



Commentary by The Association of Lloyd's Members
Data Analysis by Moody's Analytics



MOODY'S
ANALYTICS

Lloyd's Results Summary 2013

■ May 2013

2010 Account – Lloyd's in Profit Despite Quakes

The 2010 account produced a pre-tax profit of £551m for Lloyd's, being 2.4% of capacity, despite catastrophe claims which were second only to the 2005 account in recent years.

2010 Achieves 2.4% of Capacity Profit

Last year, we reported that the pure year 2009 account result for Lloyd's as a whole was a profit of £2,350m, being 13.0% of capacity, made up of 8.6% underwriting profit and 4.3% investment return. There was also another large release of 4.2% of capacity from the opening RITC, so that the overall result for the 2009 account was yet another big profit of 17.1% of capacity (Note: these numbers do not exactly add up, as each is rounded to the nearest 0.1% of capacity). At that time, adjusting for average premium rate movements and the increased catastrophe losses for the 2010 account compared with 2009, and assuming a fall in investment returns, we predicted that the pure year result would deteriorate to breakeven for Lloyd's as a whole. This compared with the official forecasts predicting a loss of 4.0% of capacity at that time.

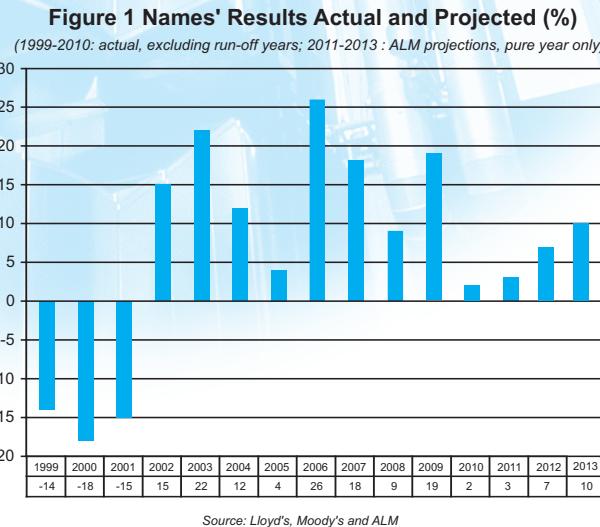
The actual 2010 account pure year result turned out to be a loss of £441m, being a loss of 1.9% of capacity, made up of an underwriting loss of 5.5% and an investment return, including capital gains, of 3.6%. In addition, there was another big release of 4.3% of capacity from the opening RITC, so that the result for the 2010 account for Lloyd's as a whole was an overall profit of 2.4% of capacity.

In past years, we have explained why we expected the

level of prior year releases to reduce, largely because our analysis (as explained in this publication last year) suggested that the extent of over prudence within the reserves set by managing agents seemed likely to us to have reduced. But the expected reductions in prior year releases in recent years have not occurred, and we understand that Lloyd's own analysis suggests that managing agents may have reserved even more prudently at 31 December 2012 than at 31 December 2011. We would now guess that this may continue to be the case in future years. While reserving, of its very nature, is not an exact science, we would therefore now expect to see releases from prior years to become the norm at Lloyd's, at least under three year accounting, with prior year deteriorations only occurring in a minority of years, where unexpected developments arise.

Names Outperform Again, But Only Just

Each year, Moody's provides the ALM with an analysis of the aggregate of the managing agents' results and forecasts by capital provider type (ie members agents vs corporates). For the 2010 account, 'members agents' (ie Names) achieved average profits of 2.7% of capacity, compared with 2.5% for the corporates and 2.5% for Lloyd's overall (Moody's figures are before members



continued on page 12 ➔



Lloyd's Results Summary – April 2013

Introduction

The following tables are intended to help ALM members to begin to plan their auction strategy and to give an overview of actual 2010 account results and 2011 account forecasts. The tables on pages 3 to 7 show, in syndicate number order, for syndicates trading in 2013, historic auction information, actual and forecast returns, and underwriting statistics, in each case to the extent that the syndicate makes such statistics available.

The tables on pages 8 to 10 show, in order of performance, results and forecasts for the 2010 and 2011 years of account respectively for syndicates, members' agents and MAPAs.

Portfolio Averages

The table below ranks the actual 2010 and forecast 2011 performance of the syndicate portfolios of the main categories of capital provider, and for Lloyd's as a whole. Unlike Lloyd's results, the figures below are before deducting members' agents' charges.

