



Aspen Insurance Holdings Limited

Bank of America Merrill Lynch Insurance Investor Conference

Chris O’Kane
Chief Executive Officer

Richard Houghton
Chief Financial Officer

February 24, 2010

AHL: NYSE



Safe Harbor Disclosure

This slide presentation is for information purposes only. It should be read in conjunction with our financial supplement posted on our website on the Investor Relations page and with other documents filed by Aspen Insurance Holdings Limited (the "Company" or "Aspen") with the U.S. Securities and Exchange Commission.

Non-GAAP Financial Measures

In presenting Aspen's results, management has included and discussed certain "non-GAAP financial measures", as such term is defined in Regulation G. Management believes that these non-GAAP measures, which may be defined differently by other companies, better explain Aspen's results of operations in a manner that allows for a more complete understanding of the underlying trends in Aspen's business. However, these measures should not be viewed as a substitute for those determined in accordance with GAAP. The reconciliation of such non-GAAP financial measures to their respective most directly comparable GAAP financial measures in accordance with Regulation G is included herein or in the financial supplement, as applicable, which can be obtained from the Investor Relations section of Aspen's website at www.aspen.bm.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in these statements. Aspen believes these factors include, but are not limited to: changes in insurance and reinsurance market conditions that could adversely impact execution of the business plan; the continuing and uncertain impact of the current depressed credit environment, the banking crises and economic recessions in many of the countries in which we operate and of the measures being taken by governments to counter these issues; the risk of a material decline in the value or liquidity of all or parts of our investment portfolio; changes in our ability to exercise capital management or strategic initiatives or to arrange banking facilities as a result of prevailing market changes or changes in our financial position; our ability to execute our business plan to enter new markets, introduce new products and develop new distribution channels, including their integration into our existing operations; increased counterparty risk due to the impairment of financial institutions; changes in the total industry losses, or our share of total industry losses, resulting from past events such as Hurricanes Ike and Gustav and, with respect to such events, our reliance on loss reports received from cedants and loss adjustors, our reliance on industry loss estimates and those generated by modelling techniques, changes in rulings on flood damage or other exclusions as a result of prevailing lawsuits and case law, any changes in our reinsurers' credit quality and the amount and timing of reinsurance recoverables; the impact of acts of terrorism and related legislation and acts of war; the possibility of greater frequency or severity of claims and loss activity, including as a result of natural or man-made (including economic and political risks) catastrophic events, than our underwriting, reserving, reinsurance purchasing or investment practices have anticipated; evolving interpretive issues with respect to coverage after major loss events; the level of inflation in repair costs due to limited availability of labor and materials after catastrophes; the effectiveness of our loss limitation methods; changes in the availability, cost or quality of reinsurance or retrocessional coverage; the reliability of, and changes in assumptions to, natural and man-made catastrophe pricing, accumulation and estimated loss models; loss of key personnel; a decline in our operating subsidiaries' ratings with Standard & Poor's ("S&P"), A.M. Best or Moody's Investors Service ("Moody's"); changes in general economic conditions, including inflation, foreign currency exchange rates, interest rates and other factors that could affect our investment portfolio; the number and type of insurance and reinsurance contracts that we wrote at the January 1st and other renewal periods and the premium rates available at the time of such renewals within our targeted business lines; increased competition on the basis of pricing, capacity, coverage terms or other factors and the related demand and supply dynamics as contracts come up for renewal; decreased demand for our insurance or reinsurance products and cyclical changes in the insurance and reinsurance sectors; changes in government regulations or tax laws in jurisdictions where we conduct business; and Aspen or its Bermudian subsidiary becoming subject to income taxes in the United States or the United Kingdom; and the effect on insurance markets, business practices and relationships of ongoing litigation, investigations and regulatory activity by insurance regulators and prosecutors.

For a more detailed description of these uncertainties and other factors, please see the "Risk Factors" section in Aspen's Annual Reports on Form 10-K as filed with the U.S. Securities and Exchange Commission on February 26, 2009. Aspen 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.



Summary

- Who we are
- What we do
- Industry challenges
- The Aspen approach
- Appendix



Who We Are

- Bermuda domiciled diversified Specialty Insurer and Reinsurer
- Founded 2002; IPO – 2003; \$2.3bn market cap*
 - \$3.3bn of total capital, as of December 31, 2009
 - Ratings of A (S&P), A2 (Moody's) and A (AM Best)
 - Diluted BVPS 16% CAGR over four years
- \$2.1bn Gross Written Premium in 2009; estimate \$2.2bn +/- 5% GWP for 2010**
 - 57% Reinsurance, 43% Insurance (2010E)
 - 53% Property, 47% Casualty (2010E)
- Focus on Specialty Lines
 - Insureds tend to be more unusual or higher risk; typically requires high degree of individual risk underwriting expertise
 - In-depth underwriting expertise and ability to respond quickly to the needs of the insured and changing market conditions key
- Multi-platform approach
 - 3 main underwriting platforms: London Insurance, Reinsurance and Lloyd's; Bermuda Insurance and Reinsurance and US Insurance (E&S with Admitted application in process) and Reinsurance
 - Branch offices in Paris, Zurich, Singapore, Dublin and 3 main locations in the US

Underwriting Led, Diversified Specialty Insurer and Reinsurer Underpinned by Strong Risk Management Culture

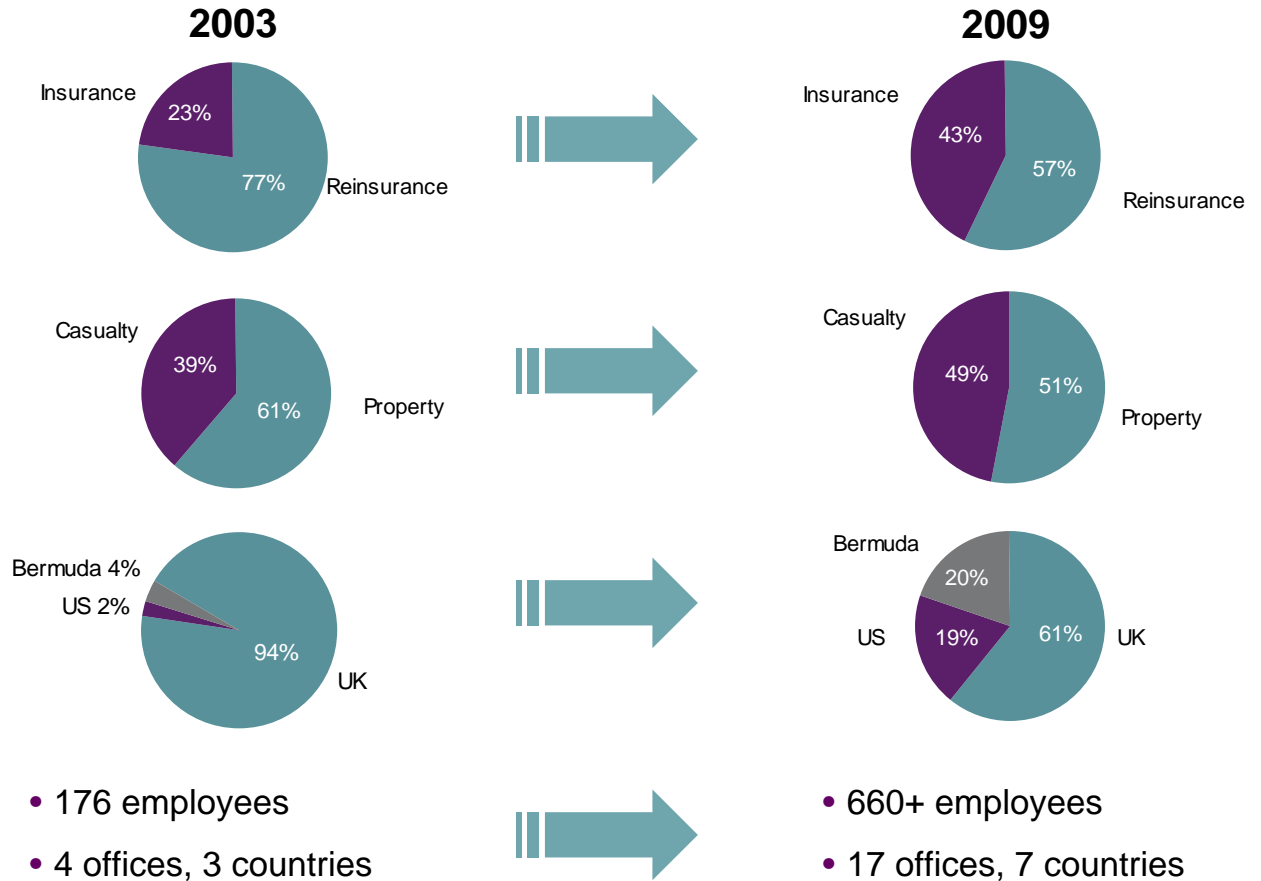
* As at February 12, 2010

** Estimate as at February 9, 2010



What We Do

- Insurance vs. Reinsurance*
- Property vs. Casualty*
- GWP by "Core" Platform
- Global Footprint



Balanced Business Lines, Diversified Production Sources and Increased Global Presence

What We Do

Strategy - Key Elements



Our strategy has 6 key elements:

- ① Diversified underwriting platform (product and geography)
- ② Selective expansion where Aspen has a competitive advantage
- ③ Execution framework underpinned by strong risk management infrastructure and culture
- ④ Focus on spreading risk and lowering volatility
- ⑤ Prudent stewardship of capital
- ⑥ People - hiring and development of talent



Targeting Consistent Quality Returns with Low Volatility

What We Do

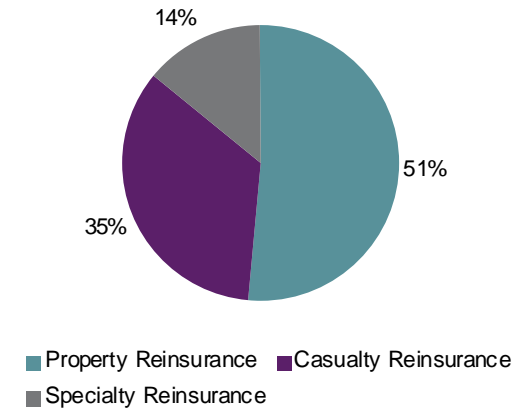
Reinsurance: Overview and Strategy



Aspen Approach

- 12 underwriting units in 3 divisions
- Established market leader
- Presence in major market hubs allowing close proximity to customers
- Deep expertise and understanding of client needs and risks
- Focus on smaller, specialized companies and risks to maintain portfolio diversity
- Focus on clients where reinsurance and reinsurance relationships are a vital part of their business need

GWP (2009) by Category



Property Reinsurance

- Catastrophe
- Risk Excess
- Pro Rata
- Facultative

Casualty Reinsurance

- US
- International
- Facultative

Specialty Reinsurance

- Credit & Surety
- Agriculture / Crop
- Marine
- Aviation
- Space

What We Do

Insurance: Overview and Strategy



Aspen Approach

- 15 underwriting units in 4 divisions
- Specialist 'E&S' type approach to underwriting within Insurance operations
- Bias towards complex risks
- Diverse portfolio of disparate insurance risks
- Divisional focus compliments in-house underwriting expertise

GWP (2009) by Category



Global Risks

- Marine
- Energy
- Aviation
- Construction
- Specie
- Excess Casualty

UK

- Employers Liability
- Public Liability
- Property
- Construction

Financial & Professional

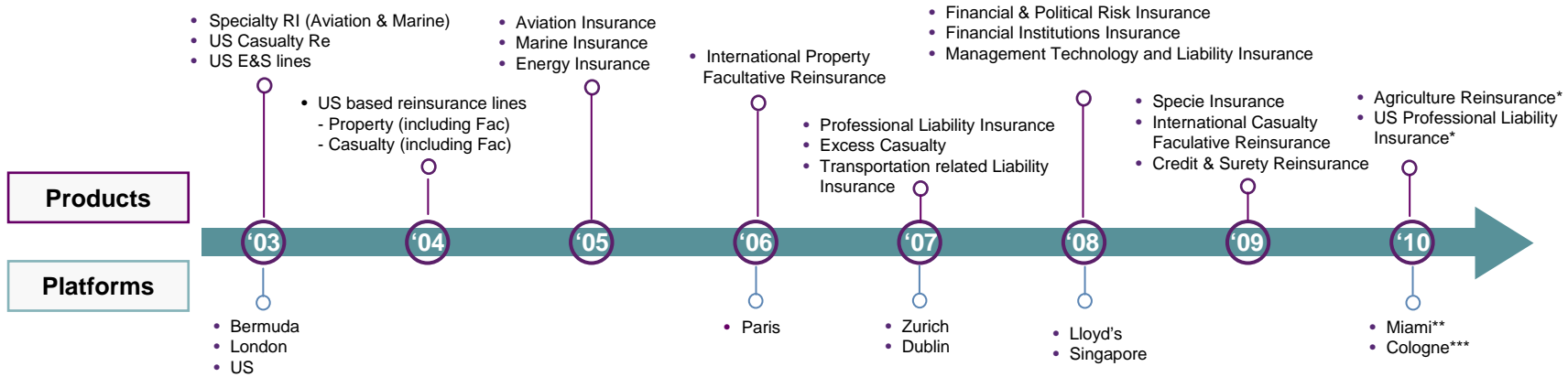
- Professional Liability
- Directors & Officers
- Crime
- Financial & Political Risk
- Kidnap & Ransom
- Technology Liability

