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INSURANCE REPORT

by Media XPRIMM

Year V - Issue 2/2013(9) - OCTOBER

CEE • RUSSIA & CIS • SEE

1H 2013

Regional & country profiles
Market rankings
Trends & facts



Established in 2004, up to date Unity Re has conquered a position of a market leading specialist reinsurer within the territories of Russian Federation and former Soviet Union.

A fully open market player, Unity Re is the part of Group RESO, one of the leading insurance groups in Russia. The activities of the company are based on the License No. 1643 77 of 04.07.2007 issued by Federal Service on Insurance Supervision of Russian Federation.

The core position of Unity Re is the specialist reinsurance center of Group RESO where the company provides reinsurance cover for all major lines of business and accounts situated both domestically and overseas:

- ▶ commercial property
- ▶ energy
- ▶ marine hull & cargo
- ▶ accident & health
- ▶ construction & engineering
- ▶ motor
- ▶ aviation
- ▶ liability & professional risks

Thanks to a solid, experienced and active team, within this scope for 2004-2013 Unity Re has managed to create, maintain and develop a balanced and well diversified reinsurance portfolio based on large commercial, energy and industrial risks.

Unity Re's stable and efficient market offer is backed by a significant financial strength and professional skills. With total assets of over \$93m and gross premium income of \$52m in 2012, the company performed at a combined ratio of 79%.

The main territorial scope of Unity Re's activities is outlined by the borders of Russian Federation and CIS, where the partners are over 300 market leading insurance companies and brokers. Along, since 2007 Unity Re has actively promoted to overseas markets where the company now provides reinsurance cover for clients from about 40 countries from Europe, South America, South-East Asia and Middle East.

Unity Re is currently rated «B+» (Good), outlook positive by A.M.Best Company.



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COUNTRY PROFILE

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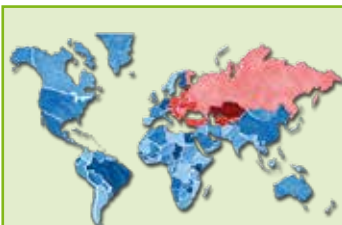
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This article considers the **CEE Region** in the OECD sense, referring to the following countries: Albania (AL), Bosnia and Herzegovina (BiH), Bulgaria (BG), Croatia (HR), Czech Republic (CZ), Estonia (EE), Hungary (HU), Kosovo (KV), Latvia (LV), Lithuania (LT), Macedonia (MK), Montenegro (MN),

Poland (PL), Romania (RO), Serbia (SB), Slovakia (SK), Slovenia (SI).

Under the **CIS** generic name we have considered, in this Report, both countries which are currently members of the Commonwealth of Independent States (CIS) - Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan and Ukraine -, and Georgia, who left the organization in 2008.

In this Report, **SEE** designates a group of three South European countries: Cyprus, Greece and Turkey.

Note from the editor

In all cases, we have given preference to data provided by the national supervisory authorities. Where official data were not available, we have used information provided by the national insurers associations.

Domestic financial press represented a valuable source of information regarding the local tendencies and events, as well as interviews with local insurance professionals.

Conversion of the national currencies into euro currently use the official exchange rate valid in the last day of the period considered.

Disclaimer

Although the authors have undertaken every effort to obtain data from the most reliable sources, inaccuracies and technical errors are still possible. Thus, please take into consideration this article is not a source of business information and we will not accept any claims for compensation in this regard.



Daniela GHEȚU
Editorial Director

Time for answers

In many trades, autumn is the time for a careful evaluation of the past business and a fresh start ... For reinsurers autumn is, par excellence, the time to prepare ... the next renewal season. In short, it's the time to ask the essential questions regarding the insurance markets' evolution and the time to get the right answers.

What are the financial results of each company and how much are they in line with the overall market evolution? What are the current trends in any market? What legal changes have occurred and what changes are in preparation? Who entered and left each market? What lines of business are developing and which are the ones stagnating? What about profitability? ... How many of you need this kind of information and how much time do you need in order to get it, especially when referring to the younger markets of the East?

The good news is that the XPRIMM editorial program is bringing you once again a consistent supply of fresh information for the 32 countries it monitors:

XPRIMM Insurance Report - CEE, Russia & CIS, SE 1H2013

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Daniela GHEȚU
Editorial Director

State-owned insurers in CEE an endangered species

Pressed by the necessity of covering the ever growing budget deficits, some of the CEE states finally decided to give up the stakes they still owned, until recently, in a few major companies regarded as strategic holdings. Thus, CROATIA Osiguranje, the Croatian market leader, is for sale, possibly followed by Zavarovalnica TRIGLAV, the Slovenian market leader. The Serbian DUNAV could also make the object of a public offering if the planned transfer of 20% of its shares to the European Bank for Reconstruction and Development fails. On the sellers bench there are also private entities, such as the Slovenian bank NOVA KBM, which threw on the market its participation in Zavarovalnica MARIBOR. Thus, after years of "silence", when the Romanian ASIBAN acquisition by GROUPAMA in 2009 seemed to be the last major operation in the region, the recent months have brought in the CEE landscape the perspective of an interesting rearrangement of forces.

For the time being, PZU could remain the sole important state-controlled insurer in CEE. Moreover, there is a strong possibility that the Polish insurer could benefit from all these movements and accomplish its expansion plans becoming, in a relatively short time, the owner of an extended network of subsidiaries that will cover the whole ex-Yugoslavian space.

The Adriatic M&A chain could end in Warsaw

The significant changes brought by second half of 2012 and the first part of

2013 on the CEE insurance markets could easily be described as an Adriatic chain of acquisitions significantly modifying the regional market's architecture.

In this chain, the first link was the Zavarovalnica MARIBOR's sale, an operation which ended in early 2013 with the full ownership of SAVA Re on MARIBOR and the creation of a stronger competitor for the market leader TRIGLAV. Thus, after acquiring in successive steps about 51% of the MARIBOR shares, the reinsurer, which already held a 49% participation, ended up obtaining the full ownership for about EUR 66 million. According to Zvonko IVANUSIC, CEO SAVA, the Slovene reinsurer became through the acquisition of MARIBOR, *the second largest insurance group in the Western Balkans*. For the time being, the interim report of SAVA Re shows that, although the MARIBOR results were consolidated with the SAVA Re's Group for only 2 months (since May 2013, when Zavarovalnica MARIBOR effectively became part of SAVA Re Group), the takeover already determined a substantial growth of the group's GWP and profit, to EUR 190 million (19.9% up y-o-y) and EUR 19.2 million respectively. The second link would be the ongoing attempt of CROATIA Osiguranje (CO) to gain a 25% controlling share in SAVA Re. Thus, according to the local media, the Croatian company acquired the holdings of several banks and investment funds in the last weeks, increasing its shareholding to 10% of SAVA Re's equity. Market rumors say that CO's stake in the SAVA Re share capital is even higher, the Croatian insurer

acting also through another investor who recently acquired a 4.4% stake using a trust account opened at Raiffeisen Bank. The Croatian financial press appreciates that although the transaction value is not known since it took place outside the stock market, if this assumption is correct, CO has already invested about EUR 20 million in SAVA Re shares, aiming to reach a stake of 25% in the Slovenian reinsurance company, a target that failed to be achieved on the company's recapitalization earlier this year.

The third link is still under construction, as CROATIA Osiguranje's privatization is far from being finalized. But there are two interesting possibilities which could not only keep the entire "chain" within the CEE



SHAREHOLDERS (AS OF 31.12.2012)

NOVA KBM d.d.	51.00%
SAVA Re d.d.	48.68%
Others	0.33%

2012 HIGHLIGHTS

Number of shares (units):	12,453,831
Share capital (EUR m)	55.43
Profit after tax (EUR m)	7.72
Equity (EUR m)	99.11
Market share	13.00%

boundary, but also create a new player of European size. The two possibilities are the Slovenian TRIGLAV and the Polish PZU, both interested to acquire the portion of the Croatian equity interest in CO offered for sale.

TRIGLAV officially announced in August its intention to bid for a stake in CO, but according to market analysts it will need some external financing in order to do so, especially after cancelling the contract with IFC for TRIGLAV INT's capitalization. According to the local press, Triglav's management has two scenarios for taking over a majority stake in CO: using part of its own funds and an injection of fresh capital, or taking out a loan, both of them leading to an "inevitable privatisation" of the company, which is not well seen by many in Slovenia.

On the other hand, PZU has already prepared EUR 1.2 billion for acquisitions in the region, according to the company's representatives, and for the time being it made only some rather small investments on the Baltic markets. Moreover, PZU has also announced its interest in buying a TRIGLAV stake, if the Slovenian government finally decides to privatize it. Thus, among the regional bidders, PZU definitely seems to be the most prepared to buy CROATIA Osiguranje. If this actually happens, PZU will be not only the largest insurer in the CEE region, as it is currently, but also a player with a regional presence comparable to the one of the major European insurance groups.

CROATIA Osiguranje – an opportunity under dispute

Up to the August 31st official deadline, several bidders have announced their intention to participate in the process of the top Croatian insurer sale. According to the local financial journal Poslovni Dnevnik, among the bidders there are the domestic financial group ADRIS, the American group AIG, the Austrian Vienna Insurance Group, the German ERGO, the Polish PZU as well as the Slovenian group TRIGLAV. The deadline for submission of non-binding offers was September 20th, 2013. Yet, the decision to sell CROATIA Osiguranje (CO) itself, as well as the figures which already circulated on this topic, has raised lively discussions in Croatia. Other sources also mention among the potential bidders the Austrian ERSTE Bank, the Hungarian OTP, as well as the European Bank for Reconstruction and Development (EBRD), who is more likely to be interested as a minority investor. According to the official invitation for

TOP 10 SHAREHOLDERS (AS OF 31.12.2012)

Slovenska odškodninska družba, d.d.	25.00%	Nova KBM d.d.	4.66%
Abanka d.d.	7.00%	Zavarovalnica Maribor d.d.	4.45%
Modra zavarovalnica d.d.	5.22%	SOP Ljubljana	4.30%
Poteza naložbe d.o.o. – in bankruptcy proceedings	5.00%	KD Galileo, feksibilna struktura naložb	2.68%
Pislijar Marjan	4.76%	Others	32.28%
NFD 1, delniski podsklad	4.67%		

2012 HIGHLIGHTS

Number of shares (units):	9,362,519
Share capital (EUR m)	39.07
Profit after tax (EUR m)	11.79
Equity (EUR m)	171.35
Parent company	Pozavarovalnica SAVA

Daughter insurance companies	Country	Market share		Equity
		%	segment	EUR m
Zavarovalnica TILIA	SI	4.10%	total	19.81
SAVA zivotno osiguranje	SB	0.72%	life	2.14
SAVA Osiguranje	SB	2.43%	non-life	5.77
SAVA Osiguruvanje	MK	9.90%	total	3.82
SAVA Montenegro	MN	16.30%	total	4.79
ILLYRIA	KV	16.50%	total	3.34
ILLYRIA Life	KV	1.40%	total	3.48
VELEBIT	HR	0.99%	non-life	4.25
VELEBIT Zivotno	HR	0.45%	life	4.68

participating in this process, published by the Croatian Ministry of Finance, the Republic of Croatia, holding approximately 80.2% of the total CO's shares, intends to sell a portion of its equity interest in the company, retaining a minimum of 25% plus one share of the share capital of the CO and up to a maximum share of 30% after the increase in the share capital. The transaction to privatize the Company will be carried out through an open international tender process.

The decision to privatize the largest insurer in Croatia, considered also one of the star companies of the country's financial sector, is still not well seen by many. Some large worker's unions believe that Croatia is giving up control of a strategic financial entity. On the other hand, some of the financial professionals consider that, with a proper management and less political intrusion, CO would easily improve its profitability delivering better financial results on long term than the short term gain achieved by its sale.

However, at this time, as the sales process is already ongoing, the main subject

under debate is the sale "price". According to information apparently leaked from the Ministry of Finance, the consulting firm KPMG has estimated CO's value at only EUR 210 million, the local press reports. This means that the Croatian state envisages to obtain from the sale about EUR 90 million, which is a very small amount taking into consideration that only the real estate assets held by CO in downtown Zagreb value at least EUR 200 million (as stated in the company books).

According to other sources¹, the privatisation package is estimated at up to EUR 261 million, an amount justified by the government in that CO is a *relatively small insurance company operating in a region fiercely hit by the economic recession and consequently with a limited growth potential. The company has consistently lost its market share, while Croatia's recent EU accession should bring an additional pressure on the third party liability (TPL) insurance market, currently the most profitable segment in CO's portfolio, whose market is still not fully liberalised.*

Yet, CROATIA Osiguranje ended 2012 with underwritings of EUR 359 million,



TOP 10 SHAREHOLDERS (AS OF 31.12.2012)

Republic of Croatia	80.23%	PBZ d.d.	0.57%
Raiffeisenbank Austria d.d.	6.25%	Kraš d.d.	0.44%
Hrvatska poštanska banka	2.08%	Auto Hrvatska d.d.	0.32%
Societe Generale - Splitska banka	2.07%	Erste&Steiermärkische Bank d.d.	0.22%
Hypo alpe-adria-bank d.d.	1.14%	Komercijalna banka d.d. in liquidation	0.22%
		Other	6.46%

2012 HIGHLIGHTS

Number of shares (units):	316,348
Share capital (EUR m)	58.89
Profit after tax (EUR m)	15.75
Capital and reserves (EUR m)	232.93
Used exchange rate	HRK 7.52/EUR

Parent company CROATIA osiguranje (30% market share)

Daughter insurance companies	Country	Market share		Equity EUR m
		%	segment	
Croatia zdravstveno osiguranje	HR	41.34%	health	5.90
Croatia Sigurimi	KV	4.47%	total	3.00
Milenijum osiguranje	SB	2.18%	total	4.77
Croatia osiguranje	BiH	9.96%	total	4.10
Croatia osiguranje, društvo za osiguranje života	MK	43.71%	life	3.00
Croatia osiguranje, društvo za osiguranje neživota	MK	4.88%	non-life	3.25

a market share of about 30% and a consolidated gross profit of EUR 20.6 million. Also, another important consideration wouldn't be ignored, namely the large regional CO's network outside the country of domicile, as the Croatian company controls 23 subsidiaries in Serbia, Kosovo, Macedonia and Bosnia. In addition, if the current attempt of CO of getting the controlling stake in SAVA Re is successful, the Croatian market leader will strengthen its position across the Adriatic region due to the 14 subsidiaries owned by the Slovenian company in Slovenia, Croatia, Serbia, Montenegro, Macedonia and Kosovo. As a result, whichever the buyer of CO will ultimately be, it will instantly become an important regional player.

From a strictly financial perspective it is noteworthy that, despite the crisis, CO's shares achieved an excellent price on the Zagreb Stock Exchange (ZSE), of four to five times their nominal value. Thus, the company's share capital amounts to HRK 442,887,200 and consists of 316,348 shares with a nominal value of HRK 1,400 per share, out of which 307,598 are ordinary shares and 8,750 are preferred. However, according to the ZSE reports, the CO's shares were traded during the last 52 week at an average price of HRK 6,500, with a peak of HRK 7,500 and a 52-week turnover of HRK 619 million (~EUR 82 million) for a total of about 106.526 shares traded. Simple math easily shows that on the stock market the state's stake offered for sale would value more than the



TOP 10 SHAREHOLDERS (AS OF 31.12.2012)

Zavod za pokojninsko in invalidsko zavarovanje Slovenije	34.47%	HIT d.d.	1.12%
Slovenska odškodninska družba	28.07%	Poteza naložbe d.o.o. – in bankruptcy proceedings	1.11%
NLB d.d.	3.06%	East Capital Balkan Fund	1.09%
Claycroft Limited	1.78%	Salink Limited Julia House	0.99%
Hypo Alpe-Adria Bank AG	1.23%	Others	25.91%
NFD 1, delniški investicijski sklad d.d.	1.17%		

2012 HIGHLIGHTS

Number of shares (units):	22,735,148
Share capital (EUR m)	73.70
Profit after tax (EUR m)	73.18
Equity (EUR m)	574.56

Parent company Zavarovalnica Triglav (31.7% market share)

Daughter insurance companies	Country	Market share		Equity EUR m
		%	segment	
Triglav, Zdravstvena zavarovalnica	SI	4.50%	total	10.40
TRIGLAV Osiguranje	HR	3.80%	total	18.02
TRIGLAV Osiguranje, Sarajevo	BiH	6.50%	total	19.78
TRIGLAV Osiguranje, Banja Luka	BiH	1.50%	total	2.92
LOVČEN Osiguranje	MN	47.60%	non-life	7.11
LOVČEN životna osiguranja	MN	14.80%	life	1.82
TRIGLAV Pojišť'ovna	CZ	1.00%	non-life	6.95
TRIGLAV Osiguranje	SB	2.90%	total	3.23
TRIGLAV Osiguruvanje	MK	19.20%	non-life	8.70

EUR 90 million under discussion.

Other pricing models brought into discussion by the financial analysts are linking the sale price with the insurance premium volume or the book value of capital. Back in 2008, when VIG took over the insurance segment of Erste Bank in CEE, the published information revealed that the price was set by multiplying the annual premium by 1.2. Although the method is not much agreed outside the insurance market, it was used in several similar transactions. Another common evaluation method, according to prof. Jakovcivic from the Faculty of Economics in Zagreb, quoted by Poslovni Dnevnik, starts from the base, formed by the annual premium income, multiplied by 5 plus the book value of the capital. No matter which of these methods is applied, the resulting value would be significantly superior to the sales figures currently circulating.

Beyond any argument, as the sums resulted from CROATIA Osiguranje and the Hrvatska poštanska Banka – assessed at about HRK 2 billion -, are already included in the projected budget revenue, the signal for the bidders is clear: this is the opportunity of the moment!

1 *Legislative & Policy Journal, Vlabovic Group LLC, Croatia, September 2013*



SHAREHOLDERS (AS OF 31.12.2012)

State Treasury	35.19%
Others	64.81%

2012 HIGHLIGHTS

Number of shares (units):	86,352,300
Share capital (EUR m)	21.12
Profit after tax (EUR m)	795.90
Equity (EUR m)	3,490.36
Used exchange rate	PLN 4.08 / EUR
Parent company	Powszechny Zakład Ubezpieczeń SA

Daughter insurance companies	Country	Market share %	segment	Equity EUR m
Powszechny Zakład Ubezpieczeń na Życie SA („PZU Życie“)	PL	26.50%	life	5.90
PrJSC IC PZU Ukraine („PZU Ukraine“)	UK	1.81%	non-life	3.00
UAB DK PZU Lietuva („PZU Lietuva“)	LT	13.34%	non-life	4.77
UAB PZU Lietuva Gyvybes Draudimas	LT	3.65%	life	4.10
PrJSC IC PZU Ukraine Life Insurance („PZU Ukraine Life“)	UK	5.35%	life	3.00



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June, 2014

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Good news ... **still to come**

Lately, different sources have expressed positive assessments with regard to the economic status of the CEE countries. The beyondbrics blog of the Financial Times was writing a couple of day ago that "Central Europe's economies have turned the corner and are starting to rebound after a slump late last year and in the first months of 2013. *Getting beyond the journalistic approach, the leading economic forecasting entities seem to agree, even to lesser level of optimism, that the "positive economic metrics across the region indicate overall improvements and a rebound in industrial production, although subdued demand means that recovery is tenuous* (Moody's Analytics). The Czech Republic and Poland are mentioned for growing faster than anticipated in the second quarter, while for Hungary the successful repayment of its USD 25.5 billion IMF loan ahead of schedule is considered an encouraging sign despite worse-than-expected economic performance. The improvement in industrial production, as well as the raising level of real estate investments across the region and the positive evolution of the stock exchange institutions in Bucharest, Warsaw, Budapest or Prague are also seen as significant indications of a positive economic development. Moreover, a fact that should be definitely encouraging for the insurance industry is that there are also visible signs, at least in some of the CEE countries, of a rebound in terms of the citizens' living standard. If no other indication, at least a growing volume in the new car sales should prove that not only the appetite, but also the possibility of spending, is returning in the area.

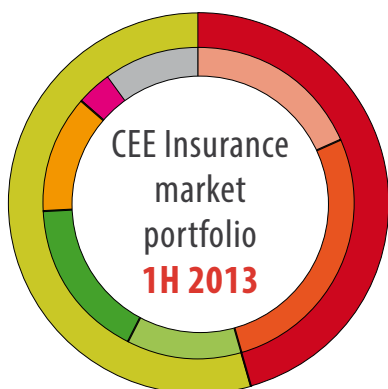
Despite the optimistic preamble above, the CEE insurance market ended the first half of 2013 with a big and hardly pleasant surprise: a 4.12% decrease in GWP, to a total of about EUR 17 billion. In absolute figures, the underwriting result of 1H2013 lags behind the previous year's figure by EUR 730 million, an amount that fairly equals, for example, the total premium production of the three Baltic markets. There are four markets reporting negative results in the considered period: Albania (-4.4%), the Czech Republic (-1.8%), Slovenia (-1.16%) and Poland (-11.3%), but the summed effects of the Polish market's size and downsize rate made the premium decreases from the first three nominated markets look insignificant. In short, once again the Polish market was the trendsetter: if for the Polish insurers this was the second worst market performance in the last five years, after the 13% fall recorded in 2009, the same goes for the CEE market as a whole. And just as in 2009, the trendsetter was the Polish life insurance segment that recorded an almost 20% decrease in GWP. According to the representatives of the local insurers' association, the most impressive decrease was recorded for the short-term life insurance policies, i.e. products combining the features of a life insurance policy and a bank deposit, a class which lost over EUR 930 million in GWP as compared with 1H2012, mostly on the group products side. A similar trend was also recorded, to a lesser extent, in the Czech Republic, where GWP for the Unit-Linked life insurance segment decreased by about EUR 100 million. The positive change in the GWP volume

placed by all the other markets across the CEE area has only marginally offset the losses in Poland and the Czech Republic, so that overall the life insurance sector in CEE 1H2013 ended with a GWP decrease of over EUR 880 million.

The CEE non-life insurance segment ended 1H2013 with an aggregated GWP growth of 1.6%, to EUR 9.6 billion. In absolute terms, the highest contribution to the modest extra EUR 150 million in GWP reported came from the Czech (+EUR 43 million), Estonian (+EUR 38.6 million) and Romanian (+EUR 31.7 million) markets.

Looking at the evolution of the most important business lines, it is obvious that property insurance lines played the homeland saviour's part this time, with an absolute growth in GWP of EUR 121 million, which the Polish and Romanian markets contributed to with more than 80%. The fire insurance class recorded the best result in absolute terms, with a EUR 72 million growth in underwritings, while in relative terms both components of the property segment added about 5% to the previous year's volumes.

The second good news on the property segment is the over EUR 100 million decrease in paid claims, despite the "turbulent" summer of 2013. However, this might prove to be only a fleeting joy, as a large amount of claims arising from the summer floods were still unsettled by the end of the first semester. Only the 3Q or the year-end results will show the real impact of the floods that hit Central and Eastern Europe this summer. For example, insured damage from the 2013 floods in the Czech Republic, considered the worst in more than a decade, could cost the insurance industry about EUR 290 million, according to estimates, but by the end of June there were still about 47,000 unsettled claims on the "fire and other perils" class and other ~28,500 are still waiting for a resolution on the "other damages to property" class. And the Czech Republic was not the only country in the area strongly affected by the floods. There is no news in saying that motor insurance reported again the worst



Life insurance	43.46%
Non-life insurance	56.54%
Unit-Linked insurance	18.22%
Other life insurance	25.24%
Motor Hull	10.75%
MTPL	16.83%
Property insurance	13.54%
GTPL insurance	4.43%
Other non-life insurance	10.98%

CEE, SEE & CIS MARKET INDICATORS IN NATIONAL CURRENCIES

Country	Overall gross written premiums in local currency			Overall paid claims in local currency			EUR exchange rate		Local currency
	1H2013 million	1H2012 million	Nominal change %	1H2013 million	1H2012 million	Nominal change %	1H2013	1H2012	
Central and Eastern Europe - CEE									
Albania	3,948.89	4,048.24	-2.45	1,366.65	1,500.58	-8.93	140.96	138.17	ALL
Bosnia & Herzegovina	259.45	248.93	4.23	93.71	91.11	2.85	1.96	1.96	BAM
Bulgaria	830.84	796.11	4.36	394.19	378.38	4.18	1.96	1.96	BGN
Croatia	4,914.09	4,897.13	0.35	2,377.02	2,254.22	5.45	7.45	7.51	HRK
Czech Rep.	80,071.97	80,595.51	-0.65	48,452.11	44,363.30	9.22	25.95	25.64	CZK
Estonia	217.55	176.05	23.57	121.66	99.10	22.77	-	-	EUR
Hungary	428,508.82	409,199.31	4.72	303,096.26	307,098.77	-1.30	295.16	288.22	HUF
Kosovo	40.30	34.81	15.78	21.13	14.11	49.72	-	-	EUR
Latvia	168.05	156.84	7.14	93.85	80.54	16.52	0.70	0.70	LVL
Lithuania	940.07	855.32	9.91	578.90	499.36	15.93	3.45	3.45	LTL
Macedonia (FYROM)	3,625.05	3,409.66	6.32	1,413.44	1,390.49	1.65	61.68	61.63	MKD
Montenegro	35.64	34.03	4.71	NA	NA	-	-	-	EUR
Poland	29,941.56	33,233.08	-9.90	19,530.30	19,110.97	2.19	4.33	4.26	PLN
Romania	4,352.67	4,186.96	3.96	2,230.33	2,296.26	-2.87	4.39	4.39	RON
Serbia	34,066.57	32,488.98	4.86	11,941.85	11,333.20	5.37	114.17	115.82	RSD
Slovak Rep.	1,066.71	1,052.97	1.30	627.96	594.31	5.66	-	-	EUR
Slovenia	1,081.46	1,094.13	-1.16	688.85	702.11	-1.89	-	-	EUR
Southeast Europe - SEE									
CYPRUS	394.33	425.66	-7.36	337.37	286.22	17.87	-	-	EUR
GREECE	1,976.62	2,220.27	-10.97	NA	NA	-	-	-	EUR
TURKEY	12,547.82	10,055.79	24.78	5,856.45	5,516.11	6.17	2.52	2.29	TRY
Commonwealth of Independent States - CIS									
Armenia	22,669.41	23,867.89	-5.02	9,656.17	5,967.43	61.81	535.25	525.61	AMD
Azerbaijan	198.02	169.46	16.86	58.10	41.44	40.18	1.03	0.99	AZN
Belarus	3,365,062.27	1,966,984.26	71.08	1,296,543.09	968,188.68	33.91	11,460.00	10,470.00	BYR
Georgia (1Q13 vs. 1Q12)	110.48	130.96	-15.64	92.94	51.73	79.67	2.12	2.20	GEL
Kazakhstan	151,681.37	112,416.07	34.93	29,774.05	32,783.00	-9.18	197.90	187.90	KZT
Kyrgyzstan	NA	NA	NA	NA	NA	NA	-	-	KGS
Moldova	571.53	501.03	14.07	196.61	187.17	5.04	16.13	15.41	MDL
Russia	467,544.93	412,422.87	13.37	194,386.03	168,484.51	15.37	42.72	41.32	RUB
Tajikistan	NA	NA	NA	NA	NA	NA	-	-	TJS
Turkmenistan	NA	NA	NA	NA	NA	NA	-	-	TMT
Ukraine	14,334.00	9,582.00	49.59	2,283.00	2,599.60	-12.18	10.41	9.97	UAH
Uzbekistan	191,189.09	132,994.27	43.76	40,771.33	23,590.29	72.83	2,741.69	2,382.81	UZS

Used exchange rates used are at the end of the period. In the case of Romania and Moldova, the used exchange rates are average for the analyzed period

NA - Until the closing edition, no official data were available

performance within the regional portfolio. With an overall 2.2% decrease in GWP, meaning about EUR 105 million in absolute terms, it can be said that the motor business has consumed almost the entire growth in premiums provided by the property lines. Romania and Estonia, followed by the Czech Republic and Lithuania are the only CEE markets which had, in absolute terms, a more consistent contribution to partially offsetting the major decrease in GWP reported by Poland, Hungary and Slovenia.

Not surprisingly, the Motor Hull line continued to produce the worst results, with a premium volume decrease of EUR 96 million and a rise in claims of almost EUR 10 million. On the MTPL insurance

side, the written premium volume decreased by EUR 10 million, while the claims amount rose by more than EUR 33 million. The still weak car sales market, in addition to the soft prices of MTPL and higher costs of claims, are the main ingredients of this situation. In fact, there is nothing new in this area, except for some still timid signs of reconsidering MTPL prices shown by a few markets and the raising concern with regard to the bodily injuries claims which tend to become not only a real financial burden, but also an important factor of unpredictability for the company's financial plans.

A possible conclusion after the first six months of 2013 could be that the

positive evolution already visible in the region's economy still need some time until it generates a similar trend in the insurance industry. Most probably, as we have already said in our previous regional analysis, the most important factor which could drive a visible and sustainable growth in this sector would be the raising purchasing power of the population ... but for the time being, it is hard to predict when the CEE citizens will start feeling the region's economical rebound in their own pockets.

D.G.

CEE - OVERALL MARKET DATA

Country	Overall GWP			Overall paid claims			Regional market share	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
ALBANIA	28.01	29.30	-4.38	9.70	10.86	-10.73	0.16	0.17
BOSNIA & HERZEGOVINA	132.65	127.27	4.23	47.91	46.59	2.85	0.78	0.72
BULGARIA	424.80	407.05	4.36	201.55	193.46	4.18	2.50	2.30
CROATIA	659.49	652.07	1.14	319.01	300.16	6.28	3.88	3.68
CZECH REP.	3,085.63	3,143.35	-1.84	1,867.13	1,730.24	7.91	18.15	17.73
ESTONIA	217.55	176.05	23.57	121.66	99.10	22.77	1.28	0.99
HUNGARY	1,451.78	1,419.75	2.26	1,026.89	1,065.50	-3.62	8.54	8.01
KOSOVO	40.30	34.81	15.78	21.13	14.11	49.72	0.24	0.20
LATVIA	239.11	223.17	7.14	133.53	114.60	16.52	1.41	1.26
LITHUANIA	272.26	247.72	9.91	167.66	144.63	15.93	1.60	1.40
MACEDONIA (FYROM)	58.77	55.32	6.23	22.91	22.56	1.57	0.35	0.31
MONTENEGRO	35.64	34.03	4.71	na	na	-	0.21	0.19
POLAND	6,916.19	7,798.81	-11.32	4,511.30	4,484.78	0.59	40.68	43.99
ROMANIA	991.14	954.01	3.89	507.86	523.21	-2.93	5.83	5.38
SERBIA	298.38	280.51	6.37	104.60	97.85	6.89	1.76	1.58
SLOVAK REP.	1,066.71	1,052.97	1.30	627.96	594.31	5.66	6.27	5.94
SLOVENIA	1,081.46	1,094.13	-1.16	688.85	702.11	-1.89	6.36	6.17
TOTAL CEE	16,999.88	17,730.33	-4.12	10,379.65	10,144.07	2.32	100.00	100.00

CEE - LIFE INSURANCE MARKET DATA

Country	LIFE GWP			Indemnities			Weight in all GWP		Regional market share	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012	1H2013	1H2012
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
ALBANIA	3.33	2.96	12.83	0.20	0.56	-63.66	11.90	10.09	0.05	0.04
BOSNIA & HERZEGOVINA	22.95	21.16	8.47	6.00	4.83	24.33	17.30	16.62	0.31	0.26
BULGARIA	77.01	66.24	16.27	28.32	24.59	15.15	18.13	16.27	1.04	0.80
CROATIA	166.02	155.56	6.73	110.79	94.07	17.77	25.17	23.86	2.25	1.88
CZECH REP.	1,351.52	1,452.20	-6.93	1,014.18	924.77	9.67	43.80	46.20	18.29	17.56
ESTONIA	39.30	36.36	8.09	20.65	23.85	-13.42	18.06	20.65	0.53	0.44
HUNGARY	784.37	730.56	7.36	734.82	773.07	-4.95	54.03	51.46	10.62	8.83
KOSOVO	0.94	0.61	52.51	0.04	-	-	2.32	1.76	0.01	0.01
LATVIA	39.27	31.95	22.91	32.18	20.06	60.40	16.42	14.32	0.53	0.39
LITHUANIA	81.01	73.75	9.85	56.15	44.96	24.89	29.75	29.77	1.10	0.89
MACEDONIA (FYROM)	5.21	4.14	25.78	1.14	0.71	61.13	8.86	7.48	0.07	0.05
MONTENEGRO	4.89	4.38	11.62	na	na	-	13.71	12.87	0.07	0.05
POLAND	3,708.61	4,608.27	-19.52	2,984.00	2,818.70	5.86	53.62	59.09	50.19	55.72
ROMANIA	198.18	192.74	2.82	16.40	20.32	-19.30	20.00	20.20	2.68	2.33
SERBIA	53.12	47.73	11.29	15.29	11.99	27.52	17.80	17.02	0.72	0.58
SLOVAK REP.	570.25	549.21	3.83	388.00	358.63	8.19	53.46	52.16	7.72	6.64
SLOVENIA	282.99	292.54	-3.26	198.79	240.17	-17.23	26.17	26.74	3.83	3.54
TOTAL CEE	7,388.97	8,270.34	-10.66	5,606.96	5,361.29	4.58	43.46	46.65	100.00	100.00

CEE - NON-LIFE INSURANCE MARKET DATA

Country	NON-LIFE GWP			Paid claims			Weight in all GWP		Regional market share	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012	1H2013	1H2012
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%	%	%
ALBANIA	24.68	26.34	-6.32	9.49	10.30	-7.83	88.10	89.91	0.26	0.28
BOSNIA & HERZEGOVINA	109.70	106.12	3.38	41.91	41.76	0.37	82.70	83.38	1.14	1.12
BULGARIA	347.79	340.81	2.05	173.23	168.87	2.58	81.87	83.73	3.62	3.60
CROATIA	493.47	496.52	-0.61	208.22	206.09	1.03	74.83	76.14	5.13	5.25
CZECH REP.	1,734.11	1,691.15	2.54	852.95	805.46	5.90	56.20	53.80	18.04	17.88
ESTONIA	178.25	139.69	27.60	101.01	75.25	34.24	81.94	79.35	1.85	1.48
HUNGARY	667.42	689.18	-3.16	292.07	292.43	-0.13	45.97	48.54	6.94	7.29
KOSOVO	39.37	34.20	15.12	21.09	14.11	49.43	97.68	98.24	0.41	0.36
LATVIA	199.84	191.22	4.51	101.35	94.54	7.20	83.58	85.68	2.08	2.02
LITHUANIA	191.25	173.97	9.94	111.51	99.67	11.88	70.25	70.23	1.99	1.84
MACEDONIA (FYROM)	53.56	51.18	4.65	21.78	21.85	-0.36	91.14	92.52	0.56	0.54
MONTENEGRO	30.75	29.66	3.69	na	na	-	86.29	87.13	0.32	0.31
POLAND	3,207.57	3,190.54	0.53	1,527.30	1,666.08	-8.33	46.38	40.91	33.37	33.73
ROMANIA	792.96	761.27	4.16	491.46	502.89	-2.27	80.00	79.80	8.25	8.05
SERBIA	245.26	232.78	5.36	89.31	85.86	4.01	82.20	82.98	2.55	2.46
SLOVAK REP.	496.45	503.77	-1.45	239.96	235.68	1.82	46.54	47.84	5.17	5.33
SLOVENIA	798.47	801.59	-0.39	490.06	461.94	6.09	73.83	73.26	8.31	8.47
TOTAL CEE	9,610.91	9,459.99	1.60	4,772.70	4,782.78	-0.21	56.54	53.35	100.00	100.00

CEE - LIFE UNIT-LINKED INSURANCE

Country	UL GWP			UL Indemnities			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
ALBANIA	-	-	-	-	-	-	-	-
BOSNIA & HERZEGOVINA	-	-	-	-	-	-	-	-
BULGARIA	4.30	4.17	3.26	1.55	1.82	-14.51	1.01	1.02
CROATIA	8.76	9.35	-6.33	6.40	4.92	30.09	1.33	1.43
CZECH REP.	657.83	780.94	-15.76	433.98	323.74	34.05	21.32	24.84
ESTONIA	na	na	na	na	na	na	na	na
HUNGARY	511.80	474.53	7.86	473.35	468.83	0.96	35.25	33.42
KOSOVO	-	-	-	-	-	-	-	-
LATVIA	9.07	7.71	17.56	12.31	6.99	75.97	3.79	3.46
LITHUANIA	55.80	50.31	10.92	38.90	24.63	57.91	20.50	20.31
MACEDONIA (FYROM)	-	-	-	-	-	-	-	-
MONTENEGRO	-	-	-	-	-	-	-	-
POLAND	1,448.58	1,411.61	2.62	860.76	712.96	20.73	20.94	18.10
ROMANIA	69.57	67.65	2.84	0.83	1.17	-28.91	7.02	7.09
SERBIA	-	-	-	-	-	-	-	-
SLOVAK REP.	170.93	179.31	-4.67	65.22	57.47	13.48	16.02	17.03
SLOVENIA	161.34	169.87	-5.02	85.10	131.37	-35.22	14.92	15.53
TOTAL CEE	3,097.99	3,155.45	-1.82	1,978.39	1,733.90	14.10	18.22	17.80