2010

Capital Provider Type	Capacity £m	Actual Return %
Members' Agents' Allocations	2,838	2.7
Corporates	20,184	2.5
Lloyd's Market Average	23,022	2.5

2011

Capital Provider Type	Capacity £m	Forecast Return %
Members' Agents' Allocations	2,691	3.1
Corporates	20,606	-0.9
Lloyd's Market Average	23,297	-0.4

Explanatory Notes:

- 1) *The Actual Returns are the syndicate results declared as at 31st December 2012 shown after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission. Data has been drawn from the 31st December 2012 QMRs (Quarterly Monitoring Returns). Prior year run-off syndicates' results are not included in the above figures.*
- 2) *The Forecast Returns are the mid-point forecasts from the QMRs as at 31st December 2012 and are the results after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission.*
- 3) *The Forecast Returns are based upon the following assumptions:*
 - a) *Ultimate net claims settlements have been estimated on the basis of paid and known outstanding claims as at 31 December 2012, together with an assessment of future claims settlements derived, where appropriate, from projections based on previous claims history on the assumption that past experience is a reliable indicator of future developments.*
 - b) *There will be no further abnormally large claims or aggregation of claims arising from catastrophe events or other causes.*
 - c) *There will be no significant deviation from projected cash flow patterns or in investment income forecasts.*
 - d) *All Lloyd's years of account will be closed under standard Lloyd's accounting procedures.*
 - e) *Exchange rates will not differ significantly from those at 31 December 2012.*
- 4) *Definition of capital provider types:*
 - a) *Corporates represents direct corporate participants (i.e. not advised by a members' agent, except as named in 4b) below.*
 - b) *Members' Agents' Allocations exclude Heritage HCC placed via Hampden on syndicate 4141, Cathedral placed via Hampden largely on syndicate 2010, various Managing Agent Staff LLPs placed via Hampden, ACAL placed via Argenta on syndicate 1965, SCI Capital Limited placed via Argenta on syndicate 3334, and Argenta dedicated placed via Argenta on syndicate 2121, all of which are deemed for this purpose to be direct corporate participants and which are included under 4a) above.*



Lloyd's 2013 Syndicates - Summary of Results at May 2013

Syndicate Agent Underwriter	Capacity 2013	Capacity Traded in 2012		Capacity Traded in 2011		Return on Capacity					Pure Year Net Incurred Claims as % of Net Signed Premiums													
		Volume	Price	Volume	Price	Actual	Forecast	2008	2009	2010	2011	2012	Year	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12		
						%	p/£						%	%	%	%	%	%	%	%	%	%	%	
	£m																							
0033	950	1	H 53.5 A 47.2 L 44.7	1	H 45.9 A 42.9 L 41.8	15.3	31.6	7.2	0.0					2010	34	39	49	62	64	66	66	70	72	
Hiscox														2011	34	52	59	53	58					
R M Merrett / P Lawrence														2012	19									
0044	7		H A L		H A L																			
Sagicor at Lloyd's																								
M R Herrick																								
0218	438	2	H 0.7 A 0.6 L 0.4	4	H 1.1 A 0.8 L 0.3	-57.5	-28.0	-20.8	-7.0					2010	53	83	99	109	112	113	137	112	111	
Equity														2011	45	66	92	94	97					
M Bacon														2012	37									
0260	70	2	H 0.2 A 0.2 L 0.2	9	H 0.5 A 0.1 L 0.1	-38.5	-38.1	-18.9	-5.8					2010	54	73	90	100	103	107	110	109	110	
Canopius														2011	35	57	72	80	84					
N Manvell														2012	41									
0308	27	6	H 18.0 A 18.0 L 18.0	4	H 18.0 A 17.6 L 16.8	17.5	6.4	13.4	4.7					2010	54	53	50	45	54	58	60	62	60	
R J Kiln														2011	51	46	55	64	72					
C J Garner														2012	46									
0318	235	2	H 10.1 A 10.0 L 10.0	4	H 10.0 A 10.0 L 10.0	-6.5	11.2	4.2	6.5					2010	42	49	73	87	92	91	90	90	91	
Beaufort														2011	46	46	57	62	65					
M S F Pritchard														2012	45									
0382	330		H A L		H A L																			
Hardy																								
P J Gage																								
0386	413	0	H 99.4 A 92.1 L 88.2	1	H 92.7 A 89.8 L 83.3	54.4	43.1	28.9	19.2					2010	9	13	19	24	27	30	32	34	37	
QBE														2011	13	16	23	26	30					
A M Bathia														2012	13									
0435	325		H A L		H A L																			
Faraday																								
M J Rayner/ P N E Ceurvorst																								
0457	425		H A L		H A L																			
Munich Re																								
D J R Hoare/ O J Crabtree																								
0510	1,064	1	H 20.7 A 16.2 L 14.5	4	H 14.7 A 13.5 L 12.6	16.8	19.0	2.7	5.4					2010	30	43	61	74	81	83	85	83	84	
R J Kiln														2011	36	42	49	56	61					
Various #1 above														2012	35									
0557	46	2	H 0.5 A 0.4 L 0.3	5	H 3.1 A 1.4 L 0.2	14.3	15.4	-25.4	7.2					2010	49	54	105	177	189	198	195	193	195	
R J Kiln														2011	57	61	66	68	63					
D J Huckstepp														2012	46									
0609	420	2	H 46.6 A 41.4 L 40.0	3	H 39.0 A 38.1 L 37.3	20.7	28.9	16.7	8.0					2010	19	27	42	53	53	52	54	55	56	
Atrium Underwriters														2011	24	35	41	47	49					
R D W Harries														2012	19									
0623	225	3	H 43.5 A 35.9 L 33.1	6	H 29.3 A 28.7 L 27.8	13.5	21.0	6.1	2.5					2010	23	27	39	49	53					
Beazley Furlonge														2011	23									
N P Maidment																								
0727	81	2	H 43.3 A 42.3 L 41.6	2	H 42.3 A 41.0 L 40.0	15.0	15.6	11.5	6.0					2010	20	29	41	48	56	60	66	66	71	
S A Meacock														2011	37	45	52	57	60					
M J Meacock														2012	40									
0779	22	6	H 11.6 A 6.5 L 4.0	7	H 3.3 A 1.7 L 0.7	18.6	7.8	1.4	-1.0					2010	79	61	63	65	65	64	66	65	66	
Jubilee														2011	45	36	52	60	54					
J C Clarke														2012	57									
0780	200		H A L		H A L																			
Advent																								
D Lummis																								
0958	220	10	H 3.1 A 2.7 L 1.6	4	H 1.6 A 1.0 L 0.6	3.5	8.3	-15.1	-11.9					2010	40	51	69	83	94	100	104	109	99	
Canopius														2011	78	79	86	91	85					
M Duffy/ S J Gargrave														2012	41									
1084	770		H A L		H A L																			
Chaucer																								
J Fowle																								



