



LLOYD'S

2025

Full Year Results

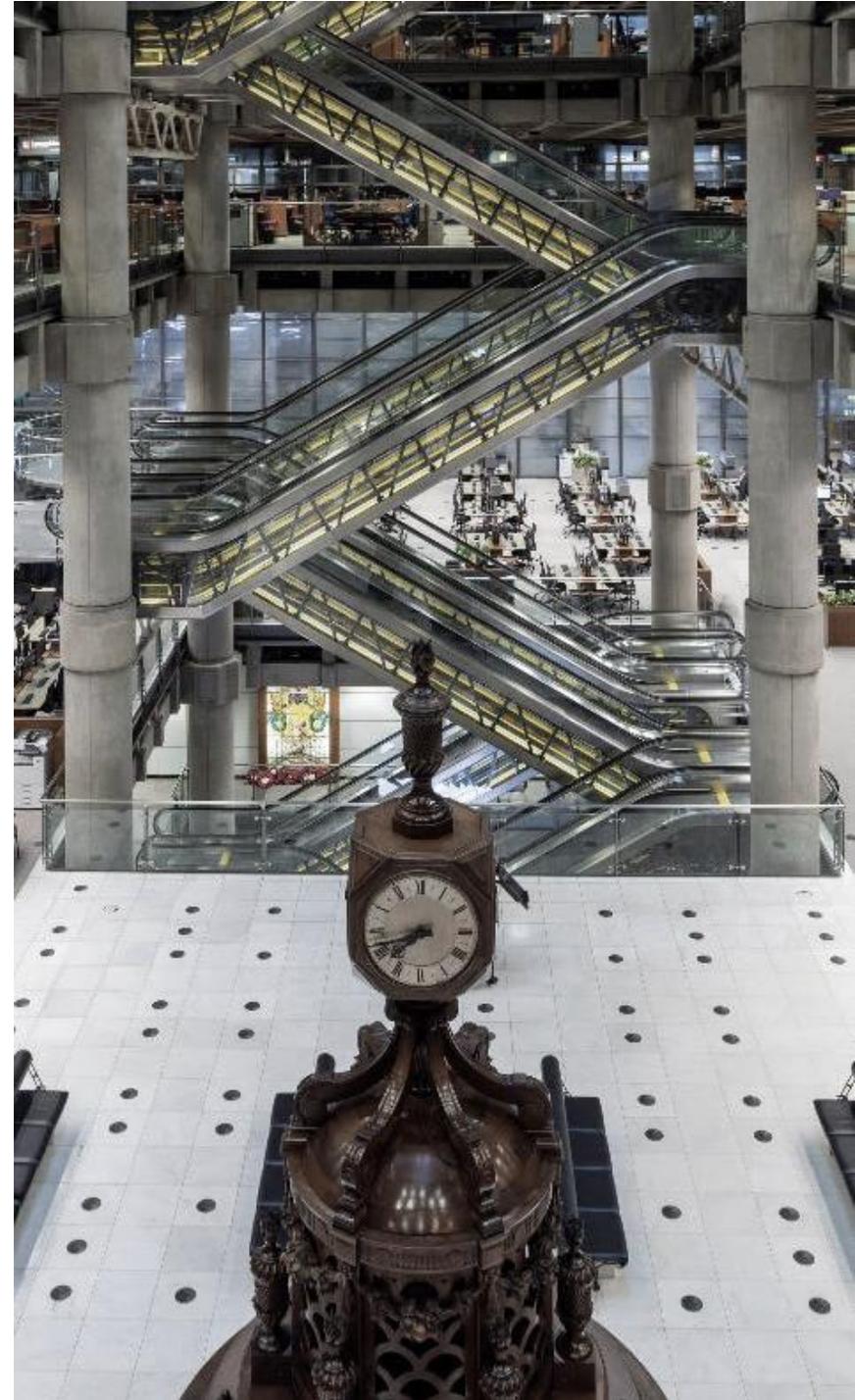
Today's session

Overview

2025 Market Results

Underwriting Conditions & Outlook

Strategy Update



2025 Actual vs 2024 Actual

2025 Actual

£10.6bn

Profit before tax

£57.9bn

Gross written premium

87.6%

Combined ratio

£6.0bn

Investment return

2024 Actual

£9.6bn

Profit before tax

£55.5bn

Gross written premium

86.9%

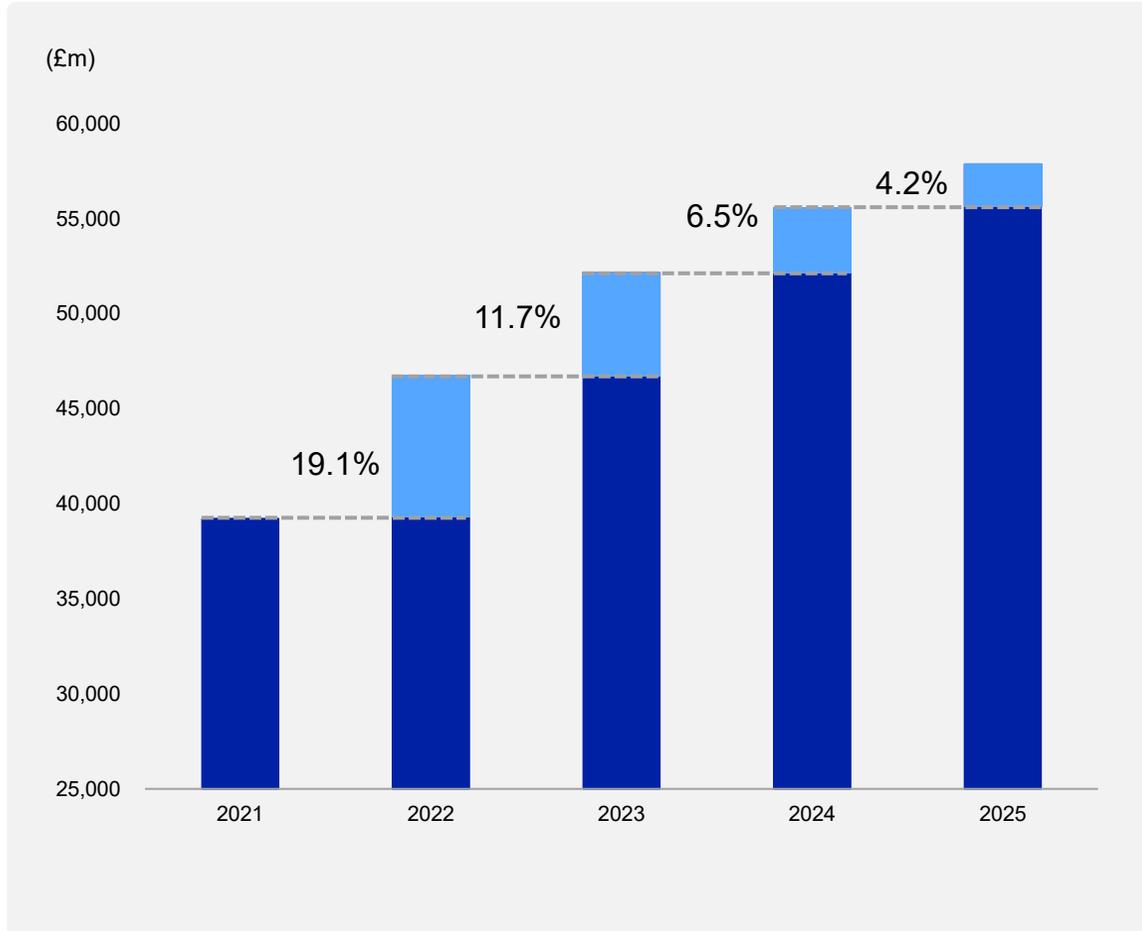
Combined ratio

£4.9bn

Investment return

Moderated premium growth

Gross Written Premium (GWP)



