

■ Kevin Chidwick, Finance Director

- Introduction
- Q3 Group Highlights

■ Henry Engelhardt, Group Chief Executive Officer

- International, A long term strategy

■ Cristina Nestares (Balumba.es CEO) and Christophe Sanchez (Balumba.es COO)

- Spanish Car Insurance Market
- Balumba.es

■ Elena Betés (Rastreator.com CEO)

- Spanish Price Comparison Market
- Rastreator.com



A quick reminder... Admiral is different

Highly Profitable

- ❑ Strong underwriting profits
- ❑ High ancillary revenue per vehicle

Fast Growing

- ❑ Consistent year on year revenue & profit growth
- ❑ UK car insurance currently the key driver

Low Risk Profits

- ❑ Low risk balance sheet
- ❑ Use of reinsurance reducing underwriting risk

Strongly Cash Generative

- ❑ Return on Capital 54% (H1 09)
- ❑ Dividend yield 5%

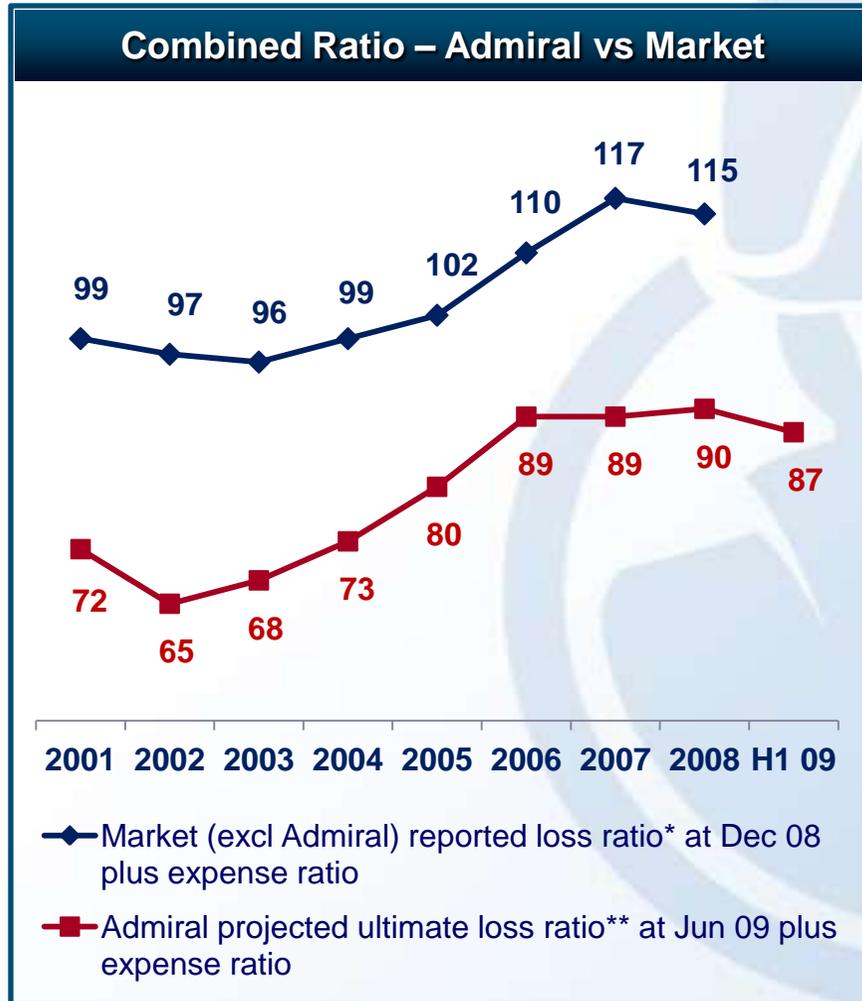


How are we doing? Q3 2009 Highlights

- ❑ Group turnover year to date increased by x% v Q3 2008 to £xm
- ❑ Total number of customers increased x% to x.xm
- ❑ UK vehicles insured rose x% to X.xm
- ❑ UK ancillary income per vehicle steady at £x
- ❑ Confused.com increased turnover increased x%, margins remain under pressure.
- ❑ Turnover from non-UK car insurance at £xm with X,000 vehicles insured.
- ❑ Launched Elephant, our new US car insurance operation, on 5th October 2009.



