

Revised



# Aspen Insurance Holdings Limited

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## Financial Supplement

**As of September 30, 2009**

This financial supplement is for information purposes only. It should be read in conjunction with other documents filed or to be filed by Aspen Insurance Holdings Limited with the United States Securities and Exchange Commission.

**AHL:** NYSE

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## Aspen Insurance Holdings Limited

### Basis of Presentation

**Definitions and presentation:** All financial information contained herein is unaudited except for information for the fiscal year ended December 31, 2008. Unless otherwise noted, all data is in U.S. dollars millions, except for per share, percentage and ratio information.

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 in this financial supplement.

**Operating income** (a non-GAAP financial measure): Operating income is an internal performance measure used by Aspen in the management of its operations and represents after-tax operational results excluding, as applicable, after-tax net realized capital gains or losses and after-tax net foreign exchange gains or losses.

Aspen excludes after-tax net realized capital gains or losses and after-tax net foreign exchange gains or losses from its calculation of operating income because the amount of these gains or losses is heavily influenced by, and fluctuates in part, according to the availability of market opportunities. Aspen believes these amounts are largely independent of its business and underwriting process and including them distorts the analysis of trends in its operations. In addition to presenting net income determined in accordance with GAAP, Aspen believes that showing operating income enables investors, analysts, rating agencies and other users of its financial information to more easily analyze Aspen's results of operations in a manner similar to how management analyzes Aspen's underlying business performance. Operating income should not be viewed as a substitute for GAAP net income. Please see page 29 for a reconciliation of operating income to net income.

**Net income excluding net income or losses from funds of hedge funds** (a non-GAAP financial measure): This is an internal performance measure used by Aspen in the management of its operations and represents net income adjusted for preference share dividends excluding after-tax net income or losses from investments accounted for using the equity method.

Aspen excludes net income or loss from funds of hedge funds from its calculation of net income because the amount of these gains or losses are largely independent of its business and underwriting process and including them distorts the analysis of trends in its operations. In addition to presenting net income determined in accordance with GAAP, Aspen believes that showing net income excluding net income or losses from funds of hedge funds enables investors, analysts, rating agencies and other users of its financial information to more easily analyze Aspen's results of operations in a manner similar to how management analyzes Aspen's underlying business performance. Net income excluding net income from funds of hedge funds should not be viewed as a substitute for GAAP net income. Please see page 30 for a reconciliation of net income excluding net income or loss from funds of hedge funds to net income.

**Adjusted Operating income** (a non-GAAP financial measure): Adjusted operating income is an internal performance measure used by Aspen in the management of its operations and represents after-tax operational results excluding, as applicable, after-tax net realized capital gains or losses, after-tax net foreign exchange gains or losses and after-tax gains or losses from our investments in funds of hedge funds.

Aspen excludes after-tax net realized capital gains or losses, after-tax net foreign exchange gains or losses and after-tax gains or losses from our investments in funds of hedge funds from its calculation of adjusted operating income because the amount of these gains or losses is heavily influenced by, and fluctuates in part, according to the availability of market opportunities. Aspen believes these amounts are largely independent of its business and underwriting process and including them distorts the analysis of trends in its operations. In addition to presenting net income determined in accordance with GAAP, Aspen believes that showing adjusted operating income enables investors, analysts, rating agencies and other users of its financial information to more easily analyze Aspen's results of operations in a manner similar to how management analyzes Aspen's underlying business performance. Adjusted operating income should not be viewed as a substitute for GAAP net income. Please see page 31 for a reconciliation of adjusted operating income to net income.

**Annualized Operating Return on Average Equity ("Operating ROE")** (a non-GAAP financial measure: Annualized Operating Return on Average Equity 1) is calculated using operating income, as defined above and 2) excludes from average equity, the average after-tax unrealized appreciation or depreciation on investments and the average after-tax unrealized foreign exchange gains or losses and the aggregate value of the liquidation preferences of our preference shares. Unrealized appreciation (depreciation) on investments is primarily the result of interest rate movements and the resultant impact on fixed income securities, and unrealized appreciation (depreciation) on foreign exchange is the result of exchange rate movements between the U.S. dollar and the British pound. Such appreciation (depreciation) is not related to management actions or operational performance (nor is it likely to be realized).



## Aspen Insurance Holdings Limited

### Basis of Presentation

Therefore, Aspen believes that excluding these unrealized appreciations (depreciations) provides a more consistent and useful measurement of operating performance, which supplements GAAP information. Average equity is calculated as the arithmetic average on a monthly basis for the stated periods.

Aspen presents Operating ROE as a measure that is commonly recognized as a standard of performance by investors, analysts, rating agencies and other users of its financial information. See page 29 for a reconciliation of operating income to net income and page 8 for a reconciliation of average equity to closing shareholders' equity.

**Diluted Operating Earnings Per Share and Basic Operating Earnings Per Share** ( a non-GAAP financial measure): Aspen believes that the presentation of diluted operating earnings per share and basic operating earnings per share supports meaningful comparison from period to period and the analysis of normal business operations. Diluted operating earnings per share and basic operating earnings per share is calculated by dividing operating income by the diluted or basic weighted average number of shares outstanding for the period. See page 29 for a reconciliation of diluted and basic operating earnings per share to basic earnings per share.

**Annualized Operating Return on Average Equity excluding gains or losses from funds of hedge funds (“Adjusted Operating ROE”)** (a non-GAAP financial measure: Annualized Operating Return on Average Equity excluding gains or losses from funds of hedge funds 1) is calculated using operating income, as defined below and 2) excludes from average equity, the average after-tax unrealized appreciation or depreciation on investments and the average after-tax unrealized foreign exchange gains or losses and the aggregate value of the liquidation preferences of our preference shares. Unrealized appreciation (depreciation) on investments is primarily the result of interest rate movements and the resultant impact on fixed income securities, and unrealized appreciation (depreciation) on foreign exchange is the result of exchange rate movements between the U.S. dollar and the British pound. Such appreciation (depreciation) is not related to management actions or operational performance (nor is it likely to be realized). Therefore, Aspen believes that excluding these unrealized appreciations (depreciations) provides a more consistent and useful measurement of operating performance, which supplements GAAP information. Average equity is calculated as the arithmetic average on a monthly basis for the stated periods.

See page 31 for a reconciliation of adjusted operating income to net income and page 8 for a reconciliation of average equity.

**Diluted book value per ordinary share** (a non-GAAP financial measure): Aspen has included diluted book value per ordinary share because it takes into account the effect of dilutive securities; therefore, Aspen believes it is a better measure of calculating shareholder returns than book value per share. Please see page 27 for a reconciliation of diluted book value per share to basic book value per share.

**Underwriting ratios** (GAAP financial measures): Aspen, along with others in the industry, uses underwriting ratios as measures of performance. The loss ratio is the ratio of net claims and claims adjustment expenses to net premiums earned. The acquisition expense ratio is the ratio of underwriting expenses (commissions; premium taxes, licenses and fees; as well as other underwriting expenses) to net premiums earned. The general and administrative expense ratio is the ratio of general and administrative expenses to net premiums earned. The combined ratio is the sum of the loss ratio, the acquisition expense ratio and the general and administrative expense ratio. These ratios are relative measurements that describe for every \$100 of net premiums earned or written, the cost of losses and expenses, respectively. The combined ratio presents the total cost per \$100 of earned premium. A combined ratio below 100% demonstrates underwriting profit; a combined ratio above 100% demonstrates underwriting loss.

GAAP combined ratios differ from U.S. statutory combined ratios primarily due to the deferral of certain third party acquisition expenses for GAAP reporting purposes and the use of net premiums earned rather than net premiums written in the denominator when calculating the acquisition expense and the general and administrative expense ratios.

**Accident Year Loss Ratios** (a non-GAAP financial measure): In addition to the underwriting ratios described above, management also uses accident year loss ratios to evaluate current underwriting performance. The accident year loss ratio excludes the effect of prior years' premium adjustments and reserve developments. This ratio focuses on the relationship between current premiums earned and losses incurred related to the current year. Please see pages 16 and 17 for a reconciliation of accident year loss ratios to underwriting ratios calculated in accordance with U.S. GAAP.



## Aspen Insurance Holdings Limited Financial Highlights

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2009	2008	Change	2009	2008	Change
<b>(in US\$ millions except for percentages, share and per share amounts)</b>						
Gross written premium	\$ 490.3	\$ 441.3	11.1%	\$1,661.4	\$1,566.3	6.1%
Net written premium	\$ 462.1	\$ 403.8	14.4%	\$1,453.4	\$1,429.4	1.7%
Net earned premium	\$ 470.9	\$ 434.2	8.5%	\$1,346.8	\$1,223.1	10.1%
Net income (loss) after tax	\$ 145.8	\$ (126.1)	215.6%	\$ 347.6	\$ 82.0	323.9%
Operating income (loss) after tax	\$ 125.6	\$ (76.2)	264.8%	\$ 335.1	\$ 131.0	155.8%
Net investment income	\$ 58.9	\$ 19.3	205.2%	\$ 190.3	\$ 128.9	47.6%
Underwriting income (loss)	\$ 92.5	\$ (101.2)	191.4%	\$ 215.1	\$ 42.9	401.4%
<b>Earnings Per Share and Book Value Per Share</b>						
Basic earnings per ordinary share						
Net income (loss) adjusted for preference share dividend and cancellation of preference shares	\$ 1.69	\$ (1.63)	203.7%	\$ 4.37	\$ 0.73	498.6%
Operating income (loss) adjusted for preference share dividend	\$ 1.44	\$ (1.02)	241.2%	\$ 3.83	\$ 1.32	190.2%
Diluted earnings per ordinary share						
Net income (loss) adjusted for preference share dividend and cancellation of preference shares	\$ 1.63	\$ (1.63)	200.0%	\$ 4.25	\$ 0.71	498.6%
Operating income (loss) adjusted for preference share dividend	\$ 1.40	\$ (1.02)	237.3%	\$ 3.72	\$ 1.28	190.6%
Book value per ordinary share	\$ 34.30	\$ 27.14	26.4%	\$ 34.30	\$ 27.14	26.4%
Diluted book value per ordinary share (treasury stock method)	\$ 33.07	\$ 26.21	26.2%	\$ 33.07	\$ 26.21	26.2%
Weighted average number of ordinary shares outstanding (in millions of shares)	83,057	81,376	2.1%	82,520	83,459	(1.1)%
Diluted weighted average number of ordinary shares outstanding (in millions of shares)	85,993	81,376	5.7%	84,952	86,114	(1.3)%
<b>Underwriting Ratios</b>						
Loss ratio	49.9%	95.2%		53.5%	66.1%	
Policy acquisition cost ratio	16.9%	16.2%		17.7%	17.3%	
General and administrative expense ratio	13.5%	11.9%		12.8%	13.1%	
Expense ratio	30.4%	28.1%		30.5%	30.4%	
Combined ratio	80.3%	123.3%		84.0%	96.5%	
<b>Return On Equity</b>						
Average equity(1)	\$2,516.8	\$2,289.3		\$2,386.5	\$2,314.2	
Return on average equity						
Net income (loss) adjusted for preference share dividend	5.6%	(5.8)%		13.8%	2.6%	
Operating income (loss) adjusted for preference share dividend	4.8%	(3.6)%		13.3%	4.8%	
Annualized return on average equity						
Net income (loss)	22.4%	(23.2)%		18.4%	3.5%	
Operating income (loss)	19.2%	(14.4)%		17.7%	6.4%	

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.

