Admiral Group plc

Group Solvency and Financial Condition Report

31 December 2017

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Introduction

This Admiral Group plc Solvency and Financial Condition Report (SFCR) has been prepared in compliance with Solvency II regulatory requirements. It contains a range of regulatory disclosures that support the information presented in the Quantitative Reporting Templates (QRTs) shown in Appendix 2.

The report is not intended to provide a comprehensive review of the Group's businesses and the markets in which they operate, how these businesses are managed, or performance of these businesses during the year. This information is detailed in the Group's 2017 Annual Report. Where relevant, specific references to the Annual Report are made throughout this SFCR. It can be found at:

https://www.admiralgroup.co.uk/sites/default/files_public/annual-report/2018/02/2017-full-year-results-annual-report.pdf

Structure and Contents

This Group SFCR has been prepared in accordance with Article 359 and Articles 290 to 298 of the Solvency II delegated acts. The structure of the report is in accordance with Annex XX of the delegated acts.

The Group has obtained a supervisory waiver to prepare a single Group SFCR. As such this report also contains Solvency information relating to Solvency II regulated solo entities Admiral Insurance Company Limited (AICL) and Admiral Insurance (Gibraltar) Limited (AIGL). The waiver was obtained as the nature of the Group's governance structure, with the Group Board and its Committees leading the Group's management and control framework, means that there is significant overlap in the disclosures for the Group and the solo entities. The single Group SFCR waiver therefore allows stakeholders to access concise disclosures for all relevant entities in one report.

All amounts in this report are presented in pounds sterling, rounded to the nearest £0.1 million, which is the Group's presentation currency. Unless otherwise stated, information in this report is unaudited.

Summary

Section A – Business Performance

Admiral Group plc 'the Group' is one of the UK's largest car insurance providers. In addition to offering car insurance in the UK, the Group also writes household, van and travel insurance business in the UK, and car insurance in four countries outside of the UK; Italy, Spain, France and the USA.

The Group and its Solvency II regulated solo entities AICL and AIGL recorded statutory profits of £404m, £31m and £118m respectively in 2017. The table below splits the statutory results between underwriting (as reported in the premiums, claims and expenses QRTs in Appendix 2 to this report), investment and other activities:

31-Dec-17	Group	AICL	AIGL
Net Underwriting Results as per Section A.2	164.2	22.7	148.2
Net Investment Result as per A.3	41.7	2.9	29.6
Net Result Arising from Other Activities (Including Profit Commissions) as per A.4	197.6	5.4	(60.0)
Statutory Profit Before Tax	**403.5**	**31.0**	**117.9**
Taxation expense	(71.9)	(5.6)	(8.8)
Statutory Profit After Tax	**331.6**	**25.4**	**109.1**

The table below shows the comparative statutory results from 2016:

31-Dec-16	Group	AICL	AIGL
Net Underwriting Results as per Section A.2	60.3	7.2	53.9
Net Investment Result as per A.3	53.1	3.6	35.7
Net Result Arising from Other Activities (Including Profit Commissions) as per A.4	165.0	4.4	(34.2)
Statutory Profit Before Tax	**278.4**	**15.2**	**55.4**
Taxation expense	(64.3)	(2.4)	(2.0)
Statutory Profit After Tax	**214.1**	**12.9**	**53.4**

The 2016 statutory results noted above were impacted by the change in the Ogden discount rate (the rate used for calculating the value of lump sum personal injury compensation in the UK) from 2.5% to minus 0.75%, announced by the UK Government on 27 February 2017.

The estimated cost to Admiral, net of tax and reinsurance, of the change is approximately £150 million. Most of the impact was reflected in the income statements of 2016 and 2017.

Section B – System of Governance

Section B to this report focuses on the Group's system of Governance. The Group Board is the principal decision-making forum for the Group providing entrepreneurial leadership, both directly and through its Committees, and delegating authority to the Executive team. There solo entities AICL and AIGL have respective individual Board meetings that act in the same manner as the Group Board. The Group Board and its Committees also have oversight of AICL and AIGL.

The Board has delegated authority to a number of permanent Committees to deal with matters in accordance with written Terms of Reference. The principal Committees of the Board - Audit, Remuneration, Group Risk and Nomination all comply fully with the requirements of the Corporate Governance Code.

There were no material changes in the system of governance during the year, aside from changes in membership of the Group Board and its Committees during the usual course of business.

Section B reports in detail as to how the system of governance works in practice, including a focus on the Group's remuneration policy, the system of internal control and the Solvency II key functions of Risk Management, Compliance, Internal Audit and Actuarial.

SECTION C – RISK PROFILE

The Admiral Group Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The Board has delegated the development, implementation and maintenance of the Group's risk management framework to the Group Risk Committee, which reports its activities to both the Board and also to the Group Audit Committee, for the purposes of reviewing and reporting on the overall effectiveness of this system.

Section C discussed the Group's risk assessment and risk management approach in more detail. It also provides information on the Group's material risks, as shown by the Solvency Capital Requirements of the Group and its solo entities in the table below.

31-Dec	GROUP		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
Market Risk	70.2	77.2	6.2	8.0	48.8	51.2
Counterparty Risk	48.0	35.5	5.0	4.8	23.3	22.5
Life Underwriting Risk	2.9	2.8	0.4	0.0	2.5	2.4
Non-Life Underwriting Risk	350.7	325.0	78.8	73.7	213.7	206.5
Diversification	(70.3)	(68.4)	(7.2)	(7.9)	(44.4)	(45.1)
Basic SCR	**401.5**	**372.1**	**83.3**	**78.6**	**243.7**	**237.4**
Operational Risk	72.7	60.6	11.3	9.4	59.1	48.3
Loss absorbing capacity of deferred taxes	(26.9)	(22.4)	(11.4)	(9.9)	(15.5)	(9.3)
SCR excluding Capital Add-On	**447.3**	**410.3**	**83.2**	**78.1**	**287.3**	**276.4**
Capital Add-On	81.0	75.8	-	-	-	-
SCR	**528.3**	**486.1**	**83.2**	**78.1**	**287.3**	**276.4**

As can be noted from the table, the material risk category for the Group and its solo entities is non-life insurance risk which (before diversification with other risk types) represents 66%, 95% and 74% of the SCRs of the Group and its solo entities, AICL and AIGL respectively.

SECTION D – VALUATION FOR SOLVENCY PURPOSES

Section D focuses on the Solvency II balance sheet and the valuation of assets and liabilities. In line with Solvency II rules, assets and liabilities on the Solvency II balance sheet are held at fair value, i.e. the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

The material classes in the Group and solo entity Solvency II balance sheets are shown in the table below. Each class is discussed in further detail in section D

Solvency II Balance Sheet, 31-Dec-17	Group	AICL	AIGL
Goodwill, DAC and Intangible Assets	-	-	-
Property, plant and equipment	29.6	-	-
Investments excl Participations	2,702.1	371.8	2,037.2
Investment in Participations	72.8	-	-
Loans and Mortgages	67.7	-	-
Reinsurance recoverables	1,208.6	113.8	1,039.9
Receivables and other assets	547.9	27.8	221.6
Cash	270.7	52.3	34.5
Total Assets	**4,899.5**	**565.7**	**3,333.3**
Technical Provisions - best estimate	2,464.7	381.5	1,997.7
Technical Provisions - risk margin	71.8	12.8	54.9
Deposits from reinsurers	644.0	-	639.3
Deferred tax liabilities	76.5	7.4	7.6
Other payables and liabilities	461.4	22.9	217.2
Subordinated liabilities	229.2	-	-
Total Liabilities	**3,947.6**	**424.7**	**2,916.7**
Excess of Assets over Liabilities	**951.9**	**141.0**	**416.5**

SECTION E – CAPITAL MANAGEMENT

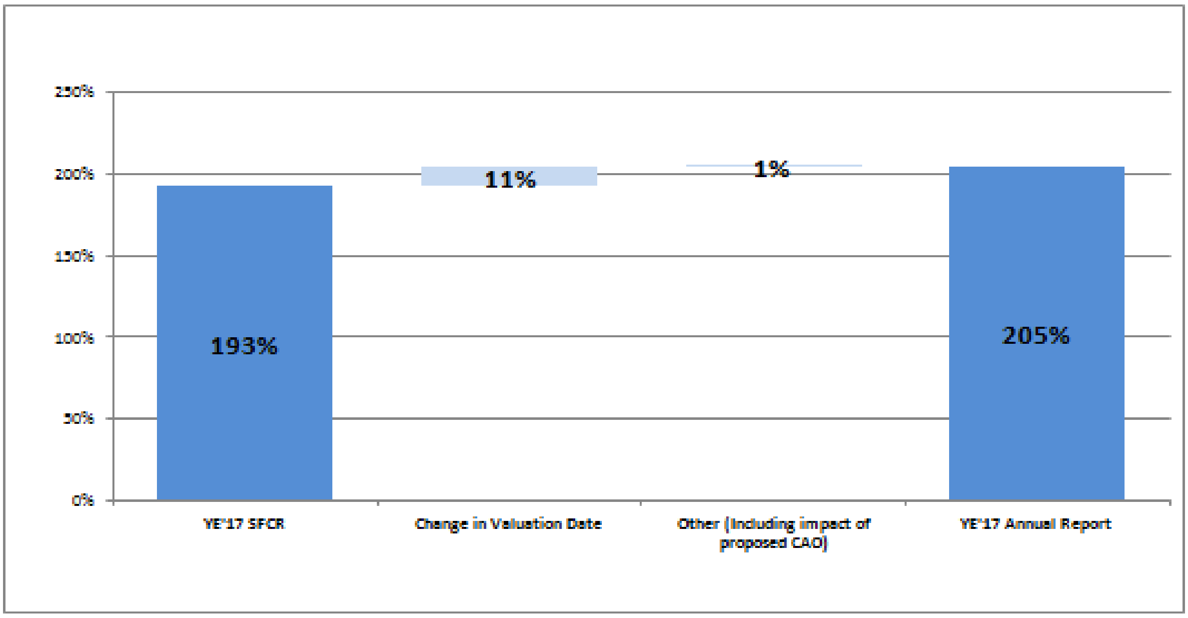
The Group manages its capital to ensure that all entities within the Group are able to continue as going concerns and also to ensure that regulated entities meet regulatory requirements with an appropriate margin. Excess capital above these levels within subsidiaries is paid up to the Group holding company in the form of dividends on a regular basis.

The Group and its regulated subsidiaries report strong solvency positions at 31 December 2017. The solvency positions reported in the Annual QRTs for 2017 and 2016 are summarised in the table below:

31-Dec	GROUP		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
SCR	528.3	486.1	83.2	78.1	287.3	276.4
Eligible Own Funds	1,018.1	891.3	131.0	127.7	436.5	532.1
Surplus	489.7	405.2	47.8	49.6	149.2	255.7
Solvency Ratio	**193%**	**183%**	**158%**	**164%**	**152%**	**193%**

The Group solvency ratio presented in this report is different to the solvency ratio reported in the Group's annual report as it is prepared at a different valuation date and it excludes the impact of changes made arising from the reporting finalisation process. The chart below shows the impact of these moves:

Reconciliation to previously reported Solvency Ratio:



Statement of Directors' Responsibilities

The Directors are responsible for ensuring that the SFCR is properly prepared in all material respects in accordance with the Prudential Regulatory Authority (PRA) rules and SII Regulations.

The PRA Rulebook for SII firms in Rule 6.1(2) and Rule 6.2(1) of the Reporting Part requires that the Group must have in place a written policy ensuring the ongoing appropriateness of any information disclosed and that the Group must ensure that its SFCR is subject to approval by the Directors.

The Board of Directors confirm that, to the best of their knowledge:

(a) Throughout the financial year in question, the Group and its solo insurance undertakings have complied in all material respects with the requirements of the PRA rules and SII Regulations as applicable; and

(b) It is reasonable to believe that, at the date of the publication of the SFCR, the Group and its solo insurance undertakings continue to comply, and will continue so to comply in future.

By Order of the Board

Geraint Jones
Chief Financial Officer
17 May 2018

AUDIT OPINION

Report of the external independent auditor to the Directors of Admiral Group PLC ('the Company') pursuant to Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Group Solvency and Financial Condition Report ('SFCR')

Opinion

Except as stated below, we have audited the following documents prepared by the Company as at 31 December 2017:

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Group SFCR of the Company as at 31 December 2017, ('the Narrative Disclosures subject to audit');
- Group templates S.02.01.02, S.23.01.22, S.25.01.22 and S.32.01.22 ('the Group Templates subject to audit'); and
- Solo templates S.02.01.02, S.12.01.02, S.17.01.02, S.23.01.01, S.25.01.21 and S.28.01.01 in respect of Admiral Insurance Company Limited and Admiral Insurance (Gibraltar) Limited ('the Solo Templates subject to audit').

The Narrative Disclosures subject to audit and the Group Templates and Solo Templates subject to audit are collectively referred to as the 'relevant elements of the Group SFCR'.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- the 'Executive Summary', 'Business and performance', 'System of governance' and 'Risk profile' elements of the Group SFCR;
- Solo templates S.05.01.02, S.05.02.01 and S.19.01.21;
- Group templates S.05.01.02 and S.05.02.01;
- the written acknowledgement by management of their responsibilities, including for the preparation of the Group SFCR ('the Responsibility Statement');
- Information which pertains to an undertaking that is not a Solvency II undertaking and has been prepared in accordance with PRA rules other than those implementing the Solvency II Directive or in accordance with an EU instrument other than the Solvency II regulations ('the sectoral information');
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

To the extent the information subject to audit in the relevant elements of the Group SFCR includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group SFCR of the Company as at 31 December 2017 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Group SFCR in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' section of the Group SFCR, which describes the basis of accounting. The Group SFCR is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. The Group SFCR is required to be published, and intended users include but are not limited to the PRA. As a result, the Group SFCR may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in the preparation of the Group SFCR is not appropriate; or
- the Directors have not disclosed in the Group SFCR any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Group SFCR is authorised for issue.

We have nothing to report in relation to these matters.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group SFCR does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Group SFCR, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Group SFCR, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Group SFCR or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in relation to these matters.

Responsibilities of Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group SFCR in accordance with the financial reporting provisions of the PRA rules and Solvency II regulations which have been modified by the modifications, and supplemented by the approvals and determinations made by the PRA under section 138A of FSMA, the PRA Rules and Solvency II regulations on which they are based.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Group SFCR that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the relevant elements of the Group SFCR are prepared, in all material respects, with financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based.

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group SFCR are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Group SFCR.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. The same responsibilities apply to the audit of the Group SFCR.

Use of our Report

This report is made solely to the Directors of Admiral Group PLC in accordance with Rule 4.1 (2) of the External Audit Chapter of the PRA Rulebook for Solvency II firms. We acknowledge that our report will be provided to the PRA for the use of the PRA solely for the purposes set down by statute and the PRA's rules. Our audit work has been undertaken so that we might state to the insurer's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Group SFCR and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the PRA, for our audit work, for this report or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Chapter of the PRA Rulebook, the sectoral information has been properly compiled in accordance with the PRA rules and EU instruments relating to that undertaking from information provided by members of the group and the relevant insurance group undertaking.

Other Information

In accordance with Rule 4.1 (3) of the External Audit Chapter of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of Admiral Group PLC's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in relation to this matter.

Mark McQueen
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
17 May 2018

A. Business and Performance

A.1. Business

General Information

Admiral Group plc 'the Group' is one of the UK's largest car insurance providers. In addition to offering car insurance in the UK, the Group also writes household, van and travel business in the UK, and car insurance in four countries outside of the UK; Italy, Spain, France and the USA.

Outside of insurance, the Group also has price comparison businesses in the UK, Spain, France and the USA, with the UK price comparison business, Confused.com, being one of the UK's leading comparison websites for the last 16 years.

The Group is a company incorporated in the United Kingdom. Its registered office is at Tŷ Admiral, David Street, Cardiff CF10 2EH and its shares are listed on the London Stock Exchange.

The Group is subject to supervision by the Prudential Regulation Authority 'PRA' and the Financial Conduct Authority 'FCA' in the UK. The contact details for these supervisory authorities are as follows:

	PRA	FCA
Name	Prudential Regulation Authority	Financial Conduct Authority
Address	Bank of England Threadneedle Street London EC2R 8AH	25 The North Colonnade Canary Wharf E14 5HS

Where relevant, Group subsidiaries outside of the UK are subject to financial supervision by the local supervisory authority. The Group's insurance entity registered in Gibraltar, Admiral Insurance (Gibraltar) Limited 'AIGL' is subject to Solvency II regulation and is supervised by the Gibraltar Financial Services Commission. The contact details for this supervisory authority are as follows:

	Gibraltar FSC
Name	Gibraltar Financial Services Commission
Address	PO Box 940 Suite 3, Ground Floor Atlantic Suites Europort Avenue GX11-1AA Gibraltar

Details of the Group's auditor are as follows:

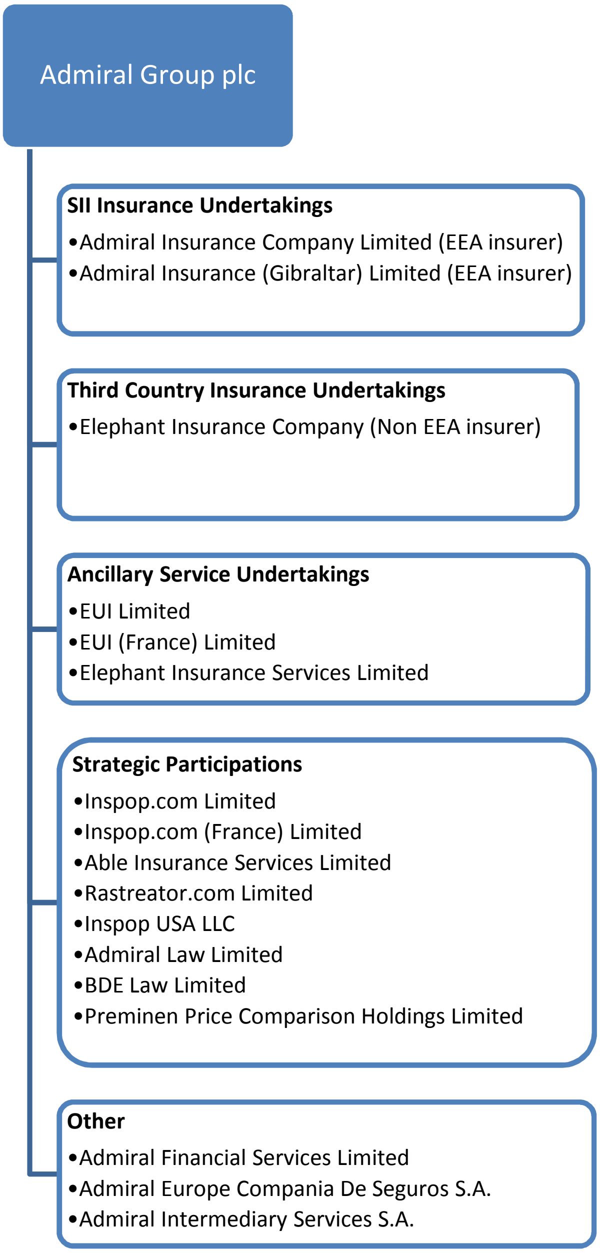
Name	Deloitte LLP
Address	2 New Street Square London EC4A 3BZ

As noted above, the Group is listed on the London Stock Exchange. At 31 December 2017, the Company's issued share capital comprised a single class of shares referred to as ordinary shares. Details of the share capital and shares issued during the year can be found in the Group's 2017 Annual Report (note 11d to the Group financial statements). Major shareholders as at 31 December 2017 were as follows:

Major shareholders	% Shareholding at 31 December 2017
H Engelhardt & Family	10.6%
Munich Re	10.3%

Group Structure

The chart below shows the major subsidiaries of the Group's Parent Company, grouped by Solvency II classification. For further details of the subsidiary undertakings, country of incorporation and class of shares held by the parent company refer to the Group's 2017 Annual Report (note 11f to the Group financial statements).



