



ENDURANCE RE
FINANCIAL REPORT
4TH QUARTER 2016

ENDURANCE RE GLOBAL LINES

Operating in key markets worldwide through an extensive distribution network that includes our Lloyd's syndicate, Endurance at Lloyd's, we offer significant capacity in the following products:

Casualty Reinsurance of general liability, auto/motor liability, umbrella liability and workers' compensation insurance.

Catastrophe Reinsurance for catastrophic perils on a treaty basis for events such as hurricanes, typhoons, earthquakes, floods, tornadoes, hail, fire, terrorism and certain personal accident and workers' compensation coverages.

We also offer fully collateralized catastrophe reinsurance through our wholly owned subsidiary, Blue Water Re.

Professional Lines Directors' and officers' liability and related products, medical malpractice liability, and many classes of errors and omissions reinsurance.

Property

- Proportional and excess of loss reinsurance of personal lines and commercial/industrial exposures
- Engineering coverages for single project and operational risks
- Property, liability and multi-line treaties for regional U.S. businesses

Specialty

- Agriculture
- Aviation & Space
- Marine & Energy
- Personal Accident
- Mortgage & Financial
- Trade Credit, Surety & Political Risk
- Weather Risk

FINANCIAL HIGHLIGHTS

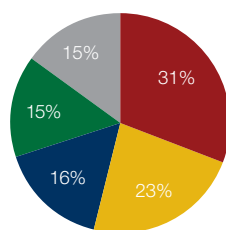
(in millions of U.S. dollars, except percentages)

	QUARTER ENDED DEC 31, 2016 (UNAUDITED)	YEAR ENDED DEC 31, 2016 (UNAUDITED)	YEAR ENDED DEC 31, 2015 (AUDITED)	YEAR ENDED DEC 31, 2014 (AUDITED)
ENDURANCE SPECIALTY HOLDINGS LTD.				
Gross premiums written	\$692.9	\$4,202.2	\$3,320.9	\$2,894.1
Net premiums written	364.3	2,369.9	1,950.5	1,934.2
Net income before preferred dividends	23.8	357.0	344.1	348.5
Loss ratio	61.7%	55.9%	46.4%	52.1%
Combined ratio	93.7%	88.1%	82.9%	86.0%
Total assets	\$14,122.9	\$14,122.9	\$13,241.5	\$9,640.7
Total shareholders' equity*	4,882.4	4,882.4	4,856.3	3,185.2
Debt to total capitalization	12.6%	12.6%	12.9%	14.1%
Annualized ROAE, Operating Income	4.8%	6.5%	9.7%	11.5%
ENDURANCE RE				
Gross premiums written	\$119.5	\$1,631.7	\$1,235.0	\$1,177.9
Net premiums written	121.3	1,313.7	1,070.1	1,073.8
Underwriting income	53.5	298.4	346.6	295.6
Loss ratio	54.9%	47.1%	36.0%	36.4%
Combined ratio	84.5%	77.9%	69.6%	70.7%

* Total shareholders' equity excludes non-controlling interests.

