

Continuity in an uncertain world™

Amlin

Amlin plc

Interim report 2011



Amlin is a leading insurance group operating in the Lloyd's, UK, Continental Europe and Bermudian markets. We specialise in providing insurance cover to commercial enterprises and reinsurance protection to other insurance companies around the world.



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Highlights

Unprecedented first half catastrophe loss activity

Total catastrophe claims of £314.3 million, adding 34% to claims ratio (H1 2010: £127.1 million and 15%)

Loss before tax of £192.3 million (H1 2010: profit of £107.6 million)

First half return on equity of (8.8)% (H1 2010: 5.3%)

Gross written premium up 1.9% at £1,514.6 million (H1 2010: £1,486.2 million)

Combined ratio of 121% (H1 2010: 88%), with an underwriting loss of £194.3 million (H1 2010: profit of £100.1 million)

Strong start for Amlin Re Europe, with gross written premium of £79.2 million generated in the period

Reinsurance rates in US and international catastrophe accounts improving

Investment return of 1.0% (H1 2010: 1.7%), generating an investment contribution of £45.3 million (H1 2010: £78.7 million)

Earnings per share (30.7) pence (H1 2010: 17.1 pence)

Interim dividend maintained at 7.2 pence per share (H1 2010: 7.2 pence per share)

Net tangible assets per share decreased 18.6% to 255.1 pence (YE 2010: 313.2 pence)

Financial highlights

	H1 2011 £m	H1 2010 £m	YE 2010 £m
Financial highlights			
Gross written premium	1,514.6	1,486.2	2,172.5
Net written premium	1,314.9	1,286.8	1,910.3
Net earned premium	919.3	862.5	1,748.1
Underwriting contribution	(194.3)	100.1	202.1
Investment contribution	45.3	78.7	175.0
Other costs ⁽¹⁾	43.3	71.2	117.9
(Loss)/profit before tax	(192.3)	107.6	259.2
Net assets	1,474.6	1,635.4	1,729.9
Net tangible assets	1,260.7	1,462.7	1,545.4
Per share amounts (in pence)			
Earnings	(30.7)	17.1	45.0
Dividend under IFRS ⁽²⁾	15.8	13.5	20.7
Dividend (paid, declared and proposed in respect of the period/year)	7.2	7.2	23.0
Net assets	298.4	330.8	350.6
Net tangible assets	255.1	295.9	313.2
Group operating ratios			
Return on equity	(8.8)%	5.3%	13.9%
Claims ratio ⁽³⁾	92%	63%	60%
Expense ratio	29%	25%	28%
Combined ratio	121%	88%	88%
Syndicate 2001 combined ratio	117%	85%	84%
Amlin AG combined ratio	133%	83%	83%
Amlin Corporate Insurance combined ratio	119%	100%	104%

Source: Amlin

(1) Includes non-underwriting foreign exchange gains of £0.8 million (H1 2010: loss of £17.6 million, YE 2010: loss of £6.5 million) and £8.2 million of ACI separation and integration costs (H1 2010: £11.2 million, YE 2010: £16.6 million).

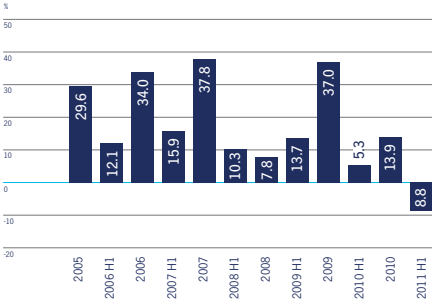
(2) All per share dividends are the actual dividends for each share in issue at the time.

(3) Claims ratio is net claims incurred divided by net earned premium for the period / year. Expense ratio is underwriting expense incurred divided by net earned premium. The expense ratio does not include expenses that have not been attributed to underwriting or finance costs. Combined ratio is the total of the claims and expense ratios.

Key performance indicators

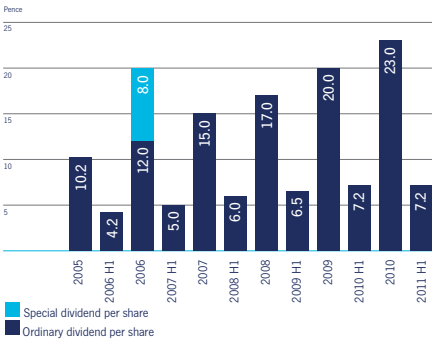
Return on equity

(8.8)%



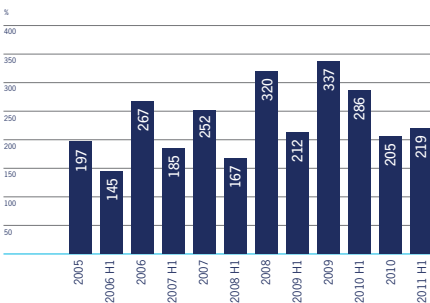
Dividend paid/declared

7.2 pence per share



Total shareholder return (five year index)

219%

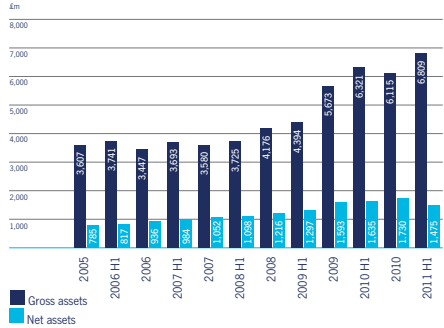


Other key highlights

Gross and net assets

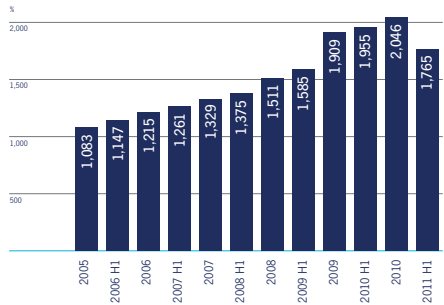
£6.8 bn (Gross)

£1.5 bn (Net)



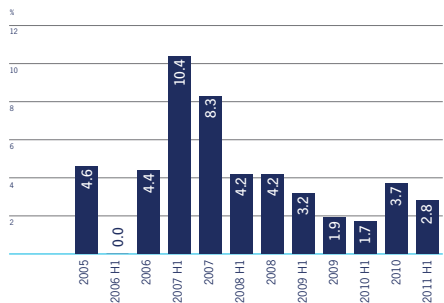
Equity and long-term debt

1.8bn



Senior underwriter turnover

2.8%



Interim Results Statement

The first six months of 2011 have proven to be a difficult period for Amlin. Catastrophe loss activity has again been high with an unprecedented level of first half claims. In addition, ACI suffered a higher than normal level of frequency of large loss in the first half of the year and produced a disappointing financial return.

Investment returns were also reduced reflecting low interest rates in the developed world.

However, the rating environment for catastrophe reinsurance has improved after the Japanese earthquake in March and Amlin has been able to materially increase its premium whilst containing exposures at around, or below, those in force at 1 January 2011. We have also seen the successful start up of our Continental European reinsurance business, which has performed better than forecast in the first six months. In addition, the underlying trends in our primary insurance business in the UK and the Continent are improving.

Our financial position remains strong. We enter the second half of 2011 with an expectation that we will materially recoup the underwriting losses of the first six months and that in a more normal claims environment Amlin will return to the high levels of profitability that we expect.

Overview of the results

The Group made a loss before tax in the period of £192.3 million (H1 2010: profit of £107.6 million), driven by losses from major catastrophe claims. The loss after tax was £151.5 million, with an effective tax rate of 21.2% (H1 2010: 21.5%). Our weighted average return on equity for the five year period since 2006 is 18.6%.

Underwriting conditions in the period were challenging, with record catastrophe activity, most notably the floods in Queensland in January, the New Zealand earthquake in February, the Japanese earthquake in March and US tornadoes in April and May. Prior to these events, the reinsurance market had continued its gradual softening trend. However, reinsurance rates have subsequently improved, both in the US and in the more loss affected territories.

The environment for our insurance business has been more mixed with some markets, such as US property, showing early signs of improvement as market participants respond to poor pricing, loss events and low interest rates.

The average renewal rate increase for the period was 0.3%, with renewal retention high at 83% (H1 2010: decrease of 1.7% and 87%). Average renewal rate increases of 4.3% during July 2011 improves the seven month period to 0.9%.

Gross written premium was £1,514.6 million, an increase of 1.9% on the prior half year (H1 2010: £1,486.2 million). At constant rates of exchange, written premium increased by 4.5% (H1 2010: £1,449.4 million). Amlin Re Europe, our new Continental European reinsurance platform, wrote £79.2 million of income following its start up in October 2010.

The underlying decrease in gross written premium of £14.0 million was attributable to a reduction in income from ACI due to the non-renewal of poorly performing business, in line with the re-underwriting strategy described in our 2010 Annual Report, offset by new business within Amlin London, Amlin UK and Amlin Bermuda.

Net earned premium increased by 6.6% to £919.3 million (H1 2010: £862.5 million), supported by growth in written income during 2010 and 2011.

Underwriting contributed a loss of £194.3 million to pre-tax losses (H1 2010: profit of £100.1 million). Losses for major catastrophe related claims were £314.3 million, compared to £127.1 million in the first half of 2010. Syndicate 2001 and Amlin Bermuda generated underwriting losses of £74.0 million (H1 2010: profit of £60.6 million) and £82.5 million or \$133.6 million (H1 2010: profit of £38.1 million or \$58.2 million) respectively. ACI produced an underwriting loss of £43.1 million or €49.6 million (H1 2010: loss of £0.8 million or €1.0 million), impacted by a high frequency of large claims across the marine and property books in June, totalling €24.2 million.

The Group combined ratio was 121% (H1 2010: 88%) with the claims ratio at 92% (H1 2010: 63%), reflecting both catastrophe losses (including the New Zealand and Japanese earthquakes, with respective impacts of 21% and 11%) and a number of large risk losses in the period.

Releases from reserves were materially lower than in the first half of 2010, at £36.8 million (H1 2010: £70.0 million), largely driven by releases on closed years for Amlin London and Amlin Bermuda. Releases were lower for Amlin London, Amlin UK and ACI, with Amlin UK strengthening prior period reserves by £3.2 million to reflect inflated winter freeze claims and slower development within the fleet and private car accounts.

With interest rates at low levels across much of the developed world, 2011 was expected to prove challenging for investment returns. Investments contributed £45.3 million in the period (H1 2010: £78.7 million), an investment return of 1.0% (H1 2010: 1.7%) on the average funds under management of £4.3 billion (H1 2010: £4.1 billion).

As described in more detail on page 14, a net foreign exchange loss of £0.8 million was taken to the income statement in the period (H1 2010: gain of £3.8 million) and a net loss of £13.4 million (H1 2010: gain of £27.8 million) in reserves.

There was a loss per share of 30.7 pence (H1 2010: earnings per share of 17.1 pence).

Dividend

The Board has declared an interim dividend of 7.2 pence per share (H1 2010: 7.2 pence per share). The dividend will be paid on 6 October 2011 to shareholders on the register at the close of business on 9 September 2011.

A dividend reinvestment plan, details of which may be obtained from the Company's registrar or from the Company's website, is available to shareholders in respect of this dividend.

Integration of ACI

The integration of ACI into the Group has continued to be a major focus during the period.

The combined ratio of 119% achieved during the first half is disappointing and remains above the level at which we expect this business to operate under Amlin ownership.

The result reflects a higher than normal level of large claims in the period. Large claims, being those over €2.5 million, in the marine and property accounts

amounted to €51.2 million in the first six months, compared to €20.6 million in the first half of 2010. Of these, almost half were advised in June alone. We consider this to be abnormal and inconsistent with ACI's previous history and there has been no material increase in the risk profile of these accounts. Indeed, action taken in 2009 and 2010 to re-underwrite the Rotterdam hull and cargo accounts has removed poorer risks. While it is too early in the development of claims following the re-underwriting to form a conclusive view, early signs of the underlying claims trends are encouraging. Our new Group underwriting function is also focusing efforts on the ongoing strategy of this business and provides independent challenge.

Underlying performance within liability and fleet accounts remains satisfactory, particularly in the context of competitive Continental European market conditions.

In March we announced the departure of Patrick Coene as Chief Executive of ACI. He was succeeded by Kim Hvrigel on 1 June 2011. We are confident that he will add strong impetus to ACI's current change programme.

Elsewhere, continued progress has been made in implementing key aspects of Amlin's risk management practices. Importantly, ACI is making positive strides towards Solvency II compliance as part of the Group's Solvency II programme.

From an operational perspective, work has continued to separate ACI from the operations of its former sister companies within the Fortis Group. Replacement of legacy systems is ongoing, with work completed in the period to progress software development, test systems and processes and provide training to ACI staff. However, the scale and complexity of the programme are significant and work remains to be completed ahead of deployment. We previously reported that we expected the go-live date for the new platform to be mid 2011, however, we now expect deployment to take place in the first half of 2012. At the point of cutover, ACI will be operating wholly within the Amlin environment.

