

Gard reports group half year results

Friday, 2nd October, 2009

For the first six months of the 2009 financial year, ending 20 August 2009, Gard reports the following results at a group level.

- Gross written premiums USD 644 million
- Profit for the period USD 197 million
- General contingency reserve USD 627 million
- Total assets USD 2.02 billion

Claes Isacson, CEO, commented “The group overall has had a good first half year, with a strong performance from the insurance side of the business as well benefitting from the recovery in the financial markets. While the condition of the underlying shipping market remains difficult, we have nevertheless seen a stable volume of business written in the last six months. Our underwriting result was also positive and the combined net ratio for the period was 92%.

The drivers behind this were a benign claims environment and a continued focus on improved pricing and risk selection. In addition, the decline in utilisation rates for most shipping segments around the world has meant that casualties have reduced – making for a more favourable claims picture. However, there is no room for complacency as a normalisation of this trend is already underway.

Our ongoing financial strength is one of the pillars on which the future of our business is built – without it we simply cannot help our Members and clients. For this reason we have been taking active steps to ensure that our investment portfolio reflects the changing risk environment. For the first half of the year the balance on our non-technical account was USD 169 million, with the recovery in the financial markets playing a positive role. However, from this position we have been ‘de-risking’ the portfolio and reducing the percentage invested in the equity markets.”

Elections to the Boards of Gard AS, Assuranceforeningen Gard – gjensidig and Gard Marine & Energy Limited as well as the Executive Committee of Gard P. & I. (Bermuda)

On 1 October, 2009 Axel C. Eitzen stepped down as the Chairman of the above bodies, while continuing to be a member of them. Trond Eilertsen was elected the new Chairman while Bengt Hermelin was re-elected Deputy Chairman.



Notes to Editors

Gard is a shipowner-controlled provider of P&I, marine and energy insurance products, with an annual premium income of USD 796 million and total assets of USD 2.02 billion. Gard employs over 390 people in 11 offices around the world.

The P&I division has an entered tonnage in excess of 170 million gt, and gross written premium in the 2008 policy year of USD 460 million.

The marine division has over 6400 entered vessels and a gross written premium income of USD 230 million in 2008.

The energy division's gross written premium for 2008 totalled USD 106 million.

All insurance operating entities within the Gard group; Assuranceforeningen Gard, Gard P&I (Bermuda) Limited, Gard Marine & Energy Limited and Gard Skadeforsakring AB are rated 'A' (stable outlook) by Standard & Poor's.

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