THE Ardonagh GROUP

FULL YEAR 2018 RESULTS

8th April 2018

Disclaimer

This presentation (the "Presentation") has been prepared by The Ardonagh Group Limited ("Ardonagh" or "the Group") and is its sole responsibility. For purposes hereof, the Presentation shall mean and include the slides that follow, any oral presentation by Ardonagh or any person on its behalf, any question-and-answer session that may follow the oral presentation, and any materials distributed at, or in connection with, any of the above.

The information contained in the Presentation has not been independently verified and some of the information is in summary form. No representation or warranty, express or implied, is or will be made by any person as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information or opinions expressed in the Presentation. No responsibility or liability other than that implied by law is or will be accepted by Ardonagh, its shareholders, subsidiaries or affiliates or by any of their respective officers, Directors, employees or agents for any loss howsoever arising, directly or indirectly, from any use of the Presentation or its contents or attendance at any presentation. Or question-and-answer session in relation or in connection with this document.

Ardonagh cautions that the Presentation may contain forward looking statements in relation to certain of Ardonagh's business, plans and current goals and expectations, including, but not limited to, its future financial condition, performance and results. These forward looking statements can be identified by the use of forward looking terminology, including the words "aims", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "predicts", "assumes", "shall", "continue" or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. By their very nature, all forward looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Ardonagh's control, including but not limited to insurance pricing, interest and exchange rates, inflation, competition and market structure, acquisitions and disposals, and regulation, tax and other legislative changes in those jurisdictions in which Ardonagh, its subsidiaries and affiliates operate. As a result, Ardonagh's actual future financial condition, performance and results of operations may differ materially from the plans, goals and expectations set out in any forward looking statement made by Ardonagh. All subsequent written or oral forward looking statements attributable to Ardonagh or to persons acting on its behalf should be interpreted as being qualified by the cautionary statements included herein. As a result, undue reliance on these forward looking statements should not be placed.

The information and opinions contained in the Presentation have not been audited or necessarily prepared in accordance with international financial reporting standards and are subject to change without notice. The financial results in this document and the Presentation include certain financial measures and ratios, including EBITDA, Adjusted EBITDA, Pro Forma Adjusted EBITDA, Organic growth and certain other related measures that are not presented in accordance with IFRS and are unaudited. These measures may not be comparable to those of other companies. Reference to these non-IFRS financial measures should be considered in addition to IFRS financial measures, but should not be considered a substitute for results that are presented in accordance with IFRS.

The information contained in the Presentation, including but not limited to any forward-looking statements, is provided as of the date hereof and is not intended to give any assurance as to future results. No person is under the obligation to update, complete, revise or keep current the information contained in the Presentation, whether as a result of new information, future events or results or otherwise. The information contained in the Presentation may be subject to change without notice and should not be relied on for any purpose.

The Presentation is solely for informational purposes and does not constitute or form part of, and should not be construed as, an offer to sell or issue securities or otherwise constitute an invitation or inducement to any person to purchase, underwrite, subscribe to or otherwise acquire securities in Ardonagh or any of its subsidiaries nor does it constitute an invitation or inducement to engage in investment activity under section 21 of the Financial Services and Markets Act 2000 ("FSMA"). The Presentation does not constitute an invitation to effect any transaction with Ardonagh or to make use of any services provided by Ardonagh.

The distribution of the Presentation in certain jurisdictions may be restricted by law. Recipients of the Presentation should inform themselves about and observe such restrictions. Ardonagh disclaims any liability for the distribution of the Presentation by any of its recipients. This document is for distribution only in the United Kingdom and the Presentation is being made only in the United Kingdom to persons falling within Articles 19, 43, 47 and 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended), to persons who have professional experience in matters relating to investments or to persons in the United Kingdom to whom this document may otherwise be lawfully distributed. This document is being supplied and the Presentation made to you solely in that capacity for your information. This document may not be reproduced, redistributed or passed on to any other person, nor may it be published in whole or in part, for any purpose.

By accepting the Presentation, you agree and acknowledge (i) that the Presentation and its contents may contain proprietary information belonging to Ardonagh and (ii) to be bound by the foregoing limitations, undertakings and restrictions.

1. Executive Summary

Presenters Today

David Ross
Ardonagh CEO

- Joined as CEO in November 2015 and commenced a three year process to create the market leading independent insurance distribution group in the UK after leading Towergate through a period of transformation which included stabilising people, financials, infrastructure and governance
- An Insead Alumnus and 25 year career at Arthur J Gallagher having started as a trainee and most recently appointed Chief Executive Officer in 2005 of the International Division, when the company underwent a defining period of growth and expansion

Diane Cougill
Ardonagh CFO

- Joined The Ardonagh Group in June 2018 as Chief Financial Officer
- Previously Chief Financial Officer and Insurance Director of the motoring and financial services group RAC from 2010 to 2017
- In her seven years at RAC she, alongside the Chief Executive Officer, sold the business out of Aviva to the Carlyle Group and more than doubled the enterprise value of the Group ahead of the eventual sale to GIC and CVC
- Member of the Institute of Chartered Accountants and previously held senior management roles at a number of financial and energy companies including Aviva and TXU

2018 Full Year Results Summary

The Ardonagh Group is now the largest independent insurance broker in the UK

Pro Forma Income[(1)]
£665m

Pro Forma Adj. EBITDA[(1)]
£187m

Largest independent insurance broker in UK, no balance sheet risk

Highly diversified by product, customer, channel and carrier

Organic income growth +2-3% for six consecutive quarters, since launch in mid 2017

Expanding margins as cost reduction opportunities realised +150bps[(2)] vs. prior year

Free Cash Flow breakeven in H2 2018, post all investment, interest and disposal proceeds[(3)]

More than £3bn premium and 4m policies under management

70% of 5,900 employees are income generating

Portfolio of more than 20 leading insurance brands

Around 160 locations across the UK and internationally, including Swinton

1) Pro forma for all material acquisitions and disposals including; acquisition of Swinton, disposal of Commercial MGA, disposal of Claims business, acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019), and for annualisation of cost savings from completed actions and actions expected to be completed during 2019

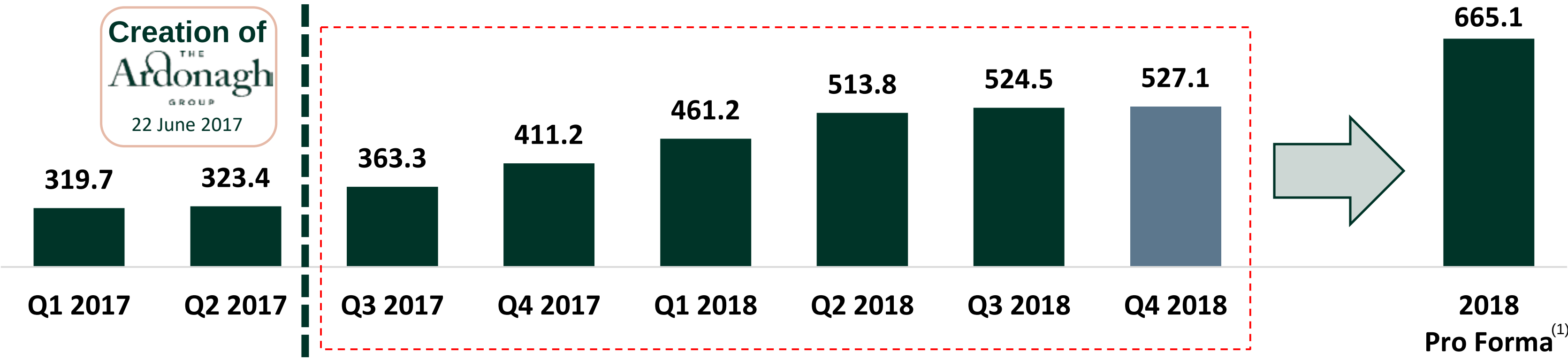
2) Reported result vs. reported result prior year and only includes acquisitions or disposals from the date of completion

3) Free Cash Flow defined as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows

6 Quarters of Growth, Increasing Margins and Improving Cash Flow

Steady growth in income and improvement in margins and cash flow.
Stable margins over recent quarters despite MGA underperformance

Ardonagh Total Income LTM (£ millions)



Adj EBITDA Margin LTM (%)

Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	2018 Pro Forma
17%	*18%*	*18%*	*19%*	*21%*	*21%*	*21%*	*21%*	*28%* [1]

