

# P&C Reserve Workbook

Reserving approach, LDT and loss ratio development triangles

As of 31 December 2015

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# Introduction

This 2015 P&C Reserving Workbook (the “Workbook”) is provided by Swiss Re for informational purposes only. The information in the Workbook is as at 31 December 2015. Swiss Re is under no obligation to, and does not intend to, update or revise any of the information included in this Workbook or referred to in this Workbook, whether as a result of new information, future events or other reasons, even when such new information has been reflected in any report or other document published by Swiss Re or any of its business units. Although the information in this Workbook is critical for estimating loss reserve requirements, it is not the only consideration used by Swiss Re to establish its reserves

Please see the cautionary note on forward-looking statements on slide 55 of this Workbook and the notes on risk factors on pages 274-279 of Swiss Re's 2015 Financial Report as well as on pages 94-100 of Swiss Re's Second Quarter 2016 Report, which are incorporated herein by reference

# Reserving at Swiss Re

# Swiss Re operates under several valuation frameworks which can have substantial differences

- The aim of P&C reserving is to estimate the ultimate value of liabilities, i.e. value of the losses that will eventually be paid to fulfil all contractual obligations. Liabilities are valued using standard actuarial techniques, taking into account historical claims development information as well as recent trends and forward looking information as a basis to project ultimate future losses. Some further details of the actuarial reserving techniques can be found in the appendix on slides 48-52
- Once the ultimate loss is determined, the resulting reserves are translated into the applied reporting framework
  - US GAAP: recognises profits in line with exposure to the underlying business risk, with reserves at “best estimate”. Future exposures on existing contracts are not part of the loss reserves
  - EVM: shows the full expected loss at inception, and losses are discounted

	Purpose	Methodology	Net reserves at year end 2015 <sup>1</sup>
<b>US GAAP</b>	<ul style="list-style-type: none"> <li>• External Group reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Primarily best-estimate, but reserves not discounted</li> </ul>	<ul style="list-style-type: none"> <li>• USD 48.0bn</li> </ul>
<b>EVM</b>	<ul style="list-style-type: none"> <li>• Economic valuation</li> </ul>	<ul style="list-style-type: none"> <li>• Best-estimate, principles based</li> </ul>	<ul style="list-style-type: none"> <li>• USD 45.3bn</li> </ul>

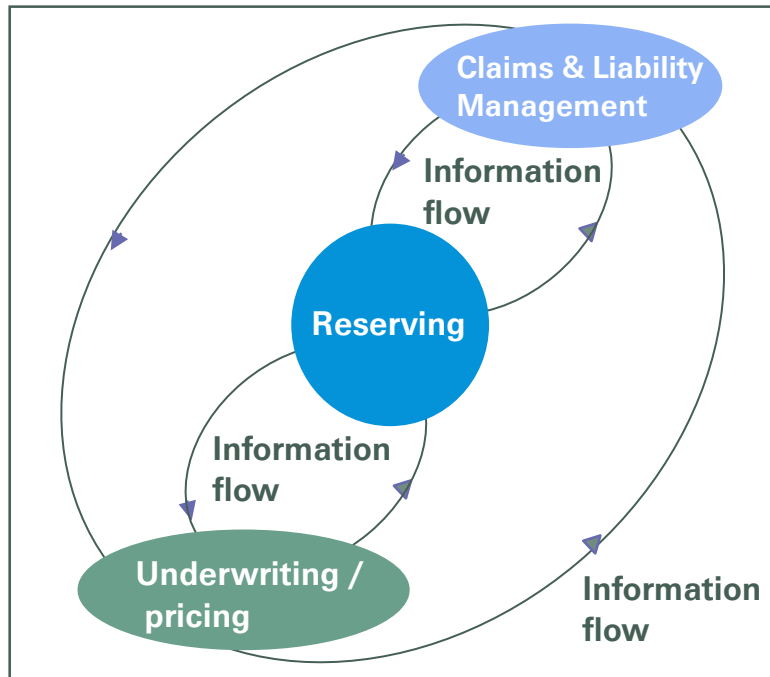
<sup>1</sup> For US GAAP the amount includes claims reserves net of external retrocession and Unearned Premium Reserves (UPR) net of Deferred Acquisition Costs (DAC) in order to be comparable with the EVM figure which is the Present Value of Future Claims including provisions for run-off expenses

# Swiss Re is prudently reserved and remains in the upper-half of the best estimate range

- Reserves at inception of business are **determined at the time of writing** the business, based on the pricing loss ratio. If business performs exactly as priced there will be no run-off profit (or loss). Swiss Re does not add margins to pricing loss ratios unless they are assessed as deficient
- Initial loss estimates are gradually replaced by **actual loss experience**; ultimate loss estimates are updated quarterly
- Swiss Re uses actuarial techniques such as the Benktander or Bornhuetter/Ferguson (BF) method (see appendix), which use a **weighted average** of the initial loss estimate and a projected ultimate loss estimate, based on emerging claims experience
- Actual losses are likely to differ from initial estimates, producing **reserve development** (favourable or adverse). This can have **multiple causes** including bias in the initial loss ratios, changing assumptions e.g. inflation, normal claims volatility or commutations and premium development
- Areas where actuarial judgment is used are described in the appendix, slide 49

The key purpose of reserving is to estimate the ultimate value of claims, i.e. the amount that will be paid to fulfil all contractual obligations

# Reserving uses forward looking information via a strong feedback loop with pricing teams



- Qualitative information feeds into the reserving process via a constant dialogue between claims management teams and underwriting/pricing functions
- Reserving detects deviations between pricing and ultimate loss ratios, while underwriting and client teams provide intelligence on market conditions
- Such feedback loops allow Swiss Re to both update reserves and adjust pricing, improving the quality of business written

Swiss Re's reserving process does not look to add artificial buffers to reserves which depress the current year's accounting results and flatter those in future years

# Swiss Re has strong governance around the setting of reserves

- The reserving process is performed quarterly by local reserving teams for each business unit and region. Each portfolio is fully reviewed at least once a year. In a quarter during which no full review is carried out, Swiss Re conducts an analysis to compare actual with expected reported claims movements
- The Regional Reserving Committees and Group Reserving Committee review the assumption changes proposed by local teams and sign off on the reserves



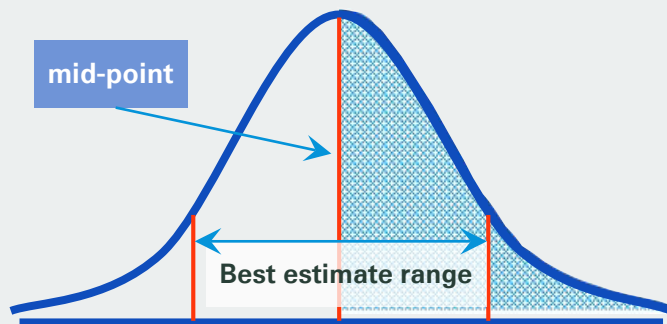
- In addition, a second line of defense control is carried out on a quarterly basis by an actuarial control team. This team performs an independent reserve review on a higher level of aggregation which provides assurance to the Board of Directors on the overall adequacy of the reserves



# Swiss Re's reserving strength is demonstrated by being in the upper half of a range of best estimate

## Distribution of possible reserves

*Illustrative*



- Swiss Re's reserving strength is independently assessed every quarter by the actuarial control team. This team determines a range of reasonable "best estimate" reserves at a higher level of aggregation than used locally
- The reserves booked by management are then positioned on that range to determine the overall percentile (or position) within the range of best estimate
- Such a review has been conducted at Swiss Re for more than 15 years, with booked reserves typically between the 60<sup>th</sup> and 80<sup>th</sup> percentile

Swiss Re is prudently reserved and remains in the upper-half of the best estimate range. Although parameters are updated every quarter, there have been no changes to Swiss Re's reserving approach

# Benefits of Swiss Re's approach to reserving

- Swiss Re's best estimate approach allows a prudent assessment of reserves, both in the current accident year and in later periods
- Strong feedback loops facilitate appropriate price adjustments; pricing errors are less likely to accumulate over time
- Reserving strength is assessed independently and Swiss Re's strong governance process ensures a robust and transparent reserving practice
- Significant reserves have been released over the last decade, as claims in aggregate have been lower than expected at pricing. Lower inflation has been a significant factor

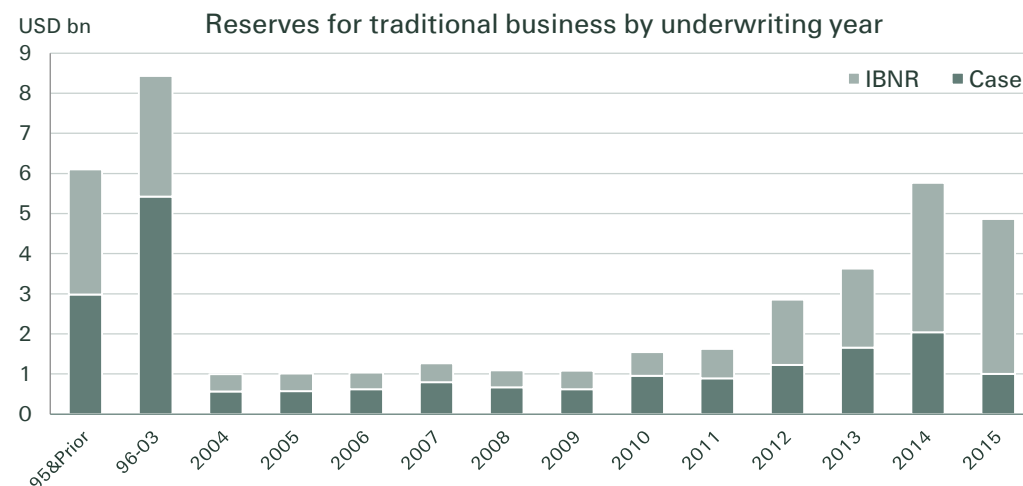
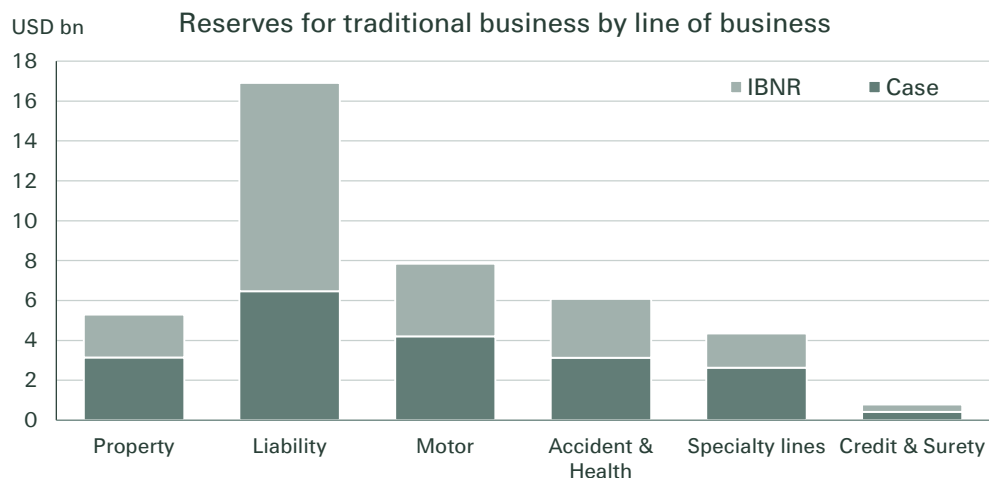
Prior accident year reserve releases in USDm:

Calendar year	Property	Casualty	Specialty	Total
2011	606	354	775	1 735
2012	242	699	536	1 477
2013	441	455	475	1 371
2014	277	62	499	838
2015	539	571	284	1 394

Avoiding artificially high reserve buffers allows for a timely recognition of profits thereby providing transparency to stakeholders

# 2015 reserving highlights

# A significant component of reserves are held for incurred but not reported (IBNR) claims



- Total P&C gross reserves in 2015 were USD 45.6bn<sup>1</sup>, of which USD 42.2bn for traditional business
- Long-tailed lines of business, such as liability, have a higher weighting of IBNR than short-tailed lines
- Analysis by treaty year shows that a considerable portion of reserves for older years are held for IBNR:
  - For treaty years 1995 and prior IBNR comprises 51% of reserves

<sup>1</sup> These are US GAAP claims reserves and include case reserves, IBNR and Unallocated Loss Adjustment Expenses (ULAE)

# Highlights of 2015 prior year accident year development by line of business

- **Property** (USD 539m release in 2015)

Claims development was favourable across all regions on most treaty years with the main exception being New Zealand earthquakes affecting underwriting years 2010 and 2011 which continued to deteriorate

- **Casualty** (USD 571m release in 2015)

Liability showed a consistent level of releases throughout the year and across all regions. Favourable development on more recent accident years more than offset increases for US asbestos and environmental losses. Following large commutation and positive claim experience, accident and health claims developed favourably, contributing to the overall positive claims development on casualty. This was partially offset by the motor line of business, which experienced adverse trends in the US on most recent underwriting years. The European motor claims were also adversely impacted mainly on older underwriting years following improvements to the reserving models for French and German business

- **Specialty lines** (USD 284m release in 2015)

Similarly to last year, specialty lines showed a favourable trend. Experience has been significantly below what was expected, particularly for engineering and marine enabling reserves to be released

# Loss development tables and loss ratio development triangles

# Disclosure information

- In this section, loss development tables on an accident year basis are presented
- Although accident year reporting is fairly standard across the insurance and reinsurance markets, accident year information is not easily available for reinsurers in contrast to insurers, as the reinsurer is dependent on the information delivered by its cedents. For this reason, accident year loss development tables shown on the following slides are partly based on approximation
- It is the last time the loss development tables, as shown on slides 17-19, will be presented in this format. From year-end 2016 onwards, exhibits in line with the new FASB requirements ASU 2015-09 “Disclosures about Short-duration Contracts” will be disclosed as part of the 2016 Financial Report. The requirements for ASU 2015-09 are described on page 170 in the 2015 Financial Report. The new requirements include disaggregated incurred and paid claims development information by accident year, on a net basis after risk mitigation, not exceeding 10 years of history. In addition, a description of the methods used to determine incurred-but-not-reported liabilities and changes in methods and assumptions shall be provided. The aforementioned information will be disclosed on an annual basis

# Introductory note to the loss development tables

- The **loss development tables (LDT)** on slides 17 and 18 contain nominal figures and are net of retrocession, after the adverse development cover (ADC)<sup>1</sup>
- The **accident year view table** on slide 19 contains nominal figures and is net of retrocession. As the ADC cannot be attributed to any individual accident year, it has been omitted from the triangle. The accident year view of the loss development table is an approximate conversion of the triangle provided on slide 17 by using the 31 December 2015 foreign exchange rate across the various reporting periods
- The following table reconciles the net claim reserves of reporting year 2015, as shown on the top right corner of the triangles on slides 17 and 18, with the total net reserves shown in the 2015 Financial Report (page 189):

Net claims reserves reporting year 2015	41 519
Less P-GAAP	(602)
Less deferred expense on retroactive reinsurance	(340)
Net unpaid claims and claims adjustment expenses	40 577

<sup>1</sup> In 2009 Swiss Re effected an adverse development cover with Berkshire Hathaway on the Group's total property and casualty reserves for 2008 and prior years. As a result of favourable development since that time, this cover is now valued at its minimum commutation value



# Loss development table

## Net claim reserves and re-estimates

USD m		Original reporting year										
		2005	2006 <sup>1</sup>	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Claims reserves as at 31 Dec</b>		42'907	61'645	62'059	56'156	52'086	48'816	48'253	46'819	45'167	42'585	41'519
	1 Year later	44'312	63'564	59'516	57'379	51'097	46'670	47'244	45'769	42'104	39'543	
	2 Years later	45'631	61'302	61'091	55'376	49'228	45'438	46'162	43'319	40'107		
	3 Years later	43'743	62'484	60'146	53'981	48'110	45'205	44'381	41'590			
	4 Years later	44'572	62'113	58'995	53'013	48'035	43'835	42'963				
	5 Years later	43'652	61'329	58'145	53'134	46'731	42'676					
	6 Years later	43'187	60'716	58'370	51'834	45'651						
	7 Years later	42'747	61'009	57'365	50'837							
	8 Years later	43'054	60'198	56'450								
	9 Years later	42'806	59'351									
	10 Years later	42'143										
<b>Surplus / (deficiency)</b>		764	2'293	5'609	5'319	6'435	6'139	5'290	5'229	5'061	3'041	
<b>Percent of original reserves</b>		1.8%	3.7%	9.0%	9.5%	12.4%	12.6%	11.0%	11.2%	11.2%	7.1%	
<b>Excluding foreign exchange:</b>												
<b>Surplus / (deficiency)</b>		2'649	4'459	5'281	3'179	4'663	4'375	3'258	2'601	1'890	1'343	
<b>Percent of original reserves</b>		6.2%	7.2%	8.5%	5.7%	9.0%	9.0%	6.8%	5.6%	4.2%	3.2%	

<sup>1</sup> Note that the increase from 2006 is driven by the acquisition of General Electric Insurance Solutions ("GEIS")

# Loss development table

## Paid Losses and Loss Adjustment Expenses

USD m		Original reporting year										
		2005	2006 <sup>1</sup>	2007	2008	2009	2010	2011	2012	2013	2014	2015
Claims reserves as at 31 Dec		42'907	61'645	62'059	56'156	52'086	48'816	48'253	46'819	45'167	42'585	41'519
Cumulative Paid Losses and LAE in respect of original reported loss reserves	1 Year later	8'396	10'196	11'201	10'217	8'500	7'899	7'962	9'269	8'692	8'353	
	2 Years later	14'979	18'918	18'154	16'484	14'168	12'503	14'154	14'600	13'953		
	3 Years later	19'867	24'529	23'034	21'021	17'842	16'954	18'244	18'423			
	4 Years later	23'207	28'725	27'037	24'257	21'796	20'176	21'567				
	5 Years later	25'419	32'088	29'822	27'866	24'383	22'979					
	6 Years later	27'474	34'527	33'126	30'090	26'731						
	7 Years later	28'698	37'562	35'052	32'270							
	8 Years later	30'527	39'322	37'016								
	9 Years later	31'537	41'142									
	10 Years later	32'642										

<sup>1</sup> Note that the increase from 2006 is driven by the acquisition of GEIS

# Estimated net accident year view

## Accident Year Development to end 2015

USD m

### Ultimate claims, at 31 December 2015 exchange rates

Accident Year	Expected Claims at end of year	1 Year later	2 Years later	3 Years later	4 Years later	5 Years later	6 Years later	7 Years later	8 Years later	9 Years later	10 Years later	Surplus/ (Deficiency)
Pre-2006	41'700	41'993	42'541	41'581	41'110	40'719	40'463	39'929	40'061	40'404	40'178	1'522
2006 <sup>1</sup>	26'066	26'370	26'527	26'189	26'134	25'937	25'712	25'601	25'364	25'427		640
2007	9'198	9'164	8'646	8'709	8'411	8'152	8'066	7'953	7'937			1'261
2008	8'579	8'733	8'397	8'175	8'068	7'914	8'003	8'054				525
2009	8'245	7'717	7'243	7'115	6'959	6'672	6'547					1'698
2010	7'017	6'806	6'700	6'535	6'559	6'552						464
2011	9'761	9'998	9'285	9'044	8'896							865
2012 <sup>2</sup>	8'190	8'190	7'722	7'526								665
2013	9'682	9'419	9'325									357
2014	10'753	10'085										668
2015	12'517											
<b>Total</b>												<b>8'664</b>
<b>ADC cumulative impact</b>												<b>(1'599)</b>
<b>Total net of ADC</b>												<b>7'065</b>

<sup>1</sup> Note that the increase on accident year 2006 is driven by the acquisition of GEIS

<sup>2</sup> There was no impact from the ADC since the end of 2011 beyond the effects of exchange rate movements

# Introductory note to loss ratio development triangles

- The following slides show on a high level the loss ratio developments for Swiss Re
- These are taken from a report which is provided by P&C Actuarial Control on an annual basis to provide an overview on the performance of the business of Swiss Re
- All figures are as valued under US GAAP on a gross basis before external retrocession
- Earned premiums are net of commission. This differs from published accounts where premiums are gross of commission. Earned premiums for treaty year 2015 appear lower than prior years because only part of the treaty year premium is earned at the end of calendar year 2015. This is why the 2015 reported and paid ratios look higher than the historically observed ratios
- Case reserves are cedent reported reserves plus any additional case reserves (ACR) as assessed by Swiss Re Claims Management. Reported claims are the sum of paid claims and case reserves including ACR
- At the end of each curve there is a point that represents the estimated ultimate claims ratio. The difference between this point and the latest reported claim is the IBNR carried
- The ultimate loss ratio is the sum of reported claims (including ACR) and IBNR, divided by the earned premium (which is net of commission)

# Reserves Scope

## Walk from displayed reserves to booked reserves

The reserves are shown on treaty years 2000-2015 for long-tailed lines and on treaty years 2004-2015 for short-tailed lines, and represent approx. 69% of the Total Gross Nominal P&C Reserves (excl. P-GAAP adjustments) of Swiss Re Group at year-end 2015

USD bn	Group	Reinsurance	Corporate Solutions
Reserves for business illustrated <sup>1, 2</sup>	<b>31.3</b>	<b>25.0</b>	<b>6.3</b>
Other traditional business incl. reserves for prior treaty years (excl. US Asbestos & Environmental)	8.5	5.2	3.3
U.S. Asbestos & Environmental	2.3	1.8	0.5
<b>Total Traditional Business</b>	<b>42.2</b>	<b>32.1</b>	<b>10.1</b>
Non-traditional business	2.6	2.6	0.0
Unallocated Loss Adjustment Expense	0.8	0.6	0.2
<b>Total Gross Nominal P&amp;C Reserves</b>	<b>45.6</b>	<b>35.2</b>	<b>10.4</b>
P-GAAP Adjustment for acquired reserves <sup>3</sup>	-0.8		
<b>Total Gross Reserves held <sup>4</sup></b>	<b>44.8</b>		

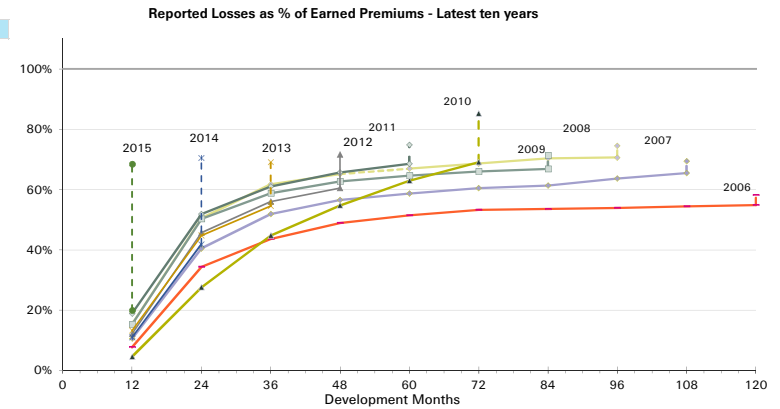
<sup>1</sup> The figures in the table are shown to one decimal place.