See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.

1. Average equity excludes the average after-tax unrealized appreciation or depreciation on investments and average after-tax unrealized foreign exchange gains or losses.



## Aspen Insurance Holdings Limited

### Consolidated Statements Of Operations – Quarterly

(in US\$ millions except for percentages)	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q3 2007
<b>UNDERWRITING REVENUES</b>						
Gross written premiums	\$490.3	\$534.3	\$636.8	\$435.4	\$441.3	\$373.5
Premiums ceded	(28.2)	(49.6)	(130.2)	(29.3)	(37.5)	(24.7)
Net written premiums	<u>462.1</u>	<u>484.7</u>	<u>506.6</u>	<u>406.1</u>	<u>403.8</u>	<u>348.8</u>
Change in unearned premiums	8.8	(56.1)	(59.3)	72.5	30.4	70.9
Net earned premiums	<u>470.9</u>	<u>428.6</u>	<u>447.3</u>	<u>478.6</u>	<u>434.2</u>	<u>419.7</u>
<b>UNDERWRITING EXPENSES</b>						
Losses and loss expenses	235.1	234.7	250.8	310.6	413.4	219.9
Acquisition expenses	79.6	80.8	78.6	87.5	70.4	76.1
General and administrative expenses	63.7	59.9	48.5	48.6	51.6	58.6
Total underwriting expenses	<u>378.4</u>	<u>375.4</u>	<u>377.9</u>	<u>446.7</u>	<u>535.4</u>	<u>354.6</u>
Underwriting income (loss)	<u>92.5</u>	<u>53.2</u>	<u>69.4</u>	<u>31.9</u>	<u>(101.2)</u>	<u>65.1</u>
<b>OTHER OPERATING REVENUE</b>						
Net investment income	58.9	72.2	59.2	10.3	19.3	72.4
Interest expense	(3.9)	(4.0)	(3.9)	(3.9)	(3.8)	(4.2)
Total other operating revenue	<u>55.0</u>	<u>68.2</u>	<u>55.3</u>	<u>6.4</u>	<u>15.5</u>	<u>68.2</u>
Other income (expense)	1.1	0.7	(2.7)	(0.5)	0.6	(2.7)
<b>OPERATING INCOME (LOSS) BEFORE TAX</b>	<u>148.6</u>	<u>122.1</u>	<u>122.0</u>	<u>37.8</u>	<u>(85.1)</u>	<u>130.6</u>
<b>OTHER</b>						
Net realized and unrealized exchange gains (losses)	7.9	3.1	(2.3)	(4.8)	(2.7)	9.2
Net realized and unrealized investment gains (losses)	14.6	4.8	(12.2)	8.4	(58.1)	(1.9)
<b>INCOME (LOSS) BEFORE TAX</b>	<u>171.1</u>	<u>130.0</u>	<u>107.5</u>	<u>41.4</u>	<u>(145.9)</u>	<u>137.9</u>
Income tax (expense) recovery	(25.3)	(19.6)	(16.1)	(19.6)	19.8	(20.7)
<b>NET INCOME (LOSS) AFTER TAX</b>	<u>145.8</u>	<u>110.4</u>	<u>91.4</u>	<u>21.8</u>	<u>(126.1)</u>	<u>117.2</u>
Dividends paid on ordinary shares	(12.6)	(12.3)	(12.3)	(12.3)	(12.2)	(13.3)
Dividend paid on preference shares	(5.6)	(5.8)	(6.9)	(6.9)	(6.9)	(6.9)
Retained income (loss)	<u>\$127.6</u>	<u>\$92.3</u>	<u>\$72.2</u>	<u>\$2.6</u>	<u>\$(145.2)</u>	<u>\$97.0</u>
<b>Components of net income (loss) after tax</b>						
Operating income (loss)	\$125.6	\$103.8	\$105.7	\$20.5	\$(76.2)	\$109.2
Net realized and unrealized exchange gains (losses) after tax	7.9	3.1	(2.3)	(4.8)	(2.7)	9.2
Net realized investment gains (losses) after tax	12.3	3.5	(12.0)	6.1	(47.2)	(1.2)
<b>NET INCOME (LOSS) AFTER TAX</b>	<u>\$145.8</u>	<u>\$110.4</u>	<u>\$91.4</u>	<u>\$21.8</u>	<u>\$(126.1)</u>	<u>\$117.2</u>
<b>Loss ratio</b>	<u>49.9%</u>	<u>54.8%</u>	<u>56.1%</u>	<u>64.9%</u>	<u>95.2%</u>	<u>52.4%</u>
Policy acquisition expense ratio	16.9%	18.9%	17.6%	18.3%	16.2%	18.1%
General and administrative expense ratio	13.5%	14.0%	10.8%	10.2%	11.9%	14.0%
Expense ratio	<u>30.4%</u>	<u>32.9%</u>	<u>28.4%</u>	<u>28.5%</u>	<u>28.1%</u>	<u>32.1%</u>
Combined ratio	<u>80.3%</u>	<u>87.7%</u>	<u>84.5%</u>	<u>93.4%</u>	<u>123.3%</u>	<u>84.5%</u>
Basic earnings per share <sup>(1)</sup>	\$1.69	\$1.26	\$1.42	\$0.18	\$(1.63)	\$1.24
Diluted earnings per share	\$1.63	\$1.22	\$1.39	\$0.18	\$(1.63)	\$1.21
Annualized return on average equity						
Net income	22.4%	17.6%	14.8%	2.8%	(23.2)%	20.2%
Operating income	19.2%	16.4%	17.6%	2.4%	(14.4)%	18.7%

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive. See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.

1. Adjusted for preference share dividend and cancellation of preference shares.



**Aspen Insurance Holdings Limited**  
**Consolidated Statements of Operations – Year To Date**

**Nine Months Ended September 30,**

**(in US\$ millions except for percentages)**

	<u>2009</u>	<u>2008</u>	<u>2007</u>
UNDERWRITING REVENUES			
Gross written premiums	\$1,661.4	\$1,566.3	\$1,513.5
Premiums ceded	(208.0)	(136.9)	(191.1)
Net written premiums	<u>1,453.4</u>	<u>1,429.4</u>	<u>1,322.4</u>
Change in unearned premiums	(106.6)	(206.3)	(12.5)
Net earned premiums	<u>1,346.8</u>	<u>1,223.1</u>	<u>1,309.9</u>
UNDERWRITING EXPENSES			
Losses and loss expenses	720.6	808.9	718.1
Acquisition expenses	239.0	211.8	235.5
General and administrative expenses	172.1	159.5	148.3
Total underwriting expenses	<u>1,131.7</u>	<u>1,180.2</u>	<u>1,101.9</u>
Underwriting income	<u>215.1</u>	<u>42.9</u>	<u>208.0</u>
OTHER OPERATING REVENUE			
Net investment income	190.3	128.9	218.7
Interest expense	(11.8)	(11.7)	(12.8)
Total other operating revenue	<u>178.5</u>	<u>117.2</u>	<u>205.9</u>
Other (expense)	(0.9)	(1.6)	(8.1)
OPERATING INCOME BEFORE TAX	<u>392.7</u>	<u>158.5</u>	<u>405.8</u>
OTHER			
Net realized and unrealized exchange gains (losses)	8.7	(3.4)	22.7
Net realized and unrealized investment gains (losses)	7.2	(56.3)	(12.3)
INCOME BEFORE TAX	<u>408.6</u>	<u>98.8</u>	<u>416.2</u>
Income tax (expense)	(61.0)	(16.8)	(62.4)
NET INCOME AFTER TAX	<u>347.6</u>	<u>82.0</u>	<u>353.8</u>
Dividends paid on ordinary shares	(37.2)	(37.9)	(39.7)
Dividends paid on preference shares	(18.3)	(20.8)	(20.8)
Retained income	<u>\$292.1</u>	<u>\$23.3</u>	<u>\$293.3</u>
Components of net income after tax			
Operating income	\$335.1	\$131.0	\$340.6
Net realized and unrealized exchange gains (losses) after tax	8.7	(3.4)	22.7
Net realized investment gains (losses) after tax	3.8	(45.6)	(9.5)
NET INCOME AFTER TAX	<u>\$347.6</u>	<u>\$82.0</u>	<u>\$353.8</u>
Loss ratio	<u>53.5%</u>	<u>66.1%</u>	<u>54.8%</u>
Policy acquisition expense ratio	17.7%	17.3%	18.0%
General and administrative expense ratio	12.8%	13.1%	11.3%
Expense ratio	30.5%	30.4%	29.3%
Combined ratio	<u>84.0%</u>	<u>96.5%</u>	<u>84.1%</u>

See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.