Interim Results Statement continued

Underwriting conditions and premium income

The average renewal rate increase for the Group for the six month period was 0.3%. However, the path of rate movements was affected by the catastrophe events in the first quarter. For the first three months, the average renewal rate decrease was 1.0% across the whole portfolio. However, May to July saw an average rate increase of 3.4%, giving an average rate increase of 0.9% for the seven month period.

At the start of the year US catastrophe reinsurance business continued to experience downward rating pressure. Following the catastrophe events of the first quarter, and with aggregate modelling changes made by a major catastrophe modelling firm, reinsurance rates in both our US and international accounts have improved.

US catastrophe renewals during April to July saw average rate increases of 5.1% compared to rate reductions during the 1 January renewal season. In June and July rate increases have averaged 47% for Japanese risks and 42% for Pacific risks.

Outside catastrophe reinsurance lines, the rating environment was more stable. Our London marine business saw modest rate increases, most notably in the energy and liability classes, following the 2010 Deepwater Horizon loss. UK and European property and casualty insurance markets have been slow to improve with competition remaining strong. However, fleet motor business in our UK Commercial book has continued to improve steadily with average rate increases in the year to July of 6.8%.

Table 1: Average renewal and retention rates

	Gross written premium H1 2011 £m	Gross written premium H1 2010 £m	Average renewal rate change H1 2011 %	Average renewal retention ratio H1 2011 %
Amlin London	679.2	667.0	0.4	84
Reinsurance	323.9	301.7	(0.3)	87
Property and Casualty	147.0	155.5	(0.2)	85
Marine	190.7	167.8	2.2	77
Aviation	17.6	42.0	1.1	82
Amlin UK	167.4	153.6	3.9	84
Amlin France	40.2	20.6	n/a	86
Amlin Bermuda ⁽⁴⁾	249.7	219.9	(0.9)	91
Amlin Re Europe ⁽⁴⁾	78.7	—	—	—
Amlin Corporate Insurance ⁽⁴⁾	299.4	425.1	(0.5)	76
Total/average	1,514.6	1,486.2	0.3	83

Source: Amlin

(4) Excludes the impact of intra-group transactions.

Our rating indices (Table 2) illustrate the pricing trends for a number of major classes.

Table 2: Rating indices for major classes (based on renewal)⁽⁵⁾

Class	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
US catastrophe reinsurance	100	115	146	150	143	144	185	188	167	167	175	174
International catastrophe reinsurance	100	120	157	161	145	131	138	131	119	119	123	125
Property reinsurance	100	122	189	191	170	146	170	144	126	126	115	109
Property insurance	100	125	171	163	143	136	165	143	133	142	141	141
US casualty	100	123	172	217	234	239	237	223	203	199	197	196
Marine hull	100	115	148	171	183	189	191	192	192	205	208	210
Offshore energy	100	140	172	189	170	175	262	243	209	256	247	262
War	100	250	288	244	220	206	191	175	160	156	153	153
Airline hull and liabilities	100	301	283	235	216	201	158	122	127	141	132	124
UK fleet motor	100	121	136	143	141	137	135	134	137	144	148	158
UK employers' liability	100	115	144	158	159	144	135	123	115	114	115	112
UK professional indemnity	100	110	149	178	181	165	154	140	129	128	127	126
UK property and commercial combined	100	100	100	127	126	126	117	110	109	107	106	107
ACI marine										100	104	104
ACI property										100	97	96
ACI liability										100	95	95
ACI fleet motor										100	99	99

Source: Amlin

(5) This table is completed by our underwriters and covers their assessment of rate movements from year to year, as recorded on Amlin's underwriting systems. Subjective judgement is used to account for subtle changes in exposure or terms and conditions. Claims inflation is not systematically taken into account in the calculation of these rate movements and therefore, particularly in relation to long tail business, some of the benefit of rate increases has been eroded. 2011 rate levels are for the six month period to 30 June 2011.

Outwards reinsurance

Reinsurance expenditure in the period was £199.7 million, representing 13.2% of gross written premium (H1 2010: £199.4 million and 13.4%). The core reinsurance programmes were renewed, with structures largely unchanged from 2010. The retrocessional programme was restructured in 2010, such that greater retention of the first major catastrophe event is now borne by the Group, but increased cover exists for multiple catastrophe events. Given the scale of catastrophe activity in the first half, we are now in a position where greater reinsurance recoveries should be made for further material catastrophe events for the Amlin London business.

Claims

The Group claims ratio increased to 92% (H1 2010: 63%), largely reflecting New Zealand and Japanese earthquake claims in February and March respectively, but also Australian flood losses in January and US tornado losses in April and May. Combined catastrophe losses added 34% to the claims ratio in the first six months (H1 2010: 15%). In addition, there were a number of individual large risk claims in the period.

Natural catastrophe activity generated record industry losses in the period, with first half economic losses already in excess of full year economic losses in 2005, previously the most costly year on record.

Interim Results Statement continued

First half insured losses are nearly five times greater than the average since 2001⁽⁶⁾.

Table 3 sets out the major catastrophe loss events in the period and Amlin's estimated exposure to each of these events.

Table 3: 2011 major catastrophe loss events

	Date	Source	Industry insured loss \$m	Amlin net ultimate loss \$m
New Zealand earthquake	Feb 2011	Munich Re	>10,000	305.3
Japanese earthquake / tsunami	Mar 2011	Munich Re	~30,000	156.4
US Storms / tornadoes	Apr / May 2011	Munich Re	9,950	40.6
Australian floods	Dec 2010 / Jan 2011	Munich Re	2,550	38.8 ⁽⁷⁾

Source: Amlin

(7) Estimated Australian flood losses include \$35.0 million booked at 31 December 2010 in respect of December 2010 losses.

The second New Zealand earthquake, which occurred on 22 February 2011, was a major catastrophe event with market loss estimates in excess of \$10 billion. Amlin's most significant reinsurance exposures are to residential properties in our international catastrophe reinsurance account. Our current estimated net exposure is \$305 million, up from our first estimate of \$177 million. The uplift is mainly attributable to an increase in client loss estimates.

In Amlin London, these losses have been contained by large recoveries from its retro programme, but Amlin Bermuda has not benefited from recoveries under its programme.

Insured market losses from the Japanese earthquake are estimated at approximately \$30 billion. Amlin's exposures are mainly in our reinsurance, property and marine accounts. Our current estimated net claim has been reduced from that disclosed on 5 April 2011, from an upper estimate of \$242 million to \$156 million. Claims notifications for this event have been faster than for the New Zealand earthquake, which has allowed us to reduce overall loss estimates.

Increased loss estimates for the New Zealand earthquake have also resulted in higher projected recoveries on the retro programme for Japan.

Taken together, net claim estimates for the two events have increased from \$419 million on 5 April 2011 to \$462 million. The scale and damage arising from these events continues to be uncertain.

Net claims from the 2011 Queensland floods, which affected Brisbane and surrounding territories, are materially unchanged from the estimated \$24.2 million disclosed in our 5 April press release.

Amlin's estimate of net claims for the two major US tornadoes that occurred in April and May is \$40.6 million. For Amlin Bermuda, the loss falls narrowly below the aggregate reinsurance programme, therefore any deterioration is likely to lead to material reinsurance recoveries.

Estimated net claims for the Chilean and New Zealand earthquakes of 2010 are moderately improved at \$307 million (31 December 2010: \$316 million).

(6) Source: Munich Re press release, 12 July 2011.

There were also several large risk claims in the period. ACI experienced unusually high large claims frequency in the half year, with losses exceeding €2.5 million amounting to €51.2 million compared to €20.6 million in the prior half year. Nearly half of these claims were advised in June alone. We consider this to be abnormal and inconsistent with ACI's previous history, particularly given there has been no material increase in the risk profile of these accounts.

Releases from reserves in the period amounted to £36.8 million (H1 2010: £70.0 million), largely driven by releases on closed years for Amlin London and Amlin Bermuda. Releases were lower for Amlin London, Amlin UK and ACI, with Amlin UK strengthening prior period reserves by £3.2 million to

reflect inflated winter freeze claims and slower development within the fleet and private car accounts.

There have been no significant changes in our reserving methodology in the period. At 31 December 2010, we adapted our methodology such that reserves carried for 2003 and prior underwriting years for Syndicate 2001, which are now mature in their development patterns, were set at actuarial best estimates, other than for a small number of exceptions. This was to ensure that an inappropriate level of excess reserves did not build up over time.

We estimate that the Group as a whole holds reserves of at least £170 million in excess of actuarial best estimate (31 December 2010: at least £175 million).

Segmental commentary

Table 4: Divisional combined ratios

	Amlin London	Amlin UK	Amlin France	Amlin Bermuda	Amlin Re Europe	Amlin Corporate Insurance	Intra Group/ Other	Total
Gross written premium (£m)	679.2	167.4	40.2	365.6	79.2	301.7	(118.7)	1,514.6
Net earned premium (£m)	325.6	106.3	18.5	227.0	19.1	221.1	1.7	919.3
Release movement (£m)	23.9	(3.2)	(1.8)	15.4	–	2.5	–	36.8
Underwriting contribution (£m)	(62.4)	(11.8)	0.6	(82.5)	0.4	(43.1)	4.5	(194.3)
Combined ratio								
Claims ratio	84%	78%	66%	120%	62%	87%		92%
Expense ratio	35%	33%	31%	16%	36%	32%		29%
Combined ratio H1 2011	119%	111%	97%	136%	98%	119%		121%
Combined ratio H1 2010	86%	82%	89%	83%	–	100%		88%

Source: Amlin

Amlin London

Gross written premium increased to £679.2 million (H1 2010: £667.0 million). With an average rate increase of 0.4%, much of the underlying growth was attributable to the Reinsurance and Marine business units, through a combination of new business opportunities and rate increases in the aftermath of loss activity. In Marine this was helped by the addition of new underwriters. Net earned premium was £325.6 million (H1 2010: £304.3 million), benefiting from increased written premium in 2010 and 2011.

Average renewal rate increases of 5.0% during July improves the average rate increase for the seven month period to 3.9%.

The combined ratio was 119% (H1 2010: 86%). The claims ratio of 84% (H1 2010: 53%) reflects the catastrophe activity in the period. Prior period reserve releases were £23.9 million (H1 2010: £24.7 million). The claims ratio of Amlin London's business units, excluding Reinsurance, was 50%, reflecting good underlying profitability (H1 2010: 49%).

The expense ratio was relatively stable at 35% (H1 2010: 33%).

Reinsurance represented 48% of Amlin London's gross written premium in the first half. Although rating pressure was evident at the start of the year, rates have improved following first half catastrophe loss activity.

Interim Results Statement continued

With much of the account renewing at 1 January, rates within our international catastrophe account rose by an average of 7.6% in the year to July, as rates in loss affected territories such as Japan and New Zealand increase.

In the US catastrophe account, rates have firmed, supported by a combination of major catastrophe events and aggregate modelling changes by a major catastrophe modelling firm. The average rate reduction for the year to March was 4.2%, although recent renewals have seen this recover to an average increase of 0.1% in the seven month period.

Property and Casualty rates were relatively stable, with an average increase of 0.1% to July. Competition in this area remains strong, with our US direct property account witnessing an average rate increase of 1.2%, but our US casualty account seeing a reduction of 0.1% in the seven month period. Like the reinsurance market, the property market has experienced significant claim activity over the last year and this has already been seen to fuel improved pricing. Rate increases in June and July have averaged 4.3% for this account.

Rates within our London Marine business were up 2.1% to July, with marine liability and energy classes realising average rate increases of 7.3% and 5.8% respectively in the seven month period, following events of 2010. Modest rate increases were evident in most other Marine classes.

The Aviation business has continued to trade in difficult markets with an average rate increase of 0.2% to July.

Amlin UK

Gross written premium was £167.4 million, an increase of 9.0% on the prior period (H1 2010: £153.6 million). The increase includes £30.0 million of income attributable to the acquisition of JR Clare (of which £7.5 million was earned in the period). The retention ratio was 84% with average rate increases of 3.9%. Net earned premium of £106.3 million was up 19.6% on the prior period, in line with recent growth in written premium.

The trading environment for this business continues to improve, albeit more slowly than anticipated. In the first half, fleet motor income increased by 4.7%, supported by average rate increases of 6.5%, and new business income of £9.3 million.

Rates for fleet business have improved steadily across the period with July averaging rate increases of 9.6%. Elsewhere, rates for liability classes were mixed. Property rates increased by 1.3% in the first half, rising slightly in July.

The combined ratio was 111% (H1 2010: 82%), with a claims ratio of 78% (H1 2010: 52%). Prior period reserves were strengthened by £3.2 million (H1 2010: release of £17.2 million) reflecting winter freeze claims on the property account, deterioration within the private car account and slower development of the fleet motor book, specifically for the 2009 underwriting year. We have consequently taken a more prudent reserving position on this and subsequent underwriting years.

