchange (gains) losses	0.0	0.0	0.0	(3.5)	(3.5)	0.0	0.0	(3.5)
General and administrative expenses	5.1	7.5	7.8	4.7	25.1	0.7	18.5	44.3
Total losses and expenses	40.2	90.7	21.1	14.3	166.3	14.8	23.3	204.4
Income (loss) before taxes	$17.5	$19.0	$1.9	$7.9	$46.3	$5.1	($5.4)	$46.1
Loss Ratio	72.9%	67.9%	56.5%	47.7%	65.7%			
Combined Ratio	80.3%	93.6%	98.4%	85.5%	89.7%			

Profitable Underwriting Trends

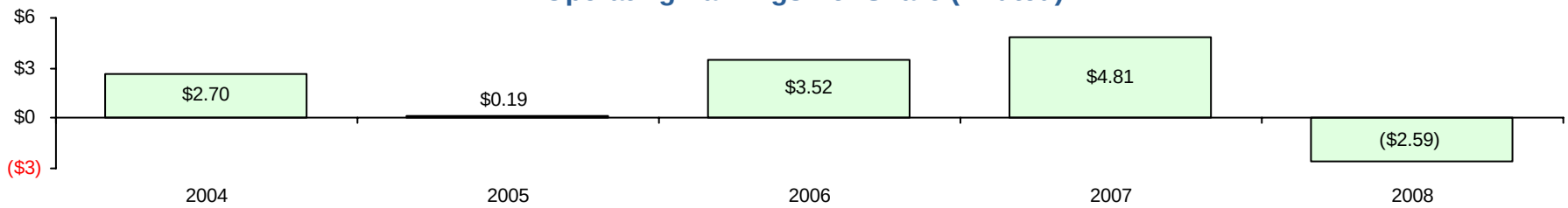
Gross Premiums Written



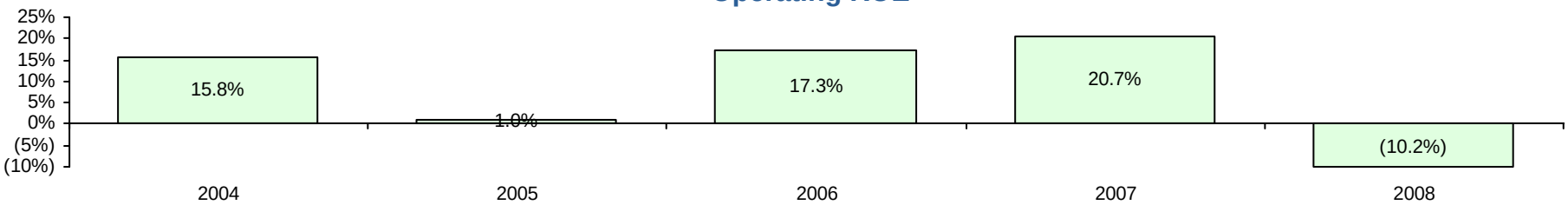
P&C Combined Ratio



Operating Earnings Per Share (Diluted)



