GEORG DUNCKER

MARINE INSURANCE BROKERS

P&I

REPORT 2015/16

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FOREWORD

This report, as every year, should provide you with a general overview of the P&I market before the upcoming P&I renewal 2016/17. The shipping market has still not recovered since the outbreak of the financial crisis and appears to be unpredictable. Shipowners are still trying to weather the stormy waters but most of them are facing difficult freight markets. In these difficult times we would like to assist and guide shipowners with our annual report to make the right decision regarding their insurance arrangements. We as an independent broking house with more than 140 years of experience in the marine insurance world have the confidence that we can assist you finding the right strategy and the Club that will satisfy your expectations and add value to your business.

The P&I insurance is an important element in covering shipping companies against third party liability risks and is necessary to run the business smoothly and gain the trust of all parties involved. Fortunately, the P&I market consists of a variety of products and is divided between the International Group ("the Group") insurers and the commercial/fixed-premium market. This wide range of carriers and products give shipowners the options for individual insurance arrangements.

Contrary to the freight market, the Group has closed the year 2014/15 as the best since the year to February 2011, when the Group was celebrating a substantial collective surplus of USD 676 million due to a huge investment gain as financial markets bounced back from the financial crisis and a strong underwriting performance from most Clubs. Although the results of the policy year to February 2015 have not reached the same levels on the scale, the springboard for the profitable year has been the same. Most of the Clubs have reported underwriting surpluses and solid investment returns, which results in a surplus of USD 352 million and is up more than 45% on the previous year. This outstanding underwriting result for the policy year 2014/15 of the Group is supported by the fact that claims of previous years are turning out to be less expensive than anticipated. The benign claims environment seems to continue with only seven reported pool incidents reported so far and even the Hull market has closed the year 2014 as the first profitable year since 1995. The 13 Group Clubs have earned almost USD 1 billion from their investments over the past three years and closed the year 2014/15 with a new record in free reserves of USD 4.62bn.

With regard to the above the question arises: Why are most of the P&I Clubs still calling a general increase at renewals?

The initial idea to call a general increase is to keep the free reserves on a level that members can be sure that in any case their claims will be paid and even to overcome a bad year without unbudgeted supplementary calls. There is no doubt that the contribution to the Clubs is reflecting the principle of mutuality and members decided to be part of this elite insurance cosmos. Nevertheless, during the past renewals members have been questioning if a general increase is necessary in most cases, or if the Clubs are increasing their free reserves from year to year for other reasons.

Besides the principles of mutuality and in this context increased abatement layers by the Clubs, the uncertainty of the regulations of Solvency II, which will be implemented on the 1st of January 2016, has been one of the arguments of Clubs why they have to increase their free reserves. Not all Group members are subject to the regulation but for those who have to fulfill the requirements it was a long process of restructuring. At the moment nearly all Clubs are well financed or even in some cases are holding funds well in excess to the requirements of the regulators and therefore the introduction of Solvency II should not prove problematic. Concerning this matter we thought it is necessary to introduce a Solvency ratio as a key performance indicator to give you a better overview of the financial strength for each Club in section two of this report.

Another argument used by P&I Clubs to justify increases of free reserves was the maintenance or improvement of their S&P rating. The Clubs, like most insurance companies and financial institutes, are reviewed by rating agencies which assess the Club´s ability to pay their claims and the likelihood of default as well as providing a broad assessment of a Club´s financial position. In any case the Clubs are dependent on rating agencies although the value of credit ratings for securities has been widely questioned since the economic turmoil in 2008. Despite this, the Clubs continue to follow the recommendation of the rating agencies to build up their free reserves or even start diversifying to meet the approval of rating agencies. During the past years the majority of Club managers have been transforming their Clubs from “mono-line” to “multi-line” insurers and are underwriting other marine insurance products such as fixed-premium P&I, H&M, War Risks or K&R. In this context the question needs to be asked if members of the mutual Clubs would like to act as guarantors in the event of poor underwriting results for other lines of business.

We understand the intentions of the Clubs and why they are choosing a certain strategy but we have the opinion that some changes in the market will have an impact for owners and it is time to review the options. Shipowners need a break from constantly increased insurance premiums, especially the ones with good claims records. The Clubs of the Group have reached a level of financial stability where they should consider renewing their members on individual merits. In addition the Clubs have the responsibility to be reasonable to their members and should follow the decisions of a few Clubs who have decided at previous renewals to return premiums to their members or break away from the general increase cycle.

The following analysis should give you an overview of the P&I market and assist you in finding the best solution for your potential risks. We trust this report will be a valuable resource for the upcoming renewal and the year ahead.

Christian and Matthias Ross
November 2015

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CURRENT MARKET ISSUES

CONVENTIONS

Conventions which have come into effect recently or will come into effect over the next few years could create big challenges for owners and their P&I Clubs. The risk of larger claims is continuously increasing and there is great concern on both sides that costs for large casualties might be more expensive in the future compared to what we have experienced in the past already.

Entering into force in April 2015, the Nairobi International Convention on the Removal of Wrecks currently ratified by 17 states ensures that registered owners of a vessel are responsible for locating, marking and removing a wreck deemed to be a hazard, defined as a threat to navigation, the environment, the coastline or related interests of one or more states. This means that owners are financially liable and require them to take out insurance or provide other financial security to cover the potential costs of wreck removal.

Another market issue is the Convention on Limitation of Liability for Maritime Claims which specifies the limits of liability for claims for loss of life or personal injury and for property claims. Originally signed in Brussels in 1957 and coming into force in 1968, these limits have been amended in 1976 and 1996 to adjust the limits to the constantly increasing costs of major claims. The last amendment was made in April 2013 and entered into force in June 2015. Both conventions also represent continued government intervention and regulation which have a significant impact on the shipping industry.

In addition to the above, the amendment of the Maritime Labour Convention - expected to come into force early 2017 - with the effect that shipowners will be required to provide financial security in respect of contractual claims for death and injury and for the payment of up to four months of back wages and other entitlements. As a result of these conventions clubs have to decide how to respond to the continuously increasing exposure and how to share the additional liabilities via the Group's Pool or how alternative covers can be structured.

SANCTIONS

With ongoing political conflicts in 2014/15 shipowners are still facing the problem of various sanctions around the globe. The most volatile region for the time being remains Russia/Ukraine and the Middle East. Over the last year various sanctions have been imposed by the US and EU authorities after the annexation of Crimea and have been constantly expanded since then. As the sanctions are targeted against individuals as well as corporate or public entities, it is very difficult for owners to fulfill a satisfying due diligence for their trade. Some relief of pressure can be seen when it comes to Iran after the Joint Plan of Action was implemented in January 2014. The majority of sanctions remain in place to date until verification that Iran has implemented key nuclear commitments.

PIRACY

The combined efforts of the shipping community and international institutions to keep the trading routes at the Horn of Africa and the West Indian Ocean safe continues to prove very efficient with no successful attacks in that area for more than two years. But while celebrating the effective fight against piracy around Africa's East Coast / Indian Ocean two other spots are in the focus of the shipping community.

At the moment South East Asia and the West African Coast (especially in the Gulf of Guinea) have become increasingly dangerous and unpredictable over the years and 2015 will see a new record for reported maritime crimes in these regions. Despite the growing risk in both areas there has not yet been any real answer to this threat from either the shipping community or the international authorities. Uncertain political and legislative issues make it difficult to establish common standards for measures such as armed guards or organize military aid which has proven to be successful in other areas (e.g. "Operation Atalanta").

MARINE POLLUTION REGULATIONS IN CHINA

On 12th of May 2015 the revised Regulations of the People's Republic of China on Emergency Prevention and Handling of Marine Pollution Caused by Ships came into effect. For trade to a Chinese port owners of every vessel carrying polluting and hazardous cargoes in bulk or any other ship above 10,000 GT are required to sign a contract with a ship pollution response organization (SPRO) approved by the Maritime Safety Agency (MSA). According to the revised regulation SPROs no longer have to be approved by the MSA but instead will be constantly monitored by a newly introduced supervision and examination procedure handled via the local MSA. To assist this procedure SPROs have to publish their capabilities, resources and service areas to guarantee public access.

Notwithstanding being the SPRO's responsibility to ensure that it fulfills all requirements of the MSA's regulation, it is recommended by the clubs that owners should continue working with the previously MSA approved SPROs until the new procedure has been fully implemented.

02

REVIEW OF THE P&I MARKET

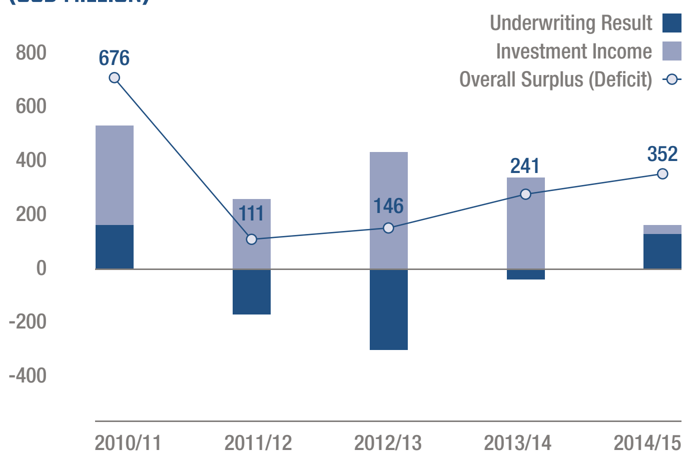
GROUP FINANCIAL RESULTS 2014/15

NET COMBINED RATIO: 96% (101% IN 2013/14)	BEST OVERALL SURPLUS SINCE 2010/11: USD 352M	MODEST RETURN ON INVESTMENT: 2.7% (3.6% IN 2013/14)
NET CLAIMS PER GT DOWN BY 6.0%	RECORD FREE RESERVES: USD 4.62BN (+7.7%)	GROWTH OF ENTERED TONNAGE: +4.4% (1,113M GT)

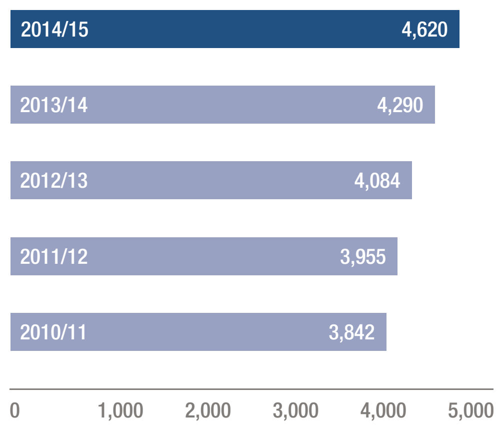
The reported Group results for the underwriting year to February 2015 have exceeded market expectations with an overall surplus of USD 352 million leading to record free reserves of USD 4.62 billion. The combined overall surplus of the 13 Clubs is up more than 45% compared to the previous year and the best since February 2011, when a huge investment gain of more than half a billion U.S. dollar pushed the collective surplus to USD 676 million.

In contrast to previous years, the Group's investment income of USD 198 million, corresponding to an average return of 2.7%, has been supported by a positive underwriting result of USD 141 million. A growth of the overall net premium of around 5.6% in combination with a low level of claims both in frequency and value has brought down the Group's net combined ratio to 96% from 101% last year.

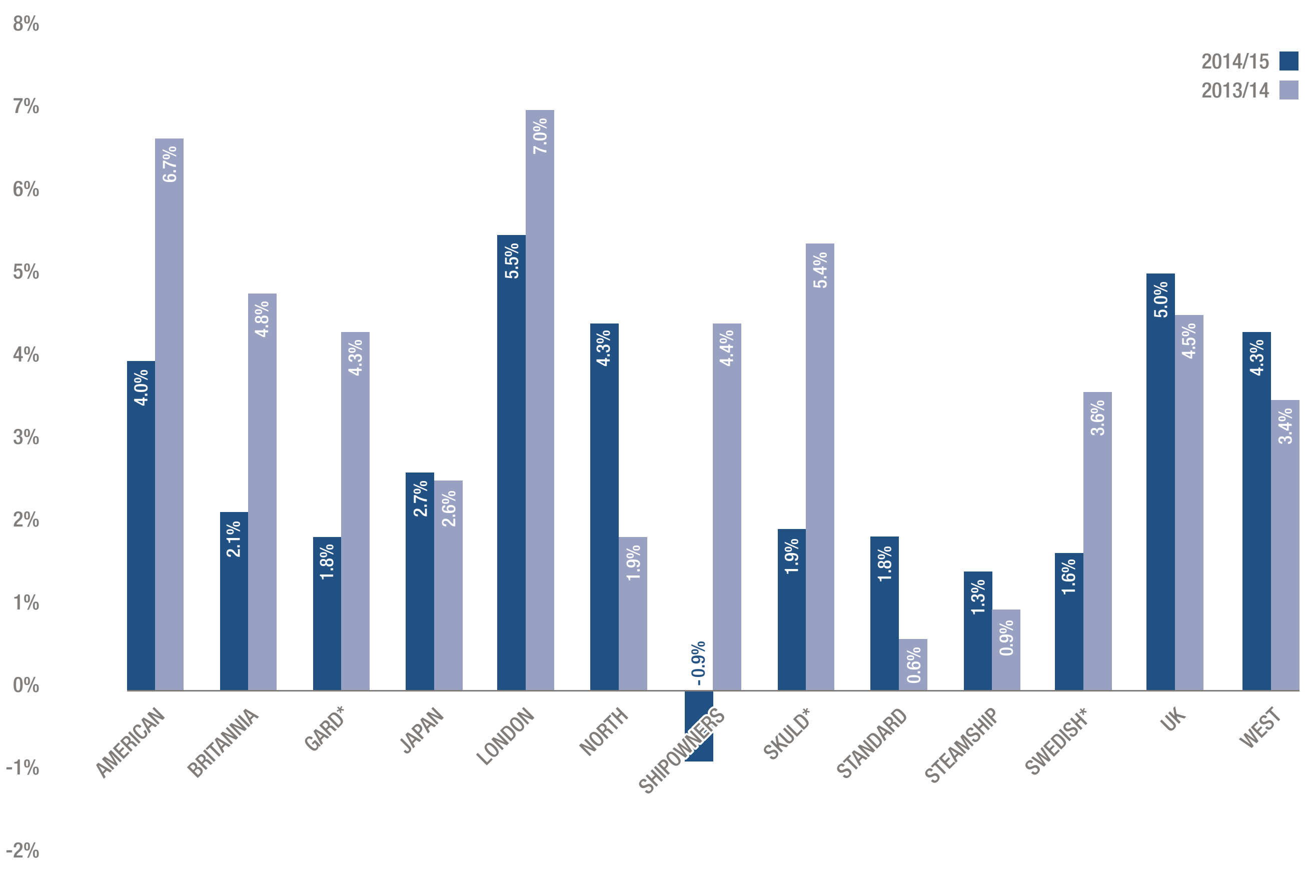
GROUP FINANCIAL PERFORMANCE
(USD MILLION)



DEVELOPMENT OF FREE RESERVES
(USD MILLION)



DEVELOPMENT OF INVESTMENT RETURN PER CLUB (%)



* Consolidated Group figures incl. Marine & Energy.