The Group's major activities are summarised in the following sections:

Insurance Undertakings (SII and Third Country undertakings)

At 31 December 2017, the Group had car insurance businesses in five geographical locations (UK, Italy, Spain, France and the USA), and Household, Van and Travel insurance businesses in the UK. As noted above, two of the Group's insurance undertakings (AICL and AIGL), are SII insurers whilst the third Elephant Insurance Company (EIC), is registered in the USA and therefore classified as a Third Country undertaking.

Admiral Europe Compania De Seguros S.A. and Admiral Intermediary Services S.A. are companies registered during the year as part of the Group's plans to establish a new insurer and intermediary in Spain post Brexit. These entities have not yet been granted regulatory permissions. Admiral Financial Services Limited did not trade in 2017.

The table below summarise the Group's material Solvency II lines of business:

Motor Vehicle Liability	Private motor insurance, capturing bodily injury liabilities (including liabilities that may potentially settle by way of Periodic Payment Order in the future) and third party property damage.
Motor Vehicle Other	Private motor insurance, capturing accident damage liabilities (including fire and theft and windscreen liabilities).
Fire and damage to other property	Household insurance, capturing accidental damage, escape of water, fire, weather and subsidence liabilities.
General Liability	Household insurance capturing public liability risks.
Assistance and Misc Financial Loss	Any other risks arising from insurance products that supplement the core private motor and household insurance products.
Life (Periodic Payment Orders)	Private motor insurance liabilities arising through claims settled as Periodic Payment Orders.

Ancillary Services Undertakings

The Group's insurance intermediaries are classified as Ancillary Services Undertakings for Solvency II purposes. These entities are non-regulated (as per the definition in Article 2(4) of Directive 2002) with principal activities that are deemed to be ancillary to the Group's insurance undertakings. The most material entity is EUI Limited which provides intermediary services for insurance underwriting in the UK, Spain and Italy.

Strategic Participations

All non-insurance related operations in the Group are classified as Strategic Participations. The principal activity is Price Comparison, where Admiral's strategy is to develop websites that allow consumers to compare a range of general insurance, financial services and other products. The international strategy is to exploit the UK expertise in price comparison and export it overseas.

The Group's UK price comparison site, branded as Confused.com (Inspop.com Limited) was launched in 2002 and is one of the UK's leading comparison websites. International price comparison operations in Europe (Rastreator.com in Spain and Lelynx.fr in France) and in the USA (compare.com) have subsequently been launched in 2009, 2010 and 2013 respectively. More recently, the Group has established Preminen, a Price Comparison incubator that looks to establish price comparison businesses in a number of new markets around the world.

The Group's UK based law firms, Admiral Law and BDE Law, provide a range of legal services, with the companies' legal experts primarily specialising in road traffic accident claims, and the Group's commercial van broker, Able Insurance Services Limited (branded as 'Gladiator') offers policyholders a wide range of commercial van insurance products from across the market.

Significant Events during the reporting period

Change in UK discount rate ('Ogden')

On 27 February 2017, the UK Government announced the outcome of the review of the discount rate (referred to as the Ogden discount rate) used for calculating the value of lump sum personal injury compensation. The new rate is minus 0.75% and applies to all unsettled and new claims from 20 March 2017.

The change in rate was treated as an adjusting post balance sheet event in the Group's 2016 financial statements. The UK motor actuarial best estimates and Solvency II technical provisions used in the calculation of the solvency position were prepared based on the new rate in both the prior year and current year. The booked reserves in the financial statements continue to include a prudent and significant margin above the actuarial best estimates in line with the Group's reserving methodology.

The estimated cost to Admiral, net of tax and reinsurance, of the change is approximately £150 million. Most of the impact was reflected in the income statements of 2016 and 2017.

On 20 March 2018, the Government introduced the Civil Liability Bill into the House of Lords. This Bill includes plans to review the discount rate and the process by which it is set. The Group looks forward to following the progress of the Bill and reviewing the conclusions once more certainty over the outcome is obtained.

A.2. Underwriting performance

The tables below show the Group's underwriting performance (premiums, claims and expenses in line with QRTs S.05.01 and S.05.02) summarised by Solvency II line of business and by geographical location. The tables are prepared on a financial statement basis and are reconciled to the Group statutory profit in section A.4 below. Total Group net premiums written of £627.2m (which does not form part of the profit reconciliation) can be agreed to note 5 of the Group Financial statements within the 2017 Annual Report.

31-Dec-17	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
Motor Vehicle Liability	440.7	438.1	227.1	96.9		114.1
Motor Vehicle Other	118.5	118.1	64.3	31.6		22.2
Fire and damage to other property	26.6	23.1	17.0	4.8		1.3
General Liability	0.1	0.1	-	-		-
Assistance and Misc Financial Loss	41.4	39.8	21.3	3.3		15.1
Life	-	-	6.1	2.2		(8.3)
Total 2017	**627.2**	**619.1**	**335.9**	**138.8**	**(19.8)**	**164.2**

The following table shows the comparative underwriting performance for 2016:

31-Dec-16	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
Motor Vehicle Liability	422.7	391.0	270.0	88.6		32.4
Motor Vehicle Other	115.0	104.8	76.5	26.3		2.1
Fire and damage to other property	20.4	16.9	12.9	5.8		(1.8)
General Liability	0.1	-	-	-		-
Assistance and Misc Financial Loss	40.4	36.1	15.5	3.1		17.4
Life	-	-	8.4	2.1		(10.5)
Total 2016	**598.4**	**548.8**	**383.3**	**125.9**	**(20.8)**	**60.3**

*1 Other expenses represent intra-group price comparison expenses that are eliminated for the purposes of the Group financial statements.

Analysis by Line of Business

The first table shows that the Group achieved an underwriting profit of £164.2 million. The tables provide a split of underwriting profit by Solvency II line of business. As noted on the QRTs in Appendix 2 it should be noted that premiums, claims and expenses within Group insurance businesses are not typically allocated to these individual lines of business for the purposes of internal or external reporting and so therefore simplifications have been utilised to make this allocation for the purposes of QRT disclosure. One such assumption is that the Life (PPO) line of business does not attract premiums and therefore a loss totalling allocated claims and expenses is reported.

The split of underwriting profit by line of business shows that the motor insurance lines of business (motor vehicle liability, motor vehicle other and Life (relating to Periodic Payment Orders 'PPOs')) report a combined profit of £136 million.

The Fire and Damage to Property and General Liability lines can be attributed to the UK Household business. A total underwriting profit of £1.3 million is reported.

Finally, the Assistance and Miscellaneous Financial Loss lines of business primarily relate to the UK motor policy upgrade products underwritten by the Group, and contribute an underwriting profit of £15 million.

Analysis by Geographical Location

31-Dec-17	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses*1	Total
UK	494.0	491.6	239.0	78.8		173.8
USA	53.0	54.9	42.3	30.7		(18.1)
Italy	52.5	48.0	33.7	12.7		1.5
Spain	13.7	13.1	10.8	7.6		(5.2)
France	14.0	11.6	10.0	9.0		(7.5)
Total	**627.2**	**619.1**	**335.9**	**138.8**	**(19.8)**	**164.2**

*1 Other expenses represent intra-group price comparison expenses that are eliminated for the purposes of the Group financial statements.

The table above analyses the Group underwriting performance by geographical location. The UK Insurance business generates over 100% of the Group underwriting profit (£174 million), with the Group's International businesses in total contributing an underwriting loss of £29 million.

The underwriting performance analysis excludes other revenue generated from the sale of additional products alongside the core motor insurance policy. Therefore, the combined international underwriting loss is different to the International Car Insurance segment loss of £14.3 million reported in note 4 to the Group financial statements in the Group's 2017 Annual Report.

Other revenue generated by the UK and International businesses is reported within Section A.4 below (Performance of Other Activities).

Solo Entity Premiums, Claims and Expenses

31-Dec-17	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses	Total 2017
AICL	179.7	172.4	116.9	32.9		22.7
AIGL	394.5	391.8	176.7	66.9		148.2

31-Dec-16	Net Premiums Written	Net Premiums Earned	Net Claims Incurred	Net Expenses Incurred	Other Expenses	Total 2016
AICL	158.1	147.8	107.6	33.0		7.2
AIGL	391.0	359.8	235.1	70.8		53.9

As detailed in the QRTs in Appendix 2 to this report, total non-life and life premiums, claims for the Group's two SII solo entities AICL and AIGL are shown in the table above. Both entities report an underwriting profit, with the more material underwriting profits in AIGL reflecting its higher net share of UK motor insurance and profits generated by the motor policy upgrade products.

A.3. Investment performance

The tables below show a breakdown of investment income by type for both 2017 and 2016:

31-Dec-17	Group		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
Investment return on assets classified as 'Fair value through profit and loss'	2.1	2.9	0.5	0.8	1.6	1.0
Gains on forward contracts	(2.3)	6.5	-	-	-	-
Interest income on 'Available for sale' debt securities	32.4	23.4	1.8	2.0	25.4	22.1
Interest income on term deposits	3.4	4.7	0.7	0.8	2.3	3.4
Realised gains on sale of gilt assets	5.4	-	-	-	-	-
Interest income on 'Held to Maturity' gilt assets	-	6.2	-	-		-
Unwind of discount on gilt assets	-	(0.8)	-	-		-
Release of accrual for reinsurers share of returns	-	9.2	-	-		9.2
Interest receivable on cash and cash equivalents	0.8	1.0	(0.1)	-	0.4	-
Total 2017	**41.7**	**53.1**	**2.9**	**3.6**	**29.6**	**35.7**

Group Investment and interest income in 2017 was £41.7 million. £5.4 million of income is due to the gain recognised on the partial sale of gilt holdings during the year. As a result of this sale, interest income on gilt assets is now recognised on an 'Available for Sale' basis. In the current year, losses made on forward contracts offset investment income by £2.3 million.

The underlying rate of return for the year on the Group's cash and investments was 1.4% (compared with 1.4% in 2016 excluding the release of reinsurance accrual).

In addition to the investment income recognised in the IFRS income statement, the Group also recorded a gain of £8.3 million (2016: gain of 30.3 million) in the Fair Value reserve within Equity as a result of unrealised gains arising on the valuation of 'Available for Sale' financial assets. This unrealised gain includes the revaluation of the gilt holding resulting from the reclassification to 'Available for Sale' following the partial sale of the holding discussed previously.

Investment income in the solo entities was £2.9m and £29.6m for AICL and AIGL respectively.

A.4. Performance of other activities

The table below summarises revenue and expenses from other activities and also provides a reconciliation of the information in Sections A.2, A.3 and A.4 to the statutory profit as per the Financial Statements of the Group and solo entities.

31-Dec-17	Group		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
Net Underwriting Results as per Section A.2	164.2	60.3	22.7	7.2	148.2	53.9
Net Investment Result as per Section A.3	41.7	53.1	2.9	3.6	29.6	35.7
Other Activities:						
Other Revenue	420.9	360.6	5.4	4.4	40.4	33.1
Profit Commission	67.0	54.3	-	-	(99.9)	(65.6)
Other Net Costs	(279.0)	(238.5)	-	-	(0.5)	(1.6)
Finance Costs	(11.4)	(11.4)	-	-	-	-
Statutory Profit Before Tax	**403.5**	**278.4**	**31.0**	**15.2**	**117.9**	**55.4**
Taxation expense	(71.9)	(64.3)	(5.6)	(2.4)	(8.8)	(2.0)
Statutory Profit After Tax	**331.6**	**214.1**	**25.4**	**12.9**	**109.1**	**53.4**

Outside of underwriting and investment activities, the Group's other activities performed strongly during 2017 with strong growth in net contribution from other revenue and associated costs. The material financial statement line items are discussed individually below:

Other revenue

The two primary sources are:

i. Contribution from additional products and fees, including revenues earned on the sale of products supplementing the core insurance policies, administration and other charges paid by policyholders, referral fees, revenues from policies paid by instalments and vehicle commission charges paid by reinsurers and co-insurers.

Revenue increased to £207 million from £199m in 2016, primarily as a result of growth in the policy base of the UK motor insurance business.

ii. Price comparison revenue totalled £144 million in 2017 (compared with £129 million in 2016). The main contribution to revenue is from Confused.com in the UK.

Profit Commission

Profit commission receivable from co-insurers and reinsurers in 2017 was £67 million at Group level. AIGL reports negative profit commission of £100m as intra-group profit commission payable more than offsets profit commission receivable from quota share reinsurers.

Other Net Costs

Other costs primarily relate to the other revenue noted above, being internal costs allocated to the generation of contribution from other products and fees, and also price comparison expenses. These costs increased with the growth in the revenue lines noted above.

This category also includes central group costs that are not allocated to individual businesses – net share scheme charges being the most significant.

Operating Lease Commitments

The Group is committed to total minimum obligations under operating leases on land and buildings as follows:

31-Dec-17	2017	2016
Within one year	12.1	12.0
Within two to five years	40.8	42.1
Over five years	113.7	119.3
Total commitments	**166.6**	**173.4**

Operating lease payments represent rentals payable by the Group for its office properties. There are no leasing arrangements in place for the solo entities.

A.5. Any other information

None.

B. System of Governance

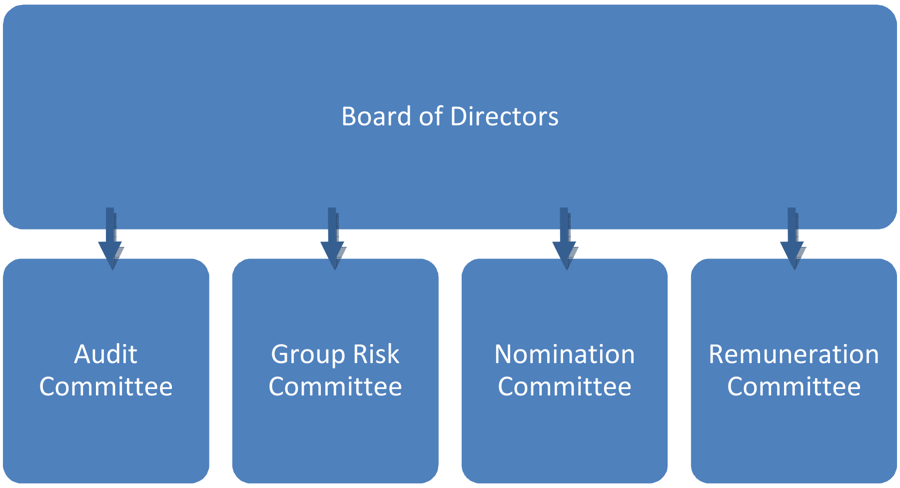
B.1. General information on the system of governance

Structure of the Administrative, Management or Supervisory Body

The Board is the principal decision-making forum for the Group providing entrepreneurial leadership, both directly and through its Committees, and delegating authority to the Executive team. There solo entities AICL and AIGL have respective individual Board meetings that act in the same manner as the Group Board. The Group Board and its Committees also have oversight of AICL and AIGL.

The Group's 2017 Annual report (Governance section) provides further detail of the role of the Board and other information such as Board activity during the period.

The Board has delegated authority to a number of permanent Committees to deal with matters in accordance with written Terms of Reference. The principal Committees of the Board - Audit, Remuneration, Group Risk and Nomination (as shown in the diagram below) - all comply fully with the requirements of the Corporate Governance Code.



All Committees are chaired by an independent Non-Executive Director, except the Nomination Committee which is chaired by the Chairman of the Board, and comprise a majority of independent Non-Executive Directors. Appointments to the Committees are made on the recommendation of the Nomination Committee and are for a period of up to three years, which may be extended for two further three year periods, provided the Director remains independent.

The Committees are constituted with written Terms of Reference that are reviewed annually to ensure that they remain appropriate and reflect any changes in good practice and governance. These Terms of Reference are available on request from the Company Secretary and can also be found on the Company's website: www.admiralgroup.co.uk. Directors are fully informed of all Committee matters by the Committee Chairmen reporting on the proceedings of their Committee at the subsequent Board meeting. Copies of Committee minutes are also distributed to the Board.

The AICL and AIGL subsidiary Boards are also chaired by independent Non Executive Directors.

MATERIAL CHANGES IN THE SYSTEM OF GOVERNANCE

There were no material changes in the system of governance during the year. During the year the following changes in membership of the Group Board and its Committees were made:

- Alastair Lyons stepped down from the Group Board with effect from 26 April 2017.
- Annette Court was appointed Chairman of the Board with effect from 26 April 2017 and stepped down from the Audit Committee from that date.
- Penny James stepped down from the Group Board with effect from 8 September 2017.
- Justine Roberts joined the Remuneration Committee with effect from 26 April 2017.
- Andy Crossley joined the Audit Committee with effect from 27 February 2018.

The following changes were also made in respect of the AICL and AIGL solo entity Boards during the year:

- Lorna Connelly stepped down from the AICL Board with effect from 16 May 2017.
- Alberto Schiavon stepped down from the AICL Board with effect from 16 May 2017.
- Linda Wells stepped down from the AICL Board with effect from 16 May 2017.
- Carsen Prussog joined the AICL Board with effect from 16 May 2017.
- Geraint Jones stepped down from the AIGL Board with effect from 20 March 2017.
- Peter Marissen stepped down from the AIGL Board with effect from 20 March 2017.
- Rachel Lewis joined with AIGL Board with effect from 21 March 2017.
- James Armstrong joined with AIGL Board with effect from 21 March 2017.

REMUNERATION POLICY

Key Principles of Admiral Remuneration Arrangements

Admiral is committed to the primary objective of maximising shareholder value over time and ensuring that there is a strong link between performance, risk and reward. This is reflected in the Group's approach of paying competitive, performance-linked and shareholder-aligned remuneration packages comprising basic salaries coupled with participation in performance-based share schemes to generate competitive total reward packages.

Fixed remuneration at Admiral comprises base salaries, benefits and pension. In line with the principles outlined above, base salaries are fixed and reflect the individual's responsibilities, role, job size and performance. Market and economic conditions and developments in governance are also considered when setting base salaries and determining the appropriate benefits and pension provisions.

Longer-term performance-based reward is provided through the Discretionary Free Share Scheme which is outlined below. The balance between fixed and variable remuneration ensures that an element of overall reward is linked to longer-term Group Strategy and risk management as well as to shareholder and customer value.

Two share schemes are operated within the Group, as follows:

(i) The Approved Share Incentive Plan (the SIP)

All eligible employees qualify for awards under the SIP based upon the performance of the Group in each half-year period. The maximum award for each year is £3,600 per employee. The awards are made with reference to the Group's performance against prior year profit before tax. Employees must remain in employment for the holding period (three years from the date of award) otherwise the shares are forfeited.

(ii) The Discretionary Free Share Scheme (the DFSS)

Employees across the Group receive DFSS awards based upon role and individual performance. Under the DFSS, individuals receive an award of free shares at no charge.

