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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM 8-K**

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

**Date of Report (Date of earliest event reported): November 6, 2017**

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

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**Bermuda**  
(State or other jurisdiction  
of incorporation)

**1-15259**  
(Commission  
File Number)

**98-0214719**  
(I.R.S. Employer  
Identification No.)

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

**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)

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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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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**ITEM 7.01. REGULATION FD DISCLOSURE.**

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.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

(d) Exhibits:

99.1 [Argo Group International Holdings, Ltd. Presentation](#)

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ARGO GROUP INTERNATIONAL HOLDINGS, LTD.

Dated: November 6, 2017

By: /s/ Jay S. Bullock

Name: Jay S. Bullock

Title: Executive Vice President and Chief Financial Officer

# 2017 Investor Presentation

# Q3



# Forward-Looking Statements

This presentation may include forward-looking statements, both with respect to Argo Group and its industry, that reflect our current views with respect to future events and financial performance. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform act of 1995. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as "expect," "intend," "plan," "believe," "do not believe," "aim," "project," "anticipate," "seek," "will," "likely," "assume," "estimate," "may," "continue," "guidance," "objective," "outlook," "trends," "future," "could," "would," "should," "target," "on track," and similar expressions of a future or forward-looking nature. All forward-looking statements address matters that involve risks and uncertainties, many of which are beyond Argo Group's control. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements. We believe that these factors include, but are not limited to, the following: 1) unpredictability and severity of catastrophic events; 2) rating agency actions; 3) adequacy of our risk management and loss limitation methods; 4) cyclicity of demand and pricing in the insurance and reinsurance markets; 5) statutory or regulatory developments including tax policy, reinsurance and other regulatory matters; 6) our ability to implement our business strategy; 7) adequacy of our loss reserves; 8) continued availability of capital and finance; 9) retention of key personnel; 10) competition; 11) potential loss of business from one or more major insurance or reinsurance brokers; 12) our ability to implement, successfully and on a timely basis, complex infrastructure, distribution capabilities, systems, procedures, and internal controls, and to develop accurate actuarial data to support the business and regulatory and reporting requirements; 13) general economic and market conditions (including inflation, volatility in the credit and capital markets, interest rates, and foreign currency exchange rates); 14) the integration of businesses we may acquire or new business ventures we may start;

15) the effect on our investment portfolios of changing financial market conditions including inflation, interest rates, liquidity and other factors; 16) acts of terrorism or outbreak of war; and 17) availability of reinsurance and retrocessional coverage, as well as management's response to any of the aforementioned factors.

In addition, any estimates relating to loss events involve the exercise of considerable judgments and reflect a combination of ground-up evaluations, information available to date from brokers and pedants, market intelligence, initial tentative loss reports, and other sources. The actuarial range of reserves and management's best estimate is based on our then-current state of knowledge including explicit and implicit assumptions relating to the pattern of claim development, the expected ultimate settlement amount, inflation and dependencies between lines of business. Our internal capital model is used to consider the distribution for reserving risk around this best estimate and predict the potential range of outcomes. However, due to the complexity of factors contributing to the losses and preliminary nature of the information used to prepare these estimates, there can be no assurance that Argo Group's ultimate losses will remain within the stated amount.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and elsewhere, including the risk factors included in our most recent reports on Form 10-K and Form 10-Q and other documents of Argo Group on file with or furnished to the U.S. Securities and Exchange Commissions ("SEC"). Any forward-looking statements made in this presentation are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Argo Group will be realized, or even if substantially realized, that they will have the expected consequences to, or effects on, Argo Group or its business or operations. Except as required by law, Argo Group undertakes no obligation to update publicly or revise forward-looking statements, whether as a result of new information, future developments or otherwise.

# Argo Group at a Glance



Atlanta • Bermuda • Boston • Brussels • Chicago • Dallas • Denver • Dubai • Fresno • Hamilton Township  
 Hong Kong • Houston • Irvine • Jersey City • London • Los Angeles • Malta • New York • Paris  
 Peoria • Portland • Richmond • Rio de Janeiro • Rockwood • San Antonio • San Francisco  
 Sao Paulo • Scottsdale • Seattle • Shanghai • Singapore • Springfield • Zurich

Note: Market information as of November 1, 2017 and annual performance figures as of TTM/September 30, 2017.

