

ADMIRAL GROUP plc

9 November 2011

Q3 Interim Management Statement

Admiral Group plc ('Admiral' or 'the Group') today releases its Interim Management Statement covering the period 1 July to 9 November 2011. Unless otherwise stated, figures quoted are for the quarter ended 30 September 2011, with comparatives reflecting the position compared against the same quarter in 2010.

Comment from Henry Engelhardt, Chief Executive

"Admiral now insures over three million vehicles. This is a great achievement and provides a fantastic base from which to continue our long sustained growth in the scale of our business and its profitability.

"Across 2011 as a whole we are likely to have grown our UK vehicle count by more than 20%. Our international insurance business also continues to achieve strong growth and further improvement in operating results.

"Notwithstanding the continued higher level of large claims in the quarter, I expect us to once again report record profits for the full year, probably some 10% higher than last year. I am confident that with Admiral's enlarged customer base and significant combined ratio advantage we are in a strong position for sustained long term growth and good news in 2012 and beyond."

Group highlights

- Group turnover* increased by 30% to £582m (Q3 2010: £446 million)
- Group vehicle count increased 27% to 3.3 million (Q3 2010: 2.6 million)
- International car insurance turnover up 45% to £27.0 million (Q3 2010: £18.6 million)
- International car insurance vehicle count up 53% to 267,000 (Q3 2010: 175,000)
- Annualised UK vehicle count growth rate of just over 13%
- Modest UK premium rate increases achieved
- UK ancillary contribution per vehicle in line with H1 2011
- Combined ratio remains significantly lower than the market
- Financial position remains strong

** Turnover is defined as total premiums written (including co-insurers' share) and Other Revenue*

Outlook

Our claims experience in Q3, if replicated in Q4, would lead to a small improvement at the end of the year in the aggregate projected ultimate loss ratios for the back years (2000-2009). However, consistent with the trend reported in H1 2011, the frequency and expected cost of new large personal injury claims has remained above historical levels of experience. This leads us currently to expect some adverse development at the full year on the projected ultimate loss ratios for 2010 and 2011 which would affect both overall reserve movements and recognised profit commission.

If there is no reversal in Q4 of this higher than normal level of large claims, we anticipate that full year pre-tax profits will be towards the lower end of the range of analysts' estimates, or some 10% ahead of 2010, with no further reserve releases in the second half.

Management presentation

Admiral Group plc is holding an investor day and analyst presentation today, 9 November 2011. This will include discussion of the Q3 2011 Interim Management Statement and presentations by members of the senior management team.

A copy of the presentation will be available on Admiral's corporate website, www.admiralgroup.co.uk today at 9am and a live webcast of the presentation will be broadcast from the corporate website at 2.30pm.

Additional 8.00am analyst conference call

The Group will also host an analyst conference call to begin at 8am today.

Please see below for dial-in details.

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