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Axis Capital Holdings Ltd. Q1 2008 Earnings Call Transcript

Question-and-Answer Session

[Operator Instructions]. Our first question comes from the line of Susan Spivak from Wachovia. Please proceed.

Susan P. Spivak - Wachovia Securities

Hi, good morning everybody.

John R. Charman - Chief Executive Officer and President

Good morning Susan.

Susan P. Spivak - Wachovia Securities

The superior under writing result really speak for themselves and I think the ROV on an operating basis is still excellent. I think what puzzles me is that levels there just wasn't any share repurchase and historically I know you have been very opportunistic with capital. So if you are not buying back your shares I just want to get into your head and see what are the opportunities that you are looking at and taking that a bit further if Axis were likely to make an acquisition going forward. Do you think could you rank whether it would be Bermuda base, U.S. based or UK or on the continental? That's my question for John. For David you seemed a little bit more cautionary about the reserve releases going forward, should we be worried that the comparisons are going to be a little bit tougher, next year, that's on what you currently been releasing and then going forward on this specialty and professional lines. Could you just review with us what percentage or how much of your reserved are in those lines? And then finally on the technology investment. Is it significant that we should be incorporating that into your expense ratio? Yeah I know it was lot.

John R. Charman - Chief Executive Officer and President

That was a long breath. Well good morning again Susan, and thanks for the question. As far as the share repurchase questions is concerned I think that it's very appropriate with market conditions with the dislocation and potential continuing dislocation we progress through this year that we believe we should hold our capital who knows what opportunities might present themselves. We don't have a fixed view where those opportunities might come from. But we want to be in the best possible positions take advantage of them and we are. David?

David B. Greenfield - Chief Financial Officer

Susan I may need some help because you rattled through a number of questions there. But let me first take the one on reserve releases. I wouldn't say that my tone or approach to the reserve

releases has changed to any of the comments that I have previously made to you and others about incorporating reserve releases in future performance. What I was merely trying to do is continuing along the path of explaining that as we grow and as we continue to develop our business we are beginning to incorporate more and more of our own experience into our reserving estimates and that will by definition impact the reserving process in terms of the accuracy and also in terms of future releases that could potentially occur. So, that was really more an exercise in trying to show the development of our reserving processes as we continue to grow our business.

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