The expense ratio increased to 33% (H1 2010: 30%), reflecting underlying growth in the expense base to support business growth plans.

With improving market conditions for our motor business, increased property income, written with reasonable margin potential, following the acquisition of JR Clare and consequently lower expense ratios, Amlin UK's performance should improve.

Amlin France

Amlin France generated gross written premium of £40.2 million or €46.2 million (H1 2010: £20.6 million or €24.8 million). The increase includes €20.2 million of premium attributable to the transfer of French business from ACI. Net earned premium of £18.5 million was up 56.8% on the prior period.

The combined ratio was 97% (H1 2010: 89%). The claims ratio deteriorated to 66% (H1 2010: 47%), largely due to a major fire loss in the period. The expense ratio improved to 31% (H1 2010: 42%), reflecting favourable foreign exchange movements.

Amlin Bermuda

Amlin Bermuda wrote £249.7 million, or \$404.5 million, (H1 2010: £219.9 million, or \$336.7 million) of direct business in addition to quota share or other reinsurances of Syndicate 2001 and ACI, which increased its overall written premium to £365.6 million or \$592.3 million (H1 2010: £328.4 million or \$502.5 million).

Growth in direct business includes £10.0 million or \$16.2 million of back up covers and reinstatement premiums in the aftermath of first quarter catastrophe losses and income generated in new classes, such as US casualty. The average rate decrease to June was 0.9%, although the retention rate was an impressive 91%.

Similar to Amlin London, Amlin Bermuda saw a marked contrast in rate movements pre and post the major catastrophe losses in the period. The first three months saw an average rate reduction of 4.2%, reversing to average rate increase of 4.2% between April and July. Net earned premium increased by 3.9% to £227.0 million (H1 2010: £218.4 million).

The combined ratio was 136% (H1 2010: 83%). The claims ratio of 120% reflects record catastrophe losses in the period (H1 2010: 68%), with reserve releases of £15.4 million (H1 2010: £9.7 million).

The expense ratio of 16% (H1 2010: 15%) is broadly consistent with the prior period. Expenses remain low relative to London due to high operational gearing.

Amlin Re Europe

Amlin Re Europe generated £79.2 million or €91.1 million of gross written premium in its first full six months of trading, ahead of business plan. With a high calibre team quickly recruited, strong branding and an emphasis on client service, the business has been successful in attracting a greater number of clients than originally anticipated. Motor, catastrophe and proportional reinsurance are the largest classes of business written, but property, engineering and liability business has also been generated. Almost 50% of gross written premium was generated in France, where the business has been particularly well received.

Other territories generating notable income include Switzerland, Italy, Austria and the Nordic countries. Net earned premium was £19.1 million or €21.9 million.

The combined ratio of 98% includes an expense ratio of 36%, reflecting material start up costs and a low relative net earned premium base.

Amlin Corporate Insurance

Gross written premium was £301.7 million or €346.9 million (H1 2010: £425.1 million or €488.6 million). The reduction includes the non-renewal of approximately €58.8 million of business, predominantly marine classes, in line with the previously reported intention to reduce loss making business in the marine portfolio. Net earned premium was £221.1 million or €254.3 million (H1 2010: £237.8 million or €273.5 million). The average rate movement was flat relative to 2010. The retention ratio was 76%.

The contribution to the Group underwriting result was a loss of £43.1 million or €49.6 million, with a combined ratio of 119% for the period (H1 2010: 100%). The claims ratio of 87% includes €24.2 million of large claims within the marine and property accounts in June. Prior period reserve releases amounted to £2.5 million or €2.9 million (H1 2010: £18.0 million or €20.7 million). While performance within the marine and property books was below expectations, ACI's liability and fleet accounts continued to perform satisfactorily in competitive market conditions.

The increased expense ratio of 32% (H1 2010: 29%) reflects costs incurred in developing operational capability and lower net earned premium. Costs relating to the system replacement project are not included in the expense ratio.

Interim Results Statement continued

Table 5: H1 2011 investment mix and returns

	Average balance in H1 2011				Total assets at 31 Dec 2010 %	H1 2011 Actual return %	H1 2011 Benchmark return %
	Underwriting assets £m	Capital assets £m	Total assets £m	%			
Bonds	1,965.8	982.0	2,947.8	69.2	66.6	1.0	0.8
Other liquid	595.5	248.9	844.4	19.8	24.0	0.2	0.2
Equities	–	384.9	384.9	9.1	8.0	2.9	1.3
Property	–	82.4	82.4	1.9	1.4	2.7	3.4
Total/average	2,561.3	1,698.2	4,259.5	100.0	100.0	1.0	0.8

The above table includes insurance-linked securities.

Source: Amlin

Investments

The investment return on the £4.3 billion average assets held during the first half of the year was 1.0%, producing an overall investment contribution of £45.3 million (H1 2010: £4.1 billion, 1.7% and £78.7 million).

Table 5 shows the breakdown of asset allocation and returns. Due to major catastrophe claims during the period, assets have been bought to match Japanese yen, New Zealand dollar and Australian dollar liabilities. The equity position was reduced by £25.0 million at the end of April following strong performance in the first four months of the year.

This has again been a period of mixed fortunes for markets, having had to contend with: unrest in the Middle East, the earthquake/tsunami in Japan, the European sovereign debt crisis, interest rate rises in Europe, ongoing monetary tightening in China and latterly the impasse in the US debt ceiling negotiations. Each of these events has had a direct or indirect impact on economic growth and investor confidence. Overall, during the period risk assets, such as equities and property, outperformed safe haven assets, such as US and German government bonds.

Expenses

Total expenses increased to £314.8 million from £297.8 million in the prior period. Underwriting expenses, excluding foreign exchange movements, amounted to £263.4 million (H1 2010: £242.3 million). Non-underwriting expenses, excluding foreign exchange movements, were £50.6 million (H1 2010: £59.3 million).

Underwriting costs include costs relating to the acquisition and administration of insurance business and claims payments.

Non-underwriting expenses include employee incentives, investment management fees, ACI separation and integration costs and corporate expenses not directly attached to underwriting businesses.

Non-underwriting costs include £8.2 million of ACI separation and integration costs (H1 2010: £11.2 million).

These are included within non-underwriting expenses, as they are not considered ongoing costs of the business. In addition to items expensed in the period, ACI expenditure on a replacement IT platform of £11.0 million has been capitalised in the period (H1 2010: £4.1 million).

Taxation

The effective rate of tax for the period is 21.2% (H1 2010: 21.5%). It is below the UK rate of tax primarily due to Amlin Bermuda, which operates in Bermuda with no corporation tax relief for its losses.

Balance sheet strength

Net assets decreased by 14.8% to £1,474.6 million in the period, through retained losses of £151.5 million, the final 2010 dividend of £78.0 million and £25.8 million of other reserve movements, including £13.4 million of exchange losses from investments in subsidiaries and £9.0 million of defined benefit pension fund actuarial losses (net of tax).

Intangibles have increased by £29.4 million to £213.9 million, following the acquisitions of JR Clare and Lead Yacht, coupled with further capitalisation of costs developing ACI's replacement IT platform.

Accordingly, net tangible assets have decreased by 18.4% to £1,260.7 million at the period end, equivalent to 255.1 pence per share.

Outstanding reinsurance claims now stand at £516.1 million (31 December 2010: £383.1 million) and the credit quality of reinsurance debt remains good.

At 30 June 2011, the deficit on the Group's defined benefit schemes had increased to £28.8 million (31 December 2010: £15.3 million). £11.4 million of the increase is due to the Lloyd's Superannuation Fund and £2.1 million is attributable to ACI's defined benefit scheme. In line with Amlin's accounting policy, only

actuarial gains and losses are recognised in the Consolidated Statement of Comprehensive Income.

On 30 March 2011, Amlin plc repurchased, at par, €30 million of subordinated debt issued by ACI and held by its former parent company.

As demonstrated in table 6, despite significant loss activity in the period, the Group's balance sheet remains strong. The long term nature of our debt and the existence of meaningful uncalled facilities add to the robustness and flexibility of the balance sheet.

Table 6: Amlin capital analysis

	At 30 Jun 2011 £m	At 31 Dec 2010 £m
Net tangible assets	1,260.7	1,545.4
Subordinated debt	290.4	318.0
Facilities ⁽⁸⁾	250.0	250.0
Available capital	1,801.1	2,113.4
Minimum required capital ⁽⁹⁾	1,329.3	1,417.5
Headroom	471.8	695.9

Source: Amlin

(8) Bank facilities are subject to a number of restrictive covenants.

(9) Assessed capital represents management's estimate of required capital for current trading purposes.

Table 7: Debt security by type ⁽¹⁰⁾

	At 30 Jun 2011		At 31 Dec 2010	
	£m	%	£m	%
Government securities	1,059.2	33.6	724.9	25.2
Government index-linked securities	20.9	0.7	20.4	0.7
Government agencies/guaranteed ⁽¹¹⁾	129.1	4.1	101.0	3.5
Supranational	41.0	1.3	41.6	1.4
Asset backed securities	75.1	2.4	72.4	2.5
Mortgage backed securities	138.2	4.4	149.2	5.2
Corporate bonds	285.9	9.1	191.6	6.7
Pooled vehicles ⁽¹²⁾	1,361.6	43.2	1,523.5	52.9
Insurance linked securities	39.7	1.2	55.5	1.9
Total	3,150.7	100.0	2,880.1	100.0

Source: Amlin

(10) Excludes accrued interest and other items as described on page 37.

(11) £2.1 million of government agencies / guaranteed assets are mortgaged backed (31 December 2010: £4.2 million, 30 June 2010: £8.6 million) and £42.1 million are government guaranteed corporate bonds (31 December 2010: £42.2 million, 30 June 2010: £77.4 million). Pooled vehicles are excluded.

(12) Pooled vehicles held are represented by 14.6% government / agencies bonds (31 December 2010: 31.8%, 30 June 2010: 48.1%), 39.3% corporate bonds (31 December 2010: 36.0%, 30 June 2010: 30.6%), 20.0% mortgage backed and asset backed securities (31 December 2010: 20.0%, 30 June 2010: 6.5%), 2.7% insurance linked securities (31 December 2010: nil, 30 June 2010: nil) and the remaining 23.4% is held in other liquid investments (31 December 2010: 12.2%, 30 June 2010: 11.8%).

Interim Results Statement continued

Table 8: Net foreign exchange gains and losses in the income statement

	H1 2011 £m	H1 2010 £m
(Losses) arising from the treatment of net non-monetary assets and liabilities at historical average rates	(1.8)	(6.4)
Net gains on underwriting transactions and translation of underwriting assets and liabilities at closing rates	0.2	27.8
Underwriting exchange (losses)/gains	(1.6)	21.4
Gains/(losses) on long term US dollar borrowings	2.4	(4.6)
Net (losses) on non-underwriting transactions and translation of non-underwriting assets and liabilities at closing rates	(1.6)	(13.0)
Non-underwriting exchange gains/(losses)	0.8	(17.6)
Total FX (loss)/gain in income statement	(0.8)	3.8

Source: Amlin

Foreign exchange

The Group's investment in overseas operations, principally Amlin Bermuda and ACI, generated a net foreign exchange loss, after hedging, of £13.4 million in the period. The net loss was recognised in the Consolidated Statement of Changes in Equity.

The income statement reflects a net foreign exchange loss of £0.8 million in the period (H1 2010: gain of £3.8 million). With the weakening of the US dollar, underwriting assets decreased £1.6 million (H1 2010: gain of £21.4 million), after deduction of a £1.8 million loss (H1 2010: loss of £6.4 million) due to the treatment of net non-monetary assets and liabilities. Non-underwriting assets produced a £0.8 million gain (H1 2010: loss of £17.6 million).

Principal risks and uncertainties

There are a number of potential risks and uncertainties which could impact upon the Group's performance over the remaining six months of the financial year and cause actual results to differ materially from expected and historical results. The Board considers that the risks and uncertainties disclosed in the Risk Disclosures note within the latest Annual Report and Accounts continue to reflect the principal risks and uncertainties of the Group over the remaining six months of the financial year, except where specifically mentioned in this half yearly financial report. Amlin categorises risk closely to that laid out by the FSA.

The risk categories are as follows:

- underwriting risk;
- credit risk;
- market risk;
- liquidity risk;
- operational risk; and
- strategic risk.

Underwriting risk

From our standard set of realistic disaster scenarios, the largest modelled loss at 1 July 2011 was a European Windstorm of £298 million, which represented 24% of net tangible assets at 30 June 2011. This is £12 million larger than the same loss at 1 January 2011 of £286 million (18% of net tangible assets at 31 December 2010).

To place this in historical context, the largest modelled loss at 1 January 2009 of £384 million represented 35% of net tangible assets at 31 December 2008. It should be recognised that these are extreme events.