CEE - MOTOR INSURANCE

Country	OVERALL MOTOR INSURANCE GWP			OVERALL MOTOR INSURANCE CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m.	EUR m.	%	EUR m.	EUR m.	%	%	%
ALBANIA	13.83	15.41	-10.26	8.36	7.57	10.48	49.35	52.59
BOSNIA & HERZEGOVINA	77.11	75.52	2.11	32.52	31.94	1.81	58.13	59.34
BULGARIA	248.83	240.04	3.66	153.15	142.82	7.23	58.58	58.97
CROATIA	255.12	254.12	0.39	116.55	112.63	3.47	38.68	38.97
CZECH REP.	714.86	702.67	1.74	446.21	428.45	4.14	23.17	22.35
ESTONIA	95.83	77.31	23.96	66.25	47.32	39.99	44.05	43.91
HUNGARY	262.17	287.20	-8.72	161.83	177.97	-9.07	18.06	20.23
KOSOVO (only MTPL)	28.87	23.43	23.22	11.11	9.56	16.25	71.64	67.31
LATVIA	62.89	60.57	3.83	40.22	39.41	2.08	26.30	27.14
LITHUANIA	112.40	101.83	10.37	72.35	64.20	12.69	41.28	41.11
MACEDONIA (FYROM)	31.24	30.59	2.12	16.02	15.20	5.36	53.15	55.29
MONTENEGRO	18.43	18.01	2.34	na	na	-	51.71	52.91
POLAND	1,613.13	1,741.87	-7.39	1,033.66	1,060.00	-2.49	23.32	22.34
ROMANIA	496.69	475.93	4.36	440.27	437.48	0.64	50.11	49.89
SERBIA	113.34	113.14	0.18	54.87	54.91	-0.08	37.99	40.33
SLOVAK REP.	271.91	284.32	-4.36	179.36	166.86	7.49	25.49	27.00
SLOVENIA	272.45	293.15	-7.06	166.55	159.42	4.47	25.19	26.79
TOTAL CEE	4,689.10	4,795.09	-2.21	2,999.27	2,955.75	1.47	27.58	27.04

Country	MOTOR HULL				MTPL			
	GWP		CLAIMS		GWP		CLAIMS	
	1H2013	1H2012	1H2013	1H2012	1H2013	1H2012	1H2013	1H2012
EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
ALBANIA	1.88	2.02	1.29	1.59	11.95	13.39	7.08	5.98
BOSNIA & HERZEGOVINA	14.96	15.53	9.86	9.67	62.15	59.99	22.65	22.27
BULGARIA	104.38	106.52	65.59	68.11	144.45	133.52	87.56	74.71
CROATIA	48.96	52.50	41.74	40.77	206.17	201.62	74.80	71.86
CZECH REP.	287.82	289.67	214.24	209.61	427.04	413.00	231.97	218.85
ESTONIA	52.42	42.44	35.36	25.47	43.42	34.87	30.89	21.86
HUNGARY	108.64	126.92	65.88	73.16	153.52	160.27	95.95	104.81
KOSOVO	na	na	na	na	28.87	23.43	11.11	9.56
LATVIA	40.34	37.63	25.45	23.69	22.56	22.95	14.77	15.71
LITHUANIA	44.14	40.13	31.44	29.00	68.25	61.70	40.91	35.20
MACEDONIA (FYROM)	5.89	6.03	3.49	4.07	25.34	24.56	12.53	11.13
MONTENEGRO	2.65	2.94	na	na	15.78	15.07	na	na
POLAND	624.29	682.54	399.77	408.07	988.84	1,059.32	633.89	651.94
ROMANIA	204.79	218.37	215.86	223.17	291.91	257.56	224.41	214.31
SERBIA	30.12	31.57	19.21	19.51	83.23	81.57	35.66	35.40
SLOVAK REP.	124.53	129.38	100.25	90.77	147.38	154.93	79.11	76.09
SLOVENIA	131.44	139.50	92.00	84.99	141.01	153.65	74.55	74.43

CEE - PROPERTY INSURANCE

Country	OVERALL PROPERTY INSURANCE GWP			Change	OVERALL PROPERTY INSURANCE CLAIMS			Weight in all GWP	
	1H2013	1H2012	%		1H2013	1H2012	%	1H2013	1H2012
	EUR m.	EUR m.			EUR m.	EUR m.		%	%
ALBANIA	5.95	6.33	-5.95	0.38	1.97	-80.96	21.25	21.61	
BOSNIA & HERZEGOVINA	15.92	15.42	3.26	3.03	4.09	-25.79	12.00	12.12	
BULGARIA	62.63	62.53	0.15	10.54	16.96	-37.85	14.74	15.36	
CROATIA	110.70	115.75	-4.37	44.19	46.09	-4.12	16.79	17.75	
CZECH REP.	438.79	437.35	0.33	178.16	155.50	14.57	14.22	13.91	
ESTONIA	44.16	36.20	22.00	18.88	16.61	13.62	20.30	20.56	
HUNGARY	291.55	288.99	0.89	92.68	82.38	12.51	20.08	20.35	
KOSOVO	na	na	na	na	na	na	na	na	
LATVIA	36.62	33.67	8.78	11.01	11.53	-4.46	15.32	15.09	
LITHUANIA	37.70	34.30	9.93	11.00	14.06	-21.79	13.85	13.85	
MACEDONIA (FYROM)	12.51	11.52	8.64	2.46	3.53	-30.33	21.29	20.82	
MONTENEGRO	4.85	4.29	12.94	na	na	-	13.61	12.62	
POLAND	722.29	644.98	11.99	209.60	325.12	-35.53	10.44	8.27	
ROMANIA	164.43	144.07	14.13	26.38	31.19	-15.42	16.59	15.10	
SERBIA	84.10	73.30	14.74	17.02	15.32	11.11	28.19	26.13	
SLOVAK REP.	129.94	127.93	1.57	34.69	45.28	-23.40	12.18	12.15	
SLOVENIA	139.98	144.49	-3.12	54.51	52.16	4.49	12.94	13.21	
TOTAL CEE	2,302.14	2,181.12	5.55	714.52	821.80	-13.05	13.54	12.30	

Country	FIRE AND ALLIED PERILS				DAMAGES TO PROPERTY			
	GWP		CLAIMS		GWP		CLAIMS	
	1H2013	1H2012	1H2013	1H2012	1H2013	1H2012	1H2013	1H2012
	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m	EUR m
ALBANIA	4.09	4.00	0.37	1.87	1.87	2.33	0.01	0.10
BOSNIA & HERZEGOVINA	7.96	8.00	1.20	1.99	7.96	7.42	1.83	2.10
BULGARIA	47.66	46.17	8.18	11.61	14.97	16.36	2.36	5.36
CROATIA	48.29	48.05	18.60	21.04	62.41	67.70	25.59	25.05
CZECH REP.	263.76	266.27	112.99	85.86	175.02	171.08	65.18	69.64
ESTONIA	30.27	23.90	8.62	9.12	13.89	12.30	10.26	7.50
HUNGARY	178.13	176.38	57.91	49.49	113.43	112.61	34.77	32.89
KOSOVO	na	na	na	na	na	na	na	na
LATVIA	27.96	25.02	7.97	8.20	8.66	8.64	3.04	3.32
LITHUANIA	na	na	na	na	na	na	na	na
MACEDONIA (FYROM)	4.38	5.31	0.46	0.83	8.13	6.21	2.00	2.71
MONTENEGRO	2.24	2.10	-	-	2.61	2.20	-	-
POLAND	441.31	397.74	140.56	116.96	280.98	247.24	69.04	208.15
ROMANIA	143.71	123.55	21.24	24.43	20.72	20.52	5.14	6.75
SERBIA	24.24	24.35	5.01	4.61	59.86	48.95	12.01	10.70
SLOVAK REP.	na	na	na	na	na	na	na	na
SLOVENIA	67.13	67.90	23.93	20.79	72.85	76.59	30.58	31.37

CEE - GTPL INSURANCE

Country	GTPL INSURANCE GWP			Change	GTPL INSURANCE CLAIMS			Weight in all GWP	
	1H2013	1H2012	%		1H2013	1H2012	%	1H2013	1H2012
	EUR m.	EUR m.			EUR m.	EUR m.		%	%
ALBANIA	1.32	1.34	-1.77	-	-	-	4.70	4.58	
BOSNIA & HERZEGOVINA	1.79	1.56	14.50	0.22	0.19	17.14	1.35	1.23	
BULGARIA	9.08	8.57	6.02	1.22	1.63	-25.45	2.14	2.11	
CROATIA	23.71	22.00	7.78	9.13	7.78	17.29	3.60	3.37	
CZECH REP.	266.22	262.19	1.54	125.71	124.88	0.66	8.63	8.34	
ESTONIA	7.33	5.73	27.94	1.77	1.92	-7.86	3.37	3.26	
HUNGARY	35.27	32.95	7.06	6.93	6.34	9.27	2.43	2.32	
KOSOVO	na	na	na	na	na	na	na	na	
LATVIA	9.06	9.32	-2.78	1.34	2.17	-38.12	3.79	4.18	
LITHUANIA	11.27	9.80	15.04	4.69	2.11	122.11	4.14	3.96	
MACEDONIA (FYROM)	1.44	1.23	17.18	0.18	122.97	-99.85	2.45	2.22	
MONTENEGRO	0.77	0.65	18.91	na	na	-	2.17	1.91	
POLAND	255.48	239.73	6.57	70.15	70.15	-0.01	3.69	3.07	
ROMANIA	46.61	60.54	-23.01	4.01	3.19	25.62	4.70	6.35	
SERBIA	6.97	6.31	10.39	1.47	1.13	29.55	2.33	2.25	
SLOVAK REP.	38.45	35.64	7.89	8.51	7.20	18.29	3.60	3.38	
SLOVENIA	37.87	38.54	-1.74	16.22	13.39	21.20	3.50	3.52	
TOTAL CEE	752.66	736.11	2.25	251.55	365.06	-31.09	4.43	4.15	



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Felix Hufeld
Executive Director for Insurance and Pension Funds Supervision, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Bonn



Prof. Dr. Dirk Schoenmaker
Dean of Duisenberg School of Finance, Amsterdam; Member of the Advisory Scientific Committee (ASC), European Systemic Risk Board (ESRB)



Joanne Segars
Chief Executive, The National Association of Pension Funds Ltd. (NAPF), London; Chair, PensionsEurope, Brussels



Dr. Thomas Steffen
State Secretary, Federal Ministry of Finance, Berlin



Klaus Wiedner
Head of Unit, DG Internal Market, European Commission



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TOP 150 NON-LIFE INSURANCE COMPANIES IN CEE REGION - AS OF JUNE 30TH, 2013

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
1	PL	1	PZU	1,001.80	1,041.14	-3.78
2	PL	2	TUIR WARTA	436.25	300.57	45.14
3	CZ	1	ČESKÁ pojišťovna	366.40	381.15	-3.87
4	PL	3	STU ERGO HESTIA	359.58	331.86	8.35
5	CZ	2	KOOPERATIVA	332.76	334.84	-0.62
6	SI	1	TRIGLAV	251.59	274.52	-8.35
7	PL	4	TUIR ALLIANZ POLSKA	211.77	213.48	-0.80
8	HR	1	CROATIA Osiguranje	193.44	200.43	-3.49
9	SK	1	ALLIANZ - Slovenská	179.30	185.85	-3.52
10	HU	1	ALLIANZ	147.21	180.39	-18.39
11	SI	2	VZAJEMNA	143.54	130.79	9.75
12	SK	2	KOOPERATIVA poisťovňa VIG	141.49	140.65	0.60
13	CZ	3	ALLIANZ	141.35	144.28	-2.03
14	PL	5	UNIQA TU	139.74	144.03	-2.98
15	RO	1	ASTRA Asigurari	135.71	115.88	17.11
16	PL	6	INTERRISK TU VIG	135.48	126.45	7.14
17	HU	2	GENERALI-PROVIDENCIA	131.21	133.05	-1.38
18	SI	3	ADRIATIC SLOVENICA	128.77	129.01	-0.19
19	PL	7	COMPENSA TU VIG	124.92	126.79	-1.48
20	PL	8	GENERALI T.U.	119.59	131.88	-9.31
21	SI	4	MARIBOR	109.36	114.69	-4.65
22	CZ	4	GENERALI	104.08	111.23	-6.43
23	RO	2	OMNIASIG VIG	99.73	125.06	-20.26
24	CZ	5	Česká podnikatelská pojišťovna	94.41	92.73	1.81
25	RO	3	ALLIANZ-TIRIAC	93.26	92.81	0.49
26	CZ	6	UNIQA	87.63	83.20	5.33
27	CZ	7	ČSOB Pojišťovna	87.21	86.66	0.64
28	SB	1	DUNAV	86.36	80.81	6.87
29	PL	9	MTU MOJE	78.59	86.64	-9.29
30	RO	4	GROUPAMA Asigurari	78.44	79.97	-1.91
31	HU	3	AEGON	77.08	74.58	3.34
32	PL	10	TU EUROPA	73.85	38.89	89.90
33	HU	4	GROUPAMA	73.43	75.56	-2.82
34	RO	5	UNIQA Asigurari	69.00	50.12	37.68
35	RO	6	EUROINS Romania	64.15	53.09	20.84
36	HR	2	EUROHERC Osiguranje	63.08	63.13	-0.09
37	EE	1	If P&C Insurance	61.36	61.04	0.52
38	HU	5	UNIQA	58.27	59.57	-2.18
39	LT	1	LIETUVOS draudimas	57.21	53.20	7.54
40	PL	11	TUWTUW	56.71	52.16	8.74
41	EE	2	ERGO Insurance	55.27	21.08	162.19
42	RO	7	ASIROM VIG	55.12	60.27	-8.55
43	PL	12	GOTHAER TU	54.80	62.47	-12.29
44	HR	3	ALLIANZ Zagreb	53.26	51.46	3.50
45	HU	6	UNION	52.43	35.96	45.81
46	RO	8	CARPATICA ASIG	52.14	29.34	77.72
47	SI	5	TRIGLAV ZDRAVSTVENA	51.48	42.87	20.06
48	SK	3	GENERALI Slovensko	51.47	56.60	-9.07
49	BG	1	LEV INS	49.75	45.28	9.88
50	BG	2	BULSTRAD VIG	48.15	47.57	1.21

TOP 150 LIFE INSURANCE COMPANIES IN CEE REGION - AS OF JUNE 30TH, 2013

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
1	PL	1	PZU ŻYCIE	1,109.07	1,218.28	-8.96
2	PL	2	TU na ŻYCIE EUROPA	254.40	194.13	31.05
3	PL	3	OPEN LIFE TU ŻYCIE	238.47	402.84	-40.80
4	PL	4	ING TUnŻ	220.35	234.39	-5.99
5	PL	5	BENEFIA TU na ŻYCIE VIG	219.98	574.98	-61.74
6	PL	6	TUnŻ WARTA	210.61	287.37	-26.71
7	PL	7	AMPLICO LIFE	209.84	193.93	8.21
8	PL	8	AVIVA TUnŻ	206.03	217.57	-5.31
9	CZ	1	ČESKÁ pojišťovna	203.25	214.37	-5.18
10	PL	9	NORDEA POLSKA TU na ŻYCIE	173.16	179.15	-3.34
11	PL	10	AXA ŻYCIE TU	127.02	101.34	25.34
12	SK	1	KOOPERATIVA poisťovňa VIG	126.46	115.59	9.41
13	CZ	2	KOOPERATIVA	124.34	118.59	4.85
14	SK	2	ALLIANZ - Slovenská	120.47	123.77	-2.67
15	HU	1	ING	115.57	110.80	4.31
16	HU	2	MPÉ Hungarian Post Life	115.23	84.88	35.75
17	PL	11	AEGON TU na ŻYCIE	114.30	92.72	23.28
18	CZ	3	Pojišťovna České spořitelny	113.03	108.40	4.27
19	HU	3	ALLIANZ	109.98	100.66	9.26
20	PL	12	GENERALI ŻYCIE T.U.	108.61	118.53	-8.37
21	CZ	4	ING	93.64	96.94	-3.40
22	PL	13	HDI - GERLING ŻYCIE TU	92.11	48.43	90.21
23	SI	1	TRIGLAV	91.21	98.14	-7.07
24	HU	4	GROUPAMA	78.73	57.95	35.85
25	HU	5	GENERALI-PROVIDENCIA	65.93	66.57	-0.96
26	HU	6	AEGON	63.01	64.18	-1.83
27	RO	1	ING Asigurari de Viata	62.26	61.22	1.71
28	SK	3	MetLife AMSLICO poisťovňa	60.66	61.44	-1.28
29	PL	14	STUnŻ ERGO HESTIA	58.84	104.48	-43.68
30	PL	15	BZ WBK - AVIVA TUnŻ	58.51	80.72	-27.52
31	PL	16	COMPENSA TU na ŻYCIE VIG	58.47	72.50	-19.34
32	HU	7	UNIQA	56.33	40.17	40.21
33	CZ	5	ČSOB Pojišťovna	56.29	72.19	-22.03
34	CZ	6	GENERALI	55.84	54.72	2.04
35	CZ	7	ALLIANZ	54.66	49.31	10.85
36	SK	4	KOMUNÁLNA poisťovňa VIG	54.19	52.40	3.40
37	PL	17	UNIQA TU na ŻYCIE	49.76	40.91	21.66
38	SI	2	MODRA ZAVAROVALNICA	46.74	47.80	-2.22
39	CZ	8	METLIFE	46.37	49.65	-6.60
40	PL	18	TU ALLIANZ ŻYCIE POLSKA	46.31	306.80	-84.91
41	PL	19	SKANDIA ŻYCIE TU	43.10	45.68	-5.65
42	SK	5	GENERALI Slovensko	39.86	38.42	3.75
43	SK	6	ING Životná poisťovňa	38.65	39.28	-1.61
44	SI	3	MARIBOR	37.94	38.59	-1.68
45	PL	20	TUnŻ CARDIF POLSKA	34.21	37.25	-8.17
46	HR	1	ALLIANZ Zagreb	32.72	27.10	20.73
47	RO	2	BCR Asigurari de Viata VIG	31.18	40.02	-22.09
48	SK	7	ČSOB Poistovňa	30.26	27.39	10.50
49	CZ	9	Komerční pojišťovna	30.19	26.16	15.41
50	CZ	10	AXA - ŽP	29.44	32.01	-8.02
51	RO	3	METROPOLITAN Life	28.03	26.04	7.63

**TOP 150 NON-LIFE INSURANCE COMPANIES
IN CEE REGION - AS OF JUNE 30TH, 2013**

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
51	PL	13	AVIVA TU OGÓLNYCH	47.39	43.82	8.16
52	SI	6	TILIA	45.50	43.03	5.74
53	SB	2	DELTA GENERALI	42.97	43.33	-0.82
54	PL	14	LINK4 TU	41.43	38.50	7.61
55	HR	4	JADRANSKO Osiguranje	41.40	41.50	-0.23
56	BG	3	ARMEEC	40.85	42.68	-4.28
57	RO	9	GENERALI Romania	40.49	48.66	-16.79
58	PL	15	PTR	40.00	52.52	-23.84
59	SB	3	DDOR	39.83	39.30	1.33
60	CZ	8	CARDIF	38.29	39.18	-2.29
61	SK	4	UNIQA poistovňa	38.17	35.84	6.50
62	BG	4	DZI - General Ins.	37.47	38.74	-3.30
63	PL	16	TUW SKOK	36.17	21.89	65.25
64	PL	17	CONCORDIA POLSKA TUW	35.63	36.34	-1.97
65	HU	7	K&H	35.60	33.37	6.68
66	PL	18	TU EULER HERMES	35.39	34.94	1.31
67	SI	7	GENERALI	34.84	37.22	-6.40
68	RO	10	CITY Insurance	31.84	43.68	-27.10
69	SK	5	KOMUNÁLNA poistovňa VIG	31.32	30.41	3.01
70	BG	5	BUL INS	30.62	24.06	27.23
71	BG	6	ALLIANZ Bulgaria	30.00	34.77	-13.71
72	PL	19	TUZ TUW	29.75	22.80	30.45
73	PL	20	BENEFIA TU VIG	29.00	30.68	-5.48
74	PL	21	AXA TUİR	27.61	21.53	28.21
75	EE	3	SEESAM Insurance	27.19	24.38	11.52
76	LT	2	BTA akcinės	26.60	23.62	12.61
77	LT	3	PZU Lietuva	25.79	23.44	10.00
78	LT	4	ERGO Lietuva	23.72	22.36	6.09
79	HR	5	TRIGLAV Osiguranje	23.36	23.32	0.15
80	PL	22	BRE UBEZPIECZENIA TUİR	22.12	21.78	1.54
81	EE	4	SWEDBANK P&C	21.81	20.58	5.96
82	HR	6	WIENER OSIGURANJE VIG	21.72	21.70	0.08
83	BG	7	UNIQA Insurance	21.21	20.84	1.77
84	BG	8	VICTORIA	19.97	16.64	19.96
85	BG	9	EUROINS	19.56	19.78	-1.13
86	PL	23	BZ WBK - AVIVA TU OGÓLNYCH	17.72	17.69	0.17
87	SB	4	UNIQA Nezivot	16.51	14.90	10.84
88	BiH	1	SARAJEVO	15.95	16.27	-2.01
89	SK	6	UNION poistovňa	15.60	16.01	-2.58
90	HR	7	GENERALI Osiguranje	15.52	15.08	2.92
91	LT	5	AAS "Gjensidige Baltic" Lf.	15.50	13.47	15.08
92	HU	8	AIG	15.46	14.00	10.45
93	HU	9	MP Hungarian Post	15.18	16.28	-6.78
94	PL	24	TU INTER POLSKA	15.15	14.66	3.38
95	CZ	9	AXA	15.02	6.23	141.15
96	HR	8	BASLER Osiguranje Zagreb	14.98	14.81	1.16
97	CZ	10	TRIGLAV	14.75	13.86	6.39
98	SK	7	ČSOB Poistovňa	14.50	13.66	6.14
99	LT	6	If P&C Insurance AS Lf.	14.32	14.15	1.17
100	MN	1	LOVČEN	14.23	14.04	1.39

**TOP 150 LIFE INSURANCE COMPANIES IN
CEE REGION - AS OF JUNE 30TH, 2013**

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
52	SK	8	AXA životní poistovna	27.89	23.01	21.21
53	HU	8	MetLife (AVIVA)	26.80	28.21	-5.01
54	HU	9	CIG Pannónia Life	26.40	32.13	-17.83
55	PL	21	POLISA - ŻYCIE TU VIG	26.30	13.81	90.41
56	SK	9	P.S.S. VIG	25.88	24.50	5.63
57	CZ	11	Česká podnikatelská pojišťovna	23.63	23.44	0.80
58	HU	10	K&H	23.17	20.91	10.80
59	SI	4	KD ŽIVLJENJE	22.81	26.46	-13.80
60	HR	2	CROATIA Osiguranje	22.78	21.94	3.85
61	CZ	12	UNIQA	22.66	23.01	-1.49
62	CZ	13	AEGON	22.11	19.28	14.69
63	HU	11	ERSTE	21.28	32.92	-35.37
64	PL	22	PRAMERICA ŻYCIE TUİR	21.00	19.79	6.14
65	SI	5	NLB VITA	19.81	18.78	5.52
66	HU	12	AXA	19.35	22.02	-12.13
67	SI	6	MERKUR	19.12	19.91	-3.97
68	SK	10	WÜSTENROT poistovňa	18.59	16.21	14.71
69	SK	11	AEGON Životná poistovňa	18.12	15.77	14.89
70	HU	13	SIGNAL	18.06	12.75	41.66
71	HR	3	WIENER OSIGURANJE VIG	18.01	18.57	-2.99
72	LT	1	SWEDBANK Life Insurance SE Lf.	17.61	18.39	-4.27
73	SK	12	UNIQA poistovňa	17.03	15.42	10.41
74	BG	1	ALLIANZ Bulgaria Life	16.47	13.93	18.26
75	EE	1	COMPENSA Life VIG	16.20	11.17	45.08
76	HR	4	GRAWE Hrvatska	15.90	15.90	0.00
77	LT	2	AVIVA Lietuva	15.87	13.64	16.32
78	HR	5	MERKUR Osiguranje	15.85	15.97	-0.77
79	EE	2	SWEDBANK Life	15.24	17.10	-10.91
80	LT	3	SEB Gyvybės draudimas	14.89	14.28	4.27
81	SB	1	DELTA GENERALI	14.14	12.84	10.13
82	PL	23	TU SKOK ŻYCIE	13.98	10.56	32.42
83	HU	14	UNION	12.94	17.03	-24.02
84	BG	2	BULSTRAD Life VIG	12.80	8.26	54.95
85	HR	6	AGRAM Životno Osiguranje	12.30	12.10	1.71
86	RO	4	ALLIANZ-TIRIAC	11.72	11.14	5.22
87	HR	7	BASLER Osiguranje Zagreb	11.61	12.00	-3.26
88	SB	2	WIENER	11.57	10.90	6.09
89	HU	15	GRAWE	10.98	11.90	-7.71
90	SI	7	GENERALI	10.84	10.16	6.74
91	RO	5	GENERALI Romania	10.18	10.46	-2.65
92	HU	16	MKB Life	10.03	5.69	76.33
93	RO	6	ASIROM VIG	9.74	10.11	-3.63
94	SI	8	GRAWE	9.60	10.21	-5.98
95	LT	4	MANDATUM Life Insurance Baltic SE Lf.	9.03	7.54	19.74
96	SB	3	GRAWE	8.99	8.68	3.61
97	RO	7	ERB Asigurari de Viata	8.73	0.69	1,162
98	BG	3	DZI	8.53	9.29	-8.20
99	HR	8	UNIQA Osiguranje	8.51	5.82	46.24
100	HR	9	ERSTE Osiguranje VIG	8.50	7.19	18.25
101	BG	4	UNIQA Life	8.10	7.55	7.28

TOP 150 NON-LIFE INSURANCE COMPANIES IN CEE REGION - AS OF JUNE 30TH, 2013

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
101	HU	10	KÖBE	14.01	14.26	-1.80
102	CZ	11	SLAVIA	13.89	13.59	2.27
103	HR	9	HOK Osiguranje	13.63	13.01	4.71
104	SB	5	WIENER	13.19	12.81	3.01
105	PL	25	TUW - CUPRUM	12.47	7.66	62.88
106	BG	10	OZK Insurance	11.96	12.20	-1.98
107	BG	11	GENERALI Insurance	11.89	11.69	1.70
108	SK	8	WÜSTENROT poisťovňa	11.84	12.97	-8.73
109	BiH	2	EUROHERC	11.77	11.10	6.04
110	BiH	3	BOSNA-SUNCE	11.01	10.83	1.69
111	HR	10	UNIQA Osiguranje	10.50	9.07	15.73
112	HU	11	SIGNAL	10.29	8.64	19.05
113	CZ	12	HVP	9.89	9.97	-0.79
114	SI	8	SID-PKZ	9.61	10.05	-4.35
115	HR	11	GRAWE Hrvatska	9.57	9.73	-1.59
116	HR	12	SUNCE Osiguranje	9.44	10.37	-8.92
117	HR	13	CROATIA Zdrastveno Osiguranje	9.04	8.65	4.53
118	HU	12	CIG Pannónia General	8.84	4.69	88.61
119	HU	13	WÁBERER Hungária	8.82	7.77	13.50
120	MK	1	TRIGLAV	8.66	10.22	-15.31
121	SB	6	TAKOVO	8.54	9.58	-10.86
122	BiH	4	CROATIA	8.51	7.47	13.93
123	CZ	13	WÜST	8.50	6.63	28.19
124	HU	14	GENERTEL	8.35	8.36	-0.08
125	CZ	14	ČP ZDRAVÍ	8.24	8.34	-1.31
126	SB	7	TRIGLAV	8.21	8.07	1.74
127	HU	15	QBE Europe	8.12	8.66	-6.15
128	CZ	15	HDI	7.97	7.50	6.29
129	EE	5	SALVA Kindlustus	7.96	7.95	0.13
130	SB	8	AMS	7.79	5.82	33.70
131	BiH	5	TRIGLAV	7.77	8.08	-3.80
132	AL	1	Sigal Uniqa	7.70	8.41	-8.50
133	BG	12	HDI Insurance	7.56	5.48	37.96
134	BG	13	INTERAMERICAN Bulgaria	7.42	8.22	-9.74
135	LT	7	SEESAM Insurance AS Lf.	7.41	6.09	21.50
136	PL	26	SIGNAL IDUNA POLSKA TU	7.21	8.08	-10.72
137	RO	11	AIG Europe	6.88	-	-
138	PL	27	T.U.W. POCZTOWE	6.87	3.76	82.93
139	MK	2	WINNER	6.84	6.37	7.44
140	BiH	6	UNIQA	6.82	6.45	5.81
141	BG	14	ENERGIA	6.80	8.38	-18.88
142	RO	12	GARANTA Asigurari	6.78	10.34	-34.40
143	CZ	16	Komerční poisťovna	6.73	6.52	3.27
144	SI	9	GRAWE	6.73	6.71	0.27
145	HU	16	EULER HERMES	6.64	6.91	-3.98
146	SK	9	AXA poisťovna	6.51	6.47	0.60
147	MK	3	EUROLINK	6.46	5.38	20.07
148	RO	13	EximAsig Romania	6.46	3.93	64.57
149	SK	10	Poisťovňa CARDIF Slovakia	6.46	5.95	8.48
150	RO	14	GOTHAER Asigurari	6.35	3.30	92.32

TOP 150 LIFE INSURANCE COMPANIES IN CEE REGION - AS OF JUNE 30TH, 2013

No.	Country	Rank in home country	Company	GROSS WRITTEN PREMIUMS		
				1H2013	1H2012	Change
				EUR m	EUR m	%
102	SI	9	WIENER STÄDTISCHE	8.01	7.68	4.29
103	RO	8	BRD Asigurari de Viata	8.00	6.89	16.21
104	HR	10	GENERALI Osiguranje	8.00	7.85	1.93
105	LT	5	ERGO Life Insurance SE	7.82	7.06	10.75
106	BG	5	SyVZK	7.30	3.80	92.15
107	LT	6	COMPENSA Life VIG SE Lf.	7.12	4.75	50.00
108	HU	17	AHICO (MetLife)	6.81	9.51	-28.42
109	BG	6	UBB-ALICO Life	6.32	5.51	14.60
110	PL	24	CONCORDIA CAPITAL	6.25	5.03	24.29
111	SK	13	ERGO Poisťovňa	6.12	6.38	-4.01
112	EE	3	SEB Elu-ja Pensionikindlustus	6.05	6.18	-2.09
113	SI	10	ADRIATIC SLOVENICA	5.99	6.17	-2.88
114	RO	9	GRAWE Romania	5.97	6.35	-5.99
115	CZ	14	CARDIF	5.47	5.06	8.10
116	BiH	1	MERKUR BH	5.42	5.49	-1.36
117	BiH	2	UNIQA	5.36	4.43	21.16
118	SB	4	DUNAV	5.35	4.45	20.20
119	SK	14	UNION poisťovňa	5.13	5.32	-3.48
120	CZ	15	WÜST - ŽP	5.09	4.72	7.72
121	BG	7	ALICO Bulgaria Life	4.97	4.82	3.04
122	BiH	3	GRAWE FBiH	4.92	4.42	11.37
123	SI	11	TILIA	4.75	5.04	-5.66
124	SB	5	UNIQA Zivot	4.73	3.87	22.22
125	HU	18	DIMENZIÓ	4.41	6.30	-29.99
126	HR	11	TRIGLAV Osiguranje	4.39	4.63	-5.35
127	RO	10	GROUPAMA Asigurari	4.31	5.09	-15.36
128	PL	25	SIGNAL IDUNA ŽYCIE POLSKA TU	4.29	4.10	4.60
129	SK	15	Poisťovňa Poštovej banky	4.09	3.39	20.79
130	RO	11	AEGON Romania	4.00	2.11	89.92
131	CZ	16	ERGO	3.76	4.04	-6.76
132	SI	12	ERGO ŽIVLJENJSKA	3.74	0.73	412.05
133	RO	12	ERGO Asigurari de Viata	3.66	1.60	129.20
134	LT	7	PZU Lietuva gyvybės draudimas	3.56	2.89	23.40
135	BG	8	GRAWE Bulgaria Life	3.52	3.27	7.56
136	RO	13	AXA Life Insurance	3.14	2.48	26.57
137	BG	9	GENERALI Life	3.10	3.68	-15.97
138	SK	16	BASLER Lebensversicherung	2.94	-	-
139	HR	12	SOCIETE GENERALE Osiguranje	2.93	3.00	-2.50
140	BiH	4	GRAWE RS	2.61	2.37	10.10
141	LT	8	BONUM PUBLICUM	2.61	2.57	1.38
142	SB	6	DDOR	2.55	2.52	1.28
143	RO	14	EUREKO Asigurari	2.54	3.51	-27.62
144	SB	7	MERKUR	2.51	2.25	11.58
145	LT	9	AMPLICO Life filialas	2.48	2.09	18.46
146	SK	17	Poisťovňa CARDIF Slovakia	2.41	1.62	48.77
147	MK	1	CROATIA	2.28	1.74	31.13
148	MK	2	GRAWE	2.24	1.92	16.48
149	MN	1	GRAWE	2.07	2.14	-3.03
150	BG	10	GROUPAMA Life	2.03	2.71	-25.06

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Albania



Debtor's life	7.50%
Group life	1.49%
Life with savings	2.10%
Other life insurance	0.82%
Accidents insurance	4.52%
Health insurance	4.76%
Fire and allied perils	14.58%
Damages to property	6.67%
Motor Hull	6.70%
MTPL	42.65%
Goods in transit	0.70%
GTPL	4.70%
Suretyship	1.80%
Other non-life insurance	0.41%
Reinsurance accepted	0.58%



SOURCE:
ALBANIAN FINANCIAL SUPERVISORY AUTHORITY (AFSA)
BANK OF ALBANIA

ALBANIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:
1 EUR = 140.96 LEK - ALL (JUNE 30TH, 2013)
1 EUR = 138.17 LEK - ALL (JUNE 30TH, 2012)

- Insurance premium revenues for 1H2013 amounted to ALL 3.95 billion, 2.45% down y-o-y, for a total number of 453,288 contracts (3.49% less y-o-y)

- Denominated in the European currency, insurance premium revenues for 1H2013 amounted to EUR 28.01 million, 4.38 less y-o-y (for the exchange rate of 1 EUR = 140.96 Lek - ALL recorded on June 30th, 2013)

Non-Life insurance accounted for 87.52% of the total premium volume, while Life insurance market share was 11.90% and the Reinsurance premium represented only 0.58% of the total portfolio.

42.90% of the total premium production was written for the compulsory insurance lines.

- Paid claims amounted to ALL 1.37 billion (EUR 9.7 million), 8.93% less y-o-y; 86% of this sum was paid for motor insurance claims, especially for MTPL contracts.

- Agents are the main distribution channel, while only 6.5% of premiums are intermediated by brokers. Banks have a significant contribution to the property and debtor's life portfolio, as policies are linked to the bank lending activity; yet, so far AFSA has not licensed banks to act as intermediaries.

To a certain extent the advantage of having an underdeveloped financial sector is that you do not suffer directly from the global financial crisis, emphasized Enkeleda SHEHI, Chairperson for the Albanian FSA, talking about the extent to which the financial crisis affected the Albanian financial market and the insurance market in particular. *Albanian financial institutions were not heavily exposed to toxic assets, which brought down large financial institutions elsewhere. On the other hand, there is not much going on in terms of cross-border financial activities and the financial sector is relatively isolated. However, in a globalized world and liberalized market we cannot say that Albanian markets are sealed off. The global financial crisis had an impact on the Albanian financial sector mainly through the real economy channel. Hence, the banking market has contracted lending and the loan portfolio quality deteriorated considerably. In June 2013, the annual growth for lending was 1.27% compared with 9.26% in June of the previous year, while the ratio of non-performing loans to total loans reached 24.2% at the end of June, against 22.5% at the end of 2012 and 21.1% in comparison with a year earlier (source: Bank of Albania). To pump liquidity in the economy the policy rate was on a downward trend, reaching a record low of 3.5% by July, 2013. With regard to securities markets and private pension funds the*



Enkeleda SHEHI
Chairperson
Albanian FSA

[Read the full interview on www.xprimm.com](http://www.xprimm.com)

global financial crisis did not have any impact as the only traded securities in Albania are Government Securities. Also, both markets are going through structural changes, i.e., new investment funds and pension funds have emerged only recently. These "babies" are growing by default, so both markets experienced positive growth. Yet in the long term the low-interest rate environment and the presence of the general uncertainty will limit the investment appetite, the investment return and the emerging of new investment products.

