

Aspen Insurance Holdings Limited

AHL:NYSE



**Chris O’Kane
Chief Executive Officer**

KBW Reinsurance Conference

19 May 2005



Forward Looking Statements

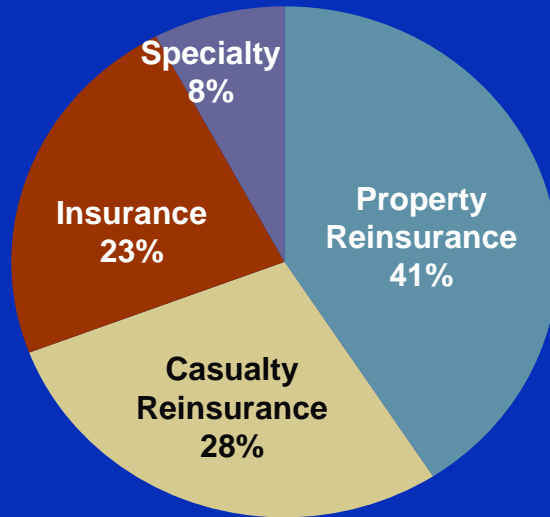
This presentation contains, and the Company may from time to time make, written or oral "forward-looking statements" within the meaning of the U.S. federal securities laws. All forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the Company's control that could cause actual results to differ materially from such statements. Important events that could cause the actual results to differ include, but are not necessarily limited to, market conditions affecting our common share price; the requesting shareholders' ability to revoke the registration request; our short operating history; our dependence on principal employees; the cyclical nature of the reinsurance business; the levels of new and renewal business achieved; the possibility of severe or unanticipated losses from natural or man-made catastrophes; the impact of terrorist activities on the economy; our reliance on reinsurance brokers; the impact of currency exchange rates and interest rates on our investment results; competition in the reinsurance industry and rating agency policies and practices. In addition, due in part to these assumptions and factors, any projections of growth in our gross written premium, net earned premium, revenues or other similar financial information would not necessarily result in commensurate levels of underwriting and operating profits. The Company's forward-looking statements concerning market observations could be affected by changes in demand, pricing and policy terms and competition. For a more detailed description of these uncertainties and other factors, please see the "Risk Factors" section in the Company's Annual Report on Form 10-K for the year ended December 31, 2004 filed with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made.



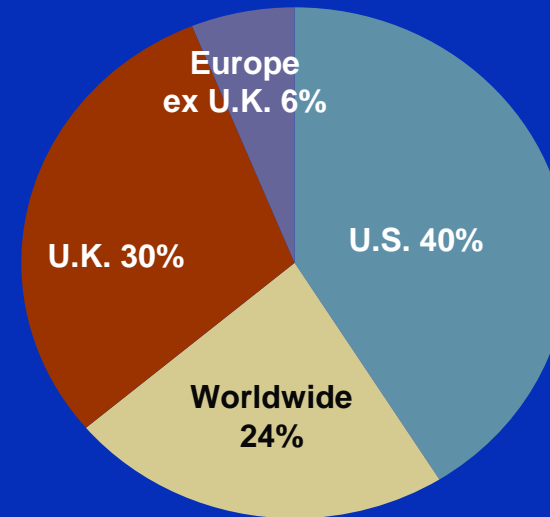
Who We Are

Leading specialty reinsurer and insurer with underwriting platforms in the U.K., Bermuda and U.S.

Underwriting by Line (2004 GPW)



Geographic Exposure (2004 GPW)



(US\$ in millions)	2003	2004	1Q05
Gross Premiums Written	\$1,307	\$1,586	\$804
Shareholders' Equity	1,299	1,482	1,529
Net Income	152	195	70
Combined Ratio	78%	84%	81%
ROAE	16%	14%	19%*

(*) Annualized



Who We Are



Paul Myners
Group Chairman



Chris O’Kane
Group CEO



Julian Cusack
Group CFO



Sarah Davies
Group COO



David May
Casualty
Reinsurance



James Few
Property
Reinsurance



Ian Beaton
Insurance



Nick Bonnar
Specialty
Insurance & Reinsurance



Brian Boornazian
U.S. Reinsurance

- Experienced, close-knit management team; 10+ years of working together*
- 14 teams of underwriters with proven track records
- Organizational structure optimized along product lines
- Long-term client relationships
- 294 employees worldwide**

(*) Blue background denotes individuals who worked together as a team for at least 10 years.

