



# AXIS Capital Holdings Limited 2016 Loss Development Triangles

June 14, 2017

## **AXIS Capital Holdings Limited 2016 Loss Development Triangles**

### **Loss Development Triangle Cautionary Language**

This report is for informational purposes only and is as of December 31, 2016. We are under no obligation and do not expect to update or revise this report, whether as a result of new information, future events or otherwise, even when such new data has been reflected in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC") or other disclosures. Although the loss development patterns disclosed in this report are an important factor in the process used to estimate loss reserve requirements, they are not the only factors we consider in establishing reserves. The process for establishing reserves is subject to considerable variability and requires the use of informed estimates and judgments. Important details, such as specific loss development expectations for particular contracts, years or events, cannot be developed solely by analyzing the information provided in this report. In addition to analyzing loss development information, we incorporate additional information into the reserving process, such as pricing and market conditions. Readers must keep these and other qualifications more fully described in this report in mind when reviewing this information. This report should be read in conjunction with other documents filed by AXIS Capital Holdings Limited ("AXIS" or the "Company") with the SEC, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

### **Safe Harbor for Forward-Looking Statements**

Some of the statements in this report may include forward-looking statements which reflect management's current views with respect to future events and financial performance. Such statements may include forward-looking statements both with respect to the Company in general and the insurance and reinsurance sectors specifically, both as to underwriting and investment matters. Statements which include the words "expect," "intend," "plan," "believe," "project," "anticipate," "seek," "will," and similar statements of a future or forward-looking nature identify forward-looking statements in this report for purposes of the U.S. federal securities laws or otherwise. The Company intends these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the Private Securities Litigation Reform Act of 1995.

All forward-looking statements address matters that involve risks and uncertainties. Actual events or results may differ materially from our expectations. Important factors that could cause actual events or results to be materially different from our expectations include (1) the occurrence and magnitude of natural and man-made disasters, (2) actual claims exceeding our loss reserves, (3) general economic, capital and credit market conditions, (4) the failure of any of the loss limitation methods we employ, (5) the effects of emerging claims, coverage and regulatory issues, including uncertainty related to coverage definitions, limits, terms and conditions, (6) the failure of our cedants to adequately evaluate risks, (7) inability to obtain additional capital on favorable terms, or at all, (8) the loss of one or more key executives, (9) a decline in our ratings with rating agencies, (10) the loss of business provided to us by our major brokers, (11) changes in accounting policies or practices, (12) the use of industry catastrophe models and changes to these models, (13) changes in governmental regulations, (14) increased competition, (15) changes in the political environment of certain countries in which we operate or underwrite business, (16) fluctuations in interest rates, credit spreads, equity prices and/or currency values, and (17) the other factors set forth in our most recent report on Form 10-K, Form 10-Q and other documents on file with the SEC. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**TABLE OF CONTENTS**

|                                                                       | <b>PAGE</b>      |
|-----------------------------------------------------------------------|------------------|
| <b>I. PURPOSE AND SCOPE</b>                                           | <b><u>1</u></b>  |
| <b>II. DESCRIPTION OF DATA PRESENTED</b>                              | <b><u>2</u></b>  |
| i) General                                                            | <u>2</u>         |
| ii) Accident Year Basis                                               | <u>3</u>         |
| iii) Selection of Reserving Classes                                   | <u>4</u>         |
| iv) Large Loss Events                                                 | <u>4</u>         |
| v) Foreign Exchange                                                   | <u>5</u>         |
| vi) Ceded Reinsurance                                                 | <u>5</u>         |
| vii) Credit and Political Risk Reserving                              | <u>6</u>         |
| <b>III. RECONCILIATIONS</b>                                           | <b><u>6</u></b>  |
| i) Unpaid Losses                                                      | <u>6</u>         |
| ii) Reserving Classes to Reported Lines of Business                   | <u>7</u>         |
| <b>IV. CONSOLIDATED LOSS TRIANGLES</b>                                | <b><u>8</u></b>  |
| i) Observations                                                       | <u>8</u>         |
| ii) Triangle Data                                                     | <u>10</u>        |
| iii) Large Catastrophe Loss Events Table                              | <u>13</u>        |
| <b>V. INSURANCE SEGMENT</b>                                           | <b><u>14</u></b> |
| i) Reserving Class Descriptions                                       | <u>14</u>        |
| ii) Triangle Data                                                     | <u>19</u>        |
| Consolidated                                                          | <u>19</u>        |
| Property and Other                                                    | <u>22</u>        |
| Marine                                                                | <u>25</u>        |
| Aviation                                                              | <u>28</u>        |
| Credit and Political Risk                                             | <u>31</u>        |
| Professional Lines                                                    | <u>34</u>        |
| Liability                                                             | <u>37</u>        |
| <b>VI. REINSURANCE SEGMENT</b>                                        | <b><u>40</u></b> |
| i) Reserving Class Descriptions                                       | <u>40</u>        |
| ii) Triangle Data                                                     | <u>46</u>        |
| Consolidated                                                          | <u>46</u>        |
| Property and Other                                                    | <u>49</u>        |
| Credit and Surety                                                     | <u>52</u>        |
| Professional Lines                                                    | <u>55</u>        |
| Motor                                                                 | <u>58</u>        |
| Liability                                                             | <u>67</u>        |
| <b>VII. SELECTED DISCLOSURES FROM 2016 ANNUAL REPORT ON FORM 10-K</b> | <b><u>70</u></b> |
| <b>VIII. GLOSSARY</b>                                                 | <b><u>78</u></b> |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**I. PURPOSE AND SCOPE**

This is our ninth publication of loss development triangles, providing updated information for our Insurance and Reinsurance segments as of December 31, 2016. The information presented in this document will update your understanding of the loss development characteristics of our business and provide further insight into the general pattern of loss payment and loss reporting for each of our loss reserving classes.

Although we believe the data presented in this document will aid the understanding of critical loss development characteristics of our business, you should be aware that loss payment and loss reporting patterns are not the only considerations in establishing loss reserves. We caution that an attempt to evaluate our loss reserves using solely the data presented here could be misleading. The accident year data presented in this document represents a high level summary of the data we use for our own loss reserve evaluations. Important details, such as specific loss development expectations for particular contracts, years, or events cannot be developed by solely analyzing information at this level. Furthermore, in addition to analyzing loss development information, we incorporate additional information, such as pricing and market conditions, in our loss reserve analysis. Section VII provides a high level description of our reserving processes.

We strongly recommend that you refer to the data discussion in Section II before attempting to use the data for further analysis.

We also caution strongly against mechanical application of standard actuarial methodologies to project ultimate losses and loss reserves using triangles presented in this report. Mechanical application of reserving methods will fail to take into account several important factors including the following:

- i. Premium volume for several reserving classes has increased notably since our inception. As older years refer to a substantially smaller volume of premiums and claims, inferences drawn from patterns relating to those years may lack actuarial credibility. Therefore mechanical application of such techniques would not be appropriate.
- ii. Pricing conditions change over the years. The extrapolation of loss ratios from prior periods to current conditions would not be appropriate.
- iii. Several reserving classes are affected by the presence of large losses, including catastrophes. Loss development for years with a sizeable component of large losses may differ significantly from those years unaffected by large losses. Refer to Section II(iv) for further discussion.
- iv. The composition of the portfolio has changed over time for several reserving classes. In some cases, these changes have been material. Trends derived from a summary of loss development data cannot capture all of these changes. Sections V(i) and VI(i) provide a high level summary of key changes in the underlying business composition in each of the reserving classes.

Without incorporating this and other critical information, inferences derived from a direct extrapolation of loss development triangles in this report have the potential to produce inappropriate results.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**II. DESCRIPTION OF DATA PRESENTED**

AXIS was formed in late 2001. Therefore, all underwriting data is for periods from 2002 onwards. For some lines of business, less historical data is available as those lines were added more recently.

**i) General**

This document provides accident year summary exhibits, on a gross and net basis, as of December 31, 2016. These summaries include written, ceded and earned premiums, paid losses, case reserves, case incurred losses, incurred but not reported losses ("IBNR") and ultimate losses on a gross and net basis. This document also provides net loss development triangles including paid loss data, case incurred loss data and ultimate loss data. Loss adjustment expenses (both allocated and unallocated) are included in each loss amount. Data is presented in thousands of U.S. dollars. Amounts may not reconcile due to rounding differences.

We do not discount our unpaid losses and loss expense reserves. Intercompany reinsurance transactions have not been reflected in the triangles.

Refer to Section III(i) for a reconciliation of the loss reserves in the triangles to those presented in our consolidated financial statements at December 31, 2016.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**ii) Accident Year Basis**

Our loss development triangles and summary exhibits are presented on an accident year basis for both our Insurance and Reinsurance segments. We primarily rely on accident year information for our Insurance segment internal reserve analysis. In our Reinsurance segment, we generally utilize underwriting year information for our internal reserve analysis and subsequently allocate paid losses and reserves to respective accident years for reporting purposes. Beginning with our 2013 loss development triangles, we show incremental development data only for the latest ten accident years, more generally consistent with the presentation format followed by the U.S. statutory Schedule P for longer tailed lines of business. For earlier ("prior") calendar years and accident years, some triangle exhibits display aggregate amounts for those periods on a combined basis rather than on an individual year basis.

The multi-year nature of the Credit and Political Risk business within our Insurance segment inherently distorts results when a single accident year is reviewed in isolation. The premium we receive on these contracts is generally earned evenly over the contract term, thus spanning multiple accident years. In contrast, losses incurred on these contracts, which can be characterized as low in frequency and high in severity, are reflected in a single accident year (the year during which loss event occurred). When a loss exhausts our exposure on a Credit and Political Risk contract, we accelerate the recognition of any remaining unearned premium where we are entitled to it. As a result of these characteristics, comparative analyses on a single accident year basis for this business are less meaningful than those for our other reserving classes. The results of our Credit and Political Risk business are more appropriately and meaningfully analyzed on an inception to date basis.

The main difficulty in presenting accident year triangles for the Reinsurance segment relates to the allocation of loss information on proportional treaties to the appropriate accident years. As an example, many proportional treaty reinsurance contracts are submitted using quarterly bordereau reporting by underwriting year, with a supplemental listing of large losses. The large losses can be accurately allocated to the corresponding accident years. However, the remaining losses can generally only be allocated to accident years based on estimated premium earning and loss reporting patterns. To the extent management's assumptions and allocation procedures differ from the actual loss development patterns, the actual loss development may differ materially from the loss development presented in this report.

During 2014, AXIS refined the methodology for allocating losses from proportional treaties to accident year resulting in some reallocations of paid and case losses, mostly on the older accident years of the Property and Other and the Motor Proportional classes. We note that these reallocations of losses between accident years, while relatively limited in size and only impacting the third to last diagonal of the triangles, may still distort the use of standard loss development approaches to analyzing the triangle data.

Refer to the Glossary in Section VIII for definitions of Accident and Underwriting year.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**iii) Selection of Reserving Classes**

Triangles are provided in reserving classes, six for our Insurance segment, and five for our Reinsurance segment, as follows:

**Insurance Segment**

- Property and Other
- Marine
- Aviation
- Credit and Political Risk
- Professional Lines
- Liability

**Reinsurance Segment**

- Property and Other
- Credit and Surety
- Professional Lines
- Motor
- Liability

The underlying business within a given class generally shares similar loss development characteristics. We analyze loss development trends based on data for each of our many internal reserving classes. Our internal reserving classes have been consolidated into the eleven reserving classes presented herein. Within the Reinsurance Motor reserving class, we also provide supplementary triangles for Motor Non-Proportional and Motor Proportional classes. While Motor Non-proportional represents nearly 72% of the reserves in the Motor reserving class, the growth in the Motor Proportional business since 2010 impacts the most recent years' development patterns for the Motor reserving class as a whole. Further details on the nature of the business included within each of the classes above are provided in Sections V(i) and VI(i). The user should read these sections carefully as they provide important information on the nature of the underlying business as well as historical changes in business mix that impact the loss reserve analysis.

**iv) Large Loss Events**

Catastrophes

The occurrence of large insured natural catastrophe events can contribute to complex coverage issues. This tends to extend the loss development profiles for property classes in years where such events occur, relative to years characterized by comparatively benign catastrophe activity.

The triangles are unadjusted with respect to significant loss events/catastrophes, specifically:

- the Atlantic hurricanes of 2004, namely Charley, Frances, Ivan, and Jeanne;
- the Atlantic hurricanes of 2005, namely Katrina, Rita and Wilma;
- the Atlantic hurricanes of 2008, namely Ike and Gustav;
- the 2010 earthquakes in Chile and New Zealand;
- the 2011 February New Zealand earthquake and the Japanese earthquake and tsunami; and
- Storm Sandy in 2012.

While not exhaustive, we consider that these events may lead to lengthening of development profiles for their respective accident years.

Our projected loss reserves for catastrophe events are based on ground-up assessments of our in-force contracts and treaties providing coverage in the affected regions. These assessments take into account the latest information available from clients, brokers and loss adjusters. In addition, we also consider current

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

industry insured loss estimates, market share analyses and catastrophe modeling analyses, when appropriate. For further information, refer to the excerpt from our 2016 Annual Report on Form 10-K in Section VII.

Separate information on these catastrophe losses is provided in Section IV(iii).

Global Financial Crisis

From 2007 through 2009, worldwide financial markets experienced unprecedented volatility and disruption. As a result of these events, the following reserving classes have been impacted:

- Professional Lines (2007 through 2009 accident years)
- Credit and Political Risk Insurance/Credit and Surety Reinsurance (primarily 2008 and 2009 accident years)

There continue to be relatively high levels of uncertainty around the ultimate outcome on the 2007 through 2009 accident years. This is mainly attributable to both the higher than average volume of reported claims on these years, as well as the higher proportion of open claims, relative to earlier accident years at the same stage of development. Given the significance of the global financial crisis, we believe that loss development patterns on these accident years may differ from other years. In light of this, we separately evaluate the latest available claims information for each reserving class impacted by the global financial crisis, in addition to considering actuarial indications.

Our reserves for the classes affected by the global financial crisis are based on a ground-up probabilistic loss analysis of our exposures, combined with a detailed analysis of known claims.

**v) Foreign Exchange**

All foreign denominated premium data is converted at the inception date of the policy. Non-U.S. denominated loss data is generally converted at the date of loss, and, in some cases, the inception date of the contract if the date of loss is indeterminable. Fluctuations in currency exchange rates could cause material shifts in loss development. Our reserves for losses and loss expenses, as disclosed in our consolidated financial statements, are revalued using the exchange rate at the Balance Sheet date and therefore revaluation of reserves represents a reconciling item to the data presented in this document (See Section III(i) for a reconciliation of total reserves as at December 31, 2016).

**vi) Ceded Reinsurance**

Reinsurance premiums ceded are expensed over the period the reinsurance coverage is provided. Where possible, reinsurance ceded is directly allocated to the specific lines of business covered. When aggregate or whole account protection (covering multiple lines of business) has been purchased, the reinsurance ceded premiums have generally been allocated to the underlying lines of business in proportion to the respective gross premiums written.



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**vii) Credit and Political Risk Reserving**

An important and distinguishing feature of many of our Insurance segment's Credit and Political Risk policies is our contractual right, subsequent to payment of a claim to our insured, to be subrogated to, or otherwise have an interest in, the insured's rights of recovery under an insured loan or facility agreement. In these instances, we recognize a loss and a corresponding estimate of the value of the applicable recoveries and pay the claim. The estimated recoveries are recorded as an offset to the related loss provisions. The time period between the date of a claim payment and our ultimate recovery from the corresponding security can result in negative case reserves at a point in time (as was the case at December 31, 2016). While a loss payment is reflected in gross paid losses, the associated potential recovery continues to be reflected as an offset to the gross case reserve balance.

The nature of the underlying recoverable assets is specific to each transaction. Management estimates the value of these assets on a contract-by-contract basis. This valuation process is inherently subjective and involves the application of management's judgment because active markets for these assets often do not exist. Our estimates of value are based on numerous inputs, including information provided by our insureds, as well as third party sources including rating agencies, asset valuation specialists and other publicly available information.

When handling a claim under one of our Credit or Political Risk policies, we, in some instances upon becoming aware of a loss event, negotiate a final settlement of all of our policy liabilities for a fixed amount. In most circumstances, this occurs when the insured moves to realize the benefit of the collateral that underlies the insured loan or facility and presents us with a net settlement proposal that represents a full and final payment by us under the terms of the policy. In consideration for this payment, we secure a cancellation of the policy, or a release of all claims, and waive our right to pursue a recovery of these settlement payments against the security that may have been available to us under the insured loan or facility agreement. In certain circumstances, cancellation by way of net settlement or full payment can result in an adjustment of the net premium to be received and earned on the policy.

**viii) Changes since the 2015 year-end publication**

In order to be consistent with the financial statements, for the 2016 year-end publication the triangulated information is now shown net of reinsurance rather than gross. This leads to a more direct reconciliation between the triangles and the net financial results. However, we note the gross triangles can continue to be created from the current summary report tables and the historical gross triangles.

There have been no other significant changes to the presentation of the information including new class breakouts or large loss disclosures.

**III. RECONCILIATIONS**

**i) Reconciliation of Unpaid Losses**

The following table reconciles the reserves for loss and loss expenses as of December 31, 2016 as reported in our consolidated financial statements in accordance with U.S. GAAP to the reserves for loss and loss expenses included in the triangles (all amounts in thousands, on a net basis).

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Reconciliation of Net Unpaid Losses and Loss Adjustment Expenses ("LAE")**

|                                                                                               |              |
|-----------------------------------------------------------------------------------------------|--------------|
| Consolidated triangles unpaid losses and LAE                                                  | \$ 8,031,270 |
| Impact of foreign exchange revaluation on reserves                                            | (473,008)    |
| Acquired reserves and other*                                                                  | 12,784       |
| Reserves for losses and loss expenses per December 31, 2016 consolidated financial statements | \$ 7,571,046 |

\* This item primarily relates to reserves assumed following the acquisitions of Royal & Sun Alliance Personal Insurance Company (November 2002), Connecticut Specialty Insurance Company (October 2002), Sheffield Insurance Corporation (February 2003) and Fireman's Fund Insurance Company of Wisconsin (August 2005) as part of establishing our U.S. operations. Substantially all of these acquired reserves are ceded back to an affiliate of the seller and are excluded from the triangles as they are not considered indicative of our ongoing underwriting operations.

**ii) Reconciliation of Reserving Classes to Reported Lines of Business**

The following tables reconcile reserving classes in this report to the lines of business categories and the expected claim tails which are included in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

**Insurance Segment**

| Reserving Classes         | Tail         | Reported Lines of Business |        |           |          |                           |                    |           |                   |
|---------------------------|--------------|----------------------------|--------|-----------|----------|---------------------------|--------------------|-----------|-------------------|
|                           |              | Property                   | Marine | Terrorism | Aviation | Credit and Political Risk | Professional Lines | Liability | Accident & Health |
| Property and Other        | Short/Medium | X                          |        | X         |          |                           |                    |           | X                 |
| Marine                    | Short/Medium |                            | X      |           |          |                           |                    |           |                   |
| Aviation                  | Short/Medium |                            |        |           | X        |                           |                    |           |                   |
| Credit and Political Risk | Short/Medium |                            |        |           |          | X                         |                    |           |                   |
| Professional Lines        | Medium/Long  |                            |        |           |          |                           | X                  |           |                   |
| Liability                 | Long         |                            |        |           |          |                           |                    | X         |                   |

**Reinsurance Segment**

| Reserving Classes  | Tail         | Reported Lines of Business |          |                   |                    |       |           |             |             |       |
|--------------------|--------------|----------------------------|----------|-------------------|--------------------|-------|-----------|-------------|-------------|-------|
|                    |              | Catastrophe                | Property | Credit and Surety | Professional Lines | Motor | Liability | Engineering | Agriculture | Other |
| Property and Other | Short/Medium | X                          | X        |                   |                    |       |           | X           | X           | X     |
| Credit and Surety  | Short/Medium |                            |          | X                 |                    |       |           |             |             |       |
| Professional Lines | Medium/Long  |                            |          |                   | X                  |       |           |             |             |       |
| Motor              | Long         |                            |          |                   |                    | X     |           |             |             |       |
| Liability          | Long         |                            |          |                   |                    |       | X         |             |             |       |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**IV. CONSOLIDATED LOSS TRIANGLES**

**i) Observations**

Based on the December 31, 2016 data presented in this report, we believe the following general observations are noteworthy:

- Inception to date net premiums written for our Insurance and Reinsurance segments has been fairly evenly split at 47% and 53%, respectively. The overall inception to date net ultimate loss ratio is 60.2%. The net ultimate loss ratio for Insurance is 58.5% and the net ultimate loss ratio for Reinsurance is 61.7%. The most notable items impacting the ultimate loss ratio are the large loss events outlined in Section II(iv), which had a more significant impact on the Reinsurance segment.
- The majority of favorable net prior year reserve development emerged from the Property and Other reserving classes in Insurance and Reinsurance. The key actuarial assumptions for our short-tail business in our early accident years were primarily developed with reference to industry benchmarks for both expected loss ratios and loss development patterns. As our own historical loss experience amassed, it gained credibility and became relevant for consideration in establishing these key actuarial assumptions. As a result, we gradually increased the weighting assigned to our own historical experience in selecting the expected loss ratios and loss development patterns utilized to establish our estimates of ultimate losses for an accident year. Due to the relatively short reporting and settlement patterns for our short-tail business, we generally place more weight upon experience-based methods and other qualitative considerations in establishing reserves for our most recent accident years. Our estimates for more mature accident years are generally based on actuarial methods that are more responsive to actual experience, such as the Loss Development Method. As our experience developed more favorably than our initial expectations, we recognized favorable prior year development (see Section VII). Historical reserve development may not be an appropriate indicator of future results.
- Our ceded ultimate loss ratio on an inception to date basis is 63.8% while the gross ultimate loss ratio is 60.9%. This difference is primarily attributable to the performance of accident years 2004, 2005 and 2012. In these years, we benefited from the ceded reinsurance program responding favorably to the nature of the underlying losses experienced.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

- The following table shows inception to date net IBNR reserves in relation to total gross reserves as of December 31, 2016 by reserving class (amounts other than percentages in thousands):

**AXIS Capital Holdings Limited**  
**Net IBNR as a % of Total Net Reserves**

|                           | <b>Total Net<br/>Reserves</b> | <b>IBNR</b>         | <b>IBNR as a % of<br/>Total Net<br/>Reserves</b> |
|---------------------------|-------------------------------|---------------------|--------------------------------------------------|
| <b><u>Insurance</u></b>   |                               |                     |                                                  |
| Property and Other        | \$ 598,408                    | \$ 288,198          | 48.2%                                            |
| Marine                    | 260,045                       | 102,514             | 39.4%                                            |
| Aviation                  | 54,948                        | 20,739              | 37.7%                                            |
| Credit and Political Risk | 54,084                        | 74,511              | nm                                               |
| Professional Lines        | 1,878,934                     | 1,403,394           | 74.7%                                            |
| Liability                 | 574,641                       | 437,748             | 76.2%                                            |
| <b>Insurance Total</b>    | <b>\$ 3,421,057</b>           | <b>\$ 2,327,105</b> | <b>68.0%</b>                                     |
| <b><u>Reinsurance</u></b> |                               |                     |                                                  |
| Property and Other        | \$ 858,075                    | \$ 397,500          | 46.3%                                            |
| Credit and Surety         | 392,984                       | 237,881             | 60.5%                                            |
| Professional Lines        | 1,197,421                     | 883,674             | 73.8%                                            |
| Motor                     | 1,035,878                     | 525,595             | 50.7%                                            |
| Liability                 | 1,125,860                     | 842,722             | 74.9%                                            |
| <b>Reinsurance Total</b>  | <b>\$ 4,610,213</b>           | <b>\$ 2,887,369</b> | <b>62.6%</b>                                     |
| <b>Consolidated Total</b> | <b>\$ 8,031,270</b>           | <b>\$ 5,214,474</b> | <b>64.9%</b>                                     |

nm - not meaningful

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Consolidated Total**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 13,396,880      | 11,420,916     | 5,600,115   | 148,084       | 5,748,134            | 192,523   | 5,940,655       | 52.0%               |
| 2007           | 3,590,090       | 3,459,816      | 1,296,249   | 109,977       | 1,406,210            | 91,869    | 1,498,077       | 43.3%               |
| 2008           | 3,390,388       | 3,374,076      | 2,017,049   | 193,438       | 2,210,479            | 152,069   | 2,362,549       | 70.0%               |
| 2009           | 3,587,295       | 3,540,298      | 1,673,315   | 165,935       | 1,839,215            | 156,676   | 1,995,892       | 56.4%               |
| 2010           | 3,750,537       | 3,632,175      | 1,713,888   | 177,372       | 1,891,331            | 283,200   | 2,174,530       | 59.9%               |
| 2011           | 4,096,154       | 3,973,955      | 2,551,191   | 279,693       | 2,831,022            | 386,317   | 3,217,338       | 81.0%               |
| 2012           | 4,139,643       | 4,141,036      | 1,785,612   | 383,160       | 2,168,863            | 512,804   | 2,681,666       | 64.8%               |
| 2013           | 4,697,041       | 4,459,269      | 1,667,323   | 322,658       | 1,989,851            | 670,969   | 2,660,819       | 59.7%               |
| 2014           | 4,711,519       | 4,652,344      | 1,664,170   | 442,620       | 2,107,026            | 919,526   | 3,026,551       | 65.1%               |
| 2015           | 4,603,730       | 4,567,953      | 1,022,996   | 690,567       | 1,714,777            | 1,259,088 | 2,973,866       | 65.1%               |
| 2016           | 4,970,208       | 4,762,394      | 476,421     | 646,926       | 1,125,889            | 1,986,474 | 3,112,362       | 65.4%               |
|                | 54,933,485      | 51,984,232     | 21,468,329  | 3,560,430     | 25,032,797           | 6,611,515 | 31,644,305      | 60.9%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 2,398,375       | 2,171,487      | 1,684,738   | 21,716        | 1,706,392            | 55,052    | 1,761,440       | 81.1%               |
| 2007           | 726,333         | 725,406        | 235,848     | 17,764        | 253,596              | 24,466    | 278,060         | 38.3%               |
| 2008           | 723,508         | 686,894        | 402,271     | 47,866        | 450,127              | 34,666    | 484,795         | 70.6%               |
| 2009           | 770,866         | 748,534        | 268,644     | 28,163        | 296,771              | 34,546    | 331,321         | 44.3%               |
| 2010           | 602,996         | 684,766        | 293,423     | 44,257        | 337,751              | 56,023    | 393,773         | 57.5%               |
| 2011           | 676,718         | 658,996        | 297,944     | 53,778        | 351,858              | 57,905    | 409,764         | 62.2%               |
| 2012           | 802,187         | 725,574        | 299,628     | 97,666        | 397,384              | 100,447   | 497,831         | 68.6%               |
| 2013           | 768,841         | 752,205        | 244,319     | 58,467        | 302,657              | 148,433   | 451,090         | 60.0%               |
| 2014           | 804,544         | 781,345        | 269,197     | 79,338        | 348,770              | 149,409   | 498,179         | 63.8%               |
| 2015           | 929,064         | 881,536        | 111,470     | 190,992       | 303,678              | 274,742   | 578,420         | 65.6%               |
| 2016           | 1,217,234       | 1,056,769      | 48,269      | 103,627       | 154,436              | 461,352   | 615,789         | 58.3%               |
|                | 10,420,666      | 9,873,512      | 4,155,751   | 743,634       | 4,903,420            | 1,397,041 | 6,300,462       | 63.8%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 10,998,505      | 9,249,429      | 3,915,377   | 126,368       | 4,041,742            | 137,471   | 4,179,215       | 45.2%               |
| 2007           | 2,863,757       | 2,734,410      | 1,060,401   | 92,213        | 1,152,614            | 67,403    | 1,220,017       | 44.6%               |
| 2008           | 2,666,880       | 2,687,181      | 1,614,778   | 145,572       | 1,760,352            | 117,403   | 1,877,754       | 69.9%               |
| 2009           | 2,816,429       | 2,791,764      | 1,404,671   | 137,772       | 1,542,444            | 122,130   | 1,664,571       | 59.6%               |
| 2010           | 3,147,541       | 2,947,409      | 1,420,465   | 133,115       | 1,553,580            | 227,177   | 1,780,757       | 60.4%               |
| 2011           | 3,419,435       | 3,314,959      | 2,253,247   | 225,915       | 2,479,164            | 328,412   | 2,807,574       | 84.7%               |
| 2012           | 3,337,456       | 3,415,463      | 1,485,984   | 285,494       | 1,771,479            | 412,357   | 2,183,835       | 63.9%               |
| 2013           | 3,928,200       | 3,707,065      | 1,423,004   | 264,191       | 1,687,194            | 522,536   | 2,209,729       | 59.6%               |
| 2014           | 3,906,975       | 3,870,999      | 1,394,973   | 363,282       | 1,758,256            | 770,117   | 2,528,372       | 65.3%               |
| 2015           | 3,674,665       | 3,686,417      | 911,526     | 499,575       | 1,411,099            | 984,346   | 2,395,446       | 65.0%               |
| 2016           | 3,752,974       | 3,705,625      | 428,152     | 543,299       | 971,453              | 1,525,122 | 2,496,573       | 67.4%               |
|                | 44,512,817      | 42,110,721     | 17,312,578  | 2,816,796     | 20,129,377           | 5,214,474 | 25,343,843      | 60.2%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Consolidated Total

NET BASIS

|             |      | Months  |           |           |           |           |           |           |           |           |           |
|-------------|------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Paid Losses |      | 12      | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |
|             | 2007 | 179,017 | 429,721   | 605,595   | 757,303   | 839,424   | 910,247   | 965,611   | 1,013,634 | 1,042,816 | 1,060,402 |
|             | 2008 | 323,051 | 773,461   | 1,016,808 | 1,219,382 | 1,352,661 | 1,434,816 | 1,504,233 | 1,570,011 | 1,614,779 |           |
|             | 2009 | 271,246 | 756,225   | 909,234   | 1,034,201 | 1,130,173 | 1,225,002 | 1,298,640 | 1,404,672 |           |           |
|             | 2010 | 300,293 | 703,476   | 941,891   | 1,102,935 | 1,238,343 | 1,341,220 | 1,420,467 |           |           |           |
|             | 2011 | 509,076 | 1,160,413 | 1,587,467 | 1,871,141 | 2,042,971 | 2,253,248 |           |           |           |           |
|             | 2012 | 322,837 | 808,656   | 1,106,348 | 1,341,174 | 1,485,984 |           |           |           |           |           |
|             | 2013 | 318,006 | 894,752   | 1,235,375 | 1,423,003 |           |           |           |           |           |           |
|             | 2014 | 387,196 | 1,016,313 | 1,394,974 |           |           |           |           |           |           |           |
|             | 2015 | 343,063 | 911,526   |           |           |           |           |           |           |           |           |
|             | 2016 | 428,153 |           |           |           |           |           |           |           |           |           |

  

|                      |      | Months    |           |           |           |           |           |           |           |           |           |
|----------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Case Incurred Losses |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |
|                      | 2007 | 513,065   | 782,511   | 925,083   | 998,417   | 1,035,866 | 1,077,090 | 1,112,545 | 1,131,672 | 1,138,428 | 1,152,615 |
|                      | 2008 | 889,815   | 1,203,102 | 1,393,717 | 1,510,832 | 1,553,817 | 1,629,741 | 1,688,560 | 1,712,401 | 1,760,352 |           |
|                      | 2009 | 577,419   | 1,000,431 | 1,178,198 | 1,277,444 | 1,395,227 | 1,424,466 | 1,479,218 | 1,542,443 |           |           |
|                      | 2010 | 744,519   | 1,125,316 | 1,319,472 | 1,420,391 | 1,460,306 | 1,501,854 | 1,553,581 |           |           |           |
|                      | 2011 | 1,513,333 | 2,007,406 | 2,224,931 | 2,340,123 | 2,421,799 | 2,479,164 |           |           |           |           |
|                      | 2012 | 909,916   | 1,402,171 | 1,559,390 | 1,699,960 | 1,771,478 |           |           |           |           |           |
|                      | 2013 | 845,318   | 1,356,934 | 1,560,856 | 1,687,195 |           |           |           |           |           |           |
|                      | 2014 | 877,908   | 1,487,915 | 1,758,256 |           |           |           |           |           |           |           |
|                      | 2015 | 851,211   | 1,411,100 |           |           |           |           |           |           |           |           |
|                      | 2016 | 971,453   |           |           |           |           |           |           |           |           |           |

  

|      |      | Months    |           |         |         |         |         |         |         |         |        |
|------|------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|--------|
| IBNR |      | 12        | 24        | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120    |
|      | 2007 | 1,243,841 | 843,871   | 625,454 | 496,749 | 383,367 | 294,292 | 209,502 | 138,369 | 92,892  | 67,403 |
|      | 2008 | 1,199,238 | 842,007   | 619,710 | 481,739 | 389,061 | 294,748 | 219,448 | 175,449 | 117,402 |        |
|      | 2009 | 1,269,624 | 805,820   | 609,365 | 492,569 | 375,689 | 319,920 | 235,878 | 122,129 |         |        |
|      | 2010 | 1,245,670 | 853,894   | 626,459 | 460,940 | 399,737 | 280,090 | 227,177 |         |         |        |
|      | 2011 | 1,419,182 | 897,217   | 682,253 | 527,466 | 429,657 | 328,411 |         |         |         |        |
|      | 2012 | 1,430,953 | 936,244   | 728,472 | 536,488 | 412,358 |         |         |         |         |        |
|      | 2013 | 1,508,312 | 1,021,187 | 729,753 | 522,535 |         |         |         |         |         |        |
|      | 2014 | 1,567,758 | 1,053,125 | 770,117 |         |         |         |         |         |         |        |
|      | 2015 | 1,568,037 | 984,347   |         |         |         |         |         |         |         |        |
|      | 2016 | 1,525,121 |           |         |         |         |         |         |         |         |        |

  

|                 |      | Months    |           |           |           |           |           |           |           |           |           |
|-----------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Ultimate Losses |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |
|                 | 2007 | 1,756,905 | 1,626,382 | 1,550,536 | 1,495,166 | 1,419,233 | 1,371,382 | 1,322,047 | 1,270,040 | 1,231,320 | 1,220,017 |
|                 | 2008 | 2,089,053 | 2,045,110 | 2,013,427 | 1,992,571 | 1,942,878 | 1,924,490 | 1,908,008 | 1,887,850 | 1,877,754 |           |
|                 | 2009 | 1,847,043 | 1,806,251 | 1,787,563 | 1,770,013 | 1,770,915 | 1,744,386 | 1,715,096 | 1,664,572 |           |           |
|                 | 2010 | 1,990,189 | 1,979,210 | 1,945,931 | 1,881,331 | 1,860,044 | 1,781,944 | 1,780,759 |           |           |           |
|                 | 2011 | 2,932,515 | 2,904,622 | 2,907,185 | 2,867,589 | 2,851,457 | 2,807,575 |           |           |           |           |
|                 | 2012 | 2,340,869 | 2,338,415 | 2,287,862 | 2,236,448 | 2,183,836 |           |           |           |           |           |
|                 | 2013 | 2,353,631 | 2,378,120 | 2,290,609 | 2,209,730 |           |           |           |           |           |           |
|                 | 2014 | 2,445,666 | 2,541,040 | 2,528,372 |           |           |           |           |           |           |           |
|                 | 2015 | 2,419,247 | 2,395,446 |           |           |           |           |           |           |           |           |
|                 | 2016 | 2,496,574 |           |           |           |           |           |           |           |           |           |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Consolidated Total

NET BASIS

| Months                   |           |           |           |           |           |           |           |           |           |                                  |                                  |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------------------------|----------------------------------|
| Paid Loss Ratio          | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120                              |                                  |
| 2007                     | 6.5%      | 15.7%     | 22.1%     | 27.7%     | 30.7%     | 33.3%     | 35.3%     | 37.1%     | 38.1%     | 38.8%                            |                                  |
| 2008                     | 12.0%     | 28.8%     | 37.8%     | 45.4%     | 50.3%     | 53.4%     | 56.0%     | 58.4%     | 60.1%     |                                  |                                  |
| 2009                     | 9.7%      | 27.1%     | 32.6%     | 37.0%     | 40.5%     | 43.9%     | 46.5%     | 50.3%     |           |                                  |                                  |
| 2010                     | 10.2%     | 23.9%     | 32.0%     | 37.4%     | 42.0%     | 45.5%     | 48.2%     |           |           |                                  |                                  |
| 2011                     | 15.4%     | 35.0%     | 47.9%     | 56.4%     | 61.6%     | 68.0%     |           |           |           |                                  |                                  |
| 2012                     | 9.5%      | 23.7%     | 32.4%     | 39.3%     | 43.5%     |           |           |           |           |                                  |                                  |
| 2013                     | 8.6%      | 24.1%     | 33.3%     | 38.4%     |           |           |           |           |           |                                  |                                  |
| 2014                     | 10.0%     | 26.3%     | 36.0%     |           |           |           |           |           |           |                                  |                                  |
| 2015                     | 9.3%      | 24.7%     |           |           |           |           |           |           |           |                                  |                                  |
| 2016                     | 11.6%     |           |           |           |           |           |           |           |           |                                  |                                  |
| Months                   |           |           |           |           |           |           |           |           |           |                                  |                                  |
| Case Incurred Loss Ratio | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120                              |                                  |
| 2007                     | 18.8%     | 28.6%     | 33.8%     | 36.5%     | 37.9%     | 39.4%     | 40.7%     | 41.4%     | 41.6%     | 42.2%                            |                                  |
| 2008                     | 33.1%     | 44.8%     | 51.9%     | 56.2%     | 57.8%     | 60.6%     | 62.8%     | 63.7%     | 65.5%     |                                  |                                  |
| 2009                     | 20.7%     | 35.8%     | 42.2%     | 45.8%     | 50.0%     | 51.0%     | 53.0%     | 55.2%     |           |                                  |                                  |
| 2010                     | 25.3%     | 38.2%     | 44.8%     | 48.2%     | 49.5%     | 51.0%     | 52.7%     |           |           |                                  |                                  |
| 2011                     | 45.7%     | 60.6%     | 67.1%     | 70.6%     | 73.1%     | 74.8%     |           |           |           |                                  |                                  |
| 2012                     | 26.6%     | 41.1%     | 45.7%     | 49.8%     | 51.9%     |           |           |           |           |                                  |                                  |
| 2013                     | 22.8%     | 36.6%     | 42.1%     | 45.5%     |           |           |           |           |           |                                  |                                  |
| 2014                     | 22.7%     | 38.4%     | 45.4%     |           |           |           |           |           |           |                                  |                                  |
| 2015                     | 23.1%     | 38.3%     |           |           |           |           |           |           |           |                                  |                                  |
| 2016                     | 26.2%     |           |           |           |           |           |           |           |           |                                  |                                  |
| Months                   |           |           |           |           |           |           |           |           |           |                                  |                                  |
| Ultimate Loss Ratio      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120                              |                                  |
| 2007                     | 64.3%     | 59.5%     | 56.7%     | 54.7%     | 51.9%     | 50.2%     | 48.3%     | 46.4%     | 45.0%     | 44.6%                            |                                  |
| 2008                     | 77.7%     | 76.1%     | 74.9%     | 74.2%     | 72.3%     | 71.6%     | 71.0%     | 70.3%     | 69.9%     |                                  |                                  |
| 2009                     | 66.2%     | 64.7%     | 64.0%     | 63.4%     | 63.4%     | 62.5%     | 61.4%     | 59.6%     |           |                                  |                                  |
| 2010                     | 67.5%     | 67.2%     | 66.0%     | 63.8%     | 63.1%     | 60.5%     | 60.4%     |           |           |                                  |                                  |
| 2011                     | 88.5%     | 87.6%     | 87.7%     | 86.5%     | 86.0%     | 84.7%     |           |           |           |                                  |                                  |
| 2012                     | 68.5%     | 68.5%     | 67.0%     | 65.5%     | 63.9%     |           |           |           |           |                                  |                                  |
| 2013                     | 63.5%     | 64.2%     | 61.8%     | 59.6%     |           |           |           |           |           |                                  |                                  |
| 2014                     | 63.2%     | 65.6%     | 65.3%     |           |           |           |           |           |           |                                  |                                  |
| 2015                     | 65.6%     | 65.0%     |           |           |           |           |           |           |           |                                  |                                  |
| 2016                     | 67.4%     |           |           |           |           |           |           |           |           |                                  |                                  |
| Months                   |           |           |           |           |           |           |           |           |           |                                  |                                  |
| Loss Emergence           | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120                              | Total Development<br>AY 07 - 16' |
| 2007                     | 1,756,905 | (130,524) | (75,845)  | (55,370)  | (75,933)  | (47,851)  | (49,335)  | (52,007)  | (38,720)  | (11,303)                         | (536,888)                        |
| 2008                     | 2,089,053 | (43,944)  | (31,682)  | (20,856)  | (49,693)  | (18,388)  | (16,481)  | (20,158)  | (10,096)  |                                  | (211,298)                        |
| 2009                     | 1,847,043 | (40,793)  | (18,688)  | (17,549)  | 902       | (26,529)  | (29,291)  | (50,524)  |           |                                  | (182,472)                        |
| 2010                     | 1,990,189 | (10,979)  | (33,280)  | (64,600)  | (21,287)  | (78,099)  | (1,185)   |           |           |                                  | (209,430)                        |
| 2011                     | 2,932,515 | (27,893)  | 2,562     | (39,596)  | (16,132)  | (43,881)  |           |           |           |                                  | (124,940)                        |
| 2012                     | 2,340,869 | (2,454)   | (50,553)  | (51,414)  | (52,612)  |           |           |           |           |                                  | (157,033)                        |
| 2013                     | 2,353,631 | 24,490    | (87,511)  | (80,879)  |           |           |           |           |           |                                  | (143,900)                        |
| 2014                     | 2,445,666 | 95,374    | (12,667)  |           |           |           |           |           |           |                                  | 82,707                           |
| 2015                     | 2,419,247 | (23,801)  |           |           |           |           |           |           |           |                                  | (23,801)                         |
| 2016                     | 2,496,574 |           |           |           |           |           |           |           |           |                                  | —                                |
|                          |           |           |           |           |           |           |           |           |           |                                  | (1,507,055)                      |
| CY 2007                  | CY 2008   | CY 2009   | CY 2010   | CY 2011   | CY 2012   | CY 2013   | CY 2014   | CY 2015   | CY 2016   | Total Development<br>CY 07 - 16' |                                  |
| (337,016)                | (376,287) | (423,141) | (312,717) | (257,877) | (244,609) | (217,941) | (258,937) | (243,083) | (292,377) | (2,963,985)                      |                                  |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**iii) Large Catastrophe Loss Events Table**

Consolidated

| Gross            | Paid Losses      |                |                  |               |                  | Case Incurred Losses |                |                  |               |                  | Ultimate Losses  |                |                  |               |                  |
|------------------|------------------|----------------|------------------|---------------|------------------|----------------------|----------------|------------------|---------------|------------------|------------------|----------------|------------------|---------------|------------------|
|                  | Insurance        |                | Reinsurance      |               | All Segments     | Insurance            |                | Reinsurance      |               | All Segments     | Insurance        |                | Reinsurance      |               | All Segments     |
|                  | Property         | Other          | Property         | Other         |                  | Property             | Other          | Property         | Other         |                  | Property         | Other          | Property         | Other         |                  |
| 2004 Hurricanes  | 310,441          | 43,360         | 214,790          | 3,894         | 572,485          | 310,441              | 43,360         | 214,910          | 3,894         | 572,605          | 308,943          | 43,360         | 214,910          | 3,894         | 571,107          |
| 2005 Hurricanes  | 774,609          | 392,485        | 761,661          | 5,883         | 1,934,638        | 776,855              | 392,487        | 762,311          | 5,923         | 1,937,576        | 773,560          | 392,487        | 762,311          | 5,923         | 1,934,281        |
| 2008 Hurricanes  | 119,670          | 31,658         | 300,777          | 3,510         | 455,615          | 119,670              | 31,658         | 300,879          | 3,547         | 455,754          | 120,721          | 31,658         | 300,879          | 3,547         | 456,805          |
| 2010 Earthquakes | 2,140            | 50             | 255,739          | 2,715         | 260,644          | 2,140                | 50             | 272,999          | 3,009         | 278,198          | 2,140            | 50             | 278,354          | 3,009         | 283,553          |
| 2011 Earthquakes | 51,426           | 1,216          | 584,729          | 17            | 637,388          | 51,920               | 1,313          | 593,035          | 17            | 646,285          | 51,920           | 1,313          | 600,116          | 17            | 653,366          |
| 2012 Storm       | 139,573          | 19,161         | 115,308          | 2,928         | 276,970          | 182,980              | 22,817         | 141,915          | 8,993         | 356,705          | 191,985          | 23,480         | 149,252          | 10,748        | 375,465          |
| <b>Total</b>     | <b>1,397,859</b> | <b>487,930</b> | <b>2,233,004</b> | <b>18,947</b> | <b>4,137,740</b> | <b>1,444,006</b>     | <b>491,685</b> | <b>2,286,049</b> | <b>25,383</b> | <b>4,247,123</b> | <b>1,449,269</b> | <b>492,348</b> | <b>2,305,822</b> | <b>27,138</b> | <b>4,274,577</b> |

| Ceded            | Paid Losses    |                |                |          |                  | Case Incurred Losses |                |                |          |                  | Ultimate Losses |                |                |          |                  |
|------------------|----------------|----------------|----------------|----------|------------------|----------------------|----------------|----------------|----------|------------------|-----------------|----------------|----------------|----------|------------------|
|                  | Insurance      |                | Reinsurance    |          | All Segments     | Insurance            |                | Reinsurance    |          | All Segments     | Insurance       |                | Reinsurance    |          | All Segments     |
|                  | Property       | Other          | Property       | Other    |                  | Property             | Other          | Property       | Other    |                  | Property        | Other          | Property       | Other    |                  |
| 2004 Hurricanes  | 233,384        | 13,145         | 70,740         | —        | 317,269          | 233,384              | 13,145         | 70,740         | —        | 317,269          | 232,684         | 13,145         | 70,740         | —        | 316,569          |
| 2005 Hurricanes  | 448,902        | 205,131        | 67,250         | —        | 721,283          | 451,244              | 205,135        | 67,250         | —        | 723,629          | 445,328         | 205,135        | 67,250         | —        | 717,713          |
| 2008 Hurricanes  | 49,104         | 504            | —              | —        | 49,608           | 49,104               | 504            | —              | —        | 49,608           | 49,124          | 504            | —              | —        | 49,628           |
| 2010 Earthquakes | —              | —              | —              | —        | —                | —                    | —              | —              | —        | —                | —               | —              | —              | —        | —                |
| 2011 Earthquakes | 12,468         | —              | —              | —        | 12,468           | 12,743               | —              | —              | —        | 12,743           | 9,329           | —              | —              | —        | 9,329            |
| 2012 Storm       | (137)          | 7,547          | —              | —        | 7,410            | 46,698               | 9,720          | —              | —        | 56,418           | 48,494          | 9,774          | —              | —        | 58,268           |
| <b>Total</b>     | <b>743,721</b> | <b>226,327</b> | <b>137,990</b> | <b>—</b> | <b>1,108,038</b> | <b>793,173</b>       | <b>228,504</b> | <b>137,990</b> | <b>—</b> | <b>1,159,667</b> | <b>784,959</b>  | <b>228,558</b> | <b>137,990</b> | <b>—</b> | <b>1,151,507</b> |

| Net              | Paid Losses    |                |                  |               |                  | Case Incurred Losses |                |                  |               |                  | Ultimate Losses |                |                  |               |                  |
|------------------|----------------|----------------|------------------|---------------|------------------|----------------------|----------------|------------------|---------------|------------------|-----------------|----------------|------------------|---------------|------------------|
|                  | Insurance      |                | Reinsurance      |               | All Segments     | Insurance            |                | Reinsurance      |               | All Segments     | Insurance       |                | Reinsurance      |               | All Segments     |
|                  | Property       | Other          | Property         | Other         |                  | Property             | Other          | Property         | Other         |                  | Property        | Other          | Property         | Other         |                  |
| 2004 Hurricanes  | 77,057         | 30,215         | 144,050          | 3,894         | 255,216          | 77,057               | 30,215         | 144,170          | 3,894         | 255,336          | 76,259          | 30,215         | 144,170          | 3,894         | 254,538          |
| 2005 Hurricanes  | 325,707        | 187,354        | 694,411          | 5,883         | 1,213,355        | 325,611              | 187,352        | 695,061          | 5,923         | 1,213,947        | 328,232         | 187,352        | 695,061          | 5,923         | 1,216,568        |
| 2008 Hurricanes  | 70,566         | 31,154         | 300,777          | 3,510         | 406,007          | 70,566               | 31,154         | 300,879          | 3,547         | 406,146          | 71,597          | 31,154         | 300,879          | 3,547         | 407,177          |
| 2010 Earthquakes | 2,140          | 50             | 255,739          | 2,715         | 260,644          | 2,140                | 50             | 272,999          | 3,009         | 278,198          | 2,140           | 50             | 278,354          | 3,009         | 283,553          |
| 2011 Earthquakes | 38,958         | 1,216          | 584,729          | 17            | 624,920          | 39,177               | 1,313          | 593,035          | 17            | 633,542          | 42,591          | 1,313          | 600,116          | 17            | 644,037          |
| 2012 Storm       | 139,710        | 11,614         | 115,308          | 2,928         | 269,560          | 136,282              | 13,097         | 141,915          | 8,993         | 300,287          | 143,491         | 13,706         | 149,252          | 10,748        | 317,197          |
| <b>Total</b>     | <b>654,138</b> | <b>261,603</b> | <b>2,095,014</b> | <b>18,947</b> | <b>3,029,702</b> | <b>650,833</b>       | <b>263,181</b> | <b>2,148,059</b> | <b>25,383</b> | <b>3,087,456</b> | <b>664,310</b>  | <b>263,790</b> | <b>2,167,832</b> | <b>27,138</b> | <b>3,123,070</b> |

**Note:**

Specific 2004 events include: Charley, Frances, Ivan and Jeanne.