**EXCHANGE / TICKER:**  
 NASDAQ / AGII

**SHARE PRICE:**  
 \$62.65

**MARKET CAPITALIZATION:**  
 \$1.9 BILLION

**QUARTERLY DIVIDEND / ANNUAL YIELD:**  
 \$0.27 PER SHARE / 1.8%

**GROSS WRITTEN PREMIUM:**  
 \$2.6 BILLION

**CAPITAL:**  
 \$2.4 BILLION

**ANALYST COVERAGE:**  
 RAYMOND JAMES (STRONG BUY) – GREG PETERS  
 DOWLING & PARTNERS (NEUTRAL) – AARON WOOMER  
 JMP SECURITIES (MARKET PERFORM) – MATT CARLETTI  
 KBW (MARKET PERFORM) – ARASH SOLEIMANI  
 WILLIAM BLAIR (MARKET PERFORM) – ADAM KLAUBER

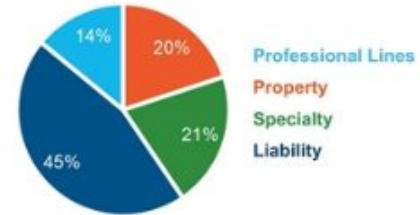


# Leading Specialty Platform

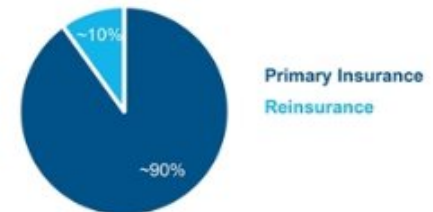
## Argo Franchise Overview

- **Global underwriter of specialty insurance and reinsurance**
- **Strategically located in major insurance centers**
  - Across the U.S.
  - Bermuda
  - London
  - Zurich
  - Dubai
  - Singapore
- **Established presence in desirable markets**
  - Leader in U.S. excess and surplus lines
  - Strong U.S. retail specialty franchise
  - Will be a top 10 Lloyd's Syndicate in 2018
  - Leading Bermuda insurance and reinsurance platforms
- **Diversified by geography, product and strategy**
- **Broad and strong producer relationships**
  - Agents, brokers, wholesalers and coverholders
- **"A" (excellent) A.M. Best rating**

**TTM\* NWP\*\* by Business Mix**



**TTM NWP by Business Type**



**TTM NWP by Geography**



\*TTM = trailing twelve months  
 \*\*NWP = net written premiums

# Strategy Aligned Toward Shareholder Value

*Growth in BVPS = Net Underwriting Margin + Total Return on Invested Assets*

- **Sustainable competitive advantages**

- Successfully operating in niche markets
- Underwriting expertise with a focus on risk selection
- Superior customer service across platforms
- History of product innovation

- **Profitable organic and strategic growth**

- Profitable through underwriting cycles
- 7.1 point improvement in loss ratio from 2012 to 2016
- Talented underwriting teams with proven track record
- Disciplined M&A strategy

- **Deep, tenured and experienced management team**

- Senior leadership team has an averages more than 10 years at Argo and over 26 years of industry experience
- CEO largest individual shareholder, holds 3.25% of shares outstanding
- Compensation structure for underwriters aligned with loss ratio performance

- **Capital management a key driver in value creation**

- Practice total return investment strategies
- Strong track record of returning capital to shareholders

**Maximize Shareholder  
Value Creation  
Through Growth in  
Book Value per Share**

***10% CAGR including  
dividends over last 15  
years***



# Maximizing Shareholder Value - BVPS Growth

*BVPS Growth Driven by Net Underwriting Margin and Total Return Investment Strategy*