In this context, MTPL remains the most important product sold on the market, while on the life insurance side, debtors' life is the main product, where banks are the beneficiaries. According to Enkeleda SHEHI, in terms of potential for future growth, health and life insurance have shown to have a high potential for growth in the last years. However, it should be noted that the low penetration on the

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	28.01	29.30	-4.38	9.70	10.86	-10.73	100.00	100.00
TOTAL LIFE	3.33	2.96	12.83	0.20	0.56	-63.66	11.90	10.09
Debtor's life	2.10	1.60	31.38	0.13	0.42	-67.70	7.50	5.46
Group life	0.42	0.57	-26.25	0.00	0.07	-98.88	1.49	1.93
Life with savings	0.59	0.48	21.32	0.01	-	-	2.10	1.65
Other life insurance	0.23	0.31	-25.19	0.06	0.08	-23.24	0.82	1.05
TOTAL NON-LIFE	24.52	26.31	-6.82	9.49	10.30	-7.83	87.52	89.81
Accidents insurance	1.27	1.45	-12.78	0.17	0.19	-10.02	4.52	4.96
Health insurance	1.33	1.05	26.93	0.57	0.52	9.57	4.76	3.59
Overall property insurance	5.95	6.33	-5.95	0.38	1.97	-80.96	21.25	21.61
Fire and allied perils	4.09	4.00	2.19	0.37	1.87	-80.39	14.58	13.64
Damages to property	1.87	2.33	-19.89	0.01	0.10	-91.26	6.67	7.96
Overall motor insurance	13.83	15.41	-10.26	8.36	7.57	10.48	49.35	52.59
Motor Hull	1.88	2.02	-6.99	1.29	1.59	-19.07	6.70	6.89
MTPL	11.95	13.39	-10.76	7.08	5.98	18.34	42.65	45.70
DMTPL	8.70	10.20	-14.71	4.06	4.35	-6.69	31.07	34.83
Green Card	2.42	2.29	5.66	2.77	1.41	96.38	8.62	7.80
Border	0.83	0.90	-7.57	0.25	0.22	13.41	2.97	3.07
Goods in transit	0.20	0.17	16.14	0.00	0.01	-64.69	0.70	0.58
GTPL	1.32	1.34	-1.77	-	-	-	4.70	4.58
Suretyship	0.51	0.41	24.39	0.00	0.04	-92.26	1.80	1.39
Other non-life insurance	0.12	0.15	-24.42	-	-	-	0.41	0.52
REINSURANCE ACCEPTED	0.16	0.03	426.76	-	-	-	0.58	0.11

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Market indicators (in EUR and ALL)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and ALL)

Life, non-life, motor, property, accidents & health

market (0.67%) could be interpreted as an indication that the market is not only underserved and operating far from its potential, but also in general it presents opportunities to unlock in the future, especially in property, life and health insurance.

Looking to the near future and the potential changes which could occur on the Albanian market, the FSA official told Xprimm that there are two major draft-laws in the insurance industry that are awaiting approval by the parliament: the insurance and reinsurance law and the compulsory insurance law in the field of transport, which also covers MTPL. The main impact these laws will have on the insurance industry will be the introduction of risk-focused supervision of insurance companies by the Albanian FSA and the bonus-malus system in MTPL pricing. **D.G.**

LIFE INSURANCE RANKING

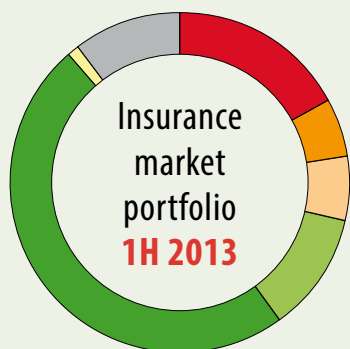
No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	SIGAL LIFE UNIQA	1.93	1.39	38.96	0.11	0.19	-41.92	57.81	46.94
2	SICRED	0.76	0.66	15.76	0.06	0.08	-27	22.90	22.32
3	INSIG	0.64	0.91	-29.21	0.03	0.29	-88.20	19.29	30.74
TOTAL MARKET		3.33	2.96	12.83	0.20	0.56	-63.66	100.00	100.00

NON - LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	SIGAL UNIQA	7.70	8.41	-8.50	3.15	2.69	16.78	31.39	31.97
2	EUROSIG	3.28	2.34	40.31	0.69	0.46	50.90	13.38	8.89
3	INTERSIG VIG	2.84	2.19	29.71	0.88	2.77	-68.16	11.57	8.31
4	INTERALBANIAN VIG	2.68	3.80	-29.45	0.76	1.03	-26.55	10.94	14.45
5	SIGMA VIG	2.13	3.24	-34.50	1.21	0.73	66.55	8.67	12.33
6	ALBSIG	1.95	2.17	-10.23	0.69	0.64	7.65	7.95	8.25
7	ATLANTIK	1.41	2.17	-34.95	1.13	0.56	102.37	5.75	8.23
8	INSIG	1.32	1.99	-33.61	0.88	1.42	-37.87	5.39	7.57
9	ANSIG	1.21	-	-	0.10	-	-	4.95	-
TOTAL MARKET		24.52	26.31	-6.82	9.49	10.30	-7.83	100.00	100.00



Bosnia & Herzegovina



Life insurance	17.30%
Fire and allied perils	6.00%
Damages to property	6.00%
Motor Hull	11.28%
MTPL	46.85%
GTPL	1.35%
Other non-life insurance	11.22%

SOURCE:

INSURANCE SUPERVISORY AGENCY OF FEDERATION OF BOSNIA AND HERZEGOVINA (NADOS)
INSURANCE AGENCY OF REPUBLIKA SRPSKA (AZORS)

BOSNIAN CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

1 EUR = 1.95583 CONVERTIBLE MARKS - BAM (FIXED)

- Consolidated GWP for 1H2013 amounted to BAM 259.45 million (EUR 132.65 million), 4.23 up y-o-y, mostly driven by the GWP growth on the life insurance segment.
- Paid claims rose in 1H2013 by 2.87% y-o-y, to BAM 93.71 million (EUR 47.91 million).
- Motor insurance lines accounted for 58% of the market portfolio, less 1pp as compared with 1H2012.
- Insurers domiciled in the Federation of Bosnia & Herzegovina (FBiH) generated about 74% of the total GWP in Bosnia & Herzegovina, while the remaining 26% of the premium production was realized by the companies registered in Republika Srpska.

The Bosnian insurance market went up by 4.23%, to almost EUR 132.65 million, in the first half of 2013, primarily as a result of an increase of over 6.36% recorded by its smaller segment, namely the insurers domiciled in the Republika Srpska (RS), according to data published by the Insurance Agency in the Republika Srpska (AZORS). At the same time, the GWP volume reported by the FBiH insurers increased slightly by 3.5% y-o-y, the Insurance Supervisory Agency of the Federation of Bosnia and Herzegovina (NADOS) reported. In absolute terms, it is worth mentioning that half of the additional non-life premium production recorded by the entire Bosnian market in 1H2013 was provided by the RS market, while in the structure of the total premiums, the share of the 12 companies domiciled in FBiH amounted to 74.2% (EUR 98.41 million), while the 11 RS-based companies accounted for the remaining 25.8% (EUR 34.25 million).

The first half of 2013 also brought for

the Bosnian market a series of legislative changes, which in part proved unsatisfactory or even worrisome for the insurance companies. Probably the most disputed change is the new Law on Amendments to the Law on the fire and fire fighting in the Federation of Bosnia and Herzegovina. Adopted by the FBiH legislative chamber in a unilateral step, without considering the technical argument of the industry, the new Law provides that insurance companies lie under the obligation to pay a parafiscal tax of 6% of the premiums collected for the "fire and natural perils" insurance line and 1% from the functional insurance premiums, which relates to motor insurance. In addition, insurers have to perform a series of operations by which they make sure that the property meets the fire protection requirements. The local press quotes a number of insurance professionals according to whom, if applied in the current adopted form, the new Law will jeopardize the insurers' financial

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	132.65	127.27	4.23	47.91	46.59	2.85	100.00	100.00
TOTAL LIFE	22.95	21.16	8.47	6.00	4.83	24.33	17.30	16.62
TOTAL NON-LIFE	109.70	106.12	3.38	41.91	41.76	0.37	82.70	83.38
Overall property insurance	15.92	15.42	3.26	3.03	4.09	-25.79	12.00	12.12
Fire and allied perils	7.96	8.00	-0.47	1.20	1.99	-39.48	6.00	6.28
Damages to property	7.96	7.42	7.29	1.83	2.10	-12.83	6.00	5.83
Overall motor insurance	77.11	75.52	2.11	32.52	31.94	1.81	58.13	59.34
Motor Hull	14.96	15.53	-3.67	9.86	9.67	2.04	11.28	12.20
MTPL	62.15	59.99	3.60	22.65	22.27	1.71	46.85	47.13
GTPL	1.79	1.56	14.50	0.22	0.19	17.14	1.35	1.23
Other non-life insurance	14.88	13.62	9.31	6.14	5.54	10.83	11.22	10.70

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Market indicators (in EUR and BAM)
for BiH, FBiH and RS

GWP, claims, growth rates, portfolio

Market rankings (in EUR and BAM)
for BiH, FBiH and RS

Total, life and non-life



strength. Moreover, once similar provisions are not applied in Republika Srpska, the insurance market coherence will be significantly affected, insurers domiciled in the two administrative entities which form Bosnia and Herzegovina not benefitting from a level-playing ground on the national market. Also, the adoption of the new Law ignores the legal provisions concerning the legal harmonization among the two administrative entities of BiH, by that being unconstitutional. For the future months it is expected that insurers, through the agency of their professional union, will appeal to the Constitutional Court the enactment of this Law.

D.G.

LIFE INSURANCE RANKING

No.	Company	Region	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
			1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
			EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	MERKUR BH	FBiH	5.42	5.49	-1.36	0.50	0.52	-3.73	23.61	25.96
2	UNIQA	FBiH	5.36	4.43	21.16	0.24	0.22	8.91	23.37	20.92
3	GRAWE	FBiH	4.92	4.42	11.37	2.19	1.76	24.45	21.43	20.87
4	GRAWE RS	RS	2.61	2.37	10.10	0.51	0.49	4.55	11.37	11.20
5	CROATIA	FBiH	1.51	1.50	0.12	1.02	1.36	-24.85	6.56	7.11
6	TRIGLAV	FBiH	1.19	1.20	-0.15	0.36	0.01	3,367.92	5.20	5.65
7	SARAJEVO	FBiH	0.82	0.85	-3.90	0.72	0.34	112.51	3.56	4.02
8	BOSNA-SUNCE	FBiH	0.75	0.55	36.60	0.42	0.12	255.96	3.28	2.61
9	JAHORINA	RS	0.22	0.19	13.24	0.03	0.01	255.48	0.95	0.91
10	DUNAV	RS	0.16	0.12	31.66	0.01	0.00	181.93	0.68	0.56
11	LOK	FBiH	-	0.04	-	-	0.00	-	-	0.20
RS COMPANIES			2.98	2.68	11.28	0.55	0.50	9.77	12.99	12.67
FBiH COMPANIES			19.97	18.48	8.07	5.45	4.33	26.01	87.01	87.33
TOTAL Bosnia&Herzegovina			22.95	21.16	8.47	6.00	4.83	24.33	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	Region	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
			1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
			EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	SARAJEVO	FBiH	15.95	16.27	-2.01	6.26	6.92	-9.47	14.54	15.34
2	EUROHERC	FBiH	11.77	11.10	6.04	4.75	4.42	7.41	10.73	10.46
3	BOSNA-SUNCE	FBiH	11.01	10.83	1.69	4.74	4.55	4.20	10.04	10.21
4	CROATIA	FBiH	8.51	7.47	13.93	3.94	4.13	-4.68	7.76	7.04
5	TRIGLAV	FBiH	7.77	8.08	-3.80	3.10	3.04	2.17	7.08	7.61
6	UNIQA	FBiH	6.82	6.45	5.81	2.57	2.40	7.05	6.22	6.08
7	JAHORINA	RS	6.10	6.11	-0.19	2.31	2.08	11.33	5.56	5.76
8	VGT	FBiH	6.02	6.29	-4.26	2.68	2.87	-6.50	5.49	5.93
9	ZOVKO	FBiH	4.02	3.71	8.31	1.01	1.12	-9.73	3.67	3.50
10	DRINA	RS	3.92	3.59	9.40	1.31	0.98	33.62	3.58	3.38
11	DUNAV	RS	3.91	4.29	-8.90	1.35	1.33	1.28	3.57	4.05
12	BOBAR	RS	3.77	3.32	13.59	1.06	1.43	-26.23	3.44	3.13
13	BRČKO-GAS	RS	3.56	3.54	0.67	1.40	1.60	-12.19	3.25	3.33
14	NEŠKOVIĆ	RS	3.02	2.78	8.80	0.65	0.75	-13.76	2.76	2.62
15	ASA	FBiH	2.76	2.62	5.65	1.43	1.27	12.82	2.52	2.47
16	KRAJINA	RS	2.20	1.72	27.43	0.45	0.35	26.96	2.00	1.62
17	TRIGLAV RS	RS	2.18	1.85	17.76	0.89	0.89	-0.67	1.98	1.74
18	CAMELIJA	FBiH	2.12	1.89	12.00	0.73	0.64	15.26	1.93	1.79
19	AURA	RS	1.46	1.30	12.74	0.33	0.13	159.87	1.33	1.22
20	GRAWE	FBiH	1.45	1.01	42.49	0.75	0.39	90.03	1.32	0.96
21	MIKROFIN	RS	1.13	1.01	11.47	0.16	0.16	0.83	1.03	0.96
22	MERKUR BH	FBiH	0.23	0.20	17.16	0.04	0.07	-38.35	0.21	0.19
23	GRAWE RS	RS	0.00	0.00	-10.36	0.00	0.00	179.06	0.00	0.00
24	LIDO	FBiH	-	0.67	-	-	0.25	-	-	0.63
RS COMPANIES			31.26	29.52	5.91	9.90	9.70	2.09	28.50	27.82
FBiH COMPANIES			78.44	76.60	2.40	32.01	32.06	-0.15	71.50	72.18
TOTAL Bosnia&Herzegovina			109.70	106.12	3.38	41.91	41.76	0.37	100.00	100.00



Bulgaria



Life ins. and annuities	13.71%
Unit-linked	1.01%
Other life insurance	3.41%
Accidents insurance	1.67%
Goods in transit	0.94%
Fire and allied perils	11.22%
Damages to property	3.52%
Motor Hull	24.57%
MTPL	34.01%
GTPL	2.14%
Credit insurance	0.56%
Travel	0.76%
Other non-life insurance	2.49%

SOURCE:

THE FINANCIAL SUPERVISION COMMISSION OF BULGARIA (FSC)

BULGARIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 1.95583 LEVA, BGN (FIXED)

- GWP amounted to almost EUR 425 million in 1H2013, 4.36% up y-o-y, while paid claims grew at a similar pace, reaching a total of EUR 201.55 million.
- The highest growth rate was achieved for the life insurance segment (16.27% up y-o-y), driven by the significant increase achieved on the "life insurance and annuities" line.
- The 8.2% growth in GWP recorded for the MTPL class was counterbalanced by the over 17% increase of the paid claims for the same line.
- During the first half of the year, a major re-licensing operation took place with regard to the companies operating or willing to enter the health insurance business in Bulgaria; seven companies reported pre-miums production for the health business line; currently there are 20 entities licensed as health insurers.

In a year of relative economical stagnation, marked by the uncertainties brought about by the appointment of a new government team, Bulgarian insurers closed 1H2013 with a 4.36 growth in GWP, to a total of EUR 424.8 million. Paid claims increased at a similar pace with the premiums, reaching a total of EUR 201.55 million.

The Life insurance sector witnessed a 16.27% growth in GWP, obviously driven by the significant increase in premiums written for the "life insurance and annuities" line. The same line is also responsible for the 24.6% growth in indemnities paid for the life insurance contracts.

Property insurance recorded overall a steady evolution, with GWP almost unchanged y-o-y, the 3.2% growth in GWP for fire insurance managing to offset the 8.5% fall in written premiums recorded for the "damages to property" insurance line. At the same time, the motor insurance lines recorded an evolution which remained in line with the previous periods, with a continuous shrinking of the MOD business volume and a moderate growth on MTPL. Yet, the noteworthy aspect is the 17% increase in paid claims for the MTPL line, most of this trend being in relation with a significant increase in the volume of the international claims, according to

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	424.80	407.05	4.36	201.55	193.46	4.18	100.00	100.00
TOTAL LIFE	77.01	66.24	16.27	28.32	24.59	15.15	18.13	16.27
Life ins. and annuities	58.22	49.23	18.26	22.68	18.65	21.59	13.71	12.10
Unit-linked	4.30	4.17	3.26	1.55	1.82	-14.51	1.01	1.02
Other life insurance	14.49	12.84	12.87	4.09	4.13	-0.92	3.41	3.15
TOTAL NON-LIFE	347.79	340.81	2.05	173.23	168.87	2.58	81.87	83.73
Accidents insurance	7.10	7.73	-8.20	1.76	1.89	-6.85	1.67	1.90
Goods in transit	3.97	3.95	0.49	0.72	0.68	5.39	0.94	0.97
Overall property insurance	62.63	62.53	0.15	10.54	16.96	-37.85	14.74	15.36
Fire and allied perils	47.66	46.17	3.22	8.18	11.61	-29.52	11.22	11.34
Damages to property	14.97	16.36	-8.49	2.36	5.36	-55.89	3.52	4.02
Overall motor insurance	248.83	240.04	3.66	153.15	142.82	7.23	58.58	58.97
Motor Hull	104.38	106.52	-2.01	65.59	68.11	-3.70	24.57	26.17
MTPL	144.45	133.52	8.19	87.56	74.71	17.19	34.01	32.80
GTPL	9.08	8.57	6.02	1.22	1.63	-25.45	2.14	2.11
Credit insurance	2.37	2.33	1.59	1.49	1.14	30.31	0.56	0.57
Travel	3.24	3.12	3.82	0.89	0.79	12.59	0.76	0.77
Other non-life insurance	10.56	12.53	-15.69	3.47	2.96	17.39	2.49	3.08

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and download in MS Excel format:

Market indicators (in EUR and BGN)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and BGN)

Life and non-life

the market professionals.

According to the Bulgarian FSC data, the total assets of insurance companies increased by 6.1% y-o-y, to EUR 1.57 billion. The total equity of insurers reported a growth of 9.2% annually, reaching EUR 462.6 million.

Gross technical reserves set aside by the general insurance companies increased by 1.3% y-o-y, reaching EUR 765.7 million, while gross technical reserves set aside by life insurers increased by 12.5% annually, reaching EUR 390.36 million.

The new form of the Law on Health Insurance, in effect from January 1st 2013, is expected to produce significant effects on the insurance market considering it places under the "umbrella" of the insurance industry an extended segment of the voluntary health insurance activity in Bulgaria. In the first half of the year, companies providing medical services and life insurers interested to perform voluntary health insurance had to get or to renew their license. Currently, there are 20 companies licensed for this activity, but by the end of July 2013 only seven insurance companies reported premiums income totaling about EUR 4.3 million. Among them, the largest market share is held by "HIC Bulgaria Health" BEHIND (53.8%), followed by "Generali Insurance" JSC (37.6%) and "FiHealth Insurance" JSC (6%).

D.G.

LIFE INSURANCE LINES RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ALLIANZ Life	16.47	13.93	18.26	7.76	6.49	19.58	21.39	21.03
2	BULSTRAD Life VIG	12.80	8.26	54.95	4.01	3.04	31.70	16.63	12.48
3	DZI	8.53	9.29	-8.20	5.92	5.30	11.74	11.07	14.02
4	UNIQA Life	8.10	7.55	7.28	2.93	2.86	2.41	10.52	11.40
5	SyVZK	7.30	3.80	92.15	0.11	0.06	79.59	9.48	5.74
6	UBB-ALICO Life	6.32	5.51	14.60	0.85	0.80	5.09	8.20	8.32
7	ALICO Bulgaria Life	4.97	4.82	3.04	2.10	1.83	14.77	6.45	7.28
8	GRAWE Life	3.52	3.27	7.56	1.20	1.29	-7.15	4.57	4.94
9	GENERALI Life	3.10	3.68	-15.97	1.50	1.55	-3.26	4.02	5.56
10	GROUPAMA Life	2.03	2.71	-25.06	0.79	0.55	44.00	2.64	4.09
11	SOGLIFE Bulgaria	2.01	1.89	6.25	0.45	0.31	43.93	2.61	2.86
12	CCB Life	0.71	0.36	97.45	0.10	0.10	6.64	0.92	0.54
13	INTERAMERICAN	0.47	0.49	-4.86	0.21	0.14	45.13	0.61	0.74
14	Life Ins. Co. SAGLASIE	0.40	0.34	19.90	0.17	0.10	82.43	0.52	0.51
15	JZI	0.29	0.33	-11.10	0.22	0.16	40.63	0.38	0.49
16	VZK Dobrudja-M-Life	0.00	0.01	-94.24	0.00	0.01	-65.78	0.00	0.01
TOTAL MARKET		77.01	66.24	16.27	28.32	24.59	15.15	100.00	100.00

NON-LIFE INSURANCE LINES RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	LEV INS	49.75	45.28	9.88	22.21	18.66	19.05	14.30	13.29
2	BULSTRAD VIG	48.15	47.57	1.21	31.02	35.05	-11.50	13.84	13.96
3	ARMEEC	40.85	42.68	-4.28	18.53	19.15	-3.23	11.75	12.52
4	DZI - General Ins.	37.47	38.74	-3.30	21.95	23.13	-5.13	10.77	11.37
5	BUL INS	30.62	24.06	27.23	17.92	15.34	16.82	8.80	7.06
6	ALLIANZ Bulgaria	30.00	34.77	-13.71	13.19	15.42	-14.46	8.63	10.20
7	UNIQA Insurance	21.21	20.84	1.77	9.49	9.46	0.26	6.10	6.12
8	VICTORIA	19.97	16.64	19.96	3.99	4.65	-14.22	5.74	4.88
9	EUROINS	19.56	19.78	-1.13	12.25	9.26	32.31	5.62	5.80
10	OZK Insurance	11.96	12.20	-1.98	4.87	4.13	17.74	3.44	3.58
11	GENERALI Ins.	11.89	11.69	1.70	7.84	6.06	29.36	3.42	3.43
12	HDI Insurance	7.56	5.48	37.96	3.80	2.25	68.68	2.17	1.61
13	INTERAMERICAN	7.42	8.22	-9.74	3.69	4.00	-7.93	2.13	2.41
14	ENERGIA	6.80	8.38	-18.88	0.51	1.09	-53.45	1.95	2.46
15	BG Export Agency	1.92	1.88	1.97	1.28	0.62	107.53	0.55	0.55
16	GROUPAMA Ins.	1.41	1.38	2.27	0.29	0.53	-45.37	0.41	0.40
17	UBB - AIG Ins.	1.26	1.21	4.86	0.41	0.06	556.22	0.36	0.35
TOTAL MARKET		347.79	340.81	2.05	173.23	168.87	2.58	100.00	100.00



Croatia



Life insurance	22.06%
Supplementary insurance	1.59%
Unit-Linked	1.33%
Other life insurance	0.19%
Accident insurance	5.20%
Health insurance	2.88%
Boat insurance	2.78%
Fire and allied perils	7.32%
Damages to property	9.46%
Motor Hull	7.42%
MTPL	31.26%
GTPL	3.60%
Credit insurance	1.62%
Financial loss insurance	0.98%
Other non-life insurance	2.31%

- With a 5.90% y-o-y overall growth in 1H2013, calculated in the local currency, the life insurance segment offset the 1.39% decrease in the non-life sector and sustained the slightly upward trend of the market (0.35% y-o-y).

- The annuities class, holding a 0.5% share of the life insurance business, recorded the best dynamic, with 20.7% growth rate; on the traditional life insurance line, accounting for 87.6% of the life premiums, the growth rate was of 7.5%.

- Most of the non-life insurance lines have recorded negative y-o-y changes, except for the GTPL and Credit insurance classes.

The first half of 2013 ended for the Croatian insurers with a total GWP premiums fairly equal to the one recorded in 1H2012, of HRK 4.9 billion (0.35% up y-o-y). Denominated in the European currency, due to a minor appreciation of the Croatian Kuna, the figures show a slightly better image, with a nominal y-o-y growth rate of 1.14%, to EUR 659.5 million. The life insurance segment deserves all the credit for this positive trend, showing a 5.9% growth in the local currency, while GWP for the non-life business lines decreased by 1.4%.

Gross written premiums for life insurance amounted to HRK 1.23 billion (EUR 166 million). Among the insurance classes listed in this category, the traditional life insurance lines recorded the best

dynamics, with a 20% GWP growth recorded for the annuities insurance line. At the same time, the underwritings for unit-linked insurance products decreased by 6.3%.

On the non-life side, the Motor Hull and Damages to property insurance classes recorded the worst performance. Yet, it is interesting to observe that, according to data published by the supervising authority, the number of policies issued for both this business lines didn't change significantly, as compared with 1H2012. Thus, the total number of policies issued for the Motor Hull class in 1H2013 was 1.3% lower than in 1H2012, while the GWP volume decreased by 7.5%, leading us to conclude that it is possible to witness a new tightening of the price war.

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	659.49	652.07	1.14	319.01	300.16	6.28	100.00	100.00
TOTAL LIFE	166.02	155.56	6.73	110.79	94.07	17.77	25.17	23.86
Life insurance	145.51	134.34	8.31	101.50	85.37	18.89	22.06	20.60
Supplementary insurance	10.49	10.70	-2.00	1.86	2.24	-16.67	1.59	1.64
Unit-linked	8.76	9.35	-6.33	6.40	4.92	30.09	1.33	1.43
Other life insurance	1.27	1.16	9.20	1.02	1.54	-33.62	0.19	0.18
TOTAL NON-LIFE	493.47	496.52	-0.61	208.22	206.09	1.03	74.83	76.14
Accident insurance	34.27	34.51	-0.71	8.52	8.77	-2.78	5.20	5.29
Health insurance	18.96	19.47	-2.63	11.52	13.06	-11.85	2.88	2.99
Boat insurance	18.34	18.52	-0.97	4.36	7.25	-39.93	2.78	2.84
Overall property insurance	110.70	115.75	-4.37	44.19	46.09	-4.12	16.79	17.75
Fire and allied perils	48.29	48.05	0.51	18.60	21.04	-11.59	7.32	7.37
Damages to property	62.41	67.70	-7.82	25.59	25.05	2.15	9.46	10.38
Overall motor insurance	255.12	254.12	0.39	116.55	112.63	3.47	38.68	38.97
Motor Hull	48.96	52.50	-6.75	41.74	40.77	2.38	7.42	8.05
MTPL	206.17	201.62	2.25	74.80	71.86	4.09	31.26	30.92
GTPL	23.71	22.00	7.78	9.13	7.78	17.29	3.60	3.37
Credit insurance	10.71	9.00	19.06	2.79	7.09	-60.67	1.62	1.38
Financial loss insurance	6.43	8.31	-22.66	8.49	0.98	768.05	0.98	1.28
Other non-life insurance	15.22	14.83	2.64	2.69	2.43	10.33	2.31	2.27



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Market indicators (in EUR and HRK)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and HRK)

Overall market, life and non-life

SOURCE:

CROATIAN NATIONAL BANK

CROATIAN INSURANCE BUREAU

CROATIAN CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

1 EUR = 7.451344 KUNA - HRK (JUNE 30th, 2013)

1 EUR = 7.510100 KUNA - HRK (JUNE 30th, 2012)

CROATIA Osiguranje, ALLIANZ Zagreb and EUROHERC Osiguranje are the top 3 market leaders, with an aggregated market share of about 55%.

No doubt, the EU accession on July 1st was the most important event for the Croatian insurance market, as for the entire country. Considered a positive change, the new European status of the market is raising high expectations. Krešimir Starčević, CEO of Croatia Osiguranja, stated in an interview with wordfolio.co.uk: "After the Republic of Croatia's admittance to the European Union, we expect faster growth of premiums. In the future we anticipate a growth in life insurance, annuity insurance, children insurance, as well as all types of pension insurance. As far as non-life insurance goes, we anticipate a growth in entrepreneur insurance, as well as property and health insurance - that is our target.

Our estimate is that its influence i.e. the European Directive Solvency II is very positive considering the insured's protection, the transparency, compatibility and competitiveness of the Croatian market compared with the EU market as well as other financial services.

Solvency II will provide a better risk management, a consequently higher profitability and the safety of the insurance business."

D.G.

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ALLIANZ Zagreb	32.72	27.10	20.73	19.71	17.42
2	CROATIA Osiguranje	22.78	21.94	3.85	13.72	14.10
3	WIENER OSIGURANJE VIG	18.01	18.57	-2.99	10.85	11.94
4	GRAWE Hrvatska	15.90	15.90	0.00	9.58	10.22
5	MERKUR Osiguranje	15.85	15.97	-0.77	9.55	10.27
6	AGRAM Životno Osiguranje	12.30	12.10	1.71	7.41	7.78
7	BASLER Osiguranje Zagreb	11.61	12.00	-3.26	6.99	7.71
8	UNIQA Osiguranje	8.51	5.82	46.24	5.13	3.74
9	ERSTE Osiguranje VIG	8.50	7.19	18.25	5.12	4.62
10	GENERALI Osiguranje	8.00	7.85	1.93	4.82	5.05
11	TRIGLAV Osiguranje	4.39	4.63	-5.35	2.64	2.98
12	SOCIETE GENERALE Osiguranje	2.93	3.00	-2.50	1.76	1.93
13	ERGO Životno Osiguranje	1.76	1.87	-5.86	1.06	1.20
14	WÜSTENROT Životno Osiguranje	0.96	0.11	798.42	0.58	0.07
15	KD LIFE Osiguranje	0.91	0.86	5.80	0.55	0.55
16	VELEBIT Životno Osiguranje	0.89	0.64	38.00	0.54	0.41
17	WÜSTENROT životno	0.90	-	-	0.28	-
TOTAL MARKET		166.02	155.56	6.73	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	CROATIA Osiguranje	193.44	200.43	-3.49	39.20	40.37
2	EUROHERC Osiguranje	63.08	63.13	-0.09	12.78	12.72
3	ALLIANZ Zagreb	53.26	51.46	3.50	10.79	10.36
4	JADRANSKO Osiguranje	41.40	41.50	-0.23	8.39	8.36
5	TRIGLAV Osiguranje	23.36	23.32	0.15	4.73	4.70
6	WIENER OSIGURANJE VIG	21.72	21.70	0.08	4.40	4.37
7	GENERALI Osiguranje	15.52	15.08	2.92	3.14	3.04
8	BASLER Osiguranje Zagreb	14.98	14.81	1.16	3.04	2.98
9	HOK Osiguranje	13.63	13.01	4.71	2.76	2.62
10	UNIQA Osiguranje	10.50	9.07	15.73	2.13	1.83
11	GRAWE Hrvatska	9.57	9.73	-1.59	1.94	1.96
12	SUNCE Osiguranje	9.44	10.37	-8.92	1.91	2.09
13	CROATIA Zdrastveno Osiguranje	9.04	8.65	4.53	1.83	1.74
14	VELEBIT Osiguranje	5.03	4.71	6.74	1.02	0.95
15	BNP PARIBAS CARDIF Osiguranje	4.05	4.57	-11.53	0.82	0.92
16	IZVOR Osiguranje	2.63	2.27	16.23	0.53	0.46
17	MERKUR Osiguranje	2.14	2.20	-2.64	0.43	0.44
18	HRVATSKO Kreditno Osiguranje	0.54	0.39	39.95	0.11	0.08
19	ERGO Osiguranje	0.14	0.11	23.32	0.03	0.02
TOTAL MARKET		493.47	496.52	-0.61	100.00	100.00

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COUNTRIES



FREE TRIAL



Czech Republic



Business line	Percentage
Assurance on death, survival etc.	14.20%
Unit-linked	21.32%
Annuities	1.15%
Personal injury or sickness	6.30%
Other life insurance	0.84%
Accidents	1.73%
Sickness	1.72%
Fire and allied perils	8.55%
Damages to property	5.67%
Motor Hull	9.33%
MTPL	13.84%
GTPL	8.63%
Credit insurance	2.87%
Financial loss	1.56%
Travel insurance	1.42%
Other non-life	0.88%

- The downward trend continued in the first half of 2013, with an almost EUR 58 million (CZK 523.5 million) y-o-y reduction of the market turnover.
- In relative terms the market shrunk by 1.84% in the European currency or 0.65% in the local currency (CZK).
- Paid claims increased by 9.22% (in CZK), mostly because of the almost 16% increase in the claims paid for property insurance as a first consequence of the 2013 floods.
- The 2013 floods in the Czech Republic, considered the worst in more than a decade, could cost the insurance industry CZK 7.5 billion (~EUR 290 million).
- The average price for the new MTPL contracts concluded in 1H2013 went up to CZK 2,225, from CZK 2,190, in 1H2012.

At a slow pace, the Czech insurance market in 1H2013 also recorded the descending trend established in late 2011. The life insurance sector, accounting for more than 40% of the overall premium production, was responsible for the negative change recorded by the market turnover in the first half of the year. Thus GWP for the life insurance lines fell by 5.8%, to CZK 35 billion (EUR 1.35 billion). According to the representatives of CAP – the Czech insurers' association, the main reason of this trend is a significant drop

in premiums for single premium life insurance, by 17%, mainly due to lower revenues of financial markets in the second quarter of this year. However, a positive development seemed to occur for the contracts with premiums paid in instalments (+1.1%). On the other hand, the market recorded for several reporting periods an ever decreasing number of new life insurance policies. "The decline in the sales of life insurance and an increase in regular premiums also suggest a possible slowdown trend in what the surrender of existing contracts

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	3,085.63	3,143.35	-1.84	1,867.13	1,730.24	7.91	100.00	100.00
TOTAL LIFE	1,351.52	1,452.20	-6.93	1,014.18	924.77	9.67	43.80	46.20
Assurance on death, survival etc.	438.05	422.52	3.67	411.83	426.53	-3.45	14.20	13.44
Unit-linked	657.83	780.94	-15.76	433.98	323.74	34.05	21.32	24.84
Annuities	35.37	35.09	0.78	40.54	45.94	-11.75	1.15	1.12
Personal injury/sickness	194.25	182.37	6.52	76.73	69.27	10.76	6.30	5.80
Other life insurance	26.03	31.28	-16.80	51.10	59.29	-13.80	0.84	1.00
TOTAL NON-LIFE	1,734.11	1,691.15	2.54	852.95	805.46	5.90	56.20	53.80
Accidents insurance	53.41	52.98	0.82	19.33	18.95	1.99	1.73	1.69
Sickness insurance	53.20	58.75	-9.45	13.69	13.36	2.50	1.72	1.87
Overall property insurance	438.79	437.35	0.33	178.16	155.50	14.57	14.22	13.91
Fire and allied perils	263.76	266.27	-0.94	112.99	85.86	31.60	8.55	8.47
Damages to property	175.02	171.08	2.31	65.18	69.64	-6.41	5.67	5.44
Overall motor insurance	714.86	702.67	1.74	446.21	428.45	4.14	23.17	22.35
Motor Hull	287.82	289.67	-0.64	214.24	209.61	2.21	9.33	9.22
MTPL	427.04	413.00	3.40	231.97	218.85	6.00	13.84	13.14
GTPL	266.22	262.19	1.54	125.71	124.88	0.66	8.63	8.34
Credit insurance	88.61	60.68	46.04	32.45	29.54	9.88	2.87	1.93
Financial loss insurance	48.04	48.76	-1.47	10.80	9.60	12.45	1.56	1.55
Travel insurance	43.73	42.28	3.42	16.35	15.10	8.26	1.42	1.35
Other non-life insurance	27.24	25.49	6.86	10.24	10.08	1.67	0.88	0.81

* The market portfolio is according to the data published by CNB. For the other rankings, the values are according to the figures published by CAP

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and download in MS Excel format:

Market indicators (in EUR and CZK) according CNB

GWP, claims, growth rates, portfolio

Market rankings (in EUR and CZK) according CAP

Overall market, life, non-life, motor hull and MTPL

SOURCE:

THE CZECH NATIONAL BANK (CNB)

CZECH INSURANCE ASSOCIATION (CAP)

CZECH CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

1 EUR = 25.950 KčRON - CZK (JUNE 30th, 2013)

1 EUR = 25.640 KčRON - CZK (JUNE 30th, 2012)

is concerned. If this If these indications will be confirmed, new positive trend may be expected for the following periods," says executive director ČAP Tomas SIKORA.