Specific 2005 events include: Katrina, Rita and Wilma.

Specific 2008 events include: Gustav and Ike.

Specific 2010 events include: New Zealand I and Chilean earthquakes.

Specific 2011 events include: New Zealand II earthquake and Japanese earthquake and tsunami.

Specific 2012 event: Storm Sandy



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**V. INSURANCE SEGMENT**

**i) Reserving Class Descriptions**

The following provides background commentary on the underlying business composition in each reserving class and how this has changed over time.

**Property and Other**

- The class includes coverage for perils associated with all-risk physical loss or damage, business interruption and machinery breakdown with respect to virtually all types of property. This includes commercial buildings, residential premises, construction projects and onshore energy installations. The majority of this business is U.S. catastrophe-exposed. The key perils insured include fire, hail, flood, windstorm, and earthquake. Terrorism may be a covered peril and, in some cases, may be written on a stand-alone basis.
- Our Accident & Health business is also included in this class and has contributed an increasing portion of the premium earned within this class from 2010 forward, rising to approximately 35% for 2016. This business includes accident products (e.g. personal & travel accident) and health products designed for specific niche groups (e.g. limited benefit medical, expatriate health), as well as accident & health reinsurance for catastrophic or per life events on a quota share and/or excess of loss basis.
- Approximately 18% of the non A&H business in 2016 is related to Onshore Energy exposures (including onshore renewable energy). Stand-alone Terrorism cover has decreased steadily since 2004 and now represents approximately about 5% of the non A&H earned premium volume.
- Between 2003 and 2009, the portion of this class written through Managing General Agents / Underwriters (MGA/MGU) grew steadily, peaking around 35%. From 2010 actions were taken to diversify natural catastrophe exposure that led to certain heavily catastrophe-exposed MGAs no longer being carried and this portion fell to 5%. Since then there has been an emphasis on building relationships with a broader base of MGAs and these units now make up nearly 15% of the non A&H earned premium volume.
- Prior to 2006, the mix between primary and excess was broadly evenly split. From 2006 to 2012, there was an increasing shift towards business written on a primary basis with the mix in more recent years being approximately three quarters primary (excluding A&H business).
- In the region of three quarters of the business covered relates to North American and Caribbean exposures, with the remainder spread worldwide.
- In broad terms, rates hardened starting in the second quarter of 2011 following a weakening cycle post the 2005 hurricanes. Rates continued to harden for property business through most of 2013 but turned flat by the fourth quarter and softened from 2014 onwards, with sharp rate reductions seen on the International Property and Energy exposures in particular, followed by US direct and facultative lines.
- In general, paid and reporting patterns are relatively short-tailed although they can be volatile due to the incidence of catastrophe events, such as those noted in Section II(iv).

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Marine**

- This class comprises insurance and reinsurance products on a worldwide basis for traditional Marine classes: Offshore Energy (including offshore renewable energy), Cargo, Liability, Recreational Marine, Fine Art, Specie, Hull and War.
- Offshore Energy is the largest segment of this class and continued to have a growing share into 2013; the share then stabilized in 2014 before beginning to fall as the rate and demand conditions deteriorated. This segment provides physical damage, business interruption, operators extra expense, and liability coverage for all aspects of offshore upstream energy from exploration and construction through the operation and distribution phases. The remainder of the class is currently made up of Renewable Energy, Cargo, Specie and Liability. Prior to 2006, Hull and War comprised between 20% and 25% of this class but has dropped to less than 5% since 2009.
- Specific market events such as Hurricane Ike, Deepwater Horizon and Costa Concordia have caused rates to harden in specific classes for periods of time that vary depending on the size of the event and the class of business before the aforementioned softening from 2014 onwards. This softening continued despite 2015 being a significantly elevated year in terms of market loss activity for Energy Offshore.
- The complex nature of claims arising under our Marine policies tends to result in payment and reporting patterns that are longer than those of our Property class. Exposure to natural perils such as windstorm and earthquake can result in volatility.

**Aviation**

- This class includes all-risks coverage for physical damage to hulls of aircraft, liability to passengers, third parties, and spare parts. It also includes coverage for stand-alone hull war and 'AV52' third party war and terrorism liability.
- The book was predominantly focused around flag-carrying scheduled airlines but, in recent years, has become more broad-based encompassing coverage for cargo operations, general aviation operations, airports, aviation authorities, security firms and product manufacturers.
- This business is generally accepted on a direct and facultative basis, but we also have participated on proportional reinsurance treaties, surplus reinsurance treaties and Industry Loss Warranty contracts. Since late 2014, we have participated in larger volumes on broker facility business.
- Rates have generally been declining since their peak in 2002, and we have significantly reduced participation in the all-risks market. This has resulted in a shift in the mix of business between 2006 and 2009, with the mix at 2010 being approximately 25% Aviation all-risks, 65% Aviation War, and 10% Product Liability. In recent years the proportion of War premium has reduced due to sharp rating falls in this area coupled with the shift towards broader based broker facility business.
- The claims reporting pattern varies by coverage. Losses arising from war/terrorism and damage to hulls of aircraft are generally reported quickly. This is to be contrasted with liability claims which involve passengers and third parties and generally exhibit longer reporting and paid patterns. To date, the claims we have been advised of have predominantly related to damage to hulls, hence our payment and reporting patterns have typically exhibited a relatively short tail.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Credit and Political Risk**

- This class comprises Political Risk and Credit Insurance products for banks and corporations. Coverage is provided for a range of perils including sovereign default, credit default, political violence, currency inconvertibility and non-transfer, expropriation, aircraft non-repossession and contract frustration due to political events.
- Prior to 2006, this class was dominated by confiscation, expropriation, nationalization and deprivation coverages ("CEND") as well as sovereign default coverage. Over time, the non-sovereign credit coverage increased and is now the largest part of the business. Inception to date, CEND premium earned is approximately 20% of the total book. As a result of the global financial crisis, we reduced premiums written during 2009 but we continued to earn premium written in prior underwriting periods. In recent years, we have also built up exposure to Project Finance business, which now accounts for around 15% of gross earned premium.
- Claims in this class tend to be characterized by their severity risk as opposed to their frequency risk. Therefore, claim payment and reporting patterns are anticipated to be volatile. As discussed in Section II(iv), our claims experience on the 2008 and 2009 accident years is higher than for other accident years due to the impact of the global financial crisis.
- Under the notification provisions of our non-sovereign credit insurance, we generally anticipate being advised of an insured event within a relatively short time period. For the most part, these contracts include waiting periods following the event which specify that the claim payment is due only after specified waiting periods. In some cases, resolution can be achieved during the waiting period. As discussed in Section II(vii), a feature of these contracts is that after the date we pay a claim, we are generally either subrogated to, or otherwise have an interest in, all of the insured's rights of recovery under the insured loan or facility agreement. In some situations, we may also receive a transfer or assignment of the insured's rights. This can lead to the situation where we pay a claim in the short term, but receive a recovery over a longer period of time. We anticipate that this will likely lead to claim reporting patterns that will have a medium development tail.
- In our credit insurance class, where policies typically span several years, insureds may have the ability to restructure underlying financing arrangements and frequently do so when conditions allow them to take advantage of preferential terms and/or interest rates. The declining interest rate environment in 2009 through 2013 prompted a number of such restructurings, resulting in the early termination of a number of our policies. As a result, we were no longer entitled to premiums related to the remainder of the original coverage term and recognized related reductions in written premium. This impact stabilized in 2014 where there was a positive impact of adjustments on policies written in previous years.

**Professional Lines**

- This class of business includes Directors & Officers ("D&O") Liability, Employment Practices Liability ("EPL"), Fiduciary Liability, Crime, Errors & Omissions ("E&O"), Professional Indemnity and other financial insurance related coverages for public and private commercial enterprises, financial institutions, not-for-profit organizations and professional service providers. This business is predominantly written on a claims-made basis.
- The overall share of the total premium written in the U.S. has been declining from the 70% range in 2009 and 2010 to the low 60% range in 2014, with growth in Australia and Europe. With Australia being placed into run-off in 2015 and the subsequent purchase of adverse development reinsurance over in 2016, the US share has returned to around 70%, excluding exposures to US assureds written in Bermuda and Europe.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

- In the U.S., the current business mix is approximately 25% D&O and ancillary coverages such as EPL, Fiduciary and Crime for commercial enterprises, 20% coverages for Financial Institutions and nearly 50% PI/E&O for firms providing professional services. Prior to 2006 the business mix was more heavily weighted to D&O coverages in the Commercial and Financial Institutions industry sectors.
- Rates for professional lines have generally weakened from 2004 through 2011, before rising slightly starting in mid-2012. One exception to this trend was the Financial Institutions sector which saw a strengthening of rates in 2008 and 2009, resulting predominantly from loss activity emanating from the global financial crisis; rates on this business weakened in 2010 and 2011 before rising slightly from mid-2012. Since 2013 the market has flattened and is showing rate reductions in some areas, particularly on excess D&O lines.
- Typically this class of business would be anticipated to exhibit medium to long tail claim reporting and settlement patterns.

## **Liability**

- The liability book is predominately low/mid-level excess and umbrella commercial liability risks typically written in the excess and surplus ("E&S") lines market in the U.S. on a non-admitted basis. The core book was supplemented in 2006 by the addition of a global Excess Casualty book in Bermuda which focused on Fortune 500 type accounts with higher attachment points than the core portfolio. During 2014 and 2015, we grew our Primary Casualty exposures and placed our Bermuda Excess Casualty book into run off. From 2015, we also began to build MGA liability relationships, growing this part of the Liability segment to around 13% of gross earned premium by 2016.
- From 2005 through 2010, the rating environment deteriorated year on year with the scale of rate reductions more prevalent on the primary book, which led to the winding down of exposures on the core primary book. The focus of the book has gradually shifted over this period to a heavier mix of business being written on an excess basis. During 2011 to 2013, the rating environment has been improving year on year, although since then the pace of increases has slowed noticeably in most areas, with exception of Auto Liability and primary contractors' construction which have seen recent spikes following period of high market loss activity.
- The key industry sectors for the Liability book are manufacturing, construction, transportation and trucking, and general premises and operations business.
- Excluding MGAs, around three quarters of the business is excess and one quarter primary in 2016. This proportion has varied over time, with 2010-2013 having a higher proportion of excess business.
- The vast majority of the premium for this class is written on an occurrence basis although there is a significant minority of claims made exposure.
- The delay between the writing of a contract, notification and subsequent settlement of a claim in respect of that contract results in claim payment and reporting patterns that are typically long tail in nature. A consequence of the claim development tail is that this line of business is particularly exposed, amongst a number of uncertainties, to the potential for unanticipated levels of claim inflation relative to that assumed when the contracts were written. Factors influencing claim inflation on this class can include, but are not limited to, underlying economic and medical inflation, judicial inflation and changing social trends.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**ii) Summary of historical reinsurance protections**

The main coverages in place include excess of loss coverage for the Property, Marine and Aviation lines, per risk coverages for Property and Marine lines, and quota share coverage for the Professional and Liability lines of business. Historically, there has been little reinsurance purchased for the Credit & Political Risks book, however, for the 2016 accident year quota share reinsurance was purchased.

Premiums ceded in 2016 were \$913m or 34% of gross written premium, compared to \$824m (32%) in 2015 and 30% in 2014. The increase in premiums ceded was due primarily to an increase in ceded premiums on the Professional and Liability lines. Additionally, in April 2016, AXIS Specialty Australia entered into a 100% Quota Share Adverse Development Reinsurance Cover.

In the early years, reinsurance purchase was generally larger with lower retentions on Property and Marine and higher quota share percentages on Professional and Liability. These gradually reduced over time up until around 2012-13 with increases in Property and Marine per risk retentions and decreases in Professional Lines quota share cessions. Since 2013, reinsurance purchases increased again, with reductions in Property and Marine per risk retentions and increases in Professional and Liability Lines quota share.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Insurance**  
**Consolidated Total**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 8,265,365       | 6,989,544      | 3,520,249   | 52,672        | 3,572,922            | 110,504   | 3,683,425       | 52.7%               |
| 2007           | 2,039,214       | 1,921,920      | 777,870     | 43,929        | 821,799              | 46,228    | 868,026         | 45.2%               |
| 2008           | 1,841,934       | 1,854,949      | 1,133,786   | 109,224       | 1,243,011            | 86,650    | 1,329,661       | 71.7%               |
| 2009           | 1,775,590       | 1,884,121      | 1,059,633   | 63,782        | 1,123,414            | 70,320    | 1,193,735       | 63.4%               |
| 2010           | 1,916,117       | 1,872,013      | 776,054     | 67,013        | 843,068              | 128,414   | 971,481         | 51.9%               |
| 2011           | 2,121,830       | 2,067,385      | 1,043,067   | 128,174       | 1,171,238            | 179,227   | 1,350,465       | 65.3%               |
| 2012           | 2,309,481       | 2,268,487      | 1,048,555   | 216,667       | 1,265,221            | 275,284   | 1,540,504       | 67.9%               |
| 2013           | 2,559,138       | 2,458,354      | 940,446     | 173,120       | 1,113,565            | 384,239   | 1,497,804       | 60.9%               |
| 2014           | 2,535,415       | 2,569,818      | 937,211     | 227,190       | 1,164,400            | 559,398   | 1,723,798       | 67.1%               |
| 2015           | 2,583,081       | 2,586,774      | 586,966     | 379,868       | 966,835              | 749,435   | 1,716,271       | 66.3%               |
| 2016           | 2,720,242       | 2,640,591      | 263,452     | 338,904       | 602,357              | 1,123,689 | 1,726,045       | 65.4%               |
|                | 30,667,407      | 29,113,956     | 12,087,289  | 1,800,543     | 13,887,830           | 3,713,388 | 17,601,215      | 60.5%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 2,315,872       | 2,090,178      | 1,546,761   | 21,716        | 1,568,480            | 55,038    | 1,623,515       | 77.7%               |
| 2007           | 712,567         | 713,480        | 235,848     | 17,764        | 253,612              | 24,466    | 278,077         | 39.0%               |
| 2008           | 708,091         | 671,807        | 402,271     | 47,866        | 450,136              | 34,671    | 484,808         | 72.2%               |
| 2009           | 750,529         | 726,155        | 268,644     | 28,163        | 296,806              | 34,546    | 331,354         | 45.6%               |
| 2010           | 583,896         | 665,520        | 293,417     | 44,257        | 337,675              | 56,021    | 393,694         | 59.2%               |
| 2011           | 655,694         | 637,700        | 297,944     | 53,778        | 351,718              | 57,905    | 409,624         | 64.2%               |
| 2012           | 787,236         | 710,428        | 299,628     | 97,666        | 397,292              | 100,447   | 497,738         | 70.1%               |
| 2013           | 745,600         | 735,593        | 239,632     | 58,467        | 298,098              | 148,433   | 446,531         | 60.7%               |
| 2014           | 755,914         | 739,274        | 219,112     | 78,788        | 297,899              | 185,591   | 483,490         | 65.4%               |
| 2015           | 823,722         | 788,583        | 101,386     | 175,295       | 276,684              | 279,168   | 555,853         | 70.5%               |
| 2016           | 913,116         | 863,271        | 35,379      | 82,831        | 118,210              | 409,997   | 528,207         | 61.2%               |
|                | 9,752,237       | 9,341,989      | 3,940,022   | 706,591       | 4,646,610            | 1,386,283 | 6,032,891       | 64.6%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 5,949,493       | 4,899,366      | 1,973,488   | 30,956        | 2,004,442            | 55,466    | 2,059,910       | 42.0%               |
| 2007           | 1,326,647       | 1,208,440      | 542,022     | 26,165        | 568,187              | 21,762    | 589,949         | 48.8%               |
| 2008           | 1,133,843       | 1,183,142      | 731,515     | 61,358        | 792,875              | 51,979    | 844,853         | 71.4%               |
| 2009           | 1,025,061       | 1,157,966      | 790,989     | 35,619        | 826,608              | 35,774    | 862,381         | 74.5%               |
| 2010           | 1,332,221       | 1,206,493      | 482,637     | 22,756        | 505,393              | 72,393    | 577,787         | 47.9%               |
| 2011           | 1,466,136       | 1,429,685      | 745,123     | 74,396        | 819,520              | 121,322   | 940,841         | 65.8%               |
| 2012           | 1,522,245       | 1,558,059      | 748,927     | 119,001       | 867,929              | 174,837   | 1,042,766       | 66.9%               |
| 2013           | 1,813,538       | 1,722,761      | 700,814     | 114,653       | 815,467              | 235,806   | 1,051,273       | 61.0%               |
| 2014           | 1,779,501       | 1,830,544      | 718,099     | 148,402       | 866,501              | 373,807   | 1,240,308       | 67.8%               |
| 2015           | 1,759,359       | 1,798,191      | 485,580     | 204,573       | 690,151              | 470,267   | 1,160,418       | 64.5%               |
| 2016           | 1,807,126       | 1,777,320      | 228,073     | 256,073       | 484,147              | 713,692   | 1,197,838       | 67.4%               |
|                | 20,915,170      | 19,771,967     | 8,147,267   | 1,093,952     | 9,241,220            | 2,327,105 | 11,568,324      | 58.5%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Consolidated Total

NET BASIS

|             |      | Months  |         |         |         |         |         |         |         |         |         |
|-------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Paid Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|             | 2007 | 90,341  | 190,942 | 292,365 | 395,025 | 429,763 | 472,769 | 501,304 | 521,837 | 537,993 | 542,022 |
|             | 2008 | 130,492 | 339,536 | 414,039 | 505,183 | 590,571 | 630,776 | 666,363 | 705,493 | 731,516 |         |
|             | 2009 | 168,641 | 495,048 | 555,514 | 611,370 | 649,042 | 678,870 | 707,029 | 790,989 |         |         |
|             | 2010 | 130,807 | 260,791 | 327,149 | 411,236 | 441,925 | 462,247 | 482,639 |         |         |         |
|             | 2011 | 167,908 | 372,053 | 496,994 | 585,137 | 659,513 | 745,124 |         |         |         |         |
|             | 2012 | 137,996 | 392,476 | 545,044 | 683,149 | 748,928 |         |         |         |         |         |
|             | 2013 | 182,905 | 476,514 | 614,954 | 700,814 |         |         |         |         |         |         |
|             | 2014 | 225,965 | 529,641 | 718,100 |         |         |         |         |         |         |         |
|             | 2015 | 189,507 | 485,580 |         |         |         |         |         |         |         |         |
|             | 2016 | 228,073 |         |         |         |         |         |         |         |         |         |

|                      |      | Months  |         |         |         |         |         |         |         |         |         |
|----------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Case Incurred Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                      | 2007 | 219,980 | 346,433 | 447,957 | 490,503 | 501,815 | 526,347 | 542,747 | 556,168 | 562,578 | 568,188 |
|                      | 2008 | 356,797 | 463,870 | 540,585 | 627,943 | 645,043 | 686,836 | 740,022 | 751,513 | 792,874 |         |
|                      | 2009 | 263,641 | 506,846 | 612,335 | 656,720 | 729,749 | 734,294 | 773,680 | 826,608 |         |         |
|                      | 2010 | 194,074 | 331,114 | 395,264 | 423,322 | 434,132 | 453,457 | 505,395 |         |         |         |
|                      | 2011 | 408,255 | 572,923 | 680,183 | 708,098 | 762,750 | 819,520 |         |         |         |         |
|                      | 2012 | 467,150 | 688,086 | 763,614 | 831,870 | 867,929 |         |         |         |         |         |
|                      | 2013 | 424,421 | 660,934 | 751,596 | 815,468 |         |         |         |         |         |         |
|                      | 2014 | 498,042 | 744,162 | 866,501 |         |         |         |         |         |         |         |
|                      | 2015 | 435,003 | 690,152 |         |         |         |         |         |         |         |         |
|                      | 2016 | 484,147 |         |         |         |         |         |         |         |         |         |

| IBNR |      | Months  |         |         |         |         |         |         |        |        |        |
|------|------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
|      |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96     | 108    | 120    |
|      | 2007 | 577,951 | 367,444 | 248,232 | 178,778 | 129,192 | 99,098  | 63,469  | 45,593 | 30,316 | 21,762 |
|      | 2008 | 505,210 | 398,182 | 283,295 | 202,585 | 155,963 | 118,372 | 97,616  | 83,099 | 51,978 |        |
|      | 2009 | 559,913 | 358,003 | 269,294 | 219,926 | 156,304 | 134,115 | 114,123 | 35,774 |        |        |
|      | 2010 | 494,133 | 354,778 | 279,906 | 177,169 | 131,792 | 85,239  | 72,394  |        |        |        |
|      | 2011 | 614,078 | 405,486 | 295,414 | 225,256 | 171,082 | 121,321 |         |        |        |        |
|      | 2012 | 608,623 | 430,214 | 314,452 | 231,003 | 174,837 |         |         |        |        |        |
|      | 2013 | 676,335 | 478,749 | 346,252 | 235,806 |         |         |         |        |        |        |
|      | 2014 | 697,573 | 499,593 | 373,807 |         |         |         |         |        |        |        |
|      | 2015 | 743,372 | 470,267 |         |         |         |         |         |        |        |        |
|      | 2016 | 713,692 |         |         |         |         |         |         |        |        |        |

| Ultimate Losses | Months    |           |           |           |           |         |         |         |         |         |  |
|-----------------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|---------|--|
|                 | 12        | 24        | 36        | 48        | 60        | 72      | 84      | 96      | 108     | 120     |  |
| 2007            | 797,931   | 713,876   | 696,189   | 669,281   | 631,006   | 625,444 | 606,216 | 601,762 | 592,894 | 589,949 |  |
| 2008            | 862,007   | 862,051   | 823,881   | 830,528   | 801,006   | 805,208 | 837,638 | 834,612 | 844,852 |         |  |
| 2009            | 823,555   | 864,849   | 881,630   | 876,646   | 886,053   | 868,409 | 887,803 | 862,381 |         |         |  |
| 2010            | 688,207   | 685,892   | 675,170   | 600,491   | 565,924   | 538,695 | 577,788 |         |         |         |  |
| 2011            | 1,022,334 | 978,409   | 975,597   | 933,354   | 933,832   | 940,842 |         |         |         |         |  |
| 2012            | 1,075,773 | 1,118,300 | 1,078,066 | 1,062,873 | 1,042,766 |         |         |         |         |         |  |
| 2013            | 1,100,756 | 1,139,683 | 1,097,849 | 1,051,273 |           |         |         |         |         |         |  |
| 2014            | 1,195,615 | 1,243,754 | 1,240,308 |           |           |         |         |         |         |         |  |
| 2015            | 1,178,376 | 1,160,418 |           |           |           |         |         |         |         |         |  |
| 2016            | 1,197,838 |           |           |           |           |         |         |         |         |         |  |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Consolidated Total

NET BASIS

|                          |      | Months    |           |           |           |           |           |          |          |          |          |                                  |
|--------------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|----------------------------------|
| Paid Loss Ratio          |      | 12        | 24        | 36        | 48        | 60        | 72        | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 7.5%      | 15.8%     | 24.2%     | 32.7%     | 35.6%     | 39.1%     | 41.5%    | 43.2%    | 44.5%    | 44.9%    |                                  |
|                          | 2008 | 11.0%     | 28.7%     | 35.0%     | 42.7%     | 49.9%     | 53.3%     | 56.3%    | 59.6%    | 61.8%    |          |                                  |
|                          | 2009 | 14.6%     | 42.8%     | 48.0%     | 52.8%     | 56.1%     | 58.6%     | 61.1%    | 68.3%    |          |          |                                  |
|                          | 2010 | 10.8%     | 21.6%     | 27.1%     | 34.1%     | 36.6%     | 38.3%     | 40.0%    |          |          |          |                                  |
|                          | 2011 | 11.7%     | 26.0%     | 34.8%     | 40.9%     | 46.1%     | 52.1%     |          |          |          |          |                                  |
|                          | 2012 | 8.9%      | 25.2%     | 35.0%     | 43.8%     | 48.1%     |           |          |          |          |          |                                  |
|                          | 2013 | 10.6%     | 27.7%     | 35.7%     | 40.7%     |           |           |          |          |          |          |                                  |
|                          | 2014 | 12.3%     | 28.9%     | 39.2%     |           |           |           |          |          |          |          |                                  |
|                          | 2015 | 10.5%     | 27.0%     |           |           |           |           |          |          |          |          |                                  |
|                          | 2016 | 12.8%     |           |           |           |           |           |          |          |          |          |                                  |
|                          |      | Months    |           |           |           |           |           |          |          |          |          |                                  |
| Case Incurred Loss Ratio |      | 12        | 24        | 36        | 48        | 60        | 72        | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 18.2%     | 28.7%     | 37.1%     | 40.6%     | 41.5%     | 43.6%     | 44.9%    | 46.0%    | 46.6%    | 47.0%    |                                  |
|                          | 2008 | 30.2%     | 39.2%     | 45.7%     | 53.1%     | 54.5%     | 58.1%     | 62.5%    | 63.5%    | 67.0%    |          |                                  |
|                          | 2009 | 22.8%     | 43.8%     | 52.9%     | 56.7%     | 63.0%     | 63.4%     | 66.8%    | 71.4%    |          |          |                                  |
|                          | 2010 | 16.1%     | 27.4%     | 32.8%     | 35.1%     | 36.0%     | 37.6%     | 41.9%    |          |          |          |                                  |
|                          | 2011 | 28.6%     | 40.1%     | 47.6%     | 49.5%     | 53.4%     | 57.3%     |          |          |          |          |                                  |
|                          | 2012 | 30.0%     | 44.2%     | 49.0%     | 53.4%     | 55.7%     |           |          |          |          |          |                                  |
|                          | 2013 | 24.6%     | 38.4%     | 43.6%     | 47.3%     |           |           |          |          |          |          |                                  |
|                          | 2014 | 27.2%     | 40.7%     | 47.3%     |           |           |           |          |          |          |          |                                  |
|                          | 2015 | 24.2%     | 38.4%     |           |           |           |           |          |          |          |          |                                  |
|                          | 2016 | 27.2%     |           |           |           |           |           |          |          |          |          |                                  |
|                          |      | Months    |           |           |           |           |           |          |          |          |          |                                  |
| Ultimate Loss Ratio      |      | 12        | 24        | 36        | 48        | 60        | 72        | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 66.0%     | 59.1%     | 57.6%     | 55.4%     | 52.2%     | 51.8%     | 50.2%    | 49.8%    | 49.1%    | 48.8%    |                                  |
|                          | 2008 | 72.9%     | 72.9%     | 69.6%     | 70.2%     | 67.7%     | 68.1%     | 70.8%    | 70.5%    | 71.4%    |          |                                  |
|                          | 2009 | 71.1%     | 74.7%     | 76.1%     | 75.7%     | 76.5%     | 75.0%     | 76.7%    | 74.5%    |          |          |                                  |
|                          | 2010 | 57.0%     | 56.9%     | 56.0%     | 49.8%     | 46.9%     | 44.6%     | 47.9%    |          |          |          |                                  |
|                          | 2011 | 71.5%     | 68.4%     | 68.2%     | 65.3%     | 65.3%     | 65.8%     |          |          |          |          |                                  |
|                          | 2012 | 69.0%     | 71.8%     | 69.2%     | 68.2%     | 66.9%     |           |          |          |          |          |                                  |
|                          | 2013 | 63.9%     | 66.2%     | 63.7%     | 61.0%     |           |           |          |          |          |          |                                  |
|                          | 2014 | 65.3%     | 67.9%     | 67.8%     |           |           |           |          |          |          |          |                                  |
|                          | 2015 | 65.5%     | 64.5%     |           |           |           |           |          |          |          |          |                                  |
|                          | 2016 | 67.4%     |           |           |           |           |           |          |          |          |          |                                  |
|                          |      | Months    |           |           |           |           |           |          |          |          |          |                                  |
| Loss Emergence           |      | 12        | 24        | 36        | 48        | 60        | 72        | 84       | 96       | 108      | 120      | Total Development<br>AY 07 - 16' |
|                          | 2007 | 797,931   | (84,055)  | (17,688)  | (26,908)  | (38,274)  | (5,562)   | (19,228) | (4,454)  | (8,868)  | (2,945)  | (207,982)                        |
|                          | 2008 | 862,007   | 44        | (38,171)  | 6,647     | (29,522)  | 4,202     | 32,430   | (3,026)  | 10,241   |          | (17,155)                         |
|                          | 2009 | 823,555   | 41,294    | 16,781    | (4,983)   | 9,407     | (17,645)  | 19,394   | (25,422) |          |          | 38,826                           |
|                          | 2010 | 688,207   | (2,314)   | (10,722)  | (74,679)  | (34,568)  | (27,229)  | 39,093   |          |          |          | (110,419)                        |
|                          | 2011 | 1,022,334 | (43,925)  | (2,812)   | (42,243)  | 479       | 7,009     |          |          |          |          | (81,492)                         |
|                          | 2012 | 1,075,773 | 42,527    | (40,234)  | (15,193)  | (20,107)  |           |          |          |          |          | (33,007)                         |
|                          | 2013 | 1,100,756 | 38,926    | (41,834)  | (46,576)  |           |           |          |          |          |          | (49,484)                         |
|                          | 2014 | 1,195,615 | 48,139    | (3,446)   |           |           |           |          |          |          |          | 44,693                           |
|                          | 2015 | 1,178,376 | (17,957)  |           |           |           |           |          |          |          |          | (17,957)                         |
|                          | 2016 | 1,197,838 |           |           |           |           |           |          |          |          |          | —                                |
|                          |      |           |           |           |           |           |           |          |          |          |          | (433,977)                        |
|                          |      | CY 2007   | CY 2008   | CY 2009   | CY 2010   | CY 2011   | CY 2012   | CY 2013  | CY 2014  | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|                          |      | (214,057) | (202,339) | (210,830) | (118,424) | (103,036) | (122,166) | (50,824) | (63,732) | (23,483) | (55,905) | (1,164,796)                      |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Property and Other

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 3,030,001       | 2,656,600      | 1,720,594   | 2,748         | 1,723,342            | 5,967   | 1,729,309       | 65.1%               |
| 2007           | 741,444         | 746,985        | 199,785     | 1,144         | 200,929              | 2,119   | 203,048         | 27.2%               |
| 2008           | 579,395         | 657,492        | 361,943     | 2,339         | 364,282              | 1,285   | 365,567         | 55.6%               |
| 2009           | 587,588         | 575,863        | 116,878     | 394           | 117,272              | 1,321   | 118,593         | 20.6%               |
| 2010           | 644,539         | 608,073        | 134,490     | 4,108         | 138,598              | 861     | 139,459         | 22.9%               |
| 2011           | 797,361         | 715,811        | 376,830     | 10,046        | 386,875              | 3,761   | 390,637         | 54.6%               |
| 2012           | 849,169         | 840,023        | 439,287     | 93,353        | 532,640              | 11,156  | 543,795         | 64.7%               |
| 2013           | 978,818         | 932,159        | 429,184     | 22,175        | 451,359              | 10,782  | 462,141         | 49.6%               |
| 2014           | 962,871         | 988,436        | 480,660     | 26,306        | 506,966              | 21,695  | 528,660         | 53.5%               |
| 2015           | 992,360         | 975,189        | 333,382     | 78,711        | 412,093              | 45,746  | 457,839         | 46.9%               |
| 2016           | 1,141,140       | 1,072,102      | 195,578     | 211,757       | 407,335              | 210,724 | 618,059         | 57.6%               |
|                | 11,304,686      | 10,768,733     | 4,788,611   | 453,081       | 5,241,691            | 315,417 | 5,557,107       | 51.6%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 849,623         | 789,932        | 862,412     | 44            | 862,455              | 1,649  | 864,105         | 109.4%              |
| 2007           | 318,109         | 336,098        | 47,539      | 99            | 47,638               | 148    | 47,785          | 14.2%               |
| 2008           | 273,593         | 274,229        | 124,530     | 8,628         | 133,158              | (365)  | 132,793         | 48.4%               |
| 2009           | 274,061         | 273,299        | 29,810      | 9             | 29,819               | 409    | 30,227          | 11.1%               |
| 2010           | 206,867         | 235,489        | 20,214      | 37            | 20,251               | 314    | 20,565          | 8.7%                |
| 2011           | 240,062         | 232,401        | 57,611      | 1,047         | 58,658               | 933    | 59,591          | 25.6%               |
| 2012           | 252,481         | 250,969        | 50,777      | 51,702        | 102,479              | (206)  | 102,274         | 40.8%               |
| 2013           | 211,791         | 201,959        | 56,771      | 8,732         | 65,503               | (33)   | 65,471          | 32.4%               |
| 2014           | 226,346         | 216,591        | 66,761      | (374)         | 66,387               | 297    | 66,684          | 30.8%               |
| 2015           | 228,043         | 227,981        | 42,318      | 20,332        | 62,650               | 5,832  | 68,482          | 30.0%               |
| 2016           | 218,926         | 227,760        | 15,332      | 52,615        | 67,947               | 18,241 | 86,188          | 37.8%               |
|                | 3,299,902       | 3,266,708      | 1,374,075   | 142,871       | 1,516,945            | 27,219 | 1,544,165       | 47.3%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 2,180,378       | 1,866,668      | 858,182     | 2,704         | 860,887              | 4,318   | 865,204         | 46.4%               |
| 2007           | 423,335         | 410,887        | 152,246     | 1,045         | 153,291              | 1,971   | 155,263         | 37.8%               |
| 2008           | 305,802         | 383,263        | 237,413     | (6,289)       | 231,124              | 1,650   | 232,774         | 60.7%               |
| 2009           | 313,527         | 302,564        | 87,068      | 385           | 87,453               | 912     | 88,366          | 29.2%               |
| 2010           | 437,672         | 372,584        | 114,276     | 4,071         | 118,347              | 547     | 118,894         | 31.9%               |
| 2011           | 557,299         | 483,410        | 319,219     | 8,999         | 328,217              | 2,828   | 331,046         | 68.5%               |
| 2012           | 596,688         | 589,054        | 388,510     | 41,651        | 430,161              | 11,362  | 441,521         | 75.0%               |
| 2013           | 767,027         | 730,200        | 372,413     | 13,443        | 385,856              | 10,815  | 396,670         | 54.3%               |
| 2014           | 736,525         | 771,845        | 413,899     | 26,680        | 440,579              | 21,398  | 461,976         | 59.9%               |
| 2015           | 764,317         | 747,208        | 291,064     | 58,379        | 349,443              | 39,914  | 389,357         | 52.1%               |
| 2016           | 922,214         | 844,342        | 180,246     | 159,142       | 339,388              | 192,483 | 531,871         | 63.0%               |
|                | 8,004,784       | 7,502,025      | 3,414,536   | 310,210       | 3,724,746            | 288,198 | 4,012,942       | 53.5%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Property and Other

NET BASIS

|             |      | Months  |         |         |         |         |         |         |         |         |         |
|-------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Paid Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|             | 2007 | 58,870  | 109,796 | 130,649 | 139,457 | 142,887 | 145,480 | 152,034 | 152,393 | 152,488 | 152,246 |
|             | 2008 | 89,263  | 170,536 | 193,333 | 205,661 | 233,091 | 235,759 | 237,936 | 237,442 | 237,413 |         |
|             | 2009 | 38,154  | 68,858  | 78,150  | 82,063  | 83,085  | 84,399  | 86,676  | 87,069  |         |         |
|             | 2010 | 50,188  | 89,705  | 98,961  | 109,946 | 114,186 | 114,521 | 114,276 |         |         |         |
|             | 2011 | 93,270  | 232,138 | 295,338 | 317,962 | 319,245 | 319,219 |         |         |         |         |
|             | 2012 | 113,108 | 289,538 | 356,948 | 380,711 | 388,510 |         |         |         |         |         |
|             | 2013 | 133,736 | 313,057 | 358,209 | 372,413 |         |         |         |         |         |         |
|             | 2014 | 181,425 | 360,003 | 413,899 |         |         |         |         |         |         |         |
|             | 2015 | 129,740 | 291,063 |         |         |         |         |         |         |         |         |
|             | 2016 | 180,246 |         |         |         |         |         |         |         |         |         |

|                      |      | Months  |         |         |         |         |         |         |         |         |         |
|----------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Case Incurred Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                      | 2007 | 130,463 | 142,115 | 156,391 | 152,427 | 151,211 | 153,846 | 153,318 | 153,462 | 153,533 | 153,291 |
|                      | 2008 | 231,306 | 245,480 | 237,257 | 235,167 | 234,656 | 233,814 | 232,570 | 231,899 | 231,124 |         |
|                      | 2009 | 82,836  | 92,472  | 86,878  | 86,811  | 87,732  | 87,113  | 87,560  | 87,453  |         |         |
|                      | 2010 | 111,646 | 118,461 | 121,862 | 118,974 | 118,894 | 118,426 | 118,347 |         |         |         |
|                      | 2011 | 300,957 | 338,624 | 334,433 | 331,233 | 328,036 | 328,217 |         |         |         |         |
|                      | 2012 | 362,055 | 457,647 | 439,016 | 435,030 | 430,160 |         |         |         |         |         |
|                      | 2013 | 306,266 | 382,604 | 378,117 | 385,855 |         |         |         |         |         |         |
|                      | 2014 | 350,824 | 430,366 | 440,579 |         |         |         |         |         |         |         |
|                      | 2015 | 229,523 | 349,443 |         |         |         |         |         |         |         |         |
|                      | 2016 | 339,388 |         |         |         |         |         |         |         |         |         |

|      |      | Months  |        |        |        |        |       |       |       |       |       |
|------|------|---------|--------|--------|--------|--------|-------|-------|-------|-------|-------|
| IBNR |      | 12      | 24     | 36     | 48     | 60     | 72    | 84    | 96    | 108   | 120   |
|      | 2007 | 119,059 | 33,515 | 12,384 | 6,890  | 6,334  | 4,087 | 3,267 | 2,484 | 2,087 | 1,971 |
|      | 2008 | 98,562  | 40,938 | 31,348 | 23,758 | 7,306  | 6,185 | 2,924 | 1,568 | 1,650 |       |
|      | 2009 | 44,362  | 17,635 | 13,819 | 6,341  | 3,276  | 1,456 | 1,218 | 912   |       |       |
|      | 2010 | 75,103  | 40,808 | 29,815 | 6,708  | 1,097  | 823   | 547   |       |       |       |
|      | 2011 | 106,698 | 42,288 | 23,307 | 2,582  | 4,019  | 2,828 |       |       |       |       |
|      | 2012 | 118,096 | 33,638 | 27,781 | 10,561 | 11,361 |       |       |       |       |       |
|      | 2013 | 128,040 | 48,060 | 24,018 | 10,815 |        |       |       |       |       |       |
|      | 2014 | 135,492 | 55,454 | 21,398 |        |        |       |       |       |       |       |
|      | 2015 | 158,548 | 39,914 |        |        |        |       |       |       |       |       |
|      | 2016 | 192,483 |        |        |        |        |       |       |       |       |       |

|                 |      | Months  |         |         |         |         |         |         |         |         |         |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                 | 2007 | 249,522 | 175,630 | 168,775 | 159,317 | 157,545 | 157,933 | 156,585 | 155,946 | 155,620 | 155,262 |
|                 | 2008 | 329,868 | 286,417 | 268,605 | 258,925 | 241,962 | 239,999 | 235,494 | 233,467 | 232,774 |         |
|                 | 2009 | 127,198 | 110,107 | 100,697 | 93,152  | 91,008  | 88,569  | 88,768  | 88,365  |         |         |
|                 | 2010 | 186,750 | 159,269 | 151,677 | 125,682 | 119,991 | 119,249 | 118,894 |         |         |         |
|                 | 2011 | 407,656 | 380,912 | 357,740 | 333,815 | 332,055 | 331,045 |         |         |         |         |
|                 | 2012 | 480,152 | 491,285 | 466,797 | 445,591 | 441,522 |         |         |         |         |         |
|                 | 2013 | 434,306 | 430,663 | 402,135 | 396,670 |         |         |         |         |         |         |
|                 | 2014 | 486,315 | 485,820 | 461,977 |         |         |         |         |         |         |         |
|                 | 2015 | 388,070 | 389,357 |         |         |         |         |         |         |         |         |
|                 | 2016 | 531,870 |         |         |         |         |         |         |         |         |         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Property and Other

