



Endurance Specialty Holdings

Investor Presentation

December 31, 2014

Forward looking statements & regulation G disclaimer

Safe Harbor for Forward Looking Statements

Some of the statements in this presentation may include forward-looking statements which reflect our current views with respect to future events and financial performance. Such statements include forward-looking statements both with respect to us in general and the insurance and reinsurance sectors specifically, both as to underwriting and investment matters. Statements which include the words "should," "expect," "intend," "plan," "believe," "project," "anticipate," "seek," "will," and similar statements of a future or forward-looking nature identify forward-looking statements in this presentation for purposes of the U.S. federal securities laws or otherwise. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the Private Securities Litigation Reform Act of 1995.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or may be important factors that could cause actual results to differ materially from those indicated in the forward-looking statements. These factors include, but are not limited to, the effects of competitors' pricing policies, greater frequency or severity of claims and loss activity, changes in market conditions in the agriculture insurance industry, termination of or changes in the terms of the U.S. multiple peril crop insurance program, a decreased demand for property and casualty insurance or reinsurance, changes in the availability, cost or quality of reinsurance or retrocessional coverage, our inability to renew business previously underwritten or acquired, our inability to maintain our applicable financial strength ratings, our inability to effectively integrate acquired operations, uncertainties in our reserving process, changes to our tax status, changes in insurance regulations, reduced acceptance of our existing or new products and services, a loss of business from and credit risk related to our broker counterparties, assessments for high risk or otherwise uninsured individuals, possible terrorism or the outbreak of war, a loss of key personnel, political conditions, changes in insurance regulation, changes in accounting policies, our investment performance, the valuation of our invested assets, a breach of our investment guidelines, the unavailability of capital in the future, developments in the world's financial and capital markets and our access to such markets, government intervention in the insurance and reinsurance industry, illiquidity in the credit markets, changes in general economic conditions and other factors described in our most recently filed Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the period ended June 30, 2014.

Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation publicly to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

Regulation G Disclaimer

In this presentation, management has included and discussed certain non-GAAP measures. Management believes that these non-GAAP measures, which may be defined differently by other companies, better explain the Company's results of operations in a manner that allows for a more complete understanding of the underlying trends in the Company's business. However, these measures should not be viewed as a substitute for those determined in accordance with GAAP. For a complete description of non-GAAP measures and reconciliations, please review the Investor Financial Supplement on our web site at www.endurance.bm.

The combined ratio is the sum of the loss, acquisition expense and general and administrative expense ratios. Endurance presents the combined ratio as a measure that is commonly recognized as a standard of performance by investors, analysts, rating agencies and other users of its financial information. The combined ratio, excluding prior year net loss reserve development, enables investors, analysts, rating agencies and other users of its financial information to more easily analyze Endurance's results of underwriting activities in a manner similar to how management analyzes Endurance's underlying business performance. The combined ratio, excluding prior year net loss reserve development, should not be viewed as a substitute for the combined ratio.

Net premiums written is a non-GAAP internal performance measure used by Endurance in the management of its operations. Net premiums written represents net premiums written and deposit premiums, which are premiums on contracts that are deemed as either transferring only significant timing risk or transferring only significant underwriting risk and thus are required to be accounted for under GAAP as deposits. Endurance believes these amounts are significant to its business and underwriting process and excluding them distorts the analysis of its premium trends. In addition to presenting gross premiums written determined in accordance with GAAP, Endurance believes that net premiums written enables investors, analysts, rating agencies and other users of its financial information to more easily analyze Endurance's results of underwriting activities in a manner similar to how management analyzes Endurance's underlying business performance. Net premiums written should not be viewed as a substitute for gross premiums written determined in accordance with GAAP.

Return on Equity (ROE) is comprised using the average common equity calculated as the arithmetic average of the beginning and ending common equity balances for stated periods. The Company presents various measures of Return on Equity that are commonly recognized as a standard of performance by investors, analysts, rating agencies and other users of its financial information.

Endurance Has Strong Foundation to Build on

Strong balance sheet, diversified portfolio and robust infrastructure

Strong Balance Sheet and Capital

- “A” ratings from A.M. Best and S&P
- \$3.7 billion of total capital
- Conservative, short-duration, AA-rated investment portfolio
- Prudent reserves that have historically developed favorably since our inception
- Diversified and efficient capital structure
- Since inception, returned nearly \$2.1 billion to investors through dividends and share repurchases

Diversified Portfolio of Businesses

- Portfolio of \$2.9 billion gross premiums written for full year 2014
- Diversified book of business containing insurance and reinsurance exposures as well as short tail and long tail lines of business
- Proven leader in the U.S. agriculture insurance industry
- Focus on specialty lines of business, with market recognized, industry-leading talent

Strategic Initiatives

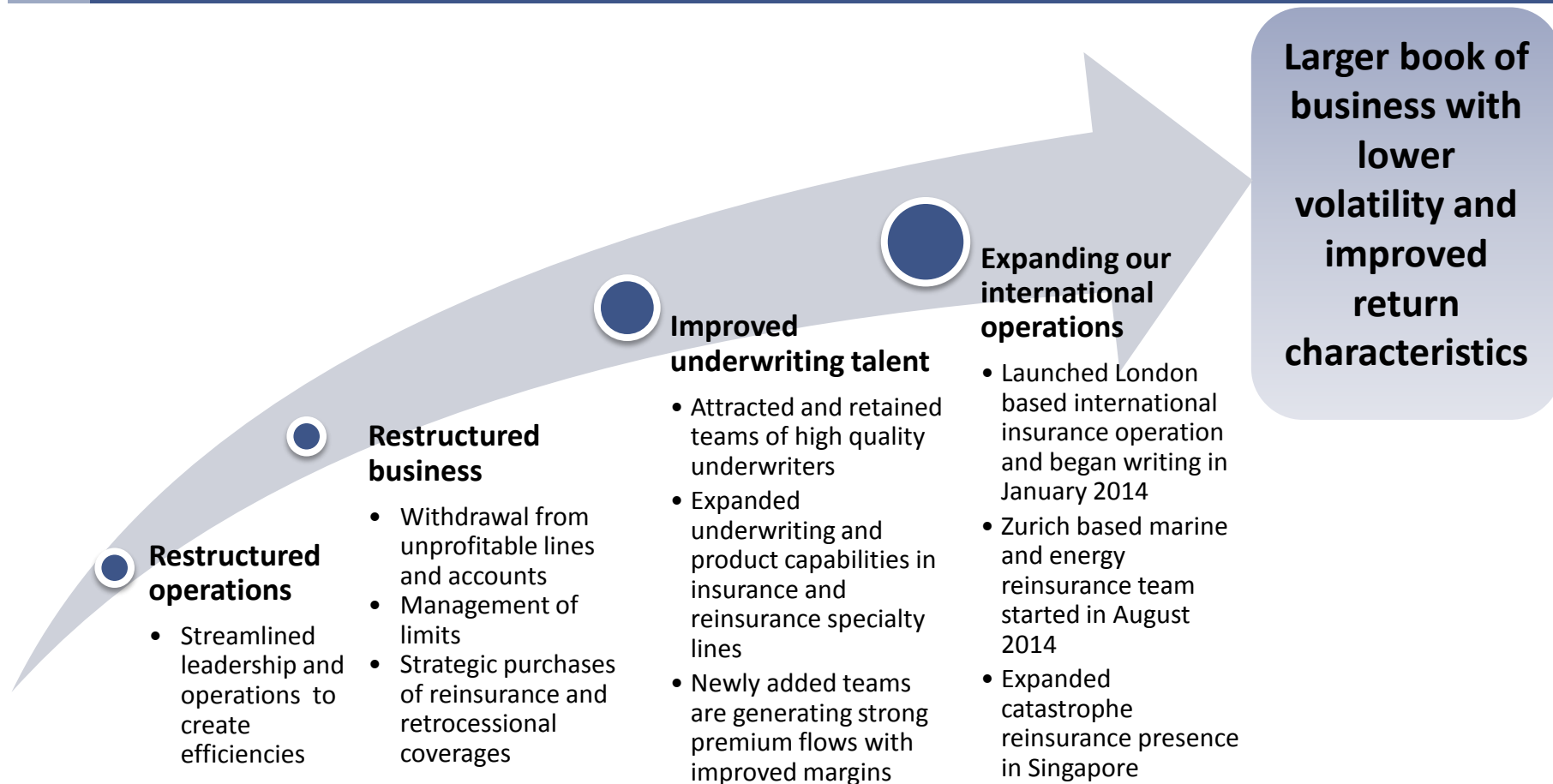
- Substantially expanded global underwriting and leadership talent
- Optimized balance of insurance and reinsurance portfolios to lower volatility and improve profitability
- Increased strategic purchases of reinsurance and retrocession to support growth and manage cycle
- Streamlined support operations to generate significant savings to fund underwriting additions
- Financial results beginning to reflect transformation initiatives