One third to 50% of the shares awarded at the start of the three-year vesting period are guaranteed to vest subject to continued employment until the vesting date.

The remaining percentage are subject to the Group performance criteria which are the three measures below with equal weighting.

1) Earnings per Share (EPS) growth vs. LIBOR

If the Group's EPS grows at a rate below the LIBOR return over the three-year period, none of the EPS element will vest. 10% of the element will vest for EPS growth in line with LIBOR, increasing on a straight-line basis to 100% vesting for growth of 10% p.a. in excess of LIBOR.

2) Return on Equity (ROE)

If the Group's ROE is less than 25%, none of the ROE element will vest. 25% of the element will vest for ROE of 25%, increasing on a straight-line basis to 100% vesting for ROE of 55%.

3) Total Shareholder Return (TSR) for Admiral vs. FTSE350

If Admiral's TSR is below the median of the group, none of the TSR element will vest. 25% of the element will vest for TSR in line with median, increasing on a straight-line basis to 100% vesting for TSR in line with the upper quartile of the group.

DFSS bonus

The Company does not pay annual cash bonuses in the traditional sense and instead has in place a simple cash award that is directly linked to the number of DFSS awards which have yet to vest and actual dividends paid out to shareholders. This structure contributes to a culture of focussing on collective, rather than individual, and long-term, rather than short-term, success, and is aligned with the Company's philosophy around the efficient use of capital and distribution of surplus profits. The DFSS bonus is also subject to a ±20% adjustment based on performance against a set of risk metrics.

Pension Provisions

The Group operates a Defined Contribution Scheme which is available to all employees following completion of their probationary period. In the UK, the Group matches employee contributions to a maximum of 6% of base salary subject to a maximum employer contribution of £15,000.

The Remuneration Report within the Group's 2017 Annual Report contains further information about the DFSS scheme and the Remuneration Policy for Executive Directors of the Group.

MATERIAL RELATED PARTY TRANSACTIONS

Details relating to the remuneration and shareholdings of key management personnel are set out in the Directors' Remuneration Report within the Group's 2016 Annual Report. Key management personnel are able to obtain discounted motor insurance at the same rates as all other Group staff, typically at a reduction of 15%.

The Board considers that only the Executive Directors of Admiral Group plc are key management personnel. Aggregate compensation for the Executive Directors is disclosed in the Directors' Remuneration Report within the Group's 2017 Annual Report.

B.2. FIT AND PROPER REQUIREMENTS

The Admiral Group Nominations Committee owns and approves the Admiral Group Plc Fit and Proper Policy. The policy aims to ensure that all senior individuals who represent the organisation meet the fit and proper requirements in terms of qualifications, capability, honesty and integrity. As per the Policy, all prospective senior management appointments shall fill out a checklist prior to an offer being made. The checklist includes details of the candidate's knowledge, competence and experience to perform the role, and a declaration from the senior manager responsible for the recruitment to confirm the assessment of the candidate's fitness and propriety was carried out in line with this Policy. In addition, the candidate will be subject to interviews with appropriate members of staff, who will help complete the assessment of the candidate's fitness and propriety in relation to that role.

In order to ensure that the individuals running the organisation are fit and proper a number of checks are undertaken including;

- Previous employment history
- Educational background check
- Professional qualifications and membership check
- Notification of appointment to regulator
- Information on potential conflicts of interest
- Criminal history checks
- Credit checks
- Identity checks
- Directorship check
- Financial sanctions checks

The Head of People Services is responsible for ensuring the Fit and Proper policy, approved by Admiral Group Nominations Committee, is adhered to when senior management appointments are made by the firm. The policy is reviewed annually by Compliance to ensure it is line with all relevant regulations and remains fit for purpose. In addition, all senior management are subject to requirements laid out by the UK regulators (FCA and PRA), through the Senior Insurance Management Regime.

B.3. Risk management system including the own risk and solvency assessment (ORSA)

The Group has a 'three lines of defence' approach to Risk Management, the scope of which also applies to the solo entities AICL and AIGL. The 'first line of defence' describes the controls the Group has in place to deal with the day-to-day business. Controls, which are designed to appropriately mitigate risk, are managed by the business unit and overseen by the business unit Risk Management Committees who ensure compliance and review control breakdowns, inadequacy of process and unexpected events.

The 'second line of defence' describes the Committees (primarily the GRC) and functions that are in place to provide an oversight of the effective operation of the internal control framework. These committees review the management of risk in relation to the particular risk appetite of the business, as determined by the Board. The 'second line' is reinforced by the advisory and monitoring functions of Risk and Compliance. Risk defines and prescribes risk assessment processes for the business, maintains risk registers and undertakes regular reviews of these risks and controls in conjunction with line management. Compliance advises on all areas of regulatory principles, rules and guidance, including leading on any changes, and undertakes monitoring activity on key areas of regulatory risk and policy adherence.

The 'third line of defence' describes the independent assurance provided by the Audit Committee and the Group Internal Audit function that reports to that committee. Internal Audit undertakes a programme of risk based audits covering all aspects of both the first and second lines of defence. The findings from these audits are reported to all three lines, i.e. line management, the executive and oversight committees and the Audit Committee.

The Group's Enterprise Risk Management Framework is described in Section C (Risk Profile) below.

ORSA

Admiral Group Plc's Risk Strategy is directly linked to its business plan and model. The approach is embedded in the ORSA and links to the business planning process.

The Group Risk Function defines and prescribes the financial and operational risk assessment processes for the business; performs second line reviews, including reserving and capital modelling processes; maintains the risk registers; undertakes regular reviews of these risks in conjunction with line management; delivers the Own Risk and Solvency Assessment (ORSA); and records any actual losses or near misses that occur as a consequence of the realisation of risk.

The Chief Risk Officer has responsibility for ensuring that managers are aware of their risk management obligations, providing them with support and advice, and ensuring that the risk management strategy is properly communicated. Reports are produced showing the most significant risks identified and the controls in place. Internal Audit uses the risk registers to plan and inform their programme of audits around the most significant risks to the Group to ensure that the prescribed controls are in place and are operating effectively.

ORSA Approval Process

On an annual basis, or following significant changes in the risk profile of the business, the Group Risk Function will produce an Own Risk and Solvency Assessment (ORSA) Report, in line with the ORSA

Policy and Solvency II regulations. The report is reviewed and challenged at the GRC prior to submission to the Group and subsidiary Board Committees.

The report is also submitted to the PRA for information purposes, and to receive feedback on the quality and suitability of the report.

Group Determination of Solvency Requirements

Within the ORSA, the Solvency Capital Requirement is calculated on two bases; Regulatory and Economic (ultimate). The ORSA considers both bases in order to provide a quantification of the differences between the two viewpoints. In addition, analyses of the key drivers of economic (ultimate) capital needs and regulatory capital requirements are also considered.

Admiral is currently developing an internal model and intends to seek approval from the PRA and the FSC to calculate the regulatory SCR using a Partial Internal Model (PIM) for Group and AIGL. Whilst Admiral completes this development, the Group's regulatory capital requirement is based on the Solvency II standard formula with a capital add-on to reflect recognised limitations in the standard formula, (predominantly in respect of profit commission arrangements within co- and reinsurance contracts and risks arising from Periodic Payment Order (PPOs) claims).

Refer to section C for a review of the Group's basis for calculating Regulatory capital requirements.

B.4. Internal control system

The Admiral Group Internal Control Policy documents the procedures in place within the Group (that also cover the solo entities AICL and AIGL), to ensure there is an effective internal control system operating. The internal control system is managed through both the effective operation of the systems of governance in place within the Group, as well as through the three lines of defence strategy adopted by the Group.

The Internal Control framework is broadly defined as continually operating processes, effected by the Board of Directors, management and all levels of personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations in view of its risks and objectives
- Availability and reliability of financial and non financial information
- Compliance with applicable laws, regulations and administrative provisions

Internal control consists of four interrelated components:

- Control environment – sets the tone of an organisation through the business plan, risk appetite and risk profile
- Control activities – policies and procedures that help ensure necessary actions are taken to address risks to achieve the business' objectives.
- Information and Communication – Pertinent information must be identified, captured and communicated in a form and timeframe that allows relevant individuals to carry out their responsibilities.
- Monitoring – Internal control systems need to be monitored to assess the quality of the internal control system over time. This is accomplished through ongoing monitoring

activities, with deficiencies in the internal control framework reported to senior management and the Board.

The Group's control environment is determined by the Admiral Group Board of Directors, supported by a number of Committees who have set the tone of the organisation through the Admiral culture, principles, business plan and risk appetite.

Key control activities are mapped to primary risks held within the Group's risk universe.

Line 1 (operational functions) are responsible for monitoring all the risks facing their operation, whether this be through Call monitoring, file reviews or audit reviews. Results on monitoring activities are provided to operation managers, and subsequently reported on through the Admiral Group Governance structure.

Line 2 (Risk & Data Protection, Compliance and Actuarial functions) are responsible for the oversight of the Line 1 monitoring. This is done through:

- Risk reviews – business unit risk and controls discussed at RMCs with material risks and KRIs presented to Group Risk Committee in the Consolidated Risk Report
- Compliance Advice and Compliance Monitoring Reviews presented to Group Risk Committee
- Actuarial and validation reviews

Line 3 (Internal Audit) are responsible for conducting an objective and independent appraisal of all the Group's activities, financial and otherwise, through a risk based plan, approved annually by the Group Audit Committee.

External Reviewers are responsible for the oversight of specific processes within the Group, depending on the scope of the review they are required to undertake. This includes:

- External Auditors - responsible for the review of accounting and financial processes presented to Audit Committee
- External Consultancies – review of a number of key processes

B.5. COMPLIANCE FUNCTION

The Group has a Line 2 compliance function within each operation that reports directly to the Group Risk Committee, both in relation to the Group as a whole, and the solo entities AIGL and AICL. Each Compliance Function is responsible for reviewing Line 1's compliance with the control activities and reporting these to the Group Risk Committee for external challenge and oversight by the Non Executive Directors.

In addition, each Compliance function must design and implement their own control activities to mitigate their risks and test the operating effectiveness of these prior to being reported to the Group Risk Committee for challenge. The Compliance report combines both of these responsibilities and the attendance of the Head of Compliance at the Group Risk Committee acts as a communication line to the other Compliance Functions.

The Line 2 Compliance team works to ensure the business has effective systems and controls to facilitate adherence to the rules and guidelines set by the Financial Conduct Authority (FCA) & Prudential Regulation Authority (PRA), along with other regulatory bodies as applicable.

B.6. Internal audit function

The Group Internal Audit function is responsible for conducting an objective and independent appraisal of the Group's activities and controls, financial and otherwise, through a risk based plan, approved annually by the Group Audit Committee. It is responsible for evaluating and reporting to the Board and the Audit Committee, and thereby providing them with assurance on the operating effectiveness of controls that management has put in place.

Internal Audit is also responsible for providing assurance over the arrangements for risk management, control and governance, compliance with internal policies, procedures and controls, and value for money. The Group Internal Audit department shall report to the relevant Board/Committee the findings and recommendations from their review, including the time period envisaged to remedy any shortcomings, and follow up on any recommendations made on a timely basis. It remains the duty of management to operate these arrangements, to determine whether or not to accept audit recommendations and to recognise and accept the risks of not taking action. Management need to provide an appropriate level of justification and where applicable supporting documentation to justify their reasoning, when choosing to accept the given risk, or decline a recommendation.

The Annual Audit Plan is based on a methodical risk analysis, taking into account all activities and the complete system of governance, as well as expected developments of activities and innovations. Significant areas of risk, identified as Tier One risks, per the Risk Register, are considered for inclusion in the Annual Audit Plan each year. Any audits graded red in colour are reviewed within a 12 month period until they are in a non-red status. Outside of these, a plan, extending over four years, is in place.

Independence and Objectivity of the Internal Audit Function

The Group's internal audit policy states that the Internal Audit department and all of its employees must be functionally and organisationally independent of the business processes, events and transactions of the company. The Internal Audit department will carry out its assignments with impartiality and is free to express its opinions in their reports. Amongst many matters, the Internal Audit department must have direct access to the Board of Directors, Audit Committee and the Chief Executive Officer and be able to report directly to these levels when they deem this necessary. Such independent structure should enable the internal auditor to render impartial and unbiased judgement, essential to the proper conduct of their work.

Internal Audit activity must be free from interference in determining the scope of internal auditing, performing work and communicating results.

An Internal Auditor will not perform an audit review in an area where they had a consultancy / operational role in the previous twelve months.

Where practical, areas under review are rotated amongst the staff in Internal Audit to avoid any potential conflict of interest.

B.7. Actuarial function

The Actuarial Function has a number of responsibilities in the area of Technical provisions and also in providing an opinion on the adequacy of re-insurance and underwriting.

Solvency II requirements state that the Actuarial Function shall be carried out by persons who have knowledge of actuarial and financial mathematics, commensurate with the nature, scale and complexity of the risks inherent in the business, and who are able to demonstrate their relevant experience with applicable professional and other standards. The Actuarial Function should be free from influences that may compromise its ability to undertake its duties in an objective, fair and independent manner.

The Actuarial Function produces a written report ("The Actuarial Function Report") which is submitted to the Board, at least annually, documenting all tasks undertaken, identifying deficiencies and making recommendations to remedy these deficiencies. The report is designed to include the calculation of technical provisions, an opinion on overall underwriting policy and an opinion on the adequacy of reinsurance arrangements.

The responsibilities that fall under the remit of the Actuarial Function are segregated from other business activities to allow independent review and challenge, allowing the Actuarial Function to provide an independent opinion of the areas of Technical Provisions, Reinsurance and Underwriting. The review and challenge is carried out by the 2nd line Group Risk Function which enables clearer separation of activities and strengthens the independence. The Actuarial Function is made up of suitably qualified actuaries who have the skills and knowledge to make the decisions without the influence of others.

B.8. Outsourcing

The Group's Procurement and Outsourcing Policy ensures that any third party arrangement entered into by the Group does not lead to impairment of either the group's systems of governance and internal control, or the relevant supervisory authority in monitoring compliance risks, does not unduly increase the operational risk and does not undermine continuous and satisfactory service to customers.

The Group outsources a number of critical and important functions across all businesses, to various third parties. The Group Procurement and Outsourcing Policy provides a clear guide to identify and manage outsourced relationships to a minimum standard based on the strategic risk the supplier poses to the Group.

Material intra-group outsourcing arrangements include the provision of insurance services by the Group's insurance intermediaries EUI Limited, EUI (France) Limited and Elephant Insurance Services LLC to the Group's regulated insurance entities. In addition, the Group has a number of shared IT development centres that provide services to both the Group's insurers and price comparison websites. Intra-group outsourcing arrangements fall within the scope of the Group's outsourcing policy in a consistent manner to outsourcing arrangements external to the Group.

B.9. Any other information

Assessment of the adequacy of the system of governance

The Board is ultimately responsible for the Group's system of governance, including the system of risk management and internal control. As noted in the Group's 2017 Annual Report, the Board confirms the Group's compliance with the principles and provisions of the UK Corporate Governance Code 2014 (the code) which is applicable to the year under review, and is considered to represent best practice for UK listed companies. This covers both the Group as a whole, and also the solo entities AIGL and AICL.

C. Risk Profile

Risk Assessment and Risk Management

The Admiral Group Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The Board has delegated the development, implementation and maintenance of the Group's risk management framework to the Group Risk Committee, which reports its activities to both the Board and also to the Group Audit Committee, for the purposes of reviewing and reporting on the overall effectiveness of this system.

The Group's 2017 Annual Report (pages 56 – 59) contains detailed information on the activities of the Group Risk Committee during 2016 along with the Committee's duties and responsibilities and the Group's Risk Management and Internal Control statement.

Risk management is a continuous process which forms an essential part of Admiral Group's business operations with successful risk taking required to achieve the Group's business objectives in the short, medium and long term. Admiral has always sought to protect its downside and this is characterised by: the reinsurance model; a prudent approach to claims reserving; an organic growth strategy; a test and learn approach of taking measured steps before investing further; and a conservative approach to investment management.

The Group's Enterprise Risk Management Framework (ERMF) is designed to identify, evaluate and manage the risks to which Admiral is exposed. Risk appetite is a central element of the ERMF - this seeks to determine the level of risk the Group Board deem appropriate for the business to accept, net of controls and mitigating factors such as reinsurance and other management actions.

There are six key components of the Admiral Group Risk Appetite:

i. The **Key Risks** to the business are identified
ii. **Risk Classifications** are assigned to each key risk on a materiality basis.
iii. **Risk Drivers** are identified for each key risk.
iv. **Risk Appetite Statements** are then assigned to define the risk and the Boards approach to managing the risk.
v. **Key Risk Indicators** are monitored for each risk driver.
vi. **Triggers and Limits** are defined to reflect early warning indicators and risk limits.

Material Risks

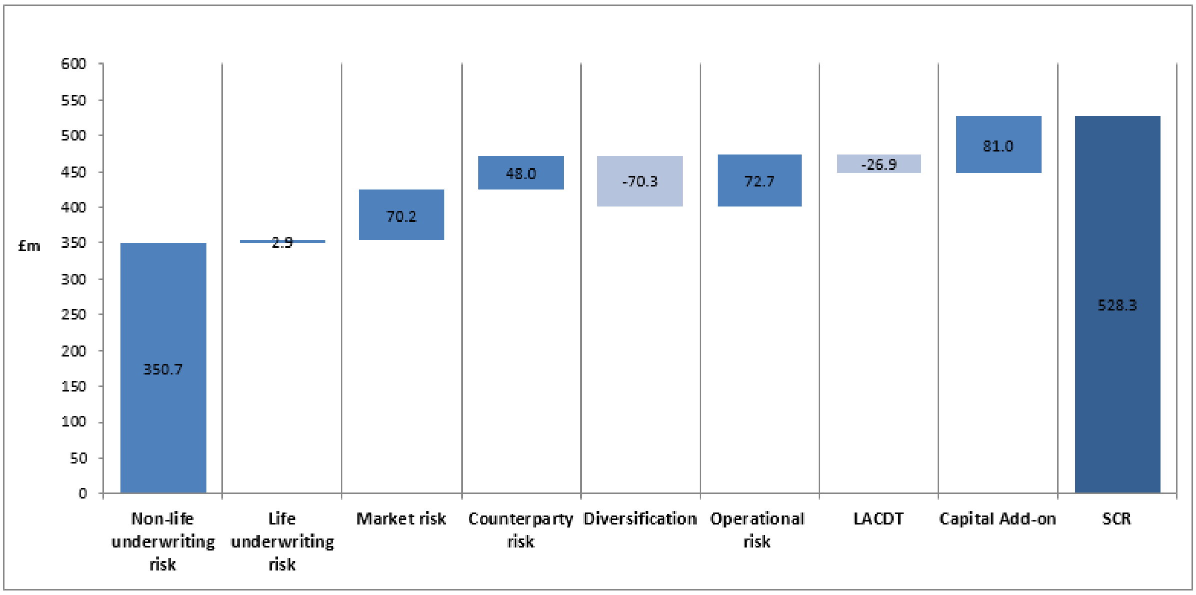
The material, or Key Risks to the Group are listed below, and may be mapped to the main categories of risk within the Solvency II Solvency Capital Requirement (SCR):

Key Risk	Risk Overview
Insurance, or Underwriting Risk	Uncertainty over the occurrence, amount or timing of claims arising on insurance contracts issued by the Group.
Market Risk	Fluctuations in the value of market prices of the Group's investment assets and liabilities, or in the income and expenses generated from these assets and liabilities.
Counterparty, or Credit Risk	The risk that counterparties (primarily either reinsurers or banks or other investment counterparties) default on obligations.
Operational Risk	Risks arising through operational processes and procedures. These include risks related to people, processes, IT systems, information security, business continuity and customer outcomes.
Group Risk	Risks, other than those captured within categories above arising across the Group's operations. These may relate to the Group's non insurance businesses (such as Price Comparison) or to other risks relating to the insurance businesses (such as loss of additional revenues from customers).

