



Company News

Strong technical result delivers surplus for the half year

1 November 2018 Gard group reports a result after tax of USD 27 million, with a combined ratio net of 78 per cent and no general increase for the 2019 policy year.

Published 02 November 2018

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The first half of the 2018 financial year has seen strong performance across the group, with the following result for the period ending 20 August:

- Result after tax of USD 27 million on an Estimated Total Call (ETC) basis
- Combined ratio net (CRN) of 78 per cent
- Investment return of minus USD 41 million
- Equity of USD 1,276 million

Rolf Thore Roppestad, CEO of Gard, said: “This period has demonstrated a strong technical performance and a growth in gross written premium compared to the same period last year. This is a result of disciplined risk selection and the continuation of the benign claims environment, both in terms of frequency and severity, that we have seen in recent years. With investment results volatile, ensuring that we have a balanced book of underwriting becomes increasingly important. Being excellent at the fundamentals, assessing and handling maritime risk, is our first priority to deliver on our Members’ and clients’ needs. There is no doubt that the quality of our membership, our continued focus on loss prevention and our strong claims handling capabilities have contributed positively to this outcome.

“Our premium policy is based on this strategy of long-term steadiness and sustainability. We want to support our shipowners in challenging times by keeping costs as low as possible. In looking at the premium policy for the next year, there will be no general increase in the Estimated Total Call for owners’ mutual P&I or for mutual FD&D. To ensure fairness over time, individual exposure and performance, in combination with existing premium level, will determine the renewal result. The target of a small negative insurance result remains, with a forecast combined ratio net of 105%.

As well as having been modest in our premium setting over recent years, we have a well-established procedure that allows excess capital to be returned to the membership by a reduction in the last instalment of premium which is deferred to the year after the policy year in question. Over the last decade, the actual cost of insurance to mutual members has been reduced by USD 392 million compared to the agreed cost at renewals.

ENDS

Notes to Editors

1. Gard is a shipowner-controlled provider of P&I, marine and energy insurance products, with gross written premium of USD 824 million, with over 450 staff in 13 offices around the world.

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². The direct insurance entities within the Gard group; Gard P. & I. (Bermuda) Ltd, Assuranceforeningen Gard, Gard Marine & Energy Limited and Gard Marine & Energy Insurance (Europe) Limited are rated 'A+' by Standard & Poor's.

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Contacts

Caroline Wagstaff

Luther Pendragon Mobile +44 7767 794208

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