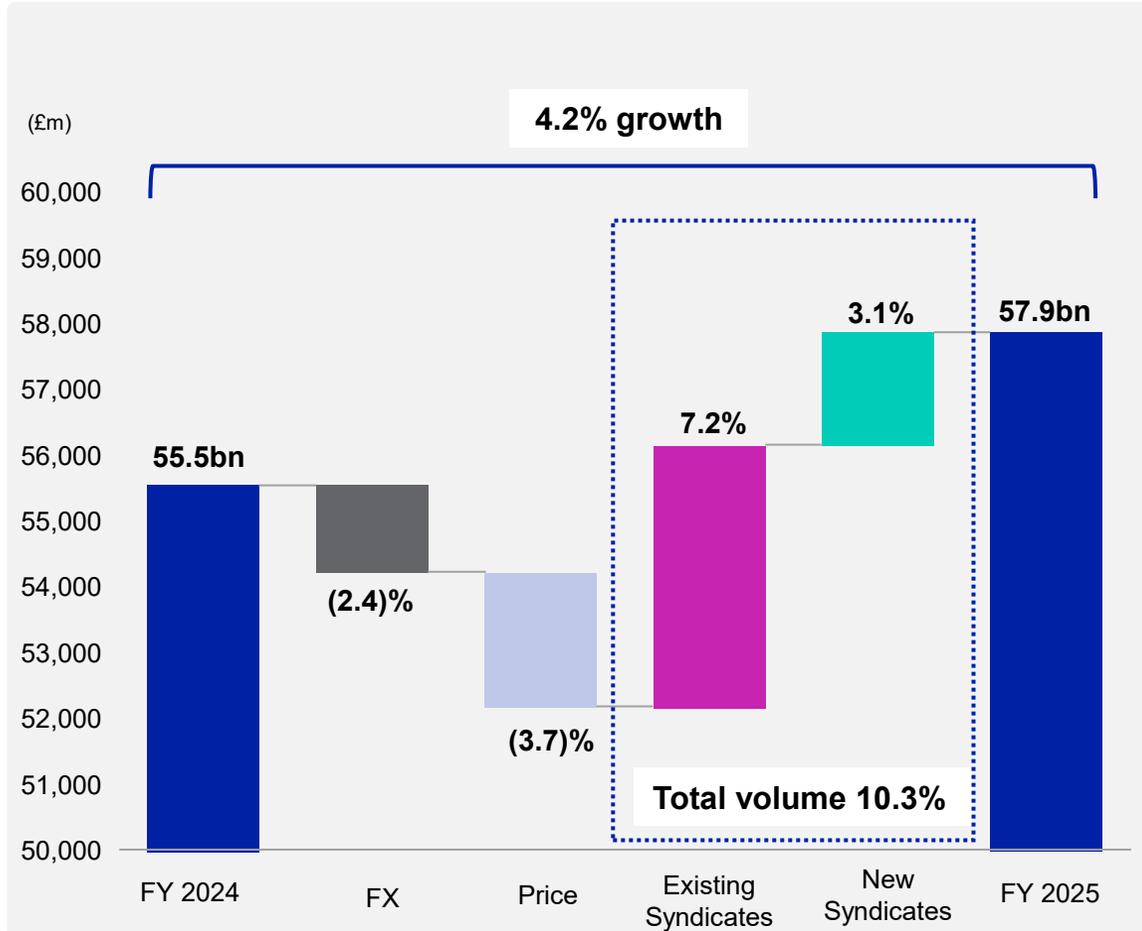
Premium Change by Composition



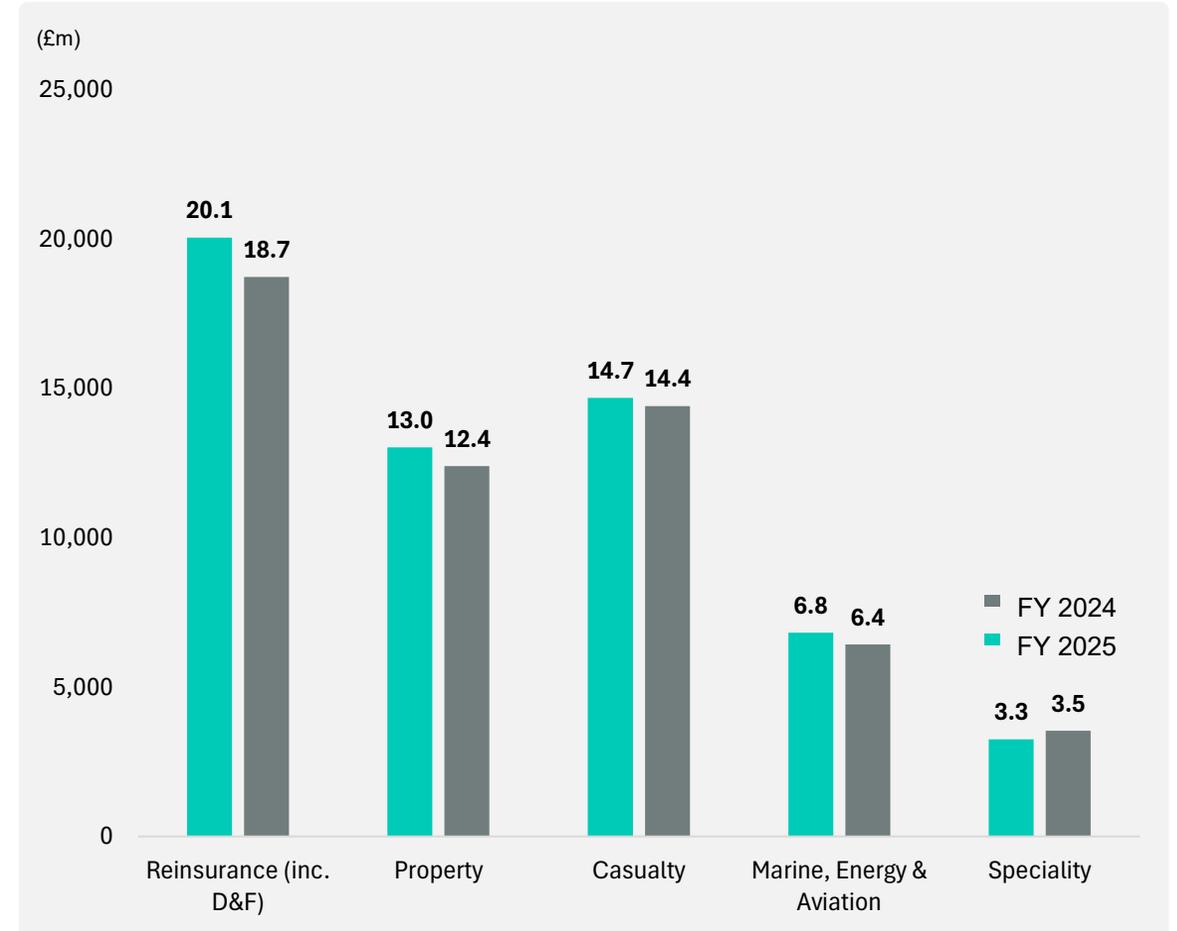
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Premium growth drivers

Premium Growth Bridge



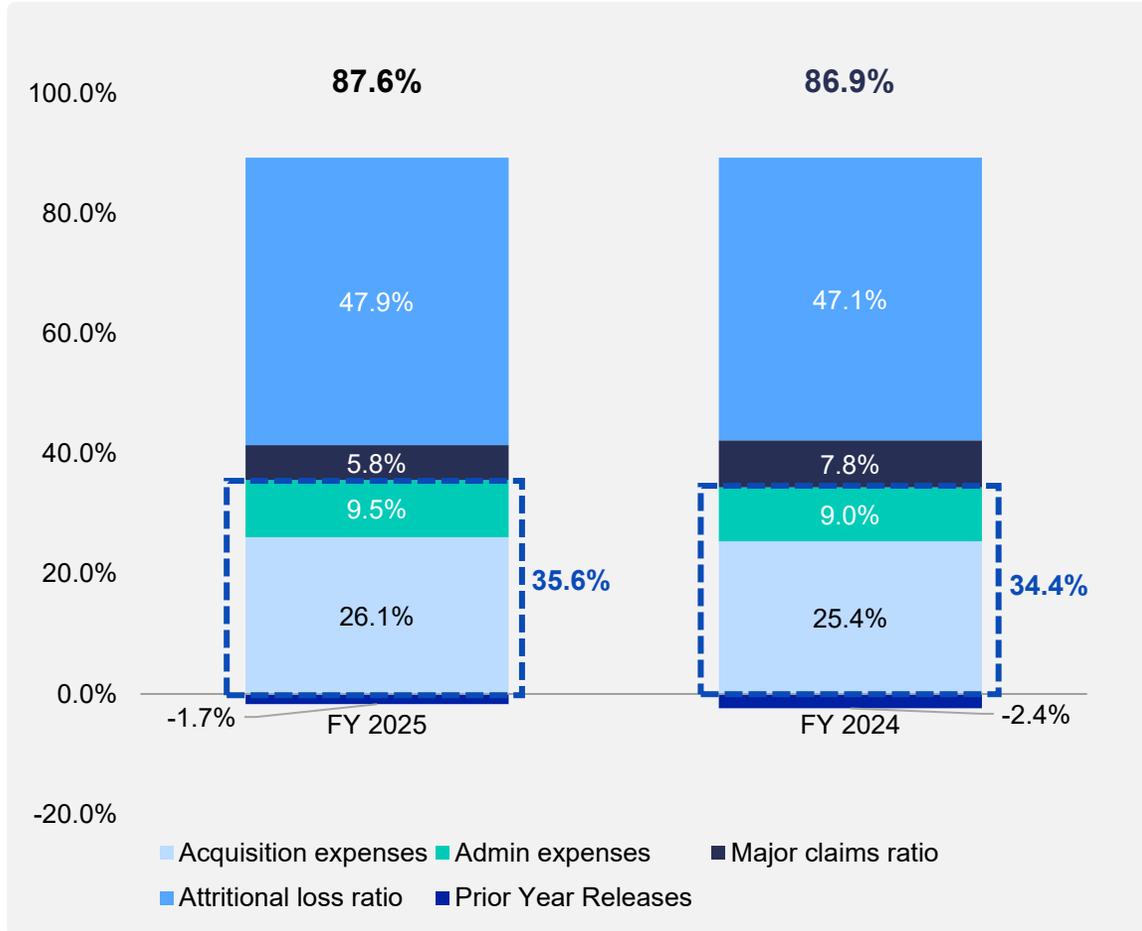
Premium growth by class of business



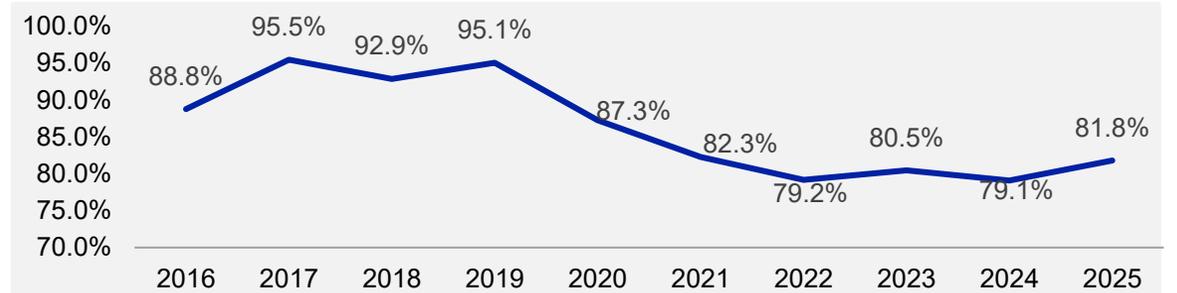
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Combined ratio - composition