Strong and seasoned franchise

- Inception to date operating ROE of 11.1%
- 10 year book value per share plus dividends CAGR of 10.0%
- Continuous improvement in performance and market positioning

We Have Transformed Our Specialty Insurance and Reinsurance Businesses

Starting in 2013 we rebalanced our insurance and reinsurance portfolios while expanding our global underwriting talent to enhance our positioning and relevance in the market

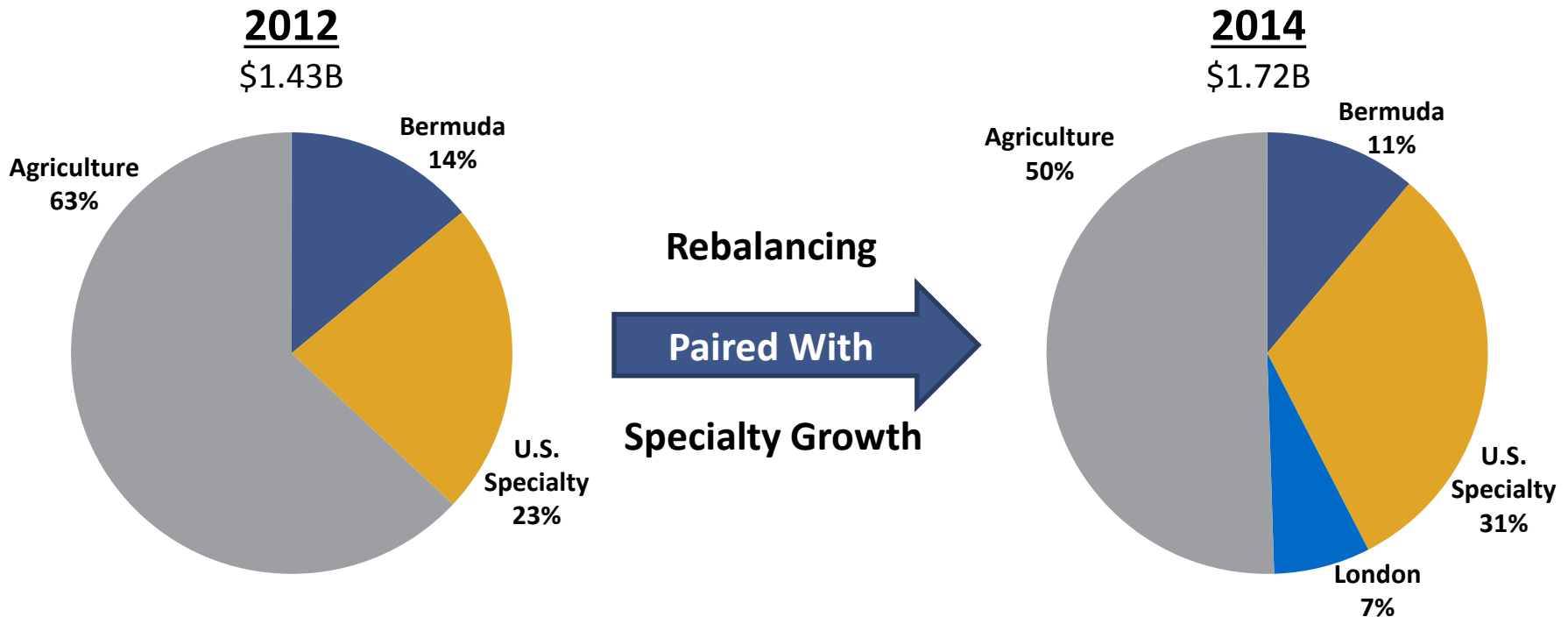


The core of our underwriting leadership and talent is now firmly embedded throughout our organization. Our goal is to produce a more consistent level of profitability while reducing volatility in order to deliver excellent sustainable results for our shareholders.

Specialty Insurance Strategic Direction – Scale, Balance and Diversification

Expanded underwriting talent, refocused underwriting, rebalanced portfolio and improved positioning and relevance in the global market

Insurance Gross Premiums Written

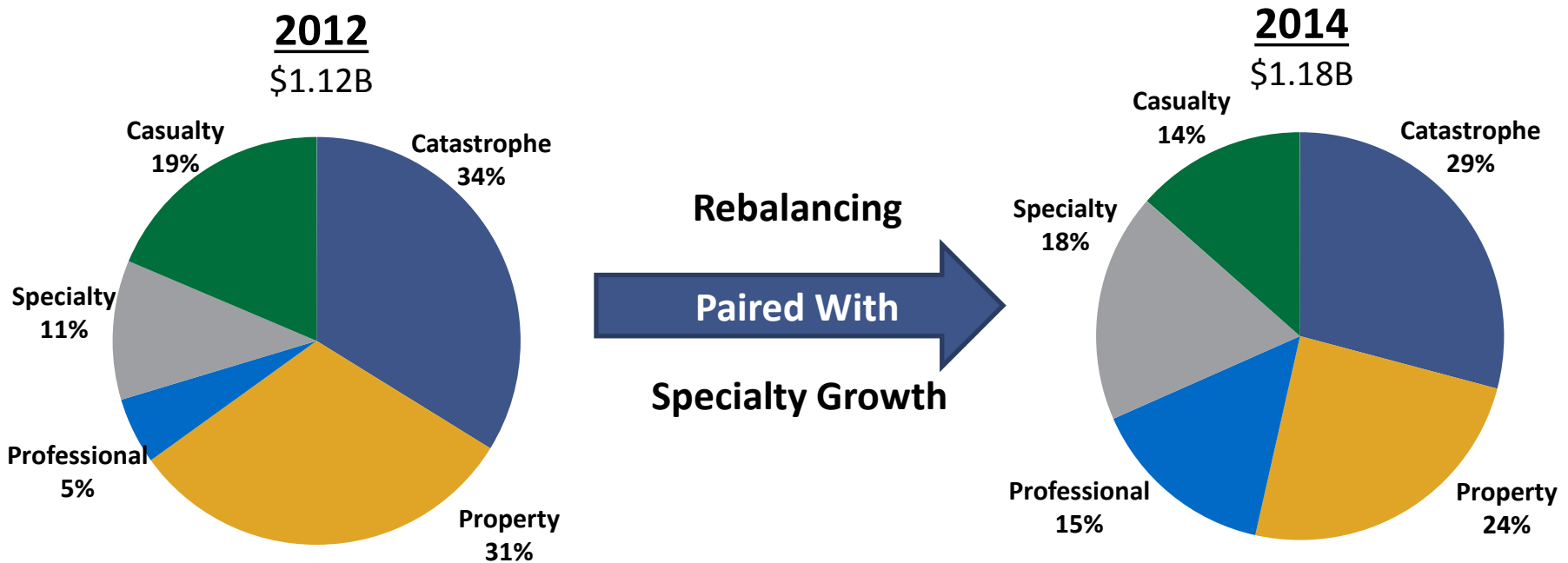


- Improved market presence through hiring of nearly 150 world class specialty underwriters in the U.S and London
- Increased market relevance with expanded geographies and products including: U.S. (Primary and excess casualty, inland and ocean marine, numerous professional liability classes, E&S property and commercial property) and London (energy, property and professional lines)
- Rebalanced portfolio by managing limits and by reducing unprofitable classes of business including NY City contractors, DIC property, and numerous casualty exposures while growing diversified specialty lines