Free Cash Flow[2] (£ millions)

H2'17: (44.8) [3]   *H1'18: (19.5)*   *H2'18: +6.2*

1) Pro forma for all material acquisitions and disposals including; acquisition of Swinton, disposal of Commercial MGA, disposal of Claims business, acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019), and for annualisation of cost savings from completed actions and actions expected to be completed during 2019

2) Free Cash Flow defined as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows; Interest paid in Q1 and Q3 each year

3) Adjusted for pro forma interest of £33.6m as no interest on SSN issued June'17 paid in 2017

The Ardonagh Group

Ardonagh Investment Highlights

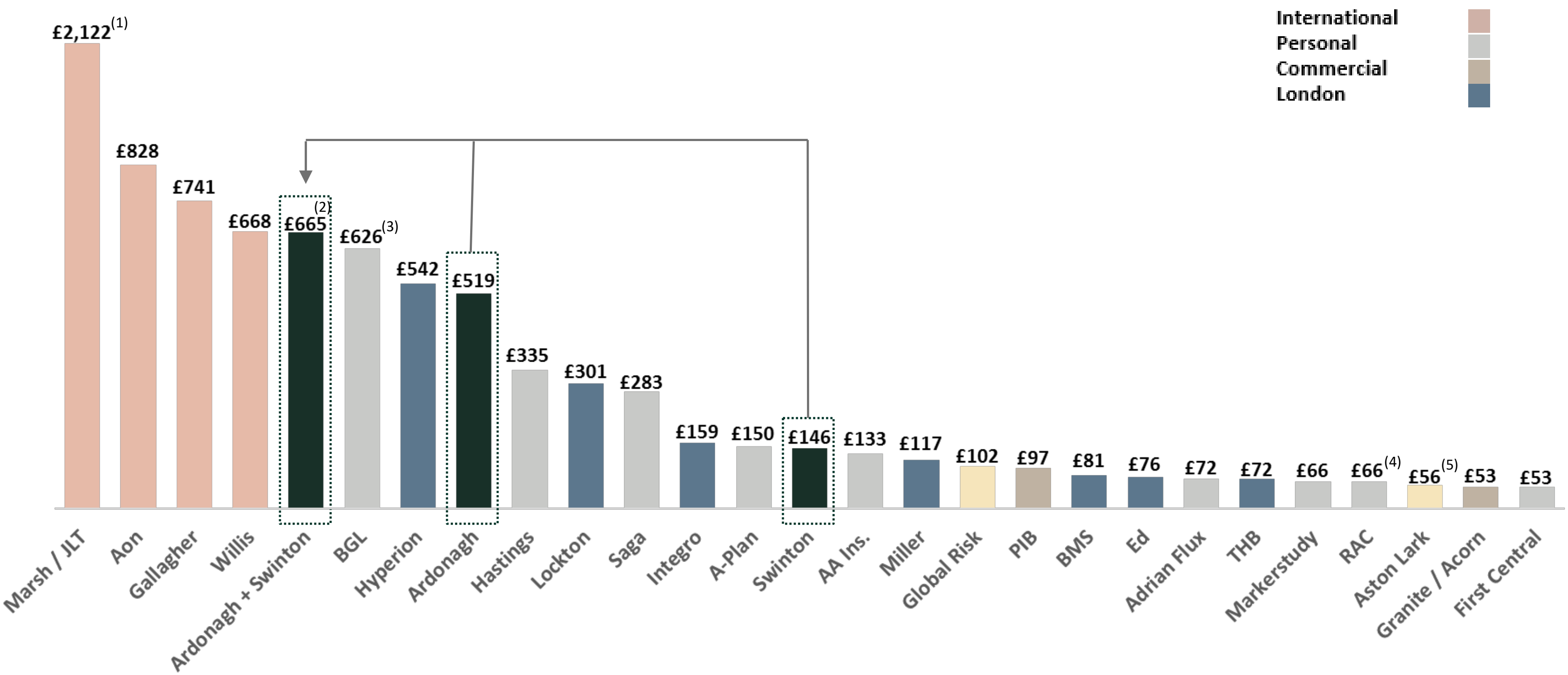
1. Largest Independent Insurance Broker in the UK
2. Diversified, Resilient Earnings Base
3. Market Leader in Numerous Specialist Niches
4. Growing, Cash Generative Business Model
5. Highly Experienced Management Team

1

Largest Independent Insurance Broker in the UK

Unique leading position in the UK market – scale, independence and diversification

(£ millions)



Source: IMAS Corporate Finance and Insurance Times Top 50 Brokers 2018

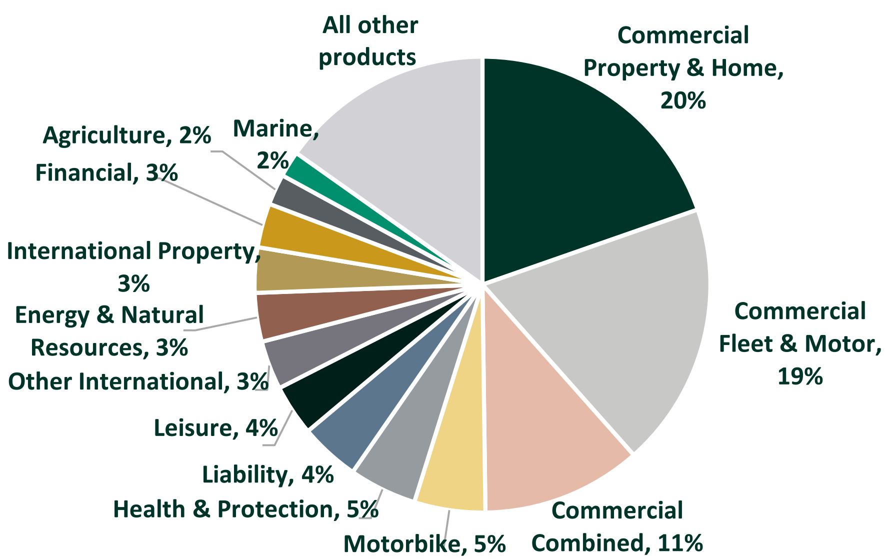
1) Income is pro forma for JLT acquisition
2) Pro forma for all material acquisitions and disposals including the acquisition of Nevada 3 Businesses (completed 31 Jan 2019)
3) Includes income from PCW operations
4) Based on 2017 Insurance Broking segment per 2017 Annual Report. Not included in Insurance Times Top 50
5) Income is pro forma for Lark Group acquisition

The Ardonagh Group

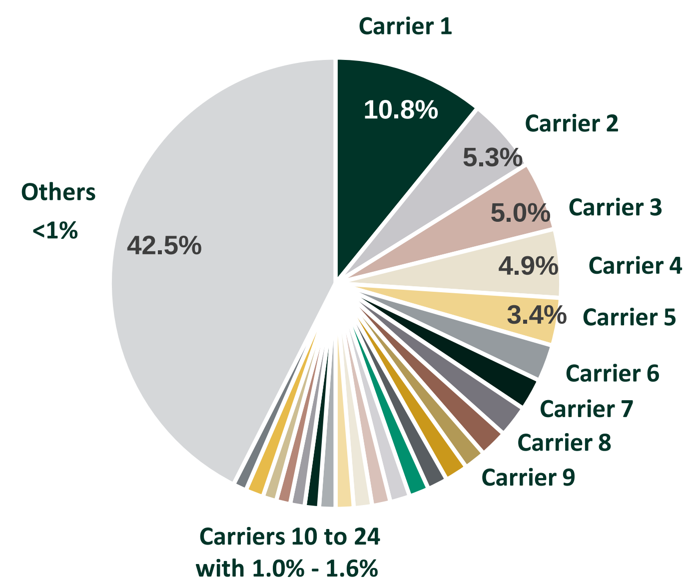
2 Diversified, Resilient Earnings Base

Highly diversified by market segment, product, customer, channel, carrier and income producer

2018 Income by Product Group[1]



2018 GWP Exposure by Carrier



- Highly diversified product portfolio significantly limits reliance on single markets / macro drivers
- Less than 1% of revenue from the EU and a new Brussels office being implemented in 2019

- Long standing partnership with key carriers (more than 10 years on average)
- Wholesale premium primarily driven through Lloyd's and spread across numerous syndicates