Reported Book Value<sup>1</sup>

Cumulative Dividends

Price/Book<sup>2</sup>

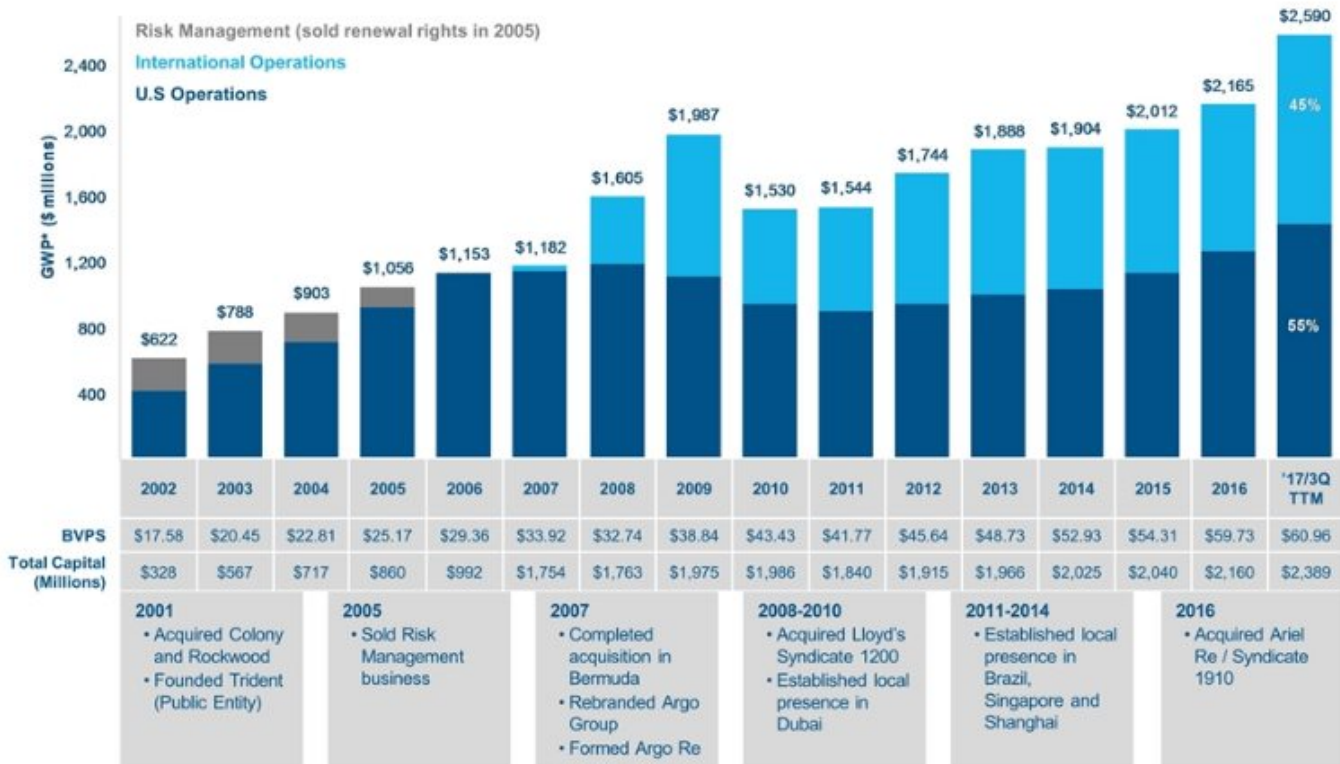


(1) Book value per common share:

- Adjusted for June 2013, March 2015 and June 2016 stock dividends
- 2008-2011 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

(2) Price/book represents the high for the YTD period

# Evolution of Growth and Diversification



\*Excludes GWP recorded in runoff and corporate and other.

Note: BVPS (book value per common share) adjusted for June 2013, March 2015 and June 2016 stock dividend.

# Substantial Growth and Financial Strength

Scale (\$m)	2002	2006	TTM 3Q '17	'02-3Q'17 Factor
<b>Gross Written Premiums</b>	<b>\$622.1</b>	<b>\$1,155.6</b>	<b>\$2,589.9</b>	<b>4.2x</b>
Net Written Premiums	484.0	847.0	1,597.2	3.3x
Net Earned Premiums	378.4	813.0	1,530.1	4.0x

Financial Strength (\$m)	2002	2006	TTM 3Q '17	'02-3Q'17 Factor
<b>Total Assets</b>	<b>\$2,208.9</b>	<b>\$3,721.5</b>	<b>\$9,058.0</b>	<b>4.1x</b>
Total Investments	1,181.3	2,514.1	4,807.5	4.1x
Shareholder's Equity	327.7	847.7	1,808.0	5.5x
BVPS <sup>1</sup>	\$17.58	\$29.36	\$60.96	3.5x
<b>Total Capital</b>	<b>\$327.7</b>	<b>\$992.0</b>	<b>\$2,388.8</b>	<b>7.3x</b>
Debt+TRUPs / Total Capital	0.0%	14.5%	24.3%	
A.M. Best Rating	A	A	A	

(1) Book value per common share:

- Adjusted for June 2013, March 2015 and June 2016 stock dividend

- 2006 adjusted for PXRE merger and 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

# Innovative and Diverse Global Platform

## U.S. Operations

- **Leader in U.S. Excess & Surplus lines**
  - 20+ year underwriting history
  - Strong relationships with national, local, and regional wholesale brokers
  - Seasoned underwriting expertise
  - Target all sizes of non-standard risks with focus on small/medium accounts
  - Underwrites on largely non-admitted basis and across all business enterprises
- **Sizable amount of business distributed through retail brokers / agents**
  - Argo Insurance – designs customized programs for retail grocery stores
  - Trident – Small and medium sized public-sector U.S. entities
  - Rockwood – Designs custom workers comp and other programs for businesses in the mining sector
  - Surety – Top 20 commercial underwriter
  - Programs – Underwrites select specialty programs and partners with State-sponsored funds

## International Operations

- **Well-established multi-class Lloyd's Syndicate platform**
  - Syndicate 1200 – Multi-class platform
  - Syndicate 1910 – Property, Specialty Insurance and Reinsurance platform
  - Expected to rank among top 10 largest Syndicates at Lloyd's by stamp capacity in 2018
  - Regional offices in Bermuda, Dubai, Singapore and Shanghai
- **Strong Bermuda trading platform**
  - Includes property insurance and reinsurance business in Bermuda and Brazil
  - Seasoned book of mid / large account professional lines and excess casualty business
  - Building diversity through international expansion in Brazil and throughout Europe
- **Brazil – Digital Innovation**
  - A growing portion of the business being distributed via digital channels through the in-house Protector platform

