

FINANCIAL HIGHLIGHTS

[NEXT PAGE](#)

Endurance generated operating income of \$198 million during 2008, driven by solid underwriting results as evidenced by our combined ratio of 93.5%. Gross written premiums grew to \$2.2 billion, an increase of 26% over the prior year, resulting primarily from the integration of our ARMtech operating subsidiary.

In thousands of U.S.\$

(except for per share, percentage and ratio information)

	Year ended Dec 31, 2008	Year ended Dec 31, 2007	Year ended Dec 31, 2006	Year ended Dec 31, 2005	Year ended Dec 31, 2004
Net income (loss) before preferred dividends	98,624	521,107	498,126	(220,484)	355,584
Operating income (loss)	198,039	540,950	500,909	(208,321)	348,443
Gross premiums written	2,246,420	1,781,115	1,789,642	1,668,877	1,711,357
Total assets	7,272,470	7,271,153	6,925,554	6,348,407	5,225,838
Shareholders' equity	2,207,283	2,512,259	2,297,874	1,872,543	1,862,455
Return on average common equity, Net Income	3.8%	22.9%	25.6%	(12.6)%	20.3%
PER COMMON SHARE					
Basic earnings per share	\$ 1.44	\$ 7.82	\$ 7.26	\$ (3.60)	\$ 5.66
Diluted earnings per share	\$ 1.32	\$ 7.17	\$ 6.73	\$ (3.60)	\$ 5.28
Diluted book value per common share	\$33.06	\$35.05	\$28.87	\$23.17	\$27.91
Dividends declared per common share	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 0.81
GAAP RATIOS					
Loss ratio	64.3%	47.0%	50.5%	95.8%	57.4%
Acquisition expense ratio	17.0%	19.3%	19.4%	19.2%	20.2%
General and administrative expense ratio	12.2%	13.6%	11.6%	8.5%	8.2%
Combined ratio	93.5%	79.9%	81.5%	123.5%	85.8%