



IT TAKES VISION

Market Returns

Ger Bradley

3 November 2016

Contents

- Data Sources
- Motor Market Size
- Expenses
- Profitability
- Road Statistics

Data Sources

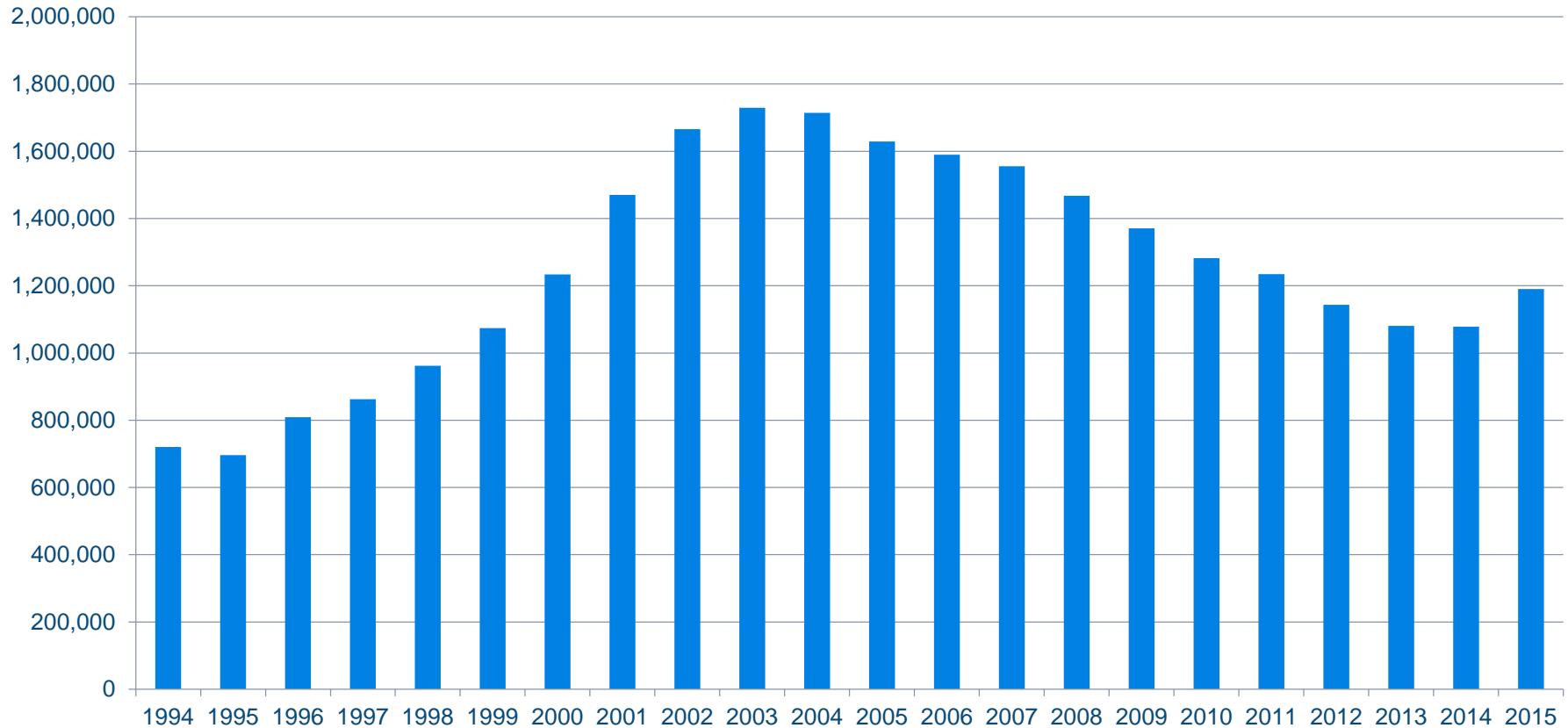
- Benchmarks
- Some issues with Market Returns
 - Data is sourced from early release by major companies to Verisk (Risk Intelligence) (all major companies except RSA were available – timing issue)
 - Difficult to reconcile Form 2 data (net revenue accounts) and Form 8 (claims settlement analysis)
 - More closed claims than reported claims in the Form 8
 - Companies moving to branch structures – AIG, Aviva
- Other possible data sources
 - Society of Actuaries in Ireland Third Party Working Party
 - Insurance Ireland also collecting data (Verisk)