<sup>2</sup> The 'Reserves for business illustrated' do not include the reserves relating to Motor Corporate Solutions, as the loss ratio development triangles for this line are distorted by the novation of a deal in 2014 into Motor Liability Corporate Solutions.

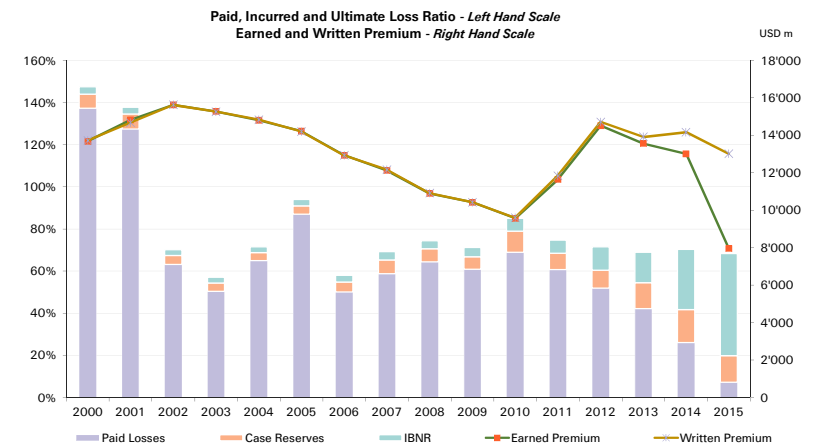
<sup>3</sup> The P-GAAP adjustment has not been allocated as it relates to the acquisition of GEIS in 2006.

<sup>4</sup> This figure can be found on page 189 in the 2015 Financial Report.

Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	13'691	20%	72%	100%	116%	124%	131%	136%	139%	140%	142%	145%	144%	144%	144%	144%	144%
2001	14'828	43%	83%	100%	110%	117%	124%	128%	131%	132%	133%	133%	134%	134%	135%	135%	
2002	15'632	17%	41%	52%	60%	62%	64%	65%	66%	67%	67%	67%	67%	68%	68%	68%	
2003	15'277	16%	33%	43%	48%	51%	52%	53%	54%	54%	54%	54%	54%	54%	54%	54%	
2004	14'810	21%	47%	58%	62%	65%	66%	67%	68%	68%	68%	69%	69%	69%	69%	69%	
2005	14'234	26%	71%	82%	85%	88%	89%	90%	90%	91%	91%	91%	91%	91%	91%	91%	
2006	12'936	8%	34%	44%	49%	51%	53%	54%	54%	54%	54%	54%	54%	54%	54%	54%	
2007	12'121	11%	40%	52%	57%	59%	60%	61%	64%	65%							
2008	10'897	15%	50%	62%	65%	67%	69%	70%	71%								
2009	10'427	15%	50%	59%	63%	65%	66%	67%									
2010	9'573	13%	54%	68%	71%	76%	79%										
2011	11'648	19%	52%	61%	66%	68%											
2012	14'518	12%	46%	56%	60%												
2013	13'568	13%	45%	55%													
2014	13'010	11%	42%														
2015	7'955	20%															



Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	13'691	8%	35%	59%	76%	90%	100%	108%	115%	119%	124%	129%	132%	134%	136%	137%	137%
2001	14'828	8%	36%	58%	75%	86%	94%	106%	114%	117%	122%	122%	124%	126%	127%	128%	
2002	15'632	5%	24%	35%	42%	47%	51%	54%	56%	58%	60%	61%	62%	63%	63%	63%	
2003	15'277	3%	17%	27%	34%	38%	42%	44%	46%	47%	48%	49%	50%	50%	50%	50%	
2004	14'810	4%	26%	40%	47%	52%	57%	60%	61%	63%	64%	65%	65%	65%	65%	65%	
2005	14'234	5%	36%	57%	68%	76%	80%	82%	84%	85%	86%	87%	87%	87%	87%	87%	
2006	12'936	2%	17%	29%	36%	40%	45%	47%	48%	49%	50%						
2007	12'121	3%	22%	37%	43%	48%	52%	55%	57%	59%							
2008	10'897	4%	29%	44%	51%	56%	60%	63%	65%								
2009	10'427	6%	30%	45%	52%	55%	59%	61%									
2010	9'573	5%	28%	45%	55%	63%	69%										
2011	11'648	6%	30%	46%	54%	61%											
2012	14'518	6%	31%	45%	52%												
2013	13'568	5%	28%	42%													
2014	13'010	4%	26%														
2015	7'955	7%															



Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	148%	137%	7%	3%
2001	138%	128%	7%	3%
2002	70%	63%	4%	3%
2003	57%	50%	4%	3%
2004	72%	65%	4%	3%
2005	94%	87%	4%	3%
2006	58%	50%	5%	3%
2007	69%	59%	7%	4%
2008	75%	65%	6%	4%
2009	71%	61%	6%	4%
2010	85%	69%	10%	6%
2011	75%	61%	8%	6%
2012	72%	52%	8%	11%
2013	69%	42%	12%	15%
2014	70%	26%	16%	29%
2015	68%	7%	13%	49%

**Comments:**

- Smooth development across aggregated lines of business
- The high ultimate claims ratios for 2000-2001 are due to the "soft" market conditions at the time, as well as specific claims such as September 11, 2001
- 2005 was affected by hurricanes Katrina, Rita and Wilma
- 2010 and 2011 are mainly impacted by the natural catastrophes in the Far East (earthquake and tsunami in Japan, Thai and Australian floods, earthquakes in New Zealand)
- The increase in premium in 2011 comes from large China contracts
- The increase in written premium in 2012 is partly driven by a large European deal
- Written premium level has reduced compared to 2014 on traditional business

Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	4'600	36%	73%	83%	83%	83%	83%	83%	82%	82%	82%	82%	82%
2005	4'693	54%	123%	131%	131%	130%	129%	129%	129%	129%	128%	128%	
2006	4'458	10%	36%	40%	40%	39%	39%	39%	39%	39%	39%		
2007	4'356	17%	48%	51%	52%	52%	52%	51%	51%	51%			
2008	4'398	21%	50%	54%	54%	54%	53%	54%	54%				
2009	4'577	22%	60%	63%	62%	63%	63%						
2010	4'424	18%	73%	86%	86%	90%	92%						
2011	5'429	28%	61%	66%	68%	70%							
2012	6'959	15%	47%	53%	54%								
2013	6'325	16%	45%	50%									
2014	5'848	12%	40%										
2015	3'924	17%											

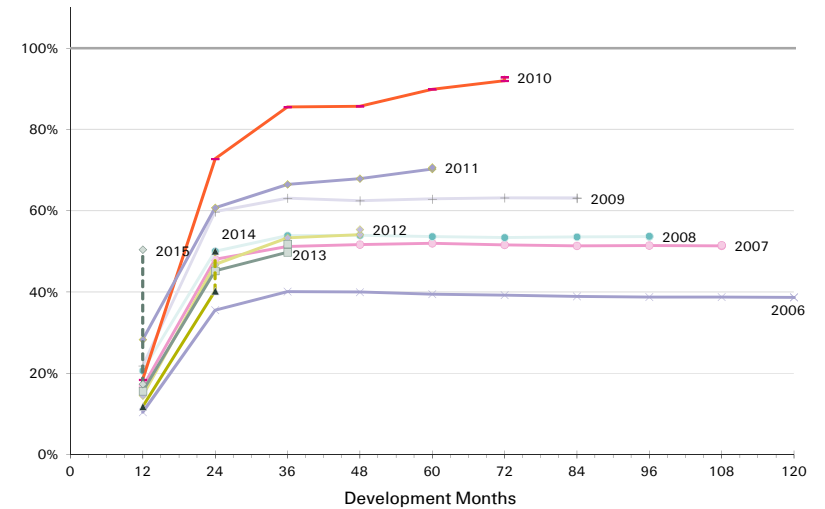
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	4'600	7%	44%	65%	74%	78%	80%	81%	81%	82%	82%	82%	82%
2005	4'693	9%	69%	103%	116%	123%	125%	126%	127%	127%	128%	128%	
2006	4'458	3%	21%	33%	36%	37%	38%	38%	38%	38%	38%		
2007	4'356	5%	30%	42%	45%	47%	50%	50%	50%	51%			
2008	4'398	4%	33%	44%	49%	51%	52%	52%	53%				
2009	4'577	8%	36%	53%	58%	60%	61%	62%					
2010	4'424	5%	35%	57%	69%	78%	84%						
2011	5'429	7%	32%	49%	60%	66%							
2012	6'959	6%	32%	45%	50%								
2013	6'325	4%	27%	41%									
2014	5'848	4%	26%										
2015	3'924	5%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	82%	82%	0%	0%
2005	128%	128%	1%	0%
2006	39%	38%	0%	0%
2007	52%	51%	1%	0%
2008	54%	53%	1%	0%
2009	63%	62%	1%	0%
2010	93%	84%	8%	1%
2011	71%	66%	4%	0%
2012	55%	50%	5%	1%
2013	52%	41%	9%	2%
2014	50%	26%	14%	10%
2015	50%	5%	13%	33%

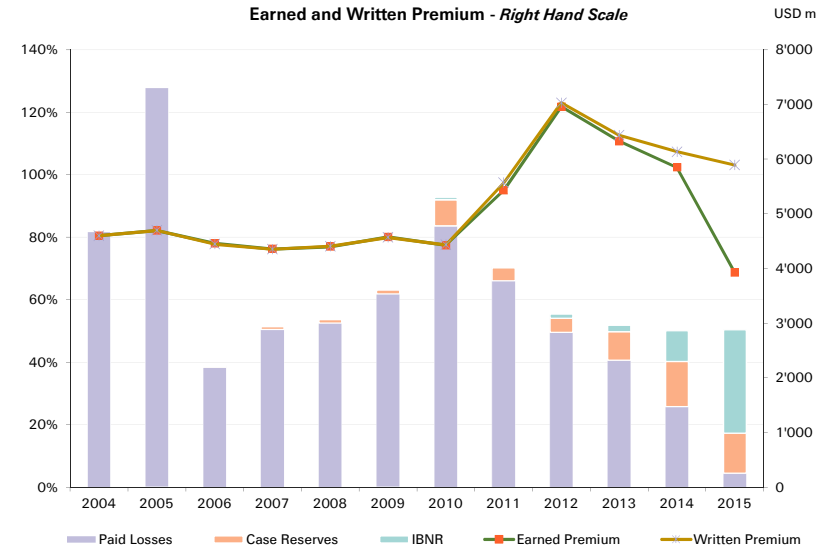
**Comments:**

- Property business tends to develop quickly towards the expected ultimate. The absolute level is dependent on large losses
- Treaty Year 2005 is impacted by US Hurricanes Katrina, Wilma and Rita. Hedging activities, particularly in 2005, reduced the impact of claims but are not reflected in this table, which is gross of retrocession and excludes impacts from Insurance-Linked Securities and Industry Loss Warranties
- Treaty Years 2010 and 2011 are impacted by the natural catastrophes in the Far East (earthquake and tsunami in Japan, Thai and Australian floods, earthquakes in New Zealand). The rise in paid and reported losses in 2010 for Calendar Year 2014 comes from the New Zealand Earthquake
- 2012 premium increase partly comes from a large European and several large quota-share deals
- Treaty Year 2015 is impacted by Tianjin and Chennai Flood

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	3'797	33%	67%	76%	75%	76%	76%	76%	75%	75%	75%	75%	75%
2005	3'896	46%	119%	128%	127%	127%	126%	126%	125%	125%	125%	125%	125%
2006	3'597	10%	37%	42%	41%	41%	41%	40%	40%	40%	40%	40%	40%
2007	3'757	18%	49%	52%	52%	53%	52%	52%	53%	52%	52%	52%	52%
2008	3'923	21%	50%	54%	55%	54%	54%	54%	54%	54%	54%	54%	54%
2009	4'098	23%	63%	66%	65%	66%	66%	66%	66%	66%	66%	66%	66%
2010	3'907	20%	74%	89%	89%	94%	96%						
2011	4'808	31%	63%	68%	70%	72%							
2012	6'174	15%	48%	54%	55%								
2013	5'370	17%	46%	51%									
2014	4'894	11%	40%										
2015	3'439	18%											

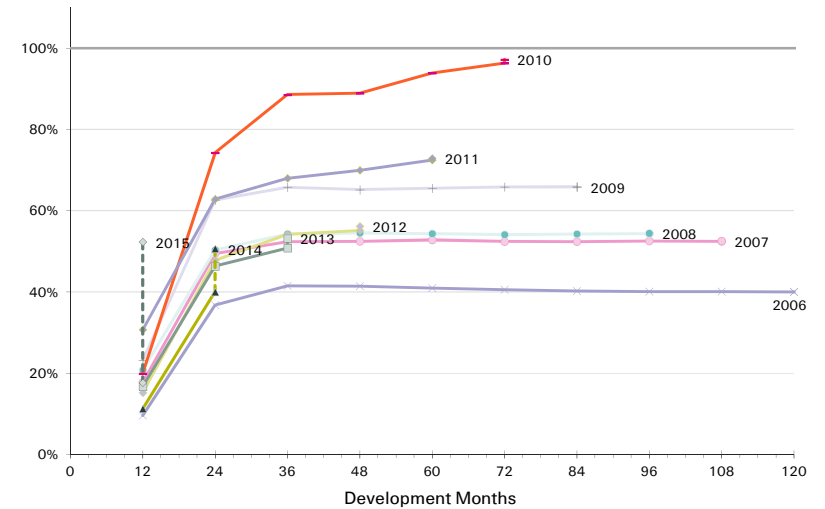
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	3'797	5%	41%	61%	68%	71%	73%	74%	74%	75%	75%	75%	75%
2005	3'896	7%	66%	99%	112%	119%	122%	123%	123%	124%	124%	125%	125%
2006	3'597	2%	22%	34%	37%	39%	39%	39%	40%	40%	40%	40%	40%
2007	3'757	5%	31%	42%	46%	48%	51%	51%	51%	51%	51%	51%	51%
2008	3'923	4%	34%	44%	49%	52%	52%	53%	53%	53%	53%	53%	53%
2009	4'098	9%	38%	55%	61%	63%	64%	64%	64%	64%	64%	64%	64%
2010	3'907	6%	37%	58%	71%	81%	87%						
2011	4'808	8%	34%	50%	61%	68%							
2012	6'174	6%	33%	46%	51%								
2013	5'370	5%	28%	41%									
2014	4'894	4%	26%										
2015	3'439	5%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	75%	75%	0%	0%
2005	125%	125%	1%	0%
2006	40%	40%	0%	0%
2007	53%	51%	1%	0%
2008	54%	53%	1%	0%
2009	66%	64%	1%	0%
2010	97%	87%	9%	1%
2011	73%	68%	5%	0%
2012	56%	51%	4%	1%
2013	53%	41%	9%	2%
2014	51%	26%	14%	11%
2015	52%	5%	13%	35%

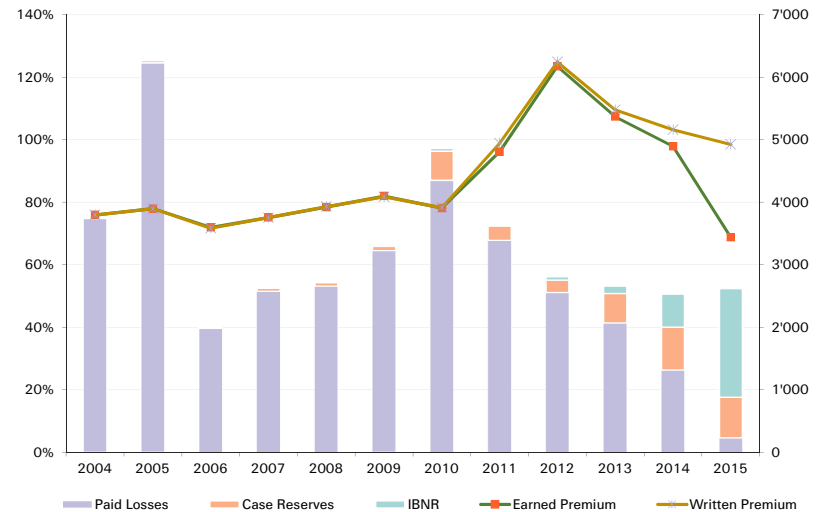
Comments:

- Property business tends to develop quickly towards the expected ultimate. The absolute level is dependent on large losses
- Treaty Year 2005 is impacted by US Hurricanes Katrina, Wilma and Rita. Hedging activities, particularly in 2005, reduced the impact of claims but are not reflected in this table, which is gross of retrocession and excludes impacts from Insurance-Linked Securities and Industry Loss Warranties
- Treaty Years 2010 and 2011 are impacted by the natural catastrophes in the Far East (earthquake and tsunami in Japan, Thai and Australian floods, earthquakes in New Zealand). The rise in paid and reported losses in 2010 for Calendar Year 2014 comes from the New Zealand Earthquake
- 2012 premium increase partly comes from a large European and several large quota-share deals
- Treaty Year 2015 is impacted by Tianjin and Chennai Flood

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale





Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	803	53%	103%	117%	118%	115%	117%	116%	116%	116%	115%	115%	115%
2005	798	95%	142%	146%	147%	146%	145%	144%	144%	144%	144%	144%	144%
2006	861	14%	30%	34%	34%	33%	33%	33%	33%	33%	33%	33%	33%
2007	599	10%	39%	43%	47%	47%	47%	45%	45%	45%			
2008	475	20%	47%	51%	49%	48%	48%	48%	48%				
2009	479	10%	35%	40%	39%	40%	40%	40%					
2010	517	8%	61%	63%	61%	59%	60%						
2011	622	9%	44%	55%	52%	54%							
2012	785	9%	39%	47%	46%								
2013	955	9%	39%	44%									
2014	954	15%	41%										
2015	486	15%											

