

Discounting Reserve Summary by SEC Reporting Segment As at March 31, 2008

1. Booked Net Loss & Loss Expense Reserves

(Amounts shown in \$Millions)

| SEC Segment | Current Quarter 2008 Q1 | Prior Quarter 2007 Q4 | Same Qtr Prior Yr 2007 Q1 |
|------------------------|----------------------------|--------------------------|---------------------------------|
| U.S. Operations | 2,552 | 2,486 | 2,407 |
| Global P&C | 2,661 | 2,498 | 2,302 |
| Global Specialty Lines | 1,952 | 1,829 | 1,701 |
| Catastrophe BU | 273 | 286 | 385 |
| TOTAL | 7,438 | 7,099 | 6,795 |

2. Discounted Reserves at Risk-Free Rates

(Amounts shown in \$Millions)

| SEC Segment | Current Quarter 2008 Q1 | Prior Quarter 2007 Q4 | Same Qtr Prior Yr 2007 Q1 |
|------------------------|----------------------------|--------------------------|---------------------------------|
| U.S. Operations | 2,284 | 2,165 | 1,985 |
| Global P&C | 2,092 | 1,938 | 1,793 |
| Global Specialty Lines | 1,746 | 1,603 | 1,483 |
| Catastrophe BU | 263 | 271 | 359 |
| TOTAL | 6,385 | 5,977 | 5,620 |

3. Difference between Undiscounted and Discounted Reserves = [1] - [2]

(Amounts shown in \$Millions)

| SEC Segment | Current Quarter 2008 Q1 | Prior Quarter 2007 Q4 | Same Qtr Prior Yr 2007 Q1 |
|------------------------|----------------------------|--------------------------|---------------------------------|
| U.S. Operations | 268 | 321 | 422 |
| Global P&C | 569 | 560 | 509 |
| Global Specialty Lines | 206 | 226 | 218 |
| Catastrophe BU | 10 | 15 | 26 |
| TOTAL | 1,053 | 1,122 | 1,175 |

4. Macauley Duration of Booked Net Loss & Loss Expense Reserves

| SEC Segment | Current Quarter 2008 Q1 | Prior Quarter 2007 Q4 | Same Qtr Prior Yr 2007 Q1 |
|------------------------|----------------------------|--------------------------|---------------------------------|
| U.S. Operations | 3.4 | 3.4 | 3.8 |
| Global P&C | 5.0 | 5.1 | 5.0 |
| Global Specialty Lines | 3.1 | 3.0 | 3.0 |
| Catastrophe BU | 1.3 | 1.5 | 1.6 |
| TOTAL | 3.8 | 3.8 | 3.8 |

5. Discount Sensitivity to Changes in Interest Rates - Current Quarter

(Amounts shown in \$Millions)

| SEC Segment | - 100 BPs | - 50 BPs | - 25 BPs | - 10 BPs | + 10 BPs | + 25 BPs | + 50 BPs | + 100 BPs |
|------------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| U.S. Operations | (79) | (39) | (19) | (8) | 8 | 19 | 37 | 74 |
| Global P&C | (108) | (52) | (26) | (10) | 10 | 25 | 49 | 96 |
| Global Specialty Lines | (54) | (26) | (13) | (5) | 5 | 13 | 25 | 50 |
| Catastrophe BU | (4) | (2) | (1) | (0) | 0 | 1 | 2 | 3 |
| TOTAL | (245) | (119) | (59) | (23) | 23 | 58 | 114 | 223 |