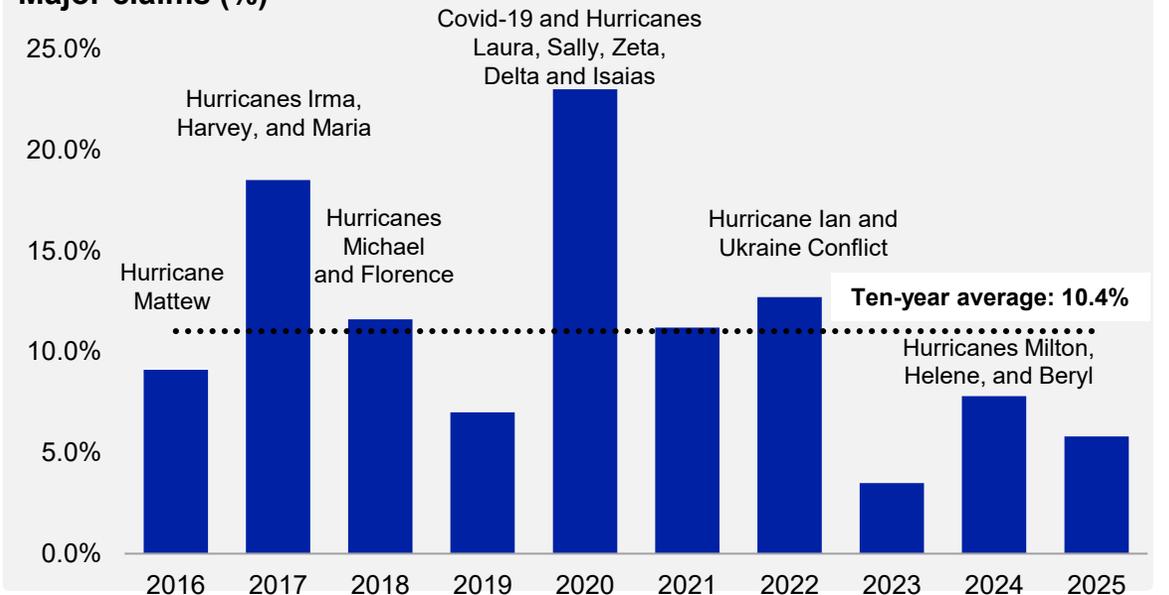
Combined Ratio



Underlying Combined Ratio

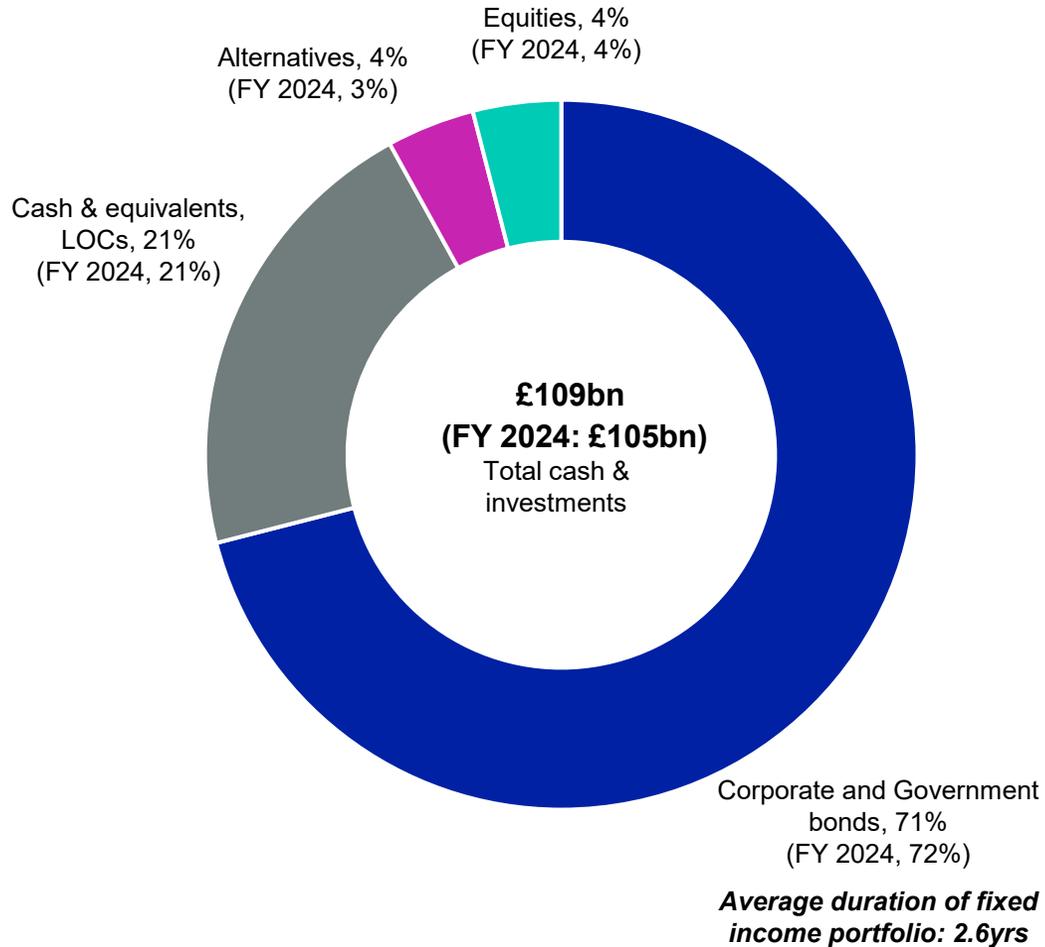


Major claims (%)



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Prudently positioned investment portfolio

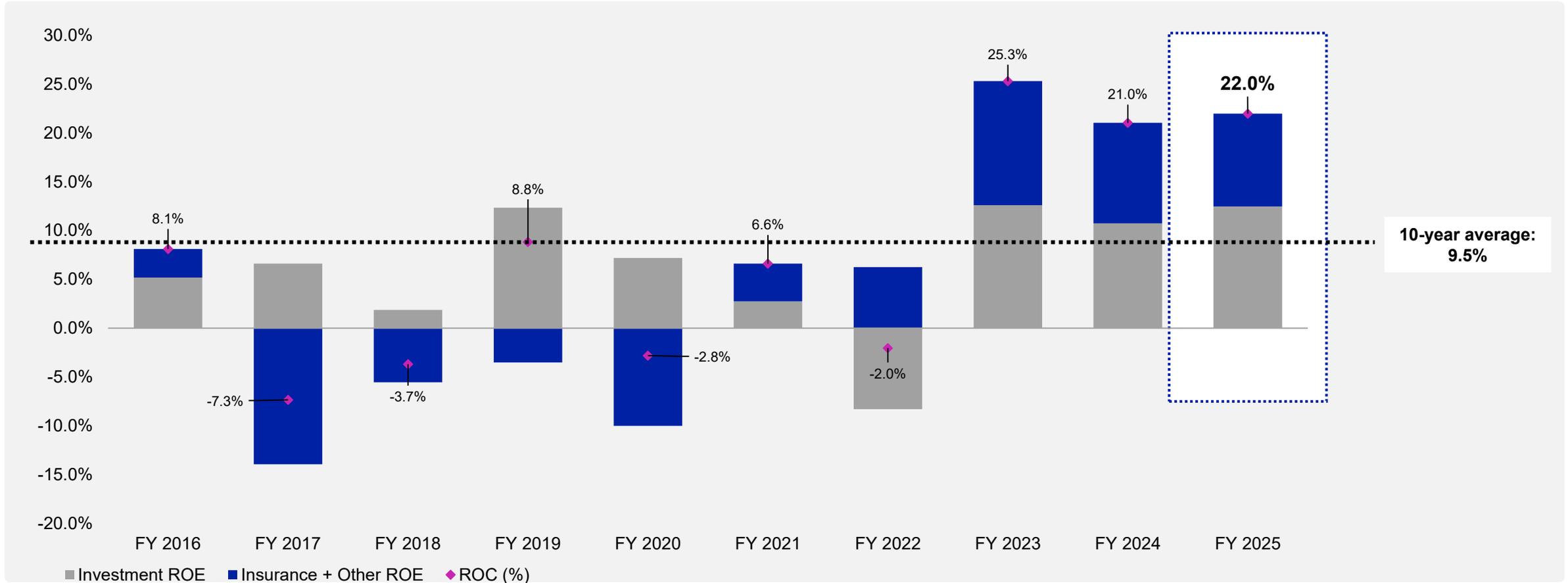


	FY 2025	FY 2024
Syndicates & Society	£2.5bn Investment income	£2.2bn Investment income
	£0.5bn Realised gains/(losses)	£0.5bn Realised gains/(losses)
	£1.1bn Unrealised gains/(losses)	£0.3bn Unrealised gains/(losses)
FAL	£1.9bn Notional investment return on members' FAL	£1.9bn Notional investment return on members' FAL
	£6.0bn Investment return	£4.9bn Investment return

