

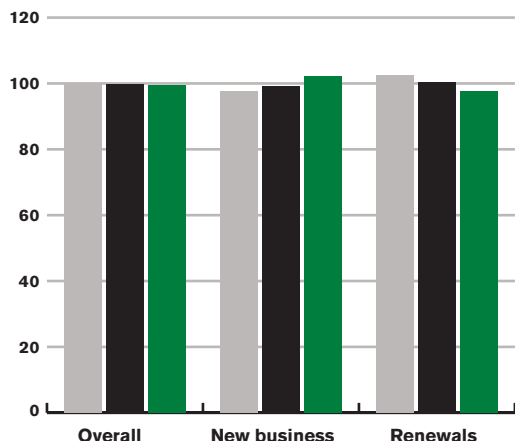


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NEWS ANALYSIS

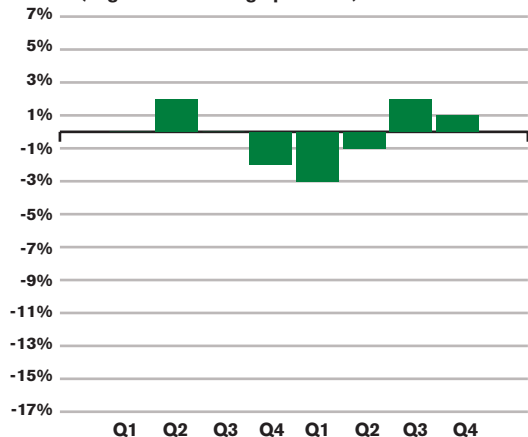
Motor fleet

Year-on-year average premium (2007=100)



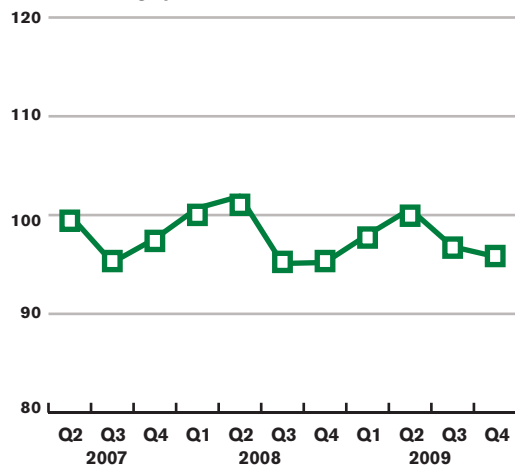
In comparison to the commercial combined analysis, the motor fleet index has had a relatively quiet year, with average premiums staying almost flat.

Year-on-year comparatives by quarter (% growth in average premium)



The year-on-year comparison for 2009 average premium has fallen by just 0.4% from its 2008 level. This very small drop has been facilitated by the combination of the small rise in new business premium being slightly overpowered by the small drop in renewal premium.

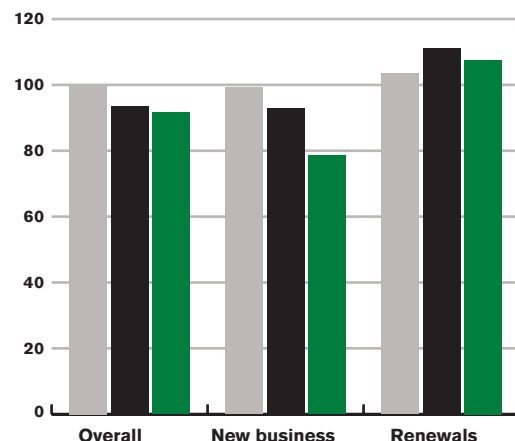
Indexed average premium (Q2 2007=100)



Looking at the quarterly indexed average premium compared to the equivalent quarter a year earlier, we can see that the last two quarters are slightly up on the 2008 equivalents. Hopefully, this will have carried through into December 2009, and/or into 2010.

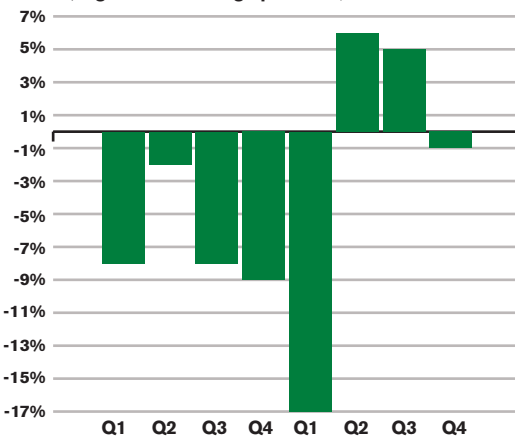
Property owners

Year-on-year average premium (2007=100)



