

Endurance Specialty Holdings Ltd.

Overview of Underwriting Operations

AIFA – March 2, 2009

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Chief Underwriting Officer



Forward Looking Statements & Regulation G Disclaimer

Safe Harbor for Forward Looking Statements

Some of the statements in this presentation 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 "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 from those indicated in the forward-looking statements. These factors include, but are not limited to, developments in the world's financial and capital markets that could adversely affect the performance of Endurance's investment portfolio or access to capital, changes in the composition of Endurance's investment portfolio, competition, possible terrorism or the outbreak of war, the frequency or severity of unpredictable catastrophic events, changes in demand for insurance or reinsurance, rating agency actions, uncertainties in our reserving process, a change in our tax status, acceptance of our products, the availability of reinsurance or retrocessional coverage, retention of key personnel, political conditions, the impact of current legislation and regulatory initiatives, changes in accounting policies, changes in general economic conditions and other factors described in our most recent Annual Report on Form 10-K.

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 presenting the Company's results, 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.

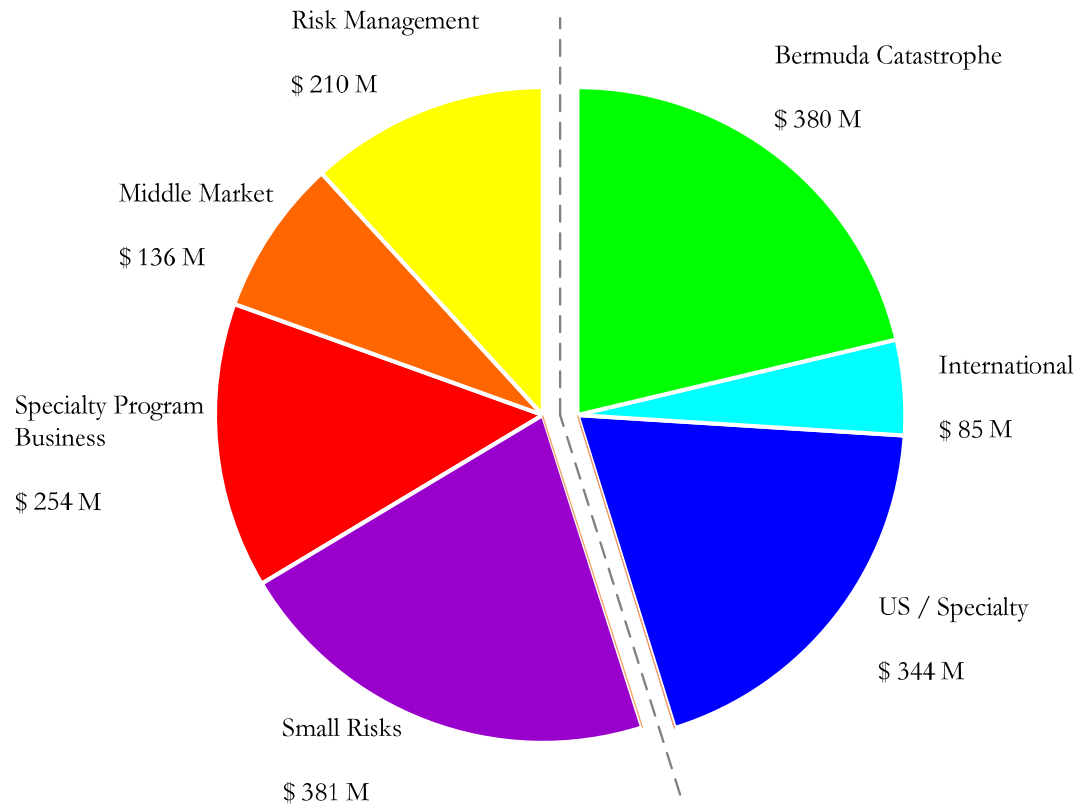
The combined ratio is the sum of the loss, acquisition expense and general and administrative expense ratios. Endurance presents the combined ratio as a measure that is commonly recognized as a standard of performance by investors, analysts, rating agencies and other users of its financial information. 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.

