



## Admiral Group plc results for the six months ended 30 June 2017

16 August 2017 6:00 AM BST

### 2017 Interim Results Highlights

	30 June 2017	30 June 2016	% change
Group's share of profit before tax *1	£195 million	£193 million	+1%
Group statutory profit before tax	£193 million	£190 million	+2%
Earnings per share	57.3 pence	55.9 pence	+3%
Interim dividend	56.0 p/share	51.0 p/share (62.9 p/share including additional capital return)	+10%
Return on equity*1	55%	50%	+10%
Group turnover*1	£1.45 billion	£1.26 billion	+15%
Group net revenue	£0.55 billion	£0.51 billion	+8%
Group customers*1	5.46 million	4.82 million	+13%
UK insurance customers*1	4.34 million	3.90 million	+11%
International car insurance customers*1	961,200	757,900	+27%
Group's share of price comparison result *1	£3.1 million profit	£1.1 million loss	
Statutory price comparison result	£2.4 million profit	£4.8 million loss	
Solvency ratio (post dividend)*1, 2	214%	180%	+19%

Over 9,000 staff each receive free shares worth a total of £1,800 under the employee share scheme based on the interim 2017 results

\*1 Alternative Performance Measures – refer to the end of the report for definition and explanation.

\*2 Refer to capital structure and financial position section later in the report for further information.

## Comment from David Stevens, Group Chief Executive Officer

"The first half of 2017 saw Admiral ambitious in pursuit of both immediate and longer-term growth opportunities.

"We've grown turnover and customer numbers in our existing businesses by over 13% while also delivering a first half of important "firsts" - the first loans originated on our new dedicated lending system, the first cars sold on [Confused.com](http://Confused.com), the first vans directly underwritten in the UK and Spain.

"Most of the adverse impact from the increase in the costs of large injury claims, resulting from the change in the Ogden discount rate, was captured in our 2016 second half result. However, some extra costs carry into 2017. In these circumstances, we are happy to report a marginal increase in profitability and to deliver a more material increase in the underlying dividend."

### Dividend

The Directors have declared an interim dividend of 56.0 pence per share, representing a normal dividend of 37.9 pence per share and a special dividend of 18.1 pence per share. The dividend will be paid on 6 October 2017. The ex-dividend date is 7 September 2017 and the record date is 8 September 2017.

### Management presentation

Analysts and investors will be able to access the Admiral Group management presentation which commences at 9.00 BST on Wednesday 16 August 2017 by dialling + 44 (0)20 3059 8125. A copy of the presentation slides will be available at [www.admiralgroup.co.uk](http://www.admiralgroup.co.uk)

### H1 2017 Group overview

The Group has continued to grow strongly in the first six months of 2017 with turnover up 15% to £1.45 billion (H1 2016: £1.26 billion) and net revenue 8% higher at £0.55 billion (H1 2016: £0.51 billion). Customer numbers increased 13% to 5.46 million (30 June 2016: 4.82 million).

The Group's share of pre-tax profit increased to £194.5 million from £193.3 million whilst statutory profit before tax increased to £193.4 million (H1 2016: £189.5 million). Slightly higher UK Insurance profit, a lower loss in the International Insurance segment and an improved Price Comparison result were partially offset by higher other Group charges and business development costs.

The Group's UK Insurance business (private car, household and van) grew turnover by 11% to £1.14 billion (H1 2016: £1.03 billion) and customer numbers increased by 11% to 4.3 million from 3.9 million.

UK Insurance profit before tax was slightly higher at £226.2 million (H1 2016: £224.0 million) reflecting the adverse impact of the lower Ogden discount rate on current period claims costs and profit commission, as well as a number of other offsetting impacts.

Outside the UK, Admiral's International Insurance businesses grew combined turnover by 39% to £221.9 million (H1 2016: £159.2 million). Customer numbers also grew strongly by 27% to 961,200 (30 June 2016: 757,900). In aggregate the businesses reduced losses to £10.1 million from £12.9 million mainly due to reduced losses in the Group's US operation, Elephant Auto.

Finally, Admiral's Price Comparison businesses made a combined profit (excluding minority interests' shares) of £3.1 million (H1 2016: £1.1 million loss), mainly reflecting a reduced loss in the Group's US Price Comparison business, Compare.com. [Confused.com](http://Confused.com) in the UK continued to invest in its new focus on motor-related products and services, with increased marketing costs leading to a reduced profit of £4.5 million (H1 2016: £8.3 million). The international price comparison businesses reported a reduced aggregate loss of £1.4 million (H1 2016: loss £9.4 million) with growing profit in the European operations (£2.0 million, up from £0.7 million) offset by the loss in Compare.com of £3.4 million (H1 2016: loss £10.1 million).