Section 1: 8-K (8-K)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 14, 2014

Argo Group International Holdings, Ltd.
(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction
of incorporation)

110 Pitts Bay Road
Pembroke HM 08
Bermuda
(Address, Including Zip Code,
of Principal Executive Offices)

1-15259
(Commission
File Number)

98-0214719
(L.R.S. Employer
Identification No.)

P.O. Box HM 1282
Hamilton HM FX
Bermuda
(Mailing Address)

Registrant’s telephone number, including area code: (441) 296-5858
Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
Argo Group International Holdings, Ltd. ("Argo Group") may make presentations to members of the investment community from time to time using the presentation materials attached hereto as Exhibit 99.1 to this Current Report on Form 8-K.

Note: The information in this report and Exhibit 99.1 attached hereto are furnished pursuant to Item 7.01 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section. This report will not be deemed an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

FORWARD-LOOKING STATEMENTS

This press release contains certain statements that are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are qualified by the inherent risks and uncertainties surrounding future expectations generally and also may materially differ from actual future experience involving any one or more of such statements. For a more detailed discussion of such risks and uncertainties, see Argo Group’s filings with the SEC. The inclusion of a forward-looking statement herein should not be regarded as a representation by Argo Group that Argo Group’s objectives will be achieved. Argo Group undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits:

99.1 Argo Group International Holdings, Ltd. Presentation
Section 2: EX-99.1 (EX-99.1)
Forward-Looking Statements

This presentation contains “forward-looking statements” which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements are based on the Company’s current expectations and beliefs concerning future developments and their potential effects on the Company. There can be no assurance that actual developments will be those anticipated by the Company. Actual results may differ materially from those projected as a result of significant risks and uncertainties, including non-receipt of the expected payments, changes in interest rates, effect of the performance of financial markets on investment income and fair values of investments, development of claims and the effect on loss reserves, accuracy in projecting loss reserves, the impact of competition and pricing environments, changes in the demand for the Company’s products, the effect of general economic conditions, adverse state and federal legislation, regulations and regulatory investigations into industry practices, developments relating to existing agreements, heightened competition, changes in pricing environments, and changes in asset valuations. The Company undertakes no obligation to publicly update any forward-looking statements as a result of events or developments subsequent to the presentation.
Arigo Group at a Glance

Exchange / Ticker: NASDAQ / “AGII”
Share Price: $51.31
Market Capitalization: $1.3 billion
Annual Dividend / Yield: $0.72 per share / 1.4%
Gross Written Premium: $1.9 billion
Capital: $2.0 billion
Analyst Coverage: Raymond James (Outperform) – Greg Peters
Sterne Agee (Buy) – Dan Farrell
William Blair (Outperform) – Adam Klauber
Compass Point (Neutral) – Ken Billingsley
Dowling & Partners (Neutral) – Kyle LaBarre
Guggenheim (Neutral) – Bijan Moazami
KBW (Market Perform) – Brett Shirreffs
Macquarie (Neutral) – Amit Kumar

Note: Market information as of August 11, 2014 and annual performance figures as of TTM June 30, 2014.
Leading Specialty Franchise

- **Global underwriter of specialty insurance & reinsurance**
- **Strategically located in major insurance centers**
  - U.S., Bermuda and London
- **Established presence in attractive markets**
  - Leader in U.S. Excess & Surplus Lines
  - Top Quartile Lloyd’s Syndicate by stamp
  - Strong core Commercial Specialty franchise
  - Flexible reinsurance & excess casualty platform
  - Primary presence in Brazil
- **Diversified by geography, product & distribution**
- **Broad and strong producer relationships**
  - Retailers, wholesalers and brokers (Lloyd’s, Re)
- **“A” (excellent) A.M. Best rating**

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**Argo Franchise Overview**

**GWP by Business Mix**

- **Property** ~40%
- **Casualty** ~60%

**GWP by Business Type**

- **Reinsurance** ~10%
- **Primary Insurance** ~90%
Sustainable competitive advantage
- Niche markets
- Underwriting expertise
- Superior customer service
- Product innovation