NET BASIS

|                          |      | Months    |          |          |          |          |          |          |          |          |          |                                  |
|--------------------------|------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------------------------|
| Paid Loss Ratio          |      | 12        | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 14.3%     | 26.7%    | 31.8%    | 33.9%    | 34.8%    | 35.4%    | 37.0%    | 37.1%    | 37.1%    | 37.1%    |                                  |
|                          | 2008 | 23.3%     | 44.5%    | 50.4%    | 53.7%    | 60.8%    | 61.5%    | 62.1%    | 62.0%    | 61.9%    |          |                                  |
|                          | 2009 | 12.6%     | 22.8%    | 25.8%    | 27.1%    | 27.5%    | 27.9%    | 28.6%    | 28.8%    |          |          |                                  |
|                          | 2010 | 13.5%     | 24.1%    | 26.6%    | 29.5%    | 30.6%    | 30.7%    | 30.7%    |          |          |          |                                  |
|                          | 2011 | 19.3%     | 48.0%    | 61.1%    | 65.8%    | 66.0%    | 66.0%    |          |          |          |          |                                  |
|                          | 2012 | 19.2%     | 49.2%    | 60.6%    | 64.6%    | 66.0%    |          |          |          |          |          |                                  |
|                          | 2013 | 18.3%     | 42.9%    | 49.1%    | 51.0%    |          |          |          |          |          |          |                                  |
|                          | 2014 | 23.5%     | 46.6%    | 53.6%    |          |          |          |          |          |          |          |                                  |
|                          | 2015 | 17.4%     | 39.0%    |          |          |          |          |          |          |          |          |                                  |
|                          | 2016 | 21.3%     |          |          |          |          |          |          |          |          |          |                                  |
|                          |      | Months    |          |          |          |          |          |          |          |          |          |                                  |
| Case Incurred Loss Ratio |      | 12        | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 31.8%     | 34.6%    | 38.1%    | 37.1%    | 36.8%    | 37.4%    | 37.3%    | 37.3%    | 37.4%    | 37.3%    |                                  |
|                          | 2008 | 60.4%     | 64.0%    | 61.9%    | 61.4%    | 61.2%    | 61.0%    | 60.7%    | 60.5%    | 60.3%    |          |                                  |
|                          | 2009 | 27.4%     | 30.6%    | 28.7%    | 28.7%    | 29.0%    | 28.8%    | 28.9%    | 28.9%    |          |          |                                  |
|                          | 2010 | 30.0%     | 31.8%    | 32.7%    | 31.9%    | 31.9%    | 31.8%    | 31.8%    |          |          |          |                                  |
|                          | 2011 | 62.3%     | 70.0%    | 69.2%    | 68.5%    | 67.9%    | 67.9%    |          |          |          |          |                                  |
|                          | 2012 | 61.5%     | 77.7%    | 74.5%    | 73.9%    | 73.0%    |          |          |          |          |          |                                  |
|                          | 2013 | 41.9%     | 52.4%    | 51.8%    | 52.8%    |          |          |          |          |          |          |                                  |
|                          | 2014 | 45.5%     | 55.8%    | 57.1%    |          |          |          |          |          |          |          |                                  |
|                          | 2015 | 30.7%     | 46.8%    |          |          |          |          |          |          |          |          |                                  |
|                          | 2016 | 40.2%     |          |          |          |          |          |          |          |          |          |                                  |
|                          |      | Months    |          |          |          |          |          |          |          |          |          |                                  |
| Ultimate Loss Ratio      |      | 12        | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007 | 60.7%     | 42.7%    | 41.1%    | 38.8%    | 38.3%    | 38.4%    | 38.1%    | 38.0%    | 37.9%    | 37.8%    |                                  |
|                          | 2008 | 86.1%     | 74.7%    | 70.1%    | 67.6%    | 63.1%    | 62.6%    | 61.4%    | 60.9%    | 60.7%    |          |                                  |
|                          | 2009 | 42.0%     | 36.4%    | 33.3%    | 30.8%    | 30.1%    | 29.3%    | 29.3%    | 29.2%    |          |          |                                  |
|                          | 2010 | 50.1%     | 42.7%    | 40.7%    | 33.7%    | 32.2%    | 32.0%    | 31.9%    |          |          |          |                                  |
|                          | 2011 | 84.3%     | 78.8%    | 74.0%    | 69.1%    | 68.7%    | 68.5%    |          |          |          |          |                                  |
|                          | 2012 | 81.5%     | 83.4%    | 79.2%    | 75.6%    | 75.0%    |          |          |          |          |          |                                  |
|                          | 2013 | 59.5%     | 59.0%    | 55.1%    | 54.3%    |          |          |          |          |          |          |                                  |
|                          | 2014 | 63.0%     | 62.9%    | 59.9%    |          |          |          |          |          |          |          |                                  |
|                          | 2015 | 51.9%     | 52.1%    |          |          |          |          |          |          |          |          |                                  |
|                          | 2016 | 63.0%     |          |          |          |          |          |          |          |          |          |                                  |
|                          |      | Months    |          |          |          |          |          |          |          |          |          |                                  |
| Loss Emergence           |      | 12        | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      | Total Development<br>AY 07 - 16' |
|                          | 2007 | 249,522   | (73,892) | (6,855)  | (9,457)  | (1,773)  | 388      | (1,348)  | (639)    | (326)    | (358)    | (94,260)                         |
|                          | 2008 | 329,868   | (43,451) | (17,812) | (9,680)  | (16,963) | (1,964)  | (4,505)  | (2,027)  | (693)    |          | (97,095)                         |
|                          | 2009 | 127,198   | (17,091) | (9,410)  | (7,545)  | (2,145)  | (2,438)  | 199      | (403)    |          |          | (38,833)                         |
|                          | 2010 | 186,750   | (27,481) | (7,591)  | (25,996) | (5,691)  | (741)    | (355)    |          |          |          | (67,855)                         |
|                          | 2011 | 407,656   | (26,744) | (23,172) | (23,925) | (1,760)  | (1,010)  |          |          |          |          | (76,611)                         |
|                          | 2012 | 480,152   | 11,134   | (24,489) | (21,206) | (4,069)  |          |          |          |          |          | (38,630)                         |
|                          | 2013 | 434,306   | (3,642)  | (28,528) | (5,465)  |          |          |          |          |          |          | (37,635)                         |
|                          | 2014 | 486,315   | (495)    | (23,844) |          |          |          |          |          |          |          | (24,339)                         |
|                          | 2015 | 388,070   | 1,287    |          |          |          |          |          |          |          |          | 1,287                            |
|                          | 2016 | 531,870   |          |          |          |          |          |          |          |          |          | —                                |
|                          |      |           |          |          |          |          |          |          |          |          |          | (473,971)                        |
|                          |      | CY 2007   | CY 2008  | CY 2009  | CY 2010  | CY 2011  | CY 2012  | CY 2013  | CY 2014  | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|                          |      | (113,124) | (94,089) | (65,192) | (51,737) | (57,036) | (63,919) | (47,783) | (68,327) | (52,295) | (34,784) | (648,286)                        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Insurance**  
**Marine**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 970,842         | 870,977        | 746,381     | 5,220         | 751,602              | 529     | 752,130         | 86.4%               |
| 2007           | 217,843         | 234,179        | 121,500     | 2,818         | 124,318              | 476     | 124,794         | 53.3%               |
| 2008           | 193,234         | 202,679        | 102,405     | 896           | 103,302              | 536     | 103,838         | 51.2%               |
| 2009           | 200,868         | 195,185        | 76,192      | 6,099         | 82,290               | 906     | 83,196          | 42.6%               |
| 2010           | 224,814         | 199,336        | 111,371     | 1,703         | 113,074              | (995)   | 112,079         | 56.2%               |
| 2011           | 240,481         | 220,421        | 142,662     | 6,046         | 148,707              | 3,149   | 151,856         | 68.9%               |
| 2012           | 252,434         | 245,273        | 147,408     | 29,206        | 176,614              | 15,110  | 191,724         | 78.2%               |
| 2013           | 229,493         | 237,859        | 75,263      | 24,933        | 100,196              | 14,877  | 115,072         | 48.4%               |
| 2014           | 238,320         | 238,797        | 33,343      | 13,123        | 46,465               | 15,205  | 61,671          | 25.8%               |
| 2015           | 241,956         | 259,876        | 62,514      | 163,343       | 225,858              | 38,494  | 264,352         | 101.7%              |
| 2016           | 225,609         | 216,194        | 15,470      | 35,678        | 51,148               | 64,320  | 115,468         | 53.4%               |
|                | 3,235,894       | 3,120,776      | 1,634,509   | 289,065       | 1,923,574            | 152,607 | 2,076,180       | 66.5%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 231,161         | 225,221        | 280,310     | 138           | 280,448              | 52     | 280,500         | 124.5%              |
| 2007           | 72,723          | 77,364         | 25,553      | 1,275         | 26,828               | (129)  | 26,699          | 34.5%               |
| 2008           | 51,663          | 51,502         | 15,226      | 769           | 15,995               | 193    | 16,188          | 31.4%               |
| 2009           | 58,916          | 55,988         | 22,533      | 2,805         | 25,338               | 211    | 25,549          | 45.6%               |
| 2010           | 53,705          | 53,980         | 62,092      | 22            | 62,114               | 332    | 62,446          | 115.7%              |
| 2011           | 72,015          | 68,298         | 77,605      | 2,865         | 80,469               | 534    | 81,004          | 118.6%              |
| 2012           | 74,463          | 74,108         | 92,952      | 17,160        | 110,111              | 4,517  | 114,628         | 154.7%              |
| 2013           | 56,194          | 58,801         | 8,586       | 430           | 9,015                | 4,593  | 13,608          | 23.1%               |
| 2014           | 63,224          | 60,568         | 4,928       | 181           | 5,109                | 6,073  | 11,181          | 18.5%               |
| 2015           | 82,227          | 76,180         | 6,424       | 102,632       | 109,057              | 11,989 | 121,046         | 158.9%              |
| 2016           | 63,808          | 66,148         | 2,494       | 3,257         | 5,751                | 21,728 | 27,478          | 41.5%               |
|                | 880,099         | 868,158        | 598,703     | 131,534       | 730,235              | 50,093 | 780,327         | 89.9%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 739,681         | 645,756        | 466,071     | 5,082         | 471,154              | 477     | 471,630         | 73.0%               |
| 2007           | 145,120         | 156,815        | 95,947      | 1,543         | 97,490               | 605     | 98,095          | 62.6%               |
| 2008           | 141,571         | 151,177        | 87,179      | 127           | 87,307               | 343     | 87,650          | 58.0%               |
| 2009           | 141,952         | 139,197        | 53,659      | 3,294         | 56,952               | 695     | 57,647          | 41.4%               |
| 2010           | 171,109         | 145,356        | 49,279      | 1,681         | 50,960               | (1,327) | 49,633          | 34.1%               |
| 2011           | 168,466         | 152,123        | 65,057      | 3,181         | 68,238               | 2,615   | 70,852          | 46.6%               |
| 2012           | 177,971         | 171,165        | 54,456      | 12,046        | 66,503               | 10,593  | 77,096          | 45.0%               |
| 2013           | 173,299         | 179,058        | 66,677      | 24,503        | 91,181               | 10,284  | 101,464         | 56.7%               |
| 2014           | 175,096         | 178,229        | 28,415      | 12,942        | 41,356               | 9,132   | 50,490          | 28.3%               |
| 2015           | 159,729         | 183,696        | 56,090      | 60,711        | 116,801              | 26,505  | 143,306         | 78.0%               |
| 2016           | 161,801         | 150,046        | 12,976      | 32,421        | 45,397               | 42,592  | 87,990          | 58.6%               |
|                | 2,355,795       | 2,252,618      | 1,035,806   | 157,531       | 1,193,339            | 102,514 | 1,295,853       | 57.5%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Marine

NET BASIS

|             |      | Months |        |        |        |        |        |        |        |        |        |
|-------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Paid Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|             | 2007 | 17,065 | 39,441 | 62,377 | 81,508 | 87,384 | 90,674 | 90,718 | 92,342 | 95,704 | 95,947 |
|             | 2008 | 24,571 | 56,587 | 73,562 | 81,955 | 83,087 | 86,876 | 87,020 | 87,090 | 87,179 |        |
|             | 2009 | 20,970 | 34,406 | 44,255 | 47,596 | 49,819 | 50,503 | 53,264 | 53,658 |        |        |
|             | 2010 | 18,545 | 29,631 | 34,849 | 44,282 | 47,266 | 48,119 | 49,279 |        |        |        |
|             | 2011 | 27,291 | 46,845 | 58,509 | 61,894 | 64,111 | 65,057 |        |        |        |        |
|             | 2012 | 11,611 | 41,236 | 48,098 | 53,440 | 54,456 |        |        |        |        |        |
|             | 2013 | 20,274 | 46,122 | 58,070 | 66,677 |        |        |        |        |        |        |
|             | 2014 | 6,527  | 15,950 | 28,414 |        |        |        |        |        |        |        |
|             | 2015 | 22,941 | 56,090 |        |        |        |        |        |        |        |        |
|             | 2016 | 12,976 |        |        |        |        |        |        |        |        |        |

|                      |      | Months  |         |        |         |        |        |        |        |        |        |
|----------------------|------|---------|---------|--------|---------|--------|--------|--------|--------|--------|--------|
| Case Incurred Losses |      | 12      | 24      | 36     | 48      | 60     | 72     | 84     | 96     | 108    | 120    |
|                      | 2007 | 56,292  | 82,985  | 97,482 | 100,316 | 96,775 | 96,789 | 96,680 | 97,162 | 97,165 | 97,490 |
|                      | 2008 | 72,375  | 88,938  | 93,671 | 92,346  | 87,833 | 87,754 | 87,541 | 87,257 | 87,306 |        |
|                      | 2009 | 46,689  | 56,131  | 57,089 | 56,654  | 57,024 | 56,182 | 57,083 | 56,953 |        |        |
|                      | 2010 | 34,928  | 46,912  | 48,871 | 50,300  | 49,503 | 49,849 | 50,960 |        |        |        |
|                      | 2011 | 49,334  | 62,420  | 65,625 | 66,687  | 68,812 | 68,238 |        |        |        |        |
|                      | 2012 | 50,254  | 63,675  | 64,750 | 66,440  | 66,503 |        |        |        |        |        |
|                      | 2013 | 41,818  | 86,986  | 91,021 | 91,180  |        |        |        |        |        |        |
|                      | 2014 | 21,374  | 29,306  | 41,356 |         |        |        |        |        |        |        |
|                      | 2015 | 117,312 | 116,801 |        |         |        |        |        |        |        |        |
|                      | 2016 | 45,397  |         |        |         |        |        |        |        |        |        |

|      |      | Months |        |        |        |        |       |         |       |     |     |
|------|------|--------|--------|--------|--------|--------|-------|---------|-------|-----|-----|
| IBNR |      | 12     | 24     | 36     | 48     | 60     | 72    | 84      | 96    | 108 | 120 |
|      | 2007 | 71,492 | 26,335 | 14,584 | 6,550  | 7,298  | 5,556 | 3,758   | 1,023 | 650 | 605 |
|      | 2008 | 51,688 | 22,888 | 13,379 | 13,714 | 10,956 | 4,614 | 839     | 651   | 344 |     |
|      | 2009 | 39,341 | 23,650 | 18,492 | 13,171 | 5,296  | 3,735 | 1,503   | 695   |     |     |
|      | 2010 | 35,612 | 25,927 | 20,158 | 5,424  | 4,182  | 993   | (1,328) |       |     |     |
|      | 2011 | 45,911 | 21,603 | 11,745 | 3,613  | 1,611  | 2,615 |         |       |     |     |
|      | 2012 | 43,795 | 23,645 | 8,609  | 9,489  | 10,593 |       |         |       |     |     |
|      | 2013 | 41,121 | 17,820 | 9,263  | 10,284 |        |       |         |       |     |     |
|      | 2014 | 40,058 | 16,792 | 9,133  |        |        |       |         |       |     |     |
|      | 2015 | 45,567 | 26,505 |        |        |        |       |         |       |     |     |
|      | 2016 | 42,593 |        |        |        |        |       |         |       |     |     |

|                 |      | Months  |         |         |         |         |         |         |        |        |        |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96     | 108    | 120    |
|                 | 2007 | 127,784 | 109,320 | 112,066 | 106,866 | 104,073 | 102,345 | 100,438 | 98,185 | 97,815 | 98,095 |
|                 | 2008 | 124,063 | 111,827 | 107,050 | 106,060 | 98,789  | 92,368  | 88,380  | 87,908 | 87,650 |        |
|                 | 2009 | 86,030  | 79,781  | 75,581  | 69,826  | 62,320  | 59,918  | 58,586  | 57,647 |        |        |
|                 | 2010 | 70,540  | 72,838  | 69,029  | 55,724  | 53,685  | 50,842  | 49,633  |        |        |        |
|                 | 2011 | 95,245  | 84,023  | 77,370  | 70,300  | 70,423  | 70,853  |         |        |        |        |
|                 | 2012 | 94,049  | 87,320  | 73,359  | 75,928  | 77,096  |         |         |        |        |        |
|                 | 2013 | 82,939  | 104,806 | 100,284 | 101,464 |         |         |         |        |        |        |
|                 | 2014 | 61,431  | 46,098  | 50,489  |         |         |         |         |        |        |        |
|                 | 2015 | 162,879 | 143,306 |         |         |         |         |         |        |        |        |
|                 | 2016 | 87,990  |         |         |         |         |         |         |        |        |        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Marine

NET BASIS

| Months                   |          |          |          |          |          |          |         |          |          |                                  |                                  |
|--------------------------|----------|----------|----------|----------|----------|----------|---------|----------|----------|----------------------------------|----------------------------------|
| Paid Loss Ratio          | 12       | 24       | 36       | 48       | 60       | 72       | 84      | 96       | 108      | 120                              |                                  |
| 2007                     | 10.9%    | 25.2%    | 39.8%    | 52.0%    | 55.7%    | 57.8%    | 57.8%   | 58.9%    | 61.0%    | 61.2%                            |                                  |
| 2008                     | 16.3%    | 37.4%    | 48.7%    | 54.2%    | 55.0%    | 57.5%    | 57.6%   | 57.6%    | 57.7%    |                                  |                                  |
| 2009                     | 15.1%    | 24.7%    | 31.8%    | 34.2%    | 35.8%    | 36.3%    | 38.3%   | 38.5%    |          |                                  |                                  |
| 2010                     | 12.8%    | 20.4%    | 24.0%    | 30.5%    | 32.5%    | 33.1%    | 33.9%   |          |          |                                  |                                  |
| 2011                     | 17.9%    | 30.8%    | 38.5%    | 40.7%    | 42.1%    | 42.8%    |         |          |          |                                  |                                  |
| 2012                     | 6.8%     | 24.1%    | 28.1%    | 31.2%    | 31.8%    |          |         |          |          |                                  |                                  |
| 2013                     | 11.3%    | 25.8%    | 32.4%    | 37.2%    |          |          |         |          |          |                                  |                                  |
| 2014                     | 3.7%     | 8.9%     | 15.9%    |          |          |          |         |          |          |                                  |                                  |
| 2015                     | 12.5%    | 30.5%    |          |          |          |          |         |          |          |                                  |                                  |
| 2016                     | 8.6%     |          |          |          |          |          |         |          |          |                                  |                                  |
| Months                   |          |          |          |          |          |          |         |          |          |                                  |                                  |
| Case Incurred Loss Ratio | 12       | 24       | 36       | 48       | 60       | 72       | 84      | 96       | 108      | 120                              |                                  |
| 2007                     | 35.9%    | 52.9%    | 62.2%    | 64.0%    | 61.7%    | 61.7%    | 61.7%   | 62.0%    | 62.0%    | 62.2%                            |                                  |
| 2008                     | 47.9%    | 58.8%    | 62.0%    | 61.1%    | 58.1%    | 58.0%    | 57.9%   | 57.7%    | 57.8%    |                                  |                                  |
| 2009                     | 33.5%    | 40.3%    | 41.0%    | 40.7%    | 41.0%    | 40.4%    | 41.0%   | 40.9%    |          |                                  |                                  |
| 2010                     | 24.0%    | 32.3%    | 33.6%    | 34.6%    | 34.1%    | 34.3%    | 35.1%   |          |          |                                  |                                  |
| 2011                     | 32.4%    | 41.0%    | 43.1%    | 43.8%    | 45.2%    | 44.9%    |         |          |          |                                  |                                  |
| 2012                     | 29.4%    | 37.2%    | 37.8%    | 38.8%    | 38.9%    |          |         |          |          |                                  |                                  |
| 2013                     | 23.4%    | 48.6%    | 50.8%    | 50.9%    |          |          |         |          |          |                                  |                                  |
| 2014                     | 12.0%    | 16.4%    | 23.2%    |          |          |          |         |          |          |                                  |                                  |
| 2015                     | 63.9%    | 63.6%    |          |          |          |          |         |          |          |                                  |                                  |
| 2016                     | 30.3%    |          |          |          |          |          |         |          |          |                                  |                                  |
| Months                   |          |          |          |          |          |          |         |          |          |                                  |                                  |
| Ultimate Loss Ratio      | 12       | 24       | 36       | 48       | 60       | 72       | 84      | 96       | 108      | 120                              |                                  |
| 2007                     | 81.5%    | 69.7%    | 71.5%    | 68.1%    | 66.4%    | 65.3%    | 64.0%   | 62.6%    | 62.4%    | 62.6%                            |                                  |
| 2008                     | 82.1%    | 74.0%    | 70.8%    | 70.2%    | 65.3%    | 61.1%    | 58.5%   | 58.1%    | 58.0%    |                                  |                                  |
| 2009                     | 61.8%    | 57.3%    | 54.3%    | 50.2%    | 44.8%    | 43.0%    | 42.1%   | 41.4%    |          |                                  |                                  |
| 2010                     | 48.5%    | 50.1%    | 47.5%    | 38.3%    | 36.9%    | 35.0%    | 34.1%   |          |          |                                  |                                  |
| 2011                     | 62.6%    | 55.2%    | 50.9%    | 46.2%    | 46.3%    | 46.6%    |         |          |          |                                  |                                  |
| 2012                     | 54.9%    | 51.0%    | 42.9%    | 44.4%    | 45.0%    |          |         |          |          |                                  |                                  |
| 2013                     | 46.3%    | 58.5%    | 56.0%    | 56.7%    |          |          |         |          |          |                                  |                                  |
| 2014                     | 34.5%    | 25.9%    | 28.3%    |          |          |          |         |          |          |                                  |                                  |
| 2015                     | 88.7%    | 78.0%    |          |          |          |          |         |          |          |                                  |                                  |
| 2016                     | 58.6%    |          |          |          |          |          |         |          |          |                                  |                                  |
| Months                   |          |          |          |          |          |          |         |          |          |                                  |                                  |
| Loss Emergence           | 12       | 24       | 36       | 48       | 60       | 72       | 84      | 96       | 108      | 120                              | Total Development<br>AY 07 - 16' |
| 2007                     | 127,784  | (18,464) | 2,746    | (5,200)  | (2,793)  | (1,728)  | (1,907) | (2,253)  | (370)    | 280                              | (29,689)                         |
| 2008                     | 124,063  | (12,237) | (4,776)  | (990)    | (7,271)  | (6,421)  | (3,988) | (472)    | (258)    |                                  | (36,413)                         |
| 2009                     | 86,030   | (6,249)  | (4,200)  | (5,755)  | (7,506)  | (2,402)  | (1,331) | (939)    |          |                                  | (28,382)                         |
| 2010                     | 70,540   | 2,298    | (3,809)  | (13,305) | (2,039)  | (2,843)  | (1,209) |          |          |                                  | (20,907)                         |
| 2011                     | 95,245   | (11,222) | (6,653)  | (7,070)  | 123      | 430      |         |          |          |                                  | (24,392)                         |
| 2012                     | 94,049   | (6,728)  | (13,962) | 2,569    | 1,168    |          |         |          |          |                                  | (16,953)                         |
| 2013                     | 82,939   | 21,867   | (4,522)  | 1,180    |          |          |         |          |          |                                  | 18,525                           |
| 2014                     | 61,431   | (15,333) | 4,391    |          |          |          |         |          |          |                                  | (10,942)                         |
| 2015                     | 162,879  | (19,573) |          |          |          |          |         |          |          |                                  | (19,573)                         |
| 2016                     | 87,990   |          |          |          |          |          |         |          |          |                                  | —                                |
|                          |          |          |          |          |          |          |         |          |          |                                  | (168,726)                        |
| CY 2007                  | CY 2008  | CY 2009  | CY 2010  | CY 2011  | CY 2012  | CY 2013  | CY 2014 | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |                                  |
| (43,753)                 | (27,276) | (39,798) | (23,338) | (21,910) | (37,322) | (48,482) | (6,257) | (24,563) | (12,068) | (284,767)                        |                                  |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Aviation

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 1,261,590       | 1,204,306      | 185,637     | 2,313         | 187,950              | (159)  | 187,791         | 15.6%               |
| 2007           | 70,200          | 90,194         | 12,804      | 187           | 12,991               | 57     | 13,048          | 14.5%               |
| 2008           | 67,762          | 68,673         | 5,786       | 379           | 6,166                | 98     | 6,263           | 9.1%                |
| 2009           | 76,198          | 67,087         | 14,704      | 778           | 15,482               | 189    | 15,672          | 23.4%               |
| 2010           | 75,794          | 71,363         | 9,273       | 430           | 9,704                | 263    | 9,967           | 14.0%               |
| 2011           | 70,792          | 77,401         | 6,387       | 1,113         | 7,500                | 456    | 7,955           | 10.3%               |
| 2012           | 65,143          | 67,113         | 7,126       | 455           | 7,581                | 512    | 8,093           | 12.1%               |
| 2013           | 43,326          | 55,540         | 11,746      | 2,806         | 14,552               | 1,046  | 15,598          | 28.1%               |
| 2014           | 57,622          | 49,597         | 12,283      | 9,722         | 22,005               | 3,090  | 25,095          | 50.6%               |
| 2015           | 54,642          | 56,724         | 16,554      | 9,588         | 26,142               | 6,510  | 32,652          | 57.6%               |
| 2016           | 53,173          | 56,080         | 10,702      | 8,880         | 19,582               | 12,855 | 32,437          | 57.8%               |
|                | 1,896,242       | 1,864,078      | 293,002     | 36,651        | 329,655              | 24,917 | 354,571         | 19.0%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR  | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-------|-----------------|---------------------|
| 2006 and prior | 118,333         | 118,164        | 2,027       | —             | 2,027                | 174   | 2,200           | 1.9%                |
| 2007           | 4,967           | 1,946          | —           | —             | —                    | 8     | 8               | 0.4%                |
| 2008           | 2,003           | 3,278          | —           | —             | —                    | 9     | 9               | 0.3%                |
| 2009           | 5,959           | 2,842          | 295         | 43            | 338                  | —     | 338             | 11.9%               |
| 2010           | (126)           | 4,727          | 910         | 42            | 952                  | —     | 952             | 20.1%               |
| 2011           | 8,550           | 6,720          | 397         | 75            | 473                  | —     | 473             | 7.0%                |
| 2012           | 7,415           | 6,750          | —           | —             | —                    | —     | —               | 0.0%                |
| 2013           | 5,996           | 7,053          | —           | —             | —                    | —     | —               | 0.0%                |
| 2014           | 6,668           | 8,405          | —           | —             | —                    | 4     | 4               | 0.0%                |
| 2015           | 12,241          | 11,066         | 17          | 2,238         | 2,255                | 1,324 | 3,579           | 32.3%               |
| 2016           | 10,213          | 11,099         | 56          | 44            | 100                  | 2,659 | 2,759           | 24.9%               |
|                | 182,219         | 182,050        | 3,702       | 2,442         | 6,145                | 4,178 | 10,322          | 5.7%                |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 1,143,257       | 1,086,142      | 183,610     | 2,313         | 185,923              | (333)  | 185,591         | 17.1%               |
| 2007           | 65,233          | 88,248         | 12,804      | 187           | 12,991               | 49     | 13,040          | 14.8%               |
| 2008           | 65,759          | 65,395         | 5,786       | 379           | 6,166                | 89     | 6,254           | 9.6%                |
| 2009           | 70,239          | 64,245         | 14,409      | 735           | 15,144               | 189    | 15,334          | 23.9%               |
| 2010           | 75,920          | 66,636         | 8,363       | 388           | 8,752                | 263    | 9,015           | 13.5%               |
| 2011           | 62,242          | 70,681         | 5,990       | 1,038         | 7,027                | 456    | 7,482           | 10.6%               |
| 2012           | 57,728          | 60,363         | 7,126       | 455           | 7,581                | 512    | 8,093           | 13.4%               |
| 2013           | 37,330          | 48,487         | 11,746      | 2,806         | 14,552               | 1,046  | 15,598          | 32.2%               |
| 2014           | 50,954          | 41,192         | 12,283      | 9,722         | 22,005               | 3,086  | 25,091          | 60.9%               |
| 2015           | 42,401          | 45,658         | 16,537      | 7,350         | 23,887               | 5,186  | 29,073          | 63.7%               |
| 2016           | 42,960          | 44,981         | 10,646      | 8,836         | 19,482               | 10,196 | 29,678          | 66.0%               |
|                | 1,714,023       | 1,682,028      | 289,300     | 34,209        | 323,510              | 20,739 | 344,249         | 20.5%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Aviation

NET BASIS

|             |      | Months |        |        |        |        |        |        |        |        |        |
|-------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Paid Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|             | 2007 | 2,495  | 6,798  | 9,340  | 10,623 | 11,229 | 11,964 | 12,388 | 12,387 | 12,747 | 12,804 |
|             | 2008 | 596    | 2,180  | 3,228  | 3,816  | 4,378  | 4,664  | 4,846  | 5,526  | 5,786  |        |
|             | 2009 | 2,431  | 3,990  | 7,505  | 13,368 | 14,517 | 14,888 | 14,863 | 14,409 |        |        |
|             | 2010 | 1,104  | 4,271  | 6,485  | 7,081  | 7,767  | 7,903  | 8,363  |        |        |        |
|             | 2011 | 673    | 2,901  | 4,617  | 5,160  | 5,725  | 5,989  |        |        |        |        |
|             | 2012 | 990    | 2,927  | 4,255  | 6,136  | 7,126  |        |        |        |        |        |
|             | 2013 | 4,433  | 7,454  | 9,967  | 11,746 |        |        |        |        |        |        |
|             | 2014 | 4,277  | 8,490  | 12,283 |        |        |        |        |        |        |        |
|             | 2015 | 8,341  | 16,537 |        |        |        |        |        |        |        |        |
|             | 2016 | 10,647 |        |        |        |        |        |        |        |        |        |

|                      |      | Months |        |        |        |        |        |        |        |        |        |
|----------------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Case Incurred Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|                      | 2007 | 8,496  | 10,905 | 11,596 | 12,186 | 12,522 | 12,788 | 12,966 | 12,987 | 13,338 | 12,991 |
|                      | 2008 | 1,412  | 4,514  | 5,199  | 5,572  | 5,946  | 5,937  | 5,904  | 6,201  | 6,166  |        |
|                      | 2009 | 9,301  | 10,854 | 17,138 | 17,430 | 16,778 | 16,909 | 15,768 | 15,144 |        |        |
|                      | 2010 | 3,157  | 7,234  | 7,975  | 8,175  | 8,273  | 8,546  | 8,751  |        |        |        |
|                      | 2011 | 2,609  | 4,707  | 5,816  | 6,137  | 7,006  | 7,027  |        |        |        |        |
|                      | 2012 | 3,292  | 5,512  | 6,967  | 7,660  | 7,581  |        |        |        |        |        |
|                      | 2013 | 6,691  | 12,257 | 13,854 | 14,552 |        |        |        |        |        |        |
|                      | 2014 | 14,433 | 18,949 | 22,005 |        |        |        |        |        |        |        |
|                      | 2015 | 18,257 | 23,887 |        |        |        |        |        |        |        |        |
|                      | 2016 | 19,482 |        |        |        |        |        |        |        |        |        |

|      |      | Months |        |       |       |       |       |       |      |     |     |
|------|------|--------|--------|-------|-------|-------|-------|-------|------|-----|-----|
| IBNR |      | 12     | 24     | 36    | 48    | 60    | 72    | 84    | 96   | 108 | 120 |
|      | 2007 | 21,837 | 10,799 | 7,092 | 5,086 | 4,443 | 3,809 | 1,758 | 237  | 117 | 49  |
|      | 2008 | 12,770 | 6,691  | 3,272 | 2,723 | 2,253 | 1,378 | 225   | (92) | 89  |     |
|      | 2009 | 8,515  | 4,293  | 2,285 | 1,333 | 804   | 365   | 356   | 189  |     |     |
|      | 2010 | 10,023 | 4,748  | 3,737 | 1,849 | 751   | 417   | 263   |      |     |     |
|      | 2011 | 15,445 | 10,987 | 7,227 | 3,600 | 1,633 | 456   |       |      |     |     |
|      | 2012 | 9,805  | 5,465  | 4,115 | 1,394 | 512   |       |       |      |     |     |
|      | 2013 | 9,165  | 4,325  | 1,666 | 1,046 |       |       |       |      |     |     |
|      | 2014 | 6,483  | 4,721  | 3,086 |       |       |       |       |      |     |     |
|      | 2015 | 12,085 | 5,186  |       |       |       |       |       |      |     |     |
|      | 2016 | 10,196 |        |       |       |       |       |       |      |     |     |

|                 |      | Months |        |        |        |        |        |        |        |        |        |
|-----------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Ultimate Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|                 | 2007 | 30,333 | 21,703 | 18,688 | 17,272 | 16,965 | 16,597 | 14,714 | 13,223 | 13,454 | 13,040 |
|                 | 2008 | 14,182 | 11,206 | 8,470  | 8,295  | 8,198  | 7,315  | 6,129  | 6,109  | 6,254  |        |
|                 | 2009 | 17,816 | 15,146 | 19,424 | 18,764 | 17,582 | 17,274 | 16,124 | 15,333 |        |        |
|                 | 2010 | 13,180 | 11,983 | 11,712 | 10,024 | 9,024  | 8,963  | 9,014  |        |        |        |
|                 | 2011 | 18,053 | 15,694 | 13,043 | 9,737  | 8,639  | 7,482  |        |        |        |        |
|                 | 2012 | 13,097 | 10,977 | 11,082 | 9,054  | 8,093  |        |        |        |        |        |
|                 | 2013 | 15,856 | 16,582 | 15,521 | 15,598 |        |        |        |        |        |        |
|                 | 2014 | 20,917 | 23,670 | 25,091 |        |        |        |        |        |        |        |
|                 | 2015 | 30,342 | 29,073 |        |        |        |        |        |        |        |        |
|                 | 2016 | 29,678 |        |        |        |        |        |        |        |        |        |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Aviation

NET BASIS

|                          |      | Months   |          |          |          |         |         |          |         |         |         |                                  |
|--------------------------|------|----------|----------|----------|----------|---------|---------|----------|---------|---------|---------|----------------------------------|
| Paid Loss Ratio          |      | 12       | 24       | 36       | 48       | 60      | 72      | 84       | 96      | 108     | 120     |                                  |
|                          | 2007 | 2.8%     | 7.7%     | 10.6%    | 12.0%    | 12.7%   | 13.6%   | 14.0%    | 14.0%   | 14.4%   | 14.5%   |                                  |
|                          | 2008 | 0.9%     | 3.3%     | 4.9%     | 5.8%     | 6.7%    | 7.1%    | 7.4%     | 8.4%    | 8.8%    |         |                                  |
|                          | 2009 | 3.8%     | 6.2%     | 11.7%    | 20.8%    | 22.6%   | 23.2%   | 23.1%    | 22.4%   |         |         |                                  |
|                          | 2010 | 1.7%     | 6.4%     | 9.7%     | 10.6%    | 11.7%   | 11.9%   | 12.6%    |         |         |         |                                  |
|                          | 2011 | 1.0%     | 4.1%     | 6.5%     | 7.3%     | 8.1%    | 8.5%    |          |         |         |         |                                  |
|                          | 2012 | 1.6%     | 4.8%     | 7.0%     | 10.2%    | 11.8%   |         |          |         |         |         |                                  |
|                          | 2013 | 9.1%     | 15.4%    | 20.6%    | 24.2%    |         |         |          |         |         |         |                                  |
|                          | 2014 | 10.4%    | 20.6%    | 29.8%    |          |         |         |          |         |         |         |                                  |
|                          | 2015 | 18.3%    | 36.2%    |          |          |         |         |          |         |         |         |                                  |
|                          | 2016 | 23.7%    |          |          |          |         |         |          |         |         |         |                                  |
|                          |      | Months   |          |          |          |         |         |          |         |         |         |                                  |
| Case Incurred Loss Ratio |      | 12       | 24       | 36       | 48       | 60      | 72      | 84       | 96      | 108     | 120     |                                  |
|                          | 2007 | 9.6%     | 12.4%    | 13.1%    | 13.8%    | 14.2%   | 14.5%   | 14.7%    | 14.7%   | 15.1%   | 14.7%   |                                  |
|                          | 2008 | 2.2%     | 6.9%     | 7.9%     | 8.5%     | 9.1%    | 9.1%    | 9.0%     | 9.5%    | 9.4%    |         |                                  |
|                          | 2009 | 14.5%    | 16.9%    | 26.7%    | 27.1%    | 26.1%   | 26.3%   | 24.5%    | 23.6%   |         |         |                                  |
|                          | 2010 | 4.7%     | 10.9%    | 12.0%    | 12.3%    | 12.4%   | 12.8%   | 13.1%    |         |         |         |                                  |
|                          | 2011 | 3.7%     | 6.7%     | 8.2%     | 8.7%     | 9.9%    | 9.9%    |          |         |         |         |                                  |
|                          | 2012 | 5.5%     | 9.1%     | 11.5%    | 12.7%    | 12.6%   |         |          |         |         |         |                                  |
|                          | 2013 | 13.8%    | 25.3%    | 28.6%    | 30.0%    |         |         |          |         |         |         |                                  |
|                          | 2014 | 35.0%    | 46.0%    | 53.4%    |          |         |         |          |         |         |         |                                  |
|                          | 2015 | 40.0%    | 52.3%    |          |          |         |         |          |         |         |         |                                  |
|                          | 2016 | 43.3%    |          |          |          |         |         |          |         |         |         |                                  |
|                          |      | Months   |          |          |          |         |         |          |         |         |         |                                  |
| Ultimate Loss Ratio      |      | 12       | 24       | 36       | 48       | 60      | 72      | 84       | 96      | 108     | 120     |                                  |
|                          | 2007 | 34.4%    | 24.6%    | 21.2%    | 19.6%    | 19.2%   | 18.8%   | 16.7%    | 15.0%   | 15.2%   | 14.8%   |                                  |
|                          | 2008 | 21.7%    | 17.1%    | 13.0%    | 12.7%    | 12.5%   | 11.2%   | 9.4%     | 9.3%    | 9.6%    |         |                                  |
|                          | 2009 | 27.7%    | 23.6%    | 30.2%    | 29.2%    | 27.4%   | 26.9%   | 25.1%    | 23.9%   |         |         |                                  |
|                          | 2010 | 19.8%    | 18.0%    | 17.6%    | 15.0%    | 13.5%   | 13.5%   | 13.5%    |         |         |         |                                  |
|                          | 2011 | 25.5%    | 22.2%    | 18.5%    | 13.8%    | 12.2%   | 10.6%   |          |         |         |         |                                  |
|                          | 2012 | 21.7%    | 18.2%    | 18.4%    | 15.0%    | 13.4%   |         |          |         |         |         |                                  |
|                          | 2013 | 32.7%    | 34.2%    | 32.0%    | 32.2%    |         |         |          |         |         |         |                                  |
|                          | 2014 | 50.8%    | 57.5%    | 60.9%    |          |         |         |          |         |         |         |                                  |
|                          | 2015 | 66.5%    | 63.7%    |          |          |         |         |          |         |         |         |                                  |
|                          | 2016 | 66.0%    |          |          |          |         |         |          |         |         |         |                                  |
|                          |      | Months   |          |          |          |         |         |          |         |         |         |                                  |
| Loss Emergence           |      | 12       | 24       | 36       | 48       | 60      | 72      | 84       | 96      | 108     | 120     | Total Development<br>AY 07 - 16' |
|                          | 2007 | 30,333   | (8,630)  | (3,015)  | (1,416)  | (307)   | (367)   | (1,884)  | (1,490) | 231     | (415)   | (17,293)                         |
|                          | 2008 | 14,182   | (2,976)  | (2,735)  | (176)    | (97)    | (883)   | (1,186)  | (19)    | 145     |         | (7,927)                          |
|                          | 2009 | 17,816   | (2,669)  | 4,277    | (660)    | (1,181) | (308)   | (1,151)  | (790)   |         |         | (2,482)                          |
|                          | 2010 | 13,180   | (1,198)  | (271)    | (1,688)  | (1,000) | (60)    | 51       |         |         |         | (4,166)                          |
|                          | 2011 | 18,053   | (2,359)  | (2,651)  | (3,306)  | (1,098) | (1,156) |          |         |         |         | (10,570)                         |
|                          | 2012 | 13,097   | (2,119)  | 105      | (2,028)  | (961)   |         |          |         |         |         | (5,003)                          |
|                          | 2013 | 15,856   | 726      | (1,061)  | 78       |         |         |          |         |         |         | (257)                            |
|                          | 2014 | 20,917   | 2,754    | 1,420    |          |         |         |          |         |         |         | 4,174                            |
|                          | 2015 | 30,342   | (1,269)  |          |          |         |         |          |         |         |         | (1,269)                          |
|                          | 2016 | 29,678   |          |          |          |         |         |          |         |         |         | —                                |
|                          |      |          |          |          |          |         |         |          |         |         |         | (44,793)                         |
|                          |      | CY 2007  | CY 2008  | CY 2009  | CY 2010  | CY 2011 | CY 2012 | CY 2013  | CY 2014 | CY 2015 | CY 2016 | Total Development<br>CY 07 - 16' |
|                          |      | (37,524) | (29,888) | (13,207) | (11,995) | (9,842) | (5,017) | (15,349) | (9,076) | (2,429) | (3,113) | (137,440)                        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Credit and Political Risk

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 598,985         | 233,347        | 166         | —             | 166                  | 20     | 186             | 0.1%                |
| 2007           | 232,549         | 113,926        | 4,361       | (1,694)       | 2,667                | 200    | 2,867           | 2.5%                |
| 2008           | 183,041         | 144,481        | 44,688      | —             | 44,688               | —      | 44,688          | 30.9%               |
| 2009           | 19,450          | 188,311        | 346,319     | (7,737)       | 338,582              | 1,740  | 340,322         | 180.7%              |
| 2010           | 30,669          | 89,773         | 102,372     | (36,953)      | 65,419               | 6,900  | 72,319          | 80.6%               |
| 2011           | 35,734          | 97,680         | 27,695      | —             | 27,695               | 17,511 | 45,206          | 46.3%               |
| 2012           | 39,405          | 87,103         | 48          | —             | 48                   | 10,287 | 10,335          | 11.9%               |
| 2013           | 60,203          | 69,482         | 5,242       | 3,064         | 8,306                | 1,647  | 9,953           | 14.3%               |
| 2014           | 45,368          | 64,381         | 61,152      | (3,246)       | 57,906               | 9,326  | 67,232          | 104.4%              |
| 2015           | 59,967          | 65,387         | 23,328      | —             | 23,328               | 7,157  | 30,485          | 46.6%               |
| 2016           | 49,930          | 62,744         | 27          | 26,139        | 26,167               | 19,878 | 46,044          | 73.4%               |
|                | 1,355,301       | 1,216,615      | 615,398     | (20,427)      | 594,972              | 74,666 | 669,637         | 55.0%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|------|-----------------|---------------------|
| 2006 and prior | 15,408          | 14,820         | —           | —             | —                    | —    | —               | 0.0%                |
| 2007           | 501             | 1,089          | —           | —             | —                    | —    | —               | 0.0%                |
| 2008           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2009           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2010           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2011           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2012           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2013           | 5,144           | 1,290          | —           | —             | —                    | —    | —               | —%                  |
| 2014           | —               | 1,286          | —           | —             | —                    | —    | —               | —%                  |
| 2015           | 6,617           | 1,803          | —           | —             | —                    | —    | —               | —%                  |
| 2016           | 20,685          | 4,781          | —           | —             | —                    | 155  | 155             | 3.2%                |
|                | 48,355          | 25,069         | —           | —             | —                    | 155  | 155             | 0.6%                |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 583,577         | 218,527        | 166         | —             | 166                  | 20     | 186             | 0.1%                |
| 2007           | 232,048         | 112,837        | 4,361       | (1,694)       | 2,667                | 200    | 2,867           | 2.5%                |
| 2008           | 183,041         | 144,481        | 44,688      | —             | 44,688               | —      | 44,688          | 30.9%               |
| 2009           | 19,450          | 188,311        | 346,319     | (7,737)       | 338,582              | 1,740  | 340,322         | 180.7%              |
| 2010           | 30,669          | 89,773         | 102,372     | (36,953)      | 65,419               | 6,900  | 72,319          | 80.6%               |
| 2011           | 35,734          | 97,680         | 27,695      | —             | 27,695               | 17,511 | 45,206          | 46.3%               |
| 2012           | 39,405          | 87,103         | 48          | —             | 48                   | 10,287 | 10,335          | 11.9%               |
| 2013           | 55,059          | 68,192         | 5,242       | 3,064         | 8,306                | 1,647  | 9,953           | 14.6%               |
| 2014           | 45,368          | 63,095         | 61,152      | (3,246)       | 57,906               | 9,326  | 67,232          | 106.6%              |
| 2015           | 53,350          | 63,584         | 23,328      | —             | 23,328               | 7,157  | 30,485          | 47.9%               |
| 2016           | 29,245          | 57,963         | 27          | 26,139        | 26,167               | 19,723 | 45,889          | 79.2%               |
|                | 1,306,946       | 1,191,546      | 615,398     | (20,427)      | 594,972              | 74,511 | 669,482         | 56.2%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Credit and Political Risk