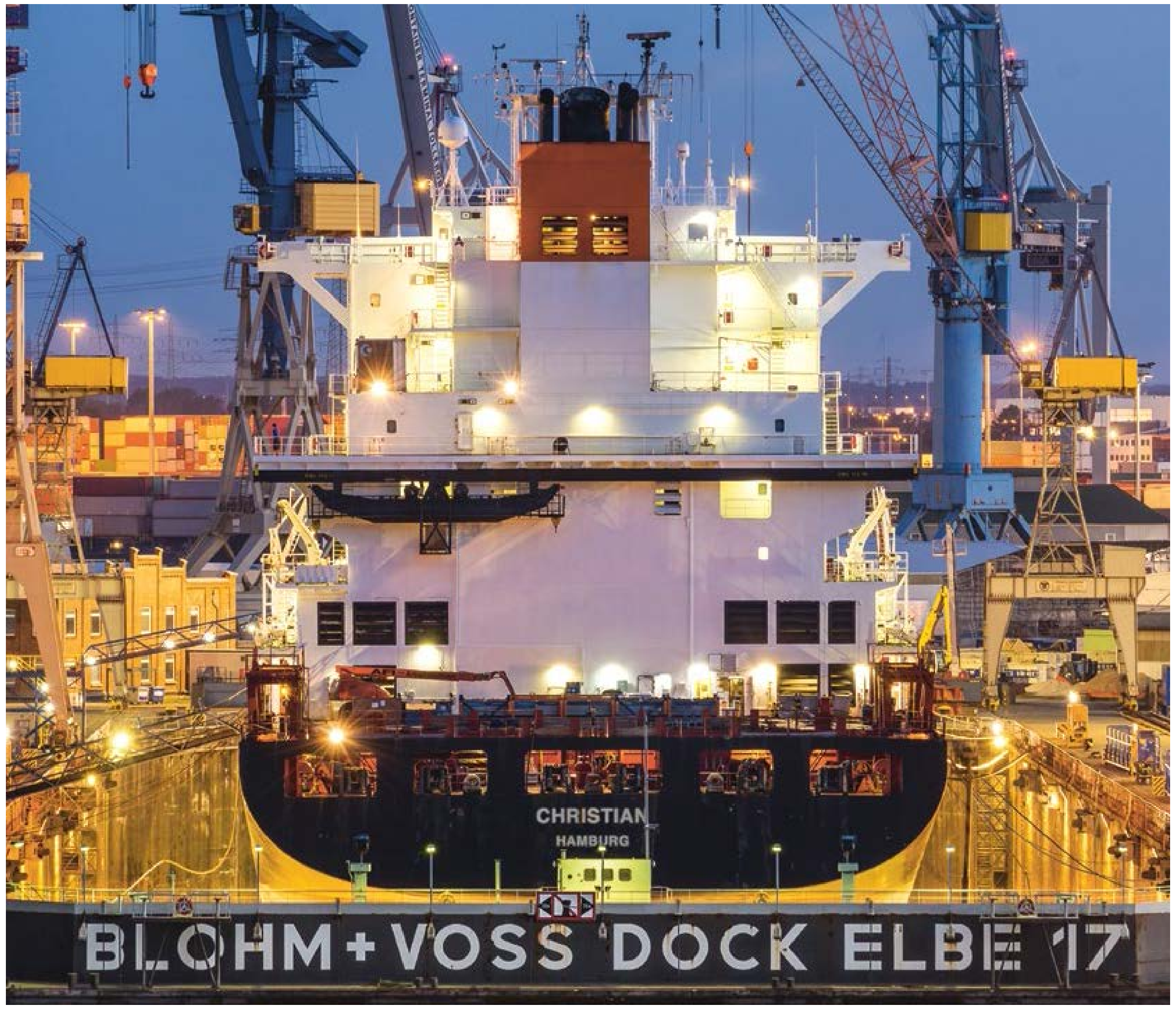
The volatility on the financial markets during 2014 has also affected the investment portfolios of the Group Clubs who experienced their lowest average return rate since the record loss of USD 840 million during the course of 2008/09 financial crisis. Ongoing geopolitical tension in Ukraine and the Middle East, the Ebola outbreak in West Africa and tumbling commodity prices especially for oil, gas and metals in combination with the appreciation of the U.S. dollar have deepened the uncertainty of market participants.

On the equity markets, investors had to be satisfied with modest returns as stocks in industrial countries have slowed down their rally of the previous five years. Based on the Federal Reserve's largest quantitative easing programme ever of USD 4.5 trillion, ended in October 2014, the U.S. economy has experienced robust growth rates, reflected in a solid return of 11.4% for the American benchmark index S&P 500. Share prices also climbed in Japan where the Nikkei 225 gained 7.1% in 2014.

In comparison to the capital gains achieved on the U.S. and Asian stock exchanges, investors in the European markets had to be satisfied with lower returns. The European equities index EURO STOXX 50 rose 4% and the German DAX was up 2.7% at year-end. In the emerging markets, 13 of 23 countries monitored by MSCI logged negative total returns and the spread of returns was broader. The top performers in this stock index have been Egypt (29.3%), Indonesia (26.6%) and the Philippines (25.6%), while the lowest returns came from Russia (-46.3%) and Greece (-40.0%), resulting in an overall drop of the MSCI emerging market index of -2.2%.

In an environment of slowing inflation rates and central bank interest rates on a historically low level, yields across the fixed-income spectrum continued their downward trend. The U.S. 10-year Treasury Note fell from 3.03% to 2.17% at the end of 2014 while the German and Japanese 10-year yields were already near the bottom with 0.55% and 0.35% respectively at year-end. Thus, investors in these securities, especially those from the U.S. fixed-income market, safe-haven government securities and investment-grade corporate bonds have been rewarded with strong total returns (i.e. interest income plus capital gains). High-yield debt, also known as junk bonds and commodity indices, have been hit by the steep drop in oil prices in the second half of the year 2014.

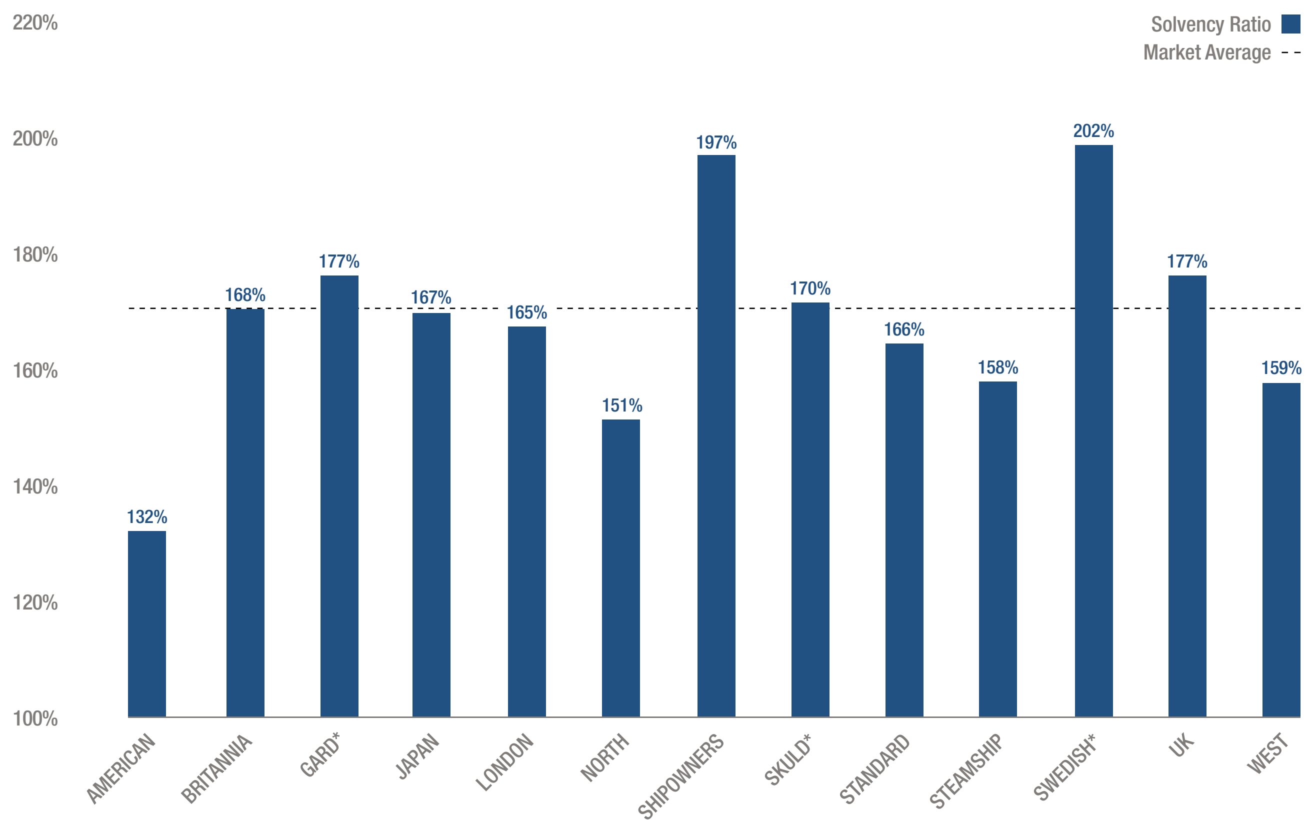
In recent years the Group members have advanced diversification to be less vulnerable to large P&I claims as well as external shocks outside the maritime sector. Besides providing third party liability insurance to shipowners, some of the Clubs like the Gard, Skuld or the Swedish Club have diversified into other lines of business, including H&M, Increased Value, Loss of Hire and War Risk insurance. In April 2015, the Standard together with its manager Charles Taylor have followed Skuld by opening The Standard Syndicate 1884 its own platform at Lloyd's providing a broad range of cover to the marine and energy industry sectors. Furthermore, most of the Clubs have already established their own facilities to offer a fixed-premium P&I product with limits up to USD 1 billion as a response to the increased competition coming from this market segment.



The combination of an accelerated pace of diversification and an enhanced complexity of business makes it more difficult to assess the capital requirements of a mutual Club. With the implementation of Solvency II, coming into force on 1st of January 2016, there will be an appropriate risk-based approach available to address the capital adequacy and financial strength of a Club. Briefly, the new European regulatory regime will introduce a two-tier regulatory capital requirement, the Solvency Capital Requirement (SCR) and the Minimum Capital Requirement (MCR). The latter describes the minimum amount of capital required to ensure that an insurer is able to meet its obligations over the next twelve months with a probability of 85% while the SCR is more narrowly defined setting the confidence level to 99.5% over a one-year period. If the level of own funds falls below the SCR or even the MCR it will result in immediate regulatory intervention and require remedial actions.

For the Clubs, the introduction of Solvency II is likely to increase their capital requirements, in particular the amount of capital which has to be preserved in risk-free assets and the level of capital needed to cover outstanding claims. The Clubs which fall under the Solvency II directive will have the opportunity to choose whether they calculate their needed capital adequacy with a standard formula or using their own internal pricing models, aimed to decrease the capital requirements, subject to supervisory approval. Ahead of Solvency II, we would like to introduce the Solvency ratio, calculated by dividing net assets through net outstanding claims, a measure to address a Club`s capital adequacy. The Solvency ratio estimates a Club's capability to meet future claims payments, indicating a Club's technical insolvency if the coefficient falls below 100%. For the financial year 2014/15, the Group members had an average Solvency ratio of 169%, underlining that most of the Clubs are well-capitalized and prepared for Solvency II.

SOLVENCY RATIO 2014/15 PER CLUB (%)



* Consolidated Group figures incl. Marine & Energy.