Profitable organic & strategic growth
- Profitable through cycles
- Key underwriters/teams
- Deals that meet stringent criteria

Deep, tenured management team
Active capital management
Evolution of Growth and Diversification

2001
- Acquired Colony and Rockwood
- Founded Trident (Public Entity)

2005
- Sold Risk Management business

2007
- Rebranded Argo Group
- Completed acquisition in Bermuda
- Formed Argo Re

2008
- Acquired Lloyd’s Syndicate 1200

2011
- Established local presence in Brazil

*Excludes GWP recorded in runoff and corporate & other.
Argo Group Business Mix ($1.9B in GWP)

GWP by Segment
- Syndicate 1200: 32%
- Excess & Surplus Lines: 30%
- International Specialty: 16%
- Commercial Specialty: 22%

GWP by Product
- Emerging Mkts: 9%
- Mining: 4%
- Alteris: 6%
- Marine & Aerospace: 6%
- Public Entity: 5%
- Specialty Property: 21%
- Other Commercial: 15%
- Surety: 3%
- Excess & Surplus Lines: 32%

GWP by Business Type
- Reinsurance: ~10%
- Primary Insurance: ~90%

GWP by Geography
- Emerging Markets: 5%
- Bermuda: 11%
- London: 30%
- United States: 54%

*Data is based on TTM as of June 30, 2014. Excludes GWP recorded in runoff and corporate & other.
## Multi-Channel Distribution Strategy

<table>
<thead>
<tr>
<th></th>
<th>Retail Broker / Agent</th>
<th>General Agency</th>
<th>Wholesale Broker</th>
<th>Lloyd's Market</th>
<th>Reinsurance Broker</th>
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<tbody>
<tr>
<td>Commercial Specialty</td>
<td>Rockwood</td>
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<tr>
<td></td>
<td>Argo Insurance</td>
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<td></td>
<td>Trident</td>
<td>X</td>
<td></td>
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<tr>
<td></td>
<td>Surety</td>
<td>X</td>
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<td></td>
<td>Commercial Programs</td>
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<td></td>
<td>Alteris</td>
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<td>X</td>
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<td>Excess &amp; Surplus Lines</td>
<td>Casualty</td>
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<td></td>
<td></td>
<td>X</td>
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<tr>
<td></td>
<td>Contract</td>
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<td>E&amp;O</td>
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<td>Allied Medical</td>
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<td></td>
<td>Specialty Property</td>
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<td>X</td>
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<td>Syndicate 1234</td>
<td>Liability</td>
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<td></td>
<td>Property</td>
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<td></td>
<td>Marine</td>
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<td>X</td>
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<tr>
<td>International Specialty</td>
<td>Excess Casualty</td>
<td>X</td>
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<td>X</td>
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<td></td>
<td>Reinsurance</td>
<td></td>
<td></td>
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<td>X</td>
</tr>
</tbody>
</table>
Maximizing Shareholder Value – BVPS Growth

(1) Book value per common share:
- Adjusted for June 2013 stock dividend
- 2006-2011 restated to reflect adoption of ASU 2010-26 (related to accounting for costs associated with acquiring or renewing insurance contracts); 2007 and prior not restated
- 2006 and prior years adjusted for PXRE merger
- 2003-2006 includes impact of Series A Mandatory Convertible Preferred on an as-if converted basis. Preferred stock fully converted into common shares as of Dec. 31, 2007
Adjusted for June 2013 stock dividend

(2) Price / book calculated at 52-week high and most recent book value per share. Stock price adjusted for PXRE merger for 2006 and prior years.
### Substantial Growth and Financial Strength

#### Scale

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2006</th>
<th>TTM 2Q '14</th>
<th>'02-2Q'14 Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Written Premiums</td>
<td>$622.1</td>
<td>$1,155.6</td>
<td>$1,891.2</td>
<td>3.0x</td>
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<tr>
<td>Net Written Premiums</td>
<td>484.0</td>
<td>847.0</td>
<td>1,357.2</td>
<td>2.8x</td>
</tr>
<tr>
<td>Net Earned Premiums</td>
<td>378.4</td>
<td>813.0</td>
<td>1,333.9</td>
<td>3.5x</td>
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</table>