1) Pro forma for all material acquisitions and disposals including the acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019)

THE Ardonagh GROUP

3 Market Leader in Numerous Specialist Niches

Diverse portfolio of more than 20 market leading insurance brands, with extensive local footprint in specialist niches across the insurance value chain and entrenched relationships creating significant barriers to entry

Channels

Ardonagh Broking

A leading UK insurance broker with strong online presence, extensive local footprint and high margin specialist brands

Broking

Retail

Paymentshield

Ardonagh Specialty

International insurance and reinsurance broker with a diverse international income stream

Specialty & International

Ardonagh MGA

A leading MGA in the UK with a focus on niche and specialist business

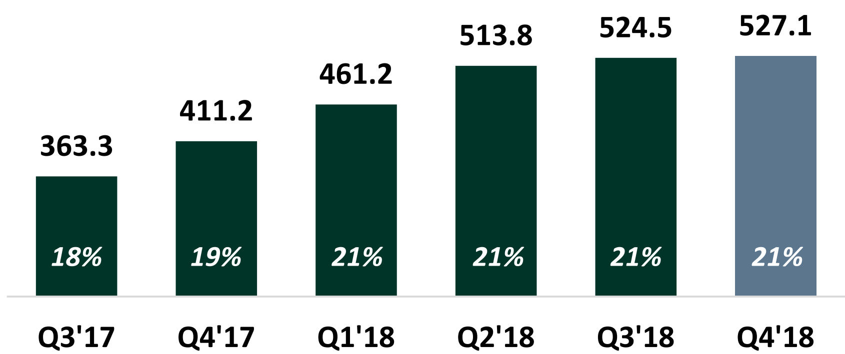
MGA

Schemes & Programmes

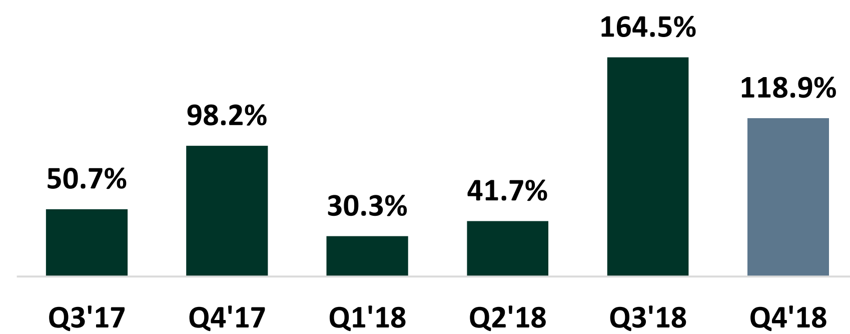
4 Growing, Cash Generative Business Model

Continued growth in each quarter since launch and significant improvement in cash generation as we near the end of our three year investment programme

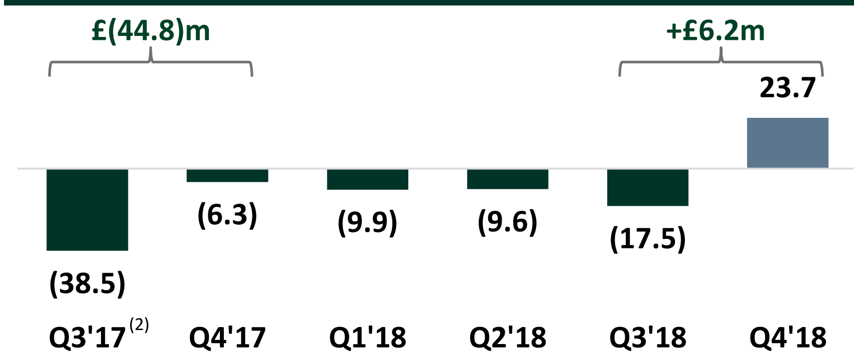
Total Income & Adj. EBITDA Margin LTM



Operating Cash Conversion (%)



Free Cash Flow[1] (£ millions)



- Operating Cash Conversion 80% for full year 2018 vs. 62% prior year
- Free Cash Flow +£6m for second half of 2018 vs. £(45)m for second half of prior year on a comparable basis

1) Free Cash Flow defined as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows; Interest paid in Q1 and Q3 each year
2) Adjusted for pro forma interest of £33.6m as no interest on SSN issued June'17 paid in 2017

THE Ardonagh GROUP

5 Highly Experienced Management Team

Highly Experienced Senior Management Team	Deep Bench of Revenue Producing Talent	Committed Operational Support Staff
Over 20 years, on average, combined experience across the entire insurance value chain	Specifically targeted for their entrepreneurial spirit and ability to drive sustainable revenue	Over 5,900 colleagues serving both businesses and individuals out of around 160 locations

Segment CEOs

Insurance Broking

Rob Worrell
+30 years

Retail (Autonet, Carole Nash & Swinton)

Ian Donaldson
+20 years

Paymentshield

Rob Evans
+20 years

Schemes & Programmes

Derek Coles
+25 years

MGA

Paul Dilley
+25 years

Specialty

Richard Ward
+20 years

3. Financial Overview

Ardonagh Group Financial Overview – FY 2018

Strong income and earnings growth,
driven by accretive M&A, underlying organic income growth of +2.5% and delivery of cost saving initiatives

	Reported Full Year Result[1]				Pro Forma for Completed Transactions	Pro Forma for all acquisitions and disposals
			Variance			
£m	2017	2018	£m	%	2018[2]	2018[3]
Income	**411.2**	**527.1**	**115.9**	**28.2%**	**647.0**	**665.1**
Staff Expenses	(224.5)	(277.5)	(53.0)	(23.6%)	(307.8)	(316.6)
Operating Expenses	(106.9)	(139.3)	(32.4)	(30.3%)	(193.1)	(198.2)
Adj. EBITDA	**79.8**	**110.3**	**30.5**	**38.2%**	**146.1**	**150.3**
Margin %	*19.4%*	*20.9%*	*150 bps*		*22.6%*	*22.6%*
Staff Costs as % of Income	*54.6%*	*52.7%*	*190 bps*		*47.6%*	*47.6%*
Op. Expenses as % of Income	*26.0%*	*26.4%*	*(40 bps)*		*29.8%*	*29.8%*
Pro Forma Cost Adjustments						36.2
Pro Forma Adj. EBITDA						**186.5**
Margin %						*28.0%*

1) Reported result includes acquisitions and disposals from the completion date
2) Pro Forma for Completed Transactions includes: acquisition of Swinton, disposal of Commercial MGA and disposal of Claims business, but excludes the acquisition of Nevada 3 Businesses (MHG, HIG, PfP)
3) Pro forma for the acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019)

THE Ardonagh GROUP

Ardonagh 2018 Financial Highlights

ORGANIC GROWTH	• **Organic income growth** +2.5% for full year 2018 - six consecutive quarters of organic growth • Significant improvement in **customer retention** - Insurance Broking +390bps, Schemes & Programmes +580bps • Strong **new business growth** across most segments - Autonet & Carole Nash +12.3%, Insurance Broking +5.9% • £34m investment in **new income producers** during 2017 and 2018, benefit starting to come through in Q4’18 • **Cross-selling** opportunities starting to gain traction
EBITDA QUALITY	• Delivery of £18m **cost savings** during 2018 and a further £36m cost savings clearly identified and in progress • Strong reported **Adj. EBITDA Margin increases** in all operating segments except MGA and Paymentshield (due to business mix) – Insurance Broking +530bps, Retail +500bps, Specialty +190bps, S&P +210bps • **Reduction in Pro Forma Adjustments** for cost savings (£36m in 2018 vs. £47m in 2017) • Majority of **cost programmes will be closed** during H1’19, with significant reduction in one-time spend
CASH	• Operating Cash Conversion 80% vs. 62% prior year • Free Cash Flow (incl disposals) +£6m H2 vs. £(45)m prior year(1) • Available Liquidity £216m vs. £133m prior year(2)
STRATEGIC	• Key business headwind addressed with sale of Commercial MGA • Disposal of non-core assets and proceeds re-invested in accretive income and cost initiatives • Accretive acquisitions of Swinton and Nevada 3 businesses completed 31 Dec’18 and 31 Jan’19 respectively, expected to be Free Cash Flow positive in 2019

1) Free Cash Flow defined as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows; Prior year adjusted for pro forma interest of £33.6m as no interest on SSN issued June’17 paid in 2017
2) Available Liquidity is defined as Available Cash plus Available RCF (see appendix for definitions)

