FBD HOLDINGS PLC
8 March 2024

FBD HOLDINGS PLC
PRELIMINARY ANNOUNCEMENT
For the year ended 31 December 2023

KEY HIGHLIGHTS

- Profit Before Tax of €81m.
- Proposed dividend of 100c per share.
- Return on Equity (ROE) of 15%, giving a three-year average ROE over 15%.
- Combined Operating Ratio (COR) of 81%, includes discounting, reflecting continued underwriting discipline and benefitting from favourable prior year reserve development including that related to Business Interruption.
- Gross written premium (GWP) increase of 8% to €414m. Insurance revenue increase of 6% to €401m.
- Policy count growth of 2.6%, from increase in product holdings per customer and new business.
- Increased level of insurance coverage accounts for 4.5 percentage points of the 5.4% increase in average premium.
- Positive investment portfolio return of 5.3% (€60m), 1.7% (€19m) through the Income Statement and 3.6% (€41m) through Other Comprehensive Income (OCI).
- Allocated capital of €4m for possible share repurchase.
- Our capital position remains strong with a Solvency Capital Ratio (SCR) of 213% (unaudited) after ordinary dividend and share repurchase compared to 226% at 31 December 2022.
- Meaningful contribution for ESG initiative of €2.5m for The Padraig Walshe Centre for Sustainable Animal and Grassland Research to support climate-related research in Irish agriculture.
- IFRS 17 is effective for insurance contract reporting since 1 January 2023 and all 2022 comparatives are restated, unless otherwise specified. IFRS 9 has also been adopted.

FINANCIAL SUMMARY	**2023 €000s**	**2022 (restated) €000s**
Gross written premium	**413,593**	**382,651**
Underwriting result	**76,459**	**89,653**
Insurance revenue	**401,026**	**379,697**
Insurance service result	**126,308**	**131,104**
Profit before taxation	**81,410**	**65,840**
Loss ratio	**53.5%**	**49.1%**
Expense ratio	**27.4%**	**27.3%**
Combined operating ratio	**80.9%**	**76.4%**
	Cent	**Cent**
Basic earnings per share	**194**	**161**
Net asset value per share	**1,330**	**1,276**

A reconciliation between IFRS and non-IFRS measures is given in the Alternative Performance Measures (APMs) on page 23-26.

- The largest element of Insurance revenue is GWP which increased by 8% to €414m (2022: €383m) with over 70% of the increase coming through from our Farmer and Business relationship customers.
- Underwriting result is €76m (2022: €90.0m) equating to an 81% COR with favourable prior year reserve development being the key feature. The current service combined ratio, which excludes prior year releases, is 95.1%. The expense ratio remained stable at 27.4% (2022: 27.3%), despite inflationary pressure on employee, IT and utility costs.

- A positive return for both equity and fixed income investments resulted in a profit through the Income Statement of €19m (2022: -€11m) and a profit through Other Comprehensive Income (OCI) of €41m (2022: -€90m).
- Net Asset Value per share of 1,330 cent has increased from 1,276 cent (restated) at the end of 2022 as a result of profits during the year being offset by ordinary and special dividends totalling €72m paid to shareholders during 2023.

Commenting on these results Tomás Ó Midheach, Group Chief Executive, said:

"Building on our successful approach to date to drive measured profitable growth, we are pleased to announce a robust result for 2023. This was achieved as a result of strong returns from our business activities, underpinned by our underwriting discipline. In addition, the result was enhanced by favourable prior year reserve development.

We are acutely conscious of the economic environment as inflation and interest rates increase costs with resultant impacts on our customers and our business. FBD strives to ensure that our customers remain with us for the service they receive and requires us to work with our customers to ensure they have appropriate cover. We maintained our strong retention rates of our existing valued customers, while also driving growth in new customer and policy count numbers. Both of these performance factors are focused on meeting the needs of our customers through the provision of a personalised service nationwide.

FBD remains a strongly capitalised business with a Solvency Capital Ratio in excess of our stated risk appetite. We will continue to engage with our stakeholders and to monitor our capital position with the intention of moving closer to target capital.

In 2023, we demonstrated our commitment to sustainability in Ireland's agriculture sector, and we are delighted to support financially 'The Padraig Walshe Centre for Sustainable Animal and Grassland Research'. This centre will facilitate research that can provide innovative solutions to improve the environmental sustainability and efficiency of pasture-based systems.

I would like to thank the Board for their continued support and the wider FBD team for their commitment and hard work. We firmly believe that our relationship focused approach supported by a digitally enabled, data enriched organisation is delivering for our customers and stakeholders alike. Looking forward, we remain confident in the underlying profitability, future growth prospects and capital strength of the business."

A presentation will be available on our Group website www.fbdgroup.com from 9.00 am today.

Enquiries	**Telephone**
FBD	
Fiona Meegan, Investor Relations	+353 1 4194885
Drury Communications	
Paddy Hughes	+353 87 6167811

About FBD Holdings plc ("FBD")

FBD is one of Ireland's largest property and casualty insurers, looking after the insurance needs of farmers, consumers and business owners. Established in the 1960s by farmers for farmers, FBD has built on those roots in agriculture to become a leading general insurer serving the needs of its direct agricultural, small business and consumer customers throughout Ireland. It has a network of 34 branches nationwide.

Consideration of Listing Arrangements

Trading on the London Stock Exchange as a percentage of overall trading volume in the Company's ordinary shares has significantly reduced over recent years. Consequently, the Board of FBD is now considering the merits and costs of retaining the Company's listing on the London Stock Exchange and if simplification of the listing structures would be beneficial for FBD. The Company has a primary listing on the regulated market of

Euronext Dublin which offers shareholders the highest standard of protection, including compliance with the UK Corporate Governance Code.

Forward Looking Statements

Some statements in this announcement are forward-looking. They represent expectations for the Group's business, and involve risks and uncertainties. These forward-looking statements are based on current expectations and projections about future events. The Group believes that current expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve known and unknown risks, uncertainties and other factors, which are in some cases beyond the Group's control, actual results or performance may differ materially from those expressed or implied by such forward-looking statements.

The following details relate to FBD's ordinary shares of €0.60 each which are publicly traded:

Listing	Euronext Dublin	Financial Conduct Authority
Listing Category	Premium	Premium (Equity)
Trading Venue	Euronext Dublin	London Stock Exchange
Market	Main Securities Market	Main Market
ISIN	IE0003290289	IE0003290289
Ticker	FBD.I or EG7.IR	FBH.L

OVERVIEW

The Group reported a profit before tax of €81.4m (2022: €65.8m), supported by growth in Insurance revenue, profits generated from current year business, favourable prior year reserve development of €44.4m and positive investment returns of €19.1m (2022: -€10.8m).