On the non-life side, although at a slow pace, the Czech market followed a positive trend. Motor insurance lines went up by 2.97%, mostly driven by the MTPL line for which the number of contracts increased by about 8% y-o-y. Also, according to data published by the Czech National Bank, a slight increase in the average price of MTPL insurance is visible, as the average price for the new contracts concluded in 1H2012 was of CZK 2,190, while in 1H2013 it went up to CZK 2,225.

On the property insurance segment, probably the most interesting fact worth mentioning is the evolution of the paid claims following the weather events of this summer. Insured damage from the 2013 floods in the Czech Republic, considered the worst in more than a decade, could cost the insurance industry CZK 7.5 billion (~EUR 290 million), according to estimates. In fact, as indicated by the Czech National Bank's statistics on June 30th, the number of claims for the "fire and other perils" class amounted to 83,266, almost 30,000 units up as compared with 1H2012. Out of this number, by the end of June there were still about 47,000 unsettled claims. A similar evolution was also recorded for the "other damages to property" class, for which the total number of claims increased from 71,589 in 1H2012, to 82,274 in 1H2013, out of which ~28,500 are still waiting for a resolution. Yet, even at the end of the reporting period there were still many unsettled claims related to the summer floods. In financial terms the effects were already visible, as the total expenses of Czech insurance with property claims already grew by almost 16% y-o-y.

D.G.

LIFE INSURANCE RANKING

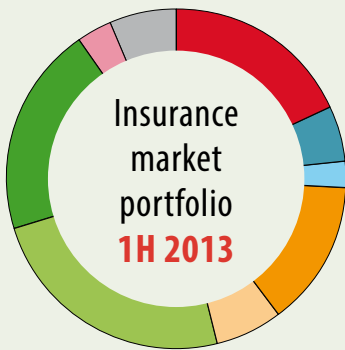
No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ČESKÁ pojišťovna	203.25	214.37	-5.18	22.80	23.74
2	KOOPERATIVA	124.34	118.59	4.85	13.95	13.13
3	Pojišťovna České spořitelny	113.03	108.40	4.27	12.68	12.00
4	ING	93.64	96.94	-3.40	10.50	10.73
5	ČSOB Pojišťovna	56.29	72.19	-22.03	6.31	7.99
6	GENERALI	55.84	54.72	2.04	6.26	6.06
7	ALLIANZ	54.66	49.31	10.85	6.13	5.46
8	METLIFE	46.37	49.65	-6.60	5.20	5.50
9	Komerční pojišťovna	30.19	26.16	15.41	3.39	2.90
10	AXA - ŽP	29.44	32.01	-8.02	3.30	3.54
11	Česká podnikatelská pojišťovna	23.63	23.44	0.80	2.65	2.60
12	UNIQA	22.66	23.01	-1.49	2.54	2.55
13	AEGON	22.11	19.28	14.69	2.48	2.14
14	CARDIF	5.47	5.06	8.10	0.61	0.56
15	WÜST - ŽP	5.09	4.72	7.72	0.57	0.52
16	ERGO	3.76	4.04	-6.76	0.42	0.45
17	BASLER	1.06	0.90	17.74	0.12	0.10
18	MAXIMA	0.38	0.06	584.89	0.04	0.01
19	HVP	0.14	0.16	-9.76	0.02	0.02
TOTAL MARKET (CAP)		891.37	903.01	-1.29	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ČESKÁ pojišťovna	366.40	381.15	-3.87	26.79	27.50
2	KOOPERATIVA	332.76	334.84	-0.62	24.33	24.16
3	ALLIANZ	141.35	144.28	-2.03	10.33	10.41
4	GENERALI	104.08	111.23	-6.43	7.61	8.02
5	Česká podnikatelská pojišťovna	94.41	92.73	1.81	6.90	6.69
6	UNIQA	87.63	83.20	5.33	6.41	6.00
7	ČSOB Pojišťovna	87.21	86.66	0.64	6.38	6.25
8	CARDIF	38.29	39.18	-2.29	2.80	2.83
9	AXA	15.02	6.23	141.15	1.10	0.45
10	TRIGLAV	14.75	13.86	6.39	1.08	1.00
11	SLAVIA	13.89	13.59	2.27	1.02	0.98
12	HVP	9.89	9.97	-0.79	0.72	0.72
13	WÜST	8.50	6.63	28.19	0.62	0.48
14	ČP ZDRAVÍ	8.24	8.34	-1.31	0.60	0.60
15	HDI	7.97	7.50	6.29	0.58	0.54
16	Komerční pojišťovna	6.73	6.52	3.27	0.49	0.47
17	ERV	6.05	5.86	3.31	0.44	0.42
18	D.A.S.	5.62	5.46	2.90	0.41	0.39
19	PVZP	5.40	6.11	-11.61	0.39	0.44
20	MAXIMA	4.28	5.82	-26.58	0.31	0.42
21	METLIFE	3.23	3.93	-17.84	0.24	0.28
22	Pojišťovna České spořitelny	2.52	2.65	-4.94	0.18	0.19
23	ERGO	2.36	2.89	-18.28	0.17	0.21
24	AXA - ŽP	1.19	0.95	24.43	0.09	0.07
25	Česká kancelář pojistitelů	0.00	0.00	3.87	0.00	0.00
26	DIRECT	-	6.56	-	-	0.47
TOTAL MARKET (CAP)		1,367.78	1,386.16	-1.33	100.00	100.00



Estonia



Life insurance	18.06%
Accidents insurance	5.45%
Health insurance	2.46%
Fire and allied perils	13.91%
Damages to property	6.39%
Motor Hull	24.09%
MTPL	19.96%
GTPL	3.37%
Other non-life insurance	6.31%

SOURCE:

FINANCIAL SUPERVISION AUTHORITY OF ESTONIA

CURRENCY: EURO

ESTONIA ADOPTED THE EUROPEAN SINGLE CURRENCY IN 2011 AS THE 17TH MEMBER OF THE EUROZONE

- Despite the double digit growing underwriting volumes, market performance has worsened in both life and the non- life segments in terms of profitability.
- Our Estonian insurance dispute mediation body is successfully working for 8 months, more than half of all the insurance disputes being handled by it.
- The market share of online brokers is about 25%, but most of the business is still done at the moment by the staff and agents of insurance companies in the non- life line. Banking channels are picking up and the brokers also play an important role. In life insurance, due to the specificity of this area, the banking channel dominates the market.
- Positive legislative changes are expected for the first half of 2014 for the MTPL insurance segment.

The Estonian insurance market ended the first half of 2013 with impressive growth rates in terms of GWP, but with less impressive results as far as profitability is concerned.

Thus, according to data provided by the Financial Supervision Authority in Estonia, the total GWP amounted to EUR 217.55 million, 23.6% up y-o-y. At the same time, the consolidated net profit for life insurance decreased from EUR 12.73 million in 1H2012 to EUR 4.11 million in 1H2013, while the same indicator for non-life insurance fell from EUR 31.45 million in 1H2012. *Regrettably, the market performance has worsened in both life and non- life segments when looking at the bottom-line. Half- year profits are the lowest during the last five years on the*



Andres PIIRSALU
Board Member of EKSL, Motor Bureau and LKF

[Read the full interview on www.xprimm.com](http://www.xprimm.com)

life side and second lowest in the non- life insurance area. It is difficult to disclose all the reasons at this stage, but due to the central online registry in the MTPL, which makes about 1/3 of the market total volume, we can assume that in the non- life the reason lies, to a big extent, in too low a pricing in the market environment,

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	217.55	176.05	23.57	121.66	99.10	22.77	100.00	100.00
TOTAL LIFE	39.30	36.36	8.09	20.65	23.85	-13.42	18.06	20.65
TOTAL NON-LIFE	178.25	139.69	27.60	101.01	75.25	34.24	81.94	79.35
Accidents insurance	11.85	8.53	39.03	5.53	4.00	38.24	5.45	4.84
Health insurance	5.35	4.72	13.44	2.89	3.07	-5.71	2.46	2.68
Overall property insurance	44.16	36.20	22.00	18.88	16.61	13.62	20.30	20.56
Fire and allied perils	30.27	23.90	26.67	8.62	9.12	-5.44	13.91	13.57
Damages to property	13.89	12.30	12.94	10.26	7.50	36.79	6.39	6.99
Overall motor insurance	95.83	77.31	23.96	66.25	47.32	39.99	44.05	43.91
Motor Hull	52.42	42.44	23.51	35.36	25.47	38.84	24.09	24.11
MTPL	43.42	34.87	24.52	30.89	21.86	41.34	19.96	19.81
GTPL	7.33	5.73	27.94	1.77	1.92	-7.86	3.37	3.26
Other non-life insurance (reinsurance included)	13.72	7.22	90.21	5.70	2.33	144.72	6.31	4.10

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Market indicators

GWP, claims, growth rates, portfolio

Market rankings

Life and non-life

where the loss density is still going down, whereas the average loss level has already stabilized and the costs have increased, told us Andres PIIRSALU, Board member of the insurance association (EKSL), motor bureau and guarantee fund (LKF).

Talking about the most interesting aspects of the Estonian market development, Andres PIIRSALU emphasized the successful experience achieved by the local insurance dispute mediation body. *More than half of all the insurance disputes are handled successfully there. As a result, the insurance industry gets: 1) insight on the areas of service improvement; 2) a tool for public relations: we can explain the situation about the insurance service quality and it is difficult to attack the insurance industry with the unjustified and unfair criticism targeted to the quality of service; 3) it is a wonderful example of a well- working PPP- cooperation.* Other positive changes are expected for the motor insurance business' legislation for the first half of 2014, once the Law on MTPL will be adopted. In short, *there will be introduced the first party/ own insurer claims settlement scheme for small, simple and typical losses. In addition, the business itself will become more similar to any other lines of business from the legal point of view- we will somewhat reduce bureaucracy, which is currently in place just because of the specificity of the MTPL law,* explained Andres PIIRSALU. However, *key concern points, such as detailed and clear regulation and bodily injury claims handling and compensation, will remain there unchanged to a big extent. This means that we continue to keep all the victims served on a fair level because exactly the same principles apply to each and every victim. This also helps insurers to keep the underwriting risk under control. The whole MTPL system continues to work without the lawyers and courts involvement- court disputes are very rare in Estonian MTPL. Less than 0.1% of all the loss cases and practically none in the area of bodily injury are landing in the court. Compensations are calculated transparently and paid out smoothly on a fair and transparent basis. Lump sums are not allowed. The system works very similarly to the ones in Finland and Sweden.*

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	COMPENSA Life VIG	16.20	11.17	45.08	5.71	4.00	42.70	41.23	30.72
2	SWEDBANK Life	15.24	17.10	-10.91	11.18	15.79	-29.20	38.77	47.04
3	SEB Elu-ja Pensionikindlustus	6.05	6.18	-2.09	2.47	2.85	-13.45	15.39	16.99
4	MANDATUM Life	1.81	1.91	-5.14	1.29	1.20	7.23	4.61	5.25
TOTAL MARKET		39.30	36.36	8.09	20.65	23.85	-13.42	100.00	100.00

NON - LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	If P&C Insurance	61.36	61.04	0.52	33.87	29.70	14.05	34.42	43.70
2	ERGO Insurance	55.27	21.08	162.19	35.27	15.79	123.39	31.00	15.09
3	SEESAM Insurance	27.19	24.38	11.52	13.86	13.31	4.11	15.25	17.45
4	SWEDBANK P&C	21.81	20.58	5.96	11.37	9.77	16.40	12.24	14.74
5	SALVA Kindlustus	7.96	7.95	0.13	4.54	3.93	15.57	4.46	5.69
6	INGES Kindlustus	3.05	3.44	-11.36	1.96	2.21	-11.28	1.71	2.46
7	KredEx Krediidikindlustus	0.84	0.64	32.29	0.06	0.44	-86.17	0.47	0.46
8	ÕIGUSABIKULUDE Kindlustus	0.78	0.58	33.33	0.09	0.11	-18.10	0.44	0.42
TOTAL MARKET		178.25	139.69	27.60	101.01	75.25	34.24	100.00	100.00

As far as the insurance distribution channels are concerned, it is worth mentioning the initiative of the Estonian insurers that have launched an integrated common insurance aggregator tool on the associations' webpage. *It has been up and running for 8 months now and without any advertisement it has attracted about 3 % of the market.* Also, some of the broker companies have successfully offered aggregator- like interfaces for a

long time already. The market share of online brokers is about 25%. However, for the time being, *most of the business is still done by the staff and agents of insurance companies in the non- life segment, but banking channels are picking up and the brokers also play an important role. In life insurance, due to the specificity of this area, the banking channel dominates the market,* told us PIIRSALU.

D.G.





Hungary



Assurance on death	3.14%
Endowment	11.23%
Unit linked	35.25%
Other life insurance	4.40%
Accidents insurance	1.93%
Health insurance	0.92%
Fire and allied perils	12.27%
Damages to property	7.81%
Motor Hull	7.48%
Motor liability	10.57%
GTPL	2.43%
Financial loss	0.47%
Other non-life insurance	2.09%

- For the first time in a long while the Hungarian market recorded a positive growth rate in real terms: a 4.72% growth in GWP, an over 1.9% consumer price index
- Single premium life insurance and short-term investment products included in the UL category were the main growth drivers
- Current sales figures are still a far cry from the pre-crisis level of HUF 473.2 billion in 1H2008
- The consolidated net profit of the market amounted to EUR 48.6 million in 1H2013

For the first time in a long while the Hungarian market recorded a positive growth rate in real terms: a 4.72% growth in GWP, an over 1.9% consumer price index. However, according to the latest statement of the Insurers Association (MABISZ), *this growth is rather fragile at this point as its primary source is an increase in single premium life insurance sales.* Life insurance accounts for a 54% share of the GWP volume, with underwritings of HUF 231.7 billion (EUR 784.4 million), up 9.95% y-o-y in national currency. Non-life premiums amounted to HUF 204.2 billion (EUR 667.4 million), decreasing by 0.8% as compared with 1H2012.

The persisting negative trend of the non-life segment is primarily a consequence of the uninterrupted

shrinking of the auto insurance segment: in 1H2013 the Motor Hull line shrank by 12.3%, while on the MTPL class written premiums declined by about 2% y-o-y. According to MABISZ, these results are *part of a long-term trend, partly linked to a dramatic decline in new car sales, as a result of which auto insurance premium revenues decreased as a percentage of the total non-life segment from 53% to 40% in slightly less than 6 years.* As for comprehensive auto insurance, the setback was only partly caused by less profitable premiums, another part of the problem being the declining number of policies: the 797,000 policies reported at the end of H1 2013 represent 4.1% less than a year earlier.

The 10% premium increase on the life insurance side is mostly due to the

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,451.78	1,419.75	2.26	1,026.89	1,065.50	-3.62	100.00	100.00
TOTAL LIFE	784.37	730.56	7.36	734.82	773.07	-4.95	54.03	51.46
Assurance on death	45.57	35.05	30.02	14.47	10.19	42.03	3.14	2.47
Endowment	163.09	153.27	6.41	197.08	233.33	-15.54	11.23	10.80
Unit linked	511.80	474.53	7.86	473.35	468.83	0.96	35.25	33.42
Other life insurance (mutual companies included)	63.91	67.72	-5.63	49.92	60.72	-17.79	4.40	4.77
TOTAL NON-LIFE	667.42	689.18	-3.16	292.07	292.43	-0.13	45.97	48.54
Accidents insurance	27.95	28.42	-1.63	8.47	8.19	3.35	1.93	2.00
Health insurance	13.38	10.09	32.67	4.59	2.97	54.72	0.92	0.71
Overall property insurance	291.55	288.99	0.89	92.68	82.38	12.51	20.08	20.35
Fire and allied perils	178.13	176.38	0.99	57.91	49.49	17.02	12.27	12.42
Damages to property	113.43	112.61	0.72	34.77	32.89	5.71	7.81	7.93
Overall motor insurance	262.17	287.20	-8.72	161.83	177.97	-9.07	18.06	20.23
Motor Hull	108.64	126.92	-14.40	65.88	73.16	-9.94	7.48	8.94
MTPL	153.52	160.27	-4.21	95.95	104.81	-8.45	10.57	11.29
GTPL	35.27	32.95	7.06	6.93	6.34	9.27	2.43	2.32
Financial loss	6.78	10.71	-36.72	5.08	2.17	134.59	0.47	0.75
Other non-life insurance (mutual companies included)	30.31	30.84	-1.70	12.49	12.42	0.52	2.09	2.17

* The market portfolio is according to the data published by PSZAF. For the other rankings, the values are according to the figures published by MABISZ

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and download in MS Excel format:

Market indicators (in EUR and HUF) according PSZAF

GWP, claims, growth rates, portfolio

Market rankings (in EUR and HUF) according MABISZ

Overall market, life, non-life and MTPL

SOURCE:

HUNGARIAN FINANCIAL SUPERVISION AUTHORITY (PSZAF)

ASSOCIATION OF HUNGARIAN INSURANCE COMPANIES (MABISZ)

NATIONAL BANK OF HUNGARY

HUNGARIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 295.16 FORINTS - HUF (JUNE 30th, 2013)

1 EUR = 288.22 FORINTS - HUF (JUNE 30th, 2012)

Insurance supervision taken over by the Central Bank

The new law on the National Bank of Hungary (NBH) providing for the integration of the Hungarian Financial Supervisory Authority (HFSA or PSZÁF) into the central bank was recently approved by the Hungarian Parliament. Thus, the central bank will function also as a supervisor of money, capital and insurance markets, at the same time assuming the consumer protection and market control functions of the HFSA.

The work starting date for the new authority was set for October 1st, 2013. At the same date, the former watchdog HFSA was dissolved and another legal successor was not appointed.

increasing demand for single premium products, which saw a massive growth y-o-y. It is also interesting to observe this trend on the Unit-Linked products segment, usually considered a growth driver for the life insurance segment. Lately the highest popularity was recorded by other products than the classic long-term investment type policies. According to MABISZ, the explanation of this trend lies in the major structural change in investments following the *decline in deposit interests, pushing people towards alternative forms of investments*. Yet, for the market stability this is not very good news, as such short-term products are easy to liquidate.

In terms of profitability, Hungarian

LIFE INSURANCE LINE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ING	115.57	110.80	4.31	14.72	15.29
2	MPÉ Hungarian Post Life	115.23	84.88	35.75	14.68	11.71
3	ALLIANZ	109.98	100.66	9.26	14.01	13.89
4	GROUPAMA	78.73	57.95	35.85	10.03	7.99
5	GENERALI-PROVIDENCIA	65.93	66.57	-0.96	8.40	9.18
6	AEGON	63.01	64.18	-1.83	8.03	8.85
7	UNIQA	56.33	40.17	40.21	7.17	5.54
8	MetLife (AVIVA)	26.80	28.21	-5.01	3.41	3.89
9	CIG Pannónia Life	26.40	32.13	-17.83	3.36	4.43
10	K&H	23.17	20.91	10.80	2.95	2.89
11	ERSTE	21.28	32.92	-35.37	2.71	4.54
12	AXA	19.35	22.02	-12.13	2.46	3.04
13	SIGNAL	18.06	12.75	41.66	2.30	1.76
14	UNION	12.94	17.03	-24.02	1.65	2.35
15	GRAWE	10.98	11.90	-7.71	1.40	1.64
16	MKB Life	10.03	5.69	76.33	1.28	0.78
17	AHICO (MetLife)	6.81	9.51	-28.42	0.87	1.31
18	DIMENZIÓ	4.41	6.30	-29.99	0.56	0.87
19	ASTRA	0.11	0.23	-51.85	0.01	0.03
TOTAL MARKET (MABISZ)		785.10	724.82	8.32	100.00	100.00

NON-LIFE INSURANCE LINE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ALLIANZ	147.21	180.39	-18.39	21.28	25.28
2	GENERALI-PROVIDENCIA	131.21	133.05	-1.38	18.97	18.65
3	AEGON	77.08	74.58	3.34	11.14	10.45
4	GROUPAMA	73.43	75.56	-2.82	10.61	10.59
5	UNIQA	58.27	59.57	-2.18	8.42	8.35
6	UNION	52.43	35.96	45.81	7.58	5.04
7	K&H	35.60	33.37	6.68	5.15	4.68
8	AIG	15.46	14.00	10.45	2.24	1.96
9	MP Hungarian Post	15.18	16.28	-6.78	2.19	2.28
10	KÖBE	14.01	14.26	-1.80	2.02	2.00
11	SIGNAL	10.29	8.64	19.05	1.49	1.21
12	CIG Pannónia General	8.84	4.69	88.61	1.28	0.66
13	WÁBERER Hungária	8.82	7.77	13.50	1.27	1.09
14	GENERTEL	8.35	8.36	-0.08	1.21	1.17
15	QBE Europe	8.12	8.66	-6.15	1.17	1.21
16	EULER HERMES	6.64	6.91	-3.98	0.96	0.97
17	ASTRA	6.04	8.96	-32.50	0.87	1.26
18	MKB General	5.32	4.66	14.10	0.77	0.65
19	EUROPEAN TRAVEL	3.37	3.42	-1.33	0.49	0.48
20	MEDICOVER	2.69	-	-	0.39	-
21	AXA	1.40	1.10	27.57	0.20	0.15
22	PORSCHE	1.16	1.21	-3.70	0.17	0.17
23	AHICO (MetLife)	0.68	0.91	-24.55	0.10	0.13
24	MetLife (AVIVA)	0.16	-	-	0.02	-
25	AIM	-	11.13	-	-	1.56
26	TIR BE	-	0.10	-	-	0.01
TOTAL MARKET (MABISZ)		691.77	713.53	-3.05	100.00	100.00

insurers ended 1H2013 with a consolidated net profit of EUR 48.6 million. Life insurance balance for 1H2013 closed with a positive technical result of EUR 27.2 million, while on the

non-life segment the technical result was negative, of EUR 34.76 million. An overall positive balance of the market resulted due to the non-technical results.

D.G.

Van Ameyde Italia



Milano
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Van Ameyde International bv was **founded in 1945** and has a **68 year** proven track record of providing claims management services to insurance markets. Today the network of Van Ameyde consists of **61 offices**, spread over **43 countries**, employing over **850 professionals**.

Van Ameyde provides **bespoke solutions** to clients across the globe, ranging from: **claims management, surveying and industrial valuation services throughout the world, back-office support, risk assessments, recovery, auditing, policy wordings, Bureaux membership support, FOS representation, fiscal representation, antifraud, legal and/or technical advice, legal protection, and many others.**



Van Ameyde's European Network

Van Ameyde is a trusted partner of **nearly 500 European insurers**. In total its client base consists of over **2.500 recognized brands** with about **400.000 claims files processed on an annual basis** and over **€ 700 million** in managed funds.

Van Ameyde is SAS 70 I & II licensed and its Corporate Governance includes ISAE 3402, IFRS compliance and D & B tier 1 rating.

Van Ameyde has an excellent reputation and is a recognized expert in the provision of claims

management services in the insurance sector. Van Ameyde is **wholly owned by RW TÜV AG**, Germany, part of a multinational business that has specialist competencies in high-tech inspection and consulting solutions in the engineering sector.

Van Ameyde's offices ensures **compliance with domestic and European legislation**. Van Ameyde International bv's leverage and **global coverage** in terms of its preferred supplier network contributes to the benefit of its clients. Van Ameyde's **best practice** is entirely geared to achieving all claims sourcing objectives. Thanks to its infrastructure Van Ameyde delivers: **administrative support in any language desired** to the full scope of claims handling, adjusting, surveying and risk management services, the implementation of **fraud prevention policies**, strict **adherence to service level agreements**, transparency and direct access to files and reports via the **ECHO Extranet** customised management information.

Within the Van Ameyde companies **local and cross border claims (Green Card and 4th Directive)** are handled by different expert teams as knowledge of country specific law applies.

Van Ameyde can handle both **injuries and material damage** claims.

All Van Ameyde's claim handlers work in the same files in its **ECHO IT-infrastructure**, which facilitates **efficiency and transparency**.

Van Ameyde's offices offer a service centre of your choice to coordinate and facilitate all cross border claims services under the banner, **ECS (European Claims Service)**.

ECS's benefits include: local expertise with central coordination for all European claims, single point of communication, no language/culture barriers, central coordination and account management of Pan-European Services supported by our **ECHO IT-infrastructure**.

Van Ameyde is **specialized** in handling specific type of claims like: **automobile liability, third party liability, product liability, general liability, marine hull and cargo liability, property liability, travel liability, theft, glass and fire liability, household liability, Kasko, etc.**

Van Ameyde **assists corporate risk managers as well as insurers and brokers with identifying, assessing and containing risks**. Van Ameyde conducts **risk analyses**, which benefit insurers and insured alike, as it results in the reduction in the number and extent of claims.

Many European insurance providers have already opted for outsourcing all their claims handling activities to Van Ameyde.

Reduced claims costs, increased customer (policyholder) satisfaction and compliance with domestic and international regulations are only few of the **many benefits** Van Ameyde can offer.

To learn more about Van Ameyde and how it can make your business better, please contact:

Ms. Valeria Di Giovine

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Or visit Van Ameyde International bv's website: www.vanameyde.com



Kosovo



LIFE	2.32%
MTPL	71.64%
Voluntary non-life insurances	26.04%



SOURCE:
CENTRAL BANK OF THE REPUBLIC OF KOSOVO
KOSOVO CURRENCY: EURO

- In 2012, the real GDP growth was 2.5%, while the value of GDP/ capita was EUR 2,721
- According to the results of the Kosovo 2012 "Labour Force Survey", the labour force participation rate was 36.9%, while the youth unemployment rate (15-24 years) was 55.3 %
- According to the results of the 2011 census, the percentage of people living in rural areas is 61%
- The number of employees in the public sector is 78,068, while the average salary in the public sector is EUR 368
- It is estimated that about 34.5% of the population live in general poverty and about 12.1% live in extreme poverty
- Of the total household budget, about 38% is spent on food

During the period January-June 2013, Kosovo's insurance market continued to increase. The volume of gross written premiums for the above mentioned period reached the amount of EUR 40.3 million or 16% more compared with the same period of the previous year.

From the total amount of GWP, around 97.7% of premiums come from non-life insurance while only 2.3% are from life insurance.

The gross claims paid amount for this period amounted to EUR 21 million or 50% more as compared with the same period of the previous year.

The level of the GWP increase was mainly a result of premiums from Third Part Liability (TPL) insurance, while during this period the TPL insurance increased its participation in

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total GWP with 73% (June, 2012 - 69%).

For the above mentioned period, the total assets in the insurance industry reached EUR 130.1 million or 8.3% more in comparison with the same period of the previous year.

Out of the total assets, around 62% are from cash and cash equivalents (2012: 67%), 22% - from current assets (2012: 20%) and 15% - from fixed assets (2012: 13%). **V.B.**

Courtesy to the Central Bank of the Republic of Kosovo – BQK

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	40.30	34.81	15.78	21.13	14.11	49.72	100.00	100.00
TOTAL LIFE	0.94	0.61	52.51	0.04	-	-	2.32	1.76
TOTAL NON-LIFE	39.37	34.20	15.12	21.09	14.11	49.43	97.68	98.24
MTPL	28.87	23.43	23.22	11.11	9.56	16.25	71.64	67.31
Voluntary non-life insurances	10.49	10.76	-2.51	9.98	4.56	119.03	26.04	30.92

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Life insurance with savings	7.68%
Unit-linked	3.79%
Other life insurance	4.95%
Accidents insurance	2.00%
Health insurance	11.10%
Fire and allied perils	11.69%
Damages to property	3.62%
Motor hull	16.87%
compulsory MTPL	9.43%
Transport ownership liability insurance	18.73%
GTPL	3.79%
Suretyship insurance	1.85%
Assistance insurance	2.28%
Other non-life insurance	2.20%

- Latvia will enter the Eurozone on 1 of January 2014
- GWP by EU branches increased by 34%, while the business of insurers registered in Latvia remained at the 1H2012 value
- The combined ratio improved to 99.2% (102.2% in 1H2012 and 124.1% in 1H2011)

Due to the persisting economic and consumption growth, the insurance market is accelerating by 7%, as shows the data provided by the Statistical Office and FKTK. The value of GWP by insurance companies increased in respect of all major types of insurance, especially the life segment (+23%). During the reporting period, GWP by the local companies and branches of EU insurers totaled LVL 168 million or EUR 239 million, of which GWP by the EU companies reached EUR 61 million or 26% of the total premiums written.

The amount of investments of insurance companies decreased by 1.5% y-o-y to LVL 288 million (EUR 410 million). By countries, the value of investments in Latvia represented 46.4% of the total, Lithuania accounted for 18.8%, Luxembourg - 8.2%, Poland - 5.3%, Germany - 4.3%, while the remaining 17% went to other 33 states. At the same time, the structure of the investment portfolio consisted of debt securities and other fixed-income securities - 51.5%, time deposits with credit institutions - 17.6%, shares and

other variable-yield securities - 9.7%, claims on demand to credit institutions - 8.6%, or investments for the benefit of life insurance policyholders bearing the investment risk - 5.9%.

According to the figures published by the FKTK, in the reporting period, the total capital and reserves of insurance companies was LVL 90 million (EUR 128 million), the written share capital totaled LVL 53.4 million (EUR 76 million), while profitable activities were reported only for the non-life insurance lines of business (profit of LVL 1.8 million or EUR 2.5 million). For the life insurance segment, losses totaled LVL 0.7 million or EUR 1 million.

V.B.
SOURCE:

THE FINANCIAL AND CAPITAL MARKET COMMISSION OF LATVIA (FKTK)
NATIONAL BANK OF LATVIA

LATVIAN CURRENCY EXCHANGE RATE FOR
CALCULATIONS:

1 EUR = 0.702804 LATS - LVL (FIXED)

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	239.11	223.17	7.14	133.53	114.60	16.52	100.00	100.00
TOTAL LIFE	39.27	31.95	22.91	32.18	20.06	60.40	16.42	14.32
Life insurance with savings	18.36	15.19	20.92	13.30	7.60	74.97	7.68	6.80
Unit-linked	9.07	7.71	17.56	12.31	6.99	75.97	3.79	3.46
Other life insurance	11.84	9.05	30.81	6.57	5.47	20.22	4.95	4.06
TOTAL NON-LIFE	199.84	191.22	4.51	101.35	94.54	7.20	83.58	85.68
Accidents insurance	4.79	4.39	9.06	1.54	1.27	20.77	2.00	1.97
Health insurance	26.54	23.25	14.12	15.99	12.21	30.92	11.10	10.42
Overall property insurance	36.62	33.67	8.78	11.01	11.53	-4.46	15.32	15.09
Fire and allied perils	27.96	25.02	11.74	7.97	8.20	-2.80	11.69	11.21
Damages to property	8.66	8.64	0.20	3.04	3.32	-8.54	3.62	3.87
Overall motor insurance	62.89	60.57	3.83	40.22	39.41	2.08	26.30	27.14
Motor hull	40.34	37.63	7.20	25.45	23.69	7.45	16.87	16.86
MTPL	22.56	22.95	-1.70	14.77	15.71	-6.02	9.43	10.28
Transport ownership liability ins.	44.79	40.79	9.80	25.28	21.71	16.44	18.73	18.28
GTPL	9.06	9.32	-2.78	1.34	2.17	-38.12	3.79	4.18
Suretyship insurance	4.43	4.66	-5.04	1.27	0.64	98.03	1.85	2.09
Assistance insurance	5.46	4.88	11.69	1.49	1.19	25.11	2.28	2.19
Other non-life insurance	5.27	9.68	-45.55	3.19	4.40	-27.46	2.20	4.34
Of total market:								
By local insurers	177.71	177.42	0.16	97.15	90.19	7.71	74.32	79.50
By branches of EU insurers	61.41	45.75	34.21	36.38	24.41	49.04	25.68	20.50



Lithuania



Insurance Type	Percentage
Life insurance	9.01%
Unit-linked	20.50%
Marriage and birth	0.25%
Health insurance	6.81%
Property insurance	13.85%
Motor Hull	16.21%
MTPL	25.07%
Goods in transit	0.51%
GTPL	4.14%
Credit insurance	0.78%
Suretyship insurance	2.01%
Financial loss insurance	0.63%
Other non-life insurance	0.24%

SOURCE:

BANK OF LITHUANIA

LITHUANIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 3.4528 LITAS, LTL (FIXED)

- According to Statistics Lithuania, in the first half of 2013 the country's GDP grew by 4.2% y-o-y, while the consumer confidence indicator increased by 9% over the year (July 2012–July 2013)
- In 1H2013 the insurance market grew by one tenth and faster than the projected annual growth rate
- The number of non-life insurance contracts increased by 2.6% and already exceeds the pre-crisis levels
- The number of life insurance contracts grew by as much as 17.2%
- Due to the large number of terminated and expired life insurance contracts, the amount of claims paid grew by 24.9%
- The amount of non-life insurance claims paid rose by 11.9%
- Under a revised forecast presented by the Bank of Lithuania, the insurance market is expected to grow by 6-9% (5-7% in the case of life, while the non-life insurance market is expected to grow by 7-9%)

In the first half-year the insurance market grew by almost one tenth — insurers registered in Lithuania and local branches of insurance companies from other European Union member states wrote LTL 940.1 million (or EUR 242 million) in premiums - 9.9% more than in the same period last year.

Having assessed the country's economic indicators for the first half-year and the results of the insurance market, it is expected that by the end of the year the insurance market will reach a larger-than-projected growth volume, says Mindaugas SALCIUS, Deputy Director of

the Prudential Supervision Department of the Supervision Service of the Bank of Lithuania.

According to the bank official, it is possible that this year the insurance market will grow not by 5-6%, as projected, but by 6-9%. According to the adjusted forecast, the growth of the life assurance market will reach 5-7% (the earlier forecast was 3%), while the non-life insurance market will be at a level of 7-9% (projected 7%).

In the first half-year, compared with the same period of last year, the life

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	272.26	247.72	9.91	167.66	144.63	15.93	100.00	100.00
TOTAL LIFE	81.01	73.75	9.85	56.15	44.96	24.89	29.75	29.77
Life assurance*	24.54	22.53	8.90	15.68	17.40	-9.90	9.01	9.10
Unit-linked	55.80	50.31	10.92	38.90	24.63	57.91	20.50	20.31
Marriage and birth	0.67	0.90	-26.16	1.57	2.92	-46.28	0.25	0.36
TOTAL NON-LIFE	191.25	173.97	9.94	111.51	99.67	11.88	70.25	70.23
Health insurance	18.54	16.64	11.41	9.21	8.25	11.61	6.81	6.72
Property insurance	37.70	34.30	9.93	11.00	14.06	-21.79	13.85	13.85
Overall motor insurance	112.40	101.83	10.37	72.35	64.20	12.69	41.28	41.11
Motor Hull	44.14	40.13	9.99	31.44	29.00	8.41	16.21	16.20
MTPL	68.25	61.70	10.62	40.91	35.20	16.23	25.07	24.91
Goods in transit	1.38	1.23	11.66	0.38	0.92	-59.17	0.51	0.50
GTPL	11.27	9.80	15.04	4.69	2.11	122.11	4.14	3.96
Credit insurance	2.13	1.93	10.40	12.53	9.01	39.08	0.78	0.78
Suretyship insurance	5.48	5.98	-8.42	0.65	0.74	-11.19	2.01	2.41
Financial loss insurance	1.72	1.57	9.21	0.11	0.26	-59.24	0.63	0.64
Other non-life insurance	0.64	0.68	-6.02	0.60	0.12	390.28	0.24	0.28

*Annuities, death and survival insurance, summed

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and download in **MS Excel format:**

Market indicators (in EUR and LTL)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and LTL)

Life and non-life



Mindaugas SALCIUS
Deputy Director of the
Prudential Supervision
Department of the
Bank of Lithuania's
Supervision Service

insurance market grew by 9.8% (up to LTL 279.7 million), while non-life insurance - 9.9% (up to LTL 660.4 million) of signed contributions.

The non-life insurance market by number of concluded agreements within the first half-year grew by 2.5% (to 2.6 million units) and already exceeds the pre-crisis level. The number of agreements concluded in the largest insurance group - driver civil liability insurance - grew by 3.9% and amounted to 1,363.8 thousand units.

This year, the number of claims has increased. Some of them reached record levels. For example, within half a year LTL 193.9 million in insurance claims was paid out - 24.9% more than last year in the same period. This record sum was due to the large number of insurance agreements that expired at the end of 2012.