US

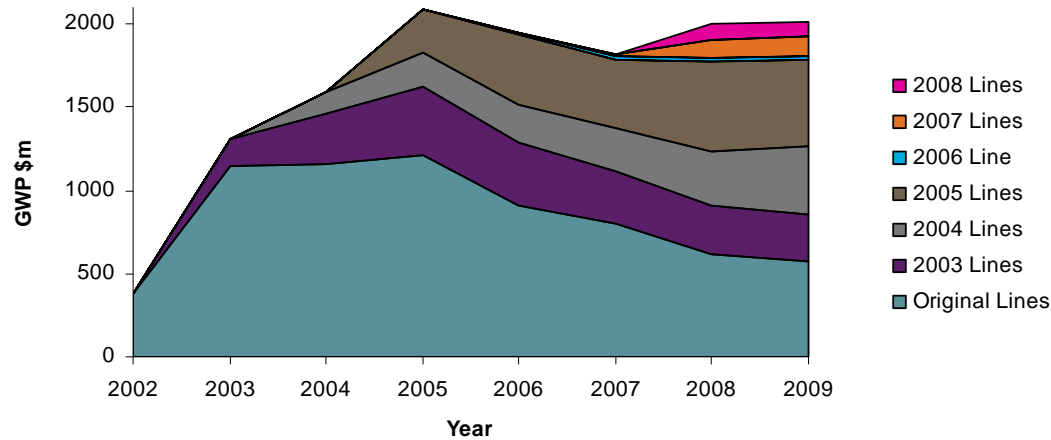
- Property
- Primary Casualty
- Environmental
- Umbrella
- Professional Lines

What We Do

Progressive Diversification of Strategic Footprint



Development of GWP



Incremental Expansion into Adjacent Business Lines and Selective Establishment of New Underwriting Platforms / Offices Consistent with Market Conditions

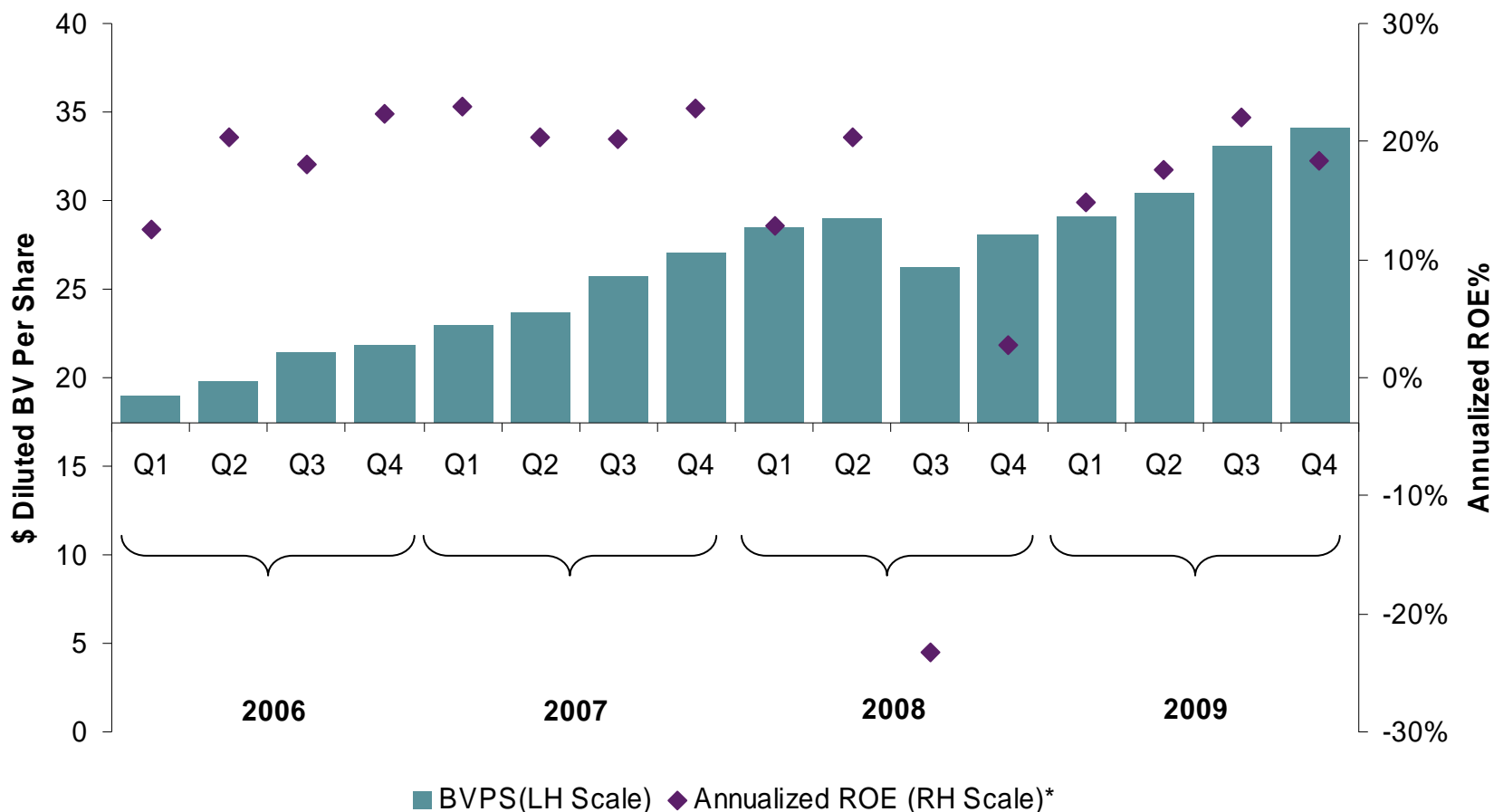
* Underwriting commences 03/10

** Opening March 2010

*** Opening May 2010

What We Do

Focus on Growth in BVPS



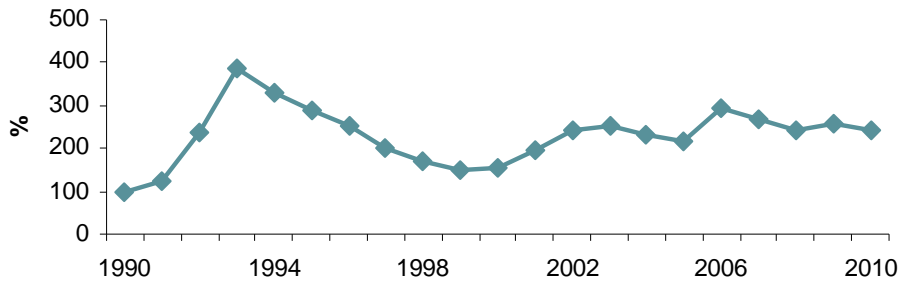
4 Year CAGR Diluted BVPS +16% p.a.; Diluted BVPS Increased by 21% since December 31, 2008

(*) Note: See Aspen's quarterly financial supplement for a reconciliation of diluted book value per share to basic book value per share, reconciliation of average equity to closing shareholders' equity in the Investor Relations section of Aspen's website at www.aspen.bm



Industry Challenges

Guy Carpenter World Rate-on-Line Index¹



Source: Guy Carpenter

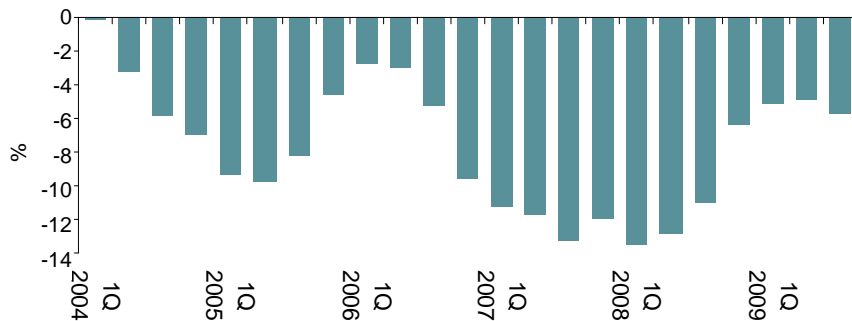
Treasury Market Yield



— 3YR Treasury Market Yield

Source: Bloomberg

Average US Commercial Line Rate Change



Source: Insurance Information Institute

Current Pricing Environment and Low Interest Rates Present Challenges for the Industry

(1) Rate-on-Line: Percentage derived by dividing reinsurance premium by reinsurance limit



Industry Challenges...and Opportunities

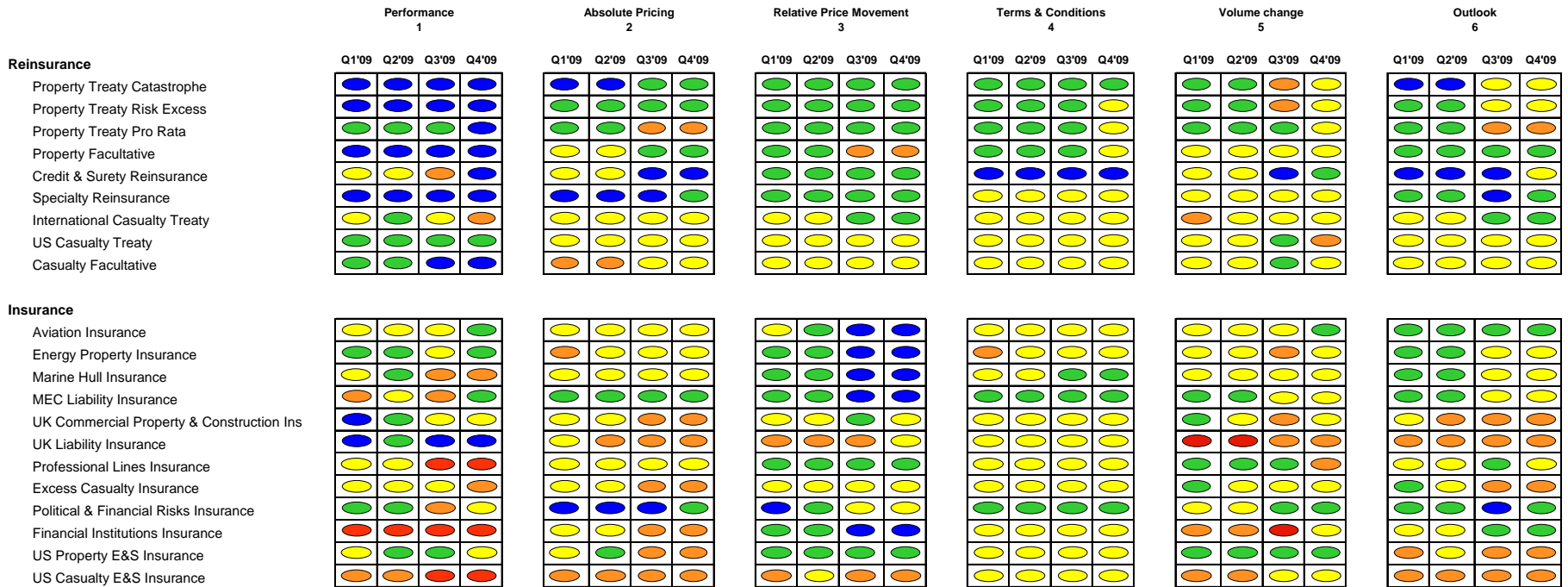
US P&C Insurance Industry

Category Comparison: Five - Year Average Operating Ratio by Peer Group and Quintile, 2002 – 2008*



Diversified Approach Allows Opportunistic Access to Profitable Business Segments

The Aspen Approach Market Map



*MEC - Marine, Energy & Construction

1 - 12 months rolling RORAC
2 - Ratio of Actual to Technical (or modelled) price

3 - Relative Price Movement for all in-force renewed contracts for YTD
4 - Terms and Conditions

5 - Change in rolling GWP for last 4 quarters vs. rolling GWP from previous 4 quarters
6 - Outlook (Absolute Pricing * Forecast Relative Price Movement)