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Irish Motor Market Size

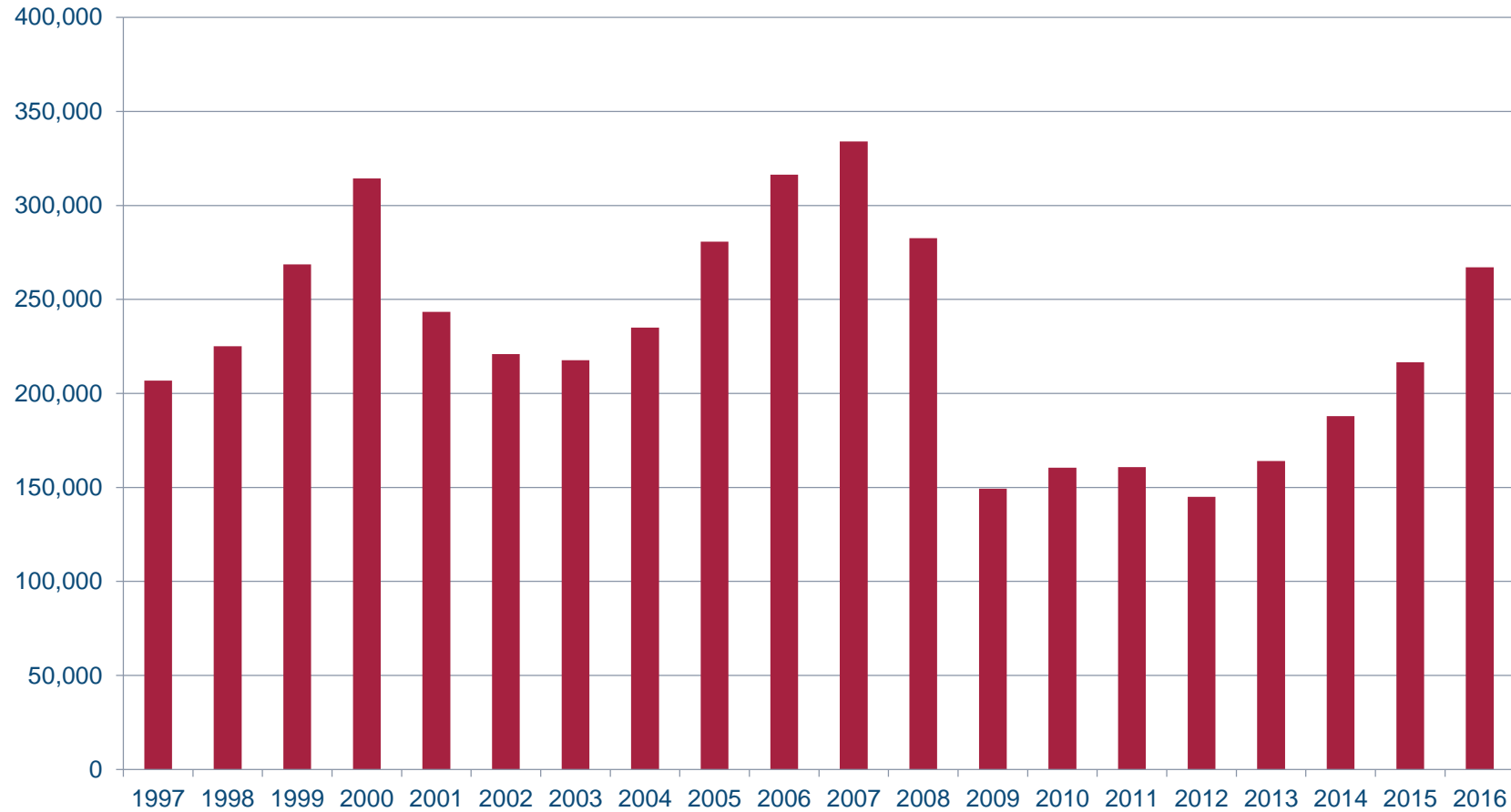
Net Earned Premium



Source: INCA, Verisk (Risk Intelligence) Insurance Analytics

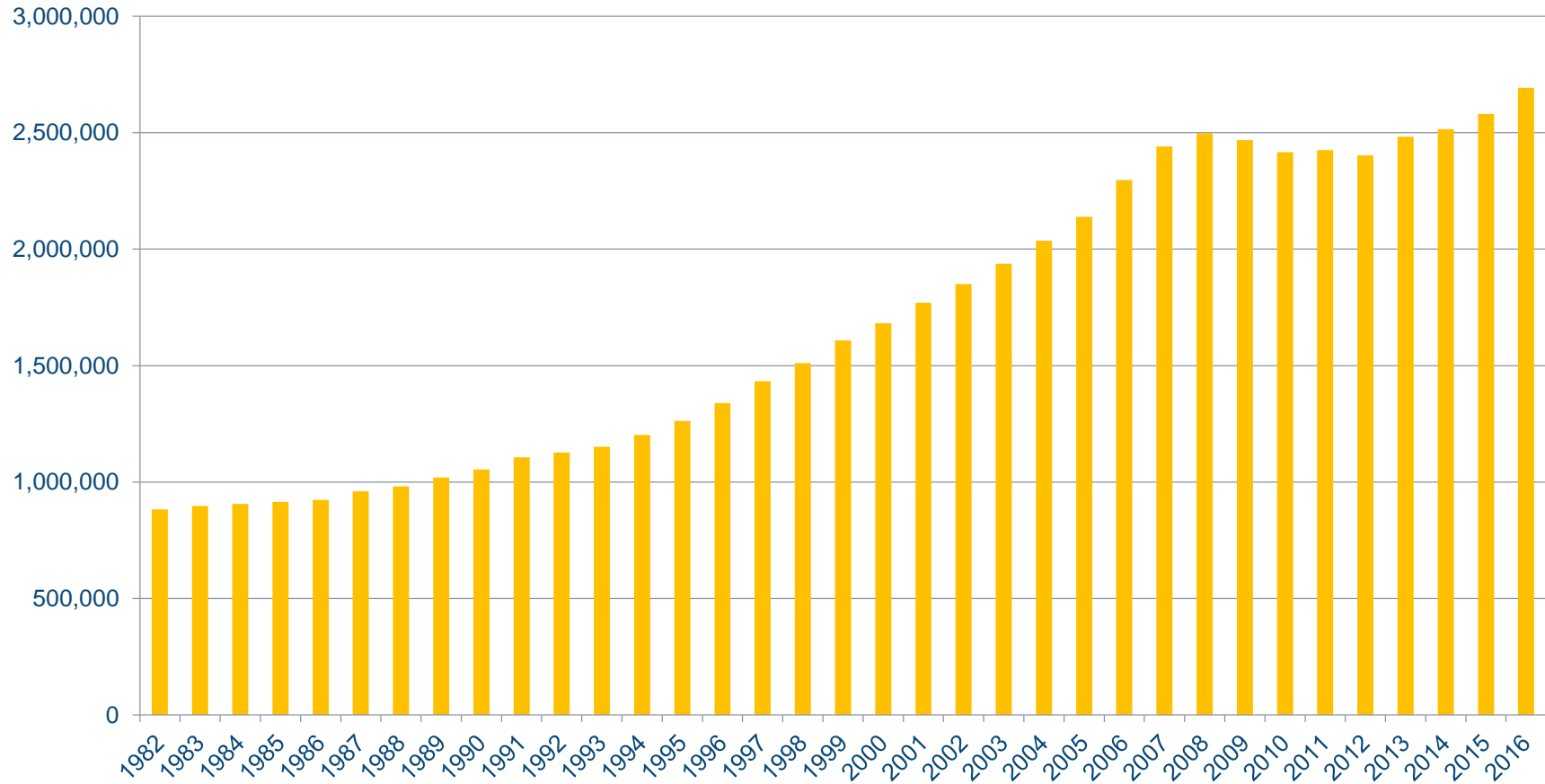
Irish Motor Market Size

Vehicles licensed first time (2016 Forecast)



