



AXIS Capital Holdings Limited

INVESTOR FINANCIAL SUPPLEMENT

FIRST QUARTER 2005

AXIS Capital Holdings Limited
106 Pitts Bay Road
Hamilton HM 08 Bermuda

Contact Information:

Linda Ventresca
Investor Relations
441 297 9513

Website Information:

www.axiscapital.com

This report is for informational purposes only. It should be read in conjunction with the documents that we file with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934.

AXIS Capital Holdings Limited

FINANCIAL SUPPLEMENT TABLE OF CONTENTS

	Page(s)
i. Basis of Presentation	<i>i - iii</i>
I. Financial Highlights	
a. Financial Highlights	1
II. Income Statements	
a. Consolidated Statements of Income - Quarterly	2
b. Consolidated Statements of Income - YTD	3
c. Consolidated Segment Data	4
d. Insurance Sub-Segment Data	5
e. Gross Premium Written by Segment by Line of Business	6
f. Segment Consecutive Quarters	7-9
III. Balance Sheets	
a. Consolidated Balance Sheets	10
b. Summary of Investment Portfolio Information	11
c. Investment Portfolio Composition	12
d. Investment Portfolio: Investment Performance	13
e. Investment Portfolio: Largest Corporate Holdings	14
IV. Loss Reserve Analysis	
a. Paid to Incurred Analysis	15
b. Paid to Incurred Analysis by Segment	16
c. Segment Consecutive Quarters	17-19
d. Analysis of Unpaid Loss and Loss Expenses	20
V. Share Analysis	
a. Earnings Per Share Analysis - As Reported	21
b. Diluted Book Value Per Share Analysis	22

AXIS Capital Holdings Limited

BASIS OF PRESENTATION

DEFINITIONS AND PRESENTATION

- All financial information contained herein is unaudited, except for the financial data relating to the years ended December 31, 2004, December 31, 2003 and December 31, 2002.
- Unless otherwise noted, dollar amounts are in thousands, except for share and per share amounts and ratio information.
- Return on average equity ("ROAE") is calculated by dividing the net income for the period by the average shareholders' equity determined using the shareholders' equity balances at the beginning and the end of the period.
- The debt to capitalization ratio is calculated by dividing the company's debt by the total capital. Total capital represents equity plus debt.
- Annualized effective investment yield is calculated by dividing the investment income generated from invested assets by the average balance of the assets managed by our portfolio managers.
- Total return is calculated using the beginning and ending market portfolio values, adjusted for external cash flows.
- NM - Not meaningful
- NR - Not reported
- NA - Not Applicable
- With effect from January 1, 2004, we included the personnel expenses of our underwriters in general and administrative expenses; prior to that date, we had included them in acquisition costs. Disclosures relating to prior periods have been restated to reflect this change. In addition, with effect from January 1, 2004 we allocated all of our general and administrative costs, except for our corporate expenses, to each of our underwriting segments. Our corporate expenses include holding company costs necessary to support our worldwide insurance and reinsurance operations and costs associated with operating as a publicly-traded company. Prior periods have not been restated to reflect the full allocation of general and administrative costs, as our business segments were not fully operational throughout 2003.
- Underwriting income (loss) is a measure of profitability that takes into account, net premiums earned and other insurance related income as revenue and net loss and loss expenses, acquisition costs and underwriting related general and administrative expenses as expenses. Underwriting income (loss) is the difference between revenues and expense items.

AXIS Capital Holdings Limited

BASIS OF PRESENTATION

BUSINESS DESCRIPTIONS

INSURANCE SEGMENT

Global Insurance

Our global insurance accesses a broad spread of global specialty lines, predominantly through the London broker network. The principal specialty lines in this segment are: property, marine, terrorism and war risk, aviation and aerospace, political risk and professional lines and other specialty risks.

The property line of business provides physical damage and business interruption coverage for industrial properties and physical damage, business interruption and liability coverage for onshore energy property and operations. Coverage provided includes catastrophic and non-catastrophic events.

The marine line of business provides coverage for hull, liability, cargo and specie and recreational marine risks. These risks include property damage to ships, pollution damage caused by vessels on a sudden and accidental basis and protection for general cargo and the contents of armored cars, vaults, exhibitions and museums. This line of business also provides physical damage, business interruption and liability coverage for offshore energy property and operations.

The terrorism and war risk line of business includes coverage for physical damage and associated business interruption of an insured following an act of terrorism and specific war coverage for the interests otherwise covered in our aviation and marine hull and liability business.

The aviation and aerospace line of business includes hull and liability coverage for passenger and cargo airlines and privately owned aircraft, select aviation product liability coverage, physical damage coverage on satellite launches and liability.

The political risk line of business generally provides protection against sovereign default or other sovereign actions resulting in impairment of cross border investments for banks and major corporations in industries such as energy and mining.

The professional lines and other specialty line of business primarily consists of directors' and officers' liability coverage.

U.S. Insurance

Our U.S. insurance accesses specialty lines of business through a variety of channels in the U.S. and covers exposures predominantly in the U.S. The principle lines of business are property, professional lines and liability. Many of its property and casualty insurance products are for nonstandard and complex risks and are offered through wholesale brokers. The segment also writes risks that are unique and difficult to place in the standard market, but must remain with an admitted insurance company for marketing and regulatory purposes.

The property line of business provides coverage for physical damage and business interruption primarily with respect to commercial properties. The book consists of both primary and excess risks, some of which are catastrophe exposed.

The liability book primarily targets casualty risks in the United States excess and surplus markets. Target classes include mercantile, manufacturing and building/premises, with particular emphasis on commercial and consumer products, commercial construction and miscellaneous general liability.

The professional lines book primarily consists of coverage for directors' and officers' liability, errors and omission liability and employment practices liability.

The other specialty book currently consists of a product that indemnifies self-insured, small and midsized employers for excess losses associated with their employees' medical plans.

AXIS Capital Holdings Limited

BASIS OF PRESENTATION

BUSINESS DESCRIPTIONS (CONTINUED)

REINSURANCE SEGMENT

Our reinsurance segment provides treaty property and casualty reinsurance to insurance companies on a worldwide basis. Treaty reinsurance contracts are contractual arrangements that provide for automatic reinsuring of a type or category of risk underwritten by our clients. Contracts can be written on an excess of loss basis or a pro rata basis, also known as proportional. The principal lines in this segment are catastrophe, property, professional liability, credit and bond, motor and liability,

The catastrophe reinsurance line of business provides protection for most catastrophic losses that are covered in the underlying insurance policies written by our ceding company clients. The underlying insurance policies in the catastrophe reinsurance book primarily cover property exposures; the book also consists of contracts covering non-property exposures, including workers compensation, personal accident and life. The principal perils in this portfolio are hurricane and windstorm, earthquake, flood, tornado, hail and fire. In some instances, terrorism may be a covered peril or the only peril.

The property reinsurance line of business includes treaty reinsurance written on both a pro rata and a per risk basis and covers underlying personal lines and commercial property exposures. Property pro rata treaty reinsurance covers a cedent's aggregate losses from all events in the covered period on a proportional basis. Property per risk treaty reinsurance business reinsures a portfolio of particular property risks of ceding companies on an excess of loss basis.

The professional liability treaty reinsurance book covers directors' and officers', employment practices liability, medical malpractice and miscellaneous errors and omissions insurance risks.

