



## Progressive Direct Insurance Company Enters into Agreement to Sell Australian Operations to Hollard Insurance Company

March 21, 2017



Mayfield Village, Ohio and Chatswood, Australia - 21 March 2017 - Progressive Direct Insurance Company, a subsidiary of The Progressive Corporation (NYSE: PGR), and The Hollard Insurance Company Pty Ltd today announced they have entered into definitive agreements in which Hollard will acquire Progressive's portfolio of insurance policies in Australia.

The parties expect this transfer, subject to final negotiation of documents between the parties and regulatory and court approvals, will be effective in the fourth quarter of 2017.

The agreements also provide for PD Insurance Agency Pty Ltd (PDIA) - a new company created and partly owned by Hollard; the current manager of the Progressive Australia business, Simon Lindsay; and others - to be the authorized agent servicing Progressive's Australian policies until the transfer to Hollard.

Involvement of Mr. Lindsay with PDIA will provide continuity in Progressive's business during the transition to Hollard and beyond. The parties expect the agency appointment will be effective from 31 March 2017. The agency appointment is subject to satisfaction of conditions.

Said Hollard CEO and Executive Director, Richard Enthoven: "Progressive and Hollard have a history of embracing innovation and entrepreneurship and I am excited that Progressive's Australian insurance portfolio will be joining the Hollard family. Hollard's business philosophy is founded on investing in and partnering with brands, brand partners and underwriting agencies for the long-term. In just seven years, Progressive has grown a successful online car insurance business and we look forward to working with Simon and PDIA to grow the business further."

"Hollard is the perfect fit for our business," said Mr. Lindsay. "We'll benefit from a shared vision and local scale advantages to reinforce our core value proposition for our customers with quality, online and materially lower-cost car insurance."

Said Progressive Chief Financial Officer, John Sauerland: "This transaction allows Progressive to focus on our Destination Era strategy of growing our U.S. business to become the number one choice and destination for auto and other insurance. We were pleased to find a suitable insurance company to continue providing quality service to our existing policy holders and to continue to invest in growing the business."

During its time in Australia, Progressive introduced a number of firsts to the local car insurance market such as a multi-car policy offering and an online, self-service proposition.

The terms of the agreement allow Hollard and PDIA certain rights to use the Progressive brand in connection with car insurance in Australia for a period of two and a half years.

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### About Hollard:

The Hollard Insurance Company Pty Ltd in Australia secures the lifestyles for assets of over 1,000,000 Australians offering solutions from Pet Insurance, Home and Contents Insurance, Travel Insurance, Mobile phone Insurance to Car Insurance. Hollard also provides commercial insurance solutions for small and medium size enterprises, commercial motor vehicles and landlords. Additionally, The Hollard Insurance Company Pty Ltd is a licensed insurer in New Zealand and has an A.M. Best issued financial strength rating of A- (Excellent).

Hollard is part of a global financial services business with operations in Australia, New Zealand, Africa, Europe, India, China and the United States. It has over 2,700 people across 20 countries, protecting over 7 million policy holders worldwide.

### About Progressive:

The Progressive Group of Insurance Companies makes it easy to understand, buy and use [auto insurance](#). Progressive offers [choices](#) so consumers can reach us whenever, wherever and however it's most convenient-online at <http://www.progressive.com>, by phone at 1-800-PROGRESSIVE, on a mobile device or in-person with a local agent.

Progressive provides insurance for personal and commercial autos and trucks, motorcycles, boats, recreational vehicles, and homes. Home insurance is underwritten by select carriers, including American Strategic Insurance Corp. and subsidiaries (ASI), our majority owned subsidiaries.

Progressive is the fourth largest auto insurer in the country; a leading seller of [motorcycle](#) and [commercial auto insurance](#); and through ASI, one of the top 20 homeowners carriers. Progressive also offers [car insurance online](#) in Australia at <http://www.progressiveonline.com.au>.

Founded in 1937, Progressive continues its long history of offering shopping tools and services that save customers time and money, like [Name Your Price®](#), [Snapshot®](#) and [Service Centers](#).

The Common Shares of The Progressive Corporation, the Mayfield Village, Ohio-based holding company, trade publicly at NYSE:PGR.

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