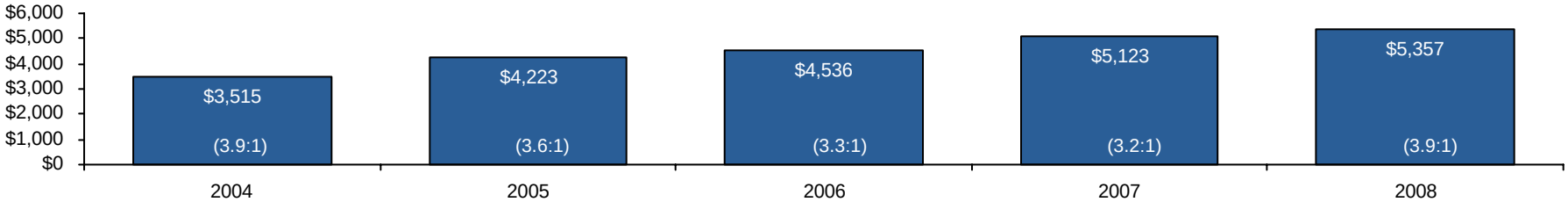
Operating ROE



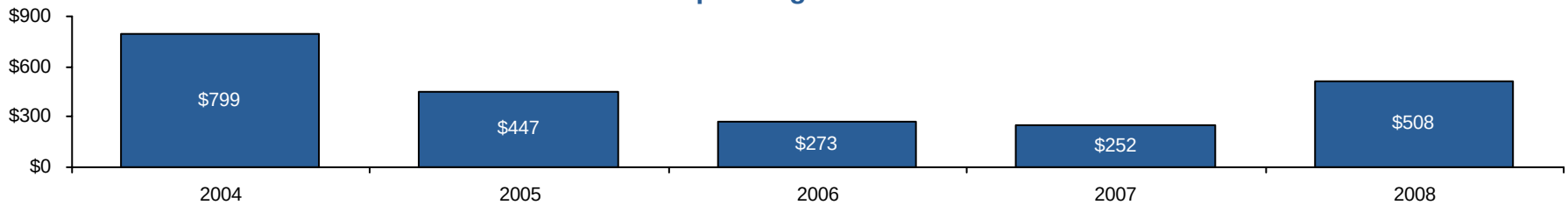
A Growing, Global Insurance / Reinsurance Company

($ in millions)

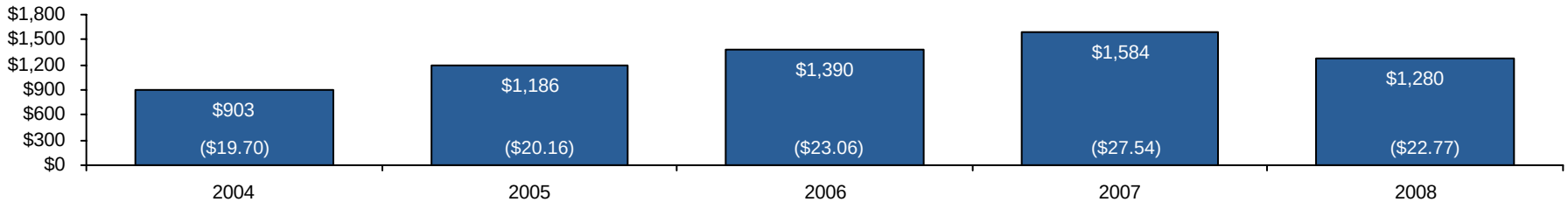
Invested Assets (Ratio to Shareholders' Equity)



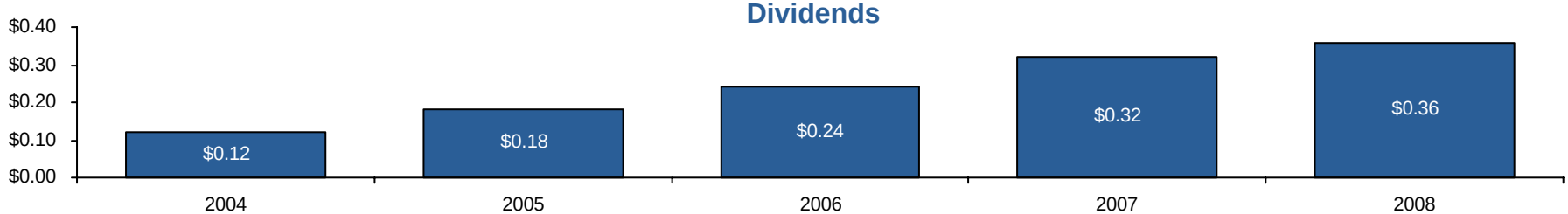
Operating Cash Flow



Shareholders' Equity (Book Value Per Share)