In particular, January of this year was exceptional, when the largest amount of premiums was paid out - LTL 62.1 million. In later months the volume of premiums decreased, while in June only LTL 18.9 million was paid out. The sum of non-life insurance benefits this year grew by 11.9% - to LTL 385 million. **V.B.**



LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	SWEDBANK Life Ins. SE Lf.	17.61	18.39	-4.27	15.55	18.69	-16.77	21.73	24.94
2	AVIVA Lietuva	15.87	13.64	16.32	8.65	4.73	82.86	19.59	18.50
3	SEB Gyvybės draudimas	14.89	14.28	4.27	14.52	7.82	85.75	18.39	19.37
4	MANDATUM Life Insurance Baltic SE Lf.	9.03	7.54	19.74	7.26	5.09	42.66	11.15	10.23
5	ERGO Life Ins. SE	7.82	7.06	10.75	5.38	3.82	40.75	9.66	9.58
6	COMPENSA Life VIG SE Lf.	7.12	4.75	50.00	1.45	1.27	13.83	8.79	6.44
7	PZU Lietuva gyvybės draudimas	3.56	2.89	23.40	1.44	1.00	43.63	4.39	3.91
8	BONUM PUBLICUM	2.61	2.57	1.38	1.08	0.90	19.95	3.22	3.48
9	AMPLICO Life filialas	2.48	2.09	18.46	0.25	0.26	-2.41	3.06	2.84
10	LIETUVOS draudimas	0.02	0.09	-79.45	0.56	1.37	-58.74	0.02	0.12
11	NORDEA Life Assurance Finland Ltd Lf.	-	0.44	-	-	0.01	-	-	0.59
TOTAL MARKET		81.01	73.75	9.85	56.15	44.96	24.89	100.00	100.00

*Lf. = Lietuvos filialas

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	LIETUVOS draudimas	57.21	53.20	7.54	28.82	28.10	2.59	29.91	30.58
2	BTA akcinės	26.60	23.62	12.61	12.82	11.80	8.62	13.91	13.58
3	PZU Lietuva	25.79	23.44	10.00	15.57	11.39	36.66	13.48	13.48
4	ERGO Lietuva	23.72	22.36	6.09	13.42	12.24	9.70	12.40	12.85
5	AAS "Gjensidige Baltic" Lf.	15.50	13.47	15.08	8.81	6.93	27.15	8.10	7.74
6	If P&C Insurance AS Lf.	14.32	14.15	1.17	7.23	7.84	-7.72	7.49	8.13
7	SEESAM Insurance AS Lf.	7.41	6.09	21.50	3.77	3.26	15.66	3.87	3.50
8	COMPENSA TU S.A. VIG Lf.	6.31	5.07	24.55	4.03	4.02	0.27	3.30	2.91
9	VH Lietuva	3.89	3.19	21.79	0.40	0.09	356.68	2.03	1.84
10	ERGO Life Insurance SE	1.86	1.68	10.21	0.81	1.18	-31.50	0.97	0.97
11	COMPENSA Life VIG SE Lf.	1.65	0.89	85.33	0.86	0.51	67.88	0.86	0.51
12	LAMANTINAS	1.57	1.94	-19.29	0.06	0.04	67.19	0.82	1.12
13	COFACE Austria	1.55	1.24	25.38	0.71	0.49	45.89	0.81	0.71
14	BALTIKUMS Lf.	1.36	1.13	20.57	0.23	0.08	195.01	0.71	0.65
15	SEB Gyvybės draudimas	1.04	1.37	-23.87	1.02	1.63	-37.28	0.54	0.79
16	SWEDBANK P&C Insurance AS Lf.	0.91	0.41	118.50	1.02	0.93	10.33	0.47	0.24
17	Būsto paskolų draudimas	0.58	0.69	-16.46	11.81	8.52	38.69	0.30	0.40
18	BONUM PUBLICUM	0.00	0.01	-64.22	0.00	0.00	6.04	0.00	0.01
19	PZU Lietuva gyvybės draudimas	0.00	0.00	-22.07	0.01	0.00	1,656.93	0.00	0.00
20	INDUSTRIJOS Garantės	0.00	0.00	92.42	0.09	0.64	-85.23	0.00	0.00
TOTAL MARKET		191.25	173.97	9.94	111.51	99.67	11.88	100.00	100.00

*Lf. = Lietuvos filialas



Macedonia (FYROM)



Life insurance	8.86%
Fire and allied perils	7.45%
Damages to property	13.84%
Motor Hull	10.03%
MTPL	43.12%
GTPL	2.45%
Other non-life insurance	14.25%



SOURCES:

INSURANCE SUPERVISION AGENCY
NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

MACEDONIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 61.6821 DENARS, MKD (JUNE 30TH, 2013)
1 EUR = 61.6321 DENARS, MKD (JUNE 30TH, 2012)

- the Macedonian insurance market continued to follow the upswing trend, showing a 6.2% growth y-o-y
- only about 5% of the total premiums for property insurance covers the Cat risks
- agricultural insurance benefits from the governmental support recorded the highest subsidies of premiums as compared with most European countries

With GWP amounting to EUR 58.8 million by the end of 1H2013, the Macedonian insurance market continued to follow the upswing trend, showing a 6.2% growth y-o-y. *The insurance sector is in a dynamic phase of development despite the financial crisis and its consequences are felt. Recent statistics show that over the last two years and in the first half of 2013 we have recorded perhaps the most dynamic development in the insurance sector in the countries of Central and Southeast Europe*, Klime POPOSKI, President of the Council of Experts, Macedonian ISA, told xprimm.



Klime POPOSKI,
President of the Council of Experts, Macedonian ISA

The life insurance market, although still very small in absolute figures, placed an impressive 25.8% growth rate. According to its President, the market authority expects that *by the end of 2013, life insurance will exceed the 10% market share*. In order to support this development, ISA works continuously to improve the people's financial literacy.

On the non-life side, although the undisputed dominant segment remains motor insurance (53% market share), the most interesting developments were recorded on the property insurance line. For example, as POPOSKI revealed to xprimm, in 2013 the retail segment of the property insurance line witnessed a 30% growth. However, there is still a lot to work on this segment, as insurance coverage for cat risks is currently

very low, with only about 5% of the total premiums for property insurance covering these risks, although Macedonia has a significant exposure to natural catastrophes.

It should also be mentioned that agricultural insurance is expected to play an increasing role in the future, as agriculture has a very important place in the Macedonian economy and recently *in order to stimulate the purchase of agricultural insurance, the Government decided to award the highest subsidies of premiums compared to most European countries*.

As far as the companies' profitability is concerned, an improvement is expected in 2013, *given that in the previous 3 years, most of the companies showed losses in their operations due to the major reforms undertaken in order to comply with legal requirements imposed by ISA* says Klime POPOSKI.

MARKET PORFOLIO AS OF JUNE 30TH 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	58.77	55.32	6.23	22.91	22.56	1.57	100.00	100.00
TOTAL LIFE	5.21	4.14	25.78	1.14	0.71	61.13	8.86	7.48
TOTAL NON-LIFE	53.56	51.18	4.65	21.78	21.85	-0.36	91.14	92.52
Overall property insurance	12.51	11.52	8.64	2.46	3.53	-30.33	21.29	20.82
Fire and allied perils	4.38	5.31	-17.51	0.46	0.83	-44.67	7.45	9.60
Damages to property	8.13	6.21	31.01	2.00	2.71	-25.94	13.84	11.22
Overall motor insurance	31.24	30.59	2.12	16.02	15.20	5.36	53.15	55.29
Motor Hull	5.89	6.03	-2.22	3.49	4.07	-14.39	10.03	10.89
MTPL	25.34	24.56	3.19	12.53	11.13	12.59	43.12	44.39
GTPL	1.44	1.23	17.18	0.18	122.97	-99.85	2.45	2.22
Other non-life insurance	8.37	7.85	6.67	3.12	3.00	4.08	14.25	14.19



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and download in MS Excel format:

Market indicators (in EUR and MKD)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and MKD)

Life, non-life, motor (motor hull and MTPL), property (fire, allied perils and damages to property), accidents, General TPL and travel

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	CROATIA	2.28	1.74	31.13	0.41	0.20	99.84	43.70	41.92
2	GRAWE	2.24	1.92	16.48	0.23	0.14	60.80	42.96	46.39
3	UNIQA	0.35	0.36	-3.98	0.00	-	-	6.67	8.73
4	WINNER	0.30	0.05	537.81	0.22	-	-	5.81	1.15
5	OSIGURUVANJE MAKEDONIJA	0.04	0.08	-40.27	0.27	0.36	-23.48	0.86	1.81
TOTAL MARKET		5.21	4.14	25.78	1.14	0.71	61.13	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	TRIGLAV	8.66	10.22	-15.31	4.50	4.91	-8.35	16.16	19.97
2	WINNER	6.84	6.37	7.44	2.11	2.21	-4.53	12.77	12.44
3	EUROLINK	6.46	5.38	20.07	2.61	2.15	21.50	12.07	10.52
4	OSIGURUVANJE MAKEDONIJA	5.84	5.92	-1.41	2.22	2.50	-11.01	10.90	11.57
5	UNIQA	5.61	3.70	51.72	1.30	1.30	-0.23	10.47	7.22
6	SAVA	5.49	5.32	3.21	2.64	3.71	-28.85	10.25	10.39
7	INSUR. POLICY	4.39	4.33	1.38	1.71	1.81	-5.41	8.20	8.46
8	EVROINS	3.59	3.70	-3.07	1.40	1.49	-6.30	6.70	7.23
9	CROATIA	2.77	2.44	13.47	0.89	0.55	63.05	5.16	4.76
10	ALBSIG	2.59	2.43	6.70	1.67	0.78	113.55	4.83	4.74
11	INSIG	1.33	1.38	-3.37	0.73	0.46	60.33	2.48	2.69
TOTAL MARKET		53.56	51.18	4.65	21.78	21.85	-0.36	100.00	100.00



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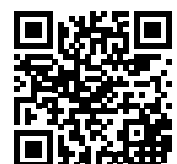
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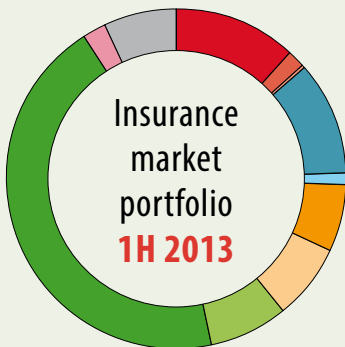
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Montenegro



Life insurance	11.94%
Supplementary insurance	1.67%
Other life insurance	0.11%
Accident	10.87%
Health	1.18%
Fire and allied perils	6.29%
Damages to property	7.32%
Motor hull	7.44%
MTPL	44.27%
GTPL	2.17%
Other non-life insurance	6.74%



SOURCE:
INSURANCE SUPERVISION AGENCY OF MONTENEGRO

MONTENEGRO CURRENCY:
EURO

- the overall GWP volume amounted to EUR 35.64 million, 4.71% up y-o-y, while GWP went up by 11.62% y-o-y for the life insurance segment and by only 3.7% for the non-life business lines

- further growth of the life business is expected, but changes in the regulations are needed in order to encourage people to invest in life insurance

- The Ministry of Agriculture and LOVCEN insurance has signed the agreement by which The Ministry will subsidize part of the premiums under a special insurance program for farmers

- significant legal changes are expected in preparation for the country's EU accession

The 1H2013 results of the Montenegrin insurance market confirmed the trends already visible by the end of 2012 and in the first quarter of 2013 - an obviously slowing growth trend on the non-life insurance segment together with a continuously improving dynamic on the life insurance lines. Thus, the overall GWP volume amounted to EUR 35.64 million, 4.71% up y-o-y, while GWP went up by 11.62% y-o-y for the life insurance segment and by only 3.7% for the non-life business lines. However, it should be noted that the second quarter of the year brought about an improvement in terms of the dynamic on the non-life segment, leading to a half-year higher growth rate than the one recorded after the first three months.

Thus, GWP for life insurance amounted to EUR 4.89 million, a volume which raised the life insurance share in the market portfolio by 1pp, to 13.71. However, as Boris SABAN, Executive Director of the National Bureau of Montenegro told xprimm, *if it is true that life insurance has recorded growth in last*

few years, it is also true that in reality, life insurance still represents only about 13% of the total gross premiums. The obvious potential for the growth of this market segment was recognized by investors. There are five life insurance companies in Montenegro: Grawe, Merkur, Uniqua Life, Altars Life and Lovcen life. We expect further growth of the life business on the market, but this cannot be achieved effectively without changes in regulations, which will encourage people to invest in life insurance.

On the non-life side, the total GWP amounted to EUR 30.75 million. The largest share of the non-life business belongs to motor insurance that accounts for almost 52% of the GWP on this segment. The motor hull class remained on a decreasing trend, apparently even in a worst shape than in 2012. Thus, after a 5% decrease during 2012, in 1Q2013 the motor hull class experienced an over 13% decrease y-o-y, followed by the somehow improved result of 1H2013, when the decrease was of "only" 9.7%. However,

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	%	%
TOTAL MARKET	35.64	34.03	4.71	100.00	100.00
TOTAL LIFE	4.89	4.38	11.62	13.71	12.87
Life insurance	4.25	3.63	17.05	11.94	10.68
Supplementary insurance	0.59	0.54	9.78	1.67	1.59
Other life insurance	0.04	0.20	-80.84	0.11	0.60
TOTAL NON-LIFE	30.75	29.66	3.69	86.29	87.13
Accident	3.88	3.57	8.67	10.87	10.48
Health	0.42	0.45	-7.40	1.18	1.33
Overall property insurance	4.85	4.29	12.94	13.61	12.62
Fire and allied perils	2.24	2.10	6.94	6.29	6.16
Damages to property	2.61	2.20	18.66	7.32	6.46
Overall motor insurance	18.43	18.01	2.34	51.71	52.91
Motor hull	2.65	2.94	-9.71	7.44	8.63
MTPL	15.78	15.07	4.69	44.27	44.28
GTPL	0.77	0.65	18.91	2.17	1.91
Other non-life insurance	2.40	2.68	-10.46	6.74	7.88



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Market indicators

GWP, growth rates, portfolio

Market rankings

Life and non-life

motor hull insurance accounts for only about 15% of the motor insurance business in Montenegro, the main GWP volume coming from the MTPL class.

Property insurance recorded a positive evolution, with an almost 13% growth in premiums in 1H2013. Still, the market continues to face a very scarce demand for property insurance, being obvious that "people have to be encouraged to buy this insurance coverage," as SABAN said. Cat insurance is, in this respect, still a very sensitive issue, especially considering that Montenegro has a certain exposure to the flood risk and a limited exposure to the earthquake risk.

I am glad to say that we have had very comprehensive talks with the Government on this subject, which eventually led us to the one completed project. The Ministry of Agriculture and Lovćen insurance (a local insurance company) has signed an agreement by which The Ministry will subsidize part of the premiums under a special insurance program for

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	GRAWE	2.07	2.14	-3.03	42.36	48.76
2	UNIQA Life	0.79	0.72	10.63	16.24	16.38
3	MERKUR	0.75	0.38	96.64	15.26	8.66
4	LOVĆEN Life	0.63	0.75	-15.42	12.93	17.06
5	WIENER STADTISCHE Life	0.50	0.23	114.59	10.28	5.35
6	ATLAS Life	0.14	0.09	53.27	2.93	2.14
7	DELTA GENERALI Life	-	0.07	-	-	1.65
TOTAL MARKET		4.89	4.38	11.62	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	LOVĆEN	14.23	14.04	1.39	46.29	47.34
2	SAVA Montenegro	5.63	5.52	1.98	18.30	18.60
3	DELTA GENERALI	5.75	5.40	6.56	18.70	18.20
4	UNIQA Non-Life	4.23	3.78	12.03	13.76	12.73
5	SWISS	0.91	0.93	-1.95	2.95	3.12
TOTAL MARKET		30.75	29.66	3.69	100.00	100.00

farmers. We hope that this project will be just the beginning of further business development in Montenegro, told us Boris SABAN.

Finally, it should be said that, although significant legal changes are expected in preparation for the country's EU accession, the process of adopting them

is not very fast. Consequently, these changes will not produce effects soon, meaning that for the end of the year, Montenegrin insurers are expecting a positive trend in underwriting but no significant changes in the market structure.

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A rapidly developing country, with a small but potentially prosperous insurance market: Montenegro. Find more about its specificity and perspectives in the following interview with ...

Boris SABAN

Director Executive, National Bureau of Montenegro



Our market is very small, but flexible. In addition ... no big risks, no big cat exposure.

XPRIMM: Are there significant differences between the Montenegrin and other Balkan insurance markets?

Boris SABAN: The insurance Market in Montenegro is very similar in the some aspects with the markets from ex YU, except for Slovenia, which is different. These markets are dominated by the compulsory insurance classes, among which MTPL is the most important. In other words, these markets are still not developed enough. Also, the life insurance share is far below the EU standards throughout the area. What makes us unique is the size of the market. Montenegro has around 700,000 inhabitants. This means our market is very small, but flexible. In addition ... no big risks, no big cat exposure.

XPRIMM: Talking about Nat Cat risks ... how big is Montenegro's exposure and how much coverage is available?

Boris SABAN: This is a very good question actually. Montenegro as a country is not heavily exposed to big Nat cat risks. There are no hurricanes or tornados. Still, the last few years have proved that one area of the county is exposed to flood risk and we have a limited exposure to the

earthquake risk. For example, we had a flood in the central part of Montenegro around Skadarsko jezero area in 2011. Unfortunately, just a few people were insured and just a few policies were written against that risk. A big debate was started raising the question if we can get coverage against Nat cat risks. The industry response is positive. Our insurance companies are reinsured using their own network, so they are able to cover all risks including Nat cat risks. Unfortunately, in that stage there was no interest from the market. It was obvious that people have to be encouraged to buy this insurance coverage. I am glad to say that we have had very comprehensive talks with the Government on this subject, which eventually led us to the one completed project. The Ministry of Agriculture and Lovćen insurance (a local insurance company) has signed the agreement by which The Ministry will subsidize part of the premiums under a special insurance program for farmers. We hope that this project will be just a beginning for the further business development in Montenegro.

XPRIMM: What about the financial crisis? How strong was its impact on the local insurance industry?

Boris SABAN: This is probably one of the few issues in which our market's underdevelopment had a positive role: the domination of MTPL and other compulsory types of insurance has limited the crisis' impact. On the other hand, looking on the long term I have to say that the global crisis has a negative influence on the local insurance market through the negative effect of the Montenegrin economy. The development of the country is very dependent on the foreign investors. In time of crisis, the potential investors decided not to expand their business. For us that means fewer new projects, fewer new jobs, and finally fewer new opportunities for implementing the new insurance policies. Now our growth potential will have more to rally on our existing capacities.

XPRIMM: What impact does the current accession process have on the Montenegrin insurance market?

Boris SABAN: First of all, the accession to EU means that we have to implement important changes in our legislation. We are in the process of adopting a new regulation in the insurance industry. The market is reacting proactively and preparing itself for the new conditions.

As part of the EU accession process, the Law on insurance has already been updated and last year, in August 2012, the new law on compulsory insurance in traffic has come into the force, setting a transitional period of five years for the liberalization of the market. Besides the liberalization, the liability Limits are radically increased from the level before the adoption of the new Law. We are aware that the new Law on Compulsory insurance in traffic will have an influence on the market because of the domination of compulsory liability insurance classes. In addition, the minimum capital required will be raised in order to satisfy the EU criteria. All the above-mentioned mean that the competition among the market payers will get stronger every day. The question which has to be answered in the future is if insurance companies in Montenegro are able to sustain their profitability on the long run.

DG

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Poland



Life insurance	24.39%
Unit-linked	20.94%
Accident and sickness	7.88%
Other life insurance	0.41%
Accident	1.83%
Sickness	1.01%
Fire and allied perils	6.38%
Damages to property	4.06%
Motor Hull	9.03%
MTPL	14.30%
GTPL	3.69%
Credit	0.85%
Shuretyship	0.46%
Financial loss	1.74%
Travel	0.81%
Other non-life insurance	2.21%

- The 1H2013 results of the Polish insurance market show the second worst performance in the last five years in terms of GWP
- Life insurance was the main driver for the market fall and the largest decrease in terms of GWP occurred for the life insurance group policies
- Although decreasing in number, claims paid on the third party liability insurance market are showing an increasing value on average
- The MTPL market still remains unbalanced, mostly due to the unpredictability of the personal damage.
- The overall net profit of the Polish insurance market in 1H2013 amounted to PLN 6.61 billion.

Polish insurers ended the first half of 2013 with a GWP worth PLN 29.94 billion, almost 10% down y-o-y, a result which, translated into the European currency, looks even worse (EUR 6.9 billion, 11.3% decrease y-o-y). This is the second worst market performance in the last five years, after the 13% fall recorded in 2009. Just as in 2009, the trendsetter was the life insurance segment that recorded an almost 20% decrease in GWP.

GWP for life insurance amounted to about PLN 16 billion (18.2% less y-o-y) or EUR 3.7 billion (19.5% down y-o-y), the most impressive decrease being recorded for the short-term life insurance policies, i.e. products combining the features of a

life insurance policy and a bank deposit. In the other product groups, the total sum of collected premiums changed insignificantly. It is also interesting to observe that, according to the market data published by the supervisory authority, this fall in GWP doesn't correspond to a similar change in the number of policies. Thus, although the total number of insured remained close to 20 million, with an insignificant variation, the GWP volume decreased by about half a billion PLN on the individual clients' segment and by over PLN 3.5 billion on the group contracts side.

As far as the claims for life insurance are concerned, the growth of about 20% of

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	6,916.19	7,798.81	-11.32	4,511.30	4,484.78	0.59	100.00	100.00
TOTAL LIFE	3,708.61	4,608.27	-19.52	2,984.00	2,818.70	5.86	53.62	59.09
Life insurance	1,686.94	2,625.23	-35.74	1,899.80	1,881.18	0.99	24.39	33.66
Unit-linked	1,448.58	1,411.61	2.62	860.76	712.96	20.73	20.94	18.10
Accident and sickness	544.96	543.25	0.32	199.60	200.47	-0.43	7.88	6.97
Other life insurance (reinsurance accepted included)	28.13	28.18	-0.16	23.84	24.09	-1.05	0.41	0.36
TOTAL NON-LIFE	3,207.57	3,190.54	0.53	1,527.30	1,666.08	-8.33	46.38	40.91
Accident	126.57	134.85	-6.14	33.89	37.08	-8.61	1.83	1.73
Sickness	70.15	55.61	26.14	19.10	20.23	-5.56	1.01	0.71
Overall property insurance	722.29	644.98	11.99	209.60	325.12	-35.53	10.44	8.27
Fire and allied perils	441.31	397.74	10.95	140.56	116.96	20.17	6.38	5.10
Damages to property	280.98	247.24	13.65	69.04	208.15	-66.83	4.06	3.17
Overall motor insurance	1,613.13	1,741.87	-7.39	1,033.66	1,060.00	-2.49	23.32	22.34
Motor Hull	624.29	682.54	-8.53	399.77	408.07	-2.03	9.03	8.75
MTPL	988.84	1,059.32	-6.65	633.89	651.94	-2.77	14.30	13.58
GTPL	255.48	239.73	6.57	70.15	70.15	-0.01	3.69	3.07
Credit	58.79	60.28	-2.48	35.73	21.90	63.17	0.85	0.77
Shuretyship	31.98	33.32	-4.01	28.04	14.86	88.66	0.46	0.43
Financial loss	120.28	86.67	38.77	21.89	17.11	27.98	1.74	1.11
Travel	55.91	52.21	7.09	26.07	27.86	-6.42	0.81	0.67
Other non-life insurance (reinsurance accepted included)	152.99	141.01	8.50	49.17	71.77	-31.49	2.21	1.81

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Market indicators (in EUR and PLN)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and PLN)

Life and non-life

SOURCE:

THE POLISH FINANCIAL SUPERVISION AUTHORITY (KNF)
NATIONAL BANK OF POLAND

POLISH CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

1 EUR = 4.3292 ZLOTS - PLN (JUNE 30TH, 2013)

1 EUR = 4.2613 ZLOTS - PLN (JUNE 30TH, 2012)

the claims paid for unit-linked contracts is the single noteworthy change. All in all, claims paid for life insurance amounted to PLN 12.9 billion. However, despite the major negative change in GWP, the Polish life insurance ended 1H2013 with a positive financial result of PLN 1.4 billion (net profit).

Non-life insurance lines recorded an overall positive evolution, although at a modest pace, with GWP amounting to PLN 13.9 billion (2.14% up y-o-y). In fact, the visible slow down in the non-life market evolution was caused by the negative trend recorded on its main segment, the motor insurance. Both business lines in this category recorded a negative change in GWP, to PLN 2.7 billion, for the Motor Hull class (7% down y-o-y) and PLN 4.28 billion (5% down y-o-y) for the MTPL class. Paid claims for both classes also decreased, but to a lesser extent. According to the Polish Insurance Association, a tendency can be seen on the third party liability insurance market as an increase in the average payment and a decrease in the number of damage occurrences. Consequently, the insurers' burdens under the third party liability insurance are on a growth trend, despite the diminishing number of collisions and accidents reported. In the case of comprehensive insurance, the number of damage incidents has gone down, and so has the value of claims paid, but the number of damage occurrences has dropped to a greater extent than the amounts paid.

The technical result on comprehensive insurance was PLN 210 million after 1H2013, 36% less y-o-y. The technical result on third party liability insurance was PLN 81.8 million, compared with PLN 6.9 million a year ago. However, despite the visible improvement achieved on the MTPL side, in terms of technical results, the Polish insurance professionals' opinion is that it is still hard to anticipate

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	PZU ŻYCIE	1,109.07	1,218.28	-8.96	799.67	945.85	-15.45	29.91	26.44
2	TU na ŻYCIE EUROPA	254.40	194.13	31.05	271.07	333.05	-18.61	6.86	4.21
3	OPEN LIFE TU ŻYCIE	238.47	402.84	-40.80	49.89	13.51	269.37	6.43	8.74
4	ING TU nŻ	220.35	234.39	-5.99	250.09	234.62	6.59	5.94	5.09
5	BENEFIA TU na ŻYCIE VIG	219.98	574.98	-61.74	294.26	93.88	213.44	5.93	12.48
6	TUnŻ WARTA	210.61	287.37	-26.71	260.81	205.15	27.13	5.68	6.24
7	AMPLICO LIFE	209.84	193.93	8.21	105.98	106.75	-0.72	5.66	4.21
8	AVIVA TU nŻ	206.03	217.57	-5.31	177.30	171.43	3.42	5.56	4.72
9	NORDEA POLSKA TU na ŻYCIE	173.16	179.15	-3.34	100.57	179.48	-43.97	4.67	3.89
10	AXA ŻYCIE TU	127.02	101.34	25.34	48.27	43.93	9.87	3.43	2.20
11	AEGON TU na ŻYCIE	114.30	92.72	23.28	102.16	90.08	13.40	3.08	2.01
12	GENERALI ŻYCIE T.U.	108.61	118.53	-8.37	41.10	58.15	-29.31	2.93	2.57
13	HDI - GERLING ŻYCIE TU	92.11	48.43	90.21	33.31	35.32	-5.68	2.48	1.05
14	STUnŻ ERGO HESTIA	58.84	104.48	-43.68	36.54	27.52	32.77	1.59	2.27
15	BZ WBK - AVIVA TU nŻ	58.51	80.72	-27.52	85.53	24.49	249.24	1.58	1.75
16	COMPENSA TU na ŻYCIE VIG	58.47	72.50	-19.34	57.11	52.21	9.39	1.58	1.57
17	UNIQA TU na ŻYCIE	49.76	40.91	21.66	25.65	33.70	-23.90	1.34	0.89
18	TU ALLIANZ ŻYCIE POLSKA	46.31	306.80	-84.91	162.40	112.63	44.19	1.25	6.66
19	SKANDIA ŻYCIE TU	43.10	45.68	-5.65	29.33	29.16	0.59	1.16	0.99
20	TUnŻ CARDIF POLSKA	34.21	37.25	-8.17	15.82	4.23	274.15	0.92	0.81
21	POLISA - ŻYCIE TU VIG	26.30	13.81	90.41	22.66	10.43	117.31	0.71	0.30
22	PRAMERICA ŻYCIE TU iR	21.00	19.79	6.14	6.20	5.33	16.24	0.57	0.43
23	TU SKOK ŻYCIE	13.98	10.56	32.42	3.41	3.00	13.55	0.38	0.23
24	CONCORDIA CAPITAL	6.25	5.03	24.29	1.83	1.81	1.23	0.17	0.11
25	SIGNAL IDUNA ŻYCIE POLSKA TU	4.29	4.10	4.60	1.59	1.94	-17.93	0.12	0.09
26	TUW REJENT - LIFE	1.47	1.44	1.95	0.81	0.54	49.91	0.04	0.03
27	MACIF ŻYCIE TUW	1.33	1.13	17.71	0.20	0.20	1.46	0.04	0.02
28	TU INTER - ŻYCIE POLSKA	0.83	0.43	94.54	0.43	0.31	37.23	0.02	0.01
TOTAL MARKET		3,708.61	4,608.27	-19.52	2,984.00	2,818.70	5.86	100.00	100.00



NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	PZU	1,001.80	1,041.14	-3.78	476.65	550.14	-13.36	31.23	32.63
2	TUIR WARTA	436.25	300.57	45.14	205.54	165.27	24.37	13.60	9.42
3	STU ERGO HESTIA	359.58	331.86	8.35	162.21	140.07	15.80	11.21	10.40
4	TUIR ALLIANZ POLSKA	211.77	213.48	-0.80	125.66	122.67	2.44	6.60	6.69
5	UNIQA TU	139.74	144.03	-2.98	66.78	68.75	-2.87	4.36	4.51
6	INTERRISK TU VIG	135.48	126.45	7.14	74.52	62.53	19.16	4.22	3.96
7	COMPENSA TU VIG	124.92	126.79	-1.48	67.75	66.91	1.26	3.89	3.97
8	GENERALI T.U.	119.59	131.88	-9.31	63.39	58.84	7.74	3.73	4.13
9	MTU MOJE	78.59	86.64	-9.29	52.02	49.06	6.04	2.45	2.72
10	TU EUROPA	73.85	38.89	89.90	3.40	2.82	20.71	2.30	1.22
11	TUW TUW	56.71	52.16	8.74	26.78	28.15	-4.87	1.77	1.63
12	GOthaER TU	54.80	62.47	-12.29	34.01	34.25	-0.71	1.71	1.96
13	AVIVA TU OGÓLNYCH	47.39	43.82	8.16	22.58	21.14	6.82	1.48	1.37
14	LINK4 TU	41.43	38.50	7.61	22.17	19.83	11.80	1.29	1.21
15	PTR	40.00	52.52	-23.84	19.20	22.17	-13.40	1.25	1.65
16	TUW SKOK	36.17	21.89	65.25	2.25	1.77	26.87	1.13	0.69
17	CONCORDIA POLSKA TUW	35.63	36.34	-1.97	12.62	85.27	-85.20	1.11	1.14
18	TU EULER HERMES	35.39	34.94	1.31	25.83	12.48	106.90	1.10	1.09
19	TUZ TUW	29.75	22.80	30.45	8.47	6.09	39.00	0.93	0.71
20	BENEFIA TU VIG	29.00	30.68	-5.48	16.72	18.23	-8.25	0.90	0.96
21	AXA TUIR	27.61	21.53	28.21	7.27	8.37	-13.21	0.86	0.67
22	BRE UBEZPIECZENIA TUIR	22.12	21.78	1.54	9.10	7.87	15.72	0.69	0.68
23	BZ WBK - AVIVA TU OGÓLNYCH	17.72	17.69	0.17	1.99	1.48	34.26	0.55	0.55
24	TU INTER POLSKA	15.15	14.66	3.38	4.12	4.02	2.41	0.47	0.46
25	TUW - CUPRUM	12.47	7.66	62.88	0.55	0.68	-19.39	0.39	0.24
26	SIGNAL IDUNA POLSKA TU	7.21	8.08	-10.72	3.63	4.57	-20.54	0.22	0.25
27	T.U.W. POCZTOWE	6.87	3.76	82.93	2.89	3.54	-18.27	0.21	0.12
28	KUKE	4.13	4.57	-9.55	6.18	3.52	75.56	0.13	0.14
29	TU ZDROWIE	4.01	2.85	40.94	2.42	1.06	127.84	0.13	0.09
30	D.A.S. TU OCHRONY PRAWNEJ	2.15	2.05	5.01	0.57	0.47	21.94	0.07	0.06
31	PARTNER TUIR	0.27	0.15	78.89	0.04	0.07	-49.96	0.01	0.00
32	HDI ASEKURACJA TU	-	126.66	-	-	79.17	-	-	3.97
33	PZM TU VIG	-	21.25	-	-	14.82	-	-	0.67
TOTAL MARKET		3,207.57	3,190.54	0.53	1,527.30	1,666.08	-8.33	100.00	100.00

the situation at the end of 2013, as the third party liability market is certainly still unbalanced, mostly due to the unpredictability of personal damage.

Property insurance is the probably the Polish market segment with the best result, as underwritings on this segment recorded an overall 13.8% y-o-y growth, while paid claims decreased by more than 35%. As usually, the second quarter of the year is of a key importance for the results on the property market over the year, as it is the time which shows the impact of natural disasters on the results accomplished by the insurers. The results recorded so far seem to encourage an optimistic view with regard to the property insurers' profitability for 2013.

All in all, direct non-life insurers closed 1H2013 with a balance of PLN 824.5 million on the technical account and a net profit of PLN 5.22 billion. **D.G.**



New management team for POLISH Re

On August 26th 2013, the Supervisory Board of Polish Reinsurance Company has made new appointments for the company's Management Board. Thus, the current members of the Management Board are:

- Monika Woźniak-Makarska - President of the Management Board (CEO)
- Tomasz Czałbowski - Vice-President of the Management Board (CFO)
- Jacek Kugacz - Vice-President of the Management Board (COO)

Polish Reinsurance Company is a leading regional reinsurer present on all markets of Central and Eastern Europe. The company's financial strength rating by A.M. Best is 'A-'. Polish Re operates over 17 years and since 2009 it has been a part of Fairfax Financial Holding.



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Romania



Business line	Percentage
Annuities and supplementary ins.	12.92%
Unit-linked	7.02%
Other life insurance	0.05%
Accidents and illness	2.11%
Health	1.03%
Fire and allied perils	14.50%
Damages to property	2.09%
Motor Hull	20.66%
MTPL	29.45%
GTPL	4.70%
Credit	0.82%
Warranties	2.12%
Travel	0.77%
Other non-life insurance	1.75%

- In 1H2013 the Romanian insurance market recorded the first half-year increase since 2008
- The main driver of the non-life business increase was the property insurance segment, with a 14% growth y-o-y
- The gross premiums mediated by brokers reached EUR 430 million in 1H2013, reaching a 44% mediation degree
- MTPL remains the most unbalanced line and the main reason for the market lack of profitability
- The recent change in the compulsory household insurance law is expected to push forward sales on this market segment

By the end of June 2013, the Romanian insurance market was again getting close to the threshold of gross written premiums of EUR 1 billion, recording the first half-year increase since 2008. According to preliminary data, in 1H2013 underwritings reached approximately EUR 990 million, up by 3.9% compared with 1H2012. However, compared with January-June 2008 - the peak period of the Romanian insurance market - the companies have yet to regain EUR 200 million in GWP.

The non-life insurance segment totalled EUR 793 million - representing an 80% share of the entire insurance market premium production. Although the motor insurance lines, which are still holding the main share in the market portfolio (50.1% of GWP), recorded an aggregated positive growth rate of 4.4%, the main driver of

the non-life business increase was the property insurance segment. Thus, for the "fire and allied perils" class a 16.3% growth rate was achieved, pushing up the entire segment's portfolio share by about 1.5%. The recent change in the compulsory household insurance law - providing the mandatory purchase of the standardized Cat risks household insurance policy PAD -, is expected to push forward sales on this market segment, possibly encouraging also the purchase of facultative policies and a growth of the insurance coverage degree.

The business of the top five insurers on the non-life market amounted to EUR 476 million, a concentration degree of over 60%, while the market share of the first three players went down to 41.5%, compared with 43.8% in January-June 2012.

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	991.14	954.01	3.89	507.86	523.21	-2.93	100.00	100.00
TOTAL LIFE	198.18	192.74	2.82	16.40	20.32	-19.30	20.00	20.20
Annuities and supplementary ins.	128.07	124.68	2.72	15.46	19.13	-19.18	12.92	13.07
Unit-linked	69.57	67.65	2.84	0.83	1.17	-28.91	7.02	7.09
Other life insurance	0.54	0.42	30.61	0.11	0.02	353.13	0.05	0.04
TOTAL NON-LIFE	792.96	761.27	4.16	491.46	502.89	-2.27	80.00	79.80
Accidents and illness	20.92	13.70	52.77	1.60	1.74	-8.31	2.11	1.44
Health	10.25	9.40	9.06	2.40	1.96	22.21	1.03	0.98
Overall property insurance	164.43	144.07	14.13	26.38	31.19	-15.42	16.59	15.10
Fire and allied perils	143.71	123.55	16.31	21.24	24.43	-13.08	14.50	12.95
Damages to property	20.72	20.52	0.98	5.14	6.75	-23.89	2.09	2.15
Overall motor insurance	496.69	475.93	4.36	440.27	437.48	0.64	50.11	49.89
Motor Hull	204.79	218.37	-6.22	215.86	223.17	-3.28	20.66	22.89
MTPL	291.91	257.56	13.34	224.41	214.31	4.71	29.45	27.00
GTPL	46.61	60.54	-23.01	4.01	3.19	25.62	4.70	6.35
Credit	8.10	12.10	-33.08	7.59	19.77	-61.59	0.82	1.27
Warranties	21.00	21.19	-0.88	2.86	0.81	254.62	2.12	2.22
Travel	7.65	6.14	24.57	2.60	2.49	4.44	0.77	0.64
Other non-life insurance	17.30	18.21	-4.98	3.75	4.26	-11.79	1.75	1.91

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and download in MS Excel format:

Market indicators (in EUR and RON)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and RON)

Overall market, life, non-life,

health, motor hull,

MTPL, GTPL and property

SOURCE:

INSURANCE PROFILE REVIEW

INSURANCEPROFILE INTERACTIVE

WWW.INSURANCEPROFILE.RO

ROMANIAN CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

RON 4.3916/EUR - IN 1H2013

RON 4.3888/EUR - IN 1H2012

On the life insurance side, the half-year GWP remained under EUR 200 million for the fifth year in a row. At the end of June 2013, the underwritings volume on the life segment of the 19 insurers that provided financial data reached EUR 198.2 million (20% of the market). The result increased by 3% compared with the same period in 2012, but decreased by EUR 30 million compared with the result reported on June 30, 2008.