Reinsurance Strategic Direction – Portfolio Enhancement

Enhanced profitability by recruiting top flight underwriting talent, developing strategic partnerships with key clients and brokers, and improving underwriting and risk selection

Reinsurance Gross Premiums Written

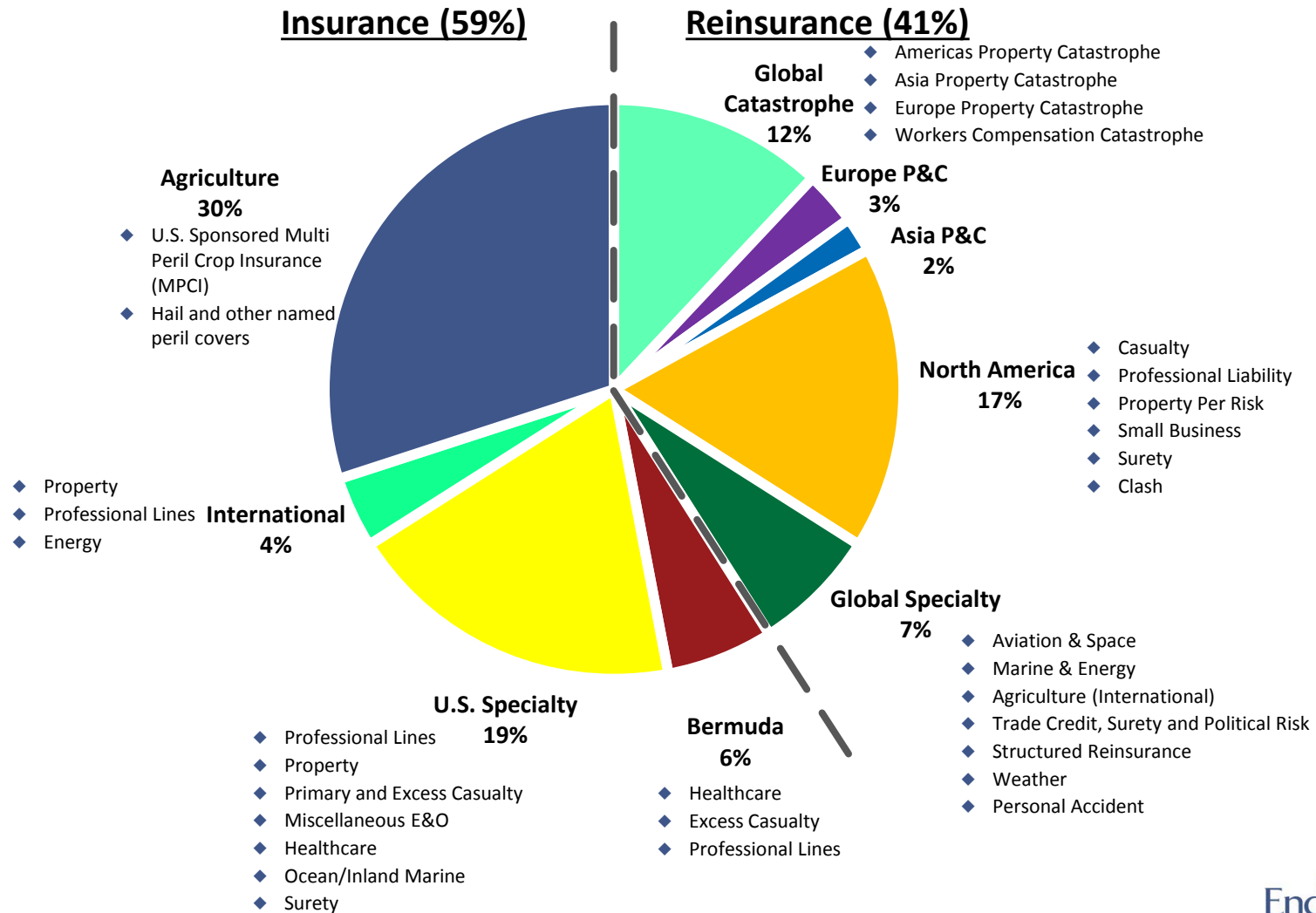


- Expanded specialty focus through hiring of industry leading specialty teams in Trade Credit and Surety, Marine and Energy and Agriculture
- Improved balance and profit potential through re-underwriting and non-renewals in: treaty property, UK Motor, low margin casualty treaties as well as numerous contracts that no longer met our profit targets
- Enhanced leadership team and hired highly regarded North American team of underwriters
 - Significantly expanded profitable U.S. casualty and professional lines quota share business
- Further expanded our international specialty book by an additional \$70 million at 1/1/2015 renewals

Portfolio Diversified by Product, Distribution Source and Geography

The transformation of Endurance has expanded product and geographic diversification

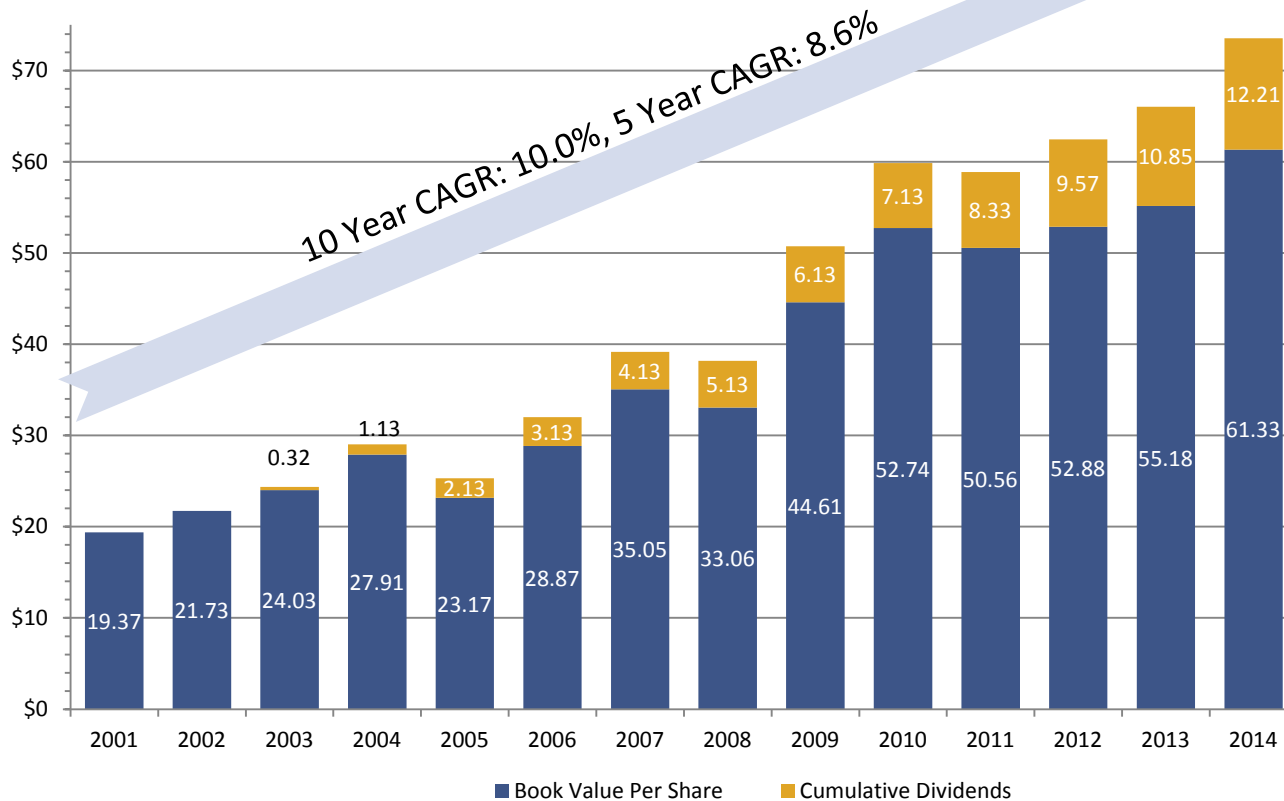
Full Year 2014 Gross Premiums Written: \$2.9 Billion