The credit and bond treaty reinsurance book consists principally of reinsurance of trade credit insurance products and includes both proportional and excess-of-loss structures. The underlying insurance indemnifies sellers of goods and services against a payment default by the buyer of those goods and services. Also included in this book is coverage for ceding insurers against losses arising from a broad array of surety bonds issued by bond insurers principally to satisfy regulatory demands in a variety of jurisdictions around the world, but predominantly in Europe.

The motor liability reinsurance line of business provides cover to insurers for motor liability losses arising out of any one occurrence. The occurrence can involve one or many claimants where the ceding insurer aggregates the claims from the occurrence.

The liability reinsurance line of business provides cover to insurers of standard casualty lines, including auto liability, general liability, personal and commercial umbrella and workers compensation.

The other reinsurance line of business currently covers claims arising from aviation, marine and crop reinsurance.

AXIS Capital Holdings Limited

FINANCIAL HIGHLIGHTS

	Quarter ended		Previous Qtr Period Change	Year ended		Previous Year Period Change
	March 31,			December 31,		
	2005	2004		2004	2003	
HIGHLIGHTS						
Gross premiums written	1,198,699	1,044,123	14.8%	3,012,311	2,273,645	32.5%
<i>Gross premiums written - Insurance</i>	<i>35.8%</i>	<i>43.0%</i>	<i>(7.2)%</i>	<i>63.7%</i>	<i>70.7%</i>	<i>(7.0)%</i>
<i>Gross premiums written- Reinsurance</i>	<i>64.2%</i>	<i>57.0%</i>	<i>7.2%</i>	<i>36.3%</i>	<i>29.3%</i>	<i>7.0%</i>
Net premiums written	1,062,071	899,190	18.1%	2,423,683	1,908,387	27.0%
Net premiums earned	625,590	471,248	32.8%	2,028,397	1,436,230	41.2%
<i>Net premiums earned - Insurance</i>	<i>51.7%</i>	<i>58.0%</i>	<i>(6.3)%</i>	<i>56.5%</i>	<i>64.9%</i>	<i>(8.4)%</i>
<i>Net premiums earned - Reinsurance</i>	<i>48.3%</i>	<i>42.0%</i>	<i>6.3%</i>	<i>43.5%</i>	<i>35.1%</i>	<i>8.4%</i>
Net income	151,799	166,786	(9.0)%	494,998	532,350	(7.0)%
Reserve for losses and loss expenses	2,719,247	1,261,094	115.6%	2,404,560	992,846	142.2%
Total shareholders' equity	2,962,022	3,006,563	(1.5)%	3,238,064	2,817,148	14.9%
PER SHARE AND SHARE DATA						
As Reported						
Basic earnings per share	\$1.04	\$1.09	(5.0)%	\$3.24	\$3.69	(12.1)%
Diluted earnings per share	\$0.95	\$1.00	(5.4)%	\$2.98	\$3.42	(12.7)%
Weighted average common shares outstanding	146,635,717	152,480,904	(3.8)%	152,553,677	144,262,881	5.7%
Diluted weighted average common shares outstanding	160,429,657	167,252,826	(4.1)%	165,875,823	155,690,763	6.5%
Book value per share	\$21.14	\$19.72	7.2%	\$21.20	\$18.48	14.7%
Diluted book value per share (as-if converted) [a]	\$19.69	\$18.54	6.2%	\$19.85	\$17.48	13.6%
FINANCIAL RATIOS						
ROAE, net income [b]	<u>19.6%</u>	<u>22.9%</u>	<u>(3.3)%</u>	<u>16.3%</u>	<u>22.3%</u>	<u>(6.0)%</u>
Net loss and loss expense ratio	55.0%	51.5%	3.5%	61.4%	51.1%	10.3%
Acquisition cost ratio	14.6%	12.1%	2.5%	13.8%	13.0%	0.9%
General and administrative expense ratio	<u>8.7%</u>	<u>8.9%</u>	<u>(0.2)%</u>	<u>9.2%</u>	<u>9.5%</u>	<u>(0.3)%</u>
Combined ratio	<u><u>78.3%</u></u>	<u><u>72.5%</u></u>	<u><u>5.8%</u></u>	<u><u>84.4%</u></u>	<u><u>73.6%</u></u>	<u><u>10.8%</u></u>
INVESTMENT DATA						
Total assets	9,790,500	6,746,988	45.1%	9,038,285	5,172,273	74.7%
Total cash and investments [c]	6,020,072	4,412,971	36.4%	6,029,651	4,023,652	49.9%
Total return on investment portfolio	(0.3)%	2.0%	(2.3)%	3.4%	3.5%	(0.1)%
Annualized effective investment yield	3.8%	3.3%	0.5%	3.4%	2.6%	0.8%

[a] This is a non-GAAP financial measure. See the reconciliation at the end of this financial supplement.

[b] Percentages presented for individual quarters are annualized by taking the quarter amounts and multiplying by four.

[c] Cash and investments represents the total cash, fixed maturity investments and other investments, including accrued interest.

AXIS Capital Holdings Limited
CONSOLIDATED STATEMENTS OF INCOME

	Quarter ended					
	March 31, 2005	December 31, 2004	September 30, 2004	June 30, 2004	March 31, 2004	March 31, 2003
UNDERWRITING REVENUES						
Gross premiums written	\$1,198,699	\$651,169	\$687,700	\$629,319	\$1,044,123	\$608,587
Premiums ceded	(136,628)	(176,575)	(125,688)	(141,442)	(144,933)	(68,443)
Net premiums written	1,062,071	474,594	562,012	487,877	899,190	540,144
Gross premiums earned	761,092	689,748	652,273	601,640	567,187	331,639
Ceded premiums amortized	(135,502)	(140,800)	(130,475)	(115,237)	(95,939)	(29,212)
Net premiums earned	625,590	548,948	521,798	486,403	471,248	302,427
Other insurance related (loss) income	(68)	3,603	7,206	156	288	1,106
Total underwriting revenues	625,522	552,551	529,004	486,559	471,536	303,533
UNDERWRITING EXPENSES						
Net losses and loss expenses	344,290	300,219	445,575	257,850	242,600	146,335
Acquisition costs	91,301	78,894	79,222	65,491	56,963	44,251
General and administrative expenses	42,464	45,164	37,344	32,803	32,885	9,527
Total underwriting expenses	478,055	424,277	562,141	356,144	332,448	200,113
UNDERWRITING INCOME/(LOSS)	147,467	128,274	(33,137)	130,415	139,088	103,420
OTHER OPERATING REVENUE (EXPENSES)						
Net investment income	52,758	47,451	40,017	33,345	31,259	11,352
Net realized (losses) gains on investments	(1,393)	4,216	3,732	(4,411)	10,097	11,198
Interest expense	(8,078)	(4,597)	(469)	(181)	(38)	(1,032)
Total other operating revenue (expenses)	43,287	47,070	43,280	28,753	41,318	21,518
OTHER (EXPENSES) REVENUE						
Net foreign exchange (losses) gains	(23,418)	18,583	3,459	(6,413)	(1,145)	1,887
Corporate expenses [a]	(11,838)	(10,781)	(9,724)	(9,639)	(8,965)	(19,803)
Total other (expenses) revenue	(35,256)	7,802	(6,265)	(16,052)	(10,110)	(17,916)
INCOME BEFORE INCOME TAXES	155,498	183,146	3,878	143,116	170,296	107,022
Income tax (expense) recovery	(3,699)	(2,071)	2,401	(2,260)	(3,510)	97
NET INCOME	\$151,799	\$181,075	\$6,279	\$140,856	\$166,786	\$107,119
COMPREHENSIVE INCOME	\$89,490	\$170,995	\$60,469	\$55,757	\$195,528	\$112,514
KEY RATIOS/PER SHARE DATA						
Net loss and loss expense ratio	55.0%	54.7%	85.4%	53.0%	51.5%	48.4%
Acquisition cost ratio	14.6%	14.4%	15.2%	13.5%	12.1%	14.7%
General and administrative expense ratio [a]	8.7%	10.2%	9.0%	8.7%	8.9%	9.7%
Combined ratio	78.3%	79.3%	109.6%	75.2%	72.5%	72.8%
Weighted average basic shares outstanding	146,635,717	152,662,584	152,534,495	152,487,082	152,480,904	136,381,025
Weighted average diluted shares outstanding	160,429,657	165,397,980	166,128,928	166,842,606	167,252,826	142,785,514
Basic earnings per share	\$1.04	\$1.19	\$0.04	\$0.92	\$1.09	\$0.79
Diluted earnings per share	\$0.95	\$1.09	\$0.04	\$0.84	\$1.00	\$0.75
ROAE, net income [b]	19.6%	22.9%	0.8%	18.6%	22.9%	21.2%