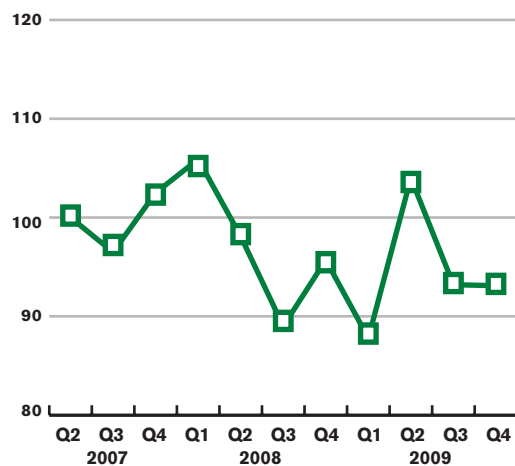
Over the year, the average premium for property owners also dropped by some 2% from 2008. While the drop is less severe than the 2007 to 2008 drop, it is nonetheless disappointing to see 2009 end with another reduction. It is also worth noting that this is the only index in which both new business and renewal year-on-year average premium has dropped.

Year-on-year comparatives by quarter (% growth in average premium)



Looking at the quarter-on-quarter comparisons, we can see that the positive momentum from Q2 and Q3 has not yet carried through to Q4, which is relatively flat compared to a year earlier.

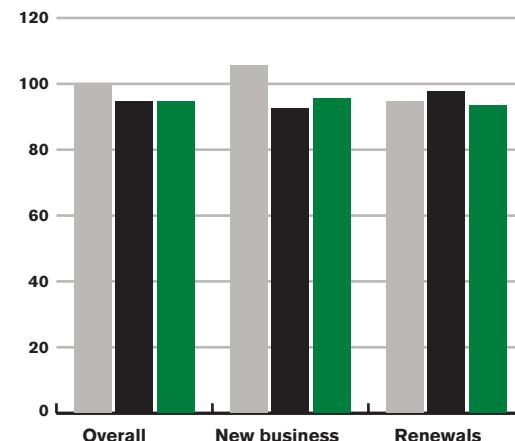
Indexed average premium (Q2 2007=100)



The indexed average premium also shows a flattening off of average premium, which now stands at roughly the same value as it was a year ago, and some 17%-18% lower than it was in 2007.

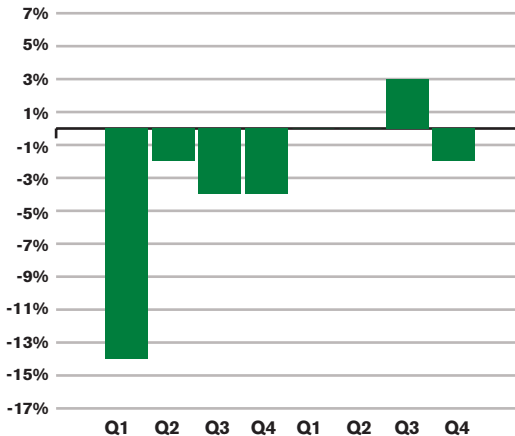
Packages

Year-on-year average premium (2007=100)



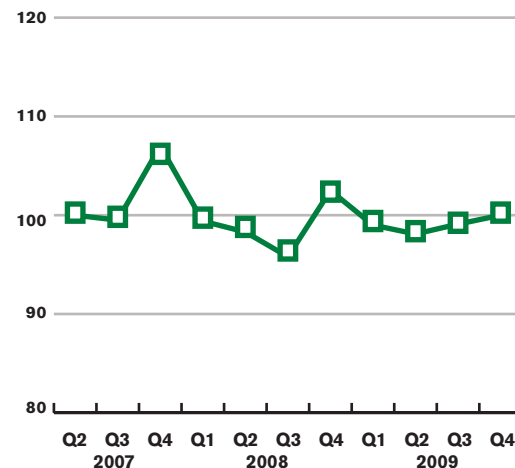
The packages index is currently showing a small 0.1% increase in average premium from 2008 to 2009, bringing the premiums to 94.7% of the 2007 level. As with the combined and fleet indices, this change in overall premium from year to year has been brought about by an increase in new business average premium and a reduction in renewal average premium.

Year-on-year comparatives by quarter (% growth in average premium)



Our early data for Q4 suggests that the year-on-year comparatives by quarter are negative for Q4 (in other words, Q4 2009 average premium is 2% less than Q4 2008), undermining some of the positive signs we have seen in this class in Q1 to Q3.

Indexed average premium (Q2 2007=100)



Average premium over 2009 have been flat, as shown by the indexed quarterly average premiums showing little variation through the year. **IT**