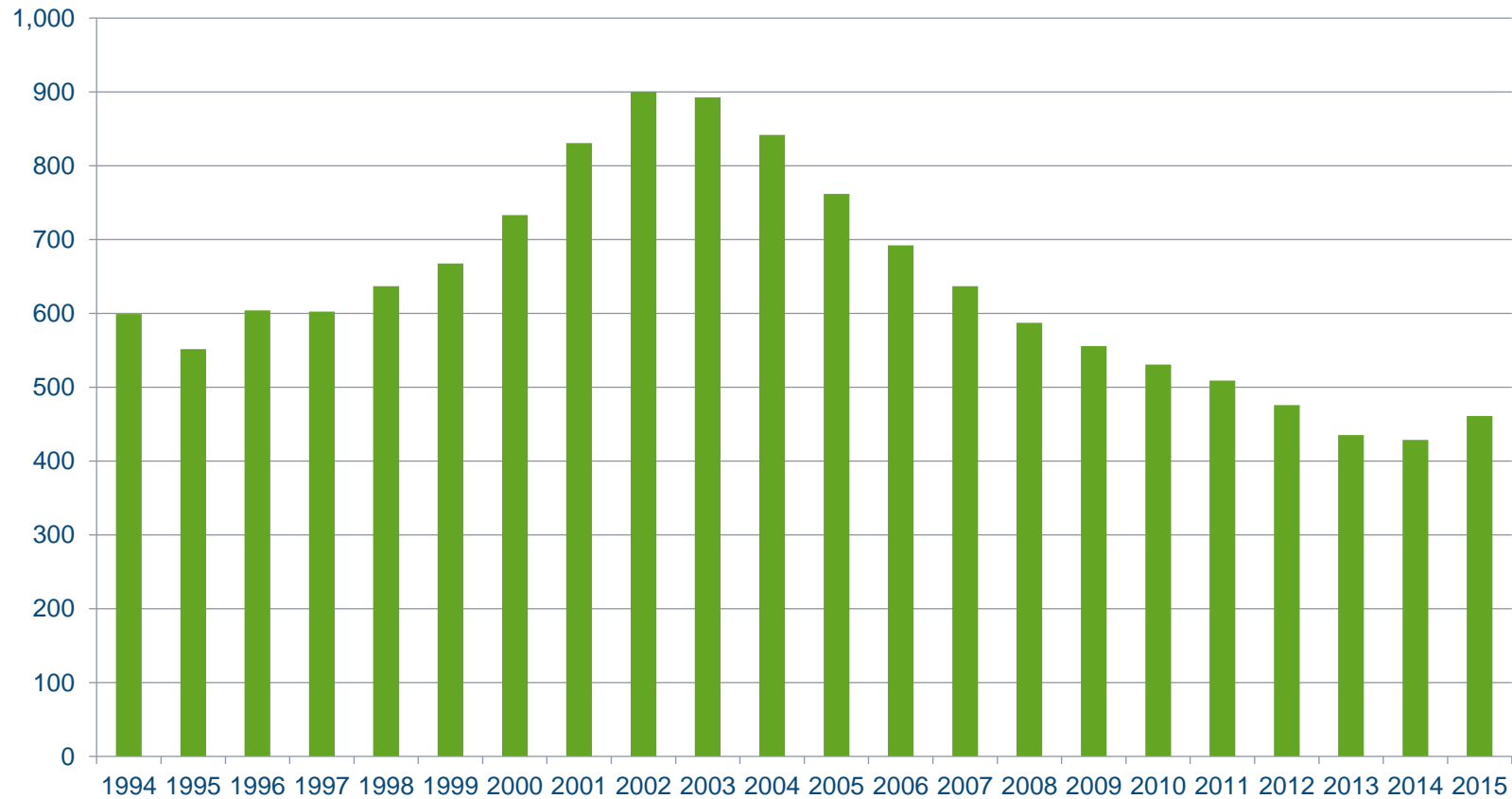
Irish Motor Market Size

Total number of Licensed Vehicles



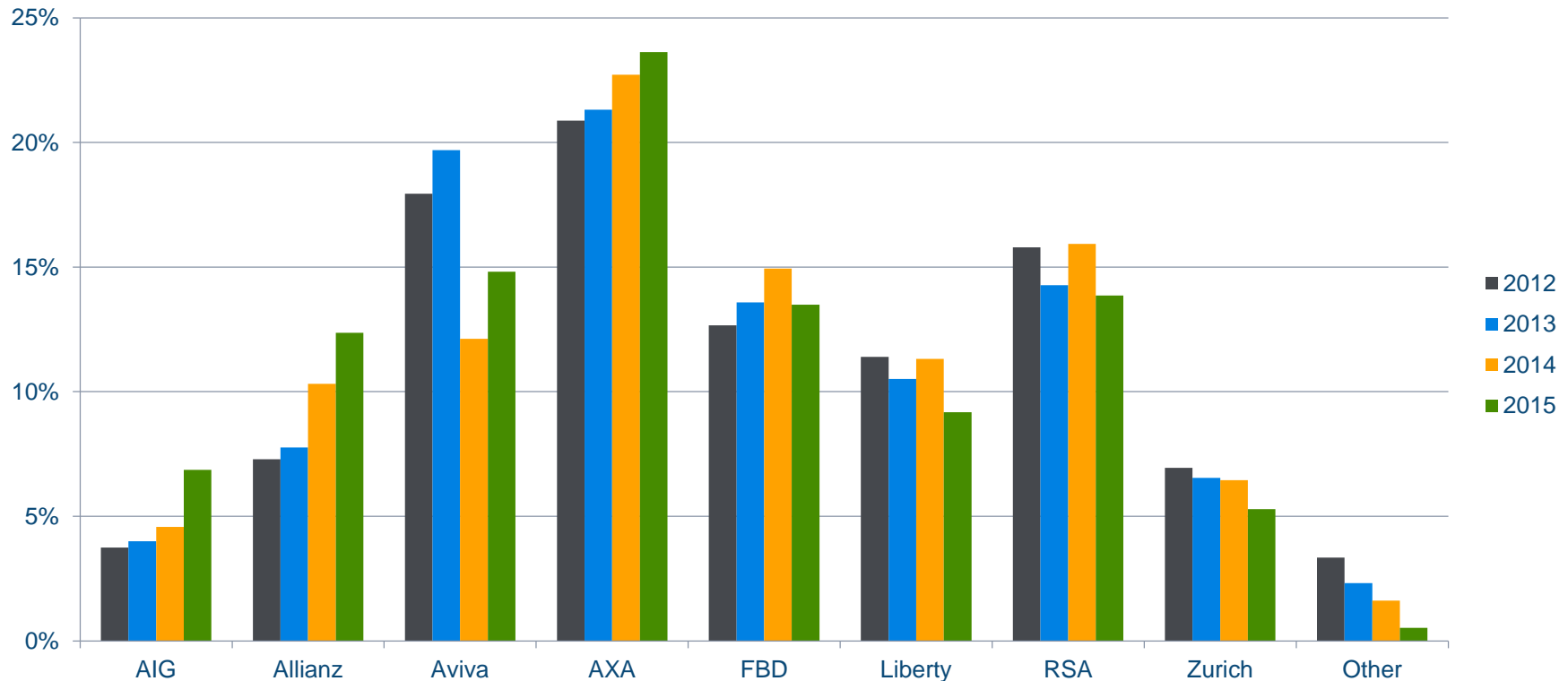
Average Net Written Premiums

Average Earned Premium per Vehicle



Market Share by Company (based on NWP)

Motor Market Share Net Earned Premium



NEP impacted by increased RI in RSA (Adjusted) and Liberty (not adjusted)

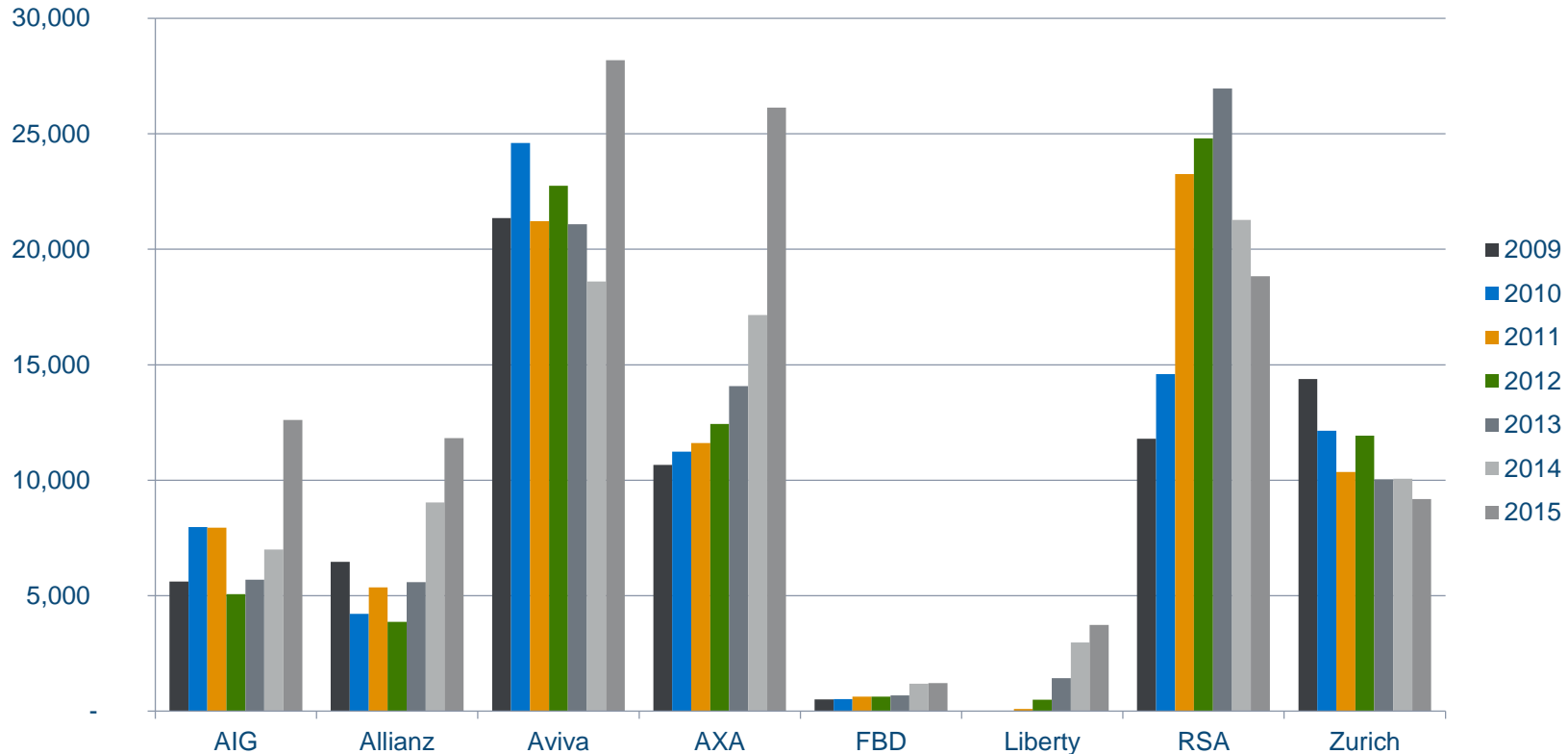
Source: INCA, Verisk (Risk Intelligence) Insurance Analytics