GROUP FINANCIAL RESULTS 2014/15 PER CLUB IN NUMBERS

P&I Club	Period End	Gross Written Premium ($M)	Total Expenditure ($M)	Underwriting Result ($M)	Investment Income ($M)	Overall Surplus (Deficit) ($M)	Free Reserves ($M)	Owned GT (M)	Free Reserves / GT ($)
AMERICAN	31-12-14	114.8	121.3	-6.5	7.8	1.3	58.6	16.0	3.66
BRITANNIA [1]	20-02-15	269.7	206.9	62.8	10.8	73.7	545.6	108.5	5.03
GARD [2]	20-02-15	966.6	903.1	63.4	11.9	49.5	969.1	207.6	4.67
JAPAN	31-03-15	233.1	231.2	1.9	35.0	36.9	172.4	90.5	1.90
LONDON	20-02-15	111.3	141.2	-29.9	26.7	-3.2	157.4	43.8	3.59
NORTH [3]	20-02-15	471.1	505.5	-34.4	32.8	25.8	338.1	127.0	2.66
SHIPOWNERS	20-02-15	247.3	235.9	11.4	-10.0	1.4	300.3	23.5	12.78
SKULD [4]	20-02-15	411.2	410.5	0.8	12.7	13.5	346.9	74.0	4.69
STANDARD	20-02-15	354.0	354.4	-0.4	12.2	11.8	380.3	112.0	3.40
STEAMSHIP	20-02-15	365.3	302.0	63.3	11.7	75.0	376.2	74.3	5.06
SWEDISH [5]	31-12-14	180.7	162.0	18.7	0.7	19.4	184.1	41.5	4.44
UK [6]	20-02-15	408.1	422.9	-14.8	33.9	19.1	547.8	127.0	4.31
WEST [7]	20-02-15	216.8	212.2	4.5	12.1	27.5	243.7	67.5	3.61
Group Total		4,350.1	4,209.1	140.9	198.2	351.5	4,620.4	1,113.2	Avg. 4.15

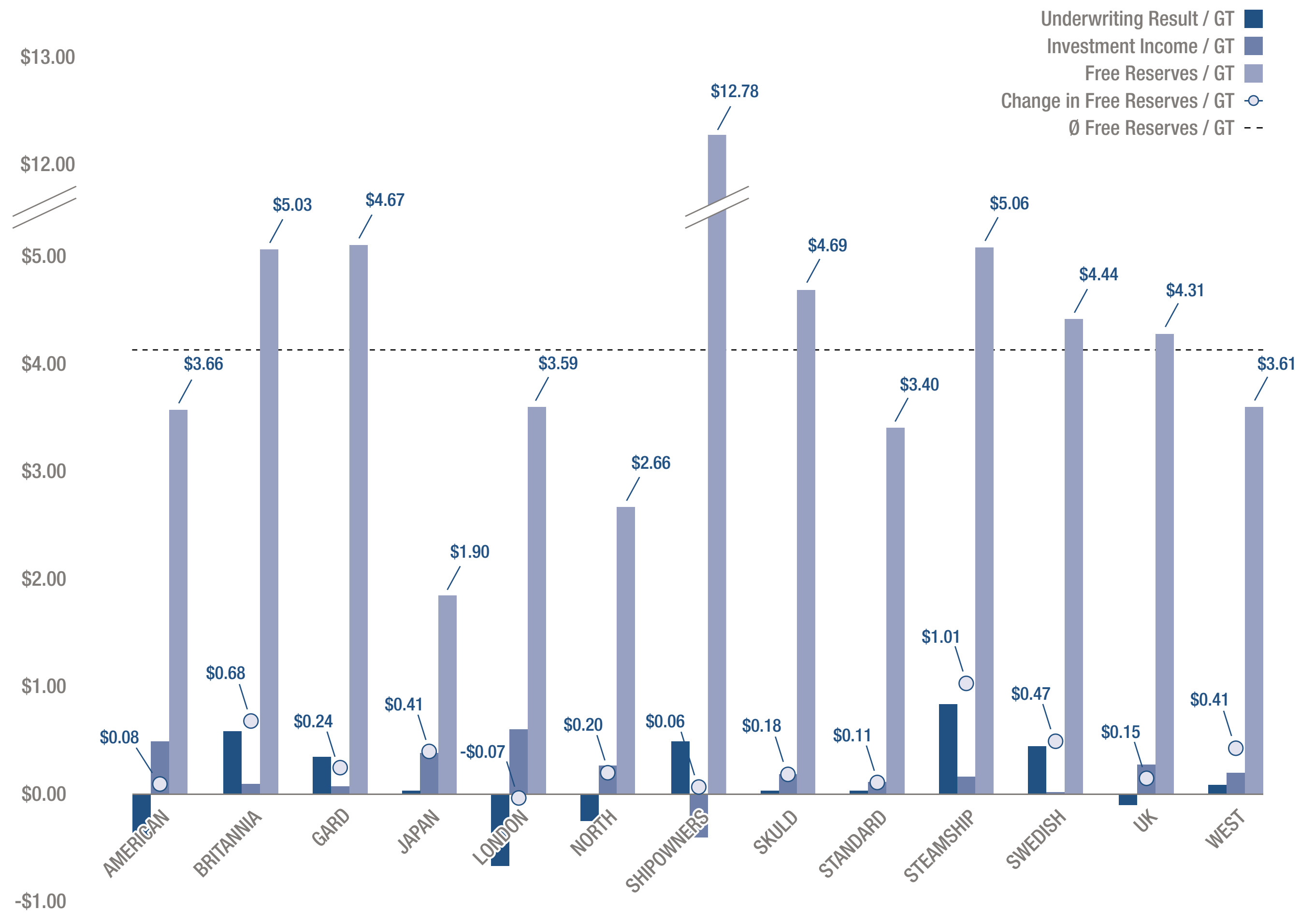
1) Combined figures of Britannia and its Bermuda-based reinsurance offshoot Boudicca.
2) Group figures incl. the Marine & Energy underwriting divisions of Gard. The overall result of the Gard has deteriorated by a USD 25.9 million pension expense.
3) Overall surplus incl. the revaluation of land and buildings (USD 6.9 million) and a deficit on defined benefit plans (USD 27.7 million). Further, the merger with Sunderland added USD 48.3 million to the free reserves.
4) Group figures incl. the results of Skuld Syndicate 1897.
5) Group figures incl. the Marine & Energy underwriting divisions of The Swedish Club.
6) Free reserves incl. perpetual subordinated capital securities (hybrid capital) of USD 98.7 million.
7) Overall surplus incl. the revaluation of the West's offices in London and Hong Kong of USD 10.9 million.

Analysing the results for the financial year 2014/15 in detail, it can be observed that eight of the 13 Group Clubs reported an underwriting profit on their ordinary business activities. In a generally favorable P&I claims environment, nine Clubs have reported better underwriting results than the year before. After accounting for the return on investments, all associations except for one have made an overall surplus materializing in substantial free reserves of USD 4.15 per GT on average.

The Gard succeeded in defending its undisputed position as the market leader of the mutual P&I Clubs in respect of free reserves (USD 969.1 million) and tonnage (207.6 GT owned entries). Furthermore, Gard has reported a solid surplus of USD 49.5 million for the financial year 2014/15. The Arendal-based insurer has profited from a strong underwriting performance with a gain of USD 63.4 million boosting the relatively modest investment result of USD 11.9 million. Based on their good financial results, the Gard has decided to reduce the deferred call for the 2014 policy year to 15% from the original estimate of 25% of the advance call. As the only "S&P A+"-rated P&I Club, however, the Gard have had to face a couple of challenges during the last year. At the February renewal, USD 25.9 million had to be taken out from the accounts to increase the pension liabilities in response to the fallen yields for Norwegian government bonds. In order to address the forthcoming Solvency II regulations, the Gard switched its accounting principles from Norwegian NSR6 to the international IAS19 resulting in a restatement of the 2013/14 financial year and a reduction of free reserves by USD 25 million.

Furthermore, the Gard and other Norwegian mutual insurers such as Skuld and Den Norske Krigsforsikringen for Skib (DNK) are cautious about a possible harmonization of the insurance regulations in Norway going along with the introduction of Solvency II in 2016. The marine mutuals are mainly concerned that earned surpluses may be regarded as equivalent to commercial profit and therefore could be taxed as such by the Norwegian fiscal authorities.

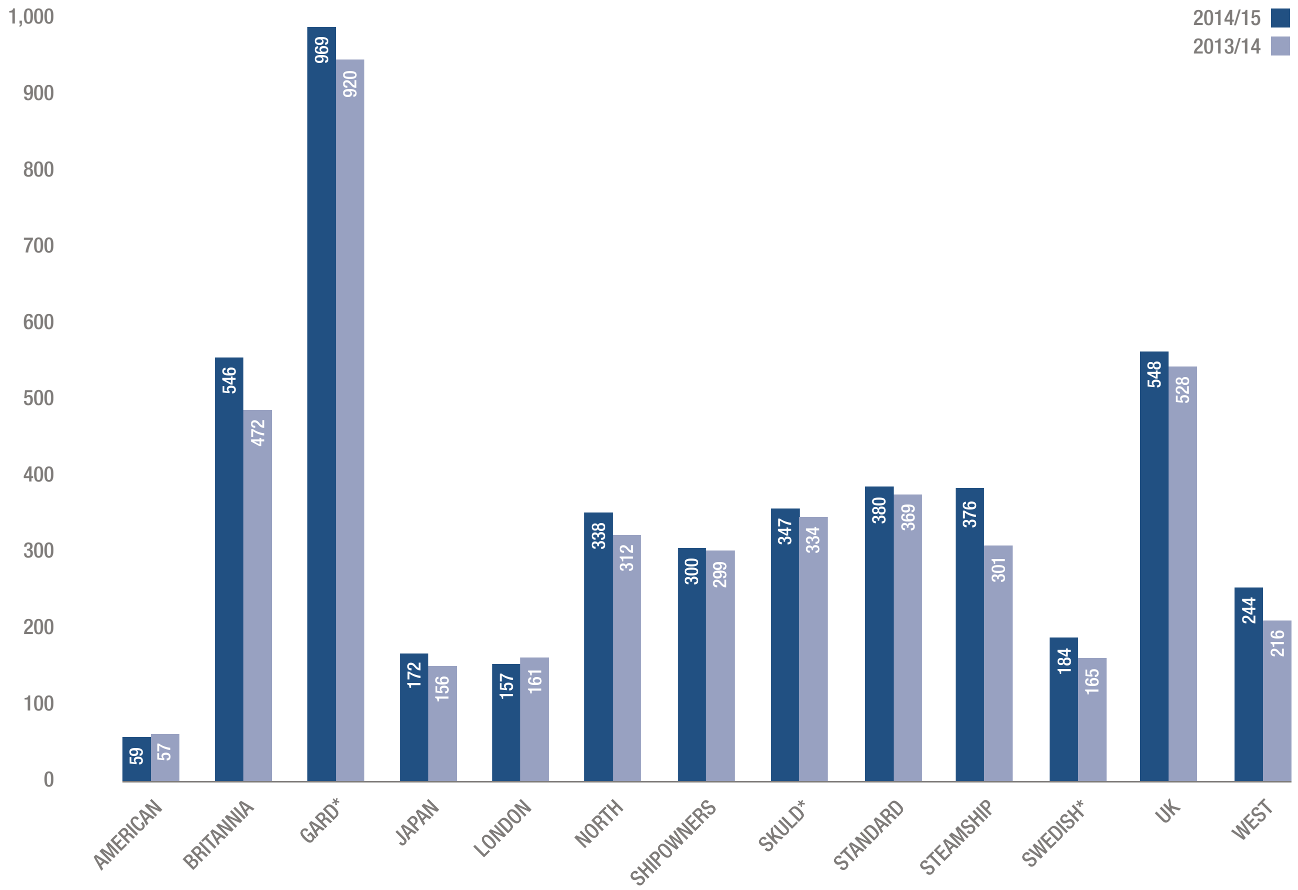
GROUP FINANCIAL RESULTS 2014/15 PER CLUB IN FIGURES



Skuld has delivered a positive underwriting result for the twelfth year in a row maintaining a net combined ratio slightly below 100%. Compared to the preceding year the overall profit has fallen by more than a half to a result of USD 13.5 million. The decreased profitability is mainly caused by a higher number of large claims, a still loss-making syndicate (-USD 7.5 million in 2014/15) and a notable churn effect (i.e. high-paying older vessels being sold or scrapped to be replaced by competitively rated new tonnage). A further negative impact on the results was due to the fixed-premium segment of Skuld which produced a loss of USD 9 million, the first substantial loss since 2008. On the investment side, the Skuld has similar to the Gard a quite conservative investment policy focused on low-risk treasuries and corporate bonds rated "A" or higher, leading to a return on invested assets of 1.9%.

The best annual result since 2010 has been reported by the Swedish Club lifting its free reserves from USD 164.8 million to USD 184.1 million. Profiting from an 11% growth of net written premium, the Swedish Club's segmental statements are showing black figures for all three lines of business (P&I, FD&D, Marine & Energy) with an overall net combined ratio of 87%. Compared to the enhanced operating performance, the investment return fell below the budget expectation due to currency losses for bonds denominated in Euro and Swedish Krona. For P&I risks, the insured fleet has passed the 60 million GT mark, of which 41.5 million GT were owned entries.

DEVELOPMENT OF FREE RESERVES PER CLUB (USD MILLION)



* Consolidated Group figures incl. Marine & Energy.

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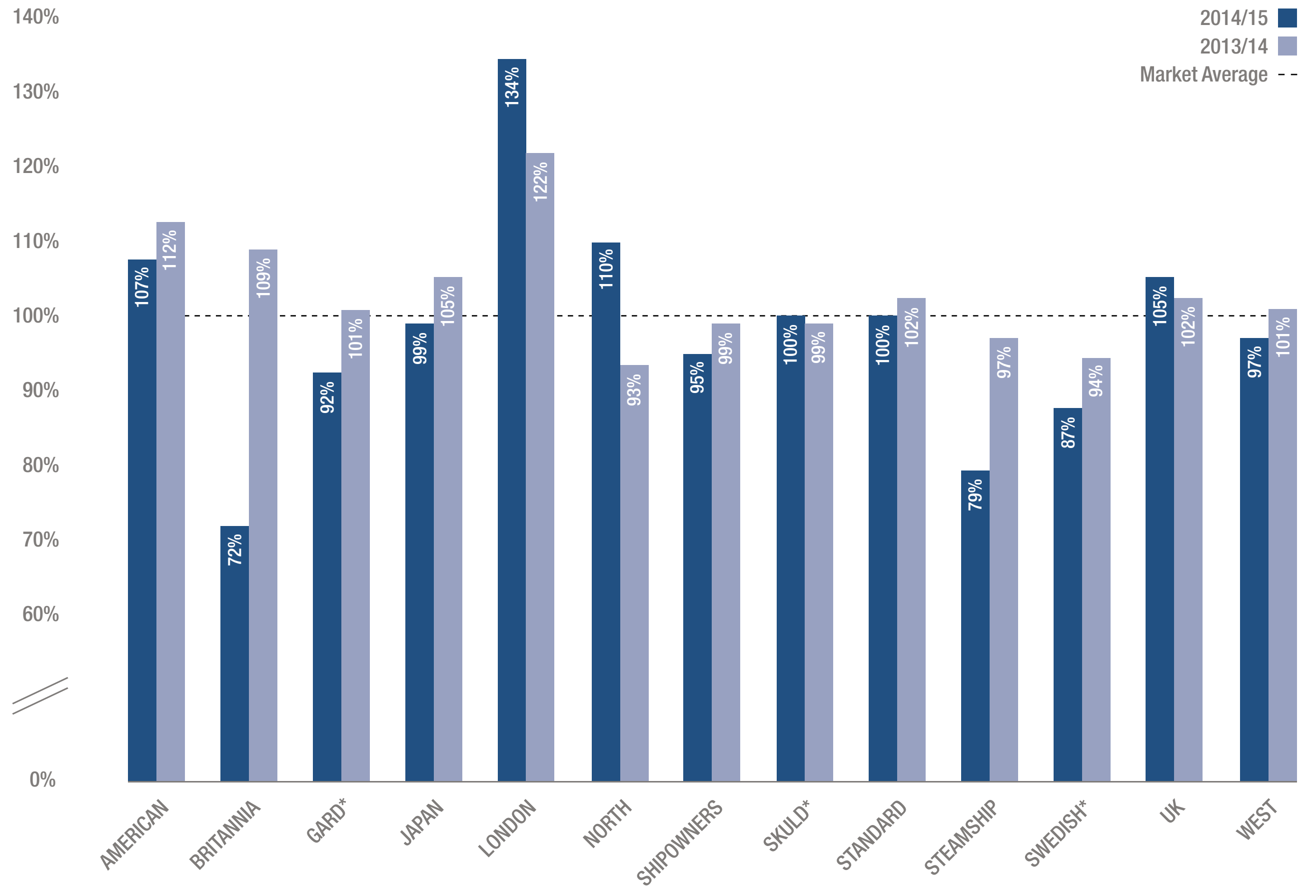
DEVELOPMENT OF NET COMBINED RATIO PER CLUB (%)



* Consolidated Group figures incl. Marine & Energy.