Related parties

Related party transactions are disclosed in Note 17 to the Interim Financial Statements.

Business development

On 26 January 2011, we announced that a wholly owned subsidiary of Amlin plc had acquired J R Clare Holding Company Limited and its subsidiary undertaking J R Clare Underwriting Agencies Limited ('JCUA') from Mr John Clare. JCUA is a managing general agent, which sources approximately £30 million of UK household and commercial insurance premium income. JCUA has been successfully sourcing business for London Market underwriters since 1999. However, it had recently lacked sufficient capital to continue to fund its operations and to satisfy FSA solvency requirements. At 31 December, JCUA had gross assets of £3.1 million, including £1.9 million of cash held on behalf of insurers.

On 28 January 2011 we announced that a wholly owned subsidiary of Amlin plc had entered into an agreement to acquire Lead Yacht Underwriters Limited ('Lead Yacht') from members of Lead Yacht's board of directors. The transaction received FSA approval of the change of control on 1 February 2011.

Established in 1997 and based in London, Lead Yacht is an underwriting agency and world-wide leader in the provision of super-yacht insurance. The company underwrites through an exclusive network of insurance brokers and in the current financial year expects to handle approximately \$37 million of gross written premium, of which Amlin is currently underwriting one third. At 31 May 2010, the date of the company's latest audited accounts, Lead Yacht had gross assets of approximately £6.4 million.

During the period, Leadenhall Capital Partners attracted external investment of \$50 million to its Value Fund. This is the first external investment made alongside Amlin's original \$100 million investment across both the Value and Diversified Funds. The first half return to Amlin generated by Leadenhall was 3.0% on average funds of \$113.4 million. There was limited impact on the investment portfolio from loss events in New Zealand and Japan.

In line with the continued development of the Group, in February we appointed Andreas Lubrichs, formerly of Chubb Europe, to the new position of Group Head of Underwriting. The Group Underwriting function is charged with ensuring that all divisions across the Group operate in accordance with Amlin's

underwriting culture, standards and philosophy. This is particularly relevant for new ventures and acquisitions.

Solvency II

We have continued our preparations for the new insurance regulations, which are currently scheduled to be implemented in 2013. We are now in the execution phase, ensuring that various aspects of our Target Operating Model are embedded in the day to day operation of the business. This is a key part of our preparations as it will be critical in demonstrating to regulators that our internal model forms part of our core business practices.

Outlook

The rating environment in which our businesses are operating continues to vary, which given the diversity of our business across classes and platforms, provides the opportunity to effectively allocate capacity where margins are most attractive.

Future reinsurance pricing will be impacted, as always, by the level of catastrophe activity in the Atlantic, Pacific and European windstorm seasons during the second half of the year. Current reinsurance rates, however, are already hardening. This is evident for international catastrophe business, where we have seen sizeable rate increases for loss affected territories such as Japan and New Zealand. US catastrophe rates have also improved for mid year renewals and we expect that we will see a continued uplift in pricing at the January renewal season bringing these prices into line with those achieved at the middle of the year. Amlin is well positioned to benefit from these improving market dynamics.

One area of uncertainty for our reinsurance business is the availability of retrocessional cover at acceptable prices following the first half events. Much will depend on claims experience in the second half of the year but our underwriters are experienced in managing situations where retrocessional capacity is scarce and any further contraction in that market, or hardening of price, is likely to have a positive knock on effect to reinsurance pricing.

The trading environment for insurance operations in the US, UK and Continental Europe is more difficult to read.

Interim Results Statement continued

For the US property and casualty market, rates have been slow to improve during the first six months of 2011. However, there is evidence that pricing is slowly responding to recent loss activity, inadequate pricing and low interest rates. We have been disciplined in this market and produced solid results, which provides confidence to grow if the market starts to harden.

In the UK, we have witnessed an improved rating trend for fleet motor through the first half with an average rate increase of 6.5%. This has continued since 30 June, with an average rate increase of 9.6% achieved in July. Whilst the rate of improvement across our UK commercial portfolio has been slower than we might have wished, there is growing evidence of competitors reducing or withdrawing capacity. We expect to see improved pricing across other UK commercial classes through the second half and into 2012.

Rating conditions in Continental Europe, both for ACI and France continue to prove challenging with limited evidence of improved rating conditions. ACI's performance in the first half was impacted by a high frequency of large losses but analysis of claim experience over the last few years would suggest that this is not a common feature of the ACI portfolio. We expect that the measures taken in the past 12 months to re-position ACI's Dutch marine business will improve underwriting performance over time. In the first half, €39.1 million of marine business was not renewed due to inadequate pricing and poor claims performance. The balance of the marine portfolio has better historic performance. Elsewhere, ACI's fleet and liability performance is solid and we expect that sustaining a disciplined approach will serve us well. Overall, despite the delay in improved results coming through from ACI, we remain confident that the considerable and pro-active measures we are taking, will position this division to deliver positive results for Amlin in due course.

We expect that Amlin Re Europe will build on its impressive start in the second half of the year. Since 30 June, an additional €20.3 million of premium has been written, taking the total income for the year to July to €112.3 million, ahead of the full year business plan.

At 30 June 2011, net unearned premium reserves for the Group were a healthy £1,267.7 million, an uplift of 12.9% on the prior year (H1 2010: £1,122.7 million). The increase reflects growth in gross written premium across 2010. The unwinding of the unearned premium reserve should improve performance in the second half, although as usual, our final 2011 underwriting performance will be a product of the extent of second half major loss activity.

However, it is important to note that due to the shape of the reinsurance programme, Amlin London has significantly more retrocessional reinsurance protection available for another large event in 2011.

Investment markets continue to be volatile. In recent years our investment performance has been a differentiator against our peers and our risk focused and flexible approach has allowed us to generate solid returns, even in difficult markets. In 2011, we expect our overall return to be held back by low yields in our bond portfolio and low interest rates which mean returns on cash and cash equivalents will be limited. While solid returns were generated on equities in the first half, returns in July and August have been impacted by turmoil in global equity markets. The outlook for equities will depend on the extent to which the current crisis further impacts the economic outlook of major economies.

Overall, despite a disappointing first half, we believe that Amlin is well positioned for the future. Our financial position remains sound and we enter the second half with the expectation that we can materially recover first half underwriting losses. Our broad portfolio and track record of disciplined underwriting should ensure that in a more normal claims environment, we are able to generate the high level of profitability that has come to be expected.

Consolidated Income Statement

For the six months ended 30 June 2011

	Notes	6 months 2011 (Unaudited) £m	6 months 2010 (Unaudited) £m	12 months 2010 (Audited) £m
Gross earned premium	5	1,056.6	987.1	2,002.4
Reinsurance premium ceded	5	(137.3)	(124.6)	(254.3)
Net earned premium	5	919.3	862.5	1,748.1
Investment return	6	45.3	78.7	175.0
Other operating income		6.5	5.7	5.7
Total income		971.1	946.9	1,928.8
Insurance claims and claims settlement expenses	7	(1,025.1)	(602.4)	(1,168.6)
Insurance claims and claims settlement expenses recoverable from reinsurers	7	176.5	60.9	109.5
Net insurance claims	7	(848.6)	(541.5)	(1,059.1)
Expenses for the acquisition of insurance contracts		(177.6)	(167.0)	(339.1)
Other operating expenses	8	(123.5)	(117.3)	(244.0)
Total expenses		(301.1)	(284.3)	(583.1)
Results of operating activities		(178.6)	121.1	286.6
Finance costs		(13.7)	(13.5)	(27.4)
(Loss)/profit before tax		(192.3)	107.6	259.2
Tax	9	40.8	(23.1)	(37.3)
(Loss)/profit for the period/year		(151.5)	84.5	221.9
Attributable to:				
Equity holders of the Parent Company		(151.7)	84.5	221.8
Non-controlling interests		0.2	–	0.1
		(151.5)	84.5	221.9
Earnings per share from continuing operations attributable to equity holders of the Parent Company				
Basic	11	(30.7p)	17.1p	45.0p
Diluted	11	(30.7p)	16.9p	44.4p

The attached notes form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2011

	6 months 2011 (Unaudited) £m	6 months 2010 (Unaudited) £m	12 months 2010 (Audited) £m
(Loss)/profit for the period/year	(151.5)	84.5	221.9
Gains/(losses) on revaluation of hedge instruments	2.7	(11.7)	(4.2)
Foreign exchange (losses)/gains on translation of overseas operations	(20.6)	45.5	20.5
Foreign exchange gains/(losses) on translation of intangibles arising from investments in overseas operations	4.5	(6.0)	(2.9)
Defined benefit pension fund actuarial (losses)/gains	(12.2)	(9.1)	5.9
Tax relating to components of other comprehensive (expense)/income	(0.4)	10.4	4.6
Other comprehensive (expense)/income for the period/year, net of tax	(26.0)	29.1	23.9
Total comprehensive (expense)/income for the period/year	(177.5)	113.6	245.8
Attributable to:			
Equity holders of the Parent Company	(177.7)	113.6	245.7
Non-controlling interests	0.2	–	0.1
	(177.5)	113.6	245.8

The attached notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the six months ended 30 June 2011

	Attributable to owners of the Parent Company						Total £m	Non- controlling interests £m	Total £m
	Notes	Share capital £m	Share premium £m	Other reserves £m	Treasury shares £m	Retained earnings £m			
At 1 January 2011		141.2	300.3	222.9	(26.2)	1,089.9	1,728.1	1.8	1,729.9
Total comprehensive expense for the period		–	–	(26.0)	–	(151.7)	(177.7)	0.2	(177.5)
Employee share option schemes:									
– share-based payment reserve		–	–	(0.9)	2.2	–	1.3	–	1.3
– proceeds from shares issued	14	–	–	–	0.6	(0.1)	0.5	–	0.5
Dividends paid	10	–	–	–	–	(78.0)	(78.0)	–	(78.0)
Movements in non-controlling interests		–	–	–	–	–	–	(1.4)	(1.4)
Tax relating to share option schemes		–	–	(0.2)	–	–	(0.2)	–	(0.2)
Transactions with the owners of the Group for the period		–	–	(1.1)	2.8	(78.1)	(76.4)	(1.4)	(77.8)
At 30 June 2011		141.2	300.3	195.8	(23.4)	860.1	1,474.0	0.6	1,474.6

For the six months ended 30 June 2010

	Attributable to owners of the Parent Company						Total £m	Non- controlling interests £m	Total £m
	Notes	Share capital £m	Share premium £m	Other reserves £m	Treasury shares £m	Retained earnings £m			
At 1 January 2010		141.2	300.1	201.7	(21.4)	971.1	1,592.7	0.4	1,593.1
Total comprehensive income for the period		–	–	29.1	–	84.5	113.6	–	113.6
Employee share option schemes:									
– share-based payment reserve		–	–	(2.8)	(2.8)	–	(5.6)	–	(5.6)
– proceeds from shares issued	14	–	0.1	–	2.4	(0.5)	2.0	–	2.0
Dividends paid	10	–	–	–	–	(66.8)	(66.8)	(0.1)	(66.9)
Tax relating to share option schemes		–	–	(0.8)	–	–	(0.8)	–	(0.8)
Transactions with the owners of the Group for the period		–	0.1	(3.6)	(0.4)	(67.3)	(71.2)	(0.1)	(71.3)
At 30 June 2010		141.2	300.2	227.2	(21.8)	988.3	1,635.1	0.3	1,635.4

Consolidated Statement of Changes in Equity

For the twelve months ended 31 December 2010

	Attributable to owners of the Parent Company						Total £m	Non- controlling interests £m	Total £m
	Notes	Share capital £m	Share premium £m	Other reserves £m	Treasury shares £m	Retained earnings £m			
At 1 January 2010		141.2	300.1	201.7	(21.4)	971.1	1,592.7	0.4	1,593.1
Total comprehensive income for the year		–	–	23.9	–	221.8	245.7	0.1	245.8
Employee share option schemes:									
– share-based payment reserve		–	–	(1.1)	(8.1)	–	(9.2)	–	(9.2)
– proceeds from shares issued	14	–	0.2	–	3.3	(0.6)	2.9	–	2.9
Dividends paid	10	–	–	–	–	(102.4)	(102.4)	(0.1)	(102.5)
Obligation to acquire non-controlling interests		–	–	(1.2)	–	–	(1.2)	–	(1.2)
Disposal of non-controlling interests		–	–	–	–	–	–	1.4	1.4
Tax relating to share option schemes		–	–	(0.4)	–	–	(0.4)	–	(0.4)
Transactions with the owners of the Group for the year		–	0.2	(2.7)	(4.8)	(103.0)	(110.3)	1.3	(109.0)
At 31 December 2010		141.2	300.3	222.9	(26.2)	1,089.9	1,728.1	1.8	1,729.9

The attached notes form an integral part of these consolidated financial statements.

