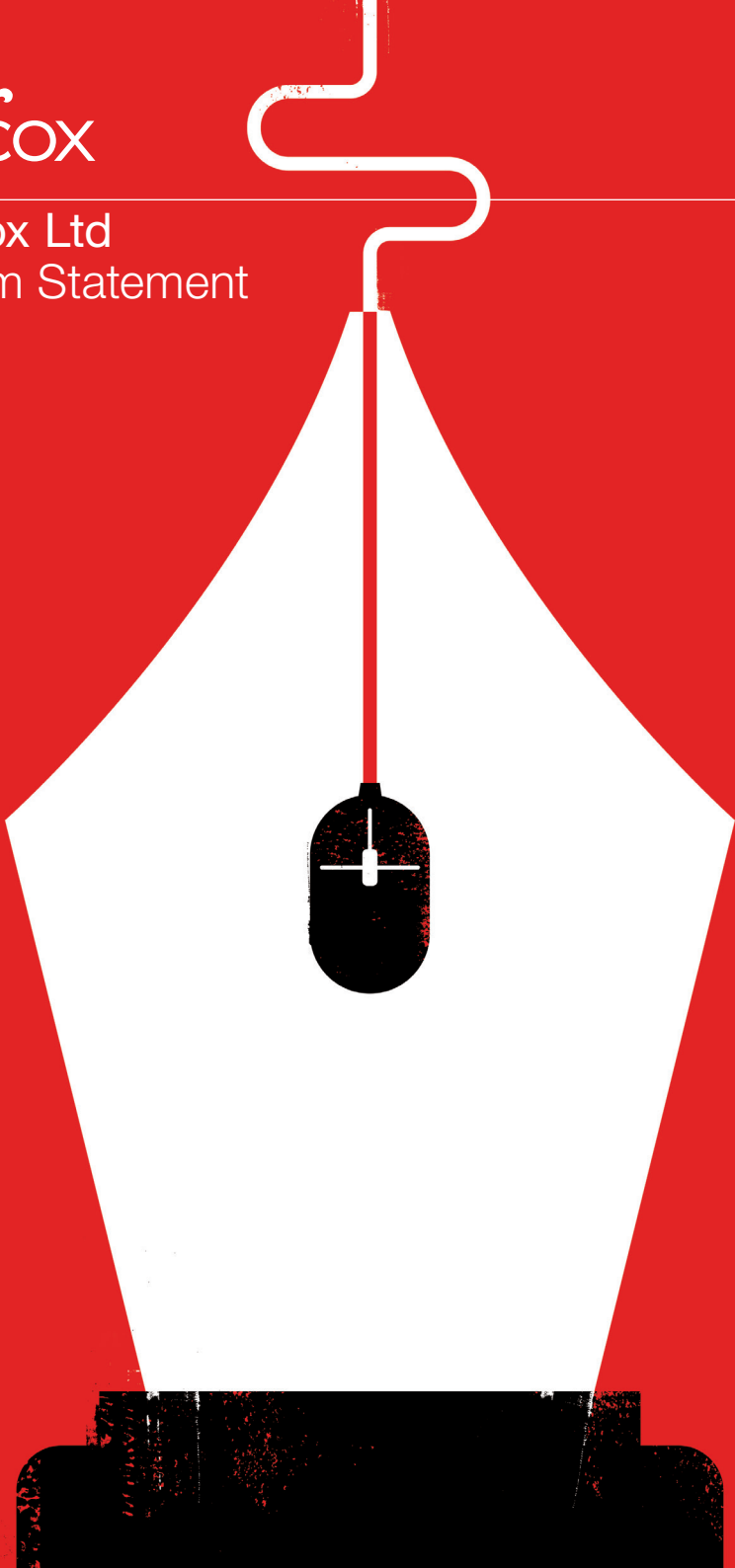




HISCOX

Hiscox Ltd
Interim Statement
2017



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Disclaimer in respect of forward looking statements

This interim statement may contain forward looking statements based on current expectations of, and assumptions made by, the Group's management. The Group is exposed to a multitude of risks and uncertainties and therefore cannot accept any obligation to publicly revise or update forward looking statements as a result of future events or the emergence of new information regarding past events, except to the extent legally required. Therefore undue reliance should not be placed on any forward looking statements.

Corporate highlights

Profit before tax excluding FX £133.5 million.

Group key performance indicators
Gross premiums written £1,459.6 million (2016: £1,288.5 million)
Net premiums earned £936.6 million (2016: £767.5 million)
Profit before tax £102.6 million (2016: £206.0 million)
Profit before tax excluding FX £133.5 million (2016: £118.7 million)
Earnings per share 34.9p (2016: 70.4p)
Interim dividend increased to 9.5p per share (2016: 8.5p)
Net asset value per share 657.7p (2016: 591.7p)
Group combined ratio 91.0% (2016: 80.7%)
Group combined ratio excluding FX 89.9% (2016: 88.4%)
Return on equity (annualised) 11.1% (2016: 28.3%)
Investment return (annualised) 2.3% (2016: 2.3%)
Foreign exchange (losses)/gains £(30.9) million (2016: £87.3 million)

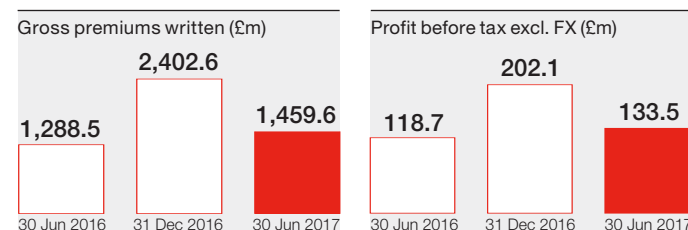
Operational highlights

Profits before tax up 12.5% excluding the impact of foreign exchange.

Hiscox Retail is the greatest contributor to profit in the first half, with Hiscox USA a stand-out performer, generating 31.1% premium growth in local currency.

Hiscox London Market reduced GWP by 8.2% in line with expectations, a disciplined response to challenging conditions.

In Hiscox Re & ILS, growth is coming from our ILS business, where assets under management have now reached US\$1.35 billion.



Chairman's statement

It has been a good first half, with the Group delivering a pre-tax profit of £102.6 million (2016: £206.0 million) and growing gross written premium by 13.3% to £1,459.6 million (2016: £1,288.5 million). In contrast to the prior year, foreign exchange has moved against us with a £30.9 million negative impact on the result. Excluding the impact of foreign exchange we have seen an increase of 12.5% of profits to £133.5 million (2016: £118.7 million). Across the Group we have seen a more normalised claims pattern return, although the environment is still largely benign.

The retail operations we have been diligently building for more than 20 years are offsetting ongoing volatility in bigger ticket lines, and it is pleasing to see that Hiscox Retail has made the biggest contribution to the bottom line in the first half for the second consecutive year. We now have more than 750,000 retail customers.

Conditions in the London Market continue to test our mettle. We have trimmed back in some of the most affected areas – making difficult but necessary decisions to reduce our involvement or withdraw completely from some lines of business. In Hiscox Re & ILS, we are benefiting from strong underwriting heritage and product innovation.

We are pleased with this result, but as usual we look forward with caution to the second half of the year as the hurricane season approaches.

Results

The half year result to 30 June 2017 was a pre-tax profit of £102.6 million (2016: £206.0 million), £133.5 million excluding foreign exchange gains/(losses) (2016: £118.7 million). Gross written premiums increased to £1,459.6 million (2016: £1,288.5 million) or 4.8% growth in constant currencies. Net earned premiums were £936.6 million (2016: £767.5 million).

The impact of foreign exchange was a loss of £30.9 million (2016: gain of £87.3 million). The net combined ratio was 91.0% (2016: 80.7%) and was 89.9% (2016: 88.4%) excluding foreign exchange (losses)/gains. Earnings per share were 34.9p (2016: 70.4p) and net assets per share grew to 657.7p (2016: 591.7p). The annualised return on equity was 11.1% (2016: 28.3%).

Dividend, balance sheet and capital management

The Board of Hiscox Ltd has declared an interim dividend for 2017 of 9.5p per share (2016: 8.5p) reflecting the Group's decision in February to announce a 15% step-up in the full year dividend and associated commitment to a progressive dividend policy. The record date for the dividend will be 11 August 2017 and the payment date will be 13 September 2017.

The Board proposes to offer a Scrip Dividend alternative subject to the terms and conditions of Hiscox Ltd's 2016 Scrip Dividend Scheme. The last date for receipt of scrip elections will be 18 August 2017 and the reference price will be announced on 30 August 2017. Details of how to elect for the Scrip Dividend are provided on the Company's website.

We still see plenty of opportunities for profitable growth and will continue to deploy our capital to this end. As ever we will review our capital position at year end.

Rates

The rating environment for big ticket business has not improved but we remain agile, shrinking where rates have reduced and pursuing growth where margins have held up better. In our retail lines, rates are broadly stable.

In the London Market, rates are drifting down and stabilizing at a marginal level. As announced earlier in the year, we have exited political risks and materially reduced in other areas including aviation, extended warranty and big-ticket property.

In Hiscox Re & ILS, pressure on North American reinsurance rates was still evident during the important 1 June and 1 July renewal seasons but the rate of decline is slowing.