## Aspen Insurance Holdings Limited

### Consolidated Balance Sheets

(in US\$ millions, except for per share amounts)	September 30, 2009	June 30, 2009	March 31, 2009	December 31, 2008	September 30, 2008
<b>ASSETS</b>					
Investments					
Fixed maturities	\$5,184.3	\$4,943.9	\$4,566.6	\$4,433.1	\$4,410.7
Other investments	25.9	24.7	290.9	286.9	513.1
Short-term investments	431.6	315.7	291.8	224.9	226.3
Total investments	<u>5,641.8</u>	<u>5,284.3</u>	<u>5,149.3</u>	<u>4,944.9</u>	<u>5,150.1</u>
Cash and cash equivalents	948.8	718.3	913.2	809.1	741.6
Reinsurance recoverables					
Unpaid losses	333.5	326.3	297.9	283.3	241.5
Ceded unearned premiums	114.9	135.7	138.8	46.3	77.5
Receivables					
Underwriting premiums	755.7	850.0	793.6	677.5	675.4
Other	65.5	47.0	44.3	46.5	102.6
Funds withheld	85.2	87.5	71.9	83.0	77.4
Deferred policy acquisition costs	180.1	186.0	166.6	149.7	166.7
Derivatives at fair value	3.6	5.4	7.2	11.8	10.9
Receivable for securities sold	47.3	324.3	4.1	177.2	—
Office properties and equipment	27.6	29.6	27.0	33.8	32.4
Other assets	14.8	15.4	18.7	15.3	19.8
Intangible assets	8.2	8.2	8.2	8.2	8.2
Total assets	<u>\$8,227.0</u>	<u>\$8,018.0</u>	<u>\$7,639.8</u>	<u>\$7,288.8</u>	<u>\$7,304.1</u>
<b>LIABILITIES</b>					
Insurance reserves					
Losses and loss adjustment expenses	\$3,314.0	\$3,265.1	\$3,096.2	\$3,070.3	\$3,081.9
Unearned premiums	1,006.3	1,039.6	963.8	810.7	940.8
Total insurance reserves	<u>4,320.3</u>	<u>4,304.7</u>	<u>4,060.0</u>	<u>3,881.0</u>	<u>4,022.7</u>
Payables					
Reinsurance premiums	121.3	169.5	197.1	103.0	98.0
Taxation	112.1	97.8	84.6	72.6	33.4
Accrued expenses and other payables	205.6	216.2	206.7	192.5	246.2
Liabilities under derivative contracts	6.0	7.7	9.4	11.1	16.7
Total payables	<u>445.0</u>	<u>491.2</u>	<u>497.8</u>	<u>379.2</u>	<u>394.3</u>
Long-term debt	249.6	249.6	249.6	249.5	249.5
Total liabilities	<u>5,014.9</u>	<u>5,045.5</u>	<u>4,807.4</u>	<u>4,509.7</u>	<u>4,666.5</u>
<b>SHAREHOLDERS' EQUITY</b>					
Ordinary shares	0.1	0.1	0.1	0.1	0.1
Preference shares					
Additional paid-in capital	1,760.6	1,754.1	1,749.9	1,754.8	1,754.1
Retained earnings	1,176.8	1,049.2	956.9	884.7	882.1
Accumulated other comprehensive income, net of taxes	274.6	169.1	125.5	139.5	1.3
Total shareholders' equity	<u>3,212.1</u>	<u>2,972.5</u>	<u>2,832.4</u>	<u>2,779.1</u>	<u>2,637.6</u>
Total liabilities and shareholders' equity	<u>\$8,227.0</u>	<u>\$8,018.0</u>	<u>\$7,639.8</u>	<u>\$7,288.8</u>	<u>\$7,304.1</u>
Book value per ordinary share	<u>\$34.30</u>	<u>\$31.45</u>	<u>\$29.85</u>	<u>\$28.85</u>	<u>\$27.14</u>

See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.





## Aspen Insurance Holdings Limited

### Earnings Per Share and Book Value Per Share

	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
<b>(in US\$ except for number of shares)</b>				
Basic earnings per ordinary share				
Net income adjusted for preference share dividend and cancellation of preference shares	\$ 1.69	\$ (1.63)	\$ 4.37	\$ 0.73
Operating income adjusted for preference share dividend	\$ 1.44	\$ (1.02)	\$ 3.83	\$ 1.32
Diluted earnings per ordinary share				
Net income adjusted for preference share dividend and cancellation of preference shares	\$ 1.63	\$ (1.63)	\$ 4.25	\$ 0.71
Operating income adjusted for preference share dividend	\$ 1.40	\$ (1.02)	\$ 3.72	\$ 1.28
Weighted average number of ordinary shares outstanding (in millions)	<b>83.057</b>	81.376	<b>82.520</b>	83.459
Weighted average number of ordinary shares outstanding and dilutive potential ordinary shares (in millions)	<b>85.993</b>	81.376	<b>84.952</b>	86.114
Book value per ordinary share	\$ 34.30	\$ 27.14	\$ 34.30	\$ 27.14
Diluted book value per ordinary share (treasury stock method)	\$ 33.07	\$ 26.21	\$ 33.07	\$ 26.21
Ordinary shares outstanding at end of the period (in millions)	<b>83.095</b>	81.450	<b>83.095</b>	81.450
Ordinary shares outstanding and dilutive potential ordinary shares at end of the period (treasury stock method) (in millions)	<b>86.193</b>	84.325	<b>86.193</b>	84.325

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.

See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.



## Aspen Insurance Holdings Limited

### Return On Average Equity

(in US\$ millions except for percentages)	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Closing shareholders' equity	\$3,212.1	\$2,637.6	\$3,212.1	\$2,637.6
Average adjustment	<u>(695.3)</u>	<u>(348.3)</u>	<u>(825.6)</u>	<u>(323.4)</u>
Average equity <sup>(1)</sup>	<u>\$2,516.8</u>	<u>\$2,289.3</u>	<u>\$2,386.5</u>	<u>\$2,314.2</u>
Return on average equity:				
Net income adjusted for preference share dividend	5.6%	(5.8)%	13.8%	2.6%
Operating income adjusted for preference share dividend	4.8%	(3.6)%	13.3%	4.8%
Annualized return on average equity:				
Net income	22.4%	(23.2)%	18.4%	3.5%
Operating income	19.2%	(14.4)%	17.7%	6.4%
Components of return on average equity:				
Return on average equity from underwriting activity <sup>(2)</sup>	3.7%	(4.4)%	9.0%	1.9%
Return on average equity from investment and other activity <sup>(3)</sup>	2.0%	0.4%	6.7%	4.1%
Pre-tax operating income return on average equity	5.7%	(4.0)%	15.7%	6.0%
Post-tax operating income return on average equity <sup>(4)</sup>	4.8%	(3.6)%	13.3%	4.8%

See pages 8, 27, 29, 30 and 31 for a reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures.

1. Average equity is calculated by taking the simple average at latest quarter end and the previous quarter end of the closing shareholders' equity excluding (i) preference shares, (ii) after-tax unrealized appreciation or depreciation on investments and (iii) the average after-tax unrealized foreign exchange gains and losses.
2. Calculated by using underwriting income.
3. Calculated by using total other operating revenue and other income/expense adjusted for preference share dividend.
4. Calculated by using operating income after-tax adjusted for preference share dividend.



## Aspen Insurance Holdings Limited

### Consolidated Underwriting Results by Operating Segment

	Three Months Ended September 30, 2009					Three Months Ended September 30, 2008				
	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total
<b>(in US\$ millions except for percentages)</b>										
Gross written premiums	\$171.2	\$96.5	\$183.9	\$38.7	\$490.3	\$152.8	\$79.7	\$180.8	\$28.0	\$441.3
Net written premiums	163.4	98.7	170.9	29.1	462.1	140.2	79.8	162.2	21.6	403.8
Gross earned premiums	155.4	113.4	214.3	39.1	522.2	152.3	113.7	185.4	31.5	482.9
Net earned premiums	140.9	115.2	187.8	27.0	470.9	138.8	112.9	158.6	23.9	434.2
Losses and loss expenses	36.5	72.6	113.2	12.8	235.1	164.6	75.9	141.8	31.1	413.4
Policy acquisition expenses	24.4	19.2	31.0	5.0	79.6	23.4	16.6	26.5	3.9	70.4
Operating and administrative expenses	21.0	9.9	24.5	8.3	63.7	14.7	9.6	21.1	6.2	51.6
Underwriting income (loss)	<u>\$59.0</u>	<u>\$13.5</u>	<u>\$19.1</u>	<u>\$0.9</u>	<u>\$92.5</u>	<u>\$(63.9)</u>	<u>\$10.8</u>	<u>\$(30.8)</u>	<u>\$(17.3)</u>	<u>\$(101.2)</u>
<b>Ratios</b>										
Loss ratio	25.9%	63.0%	60.3%	47.4%	49.9%	118.6%	67.2%	89.4%	130.1%	95.2%
Policy acquisition expense ratio	17.3%	16.7%	16.5%	18.5%	16.9%	16.8%	14.7%	16.7%	16.3%	16.2%
Operating and administrative expense ratio	14.9%	8.6%	13.0%	30.7%	13.5%	10.6%	8.5%	13.3%	25.7%	11.9%
Expense ratio	32.2%	25.3%	29.5%	49.2%	30.4%	27.4%	23.2%	30.0%	42.0%	28.1%
Combined ratio	58.1%	88.3%	89.8%	96.6%	80.3%	146.0%	90.4%	119.4%	172.1%	123.3%