#### Financial Strength

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2006</th>
<th>TTM 2Q '14</th>
<th>'02-2Q'14 Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>$2,208.9</td>
<td>$3,721.5</td>
<td>$6,421.2</td>
<td>2.9x</td>
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<tr>
<td>Total Investments</td>
<td>1,181.3</td>
<td>2,514.1</td>
<td>4,047.8</td>
<td>3.4x</td>
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<tr>
<td>Shareholder's Equity</td>
<td>327.7</td>
<td>847.7</td>
<td>1,633.1</td>
<td>5.0x</td>
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<tr>
<td>Total Capital</td>
<td>327.7</td>
<td>992.0</td>
<td>2,036.5</td>
<td>6.2x</td>
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<tr>
<td>Debt / Total Capital</td>
<td>0.0%</td>
<td>14.5%</td>
<td>19.8%</td>
<td></td>
</tr>
<tr>
<td>A.M. Best Rating</td>
<td>A</td>
<td>A</td>
<td>A</td>
<td></td>
</tr>
</tbody>
</table>
2Q YTD YoY Net Earned Premium & Combined Ratio

**Consolidated NEP up 4.8% and Combined Ratio down 6.8% in 2Q YTD 2014 vs. 2Q YTD 2013**

**Excess & Surplus Lines**

- 2Q '13 YTD: $213.8M
- 2Q '14 YTD: $242.7M
- Combined Ratio: 94.4% → 86.3%

**Commercial Specialty**

- 2Q '13 YTD: $150.5M
- 2Q '14 YTD: $142.8M
- Combined Ratio: 101.2% → 102.5%

**International Specialty**

- 2Q '13 YTD: $69.1M
- 2Q '14 YTD: $74.6M
- Combined Ratio: 92.1% → 86.5%

**Syndicate 1200**

- 2Q '13 YTD: $198.3M
- 2Q '14 YTD: $201.5M
- Combined Ratio: 93.4% → 90.0%
Excess & Surplus Lines Segment (32% of TTM GWP)

GWP by Business Unit (TTM 6/30/14)

- Casualty 34%
- Contract 24%
- Transportation 9%
- Property 11%
- Environmental 5%
- Allied Medical 6%
- Errors & Omissions 5%
- Management Liability 6%

About Us

- Leader in U.S. Excess & Surplus Lines
- Strong relationships with national, local and regional wholesale brokers
- Seasoned U/W expertise is a competitive advantage
- Target all sizes of non-standard (hard-to-place) risks, with focus on small/medium accounts
- Underwrites on both admitted & non-admitted basis and across all business enterprises via two brands:
  - Colony Specialty
  - Argo Pro

PTOI\(^{(1)}\) & Combined Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Combined Ratio</th>
<th>PTOI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>88.9%</td>
<td>$101.4</td>
</tr>
<tr>
<td>2007</td>
<td>89.3%</td>
<td>$112.7</td>
</tr>
<tr>
<td>2008</td>
<td>93.3%</td>
<td>$98.3</td>
</tr>
<tr>
<td>2009</td>
<td>99.6%</td>
<td>$90.6</td>
</tr>
<tr>
<td>2010</td>
<td>97.4%</td>
<td>$71.0</td>
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<tr>
<td>2011</td>
<td>95.5%</td>
<td>$74.4</td>
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<tr>
<td>2012</td>
<td>91.9%</td>
<td>$83.2</td>
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<tr>
<td>2013</td>
<td>88.1%</td>
<td>$96.3</td>
</tr>
<tr>
<td>2Q'14</td>
<td>86.3%</td>
<td>$51.5</td>
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Gross Written Premium

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2Q'14(^{(2)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>GWP</td>
<td>$753.2</td>
<td>$726.5</td>
<td>$684.3</td>
<td>$642.3</td>
<td>$522.6</td>
<td>$478.9</td>
<td>$513.5</td>
<td>$594.2</td>
<td>$606.6</td>
</tr>
</tbody>
</table>

All data in millions except for ratio calculations. TTM = trailing twelve months.