Without any doubt, the main concern regarding the evolution of the insurance market remains its low profitability, or better said, its lack of profitability. In this regard, the obvious imbalance of the MTPL business line – due to low prices and high claims rate -, has a major role to play.

The gross premiums mediated by brokers reached EUR 430 million in 1H2013, increasing by EUR 50 million, in absolute value, as compared with the first semester of 2012. It is worth mentioning that unlike the insurance market, which declined significantly between 2008 and 2011 in terms of GWP, the brokerage market remained stable at first, and afterwards grew considerably, in 2012 and 2013. Moreover, according to half-yearly data for the past 6 years, in the first semester of 2013, the brokerage market was very close to reaching a mediation rate of 45%. This indicator increased from 30% in 1H2008 to 44% at the end of June 2013. Also, it is worth mentioning that the intermediation rate went up to about 68% for the most important business line of the market, the MTPL insurance class. The structure of the mediated premiums portfolio included motor insurance - more than 75% (out of which 30% - Motor Hull), property insurance - 13%, life insurance - 3.5%, and general third-party liability insurance - approximately 2.5%. **D.G.**

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ING Asigurari de Viata	62.26	61.22	1.71	2.85	2.58	10.34	31.42	31.76
2	BCR Asig. de Viata VIG	31.18	40.02	-22.09	-	2.60	-	15.73	20.76
3	METROPOLITAN Life	28.03	26.04	7.63	-	-	-	14.14	13.51
4	ALLIANZ-TIRIAC	11.72	11.14	5.22	0.91	0.84	8.26	5.92	5.78
5	GENERALI Romania	10.18	10.46	-2.65	1.58	1.14	38.00	5.14	5.43
6	ASIROM VIG	9.74	10.11	-3.63	7.12	6.96	2.32	4.91	5.24
7	ERB Asig. de Viata	8.73	0.69	1,162	0.13	0.19	-33.91	4.40	0.36
8	BRD Asig. de Viata	8.00	6.89	16.21	0.77	0.75	3.61	4.04	3.57
9	GRAWE Romania	5.97	6.35	-5.99	0.24	0.20	21.55	3.01	3.30
10	GROUPAMA Asigurari	4.31	5.09	-15.36	1.81	2.29	-20.98	2.18	2.64
11	AEGON Romania	4.00	2.11	89.92	0.02	0.01	98.06	2.02	1.09
12	ERGO Asig. de Viata	3.66	1.60	129.20	0.02	0.03	-50.77	1.85	0.83
13	AXA Life Insurance	3.14	2.48	26.57	0.11	0.27	-59.32	1.58	1.29
14	EUREKO Asigurari	2.54	3.51	-27.62	0.32	1.88	-82.76	1.28	1.82
15	CARDIF Romania	2.03	2.21	-8.32	0.18	0.18	0.68	1.02	1.15
16	ASTRA Asigurari	1.36	1.85	-26.36	0.10	0.14	-28.38	0.69	0.96
17	GARANTA Asigurari	0.65	0.42	54.08	0.21	0.24	-14.15	0.33	0.22
18	UNIQA Asig. de Viata	0.58	0.42	39.22	0.02	0.00	2,273.49	0.29	0.22
19	SIGNAL IDUNA	0.09	0.15	-36.29	0.01	0.00	9,103.30	0.05	0.08
TOTAL MARKET		198.18	192.74	2.82	16.40	20.32	-19.30	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ASTRA Asigurari	135.71	115.88	17.11	62.79	72.79	-13.73	17.11	15.22
2	OMNIASIG VIG	99.73	125.06	-20.26	100.17	121.69	-17.68	12.58	16.43
3	ALLIANZ-TIRIAC	93.26	92.81	0.49	57.41	60.53	-5.15	11.76	12.19
4	GROUPAMA Asigurari	78.44	79.97	-1.91	52.27	63.79	-18.06	9.89	10.50
5	UNIQA Asigurari	69.00	50.12	37.68	46.55	33.54	38.78	8.70	6.58
6	EUROINS Romania	64.15	53.09	20.84	38.60	32.02	20.53	8.09	6.97
7	ASIROM VIG	55.12	60.27	-8.55	46.11	42.38	8.82	6.95	7.92
8	CARPATICA ASIG	52.14	29.34	77.72	31.01	19.58	58.33	6.58	3.85
9	GENERALI Romania	40.49	48.66	-16.79	29.23	32.70	-10.61	5.11	6.39
10	CITY Insurance	31.84	43.68	-27.10	6.32	2.08	203.21	4.02	5.74
11	AIG Europe	6.88	-	-	0.62	-	-	0.87	-
12	GARANTA Asigurari	6.78	10.34	-34.40	4.92	7.74	-36.44	0.86	1.36
13	EximAsig Romania	6.46	3.93	64.57	0.96	0.01	7,710	0.81	0.52
14	GOTHAER Asigurari	6.35	3.30	92.32	1.29	0.41	210.74	0.80	0.43
15	CERTASIG	5.95	4.30	38.29	2.64	3.64	-27.57	0.75	0.57
16	PORSCHE Asigurari	5.55	4.93	12.61	3.38	2.96	14.16	0.70	0.65
17	LIG Insurance	5.27	-	-	0.01	-	-	0.67	-
18	CREDIT EUROPE Asig.	4.20	4.93	-14.81	2.48	1.84	34.96	0.53	0.65
19	METROPOLITAN Life	3.85	3.58	7.57	-	-	-	0.49	0.47
20	FATA Asigurari	3.81	3.24	17.47	0.52	0.67	-22.52	0.48	0.43
21	CARDIF Romania	3.15	3.02	4.32	0.25	0.26	-3.41	0.40	0.40
22	FORTE Asigurari	3.11	1.90	63.32	0.01	0.12	-89.38	0.39	0.25
23	ABC Asigurari	3.02	2.04	48.08	1.20	0.92	30.49	0.38	0.27
24	ASITO KAPITAL	2.05	10.25	-79.99	0.68	0.90	-24.05	0.26	1.35
25	SIGNAL IDUNA	1.68	1.18	41.63	0.65	0.33	98.70	0.21	0.16
26	BCR Asig. de Viata VIG	1.37	1.49	-8.00	-	0.72	-	0.17	0.20
27	PAID	0.84	-	-	0.01	-	-	0.11	-
28	ERB Asig. Generale	0.83	0.64	30.51	0.04	0.02	53.42	0.11	0.08
29	AXA Life Insurance	0.67	0.98	-31.65	0.34	0.19	78.30	0.08	0.13
30	QBE Insurance	0.58	0.44	32.02	-	-	-	0.07	0.06
31	ING Asigurari de Viata	0.18	0.22	-16.32	0.03	0.05	-35.14	0.02	0.03
32	ATE Insurance	0.18	0.13	32.52	0.07	0.19	-65.91	0.02	0.02
33	EUREKO Asigurari	0.16	1.44	-88.73	0.91	0.81	11.79	0.02	0.19
34	GRAWE Romania	0.14	0.10	30.66	0.01	0.01	-32.57	0.02	0.01
TOTAL MARKET		792.96	761.27	4.16	491.46	502.89	-2.27	100.00	100.00

METROPOLITAN Life results are estimates; AEGON Romania, AIG Europe, QBE Insurance, PORSCHE Asigurari and CARDIF Romania are EEA companies



Serbia



Life insurance	17.80%
Accidents insurance	6.38%
Health insurance	2.03%
Goods in transit	1.21%
Fire and allied perils	8.12%
Damages to property	20.06%
Motor Hull	10.09%
MTPPL	27.89%
GTPL	2.33%
Travel	1.65%
Other non-life insurance	2.42%

SOURCE:

NATIONAL BANK OF SERBIA

SERBIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 114.1715 DINARS - RSD (JUNE 30TH, 2013)
1 EUR = 115.8203 DINARS - RSD (JUNE 30TH, 2012)

- Even if life insurance dynamic somewhat slowed down in 1H2013, it remained high, with a strong growth rate of almost 10%
- The number of new contracts concluded for life insurance recorded a y-o-y growth of 31.0%, increasing its share in the total number of life contracts to one third.
- P&C market substantially grew in 1H2013 mostly due to the increased number of tenders issued by public companies, while many small- and mid-sized risks are simply not insured

Serbian insurers ended 1H2013 with GWP amounting to RSD 34.07 billion, 4.86% up y-o-y in nominal terms. The slight appreciation of the Serbian currency as against the Euro made the market results denominated in European currency show a better dynamic. Thus, GWP amounted to EUR 298.4 million, 6.4% up y-o-y.

Life insurance is still playing a modest part in the Serbian market, with a share of less than 18% of the total underwritings. Still, at least in relative terms, its contribution to the overall market growth may be appreciated as substantial. The Insurance Supervision Department within the Administration for Supervision of Financial Institutions, the National Bank of Serbia, commented for xprimm the evolution of the life insurance sector: *Life premiums in Serbia recorded a strong growth of 18.6% in 2012, and even after slowing down in 1H2013, the growth rate of 9.7% remained substantial. Analyzing trends in the life segment of the market, it is obvious that the spread of life insurance, measured by the number of insurance contracts that exceeded 400,000 in 2012, had a*

significant y-o-y growth. The most dynamic segment was represented by new contracts, as around 137,000 new life contracts were concluded in 2012, a y-o-y growth of 31.0%, increasing the share of new contracts to one third.

The increase in the life portfolio was paralleled by positive trends for lapse and surrender ratios in 2012. For the whole market, lapse ratio improved to 9.3% in 2012 from 9.9% a year earlier. An improvement of this indicator was recorded for the majority of life companies, and lapse ratio is lower than before the crisis started. Surrendered ratio dropped significantly to 2.9% in 2012, from 4.1% a year earlier. This trend was obvious for most companies, especially larger ones which have been present on the market for a longer period of time.

The second best performance in terms of dynamic was recorded by the property insurance lines of business, specifically the "damage to property" class, especially in the beginning of 2013. *Non-life premiums increase in 2012 and 1H 2013 of 4.8% and 3.9% respectively was outpaced by positive trends in property insurance*

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	298.38	280.51	6.37	104.60	97.85	6.89	100.00	100.00
TOTAL LIFE	53.12	47.73	11.29	15.29	11.99	27.52	17.80	17.02
TOTAL NON-LIFE	245.26	232.78	5.36	89.31	85.86	4.01	82.20	82.98
Accidents insurance	19.05	17.60	8.20	9.65	9.12	5.76	6.38	6.27
Health insurance	6.05	5.82	3.94	3.21	2.50	28.44	2.03	2.07
Goods in transit	3.62	3.75	-3.54	0.93	0.78	19.06	1.21	1.34
Overall property insurance	84.10	73.30	14.74	17.02	15.32	11.11	28.19	26.13
Fire and allied insurance	24.24	24.35	-0.48	5.01	4.61	8.67	8.12	8.68
Damages to property	59.86	48.95	22.30	12.01	10.70	12.16	20.06	17.45
Overall motor insurance	113.34	113.14	0.18	54.87	54.91	-0.08	37.99	40.33
Motor Hull	30.12	31.57	-4.60	19.21	19.51	-1.53	10.09	11.25
MTPPL	83.23	81.57	2.03	35.66	35.40	0.72	27.89	29.08
GTPL	6.97	6.31	10.39	1.47	1.13	29.55	2.33	2.25
Travel	4.91	4.17	17.71	1.36	1.53	-11.16	1.65	1.49
Other non-life insurance	7.23	8.69	-16.82	0.79	0.56	42.82	2.42	3.10

Access www.xprimm.com

and download in MS Excel format:

Market indicators (in EUR and RSD)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and RSD)

Overall market, life, non-life, motor (motor hull and MTPL), property (fire, allied perils and damages to property), accidents, health, General TPL and travel



Andrea SIMONCELLI,
President & CEO, DELTA
GENERALI Insurance

types. On the back of a growth rate of 8.0% in 2012 and 13.1% in 1H2013 respectively, property insurance types in 1H2013 became the most important segment of the total premiums with a share of 28.2%.

In 1H2013, out of 17 insurance companies that offer non-life insurance products, 16 recorded property premiums. The property insurance segment is highly concentrated, with the largest insurance company having a share of almost half of the premiums in 1H 2013, and the 3 largest companies, more than 80%. In the observed period, 11 companies in this segment of the market recorded an increase in property insurance premiums, but the biggest impact was due to a premium increase in one company," NBS representatives told xprimm.

The market data available show that the company with the highest contribution to the property market growth is the state-owned DUNAV Osiguranje, which not incidentally considers that, as Andrea SIMONCELLI, President & CEO, DELTA GENERALI Insurance told us, *Property and Casualty are growing on the Serbian insurance market due to the increased number of tenders issued by public companies. Fire is slightly decreasing by 2%, due to some budget constraint which is causing coverage reduction* However, even in the positive context of the double-digit growth rate recorded in 1H2013, there is still a problem with insurance penetration and many small- and mid-size risks are simply not insured at all, thus risking the existence of the owners according to Franz WEILER, CEO UNIQA Insurance.

The motor insurance business line provided the poorest performance in 1H2013, with an overall decrease of

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	DELTA GENERALI	14.14	12.84	10.13	2.98	2.27	31.62	26.62	26.89
2	WIENER	11.57	10.90	6.09	3.52	3.19	10.08	21.77	22.84
3	GRAWE	8.99	8.68	3.61	2.60	2.49	4.53	16.93	18.19
4	DUNAV	5.35	4.45	20.20	1.32	0.78	69.06	10.08	9.33
5	UNIQA Zivot	4.73	3.87	22.22	1.32	0.87	52.03	8.90	8.11
6	DDOR	2.55	2.52	1.28	2.73	1.95	39.85	4.80	5.27
7	MERKUR	2.51	2.25	11.58	0.33	0.22	48.87	4.72	4.71
8	METLIFE	0.92	0.44	109.02	0.04	0.03	12.00	1.74	0.93
9	SOCIETE Gen.	0.86	0.40	115.73	0.02	0.01	127.77	1.63	0.84
10	AXA Zivot	0.43	0.47	-9.05	0.24	0.06	283.26	0.81	0.99
11	SAVA Zivotno	0.43	0.35	23.24	0.06	0.03	91.09	0.81	0.73
12	BASLER Zivot	0.34	0.27	24.38	0.01	0.01	56.84	0.64	0.57
13	TRIGLAV	0.30	0.29	3.25	0.11	0.07	57.94	0.56	0.61
TOTAL MARKET		53.12	47.73	11.29	15.29	11.99	27.52	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	DUNAV	86.36	80.81	6.87	27.62	26.09	5.86	35.21	34.71
2	DELTA GENERALI	42.97	43.33	-0.82	13.97	11.19	24.87	17.52	18.61
3	DDOR	39.83	39.30	1.33	16.80	20.29	-17.23	16.24	16.88
4	UNIQA Nezivot	16.51	14.90	10.84	6.04	4.84	24.87	6.73	6.40
5	WIENER	13.19	12.81	3.01	7.19	6.12	17.46	5.38	5.50
6	TAKOVO	8.54	9.58	-10.86	3.97	4.65	-14.64	3.48	4.12
7	TRIGLAV	8.21	8.07	1.74	3.91	3.47	12.75	3.35	3.47
8	AMS	7.79	5.82	33.70	2.70	2.77	-2.56	3.17	2.50
9	MILENIJUM	6.18	5.94	3.97	2.78	2.57	8.00	2.52	2.55
10	SAVA Nezivot	5.47	5.27	3.84	2.22	2.42	-8.19	2.23	2.26
11	SOGAZ	3.03	1.53	98.56	0.04	-	-	1.24	0.66
12	BASLER Nezivot	1.91	1.38	38.14	0.60	0.16	269.67	0.78	0.59
13	GLOBOS	1.71	1.85	-7.17	0.58	0.46	26.38	0.70	0.79
14	AXA Nezivot	1.50	0.39	285.67	0.02	0.00	709.22	0.61	0.17
15	AS osiguranje	1.35	1.11	22.10	0.77	0.68	12.48	0.55	0.48
16	ENERGOPROJEKT	0.45	0.51	-12.44	0.02	0.09	-74.73	0.18	0.22
17	GRAWE	0.26	0.19	35.96	0.09	0.05	62.39	0.11	0.08
TOTAL MARKET		245.26	232.78	5.36	89.31	85.86	4.01	100.00	100.00

1.24% driven by a fall of over 5% in GWP recorded for the Motor Hull class. However, as almost everywhere in CEE, the most lively debates are centered on the MTPL class, a line of business characterized by a *lack of transparency* (WEILER) and a *new price war in MTPL run by small companies with a 3.5% market share, which are trying to increase their premiums without considering risk and their limited capitalization.* (SIMONCELLI)



NEW Magazine



Traditional life insurance	27.48%
Unit-Linked	16.02%
Supplementary ins.	7.43%
Other life ins.	2.53%
Accident and health	1.68%
Motor Hull	11.67%
MTPL	13.82%
Fire and other damages to property	12.18%
GTPL	3.60%
Credit, suretyship & other financial losses	0.73%
Travel	0.96%
Other non-life*	1.89%

SOURCE:

NATIONAL BANK OF SLOVAKIA (NBS)
SLOVAK INSURERS ASSOCIATION (SLASPO)

SLOVAK CURRENCY: EURO

- GWP for U-L insurance products decreased for the first time since 2009
- Traditional life insurance products reentered on an ascendant trend after two years of continuously diminishing business volumes
- Retail sales represent about 80% of GWP, with no significant changes in the last year
- Only half of the real estate properties are insured, many of them to a smaller values than their real ones

“Stable” is apparently the word that best describes the Slovak insurance market evolution in the first half of 2013. With an overall GWP of EUR 1.06 billion, 1.3% up y-o-y, the market seems to produce no surprises. Still, at a closer look, there are few things worth being noted.

During the first half of 2013 saw only a slight increase in premiums. Technical premiums amounted to EUR 1.07 billion, most of the 1.3% increase being driven by life insurance. This trend is in accordance with the traditional evolution of the market, as Ivan PODSTUPKA, Policy Advisor of Communications & PR, SLASPO told xprimm. Still, a change has occurred as *unit-linked insurance declined, for the first time since 2009. The volume and frequency of surrenders are growing, but the premium production is slowing down.* Thus, while GWP for unit-linked products decreased by 4.7%, to EUR 170.93 million, claims paid for this line of business increased by 13.5%, to EUR 65.2 million. Consequently, the weight of UL life



Julia CILLIKOVA
Director of the Regulation and Financial Analyses Department, NBS

insurance in the total portfolio decreased by 1pp, to 16%. *It is really difficult to predict consumers' appetite on products,* told us Julia CILLIKOVA, Director of the Regulation and Financial Analyses Department, NBS. The decline in UL sales was surprising as *this type of products was quite well sold in the past. On the other hand, the technical premiums for traditional life insurance, such as insurance until a stipulated age or insurance for death events, increased by about 7% in 1H2013 after two years of continuous diminishing of the business volume,* CILLIKOVA pointed out.

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013 EUR m	1H2012 EUR m	Change %	1H2013 EUR m	1H2012 EUR m	Change %	1H2013 %	1H2012 %
TOTAL MARKET	1,066.71	1,052.97	1.30	627.96	594.31	5.66	100.00	100.00
TOTAL LIFE	570.25	549.21	3.83	388.00	358.63	8.19	53.46	52.16
Traditional life ins.	293.09	274.47	6.78	288.81	270.70	6.69	27.48	26.07
Unit-Linked	170.93	179.31	-4.67	65.22	57.47	13.48	16.02	17.03
Supplementary ins.	79.21	71.46	10.84	21.98	17.82	23.36	7.43	6.79
Other life ins.	27.03	23.97	12.75	11.99	12.64	-5.17	2.53	2.28
TOTAL NON-LIFE	496.45	503.77	-1.45	239.96	235.68	1.82	46.54	47.84
Accident and health	17.91	16.82	6.47	7.70	6.44	19.52	1.68	1.60
Overall motor insurance	271.91	284.32	-4.36	179.36	166.86	7.49	25.49	27.00
Motor Hull	124.53	129.38	-3.75	100.25	90.77	10.45	11.67	12.29
MTPL	147.38	154.93	-4.88	79.11	76.09	3.97	13.82	14.71
Fire and other damages to property	129.94	127.93	1.57	34.69	45.28	-23.40	12.18	12.15
GTPL	38.45	35.64	7.89	8.51	7.20	18.29	3.60	3.38
Credit, suretyship & other financial losses	7.82	9.11	-14.16	1.62	3.87	-58.18	0.73	0.86
Travel	10.27	10.24	0.28	3.26	3.10	5.05	0.96	0.97
Other non-life*	20.15	19.71	2.25	4.82	2.93	64.73	1.89	1.87

*The market portfolio is according to the data published by NBS. For the other rankings, the values are according to the figures published by SLASPO

Access www.xprimm.com
and download in **MS Excel format**:

Market indicators

GWP, claims, growth rates, portfolio

Market rankings

Overall market, life, non-life,
UL, motor hull and MTPL

The non-life insurance sector recorded a slightly negative trend, with the GWP volume decreasing by 1.45%, to EUR 496.45 million, mostly due to the negative trend recorded once again by the motor insurance lines. *The average premium per contract continued to diminish, while the cost of claims is growing. So the combined ratio in hull insurance reached 113.5%, which is unsustainable, says Ivan PODSTUPKA.* Thus, GWP for motor insurance amounted to EUR 271.9 million in total, which represents 4.36% less than in 1H2012. At the same time, claims paid for motor insurance went up by 7.5%.



Ivan PODSTUPKA
Policy Advisor of
Communications &
PR, SLASPO

Far better results were achieved for the property insurance lines, with GWP of EUR 125 million, 1.6% up y-o-y and a decrease in paid claims by 23.4%, to EUR 34.7 million. *Property insurance is showing a great potential for the future period, especially in what concerns real estate insurance, considering that only half of the real estate properties are insured, out of which a large part are underinsured, says SLASPO's representative.* **D.G.**


LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	KOOPERATIVA poisťovňa VIG	126.46	115.59	9.41	21.10	20.17
2	ALLIANZ - Slovenská	120.47	123.77	-2.67	20.10	21.60
3	MetLife AMSLICO poisťovňa	60.66	61.44	-1.28	10.12	10.72
4	KOMUNÁLNA poisťovňa VIG	54.19	52.40	3.40	9.04	9.14
5	GENERALI Slovensko	39.86	38.42	3.75	6.65	6.70
6	ING Životná poisťovňa	38.65	39.28	-1.61	6.45	6.85
7	ČSOB Poisťovňa	30.26	27.39	10.50	5.05	4.78
8	AXA životní poisťovna	27.89	23.01	21.21	4.65	4.02
9	P.S.S. VIG	25.88	24.50	5.63	4.32	4.28
10	WÜSTENROT poisťovňa	18.59	16.21	14.71	3.10	2.83
11	AEGON Životná poisťovňa	18.12	15.77	14.89	3.02	2.75
12	UNIQA poisťovňa	17.03	15.42	10.41	2.84	2.69
13	ERGO Poisťovňa	6.12	6.38	-4.01	1.02	1.11
14	UNION poisťovňa	5.13	5.32	-3.48	0.86	0.93
15	Poisťovňa Poštovej banky	4.09	3.39	20.79	0.68	0.59
16	BASLER Lebensversicherung	2.94	-	-	0.49	-
17	Poisťovňa CARDIF Slovakia	2.41	1.62	48.77	0.40	0.28
18	GROUPAMA GARANCIA	0.46	0.33	39.76	0.08	0.06
19	D.R. Lebensversicherung	-	2.85	-	-	0.50
TOTAL MARKET (SLASPO)		599.22	573.09	4.56	100.00	100.00

In case of ERGO Poisťovňa, the figures published for 1H2012 represents the added up value of the results for ERGO životná poisťovňa and VICTORIA-VOLKSBANKEN Poisťovňa

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	ALLIANZ - Slovenská	179.30	185.85	-3.52	35.28	35.99
2	KOOPERATIVA poisťovňa VIG	141.49	140.65	0.60	27.84	27.24
3	GENERALI Slovensko	51.47	56.60	-9.07	10.13	10.96
4	UNIQA poisťovňa	38.17	35.84	6.50	7.51	6.94
5	KOMUNÁLNA poisťovňa VIG	31.32	30.41	3.01	6.16	5.89
6	UNION poisťovňa	15.60	16.01	-2.58	3.07	3.10
7	ČSOB Poisťovňa	14.50	13.66	6.14	2.85	2.65
8	WÜSTENROT poisťovňa	11.84	12.97	-8.73	2.33	2.51
9	AXA poisťovna	6.51	6.47	0.60	1.28	1.25
10	Poisťovňa CARDIF Slovakia	6.46	5.95	8.48	1.27	1.15
11	MetLife AMSLICO poisťovňa	3.67	3.58	2.49	0.72	0.69
12	GROUPAMA GARANCIA	1.94	3.43	-43.44	0.38	0.66
13	D.R. Sachversicherung	1.94	1.87	3.63	0.38	0.36
14	AXA životní poisťovna	1.41	0.80	76.51	0.28	0.15
15	D.A.S. poisťovňa právnej ochrany	1.41	1.31	7.42	0.28	0.25
16	ERGO Poisťovňa	0.70	0.42	66.04	0.14	0.08
17	Poisťovňa Poštovej banky	0.54	0.52	2.88	0.11	0.10
18	Sk. kancelária poisťovateľov	-	0.01	-	-	0.00
TOTAL MARKET (SLASPO)		508.24	516.34	-1.57	100.00	100.00

In case of ERGO Poisťovňa, the figures published for 1H2012 represents the added up value of the results for ERGO životná poisťovňa and VICTORIA-VOLKSBANKEN Poisťovňa



Slovenia



Insurance Line	Percentage
Life assurance	10.55%
Unit-linked	14.92%
Other life insurance	0.70%
Accident insurance	4.76%
Health insurance	23.08%
Fire and allied perils	6.21%
Damages to property	6.74%
Motor Hull	12.15%
MTPL	13.04%
Goods in transit	0.38%
GTPL	3.50%
Credit insurance	1.93%
Financial loss	0.40%
Travel insurance	1.01%
Other non-life insurance	0.63%

- The slowly descendent trend established in 2012 in continuing in the Slovene market, with a 1.16% decrease in GWP in 1H2013
- UL products recorded a 5% fall in GWP but also a visible reduction in paid claims
- The constant business volume on the non-life insurance side resulted due to the almost 12% growth recorded for the health insurance line
- The Slovenian market was the scene of the most interesting acquisitions in the insurance industry up to the moment

The first half of 2013 confirmed the slightly downward trend installed on the Slovenian insurance market in 2012. Thus, local insurers ended the first six months of the current year with underwritings of EUR 1.08 billion, 1.16% down as compared with the same period of 2012. In fact, the negative trend was mostly driven by the continuous decreasing underwritings on the life insurance side, while on the non-life segment the overall business volume remained cvasi stable, at a comparable level with the one recorded in 1H2012.

The Unit-linked insurance lines once again pushed the life insurance GWP figure down. With this line of business recording a 5% fall in GWP, the total premium written by the life insurers decreased by 3.26% y-o-y, to EUR 283 million. However, as compared with the end of the first quarter, it seems that the negative trend on the life insurance side is slowing down

at a certain extend. It is also noteworthy the 35% decrease in paid claims for UL policies, which seems to indicate a calming in the policy surrenders.

The constant business volume on the non-life insurance side resulted due to the almost 12% growth recorded for the health insurance line which succeeded to offset the 7% downsize witnessed on the motor lines, as well as the negative trend recorded on most of the other non-life classes. On a highly competitive market, the continuous prices softening put the business volume under a strong strain.

Companies belonging to the TRIGLAV Group continued to maintain their leading positions both on the life and non-life segments despite the about 8% decrease in GWP volume recorded. Thus, Zavarovalnica TRIGLAV, the mother company of the Group, ended 1H2013 with GWP of EUR 342.8 million and a

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,081.46	1,094.13	-1.16	688.85	702.11	-1.89	100.00	100.00
TOTAL LIFE	282.99	292.54	-3.26	198.79	240.17	-17.23	26.17	26.74
Life assurance	114.09	111.31	2.50	98.62	90.49	8.98	10.55	10.17
Unit-linked	161.34	169.87	-5.02	85.10	131.37	-35.22	14.92	15.53
Other life insurance	7.56	11.36	-33.46	15.08	18.32	-17.66	0.70	1.04
TOTAL NON-LIFE	798.47	801.59	-0.39	490.06	461.94	6.09	73.83	73.26
Accident insurance	51.51	55.04	-6.41	17.68	18.53	-4.58	4.76	5.03
Health insurance	249.57	223.02	11.90	213.04	194.34	9.62	23.08	20.38
Overall property insurance	139.98	144.49	-3.12	54.51	52.16	4.49	12.94	13.21
Fire and allied perils	67.13	67.90	-1.13	23.93	20.79	15.10	6.21	6.21
Damages to property	72.85	76.59	-4.88	30.58	31.37	-2.54	6.74	7.00
Overall motor insurance	272.45	293.15	-7.06	166.55	159.42	4.47	25.19	26.79
Motor Hull	131.44	139.50	-5.78	92.00	84.99	8.25	12.15	12.75
MTPL	141.01	153.65	-8.23	74.55	74.43	0.15	13.04	14.04
Goods in transit	4.15	4.67	-11.04	0.67	1.49	-55.38	0.38	0.43
GTPL	37.87	38.54	-1.74	16.22	13.39	21.20	3.50	3.52
Credit insurance	20.83	20.74	0.43	11.80	13.98	-15.58	1.93	1.90
Financial loss	4.37	4.48	-2.45	1.28	1.30	-1.88	0.40	0.41
Travel insurance	10.91	10.24	6.54	5.48	4.37	25.44	1.01	0.94
Other non-life insurance	6.82	7.22	-5.52	2.82	2.95	-4.19	0.63	0.66

Access www.xprimm.com
and download in MS Excel format:

Market indicators

GWP, claims, growth rates, portfolio

Market rankings

Overall market, life and non-life

SOURCE:

SLOVENIAN INSURANCE ASSOCIATION

SLOVENIAN CURRENCY: EURO

market share of 31.7%, 2.3 pp less y-o-y. MARIBOR ranks second, with a premium production of EUR 147.3 million and 13.6% market share, while the third position is held by the mutual insurance company VZAJEMNA, the largest voluntary health insurance company in Slovenia, with GWP of EUR 143.5 million and a 13.27% market share.

The changing landscape

The market leader TRIGLAV will be confronted with a stronger competitor resulting from the Zavarovalnica MARIBOR's sale to the SAVA Re Group, an operation which ended in early 2013. According to SAVA Re's representatives, the acquisition will result in creating the second largest insurance group in the Western Balkans. For the time being, the interim report of SAVA Re shows that, although the MARIBOR results were consolidated with the SAVA Re's Group for only 2 months (since May 2013, when Zavarovalnica MARIBOR effectively became part of SAVA Re Group), the takeover already determined a substantial growth of the group's GWP and profit, to EUR 190 million (19.9% up y-o-y) and WUR 19.2 million respectively.

On the other hand, TRIGLAV has officially announced its intention of participating to the CROATIA Osiguranje privatization process. If successful, this bid could push the Slovene group in a stronger regional position. However, it should not be forgotten that TRIGLAV itself could be offered "for sale" by the Slovene government in the next months. **D.G.**

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	TRIGLAV	91.21	98.14	-7.07	32.23	33.55
2	MODRA ZAVAROVALNICA	46.74	47.80	-2.22	16.52	16.34
3	MARIBOR	37.94	38.59	-1.68	13.41	13.19
4	KD ŽIVLJENJE	22.81	26.46	-13.80	8.06	9.05
5	NLB VITA	19.81	18.78	5.52	7.00	6.42
6	MERKUR	19.12	19.91	-3.97	6.76	6.81
7	GENERALI	10.84	10.16	6.74	3.83	3.47
8	GRAWE	9.60	10.21	-5.98	3.39	3.49
9	WIENER STÄDTISCHE	8.01	7.68	4.29	2.83	2.62
10	ADRIATIC SLOVENICA	5.99	6.17	-2.88	2.12	2.11
11	TILIA	4.75	5.04	-5.66	1.68	1.72
12	ERGO ŽIVLJENJSKA	3.74	0.73	412.05	1.32	0.25
13	SOP	1.28	1.40	-8.95	0.45	0.48
14	ERGO	1.14	1.46	-21.62	0.40	0.50
TOTAL MARKET		282.99	292.54	-3.26	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	TRIGLAV	251.59	274.52	-8.35	31.51	34.25
2	VZAJEMNA	143.54	130.79	9.75	17.98	16.32
3	ADRIATIC SLOVENICA	128.77	129.01	-0.19	16.13	16.09
4	MARIBOR	109.36	114.69	-4.65	13.70	14.31
5	TRIGLAV ZDRAVSTVENA	51.48	42.87	20.06	6.45	5.35
6	TILIA	45.50	43.03	5.74	5.70	5.37
7	GENERALI	34.84	37.22	-6.40	4.36	4.64
8	SID-PKZ	9.61	10.05	-4.35	1.20	1.25
9	GRAWE	6.73	6.71	0.27	0.84	0.84
10	WIENER STÄDTISCHE	5.00	3.96	26.17	0.63	0.49
11	MERKUR	3.66	3.68	-0.50	0.46	0.46
12	ALLIANZ	3.46	3.11	11.26	0.43	0.39
13	ERGO	3.31	0.36	816.21	0.41	0.05
14	ARAG SE	0.88	0.85	3.49	0.11	0.11
15	NLB VITA	0.74	0.76	-2.64	0.09	0.10
16	MODRA ZAVAROVALNICA	0.00	0.00	-	0.00	0.00
TOTAL MARKET		798.47	801.59	-0.39	100.00	100.00

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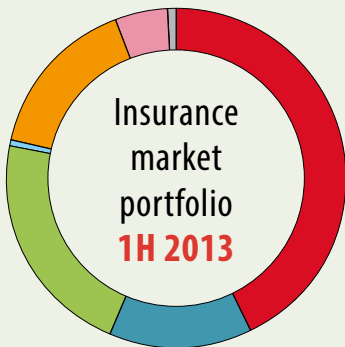
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Cyprus



Life insurance	42.92%
Accident & health	13.52%
Motor	21.87%
MAT	0.48%
Fire	15.52%
Liability	4.87%
Credit	0.02%
Miscellaneous	0.80%



SOURCE:
INSURANCE ASSOCIATION OF CYPRUS
CYPRUS CURRENCY: EURO

- MOODY's estimated a 12% shrinkage of GDP in 2013 and 6.4% in 2014
- The outlook for Cyprus's banking system remained negative (MOODY's Investors Service)
- Insurance premium revenues for 1H2013 amounted to EUR 394.3 million, or 7.4% down y-o-y
- The average premium on non-life was EUR 471.78 per policy. On the motor insurance class, the same indicator totaled EUR 300
- Quantitatively, the largest decrease in GWP was recorded in life and motor insurance
- In life insurance, paid indemnities exceeded the GWP value

The outlook for Cyprus's financial markets - especially the banking system has remained negative and unchanged since May 2009, according to MOODY's Investors Service, ansamed.info informed. The financial crisis in Cyprus triggered a deep and prolonged economic recession that will further strain the already highly stressed operating environment. "In this context the outlook reflects the formidable challenges the banks are facing, namely acute asset-quality deterioration, continued concerns over their solvency, and intense funding and liquidity pressures. The banks will continue to operate in a highly-stressed environment, with MOODY's expecting a 12% contraction of GDP in 2013 and 6.4% in 2014."

With 28 insurance companies operating on the island, Cyprus' insurance sector was considered very attractive and highly concentrated before the financial crisis. The "banking background" of the local market - the largest insurance companies in Cyprus being subsidiaries or affiliates of banks - (EUROLIFE, CNP CYPRIALIFE - former LAIKI and UNIVERSAL LIFE on the life insurance segment, or CNP Asfalistiki and General Insurance of Cyprus, on the non-life insurance line) - are the main

players on the market, but reported some of the largest negative dynamics.