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		Volume		Price		Volume		Price		Actual	Forecast	2008	2009	2010	2011	2012	Year	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12					
		£m		%		%		p/£		%		%		%		%		%		%		%		%		%					
1110	110		H		A		H		A		L																				
Argenta			A		L																										
P Cusiton																															
1176	32	2	H 181.1		A 161.2		L 157.4		1	H 164.4		A 160.2		L 156.5		72.6	52.5	32.3	-7.5			2010			1	3					
Chaucer																															
M G Dawson																															
1183	620		H		A		L			H		A		L																	
Talbot Underwriting			A		L																										
J E Skinner																															
1200	350	1	H 0.2		A 0.1		L 0.1		4	H 8.1		A 7.4		L 7.1		-4.1	3.3	0.8	0.8			2010	23	29	48	63	71	75	79	84	85
Argo																															
N R Chapman / P J Kneafsey																															
1206	200		H		A		L			H		A		L																	
Sagicor at Lloyd's			A		L																										
G M Halpin																															
1209	300		H		A		L			H		A		L																	
XL London Market			A		L																										
N D Robertson																															
1218	105		H		A		L			H		A		L																	
Newline			A		L																										
P T Foley																															
1221	195		H		A		L			H		A		L																	
Navigators			A		L																										
R P Bardwell																															
1225	310		H		A		L			H		A		L																	
AEGIS			A		L																										
D P Croom-Johnson																															
1274	222		H		A		L			H		A		L																	
Antares			A		L																										
J A Battle																															
1301	160		H		A		L			H		A		L																	
Torus			A		L																										
N Attwood																															
1400	235		H		A		L			H		A		L																	
Alterra at Lloyd's			A		L																										
M A Petzold																															
1414	650		H		A		L			H		A		L																	
Ascot Underwriting			A		L																										
A L Brooks																															
1458	138		H		A		L			H		A		L																	
RenRe			A		L																										
R A Curtis																															
1861	150		H		A		L			H		A		L																	
ANV			A		L																										
R J R Housley																															
1880	360		H		A		L			H		A		L																	
R J Kiln			A		L																										
L Tunnicliffe																															
1882	82		H		A		L			H		A		L																	
Chubb			A		L																										
K Docherty																															
1897	70		H		A		L			H		A		L																	
R&Q			A		L																										
B Hellman																															
1910	255		H		A		L			H		A		L																	
Asta			A		L																										
D Lednor																															



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		Volume		Price		Volume		Price		Actual	Forecast	2008	2009	2010	2011	2012	Year	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12				
		£m		%		%		p/£		%		%		%		%		%		%		%		%		%				
1919 Starr D Stewart	220	H A L		H A L																										
1945 Astia M Dashfield	93	H A L		H A L																										
1955 Barbican M Harrington	203	H A L		H A L																										
1967 W R Berkley A Blades	150	H A L		H A L																										
1969 ANV N G Jones	110	2	H 4.0 A 1.6 L 0.3	0	H 0.4 A 0.2 L 0.1					-15.1	0.0																			
1991 R&Q D Wright	77	H A L		H A L																										
2001 Amlin K Allchorne/ B D Carpenter	1,400	H A L		H A L																										
2003 Catlin N J Burkinshaw	1,500	H A L		H A L																										
2007 Novae I Burford/ R D Forster	575	H A L		H A L						2.5																				
2010 Cathedral J C Hamblin	350	1	H 40.0 A 37.7 L 34.5	1	H 42.5 A 41.1 L 39.3					10.6	16.1	2.2	1.3																	
2012 Arch W E Beveridge	200	H A L		H A L																										
2015 Astia T R C Corfield	120	H A L		H A L																										
2088 Catlin N J Burkinshaw	50	H A L		H A L																										
2121 Argenta I M Maguire	200	2	H 1.1 A 0.7 L 0.5	0	H 0.2 A 0.2 L 0.2					5.1	11.2	-4.4	0.5																	
2232 Capita Managing Agency D Powell	76	H A L		H A L																										
2468 Marketform S P Lotter	145	H A L		H A L																										
2488 ACE Underwriting A M W Shaw	350	H A L		H A L																										
2525 Astia D L Dale	42	3	H 18.2 A 16.3 L 14.3	4	H 11.5 A 9.6 L 8.2					26.1	29.8	32.2	-4.6																	
2526 Astia A G Dore	60	11	H 1.0 A 1.0 L 0.9	6	H 15.3 A 4.3 L 0.6					14.5	-6.9	7.0	0.0																	