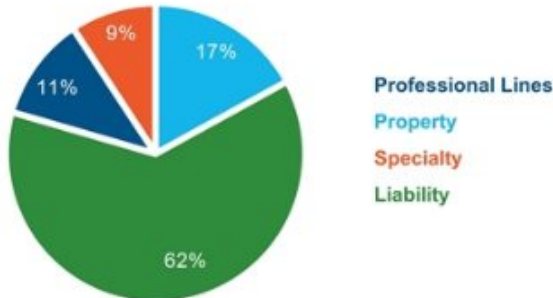
# Multi-Channel Distribution Strategy

		Retail Broker/Agent	General Agency	Wholesale Broker	Lloyd's Market	Reinsurance Broker
U.S. Operations	Rockwood	X				
	Argo Insurance	X				
	Trident	X				
	E&O	X		X		
	D&O	X		X		
	Surety	X		X		
	Programs	X				
	Alteris		X			
	E&S Contract		X			
	E&S Transportation		X			
	E&S Casualty			X		
	E&S Environmental			X		
	E&S Allied Medical	X		X		
	E&S Specialty Property			X		
International Operations	Liability				X	
	Property				X	
	Aviation				X	
	Marine				X	
	Excess Casualty	X		X		
	Professional Liability	X		X		
	Emerging Markets	X		X		
	Reinsurance					X



# U.S. Operations *(58% of TTM GWP)*

## GWP by Business Mix (TTM 9/30/2017)



## Segment Overview

- **Excess & Surplus Lines** – Non-standard (hard-to-place) risks, with focus on small/medium accounts
- **Argo Insurance** – Designs customized commercial insurance programs for retail grocery stores
- **Trident** – One of the largest specialty commercial insurance providers for small to middle market public-sector entities in the U.S.
- **Rockwood** – Leading provider of workers compensation and other programs for the mining industry
- **Surety** – Top 20 commercial surety writer
- **Programs** – Underwrites select specialty programs and provides fronting for state-sponsored funds
- **Argo Pro** – Customer service focused D&O and E&O specialty platform

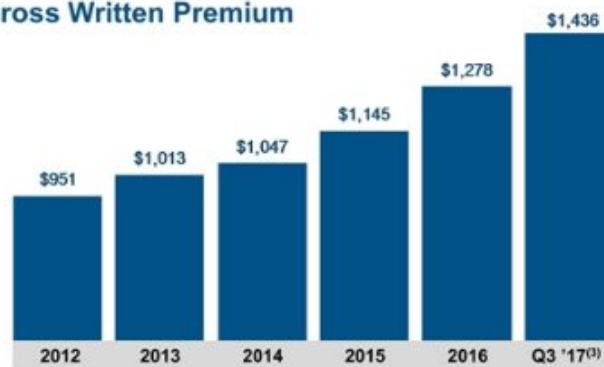
## Adjusted PTI<sup>(1)</sup> & Combined Ratio

Combined Ratio

Adjusted PTI



## Gross Written Premium



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

(1) Adjusted PTI = Adjusted Pre-Tax Income, which is equal to "Income Before Income Taxes" excluding "Interest Expense" as shown in our 10-Qs and 10-Ks.

(2) Data is based on year-to-date as of September 30, 2017.

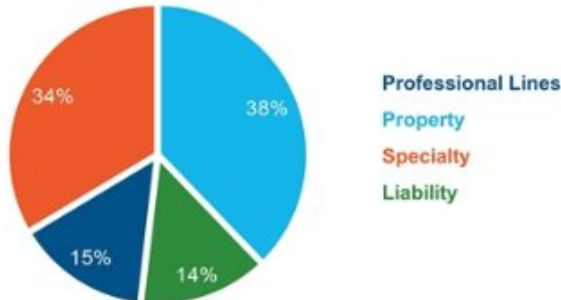
(3) Data is based on trailing twelve months as of September 30, 2017.

(4) Reflects reserve charge at Argo Insurance to restructure business



# International Operations *(42% of TTM GWP)*

## GWP by Business Mix (TTM 9/30/2017)



## Segment Overview

- Bermuda platform underwrites excess casualty, property and professional lines insurance as well as property reinsurance
  - Property cat, short tail per risk and proportional treaty reinsurance worldwide
  - Excess casualty, professional liability, and property insurance for Fortune 1000 accounts
- Building diversity through international expansion in Brazil and throughout Europe
- Well-established multi-class platform at Lloyd's of London
  - Underwritten through Syndicates 1200 and 1910 (Ariel Re)
  - Expected to rank among top 10 largest Syndicates by stamp capacity in 2018

## Adjusted PTI<sup>(1)</sup> & Combined Ratio

Combined Ratio

Adjusted PTI



## Gross Written Premium



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

(1) Adjusted PTI = Adjusted Pre-Tax Income, which is equal to "Income Before Income Taxes" excluding "Interest Expense" as shown in our 10-Qs and 10-Ks.