According to the report published by the Insurance Association of Cyprus, the crisis was felt across all lines of insurance (except fire insurance). Quantitatively, in 1H2013 the largest decrease in GWP was recorded in life insurance - from EUR 187 million to EUR 169 million (or 9.7% less y-o-y), and in the motor insurance class - from EUR 93 million to EUR 86 million.

In case of the life insurance, the main reasons are the development of surrender and redemption phenomena, while in the motor segment, the number of people driving without motor insurance is on the rise due to the crisis, and has been on the uptrend for two years. In the first six months of this year 1,428 drivers without insurance were charged, traffic police chief, Demetris DEMETRIOU said, quoted by Cyprus-Mail.com. **V.B.**

Access www.xprimm.com and download in MS Excel format:

Market indicators

GWP, growth rates, portfolio

Market rankings

Life and non-life

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	394.33	425.66	-7.36	337.37	286.22	17.87	100.00	100.00
TOTAL LIFE	169.25	187.44	-9.71	226.90	163.63	38.66	42.92	44.04
TOTAL NON-LIFE	225.08	238.21	-5.51	110.47	122.58	-9.88	57.08	55.96
Accident & health*	53.32	53.74	-0.78	32.26	33.69	-4.24	13.52	12.62
Motor	86.24	93.26	-7.53	59.76	62.27	-4.03	21.87	21.91
MAT	1.90	2.39	-20.85	0.74	0.34	115.94	0.48	0.56
Fire	61.21	60.79	0.68	12.24	14.59	-16.14	15.52	14.28
Liability	19.20	22.87	-16.07	5.10	6.79	-24.97	4.87	5.37
Credit	0.08	0.12	-31.88	0.07	-0.14	-	0.02	0.03
Miscellaneous	3.14	5.03	-37.57	0.30	5.03	-93.94	0.80	1.18

*Including A&H premiums by Life Companies



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COUNTRY PROFILE

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	EUROLIFE	46.91	51.80	-9.44	27.72	27.64
2	CNP CYPRIALIFE	40.80	48.51	-15.90	24.11	25.88
3	UNIVERSAL LIFE	23.10	26.81	-13.85	13.65	14.30
4	ALLIANZ HELLAS	13.22	13.03	1.46	7.81	6.95
5	METLIFE ALICO	12.69	13.01	-2.46	7.50	6.94
6	PRIME	11.63	12.24	-4.98	6.87	6.53
7	ALPHA	7.88	6.52	20.85	4.66	3.48
8	HELLENIC ALICO	6.79	7.83	-13.37	4.01	4.18
9	ETHNIKI INSURANCE	3.12	3.54	-11.77	1.85	1.89
10	LIBERTY LIFE	2.51	3.05	-17.72	1.48	1.62
11	MINERVA	0.61	1.10	-44.95	0.36	0.59
TOTAL MARKET		169.25	187.44	-9.71	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	CNP Asfalistiki	28.92	34.16	-15.34	12.85	14.34
2	General Ins. of Cyprus	24.09	26.29	-8.37	10.70	11.04
3	PANCYPRIAN	18.30	18.79	-2.58	8.13	7.89
4	UNIVERSAL Life	17.28	16.70	3.47	7.68	7.01
5	AIG	12.74	13.78	-7.53	5.66	5.79
6	ATLANTIC	12.73	11.88	7.11	5.65	4.99
7	COSMOS	11.30	13.02	-13.16	5.02	5.46
8	TRUST	9.44	7.05	33.86	4.19	2.96
9	ALPHA	7.85	7.84	0.13	3.49	3.29
10	PRIME	7.72	9.82	-21.33	3.43	4.12
11	MetLife ALICO	6.70	7.19	-6.84	2.98	3.02
12	ALLIANZ HELLAS	6.54	6.03	8.36	2.90	2.53
13	EUROLIFE	6.31	6.26	0.77	2.80	2.63
14	HYDRA	5.67	5.77	-1.76	2.52	2.42
15	GAN DIRECT	5.60	5.16	8.55	2.49	2.17
16	ETHNIKI General Ins.	5.59	5.72	-2.24	2.48	2.40
17	MINERVA	5.44	6.22	-12.65	2.41	2.61
18	CNP Cyprialife	5.43	6.15	-11.74	2.41	2.58
19	COMMERCIAL General Ins.	5.26	5.92	-11.15	2.34	2.49
20	ROYAL CROWN	4.59	4.94	-7.09	2.04	2.08
21	YDROGIOS	4.07	4.11	-1.04	1.81	1.73
22	EUROSURE	3.47	4.46	-22.26	1.54	1.87
23	OLYMPIC	3.03	3.38	-10.50	1.35	1.42
24	KENTRIKI	2.27	2.66	-14.81	1.01	1.12
25	PROGRESSIVE	1.98	2.30	-13.76	0.88	0.96
26	LIBERTY Life	1.70	1.58	7.29	0.76	0.67
27	LUMEN	0.76	0.67	12.42	0.34	0.28
28	HELLENIC ALICO	0.30	0.33	-10.09	0.13	0.14
TOTAL MARKET		225.08	238.21	-5.51	100.00	100.00



Greece



■ Annuities and supplementary ins.	30.23%
■ Unit-linked	5.35%
■ Other life insurance	5.33%
■ Accidents	1.04%
■ Fire and allied perils	10.26%
■ Damages to property	3.68%
■ Motor Hull	6.28%
■ MTPL	28.70%
■ GTPL	2.40%
■ Credit	0.69%
■ GTPL	1.16%
■ Financial loss	1.10%
■ Travel	2.13%
■ Other non-life insurance	1.68%



Access www.xprimm.com and download the Greece insurance market statistics

SOURCE:
HELLENIC ASSOCIATION OF INSURANCE COMPANIES
GREEK CURRENCY: EURO

- The fiscal crisis, the austerity measures and the cost-cutting policies could generate public demonstrations, protests and strikes anytime
- Political instability continues: The government's fragile coalition can be affected next year, when Greek municipal elections and European parliamentary elections are planned
- According to greekinsurancemarket.co.uk, following the concentration of the banking sector, three insurance subsidiaries will be sold: National Insurance, EUROLIFE and AGROTIKI Insurance
- According to Hellenic Association of Insurance Companies, the market shrunk by 11% in 1H2013

The Greek economy will shrink again, according to IMF estimates. In 2012 the GDP fell for the fifth consecutive year, while in 2013 it is expected to decrease by 5.3% to EUR 183.5 billion. At the same time, the private consumption will remain at a low level due to a record-high of unemployment: the unemployment rate at the end of 2013 will be 27% as compared with 7.7% in 2008 (IMF statistics).

Under these circumstances, the financial industries continued to suffer. For example, this summer, the banking sector entered in drastic concentration program: As a result, within just a few months as many as 10 banks have disappeared from the market, and now four systemic banks control no less than 90% of the country's entire credit sector. According to ekathimerini.com, among medium-sized lenders, only ATTICA has retained its independence by successfully concluding

its share capital increase, making it the only healthy private bank in Greece at the moment.

Regarding the insurance market figures, the Greek insurers reported GWP of EUR 1.98 billion in 1H2013, 11% less y-o-y, according to the 1H2013 Report published by the Hellenic Association of Insurance Companies (HAIC). In the analyzed period, Non-life insurance premiums accounted for 59% of the total insurance premiums, while the life insurance segment accounted for the remainder of the market: EUR 808 million, or 17.5% less y-o-y.

The Report published by HAIC includes the figures from 61 insurance companies or 94.6% of premiums on the total market. Of these, 22 were active in life insurance (98.8% market share) and 48 were active in the non-life segment (91.3% market share).

V.B.

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	%	%
TOTAL MARKET	1,976.62	2,220.27	-10.97	100.00	100.00
TOTAL LIFE	808.50	980.78	-17.57	40.90	44.17
Annuities and supplementary ins.	597.46	639.85	-6.63	30.23	28.82
Unit-linked	105.78	207.84	-49.10	5.35	9.36
Other life insurance*	105.26	133.10	-20.91	5.33	5.99
TOTAL NON-LIFE	1,168.12	1,239.49	-5.76	59.10	55.83
Accidents	20.50	23.01	-10.88	1.04	1.04
Overall property insurance	275.48	274.33	0.42	13.94	12.36
Fire and allied perils	202.73	198.93	1.91	10.26	8.96
Damages to property	72.75	75.40	-3.50	3.68	3.40
Overall motor insurance	691.29	754.16	-8.34	34.97	33.97
Motor Hull	124.08	138.20	-10.22	6.28	6.22
MTPL	567.21	615.96	-7.91	28.70	27.74
GTPL	47.46	48.17	-1.48	2.40	2.17
Credit	13.59	22.13	-38.58	0.69	1.00
Financial loss	22.95	19.16	19.80	1.16	0.86
Legal protection	21.67	22.25	-2.62	1.10	1.00
Travel	42.05	41.62	1.04	2.13	1.87
Other non-life insurance	33.12	34.66	-4.44	1.68	1.56

*health insurance included

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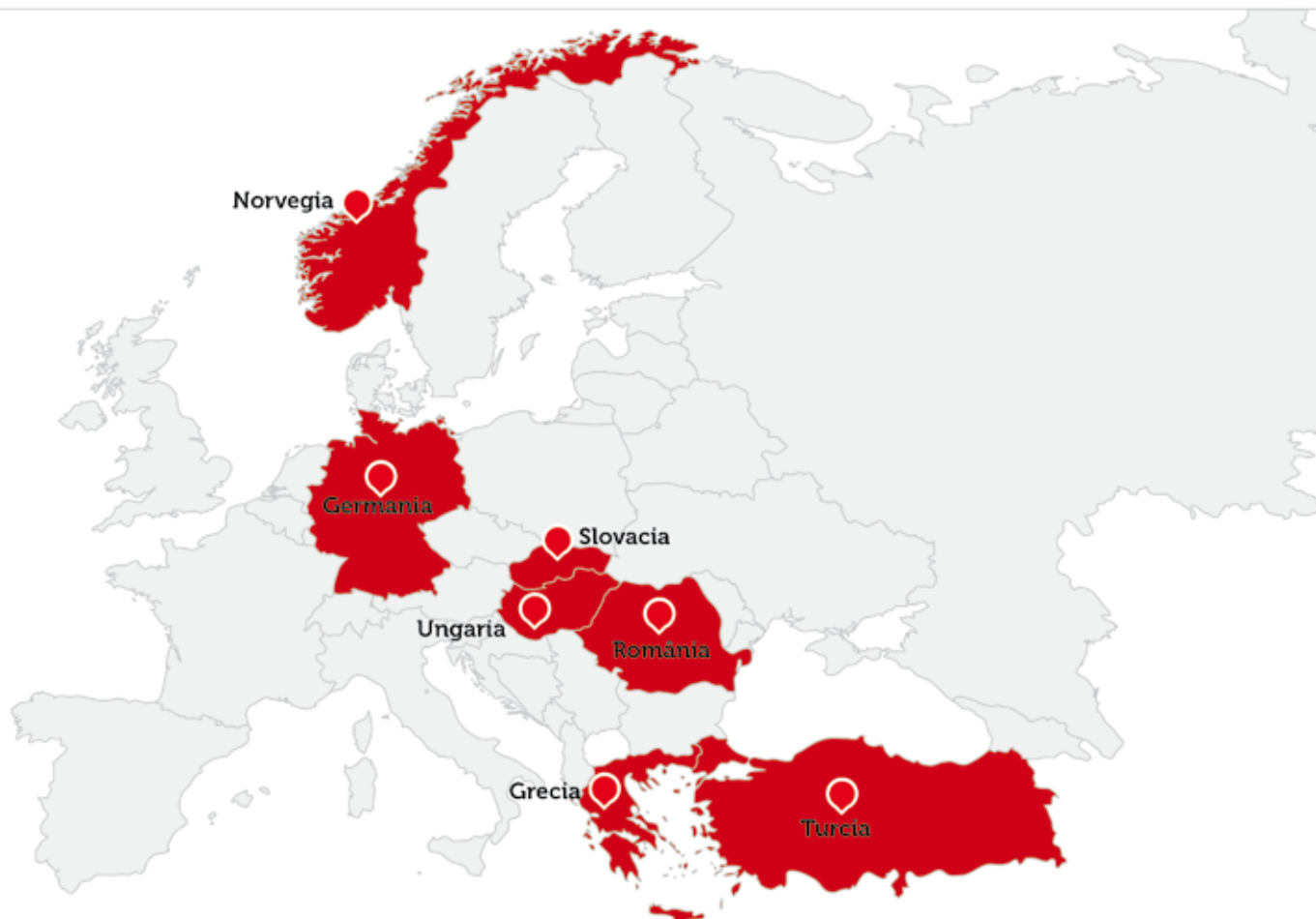
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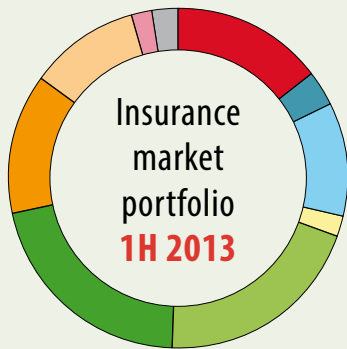
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Turkey



Life insurance	14.56%
Accident	3.26%
Sickness and health	11.05%
Goods in transit	1.73%
Motor Hull	20.21%
Motor vehicle liability	20.97%
Fire and allied perils	13.25%
Damages to property	10.58%
GTPL	1.97%
Other non-life insurance	2.42%

SOURCE:

ASSOCIATION OF INSURANCE AND REINSURANCE COMPANIES OF TURKEY
CENTRAL BANK OF THE REPUBLIC OF TURKEY

TURKISH CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 2.5183 TURKISH LIRA - TRY
(JUNE 30TH, 2013)
1 EUR = 2.2852 TURKISH LIRA - TRY
(JUNE 30TH, 2012)

- GWP increased by almost 25% in 1H2013, to approx. EUR 5 billion
- Insurance penetration degree remained at a low level, of 1.37% and is expected to improve by the end of 2013 to about 1.45%
- Since the introduction of the new Insurance Law, in 2007, the insurance companies have become stronger, no bankruptcy or failure being reported
- The Natural Disaster Insurance Law was amended in 2012, providing for additional check-points for the earthquake insurance for dwellings, and an extended role of TCIP (the Turkish Catastrophe Insurance Pool)

In the first half of 2013, the Turkish insurance market continued its ascending path, the volume of GWP increasing by almost 25%, to approximately EUR 5 billion, according to the figures presented by Mehmet KALKAVAN, General Secretary of the Association of Insurers, Reinsurers and Pensions Companies of Turkey on the occasion of the International Istanbul Insurance Conference. Despite this positive trend, the share of the insurance market in the GDP remained at a low level: 1.37%. For FY2013, the market authority estimates that this indicator will improve to approximately 1.45%.

According to Dr. Ahmet GENÇ, Treasury Undersecretary General Director of Insurance, the adoption of the Insurance Law No. 5684/2007 played an important role. It changed and/or created new rules (rules on entering/leaving the market, technical reserves, solvency, reporting, accounting, etc.) and new institutions (such as the Insurance Agents Executive Committee, the Insurance Loss Adjusters Executive Committee, the Insurance Arbitration Commission, the Insurance Training Centre or the Insurance



Mehmet KALKAVAN
General Secretary of the Association of Insurers, Reinsurers and Pensions Companies of Turkey

Information and Monitoring Center). Also, since the introduction of the new Insurance Law, the insurance companies have become stronger, no bankruptcy or failure being reported after 2007. Moreover, the intermediation market, particularly for insurance agents, is more disciplined after the introduction of strict registration rules. In addition, the new arbitration system increased the consumers' confidence in insurance: more than 6.000 cases have been solved by the Insurance Arbitration Commission, with an average of 2-month time per case. All in all, insurance training has been improved, more than 100.000 individuals receiving

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	4,982.65	4,400.40	13.23	2,325.56	2,413.84	-3.66	100.00	100.00
Life insurance	725.34	622.66	16.49	406.90	386.84	5.19	14.56	14.15
Non-life insurance, of which:	4,257.31	3,777.73	12.69	1,918.66	2,027.00	-5.35	85.44	85.85
Accidents	162.43	146.98	10.51	34.42	31.83	8.16	3.26	3.34
Sickness and health	550.49	559.16	-1.55	357.38	368.72	-3.08	11.05	12.71
Goods on transit	86.27	91.86	-6.09	32.07	25.34	26.56	1.73	2.09
Overall motor insurances	2,051.98	1,756.48	16.82	1,092.68	1,222.14	-10.59	41.18	39.92
Motor hull	1,006.94	966.52	4.18	568.76	680.27	-16.39	20.21	21.96
Motor vehicle liability	1,045.04	789.96	32.29	523.93	541.87	-3.31	20.97	17.95
Overall property insurance	1,187.21	1,013.99	17.08	321.36	323.09	-0.54	23.83	23.04
Fire and allied perils	660.03	570.86	15.62	189.54	211.70	-10.47	13.25	12.97
Damages to property	527.18	443.13	18.97	131.82	111.39	18.33	10.58	10.07
GTPL	98.40	93.84	4.86	27.86	23.75	17.32	1.97	2.13
Other non-life insurance	120.53	115.43	4.42	52.88	32.14	64.54	2.42	2.62

Access www.xprimm.com

and download in MS Excel format:

Market indicators (in EUR and TRY)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and TRY)

Overall market, life, non-life, accidents, health, motor hull, MTPL, GTPL, fire & allied perils and damages to property



Dr. Ahmet GENÇ

Treasury
Undersecretary
General Director of
Insurance

basic insurance training via the Insurance Training Center (SEGEM), while in the case of Motor TPL policy, the transactions are performed by insurance companies/agents online, in real time, and the information is stored in a centralized system (TRAMER), said Dr. Ahmet GENÇ.

In 2012, in the Natural Disaster Insurance Law, a provision was made for the introduction of additional check-points for the earthquake insurance for dwellings, and the role of TCIP (the Turkish Catastrophe Insurance Pool) was extended to other natural disasters depending on the needs, added Dr. Ahmet GENÇ.

After these reforms, the sales of earthquake insurance policies increased by 48% y-o-y, while the penetration rate reached 35%, increasing by 10%.

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ZIRAAT H/E	186.37	161.42	15.46	74.88	87.43	-14.35	25.69	25.92
2	ANADOLU H/E	88.19	79.71	10.64	104.79	100.48	4.29	12.16	12.80
3	GARANTI Emeklilik	63.69	59.62	6.82	14.42	11.34	27.23	8.78	9.58
4	HALK H/E	60.18	40.38	49.02	16.21	12.75	27.21	8.30	6.49
5	YAPI KREDİ Emeklilik	47.28	46.23	2.28	33.29	35.28	-5.65	6.52	7.42
6	VAKIF Emeklilik	44.17	33.48	31.93	20.45	20.01	2.17	6.09	5.38
7	AvivaSA	43.77	36.34	20.45	35.69	23.34	52.91	6.03	5.84
8	FINANS E/H	40.66	32.42	25.44	5.83	5.53	5.51	5.61	5.21
9	MetLife E/H	30.39	28.06	8.33	21.74	15.62	39.21	4.19	4.51
10	AXA H/E	22.59	12.55	80.07	19.11	21.21	-9.89	3.11	2.01
11	ALLIANZ H/E	18.58	18.99	-2.17	23.68	21.98	7.76	2.56	3.05
12	AEGON E/H	15.39	10.89	41.24	1.29	1.58	-18.61	2.12	1.75
13	GROUPAMA Emeklilik	14.68	13.97	5.13	10.48	11.85	-11.62	2.02	2.24
14	BNP Paribas Cardif Emeklilik	14.12	11.28	25.21	3.24	2.13	51.91	1.95	1.81
15	ING Emeklilik	12.49	11.73	6.49	2.63	1.04	151.81	1.72	1.88
16	BNP Paribas Cardif Hayat	10.18	8.01	27.13	5.52	3.62	52.59	1.40	1.29
17	CIV Hayat	3.91	7.72	-49.34	1.61	0.85	88.87	0.54	1.24
18	ERGO E/H	3.01	4.89	-38.50	6.08	4.93	23.14	0.41	0.79
19	MAPFRE Genel Yasam	2.58	2.68	-3.56	2.04	1.90	7.28	0.36	0.43
20	FIBA Hayat	1.03	-	-	0.00	-	-	0.14	-
21	DEMİR Hayat	0.92	1.06	-13.21	1.55	1.66	-6.52	0.13	0.17
22	ACIBADEM Sağlık ve Hayat	0.92	1.10	-16.76	1.72	1.50	14.86	0.13	0.18
23	ASYA E/H	0.12	-	-	0.00	-	-	0.02	-
24	NEW LIFE YAŞAM	0.11	0.09	19.26	0.30	0.37	-18.57	0.02	0.01
25	AK	0.01	0.01	-47.06	0.17	0.31	-47.03	0.00	0.00
26	RUMELİ Hayat	0.00	0.02	-86.42	0.18	0.12	51.61	0.00	0.00
27	GENERALİ	0.00	0.00	-55.13	-	-	-	0.00	0.00
28	CIGNA Hayat	-0.00	0.02	-	-	-	-	-	0.00
TOTAL		725.34	622.66	16.49	406.90	386.84	5.19	100.00	100.00

Istanbul and Izmir – among the cities with the highest exposure to Cat risks

The first and third most populated Turkish cities - Istanbul (approximately 11.5 million people) and Izmir (approximately 2.7 people) - are among the world's urban areas most exposed to natural catastrophes, according to a study by SWISS Re.

Thus, Istanbul is the 10th metropolitan area most exposed to earthquakes, judging by the population that could be affected by this type of catastrophe (6.4 million people). The riskiest area is Tokyo-Yokohama (Japan) - 29.4 million, followed by the urban area of Jakarta, Indonesia (17.7 million) and Manila - Philippines (16.8 million).

On the other hand, Izmir is the 7th most exposed city to tsunami risk. Three metropolitan areas in Japan lead this hierarchy (Tokyo-Yokohama, Nagoya and Osaka-Kobe), followed by Shantou (China) and Kolkata (Indonesia)



NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	AXA	591.14	496.52	19.06	291.22	312.94	-6.94	13.89	13.14
2	ANADOLU	529.67	509.51	3.96	251.67	307.60	-18.18	12.44	13.49
3	ALLIANZ	420.33	308.75	36.14	148.84	151.51	-1.76	9.87	8.17
4	AK	303.90	308.96	-1.64	155.62	150.75	3.23	7.14	8.18
5	MAPFRE GENEL	280.26	201.08	39.38	118.75	102.86	15.44	6.58	5.32
6	YAPI KREDI	258.76	249.65	3.65	154.06	143.27	7.53	6.08	6.61
7	GROUPAMA	220.81	200.12	10.34	83.48	103.93	-19.68	5.19	5.30
8	GUNES	206.37	188.77	9.33	104.13	97.06	7.28	4.85	5.00
9	EUREKO	177.35	161.91	9.54	74.18	86.10	-13.84	4.17	4.29
10	ZIRAAT	132.29	103.24	28.14	11.98	10.88	10.16	3.11	2.73
11	ERGO	128.25	157.73	-18.69	79.40	109.38	-27.41	3.01	4.18
12	HALK	107.71	73.35	46.85	36.61	43.20	-15.25	2.53	1.94
13	SOMPO JAPAN	105.91	90.57	16.93	37.94	38.41	-1.24	2.49	2.40
14	HDI	92.11	81.12	13.55	39.98	43.07	-7.18	2.16	2.15
15	ZURICH	80.50	74.52	8.02	26.95	27.18	-0.84	1.89	1.97
16	ACIBADEM Saglik ve Hayat	76.70	72.58	5.67	43.34	36.06	20.19	1.80	1.92
17	RAY	70.66	64.26	9.96	27.68	30.55	-9.41	1.66	1.70
18	AVIVA	65.77	78.20	-15.91	51.28	43.51	17.87	1.54	2.07
19	AIG	52.85	50.77	4.10	25.61	14.72	73.94	1.24	1.34
20	EURO	48.15	29.32	64.25	26.07	17.96	45.19	1.13	0.78
21	NEOVA	47.23	25.62	84.37	12.38	12.51	-0.98	1.11	0.68
22	ISIK	37.17	35.50	4.71	13.05	14.83	-11.99	0.87	0.94
23	ANKARA	33.20	34.46	-3.66	17.99	21.72	-17.18	0.78	0.91
24	LIBERTY	30.64	28.09	9.08	19.76	14.74	34.08	0.72	0.74
25	GENERALI	19.25	20.16	-4.52	7.58	16.06	-52.81	0.45	0.53
26	SBN	17.68	14.37	23.01	4.84	11.41	-57.64	0.42	0.38
27	DUBAI Group	13.39	16.44	-18.53	10.21	18.45	-44.66	0.31	0.44
28	DEMIR Hayat	12.82	16.50	-22.30	8.50	9.62	-11.62	0.30	0.44
29	MetLife E/H	10.89	11.68	-6.77	4.57	2.20	107.35	0.26	0.31
30	COFACE	9.83	7.95	23.69	4.54	3.99	13.75	0.23	0.21
31	ACE Europe	9.66	8.76	10.34	0.46	0.28	66.84	0.23	0.23
32	HUR	9.43	11.98	-21.28	6.47	6.53	-0.80	0.22	0.32
33	EULER HERMES	8.81	7.72	14.03	2.94	0.89	230.45	0.21	0.20
34	T.NIPPON	7.11	6.44	10.45	3.50	5.96	-41.27	0.17	0.17
35	KORU	6.90	3.68	87.61	4.72	0.51	829.12	0.16	0.10
36	AvivaSA	6.86	7.40	-7.29	0.68	0.74	-8.35	0.16	0.20
37	DEMIR	6.20	3.98	55.85	2.90	3.32	-12.68	0.15	0.11
38	VAKIF Emeklilik	5.06	4.12	22.85	0.46	0.30	50.39	0.12	0.11
39	ATRADIUS	3.93	1.90	106.79	1.32	0.31	321.84	0.09	0.05
40	GROUPAMA Emeklilik	3.23	2.83	14.09	1.77	1.25	40.86	0.08	0.07
41	BNP Paribas Cardif	3.12	2.47	26.29	0.15	0.18	-16.85	0.07	0.07
42	ING Emeklilik	1.68	0.83	102.36	0.49	0.11	335.30	0.04	0.02
43	ZIRAAT H/E	0.88	0.18	379.81	0.06	0.26	-78.71	0.02	0.00
44	CIV Hayat	0.81	1.15	-29.48	0.09	0.26	-63.90	0.02	0.03
45	YAPI KREDI Emeklilik	0.77	1.09	-29.55	0.03	0.01	147.29	0.02	0.03
46	HALK H/E	0.34	0.09	277.36	0.03	-	-	0.01	0.00
47	ALLIANZ H/E	0.25	0.12	118.68	0.02	0.00	286.82	0.01	0.00
48	ANADOLU H/E	0.20	0.26	-25.35	0.08	0.02	316.23	0.00	0.01
49	FINANS E/H	0.20	0.01	1,273	-	0.18	-	0.00	0.00
50	AXA H/E	0.08	0.08	-0.43	0.04	0.10	-58.41	0.00	0.00
51	BNP Paribas Cardif Hayat	0.06	0.22	-72.96	0.14	0.17	-20.31	0.00	0.01
52	MAGDEBURGER	0.05	0.06	-9.78	0.05	0.03	83.07	0.00	0.00
53	MAPFRE Genel Yasam	0.04	0.38	-88.88	-0.03	9.07	-	0.00	0.01
54	BNP Paribas Cardif Emeklilik	0.04	0.02	52.86	0.03	0.02	115.08	0.00	0.00
55	ERGO E/H	0.03	0.09	-63.50	0.03	0.00	781.79	0.00	0.00
56	FIBA Hayat	0.01	-	-	-	-	-	0.00	-
57	GARANTI Emeklilik	0.00	0.00	52.54	-	-	-	0.00	0.00
58	AEGON E/H	0.00	-0.00	-	-	-	-	0.00	-
59	RUMELI Hayat	0.00	0.00	-64.75	-	-	-	0.00	0.00
60	CIGNA Hayat	-0.01	0.20	-	0.01	0.00	599.46	-	0.01
TOTAL MARKET		4,257.31	3,777.73	12.69	1,918.66	2,027.00	-5.35	100.00	100.00



NEW Magazine



The Turkish Catastrophe Insurance Pool aims at 10 million policies

The Turkish Catastrophe Insurance Pool (TCIP) has set a target of 10 million compulsory home insurance policies, according to Okan UKTUERI, General Manager of EUREKO Sigorta - the company that has managed the TCIP since 2005.

Presently, Turkey has a population of 76 million living in 18 million homes. Home insurance became compulsory more than 13 years ago, after the government passed the Law 547 on 20th September 2000, in the aftermath of the devastating earthquakes that occurred in the Marmara region on 17th of August and 12th of November 1999. Insured damage after the two earthquakes reached EUR 800 million, but, as many of the buildings in the region were uninsured, economic losses amounted to more than EUR 10 billion.

In August 2012 a new law regarding natural disasters came into force (Law No. 6305), which aimed at bringing more flexibility to the compulsory home insurance policy (by adding other insured risks) and to increase the level of awareness of the population about home insurance. As an immediate effect, in 2013 the penetration rate of this type of insurance reached 35%, the equivalent of 6.2 million insured households, "thus increasing TCIP's reinsurance protection, as well as the payment capacity," UKTUERI said.

V.B.

Who is CertAsig?

CertAsig is a Romanian specialist non-life insurance company primarily selling niche, non-motor insurance products to corporate customers through insurance brokers.

Proudly celebrating 10 years of activity in the insurance market, CertAsig has achieved continued growth in terms of total Gross Written Premiums, underwriting EUR 0.5m in 2007 and EUR 9.9m in 2012.

Since December 2007, CertAsig has been majority-owned by Royalton Capital Investors II, a private equity fund, having limited liability partners including Alpha Associates, the European Bank for Reconstruction and Development (EBRD) and the European Investment Fund (EIF).

Executive Summary

- » Pioneer of new innovative products to the market such as contractual bonds and event insurance
- » Oriented to low-loss ratio and high growth classes
- » Experienced and dynamic management led by former Lloyd's of London professional
- » Managed as a 'Lloyd's box', CEO manages the firm from the underwriting desk

Main developments in 2013

- » Gross Written Premium growth of more than 37% comparing H1 2013 v H1 2012
- » Liability, engineering, commercial property, bonds and other profitable classes are now more prominent following careful broker management and product innovation
- » Main driver for growth has been Romanian, Bulgarian and Turkish brokers who collectively bring more than 90% of total GWP
- » Most recent new international office opened in Sofia, Bulgaria, in April 2013, in addition to CertAsig's Istanbul office opened in May 2012

Specialized products offered:

Romania

- » Commercial Property Insurance
- » Contractors' All Risks (CAR)
- » General Third party Liability
- » Professional Indemnity
- » Bond insurance : Bid Bonds, Advance Payment Bonds, Performance Bonds, Maintenance Bonds
- » Marine insurance including Hull and Protection & Indemnity
- » General Aviation : Hull, Passenger/Third Party Liabilities, Crew Personal Accident

» Cargo & Goods in transit – by land, sea or air

- » Group Travel, Accident & Health
- » High value goods insurance (cash in transit and in safe)
- » Electronic Equipment insurance

Turkey & Black Sea

- » Marine Hull & Machinery
- » Protection & Indemnity
- » Cargo – by land, sea or air
- » Ship Building Risks
- » General Aviation: Hull, Passenger/Third Party Liability, Crew Personal Accident

Bulgaria

- » Commercial Property Insurance
- » Contractors' All Risks (CAR)
- » Commercials Liability, including General Third Party
- » Professional Indemnity
- » Bond insurance: Bid Bonds, Advance Payment Bonds, Performance Bonds, Maintenance Bonds
- » Cargo – by land, sea or air
- » General Aviation: Hull, Passenger/Third Party Liability, Crew Personal Accident
- » Marine insurance including P&I

Reinsurance

- » All policies are financially underpinned by a reinsurance Programme placed with a first-class reinsurers including Lloyd's, SCOR, Munich Re, Swiss Re, Hannover Re as well as others rated with minimum A-rating with S&P and/or A.M. Best
- » Reinsurers provide valuable expertise on niche products in new markets where CertAsig operate
- » Reinsurers provides comfort to our brokers and policyholders



James GRINDLEY, CEO

CertAsig Management

» James Grindley British

CEO & President of the Board: 18 years insurance experience. Prior to joining CertAsig he was a Director at AON Romania and founding partner of International Risk Solutions Limited, a Lloyd's Broker

» Mihaela Cojocaru Romanian

Deputy CEO and Chief Underwriter, PhD in Financial Risks: 17 years experience in financial markets. Prior to joining CertAsig she was a board member of Astra-UNIQA

» Cristian Daianu Romanian / German

Chief Financial Officer and Member of the Board: 15 years financial services including Dresdner Bank and PLUS (Tengelmann Group)

» Andrei Mirauta Romanian

Reinsurance Manager: 8 years experience in reinsurance. Previously Head of Inward Reinsurance at OMNIASIG

» Alina Toma Romanian

Head Actuary: 9 years actuarial and audit experience. Previously with Euroins and KPMG

CertAsig Group non-executive directors

Nigel Williams British

Chairman: 35 years experience in financial markets. Managing Partner of Royalton

Ivan Vohlmuth Czech

Vice-Chairman: More than 20 years experience in financial markets. Founding Partner of Royalton

Willem Wynaedts Dutch

More than 25 years experience in financial markets. Former Chief Executive of AXA CEE, AXA Switzerland

Roger Ackman Australian/ British

More than 30 years experience in financial markets. Former Global Head of Product Development for the Life Division in Zurich Financial Services

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Armenia



Category	Percentage
Accidents	0.95%
Health	41.26%
Fire and allied perils	3.91%
Other damages to property	0.49%
Motor Hull	4.46%
MTPL	42.83%
CARGO	0.97%
GTPL	0.69%
Credit	2.23%
Financial risks	0.63%
Travel	0.63%
Other	0.96%

SOURCES:

The statistics submitted to the analysis have been supplied by:



CENTRAL BANK OF ARMENIA

ARMENIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 535.25 DRAM - AMD (JUNE 30TH, 2013)
1 EUR = 525.61 DRAM - AMD (JUNE 30TH, 2012)

Bonus – a reality, malus – a future

The bonus-malus system, and rather one of its components ("bonus"), applies to insurance contracts signed after December 31st, 2012 in Armenia. However, although the system is fully functional, many drivers are still lacking knowledge about its details.

According to estimates provided by the Executive Director of the Armenian Motor Insurers' Bureau, Anna VARDIKYAN, full implementation of the "bonus-malus" (BMS) in the next few years could lead to a reduction in the number of undisciplined drivers in Armenia by 6-10%. From the date of implementation of the "bonus" component, the total amount of bonuses (3% of the premium) issued to disciplined drivers, amounted to about AMD 350 million, said Elita BABAYAN, Insurance Specialist, ArmInfo News Agency.

BABAYAN pointed out that insurers' hope to use BMS for "saving" the unprofitable MTPL segment seems to be very unlikely to independent insurance experts, given the unsolved problems of the vehicle inspection system, which in Armenia is considered a bureaucratic formality.

Mandatory health insurance is more popular

The capacity of the health insurance segment has grown rapidly after the introduction by the Armenian authorities of the social package for budgetary workers, currently covering 150,000 employees. For the implementation of this program, the government has allocated this year nearly AMD 21 billion. It should be emphasized that the premiums collected under the program accounted for over 90% of health insurance premiums. Thus, seven insurance companies collected premiums worth AMD 2.052 billion.

Insurers expect this business to become unprofitable, but a good tool for the promotion and mainstreaming of insurance in society. Thus, annual payments in health insurance in Armenia increased by almost 10 times and reached AMD 1.6 billion or 33% of total payments in April 1st, 2013.

One can easily observe the large number of claims, but also the extremely low level of insureds' awareness with regard to the circumstances in which they are entitled to be indemnified. Still, the government's initiative led to a noticeable increase (4 times) in the health insurance market in Armenia and it is intended to pave the way for the introduction into the social life of compulsory health insurance, explained Elita BABAYAN.

Insurance of agricultural risks - still in need of solutions

The topic of agricultural risks' insurance is quite abstracted for the rural population of Armenia. And this is understandable, because the agricultural sector of our economy is extremely behind the global technical progress, and the rural population is hardly feeding the country with their modest harvest. The practice of agriculture has become economically inefficient, said Elita BABAYAN.

Thus, it is a bit early for the rural population to talk about the possible development of agricultural insurance in Armenia. Moreover, the management of the agricultural sector of Armenia has undergone a significant decline and is far from being effective so today it needs a wide acceptance of agricultural risks insurance within the international practice. Such a system in Armenia can benefit from the appropriate development of agribusiness, which needs specific legislative initiatives and a consistent policy.