IFRS 17 is effective for insurance contract reporting since 1 January 2023 and all 2022 comparatives are restated, unless otherwise specified. IFRS 9 has also been adopted.

INSURANCE SERVICE RESULT

Insurance Revenue

Insurance revenue is 5.6% higher at €401.0m (2022: €379.7m). Gross written premium is the largest part of Insurance revenue and is 8.1% higher than 2022 at €413.6m (2022: €382.7m) primarily delivered from our Farmer and Business customers, with strong growth in Agri including Tractor, Commercial Business and Home products. Written policy count increased by 2.6% (2022: 2.8%) supported by a strong retention rate, particularly in Farm and Business products.

Increased levels of policy coverage account for 4.5 percentage points of the 5.4% increase in average premium, driven primarily from property lines, as rebuild costs and consequently sums insured have increased in response to inflation in construction and other operational costs in the economic environment. Farm multi-peril average premium increased by 5.6% and Home average premium increased by 10.8% as a result of increases in property elements as sums insured increased due to inflation in construction costs.
Commercial Business average premium increased by 5.3% driven by a combination of sums insured increasing due to inflation in construction costs and customers increasing liability cover levels. Private Motor average premium increased by 2.9% and Commercial Motor increased by 3.6%, with rate increases applied to offset the increased cost of Motor Damage claims stemming from inflation in labour, parts and paint costs and the higher costs associated with repair and replacement of advanced technology on newer vehicles. Average Tractor premium increased by 9.1% due to a higher proportion of newer tractors, increasing value of existing tractors and modest rate increases to offset inflation in the cost of Motor Damage claims.

Insurance Service Expenses

Insurance service expenses (ISE) increased by €8.3m to €210.1m (2022: €201.8m). The table below splits the ISE into Gross incurred claims, Changes that relate to past service and Insurance acquisition expenses. The Gross incurred claims increase of €14.3m reflects increasing costs due to inflation, increased frequency in Property and Motor Damage and increased policy count. Changes that relate to past service of €104.0m include prior year reserve development, gross of reinsurance, including that related to Business Interruption, as well as other IFRS 17 specific movements in the Risk Adjustment and Discounting. The amount of Changes to past service that relate to prior year best estimate reserve development, net of reinsurance, is €44.4m (2022: €48.3m). Insurance acquisition expenses of €75.9m form part of the ISE and are referenced below under Expenses.

Insurance Service Expenses	**Year-ended 31 Dec 2023 €000**	**Year-ended 31 Dec 2022 €000**
Gross incurred claims	(238,133)	(223,807)
Changes that relate to past service	103,990	92,564
Insurance acquisition expenses	(75,909)	(70,595)
Total Insurance service expenses	(210,052)	(201,838)

Injury notifications increased 4% year on year largely reflecting increased policy count with a slight increase in frequency. The average cost of injury claims settlements is down 3% in the last 12 months.

Claims being settled under the new guidelines continue to be more than 40% lower in value when compared to the previous Book of Quantum. The level of acceptance of Injuries Resolution Board awards by the end of 2022 across the market was approaching pre-guideline levels at 48%. Higher acceptance rates reduce the number of cases through the courts system attracting higher legal costs. It will take time for the full impact to be known of the new guidelines on claims settled through the litigation process.

Motor Damage notifications increased by 11% and settlement costs also increased by 17%. There remains considerable upward pressure on constituent costs (parts, labour and paint).

The average cost of Property claims increased by 16% since 2022, excluding Business Interruption claims, due to a change in mix of claims and inflation, with double digit increases in Escape of Water, Fire and Storm costs.

Weather and Large Claims
Net of reinsurance weather losses in 2023 were similar to that in 2022. There was a higher frequency of named Storms in 2023 but a lower number of attritional weather events.

Large injury claims, defined as a value greater than €250k, notified in 2023 are lower than the average of previous pre-Covid years.

Reinsurance
The reinsurance programme for 2024 was successfully renegotiated with some changes to the expiring agreement, as more risk is retained at lower layers. Reinsurance market conditions and pricing increases incurred over recent years have diminished the value of lower layer protection. While the levels of expected reinsurance recoveries will reduce as a result of the changes, the reduced reinsurance premium would mean an expected net benefit to FBD in a typical year. Overall we saw an increase in reinsurance rates for Property of 5.5% and Casualty of 8.5% on the comparable renewed cover.

For 2023, the net expense from reinsurance contracts held increased by €17.9m due to a reduction in the level of expected recoveries relating to Business Interruption claims, as a result of the reduction in the associated gross best estimate, as well as increased reinsurance premium.

Expenses
The Group's expense ratio is 27.4% (2022: 27.3%). Insurance acquisition expenses and Non-attributable expenses are combined to calculate the total expense cost of €109.9m (2022: €103.6m). The 6% increase is made up of inflationary impacts on salary costs, IT spend and other utility costs. Commission also increased as our partnerships with intermediaries continue to grow.

Other Provisions
Movement in other provisions increased by €9.9m to €18.3m (2022: €8.4m), with the increase relating to the provision for our current estimate of the cost of a constructive obligation arising from the deduction of State subsidies paid to claimants under Business Interruption of €6.2m, as well as the €2.5m ESG initiative for The Padraig Walshe Centre for Sustainable Animal and Grassland Research. The other elements of the Movement in other provisions are the Motor Insurers Bureau of Ireland (MIBI) levy and the Motor Insurers Insolvency Compensation Fund (MIICF) contribution.

INDUSTRY ENVIRONMENT

An appeal to the Supreme Court in respect of the Personal Injury Guidelines was heard at the end of February 2023. We are awaiting the Judgement but have no indication as to the timeline for delivery. Court backlogs have eased, with trial dates secured within pre-Covid timelines, however, we note Claimants' Solicitors still have a greater say around the timing of cases being called for trial. Injury claims settlement rates are down 9% year on year.

We still await the outcome of the review to determine if the Judiciary or the Minister of Justice and Equality should be allowed to determine the discount rate and review it at intervals. The delay in this decision may raise the potential of a challenge to the discount rate. The Court & Civil Law (Miscellaneous Provisions) Bill 2022 was signed into law in July 2023. Part 3 of the Act sets out that the indexation of periodic payment orders will no longer be fixed solely on the Consumer Price Index. Instead, the indexation rate will be set by ministerial regulations based on a broad range of more flexible factors. A committee was established to consider and make recommendations on a suitable indexation rate to the Minister. These recommendations and ministerial regulations are still awaited.