Success of UK Car insurance enables long term international strategy



- H1 09 UK car insurance PBT was £101.2m, 96% of group profits.
- UK car insurance will be the key profit driver for 2009:
 - UK vehicles increased X% in Q3
 - Increasing premium rates whilst simultaneously growing
 - Ancillary income stable at X in Q3.
- 7% market share, plenty of room for continued, profitable growth
- In H1 09, invested £4.1m in international whilst achieving a dividend yield of 5%.

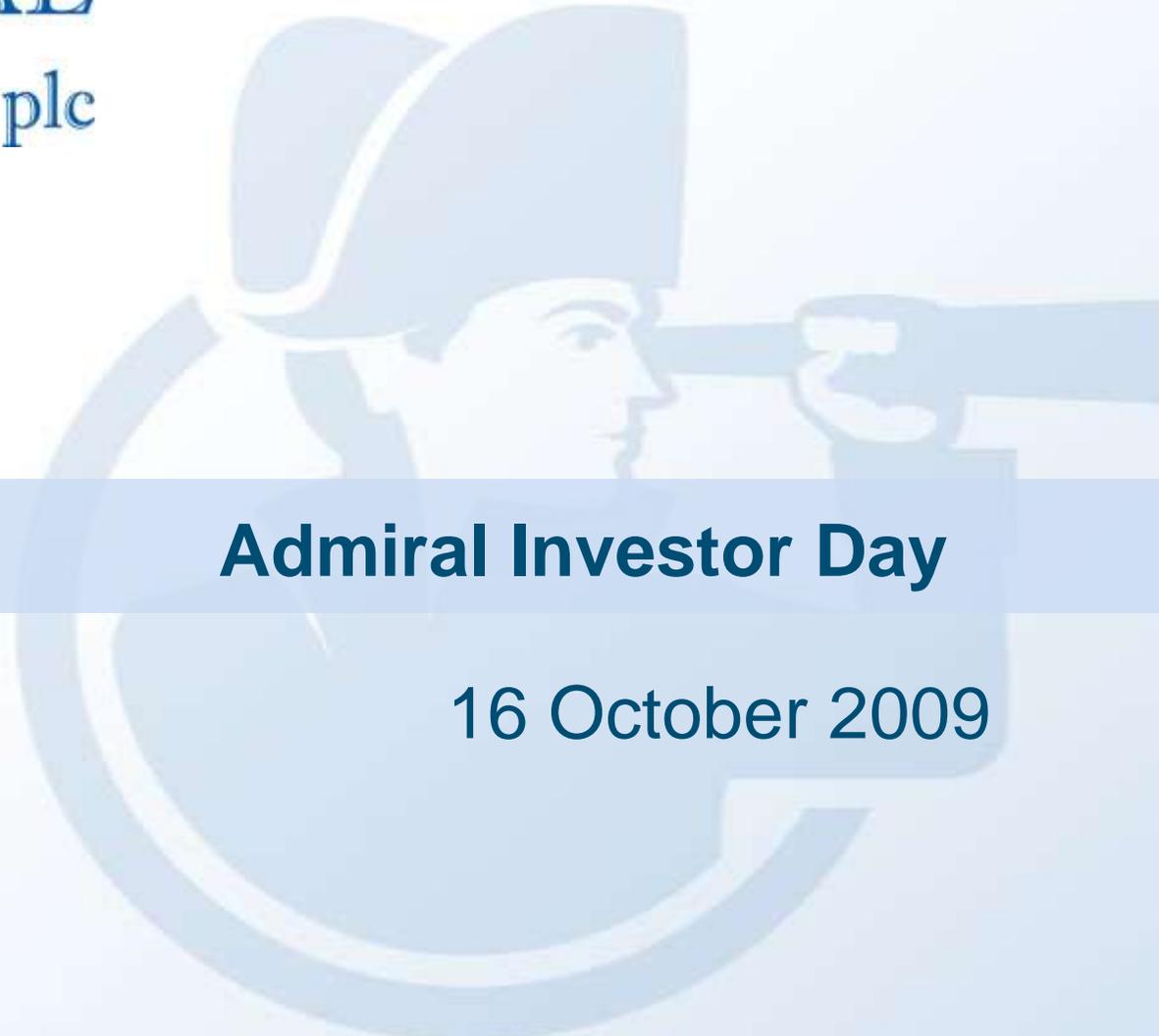
* Reported accident year loss ratio with reserve releases allocated back to relevant accident year, source: EMB Analysis of FSA returns