Ardonagh Group Summary by Channel – FY 2018

Strong organic growth in Broking and Specialty, and margin increases across most segments driven by continued delivery of cost savings. MGA impacted by disposals and remediation actions during the year

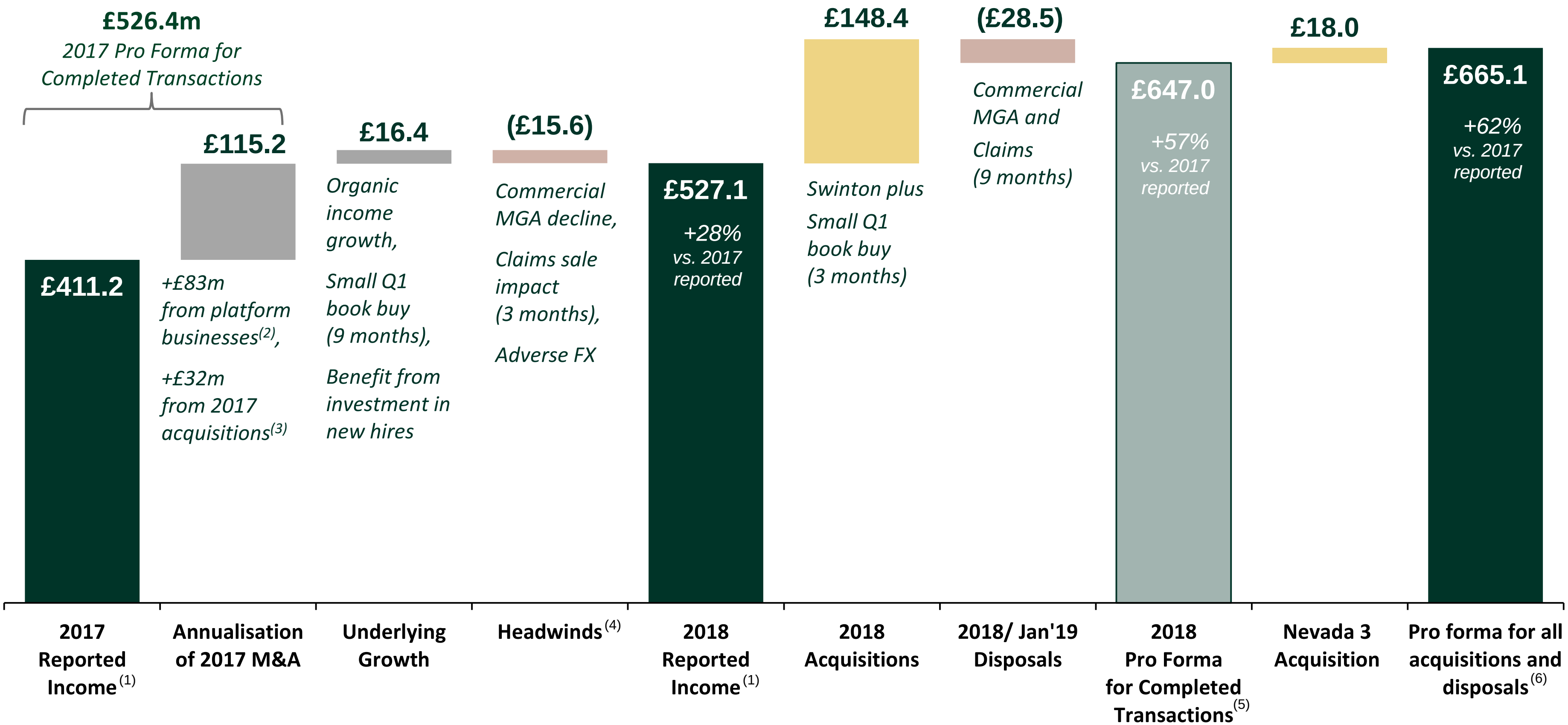
ARDONAGH BROKING **Income/Growth: £295m / +26%(1)** Adj. EBITDA%/Growth: 28% / +330bps(2)	• Includes **Insurance Broking**, **Retail** and **Paymentshield** segments • In **Insurance Broking**, 90%+ users are now on the new Acturis system, customer retention improved by +390bps and new business was up +5.9%. Margins increased +530bps driven by continued delivery of cost savings • **Retail** (Autonet & Carole Nash) delivered a strong performance in 2018, with good organic growth and an increasing number of policies under management, while integrating Carole Nash and delivering on synergy plans. Margins increased +500bps • Completed Swinton acquisition on 31 December 2018 • **Paymentshield** continued to grow total policies under management by +4.8%. Income adversely impacted by IFRS 15 accounting change and one-time reduction to profit share as weather related claims returned to normal levels after several benign years
ARDONAGH SPECIALTY **£95m / +103%(1)** 20% / +190bps(2)	• Strong performance across businesses in the Specialty distribution channel (**Specialty & International segment**) • Strong organic income growth +10.9%, driven by the significant investment in new income producers over recent years. All producers are not yet at full income run rate, thus margins slightly diluted by the cost to support the new hires • Richard Ward joined the channel in September 2018, bringing with him new relationships with industry leading business producers who have new skill sets and country expertise to drive additional future growth
ARDONAGH MGA **£131m / +2%(1)** 11% / (262)bps(2)	• Includes **MGA** and **Schemes & Programmes** segments • Completed two non-core disposals, Direct Group's Claims business (completed 16 Oct'18), and Commercial MGA (1 Jan'19) • **MGA** delivered a solid performance across specialist business lines, although overall business was significantly impacted by the remediation and exit of standard lines of business, predominantly within Commercial. Retained business is now well positioned for 2019, with cost reductions expected to deliver margin expansion • In **Schemes & Programmes**, customer retention increased +580bps and Healthy Pets continues to be a strong income driver benefitting from its growing market. Margins increased +210bps driven by continued delivery of cost savings

1) 2018 reported Total Income and reported Total Income growth vs. prior year
2) Reported Adj. EBITDA Margin and reported Adj. EBITDA Margin change vs. prior year

FY 2018 vs. FY 2017 Income Bridge

Pro forma for all material acquisitions and disposals, LTM income of £665m
Income growth of +28% in the last 12 months

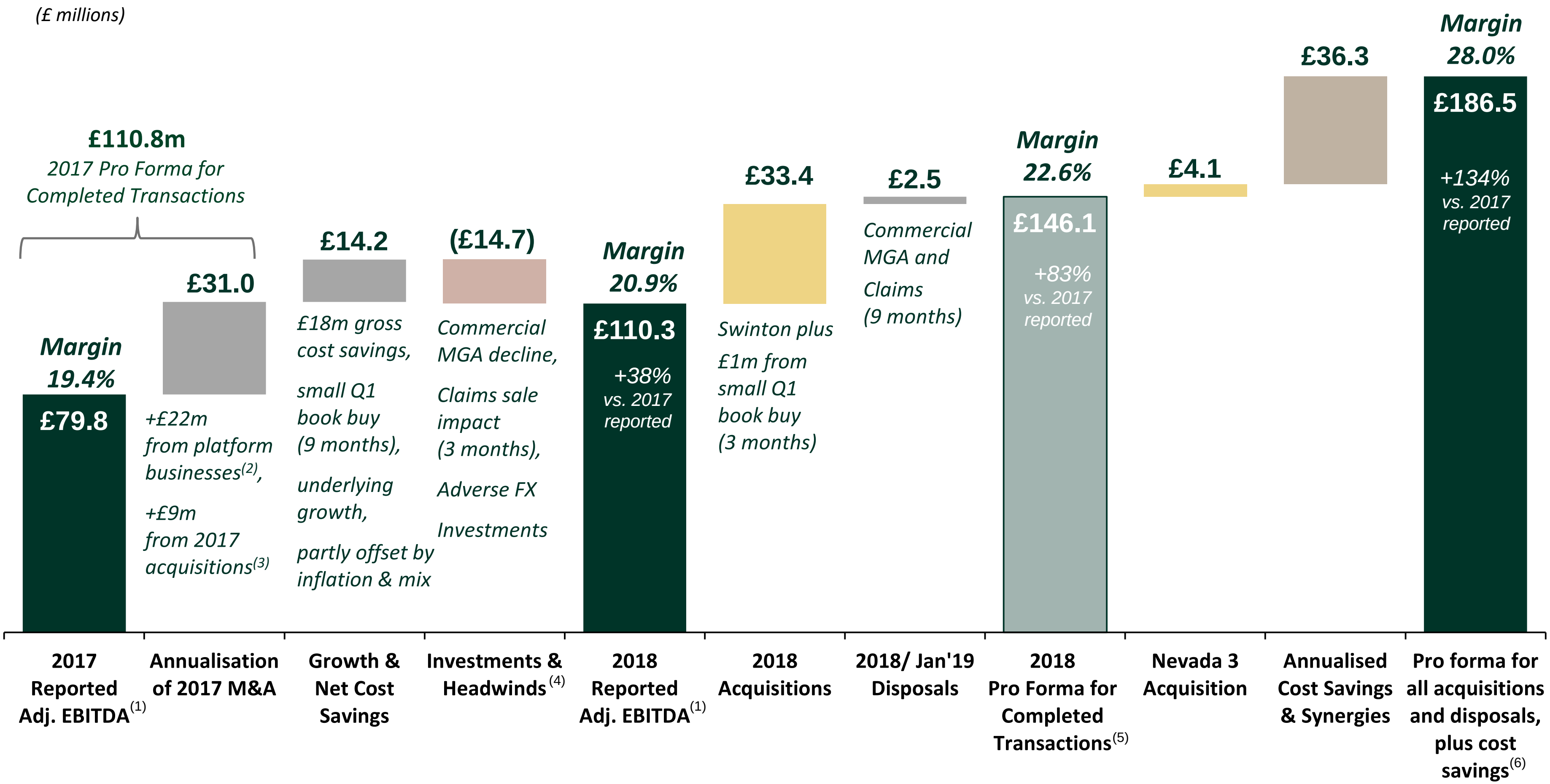
(£ millions)