(2) Data is based on year-to-date as of September 30, 2017.

(3) Data is based on trailing twelve months as of September 30, 2017.

# Portfolio Rationalization

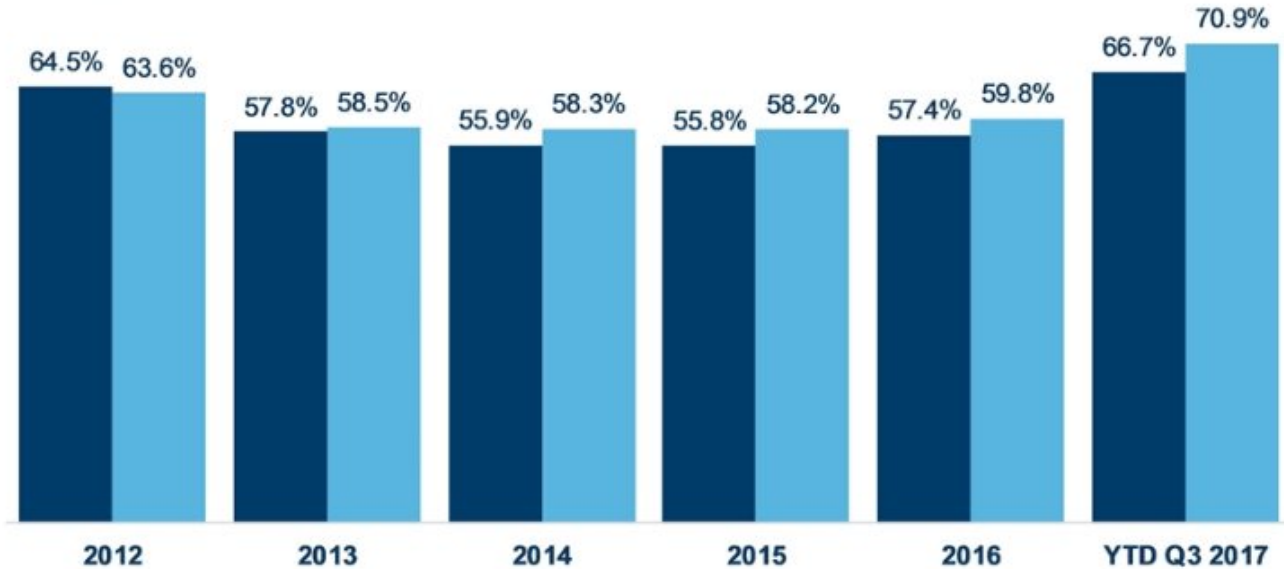
*Argo has maintained a track record of making thoughtful decisions to improve performance within existing product lines; Below are examples of prior portfolio rationalization that is now evident in financial results*



# Superior Loss Ratios Compared to Peers

*Continued focus on cycle management and underwriting discipline has provided Argo Group with best in class loss ratios*

Argo Group  
Peer Median

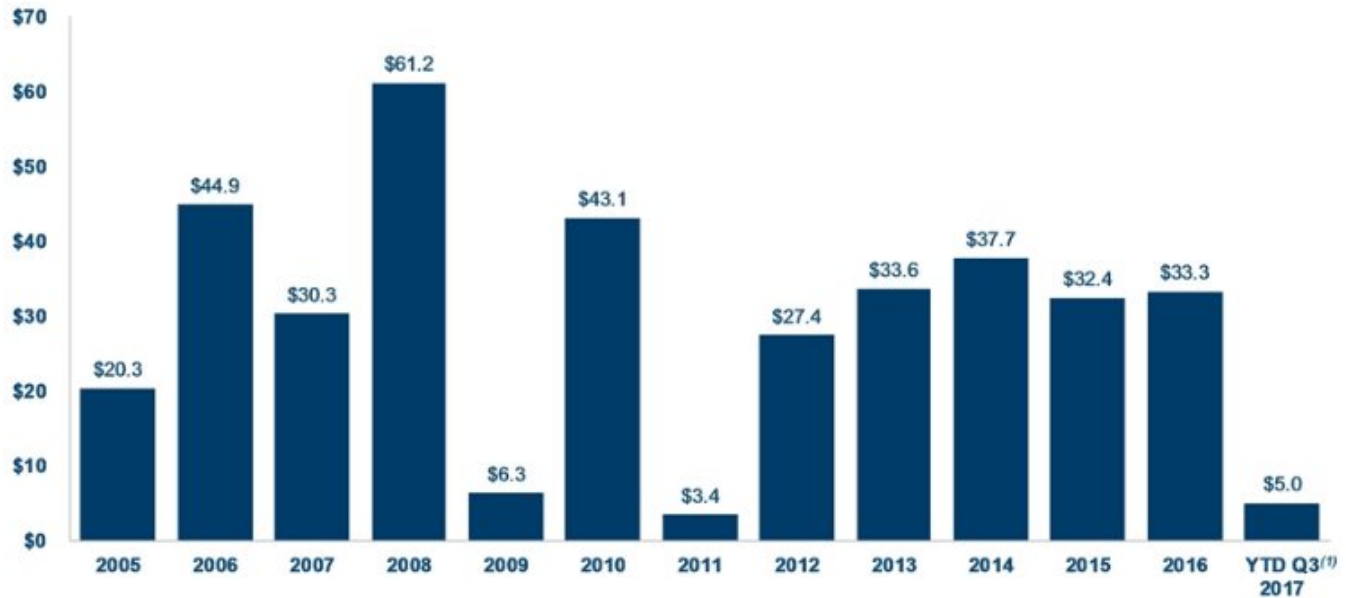


Source: S&P, Financial.