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Improving average return on capital – 10 year

Return on Capital



.Average return on capital is calculated as average annual net income for the period 2016-2025 divided by average annual capital employed over the same period.
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Very strong balance sheet

FY 2025 result

FY 2025 vs. FY 2024

496%

Central solvency

+61%pts

200%

Market-wide solvency

-5%pts

£49.8bn

Total capital

+£2.7bn

£6.6bn

Reserve margin

+£1.2bn

Financial Strength Ratings

A.M. Best:

A+

(Superior)

Stable

Fitch Ratings:

AA-

(Very Strong)

Stable

KBRA:

AA-

(Very Strong)

Stable

S&P Global:

AA-

(Very Strong)

Stable

Underwriting Conditions & Outlook

Rachel Turk, Chief of Market Performance

Contents

Areas of concern

Oversight

Opportunities

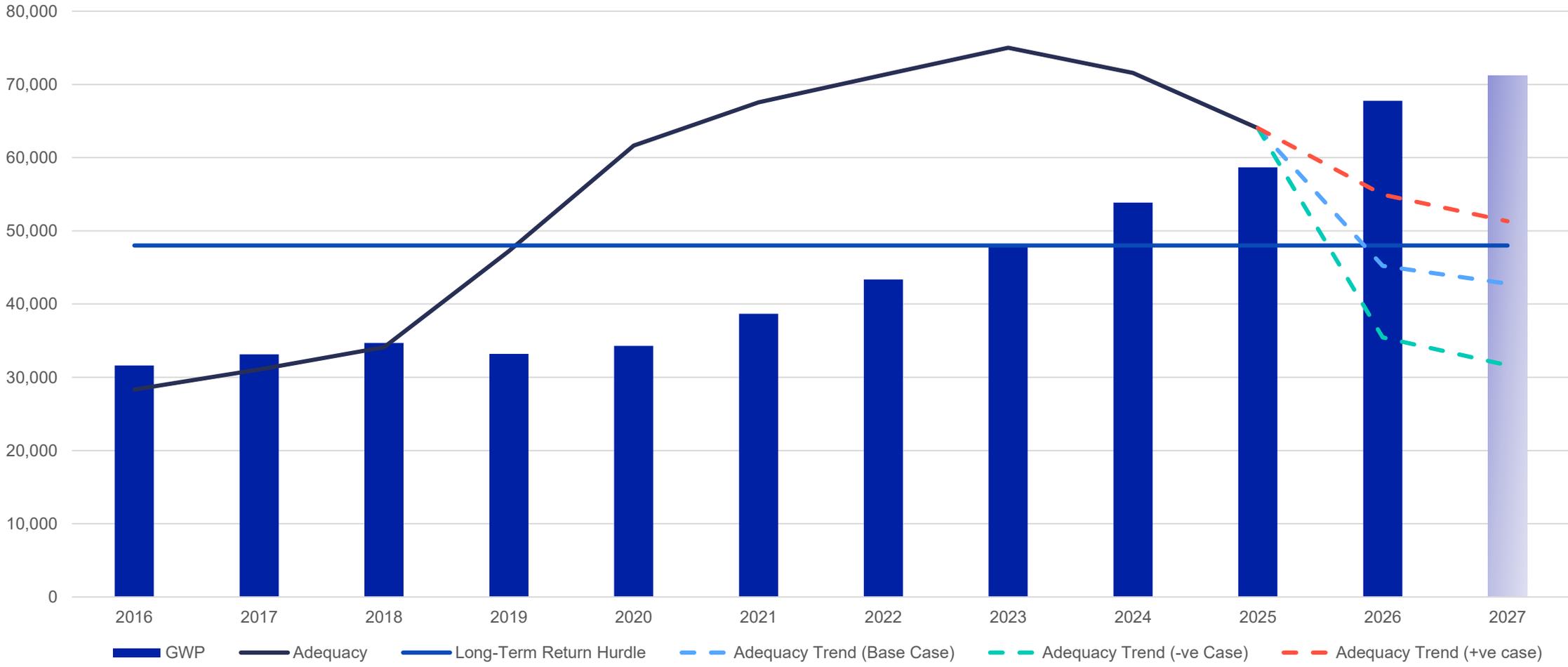
Pull the levers in your control

Discipline,
cycle management &
portfolio optimisation

Prevent margin
erosion

Beware of bad habits
re-emerging

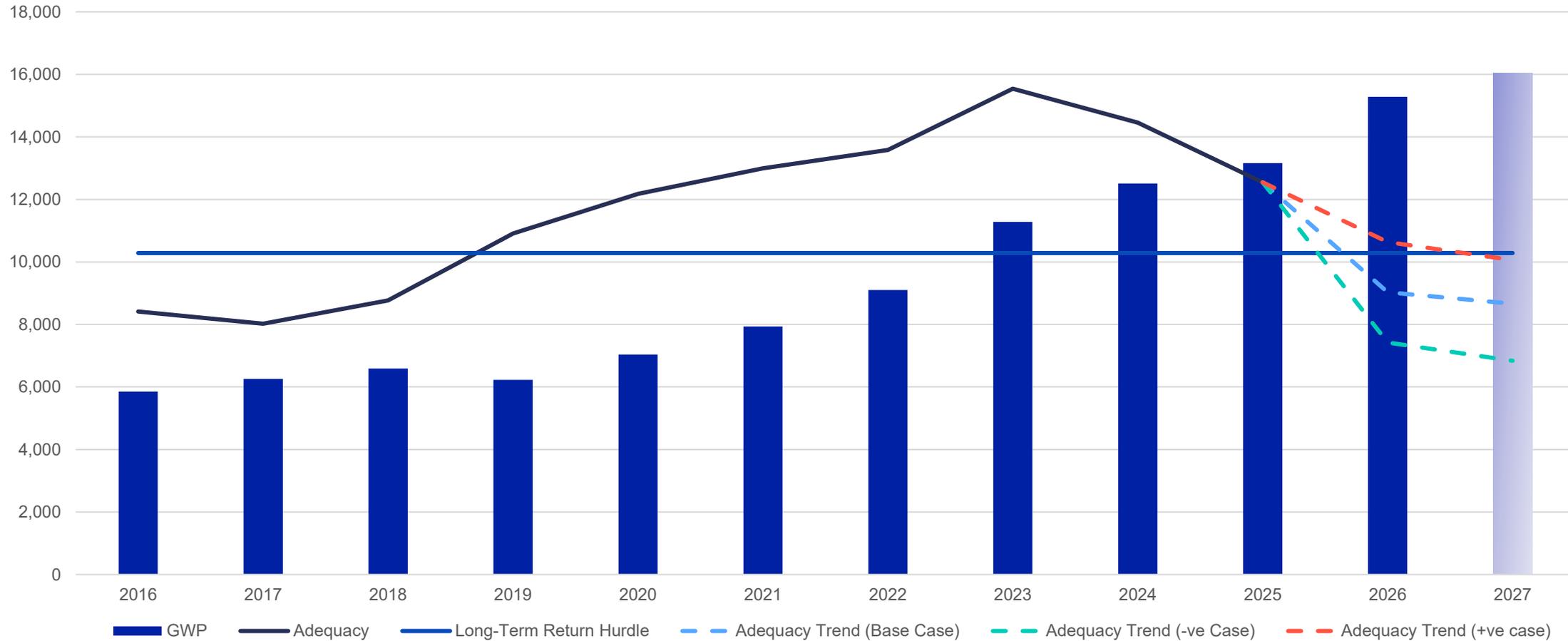
Rate adequacy is declining at market level



