



Hastings Group Holdings plc

Trading update for the 9 months ended 30 September 2016

1 November 2016

Hastings Group Holdings plc (“the Group”, or “Hastings”) today provides an update on its trading performance for the 9 months ended 30 September 2016.

Hastings continues to deliver in line with, or ahead of, the targets set at IPO. The Group’s increasing customer policy numbers, higher average premiums and growing retail income continue to drive profitable growth and strong cash generation, whilst continued premium increases and underwriting discipline have maintained the loss ratio below the target range.

Business highlights

- **Live customer policies** increased to 2.29 million as at 30 September 2016, a 16% year on year increase (1.97 million as at 30 September 2015).
- **Gross written premiums** up 26% to £572.8 million for the 9 months ended 30 September 2016 (9 months ended 30 September 2015: £454.3 million).
- **Market share** of UK private car insurance policies⁽¹⁾ up to 6.4% as at 30 September 2016 (5.6% as at 30 September 2015).
- **Net revenue** up 26% to £440.3 million for the 9 months ended 30 September 2016 (9 months ended 30 September 2015: £350.2 million).
- **Loss ratio** remains below the target range set at the IPO of between 75% and 79%.

Gary Hoffman, Chief Executive of Hastings Group Holdings plc, commented:

“It’s been a year since we listed on the London Stock Exchange and we continue to deliver against all the promises we made at the time of the IPO. Hastings has delivered another excellent performance and our agile and digitally focused business model continues to grow our customer numbers in a market that has seen sustained premium rate increases. We are providing refreshingly straightforward service and products to almost 2.3 million customers.

The implementation of our next generation Guidewire system and expansion of the Leicester site means our 2,700 colleagues have the infrastructure, support and insight to continue our positive momentum, and will deliver operational efficiencies over the medium term.

As Hastings has continued to deliver consistently strong performance since the IPO and is on track to either meet or beat the targets set out at the IPO, the Board intends to provide updated targets at the time of the 2016 full year results presentation.”

Group performance update

	9 months ended Sep 2016	9 months ended Sep 2015	YoY Growth
Live customer policies (m)	2.29	1.97	16%
UK Private car market share (%)	6.4%	5.6%	80 bps
Gross written premiums (£m)	572.8	454.3	26%
Net revenue (£m)	440.3	350.2	26%

Revenue growth

Gross written premiums increased by 26% year on year to £572.8 million, driven by growth in live customer policies ('LCP') and targeted rate increases which continue to be implemented. LCP have reached 2.29 million, growing in both the core private car market as well as in home insurance.

Hastings has achieved this LCP growth through above market average customer retention and growing consumer adoption of Price Comparison Websites ('PCW'). Hastings' digitally focussed business model benefits as people increasingly use PCW in the face of market wide premium increases.

The growth in LCP and earn through of higher average premiums along with growing retail income resulted in a 26% increase in net revenue, to £440.3 million for the 9 months to September 2016.

Outlook

As Hastings has continued to deliver consistently strong performance since the IPO and is on track to either meet or beat the targets set out at the IPO, the Board intends to provide updated targets at the time of the 2016 full year results presentation.

For more information, please contact:

Hastings Group

Richard Hoskins

Chief Financial Officer

T: +44 (0)1424 738244 ir@hastingsplc.com

Louise Underwood

Director of Investor Relations

T: +44 (0)1424 738366 ir@hastingsplc.com

Maria Morritt

Head of PR

T: +44 (0)1424 738011 pr@hastingsdirect.com

Instinctif Partners

Mike Davies / Giles Stewart

T: +44 (0)207 457 2020 hastings@instinctif.com

About Hastings

Hastings is a fast growing, agile, digitally focussed general insurance provider to the UK market, with over 2.2 million customers and employing over 2,700 colleagues at sites in Bexhill, Gibraltar, Leicester and Newmarket.

Hastings has built its business by championing the customer through its refreshingly straightforward service and products, offering car, bike, van and home insurance directly to the public.

Hastings Direct is a trading name of Hastings Insurance Services Limited, the Group's UK broker, which also trades via 'Hastings Premier', 'Hastings Essential', 'Hastings Direct SmartMiles', 'People's Choice' and 'insurePink'.

The Group directly underwrites car, bike and van business through its Gibraltar based insurer Advantage Insurance Company Limited. Home insurance is provided through a number of panel partners and a co-insurance agreement with AXA.

Forward-looking statements

This trading update may contain forward looking statements, including statements about market trends and our strategy, investments, future operations, industry forecasts, regulatory framework and levels of leverage and indebtedness. Forward-looking statements provide our current expectations, intentions or forecasts of future events. Forward looking statements include statements about expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not statements of historical fact. Words or phrases such as "anticipate", "believe", "continue", "ongoing", "estimate", "expect", "intend", "may", "plan", "potential", "predict", "project", "target", "seek" or similar words or phrases, or the negatives of those words or phrases, may identify forward looking statements, but the absence of these words does not necessarily mean that a statement is not forward looking.

Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward looking statements. Our actual results could differ materially from those anticipated in our forward-looking statements for many reasons, including the factors described in the section entitled "Managing our risks" in our 2015 Annual Report. In addition, even if our actual results are consistent with the forward-looking statements, those results or developments may not be indicative of results or developments in subsequent periods.

Notes

- (1) Source for UK private car market is UK Department for Transport data.