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Commissions

Commission per Form 2 Revenue Accounts

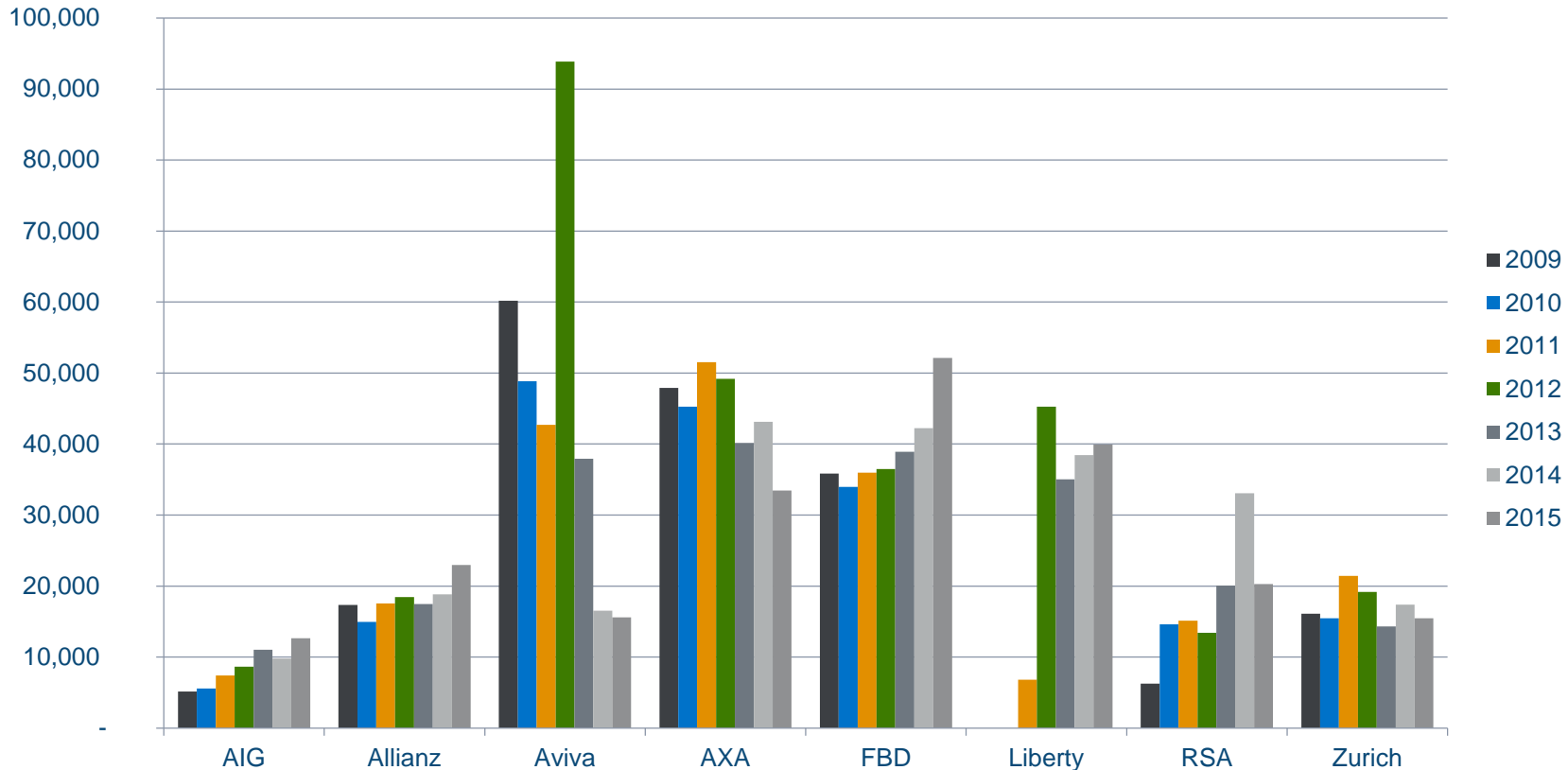


NWP impacted by increased RI in particular Aviva

Source: INCA, Verisk (Risk Intelligence) Insurance Analytics

Expenses

Expenses per Form 2 Revenue Accounts



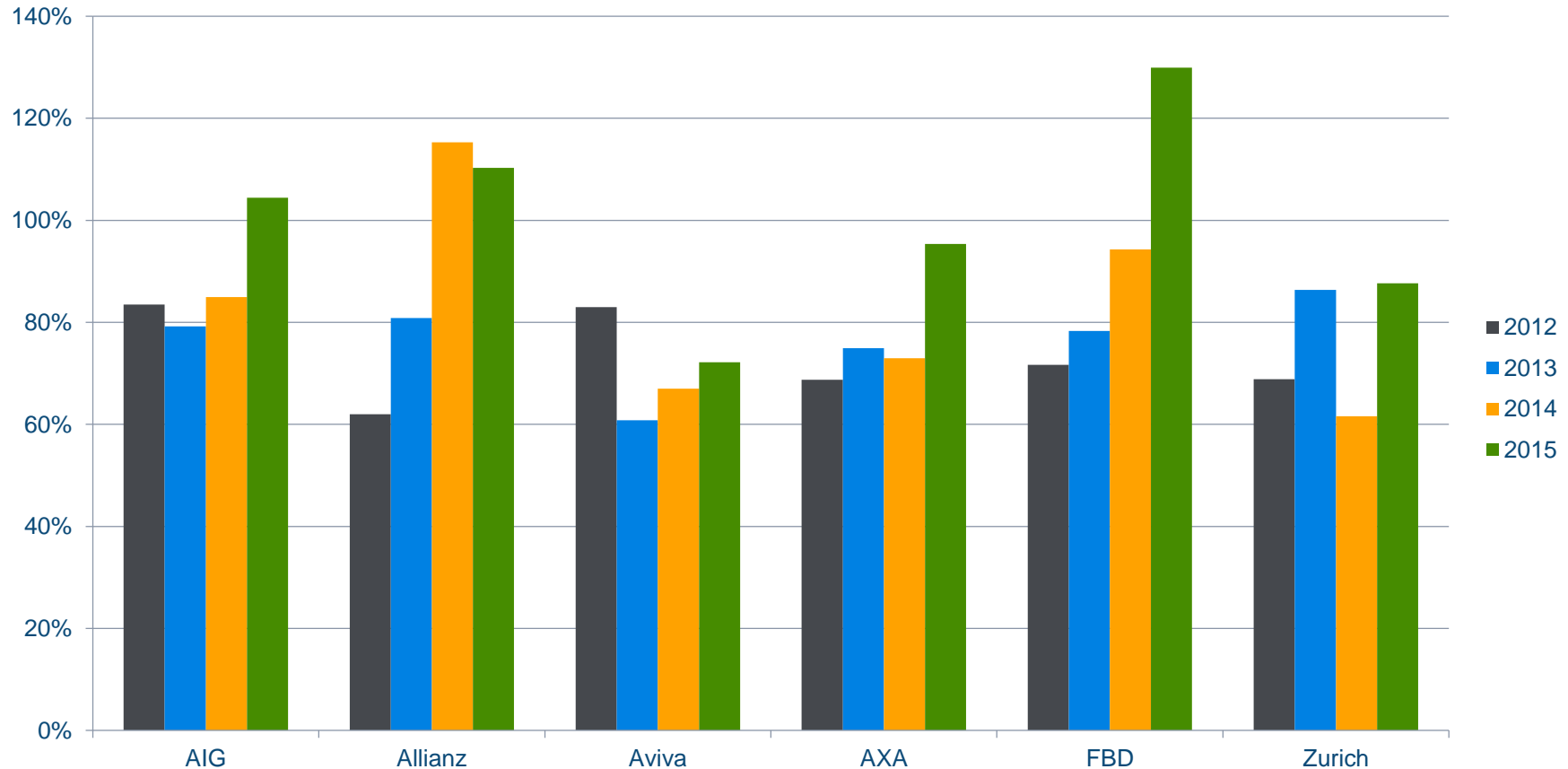
Source: INCA, Verisk (Risk Intelligence) Insurance Analytics

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Financial Year Booked Loss Ratios