1) Reported result includes acquisitions and disposals from the completion date
2) Autonet, Chase Templeton, Direct Group and Price Forbes (1 Jan'17 - 22 Jun'17)
3) Carole Nash, MasterCover, US Binders, Healthy Pets (1 Jan'17 – completion during 2017)
4) Includes Commercial MGA decline during 2018, impact of Claims business disposal (16 Oct'18 – 31 Dec'18), and impact of adverse foreign exchange movement in Price Forbes during 2018
5) Pro Forma for Completed Transactions includes: acquisition of Swinton, disposal of Commercial MGA and disposal of Claims business, but excludes the acquisition of Nevada 3 Businesses
6) Pro forma for the acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019)

FY 2018 vs. FY 2017 Adj. EBITDA Bridge

Pro forma for all material acquisitions and disposals, LTM Pro Forma Adj. EBITDA of £187m including cost savings
Adj. EBITDA growth of +38% in the last 12 months



1) Reported result includes acquisitions and disposals from the completion date
2) Autonet, Chase Templeton, Direct Group and Price Forbes (1 Jan'17 - 22 Jun'17)
3) Carole Nash, MasterCover, US Binders, Healthy Pets (1 Jan'17 – completion during 2017)
4) Includes Commercial MGA decline during 2018, impact of Claims business disposal (16 Oct'18 – 31 Dec'18), impact of adverse foreign exchange movement and business investment
5) Pro Forma for Completed Transactions includes: acquisition of Swinton, disposal of Commercial MGA and disposal of Claims business, but excludes the acquisition of Nevada 3 Businesses
6) Pro forma for the acquisition of Nevada 3 Businesses MHG, HIG & PfP (completed 31 Jan 2019), and identified annualised cost savings and synergies

THE Ardonagh GROUP

Significant Investment in Building a Highly Scaleable Platform

£60m investment during 2018 for the Towergate Transformation Plan and to build an efficient, scaleable operating platform to support future growth. Majority of programmes will come to a close in H1'19

(£ millions)

	Key Highlights
IT Capability Investment £18m Invested in 2018 (2017: £24m)	• Significant investment to build market leading infrastructure, reducing future maintenance and capex spend, while building a scaleable platform for future growth and efficient integration of acquisitions • Actions completed for consolidation of 120+ systems across the Advisory business into one Acturis system, with the remaining savings predominantly expected to flow through in 2019 • £18m total capex invested in 2018 (excluding £2m maintenance), of which £14m was IT spend, primarily on FTP, BSC, Carole Nash integration and BAU capex to upgrade policy admin systems in Agriculture, Price Forbes, Autonet & Carole Nash • £4m non-IT capex investment to develop contact centers and telematics capabilities
Operational Efficiency Investment £24m in 2018 (2017: £25m)	• £24m invested in 2018 in re-organisation and restructuring, alongside the integration of acquisitions and delivery of synergies • Back-office efficiencies delivered during the year, improving processes and customer experience • Operational efficiency programmes in place across support functions and segments
Income Initiative Investment £18m in 2018 (2017: £16m)	• Discretionary investment of £16m in 2017 and £18m in 2018 for new producer hires to drive future revenue growth • Specialty expectations for Adj. EBITDA margin to normalise in the medium-term as new producer hires reach revenue maturity, some delays due to extended covenant periods • MGA focus on quality business in niche specialisms with experienced income producers

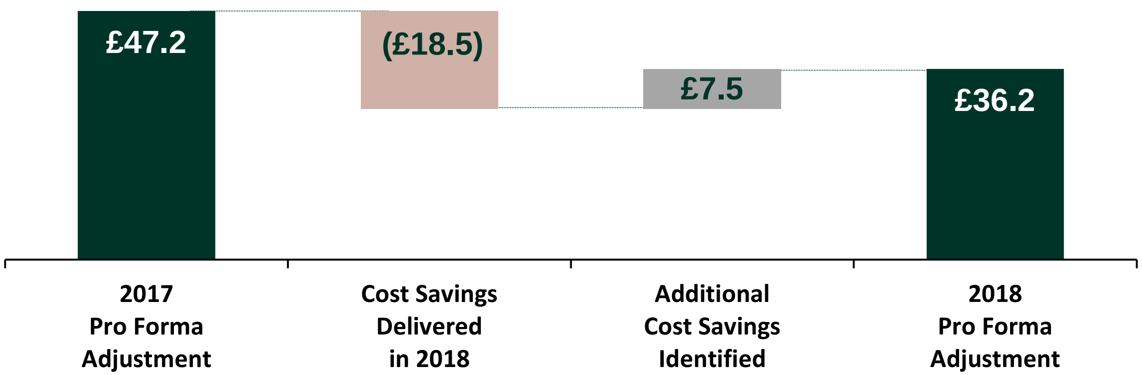
1) Actual cash spend set out here excludes £18m spent in 2016 on the Towergate Transformation Programmes

Annualised Cost Savings & Synergies – 2018

£18m cost savings delivered in 2018 and £36m near-term cost savings clearly identified

(£ millions)

Pro Forma Adjustment for Future Benefits from Cost Savings and Synergies:



	Delivered Savings in 2018	Annualised Savings for Actions Complete at Dec'18	Annualised Savings for Actions Complete at Dec'19	2018 Pro Forma Adjustment
TWG Transformation	7.6	8.4	4.4	12.8
Original Synergies	4.4	1.8	3.1	4.9
New Synergies	2.7	1.9	2.2	4.1
Other Cost Reduction Plans	3.8	7.1	7.4	14.5
Total	**18.5**	**19.2**	**17.0**	**36.2**

- £18m cost savings delivered during 2018, primarily from completion of IT transformation plan, delivery of Claims and Carole Nash synergies, and operational efficiency improvements across the business
- £7m additional near-term cost savings identified, primarily from synergies with new acquisitions (Swinton, Nevada 3), MGA restructuring post Commercial MGA disposal, London footprint consolidation and additional process efficiencies
- **Total of £36m clearly identified near-term annualised cost savings and cost synergies**
- Savings are embedded in segmental budgets for 2019 and linked to senior management bonuses
- £19m of identified cost savings are the result of the annualisation of benefits from completed actions
- £17m identified cost savings are the result of annualisation of benefits from actions expected to be completed during 2019

Ardonagh Group Cash Flow – 2018

80% Operating Cash Conversion for the full year and Free Cash Flow breakeven in H2'18, in line with guidance