10-YEAR DEVELOPMENT OF OWNED GT (M) PER CLUB

P&I Club	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2005-2015	2014-2015
AMERICAN	16	16	16	17	16	14	13	13	14	15	19	-15.8%	1.3%
BRITANNIA	109	108	111	111	103	98	93	88	88	82	76	43.1%	0.5%
GARD	208	187	174	163	145	133	127	117	103	87	80	159.5%	11.2%
JAPAN	91	89	89	87	89	88	86	79	72	66	60	50.8%	1.3%
LONDON	44	43	41	41	38	36	39	39	34	34	33	32.7%	1.6%
NORTH	127	130	127	123	105	90	75	65	55	48	44	188.6%	-2.3%
SHIPOWNERS	24	24	22	20	18	16	15	15	14	12	10	128.2%	-0.4%
SKULD	74	75	72	65	58	52	43	39	34	30	26	184.6%	-1.3%
STANDARD	112	108	109	102	92	82	65	50	47	46	48	133.3%	3.7%
STEAMSHIP	74	69	65	63	58	53	50	47	44	42	38	94.5%	8.2%
SWEDISH	42	37	35	34	31	26	25	25	22	20	17	144.1%	11.9%
UK	127	124	120	112	105	105	110	119	106	103	100	27.0%	2.4%
WEST	68	57	54	51	49	53	51	54	54	63	60	12.3%	18.0%
Group Total	1,113	1,067	1,034	988	906	847	792	750	686	647	611	82.1%	4.4%

For the second year running, the North of England has been hit by increased liabilities for defined benefit plans taking out USD 27.7 million from its net assets. In February 2014, the North merged with the mutual, fishing-industry-oriented insurer Sunderland Marine, contributing to a higher premium income and a rise of free reserves by USD 48.3 million. At the time the deal was finalized, total free reserves peaked at a combined Club level of USD 360.3 million while at the renewal they fall by USD 22.2 million to USD 338.1 million. Claims-wise the North has gone through a tough year with 50 casualties over USD 1 million each claim and with two incidents being large enough to affect the Group pool. At the P&I renewal, shipowners and charterers have shifted in total 10 million GT away from the North, placing the Club still in second position for owners' tonnage; a ranking which is now however shared with the UK Club.

Like the North, the UK is declaring an owners' tonnage of 127 million GT, but the charterers' book with 98 million GT is more than double the size of its Newcastle-based competitor. The growth of mutual entries is accompanied by the continuous recovery of the UK Club's financial condition as the Club again reported an overall surplus. However, on the underwriting side the UK experienced a loss of USD 14.8 million, mainly because the average cost per claim has increased over the past five years by 20%, which in turn has been balanced out by a gain on investments of USD 33.9 million. In total, a net income of 19.1 million has been added to the free reserves standing at USD 449 million with a further USD 99 million held in hybrid capital.

At the February renewal, the best financial performance of all Clubs has been realized by the Steamship Mutual. The success of the Club has been supported by the outstanding underwriting result with a net combined ratio of 79%, which is one of the best in the P&I sector in recent years. A favorable claims trend together with a growing mutual tonnage to 74.3 million GT has been contributing to the underwriting profit of USD 63.3 million. In addition, the investment portfolio has rewarded the Steamship with USD 11.7 million, corresponding to a modest return of 1.3%. Thus, free reserves have soared within one year by USD 75 million to a record of USD 376.2 million. The excellent financial performance of the Steamship explains the mutual's decision not to charge a general increase from their members at the latest P&I renewal.

A favorable trend on the claims side with a drop of net claims by more than 40% has pushed the reported surplus of the Britannia up to USD 73.7 million, ranking the Club in second place behind the Steamship Mutual. In 2014/15, the Britannia has incurred 15 casualties in excess of USD 1 million with an aggregated estimated cost of USD 59.3 million while in 2013/14 there have been 33 of such claims valued at USD 107.2 million. The downturn in claims has been the trigger point for the USD 62.8 million underwriting profit pushing free reserves to a total of USD 545.6 million. Britannia's investment performance was with a plus of just USD 4 million, equivalent to 0.4%, which is relatively small. Boudicca as the association's reinsurance captive has leveraged the capital gains of Britannia with an investment return of 3.5% to USD 10.8 million.

The Standard Club reported an underwriting result close to break-even, with a net combined ratio of 100.2% slightly better than the last year's ratio of 101.7%. At the capital markets, the Standard suffered, due to the fact that the U.S. dollar gained against all major currencies (i.e. Euro, British Pound, Yen), with significant foreign exchange losses like most of the other Clubs (e.g. Shipowners) shrinking the financial side gain down to 1.8%. The bottom line result of USD 11.8 million has led to an increase of the Standard's free reserves from USD 368.5 million to USD 380.3 million.

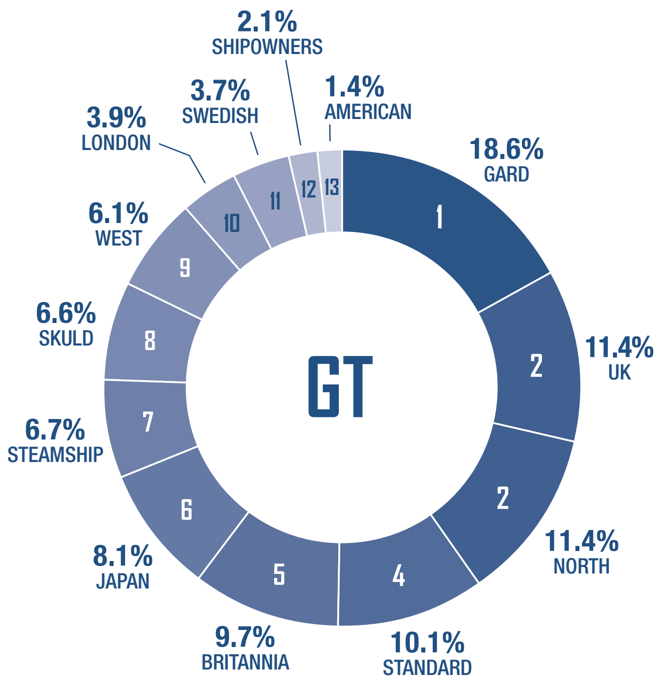
For the West of England it has been the seventh consecutive year that the combined ratio has fallen and the first in this sequence where the Club had a positive underwriting result of USD 4.5 million. Like other associations, the West has also profited from a good P&I claims climate with declared incidents relatively low in value and frequency compared to the past policy years. A return on invested funds of 4.3% contributed a further USD 12.1 million to the books of the West and taking into account the higher property values of the Club's offices (headquarter in London and branch in Hong Kong), free reserves have risen to USD 243.7 million.

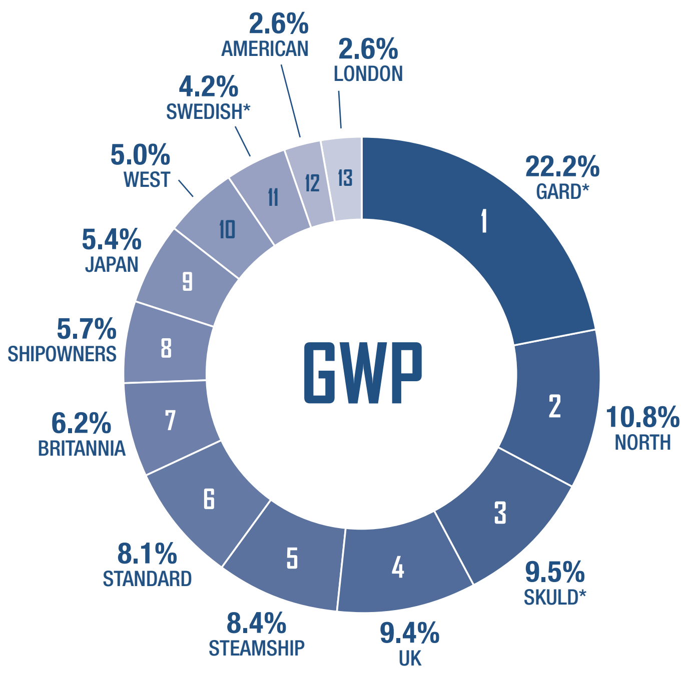
As indicated earlier, the only Club who has suffered an investment deficit of USD 10 million has been the Shipowners primarily driven by exchange losses of USD 26.5 million. On the underwriting side, the Club with its focus on smaller and specialist vessels has realised, with USD 11.4 million, a robust return on its ordinary business activities, so USD 1.4 million were added to the association's free reserves.

The London P&I Club has faced an even more difficult year due to an unusual rise in the frequency and severity of claims above USD 1 million. The Club was hit by 14 such incidents whereas in the last decade there was only one policy year in which that number exceeded eight. The loss of nearly USD 30 million on the underwriting side wiped out the traditional strong investment returns so that the Club has made an operating deficit of USD 3.2 million with free reserves down to USD 157.4 million.

In line with the positive financial development of most Group members are the figures from the two overseas Clubs, namely the American and the Japan P&I Club. Traditionally, the American Club has profited from an equity-oriented investment portfolio that has generated return rates averaging 6% over the past five years. While the net combined ratio of the American Club is still in the red, the Japan P&I Club has managed to turn the net combined ratio, with 98.9%, to the right side of the break-even line. The improved loss record in both ocean-going vessels and Naiko Class (i.e. fixed-premium facility for Japanese coastal vessels) has enabled the Tokyo-based Club to increase its free reserves by more than 10% to USD 172.4 million.

MARKET SHARE OF P&I CLUBS





* Consolidated Group figures incl. Marine & Energy.

STANDARD & POOR'S RATING OF P&I CLUBS

Policy Year	Current	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05
AMERICAN	BBB-	BBB-	BBB-	BB+	BB+	BB-	BB-	BB-	BB-	B+	BB+	BBB-
BRITANNIA	A	A	A pi	A pi	A pi	A pi	A pi	A pi	A pi	A pi	A pi	A pi
GARD	A+	A+	A+	A+	A	A	A+	A+	A+	A	A	A
JAPAN	BBB+	BBB+	BBB+	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	-	-
LONDON	BBB	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi
NORTH	A	A	A	A	A	A	A	A	A	A	A	A-
SHIPOWNERS	A-	A-	A-	A-	BBB pi	BBB pi	BBB pi	BBB pi	A pi	A pi	A pi	A pi
SKULD	A	A	A	A	A-	A-	A-	A -	A-	BBB+	BBB+	BBB
STANDARD	A	A	A	A	A	A	A	A	A	A	A	A
STEAMSHIP	A-	A-	A-	A-	A-	BBB+	BBB+	BBB+	BBB pi	BBB pi	BBB pi	BB pi
SWEDISH	BBB+	BBB+	BBB+	BBB+	BBB	BBB	BBB	BBB	BBB	BBB	BBB-	BBB
UK	A	A	A-	A-	A-	A-	A-	A-	A	A	A	A
WEST	BBB+	BBB+	BBB	BBB-	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi	BBB pi

Legend of financial security: AAA: "extremely strong", AA: "very strong", A: "strong", BBB: "good", BB: "marginal", B: "weak", pi = based on public data only

GENERAL INCREASE RECORD

Policy Year	2015/16	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	Club Avg.
AMERICAN	4.5	10	10	5	2	4.2	29	20	10.6
BRITANNIA	2.5	2.5	16.5	5	5	5	12.5	23.8	9.1
GARD	2.5	5	5	5	0	0	15	10	5.3
JAPAN	3	7.5	5	3	10	12.5	21.2	20	10.3
LONDON	6	10	12.5	5	5	5	15	17.5	9.5
NORTH	4.75	7.5	15	5	3	5	17.5	17.5	9.4
SHIPOWNERS	0	5	5	0	0	5	10	0	3.1
SKULD [1)]	n/a	n/a	n/a	n/a	n/a	5	15	7.5	-
STANDARD	5	12.5	7.5	5	3.5	3	15	15	8.3
STEAMSHIP	0	10	7.5	5	0	5	17.5	15	7.5
SWEDISH	2.5	7.5	7.5	5	2.5	2.5	15	15	7.2
UK	6.5	10	7.5	3	5	5	12.5	17.5	8.4
WEST	2.5	7.5	7.5	5	5	5	19.2	15	8.3
Avg.	3.3	7.9	8.9	4.3	3.4	4.8	16.5	14.9	8.0

1) Skuld has decided to abandon the principle of a general increase on 2nd September 2010. Since that time Skuld performs an individual risk evaluation of each member when assessing the policy year premium requirement and is not setting a general increase on premium ratings.

SUPPLEMENTARY CALL RECORD

Policy Year	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08
AMERICAN	0/0	0/0	0/0	25/25	25/25	20/20	0/25	0/30
BRITANNIA	45/37.5	45/45	40/40	40/40	40/40	40/32.5	40/40	30/30
GARD	25/15	25/15	25/15	25/20	25/15	25/10	25/25	25/25
JAPAN	40/40	40/40	40/40	40/40	40/50	40/40	30/30	30/30
LONDON	0/0	0/0	0/0	0/0	0/0	40/40	40/75	40/89
NORTH	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
SHIPOWNERS	0/0	0/0	0/0	0/0	10/0	10/0	25/0	25/0
SKULD	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
STANDARD	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
STEAMSHIP	0/0	0/0	0/0	0/0	0/0	0/0	0/20	0/14
SWEDISH	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/35
UK	0/-2.5	0/0	0/0	0/-2.5	0/0	0/0	0/20	0/25
WEST	35/35	35/35	30/30	30/30	30/30	30/30	20/65	20/55

Supplementary Calls are constantly updated as per Club Circulars.