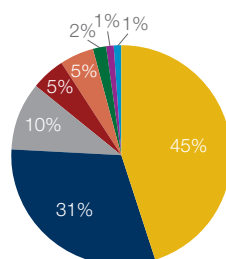
Twelve Months Ended December 31, 2016

Reinsurance Gross Premiums Written = \$1,631.7 Million



Reinsurance Gross Premiums Written by Business Lines

- Catastrophe
- Specialty
- Professional Lines
- Property
- Casualty



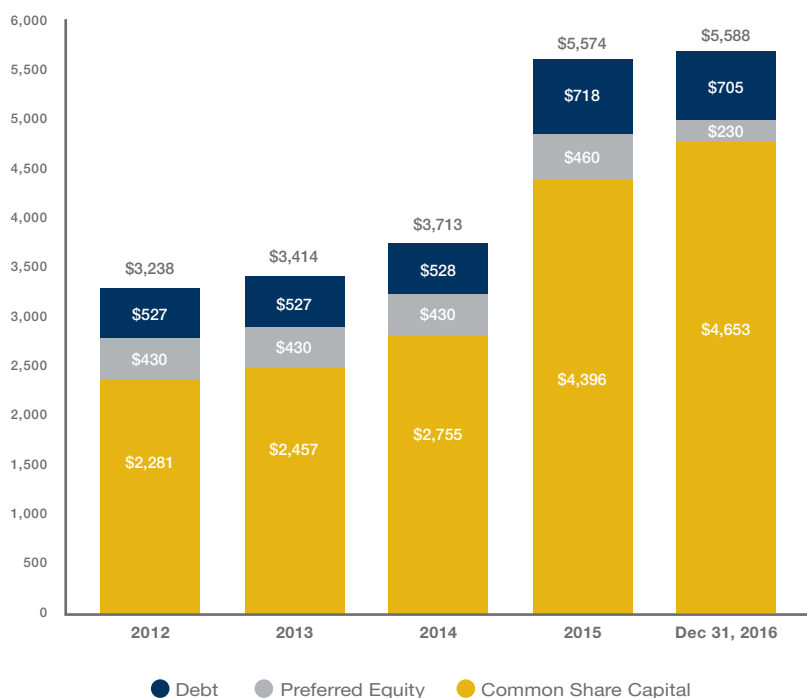
Reinsurance Gross Premiums Written by Geography

- United States
- Worldwide
- Europe
- Asia ex Japan
- Japan
- Australia/New Zealand
- Canada
- Other

EXCELLENT FINANCIAL STRENGTH AND LIQUIDITY

(December 31, 2016)

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



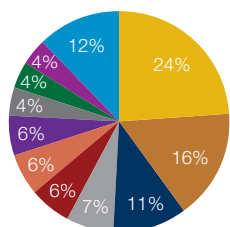
Increase in capital is a result of the acquisition of Montpelier Re Holdings Ltd. on July 31, 2015. Total capital above excludes non-controlling interests.

Investment Portfolio as of December 31, 2016

Fair Value = \$8.83 Billion*

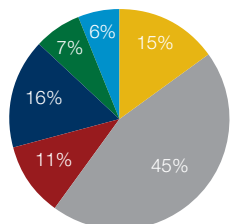
Type of Investment

- Corporate Securities
- U.S. Government Agency Residential Mortgage-Backed Securities
- U.S. Government & Agencies Notes
- Other Investments
- Non-Agency Commercial Mortgage-Backed Securities
- Equity Securities
- Asset-Backed Securities
- Collateralized Debt & Loan Obligations
- Short-Term Investments
- Other Fixed Income Securities**
- Cash & Equivalents



Investment Portfolio Ratings***

- U.S. Government & Agencies
- AAA/Aaa
- AA/Aa
- A/A
- BBB
- BBB and Below/Not Rated



* Investment totals net of investments pending settlement
 ** Includes multiple types of securities with a 3% or less share
 *** Excludes cash and cash equivalents, equity securities and other investments

About Endurance

Endurance Specialty Holdings Ltd., a New York Stock Exchange listed insurance and reinsurance company, is domiciled in Bermuda and operates through subsidiaries on a global basis.

Endurance Group Financial Ratings

A.M. Best — A (Excellent)
 XV Financial Strength
 Stable Outlook

Standard & Poor's — A (Strong)
 Stable Outlook

Moody's — A2
 Stable Outlook

NYSE: ENH

Excluding non-controlling interests, Endurance's total capital was \$5.59 billion as of December 31, 2016 and includes \$4.88 billion of shareholders' equity available to the Company.

Endurance maintains significant levels of liquidity with approximately 43% of investments in cash, short-term investments, U.S. Government, and U.S. Government backed securities at December 31, 2016.

Endurance's investment portfolio is comprised of high quality assets with an average rating of AA for our fixed income investments at December 31, 2016. Our priority is capital preservation while achieving attractive risk adjusted returns.

Endurance's investment portfolio has been managed to an average duration of 3.04 years at December 31, 2016 to minimize interest rate risk. We carefully manage our asset-liability exposure and ensure that more than sufficient liquidity is available.

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