## Aspen Insurance Holdings Limited

### Consolidated Underwriting Results by Operating Segment

	Nine Months Ended September 30, 2009					Nine Months Ended September 30, 2008				
	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total
(in US\$ millions except for percentages)										
Gross written premiums	\$571.7	\$342.3	\$617.3	\$130.1	\$1,661.4	\$507.5	\$318.6	\$639.0	\$101.2	\$1,566.3
Net written premiums	523.9	343.5	495.8	90.2	1,453.4	481.1	314.3	555.8	78.2	1,429.4
Gross earned premiums	451.5	324.7	622.4	108.1	1,506.7	437.1	297.1	529.3	87.1	1,350.6
Net earned premiums	412.0	325.9	533.0	75.9	1,346.8	389.4	293.4	471.7	68.6	1,223.1
Losses and loss expenses	97.3	213.8	357.4	52.1	720.6	240.9	191.7	323.1	53.2	808.9
Policy acquisition expenses	77.1	61.1	88.9	11.9	239.0	72.9	46.0	80.5	12.4	211.8
Operating and administrative expenses	51.3	30.0	65.9	24.9	172.1	49.7	32.8	58.2	18.8	159.5
Underwriting income (loss)	<u>\$186.3</u>	<u>\$21.0</u>	<u>\$20.8</u>	<u>\$(13.0)</u>	<u>\$215.1</u>	<u>\$25.9</u>	<u>\$22.9</u>	<u>\$9.9</u>	<u>\$(15.8)</u>	<u>\$42.9</u>
<b>Ratios</b>										
Loss ratio	23.6%	65.6%	67.1%	68.6%	53.5%	61.9%	65.3%	68.5%	77.6%	66.1%
Policy acquisition expense ratio	18.7%	18.7%	16.7%	15.7%	17.7%	18.7%	15.7%	17.1%	18.1%	17.3%
Operating and administrative expense ratio	12.5%	9.2%	12.4%	32.8%	12.8%	12.8%	11.2%	12.3%	27.4%	13.1%
Expense ratio	31.2%	27.9%	29.1%	48.5%	30.5%	31.5%	26.9%	29.4%	45.5%	30.4%
Combined ratio	54.8%	93.5%	96.2%	117.1%	84.0%	93.4%	92.2%	97.9%	123.1%	96.5%



## Aspen Insurance Holdings Limited

### Property Reinsurance Segment — Quarterly Results

(in US\$ millions except for percentages)	<u>Q3 2009</u>	<u>Q2 2009</u>	<u>Q1 2009</u>	<u>Q4 2008</u>	<u>Q3 2008</u>	<u>Q2 2008</u>	<u>Q1 2008</u>	<u>Q3 2007</u>
Gross written premiums	<b>\$171.2</b>	\$180.0	\$220.5	\$81.5	\$152.8	\$170.5	\$184.2	\$139.5
Net written premiums	<b>163.4</b>	178.4	182.1	83.0	140.2	165.5	175.4	131.5
Gross earned premiums	<b>155.4</b>	145.2	150.9	155.3	152.3	144.5	140.3	150.2
Net earned premiums	<b>140.9</b>	132.0	139.1	143.0	138.8	123.6	127.0	125.3
Net losses and loss expenses	<b>36.5</b>	20.6	40.2	73.8	164.6	38.3	38.0	42.9
Policy acquisition expenses	<b>24.4</b>	27.9	24.8	32.1	23.4	23.6	25.9	25.4
Operating and administrative expenses	<b>21.0</b>	15.1	15.2	16.0	14.7	18.4	16.6	18.3
Underwriting income (loss)	<b><u>\$59.0</u></b>	<u>\$68.4</u>	<u>\$58.9</u>	<u>\$21.1</u>	<u>\$(63.9)</u>	<u>\$43.3</u>	<u>\$46.5</u>	<u>\$38.7</u>
<b>Ratios</b>								
Loss ratio	<b>25.9%</b>	15.6%	28.9%	51.6%	118.6%	31.0%	29.9%	34.2%
Policy acquisition expense ratio	<b>17.3%</b>	21.1%	17.8%	22.4%	16.8%	19.1%	20.4%	20.3%
Operating and administrative expense ratio	<b>14.9%</b>	11.4%	10.9%	11.2%	10.6%	14.9%	13.1%	14.6%
Expense ratio	<b>32.2%</b>	32.5%	28.7%	33.6%	27.4%	34.0%	33.5%	34.9%
Combined ratio	<b>58.1%</b>	48.1%	57.6%	85.2%	146.0%	65.0%	63.4%	69.1%



## Aspen Insurance Holdings Limited

### Casualty Reinsurance Segment – Quarterly Results

(in US\$ millions except for percentages)	<u>Q3 2009</u>	<u>Q2 2009</u>	<u>Q1 2009</u>	<u>Q4 2008</u>	<u>Q3 2008</u>	<u>Q2 2008</u>	<u>Q1 2008</u>	<u>Q3 2007</u>
Gross written premiums	<b>\$96.5</b>	\$59.0	\$186.8	\$97.7	\$79.7	\$56.8	\$182.1	\$77.5
Net written premiums	<b>98.7</b>	59.0	185.8	98.7	79.8	54.5	180.0	77.1
Gross earned premiums	<b>113.4</b>	101.3	110.0	121.3	113.7	87.7	95.7	125.5
Net earned premiums	<b>115.2</b>	101.2	109.5	120.1	112.9	85.8	94.7	123.7
Losses and loss expenses	<b>72.6</b>	69.0	72.2	80.5	75.9	54.3	61.5	92.2
Policy acquisition expenses	<b>19.2</b>	20.0	21.9	19.4	16.6	11.7	17.7	19.8
Operating and administrative expenses	<b>9.9</b>	11.1	9.0	10.4	9.6	12.5	10.7	13.8
Underwriting income (loss)	<b><u>\$13.5</u></b>	<u>\$1.1</u>	<u>\$6.4</u>	<u>\$9.8</u>	<u>\$10.8</u>	<u>\$7.3</u>	<u>\$4.8</u>	<u>\$(2.1)</u>
<b>Ratios</b>								
Loss ratio	<b>63.0%</b>	68.2%	65.9%	67.1%	67.2%	63.3%	64.9%	74.5%
Policy acquisition expense ratio	<b>16.7%</b>	19.8%	20.0%	16.2%	14.7%	13.6%	18.7%	16.0%
Operating and administrative expense ratio	<b>8.6%</b>	11.0%	8.2%	8.7%	8.5%	14.6%	11.3%	11.2%
Expense ratio	<b>25.3%</b>	30.8%	28.2%	24.9%	23.2%	28.2%	30.0%	27.2%
Combined ratio	<b>88.3%</b>	99.0%	94.1%	92.0%	90.4%	91.5%	94.9%	101.7%



## Aspen Insurance Holdings Limited

### International Insurance Segment – Quarterly Results

(in US\$ millions except for percentages)	<u>Q3 2009</u>	<u>Q2 2009</u>	<u>Q1 2009</u>	<u>Q4 2008</u>	<u>Q3 2008</u>	<u>Q2 2008</u>	<u>Q1 2008</u>	<u>Q3 2007</u>
Gross written premiums	<b>\$183.9</b>	\$238.7	\$194.7	\$228.8	\$180.8	\$258.9	\$199.3	\$129.0
Net written premiums	<b>170.9</b>	200.1	124.8	202.0	162.2	251.6	142.0	118.1
Gross earned premiums	<b>214.3</b>	209.3	198.8	228.9	185.4	178.6	165.3	164.2
Net earned premiums	<b>187.8</b>	170.2	175.0	190.1	158.6	162.9	150.2	146.7
Losses and loss expenses	<b>113.2</b>	117.2	127.0	150.4	141.8	83.6	97.7	75.3
Policy acquisition expenses	<b>31.0</b>	29.9	28.0	32.9	26.5	26.0	28.0	26.4
Operating and administrative expenses	<b>24.5</b>	22.8	18.6	16.2	21.1	19.2	17.9	17.2
Underwriting income (loss)	<b><u>\$19.1</u></b>	<u>\$0.3</u>	<u>\$1.4</u>	<u>\$(9.4)</u>	<u>\$(30.8)</u>	<u>\$34.1</u>	<u>\$6.6</u>	<u>\$27.8</u>
<b>Ratios</b>								
Loss ratio	<b>60.3%</b>	68.9%	72.6%	79.1%	89.4%	51.3%	65.0%	51.3%
Policy acquisition expense ratio	<b>16.5%</b>	17.6%	16.0%	17.3%	16.7%	16.1%	18.6%	18.0%
Operating and administrative expense ratio	<b>13.0%</b>	13.4%	10.6%	8.5%	13.3%	11.8%	11.9%	11.7%
Expense ratio	<b>29.5%</b>	31.0%	26.6%	25.8%	30.0%	27.9%	30.5%	29.7%
Combined ratio	<b>89.8%</b>	99.9%	99.2%	104.9%	119.4%	79.2%	95.5%	81.0%



## Aspen Insurance Holdings Limited

### U.S. Insurance Segment — Quarterly Results

(in US\$ millions except for percentages)	<u>Q3 2009</u>	<u>Q2 2009</u>	<u>Q1 2009</u>	<u>Q4 2008</u>	<u>Q3 2008</u>	<u>Q2 2008</u>	<u>Q1 2008</u>	<u>Q3 2007</u>
Gross written premiums	<b>\$38.7</b>	\$56.6	\$34.8	\$27.4	\$28.0	\$42.6	\$30.6	\$27.5
Net written premiums	<b>29.1</b>	47.2	13.9	22.5	21.6	34.4	22.2	22.1
Gross earned premiums	<b>39.1</b>	35.5	33.5	33.0	31.5	29.6	26.0	33.2
Net earned premiums	<b>27.0</b>	25.2	23.7	25.4	23.9	25.0	19.7	24.0
Losses and loss expenses	<b>12.8</b>	27.9	11.4	5.9	31.1	12.1	10.0	9.5
Policy acquisition expenses	<b>5.0</b>	3.0	3.9	3.1	3.9	3.7	4.8	4.5
Operating and administrative expenses	<b>8.3</b>	10.9	5.7	6.0	6.2	7.0	5.6	9.3
Underwriting income (loss)	<b><u>\$0.9</u></b>	<u>\$(16.6)</u>	<u>\$2.7</u>	<u>\$10.4</u>	<u>\$(17.3)</u>	<u>\$2.2</u>	<u>\$(0.7)</u>	<u>\$0.7</u>
<b>Ratios</b>								
Loss ratio	<b>47.4%</b>	110.7%	48.1%	23.2%	130.1%	48.4%	50.8%	39.6%
Policy acquisition expense ratio	<b>18.5%</b>	11.9%	16.5%	12.3%	16.3%	14.7%	24.4%	18.8%
Operating and administrative expense ratio	<b>30.7%</b>	43.3%	24.1%	23.5%	25.7%	27.9%	28.4%	38.9%
Expense ratio	<b>49.2%</b>	55.2%	40.6%	35.8%	42.0%	42.6%	52.8%	57.7%
Combined ratio	<b>96.6%</b>	165.9%	88.7%	59.0%	172.1%	91.0%	103.6%	97.3%