£m	Reported H2'17	Reported H2'18	Var	Reported FY'17	Reported FY'18	Var
Adjusted EBITDA	44.7	44.8	*0.2*	79.8	110.3	*30.5*
Working Capital Movement	(9.2)	20.1	*29.3*	(26.4)	(20.2)	*6.2*
Maintenance Capex	(2.8)	(0.7)	*2.1*	(4.0)	(1.6)	*2.5*
Operating Cash Flow	**32.7**	**64.3**	***31.6***	**49.4**	**88.5**	***39.1***
Operating Cash Conversion	*73%*	*143%*		*62%*	*80%*	
Transformational Hires	(11.9)	(7.0)	*4.9*	(16.3)	(17.7)	*(1.3)*
Project Capex	(9.6)	(9.2)	*0.5*	(23.8)	(18.3)	*5.5*
Business Transformation	(13.9)	(12.3)	*1.6*	(24.7)	(24.1)	*0.5*
Investment Spend	**(35.4)**	**(28.4)**	***7.0***	**(64.8)**	**(60.1)**	***4.8***
Legacy Costs and Other Non-Recurring	(7.9)	(16.3)	*(8.3)*	(12.7)	(31.6)	*(18.9)*
Interest on Notes and RCF (1)	(34.2)	(37.5)	*(3.4)*	(73.1)	(76.6)	*(3.5)*
Disposals (2)	-	24.2	*24.2*	-	66.6	*66.6*
Free Cash Flow pre ETV, Equity, M&A (3)	**(44.8)**	**6.2**	***51.0***	**(101.3)**	**(13.2)**	***88.0***
M&A, Equity, Debt Purchase	(84.2)	(117.8)	*(33.6)*	(168.9)	(123.7) (4)	*45.1*
Financing and Associated Costs	78.7	144.8	*66.0*	281.8	208.0 (5)	*(73.7)*
Regulatory (incl. ETV redress)	(3.3)	(2.1)	*1.2*	(14.4)	(3.5)	*10.8*
Net Cash Flow (6)	**(53.6)**	**31.1**	***84.6***	**(2.7)**	**67.5**	***70.2***

- Cashflow on the reported financial result
- 80% Operating Cash Conversion for the full year 2018 vs. 62% prior year
- Free Cash Flow breakeven for H2'18, in line with Q2'18 guidance (Free Cash Flow is post disposal proceeds, post all investment and interest costs, but before ETV, M&A and other financing cash flows)
- H2'18 delivered £51m improvement in Free Cash Flow and £85m improvement in net cash flow vs. prior year (H2'17 includes pro forma interest as no bond interest actually paid in H2'17)
- Overall 2018 net inflow of £67.5m; which with the opening 2017 Available Cash of £58.1m results in a closing Available Cash of £125.6m, and with £90m available RCF, a total Available Liquidity of £215.6m

1) H2'17 adjusted for pro forma interest of £33.6m as no interest on SSN issued June'17 paid in 2017; excludes round-tripped interest from bond raises
2) Includes: BN stake sale and earn-out £42.4m (Jan'18); Claims £25.5m (Oct'18) net of costs
3) Free Cash Flow defined as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows
4) Swinton consideration net of funds from Close arrangement, small book buys in Q1 2018, Healthy Pets earn-out and transaction costs; equity and debt buy-backs
5) £98.3m SSN funds (Jun'18), $235m SSN funds (Nov'18), net of £30m RCF repayment and costs
6) Net increase in Available Cash as set out on page 21 of Ardonagh 2018 Annual Report and Financial Statements

The Ardonagh Group

Ardonagh Group Capitalisation and Net Leverage – 2018

Net Secured Leverage 5.3x pro forma for all material acquisitions and disposals
Available liquidity exceeds +£200m

£m	Dec-16	Dec-17	Jun-18	Pro forma at Sep-18	Pro forma at Dec-18
Available Cash [1]	42.1	58.1	94.5	61.4	125.6
Adjustment	-	(8.0)	-	85.0	20.0 [4]
Adjusted Operating Cash	**42.1**	**50.2**	**94.5**	**146.4**	**145.6**
SSRCF (£120m)	-	30.0	-	-	-
GBP Senior Secured Notes	400.0	455.0	553.3	553.3	553.3
USD Senior Secured Notes [2]	408.1	408.1	408.1	589.2	589.2
Net Secured Debt	**766.0**	**842.9**	**866.9**	**996.1**	**996.9**
Other Debt	11.5	9.0	9.0	9.0	4.6
Total Net Debt	**777.5**	**852.0**	**875.9**	**1,005.1**	**1,001.5**
LTM Pro Forma Adjusted EBITDA	134.3	161.5	156.9	192.8	186.5
Interest on Senior Secured Notes and SSRCF [3]	68.3	73.1	80.1	93.3	93.3
Net Secured Leverage	**5.7x**	**5.2x**	**5.5x**	**5.2x**	**5.3x**
Total Net Leverage	5.8x	5.3x	5.6x	5.2x	5.4x
Interest Cover	2.0x	2.2x	2.0x	2.1x	2.0x
Undrawn SSRCF	*90.0*	*75.0*	*120.0*	*120.0*	*120.0* [5]
Available Liquidity [6]	*132.1*	*133.1*	*214.5*	*181.4*	*215.6*

1) Available Cash as set out on page 21 of Ardonagh 2018 Annual Report and Financial Statements; Excludes all TC2.4 restricted cash
2) USD 520m SSN at hedged USD/ GBP FX rate of 1.2742; USD 235m SSN at hedged FX of 1.2979; Note that 2018 Annual Report and Financial Statements translates USD debt at balance sheet FX of 1.2743
3) Pro forma interest excludes RCF commitment fees
4) Pro forma for £31.5m cash proceeds for Commercial MGA disposal received 2 Jan'19, and unpaid transaction costs for Swinton of £11.5m as at 31 Dec'18
5) RCF capacity agreed at £120m, although permissible drawings limited to £90m while LoC for ETV liabilities in place, therefore Available RCF of £90m
6) Available Liquidity defined as Available Cash plus Available RCF

THE Ardonagh GROUP

4. Q&A

Appendix

Ardonagh Group Segmental Overview – FY 2018

Income £m	Reported Full Year Result[1] 2017	2018	Variance £m	Variance %	Pro Forma[2] for Completed Transactions 2018	Organic[3] Growth 2018
Insurance Broking	152.2	162.9	10.7	7.0%	162.9	1.8%
Retail (Autonet & Carole Nash)	23.0	78.6	55.6	242.0%	80.7	2.1%
Retail (Swinton)	-	-	-	-	146.3	n/a
Paymentshield	59.7	53.6	(6.1)	(10.3%)	53.6	0.6%
Broking	**235.0**	**295.1**	**60.1**	**25.6%**	**443.5**	**1.7%**
Specialty & International	46.8	95.2	48.4	103.5%	95.2	10.8%
Specialty	**46.8**	**95.2**	**48.4**	**103.5%**	**95.2**	**10.8%**
Schemes & Programmes	70.0	83.8	13.8	19.7%	72.9	(2.4%)
MGA	58.4	47.2	(11.2)	(19.2%)	29.6	(5.5%)
MGA	**128.4**	**130.9**	**2.6**	**2.0%**	**102.4**	**(3.3%)**
Corporate	1.1	5.9	4.8		5.9	
Income	**411.2**	**527.1**	115.9	28.2%	**647.0**	**2.5%**

Adj. EBITDA £m	Reported Full Year Result[1] 2017	2018	Variance £m	Variance %	Pro Forma[2] for Completed Transactions 2018
Insurance Broking	20.5	30.5	10.1	49.2%	30.5
Retail (Autonet & Carole Nash)	6.0	24.4	18.4	307.7%	25.4
Retail (Swinton)	-	-	-	-	32.4
Paymentshield	31.1	27.1	(4.0)	(13.0%)	27.1
Broking	**57.6**	**82.0**	**24.4**	**42.4%**	**115.4**
Specialty & International	8.4	18.9	10.5	125.5%	18.9
Specialty	**8.4**	**18.9**	**10.5**	**125.5%**	**18.9**
Schemes & Programmes	13.2	17.6	4.4	33.3%	15.4
MGA	4.7	(2.8)	(7.5)	(160.2%)	1.8
MGA	**17.9**	**14.8**	**(3.1)**	**(17.2%)**	**17.3**
Corporate	(4.0)	(5.4)	(1.4)		(5.4)
Adj. EBITDA	**79.8**	**110.3**	30.5	38.2%	**146.1**