- Outlook is “Of Concern” for 6 lines only

Targeting Top Quartile of Industry Performance in Selected Segments

The Aspen Approach

“Testing Conventional Wisdom”



Aviation Insurance

- Inception 2005
- GWP \$113m; combined ratio 92% (2009)
- 2009 third consecutive loss-making year for industry; industry sector loss ratio estimated at >110% including Air France loss
- Aspen 2009 result likely to be comfortably in the top quartile for the industry



Political and Financial Risk Insurance

- Inception 2008
- GWP \$33m; combined ratio 81.1% (2009)
- GWP \$39m; combined ratio 83.0% (2008)
- Building reputation as a market leader while sustaining core principle of underwriting profitability
 - Quantitative credit analysis
 - Fundamental analysis
 - Structural analysis
 - Policy documentation



Credit & Surety Reinsurance

- Inception 2009
- 2009: GWP \$49m; combined ratio 89.6%
- Well positioned to benefit from rating improvements in 2010 in response to global financial crisis
- Focus is primarily European and ex-US; US Surety business excluded

Very Strong Performance in Selected Lines Despite Challenging Market Conditions
Reflecting Specialist Approach

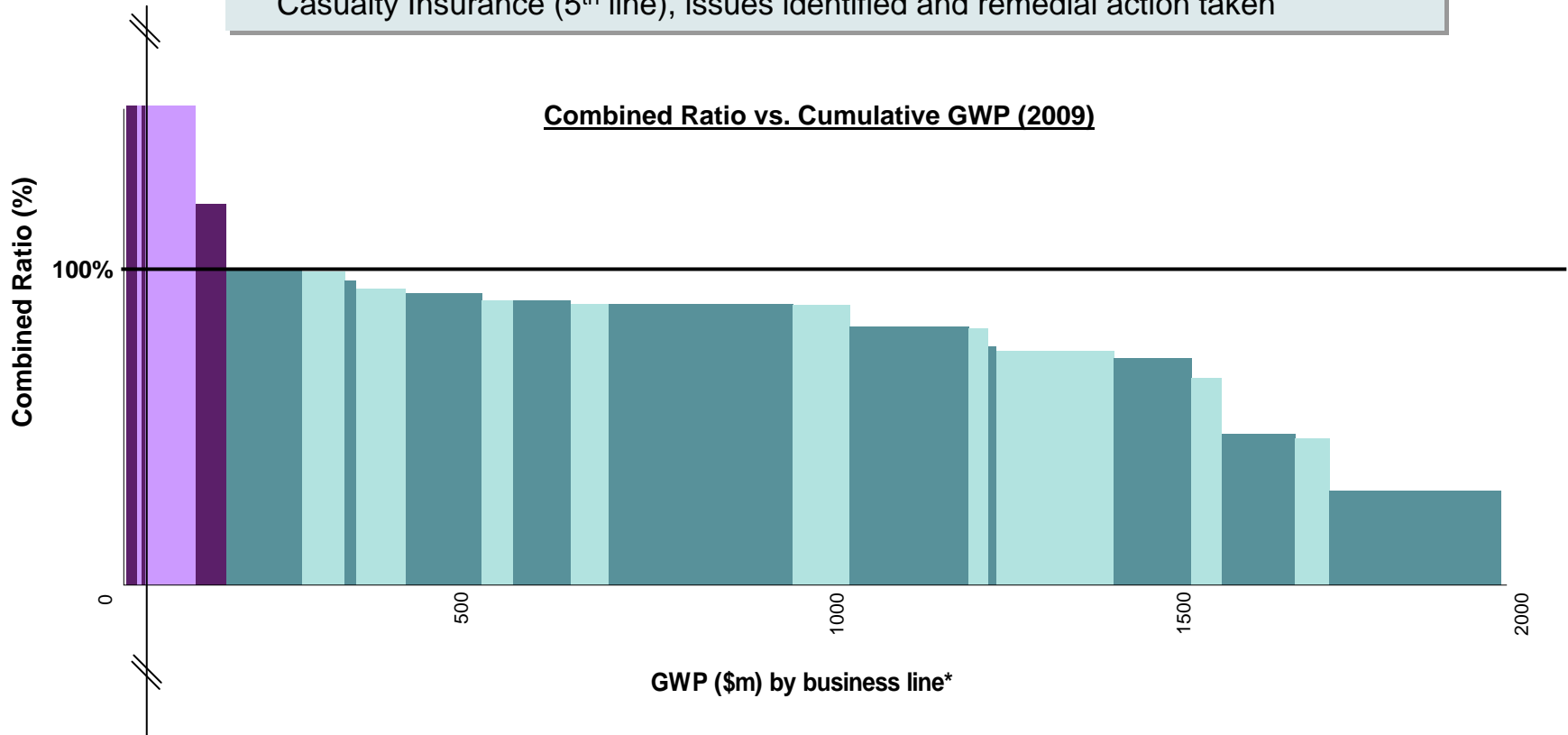
The Aspen Approach

Value of Diversified Portfolio



- 19 out of 24 lines with CR < 100%
- Of remaining 5 lines, 4 newly established and in 'ramp up' phase; US E&S Casualty Insurance (5th line), issues identified and remedial action taken

Combined Ratio vs. Cumulative GWP (2009)



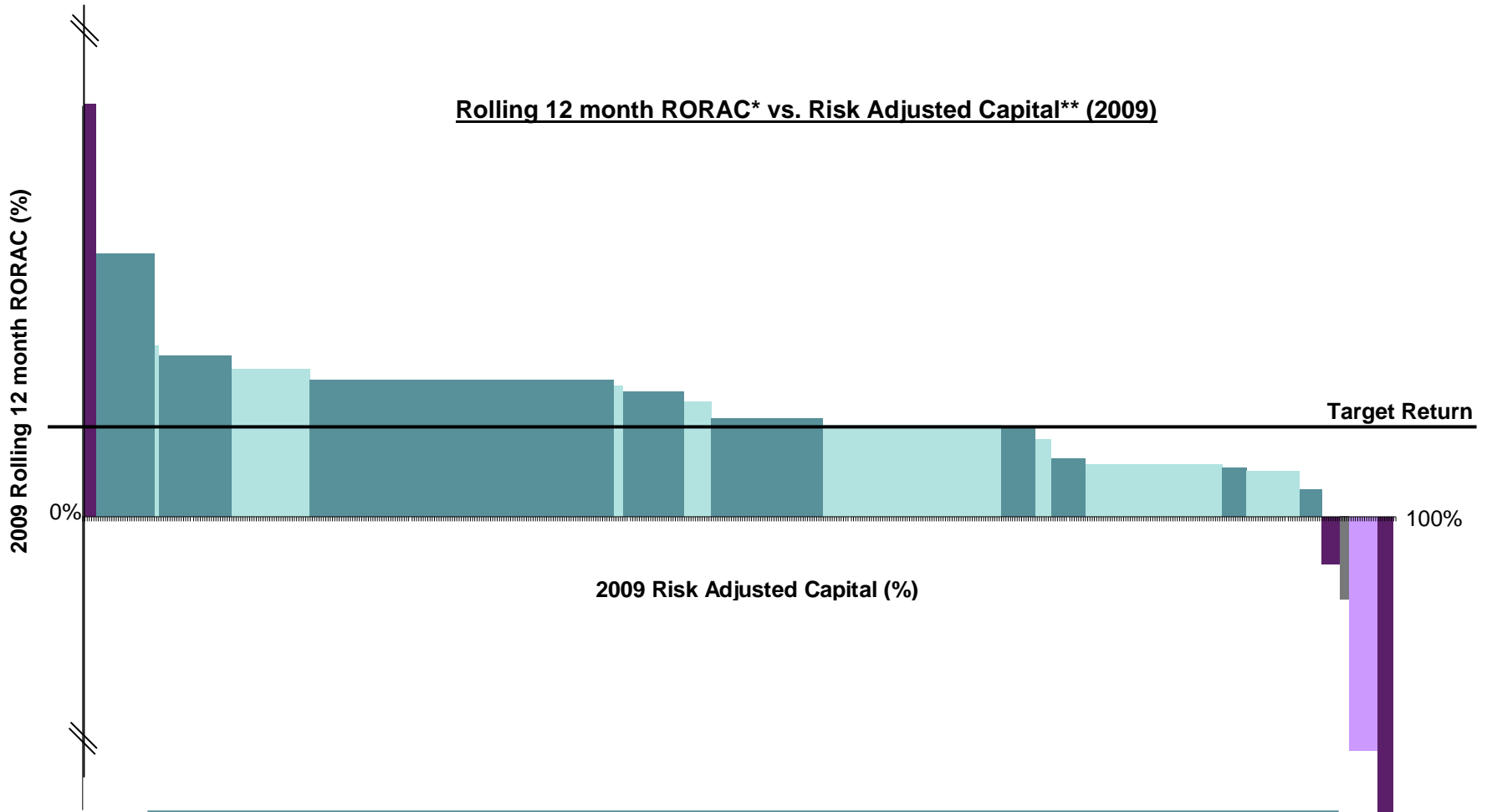
Diversified Portfolio Supports Investment in New Lines

The Aspen Approach

Value of Diversified Portfolio



Rolling 12 month RORAC* vs. Risk Adjusted Capital (2009)**



Diversified Portfolio Allows Efficient Allocation of Capital

* RORAC: Return on Risk Adjusted Capital

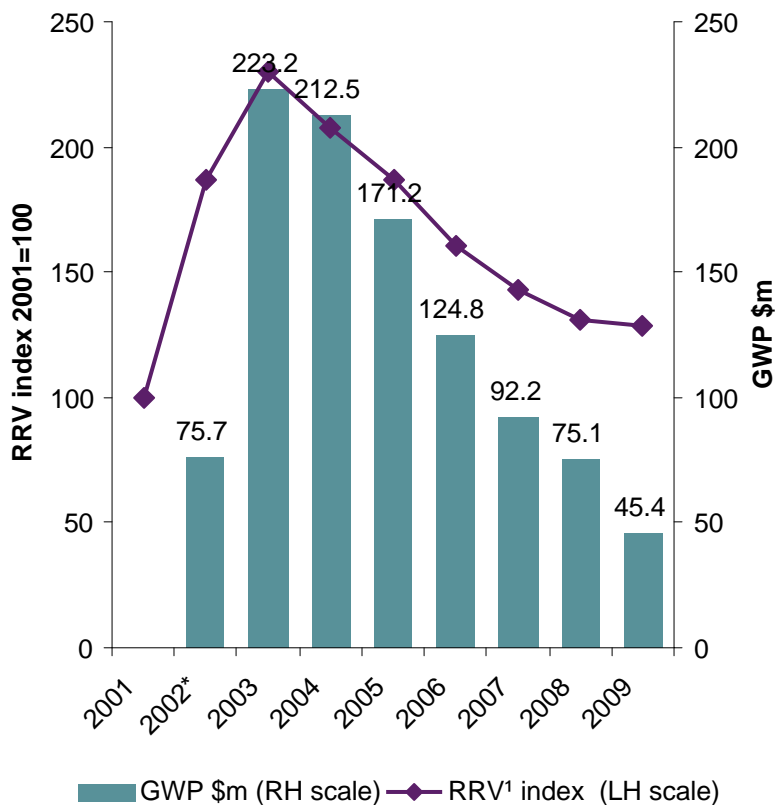
** Risk Adjusted Capital: Total Capital (including Equity, Debt and Perpetual Shares) allocated to each line of business, based upon the relative level of risk of each line

