



Financial Strength Ratings: AM Best: A+ (Outlook: Stable) S&P: A+ (Outlook: Positive)

- ACE is one of the world's largest providers of commercial property and casualty insurance and reinsurance—insurance is our only business
- Physical presence in 53 countries, with more than 15,000 employees serving the insurance needs of commercial and individual customers in more than 170 countries
- The ACE MENA Region is headquartered in Bahrain and includes businesses in Saudi Arabia, Egypt and Pakistan as well as a representative office in the UAE. ACE MENA provides tailored property, casualty, energy, power generation, financial lines and accident and health insurance solutions for a diverse range of clients in the region

Key Financial Measures

Financial Summary

(in millions of US dollars, except ratios)	Q3 2010	Q3 2009
Gross written premiums	\$5,002	\$5,005
Net written premiums	3,295	3,155
Operating income*	688	701
Net income	675	494
Net investment income	516	511
Operating cash flow	1,084	1,010
Combined ratio	88.4%	88.1%
Annualised ROE*	13.4%	15.8%

Five Year Financial Performance (2005-2009)

(Compound annual growth rates and averages)

Operating income*	22.5%
Shareholders' equity	14.8%
Average return on equity*	15.7%
Average combined ratio	90.6%

*Excludes net realised gains (losses)

Balance Sheet & Liquidity

(as of 30/09/10)

Net Loss Reserves - \$24.3 billion

Tangible Capital - \$22.6 billion

Net loss reserves and tangible capital of nearly \$47 billion represent ACE's strong ability to pay claims

Total Capital - \$26.5 billion

Defines an insurance company's ability to take risk

Debt to Capital Ratio - 12.5%

ACE's ratio is conservative for our capital position

Book Value - \$22.8 billion

Book value has grown \$3.2 billion or 16% since 31/12/09

Invested Assets - \$51 billion

Invested assets have grown \$4.5 billion or 10% since 31/12/09

Risk Management

Managing Asset Risk

\$51 Billion Conservative Investment Portfolio

- Predominantly investment grade fixed income and broadly diversified across geographies, sectors and issuers
- Average credit rating is AA; average duration is less than 4 years
- ACE does not invest in collateralised debt obligations (CDOs) or collateralised loan obligations (CLOs)
- Mortgage-backed securities:
 - 92% are AAA rated
 - 88% of the RMBS portfolio is backed by federal agencies

Managing Liability Risk

Disciplined Underwriting Culture:

- We embrace risk as long as we understand it and can generate an acceptable return
- We manage the company to earn an underwriting profit and ACE has earned a cumulative underwriting profit since its inception in 1985
- 2009 Underwriting Income - \$1.6 billion
- 2009 Combined Ratio - 88.3%
- Loss Reserve transparency - ACE Global Loss Triangles available (www.acegroup.com)

External Perspectives

Investment Community

Equity Analyst Ratings as of 30/09/10: 20 buy/3 hold

ACE's Share Price: For the third quarter of 2010, ACE's share price increased 13% compared to the S&P Property & Casualty Insurance Index's 7% increase and traded between 0.8 and 0.94 times book value

Stock Index Inclusion: As of July 2010, ACE Limited is a component of the benchmark S&P 500 and Russell 1000 stock indices of large capitalisation companies

Rating Agencies

Financial Strength Ratings of A+ from Standard & Poor's and A.M. Best on ACE's core operating insurance companies

Positive Outlook from Standard & Poor's. Stable Outlook from A.M. Best, Fitch and Moody's

ACE's Enterprise Risk Management rating of "Strong" from S&P is in the top 15% of 165 North America and Bermuda companies rated