Revenue Account Loss Ratios



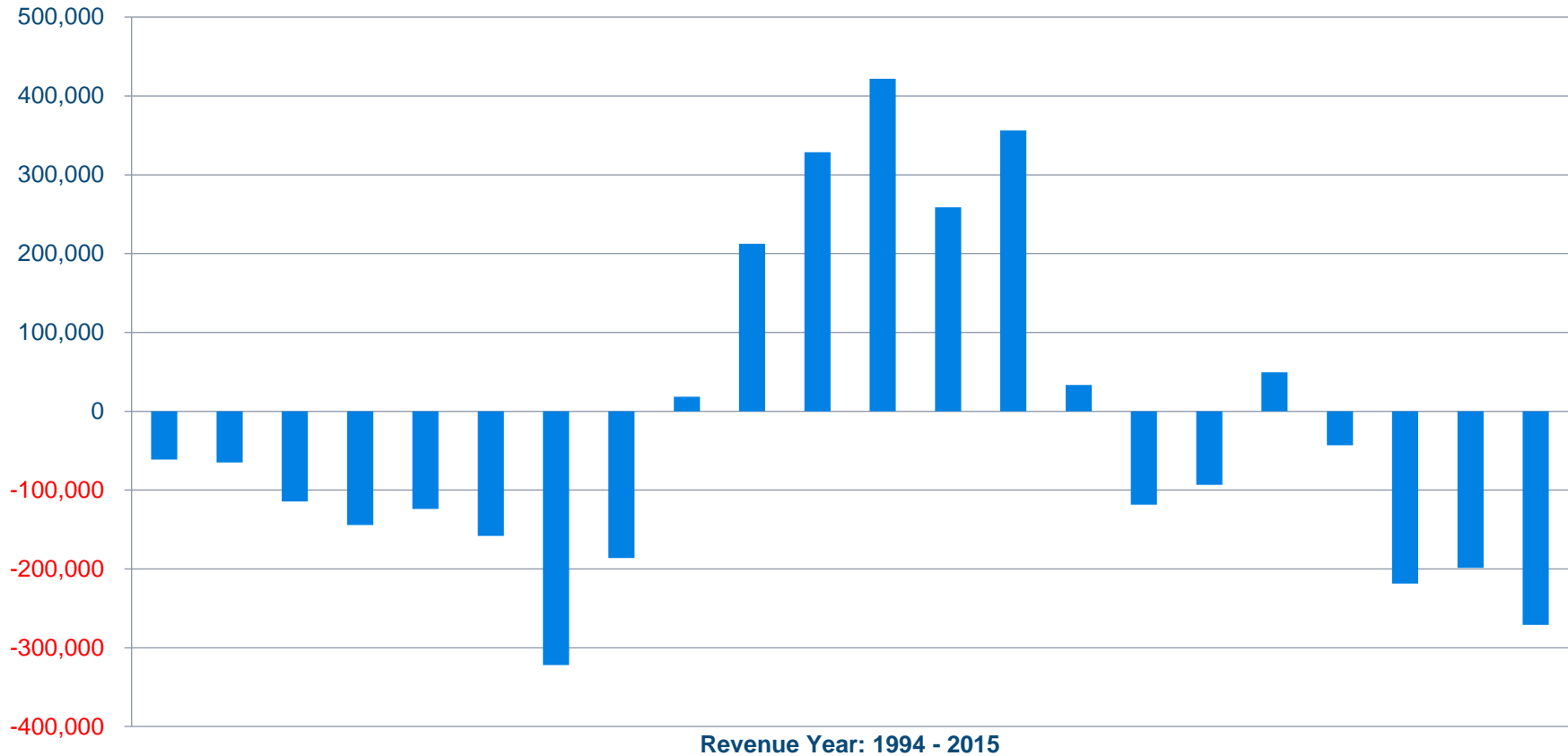
Source: INCA, Risk Intelligence Insurance Analytics



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Irish Motor Market Profitability

UW Results 1994 - 2015



Source: INCA, Verisk (Risk Intelligence) Insurance Analytics
Losses understated for 2015 as claims not adjusted for RSA reinsurance

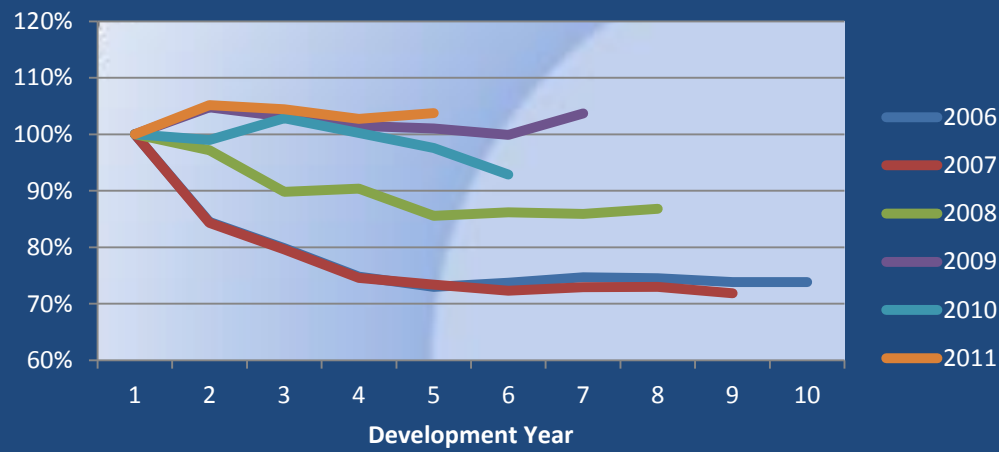
Summary by Underwriting Cycle

Underwriting Cycle Summary (bn's)			
	NEP	UW Result	UW Result / NEP
1994 - 2001	7.8	-1.2	-15%
2002 - 2008	11.4	1.6	14%
2009 - 2015	8.4	-0.9	-11%
Total	27.6	-0.4	-2%

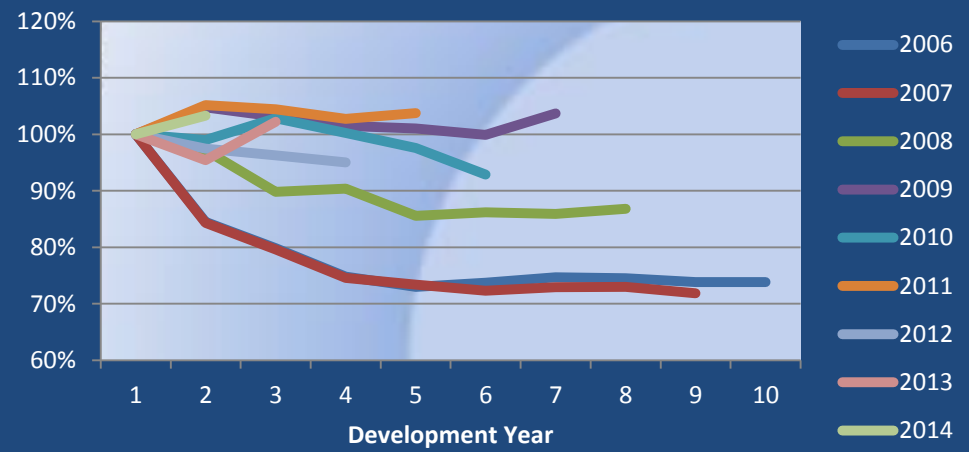
Source: INCA, Verisk (Risk Intelligence) Insurance Analytics