The Aspen Approach

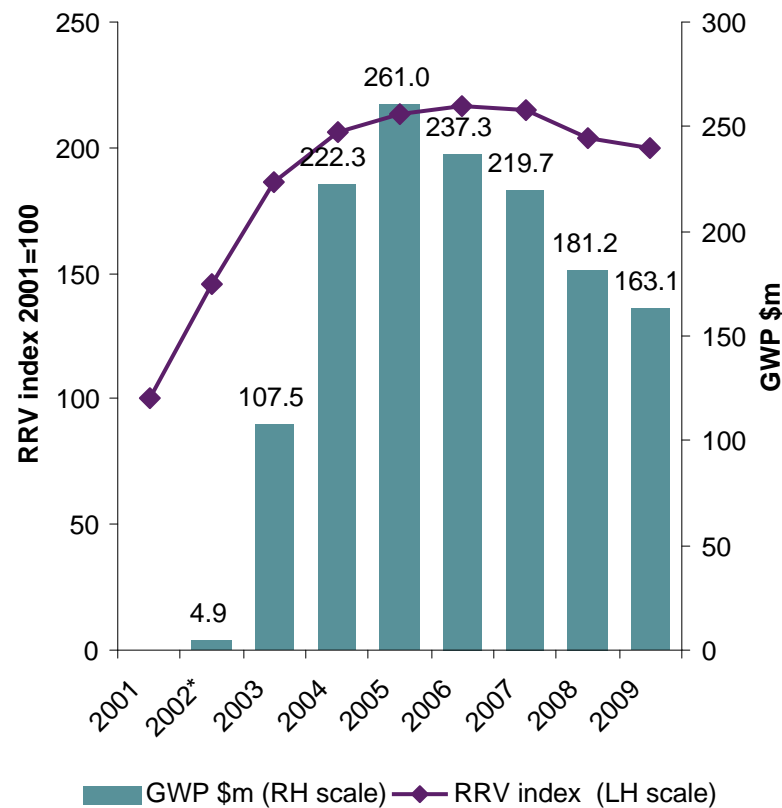
Managing the Cycle



UK Liability



US Casualty Re



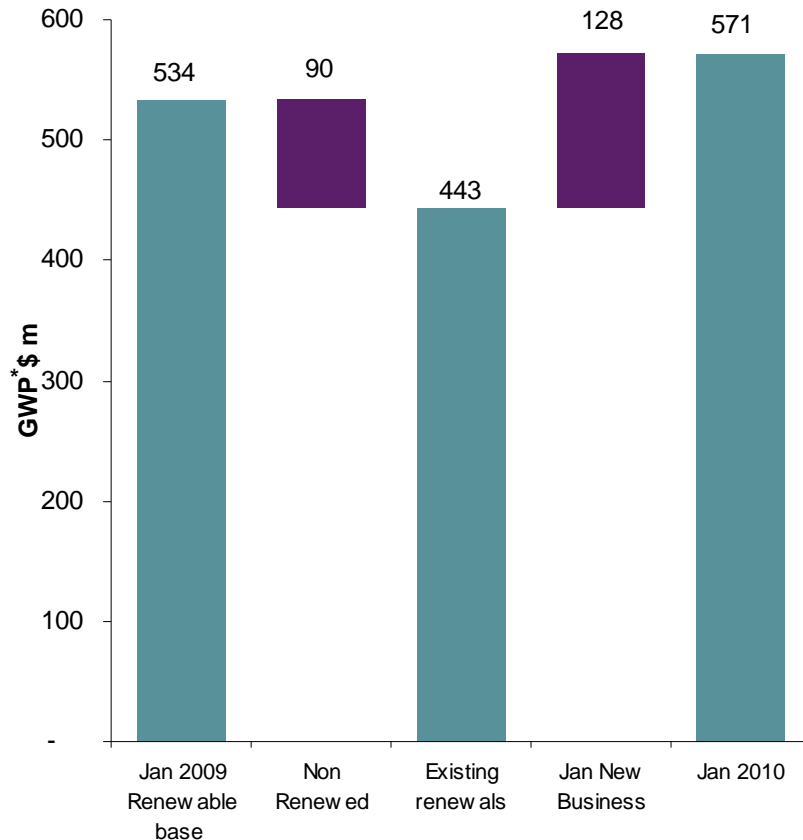
Proactive Management of Cycle

* Since inception June 2002

¹ RRV: renewal rate variation report - monitors the change in rate for the risk from one year to the next

The Aspen Approach

Managing the Cycle



- 2010 year of account* GWP at end January increased by 6% from the 2009 renewable base mainly due to the impact of new business
 - Non-renewed approximately 17% of our existing book
 - Active management of line size and attachment point

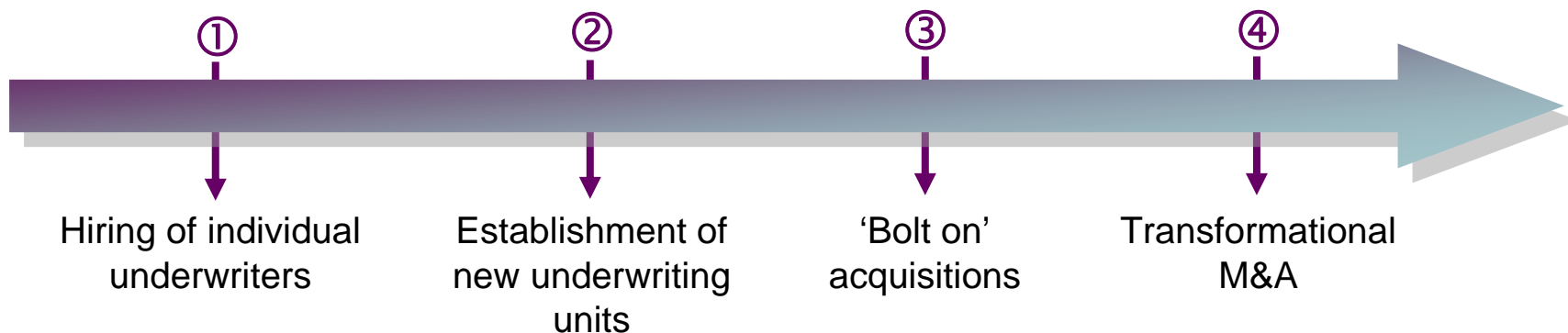
Active Management of Top Line Consistent with Market Conditions

The Aspen Approach

Managing Growth



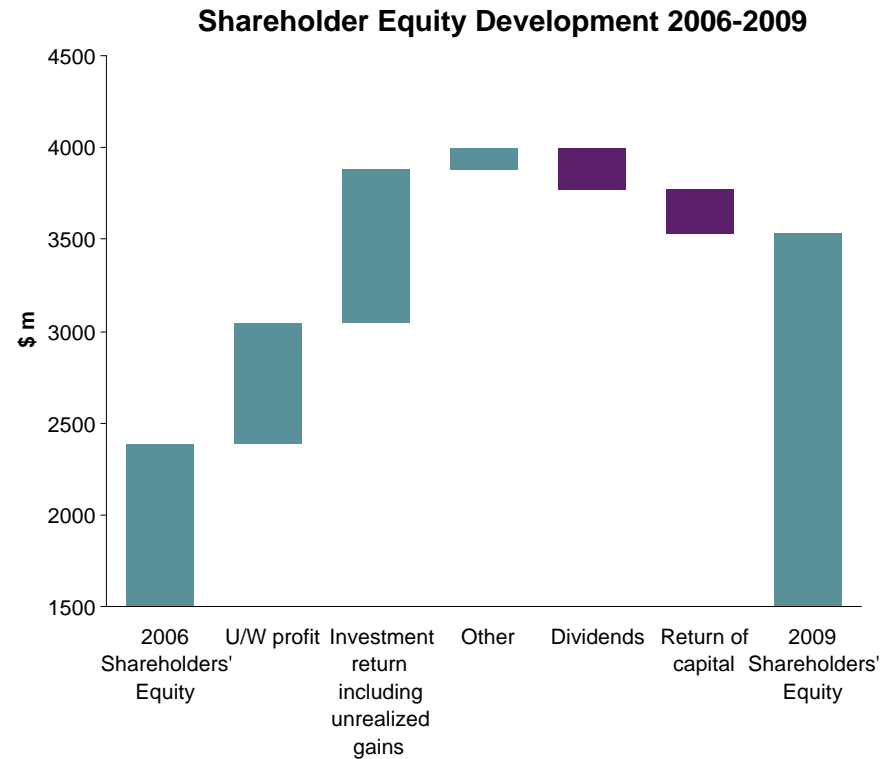
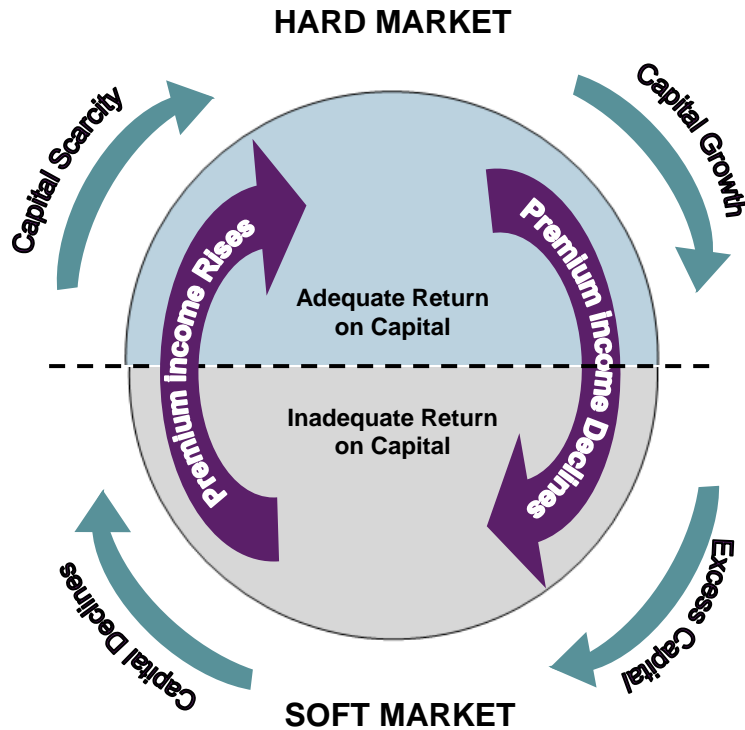
Growth Continuum



Key Evaluation Criteria	• Strategic fit	✓
	• Financially attractive	✓
	• Manageable execution risk	✓
	• Consistent with our risk management appetite	✓

Regular Evaluation of Opportunities to Expand Strategic Footprint Consistent with Market Conditions in Accordance with Strict Criteria

The Aspen Approach Managing Capital



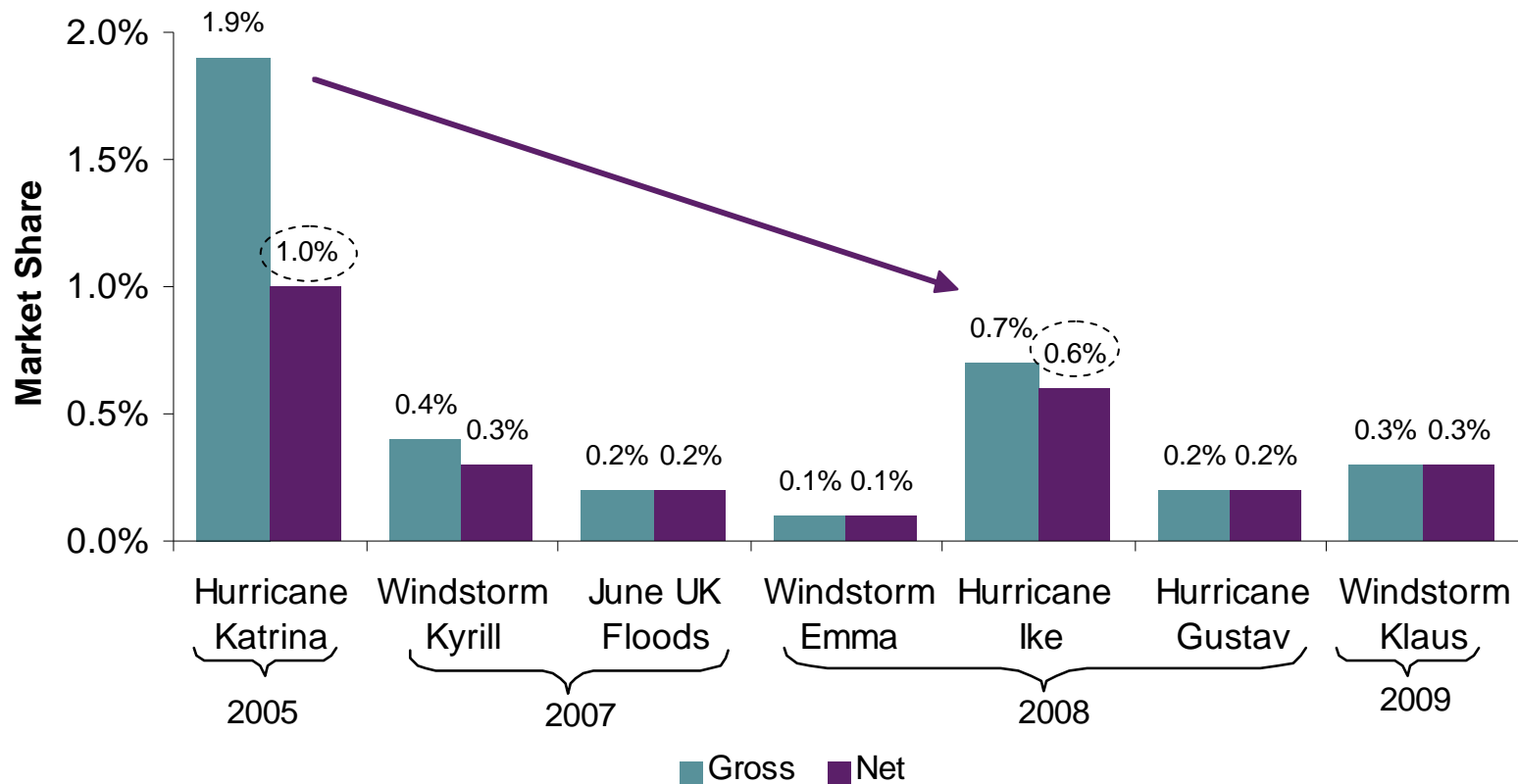
Continued Commitment to Capital Management; Returned \$901m* from Inception to Date