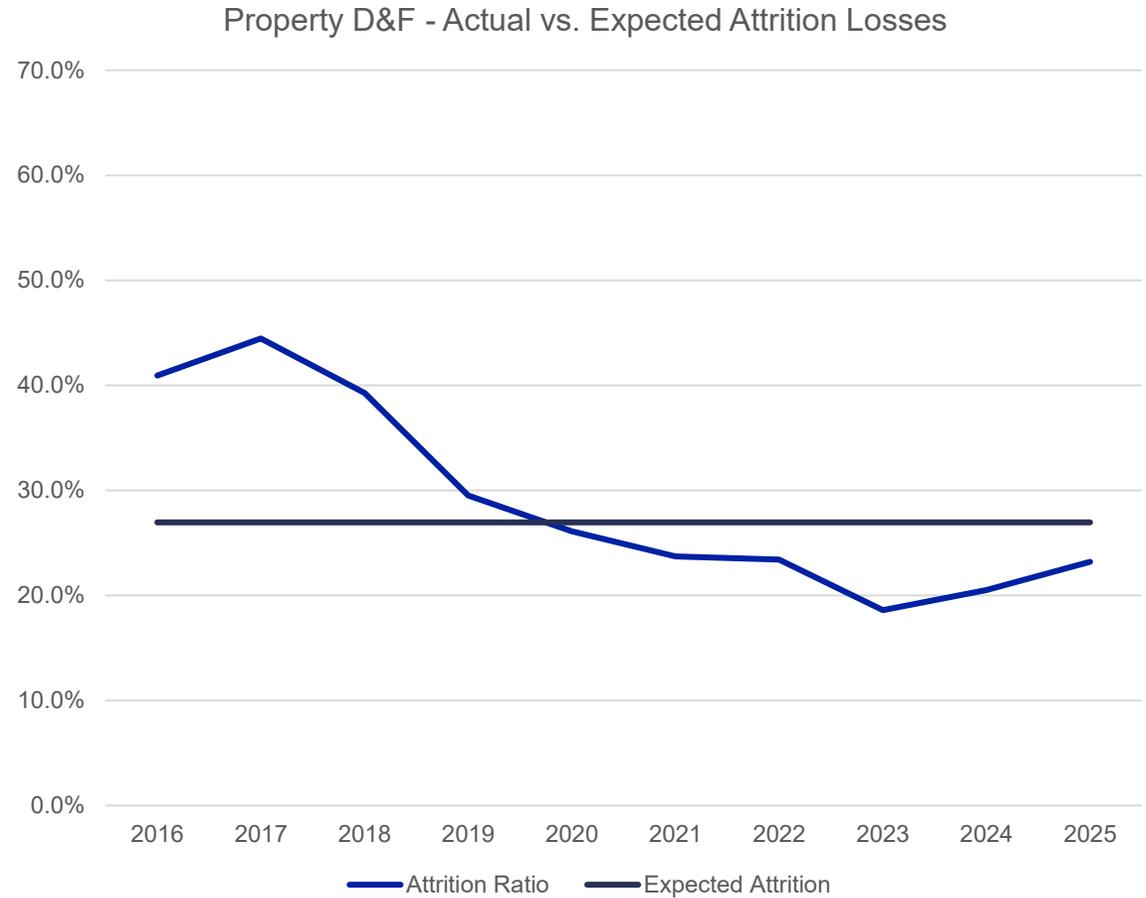
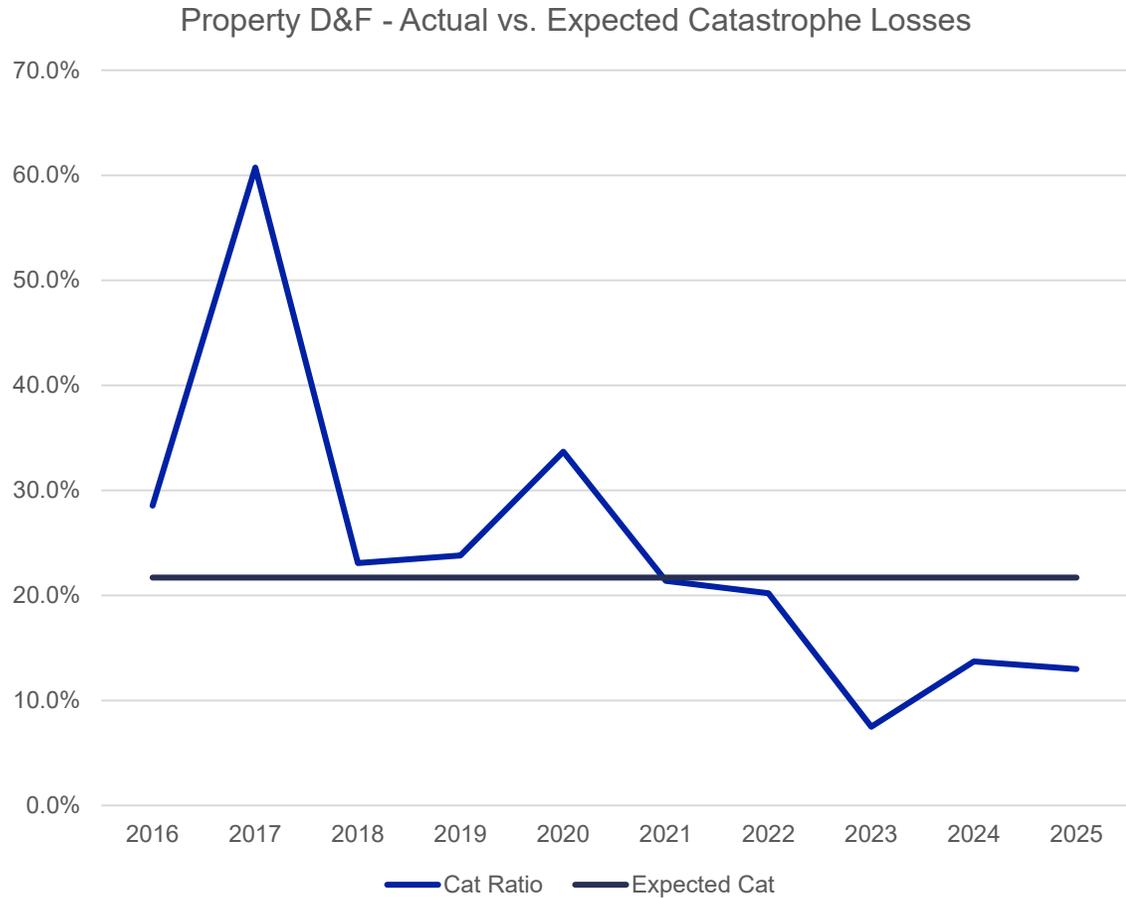
© Lloyd's 2026 Long term underwriting adequacy calculation not a break-even point