Dividends



High Quality Cash and Fixed Income Portfolio

- **Average quality of AA**
  - 70%+ of fixed income securities rated Aa or better
  - Less than 5% rated Baa or below
- **Approximately 43% of portfolio is Cash, Governments, Agencies, and Agency MBS**
  - Cash balance is approximately $956 million or 22% of the portfolio
  - U.S. and G7 governments approximately $745 million or 17% of the portfolio
  - U.S. Agencies approximately $254 million or 6% of the portfolio
  - U.S. Agency MBS approximately $577 million or 13% of the portfolio
- **Corporate Holdings are well diversified**
  - Approximately 32% of the portfolio
  - Approximately 200 different corporate issuers
  - Largest “Aa” issuer is less than 1.1% of the portfolio
  - Largest “A” issuer is less than 0.7% of the portfolio
- **No CDO’s, CLO’s, SIV’s or other highly structured securities**
- **Remaining portfolio is high quality ABS, CMO and CMBS Holdings**
  - Almost all CMO holdings are rated AAA, with substantial portion being agency CMO’s
  - Almost all CMBS holdings are rated AAA
    - Principal losses, if any, are expected to be minimal based upon cash flow and stress testing
  - ABS holdings are largely comprised of plain vanilla auto and credit cards
    - Home equity ABS holdings amount to approximately $50 million (all Subprime and Alt – A)
  - Subprime and Alt – A exposures are approximately $73 million book value
    - >40% are AAA rated securities
    - 2.7 year weighted average life
    - Significant and growing over-collateralization
    - No principal losses are expected based upon cash flow and stress testing
    - Unrealized loss of approximately $23 million

Supplemental Investment Data – March 31, 2009

($ thousands)	Fair Value	Investment Distribution
Cash and Cash Equivalents	$955,577	19.0%
U.S. Government and Agencies	385,561	7.6%
Non-U.S. Government	613,519	12.2%
Corporate Securities	1,428,150	28.4%
Other Corporate Securities	38,476	0.8%
Asset and Mortgage-Backed Securities	726,853	14.4%
Collateralized Mortgage Obligations	288,348	5.7%
Fixed Maturities	$3,480,907	69.1%
Cash and Fixed Maturities	$4,436,484	88.1%
Convertible Arbitrage	-	0.0%
Distressed Securities	85,883	1.7%
Diversified Arbitrage	44,769	0.9%
Emerging Markets	32,651	0.6%
Event-Driven Arbitrage	69,134	1.4%
Fixed Income Arbitrage	28,504	0.6%
Global Macro	73,587	1.5%
Long / Short Credit	19,309	0.4%
Long / Short Equity	226,610	4.5%
Opportunistic	14,039	0.3%
MDS	594,486	11.8%
Reinsurance Private Equity	4,999	0.1%
Alternative Investments	$599,485	11.9%
Total Investments	$5,035,969	100.0%

Credit Rating	Fair Value*	Ratings Distribution
U.S. Government and Agencies[1]	$962,470	27.7%
AAA	1,296,639	37.3%
AA	298,666	8.6%
A	753,232	21.6%
BBB	128,906	3.7%
BB	22,209	0.6%
B or lower	18,785	0.5%
	$3,480,907	100.0%

	Annualized Periodic Rate of Return			
	Last 3 Months	Year to Date	Last 12 months	Last 60 months
Cash and Fixed Maturities	(0.41%)	(0.41%)	2.77%	3.69%
Convertible Arbitrage	16.99%	16.99%	2.72%	(0.83%)
Distressed Securities	(0.25%)	(0.25%)	(19.14%)	6.91%
Diversified Arbitrage	0.25%	0.25%	(31.44%)	(4.06%)
Emerging Markets	0.18%	0.18%	(30.66%)	4.05%
Event-Driven Arbitrage	2.99%	2.99%	(29.30%)	4.55%
Fixed Income Arbitrage	9.66%	9.66%	15.63%	11.02%
Global Macro	(0.16%)	(0.16%)	(5.70%)	4.17%
Long / Short Credit	2.98%	2.98%	(12.24%)	4.45%
Long / Short Equity	4.05%	4.05%	(3.86%)	4.40%
Opportunistic	(3.43%)	(3.43%)	(41.96%)	4.66%
MDS	2.00%	2.00%	(15.95%)	2.62%
Reinsurance Private Equity	12.32%	12.32%	14.60%	10.41%
Alternative Investments	2.06%	2.06%	(15.83%)	2.07%
Total Investments	0.06%	0.06%	(3.53%)	3.68%