The Aspen Approach

Managing Risk



Property Reinsurance Loss Event Market Share*



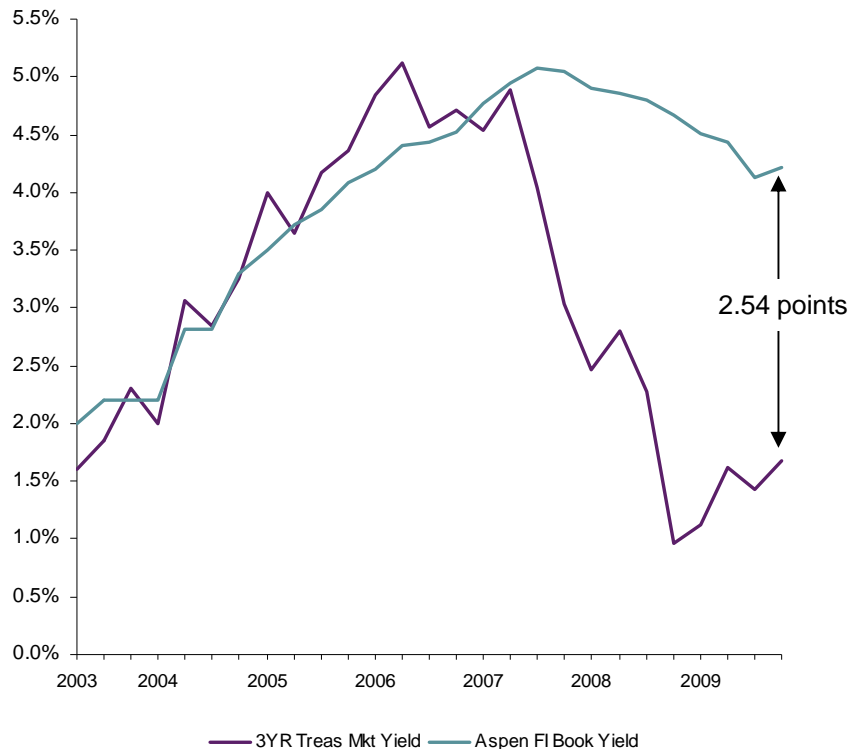
Significant Reduction in Share of Natural Catastrophe Losses Reflecting Repositioning of Cat Book Post 2005 Hurricanes

The Aspen Approach

Prudent Investment Management



Growth and stability in Aspen's book yield since 2003



Key Considerations

- Consistent investment approach to deliver stable investment income focused on:
 - Credit quality & liquidity
 - Interest rate tactics
 - Yield curve management
 - Sector rotation opportunities

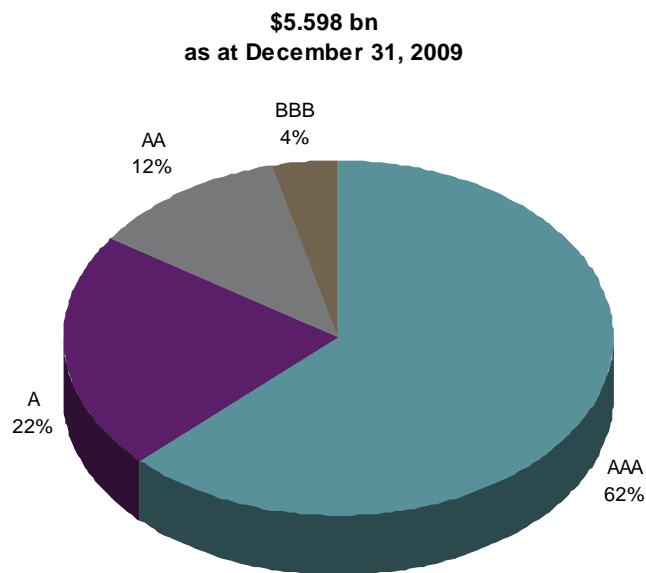
Pro-active Management of Investment Portfolio to Build Long Term Value Through all Market Cycles; \$186m Unrealized Investment Gains at End of 2009 Despite 'Tick Up' in Interest Rates

The Aspen Approach

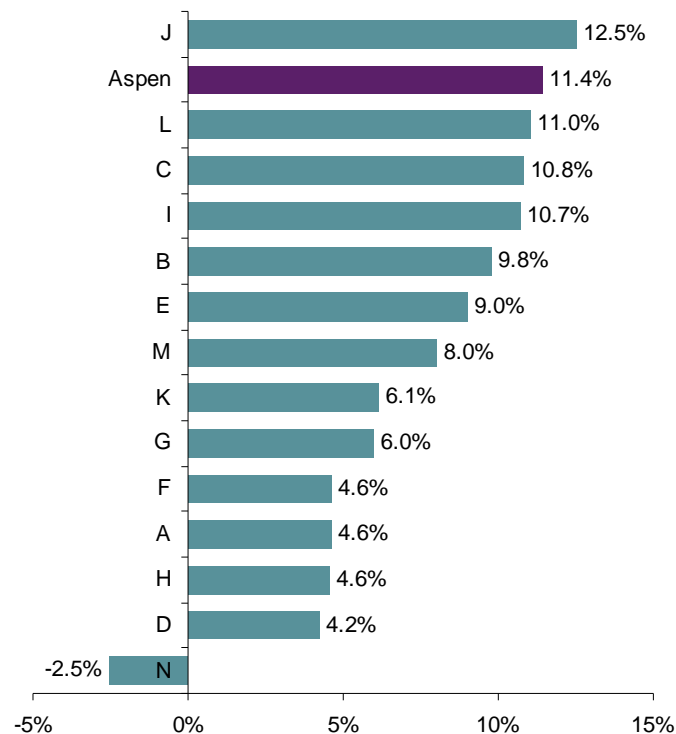
Delivering Strong Investment Returns



Fixed Income Portfolio Credit Ratings*



2 Year Return vs. Peers**



Significant Outperformance vs. Peers; Aspen Rated #2 out of 15

* 0.62% is BB, B, CCC or NR

** Total investment return at September 30, 2009

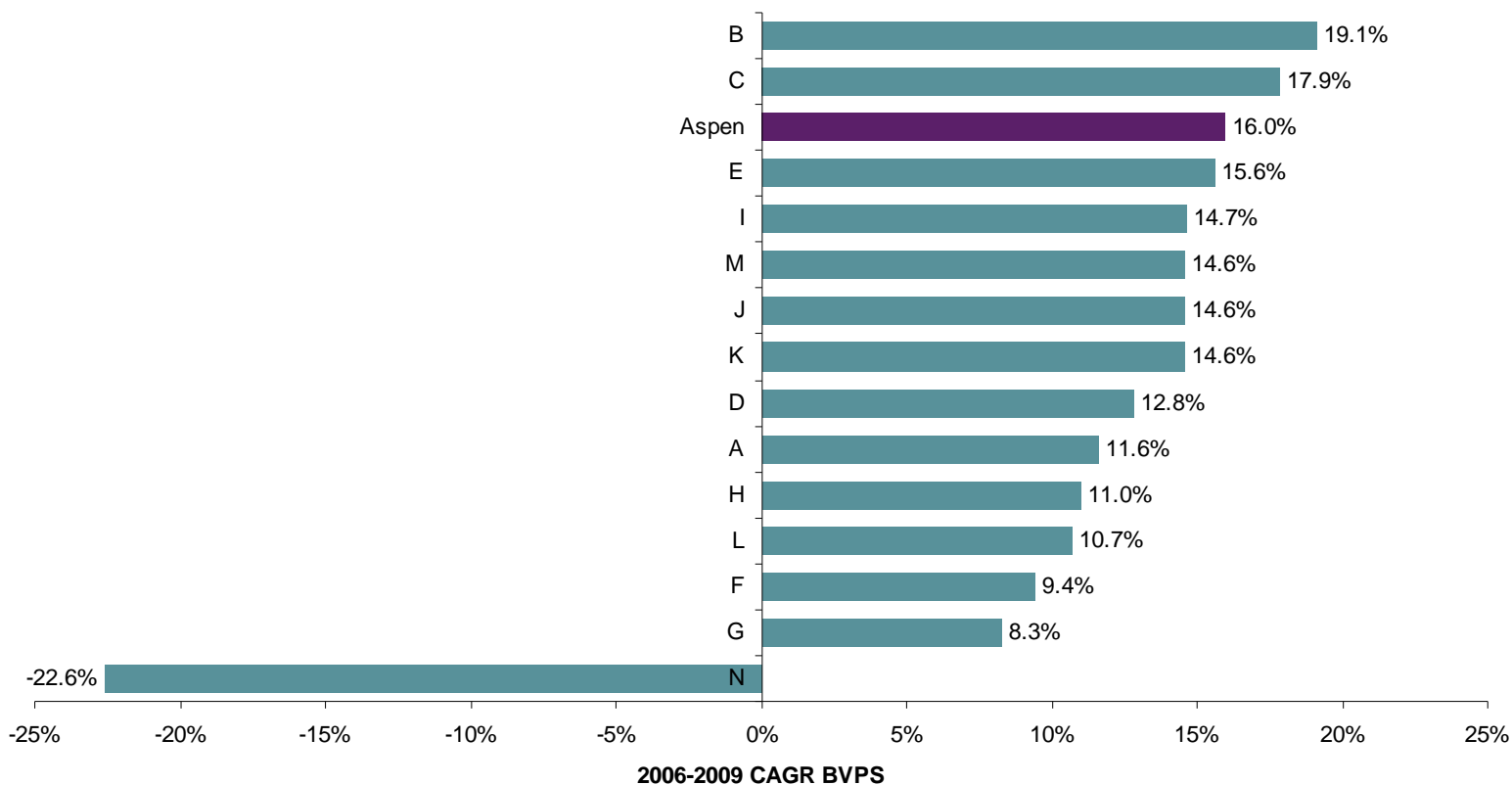
Peers include ACE, AWH, ACGL, AXS, ENH, RE, MXGL, PRE, PTP, TRH, XL, RNR, MRH, VR

The Aspen Approach

Delivering Growth in Diluted BVPS



Aspen vs. Peers*



Top Quartile Performance vs. Peers

Source: Company data, SNL

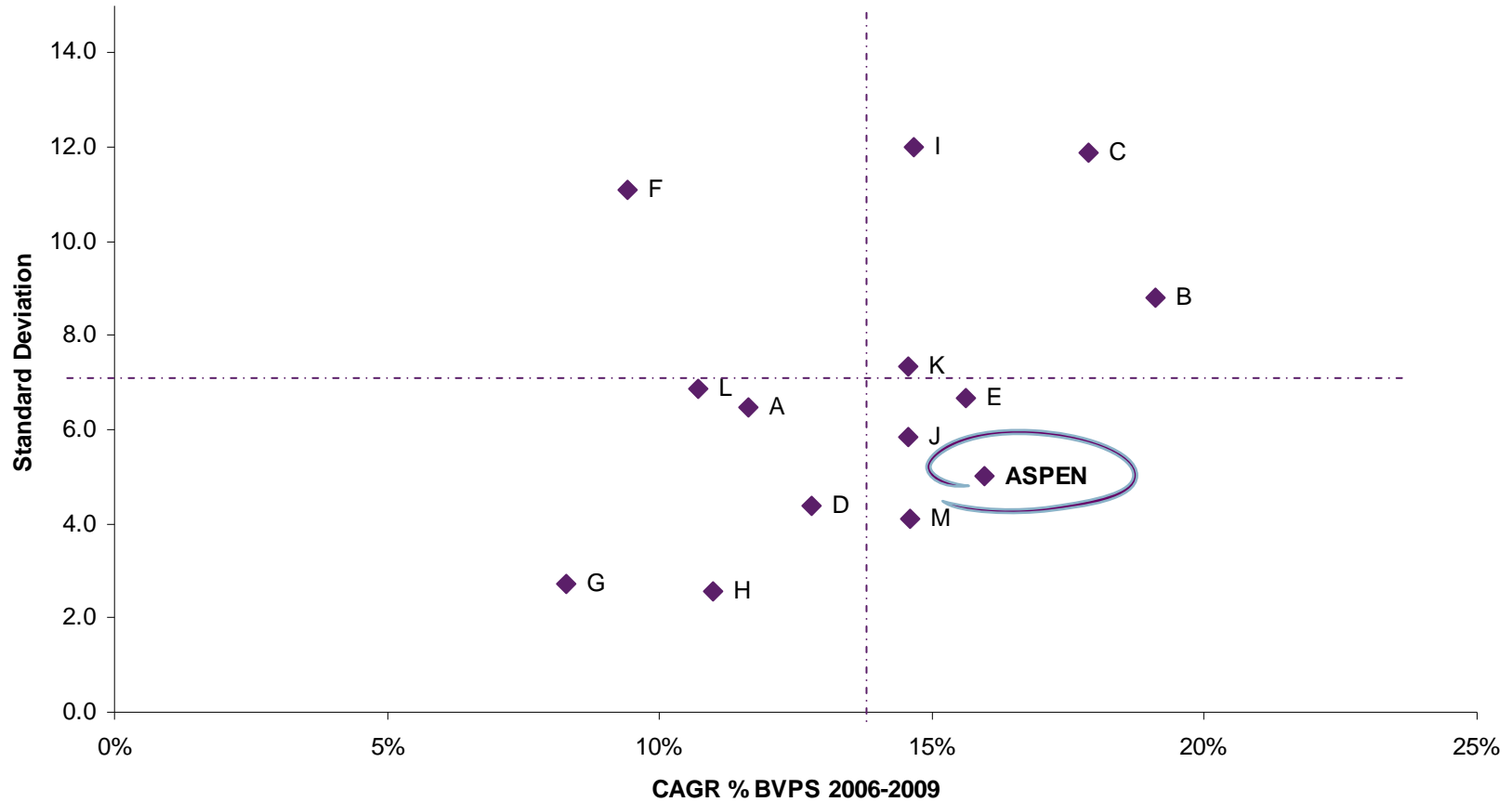
* Peers include ACE, AWH, ACGL, AXS, ENH, RE, MXGL, PRE, PTP, TRH, XL, RNR, MRH, VR