Endurance's Financial Results

Diluted book value per common share has grown strongly

Growth in Diluted Book Value Per Common Share (\$)
From December 31, 2001 – December 31, 2014



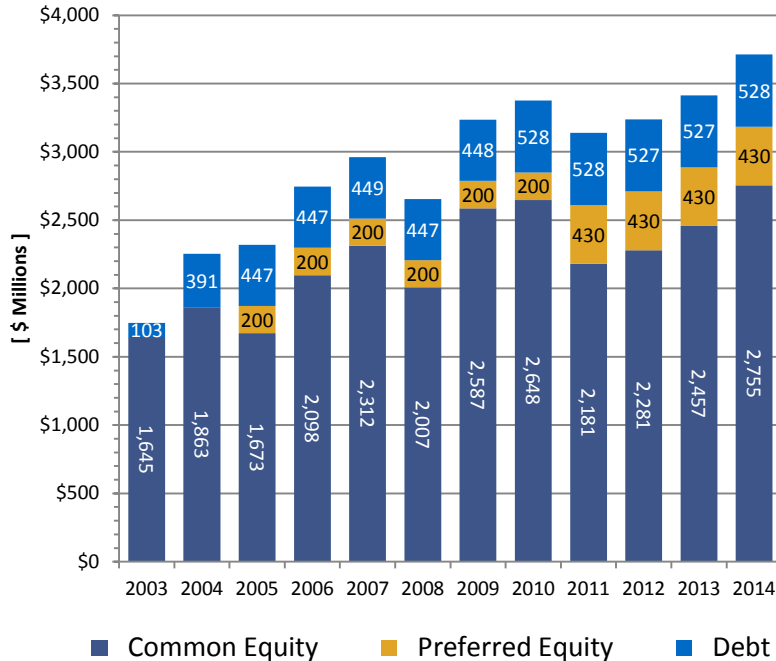
Significant Impacts to Book Value

- 2005 – Hurricanes Katrina, Rita and Wilma
- 2008 – Credit crisis and related impact of marking assets to market
- 2009 – Post crisis asset recovery
- 2011 – High frequency of global catastrophes
- 2012 – Superstorm Sandy and Midwest drought

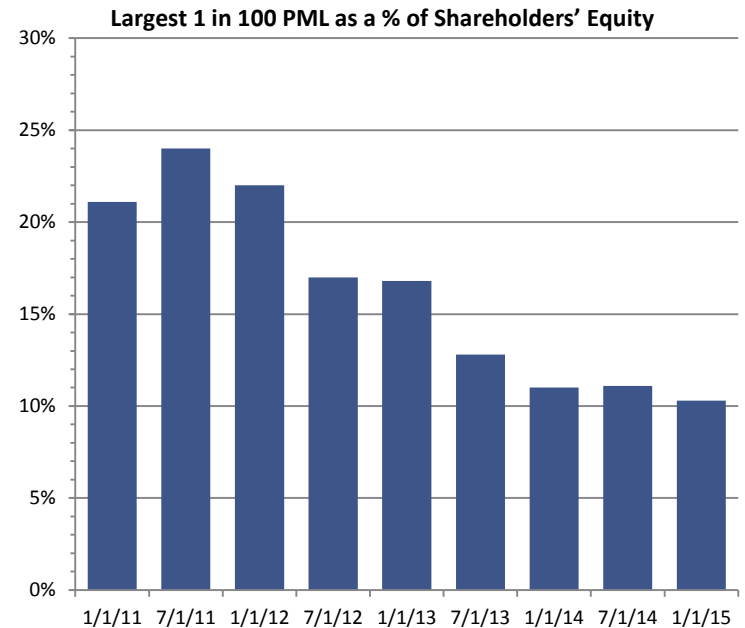
Excellent Financial Strength and Risk Based Capital Position

Strong flexibility to pursue value enhancing growth initiatives

Excellent Financial Strength with Diversified Capital Base



Significantly Reduced Catastrophe Exposures

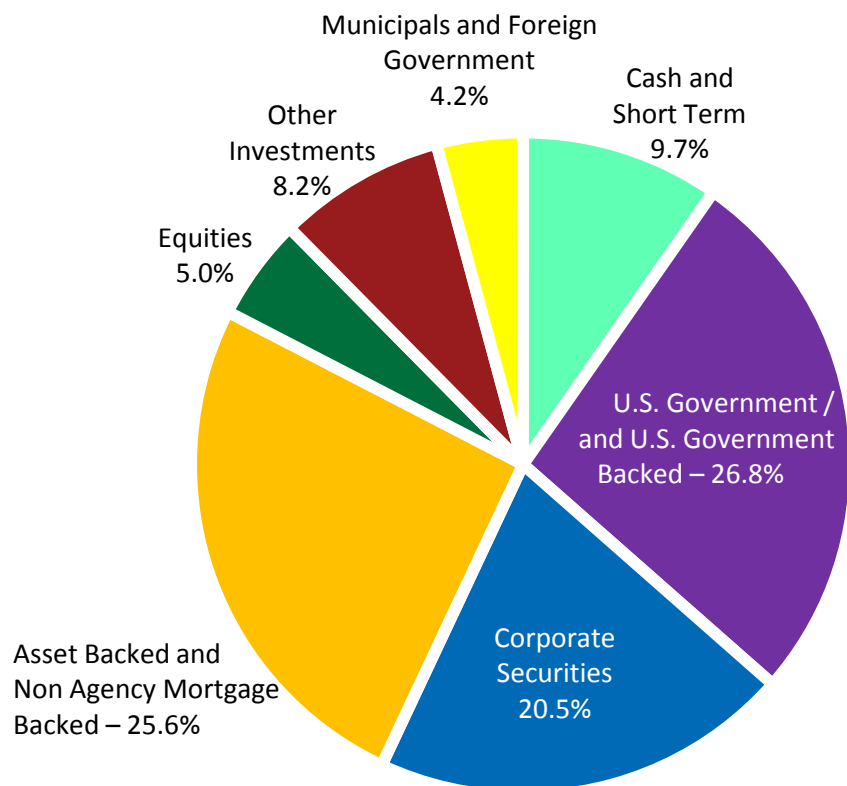


Endurance has significantly expanded its risk based capital position through strong results, prudent catastrophe risk management and leverage of reinsurance market while also returning nearly \$2.1 billion to shareholders since inception through share repurchases and dividends. We maintain excellent financial strength and flexibility to pursue our strategic objectives and profitably grow our business for the benefit of our shareholders.

Conservatively Positioned Investment Portfolio

Endurance maintains a high quality, short duration investment portfolio

\$6.6 Billion Investment Portfolio at December 31, 2014



Investment Portfolio Highlights

- Fixed maturity portfolio duration is 2.9 years in order to balance investment yield and interest rate risk
- Investment quality (AA- average) has remained high as the portfolio is conservatively managed in a challenging economy
 - 36.5% of investments are cash/short term or US backed
 - Minimal exposure to sovereign debt or bank debt of European peripheral countries
- Increased allocations to non-core fixed income to diversify portfolio, improve return potential and reduce interest rate risk
- Other investments of \$541.5 million consist of alternative funds (89.7%) and specialty funds (10.3%)
 - Alternative funds predominantly include hedge funds; complemented with some private equity funds. Hedge funds are mostly a balanced mix of credit and equity oriented strategies.
 - Specialty funds include high yield loan funds