(**) Number of employees as at 31 March 2005



What We Have Achieved

- Established diversified underwriting and operating platform
 - U.K., Bermuda and U.S.
 - Reinsurance, insurance and specialty (69%, 23% and 8%, respectively*)
- Delivered excellent financial performance
 - Outperformed consensus estimates every quarter since IPO
 - ROE of 14% and 16% in 2004 and 2003, respectively
 - Book value per share CAGR of 15% since 4Q02
- Expanded selectively into profitable growth areas
 - Marine & energy
 - Aviation
- Relocated property reinsurance to Bermuda
 - Increased fiscal flexibility
 - Enhanced distribution opportunities

(*) as at 31 December 2004.



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The Investment Opportunity

- Established franchise with proven track record of outperformance
- Disciplined, underwriting-led organization
- Strong underwriting and investment earnings momentum
- Capital management focus across the cycle
- Improved float and trading liquidity post recent secondary offering

Well positioned to deliver consistently strong results

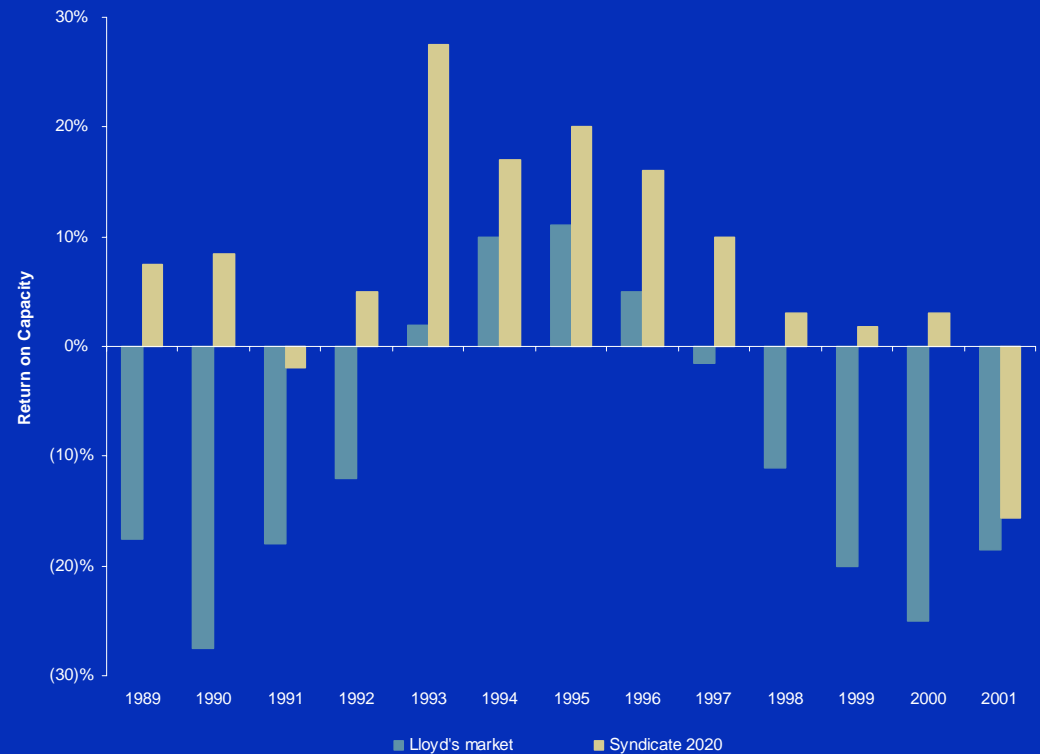


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Established Franchise With Proven Track Record

- We are:
 - Gross lines underwriters
 - Technically and analytically driven
 - Opportunistic
 - Strong risk managers
- ROE focused underwriting teams reinforce market discipline