The Aspen Approach

Delivering Growth with Low Volatility



Aspen vs. Peers*



Strong Growth in Diluted BVPS and Low Volatility vs. Peers

Source: Company data, SNL

* Peers include ACE, AWH, AGL, AXS, ENH, RE, MXGL, PRE, PTP, TRH, RNR, MRH, VR

The Aspen Approach

2010 Guidance



	Guidance October 29, 2009	2009 Actual Results	Guidance February 9, 2010
Gross Written Premium	\$2 billion \pm 5%	\$2.1 billion	\$2.2 billion \pm 5%
% Premium Ceded	10% - 12% of GEP	10.3% of GEP	8% - 12% of GEP
Combined Ratio	84% - 88%	84.2%	88% - 94%
Tax Rate	13% to 16%	10.8%	10% to 14%
Cat-Load	\$40 million (assuming normal loss experience)	Nil	\$170 million (assuming normal loss experience)



Conclusions

- Specialty approach offers disciplined and cross-cycle performance
- Consistent quality returns from diversified model
- Proactive capital management
- Financial strength
- Appetite for and delivery in establishing and integrating new underwriting units
- Rigorous approach to investment in growth

Attractive Cross-Cycle Returns



Financial Highlights: Q4 2009

(US\$ in millions, except per share data)

Quarter Ended December 31	2009	2008	Change
Gross Written Premiums	405.7	435.4	(6.8%)
Net Written Premiums	383.4	406.1	(5.6%)
Net Earned Premiums	476.2	478.6	(0.5%)
Underwriting Income	73.3	31.9	129.8%
Net Investment Income	58.2	10.3	465.0%
Net Income after Tax	126.3	21.8	479.4%

Financial Ratios

Loss Ratio	47.8%	64.9%	
Expense Ratio	36.9%	28.5%	
Combined Ratio	84.7%	93.4%	
Annualized Operating ROE*	18.8%	2.4%	
Operating EPS*	1.44	0.17	747.1%
Diluted Book Value per Share*	34.04	28.10	21.1%

* See Aspen's quarterly financial supplement for a reconciliation of operating income to net income and average equity to closing shareholders' equity in the Investor Relations section of Aspen's website at www.aspen.bm



Financial Highlights: Year ended December 31, 2009

(US\$ in millions, except per share data)

Year Ended December 31	2009	2008	Change
Gross Written Premiums	2,067.1	2,001.7	3.3%
Net Written Premiums	1,836.8	1,835.5	0.1%
Net Earned Premiums	1,823.0	1,701.7	7.1%
Underwriting Income	288.4	74.8	285.6%
Net Investment Income	248.5	139.2	78.5%
Net Income after Tax	473.9	103.8	356.6%

Financial Ratios

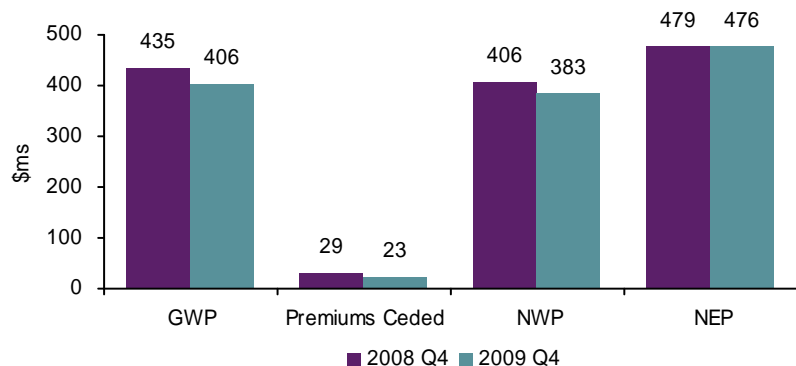
Loss Ratio	52.0%	65.8%	
Expense Ratio	32.1%	29.8%	
Combined Ratio	84.1%	95.6%	
Annualized Operating ROE*	18.0%	5.4%	
Operating EPS*	5.16	1.44	258.3%
Diluted Book Value per Share*	34.04	28.10	21.1%

* See Aspen's quarterly financial supplement for a reconciliation of operating income to net income and average equity to closing shareholders' equity in the Investor Relations section of Aspen's website at www.aspen.bm