[a] Corporate expenses are included in the calculation of the general and administrative expense ratio.

[b] Percentages presented for individual quarters are annualized by taking the quarter amounts and multiplying by four.

AXIS Capital Holdings Limited

CONSOLIDATED STATEMENTS OF INCOME

	Year ended		
	December 31, 2004	December 31, 2003	December 31, 2002
UNDERWRITING REVENUES			
Gross premiums written	\$3,012,311	\$2,273,645	\$1,108,003
Premiums ceded	(588,628)	(365,258)	(89,726)
Net premiums written	2,423,683	1,908,387	1,018,277
Gross premiums earned	2,510,847	1,701,015	576,904
Ceded premiums amortized	(482,450)	(264,785)	(40,054)
Net premiums earned	2,028,397	1,436,230	536,850
Other insurance related income (loss)	11,253	25,019	(639)
Total underwriting revenues	2,039,650	1,461,249	536,211
UNDERWRITING EXPENSES			
Net losses and loss expenses	1,246,244	734,019	229,265
Acquisition costs	280,568	186,297	91,200
General and administrative expenses	148,196	43,415	12,503
Total underwriting expenses	1,675,008	963,731	332,968
UNDERWRITING INCOME	364,642	497,518	203,243
OTHER OPERATING REVENUE (EXPENSES)			
Net investment income	152,072	73,961	71,287
Net realized gains on investments	13,634	22,567	26,070
Interest expense	(5,285)	(1,478)	(1,414)
Total other operating revenue (expenses)	160,421	95,050	95,943
OTHER (EXPENSES) REVENUE			
Net foreign exchange gains	14,484	32,215	9,610
Corporate expenses [a]	(39,109)	(93,111)	(45,107)
Total other (expenses) revenue	(24,625)	(60,896)	(35,497)
INCOME BEFORE INCOME TAXES	500,438	531,672	263,689
Income tax (expense) recovery	(5,440)	678	1,430
NET INCOME	\$494,998	\$532,350	\$265,119
COMPREHENSIVE INCOME	\$482,749	\$532,030	\$291,059
KEY RATIOS/PER SHARE DATA			
Net loss and loss expense ratio	61.4%	51.1%	42.7%
Acquisition cost ratio	13.8%	13.0%	17.0%
General and administrative expense ratio [a]	9.2%	9.5%	10.7%
Combined ratio	84.4%	73.6%	70.4%
Weighted average basic shares outstanding	152,553,677	144,262,881	135,442,240
Weighted average diluted shares outstanding	165,875,823	155,690,763	138,480,623
Basic earnings per share	\$3.24	\$3.69	\$1.96
Diluted earnings per share	\$2.98	\$3.42	\$1.91
ROAE, net income	16.3%	22.3%	14.7%

[a] Corporate expenses are included in the calculation of the general and administrative expense ratio.

AXIS Capital Holdings Limited

CONSOLIDATED SEGMENT DATA

	Quarter ended March 31, 2005			Year ended December 31, 2004		
	Insurance	Reinsurance	Total	Insurance	Reinsurance	Total
UNDERWRITING REVENUES						
Gross premiums written	\$429,249	\$769,450	\$1,198,699	\$1,919,563	\$1,092,748	\$3,012,311
Net premiums written	294,662	767,409	1,062,071	1,363,285	1,060,388	2,423,673
Gross premiums earned	454,053	307,039	761,092	1,602,419	908,428	2,510,847
Ceded premiums amortized	(130,694)	(4,808)	(135,502)	(456,566)	(25,884)	(482,450)
Net premiums earned	323,359	302,231	625,590	1,145,853	882,544	2,028,397
Other insurance related (loss) income	(218)	150	(68)	10,264	989	11,253
Total underwriting revenues	323,141	302,381	625,522	1,156,117	883,533	2,039,650
UNDERWRITING EXPENSES						
Net losses and loss expenses	137,613	206,677	344,290	686,470	559,774	1,246,244
Acquisition costs	36,126	55,175	91,301	135,732	144,836	280,568
General and administrative expenses	30,163	12,301	42,464	106,534	41,662	148,196
Total underwriting expenses	203,902	274,153	478,055	928,736	746,272	1,675,008
UNDERWRITING INCOME	\$119,239	\$28,228	\$147,467	\$227,381	\$137,261	\$364,642
KEY RATIOS						
Net loss and loss expense ratio	42.6%	68.4%	55.0%	59.9%	63.4%	61.4%
Acquisition cost ratio	11.2%	18.3%	14.6%	11.8%	16.4%	13.8%
General and administrative expense ratio	9.3%	4.1%	6.8%	9.3%	4.7%	7.3%
Corporate ratio			1.9%			1.9%
Combined ratio	63.1%	90.8%	78.3%	81.0%	84.5%	84.4%

AXIS Capital Holdings Limited

INSURANCE - SUB-SEGMENT DATA

	Quarter ended March 31, 2005			Year ended December 31, 2004		
	Global Insurance	U.S. Insurance	Total Insurance	Global Insurance	U.S. Insurance	Total Insurance
UNDERWRITING REVENUES						
Gross premiums written	\$252,323	\$176,926	\$429,249	\$1,095,328	\$824,235	\$1,919,563
Net premiums written	203,430	91,232	294,662	933,198	430,087	1,363,285
Gross premiums earned	251,595	202,458	454,053	913,382	689,037	1,602,419
Ceded premiums amortized	(34,737)	(95,957)	(130,694)	(116,816)	(339,750)	(456,566)
Net premiums earned	216,858	106,501	323,359	796,566	349,287	1,145,853
Other insurance related (loss) income	(238)	20	(218)	10,264	---	10,264
Total underwriting revenues	216,620	106,521	323,141	806,830	349,287	1,156,117
UNDERWRITING EXPENSES						
Net losses and loss expenses	65,895	71,718	137,613	451,724	234,746	686,470
Acquisition costs	33,082	3,044	36,126	124,953	10,779	135,732
General and administrative expenses	9,852	20,311	30,163	35,052	71,482	106,534
Total underwriting expenses	108,829	95,073	203,902	611,729	317,007	928,736
UNDERWRITING INCOME	\$107,791	\$11,448	\$119,239	\$195,101	\$32,280	\$227,381
KEY RATIOS						
Net loss and loss expense ratio	30.4%	67.3%	42.6%	56.7%	67.2%	59.9%
Acquisition cost ratio	15.3%	2.9%	11.2%	15.7%	3.1%	11.8%
General and administrative expense ratio	4.5%	19.1%	9.3%	4.4%	20.5%	9.3%
Combined ratio	50.2%	89.3%	63.1%	76.8%	90.8%	81.0%