1. PTOI = Pre-Tax Operating Income. Excludes interest expense.
2. Data is based on year-to-date as of June 30, 2014.
3. Data is based on trailing twelve months as of June 30, 2014.
Restructuring initiatives and strategy enhancement has enabled Argo to become an industry-leading E&S underwriter.
Commercial Specialty Segment (22% of GWP)

**GWP by Business Unit (TTM 6/30/14)**

- **Alteris Managed Premium** 27%
- **State Workers’ Comp Funds** 18%
- **Self Insured Public Entity** 6%
- **Transportation** 3%
- **U.S. Retail (Argo Insurance)** 18%
- **Grocery** 7%
- **Restaurants** 5%
- **Dry Cleaners** 2%
- **Other Industries** 3%
- **Public Entity (Trident)** 22%
- **Surety** 12%
- **Mining (Rockwood)** 19%
- **Other** 4%

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**About Us**

- Business primarily placed through retail distribution partners
- Argo Insurance – Designs customized commercial insurance programs for grocers, dry cleaners, restaurants and other specialty retail clients
- Trident – 2nd largest provider of insurance to small and midsize U.S. public entities
- Rockwood – 2nd largest provider of commercial insurance to coal mining industry
- Alteris – fee based business where Argo or others accept the risk

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**PTOI(1) & Combined Ratio**

<table>
<thead>
<tr>
<th>Year</th>
<th>PTOI</th>
<th>Combined Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$50.4</td>
<td>89.4%</td>
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<tr>
<td>2007</td>
<td>$61.3</td>
<td>88.7%</td>
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<td>2008</td>
<td>$43.0</td>
<td>96.5%</td>
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<td>2009</td>
<td>$45.8</td>
<td>95.6%</td>
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<td>2010</td>
<td>$36.3</td>
<td>98.1%</td>
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<td>2011</td>
<td>$1.4</td>
<td>108.3%</td>
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<tr>
<td>2012</td>
<td>$25.2</td>
<td>115.1%</td>
</tr>
<tr>
<td>2013</td>
<td>$2.8</td>
<td>97.8%</td>
</tr>
<tr>
<td>2Q ‘14</td>
<td></td>
<td>102.5%</td>
</tr>
</tbody>
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**Gross Written Premium**

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Written Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>$389.1</td>
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<tr>
<td>2007</td>
<td>$420.7</td>
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<td>2008</td>
<td>$475.7</td>
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<td>2009</td>
<td>$428.1</td>
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<td>2010</td>
<td>$428.8</td>
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<td>2011</td>
<td>$437.0</td>
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<tr>
<td>2012</td>
<td>$419.9</td>
</tr>
<tr>
<td>2013</td>
<td>$416.9</td>
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<tr>
<td>2Q ‘14</td>
<td></td>
</tr>
</tbody>
</table>

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All data in millions except for ratio calculations. TTM = trailing twelve months.

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(3) Data is based on trailing twelve months as of June 30, 2014.
Syndicate 1200 Segment (30% of GWP)

GWP by Business Unit (TTM 6/30/14)

- Liability 35%
  - General Liability 14%
  - Prof. Indemnity 13%
  - Int’l Casualty Treaty 3%
  - Directors & Officers 3%
  - Other 2%

- Specialty 15%
  - Offshore Energy 6%
  - Onshore Energy 4%
  - Cargo 3%
  - Yachts & Hulls 2%
  - Aerospace 4%

- Property 47%
  - Property Fac 18%
  - Personal Accident 12%
  - N. Am. & Int’l Binders 11%
  - Other 6%

About Us

- Well-established multi-class platform at Lloyd’s of London
- Ranks among the largest Syndicates at Lloyd’s by Stamp Capacity
- Lloyd’s market ratings:
  - ‘A’ (Excellent) by A.M. Best
  - ‘A+’ (Strong) by S&P