Claims

The weather has been good to us, and like others in the industry we have benefited from a benign catastrophe claims environment. We had minimal exposure to high-profile losses in the market, such as the tragic Grenfell Tower fire and Cyclone Debbie which hit parts of Australia and New Zealand in March. We have seen a more normalised loss environment across the Group.

Hiscox's prudent approach to reserving is reflected in reserve releases for the first half of £96.1 million (2016: £96.1 million).

Marketing

Our strong brand continues to differentiate us and is delivering good growth in key markets which is why we will be investing over £50 million in marketing during 2017 (2016: £42 million). To ensure we are managing this budget prudently around the globe, we have developed new econometric modeling to measure our marketing effectiveness.

The US and UK are the focus of most of our marketing investment. Our US small business brand continues to go from strength-to-strength, given this we have increased our marketing spend in this area by \$12 million.

At the beginning of the year we launched a new brand campaign in the US which has delivered good results to date.

Impossible highlights the courage of some of our small business customers with an advertising campaign telling their stories. In the UK in June we launched 'ever onwards' a campaign with a rallying cry to consumers in pursuit of progress.

Hiscox Retail

The Hiscox Retail segment comprises Hiscox UK and Europe, and Hiscox International.

Gross written premiums	£739.6 million (2016: £581.1 million)
Profit before tax	£73.4 million (2016: £92.3 million)
Profit before tax excluding FX	£71.4 million (2016: £68.2 million)
Combined ratio	90.6% (2016: 84.1%)
Combined ratio excluding FX	90.9% (2016: 89.4%)

Hiscox UK and Europe

This division provides personal lines cover – from high-value household, fine art and collectibles to luxury motor – and commercial insurance for small- and medium-sized businesses, typically operating in white collar industries. These products are distributed via brokers and through a growing network of partnerships. Our schemes business offers insurance solutions to customers with similar risk profiles for example sports clubs and niche industry associations. For some simple risks we distribute policies direct-to-consumer in the UK, France and Germany.

Gross written premiums	£405.8 million (2016: £345.6 million)
Profit before tax	£52.4 million (2016: £65.2 million)
Profit before tax excluding FX	£47.7 million (2016: £47.5 million)
Combined ratio	86.6% (2016: 79.9%)
Combined ratio excluding FX	88.0% (2016: 86.6%)

Hiscox UK and Ireland

Gross written premium grew by 13.9% to £278.4 million (2016: £244.4 million), or 12.9% in constant currency, driven by strong new business and retention rates.

In the broker channel, schemes and specialty commercial were particularly strong performers. We are benefiting from our niche position of working with non-standard 'specialist' retailers, and our ongoing focus on technology business is paying off. Underwriting partnerships also achieved good growth, albeit from a low base. The migration of our broker channel business to a new IT platform continues apace and we hope to reap the same benefits in terms of conversion, pricing and service that we have seen in our direct business.

In the direct-to-consumer channel, there is good growth in our core direct commercial and home business. Our direct home business has an exciting new partnership with Barclays where we are providing home insurance products to their Premier customers.

Hiscox Europe

Gross written premiums grew by 25.8% to £127.4 million (2016: £101.2 million), or 12.2% in constant currency. This growth was mainly driven by commercial lines business in Germany and Spain.

Much of the growth in Germany is coming from cyber and classic car, two specialty areas in which we are building a reputation. In Spain, we are growing thanks to the performance of our professional indemnity, directors and officers' and management liability lines, and in partnerships with other financial service providers. We have also introduced a new commercial property product here, with promising early signs.

In France, growth in our professions book is pleasing, and a focus on specialty commercial schemes is paying off. Our Benelux business continues to focus on professionals and specialty commercial and we will consider adding to its product suite in time.

We continue to invest in digitising our business in every country across Europe, with broker extranet sites that enable us to distribute and service our products to brokers more efficiently. The 'My Hiscox' broker extranet site most recently launched in France, and has been well received.

Hiscox International

This division comprises Hiscox Special Risks, Hiscox USA and DirectAsia.

Gross written premiums	£333.8 million (2016: £235.5 million)
Profit before tax	£21.0 million (2016: £27.1 million)
Profit before tax excluding FX	£23.7 million (2016: £20.7 million)
Combined ratio	95.3% (2016: 89.7%)
Combined ratio excluding FX	94.3% (2016: 93.3%)

Hiscox Special Risks

Hiscox Special Risks underwrites kidnap and ransom, security risks, personal accident, classic car, jewellery and fine art risks. Hiscox Special Risks has teams in London, Guernsey, Cologne, Munich, Paris, New York, Los Angeles and Miami.

The retail operations we have been diligently building for more than 20 years are offsetting ongoing volatility in bigger ticket lines.

Chairman's statement continued

Gross written premiums increased by 17.0% to £52.5 million (2016: £44.9 million), or 13.6% in constant currency. Following an exceptionally benign claims experience in 2016, we have seen a return to a normal loss environment. Similar to other parts of the business, we have established an underwriting centre for Special Risks and it is an approach that is paying off, boosting both new business and retention.

The Security Incident Response product we launched in January in the UK has been well-received by the market. It gives us opportunities with a wider range of clients who are focused on broader security issues beyond kidnap exposure, using additional distribution channels such as directors and officers' brokers. Building on this success, we have also recently launched the SIR product in Spain and the US.

Hiscox USA

Hiscox USA underwrites small- to mid-market commercial risks through brokers, other insurers and directly to businesses online and over the telephone.

Hiscox USA continues to be a major area of opportunity for the Group, with gross written premiums increasing by 50.3% to £275.6 million (2016: £183.4 million), or 31.1% in constant currency.

Our broker channel business and direct and partnerships division have both performed well. Good growth is coming from our professions, cyber and general liability lines.

Our small business operations continue to go from strength to strength and we now have more than 210,000 policies in force. We have introduced a new quote, bind and pay portal delivering Hiscox products to our distribution partners with their own branded interface. This system has already been adopted by a major online aggregator.

Work is well underway on the IT infrastructure changes we are undertaking to replace the existing policy and claims administration system in the US.

DirectAsia

DirectAsia is a direct-to-consumer business in Singapore and Thailand that sells predominantly motor insurance. Hiscox acquired the business in April 2014.

DirectAsia achieved gross written premiums of £5.7 million (2016: £7.2 million). As we've said before, most of this reduction can be attributed to the sale of the Hong Kong business in the second quarter of 2016.

In Singapore, we have extended our distribution in conjunction with a local aggregator, and a new partnership with a vehicle inspection centre is helping us to grow reach and sales.

Hiscox London Market

This segment uses the global licences, distribution network and credit rating available through Lloyd's to insure clients throughout the world.

Gross written premiums	£314.6 million (2016: £342.7 million)
Profit before tax	£17.2 million (2016: £37.1 million)
Profit before tax excluding FX	£25.5 million (2016: £19.9 million)
Combined ratio	94.8% (2016: 85.3%)
Combined ratio excluding FX	91.0% (2016: 94.8%)

Gross written premiums in Hiscox London Market reduced by 8.2% to £314.6 million (2016: £342.7 million), or 16.9% in constant currency. This is in line with our previous guidance of reducing in areas under most pressure.

We are doing what we said we would do in our London Market business. We are reducing materially where margins are evaporating, such as aviation, big-ticket property and London Market healthcare. We have not renewed the extended warranty business we wrote through White Oak and are writing a much reduced line on the physical damage portfolio. As announced earlier in the year, we have taken decisive

action and exited political risks which has moved outside of our risk appetite.

We are holding our position in areas of strength and margin such as household and commercial property binders and terrorism.

We are investing where we see real opportunity; in US flood, where the market is deregulating, and good growth in cargo albeit from a low base. In casualty, our general liability team is bringing new business to London which previously would have been written elsewhere and we are benefiting from this.

Another significant area of opportunity of growth for Hiscox London Market is where we support other expert underwriters with capacity as well as our expertise in contracts, claims, wordings and pricing. For example, we are working with another Lloyd's coverholder on a niche California earthquake product that, by combining both of our specific areas of expertise, enables us to bridge an existing gap in the market.

Hiscox MGA continues to perform well, boosted by strong renewals in the yacht account, new talent in the marine team and the addition of our space business which transferred into the MGA during the period.

The Hiscox London Market team received recognition at the Reactions London Market Awards 2017, where they were awarded Marketing Campaign of the Year for their cyber campaign.

Hiscox Re & ILS

The Hiscox Re & ILS segment comprises the Group's reinsurance businesses in London, Paris and Bermuda and Insurance Linked Security (ILS) activity.

Gross written premiums	£405.4 million (2016: £364.7 million)
Profit before tax	£38.2 million (2016: £54.6 million)
Profit before tax excluding FX	£39.6 million (2016: £41.8 million)
Combined ratio	84.0% (2016: 56.0%)
Combined ratio excluding FX	81.8% (2016: 69.8%)

Gross written premiums grew by 11.2% to £405.4 million (2016: £364.7 million), or 4.3% in constant currency. This is the result of successful product innovation in Hiscox Re and ongoing growth in the Hiscox ILS funds. At a net level, the top line has reduced by 8.7%, due to reductions in specialty and the closure of our healthcare business.

In Hiscox Re, a combination of disciplined underwriting, growth in key client partnerships and new opportunities to write well-rated business in areas such as Japan, US flood and cyber is paying off.