Note: Peer Group consists of: Alleghany, American Financial, Amtrust, Arch Capital, Aspen, Axis, Baldwin & Lyons(as of Q2'17), Global Indemnity(as of Q2'17), Hallmark(as of Q2'17), Hanover, James River, Markel, Navigators, RLI, Selective, Validus and W.R. Berkley

# Long-Term Favorable Reserve Development

*\$379<sup>(1)</sup> million of cumulative favorable development since 2005 reflects Argo Group's prudent reserving philosophy*



(1) Excludes Q1 adverse development of \$4.5 million from the Ogden rate change and \$4.9 million from late reported Hurricane Matthew claims

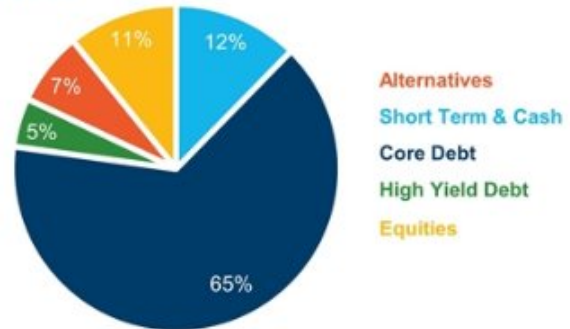
# Well-Balanced Investment Strategy

## Portfolio Characteristics

- Duration of 2.2 years<sup>(1)</sup>
- Average rating of 'A1/A+'<sup>(2)</sup>
- Book yield of 2.9%<sup>(2)</sup>