Conclusion

Endurance is a compelling investment opportunity

- Endurance has undergone a fundamental transformation to improve profitability and enhance market relevance
 - Since John Charman joined Endurance in mid 2013 as Chairman and CEO Endurance has meaningfully expanded its global specialty insurance and reinsurance capabilities
 - Endurance has rebalanced its insurance and reinsurance portfolios to lower volatility and improve profitability
 - Benefits started to emerge in 2014 and should continue
- Endurance maintains excellent balance sheet strength and liquidity
 - Capital levels meaningfully exceed rating agency minimums, providing support for growth
 - High quality investment portfolio; fixed maturity investments have an average credit quality of AA-
 - Prudent reserving philosophy and strong reserve position; strong, consistent history of favorable development
- While market conditions are increasingly competitive, the outlook for Endurance remains attractive
 - Industry leading specialty underwriting talent driving growth and improved underwriting and risk selection; accident year loss ratios improved in both segments during 2014
 - Active management of exposures and reinsurance purchases has reduced expected portfolio volatility
 - Expanded footprint of our specialty insurance and reinsurance franchise is improving market presence and relevance



Appendix





Overview of ARMtech

Overview of ARMtech

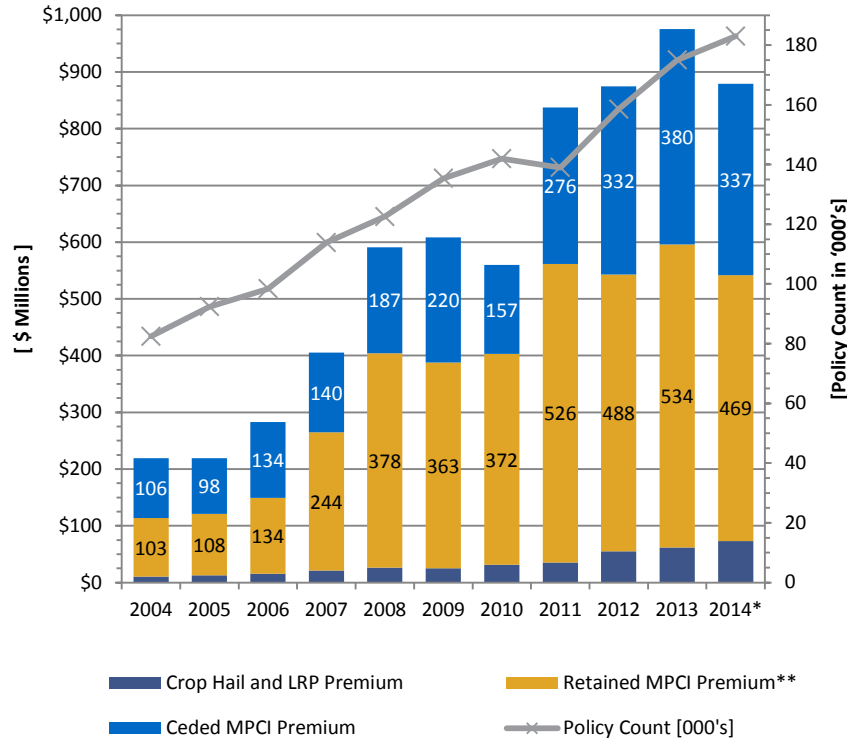
ARMtech has been a strong contributor to Endurance since its acquisition

- Multi Peril Crop Insurance (MPCI) is an insurance product regulated by the USDA that provides farmers with yield or revenue protection
 - Offered by 19 licensed companies
 - Pricing is set by the government and agent compensation limits are also imposed - no pricing cycle exists
 - Reduced downside risks due to Federally sponsored reinsurance and loss sharing
 - Agriculture insurance provides strong return potential, diversification in Endurance's portfolio of (re)insurance risks and is an efficient user of capital
- ARMtech is a leading specialty crop insurance business
 - Approximate 8% market share in MPCI (with estimated 183,000 total agriculture policies in force) and is 5th largest of 19 MPCI industry participants
 - MPCI 2014 crop year* estimated gross written premiums of \$806 million
 - Portfolio is well diversified by geography and by crop
- ARMtech was founded by software developers and has maintained a strong focus on providing industry leading service through leveraging technology
- Endurance purchased ARMtech in December 2007 at a purchase price of approximately \$125 million
 - ARMtech has grown MPCI policy count by 50.4% since 2007

ARMtech is a Leader in Crop Insurance

ARMtech's focus on technology and service has allowed it to steadily grow its business

Written Premiums and Policy Counts by Crop Year



Using technology and service to expand premiums

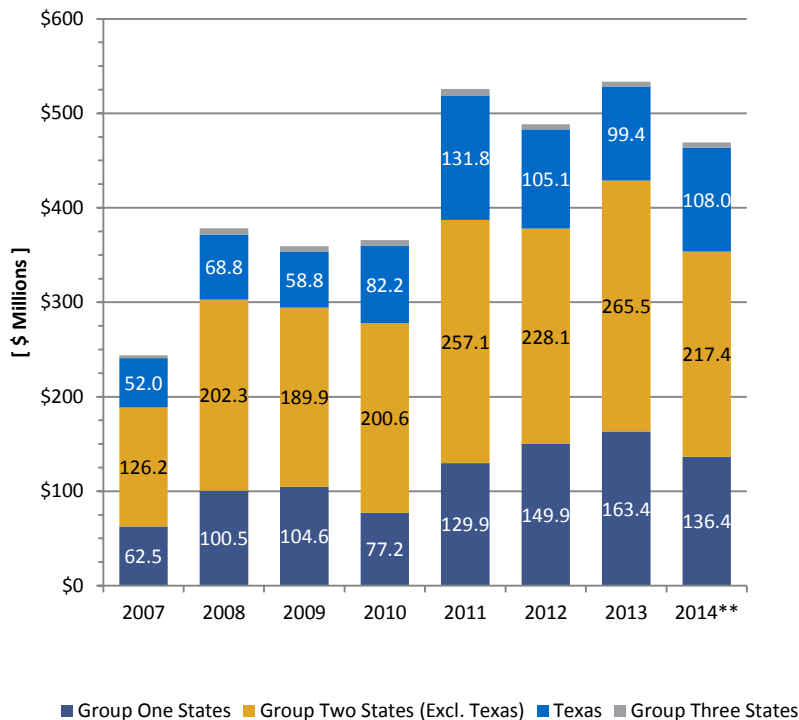
- ARMtech has built a market leading specialty crop insurance business through its focus on offering excellent service supported by industry leading technology.
- MPCl policy count has grown 50.4% over the past seven years in a line of business not subject to the property/casualty pricing cycle.
- ARMtech is a leader in using technology to deliver high quality service and to satisfy the intense compliance and documentation standards imposed on the industry by the U.S. Federal Government.
- 2014 industry premiums impacted by decline in commodity prices

ARMtech has demonstrated its ability to grow market share and premiums over time through its leading edge technology and superior delivery of service and compliance.

ARMtech is Increasing Market Share and Geographic Diversification

2012 through 2014 were very strong marketing years for ARMtech

**MPCI Net Written Premiums
by Crop Year and State Grouping *,*****



Estimated 2014 Net Written Crop Year Premiums

- 2014 estimated crop year MPCI net written premiums of \$469.0 million*** are 12.1% lower than crop year 2013
 - Commodity prices for spring crops declined 12% on average compared to a year ago
 - Estimated policy count growth of approximately 4%
- The portfolio of 2014 crop risk is balanced by crop and geography
- Purchased excess of loss reinsurance to reimburse for losses from 85% to 96% on MPCI portfolio
- The decline in estimated 2014 crop year MPCI net written premiums is principally due to declines in crop commodity prices.

ARMtech continues to focus on diversifying its business geographically while managing its exposure to Texas through active use of available reinsurance protections.