Assets under management in ILS funds and vehicles are now in excess of US\$ 1.35 billion with continued demand from investors. The fully collateralised fund that launched at the start of the year has already fully deployed its assets under management. We were delighted that the ILS team was awarded ILS Fund Manager of the Year at the Reactions London Market Awards 2017.

Investments

The investment return for the first six months of the year is ahead of expectations, helped in part by the performance from our risk assets. The investment result before derivatives was £50.5 million (2016: £42.0 million), 2.3% on an annualised basis (2016: 2.3%). Assets under management at 30 June 2017 were £4,415 million (2016: £3,946 million).

In contrast to the corresponding period last year, market sentiment has been broadly positive with measures of volatility subdued at historically low levels. Equity markets have been strong and sector performance has been less diverse. The portfolio of risk assets has therefore made a good contribution in absolute and relative terms. Income from our bond portfolios overall is more in line with expectation and mainly derived from the US Dollar allocation. Generating positive returns from Sterling and Euro bonds has been more challenging recently, with the marked increase in yields at the end of June.

Our strategy was designed for this climate; managing the insurance cycle and driving retail growth.

Chairman's statement continued

Having largely ignored political outcomes, predicted or otherwise, investor attention has switched recently to the more hawkish rhetoric from a range of central banks as they prepare to join the Federal Reserve in gradually reducing their accommodative stance. Given valuations across asset classes and the likely moves towards normalising monetary policy, we remain cautious with the majority of our risk appetite focused on the exposure to risk assets which represents 7.4% of the portfolio.

The Board

Having served nine years on the Hiscox Ltd Board (at which point the UK Corporate Governance Code deems them not independent), Ernst Jansen and Gunnar Stokholm will retire from the Board with effect from 16 November 2017. Ernst and Gunnar have both provided a significant contribution to the Board over the years and I would like to thank them for their wisdom and insight which will be sorely missed.

I am delighted to say that we have appointed three new Board members; Michael Goodwin, Thomas Hüerlimann and Costas Miranthis. They will join the Hiscox Ltd Board as Independent Non Executive Directors from the same date.

Michael Goodwin has valuable experience from the Asia Pacific region, gained not only during his time as Asia Pacific CEO at QBE insurance but also as Vice President of the General Insurance Association of Singapore. Thomas Hüerlimann brings important leadership experience, most recently as CEO of Zurich Global Corporate. Costas Miranthis is based in Bermuda and has extensive reinsurance experience from his time as President and CEO at Partner Re.

We will benefit from their impressive insurance industry experience, covering some of our key geographies (Bermuda, Asia and Europe) and I look forward to working with them alongside the rest of the Board.

Outlook

Our strategy was designed for this climate; managing the insurance cycle and driving retail growth. Finding attractive bigger-ticket business remains challenging, and there is no indication that will change anytime soon, but we are not afraid to make tough decisions where necessary.

As we announced in May, we plan to establish a new EU subsidiary in Luxembourg in response to Brexit. We are now working closely with the Luxembourg regulator on license approval, and local recruitment as well as sourcing office space is underway. Our plan means we will be well placed to continue to serve our sizeable European customer base after 1 April 2019.

However, Brexit is just one example of the increasing number of Group projects we are undertaking. Regulatory obligations such as the implementation of GDPR in Europe and cyber security regulations from the New York Department of Financial Services all require financial and human resource. The critical infrastructure projects that I have spoken about previously, such as upgrading our financial processes and the IT platform changes in our UK and US retail businesses, are equally necessary. These will impact our expense ratio in the short term, but in the long term they will ensure we operate efficiently and effectively – matching our capabilities with our ambitions.

We continue to execute our plan successfully. We have plenty of room for growth in Hiscox Retail, and the selective approach we have taken within Hiscox London Market and Hiscox Re & ILS continues to yield opportunities.



Robert Childs
Chairman
31 July 2017

Additional performance measures

The Group has identified additional performance measures (APM) that are not defined in accordance with Generally Accepted Accounting Principles (GAAP), being International Financial Reporting Standards (IFRS), and may not necessarily have standardised meanings for ease of comparability across other organisations in the industry. These non-GAAP measures are used within these interim financial statements. These APMs are: profit excluding foreign exchange gains/(losses), combined claims and expense ratios, return on equity, net asset value pence per share and reserve releases. These are standard measures used across the industry, and allow the reader of the half year report to compare across peer companies.

Profit excluding foreign exchange gains/(losses)

This represents the profit for the period after deducting foreign exchange gains or adding back foreign exchange losses in the relevant period. This enables the reader of these financial statements, and the Group, to measure the comparability of underlying profitability without the foreign exchange volatility. To obtain the value, the reader of these financial statements should remove the foreign exchange gains/(losses), as identified in the income statement, from the profit for the period.

Combined claims and expense ratios

The combined claims and expense ratios are a common measure enabling comparability across the insurance industry, that measures the relevant underwriting profitability of the business by reference to its costs as a proportion of its net earned premium. The Group calculates the combined ratio as if we owned all of the business, including the 27.5% of Syndicate 33 that the Group does not own. The Group does this to enable comparability from period to period as the business mix may change

in a segment between insurance carriers, and this enables us to measure all of our underwriting businesses on an equal measure. The calculation is discussed further in note 8, operating segments. The combined ratio excluding foreign exchange gains is calculated as the sum of the claims ratio and the expense ratio.

Return on equity (ROE)

As is common within the financial services industry, the Group uses ROE as one of its key performance metrics. Whilst the measure enables the company to compare itself against other peer companies in the immediate industry, it is also a key measure internally where it is used to compare the profitability of business segments, and underpins the performance related pay and shared based payment structures, as discussed within the remuneration policy report in the Annual Report and Accounts. The ROE is shown in note 10, along with an explanation of the calculation.

Net asset value (NAV) pence per share

The Group uses NAV pence per share as one of its key performance metrics. This is a widely used key measure for management and also for users of the financial statements to provide comparability across peers in the market. NAV pence per share is shown in note 9, along with an explanation of the calculation.

Reserve releases

Reserve releases are a measure of favourable development on claims reserves that existed at the prior balance sheet date. It enables the users of the financial statements to compare and contrast our performance relative to peer companies. The Group maintains a prudent approach to reserving, to help mitigate the uncertainty within the reserve estimates. The release is calculated as the movement in ultimate losses on prior accident years between the current and prior year balance sheet date, as shown in note 15, as a result of better than expected outcomes of the estimates booked at the prior period close.

Condensed consolidated interim income statement For the six month period ended 30 June 2017

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Income			
Gross premiums written	8 1,459,601	1,288,478	2,402,579
Outward reinsurance premiums	(446,056)	(399,368)	(614,636)
Net premiums written	1,013,545	889,110	1,787,943
Gross premiums earned	1,243,813	1,014,461	2,220,853
Premiums ceded to reinsurers	(307,181)	(246,920)	(545,840)
Net premiums earned	936,632	767,541	1,675,013
Investment result	11 48,957	39,907	74,991
Other income	12 21,954	18,549	37,594
Total income	1,007,543	825,997	1,787,598
Expenses			
Claims and claim adjustment expenses	(559,667)	(449,941)	(1,004,601)
Reinsurance recoveries	116,459	121,572	264,829
Claims and claim adjustment expenses, net of reinsurance	(443,208)	(328,369)	(739,772)
Expenses for the acquisition of insurance contracts	(299,072)	(244,351)	(538,467)
Reinsurance commission income	82,522	52,052	128,627
Operational expenses	12 (204,218)	(176,429)	(415,719)
Net foreign exchange (losses)/gains	20 (30,871)	87,323	152,408
Total expenses	(894,847)	(609,774)	(1,412,923)
Results of operating activities	112,696	216,223	374,675
Finance costs	13 (9,882)	(10,206)	(20,266)
Share of profit of associates after tax	(191)	4	134
Profit before tax	102,623	206,021	354,543
Tax expense	14 (4,716)	(8,395)	(17,557)
Profit for the period (all attributable to owners of the Company)	97,907	197,626	336,986
Earnings per share on profit attributable to owners of the Company			
Basic	16 34.9p	70.4p	119.8p
Diluted	16 33.9p	68.2p	116.0p

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of comprehensive income For the six month period ended 30 June 2017

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Profit for the period	97,907	197,626	336,986
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements of the net defined benefit obligation	–	(36,081)	(46,531)
Income tax on the remeasurement of other comprehensive income	–	7,786	9,502
	–	(28,295)	(37,029)
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	(23,979)	56,383	111,094
Income tax on the remeasurement of other comprehensive income	–	–	–
	(23,979)	56,383	111,094
Other comprehensive income net of tax	(23,979)	28,088	74,065
Total comprehensive income for the year (all attributable to owners of Company)	73,928	225,714	411,051

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim balance sheet At 30 June 2017