(1) *Included within U.S. Governments and Agencies are Agency Mortgage-Backed Securities with a fair value of $576,909.*

Peer Analysis
Investment Portfolio by Security Type – 12/31/08

($ in millions)

	% of Total Cash & Investments							
		Fixed Income Securities						
	Cash & Cash Equivalents[1]	Investment Grade	Non-investment Grade	Total	Equity / Other Securities	Total Cash & Investments	Non-Investment Grade Fixed Income & Equity / Other Securities as a % of Total Cash & Investment	Price / Book Value[2]
OdysseyRe	25.9%	45.6%	4.2%	49.8%	24.3%	$7,892.5	28.5%	0.88x
Montpelier Re [3]	11.3	69.6	2.6	72.2	16.5	2,365.2	19.1	0.84
IPC Holdings	3.4	80.1	0.1	80.2	16.3	2,235.2	16.4	0.79
RenaissanceRe	39.4	47.3	0.9	48.2	12.4	6,217.4	13.4	1.26
Transatlantic	4.9	87.3	0.5	87.8	7.3	10,518.5	7.8	0.81
PartnerRe	8.1	84.2	2.6	86.8	5.0	11,724.7	7.6	1.03
Everest Re [4]	15.3	77.5	1.3	78.8	6.0	13,714.3	7.2	0.92
Arch Capital	8.3	85.2	2.3	87.6	4.1	9,992.2	6.4	1.10
Endurance [5]	21.9	71.5	0.8	72.3	5.8	5,358.1	6.6	0.75
AXIS	17.5	76.6	0.2	76.8	5.7	10,432.6	6.0	0.85
FlagstoneRe	50.4	46.1	0.0	46.1	3.5	1,700.8	3.5	0.80
Allied World	10.3	87.8	0.1	87.9	1.8	6,863.4	2.0	0.75
Validus	25.2	74.3	0.5	74.8	0.0	3,281.4	0.5	0.90
Platinum Re [6]	20.8	79.0	0.1	79.1	0.1	4,259.9	0.1	0.85
Aspen	18.0	NA	NA	77.0	5.0	5,754.0	NA	0.82
Greenlight Capital	39.9	NA	NA	8.2	51.9	857.9	NA	1.20
Mean	**20.0%**	**72.3%**	**1.2%**	**69.6%**	**10.4%**		**8.9%**	**0.91x**
Median	**17.7**	**77.0**	**0.6**	**76.9**	**5.8**		**6.9**	**0.85**
Max Capital [7]	**17.7%**	**66.9%**	**0.2%**	**67.1%**	**14.1%**	**$5,356.9**	**14.3%**	**0.73x**

Note: Market data as of 5/1/09.
(1) Includes short-term investments and cash and cash equivalents.
(2) Based on primary book value per share, which excludes the dilutive impact of options, warrants and restricted stock.
(3) $92mm in municipal bonds assumed to be investment grade.
(4) Everest Re investment grade portfolio shown excludes cash and short term investments, which are assumed to be AAA.
(5) Endurance investment grade portfolio shown excludes preferred investments and short term investments, which are assumed to be AAA.
(6) Platinum investment grade portfolio shown excludes preferred investments, which are assumed to be AAA.
(7) Allocation between investment and non-investment grade fixed income excludes $61.8mm of fixed maturities, trading at fair value.

Source: FactSet, SNL Financial, Company filings.

Max