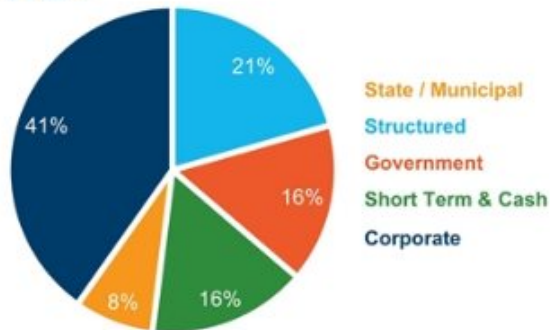
## Asset Allocation

Total: \$5.0B



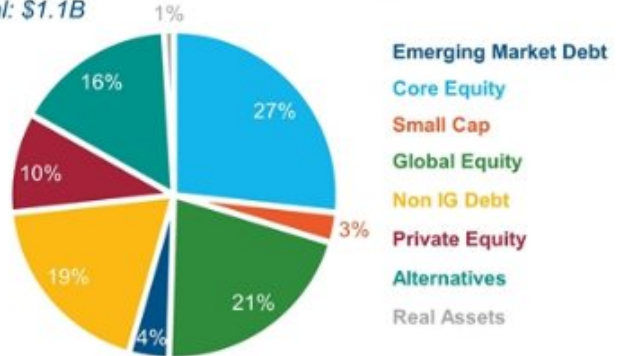
## Fixed Maturities by Type

Total: \$4.0B<sup>(3)</sup>



## Capital Appreciation Portfolio by Class

Total: \$1.1B



(1) Duration includes cash & equivalents

(2) Book yield is pre-tax & includes all fixed maturities

(3) \$3.4B in fixed maturities, \$0.6B in short term & cash



# 3Q 2017 Operating Results

	3Q 2017	3Q 2016	3Q 2017 YTD	3Q 2016 YTD
Gross Written Premiums	\$805.1	\$585.4	\$2,090.9	\$1,665.8
Net Written Premiums	473.2	415.3	1,263.7	1,106.7
Earned Premiums	389.3	358.7	1,167.8	1,048.5
Losses and Loss Adjustment Expenses	326.4	207.8	779.5	596.0
Underwriting, Acquisition and Insurance Expenses	166.1	137.4	474.4	403.0
<b>Underwriting Income</b>	<b>(\$103.2)</b>	<b>\$13.5</b>	<b>(\$86.1)</b>	<b>\$49.5</b>
Net Investment Income	30.9	32.7	105.0	89.6
Fee and other income (expense), net	8.0	1.7	8.0	2.1
Interest Expense	7.5	4.9	20.4	14.6
<b>Operating Income</b>	<b>(\$71.8)</b>	<b>\$43.0</b>	<b>\$6.5</b>	<b>\$126.6</b>
Net Realized Investment and Other Gains	6.0	17.7	25.1	12.8
Foreign Currency Exchange Gain (Loss)	(0.1)	1.5	(4.0)	(4.5)
<b>Income Before Taxes</b>	<b>(\$65.9)</b>	<b>\$62.2</b>	<b>\$27.6</b>	<b>\$134.9</b>
Income Tax (Benefit) Provision	(4.6)	7.0	6.2	21.1
<b>Net Income</b>	<b>(\$61.3)</b>	<b>\$55.2</b>	<b>\$21.4</b>	<b>\$113.8</b>
<b>Operating Income per Common Share (Diluted)<sup>1</sup></b>	<b>\$ (1.91)</b>	<b>\$ 1.12</b>	<b>\$0.17</b>	<b>\$ 3.28</b>
<b>Net (Loss) Income per Common Share (Diluted)</b>	<b>(\$2.04)</b>	<b>\$1.80</b>	<b>\$0.69</b>	<b>\$3.68</b>
Loss Ratio	83.8%	57.9%	66.7%	56.8%
Expense Ratio <sup>2</sup>	42.7%	38.3%	40.6%	38.4%
<b>Combined Ratio</b>	<b>126.5%</b>	<b>96.2%</b>	<b>107.3%</b>	<b>95.2%</b>

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

(1) Op income calculated using an assumed tax rate of 20%. Share count adjusted for June 2016 stock dividend

(2) Includes all acquisition, G&A and corporate expenses



# Active Capital Management

*Through share repurchases and dividends, Argo has returned nearly \$560 million of capital to shareholders from 2010 through September 30, 2017*

• **Management has prudently repurchased shares at a meaningful discount to book value**

- Repurchases have exceeded the amount of shares issued in PXRE transaction (8.2 million<sup>1</sup> shares were issued at 1.35x book value)
- Transactions have been accretive to book value

	2010	2011	2012	2013	2014	2015	2016	YTD 2017 As of 9/30	2010-YTD '17 Total
Total Shares Outstanding (m)	31.2	31.3	31.4	34.1	34.3	37.1	40.0	40.3	
	9.2	8.7	8.3	5.6	5.4	2.8	-	-	
Less: Treasury Shares (m)	3.4	5.0	6.5	7.6	8.6	9.2	10.0	10.6	
<b>Net Shares (m)</b>	<b>37.1</b>	<b>35.0</b>	<b>33.2</b>	<b>32.1</b>	<b>31.1</b>	<b>30.7</b>	<b>30.0</b>	<b>29.6</b>	
<b>Shares Repurchased (m)</b>	<b>3.2</b>	<b>1.6</b>	<b>1.5</b>	<b>1.1</b>	<b>1.0</b>	<b>0.6</b>	<b>0.8</b>	<b>0.6</b>	<b>10.5</b>
<i>As % of Beg. Net Shares</i>	<i>7.8%</i>	<i>4.3%</i>	<i>4.2%</i>	<i>3.3%</i>	<i>3.3%</i>	<i>1.8%</i>	<i>2.8%</i>	<i>2.0%</i>	<i>25.6%</i>
Avg. Repurchase Price per Share	\$32.70	\$30.79	\$29.70	\$42.32	\$48.45	\$51.55	\$55.61	\$59.72	\$39.02
<b>Total Repurchased (\$m)</b>	<b>\$105.2</b>	<b>\$49.5</b>	<b>\$44.2</b>	<b>\$46.5</b>	<b>\$50.8</b>	<b>\$29.7</b>	<b>\$47.1</b>	<b>\$36.6</b>	<b>\$409.5</b>
Dividends per Share	\$0.48	\$0.48	\$0.48	\$0.60	\$0.69	\$0.82	\$0.88	\$0.27	\$5.24
<b>Dividend Payments (\$m)</b>	<b>\$14.2</b>	<b>\$13.1</b>	<b>\$12.3</b>	<b>\$15.8</b>	<b>\$18.2</b>	<b>\$22.7</b>	<b>\$26.5</b>	<b>\$24.9</b>	<b>\$147.7</b>
<b>Repurchases + Dividends (\$m)</b>	<b>\$119.4</b>	<b>\$62.6</b>	<b>\$56.5</b>	<b>\$62.3</b>	<b>\$68.9</b>	<b>\$52.4</b>	<b>\$73.6</b>	<b>\$61.5</b>	<b>\$557.2</b>

Note: Not adjusted for June 2013 or March 2015 stock dividend.