	Note	30 June 2017 £000	30 June 2016 £000	31 Dec 2016 £000
Assets				
Goodwill and intangible assets		132,062	130,653	123,724
Property, plant and equipment		46,861	47,019	48,425
Investments in associates		7,948	13,523	13,835
Asset held for sale	3	5,593	12,010	–
Deferred tax		39,404	38,452	41,392
Deferred acquisition costs		378,008	344,308	346,592
Financial assets carried at fair value	18	3,689,938	3,305,812	3,792,033
Reinsurance assets	15	925,389	793,606	805,649
Loans and receivables including insurance receivables		969,203	865,068	802,906
Current tax asset		5,782	1,311	2,406
Cash and cash equivalents		770,571	685,859	664,816
Total assets		6,970,759	6,237,621	6,641,778
Equity and liabilities				
Shareholders' equity				
Share capital		19,102	19,042	19,060
Share premium		23,081	16,069	18,035
Contributed surplus		89,864	89,864	89,864
Currency translation reserve		178,293	147,561	202,272
Retained earnings		1,547,637	1,394,301	1,488,306
Equity attributable to owners of the Company		1,857,977	1,666,837	1,817,537
Non-controlling interest		866	866	866
Total equity		1,858,843	1,667,703	1,818,403
Employee retirement benefit obligation		56,139	43,414	56,139
Deferred tax		7,537	20,109	17,030
Insurance liabilities	15	4,051,411	3,618,881	3,852,976
Financial liabilities	18	284,371	284,877	276,293
Current tax		10,309	9,253	21,735
Trade and other payables		702,149	593,384	599,202
Total liabilities		5,111,916	4,569,918	4,823,375
Total equity and liabilities		6,970,759	6,237,621	6,641,778

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim statement of changes in equity For the six month period ended 30 June 2017

	Share capital £000	Share premium £000	Contributed surplus £000	Currency translation reserve £000	Retained earnings £000	Non- controlling interest £000	Total £000
Balance at 1 January 2017	19,060	18,035	89,864	202,272	1,488,306	866	1,818,403
Profit for the period (all attributable to owners of the Company)	–	–	–	–	97,907	–	97,907
Other comprehensive income/ (expense) net of tax (all attributable to owners of the Company)	–	–	–	(23,979)	–	–	(23,979)
Employee share options:							
Equity settled share-based payments	–	–	–	–	13,648	–	13,648
Proceeds from shares issued	26	2,027	–	–	–	–	2,053
Deferred and current tax on employee share options	–	–	–	–	3,308	–	3,308
Shares purchased by Trust	–	–	–	–	(1,249)	–	(1,249)
Shares issued in relation to scrip dividends	16	3,019	–	–	–	–	3,035
Dividends paid to owners of the Company (note 17)	–	–	–	–	(54,283)	–	(54,283)
Balance at 30 June 2017	19,102	23,081	89,864	178,293	1,547,637	866	1,858,843

The equity attributable to owners of the Company is £1,857,977,000 at 30 June 2017.

	Share capital £000	Share premium £000	Contributed surplus £000	Currency translation reserve £000	Retained earnings £000	Non- controlling interest £000	Total £000
Balance at 1 January 2016	19,030	15,231	89,864	91,178	1,312,660	866	1,528,829
Profit for the period (all attributable to owners of the Company)	–	–	–	–	197,626	–	197,626
Other comprehensive income/ (expense) net of tax (all attributable to owners of the Company)	–	–	–	56,383	(28,295)	–	28,088
Employee share options:							
Equity settled share-based payments	–	–	–	–	10,669	–	10,669
Proceeds from shares issued	12	838	–	–	–	–	850
Deferred and current tax on employee share options	–	–	–	–	1,260	–	1,260
Shares purchased by Trust	–	–	–	–	(9,945)	–	(9,945)
Dividends paid to owners of the Company (note 17)	–	–	–	–	(89,674)	–	(89,674)
Balance at 30 June 2016	19,042	16,069	89,864	147,561	1,394,301	866	1,667,703

The equity attributable to owners of the Company is £1,666,837,000 at 30 June 2016.

Condensed consolidated interim statement of changes in equity

For the six month period ended 30 June 2017

continued

	Share capital £000	Share premium £000	Contributed surplus £000	Currency translation reserve £000	Retained earnings £000	Non-controlling interest £000	Total £000
Balance at 1 January 2016	19,030	15,231	89,864	91,178	1,312,660	866	1,528,829
Profit for the year (all attributable to owners of the Company)	–	–	–	–	336,986	–	336,986
Other comprehensive income/(expense) net of tax (all attributable to owners of the Company)	–	–	–	111,094	(37,029)	–	74,065
Employee share options:							
Equity settled share-based payments	–	–	–	–	26,274	–	26,274
Proceeds from shares issued	22	1,534	–	–	–	–	1,556
Deferred and current tax on employee share options	–	–	–	–	1,907	–	1,907
Shares purchased by Trust	–	–	–	–	(38,558)	–	(38,558)
Shares issued in relation to scrip dividends	8	1,270	–	–	–	–	1,278
Dividends paid to owners of the Company (note 17)	–	–	–	–	(113,934)	–	(113,934)
Balance at 31 December 2016	19,060	18,035	89,864	202,272	1,488,306	866	1,818,403

The equity attributable to owners of the Company is £1,817,537,000 at 31 December 2016.

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Condensed consolidated interim cash flow statement

For the six month period ended 30 June 2017

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Profit before tax	102,623	206,021	354,543
Adjustments for:			
Net foreign exchange losses/(gains)	30,871	(87,323)	(152,408)
Interest and equity dividend income	(30,435)	(23,280)	(54,789)
Interest expense	9,882	10,206	20,266
Net fair value gains on financial assets and liabilities	(21,600)	(16,302)	(13,786)
Depreciation, amortisation and impairment	9,599	7,299	28,162
Charges in respect of share-based payments	13,648	10,669	26,274
Changes in operational assets and liabilities:			
Insurance and reinsurance contracts	56,301	72,887	251,836
Financial assets carried at fair value	12,359	(133,212)	(431,324)
Financial liabilities carried at fair value	(329)	745	458
Financial liabilities at amortised cost	8,407	8,453	156
Other assets and liabilities	(27,324)	(11,111)	3,687
Interest received	29,114	19,368	55,273
Equity dividends received	333	174	505
Interest paid	(2,003)	(3,180)	(21,852)
Current tax paid	(23,715)	(5,484)	(6,108)
Cash flows from subscriptions (paid)/received in advance	–	–	(4,000)
Net cash flows from operating activities	167,731	55,930	56,893
Cash flow from the purchase and sale of subsidiaries	13,772	(17,477)	(3,881)
Cash flow from sale and purchase of associates	–	–	(448)
Cash flows from the purchase of property, plant and equipment	(1,948)	(158)	(5,770)
Cash flows from the purchase of intangible assets	(12,831)	(11,307)	(20,909)
Net cash flows from investing activities	(1,007)	(28,942)	(31,008)
Proceeds from the issue of ordinary shares	2,052	850	1,556
Shares repurchased	(1,249)	(9,945)	(38,558)
Distributions paid to owners of the Company	(51,247)	(89,674)	(112,656)
Net cash flows from financing activities	(50,444)	(98,769)	(149,658)
Net increase/(decrease) in cash and cash equivalents	116,280	(71,781)	(123,773)
Cash and cash equivalents at 1 January	664,816	727,880	727,880
Net increase/(decrease) in cash and cash equivalents	116,280	(71,781)	(123,773)
Effect of exchange rate fluctuations on cash and cash equivalents	(10,525)	29,760	60,709
Cash and cash equivalents at end of period	770,571	685,859	664,816

The notes to the condensed consolidated interim financial statements are an integral part of this document.

Notes to the condensed consolidated interim financial statements

1 Reporting entity

Hiscox Ltd (the 'Company') is a public limited company registered and domiciled in Bermuda. The condensed consolidated interim financial statements for the Company as at, and for the six months ended, 30 June 2017 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in associates. The Chairman's statement accompanying these condensed consolidated interim financial statements forms the Interim Management Report for the half year ended 30 June 2017.

The Directors of Hiscox Ltd are listed in the Group's 2016 Report and Accounts. A list of current Directors is maintained and available for inspection at the registered office of the Company located at 4th Floor, Wessex House, 45 Reid Street, Hamilton, HM 12, Bermuda.

2 Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the Listing Rules issued by the Financial Conduct Authority. The information presented herein does not include all of the disclosures typically required for full consolidated financial statements. Consequently these condensed consolidated interim financial statements should be read in conjunction with the full consolidated financial statements of the Group as at, and for the year ended, 31 December 2016 which are available from the Company's registered office or at www.hiscoxgroup.com. Except where otherwise indicated, all amounts are presented in Pounds Sterling and rounded to the nearest thousand.

After making enquiries, the Directors have an expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason the condensed consolidated interim financial statements have been prepared on a going concern basis and are prepared on the historical cost basis except that pension scheme assets included in the measurement of the employee retirement benefit obligation, and certain financial instruments including derivative instruments are measured at fair value.

Taxes on income for the interim period are accrued using the estimated effective tax rate that would be applicable to estimated total annual earnings.

Within the condensed consolidated interim cash flow statement, the Group has allocated the cash derecognised on loss of control out of cash flows from operating activities and provided a netted down position under cash flow from the purchase and sale of subsidiaries under investing activities.

The independent auditors, have reported on the Group's full consolidated financial statements as at, and for the year ended, 31 December 2016. The report of the independent auditors was not qualified. The amounts presented for the 30 June 2017 and 30 June 2016 periods are unaudited.

These condensed consolidated interim financial statements were approved on behalf of the Board of Directors by the Chief Executive, B E Masojada and the Chairman, R S Childs. Accordingly the Half Yearly Report to the London Stock Exchange was approved for issue on Monday, 31 July 2017 following receipt of confirmation from the auditors that they had reviewed the final content.

