



## **Admiral Group plc Results for the Six Months Ended 30 June 2010**

25 Aug 2010

Admiral announces another record half-year profit and continued strong growth. Profit before tax at £126.9 million was 21% ahead of H1 2009, whilst turnover rose 33% to £720.5 million. The Board is declaring a record interim dividend payment of 32.6p per share.

### **H1 2010 Highlights**

- Group profit before tax up 21% at £126.9 million (H1 2009: £105.3 million)
- Interim dividend up 18% at 32.6p per share (2009 interim: 27.7p)
- Group turnover\* up 33% at £720.5 million (H1 2009: £540.1 million)
- Group net revenue up 22% at £296.4 million (H1 2009: £243.1 million)
- Group customers up 23% to 2.37 million from 1.92 million at 30 June 2009
- UK ancillary income per vehicle increased 5% to £74.50 (H1 2009: £70.80)
- Non-UK car insurance turnover up 51% to £37.1 million and customers up 53% to 154,100
- Balumba, the Spanish car insurance operation, made a profit for the first time (of €25,000)
- LeLynx.fr and Chiarezza.it, the French and Italian price comparison sites launched in early 2010
- Employee Share Scheme – over £6 million of shares will be distributed to over 4,000 staff based on the H1 2010 result
- \* Turnover is defined as total premiums written (including co-insurers' share) and other revenue

### **Comment from Henry Engelhardt, Group Chief Executive**

"2010 is shaping up to be a year of great opportunity and I'm extremely proud of how everyone at Admiral has stepped up to the challenge. Their hard work has resulted in a decent set of numbers: turnover was up by a third, profits have grown by over 20% and we will soon be paying a record dividend.

"The UK car insurance business continues to be the driving force behind our success and in the first half of 2010 we shifted up yet another gear. We

increased premium rates by around 14% in the first half and increased customer numbers by 23% year-on-year. The combined effect was an increase in total premiums written of 37%. These results demonstrate the strength of our UK model, which combines competitive prices with great service.

"Of course there are challenges; our operations outside the UK and the Confused price comparison business are not as strong. Yes, Balumba, our insurance operation in Spain, made its first half-yearly profit (€25,000), but it still has work to do as an underwriter to build a sustainable, profitable, growing business. In sum we now insure more than 150,000 vehicles outside the UK covering four countries. In the first part of next year we plan to launch an insurance operation in France as the final part of our five-year strategic plan. We also have three fledgling price comparison businesses outside the UK, two of which launched this year.

"All in all we're pleased with the numbers for the first half of 2010. As a result, every member of staff will receive £1,500 of free shares in the Group, worth over £6 million in total."

### **Comment from Alastair Lyons, Group Chairman**

"With a further advance in first half profits we are delighted once again to be able to declare an increase in our interim dividend, up 18% to 32.6 pence per ordinary share. This represents 97% of after-tax earnings for the first six months of 2010, testament to the strength of Admiral's business model of strong growth, profitability and a high return on capital."

*Admiral Group will hold a conference call for newswires and other real-time media at 07:30 GMT on Wednesday 25 August 2010. To participate journalists are invited to dial +44 (0)20 7138 0843. Access to the facility will be available by using the participant code 9907542.*

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2010 Interim Results:

[Click here to open the 2010 Interim Financial Statements](#)

**Presentations:**

[Click here to listen to the presentation and view the slides](#)

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**RNS statement:**

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**Admiral Group plc on the London Stock Exchange:**

[Click here to view Admiral on the LSE](#)

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**Henry, David and Kevin discussing the results:**

[Click here to view the video clip.](#)