Superior Historical Performance



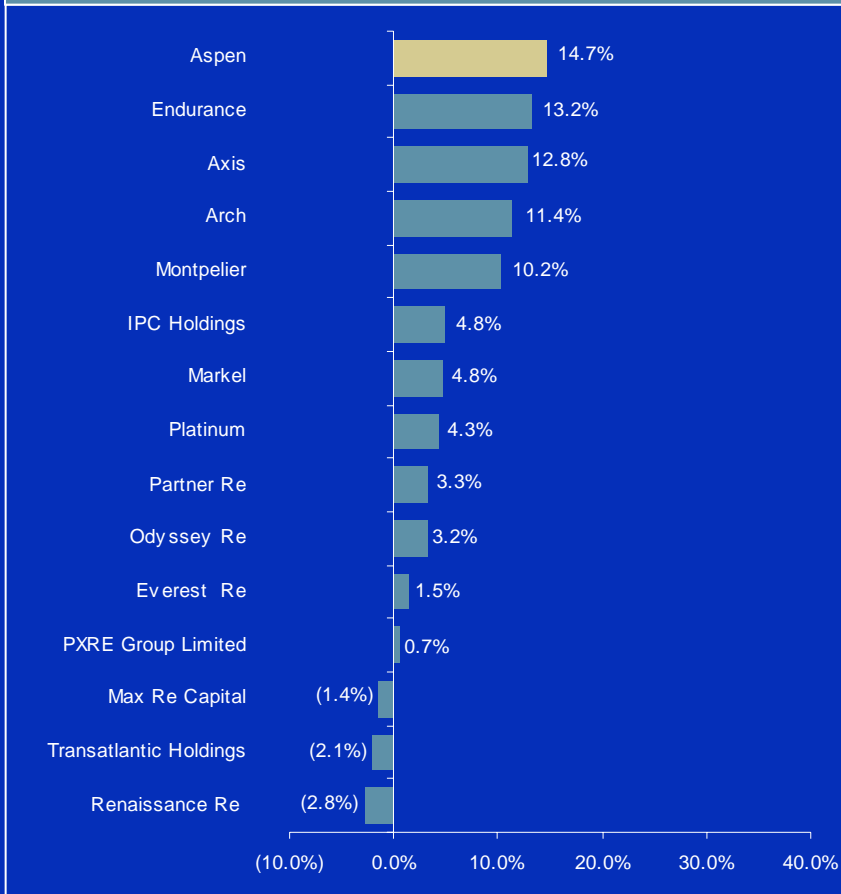
Franchise position and client continuity produce superior results over the cycle



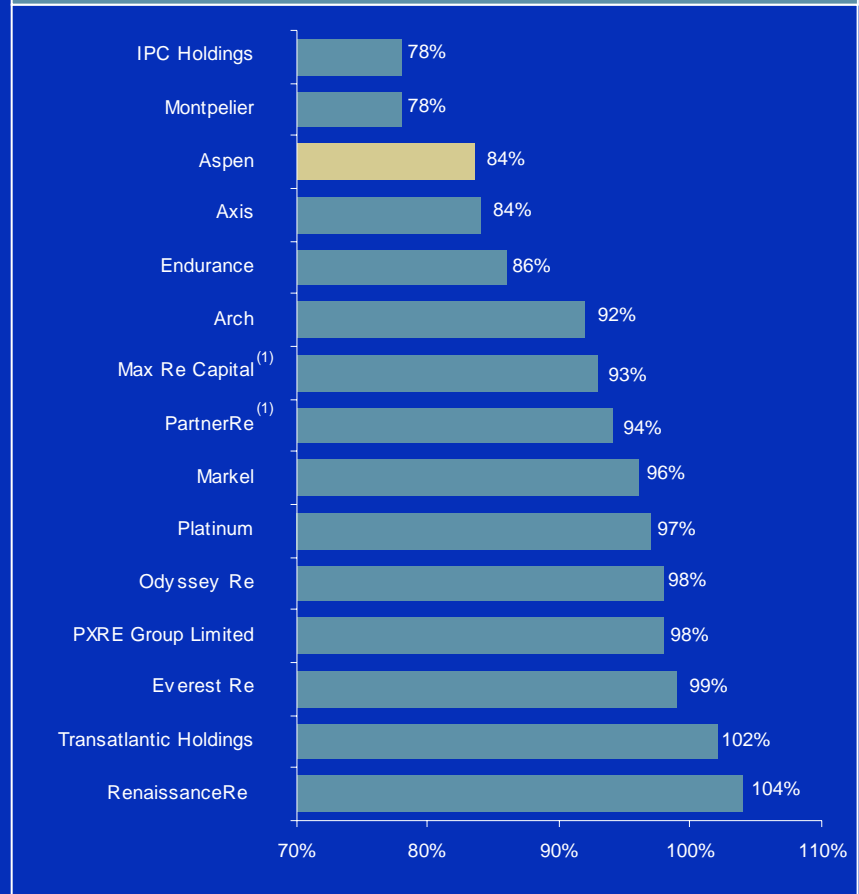
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Underwriting Performance vs. Peers

2004 Pre-tax Underwriting ROE



2004 Combined Ratio



Note: Pre-tax underwriting ROE is calculated as income before tax excluding investment income and gains divided by average shareholders' equity.

