

REVIEW OF THE YEAR
20 FEBRUARY 2020



BRITANNIA P&I
TRUSTED SINCE 1855

KEY STATISTICS

241

MEMBERS

29

COUNTRIES

3,465

SHIPS

117.5m

OWNED TONNAGE

45m

CHARTERED TONNAGE

ENTERED TONNAGE BY AREA OF MANAGEMENT CLASS 3 (% OF TOTAL)

45.7 ASIA

15.2 SCANDINAVIA

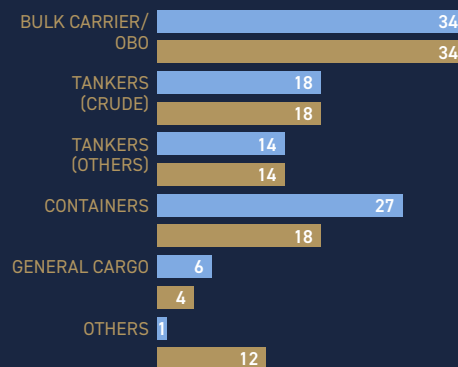
32.6 REST OF EUROPE

3.9 AMERICAS

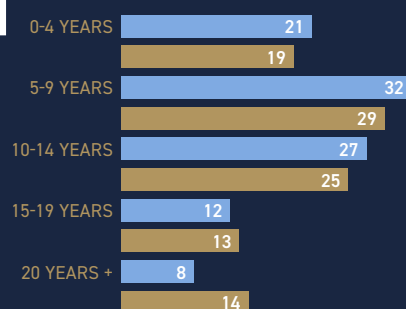
2.2 MIDDLE EAST

0.4 AUSTRALASIA

SHIPS BY TYPE (% OF TOTAL)



AGE OF SHIPS (% OF TOTAL)



■ ENTERED TONNAGE (OWNED)
■ WORLD TONNAGE

	20 FEB 2020 (m gt)	20 FEB 2019 (m gt)	20 FEB 2018 (m gt)
ENTERED TONNAGE (OWNED)	117.5	111.9	107.0
ENTERED TONNAGE (CHARTERED)	45.0	19.0	20.0

KEY FINANCIAL DATA

	USD(000)	USD(000)	USD(000)
CALLS AND PREMIUMS	201,185	204,415	208,147
NET CLAIMS INCURRED	(111,667)	(119,599)	(93,552)
INVESTMENT INCOME	61,868	(2,643)	48,626
NET OPERATING EXPENSES	(31,891)	(28,649)	(25,666)
NET INCOME AFTER TAXATION	56,427	(9,296)	80,615
FREE RESERVES*	422,088	390,661	429,957
NET LOSS RATIO	79.9%	83.8%	61.4%
AVERAGE EXPENSE RATIO	11.50%	10.90%	9.73%
STANDARD & POOR'S RATING	A (stable)	A (stable)	A (stable)

*The Group also retains the benefit of its reinsurance contract with Boudicca Insurance Company Limited (see note 4 to the financial statements).

	USD(000)	USD(000)	USD(000)
SURPLUS ASSETS IN BOUDICCA	172,300	196,900	211,600

Surplus investment assets in Boudicca available to meet future claims by the Group.

HIGHLIGHTS

- 'A' (Strong) with a Stable outlook credit rating by S&P.
- A further USD25m capital distribution to our Members, bringing the total to USD85m since May 2017.
- A satisfactory underwriting result with a surplus of USD29.3m.
- A strong investment performance of 7.1%, yielding USD61.9m.
- Successful implementation of next generation underwriting software suite.
- Steady growth of owned and chartered tonnage during 2019/20, plus a strong renewal, saw combined tonnage of 162.5m gt on 20 February 2020.
- Acquisition by the Managers of our exclusive correspondent in Denmark.
- The establishment of a new exclusive correspondent in New York.
- Corporate reorganisation to enable continuity of cover for all Members after the United Kingdom leaves the European Union.

OUR MISSION STATEMENT REMAINS:

TO BE THE FINEST PROVIDER OF P&I AND FD&D INSURANCE BY:

- OFFERING OUR MEMBERS THE HIGHEST LEVEL OF SERVICE
- MAINTAINING OUR FINANCIAL STRENGTH
- SUPPORTING MUTUALITY

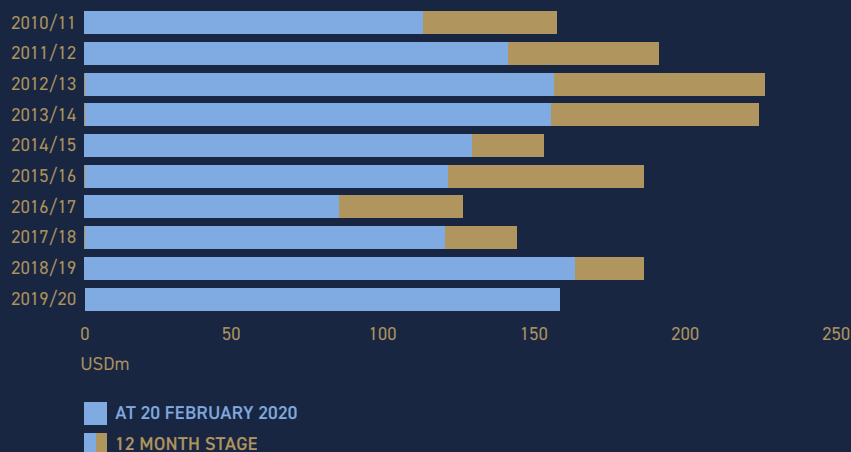
'A' (STRONG)

- Britannia has an 'A' rating (Strong) from Standard & Poor's which was reaffirmed in August 2019.
- S&P confirmed our 'extremely strong capitalisation', with capital in excess of the AAA level.
- S&P assess our outlook as Stable, confirming a sustainable business model for the foreseeable future, even after making capital distributions of USD85m over the past three years.
- Our Solvency II Group SCR capital ratio was above 200% at 20 February 2020.

OUR ROBUST FINANCES AND WELL DIVERSIFIED INVESTMENT PORTFOLIO HAS SEEN THE BRITANNIA GROUP CONTINUE TO BE WELL PLACED TO MEET THE CHALLENGES OF THE COVID-19 PANDEMIC.

CLAIMS

- The cost of retention claims incurred in the 2019/20 policy year was lower than the equivalent position last year by USD20m.
- The total number of claims notified by 20 February 2020 was 4,175, a reduction on the 4,364 reported in 2018/19.
- Reported Pool claims were higher in 2019/20 than in recent policy years, with 18 claims notified at an aggregate estimated cost at 20 February of USD355m.
- 20 retained claims are currently estimated at in excess of USD1m, with an aggregate net value of USD69.5m.
- Three retained claims notified in the 2019/20 policy year are currently projected to exceed the USD10m Club retention.
- The graph shows the net retained claims for recent policy years at the 12 months stage and at 20 February 2020 and illustrates the volatility in P&I claims. This reinforces the need for a strong capital base.



THE GOLD SECTION OF THE BARS SHOW THE IMPROVEMENT TO RETAINED CLAIMS OVER TIME.



PROTECTION  INDEMNITY

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Registered Office: Regis House, 45 King William Street, London EC4R 9AN United Kingdom
Registered in England and Wales No.11686576
Authorised by the Prudential Regulation Authority
Regulated by the Financial Conduct Authority and the Prudential Regulation Authority