Each of these risk categories is discussed in further detail in sections C1 – C7 below, along with details of risk mitigating actions taken by the Group Board in respect of each risk. Pages 33 – 37 of the Group's 2017 Annual Report also provides further information on the Group's 'Principal Risks and Uncertainties', their impacts and the associated mitigating actions.

The Group's Solvency II SCR reflects the profile of these material risks. The chart below evidences that insurance, or underwriting risk is the Group's material risk concentration, comprising 66% of the YE 2017 SCR. There has not been a material change to this risk profile over the course of 2017 and there is not expected to be a material change during 2018.

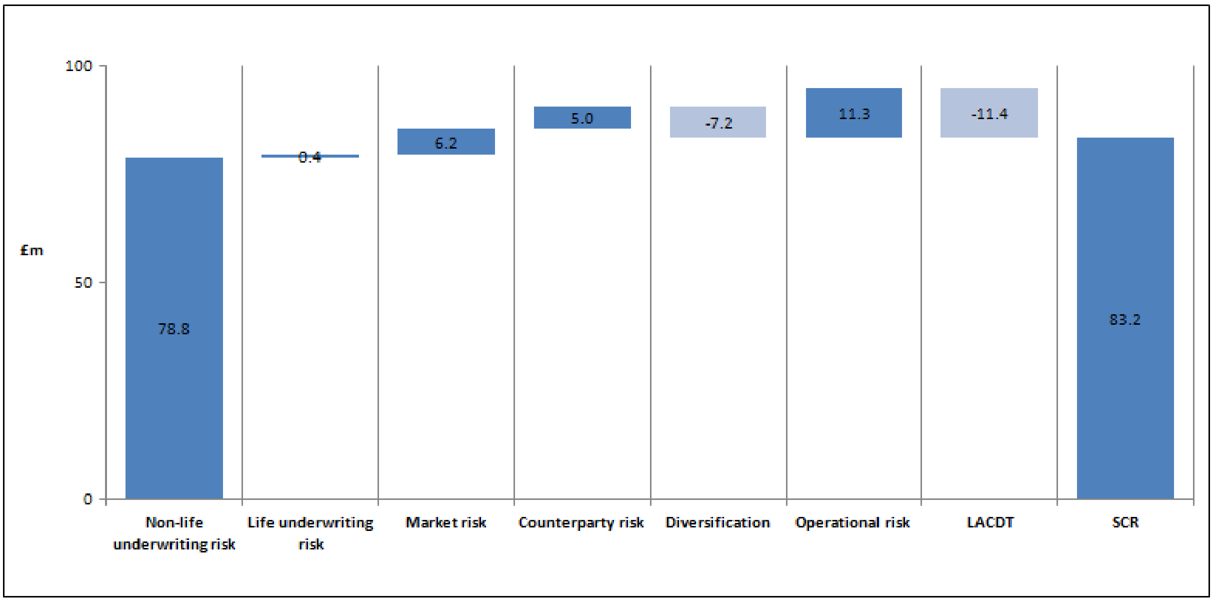
2017 Group Solvency Capital Requirement – by risk type



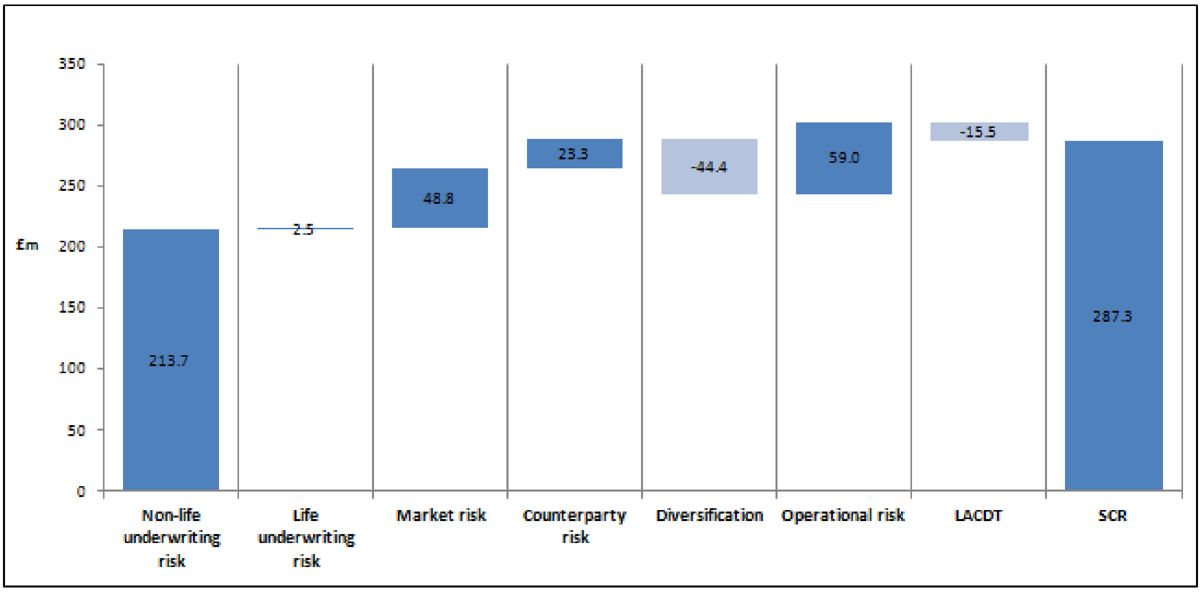
The Group's core and dominant line of business is UK motor and therefore the insurance, or underwriting risk is concentrated on the applicable SII lines of business for UK motor (primarily, non life 'liability' and 'other' risks).

The composition of the SCR for the solo entities AICL and AIGL is shown in the charts below:

2017 AICL Solvency Capital Requirement – by risk type



2017 AIGL Solvency Capital Requirement – by risk type



Regulatory Solvency Capital Requirements

The Group's Solvency Capital Requirement presented in the first chart above, is the Regulatory SCR which is prepared on a Standard Formula (SF) plus Capital Add-on (CAO) approach, as shown by the table below:

Regulatory SCR Calculation Approach (2016)	Group	AICL	AIGL
SF		✔	
SF plus Undertaking Specific Parameters (USP)			✔
SF plus CAO	✔		

As previously disclosed, the Group is preparing to make a Partial Internal Model submission to the UK and Gibraltar regulators. Ahead of the start of the Solvency II regime, the Group applied for a CAO to the standard formula to reflect recognised limitations in the standard formula with respect to Admiral's risk profile. These predominately relate to profit commission arrangements in co-insurance and reinsurance contracts and risks arising from claims including PPO claims. The Group anticipates applying for an update to the CAO on an annual basis until the Group Partial Internal Model is approved. For further detail, please refer to sections C6 and E2 below.

The Regulatory SCRs for the Group's Solvency II regulated subsidiaries AICL and AIGL, are calculated on a standard formula basis. For the UK regulated subsidiary, AICL, the Group considers the standard formula to appropriately reflect the Company's risk profile.

For the Gibraltar regulated subsidiary, the interaction of profit commission arrangements with external reinsurers and intra-group profit commission arrangements means limitations of the standard formula with respect to these risks cannot be addressed with a CAO as the add-on would reflect a deduction to the standard formula, which is not permitted within Solvency II regulation. AIGL has obtained approval from the Gibraltar regulator (Gibraltar Financial Services Commission) to use Undertaking Specific Parameters (USPs) in its calculation of underwriting risk.

C.1. Underwriting Risk

The Group's underwriting risk consists of Non-life and Life components. As noted above, the material concentration of risk is within Non-life underwriting risk, given the Group's focus on general insurance lines of business. Life underwriting risk arises through the settlement of claims on a Periodic Payment Order (PPO) basis, where annual index-linked settlements to claimants exposes the Group to life risks such as the claimant's life expectancy (longevity) and inflation.

Non-Life Underwriting Risks

Non- life underwriting risk consists of the following components of risk:

- Non-life premium risk
- Non-life reserve risk
- Lapse risk
- Catastrophe risk

The valuation of non-life underwriting risk is driven by the premium and reserve risk component, with small contributions made by lapse and catastrophe risk.

The majority of non-life underwriting risk is accepted by the Group's regulated subsidiaries in the UK and Gibraltar, AICL and AIGL. As a result, there is little difference between the sum of the components of non-life insurance for AICL and AIGL and the Group valuation. The key exception to this is catastrophe risk; the difference here is driven by exposure to natural weather catastrophes (primarily through hail and flood) in the USA due to risks underwritten within EIC.

Non-life Reserve risk is driven by adverse development in the valuation of the liabilities which is mainly related to longer tailed bodily injury claims, arising from the Group's UK Motor business, which have greater uncertainty associated with the ultimate cost of claims than, for example, property damage claims (across both Motor and Household businesses). These claims can develop over a number of years so the reserve risk figure relates to several underwriting years.

The Group's retention of risk across underwriting years for the core UK motor business varies depending on the co-insurance and quota share reinsurance contracts in place for each year. The Group has historically used reinsurance (in the form of both co-insurance and quota share reinsurance, as well as excess of loss reinsurance) as a risk mitigation tool across all lines of business - refer to the risk mitigation section below for further detail. In addition, the Group's annual report contains further information about the co-insurance and reinsurance arrangements in place for businesses across the Group (page 26 for UK Insurance and page 33 for International Insurance).

Premium risk is the risk that the Group incurs losses on risks arising in the 12 months after the valuation date. Premium risk consists of a lower proportion of bodily injury exposure, and therefore has a higher proportion of property damage in future claims experience which increases the diversification between claim types compared to reserve risk. This is due to premium risk considering the future occurrence and severity of claims, rather than the development of existing claims, of which property damage claims generally settle quickly.

LIFE UNDERWRITING RISKS

As noted above, the Group is exposed to life underwriting risks in respect of claims that have settled by way of a PPO. The risks relevant to the Group within the standard formula calculation of life risk are longevity risk and life expense risk. In addition, the Group's CAO captures inflation risk (refer to section C6).

The Group has a relatively low number of settled PPO claims, and therefore, life underwriting risk does not reflect a significant contribution of risk. In addition diversification against the significant non life insurance risks further reduces the element of the SCR attributable to life underwriting risk.

RISK MITIGATION

Underwriting risk is the Group's material risk and as noted above, a key part of the Group's risk mitigation strategy with respect to underwriting risk is the use of Co-insurance and reinsurance (both proportional quota share reinsurance and non-proportional excess of loss reinsurance). In the core UK motor business, quota share reinsurance contracts are utilised to mitigate risk

In respect to proportional risk sharing agreements, the Group's net retained share of business after proportional co-insurance and reinsurance arrangements, for material businesses in the 2018 underwriting year, and at 31 December 2017 in relation to 2017, 2016 and 2015 underwriting years, is as follows:

Business	Net Retained Share 2018 UW Year	Net Retained Share 2017 UW Year	Net Retained Share 2016 UW Year	Net Retained Share 2015 UW Year
UK Motor	22%	22%	25%	48%
UK Household	30%	30%	30%	30%
UK Other	100%	100%	100%	100%
Italian Motor	35%	35%	35%	35%
Spanish Motor	30%	30%	30%	30%
French Motor	30%	30%	30%	30%
US Motor	33%	33%	33%	33%

In line with the standard formula approach, underwriting risk capital requirements are calculated net of co-insurance and reinsurance. However, for UK Motor contracts, both co-insurance and proportional quota share reinsurance contracts allow Admiral to participate in the profitability of those portions of the book through profit commission arrangements. The additional risks that the Group is exposed to through these contracts is captured in the Group's CAO – refer to section C6 below.

C.2. Market risk

The Group's investment strategy is primarily focused on capital preservation with additional priorities being low volatility of returns and high levels of liquidity. The strategy and resulting portfolio was materially unchanged during 2017, with money market funds, and fixed income debt securities comprising the majority of the total portfolio.

Further information on the IFRS classification of the Group's cash and investments is included in the Group's 2017 Annual Report.

Prudent Persons Principle

Solvency II has introduced the Prudent Person Principle for managing investments. It has replaced the previous 'admissible assets' rules and is the requirement to invest so as to ensure the security, quality, liquidity and profitability of the investment portfolio as a whole. It is an example of how risk management and strategic decision making may be owned by an insurer and its governance framework.

The Prudent Person Principle seeks to ensure that the industry understands and is capable of managing its investment risks. Specifically, insurers must be able to demonstrate that they can properly identify measure, monitor, manage, control and report on their investment risks and not place reliance upon information provided by third parties.

Admiral's risk management and strategic decision making process in respect of asset investment is centred on the Group's Investment Committee. The Investment Committee is a Management committee that includes Non –Executive representation. The governance process for material asset investment decisions can be summarised as follows:

- Review of prospective asset class, prospective providers, and proposed assets from a capital and income perspective
- Senior Management review, including Group Chief Financial Officer and Group Chief Risk Officer
- Proposal to Investment Committee
- Proposal to Group Board and to relevant subsidiary Boards
- Investment implementation

At each stage of the process the proposal is subject to review by senior management independent of the proposal. Implementation of an investment decision is performed only once all stages of approval have been achieved. The quantitative analysis is considered but also the experience of the senior management allows for a material qualitative investigation.

Once the purchase has occurred the asset is then part of the ongoing valuation, income and capital process. The Group Investment Committee meets on a quarterly basis and reviews detailed Management Information presented on a look-through basis that covers the security, quality, liquidity and profitability of the portfolio.

MARKET RISK COMPONENTS

Market risk comprises 13% of the Group's 2017 regulatory SCR. The largest contribution at YE'17 is from spread risk, primarily reflecting the risk of valuation changes in the Group's fixed income debt securities resulting from credit spread changes. Interest rate risk, Equity risk (in relation to the valuation of the parent company's holdings in Strategic Participations), Concentration risk and Spread risk also contribute as noted in the table below. Market risk comprises 8% and 17% of the SCRs for AICL and AIGL respectively.

Risk	Description
Interest Rate Risk	The risk of a fall in the value of assets and/or an increase in the value of liabilities, due to changes in the level of interest rates. The standard formula interest rate module captures the net movement of both the Group's investment portfolio and the Insurance Technical Provisions.
Strategic Participation Risk	The risk of a change in the value of the holdings in non-insurance subsidiary undertakings of Admiral Group. This consists of the investments made in, for example, the Group's price comparison businesses.
Spread Risk	The risk that the value of an investment holding falls, following a change in the riskiness (predominantly credit risk) of the issuing company.
Currency Risk	The risk of exchange rate movements that adversely impact the net value of overseas assets and liabilities.
Concentration Risk	The risk that Admiral Group holds a concentration of investments within a particular asset class or with a particular counterparty.

C.3. Counterparty Default risk

Credit or Counterparty risk represents the risk of default by reinsurance partners and investment counterparties holding the Group's cash balances, in line with the standard formula approach. It reflects 8% of the Group SCR and is mainly comprised of Type 1 counterparty risk – the risk relating to default by reinsurance partners.

It is a relatively small component of risk because the Group only enters into reinsurance arrangements with counterparties of appropriate credit ratings (A- or higher), and because the Group has 'funds withheld' arrangements in place with its largest motor quota share reinsurance partners in the UK which mitigates a significant proportion of the risk faced.

C.4. Liquidity risk

Liquidity risk is not a key risk for the Group as both the UK Motor and Household Insurance have significant cash in-flows of income in advance of claims and expenses being paid, which are expected to be less than the total premiums received. This reduces the risk of a liquidity strain.

The total amount of expected profit included in future premiums as calculated in accordance with Article 260 of the Delegated Acts is £41.5 million for the Consolidated Group and £9.3m and £35.8m for AICL and AIGL respectively.

As noted in section C2 above, one of the Group's strategic considerations when determining investment strategy is liquidity and a significant proportion of the funds invested sit in instant access money market funds.

C.5. Operational risk

Operational risk arises within all areas of the business. The Group, through its ERMF, implements, maintains and monitors a series of internal controls that aim to mitigate the range of operational risks that the Group faces.

The operational risk capital requirement is calculated using the standard formula.

C.6. Other material risks

Capital Add-On

As noted earlier in this section, the Group has applied for a Capital Add-on as a result of limitations in the standard formula with respect to the Group's risk profile. The CAO reported in the 2017 Group annual QRT is £81.0m, following approval in August 2017.

The CAO primarily reflects the following risks:

Risk	Description
Profit Commission	Admiral has extensive profit commission arrangements within its co-insurance and quota share reinsurance arrangements. Under stressed conditions, there is a risk that profit commission income recognised in the Solvency II balance sheet will need to be de-recognised, reducing the value of Own Funds.
PPO (Potential and Settled)	Admiral-specific parameters for both reserve and premium risk uncertainty are derived to reflect the risk associated with both future and potential PPOs, which is not deemed to be appropriately reflected in the standard formula parameters. In addition the inflation risk related to settled PPOs is captured in recognition of the limitations of the standard formula life underwriting risk module.

C.7. Any other information

Loss Absorbing Capacity of Deferred Taxes (LACDT)

At YE'17, the Group's regulatory SCR is reduced by £26.9 million to reflect the tax losses arising as a result of the 1 in 200 year event, that may be utilised against current or deferred tax liabilities. The resulting LACDT can primarily be attributed to the Group's regulated insurance entities in the UK and Gibraltar. No LACDT benefit has been recognised on the basis of the potential to offset tax losses against profits on business that will be written in the future.

Risk Sensitivity

The Group has established processes to undertake stress and scenario testing on an ongoing basis, with testing undertaken at least annually. The stress testing processes operate in collaboration with the Corporate Governance Committees and involve a number of members of senior and operational management. The results of the tests undertaken improve the Boards understanding of risk, influence business decisions and form a key part of the Enterprise Risk Management Framework.

In addition, solvency ratio sensitivities are reported to the Group Board and its Committees on a regular basis. The following Group solvency ratio sensitivities (as reported in the 2017 Annual Report) are were reviewed for YE'17.

Solvency Ratio Sensitivities 2017	Movement in Solvency Ratio (percentage pts)
UK Motor – incurred loss ratio +5%	-26%
UK Motor – 1 in 200 catastrophe event	-3%
UK Household – 1 in 200 catastrophe event	-2%
Interest rate – yield curve down 50 bps	-11%
Credit spreads widen 100bps	-4%
Currency – 25% movement in euro and US dollar	-3%
ASHE – long term inflation assumption up 0.5%	-4%

TREATMENT OF ADMIRAL LOANS

Admiral's lending business (Admiral Loans) was in 2017 conducted out of the legal entity EUI Limited (EUI) which, through its primary function as insurance intermediary, is treated as an Ancillary Services Undertaking (ASU) within the Group Solvency II calculation. In 2018 it is anticipated that EUI will transfer the loans business to a separate legal entity known as Admiral Financial Services Limited (AFSL).