Consolidated Balance Sheet

At 30 June 2011

	Notes	30 June 2011 (Unaudited) £m	30 June 2010 (Unaudited) £m	31 December 2010 (Audited) £m
Assets				
Cash and cash equivalents		286.5	91.4	81.5
Financial assets	12	4,147.8	4,089.7	4,310.1
Reinsurance assets				
– reinsurers' share of outstanding claims		516.1	400.9	383.1
– reinsurers' share of unearned premium		120.5	124.4	55.3
Loans and receivables, including insurance and reinsurance receivables				
– insurance and reinsurance receivables		1,116.3	988.5	795.6
– other loans and receivables		90.5	111.7	88.1
Deferred acquisition costs		276.9	241.4	185.8
Current income tax assets		1.0	–	1.2
Deferred tax assets		22.8	12.8	14.7
Property and equipment		14.2	11.8	12.5
Intangible assets	13	213.9	172.7	184.5
Investment in associate and jointly owned entity		2.7	2.2	2.2
Assets of operation classified as held for sale		–	73.3	–
Total assets		6,809.2	6,320.8	6,114.6
Equity and reserves				
Share capital	14	141.2	141.2	141.2
Share premium		300.3	300.2	300.3
Other reserves		195.8	227.2	222.9
Treasury shares		(23.4)	(21.8)	(26.2)
Retained earnings		860.1	988.3	1,089.9
Equity attributable to equity holders of the Parent Company		1,474.0	1,635.1	1,728.1
Non-controlling interests		0.6	0.3	1.8
Total equity and reserves		1,474.6	1,635.4	1,729.9
Liabilities				
Insurance liabilities				
– outstanding claims		3,191.1	2,546.6	2,631.9
– unearned premium		1,388.2	1,247.1	914.4
Other payables, including insurance and reinsurance payables				
– insurance and reinsurance payables		225.9	224.0	245.9
– other payables		138.7	176.0	139.7
Financial liabilities	12	27.7	19.5	9.7
Current income tax liabilities		6.4	26.9	22.0
Borrowings		290.4	319.2	318.0
Retirement benefit obligations		28.8	29.6	15.3
Deferred tax liabilities		37.4	94.1	87.8
Liabilities of operation classified as held for sale		–	2.4	–
Total liabilities		5,334.6	4,685.4	4,384.7
Total equity, reserves and liabilities		6,809.2	6,320.8	6,114.6

The attached notes form an integral part of these consolidated financial statements. The financial statements were approved by the Board of Directors and authorised for issue on 19 August 2011. They were signed on its behalf by:

Charles Philipps
Chief Executive

Richard Hextall
Group Finance Director

Consolidated Statement of Cash Flows

For the six months ended 30 June 2011

	Notes	6 months 2011 (Unaudited) £m	6 months 2010 (Unaudited) £m	12 months 2010 (Audited) £m
Cash generated from operations	15	350.9	106.4	183.6
Income taxes paid		(30.8)	(27.5)	(57.0)
Net cash flows from operations		320.1	78.9	126.6
Cash flows from investing activities				
Interest received		12.4	26.6	54.5
Dividends received		7.0	6.3	5.8
Acquisition through business combination, net of cash acquired		(11.4)	(13.0)	(13.0)
Deferred payment for acquired subsidiary		–	–	(0.1)
Investment in associate and jointly owned entity		(0.5)	(0.5)	(0.5)
Purchase and disposal of property and equipment		(4.1)	(3.5)	(6.1)
Purchase and development of intangible assets		(11.0)	(3.8)	(17.4)
Net cash (outflows)/inflows from investing activities		(7.6)	12.1	23.2
Cash flows used in financing activities				
Net proceeds from issue of ordinary shares, including treasury shares		0.5	2.0	2.9
Dividends paid to shareholders	10	(78.0)	(66.8)	(102.4)
Dividends paid to non-controlling interests	10	–	(0.1)	(0.1)
Interest paid		(3.5)	(3.0)	(27.4)
Purchase of ESOT and treasury shares		(0.4)	(1.9)	(12.7)
Repayments of borrowings		(26.7)	–	–
Net cash outflows used in financing activities		(108.1)	(69.8)	(139.7)
Net increase in cash and cash equivalents		204.4	21.2	10.1
Cash and cash equivalents at beginning of period/year		81.5	70.3	70.3
Effect of exchange rate changes on cash and cash equivalents		0.6	(0.1)	1.1
Cash and cash equivalents at end of period/year		286.5	91.4	81.5

The attached notes form an integral part of these consolidated financial statements.

The Group classifies cash flows from purchase and disposal of financial assets in its operating cash flows as these transactions are generated by the cash flows associated with the origination and settlement of insurance contract liabilities or capital requirements to support underwriting. Cash of £222.1 million from net sales of financial investments was utilised in operations during the period (30 June 2010: £12.0 million from net purchases; 31 December 2010: £214.1 million from net purchases).

Notes to the Interim Financial Statements

1. Basis of preparation of Interim Financial Statements

The condensed consolidated interim financial information included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim financial reporting' (IAS 34), as adopted by the European Union, and with the Disclosure and Transparency Rules of the Financial Services Authority. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2010 were approved by the board of directors on 1 March 2011 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498(2) or section 498(3) of the Companies Act 2006.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its consolidated interim financial statements.

This condensed consolidated interim financial information was approved for issue on 19 August 2011.

2. Accounting policies

The same accounting policies, presentation and methods of computation are followed in the consolidated interim financial statements as applied in the Group's latest annual audited financial statements except for the adoption of the following standards from 1 January 2011:

- IAS 24 revised, 'Related party disclosures'
- Amendment to IAS 32, 'Financial instruments: Presentation – Classification of rights issues'
- Amendment to IFRIC 14, 'Prepayments of a minimum funding requirement'
- IFRIC 19, 'Extinguishing financial liabilities with equity instruments'
- Annual improvements to IFRS 2009-2010

The adoption of these standards has had no material impact on the consolidated interim financial statements for the six months ended 30 June 2011.

Amlin Re Europe was established in October 2010 to write Continental European non-life reinsurance business. The business written by Amlin Re Europe in 2010 was not material to the Group and was reported within the Amlin Bermuda segment in the annual financial statements. As a result of its increased contribution to the Group's financial position and performance in the current period, Amlin Re Europe has been identified as a separate reportable segment in accordance with IFRS 8, 'Operating segments'. Accordingly, the comparative information for the year ended 31 December 2010 has been restated to reflect Amlin Re Europe as a separate segment in accordance with IFRS 8. Further details are provided in Note 5.

Notes to the Interim Financial Statements continued

As part of our process to improve the presentation of the Group's interim financial statements, changes have been made to the presentation of the following:

- The effects of tax in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Changes in Equity;
- The acquisition of intangible assets through business combination within the Consolidated Statement of Cash Flows;
- Unrealised gains on assets of operations previously classified as held for sale and originally included within unrealised gains/losses on assets held for trading; and
- Certain participants in investment pools and derivative instruments previously included within deposits with credit institutions.

These changes in presentation have no effect on the previously reported net income, shareholders' equity or net assets. Comparative information has been amended to reflect these changes.

3. Estimates

The preparation of interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2010.

4. Seasonality of interim operations

The Group derives insurance premium from a diverse range of underwriting classes and geographical locations. Depending on the class and location of the risk, there may be a seasonal pattern to incidence of claims. The US hurricane season runs from May to November and the level of windstorm activity arising during this period may materially impact on the Group's claims experience during the second half of 2011.

The table below shows the Group's historical claims ratios for the six month periods to 30 June and 31 December. Claims ratio is defined as net claims plus claims expenses divided by net earned premium.

	Claims ratio		
	H1 %	H2 %	Full year %
2007	43	29	36
2008	40	69	55
2009	39	45	43
2010	63	58	60
2011	92	n/a	n/a

Gross written premium comprises premium on insurance contracts incepting during the period. Inception dates are historically weighted more heavily towards the first half of the year. The table below shows the Group's gross written premium for the six month periods to 30 June and 31 December.

	Gross written premium					
	H1 £m	H1 %	H2 £m	H2 %	Full year £m	Full year %
2007	805.2	77.1	239.5	22.9	1,044.7	100.0
2008	715.5	69.2	318.5	30.8	1,034.0	100.0
2009 ⁽¹⁾	950.1	72.0	368.6	28.0	1,318.7	100.0
2010	1,486.2	68.4	686.3	31.6	2,172.5	100.0
2011	1,514.6	n/a	n/a	n/a	n/a	n/a

Note:

(1) The impact of the ACI acquisition is excluded for 2009. This acquisition added £225.2m to both the H2 and full year amounts. Including ACI the 2009 figures would be H1: £950.1m (61.5%), H2: £593.8m (38.5%), full year: £1,543.9m (100.0%).

Notes to the Interim Financial Statements continued

5. Segmental reporting

Management has determined the Group's operating segments based on the management information reviewed by the Board of Directors of the Company that are used to make strategic decisions. All operating segments used by management meet the definition of a reportable segment under IFRS 8, 'Operating segments'.

The Group is organised into seven operating segments. Segments represent the distinct underwriting units through which the Group is organised and managed. These segments are as follows:

- Amlin London, consisting of the Reinsurance, Property and Casualty, Marine and Aviation business units, underwritten via Syndicate 2001;
- Amlin UK, underwriting commercial insurance in the UK domestic market, also via Syndicate 2001;
- Amlin France, which writes a diverse book of specialty business in France, via Syndicate 2001 and Amlin Corporate Insurance;
- Amlin Bermuda, which writes predominantly property reinsurance business, including reinsurance ceded by Syndicate 2001;
- Amlin Re Europe, which writes continental European non-life reinsurance business;
- Amlin Corporate Insurance, a leading provider of corporate property and casualty insurance in the Netherlands and Belgium; and
- Other corporate companies, comprising of all other entities of the Group including holding companies.

Included within the intra group items column are consolidation adjustments.

Transactions between segments are carried out at arm's length. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the income statement. Revenues are allocated based on the country in which the insurance risk is located. Management considers its external customers to be the individual policyholders, and as such the Group is not reliant on any individual customer.

Segmental information provided to the Board of Directors of the Company for the reportable segments of the Group is as follows:

Income and expenses by business segment Six months ended 30 June 2011	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda £m	Amlin Re Europe £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Analysed by geographic segment									
UK	120.9	142.2	–	144.9	5.6	–	–	(115.3)	298.3
North America	362.9	9.9	–	145.1	–	–	–	–	517.9
Europe	70.0	11.6	40.2	25.0	61.7	181.0	–	(3.4)	386.1
Worldwide	13.7	–	–	–	11.9	120.7	–	–	146.3
Other	111.7	3.7	–	50.6	–	–	–	–	166.0
Gross written premium	679.2	167.4	40.2	365.6	79.2	301.7	–	(118.7)	1,514.6
Net written premium	468.8	140.1	29.0	354.5	70.4	253.5	–	(1.4)	1,314.9
Gross earned premium	461.1	128.5	25.9	235.8	21.3	264.8	–	(80.8)	1,056.6
Reinsurance premium ceded	(135.5)	(22.2)	(7.4)	(8.8)	(2.2)	(43.7)	–	82.5	(137.3)
Net earned premium	325.6	106.3	18.5	227.0	19.1	221.1	–	1.7	919.3
Insurance claims and claims settlement expenses	(421.0)	(112.3)	(14.6)	(283.2)	(12.4)	(260.3)	–	78.7	(1,025.1)
Reinsurance recoveries	147.4	29.4	2.5	10.4	0.6	67.1	–	(80.9)	176.5
Expenses for the acquisition of insurance contracts	(85.9)	(25.0)	(6.0)	(31.2)	(2.6)	(36.9)	–	10.0	(177.6)
Underwriting expenses	(28.5)	(10.2)	0.2	(5.5)	(4.3)	(34.1)	(0.2)	(4.8)	(87.4)
(Loss)/profit attributable to underwriting	(62.4)	(11.8)	0.6	(82.5)	0.4	(43.1)	(0.2)	4.7	(194.3)
Investment return	8.5	4.2	(0.1)	20.4	–	5.3	11.0	(4.0)	45.3
Other operating income ⁽¹⁾	0.2	–	–	–	–	0.1	32.3	(26.1)	6.5
Agency expenses ⁽²⁾	(11.4)	(3.1)	(0.4)	–	–	–	–	14.9	–
Other non-underwriting expenses	(0.3)	(0.1)	–	(0.8)	(1.2)	(10.5)	(11.0)	(12.2)	(36.1)
Finance costs ⁽³⁾									(13.7)
Loss before taxation									(192.3)
Combined ratio	119%	111%	97%	136%	98%	119%			121%

Notes:

(1) Other operating income is mainly commission receivable by service companies;

(2) Agency expenses allocated to segments represent fees and commission payable to Amlin Underwriting Limited;

(3) Finance costs are incurred in support of the entire business of the Group and have not been allocated to particular segments.