AXIS Capital Holdings Limited
GROSS PREMIUM WRITTEN BY SEGMENT BY LINE OF BUSINESS

	Quarter ended						Year ended	
	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	Mar. 31, 2003	Dec. 31, 2004	Dec. 31, 2003
INSURANCE SEGMENT								
GLOBAL INSURANCE								
Property	\$45,377	\$56,688	\$57,959	\$80,239	\$54,314	\$54,260	\$249,200	\$238,955
Marine	75,663	20,099	39,732	38,772	78,989	79,918	177,592	185,928
Terrorism and war	75,734	162,099	34,026	33,153	89,609	78,747	318,887	279,431
Aviation and aerospace	14,898	82,611	38,646	31,384	23,188	23,724	175,829	178,442
Political risk	25,284	21,316	31,018	24,437	48,677	5,301	125,448	90,302
Professional lines and other specialty	15,367	21,637	12,901	8,203	5,631	1,697	48,372	7,603
Total global insurance	<u>252,323</u>	<u>364,450</u>	<u>214,282</u>	<u>216,188</u>	<u>300,408</u>	<u>243,647</u>	<u>1,095,328</u>	<u>980,661</u>
U.S. INSURANCE								
Property	\$61,931	\$76,351	\$102,048	\$83,151	\$53,018	\$31,862	\$313,291	\$225,508
Liability	63,022	69,172	60,431	58,058	49,783	29,122	238,720	157,808
Professional lines	50,958	83,075	64,901	78,706	45,542	30,928	272,224	242,582
Other specialty	1,015	-	-	-	-	-	-	-
Total U.S. insurance	<u>176,926</u>	<u>228,598</u>	<u>227,380</u>	<u>219,915</u>	<u>148,343</u>	<u>91,912</u>	<u>824,235</u>	<u>625,898</u>
TOTAL INSURANCE SEGMENT	<u>\$429,249</u>	<u>593,048</u>	<u>\$441,662</u>	<u>\$436,103</u>	<u>\$448,751</u>	<u>\$335,559</u>	<u>\$1,919,563</u>	<u>\$1,606,559</u>
REINSURANCE SEGMENT								
Catastrophe	\$267,798	\$34,481	\$56,209	\$88,404	\$244,147	\$186,017	\$423,241	\$339,137
Property	149,843	6,713	108,248	44,122	87,707	24,763	246,790	131,219
Professional liability	87,336	13,966	45,363	27,965	115,085	50,371	202,379	132,148
Credit and bond	94,630	692	4,820	258	67,582	-	73,352	-
Motor	72,041	1,737	5,788	2,007	29,883	-	39,415	6,560
Liability	86,625	(391)	20,007	17,817	48,574	9,491	86,007	39,475
Other	11,177	923	5,603	12,643	2,394	2,386	21,564	18,547
TOTAL REINSURANCE SEGMENT	<u>\$769,450</u>	<u>\$58,121</u>	<u>\$246,038</u>	<u>\$193,216</u>	<u>\$595,372</u>	<u>\$273,028</u>	<u>\$1,092,748</u>	<u>\$667,086</u>
TOTAL	<u>\$1,198,699</u>	<u>\$651,169</u>	<u>\$687,700</u>	<u>\$629,319</u>	<u>\$1,044,123</u>	<u>\$608,587</u>	<u>\$3,012,311</u>	<u>\$2,273,645</u>

AXIS Capital Holdings Limited

INSURANCE SEGMENT

GLOBAL INSURANCE - SUB-SEGMENT DATA

	Quarter ended					
	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	Mar. 31, 2003
UNDERWRITING REVENUES						
Gross premiums written	\$252,323	\$364,450	\$214,282	\$216,188	\$300,408	\$243,647
Net premiums written	203,430	313,950	203,469	183,240	232,539	225,814
Gross premiums earned	251,595	241,200	225,026	227,815	219,341	198,003
Ceded premiums amortized	(34,737)	(40,395)	(25,549)	(31,247)	(19,625)	(16,139)
Net premiums earned	216,858	200,805	199,477	196,568	199,716	181,864
Other insurance related (loss) income	(238)	3,377	7,106	(399)	179	1,106
Total underwriting revenues	216,620	204,182	206,583	196,169	199,895	182,970
UNDERWRITING EXPENSES						
Net losses and loss expenses	65,895	83,248	152,333	117,616	98,527	85,892
Acquisition costs [a]	33,082	35,423	33,067	30,422	26,041	23,850
General and administrative expenses [a]	9,852	11,005	8,592	7,265	8,190	2,957
Total underwriting expenses	108,829	129,676	193,992	155,303	132,758	112,699
UNDERWRITING INCOME	\$107,791	\$74,506	\$12,591	\$40,866	\$67,137	\$70,271
KEY RATIOS						
Net loss and loss expense ratio	30.4%	41.5%	76.4%	59.8%	49.3%	47.2%
Acquisition cost ratio	15.3%	17.6%	16.5%	15.5%	13.0%	13.1%
General and administrative expense ratio	4.5%	5.5%	4.3%	3.7%	4.1%	1.6%
Combined ratio	50.2%	64.6%	97.2%	79.0%	66.4%	62.0%

[a] Prior to January 1, 2004, we did not allocate any of our administrative expenses, except for the personnel expenses of our underwriters, which were included in our acquisition costs. The prior quarters have been restated with previously allocated underwriters expenses reallocated to general and administrative expenses.

AXIS Capital Holdings Limited

INSURANCE SEGMENT

U.S. INSURANCE - SUB-SEGMENT DATA

	Quarter ended					
	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	Mar. 31, 2003
UNDERWRITING REVENUES						
Gross premiums written	\$176,926	\$228,598	\$227,380	\$219,915	\$148,343	91,912
Net premiums written	91,232	106,846	124,812	117,605	80,824	46,135
Gross premiums earned	202,458	197,811	179,714	164,211	147,302	28,710
Ceded premiums amortized	(95,957)	(96,361)	(89,448)	(80,544)	(73,398)	(12,664)
Net premiums earned	106,501	101,450	90,266	83,667	73,904	16,046
Other insurance related income	20	---	---	---	---	---
Total underwriting revenues	106,521	101,450	90,266	83,667	73,904	16,046
UNDERWRITING EXPENSES						
Net losses and loss expenses	71,718	52,475	85,531	47,124	49,617	9,617
Acquisition costs [a]	3,044	3,302	4,941	2,363	173	469
General and administrative expenses [a]	20,311	21,555	18,222	16,112	15,593	3,649
Total underwriting expenses	95,073	77,332	108,694	65,599	65,383	13,735
UNDERWRITING INCOME (LOSS)	\$11,448	\$24,118	(\$18,428)	\$18,068	\$8,521	\$2,311
KEY RATIOS						
Net loss and loss expense ratio	67.3%	51.6%	94.7%	56.3%	67.1%	59.9%
Acquisition cost ratio	2.9%	3.3%	5.5%	2.8%	0.2%	2.9%
General and administrative expense ratio	19.1%	21.2%	20.2%	19.3%	21.1%	22.7%
Combined ratio	89.3%	76.2%	120.4%	78.4%	88.4%	85.6%

[a] Prior to January 1, 2004, we did not allocate any of our administrative expenses, except for the personnel expenses of our underwriters, which were included in our acquisition costs. The prior quarters have been restated with previously allocated underwriters expenses reallocated to general and administrative expenses.