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		Volume	Price	Volume	Price	Actual		Forecast			Year	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12				
						2008	2009	2010	2011	2012														
	£m	%	p/£	%	p/£	%	%	%	%	%		%	%	%	%	%	%	%	%	%	%	%		
2623	1,025		H		H																			
Beazley Furlonge			A		A																			
N P Maidment			L		L																			
2791	511	1	H 47.0		3 H 31.1		15.6	32.1	17.7	9.5		2010 12	16	25	30	35	37	39	41	42				
MAP			A 36.9		A 27.4							2011 27	33	35	37	40								
R K Trubshaw			L 34.0		L 25.4							2012 28												
2987	940		H		H																			
Brit			A		A																			
M D Wilson			L		L																			
2999	1,060		H		H																			
QBE			A		A																			
A M Bathia/ J W Parry/ C R O			L		L																			
3000	340		H		H																			
Markel			A		A																			
J W Brazil			L		L																			
3002	13		H		H																			
Catlin			A		A																			
N V Guillaume-Smith			L		L																			
3010	30		H		H																			
Cathedral			A		A																			
J C Hamblin			L		L																			
3210	340		H		H																			
Mitsui Sumitomo			A		A																			
P R McDermott			L		L																			
3334	43		H	0	H 0.3		-8.2	-8.3	-41.5	-2.7		2010 50	74	53	56	54	59	67	74	74				
Sportscover			A		A 0.2							2011 58	108	58	53	49								
C P Nash/ M J Anderson			L		L 0.1							2012 15												
3622	15		H		H																			
Beazley Furlonge			A		A																			
N P Maidment			L		L																			
3623	125		H		H																			
Beazley Furlonge			A		A																			
N P Maidment			L		L																			
3624	250		H		H																			
Hiscox			A		A																			
R C Watson			L		L																			
4000	250		H		H																			
Pembroke			A		A																			
T A B H Glover			L		L																			
4020	381		H		H																			
Ark			A		A																			
N K Bonnar			L		L																			
4141	131		H		H																			
HCC			A		A																			
B J Cook			L		L																			
4242	80		H		H		-8.2	20.7	10.8	10.0		2010												
Asta			A		A							2011 9	25	30	33									
G Butler			L		L							2012 15												
4444	550		H		H																			
Canopius			A		A																			
M Duffy/ S J Gargrave			L		L																			
4472	1,000		H		H																			
Liberty			A		A																			
M Moore			L		L																			
4711	290		H		H																			
Aspen			A		A																			
K Vacher			L		L																			



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		Volume		Price		Volume		Price		Actual	Forecast	2008	2009	2010	2011	2012	Year	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12				
		£m		%		%		p/£		%		%		%		%		%		%		%		%		%				
5000	300	H	A	L	H	A	L	H	A																					
Travelers																														
S G Eccles																														
5151	180	H	A	L	H	A	L	H	A																					
Montpelier																														
R M M Chattock																														
5820	131	H	A	L	H	A	L	H	A																					
Jubilee																														
C H Biles																														
6103	41	H	A	L	H	A	L	H	A	7.7	61.5	38.0																		
MAP																														
R K Trubshaw																														
6104	66	H	A	L	H	A	L	H	A	42.4	64.7	8.9																		
Hiscox																														
R M Merrett																														
6105	19	H	A	L	H	A	L	H	A	2.2	20.6	0.4																		
Ark																														
N K Bonnar																														
6106	39	H	A	L	H	A	L	H	A	46.7	-40.9	16.5																		
Amlin																														
K Allchorne																														
6107	18	H	A	L	H	A	L	H	A	-39.4	5.0																			
Beazley Furlonge																														
N P Maidment																														
6110	45	H	A	L	H	A	L	H	A																					
Pembroke																														
T A B H Glover																														
6111	86	H	A	L	H	A	L	H	A																					
Catlin																														
N J Burkinshaw																														
6112	29	H	A	L	H	A	L	H	A																					
Catlin																														
N J Burkinshaw																														
6113	24	H	A	L	H	A	L	H	A																					
Barbican																														
J Winn																														
6115	70	H	A	L	H	A	L	H	A																					
Canopius																														
M Duffy/ S J Gargrave																														

Explanatory Notes:

1. The price columns on pages 3 to 7 give the Highest, Lowest and Average selling prices from the 3 main auctions in each year (i.e. excluding the deceased names' auction in each case).