Total premiums written is a non-GAAP internal performance measure used by Endurance in the management of its operations. Total premiums written represents gross 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 total 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. Total premiums written should not be viewed as a substitute for gross premiums written determined in accordance with GAAP.

Return on Average Equity (ROAE) is comprised using the average common equity calculated as the arithmetic average of the beginning and ending common equity balances for stated periods. Return on Beginning Equity (ROBE) is comprised using the beginning common equity 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.

2008 Net Written Premiums – All Platforms / Businesses

Insurance Businesses

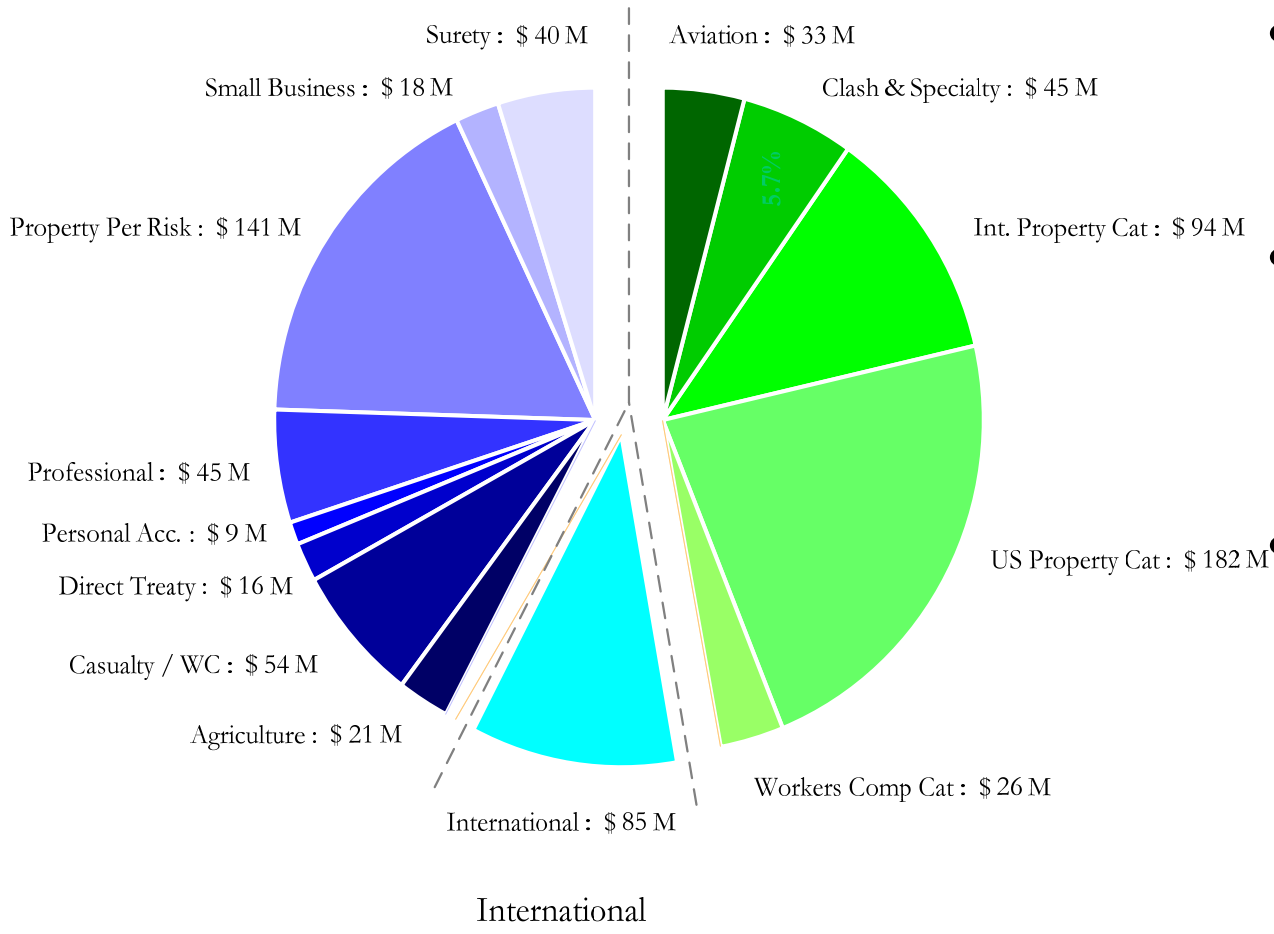


- Endurance maintains a diversified portfolio of specialized reinsurance and insurance business
 - Technical underwriting focus
 - Experienced underwriting teams
- Maintain discipline to grow/shrink product lines based on market conditions

2008 Net Written Premiums – Reinsurance Segment

US Reinsurance

Bermuda Catastrophe



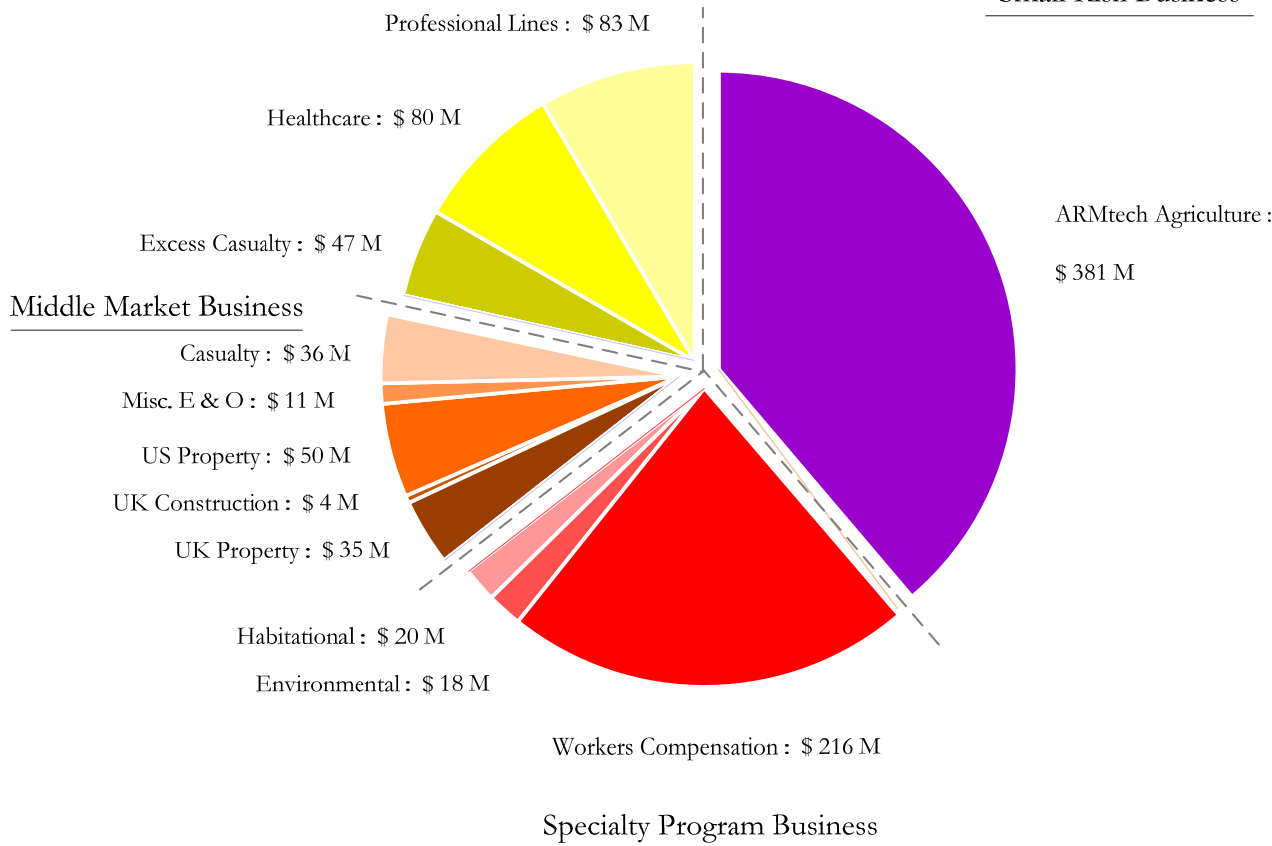
- Strategically located in key global reinsurance markets
- Leading the market in performance of value added claims and underwriting audits
- Reduced net written premiums 23% in 2008 in response to soft market conditions