AXIS Capital Holdings Limited

REINSURANCE SEGMENT DATA

	Quarter ended					Mar. 31, 2003
	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	
UNDERWRITING REVENUES						
Gross premiums written	\$769,450	\$58,121	\$246,038	\$193,216	\$595,372	\$273,028
Net premiums written	767,409	53,798	233,731	187,032	585,827	268,195
Gross premiums earned	307,039	250,737	247,533	209,614	200,544	104,926
Ceded premiums amortized	(4,808)	(4,044)	(15,478)	(3,446)	(2,916)	(409)
Net premiums earned	302,231	246,693	232,055	206,168	197,628	104,517
Other insurance related income	150	226	100	555	109	---
Total underwriting revenues	302,381	246,919	232,155	206,723	197,737	104,517
UNDERWRITING EXPENSES						
Net losses and loss expenses	206,677	164,496	207,711	93,110	94,456	50,826
Acquisition costs [a]	55,175	40,169	41,214	32,706	30,749	19,931
General and administrative expenses [a]	12,301	12,604	10,530	9,426	9,102	2,180
Total underwriting expenses	274,153	217,269	259,455	135,242	134,307	72,937
UNDERWRITING INCOME (LOSS)	\$28,228	\$29,650	(\$27,300)	\$71,481	\$63,430	\$31,580
KEY RATIOS						
Net loss and loss expense ratio	68.4%	66.7%	89.5%	45.2%	47.8%	48.6%
Acquisition cost ratio	18.3%	16.3%	17.8%	15.9%	15.6%	19.1%
General and administrative expense ratio	4.1%	5.1%	4.5%	4.6%	4.6%	2.1%
Combined ratio	90.8%	88.1%	111.8%	65.7%	68.0%	69.8%

[a] Prior to the January 1, 2004, we did not allocate any of our administrative expenses, except for the personnel expenses of our underwriters, which were included in our acquisition costs. The prior quarters have been restated with previously allocated underwriters expenses reallocated to general and administrative expenses.

AXIS Capital Holdings Limited
CONSOLIDATED BALANCE SHEETS

	Mar. 31, 2005	Dec. 31, 2004	Sept. 30, 2004	June 30, 2004	Mar. 31, 2004	Mar. 31, 2003
ASSETS						
Cash and cash equivalents	\$746,065	\$632,329	\$935,331	\$721,215	\$802,129	\$882,548
Fixed maturity investments at fair market value	5,088,487	5,128,345	4,360,522	3,993,883	3,692,455	2,055,494
Other investments	329,514	271,344	83,143	34,403	9,332	
Accrued interest receivable	41,361	47,487	33,588	36,612	30,564	14,583
Securities lending collateral	963,411	865,311	765,273	755,968	505,186	-
Insurance and reinsurance premium balances receivable	1,309,636	914,562	924,575	994,819	1,019,195	572,244
Deferred acquisition costs	277,469	211,082	229,102	222,288	219,113	118,325
Prepaid reinsurance premiums	272,313	271,187	234,182	240,199	213,994	103,504
Reinsurance recoverable balances	641,103	596,299	551,164	245,909	190,917	19,065
Intangible assets	30,847	31,734	23,536	23,919	24,204	27,954
Other assets	90,294	68,605	62,716	50,974	39,899	19,760
TOTAL ASSETS	\$9,790,500	\$9,038,285	\$8,203,132	\$7,320,189	\$6,746,988	\$3,813,477
LIABILITIES						
Reserve for losses and loss expenses	\$2,719,247	\$2,404,560	\$2,223,234	\$1,541,193	\$1,261,094	\$351,376
Unearned premiums	2,082,377	1,644,771	1,682,119	1,648,062	1,620,384	847,511
Insurance and reinsurance balances payable	287,094	247,940	190,195	208,141	193,252	180,681
Accounts payable and accrued expenses	94,859	89,804	59,957	44,072	39,456	36,124
Securities lending payable	960,581	864,354	765,333	755,618	504,730	-
Net payable for investments purchased	185,355	49,854	197,302	80,589	121,509	319,846
Debt	498,965	498,938	-	-	-	-
TOTAL LIABILITIES	6,828,478	5,800,221	5,118,140	4,277,675	3,740,425	1,735,538
SHAREHOLDERS' EQUITY						
Common shares	1,752	1,910	1,906	1,906	1,906	1,729
Additional paid-in capital	1,673,409	2,017,144	2,013,325	2,009,716	2,005,425	1,689,938
Deferred compensation	-	-	-	-	-	(19,525)
Accumulated other comprehensive (loss) income	(49,394)	12,915	22,997	(31,193)	53,906	30,879
Retained earnings	1,336,255	1,206,095	1,046,764	1,062,085	945,326	374,918
TOTAL SHAREHOLDERS' EQUITY	2,962,022	3,238,064	3,084,992	3,042,514	3,006,563	2,077,939
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$9,790,500	\$9,038,285	\$8,203,132	\$7,320,189	\$6,746,988	\$3,813,477
Book value per share	\$21.14	\$21.20	\$20.22	\$19.95	\$19.72	\$15.02
Debt to total capitalization	14.4%	13.4%	N/A	N/A	N/A	N/A

AXIS Capital Holdings Limited

INVESTMENT PORTFOLIO

AS OF MARCH 31, 2005

TYPE OF INVESTMENT	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Percentage
U.S. government and agency securities	\$1,655,725	\$1,846	(\$24,208)	\$1,633,363	28.9%
Non U.S. government securities	158,175	742	(2,725)	156,192	2.8%
Corporate debt securities	969,226	4,785	(15,894)	958,117	16.9%
Mortgage-backed securities	1,633,745	3,396	(18,235)	1,618,906	28.7%
Asset-backed securities	347,941	395	(3,266)	345,070	6.1%
Municipals	243,506	303	(3,352)	240,457	4.3%
Mortgage derivatives [a]	136,353	92	(63)	136,382	2.4%
Total Fixed Maturities	\$5,144,671	\$11,559	(\$67,743)	\$5,088,487	90.1%
Cash, net of unsettled trades	132,532	-	-	132,532	2.3%
Total Invested Assets	\$5,277,203	\$11,559	(\$67,743)	\$5,221,019	92.4%
Operating Cash Balances	428,177	-	-	428,177	7.6%
Total Cash and Investments	\$5,705,380	\$11,559	(\$67,743)	\$5,649,196	100.0%

CREDIT QUALITY	Amortized Cost	Percentage	Fair Value	Percentage
AAA	\$4,142,674	80.5%	\$4,098,813	80.5%
AA	205,021	4.0%	202,212	4.0%
A	514,515	10.0%	508,304	10.0%
BBB	282,461	5.5%	279,158	5.5%
Total	\$5,144,671	100.0%	\$5,088,487	100.0%

MATURITY	Amortized Cost	Percentage	Fair Value	Percentage
Within one year	\$463,459	9.0%	\$458,629	9.0%
From one to five years	1,699,356	33.0%	1,671,770	32.9%
From five to ten years	732,083	14.2%	724,320	14.2%
Above ten years	131,734	2.6%	133,410	2.6%
Asset-backed and mortgage-backed securities	2,118,039	41.2%	2,100,358	41.3%
Total	\$5,144,671	100.0%	\$5,088,487	100.0%

Other Investments [b]	\$329,145		\$329,514	
-----------------------	-----------	--	-----------	--

[a] Reflects securities classified as mortgage derivatives due to adoption of FAS 149, effective July 1, 2003. These securities were previously classified as mortgage-backed securities. Unrealized gains/losses on these securities are now classified as realized gains/losses on the statement of operations.