3 Basis of consolidation

On 1 May 2017, the Group disposed of its subsidiary Blue Hill Specialty Insurance Company Inc.

As a result of the disposal, the Group has derecognised the assets and liabilities relating to the company. Below is a table disclosing the impact to the consolidated financial statement following the disposal.

	£000
Total assets no longer recognised in the consolidated balance sheet	(12,021)
Total currency translation reserve no longer recognised in the consolidated balance sheet	1
Cash received on disposal	14,571
Profit recognised in other income in the consolidated income statement	2,561

In addition, on 30 June 2017, the Group entered into an agreement for the disposal of one of its associate holdings Lark (2012) Limited. The sale is subject to regulatory approval, and as such, the Group have assessed that the sale is not complete. The Group has concluded that the transaction meets the criteria of IFRS 5, in that it shall be recognised as an asset held for sale on the balance sheet at its current carrying value.

4 Accounting policies and methods of computation

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied by the Group in its consolidated financial statements as at, and for the year ended, 31 December 2016. The consolidated financial statements as at, and for the year ended, 31 December 2016 were compliant with International Financial Reporting Standards as adopted by the European Union and in accordance with the provisions of the Bermuda Companies Act 1981. The Interim Report is compliant with IAS 34 Interim Financial Reporting as adopted by the European Union.

In preparing these interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation

uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2016.

5 Financial, insurance and other risk management

The Group's financial, insurance and other risk management objectives and policies are consistent with that disclosed in note 3 of the full consolidated financial statements as at, and for the year ended, 31 December 2016. The principal risks and uncertainties are unchanged and may be summarised as underwriting risk, reserving risk, reliability of fair values, equity price risk, interest rate risk, liquidity risk, credit risk, currency risk and capital risk. The Group recognises that following the decision of the UK to leave the European Union, it may continue to face greater volatility in credit, currency and liquidity risk whilst uncertainty remains.

The Group continues to monitor all aspects of its financial risk appetite and the resultant exposure taken with caution, and has consequently suffered insignificant defaults on investments held, and other third-party balances during the period under review.

As detailed in note 18, the Group's investment allocation is broadly comparable to that at 31 December 2016 as outlined in the Group Report and Accounts. The Group also continues to be mindful of the processes required for establishing the reliability of fair values obtained for some classes of financial assets affected by ongoing periods of diminished liquidity. In order to assist users, the Group has disclosed the measurement attributes of its investment portfolio in a fair value hierarchy in note 19 in accordance with IFRS 13 Fair Value Measurement.

The Group remains susceptible to fluctuations in rates of foreign exchange, in particular between Pound Sterling and the US Dollar.

Strong treasury management has ensured that the Group's balance sheet remains well capitalised and its operations are financed to accommodate foreseen liquidity

demands together with a high level of capital sufficient to meet future catastrophe obligations even if difficult investment market conditions were to prevail for a period of time.

6 Seasonality and weather

Historically the Group's most material exposure to catastrophe losses on certain lines of business such as reinsurance inwards and marine and major property risk have been greater during the second half of the calendar year, broadly in line with the most active period of the North Atlantic hurricane season. In contrast, a majority of gross premium income written in these lines of business occurs during the first half of the calendar year. The Group actively participates in many regions and if any catastrophic events do occur, it is likely that the Group will share some of the market's losses. Consequently, the potential for significantly greater volatility in expected returns remains during the second half of the year. Details of the Group's recent exposures to these classes of business are disclosed in the Group's 2016 Report and Accounts.

7 Related party transactions

Transactions with related parties during the period are consistent in nature and scope with those disclosed in note 36 of the Group's 2016 Report and Accounts.

8 Operating segments

The Group's operating segment reporting follows the organisational structure and management's internal reporting systems, which form the basis for assessing the financial reporting performance of, and allocation of resource to each business segment. The Group's four primary business segments are identified as follows:

Hiscox Retail brings together the results of the UK and Europe, and Hiscox International being the US, Special Risks and Asia retail business divisions. Hiscox UK and Europe underwrite European personal and commercial lines of business through Hiscox Insurance Company Limited, together with the fine art and non-US household insurance business written through Syndicate 33. In addition, Hiscox UK includes elements of

specialty and international employees and officers' insurance written by Syndicate 3624, but excludes the European kidnap and ransom business written by Hiscox Insurance Company Limited.

Hiscox International comprises the specialty and fine art lines written through Hiscox Insurance Company (Guernsey) Limited, and the motor business written via DirectAsia, together with US commercial, property and specialty business written by Syndicate 3624 and Hiscox Insurance Company Inc. via the Hiscox USA business division. It also includes the European kidnap and ransom business written by Hiscox Insurance Company Limited and Syndicate 33.

Hiscox London Market comprises the internationally traded insurance business written by the Group's London based underwriters via Syndicate 33, including lines in property, marine and energy, casualty and other specialty insurance lines, excluding the kidnap and ransom business. In addition, the segment includes elements of business written by Syndicate 3624 being auto physical damage, auto extended warranty and aviation business.

Hiscox Re & ILS is the reinsurance division of the Hiscox Group, combining the underwriting platforms in Bermuda, London and Paris. The segment comprises the performance of Hiscox Insurance Company (Bermuda) Limited with the reinsurance contracts written by Syndicate 33. In addition, the healthcare and casualty reinsurance contracts written in the Bermuda hub on Syndicate capacity are also included.

Corporate Centre comprises the investment return, finance costs and administrative costs associated with Group management activities. Corporate Centre also includes the majority of foreign currency items on economic hedges and intragroup borrowings, further details of these can be found in note 13 of the Group's Report and Accounts for the year ended 31 December 2016. Corporate Centre forms a reportable segment due to its investment activities which earn significant external returns.

Notes to the condensed consolidated interim financial statements

continued

All amounts reported below represent transactions with external parties only. In the normal course of trade, the Group's entities enter into various reinsurance arrangements with one another. The related results of these transactions are eliminated on consolidation and are not included within the results of the segments. This is consistent with the information used by the chief operating decision-maker when evaluating the results of the Group. Performance is measured based on each reportable segment's profit before tax.

	Six months to 30 June 2017					Six months to 30 June 2016					Year to 31 December 2016				
	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000
Gross premiums written	739,555	314,602	405,444	–	1,459,601	581,065	342,665	364,748	–	1,288,478	1,181,384	726,045	495,150	–	2,402,579
Net premiums written	681,686	199,750	132,109	–	1,013,545	528,200	216,188	144,722	–	889,110	1,091,969	469,143	226,831	–	1,787,943
Net premiums earned	602,392	230,158	104,082	–	936,632	470,391	198,154	98,996	–	767,541	1,020,531	443,129	211,353	–	1,675,013
Investment result	12,304	8,329	13,659	14,665	48,957	15,325	10,142	7,658	6,782	39,907	31,328	13,351	11,749	18,563	74,991
Other income	9,174	6,060	6,613	107	21,954	7,517	4,518	5,815	699	18,549	14,075	9,121	13,704	694	37,594
Total income	623,870	244,547	124,354	14,772	1,007,543	493,233	212,814	112,469	7,481	825,997	1,065,934	465,601	236,806	19,257	1,787,598
Claims and claim adjustment expenses, net of reinsurance	(261,443)	(123,396)	(58,369)	–	(443,208)	(174,651)	(109,714)	(44,004)	–	(328,369)	(396,137)	(260,468)	(83,167)	–	(739,772)
Expenses for the acquisition of insurance contracts	(143,820)	(67,749)	(4,981)	–	(216,550)	(125,309)	(62,374)	(4,616)	–	(192,299)	(262,545)	(137,177)	(10,118)	–	(409,840)
Operational expenses	(147,011)	(27,908)	(20,751)	(8,548)	(204,218)	(125,038)	(20,846)	(21,095)	(9,450)	(176,429)	(287,642)	(57,933)	(49,335)	(20,809)	(415,719)
Net foreign exchange gains/(losses)	1,985	(8,247)	(1,472)	(23,137)	(30,871)	24,039	17,215	12,803	33,266	87,323	37,248	34,991	22,959	57,210	152,408
Total expenses	(550,289)	(227,300)	(85,573)	(31,685)	(894,847)	(400,959)	(175,719)	(56,912)	23,816	(609,774)	(909,076)	(420,587)	(119,661)	36,401	(1,412,923)
Results of operating activities	73,581	17,247	38,781	(16,913)	112,696	92,274	37,095	55,557	31,297	216,223	156,858	45,014	117,145	55,658	374,675
Finance costs	(4)	–	(618)	(9,260)	(9,882)	–	–	(919)	(9,287)	(10,206)	–	–	(1,654)	(18,612)	(20,266)
Share of profit of associates after tax	(197)	–	–	6	(191)	4	–	–	–	4	1,137	(1,003)	–	–	134
Profit/(loss) before tax	73,380	17,247	38,163	(26,167)	102,623	92,278	37,095	54,638	22,010	206,021	157,995	44,011	115,491	37,046	354,543
Profit/(loss) before tax and foreign exchange gains/(losses)	71,395	25,494	39,635	(3,030)	133,494	68,239	19,880	41,835	(11,256)	118,698	120,747	9,020	92,532	(20,164)	202,135
100% ratio analysis*															
Claims ratio (%)	43.1	50.4	58.5	–	46.9	36.5	54.3	45.0	–	42.9	38.4	57.4	39.1	–	44.2
Expense ratio (%)	47.8	40.6	23.3	–	43.0	52.9	40.5	24.8	–	45.5	53.5	42.3	26.5	–	46.6
Combined ratio excluding foreign exchange impact (%)	90.9	91.0	81.8	–	89.9	89.4	94.8	69.8	–	88.4	91.9	99.7	65.6	–	90.8
Foreign exchange impact (%)	(0.3)	3.8	2.2	–	1.1	(5.3)	(9.5)	(13.8)	–	(7.7)	(3.8)	(8.7)	(11.9)	–	(6.4)
Combined ratio (%)†	90.6	94.8	84.0	–	91.0	84.1	85.3	56.0	–	80.7	88.1	91.0	53.7	–	84.4

*The Group's percentage participation in Syndicate 33 can fluctuate from year to year and consequently, presentation of the ratios at the 100% level removes any distortions arising therefrom.