NET BASIS

|             |  | Months |         |         |         |         |         |         |         |        |       |
|-------------|--|--------|---------|---------|---------|---------|---------|---------|---------|--------|-------|
| Paid Losses |  | 12     | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108    | 120   |
| 2007        |  | 120    | 2,928   | 4,398   | 4,356   | 4,361   | 4,361   | 4,361   | 4,361   | 4,361  | 4,361 |
| 2008        |  | 247    | 69,464  | 45,896  | 45,911  | 45,657  | 45,657  | 44,688  | 44,688  | 44,688 |       |
| 2009        |  | 93,296 | 345,202 | 346,865 | 346,939 | 342,310 | 346,256 | 346,256 | 346,319 |        |       |
| 2010        |  | 50,038 | 85,529  | 90,885  | 106,964 | 101,988 | 102,163 | 102,372 |         |        |       |
| 2011        |  | 32,821 | 37,264  | 27,695  | 27,695  | 27,695  | 27,695  |         |         |        |       |
| 2012        |  | 1      | 1       | 1       | 1       | 48      |         |         |         |        |       |
| 2013        |  | 745    | 2,235   | 3,752   | 5,242   |         |         |         |         |        |       |
| 2014        |  | 1,924  | 39,977  | 61,152  |         |         |         |         |         |        |       |
| 2015        |  | —      | 23,328  |         |         |         |         |         |         |        |       |
| 2016        |  | 27     |         |         |         |         |         |         |         |        |       |

|                      |  | Months |         |         |         |         |         |         |         |        |       |
|----------------------|--|--------|---------|---------|---------|---------|---------|---------|---------|--------|-------|
| Case Incurred Losses |  | 12     | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108    | 120   |
| 2007                 |  | 120    | 3,005   | 4,825   | 4,706   | 973     | 973     | 2,667   | 2,667   | 2,667  | 2,667 |
| 2008                 |  | 13,978 | 30,444  | 45,896  | 45,652  | 45,657  | 45,657  | 44,688  | 44,688  | 44,688 |       |
| 2009                 |  | 90,975 | 254,903 | 302,773 | 320,097 | 323,583 | 323,506 | 323,506 | 338,582 |        |       |
| 2010                 |  | 10,038 | 45,293  | 55,018  | 60,749  | 60,773  | 64,301  | 65,419  |         |        |       |
| 2011                 |  | 9,836  | 21,355  | 27,695  | 27,695  | 27,695  | 27,695  |         |         |        |       |
| 2012                 |  | 1      | 1       | 1       | 1       | 48      |         |         |         |        |       |
| 2013                 |  | 8,280  | 8,280   | 8,306   | 8,306   |         |         |         |         |        |       |
| 2014                 |  | 15,848 | 62,623  | 57,906  |         |         |         |         |         |        |       |
| 2015                 |  | 5,350  | 23,328  |         |         |         |         |         |         |        |       |
| 2016                 |  | 26,167 |         |         |         |         |         |         |         |        |       |

|      |  | Months  |        |        |        |        |        |        |       |       |     |
|------|--|---------|--------|--------|--------|--------|--------|--------|-------|-------|-----|
| IBNR |  | 12      | 24     | 36     | 48     | 60     | 72     | 84     | 96    | 108   | 120 |
| 2007 |  | 50,723  | 41,907 | 12,224 | 683    | —      | —      | 1,058  | 1,100 | 1,125 | 200 |
| 2008 |  | 40,931  | 33,268 | 3,137  | 174    | 175    | 175    | 1,190  | 790   | —     |     |
| 2009 |  | 159,926 | 50,344 | 23,553 | 15,994 | 12,467 | 12,500 | 12,521 | 1,740 |       |     |
| 2010 |  | 52,604  | 17,659 | 7,979  | 4,418  | 4,406  | 926    | 6,900  |       |       |     |
| 2011 |  | 48,737  | 27,544 | 20,376 | 20,880 | 20,850 | 17,511 |        |       |       |     |
| 2012 |  | 33,099  | 15,911 | 12,457 | 12,457 | 10,287 |        |        |       |       |     |
| 2013 |  | 18,437  | 17,572 | 1,572  | 1,647  |        |        |        |       |       |     |
| 2014 |  | 23,427  | 8,416  | 9,326  |        |        |        |        |       |       |     |
| 2015 |  | 25,373  | 7,157  |        |        |        |        |        |       |       |     |
| 2016 |  | 19,723  |        |        |        |        |        |        |       |       |     |

|                 |  | Months  |         |         |         |         |         |         |         |        |       |
|-----------------|--|---------|---------|---------|---------|---------|---------|---------|---------|--------|-------|
| Ultimate Losses |  | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108    | 120   |
| 2007            |  | 50,843  | 44,911  | 17,049  | 5,388   | 973     | 973     | 3,725   | 3,767   | 3,792  | 2,867 |
| 2008            |  | 54,909  | 63,712  | 49,034  | 45,825  | 45,831  | 45,831  | 45,878  | 45,478  | 44,688 |       |
| 2009            |  | 250,901 | 305,247 | 326,326 | 336,092 | 336,050 | 336,007 | 336,027 | 340,322 |        |       |
| 2010            |  | 62,642  | 62,951  | 62,997  | 65,166  | 65,179  | 65,226  | 72,319  |         |        |       |
| 2011            |  | 58,573  | 48,899  | 48,071  | 48,575  | 48,545  | 45,206  |         |         |        |       |
| 2012            |  | 33,100  | 15,912  | 12,458  | 12,458  | 10,335  |         |         |         |        |       |
| 2013            |  | 26,717  | 25,852  | 9,878   | 9,953   |         |         |         |         |        |       |
| 2014            |  | 39,275  | 71,039  | 67,232  |         |         |         |         |         |        |       |
| 2015            |  | 30,723  | 30,485  |         |         |         |         |         |         |        |       |
| 2016            |  | 45,890  |         |         |         |         |         |         |         |        |       |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Credit and Political Risk

NET BASIS

| Months          |       |        |        |        |        |        |        |        |       |      |      |
|-----------------|-------|--------|--------|--------|--------|--------|--------|--------|-------|------|------|
| Paid Loss Ratio | 12    | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108   | 120  |      |
| 2007            | 0.1%  | 2.6%   | 3.9%   | 3.9%   | 3.9%   | 3.9%   | 3.9%   | 3.9%   | 3.9%  | 3.9% | 3.9% |
| 2008            | 0.2%  | 48.1%  | 31.8%  | 31.8%  | 31.6%  | 31.6%  | 30.9%  | 30.9%  | 30.9% |      |      |
| 2009            | 49.5% | 183.3% | 184.2% | 184.2% | 181.8% | 183.9% | 183.9% | 183.9% |       |      |      |
| 2010            | 55.7% | 95.3%  | 101.2% | 119.1% | 113.6% | 113.8% | 114.0% |        |       |      |      |
| 2011            | 33.6% | 38.1%  | 28.4%  | 28.4%  | 28.4%  | 28.4%  |        |        |       |      |      |
| 2012            | 0.0%  | 0.0%   | 0.0%   | 0.0%   | 0.1%   |        |        |        |       |      |      |
| 2013            | 1.1%  | 3.3%   | 5.5%   | 7.7%   |        |        |        |        |       |      |      |
| 2014            | 3.0%  | 63.4%  | 96.9%  |        |        |        |        |        |       |      |      |
| 2015            | —%    | 36.7%  |        |        |        |        |        |        |       |      |      |
| 2016            | 0.0%  |        |        |        |        |        |        |        |       |      |      |

  

| Months                   |       |        |        |        |        |        |        |        |       |      |      |
|--------------------------|-------|--------|--------|--------|--------|--------|--------|--------|-------|------|------|
| Case Incurred Loss Ratio | 12    | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108   | 120  |      |
| 2007                     | 0.1%  | 2.7%   | 4.3%   | 4.2%   | 0.9%   | 0.9%   | 2.4%   | 2.4%   | 2.4%  | 2.4% | 2.4% |
| 2008                     | 9.7%  | 21.1%  | 31.8%  | 31.6%  | 31.6%  | 31.6%  | 30.9%  | 30.9%  | 30.9% |      |      |
| 2009                     | 48.3% | 135.4% | 160.8% | 170.0% | 171.8% | 171.8% | 171.8% | 179.8% |       |      |      |
| 2010                     | 11.2% | 50.5%  | 61.3%  | 67.7%  | 67.7%  | 71.6%  | 72.9%  |        |       |      |      |
| 2011                     | 10.1% | 21.9%  | 28.4%  | 28.4%  | 28.4%  | 28.4%  |        |        |       |      |      |
| 2012                     | 0.0%  | 0.0%   | 0.0%   | 0.0%   | 0.1%   |        |        |        |       |      |      |
| 2013                     | 12.1% | 12.1%  | 12.2%  | 12.2%  |        |        |        |        |       |      |      |
| 2014                     | 25.1% | 99.3%  | 91.8%  |        |        |        |        |        |       |      |      |
| 2015                     | 8.4%  | 36.7%  |        |        |        |        |        |        |       |      |      |
| 2016                     | 45.1% |        |        |        |        |        |        |        |       |      |      |

  

| Months              |        |        |        |        |        |        |        |        |       |      |  |
|---------------------|--------|--------|--------|--------|--------|--------|--------|--------|-------|------|--|
| Ultimate Loss Ratio | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108   | 120  |  |
| 2007                | 45.1%  | 39.8%  | 15.1%  | 4.8%   | 0.9%   | 0.9%   | 3.3%   | 3.3%   | 3.4%  | 2.5% |  |
| 2008                | 38.0%  | 44.1%  | 33.9%  | 31.7%  | 31.7%  | 31.7%  | 31.8%  | 31.5%  | 30.9% |      |  |
| 2009                | 133.2% | 162.1% | 173.3% | 178.5% | 178.5% | 178.4% | 178.4% | 180.7% |       |      |  |
| 2010                | 69.8%  | 70.1%  | 70.2%  | 72.6%  | 72.6%  | 72.7%  | 80.6%  |        |       |      |  |
| 2011                | 60.0%  | 50.1%  | 49.2%  | 49.7%  | 49.7%  | 46.3%  |        |        |       |      |  |
| 2012                | 38.0%  | 18.3%  | 14.3%  | 14.3%  | 11.9%  |        |        |        |       |      |  |
| 2013                | 39.2%  | 37.9%  | 14.5%  | 14.6%  |        |        |        |        |       |      |  |
| 2014                | 62.2%  | 112.6% | 106.6% |        |        |        |        |        |       |      |  |
| 2015                | 48.3%  | 47.9%  |        |        |        |        |        |        |       |      |  |
| 2016                | 79.2%  |        |        |        |        |        |        |        |       |      |  |

  

| Months         |         |          |          |          |         |         |       |       |       |       |                                  |
|----------------|---------|----------|----------|----------|---------|---------|-------|-------|-------|-------|----------------------------------|
| Loss Emergence | 12      | 24       | 36       | 48       | 60      | 72      | 84    | 96    | 108   | 120   | Total Development<br>AY 07 - 16' |
| 2007           | 50,843  | (5,931)  | (27,862) | (11,661) | (4,415) | —       | 2,752 | 42    | 25    | (925) | (47,975)                         |
| 2008           | 54,909  | 8,804    | (14,679) | (3,208)  | 6       | —       | 46    | (400) | (790) |       | (10,221)                         |
| 2009           | 250,901 | 54,346   | 21,079   | 9,766    | (41)    | (44)    | 20    | 4,295 |       |       | 89,421                           |
| 2010           | 62,642  | 309      | 46       | 2,169    | 13      | 47      | 7,093 |       |       |       | 9,677                            |
| 2011           | 58,573  | (9,674)  | (828)    | 504      | (30)    | (3,339) |       |       |       |       | (13,367)                         |
| 2012           | 33,100  | (17,188) | (3,454)  | —        | (2,123) |         |       |       |       |       | (22,765)                         |
| 2013           | 26,717  | (865)    | (15,974) | 75       |         |         |       |       |       |       | (16,764)                         |
| 2014           | 39,275  | 31,764   | (3,806)  |          |         |         |       |       |       |       | 27,958                           |
| 2015           | 30,723  | (238)    |          |          |         |         |       |       |       |       | (238)                            |
| 2016           | 45,890  |          |          |          |         |         |       |       |       |       | —                                |
|                |         |          |          |          |         |         |       |       |       |       | 15,726                           |
|                |         |          |          |          |         |         |       |       |       |       | Total Development<br>CY 07 - 16' |
|                |         |          |          |          |         |         |       |       |       |       | (75,250)                         |

  

| CY 2007 | CY 2008  | CY 2009  | CY 2010 | CY 2011 | CY 2012 | CY 2013  | CY 2014 | CY 2015 | CY 2016 |  |
|---------|----------|----------|---------|---------|---------|----------|---------|---------|---------|--|
| (5,798) | (65,136) | (35,438) | 18,414  | 13,764  | 143     | (13,136) | (3,740) | 15,435  | 242     |  |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Insurance**  
**Professional Lines**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 1,489,932       | 1,225,971      | 427,973     | 23,775        | 451,748              | 33,088    | 484,836         | 39.5%               |
| 2007           | 528,616         | 492,361        | 297,754     | 38,577        | 336,331              | 8,913     | 345,243         | 70.1%               |
| 2008           | 601,874         | 548,761        | 479,462     | 64,602        | 544,063              | 34,270    | 578,334         | 105.4%              |
| 2009           | 671,618         | 632,816        | 350,143     | 57,345        | 407,488              | 29,968    | 437,456         | 69.1%               |
| 2010           | 712,053         | 677,839        | 231,827     | 57,223        | 289,050              | 77,779    | 366,828         | 54.1%               |
| 2011           | 764,205         | 735,301        | 373,488     | 88,133        | 461,621              | 102,632   | 564,252         | 76.7%               |
| 2012           | 836,634         | 799,418        | 369,237     | 76,763        | 445,999              | 166,565   | 612,564         | 76.6%               |
| 2013           | 900,071         | 865,886        | 293,545     | 94,041        | 387,585              | 257,637   | 645,222         | 74.5%               |
| 2014           | 862,784         | 871,206        | 214,404     | 115,576       | 329,980              | 366,163   | 696,143         | 79.9%               |
| 2015           | 850,011         | 851,796        | 103,527     | 72,942        | 176,469              | 437,974   | 614,443         | 72.1%               |
| 2016           | 845,358         | 837,310        | 29,108      | 39,636        | 68,744               | 540,643   | 609,387         | 72.8%               |
|                | 9,063,156       | 8,538,665      | 3,170,468   | 728,613       | 3,899,078            | 2,055,632 | 5,954,708       | 69.7%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 645,781         | 557,061        | 218,673     | 12,902        | 231,575              | 11,555  | 243,130         | 43.6%               |
| 2007           | 187,856         | 161,714        | 108,224     | 16,014        | 124,238              | 2,565   | 126,803         | 78.4%               |
| 2008           | 235,604         | 207,832        | 189,133     | 23,692        | 212,825              | 6,212   | 219,037         | 105.4%              |
| 2009           | 274,575         | 251,453        | 147,793     | 20,983        | 168,775              | 10,230  | 179,006         | 71.2%               |
| 2010           | 190,160         | 233,176        | 99,894      | 21,280        | 121,173              | 28,912  | 150,086         | 64.4%               |
| 2011           | 206,314         | 199,063        | 103,109     | 35,501        | 138,609              | 26,147  | 164,756         | 82.8%               |
| 2012           | 276,559         | 235,918        | 108,473     | 19,507        | 127,979              | 49,277  | 177,257         | 75.1%               |
| 2013           | 259,845         | 279,686        | 93,689      | 32,638        | 126,328              | 83,599  | 209,926         | 75.1%               |
| 2014           | 246,807         | 241,841        | 64,072      | 36,193        | 100,265              | 94,787  | 195,052         | 80.7%               |
| 2015           | 283,086         | 255,366        | 29,235      | 15,192        | 44,427               | 134,263 | 178,689         | 70.0%               |
| 2016           | 358,191         | 326,504        | 11,538      | 19,171        | 30,708               | 204,691 | 235,400         | 72.1%               |
|                | 3,164,778       | 2,949,614      | 1,173,833   | 253,073       | 1,426,902            | 652,238 | 2,079,142       | 70.5%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 844,151         | 668,910        | 209,300     | 10,873        | 220,173              | 21,533    | 241,706         | 36.1%               |
| 2007           | 340,760         | 330,647        | 189,530     | 22,563        | 212,093              | 6,348     | 218,440         | 66.1%               |
| 2008           | 366,270         | 340,929        | 290,329     | 40,910        | 331,238              | 28,058    | 359,297         | 105.4%              |
| 2009           | 397,043         | 381,363        | 202,350     | 36,362        | 238,713              | 19,738    | 258,450         | 67.8%               |
| 2010           | 521,893         | 444,663        | 131,933     | 35,943        | 167,877              | 48,867    | 216,742         | 48.7%               |
| 2011           | 557,891         | 536,238        | 270,379     | 52,632        | 323,012              | 76,485    | 399,496         | 74.5%               |
| 2012           | 560,075         | 563,500        | 260,764     | 57,256        | 318,020              | 117,288   | 435,307         | 77.3%               |
| 2013           | 640,226         | 586,200        | 199,856     | 61,403        | 261,257              | 174,038   | 435,296         | 74.3%               |
| 2014           | 615,977         | 629,365        | 150,332     | 79,383        | 229,715              | 271,376   | 501,091         | 79.6%               |
| 2015           | 566,925         | 596,430        | 74,292      | 57,750        | 132,042              | 303,711   | 435,754         | 73.1%               |
| 2016           | 487,167         | 510,806        | 17,570      | 20,465        | 38,036               | 335,952   | 373,987         | 73.2%               |
|                | 5,898,378       | 5,589,051      | 1,996,635   | 475,540       | 2,472,176            | 1,403,394 | 3,875,566       | 69.3%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Professional Lines

NET BASIS

|             |      | Months |        |         |         |         |         |         |         |         |         |
|-------------|------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| Paid Losses |      | 12     | 24     | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|             | 2007 | 7,629  | 22,284 | 59,668  | 114,252 | 127,108 | 155,983 | 168,109 | 179,300 | 187,872 | 189,531 |
|             | 2008 | 11,014 | 29,077 | 76,567  | 136,990 | 183,844 | 207,149 | 235,925 | 271,223 | 290,328 |         |
|             | 2009 | 11,825 | 36,499 | 63,769  | 92,866  | 125,254 | 138,785 | 159,025 | 202,350 |         |         |
|             | 2010 | 9,240  | 34,222 | 63,606  | 86,888  | 106,774 | 120,432 | 131,933 |         |         |         |
|             | 2011 | 10,965 | 42,152 | 89,887  | 132,574 | 195,023 | 270,379 |         |         |         |         |
|             | 2012 | 10,591 | 52,975 | 119,856 | 211,958 | 260,764 |         |         |         |         |         |
|             | 2013 | 20,438 | 82,355 | 148,971 | 199,856 |         |         |         |         |         |         |
|             | 2014 | 29,901 | 84,993 | 150,332 |         |         |         |         |         |         |         |
|             | 2015 | 22,823 | 74,292 |         |         |         |         |         |         |         |         |
|             | 2016 | 17,570 |        |         |         |         |         |         |         |         |         |

|                      |      | Months |         |         |         |         |         |         |         |         |         |
|----------------------|------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Case Incurred Losses |      | 12     | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                      | 2007 | 18,302 | 88,956  | 130,712 | 160,888 | 171,440 | 189,417 | 193,501 | 203,222 | 207,382 | 212,093 |
|                      | 2008 | 29,937 | 70,376  | 126,034 | 207,848 | 218,525 | 256,839 | 291,737 | 302,603 | 331,238 |         |
|                      | 2009 | 25,274 | 75,316  | 115,706 | 137,336 | 199,497 | 201,191 | 237,238 | 238,712 |         |         |
|                      | 2010 | 25,421 | 67,259  | 99,890  | 118,665 | 125,119 | 136,623 | 167,876 |         |         |         |
|                      | 2011 | 37,997 | 125,139 | 207,952 | 225,642 | 271,183 | 323,012 |         |         |         |         |
|                      | 2012 | 46,113 | 148,631 | 226,104 | 282,426 | 318,020 |         |         |         |         |         |
|                      | 2013 | 50,178 | 138,481 | 212,455 | 261,258 |         |         |         |         |         |         |
|                      | 2014 | 82,976 | 152,368 | 229,715 |         |         |         |         |         |         |         |
|                      | 2015 | 50,064 | 132,042 |         |         |         |         |         |         |         |         |
|                      | 2016 | 38,035 |         |         |         |         |         |         |         |         |         |

|      |      | Months  |         |         |         |         |        |        |        |        |       |
|------|------|---------|---------|---------|---------|---------|--------|--------|--------|--------|-------|
| IBNR |      | 12      | 24      | 36      | 48      | 60      | 72     | 84     | 96     | 108    | 120   |
|      | 2007 | 237,841 | 188,835 | 146,497 | 113,804 | 74,211  | 51,786 | 29,312 | 20,643 | 12,008 | 6,347 |
|      | 2008 | 231,361 | 234,472 | 179,327 | 117,531 | 101,025 | 76,024 | 62,635 | 50,672 | 28,059 |       |
|      | 2009 | 250,435 | 210,627 | 171,983 | 149,277 | 98,557  | 77,812 | 45,323 | 19,738 |        |       |
|      | 2010 | 246,429 | 212,325 | 176,578 | 121,841 | 88,631  | 55,158 | 48,866 |        |        |       |
|      | 2011 | 329,455 | 245,854 | 184,509 | 154,642 | 114,451 | 76,485 |        |        |        |       |
|      | 2012 | 335,432 | 289,452 | 211,794 | 163,884 | 117,287 |        |        |        |        |       |
|      | 2013 | 394,301 | 323,592 | 257,936 | 174,038 |         |        |        |        |        |       |
|      | 2014 | 393,796 | 335,558 | 271,376 |         |         |        |        |        |        |       |
|      | 2015 | 383,503 | 303,711 |         |         |         |        |        |        |        |       |
|      | 2016 | 335,952 |         |         |         |         |        |        |        |        |       |

|                 |      | Months  |         |         |         |         |         |         |         |         |         |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                 | 2007 | 256,143 | 277,791 | 277,209 | 274,692 | 245,651 | 241,203 | 222,813 | 223,865 | 219,389 | 218,440 |
|                 | 2008 | 261,297 | 304,848 | 305,361 | 325,379 | 319,550 | 332,862 | 354,372 | 353,275 | 359,297 |         |
|                 | 2009 | 275,709 | 285,943 | 287,690 | 286,613 | 298,054 | 279,004 | 282,561 | 258,450 |         |         |
|                 | 2010 | 271,850 | 279,584 | 276,469 | 240,506 | 213,750 | 191,782 | 216,743 |         |         |         |
|                 | 2011 | 367,452 | 370,993 | 392,460 | 380,284 | 385,634 | 399,497 |         |         |         |         |
|                 | 2012 | 381,545 | 438,083 | 437,898 | 446,309 | 435,307 |         |         |         |         |         |
|                 | 2013 | 444,479 | 462,073 | 470,391 | 435,296 |         |         |         |         |         |         |
|                 | 2014 | 476,772 | 487,927 | 501,091 |         |         |         |         |         |         |         |
|                 | 2015 | 433,567 | 435,753 |         |         |         |         |         |         |         |         |
|                 | 2016 | 373,987 |         |         |         |         |         |         |         |         |         |

**Insurance**  
**Professional Lines**

| Months                   |         |         |        |         |          |          |          |          |          |         |                                  |                                  |
|--------------------------|---------|---------|--------|---------|----------|----------|----------|----------|----------|---------|----------------------------------|----------------------------------|
| Paid Loss Ratio          | 12      | 24      | 36     | 48      | 60       | 72       | 84       | 96       | 108      | 120     |                                  |                                  |
|                          | 2007    | 2.3%    | 6.7%   | 18.0%   | 34.6%    | 38.4%    | 47.2%    | 50.8%    | 54.2%    | 56.8%   | 57.3%                            |                                  |
|                          | 2008    | 3.2%    | 8.5%   | 22.5%   | 40.2%    | 53.9%    | 60.8%    | 69.2%    | 79.6%    | 85.2%   |                                  |                                  |
|                          | 2009    | 3.1%    | 9.6%   | 16.7%   | 24.4%    | 32.8%    | 36.4%    | 41.7%    | 53.1%    |         |                                  |                                  |
|                          | 2010    | 2.1%    | 7.7%   | 14.3%   | 19.5%    | 24.0%    | 27.1%    | 29.7%    |          |         |                                  |                                  |
|                          | 2011    | 2.0%    | 7.9%   | 16.8%   | 24.7%    | 36.4%    | 50.4%    |          |          |         |                                  |                                  |
|                          | 2012    | 1.9%    | 9.4%   | 21.3%   | 37.6%    | 46.3%    |          |          |          |         |                                  |                                  |
|                          | 2013    | 3.5%    | 14.0%  | 25.4%   | 34.1%    |          |          |          |          |         |                                  |                                  |
|                          | 2014    | 4.8%    | 13.5%  | 23.9%   |          |          |          |          |          |         |                                  |                                  |
|                          | 2015    | 3.8%    | 12.5%  |         |          |          |          |          |          |         |                                  |                                  |
|                          | 2016    | 3.4%    |        |         |          |          |          |          |          |         |                                  |                                  |
| Months                   |         |         |        |         |          |          |          |          |          |         |                                  |                                  |
| Case Incurred Loss Ratio | 12      | 24      | 36     | 48      | 60       | 72       | 84       | 96       | 108      | 120     |                                  |                                  |
|                          | 2007    | 5.5%    | 26.9%  | 39.5%   | 48.7%    | 51.8%    | 57.3%    | 58.5%    | 61.5%    | 62.7%   | 64.1%                            |                                  |
|                          | 2008    | 8.8%    | 20.6%  | 37.0%   | 61.0%    | 64.1%    | 75.3%    | 85.6%    | 88.8%    | 97.2%   |                                  |                                  |
|                          | 2009    | 6.6%    | 19.7%  | 30.3%   | 36.0%    | 52.3%    | 52.8%    | 62.2%    | 62.6%    |         |                                  |                                  |
|                          | 2010    | 5.7%    | 15.1%  | 22.5%   | 26.7%    | 28.1%    | 30.7%    | 37.8%    |          |         |                                  |                                  |
|                          | 2011    | 7.1%    | 23.3%  | 38.8%   | 42.1%    | 50.6%    | 60.2%    |          |          |         |                                  |                                  |
|                          | 2012    | 8.2%    | 26.4%  | 40.1%   | 50.1%    | 56.4%    |          |          |          |         |                                  |                                  |
|                          | 2013    | 8.6%    | 23.6%  | 36.2%   | 44.6%    |          |          |          |          |         |                                  |                                  |
|                          | 2014    | 13.2%   | 24.2%  | 36.5%   |          |          |          |          |          |         |                                  |                                  |
|                          | 2015    | 8.4%    | 22.1%  |         |          |          |          |          |          |         |                                  |                                  |
|                          | 2016    | 7.4%    |        |         |          |          |          |          |          |         |                                  |                                  |
| Months                   |         |         |        |         |          |          |          |          |          |         |                                  |                                  |
| Ultimate Loss Ratio      | 12      | 24      | 36     | 48      | 60       | 72       | 84       | 96       | 108      | 120     |                                  |                                  |
|                          | 2007    | 77.5%   | 84.0%  | 83.8%   | 83.1%    | 74.3%    | 72.9%    | 67.4%    | 67.7%    | 66.4%   | 66.1%                            |                                  |
|                          | 2008    | 76.6%   | 89.4%  | 89.6%   | 95.4%    | 93.7%    | 97.6%    | 103.9%   | 103.6%   | 105.4%  |                                  |                                  |
|                          | 2009    | 72.3%   | 75.0%  | 75.4%   | 75.2%    | 78.2%    | 73.2%    | 74.1%    | 67.8%    |         |                                  |                                  |
|                          | 2010    | 61.1%   | 62.9%  | 62.2%   | 54.1%    | 48.1%    | 43.1%    | 48.7%    |          |         |                                  |                                  |
|                          | 2011    | 68.5%   | 69.2%  | 73.2%   | 70.9%    | 71.9%    | 74.5%    |          |          |         |                                  |                                  |
|                          | 2012    | 67.7%   | 77.7%  | 77.7%   | 79.2%    | 77.3%    |          |          |          |         |                                  |                                  |
|                          | 2013    | 75.8%   | 78.8%  | 80.2%   | 74.3%    |          |          |          |          |         |                                  |                                  |
|                          | 2014    | 75.8%   | 77.5%  | 79.6%   |          |          |          |          |          |         |                                  |                                  |
|                          | 2015    | 72.7%   | 73.1%  |         |          |          |          |          |          |         |                                  |                                  |
|                          | 2016    | 73.2%   |        |         |          |          |          |          |          |         |                                  |                                  |
| Months                   |         |         |        |         |          |          |          |          |          |         |                                  |                                  |
| Loss Emergence           | 12      | 24      | 36     | 48      | 60       | 72       | 84       | 96       | 108      | 120     | Total Development<br>AY 07 - 16' |                                  |
|                          | 2007    | 256,143 | 21,648 | (582)   | (2,517)  | (29,041) | (4,449)  | (18,390) | 1,052    | (4,475) | (949)                            | (37,703)                         |
|                          | 2008    | 261,297 | 43,551 | 513     | 20,018   | (5,829)  | 13,312   | 21,510   | (1,097)  | 6,022   |                                  | 98,000                           |
|                          | 2009    | 275,709 | 10,234 | 1,746   | (1,076)  | 11,440   | (19,050) | 3,557    | (24,111) |         |                                  | (17,260)                         |
|                          | 2010    | 271,850 | 7,734  | (3,115) | (35,963) | (26,756) | (21,968) | 24,961   |          |         |                                  | (55,107)                         |
|                          | 2011    | 367,452 | 3,540  | 21,467  | (12,176) | 5,351    | 13,862   |          |          |         |                                  | 32,044                           |
|                          | 2012    | 381,545 | 56,538 | (185)   | 8,411    | (11,002) |          |          |          |         |                                  | 53,762                           |
|                          | 2013    | 444,479 | 17,594 | 8,318   | (35,095) |          |          |          |          |         |                                  | (9,183)                          |
|                          | 2014    | 476,772 | 11,155 | 13,164  |          |          |          |          |          |         |                                  | 24,319                           |
|                          | 2015    | 433,567 | 2,186  |         |          |          |          |          |          |         |                                  | 2,186                            |
|                          | 2016    | 373,987 |        |         |          |          |          |          |          |         |                                  | —                                |
|                          |         |         |        |         |          |          |          |          |          |         |                                  | 91,058                           |
|                          |         |         |        |         |          |          |          |          |          |         |                                  | —                                |
|                          |         |         |        |         |          |          |          |          |          |         |                                  | 91,058                           |
|                          |         |         |        |         |          |          |          |          |          |         |                                  | Total Development<br>CY 07 - 16' |
|                          | CY 2007 | CY 2008 |        |         |          |          |          |          |          |         |                                  |                                  |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Insurance  
Liability**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 914,015         | 798,344        | 439,498     | 18,616        | 458,114              | 71,059    | 529,173         | 66.3%               |
| 2007           | 248,562         | 244,274        | 141,666     | 2,897         | 144,563              | 34,463    | 179,026         | 73.3%               |
| 2008           | 216,629         | 232,863        | 139,502     | 41,008        | 180,510              | 50,461    | 230,971         | 99.2%               |
| 2009           | 219,869         | 224,859        | 155,397     | 6,903         | 162,300              | 36,196    | 198,496         | 88.3%               |
| 2010           | 228,247         | 225,630        | 186,721     | 40,502        | 227,223              | 43,606    | 270,829         | 120.0%              |
| 2011           | 213,256         | 220,772        | 116,005     | 22,836        | 138,840              | 51,718    | 190,559         | 86.3%               |
| 2012           | 266,696         | 229,556        | 85,449      | 16,890        | 102,339              | 71,654    | 173,993         | 75.8%               |
| 2013           | 347,227         | 297,428        | 125,466     | 26,101        | 151,567              | 98,250    | 249,818         | 84.0%               |
| 2014           | 368,450         | 357,401        | 135,369     | 65,709        | 201,078              | 143,919   | 344,997         | 96.5%               |
| 2015           | 384,145         | 377,802        | 47,661      | 55,284        | 102,945              | 213,554   | 316,500         | 83.8%               |
| 2016           | 405,030         | 396,160        | 12,567      | 16,814        | 29,381               | 275,269   | 304,650         | 76.9%               |
|                | 3,812,126       | 3,605,089      | 1,585,301   | 313,560       | 1,898,860            | 1,090,149 | 2,989,012       | 82.9%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 455,566         | 384,979        | 183,341     | 8,632         | 191,974              | 41,608  | 233,582         | 60.7%               |
| 2007           | 128,411         | 135,269        | 54,533      | 375           | 54,908               | 21,873  | 76,781          | 56.8%               |
| 2008           | 145,228         | 134,965        | 73,381      | 14,776        | 88,157               | 28,625  | 116,782         | 86.5%               |
| 2009           | 137,019         | 142,573        | 68,213      | 4,324         | 72,536               | 23,696  | 96,232          | 67.5%               |
| 2010           | 133,290         | 138,149        | 110,307     | 22,876        | 133,183              | 26,461  | 159,644         | 115.6%              |
| 2011           | 128,754         | 131,217        | 59,221      | 14,288        | 73,509               | 30,292  | 103,801         | 79.1%               |
| 2012           | 176,318         | 142,683        | 47,426      | 9,296         | 56,722               | 46,857  | 103,579         | 72.6%               |
| 2013           | 206,630         | 186,804        | 80,587      | 16,665        | 97,252               | 60,274  | 157,526         | 84.3%               |
| 2014           | 212,869         | 210,582        | 83,350      | 42,788        | 126,138              | 84,431  | 210,569         | 100.0%              |
| 2015           | 211,508         | 216,186        | 23,392      | 34,903        | 58,295               | 125,760 | 184,055         | 85.1%               |
| 2016           | 241,293         | 226,978        | 5,960       | 7,744         | 13,704               | 162,524 | 176,227         | 77.6%               |
|                | 2,176,886       | 2,050,385      | 789,711     | 176,667       | 966,378              | 652,401 | 1,618,778       | 78.9%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 458,449         | 413,365        | 256,157     | 9,984         | 266,140              | 29,451  | 295,591         | 71.5%               |
| 2007           | 120,151         | 109,005        | 87,133      | 2,522         | 89,655               | 12,590  | 102,245         | 93.8%               |
| 2008           | 71,401          | 97,898         | 66,121      | 26,232        | 92,353               | 21,836  | 114,189         | 116.6%              |
| 2009           | 82,850          | 82,286         | 87,184      | 2,579         | 89,764               | 12,500  | 102,264         | 124.3%              |
| 2010           | 94,957          | 87,481         | 76,414      | 17,626        | 94,040               | 17,145  | 111,185         | 127.1%              |
| 2011           | 84,502          | 89,555         | 56,784      | 8,548         | 65,331               | 21,426  | 86,758          | 96.9%               |
| 2012           | 90,378          | 86,873         | 38,023      | 7,594         | 45,617               | 24,797  | 70,414          | 81.1%               |
| 2013           | 140,597         | 110,624        | 44,879      | 9,436         | 54,315               | 37,976  | 92,292          | 83.4%               |
| 2014           | 155,581         | 146,819        | 52,019      | 22,921        | 74,940               | 59,488  | 134,428         | 91.6%               |
| 2015           | 172,637         | 161,616        | 24,269      | 20,381        | 44,650               | 87,794  | 132,445         | 82.0%               |
| 2016           | 163,737         | 169,182        | 6,607       | 9,070         | 15,677               | 112,745 | 128,423         | 75.9%               |
|                | 1,635,240       | 1,554,704      | 795,590     | 136,893       | 932,482              | 437,748 | 1,370,234       | 88.1%               |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Liability

NET BASIS

|             |      | Months |        |        |        |        |        |        |        |        |        |
|-------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Paid Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|             | 2007 | 4,163  | 9,695  | 25,933 | 44,829 | 56,793 | 64,307 | 73,694 | 81,054 | 84,820 | 87,133 |
|             | 2008 | 4,801  | 11,691 | 21,454 | 30,850 | 40,514 | 50,672 | 55,948 | 59,525 | 66,121 |        |
|             | 2009 | 1,965  | 6,094  | 14,970 | 28,538 | 34,058 | 44,039 | 46,946 | 87,184 |        |        |
|             | 2010 | 1,690  | 17,433 | 32,363 | 56,075 | 63,945 | 69,109 | 76,414 |        |        |        |
|             | 2011 | 2,888  | 10,753 | 20,948 | 39,851 | 47,713 | 56,784 |        |        |        |        |
|             | 2012 | 1,695  | 5,799  | 15,886 | 30,903 | 38,023 |        |        |        |        |        |
|             | 2013 | 3,279  | 25,291 | 35,986 | 44,880 |        |        |        |        |        |        |
|             | 2014 | 1,911  | 20,229 | 52,019 |        |        |        |        |        |        |        |
|             | 2015 | 5,662  | 24,270 |        |        |        |        |        |        |        |        |
|             | 2016 | 6,607  |        |        |        |        |        |        |        |        |        |

|                      |      | Months |        |        |        |        |        |        |        |        |        |
|----------------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Case Incurred Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|                      | 2007 | 6,307  | 18,467 | 46,950 | 59,980 | 68,895 | 72,533 | 83,625 | 86,668 | 88,495 | 89,655 |
|                      | 2008 | 7,790  | 24,117 | 32,528 | 41,360 | 52,426 | 56,836 | 77,583 | 78,864 | 92,353 |        |
|                      | 2009 | 8,566  | 17,169 | 32,750 | 38,391 | 45,136 | 49,392 | 52,535 | 89,764 |        |        |
|                      | 2010 | 8,884  | 45,955 | 61,648 | 66,460 | 71,571 | 75,712 | 94,040 |        |        |        |
|                      | 2011 | 7,522  | 20,677 | 38,662 | 50,704 | 60,018 | 65,331 |        |        |        |        |
|                      | 2012 | 5,434  | 12,619 | 26,776 | 40,313 | 45,617 |        |        |        |        |        |
|                      | 2013 | 11,189 | 32,327 | 47,841 | 54,316 |        |        |        |        |        |        |
|                      | 2014 | 12,587 | 50,549 | 74,940 |        |        |        |        |        |        |        |
|                      | 2015 | 14,498 | 44,650 |        |        |        |        |        |        |        |        |
|                      | 2016 | 15,678 |        |        |        |        |        |        |        |        |        |

|      |      | Months  |        |        |        |        |        |        |        |        |        |
|------|------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| IBNR |      | 12      | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|      | 2007 | 77,000  | 66,054 | 55,452 | 45,765 | 36,905 | 33,860 | 24,316 | 20,107 | 14,328 | 12,590 |
|      | 2008 | 69,897  | 59,924 | 52,831 | 44,684 | 34,249 | 29,996 | 29,802 | 29,510 | 21,837 |        |
|      | 2009 | 57,334  | 51,455 | 39,162 | 33,808 | 35,903 | 38,245 | 53,203 | 12,500 |        |        |
|      | 2010 | 74,361  | 53,312 | 41,639 | 36,930 | 32,724 | 26,921 | 17,145 |        |        |        |
|      | 2011 | 67,832  | 57,211 | 48,250 | 39,939 | 28,518 | 21,427 |        |        |        |        |
|      | 2012 | 68,397  | 62,103 | 49,697 | 33,219 | 24,797 |        |        |        |        |        |
|      | 2013 | 85,272  | 67,380 | 51,798 | 37,976 |        |        |        |        |        |        |
|      | 2014 | 98,317  | 78,651 | 59,488 |        |        |        |        |        |        |        |
|      | 2015 | 118,297 | 87,794 |        |        |        |        |        |        |        |        |
|      | 2016 | 112,745 |        |        |        |        |        |        |        |        |        |

|                 |      | Months  |         |         |         |         |         |         |         |         |         |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                 | 2007 | 83,306  | 84,521  | 102,402 | 105,745 | 105,800 | 106,393 | 107,941 | 106,775 | 102,823 | 102,245 |
|                 | 2008 | 77,687  | 84,041  | 85,360  | 86,044  | 86,675  | 86,832  | 107,385 | 108,374 | 114,190 |         |
|                 | 2009 | 65,900  | 68,624  | 71,912  | 72,200  | 81,039  | 87,637  | 105,738 | 102,264 |         |         |
|                 | 2010 | 83,245  | 99,268  | 103,286 | 103,390 | 104,295 | 102,633 | 111,184 |         |         |         |
|                 | 2011 | 75,354  | 77,888  | 86,912  | 90,643  | 88,536  | 86,758  |         |         |         |         |
|                 | 2012 | 73,831  | 74,722  | 76,472  | 73,532  | 70,413  |         |         |         |         |         |
|                 | 2013 | 96,461  | 99,707  | 99,639  | 92,292  |         |         |         |         |         |         |
|                 | 2014 | 110,905 | 129,200 | 134,428 |         |         |         |         |         |         |         |
|                 | 2015 | 132,795 | 132,444 |         |         |         |         |         |         |         |         |
|                 | 2016 | 128,423 |         |         |         |         |         |         |         |         |         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Insurance  
Liability

NET BASIS

|                          |      | Months  |         |         |         |         |         |         |         |         |         |                                  |
|--------------------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------------------------|
| Paid Loss Ratio          |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |                                  |
|                          | 2007 | 3.8%    | 8.9%    | 23.8%   | 41.1%   | 52.1%   | 59.0%   | 67.6%   | 74.4%   | 77.8%   | 79.9%   |                                  |
|                          | 2008 | 4.9%    | 11.9%   | 21.9%   | 31.5%   | 41.4%   | 51.8%   | 57.1%   | 60.8%   | 67.5%   |         |                                  |
|                          | 2009 | 2.4%    | 7.4%    | 18.2%   | 34.7%   | 41.4%   | 53.5%   | 57.1%   | 106.0%  |         |         |                                  |
|                          | 2010 | 1.9%    | 19.9%   | 37.0%   | 64.1%   | 73.1%   | 79.0%   | 87.3%   |         |         |         |                                  |
|                          | 2011 | 3.2%    | 12.0%   | 23.4%   | 44.5%   | 53.3%   | 63.4%   |         |         |         |         |                                  |
|                          | 2012 | 2.0%    | 6.7%    | 18.3%   | 35.6%   | 43.8%   |         |         |         |         |         |                                  |
|                          | 2013 | 3.0%    | 22.9%   | 32.5%   | 40.6%   |         |         |         |         |         |         |                                  |
|                          | 2014 | 1.3%    | 13.8%   | 35.4%   |         |         |         |         |         |         |         |                                  |
|                          | 2015 | 3.5%    | 15.0%   |         |         |         |         |         |         |         |         |                                  |
|                          | 2016 | 3.9%    |         |         |         |         |         |         |         |         |         |                                  |
|                          |      | Months  |         |         |         |         |         |         |         |         |         |                                  |
| Case Incurred Loss Ratio |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |                                  |
|                          | 2007 | 5.8%    | 16.9%   | 43.1%   | 55.0%   | 63.2%   | 66.5%   | 76.7%   | 79.5%   | 81.2%   | 82.2%   |                                  |
|                          | 2008 | 8.0%    | 24.6%   | 33.2%   | 42.2%   | 53.6%   | 58.1%   | 79.2%   | 80.6%   | 94.3%   |         |                                  |
|                          | 2009 | 10.4%   | 20.9%   | 39.8%   | 46.7%   | 54.9%   | 60.0%   | 63.8%   | 109.1%  |         |         |                                  |
|                          | 2010 | 10.2%   | 52.5%   | 70.5%   | 76.0%   | 81.8%   | 86.5%   | 107.5%  |         |         |         |                                  |
|                          | 2011 | 8.4%    | 23.1%   | 43.2%   | 56.6%   | 67.0%   | 73.0%   |         |         |         |         |                                  |
|                          | 2012 | 6.3%    | 14.5%   | 30.8%   | 46.4%   | 52.5%   |         |         |         |         |         |                                  |
|                          | 2013 | 10.1%   | 29.2%   | 43.2%   | 49.1%   |         |         |         |         |         |         |                                  |
|                          | 2014 | 8.6%    | 34.4%   | 51.0%   |         |         |         |         |         |         |         |                                  |
|                          | 2015 | 9.0%    | 27.6%   |         |         |         |         |         |         |         |         |                                  |
|                          | 2016 | 9.3%    |         |         |         |         |         |         |         |         |         |                                  |
|                          |      | Months  |         |         |         |         |         |         |         |         |         |                                  |
| Ultimate Loss Ratio      |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |                                  |
|                          | 2007 | 76.4%   | 77.5%   | 93.9%   | 97.0%   | 97.1%   | 97.6%   | 99.0%   | 98.0%   | 94.3%   | 93.8%   |                                  |
|                          | 2008 | 79.4%   | 85.8%   | 87.2%   | 87.9%   | 88.5%   | 88.7%   | 109.7%  | 110.7%  | 116.6%  |         |                                  |
|                          | 2009 | 80.1%   | 83.4%   | 87.4%   | 87.7%   | 98.5%   | 106.5%  | 128.5%  | 124.3%  |         |         |                                  |
|                          | 2010 | 95.2%   | 113.5%  | 118.1%  | 118.2%  | 119.2%  | 117.3%  | 127.1%  |         |         |         |                                  |
|                          | 2011 | 84.1%   | 87.0%   | 97.0%   | 101.2%  | 98.9%   | 96.9%   |         |         |         |         |                                  |
|                          | 2012 | 85.0%   | 86.0%   | 88.0%   | 84.6%   | 81.1%   |         |         |         |         |         |                                  |
|                          | 2013 | 87.2%   | 90.1%   | 90.1%   | 83.4%   |         |         |         |         |         |         |                                  |
|                          | 2014 | 75.5%   | 88.0%   | 91.6%   |         |         |         |         |         |         |         |                                  |
|                          | 2015 | 82.2%   | 82.0%   |         |         |         |         |         |         |         |         |                                  |
|                          | 2016 | 75.9%   |         |         |         |         |         |         |         |         |         |                                  |
|                          |      | Months  |         |         |         |         |         |         |         |         |         |                                  |
| Loss Emergence           |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     | Total Development<br>AY 07 - 16' |
|                          | 2007 | 83,306  | 1,214   | 17,881  | 3,344   | 54      | 594     | 1,548   | (1,166) | (3,952) | (578)   | 18,939                           |
|                          | 2008 | 77,687  | 6,354   | 1,319   | 684     | 631     | 157     | 20,553  | 989     | 5,816   |         | 36,503                           |
|                          | 2009 | 65,900  | 2,723   | 3,288   | 287     | 8,840   | 6,598   | 18,101  | (3,474) |         |         | 36,363                           |
|                          | 2010 | 83,245  | 16,023  | 4,019   | 104     | 906     | (1,663) | 8,552   |         |         |         | 27,941                           |
|                          | 2011 | 75,354  | 2,534   | 9,025   | 3,730   | (2,106) | (1,778) |         |         |         |         | 11,405                           |
|                          | 2012 | 73,831  | 891     | 1,751   | (2,940) | (3,119) |         |         |         |         |         | (3,417)                          |
|                          | 2013 | 96,461  | 3,246   | (68)    | (7,347) |         |         |         |         |         |         | (4,169)                          |
|                          | 2014 | 110,905 | 18,295  | 5,228   |         |         |         |         |         |         |         | 23,523                           |
|                          | 2015 | 132,795 | (350)   |         |         |         |         |         |         |         |         | (350)                            |
|                          | 2016 | 128,423 |         |         |         |         |         |         |         |         |         | —                                |
|                          |      |         |         |         |         |         |         |         |         |         |         | 146,738                          |
|                          |      |         |         |         |         |         |         |         |         |         |         | 146,738                          |
|                          |      | CY 2007 | CY 2008 | CY 2009 | CY 2010 | CY 2011 | CY 2012 | CY 2013 | CY 2014 | CY 2015 | CY 2016 | Total Development<br>CY 07 - 16' |
|                          |      | 7,229   | 8,252   | 15,981  | 7,224   | 20,634  | 3,406   | 23,043  | 22,861  | 26,578  | 7,823   | 143,031                          |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**VI. REINSURANCE SEGMENT**

**i) Reserving Class Descriptions**

The following provides background commentary on the underlying business composition in each reserving class and how this has changed over time.

