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The Swedish Club: Continuing to Deliver Excellence in a Challenging Market

At the first quarter 2019 Board meeting, The Swedish Club reported that it had continued to deliver robust underwriting performance and preserve strong capital adequacy in 2018, amid challenging market conditions. A combined ratio of 99% was achieved.

The investment was very volatile with the equity markets in free fall during December 2018. As a result, a negative investment return of -1,6% was booked at the end of December. Profits on the Underwriting side covered, in part, the investment loss. However, the overall result came to a deficit of USD -5,2 million before the P&I discount of 5%. It was noted that the investment loss was recovered in total by the end of January 2019. The Club retained an increase in members and volume at the renewals 2019.

Because of the disciplined underwriting and strong risk controls that the Club has consistently delivered, S&P Global Ratings raised its insurer financial strength and issuer credit ratings on the Swedish Club to A- with stable outlook. In particular, the Club's enterprise risk management (ERM) capabilities had a resulting mitigating effect on the volatility experienced in 2018.

Lars Rhodin, Managing Director of The Swedish Club said: "Despite a market dominated by soft pricing and tough investment conditions, The Swedish Club emerged from 2018 with healthy results.

"The Club reinforced its reputation for consistent underwriting performance, ranking among the top performers in the International Group by maintaining an average combined ratio of 98% over the last ten years," said Rhodin.

"The S&P ratings upgrade was a recognition of what we believe we already had in place – quality members, dedication and a commitment to excellent service from the whole organisation."

The Board meeting was held in Hong Kong and was followed by a Cocktail evening hosted by the Club for members, brokers and other business associates.

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Notes to Editors

The Swedish Club was founded by shipowners in 1872 and is today a leading and diversified mutual marine insurance company, owned and controlled by its members. The Club writes Protection & Indemnity, Freight, Demurrage & Defence, Hull & Machinery, Hull Interests, Loss of Hire, War Risks, and any additional insurances required by shipowners or charterers. It also writes Hull & Machinery, War risks and Loss of Hire for Mobile Offshore Units and FPSOs.

Its head office is located in Gothenburg, Sweden, with branch offices in Piraeus, Hong Kong, Tokyo, Oslo and London.

More information about the Club is available at: www.swedishclub.com