†The combined ratio is made up of the aggregation of the claims ratio, the expense ratio and the impact of foreign exchange. The claims ratio is calculated as claims and claim adjustment expenses, net of reinsurance, as a proportion of net premiums earned. The expense ratio is calculated as the total of expenses for the acquisition of insurance contracts, and operational expenses as a proportion of net premiums earned. The foreign exchange impact ratio is calculated as the foreign exchange gains or losses as a proportion of net premiums earned. All ratios are calculated using the 100% results. Costs allocated to the Corporate Centre are non-underwriting related costs and are not included within the combined ratio.

The tables presented below contain the net earned premium, claims, expenses and foreign exchange items at 100% ownership, to enable calculation of the underlying ratios included in the operating segments.

	Six months to 30 June 2017					Six months to 30 June 2016					Year to 31 December 2016				
	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000	Hiscox Retail £000	Hiscox London Market £000	Hiscox Re & ILS £000	Corporate Centre £000	Total £000
Net premiums earned	616,856	286,680	118,514	–	1,022,050	483,613	246,989	113,409	–	844,011	1,046,338	550,229	242,462	–	1,839,529
Claims and claim adjustment expenses, net of reinsurance	(265,757)	(144,377)	(69,336)	–	(479,470)	(176,779)	(134,091)	(51,083)	–	(361,953)	(402,508)	(315,951)	(94,819)	–	(813,278)
Expenses for the acquisition of insurance contracts	(147,272)	(83,228)	(4,300)	–	(234,800)	(124,671)	(75,236)	(4,652)	–	(204,559)	(270,986)	(165,131)	(10,337)	–	(446,454)
Operational expenses	(147,860)	(33,056)	(23,270)	–	(204,186)	(131,198)	(24,735)	(23,479)	–	(179,412)	(289,028)	(67,376)	(54,015)	–	(410,419)
Foreign exchange gains/(losses)	1,807	(10,919)	(2,641)	–	(11,753)	25,825	23,412	15,673	–	64,910	40,115	48,101	28,927	–	117,143

Notes to the condensed consolidated interim financial statements

continued

9 Net asset value per share

	30 June 2017		30 June 2016		31 Dec 2016	
	Net asset value (total equity) £000	NAV per share pence	Net asset value (total equity) £000	NAV per share pence	Net asset value (total equity) £000	NAV per share pence
Net asset value	1,858,843	657.7	1,667,703	591.7	1,818,403	649.9
Net tangible asset value	1,726,781	611.0	1,537,050	545.3	1,694,679	605.7

The net asset value per share is based on 282,632,166 shares (30 June 2016: 281,862,040; 31 December 2016: 279,805,393), being the shares in issue at 30 June, less those held in treasury and those held by the Group Employee Benefit Trust. Net tangible assets comprise total equity excluding intangible assets.

10 Return on equity

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Profit for the period	97,907	197,626	336,986
Opening total equity	1,818,403	1,528,829	1,528,829
Adjusted for the time weighted impact of capital distributions and issuance of shares	(2,407)	(38,154)	(60,742)
Adjusted opening total equity	1,815,996	1,490,675	1,468,087
Annualised return on equity (%)	11.1	28.3	23.0

The return on equity is calculated by using profit for the period divided by the adjusted opening total equity. The adjusted opening total equity represents the equity on 1 January of the relevant year as adjusted for time weighted aspects of capital distributions and issuing of shares or treasury share purchases during the period. The time weighted positions are calculated on a daily basis with reference to the proportion of time from the transaction to the end of the period. The Group annualise the ROE by using a standard compound formula for the half year periods, being the profit for the period divided by the adjusted opening total equity, to the power of two to annualise for a full year comparison.

11 Investment result

i) Analysis of investment result

The total investment result for the Group before taxation comprises:

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Investment income including interest receivable	30,435	23,280	54,789
Net realised (losses)/gains on financial investments at fair value through profit or loss	(3,078)	325	6,416
Net fair value gains on financial investments at fair value through profit or loss	23,169	18,353	13,631
Investment result – financial assets	50,526	41,958	74,836
Fair value (losses)/gains on derivative financial instruments	(1,569)	(2,051)	155
Total result	48,957	39,907	74,991

Investment expenses are presented within other expenses (note 12).

ii) Annualised investment return

	Six months to 30 June 2017		Six months to 30 June 2016		Year to 31 Dec 2016	
	Return £000	Yield %	Return £000	Yield %	Return £000	Yield %
Debt and fixed income securities	25,480	1.5	43,581	3.2	55,709	1.9
Equities and shares in unit trusts	23,607	15.7	(2,737)	(2.0)	17,246	6.2
Deposits with credit institutions/cash and cash equivalents	1,439	0.4	1,114	0.3	1,881	0.3
	50,526	2.3	41,958	2.3	74,836	1.9
Weighted average assets (£m)	4,454		3,629		4,041	

12 Other income and operational expenses

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Agency related income	8,740	6,443	11,743
Profit commission	2,820	6,189	11,720
Other underwriting income	1,083	2,986	3,666
Other income	9,311	2,931	10,465
Other income	21,954	18,549	37,594
Wages and salaries	65,561	65,947	145,997
Social security costs	10,147	9,487	23,288
Pension cost – defined contribution	4,813	3,775	8,243
Pension cost – defined benefit	–	80	172
Share-based payments	13,648	10,669	26,274
Marketing expenses	25,349	23,130	42,051
Investment expenses	2,428	1,825	4,361
Depreciation, amortisation and impairment	9,599	7,299	28,162
Other expenses	72,673	54,217	137,171
Operational expenses	204,218	176,429	415,719

Wages and salaries have been shown net of transfers to acquisition and claims expenses.

Other expenses include, but are not limited to, legal and professional costs, computer costs, contractor-based costs and property costs. None of the items are individually material.

13 Finance costs

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Interest charge associated with long-term debt	8,353	8,399	16,844
Interest and expenses associated with bank borrowing facilities	898	839	1,703
Interest and charges associated with Letters of Credit	261	311	580
Interest charges on experience account	370	657	1,139
	9,882	10,206	20,266

As at 30 June 2017, the total amount drawn by way of Letter of Credit to support the Funds at Lloyd's requirement was \$10.0 million (30 June 2016: \$10.0 million, 31 December 2016: \$10.0 million).

14 Tax expense

The Company and its subsidiaries are subject to enacted tax laws in the jurisdictions in which they are incorporated and domiciled. The amounts charged in the condensed consolidated income statement comprise the following:

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Current tax			
Expense for the year	10,556	14,618	32,240
Adjustments in respect of prior years	(325)	(1,279)	(5,010)
Total current tax	10,231	13,339	27,230
Deferred tax			
Credit for the year	(5,830)	(5,140)	(5,055)
Adjustments in respect of prior years	315	196	(3,786)
Effect of rate change	–	–	(832)
Total deferred tax	(5,515)	(4,944)	(9,673)
Total tax charged to the income statement	4,716	8,395	17,557

The Group records its income tax expense based on the expected effective rate for the full year.

Notes to the condensed consolidated interim financial statements

continued

15 Insurance liabilities and reinsurance assets

	30 June 2017 £000	30 June 2016 £000	31 Dec 2016 £000
Gross			
Claims and claim adjustment expenses outstanding	2,578,583	2,280,309	2,565,824
Unearned premiums	1,472,828	1,338,572	1,287,152
Total insurance liabilities, gross	4,051,411	3,618,881	3,852,976
Recoverable from reinsurers			
Claims and claim adjustment expenses outstanding	530,733	454,270	543,115
Unearned premiums	394,656	339,336	262,534
Total reinsurers' share of insurance liabilities	925,389	793,606	805,649
Net			
Claims and claim adjustment expenses outstanding	2,047,850	1,826,039	2,022,709
Unearned premiums	1,078,172	999,236	1,024,618
Total insurance liabilities, net	3,126,022	2,825,275	3,047,327

Net claims and claim adjustment expenses include releases of £96.1 million (30 June 2016: £96.1 million; 31 December 2016: £212.9 million) of reserves established in prior reporting periods.