Property D&F: hard-won gains – now at risk

Property D&F - Adequacy Trends & Projection

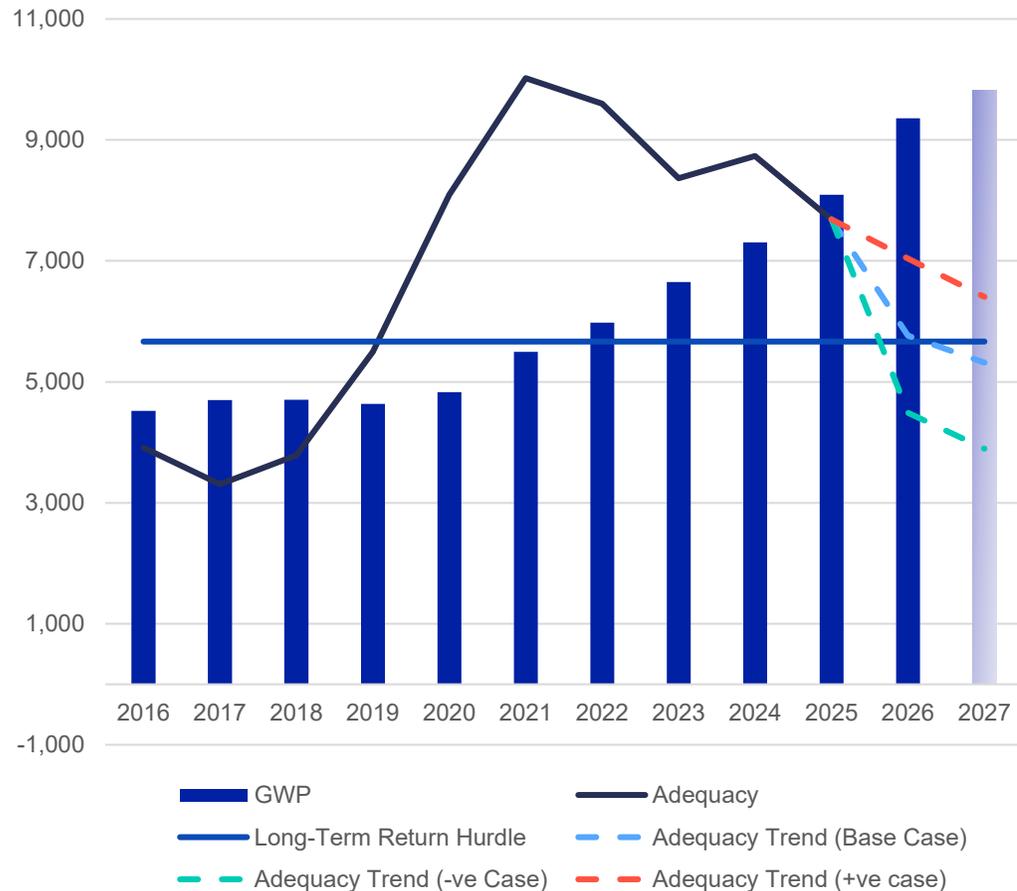


Light cat years can mask attritional weakness

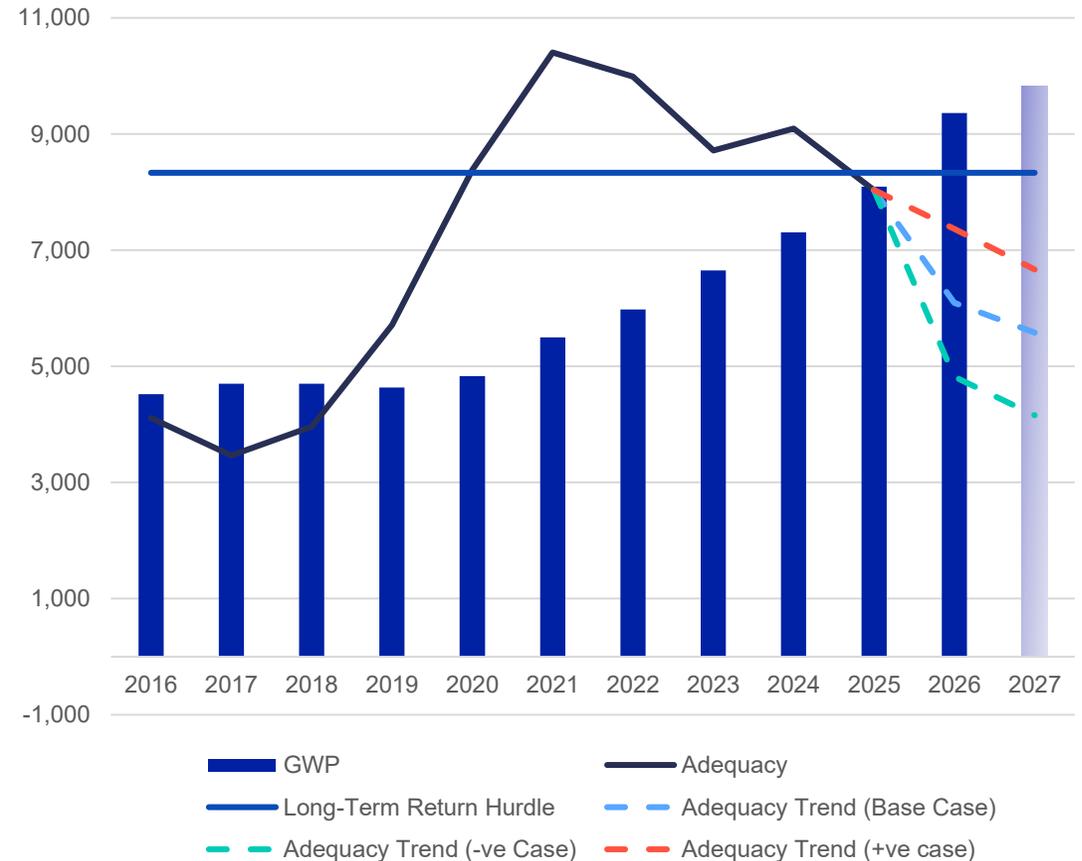


Casualty: adequacy depends on the lens

Casualty - Adequacy Trends & Projection (QMB)



Casualty - Adequacy Trends & Projection (Long-Term View)



© Lloyd's 2026 Long term underwriting adequacy calculation not a break-even point

Oversight in current conditions

Outperforming

- Quantitative overlay paused
- Folded into principles-based oversight

DyGIST

- PRA Dynamic General Insurance Stress Test (May)
- Lloyd's coordinating market response
- CEO sponsorship critical

Portfolio solutions: lean in – with discipline

Opportunity

- Natural Lloyd's advantage (licences & syndication)
- Growing demand for cross-class solutions

Guardrails

- Not a free for all
- Expense creep not acceptable
- Same discipline & cycle management required