**Aspen Insurance Holdings Limited**  
**Gross Written Premiums By Segment And Line Of Business**

(in US\$ millions)	<u>Q3 2009</u>	<u>Q2 2009</u>	<u>Q1 2009</u>	<u>Q4 2008</u>	<u>Q3 2008</u>	<u>Q2 2008</u>	<u>Q1 2008</u>	<u>Q3 2007</u>
<b>Property Reinsurance</b>								
Treaty Catastrophe	\$69.7	\$78.4	\$116.7	\$(2.8)	\$65.0	\$79.2	\$111.6	\$60.1
Treaty Risk Excess	24.8	37.2	31.3	5.9	36.3	40.0	29.9	35.7
Treaty Pro Rata	36.6	44.5	48.2	68.9	36.5	36.5	32.7	34.1
Global Property Facultative	12.8	11.6	17.0	9.5	15.0	14.8	10.0	9.6
Credit, Surety & Political Risk Reinsurance	27.3	8.3	7.3	—	—	—	—	—
	<u>\$171.2</u>	<u>\$180.0</u>	<u>\$220.5</u>	<u>\$81.5</u>	<u>\$152.8</u>	<u>\$170.5</u>	<u>\$184.2</u>	<u>\$139.5</u>
<b>Casualty Reinsurance</b>								
U.S. Casualty Treaty	\$74.8	\$43.7	\$106.3	\$80.2	\$60.1	\$46.9	\$89.6	\$53.5
International Casualty Treaty	16.3	12.5	77.0	13.3	15.3	5.7	89.5	20.5
Global Casualty Facultative	5.4	2.8	3.5	4.2	4.3	4.2	3.0	3.5
	<u>\$96.5</u>	<u>\$59.0</u>	<u>\$186.8</u>	<u>\$97.7</u>	<u>\$79.7</u>	<u>\$56.8</u>	<u>\$182.1</u>	<u>\$77.5</u>
<b>International Insurance</b>								
M.E.C. Liability	\$19.7	\$70.2	\$50.8	\$45.0	\$14.1	\$47.4	\$54.8	\$13.8
Energy Property	16.5	41.0	16.4	7.5	22.3	41.7	23.4	21.3
Marine Hull	13.1	14.8	16.5	19.1	10.7	17.5	18.6	11.2
Aviation	23.5	21.6	10.4	48.2	19.3	23.1	11.2	23.7
U.K. Commercial Property & Construction	13.2	20.2	10.9	8.6	18.5	27.2	9.4	16.0
U.K. Commercial Liability	15.9	11.8	9.1	14.6	23.3	17.1	20.1	26.9
Excess Casualty	18.3	19.2	12.7	23.3	17.6	20.6	9.1	—
Professional Liability	17.8	9.7	7.7	15.7	13.3	7.4	7.6	—
Financial Institutions	7.9	3.7	3.7	11.1	15.8	9.2	2.9	—
Financial and Political Risks	7.4	3.6	9.2	7.8	5.5	21.3	4.5	—
Management and Technology Liability	2.5	2.7	1.8	3.5	—	—	—	—
Specie	2.2	1.8	—	—	—	—	—	—
Specialty Reinsurance	25.9	18.4	45.5	24.4	20.4	26.4	37.7	16.1
	<u>\$183.9</u>	<u>\$238.7</u>	<u>\$194.7</u>	<u>\$228.8</u>	<u>\$180.8</u>	<u>\$258.9</u>	<u>\$199.3</u>	<u>\$129.0</u>
<b>U.S. Insurance</b>								
Property	\$17.3	\$34.7	\$14.4	\$10.9	\$10.7	\$21.1	\$10.5	\$7.9
Casualty	18.9	21.9	20.4	16.5	17.3	21.5	20.1	19.6
Risk Solutions	2.5	—	—	—	—	—	—	—
	<u>\$38.7</u>	<u>\$56.6</u>	<u>\$34.8</u>	<u>\$27.4</u>	<u>\$28.0</u>	<u>\$42.6</u>	<u>\$30.6</u>	<u>\$27.5</u>
<b>Total Gross Written Premiums</b>	<u>\$490.3</u>	<u>\$534.3</u>	<u>\$636.8</u>	<u>\$435.4</u>	<u>\$441.3</u>	<u>\$528.8</u>	<u>\$596.2</u>	<u>\$373.5</u>



## Aspen Insurance Holdings Limited

### Accident Year Loss Ratios

	Three Months Ended September 30, 2009					Three Months Ended September 30, 2008				
	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total
Before Accident Year Adjustment										
Loss ratio	25.9%	63.0%	60.3%	47.4%	49.9%	118.6%	67.2%	89.4%	130.1%	95.2%
Policy acquisition expense ratio	17.3%	16.7%	16.5%	18.5%	16.9%	16.8%	14.7%	16.7%	16.3%	16.2%
Operating and administrative expense ratio	14.9%	8.6%	13.0%	30.7%	13.5%	10.6%	8.5%	13.3%	25.7%	11.9%
Expense ratio	<u>32.2%</u>	<u>25.3%</u>	<u>29.5%</u>	<u>49.2%</u>	<u>30.4%</u>	<u>27.4%</u>	<u>23.2%</u>	<u>30.0%</u>	<u>42.0%</u>	<u>28.1%</u>
Combined ratio	<u>58.1%</u>	<u>88.3%</u>	<u>89.8%</u>	<u>96.6%</u>	<u>80.3%</u>	<u>146.0%</u>	<u>90.4%</u>	<u>119.4%</u>	<u>172.1%</u>	<u>123.3%</u>
Accident Year Adjustment										
Loss ratio	12.0%	8.3%	8.9%	1.6%	9.0%	3.1%	14.9%	—	(3.5)%	4.9%
Policy acquisition expense ratio	(0.9)%	(0.1)%	—	(1.3)%	(0.4)%	(0.1)%	(0.3)%	—	0.2%	(0.1)%
Operating and administrative expense ratio	0.5%	0.9%	(1.0)%	(1.1)%	(0.1)%	0.1%	0.7%	(0.2)%	(0.3)%	0.2%
Expense ratio	<u>(0.4)%</u>	<u>0.8%</u>	<u>(1.0)%</u>	<u>(2.4)%</u>	<u>(0.5)%</u>	<u>—</u>	<u>0.4%</u>	<u>(0.2)%</u>	<u>(0.1)%</u>	<u>0.1%</u>
Combined ratio	<u>11.6%</u>	<u>9.1%</u>	<u>7.9%</u>	<u>(0.8)%</u>	<u>8.5%</u>	<u>3.1%</u>	<u>15.3%</u>	<u>(0.2)%</u>	<u>(3.6)%</u>	<u>5.0%</u>
Accident Year Ratios										
Current accident year loss ratio	37.9%	71.3%	69.2%	49.0%	58.9%	121.7%	82.1%	89.4%	126.6%	100.1%
Policy acquisition expense ratio	16.4%	16.6%	16.5%	17.2%	16.5%	16.7%	14.4%	16.7%	16.5%	16.1%
Operating and administrative expense ratio	15.4%	9.5%	12.0%	29.6%	13.4%	10.7%	9.2%	13.1%	25.4%	12.1%
Expense ratio	<u>31.8%</u>	<u>26.1%</u>	<u>28.5%</u>	<u>46.8%</u>	<u>29.9%</u>	<u>27.4%</u>	<u>23.6%</u>	<u>29.8%</u>	<u>41.9%</u>	<u>28.2%</u>
Combined ratio	<u>69.7%</u>	<u>97.4%</u>	<u>97.7%</u>	<u>95.8%</u>	<u>88.8%</u>	<u>149.1%</u>	<u>105.7%</u>	<u>119.2%</u>	<u>168.5%</u>	<u>128.3%</u>