Lloyd's Syndicates – Results and Forecasts – 2010/11 Years of Account

Syndicate	2010 Capacity £m	2010 Result %	Syndicate	2011 Capacity £m	2011 Forecast %
6103	33.7	38.0	0386	364.7	19.2
1176	31.7	32.3	6103	28.8	17.5
2525	42.0	32.2	6106	43.0	16.5
0386	364.9	28.9	6104	37.2	12.5
2791	504.5	17.7	4242	80.0	10.0
0609	274.5	16.7	2791	504.5	9.5
2318	33.0	14.5	0609	274.2	8.0
0308	20.0	13.4	6105	11.0	8.0
0727	79.8	11.5	2318	10.0	7.6
4242	99.0	10.8	0557	59.9	7.2
6104	45.2	8.9	0318	225.0	6.5
0570	144.6	8.7	0727	79.8	6.0
0033	999.5	7.2	0510	922.3	5.4
2526	31.8	7.0	6107	14.1	5.0
0623	215.7	6.1	0308	20.0	4.7
0318	225.0	4.2	0623	215.2	2.5
0510	922.5	2.7	2010	349.7	1.3
2010	349.8	2.2	1200	350.0	0.8
0779	27.0	1.4	2121	200.0	0.5
1200	349.9	0.8	0033	899.4	0.0
6105	30.1	0.4	1969	74.4	0.0
2121	174.9	-4.4	2526	50.0	0.0
0958	279.8	-15.1	0779	27.0	-1.0
1969	63.7	-15.1	3334	35.0	-2.7
0260	69.8	-18.9	0807	140.5	-3.8
0218	486.2	-20.8	2525	42.0	-4.6
0807	140.4	-24.4	0570	144.9	-5.0
0557	119.5	-25.4	0260	69.8	-5.8
6107	14.5	-39.4	0218	486.0	-7.0
6106	49.8	-40.9	1176	31.7	-7.5
3334	25.0	-41.5	0958	279.8	-11.9
0044	5.5	Not Disclosed	0044	5.5	Not Disclosed
0382	300.0	Not Disclosed	0102	3.5	Not Disclosed
0435	325.0	Not Disclosed	0382	300.0	Not Disclosed
0457	320.0	Not Disclosed	0435	325.0	Not Disclosed
0780	200.0	Not Disclosed	0457	350.0	Not Disclosed
1084	745.0	Not Disclosed	0780	200.0	Not Disclosed
1110	53.0	Not Disclosed	1084	825.0	Not Disclosed
1183	600.0	Not Disclosed	1110	53.0	Not Disclosed
1206	230.0	Not Disclosed	1183	560.0	Not Disclosed
1209	300.0	Not Disclosed	1206	230.0	Not Disclosed
1218	95.0	Not Disclosed	1209	300.0	Not Disclosed
1221	168.0	Not Disclosed	1218	105.0	Not Disclosed
1225	310.0	Not Disclosed	1221	175.0	Not Disclosed
1274	200.4	Not Disclosed	1225	310.0	Not Disclosed
1301	110.0	Not Disclosed	1274	175.4	Not Disclosed
1318	50.0	Not Disclosed	1301	92.0	Not Disclosed
1400	140.0	Not Disclosed	1318	50.0	Not Disclosed
1414	700.0	Not Disclosed	1400	150.0	Not Disclosed
1458	84.3	Not Disclosed	1414	650.0	Not Disclosed
1861	135.0	Not Disclosed	1458	84.3	Not Disclosed
1880	360.0	Not Disclosed	1861	135.0	Not Disclosed
1882	25.3	Not Disclosed	1880	360.0	Not Disclosed
1910	175.0	Not Disclosed	1882	82.0	Not Disclosed
1919	365.0	Not Disclosed	1897	60.0	Not Disclosed
1955	180.0	Not Disclosed	1910	165.0	Not Disclosed
1965	35.0	Not Disclosed	1919	365.0	Not Disclosed
1967	85.0	Not Disclosed	1945	67.0	Not Disclosed
2001	1050.0	Not Disclosed	1955	180.2	Not Disclosed
2003	1436.3	Not Disclosed	1965	50.0	Not Disclosed
2007	525.0	Not Disclosed	1967	100.0	Not Disclosed
2008	10.0	Not Disclosed	2001	1035.0	Not Disclosed
2012	166.0	Not Disclosed	2003	1424.0	Not Disclosed
2232	28.5	Not Disclosed	2007	575.0	Not Disclosed
2243	43.0	Not Disclosed	2008	10.0	Not Disclosed
2468	145.0	Not Disclosed	2012	166.0	Not Disclosed
2488	400.0	Not Disclosed	2015	75.0	Not Disclosed
2623	942.2	Not Disclosed	2232	73.5	Not Disclosed
2987	745.0	Not Disclosed	2243	65.0	Not Disclosed
2999	1000.0	Not Disclosed	2255	11.0	Not Disclosed

Notes:

The syndicate result/forecast is taken from the QMR returns as at 31st December 2012 and is shown after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission.