Prior Year Development

Company A: Accident years to 2011

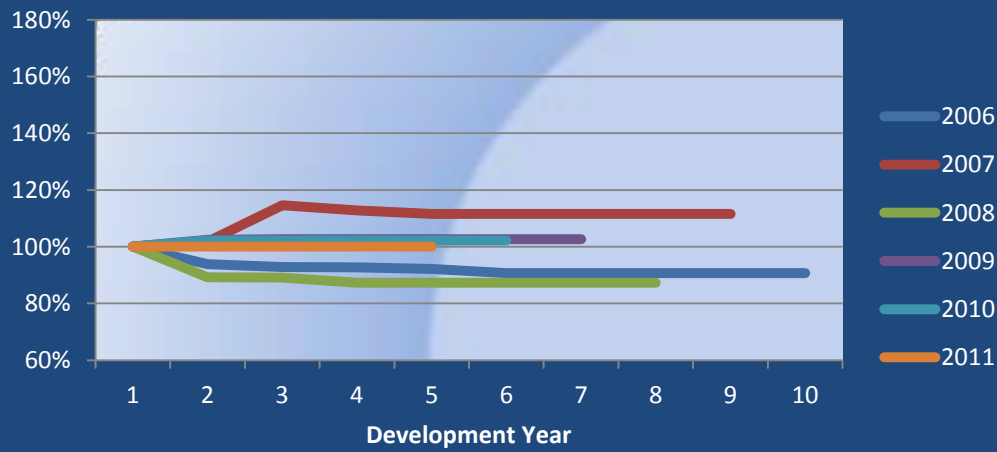


Company A: Accident years to 2014



Prior Year Development

Company B: Accident years to 2111

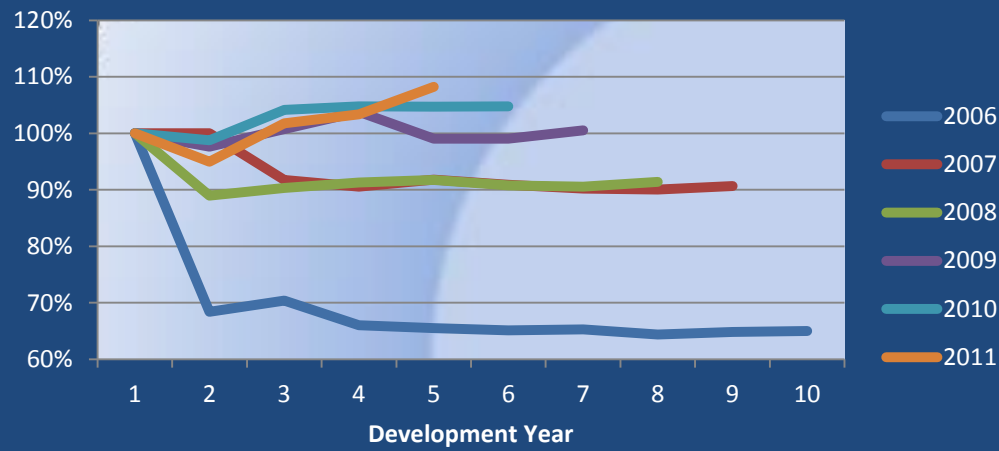


Company B: Accident years to 2014

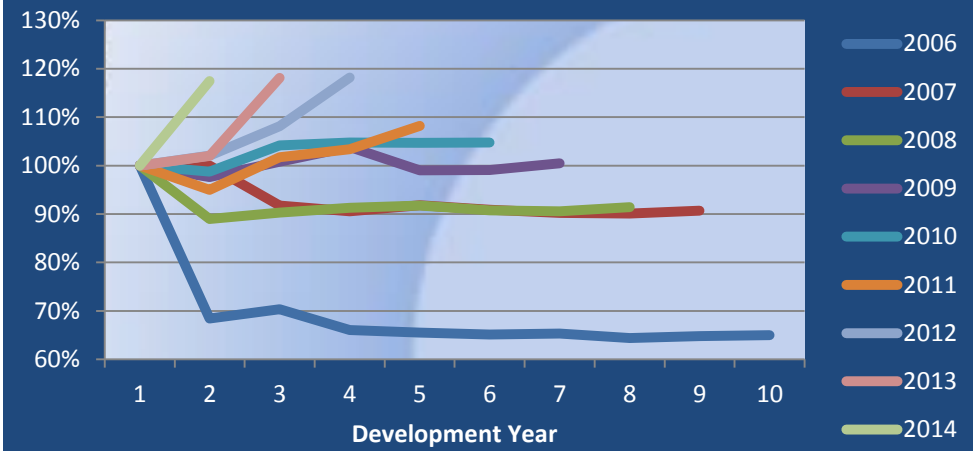


Prior Year Development

Company C: Accident years to 2111

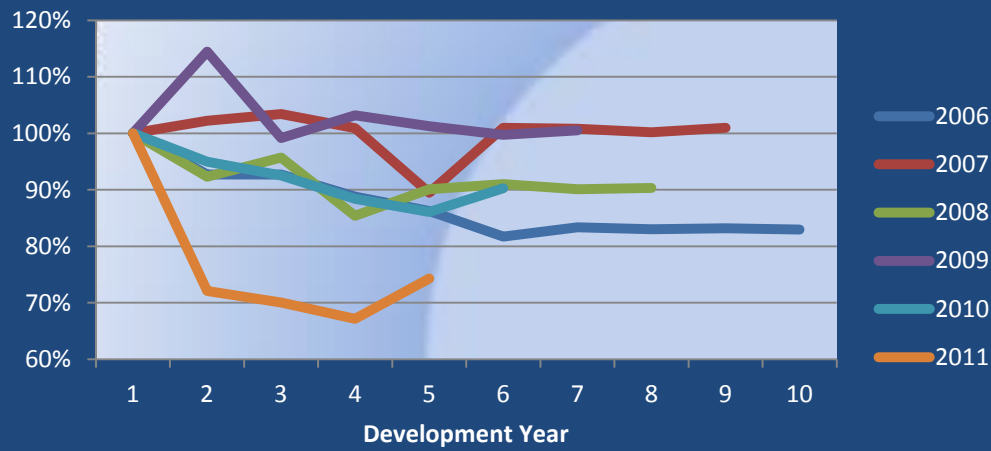


Company C: Accident years to 2014

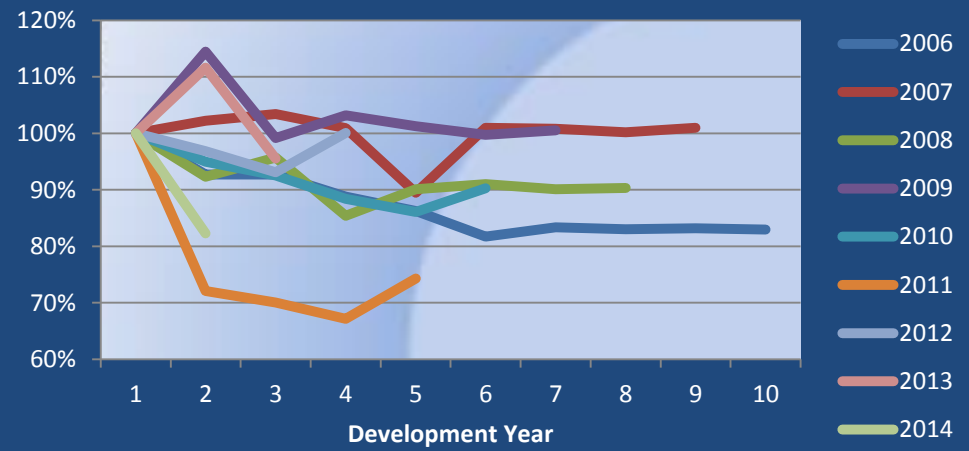


Prior Year Development

Company D: Accident years to 2011

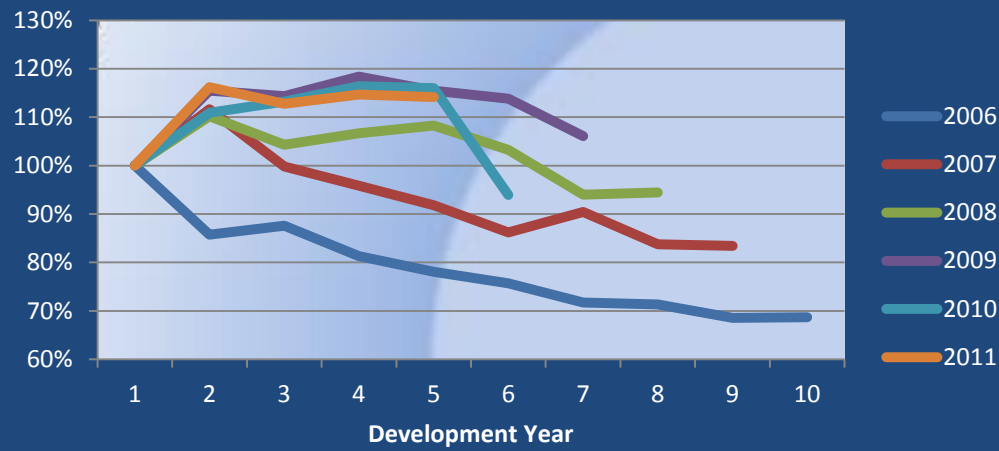


Company D: Accident years to 2014

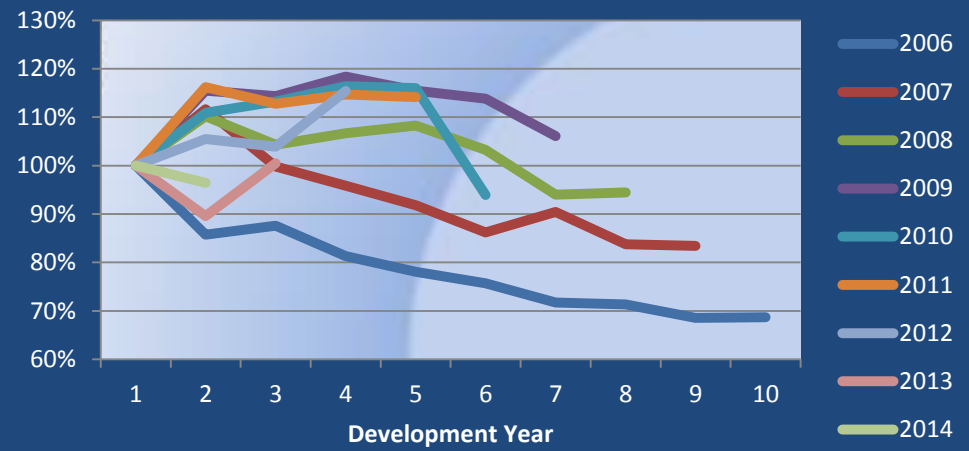