The outstanding loans balance at YE'17 is £68m, and is separately reported within the Group Solvency II balance sheet due to EUI's classification as an ASU. Refer to Section D for further detail. As a result the capital requirement for the Loans business has been calculated through inclusion of this asset balance within the Group standard formula calculation; primarily through counterparty default risk. The incremental increase to the diversified Group capital requirement as a result of the inclusion of the Loans business at YE'17 is £6m.

D. Valuation for Solvency Purposes (Audited)

Section D focuses on the Solvency II balance sheet and the valuation of assets and liabilities. For each material class of assets, technical provisions and other liabilities, the following information is provided:

- a description of the bases, methods and main assumptions used in arriving at the valuation for solvency purposes
- Quantitative and qualitative explanations of material differences between the bases, methods and main assumptions used for the valuation for solvency and financial statement purposes.

The material classes in the Group and solo entity Solvency II balance sheets are shown in the table below.

Summary Solvency II Balance Sheets – Consolidated Group, AICL and AIGL

Solvency II Balance Sheet, 31-Dec-17	Group	AICL	AIGL
1. Goodwill, DAC and Intangible Assets	-	-	-
2. Property, plant and equipment	29.6	-	-
3. Investments excl Participations	2,702.1	371.8	2,037.2
4. Investments in Participations	72.8	-	-
5. Loans and Mortgages	67.7		
6. Reinsurance recoverables	1,208.6	113.8	1,039.9
7. Receivables and other assets	547.9	27.8	221.6
8. Cash	270.7	52.3	34.5
Total Assets	**4,899.5**	**565.7**	**3,333.3**
9. Technical Provisions - best estimate	2,464.7	381.5	1,997.7
10. Technical Provisions - risk margin	71.8	12.8	54.9
11. Deposits from reinsurers	644.0	-	639.3
12. Deferred tax liabilities	76.5	7.4	7.6
13. Other payables and liabilities	461.4	22.9	217.2
14. Subordinated liabilities	229.2	-	-
Total Liabilities	**3,947.6**	**424.7**	**2,916.7**
Excess of Assets over Liabilities	**951.9**	**141.0**	**416.5**

Section E of this document contains a reconciliation from the IFRS net assets to the Solvency II excess of assets over liabilities that forms part of Tier 1 Own Funds.

The individual material classes of assets, technical provisions and liabilities are considered in sections D1, D2, and D3 respectively.

D.1. Assets

Material Class	
1. Goodwill, DAC and Intangible Assets	Goodwill, deferred acquisition costs and intangible assets (primarily internally generated software assets) have no economic value and are therefore eliminated in the transition from IFRS to Solvency II. This has a total impact of £157.8m for Group, and £6.0m and £10.0m for AICL and AIGL respectively.
2. Property, plant and equipment	Property plant and equipment, PPE (primarily leasehold improvements) are held at the IFRS value of cost less depreciation. This valuation is not considered to differ materially from its economic market value.
3. Investments and 8. Cash	Financial assets and liabilities are held at Fair Value where level 1 inputs can been obtained. Level 1 refers to the first level of the Fair Value hierarchy which categorises valuation inputs into three levels. The hierarchy gives the highest priority (Level 1) to quoted prices in an active market, and the lowest priority to unobservable inputs (Level 3). **Level 1 inputs** Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. **Level 2 inputs** Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: • quoted prices for similar assets or liabilities in active markets • quoted prices for identical or similar assets or liabilities in markets that are not active • inputs other than quoted prices that are observable for the asset or liability, for example o interest rates and yield curves observable at commonly quoted intervals o implied volatilities o credit spreads • inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs'). The Group currently categorises its valuation of investments in money market funds fixed income debt securities, and government gilts as Level 1. Level 1 valuations for money market funds, fixed income debt securities and government gilts reflect the fair value (the amount a third party would pay for the asset on the valuation date), and are obtained externally from observable market information. This valuation is consistent with the IFRS valuation. Cash and term deposits are held at amortised cost which is materially consistent with as fair value. This is in line with the IFRS valuation.
4. Investments in Participations	Participations are valued and accounted for using the adjusted net equity method for solvency II purposes. This is different to the IFRS valuation which is based on an unadjusted IFRS net asset valuation – the differences therefore relate to the adjustments noted in these valuation policies. The impact of revaluation to the adjusted net equity method is a reduction of £13.6m.
5. Loans and Mortgages	Loans and Mortgages reflect advances to customers through Admiral's unsecured personal lending business 'Admiral Loans'. The YE'17 balance is £67.7m, net of provision

	and is valued at it's IFRS valuation of amortised cost, with the provision valued in accordance with the loan loss provisioning rules in IAS 39.
6. Reinsurance Recoverables	Refer to Technical Provisions section (D.3).
7. Receivables and other assets	The fair value of receivables is based on the amortised cost valuation, in line with Level 2 of the FV hierarchy noted above. This amortised cost valuation approximates to fair value and therefore there are no valuation differences between IFRS and SII valuation.

D.2. LIABILITIES

Material Class	
9. Technical Provisions - best estimate	Refer to Technical Provisions section (D.3).
10. Technical Provisions - risk margin	Refer to Technical Provisions section (D.3).
11. Deposits from reinsurers	Deposits from reinsurers reflect amounts held in relation to reinsurance contracts. The balances are valued on a historic cost basis.
12. Deferred tax liabilities	The deferred tax liability in the Group Solvency II balance sheet reflects the net deferred tax liability on a Solvency II basis using the valuation rules within IAS 12. The total Group revaluation of £76.5m reflects the deferred tax impact of the revaluations made between IFRS and Solvency II in the other balance sheet line items, primarily the release of margin in the Technical Provisions and Profit Commission balances. The corresponding revaluation for AICL and AIGL is £7.1m and £7.6m respectively. The IFRS deferred tax balance is a net deferred tax asset.
13. Other payables and liabilities	Other payables and liabilities primarily reflect other balances with co-insurers and reinsurers, not classified elsewhere and balances between the entities within the scope of the Solvency II Group and related participations. The balances are valued on an amortised cost basis which is materially consistent with fair value; this valuation is the same as the IFRS valuation.
14. Subordinated liabilities	Subordinated liabilities reflects the Groups' 10 year subordinated bonds. For Solvency II purposes it is included at fair value (excluding the impact of changes in Admiral's own credit quality). On an IFRS basis, it is held at amortised cost.

D.3. Technical provisions

Technical Provisions – Best Estimate

Best estimate technical provisions for Group and solo entity material lines of business are as follows:

2017 Best estimate technical provisions - Group

31-Dec-17	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	2,232.1	111.7	57.2	3.3	40.9	19.6	2,464,7
Recoverable from reinsurers	1,074.9	84.6	36.2	2.2	10.5	0.3	1,208.6
Net - Best Estimate	1,157.3	27.2	21.0	1.1	30.3	19.3	1,256.1

2017 Best estimate technical provisions – AICL

31-Dec-17	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	357.0	18.4	-	-	6.1	-	381.5
Recoverable from reinsurers	105.9	6.3	-	-	1.6	-	113.8
Net - Best Estimate	251.1	12.1	-	-	4.5	-	267.7

2017 Best estimate technical provisions - AIGL

31-Dec-17	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Gross - Best Estimate	1,807.1	75.8	57.2	3.3	34.8	19.6	1,997.7
Recoverable from reinsurers	925.8	66.6	36.2	2.2	8.9	0.3	1,039.9
Net - Best Estimate	881.4	9.2	21.0	1.1	25.9	19.3	957.8

Bases, Methods and Main Assumptions

Best estimate technical provisions are comprised of a claims provision and premium provision. The claims and premium provision combined give the expected cost of settling all future claims arising from business that the Group is contractually obliged to cover. This includes an allowance for the expenses of both running the company and of servicing claims such as claims handling staff costs. The allowance for future income is based on business already written, as well as business that has not yet incepted, but where the Group is obliged to offer cover i.e. renewals already offered or quoted (Bound But Not Incepted – BBNI)

The claims provision is the discounted best estimate of all future cash-flows relating to claim events which occurred prior to the valuation date. These cash-flows are made up of:

Outgoing cash-flows:

- Claim payments
    - Settling reported claims
    - Settling claims not yet reported
- Expenses
- ENID (Events not in Data) allowance

Minus Incoming cash-flows

- Future premiums, such as uncollected/overdue premium
- Reinsurance recoveries on all claims
    - with an allowance for reinsurance bad debt

The premium provision is the discounted best estimate of all future cash-flows relating to future claim events arising from policies that the insurer is obligated to cover at the valuation date. Again these cash-flows are made up of:

Outgoing cash-flows:

- Claim payments, including BBNI policies
- Expenses
- ENID (events not in data) allowance
- Reinsurance premium

Minus incoming cash-flows:

- Future premiums due on incepted business, from monthly premium payers, with an allowance for cancellations
- Future premiums due on new and renewal business, as well as from BBNI policies.
- Reinsurance recoveries on all claims (with an allowance for reinsurance bad debt)
- Recoveries from future salvage and subrogation
- Income from reinsurers and co-insurers to cover a portion of the expense costs

Reinsurance Recoverables

Reinsurance recoveries are a significant element within the technical provisions. The reinsurance premium paid out, and recoveries received for both claims and expenses are required to be captured within the technical provisions, along with the possibility of default of the reinsurers leading to a reduction in potential recoveries.

The reinsurance recoverables within the Group Technical Provisions reflect the following contractual reinsurance arrangements that the Group has in place:

- Excess of loss reinsurance

- Quota share reinsurance

Technical Provisions – Risk Margin

31-Dec-17	Motor Vehicle Liability	Motor Vehicle Other	Fire and Other Damage to Property	General Liability	Life	Other	Total
Net Risk Margin - Group	66.4	1.9	1.2	0.1	1.2	1.1	71.8
Net Risk Margin – AICL	12.0	0.6	0.0	0.0	0.2	0.0	12.8
Net Risk Margin - AIGL	51.0	0.5	1.2	0.1	1.0	1.1	54.9

The risk margin is defined within Article 77 of the Directive as:

The risk margin shall be such as to ensure that the value of the technical provisions is equivalent to the amount that insurance and reinsurance undertakings would be expected to require in order to take over and meet the insurance and reinsurance obligations.

The risk margin calculation uses the first simplification within the delegated acts, which is applied as follows:

- The one-year SCR is run off in line with the level of claims and premium provisions expected to remain at each year-end position,
- The prescribed cost of capital of 6% is applied to each SCR

The SCRs are then discounted to the valuation date using the prescribed EIOPA yield curve.

Material Changes in Assumptions

Other than those changes that relate to the change in Ogden discount rate referenced earlier in this report, there have been no material changes in assumptions applied to the technical provisions during the period.

Key Uncertainties

There are many areas of uncertainty within the technical provisions. Estimation techniques are therefore used in the calculation of the ultimate cost of settling both claims that have occurred prior to the balance sheet date and remain unsettled at the balance sheet date and claims costs that will arise in relation to events that have not happened at the balance sheet date.

The projected ultimate cost of claims is calculated using a variety of different actuarial projection techniques (including incurred and paid chain ladder and an average cost of claim approach) to allow an actuarial assessment of their potential outcome. They include allowance for unreported claims.

The most significant sensitivity in the use of the projection techniques arises from any future step change in claims costs, which would cause future claim cost inflation to deviate from historic trends. This is most likely to arise from a change in the regulatory or judicial regime that leads to an increase in awards or legal costs for bodily injury claims that is significantly above or below the historical trend.

An example of this is the change in Ogden discount rate that was announced in February 2017 and is discussed earlier in this report.

RECONCILIATION TO IFRS VALUES

The best estimate Solvency II technical provisions for the Group and solo entities are lower than the equivalent provisions held on an IFRS basis for financial statement purposes.

This is primarily due to the following:

- Removal of margin held above best estimate in IFRS reserves, partially offset by the introduction of additional SII reserves for loss adjustment expenses, and Events Not in Data.
- The SII approach to calculation of the premium provision (including the transfer of future premium cash-flows into technical provisions from other financial statement line items)
- The approach to discounting, with SII technical provisions being discounted using the EIOPA yield curve.

The overall impact of moving from an IFRS to a Solvency II basis is around £270.7m excluding risk margin. The corresponding impacts for AICL and AIGL are £57.6m and £216.5m respectively.

The introduction of the SII risk margin reduces the net impact of the reduction in provisions on translation from IFRS to SII by £71.9m. The corresponding SII risk margin for AICL and AIGL is £12.8m and £54.9m.

ADJUSTMENTS AND SIMPLIFICATIONS

The Matching Adjustment has not been applied in the calculation of Technical Provisions at 31 December 2017.

The Volatility Adjustment (VA) is not applied in the calculation of Technical Provisions at 31 December 2016. In February 2017, the Group obtained approval to use the VA in the calculation of technical provisions for the Group and its regulated subsidiaries from the UK and Gibraltar regulators. The impact of applying the VA adjustment to the calculation of Group Technical Provisions is a reduction of around 10.7m. The corresponding impacts for AICL and AIGL are £1.5m and £9.1m respectively.

The transitional risk-free interest rate term structure as per Article 308c of the Directive has not been applied in the calculation of Technical Provisions at 31 December 2016.

The transitional deduction as per Article 308d of the Directive has not been applied in the calculation of Technical Provisions at 31 December 2016.

D.4. ALTERNATIVE METHODS OF VALUATION

No alternative methods for valuation have been applied.

D.5. ANY OTHER INFORMATION

None.

E. Capital Management (Audited)

Method of calculation of Group solvency

Group solvency is calculated as the ratio of Eligible Group Own Funds to the Group Solvency Capital Requirement.

Articles 230 and 233 of the Directive prescribe that one of the following methods must be used to calculate Group solvency:

- Method 1 – Standard method based on Consolidation of financial statements
- Method 2 – Alternative method based on a deduction and aggregation approach

The Group applies Method 1 for the calculation of Group solvency. The basis for the consolidation is a Solvency II Group consisting of the following entities:

Entity	Description
Admiral Group plc (Parent)	Insurance holding company
Admiral Insurance Company Limited	UK regulated insurance entity
Admiral Insurance (Gibraltar) Limited	Gibraltar regulated insurance entity
Elephant Insurance Company Limited	Third country insurance entity
EUI Limited	Ancillary services undertaking
EUI France Limited	Ancillary services undertaking
Elephant Insurance Services Limited	Ancillary services undertaking

All remaining Group subsidiaries are included as strategic participation investments in the parent company.

E.1. Own funds

Capital management objectives

The Group manages its capital to ensure that all entities within the Group are able to continue as going concerns and also to ensure that regulated entities meet regulatory requirements with an appropriate margin. Excess capital above these levels within subsidiaries is paid up to the Group holding company in the form of dividends on a regular basis. Forward looking assessments of Capital are performed over a three-year planning horizon and are reported with the Group's annual ORSA process.

The Group's dividend policy is to pay 65% of IFRS post-tax profits as a normal dividend and to pay a further special dividend comprising earnings not required to be held in the Group for solvency or other potential uses of Capital.

The strength of the Group's capital position at YE'17 allowed the Board to propose, and shareholders approve, a 2017 final dividend of 58.0 pence per share (£163 million), as follows:

- 39.5 pence per share representing a normal element, based on the dividend policy of distributing 65% of post-tax profits; and
- A special element of 18.5 pence per share.

This dividend has been deducted from Tier 1 Own Funds as noted in the following section. The payment date is 1 June 2018.

Since 31 December 2017 dividends of £10 million and £40 million to the Group parent from AICL and AIGL respectively, have been proposed and approved by the respective Boards. As such these have been included as foreseeable dividends at the reporting date and deducted from available own funds.

Classification of Own Funds by Tier

The classification of Own Funds for the Group and solo entities at 31 December 2017 is as follows:

	Group		AICL		AIGL	
31-Dec-17	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR
Ordinary Share Capital	0.3	0.3	37.3	37.3	0.1	0.1
Share Premium Account	13.1	13.1	-	-	14.9	14.9
Reconciliation Reserve	775.5	775.5	93.7	93.7	361.5	361.5
Tier 1 Own Funds	**788.9**	**788.9**	**131.0**	**131.0**	**376.5**	**376.5**
Subordinated Liabilities	229.2	229.2	-	-	-	-
Tier 2 Own Funds	**229.2**	**229.2**	**0.0**	**0.0**	**0.0**	**0.0**
Total Basic Own Funds	**1,018.1**	**1,018.1**	**131.0**	**131.0**	**376.5**	**376.5**
Ancillary Own Funds	-	-	-	-	60.0	-
Total Available Own Funds	**1,018.1**	**1,018.1**	**131.0**	**131.0**	**436.5**	**376.5**
Total Eligible Own Funds	1,018.1	825.0	131.0	131.0	436.5	376.5

The equivalent classification at 31 December 2016 was as follows:

	Group		AICL		AIGL	
31-Dec-16	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR	TO COVER SCR	TO COVER MCR
Ordinary Share Capital	0.3	0.3	37.3	37.3	0.1	0.1
Share Premium Account	13.1	13.1	-	-	14.9	14.9
Reconciliation Reserve	671.6	671.6	90.4	90.4	397.1	397.1
Deductions	(6.7)	(6.7)	-	-	-	-
Tier 1 Own Funds	**678.4**	**678.4**	**127.7**	**127.7**	**412.1**	**412.1**
Subordinated Liabilities	212.9	212.9	-	-	-	-
Tier 2 Own Funds	**212.9**	**212.9**	**0.0**	**0.0**	**0.0**	**0.0**
Total Basic Own Funds	**891.3**	**891.3**	**127.7**	**127.7**	**412.1**	**412.1**
Ancillary Own Funds	-	-	-	-	120.0	-
Total Available Own Funds	**891.3**	**891.3**	**127.7**	**127.7**	**532.1**	**412.1**
Total Eligible Own Funds	891.3	707.3	127.7	127.7	532.1	412.1

Movement in Own Funds

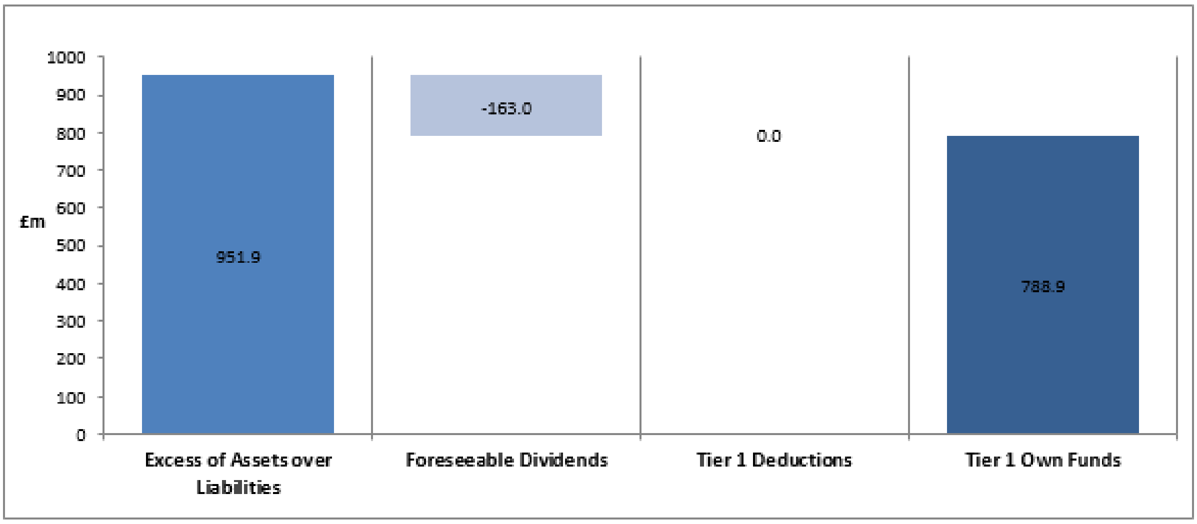
The main movements in Own Funds for Group, AICL and AIGL over the period are as follows:

31-Dec-17	GROUP	AICL	AIGL
Own Funds as at 31 Dec 2016	**891.3**	**127.7**	**532.1**
Capital generation	430.5	28.3	84.4
Dividends	(320.0)	(25.0)	(120.0)
Valuation Movement – Subordinated Liabilities	16.3	-	-
Movement in Ancillary Own Funds	-	-	(60)
Own Funds as at 31 Dec 2017	**1,018.1**	**131.0**	**436.5**

Tier 1 Own Funds

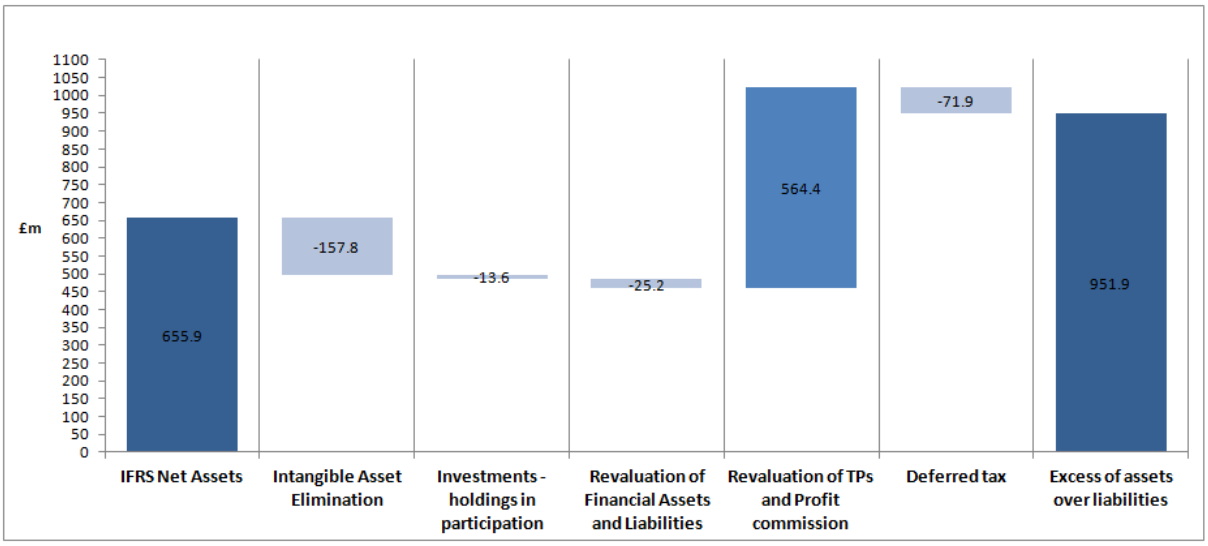
Tier 1 Own Funds consist of Ordinary Share Capital, Share Premium and the Reconciliation Reserve, which includes a deduction for foreseeable dividends. Total Tier 1 Own Funds may be reconciled to the excess of assets over liabilities in the Solvency II balance sheet (as documented in section D) as follows:

2017 Tier 1 Group Own Funds – composition



The excess of asset over liabilities of £951.9m can be reconciled to the equity shown in the Group's 2017 financial statements of £655.9m as follows:

2017 Reconciliation of IFRS Net Assets to Excess of assets over liabilities – Group

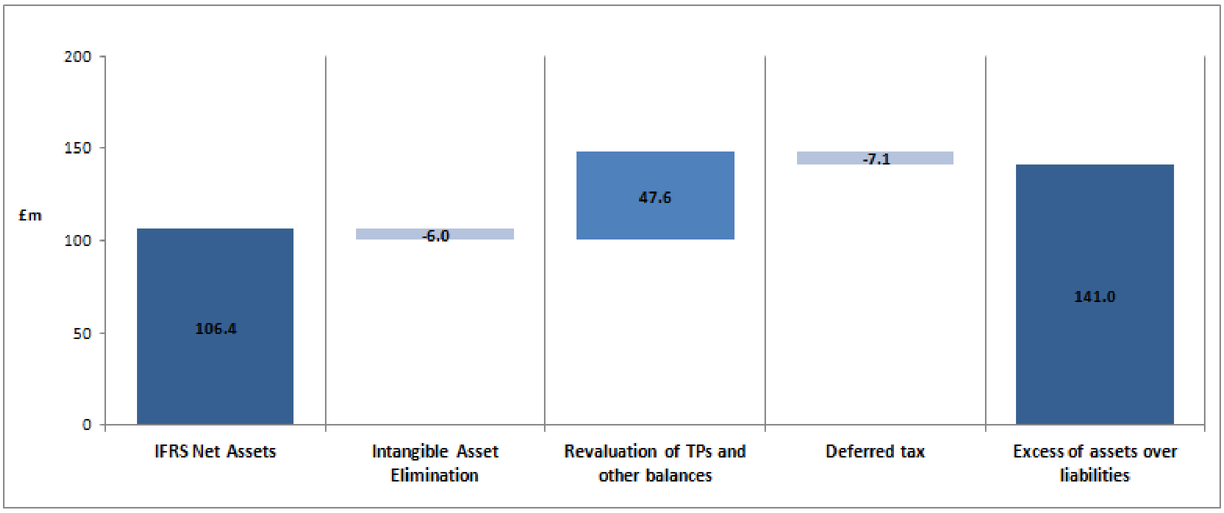


As noted in section D, the primary valuation difference (£564.4 million) arises on the transition from net IFRS insurance liabilities and amounts due to and from co-insurers and reinsurers in relation to profit commission, to Solvency II technical provisions and profit commission balances. The majority of the change in deferred tax (-£71.9 million) relates to the additional liability that arises from the release of profit on the transfer to SII best estimate technical provisions and profit commissions.

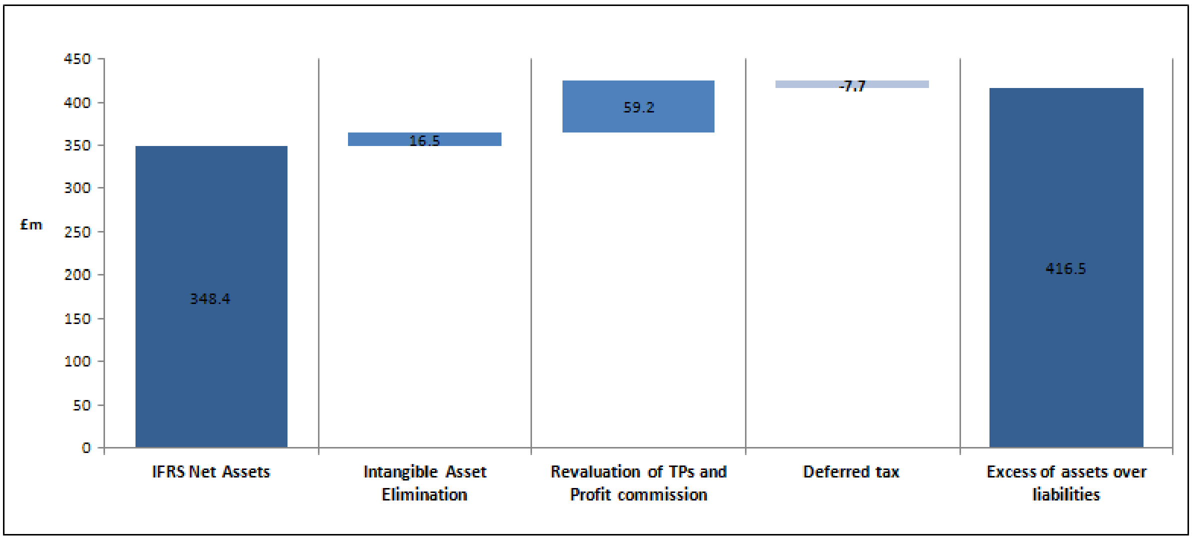
The other material adjustment is the elimination of the Group's intangible assets (goodwill, software and deferred acquisition costs) which totals £157.8 million.

For both AICL and AIGL, the 'excess of assets over liabilities' is equivalent to Tier 1 Own Funds. The reconciliations of IFRS Net Assets to the SII excess of assets over liabilities are as follows

2017 Reconciliation of IFRS Net Assets to Excess of assets over liabilities – AICL



2017 Reconciliation of IFRS Net Assets to Excess of assets over liabilities – AIGL



Fungibility and transferability of Group Own Funds

The Group has not identified any material restrictions to the fungibility and transferability of Group Own Funds.

Tier 2 Own Funds

Tier 2 Own Funds consist of subordinated liabilities in the form of the Group's 10 year dated, listed subordinated debt with a market value at the end of the current period of £229.2m, an increase of £16.3m compared with the previous reporting period. The debt was issued in July 2014 and matures in July 2024 and pays a fixed rate of interest of 5.5%. On issuance, the Group obtained confirmation from the UK regulator, the PRA that the debt qualifies as Solvency II Tier 2 Own Funds.

Tier 2 Own Funds for AIGL are Ancillary Own Funds and represent a £60 million Equity Commitment from the Group's parent company, Admiral Group plc. The commitment allows AIGL to call a capital contribution (up to a maximum of £60 million) from the Group parent, Admiral Group plc during the term of the agreement without encumbrance. The commitment was reduced from £120m to £60m during the year, resulting in the £60m reduction in Tier 2 Ancillary Own Funds for AIGL in the current reporting period.

The arrangement has no impact at Group level – there is no contingent liability in the parent company as the possibility of the commitment being called is considered to be remote. Furthermore, the tier 2 intra-group capital that is created is eliminated on consolidation of the SII Group.

E.2. Solvency capital requirement and Minimum Capital Requirement

Calculation of the Group consolidated Solvency Capital Requirement

The Group Solvency Capital Requirement is calculated on the basis of consolidated data. The reported Solvency Capital Requirement as at 31 December 2017 and 31 December 2016 for Group, AICL and AIGL is as follows:

31-Dec	GROUP		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
Market Risk	70.2	77.2	6.2	8.0	48.8	51.2
Counterparty Risk	48.0	35.5	5.0	4.8	23.3	22.5
Life Underwriting Risk	2.9	2.8	0.4	0.0	2.5	2.4
Non-Life Underwriting Risk	350.7	325.0	78.8	73.7	213.7	206.5
Diversification	(70.3)	(68.4)	(7.2)	(7.9)	(44.4)	(45.1)
Basic SCR	**401.5**	**372.1**	**83.3**	**78.6**	**243.7**	**237.4**
Operational Risk	72.7	60.6	11.3	9.4	59.1	48.3
Loss absorbing capacity of deferred taxes	(26.9)	(22.4)	(11.4)	(9.9)	(15.5)	(9.3)
SCR excluding Capital Add-On	**447.3**	**410.3**	**83.2**	**78.1**	**287.3**	**276.4**
Capital Add-On (Unaudited)	81.0	75.8	-	-	-	-
SCR	**528.3**	**486.1**	**83.2**	**78.1**	**287.3**	**276.4**

The calculation of SCR for AIGL applies Undertaking Specific Parameters (USPs) for both Non-Life Premium Risk and Non-Life Reserve Risk in respect of the Motor Vehicle Liability and Other Motor lines of business. The approval for the use of USPs was received from the Gibraltar Financial Services Commission in December 2015. The parameters are updated on an annual basis.

The Group Capital Add-On of £81m was approved by the PRA in August 2017.

Movement in SCR

The solvency capital requirements for Group, AICL and AIGL have increased over the period. The increases are primarily related to growth of all the Group's insurance businesses, with non-life insurance risk reflecting the largest increases.

Counterparty risk has also increased following an increased in the proportion of the UK car insurance booked ceded to quota share reinsurers for the 2017 underwriting year. In addition, the Group counterparty risk reflects the inclusion of the Admiral loans book.

The Group capital add-on was updated during the year, the increase to £81m from £75.8m primarily reflects growth in the profit commission risk for UK Car Insurance business.

Solvency Ratio

When combined with the Eligible Own Funds, the resulting reported solvency positions are as follows:

31-Dec	GROUP		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
SCR	528.3	486.1	83.2	78.1	287.3	276.4
Eligible Own Funds	1,018.1	891.3	131.0	127.7	436.5	532.1
Surplus	489.7	405.2	47.8	49.6	149.2	255.7
Solvency Ratio	**193%**	**183%**	**158%**	**164%**	**152%**	**193%**

Calculation of the Minimum Capital Requirement

The Group Minimum Capital Requirement at 31 December 2017 is £180.4 million. It is calculated in line with Article 230 of the Directive as the minimum of:

- The Minimum Capital Requirement, calculated for the Group as per Article 129 of the Directive; and
- The Group's proportional share of the MCR of the related undertakings

The Minimum Capital Requirement for the solo entities is calculated as per Article 129 of the Directive.

The coverage of eligible own funds to MCR at 31 December 2017 is as follows:

31-Dec	GROUP		AICL		AIGL	
	2017	2016	2017	2016	2017	2016
MCR	180.4	144.7	37.4	34.2	117.8	110.5
Eligible Own Funds	825.0	707.3	131.0	127.7	376.5	412.1
Surplus	644.6	562.6	93.6	93.5	258.7	301.6
Solvency Ratio	**457%**	**489%**	**350%**	**373%**	**320%**	**373%**

E.3. Use of the duration-based equity sub-module in the calculation of the Solvency Capital Requirement

The duration based equity sub-module has not been used in the calculation of the Solvency Capital Requirement.

E.4. Differences between the standard formula and any internal model used

Not applicable – no internal model has been used during the reporting period.

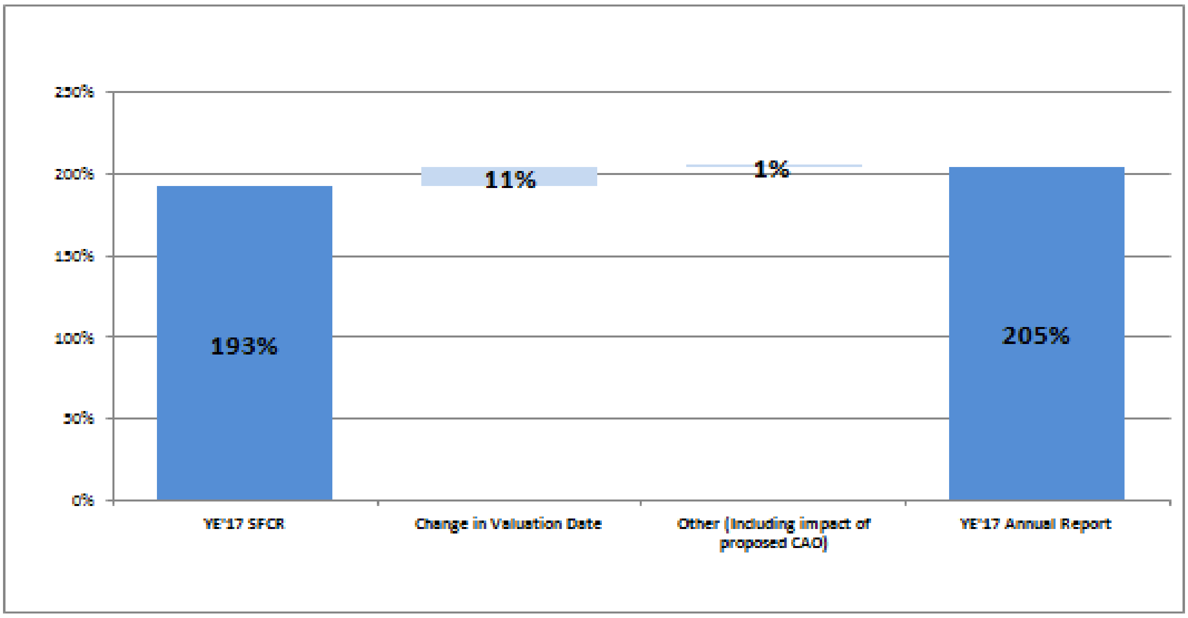
E.5. Non compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

There have been no instances of non compliance with the Minimum Capital Requirement or the Solvency Capital Requirement during the period.

E.6. Any other information

Reconciliation to previously reported Solvency Ratio (unaudited)

The Group solvency ratio presented in this report is different to the solvency ratio reported in the Group's annual report as it is prepared at a different valuation date and it excludes the impact of changes made arising from the reporting finalisation process. The chart below shows the impact of these moves:



Change in Valuation Date	The solvency ratio in this report excludes the projected growth in economic capital between the year end and the date of the Annual Report (which was previously reported)
Other (Including the impact of proposed CAO)	Other changes to both SCR and Own Funds calculations arising from the reporting finalisation process. This includes the impact of the proposed Capital Add-On. The solvency ratio reported in the Group's annual report reflected the draft revised to the Group Capital Add-on (CAO) which is under discussion with the Group regulator, the PRA. This was reported as 'subject to regulatory approval' and 'unaudited'. The ratio reported in this SFCR reflects the previous CAO for which regulatory approval was in place at the valuation date. The proposed revision to the CAO remains under discussion with the PRA. The Group expects the process to be completed prior to the Group HY'18 interim results announcement and an update will be provided at this time.

Appendix 1 – Glossary

Term	Definition
Accident year	The year in which an accident occurs, also referred to as the earned basis.
Actuarial best estimate	The probability-weighted average of all future claims and cost scenarios calculated using historical data, actuarial methods and judgement.
ASHE	'Annual Survey of Hours and Earnings' – a statistical index that is typically used for calculation inflation of annual payment amounts under Periodic Payment Order (PPO) claims settlements.
Claims reserves	A monetary amount set aside for the future payment of incurred claims that have not yet been settled, thus representing a balance sheet liability.
Co-insurance	An arrangement in which two or more insurance companies agree to underwrite insurance business on a specified portfolio in specified proportions. Each co-insurer is directly liable to the policyholder for their proportional share.
Commutation	An agreement between a ceding insurer and the reinsurer that provides for the valuation, payment, and complete discharge of all obligations between the parties under a particular reinsurance contract.
Insurance market cycle	The tendency for the insurance market to swing between highs and lows of profitability over time, with the potential to influence premium rates (also known as the "underwriting cycle").
Net claims	The cost of claims incurred in the period, less any claims costs recovered under reinsurance contracts. It includes both claims payments and movements in claims reserves.
Net insurance premium revenue	Also referred to as net earned premium. The element of premium, less reinsurance premium, earned in the period.
Ogden discount rate	The discount rate used in calculation of personal injury claims settlements. The rate is set by the Lord Chancellor, the most recent rate of minus 0.75% being announced on 27 February 2017.
Periodic Payment Order (PPO)	A compensation award as part of a claims settlement that involves making a series of annual payments to a claimant over their remaining life to cover the costs of the care they will require.
Premium	A series of payments are made by the policyholder, typically monthly or annually, for part of or all of the duration of the contract. Written premium refers to the total amount the policyholder has contracted for, whereas earned premium refers to the recognition of this premium over the life of the contract.
Profit commission	A clause found in some reinsurance and coinsurance agreements that provides for profit sharing.
Reinsurance	Contractual arrangements whereby the Group transfers part or all of the insurance risk accepted to another insurer. This can be on a quota share basis (a percentage share of premiums, claims and expenses) or an excess of loss basis (full reinsurance for claims over an agreed value).
Ultimate loss ratio	The projected ratio for a particular accident year or underwriting year, often used in the calculation of underwriting profit and profit commission.
Underwriting year	The year in which the policy was incepted.
Underwriting year basis	Also referred to as the written basis. Claims incurred are allocated to the calendar year in which the policy was underwritten. Underwriting year basis results relate to the 2015 underwriting year, are calculated on the whole account (including co-insurance and reinsurance shares) and include all premiums, claims, expenses incurred and other revenue (for example instalment income and commission income relating to the sale of products that are ancillary to the main insurance policy) relating to policies incepting in the relevant underwriting year.
Written/Earned basis	A policy can be written in one calendar year but earned over a subsequent calendar year.