Key takeaways

Be risk aware

Market of
opportunities for those
with the skills and
discipline to navigate

Deploy all of our
advantages to be
successful

Strategy Outlook

Patrick Tiernan, Chief Executive

Our Strategy

Will focus on

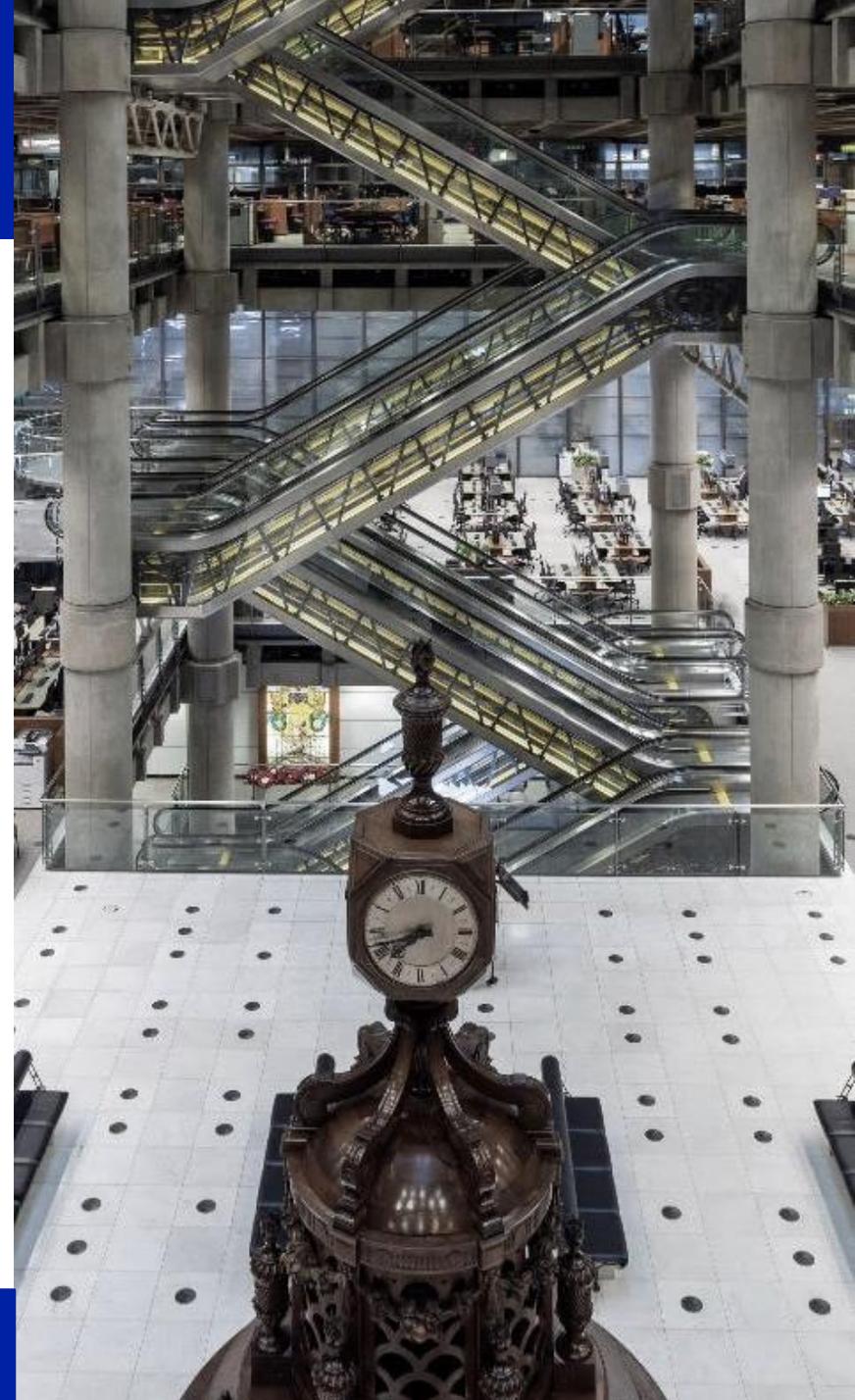
Performance and financial returns

Maximising our unique advantage

Reducing cost and complexity

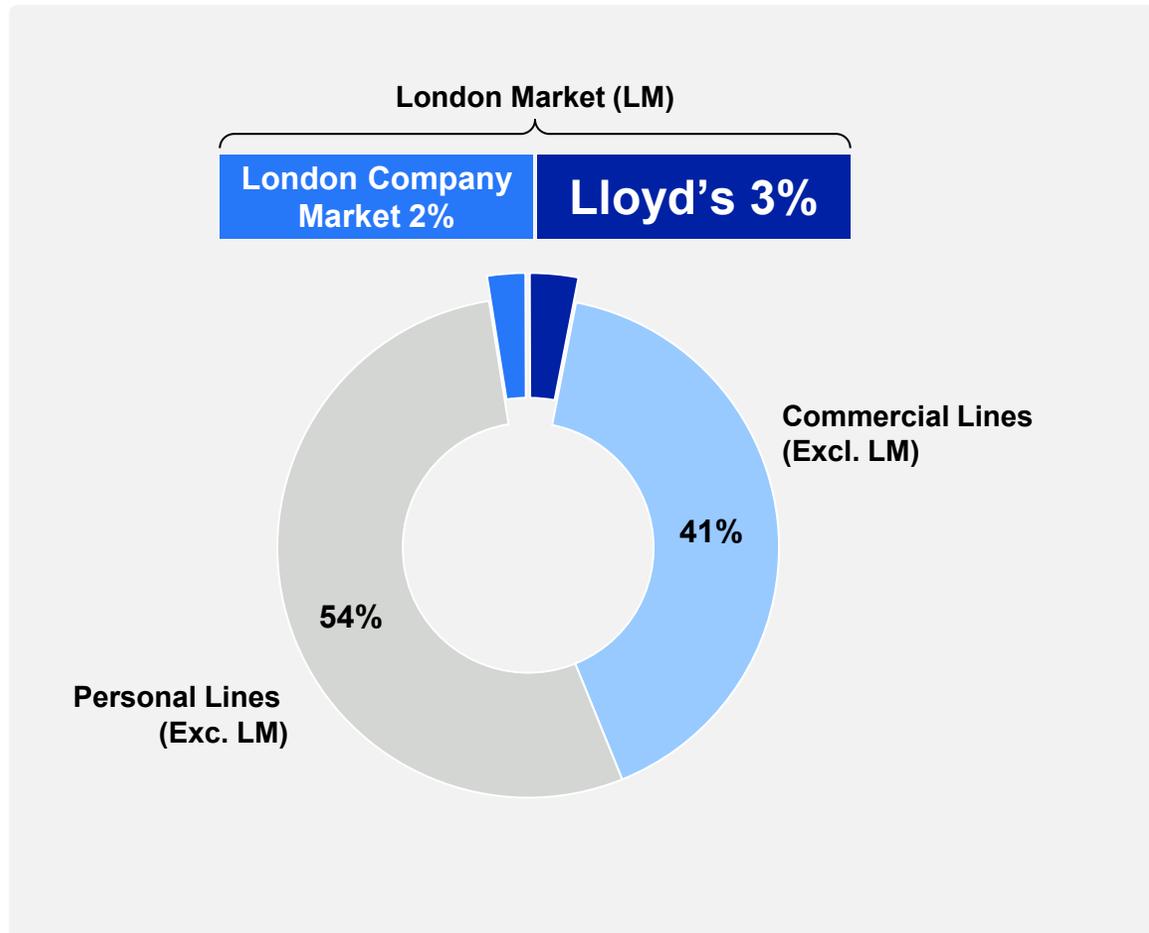
Investing in future talent

Advance and Protect

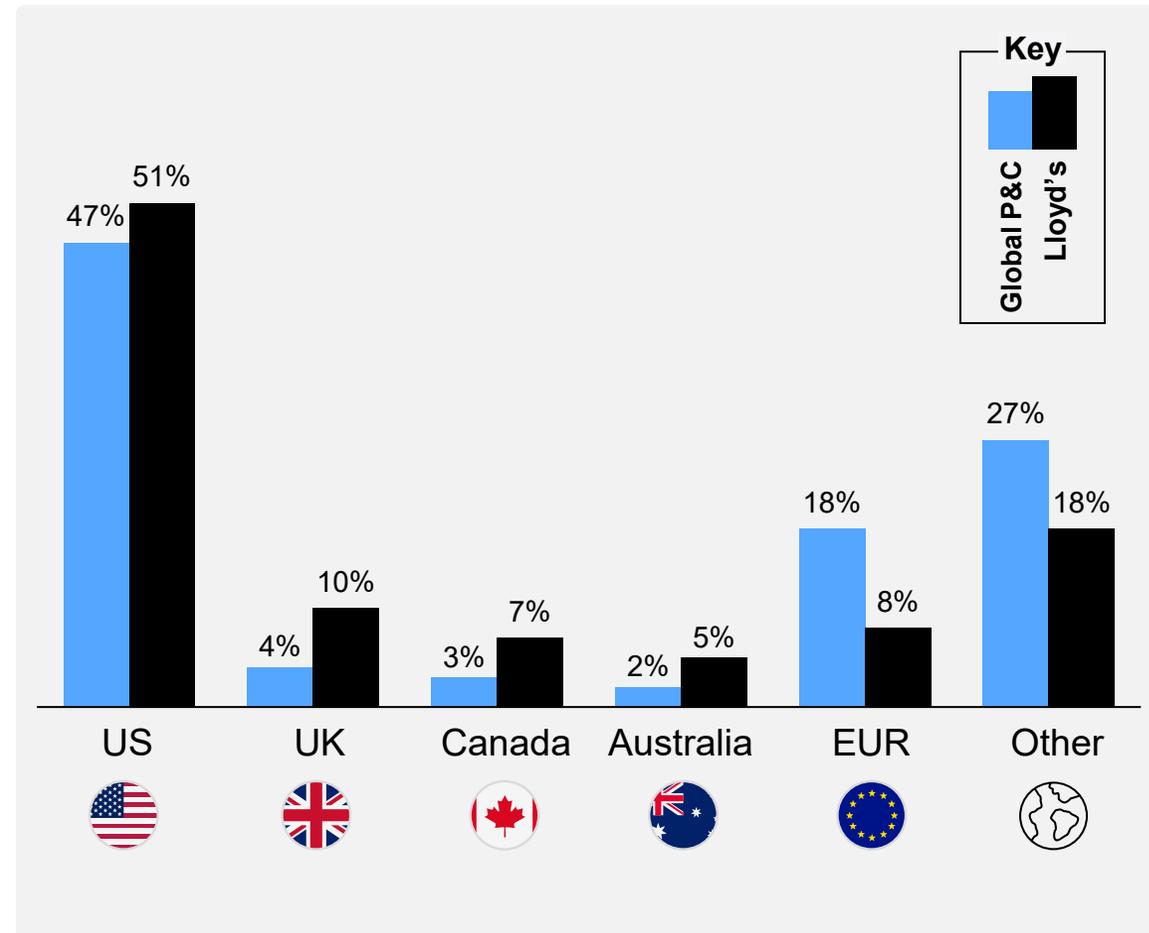


Our Place in the World

Global GWP by P&C / Life / Health
2024



Share of global P&C and Lloyd's premiums
2023 data for global, 2024 data for Lloyd's



Our Purpose

OUR PURPOSE

**We bring together
the world's leading
risk takers to advance
global progress**

Advance and Protect



Strategic Drivers



OUR PURPOSE

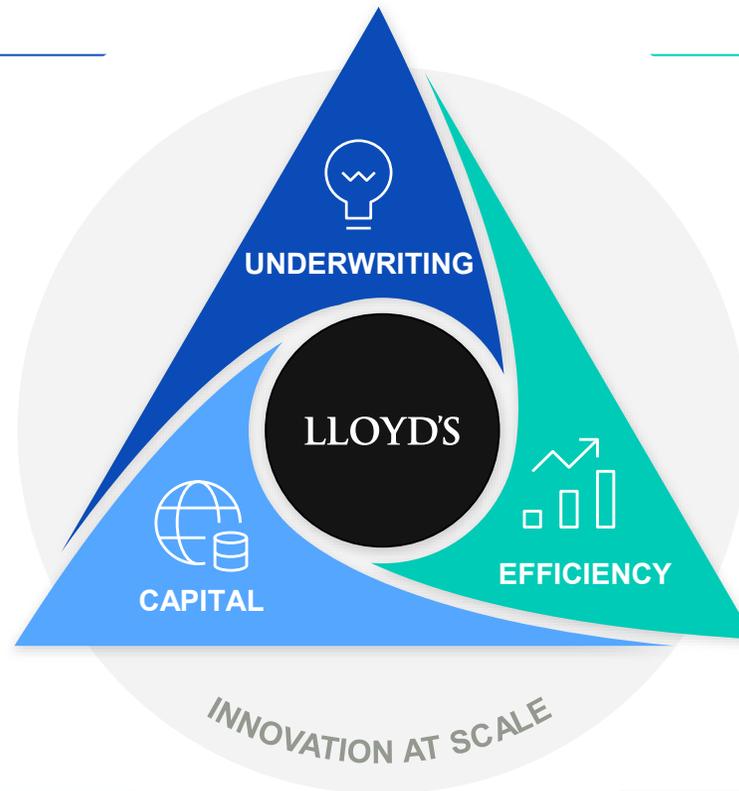
We bring together the world's leading risk takers to advance global progress