Lloyd's Syndicates – Results and Forecasts – 2010/11 Years of Account

Syndicate	2010 Capacity £m	2010 Result %	Syndicate	2011 Capacity £m	2011 Forecast %
3000	300.0	Not Disclosed	2468	145.0	Not Disclosed
3002	5.0	Not Disclosed	2488	360.0	Not Disclosed
3010	30.0	Not Disclosed	2623	942.7	Not Disclosed
3210	340.0	Not Disclosed	2987	760.0	Not Disclosed
3622	10.0	Not Disclosed	2999	930.0	Not Disclosed
3623	125.0	Not Disclosed	3000	340.0	Not Disclosed
3624	150.0	Not Disclosed	3002	6.4	Not Disclosed
4000	155.0	Not Disclosed	3010	30.0	Not Disclosed
4020	345.0	Not Disclosed	3210	340.0	Not Disclosed
4141	130.7	Not Disclosed	3500	3.0	Not Disclosed
4444	550.0	Not Disclosed	3622	12.5	Not Disclosed
4472	910.0	Not Disclosed	3623	135.0	Not Disclosed
4711	235.0	Not Disclosed	3624	250.0	Not Disclosed
5000	365.0	Not Disclosed	4000	175.0	Not Disclosed
5151	180.0	Not Disclosed	4020	388.9	Not Disclosed
5678	5.0	Not Disclosed	4141	130.7	Not Disclosed
5820	138.9	Not Disclosed	4444	550.0	Not Disclosed
			4472	910.0	Not Disclosed
			4711	267.0	Not Disclosed
			5000	325.0	Not Disclosed
			5151	180.0	Not Disclosed
			5820	100.1	Not Disclosed

Notes:

The syndicate result/forecast is taken from the QMR returns as at 31st December 2012 and is shown after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission.

Members' Agents – Syndicate Results and Forecasts

2010 Year of Account (Actual Results)

Members' Agent	2010 Capacity £m	No. of Synds	Actual Return %
Alpha Insurance Analysts Limited	346.8	30	4.3
ICP General Partner Limited	90.9	19	3.2
Hampden Agencies Ltd	1457.6	30	3.2
Argenta Private Capital Limited	942.9	31	1.2
Members' Agents' Total Allocations and Weighted Average Return	2,838		2.7
Direct Corporate Allocations and Weighted Average Return	20,184		2.5
Market Total Capacity and Weighted Average Return	23,022		2.5

2011 Year of Account (Forecasts)

Members' Agent	2011 Capacity £m	No. of Synds	Forecast Return %
Hampden Agencies Ltd	1,355.8	30	3.2
ICP General Partner Limited	90.0	20	3.1
Alpha Insurance Analysts Limited	364.3	27	3.0
Argenta Private Capital Limited	880.4	29	2.8
Members' Agents' Total Allocations and Weighted Average Return	2,691		3.1
Direct Corporate Allocations and Weighted Average Return	20,606		-0.9
Market Total Capacity and Weighted Average Return	23,297		-0.4

Notes:

1. Capacity is that placed through members' agents as at 1st January in each year, excluding that which is defined for this purpose as direct corporate participations (Heritage HCC placed via Hampden on syndicate 4141, Cathedral placed via Hampden largely on syndicate 2010, various Managing Agent Staff LLPs placed via Hampden, ACAL placed via Argenta on syndicate 1965, SCI Capital Limited placed via Argenta on syndicate 3334, and Argenta dedicated placed via Argenta on syndicate 2121).
2. Unallocated capacity is excluded.
3. Market Total includes direct corporate participations.
4. The Actual and Forecast Returns are the syndicate results or forecasts declared in the QMR returns as at 31st December 2012 shown after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission.
5. ICP General Partner Limited is a members' agent which commenced trading for the 2007 year of account. It does not provide a service for individual Names. It only provides a service for one member of Lloyd's, ICP Capital Limited, which operates a spread portfolio of syndicates.



MAPAs - Actual Results - 2010 Year of Account

MAPA Number	MAPA Name	2010 Capacity	No. of Synds	Actual Return
		£m		%
7217	Hampden MAPA 7217 (s.4242)	13.8	1	10.8
7200	Hampden MAPA 7200	21.5	11	9.7
7201	Hampden MAPA 7201	116.5	13	6.4
7202	Hampden MAPA 7202	38.4	14	6.0
7066	Hampden MAPA 7066	44.0	15	5.7
7210	Hampden MAPA 7210	48.6	14	4.2
7209	Hampden MAPA 7209	22.9	16	4.0
7203	Hampden MAPA 7203	14.2	14	3.9
7208	Hampden MAPA 7208	38.6	17	2.5
7009	Argenta MAPA 7009	134.2	14	1.5
7008	Argenta MAPA 7008	20.4	12	-0.6
MAPA Total Allocations and Weighted Average Result		513.2		4.3

MAPAs - Forecast Results - 2011 Year of Account

MAPA Number	MAPA Name	2011 Capacity	No. of Synds	Forecast Return
		£m		%
7217	Hampden MAPA 7217 (s.4242)	8.8	1	10.0
7200	Hampden MAPA 7200	19.9	11	4.6
7208	Hampden MAPA 7208	32.3	16	3.7
7211	Hampden MAPA 7211	11.5	14	3.4
7210	Hampden MAPA 7210	39.1	13	3.3
7201	Hampden MAPA 7201	111.3	13	3.1
7202	Hampden MAPA 7202	36.0	13	3.1
7209	Hampden MAPA 7209	17.9	15	3.0
7066	Hampden MAPA 7066	40.6	14	3.0
7203	Hampden MAPA 7203	12.7	14	2.2
7009	Argenta MAPA 7009	119.6	14	2.2
7222	Argenta MAPA 7222	16.6	13	1.1
MAPA Total Allocations and Weighted Average Forecast		466.4		3.0

