



2021 Full Year Results

3 March 2022 7:00 AM GMT

2021	2020	% change	
Group profit before tax, continuing operations ^{1 2 3}	£769.0 million	£608.2 million	+26%
Earnings per share, continuing operations ^{1 2 3}	212.2 pence	170.7 pence	+24%
Group profit before tax, including discontinued operations and gain on disposal ³	£1129.2 million	£637.6 million	+77%
Full year dividend per share ⁴	187.0 pence	156.5 pence	+19%
First and second special dividends per share from sale of Penguin Portals comparison businesses	92.0 pence	--	--
Return on equity ^{1 2 3}	56%	52%	8%
Group turnover ^{1 3 5}	£3.51 billion	£3.37 billion	+4%
Group net revenue, continuing operations ¹	£1.55 billion	£1.31 billion	+19%
Group customers ³	8.36 million	7.66 million	+9%
UK insurance customers ³	6.44 million	5.98 million	+7%
International car insurance customers ³	1.81 million	1.60 million	+13%
Solvency ratio ³	195%	187%	4%

¹ Group profit before tax, Earnings per share, Group turnover, Group net revenue and Return on equity are presented on a continuing operations basis

² Group profit before tax, Earnings per share and Return on equity exclude the impact of one-off restructure costs totalling £55.5 million in 2021 (2020: £nil)

³ Alternative Performance Measures – refer to the end of the report for definition and explanation

⁴ Prior period full year dividend excludes the 20.7 pence special dividend, deferred from 2019

⁵ Group turnover in 2020 includes the impact of the 'Stay at Home' premium refund issued to UK motor insurance customers of £97 million. Refer to the Alternative Performance measures section of this report for further detail and explanation

Comment from Milena Mondini de Focatiis, Group Chief Executive Officer:

"Once again, we have delivered excellent service for a larger number of customers and a strong set of results, due to unusual market conditions, Admiral's underwriting discipline and a focus on doing the common, uncommonly well.

In 2021 we improved in all of our key metrics, including exceeding 8 million customers, increasing customer loyalty and recording exceptional profits of £769 million.

We continued to evolve our market-leading core insurance competencies in claims and risk-selection. For example, the increased adoption of machine learning models has improved our pricing effectiveness and agility and put us in a good position to embrace changes such as the new FCA general insurance pricing practices.

The strong performance of UK Motor insurance is the key driver of our results. We also continued to expand our customer proposition. In 2021 alone, beyond UK Motor we added more than half a million customers, now representing around 40% of total Group customers. We grew by double digits in both our UK Household and International businesses, despite challenging market conditions abroad, and our Loans stock balance is now larger than pre-Covid levels. We are pleased to see the results of our ability to export some of our competitive advantages to these new businesses and we are also planting seeds for further diversification in the longer term through Admiral Pioneer, for example with small business insurance.

Our aim is to help more customers than ever to look after their future, and to do this better every day. We are also keen to contribute to secure the future of our communities by substantially increasing our investment and committing to net zero by 2040 at the latest.

I would like to thank all my colleagues for their hard work and continued focus on our customers. They are the key to Admiral's success and have made my first year as Group CEO so enjoyable."

Comment from Annette Court, Group Chair:

"A company is only as good as its people and Admiral is no exception. At the start of 2021, Milena Mondini de Focatiis took the helm as Group CEO and has successfully steered the Group through a difficult year to another set of positive results and increased profitability.

The business has continued to grow its customer numbers and been recognised as a great place to work across operations as well as a Diversity Leader in Europe; proof that, during times of uncertainty, the Group continues to deliver for customers and colleagues.

Admiral is an agile business that continues to deliver long-term sustainable growth by adopting a test-and-learn approach to its evolution. Diversification is a key focus for the Group and I believe that Admiral is on the right course, and as we successfully execute our strategy, will emerge even stronger.

On behalf of the Board, I would like to thank everyone at Admiral for their hard work and dedication which made this year's strong results possible."

Dividend

The Board has proposed a final dividend of 118.0 pence per share (2020: 86.0 pence per share) representing a normal dividend (65% of post-tax profits) of 42.2 pence per share and a special dividend of 75.8 pence per share. The special dividend includes 46.0 pence per share as the second of three payments related to the Penguin Portals disposal proceeds. The dividend will be paid on 6 June 2022. The ex-dividend date is 5 May 2022 and the record date is 6 May 2022.

Management presentation

Analysts and investors will be able to access the Admiral Group management presentation which commences at 9:00am GMT on Thursday 3 March 2022 by registering on the Admiral website at www.admiralgroup.co.uk. A copy of the presentation slides will also be available on the website.

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