APPENDIX 2 – QUANTITATIVE REPORTING TEMPLATES

The Group and its subsidiaries are required to disclose the following templates as set out in the Commission Implementing Regulation (EU) 2015/2452 of 2 December 2015 laying down implementing technical standards with regard to the procedures, formats and templates of the solvency and financial condition report in accordance with Directive 2009/138/EC of the European Parliament and of the Council:

Group	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.22.01.22	Impact of long term guarantees measures and transitionals
S.23.01.22	Own Funds
S.25.01.22	Solvency Capital Requirement – for Groups on standard formula
S.32.01.22	Undertakings in the scope of the Group

Admiral Insurance Company Limited (AICL)	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.12.01.02	Life and Health SLT technical provisions
S.17.01.02	Non-life technical provisions
S.19.01.21	Non- life insurance claims
S.22.01.21	Impact of long term guarantees measures and transitionals
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement – for undertakings on standard formula
S.28.01.01	Minimum Capital Requirement – only life or non-life insurance or reinsurance activity

Admiral Insurance (Gibraltar) Limited (AIGL)	
Template Code	**Template Name**
S.02.01.02	Balance sheet
S.05.01.02	Premiums, claims and expenses by line of business
S.05.02.01	Premiums, claims and expenses by country
S.12.01.02	Life and Health SLT technical provisions
S.17.01.02	Non-life technical provisions
S.19.01.21	Non- life insurance claims
S.22.01.21	Impact of long term guarantees measures and transitionals
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement – for undertakings on standard formula
S.28.01.01	Minimum Capital Requirement – only life or non-life insurance or reinsurance activity

Admiral Group Plc

Solvency and Financial Condition Report

Disclosures

31 December

2017

(Monetary amounts in GBP thousands)

General information

Participating undertaking name	Admiral Group Plc
Group identification code	213800FGVM7Z9EJB2685
Type of code of group	LEI
Country of the group supervisor	GB
Language of reporting	en
Reporting reference date	31 December 2017
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	Use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.22.01.22 - Impact of long term guarantees measures and transitionals
S.23.01.22 - Own Funds
S.25.01.22 - Solvency Capital Requirement - for groups on Standard Formula
S.32.01.22 - Undertakings in the scope of the group

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	29,612
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,774,870
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	72,787
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	1,493,401
R0140	*Government Bonds*	245,457
R0150	*Corporate Bonds*	1,079,086
R0160	*Structured notes*	0
R0170	*Collateralised securities*	168,858
R0180	*Collective Investments Undertakings*	1,069,054
R0190	*Derivatives*	2,382
R0200	*Deposits other than cash equivalents*	137,246
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	67,740
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	67,740
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	1,208,601
R0280	*Non-life and health similar to non-life*	1,198,071
R0290	*Non-life excluding health*	1,198,071
R0300	*Health similar to non-life*	
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	10,530
R0320	*Health similar to life*	
R0330	*Life excluding health and index-linked and unit-linked*	10,530
R0340	*Life index-linked and unit-linked*	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	323,647
R0370	Reinsurance receivables	128,618
R0380	Receivables (trade, not insurance)	95,645
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	270,732
R0420	Any other assets, not elsewhere shown	-3
R0500	**Total assets**	4,899,462

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	2,494,543
R0520	*Technical provisions - non-life (excluding health)*	2,494,543
R0530	*TP calculated as a whole*	
R0540	*Best Estimate*	2,423,858
R0550	*Risk margin*	70,685
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	
R0580	*Best Estimate*	
R0590	*Risk margin*	
R0600	Technical provisions - life (excluding index-linked and unit-linked)	42,016
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	42,016
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	40,856
R0680	*Risk margin*	1,160
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	643,957
R0780	Deferred tax liabilities	76,455
R0790	Derivatives	1
R0800	Debts owed to credit institutions	20,000
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	2,873
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	438,524
R0850	Subordinated liabilities	229,206
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	229,206
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	3,947,575
R1000	**Excess of assets over liabilities**	951,887

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				1,406,201	382,647		96,262	253			16,626	25,732					1,927,720
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				965,542	264,130		69,657	183			962	0					1,300,473
R0200	Net				440,659	118,517		26,606	70			15,663	25,732					627,247
	Premiums earned																	
R0210	Gross - Direct Business				1,259,102	345,540		84,326	221			16,524	24,213					1,729,927
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				820,985	227,461		61,255	161			963	0					1,110,825
R0300	Net				438,117	118,079		23,071	61			15,561	24,213					619,102
	Claims incurred																	
R0310	Gross - Direct Business				853,648	240,119		56,908	149			7,302	14,753					1,172,879
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				623,279	174,960		39,955	105			721	0					839,019
R0400	Net				230,370	65,158		16,953	44			6,581	14,753					333,860
	Changes in other technical provisions																	
R0410	Gross - Direct Business				0	0		0	0			0	0					0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share				0	0		0	0			0	0					0
R0500	Net				0	0		0	0			0	0					0
R0550	**Expenses incurred**				98,048	31,889		4,808	13			1,106	2,241					138,103
R1200	**Other expenses**																	-19,805
R1300	**Total expenses**																	118,297

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						8,238			8,238
R1620	Reinsurers' share						6,203			6,203
R1700	Net						2,035		0	2,035
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						722		0	722
R2500	**Other expenses**									
R2600	**Total expenses**									722

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010			US	IT	ES	FR		
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	1,540,292	159,593	128,478	47,201	52,157		1,927,720
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	1,046,252	106,610	75,956	33,508	38,147		1,300,473
R0200	Net	494,040	52,983	52,521	13,693	14,010	0	627,247
	Premiums earned							
R0210	Gross - Direct Business	1,357,855	165,231	117,920	45,141	43,780		1,729,927
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	866,249	110,368	69,955	32,023	32,230		1,110,825
R0300	Net	491,605	54,864	47,965	13,118	11,550	0	619,102
	Claims incurred							
R0310	Gross - Direct Business	891,108	127,111	85,232	35,988	33,440		1,172,879
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	654,132	84,790	51,497	25,193	23,408		839,019
R0400	Net	236,976	42,321	33,736	10,795	10,032	0	333,860
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0		0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share	0	0	0	0	0		0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	78,082	30,690	12,728	7,553	9,048		138,101
R1200	**Other expenses**							
R1300	**Total expenses**							138,101

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400			US	IT	ES	FR		
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	8,238	0	0	0	0		8,238
R1620	Reinsurers' share	6,203	0	0	0	0		6,203
R1700	Net	2,035	0	0	0	0	0	2,035
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	722						722
R2500	**Other expenses**							0
R2600	**Total expenses**							722

S.22.01.22

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	Technical provisions	1,327,958	0	0	10,699	0
R0020	Basic own funds	1,018,093	0	0	-10,699	0
R0050	Eligible own funds to meet Solvency Capital Requirement	1,018,093	0	0	-10,699	0
R0090	Solvency Capital Requirement	528,333	0	0	3,429	0

S.23.01.22

Own Funds

	Basic own funds before deduction for participations in other financial sector	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	287	287		0	
R0020	*Non-available called but not paid in ordinary share capital at group level*	0				
R0030	Share premium account related to ordinary share capital	13,145	13,145		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0060	*Non-available subordinated mutual member accounts at group level*	0				
R0070	Surplus funds	0	0			
R0080	*Non-available surplus funds at group level*	0	0			
R0090	Preference shares	0		0	0	0
R0100	*Non-available preference shares at group level*	0				
R0110	Share premium account related to preference shares	0		0	0	0
R0120	*Non-available share premium account related to preference shares at group level*	0				
R0130	Reconciliation reserve	775,455	775,455			
R0140	Subordinated liabilities	229,206		0	229,206	0
R0150	*Non-available subordinated liabilities at group level*	0				
R0160	An amount equal to the value of net deferred tax assets	0				0
R0170	*The amount equal to the value of net deferred tax assets not available at the group level*	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	*Non available own funds related to other own funds items approved by supervisory authority*	0				
R0200	Minority interests (if not reported as part of a specific own fund item)	0				
R0210	*Non-available minority interests at group level*	0				
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**					
R0230	**Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities**	0				
R0240	*whereof deducted according to art 228 of the Directive 2009/138/EC*	0				
R0250	Deductions for participations where there is non-availability of information (Article 229)	0				
R0260	Deduction for participations included by using D&A when a combination of methods is used	0				
R0270	**Total of non-available own fund items**	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	1,018,093	788,887	0	229,206	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0380	Non available ancillary own funds at group level	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit Institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies	0				
R0420	Institutions for occupational retirement provision	0				
R0430	Non regulated entities carrying out financial activities	0				
R0440	**Total own funds of other financial sectors**	0	0	0	0	0

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Own Funds

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
	Basic own funds before deduction for participations in other financial sector	C0010	C0020	C0030	C0040	C0050
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0				
R0460	Own funds aggregated when using the D&A and combination of method net of IGT	0				
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	1,018,093	788,887	0	229,206	0
R0530	Total available own funds to meet the minimum consolidated group SCR	1,018,093	788,887	0	229,206	
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	1,018,093	788,887	0	229,206	0
R0570	Total eligible own funds to meet the minimum consolidated group SCR (group)	824,962	788,887	0	36,075	
R0610	**Minimum consolidated Group SCR**	180,373				
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	457.37%				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	1,018,093	788,887	0	229,206	0
R0680	**Group SCR**	528,333				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	192.70%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	951,887
R0710	Own shares (held directly and indirectly)	
R0720	Forseeable dividends, distributions and charges	163,000
R0730	Other basic own fund items	13,432
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0750	Other non available own funds	
R0760	**Reconciliation reserve**	775,455
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	41,507
R0790	**Total Expected profits included in future premiums (EPIFP)**	41,507

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Solvency Capital Requirement - for groups on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	70,156		
R0020	Counterparty default risk	47,994		
R0030	Life underwriting risk	2,942		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	350,659		
R0060	Diversification	-70,275		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	401,476		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	72,716
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-26,858
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	447,333
R0210	Capital add-ons already set	81,000
R0220	**Solvency capital requirement for undertakings under consolidated method**	528,333
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0
R0470	Minimum consolidated group solvency capital requirement	180,373
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	*Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies*	0
R0520	*Institutions for occupational retirement provisions*	0
R0530	*Capital requirement for non- regulated entities carrying out financial activities*	0
R0540	Capital requirement for non-controlled participation requirements	0
R0550	Capital requirement for residual undertakings	0
	Overall SCR	
R0560	SCR for undertakings included via D&A	0
R0570	**Solvency capital requirement**	528,333

S.32.01.22

Undertakings in the scope of the group

Row	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
1	GB	213800FGVM7Z9EJB2685	LEI	Admiral Group plc (Group)	Insurance holding company as defined in Article 212(1)(f) of Directive 2009/138/EC	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority
2	GB	213800QUKWO9N6CT2J31	LEI	Admiral Insurance Company Limited	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Prudential Regulation Authority
3	GI	2138003FZ569I9YPG680	LEI	Admiral Insurance Gibraltar Limited	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Services Comission
4	US	2138001MLQW5AEJISF95	LEI	Elephant Insurance Company	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	Va Bureau of Insurance and NAIC
5	GB	213800FGVM7Z9EJB2685GB00001	Specific code	Able Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
6	GB	213800FGVM7Z9EJB2685GB00002	Specific code	Admiral Law Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
7	GB	213800FGVM7Z9EJB2685GB00003	Specific code	BDE Law limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
8	US	213800FGVM7Z9EJB2685GB00004	Specific code	Comparenow.com Insurance Agency LLC	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
9	ES	213800FGVM7Z9EJB2685ES00005	Specific code	Comparaseguros Correduría de Seguros, S.L., Soc	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
10	GB	213800FGVM7Z9EJB2685GB00006	Specific code	Elephant Insurance Services LLC	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
11	GB	213800FGVM7Z9EJB2685GB00007	Specific code	EUI (France) Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
12	GB	213800ALB9B7LCZLU632	LEI	EUI Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	Financial Conduct Authority
13	IN	213800FGVM7Z9EJB2685IN00008	Specific code	Inspop Technologies Private Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
14	US	213800FGVM7Z9EJB2685US00009	Specific code	Inspop USA LLC	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
15	GB	213800FGVM7Z9EJB2685GB00010	Specific code	Inspop.com (France) Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
16	GB	213800FGVM7Z9EJB2685GB00011	Specific code	Inspop.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
17	GB	213800FGVM7Z9EJB2685GB00012	Specific code	Rastreator.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
18	GB	213800FGVM7Z9EJB2685GB00013	Specific code	Admiral Life Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
19	GB	213800FGVM7Z9EJB2685GB00014	Specific code	Admiral Syndicate Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
20	GB	213800FGVM7Z9EJB2685GB00015	Specific code	Admiral Syndicate Management Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
21	GB	213800FGVM7Z9EJB2685GB00016	Specific code	Bell Direct Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
22	GB	213800FGVM7Z9EJB2685GB00017	Specific code	Confused.com Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
23	GB	213800FGVM7Z9EJB2685GB00018	Specific code	Diamond Motor Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
24	GB	213800FGVM7Z9EJB2685GB00019	Specific code	Elephant Insurance Services Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
25	GB	213800FGVM7Z9EJB2685GB00020	Specific code	Preminen Price Comparison Holdings Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
26	ES	213800FGVM7Z9EJB2685ES00021	Specific code	Admiral Europe Compania De Seguros S.A.	Non life insurance undertaking	Company limited by shares or by guarantee or unlimited	Non-mutual	
27	ES	213800FGVM7Z9EJB2685ES00022	Specific code	Admiral Intermediary Services S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Company limited by shares or by guarantee or unlimited	Non-mutual	
28	GB	213800FGVM7Z9EJB2685GB00023	Specific code	Admiral Financial Services Limited	Credit institution, investment firm and financial institution	Company limited by shares or by guarantee or unlimited	Non-mutual	
29	GB	213800FGVM7Z9EJB2685GB00024	Specific code	Preminen Dragon Price Comparison Limited	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	

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Undertakings in the scope of the group

				Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
Row	C0010	C0020	C0030	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
1	GB	213800FGVM7Z9EJB2685	LEI							Included in the scope		Method 1: Full consolidation
2	GB	213800QUKWO9N6CT2J31	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
3	GI	2138003FZ569I9YPG680	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
4	US	2138001MLQW5AEJISF95	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
5	GB	213800FGVM7Z9EJB2685GB00001	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
6	GB	213800FGVM7Z9EJB2685GB00002	Specific code	90.00%	90.00%	90.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
7	GB	213800FGVM7Z9EJB2685GB00003	Specific code	90.00%	90.00%	90.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
8	US	213800FGVM7Z9EJB2685GB00004	Specific code	71.10%	71.10%	71.10%		Dominant		Included in the scope		Method 1: Adjusted equity method
9	ES	213800FGVM7Z9EJB2685ES00005	Specific code	75.00%	75.00%	75.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
10	GB	213800FGVM7Z9EJB2685GB00006	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
11	GB	213800FGVM7Z9EJB2685GB00007	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
12	GB	213800ALB9B7LCZLU632	LEI	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
13	IN	213800FGVM7Z9EJB2685IN00008	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
14	US	213800FGVM7Z9EJB2685US00009	Specific code	71.10%	71.10%	71.10%		Dominant		Included in the scope		Method 1: Adjusted equity method
15	GB	213800FGVM7Z9EJB2685GB00010	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
16	GB	213800FGVM7Z9EJB2685GB00011	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
17	GB	213800FGVM7Z9EJB2685GB00012	Specific code	75.00%	75.00%	75.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
18	GB	213800FGVM7Z9EJB2685GB00013	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
19	GB	213800FGVM7Z9EJB2685GB00014	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
20	GB	213800FGVM7Z9EJB2685GB00015	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
21	GB	213800FGVM7Z9EJB2685GB00016	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
22	GB	213800FGVM7Z9EJB2685GB00017	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
23	GB	213800FGVM7Z9EJB2685GB00018	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
24	GB	213800FGVM7Z9EJB2685GB00019	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
25	GB	213800FGVM7Z9EJB2685GB00020	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
26	ES	213800FGVM7Z9EJB2685ES00021	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
27	ES	213800FGVM7Z9EJB2685ES00022	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Full consolidation
28	GB	213800FGVM7Z9EJB2685GB00023	Specific code	100.00%	100.00%	100.00%		Dominant		Included in the scope		Method 1: Adjusted equity method
29	GB	213800FGVM7Z9EJB2685GB00024	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method

S.32.01.22

Undertakings in the scope of the group

Row	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
30	MX	213800FGVM7Z9EJB2685MX00025	Specific code	Preminen Mexico Sociedad Anonima de Capital Va	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	
31	TR	213800FGVM7Z9EJB2685TR00026	Specific code	Preminen Online Fiyat Karsilastirma Hizmetleri A	Other	Company limited by shares or by guarantee or unlimited	Non-mutual	

S.32.01.22

Undertakings in the scope of the group

				Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
	Country	Identification code of the undertaking	Type of code of the ID of the undertaking	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
Row	C0010	C0020	C0030	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
30	MX	213800FGVM7Z9EJB2685MX00025	Specific code	51.25%	51.25%	51.25%		Dominant		Included in the scope		Method 1: Adjusted equity method
31	TR	213800FGVM7Z9EJB2685TR00026	Specific code	50.00%	50.00%	50.00%		Dominant		Included in the scope		Method 1: Adjusted equity method

ADMIRAL INSURANCE COMPANY LIMITED

Solvency and Financial Condition Report

Disclosures

31 December

2017

(Monetary amounts in GBP thousands)

General information

Undertaking name	ADMIRAL INSURANCE COMPANY LIMITED
Undertaking identification code	213800QUKWO9N6CT2J31
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2017
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	Use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.12.01.02 - Life and Health SLT Technical Provisions
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.22.01.21 - Impact of long term guarantees measures and transitionals
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	371,824
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	104,859
R0140	*Government Bonds*	1,516
R0150	*Corporate Bonds*	98,448
R0160	*Structured notes*	0
R0170	*Collateralised securities*	4,895
R0180	*Collective Investments Undertakings*	241,965
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	25,000
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	113,772
R0280	*Non-life and health similar to non-life*	112,174
R0290	*Non-life excluding health*	112,174
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	1,599
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	1,599
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	23,169
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	4,626
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	52,287
R0420	Any other assets, not elsewhere shown	7
R0500	**Total assets**	565,686

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	388,041
R0520	*Technical provisions - non-life (excluding health)*	388,041
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	375,442
R0550	*Risk margin*	12,599
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	6,278
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	0
R0640	*Risk margin*	0
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	6,278
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	6,075
R0680	*Risk margin*	204
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	7,412
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	0
R0830	Reinsurance payables	5,752
R0840	Payables (trade, not insurance)	17,185
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	424,669
R1000	**Excess of assets over liabilities**	141,017