Notes:

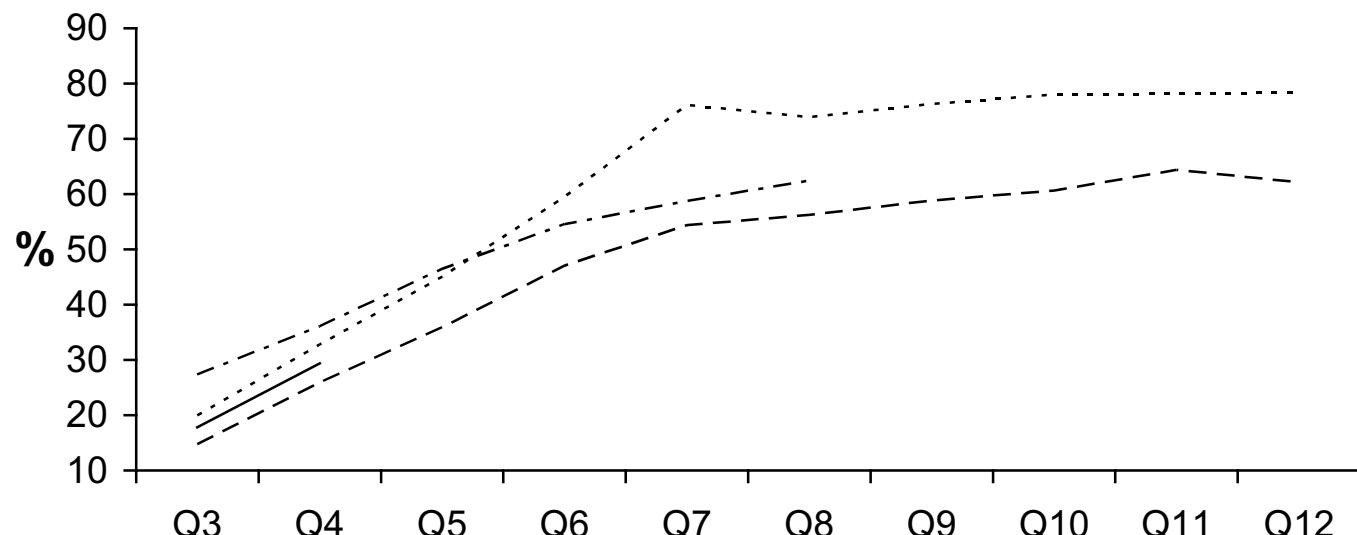
Both Actual and Forecast Results are derived from the syndicate results declared in the QMR returns as at 31st December 2012 shown after standard personal expenses, but before deducting members' agents' fees and members' agents' profit commission.



Lloyd's Market Development Statistics

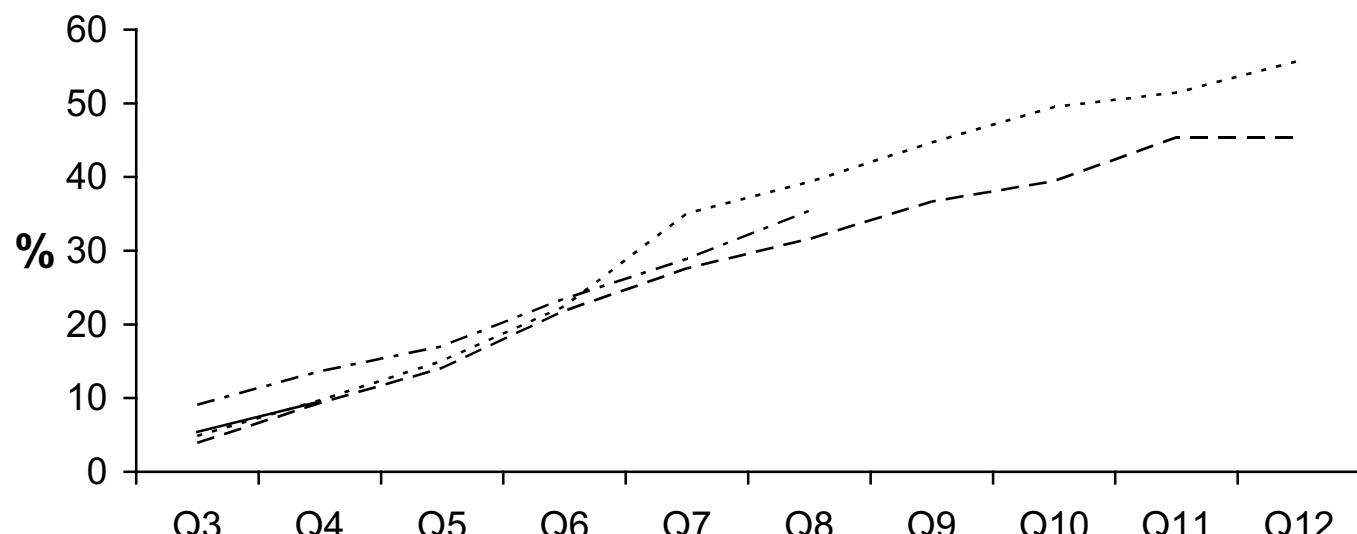
Net Incurred Claims %

— 2009 ····· 2010 ····· 2011 ——— 2012



Net Settled Claims %

— 2009 ····· 2010 ····· 2011 ——— 2012



Notes:

- Signed premium income figures are only provided for most syndicates supported by third party capital and therefore the charts above are not reflective of Lloyd's as a whole.