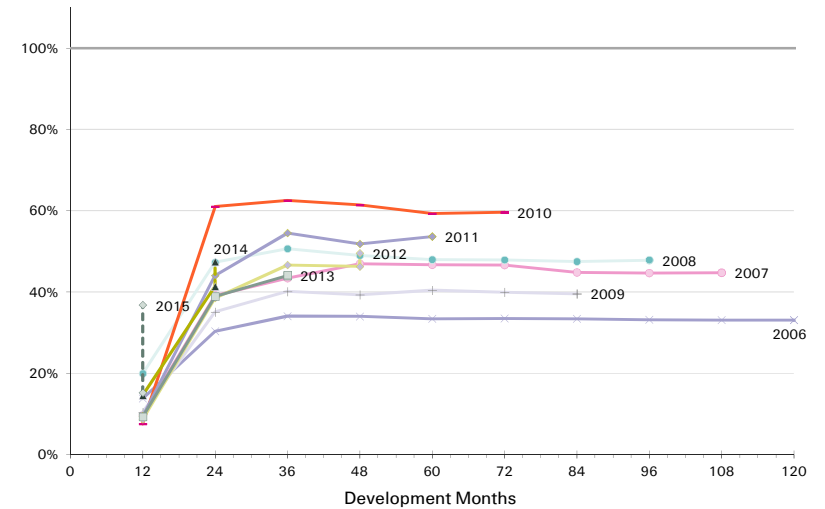
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	803	17%	59%	88%	102%	109%	113%	113%	115%	115%	115%	115%	115%
2005	798	18%	80%	121%	135%	142%	143%	143%	143%	144%	144%	144%	144%
2006	861	6%	19%	28%	31%	32%	33%	33%	33%	33%	33%	33%	33%
2007	599	5%	26%	37%	41%	43%	44%	45%	44%	45%			
2008	475	7%	33%	45%	47%	47%	47%	47%	48%				
2009	479	3%	22%	34%	38%	39%	40%	40%					
2010	517	2%	24%	43%	49%	58%	58%						
2011	622	4%	20%	43%	50%	53%							
2012	785	2%	21%	33%	38%								
2013	955	4%	21%	36%									
2014	954	3%	23%										
2015	486	4%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	116%	115%	0%	0%
2005	144%	144%	0%	0%
2006	33%	33%	0%	0%
2007	45%	45%	0%	0%
2008	48%	48%	0%	0%
2009	40%	40%	0%	0%
2010	60%	58%	1%	0%
2011	54%	53%	1%	0%
2012	50%	38%	8%	3%
2013	44%	36%	8%	0%
2014	47%	23%	18%	6%
2015	37%	4%	11%	22%

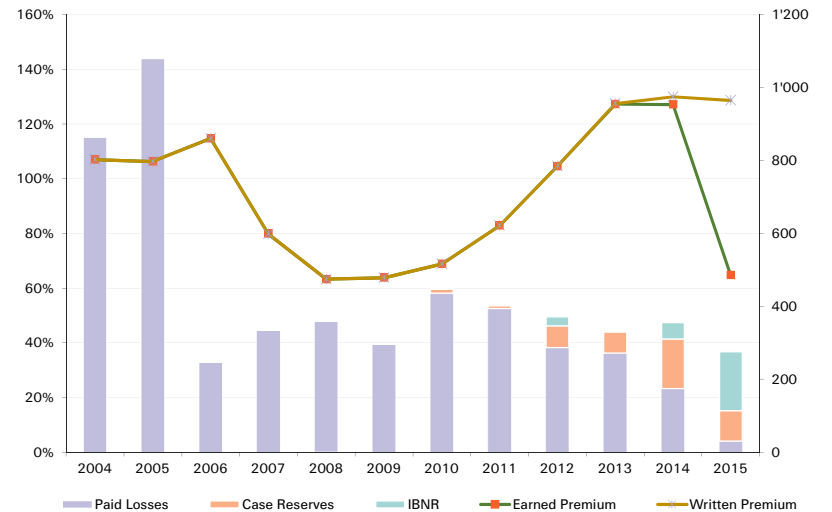
**Comments:**

- Property business tends to develop quickly towards the expected ultimate. The absolute level is dependent on large losses
- Treaty Year 2004 is impacted by US Hurricanes Frances, Ivan, Jeanne and Charley
- Treaty Years 2004 and 2005 are impacted by US Hurricanes Katrina, Rita and Wilma
- Hedging activities, particularly in 2005, reduced the impact of claims but are not reflected in this table, which is gross of retrocession and excludes impacts from Insurance-Linked Securities and Industry Loss Warranties
- Treaty Year 2014 is impacted by large losses in the US
- Treaty Year 2015 is impacted by Tianjin and Chennai Flood

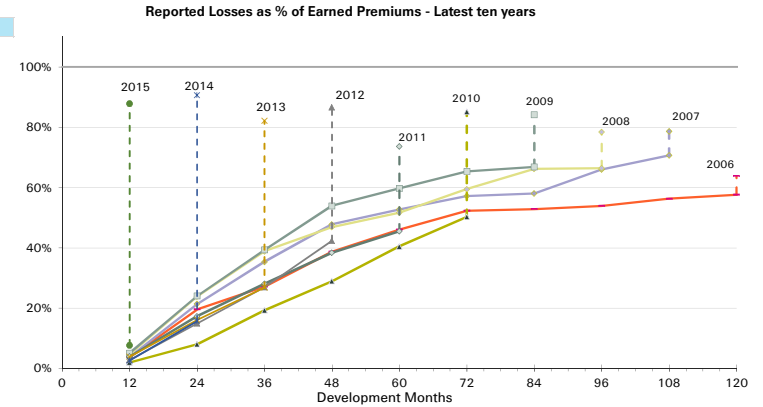
Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale

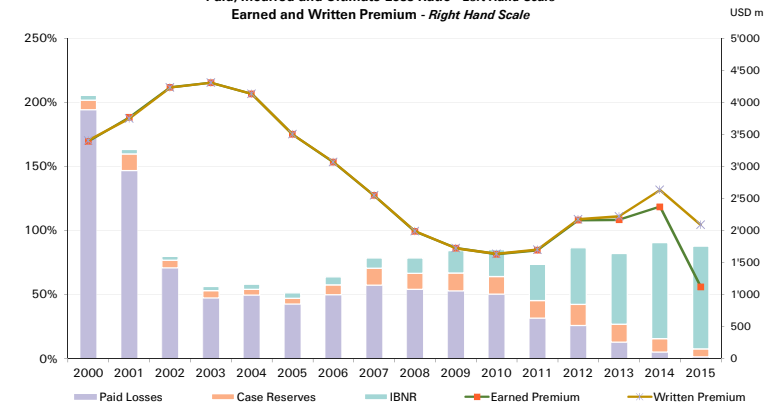


Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	3'388	8%	39%	75%	113%	137%	161%	175%	186%	190%	196%	200%	201%	202%	202%	202%	
2001	3'764	9%	33%	56%	81%	100%	119%	136%	146%	148%	150%	155%	159%	159%	160%	160%	
2002	4'233	6%	17%	32%	59%	60%	66%	72%	75%	75%	76%	76%	77%	77%	77%		
2003	4'307	6%	15%	23%	36%	44%	48%	49%	51%	53%	54%	54%	54%	53%			
2004	4'129	7%	19%	29%	37%	43%	47%	49%	52%	53%	54%	54%	54%				
2005	3'502	2%	16%	26%	33%	39%	42%	44%	45%	46%	47%	47%					
2006	3'065	4%	20%	27%	39%	46%	52%	53%	54%	56%	58%						
2007	2'546	4%	21%	35%	48%	53%	57%	58%	66%	71%							
2008	1'984	5%	24%	39%	47%	52%	59%	66%	66%								
2009	1'725	5%	24%	39%	54%	60%	65%	67%									
2010	1'630	7%	24%	38%	50%	58%	64%										
2011	1'693	4%	17%	28%	38%	45%											
2012	2'161	3%	15%	27%	42%												
2013	2'167	4%	16%	27%													
2014	2'369	3%	16%														
2015	1'120	8%															



Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	3'388	2%	11%	34%	59%	86%	106%	125%	144%	154%	167%	174%	182%	188%	191%	193%	194%
2001	3'764	1%	9%	22%	41%	58%	75%	90%	110%	120%	132%	136%	139%	144%	146%	147%	
2002	4'233	1%	5%	14%	23%	32%	42%	50%	56%	61%	64%	66%	67%	70%	71%		
2003	4'307	1%	4%	9%	17%	22%	29%	33%	37%	40%	42%	44%	47%	47%			
2004	4'129	0%	5%	11%	17%	26%	32%	38%	42%	45%	47%	48%	49%				
2005	3'502	0%	4%	9%	16%	23%	30%	34%	37%	39%	41%	43%					
2006	3'065	0%	4%	10%	18%	25%	37%	42%	45%	48%	50%						
2007	2'546	1%	5%	14%	24%	36%	42%	48%	52%	57%							
2008	1'984	1%	6%	14%	21%	28%	38%	50%	54%								
2009	1'725	2%	9%	18%	31%	38%	48%	53%									
2010	1'630	2%	8%	19%	29%	40%	50%										
2011	1'693	1%	6%	13%	22%	32%											
2012	2'161	1%	7%	13%	26%												
2013	2'167	1%	5%	13%													
2014	2'369	1%	5%														
2015	1'120	1%															

Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale

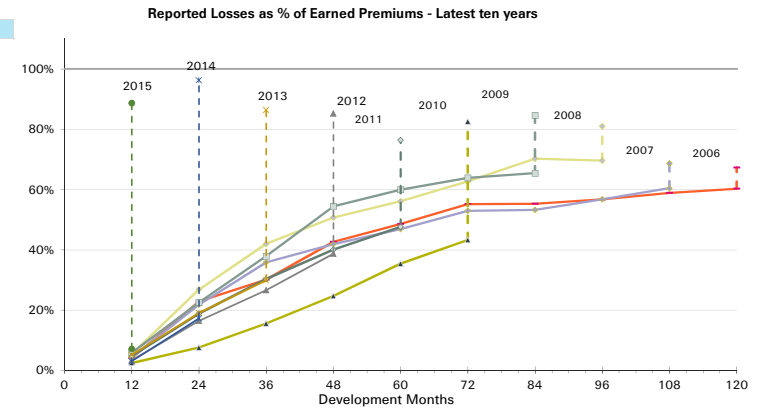


Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	205%	194%	7%	4%
2001	163%	147%	13%	4%
2002	80%	71%	6%	3%
2003	56%	47%	6%	3%
2004	58%	49%	5%	4%
2005	51%	43%	4%	4%
2006	64%	50%	8%	6%
2007	79%	57%	13%	8%
2008	78%	54%	12%	12%
2009	84%	53%	14%	17%
2010	85%	50%	14%	21%
2011	74%	32%	14%	28%
2012	87%	26%	16%	44%
2013	82%	13%	14%	55%
2014	91%	5%	11%	75%
2015	88%	1%	6%	80%

Comments:

- The development period of Liability business is much longer than for Property business
- Treaty Years 2000-2001 were part of the "soft" market and were impacted by a number of significant liability claims such as pharmaceutical, financial institutions, D&O and medical malpractice, now reaching maturity
- The increase in reported losses on Treaty Year 2007 in 2014 Calendar Year is mainly driven by large pharmaceutical claims
- The increase in paid and reported losses on 2008 in 2014 Calendar Year is driven by the Australian bush fires
- Treaty Year 2009 is impacted by large pharmaceutical claims in France and in the US
- Treaty Years 2009 and 2010 are affected by the Deepwater Horizon loss

Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'151	10%	45%	83%	118%	143%	166%	182%	189%	195%	202%	206%	208%	207%	210%	208%	208%
2001	2'341	11%	37%	57%	81%	98%	117%	131%	139%	141%	141%	143%	144%	143%	144%	144%	
2002	2'692	7%	18%	31%	63%	59%	64%	68%	72%	73%	72%	72%	73%	73%	73%		
2003	2'685	8%	17%	25%	33%	42%	44%	45%	46%	48%	50%	49%	49%				
2004	2'613	9%	24%	34%	43%	48%	51%	53%	55%	56%	57%	57%	57%				
2005	2'414	2%	17%	26%	32%	39%	42%	43%	44%	46%	46%	47%					
2006	2'001	4%	23%	30%	43%	49%	55%	55%	57%	59%	60%						
2007	1'731	4%	22%	36%	42%	47%	53%	53%	57%	60%							
2008	1'332	5%	27%	42%	51%	56%	63%	70%	70%								
2009	1'210	6%	23%	38%	54%	60%	64%	65%									
2010	1'104	6%	21%	34%	47%	57%	61%										
2011	1'153	5%	19%	30%	40%	48%											
2012	1'491	3%	16%	27%	39%												
2013	1'406	5%	19%	30%													
2014	1'616	3%	17%														
2015	744	7%															



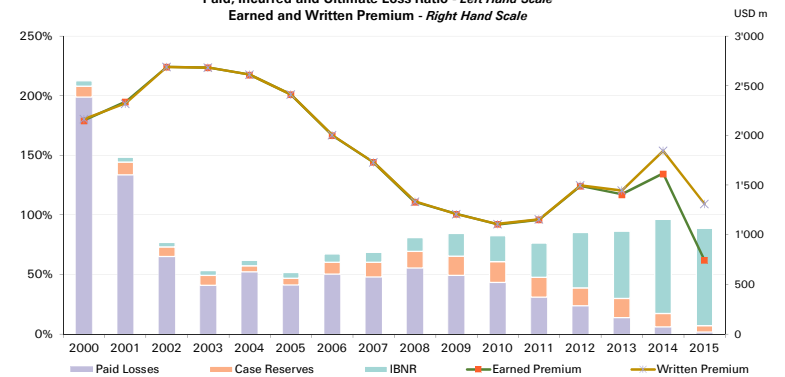
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'151	1%	11%	35%	57%	84%	103%	122%	143%	153%	166%	175%	184%	192%	197%	198%	199%
2001	2'341	1%	10%	18%	37%	52%	67%	81%	95%	105%	119%	124%	127%	131%	133%	134%	
2002	2'692	1%	4%	10%	17%	25%	35%	43%	49%	55%	59%	60%	62%	64%	65%		
2003	2'685	1%	3%	8%	14%	19%	25%	29%	33%	35%	37%	39%	40%	41%			
2004	2'613	0%	5%	12%	18%	27%	34%	40%	44%	47%	49%	50%	52%				
2005	2'414	0%	3%	8%	13%	21%	28%	32%	35%	37%	39%	41%					
2006	2'001	0%	4%	9%	19%	26%	37%	41%	45%	48%	50%						
2007	1'731	1%	5%	11%	21%	29%	36%	41%	45%	48%							
2008	1'332	1%	6%	15%	21%	28%	36%	50%	55%								
2009	1'210	3%	10%	16%	28%	35%	44%	49%									
2010	1'104	2%	8%	16%	25%	35%	43%										
2011	1'153	2%	6%	14%	22%	31%											
2012	1'491	1%	8%	14%	24%												
2013	1'406	1%	6%	14%													
2014	1'616	1%	6%														
2015	744	2%															

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	213%	199%	9%	4%
2001	148%	134%	11%	4%
2002	77%	65%	8%	4%
2003	53%	41%	9%	4%
2004	62%	52%	5%	5%
2005	52%	41%	6%	5%
2006	67%	50%	10%	7%
2007	69%	48%	12%	8%
2008	81%	55%	14%	11%
2009	85%	49%	16%	19%
2010	83%	43%	17%	22%
2011	76%	31%	17%	29%
2012	85%	24%	15%	47%
2013	86%	14%	16%	56%
2014	96%	6%	11%	79%
2015	89%	2%	5%	82%

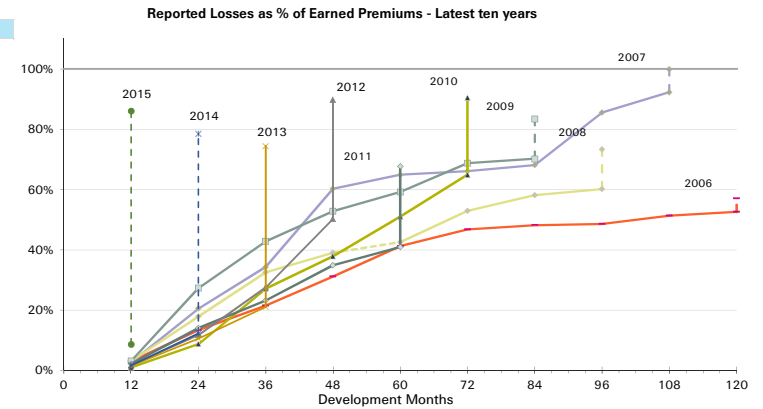
Comments:

- The development period of Liability business is much longer than for Property business
- Treaty Years 2000-2001 were part of the "soft" market and were impacted by a number of significant liability claims such as pharmaceutical, financial institutions, D&O and medical malpractice, now reaching maturity
- Treaty Year 2008 is impacted by the Australian bush fires. The increase in paid and reported losses in 2014 Calendar Year is driven by the Australian bush fires
- Treaty Year 2009 is impacted by large pharmaceutical claims in France and in the US
- The increase in reported losses on Treaty Year 2010 is mainly driven by the Queensland floods
- The high premium on Treaty Year 2012 is partly driven by several large quota-share deals
- Treaty Years 2009 and 2010 are affected by the Deepwater Horizon loss

Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month														
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180
2000	1'237	6%	29%	60%	104%	128%	151%	164%	180%	179%	184%	190%	191%	187%	190%	190%
2001	1'423	6%	26%	55%	82%	104%	122%	145%	158%	160%	165%	175%	183%	185%	186%	185%
2002	1'540	4%	16%	34%	50%	63%	69%	78%	80%	79%	83%	83%	84%	85%	83%	
2003	1'622	2%	12%	21%	41%	47%	55%	56%	58%	60%	60%	61%	61%	59%		
2004	1'517	2%	11%	20%	27%	35%	38%	43%	46%	47%	49%	49%	49%			
2005	1'088	2%	16%	26%	34%	39%	43%	45%	46%	46%	47%	48%				
2006	1'064	3%	13%	22%	31%	41%	47%	48%	49%	51%	53%					
2007	815	3%	21%	34%	60%	65%	66%	68%	86%	92%						
2008	652	3%	18%	32%	39%	43%	53%	58%	60%							
2009	515	3%	27%	43%	53%	59%	69%	70%								
2010	526	8%	29%	45%	56%	58%	71%									
2011	541	2%	14%	23%	35%	41%										
2012	670	2%	12%	28%	50%											
2013	760	1%	11%	21%												
2014	753	2%	12%													
2015	376	9%														

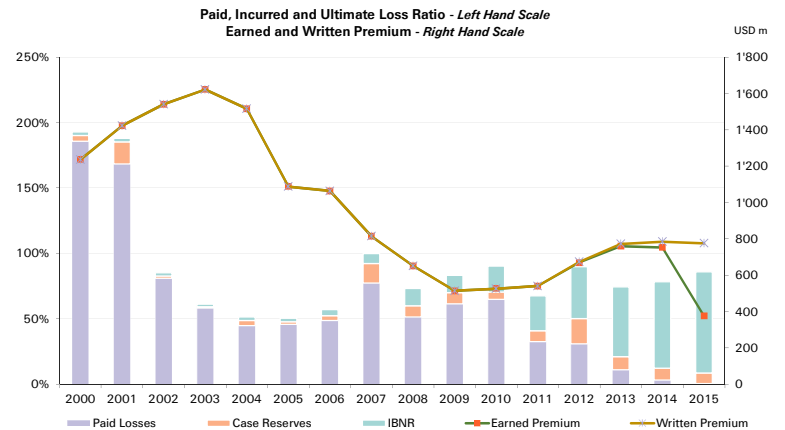


Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	1'237	2%	11%	31%	62%	91%	110%	130%	148%	156%	168%	173%	179%	181%	182%	185%	186%
2001	1'423	0%	9%	29%	48%	69%	88%	104%	134%	144%	153%	156%	158%	167%	168%	169%	
2002	1'540	1%	7%	20%	33%	43%	55%	62%	66%	70%	73%	75%	79%	79%	81%		
2003	1'622	1%	4%	12%	21%	28%	36%	41%	45%	49%	51%	52%	58%	58%			
2004	1'517	0%	4%	11%	17%	24%	30%	34%	37%	41%	43%	44%	45%				
2005	1'088	0%	5%	11%	21%	29%	36%	39%	41%	43%	44%	46%					
2006	1'064	0%	4%	11%	18%	24%	38%	43%	45%	47%	49%						
2007	815	0%	5%	21%	31%	51%	55%	63%	67%	77%							
2008	652	1%	5%	13%	21%	29%	44%	49%	52%								
2009	515	1%	6%	24%	36%	45%	57%	62%									
2010	526	1%	9%	27%	38%	51%	65%										
2011	541	1%	5%	13%	22%	33%											
2012	670	0%	5%	13%	31%												
2013	760	0%	4%	11%													
2014	753	0%	3%														
2015	376	0%															

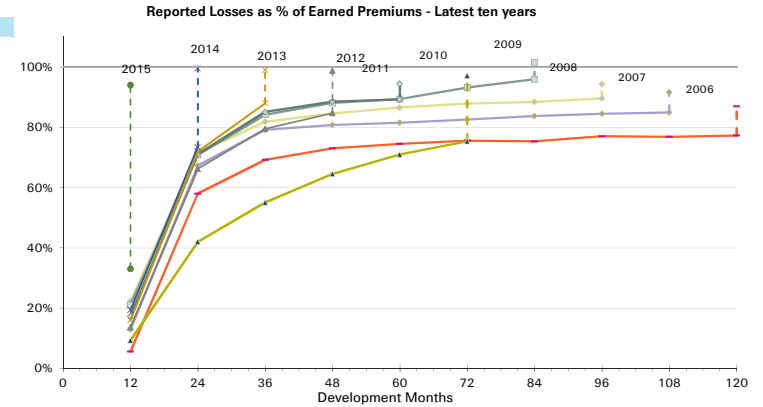
Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	193%	186%	4%	3%
2001	188%	169%	17%	3%
2002	85%	81%	2%	2%
2003	61%	58%	1%	2%
2004	51%	45%	4%	3%
2005	51%	46%	2%	3%
2006	57%	49%	4%	4%
2007	100%	77%	15%	8%
2008	73%	52%	9%	13%
2009	83%	62%	9%	13%
2010	90%	65%	6%	20%
2011	68%	33%	8%	27%
2012	90%	31%	19%	40%
2013	74%	11%	10%	53%
2014	78%	3%	9%	66%
2015	86%	0%	8%	77%