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				201,705	52,255												253,960
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				57,677	16,563												74,240
R0200	Net				144,027	35,692												179,719
	Premiums earned																	
R0210	Gross - Direct Business				191,701	49,823												241,523
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				53,426	15,672												69,098
R0300	Net				138,275	34,151												172,425
	Claims incurred																	
R0310	Gross - Direct Business				129,891	34,975												164,866
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				38,837	11,886												50,723
R0400	Net				91,055	23,088												114,143
	Changes in other technical provisions																	
R0410	Gross - Direct Business																	0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net				0	0												0
R0550	**Expenses incurred**				25,326	6,841												32,167
R1200	**Other expenses**																	
R1300	**Total expenses**																	32,167

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						2,723			2,723
R1620	Reinsurers' share						4			4
R1700	Net						2,719		0	2,719
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						725		0	725
R2500	**Other expenses**									
R2600	**Total expenses**									725

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010			IT	ES				
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	145,591	61,167	47,201				253,960
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	3,235	37,497	33,508				74,240
R0200	Net	142,356	23,670	13,693	0	0	0	179,719
	Premiums earned							
R0210	Gross - Direct Business	140,146	56,236	45,141				241,523
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	2,580	34,496	32,023				69,098
R0300	Net	137,567	21,740	13,118	0	0	0	172,425
	Claims incurred							
R0310	Gross - Direct Business	88,049	40,829	35,988				164,866
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	134	25,388	25,193				50,715
R0400	Net	87,915	15,441	10,795	0	0	0	114,151
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0				0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share	0	0	0				0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	23,451	4,281	4,434				32,167
R1200	**Other expenses**							
R1300	**Total expenses**							32,167

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400								
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	2,723	0	0				2,723
R1620	Reinsurers' share	4	0	0				4
R1700	Net	2,719	0	0	0	0	0	2,719
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	725						725
R2500	**Other expenses**							
R2600	**Total expenses**							725

S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees					Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
R0010	**Technical provisions calculated as a whole**										0						
R0020	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole										0						
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**								6,075		6,075						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								1,599		1,599						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re								4,476		4,476						
R0100	**Risk margin**								204		204						
	Amount of the transitional on Technical Provisions																
R0110	Technical Provisions calculated as a whole										0						
R0120	Best estimate										0						
R0130	Risk margin										0						
R0200	**Technical provisions - total**								6,278		6,278						

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	**Technical provisions calculated as a whole**				0	0												0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross				73,887	17,060												90,947
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				28,990	3,980												32,970
R0150	**Net Best Estimate of Premium Provisions**				44,898	13,080												57,977
	Claims provisions																	
R0160	Gross				283,158	1,337												284,495
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				76,925	2,279												79,204
R0250	**Net Best Estimate of Claims Provisions**				206,233	-942												205,291
R0260	**Total best estimate - gross**				357,045	18,397												375,442
R0270	**Total best estimate - net**				251,130	12,138												263,268
R0280	**Risk margin**				12,018	581												12,599
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin																	0
R0320	**Technical provisions - total**				369,064	18,978												388,041
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**				105,915	6,259												112,174
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**				263,149	12,719												275,868

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020	Accident year / underwriting year	Underwriting Year

Gross Claims Paid (non-cumulative)
(absolute amount)

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year	Development year											In Current year	Sum of years (cumulative)
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											2,809	2,809	2,809
R0160	2008	12,494	30,824	7,126	3,300	2,758	2,021	441	699	725	1,378		1,378	61,767
R0170	2009	13,312	28,231	8,491	4,376	3,757	2,008	508	818	-2,130			-2,130	59,371
R0180	2010	16,392	39,430	12,028	6,509	4,109	1,992	925	-3,140				-3,140	78,244
R0190	2011	21,677	48,088	13,712	7,849	4,507	4,033	-1,915					-1,915	97,953
R0200	2012	23,102	49,736	14,393	6,604	5,808	-2,552						-2,552	97,090
R0210	2013	22,566	50,576	15,518	8,900	1,323							1,323	98,882
R0220	2014	24,557	53,475	17,884	8,030								8,030	103,946
R0230	2015	24,157	55,063	12,351									12,351	91,571
R0240	2016	28,305	55,979										55,979	84,284
R0250	2017	31,856											31,856	31,856
R0260												**Total**	103,989	807,772

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Year	Development year											Year end (discounted data)
		0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											4,480	4,094
R0160	2008	0	0	0	0	0	0	0	0	1,420	468		627
R0170	2009	0	0	0	0	0	0	0	3,581	2,230			2,344
R0180	2010	0	0	0	0	0	0	7,144	4,600				4,036
R0190	2011	0	0	0	0	0	15,841	9,702					9,527
R0200	2012	0	0	0	0	24,729	13,790						12,932
R0210	2013	0	0	0	34,290	21,776							20,748
R0220	2014	0	0	60,216	39,203								37,716
R0230	2015	0	86,992	46,645									45,414
R0240	2016	67,044	81,006										78,855
R0250	2017	70,069											68,203
R0260												**Total**	284,495

S.22.01.21

Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	Technical provisions	238,583	0	0	2,088	0
R0020	Basic own funds	131,017	0	0	-2,088	0
R0050	Eligible own funds to meet Solvency Capital Requirement	131,017	0	0	-2,088	0
R0090	Solvency Capital Requirement	83,178	0	0	349	0
R0100	Eligible own funds to meet Minimum Capital Requirement	131,017	0	0	-2,088	0
R0110	Minimum Capital Requirement	37,430	0	0	157	0

S.23.01.01

Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	37,300	37,300		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	93,717	93,717			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	131,017	131,017	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	131,017	131,017	0	0	0
R0510	Total available own funds to meet the MCR	131,017	131,017	0	0	
R0540	Total eligible own funds to meet the SCR	131,017	131,017	0	0	0
R0550	Total eligible own funds to meet the MCR	131,017	131,017	0	0	
R0580	**SCR**	83,178				
R0600	**MCR**	37,430				
R0620	**Ratio of Eligible own funds to SCR**	157.51%				
R0640	**Ratio of Eligible own funds to MCR**	350.03%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	141,017
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	10,000
R0730	Other basic own fund items	37,300
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	93,717
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	9,289
R0790	**Total Expected profits included in future premiums (EPIFP)**	9,289

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	6,159		
R0020	Counterparty default risk	5,041		
R0030	Life underwriting risk	435		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	78,788		
R0060	Diversification	-7,183		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	83,240		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	11,291
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-11,353
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	83,178
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	83,178

	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
R0010	MCR_{NL} Result	38,472

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	251,130	144,027
R0060	Other motor insurance and proportional reinsurance	12,138	35,692
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	0	
R0090	General liability insurance and proportional reinsurance	0	
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

Linear formula component for life insurance and reinsurance obligations

		C0040
R0200	MCR_L Result	98

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations	4,680	
R0250	Total capital at risk for all life (re)insurance obligations		

Overall MCR calculation

		C0070
R0300	Linear MCR	38,570
R0310	SCR	83,178
R0320	MCR cap	37,430
R0330	MCR floor	20,794
R0340	Combined MCR	37,430
R0350	Absolute floor of the MCR	2,196
R0400	**Minimum Capital Requirement**	37,430

Admiral Insurance Gibraltar Limited

Solvency and Financial Condition Report

Disclosures

31 December

2017

(Monetary amounts in GBP thousands)

General information

Undertaking name	Admiral Insurance Gibraltar Limited
Undertaking identification code	2138003FZ569I9YPG680
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GI
Language of reporting	en
Reporting reference date	31 December 2017
Currency used for reporting	GBP
Accounting standards	IFRS
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	Use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	Use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.05.02.01 - Premiums, claims and expenses by country
S.12.01.02 - Life and Health SLT Technical Provisions
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.22.01.21 - Impact of long term guarantees measures and transitionals
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	2,037,232
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	1,179,404
R0140	*Government Bonds*	62,047
R0150	*Corporate Bonds*	960,559
R0160	*Structured notes*	0
R0170	*Collateralised securities*	156,798
R0180	*Collective Investments Undertakings*	772,827
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	85,000
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	1,039,902
R0280	*Non-life and health similar to non-life*	1,030,971
R0290	*Non-life excluding health*	1,030,971
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding index-linked and unit-linked*	8,931
R0320	*Health similar to life*	0
R0330	*Life excluding health and index-linked and unit-linked*	8,931
R0340	*Life index-linked and unit-linked*	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	170,900
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	50,719
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	34,515
R0420	Any other assets, not elsewhere shown	
R0500	**Total assets**	3,333,268

S.02.01.02

Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	2,016,876
R0520	*Technical provisions - non-life (excluding health)*	2,016,876
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	1,962,907
R0550	*Risk margin*	53,969
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	35,738
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	0
R0630	*Best Estimate*	0
R0640	*Risk margin*	0
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	35,738
R0660	*TP calculated as a whole*	0
R0670	*Best Estimate*	34,781
R0680	*Risk margin*	956
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	0
R0710	*Best Estimate*	0
R0720	*Risk margin*	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	639,334
R0780	Deferred tax liabilities	7,569
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	109,849
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	107,367
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	
R0900	**Total liabilities**	2,916,731
R1000	**Excess of assets over liabilities**	416,537

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional reinsurance				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business				1,108,108	267,187		96,262	253			16,626	25,732					1,514,168
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share				843,476	205,345		69,657	183			962	0					1,119,623
R0200	Net				264,632	61,842		26,606	70			15,663	25,732					394,545
	Premiums earned																	
R0210	Gross - Direct Business				967,608	230,280		84,326	221			16,524	24,213					1,323,173
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share				700,901	168,079		61,255	161			963	0					931,359
R0300	Net				266,707	62,201		23,071	61			15,561	24,213					391,814
	Claims incurred																	
R0310	Gross - Direct Business				633,855	151,459		56,908	149			7,302	14,753					864,426
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share				523,353	126,976		39,955	105			721	0					691,109
R0400	Net				110,502	24,483		16,953	44			6,581	14,753					173,317
	Changes in other technical provisions																	
R0410	Gross - Direct Business				0	0		0	0			0	0					0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share				0	0		0	0			0	0					0
R0500	Net				0	0		0	0			0	0					0
R0550	**Expenses incurred**				46,641	10,667		4,808	13			1,104	2,241					65,473
R1200	**Other expenses**																	
R1300	**Total expenses**																	65,473

S.05.01.02

Premiums, claims and expenses by line of business

Life

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
	Premiums written									
R1410	Gross									0
R1420	Reinsurers' share									0
R1500	Net						0		0	0
	Premiums earned									
R1510	Gross									0
R1520	Reinsurers' share									0
R1600	Net						0		0	0
	Claims incurred									
R1610	Gross						21,991			21,991
R1620	Reinsurers' share						18,604			18,604
R1700	Net						3,387		0	3,387
	Changes in other technical provisions									
R1710	Gross									0
R1720	Reinsurers' share									0
R1800	Net						0		0	0
R1900	**Expenses incurred**						1,405		0	1,405
R2500	**Other expenses**									
R2600	**Total expenses**									1,405

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010			IT	FR				
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	1,394,701	67,310	52,157			0	1,514,168
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	1,043,017	38,459	38,147				1,119,623
R0200	Net	351,684	28,851	14,010	0	0	0	394,545
	Premiums earned							
R0210	Gross - Direct Business	1,217,708	61,684	43,780				1,323,173
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	863,670	35,459	32,230				931,359
R0300	Net	354,039	26,225	11,550	0	0	0	391,814
	Claims incurred							
R0310	Gross - Direct Business	786,582	44,404	33,440				864,426
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	641,592	26,109	23,408				691,109
R0400	Net	144,990	18,295	10,032	0	0	0	173,317
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0					0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share	0	0					0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	52,001	5,866	7,606				65,473
R1200	**Other expenses**							
R1300	**Total expenses**							65,473

S.05.02.01

Premiums, claims and expenses by country

Life

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations			Top 5 countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
R1400								
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	21,991						21,991
R1620	Reinsurers' share	18,604						18,604
R1700	Net	3,387	0	0	0	0	0	3,387
	Changes in other technical provisions							
R1710	Gross							0
R1720	Reinsurers' share							0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	1,405						1,405
R2500	**Other expenses**							
R2600	**Total expenses**							1,405

S.12.01.02

Life and Health SLT Technical Provisions

		Insurance with profit participation	Index-linked and unit-linked insurance			Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, including Unit-Linked)	Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
				Contracts without options and guarantees	Contracts with options or guarantees		Contracts without options and guarantees	Contracts with options or guarantees					Contracts without options and guarantees	Contracts with options or guarantees			
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150	C0160	C0170	C0180	C0190	C0200	C0210
R0010	**Technical provisions calculated as a whole**										0						
R0020	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole										0						
	Technical provisions calculated as a sum of BE and RM																
	Best estimate																
R0030	**Gross Best Estimate**								34,781		34,781						
R0080	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default								8,931		8,931						
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re								25,850		25,850						
R0100	**Risk margin**								956		956						
	Amount of the transitional on Technical Provisions																
R0110	Technical Provisions calculated as a whole										0						
R0120	Best estimate										0						
R0130	Risk margin										0						
R0200	**Technical provisions - total**								35,738		35,738						

S.17.01.02

Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	**Technical provisions calculated as a whole**				0	0		0	0			0	0					0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole																	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross				289,021	82,748		26,478	626			4,487	5,738					409,098
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				222,043	60,117		14,885	342			0	206					297,593
R0150	**Net Best Estimate of Premium Provisions**				66,978	22,631		11,593	284			4,487	5,532					111,505
	Claims provisions																	
R0160	Gross				1,518,105	-6,962		30,690	2,635			1,921	7,419					1,553,809
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default				703,717	6,456		21,283	1,815			0	108					733,378
R0250	**Net Best Estimate of Claims Provisions**				814,388	-13,418		9,407	821			1,921	7,311					820,431
R0260	**Total best estimate - gross**				1,807,126	75,786		57,168	3,261			6,408	13,156					1,962,907
R0270	**Total best estimate - net**				881,366	9,213		21,000	1,104			6,408	12,843					931,935
R0280	**Risk margin**				51,041	534		1,216	64			371	744					53,969
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole				0	0		0	0			0	0					0
R0300	Best estimate				0	0		0	0			0	0					0
R0310	Risk margin				0	0		0	0			0	0					0
R0320	**Technical provisions - total**				1,858,166	76,320		58,384	3,325			6,779	13,900					2,016,876
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**				925,760	66,573		36,168	2,157			0	313					1,030,971
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**				932,407	9,747		22,216	1,168			6,779	13,587					985,904

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020 Accident year / underwriting year: Underwriting Year

Gross Claims Paid (non-cumulative)
(absolute amount)

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year	Development year											**In Current year**	**Sum of years (cumulative)**
		0	1	2	3	4	5	6	7	8	9	10 & +		
R0100	Prior											125	125	125
R0160	2008	41,482	80,772	17,487	10,937	9,512	7,830	1,750	1,963	3,447	100		100	175,279
R0170	2009	53,864	101,579	25,936	15,412	13,607	7,970	1,897	3,425	674			674	224,363
R0180	2010	71,710	161,683	42,949	26,280	18,462	9,640	3,685	3,839				3,839	338,248
R0190	2011	108,372	213,095	56,106	39,632	22,426	25,860	3,159					3,159	468,650
R0200	2012	116,536	205,507	60,976	35,512	30,254	4,789						4,789	453,574
R0210	2013	108,649	191,803	69,323	48,999	9,364							9,364	428,137
R0220	2014	109,069	211,547	76,629	30,509								30,509	427,754
R0230	2015	118,569	239,963	63,197									63,197	421,728
R0240	2016	141,234	277,595										277,595	418,828
R0250	2017	190,485											190,485	190,485
R0260												**Total**	583,837	3,547,172

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Year	Development year											**Year end (discounted data)**
		0	1	2	3	4	5	6	7	8	9	10 & +	
R0100	Prior											22,001	20,036
R0160	2008	0	0	0	0	0	0	0	0	5,778	2,624		2,576
R0170	2009	0	0	0	0	0	0	0	13,172	10,905			10,410
R0180	2010	0	0	0	0	0	0	32,702	23,343				22,053
R0190	2011	0	0	0	0	0	80,740	60,184					57,392
R0200	2012	0	0	0	0	114,554	79,938						74,285
R0210	2013	0	0	0	156,993	141,660							130,188
R0220	2014	0	0	255,786	219,488								206,040
R0230	2015	0	362,775	285,359									259,605
R0240	2016	322,577	413,914										389,633
R0250	2017	398,456											381,592
R0260												**Total**	1,553,809

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Impact of long term guarantees measures and transitionals

		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
R0010	Technical provisions	1,748,532	0	0	9,146	0
R0020	Basic own funds	376,537	0	0	-9,146	0
R0050	Eligible own funds to meet Solvency Capital Requirement	436,537	0	0	-9,146	0
R0090	Solvency Capital Requirement	287,270	0	0	2,458	0
R0100	Eligible own funds to meet Minimum Capital Requirement	376,537	0	0	-9,146	0
R0110	Minimum Capital Requirement	117,827	0	0	12,550	0

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Own Funds

	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35	Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
R0010	Ordinary share capital (gross of own shares)	58	58		0	
R0030	Share premium account related to ordinary share capital	14,944	14,944		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	361,535	361,535			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220	**Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	376,537	376,537	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	60,000			60,000	
R0400	**Total ancillary own funds**	60,000			60,000	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	436,537	376,537	0	60,000	0
R0510	Total available own funds to meet the MCR	376,537	376,537	0	0	
R0540	Total eligible own funds to meet the SCR	436,537	376,537	0	60,000	0
R0550	Total eligible own funds to meet the MCR	376,537	376,537	0	0	
R0580	**SCR**	287,270				
R0600	**MCR**	117,827				
R0620	**Ratio of Eligible own funds to SCR**	151.96%				
R0640	**Ratio of Eligible own funds to MCR**	319.57%				

	Reconcilliation reserve	C0060
R0700	Excess of assets over liabilities	416,537
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	40,000
R0730	Other basic own fund items	15,002
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	361,535
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	35,839
R0790	**Total Expected profits included in future premiums (EPIFP)**	35,839

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Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	48,755		
R0020	Counterparty default risk	23,253		
R0030	Life underwriting risk	2,508		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	213,653	6,8	
R0060	Diversification	-44,437		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	243,732		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	59,044
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	-15,506
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	287,270
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	287,270

	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

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Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

	Linear formula component for non-life insurance and reinsurance obligations	C0010
R0010	MCR_{NL} Result	117,264

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	881,366	264,632
R0060	Other motor insurance and proportional reinsurance	9,213	61,842
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	21,000	26,606
R0090	General liability insurance and proportional reinsurance	1,104	70
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	6,408	15,663
R0130	Miscellaneous financial loss insurance and proportional reinsurance	12,843	25,732
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MCR_L Result	563

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits		
R0220	Obligations with profit participation - future discretionary benefits		
R0230	Index-linked and unit-linked insurance obligations		
R0240	Other life (re)insurance and health (re)insurance obligations	26,807	
R0250	Total capital at risk for all life (re)insurance obligations		

	Overall MCR calculation	C0070
R0300	Linear MCR	117,827
R0310	SCR	287,270
R0320	MCR cap	129,272
R0330	MCR floor	71,818
R0340	Combined MCR	117,827
R0350	Absolute floor of the MCR	2,196
R0400	**Minimum Capital Requirement**	117,827