L L O Y D ' S R E S U L T S S U M M A R Y

continued from front page

agents fees, which is why their figure for Lloyd's overall is 0.1% of capacity higher than that given in the second paragraph on page 1).

The aggregate results of Names from 1999 to 2010 (including movements in prior year reserves), together with ALM projections (pure year only) for 2011 to 2013, appear in Figure 1 on page 1.

The projection for 2011 includes a provision of 12% of capacity for catastrophe losses, including 4% for the Thai floods (Note: the figure for Lloyd's as a whole is 6%, but this includes 2% for *Kiln's* Syndicate 1880, which is something of a special situation and on which Names do not participate), and 5% for those parts of the Japanese and second New Zealand earthquakes and the US tornadoes which did not fall back into the 2010 account. The 2012 catastrophe provision is somewhat speculative at this stage as many policies written in 2012 are still on risk. The 2013 projection simply includes a 'normal' 5% of capacity catastrophe provision, as the year has hardly started in catastrophe terms and substantial exposures will remain on risk at least until 30th June 2014. (Note: in the past we used to say that 3% of capacity was a 'normal' year for catastrophes but we increased this to 5% a year ago, following six 'abnormally' bad catastrophe years out of the previous eleven.)

2011 – A Small Profit for Names?

Managing agents are currently (Q4 2012 forecasts) predicting that Lloyd's pure year result for the 2011 year of account will be a loss of 0.4% of capacity before members agents' fees and profit commission. *Moody's* analysis splits this between a profit of 3.1% for Names and a loss of 0.9% for the corporates.

Average premium rates at Lloyd's rose by about 2% in 2011, equivalent to about 1% of capacity. Catastrophe losses for the 2011 account are currently estimated to be about 14% of capacity for Lloyd's as a whole, being 1% of capacity less than for 2010, or 12% of capacity for Names, being 3% less than for 2010 (the difference arises from *Kiln's* Syndicate 1880 as explained above). This would suggest a pure year loss of around 3% of capacity for Lloyd's as a whole, and a pure year profit of around 1% for Names, assuming a return to the more normal outperformance of 2% of capacity plus the further 2% outperformance which arises from not being on *Kiln's* Syndicate 1880. It also assumes that investment returns are almost halved from those for the 2010 account, to 2% of capacity, partly due to the elimination of capital gains (Note: there is always the danger that there could be some capital losses on syndicates' bond portfolios if interest rates were to rise a little by the end of 2013, as it is the investment return in 2013 which will have the largest impact upon the 2011 account).

Despite the analysis in the previous paragraph, we will stick with the above managing agents forecasts for use in

Figure 1 on page 1, as they have consistently proved to be conservative in recent years.

The above ALM analysis does not include prior year reserve releases as, by their very nature, they are even more difficult to forecast than pure year results but, as referred to at the very end of the section on the 2010 account on page 1, the ALM would expect them to remain a feature of Lloyd's in more years than not.

2012 – Pure Year Profit of 5% to 10% for Names?

Average premium rates at Lloyd's rose by about 3% in 2012, perhaps equivalent to about 2% of capacity, as net premium income excluding acquisition costs generally amounts to around 60% of capacity. Despite Superstorm Sandy, catastrophe losses for the 2012 account are currently estimated to be about 8% of capacity, being about 6% of capacity less than for the 2011 account, for Lloyd's as a whole, or 4% less than for the 2011 account for Names (due to *Kiln's* Syndicate 1880). Assuming the same 2% investment return as for the 2011 account, this would suggest a pure year profit of around 5% of capacity for Lloyd's as a whole and around 7% of capacity for Names.

Again, these forecasts do not include prior year reserve releases.

The first formal forecasts for the 2012 account will be available at the end of May. Such early forecasts by the managing agents have in the aggregate consistently and materially understated the eventual outcome in recent years, partly because the vast majority quite reasonably do not start to include prior year reserve releases until after they have actually set the reserves at the 24 month stage and partly through natural caution.

Prospects for 2013 Currently Good

Premium rates in the first quarter are estimated to have risen within Lloyd's on average by between 1% and 2%, compared with the first quarter of 2012, but this is expected by the ALM to be offset by reductions on average for the rest of the year, led by the Florida and other reinsurance renewals in June and July. The ALM would guess that average premium rates may be flat for 2013 as a whole, compared with 2012. On the assumption that catastrophe losses return to a more 'normal' level of about 5% of capacity for the 2013 account, compared with about 8% in 2011, and assuming again that investment returns amount to about 2% of capacity, the ALM would project a pure year profit of about 8% of capacity for Lloyd's as a whole, with Names perhaps at about 10%. But this is all highly speculative and the hurricane season could change everything, as could other 'abnormal' catastrophe losses or indeed investment losses. (Note: This illustrative projection is again before any movement on prior years.)