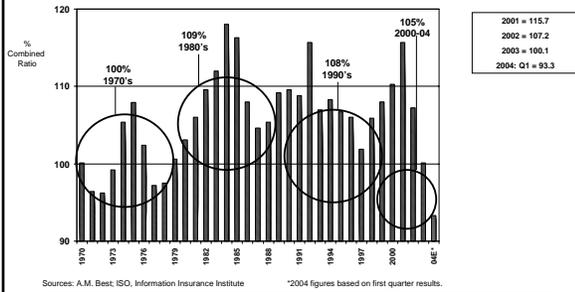


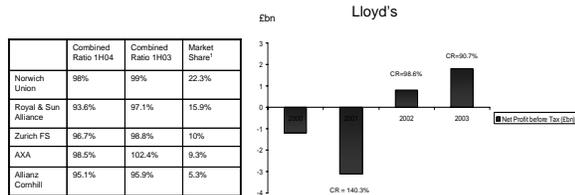
That was the year that was

Armoghan Mohammed and James McPherson
12-15 October 2004, Hotel Europe, Killarney, Ireland

Profitability: Boom/Bust Underwriting US P/C Combined Ratio

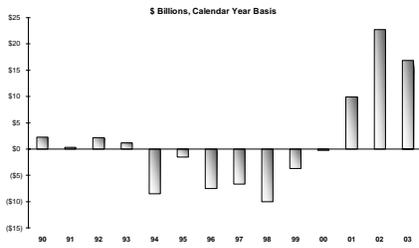


Profitability: UK



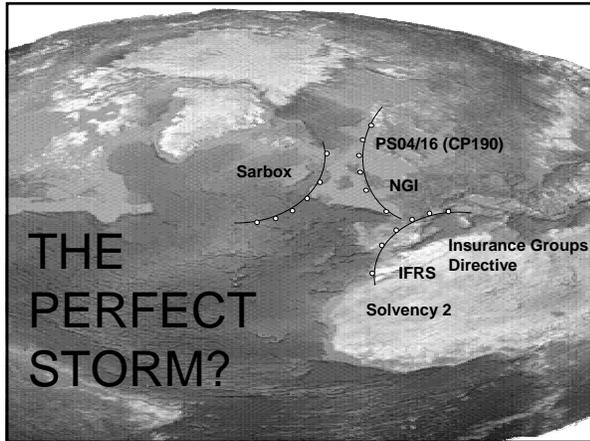
The Challenge

Insurance Industry Prior Year Reserve Development



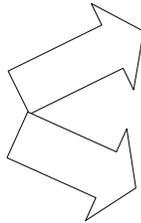
Negative numbers indicate favorable development; positive figures represent adverse development
Sources: A.M. Best, Morgan Stanley, Dowling and Partners Securities, III

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On The Right Path?

Regulation



Good New World

More Standardisation
More able to trade pan-European
Better understanding

Bad New World

More Bureaucracy
Using regulation as excuse
Dull Job
More Costs

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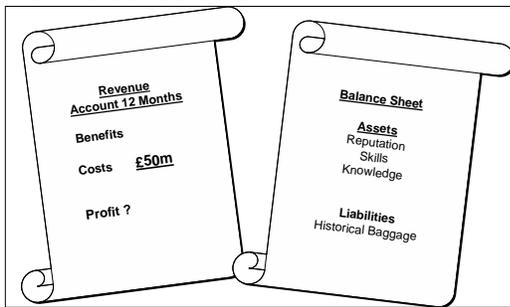
Morris – what's the story?

Terms of reference of the Morris review

"Consider what professional and/or other regulatory framework would best promote recognised, high-quality and continuously developing actuarial standards, openness in the application of actuarial skills, transparency in the professional conduct of actuaries, accountability for their actions and an open and competitive market for actuarial advice in the UK."

http://www.hm-treasury.gov.uk/independent_reviews/morris_review/review_morris_index.cfm

GI Actuaries PLC



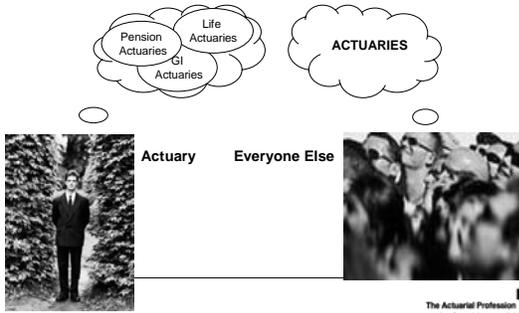
In Profit?

Benefits	
Risk	☒☒
Capital	☒
Cycle Management	☒(?)
Tech Pricing	☒(?)
IFRS	☒(?)
Reserving	☒

Balance Sheet	
Assets	
Reputation	☒
Skills & Knowledge	☒
Liabilities	
Old reserving Processes out of date	☒
Still inconsistent quality	☒

6 out of 10

A Uniquely Actuarial Perspective



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