See subsequent tables for reconciliation of premiums to segment and line of business financial reporting

2008 Net Written Premiums – Insurance Segment

Risk Management Business

Small Risk Business



- Underwrite business out of the United States and Bermuda
- Focus predominantly on specialty lines where we leverage industry expertise
- Successfully integrated ARMtech in late 2007
- Organically grown the middle market business in the U.S. through the hiring of underwriting teams

See subsequent tables for reconciliation of premiums to segment and line of business financial reporting

Endurance's Balance Sheet Strength as of December 31, 2008

- High quality assets with low counterparty risk
 - Cash and invested assets of \$5.4 Billion (*)
 - Average credit rating of AAA
 - Limited investments in troubled financial institutions
 - Conservative portfolio strategy has protected balance sheet
 - Very low exposure to reinsurance counterparties or other credit risk
- Significant reserve base and careful attention to setting of reserves
 - Total reserves of \$3.2 Billion
 - IBNR represents 64% of total reserves (> 80% of long tail casualty reserves are IBNR)
 - Global schedule P reserve analysis disclosed annually highlights reserve position and commitment to transparency
- Efficient and stable capital structure, with low leverage
 - Total capital of \$2.8 Billion
 - Common Equity \$2.0 Billion
 - Preferred Equity \$0.20 Billion
 - Long Term Debt \$0.45 Billion
 - Contingent Common Equity \$0.15 Billion
- Excellent Financial Strength Ratings:
 - S&P: A (stable) Upgraded December 2006. ERM considered “Excellent”.
 - AM Best A (stable) Upgraded December 2007.
 - Moody's: A2 (stable)

(*) = Includes investments pending settlement, net

Conclusion

- Endurance is well positioned to take advantage of market opportunities
 - Our infrastructure is scalable
 - Established operations in Bermuda, U.S., U.K., Continental Europe and Asia
 - Diversified portfolio with available capacity
- We have a high quality balance sheet with excellent capitalization, liquidity and ratings
 - Our clients and brokers see Endurance as a source of strength and transparency and a “go to” market

Appendix

INSURANCE RECONCILIATION

(in millions)

Property	\$98	Healthcare	\$80
U.S. Property	\$50	Workers' Compensation	\$216
U.K. Construction	\$4	Agriculture	\$381
U.K. Property	\$35	Professional Lines	\$119
Habitational	\$9	Professional Lines	\$83
Casualty	\$87	Misc. E & O	\$11
Excess Casualty	\$47	Environmental	\$18
Casualty	\$36	Habitational	\$7
Habitational	\$4		

REINSURANCE RECONCILIATION

(in millions)

Casualty	\$163	Catastrophe	\$302
Professional	\$45	Int. Property Cat	\$94
Direct Treaty	\$16	U.S. Property Cat	\$182
Casualty/WC	\$54	Workers' Comp Cat	\$26
International	\$48	Aerospace and Marine	\$78
Property	\$196	Aviation	\$33
Property Per Risk	\$141	Clash & Specialty	\$45
International	\$37	Surety and Other Spec.	\$49
Small Business	\$18	Surety	\$40
Agriculture	\$21	Personal Acc.	\$9