Called below Estimated Supplementary Call
Called above Estimated Supplementary Call

POOLING AND REINSURANCE

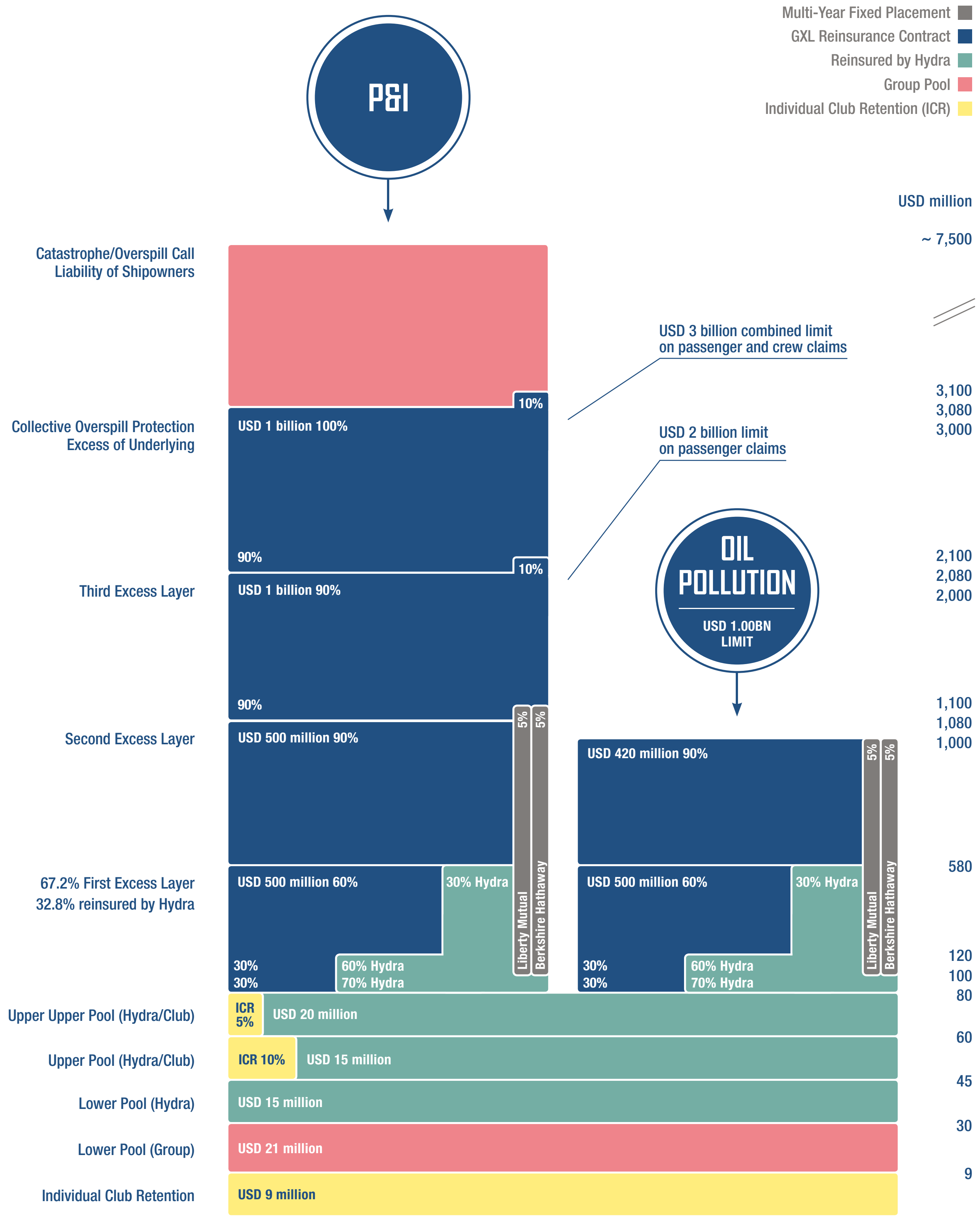
On the Group's reinsurance front, the arrangements for the policy year 2015/16 were broadly the same as those of the previous year. The Group has maintained its three layers General Excess of Loss (GXL) reinsurance programme which provides, in combination with an additional collective overspill layer, commercial reinsurance cover up to USD 3.1 billion. The detailed composition of the Group's current owned entries reinsurance programme is illustrated on the right-hand page.

For the 2015/16 policy year, no changes have been introduced into the lower and upper pool layer structure. The individual club retention (ICR) has remained at USD 9 million (for the 2016/17 policy year the ICR is going to be increased to USD 10 million) and the excess point in the GXL contract is unaltered at USD 80 million. There is once again a three layer pool structure, consisting of a lower pool layer from USD 9 million to USD 45 million with Club's contributions are calculated according to claims, premium income and entered tonnage for each Club. The upper pool layer from USD 45 million to USD 60 million (within which there is a claiming Club retention of 10%), and an upper upper pool layer from USD 60 million to USD 80 million where 95% of the costs are shared between all Clubs purely on a tonnage-weighted basis. After exceeding the ICR of USD 9 million, a Club reinsures each claim up to an amount of USD 30 million in the Group pool. All claims between USD 30 million and USD 80 million are reinsured via the Group's protected cell captive insurer Hydra.

In addition, the Group has arranged comprehensive reinsurance placements with currently 91 reinsurers, known as the GXL reinsurance contract, for claims ranging from USD 80 million up to USD 2.1 billion (maximum limit of USD 1 billion for oil pollution claims) combined with a collective overspill protection layer (USD 1 billion with one reinstatement). The commercial reinsurance programme is divided into three layers and each layer is underwritten by different reinsurers. On the first layer of the GXL programme (USD 500 million in excess of USD 80 million), Hydra has increased its existing 30% co-reinsurance share to include an additional 30% share of the layer USD 80 million to USD 120 million. This effectively results in Hydra retaining 60% of any losses in the first USD 40 million tranche above the 80 million attachment point and an extra 10% of the layer USD 80 million to USD 100 million, leading to an increased overall participation of Hydra on the first excess layer from 30% to 32.8%.

Further, the Group has arranged a second 5% 36-month private placement of USD 1 billion in excess of 100 million cover with Liberty Mutual commenced on 20th February 2015, besides the one with Berkshire Hathaway which incepted at the 2014/15 renewal.

GROUP REINSURANCE PROGRAMME 2015/16



The 2014/15 policy year proved to be the third good year in a row for P&I claims reported to the Group pool and reinsurers. As of 20th February 2015, a total of 15 claims exceeding the ICR of USD 9 million had been notified, with estimated aggregate costs of around USD 180 million attributable to the Group pool, and no claim reaching the GXL attachment point of USD 80 million.

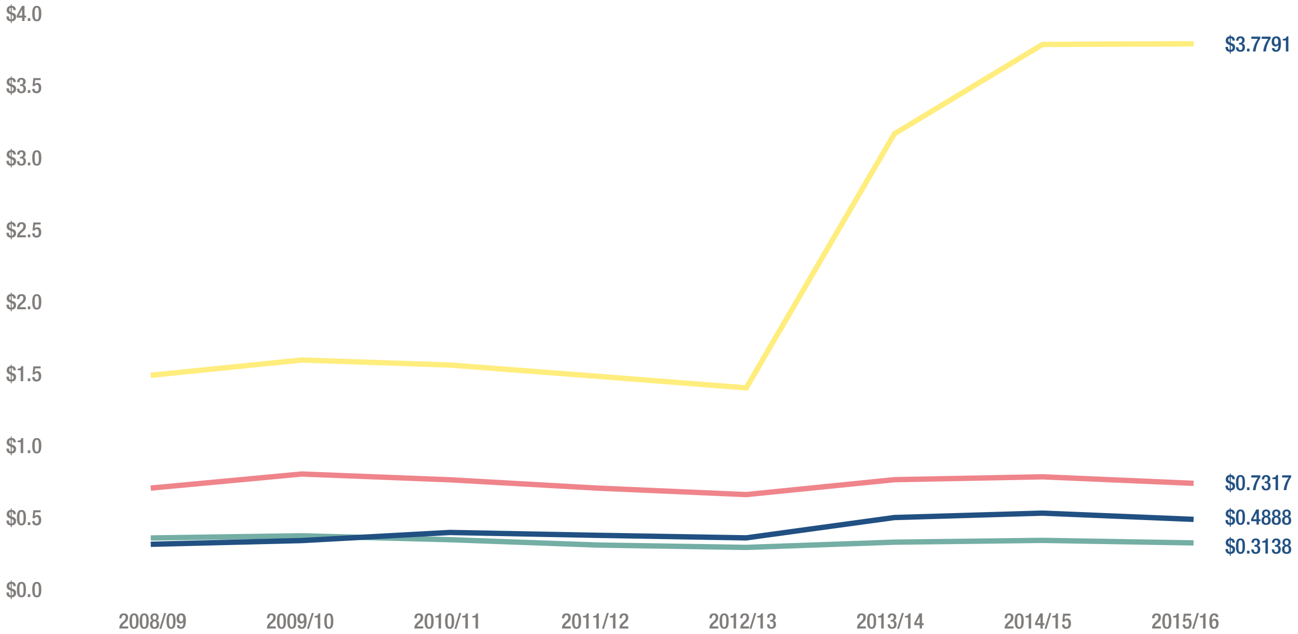
However, there was a further USD 400 million deterioration since the 2014 renewal of the COSTA CONCORDIA and RENA claims on the 2011/12 policy year absorbed by the Group's reinsurers, in particular from those participating on the third excess layer of the programme. Despite those negative developments on the first and third largest ever claims to the Group pool, the loss experience of the reinsurance programme on the 2014/15, 2013/14 and 2012/13 policy years remains favorable for reinsurers.

In light of a good claims environment, Hydra has been able to strengthen its financial position leading to the increased retention of the Group's captive reinsurer on the first excess layer. This, in conjunction with the use of a further three years fixed placement and a soft reinsurance market, enabled the Group to negotiate rate reductions at the 2015 reinsurance renewal. The reinsurance costs for clean and dirty tankers decreased by more than 8%, about 6% for dry cargo ships while the reinsurance tariff for passenger vessels remained at a level of USD 3.7791 per GT.

2014/15 AND 2015/16 POLICY YEAR RATING COMPARISON

Vessel Type	2014/15 rate per gt	% change from 2013/14	2015/16 rate per gt	% change from 2014/15
Dirty Tanker	$0.7963	+5.26	$0.7317	-8.11
Clean Tanker	$0.3415	+5.24	$0.3138	-8.11
Dry Cargo	$0.5203	+5.28	$0.4888	-6.05
Passenger	$3.7791	+20.00	$3.7791	0.00

DEVELOPMENT OF REINSURANCE COSTS (USD PER GT)



03

P&I CLUB PROFILES

AMERICAN STEAMSHIP OWNERS MUTUAL PROTECTION AND INDEMNITY ASSOCIATION, INC.

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KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
16,000	1.44%	4.50%	$114,798	$58,600	BBB-

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	16,000	15,800	15,500	17,100	15,900
Chartered	300	300	300	300	300
Market Share by Owned GT	1.44%	1.48%	1.50%	1.73%	1.54%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	25/25
Release Call	20	20	20	Closed	Closed
General Increase	4.5	10	10	5	2

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

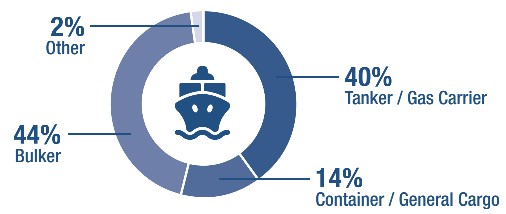
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	114,798	107,959	112,126	111,955	114,631
Reinsurance Costs	20,553	18,581	18,585	16,283	9,362
Net Claims (Incurred)	65,962	65,064	83,265	72,986	69,236
Net Operating Expenses	34,795	35,250	31,995	33,045	34,691
Underwriting Result	-6,512	-10,936	-21,719	-10,359	1,342
Investment Income	7,768	14,051	15,729	6,966	13,939
Overall Surplus (Deficit)	1,256	3,115	-5,990	-3,393	15,281
Net Assets	243,456	240,935	268,504	266,404	264,327
Net Outstanding Claims	184,856	183,591	214,205	206,185	200,715
Free Reserves	58,600	57,344	54,299	60,219	63,612

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	106.9%	112.2%	123.2%	110.8%	98.7%
Investment Return	4.0%	6.7%	7.6%	3.5%	7.7%
Increase in Free Reserves	2.2%	5.6%	-9.8%	-5.3%	31.6%
Free Reserves / GT	$3.66	$3.63	$3.50	$3.52	$4.00
Solvency Ratio	132%	131%	125%	129%	132%
Average Expense Ratio	21.6%	19.3%	19.3%	18.3%	16.5%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



THE BRITANNIA STEAM SHIP INSURANCE ASSOCIATION LIMITED

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KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
108,500	9.75%	2.50%	$269,726	$545,567	A

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	108,500	108,000	110,500	111,100	103,200
Chartered	27,000	23,000	25,000	28,900	32,800
Market Share by Owned GT	9.75%	10.13%	10.68%	11.25%	11.39%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	45/37.5	45/45	40/40	40/40
Release Call [1]	15	7.5	7.5	Closed	Closed
General Increase	2.5	2.5	16.5	5	5

Supplementary and Release Calls are constantly updated as per Club Circulars.
1) The release calls are a percentage of the advance call proportion of the estimated total call for the relevant policy years and are in addition to any uncollected part of the deferred call levied for the relevant policy year.

FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	269,726	284,167	294,057	281,772	298,482
Reinsurance Costs	48,941	48,616	48,910	45,681	52,718
Net Claims (Incurred)	132,991	230,703	285,816	248,942	214,126
Net Operating Expenses	24,963	26,811	29,317	29,389	27,877
Underwriting Result	62,831	-21,963	-69,986	-42,240	3,761
Investment Income	10,838	55,844	47,026	49,109	74,454
Overall Surplus (Deficit)	73,669	33,881	-22,960	6,869	78,215
Net Assets	1,342,505	1,285,205	1,245,443	1,276,090	1,209,588
Net Outstanding Claims	796,938	813,307	807,426	815,113	755,480
Free Reserves	545,567	471,898	438,017	460,977	454,108

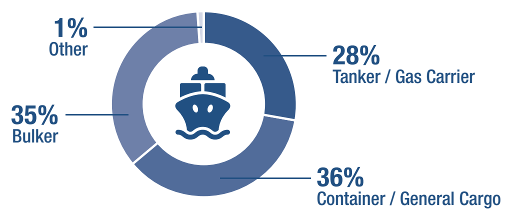
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	71.5%	109.3%	128.5%	117.9%	98.5%
Investment Return	2.1%	4.8%	4.1%	6.0%	7.8%
Increase in Free Reserves	15.6%	7.7%	-5.0%	1.5%	20.8%
Free Reserves / GT	$5.03	$4.37	$3.96	$4.15	$4.40
Solvency Ratio	168%	158%	154%	157%	160%
Average Expense Ratio	8.4%	8.0%	8.5%	8.5%	8.1%

Combined figures of Britannia and its Bermuda-based reinsurance offshoot Boudicca.