The following legislative changes impacting insurance were enacted during 2023:

- Occupiers Liability Act 1995 – amendments were signed into law in July as part of the Courts and Civil Law (Miscellaneous Provisions) Bill 2022. This introduces the concept of "Voluntary Assumption of Risk", which seeks to broaden the circumstances in which an occupier may be relieved of liability. An amendment to the Act changes the "common duty of care" provisions.
- Irish Motor Insurance Database (IMID) - The next phase of the previously named Motor Third Party Liability project (MTPL) requires sharing of additional data on insured vehicles and drivers with Regulatory Authorities.
- The Road Traffic Act (RTA) legislation has been extended to better regulate the use of scramblers/quads and e-bike/e-scooters.
- Assisted Decision Making Act - The Act came into effect on the 26 April 2023. We are working on a number of changes including updating our Vulnerable Customer Policy, scenario testing, reviewing the customer journey and training.

A number of additional changes impacting insurance are progressing through the legislative process:

- The **Motor Insurance Directive (MID)** primarily deals with the scope of compulsory insurance broadening the potential scenarios where RTA cover will apply.
- **Flood Insurance Bill -** The purpose of the bill is to provide for fairness in the market for property insurance, which will force insurers to offer flood cover to homes and businesses in flood affected areas.
- **Protection of the Collective Interests of Consumers Bill 2023 -** Proposed legislation transposes an EU directive and gives designated "Qualified Entities" the power to take enforcement action on behalf of a group of consumers whose rights have been breached in Ireland or in another EU country.
- **Consumer Insurance Contracts (Amendment) Bill 2023 -** This Bill proposes to ban the use of "clauses of average" in non-life insurance contracts.

GENERAL

FBD's Combined Operating Ratio (COR) was 80.9% (2022: 76.4%). The undiscounted Combined Operating Ratio (COR) was 83.3% (2022: 79.1%). The calculation of COR has changed under IFRS 17 (see APMs).

Investment Return

FBD's total investment return for 2023 is +5.3% (2022: -8.6%). The investment return recognised in the Consolidated Income Statement is 1.7% (2022: -0.9%) and in the Consolidated Statement of Other Comprehensive Income (OCI) is 3.6% (2022: -7.7%). Despite ongoing volatility, investment markets rebounded from the losses of 2022 with almost all asset classes ending the year in a positive position relative to the previous year. Interest rate changes remained the dominant driver of market movements with the majority of the gains earned in the fourth quarter as signs of inflation abating and weakening growth projections led to markets pricing in a series of interest rate cuts in major developed markets.

While central banks remained cautious in their guidance, interest rates dropped since the start of the year. The yield on the benchmark German 5 year Bund decreased from 2.5% to 1.9% during 2023 as the market focus turned to ECB interest rate cuts, while credit spreads also narrowed over the year. This resulted in the buy and maintain bond portfolios experiencing significant mark-to-market gains.

The higher interest rate environment experienced since mid-2022 has led to a material increase in returns through the Income Statement from deposits and bonds in 2023. Bond maturities continue to be reinvested at higher interest rates, which is gradually increasing the income earned on these portfolios. During the year, some of this increased return was offset by realised losses on bonds sold to enhance longer-term yield and reduce risk. An increase in the duration of these portfolios should lead to further future increases in returns through the Consolidated Income Statement. Risk assets contributed €12m to the overall income return offset by a drop in the valuation of our investment property.

Financial Services and Other Group activities

The Group's financial services operations returned a loss before tax of €1.1m for the period (2022: loss €0.1m) as revenue decreased by €0.7m and costs increased by €0.4m due to inflationary increases and one-off costs. Costs increased in the Holding Company by €2.6m to €5.7m primarily relating to the €2.5m ESG initiative for The Padraig Walshe Centre for Sustainable Animal and Grassland Research.

Earnings per share

The diluted earnings per share was 190 cent per ordinary share, compared to 157 cent (restated) per ordinary share in 2022.

Capital Return

The Group's Dividend Policy intends to reward shareholders through regular annual dividends while retaining sufficient capital in order to maintain a healthy capital adequacy to support future capital requirements. The Group has a robust capital position and liquidity margins. Given the Group's strong financial performance in 2023 the Board proposes to pay a dividend of 100 cent per share for the 2023 financial year (2022 Ordinary dividend: 100c).

The Board also approved a special dividend of 100 cent per ordinary share returning a portion of the excess capital to shareholders, which was approved by the Board on 10 August 2023 and paid on 20 October 2023.

Subject to the approval of shareholders at the Annual General Meeting to be held on 9 May 2024, the final dividend for 2023 will be paid on 7 June 2024 to the holders of shares on the register on 3 May 2024. The dividend is subject to dividend withholding tax ("DWT") except for shareholders who are exempt from DWT and who have furnished a properly completed declaration of exemption to the Company's Registrar from whom further details may be obtained.

The Company may deploy up to €4 million of capital to buy back shares in the market within the authorities granted by shareholders. The purpose of any share repurchases would be to offset dilution from the vesting of awards under the employee share schemes.

STATEMENT OF FINANCIAL POSITION

Capital Position

Ordinary shareholders' funds at 31 December 2023 amounted to €477.0m (2022 restated: €454.0m). The increase in shareholders' funds is mainly attributable to the following:

- Profit after tax for the year of €69.5m;
- Reduced by ordinary and special dividend payments related to the 2022 financial performance totalling €72.0m
- OCI Profit after tax for the year of €22.9m made up of:
    - Mark to market gains on our Bond portfolio of €41.4m;
    - Offset by
        - Insurance finance expense for insurance and reinsurance contracts issued €13.6m;
        - A reduction in the Retirement benefit surplus of €1.6m; and
        - €3.3m of tax through Other Comprehensive Income.
- Movement in capital reserves of €2.6m.

Net assets per ordinary share are 1,330 cent, compared to 1,276 cent per share (restated) at 31 December 2022.

Investment Allocation
The Group adopts a conservative investment strategy to ensure that its insurance contract liabilities are matched by cash and fixed interest securities of low risk and similar duration. Cash allocations fell and the Company divested €32m from its bond portfolios to fund dividend payments although mark-to-market gains saw the overall bond allocations increase. The average credit quality of the corporate bond portfolio has remained at A- and has seen a lower allocation to BBB rated bonds (38% vs 42% at 31 December 2022). An additional €15m was invested in Risk Assets although we remain underweight the target allocation while the investment property allocation reduced due to valuation decreases.

The allocation of the Group's investment assets is as follows:

	31 December 2023		31 December 2022 (restated)	
	€m	%	€m	%
Corporate bonds	575	49%	563	49%
Government bonds	281	24%	271	23%
Deposits and cash	145	12%	175	15%
Risk assets	161	14%	134	12%
Investment property	12	1%	15	1%
	1,174	100%	1,158	100%

Solvency II
The latest Solvency Capital Ratio (SCR) is 213% (unaudited) after ordinary dividend and share repurchase, which reduced from 226% in 2022. Profits generated have been offset by distribution of capital and increased capital requirements related to greater insurance exposure and market risk.

RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the Group are outlined on pages 20 to 28 of the Group's Annual Report for the year ended 31 December 2023.

Inflation has moderated as energy price reductions flow through, and interest rates are projected to reduce while still remaining at a relatively high level. Risks to this outlook remain with wage demands being a potential driver of continued above trend inflation while geopolitical tensions could cause another spike in energy prices. Medium-term growth forecasts remain weak which increases the risk of the stagflation (high inflation, low growth) scenario. If rates do not come down as expected it risks causing further imbalances in the global economic system as evidenced by the banking failures in 2023. Geopolitical risk is also elevated due to ongoing conflicts while the US Presidential election has the potential to cause volatility.

Inflation continues to impact materials and labour costs in the Motor and the Construction industries which has a knock-on effect on claims costs. There is a risk of continually increasing settlement costs in future years and potentially higher injury claims costs in the near future as pressure mounts on salary inflation.

The Personal Injury Guidelines are positively impacting the claims environment although continuing challenges have resulted in delayed settlements, as well as additional inflation, that may result in increased legal costs. A higher degree of uncertainty still exists in the environment as the claims payment patterns and average settlement costs of more recent years are a less reliable future indicator and must be carefully considered by the Actuarial function when arriving at claims projections.

The expectations that central banks now have the flexibility to cut interest rates to mitigate a growth slowdown has led to a fall in bond yields. Equity valuations improved based on the change in interest rate forecasts and are susceptible to further increases in inflation as well as a sustained slowdown in growth or a recession. Future financial market movements and their impact on balance sheet valuations, pension surplus and investment income are unknown and market risk is expected to remain high for the foreseeable future. The Group's Investment Policy, which defines investment limits and rules and ensures there is an optimum allocation of investments, is being continuously monitored.

The Group continues to manage liquidity risk through ongoing monitoring of forecast and actual cash flows. The Group's cash flow projections from its financial assets are well matched to the cash flow projections of its liabilities. The Group holds cash resources significantly higher than its minimum liquidity requirement in order to mitigate any liquidity stress events. All of the Group's fixed term deposits are with financial institutions which have a minimum A- rating. The Group's asset allocation is outlined on page 8.

Reinsurance is becoming more expensive as the cost of climate change is being felt across the insurance industry with some risks being reassessed. Delaying the transition to a greener economy will accelerate the effects of climate change that could drive further increases in reinsurance and insurance costs. Regular review of the Group's reinsurers' credit ratings and reinsurer's outstanding balances is in place. All of the Group's reinsurers have a credit rating of A- or better.

We continue to face a tightening employment market with shortages of skills in some areas. An attractive and broader employee proposition is key to retaining a talented workforce in this challenging environment. We offer flexible working and continue to enhance professional and skills development opportunities as well as investing in well-being initiatives to ensure our employees feel supported and valued.

FBD model forward looking projections of key financial metrics on a periodic basis based on an assessment of the likely operating environment over the next number of years. The projections reflect changes of which we are aware and other uncertainties that may impact future business plans and includes assumptions on the potential impact on revenue, expenses, claims frequency, claims severity, investment market movements and solvency. The output of the modelling demonstrates that the Group is projected to be profitable and remain in a strong capital position. However, the situation can change and unforeseen challenges and events could occur. The solvency of the Group remains solid and is currently at 213% (unaudited) (31 December 2022: 226%).

OUTLOOK

The economic outlook for 2024 is positive with more modest growth expectations despite a slowdown in global demand and global trade complexities. Tighter monetary policy since 2022 appears to be slowly impacting inflation, although in 2024 inflation is expected to be impacted more by higher house and food prices which means continuing financial pressure on households. The labour market is expected to remain tight and may hold back growth expectations.

Challenges to the Personal Injury Guidelines are making their way through the courts and although increased acceptance rates of awards from the Injuries Resolution Board may indicate they are gaining more acceptance; the ultimate impact is still unknown. The average cost of Motor Damage claims will continue to increase with more electric and hybrid vehicles as a proportion of the national fleet, leading to higher cost of repairs.

Income projections on our bond portfolios have increased in the years ahead due to the impact of higher reinvestment rates as existing bonds mature.

Our sustainability journey continues. In December 2023 we announced our commitment to an ESG initiative for The Padraig Walshe Centre for Sustainable Animal and Grassland Research based in Teagasc Moorepark, Fermoy, Co Cork. Research and innovation are essential to reducing greenhouse gas (GHG) emissions, as Ireland strives to achieve climate neutrality by 2050.

FBD is resourcing and planning for additional disclosure requirements associated with CSRD. FBD signed up to the UN Principles for Sustainable Insurance as we commit to the challenging journey ahead of reporting under the CSRD in early 2025. We are preparing our Science Based Targets for submission to provide a benchmark for future decarbonisation improvements.

Relationships are at the heart of what we do as a people-centric business and customers stay with us for the value they receive. We continue to invest in our customer and employee propositions, making us a more digitally enabled organisation, while continuing to deliver excellent service to our ever-increasing number of customers. The global economic environment affects all our customers, employees and businesses as inflation and interest rates increase costs. This requires us to adapt and work harder to drive sustainable profitable growth, while remaining disciplined around underwriting and costs to ensure we continue to deliver for all our stakeholders.

FBD is profitable and growing and believes that this will continue, with a Combined Operating Ratio* of low 90s being achievable in 2024.

*Please see the Alternative Performance Measures on pages 23 to 26 for the definition of Combined Operating Ratio.

FBD HOLDINGS PLC
CONSOLIDATED INCOME STATEMENT
For the financial year ended 31 December 2023

	2023	2022 (restated)[1]
	€000s	€000s
Insurance revenue	**401,026**	379,697
Insurance service expenses	**(210,052)**	(201,838)
Reinsurance expense	**(39,776)**	(34,814)
Change in amounts recoverable from reinsurers for incurred claims	**(24,890)**	(11,941)
Net expense from reinsurance contracts held	**(64,666)**	(46,755)
Insurance service result	**126,308**	131,104
Total investment return	**19,094**	(10,753)
Finance expense from insurance contracts issued	**(4,160)**	(8,731)
Finance income from reinsurance contracts held	**1,249**	1,389
Net insurance finance expenses	**(2,911)**	(7,342)
Net insurance and investment result	**142,491**	113,009
Other finance costs	**(2,559)**	(2,559)
Non-attributable expenses	**(34,018)**	(33,048)
Movement in other provisions	**(18,331)**	(8,403)
Revenue from contracts with customers	**2,468**	3,173
Financial services income and expenses	**(6,933)**	(6,045)
Revaluation of property, plant and equipment	**(1,708)**	(287)
Profit before taxation	**81,410**	65,840
Income taxation charge	**(11,869)**	(8,284)
Profit for the period	**69,541**	57,556
Attributable to:		
Equity holders of the parent	**69,541**	57,556

	31/12/23	31/12/22 (restated)[1]
Earnings per share	**Cent**	**Cent**
Basic	**194**	161
Diluted[2]	**190**	157

[1] On 1 January 2023, IFRS 17 'Insurance Contracts' became effective, replacing IFRS 4 'Insurance Contacts'. The Group elected, as it met the criteria for a temporary exemption, to defer the application of IFRS 9 'Financial Instruments' (replacing IAS 39) until 1 January 2023. See note 4 First time adoption of new accounting standards in the Annual Report 2023 for transitional impact.
[2] Diluted earnings per share reflects the potential vesting of share-based payments.