1) Reported result includes acquisitions and disposals from the completion date
2) Pro Forma for Completed Transactions includes: acquisition of Swinton, disposal of Commercial MGA and disposal of Claims business, but excludes the acquisition of Nevada 3 Businesses (MHG, HIG, PfP)
3) Organic income growth is stated at constant FX and excludes acquisitions and disposals, accounting standard changes, profit share and other non-recurring items

THE Ardonagh GROUP

Ardonagh Group Segment Highlights – Insurance Broking

2018 completed much of the Acturis rollout, leaving 2019 set for growth

Financial Highlights

	Reported			Pro Forma
	2017	2018	*Change*	2018
Income (£m)	152.2	162.9	*+7.0%*	162.9
Adj. EBITDA (£m)	20.5	30.5	*+49.2%*	30.5
Adj. EBITDA Margin	*13.4%*	*18.7%*	*+530bps*	*18.7%*

Gross Written Premium[2] (£m)

784.4

(0.7)% (2017: 790.0)

Retention[3]

89.4%

+390bps (2017: 85.5%)

New Business (£m)

17.9

+5.9% (2017: 16.9)

2018 Key Highlights

- Income growth underpinned by improved retention, increased new business levels across all regions combined with additional fee for service revenues
- Organic income growth[1] +1.8%
- Adj. EBITDA increase driven by income growth combined with continued delivery of cost saving plans
- Embedded new management teams at segment level and within Health during 2018, all with proven track records within the industry
- 90%+ of Advisory users now on new Acturis system with benefits expected to be fully delivered over 2019
- Became a member of the Worldwide Broker Network and recruitment of Specialty & Risk team to broaden the advisory corporate proposition
- Finalists of the Commercial Lines Broker of the Year category at the British Insurance Awards 2018

1) Organic income growth excludes acquisitions (Mastercover and small book-buys), accounting treatment changes and trade deal income
2) GWP decline in 2018 driven by exit of ARs in Chase Templeton, although negligible impact on income given payaway offset
3) Retained income vs. prior year

THE Ardonagh GROUP

Ardonagh Group Segment Highlights – Retail

Strong performance in the core business, combined with successful integration of Carole Nash and completion of Swinton acquisition on 31 December 2018

Financial Highlights

	Reported[1] 2017	Reported[1] 2018	Reported[1] *Change*	Pro Forma[2] 2018
Income (£m)	**23.0**	**78.6**	***+242.0%***	**227.0**
Adj. EBITDA (£m)	**6.0**	**24.4**	***+307.7%***	**57.8**
Adj. EBITDA Margin	***26.0%***	***31.0%***	***+500bps***	***25.5%***

Policies under Management

561k

+7.7% (2017: 521k)

1,790k incl. Swinton

Retention[3]

70.8%

(78)bps (2017: 71.6%)

New Business[4] (£m)

22.8

+12.3% (2017: 20.3)

2018 Key Highlights

- Retail includes **Autonet**, **Carole Nash** & **Swinton** in reported result from completion date and annualised in Pro Forma result
- Strong reported performance in 2018 driven by full 12 months of Autonet, successful acquisition and integration of Carole Nash and a small book buy in Q1'18
- Organic income growth[4] +2.1%
- Carole Nash accelerated new business volumes, combined with continued very strong retention rates, expected to drive growth into 2019
- Strong margin improvement driven by integration of acquisitions, delivery of synergy plans and a reduction in cost per policy across the core business
- Completion of Swinton acquisition on 31 December 2018, with integration focus on:
  - Leveraging combined scale and operational best practices to improve margins
  - Deploying Autonet pricing and digital capabilities to drive income stabilisation and new business growth

1) Reported result includes acquisitions and disposals from the completion date
2) Retained policies vs. renewals available for Autonet & Carole Nash
3) For Autonet & Carole Nash
4) Organic income growth excludes acquisitions (Swinton and small book-buys) and accounting treatment changes

Ardonagh Group Segment Highlights – Paymentshield

Policy growth from improving platform to market and products

Financial Highlights[1]

	Reported			Pro Forma 2018
	2017	2018	*Change*	
Income (£m)	59.7	53.6	*(10.3%)*	53.6
Adj. EBITDA (£m)	31.1	27.1	*(13.0%)*	27.1
Adj. EBITDA Margin	*52.1%*	*50.5%*	*(160bps)*	*50.5%*

Policies under Management

448k

+4.8% (2017: 428k)

Retention[2]

93.1%

(30)bps (2017: 93.4%)

New Business (£m)

6.0

+5.4% (2017: 5.7)

2018 Key Highlights

- Continued momentum and growth with new business policy volume +15% and number of policies under management +4.8%
- Strong new business income growth at +5.4% is due to outperforming the flat UK mortgage market, with improvements in core market distribution platform and broadening our lettings market presence
- Maintained overall very strong 93%+ retention due to strong customer and broker service levels as well as renewal pricing optimisation on home policies
- Income impacted by £1.5m reduction to profit share rates, as weather related claims returned to a more normal level after several benign years
- Income also reduced by £1.1m due to one-off IFRS 15 accounting change
- Despite overall policy growth, normalised[3] total income decreased by 6% due to back-book income decline
- Flat Organic income growth[4] +0.6% overall (excluding closed books, IFRS 15 and profit shares)

1) Includes Footman James business £9.7m income and £2.7m Adj. EBITDA in 2018
2) Retained policies vs. renewals available
3) Only excluding impact of IFRS 15 and weather related profit share rate reduction
4) Organic income growth excludes acquisitions and disposals, accounting standard changes, profit share and other non-recurring items

THE Ardonagh GROUP

Ardonagh Group Segment Highlights – Specialty & International

Strong growth expected to continue, driven by significant producer investment in 2017 and 2018. Margin impact from foreign exchange movement and new hires yet to reach revenue maturity

Financial Highlights

	Reported			Pro Forma
	2017	2018	*Change*	2018
Income (£m)	46.8	95.2	*+103.5%*	95.2
Adj. EBITDA (£m)	8.4	18.9	*+125.5%*	18.9
Adj. EBITDA Margin	*17.9%*	*19.8%*	*+190bps*	*19.8%*
At Constant Forex: (2)				
Income (£m)	46.8	96.9	*+107.1%*	96.9
Adj. EBITDA (£m)	8.4	20.6	*+145.8%*	20.6
Adj. EBITDA Margin	*17.9%*	*21.2%*	*+330bps*	*21.2%*

GWP(3) (£bn)

1.3

+22.9% (2017: 1.1)

Headcount

495

+12.5% (2017: 440)

2018 Key Highlights

- Reported income growth driven by full 12 months of Price Forbes, acquisition of US Binders in 2017 and strong Organic income growth(1) +10.9%, driven primarily by Aviation and Mining and US Binders (USD c. 70% income)
- Significant investment in new hires in 2017 and 2018 which have not yet reached revenue maturity and are therefore impacting margins
- Price Forbes and Bishopsgate working together on combined initiatives across multiple classes as well as implementing a regional production strategy with particular success in Latin America
- Richard Ward joined in September 2018 to head up the segment, bringing with him further industry leading business producer and management relationships with new skill sets and country expertise to drive additional future growth

1) Organic income growth is stated at constant FX and excludes impact of acquisitions (US Binders), accounting standard changes, profit share and other non-recurring items
2) At actual GBP:USD FX: average 1.3297 for 2018 and 1.2998 for 2017 (c. 70% income)

THE Ardonagh GROUP

Ardonagh Group Segment Highlights – Schemes & Programmes

Completed disposal of non-core Claims business Oct'18, impacting reported result for Q4 2018

Financial Highlights

	Reported [1]			Pro Forma [2]
	2017	2018	*Change*	2018
Income (£m)	70.0	83.8	*+19.7%*	72.9
Adj. EBITDA (£m)	13.2	17.6	*+33.3%*	15.4
Adj. EBITDA Margin	*18.9%*	*21.0%*	*+210bps*	*21.2%*

Policies under Management[3]

1,367k

(7.9)% (2017: 1,484)

Retention[4]

83.0%

+580bps (2017: 77.2%)

New Business (£m)

17.4

(0.8)% (2017: 17.6)

