

# PRIME PERFORMANCE PEER COMPARISON 2019

## 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.

2019

LOSS & LAE RATIO

71.9%

EXPENSE RATIO

32.9%

COMBINED RATIO

104.8%

## PRIME INSURANCE COMPANY

2019

LOSS & LAE RATIO

51.2%

EXPENSE RATIO

21.7%

COMBINED RATIO

72.9%

## PRIME PROPERTY & CASUALTY INSURANCE INC.

2019

LOSS & LAE RATIO

51.6%

EXPENSE RATIO

16.1%

COMBINED RATIO

67.6%

LOSS & LAE RATIO (1) EXPENSE RATIO COMBINED RATIO (2) RETURN ON POLICY-HOLDERS' SURPLUS DIRECT PREMIUMS WRITTEN NET PREMIUMS WRITTEN NET INCOME 2019 NET INCOME 2018 NET INCOME 2017

DOLLARS IN THOUSANDS

	LOSS & LAE RATIO (1)	EXPENSE RATIO	COMBINED RATIO (2)	RETURN ON POLICY-HOLDERS' SURPLUS	DIRECT PREMIUMS WRITTEN	NET PREMIUMS WRITTEN	NET INCOME 2019	NET INCOME 2018	NET INCOME 2017
PRIME INSURANCE COMPANY	51.2%	21.7%	72.9%	43.5%	128,297	93,373	22,971	10,397	7,170
PRIME PROPERTY & CASUALTY INS. INC.	51.6%	16.1%	67.6%	49.4%	94,641	67,075	17,118	6,536	3,378
SIMPLE AVERAGE OF PEERS	71.9%	32.9%	104.8%	4.2%					
BEAZLEY INSURANCE CO.	64.5%	34.2%	98.7%	0.8%	428,053	385,269	1,556	(34,333)	(899)
BURLINGTON INSURANCE CO.	47.7%	41.3%	89.0%	6.7%	242,501	59,320	10,268	3,116	2,149
CANAL INSURANCE CO.	69.7%	30.0%	99.7%	15.0%	278,753	276,632	43,332	36,645	22,779
CATLIN SPECIALTY INSURANCE CO.	120.0%	25.4%	145.4%	-12.2%	7,015	42,344	(8,734)	(2,890)	(7,754)
CONIFER INSURANCE CO.	71.1%	41.5%	112.6%	-8.5%	47,524	65,643	(3,627)	1,244	(6,993)
CRUM & FORSTER INDEMNITY CO. (FAIRFAX)	63.0%	33.9%	96.9%	5.3%	108,549	23,340	1,101	3,245	1,559
ENDURANCE AMERICAN SPECIALTY INS. CO.	82.9%	16.6%	99.5%	5.6%	858,739	281,595	10,489	(5,729)	(6,038)
HALLMARK SPECIALTY INSURANCE CO.	81.5%	25.2%	106.7%	0.6%	390,148	132,404	(6,488)	8,255	22
HARCO NATIONAL INSURANCE CO.	73.0%	33.4%	106.4%	9.1%	242,426	248,934	(4,345)	(4,522)	1,235
HISCOX INSURANCE CO.	56.7%	38.8%	95.5%	4.4%	461,635	381,213	8,406	(27,238)	6,850
ILLINOIS CASUALTY CO.	63.8%	35.5%	99.4%	9.2%	62,983	53,235	3,038	1,206	1,316
LANCER INSURANCE CO.	71.1%	30.0%	101.1%	7.3%	258,040	248,748	16,053	6,257	15,515
LEXINGTON INSURANCE CO.	72.8%	36.5%	109.3%	9.0%	2,195,857	4,436,641	384,007	(309,198)	(243,113)
SCOTTSDALE INSURANCE CO.	71.1%	32.6%	103.8%	4.7%	1,981,241	720,024	23,240	62,409	(36,431)
T.H.E. INSURANCE CO.	69.1%	38.3%	107.4%	6.6%	68,528	37,970	4,247	6,621	(15,720)

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.