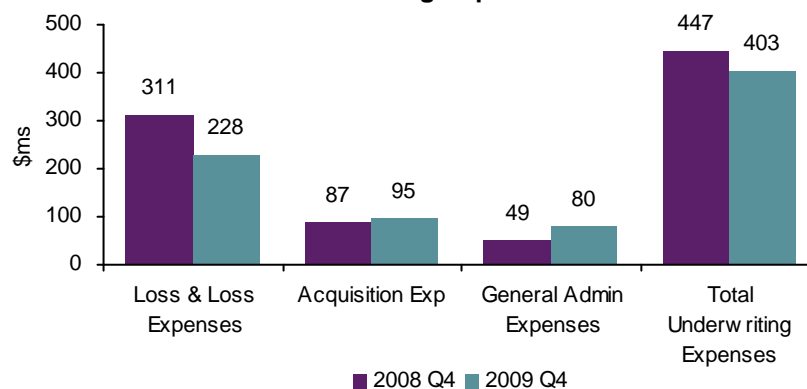


Financial Highlights: Group Summary Q4 2009

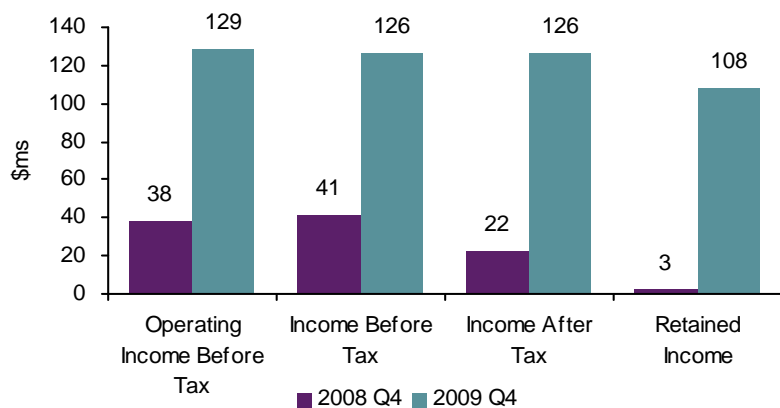
Underwriting Revenues



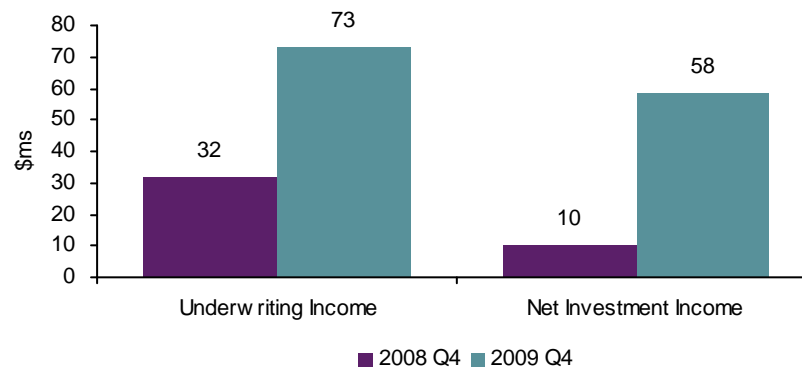
Underwriting Expenses



Income



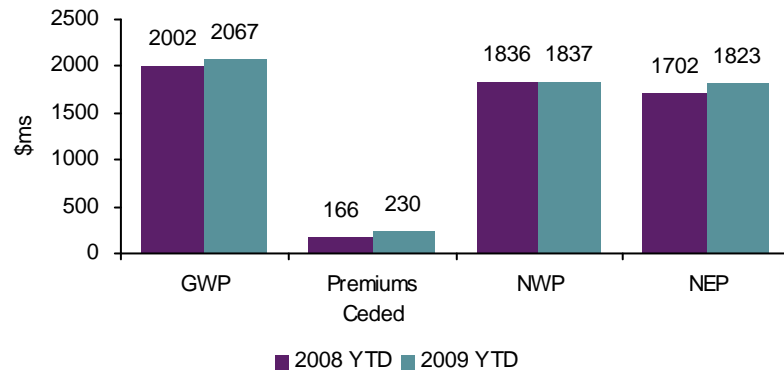
Contribution



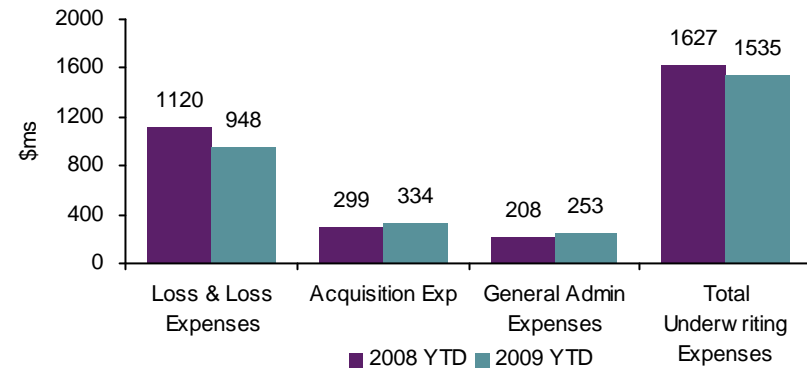


Financial Highlights: Group Summary Full Year 2009

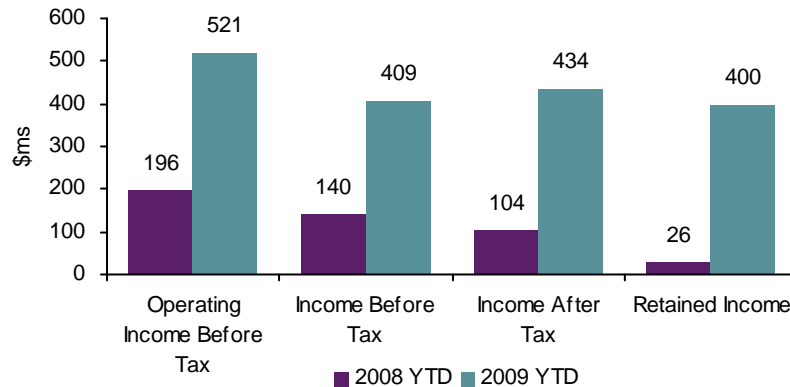
Underwriting Revenues



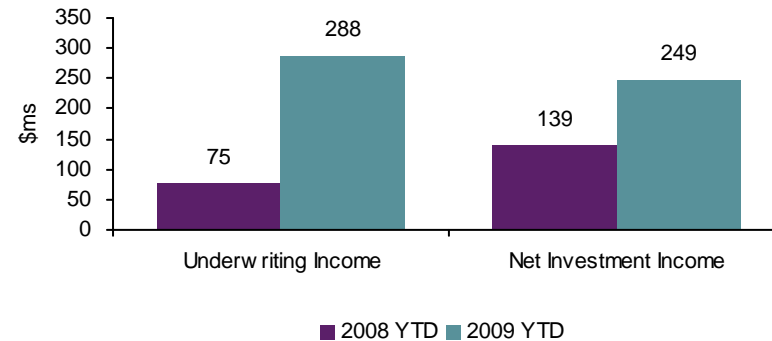
Underwriting Expenses



Income

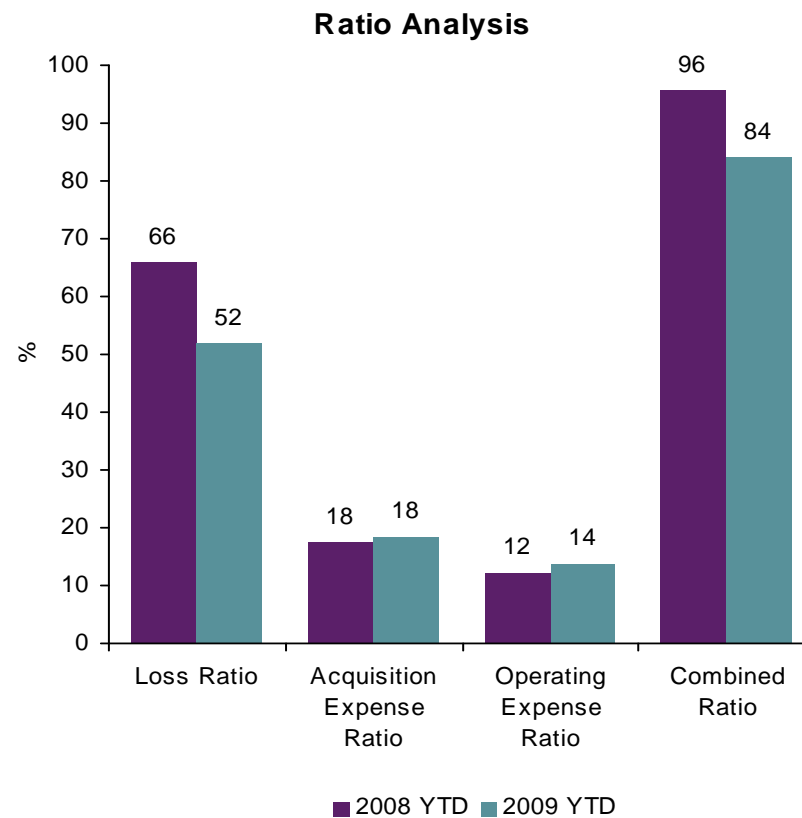
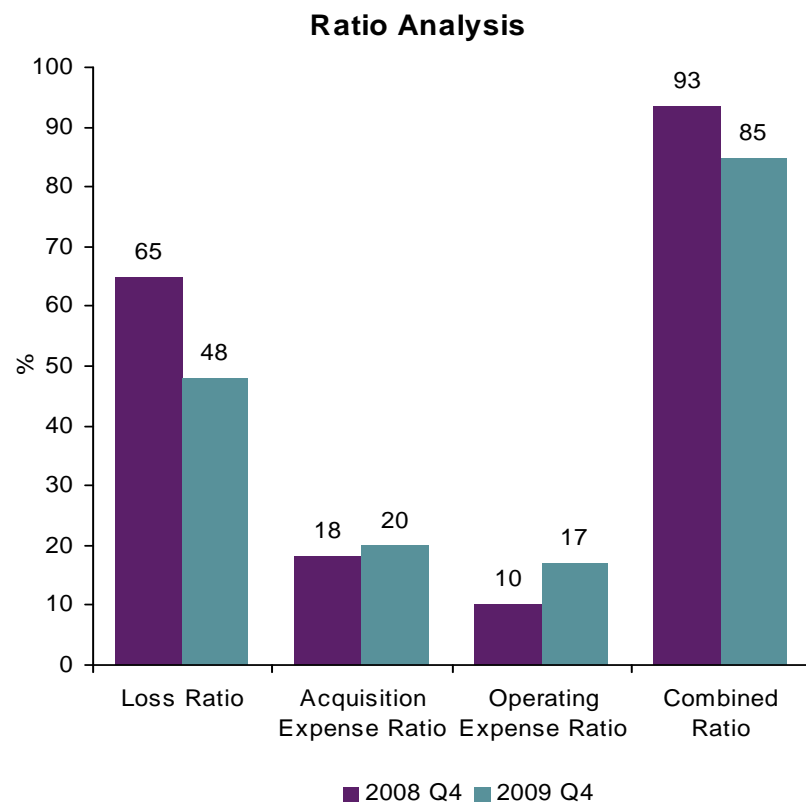


Contribution



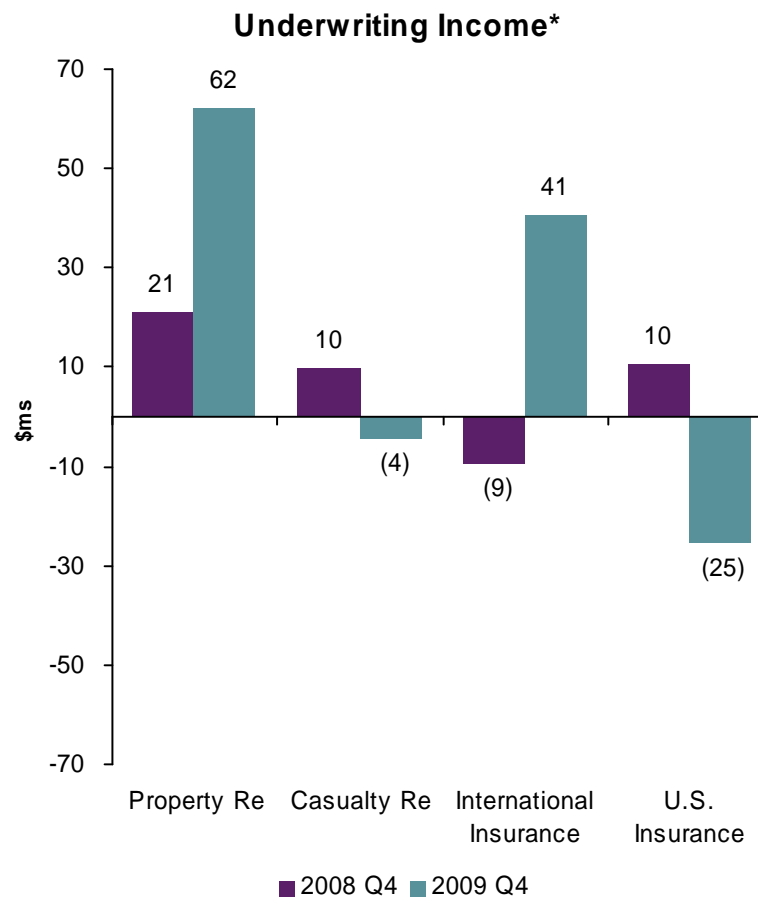
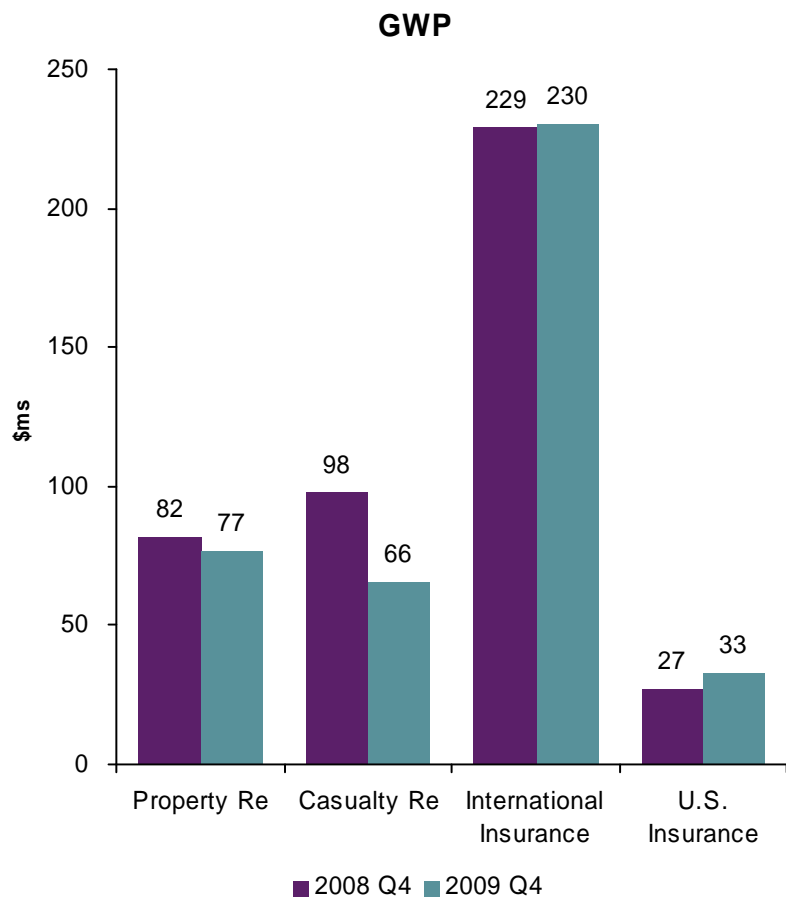


Key Performance Metrics: Q4 2009 and Full Year



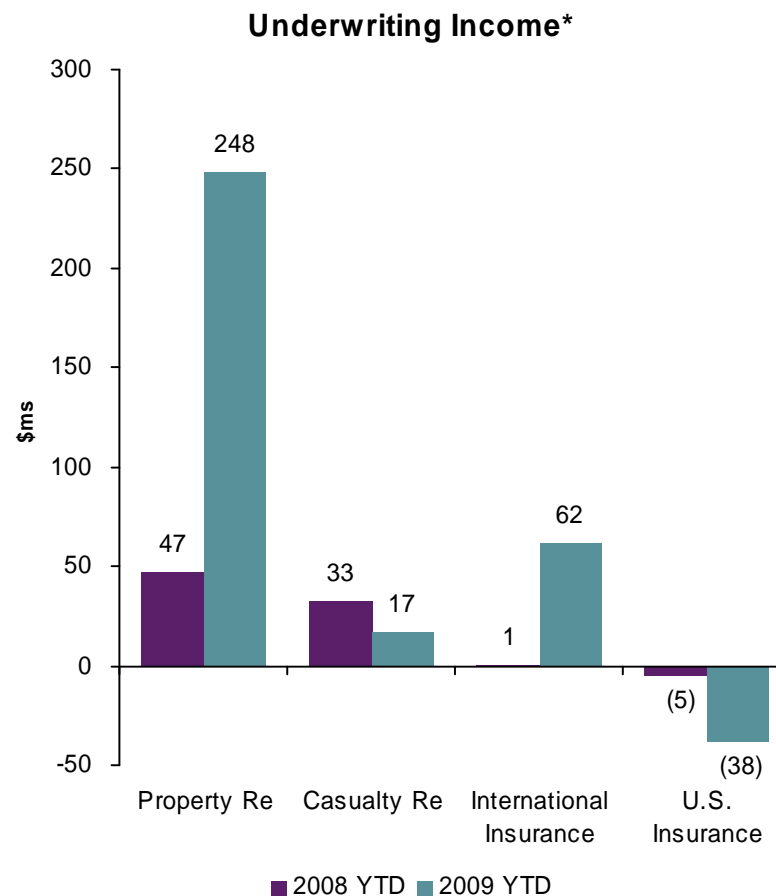
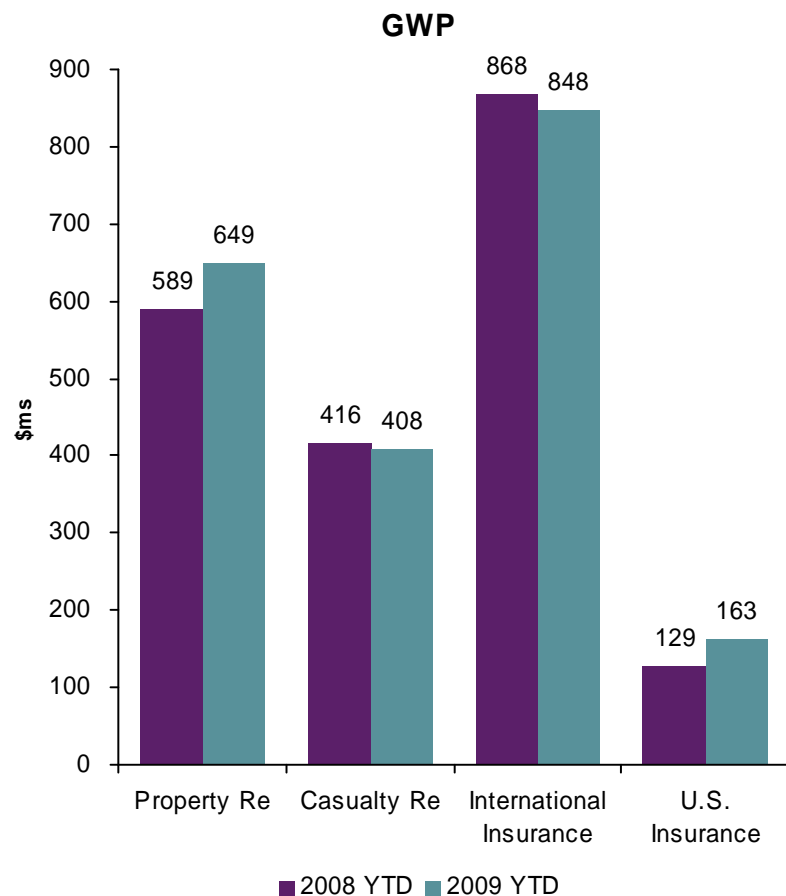