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



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KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
207,600	18.65%	2.50%	$966,572	$969,053	A+

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	207,600	186,700	174,000	162,600	144,600
Chartered	57,500	57,500	60,000	57,500	51,000
Market Share by Owned GT	18.65%	17.51%	16.82%	16.46%	15.95%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	25/15	25/15	25/15	25/20
Release Call [1]	20	15	5	0	Closed
General Increase	2.5	5	5	5	0

Supplementary and Release Calls are constantly updated as per Club Circulars.
1) The release calls are a percentage of the estimated total call for the relevant policy years.

FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14 Restated	2012/13	2011/12	2010/11
Gross Written Premium	966,572	912,595	852,343	829,854	774,961
Reinsurance Costs	161,902	184,171	170,811	144,459	125,328
Net Claims (Incurred)	630,893	643,175	600,382	595,141	532,538
Net Operating Expenses	110,331	90,337	121,572	92,388	101,355
Underwriting Result	63,446	-5,088	-40,422	-2,134	15,740
Investment Income	11,903	49,395	109,598	38,057	136,006
Overall Surplus (Deficit) [2]	49,481	44,307	69,176	35,923	151,746
Net Assets	2,219,936	2,135,432	2,008,424	1,990,045	1,906,272
Net Outstanding Claims	1,250,883	1,215,860	1,113,169	1,163,964	1,116,114
Free Reserves [3]	969,053	919,572	895,255	826,081	790,158

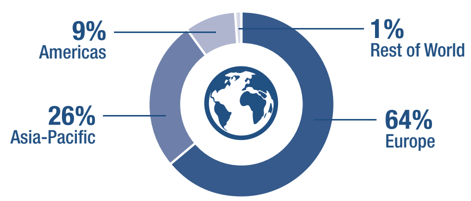
2) The overall result of the Gard has deteriorated by a USD 25.9 million increase in pension provisions.
3) At the beginning of 2015, the Gard has changed its accounting principles resulting in a reduction of free reserves by USD 25.015 million.

KEY PERFORMANCE INDICATORS

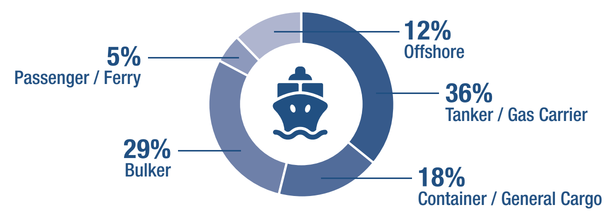
	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	92.1%	100.7%	105.9%	100.3%	97.6%
Investment Return	1.8%	4.3%	6.1%	2.8%	9.3%
Increase in Free Reserves	5.4%	2.7%	8.4%	4.5%	23.8%
Free Reserves / GT	$4.67	$4.93	$5.15	$5.08	$5.46
Solvency Ratio	177%	176%	180%	171%	171%
Average Expense Ratio	11.4%	11.3%	14.1%	13.0%	12.0%

Group figures incl. the Marine & Energy underwriting divisions of Gard.

ENTERED VESSELS BY REGION



ENTERED VESSELS BY TYPE OF TONNAGE



THE JAPAN SHIP OWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCATION

JAPAN Since 1950

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KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
90,500	8.13%	3.00%	$233,086	$172,370	BBB+

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	90,500	89,300	89,400	87,300	89,000
Chartered	11,800	11,400	12,700	13,600	13,500
Market Share by Owned GT	8.13%	8.37%	8.64%	8.84%	9.82%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	40/40	40/40	40/40	40/40
Release Call	45	45	5	5	Closed
General Increase	3	7.5	5	3	10

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

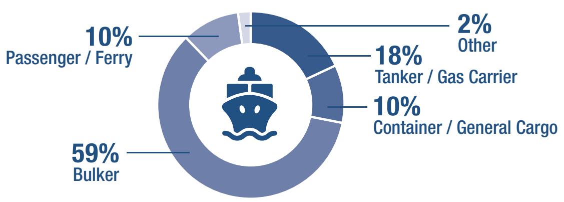
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	233,086	237,738	223,555	259,865	281,753
Reinsurance Costs	55,257	56,264	44,545	46,228	49,652
Net Claims (Incurred)	155,635	168,548	175,893	180,390	183,179
Net Operating Expenses	20,297	22,775	22,574	26,498	25,819
Underwriting Result	1,897	-9,849	-19,457	6,749	23,103
Investment Income	34,981	24,793	27,655	-2,883	-14,995
Overall Surplus (Deficit)	36,878	14,944	8,198	3,866	8,108
Net Assets	428,303	429,279	441,866	461,599	432,905
Net Outstanding Claims	255,933	273,267	284,320	294,650	275,078
Free Reserves	172,370	156,012	157,546	166,949	157,827

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	98.9%	105.4%	110.9%	96.8%	90.0%
Investment Return	2.7%	2.6%	2.5%	1.6%	1.4%
Increase in Free Reserves	10.5%	-1.0%	-5.6%	5.8%	17.5%
Free Reserves / GT	$1.90	$1.75	$1.76	$1.91	$1.77
Solvency Ratio	167%	157%	155%	157%	157%
Average Expense Ratio	5.3%	5.7%	5.7%	6.2%	6.3%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



THE LONDON STEAM-SHIP OWNERS' MUTUAL INSURANCE ASSOCIATION LIMITED

The London P&I Club

50 Leman Street
London E1 8HQ
United Kingdom
www.londonpandi.com

Office Locations:
London, Hong Kong, Piraeus

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
43,800	3.93%	6.00%	$111,290	$157,414	BBB

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	43,800	43,100	41,200	40,500	37,900
Chartered	3,500	4,900	4,700	5,200	5,000
Market Share by Owned GT	3.93%	4.04%	3.98%	4.10%	4.18%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	15	12.5	5	Closed	Closed
General Increase	6	10	12.5	5	5

Supplementary and Release Calls are constantly updated as per Club Circulars.

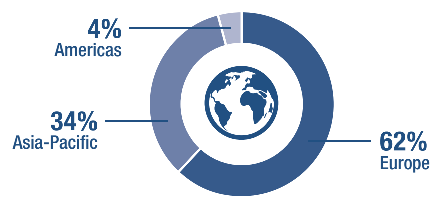
FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	111,290	106,895	101,951	109,190	113,224
Reinsurance Costs	24,445	20,754	22,175	21,216	22,549
Net Claims (Incurred)	104,277	92,956	82,691	93,338	101,118
Net Operating Expenses	12,483	11,921	11,483	11,367	11,021
Underwriting Result	-29,915	-18,736	-14,398	-16,731	-21,464
Investment Income	26,685	25,351	23,758	16,330	25,108
Overall Surplus (Deficit)	-3,230	6,615	9,360	-401	3,644
Net Assets	398,118	391,495	390,816	396,002	409,116
Net Outstanding Claims	240,704	230,851	236,787	251,333	264,046
Free Reserves	157,414	160,644	154,029	144,669	145,070

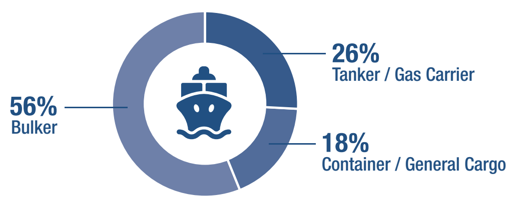
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	134.4%	121.8%	118.0%	119.0%	123.7%
Investment Return	5.5%	7.0%	6.9%	4.9%	7.1%
Increase in Free Reserves	-2.0%	4.3%	6.5%	-0.3%	8.0%
Free Reserves / GT	$3.59	$3.73	$3.74	$3.57	$3.83
Solvency Ratio	165%	170%	165%	158%	155%
Average Expense Ratio	8.8%	8.4%	9.6%	9.4%	8.7%

ENTERED VESSELS BY REGION



ENTERED VESSELS BY TYPE OF TONNAGE



THE NORTH OF ENGLAND P&I ASSOCIATION LIMITED

NORTH
SERVICE, STRENGTH, QUALITY

The Quayside
Newcastle Upon Tyde NE1 3DU
United Kingdom
www.nepia.com

Office Locations:
Newcastle, Hong Kong, Piraeus, Singapore, Tokyo

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
127,000	11.41%	4.75%	$471,083	$338,109	A

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	127,000	130,000	127,000	123,000	105,000
Chartered	43,000	50,000	43,000	40,000	45,000
Market Share by Owned GT	11.41%	12.19%	12.28%	12.45%	11.59%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	20	10	5	5	Closed
General Increase	4.75	7.50	15	5	3

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	471,083	383,534	365,347	346,348	314,243
Reinsurance Costs	125,173	77,885	70,788	55,432	59,738
Net Claims (Incurred)	305,808	231,627	253,512	246,072	155,956
Net Operating Expenses	74,497	53,600	51,300	52,300	43,700
Underwriting Result	-34,395	20,422	-10,253	-7,456	54,849
Investment Income	32,786	13,100	8,500	15,000	17,300
Overall Surplus (Deficit) [1]	25,835	0	-1,753	7,544	72,149
Net Assets	1,000,410	935,751	917,723	896,237	810,400
Net Outstanding Claims	662,301	623,477	605,487	582,224	497,966
Free Reserves	338,109	312,274	312,236	314,013	312,434

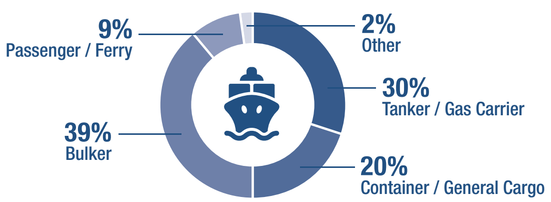
1) Overall surplus incl. the revaluation of land and buildings (USD 6.9 million) and a deficit on defined benefit plans (USD 27.7 million). Further, the merger with Sunderland added USD 48.3 million to the free reserves. In the financial year 2013/14 the Club also had to absorb a pension liability of USD 33 million which led to a break-even result.

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	109.9%	93.3%	103.5%	102.6%	78.4%
Investment Return	4.3%	1.9%	1.6%	2.8%	2.7%
Increase in Free Reserves	8.3%	0.0%	-0.6%	0.5%	30.0%
Free Reserves / GT	$2.66	$2.40	$2.46	$2.55	$2.98
Solvency Ratio	151%	150%	152%	154%	163%
Average Expense Ratio	12.4%	12.5%	13.1%	12.6%	11.9%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



THE SHIPOWNERS' MUTUAL PROTECTION & INDEMNITY ASSOCIATION (LUXEMBOURG)

SHIPOWNERS

St. Clare House, 30-33 Minories
London EC3N 1BP
United Kingdom
www.shipownersclub.com

Office Locations:
London, Singapore

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
23,500	2.11%	0.00%	$247,342	$300,273	A-

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	23,500	23,600	21,900	19,800	17,800
Chartered	500	500	800	500	500
Market Share by Owned GT	2.11%	2.21%	2.12%	2.00%	1.96%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	0	0	0	0	Closed
General Increase	0	5	5	0	0

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

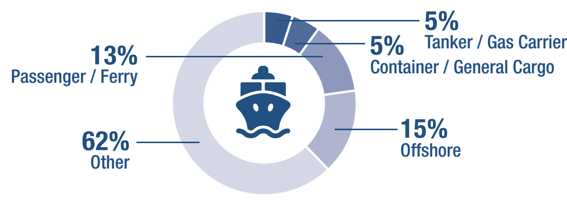
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	247,342	243,715	221,925	209,689	196,815
Reinsurance Costs	36,243	30,664	21,795	19,927	22,998
Net Claims (Incurred)	145,493	158,462	146,871	118,172	107,150
Net Operating Expenses	54,168	52,255	44,321	43,030	40,510
Underwriting Result	11,438	2,334	8,938	28,560	26,157
Investment Income	-10,020	20,888	31,935	17,986	26,717
Overall Surplus (Deficit)	1,418	23,222	40,873	46,546	52,874
Net Assets	610,129	618,784	565,570	502,291	431,027
Net Outstanding Claims	309,856	319,929	289,937	267,531	242,813
Free Reserves	300,273	298,855	275,633	234,760	188,214

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	94.6%	98.9%	95.5%	84.9%	85.0%
Investment Return	-0.9%	4.4%	7.8%	4.8%	6.8%
Increase in Free Reserves	0.5%	8.4%	17.4%	24.7%	39.1%
Free Reserves / GT	$12.78	$12.66	$12.59	$11.86	$10.57
Solvency Ratio	197%	193%	195%	188%	178%
Average Expense Ratio	20.0%	18.0%	20.0%	20.0%	19.0%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



ASSURANCEFORENINGEN SKULD

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0114 Oslo
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www.skuld.com

Office Locations:
Oslo, Bergen, Copenhagen, Hamburg, Hong Kong, London, New York, Piraeus, Singapore

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
74,000	6.65%	n/a	$411,246	$346,910	A

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	74,000	75,000	72,000	65,000	58,000
Chartered	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed
Market Share by Owned GT	6.65%	7.03%	6.96%	6.58%	6.40%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	15	5	0	Closed	Closed
General Increase [1]	n/a	n/a	n/a	n/a	n/a

Supplementary and Release Calls are constantly updated as per Club Circulars.
1) Skuld has decided to abandon the principle of a general increase on 2nd September 2010. Since that time Skuld performs an individual risk evaluation of each member when assessing the policy year premium requirement and is not setting a general increase on premium ratings.

FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	411,246	379,391	317,936	299,971	272,429
Reinsurance Costs	63,622	56,557	40,244	38,482	32,312
Net Claims (Incurred)	259,057	245,554	212,167	193,722	165,073
Net Operating Expenses	87,781	73,321	64,556	56,109	44,436
Underwriting Result	786	3,959	969	11,658	30,608
Investment Income	12,718	25,098	16,550	12,696	34,013
Overall Surplus (Deficit)	13,504	29,057	17,519	24,354	64,621
Net Assets	844,488	804,442	720,548	693,673	633,940
Net Outstanding Claims	497,578	470,159	412,123	402,244	367,504
Free Reserves	346,910	334,283	308,425	291,429	266,436

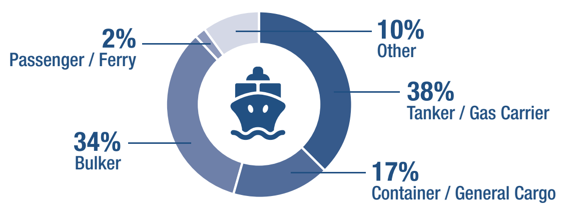
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	99.8%	98.8%	99.7%	95.5%	87.3%
Investment Return	1.9%	5.4%	3.0%	2.6%	5.8%
Increase in Free Reserves	3.8%	8.4%	5.8%	9.4%	32.2%
Free Reserves / GT	$4.69	$4.46	$4.28	$4.48	$4.59
Solvency Ratio	170%	171%	175%	172%	172%
Average Expense Ratio	12.9%	12.3%	12.3%	12.4%	12.1%

Group figures incl. the results of Skuld Syndicate 1897.

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



THE STANDARD CLUB LIMITED

Standard House, 12-13 Essex Street
London WC2R 3AA
United Kingdom
www.standard-club.com

Office Locations:
London, Bermuda, Hong Kong, New York, Piraeus, Rio de Janeiro, Singapore, Tokyo

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
112,000	10.06%	5.00%	$354,000	$380,300	A

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	112,000	108,000	109,000	102,000	92,000
Chartered	23,000	23,000	26,000	30,000	38,000
Market Share by Owned GT	10.06%	10.13%	10.54%	10.33%	10.15%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	7	3	2	Closed	Closed
General Increase	5	12.5	7.5	5	3.5

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

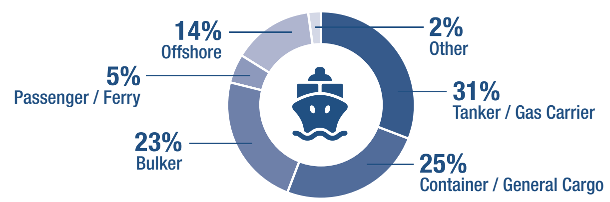
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	354,000	336,100	294,100	286,200	278,100
Reinsurance Costs	92,000	82,900	62,900	65,500	68,200
Net Claims (Incurred)	233,800	230,900	244,700	240,900	170,800
Net Operating Expenses	28,600	26,500	26,100	23,900	21,100
Underwriting Result	-400	-4,200	-39,600	-44,100	18,000
Investment Income	12,200	10,100	49,600	47,000	58,900
Overall Surplus (Deficit)	11,800	5,900	10,000	2,900	76,900
Net Assets	956,500	949,300	916,000	875,600	809,700
Net Outstanding Claims	576,200	580,800	553,400	523,000	460,000
Free Reserves	380,300	368,500	362,600	352,600	349,700

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	100.2%	101.7%	117.1%	120.0%	91.4%
Investment Return	1.8%	0.6%	6.6%	6.6%	9.8%
Increase in Free Reserves	3.2%	1.6%	2.8%	0.8%	44.0%
Free Reserves / GT	$3.40	$3.41	$3.33	$3.46	$3.80
Solvency Ratio	166%	163%	166%	167%	176%
Average Expense Ratio	11.4%	10.9%	13.2%	13.4%	13.3%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



STEAMSHIP MUTUAL

THE STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION (BERMUDA) LIMITED

Aquatical House 39, Bell Lane
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www.steamshipmutual.com

Office Locations:
London, Bermuda, Hong Kong, Piraeus, Rio de Janeiro

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
74,300	6.67%	0.00%	$365,341	$376,187	A-

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	74,300	68,700	65,300	62,600	57,800
Chartered	46,000	45,000	37,000	30,000	34,000
Market Share by Owned GT	6.67%	6.44%	6.31%	6.34%	6.38%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	15	5	5	Closed	Closed
General Increase	0	10	7.5	5	0

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

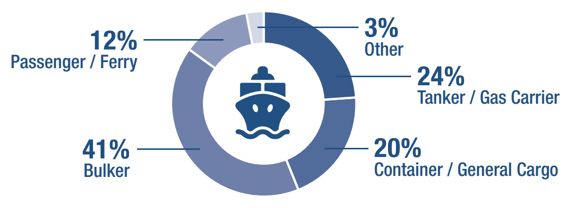
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	365,341	345,731	315,265	329,646	316,054
Reinsurance Costs	69,002	61,169	44,323	51,470	48,543
Net Claims (Incurred)	187,614	232,450	266,261	274,194	205,983
Net Operating Expenses	45,421	42,823	38,456	44,922	40,417
Underwriting Result	63,304	9,289	-33,775	-40,940	21,111
Investment Income	11,684	5,703	24,144	33,471	30,634
Overall Surplus (Deficit)	74,988	14,992	-9,631	-7,469	51,745
Net Assets	1,027,360	985,701	941,418	911,983	837,865
Net Outstanding Claims	651,173	684,502	655,211	616,145	534,558
Free Reserves	376,187	301,199	286,207	295,838	303,307

KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	78.6%	96.7%	112.5%	114.7%	92.1%
Investment Return	1.3%	0.9%	3.0%	4.2%	3.8%
Increase in Free Reserves	24.9%	5.2%	-3.3%	-2.5%	24.9%
Free Reserves / GT	$5.06	$4.38	$4.38	$4.73	$5.25
Solvency Ratio	158%	144%	144%	148%	157%
Average Expense Ratio	11.8%	11.3%	12.4%	12.3%	12.0%

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



The Swedish Club

SVERIGES ÅNGFARTYGS ASSURANS FÖRENING (THE SWEDISH CLUB)

Gulbergs Strandgata 6
411 04 Gothenburg
Sweden
www.swedishclub.com

Office Locations:
Gothenburg, Hong Kong, Oslo, Piraeus, Tokyo

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
41,500	3.73%	2.50%	$180,719	$184,135	BBB+

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	41,500	37,100	34,800	33,900	30,900
Chartered	20,500	17,400	16,600	16,300	17,800
Market Share by Owned GT	3.73%	3.48%	3.36%	3.43%	3.41%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/0	0/0	0/0	0/0
Release Call	20	12.5	7.5	Closed	Closed
General Increase	2.5	7.5	7.5	5	5

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	180,719	172,286	170,287	173,714	160,068
Reinsurance Costs	41,272	46,518	40,581	40,079	36,290
Net Claims (Incurred)	93,151	90,409	116,813	121,489	85,520
Net Operating Expenses	27,604	27,275	26,266	25,012	22,236
Underwriting Result	18,692	8,084	-13,373	-12,866	16,022
Investment Income	684	8,360	19,789	4,489	12,915
Overall Surplus (Deficit)	19,376	16,444	6,416	-8,377	28,937
Net Assets	364,971	301,856	331,141	319,680	304,951
Net Outstanding Claims	180,836	137,098	182,827	177,783	154,649
Free Reserves	184,135	164,758	148,314	141,897	150,302

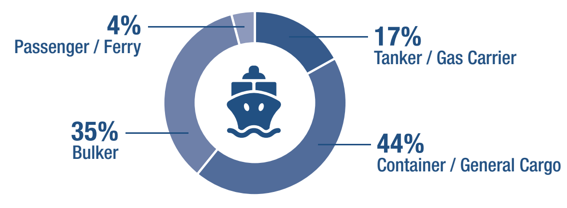
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	86.6%	93.6%	110.3%	109.6%	87.1%
Investment Return	1.6%	3.6%	8.0%	2.0%	4.1%
Increase in Free Reserves	11.8%	11.1%	4.5%	-5.6%	-38.1%
Free Reserves / GT	$4.44	$4.44	$4.26	$4.19	$4.86
Solvency Ratio	202%	220%	181%	180%	197%
Average Expense Ratio	13.0%	12.1%	13.3%	13.0%	11.6%

Group figures incl. the Marine & Energy underwriting divisions of the Swedish Club.

ENTERED VESSELS BY REGION

ENTERED VESSELS BY TYPE OF TONNAGE



UK P&I CLUB

UNITED KINGDOM MUTUAL STEAM SHIP ASSURANCE ASSOCIATION (BERMUDA) LIMITED

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www.ukpandi.com

Office Locations:
London, Beijing, Bermuda, Hong Kong, New Jersey, Piraeus, San Francisco, Shanghai, Singapore, Tokyo

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
127,000	11.41%	6.50%	$408,059	$547,766	A

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	127,000	124,000	120,000	112,000	105,000
Chartered	98,000	80,000	80,000	80,000	80,000
Market Share by Owned GT	11.41%	11.63%	11.60%	11.34%	11.59%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	0/-2.5	0/0	0/0	0/-2.5
Release Call [1]	10	0	5	Closed	Closed
General Increase	6.5	10	7.5	3	5

Supplementary and Release Calls are constantly updated as per Club Circulars.
1) The release calls are a percentage of mutual premium plus any outstanding instalments of mutual premium.

FINANCIAL STATEMENTS ($'000)

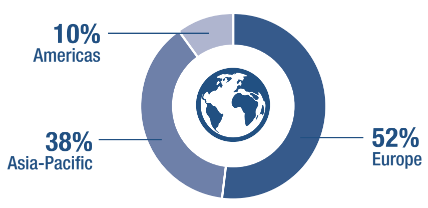
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	408,059	396,281	352,950	360,540	364,791
Reinsurance Costs	88,969	93,502	73,190	70,685	70,218
Net Claims (Incurred)	289,936	268,906	258,679	243,287	250,428
Net Operating Expenses	43,961	40,942	41,133	42,109	40,621
Underwriting Result	-14,807	-7,069	-20,052	4,459	3,524
Investment Income	33,872	43,017	27,649	3,007	59,093
Overall Surplus (Deficit)	19,065	35,948	7,597	7,466	62,617
Net Assets	1,262,845	1,291,115	1,248,919	1,264,646	1,286,599
Net Outstanding Claims	715,079	762,773	755,088	778,869	808,744
Free Reserves [1]	547,766	528,342	493,831	485,777	477,855

1) Free reserves incl. perpetual subordinated capital securities (hybrid capital) of USD 98.7 million.

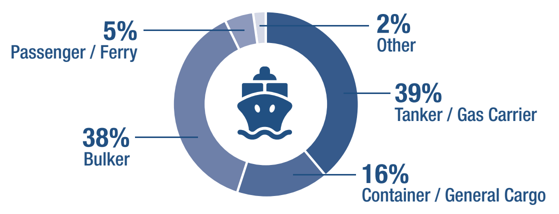
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	104.6%	102.3%	107.2%	98.5%	98.8%
Investment Return	5.0%	4.5%	3.7%	1.5%	6.2%
Increase in Free Reserves	3.7%	7.0%	1.7%	1.7%	96.8%
Free Reserves / GT	$4.31	$4.26	$4.12	$4.34	$4.55
Solvency Ratio	177%	169%	165%	162%	159%
Average Expense Ratio	9.7%	9.4%	9.5%	9.5%	9.2%

ENTERED VESSELS BY REGION



ENTERED VESSELS BY TYPE OF TONNAGE



West of England

THE WEST OF ENGLAND SHIP OWNERS MUTUAL INSURANCE ASSOCIATION (LUXEMBOURG)

226 Tower Bridge Road
London SE 1 2UP
United Kingdom
www.westpandi.com

Office Locations:
London, Hong Kong, Luxembourg, Piraeus

KEY FIGURES

Owned GT ('000)	Market Share by Owned GT	General Increase (2015/16)	Call Income ($'000)	Free Reserves ($'000)	S&P Rating
67,500	6.06%	2.50%	$216,798	$243,692	BBB+

GROSS TONNAGE ('000)

	2015	2014	2013	2012	2011
Owned	67,500	57,200	53,700	50,900	49,200
Chartered	22,500	20,000	17,000	17,500	20,400
Market Share by Owned GT	6.06%	5.36%	5.19%	5.15%	5.43%

CALLS & GENERAL INCREASE (%)

	2015/16	2014/15	2013/14	2012/13	2011/12
Estimated Supplementary Call / Called	n/a	35/35	35/35	30/30	30/30
Release Call	20	10	5	Closed	Closed
General Increase	2.5	7.5	7.5	5	5

Supplementary and Release Calls are constantly updated as per Club Circulars.

FINANCIAL STATEMENTS ($'000)

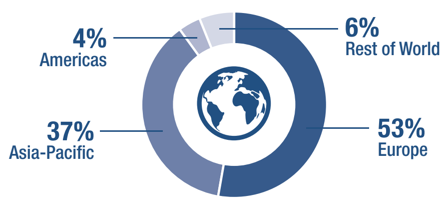
	2014/15	2013/14	2012/13	2011/12	2010/11
Gross Written Premium	216,798	203,311	195,483	211,551	243,167
Reinsurance Costs	40,619	36,369	29,187	33,008	39,831
Net Claims (Incurred)	136,280	133,485	135,168	157,595	204,473
Net Operating Expenses	35,350	34,854	35,264	36,492	35,532
Underwriting Result	4,549	-1,397	-4,136	-15,544	-36,669
Investment Income	12,051	13,748	21,215	10,921	45,386
Overall Surplus (Deficit) [1]	27,496	12,351	17,079	-4,623	8,717
Net Assets	653,978	638,045	626,020	671,600	693,440
Net Outstanding Claims	410,286	421,849	428,599	492,244	510,776
Free Reserves	243,692	216,196	197,421	179,356	182,664

1) Overall surplus incl. the revaluation of the West's offices in London and Hong Kong of USD 10.9 million.