** Ernst & Young projected ultimate loss ratios



International – A long term strategy

ADMIRAL
GROUP plc



Admiral Investor Day

16 October 2009



Simple strategy

THE INTERNET IS AN IRRESISTIBLE FORCE

Take what we know and do well and do it elsewhere

- ❑ Direct car insurance
- ❑ Price comparison

Target large, mature markets

- ❑ Channel conflict
- ❑ Small slice for a happy life

Modest investment

- ❑ Take it slowly
- ❑ Don't spend a lot

Create profitable, growing, sustainable businesses

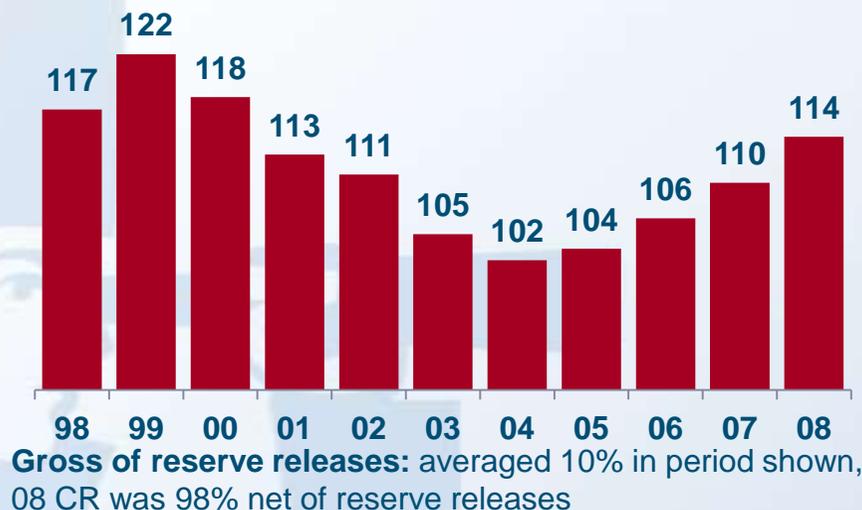




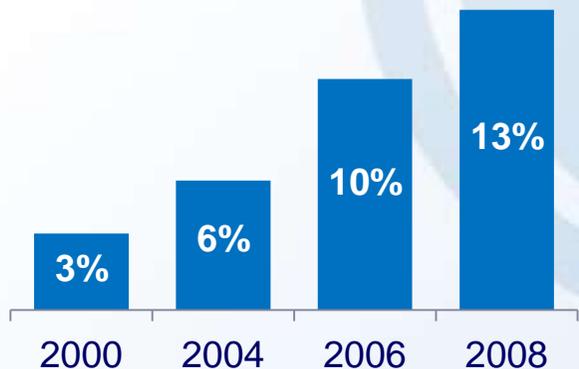
German Market

- ❑ Cyclical market, currently deteriorating
- ❑ 37m vehicles, €13bn premium**
- ❑ Around 20% of customers shop*
- ❑ A little over 10% of customers switch*
- ❑ Direct and online are growing

German Market – “Expense plus Loss” Ratio**



Direct share of New Business (%)***



- ❑ Online growth is being driven by aggregators
- ❑ ~20% new business sales are on line

Growth of Price Comparison (%)****



* Source market research study “Wechseltätigkeit in der Ktz-Versicherung 2008

** GDV Bruttoergebnisse Zeitreihe 1976 – 2008

*** Management estimate based on competitor reports

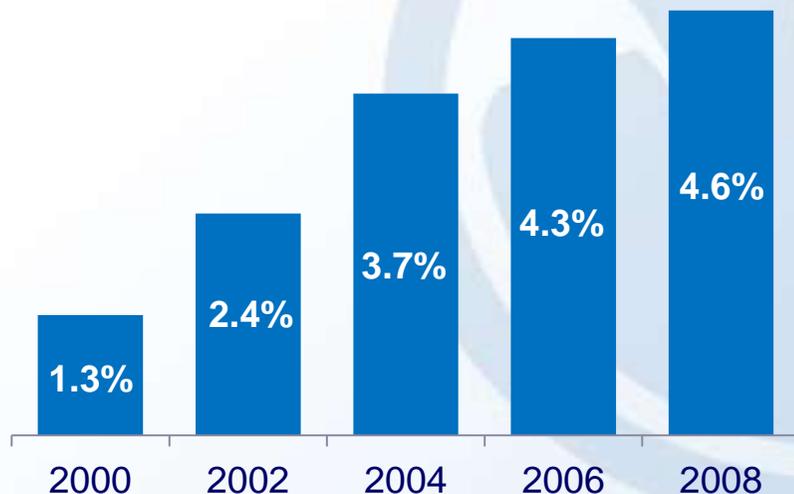
**** Management estimate based on price comparison businesses’ reports



