

## QUARTERLY FINANCIAL UPDATE Q1 | 2010

### FINANCIAL HIGHLIGHTS

(in millions of U.S. dollars, except percentages)

#### Endurance Specialty Holdings Ltd.

	Quarter Ended Mar 31, 2010 (Unaudited)	Year Ended Dec 31, 2009 (Audited)	Year Ended Dec 31, 2008 (Audited)
Gross premiums written	\$818.9	\$2,021.5	\$2,246.4
Net premiums written	702.9	1,606.1	1,784.3
Net income before preferred dividends	55.8	536.1	98.6
Loss ratio	63.7%	53.1%	54.3%
Combined ratio	97.3%	84.0%	93.5%

Total assets	\$8,196.6	\$7,666.7	\$7,272.5
Total shareholders' equity	2,821.1	2,787.3	2,207.3
Debt to total capitalization	15.8%	13.8%	16.9%
Annualized ROAE, Operating income	8.6%	22.0%	8.5%

#### Worldwide Reinsurance Segment

Gross premiums written	\$354.5	\$869.3	\$820.1
Net premiums written	354.0	865.7	803.7
Underwriting income	(2.1)	195.6	79.1
Loss ratio	66.8%	38.8%	53.6%
Combined ratio	101.1%	75.9%	90.2%

## REINSURANCE SPECIALTY LINES

### Catastrophe

- Reinsurance for catastrophic perils on a treaty basis for events such as hurricanes, typhoons, earthquakes, floods, tornados, hail, fire, and certain workers' compensation coverages

### Casualty

- Reinsurance of general liability, auto/motor liability, professional liability, directors' and officers' liability, umbrella liability and workers' compensation insurance

### Property

- Proportional and excess of loss reinsurance of personal lines and commercial exposures

### Surety and Other Specialty

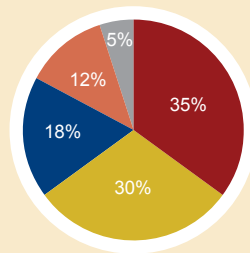
- Contract and commercial surety reinsurance, on both a proportional and excess of loss basis, as well as personal accident, agriculture and terrorism

### Aerospace and Marine

- Reinsurance of aviation and space businesses, including aviation hull, aircraft liability and aircraft products coverages, as well as satellite launch and in-orbit coverage
- Proportional and non-proportional reinsurance of bluewater hull, brownwater hull and cargo insurance business

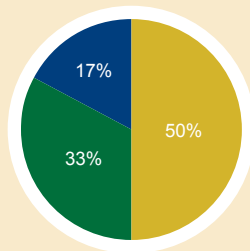
### Quarter Ending March 31, 2010

Reinsurance Net Premiums Written = \$354 million



#### Reinsurance Net Premiums Written (NPW) by Business Lines

- Catastrophe
- Casualty
- Property
- Surety and Other Specialty
- Aerospace and Marine