**Comments:**

- The development period of Liability business is much longer than for Property business
- Treaty Years 2000-2001 were part of the "soft" market and were impacted by a number of significant liability claims such as pharmaceutical, financial institutions, D&O and medical malpractice, now reaching maturity
- The high loss ratio in 2007 is driven by the Californian Wild Fires and by large pharmaceutical claims and the increase in reported losses in Calendar Years 2014 and 2015 comes from pharmaceutical claims
- Treaty Year 2009 is impacted by large pharmaceutical claims in France and in the US
- Treaty Year 2010 is impacted by a gas explosion in the US
- The increase in reported losses on Treaty Year 2012 in Calendar Year 2015 is driven by a bus accident in Italy



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'525	26%	89%	105%	112%	113%	115%	116%	117%	118%	118%	118%	118%	119%	119%	119%	119%
2001	2'029	30%	77%	95%	101%	103%	105%	106%	106%	106%	106%	106%	106%	107%	107%	107%	
2002	1'664	37%	66%	80%	84%	87%	87%	87%	88%	88%	88%	88%	89%	90%	91%		
2003	1'742	39%	63%	72%	77%	78%	79%	80%	79%	79%	80%	81%	81%	81%			
2004	1'763	36%	65%	73%	79%	80%	80%	81%	81%	81%	82%	82%	82%				
2005	1'408	17%	59%	67%	68%	71%	71%	71%	71%	74%	75%	75%					
2006	1'224	6%	58%	69%	73%	74%	74%	76%	75%	77%	77%						
2007	1'373	13%	67%	79%	81%	81%	83%	84%	84%	85%							
2008	1'366	22%	71%	82%	85%	87%	88%	88%	88%	90%							
2009	1'409	21%	71%	84%	88%	89%	93%	96%									
2010	1'122	14%	63%	75%	79%	90%	91%										
2011	1'957	17%	71%	85%	89%	89%											
2012	2'460	14%	66%	79%	85%												
2013	2'423	16%	72%	88%													
2014	2'119	19%	73%														
2015	1'370	33%															

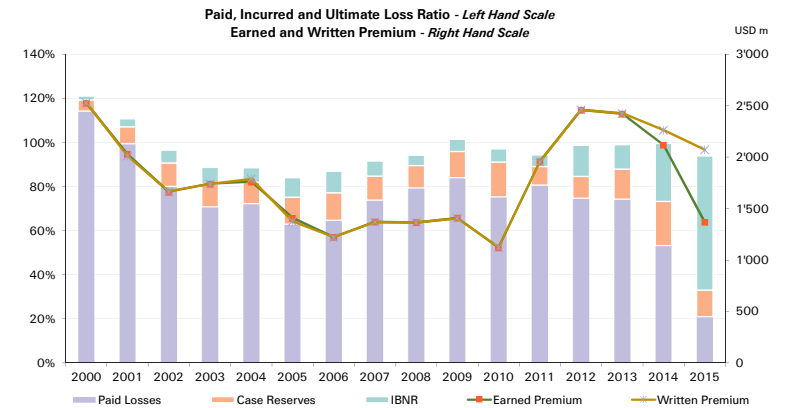


Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'525	11%	49%	73%	85%	95%	100%	104%	106%	108%	110%	111%	112%	113%	114%	114%	
2001	2'029	12%	48%	64%	73%	81%	85%	89%	92%	94%	95%	96%	97%	98%	99%	100%	
2002	1'664	11%	42%	56%	62%	67%	69%	72%	74%	76%	77%	78%	79%	80%			
2003	1'742	13%	39%	48%	54%	59%	62%	65%	67%	68%	68%	69%	70%	71%			
2004	1'763	11%	39%	49%	56%	60%	63%	66%	68%	70%	71%	72%	72%				
2005	1'408	10%	33%	42%	48%	52%	55%	58%	60%	61%	62%	63%					
2006	1'224	-1%	30%	44%	51%	55%	59%	61%	63%	64%	65%						
2007	1'373	8%	43%	59%	63%	67%	69%	71%	73%	74%							
2008	1'366	13%	50%	63%	70%	73%	76%	78%	79%								
2009	1'409	12%	49%	67%	73%	76%	80%	84%									
2010	1'122	9%	42%	55%	65%	71%	75%										
2011	1'957	9%	50%	73%	77%	81%											
2012	2'460	10%	51%	68%	75%												
2013	2'423	9%	53%	74%													
2014	2'119	11%	53%														
2015	1'370	21%															

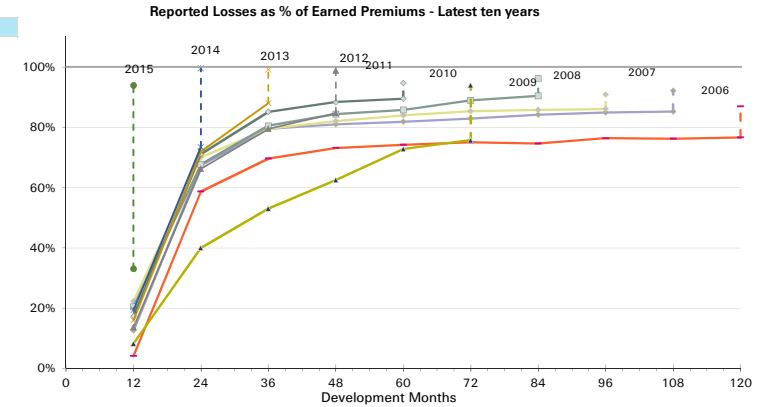
Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	121%	114%	5%	2%
2001	111%	100%	8%	4%
2002	97%	80%	11%	6%
2003	89%	71%	10%	8%
2004	89%	72%	10%	7%
2005	84%	63%	12%	9%
2006	87%	65%	12%	10%
2007	92%	74%	11%	7%
2008	94%	79%	10%	5%
2009	101%	84%	12%	6%
2010	97%	75%	16%	6%
2011	94%	81%	9%	5%
2012	99%	75%	10%	14%
2013	99%	74%	14%	11%
2014	100%	53%	20%	26%
2015	94%	21%	12%	61%

**Comments:**

- Motor includes property damage and proportional treaty business, which develops quickly, and non-proportional business, which tends to develop more slowly
- On the older years, IBNR provisions reflect the very long run-off of non-proportional claims, especially in France, Germany and the UK
- The high ultimate claims ratios for 2000-2001 is due to the "soft" market conditions at the time
- The increase in reported losses on treaty years 2009-2011 in 2014 are due to the novation of a European deal into Motor Liability Corporate Solutions. This novation distorts the claims ratio development tables for Motor Liability Corporate Solutions, and therefore these tables are not displayed here
- The increase in 2011 written premium comes from quote-share contracts in China
- 2012 increase in premium comes from a large European deal



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'287	26%	88%	106%	113%	114%	115%	116%	116%	118%	118%	118%	118%	118%	119%	119%	119%
2001	1'773	31%	79%	97%	103%	106%	106%	107%	106%	106%	106%	107%	107%	107%	108%	108%	
2002	1'486	40%	71%	85%	89%	91%	91%	91%	91%	92%	92%	91%	93%	94%	95%		
2003	1'522	43%	68%	76%	79%	80%	81%	81%	81%	81%	81%	81%	83%	82%	83%		
2004	1'563	39%	68%	76%	81%	81%	82%	82%	82%	82%	83%	83%	83%				
2005	1'287	18%	62%	68%	69%	71%	71%	71%	71%	74%	76%	76%					
2006	1'143	4%	59%	70%	73%	74%	75%	75%	76%	76%	77%						
2007	1'337	13%	67%	79%	81%	82%	83%	84%	85%	85%							
2008	1'348	22%	70%	80%	82%	84%	85%	86%	86%								
2009	1'396	20%	68%	80%	84%	86%	89%	90%									
2010	1'119	13%	61%	73%	77%	86%	88%										
2011	1'954	17%	71%	85%	88%	89%											
2012	2'457	14%	66%	79%	85%												
2013	2'420	16%	72%	88%													
2014	2'115	19%	73%														
2015	1'368	33%															

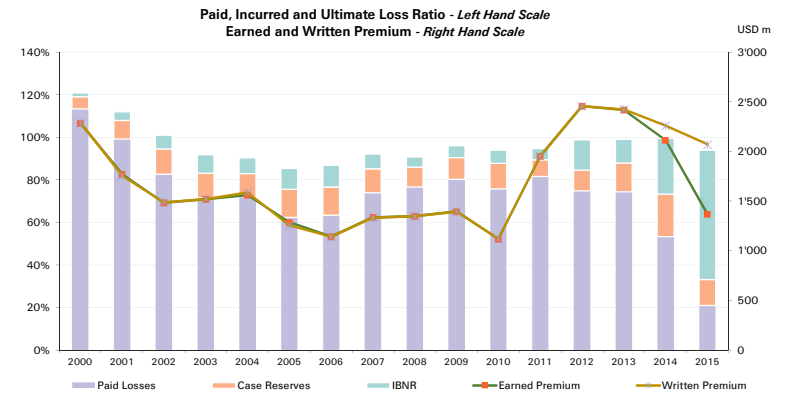


Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	2'287	11%	50%	73%	85%	94%	99%	103%	105%	107%	109%	110%	111%	112%	112%	113%	113%
2001	1'773	12%	49%	65%	73%	80%	84%	88%	91%	93%	94%	96%	97%	98%	99%	99%	
2002	1'486	12%	46%	59%	65%	69%	71%	74%	76%	78%	79%	80%	81%	82%	83%		
2003	1'522	14%	42%	51%	55%	59%	63%	65%	67%	68%	69%	69%	71%	72%			
2004	1'563	12%	41%	51%	57%	61%	63%	66%	68%	70%	71%	72%	72%				
2005	1'287	10%	34%	42%	48%	52%	55%	57%	59%	61%	63%	63%					
2006	1'143	-1%	31%	44%	50%	54%	57%	59%	61%	63%	63%						
2007	1'337	8%	43%	59%	63%	67%	69%	71%	73%	74%							
2008	1'348	13%	48%	61%	67%	70%	73%	76%	77%								
2009	1'396	11%	46%	63%	69%	72%	78%	80%									
2010	1'119	8%	40%	53%	62%	73%	76%										
2011	1'954	9%	50%	73%	78%	82%											
2012	2'457	10%	51%	68%	75%												
2013	2'420	9%	53%	74%													
2014	2'115	11%	53%														
2015	1'368	21%															

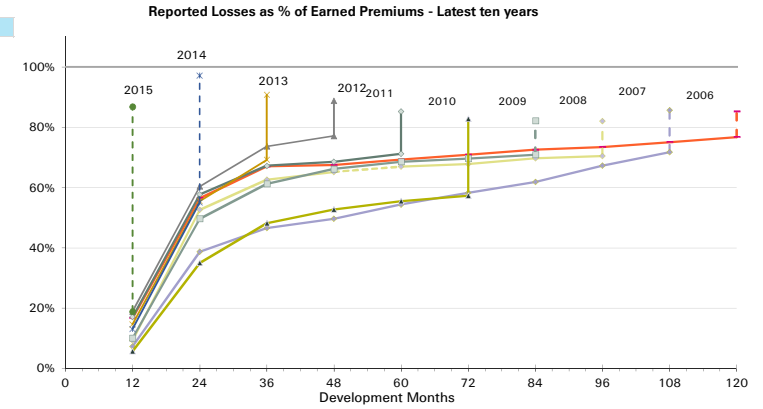
Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	121%	113%	6%	2%
2001	112%	99%	9%	4%
2002	101%	83%	12%	6%
2003	92%	72%	12%	9%
2004	90%	72%	11%	7%
2005	85%	62%	13%	10%
2006	87%	63%	13%	10%
2007	92%	74%	11%	7%
2008	91%	77%	9%	5%
2009	96%	80%	10%	6%
2010	94%	76%	12%	6%
2011	95%	82%	8%	5%
2012	99%	75%	10%	14%
2013	99%	74%	14%	11%
2014	100%	53%	20%	26%
2015	94%	21%	12%	61%

**Comments:**

- Motor includes property damage and proportional treaty business, which develops quickly, and non-proportional business, which tends to develop more slowly
- On the older years, IBNR provisions reflect the very long run-off of non-proportional claims, especially in France, Germany and the UK
- The high ultimate claims ratios for 2000-2001 is due to the "soft" market conditions at the time
- The premium increases in 2011 and 2013 are due to quote-share contracts in China
- The 2012 premium increase partly comes from a large European deal
- Treaty Year 2013 is impacted by the German hailstorms
- Treaty Year 2014 is impacted by the wind- and hailstorm Ela in France and Germany



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	1'629	24%	66%	92%	107%	115%	120%	129%	131%	137%	142%	154%	157%	158%	159%	160%	
2001	1'291	42%	76%	96%	100%	107%	114%	114%	115%	120%	124%	130%	131%	133%	135%	137%	
2002	1'484	16%	57%	70%	69%	71%	76%	77%	75%	77%	79%	80%	81%	83%	82%		
2003	1'267	16%	42%	59%	62%	64%	65%	69%	68%	69%	70%	71%	72%				
2004	962	24%	51%	59%	62%	63%	63%	65%	66%	66%	67%	68%	69%				
2005	1'077	19%	51%	60%	63%	65%	67%	68%	70%	71%	71%	72%					
2006	875	17%	56%	67%	67%	69%	71%	73%	73%	75%	77%						
2007	874	7%	39%	47%	50%	54%	58%	62%	67%	72%							
2008	507	9%	53%	63%	65%	67%	68%	70%	70%								
2009	461	10%	50%	61%	66%	69%	70%	71%									
2010	327	11%	52%	61%	63%	65%	68%										
2011	334	17%	58%	67%	69%	71%											
2012	708	19%	60%	74%	77%												
2013	452	15%	56%	69%													
2014	550	13%	55%														
2015	252	19%															



Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	1'629	12%	38%	56%	68%	75%	82%	90%	95%	102%	108%	119%	125%	130%	133%	135%	138%
2001	1'291	12%	36%	51%	60%	69%	74%	80%	84%	89%	94%	101%	105%	109%	112%	114%	
2002	1'484	6%	31%	43%	46%	50%	52%	55%	57%	60%	62%	64%	67%	69%	70%		
2003	1'267	3%	24%	38%	43%	48%	50%	54%	55%	57%	59%	60%	62%	63%			
2004	962	8%	29%	36%	43%	46%	49%	52%	54%	55%	57%	58%	59%				
2005	1'077	7%	26%	37%	44%	50%	53%	55%	57%	59%	61%	62%					
2006	875	4%	28%	41%	48%	54%	56%	58%	60%	61%	63%						
2007	874	3%	19%	31%	37%	43%	47%	51%	56%	60%							
2008	507	4%	29%	44%	53%	57%	60%	62%	64%								
2009	461	5%	32%	46%	54%	58%	61%	63%									
2010	327	6%	35%	48%	53%	55%	57%										
2011	334	12%	40%	51%	56%	59%											
2012	708	16%	50%	63%	69%												
2013	452	9%	39%	54%													
2014	550	7%	35%														
2015	252	9%															

Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale

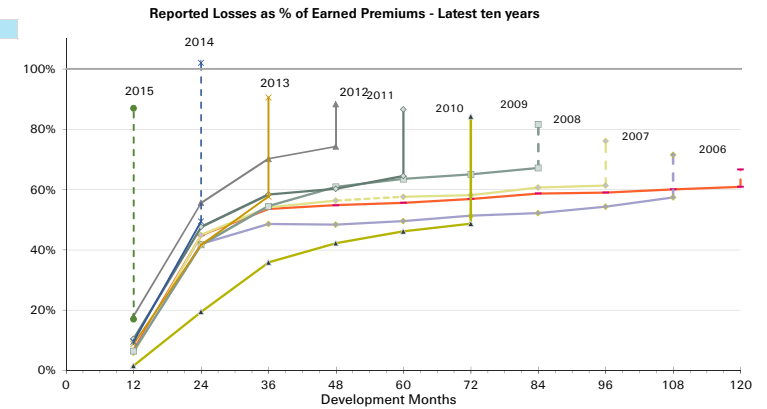


Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	178%	138%	22%	18%
2001	158%	114%	22%	22%
2002	95%	70%	12%	12%
2003	83%	63%	9%	10%
2004	82%	59%	10%	13%
2005	85%	62%	10%	13%
2006	85%	63%	14%	8%
2007	86%	60%	11%	14%
2008	82%	64%	7%	12%
2009	82%	63%	8%	11%
2010	83%	57%	11%	15%
2011	85%	59%	12%	14%
2012	89%	69%	9%	12%
2013	91%	54%	15%	21%
2014	97%	35%	20%	42%
2015	87%	9%	10%	68%

Comments:

- This line of business is dominated by US workers' compensation business, which includes long-term bodily injury, and is the driver for the high IBNR on older treaty years
- Since the reserves are not discounted, significant amounts of investment income will add to future profits during the run-off of these reserves
- The high ultimate claims ratios for 2000-2001 is due to the "soft" market conditions at the time
- The sharp increase in premium on Treaty Year 2012 is mainly coming from a large European deal

Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	687	15%	62%	91%	114%	123%	128%	141%	139%	146%	151%	161%	162%	162%	162%	163%	
2001	571	57%	85%	106%	108%	117%	123%	120%	117%	123%	125%	131%	129%	130%	132%	133%	
2002	558	14%	56%	62%	66%	66%	79%	79%	72%	74%	76%	77%	78%	81%	79%		
2003	449	16%	43%	45%	47%	48%	48%	54%	49%	48%	48%	48%	48%	50%			
2004	410	16%	47%	50%	53%	54%	54%	55%	54%	54%	55%	55%	55%				
2005	597	6%	44%	54%	56%	57%	59%	59%	61%	61%	62%	62%					
2006	495	7%	45%	54%	55%	56%	57%	59%	59%	60%	61%						
2007	428	6%	42%	49%	48%	50%	51%	52%	54%	57%							
2008	320	6%	45%	54%	56%	58%	58%	61%	61%								
2009	305	6%	42%	54%	61%	63%	65%	67%									
2010	231	8%	43%	54%	57%	60%	64%										
2011	208	10%	48%	58%	60%	64%											
2012	582	18%	56%	70%	74%												
2013	289	9%	42%	58%													
2014	411	9%	49%														
2015	190	17%															

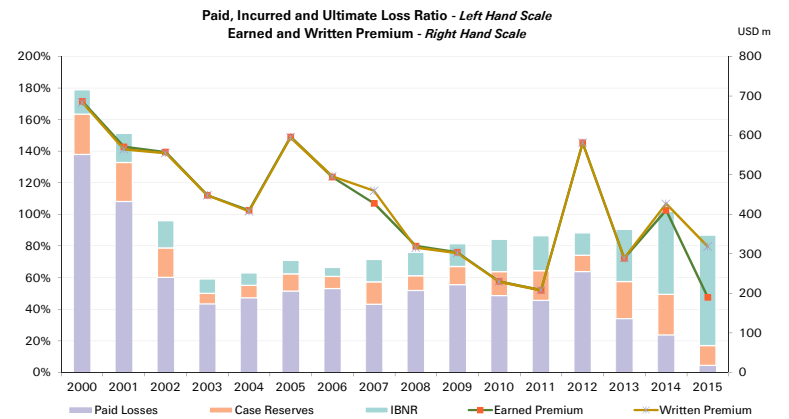


Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	687	4%	22%	42%	54%	62%	70%	82%	88%	98%	105%	111%	121%	130%	133%	135%	138%
2001	571	3%	23%	39%	49%	58%	64%	73%	76%	80%	83%	95%	99%	103%	106%	108%	
2002	558	2%	15%	24%	29%	34%	37%	39%	43%	46%	50%	52%	55%	58%	60%		
2003	449	1%	16%	23%	29%	33%	35%	37%	39%	40%	40%	41%	42%	43%			
2004	410	2%	20%	27%	33%	35%	39%	42%	44%	45%	46%	46%	47%				
2005	597	0%	16%	27%	35%	41%	45%	46%	48%	50%	51%	52%					
2006	495	2%	17%	30%	37%	44%	47%	49%	51%	52%	53%						
2007	428	2%	15%	27%	32%	36%	38%	40%	42%	43%							
2008	320	1%	16%	31%	42%	46%	49%	51%	52%								
2009	305	2%	20%	35%	45%	50%	54%	56%									
2010	231	2%	19%	36%	42%	46%	49%										
2011	208	2%	19%	33%	40%	46%											
2012	582	15%	43%	58%	64%												
2013	289	2%	17%	34%													
2014	411	3%	24%														
2015	190	4%															

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	179%	138%	25%	16%
2001	152%	108%	25%	19%
2002	96%	60%	19%	17%
2003	59%	43%	7%	9%
2004	63%	47%	8%	8%
2005	71%	52%	11%	9%
2006	67%	53%	8%	6%
2007	72%	43%	14%	14%
2008	76%	52%	9%	15%
2009	82%	56%	12%	14%
2010	84%	49%	15%	20%
2011	87%	46%	19%	22%
2012	88%	64%	10%	14%
2013	91%	34%	24%	33%
2014	102%	24%	26%	53%
2015	87%	4%	13%	70%