Prior Year Development

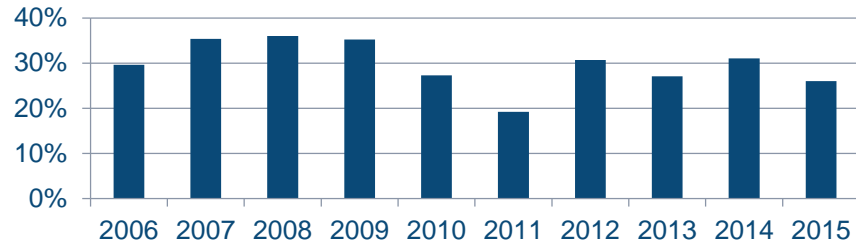
Company E: Accident years to 2111



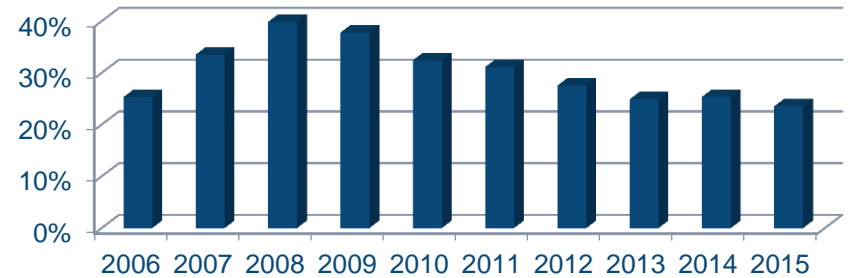
Company E: Accident years to 2014



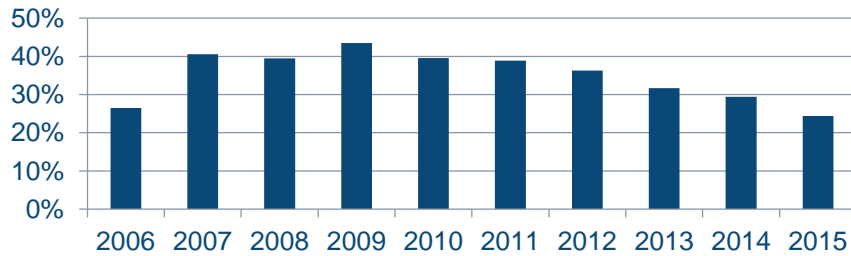
Year 1 Paid /Current Ultimate



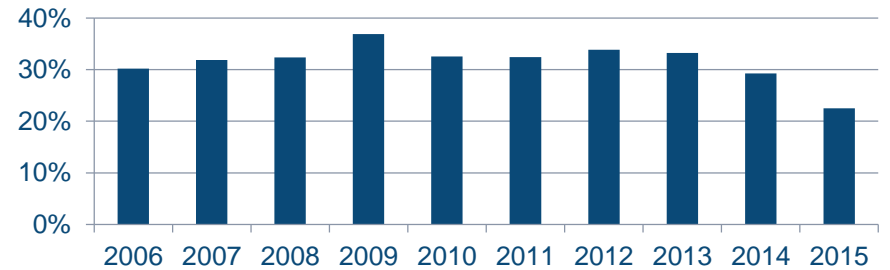
Year 1 Paid /Current Ultimate



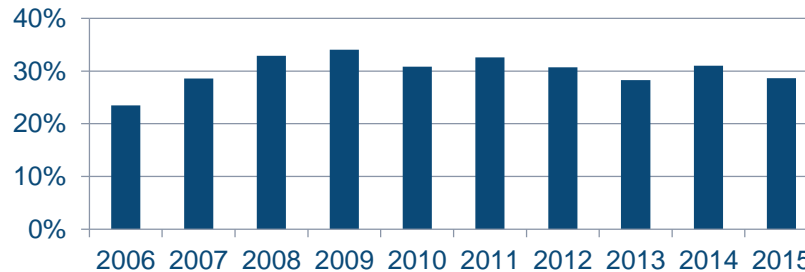
Year 1 Paid /Current Ultimate



Year 1 paid /Current Ultimate



Year 1 Paid /Current Ultimate



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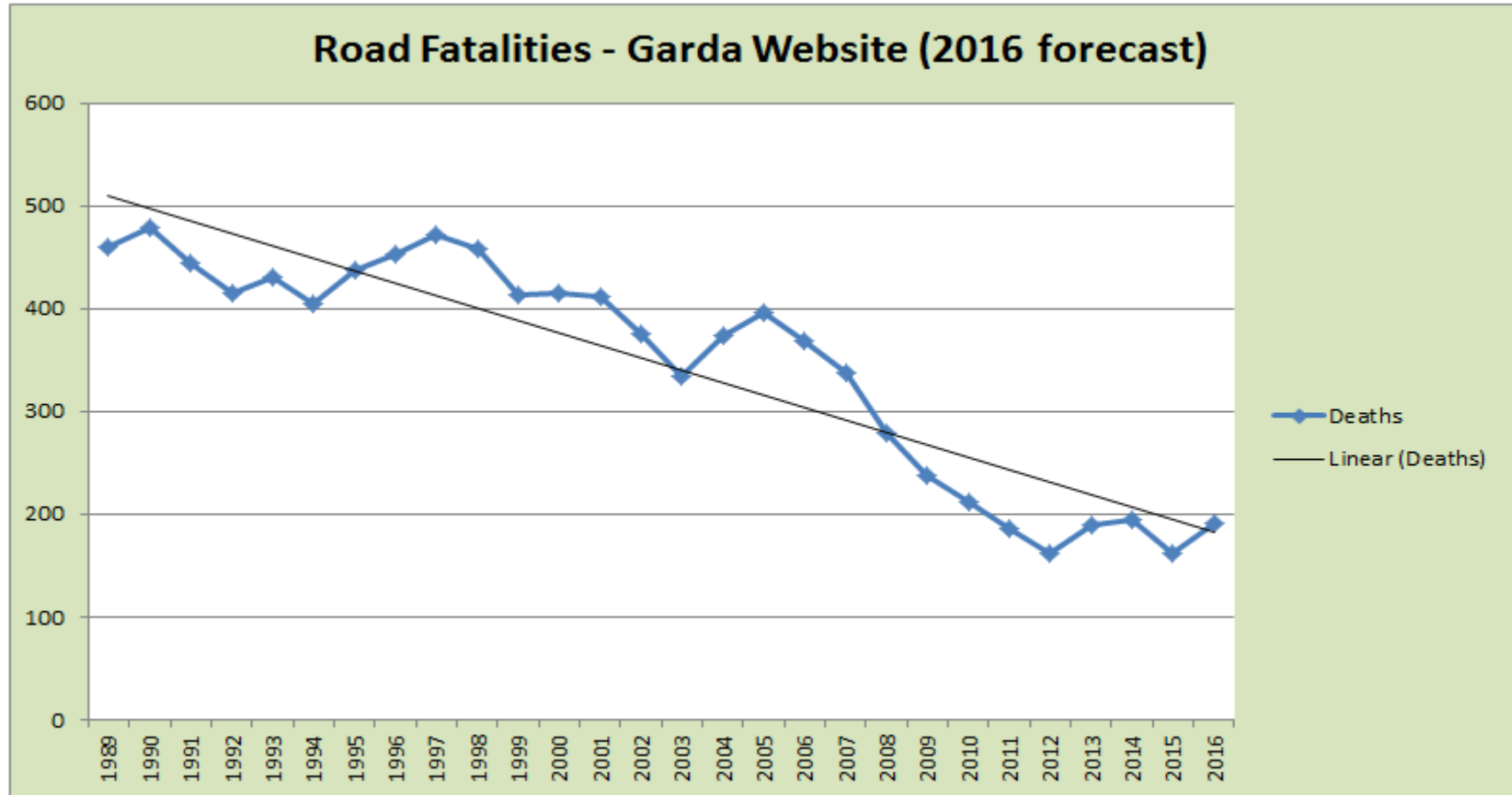
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Road Fatalities to 2012



