



Admiral Group 2021 half year results trading update

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Based on preliminary figures, Admiral Group ("Admiral" or "The Group") anticipates a higher than expected Group profit before tax for the first half of 2021 in the range of £450 to £500 million (continuing operations)*1.

The stronger result is due to unusually positive development in the cost of UK motor bodily injury claims from a number of prior underwriting years which has led to higher reserve releases and profit commission revenue. There has been no change to Admiral's prudent approach to claims reserving.

Further, motor claims frequency in 2021 to date has been lower than expected due to extended lockdown restrictions resulting in a favourable current period loss ratio, despite the significant reductions in Admiral's premium rates over the past twelve months, which followed the £110 million of premium refunded to customers in May 2020.

On the basis of these preliminary results and a very strong solvency position, the proposed 2021 interim dividend is expected to be in the range of 110 to 125 pence per share.

It is not currently expected that the level of reserve releases and profit commission for the first half of 2021 will be repeated in the second half.

The sale of the Penguin Portals comparison businesses was completed on 30 April 2021. Of the net proceeds from the transaction of approximately £460 million, Admiral expects to return £400 million to shareholders in the form of special dividends phased over 2021 and 2022. The first payment will be made with the interim 2021 dividend referred to above. Further detail will be provided with the Group's half year results announcement in August.

Figures shown in this release are preliminary and subject to completion of internal governance processes and external audit review. Admiral will publish its 2021 half year results on Wednesday 11 August 2021.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.

*[1] Excluding profit on disposal from the Penguin Portal sale which completed on 30 April 2021

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