**Property and Other**

- This class includes catastrophe reinsurance which provides protection for catastrophic losses in the underlying insurance written by our cedants. The underlying policies principally cover property exposures against such perils as hurricane and windstorm, earthquake, flood, tornado, hail and fire. In some instances, terrorism may be a covered peril or the only peril. Other underlying coverages, written on a multi-claimant basis, include workers' compensation, personal accident and life.
- This class also includes property reinsurance written on both a proportional and a per-risk excess of loss basis and covers underlying personal lines and commercial property exposures. While our predominant exposure is to property damage, other risks, including business interruption and other non-property losses, may also be covered when arising from a covered peril. Our most significant exposure typically relates to losses from windstorms, tornadoes and earthquakes but we are also exposed to other perils such as freezes, riots, floods, industrial explosions, fires, hail and a number of other loss events.
- The U.S. property catastrophe market experienced generally hard market conditions during the period from 2002 through 2003 before beginning to weaken slightly in 2004. A relatively stable pricing environment for the 2005 renewal season was followed by significant rate increases in 2006, as a result of Hurricane Katrina and revisions to pricing models. The downward pressure on rates over the next 24 months as a result of relatively benign loss experience was again followed by a modest hardening of the markets towards the end of 2008 as a result of Hurricanes Ike and Gustav together with the global financial crisis. Pricing trends in the international property catastrophe market generally followed a similar pattern. However, the absence of significant large losses during this period meant that the pricing cycle, and in particular the market hardening in 2002 and 2006, was generally less pronounced than that observed for the U.S. market.
- The 2011 accident year was impacted by a high frequency of natural catastrophes including the earthquakes in New Zealand, the earthquake & tsunami in Japan, flooding in Thailand and a series of storms in the U.S. Midwest. The impact of these losses together with the introduction of updated catastrophe models led to some pricing improvements during the second half of 2011. Rates remained broadly flat through the remainder of 2012. The 2012 accident year was impacted by Hurricane Sandy leading to rate increases on loss impacted treaties. From the latter half of 2013 onwards rate decreases were observed across most property lines, most significantly on Property Catastrophe treaties. Due to benign catastrophe experience and an overabundance of capacity from both traditional and alternative sources, softening market conditions have persisted across global property lines since 2014.
- Other predominantly short tail reinsurance exposures also included in this class are:
  - Engineering: This line of business comprises non-proportional and proportional treaties that provide coverage for all types of civil construction risks and risks associated with erection, testing and commissioning of machinery and plants during the construction stage. Coverage is also provided for losses arising from operational failures of machinery, plant and equipment and electronic equipment as well as business interruption. The gross earned premiums for this line of business have increased from \$9 million in 2006 to \$63 million in 2016.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

- **Agriculture:** Prior to 2013, this line of business mainly included excess of loss stop loss contracts with most exposures emanating from North America and Europe. It provided coverage for risks associated with the production of food and fiber on a global basis for primary insurance companies writing multi-peril crop insurance, crop hail, and named peril covers. The 2012 year was impacted by a severe drought which destroyed or damaged significant portions of major field crops across the U.S. Midwest. With the exception of the 2008 accident year (gross earned premium of \$25 million), the gross earned premiums for this line of business in any one year were in the range of \$5 million to \$15 million. From 2013 onward, the portfolio has expanded significantly mainly through North American quota share agreements but also through some international treaties written in China and India.
- **Marine and Aviation:** This line of business mainly comprises marine reinsurance which includes hull, cargo and liability risks underwritten on both a proportional and non-proportional basis primarily from the U.S. The aviation reinsurance includes airline hull and liability, manufacturers' products liability and general aviation risks. The annual earned premium for the aviation business was approximately \$10 million. We note that Aviation Reinsurance stopped being written in 2006 and Marine Reinsurance was not written from 2009 through 2011. From 2012 onwards, a Marine business was again written in both North American and International markets, this grew substantially in 2016 to a gross premium of approximately \$57m.
- In general, paid and reporting patterns are relatively short-tailed and can be volatile due to the incidence of catastrophe events such as hurricanes and earthquakes, as noted in Section II(iv).

**Credit and Surety**

- Prior to 2010, approximately 70-80% of the premium for this class of business comprised European trade credit business with the remainder relating primarily to U.S. and European surety bond business. In 2009, AXIS began writing surety business in Latin America. As a result, the proportion of trade credit business fell to between 50% and 60% of the total Credit and Surety consolidated class of business. The Latin American business is primarily a construction industry product written on a treaty and facultative basis.
- Most of the trade credit business is focused on European exposures and relates mainly to commercial trade credit (i.e. insolvency) risks. Coverage for risks such as contractual disputes, currency fluctuations and entrepreneurial ventures are not included.
- Since 2015 the company provides credit insurance coverage to mortgage guaranty insurers and government sponsored entities. These are aggregate excess of loss policies or structured quota shares with loss ratio caps. The written and earned premiums are not material in 2016.
- The majority of the trade credit premium is derived from proportional contracts with a limited number of industry leaders. Original insureds are obliged to request limits on each and every buyer (sometimes original insureds are given a discretionary limit for small buyers). Insurers can decline, reduce or cancel limits under whole-turnover credit insurance policies at any time without prior notice.
- Losses are generally reported to insurers if no payments have been made following a specified payment period (generally 30 days to 3 months). This, together with often partial or full related recoveries, leads to a relatively short loss development profile on this class of business. For most treaties, we would generally expect to observe little loss development beyond 18 to 24 months from inception on an accident year basis in credit insurance.
- As discussed in Section II(iv), the claims experience to date on the 2008 accident year is generally higher than the 2007 and prior years due to the impact of the global financial crisis and subsequent higher insolvency rates. Insolvency rates have continued at a higher level post the financial crisis,

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

resulting in loss ratios generally higher than pre-crisis levels. Primary premium rates from 2012 to 2016 still remain higher than the pre-crisis level, although are lower than in 2009 when they hardened significantly. While exposures have generally increased over the past three years, improved risk management by cedants has led to portfolios with good performance despite a relatively slow economic recovery. Premium volumes remain under pressure based on relatively low economic growth compared to pre-crisis levels.

- The remainder of this class consists of worldwide surety bond business written on both a proportional and non-proportional basis. The bond related business typically has a longer development profile relative to that of the trade credit business. During the second half of the 2013 calendar year, the 2008 and prior accident years were impacted by losses emanating from a Spanish Supreme Court decision which exposed Bond insurers to claims from Spanish Housing Associations. This resulted in increases to the estimated ultimate loss ratio on these years for the Credit and Surety consolidated class.
- Despite the impact of the global financial crisis and austerity measures implemented by the European governments, the pricing on surety business has remained competitive over the past two years.

**Professional Lines**

- The majority of this class relates to U.S. Professional Liability business although some relatively small amounts of non-U.S. business are also included.
- The class includes public Directors' & Officers' (D&O) Liability, non-public D&O, medical malpractice, lawyers, accountants, employment practices, environmental and miscellaneous errors and omissions insurance exposures. The percentage of annual professional liability premium relating to public D&O liability business has increased since 2012 from approximately 30%-40% to 50%-60% of this class.
- The professional liability treaties are written on both a non-proportional and proportional basis. However, the majority of underlying exposures in this class are excess insurance policies where public D&O exposures typically attach at higher levels than the remainder of the portfolio. The attachment point profile for the combined professional liability reinsurance line has remained relatively stable over time.
- The underlying business is predominantly written on a claims-made basis with the majority of reinsurance treaties written on a risks-attaching basis.
- Claim payment and reporting patterns on an accident year basis are typically medium to long tail in nature. However, as discussed in Section II(iv), we anticipate claims frequency and loss development patterns on the 2007 and 2008 accident years may differ from prior years due to the impact of the global financial crisis and subsequent economic slowdown.
- Pricing on underlying primary policies for U.S. professional liability business increased significantly from 2002, peaking for most lines in 2004. The largest rate increases were found in D&O policies. Limits utilized also decreased during this period. Since 2005, D&O pricing remained competitive, reflecting a generally reduced claims environment, although the Financial Institutions sector saw a strengthening of rates in 2008 and 2009 following the global financial crisis. The overall reinsurance pricing during this period remained relatively stable despite some of the downward pressure on rates observed since 2005 in the primary market. The reinsurance market exhibited modest rate softening in 2010, followed by some slight positive rate movements in late 2011 and 2012. Primary rate changes remained relatively stable during 2013 and 2014 although reinsurance rate changes began to soften toward the end of 2013 and into 2014.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Motor**

- The Motor reserving class is split between proportional and non-proportional treaties. Motor non-proportional represents approximately 62% of reserves for the Motor reserving class but represents approximately only 32% of the earned premium from accident year 2010 to accident year 2016. Given the significantly different development patterns between Motor Proportional and Non-Proportional classes and the impact the Motor Proportional class has on the loss development profile for the Motor class as a whole from 2010 to 2016, supplementary Motor Proportional and Non-Proportional triangles are included. A description of the Proportional and Non-Proportional classes is included below.

There has been no adjustment made to these triangles in relation to the change in the Ogden discount rate announced on the 27th February 2017. This impact was recognized in the 2017Q1 results.

**Motor Non-Proportional**

- The motor non-proportional business consists of standard excess of loss contracts written for cedants in several European countries. The two major markets, U.K. and France, have generally accounted for the majority of motor non-proportional premium volume although, beginning in 2010, Greek treaties have comprised at least 10% of the non-proportional class with that share rising to approximately 20% by 2013 although this dropped to 5% during 2014. The attachment profiles for the U.K. and French domiciled excess of loss treaties have remained relatively stable from 2004 through 2011. In 2012, a greater percentage of the U.K. non-proportional premium was written on lower attaching layers, mainly as a reaction to the increasing number of settlements being made as Periodic Payment Orders ("PPOs"). From 2012 onwards, AXIS included capitalization clauses in more than 60% of the U.K. non-proportional treaties allowing individual PPO claims to be commuted through the payment of a lump sum.
- The increase in the booked ultimate loss ratios during the 2011 calendar year was attributable to a change in assumptions regarding bodily injury settlement practices in the U.K. market. Specifically, AXIS increased its assumption regarding the number of non-proportional claims which are expected to settle in the future using PPOs as well as the cost of these claims relative to claims settled using only lump sum agreements. We do not discount our loss reserves in order to adjust for the time value of money associated with such annuity awards.
- The use of additional case reserves ("ACRs") is more prevalent for the motor reinsurance class of business than for other liability classes. This reflects a higher incidence of large bodily injury claims, the reserves on which are often highly dependent on a number of assumptions such as life expectancy and cost of care. In specific cases where, as a result of different underlying assumptions, we believe that the ultimate cost of a claim may be higher than the reserve indicated by the cedant, an ACR may be recorded. Incurred losses shown in the tables and triangles include ACRs. Specifically, ACRs represented approximately 5% of total reserves (including IBNR) on the Motor class of business as of December 31, 2016.
- The relatively high incidence of bodily injury claims for this class of business also makes it particularly susceptible to increased uncertainty surrounding future loss development due to issues such as continued cost of care inflation and a trend towards more claims settling as PPOs in the U.K. market. There has also been a general decrease in claim frequency over the past decade following governmental measures to better control speed limits and drunk driving. The reforms introduced by the *Legal Aid, Sentencing and Punishment of Offenders Act, 2012* ("LAPSO") are also expected to have a favorable impact on claims frequency for this class.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

- Non-proportional motor treaties are generally characterized by long paid and reported loss development patterns. Despite the trend toward a greater number of claims settlements using PPOs, we note that there has been a trend towards quicker and more adequate reporting of losses in recent years.
- The U.K. and French motor reinsurance markets saw significant rate increases on excess of loss treaties during the period from 2001 through 2007; increases after 2007 were mainly limited to upper layers. The price softening seen in the primary markets during 2004 through 2009 was followed, in the U.K. market, by significant rate increases from 2010 to 2012. The impact of the rate increases together with the introduction of capitalization clauses on the U.K. non-proportional treaties resulted in reductions in ultimate loss ratios on the more recent accident years.

**Motor Proportional**

- This class of business consists of mainly European motor reinsurance written on a proportional basis. The written premium expanded considerably since 2010 with growth in the U.K. and to a lesser extent in Greece. Before 2010, the proportional class mainly consisted of European (mostly German) quota shares.
- The Motor Proportional class generally has significantly shorter paid and reported loss development patterns relative to the Motor Non-Proportional class. The quota share treaties generally benefit from inuring excess of loss protection attaching at £1m or €1m and so are not as exposed to PPOs to the same extent as Motor Non-Proportional treaties.

**Liability**

- The business covered in this class relates primarily to North American casualty business although some European business is also included.
- The North American business provides coverage to both regional and national insurers writing standard casualty business, excess and surplus casualty business and specialty casualty programs. The primary focus is umbrella business. Workers compensation and auto liability are also written, both on a monoline basis and also as part of regional multiline (both lines) and umbrella treaties (auto).
- The majority of treaties are now written as proportional business. Proportional business generally covers excess insurance policies. The majority of treaties are written on a risks-attaching basis with the remainder written on a losses occurring basis.
- Pricing on underlying primary policies for the North American casualty book increased significantly from 2002, peaking for most lines in 2004. The largest increases were observed on commercial umbrella and excess policies. Annual rate decreases of between 5% and 10% were realized during the period from 2005 to 2010, although the period also saw declining frequency along with relatively stable severity. Despite downward pressure on insurance rates, the overall reinsurance pricing during this period remained relatively stable compared to the primary market. In late 2011 and during 2012 and subsequent years, we began to observe positive rate movements in the underlying portfolios of some cedants in this class. For the remainder of the cedants underlying rate changes have kept pace with loss trend since 2012.
- Claim payment and reporting patterns are typically long tail in nature and, therefore, also subject to increased uncertainty surrounding future loss development. In particular, claims can be subject to inflation from a number of sources including, but not limited to, economic and medical inflation, judicial inflation and changing social trends.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**ii) Summary of historical reinsurance protections**

Prior to the 2015 accident year, the reinsurance segment had little outward reinsurance protection. In the 2015 accident year, the segment entered into retrocessional treaties covering the catastrophe business. For the 2016 accident year an additional new retrocessional treaty was entered into with Harrington Re, this increased the premium ceded in the Liability and Professional lines together with new retrocessional treaties that increased ceded premiums in the catastrophe and property business.



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Reinsurance**  
**Consolidated Total**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 5,131,515       | 4,431,372      | 2,079,866   | 95,412        | 2,175,212            | 82,019    | 2,257,230       | 50.9 %              |
| 2007           | 1,550,876       | 1,537,897      | 518,379     | 66,048        | 584,411              | 45,641    | 630,051         | 41.0 %              |
| 2008           | 1,548,454       | 1,519,126      | 883,263     | 84,214        | 967,468              | 65,419    | 1,032,888       | 68.0 %              |
| 2009           | 1,811,705       | 1,656,177      | 613,682     | 102,153       | 715,801              | 86,356    | 802,157         | 48.4 %              |
| 2010           | 1,834,419       | 1,760,163      | 937,834     | 110,359       | 1,048,263            | 154,786   | 1,203,049       | 68.3 %              |
| 2011           | 1,974,324       | 1,906,569      | 1,508,124   | 151,519       | 1,659,784            | 207,090   | 1,866,873       | 97.9 %              |
| 2012           | 1,830,162       | 1,872,550      | 737,057     | 166,493       | 903,642              | 237,520   | 1,141,162       | 60.9 %              |
| 2013           | 2,137,903       | 2,000,915      | 726,877     | 149,538       | 876,286              | 286,730   | 1,163,015       | 58.1 %              |
| 2014           | 2,176,104       | 2,082,527      | 726,959     | 215,430       | 942,626              | 360,128   | 1,302,753       | 62.6 %              |
| 2015           | 2,020,649       | 1,981,179      | 436,030     | 310,699       | 747,942              | 509,653   | 1,257,595       | 63.5 %              |
| 2016           | 2,249,966       | 2,121,802      | 212,969     | 308,022       | 523,532              | 862,785   | 1,386,317       | 65.3 %              |
|                | 24,266,077      | 22,870,277     | 9,381,040   | 1,759,887     | 11,144,967           | 2,898,127 | 14,043,090      | 61.4 %              |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR     | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|----------|-----------------|---------------------|
| 2006 and prior | 82,502          | 81,310         | 137,977     | —             | 137,912              | 14       | 137,925         | 169.6 %             |
| 2007           | 13,766          | 11,926         | —           | —             | (16)                 | —        | (17)            | (0.1)%              |
| 2008           | 15,417          | 15,088         | —           | —             | (9)                  | (5)      | (13)            | (0.1)%              |
| 2009           | 20,337          | 22,379         | —           | —             | (35)                 | —        | (33)            | (0.1)%              |
| 2010           | 19,100          | 19,246         | 6           | —             | 76                   | 2        | 79              | 0.4 %               |
| 2011           | 21,024          | 21,296         | —           | —             | 140                  | —        | 140             | 0.7 %               |
| 2012           | 14,951          | 15,146         | —           | —             | 92                   | —        | 93              | 0.6 %               |
| 2013           | 23,241          | 16,612         | 4,687       | —             | 4,559                | —        | 4,559           | 27.4 %              |
| 2014           | 48,630          | 42,072         | 50,085      | 550           | 50,871               | (36,182) | 14,689          | 34.9 %              |
| 2015           | 105,342         | 92,952         | 10,084      | 15,697        | 26,994               | (4,426)  | 22,567          | 24.3 %              |
| 2016           | 304,117         | 193,498        | 12,890      | 20,796        | 36,226               | 51,355   | 87,582          | 45.3 %              |
|                | 668,427         | 531,525        | 215,729     | 37,043        | 256,810              | 10,758   | 267,571         | 50.3 %              |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR      | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-----------|-----------------|---------------------|
| 2006 and prior | 5,049,013       | 4,350,062      | 1,941,889   | 95,412        | 2,037,300            | 82,005    | 2,119,305       | 48.7 %              |
| 2007           | 1,537,110       | 1,525,971      | 518,379     | 66,048        | 584,427              | 45,641    | 630,068         | 41.3 %              |
| 2008           | 1,533,037       | 1,504,038      | 883,263     | 84,214        | 967,477              | 65,424    | 1,032,901       | 68.7 %              |
| 2009           | 1,791,368       | 1,633,798      | 613,682     | 102,153       | 715,836              | 86,356    | 802,190         | 49.1 %              |
| 2010           | 1,815,319       | 1,740,917      | 937,828     | 110,359       | 1,048,187            | 154,784   | 1,202,970       | 69.1 %              |
| 2011           | 1,953,300       | 1,885,273      | 1,508,124   | 151,519       | 1,659,644            | 207,090   | 1,866,733       | 99.0 %              |
| 2012           | 1,815,211       | 1,857,404      | 737,057     | 166,493       | 903,550              | 237,520   | 1,141,069       | 61.4 %              |
| 2013           | 2,114,662       | 1,984,303      | 722,190     | 149,538       | 871,727              | 286,730   | 1,158,456       | 58.4 %              |
| 2014           | 2,127,474       | 2,040,455      | 676,874     | 214,880       | 891,755              | 396,310   | 1,288,064       | 63.1 %              |
| 2015           | 1,915,307       | 1,888,227      | 425,946     | 295,002       | 720,948              | 514,079   | 1,235,028       | 65.4 %              |
| 2016           | 1,945,849       | 1,928,304      | 200,079     | 287,226       | 487,306              | 811,430   | 1,298,735       | 67.4 %              |
|                | 23,597,650      | 22,338,752     | 9,165,311   | 1,722,844     | 10,888,157           | 2,887,369 | 13,775,519      | 61.7 %              |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Consolidated Total

NET BASIS

|             |      | Months  |         |           |           |           |           |         |         |         |         |
|-------------|------|---------|---------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|
| Paid Losses |      | 12      | 24      | 36        | 48        | 60        | 72        | 84      | 96      | 108     | 120     |
|             | 2007 | 88,676  | 238,780 | 313,230   | 362,278   | 409,661   | 437,478   | 464,307 | 491,797 | 504,823 | 518,380 |
|             | 2008 | 192,559 | 433,925 | 602,768   | 714,200   | 762,090   | 804,040   | 837,870 | 864,517 | 883,263 |         |
|             | 2009 | 102,606 | 261,177 | 353,720   | 422,831   | 481,131   | 546,133   | 591,611 | 613,683 |         |         |
|             | 2010 | 169,486 | 442,685 | 614,742   | 691,699   | 796,418   | 878,973   | 937,828 |         |         |         |
|             | 2011 | 341,168 | 788,359 | 1,090,473 | 1,286,004 | 1,383,458 | 1,508,124 |         |         |         |         |
|             | 2012 | 184,842 | 416,180 | 561,303   | 658,025   | 737,056   |           |         |         |         |         |
|             | 2013 | 135,101 | 418,238 | 620,421   | 722,190   |           |           |         |         |         |         |
|             | 2014 | 161,231 | 486,672 | 676,874   |           |           |           |         |         |         |         |
|             | 2015 | 153,556 | 425,946 |           |           |           |           |         |         |         |         |
|             | 2016 | 200,080 |         |           |           |           |           |         |         |         |         |

|                      |      | Months    |           |           |           |           |           |           |         |         |         |
|----------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|
| Case Incurred Losses |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96      | 108     | 120     |
|                      | 2007 | 293,085   | 436,078   | 477,126   | 507,914   | 534,052   | 550,743   | 569,799   | 575,503 | 575,850 | 584,427 |
|                      | 2008 | 533,018   | 739,233   | 853,132   | 882,889   | 908,774   | 942,905   | 948,537   | 960,889 | 967,478 |         |
|                      | 2009 | 313,778   | 493,585   | 565,863   | 620,724   | 665,477   | 690,172   | 705,538   | 715,835 |         |         |
|                      | 2010 | 550,445   | 794,202   | 924,208   | 997,069   | 1,026,174 | 1,048,398 | 1,048,187 |         |         |         |
|                      | 2011 | 1,105,078 | 1,434,483 | 1,544,748 | 1,632,025 | 1,659,049 | 1,659,644 |           |         |         |         |
|                      | 2012 | 442,767   | 714,086   | 795,776   | 868,090   | 903,550   |           |           |         |         |         |
|                      | 2013 | 420,897   | 696,000   | 809,260   | 871,727   |           |           |           |         |         |         |
|                      | 2014 | 379,866   | 743,753   | 891,754   |           |           |           |           |         |         |         |
|                      | 2015 | 416,208   | 720,948   |           |           |           |           |           |         |         |         |
|                      | 2016 | 487,306   |           |           |           |           |           |           |         |         |         |

|      |      | Months  |         |         |         |         |         |         |        |        |        |
|------|------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
| IBNR |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96     | 108    | 120    |
|      | 2007 | 665,889 | 476,427 | 377,222 | 317,972 | 254,175 | 195,195 | 146,032 | 92,776 | 62,576 | 45,641 |
|      | 2008 | 694,028 | 443,825 | 336,415 | 279,154 | 233,098 | 176,377 | 121,833 | 92,350 | 65,423 |        |
|      | 2009 | 709,711 | 447,817 | 340,071 | 272,643 | 219,385 | 185,805 | 121,754 | 86,355 |        |        |
|      | 2010 | 751,537 | 499,116 | 346,552 | 283,771 | 267,946 | 194,851 | 154,784 |        |        |        |
|      | 2011 | 805,104 | 491,730 | 386,840 | 302,210 | 258,575 | 207,090 |         |        |        |        |
|      | 2012 | 822,329 | 506,029 | 414,019 | 305,485 | 237,520 |         |         |        |        |        |
|      | 2013 | 831,977 | 542,438 | 383,500 | 286,730 |         |         |         |        |        |        |
|      | 2014 | 870,185 | 553,532 | 396,310 |         |         |         |         |        |        |        |
|      | 2015 | 824,664 | 514,080 |         |         |         |         |         |        |        |        |
|      | 2016 | 811,430 |         |         |         |         |         |         |        |        |        |

|                 |      | Months    |           |           |           |           |           |           |           |           |         |
|-----------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|
| Ultimate Losses |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120     |
|                 | 2007 | 958,974   | 912,506   | 854,348   | 825,886   | 788,227   | 745,938   | 715,831   | 668,279   | 638,426   | 630,068 |
|                 | 2008 | 1,227,046 | 1,183,058 | 1,189,546 | 1,162,043 | 1,141,872 | 1,119,282 | 1,070,370 | 1,053,238 | 1,032,901 |         |
|                 | 2009 | 1,023,489 | 941,402   | 905,933   | 893,367   | 884,862   | 875,977   | 827,292   | 802,190   |           |         |
|                 | 2010 | 1,301,982 | 1,293,318 | 1,270,761 | 1,280,839 | 1,294,120 | 1,243,249 | 1,202,971 |           |           |         |
|                 | 2011 | 1,910,182 | 1,926,213 | 1,931,588 | 1,934,235 | 1,917,624 | 1,866,733 |           |           |           |         |
|                 | 2012 | 1,265,096 | 1,220,115 | 1,209,795 | 1,173,575 | 1,141,070 |           |           |           |           |         |
|                 | 2013 | 1,252,874 | 1,238,438 | 1,192,760 | 1,158,457 |           |           |           |           |           |         |
|                 | 2014 | 1,250,051 | 1,297,286 | 1,288,064 |           |           |           |           |           |           |         |
|                 | 2015 | 1,240,872 | 1,235,028 |           |           |           |           |           |           |           |         |
|                 | 2016 | 1,298,736 |           |           |           |           |           |           |           |           |         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Consolidated Total

NET BASIS

|                          |      | Months    |           |           |           |           |           |           |           |           |           |                                  |
|--------------------------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|----------------------------------|
| Paid Loss Ratio          |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |                                  |
|                          | 2007 | 5.8%      | 15.6%     | 20.5%     | 23.7%     | 26.8%     | 28.7%     | 30.4%     | 32.2%     | 33.1%     | 34.0%     |                                  |
|                          | 2008 | 12.8%     | 28.9%     | 40.1%     | 47.5%     | 50.7%     | 53.5%     | 55.7%     | 57.5%     | 58.7%     |           |                                  |
|                          | 2009 | 6.3%      | 16.0%     | 21.7%     | 25.9%     | 29.4%     | 33.4%     | 36.2%     | 37.6%     |           |           |                                  |
|                          | 2010 | 9.7%      | 25.4%     | 35.3%     | 39.7%     | 45.7%     | 50.5%     | 53.9%     |           |           |           |                                  |
|                          | 2011 | 18.1%     | 41.8%     | 57.8%     | 68.2%     | 73.4%     | 80.0%     |           |           |           |           |                                  |
|                          | 2012 | 10.0%     | 22.4%     | 30.2%     | 35.4%     | 39.7%     |           |           |           |           |           |                                  |
|                          | 2013 | 6.8%      | 21.1%     | 31.3%     | 36.4%     |           |           |           |           |           |           |                                  |
|                          | 2014 | 7.9%      | 23.9%     | 33.2%     |           |           |           |           |           |           |           |                                  |
|                          | 2015 | 8.1%      | 22.6%     |           |           |           |           |           |           |           |           |                                  |
|                          | 2016 | 10.4%     |           |           |           |           |           |           |           |           |           |                                  |
|                          |      | Months    |           |           |           |           |           |           |           |           |           |                                  |
| Case Incurred Loss Ratio |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |                                  |
|                          | 2007 | 19.2%     | 28.6%     | 31.3%     | 33.3%     | 35.0%     | 36.1%     | 37.3%     | 37.7%     | 37.7%     | 38.3%     |                                  |
|                          | 2008 | 35.4%     | 49.1%     | 56.7%     | 58.7%     | 60.4%     | 62.7%     | 63.1%     | 63.9%     | 64.3%     |           |                                  |
|                          | 2009 | 19.2%     | 30.2%     | 34.6%     | 38.0%     | 40.7%     | 42.2%     | 43.2%     | 43.8%     |           |           |                                  |
|                          | 2010 | 31.6%     | 45.6%     | 53.1%     | 57.3%     | 58.9%     | 60.2%     | 60.2%     |           |           |           |                                  |
|                          | 2011 | 58.6%     | 76.1%     | 81.9%     | 86.6%     | 88.0%     | 88.0%     |           |           |           |           |                                  |
|                          | 2012 | 23.8%     | 38.4%     | 42.8%     | 46.7%     | 48.6%     |           |           |           |           |           |                                  |
|                          | 2013 | 21.2%     | 35.1%     | 40.8%     | 43.9%     |           |           |           |           |           |           |                                  |
|                          | 2014 | 18.6%     | 36.5%     | 43.7%     |           |           |           |           |           |           |           |                                  |
|                          | 2015 | 22.0%     | 38.2%     |           |           |           |           |           |           |           |           |                                  |
|                          | 2016 | 25.3%     |           |           |           |           |           |           |           |           |           |                                  |
|                          |      | Months    |           |           |           |           |           |           |           |           |           |                                  |
| Ultimate Loss Ratio      |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       |                                  |
|                          | 2007 | 62.8%     | 59.8%     | 56.0%     | 54.1%     | 51.7%     | 48.9%     | 46.9%     | 43.8%     | 41.8%     | 41.3%     |                                  |
|                          | 2008 | 81.6%     | 78.7%     | 79.1%     | 77.3%     | 75.9%     | 74.4%     | 71.2%     | 70.0%     | 68.7%     |           |                                  |
|                          | 2009 | 62.6%     | 57.6%     | 55.4%     | 54.7%     | 54.2%     | 53.6%     | 50.6%     | 49.1%     |           |           |                                  |
|                          | 2010 | 74.8%     | 74.3%     | 73.0%     | 73.6%     | 74.3%     | 71.4%     | 69.1%     |           |           |           |                                  |
|                          | 2011 | 101.3%    | 102.2%    | 102.5%    | 102.6%    | 101.7%    | 99.0%     |           |           |           |           |                                  |
|                          | 2012 | 68.1%     | 65.7%     | 65.1%     | 63.2%     | 61.4%     |           |           |           |           |           |                                  |
|                          | 2013 | 63.1%     | 62.4%     | 60.1%     | 58.4%     |           |           |           |           |           |           |                                  |
|                          | 2014 | 61.3%     | 63.6%     | 63.1%     |           |           |           |           |           |           |           |                                  |
|                          | 2015 | 65.7%     | 65.4%     |           |           |           |           |           |           |           |           |                                  |
|                          | 2016 | 67.4%     |           |           |           |           |           |           |           |           |           |                                  |
|                          |      | Months    |           |           |           |           |           |           |           |           |           |                                  |
| Loss Emergence           |      | 12        | 24        | 36        | 48        | 60        | 72        | 84        | 96        | 108       | 120       | Total Development<br>AY 07 - 16' |
|                          | 2007 | 958,974   | (46,468)  | (58,158)  | (28,462)  | (37,659)  | (42,289)  | (30,107)  | (47,552)  | (29,853)  | (8,358)   | (328,906)                        |
|                          | 2008 | 1,227,046 | (43,988)  | 6,488     | (27,504)  | (20,171)  | (22,590)  | (48,911)  | (17,132)  | (20,337)  |           | (194,145)                        |
|                          | 2009 | 1,023,489 | (82,087)  | (35,469)  | (12,566)  | (8,505)   | (8,884)   | (48,685)  | (25,102)  |           |           | (221,298)                        |
|                          | 2010 | 1,301,982 | (8,664)   | (22,557)  | 10,079    | 13,281    | (50,871)  | (40,278)  |           |           |           | (99,010)                         |
|                          | 2011 | 1,910,182 | 16,031    | 5,375     | 2,647     | (16,611)  | (50,891)  |           |           |           |           | (43,449)                         |
|                          | 2012 | 1,265,096 | (44,981)  | (10,319)  | (36,221)  | (32,505)  |           |           |           |           |           | (124,026)                        |
|                          | 2013 | 1,252,874 | (14,436)  | (45,677)  | (34,303)  |           |           |           |           |           |           | (94,416)                         |
|                          | 2014 | 1,250,051 | 47,234    | (9,221)   |           |           |           |           |           |           |           | 38,013                           |
|                          | 2015 | 1,240,872 | (5,844)   |           |           |           |           |           |           |           |           | (5,844)                          |
|                          | 2016 | 1,298,736 |           |           |           |           |           |           |           |           |           | —                                |
|                          |      |           |           |           |           |           |           |           |           |           |           | (1,073,081)                      |
|                          |      |           |           |           |           |           |           |           |           |           |           | (1,073,081)                      |
|                          |      | CY 2007   | CY 2008   | CY 2009   | CY 2010   | CY 2011   | CY 2012   | CY 2013   | CY 2014   | CY 2015   | CY 2016   | Total Development<br>CY 07 - 16' |
|                          |      | (122,959) | (173,948) | (212,311) | (194,294) | (154,841) | (122,442) | (167,117) | (195,205) | (219,600) | (236,472) | (1,799,189)                      |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Property and Other

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 3,326,712       | 3,009,860      | 1,575,158   | 3,591         | 1,578,749            | 2,251   | 1,581,000       | 52.5%               |
| 2007           | 860,590         | 863,994        | 258,642     | 3,341         | 261,983              | 447     | 262,430         | 30.4%               |
| 2008           | 883,477         | 869,570        | 542,752     | 4,794         | 547,545              | (3,484) | 544,062         | 62.6%               |
| 2009           | 882,080         | 869,218        | 211,956     | 7,636         | 219,592              | 830     | 220,421         | 25.4%               |
| 2010           | 905,309         | 885,789        | 575,834     | 31,327        | 607,161              | 7,545   | 614,705         | 69.4%               |
| 2011           | 924,914         | 915,883        | 1,085,654   | 39,515        | 1,125,169            | 11,228  | 1,136,397       | 124.1%              |
| 2012           | 785,262         | 827,837        | 349,528     | 46,790        | 396,318              | 11,373  | 407,691         | 49.2%               |
| 2013           | 978,335         | 956,553        | 382,606     | 28,289        | 410,895              | 11,620  | 422,515         | 44.2%               |
| 2014           | 967,217         | 921,892        | 410,304     | 45,831        | 456,135              | 18,970  | 475,104         | 51.5%               |
| 2015           | 821,146         | 819,281        | 200,933     | 124,028       | 324,961              | 67,340  | 392,301         | 47.9%               |
| 2016           | 893,911         | 885,665        | 92,324      | 159,903       | 252,226              | 255,498 | 507,725         | 57.3%               |
|                | 12,228,953      | 11,825,542     | 5,685,691   | 495,045       | 6,180,734            | 383,618 | 6,564,351       | 55.5%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR     | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|----------|-----------------|---------------------|
| 2006 and prior | 55,158          | 53,965         | 137,990     | —             | 137,990              | —        | 137,990         | 255.7%              |
| 2007           | 4,448           | 2,608          | —           | —             | —                    | —        | —               | 0.0%                |
| 2008           | 6,861           | 6,532          | —           | —             | —                    | —        | —               | 0.0%                |
| 2009           | 6,540           | 8,582          | —           | —             | —                    | —        | —               | 0.0%                |
| 2010           | 7,177           | 7,323          | —           | —             | —                    | —        | —               | 0.0%                |
| 2011           | 8,976           | 9,248          | —           | —             | —                    | —        | —               | 0.0%                |
| 2012           | 3,029           | 3,223          | —           | —             | —                    | —        | —               | 0.0%                |
| 2013           | 20,154          | 13,524         | 4,688       | —             | 4,688                | —        | 4,687           | 34.7%               |
| 2014           | 44,944          | 38,408         | 50,085      | 550           | 50,635               | (36,182) | 14,452          | 37.6%               |
| 2015           | 101,474         | 89,062         | 10,084      | 15,697        | 25,781               | (4,503)  | 21,278          | 23.9%               |
| 2016           | 171,797         | 150,781        | 11,851      | 18,223        | 30,074               | 26,803   | 56,877          | 37.7%               |
|                | 430,558         | 383,256        | 214,698     | 34,470        | 249,168              | (13,882) | 235,284         | 61.4%               |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 3,271,554       | 2,955,895      | 1,437,168   | 3,591         | 1,440,759            | 2,251   | 1,443,010       | 48.8%               |
| 2007           | 856,142         | 861,386        | 258,642     | 3,341         | 261,983              | 447     | 262,430         | 30.5%               |
| 2008           | 876,616         | 863,038        | 542,752     | 4,794         | 547,545              | (3,484) | 544,062         | 63.0%               |
| 2009           | 875,540         | 860,636        | 211,956     | 7,636         | 219,592              | 830     | 220,421         | 25.6%               |
| 2010           | 898,132         | 878,466        | 575,834     | 31,327        | 607,161              | 7,545   | 614,705         | 70.0%               |
| 2011           | 915,938         | 906,635        | 1,085,654   | 39,515        | 1,125,169            | 11,228  | 1,136,397       | 125.3%              |
| 2012           | 782,233         | 824,614        | 349,528     | 46,790        | 396,318              | 11,373  | 407,691         | 49.4%               |
| 2013           | 958,181         | 943,029        | 377,918     | 28,289        | 406,207              | 11,620  | 417,828         | 44.3%               |
| 2014           | 922,273         | 883,484        | 360,219     | 45,281        | 405,500              | 55,152  | 460,652         | 52.1%               |
| 2015           | 719,672         | 730,219        | 190,849     | 108,331       | 299,180              | 71,843  | 371,023         | 50.8%               |
| 2016           | 722,114         | 734,884        | 80,473      | 141,680       | 222,152              | 228,695 | 450,848         | 61.3%               |
|                | 11,798,395      | 11,442,286     | 5,470,993   | 460,575       | 5,931,566            | 397,500 | 6,329,067       | 55.3%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Property and Other

NET BASIS

|             |      | Months  |         |         |         |           |           |         |         |         |         |
|-------------|------|---------|---------|---------|---------|-----------|-----------|---------|---------|---------|---------|
| Paid Losses |      | 12      | 24      | 36      | 48      | 60        | 72        | 84      | 96      | 108     | 120     |
|             | 2007 | 67,545  | 187,004 | 223,286 | 240,281 | 249,940   | 254,905   | 260,208 | 258,537 | 256,957 | 258,642 |
|             | 2008 | 162,312 | 325,625 | 458,666 | 514,343 | 528,934   | 534,599   | 535,539 | 541,388 | 542,752 |         |
|             | 2009 | 60,569  | 140,290 | 175,009 | 195,443 | 207,186   | 207,011   | 210,168 | 211,956 |         |         |
|             | 2010 | 126,634 | 337,117 | 436,904 | 470,866 | 520,124   | 550,785   | 575,834 |         |         |         |
|             | 2011 | 284,769 | 636,205 | 861,155 | 976,578 | 1,009,592 | 1,085,654 |         |         |         |         |
|             | 2012 | 95,916  | 236,458 | 311,449 | 334,533 | 349,528   |           |         |         |         |         |
|             | 2013 | 56,781  | 231,662 | 348,352 | 377,919 |           |           |         |         |         |         |
|             | 2014 | 66,546  | 281,541 | 360,219 |         |           |           |         |         |         |         |
|             | 2015 | 48,522  | 190,849 |         |         |           |           |         |         |         |         |
|             | 2016 | 80,473  |         |         |         |           |           |         |         |         |         |

|                      |      | Months  |           |           |           |           |           |         |         |         |         |
|----------------------|------|---------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|
| Case Incurred Losses |      | 12      | 24        | 36        | 48        | 60        | 72        | 84      | 96      | 108     | 120     |
|                      | 2007 | 206,383 | 266,331   | 264,465   | 264,724   | 264,631   | 268,056   | 272,050 | 263,717 | 260,630 | 261,983 |
|                      | 2008 | 415,436 | 473,699   | 557,101   | 545,025   | 543,781   | 548,862   | 545,426 | 547,914 | 547,545 |         |
|                      | 2009 | 174,118 | 226,387   | 218,287   | 225,553   | 222,416   | 217,785   | 216,995 | 219,592 |         |         |
|                      | 2010 | 423,221 | 551,553   | 591,708   | 600,774   | 606,854   | 613,171   | 607,161 |         |         |         |
|                      | 2011 | 947,765 | 1,125,207 | 1,142,320 | 1,159,427 | 1,147,382 | 1,125,169 |         |         |         |         |
|                      | 2012 | 252,504 | 396,439   | 402,100   | 400,664   | 396,318   |           |         |         |         |         |
|                      | 2013 | 224,339 | 367,431   | 410,221   | 406,207   |           |           |         |         |         |         |
|                      | 2014 | 159,018 | 374,378   | 405,500   |           |           |           |         |         |         |         |
|                      | 2015 | 169,010 | 299,180   |           |           |           |           |         |         |         |         |
|                      | 2016 | 222,153 |           |           |           |           |           |         |         |         |         |

|      |      | Months  |         |        |        |        |        |       |         |         |     |
|------|------|---------|---------|--------|--------|--------|--------|-------|---------|---------|-----|
| IBNR |      | 12      | 24      | 36     | 48     | 60     | 72     | 84    | 96      | 108     | 120 |
|      | 2007 | 221,829 | 95,777  | 56,332 | 42,316 | 26,281 | 12,310 | 1,325 | 1,832   | 2,054   | 447 |
|      | 2008 | 278,639 | 123,204 | 53,455 | 43,434 | 31,406 | 15,393 | 3,028 | (3,402) | (3,484) |     |
|      | 2009 | 187,529 | 76,731  | 47,481 | 27,317 | 23,275 | 6,870  | 1,611 | 830     |         |     |
|      | 2010 | 218,448 | 87,897  | 18,924 | 23,095 | 21,908 | 9,491  | 7,545 |         |         |     |
|      | 2011 | 255,266 | 93,748  | 76,786 | 18,892 | 14,405 | 11,228 |       |         |         |     |
|      | 2012 | 245,153 | 69,164  | 52,896 | 23,491 | 11,373 |        |       |         |         |     |
|      | 2013 | 263,678 | 99,880  | 26,582 | 11,620 |        |        |       |         |         |     |
|      | 2014 | 289,478 | 98,817  | 55,152 |        |        |        |       |         |         |     |
|      | 2015 | 219,436 | 71,843  |        |        |        |        |       |         |         |     |
|      | 2016 | 228,695 |         |        |        |        |        |       |         |         |     |

|                 |      | Months    |           |           |           |           |           |         |         |         |         |
|-----------------|------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|
| Ultimate Losses |      | 12        | 24        | 36        | 48        | 60        | 72        | 84      | 96      | 108     | 120     |
|                 | 2007 | 428,212   | 362,107   | 320,796   | 307,041   | 290,913   | 280,366   | 273,376 | 265,549 | 262,684 | 262,430 |
|                 | 2008 | 694,075   | 596,903   | 610,556   | 588,459   | 575,188   | 564,255   | 548,454 | 544,512 | 544,062 |         |
|                 | 2009 | 361,647   | 303,118   | 265,768   | 252,870   | 245,690   | 224,655   | 218,606 | 220,421 |         |         |
|                 | 2010 | 641,669   | 639,450   | 610,633   | 623,869   | 628,762   | 622,662   | 614,705 |         |         |         |
|                 | 2011 | 1,203,031 | 1,218,955 | 1,219,106 | 1,178,319 | 1,161,787 | 1,136,397 |         |         |         |         |
|                 | 2012 | 497,657   | 465,603   | 454,996   | 424,156   | 407,691   |           |         |         |         |         |
|                 | 2013 | 488,017   | 467,310   | 436,803   | 417,827   |           |           |         |         |         |         |
|                 | 2014 | 448,496   | 473,195   | 460,652   |           |           |           |         |         |         |         |
|                 | 2015 | 388,446   | 371,023   |           |           |           |           |         |         |         |         |
|                 | 2016 | 450,848   |           |           |           |           |           |         |         |         |         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Property and Other