FBD HOLDINGS PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2023

	2023	2022 (restated)[1]
	€000s	€000s
Profit for the period	**69,541**	57,556
Items that will or may be reclassified to profit or loss in subsequent periods:		
Movement on investments in debt securities measured at FVOCI	**39,423**	(89,761)
Movement transferred to the Consolidated Income Statement on disposal during the period	**1,969**	(41)
Finance (expense)/income from insurance contracts issued	**(17,253)**	42,388
Finance income/(expense) from reinsurance contracts held	**3,676**	(8,202)
Income tax relating to these items	**(3,477)**	6,951
Items that will not be reclassified to profit or loss:		
Re-measurements of post-employment benefit obligations, before tax	**(1,608)**	(2,272)
Revaluation of owner occupied property	**(84)**	5
Income tax relating to these items	**229**	282
Other comprehensive income/(expense) after taxation	**22,875**	(50,650)
Total comprehensive income for the period	**92,416**	6,906
Attributable to:		
Equity holders of the parent	**92,416**	6,906

[1] On 1 January 2023, IFRS 17 'Insurance Contracts' became effective, replacing IFRS 4 'Insurance Contacts'. The Group elected, as it met the criteria for a temporary exemption, to defer the application of IFRS 9 'Financial Instruments' (replacing IAS 39) until 1 January 2023. See note 4 First time adoption of new accounting standards in the Annual Report 2023 for transitional impact.

FBD HOLDINGS PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
For the financial year ended 31 December 2023

Assets	**2023**	2022 (restated)[1]	01/01/2022 (restated)[1]
	€000s	€000s	€000s
Cash and cash equivalents	**142,399**	165,240	170,976
Equity and debt instruments at fair value through profit or loss	**161,178**	134,094	138,767
Debt instruments at fair value through other comprehensive income	**855,989**	833,865	892,495
Deposits	**2,885**	10,000	-
Investment assets	**1,020,052**	**977,959**	**1,031,262**
Other receivables	**17,150**	15,148	15,910
Loans	**478**	568	560
Reinsurance contract assets	**97,520**	136,657	208,888
Retirement benefit surplus	**7,044**	8,499	10,901
Intangible assets	**27,735**	14,082	9,031
Policy administration system	**17,926**	23,683	27,982
Investment property	**11,953**	15,052	16,055
Right of use assets	**3,503**	4,290	5,078
Property, plant and equipment	**20,821**	22,745	24,178
Deferred taxation asset	**493**	3,629	-
Total assets	**1,367,074**	1,387,552	1,520,821

[1] On 1 January 2023, IFRS 17 'Insurance Contracts' became effective, replacing IFRS 4 'Insurance Contacts'. The Group elected, as it met the criteria for a temporary exemption, to defer the application of IFRS 9 'Financial Instruments' (replacing IAS 39) until 1 January 2023. See note 4 First time adoption of new accounting standards in the Annual Report 2023 for transitional impact.

FBD HOLDINGS PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
For the financial year ended 31 December 2023

Liabilities and equity	**2023**	2022	01/01/2022
		(restated)[1]	(restated)[1]
	€000s	€000s	€000s
Liabilities			
Current taxation liabilities	**2,230**	2,399	6,437
Other payables	**35,852**	35,628	29,289
Other provisions	**20,083**	11,103	12,271
Reinsurance contract liabilities	**480**	610	788
Insurance contract liabilities	**774,921**	826,621	929,981
Lease liabilities	**3,828**	4,600	5,349
Subordinated debt	**49,721**	49,662	49,603
Deferred taxation liabilities	**-**	-	3,891
Total liabilities	**887,115**	930,623	1,037,609
Equity			
Called up share capital presented as equity	**21,744**	21,583	21,409
Capital reserves	**34,479**	30,192	27,406
Retained earnings	**444,617**	450,318	430,899
Other reserves	**(23,804)**	(48,087)	575
Shareholders' funds equity interests	**477,036**	454,006	480,289
Preference share capital	**2,923**	2,923	2,923
Total equity	**479,959**	456,929	483,212
Total liabilities and equity	**1,367,074**	1,387,552	1,520,821

[1] On 1 January 2023, IFRS 17 'Insurance Contracts' became effective, replacing IFRS 4 'Insurance Contacts'. The Group elected, as it met the criteria for a temporary exemption, to defer the application of IFRS 9 'Financial Instruments' (replacing IAS 39) until 1 January 2023. See note 3 for updated accounting policies and note 4 for transitional impact in the Annual Report 2023**.**

FBD HOLDINGS PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2023

	2023	2022 (restated)[1]
	€000s	€000s
Cash flows from operating activities		
Profit before taxation	**81,410**	65,840
Adjustments for:		
Movement on investments classified as fair value	**(7,960)**	19,616
Interest and dividend income	**(15,653)**	(10,998)
Depreciation/amortisation of property, plant and equipment, intangible assets and policy administration system	**12,012**	13,239
Depreciation on right of use assets	**787**	788
Fair value movement on investment property	**3,099**	1,003
Revaluation of property, plant and equipment	**1,708**	287
Other non-cash adjustments	**2,602**	3,007
Operating cash flows before movement in working capital	**78,005**	92,782
Movement on insurance and reinsurance contract liabilities/assets	**(26,270)**	2,879
Movement on other provisions	**8,980**	(1,168)
Movement on other receivables	**(3,961)**	322
Movement on other payables	**2,642**	9,023
Cash generated from operations	**59,396**	103,838
Interest and dividend income received	**17,854**	11,510
Income taxes (paid)/refunded	**(12,161)**	(12,602)
Net cash generated from operating activities	**65,089**	102,746
Cash flows from investing activities		
Purchase of investments classified as fair value through profit or loss	**(34,803)**	(25,312)
Sale of investments classified as fair value through profit or loss	**19,041**	13,573
Purchase of investments classified as FVOCI	**(135,372)**	(238,126)
Sale of investments classified as FVOCI	**151,277**	203,750
Purchase of property, plant and equipment	**(2,188)**	(1,288)
Additions to policy administration system	**(1,401)**	(4,566)
Purchase of intangible assets	**(16,186)**	(6,987)
Maturities of deposits invested with banks	**10,000**	-
Additional deposits invested with banks	**(2,885)**	(10,000)
Net cash used in investing activities	**(12,517)**	(68,956)
Cash flows from financing activities		
Ordinary and preference dividends paid	**(72,026)**	(35,870)
Interest payment on subordinated debt	**(2,500)**	(2,500)
Principal elements of lease payments	**(955)**	(965)
Net cash used in financing activities	**(75,481)**	(39,335)
Net decrease in cash and cash equivalents	**(22,909)**	(5,545)
Cash and cash equivalents at the beginning of the period	**165,240**	170,976
Effect of exchange rate changes on cash and cash equivalents	**68**	(191)
Cash and cash equivalents at the end of the period	**142,399**	165,240