PTOI(1) & Combined Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Combined Ratio</th>
<th>PTOI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>112.3%</td>
<td>($5.2)</td>
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<tr>
<td>2009</td>
<td>95.8%</td>
<td>$30.0</td>
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<td>2010</td>
<td>115.2%</td>
<td>($27.7)</td>
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<tr>
<td>2011</td>
<td>131.7%</td>
<td>$63.8</td>
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<tr>
<td>2012</td>
<td>96.2%</td>
<td>$31.8</td>
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<tr>
<td>2013</td>
<td>92.4%</td>
<td>$40.6</td>
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<tr>
<td>2Q’14</td>
<td>90.0%</td>
<td>$27.5</td>
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Gross Written Premium

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2Q’14</th>
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</thead>
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<tr>
<td>Value</td>
<td>$282.9</td>
<td>$30.0</td>
<td>($27.7)</td>
<td>($63.8)</td>
<td>$31.8</td>
<td>$40.6</td>
<td>$27.5</td>
</tr>
</tbody>
</table>

All data in millions except for ratio calculations. TTM = trailing twelve months.
(1) PTOI = Pre-Tax Operating Income. Excludes interest expense.
(2) Data is based on year-to-date as of June 30, 2014.
(3) Data is based on trailing twelve months as of June 30, 2014.
International Specialty Segment (16% of GWP)

GWP by Business Unit (TTM 6/30/14)

- Brazil 23%
- Marine Cargo 10%
- Property & Engineering 3%
- Motor 5%
- Financial Lines 6%
- Excess Casualty 21%
- Professional Liability 13%
- Reinsurance 43%
  - Property Cat 29%
  - Property Pro Rata 8%
  - Property Risk XS 3%
  - Other Assumed Re 3%

About Us

- Bermuda team underwrites
- Building diversity through international expansion:
  - Established primary operations in Brazil
  - Established operations in Euro zone
  - Established regional office in Dubai
- Distributes through brokers

PTOI & Combined Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>PTOI</th>
<th>Combined Ratio</th>
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</thead>
<tbody>
<tr>
<td>2008</td>
<td>$23.6</td>
<td>77.9%</td>
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<td>2009</td>
<td>$50.3</td>
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<tr>
<td>2010</td>
<td>$36.7</td>
<td>71.7%</td>
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<td>2011</td>
<td>$15.7</td>
<td>177.5%</td>
</tr>
<tr>
<td>2012</td>
<td>$14.6</td>
<td>97.1%</td>
</tr>
<tr>
<td>2013</td>
<td>$13.9</td>
<td>95.5%</td>
</tr>
<tr>
<td>2Q’14</td>
<td></td>
<td>86.5%</td>
</tr>
</tbody>
</table>

Gross Written Premium

<table>
<thead>
<tr>
<th>Year</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>$126.4</td>
</tr>
<tr>
<td>2009</td>
<td>$162.9</td>
</tr>
<tr>
<td>2010</td>
<td>$188.9</td>
</tr>
<tr>
<td>2011</td>
<td>$198.2</td>
</tr>
<tr>
<td>2012</td>
<td>$260.2</td>
</tr>
<tr>
<td>2013</td>
<td>$290.6</td>
</tr>
<tr>
<td>2Q’14</td>
<td>$296.9</td>
</tr>
</tbody>
</table>

All data in millions except for ratio calculations. TTM = trailing twelve months.

(1) PTOI = Pre-Tax Operating Income. Excludes interest expense.
(2) Data is based on year-to-date as of June 30, 2014.
(3) Data is based on trailing twelve months as of June 30, 2014.
## 2Q 2014 Operating Results