* Group One States – IL, IN, IA, MN, NE
 Group Two States – States other than Group One and Group Three states
 Group Three States – CT, DE, MA, MD, NV, NH, NJ, NY, PA, UT, WY, WV

** Estimated 2014 crop year premiums

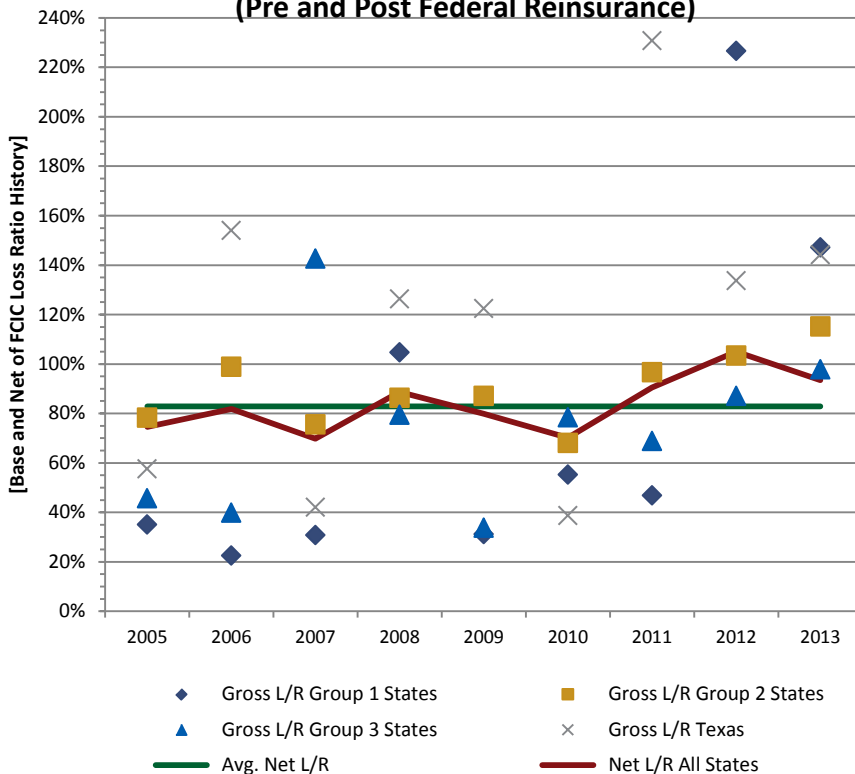
*** Reflects cessions to the Federal Government as part of the MPCI Program and not third party reinsurance purchases



Agriculture Insurance is Not Correlated with the P&C Cycle

FCIC reinsurance lowers volatility

**Historic MPCI Crop Year Loss Ratio Results
(Pre and Post Federal Reinsurance)**



Stable Results in Volatile Times

- While individual states can produce large loss ratios, the U.S. Federal reinsurance program has historically reduced loss ratio volatility.
- ARMtech's business has historically produced stable profits over time after reflecting the reinsurance terms set out in the current standard crop reinsurance agreement
 - Historic average loss ratio post U.S. Federal cessions has been 82.8% (adjusted for the 2011 Federal reinsurance terms)
 - The best year was 2007 with a 69.8% net loss ratio and the worst was 2012 with a 104.0% net MPCI loss ratio
 - ARMtech's current expense run rate after the A&O subsidy is approximately 7% - 8%

While individual states can produce highly varied gross loss ratios on a year to year basis, the U.S. Federal reinsurance program has historically mitigated that volatility and leaves ARMtech with a business which is not correlated to the traditional P&C pricing cycle and has high risk adjusted return potential.

Overview of ARMtech

ARMtech's recognition of premiums and earnings are influenced by growing seasons

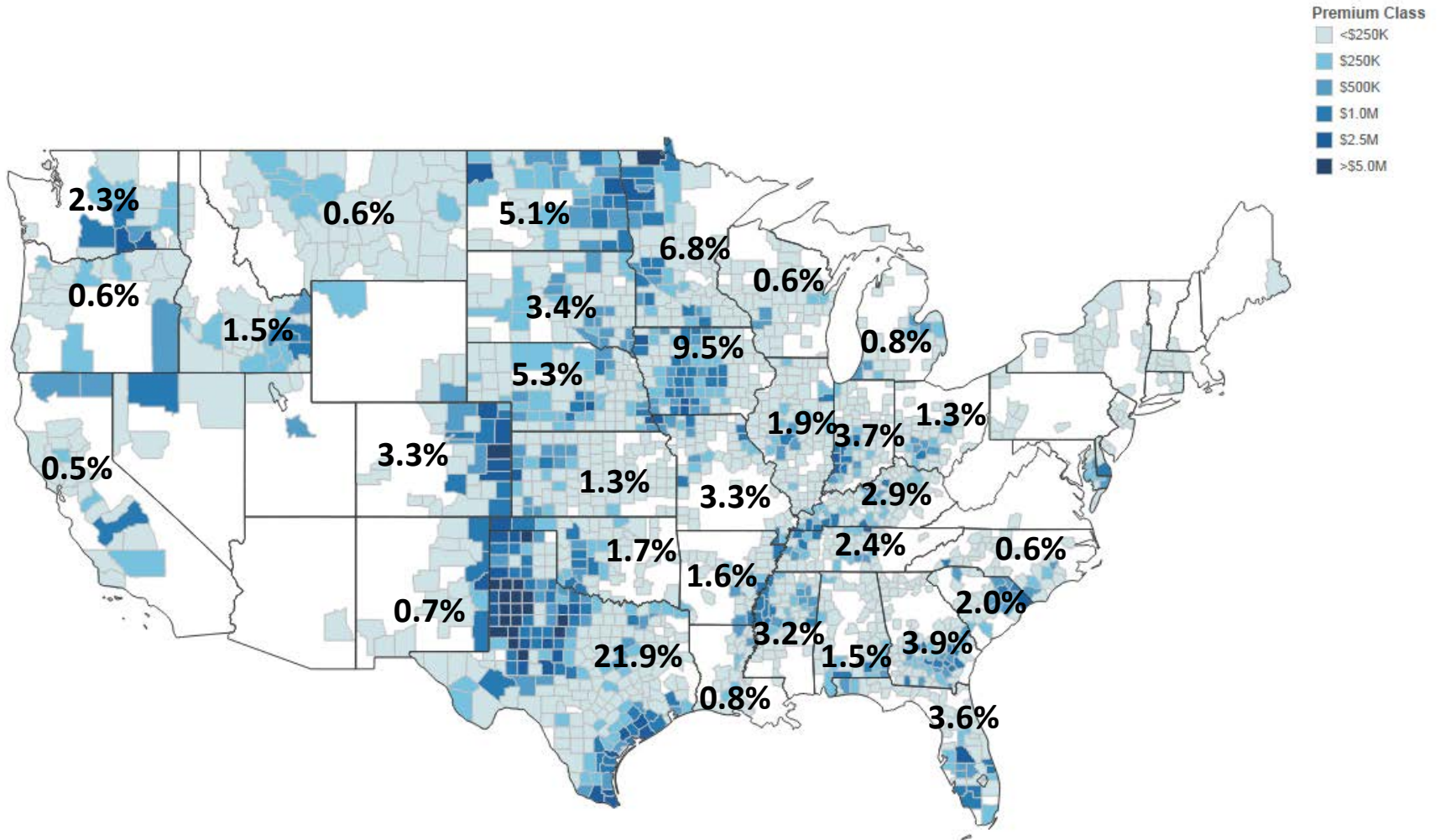
Seasonality of MPC Business

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Recognition of annual written premiums	60% - 65% Spring crops	10% - 15% Spring crop adjustments due to actual cessions	20% - 25% Spring crop acreage report adjustments Winter crops	5% - 10% Winter crop adjustments
Recognition of annual earned premiums	10%-15% Largely driven by winter crops	25% - 30% Driven by spring crops and winter crops	30% - 35% Largely driven by spring crops	25% - 30% Largely driven by spring crops
Commodity price setting	Setting of base prices for spring crops (forward commodity price for fourth quarter)	Harvest price determined for winter crops	Setting of base prices for winter crops (forward commodity price for second quarter)	Harvest price determined for spring crops
Harvest		Harvest of winter crops		Harvest of spring crops

