

Table A5.2 All Commercial Lines of Insurance Underwriting Experience, 1991-2000

	Col. 1	2	3	4	5	6	7	8
Year	Losses Incurred*	Loss Adjustment Expenses*	Losses and Adjustment Expenses Incurred*	Underwriting Expenses Incurred**	Dividends to Policyholders*	Combined Ratio After Dividends	Net inv. Gain/Loss and Other Income	Overall Operating Ratio
1991	67.4	13.4	80.8	27.8	1.6	110.2	14.2	96.0
1992	73.7	15.0	88.7	28.5	1.5	118.8	17.3	101.5
1993	65.7	14.2	79.9	28.3	1.5	109.6	15.4	94.2
1994	67.3	14.5	81.9	28.4	1.9	112.1	12.5	99.6
1995	64.1	14.9	79.0	28.7	1.7	109.4	14.3	95.1
1996	62.0	14.0	76.0	29.3	1.4	106.7	14.1	92.6
1997	58.8	13.1	71.9	29.9	1.6	103.4	15.5	87.9
1998	63.2	13.4	76.6	30.5	1.6	108.6	15.6	93.0
1999	65.3	13.7	79.0	30.6	1.6	111.3	13.7	97.6
2000	66.0	13.1	79.1	29.5	1.5	110.1	15.3	94.8

Source:

Best's Aggregate & Averages Property/Casualty, 2001 and prior Editions, A.M. Best Company - used with permission.

Notes:

Losses Incurred (also termed the pure loss ratio) (1) plus Loss Adjustment Expenses (2) equals Losses and Adjustment Expenses Incurred (3). Losses and Adjustment Expenses Incurred (3) plus Total Underwriting Expenses Incurred (4) plus Dividends to Policy Holders (5) equals Combined Ratio after Dividends (6). Combined Ratio after Dividends (6) minus Net Investment Gain/Loss and Other Income (7) equals Overall Operating Ratio (8). As of 1992, the methodology for allocating investment income changes slightly; as a result, 1992-97 numbers in the last two columns are not directly comparable to those for earlier years.

* Percentage of net premiums earned

** Percentage of net premiums written