Leading
UNDERWRITING
performance

Market through-the-cycle COR sub-95%

Maximised
CAPITAL
advantage

Market through-the-cycle return on capital above 12%



1% incremental cost to operate at Lloyd's

EFFICIENT
flexible marketplace

Excellent culture

Corporation cost-to-income ratio sub-80%

Top-tier customer Net Promoter Score

A LLOYD'S TO BE PROUD OF

Advance and Protect

Horizons

Horizon 1: 2026-2027

Focus to unlock our existing advantages

Horizon 2: 2028-2029

Build new advantages

Horizon 3: 2030+

Success through capital strength and strategic optionality

Our Culture

OUR PURPOSE

We bring together the world's leading risk takers to advance global progress

OUR BEHAVIOURS

Take the risk

Make it happen

Own the outcomes

Advance and Protect



Key Strategy Takeaways

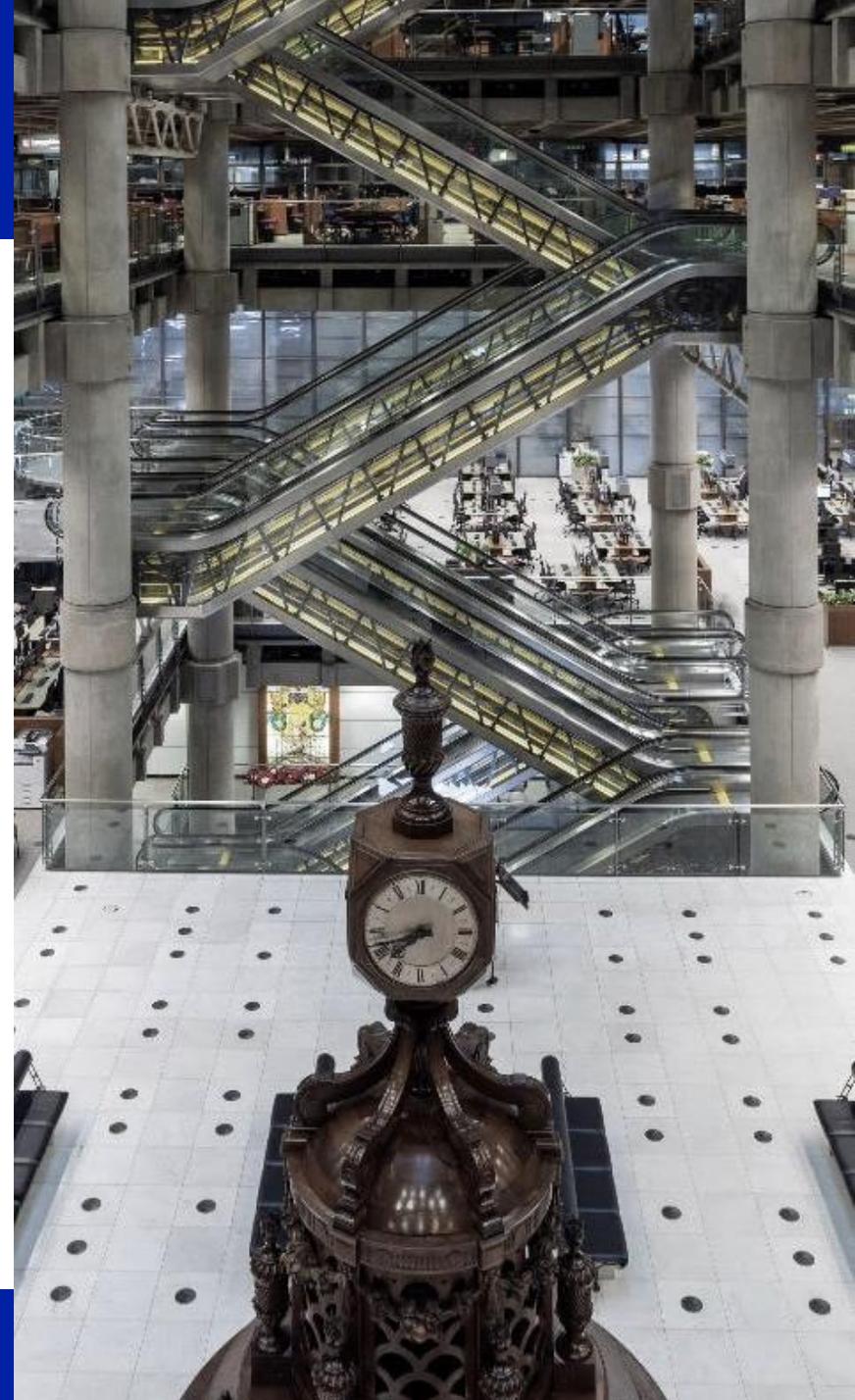
Market led strategy

Sharper financial edge

Committed to raising the bar

Maximise our unique advantage

Advance and Protect



2026 Guidance

FY 2025 Results

£57.9bn

Gross written premium

87.6%

Combined ratio

5.6%

Investment return

2026 FY Outlook¹

£64bn +/- 5%

Gross written premium

90-95%

Combined ratio

3%

Investment return

¹ Subject to financial markets in a stable interest rate environment, FX, unpredictable economic developments, and major losses within normal expected range. The foregoing should not be relied upon as a promise or representation as to past or future performance. Furthermore, past performance is not necessarily indicative of future performance.



Q&A

2025 Financial highlights

£57.9bn

Gross written premium

+4.2%
vs FY 2024

87.6%

Combined ratio

+0.7%pts
vs FY 2024

200%

Market-wide solvency

-5%pts
vs FY 2024

£6.0bn

Investment Return

+£1.1bn
vs FY 2024

81.8%

Underlying combined
ratio

+2.7%pts
vs FY 2024

496%

Central solvency

+61%pts
vs FY 2024

£10.6bn

Profit before tax

+10.1%
vs FY 2024

5.8%

Major losses

-2.0%pts
vs FY 2024

22.0%

Return on capital

+1.0%pts
vs FY 2024



Appendix

FY 2025 result

£m	FY 2022	HY 2023	FY 2023	HY 2024	FY 2024	FY 2025
Gross written premium (GWP)	46,705	29,306	52,149	30,581	55,546	57,870
Net earned premium (NEP)	32,458	16,932	36,925	18,866	40,424	41,994
Net incurred claims	(18,655)	(8,435)	(18,302)	(9,282)	(21,222)	(21,847)
Operating expenses	(11,162)	(5,997)	(12,713)	(6,517)	(13,888)	(14,939)
Underwriting result	2,641	2,500	5,910	3,067	5,314	5,208
Total investment return	(3,128)	1,808	5,310	2,142	4,914	6,010
Foreign exchange (loss)/ gain	158	(186)	(134)	(73)	(124)	(121)
Other expenses, net	(440)	(202)	(423)	(220)	(478)	(503)
Profit before tax	(769)	3,920	10,663	4,916	9,626	10,594
Loss ratio	57.5%	49.8%	49.6%	49.2%	52.5%	52.0%
<i>Attritional losses</i>	48.4%	50.9%	48.3%	49.2%	47.1%	47.9%
<i>Prior year (release)/strengthening</i>	(3.6)%	(4.7)%	(2.2)%	(3.1)%	(2.4)%	(1.7)%
<i>Major claims</i>	12.7%	3.6%	3.5%	3.1%	7.8%	5.8%
Expense ratio	34.4%	35.4%	34.4%	34.5%	34.4%	35.6%
Admin expense ratio ¹	8.2%	9.3%	8.8%	9.1%	9.0%	9.5%
Acquisition cost ratio ¹	26.2%	26.1%	25.6%	25.4%	25.4%	26.1%
Combined ratio	91.9%	85.2%	84.0%	83.7%	86.9%	87.6%

¹ Due to reporting rationalisation, numbers have been restated

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Balance sheet

£m	FY 2024 (Restated) ¹	FY 2025
Financial investments	93,162	97,140
Deposits with ceding undertakings	252	126
Reinsurers' share technical provisions	33,198	31,835
Debtors	27,782	29,398
Other assets	14,901	15,077
Prepayments and accrued income	7,222	7,695
Total assets	176,517	181,271
Members' funds at Lloyd's	30,500	31,132
Members' balances	13,533	15,981
Central reserves (mutual assets)	2,818	2,414
Subordinated loan notes	298	298
Total capital, reserves, and subordinated loan notes	47,149	49,825
Technical provisions	113,046	113,451
Deposits received from reinsurers	1,128	985
Creditors	13,480	15,057
Accruals and deferred income	1,714	1,953
Total liabilities, capital and reserves	176,517	181,271

¹ Due to reporting rationalisation, numbers have been restated

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Market scenario testing

Impact on Lloyd's Market Portfolio based on asset valuation as at 31 December 2025

Scenario	Change in asset value	Comments
Interest rates rise by 100bps	£2.2bn loss	Despite an economic matching of asset and liabilities, interest rate shifts have a P&L impact since UK GAAP does not allow insurance liabilities to be discounted. The c.£2.2bn loss stems from the impact of a 100bps rise in rates on the c.£80bn fixed income portfolio with an average duration of 2.6 years.
Interest rates fall by 100bps	£2.2bn gain	Despite an economic matching of asset and liabilities, interest rate shifts have a P&L impact since UK GAAP does not allow insurance liabilities to be discounted. The c.£2.2bn gain stems from the impact of a 100bps fall in rates on the c.£80bn fixed income portfolio with an average duration of 2.6 years.
Equities decline by 26% from the expected value (1-in-10 year shock)	£2.4bn loss	The c.£2.4bn loss stems from the impact of a 1-in-10-year shock on the £4.4bn of investments in equities and £4.7bn investment in alternative assets.
USD weakens by 10% against GBP		
<ul style="list-style-type: none"> ▪ Impact on Members' assets 	£2.3bn loss	The c.£2.3bn impact on Members' assets is a balance sheet only impact and does not impact the P&L.
<ul style="list-style-type: none"> ▪ Impact on P&L 	£0.4bn loss ¹	The £0.4bn impact on P&L from FX movements includes the conversion impact on the net PTF position (impact on assets largely offset by liabilities) and central assets.

The analysis above is performed for reasonably possible movements in interest and FX rates with all other variables held constant, showing the impact on the asset values on the balance sheet.

¹ Annual P&L sensitivity analysis

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