Italian Market

- Cyclical market, deteriorating from a good point
- 38m vehicles, €17.6bn premium*
- Around 20% of customers shop**
- A little over 10% of customers switch**

Direct Share of New Business Sales (%)***



Italian Market Combined Ratio*



- Growth of Direct continues in 2009
- Online is growing; online direct and broker is ~3%**
- Price comparison is very small ~0.2%** , but set to grow, three PC sites, two launched in 2009.

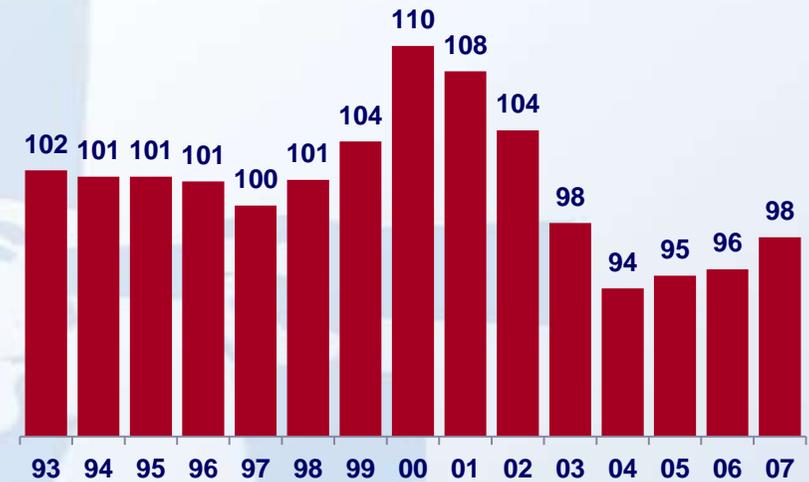
* Source: Ania "L'assicurazione Italiana"

** Management estimate

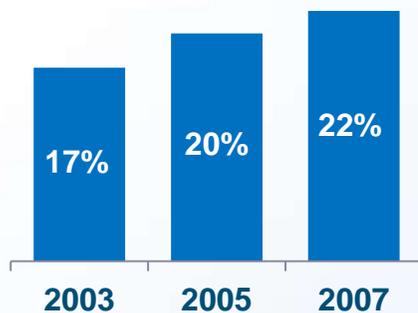
*** Ania - "Premi del lavoro diretto italiano 2008"

- ❑ Cyclical market, deteriorating from a good point
- ❑ 250m vehicles, \$162bn premium
- ❑ Around 30% of customers shop
- ❑ Around 15% of customers switch
- ❑ Direct and online are growing
- ❑ Online is dominated by direct specialists