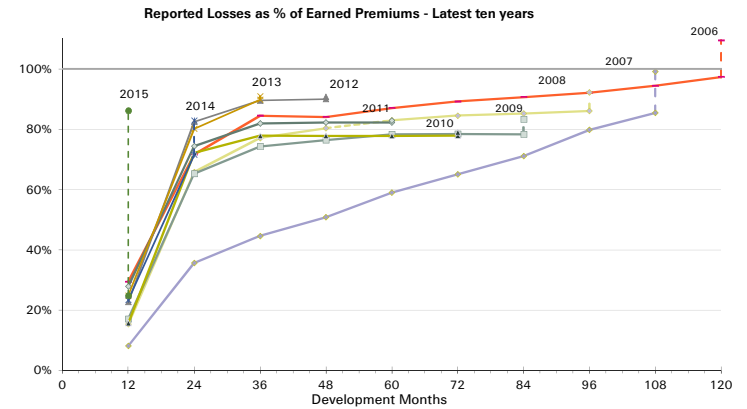
Comments:

- This line of business is dominated by US workers' compensation business, which includes long-term bodily injury, and is the driver for the high IBNR on older treaty years
- Since the reserves are not discounted, significant amounts of investment income will add to future profits during the run-off of these reserves
- The high ultimate claims ratios for 2000-2001 is due to the "soft" market conditions at the time
- The spike in premium on Treaty Year 2012 is driven by a large European deal

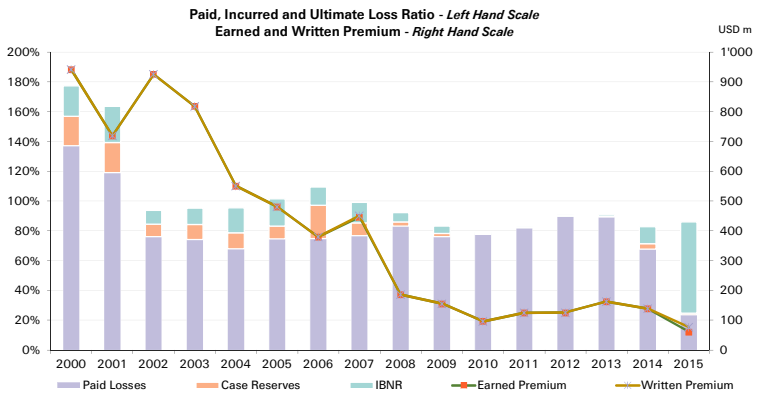




Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	942	30%	70%	92%	101%	109%	114%	121%	125%	130%	136%	149%	151%	154%	156%	157%	
2001	720	30%	70%	88%	93%	99%	106%	109%	114%	117%	124%	129%	132%	135%	137%	139%	
2002	926	16%	57%	75%	71%	73%	74%	76%	77%	78%	80%	81%	82%	84%	85%		
2003	819	17%	42%	67%	71%	72%	74%	77%	78%	80%	80%	81%	83%	84%			
2004	551	29%	54%	66%	69%	70%	70%	73%	74%	75%	76%	77%	79%				
2005	481	36%	60%	68%	72%	75%	78%	79%	80%	82%	82%	83%					
2006	380	29%	72%	84%	84%	87%	89%	91%	92%	94%	97%						
2007	446	8%	36%	45%	51%	59%	65%	71%	80%	85%							
2008	187	15%	66%	77%	80%	83%	85%	85%	86%								
2009	156	17%	65%	74%	76%	78%	78%	78%									
2010	96	18%	73%	78%	78%	78%	78%										
2011	126	28%	74%	82%	82%	82%											
2012	126	23%	82%	90%	90%												
2013	163	25%	80%	90%													
2014	139	23%	72%														
2015	62	25%															



Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month															
		12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192
2000	942	19%	49%	67%	78%	85%	92%	96%	100%	105%	110%	125%	127%	130%	133%	135%	137%
2001	720	18%	46%	61%	69%	77%	82%	86%	91%	96%	103%	107%	110%	113%	117%	119%	
2002	926	9%	40%	54%	56%	59%	61%	64%	66%	68%	70%	73%	75%	76%			
2003	819	4%	28%	46%	51%	56%	58%	63%	64%	67%	69%	71%	73%	74%			
2004	551	13%	35%	43%	51%	54%	57%	59%	61%	62%	64%	66%	68%				
2005	481	15%	38%	49%	55%	61%	64%	66%	69%	71%	73%	75%					
2006	380	8%	42%	56%	62%	66%	69%	71%	72%	73%	75%						
2007	446	4%	24%	34%	42%	49%	55%	61%	70%	77%							
2008	187	9%	50%	66%	72%	77%	80%	82%	83%								
2009	156	12%	55%	68%	71%	74%	75%	76%									
2010	96	16%	72%	78%	78%	78%	78%										
2011	126	27%	74%	82%	82%	82%											
2012	126	22%	82%	89%	90%												
2013	163	23%	79%	89%													
2014	139	20%	68%														
2015	62	24%															



Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2000	178%	137%	20%	20%
2001	164%	119%	20%	24%
2002	94%	76%	8%	9%
2003	95%	74%	10%	11%
2004	96%	68%	11%	17%
2005	102%	75%	9%	18%
2006	109%	75%	22%	12%
2007	99%	77%	9%	14%
2008	92%	83%	3%	6%
2009	83%	76%	2%	5%
2010	79%	78%	0%	1%
2011	83%	82%	0%	1%
2012	91%	90%	0%	1%
2013	91%	89%	0%	1%
2014	83%	68%	4%	11%
2015	86%	24%	1%	61%

**Comments:**

- This line of business is dominated by US workers' compensation business, which includes long-term bodily injury claims and is the driver for the high IBNR on older treaty years
- 2007 & prior years (and more predominantly 2006) are impacted by a proportional Accident & Health fronted business in run-off since 2008
- Since the reserves are not discounted, significant amounts of investment income will add to future profits during the run-off of these reserves
- The high ultimate claims ratios for 2000-2001 is due to the "soft" market conditions at the time

Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	1'064	4%	24%	33%	36%	37%	38%	37%	37%	37%	37%	36%	36%
2005	929	7%	30%	40%	47%	48%	49%	48%	48%	48%	47%	46%	
2006	694	5%	36%	56%	61%	62%	61%	60%	59%	58%	58%		
2007	609	9%	42%	55%	59%	61%	61%	62%	60%	60%			
2008	622	2%	55%	78%	93%	94%	91%	92%	88%				
2009	489	3%	39%	51%	52%	51%	51%	52%					
2010	579	6%	32%	45%	43%	50%	49%						
2011	459	9%	34%	41%	61%	63%							
2012	443	9%	44%	67%	69%								
2013	358	8%	50%	72%									
2014	381	9%	53%										
2015	177	36%											

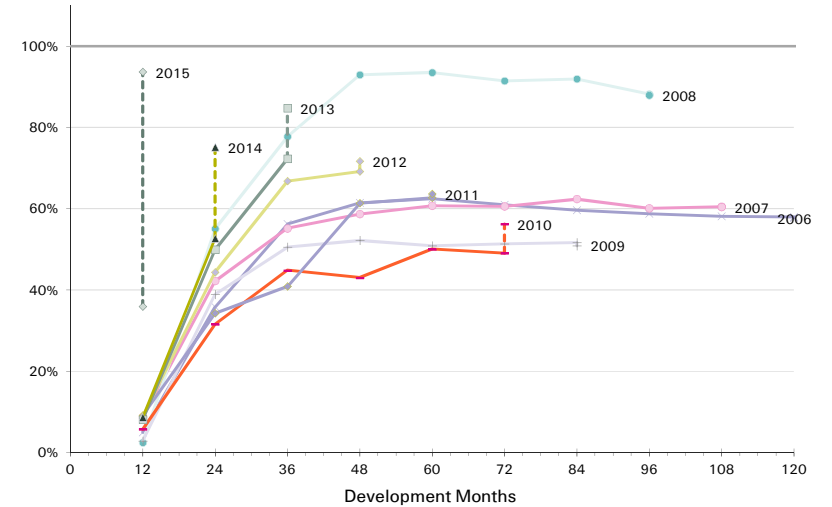
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	1'064	2%	17%	24%	27%	31%	33%	34%	35%	35%	35%	36%	36%
2005	929	2%	13%	25%	35%	38%	41%	41%	43%	43%	43%	45%	
2006	694	4%	18%	37%	46%	50%	51%	53%	55%	56%	56%		
2007	609	2%	26%	37%	43%	47%	50%	53%	53%	54%			
2008	622	1%	21%	39%	53%	66%	73%	76%	79%				
2009	489	1%	21%	33%	42%	45%	46%	46%	47%				
2010	579	2%	17%	30%	36%	43%	44%						
2011	459	3%	22%	32%	40%	58%							
2012	443	3%	29%	48%	57%								
2013	358	4%	21%	38%									
2014	381	4%	34%										
2015	177	23%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	36%	36%	1%	0%
2005	46%	45%	2%	0%
2006	58%	56%	2%	0%
2007	60%	54%	7%	0%
2008	88%	79%	9%	0%
2009	51%	47%	5%	-1%
2010	56%	44%	5%	7%
2011	64%	58%	5%	1%
2012	72%	57%	12%	2%
2013	85%	38%	35%	12%
2014	75%	34%	18%	22%
2015	94%	23%	13%	58%

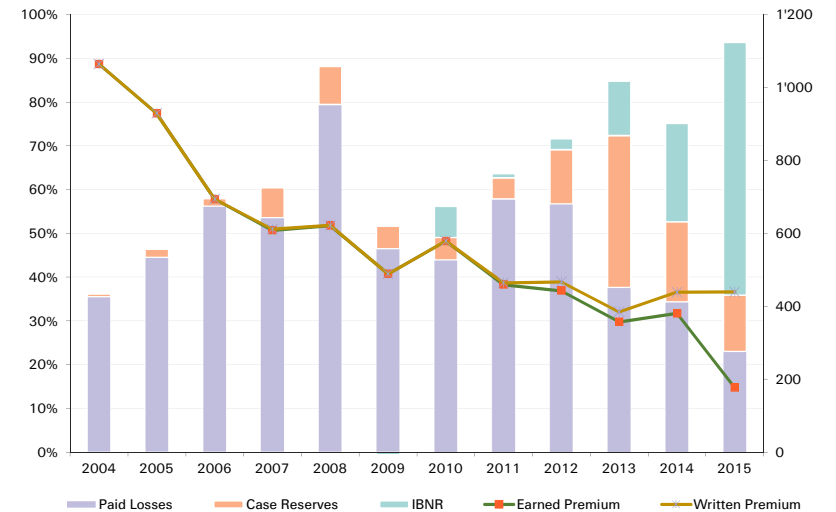
Comments:

- Most annual renewals for airlines take place in October or November
- Treaty Year 2008 is impacted by Air France AF447 loss in 2009, which has reduced the reported losses during 2015 calendar year
- Treaty Year 2012 is impacted by a plane crash
- Treaty Years 2008, 2012 and 2015 are mainly impacted by satellite claims

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	809	3%	22%	32%	36%	37%	38%	38%	38%	38%	37%	37%	37%
2005	701	7%	32%	45%	53%	54%	55%	54%	54%	53%	52%		
2006	519	3%	37%	61%	68%	70%	68%	66%	65%	64%	64%		
2007	395	4%	41%	57%	61%	63%	63%	65%	62%	61%			
2008	396	3%	34%	59%	70%	72%	70%	71%	69%				
2009	322	2%	50%	65%	67%	64%	65%	66%					
2010	345	6%	30%	41%	37%	48%	48%						
2011	282	11%	40%	48%	55%	57%							
2012	224	10%	42%	61%	62%								
2013	180	3%	44%	80%									
2014	191	9%	43%										
2015	105	14%											

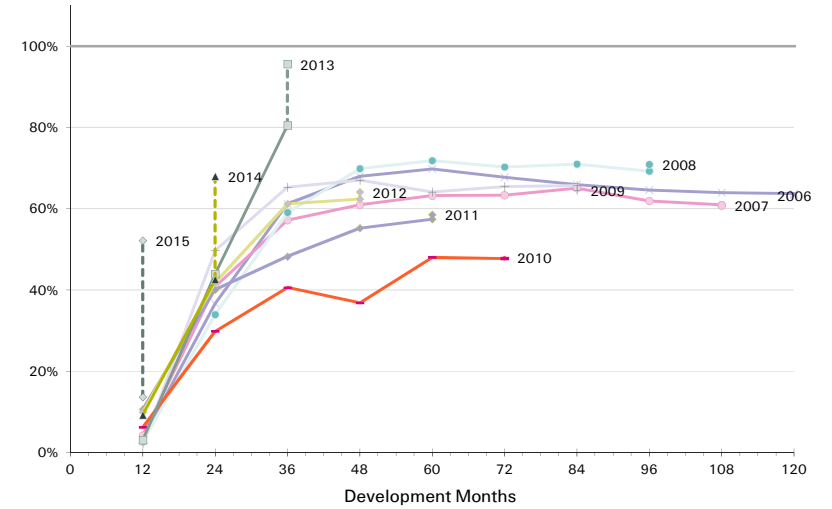
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	809	2%	15%	23%	27%	31%	33%	34%	35%	35%	36%	36%	36%
2005	701	2%	14%	27%	39%	42%	45%	46%	48%	48%	48%	50%	
2006	519	2%	17%	39%	49%	54%	56%	57%	60%	61%	62%		
2007	395	2%	21%	35%	41%	46%	49%	52%	53%	52%			
2008	396	1%	15%	28%	37%	43%	50%	54%	58%				
2009	322	1%	27%	42%	53%	57%	59%	59%					
2010	345	1%	16%	28%	30%	40%	41%						
2011	282	2%	27%	36%	48%	51%							
2012	224	4%	21%	36%	44%								
2013	180	1%	12%	28%									
2014	191	2%	25%										
2015	105	7%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	37%	36%	1%	0%
2005	52%	50%	2%	0%
2006	63%	62%	2%	0%
2007	61%	52%	9%	0%
2008	71%	58%	11%	2%
2009	65%	59%	6%	-1%
2010	48%	41%	6%	0%
2011	59%	51%	7%	1%
2012	64%	44%	18%	2%
2013	96%	28%	52%	15%
2014	68%	25%	17%	25%
2015	52%	7%	7%	39%

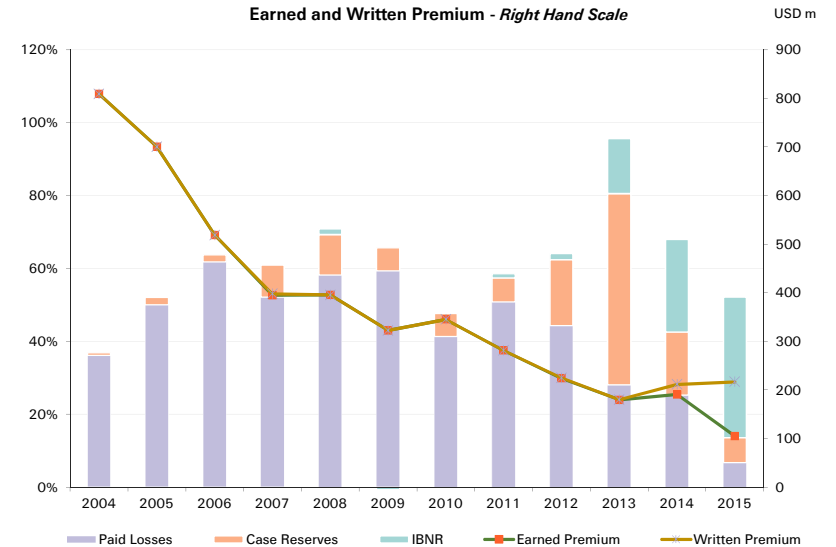
Comments:

- Most annual renewals for airlines take place in October or November
- Treaty Year 2008 is impacted by Air France AF447 loss in 2009, which has reduced the reported losses during 2015 calendar year
- Treaty Year 2012 is impacted by a plane crash
- Treaty Year 2015 is mainly impacted by satellite claims

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	256	5%	29%	34%	35%	36%	36%	36%	36%	35%	34%	34%	34%
2005	228	7%	23%	26%	30%	30%	31%	30%	30%	29%	29%	29%	
2006	175	10%	33%	42%	42%	41%	41%	41%	41%	41%	41%	41%	
2007	214	17%	45%	51%	54%	56%	56%	57%	57%	60%			
2008	226	2%	92%	110%	133%	131%	129%	129%	121%				
2009	167	4%	18%	22%	24%	25%	24%	24%					
2010	234	5%	34%	51%	52%	53%	51%						
2011	178	7%	25%	29%	71%	71%							
2012	219	8%	47%	73%	76%								
2013	178	13%	56%	64%									
2014	190	8%	63%										
2015	72	69%											

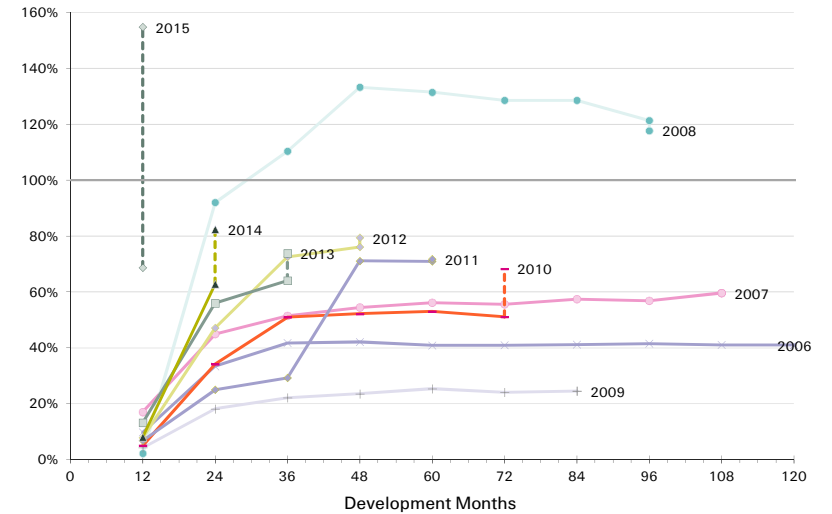
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	256	4%	23%	27%	29%	32%	33%	33%	33%	34%	34%	34%	34%
2005	228	3%	10%	18%	25%	26%	28%	28%	27%	28%	28%	28%	
2006	175	9%	22%	30%	36%	37%	38%	39%	40%	40%	40%	40%	
2007	214	4%	35%	42%	47%	50%	52%	54%	55%	56%			
2008	226	1%	32%	58%	80%	106%	113%	116%	116%				
2009	167	2%	10%	16%	19%	19%	21%	21%	22%				
2010	234	3%	17%	32%	46%	48%	48%						
2011	178	4%	15%	25%	27%	69%							
2012	219	3%	38%	62%	70%								
2013	178	7%	30%	47%									
2014	190	5%	44%										
2015	72	47%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	34%	34%	0%	0%
2005	29%	28%	1%	0%
2006	41%	40%	1%	0%
2007	60%	56%	3%	0%
2008	118%	116%	5%	-4%
2009	25%	22%	3%	0%
2010	68%	48%	3%	17%
2011	72%	69%	2%	1%
2012	79%	70%	7%	3%
2013	74%	47%	17%	10%
2014	82%	44%	19%	20%
2015	155%	47%	22%	86%

Comments:

- Most annual renewals for airlines take place in October or November
- Treaty Year 2008 is impacted by Air France AF447 loss in 2009, which has reduced the reported losses during 2015 calendar year
- Treaty Years 2008 and 2012 are mainly impacted by satellite claims
- Treaty Year 2015 is impacted by a large loss and Chennai Floods

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	759	9%	24%	35%	44%	49%	50%	50%	52%	52%	53%	53%	52%
2005	775	4%	21%	32%	39%	43%	46%	47%	48%	48%	49%	49%	
2006	758	3%	21%	34%	41%	45%	48%	50%	50%	50%	50%		
2007	712	3%	21%	35%	44%	50%	55%	57%	59%	60%			
2008	576	7%	28%	45%	50%	56%	60%	64%	69%				
2009	522	5%	28%	40%	51%	59%	54%	57%					
2010	446	4%	26%	41%	54%	61%	66%						
2011	522	6%	27%	47%	54%	62%							
2012	526	5%	34%	46%	56%								
2013	548	6%	30%	46%									
2014	469	6%	36%										
2015	290	15%											