Included within the gross written premium of Amlin Bermuda is premium ceded from Amlin London, Amlin UK and Amlin France amounting to £115.3 million on reinsurance contracts undertaken at commercial rates (30 June 2010: £108.3 million; 31 December 2010: £153.4 million).

Included within the gross written premium of Amlin Bermuda is premium ceded from Amlin Corporate Insurance amounting to £0.6 million on reinsurance contracts undertaken at commercial rates (30 June 2010: £0.2 million; 31 December 2010: £0.2 million).

Included within the gross written premium of Amlin Re Europe is premium ceded from Amlin Corporate Insurance amounting to £0.5 million on reinsurance contracts undertaken at commercial rates (31 December 2010: £nil).

Notes to the Interim Financial Statements continued

Included within the gross written premium of Amlin Corporate Insurance is premium ceded from Amlin London, Amlin UK and Amlin France amounting to £2.3 million on reinsurance contracts undertaken at commercial rates (30 June 2010: £nil; 31 December 2010: £nil).

Assets and liabilities by business segment At 30 June 2011	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda £m	Amlin Re Europe £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Assets	1,938.2	648.3	56.6	1,790.9	81.7	1,838.2	4,498.0	(4,042.7)	6,809.2
Liabilities	1,972.7	669.1	59.6	920.3	85.0	1,580.7	2,333.7	(2,286.5)	5,334.6
Total net assets	(34.5)	(20.8)	(3.0)	870.6	(3.3)	257.5	2,164.3	(1,756.2)	1,474.6

Amlin AG consists of a Bermudian branch and a Zurich based underwriting unit, which are reported as Amlin Bermuda and Amlin Re Europe segments respectively. The capital supporting Amlin AG is currently held in the Amlin Bermuda segment, and therefore the net assets for Amlin Bermuda and Amlin Re Europe should be analysed on a combined basis.

Other corporate companies' segmental assets include £540.1 million (30 June 2010: £418.7 million; 31 December 2010: £416.3 million) of investments in Funds at Lloyd's that support the business reported in the Amlin London, Amlin UK and Amlin France segments.

Income and expenses by business segment Six months ended 30 June 2010	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Analysed by geographic segment								
UK	116.9	134.2	–	134.3	–	–	(108.3)	277.1
North America	335.9	0.2	–	132.8	–	–	–	468.9
Europe	66.2	6.2	20.6	21.5	241.0	–	(0.2)	355.3
Worldwide	50.9	10.0	–	–	184.1	–	–	245.0
Other	97.1	3.0	–	39.8	–	–	–	139.9
Gross written premium	667.0	153.6	20.6	328.4	425.1	–	(108.5)	1,486.2
Net written premium	448.6	125.0	17.6	317.4	362.9	–	15.3	1,286.8
Gross earned premium	443.5	108.6	13.7	222.6	282.8	0.2	(84.3)	987.1
Reinsurance premium ceded	(139.2)	(19.7)	(1.9)	(4.2)	(45.0)	–	85.4	(124.6)
Net earned premium	304.3	88.9	11.8	218.4	237.8	0.2	1.1	862.5
Insurance claims and claims settlement expenses	(274.0)	(58.8)	(6.7)	(147.4)	(175.4)	0.8	59.1	(602.4)
Reinsurance recoveries	114.0	12.4	1.2	–	5.8	(0.3)	(72.2)	60.9
Expenses for the acquisition of insurance contracts	(86.1)	(19.9)	(3.7)	(27.5)	(38.7)	(0.2)	9.1	(167.0)
Underwriting expenses	(14.6)	(6.9)	(1.3)	(5.4)	(30.3)	(3.0)	7.6	(53.9)
Profit/(loss) attributable to underwriting	43.6	15.7	1.3	38.1	(0.8)	(2.5)	4.7	100.1
Investment return	26.5	12.3	0.1	6.9	34.7	(11.7)	9.9	78.7
Other operating income ⁽¹⁾	0.3	–	–	0.2	0.5	20.8	(16.1)	5.7
Agency expenses ⁽²⁾	(9.9)	(2.6)	(0.4)	–	–	–	12.9	–
Other non-underwriting expenses	(0.4)	(0.1)	–	(13.2)	(9.0)	(69.8)	29.1	(63.4)
Finance costs ⁽³⁾								(13.5)
Profit before taxation								107.6
Combined ratio	86%	82%	89%	83%	100%			88%

Notes:

(1) Other operating income is mainly commission receivable by service companies;

(2) Agency expenses allocated to segments represent fees and commission payable to Amlin Underwriting Limited;

(3) Finance costs are incurred in support of the entire business of the Group and have not been allocated to particular segments.

Assets and liabilities by business segment At 30 June 2010	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Assets	2,458.0	567.5	24.3	1,620.9	1,644.7	3,730.3	(3,724.9)	6,320.8
Liabilities	2,310.2	564.5	20.4	649.1	1,371.8	1,713.4	(1,944.0)	4,685.4
Total net assets	147.8	3.0	3.9	971.8	272.9	2,016.9	(1,780.9)	1,635.4

Notes to the Interim Financial Statements continued

Restated Income and expenses by business segment Year ended 31 December 2010	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda ⁽¹⁾ £m	Amlin Re Europe ⁽¹⁾ £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Analysed by geographic segment									
UK	137.3	261.7	–	188.9	0.7	–	(0.1)	(152.9)	435.6
North America	489.7	7.0	–	177.0	–	–	–	–	673.7
Europe	93.4	18.9	48.6	24.7	2.0	289.5	–	–	477.1
Worldwide	12.5	0.7	–	–	–	367.1	–	–	380.3
Other	156.5	3.6	–	45.7	–	–	–	–	205.8
Gross written premium	889.4	291.9	48.6	436.3	2.7	656.6	(0.1)	(152.9)	2,172.5
Net written premium	641.1	240.2	39.5	417.2	2.7	558.3	(3.6)	14.9	1,910.3
Gross earned premium	882.6	232.3	46.0	428.9	0.5	567.5	0.2	(155.6)	2,002.4
Reinsurance premium ceded	(254.7)	(42.1)	(8.9)	(14.5)	–	(88.3)	(3.5)	157.7	(254.3)
Net earned premium	627.9	190.2	37.1	414.4	0.5	479.2	(3.3)	2.1	1,748.1
Insurance claims and claims settlement expenses	(427.0)	(148.8)	(25.6)	(266.6)	(0.4)	(410.0)	4.4	105.4	(1,168.6)
Reinsurance recoveries	152.1	26.9	3.8	–	–	46.6	(0.6)	(119.3)	109.5
Expenses for the acquisition of insurance contracts	(173.8)	(42.6)	(9.3)	(55.9)	(0.1)	(78.7)	(0.1)	21.4	(339.1)
Underwriting expenses	(53.6)	(16.3)	(3.5)	(17.3)	(2.1)	(56.7)	(2.2)	3.9	(147.8)
Profit/(loss) attributable to underwriting	125.6	9.4	2.5	74.6	(2.1)	(19.6)	(1.8)	13.5	202.1
Investment return	36.7	18.5	–	41.4	–	54.0	101.5	(77.1)	175.0
Other operating income ⁽¹⁾	0.5	0.1	0.5	0.2	–	1.3	36.7	(33.6)	5.7
Agency expenses ⁽²⁾	(18.5)	(4.1)	(0.7)	–	–	–	–	23.3	–
Other non-underwriting expenses	(1.0)	(0.4)	(0.4)	(9.1)	(1.6)	(19.1)	(93.0)	28.4	(96.2)
Finance costs ⁽³⁾									(27.4)
Profit before taxation									259.2
Combined ratio	80%	95%	93%	82%	520%	104%			88%

Notes:

- (1) Other operating income is mainly commission receivable by service companies;
- (2) Agency expenses allocated to segments represent fees and commission payable to Amlin Underwriting Limited;
- (3) Finance costs are incurred in support of the entire business of the Group and have not been allocated to particular segments;
- (4) The comparative information for the year ended 31 December 2010 has been restated to reflect Amlin Re Europe as a separate segment, having previously been reported within the Amlin Bermuda segment. Further details are provided in note 2.

Restated Assets and liabilities by business segment At 31 December 2010	Amlin London £m	Amlin UK £m	Amlin France £m	Amlin Bermuda £m	Amlin Re Europe £m	Amlin Corporate Insurance £m	Other corporate companies £m	Intra group items £m	Total £m
Assets	1,821.3	495.5	37.4	1,675.4	6.2	1,720.3	3,526.0	(3,167.5)	6,114.6
Liabilities	1,591.9	493.1	36.6	595.1	9.2	1,440.7	2,096.6	(1,878.5)	4,384.7
Total net assets	229.4	2.4	0.8	1,080.3	(3.0)	279.6	1,429.4	(1,289.0)	1,729.9

6. Investment return

	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
Investment income			
– dividend income	7.0	6.3	5.8
– interest income	22.6	26.0	54.0
– cash and cash equivalents interest income	0.5	0.7	0.5
	30.1	33.0	60.3
Net realised gains/(losses) on assets held for trading			
– equity securities	10.7	(2.9)	(13.8)
– debt securities	32.2	34.1	64.0
– property funds	0.7	(3.2)	(22.9)
on assets classified as other than trading			
– derivative instruments	2.3	5.6	3.7
	45.9	33.6	31.0
Net unrealised (losses)/gains on assets held for trading			
– equity securities	(4.6)	(14.1)	40.6
– debt securities	(20.8)	20.5	18.4
– property funds	3.0	4.2	20.1
on assets classified as other than trading			
– derivative instruments	(8.3)	(1.1)	(2.0)
– assets of operations previously classified as held for sale	–	2.6	6.1
– liability to purchase non-controlling interest in Amlin France Holdings SAS	–	–	0.5
	(30.7)	12.1	83.7
	45.3	78.7	175.0

Notes to the Interim Financial Statements continued

7. Insurance claims and loss adjustment expenses

	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
Gross claims and loss adjustment expenses			
Current year insurance claims and loss adjustment expenses	1,038.1	667.8	1,313.6
Reduced costs for prior period insurance claims	(13.0)	(65.4)	(145.0)
	1,025.1	602.4	1,168.6
Reinsurance claims			
Current year insurance claims and loss adjustment expenses recoverable from reinsurers	(152.7)	(56.3)	(98.0)
Additional costs for prior period claims recoverable from reinsurers	(23.8)	(4.6)	(11.5)
	(176.5)	(60.9)	(109.5)
Total net insurance claims and loss adjustment expenses	848.6	541.5	1,059.1

8. Other operating expenses

	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
Expenses relating to underwriting			
Employee expenses, excluding employee incentives	46.4	37.9	77.5
Lloyd's expenses	11.2	7.5	17.7
Other administrative expenses	28.2	29.9	46.8
Underwriting exchange losses/(gains)	1.6	(21.4)	5.8
	87.4	53.9	147.8
Other expenses			
Employee expenses, excluding employee incentives	13.5	11.7	21.7
Employee incentives	2.0	10.9	27.7
Asset management fees	4.0	2.4	6.2
Other administrative expenses	9.2	9.6	17.5
ACI integration costs	8.2	11.2	16.6
Non-underwriting exchange (gains)/losses	(0.8)	17.6	6.5
	36.1	63.4	96.2
	123.5	117.3	244.0

Employee and other administrative expenses not relating to underwriting represent costs associated with the corporate activities of the Group.

9. Tax

	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
Current tax – current period/year			
Corporation tax	17.4	34.9	81.0
Foreign tax suffered	4.1	3.6	3.6
Double tax relief	(3.3)	(3.0)	(3.0)
	18.2	35.5	81.6
Current tax – adjustment in respect of previous periods/years			
Corporation tax	(2.4)	(0.8)	(10.9)
Deferred tax – current period/year			
Movement for the period/year	(56.6)	(14.7)	(38.8)
Deferred tax – adjustment in respect of previous periods/years			
Movement for the period/year	1.7	3.1	7.9
Effect of reduced tax rate on opening net liability	(1.7)	–	(2.5)
	–	3.1	5.4
Taxes on income	(40.8)	23.1	37.3

The Emergency Budget in June 2010 and the Budget in March 2011 announced changes in the main rate of UK corporation tax. The new rate of 26% applies from 1 April 2011, with the rate falling to 23% by 1 April 2014. The rate of 26% was substantively enacted on 29 March 2011.

10. Dividends

The amounts recognised as distributions to equity holders are as follows:

Group	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
Final dividend for the year ended:			
– 31 December 2010 of 15.8 pence per ordinary share	78.0	–	–
– 31 December 2009 of Amlin Plus Limited to minority shareholders	–	0.1	0.1
Interim dividend for the year ended:			
– 31 December 2010 of 7.2 pence per ordinary share	–	–	35.6
Second interim dividend for the year ended:			
– 31 December 2009 of 13.5 pence per ordinary share	–	66.8	66.8
	78.0	66.9	102.5

The interim dividend of 7.2 pence per ordinary share for 2011, amounting to £35.6 million, payable in cash, was agreed by the Board on 19 August 2011, subject to shareholder approval, and has not been included as a liability as at 30 June 2011.