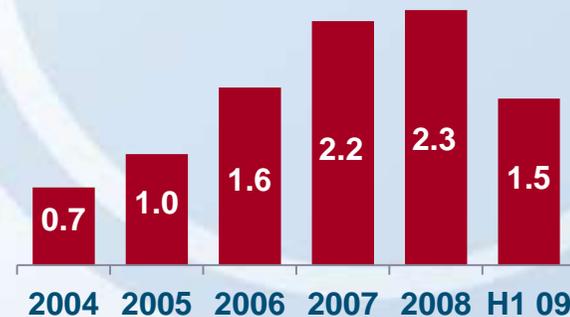
US Market Combined Ratio*



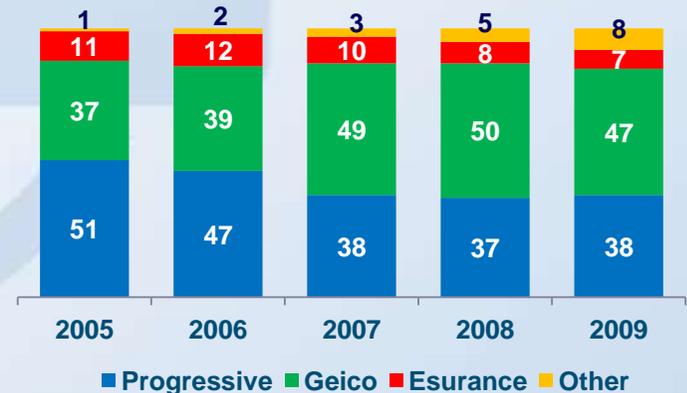
Direct share of market (%)**



Online sales (millions)***



Insurers' shares of online sales (%)***



* Source: AM Best

** Source: IIA BA (2006), AM Best (2007)

*** Source: Comscore 2009 Online Auto Insurance Report

- ❑ 31m vehicles, €17.7bn premium**
- ❑ Around 30% of customers shop***
- ❑ Around 15% of customers switch**
- ❑ Direct & online is growing
- ❑ Price comparison is ~7% of NB distribution***
- ❑ Dominated by Assurland, 200,000 sales, €15m revenue.

Online share of New Business Sales (%)*



* Source: Management estimate based on Forrester's & Benchmark Group data

** FFSA – Association of French Insurers

*** Management estimate (based on market research)

Planting seeds....



- ❑ Modest investment
- ❑ Organic growth takes time



Building insurance operations takes time

	LINEA DIRECTA		BALUMBA	
Age Yrs	Year	PAT* €m	Year	PAT €m
2.5	1997	(7)	12m to June 2009	(1.5)
3.5	1998	(3)		
...		
...		
12.5	2007	61		

* PAT has been adjusted to today's values using annual Retail Prices Index: annual index numbers of retail prices 1948-2008 (RPI)



Here to tell you a little bit more - The Spanish team



Cristina Nestares



Christophe Sanchez



Elena Betés

Investor's Day
London, October 16th, 2009

balumba.es

parte de Admiral Group



Meeting agenda

Part 1

Spanish Market

Part 2

Balumba

Meeting agenda

Part 1

Spanish Market

Part 2

Balumba



Rastreator.com

Tu Comparador de Seguros

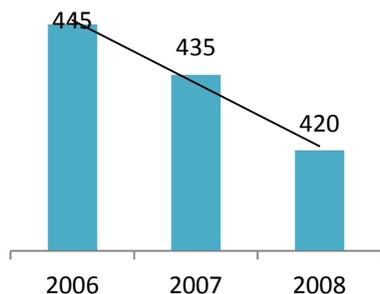
ADMIRAL
GROUP plc



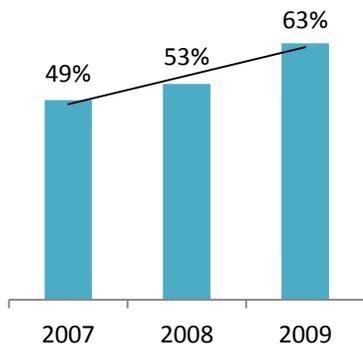
Consumers are ready to welcome insurance comparison sites



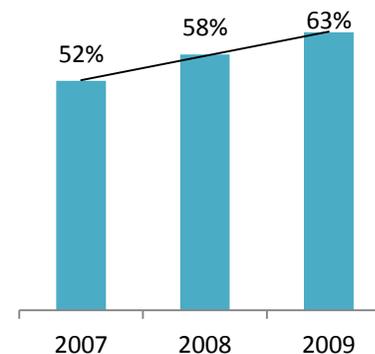
AVERAGE PREMIUM on auto insurance has decreased



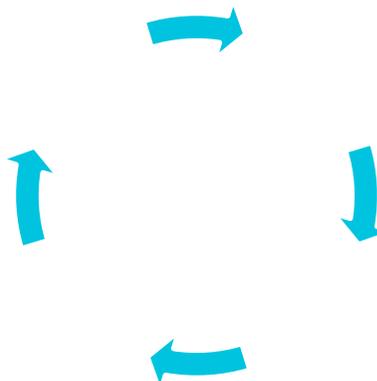
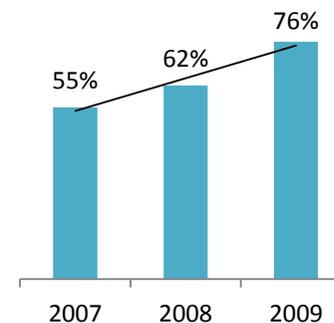
SWITCHERS increased as % from the new business



