

HIGHLIGHTS OF 2006

WWW.LLOYDS.COM/2006RESULTS

- Standard & Poor's assigned Positive Outlook to Lloyd's A rating.
- Fitch Ratings placed Lloyd's A rating on Credit Watch Positive.
- Continued improvement in perceptions of customer service.
- Expansion of Lloyd's Asia platform.
- Good progress on key business reform initiatives:
 - Exceeded 85% contract certainty target.
 - Electronic repositories for claims and back office processing put in place.
- Lloyd's attracted good quality new entrants to the market.

LLOYD'S BUSINESS BY CLASS

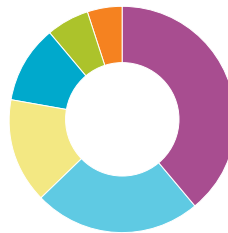
Lloyd's underwrites a diversified portfolio of business.



- 34% Reinsurance
- 22% Casualty
- 22% Property
- 7% Marine
- 7% Energy
- 6% Motor
- 2% Aviation

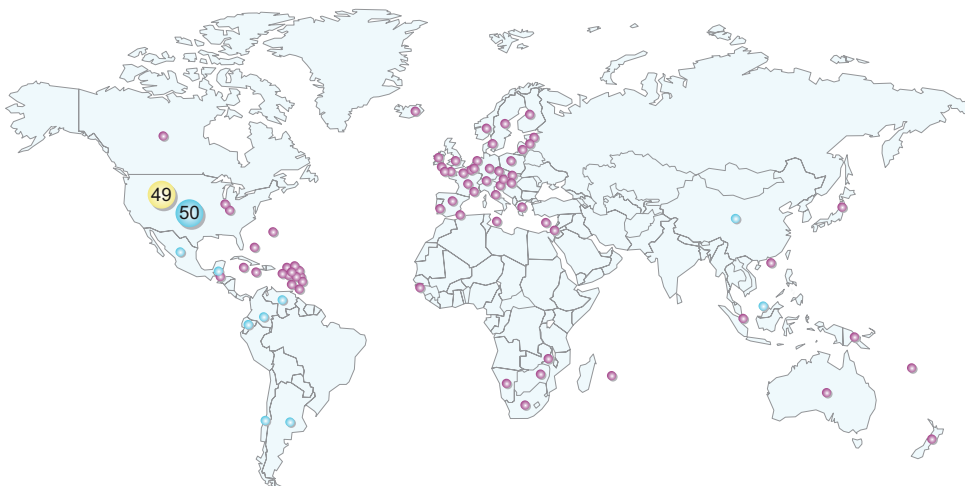
LLOYD'S BUSINESS BY REGION

Lloyd's portfolio is also highly diverse from a geographical perspective.



- 39% United States
- 24% United Kingdom
- 15% Europe
- 11% Other Americas
- 6% Asia/Africa
- 5% Rest of the World

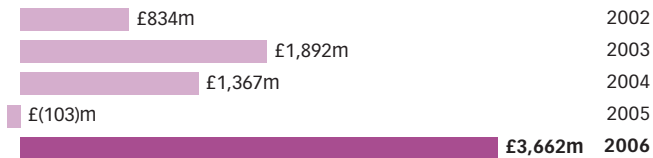
LLOYD'S LICENCES



- Ⓜ Accredited reinsurer in 50 US states
- Ⓜ Eligible 'surplus lines' insurer in 49 US states
- Licensed or eligible to undertake insurance business
- Registered or licensed to write reinsurance business

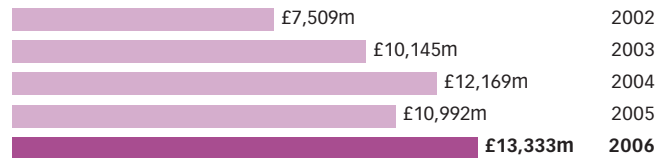
PROFIT BEFORE TAX

£3,662m



CAPITAL, RESERVES AND SUBORDINATED LOAN NOTES

£13,333m



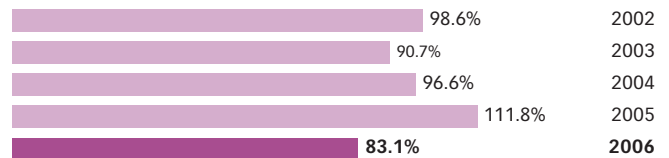
GROSS PREMIUMS WRITTEN

£16,414m



COMBINED RATIO

83.1%



FINANCIAL HIGHLIGHTS

- Lloyd's gross premium income in 2006 increased 9.6% to £16,414m (2005: £14,982m).
- Lloyd's achieved a profit before tax of £3,662m (2005: loss of £103m) and a combined ratio of 83.1% (2005: 111.8%) reflecting the strong underlying performance and low loss incidence during the year.
- Hardening underwriting conditions in US catastrophe exposed business and stable or softening conditions elsewhere.
- In aggregate, claims development in respect of prior year reserves has been better than projected and has led to an overall surplus of £270m (2005: £14m).
- Central assets increased by 14.8% to £1,454m (2005: £1,266m).

CENTRAL ASSETS

£1,454m