[1] On 1 January 2023, IFRS 17 'Insurance Contracts' became effective, replacing IFRS 4 'Insurance Contacts'. The Group elected, as it met the criteria for a temporary exemption, to defer the application of IFRS 9 'Financial Instruments' (replacing IAS 39) until 1 January 2023. See note 3 for updated accounting policies and note 4 for transitional impact in the Annual Report 2023.

FBD Holdings plc
Consolidated Statement of Changes in Equity
For the financial year ended 31 December 2023

	Call up share capital presented as equity	Capital reserves	Other reserves	Retained earnings	Attributable to ordinary shareholders	Preference share capital	Total equity
	€000s	€000s	€000s	€000s	€000s	€000s	€000s
As at 31 December 2021, as previously reported	**21,409**	**27,406**	**752**	**422,815**	**472,382**	**2,923**	**475,305**
Impact of initial application of IFRS 17 (Note 4)	-	-	(8,928)	17,190	8,262	-	8,262
Impact of initial application IFRS 9 (Note 4)	-	-	8,751	(9,106)	(355)	-	(355)
Restated balance at 1 January 2022	**21,409**	**27,406**	**575**	**430,899**	**480,289**	**2,923**	**483,212**
Profit after taxation	-	-	-	57,556	57,556	-	57,556
Other comprehensive expense for the year	-	-	(48,662)	(1,988)	(50,650)	-	(50,650)
Total comprehensive (expense)/income for the year	**-**	**-**	**(48,662)**	**55,568**	**6,906**	**-**	**6,906**
Dividends paid and approved on ordinary and preference shares	-	-	-	(35,870)	(35,870)	-	(35,870)
Issue of ordinary shares*	174	105	-	(279)	-	-	-
Recognition of share-based payments	-	2,681	-	-	2,681	-	2,681
Balance at 31 December 2022 (restated)	**21,583**	**30,192**	**(48,087)**	**450,318**	**454,006**	**2,923**	**456,929**
As at 31 December 2022, as previously reported	**21,583**	**30,192**	**755**	**370,258**	**422,788**	**2,923**	**425,711**
Impact of application of IFRS 17 (Note 4)	-	-	20,984	10,518	31,502	-	31,502
Impact of application IFRS 9 (Note 4)	-	-	(69,826)	69,542	(284)	-	(284)
Restated balance at 1 January 2023	**21,583**	**30,192**	**(48,087)**	**450,318**	**454,006**	**2,923**	**456,929**
Profit after taxation	**-**	**-**	**-**	**69,541**	**69,541**	**-**	**69,541**
Other comprehensive (expense)/income for the period	-	-	24,283	(1,408)	22,875	-	22,875
Total comprehensive income for the period	**-**	**-**	**24,283**	**68,133**	**92,416**	**-**	**92,416**
Dividends paid and approved on ordinary and preference shares	-	-	-	(72,026)	(72,026)	-	(72,026)
Issue of ordinary shares*	161	1,647	-	(1,808)	-	-	-
Recognition of share-based payments	-	2,640	-	-	2,640	-	2,640
Balance at 31 December 2023	**21,744**	**34,479**	**(23,804)**	**444,617**	**477,036**	**2,923**	**479,959**

* In 2022 and 2023 new ordinary shares were allotted to employees of FBD Holdings plc as part of the performance share awards scheme.

FBD Holdings plc
Supplementary Information
For the year ended 31 December 2023

Note 1 INCOME TAXATION CHARGE

The effective tax rate for the period was 14.6% (2022: 12.6%) which is the best estimate of the weighted average annual income tax rate expected for the full year. The effective tax rate for the period was higher than the standard Irish corporation tax rate of 12.5% primarily due to assumed higher disallowable expenses in the period.

Note 2 EARNINGS PER €0.60 ORDINARY SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary shareholders is based on the following data:

	2023	2022 (restated)
Earnings	**€000s**	**€000s**
Profit for the year for the purpose of basic earnings per share	**69,259**	57,274
Profit for the year for the purpose of diluted earnings per share	**69,259**	57,274

Number of shares	**2023**	**2022**
	No.	**No.**
Weighted average number of ordinary shares for the purpose of basic earnings per share (excludes treasury shares)	**35,787,761**	35,507,806
Weighted average number of ordinary shares for the purpose of diluted earnings per share (excludes treasury shares)	**36,650,830**	36,424,983
	Cent	**Cent**
Basic earnings per share	**194**	161
Diluted earnings per share	**190**	157

The 'A' ordinary shares of €0.01 each that are in issue have no impact on the earnings per share calculation.

The below table reconciles the profit attributable to the parent entity for the year to the amounts used as the numerators in calculating basic and diluted earnings per share for the year and the comparative year including the individual effect of each class of instruments that affects earnings per share:

Note 2 EARNINGS PER €0.60 ORDINARY SHARE (continued)

	2023	2022 (restated)
	€000s	€000s
Profit attributable to the parent entity for the year	**69,541**	57,556
2023 dividend of 8.4 cent (2022: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	(113)	(113)
2023 dividend of 4.8 cent (2022: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	(169)	(169)
Profit for the year for the purpose of calculating basic and diluted earnings	**69,259**	57,274

The below table reconciles the weighted average number of ordinary shares used as the denominator in calculating basic earnings per share to the weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share including the individual effect of each class of instruments that affects earnings per share:

	2023	2022
	No.	No.
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**35,787,761**	35,507,806
Potential vesting of share-based payments	**863,069**	917,177
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**36,650,830**	36,424,983

FBD Holdings plc
Supplementary Information (continued)
For the year ended 31 December 2023