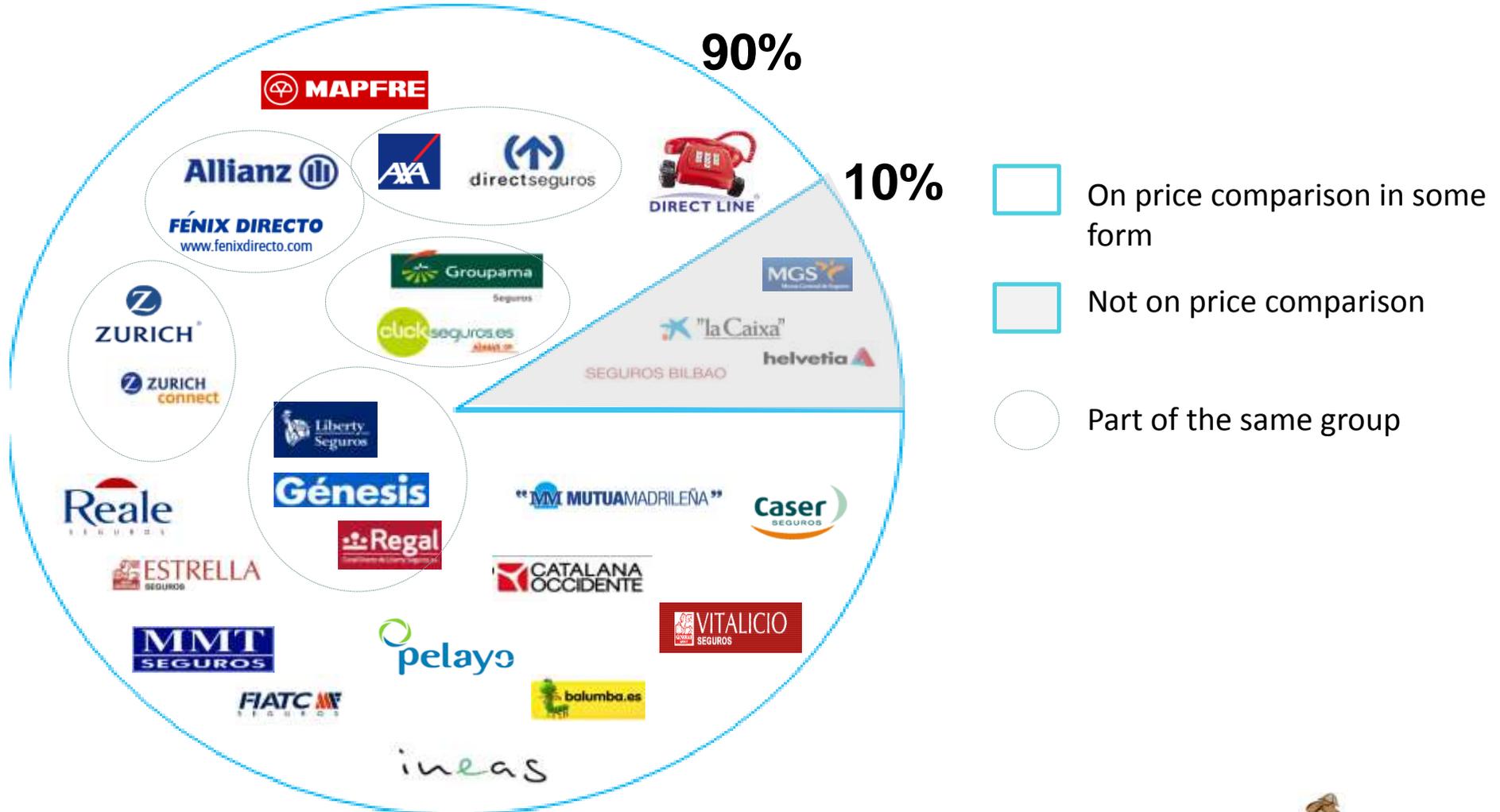
PRICE is the main motive given to select the auto insurance