2018 Key Highlights

- Strong growth in reported income and Adj. EBITDA, primarily driven by acquisition of Direct Group (22 June'17) and Healthy Pets (1 Sept'17), although offset by disposal of Claims business (16 Oct'18) impacting Q4 2018 (only 9 months of Claims business included in 2018 reported result)
- Non-core Claims business disposal successfully completed 16 Oct'18 generating £25.5m cash proceeds (excluding earn outs) and an ongoing strategic partnership with one of the largest claims processors in the UK
- Strategically moved away from online third party sales for SMEs. We have invested in our SME telephone advice offering through our advised Broking channel and expect this to drive growth into 2019
- Excluding impact of SME back-book decline, retained business delivered organic growth (+1.0%), driven particularly by growth in pet, travel and caravan
- Strong delivery of cost savings including improved operational efficiency, replatforming of PAS systems and central support integration, combined with investment to support future growth

1) Reported result includes acquisitions and disposals from the completion date
2) Pro Forma for Completed Transactions has been adjusted for the disposal of Direct Group's Claims business, completed 16 Oct'18
3) Excludes policies where URIS only provides administrative services
4) Retained policies vs. renewals available

Ardonagh Group Segment Highlights – MGA

Completed disposal of standard lines Commercial MGA 1 Jan'19

Financial Highlights

	Reported[1]			Pro Forma[2]
	2017	2018	*Change*	2018
Income (£m)	58.4	47.2	*(19.2%)*	29.6
Adj. EBITDA (£m)	4.7	(2.8)	*(160.2%)*	1.8
Adj. EBITDA Margin	*8.0%*	*(5.9%)*	*n/a*	*6.2%*

Gross Written Premium (£m)

222.8

(51.2)% (2017: 456.1)

Loss Ratio[3]

56.4%

(825)bps (2017: 64.7%)

Headcount

304

(52.6)% (2017: 641)

2018 Key Highlights

- Decline in reported result primarily due to remediation of standard lines Commercial MGA to improve long-term sustainability of the business
- Standard lines Commercial MGA disposal completed 1 Jan'19 with £31.5m cash received. No longer a drag on the business heading into 2019, MGA now strategically focusing on niche and specialty lines
- Organic income growth[4] for retained business down 5.5%, driven primarily by personal Lines remediation
- Personal lines remediation was complete in Q4 2018
- Strong growth in niche specialist business emanating from previous investments in London based specialty businesses, £26m GWP in 2018 from a nil base
- Headcount reduced by c.280 with strong execution on cost saving programmes and completion of Commercial MGA disposal

1) Reported result includes acquisitions and disposals from the completion date
2) Pro forma for Completed Transactions has been adjusted for the disposal of the Commercial MGA, completed 1 Jan'19
3) Ultimate Loss Ratios, including paid, reserved and IBNR (incurred but not reported) claims and calculated on a calendar year basis with the same methodology applied across each year; excludes investment hire lines as insufficient claims experience to date
4) Organic income growth excludes acquisitions and disposals, accounting standard changes, profit share and other non-recurring items

THE Ardonagh GROUP

Reconciliation of IFRS Loss to Alternative Performance Measures

Reconciliation of IFRS loss for The Ardonagh Group Limited for the period to Alternative Performance Measures	Reported		Pro Forma for Completed Transactions	
	2018	2017	2018	2017
Reconciliation of the IFRS Loss for the year to EBITDA and Adjusted EBITDA				
Loss for the year[1]	**(111.6)**	**(260.9)**	**(134.7)**	**(327.5)**
Eliminate: Items excluded from EBITDA				
Finance costs	94.7	77.4	109.6	104.9
Tax credit	(26.2)	(3.3)	(25.9)	(3.3)
Depreciation and amortisation charges	71.3	56.9	79.0	79.2
Adjustment to goodwill in respect of prior years	3.1	-	3.1	-
Impairment of goodwill and intangible assets	-	84.5	-	84.5
Foreign exchange movements	(0.4)	2.8	(0.4)	8.6
Dividends received	-	(0.0)	-	(0.0)
EBITDA	**30.8**	**(42.5)**	**30.7**	**(53.6)**
Eliminate: Items excluded from Adjusted EBITDA				
Transformational hires	22.9	15.0	22.9	17.4
Business transformation	31.2	25.7	59.5	68.7
Legacy costs	27.8	17.1	27.9	17.8
Regulatory costs	0.3	58.6	0.3	58.6
Acquisition and financing costs	5.9	23.4	5.9	26.9
(Profit)/loss on disposal of businesses and investme	(7.5)	(12.4)	-	0.3
Share of loss from associate	-	1.1	-	1.1
Reduction in value of contingent consideration	(0.0)	0.0	(0.0)	0.0
Loss from disposal of assets	1.4	0.1	1.4	0.1
Fair value gain on derivatives	(2.5)	(6.3)	(2.5)	(6.3)
Adjusted EBITDA	**110.3**	**79.8**	**146.1**	**131.1**

The Group presents results to investors using alternative performance measures ('APMs').

Pro Forma for Completed Transactions information seeks to present the results as though the material acquisitions including Autonet, Carole Nash, Chase Templeton, Direct Group, Healthy Pets, MasterCover, Swinton, US Binders and a small book-buy had occurred on 1 January 2017.

The Group presents **EBITDA** and **Adjusted EBITDA** as important APMs for both reported and pro forma results. The objective of presenting APMs is to facilitate readers' understanding of progress irrespective of the capital structure and before deduction of significant business investment and transformation costs, which have been a key element of the Group's fix, build and grow strategy in recent years.

This slide presents the reconciliations between the IFRS comprehensive gain/(loss) for the year and the key APMs. The full IFRS results can be found in the Ardonagh Group Annual Report and Accounts on the website www.ardonagh.com.

EBITDA and Adjusted EBITDA measures may not be comparable to similarly titled measures used by other companies. EBITDA, Adjusted EBITDA and EBITDA margins are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of the Group's operating performance, cash flows or any other measure of performance derived in accordance with IFRS.

1) Above reconciles the investor presentation to the Ardonagh Group Limited Annual Report, the accounts of Ardonagh Midco 3 plc show a loss of £109.4m, the difference of £2.2m being due to costs that are incurred in Ardonagh Group Limited, primarily associated with acquisition & financing and board costs

THE Ardonagh GROUP

Non-IFRS Financial Measures

This investor presentation contains non-IFRS measures and ratios, including Adjusted EBITDA and Pro Forma Adjusted EBITDA, that are not required by, or presented in accordance with, IFRS. Non-IFRS measures are defined by us as set out below.

We define "***Adjusted EBITDA***" or "***Adj. EBITDA***" as the earnings after adding back finance costs, tax, depreciation, amortisation, impairment of goodwill, foreign exchange movements, dividends received, discontinued operations, restructuring costs, transformational hires, business transformation costs, legacy costs, regulatory costs, acquisition and financing costs, profit/loss on disposal of businesses, investments or assets, share of operating profit/loss from associate, reduction/increase in the value of contingent consideration, as applicable. Adjusted EBITDA is stated before exceptional costs and one-off items as determined by management.

We define "***Pro Forma Adjusted EBITDA***" or "***Pro Forma Adj. EBITDA***" as the Adjusted EBITDA of the business as adjusted for certain cost saving initiatives and cost synergies.

We define ***"Pro Forma for Completed Transactions"*** as meaning adjusted to: (a) include the results of new acquisitions from the first day of the comparative year, (b) remove the results and gain or loss on disposal of discontinued operations, and of other business disposals from the current and prior year, where they have occurred prior to the end of the reporting period, and (c) reflect financing transactions as if they had occurred on the first day of the prior year.

We define ***"Adj. EBITDA Margin"*** as Adjusted EBITDA divided by total income.

We define ***"Organic"*** as excluding the impact of acquired or exited businesses and other non-recurring items and is set out at constant FX.

We define ***"LTM"*** as the arithmetical sum of the last twelve months results, it should be noted that the 2017 results have not been restated for IFRS accounting standard changes.

We define **"Operating Cash Conversion**" as Adjusted EBITDA less working capital movement and maintenance capital expenditure, over Adjusted EBITDA. This excludes one-off costs, other capital expenditure and exceptional costs related to cost saving and income growth initiatives.

We define ***"Free Cash Flow"*** as cash flow after proceeds from disposals, investments and interest, but before ETV costs, M&A and other financing cash flows.

We define ***"Available Cash"*** as total unrestricted own funds plus ETV restricted funds.

We define ***"Available Liquidity"*** as Available Cash plus Available RCF.

We define ***"Available RCF"*** as available and undrawn RCF (Revolving Credit Facility).