Note 3 DIVIDENDS

	2023	2022
	€000s	€000s
Paid during year:		
2022 dividend of 8.4 cent (2021: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	**113**	113
2022 dividend of 4.8 cent (2021: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	**169**	169
2022 final dividend of 100.0 cent (2021: 100.0 cent) per share on ordinary shares of €0.60 each	**35,884**	35,588
2023 special dividend of 100.0 cent (2021: 0.0 cent) per share on ordinary shares of €0.60 each	**35,860**	-
Total dividends paid	**72,026**	35,870

	2023	2022
	€000s	€000s
Proposed:		
2023 dividend of 8.4 cent (2022: 8.4 cent) per share on 14% non-cumulative preference shares of €0.60 each	**113**	113
2023 dividend of 4.8 cent (2022: 4.8 cent) per share on 8% non-cumulative preference shares of €0.60 each	**169**	169
2023 final dividend of 100.0 cent (2022: 100.0 cent) per share on ordinary shares of €0.60 each	**35,857**	35,588
Total dividends proposed	**36,139**	35,870

The proposed dividend excludes any amounts due on outstanding share awards as at 31 December 2023 that are due to vest in March 2024 and is subject to approval by shareholders at the AGM on 9 May 2024. The proposed dividends have not been included as a liability in the Consolidated Statement of Financial Position as at 31 December 2023.

FBD Holdings plc
Supplementary Information (continued)
For the year ended 31 December 2023

Note 4 CALLED UP SHARE CAPITAL PRESENTED AS EQUITY

	Number	2023 €000s	2022 €000s
(i) Ordinary shares of €0.60 each			
Authorised:			
At the beginning and the end of the year	51,326,000	**30,796**	30,796
Issued and fully paid:			
At 1 January 2022	35,461,206	-	21,277
Issued during the year	290,078	-	174
At the end of the year	35,751,284	-	21,451
Issued and fully paid:			
At 1 January 2023	35,751,284	**21,451**	-
Issued during the year	269,688	**161**	-
At the end of the year	36,020,972	**21,612**	-
(ii) 'A' Ordinary shares of €0.01 each			
Authorised:			
At the beginning and the end of the year	120,000,000	**1,200**	1,200
Issued and fully paid:			
At the beginning and the end of the year	13,169,428	**132**	132
Total – issued and fully paid		**21,744**	21,583

The 'A' ordinary shares of €0.01 each are non-voting. They are non-transferable except only to the Company. Other than a right to a return of paid up capital of €0.01 per 'A' ordinary share in the event of a winding up, the 'A' ordinary shares have no right to participate in the capital or the profits of the Company.

The holders of the two classes of non-cumulative preference shares rank ahead of the two classes of ordinary shares in the event of a winding up. Before any dividend can be declared on the ordinary shares of €0.60 each, the dividend on the non-cumulative preference shares must firstly be declared or paid.

The number of ordinary shares of €0.60 each held as treasury shares at the beginning (and the maximum number held during the year) was 164,005 (2022: 164,005). No ordinary shares were reissued from treasury during the year under the FBD Performance Plan. The number of ordinary shares of €0.60 each held as treasury shares at the end of the year was 164,005 (2022: 164,005). This represented 0.5% (2022: 0.5%) of the shares of this class in issue and had a nominal value of €98,403 (2022: €98,403). There were no ordinary shares of €0.60 each purchased by the Company during the year.

The weighted average number of ordinary shares of €0.60 each in the earnings per share calculation has been reduced by the number of such shares held in treasury.

All issued shares have been fully paid.

Note 5 TRANSACTIONS WITH RELATED PARTIES

Farmer Business Developments plc and FBD Trust Company Ltd have a substantial shareholding in the Group at 31 December 2023. Details of their shareholdings and related party transactions are set out in the Annual Report.

Both companies have subordinated debt investment in the Group. Farmer Business Developments plc holds a €21.0m investment and FBD Trust Ltd holds a €12.0m investment. During 2023 interest payments of €1.1m and €0.6m were made to Farmer Business Developments plc and FBD Trust Company Ltd respectively. Please refer to note 27 in the Annual Report.

At 31 December 2023 the intercompany balances (FBD Holdings plc) with other subsidiaries was a receivable of €4,350,000 (2022: receivable of €5,867,000).

For the purposes of the disclosure requirements of IAS 24, the term *"key management personnel"* (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises the Board of Directors and Company Secretary of FBD Holdings plc and the Group's primary subsidiary, FBD Insurance plc and the members of the Executive Management Team.

The remuneration of key management personnel ("KMP") during the year was as follows:

	2023	2022
	€000s	€000s
Short term employee benefits[1]	**5,077**	4,730
Post-employment benefits	**306**	275
Share-based payments	**1,436**	1,386
Charge to the Consolidated Income Statement	**6,819**	6,391

[1]Short term benefits include fees to Non-Executive Directors, salaries and other short-term benefits to all key management personnel.

Full disclosure in relation to the 2023 and 2022 compensation entitlements and share awards of the Board of Directors is provided in the Annual Report.

At 31 December 2023 KMP had loans to the value of €16,535 with the Group (December 2022: €19,085). KMP loans with the Group did not exceed these values at any stage during the year.

In common with all shareholders, Directors received payments/distributions related to their holdings of shares in the Company during the year, amounting in total to €146,000 (2022: €50,000).

FBD Holdings plc
Supplementary Information (continued)
For the year ended 31 December 2023

Note 6 UNDERWRITING RESULT

	2023 €000s	2022 (restated) €000s
Insurance revenue	**401,026**	379,697
Gross incurred claims	**(238,133)**	(223,807)
Changes that relate to past service	**103,990**	92,564
Insurance acquisition expenses	**(75,909)**	(70,595)
Insurance service expenses	**(210,052)**	(201,838)
Net expense from reinsurance contacts	**(64,666)**	(46,755)
Non-attributable expenses	**(34,018)**	(33,048)
Other provisions	**(15,831)***	(8,403)
Underwriting result	**76,459**	89,653

*Excludes the ESG initiative contribution of €2,500,000 for The Padraig Walshe Centre for Sustainable Animal and Grassland Research.

Note 7 SUBSEQUENT EVENTS

There have been no subsequent events which would have a material impact on the financial statements.

Note 8 GENERAL INFORMATION AND ACCOUNTING POLICIES

The financial information set out in this document does not constitute full statutory financial statements for the years ended 31 December 2023 or 2022 but is derived from same. The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, applicable Irish law and the listing Rules of Euronext Dublin, the Financial Conduct Authority and comply with Article 4 of the EU IAS Regulation.

The 2023 and 2022 financial statements have been audited and received unqualified audit reports.

The 2023 financial statements were approved by the Board of Directors on 7 March 2024.