The development of net claims reserves by accident years are detailed below:

Insurance claims and claims expenses reserves – net at 100%

Accident year ending 31 December**	2008 £000	2009 £000	2010 £000	2011 £000	2012 £000	2013 £000	2014 £000	2015 £000	2016 £000	2017 £000	Total £000
Estimate of ultimate claims costs as adjusted for foreign exchange*:											
at end of accident year**	894,635	785,227	927,802	1,158,193	917,051	870,342	903,661	961,467	1,123,423	586,216	9,128,017
one period later**	795,286	651,426	808,229	1,068,836	806,156	769,424	786,891	884,092	1,065,854	–	7,636,194
two periods later**	793,442	620,960	761,569	1,025,160	747,003	690,527	716,433	854,090	–	–	6,209,184
three periods later**	746,317	623,804	741,513	1,023,186	720,972	640,219	701,652	–	–	–	5,197,663
four periods later**	710,614	612,821	718,384	1,016,446	714,647	640,512	–	–	–	–	4,413,424
five periods later**	697,281	610,038	714,352	978,314	707,617	–	–	–	–	–	3,707,602
six periods later**	688,487	597,092	691,657	970,303	–	–	–	–	–	–	2,947,539
seven periods later**	673,838	594,610	692,287	–	–	–	–	–	–	–	1,960,735
eight periods later**	666,210	590,301	–	–	–	–	–	–	–	–	1,256,511
nine periods later**	661,100	–	–	–	–	–	–	–	–	–	661,100
Current estimate of cumulative claims	661,100	590,301	692,287	970,303	707,617	640,512	701,652	854,090	1,065,854	586,216	7,469,932
Cumulative payments to date	(639,982)	(539,468)	(630,661)	(867,272)	(564,655)	(531,903)	(499,235)	(469,033)	(402,073)	(121,987)	(5,266,269)
Liability recognised at 100% level	21,118	50,833	61,626	103,031	142,962	108,609	202,417	385,057	663,781	464,229	2,203,663
Liability recognised in respect of prior accident years at 100% level											130,815
Total net liability to external parties at 100% level											2,334,478

*The foreign exchange adjustment arises from the retranslation of the estimates at each date using the exchange rate ruling at 30 June 2017.

**With the exception of the most recent development data for each accident year, which only relates to the six months ending 30 June 2017, the term period refers to one full calendar year.

15 Insurance liabilities and reinsurance assets continued

Reconciliation of 100% disclosures above to Group's share - net

Accident year	2008 £000	2009 £000	2010 £000	2011 £000	2012 £000	2013 £000	2014 £000	2015 £000	2016 £000	2017 £000	Total £000
Current estimate of cumulative claims	661,100	590,301	692,287	970,303	707,617	640,512	701,652	854,090	1,065,854	586,216	7,469,932
Less: attributable to external Names	(119,360)	(97,418)	(99,242)	(132,460)	(77,022)	(65,840)	(75,097)	(91,183)	(106,932)	(52,459)	(917,013)
Group share of current ultimate claims estimate	541,740	492,883	593,045	837,843	630,595	574,672	626,555	762,907	958,922	533,757	6,552,919
Cumulative payments to date	(639,982)	(539,468)	(630,661)	(867,272)	(564,655)	(531,903)	(499,235)	(469,033)	(402,073)	(121,987)	(5,266,269)
Less: attributable to external Names	116,028	88,218	86,973	115,384	58,311	54,538	51,480	46,658	36,481	8,867	662,938
Group share of cumulative payments	(523,954)	(451,250)	(543,688)	(751,888)	(506,344)	(477,365)	(447,755)	(422,375)	(365,592)	(113,120)	(4,603,331)
Liability for 2008 to 2017 accident years recognised on Group's balance sheet	17,786	41,633	49,357	85,955	124,251	97,307	178,800	340,532	593,330	420,637	1,949,588
Liability for accident years before 2008 recognised on Group's balance sheet											98,262
Total Group liability to external parties included in the balance sheet, net[†]											2,047,850

[†]This represents the claims element of the Group's insurance liabilities and reinsurance assets.

16 Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held in treasury as own shares.

	Six months to 30 June 2017	Six months to 30 June 2016	Year to 31 Dec 2016
Profit for the period attributable to owners of the Company (£000)	97,907	197,626	336,986
Weighted average number of ordinary shares in issue (thousands)	280,445	280,835	281,175
Basic earnings per share (pence per share)	34.9p	70.4p	119.8p

Diluted

Diluted earnings per share is calculated by adjusting the assumed conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, share options and awards. For the share options, a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Six months to 30 June 2017	Six months to 30 June 2016	Year to 31 Dec 2016
Profit for the period attributable to owners of the Company (£000)	97,907	197,626	336,986
Weighted average number of ordinary shares in issue (thousands)	280,445	280,835	281,175
Adjustment for share options (thousands)	8,477	8,824	9,402
Weighted average number of ordinary shares for diluted earnings per share (thousands)	288,922	289,659	290,577
Diluted earnings per share (pence per share)	33.9p	68.2p	116.0p

Diluted earnings per share has been calculated after taking account of outstanding options and awards under employee share option and performance plan schemes and also options under save as you earn schemes.

Notes to the condensed consolidated interim financial statements

continued

17 Dividends paid to owners of the Company

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Final dividend for the year ended:			
31 December 2016 of 19.0p (net) per share	54,283	–	–
Second interim dividend for the year ended:			
31 December 2015 of 32.0p (net) per share	–	89,674	89,674
Interim dividend for the year ended:			
31 December 2016 of 8.5p (net) per share	–	–	24,260
	54,283	89,674	113,934

The final dividend for the year ended 31 December 2016 was paid in cash of £51,247,000 and 251,000 shares for the scrip dividend. The interim dividend for the year ended 31 December 2016 was paid in cash of £22,983,000 and 119,302 shares for the scrip dividend.

An interim dividend of 9.5p (net) per ordinary share has been declared payable on 13 September 2017 to shareholders registered on 11 August 2017 in respect of the six months to 30 June 2017 (30 June 2016: 8.5p (net) per ordinary share). A scrip dividend alternative will be offered to the owners of the Company. The dividend was declared in Bermuda on 28 July 2017 and accordingly has not been included as a distribution or liability in this interim consolidated financial information in accordance with IAS 10 Events after the balance sheet date.

18 Financial assets and liabilities

i) Analysis of financial assets carried at fair value

	30 June 2017 £000	30 June 2016 £000	31 Dec 2016 £000
Debt and fixed income securities	3,308,379	2,980,654	3,414,949
Equities and shares in unit trusts	325,685	270,669	305,342
Deposits with credit institutions	10,574	9,051	24,592
Total investments	3,644,638	3,260,374	3,744,883
Insurance linked fund	45,181	44,983	46,821
Derivative financial instruments	119	455	329
Total financial assets carried at fair value	3,689,938	3,305,812	3,792,033

ii) Analysis of financial liabilities carried at fair value

	30 June 2017 £000	30 June 2016 £000	31 Dec 2016 £000
Derivative financial instruments	145	761	474
Total financial liabilities carried at fair value	145	761	474

18 Financial assets and liabilities continued

iii) Analysis of financial liabilities carried at amortised cost

	30 June 2017 £000	30 June 2016 £000	31 Dec 2016 £000
Long-term debt	274,074	273,964	274,019
Accrued interest on long-term debt	10,152	10,152	1,800
Total financial liabilities carried at amortised cost	284,226	284,116	275,819

All of the financial liabilities carried at amortised cost are due after one year.

iv) Investment and cash allocation

	30 June 2017		30 June 2016		31 Dec 2016	
	£000	%	£000	%	£000	%
Debt and fixed income securities	3,308,379	74.9	2,980,654	75.5	3,414,949	77.5
Equities and shares in unit trusts	325,685	7.4	270,669	6.9	305,342	6.9
Deposits with credit institutions/cash and cash equivalents	781,145	17.7	694,910	17.6	689,408	15.6
Total	4,415,209		3,946,233		4,409,699	

On 24 November 2015, the Group issued £275.0 million 6.125% fixed-to-floating rate callable subordinated notes due 2045, with a first call date of 2025.

The notes bear interest from and including 24 November 2015 at a fixed rate of 6.125% per annum annually in arrears starting 24 November 2016 up until the first call date in November 2025, and thereafter at a floating rate of interest equal to three-month LIBOR plus 5.076% payable quarterly in arrears on each floating interest payment date. The Group will be exposed to interest rate risk on its long-term debt.

On 25 November 2015 the notes were admitted for trading on the London Stock Exchange's regulated market. The notes were rated BBB- by S&P as well as by Fitch.