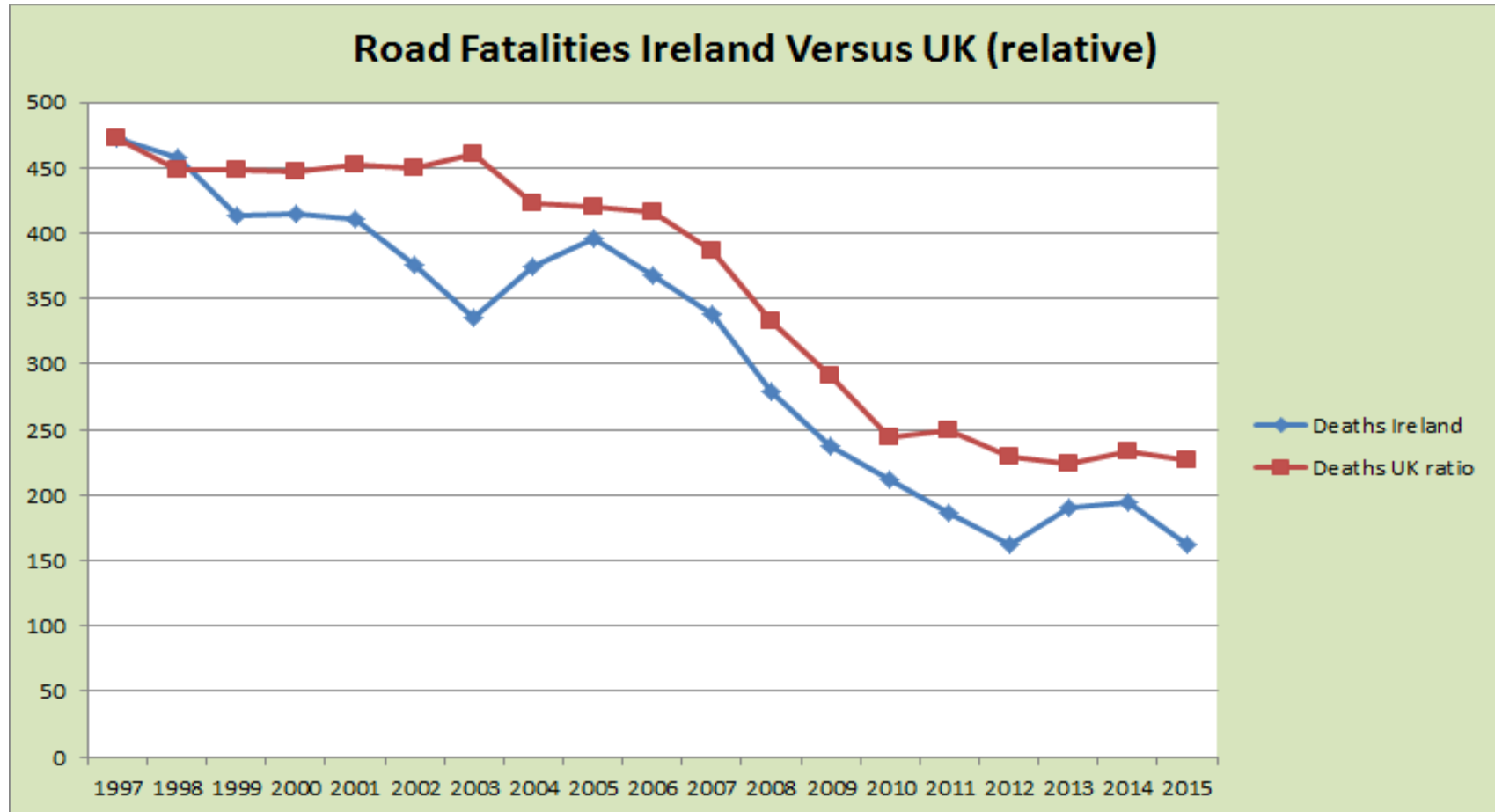
Source: Garda Statistics (2015 projection)

Road Fatalities to 2016 (Forecast)



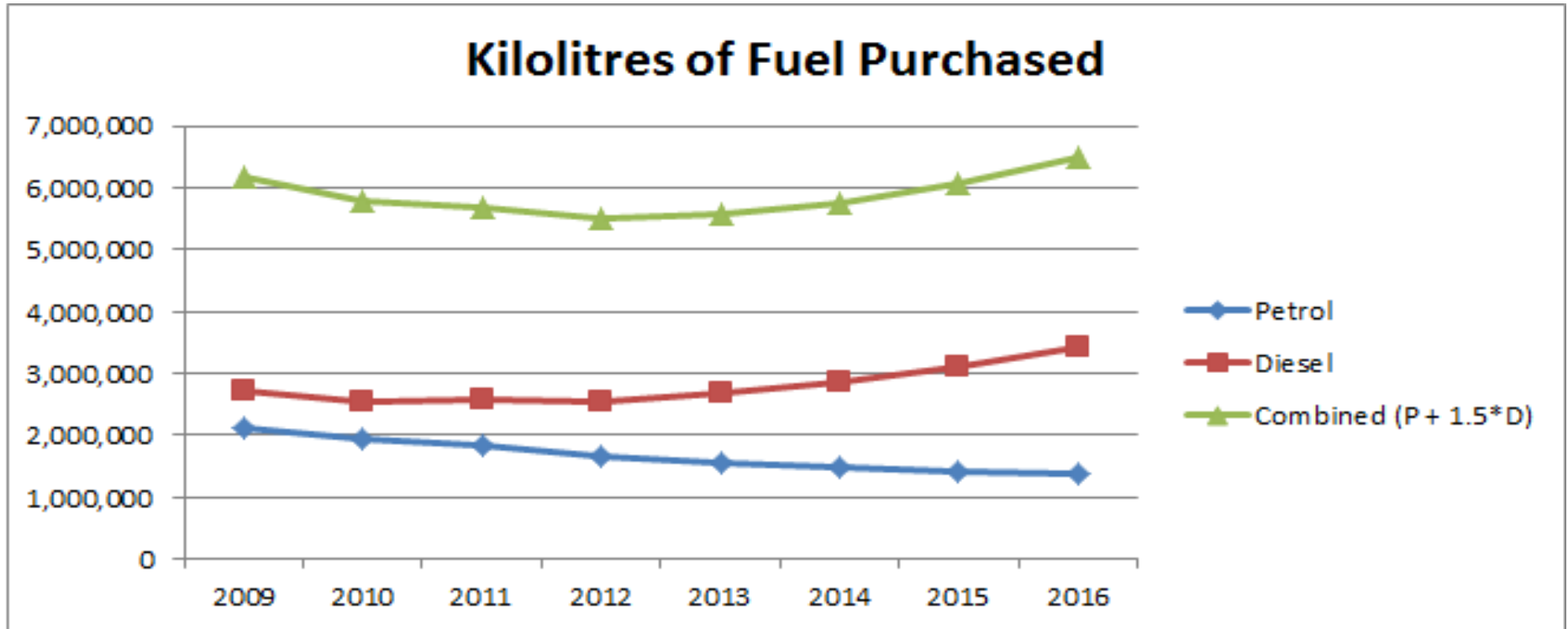
Source: Garda Statistics (2015 projection)

Road Fatalities relative to UK



Source: Garda Statistics (2015 projection)

Kilolitres of Fuel Consumed (Petrol plus Diesel)



- After years of decline to 2012, the 2016 sales are up 7% on last year
- (2015 and 2016 are still provisional numbers; full year 2016 a projection based on March to-date)



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Thank you

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3 November 2016