Notes to the Interim Financial Statements continued

11. Earnings and net assets per share

Earnings per share are based on the profit attributable to shareholders and the weighted average number of shares in issue during the period. Shares held by the Employee Share Ownership Trust (ESOT) and treasury shares are excluded from the weighted average number of shares.

Basic and diluted earnings per share are as follows:

	6 months 2011	6 months 2010	12 months 2010
(Loss)/profit attributable to equity holders of the Parent Company	(£151.7m)	£84.5m	£221.8m
Weighted average number of shares in issue	494.0m	494.2m	493.0m
Dilutive shares ⁽¹⁾	–	6.0m	6.6m
Adjusted average number of shares in issue	494.0m	500.2m	499.6m
Basic earnings per share	(30.7p)	17.1p	45.0p
Diluted earnings per share	(30.7p)	16.9p	44.4p

Note:

(1) 6.5 million potential ordinary shares have not been treated as dilutive as their conversion to ordinary shares would decrease the loss per share.

	30 June 2011	30 June 2010	31 December 2010
Net assets and tangible net assets per share are as follows:			
Net assets	£1,474.6m	£1,635.4m	£1,729.9m
Adjustments for intangible assets	(£213.9m)	(£172.7m)	(£184.5m)
Tangible net assets	£1,260.7m	£1,462.7m	£1,545.4m
Number of shares in issue at end of period/year	502.1m	502.1m	502.1m
Adjustment for ESOT and treasury shares	(7.9m)	(7.7m)	(8.7m)
Basic number of shares after ESOT and treasury shares adjustment	494.2m	494.4m	493.4m
Basic net assets per share	298.4p	330.8p	350.6p
Basic tangible net assets per share	255.1p	295.9p	313.2p

12. Financial assets and financial liabilities

	30 June 2011 £m	30 June 2010 £m	31 December 2010 £m
Assets			
Financial assets held for trading at fair value through income			
Shares and other variable yield securities	345.1	258.5	347.1
Debt and other fixed income securities	3,130.4	3,351.1	2,876.9
Property funds	90.3	60.2	60.2
Other financial assets at fair value through income			
Participation in investment pools	560.0	289.6	984.7
Deposits with credit institutions	1.0	92.0	9.8
Derivative instruments	10.1	19.2	14.4
Other	1.9	10.2	8.0
Available for sale financial assets			
Unlisted equities	9.0	8.9	9.0
Total financial assets	4,147.8	4,089.7	4,310.1
Liabilities			
Derivative instruments	(27.7)	(19.5)	(9.7)
Total financial liabilities	(27.7)	(19.5)	(9.7)
Net financial assets	4,120.1	4,070.2	4,300.4

Debt and other fixed income securities include pooled funds, investing in bonds and other fixed income securities. The valuation of these funds is £1,361.6 million (30 June 2010: £1,589.1 million; 31 December 2010: £1,523.5 million). Included in these funds at 30 June 2011 is the Leadenhall Value Insurance Linked Investments Fund, totalling £36.8 million. From 1 June 2011, the Group no longer consolidated the fund having successfully attracted external investment, resulting in the disposal of its controlling interest by way of dilution. The Group retains its controlling interest in the Leadenhall Diversified Insurance Linked Investments Fund and therefore continues to consolidate this fund.

Participation in investment pools includes units held in money market funds.

In the six months to 30 June 2011 there have been no significant changes in the business or economic circumstances that have affected the fair value of the Group's financial assets and financial liabilities. There have been no significant transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments.

Notes to the Interim Financial Statements continued

Asset allocation	30 June 2011				30 June 2010		31 December 2010	
	Underwriting assets £m	Capital assets £m	Total assets £m	%	Total assets £m	%	Total assets £m	%
Type of asset								
Bonds	1,966.1	1,184.6	3,150.7	76.0	3,442.0	83.0	2,880.1	66.6
Other liquid investments	372.9	174.7	547.6	13.2	389.4	9.4	1,038.2	24.0
Equities	–	355.3	355.3	8.6	259.0	6.2	347.1	8.0
Property	–	90.3	90.3	2.2	60.2	1.4	60.2	1.4
	2,339.0	1,804.9	4,143.9	100.0	4,150.6	100.0	4,325.6	100.0
Type of bond								
Government securities	658.5	400.7	1,059.2	33.6	1,256.8	36.5	724.9	25.2
Government index-linked securities	–	20.9	20.9	0.7	–	–	20.4	0.7
Government agencies/guaranteed ⁽¹⁾	79.1	50.0	129.1	4.1	138.1	4.0	101.0	3.5
Supranational	9.9	31.1	41.0	1.3	42.7	1.2	41.6	1.4
Asset backed securities	56.9	18.2	75.1	2.4	46.2	1.3	72.4	2.5
Mortgage backed securities	70.4	67.8	138.2	4.4	130.6	3.8	149.2	5.2
Corporate bonds	157.4	128.5	285.9	9.1	163.9	4.8	191.6	6.7
Pooled vehicles ⁽²⁾	926.7	434.9	1,361.6	43.2	1,589.1	46.2	1,523.5	52.9
Insurance linked securities	7.2	32.5	39.7	1.2	74.6	2.2	55.5	1.9
	1,966.1	1,184.6	3,150.7	100.0	3,442.0	100.0	2,880.1	100.0
Assets by region⁽³⁾ (excluding pooled vehicles)								
UK	89.5	217.5	307.0	11.2	375.0	15.0	452.7	16.5
USA and Canada	598.8	387.7	986.5	35.9	1,015.1	40.8	1,364.4	49.6
Europe (excluding UK)	627.7	674.4	1,302.1	47.3	1,010.9	40.6	820.0	29.8
Far East	55.0	54.1	109.1	4.0	66.8	2.7	82.4	3.0
Emerging markets	13.9	31.2	45.1	1.6	22.5	0.9	30.4	1.1
	1,384.9	1,364.9	2,749.8	100.0	2,490.3	100.0	2,749.9	100.0

Notes:

- (1) £2.1 million of government agencies / guaranteed assets are mortgage backed (30 June 2010: £8.6 million; 31 December 2010: £4.2 million) and £42.1 million are government guaranteed corporate bonds (30 June 2010: £77.4 million; 31 December 2010: £42.2 million). Pooled vehicles are excluded.
- (2) Pooled vehicles held are funds investing in debt and other fixed income securities. Of these 14.6% are government/agency bonds (30 June 2010: 48.1%; 31 December 2010: 31.8%), 39.3% are corporate bonds (30 June 2010: 30.6%; 31 December 2010: 36.0%), 20.0% are mortgage backed and asset backed securities (30 June 2010: 9.5%; 31 December 2010: 20.0%), 2.7% are insurance linked securities (30 June 2010: nil; 31 December 2010: nil) and the remaining 23.4% is held in cash (30 June 2010: 11.8%; 31 December 2010: 12.2%).
- (3) The regional table excludes bond pooled vehicles of £1,361.6 million and insurance linked securities as held by Leadenhall Capital Partners of £32.5 million (30 June 2010: £1,589.1 million and £71.2 million; 31 December 2010: £1,523.5 million and £52.2 million).

The total value of investments in the asset allocation table reconciles to the financial investment note as follows:

	30 June 2011 £m	30 June 2010 £m	31 December 2010 £m
Net financial investments per note	4,120.1	4,070.2	4,300.4
Assets/(liabilities) shown separately in the accounts:			
Accrued income	18.4	15.2	14.8
Net unsettled payables for investments sold/purchased	(9.5)	(22.0)	(5.1)
Net assets of operations classified as held for sale	–	70.9	–
Cash funds held for investment by credit institutions	21.2	36.5	35.7
Liabilities/(assets) not analysed in the asset allocation table:			
Liquid investments	1.0	(6.9)	(10.3)
Unlisted equities	(0.2)	(8.9)	(9.0)
Spread syndicates	–	(3.5)	–
Derivative hedging instruments	(7.1)	(0.9)	(0.9)
Total investments in asset allocation table above	4,143.9	4,150.6	4,325.6

Using Standard & Poor's and Moody's as rating sources, the credit ratings of the Group's investments in debt is set out below:

Credit rating	30 June 2011 £m	30 June 2010 £m	31 December 2010 £m
AAA	1,419.9	994.8	1,060.8
AA	1,086.7	2,026.8	1,398.8
A	511.8	310.7	333.7
BBB	36.1	94.7	26.7
Other	96.2	15.0	60.1
Total	3,150.7	3,442.0	2,880.1

The weighted average credit rating for pooled debt is AA (31 December 2010: AA, 30 June 2010: AA)

A breakdown of the Group's exposure to sovereign debt at 30 June 2011 is set out below:

	£m
Investments in sovereign debt	
France	450.0
USA	276.5
Germany	140.1
Netherlands	86.1
Other	240.2
Investments in sovereign debt issued by Portugal, Republic of Ireland, Italy, Greece and Spain	
Spain	13.1
	1,206.0

Sovereign debt is included in the asset allocation table under government securities, government index-linked securities, government agencies/guaranteed assets and supranational bonds.

Notes to the Interim Financial Statements continued

13. Intangible assets

	Goodwill £m	Syndicate participations £m	Broker and customer relationships £m	Computer software £m	Other intangibles £m	Total £m
Net book value						
At 1 January 2010	63.9	63.2	33.9	–	1.8	162.8
Additions	–	–	–	4.1	–	4.1
Acquisitions through business combinations	–	–	13.0	–	–	13.0
Adjustments to prior acquisitions	2.0	–	–	–	–	2.0
Amortisation	–	–	(2.8)	–	(0.3)	(3.1)
Foreign exchange losses	(3.7)	–	(2.2)	(0.2)	–	(6.1)
At 30 June 2010	62.2	63.2	41.9	3.9	1.5	172.7
Addition	–	–	–	13.3	–	13.3
Adjustments to prior acquisitions	(2.4)	–	–	–	–	(2.4)
Amortisation	–	–	(2.2)	–	(0.2)	(2.4)
Foreign exchange gains	2.0	–	1.1	0.2	–	3.3
At 31 December 2010	61.8	63.2	40.8	17.4	1.3	184.5
Addition	–	–	–	11.0	–	11.0
Acquisitions through business combinations	16.3	–	–	–	–	16.3
Amortisation	–	–	(2.2)	–	(0.3)	(2.5)
Foreign exchange gains	2.8	–	1.3	0.5	–	4.6
At 30 June 2011	80.9	63.2	39.9	28.9	1.0	213.9

Syndicate participations represent the ongoing rights, acquired in Lloyd's auctions and by an offer to Lloyd's Names, to trade on Syndicate 2001 within the Lloyd's insurance market.

Additions to goodwill during the six months to 30 June 2011 of £16.3 million relate to the acquisitions of J R Clare Holding Company Limited (£4.8 million) and Lead Yacht Underwriters Limited (£11.5 million). Note 18 provides further details on these acquisitions.

Additions to computer software represent the costs that the Group has incurred on internally developed software relating to a new underwriting platform for Amlin Corporate Insurance N.V. This software will be amortised over its expected useful life, estimated to be ten years, from the date that it is completed.

14. Share capital

Authorised share capital

	Number	£m
Allotted, called up and fully paid ordinary shares		
At 1 January 2010 issued ordinary shares of 28.125 pence each	502,076,006	141.2
Shares issued	–	–
At 30 June 2010, 31 December 2010 and 30 June 2011 issued ordinary shares of 28.125 pence each	502,076,006	141.2

During the period the Company transferred 233,323 shares out of treasury shares at a cost of £0.6 million (30 June 2010: 906,004 at a cost of £2.4 million; 31 December 2010: 1,288,723 at a cost of £3.3 million). The shares have been transferred to meet exercises of employee share options, leaving 5,642,378 ordinary shares in treasury at 30 June 2011 (30 June 2010: 6,258,420; 31 December 2010: 5,875,701).