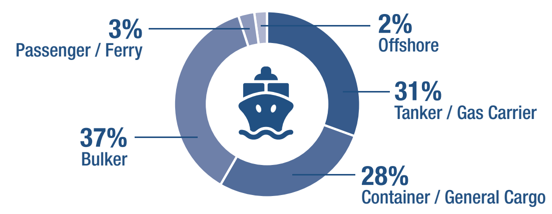
KEY PERFORMANCE INDICATORS

	2014/15	2013/14	2012/13	2011/12	2010/11
Net Combined Ratio	97.4%	100.8%	102.5%	108.7%	118.0%
Investment Return	4.3%	3.4%	3.8%	1.8%	9.1%
Increase in Free Reserves	12.7%	9.5%	10.1%	-1.8%	8.0%
Free Reserves / GT	$3.61	$3.78	$3.68	$3.52	$3.71
Solvency Ratio	159%	151%	146%	136%	136%
Average Expense Ratio	14.9%	14.2%	15.4%	14.8%	13.7%

ENTERED VESSELS BY REGION



ENTERED VESSELS BY TYPE OF TONNAGE



P&I REPORT 2015/16

COMPARISON OF GROUP RESULTS 2014/15

FINANCIAL STATEMENTS ($'000)	The American Club	Britannia	Gard	Japan (Since 1950)	The London P&I Club	North	Shipowners	Skuld	The Standard	Steamship Mutual	The Swedish Club	UK P&I Club	West of England	IGP&I
Gross Written Premium	114,798	269,726	966,572	233,086	111,290	471,083	247,342	411,246	354,000	365,341	180,719	408,059	216,798	4,350,060
Reinsurance Costs	20,553	48,941	161,902	55,257	24,445	125,173	36,243	63,622	92,000	69,002	41,272	88,969	40,619	867,988
Net Claims (Incurred)	65,962	132,991	630,893	155,635	104,277	305,808	145,493	259,057	233,800	187,614	93,151	289,936	136,280	2,740,897
Net Operating Expenses	34,795	24,963	110,331	20,297	12,483	74,497	54,168	87,781	28,600	45,421	27,604	43,961	35,350	600,251
Underwriting Result	-6,512	62,831	63,446	1,897	-29,915	-34,395	11,438	786	-400	63,304	18,692	-14,807	4,549	140,914
Investment Income	7,768	10,838	11,903	34,981	26,685	32,786	-10,020	12,718	12,200	11,684	684	33,872	12,051	198,150
Overall Surplus (Deficit)	1,256	73,669	49,481	36,878	-3,230	25,835	1,418	13,504	11,800	74,988	19,376	19,065	27,496	351,536
Net Assets	243,456	1,342,505	2,219,936	428,303	398,118	1,000,410	610,129	844,488	956,500	1,027,360	364,971	1,262,845	653,978	11,352,999
Net Outstanding Claims	184,856	796,938	1,250,883	255,933	240,704	662,301	309,856	497,578	576,200	651,173	180,836	715,079	410,286	6,732,623
Free Reserves	58,600	545,567	969,053	172,370	157,414	338,109	300,273	346,910	380,300	376,187	184,135	547,766	243,692	4,620,376

KEY PERFORMANCE INDICATORS	The American Club	Britannia	Gard	Japan (Since 1950)	The London P&I Club	North	Shipowners	Skuld	The Standard	Steamship Mutual	The Swedish Club	UK P&I Club	West of England	IGP&I
S&P Rating	BBB-	A	A+	BBB+	BBB	A	A-	A	A	A-	BBB+	A	BBB+	–
Owned Tonnage ('000)	16,000	108,500	207,600	90,500	43,800	127,000	23,500	74,000	112,000	74,300	41,500	127,000	67,500	1,113,200
General Increase (2015/16)	4.5	2.5	2.5	3	6	4.75	0	n/a	5	0	2.5	6.5	2.5	3.3
Net Combined Ratio	106.9%	71.5%	92.1%	98.9%	134.4%	109.9%	94.6%	99.8%	100.2%	78.6%	86.6%	104.6%	97.4%	96.0%
Investment Return	4.0%	2.1%	1.8%	2.7%	5.5%	4.3%	-0.9%	1.9%	1.8%	1.3%	1.6%	5.0%	4.3%	2.7%
Increase in Free Reserves	2.2%	15.6%	5.4%	10.5%	-2.0%	8.3%	0.5%	3.8%	3.2%	24.9%	11.8%	3.7%	12.7%	7.7%
Free Reserves / GT	$3.66	$5.03	$4.67	$1.90	$3.59	$2.66	$12.78	$4.69	$3.40	$5.06	$4.44	$4.31	$3.61	$4.15
Solvency Ratio	132%	168%	177%	167%	165%	151%	197%	170%	166%	158%	202%	177%	159%	169%
Average Expense Ratio	21.6%	8.4%	11.4%	5.3%	8.8%	12.4%	20.0%	12.9%	11.4%	11.8%	13.0%	9.7%	14.9%	12.4%

04

ALTERNATIVE P&I INSURANCE MARKETS

GROUP FACILITIES

CARINA
P&I COVER FOR SMALL SHIPS

CARINA

Regis House, 45 King William Street
London EC4R 9AN
United Kingdom
www.carinapandi.com

Security: Lloyd's of London

S&P Rating: A+

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
3,000	$10,000	$500 million	5,000	No U.S. flagged or managed/domiciled business

EAGLE OCEAN MARINE

EAGLE OCEAN MARINE

One Battery Park Plaza, 31st Floor
New York 10004
United States of America
www.eagleoceanmarine.com

Security: American Club

S&P Rating: BBB-

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
898	$7,000	$500 million	25,000	No U.S. flagged business or trade

JAPAN
Since 1950

JAPAN CLUB - NAIKO CLASS

2-15-14, Nihonbashi-Ningyocho
Chuoh-ko Tokyo 103-0013
Japan
www.piclub.or.jp

Security: Japan Club

S&P Rating: BBB+

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage
2,600	$18,367	¥8.0 billion	Undisclosed	Cover for Japanese coastal vessels (Naiko Class)

The London P&I Club

LONDON P&I CLUB

50 Leman Street
London E1 8HQ
United Kingdom
www.londonpandi.com

Security: London P&I Club

S&P Rating: BBB

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage / Exclusions
–	–	$100 million	7,500	Facility has been launched in October 2015 covering all types of tonnage excl. passenger vessels

OSPREY

Fountain House, 8th Floor, 130 Fenchurch Street
London EC3M 5DJ
United Kingdom
www.osprey-uwr.co.uk

Security: Lloyd's of London

S&P Rating: A+

KEY FIGURES

Vessels Insured	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
2,100	$27,500	$500 million	25,000 Bulker 10,000 Non-Bulker	Avoids tankers carrying persistent oil cargoes and high capacity passenger vessels

SHIPOWNERS

St. Claire House, 30-33 Minories
London EC3N 1BP
United Kingdom
www.shipownersclub.com

Security: Shipowners

S&P Rating: A-

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage
7,010	$65,429	$1 billion	Fish / Yachts - No Limit Barges < 6,000 All other < 1,000	Inland vessels (dry cargo, passenger and tankers), ferries, fishing vessels, yachts, tugs, barges and other harbour crafts

SKULD

Rådhusgaten 27
0114 Oslo
Norway
www.skuld.com

Security: Skuld

S&P Rating: A

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
1,513	$17,000	$1 billion	25,000	–

THE STANDARD CLUB

Standard House, 12-13 Essex Street
London WC2R 3AA
United Kingdom
www.standard-club.com

Security: The Standard Club

S&P Rating: A

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage
Undisclosed	Undisclosed	$1 billion	No Limit	Each enquiry is individually considered, subject to risks profile, worldwide trade and any size of ship

P&I REPORT 2015/16

THE STEAMSHIP MUTUAL

Aquatical House 39, Bell Lane
London E17 7LU
United Kingdom
www.steamshipmutual.com

Security: The Steamship Mutual

S&P Rating: A-

KEY FIGURES

Vessels Insured	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max	Coverage
4,500	Undisclosed	$1 billion	No Limit	Cover for yachts and inland crafts trading in European inland waters

WEST OF ENGLAND

226 Tower Bridge Road
London SE 1 2UP
United Kingdom
www.westpandi.com

Security: West of England

S&P Rating: BBB+

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max	Exclusions
500	Undisclosed	$500 million	average ship size < 5,000	Dirty oil cargoes, fare paying passengers, U.S. waters trade

P&I REPORT 2015/16

NON-GROUP FACILITIES

BRITISH MARINE

Plantation Place, 30 Fenchurch Street
London EC3M 3BD
United Kingdom
www.britishmarine.com

Security:
QBE Insurance (Europe) Ltd

S&P Rating:
A+

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
10,600	$97,500	$1 billion	No Limit	Avoids U.S. trade, Transatlantic/Pacific risks, dirty tankers and passenger vessels

CHARTERAMA

Veerkade 1
3016 DE Rotterdam
The Netherlands
www.charterama.nl

Security:
Royal & Sun Alliance

S&P Rating:
A

KEY FIGURES

Vessels Insured	Premium Income ($'000)	Maximum P&I Limit	Charterers P&I Max GT	Coverage
10,500	$10,500	$350 million	No Limit	Charterers P&I only

CHARTERERS P&I CLUB

65 Leadenhall Street
London EC3A 2AD
United Kingdom
www.exclusivelyforcharterers.com

Security:
Great Lakes / Munich Re

S&P Rating:
AA-

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Charterers P&I Max GT	Coverage
Undisclosed	$28,300	$500 million	No Limit	Charterers P&I only

HANSEATIC UNDERWRITERS

Kreuzfahrtcenter, Van-der-Smissen-Str. 1
22767 Hamburg
Germany
www.hanseatic-underwriters.com

Security:
Insurance Consortium

S&P Rating:
A+

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage / Exclusions
2,850	$21,000	$500 million	30,000 Bulker 15,000 Tanker	Owners & Charterers P&I No U.S. flagged or managed business

HYDOR

Rådhusgaten 25
0158 Oslo
Norway
www.hydor.no

Security:
Lloyd's of London (Brit Syndicate 2987)

S&P Rating:
A+

KEY FIGURES

Vessels Insured	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage / Exclusions
560	$14,000	$1 billion	25,000	Owners & Charterers P&I No U.S. flagged or U.S. crewed vessels

LODESTAR MARINE

Walsingham House, 35 Seething Lane
London EC3N 4AH
United Kingdom
www.lodestar-marine.com

Security:
Royal & Sun Alliance

S&P Rating:
A

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
3,500	$30,000	$1 billion	40,000 Bulker 10,000 Tanker 20,000 All others	U.S. flag except for yachts

NAVIGATORS P&I

One Penn Plaza, 32nd Floor
New York 10119
United States of America
www.navg.com

Security:
Navigators Insurance Company

S&P Rating:
A

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Exclusions
1,900	$20,000	$1 billion	10,000	Dislike Transatlantic/Pacific or U.S. trade. No U.S. flagged business and passenger vessels

NORWEGIAN HULL CLUB

Olav Kyrresgate 11
5014 Bergen
Norway
www.norclub.no

Security:
Norwegian Hull Club

S&P Rating:
A

KEY FIGURES

Vessels Insured	Premium Income ($'000)	Maximum P&I Limit	Charterers P&I Max GT	Coverage
1,557	$9,000	$500 million	No Limit	Charterers P&I only

RAETSMARINE

Fascinatio Boulevard 622
2909 VA Capelle A/D Ijssel
The Netherlands
www.raetsmarine.com

Security:
Amlin Europe N.V.

S&P Rating:
A-

KEY FIGURES

Owned GT ('000)	Premium Income ($'000)	Maximum P&I Limit	Owners P&I Max GT	Coverage / Exclusions
15,500	$52,500	$1 billion	40,000	Owners & Charterers P&I No U.S. trade. Avoids dirty tankers and passenger vessels

GLOSSARY

GWP, GROSS WRITTEN PREMIUM: Total gross calls.

REINSURANCE COSTS: All reinsurance premiums paid to the Group pool and market underwriters.

NWP, NET WRITTEN PREMIUM: Gross written premium less reinsurance costs.

NET CLAIMS (INCURRED): Gross paid claims less reinsurance recoveries plus change in the provision for outstanding claims.

NET OPERATING EXPENSES: All administrative expenses and business acquisition costs (brokerage).

UNDERWRITING RESULT: Net written premium less net claims (incurred) and net operating expenses.

INVESTMENT INCOME: All investment income, including tax, foreign exchange gains/losses as well as other comprehensive income/expenses etc.

OVERALL SURPLUS (DEFICIT): Underwriting result plus investment income.

NET ASSETS: Total assets less creditors, less miscellaneous provisions for pensions, taxes, etc.

NET OUTSTANDING CLAIMS: Total net estimated outstanding claims.

FREE RESERVES: Net assets less net outstanding claims.

NET COMBINED RATIO: Net claims (incurred) plus net operating expenses divided by net written premium.

INVESTMENT RETURN: Return on invested assets and cash.

SOLVENCY RATIO: Net assets divided by net outstanding claims.

AER, AVERAGE EXPENSE RATIO: In accordance with Schedule 3 of the International Group Agreement 1999, all members of the International Group of P&I Clubs are required to report the AER for P&I business. This is a measure of cost-effectiveness. AER is measured in U.S. dollar and calculated for the latest five-year period by relating operating costs, excluding claims handling costs, connected with P&I activity to premium plus investment income concerning P&I activity.

LIST OF REFERENCE / USEFUL LINKS

INTERNATIONAL GROUP OF P&I CLUBS

AMERICAN	www.american-club.com
BRITANNIA	www.britanniapandi.com
GARD	www.gard.no
JAPAN	www.piclub.or.jp
LONDON	www.londonpandi.com
NORTH	www.nepia.com
SHIPOWNERS	www.shipownersclub.com
SKULD	www.skuld.com
STANDARD	www.standard-club.com
STEAMSHIP	www.steamshipmutual.com
SWEDISH	www.swedishclub.com
UK	www.ukpandi.com
WEST	www.westpandi.com

ALTERNATIVE P&I INSURANCE MARKETS

BRITISH MARINE	www.britishmarine.com
CARINA	www.carinapandi.com
CHARTERAMA	www.charterama.nl
CHARTERERS P&I CLUB	www.exclusivelyforcharterers.com
EAGLE OCEAN MARINE	www.eagleoceanmarine.com
HANSEATIC P&I	www.hanseatic-underwriters.com
HYDOR	www.hydor.no
LODESTAR	www.lodestar-marine.com
NAVIGATORS P&I	www.navg.com
NORWEGIAN HULL CLUB	www.norclub.no
OSPREY	www.osprey-uwr.co.uk
RAETSMARINE	www.raetsmarine.com

MARITIME ASSOCIATIONS & ORGANISATIONS

BALTIC INTERNATIONAL MARITIME COUNCIL	www.bimco.org
EUROPEAN COMMISSION (BANKING AND FINANCE)	www.ec.europa.eu/finance
INTERNATIONAL GROUP OF P&I CLUBS	www.igpandi.org
INTERNATIONAL MARITIME ORGANIZATION	www.imo.org
INTERNATIONAL TANKER OWNERS POLLUTION FEDERATION	www.itopf.com
INTERNATIONAL UNION OF MARINE INSURANCE	www.iumi.com

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