## Aspen Insurance Holdings Limited

### Accident Year Loss Ratios

	Nine Months Ended September 30, 2009					Nine Months Ended September 30, 2008				
	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total	Property Reinsurance	Casualty Reinsurance	International Insurance	U.S. Insurance	Total
Before Accident Year Adjustment										
Loss ratio	23.6%	65.6%	67.1%	68.6%	53.5%	61.9%	65.3%	68.5%	77.6%	66.1%
Policy acquisition expense ratio	18.7%	18.7%	16.7%	15.7%	17.7%	18.7%	15.7%	17.1%	18.1%	17.3%
Operating and administrative expense ratio	12.5%	9.2%	12.4%	32.8%	12.8%	12.8%	11.2%	12.3%	27.4%	13.1%
Expense ratio	<u>31.2%</u>	<u>27.9%</u>	<u>29.1%</u>	<u>48.5%</u>	<u>30.5%</u>	<u>31.5%</u>	<u>26.9%</u>	<u>29.4%</u>	<u>45.5%</u>	<u>30.4%</u>
Combined ratio	<u>54.8%</u>	<u>93.5%</u>	<u>96.2%</u>	<u>117.1%</u>	<u>84.0%</u>	<u>93.4%</u>	<u>92.2%</u>	<u>97.9%</u>	<u>123.1%</u>	<u>96.5%</u>
Accident Year Adjustment										
Loss ratio	11.4%	5.4%	3.9%	(6.8)%	5.9%	7.2%	11.9%	5.9%	11.8%	8.2%
Policy acquisition expense ratio	(0.7)%	—	—	(0.3)%	(0.2)%	(0.2)%	(0.2)%	(0.1)%	0.3%	(0.1)%
Operating and administrative expense ratio	0.4%	0.3%	(0.2)%	(0.3)%	0.1%	0.4%	(0.7)%	0.3%	(0.1)%	—
Expense ratio	<u>(0.3)%</u>	<u>0.3%</u>	<u>(0.2)%</u>	<u>(0.6)%</u>	<u>(0.1)%</u>	<u>0.2%</u>	<u>(0.9)%</u>	<u>0.2%</u>	<u>0.2%</u>	<u>(0.1)%</u>
Combined ratio	<u>11.1%</u>	<u>5.7%</u>	<u>3.7%</u>	<u>(7.4)%</u>	<u>5.8%</u>	<u>7.4%</u>	<u>11.0%</u>	<u>6.1%</u>	<u>12.0%</u>	<u>8.1%</u>
Accident Year Ratios										
Current accident year loss ratio	35.0%	71.0%	71.0%	61.8%	59.4%	69.1%	77.2%	74.4%	89.4%	74.3%
Policy acquisition expense ratio	18.0%	18.7%	16.7%	15.4%	17.5%	18.5%	15.5%	17.0%	18.4%	17.2%
Operating and administrative expense ratio	12.9%	9.5%	12.2%	32.5%	12.9%	13.2%	10.5%	12.6%	27.3%	13.1%
Expense ratio	<u>30.9%</u>	<u>28.2%</u>	<u>28.9%</u>	<u>47.9%</u>	<u>30.4%</u>	<u>31.7%</u>	<u>26.0%</u>	<u>29.6%</u>	<u>45.7%</u>	<u>30.3%</u>
Combined ratio	<u>65.9%</u>	<u>99.2%</u>	<u>99.9%</u>	<u>109.7%</u>	<u>89.8%</u>	<u>100.8%</u>	<u>103.2%</u>	<u>104.0%</u>	<u>135.1%</u>	<u>104.6%</u>



**Aspen Insurance Holdings Limited**  
**Consolidated Statements of Changes in Shareholders' Equity**

<b>(in US\$ millions)</b>	<b>Nine Months Ended September 30,</b>	
	<b>2009</b>	<b>2008</b>
Ordinary shares		
Beginning and end of period	<u>\$0.1</u>	<u>\$0.1</u>
Preference shares		
Beginning and end of period	<u>—</u>	<u>—</u>
Additional paid-in capital		
Beginning of period	<b>1,754.8</b>	1,846.1
New shares issued	<b>25.1</b>	—
Ordinary shares repurchased	<b>—</b>	(100.2)
Preference shares repurchased	<b>(34.1)</b>	—
Share-based compensation	<b>14.8</b>	8.2
End of period	<u><b>1,760.6</b></u>	<u>1,754.1</u>
Retained earnings		
Beginning of period	<b>884.7</b>	858.8
Net income for the period	<b>347.6</b>	82.0
Dividends paid on ordinary and preference shares	<b>(55.5)</b>	(58.7)
End of period	<u><b>1,176.8</b></u>	<u>882.1</u>
Accumulated other comprehensive income:		
Cumulative foreign currency translation adjustments, net of taxes:		
Beginning of period	<b>87.6</b>	80.2
Change for the period	<b>5.7</b>	(15.0)
End of period	<u><b>93.3</b></u>	<u>65.2</u>
Loss on derivatives		
Beginning of period	<b>(1.4)</b>	(1.6)
Reclassification to interest payable	<b>0.1</b>	0.1
End of period	<u><b>(1.3)</b></u>	<u>(1.5)</u>
Unrealized appreciation (depreciation) on investments, net of taxes:		
Beginning of period	<b>53.3</b>	34.0
Change for the period	<b>129.3</b>	(96.4)
End of period	<u><b>182.6</b></u>	<u>(62.4)</u>
Total accumulated other comprehensive income	<u><b>274.6</b></u>	<u>1.3</u>
Total shareholders' equity	<u><b>\$3,212.1</b></u>	<u>\$2,637.6</u>



**Aspen Insurance Holdings Limited**  
**Consolidated Statements of Comprehensive Income**

(in US\$ millions)	Nine Months Ended September 30,	
	2009	2008
Net income	<b>\$347.6</b>	\$82.0
Other comprehensive income (loss), net of taxes:		
Available for sale investments:		
Reclassification adjustment for net realized losses (gains) included in net income	15.0	(2.7)
Change in net unrealized gains and losses on available for sale securities held	114.3	(93.7)
Loss on derivatives reclassified to interest expense	0.1	0.1
Change in foreign currency translation adjustment	5.7	(15.0)
Other comprehensive income (loss)	135.1	(111.3)
Comprehensive income (loss)	<b>\$482.7</b>	\$(29.3)



**Aspen Insurance Holdings Limited**  
**Condensed Consolidated Statements of Cash Flows**

	<b>Nine Months Ended September 30,</b>	
	<b>2009</b>	<b>2008</b>
<b>(in US\$ millions)</b>		
Net cash from/(used in) operating activities	<b>\$ 489.1</b>	\$ 444.3
Net cash from/(used in) investing activities	<b>(336.6)</b>	(209.7)
Net cash from/(used in) financing activities	<b>(64.5)</b>	(158.9)
Effect of exchange rate movements on cash and cash equivalents	<b>51.7</b>	14.5
Increase in cash and cash equivalents	<b>139.7</b>	90.2
Cash at beginning of period	<b>809.1</b>	651.4
Cash at end of period	<b>\$ 948.8</b>	\$ 741.6



**Aspen Insurance Holdings Limited**  
**Reserves For Losses And Loss Expenses**

<b>(in US\$ millions)</b>	<u>As At September 30, 2009</u>	<u>As At December 31, 2008</u>
Provision for losses and loss expenses at start of period	<b>\$3,070.3</b>	\$2,946.0
Less reinsurance recoverables	<u><b>(283.3)</b></u>	<u>(304.7)</u>
Net loss and loss expenses at start of period	<u><b>2,787.0</b></u>	<u>2,641.3</u>
Net loss and loss expenses (disposed) acquired	<u><b>(10.0)</b></u>	<u>(15.4)</u>
Provision for losses and loss expenses for claims incurred		
Current period	<b>791.6</b>	1,203.0
Prior period release	<u><b>(71.0)</b></u>	<u>(83.5)</u>
Total incurred	<u><b>720.6</b></u>	<u>1,119.5</u>
Losses and loss expense payments for claims incurred	<u><b>(620.5)</b></u>	<u>(739.4)</u>
Foreign exchange losses (gains)	<u><b>103.4</b></u>	<u>(219.0)</u>
Net loss and loss expense reserves at end of period	<b>2,980.5</b>	2,787.0
Plus reinsurance recoverables on unpaid losses at end of period	<u><b>333.5</b></u>	<u>283.3</u>
Gross loss and loss expense reserves at end of period	<u><b>\$3,314.0</b></u>	<u>\$3,070.3</u>



**Aspen Insurance Holdings Limited**  
**Reserves By Operating Segment**

(in US\$ millions)	As At September 30, 2009			As At December 31, 2008		
	Gross	Reinsurance Recoverables	Net	Gross	Reinsurance Recoverables	Net
Property Reinsurance	\$415.2	\$(40.0)	\$375.2	\$488.5	\$(37.9)	\$450.6
Casualty Reinsurance	1,474.0	(6.4)	1,467.6	\$1,311.1	(5.9)	1,305.2
International Insurance	1,217.2	(241.2)	976.0	\$1,117.4	(210.9)	906.5
U.S. Insurance	207.6	(45.9)	161.7	\$153.3	(28.6)	124.7
Total losses and loss expense reserves	<b>\$3,314.0</b>	<b>\$(333.5)</b>	<b>\$2,980.5</b>	<b>\$3,070.3</b>	<b>\$(283.3)</b>	<b>\$2,787.0</b>



## Aspen Insurance Holdings Limited

### Prior Year Reserve Releases

	Nine Months Ended September 30, 2009			Nine Months Ended September 30, 2008		
	Gross	Reinsurance Recoverables	Net	Gross	Reinsurance Recoverables	Net
(in US\$ millions)						
Property Reinsurance	\$42.0	\$4.6	\$46.6	\$12.0	\$7.5	\$19.5
Casualty Reinsurance	18.6	—	18.6	50.3	(2.3)	48.0
International Insurance	(3.5)	16.2	12.7	23.8	(3.8)	20.0
U.S. Insurance	(23.7)	16.8	(6.9)	9.6	(1.5)	8.1
Release in reserves for prior years during the period	<u>\$33.4</u>	<u>\$37.6</u>	<u>\$71.0</u>	<u>\$95.7</u>	<u>\$(0.1)</u>	<u>\$95.6</u>

  

	Three Months Ended September 30, 2009			Three Months Ended September 30, 2008		
	Gross	Reinsurance Recoverables	Net	Gross	Reinsurance Recoverables	Net
(in US\$ millions)						
Property Reinsurance	\$14.5	\$4.6	\$19.1	\$4.5	\$(1.2)	\$3.3
Casualty Reinsurance	9.5	—	9.5	11.5	(1.8)	9.7
International Insurance	16.5	(0.1)	16.4	6.3	(4.4)	1.9
U.S. Insurance	(9.3)	8.5	(0.8)	0.7	—	0.7
Release in reserves for prior years during the period	<u>\$31.2</u>	<u>\$13.0</u>	<u>\$44.2</u>	<u>\$23.0</u>	<u>\$(7.4)</u>	<u>\$15.6</u>



## Aspen Insurance Holdings Limited

### Ratings Of Reinsurers

(in US\$ millions except for percentages)