<table>
<thead>
<tr>
<th></th>
<th>2Q 2014</th>
<th>2Q 2013</th>
<th>Year to Date 2Q 2014</th>
<th>Year to Date 2Q 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Written Premiums</td>
<td>$520.1</td>
<td>$542.2</td>
<td>$983.2</td>
<td>$980.4</td>
</tr>
<tr>
<td>Net Written Premiums</td>
<td>398.3</td>
<td>390.2</td>
<td>675.1</td>
<td>669.2</td>
</tr>
<tr>
<td>Earned Premiums</td>
<td>336.1</td>
<td>327.5</td>
<td>661.8</td>
<td>631.7</td>
</tr>
<tr>
<td>Losses and Loss Adjustment Expenses</td>
<td>185.1</td>
<td>192.7</td>
<td>367.6</td>
<td>363.2</td>
</tr>
<tr>
<td>Other Reinsurance-Related Expenses</td>
<td>0.0</td>
<td>4.7</td>
<td>0.0</td>
<td>9.8</td>
</tr>
<tr>
<td>Underwriting, Acquisition and Insurance Expenses</td>
<td>136.8</td>
<td>124.6</td>
<td>265.5</td>
<td>251.3</td>
</tr>
<tr>
<td><strong>Underwriting Income</strong></td>
<td>$14.2</td>
<td>$5.5</td>
<td>$28.7</td>
<td>$7.4</td>
</tr>
<tr>
<td>Net Investment Income</td>
<td>20.6</td>
<td>25.3</td>
<td>43.9</td>
<td>53.2</td>
</tr>
<tr>
<td>Fee Expense (Income), net</td>
<td>0.1</td>
<td>(0.2)</td>
<td>1.5</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>5.1</td>
<td>5.1</td>
<td>10.1</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>$29.6</td>
<td>$25.9</td>
<td>$61.0</td>
<td>$50.8</td>
</tr>
<tr>
<td>Net Realized Investment Gains and Other</td>
<td>18.5</td>
<td>11.0</td>
<td>29.6</td>
<td>20.5</td>
</tr>
<tr>
<td>Foreign Currency Exchange Loss (Gain)</td>
<td>3.4</td>
<td>(5.9)</td>
<td>3.2</td>
<td>(9.0)</td>
</tr>
<tr>
<td><strong>Income Before Taxes</strong></td>
<td>$44.7</td>
<td>$42.8</td>
<td>$87.4</td>
<td>$80.3</td>
</tr>
<tr>
<td>Income Tax Provision</td>
<td>6.1</td>
<td>11.1</td>
<td>8.6</td>
<td>15.9</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$38.6</td>
<td>$31.7</td>
<td>$78.8</td>
<td>$64.4</td>
</tr>
<tr>
<td>Operating Income per Common Share (Diluted)</td>
<td>$0.89</td>
<td>$0.74</td>
<td>$1.83</td>
<td>$1.45</td>
</tr>
<tr>
<td><strong>Net Income per Common Share (Diluted)</strong></td>
<td>$1.45</td>
<td>$1.13</td>
<td>$2.94</td>
<td>$2.29</td>
</tr>
<tr>
<td>Loss Ratio(^2)</td>
<td>55.1%</td>
<td>59.7%</td>
<td>55.6%</td>
<td>62.1%</td>
</tr>
<tr>
<td>Expense Ratio(^3)</td>
<td>40.7%</td>
<td>38.6%</td>
<td>40.1%</td>
<td>40.4%</td>
</tr>
<tr>
<td><strong>Combined Ratio</strong></td>
<td>95.8%</td>
<td>98.3%</td>
<td>95.7%</td>
<td>102.5%</td>
</tr>
</tbody>
</table>

All data in millions except for per share data and ratio calculations.

(1) Calculated using an assumed tax rate of 20%.
(2) Defined as Losses & LAE / (Earned Premiums less Other Reinsurance-Related Expenses).
(3) Defined as Underwriting, Acquisition and Insurance Expenses / (Earned Premiums less Other Reinsurance-Related Expenses).
As of June 30, 2014

Portfolio Characteristics

- Duration of 2.4 years
- Average rating of ‘A1/A+’
- Book yield of 2.7%*
- Very liquid
- Conservatively managed

*Book yield is pre-tax & includes all fixed maturities

Fixed Maturities by Type

- Corporate 41%
- State/Muni 17%
- 17% Structured
- 15% Gov.
- 10% Short Term

Total: $3.1b*

*2.8 billion in fixed maturities, $0.3 billion in short term

Asset Allocation

- 13% Equities
- 10% Short Term
- 8% Other
- Total: $4.0b

Cash & cash equivalents not included above

Equity Investments by Sector

- Energy 24%
- Consumer Staples 24%
- 10% Health Care
- 9% Technology
- 7% Discretionary
- 7% Financials
- 4% Materials
- 2% Utilities & Telecom
- 5% Industrials