(1) Non-life ratios only.



Business Outlook

■ Overall premium growth rate in 2005 expected to be around 10%

	Overall		London	Bermuda	U.S.
Property Reinsurance	C	■ Cat	C	E	
		■ Risk	C	E	E
		■ Pro Rata	C	E	E
		■ Retrocession		C	
Casualty Reinsurance	S	■ International Casualty	S		
		■ U.S. Casualty	E		S
Insurance	E	■ Commercial Insurance			
		– U.K. Primary	C		
		– U.S. E&S			E
Specialty Ins & Reins	E	■ Marine	E		
		■ Aviation	E		
		■ Energy	E		

E Expand
S Steady
C Contract



Business Outlook

- Average rate reduction* year-to-date of 3% across our portfolio
 - Significant variation across lines of business
- Property Reinsurance down slightly (approximately 3%)
 - US wind exposed business holding firm or increasing
 - Pricing pressure unlikely to abate
- Casualty Reinsurance flat
 - Modest decline in international casualty rates
 - US casualty rates increasing slightly
- Insurance down (approximately 7%)
 - UK employers' liability and public liability declining
 - Strong competition in UK commercial property
- Specialty Lines down (approximately 8%)
 - Aviation rates declining
 - Marine insurance rates holding firm
 - Specialty reinsurance down

Overall pricing remains favourable

(*) Rate Relativity is based on year-to-date renewals on a premium weighted average basis including business incepting in April.



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Proactive Approach to Cycle Management

- Mission is to create shareholder value across the cycle
 - Compensation tied to shareholder returns
- Key components:
 - Underwriting integrity
 - Optimizing business mix
 - Comprehensive risk control framework
 - Reinsurance / retrocession purchasing
 - Capital management
 - Expense control
 - Improving investment contribution

**We will continue to seek business that will meet
our price adequacy threshold**



Excellent Financial Performance

(US\$ in millions)	2002 ⁽¹⁾	2003	2004	2004-2005 1Q05	1Q Change
Gross Premiums Written	\$375	\$1,307	\$1,586	\$804	26%
Net Premiums Written	313	1,093	1,358	632	24%
Net Premiums Earned	120	812	1,233	379	24%
Underwriting Profit	14	178	204	72	-31%
Net Investment Income	9	30	68	26	113%
Net Income	29	152	195	70	-18%
GAAP Ratios:					
Loss Ratio	64%	53%	59%	55%	
Expense Ratio	25	25	25	26	
Combined Ratio	89%	78%	84%	81%	
ROAE	6%	16%	14%	19%*	

(1) Results from inception on June 22, 2002 through December 31, 2002.