15. Cash generated from operations

	Notes	6 months 2011 £m	6 months 2010 £m	12 months 2010 £m
(Loss)/profit on ordinary activities before taxation		(192.3)	107.6	259.2
Adjustments:				
Depreciation charge		2.7	1.6	3.5
Amortisation charge		2.5	3.1	5.5
Finance costs		13.7	10.4	27.4
Interest income	6	(23.1)	(26.7)	(54.5)
Dividends income	6	(7.0)	(6.3)	(5.8)
Gains on investments realised and unrealised	6	(15.2)	(45.7)	(114.7)
Movement in operating assets and liabilities:				
Net sales/(purchases) of financial investments		222.1	(12.0)	(214.1)
Exchange (gains)/losses on investments		(24.3)	(59.3)	47.0
Assets of operations previously classified as held for sale		–	–	(64.4)
(Increase)/decrease in assets of operation classified as held for sale		–	(7.2)	63.7
Increase in loans and receivables		(85.7)	(370.0)	(63.8)
Increase in reinsurance contract assets		(518.9)	(149.4)	(94.2)
Increase in insurance contract liabilities		1,013.1	578.8	353.7
(Decrease)/increase in other payables		(18.0)	40.4	7.2
Increase in retirement benefits		13.5	5.1	–
Exchange (gains)/losses on long-term borrowings		(1.1)	2.6	1.1
Exchange (gains)/losses on other non-operating assets and liabilities		(20.6)	45.9	20.2
Other non-cash movements		(10.5)	(12.5)	6.6
Cash generated from operations		350.9	106.4	183.6

16. Contingent liabilities

The Group has no contingent liabilities at 30 June 2011 (30 June 2010: £nil; 31 December 2010: £nil), other than as noted below.

Commitment to defined benefit funding

The Group participates in the Lloyd's Superannuation Fund defined benefit scheme (the Fund), details of which can be found in Note 28 to the most recent Annual Report.

The funding position of the Fund is assessed every three years by an independent qualified actuary. The last completed formal valuation of the Fund was as at 31 March 2010 and was completed in May 2011.

On 30 June 2011, the Group agreed a schedule of contributions with the Trustee. The schedule requires seven separate payments of £2.0 million to the Fund over a period of seven years. The first payment was made after the balance sheet date, with six further annual payments commencing on 31 March 2012. The present value of the future payments has been recognised as a liability at 30 June 2011, as the Fund's rules do not allow the Group to receive a refund of contributions in any circumstances.

Notes to the Interim Financial Statements continued

The Group has also entered into an agreement with the Trustee to hold certain funds within an escrow account. These funds would be transferred to the Trustee in full for the purpose of defined benefit funding if any one of a number of enforcement events within the agreement were to occur. The Group made a payment of £5.0 million to the escrow account after the balance sheet date. Two further payments to the escrow account of £5.0 million and £4.0 million will be made in June 2012 and June 2013 respectively. The Group considers it unlikely that any one of the enforcement events defined within the agreement will occur.

In both cases, the additional defined benefit funding is in respect of the Group's notional section of the notionally allocated assets and liabilities of the Fund.

17. Related party transactions

Transactions with related parties during the period are consistent in nature and scope with those disclosed in Note 37 to the Group's Annual Report for the year ended 31 December 2010. The revisions to IAS 24, 'Related party disclosures' effective from 1 January 2011 have resulted in no significant changes to the Group's related parties or related party transactions.

18. Business combinations

(i) JR Clare Underwriting Agencies Limited

On 25 January 2011 Amlin Corporate Services Ltd acquired the entire share capital and voting rights of J R Clare Holding Company Limited and its subsidiary undertaking J R Clare Underwriting Agencies Limited, which is a managing general agent of UK household and commercial insurance. The revised purchase consideration is an initial £1.3 million with two further amounts of £1.0 million payable 24 months and 36 months after the acquisition date. The revised fair value of the assets and liabilities acquired is £1.8 million net liability and the fair value of the consideration is £3.0 million, resulting in the recognition of £4.8 million of goodwill on acquisition. The goodwill arose from the premium paid for acquiring a new book of household and commercial insurance business.

(ii) Lead Yacht Underwriters Limited

On 3 February 2011 Amlin Corporate Services Ltd acquired the entire share capital and voting rights of Lead Yacht Underwriters Limited, an underwriting agency of yacht insurance. The total revised consideration is £16.1 million, consisting of an initial £10.1 million paid on completion and a further £6.0 million payable between 2012 and 2016, subject to the financial performance of Lead Yacht Underwriters Limited. The revised fair value of the net assets acquired is £3.2 million and the fair value of the consideration is £14.7 million, resulting in the recognition of £11.5 million of goodwill on acquisition. The goodwill arose from the premium paid for acquiring a platform to further develop the Group's existing yacht business and diversify its underwriting portfolio.

The consideration and net assets/liabilities acquired are stated at their revised fair values, and may be amended further in the second half of 2011 should further evidence of the appropriate fair value be received.

19. Subsequent events

UK Corporation tax rate

The new rate of UK corporation tax of 26% applying from 1 April 2011 was substantively enacted on 29 March 2011. Further reductions to the rate (ultimately to 23%) were announced by the Emergency Budget in June 2010 and the March 2011 Budget. The reduction to 25% was substantively enacted on 5 July 2011.

Subsequent reductions to 23% have not yet been enacted or substantively enacted. The impact of the reductions from 26% to 23% is not considered material.

20. Principal exchange rates

The principal exchange rates used in translating foreign currency assets, liabilities, income and expenditure in the production of these financial statements were:

	H1 2011 Average rate	At 30 June 2011	H1 2010 Average rate	At 30 June 2010	Full year 2010 Average rate	At 31 December 2010
US dollar	1.62	1.61	1.53	1.50	1.55	1.56
Canadian dollar	1.58	1.55	1.58	1.59	1.59	1.55
Euro	1.15	1.11	1.15	1.22	1.17	1.17

Responsibility Statement

The directors confirm that this consolidated interim financial information has been prepared in accordance with IAS 34 as adopted by the European Union and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- (a) an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- (b) material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

By order of the Board

Charles Philipps
Chief Executive
19 August 2011

Richard Hextall
Group Finance Director
19 August 2011

Independent Review Report to Amlin plc

For the six months ended 30 June 2011

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011, which comprises the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the consolidated cash flow statement, and related notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Interim Financial Statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

As disclosed in Note 1, the annual financial statements of Amlin plc are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of the Disclosure and Transparency Rules of the Financial Services Authority and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent Review Report to Amlin plc continued

For the six months ended 30 June 2011

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2011 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

PricewaterhouseCoopers LLP

Chartered Accountants

19 August 2011

7 More London Riverside

London

SE1 2RT

Notes:

- a) The maintenance and integrity of the Amlin Plc website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Shareholder Information

The additional information consisting of the shareholder information and directors and advisers has been prepared from the records of the Company. Whilst it does not form part of the interim statement, it should be read in conjunction with it and with the responsibilities section of the independent review report thereon.

Financial Calendar

2011

9 September	Record date for payment of 2011 interim dividend
6 October	Payment of 2011 interim dividend

2012

5 March	Expected announcement date of results for the year ending 31 December 2011
May	Annual General Meeting
May	Expected payment of 2011 final dividend, subject to shareholder approval

Shareholders' dealings

Natwest Stockbroker Limited, an affiliate of the Company's stockbroker, RBS Hoare Govett Limited, offers a low cost dealing service, which enables UK resident investors who may not have their own stockbrokers to buy or sell Amlin shares. For further information please call Natwest Stockbrokers on 0870 600 3070 or find the relevant form together with further details on our website. NatWest Stockbrokers Limited is authorised and regulated by the Financial Services Authority.

Shareholder enquiries, register and website

Please call our Shareholder Enquiries line on 020 7746 1111, or, for enquiries concerning share registration, call our Registrar, Computershare Investor Services PLC, on 0870 703 6165.

Amlin's website is at www.amlin.com

Directors and advisers

as at 19 August 2011

Directors

Roger Taylor (Chairman)*
Charles Philipps (Chief Executive)
Christine Bosse*
Simon Beale
Nigel Buchanan*+
Brian Carpenter
Richard Davey*
Marty Feinstein*
Richard Hextall (Finance Director)
Sir Mark Wrightson Bt*

* Non-executive

+ Senior independent director

Audit Committee

Nigel Buchanan (Chairman)
Richard Davey
Marty Feinstein

Remuneration Committee

Sir Mark Wrightson Bt (Chairman)
Christine Bosse
Nigel Buchanan

Risk and Solvency Committee

Richard Davey (Chairman)
Nigel Buchanan
Roger Taylor

Nomination Committee

Roger Taylor (Chairman)
Nigel Buchanan
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Marty Feinstein*
Richard Hextall (Finance Director)
Tony Holt*
Charles Philipps (Chief Executive)
Sir Mark Wrightson Bt*

+ Senior independent director

* non-executive

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Secretary

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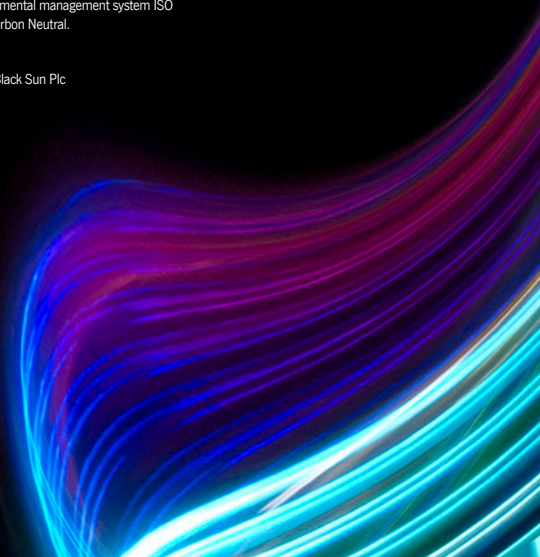
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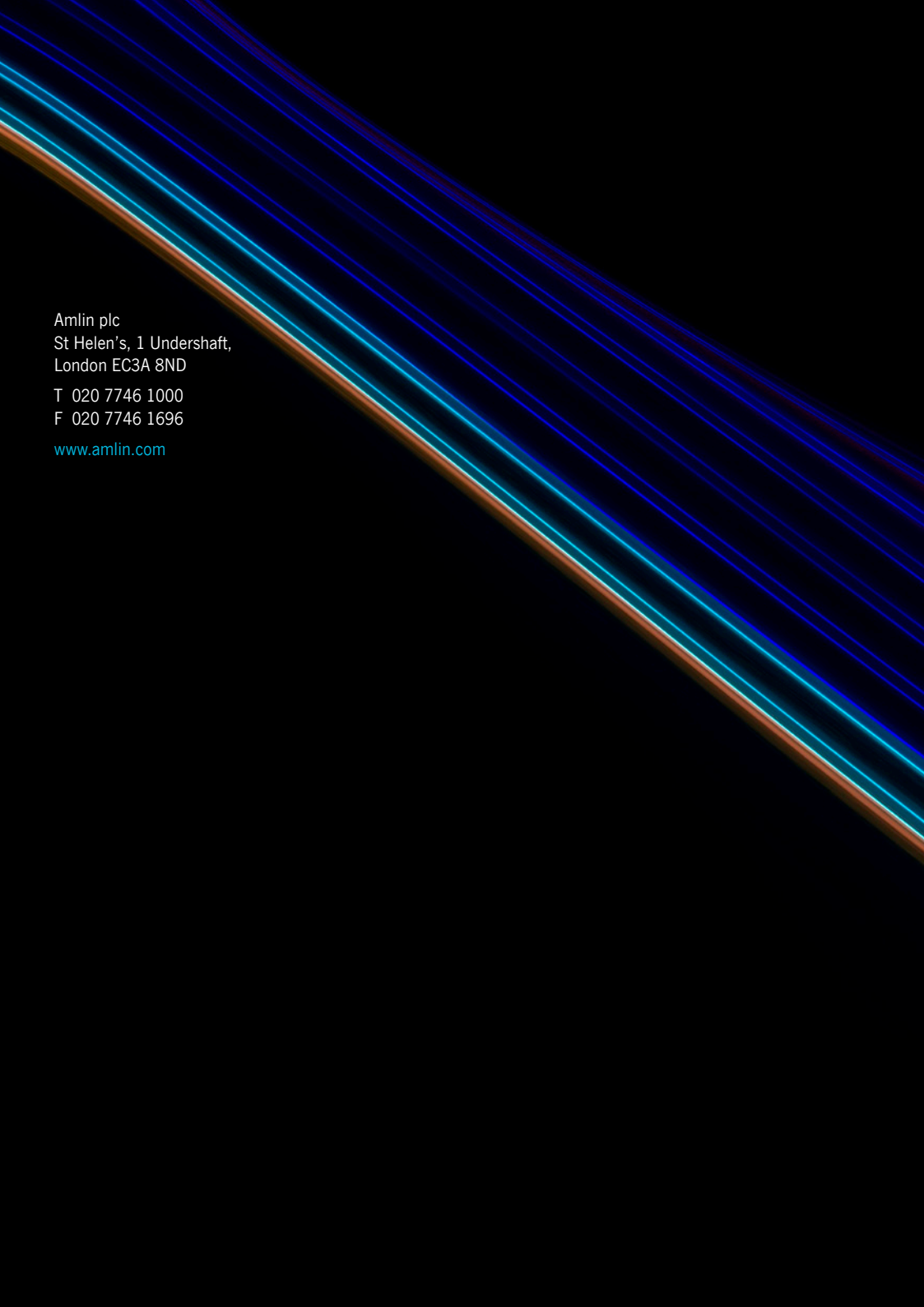
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