Results by Business Segment: Q4 2009



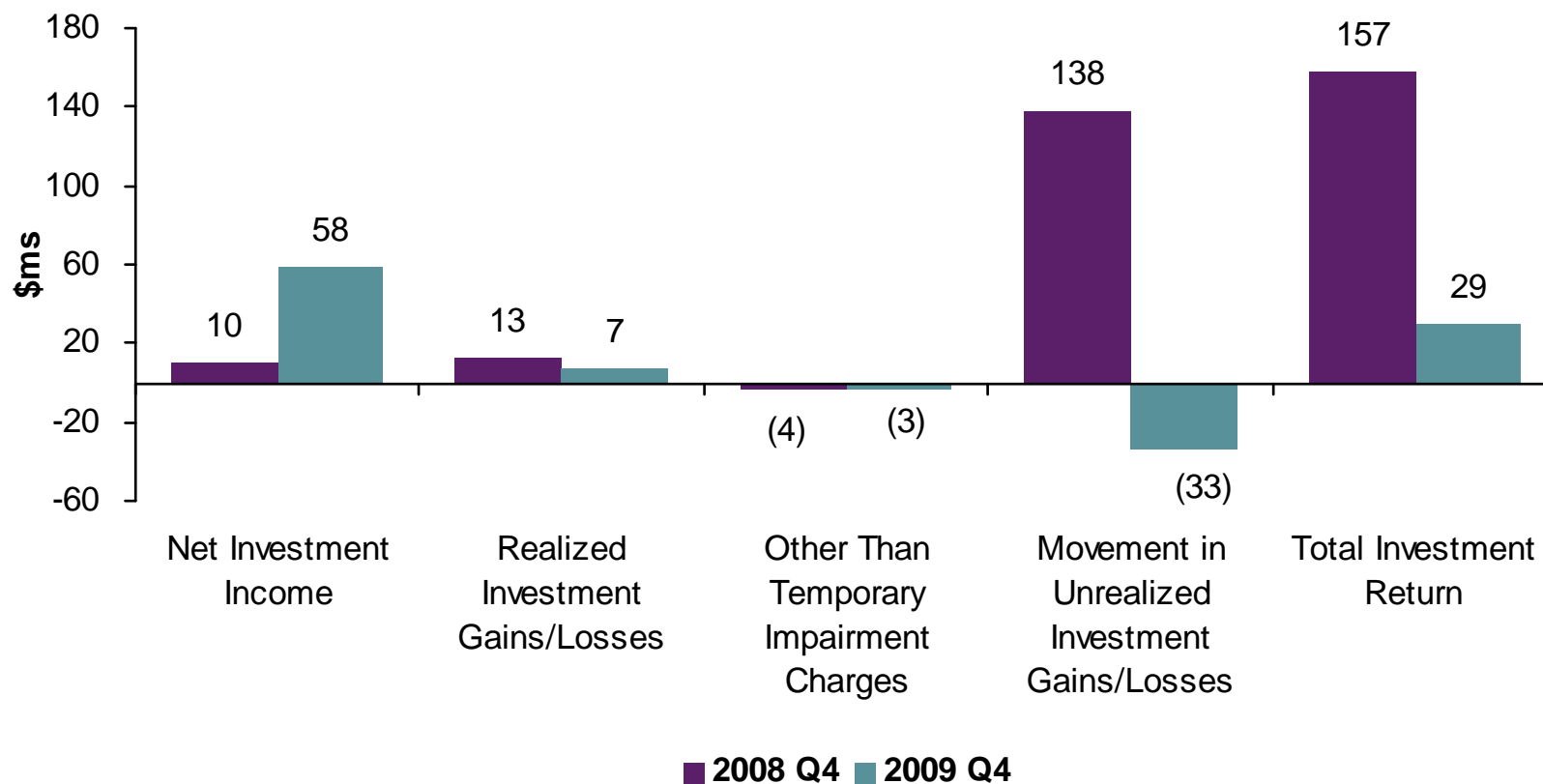


Results by Business Segment: Full Year 2009





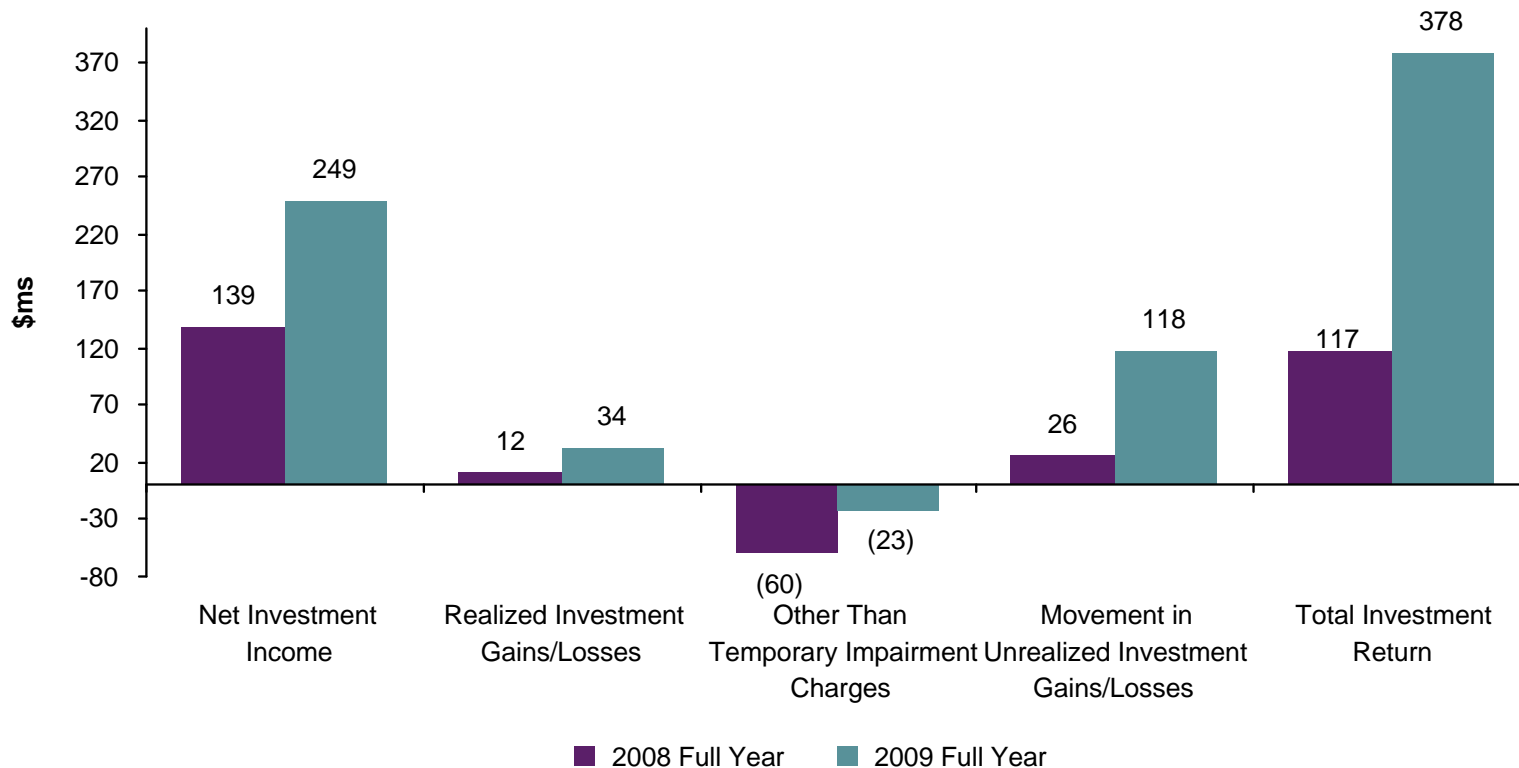
Financial Highlights: Total Investment Return – Q4 2009



Annualized Investment Return for the Quarter of 1.8%



Financial Highlights: Total Investment Return - Full Year 2009

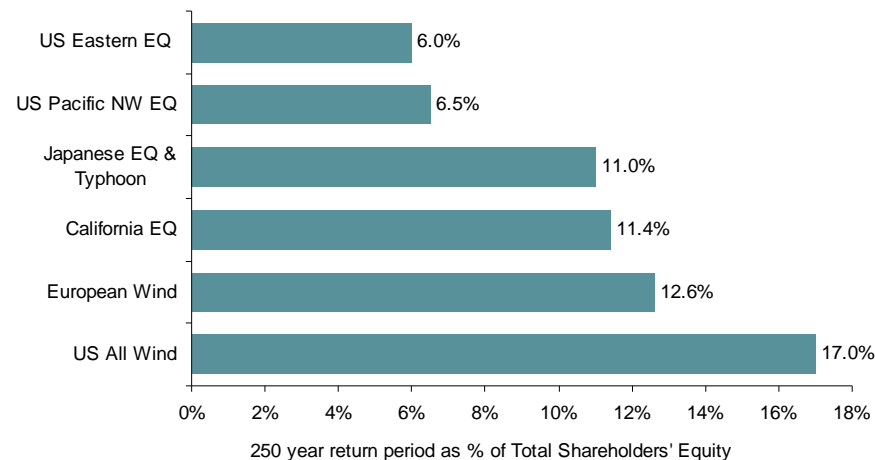
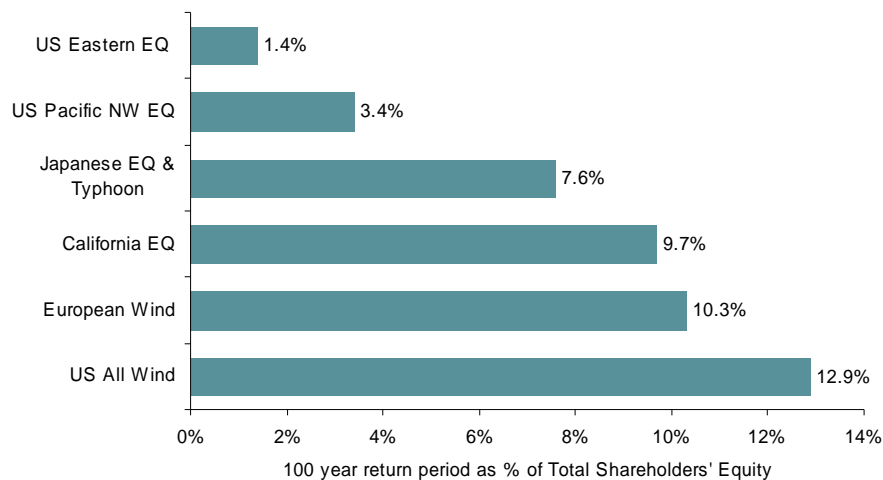


Total Investment Return for the Year of 6.1%



Aspen's Modelled Worldwide Natural Catastrophe Exposures

Major Peril Zones, 100 and 250 Year Return Periods as a Percentage Of Total Shareholders' Equity








- 1 in 100 Year Tolerance: 17.5% of Total Shareholders' Equity

- 1 in 250 Year Tolerance: 25% of Total Shareholders' Equity



Key for slide 13

Key	Performance	Absolute Pricing	Relative Price Movement	Terms and Conditions	Volume change	Outlook
	1	2	3	4	5	6
	Excellent	Excellent	Significantly Up	Excellent	Significantly Up	Excellent
	Good	Good	Up	Good	Up	Good
	Satisfactory	Satisfactory	Flat	Satisfactory	Flat	Satisfactory
	Of Concern	Of Concern	Down	Of Concern	Down	Of Concern
	Unsatisfactory	Unsatisfactory	Significantly Down	Unsatisfactory	Significantly Down	Unsatisfactory