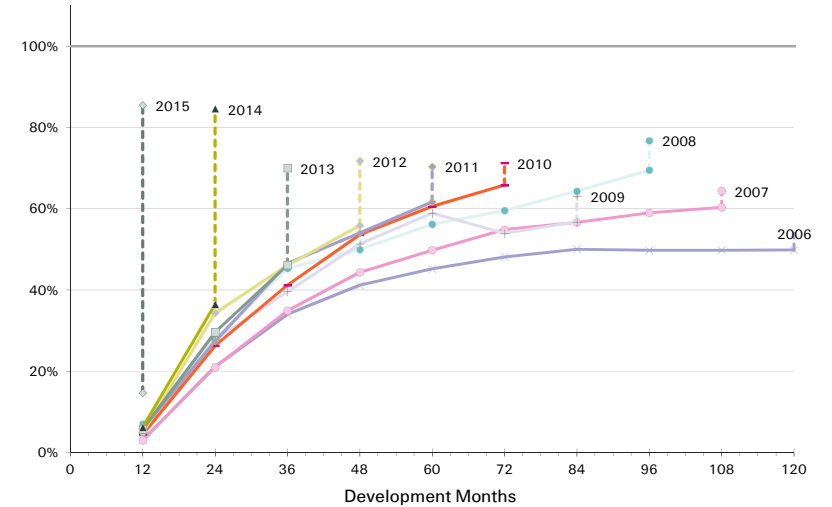
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	759	0%	12%	22%	28%	34%	38%	42%	44%	45%	46%	47%	47%
2005	775	1%	9%	18%	24%	30%	34%	38%	40%	42%	43%	44%	
2006	758	1%	9%	19%	27%	33%	37%	40%	42%	44%	45%		
2007	712	1%	10%	20%	29%	35%	41%	47%	50%	53%			
2008	576	2%	13%	25%	35%	42%	47%	52%	55%				
2009	522	1%	11%	23%	32%	39%	44%	47%					
2010	446	1%	13%	26%	35%	41%	49%						
2011	522	1%	12%	25%	34%	42%							
2012	526	1%	13%	26%	35%								
2013	548	1%	10%	24%									
2014	469	1%	16%										
2015	290	3%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	55%	47%	5%	2%
2005	52%	44%	4%	3%
2006	54%	45%	5%	4%
2007	64%	53%	7%	4%
2008	77%	55%	14%	7%
2009	63%	47%	10%	6%
2010	71%	49%	17%	5%
2011	70%	42%	20%	9%
2012	72%	35%	21%	16%
2013	70%	24%	22%	24%
2014	85%	16%	21%	48%
2015	85%	3%	12%	71%

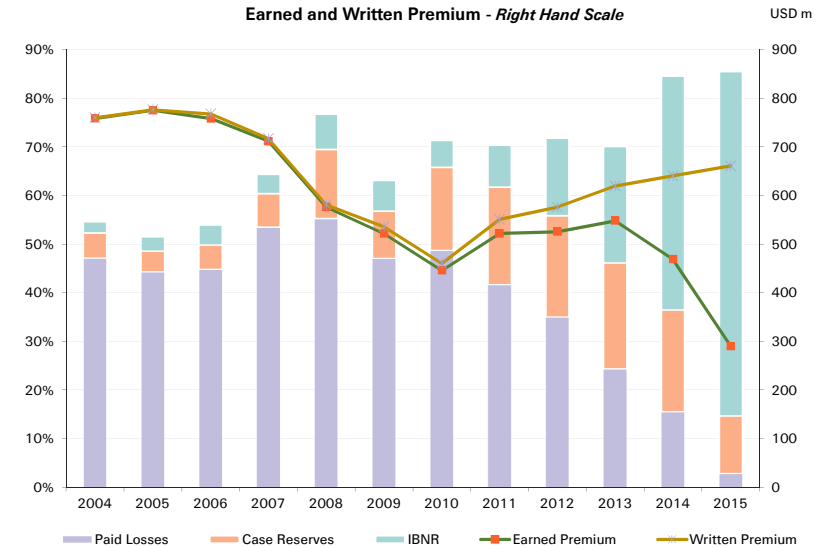
Comments:

- Engineering includes both short-term risks and longer term risks such as project risks and construction guarantees
- As a result, claims can arise several years into the development pattern. Because premium is earned over several years, such claims are often offset by increases in earned premium

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	689	10%	26%	37%	47%	52%	53%	54%	55%	55%	56%	56%	55%
2005	689	4%	23%	35%	42%	46%	49%	49%	50%	51%	51%	51%	
2006	686	3%	22%	36%	43%	47%	50%	52%	52%	52%	52%		
2007	646	3%	22%	37%	47%	52%	57%	59%	61%	63%			
2008	556	5%	26%	43%	48%	55%	59%	64%	69%				
2009	474	5%	29%	42%	55%	63%	57%	60%					
2010	409	4%	26%	41%	54%	61%	67%						
2011	466	6%	26%	45%	52%	58%							
2012	456	5%	34%	48%	56%								
2013	480	6%	31%	48%									
2014	424	7%	37%										
2015	269	15%											

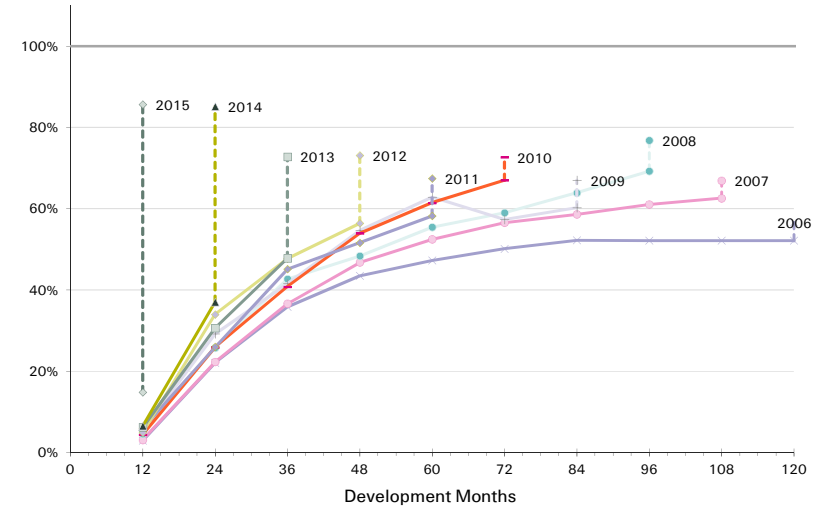
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	689	0%	13%	23%	29%	36%	41%	44%	47%	47%	48%	49%	50%
2005	689	1%	10%	19%	26%	32%	36%	40%	43%	44%	46%	47%	
2006	686	1%	9%	20%	28%	34%	39%	42%	44%	46%	47%		
2007	646	1%	10%	21%	30%	36%	43%	49%	52%	55%			
2008	556	1%	12%	24%	33%	41%	46%	51%	55%				
2009	474	1%	12%	25%	34%	41%	47%	50%					
2010	409	1%	12%	25%	34%	40%	49%						
2011	466	1%	11%	23%	32%	40%							
2012	456	1%	13%	26%	34%								
2013	480	1%	11%	26%									
2014	424	1%	16%										
2015	269	3%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	58%	50%	6%	2%
2005	55%	47%	4%	3%
2006	57%	47%	5%	5%
2007	67%	55%	7%	4%
2008	77%	55%	15%	8%
2009	67%	50%	10%	7%
2010	73%	49%	18%	6%
2011	67%	40%	19%	9%
2012	73%	34%	22%	17%
2013	73%	26%	22%	25%
2014	85%	16%	21%	48%
2015	86%	3%	12%	71%

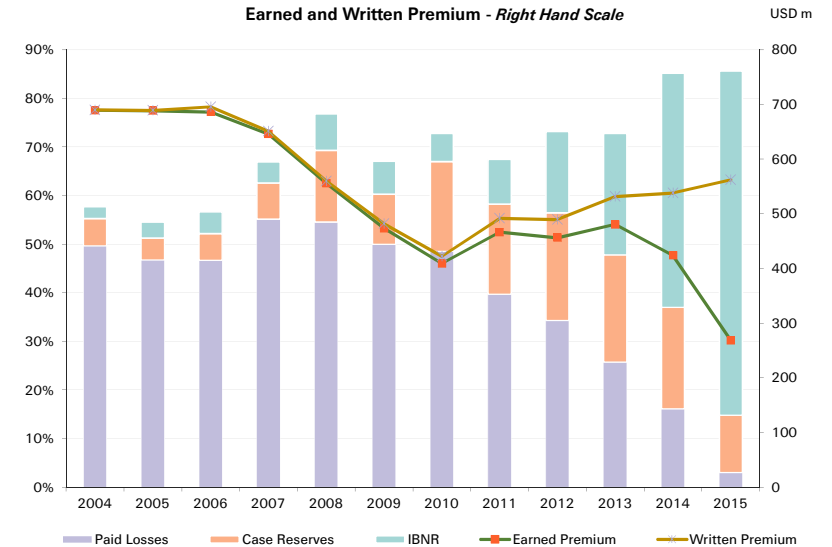
Comments:

- Engineering includes both short-term risks and longer term risks such as project risks and construction guarantees  
 - As a result, claims can arise several years into the development pattern. Because premium is earned over several years, such claims are often offset by increases in earned premium

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
 Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	70	1%	8%	10%	18%	23%	20%	20%	19%	23%	23%	23%	23%
2005	87	1%	9%	14%	16%	24%	23%	27%	28%	28%	27%	28%	
2006	72	5%	12%	17%	19%	25%	29%	29%	27%	27%	28%		
2007	66	2%	8%	18%	21%	24%	38%	38%	39%	39%			
2008	21	72%	85%	117%	93%	76%	75%	75%	75%				
2009	48	0%	14%	20%	19%	20%	20%	23%					
2010	37	5%	30%	45%	50%	50%	53%						
2011	56	5%	39%	58%	74%	91%							
2012	70	4%	37%	36%	52%								
2013	68	2%	22%	35%									
2014	45	3%	31%										
2015	21	13%											

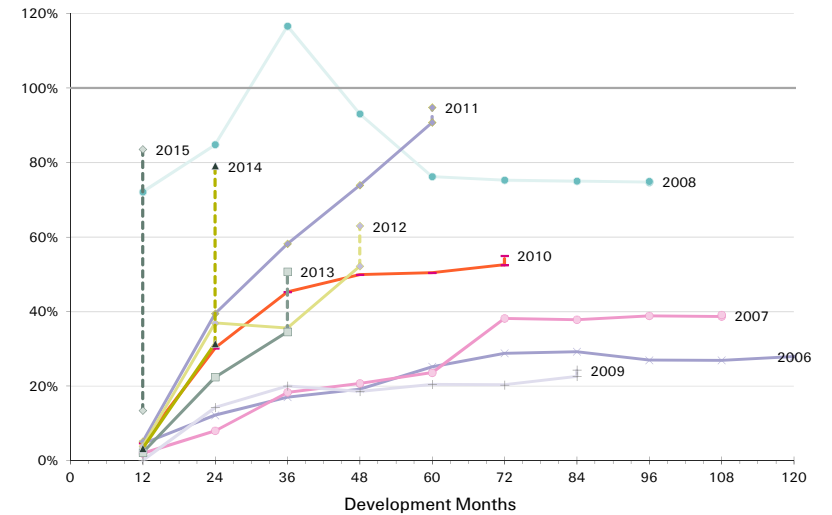
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	70	0%	2%	6%	8%	11%	16%	18%	19%	22%	23%	23%	
2005	87	1%	2%	5%	8%	14%	18%	20%	21%	24%	25%	25%	
2006	72	3%	6%	12%	15%	18%	22%	22%	25%	27%	27%		
2007	66	1%	3%	6%	13%	17%	23%	33%	35%	37%			
2008	21	24%	30%	58%	83%	73%	73%	74%					
2009	48	0%	5%	8%	13%	14%	18%	19%					
2010	37	0%	17%	30%	47%	49%	51%						
2011	56	3%	20%	40%	49%	59%							
2012	70	0%	11%	21%	40%								
2013	68	0%	5%	15%									
2014	45	1%	10%										
2015	21	0%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	24%	23%	0%	2%
2005	28%	25%	3%	0%
2006	28%	27%	1%	0%
2007	39%	37%	1%	0%
2008	75%	74%	0%	0%
2009	24%	19%	4%	2%
2010	55%	51%	1%	2%
2011	95%	59%	32%	4%
2012	63%	40%	12%	11%
2013	51%	15%	20%	16%
2014	79%	10%	21%	48%
2015	84%	0%	13%	70%

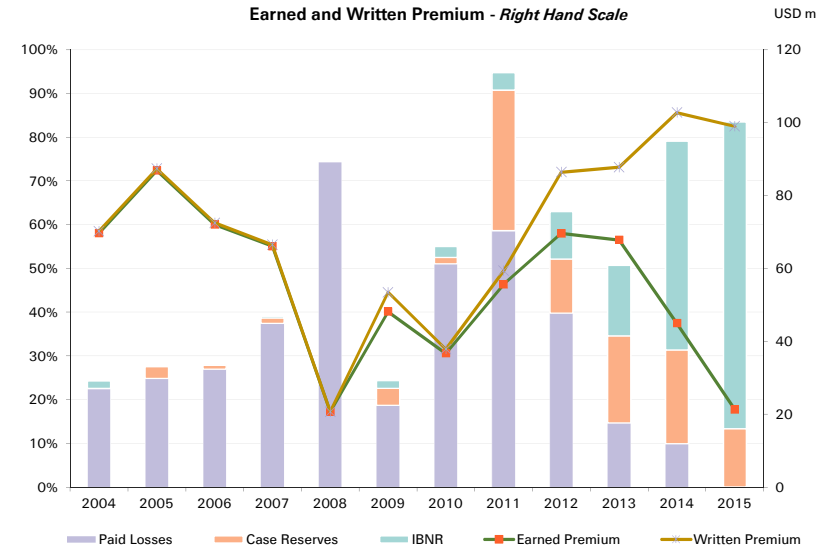
**Comments:**

- Engineering includes both short-term risks and longer term risks such as project risks and construction guarantees
- As a result, claims can arise several years into the development pattern. Because premium is earned over several years, such claims are often offset by increases in earned premium
- This line of business is particularly affected by data migration. In particular, the decrease of the reported losses on treaty year 2008 relates to the migration of one big claim

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	948	21%	65%	90%	97%	99%	99%	100%	99%	99%	98%	97%	97%
2005	1'094	39%	151%	185%	191%	191%	192%	193%	194%	192%	192%	192%	
2006	959	7%	34%	50%	56%	58%	58%	59%	59%	58%	57%		
2007	800	9%	42%	65%	69%	67%	66%	66%	67%	69%			
2008	753	29%	85%	101%	104%	104%	104%	104%	104%				
2009	673	11%	42%	59%	64%	64%	64%	64%					
2010	566	11%	50%	71%	79%	77%							
2011	648	13%	60%	75%	81%	82%							
2012	772	17%	69%	82%	84%								
2013	784	22%	51%	61%									
2014	774	14%	45%										
2015	526	35%											

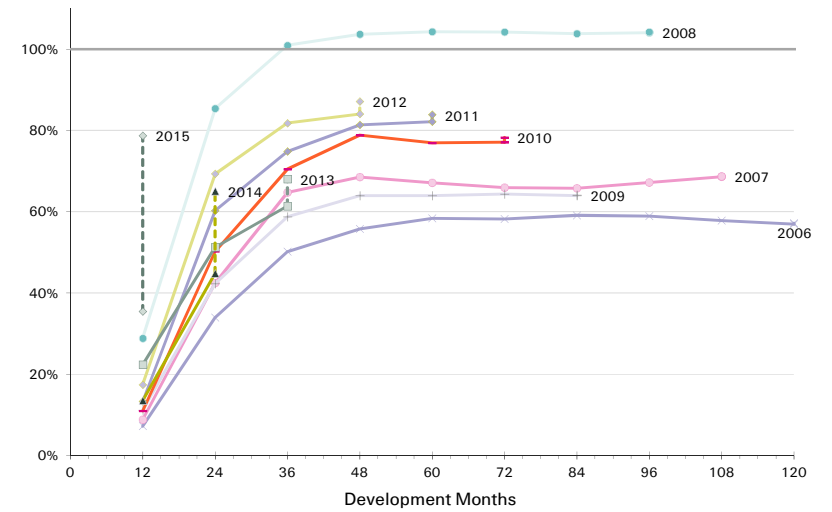
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	948	3%	37%	61%	76%	83%	89%	91%	94%	94%	95%	95%	95%
2005	1'094	3%	60%	120%	146%	168%	176%	181%	183%	187%	187%	188%	
2006	959	2%	18%	33%	42%	47%	50%	52%	54%	55%	55%		
2007	800	2%	21%	43%	51%	55%	59%	61%	62%	63%			
2008	753	3%	38%	72%	87%	95%	98%	99%	101%				
2009	673	2%	22%	38%	46%	51%	53%	60%					
2010	566	4%	23%	45%	53%	58%	72%						
2011	648	4%	32%	57%	67%	72%							
2012	772	6%	39%	64%	74%								
2013	784	7%	31%	45%									
2014	774	4%	22%										
2015	526	5%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	97%	95%	2%	0%
2005	192%	188%	4%	0%
2006	57%	55%	2%	0%
2007	69%	63%	6%	0%
2008	104%	101%	3%	0%
2009	64%	60%	4%	0%
2010	78%	72%	5%	1%
2011	84%	72%	10%	2%
2012	87%	74%	10%	3%
2013	68%	45%	16%	7%
2014	65%	22%	22%	20%
2015	79%	5%	31%	43%

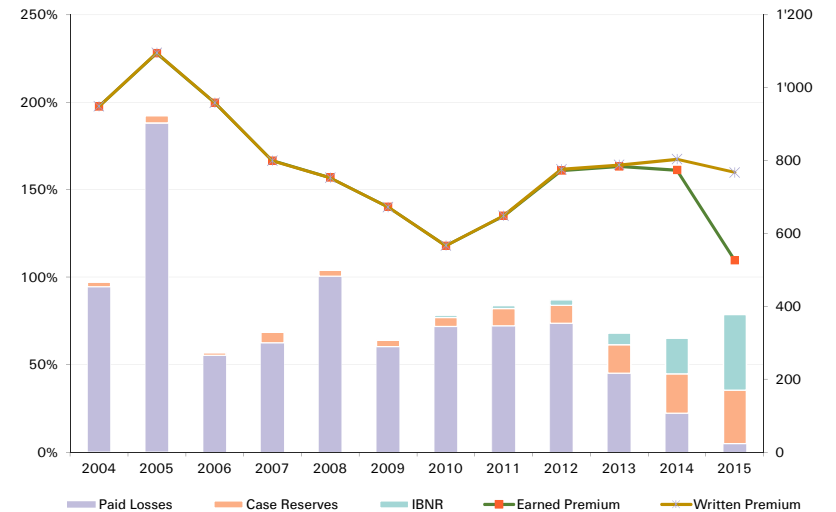
**Comments:**

- The Marine portfolio is often affected by natural catastrophes including hurricanes in 2004, 2005 and 2008
- Treaty Years 2010 and 2011 are impacted by the natural catastrophes in the Far East
- Treaty Year 2010 is hit by the Deepwater Horizon loss
- Treaty Year 2012 is impacted by the grounding of the Costa Concordia and by Hurricane Sandy
- Treaty Year 2013 is impacted by the MOL Comfort loss
- Treaty Year 2015 is impacted by Tianjin

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale





Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	894	20%	63%	87%	93%	95%	95%	96%	96%	95%	94%	93%	93%
2005	1'016	35%	152%	187%	192%	191%	193%	194%	195%	193%	193%		
2006	826	8%	37%	55%	60%	63%	62%	63%	63%	62%	61%		
2007	676	10%	45%	71%	75%	73%	71%	71%	71%	71%			
2008	618	11%	71%	86%	87%	88%	89%	89%	89%				
2009	507	12%	45%	62%	68%	68%	69%	68%					
2010	448	11%	55%	77%	87%	85%	85%						
2011	538	12%	56%	73%	81%	82%							
2012	616	19%	79%	92%	95%								
2013	604	23%	50%	58%									
2014	570	13%	40%										
2015	414	38%											

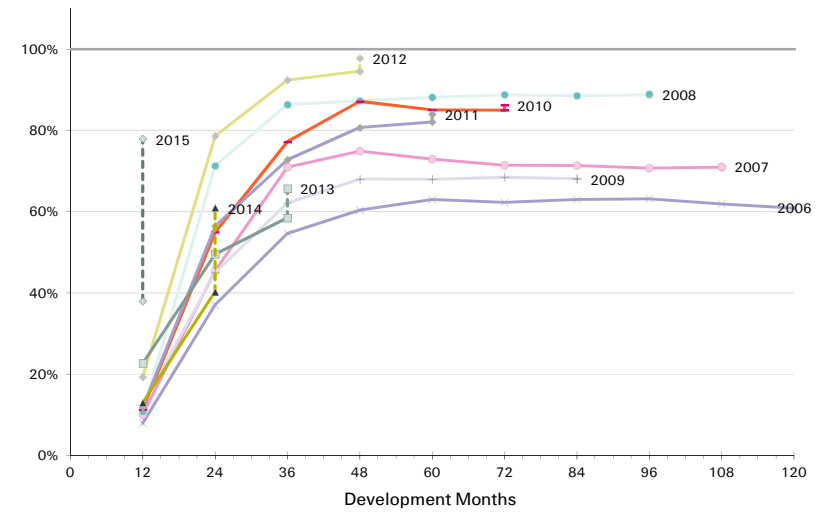
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	894	3%	34%	57%	72%	79%	85%	87%	90%	91%	91%	91%	91%
2005	1'016	3%	62%	124%	150%	168%	176%	181%	184%	187%	188%	189%	
2006	826	2%	20%	36%	46%	51%	54%	56%	57%	59%	59%		
2007	676	3%	23%	46%	56%	60%	64%	66%	67%	68%			
2008	618	2%	29%	59%	71%	80%	82%	84%	85%				
2009	507	3%	24%	40%	47%	47%	53%	55%	64%				
2010	448	5%	26%	48%	57%	62%	79%						
2011	538	4%	28%	54%	64%	71%							
2012	616	6%	44%	73%	83%								
2013	604	7%	31%	44%									
2014	570	4%	22%										
2015	414	4%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	93%	91%	3%	0%
2005	193%	189%	4%	0%
2006	61%	59%	2%	0%
2007	71%	68%	3%	0%
2008	89%	85%	3%	0%
2009	68%	64%	4%	0%
2010	86%	79%	6%	1%
2011	84%	71%	11%	2%
2012	98%	83%	12%	3%
2013	66%	44%	15%	7%
2014	61%	22%	18%	21%
2015	78%	4%	34%	40%