Geographic Diversification of Crop Insurance Business

ARMtech maintains a geographically diversified portfolio of risk

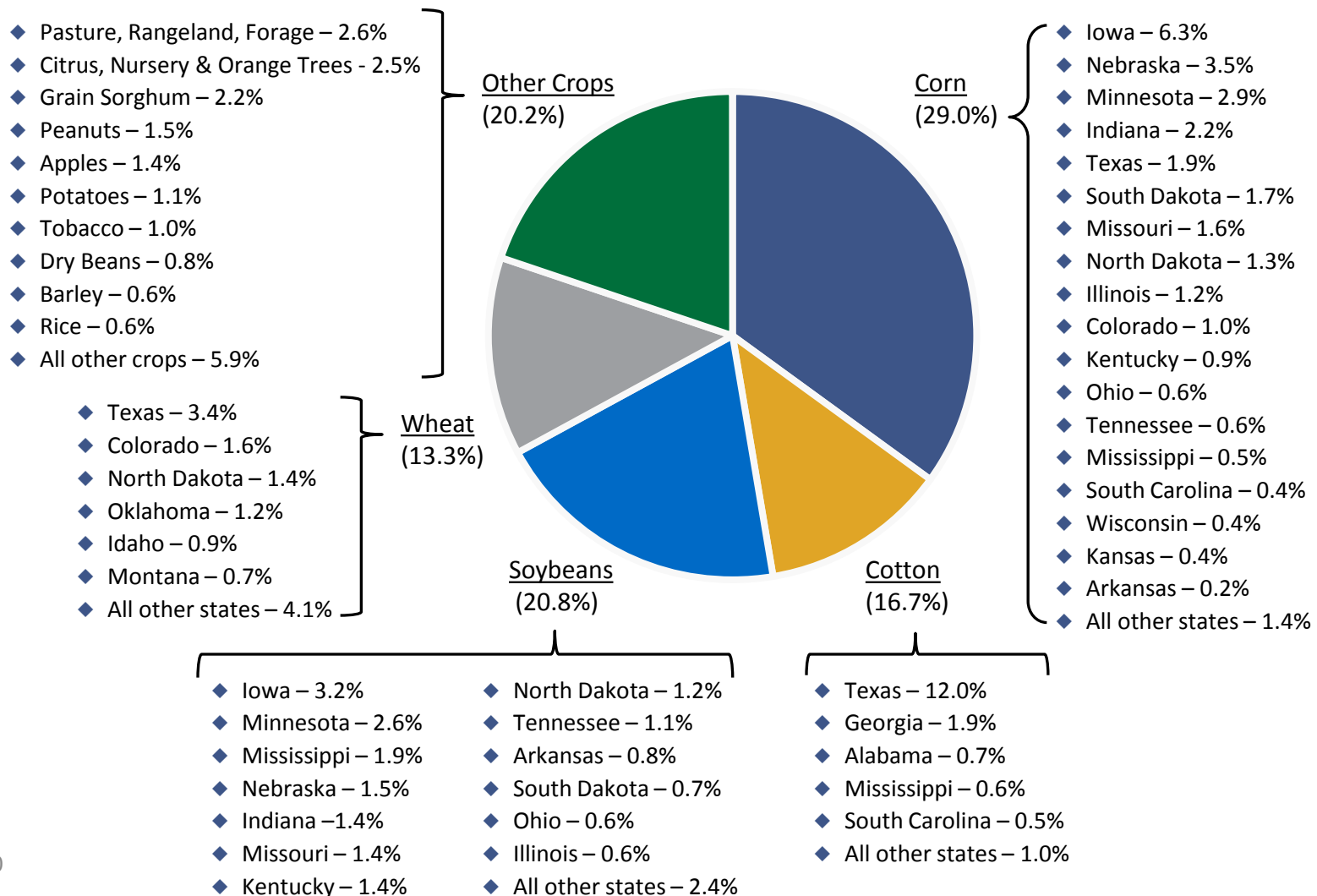
MPCI Percent of Total Retained Premium - 2014 RY



Diversification of Crops Within ARMtech's Portfolio

Underwritten risks diversified by geography and commodity type

ARMtech's 2014 Estimated Crop Year MPCl Net Written Premiums



Agriculture Insurance Contains Four Layers of Risk Mitigation

Farmers retention, ceding premiums to the U.S. Federal Government, limitations on losses and gains and purchase of stop loss protection

**2014 Crop Year
Gross Liability**

66.6% of risk retained by ARMtech

33.4% of first dollar risk retained by farmers

41.8% of MPCII Premiums Ceded to U.S. Federal Government

Assigned Risk Fund

"Higher Risk Policies"

Loss Sharing

(% of loss retained by ARMtech within each applicable band when the loss ratio is above 100%.)

Loss Ratio	
100 - 160	7.5%
160 - 220	6.0%
220 - 500	3.0%

Gain Sharing

(% of gain retained by ARMtech within each applicable band when the loss ratio is below 100%.)

Loss Ratio	
65 - 100	22.5%
50 - 65	13.5%
0 - 50	3.0%

14.1% of 2014 Crop Year NWP

Commercial Fund

"Lower Risk Policies"

Loss Ratio	Group 1 States	Group 2 & 3 States
100 - 160	65.0%	42.5%
160 - 220	45.0%	20.0%
220 - 500	10.0%	5.0%

Loss Ratio	Group 1 States	Group 2 & 3 States
65 - 100	75.0%	97.5%
50 - 65	40.0%	40.0%
0 - 50	5.0%	5.0%

85.9% of 2014 Crop Year NWP

ARMtech Has Grown Market Share Over Time

Superior service and technology have driven growth in stable market

MPCI Certified Companies (Owners)	Crop Year Market Share								% Change in Market Share 2007 - 2014
	Est. 2014	2013	2012	2011	2010	2009	2008	2007	
Rain and Hail (ACE) ⁽¹⁾	19.9%	20.8%	21.3%	21.8%	22.6%	24.3%	24.1%	25.0%	-5.1%
Rural Community Insurance Company (Wells Fargo)	19.2%	20.6%	22.1%	21.8%	22.9%	24.7%	25.2%	25.1%	-6.0%
NAU Country Insurance Company (QBE) ⁽¹⁾	13.3%	13.1%	13.3%	14.8%	14.4%	13.7%	13.8%	13.3%	-0.1%
Great American Insurance Co. (American Fin. Group)	8.5%	8.5%	8.5%	8.7%	8.7%	9.1%	10.1%	10.6%	-2.2%
American Agri-Business Ins. Co. (Endurance)	8.0%	7.7%	7.4%	6.7%	7.0%	6.5%	5.7%	5.9%	2.1%
CGB Insurance Co. (CGB Diversified Services)	5.3%	4.6%	4.0%	2.7%	2.0%	1.2%	1.2%	1.1%	4.1%
Producers Ag. Ins. Co. (HCC)	5.1%	4.9%	5.5%	6.4%	6.3%	5.3%	5.2%	4.8%	0.3%
Farmers Mutual Hail Ins. of Iowa	3.9%	4.3%	4.4%	4.5%	4.2%	3.8%	4.0%	4.0%	-0.1%
John Deere Risk Protection, Inc.	3.8%	3.8%	3.3%	3.3%	3.8%	4.0%	3.3%	3.0%	0.8%
Agrinational Insurance Company (ADM)	3.8%	3.1%	2.5%	2.1%	1.5%	0.9%	1.0%	1.1%	2.7%
Hudson Insurance Company (Fairfax) ⁽¹⁾	2.3%	2.0%	1.6%	1.2%	1.2%	0.8%	0.6%	0.4%	1.9%
Heartland (Everest Re)	1.8%	2.4%	2.3%	2.4%	3.0%	3.4%	3.3%	3.2%	-1.5%
AgriLogic (Occidental Firs & Casualty Co)	1.3%	1.6%	1.8%	1.4%	0.1%	0.0%	0.0%	0.0%	1.3%
American Agricultural Ins. Co (Amer. Farm Bureau)	1.2%	1.2%	1.3%	1.3%	1.3%	1.4%	1.4%	1.2%	0.0%
Country Mutual Insurance Company	0.9%	0.9%	0.9%	0.9%	1.0%	1.1%	1.2%	1.4%	-0.5%
Global Ag (XL Reinsurance)	0.8%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.8%
International Ag (Starr Indemnity)	0.7%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%
Climate Corp. (Atlantic Specialty Ins. Co.)	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%
Crop Pro (Technology Ins. Co.)	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%

Source - National Crop Insurance Services (NCIS)

(1) 2007 Crop Year Market Share was increased to reflect the acquisition of a company between 2007 and 2014.