(*) Annualized



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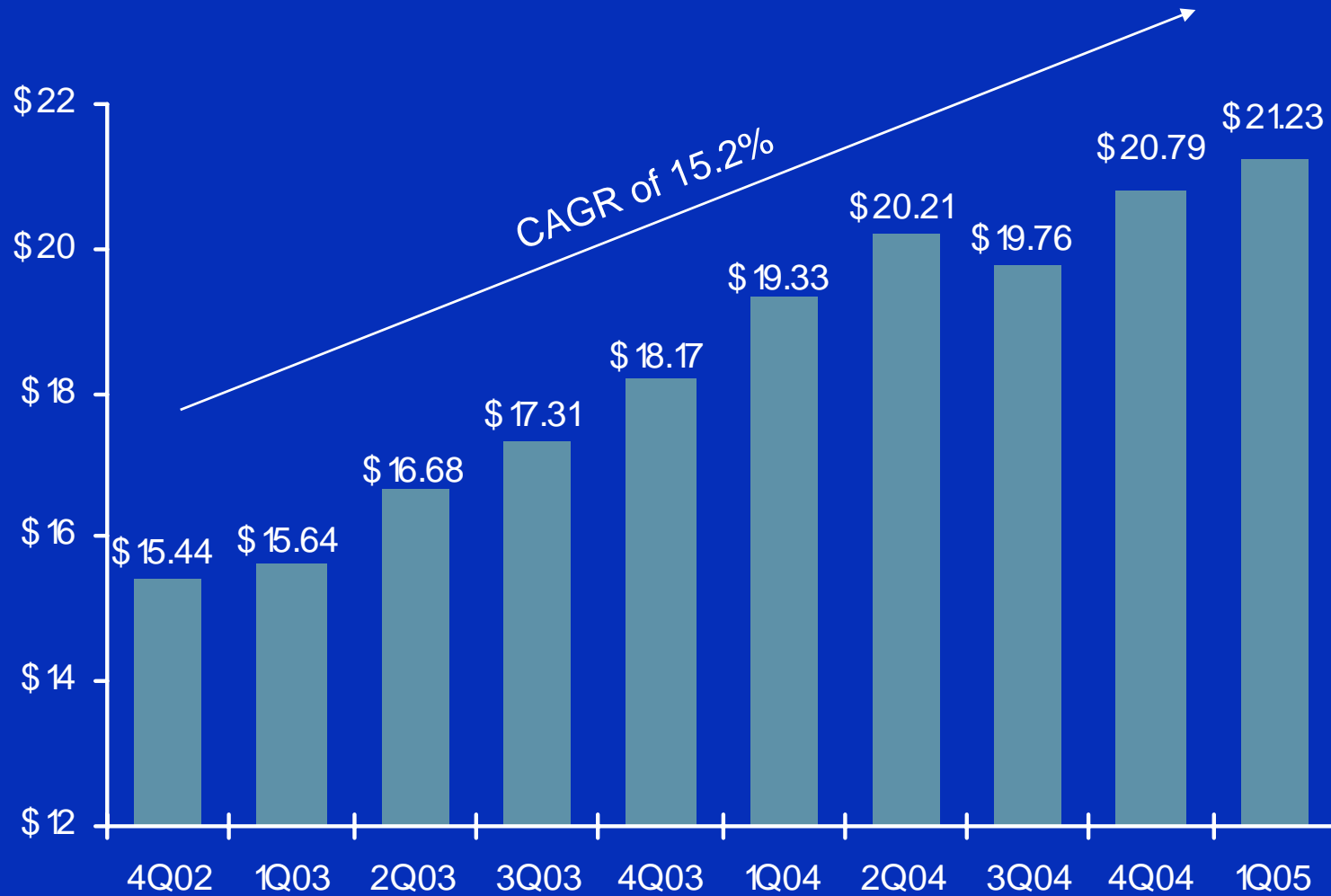
Underwriting Results by Line of Business – 1Q05

(US\$ in millions)	Reinsurance		Insurance	Specialty	TOTAL
	Property	Casualty			
Gross Premiums Written	\$305	\$272	\$77	\$150	\$804
Net Premiums Written	185	260	51	136	632
Net Premiums Earned	147	106	80	46	379
Underwriting Profit	\$39	\$8	\$11	\$14	\$72
1Q05 Loss Ratio	42%	72%	61%	46%	55%
1Q05 Expense Ratio	32	21	25	23	26
1Q05 Combined Ratio	74%	93%	86%	69%	81%
1Q04 Combined Ratio	44%	89%	81%	60%	66%
2004 Combined Ratio	86%	92%	79%	60%	84%



Strong Growth in Book Value

Diluted Book Value per Share



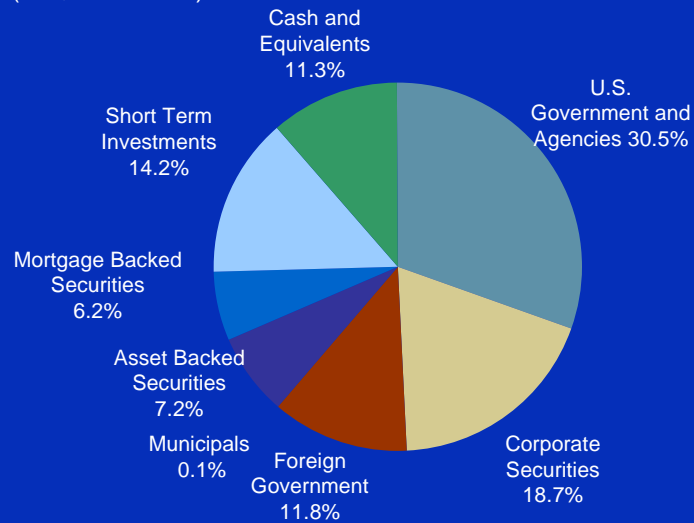
Note: Book value per share including other comprehensive income divided by fully-diluted shares outstanding (using treasury stock method) at end of each period.



