Endurance

YOUR RISK IS OUR FOCUS

QUARTERLY FINANCIAL UPDATE
Q1 | 2012

Endurance Worldwide
Reinsurance

"More favorable market conditions in the first quarter of 2012 enabled Endurance to strengthen our balance sheet, renew relationships with key cedants, and grow our global reinsurance business. We remain committed to working with you, our valued brokers and clients, as we expand our specialty capabilities and provide customized and responsive solutions to your reinsurance needs."

David Cash
CEO & President
Endurance Specialty Holdings Ltd.

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

	Quarter Ended Mar 31, 2012 (Unaudited)	Year Ended Dec 31, 2011 (Audited)	Year Ended Dec 31, 2010 (Audited)
Endurance Specialty Holdings Ltd.			
Gross premiums written	$1,061.6	$2,467.1	$2,053.2
Net premiums written	843.1	1,979.8	1,763.7
Net income (loss) before preferred dividends	82.5	(93.7)	364.7
Loss ratio	63.9%	84.6%	59.6%
Combined ratio	96.5%	112.9%	88.7%
Total assets	$8,968.8	$8,292.6	$7,979.4
Total shareholders' equity	2,684.5	2,611.2	2,848.2
Debt to total capitalization	16.4%	16.8%	15.6%
ROAE, Operating income (loss)	9.6%	(6.3%)	12.6%
Worldwide Reinsurance Segment			
Gross premiums written	$426.3	$997.3	$941.0
Net premiums written	415.3	974.3	933.9
Underwriting income (loss)	16.7	(247.6)	117.9
Loss ratio	59.7%	91.3%	52.2%
Combined ratio	93.2%	126.0%	86.9%

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.

Property

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

Casualty

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

Aerospace and Marine

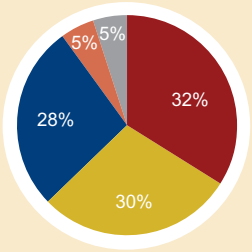
Reinsurance of aviation and space insurance, including aviation hull, aircraft liability and aircraft products coverages, as well as satellite launch and in-orbit coverage.

Proportional and non-proportional reinsurance of bluewater hull, brownwater hull and cargo insurance.

Surety and Other Specialty

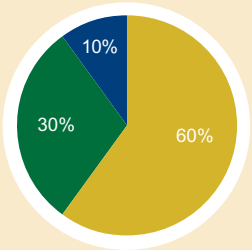
Contract and commercial surety reinsurance, on both a proportional and excess of loss basis, as well as personal accident, agriculture and terrorism.

Twelve Months Ending March 31, 2012
Reinsurance Net Premiums Written = $1,023.0 Million



Reinsurance Net Premiums Written (NPW) by Business Lines

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



Reinsurance Risk Exposures (NPW)

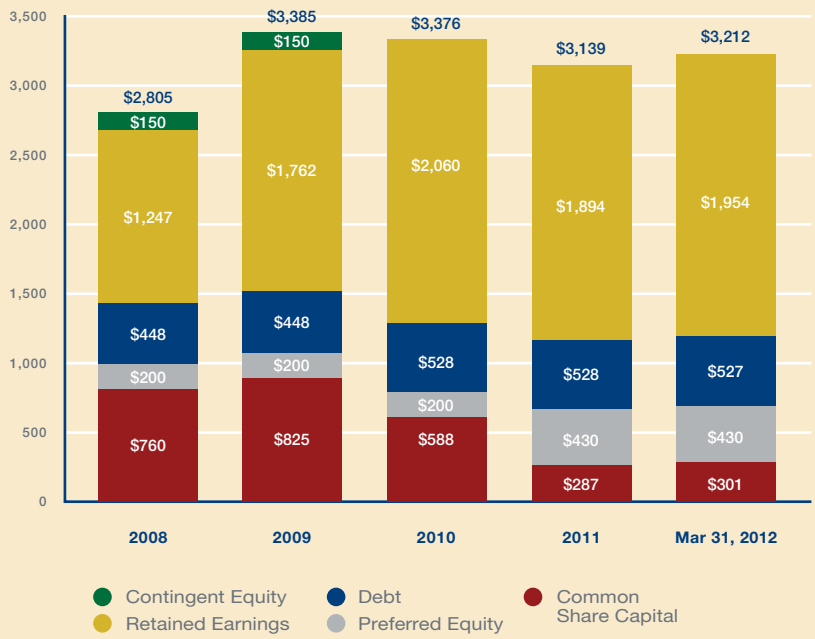
- Property
- Casualty
- Other Specialty

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 840 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 weather market cycles and to identify and develop opportunities to further enhance our business.

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



The decline in capital in 2011 was principally driven by $414.1 million of share repurchases and dividends and to a lesser extent from $93.7 million in net losses for the year. These declines were partially offset by $250.7 million in proceeds received upon issuance of perpetual preferred shares and exercise of common stock options and warrants.

EXCELLENT FINANCIAL STRENGTH AND LIQUIDITY AT MARCH 31, 2012

Endurance's total capital was $3.21 billion as of March 31, 2012 and includes $2.68 billion of shareholders' equity.

At March 31, 2012, Endurance had access to additional capital in the form of a credit facility with approximately $799 million in remaining capacity. On April 19, 2012, Endurance entered into a new $700 million, four year revolving credit facility, which replaced the existing credit facility.

Endurance maintains significant levels of liquidity with approximately 53.3% of investments in cash, short-term investments, U.S. Government, and U.S. Government backed securities at March 31, 2012.

Endurance's investment portfolio is comprised of high quality assets with an average rating of AA for our fixed income investments at March 31, 2012. Our priority is capital preservation with a secondary goal of attractive risk adjusted returns. We have limited exposure to lower rated sovereign credits.

Endurance's investment portfolio has been managed to an average duration of 2.64 years at March 31, 2012 to minimize interest rate risk. We carefully manage our asset-liability exposure and ensure that more than sufficient liquidity is available.

Endurance Group Financial Strength Ratings

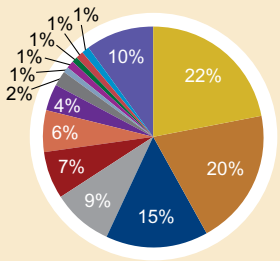
A.M. Best XV Financial Strength Stable Outlook	A (Excellent)
Standard & Poor's Stable Outlook	A (Strong)

Enterprise Risk Management Rating

Standard & Poor's	Excellent

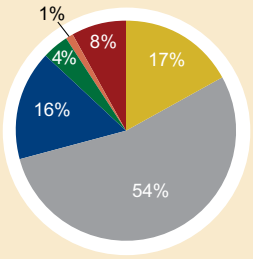
NYSE: ENH

Investment Portfolio as of March 31, 2012
Fair Value = $6.3 Billion*



Type of Investment

- U.S. Government & Agencies Notes
- Corporate Securities
- U.S. Government Agency Residential Mortgage-Backed Securities
- Non-Agency Commercial Mortgage-Backed Securities
- Other Investments
- Asset-Backed Securities
- Government & Agency Guaranteed Corporates
- Foreign Government
- Non-Agency Residential Mortgage-Backed Securities
- Short-Term Investments
- Municipals
- U.S. Government Agency Commercial Mortgage-Backed Securities
- Equity Securities
- Cash & Equivalents



Investment Portfolio Ratings

- AAA/Aaa
- AA/U.S. Government & Agencies
- A/A
- BBB and Below/Not Rated
- Equity Securities
- Other Investments

* *Investment totals net of investments pending settlement*

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