Other Miscellaneous Information

Probable Maximum Loss by Zone and Peril

Largest 1 in 100 year PML as of January 1, 2015 is equal to 10.3% of Shareholders' Equity as of December 31, 2014

Zone	Peril	Estimated Occurrence Net Loss as of January 1, 2015					Jan. 1, 2014	Jan. 1, 2013
		10 Year Return Period	25 Year Return Period	50 Year Return Period	100 Year Return Period	250 Year Return Period	100 Year Return Period	100 Year Return Period
United States	Hurricane	\$111	\$188	\$249	\$306	\$402	\$293	\$429
Europe	Windstorm	86	137	217	328	448	317	346
California	Earthquake	37	137	192	238	318	238	395
Japan	Windstorm	28	84	119	131	148	144	201
Northwest U.S.	Earthquake	—	5	34	106	176	95	154
Japan	Earthquake	16	79	128	153	169	109	111
United States	Tornado/Hail	30	44	57	69	90	88	86
Australia	Earthquake	1	10	40	98	169	86	88
New Zealand	Earthquake	1	6	15	34	77	24	24
Australia	Windstorm	6	20	44	75	103	52	53
New Madrid	Earthquake	—	—	—	7	69	9	10

The net loss estimates by zone above represent estimated losses related to our property, catastrophe and other specialty lines of business, based upon our catastrophe models and assumptions regarding the location, size, magnitude, and frequency of the catastrophe events utilized to determine the above estimates. The net loss estimates are presented on an occurrence basis, before income tax and net of reinsurance recoveries and reinstatement premiums, if applicable. Return period refers to the frequency with which the related size of a catastrophic event is expected to occur.

Actual realized catastrophic losses could differ materially from our net loss estimates and our net loss estimates should not be considered as representative of the actual losses that we may incur in connection with any particular catastrophic event. The net loss estimates above rely significantly on computer models created to simulate the effect of catastrophes on insured properties based upon data emanating from past catastrophic events. Since comprehensive data collection regarding insured losses from catastrophe events is a relatively recent development in the insurance industry, the data upon which catastrophe models is based is limited, which has the potential to introduce inaccuracies into estimates of losses from catastrophic events, in particular those that occur infrequently. In addition, catastrophe models are significantly influenced by management's assumptions regarding event characteristics, construction of insured property and the cost and duration of rebuilding after the catastrophe. Lastly, changes in Endurance's underwriting portfolio risk control mechanisms and other factors, either before or after the date of the above net loss estimates, may also cause actual results to vary considerably from the net loss estimates above. For a listing of risks related to Endurance and its future performance, please see "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2013.

Full Year 2014 Highlights

Results were driven by strong underwriting margins supported by light catastrophe losses and favorable development

- Book value per common share, adjusted for dividends, expanded 13.6% during 2014
 - Net income attributable to common shareholders of \$315.7 million
 - Improved accident year loss ratios in both segments
 - General and administrative expenses were higher due to the expenses related to the proposed acquisition of Aspen
 - Lighter catastrophe activity
- Gross written premiums of \$2.89 billion were 8.6% higher than full year 2013 while we continued to rebalance our portfolios
 - Insurance gross written premiums of \$1.72 billion were 16.3% higher than full year 2013
 - Strong growth from newly hired teams in our U.S. specialty operations and London were offset by lower agriculture premiums. Professional lines grew 77.4% while the casualty and other specialty lines of business expanded 30.4% compared to full year 2013. Year to date agriculture gross premiums written declined 9.3% as the impact from reduced commodity prices were partially offset by a 4% increase in policy counts.
 - Reinsurance gross written premiums of \$1.18 billion a decline of 1.0% compared to full year 2013
 - Rebalancing of the reinsurance portfolio continued as catastrophe and casualty products were selectively non-renewed, which was partially offset by growth in specialty and professional lines of business.
- Net written premiums declined 5.6% compared to full year 2013 as significant reinsurance/retrocessional protection has been purchased to reduce potential volatility

Financial Results for Full Year 2014 and 2013

Financial highlights

\$MM (except per share data and %)	Dec. 31, 2014	Dec. 31, 2013	\$ Change	% Change
Net premiums written	1,934.2	2,048.9	(114.7)	-5.6%
Net premiums earned	1,864.0	2,016.5	(152.5)	-7.6%
Net investment income	131.5	166.2	(34.7)	-20.9%
Net underwriting income	254.9	195.4	59.5	30.5%
Net income to common shareholders	315.7	279.2	36.5	13.1%
Operating income to common shareholders	304.0	281.0	23.0	8.2%
Fully diluted net income EPS	7.06	6.37	0.69	10.8%
Fully diluted operating income EPS	6.80	6.41	0.39	6.1%

Key operating ratios

	Dec. 31, 2014	Dec. 31, 2013
Operating ROE (annualized)	11.7%	11.9%
Net loss ratio	52.1%	60.5%
Acquisition expense ratio	17.1%	15.1%
General and administrative expense ratio	16.8%	14.6%
Combined ratio	86.0%	90.2%
Diluted book value per share	\$61.33	\$55.18
Investment leverage	2.48	2.72

Gross Written Premiums for Full Year 2014 and 2013

Insurance Segment

In \$MM	Dec. 31, 2014	Dec. 31, 2013	\$ Change	% Change
Casualty and other specialty	396.1	303.8	92.3	30.4%
Agriculture	866.0	954.4	-88.4	-9.3%
Professional lines	263.5	148.5	115.0	77.4%
Property, marine and energy	190.5	68.7	121.8	177.2%
Total insurance	1,716.1	1,475.4	240.7	16.3%

Reinsurance Segment

In \$MM	Dec. 31, 2014	Dec. 31, 2013	\$ Change	% Change
Professional lines	174.7	163.6	11.1	6.8%
Casualty	159.5	241.3	-81.8	-33.9%
Catastrophe	343.2	355.8	-12.6	-3.5%
Property	287.3	297.8	-10.5	-3.5%
Specialty	213.2	131.3	81.9	62.4%
Total reinsurance	1,177.9	1,189.8	-11.9	-1.0%

Financial Overview: Inception to Date Financial Performance

Financial highlights from 2002 through December 31, 2014

In \$MM	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Inception to date
Net premiums written	765	1,598	1,697	1,619	1,586	1,575	1,784	1,606	1,764	1,980	2,029	2,049	1,934	21,986
Net premiums earned	369	1,174	1,633	1,724	1,639	1,595	1,766	1,633	1,741	1,931	2,014	2,016	1,864	21,099
Net underwriting income (loss)	51	179	232	-410	304	322	111	265	195	-252	-48	195	255	1,399
Net investment income	43	71	122	180	257	281	130	284	200	147	173	166	132	2,186
Net income (loss) before preferred dividend	102	263	356	-220	498	521	100	555	365	-94	163	312	348	3,269
Net income (loss) available to common shareholders	102	263	356	-223	483	506	85	539	349	-118	130	279	316	3,067
Diluted EPS	\$1.73	\$4.00	\$5.28	(\$3.60)	\$6.73	\$7.17	\$1.33	\$9.00	\$6.38	(\$2.95)	\$3.00	\$6.37	\$7.06	\$51.50

Key Operating Ratios	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Inception to date
Combined ratio	86.2%	84.7%	85.8%	123.5%	81.5%	79.9%	93.5%	84.0%	88.7%	112.9%	102.3%	90.2%	86.0%	94.0%
Operating ROE	7.8%	17.3%	19.9%	(11.9%)	25.7%	23.8%	8.5%	22.0%	12.6%	(6.3%)	2.4%	11.9%	11.7%	11.1%
Book value per share	\$21.73	\$24.03	\$27.91	\$23.17	\$28.87	\$35.05	\$33.06	\$44.61	\$52.74	\$50.56	\$52.88	\$55.18	\$61.33	