Conservative Investment Philosophy

Invested Assets by Type - 3/31/05

(US\$ in millions)



Invested Assets = \$3.2 billion

Average Credit Quality	AAA
Average Income Yield	3.50%

- Fixed income securities with high credit quality
- Average duration of our portfolio ex-short term investments is 2.14 years
- We intend to increase duration to 3.25 years by the end of 2005



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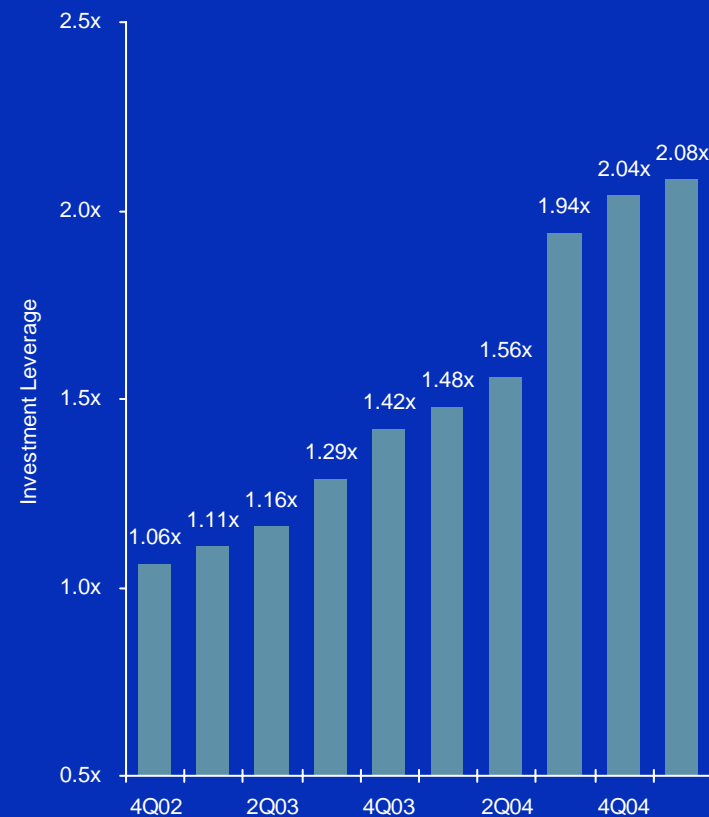
Increasing Contribution From Investments

Invested Assets and Net Investment Income

(US\$ in millions)



Investment Leverage



Note: Investment leverage calculated as period ending invested assets and cash divided by period ending shareholders' equity for each quarter.



Drivers of ROE

	2004A	2005 Illustration
Underwriting Contribution		
Total Combined Ratio	83.4%	83.4%
Underwriting Margin	16.6%	16.6%
X		
NPE / Average Equity	0.89x	0.89x
Pre-tax Underwriting ROAE Contribution	14.8%	14.8%
Investment Income Contribution		
Invested Assets / Average Equity ⁽¹⁾	1.8x	2.1x
X		
Investment Yield	2.8%	3.5%
Pre-tax Investment ROAE Contribution	4.9%	7.3%
Other Expenses / Average Equity	(0.8%)	(1.6%)
Pretax ROAE	18.9%	20.5%
Tax Rate	25.9%	20.0%
Tax Impact on ROAE	(4.9%)	(4.1%)
Total ROAE	14.0%	16.4%

Increased Investment Leverage

Longer duration of investment asset base

Rising Interest Rates

Lower Tax Rate

(1) Average invested assets / average equity.



Active Capital Management Strategy

Balance Sheet Highlights

(US \$ in millions)	3/31/04	3/31/05
Total Investments & Cash	\$2,059	\$3,178
Premiums Receivable	714	764
Reinsurance Recoverable	179	385
Other Assets	193	285
Total Assets	3,145	4,612
Reserves	1,511	2,471
Long-Term Debt	40	249
Other Liabilities	201	363
Shareholders' Equity	1,393	1,529
Debt / Total Capitalization	2.7%	14.0%
Book Value per Share	\$20.04	\$21.96

- Right sizing the capital base
- Pursue opportunities when appropriate returns are available
- Return excess capital subject to rating and regulatory constraints
- Increase in quarterly dividend to \$0.15 per share (2.2% annualized yield) from \$0.03 per share (0.5% annualized yield)

We will continue to monitor and evaluate our capital position as markets and our business develop



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Summary

- We present investors with a compelling and timely investment opportunity
 - Strong underwriting fundamentals
 - Enhanced investment returns
 - Improving tax rate
 - Improved float and liquidity