(1) Calculated as difference between Q2 2007 and Q3 2007 shares outstanding

# Stock Price Performance – Last 3 Years



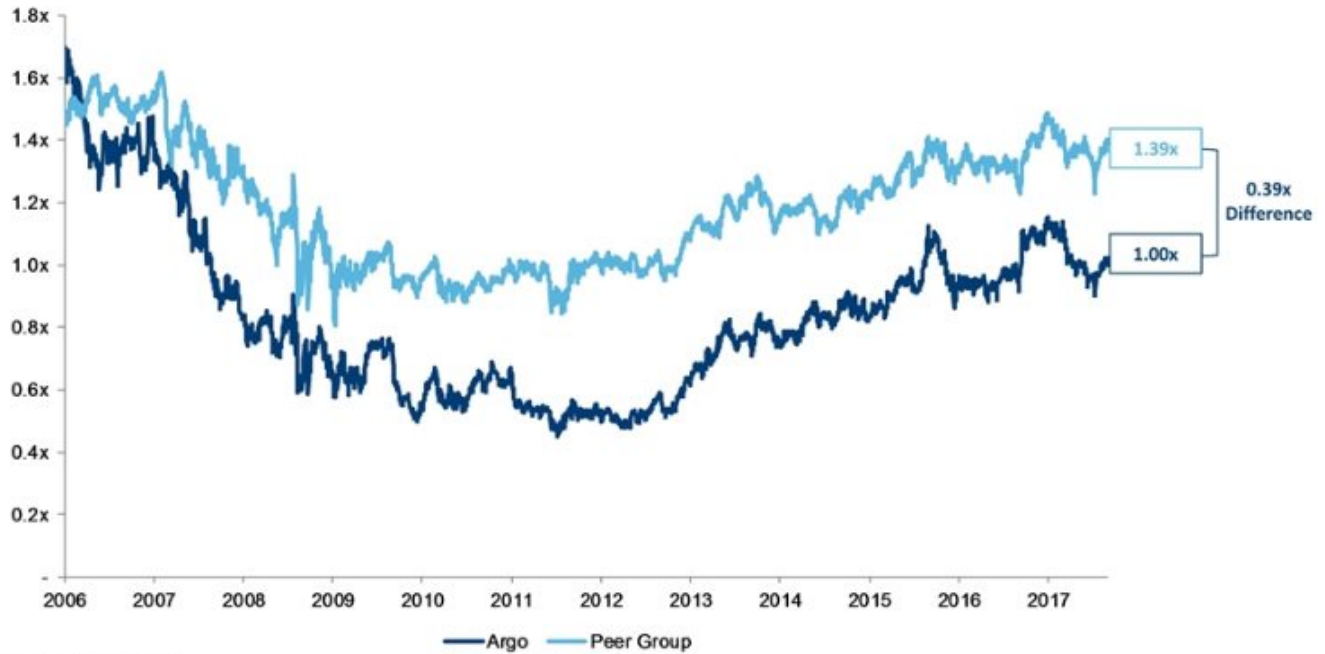
Source: SNL Financial (as of 11/1/17).

Note: Peer Group consists of: Alleghany, American Financial, Amtrust, Arch Capital, Aspen, Axis, Baldwin & Lyons, Global Indemnity, Halmark, Hanover, Markel, Navigators, RLI, Selective, Validus and W.R. Berkley

# Compelling Valuation vs. Peer Group

Price/Book	Mar-06
Argo	1.70x
Peer Avg.	1.49x
Difference	-0.21x

Price/Book	Nov-17
Argo	1.00x
Peer Avg.	1.39x
Difference	0.39x



Source: SNL Financial (as of 11/1/17).

Note: Peer Group consists of: Alleghany, American Financial, Amtrust, Arch Capital, Aspen, Axis, Baldwin & Lyons, Global Indemnity, Halmark, Hanover, James River, Markel, Navigators, RLI, Selective, Validus and W.R. Berkley

## Well Positioned for Value Creation in 2018 and Beyond

*We believe that Argo Group continues to have the potential to generate substantial value for new and existing investors*

### Operations

- Results of underwriting initiatives evident in financial results
- Best in class loss ratios, improved to 57.4% in 2016 from 64.5% in 2012
- Incremental underwriting margin and yield improvements as well as a well balanced investment portfolio should favorably impact ROE going forward
- Continue to employ and attract some of the best talent both in the insurance and technology industries
- Integration of Ariel Re complete and expected to yield benefits across Argo's platform

### Capital

- Moderate financial leverage
- Strong balance sheet with 15 years of overall redundant loss reserves
- Strong track record of disciplined capital management and opportunistic M&A strategy

### Valuation

- Compelling investment case, trading at a price/book of 1.0x versus peers at 1.4x
- Stock trading at a discount to peers notwithstanding similar returns
  - Argo's four year average ROE is 9.7% versus peer average of 9.2%<sup>(1)</sup>

(1) Peer Group consists of: Alleghany, American Financial, Amtrust, Arch Capital, Aspen, Axis, Baldwin & Lyons, Global Indemnity, Hallmark, Hanover, James River, Market, Navigators, RLI, Selective, Validus and W.R. Berkley