NET BASIS

|                          |      | Months    |           |           |          |          |          |          |           |          |          |                                  |
|--------------------------|------|-----------|-----------|-----------|----------|----------|----------|----------|-----------|----------|----------|----------------------------------|
| Paid Loss Ratio          |      | 12        | 24        | 36        | 48       | 60       | 72       | 84       | 96        | 108      | 120      |                                  |
|                          | 2007 | 7.8%      | 21.7%     | 25.9%     | 27.9%    | 29.0%    | 29.6%    | 30.2%    | 30.0%     | 29.8%    | 30.0%    |                                  |
|                          | 2008 | 18.8%     | 37.7%     | 53.1%     | 59.6%    | 61.3%    | 61.9%    | 62.1%    | 62.7%     | 62.9%    |          |                                  |
|                          | 2009 | 7.0%      | 16.3%     | 20.3%     | 22.7%    | 24.1%    | 24.1%    | 24.4%    | 24.6%     |          |          |                                  |
|                          | 2010 | 14.4%     | 38.4%     | 49.7%     | 53.6%    | 59.2%    | 62.7%    | 65.5%    |           |          |          |                                  |
|                          | 2011 | 31.4%     | 70.2%     | 95.0%     | 107.7%   | 111.4%   | 119.7%   |          |           |          |          |                                  |
|                          | 2012 | 11.6%     | 28.7%     | 37.8%     | 40.6%    | 42.4%    |          |          |           |          |          |                                  |
|                          | 2013 | 6.0%      | 24.6%     | 36.9%     | 40.1%    |          |          |          |           |          |          |                                  |
|                          | 2014 | 7.5%      | 31.9%     | 40.8%     |          |          |          |          |           |          |          |                                  |
|                          | 2015 | 6.6%      | 26.1%     |           |          |          |          |          |           |          |          |                                  |
|                          | 2016 | 11.0%     |           |           |          |          |          |          |           |          |          |                                  |
|                          |      |           |           |           |          |          |          |          |           |          |          |                                  |
|                          |      | Months    |           |           |          |          |          |          |           |          |          |                                  |
| Case Incurred Loss Ratio |      | 12        | 24        | 36        | 48       | 60       | 72       | 84       | 96        | 108      | 120      |                                  |
|                          | 2007 | 24.0%     | 30.9%     | 30.7%     | 30.7%    | 30.7%    | 31.1%    | 31.6%    | 30.6%     | 30.3%    | 30.4%    |                                  |
|                          | 2008 | 48.1%     | 54.9%     | 64.6%     | 63.2%    | 63.0%    | 63.6%    | 63.2%    | 63.5%     | 63.4%    |          |                                  |
|                          | 2009 | 20.2%     | 26.3%     | 25.4%     | 26.2%    | 25.8%    | 25.3%    | 25.2%    | 25.5%     |          |          |                                  |
|                          | 2010 | 48.2%     | 62.8%     | 67.4%     | 68.4%    | 69.1%    | 69.8%    | 69.1%    |           |          |          |                                  |
|                          | 2011 | 104.5%    | 124.1%    | 126.0%    | 127.9%   | 126.6%   | 124.1%   |          |           |          |          |                                  |
|                          | 2012 | 30.6%     | 48.1%     | 48.8%     | 48.6%    | 48.1%    |          |          |           |          |          |                                  |
|                          | 2013 | 23.8%     | 39.0%     | 43.5%     | 43.1%    |          |          |          |           |          |          |                                  |
|                          | 2014 | 18.0%     | 42.4%     | 45.9%     |          |          |          |          |           |          |          |                                  |
|                          | 2015 | 23.1%     | 41.0%     |           |          |          |          |          |           |          |          |                                  |
|                          | 2016 | 30.2%     |           |           |          |          |          |          |           |          |          |                                  |
|                          |      |           |           |           |          |          |          |          |           |          |          |                                  |
|                          |      | Months    |           |           |          |          |          |          |           |          |          |                                  |
| Ultimate Loss Ratio      |      | 12        | 24        | 36        | 48       | 60       | 72       | 84       | 96        | 108      | 120      |                                  |
|                          | 2007 | 49.7%     | 42.0%     | 37.2%     | 35.6%    | 33.8%    | 32.5%    | 31.7%    | 30.8%     | 30.5%    | 30.5%    |                                  |
|                          | 2008 | 80.4%     | 69.2%     | 70.7%     | 68.2%    | 66.6%    | 65.4%    | 63.5%    | 63.1%     | 63.0%    |          |                                  |
|                          | 2009 | 42.0%     | 35.2%     | 30.9%     | 29.4%    | 28.5%    | 26.1%    | 25.4%    | 25.6%     |          |          |                                  |
|                          | 2010 | 73.0%     | 72.8%     | 69.5%     | 71.0%    | 71.6%    | 70.9%    | 70.0%    |           |          |          |                                  |
|                          | 2011 | 132.7%    | 134.4%    | 134.5%    | 130.0%   | 128.1%   | 125.3%   |          |           |          |          |                                  |
|                          | 2012 | 60.4%     | 56.5%     | 55.2%     | 51.4%    | 49.4%    |          |          |           |          |          |                                  |
|                          | 2013 | 51.7%     | 49.6%     | 46.3%     | 44.3%    |          |          |          |           |          |          |                                  |
|                          | 2014 | 50.8%     | 53.6%     | 52.1%     |          |          |          |          |           |          |          |                                  |
|                          | 2015 | 53.2%     | 50.8%     |           |          |          |          |          |           |          |          |                                  |
|                          | 2016 | 61.3%     |           |           |          |          |          |          |           |          |          |                                  |
|                          |      |           |           |           |          |          |          |          |           |          |          |                                  |
|                          |      | Months    |           |           |          |          |          |          |           |          |          |                                  |
| Loss Emergence           |      | 12        | 24        | 36        | 48       | 60       | 72       | 84       | 96        | 108      | 120      | Total Development<br>AY 07 - 16' |
|                          | 2007 | 428,212   | (66,105)  | (41,311)  | (13,756) | (16,128) | (10,547) | (6,990)  | (7,827)   | (2,865)  | (254)    | (165,783)                        |
|                          | 2008 | 694,075   | (97,172)  | 13,652    | (22,097) | (13,271) | (10,933) | (15,801) | (3,942)   | (450)    |          | (150,014)                        |
|                          | 2009 | 361,647   | (58,530)  | (37,350)  | (12,898) | (7,180)  | (21,035) | (6,049)  | 1,815     |          |          | (141,227)                        |
|                          | 2010 | 641,669   | (2,218)   | (28,818)  | 13,237   | 4,893    | (6,101)  | (7,956)  |           |          |          | (26,963)                         |
|                          | 2011 | 1,203,031 | 15,924    | 152       | (40,787) | (16,532) | (25,389) |          |           |          |          | (66,632)                         |
|                          | 2012 | 497,657   | (32,054)  | (10,607)  | (30,840) | (16,465) |          |          |           |          |          | (89,966)                         |
|                          | 2013 | 488,017   | (20,707)  | (30,508)  | (18,976) |          |          |          |           |          |          | (70,191)                         |
|                          | 2014 | 448,496   | 24,698    | (12,543)  |          |          |          |          |           |          |          | 12,155                           |
|                          | 2015 | 388,446   | (17,423)  |           |          |          |          |          |           |          |          | (17,423)                         |
|                          | 2016 | 450,848   |           |           |          |          |          |          |           |          |          | —                                |
|                          |      |           |           |           |          |          |          |          |           |          |          | (716,044)                        |
|                          |      |           |           |           |          |          |          |          |           |          |          |                                  |
|                          |      | CY 2007   | CY 2008   | CY 2009   | CY 2010  | CY 2011  | CY 2012  | CY 2013  | CY 2014   | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|                          |      | (119,537) | (171,660) | (154,755) | (93,104) | (90,834) | (79,450) | (48,284) | (122,859) | (72,788) | (97,691) | (1,050,962)                      |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Credit and Surety

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 274,294         | 214,389        | 87,370      | 3,141         | 90,519               | 2,343   | 92,861          | 43.3%               |
| 2007           | 124,976         | 107,618        | 63,055      | 7,682         | 70,736               | 1,342   | 72,078          | 67.0%               |
| 2008           | 154,497         | 139,861        | 117,710     | 5,050         | 122,773              | 2,043   | 124,816         | 89.2%               |
| 2009           | 223,564         | 179,362        | 99,055      | 6,089         | 105,163              | 3,670   | 108,833         | 60.7%               |
| 2010           | 254,130         | 217,809        | 77,727      | 7,473         | 85,265               | 7,637   | 92,903          | 42.7%               |
| 2011           | 299,923         | 263,912        | 98,865      | 8,774         | 107,725              | 10,850  | 118,575         | 44.9%               |
| 2012           | 264,572         | 277,185        | 119,631     | 12,314        | 132,044              | 21,008  | 153,052         | 55.2%               |
| 2013           | 268,494         | 279,942        | 107,058     | 19,376        | 126,505              | 26,231  | 152,735         | 54.6%               |
| 2014           | 258,865         | 263,013        | 95,678      | 23,183        | 119,132              | 38,253  | 157,385         | 59.8%               |
| 2015           | 242,620         | 250,208        | 84,830      | 37,069        | 122,534              | 49,845  | 172,379         | 68.9%               |
| 2016           | 319,077         | 256,282        | 42,566      | 25,460        | 69,196               | 76,118  | 145,314         | 56.7%               |
|                | 2,685,012       | 2,449,581      | 993,545     | 155,611       | 1,151,592            | 239,340 | 1,390,931       | 56.8%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR  | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-------|-----------------|---------------------|
| 2006 and prior | —               | —              | —           | —             | 9                    | —     | 9               | N/A                 |
| 2007           | —               | —              | —           | —             | (2)                  | —     | (2)             | N/A                 |
| 2008           | —               | —              | —           | —             | 13                   | —     | 13              | N/A                 |
| 2009           | —               | —              | —           | —             | 20                   | —     | 20              | N/A                 |
| 2010           | —               | —              | —           | —             | 65                   | —     | 65              | N/A                 |
| 2011           | —               | —              | —           | —             | 86                   | —     | 86              | N/A                 |
| 2012           | —               | —              | —           | —             | 100                  | —     | 100             | N/A                 |
| 2013           | —               | —              | —           | —             | 71                   | —     | 71              | N/A                 |
| 2014           | —               | —              | —           | —             | 271                  | —     | 271             | N/A                 |
| 2015           | —               | —              | —           | —             | 635                  | —     | 635             | N/A                 |
| 2016           | 9,503           | 4,070          | 313         | 508           | 1,991                | 1,459 | 3,451           | 84.8%               |
|                | 9,503           | 4,070          | 313         | 508           | 3,259                | 1,459 | 4,719           | 115.9%              |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 274,294         | 214,389        | 87,370      | 3,141         | 90,510               | 2,343   | 92,852          | 43.3%               |
| 2007           | 124,976         | 107,618        | 63,055      | 7,682         | 70,738               | 1,342   | 72,080          | 67.0%               |
| 2008           | 154,497         | 139,861        | 117,710     | 5,050         | 122,760              | 2,043   | 124,803         | 89.2%               |
| 2009           | 223,564         | 179,362        | 99,055      | 6,089         | 105,143              | 3,670   | 108,813         | 60.7%               |
| 2010           | 254,130         | 217,809        | 77,727      | 7,473         | 85,200               | 7,637   | 92,838          | 42.6%               |
| 2011           | 299,923         | 263,912        | 98,865      | 8,774         | 107,639              | 10,850  | 118,489         | 44.9%               |
| 2012           | 264,572         | 277,185        | 119,631     | 12,314        | 131,944              | 21,008  | 152,952         | 55.2%               |
| 2013           | 268,494         | 279,942        | 107,058     | 19,376        | 126,434              | 26,231  | 152,664         | 54.5%               |
| 2014           | 258,865         | 263,013        | 95,678      | 23,183        | 118,861              | 38,253  | 157,114         | 59.7%               |
| 2015           | 242,620         | 250,208        | 84,830      | 37,069        | 121,899              | 49,845  | 171,744         | 68.6%               |
| 2016           | 309,574         | 252,212        | 42,253      | 24,952        | 67,205               | 74,659  | 141,863         | 56.2%               |
|                | 2,675,509       | 2,445,511      | 993,232     | 155,103       | 1,148,333            | 237,881 | 1,386,212       | 56.7%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Credit and Surety

NET BASIS

|             |      | Months |        |         |         |         |         |         |         |         |        |
|-------------|------|--------|--------|---------|---------|---------|---------|---------|---------|---------|--------|
| Paid Losses |      | 12     | 24     | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120    |
|             | 2007 | 14,617 | 30,136 | 38,085  | 43,662  | 45,849  | 46,943  | 48,413  | 61,031  | 61,800  | 63,055 |
|             | 2008 | 22,532 | 82,563 | 89,977  | 107,333 | 109,517 | 112,692 | 115,976 | 116,991 | 117,710 |        |
|             | 2009 | 34,558 | 84,401 | 88,711  | 91,767  | 95,820  | 98,510  | 98,951  | 99,055  |         |        |
|             | 2010 | 29,287 | 56,133 | 71,159  | 71,477  | 74,020  | 75,819  | 77,727  |         |         |        |
|             | 2011 | 23,489 | 61,836 | 82,587  | 91,457  | 96,368  | 98,865  |         |         |         |        |
|             | 2012 | 52,822 | 93,415 | 109,942 | 115,959 | 119,631 |         |         |         |         |        |
|             | 2013 | 33,479 | 83,510 | 99,990  | 107,058 |         |         |         |         |         |        |
|             | 2014 | 36,920 | 67,738 | 95,678  |         |         |         |         |         |         |        |
|             | 2015 | 33,173 | 84,830 |         |         |         |         |         |         |         |        |
|             | 2016 | 42,253 |        |         |         |         |         |         |         |         |        |

|                      |      | Months |         |         |         |         |         |         |         |         |        |
|----------------------|------|--------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| Case Incurred Losses |      | 12     | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120    |
|                      | 2007 | 39,662 | 43,868  | 45,938  | 49,603  | 50,697  | 50,615  | 57,974  | 68,715  | 68,876  | 70,737 |
|                      | 2008 | 59,081 | 114,517 | 107,158 | 120,356 | 121,511 | 122,559 | 123,089 | 123,085 | 122,760 |        |
|                      | 2009 | 76,783 | 107,337 | 103,287 | 103,763 | 106,163 | 107,438 | 105,682 | 105,144 |         |        |
|                      | 2010 | 51,128 | 77,515  | 84,820  | 85,101  | 83,926  | 84,276  | 85,200  |         |         |        |
|                      | 2011 | 51,118 | 85,515  | 99,619  | 103,928 | 105,927 | 107,639 |         |         |         |        |
|                      | 2012 | 90,877 | 126,842 | 128,715 | 129,559 | 131,945 |         |         |         |         |        |
|                      | 2013 | 75,663 | 114,324 | 122,904 | 126,434 |         |         |         |         |         |        |
|                      | 2014 | 66,908 | 95,367  | 118,862 |         |         |         |         |         |         |        |
|                      | 2015 | 73,725 | 121,899 |         |         |         |         |         |         |         |        |
|                      | 2016 | 67,205 |         |         |         |         |         |         |         |         |        |

|      |      | Months  |        |        |        |        |        |       |       |       |       |
|------|------|---------|--------|--------|--------|--------|--------|-------|-------|-------|-------|
| IBNR |      | 12      | 24     | 36     | 48     | 60     | 72     | 84    | 96    | 108   | 120   |
|      | 2007 | 19,831  | 26,927 | 14,166 | 4,134  | 1,594  | 2,618  | 3,339 | 3,126 | 1,668 | 1,342 |
|      | 2008 | 41,853  | 26,437 | 27,500 | 10,523 | 10,536 | 8,252  | 3,531 | 1,971 | 2,043 |       |
|      | 2009 | 83,707  | 30,324 | 17,347 | 16,124 | 13,306 | 4,964  | 3,450 | 3,670 |       |       |
|      | 2010 | 82,608  | 39,592 | 25,619 | 21,028 | 18,676 | 9,975  | 7,637 |       |       |       |
|      | 2011 | 80,637  | 38,113 | 22,580 | 26,218 | 21,930 | 10,850 |       |       |       |       |
|      | 2012 | 80,777  | 35,494 | 36,651 | 32,490 | 21,008 |        |       |       |       |       |
|      | 2013 | 100,283 | 51,948 | 33,874 | 26,231 |        |        |       |       |       |       |
|      | 2014 | 79,375  | 54,466 | 38,253 |        |        |        |       |       |       |       |
|      | 2015 | 91,858  | 49,845 |        |        |        |        |       |       |       |       |
|      | 2016 | 74,659  |        |        |        |        |        |       |       |       |       |

|                 |      | Months  |         |         |         |         |         |         |         |         |        |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120    |
|                 | 2007 | 59,493  | 70,795  | 60,103  | 53,737  | 52,291  | 53,234  | 61,313  | 71,841  | 70,543  | 72,079 |
|                 | 2008 | 100,934 | 140,954 | 134,658 | 130,878 | 132,048 | 130,811 | 126,620 | 125,056 | 124,803 |        |
|                 | 2009 | 160,490 | 137,661 | 120,635 | 119,887 | 119,470 | 112,402 | 109,133 | 108,813 |         |        |
|                 | 2010 | 133,736 | 117,106 | 110,439 | 106,129 | 102,602 | 94,251  | 92,837  |         |         |        |
|                 | 2011 | 131,754 | 123,629 | 122,199 | 130,146 | 127,858 | 118,489 |         |         |         |        |
|                 | 2012 | 171,654 | 162,336 | 165,366 | 162,050 | 152,952 |         |         |         |         |        |
|                 | 2013 | 175,946 | 166,272 | 156,778 | 152,664 |         |         |         |         |         |        |
|                 | 2014 | 146,283 | 149,833 | 157,114 |         |         |         |         |         |         |        |
|                 | 2015 | 165,583 | 171,744 |         |         |         |         |         |         |         |        |
|                 | 2016 | 141,863 |         |         |         |         |         |         |         |         |        |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Credit and Surety

NET BASIS

|                          |      | Months  |          |          |          |          |          |         |         |          |          |                                  |
|--------------------------|------|---------|----------|----------|----------|----------|----------|---------|---------|----------|----------|----------------------------------|
| Paid Loss Ratio          |      | 12      | 24       | 36       | 48       | 60       | 72       | 84      | 96      | 108      | 120      |                                  |
|                          | 2007 | 13.6%   | 28.0%    | 35.4%    | 40.6%    | 42.6%    | 43.6%    | 45.0%   | 56.7%   | 57.4%    | 58.6%    |                                  |
|                          | 2008 | 16.1%   | 59.0%    | 64.3%    | 76.7%    | 78.3%    | 80.6%    | 82.9%   | 83.6%   | 84.2%    |          |                                  |
|                          | 2009 | 19.3%   | 47.1%    | 49.5%    | 51.2%    | 53.4%    | 54.9%    | 55.2%   | 55.2%   |          |          |                                  |
|                          | 2010 | 13.4%   | 25.8%    | 32.7%    | 32.8%    | 34.0%    | 34.8%    | 35.7%   |         |          |          |                                  |
|                          | 2011 | 8.9%    | 23.4%    | 31.3%    | 34.7%    | 36.5%    | 37.5%    |         |         |          |          |                                  |
|                          | 2012 | 19.1%   | 33.7%    | 39.7%    | 41.8%    | 43.2%    |          |         |         |          |          |                                  |
|                          | 2013 | 12.0%   | 29.8%    | 35.7%    | 38.2%    |          |          |         |         |          |          |                                  |
|                          | 2014 | 14.0%   | 25.8%    | 36.4%    |          |          |          |         |         |          |          |                                  |
|                          | 2015 | 13.3%   | 33.9%    |          |          |          |          |         |         |          |          |                                  |
|                          | 2016 | 16.8%   |          |          |          |          |          |         |         |          |          |                                  |
|                          |      | Months  |          |          |          |          |          |         |         |          |          |                                  |
| Case Incurred Loss Ratio |      | 12      | 24       | 36       | 48       | 60       | 72       | 84      | 96      | 108      | 120      |                                  |
|                          | 2007 | 36.9%   | 40.8%    | 42.7%    | 46.1%    | 47.1%    | 47.0%    | 53.9%   | 63.9%   | 64.0%    | 65.7%    |                                  |
|                          | 2008 | 42.2%   | 81.9%    | 76.6%    | 86.1%    | 86.9%    | 87.6%    | 88.0%   | 88.0%   | 87.8%    |          |                                  |
|                          | 2009 | 42.8%   | 59.8%    | 57.6%    | 57.9%    | 59.2%    | 59.9%    | 58.9%   | 58.6%   |          |          |                                  |
|                          | 2010 | 23.5%   | 35.6%    | 38.9%    | 39.1%    | 38.5%    | 38.7%    | 39.1%   |         |          |          |                                  |
|                          | 2011 | 19.4%   | 32.4%    | 37.7%    | 39.4%    | 40.1%    | 40.8%    |         |         |          |          |                                  |
|                          | 2012 | 32.8%   | 45.8%    | 46.4%    | 46.7%    | 47.6%    |          |         |         |          |          |                                  |
|                          | 2013 | 27.0%   | 40.8%    | 43.9%    | 45.2%    |          |          |         |         |          |          |                                  |
|                          | 2014 | 25.4%   | 36.3%    | 45.2%    |          |          |          |         |         |          |          |                                  |
|                          | 2015 | 29.5%   | 48.7%    |          |          |          |          |         |         |          |          |                                  |
|                          | 2016 | 26.6%   |          |          |          |          |          |         |         |          |          |                                  |
|                          |      | Months  |          |          |          |          |          |         |         |          |          |                                  |
| Ultimate Loss Ratio      |      | 12      | 24       | 36       | 48       | 60       | 72       | 84      | 96      | 108      | 120      |                                  |
|                          | 2007 | 55.3%   | 65.8%    | 55.8%    | 49.9%    | 48.6%    | 49.5%    | 57.0%   | 66.8%   | 65.5%    | 67.0%    |                                  |
|                          | 2008 | 72.2%   | 100.8%   | 96.3%    | 93.6%    | 94.4%    | 93.5%    | 90.5%   | 89.4%   | 89.2%    |          |                                  |
|                          | 2009 | 89.5%   | 76.8%    | 67.3%    | 66.8%    | 66.6%    | 62.7%    | 60.8%   | 60.7%   |          |          |                                  |
|                          | 2010 | 61.4%   | 53.8%    | 50.7%    | 48.7%    | 47.1%    | 43.3%    | 42.6%   |         |          |          |                                  |
|                          | 2011 | 49.9%   | 46.8%    | 46.3%    | 49.3%    | 48.4%    | 44.9%    |         |         |          |          |                                  |
|                          | 2012 | 61.9%   | 58.6%    | 59.7%    | 58.5%    | 55.2%    |          |         |         |          |          |                                  |
|                          | 2013 | 62.9%   | 59.4%    | 56.0%    | 54.5%    |          |          |         |         |          |          |                                  |
|                          | 2014 | 55.6%   | 57.0%    | 59.7%    |          |          |          |         |         |          |          |                                  |
|                          | 2015 | 66.2%   | 68.6%    |          |          |          |          |         |         |          |          |                                  |
|                          | 2016 | 56.2%   |          |          |          |          |          |         |         |          |          |                                  |
|                          |      | Months  |          |          |          |          |          |         |         |          |          |                                  |
| Loss Emergence           |      | 12      | 24       | 36       | 48       | 60       | 72       | 84      | 96      | 108      | 120      | Total Development<br>AY 07 - 16' |
|                          | 2007 | 59,493  | 11,302   | (10,692) | (6,366)  | (1,446)  | 943      | 8,079   | 10,529  | (1,298)  | 1,536    | 12,587                           |
|                          | 2008 | 100,934 | 40,020   | (6,296)  | (3,780)  | 1,169    | (1,237)  | (4,190) | (1,564) | (253)    |          | 23,869                           |
|                          | 2009 | 160,490 | (22,829) | (17,026) | (748)    | (417)    | (7,068)  | (3,269) | (319)   |          |          | (51,676)                         |
|                          | 2010 | 133,736 | (16,630) | (6,668)  | (4,309)  | (3,527)  | (8,351)  | (1,414) |         |          |          | (40,899)                         |
|                          | 2011 | 131,754 | (8,126)  | (1,430)  | 7,947    | (2,288)  | (9,369)  |         |         |          |          | (13,266)                         |
|                          | 2012 | 171,654 | (9,319)  | 3,031    | (3,317)  | (9,097)  |          |         |         |          |          | (18,702)                         |
|                          | 2013 | 175,946 | (9,674)  | (9,494)  | (4,113)  |          |          |         |         |          |          | (23,281)                         |
|                          | 2014 | 146,283 | 3,550    | 7,281    |          |          |          |         |         |          |          | 10,831                           |
|                          | 2015 | 165,583 | 6,161    |          |          |          |          |         |         |          |          | 6,161                            |
|                          | 2016 | 141,863 |          |          |          |          |          |         |         |          |          | —                                |
|                          |      |         |          |          |          |          |          |         |         |          |          | (94,376)                         |
|                          |      |         |          |          |          |          |          |         |         |          |          | (94,376)                         |
|                          |      | CY 2007 | CY 2008  | CY 2009  | CY 2010  | CY 2011  | CY 2012  | CY 2013 | CY 2014 | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|                          |      | (5,480) | 4,495    | 17,939   | (37,802) | (39,806) | (12,427) | (6,098) | 713     | (26,568) | (10,488) | (115,522)                        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Reinsurance**  
**Professional Lines**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 843,479         | 638,850        | 216,734     | 13,989        | 230,649              | 12,919  | 243,568         | 38.1 %              |
| 2007           | 230,040         | 245,672        | 92,510      | 17,647        | 110,142              | 8,851   | 118,992         | 48.4 %              |
| 2008           | 226,768         | 221,531        | 139,610     | 26,611        | 166,200              | 15,600  | 181,800         | 82.1 %              |
| 2009           | 328,509         | 266,792        | 143,294     | 31,133        | 174,374              | 22,349  | 196,724         | 73.7 %              |
| 2010           | 288,236         | 285,224        | 127,154     | 23,237        | 150,396              | 44,592  | 194,988         | 68.4 %              |
| 2011           | 281,394         | 281,025        | 105,992     | 29,622        | 135,669              | 79,547  | 215,216         | 76.6 %              |
| 2012           | 301,863         | 297,726        | 88,569      | 42,993        | 131,555              | 98,359  | 229,914         | 77.2 %              |
| 2013           | 380,355         | 304,754        | 66,837      | 34,688        | 101,325              | 119,428 | 220,753         | 72.4 %              |
| 2014           | 293,263         | 336,058        | 50,252      | 50,053        | 100,271              | 125,575 | 225,846         | 67.2 %              |
| 2015           | 276,479         | 310,915        | 13,841      | 34,430        | 48,849               | 168,436 | 217,285         | 69.9 %              |
| 2016           | 268,403         | 302,250        | 1,837       | 9,587         | 12,796               | 196,128 | 208,924         | 69.1 %              |
|                | 3,718,789       | 3,490,797      | 1,046,630   | 313,990       | 1,362,226            | 891,784 | 2,254,010       | 64.6 %              |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR  | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|-------|-----------------|---------------------|
| 2006 and prior | 7,974           | 7,974          | —           | —             | (74)                 | —     | (73)            | (0.9)%              |
| 2007           | —               | —              | —           | —             | (15)                 | —     | (15)            | N/A                 |
| 2008           | —               | —              | —           | —             | (21)                 | —     | (21)            | N/A                 |
| 2009           | —               | —              | —           | —             | (53)                 | —     | (53)            | N/A                 |
| 2010           | —               | —              | —           | —             | 5                    | —     | 5               | N/A                 |
| 2011           | —               | —              | —           | —             | 54                   | —     | 54              | N/A                 |
| 2012           | —               | —              | —           | —             | (7)                  | —     | (7)             | N/A                 |
| 2013           | —               | —              | —           | —             | (200)                | —     | (200)           | N/A                 |
| 2014           | —               | —              | —           | —             | (34)                 | —     | (34)            | N/A                 |
| 2015           | —               | —              | —           | —             | 578                  | —     | 578             | N/A                 |
| 2016           | 49,009          | 12,383         | 3           | 243           | 1,619                | 8,110 | 9,729           | 78.6 %              |
|                | 56,983          | 20,357         | 3           | 243           | 1,852                | 8,110 | 9,963           | 48.9 %              |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 835,505         | 630,876        | 216,734     | 13,989        | 230,723              | 12,919  | 243,641         | 38.6 %              |
| 2007           | 230,040         | 245,672        | 92,510      | 17,647        | 110,157              | 8,851   | 119,007         | 48.4 %              |
| 2008           | 226,768         | 221,531        | 139,610     | 26,611        | 166,221              | 15,600  | 181,821         | 82.1 %              |
| 2009           | 328,509         | 266,792        | 143,294     | 31,133        | 174,427              | 22,349  | 196,777         | 73.8 %              |
| 2010           | 288,236         | 285,224        | 127,154     | 23,237        | 150,391              | 44,592  | 194,983         | 68.4 %              |
| 2011           | 281,394         | 281,025        | 105,992     | 29,622        | 135,615              | 79,547  | 215,162         | 76.6 %              |
| 2012           | 301,863         | 297,726        | 88,569      | 42,993        | 131,562              | 98,359  | 229,921         | 77.2 %              |
| 2013           | 380,355         | 304,754        | 66,837      | 34,688        | 101,525              | 119,428 | 220,953         | 72.5 %              |
| 2014           | 293,263         | 336,058        | 50,252      | 50,053        | 100,305              | 125,575 | 225,880         | 67.2 %              |
| 2015           | 276,479         | 310,915        | 13,841      | 34,430        | 48,271               | 168,436 | 216,707         | 69.7 %              |
| 2016           | 219,394         | 289,867        | 1,834       | 9,344         | 11,177               | 188,018 | 199,195         | 68.7 %              |
|                | 3,661,806       | 3,470,440      | 1,046,627   | 313,747       | 1,360,374            | 883,674 | 2,244,047       | 64.7 %              |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Professional Lines

NET BASIS

|             |      | Months |        |        |        |        |         |         |         |         |        |
|-------------|------|--------|--------|--------|--------|--------|---------|---------|---------|---------|--------|
| Paid Losses |      | 12     | 24     | 36     | 48     | 60     | 72      | 84      | 96      | 108     | 120    |
|             | 2007 | 830    | 5,012  | 22,694 | 36,194 | 56,498 | 62,514  | 73,556  | 77,826  | 87,227  | 92,510 |
|             | 2008 | 972    | 7,104  | 23,001 | 51,526 | 73,872 | 96,379  | 113,461 | 129,416 | 139,610 |        |
|             | 2009 | 1,639  | 9,863  | 34,048 | 65,504 | 86,987 | 112,413 | 132,877 | 143,294 |         |        |
|             | 2010 | 1,950  | 12,615 | 32,593 | 53,982 | 79,359 | 110,489 | 127,154 |         |         |        |
|             | 2011 | 1,712  | 12,626 | 31,567 | 59,349 | 87,405 | 105,992 |         |         |         |        |
|             | 2012 | 947    | 10,932 | 30,874 | 55,800 | 88,569 |         |         |         |         |        |
|             | 2013 | 1,148  | 12,686 | 31,895 | 66,837 |        |         |         |         |         |        |
|             | 2014 | 2,160  | 13,639 | 50,252 |        |        |         |         |         |         |        |
|             | 2015 | 3,208  | 13,841 |        |        |        |         |         |         |         |        |
|             | 2016 | 1,834  |        |        |        |        |         |         |         |         |        |

|                      |      | Months |        |         |         |         |         |         |         |         |         |
|----------------------|------|--------|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| Case Incurred Losses |      | 12     | 24     | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                      | 2007 | 5,750  | 40,141 | 64,352  | 82,284  | 94,634  | 99,780  | 105,315 | 105,824 | 108,847 | 110,157 |
|                      | 2008 | 9,705  | 57,938 | 86,904  | 109,662 | 129,263 | 145,755 | 152,013 | 161,995 | 166,222 |         |
|                      | 2009 | 13,291 | 50,096 | 92,531  | 118,729 | 141,367 | 159,272 | 166,776 | 174,428 |         |         |
|                      | 2010 | 11,722 | 39,351 | 80,821  | 115,330 | 131,449 | 143,937 | 150,391 |         |         |         |
|                      | 2011 | 11,779 | 43,695 | 85,032  | 117,452 | 131,931 | 135,615 |         |         |         |         |
|                      | 2012 | 7,828  | 35,205 | 69,688  | 112,963 | 131,562 |         |         |         |         |         |
|                      | 2013 | 5,666  | 31,471 | 60,983  | 101,525 |         |         |         |         |         |         |
|                      | 2014 | 8,172  | 42,310 | 100,305 |         |         |         |         |         |         |         |
|                      | 2015 | 8,736  | 48,271 |         |         |         |         |         |         |         |         |
|                      | 2016 | 11,177 |        |         |         |         |         |         |         |         |         |

|      |      | Months  |         |         |         |        |        |        |        |        |       |
|------|------|---------|---------|---------|---------|--------|--------|--------|--------|--------|-------|
| IBNR |      | 12      | 24      | 36      | 48      | 60     | 72     | 84     | 96     | 108    | 120   |
|      | 2007 | 197,443 | 173,922 | 148,408 | 122,513 | 89,533 | 58,332 | 38,138 | 19,907 | 13,432 | 8,851 |
|      | 2008 | 174,299 | 133,429 | 104,507 | 77,411  | 56,051 | 36,415 | 30,771 | 20,959 | 15,600 |       |
|      | 2009 | 205,480 | 168,975 | 131,190 | 107,814 | 75,738 | 57,268 | 34,660 | 22,349 |        |       |
|      | 2010 | 208,188 | 180,453 | 139,495 | 107,428 | 91,183 | 60,200 | 44,592 |        |        |       |
|      | 2011 | 197,206 | 165,585 | 125,230 | 102,252 | 84,781 | 79,547 |        |        |        |       |
|      | 2012 | 208,226 | 187,717 | 159,371 | 118,805 | 98,359 |        |        |        |        |       |
|      | 2013 | 211,001 | 190,204 | 161,917 | 119,428 |        |        |        |        |        |       |
|      | 2014 | 218,012 | 184,102 | 125,575 |         |        |        |        |        |        |       |
|      | 2015 | 208,326 | 168,436 |         |         |        |        |        |        |        |       |
|      | 2016 | 188,018 |         |         |         |        |        |        |        |        |       |

|                 |      | Months  |         |         |         |         |         |         |         |         |         |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120     |
|                 | 2007 | 203,193 | 214,063 | 212,760 | 204,798 | 184,167 | 158,112 | 143,453 | 125,730 | 122,279 | 119,008 |
|                 | 2008 | 184,004 | 191,367 | 191,411 | 187,073 | 185,315 | 182,170 | 182,784 | 182,954 | 181,821 |         |
|                 | 2009 | 218,771 | 219,071 | 223,721 | 226,543 | 217,105 | 216,540 | 201,436 | 196,777 |         |         |
|                 | 2010 | 219,911 | 219,804 | 220,316 | 222,759 | 222,633 | 204,137 | 194,983 |         |         |         |
|                 | 2011 | 208,985 | 209,280 | 210,262 | 219,704 | 216,712 | 215,162 |         |         |         |         |
|                 | 2012 | 216,054 | 222,922 | 229,058 | 231,768 | 229,921 |         |         |         |         |         |
|                 | 2013 | 216,668 | 221,675 | 222,900 | 220,953 |         |         |         |         |         |         |
|                 | 2014 | 226,184 | 226,412 | 225,880 |         |         |         |         |         |         |         |
|                 | 2015 | 217,063 | 216,707 |         |         |         |         |         |         |         |         |
|                 | 2016 | 199,196 |         |         |         |         |         |         |         |         |         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Professional Lines

NET BASIS

|                          |         | Months  |          |          |          |          |          |          |          |          |          |                                  |
|--------------------------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------------------------|
| Paid Loss Ratio          |         | 12      | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007    | 0.3%    | 2.0%     | 9.2%     | 14.7%    | 23.0%    | 25.4%    | 29.9%    | 31.7%    | 35.5%    | 37.7%    |                                  |
|                          | 2008    | 0.4%    | 3.2%     | 10.4%    | 23.3%    | 33.3%    | 43.5%    | 51.2%    | 58.4%    | 63.0%    |          |                                  |
|                          | 2009    | 0.6%    | 3.7%     | 12.8%    | 24.6%    | 32.6%    | 42.1%    | 49.8%    | 53.7%    |          |          |                                  |
|                          | 2010    | 0.7%    | 4.4%     | 11.4%    | 18.9%    | 27.8%    | 38.7%    | 44.6%    |          |          |          |                                  |
|                          | 2011    | 0.6%    | 4.5%     | 11.2%    | 21.1%    | 31.1%    | 37.7%    |          |          |          |          |                                  |
|                          | 2012    | 0.3%    | 3.7%     | 10.4%    | 18.7%    | 29.7%    |          |          |          |          |          |                                  |
|                          | 2013    | 0.4%    | 4.2%     | 10.5%    | 21.9%    |          |          |          |          |          |          |                                  |
|                          | 2014    | 0.6%    | 4.1%     | 15.0%    |          |          |          |          |          |          |          |                                  |
|                          | 2015    | 1.0%    | 4.5%     |          |          |          |          |          |          |          |          |                                  |
|                          | 2016    | 0.6%    |          |          |          |          |          |          |          |          |          |                                  |
|                          |         | Months  |          |          |          |          |          |          |          |          |          |                                  |
| Case Incurred Loss Ratio |         | 12      | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007    | 2.3%    | 16.3%    | 26.2%    | 33.5%    | 38.5%    | 40.6%    | 42.9%    | 43.1%    | 44.3%    | 44.8%    |                                  |
|                          | 2008    | 4.4%    | 26.2%    | 39.2%    | 49.5%    | 58.4%    | 65.8%    | 68.6%    | 73.1%    | 75.0%    |          |                                  |
|                          | 2009    | 5.0%    | 18.8%    | 34.7%    | 44.5%    | 53.0%    | 59.7%    | 62.5%    | 65.4%    |          |          |                                  |
|                          | 2010    | 4.1%    | 13.8%    | 28.3%    | 40.4%    | 46.1%    | 50.5%    | 52.7%    |          |          |          |                                  |
|                          | 2011    | 4.2%    | 15.5%    | 30.3%    | 41.8%    | 46.9%    | 48.3%    |          |          |          |          |                                  |
|                          | 2012    | 2.6%    | 11.8%    | 23.4%    | 37.9%    | 44.2%    |          |          |          |          |          |                                  |
|                          | 2013    | 1.9%    | 10.3%    | 20.0%    | 33.3%    |          |          |          |          |          |          |                                  |
|                          | 2014    | 2.4%    | 12.6%    | 29.8%    |          |          |          |          |          |          |          |                                  |
|                          | 2015    | 2.8%    | 15.5%    |          |          |          |          |          |          |          |          |                                  |
|                          | 2016    | 3.9%    |          |          |          |          |          |          |          |          |          |                                  |
|                          |         | Months  |          |          |          |          |          |          |          |          |          |                                  |
| Ultimate Loss Ratio      |         | 12      | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      |                                  |
|                          | 2007    | 82.7%   | 87.1%    | 86.6%    | 83.4%    | 75.0%    | 64.4%    | 58.4%    | 51.2%    | 49.8%    | 48.4%    |                                  |
|                          | 2008    | 83.1%   | 86.4%    | 86.4%    | 84.4%    | 83.7%    | 82.2%    | 82.5%    | 82.6%    | 82.1%    |          |                                  |
|                          | 2009    | 82.0%   | 82.1%    | 83.9%    | 84.9%    | 81.4%    | 81.2%    | 75.5%    | 73.8%    |          |          |                                  |
|                          | 2010    | 77.1%   | 77.1%    | 77.2%    | 78.1%    | 78.1%    | 71.6%    | 68.4%    |          |          |          |                                  |
|                          | 2011    | 74.4%   | 74.5%    | 74.8%    | 78.2%    | 77.1%    | 76.6%    |          |          |          |          |                                  |
|                          | 2012    | 72.6%   | 74.9%    | 76.9%    | 77.8%    | 77.2%    |          |          |          |          |          |                                  |
|                          | 2013    | 71.1%   | 72.7%    | 73.1%    | 72.5%    |          |          |          |          |          |          |                                  |
|                          | 2014    | 67.3%   | 67.4%    | 67.2%    |          |          |          |          |          |          |          |                                  |
|                          | 2015    | 69.8%   | 69.7%    |          |          |          |          |          |          |          |          |                                  |
|                          | 2016    | 68.7%   |          |          |          |          |          |          |          |          |          |                                  |
|                          |         | Months  |          |          |          |          |          |          |          |          |          |                                  |
| Loss Emergence           |         | 12      | 24       | 36       | 48       | 60       | 72       | 84       | 96       | 108      | 120      | Total Development<br>AY 07 - 16' |
|                          | 2007    | 203,193 | 10,870   | (1,303)  | (7,962)  | (20,631) | (26,055) | (14,659) | (17,722) | (3,451)  | (3,271)  | (84,184)                         |
|                          | 2008    | 184,004 | 7,363    | 44       | (4,338)  | (1,758)  | (3,145)  | 615      | 170      | (1,133)  |          | (2,182)                          |
|                          | 2009    | 218,771 | 300      | 4,650    | 2,823    | (9,438)  | (565)    | (15,104) | (4,659)  |          |          | (21,993)                         |
|                          | 2010    | 219,911 | (107)    | 512      | 2,443    | (126)    | (18,495) | (9,154)  |          |          |          | (24,927)                         |
|                          | 2011    | 208,985 | 295      | 982      | 9,442    | (2,992)  | (1,550)  |          |          |          |          | 6,177                            |
|                          | 2012    | 216,054 | 6,867    | 6,137    | 2,709    | (1,846)  |          |          |          |          |          | 13,867                           |
|                          | 2013    | 216,668 | 5,007    | 1,225    | (1,947)  |          |          |          |          |          |          | 4,285                            |
|                          | 2014    | 226,184 | 228      | (532)    |          |          |          |          |          |          |          | (304)                            |
|                          | 2015    | 217,063 | (355)    |          |          |          |          |          |          |          |          | (355)                            |
|                          | 2016    | 199,196 |          |          |          |          |          |          |          |          |          | —                                |
|                          |         |         |          |          |          |          |          |          |          |          |          | (109,616)                        |
|                          |         |         |          |          |          |          |          |          |          |          |          | Total Development<br>CY 07 - 16' |
|                          | CY 2007 | 54      | (10,707) | (69,399) | (60,063) | (55,625) | (34,282) | (21,844) | (32,760) | (37,778) | (29,592) | (351,996)                        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Reinsurance**  
**Motor**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 185,001         | 174,853        | 56,117      | 56,860        | 112,977              | 52,696  | 165,673         | 94.7%               |
| 2007           | 96,805          | 98,628         | 31,406      | 26,073        | 57,478               | 22,136  | 79,615          | 80.7%               |
| 2008           | 100,227         | 97,773         | 22,499      | 30,720        | 53,219               | 28,853  | 82,072          | 83.9%               |
| 2009           | 104,850         | 99,497         | 31,663      | 40,067        | 71,730               | 22,314  | 94,044          | 94.5%               |
| 2010           | 148,683         | 127,404        | 46,022      | 28,763        | 74,786               | 37,198  | 111,984         | 87.9%               |
| 2011           | 238,365         | 202,830        | 102,722     | 31,350        | 134,072              | 56,523  | 190,595         | 94.0%               |
| 2012           | 235,648         | 237,006        | 98,973      | 25,161        | 124,134              | 46,497  | 170,631         | 72.0%               |
| 2013           | 242,046         | 221,843        | 100,034     | 36,292        | 136,326              | 39,327  | 175,653         | 79.2%               |
| 2014           | 291,293         | 268,679        | 121,036     | 65,156        | 186,192              | 44,842  | 231,033         | 86.0%               |
| 2015           | 335,084         | 299,884        | 108,523     | 85,678        | 194,201              | 60,562  | 254,763         | 85.0%               |
| 2016           | 346,087         | 318,862        | 63,387      | 84,163        | 147,549              | 114,647 | 262,196         | 82.2%               |
|                | 2,324,089       | 2,147,259      | 782,382     | 510,283       | 1,292,664            | 525,595 | 1,818,259       | 84.7%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|------|-----------------|---------------------|
| 2006 and prior | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2007           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2008           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2009           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2010           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2011           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2012           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2013           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2014           | 2               | 1              | —           | —             | —                    | —    | —               | —%                  |
| 2015           | —               | 1              | —           | —             | —                    | —    | —               | —%                  |
| 2016           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
|                | 2               | 2              | —           | —             | —                    | —    | —               | —%                  |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 185,001         | 174,853        | 56,117      | 56,860        | 112,977              | 52,696  | 165,673         | 94.7%               |
| 2007           | 96,805          | 98,628         | 31,406      | 26,073        | 57,478               | 22,136  | 79,615          | 80.7%               |
| 2008           | 100,227         | 97,773         | 22,499      | 30,720        | 53,219               | 28,853  | 82,072          | 83.9%               |
| 2009           | 104,850         | 99,497         | 31,663      | 40,067        | 71,730               | 22,314  | 94,044          | 94.5%               |
| 2010           | 148,683         | 127,404        | 46,022      | 28,763        | 74,786               | 37,198  | 111,984         | 87.9%               |
| 2011           | 238,365         | 202,830        | 102,722     | 31,350        | 134,072              | 56,523  | 190,595         | 94.0%               |
| 2012           | 235,648         | 237,006        | 98,973      | 25,161        | 124,134              | 46,497  | 170,631         | 72.0%               |
| 2013           | 242,046         | 221,843        | 100,034     | 36,292        | 136,326              | 39,327  | 175,653         | 79.2%               |
| 2014           | 291,291         | 268,678        | 121,036     | 65,156        | 186,192              | 44,842  | 231,033         | 86.0%               |
| 2015           | 335,084         | 299,883        | 108,523     | 85,678        | 194,201              | 60,562  | 254,763         | 85.0%               |
| 2016           | 346,087         | 318,862        | 63,387      | 84,163        | 147,549              | 114,647 | 262,196         | 82.2%               |
|                | 2,324,087       | 2,147,257      | 782,382     | 510,283       | 1,292,664            | 525,595 | 1,818,259       | 84.7%               |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor

NET BASIS

|             |      | Months |         |         |         |        |         |        |        |        |        |
|-------------|------|--------|---------|---------|---------|--------|---------|--------|--------|--------|--------|
| Paid Losses |      | 12     | 24      | 36      | 48      | 60     | 72      | 84     | 96     | 108    | 120    |
|             | 2007 | 2,419  | 5,227   | 5,583   | 8,695   | 14,414 | 17,062  | 20,263 | 27,245 | 29,892 | 31,406 |
|             | 2008 | 4,063  | 8,146   | 8,492   | 10,226  | 12,259 | 15,540  | 19,373 | 20,272 | 22,499 |        |
|             | 2009 | 3,478  | 8,572   | 10,230  | 12,046  | 16,239 | 23,514  | 26,260 | 31,663 |        |        |
|             | 2010 | 8,759  | 18,441  | 26,924  | 31,820  | 36,976 | 42,158  | 46,022 |        |        |        |
|             | 2011 | 25,621 | 55,529  | 73,892  | 86,637  | 95,269 | 102,722 |        |        |        |        |
|             | 2012 | 31,324 | 61,808  | 79,329  | 91,112  | 98,973 |         |        |        |        |        |
|             | 2013 | 37,418 | 67,405  | 86,755  | 100,034 |        |         |        |        |        |        |
|             | 2014 | 48,017 | 94,141  | 121,036 |         |        |         |        |        |        |        |
|             | 2015 | 61,187 | 108,523 |         |         |        |         |        |        |        |        |
|             | 2016 | 63,387 |         |         |         |        |         |        |        |        |        |

|                      |      | Months  |         |         |         |         |         |        |        |        |        |
|----------------------|------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|
| Case Incurred Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84     | 96     | 108    | 120    |
|                      | 2007 | 23,532  | 48,606  | 54,908  | 53,256  | 58,942  | 60,047  | 58,999 | 57,917 | 57,032 | 57,476 |
|                      | 2008 | 26,957  | 52,595  | 54,253  | 54,693  | 56,994  | 60,342  | 55,172 | 52,897 | 53,219 |        |
|                      | 2009 | 31,379  | 55,013  | 64,356  | 68,913  | 70,754  | 71,595  | 70,461 | 71,730 |        |        |
|                      | 2010 | 41,577  | 74,420  | 80,820  | 86,019  | 82,984  | 78,185  | 74,786 |        |        |        |
|                      | 2011 | 71,410  | 124,289 | 133,081 | 134,676 | 133,896 | 134,072 |        |        |        |        |
|                      | 2012 | 75,924  | 108,792 | 115,998 | 121,606 | 124,134 |         |        |        |        |        |
|                      | 2013 | 91,551  | 128,730 | 133,600 | 136,326 |         |         |        |        |        |        |
|                      | 2014 | 124,195 | 177,631 | 186,192 |         |         |         |        |        |        |        |
|                      | 2015 | 142,170 | 194,201 |         |         |         |         |        |        |        |        |
|                      | 2016 | 147,549 |         |         |         |         |         |        |        |        |        |

|      |      | Months  |        |        |        |        |        |        |        |        |        |
|------|------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| IBNR |      | 12      | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|      | 2007 | 75,014  | 49,558 | 37,732 | 39,500 | 34,773 | 28,151 | 27,930 | 26,670 | 23,823 | 22,136 |
|      | 2008 | 72,509  | 52,027 | 49,448 | 52,097 | 46,146 | 41,591 | 40,345 | 34,851 | 28,853 |        |
|      | 2009 | 65,824  | 41,364 | 41,580 | 39,566 | 39,952 | 39,967 | 30,491 | 22,314 |        |        |
|      | 2010 | 81,747  | 61,288 | 56,716 | 50,586 | 46,405 | 45,329 | 37,198 |        |        |        |
|      | 2011 | 113,226 | 69,080 | 65,230 | 70,820 | 67,222 | 56,523 |        |        |        |        |
|      | 2012 | 129,376 | 90,253 | 69,200 | 54,675 | 46,497 |        |        |        |        |        |
|      | 2013 | 100,374 | 70,927 | 53,082 | 39,327 |        |        |        |        |        |        |
|      | 2014 | 95,875  | 58,333 | 44,842 |        |        |        |        |        |        |        |
|      | 2015 | 106,987 | 60,562 |        |        |        |        |        |        |        |        |
|      | 2016 | 114,647 |        |        |        |        |        |        |        |        |        |

|                 |      | Months  |         |         |         |         |         |         |        |        |        |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|--------|--------|--------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96     | 108    | 120    |
|                 | 2007 | 98,545  | 98,164  | 92,640  | 92,756  | 93,715  | 88,198  | 86,929  | 84,588 | 80,855 | 79,615 |
|                 | 2008 | 99,466  | 104,622 | 103,701 | 106,790 | 103,140 | 101,932 | 95,517  | 87,748 | 82,072 |        |
|                 | 2009 | 97,203  | 96,377  | 105,936 | 108,479 | 110,706 | 111,561 | 100,952 | 94,044 |        |        |
|                 | 2010 | 123,323 | 135,707 | 137,536 | 136,605 | 129,390 | 123,515 | 111,984 |        |        |        |
|                 | 2011 | 184,635 | 193,369 | 198,310 | 205,496 | 201,118 | 190,595 |         |        |        |        |
|                 | 2012 | 205,300 | 199,045 | 185,198 | 176,281 | 170,631 |         |         |        |        |        |
|                 | 2013 | 191,925 | 199,657 | 186,682 | 175,653 |         |         |         |        |        |        |
|                 | 2014 | 220,070 | 235,964 | 231,033 |         |         |         |         |        |        |        |
|                 | 2015 | 249,157 | 254,763 |         |         |         |         |         |        |        |        |
|                 | 2016 | 262,196 |         |         |         |         |         |         |        |        |        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor

NET BASIS

| Paid Loss Ratio | Months |       |       |       |       |       |       |       |       |       |
|-----------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                 | 12     | 24    | 36    | 48    | 60    | 72    | 84    | 96    | 108   | 120   |
| 2007            | 2.5%   | 5.3%  | 5.7%  | 8.8%  | 14.6% | 17.3% | 20.5% | 27.6% | 30.3% | 31.8% |
| 2008            | 4.2%   | 8.3%  | 8.7%  | 10.5% | 12.5% | 15.9% | 19.8% | 20.7% | 23.0% |       |
| 2009            | 3.5%   | 8.6%  | 10.3% | 12.1% | 16.3% | 23.6% | 26.4% | 31.8% |       |       |
| 2010            | 6.9%   | 14.5% | 21.1% | 25.0% | 29.0% | 33.1% | 36.1% |       |       |       |
| 2011            | 12.6%  | 27.4% | 36.4% | 42.7% | 47.0% | 50.6% |       |       |       |       |
| 2012            | 13.2%  | 26.1% | 33.5% | 38.4% | 41.8% |       |       |       |       |       |
| 2013            | 16.9%  | 30.4% | 39.1% | 45.1% |       |       |       |       |       |       |
| 2014            | 17.9%  | 35.0% | 45.0% |       |       |       |       |       |       |       |
| 2015            | 20.4%  | 36.2% |       |       |       |       |       |       |       |       |
| 2016            | 19.9%  |       |       |       |       |       |       |       |       |       |

  

| Case Incurred Loss Ratio | Months |       |       |       |       |       |       |       |       |       |
|--------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                          | 12     | 24    | 36    | 48    | 60    | 72    | 84    | 96    | 108   | 120   |
| 2007                     | 23.9%  | 49.3% | 55.7% | 54.0% | 59.8% | 60.9% | 59.8% | 58.7% | 57.8% | 58.3% |
| 2008                     | 27.6%  | 53.8% | 55.5% | 55.9% | 58.3% | 61.7% | 56.4% | 54.1% | 54.4% |       |
| 2009                     | 31.5%  | 55.3% | 64.7% | 69.3% | 71.1% | 72.0% | 70.8% | 72.1% |       |       |
| 2010                     | 32.6%  | 58.4% | 63.4% | 67.5% | 65.1% | 61.4% | 58.7% |       |       |       |
| 2011                     | 35.2%  | 61.3% | 65.6% | 66.4% | 66.0% | 66.1% |       |       |       |       |
| 2012                     | 32.0%  | 45.9% | 48.9% | 51.3% | 52.4% |       |       |       |       |       |
| 2013                     | 41.3%  | 58.0% | 60.2% | 61.5% |       |       |       |       |       |       |
| 2014                     | 46.2%  | 66.1% | 69.3% |       |       |       |       |       |       |       |
| 2015                     | 47.4%  | 64.8% |       |       |       |       |       |       |       |       |
| 2016                     | 46.3%  |       |       |       |       |       |       |       |       |       |

  

| Ultimate Loss Ratio | Months |        |        |        |        |        |        |       |       |       |
|---------------------|--------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
|                     | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96    | 108   | 120   |
| 2007                | 99.9%  | 99.5%  | 93.9%  | 94.0%  | 95.0%  | 89.4%  | 88.1%  | 85.8% | 82.0% | 80.7% |
| 2008                | 101.7% | 107.0% | 106.1% | 109.2% | 105.5% | 104.3% | 97.7%  | 89.7% | 83.9% |       |
| 2009                | 97.7%  | 96.9%  | 106.5% | 109.0% | 111.3% | 112.1% | 101.5% | 94.5% |       |       |
| 2010                | 96.8%  | 106.5% | 108.0% | 107.2% | 101.6% | 96.9%  | 87.9%  |       |       |       |
| 2011                | 91.0%  | 95.3%  | 97.8%  | 101.3% | 99.2%  | 94.0%  |        |       |       |       |
| 2012                | 86.6%  | 84.0%  | 78.1%  | 74.4%  | 72.0%  |        |        |       |       |       |
| 2013                | 86.5%  | 90.0%  | 84.2%  | 79.2%  |        |        |        |       |       |       |
| 2014                | 81.9%  | 87.8%  | 86.0%  |        |        |        |        |       |       |       |
| 2015                | 83.1%  | 85.0%  |        |        |        |        |        |       |       |       |
| 2016                | 82.2%  |        |        |        |        |        |        |       |       |       |

  

| Loss Emergence | Months  |         |          |          |         |          |          |         |         |         | Total Development<br>AY 07 - 16' |
|----------------|---------|---------|----------|----------|---------|----------|----------|---------|---------|---------|----------------------------------|
|                | 12      | 24      | 36       | 48       | 60      | 72       | 84       | 96      | 108     | 120     |                                  |
| 2007           | 98,545  | (381)   | (5,524)  | 115      | 959     | (5,517)  | (1,268)  | (2,342) | (3,733) | (1,240) | (18,931)                         |
| 2008           | 99,466  | 5,156   | (920)    | 3,089    | (3,650) | (1,207)  | (6,416)  | (7,769) | (5,676) |         | (17,393)                         |
| 2009           | 97,203  | (826)   | 9,559    | 2,543    | 2,227   | 855      | (10,610) | (6,908) |         |         | (3,160)                          |
| 2010           | 123,323 | 12,384  | 1,829    | (931)    | (7,216) | (5,875)  | (11,531) |         |         |         | (11,340)                         |
| 2011           | 184,635 | 8,734   | 4,941    | 7,186    | (4,378) | (10,523) |          |         |         |         | 5,960                            |
| 2012           | 205,300 | (6,255) | (13,847) | (8,916)  | (5,651) |          |          |         |         |         | (34,669)                         |
| 2013           | 191,925 | 7,732   | (12,975) | (11,030) |         |          |          |         |         |         | (16,273)                         |
| 2014           | 220,070 | 15,894  | (4,931)  |          |         |          |          |         |         |         | 10,963                           |
| 2015           | 249,157 | 5,606   |          |          |         |          |          |         |         |         | 5,606                            |
| 2016           | 262,196 |         |          |          |         |          |          |         |         |         | —                                |
|                |         |         |          |          |         |          |          |         |         |         | (79,237)                         |
|                |         |         |          |          |         |          |          |         |         |         | (86,898)                         |

  

|  | CY 2007 | CY 2008 | CY 2009 | CY 2010 | CY 2011 | CY 2012 | CY 2013 | CY 2014  | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|--|---------|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------------------------------|
|  | 2,239   | (2,634) | (4,358) | (1,225) | 31,802  | 4,328   | (6,260) | (19,007) | (36,677) | (55,106) | (86,898)                         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Reinsurance**  
**Motor Proportional**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 13,113          | 12,292         | 9,503       | 546           | 10,049               | 7       | 10,056          | 81.8%               |
| 2007           | 8,608           | 8,331          | 5,605       | 573           | 6,178                | 6       | 6,184           | 74.2%               |
| 2008           | 8,014           | 8,291          | 6,113       | 324           | 6,437                | 5       | 6,441           | 77.7%               |
| 2009           | 17,808          | 14,664         | 9,674       | 850           | 10,524               | 9       | 10,534          | 71.8%               |
| 2010           | 62,811          | 38,999         | 33,067      | 889           | 33,956               | 136     | 34,092          | 87.4%               |
| 2011           | 131,093         | 103,893        | 90,401      | 4,516         | 94,917               | 935     | 95,852          | 92.3%               |
| 2012           | 172,831         | 163,964        | 94,752      | 7,509         | 102,261              | 1,052   | 103,313         | 63.0%               |
| 2013           | 162,498         | 152,365        | 94,628      | 11,215        | 105,844              | 3,284   | 109,127         | 71.6%               |
| 2014           | 218,145         | 196,983        | 117,170     | 30,789        | 147,959              | 12,208  | 160,167         | 81.3%               |
| 2015           | 266,678         | 233,507        | 108,428     | 56,323        | 164,751              | 25,173  | 189,924         | 81.3%               |
| 2016           | 275,897         | 252,306        | 63,336      | 71,370        | 134,706              | 63,305  | 198,012         | 78.5%               |
|                | 1,061,600       | 933,289        | 476,490     | 146,140       | 622,630              | 109,046 | 731,676         | 78.4%               |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|------|-----------------|---------------------|
| 2006 and prior | —               | —              | 715         | —             | 715                  | —    | 715             | N/A                 |
| 2007           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2008           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2009           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2010           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2011           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2012           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2013           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2014           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2015           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2016           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
|                | —               | —              | 715         | —             | 715                  | —    | 715             | N/A                 |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 13,113          | 12,292         | 8,788       | 546           | 9,334                | 7       | 9,341           | 76.0%               |
| 2007           | 8,608           | 8,331          | 5,605       | 573           | 6,178                | 6       | 6,184           | 74.2%               |
| 2008           | 8,014           | 8,291          | 6,113       | 324           | 6,437                | 5       | 6,441           | 77.7%               |
| 2009           | 17,808          | 14,664         | 9,674       | 850           | 10,524               | 9       | 10,534          | 71.8%               |
| 2010           | 62,811          | 38,999         | 33,067      | 889           | 33,956               | 136     | 34,092          | 87.4%               |
| 2011           | 131,093         | 103,893        | 90,401      | 4,516         | 94,917               | 935     | 95,852          | 92.3%               |
| 2012           | 172,831         | 163,964        | 94,752      | 7,509         | 102,261              | 1,052   | 103,313         | 63.0%               |
| 2013           | 162,498         | 152,365        | 94,628      | 11,215        | 105,844              | 3,284   | 109,127         | 71.6%               |
| 2014           | 218,145         | 196,983        | 117,170     | 30,789        | 147,959              | 12,208  | 160,167         | 81.3%               |
| 2015           | 266,678         | 233,507        | 108,428     | 56,323        | 164,751              | 25,173  | 189,924         | 81.3%               |
| 2016           | 275,897         | 252,306        | 63,336      | 71,370        | 134,706              | 63,305  | 198,012         | 78.5%               |
|                | 1,337,496       | 1,185,595      | 631,962     | 184,904       | 816,867              | 106,120 | 922,987         | 77.9%               |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor Proportional

NET BASIS

|             |      | Months |         |         |        |        |        |        |       |       |       |
|-------------|------|--------|---------|---------|--------|--------|--------|--------|-------|-------|-------|
| Paid Losses |      | 12     | 24      | 36      | 48     | 60     | 72     | 84     | 96    | 108   | 120   |
|             | 2007 | 1,970  | 4,165   | 4,357   | 4,471  | 4,531  | 4,572  | 4,618  | 5,556 | 5,581 | 5,605 |
|             | 2008 | 2,651  | 5,443   | 5,697   | 5,832  | 5,877  | 5,905  | 6,075  | 6,092 | 6,113 |       |
|             | 2009 | 2,639  | 6,523   | 6,958   | 7,748  | 7,855  | 9,423  | 9,601  | 9,674 |       |       |
|             | 2010 | 8,641  | 18,110  | 25,531  | 28,737 | 31,930 | 32,793 | 33,067 |       |       |       |
|             | 2011 | 25,512 | 54,330  | 71,454  | 81,598 | 86,668 | 90,401 |        |       |       |       |
|             | 2012 | 31,251 | 61,538  | 78,998  | 89,617 | 94,752 |        |        |       |       |       |
|             | 2013 | 37,341 | 67,131  | 84,686  | 94,628 |        |        |        |       |       |       |
|             | 2014 | 47,838 | 92,281  | 117,170 |        |        |        |        |       |       |       |
|             | 2015 | 61,150 | 108,428 |         |        |        |        |        |       |       |       |
|             | 2016 | 63,336 |         |         |        |        |        |        |       |       |       |

|                      |      | Months  |         |         |         |         |        |        |        |       |       |
|----------------------|------|---------|---------|---------|---------|---------|--------|--------|--------|-------|-------|
| Case Incurred Losses |      | 12      | 24      | 36      | 48      | 60      | 72     | 84     | 96     | 108   | 120   |
|                      | 2007 | 2,495   | 5,852   | 5,420   | 5,311   | 5,316   | 5,258  | 5,181  | 6,224  | 6,201 | 6,178 |
|                      | 2008 | 3,350   | 7,198   | 6,570   | 6,500   | 6,495   | 6,389  | 6,476  | 6,434  | 6,437 |       |
|                      | 2009 | 4,491   | 8,763   | 8,700   | 9,468   | 8,886   | 10,449 | 10,522 | 10,524 |       |       |
|                      | 2010 | 22,075  | 28,406  | 31,957  | 34,168  | 34,165  | 34,087 | 33,956 |        |       |       |
|                      | 2011 | 48,109  | 80,906  | 88,982  | 92,199  | 93,581  | 94,917 |        |        |       |       |
|                      | 2012 | 64,658  | 89,790  | 96,332  | 99,595  | 102,261 |        |        |        |       |       |
|                      | 2013 | 78,301  | 99,224  | 101,717 | 105,844 |         |        |        |        |       |       |
|                      | 2014 | 103,152 | 137,268 | 147,959 |         |         |        |        |        |       |       |
|                      | 2015 | 124,633 | 164,751 |         |         |         |        |        |        |       |       |
|                      | 2016 | 134,706 |         |         |         |         |        |        |        |       |       |

|      |      | Months |        |        |       |       |     |     |    |     |     |
|------|------|--------|--------|--------|-------|-------|-----|-----|----|-----|-----|
| IBNR |      | 12     | 24     | 36     | 48    | 60    | 72  | 84  | 96 | 108 | 120 |
|      | 2007 | 4,012  | 351    | 59     | 21    | 1     | 85  | 49  | 2  | 10  | 6   |
|      | 2008 | 3,599  | 364    | 62     | 16    | 27    | 116 | 4   | 7  | 5   |     |
|      | 2009 | 6,720  | 1,500  | 633    | 466   | 259   | 9   | 16  | 9  |     |     |
|      | 2010 | 10,831 | 3,905  | 2,172  | 405   | 354   | 149 | 136 |    |     |     |
|      | 2011 | 35,521 | 3,991  | 2,415  | 4,114 | 3,022 | 935 |     |    |     |     |
|      | 2012 | 66,309 | 39,761 | 17,505 | 5,334 | 1,052 |     |     |    |     |     |
|      | 2013 | 50,714 | 28,492 | 13,008 | 3,284 |       |     |     |    |     |     |
|      | 2014 | 54,393 | 27,786 | 12,208 |       |       |     |     |    |     |     |
|      | 2015 | 59,703 | 25,173 |        |       |       |     |     |    |     |     |
|      | 2016 | 63,305 |        |        |       |       |     |     |    |     |     |

|                 |      | Months  |         |         |         |         |        |        |        |       |       |
|-----------------|------|---------|---------|---------|---------|---------|--------|--------|--------|-------|-------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72     | 84     | 96     | 108   | 120   |
|                 | 2007 | 6,507   | 6,203   | 5,479   | 5,332   | 5,317   | 5,343  | 5,231  | 6,226  | 6,210 | 6,184 |
|                 | 2008 | 6,949   | 7,562   | 6,632   | 6,516   | 6,522   | 6,505  | 6,480  | 6,441  | 6,441 |       |
|                 | 2009 | 11,211  | 10,263  | 9,333   | 9,934   | 9,146   | 10,459 | 10,537 | 10,534 |       |       |
|                 | 2010 | 32,906  | 32,311  | 34,129  | 34,573  | 34,519  | 34,237 | 34,092 |        |       |       |
|                 | 2011 | 83,630  | 84,897  | 91,398  | 96,312  | 96,603  | 95,852 |        |        |       |       |
|                 | 2012 | 130,967 | 129,551 | 113,837 | 104,929 | 103,313 |        |        |        |       |       |
|                 | 2013 | 129,014 | 127,716 | 114,725 | 109,127 |         |        |        |        |       |       |
|                 | 2014 | 157,545 | 165,054 | 160,167 |         |         |        |        |        |       |       |
|                 | 2015 | 184,336 | 189,924 |         |         |         |        |        |        |       |       |
|                 | 2016 | 198,012 |         |         |         |         |        |        |        |       |       |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor Proportional

NET BASIS

|                          |      | Months  |         |          |         |         |       |       |       |       |                                  |          |
|--------------------------|------|---------|---------|----------|---------|---------|-------|-------|-------|-------|----------------------------------|----------|
| Paid Loss Ratio          |      | 12      | 24      | 36       | 48      | 60      | 72    | 84    | 96    | 108   | 120                              |          |
|                          | 2007 | 23.6%   | 50.0%   | 52.3%    | 53.7%   | 54.4%   | 54.9% | 55.4% | 66.7% | 67.0% | 67.3%                            |          |
|                          | 2008 | 32.0%   | 65.6%   | 68.7%    | 70.3%   | 70.9%   | 71.2% | 73.3% | 73.5% | 73.7% |                                  |          |
|                          | 2009 | 18.0%   | 44.5%   | 47.4%    | 52.8%   | 53.6%   | 64.3% | 65.5% | 66.0% |       |                                  |          |
|                          | 2010 | 22.2%   | 46.4%   | 65.5%    | 73.7%   | 81.9%   | 84.1% | 84.8% |       |       |                                  |          |
|                          | 2011 | 24.6%   | 52.3%   | 68.8%    | 78.5%   | 83.4%   | 87.0% |       |       |       |                                  |          |
|                          | 2012 | 19.1%   | 37.5%   | 48.2%    | 54.7%   | 57.8%   |       |       |       |       |                                  |          |
|                          | 2013 | 24.5%   | 44.1%   | 55.6%    | 62.1%   |         |       |       |       |       |                                  |          |
|                          | 2014 | 24.3%   | 46.8%   | 59.5%    |         |         |       |       |       |       |                                  |          |
|                          | 2015 | 26.2%   | 46.4%   |          |         |         |       |       |       |       |                                  |          |
|                          | 2016 | 25.1%   |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      | Months  |         |          |         |         |       |       |       |       |                                  |          |
| Case Incurred Loss Ratio |      | 12      | 24      | 36       | 48      | 60      | 72    | 84    | 96    | 108   | 120                              |          |
|                          | 2007 | 29.9%   | 70.2%   | 65.1%    | 63.8%   | 63.8%   | 63.1% | 62.2% | 74.7% | 74.4% | 74.2%                            |          |
|                          | 2008 | 40.4%   | 86.8%   | 79.2%    | 78.4%   | 78.3%   | 77.1% | 78.1% | 77.6% | 77.6% |                                  |          |
|                          | 2009 | 30.6%   | 59.8%   | 59.3%    | 64.6%   | 60.6%   | 71.3% | 71.8% | 71.8% |       |                                  |          |
|                          | 2010 | 56.6%   | 72.8%   | 81.9%    | 87.6%   | 87.6%   | 87.4% | 87.1% |       |       |                                  |          |
|                          | 2011 | 46.3%   | 77.9%   | 85.6%    | 88.7%   | 90.1%   | 91.4% |       |       |       |                                  |          |
|                          | 2012 | 39.4%   | 54.8%   | 58.8%    | 60.7%   | 62.4%   |       |       |       |       |                                  |          |
|                          | 2013 | 51.4%   | 65.1%   | 66.8%    | 69.5%   |         |       |       |       |       |                                  |          |
|                          | 2014 | 52.4%   | 69.7%   | 75.1%    |         |         |       |       |       |       |                                  |          |
|                          | 2015 | 53.4%   | 70.6%   |          |         |         |       |       |       |       |                                  |          |
|                          | 2016 | 53.4%   |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      | Months  |         |          |         |         |       |       |       |       |                                  |          |
| Ultimate Loss Ratio      |      | 12      | 24      | 36       | 48      | 60      | 72    | 84    | 96    | 108   | 120                              |          |
|                          | 2007 | 78.1%   | 74.5%   | 65.8%    | 64.0%   | 63.8%   | 64.1% | 62.8% | 74.7% | 74.5% | 74.2%                            |          |
|                          | 2008 | 83.8%   | 91.2%   | 80.0%    | 78.6%   | 78.7%   | 78.5% | 78.2% | 77.7% | 77.7% |                                  |          |
|                          | 2009 | 76.5%   | 70.0%   | 63.6%    | 67.7%   | 62.4%   | 71.3% | 71.9% | 71.8% |       |                                  |          |
|                          | 2010 | 84.4%   | 82.9%   | 87.5%    | 88.7%   | 88.5%   | 87.8% | 87.4% |       |       |                                  |          |
|                          | 2011 | 80.5%   | 81.7%   | 88.0%    | 92.7%   | 93.0%   | 92.3% |       |       |       |                                  |          |
|                          | 2012 | 79.9%   | 79.0%   | 69.4%    | 64.0%   | 63.0%   |       |       |       |       |                                  |          |
|                          | 2013 | 84.7%   | 83.8%   | 75.3%    | 71.6%   |         |       |       |       |       |                                  |          |
|                          | 2014 | 80.0%   | 83.8%   | 81.3%    |         |         |       |       |       |       |                                  |          |
|                          | 2015 | 78.9%   | 81.3%   |          |         |         |       |       |       |       |                                  |          |
|                          | 2016 | 78.5%   |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      | Months  |         |          |         |         |       |       |       |       | Total Development<br>AY 07 - 16' |          |
| Loss Emergence           |      | 12      | 24      | 36       | 48      | 60      | 72    | 84    | 96    | 108   | 120                              |          |
|                          | 2007 | 6,507   | (304)   | (724)    | (147)   | (15)    | 25    | (112) | 995   | (15)  | (27)                             | (324)    |
|                          | 2008 | 6,949   | 614     | (931)    | (116)   | 6       | (18)  | (25)  | (39)  | —     |                                  | (509)    |
|                          | 2009 | 11,211  | (948)   | (930)    | 601     | (788)   | 1,313 | 79    | (4)   |       |                                  | (677)    |
|                          | 2010 | 32,906  | (595)   | 1,817    | 444     | (54)    | (282) | (145) |       |       |                                  | 1,185    |
|                          | 2011 | 83,630  | 1,267   | 6,501    | 4,915   | 291     | (752) |       |       |       |                                  | 12,222   |
|                          | 2012 | 130,967 | (1,416) | (15,714) | (8,909) | (1,615) |       |       |       |       |                                  | (27,654) |
|                          | 2013 | 129,014 | (1,298) | (12,991) | (5,598) |         |       |       |       |       |                                  | (19,887) |
|                          | 2014 | 157,545 | 7,508   | (4,887)  |         |         |       |       |       |       |                                  | 2,621    |
|                          | 2015 | 184,336 | 5,588   |          |         |         |       |       |       |       |                                  | 5,588    |
|                          | 2016 | 198,012 |         |          |         |         |       |       |       |       |                                  | —        |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
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|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
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|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |
|                          |      |         |         |          |         |         |       |       |       |       |                                  |          |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor Non-Proportional

ITD Summary

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 171,886         | 162,560        | 45,210      | 56,261        | 101,471              | 52,690  | 154,160         | 94.8 %              |
| 2007           | 88,197          | 90,297         | 25,800      | 25,500        | 51,301               | 22,131  | 73,431          | 81.3 %              |
| 2008           | 92,213          | 89,482         | 16,387      | 30,396        | 46,782               | 28,848  | 75,631          | 84.5 %              |
| 2009           | 87,043          | 84,833         | 21,989      | 39,217        | 61,205               | 22,305  | 83,510          | 98.4 %              |
| 2010           | 85,872          | 88,404         | 12,955      | 27,875        | 40,829               | 37,063  | 77,892          | 88.1 %              |
| 2011           | 107,271         | 98,937         | 12,321      | 26,834        | 39,155               | 55,588  | 94,743          | 95.8 %              |
| 2012           | 62,817          | 73,042         | 4,221       | 17,652        | 21,873               | 45,444  | 67,317          | 92.2 %              |
| 2013           | 79,548          | 69,478         | 5,405       | 25,077        | 30,482               | 36,043  | 66,525          | 95.7 %              |
| 2014           | 73,148          | 71,695         | 3,866       | 34,367        | 38,232               | 32,633  | 70,866          | 98.8 %              |
| 2015           | 68,406          | 66,378         | 95          | 29,355        | 29,450               | 35,389  | 64,839          | 97.7 %              |
| 2016           | 70,189          | 66,556         | 50          | 12,793        | 12,843               | 51,341  | 64,184          | 96.4 %              |
|                | 916,401         | 895,106        | 124,078     | 332,564       | 456,642              | 422,849 | 879,491         | 98.3 %              |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|------|-----------------|---------------------|
| 2006 and prior | —               | —              | (3,063)     | —             | (3,063)              | —    | (3,063)         | N/A                 |
| 2007           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2008           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2009           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2010           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2011           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2012           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2013           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
| 2014           | 2               | 1              | —           | —             | —                    | —    | —               | — %                 |
| 2015           | —               | 1              | —           | —             | —                    | —    | —               | — %                 |
| 2016           | —               | —              | —           | —             | —                    | —    | —               | N/A                 |
|                | 2               | 2              | (3,063)     | —             | (3,063)              | —    | (3,063)         | (153,150.0)%        |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 171,886         | 162,560        | 48,273      | 56,261        | 104,534              | 52,690  | 157,223         | 96.7 %              |
| 2007           | 88,197          | 90,297         | 25,800      | 25,500        | 51,301               | 22,131  | 73,431          | 81.3 %              |
| 2008           | 92,213          | 89,482         | 16,387      | 30,396        | 46,782               | 28,848  | 75,631          | 84.5 %              |
| 2009           | 87,043          | 84,833         | 21,989      | 39,217        | 61,205               | 22,305  | 83,510          | 98.4 %              |
| 2010           | 85,872          | 88,404         | 12,955      | 27,875        | 40,829               | 37,063  | 77,892          | 88.1 %              |
| 2011           | 107,271         | 98,937         | 12,321      | 26,834        | 39,155               | 55,588  | 94,743          | 95.8 %              |
| 2012           | 62,817          | 73,042         | 4,221       | 17,652        | 21,873               | 45,444  | 67,317          | 92.2 %              |
| 2013           | 79,548          | 69,478         | 5,405       | 25,077        | 30,482               | 36,043  | 66,525          | 95.7 %              |
| 2014           | 73,146          | 71,694         | 3,866       | 34,367        | 38,232               | 32,633  | 70,866          | 98.8 %              |
| 2015           | 68,406          | 66,377         | 95          | 29,355        | 29,450               | 35,389  | 64,839          | 97.7 %              |
| 2016           | 70,189          | 66,556         | 50          | 12,793        | 12,843               | 51,341  | 64,184          | 96.4 %              |
|                | 986,588         | 961,660        | 151,362     | 325,327       | 476,686              | 419,475 | 896,161         | 93.2 %              |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor Non-Proportional

NET BASIS

|             |      | Months |       |       |       |       |        |        |        |        |        |
|-------------|------|--------|-------|-------|-------|-------|--------|--------|--------|--------|--------|
| Paid Losses |      | 12     | 24    | 36    | 48    | 60    | 72     | 84     | 96     | 108    | 120    |
|             | 2007 | 448    | 1,063 | 1,226 | 4,224 | 9,883 | 12,490 | 15,645 | 21,689 | 24,311 | 25,800 |
|             | 2008 | 1,412  | 2,703 | 2,794 | 4,394 | 6,382 | 9,634  | 13,298 | 14,181 | 16,387 |        |
|             | 2009 | 838    | 2,048 | 3,272 | 4,298 | 8,383 | 14,090 | 16,659 | 21,989 |        |        |
|             | 2010 | 118    | 330   | 1,392 | 3,083 | 5,046 | 9,365  | 12,955 |        |        |        |
|             | 2011 | 109    | 1,200 | 2,438 | 5,039 | 8,600 | 12,321 |        |        |        |        |
|             | 2012 | 73     | 270   | 331   | 1,495 | 4,221 |        |        |        |        |        |
|             | 2013 | 77     | 274   | 2,070 | 5,405 |       |        |        |        |        |        |
|             | 2014 | 180    | 1,860 | 3,866 |       |       |        |        |        |        |        |
|             | 2015 | 36     | 95    |       |       |       |        |        |        |        |        |
|             | 2016 | 50     |       |       |       |       |        |        |        |        |        |

  

|                      |      | Months |        |        |        |        |        |        |        |        |        |
|----------------------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Case Incurred Losses |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|                      | 2007 | 21,037 | 42,754 | 49,488 | 47,945 | 53,626 | 54,789 | 53,818 | 51,693 | 50,832 | 51,301 |
|                      | 2008 | 23,607 | 45,396 | 47,683 | 48,193 | 50,499 | 53,953 | 48,696 | 46,463 | 46,782 |        |
|                      | 2009 | 26,888 | 46,249 | 55,656 | 59,446 | 61,868 | 61,146 | 59,939 | 61,205 |        |        |
|                      | 2010 | 19,501 | 46,013 | 48,863 | 51,851 | 48,819 | 44,098 | 40,829 |        |        |        |
|                      | 2011 | 23,301 | 43,383 | 44,098 | 42,478 | 40,314 | 39,155 |        |        |        |        |
|                      | 2012 | 11,265 | 19,001 | 19,666 | 22,011 | 21,873 |        |        |        |        |        |
|                      | 2013 | 13,250 | 29,507 | 31,883 | 30,482 |        |        |        |        |        |        |
|                      | 2014 | 21,043 | 40,363 | 38,232 |        |        |        |        |        |        |        |
|                      | 2015 | 17,537 | 29,450 |        |        |        |        |        |        |        |        |
|                      | 2016 | 12,843 |        |        |        |        |        |        |        |        |        |

  

|      |      | Months |        |        |        |        |        |        |        |        |        |
|------|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| IBNR |      | 12     | 24     | 36     | 48     | 60     | 72     | 84     | 96     | 108    | 120    |
|      | 2007 | 71,001 | 49,207 | 37,673 | 39,479 | 34,772 | 28,066 | 27,881 | 26,669 | 23,813 | 22,131 |
|      | 2008 | 68,910 | 51,663 | 49,386 | 52,081 | 46,118 | 41,474 | 40,341 | 34,844 | 28,848 |        |
|      | 2009 | 59,104 | 39,864 | 40,947 | 39,100 | 39,693 | 39,957 | 30,475 | 22,305 |        |        |
|      | 2010 | 70,916 | 57,383 | 54,544 | 50,181 | 46,051 | 45,180 | 37,063 |        |        |        |
|      | 2011 | 77,705 | 65,090 | 62,814 | 66,706 | 64,200 | 55,588 |        |        |        |        |
|      | 2012 | 63,067 | 50,492 | 51,694 | 49,342 | 45,444 |        |        |        |        |        |
|      | 2013 | 49,661 | 42,435 | 40,074 | 36,043 |        |        |        |        |        |        |
|      | 2014 | 41,481 | 30,547 | 32,633 |        |        |        |        |        |        |        |
|      | 2015 | 47,284 | 35,389 |        |        |        |        |        |        |        |        |
|      | 2016 | 51,341 |        |        |        |        |        |        |        |        |        |

  

|                 |      | Months  |         |         |         |         |         |        |        |        |        |
|-----------------|------|---------|---------|---------|---------|---------|---------|--------|--------|--------|--------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84     | 96     | 108    | 120    |
|                 | 2007 | 92,038  | 91,961  | 87,162  | 87,424  | 88,397  | 82,855  | 81,699 | 78,362 | 74,645 | 73,431 |
|                 | 2008 | 92,517  | 97,059  | 97,070  | 100,274 | 96,617  | 95,427  | 89,036 | 81,306 | 75,631 |        |
|                 | 2009 | 85,992  | 86,114  | 96,603  | 98,545  | 101,560 | 101,103 | 90,414 | 83,510 |        |        |
|                 | 2010 | 90,417  | 103,396 | 103,408 | 102,032 | 94,871  | 89,278  | 77,892 |        |        |        |
|                 | 2011 | 101,005 | 108,472 | 106,913 | 109,184 | 104,514 | 94,743  |        |        |        |        |
|                 | 2012 | 74,333  | 69,494  | 71,360  | 71,352  | 67,317  |         |        |        |        |        |
|                 | 2013 | 62,911  | 71,941  | 71,957  | 66,525  |         |         |        |        |        |        |
|                 | 2014 | 62,525  | 70,911  | 70,866  |         |         |         |        |        |        |        |
|                 | 2015 | 64,821  | 64,839  |         |         |         |         |        |        |        |        |
|                 | 2016 | 64,184  |         |         |         |         |         |        |        |        |        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Motor Non-Proportional

| NET BASIS                |         |         |         |         |         |         |          |         |          |          |                                  |
|--------------------------|---------|---------|---------|---------|---------|---------|----------|---------|----------|----------|----------------------------------|
| Paid Loss Ratio          | Months  |         |         |         |         |         |          |         |          |          |                                  |
|                          | 12      | 24      | 36      | 48      | 60      | 72      | 84       | 96      | 108      | 120      |                                  |
| 2007                     | 0.5%    | 1.2%    | 1.4%    | 4.7%    | 10.9%   | 13.8%   | 17.3%    | 24.0%   | 26.9%    | 28.6%    |                                  |
| 2008                     | 1.6%    | 3.0%    | 3.1%    | 4.9%    | 7.1%    | 10.8%   | 14.9%    | 15.8%   | 18.3%    |          |                                  |
| 2009                     | 1.0%    | 2.4%    | 3.9%    | 5.1%    | 9.9%    | 16.6%   | 19.6%    | 25.9%   |          |          |                                  |
| 2010                     | 0.1%    | 0.4%    | 1.6%    | 3.5%    | 5.7%    | 10.6%   | 14.7%    |         |          |          |                                  |
| 2011                     | 0.1%    | 1.2%    | 2.5%    | 5.1%    | 8.7%    | 12.5%   |          |         |          |          |                                  |
| 2012                     | 0.1%    | 0.4%    | 0.5%    | 2.0%    | 5.8%    |         |          |         |          |          |                                  |
| 2013                     | 0.1%    | 0.4%    | 3.0%    | 7.8%    |         |         |          |         |          |          |                                  |
| 2014                     | 0.3%    | 2.6%    | 5.4%    |         |         |         |          |         |          |          |                                  |
| 2015                     | 0.1%    | 0.1%    |         |         |         |         |          |         |          |          |                                  |
| 2016                     | 0.1%    |         |         |         |         |         |          |         |          |          |                                  |
| Case Incurred Loss Ratio | Months  |         |         |         |         |         |          |         |          |          |                                  |
|                          | 12      | 24      | 36      | 48      | 60      | 72      | 84       | 96      | 108      | 120      |                                  |
| 2007                     | 23.3%   | 47.3%   | 54.8%   | 53.1%   | 59.4%   | 60.7%   | 59.6%    | 57.2%   | 56.3%    | 56.8%    |                                  |
| 2008                     | 26.4%   | 50.7%   | 53.3%   | 53.9%   | 56.4%   | 60.3%   | 54.4%    | 51.9%   | 52.3%    |          |                                  |
| 2009                     | 31.7%   | 54.5%   | 65.6%   | 70.1%   | 72.9%   | 72.1%   | 70.7%    | 72.1%   |          |          |                                  |
| 2010                     | 22.1%   | 52.0%   | 55.3%   | 58.7%   | 55.2%   | 49.9%   | 46.2%    |         |          |          |                                  |
| 2011                     | 23.6%   | 43.8%   | 44.6%   | 42.9%   | 40.7%   | 39.6%   |          |         |          |          |                                  |
| 2012                     | 15.4%   | 26.0%   | 26.9%   | 30.1%   | 29.9%   |         |          |         |          |          |                                  |
| 2013                     | 19.1%   | 42.5%   | 45.9%   | 43.9%   |         |         |          |         |          |          |                                  |
| 2014                     | 29.4%   | 56.3%   | 53.3%   |         |         |         |          |         |          |          |                                  |
| 2015                     | 26.4%   | 44.4%   |         |         |         |         |          |         |          |          |                                  |
| 2016                     | 19.3%   |         |         |         |         |         |          |         |          |          |                                  |
| Ultimate Loss Ratio      | Months  |         |         |         |         |         |          |         |          |          |                                  |
|                          | 12      | 24      | 36      | 48      | 60      | 72      | 84       | 96      | 108      | 120      |                                  |
| 2007                     | 101.9%  | 101.8%  | 96.5%   | 96.8%   | 97.9%   | 91.8%   | 90.5%    | 86.8%   | 82.7%    | 81.3%    |                                  |
| 2008                     | 103.4%  | 108.5%  | 108.5%  | 112.1%  | 108.0%  | 106.6%  | 99.5%    | 90.9%   | 84.5%    |          |                                  |
| 2009                     | 101.4%  | 101.5%  | 113.9%  | 116.2%  | 119.7%  | 119.2%  | 106.6%   | 98.4%   |          |          |                                  |
| 2010                     | 102.3%  | 117.0%  | 117.0%  | 115.4%  | 107.3%  | 101.0%  | 88.1%    |         |          |          |                                  |
| 2011                     | 102.1%  | 109.6%  | 108.1%  | 110.4%  | 105.6%  | 95.8%   |          |         |          |          |                                  |
| 2012                     | 101.8%  | 95.1%   | 97.7%   | 97.7%   | 92.2%   |         |          |         |          |          |                                  |
| 2013                     | 90.5%   | 103.5%  | 103.6%  | 95.7%   |         |         |          |         |          |          |                                  |
| 2014                     | 87.2%   | 98.9%   | 98.8%   |         |         |         |          |         |          |          |                                  |
| 2015                     | 97.7%   | 97.7%   |         |         |         |         |          |         |          |          |                                  |
| 2016                     | 96.4%   |         |         |         |         |         |          |         |          |          |                                  |
| Loss Emergence           | Months  |         |         |         |         |         |          |         |          |          | Total Development<br>AY 07 - 16' |
|                          | 12      | 24      | 36      | 48      | 60      | 72      | 84       | 96      | 108      | 120      |                                  |
| 2007                     | 92,038  | (77)    | (4,800) | 262     | 974     | (5,542) | (1,157)  | (3,336) | (3,718)  | (1,213)  | (18,607)                         |
| 2008                     | 92,517  | 4,542   | 10      | 3,204   | (3,657) | (1,190) | (6,391)  | (7,730) | (5,676)  |          | (16,888)                         |
| 2009                     | 85,992  | 121     | 10,489  | 1,943   | 3,015   | (458)   | (10,689) | (6,904) |          |          | (2,483)                          |
| 2010                     | 90,417  | 12,979  | 12      | (1,375) | (7,162) | (5,593) | (11,386) |         |          |          | (12,525)                         |
| 2011                     | 101,005 | 7,467   | (1,560) | 2,271   | (4,669) | (9,771) |          |         |          |          | (6,262)                          |
| 2012                     | 74,333  | (4,839) | 1,867   | (8)     | (4,035) |         |          |         |          |          | (7,015)                          |
| 2013                     | 62,911  | 9,030   | 16      | (5,432) |         |         |          |         |          |          | 3,614                            |
| 2014                     | 62,525  | 8,386   | (45)    |         |         |         |          |         |          |          | 8,341                            |
| 2015                     | 64,821  | 18      |         |         |         |         |          |         |          |          | 18                               |
| 2016                     | 64,184  |         |         |         |         |         |          |         |          |          | —                                |
|                          |         |         |         |         |         |         |          |         |          |          | (51,807)                         |
|                          |         |         |         |         |         |         |          |         |          |          | (51,807)                         |
|                          |         |         |         |         |         |         |          |         |          |          | Total Development<br>CY 07 - 16' |
|                          | CY 2007 | CY 2008 | CY 2009 | CY 2010 | CY 2011 | CY 2012 | CY 2013  | CY 2014 | CY 2015  | CY 2016  |                                  |
|                          | 2,042   | (1,620) | (3,780) | 980     | 33,531  | 596     | (10,662) | (8,471) | (22,302) | (48,405) | (58,091)                         |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