	<u>As at September 30, 2009</u>		<u>As at December 31, 2008</u>	
<u>S&amp;P</u>				
AAA	\$5.8	1.7%	\$15.9	5.6%
AA-	62.8	18.8%	103.7	36.6%
A+	174.7	52.4%	98.8	34.9%
A	27.1	8.1%	6.9	2.4%
A-	20.2	6.1%	28.7	10.1%
Fully collateralized	2.0	0.6%	2.5	0.9%
Not rated	<u>40.9</u>	<u>12.3%</u>	<u>26.8</u>	<u>9.5%</u>
	<u>\$333.5</u>	<u>100.0%</u>	<u>\$283.3</u>	<u>100.0%</u>
<u>A.M. Best</u>				
A++	\$5.9	1.8%	\$15.9	5.6%
A+	33.5	10.0%	69.5	24.5%
A	245.7	73.7%	160.8	56.8%
A-	26.0	7.8%	28.6	10.1%
B	0.6	0.2%	—	—
Fully collateralized	2.0	0.6%	2.5	0.9%
Not rated	<u>19.8</u>	<u>5.9%</u>	<u>6.0</u>	<u>2.1%</u>
	<u>\$333.5</u>	<u>100.0%</u>	<u>\$283.3</u>	<u>100.0%</u>



## Aspen Insurance Holdings Limited Consolidated Investment Portfolio

	As At September 30, 2009				Percentage Of Total Fair Value				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	As At September 30, 2009	As At June 30, 2009	As At March 31, 2009	As At December 31, 2008	As At December 31, 2007
<b>(in US\$ millions except for percentages)</b>									
<b>Marketable Securities — Available For Sale</b>									
U.S. government	\$585.3	\$26.5	\$(0.6)	\$611.2	9.2%	10.2%	10.9%	10.9%	10.9%
U.S. government agency securities	387.3	27.1	(0.4)	414.0	6.2%	7.1%	6.5%	6.6%	5.6%
Municipal securities	20.0	1.0	—	21.0	0.3%	0.1%	0.1%	0.1%	—
Corporate securities	1,911.7	95.4	(1.0)	2,006.1	30.2%	31.7%	25.5%	23.8%	25.6%
Foreign government	423.0	16.8	(0.2)	439.6	6.6%	6.6%	5.7%	6.4%	7.2%
Asset-backed securities	139.7	5.8	(0.2)	145.3	2.2%	2.6%	2.9%	3.4%	3.8%
Mortgage-backed securities	1,152.5	54.1	(5.6)	1,201.0	18.1%	20.5%	21.4%	22.9%	20.8%
Total fixed maturities	4,619.5	226.7	(8.0)	4,838.2	72.8%	78.8%	73.0%	74.1%	73.9%
Short-term investments	427.6	—	—	427.6	6.4%	5.1%	4.8%	3.8%	4.8%
<b>Total Available For Sale</b>	<b>\$5,047.1</b>	<b>\$226.7</b>	<b>\$(8.0)</b>	<b>\$5,265.8</b>	<b>79.2%</b>	<b>83.9%</b>	<b>77.8%</b>	<b>77.9%</b>	<b>78.7%</b>
<b>Marketable Securities — Trading</b>									
U.S. government	\$3.0	\$0.1	—	\$3.1	0.1%	—	—	—	—
U.S. government agency securities	0.4	—	—	0.4	—	—	—	—	—
Municipal securities	1.7	0.1	—	1.8	—	0.1%	—	—	—
Corporate securities	315.0	15.7	(0.5)	330.2	5.0%	2.8%	1.8%	—	—
Foreign government	10.4	0.2	—	10.6	0.2%	—	—	—	—
Total fixed maturities	330.5	16.1	(0.5)	346.1	5.3%	2.9%	1.8%	—	—
Short-term investments	4.0	—	—	4.0	—	0.1%	0.1%	—	—
<b>Total Trading</b>	<b>\$334.5</b>	<b>\$16.1</b>	<b>\$(0.5)</b>	<b>\$350.1</b>	<b>5.3%</b>	<b>3.0%</b>	<b>1.9%</b>	<b>—</b>	<b>—</b>
<b>Other investments</b>									
				\$25.9	0.4%	0.4%	4.8%	4.9%	9.5%
<b>Cash</b>									
Accrued interest				948.8	14.3%	11.9%	15.0%	13.5%	11.0%
				54.0	0.8%	0.8%	0.5%	3.7%	0.8%
<b>Total Cash and Accrued Interest</b>				<b>\$1,002.8</b>	<b>15.1%</b>	<b>12.7%</b>	<b>15.5%</b>	<b>17.2%</b>	<b>11.8%</b>
<b>Total Cash and Investments</b>				<b>\$6,644.6</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

	As At September 30, 2009	
	Amortized Cost	Fair Market Value
<b>Maturity of Available For Sale Portfolio</b>		
Due in one year or less	\$300.3	\$305.2
Due after one year through five years	1,833.4	1,921.1
Due after five years through ten years	1,065.8	1,126.0
Due after ten years	127.8	139.6
Subtotal	3,327.3	3,491.9
Non-agency mortgage and other asset backed securities	372.1	383.4
Agency mortgage-backed securities	920.1	962.9
Total	<b>\$4,619.5</b>	<b>\$4,838.2</b>



## Aspen Insurance Holdings Limited

	<b>Investment Analysis</b>						
<b>(in US\$ millions except for percentages)</b>	<u><b>Q3 2009</b></u>	<u><b>Q2 2009</b></u>	<u><b>Q1 2009</b></u>	<u><b>Q4 2008</b></u>	<u><b>Q3 2008</b></u>	<u><b>Q2 2008</b></u>	<u><b>Q1 2008</b></u>
Net investment income from fixed income investments and cash	<b>\$58.9</b>	\$56.0	\$55.2	\$59.3	\$61.5	\$59.7	\$56.0
Net investment income (loss) from funds of hedge funds	<u>—</u>	<u>16.2</u>	<u>4.0</u>	<u>(49.0)</u>	<u>(42.2)</u>	<u>10.8</u>	<u>(16.9)</u>
Net investment income	<b>58.9</b>	72.2	59.2	10.3	19.3	70.5	39.1
Net realized investment gains (losses)	<b>13.5</b>	4.8	(12.2)	8.4	(58.1)	0.8	1.0
Change in unrealized gains (losses) on investments (gross of tax)	<u><b>107.4</b></u>	<u>41.7</u>	<u>3.3</u>	<u>138.3</u>	<u>(46.6)</u>	<u>(110.4)</u>	<u>44.4</u>
Total return on investments	<u><b>\$179.8</b></u>	<u>\$118.7</u>	<u>\$50.3</u>	<u>\$157.0</u>	<u>\$(85.4)</u>	<u>\$(39.1)</u>	<u>\$84.5</u>
<b>Portfolio Characteristics</b>							
Fixed income portfolio book yield	4.39%	4.43%	4.42%	4.64%	4.87%	4.84%	4.90%
Fixed income portfolio duration	3.26 years	3.16 years	2.90 years	3.12 years	3.51 years	3.58 years	3.35 years



## Aspen Insurance Holdings Limited

### Book Value Per Ordinary Share

<u>(in US\$ millions except for number of shares)</u>	<u>September 30, 2009</u>	<u>June 30, 2009</u>	<u>March 31, 2009</u>	<u>December 31, 2008</u>	<u>September 30, 2008</u>	<u>June 30, 2008</u>	<u>March 31, 2008</u>
Net assets	<b>\$3,212.1</b>	\$2,972.5	\$2,832.4	\$2,779.1	\$2,637.6	\$2,853.9	\$2,922.7
Less: Intangible assets	<b>(8.2)</b>	(8.2)	(8.2)	(8.2)	(8.2)	(8.2)	(8.2)
Preference shares	<b>(353.6)</b>	(353.6)	(353.6)	(419.2)	(419.2)	(419.2)	(419.2)
Total	<b><u>\$2,850.3</u></b>	<u>\$2,610.7</u>	<u>\$2,470.6</u>	<u>\$2,351.7</u>	<u>\$2,210.2</u>	<u>\$2,426.5</u>	<u>\$2,495.3</u>
Ordinary shares outstanding (in millions)	<b><u>83.095</u></b>	<u>83.022</u>	<u>82.763</u>	<u>81.507</u>	<u>81.450</u>	<u>81.321</u>	<u>85.395</u>
Ordinary shares and dilutive potential ordinary shares (in millions)	<b><u>86.193</u></b>	<u>85.985</u>	<u>84.832</u>	<u>83.706</u>	<u>84.325</u>	<u>83.691</u>	<u>87.607</u>
Book value per ordinary share	<b><u>\$34.30</u></b>	<u>\$31.45</u>	<u>\$29.85</u>	<u>\$28.85</u>	<u>\$27.14</u>	<u>\$29.84</u>	<u>\$29.22</u>
Diluted book value per ordinary share (treasury stock method)	<b><u>\$33.07</u></b>	<u>\$30.36</u>	<u>\$29.12</u>	<u>\$28.10</u>	<u>\$26.21</u>	<u>\$28.99</u>	<u>\$28.48</u>

The dilutive effect of options has been calculated using the treasury stock method. The treasury stock method assumes that the proceeds received from the exercise of options will be used to purchase the Company's ordinary shares at the average market price during the period of calculation.



## Aspen Insurance Holdings Limited

### Diluted Share Analysis

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Weighted Average Ordinary Shares Outstanding (millions)				
Basic	<b>83.057</b>	81.376	<b>82.520</b>	83.459
Dilutive share equivalents:				
Employee options	<b>0.847</b>	—	<b>0.720</b>	1.178
Options issued to Appleby Trust (Bermuda) Limited (Names Trust)	<b>0.314</b>	—	<b>0.245</b>	0.267
Performance shares	<b>1.600</b>	—	<b>1.288</b>	0.978
Restricted share units	<b>0.175</b>	—	<b>0.179</b>	0.232
Weighted average diluted shares outstanding	<b><u>85.993</u></b>	<u>81.376</u>	<b><u>84.952</u></b>	<u>86.114</u>

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.

The dilutive effect of options has been calculated using the treasury stock method. The treasury stock method assumes that the proceeds received from the exercise of options will be used to purchase the Company's ordinary shares at the average market price during the period of calculation.



## Aspen Insurance Holdings Limited

### Operating Income Reconciliation

Net income is adjusted to exclude after-tax net foreign exchange gains and losses, realized gains and losses in investments and preference share repurchase gains in the first quarter of 2009.

