



2020 PRIME PERFORMANCE

PEER COMPARISON 2020

	SIMPLE AVERAGE OF PEERS	PRIME INSURANCE COMPANY	PRIME PROPERTY & CASUALTY INSURANCE INC.
LOSS & LAE RATIO	67.5%	50.2%	52.7%
EXPENSE RATIO	35.5%	21.9%	15.3%
	103%	72.1%	68%
	PEERS COMBINED RATIO	PIC COMBINED RATIO	PPCI COMBINED RATIO

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

	LOSS & LAE RATIO (1)	EXPENSE RATIO	COMBINED RATIO (2)	RETURN ON POLICY-HOLDERS' SURPLUS	DIRECT PREMIUMS WRITTEN	NET PREMIUM WRITTEN	NET INCOME 2020	NET INCOME 2019	NET INCOME 2018
DOLLARS IN THOUSANDS									
PRIME INSURANCE COMPANY	50.2%	21.9%	72.1%	36.2%	158,173	113,845	24,009	22,971	10,397
PRIME PROPERTY & CASUALTY INS. INC.	52.7%	15.3%	68%	35.7%	106,139	79,307	18,906	17,118	6,536
SIMPLE AVERAGE OF PEERS	67.5%	35.5%	103%	0.6%					

Aspen Specialty Insurance Co.	75.3%	31.0%	106.3%	-7.0%	601,336	402,493	(15,950)	(53,762)	(26,154)
Beazley Insurance Company, Inc.	55.0%	41.3%	96.3%	6.3%	524,080	359,264	8,659	1,556	(34,333)
Canal Insurance Co.	68.5%	29.7%	98.3%	-1.4%	315,685	313,818	18,996	43,332	36,645
Conifer Insurance Co.	64.0%	43.0%	107.0%	4.4%	61,386	70,013	2,059	(3,627)	1,244
Crum & Forster Indemnity Co. (FairFax)	62.5%	34.6%	97.1%	6.1%	116,725	25,455	1,323	1,101	3,245
Hallmark Specialty Insurance Co.	76.9%	28.6%	105.4%	-12.5%	393,039	114,127	2,407	(6,488)	8,255
Harco National Insurance Co.	66.8%	33.9%	100.7%	0.0%	302,960	274,927	10,026	(4,345)	(4,522)
Hiscox Insurance Co.	53.5%	42.0%	95.5%	5.4%	511,624	438,100	11,862	8,406	(27,238)
Illinois Casualty Co.	65.5%	36.1%	101.7%	6.8%	58,982	49,047	2,256	3,038	1,206
Lancer Insurance Co.	63.0%	35.3%	98.3%	15.7%	187,793	186,660	32,359	16,053	6,257
Lexington Insurance Co.	77.4%	35.2%	112.6%	1.8%	2,078,947	3,758,459	112,987	384,007	(309,198)
Nationwide Mutual Insurance Co.	76.4%	32.9%	109.4%	-3.2%	2,905,422	12,658,360	(419,988)	176,138	(147,068)
Specialty Risk of America	63.2%	44.0%	107.2%	-8.5%	14,308	10,963	(432)	292	510
StarStone Specialty Insurance Co.	70.7%	26.9%	97.6%	0.6%	171,622	142,801	(1,818)	(6,208)	(16,874)
Sutter Insurance Co.	74.0%	38.2%	112.2%	-4.9%	24,331	20,477	(1,045)	1,888	836

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.