**Reinsurance  
Liability**

**ITD Summary**

**Gross**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 502,030         | 393,420        | 144,486     | 17,832        | 162,318              | 11,810  | 174,128         | 44.3 %              |
| 2007           | 238,465         | 221,984        | 72,766      | 11,305        | 84,071               | 12,865  | 96,936          | 43.7 %              |
| 2008           | 183,486         | 190,391        | 60,691      | 17,040        | 77,731               | 22,407  | 100,138         | 52.6 %              |
| 2009           | 272,702         | 241,308        | 127,714     | 17,228        | 144,942              | 37,193  | 182,135         | 75.5 %              |
| 2010           | 238,062         | 243,937        | 111,097     | 19,559        | 130,656              | 57,813  | 188,469         | 77.3 %              |
| 2011           | 229,728         | 242,920        | 114,891     | 42,258        | 157,149              | 48,942  | 206,091         | 84.8 %              |
| 2012           | 242,817         | 232,796        | 80,356      | 39,235        | 119,591              | 60,284  | 179,875         | 77.3 %              |
| 2013           | 268,673         | 237,823        | 70,343      | 30,892        | 101,235              | 90,125  | 191,360         | 80.5 %              |
| 2014           | 365,466         | 292,885        | 49,689      | 31,207        | 80,896               | 132,489 | 213,385         | 72.9 %              |
| 2015           | 345,319         | 300,890        | 27,903      | 29,494        | 57,398               | 163,470 | 220,867         | 73.4 %              |
| 2016           | 422,489         | 358,743        | 12,855      | 28,909        | 41,765               | 220,394 | 262,158         | 73.1 %              |
|                | 3,309,237       | 2,957,097      | 872,791     | 284,959       | 1,157,752            | 857,792 | 2,015,542       | 68.2 %              |

**Ceded**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR   | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|--------|-----------------|---------------------|
| 2006 and prior | 19,371          | 19,371         | (13)        | —             | (13)                 | 14     | 1               | — %                 |
| 2007           | 9,318           | 9,318          | —           | —             | —                    | —      | —               | — %                 |
| 2008           | 8,556           | 8,556          | —           | —             | —                    | (5)    | (5)             | (0.1)%              |
| 2009           | 13,797          | 13,797         | —           | —             | —                    | —      | —               | — %                 |
| 2010           | 11,923          | 11,923         | 6           | —             | 6                    | 2      | 8               | 0.1 %               |
| 2011           | 12,048          | 12,048         | —           | —             | —                    | —      | —               | — %                 |
| 2012           | 11,922          | 11,922         | —           | —             | —                    | —      | —               | — %                 |
| 2013           | 3,087           | 3,087          | —           | —             | —                    | —      | —               | — %                 |
| 2014           | 3,683           | 3,662          | —           | —             | —                    | —      | —               | — %                 |
| 2015           | 3,869           | 3,890          | —           | —             | —                    | 76     | 76              | 2.0 %               |
| 2016           | 73,808          | 26,264         | 722         | 1,821         | 2,543                | 14,983 | 17,526          | 66.7 %              |
|                | 171,382         | 123,838        | 715         | 1,821         | 2,536                | 15,070 | 17,606          | 14.2 %              |

**Net**

| Accident Year  | Written Premium | Earned Premium | Paid Losses | Case Reserves | Case Incurred Losses | IBNR    | Ultimate Losses | Ultimate Loss Ratio |
|----------------|-----------------|----------------|-------------|---------------|----------------------|---------|-----------------|---------------------|
| 2006 and prior | 482,659         | 374,049        | 144,499     | 17,832        | 162,331              | 11,796  | 174,127         | 46.6 %              |
| 2007           | 229,147         | 212,666        | 72,766      | 11,305        | 84,071               | 12,865  | 96,936          | 45.6 %              |
| 2008           | 174,930         | 181,835        | 60,691      | 17,040        | 77,731               | 22,412  | 100,143         | 55.1 %              |
| 2009           | 258,905         | 227,511        | 127,714     | 17,228        | 144,942              | 37,193  | 182,135         | 80.1 %              |
| 2010           | 226,139         | 232,014        | 111,091     | 19,559        | 130,650              | 57,811  | 188,461         | 81.2 %              |
| 2011           | 217,680         | 230,872        | 114,891     | 42,258        | 157,149              | 48,942  | 206,091         | 89.3 %              |
| 2012           | 230,895         | 220,874        | 80,356      | 39,235        | 119,591              | 60,284  | 179,875         | 81.4 %              |
| 2013           | 265,586         | 234,736        | 70,343      | 30,892        | 101,235              | 90,125  | 191,360         | 81.5 %              |
| 2014           | 361,783         | 289,223        | 49,689      | 31,207        | 80,896               | 132,489 | 213,385         | 73.8 %              |
| 2015           | 341,450         | 297,000        | 27,903      | 29,494        | 57,398               | 163,394 | 220,791         | 74.3 %              |
| 2016           | 348,681         | 332,479        | 12,133      | 27,088        | 39,222               | 205,411 | 244,632         | 73.6 %              |
|                | 3,137,855       | 2,833,259      | 872,076     | 283,138       | 1,155,216            | 842,722 | 1,997,936       | 70.5 %              |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Liability

NET BASIS

|             |      | Months |        |        |        |        |         |         |         |        |        |
|-------------|------|--------|--------|--------|--------|--------|---------|---------|---------|--------|--------|
| Paid Losses |      | 12     | 24     | 36     | 48     | 60     | 72      | 84      | 96      | 108    | 120    |
|             | 2007 | 3,265  | 11,401 | 23,582 | 33,447 | 42,961 | 56,054  | 61,867  | 67,159  | 68,947 | 72,766 |
|             | 2008 | 2,680  | 10,487 | 22,632 | 30,772 | 37,508 | 44,830  | 53,522  | 56,451  | 60,691 |        |
|             | 2009 | 2,362  | 18,050 | 45,721 | 58,070 | 74,900 | 104,685 | 123,355 | 127,714 |        |        |
|             | 2010 | 2,857  | 18,381 | 47,163 | 63,554 | 85,939 | 99,721  | 111,091 |         |        |        |
|             | 2011 | 5,576  | 22,164 | 41,272 | 71,983 | 94,824 | 114,891 |         |         |        |        |
|             | 2012 | 3,832  | 13,567 | 29,710 | 60,621 | 80,356 |         |         |         |        |        |
|             | 2013 | 6,275  | 22,975 | 53,429 | 70,343 |        |         |         |         |        |        |
|             | 2014 | 7,588  | 29,613 | 49,689 |        |        |         |         |         |        |        |
|             | 2015 | 7,466  | 27,903 |        |        |        |         |         |         |        |        |
|             | 2016 | 12,133 |        |        |        |        |         |         |         |        |        |

|                      |      | Months |        |        |         |         |         |         |         |        |        |
|----------------------|------|--------|--------|--------|---------|---------|---------|---------|---------|--------|--------|
| Case Incurred Losses |      | 12     | 24     | 36     | 48      | 60      | 72      | 84      | 96      | 108    | 120    |
|                      | 2007 | 17,758 | 37,132 | 47,463 | 58,046  | 65,147  | 72,245  | 75,460  | 79,330  | 80,465 | 84,071 |
|                      | 2008 | 21,838 | 40,483 | 47,715 | 53,153  | 57,224  | 65,388  | 72,837  | 74,998  | 77,731 |        |
|                      | 2009 | 18,206 | 54,753 | 87,402 | 103,765 | 124,777 | 134,082 | 145,624 | 144,942 |        |        |
|                      | 2010 | 22,797 | 51,364 | 86,039 | 109,844 | 120,960 | 128,828 | 130,650 |         |        |        |
|                      | 2011 | 23,007 | 55,777 | 84,696 | 116,541 | 139,914 | 157,149 |         |         |        |        |
|                      | 2012 | 15,634 | 46,809 | 79,275 | 103,298 | 119,591 |         |         |         |        |        |
|                      | 2013 | 23,677 | 54,044 | 81,552 | 101,235 |         |         |         |         |        |        |
|                      | 2014 | 21,573 | 54,067 | 80,896 |         |         |         |         |         |        |        |
|                      | 2015 | 22,567 | 57,398 |        |         |         |         |         |         |        |        |
|                      | 2016 | 39,222 |        |        |         |         |         |         |         |        |        |

|      |      | Months  |         |         |         |         |        |        |        |        |        |
|------|------|---------|---------|---------|---------|---------|--------|--------|--------|--------|--------|
| IBNR |      | 12      | 24      | 36      | 48      | 60      | 72     | 84     | 96     | 108    | 120    |
|      | 2007 | 151,774 | 130,244 | 120,584 | 109,508 | 101,995 | 93,784 | 75,301 | 41,240 | 21,600 | 12,865 |
|      | 2008 | 126,728 | 108,728 | 101,505 | 95,689  | 88,958  | 74,727 | 44,158 | 37,970 | 22,412 |        |
|      | 2009 | 167,171 | 130,423 | 102,473 | 81,823  | 67,114  | 76,737 | 51,542 | 37,193 |        |        |
|      | 2010 | 160,547 | 129,887 | 105,798 | 81,633  | 89,773  | 69,857 | 57,811 |        |        |        |
|      | 2011 | 158,769 | 125,203 | 97,014  | 84,029  | 70,236  | 48,942 |        |        |        |        |
|      | 2012 | 158,796 | 123,401 | 95,902  | 76,023  | 60,284  |        |        |        |        |        |
|      | 2013 | 156,640 | 129,479 | 108,045 | 90,125  |         |        |        |        |        |        |
|      | 2014 | 187,445 | 157,814 | 132,489 |         |         |        |        |        |        |        |
|      | 2015 | 198,057 | 163,393 |         |         |         |        |        |        |        |        |
|      | 2016 | 205,411 |         |         |         |         |        |        |        |        |        |

|                 |      | Months  |         |         |         |         |         |         |         |         |        |
|-----------------|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------|
| Ultimate Losses |      | 12      | 24      | 36      | 48      | 60      | 72      | 84      | 96      | 108     | 120    |
|                 | 2007 | 169,532 | 167,377 | 168,048 | 167,554 | 167,142 | 166,029 | 150,761 | 120,570 | 102,065 | 96,936 |
|                 | 2008 | 148,566 | 149,212 | 149,220 | 148,842 | 146,182 | 140,114 | 116,995 | 112,968 | 100,143 |        |
|                 | 2009 | 185,377 | 185,176 | 189,875 | 185,588 | 191,891 | 210,819 | 197,166 | 182,135 |         |        |
|                 | 2010 | 183,344 | 181,250 | 191,837 | 191,477 | 210,733 | 198,684 | 188,461 |         |         |        |
|                 | 2011 | 181,776 | 180,981 | 181,711 | 200,570 | 210,150 | 206,091 |         |         |         |        |
|                 | 2012 | 174,430 | 170,210 | 175,177 | 179,321 | 179,875 |         |         |         |         |        |
|                 | 2013 | 180,318 | 183,523 | 189,598 | 191,360 |         |         |         |         |         |        |
|                 | 2014 | 209,018 | 211,882 | 213,385 |         |         |         |         |         |         |        |
|                 | 2015 | 220,624 | 220,791 |         |         |         |         |         |         |         |        |
|                 | 2016 | 244,633 |         |         |         |         |         |         |         |         |        |

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**  
**Values in Thousands USD**

Reinsurance  
Liability

NET BASIS

| Months          |      |       |       |       |       |       |       |       |       |       |  |
|-----------------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|
| Paid Loss Ratio | 12   | 24    | 36    | 48    | 60    | 72    | 84    | 96    | 108   | 120   |  |
| 2007            | 1.5% | 5.4%  | 11.1% | 15.7% | 20.2% | 26.4% | 29.1% | 31.6% | 32.4% | 34.2% |  |
| 2008            | 1.5% | 5.8%  | 12.4% | 16.9% | 20.6% | 24.7% | 29.4% | 31.0% | 33.4% |       |  |
| 2009            | 1.0% | 7.9%  | 20.1% | 25.5% | 32.9% | 46.0% | 54.2% | 56.1% |       |       |  |
| 2010            | 1.2% | 7.9%  | 20.3% | 27.4% | 37.0% | 43.0% | 47.9% |       |       |       |  |
| 2011            | 2.4% | 9.6%  | 17.9% | 31.2% | 41.1% | 49.8% |       |       |       |       |  |
| 2012            | 1.7% | 6.1%  | 13.5% | 27.4% | 36.4% |       |       |       |       |       |  |
| 2013            | 2.7% | 9.8%  | 22.8% | 30.0% |       |       |       |       |       |       |  |
| 2014            | 2.6% | 10.2% | 17.2% |       |       |       |       |       |       |       |  |
| 2015            | 2.5% | 9.4%  |       |       |       |       |       |       |       |       |  |
| 2016            | 3.6% |       |       |       |       |       |       |       |       |       |  |

  

| Months                   |       |       |       |       |       |       |       |       |       |       |  |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|
| Case Incurred Loss Ratio | 12    | 24    | 36    | 48    | 60    | 72    | 84    | 96    | 108   | 120   |  |
| 2007                     | 8.4%  | 17.5% | 22.3% | 27.3% | 30.6% | 34.0% | 35.5% | 37.3% | 37.8% | 39.5% |  |
| 2008                     | 12.0% | 22.3% | 26.2% | 29.2% | 31.5% | 36.0% | 40.1% | 41.2% | 42.7% |       |  |
| 2009                     | 8.0%  | 24.1% | 38.4% | 45.6% | 54.8% | 58.9% | 64.0% | 63.7% |       |       |  |
| 2010                     | 9.8%  | 22.1% | 37.1% | 47.3% | 52.1% | 55.5% | 56.3% |       |       |       |  |
| 2011                     | 10.0% | 24.2% | 36.7% | 50.5% | 60.6% | 68.1% |       |       |       |       |  |
| 2012                     | 7.1%  | 21.2% | 35.9% | 46.8% | 54.1% |       |       |       |       |       |  |
| 2013                     | 10.1% | 23.0% | 34.7% | 43.1% |       |       |       |       |       |       |  |
| 2014                     | 7.5%  | 18.7% | 28.0% |       |       |       |       |       |       |       |  |
| 2015                     | 7.6%  | 19.3% |       |       |       |       |       |       |       |       |  |
| 2016                     | 11.8% |       |       |       |       |       |       |       |       |       |  |

  

| Months              |       |       |       |       |       |       |       |       |       |       |  |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|
| Ultimate Loss Ratio | 12    | 24    | 36    | 48    | 60    | 72    | 84    | 96    | 108   | 120   |  |
| 2007                | 79.7% | 78.7% | 79.0% | 78.8% | 78.6% | 78.1% | 70.9% | 56.7% | 48.0% | 45.6% |  |
| 2008                | 81.7% | 82.1% | 82.1% | 81.9% | 80.4% | 77.1% | 64.3% | 62.1% | 55.1% |       |  |
| 2009                | 81.5% | 81.4% | 83.5% | 81.6% | 84.3% | 92.7% | 86.7% | 80.1% |       |       |  |
| 2010                | 79.0% | 78.1% | 82.7% | 82.5% | 90.8% | 85.6% | 81.2% |       |       |       |  |
| 2011                | 78.7% | 78.4% | 78.7% | 86.9% | 91.0% | 89.3% |       |       |       |       |  |
| 2012                | 79.0% | 77.1% | 79.3% | 81.2% | 81.4% |       |       |       |       |       |  |
| 2013                | 76.8% | 78.2% | 80.8% | 81.5% |       |       |       |       |       |       |  |
| 2014                | 72.3% | 73.3% | 73.8% |       |       |       |       |       |       |       |  |
| 2015                | 74.3% | 74.3% |       |       |       |       |       |       |       |       |  |
| 2016                | 73.6% |       |       |       |       |       |       |       |       |       |  |

  

| Months         |         |         |        |         |         |          |          |          |          |         |                                  |
|----------------|---------|---------|--------|---------|---------|----------|----------|----------|----------|---------|----------------------------------|
| Loss Emergence | 12      | 24      | 36     | 48      | 60      | 72       | 84       | 96       | 108      | 120     | Total Development<br>AY 07 - 16' |
| 2007           | 169,532 | (2,155) | 671    | (494)   | (412)   | (1,113)  | (15,268) | (30,190) | (18,505) | (5,130) | (72,596)                         |
| 2008           | 148,566 | 645     | 8      | (377)   | (2,660) | (6,068)  | (23,120) | (4,026)  | (12,825) |         | (48,423)                         |
| 2009           | 185,377 | (201)   | 4,699  | (4,287) | 6,303   | 18,928   | (13,653) | (15,031) |          |         | (3,242)                          |
| 2010           | 183,344 | (2,093) | 10,587 | (361)   | 19,256  | (12,049) | (10,223) |          |          |         | 5,117                            |
| 2011           | 181,776 | (795)   | 730    | 18,860  | 9,580   | (4,059)  |          |          |          |         | 24,316                           |
| 2012           | 174,430 | (4,220) | 4,967  | 4,143   | 554     |          |          |          |          |         | 5,444                            |
| 2013           | 180,318 | 3,206   | 6,074  | 1,762   |         |          |          |          |          |         | 11,042                           |
| 2014           | 209,018 | 2,864   | 1,503  |         |         |          |          |          |          |         | 4,367                            |
| 2015           | 220,624 | 167     |        |         |         |          |          |          |          |         | 167                              |
| 2016           | 244,633 |         |        |         |         |          |          |          |          |         | —                                |
|                |         |         |        |         |         |          |          |          |          |         | (73,808)                         |
|                |         |         |        |         |         |          |          |          |          |         | (193,811)                        |

  

|  | CY 2007 | CY 2008 | CY 2009 | CY 2010 | CY 2011 | CY 2012 | CY 2013  | CY 2014  | CY 2015  | CY 2016  | Total Development<br>CY 07 - 16' |
|--|---------|---------|---------|---------|---------|---------|----------|----------|----------|----------|----------------------------------|
|  | (235)   | 6,558   | (1,738) | (2,100) | (378)   | (611)   | (84,630) | (21,293) | (45,789) | (43,595) | (193,811)                        |



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**VII. SELECTED DISCLOSURES FROM 2016 ANNUAL REPORT ON FORM 10-K**

We believe the most significant accounting judgment we make is the estimate of our reserve for losses and loss expenses (“loss reserves”). Our loss reserves represent management’s estimate of the unpaid portion of our ultimate liability for losses and loss expenses (“ultimate losses”) for (re)insured events that have occurred at or before the balance sheet date. Our loss reserves reflect both claims that have been reported to us (“case reserves”) and claims that have been incurred but not yet reported to us (“IBNR”). Our loss reserves represent our best estimate of what the ultimate settlement and administration of claims will cost, based on our assessment of facts and circumstances known at that particular point in time.

Loss reserves are not an exact calculation of liability but instead are complex estimates. The process of estimating loss reserves involves a number of variables (see ‘Selection of Reported Reserves (Management’s Best Estimate)’ below for further details). We review our estimate of loss reserves each reporting period and consider all significant facts and circumstances then known. As additional experience and other data become available and/or laws and legal interpretations change, we may adjust our previous estimates of loss reserves; these adjustments are recognized in the period they are determined and, therefore, can impact that period’s underwriting results either favorably (when reserves established in prior years can be released) or adversely (when reserves established in prior years require upward adjustment).

**Case Reserves**

With respect to our insurance operations, we are generally notified of insured losses by our insureds and/or their brokers. Based on this information, our claims personnel estimate our ultimate losses arising from the claim, including the cost of administering the claims settlement process. These estimates reflect the judgment of our claims personnel based on general reserving practices, the experience and knowledge of such personnel regarding the nature of the specific claim and, where appropriate, the advice of legal counsel, loss adjusters and other relevant consultants.

For our reinsurance business, case reserves for reported claims are generally established based on reports received from ceding companies and/or their brokers. For excess of loss contracts, we are typically notified of insured losses on specific contracts and record a case reserve for the estimated ultimate liability arising from the claim. With respect to contracts written on a proportional basis, we typically receive aggregated claims information and record a case reserve based on that information. However, our proportional reinsurance contracts typically require that losses in excess of pre-defined amounts be separately notified so that we can adequately evaluate them. Our claims department evaluates each specific loss notification we receive and records additional case reserves when a ceding company’s reserve for a claim is not considered adequate.

In deciding whether to provide treaty reinsurance, we carefully review and analyze a cedant’s underwriting and risk management practices to ensure appropriate underwriting, data capture and reporting procedures. We also undertake an extensive program of cedant audits, using outsourced legal and industry experience where necessary. This allows us to review cedants’ claims administration practices to ensure that reserves are consistent with exposures, adequately established and properly reported in a timely manner and also allows us to verify that claims are appropriately handled.

**IBNR**

The estimation of IBNR is necessary due to the time lags between when a loss event occurs and when it is actually reported to us, referred to as the reporting lag. Reporting lags may arise from a number of factors, including but not limited to the nature of the loss, the use of intermediaries and complexities in the claims adjusting process. By definition, we do not have specific information on IBNR so it must be estimated. IBNR is calculated by deducting incurred losses (i.e. paid losses and case reserves) from management’s best estimate of ultimate losses. In contrast to case reserves, which are established at the contract level, IBNR reserves are generally estimated at an aggregate level and cannot be identified as reserves for a particular loss event or contract. Refer to the ‘Reserving For Significant Catastrophic Events’ section below for additional information on reserving for such events.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Reserving Process**

*Sources of Information*

Our quarterly reserving process begins with the collection and analysis of paid and incurred claim data for each of our segments. The segmental data is disaggregated by reserving class and further disaggregated by either accident year (i.e. the year in which the loss event occurred) or by underwriting year (i.e., the year in which the contract generating premium and losses inceptioned). We use underwriting year information to analyze our reinsurance business and subsequently allocate reserves to the respective accident years. Our reserving classes are selected to ensure that the underlying contracts have homogeneous loss development characteristics, while remaining large enough to make the estimation of trends credible. We review our reserving classes on a regular basis and adjust them over time as our business evolves. This data, in addition to industry benchmarks, serves as a key input to many of the methods employed by our actuaries. The relative weights assigned to our own historical loss data versus industry data vary according to the length of the development profile for the reserving class being evaluated. At present, we generally give more weight to our own experience (and, correspondingly, less weight to industry data) for reserving classes with short and medium claim tails; the converse is true for reserving classes with longer claim tails. (See 'Claim Tail Analysis' below for more detailed information by claim tail class.)

*Actuarial Analysis*

Multiple actuarial methods are available to estimate ultimate losses. Each method has its own assumptions and its own advantages and disadvantages, with no single estimation method being better than the others in all situations and no one set of assumption variables being meaningful for all reserving classes. The relative strengths and weaknesses of the particular estimation methods when applied to a particular group of claims can also change over time.

The following is a brief description of the reserve estimation methods commonly employed by our actuaries and a discussion of their particular strengths and weaknesses:

- Expected Loss Ratio Method ("ELR"): This method estimates ultimate losses for an accident year or underwriting year by applying an expected loss ratio to the earned or written premium for that year. Generally, expected loss ratios are based on one or more of (a) an analysis of historical loss experience to date, (b) pricing information and (c) industry data, adjusted as appropriate, to reflect changes in rates and terms and conditions. This method is insensitive to actual incurred losses for the accident year or underwriting year in question and is, therefore, often useful in the early stages of development when very few losses have been incurred. Conversely, the lack of sensitivity to incurred/paid losses for the accident year or underwriting year in question means that this method is usually inappropriate in later stages of an accident year or underwriting year's development.
- Loss Development Method (also referred to as the Chain Ladder Method or Link Ratio Method): This method assumes that the losses incurred/paid for each accident year or underwriting year at a particular development stage follow a relatively similar pattern. It assumes that on average, every accident year or underwriting year will display the same percentage of ultimate losses incurred/paid at the same point in time after the inception of that year. The percentages incurred/paid are established for each development stage (e.g. 12 months, 24 months, etc.) after examining historical averages from historical loss development data and/or external industry benchmark information. Ultimate losses are then estimated by multiplying the actual incurred/paid losses by the reciprocal of the established incurred/paid percentage. The strengths of this method are that it reacts to loss emergence/payments and that it makes full use of historical claim emergence/payment experience. However, this method has weaknesses when the underlying assumption of stable loss development/payment patterns is not valid. This could be the consequence of changes in business mix, claim inflation trends or claim reporting practices and/or the presence of large claims, amongst other things. Furthermore, this method tends to produce volatile estimates of ultimate losses where there is volatility in the underlying incurred/paid patterns. In particular, where the expected percentage of incurred/paid losses is low, small deviations

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

between actual and expected claims can lead to very volatile estimates of ultimate losses. As a result, this method is often unsuitable at early development stages for an accident year or underwriting year.

- Bornhuetter-Ferguson Method (“BF”): This method can be seen as a combination of the ELR and Loss Development Methods, under which the Loss Development Method is given progressively more weight as an accident year or underwriting year matures. The main advantage of the BF Method is that it provides a more stable estimate of ultimate losses than the Loss Development Method at earlier stages of development, while remaining more sensitive to emerging loss development than the ELR Method. In addition, the BF Method allows for the incorporation of external market information through the use of expected loss ratios, whereas the Loss Development Method does not incorporate such information.

As part of our quarterly loss reserve review process, our actuaries employ the estimation method(s) that they believe will produce the most reliable estimate of ultimate losses, at that particular evaluation date, for each reserving class and accident year or underwriting year combination. Often, this is a blend (i.e. weighted average) of the results of two or more appropriate actuarial methods. These ultimate loss estimates are generally utilized to evaluate the adequacy of our ultimate loss estimates for previous accident or underwriting years, as established in the prior reporting period. For the initial estimate of the current accident or underwriting year, the available claim data is typically insufficient to produce a reliable estimate of ultimate losses. As a result, our initial estimate for an accident or underwriting year is generally based on the ELR Method for longer tailed lines and a BF method for shorter tailed lines. The initial ELR for each reserving class is established collaboratively by our actuaries, underwriters and management at the start of the year as part of the planning process, taking into consideration prior accident years’ or underwriting years’ experience and industry benchmarks, adjusted after considering factors such as exposure trends, rate differences, changes in contract terms and conditions, business mix changes and other known differences between the current year and prior accident or underwriting years. The initial expected loss ratios for a given accident or underwriting year may be modified over time if the underlying assumptions, such as loss development or premium rate changes, differ from the original assumptions.

*Reserving for Credit and Political Risk Business*

Our credit and political risk insurance business consists primarily of credit insurance and confiscation, expropriation, nationalization and deprivation coverages (“CEND”). Claims for this business tend to be characterized by their severity risk, as opposed to their frequency risk. Therefore, claim payment and reporting patterns are anticipated to be volatile. Under the notification provisions of our credit insurance, we anticipate being advised of an insured event within a relatively short time period. As a result, we generally estimate ultimate losses based on a contract-by-contract analysis which considers the contracts’ terms, the facts and circumstances of underlying loss events and qualitative input from claims managers.

An important and distinguishing feature of many of these contracts, though, is our contractual right, subsequent to payment of a claim to our insured, to be subrogated to, or otherwise have an interest in, the insured’s rights of recovery under an insured loan or facility agreement. These estimated recoveries are recorded as an offset to our credit and political risk loss reserves. The lag between the date of a claim payment and our ultimate recovery from the corresponding security can result in negative case reserves at a point in time (as was the case at December 31, 2015 and 2014). The nature of the underlying collateral is specific to each transaction and we also estimate the value of this collateral on a contract-by-contract basis. This valuation process is inherently subjective and involves the application of management’s judgment because active markets for the collateral often do not exist. Our estimates of value are based on numerous inputs, including information provided by our insureds, as well as third party sources including rating agencies, asset valuation specialists and other publicly available information. We also assess any post-event circumstances, including restructurings, liquidations and possession of asset proposals/agreements.

In some instances, upon becoming aware of a loss event related to our credit and political risk business, we negotiate a final settlement of all of our policy liabilities for a fixed amount. In most circumstances, this occurs when the insured moves to realize the benefit of the collateral that underlies the insured loan or facility and presents us with a net settlement proposal that represents a full and final payment by us under the terms of the policy. In consideration for this payment, we secure a cancellation of the policy, or a release of all claims,

## **AXIS Capital Holdings Limited**

### **2016 Loss Development Triangles**

and waive our right to pursue a recovery of these settlement payments against the security that may have been available to us under the insured loan or facility agreement. In certain circumstances, cancellation by way of net settlement or full payment can result in an adjustment of the net premium to be received and earned on the policy.

#### *Reserving For Significant Catastrophic Events*

We cannot estimate losses from widespread catastrophic events, such as hurricanes and earthquakes, using the traditional actuarial methods described above. Rather, loss reserves for such events are estimated by management after a catastrophe occurs by completing an in-depth analysis of individual contracts which may potentially be impacted by the catastrophic event. This in-depth analysis may rely on several sources of information, including: (1) estimates of the size of insured industry losses from the catastrophic event and our corresponding market share; (2) a review of our portfolio of contracts performed to identify those contracts which may be exposed to the catastrophic event; (3) a review of modeled loss estimates based on information previously reported by customers and brokers, including exposure data obtained during the underwriting process; (4) discussions of the impact of the event with our customers and brokers and (5) catastrophe bulletins published by various independent statistical reporting agencies. We generally use a blend of these information sources to arrive at our aggregate estimate of the ultimate losses arising from the catastrophic event. In subsequent reporting periods, we review changes in paid and incurred losses in relation to each significant catastrophe and adjust our estimates of ultimate losses for each event if there are developments that are different from our previous expectations; such adjustments are recorded in the period in which they are identified.

There are additional risks affecting our ability to accurately estimate ultimate losses for catastrophic events. For example, the estimation of loss reserves related to hurricanes and earthquakes can be affected by factors including, but not limited to: the inability to access portions of impacted areas, infrastructure disruptions, the complexity of factors contributing to losses, legal and regulatory uncertainties, complexities involved in estimating business interruption losses and additional living expenses, the impact of demand surge, fraud and the limited nature of information available. For hurricanes, additional complex coverage factors may include determining whether damage was caused by flooding versus wind, evaluating general liability and pollution exposures, and mold damage. The timing of a catastrophe, for example near the end of a reporting period, can also affect the level of information available to us to estimate reserves for that reporting period.

#### *Key Actuarial Assumptions*

The use of the above actuarial methods requires us to make certain explicit assumptions, the most significant of which are: (1) expected loss ratios and (2) loss development patterns.

We began operations in late 2001. In our earlier years, we placed significant reliance on industry benchmarks in establishing our expected loss ratios. Over time, we have placed more reliance on our historical loss experience in establishing these ratios where we believe the weight of our own actual experience has become sufficiently credible for consideration. The weight given to our experience differs for each of our three claim tail classes and is discussed further in the '*Claim Tail Analysis*' section below. In establishing expected loss ratios for our insurance segment, we give consideration to a number of other factors, including exposure trends, rate adequacy on new and renewal business, ceded reinsurance costs, changes in claims emergence and our underwriters' view of terms and conditions in the market environment. For our reinsurance segment, expected loss ratios are based on a contract-by-contract review, which considers information provided by clients together with estimates provided by our underwriters and actuaries about the impact of changes in pricing, terms and conditions and coverage. We also have considered the market experience of some classes of business as compiled and analyzed by an independent actuarial firm, as appropriate.

Similarly, we also placed significant reliance on industry benchmarks in selecting our loss development patterns in earlier years. Over time, we have given varying degrees of weight to our own historical loss experience, as further discussed in the '*Claim Tail Analysis*' section below.

#### *Selection of Reported Reserves (Management's Best Estimate)*

## **AXIS Capital Holdings Limited**

### **2016 Loss Development Triangles**

Our quarterly reserving process involves the collaboration of our underwriting, claims, actuarial, legal, ceded reinsurance and finance departments, includes various segmental committee meetings and culminates with the approval of a single point best estimate by our Group Reserving Committee, which comprises senior management. In selecting this best estimate, management considers actuarial estimates and applies informed judgment regarding qualitative factors that may not be fully captured in these actuarial estimates. Such factors include, but are not limited to: the timing of the emergence of claims, volume and complexity of claims, social and judicial trends, potential severity of individual claims and the extent of internal historical loss data versus industry information. While these qualitative factors are considered in arriving at the point estimate, no specific provisions for qualitative factors are established.

Beginning in 2013, the Company significantly enhanced the capabilities and resources dedicated to the actuarial reserving function. During the first quarter of 2014, management began to rely upon its internal actuarial reserving function for the quarterly reserve evaluation process rather than utilizing the services of an independent actuarial firm. On an annual basis, the Company uses an independent actuarial firm to provide an actuarial opinion on the reasonableness of our loss reserves for each of our operating subsidiaries and statutory reporting entities; such actuarial opinions are required to meet various insurance regulatory requirements. The actuarial firm also discusses its conclusions from the annual review with management and presents its findings to our Board of Directors.

#### **Claim Tail Analysis**

In order to capture the key dynamics of our loss reserve development and potential volatility, our reserving classes should be considered according to their potential expected length of loss emergence and settlement, generally referred to as the “tail”. We consider our business to consist of three claim tail classes: short-tail, medium-tail and long-tail. Below is a discussion of the specifics of our loss reserve process as they apply to each claim tail class, as well as commentary on the factors contributing to our historical loss reserve development for each class. Favorable development on prior accident year reserves indicates that our current estimates are lower than our previous estimates, while adverse development indicates that our current estimates are higher than our previous estimates.

#### ***Short-Tail Business***

Our short-tail business generally includes exposures for which losses are usually known and paid within a relatively short period of time after the underlying loss event has occurred. Our short-tail business primarily relates to property coverages and includes the majority of our property, terrorism and marine business and certain aviation business within our insurance segment, together with the property, catastrophe and agriculture business within our reinsurance segment.

The key actuarial assumptions for our short-tail business in our early accident years were primarily developed with reference to industry benchmarks for both expected loss ratios and loss development patterns. As our own historical loss experience amassed, it gained credibility and became relevant for consideration in establishing these key actuarial assumptions. As a result, we gradually increased the weighting assigned to our own historical experience in selecting the expected loss ratios and loss development patterns utilized to establish our estimates of ultimate losses for an accident year.

Due to the relatively short reporting and settlement patterns for our short-tail business, we generally place more weight upon experience-based methods and other qualitative considerations in establishing reserves for both our recent and more mature accident years. As our experience developed more favorably than our initial expectations, we recognized favorable prior year development on short-tail business in recent years.

Although our estimates of ultimate losses for our short-tail business are inherently less uncertain than for our medium and long-tail business, significant judgment is still required. For example, because much of our excess insurance and excess of loss reinsurance business has high attachment points, it is often difficult to estimate whether claims will exceed those attachment points. Also, the inherent uncertainties relating to catastrophe events previously discussed, together with our typically large line sizes, further add to the

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

complexity of estimating our potential exposure. In addition, we use MGAs and other producers for certain business within our insurance segment; this can delay the reporting of loss information to us. We expect that the majority of development for an accident year or underwriting year will be recognized in the subsequent one to three years.

*Medium-Tail Business*

Our medium-tail business primarily consists of professional lines (re)insurance and trade credit and surety reinsurance business. Certain other classes of business, including aviation hull and engineering reinsurance, are also considered to have a medium-tail. Claim reporting and settlement periods on these classes are generally longer than those of our short-tail reserving classes. We also consider our credit and political risk insurance business to have a medium tail, due to the complex nature of claims and the potential additional time that may be required to realize our subrogation assets.

For our earliest accident and underwriting years, our initial key actuarial expected loss ratio and loss development assumptions were established utilizing industry benchmarks. Due to the longer claim tail, the length of time required to develop our own credible loss history for use in the reserving process is greater for our medium-tail business than for our short-tail business. As a result, the number of years where we relied heavily on industry benchmarks to establish our key actuarial assumptions is greater for our medium-tail business. Our reserving approach for medium-tail business is tailored by line of business, with our significant lines being specifically addressed below.

Professional Lines (Re)insurance

For our professional lines business, claim payment and reporting patterns are typically medium to long-tail in nature. The underlying business is predominantly written on a claims-made basis, with the majority of reinsurance treaties being written on a risks attaching basis. With respect to our key actuarial assumptions, we are progressively giving more weight to our own experience when establishing our expected loss ratios and our selected loss development patterns, though we continue to consider industry benchmarks.

Loss reporting patterns for professional lines business tend to be volatile, causing instability in actuarial indications based on incurred loss data until an accident year matures for a number of years. Consequently, our initial loss reserves for an accident year or underwriting year are generally based upon an ELR method and the consideration of relevant qualitative factors. As accident years and underwriting years mature, we increasingly give more weight to methods that reflect our actual experience until our selections are based almost exclusively on experience-based methods. We evaluate the appropriateness of the transition to experience-based methods at the reserving class level, commencing this transition when we believe that our incurred loss development is sufficient to produce meaningful actuarial indications. The rate at which we transition fully to sole reliance on experience-based methods can vary by reserving class and by year, depending on our assessment of the stability and relevance of such indications. For some professional lines in our insurance segment, we also rely upon the evaluation of the open claim inventory in addition to the commonly employed actuarial methods when establishing reserves.

Our transition from the ELR method to experience-based methods began during 2008, when we commenced gradual transition for the 2004 and prior accident years. As our loss history continued to develop, the transition was expanded to include additional accident years. With the exception of the experience in the insurance professional lines during 2013 through 2015, our actual loss experience has generally been more favorable than initial expectations and the transition led to the recognition of net favorable prior year reserve development in recent years. During 2013, the insurance professional lines actual loss development was worse than expected for accident years 2011 and 2012. Management recognized this experience by relying upon experience-based methods, an evaluation of the open claims inventory and other qualitative factors, resulting in a higher ultimate loss estimate than initial expected loss ratios. During 2014, Management continued to rely upon experience-based methods, an evaluation of the open claims inventory and other qualitative factors in establishing the ultimate loss estimates for the insurance professional lines portfolio. During 2015, updated actuarial assumptions in our Australian book of business impacting accident years

## **AXIS Capital Holdings Limited**

### **2016 Loss Development Triangles**

2010 to 2014 resulted in strengthening of the insurance professional lines portfolio, partially offset by favorable development in certain US professional lines classes.

We believe that there continues to be a relatively higher level of uncertainty around ultimate loss estimates for the business classes impacted by the global financial crisis in the 2007 to 2009 accident years. As a result, we continue to rely upon the evaluation of the open claims inventory in addition to the consideration of the actuarial indications, while exercising a greater degree of caution in recognizing potential favorable loss emergence, when establishing loss reserves for these accident years.

#### Trade Credit and Surety Reinsurance

For our trade credit and surety reinsurance business, our initial and most recent underwriting year loss projections are generally based on the ELR method, with consideration given to qualitative factors. Given that there is a quicker and more stable reporting pattern for trade credit business, we generally commence the transition to experience-based methods sooner than for the surety business.

#### Credit and Political Risk Insurance

Refer to the previous discussions of this business under '*Reserving Process - Actuarial Analysis*' and '*Reserving Process - Reserving for Credit and Political Risk Business*' above for a discussion of specific loss reserve issues related to this business. When considering prior accident year reserve development for this line of business, it is important to note that the multi-year nature of the credit business distorts loss ratios when a single accident year is considered in isolation. In recent years, the average term of these contracts has been four to five years. The premiums we receive are generally earned evenly over the contract term, thus spanning multiple accident years. In contrast, losses incurred on these contracts, which can be characterized as low in frequency and high in severity, are reflected in a single accident year.

As previously described, the estimation of the value of our recoveries on credit and political risk business requires significant management judgment. At December 31, 2016, our total estimated recoveries on credit insurance business were \$73 million, while comparatively, at December 31, 2015, our estimated recoveries were \$71 million.

#### *Long-Tail Business*

In contrast to our short and medium-tail business, the claim tail for our long-tail business is expected to be notably longer, as claims are often reported and ultimately paid or settled years, or even decades, after the related loss events occur. Our long-tail business primarily relates to liability business written in our insurance and reinsurance segments, as well as our motor reinsurance business.

As a general rule, our estimates of accident year or underwriting year ultimate losses for our long-tail business are notably more uncertain than those for our short and medium-tail business. Factors that contribute additional uncertainty to estimates for our long-tail business include, but are not limited to:

- The more significant weight given to industry benchmarks in forming our key actuarial assumptions;
- The potential volatility of actuarial estimates, given the number of years of development it takes to produce a meaningful incurred loss as a percentage of ultimate losses;
- Inherent uncertainties about loss trends, claims inflation (e.g. medical, judicial, social) and general economic conditions; and
- The possibility of future litigation, legislative or judicial change that may impact future loss experience relative to the prior industry loss experience relied upon in reserve estimation.

To date, our key actuarial assumptions for our long-tail business have been derived extensively from industry benchmarks supplemented with our own historical experience. Given our relatively short operating history in comparison to the development tail for this business, we do not believe that our own historical loss development for our long-tail business has amassed an appropriate volume to serve as a fully credible input into the key actuarial assumptions previously outlined. While we consider industry benchmarks that we

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

believe reflect the nature and coverage of our business, our actual loss experience may differ from the benchmarks based on industry averages.

Due to the length of the development tail for this business, our reserve estimates for most accident years and underwriting years are predominantly based on the BF or ELR method and the consideration of qualitative factors. As part of our quarterly reserving process, we monitor actual paid and incurred loss emergence relative to expected loss emergence based on our selected loss development patterns. The drivers of any unfavorable loss emergence are investigated and, as a result, have led to an immediate recognition of adverse development in some instances. Prior to the fourth quarter of 2012 (see additional details below), we did not recognize any favorable loss emergence. As a result, during some periods, we have recognized net adverse development for our liability insurance business in light of unfavorable loss emergence for certain reserving class and accident year combinations.

Commencing with our fourth quarter 2012 reserving process, we began to give weight to actuarial methods that reflect our actual experience for liability business as we believed that our oldest accident years were at a stage of expected development where such methods would produce meaningful actuarial indications. In 2016, we continued to give weight to experience based methods for the liability line of business leading to the recognition of some favourable experience on the reinsurance classes.



**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**VIII. GLOSSARY**

**Accident Year** means the year in which the event occurred that triggered a claim to us. All years referred to are years ending December 31st.

**Additional Case Reserves** are amounts that are held in addition to Case Reserves that result from our claims professionals determining that the established Case Reserves (which are often established by cedants or third parties) are expected to be insufficient to meet the expected future settlement amounts.

**Case Incurred Losses** is the sum of Paid Losses, plus Case Reserves and any Additional Case Reserves.

**Case Incurred Loss Ratio** is the ratio of Case Incurred Losses to Earned Premium, which shows the relationship between Case Incurred Losses and the associated premiums that are related to those losses.

**Case Reserves** are amounts set aside in relation to claims that have been made but not yet been paid and represent an assessment of the remaining amount, including LAE, to be paid in respect of each notified claim.

**Ceded Claims** are those amounts we received or expect to receive from third party reinsurers to whom we ceded premiums.

**Ceded Premiums** are those premiums payable by us to third party reinsurers.

**Diagonals** in the triangle from bottom left to top right represent evaluation dates. For example, the last diagonal in our published triangles shows the position of each Accident Year as at December 31, 2015.

**Earned Premium** is the amount of policy premiums allocated between Accident Years in accordance with the assumed incidence of risk which results from insurance and reinsurance contracts that do not all commence at the start of a given Accident Year.

**Gross Premiums and Gross Losses** are shown before the impact of any third party outwards reinsurance.

**IBNR** means incurred but not reported reserve, or a reserve amount held to cover expected future settlements in relation to all claims that have occurred but have not yet been reported to us, which includes an estimate for LAE. This includes a reserve provision for claims which may have already occurred and expected development (upward or downward) in existing Case Reserves and Additional Case Reserves.

**Inception to Date** ("ITD") means the period from 2002 through 2015; 2001 is considered immaterial for the purpose of this document.

**Loss Adjustment Expenses** ("LAE") are expenses incurred in handling claims. LAE include the cost of third party loss assessors and legal experts and the cost of internal time necessary to handle claims.

**Loss Emergence** is the change in ultimate losses from the previous development point. Loss emergence is shown separately for each accident year and calendar year.

**Maturity** is measured in months from the start of the Accident Year.

**Net** means the retained portion of premiums written or losses paid and incurred. Net Premium equals Gross Premium less Ceded Premium and Net Losses equals Gross Losses less Ceded Claims.

**Paid Losses** are claim amounts paid to insureds or ceding companies.

**AXIS Capital Holdings Limited**  
**2016 Loss Development Triangles**

**Paid Loss Ratio** is the ratio of Paid Losses to Earned Premium, which shows the relationship between paid losses and the associated premiums that are related to those losses.

**Report Year / Claims Made Year** refers to the year in which a claim is reported to us. All years referred to are years ending December 31st.

**Subrogation** - Paid losses, case reserves and IBNR are net of actual and expected subrogation recoveries.

**Total Reserves** is the unpaid losses and loss adjustment expenses.

**Triangle** is a cross tabulation of data usually showing financial quantities in respect of periods of exposure (e.g. Accident Years), each evaluated at regular intervals (maturities).

**Underwriting Year** means the year during which the contract incepts. Exposure from contracts incepting during the current underwriting year will potentially affect both the current accident year as well as future accident years.

**Ultimate Losses** are the total of all expected settlement amounts, whether paid or reserved, together with any associated LAE and are the estimated total amount of loss at the measurement date. For the purposes of this report, Ultimate Losses are calculated by adding: Paid Losses, Case and Additional Case Reserves and IBNR.

**Ultimate Loss Ratio** is the ratio of Ultimate Loss to Earned Premium, which shows the relationship between expected losses and the associated premiums that are related to those losses.