Total: $0.5b

Conservative Investment Strategy

Cash & cash equivalents not included above
**Active Capital Management**

*Through share repurchases and dividends, we have returned over $340 million of capital and repurchased 26% of shares outstanding from 2010 through 2Q 2014*

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2Q 2014</th>
<th>YTD 2010-2Q ’14</th>
<th>YTD Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Shares Outstanding</td>
<td>31,206,796</td>
<td>31,285,469</td>
<td>31,384,271</td>
<td>34,066,889</td>
<td>34,239,266</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Treasury Shares</td>
<td>3,363,560</td>
<td>4,971,305</td>
<td>6,459,613</td>
<td>7,558,345</td>
<td>8,233,645</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Shares</strong></td>
<td><strong>27,843,236</strong></td>
<td><strong>26,314,164</strong></td>
<td><strong>24,924,658</strong></td>
<td><strong>26,508,544</strong></td>
<td><strong>26,005,621</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares Repurchased</td>
<td>3,217,561</td>
<td>1,607,745</td>
<td>1,488,308</td>
<td>1,098,732</td>
<td>675,300</td>
<td>8,087,646</td>
<td></td>
</tr>
<tr>
<td>As % of Beg. Net Shares</td>
<td>10%</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>3%</td>
<td>26%</td>
<td></td>
</tr>
<tr>
<td>Avg. Repurchase Price per Share</td>
<td>$33.05</td>
<td>$30.69</td>
<td>$29.89</td>
<td>$41.02</td>
<td>$46.45</td>
<td>$34.20</td>
<td></td>
</tr>
<tr>
<td>Total Repurchased ($m)</td>
<td>$106.3</td>
<td>$49.3</td>
<td>$44.5</td>
<td>$45.1</td>
<td>$31.4</td>
<td>$276.6</td>
<td></td>
</tr>
<tr>
<td>Dividends per Share</td>
<td>$0.48</td>
<td>$0.48</td>
<td>$0.48</td>
<td>$0.60</td>
<td>$0.33</td>
<td>$2.37</td>
<td></td>
</tr>
<tr>
<td>Dividend Payments ($m)</td>
<td>$15.3</td>
<td>$14.2</td>
<td>$13.4</td>
<td>$16.1</td>
<td>$8.6</td>
<td>$67.7</td>
<td></td>
</tr>
<tr>
<td>Repurchases + Dividends ($m)</td>
<td>$121.7</td>
<td>$63.6</td>
<td>$57.9</td>
<td>$61.1</td>
<td>$40.0</td>
<td>$344.3</td>
<td></td>
</tr>
</tbody>
</table>

Note: Not adjusted for June 2013 stock dividend.
Stock Price Performance – Last 2 Years

Source: SNL Financial (as of 8/11/14).
Compelling Valuation vs. Peer Group

<table>
<thead>
<tr>
<th>Price/Book</th>
<th>Jan-00</th>
<th>Aug-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argo</td>
<td>0.70x</td>
<td>0.82x</td>
</tr>
<tr>
<td>Peer Avg.</td>
<td>1.17x</td>
<td>1.13x</td>
</tr>
<tr>
<td>Difference</td>
<td>0.47x</td>
<td>0.31x</td>
</tr>
</tbody>
</table>

Source: SNL Financial (as of 8/11/14).
Well Positioned for Value Creation in 2014 and Beyond

We believe that Argo Group has potential to generate substantial value for new and existing investors

- Significant changes to premium composition completed
- Results of re-underwriting and efficiency efforts are emerging in financials
- Modest pricing increases expected to favorably impact growth and loss ratios
- Continue to employ and attract some of the best talent in the industry
- Brazil has traction and is beginning to scale
- Incremental yield improvements can have a favorable impact on ROE

- Moderate financial leverage
- Strong balance sheet with adequate reserves and excellent asset quality

- Compelling investment case
- Stock trading at a discount to book value and below peers
- Upside potential as past and ongoing efforts continue

ARGO GROUP

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