



Financial Strength Ratings - S&P: AA- (Very Strong); A.M. Best: A+ (Superior)

- 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 16,000 employees serving the insurance needs of customers in more than 170 countries
- ACE Europe in the Benelux, with offices in Rotterdam, Brussels and Antwerp, provides innovative and sophisticated P&C and A&H products ranging from straight forward solutions to complex multinational coverages

Key Financial Measures

Financial Summary

| (in millions of US dollars, except ratios) | Q3 2011 | Q3 2010 |
|--|---------|---------|
| Gross written premiums | \$5,900 | \$5,002 |
| Net written premiums | 4,343 | 3,295 |
| Operating income* | 759 | 688 |
| Net income | -31 | 675 |
| Net investment income | 564 | 516 |
| Operating cash flow | 935 | 1,084 |
| Combined ratio | 90.3% | 88.4% |
| Annualised ROE* | 13.6% | 13.4% |

Five Year Financial Performance (2006-2010)

(Compound annual growth rates and averages)

| | |
|---------------------------|-------|
| Operating income* | 22.7% |
| Shareholders' equity | 14.2% |
| Average return on equity* | 16.6% |
| Average combined ratio | 88.8% |

*Excludes net realised gains (losses)

Balance Sheet & Liquidity

(as of 30/09/11)

Net Loss Reserves - \$25.6 billion

Tangible Capital - \$23.9 billion

Net loss reserves and tangible capital of nearly \$50 billion represent ACE's strong ability to pay claims

Total Capital - \$28.7 billion

Defines an insurance company's ability to take risk

Debt to Capital Ratio - 16.1%

ACE's ratio is conservative for our capital position

Book Value - \$23.8 billion

Book value has grown \$0.8 billion or 3% since 31/12/10

Invested Assets - \$55.5 billion

Invested assets have grown \$4.1 billion or 8% since 31/12/10

Risk Management

Managing Asset Risk

\$55.5 Billion Conservative Investment Portfolio

- Predominantly investment grade fixed income and broadly diversified across geographies, sectors and issuers
- Average credit rating is A/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:
 - 95% are AA or AAA rated
 - 93% 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
- 2010 Underwriting Income - \$1.5 billion
- 2010 Combined Ratio - 90.2%
- Loss Reserve transparency - ACE Global Loss Triangles available (www.acegroup.com)

External Perspectives

Investment Community

Equity Analyst Ratings as of 30/09/11: 19 buy/3 hold

ACE's Share Price: For the third quarter of 2011, ACE's share price decreased 8% compared to the S&P Property & Casualty Insurance Index's 10% decline and traded between 0.82 and 0.97 times book value

Stock Index Inclusion: 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 (FSRs) of AA- from Standard & Poor's (S&P) and A+ from A.M. Best on ACE's core operating insurance companies

Recent Actions: FSRs for Combined Insurance and ACE's Japan and Australia subsidiaries were upgraded by S&P to AA- with designation as ACE core operating companies; FSR for ACE's US P&C companies was raised to A1 by Moody's

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