COMPARING has become a popular activity before buying



Insurers are already present on Price Comparison

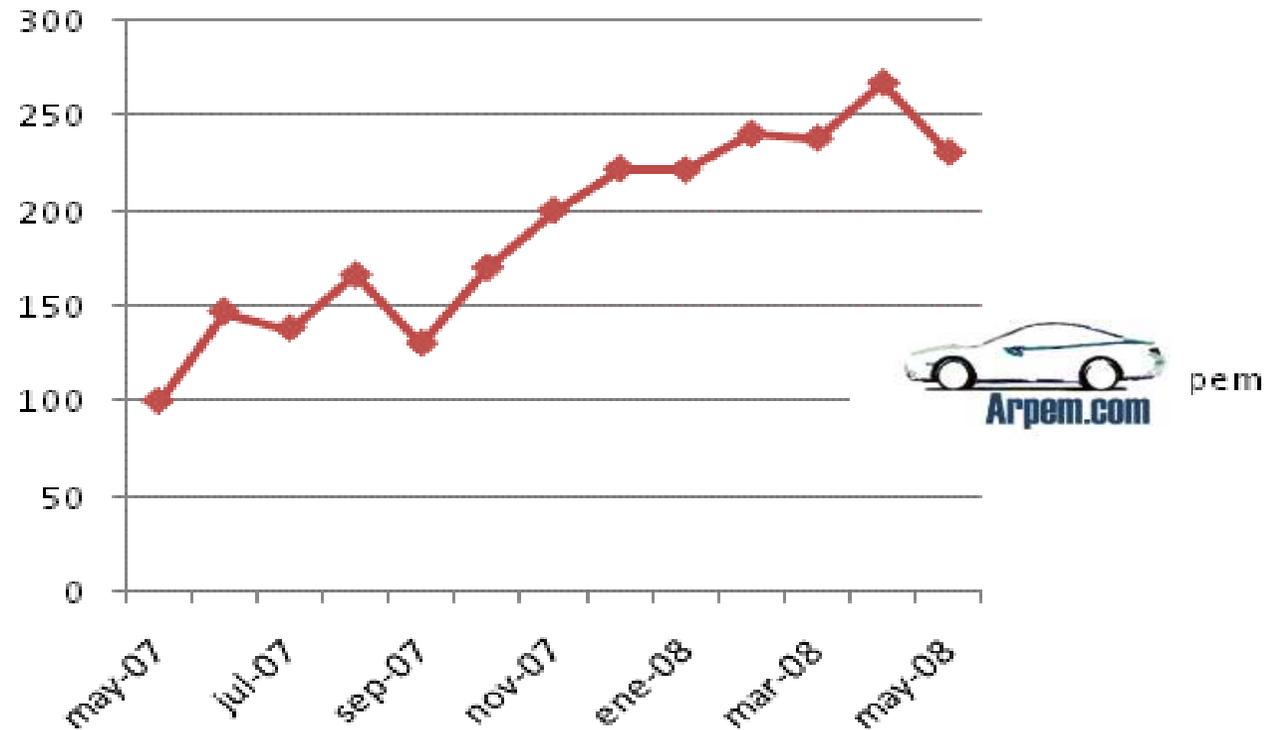


Multiple models to price comparison but all small volumes



	Online Broker	Aggregator	Mix (80-20)
Leader			
Launched	2002	2002 (content), 2008	2007
	Profitable	Profitable	Not profitable
Product range	All insurances	Auto, motorbike (insurances+finance)	Auto
Relations with customers	Close on its site, administration and claims	Only helping to generate the sale	Mix
Call center	Yes	No	Mix
Insurers on the panel	8	20	15
Revenues	Portfolio	One time per sale	Mix
Marketing Expenses	Online, low budget	Online, mainly free traffic	Online, high budget
Number of competitors	5-20	1	2+ white labels

The one aggregator is still small but growing



- ✓ Indexed to 100 in May 07, shows growth in quotes generated to Balumba from Arpem the leading aggregator on the market

Agenda



1. Price comparisons: Spanish market
2. About Rastreator.com
3. Summary

Transfer Confused.com business model



Free to customer “on your side”
Revenue based on sales to insurer
Scalability
Initial focus on car insurance, then
expanding into other products
First on TV
Customer database
Cost conscious culture
People



The team, the team, the team...



Previous experience:

- ✓ Suppliers: Linea Directa, puntoseguro.com
- ✓ Mkt: ya.com, British Airways, Cepsa, Grupo Publicis, Carat
- ✓ IT: ebookers, firseuropa

Set up cost: £250k



- We leverage on new .net platform developed from Confused
- We set up a strong technology team based in New Delhi, giving us speed and quality on a competitive cost
- We developed business information from Insurers based on Confused Business Intelligent (Corbis)
- Focus on usability and reducing drop off

One question per page...