[b] Other Investments include investments in Collateralized Loan Obligations, Medium Term Notes and Investment Funds.

AXIS Capital Holdings Limited

INVESTMENT PORTFOLIO COMPOSITION

	<u>Mar. 31, 2005</u>	<u>Dec. 31, 2004</u>	<u>Sept. 30, 2004</u>	<u>June 30, 2004</u>	<u>Mar. 31, 2004</u>
TYPE OF INVESTMENT	Fair Value %	Fair Value %	Fair Value %	Fair Value %	Fair Value %
U.S. government and agency securities	28.9%	30.2%	28.5%	32.0%	29.0%
Non U.S. government securities	2.8%	2.1%	1.6%	1.5%	1.6%
Corporate debt securities	16.9%	16.9%	17.1%	17.3%	19.2%
Mortgage-backed securities	28.7%	30.0%	26.7%	26.5%	24.1%
Asset-backed securities	6.1%	6.1%	4.6%	3.8%	4.5%
Municipals	4.3%	4.5%	4.9%	4.7%	4.7%
Mortgage derivatives [a]	2.4%	---	2.1%	0.4%	1.3%
Total Fixed Maturities	90.1%	89.8%	85.5%	86.2%	84.4%
Cash, net of unsettled trades	2.3%	4.1%	3.3%	2.7%	4.0%
Total Invested Assets	92.4%	93.9%	88.8%	88.9%	88.4%
Operating Cash Balances	7.6%	6.1%	11.2%	11.1%	11.6%
Total Cash and Investments	100.0%	100.0%	100.0%	100.0%	100.0%

	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>
CREDIT QUALITY					
AAA	80.5%	80.0%	78.4%	78.7%	76.1%
AA	4.0%	3.9%	4.3%	3.5%	4.1%
A	10.0%	10.0%	11.1%	11.6%	13.4%
BBB	5.5%	6.1%	6.2%	6.2%	6.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>	<u>Fair Value %</u>
MATURITY					
Within one year	9.0%	6.3%	2.5%	4.7%	4.9%
From one to five years	32.9%	35.5%	37.7%	37.1%	38.1%
From five to ten years	14.2%	15.3%	16.7%	18.3%	17.3%
Above ten years	2.6%	2.7%	4.0%	4.3%	4.2%
Asset-backed and mortgage-backed securities	41.3%	40.2%	39.1%	35.6%	35.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

PORTFOLIO CHARACTERISTICS

	<u>As of or for the quarter ended</u>				
	<u>Mar. 31, 2005</u>	<u>Dec. 31, 2004</u>	<u>Sept. 30, 2004</u>	<u>June 30, 2004</u>	<u>Mar. 31, 2004</u>
Annualized effective yield	3.8%	3.7%	3.5%	3.2%	3.3%
Yield to maturity	4.3%	3.8%	3.6%	3.5%	3.3%
Average duration of invested assets	3.0 yrs	2.83 yrs	3.1 yrs	3.3 yrs	2.9 yrs
Average credit quality	AA+	AA+	AA+	AA+	AA+

[a] Reflects securities classified as mortgage derivatives due to adoption of FAS 149, effective July 1, 2003. These securities were previously classified as mortgage-backed securities. Unrealized gains/losses on these securities are now classified as realized gains/losses on the statement of operations.

AXIS Capital Holdings Limited
INVESTMENT PERFORMANCE

	Quarter ended					Year ended	
	Mar. 31, 2005	Dec. 31, 2004	Sept 30, 2004	June 30, 2004	Mar. 31, 2004	Dec. 31, 2004	Dec. 31, 2003
Aggregate AXIS Capital portfolio	-0.31%	0.74%	2.40%	-1.67%	1.97%	3.43%	3.50%
Composite Benchmark [a]	-0.50%	0.65%	2.45%	-1.84%	2.03%	3.28%	3.40%
	0.19%	0.09%	-0.05%	0.17%	-0.06%	0.15%	0.10%
Individual portfolios							
Total return liquidity portfolio	-0.15%	0.20%	1.14%	-1.02%	1.11%	1.43%	1.98%
Merrill Lynch 1-3 year Treasury Index	-0.25%	0.13%	0.96%	-1.06%	0.99%	0.90%	1.91%
	0.10%	0.07%	0.18%	0.04%	0.12%	0.53%	0.07%
Total return intermediate duration portfolios	-0.28%	0.87%	2.55%	-1.62%	2.15%	3.96%	4.21%
Customized benchmark [b]	-0.56%	0.78%	2.67%	-1.95%	2.27%	3.75%	3.80%
	0.28%	0.09%	-0.12%	0.33%	-0.12%	0.21%	0.40%
Total return long duration portfolios	-0.36%	1.02%	3.19%	-2.40%	2.60%	4.40%	3.79%
Customized benchmark [b]	-0.45%	0.93%	3.16%	-2.40%	2.65%	4.32%	4.11%
	0.09%	0.09%	0.03%	0.00%	-0.05%	0.08%	-0.32%
Total return U.S. combined portfolios	-0.58%	0.76%	2.62%	-1.95%	1.94%	3.35%	2.26%
Customized benchmark [b]	-0.62%	0.75%	2.75%	-1.96%	2.05%	3.58%	2.63%
	0.04%	0.01%	-0.13%	0.01%	-0.11%	-0.23%	-0.37%
Total return Euro portfolio	0.92%	N/A	N/A	N/A	N/A	N/A	N/A
Merrill Lynch 1-7 year EMU Gov't Index	0.82%	N/A	N/A	N/A	N/A	N/A	N/A
	0.10%	N/A	N/A	N/A	N/A	N/A	N/A

[a] The return for the composite benchmark is calculated using the market value weighted average of each individual portfolio's benchmark.

[b] The benchmarks are customized to reflect the desired duration and composition of the portfolio. Benchmarks may be adjusted frequently.