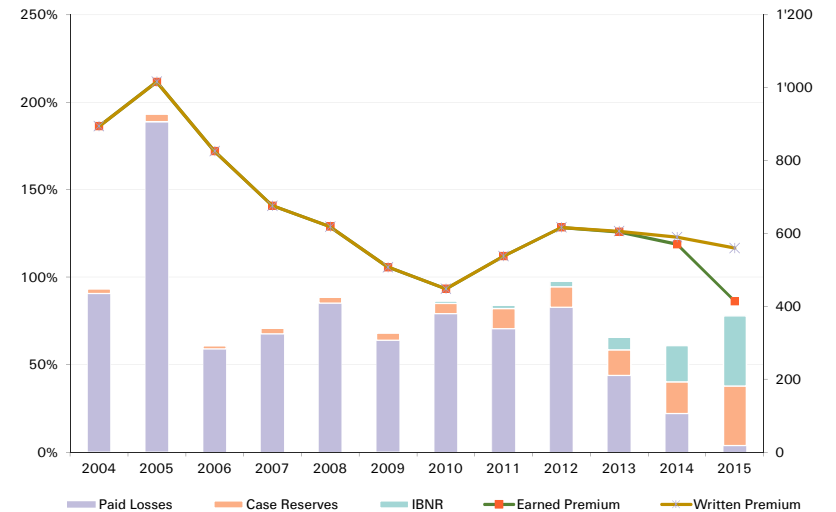
**Comments:**

- The Marine portfolio is often affected by natural catastrophes including hurricanes in 2004, 2005 and 2008
- Treaty Years 2010 and 2011 are impacted by the natural catastrophes in the Far East
- Treaty Year 2010 is hit by the Deepwater Horizon loss
- Treaty Year 2012 is impacted by the grounding of the Costa Concordia and by Hurricane Sandy
- Treaty Year 2013 is impacted by the MOL Comfort loss
- Treaty Year 2015 is impacted by Tianjin

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	54	42%	97%	149%	156%	163%	162%	162%	161%	161%	160%	160%	160%
2005	78	91%	130%	157%	177%	181%	181%	181%	181%	180%	180%	180%	
2006	133	3%	14%	22%	27%	30%	33%	35%	33%	33%	33%		
2007	124	2%	26%	31%	33%	35%	36%	35%	47%	56%			
2008	134	112%	150%	168%	179%	179%	175%	174%	175%				
2009	165	7%	34%	48%	52%	52%	52%	51%					
2010	118	10%	32%	45%	47%	46%	47%						
2011	110	20%	79%	85%	84%	82%							
2012	156	10%	33%	40%	42%								
2013	179	21%	57%	71%									
2014	204	15%	58%										
2015	112	26%											

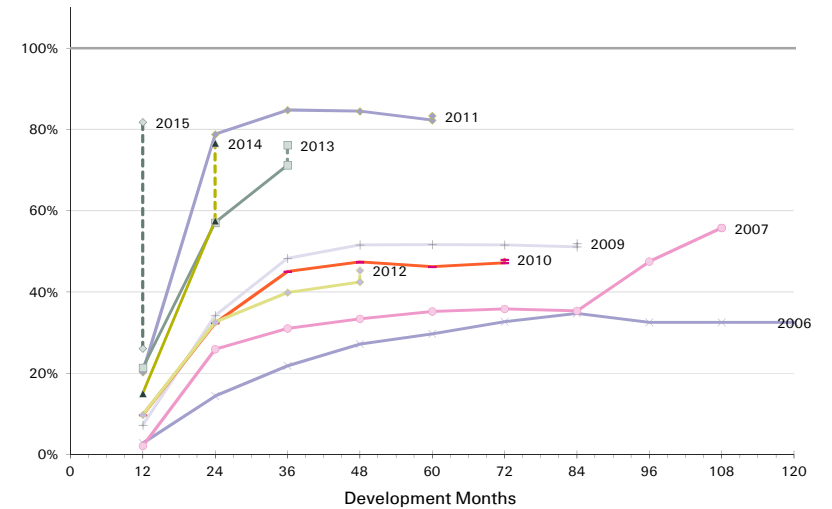
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	54	4%	75%	130%	141%	149%	153%	159%	160%	160%	160%	160%	160%
2005	78	3%	31%	63%	86%	168%	176%	177%	179%	180%	180%	180%	
2006	133	0%	4%	14%	19%	23%	26%	27%	32%	33%	33%		
2007	124	1%	11%	25%	28%	31%	32%	34%	35%	35%			
2008	134	9%	78%	132%	161%	167%	171%	171%	172%				
2009	165	1%	16%	33%	41%	45%	47%	49%					
2010	118	2%	13%	31%	38%	44%	44%						
2011	110	8%	52%	70%	81%	80%							
2012	156	5%	19%	29%	37%								
2013	179	9%	32%	50%									
2014	204	3%	23%										
2015	112	9%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	161%	160%	0%	0%
2005	182%	180%	1%	2%
2006	33%	33%	0%	0%
2007	56%	35%	21%	0%
2008	175%	172%	3%	0%
2009	52%	49%	2%	1%
2010	48%	44%	3%	1%
2011	83%	80%	2%	1%
2012	45%	37%	5%	3%
2013	76%	50%	21%	5%
2014	77%	23%	34%	19%
2015	82%	9%	17%	56%

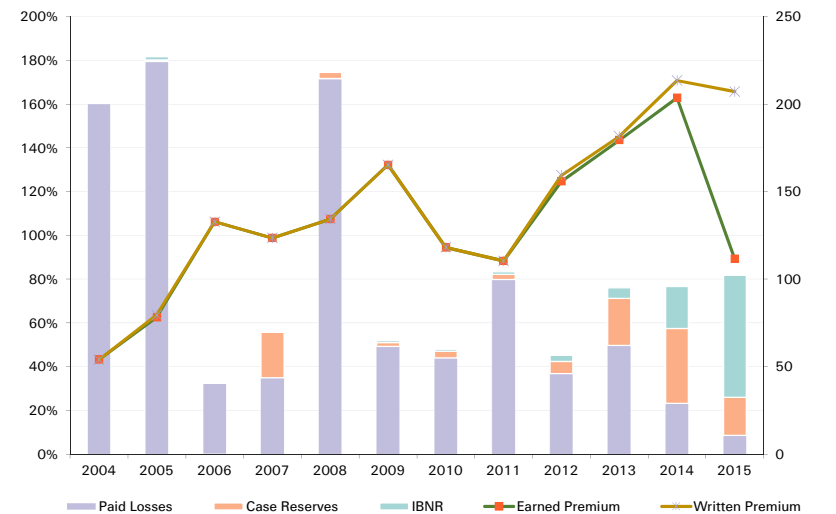
Comments:

- The Marine portfolio is often affected by natural catastrophes including hurricanes in 2004, 2005 and 2008
- Treaty Year 2011 is impacted by the natural catastrophes in the Far East
- Treaty Year 2013 is impacted by several larger claims
- Treaty Year 2015 is impacted by Tianjin

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	535	3%	32%	40%	45%	47%	63%	66%	66%	67%	67%	68%	69%
2005	612	7%	28%	38%	44%	68%	71%	71%	71%	72%	73%	73%	
2006	658	8%	31%	47%	70%	74%	76%	77%	78%	78%	79%		
2007	707	9%	35%	77%	86%	89%	96%	99%	100%	105%			
2008	646	8%	67%	98%	101%	106%	107%	108%	108%				
2009	527	9%	45%	45%	46%	48%	48%	48%					
2010	368	1%	20%	33%	36%	37%	37%						
2011	477	8%	27%	35%	41%	42%							
2012	424	5%	22%	45%	52%								
2013	460	6%	26%	50%									
2014	448	6%	30%										
2015	271	7%											

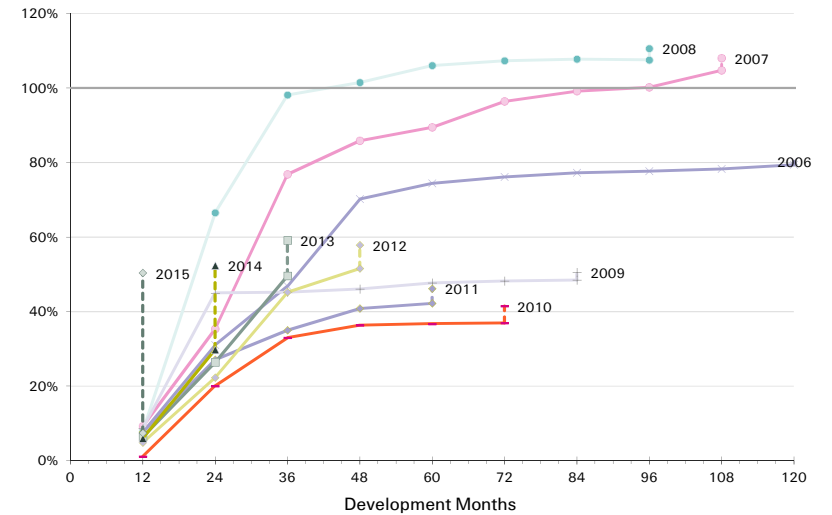
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	535	1%	17%	32%	38%	41%	57%	61%	62%	62%	63%	64%	65%
2005	612	1%	14%	31%	37%	64%	67%	68%	68%	69%	70%	71%	
2006	658	1%	18%	37%	64%	69%	71%	73%	74%	75%	76%		
2007	707	1%	18%	68%	80%	84%	89%	92%	96%	101%			
2008	646	1%	47%	90%	95%	99%	100%	101%	102%				
2009	527	2%	25%	38%	42%	44%	45%	46%					
2010	368	0%	13%	28%	33%	34%	35%						
2011	477	1%	16%	30%	34%	40%							
2012	424	1%	14%	38%	48%								
2013	460	1%	22%	48%									
2014	448	2%	15%										
2015	271	1%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	68%	65%	4%	0%
2005	73%	71%	2%	0%
2006	80%	76%	3%	1%
2007	108%	101%	4%	3%
2008	111%	102%	6%	3%
2009	51%	46%	3%	2%
2010	42%	35%	2%	5%
2011	46%	40%	3%	4%
2012	58%	48%	3%	6%
2013	59%	48%	2%	10%
2014	52%	15%	15%	23%
2015	50%	1%	6%	43%

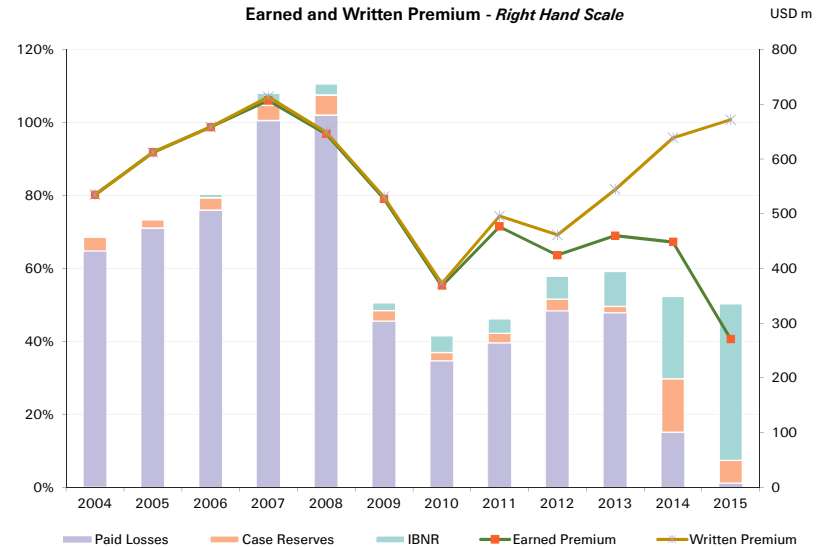
Comments:

- Treaty Years 2007 and 2008 are hit by the credit crunch, mainly in Spain
- Treaty Year 2007 is partially affected by Legacy credit business

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	420	3%	37%	44%	51%	52%	73%	76%	77%	77%	77%	79%	
2005	489	9%	34%	46%	52%	81%	85%	85%	85%	87%	87%	88%	
2006	549	9%	36%	53%	80%	84%	87%	87%	87%	88%	89%		
2007	573	11%	42%	92%	101%	106%	113%	113%	115%	120%			
2008	484	10%	83%	117%	119%	122%	124%	124%	124%				
2009	418	10%	53%	51%	51%	53%	53%	54%					
2010	216	2%	25%	41%	46%	48%	49%						
2011	283	12%	38%	50%	54%	56%							
2012	241	8%	35%	55%	64%								
2013	239	12%	35%	74%									
2014	237	11%	47%										
2015	167	12%											

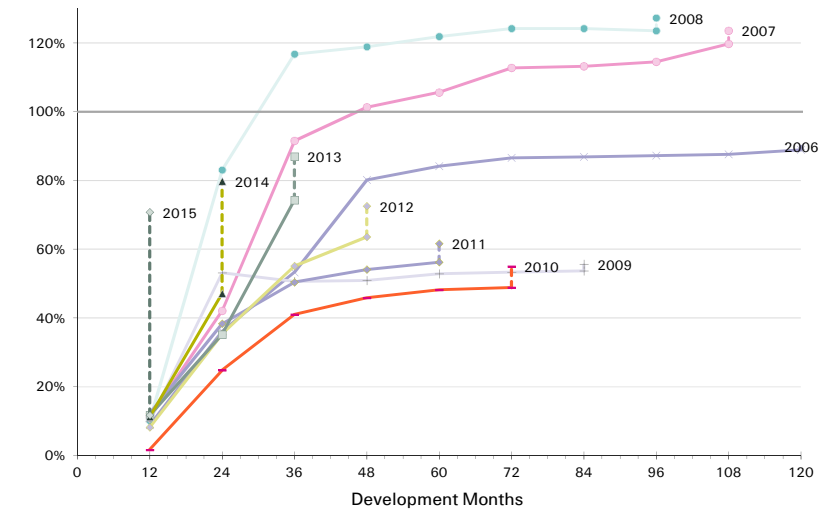
Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	420	1%	19%	36%	42%	45%	65%	70%	71%	72%	73%	74%	74%
2005	489	1%	17%	37%	44%	77%	80%	81%	81%	82%	84%	85%	
2006	549	1%	21%	42%	73%	78%	80%	81%	82%	83%	84%		
2007	573	1%	20%	81%	93%	99%	104%	106%	110%	115%			
2008	484	2%	51%	100%	108%	111%	114%	115%	116%				
2009	418	1%	29%	42%	45%	48%	50%	50%					
2010	216	0%	14%	35%	41%	44%	46%						
2011	283	2%	21%	42%	49%	52%							
2012	241	1%	21%	44%	54%								
2013	239	2%	21%	66%									
2014	237	3%	27%										
2015	167	2%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	79%	74%	5%	-1%
2005	88%	85%	3%	0%
2006	90%	84%	4%	1%
2007	124%	115%	4%	4%
2008	127%	116%	7%	4%
2009	56%	50%	4%	2%
2010	55%	46%	3%	6%
2011	62%	52%	4%	5%
2012	73%	54%	10%	9%
2013	87%	66%	9%	13%
2014	80%	27%	20%	33%
2015	71%	2%	10%	59%

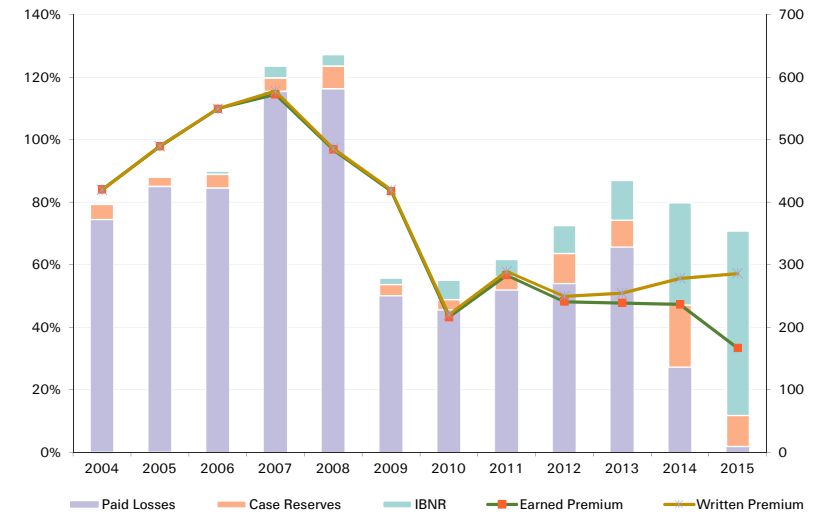
**Comments:**

- Treaty Years 2007 and 2008 are hit by the credit crunch, mainly in Spain
- Treaty Year 2007 is partially affected by Legacy credit business

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



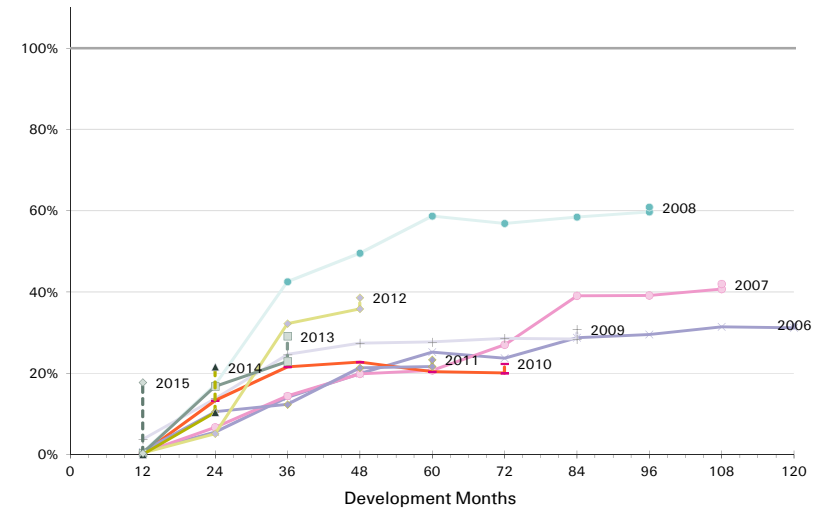
Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	115	4%	13%	22%	25%	27%	28%	30%	29%	29%	29%	29%	29%
2005	123	1%	5%	9%	12%	14%	15%	15%	15%	15%	15%	15%	15%
2006	109	1%	6%	14%	20%	25%	24%	29%	30%	31%	31%		
2007	134	0%	7%	14%	20%	21%	27%	39%	39%	41%			
2008	162	1%	17%	43%	50%	59%	57%	58%	60%				
2009	110	4%	14%	25%	27%	28%	29%	28%					
2010	152	0%	13%	22%	23%	20%	20%						
2011	193	1%	11%	12%	21%	22%							
2012	183	0%	5%	32%	36%								
2013	221	0%	17%	23%									
2014	212	0%	10%										
2015	104	0%											

Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	115	1%	9%	16%	21%	25%	26%	28%	28%	28%	29%	29%	29%
2005	123	1%	3%	7%	10%	13%	14%	15%	15%	15%	15%	15%	15%
2006	109	1%	4%	11%	23%	27%	26%	31%	31%	32%	33%		
2007	134	0%	8%	14%	20%	21%	25%	29%	37%	37%			
2008	162	0%	33%	58%	56%	62%	61%	60%	59%				
2009	110	5%	13%	24%	27%	28%	28%	28%	28%				
2010	152	0%	11%	18%	20%	19%	19%						
2011	193	0%	9%	13%	13%	22%							
2012	183	0%	4%	31%	41%								
2013	221	0%	22%	29%									
2014	212	1%	2%										
2015	104	0%											

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	30%	29%	0%	0%
2005	16%	15%	0%	0%
2006	32%	33%	-2%	1%
2007	42%	37%	4%	1%
2008	61%	59%	1%	1%
2009	31%	28%	0%	2%
2010	22%	19%	1%	2%
2011	23%	22%	0%	2%
2012	39%	41%	-5%	3%
2013	29%	29%	-6%	6%
2014	22%	2%	9%	11%
2015	18%	0%	0%	17%

