



Syndicate 6103

2007 year of account forecast at 27 months

The forecast range for the 2007 Year of Account of Syndicate 6103, after the deduction of all standard personal expenses but before members' agency fees, is unchanged at a profit of between 39% and 44% of allocated capacity.

2008 year of account forecast at 15 months

Managing Agency Partners Limited has prepared a forecast range of the ultimate result for the 2008 Year of Account of Syndicate 6103 at 15 months, as required by Lloyd's. This forecast result, after deduction of all standard personal expenses but before members' agency fees, is a profit of between 5% and 15% of allocated capacity.

James Denoon Duncan
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Methodology adopted for the 2008 Account forecast

At this early stage of development there are a number of material uncertainties which make it imprudent to issue a narrow range forecast of the ultimate result. The principal uncertainties are:

- *the syndicate has significant exposures which have not expired;*
- *the incurred loss position is underdeveloped; and*
- *fluctuations in the US Dollar/Sterling exchange rate may materially affect the reported result.*

The approach we have adopted for this early 2008 estimate is to adjust our business plan to reflect the achieved technical price and revised premium income and to produce an updated class of business forecast. Each class is compared to our quarterly external actuaries result and our internal assessments to determine a prudent forecast.

By 30th June 2009 the material reduction in exposures and further development of the account will permit greater reliance to be placed on incurred losses rather than the initial expected loss ratios. This should result in a more reliable ultimate forecast and a narrower range. The 18 month forecast will be issued in early August.