The Consolidated financial statements are prepared under the historical cost convention as modified by the revaluation of property, investments held for trading, available for sale investments and investment property which are measured at fair value.

FBD Holdings plc
Supplementary Information (continued)
For the year ended 31 December 2023

ALTERNATIVE PERFORMANCE MEASURES (APM's) (unaudited)

The Group uses the following alternative performance measures: Loss ratio, expense ratio, combined operating ratio, undiscounted combined operating ratio, actual investment return, net asset value per share, return on equity, underwriting result and gross written premium.

Changes to APMs
The Group has adopted IFRS 17 'Insurance Contracts' and IFRS 9 'Financial Instruments' from 1 January 2023. The adoption of IFRS 17 has brought significant changes to the measurement and presentation for insurance and reinsurance contracts. Consequently, we have introduced new APMs in 2023 that provide useful information under the standard:

- Undiscounted loss ratio
- Undiscounted combined operating ratio
- Gross written premium

In addition, we have made certain changes to existing APMs to ensure that they remain relevant and useful for stakeholders. The Group adjusted loss ratio, expense ratio, combined operating ratio and underwriting result APM's reflect the implementation of IFRS 17.

Loss ratio (LR), expense ratio (ER) and combined operating ratio (COR) and underwriting result are widely used as a performance measure by insurers and give users of the financial statements an understanding of the underwriting performance of the entity. Investment return is used widely as a performance measure to give users of financial statements an understanding of the performance of an entity's investment portfolio. Net asset value per share (NAV) is a widely used performance measure which provides the users of the financial statements the book value per share. Return on equity (ROE) is also a widely used profitability ratio that measures an entity's ability to generate profits from its shareholder investments. Gross written premium is a component of insurance revenue and is widely used across the general insurance industry.

The calculation of the APMs is based on the following data:

	Year ended 31/12/23 **€000s**	Year ended 31/12/22 (restated) €000s
Loss ratio		
Incurred claims and other expenses	238,133	223,807
Changes that relate to past service – changes in FCF relating to the LIC	(103,990)	(92,564)
Net expense from reinsurance contracts held	64,666	46,755
Movement in other provisions[1]	15,831	8,403
Total claims incurred and movement in other provisions	**214,640**	**186,401**
Insurance revenue	401,026	379,697
Loss ratio (Total claims incurred and movement in other provisions/Insurance revenue)	**53.5%**	**49.1%**

[1]ESG initiative of €2.5m has been excluded as not insurance related

	Year ended 31/12/23	Year ended 31/12/22 (restated)
	€000s	€000s
Undiscounted loss ratio[3]		
Incurred claims and other expenses[2]	247,340	235,179
Changes that relate to past service – changes in FCF[2] relating to the LIC[2]	(101,455)	(90,696)
Net expense from reinsurance contracts held[2]	62,359	43,680
Movement in other provisions[2]	15,831	8,403
Total claims incurred and movement in other provisions	**224,075**	**196,566**
Insurance revenue	401,026	379,697
Undiscounted loss ratio (Total claims incurred and movement in other provisions/Insurance revenue)	**55.9%**	**51.8%**

[1]ESG initiative of €2.5m has been excluded as not insurance related.
[2]These items cannot be reconciled to the financial statements.
[3]The difference between the undiscounted loss ratio and discounted loss ratio is the effect of discounting only, which has been determined in line with accounting policy 3 (E).

Expense ratio		
Amortisation of insurance acquisition cash flow	75,909	70,595
Non-attributable expenses	34,018	33,048
Total insurance acquisition and non-attributable expenses	**109,927**	**103,643**
Insurance revenue	401,026	379,697
Expense ratio (Total insurance acquisition and non-attributable expenses /Insurance revenue)	**27.4%**	**27.3%**

	%	%
Combined operating ratio		
Loss ratio	53.5	49.1
Expense ratio	27.4	27.3
Combined operating ratio (Loss ratio + Expense ratio)	**80.9**	**76.4**
Undiscounted Combined operating ratio		
Undiscounted loss ratio	55.9	51.8
Expense ratio	27.4	27.3
Undiscounted Combined operating ratio (Undiscounted loss ratio + Expense ratio)	**83.3**	**79.1**

FBD Holdings plc
Supplementary Information (continued)
For the year ended 31 December 2023

ALTERNATIVE PERFORMANCE MEASURES (APM's) (unaudited)

	Year ended 31/12/23	Year ended 31/12/22 (restated)
	€000s	€000s
Actual investment return		
Investment return recognised in consolidated income statement	19,094	(10,753)
Investment return recognised in statement of comprehensive income	41,392	(89,802)
Actual investment return	**60,486**	**(100,555)**
Average investment assets	1,137,746	1,169,411
Investment return (Actual investment return/ Average investment assets)	**5.3%**	**(8.6%)**
Net asset value per share (NAV per share)		
Shareholders' funds – equity interests	477,036	454,006
Number of shares	**No.**	No.
Closing number of ordinary shares (excluding Treasury)	35,856,967	35,587,279
	Cent	Cent
Net asset value per share (Shareholders' funds/Closing number of ordinary shares)	**1,330**	**1,276**
Return on Equity	**€000s**	€000s
Weighted Average (WA) equity attributable to ordinary shareholders	465,521	467,148
Result for the period	69,541	57,556
ROE (Result for the period/WA equity attributable to ordinary shareholders)	% **15**	% **12**
Underwriting result	**€000s**	€000s
Insurance service result	126,308	131,104
Non-attributable expenses	(34,018)	(33,048)
Other provisions*	(15,831)	(8,403)
Underwriting result	**76,459**	**89,653**

* ESG initiative of €2.5m has been excluded as not insurance related

Gross written premium	**€000s**	€000s
Insurance revenue	401,026	379,697
Less: Instalment premium[1]	(4,430)	(4,291)
Add: Movement in unearned premium[1]	16,997	7,245
Gross written premium	**413,593**	**382,651**

[1]*These items cannot be reconciled to the financial statements*

Gross written premium: the total premium on insurance underwritten by an insurer or reinsurer during a specific period, before deduction of reinsurance premium.

Underwriting result: Insurance service result less non-attributable expenses and movement in other insurance related provisions.

Expense ratio: Insurance acquisition expenses and non-attributable expenses as a percentage of insurance revenue.
Loss ratio: Claims incurred net of reinsurance result as a percentage of insurance revenue.

Combined operating ratio: the sum of the loss ratio and expense ratio. A combined operating ratio below 100% indicates profitable insurance results. A combined operating ratio over 100% indicates unprofitable results.

Undiscounted combined operating ratio: the sum of the undiscounted loss ratio and expense ratio. A combined operating ratio below 100% indicates profitable insurance results. A combined operating ratio over 100% indicates unprofitable results.