The interest accrued on the long-term debt was £10.2 million at the balance sheet date (30 June 2016: £10.2 million; 31 December 2016: £1.8 million) and is included in financial liabilities.

v) Investment and cash allocation by currency

	30 June 2017 %	30 June 2016 %	31 Dec 2016 %
Sterling	22.2	24.0	23.1
US Dollars	65.1	61.9	64.7
Euro and other currencies	12.7	14.1	12.2

Notes to the condensed consolidated interim financial statements

continued

19 Fair value measurements

In accordance with IFRS 13 Fair Value Measurement, the fair value of financial instruments based on a three-level fair value hierarchy that reflects the significance of the inputs used in measuring the fair value is set out below:

As at 30 June 2017	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets				
Debt and fixed income securities	986,043	2,322,336	–	3,308,379
Equities and shares in unit trusts	–	314,382	11,303	325,685
Deposits with credit institutions	10,574	–	–	10,574
Insurance linked fund	–	–	45,181	45,181
Derivative financial instruments	–	119	–	119
Total	996,617	2,636,837	56,484	3,689,938
Financial liabilities				
Derivative financial instruments	–	145	–	145
Total	–	145	–	145

As at 30 June 2016	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets				
Debt and fixed income securities	800,260	2,180,394	–	2,980,654
Equities and shares in unit trusts	–	258,216	12,453	270,669
Deposits with credit institutions	9,051	–	–	9,051
Insurance linked fund	–	–	44,983	44,983
Derivative financial instruments	–	455	–	455
Total	809,311	2,439,065	57,436	3,305,812
Financial liabilities				
Derivative financial instruments	–	761	–	761
Total	–	761	–	761

As at 31 December 2016	Level 1 £000	Level 2 £000	Level 3 £000	Total £000
Financial assets				
Debt and fixed income securities	1,005,111	2,409,838	–	3,414,949
Equities and shares in unit trusts	–	293,187	12,155	305,342
Deposits with credit institutions	24,592	–	–	24,592
Insurance linked fund	–	–	46,821	46,821
Derivative financial instruments	–	329	–	329
Total	1,029,703	2,703,354	58,976	3,792,033
Financial liabilities				
Derivative financial instruments	–	474	–	474
Total	–	474	–	474

The levels of the fair value hierarchy are defined by the standard as follows:

- Level 1 – fair values measured using quoted prices (unadjusted) in active markets for identical instruments;
- Level 2 – fair values measured using directly or indirectly observable inputs or other similar valuation techniques for which all significant inputs are based on market observable data;
- Level 3 – fair values measured using valuation techniques for which significant inputs are not based on market observable data.

19 Fair value measurements continued

The fair values of the Group's financial assets are based on prices provided by investment managers who obtain market data from numerous independent pricing services. The pricing services used by the investment managers obtain actual transaction prices for securities that have quoted prices in active markets. For those securities which are not actively traded, the pricing services use common market valuation pricing models. Observable inputs used in common market valuation pricing models include, but are not limited to, broker quotes, credit ratings, interest rates and yield curves, prepayment speeds, default rates and other such inputs which are available from market sources.

Investments in mutual funds, which are included in equities and shares in unit trusts, comprise a portfolio of stock investments in trading entities which are invested in various quoted investments. The fair value of shares in unit trusts are based on the net asset value of the fund reported by independent pricing sources or the fund manager.

Included within Level 1 of the fair value hierarchy are certain government bonds, treasury bills, long-term debt and exchange traded equities which are measured based on quoted prices in active markets.

Level 2 of the hierarchy contains certain government bonds, US government agencies, corporate securities, asset backed securities and mortgage backed securities. The fair value of these assets are based on the prices obtained from both investment managers and investment custodians as discussed above. The Group records the unadjusted price provided and validates the price through a number of methods including a comparison of the prices provided by the investment managers with the investment custodians and the valuation used by external parties to derive fair value. Quoted prices for US government agencies and corporate securities are based on a limited number of transactions for those securities and as such the Group considers these instruments to have similar characteristics as those instruments classified as Level 2. Also included within Level 2 are units held in traditional long funds and long and short special funds and over the counter derivatives.

Level 3 contains investments in a limited partnership and unquoted equity securities and an insurance linked fund which have limited observable inputs on which to measure fair value. Unquoted equities, including equity instruments in limited partnerships, are carried at fair value. Fair value is determined to be net asset value for the limited partnerships, and for the equity holdings it is determined to be the latest available traded price. The effect of changing one or more of the inputs used in the measurement of fair value of these instruments to another reasonably possible assumption would not be significant. At 30 June 2017, the insurance linked fund of £45,181,000 (30 June 2016: £44,983,000; 31 December 2016: £46,821,000) represents the Group's investment in Kiskadee Funds.

The fair value of the Kiskadee Funds is estimated to be the net asset value as at the balance sheet date. The net asset value is based on the fair value of the assets and liabilities in the Funds. Significant inputs and assumptions in calculating the fair value of the assets and liabilities associated with reinsurance contracts written by the Kiskadee Funds include the amount and timing of claims payable in respect of claims incurred and periods of unexpired risk. The Group has considered changes in the net asset valuation of the Kiskadee Funds if reasonably different inputs and assumptions were used and has found no significant changes in the valuation.

In certain cases, the inputs used to measure the fair value of a financial instrument may fall into more than one level within the fair value hierarchy. In this instance, the fair value of the instrument in its entirety is classified based on the lowest level of input that is significant to the fair value measurement.

During the period, there were no significant transfers made between Level 1, Level 2 or Level 3 of the fair value hierarchy.

The following table sets forth a reconciliation of opening and closing balances for financial instruments classified under Level 3 of the fair value hierarchy:

30 June 2017	Financial assets		
	Equities and shares in unit trusts £000	Insurance linked fund £000	Total £000
Balance at 1 January	12,155	46,821	58,976
Fair value gains or (losses) through profit or loss	(175)	1,083	908
Foreign exchange gains and (losses)	(119)	(2,279)	(2,398)
Purchases	215	4,000	4,215
Settlements	(773)	(4,444)	(5,217)
Closing balance	11,303	45,181	56,484
Unrealised gains and (losses) in the period on securities held at the end of the period	(246)	1,083	837

Notes to the condensed consolidated interim financial statements

continued

19 Fair value measurements continued

30 June 2016	Financial assets		
	Equities and shares in unit trusts £000	Insurance linked fund £000	Total £000
Balance at 1 January	13,640	40,045	53,685
Fair value gains or (losses) through profit or loss	(603)	979	376
Foreign exchange gains and (losses)	334	3,959	4,293
Purchases	652	–	652
Settlements	(1,570)	–	(1,570)
Closing balance	12,453	44,983	57,436
Unrealised gains and (losses) in the period on securities held at the end of the period	(645)	979	334

20 Impact of foreign exchange related items

The net foreign exchange (losses)/gains for the year include the following amounts:

	Six months to 30 June 2017 £000	Six months to 30 June 2016 £000	Year to 31 Dec 2016 £000
Exchange (losses)/gains recognised in the consolidated income statement	(30,871)	87,323	152,408
Exchange (losses)/gains classified as a separate component of equity	(23,979)	56,383	111,094
Overall impact of foreign exchange related items on net assets	(54,850)	143,706	263,502

The above excludes profit or losses on foreign exchange derivative contracts which are included within the investment result.

21 Condensed consolidated interim cash flow statement

The purchase, maturity and disposal of financial assets and liabilities, including derivatives, is part of the Group's insurance activities and is therefore classified as an operating cash flow.

Included within cash and cash equivalents held by the Group are balances totalling £134 million (30 June 2016: £162 million; 31 December 2016: £136 million) not available for use by the Group outside of the Lloyd's Syndicates within which they are held. Additionally, £39 million (30 June 2016: £76 million; 31 December 2016: £38 million) is pledged cash against Funds at Lloyd's, and £8 million (30 June 2016: £8 million; 31 December 2016: £13 million) is held within trust funds against reinsurance arrangements.

Directors' responsibilities statement

The Directors confirm, to the best of our knowledge, that the Chairman's statement and condensed consolidated interim financial statements have been prepared in accordance with IAS 34 as adopted by the European Union and the Interim Statement includes a fair review of the information required by sections 4.2.7R and 4.2.8R of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority, being:

- 1. an indication of important events during the first six months of the current financial year and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
- 2. related-party transactions that have taken place in the first six months of the current year and that have materially affected the consolidated financial position or performance of Hiscox Ltd during that period, and any changes in the related party transactions described in the last annual report that could have such a material effect.

The individuals responsible for authorising the responsibility statement on behalf of the Board are the Chief Executive, B E Masojada and the Chairman, R S Childs. Accordingly the Half Yearly Report to the London Stock Exchange was approved for issue on Monday, 31 July 2017 following receipt of confirmation from the auditors that they had reviewed the final content.

Independent review report to Hiscox Ltd

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Hiscox Ltd's condensed consolidated interim financial statements, defined below, in the Interim Statement 2017 of Hiscox Ltd for the six-month period ended 30 June 2017. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The condensed consolidated interim financial statements comprise:

- the condensed consolidated interim income statement for the six-month period ended 30 June 2017;
- the condensed consolidated interim statement of comprehensive income for the six-month period ended 30 June 2017;
- the condensed consolidated interim balance sheet as at 30 June 2017;
- the condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2017;
- the condensed consolidated interim cash flow statement for the six-month period ended 30 June 2017; and
- the notes to the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements included in the Interim Statement 2017 have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 to the condensed consolidated interim financial statements, the financial reporting framework that has been applied in the preparation of the full consolidated financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the condensed consolidated interim financial statements and the review

Our responsibilities and those of the Directors

The Interim Statement 2017, including the condensed consolidated interim financial statements, is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the condensed consolidated interim statement in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. Our responsibility is to express a conclusion on the condensed consolidated interim financial statements in the Interim Statement 2017 based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the International Auditing and Assurance Standards Board. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Interim Statement 2017 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated interim financial statements.

PricewaterhouseCoopers Ltd.
Chartered Professional Accountants
Hamilton, Bermuda
31 July 2017

- a) The maintenance and integrity of the Hiscox Ltd website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the condensed consolidated interim financial statements since they were initially presented on the website.
- b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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