

PRIME PERFORMANCE PEER COMPARISON 2018

SIMPLE AVERAGE OF PEERS

TIP: 100% combined is the break even point. 100% and above is cause for concern. Less than 100% is indication of excellent performance.

2018

LOSS & LAE RATIO

71.6%

EXPENSE RATIO

32.2%

COMBINED RATIO

103.8%

PRIME INSURANCE COMPANY

2018

LOSS & LAE RATIO

53.8%

EXPENSE RATIO

23.8%

COMBINED RATIO

77.6%

	LOSS & LAE RATIO (1)	EXPENSE RATIO	COMBINED RATIO (2)	RETURN ON AVERAGE EQUITY	DIRECT PREMIUMS WRITTEN	NET PREMIUMS WRITTEN	NET INCOME 2018	NET INCOME 2017	NET INCOME 2016
PRIME INSURANCE COMPANY	53.8%	23.8%	77.6%	14.3%	108,522	78,634	10,397	7,170	4,696
SIMPLE AVERAGE OF PEERS	71.6%	32.2%	103.8%	.5%					
ATLAS FINANCIAL HOLDINGS (P&C)	81.2%	25.9%	107.1%	-10.2%	253,068	200,195	(6,218)	(43,248)	(7,763)
BEAZLEY INSURANCE CO.	60.3%	36.9%	97.2%	-24.5%	337,106	392,759	(34,333)	(899)	2,398
BURLINGTON INSURANCE CO.	50.7%	45.0%	95.7%	1.8%	194,786	49,459	3,116	2,149	3,972
CANAL INSURANCE CO.	70.5%	31.6%	102.1%	8.7%	254,586	249,429	38,969	24,389	10,824
CATLIN SPECIALTY INSURANCE CO.	85.3%	29.0%	114.3%	-1.1%	79,900	80,393	(2,890)	(7,754)	3,508
CONIFER INSURANCE CO.	68.7%	41.9%	110.6%	3.0%	48,819	67,977	1,244	(8,993)	(2,782)
CRUM & FORSTER INDEMNITY CO. (FAIRFAX)	63.3%	35.2%	98.5%	17.4%	77,268	19,803	3,245	1,559	1,567
ENDURANCE AMERICAN SPECIALTY INS. CO.	81.6%	19.1%	100.7%	-5.5%	717,726	285,573	(5,729)	(6,038)	9,470
FOUNDERS INSURANCE CO. (IL)	62.9%	33.3%	97.4%	4.9%	103,264	51,963	3,591	2,388	2,194
HARCO NATIONAL INSURANCE CO.	70.0%	32.8%	102.8%	-2.4%	230,076	211,228	(4,522)	1,235	9,108
ILLINOIS CASUALTY CO.	66.4%	35.4%	101.8%	2.4%	61,125	50,013	1,206	1,316	3,446
LANCER INSURANCE CO.	74.0%	28.2%	102.2%	3.0%	279,853	279,458	6,257	15,515	15,240
LEXINGTON INSURANCE CO.	83.3%	37.4%	120.7%	-6.1%	2,421,539	4,242,625	(309,198)	(243,113)	246,359
QBE (P&C)	67.2%	29.9%	97.5%	7.3%	4,250,280	2,822,202	125,169	(72,783)	74,794
SCOTTSDALE INSURANCE CO.	75.1%	32.8%	107.9%	10.9%	1,755,636	725,333	62,409	(40,276)	17,024
WESTERN WORLD INSURANCE CO.	84.5%	20.8%	105.3%	-1.3%	421,255	562,408	(4,582)	59,267	3,415

1. Prime Insurance Company's significantly lower-than-average loss & lae ratio is a result of the partnership formed with policyholders during underwriting and risk management review. Claims litigation management is greatly enhanced through the partnership approach.

2. The combined ratio is the sum of the loss & lae, expense, and policyholder dividend ratios. A combined ratio of more than 100% means the insurer has incurred an underwriting loss. Investment income is added to underwriting income or loss to calculate net income or loss.