#### Reinsurance Risk Exposures (NPW)

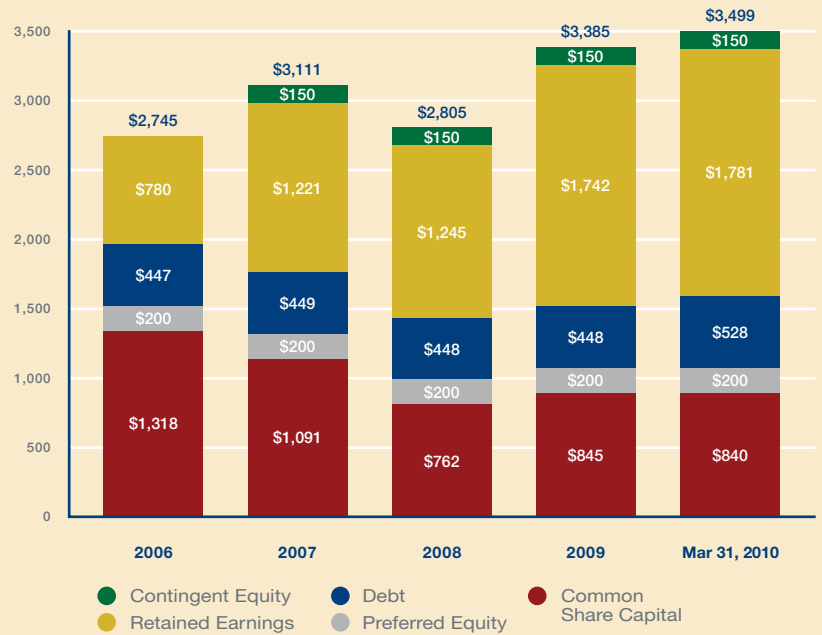
- Property
- Casualty
- Other Specialty

## ENDURANCE SPECIALTY HOLDINGS LTD.

Endurance Specialty Holdings Ltd. (NYSE:ENH) is an insurance and reinsurance provider focused on underwriting specialty lines on a global basis through our operating subsidiaries. Our clients are serviced by approximately 780 employees located in Bermuda, Europe, Asia and throughout the United States.

At Endurance, specialization is at the core of our strategy, culture and values. We believe that this specialty focus best positions us to overcome the challenges of the current turbulent economic environment and to identify and develop opportunities to further enhance our business.

## Strong and Flexible Capital Structure (in millions of U.S. dollars)



## EXCELLENT FINANCIAL STRENGTH AND LIQUIDITY AT MARCH 31, 2010

Endurance's total capital was \$3.35 billion as of March 31, 2010 (excluding contingent equity) and includes approximately \$2.8 billion of shareholders' equity.

At March 31, 2010, Endurance maintained two sources of additional capital—a credit facility maturing in 2012 with approximately \$700 million in remaining capacity and a \$150 million contingent equity facility that allows Endurance to issue its ordinary shares through August 2010.

Endurance maintains significant levels of liquidity with more than 57% of investments in cash, short-term investments, U.S. Government, and U.S. Government-backed securities at March 31, 2010.

Endurance's investment portfolio is comprised of high quality assets with an average rating of AA+ for our fixed income investments at March 31, 2010. We hold no sub-prime mortgage-backed securities or credit and interest rate derivatives in our portfolio.

Endurance's asset portfolio has been managed to an average duration of 2.35 years to minimize interest rate risk. We carefully manage our asset-liability exposure and ensure that more than sufficient liquidity is available from the portfolio.

## Endurance Group Financial Strength Ratings

A.M. Best  
XV Financial Strength  
Stable Outlook

Standard & Poor's  
Stable Outlook

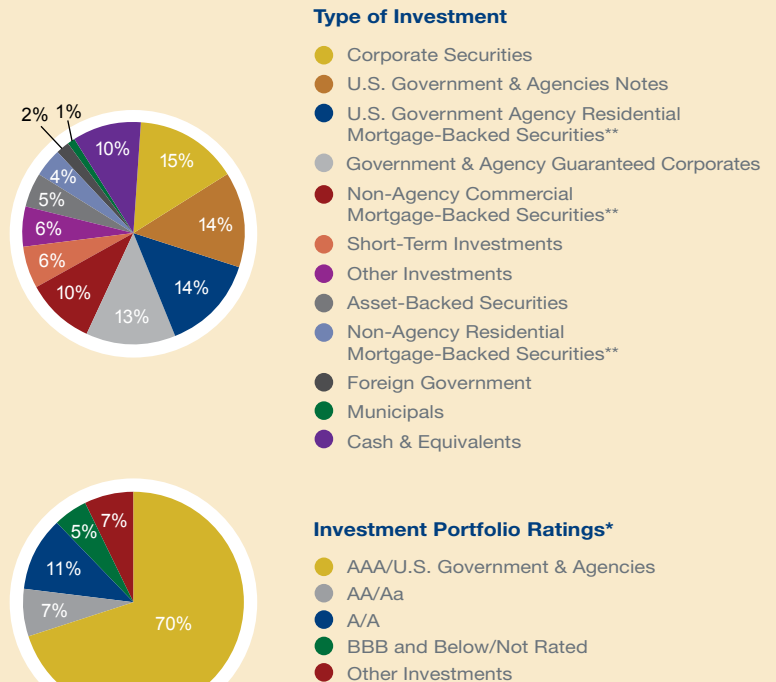
A (Excellent)

A (Strong)

## Enterprise Risk Management Rating

Standard & Poor's  
Excellent

## Investment Portfolio as of March 31, 2010 Fair Value = \$6.16 Billion\*



\* Investment totals net of investments pending settlement

\*\* Less than 18.3% of total Mortgage-Backed Securities are rated below AAA