AXIS Capital Holdings Limited

INVESTMENT PORTFOLIO LARGEST CORPORATE HOLDINGS

As of March 31, 2005

Issuer	Lowest Rating	Fair Value at March 31, 2005	% of Total Fair Value
General Electric Company	Aaa/AAA	\$51,272	0.98%
HSBC Holdings PLC	A1/A	38,823	0.74%
Citigroup Inc.	Aa1/AA-	35,727	0.68%
Goldman Sachs Group, Inc.	Aa3/A+	27,852	0.53%
Core Investment Grade Trust	A3/A-	25,434	0.48%
Verizon Communications Inc.	A3/A+	22,343	0.43%
Lehman Brothers Holdings, Inc.	A1/A	21,916	0.42%
Barclays PLC	Aa3/AA	21,808	0.41%
UBS, AG	P1/A1	21,798	0.41%
Time Warner Inc.	Baa1/BBB+	20,255	0.39%
Total		<u>\$287,228</u>	<u>5.46%</u>

AXIS Capital Holdings Limited

RESERVE FOR LOSSES AND LOSS EXPENSES: PAID TO INCURRED ANALYSIS

	Quarter ended March 31, 2005			Year ended December 31, 2004		
	Gross	Recoveries	Net	Gross	Recoveries	Net
Reserve for losses and loss expenses, beginning of period	\$2,404,560	(\$588,649)	\$1,815,911	\$992,846	(\$124,899)	\$867,947
Total incurred losses and loss expenses	420,938	(76,648)	344,290	1,745,045	(498,801)	1,246,244
Losses acquired	-	-	-	656	-	656
Total paid losses and loss expenses	(102,309)	31,959	(70,350)	(338,651)	35,051	(303,600)
Foreign exchange (gains) losses	(3,942)	-	(3,942)	4,664	-	4,664
Reserve for losses and loss expenses, end of period	<u>\$2,719,247</u>	<u>(\$633,338)</u>	<u>\$2,085,909</u>	<u>\$2,404,560</u>	<u>(\$588,649)</u>	<u>\$1,815,911</u>
Paid to incurred percentage	<u>24.3%</u>	<u>41.7%</u>	<u>20.4%</u>	<u>19.4%</u>	<u>7.0%</u>	<u>24.4%</u>

AXIS Capital Holdings Limited

RESERVE FOR LOSSES AND LOSS EXPENSES: PAID TO INCURRED ANALYSIS BY SEGMENT

	Quarter ended March 31, 2005					Year ended December 31, 2004				
	Global Insurance	U.S. Insurance	Insurance	Reinsurance	Total Company	Global Insurance	U.S. Insurance	Insurance	Reinsurance	Total Company
<i>Gross losses paid</i>	\$32,293	\$37,755	\$70,048	\$32,261	\$102,309	\$110,836	\$64,532	\$175,368	\$163,283	\$338,651
<i>Reinsurance recoveries received</i>	(1,641)	(20,787)	(22,428)	(9,531)	(31,959)	(10,768)	(22,283)	(33,051)	(2,000)	(35,051)
Net losses paid	30,652	16,968	47,620	22,730	70,350	100,068	42,249	142,317	161,283	303,600
Change in reported case reserves	23,663	50,499	74,162	54,062	128,224	109,986	181,300	291,286	109,296	400,582
Change in IBNR	21,333	47,899	69,232	121,172	190,404	286,752	356,148	642,900	362,868	1,005,768
Reinsurance recoveries on unpaid loss and loss expense reserves	(9,753)	(43,648)	(53,401)	8,713	(44,688)	(45,082)	(344,951)	(390,033)	(73,673)	(463,706)
TOTAL NET INCURRED LOSSES AND LOSS EXPENSES	\$65,895	\$71,718	\$137,613	\$206,677	\$344,290	\$451,724	\$234,746	\$686,470	\$559,774	\$1,246,244
Reserve for losses and loss expenses	\$924,888	\$858,994	\$1,783,882	\$935,365	\$2,719,247	\$881,897	\$760,596	\$1,642,493	\$762,067	\$2,404,560
Prior years favorable reserve development	\$63,200	(\$1,100)	\$62,100	\$4,600	\$66,700	\$92,497	\$14,302	\$106,799	\$74,913	\$181,712
Key Ratios										
Net paid to net incurred percentage	46.5%	23.7%	34.6%	11.0%	20.4%	22.2%	18.0%	20.7%	28.8%	24.4%
Net paid losses / Net premiums earned	14.1%	15.9%	14.7%	7.5%	11.2%	12.6%	12.1%	12.4%	18.3%	15.0%
Increase in Net loss and loss expense reserves / Net premiums earned	16.3%	51.4%	27.8%	60.9%	43.8%	44.1%	55.1%	47.4%	45.1%	46.6%
Net loss and loss expense ratio	30.4%	67.3%	42.6%	68.4%	55.0%	56.7%	67.2%	59.9%	63.4%	61.4%

AXIS Capital Holdings Limited

RESERVE FOR LOSSES AND LOSS EXPENSES: PAID TO INCURRED ANALYSIS GLOBAL INSURANCE

	Quarter ended					Year ended	
	Mar. 31, 2005	Dec. 31, 2004	Sept 30, 2004	June 30, 2004	Mar 31, 2004	Dec. 31, 2004	Dec. 31, 2003
<i>Gross losses paid</i>	\$32,293	\$41,748	\$30,003	\$12,204	\$26,650	\$110,836	\$50,530
<i>Reinsurance recoveries received</i>	(1,641)	(9,571)	-	(564)	(633)	(10,768)	(1,820)
Net losses paid	30,652	32,177	30,003	11,640	26,017	100,068	48,710
Change in reported case reserves	23,663	63,465	3,043	(1,836)	45,313	109,986	75,032
Change in IBNR	21,333	9,042	124,027	109,954	43,729	286,752	272,165
Reinsurance recoveries on unpaid loss and loss expense reserves	(9,753)	(21,436)	(4,740)	(2,142)	(16,532)	(45,082)	(7,954)
TOTAL NET INCURRED LOSSES AND LOSS EXPENSES	\$65,895	\$83,248	\$152,333	\$117,616	\$98,527	\$451,724	\$387,953
Reserve for losses and loss expenses	\$924,888	\$881,897	\$805,364	\$677,138	\$571,787	\$881,897	\$481,729
Prior years favorable reserve development	\$63,200	\$23,916	\$16,622	\$18,129	\$33,826	\$92,497	\$27,720
Key Ratios							
Net paid to net incurred percentage	46.5%	38.7%	19.7%	9.9%	26.4%	22.2%	12.6%
Net paid losses / Net premiums earned	14.1%	16.0%	15.0%	5.9%	13.0%	12.6%	6.4%
Increase in Net loss and loss expense reserves / Net premiums earned	16.3%	25.4%	61.3%	53.9%	36.3%	44.1%	44.4%
Net loss and loss expense ratio	30.4%	41.5%	76.4%	59.8%	49.3%	56.7%	50.8%

AXIS Capital Holdings Limited

RESERVE FOR LOSSES AND LOSS EXPENSES: PAID TO INCURRED ANALYSIS U.S. INSURANCE

	Quarter ended					Year ended	
	Mar. 31, 2005	Dec. 31, 2004	Sept 30, 2004	June 30, 2004	Mar 31, 2004	Dec. 31, 2004	Dec. 31, 2003
<i>Gross losses paid</i>	\$37,755	\$36,843	\$14,031	\$5,845	\$7,814	\$64,532	\$13,281
<i>Reinsurance recoveries received</i>	(20,787)	(17,272)	(3,894)	(171)	(947)	(22,283)	(9,227)
Net losses paid	16,968	19,571	10,137	5,674	6,867	42,249	4,054
Change in reported case reserves	50,499	56,097	117,217	5,654	2,331	181,299	10,675
Change in IBNR	47,899	(6,090)	185,260	87,863	89,117	356,150	192,815
Reinsurance recoveries on unpaid loss and loss expense reserves	(43,648)	(17,103)	(227,083)	(52,067)	(48,698)	(344,951)	(99,047)
TOTAL NET INCURRED LOSSES AND LOSS EXPENSES	\$71,718	\$52,475	\$85,531	\$47,124	\$49,617	\$234,747	\$108,497
Reserve for losses and loss expenses	\$858,994	\$760,596	\$711,181	\$408,701	\$315,212	\$760,596	\$223,765
Prior years favorable reserve development	(\$1,100)	\$3,472	\$4,553	\$6,277	\$0	\$14,302	\$0
Key Ratios							
Net paid to net incurred percentage	23.7%	37.3%	11.9%	12.0%	13.8%	18.0%	3.7%
Net paid losses / Net premiums earned	15.9%	19.3%	11.2%	6.8%	9.3%	12.1%	2.4%
Increase in Net loss and loss expense reserves / Net premiums earned	51.4%	32.3%	83.5%	49.5%	57.8%	55.1%	62.1%
Net loss and loss expense ratio	67.3%	51.6%	94.7%	56.3%	67.1%	67.2%	64.5%

