



Company News

Underwriting and investment results deliver surplus for the half year

7 November 2019 - Gard reports a result after tax of USD 65 million for the period ending 20 August 2019 and announces that there will be no general increase in the Estimated Total Call for owners' mutual P&I or for mutual FD&D for the next year.

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The first half of the 2019 financial year has seen steady performance across the group, with the following result for the period ending 20 August:

- Result after tax of USD 65 million on an Estimated Total Call (ETC) basis
- Combined ratio net (CRN) of 96 per cent
- Investment return of USD 58 million
- Equity of USD 1,211 million

Rolf Thore Roppestad, CEO of Gard, said: “This period has seen a good financial performance for the half year with premium growth despite a competitive pricing environment on P&I, a balanced combined ratio and a strong investment return.

“Our operations have demonstrated the steadiness that is a fundamental part of having strong mutual roots and a service-oriented mindset. Our view is always long-term; with an ambition to balance the mutual side of the group, where cost containment and service are key targets, with earning a modest return on our commercial insurance book that delivers capital benefits to our owners.

“This stability is particularly important when you operate in an industry as fundamentally volatile as marine insurance, and the last year has seen a level of claims across the industry that reminds us its inherent unpredictability. Many marine underwriters across the world have felt the negative effect of this and there has been a significant withdrawal of capacity in the sector.

“Our premium policy is an integral part of this strategy of long-term steadiness and sustainability. To support our Members, we aim to keep insurance 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.

“We also support our membership by lowering the forecasted premium when the circumstances allow. We have reduced the last instalment of premium for 10 consecutive years. The actual cost of insurance to mutual members has been decreased by USD 429 million in the last decade.”

ENDS

Notes to Editors

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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 500 staff in 13 offices around the world.

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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