



CANOPIUS

**PRESS RELEASE**

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**CANOPIUS GROUP LIMITED**

**CANOPIUS REPORTS 2011 RESULTS**

Canopus Group Limited (“Canopus”), a leading specialist (re)insurance underwriting business, today announces its financial results for the year ended 31 December 2011.

**Financial highlights<sup>1</sup>**

- Gross written premiums: £616 million, up 9% from £564 million in 2010
- Attritional loss ratio: 55% (2010:48%) demonstrating underlying core profitability
- Combined ratio of 111% (2010: 92%), including 24% from catastrophe and large losses (2010: 11%)
- Investment return of £3 million, 0.4% return on average invested funds
- Loss to shareholders (post tax): £61 million (2010: profit of £43 million)
- Return on equity (post tax) of (22%) (2010: 15.0%)
- Net tangible assets attributable to shareholders (excluding minorities): £239 million (2010: £303 million)
- Group financial resources: £367 million (2010: £429 million)

**Operational and strategic highlights**

- Appointment of Inga Beale as Group Chief Executive
- Appointment of Tim Rolfe as Chief Executive of UK Retail insurance division
- Strengthened underwriting leadership through promotion of four new division heads: Steve Bird (North American Facilities); Derek Hansen (Global Property); Neil Manvell (UK Motor); and Joyce Webb (Marine and Energy)
- Formation of new underwriting division, Political Risks and Crisis Management, led by Simon Low
- Launch of Canopus Europe, reinsurance platform based in Zurich
- Successful January renewal season: average rate increase 3.8%

**Michael Watson, Executive Chairman of Canopus, commented:**

*“The string of natural catastrophe events during 2011 resulted in the first loss in our eight year history and was magnified by our weighting towards international business.*”

<sup>1</sup> Unaudited results

*Whilst we are disappointed, we are not downhearted. 2011 was another year of good progress for Canopus, including the successful recruitment of new teams and the launch of additional platforms that ensure we are well-positioned to continue expanding our franchise. Our Group's financial position remains robust. We are increasing the overall scale of our businesses in 2012 and will continue to look at further opportunities for growth, both organic and through merger and acquisition."*

## Financial headlines

	<b>2011</b>	2010
	<b>£m</b>	£m
Gross written premiums	<b>616</b>	564
Net earned premiums	<b>462</b>	463
Investment return	<b>3</b>	24
Profit before tax	<b>(64)</b>	40
Total profit to shareholders after tax	<b>(61)</b>	43
Net assets	<b>244</b>	306
Net tangible assets attributable to shareholders	<b>239</b>	303

- Ends -

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## Notes to Editors:

1. Canopus Group Limited is a privately-owned international insurance and reinsurance group with operations in the UK, Bermuda, Singapore, Ireland, Switzerland and Australia. Canopus is owned by management and Bregal Capital LLP, a private equity company.
2. Incorporated in Guernsey, Canopus Group Limited is the parent of Canopus Managing Agents Limited (CMA) at Lloyd's. CMA manages Syndicates 4444 and 260 on behalf of the Group and third parties, with total gross premiums written of c. £650 million for 2011.
3. Canopus Group focuses on the following insurance and reinsurance segments:

### Global Insurance

- Marine and energy
- Global direct and facultative commercial property
- North American excess and surplus lines binding authorities

- Construction and engineering
- Casualty, including professional indemnity, financial institutions and excess casualty
- International accident & health
- Crisis management, including product contamination, war, sabotage & terrorism and kidnap & ransom
- Political risks, including expropriation, contract frustration, aircraft repossession and structured trade credit
- Aviation war, including hijack, terrorism, for hull and excess AVN52 liability cover.

#### **Reinsurance**

- Treaty reinsurance including property, casualty, engineering and marine
- Structured reinsurance, including aggregate excess of loss, multi-line/multi-year, stop loss

#### **UK Retail Insurance**

- UK household
- UK specialist property/ niche personal lines
- UK commercial combined for the SME sector
- UK casualty, including accident & health and professional indemnity
- UK motor including personal, commercial and specialist vehicles