"He ahorrado 170€ en el seguro de mi coche" - F. Gallego, Valencia



Rastreator.com
Tu Comparador de Seguros

Comparativa de seguros de coche



El coche



Los conductores



Tu seguro actual



Resultados



¿Cuál es la marca del coche que quieres asegurar?



AUDI



BMW



CITROËN



FIAT



FORD



NISSAN



OPEL



PEUGEOT



RENAULT



SEAT



VOLKSWAGEN



OTRAS
MARCAS



Rastreator.com
Tu Comparador de Seguros

Fast process...



Rastreator.com

Tu Comparador de Seguros

"He ahorrado 170€ en el seguro de mi coche" - F. Gallego, Valencia

Comparativa de seguros de coche



El coche



Los conductores



Tu seguro actual



¡Resultados!



¿Para qué utilizas el coche normalmente?

Particular, sólo fines de semana, vacaciones, etc.

Particular, para ir al trabajo, recoger hijos del colegio, etc.

Particular, con algunas tareas profesionales ocasionalmente

Profesional, como herramienta habitual de trabajo



Rastreator.com

Tu Comparador de Seguros

Mouse driven...



Rastreator.com
Tu Comparador de Seguros

"He ahorrado 170€ en el seguro de mi coche" - F. Gallego, Valencia

Comparativa de seguros de coche



El coche



Los
conductores



Tu seguro
actual



¡Resultados!



E-mail



No facilitaremos, ni venderemos tu información personal a terceros. La comparativa de seguros será generada y enviada al email que introduzcas a continuación

Ver precios



He leído y acepto la [Política de privacidad](#) y los [Términos Y Condiciones de servicio](#)



Making it easy to the customer to buy...



Rastreator.com
Tu Comparador de Seguros

Comparativa de seguros de coche

← El coche → Los conductores → Tu seguro actual → ¡Resultados!

Terceros Terceros Ampliado Todo Riesgo Con Franquicia Todo Riesgo

Contratar directamente con la aseguradora

	Prima Anual		Pago fraccionado	Lunas	Asistencia	Contratar online en su web	Contratar por teléfono	Contratar en oficina
	167 €		✓	✗	✓			19 oficinas
	218 €		✓	✓	✓			15 oficinas
	234 €		✓	✗	✗	bahamba.es		Sin oficinas
	253 €		✓	✗	✓	ineas.es		Sin oficinas
	262 €		✓	✗	✓	lagunaro.com		19 oficinas
	288 €		✓	✗	✓	directseguros.es		Sin oficinas
	292 €		✓	✗	✓	bahamba.es		Sin oficinas
	301 €		✓	✓	✓	lagunaro.com		19 oficinas
	350 €		✓	✓	✓			41 oficinas
	376 €		✓	✗	✓	fenixdirecto.com		Sin oficinas
	385 €		✓	✗	✓	mapfre.com		+ 3.000 oficinas
	432 €		✓	✓	✓	mapfre.com		+ 3.000 oficinas
	471 €		✓	✓	✓	fenixdirecto.com		Sin oficinas
	494 €		✓	✗	✓	pelayo.com		300 oficinas
	555 €		✓	✓	✓	pelayo.com		300 oficinas

Building strong relationships with insurers,



- Initial insurers on the panel, combination on brands and price.



- Innovative phone and online tracking systems
- Pioneering pricing on traffic and sales:
 - ✓ Fee per sale + fee per click through on quote
 - ✓ Recognize the sales done by agents
- Focus on working with Insurers to maximize conversion rates



- We built our brand “Rastreator”, a compelling proposition to save money and time using an accurate and free toll.

Our name is a combination of seeker and an ending “tor” reminding terminator.

- We launched a “soft” and “low cost” TV campaign:
 - ✓ Placed adds on the cheapest slots
 - ✓ Spent little and often
 - ✓ Benefit from current low advertising cost



Initial reactions have been very positive, still working on improving cost per quote and cost per sale, our key drivers



- 1. Price comparisons: Spanish market**
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Opportunity: Growth of the PC in Spain

Strategy: Utilize the knowledge from Confused.com and first TV mover advantage

We have laid good foundations to help us build a competitive advantage:

- ✓ Our In house flexible and advance platform
- ✓ Being first on TV
- ✓ Innovation on the Insurers relations (pricing, information provision and tracking)
- ✓ Low investment



Thank you for your attention.

Any questions?