Comments:  
- The negative Case Reserves are driven by subrogation cases

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



Treaty Year	Earned Premium in USDm	Reported Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	50	4%	11%	13%	25%	28%	25%	25%	22%	22%	22%	22%	22%
2005	142	22%	55%	75%	67%	66%	67%	66%	66%	66%	66%	66%	66%
2006	246	9%	48%	59%	58%	58%	59%	59%	59%	59%	59%	59%	59%
2007	146	1%	6%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
2008	48	2%	23%	29%	29%	25%	25%	25%	25%	25%	25%	25%	25%
2009	45	5%	15%	22%	22%	22%	26%	29%	30%	30%	30%	30%	30%
2010	110	12%	36%	49%	50%	51%	52%	52%	52%	52%	52%	52%	52%
2011	128	2%	38%	43%	50%	51%	51%	51%	51%	51%	51%	51%	51%
2012	66	0%	3%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
2013	52	1%	4%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
2014	52	5%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
2015	25	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Treaty Year	Earned Premium in USDm	Paid Loss Ratios per Development Month											
		12	24	36	48	60	72	84	96	108	120	132	144
2004	50	0%	4%	5%	17%	18%	18%	18%	21%	20%	21%	21%	21%
2005	142	9%	36%	56%	107%	64%	64%	65%	65%	65%	66%	66%	66%
2006	246	3%	34%	52%	55%	57%	58%	58%	58%	58%	58%	58%	58%
2007	146	0%	3%	5%	9%	10%	10%	10%	10%	10%	10%	10%	10%
2008	48	1%	11%	15%	15%	17%	17%	18%	18%	18%	18%	18%	18%
2009	45	3%	12%	17%	18%	18%	22%	24%	29%	29%	29%	29%	29%
2010	110	5%	22%	42%	43%	45%	46%	46%	46%	46%	46%	46%	46%
2011	128	2%	25%	36%	38%	39%	39%	39%	39%	39%	39%	39%	39%
2012	66	0%	1%	2%	3%	3%	3%	3%	3%	3%	3%	3%	3%
2013	52	1%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
2014	52	0%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
2015	25	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Treaty Year	Ult Loss Ratio	Paid Losses	Case Reserves	IBNR
2004	22%	21%	1%	0%
2005	66%	66%	0%	0%
2006	59%	58%	1%	0%
2007	11%	10%	1%	0%
2008	26%	18%	7%	1%
2009	32%	29%	2%	1%
2010	53%	46%	6%	1%
2011	56%	39%	12%	6%
2012	8%	3%	1%	4%
2013	16%	2%	4%	10%
2014	34%	6%	4%	24%
2015	47%	0%	0%	47%

Reported Losses as % of Earned Premiums - Latest ten years



Paid, Incurred and Ultimate Loss Ratio - Left Hand Scale  
Earned and Written Premium - Right Hand Scale



# Appendix

# Reserving approach varies by type of business

Depending on the nature of the business analysed, actuaries not only use triangles information to estimate the liabilities but also individual losses or benchmark information:

- For **traditional reinsurance and direct insurance**, which represent the majority of the business written by Swiss Re, the best estimate reserves are calculated using standard actuarial methods as described in the next pages
- Reserving for **non-traditional business**, such as retroactive deals or deposit accounted deals, is carried out on a deal by deal basis according to each deal's specifications
- For **large events**, which are sudden and unexpected, a separate process combines the knowledge of all relevant areas of expertise in estimating the initial ultimate loss
- Reserving for claims subject to periodic payments depending on survival, such as **workers' compensation or motor liability**, is performed separately and depends on the level of information provided by our cedents
- Reserving for **asbestos and environmental (A&E)** claims is based on benchmarks which are reassessed annually
- **Loss triangles** are an important source of information to estimate reserves. Other information such as current market conditions, changes in portfolio composition, and additional expert judgment is also used
- There are no explicit assumptions made in reserving for **claims inflation** other than the implicit inflation which would vary by regions, markets, or lines of business as reserving assumes the same level of **claims inflation** as historically observed in the triangle. Also, new business is usually reserved initially at the pricing level, which means that the claims inflation assumptions made in pricing are included in the opening reserves. As the business ages and the experience emerges, the pricing assumptions will be increasingly replaced by projections based on the historic experience, depending on the selected reserving method and the underlying characteristics of the business

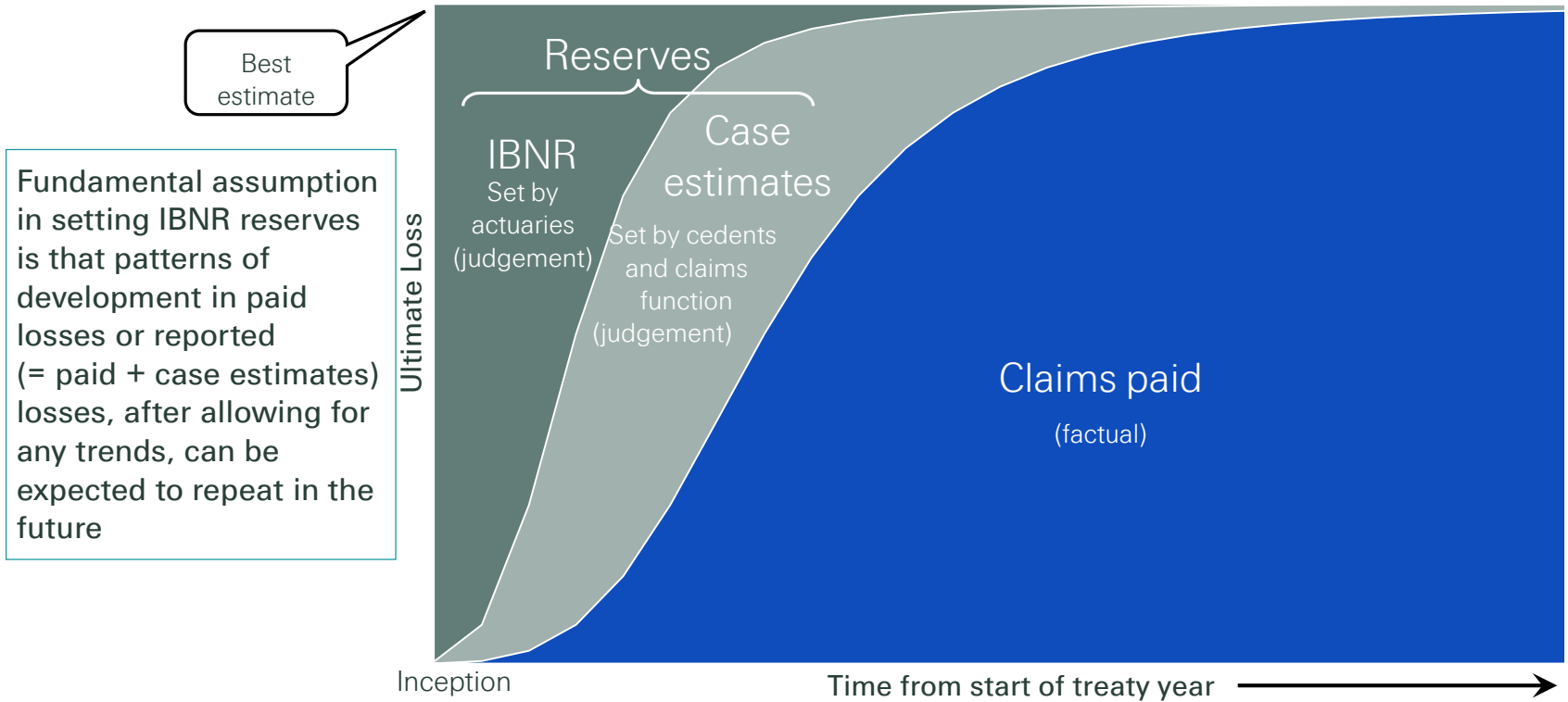


# Areas of judgment which influence reserving decisions

Actuaries have at their disposal several well established and commonly used Reserving techniques based on past historical claims information in order to estimate the level of reserves needed. The basics of these techniques are described on the next pages. Within these methods, actuaries have the possibility to apply specific judgment on the selection of various parameters, these include the following:

- **Individual claims assessment**  
Judgment performed by claims managers, taking into account cedent information and the actual circumstances of the individual claims
- **Adequacy of costing estimation**  
Judgment is needed as to if and how long to follow the initial costing estimation and when to switch to a calculation as performed by reserving actuaries
- **Reserving method and development pattern**  
Judgment is needed on which reserving method is most suitable for the respective portfolios (e.g. Chain-Ladder or Benktander), and how to derive the most appropriate pattern (e.g. how many years of history to take into account, simple average vs weighted average)
- **Paid vs. incurred development**  
Applying the same method to paid development data and to incurred development data sometimes leads to contradicting answers. A judgment has to be made as to which data is more reliable
- **Tail factors for long-tail lines (e.g. motor liability or workers' compensation)**  
Actuaries need to decide how much development is to be expected beyond the last point of reliably available data
- **Allowance for trends (including inflation)**  
Changes in the environment (e.g. legal, economic or social) can lead to trends in the claims development. Judgment has to be made, regarding when to explicitly allow for such a trend
- **Special risks, e.g. asbestos, pollution**  
Some risks need individual models as standard actuarial methods do not work. Judgment is needed for the most suitable model

# Theoretical development of a single underwriting year

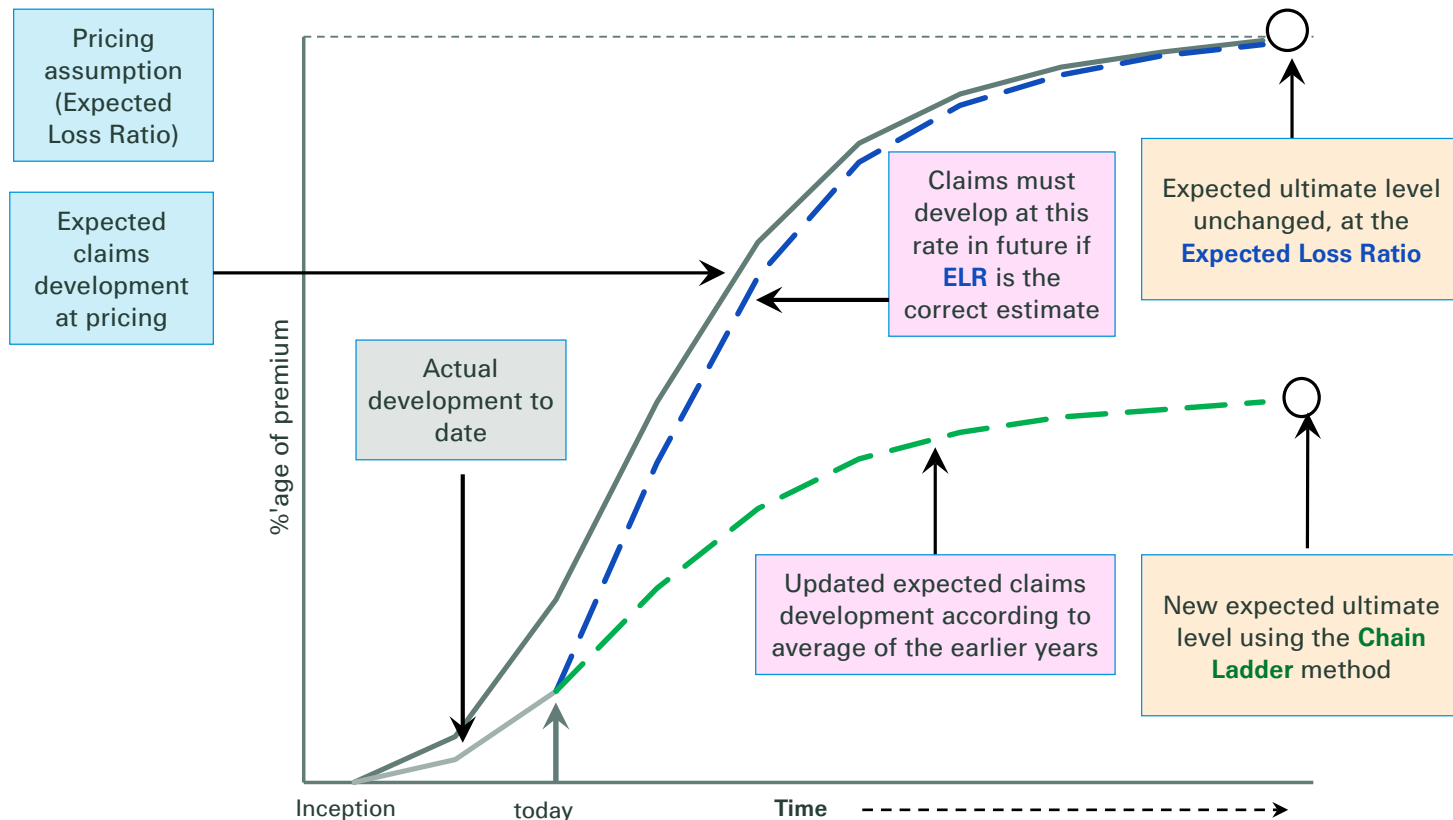


## Typical mean terms (yrs)

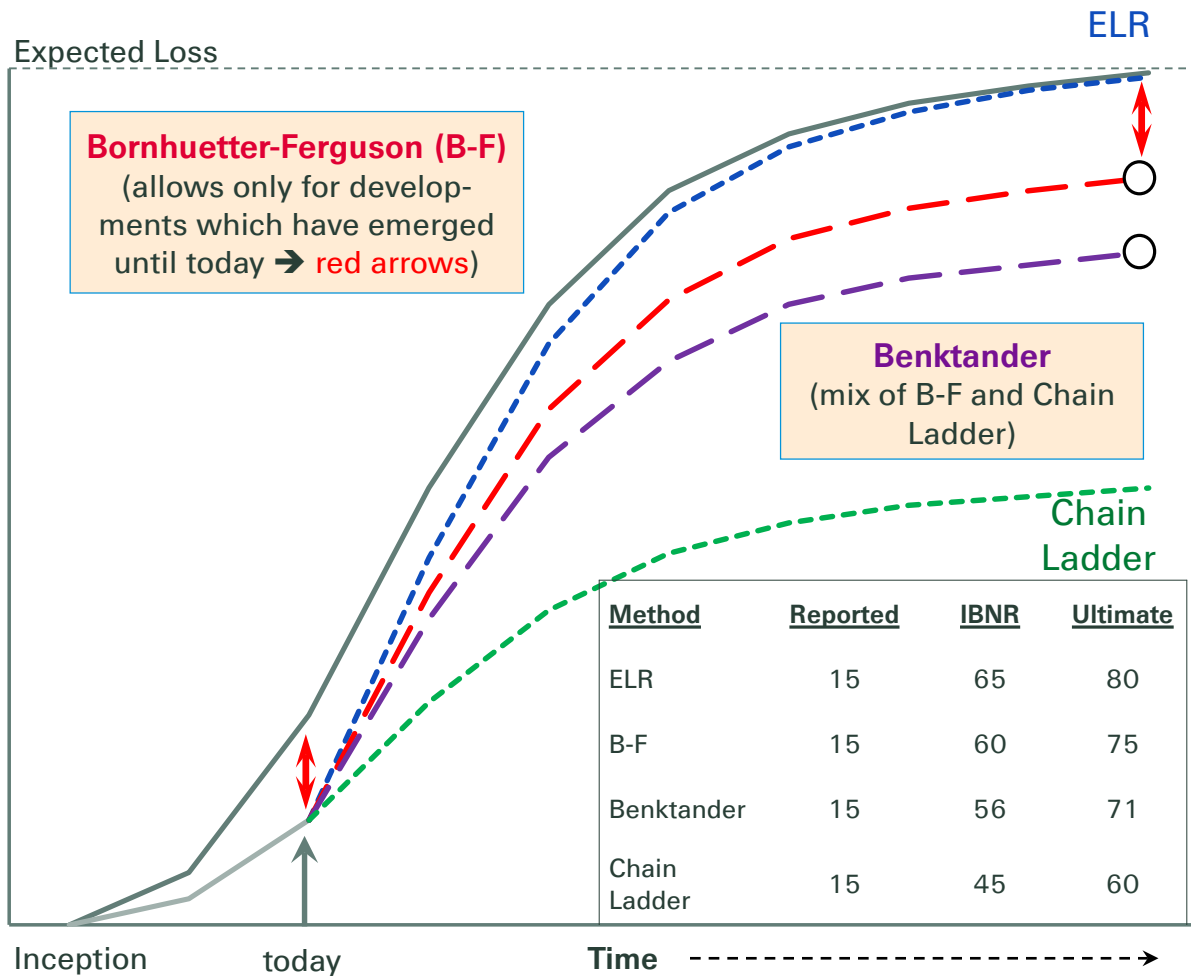
<i>Tail</i>	<i>Reported</i>	<i>Paid</i>	<i>Example of LoB</i>
Short	<2	<3	Property, Personal Accident, Motor Hull, Agriculture
Medium	2-4	3-6	Engineering
Long	>4	>6	Workers' Compensation, General Liability, Motor Liability

# Illustration of reserving methods

The below graph illustrates how standard reserving techniques such as the Expected Loss ratio or the Chain Ladder methods operate.



# Illustration of more sophisticated methods (compare with previous slide)



*Example (contd. from previous slide)*

The **B-F IBNR reserve estimate** is the original expected claims (80), multiplied by the remaining expected development (0.75, as pricing expected 25% of the total claims to have been reported so far). Thus the B-F IBNR reserve is  $80 \times 0.75 = 60$ , so that the B-F ultimate estimate is  $60 + 15 = 75$ .

The **Benktander IBNR reserve estimate** is found by taking a weighted average: 25% of the Chain Ladder IBNR (45) plus 75% of the B-F IBNR (60) to give an IBNR estimate of just over 56. The Benktander ultimate is then  $56 + 15 = 71$ .



# Corporate calendar & contacts

## Corporate calendar

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### 2016

3 November	<b>Third Quarter 2016 Results</b>	Conference call
2 December	<b>Investors' Day</b>	Zurich

### 2017

23 February	<b>Annual Results 2016</b>	Conference call
16 March	<b>Publication of Annual Report 2016 and EVM 2016</b>	
21 April	<b>153<sup>rd</sup> Annual General Meeting</b>	Zurich

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Forward-looking statements typically are identified by words or phrases such as “anticipate”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend”, “may increase” and “may fluctuate” and similar expressions or by future or conditional verbs such as “will”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause Swiss Re’s actual results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects to be materially different from any future results of operations, financial condition, solvency ratios, capital or liquidity positions or prospects expressed or implied by such statements or cause Swiss Re to not achieve its published targets. Such factors include, among others:

- further instability affecting the global financial system and developments related thereto;
- deterioration in global economic conditions;
- Swiss Re’s ability to maintain sufficient liquidity and access to capital markets, including sufficient liquidity to cover potential recapture of reinsurance agreements, early calls of debt or debt-like arrangements and collateral calls due to actual or perceived deterioration of Swiss Re’s financial strength or otherwise;
- the effect of market conditions, including the global equity and credit markets, and the level and volatility of equity prices, interest rates, credit spreads, currency values and other market indices, on Swiss Re’s investment assets;
- changes in Swiss Re’s investment result as a result of changes in its investment policy or the changed composition of its investment assets, and the impact of the timing of any such changes relative to changes in market conditions;
- uncertainties in valuing credit default swaps and other credit-related instruments;
- possible inability to realise amounts on sales of securities on Swiss Re’s balance sheet equivalent to their mark-to-market values recorded for accounting purposes;
- the outcome of tax audits, the ability to realise tax loss carryforwards and the ability to realise deferred tax assets (including by reason of the mix of earnings in a jurisdiction or deemed change of control), which could negatively impact future earnings;
- the possibility that Swiss Re’s hedging arrangements may not be effective;
- the lowering or loss of one of the financial strength or other ratings of one or more Swiss Re companies, and developments adversely affecting Swiss Re’s ability to achieve improved ratings;
- the cyclical nature of the reinsurance industry;
- uncertainties in estimating reserves;
- uncertainties in estimating future claims for purposes of financial reporting, particularly with respect to large natural catastrophes, as significant uncertainties may be involved in estimating losses from such events and preliminary estimates may be subject to change as new information becomes available;
- the frequency, severity and development of insured claim events;
- acts of terrorism and acts of war;
- mortality, morbidity and longevity experience;
- policy renewal and lapse rates;
- extraordinary events affecting Swiss Re’s clients and other counterparties, such as bankruptcies, liquidations and other credit-related events;
- current, pending and future legislation and regulation affecting Swiss Re or its ceding companies, and the interpretation of legislation or regulations by regulators;
- legal actions or regulatory investigations or actions, including those in respect of industry requirements or business conduct rules of general applicability;
- changes in accounting standards;
- significant investments, acquisitions or dispositions, and any delays, unexpected costs or other issues experienced in connection with any such transactions;
- changing levels of competition; and
- operational factors, including the efficacy of risk management and other internal procedures in managing the foregoing risks.

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