<b>(in US\$ millions except where stated)</b>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30, 2009</b>	<b>September 30, 2008</b>	<b>September 30, 2009</b>	<b>September 30, 2008</b>
Net income (loss) as reported	<b>\$145.8</b>	\$(126.1)	<b>\$347.6</b>	\$82.0
Preference share dividends	<b>(5.6)</b>	(6.9)	<b>(18.3)</b>	(20.8)
Preference share repurchase gain	<u>—</u>	<u>—</u>	<u>31.5</u>	<u>—</u>
Net income (loss) available to ordinary shareholders	<b>\$140.2</b>	(133.0)	<b>\$360.8</b>	61.2
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	<b>(7.9)</b>	2.7	<b>(8.7)</b>	3.4
Net realized (gains) losses on investments	<b>(12.3)</b>	47.2	<b>(3.8)</b>	45.6
Preference share repurchase (gain)	<u>—</u>	<u>—</u>	<u>(31.5)</u>	<u>—</u>
Operating income (loss) after tax available to ordinary shareholders	<b>120.0</b>	(83.1)	<b>316.8</b>	110.2
Tax on operating income	<b>23.0</b>	(8.9)	<b>57.6</b>	27.5
Operating income (loss) before tax available to ordinary shareholders	<b>\$143.0</b>	\$(92.0)	<b>\$374.4</b>	\$137.7
<b>Weighted average ordinary shares outstanding</b> (millions)				
Basic	<b>83.057</b>	81.376	<b>82.520</b>	83.459
Dilutive share equivalents:				
Employee options	<b>0.847</b>	—	<b>0.720</b>	1.178
Options issued to Appleby Trust (Bermuda) Limited (Names Trust)	<b>0.314</b>	—	<b>0.245</b>	0.267
Performance shares	<b>1.600</b>	—	<b>1.288</b>	0.978
Restricted share units	<b>0.175</b>	—	<b>0.179</b>	0.232
Weighted average diluted shares outstanding	<b><u>85.993</u></b>	<u>81.376</u>	<b><u>84.952</u></b>	<u>86.114</u>
<b>Basic earnings per ordinary share</b>				
Net income (loss) adjusted for preference share dividend and preference share repurchase gain	<b>\$1.69</b>	\$(1.63)	<b>\$4.37</b>	\$0.73
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	<b>(0.10)</b>	0.03	<b>(0.11)</b>	0.04
Net realized (gains) losses on investments	<b>(0.15)</b>	0.58	<b>(0.04)</b>	0.55
Preference share repurchase (gain)	<u>—</u>	<u>—</u>	<u>(0.39)</u>	<u>—</u>
Operating income (loss) adjusted for preference shares dividend	<b><u>\$1.44</u></b>	<u>\$(1.02)</u>	<b><u>\$3.83</u></b>	<u>\$1.32</u>
<b>Diluted earnings per ordinary share</b>				
Net income (loss) adjusted for preference share dividend and preference share repurchase gain	<b>\$1.63</b>	\$(1.63)	<b>\$4.25</b>	\$0.71
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	<b>(0.09)</b>	0.03	<b>(0.10)</b>	0.04
Net realized (gains) losses on investments	<b>(0.14)</b>	0.58	<b>(0.05)</b>	0.53
Preference share repurchase (gain)	<u>—</u>	<u>—</u>	<u>(0.38)</u>	<u>—</u>
Operating income (loss) adjusted for preference shares dividend	<b><u>\$1.40</u></b>	<u>\$(1.02)</u>	<b><u>\$3.72</u></b>	<u>\$1.28</u>

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.



## Aspen Insurance Holdings Limited

### Net Income Reconciliation

Net income is adjusted to exclude after-tax net income or losses from investments in funds of hedge funds and preference share repurchase gain. Gains and losses on the hedge funds are recognized through the income statement in accordance with the equity method of accounting.

<u>(in US\$ millions except where stated)</u>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30, 2009</b>	<b>September 30, 2008</b>	<b>September 30, 2009</b>	<b>September 30, 2008</b>
Net income (loss) available to ordinary shareholders	<b>\$140.2</b>	\$(133.0)	<b>\$360.8</b>	\$61.2
Add (deduct) after tax income:				
(Income) loss from funds of hedge funds	—	42.2	<b>(20.2)</b>	48.3
Tax on income/loss from funds of hedge funds	—	(7.9)	<b>1.3</b>	(8.8)
Preference share repurchase (gain)	—	—	<b>(31.5)</b>	—
Adjusted net income (loss)	<u><b>\$140.2</b></u>	<u>\$(98.7)</u>	<u><b>\$310.4</b></u>	<u>\$100.7</u>
<b>Weighted average ordinary shares outstanding</b> (millions)				
Basic	<b>83.057</b>	81.376	<b>82.520</b>	83.459
Dilutive share equivalents:				
Employee options	<b>0.847</b>	—	<b>0.720</b>	1.178
Options issued to Appleby Trust (Bermuda) Limited (Names Trust)	<b>0.314</b>	—	<b>0.245</b>	0.267
Performance shares	<b>1.600</b>	—	<b>1.288</b>	0.978
Restricted share units	<b>0.175</b>	—	<b>0.179</b>	0.232
Weighted average diluted shares outstanding	<u><b>85.993</b></u>	<u>81.376</u>	<u><b>84.952</b></u>	<u>86.114</u>
<b>Basic earnings per ordinary share</b>				
Net income (loss) adjusted for preference share dividend and cancellation of preference shares	<b>\$1.69</b>	\$(1.63)	<b>\$4.37</b>	\$0.73
Add (deduct) after tax income:				
(Income) loss from investments in funds of hedge funds	—	0.52	<b>(0.24)</b>	0.58
Tax on income/loss from investments in funds of hedge funds	—	(0.10)	<b>0.02</b>	(0.10)
Preference share repurchase (gain)	—	—	<b>(0.39)</b>	—
Adjusted net income (loss) per share	<u><b>\$1.69</b></u>	<u>\$(1.21)</u>	<u><b>\$3.76</b></u>	<u>\$1.21</u>
<b>Diluted earnings per ordinary share</b>				
Net income (loss) adjusted for preference share dividend and cancellation of preference shares	<b>\$1.63</b>	\$(1.63)	<b>\$4.25</b>	\$0.71
Add (deduct) after tax income:				
(Income) loss from investments in funds of hedge funds	—	0.52	<b>(0.24)</b>	0.56
Tax on income/loss from investments in funds of hedge funds	—	(0.10)	<b>0.02</b>	(0.10)
Preference share repurchase (gain)	—	—	<b>(0.38)</b>	—
Adjusted net income (loss) per share	<u><b>\$1.63</b></u>	<u>\$(1.21)</u>	<u><b>\$3.65</b></u>	<u>\$1.17</u>

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.





## Aspen Insurance Holdings Limited

### Adjusted Operating Income Reconciliation

Net income is adjusted to exclude after-tax net foreign exchange gains and losses, after-tax realized gains and losses on investments, after-tax net gains and losses from our investments in funds of hedge funds and preference share repurchase gains in the first quarter of 2009.

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30, 2009</b>	<b>September 30, 2008</b>	<b>September 30, 2009</b>	<b>September 30, 2008</b>
<b>(in US\$ millions except where stated)</b>				
Net income (loss) available to ordinary shareholders	<b>\$140.2</b>	\$(133.0)	<b>\$360.8</b>	\$61.2
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	(7.9)	2.7	(8.7)	3.4
Net realized (gains) losses on investments	(12.3)	47.2	(3.8)	45.6
(Income) loss from investments in funds of hedge funds	—	34.3	(18.9)	39.5
Preference share repurchase (gain)	—	—	(31.5)	—
Adjusted operating income (loss) adjusted for preference share dividend	<u><b>\$120.0</b></u>	<u>\$(48.8)</u>	<u><b>\$297.9</b></u>	<u>\$149.7</u>
<b>Weighted average ordinary shares outstanding (millions)</b>				
Basic	<b>83.057</b>	81.376	<b>82.520</b>	83.459
Dilutive share equivalents:				
Employee options	<b>0.847</b>	—	<b>0.720</b>	1.178
Options issued to Appleby Trust (Bermuda) Limited (Names Trust)	<b>0.314</b>	—	<b>0.245</b>	0.267
Performance shares	<b>1.600</b>	—	<b>1.288</b>	0.978
Restricted share units	<b>0.175</b>	—	<b>0.179</b>	0.232
Weighted average diluted shares outstanding	<u><b>85.993</b></u>	<u>81.376</u>	<u><b>84.952</b></u>	<u>86.114</u>
<b>Basic earnings per ordinary share</b>				
Net income (loss) available to ordinary shareholders	<b>\$1.69</b>	\$(1.63)	<b>\$4.37</b>	\$0.73
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	(0.10)	0.03	(0.11)	0.04
Net realized (gains) losses on investments	(0.15)	0.58	(0.04)	0.55
(Income) loss from investments in funds of hedge funds	—	0.42	(0.23)	0.47
Preference share repurchase (gain)	—	—	(0.39)	—
Adjusted operating income (loss) adjusted for preference share dividend	<u><b>\$1.44</b></u>	<u>\$(0.60)</u>	<u><b>\$3.60</b></u>	<u>\$1.79</u>
<b>Diluted earnings per ordinary share</b>				
Net income (loss) adjusted for preference share dividend and cancellation of preference shares	<b>\$1.63</b>	\$(1.63)	<b>\$4.24</b>	\$0.71
Add (deduct) after tax income:				
Net foreign exchange (gains) losses	(0.09)	0.03	(0.10)	0.04
Net realized (gains) losses on investments	(0.14)	0.58	(0.04)	0.53
(Income) loss from investments in funds of hedge funds	—	0.42	(0.22)	0.46
Preference share repurchase (gain)	—	—	(0.38)	—
Adjusted operating income (loss) adjusted for preference share dividend	<u><b>\$1.40</b></u>	<u>\$(0.60)</u>	<u><b>\$3.50</b></u>	<u>\$1.74</u>

The basic and diluted number of ordinary shares for the three months ended September 30, 2008 are the same, as the inclusion of dilutive securities in a loss making period would be anti-dilutive.