AXIS Capital Holdings Limited

RESERVE FOR LOSSES AND LOSS EXPENSES: PAID TO INCURRED ANALYSIS REINSURANCE

	Quarter ended					Year ended	
	Mar. 31, 2005	Dec. 31, 2004	Sept 30, 2004	June 30, 2004	Mar 31, 2004	Dec. 31, 2004	Dec. 31, 2003
<i>Gross losses paid</i>	\$32,261	\$111,929	\$29,895	\$13,112	\$8,345	\$163,283	\$36,646
<i>Reinsurance recoveries received</i>	(9,531)	(2,000)	-	-	-	(2,000)	-
Net losses paid	22,730	109,929	29,895	13,112	8,345	161,283	36,646
Change in reported case reserves	54,062	43,621	62,734	(4,271)	7,213	109,296	19,957
Change in IBNR	121,172	9,885	188,477	85,052	79,453	362,868	182,127
Reinsurance recoveries on unpaid loss and loss expense reserves	8,713	1,061	(73,395)	(783)	(555)	(73,673)	(1,161)
TOTAL NET INCURRED LOSSES AND LOSS EXPENSES	\$206,677	\$164,496	\$207,711	\$93,110	\$94,456	\$559,774	\$237,569
Reserve for losses and loss expenses	\$935,365	\$762,067	\$706,689	\$455,354	\$374,095	\$762,067	\$287,352
Prior years favorable reserve development	\$4,600	\$12,990	\$28,432	\$18,747	\$14,744	\$74,913	\$28,068
Key Ratios							
Net paid to net incurred percentage	11.0%	66.8%	14.4%	14.1%	8.8%	28.8%	15.4%
Net paid losses / Net premiums earned	7.5%	44.6%	12.9%	6.4%	4.2%	18.3%	7.3%
Increase in Net loss and loss expense reserves / Net premiums earned	60.9%	22.1%	76.6%	38.8%	43.6%	45.1%	39.8%
Net loss and loss expense ratio	68.4%	66.7%	89.5%	45.2%	47.8%	63.4%	47.1%

AXIS Capital Holdings Limited

ANALYSIS OF UNPAID LOSSES AND LOSS EXPENSES

	As at March 31, 2005			As at December 31, 2004		
	Gross	Recoveries [a] [b]	Net	Gross	Recoveries [a] [b]	Net
Case reserves	\$710,111	(\$274,455)	\$435,656	\$585,827	(\$233,102)	\$352,725
Incurred but not reported reserves (IBNR)	2,009,136	(358,883)	1,650,253	1,818,733	(355,547)	1,463,186
Reserve for losses and loss expenses, end of period	<u>\$2,719,247</u>	<u>(\$633,338)</u>	<u>\$2,085,909</u>	<u>\$2,404,560</u>	<u>(\$588,649)</u>	<u>\$1,815,911</u>
IBNR as a % of reserve for losses and loss expenses	73.9%	56.7%	79.1%	75.6%	60.4%	80.6%

[a] At March 31, 2005, 97.9% of the reinsurers were rated the equivalent of A- or better and 86.4% were rated the equivalent of A or better by internationally recognized rating agencies

[b] At March 31, 2005, reinsurance recoverables of \$7,765 were due on paid losses. Including this amount, the total reinsurance recoverable was \$641,103.

AXIS Capital Holdings Limited

EARNINGS PER SHARE INFORMATION - AS REPORTED, GAAP

	Quarter ended March 31,		Year ended December 31,	
	2005	2004	2004	2003
Net income	\$151,799	\$166,786	\$494,998	\$532,350
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic weighted average common shares outstanding	146,635,717	152,480,904	152,553,677	144,262,881
Shares equivalents				
Warrants	10,825,954	11,451,811	10,360,766	8,936,847
Options	2,263,801	2,405,306	2,173,949	1,847,187
Restricted stock	704,185	914,805	787,431	643,848
Diluted weighted average common shares outstanding	160,429,657	167,252,826	165,875,823	155,690,763
NET INCOME PER SHARE				
Basic	\$1.04	\$1.09	\$3.24	\$3.69
Diluted	\$0.95	\$1.00	\$2.98	\$3.42

AXIS Capital Holdings Limited

DILUTED BOOK VALUE PER SHARE

AS-IF CONVERTED METHOD	As at	
	March 31, 2005	December 31, 2004
Basic common shares outstanding	140,139,501	152,764,917
Add: warrants outstanding	19,625,789	19,619,152
Weighted average exercise price per share	\$12.47	\$12.48
Add: options outstanding	6,849,014	5,694,181
Weighted average exercise price per share	\$18.59	\$16.64
Add: restricted stock	2,752,318	2,182,700
Diluted shares outstanding	169,366,622	180,260,950
Shareholders' equity	\$2,962,022	\$3,238,064
Add: proceeds from converted warrants	244,812	244,812
Add: proceeds from converted options	127,326	94,724
As if converted shareholders' equity	\$3,334,160	\$3,577,600
Book value per share	\$21.14	\$21.20
Diluted book value per share	\$19.69	\$19.85
Diluted book value, excluding other comprehensive income (loss)		
As if converted shareholders' equity	\$3,334,160	\$3,577,600
Accumulated other comprehensive income (loss)	(49,394)	12,915
As if converted shareholders' equity excluding other comprehensive income (loss)	\$3,383,554	\$3,564,685
Diluted shares outstanding	169,366,622	180,260,950
Diluted book value excluding other comprehensive income (loss) - "as if converted method"	\$19.98	\$19.78
TREASURY STOCK METHOD		
Closing price	\$27.04	\$27.36
Basic common shares outstanding	140,139,501	152,764,917
Add: warrants outstanding	19,625,789	19,619,152
Weighted average exercise price per share	\$12.47	\$12.48
Less: warrants bought back via treasury method	9,053,681	8,947,790
Add: options outstanding	6,849,014	5,694,181
Weighted average exercise price per share	\$18.59	\$16.64
Less: options bought back via treasury method	4,708,804	3,462,140
Add: restricted stock outstanding	2,752,318	2,182,700
Diluted shares outstanding	155,604,137	167,851,020
Book value per share	\$21.14	\$21.20
Diluted book value per share	\$19.04	\$19.29
Diluted book value, excluding other comprehensive income (loss)		
Shareholders' equity	\$2,962,022	\$3,238,064
Accumulated other comprehensive income (loss)	(49,394)	12,915
Shareholders' equity excluding other comprehensive income (loss)	\$3,011,416	\$3,225,149
Diluted shares outstanding - "treasury stock method"	155,604,137	167,851,020
Diluted book value excluding other comprehensive income (loss) - "treasury stock method"	\$19.35	\$19.21