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	42.35	45.41	-6.73	18.04	11.35	58.90	100.00	100.00
Accidents	0.40	0.31	28.71	0.03	0.04	-21.29	0.95	0.69
Health	17.47	20.16	-13.31	6.67	1.35	393.99	41.26	44.39
Overall property insurance	1.86	2.48	-24.87	0.13	0.14	-5.51	4.40	5.46
Fire and allied perils	1.66	2.17	-23.80	0.13	0.14	-5.09	3.91	4.79
Other damages to property	0.21	0.31	-32.50	0.00	0.00	-21.16	0.49	0.67
Overall motor insurance	20.03	21.05	-4.83	11.02	9.19	20.02	47.29	46.35
Motor hull	1.89	1.73	8.93	1.33	1.26	5.47	4.46	3.82
MTPL	18.14	19.31	-6.07	9.69	7.92	22.34	42.83	42.53
CARGO	0.41	0.35	15.94	0.02	0.03	-25.15	0.97	0.78
GTPL	0.29	0.37	-21.03	0.05	0.47	-88.36	0.69	0.82
Credit	0.94	0.03	2,965	-	0.07	-	2.23	0.07
Financial risks	0.27	0.29	-8.40	0.04	-	-	0.63	0.64
Travel	0.27	0.28	-5.84	0.06	0.06	-3.67	0.63	0.62
Other	0.41	0.09	369.92	0.01	0.01	82.36	0.96	0.19



Access www.xprimm.com
and download in MS Excel format:
Market indicators (in EUR and AMD)
GWP, claims, growth rates, portfolio
Market rankings (in EUR and AMD)

Understandable, not many insurance companies are covering agricultural risks. In Armenia, getting insurance for "farmers" risk without specific legislative initiatives in the field of agriculture is very complicated. Legislation in the field of agriculture does not determine the legal status of small farmers engaged in animal husbandry and cultivation of certain agricultural crops.

Most farmers are far from organizing their work on a scientific base allowing the processes' control, so that this line of business becomes unattractive for insurers. Still, insurance will encourage the introduction of the basic norms and procedures of management, added BABAYAN.

If insurance of major livestock products is more or less clear, the insurance of agriculture is an even more difficult task, because it requires a methodological approach to the assessment of the possible risks and the probability of their occurrence.

The most likely and effective for our market option could be insurance of risks in the agricultural production. We are talking

ALL INSURANCE LINES RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ROSGOSSTRAKH Armenia	11.00	11.57	-4.87	5.95	3.22	84.69	25.98	25.47
2	INGO Armenia	8.99	12.41	-27.61	3.76	2.98	26.33	21.22	27.34
3	RESO	8.10	7.52	7.64	2.62	1.12	134.28	19.11	16.56
4	NAIRI Insurance	7.58	5.20	45.89	1.97	1.59	23.93	17.90	11.44
5	SIL Insurance	2.92	1.58	84.63	0.97	0.59	63.40	6.90	3.49
6	ARMENIA Insurance	1.92	2.63	-26.84	0.78	0.58	35.39	4.54	5.79
7	GARANT Insurance	1.84	4.50	-59.08	2.00	1.28	55.82	4.35	9.91
TOTAL MARKET		42.35	45.41	-6.73	18.04	11.35	58.90	100.00	100.00

about the food production facilities and the processing industry, especially for the dairy industry. Players in the industry are interested to get insurance coverage, but they also try to reduce their costs as much as possible. In insurance they would rather see an opportunity to protect their business from financial loss and often turn to insurers with a task difficult to prove for them. Thus, the development of specific mechanisms for these businesses require a lot of time, the availability of qualified personnel, material resources for the study of the circumstances affecting the level of profits and much more, explained Elita BABAYAN.

Acquisition rumors

The Armenian insurance market's consolidation process continues. Reliable



Elita BABAYAN
Insurance Specialist,
ArmlInfo News Agency

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sources told ArmlInfo News Agency that the largest insurance player, ROSGOSSTRAKH Armenia, a subsidiary of ROSGOSSTRAKH (Russia), intends to acquire GARANT Insurance, which specializes in health insurance. At the moment the deal is still not officially confirmed and we don't know if this will be a portfolio purchase or an acquisition. **O.A.**



by Media XPRIMM

The International Insurance - Reinsurance Forum

Brasov, Romania

May 25th - 29th, 2014

CEE, SEE, RUSSIA & CIS

17th
Edition

- **Main CONFERENCE** - International markets
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- **Reinsurance Market** - Workshop
- **Nat Cat Risks** - Workshop





Azerbaijan



Voluntary life insurance	9.56%
Compulsory life insurance*	8.90%
Accident and diseases (V)	2.30%
Medical insurance (V)	20.43%
Fire and other perils insurance (V)	8.99%
Aircraft insurance (V)	2.36%
Ships insurance (V)	0.45%
Cargo insurance (V)	3.70%
Aircraft liability insurance (V)	0.83%
Ships liability insurance (V)	0.41%
GTPL (V)	1.08%
Motor Hull (V)	13.40%
Motor Vehicle liability (V)	0.56%
Liability for owners of motor vehicles (M)	16.37%
Immovable property (M)	3.33%
Military servants (M)	3.73%
Servants of judicial and law-enforcement bodies (M)	2.12%
Other non-life insurance (V)+(M)	1.49%

(V) - Voluntary insurance (M) - Mandatory insurance



SOURCE:
MINISTRY OF FINANCE OF REPUBLIC OF AZERBAIJAN
CENTRAL BANK OF AZERBAIJAN REPUBLIC

AZERBAIJAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:
1 EUR = 1.0252 MANAT - AZN (JUNE 30TH, 2013)
1 EUR = 0.9888 MANAT - AZN (JUNE 30TH, 2012)

- GWP grew by 16.86% in 1H2013, in local currency, mainly driven by voluntary life insurance
- the tax allowance supported by the law encourage people to use voluntary life insurance as a saving mean
- the control over the conclusion of insurance contracts against accidents at work will be tightened
- In 1H2013, amendments to the Law “On mandatory types of insurance” were introduced, proving the legal obligation of registering policies for all types of compulsory insurance regulated by this law through a single information system of the Compulsory Insurance Bureau.

Despite the difficult economic conditions, the Azerbaijani insurance market continues to develop rapidly. This trend is indicated by the 16.86% growth in GWP recorded in 1H2013, as well as by the legislative changes and ambitious projects for the future.

Namik KHALILOV, Head of the State Insurance Supervision Service within the Ministry of Finance, told XPRIMM the main growth driver was voluntary life insurance: *Here we see an increase of 1.5 times. Moreover, the growth of life insurance premiums in cases of death was 76%, and the combination with life insurance – of 1.63 times. In addition, the insurance market grew by 13%, in segments different than life insurance, in the same period.*

It is important to mention that this rise was mainly due to the growth in voluntary insurance products. As a result of the law on “On mandatory types of insurance”, which was adopted 2 years ago, voluntary insurance products were offered together with the mandatory ones, leading to the growth in the voluntary insurance market,” added Orkhan BAYRAMOV, Chairman, AIA – Azerbaijan Insurers Association.

According to Orkhan BAYRAMOV, *nowadays people in Azerbaijan tend to make savings by getting voluntary life insurance. This tendency is mainly due to the tax allowance supported by the law. We expect that in the future people will invest their money more in this way rather than in banks.*

Life above all

In the coming period the control over the conclusion of insurance contracts against accidents at work will be tightened. During the session of the Committee on Social Policy of the Milli MAJLIS the amendments to the law “On mandatory insurance of occupational disability as a result of accidents at work and occupational diseases” were discussed, as well as changes to the Code of Administrative Violations. *Discussed amendments are intended to ensure an even better protection of the interests of the*



Namik KHALILOV
Head of State Insurance Supervision Service, Ministry of Finance of Azerbaijan

[Read the full interview on www.xprimm.com](http://www.xprimm.com)



Orkhan BAYRAMOV
President of the Azerbaijan Insurers Association

[Read the full interview on www.xprimm.com](http://www.xprimm.com)

insured persons and their family members. In order to avoid different interpretations of the term “disabled person” we proposed to provide the law with a specific list of persons covered by these concepts, explained Namik KHALILOV.

Over two quarters, according to the market watchdog, premiums of AZN 17.62 million were collected for workers insurance against accidents and diseases, 135% up y-o-y. The total collected in 1H2013 for life insurance was AZN 35.56 million.

In Azerbaijan there are three companies specializing in life insurance and having the legal right to provide services on compulsory insurance and disability of individuals from accidents and occupational diseases in the workplace. In 1H2013 the leader in the life segment was PASHA Hayat Sigorta, which attracted AZN 16.17 million, ATESHGAH Hayat Sigorta, with AZN 14.62 million and QALA Hayat Sigorta, with AZN 5.77 million.

Legislative changes in 1H2013

The first half 2013 also brought a series of amendments to the Law “On mandatory



MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	193.15	171.37	12.71	56.67	41.91	35.21	100.00	100.00
TOTAL LIFE INSURANCE	35.66	23.37	52.56	1.94	0.61	218.68	18.46	13.64
Voluntary life insurance	18.47	7.71	139.48	1.32	0.39	238.54	9.56	4.50
Compulsory life insurance*	17.19	15.66	9.76	0.62	0.22	183.23	8.90	9.14
TOTAL NON-LIFE INSURANCE	157.49	148.00	6.41	54.73	41.31	32.51	81.54	86.36
Accident and diseases (V)	4.45	4.88	-8.80	0.70	0.67	5.64	2.30	2.85
Medical insurance (V)	39.46	39.70	-0.61	21.35	19.50	9.48	20.43	23.17
Fire and other perils insurance (V)	17.36	12.93	34.22	1.97	1.45	35.85	8.99	7.55
Aircraft insurance (V)	4.55	0.22	1,983	-	0.87	-	2.36	0.13
Ships insurance (V)	0.87	0.46	86.87	0.00	0.76	-99.93	0.45	0.27
Cargo insurance (V)	7.15	8.02	-10.92	0.08	0.13	-37.27	3.70	4.68
Aircraft liability insurance (V)	1.61	0.03	5,218	-	1.20	-	0.83	0.02
Ships liability insurance (V)	0.79	1.04	-23.39	-	-	-	0.41	0.60
GTPL (V)	2.08	1.67	24.52	0.13	0.12	7.15	1.08	0.98
Overall motor insurance	58.57	63.74	-8.11	23.63	12.00	96.94	30.32	37.20
Motor Hull (V)	25.88	26.90	-3.79	12.12	10.57	14.64	13.40	15.70
Motor Vehicle liability (V)	1.08	1.26	-14.03	0.18	0.11	65.38	0.56	0.73
Liability for owners of motor vehicles (M)	31.61	35.59	-11.17	11.30	0.94	1,107	16.37	20.77
MTPL (M)	-	-	-	0.02	0.38	-94.37	-	-
Immovable property (M)	6.43	4.53	42.06	0.81	0.13	507.60	3.33	2.64
Military servants (M)	7.20	6.96	3.43	3.29	3.72	-11.56	3.73	4.06
Servants of judicial and law-enforcement bodies (M)	4.09	1.89	115.94	0.41	0.33	25.44	2.12	1.10
Other non-life insurance (V)+(M)	2.88	1.91	50.61	2.35	0.43	451.44	1.49	1.12
TOTAL VOLUNTARY INSURANCE	126.33	106.43	18.70	40.01	35.97	11.24	65.41	62.10
TOTAL MANDATORY INSURANCE	66.82	64.94	2.89	16.66	5.95	180.11	34.59	37.90

*compulsory insurance against industrial disability arising out of industrial accidents and occupational illnesses

(V) - voluntary insurance / (M) - Mandatory insurance

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(in EUR and AZN) the insurance market indicators (GWP, claims, growth rates, portfolio) – and the market rankings

types of insurance". The main change was the requirement to register policies for all types of compulsory insurance regulated by this law, through the unique information system of the Compulsory Insurance Bureau. Previously, this requirement applied only to MTPL.

In addition to the above, other amendments are currently under consideration which may lead to the introduction of compulsory insurance liability of professional builders, as well as regulating the Azeri insurers' participation in the Green Card system.

Expectations for the year end

We are expecting a growth of approximately 20% for the end of the year. It is also expected that the role of the individual customers in the market will increase and insurance companies will try to sell more individual products rather than corporate products, declared Orkhan BAYRAMOV, Chairman, AIA – Azerbaijan Insurers Association.

O.A.

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	PASHA Life Insurance	15.77	8.84	78.28	0.43	0.13	238.14	44.22	37.84
2	ATESHGAAH-Hayat	14.26	10.43	36.79	1.33	0.45	198.01	40.00	44.61
3	QALA Life	5.63	4.10	37.20	0.17	0.03	429.94	15.78	17.55
TOTAL MARKET		35.66	23.37	52.56	1.94	0.61	218.68	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	PASHA Sigorta	28.70	27.15	5.72	13.04	11.35	14.96	18.23	18.35
2	AzSigorta	20.93	18.59	12.59	3.91	1.19	227.94	13.29	12.56
3	AZERSIGORTA	17.97	14.34	25.30	6.15	5.50	11.94	11.41	9.69
4	ATESHGAAH Sigorta	16.82	17.84	-5.71	6.86	3.82	79.74	10.68	12.05
5	STANDART Insurance	9.15	11.16	-18.00	3.80	1.84	105.91	5.81	7.54
6	BEYNALXALQ Sigorta	7.54	7.84	-3.88	3.08	3.49	-11.88	4.79	5.30
7	İPEK YOLU Sigorta	7.35	0.73	903.84	0.05	1.78	-97.02	4.67	0.49
8	AXA MBASK	7.21	9.86	-26.84	3.53	2.56	38.11	4.58	6.66
9	AtaSigorta	5.91	6.35	-6.87	1.20	1.30	-8.21	3.75	4.29
10	XALQ Sigorta	5.86	6.19	-5.28	1.35	1.06	27.24	3.72	4.18
11	AZERBAIJAN SENAYE Sigorta	5.60	2.57	118.14	1.07	0.72	48.59	3.56	1.73
12	MEQA Sigorta	3.84	1.49	158.77	0.58	0.17	244.38	2.44	1.00
13	BUTA Sigorta	3.62	0.23	1,494	0.71	0.10	631.31	2.30	0.15
14	QARANT Sigorta	3.51	5.13	-31.52	1.12	0.73	51.78	2.23	3.47
15	A-QROUP Sigorta	3.44	6.18	-44.32	2.99	2.50	19.23	2.18	4.18
16	BAKI Sigorta	2.70	2.95	-8.70	2.45	1.01	142.91	1.71	1.99
17	BASHAK INAM	1.98	1.51	31.06	0.68	0.33	106.30	1.25	1.02
18	ALFA Insurance	1.90	3.40	-44.20	0.68	0.51	31.53	1.21	2.30
19	RAVAN Sigorta	1.51	1.29	16.93	0.61	0.51	20.58	0.96	0.87
20	CHARTIS Azerbaijan	0.54	0.74	-26.46	0.37	0.00	10,827	0.34	0.50
	Other	1.41	2.48	-43.07	0.51	0.83	-38.14	0.90	1.67
TOTAL MARKET		157.49	148.00	6.41	54.73	41.31	32.51	100.00	100.00



Belarus



Life insurance	4.44%
Non-Life insurance	95.56%



SOURCE:

THE BELARUSIAN ASSOCIATION OF INSURERS
NATIONAL BANK OF THE REPUBLIC OF BELARUS

BELARUSIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 11,460.00 RUBLE - BYR (JUNE 30TH 2013)
1 EUR = 10,470.00 RUBLE - BYR (JUNE 30TH, 2012)

- 1H2013 ended for the Belarusian insurance market with a 56.3% y-o-y growth in GWP, to EUR 293.64 million
- Starting January 1st 2013, all Belarusian insurance companies switched to accrual accounting
- Unified Insurance State Register and Bureau of Insurance History will be created in Belarus in 2015, as a body that will contain full information about the state of the insurance market, the history of the insured
- In the last three years, the presence of foreign capital in the insurance market grew up by over 60 percent and still counting
- Until May 1st 2017 the insurance companies of Belarus must increase their minimum authorized capital up to EUR 5 million, which is five times more than according to the present legislation
- The requirement according to which the insurance market is opened only to a foreign company that has had experience in the insurance business for at least 10 years will be removed in the following years

The Belarusian insurance market has accounted for EUR 293.64 million during the first six months of 2013, up by 56.30 %, compared with January-June 2012, according to the Belarusian Association of Insurers. Meanwhile, the total value of claims paid by the insurance companies during January- June 2013 period reached EUR 113.14 million.

Premiums from life insurance reached EUR 13.05 million or 4.4% of the total market, 57.42% more y-o-y, while those from non-life insurance reached EUR 280.59 million, or 56.25% more than in 1H2012.

From January 1st, all Belarusian insurance companies switched to accrual accounting. This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows in order to give a more accurate picture of a company's current financial condition. So this growth seems to be more of a technical result rather than a premium boost, explained Anton NEDVEDSKIY, External Relations Manager, Belarusian Association of Insurers.

According to Anton NEDVEDSKIY, the Belarusian insurance market is not influenced by the international market.



Anton NEDVEDSKIY
External Relations
Manager, Belarusian
Association of Insurers

It is rather closed and it's difficult to see international trends in Belarus. But the dynamic of the past few years is quite positive. The market continues to develop and prospects are positive.

The Bureau of Insurance History

According to the declaration of the Deputy Minister of Finance in Belarus, Maxim ERMOLOVICH, the Unified Insurance State Register and Bureau of Insurance History will be created in Belarus in 2015, as a body that will contain full information about the state of the insurance market, the history of the insured, etc. Officials are stressing the fact that the created Bureau will help keeping all information on insurance services and increasing the efficiency in

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	293.64	187.87	56.30	113.14	92.47	22.35	100.00	100.00
LIFE INSURANCE	13.05	8.29	57.42	2.32	2.25	3.23	4.44	4.41
NON-LIFE INSURANCE	280.59	179.58	56.25	110.82	90.23	22.82	95.56	95.59

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Market indicators (in EUR and BYR)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and BYR)

Overall market, life and non-life

fight against insurance fraud.

It is assumed that in the frame of the creation of this Bureau the Unified Insurance State Register - a database of all policyholders - will be set.

Information technology will assist in setting up the implementation of the state insurance register and of another system – the electronic insurance policy. According to the website of InfoBank, the register will include information on all insurance contracts that are concluded in the country, containing complete information about these agreements. Such data can help analyze the insurance market as a whole and its individual segments, track the history of insurance claims and the occurrence of insured events, as well as analyze the history of the insured and the insurer.

It is important not only for proper supervision, to a greater extent these actions are intended to hit the fraud, which is gaining momentum in the insurance field. The time is urging for the necessity of establishing such a state insurance register. We have to create a registry within a year. It is assumed that the insurance register until January 1st 2015 is already fully operational, said the Deputy Minister of Finance.

The market is waiting for a radical change

In coming years, the insurance market in Belarus can be absorbed by foreign companies, primarily Russian ones. The authorities do not see anything wrong with that and hope that the arrival of foreign capital will increase competition and thereby revitalize the market, as stated by InfoBank.

According to the Belarusian Association of Insurers, in the last three years, the presence of foreign capital in the insurance market grew up by over 60 percent and still counting. So, if in 2010 on the insurance market in Belarus foreign companies controlled 8 insurers, now they are 13.

And among the biggest foreign investor companies there are three Russian ones. These companies are CJSC "IC BELROSSTRAH" (a Group of RESO), CJSC "BELINGOSTRAH" (INGO Group), and "ROSGOSSTRAKH" (ROSGOSSTRAH group

LIFE INSURANCE

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	STRAVITA	10.95	6.08	80.32	1.38	1.29	6.92	83.95	73.29
2	SEDYMAIA LINYA	0.93	1.08	-13.79	0.18	0.72	-74.49	7.11	12.99
3	PENSIONNIE GARANTIY	0.65	0.13	418.17	0.01	0.01	17.90	4.99	1.52
4	Nat. Bel. Ins.PensionFund.	0.51	1.01	-49.14	0.74	0.23	225.17	3.94	12.20
TOTAL MARKET		13.05	8.29	57.42	2.32	2.25	3.23	100.00	100.00

NON-LIFE INSURANCE

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	BELGOSSTRAKH	136.67	92.65	47.51	65.76	48.98	34.25	48.71	51.59
2	EXIMGARANT OF BEL.	24.13	9.63	150.64	2.53	2.20	14.83	8.60	5.36
3	TASK	22.95	16.44	39.65	9.94	9.68	2.68	8.18	9.15
4	PromTransInvest	20.46	14.15	44.59	6.75	6.45	4.66	7.29	7.88
5	BELNEFTESTRAKH	17.10	10.33	65.54	5.33	4.58	16.40	6.10	5.75
6	B&B Insurance	15.47	11.98	29.16	5.91	6.81	-13.14	5.51	6.67
7	BELROSSTRAKH	10.83	5.38	101.10	3.14	2.93	7.48	3.86	3.00
8	BELKOOPTSSTRAKH	8.70	6.86	26.74	3.48	3.17	10.02	3.10	3.82
9	KUPALA	5.84	2.84	105.75	1.17	0.99	17.56	2.08	1.58
10	BELINGOSSTRAKH	5.37	2.76	94.60	2.71	1.69	60.67	1.92	1.54
11	BELVNESTRAKH	3.42	1.83	87.32	1.00	0.85	17.87	1.22	1.02
12	KENTAVR	2.61	1.34	94.58	1.37	0.65	110.20	0.93	0.75
13	ERGO	2.41	1.34	79.48	1.07	0.86	23.83	0.86	0.75
14	PPF Insurance	2.08	1.03	102.97	0.01	0.00	218.40	0.74	0.57
15	GARANTYA	1.03	0.33	211.87	0.06	0.03	117.61	0.37	0.18
16	BAGACH	0.55	0.24	125.55	0.26	0.14	82.20	0.20	0.14
17	ZEPTER Insurance	0.53	0.25	110.72	0.25	0.17	49.46	0.19	0.14
18	ROSGOSSTRAH	0.36	0.20	82.84	0.04	0.03	43.32	0.13	0.11
19	VARTMA Insurance	0.06	0.00	11,504.51	-	-	-	0.02	0.00
20	DELTA Insurance	0.02	0.00	546.99	0.01	0.00	120.10	0.01	0.00
TOTAL MARKET		280.59	179.58	56.25	110.82	90.23	22.82	100.00	100.00

- the largest player on the Russian market).

Other foreign companies in Belarus are, among the others, the largest Austrian group VIG, which invested in KUPALA, the German group ERGO, established on the territory of Belarus JSC "IC" ERGO", the Swiss company ZEPTER (ZEPTER Insurance), and a joint Italian-Czech branch of GENERALI PPF Holding BV (GENERALI).

Thus, in order to create a common financial market by means of the participants in the Eurasian Economic Community, providing the harmonization of national legislation is being considered, which will result in the mutual recognition of a license to conduct insurance business starting January 1st 2020.

Moreover, in the near future the authorities intend to eliminate another major constraint for the foreign capital on the insurance market. There is a plan to cancel the requirement according to which the insurance market is opened only to a foreign company that has had experience in the insurance business for at least 10 years.

Another change is that until May 1st 2017 the insurance companies of Belarus must increase their minimum authorized capital 5 times - up to EUR 5 million, which will automatically force all private companies to look for support on the side.

In other words, sometime in the year 2021 we can see a very different insurance market in Belarus. **O.A.**

Interview with

Mikhail I. BULAVKIN

General Manager, Republican Unitary Enterprise
"Belarusian National Reinsurance Organization"

XPRIMM: Belarus is one of the few countries in CIS with a favorable investment climate that promotes the involvement of foreign capital in the Republic. Long-term projects need international reinsurance protection. What are the main long-term projects that have been developed in Belarus, which BELARUS Re had participated in?

Mikhail BULAVKIN: As a rule, the process of attracting foreign investments into the Republic of Belarus is supplemented by an objective requirement of any investor to be provided with reliable protection. Foreign investors consider insurance and further reinsurance of major risks as one of the main guarantees to protect their interests.

Despite a short period of activity on the local and international reinsurance markets, BELARUS Re has experience and the best practice in cooperation with leading foreign insurance and reinsurance companies (MUNICH Re, HANNOVER Re, ALLIANZ, SCOR and others) while protecting interests of both domestic and overseas investors.

All the projects which BELARUS Re participates in are quite diversified. Among the major ones in the year 2012, the following insurance programs of such international investment projects realizable on the territory of the Republic of Belarus can be distinguished:

Brief history of the BELARUS Re

BELARUS Re is the first and the only specialized reinsurance company in the Republic of Belarus. The company was established by Resolution of the Council of Ministers of the Republic of Belarus as of 4 November 2006 No.1463 "On Establishment of RUE Belarusian National Reinsurance Organization" in accordance with the Decree of President of the Republic of Belarus dated as of 25 August 2006 No.530 "On Insurance Operations". Currently, BELARUS Re is subordinated to the Ministry of Finance of Belarus. The founder of the company is the Council of Ministers of the Republic of Belarus.

the complex construction of BERYOZA and LUKOML Hydroelectric Power Stations; POLOTSK Hydropower Plant; the construction of a retail entertainment center with HILTON Hotel and a parking lot in MINSK; reinsurance against risks of the Belarusian space vehicle launching and operating.

In 2013, BELARUS Re together with insurers and retrocessionaires provided reinsurance coverage for the construction of the Belarusian NPP, with a total investment USD 8.9 billion.

The attraction of currency assets is not a goal but a consequence of the development of the company's business objectives, not only through domestic reinsurance, but owing to international reinsurance as well.

Besides, this year the company continues to participate in several long-term projects, among which one can mention the reconstruction of Minsk-Gomel M5 Highway by Italian specialists from TODINI COSTRUZIONI GENERALI S.h.A. There is no doubt that an interesting project for BELARUS Re is a property reinsurance project for VMG Industry, one of the international companies of VMG

Woodworking Holding Group, being one of the major producers and exporters of furniture in the Baltic States.

XPRIMM: How has the company positioned itself on the national and international markets?

Mikhail BULAVKIN: BELARUS Re has been operating on the international market since 2007, showing a positive trend in inward reinsurance year after year. It should be noted that the attraction of currency assets is not a goal but a consequence of the development of the company's business objectives, not only through domestic reinsurance, but owing to international reinsurance as well.

Taking into account the historically formed regalia, CIS countries, primarily the Russian Federation, are considered a major reinsurance market. BELARUS Re participates in obligatory programs of such leading Russian companies as INGOSSTRAKH and MOSCOW Re. In addition, we are developing a cooperation with foreign countries. Currently, the company is involved in HANNOVER Re and LLOYD's syndicates obligatory programs for catastrophe risks reinsurance. The company plans to increase interaction with the SouthEast Asia market.

XPRIMM: Tell us about the history, activity and necessity of being created of the Belarusian Nuclear Insurance Pool. How exactly does it function?

Mikhail BULAVKIN: The Belarusian Nuclear Insurance Pool was created on the 5th of March, 2009 on the initiative of the Belarusian National Reinsurance Organization to insure and further reinsure against outward risks related to the construction, erection and operation of the Nuclear Power Plant in the Republic of Belarus. The Pool consists of seven insurance companies,



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Management team

Mikhail I. BULAVKIN - Director General of the Republican Unitary Enterprise "Belarusian National Reinsurance Organization"

Mikhail I. Bulavkin was born on 12 November 1957. In 1984 graduated from Gomel State University and in 1993 – Council of Ministers Management Academy of the Republic of Belarus.

Mikhail I. Bulavkin has extensive experience in public finance management. He worked as a Chief of General Directorate of the Ministry of Finance in Gomel Region, in charge of insurance supervision.

Since 29 July 2009, Mikhail I. Bulavkin has been General Director of the Republican Unitary Enterprise "Belarusian National Reinsurance Organization"

Andrei T. UNTON - Deputy Director General of the Republican Unitary Enterprise "Belarusian National Reinsurance Organization"

Reinsurance Directorate

Valery I. LOKTIONOV, Head of Reinsurance Directorate

International Reinsurance Department

Denis V. TUR, Deputy Head of Reinsurance Directorate, Head of International Reinsurance Department

Domestic Reinsurance Department

Andrei V. RYCHKO, Head of Domestic Reinsurance Department

Actuarial Department

Olga E. ARTISHEVSKAYA, Head of Actuarial Department

some of them are state-owned and the others are the companies having an effective state participation of more than 50%: BELGOSSTRAKH, EXIMGARANT of Belarus, BELKOOPSTRAKH, BELNEFTESTRAKH, PROMTRANSINVEST, TASK and the Belarusian National Reinsurance Organization.

As specified in the negotiated contract, the Belarusian National Reinsurance Organization, being a leading reinsurer, carries on correspondence related to the

specified risks and performs accounts, records and insurance payments on behalf of the Pool. For the period 2009-2013, the Belarusian Nuclear Insurance Pool provided Ukrainian and Russian Nuclear Insurance Pools with reinsurance coverage for nuclear liability and nuclear plant property insurance. In the future, the Pool plans to continue the rapid development of cooperation with the International pooling system for nuclear insurance.

O.A.

BELARUS Re has been implementing the IFRS system

At present in Belarus there is a convergence of the national public accounting concepts and the International Financial Reporting Standards (IFRS). The transition of Belarus business entities to IFRS should be completed by 2017.

BELARUS Re has been implementing the IFRS system into the company accounting, the adjustment of the accounting reports with the international specification requirements has been performed in association with the auditor KPMG. The training of the structural subdivision specialists to operate the radically new system of reporting has been carried out through the program, said Andrey T. UNTON, Deputy Director General, BELARUS Re.

According to the Deputy Director General of BELARUS Re, in addition to the accounting specialist training, BELARUS Re pays special attention to the technical aspects of the IFRS system implementation, and in this regard it is planning to organize a Security & IT Department specialists training.

Construction of the Belarusian Nuclear Power Plant

A large project of CAR/EAR and legal liability insurance during the construction of the Belarusian Nuclear Power Plant was implemented in 2013. The insurance coverage was provided for the total value of the project.

BELARUS Re provided insurance companies of the Republic of Belarus with reinsurance protection in respect of this risk with the ceding part of the liabilities



Andrey T. UNTON, Deputy Director General, BELARUS Re

on the local and foreign markets.

The cooperation with the leading insurance and reinsurance companies allowed to buy the reinsurance coverage in the most favorable and beneficial terms. As retrocessionaires, we have the largest top-rated

insurance and reinsurance companies from all over the world (with a rating of at least A). The leader is MUNICH Re Germany. The placing broker is MARSH - Insurance Brokers CJSC, added Andrey T. UNTON, Deputy Director General, BELARUS Re. **O.A.**

BELARUS Re in H12013

The analysis of the period indicates the positive dynamics in the company development. Substantially all qualitative indicators have showed a great improvement. In particular, there has been an increase in written premiums by 241.41%, in the authorized fund by 150.53%, in net profit by 72.86% and in the solvency margin by 150.79%. It should be noted that, although there is a great increase in premiums and liabilities, the combined ratio has seen a decrease of 4.33%.

POSITION	1H2012	1H2013
	BYR MILLION	BYR MILLION
NUMBER OF CONTRACTS	3,059	4,087
PREMIUM WRITTEN	83,502	285,086
PREMIUM RECEIVED	108,837	147,533
PREMIUM CEDED	55,605	75,722
PAYMENTS	8,207	18,741
LIABILITY ACCEPTED	65,714,046	193,858,470
ACTUARIAL RESERVES	70,883	122,063
AUTHORIZED FUND	489,703.2	1,226,841.7
NET WORTH	523,748.6	1,300,211.3
NET PROFIT	35,110.2	60,692.8
SOLVENCY MARGIN	495,523.9	1,242,726.3
COMBINED RATIO (%)	23.1	22.1

*Tradition
Stability
Trust*

... more than reinsurance



**BELARUS RE**

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Georgia Ex CIS



Life insurance	2.56%
Accidents	1.41%
Health	74.06%
Motor Hull	9.85%
MTPL	1.04%
Property	6.20%
CARGO	0.87%
GTPL	1.83%
Suretyship	0.93%
Travel	0.81%
Other	0.44%

SOURCE:
INSURANCE SUPERVISORY OFFICE
NATIONAL BANK OF GEORGIA

GEORGIAN CURRENCY EXCHANGE RATE FOR
CALCULATIONS:
1 EUR = 2.1245 LARI - GEL (MARCH 31ST 2013)
1 EUR = 2.2053 LARI - GEL (MARCH 31ST 2012)

- About 500,000 people have private health insurance and 1.6 million people are insured through the state insurance programs, which are paid for by the state and function by means of insurance companies
- Since 15th of April 2013 the state supervision over insurance activities has been carried out by the Service of the state supervision for insurance, out of the National Bank of Georgia
- Next year MTPL will be added to the Georgian insurers' portfolio.
- Currently, in Georgia 800,000 vehicles are registered, of which only 45,000 are insured under the voluntary policy CASCO.
- voluntary property insurance accounts for about 10% of the market; so far, the precondition for the introduction of compulsory property insurance did not exist

Health insurance - the top issue?

On February 28th 2013 the universal healthcare program was launched in Georgia addressing the needs of citizens who do not have adequate health insurance. Since July 1st the universal healthcare program has moved to the second phase of implementation, which meant taking care of the expansion of medical services to the population. About 500,000 people have private health insurance and 1.6 million people are insured through the state insurance programs, which are paid for by the state and function by means of insurance companies, said Devi KHECHINASHVILI, Chairman of the Association of Insurance Companies of Georgia. The universal healthcare program has placed an emphasis on providing emergency in-patient care and out-patient services, and was implemented by the Social Service Agency.

However, for Georgian insurers the program has born two major problems.

The main dissatisfaction of the insurance companies are due to uncertainty, namely how long the program will carry on, and we demand that the government setup the medium term, between 3 and 5 years, so that we could acquire the perspective. And the second aspect is that, after the tender was held, the state unilaterally added some of the medical services that were not previously discussed so now the premiums do not match the risk. We demand that the state conduct an actuarial analysis and adjust premiums, said Devi KHECHINASHVILI.

In 2010, a tender was held for the state insurance program for the poor people. One of the conditions of the tender was the obligation of the insurance companies that won the tender in a given area to build a clinic or provide timely medical care through other methods in modern hospitals starting 2012. As a result, since the end of 2011 insurers built 46 new hospitals in the province, not in Tbilisi, which was the basis of the territorially-available health care in Georgia. Insurance companies

MARKET PORFOLIO AS OF MARCH 31ST, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1Q2013	1Q2012	Change	1Q2013	1Q2012	Change	1Q2013	1Q2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	52.00	59.38	-12.43	43.75	23.46	86.50	100.00	100.00
TOTAL LIFE	1.33	6.10	-78.14	0.32	0.17	80.52	2.56	10.27
TOTAL NON-LIFE	50.67	53.29	-4.91	43.43	23.28	86.55	97.44	89.73
Accidents	0.73	0.38	91.65	0.01	0.01	4.41	1.41	0.64
Health	38.51	41.56	-7.34	40.07	20.50	95.47	74.06	69.99
Overall motor insurance	5.66	4.52	25.17	2.49	2.19	13.64	10.88	7.62
Motor Hull	5.12	4.03	26.99	1.99	1.90	4.87	9.85	6.79
MTPL	0.54	0.49	10.22	0.50	0.30	69.68	1.04	0.83
Property	3.22	3.94	-18.23	0.40	0.11	281.44	6.20	6.64
CARGO	0.45	0.45	0.17	0.06	0.01	618.65	0.87	0.76
GTPL	0.95	0.87	9.61	0.02	0.00	670.20	1.83	1.46
Suretyship	0.48	0.80	-39.81	0.29	0.41	-27.51	0.93	1.35
Travel	0.42	0.52	-18.82	0.05	0.01	394.98	0.81	0.88
Other	0.23	0.24	-1.73	0.03	0.05	-39.10	0.44	0.40

Access www.xprimm.com

and download in MS Excel format:

Market indicators (in EUR and GEL)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and GEL)

Overall market, life and non-life



Devi KHECHINASHVILI
Chairman of the
Association of Insurance
Companies of Georgia

have invested more than GEL 200 million, explained the Chairman of the Association.

Ongoing problems exist in companies that work in state health insurance programs in Tbilisi, where the consumption of medical services is much higher than in the provinces: *the main reason, as I said, is that the government has unilaterally added a number of medical services that were not discussed previously, and now the size of premiums does not match the risk.*

The former government promised to organize an actuarial analysis and adjusted premiums, but in February of this year, this did not happen. According to the National Bank of Georgia, the insurance sector totaled a loss of GEL 7 million in 2012.

Who regulates insurance?

Since 15th April 2013 the state supervision over insurance activities has been carried out by the Service of the state insurance supervision and not by the National Bank of Georgia, as was the case before. *Here the political sense prevails, but we as insurers care less for it. For us it is important that the State Insurance Supervision be independent and qualified to perform its functions. I do not see any problems with the new structure, but rather the contrary, I see an advantage in the fact that this service will deal only with insurance, because in the integrated supervision there are banking issues which are always more important,* said Devi KHECHINASHVILI.

Interesting for foreign investors

The health risk sharing solution introduced by the Georgian state may be of a certain interest for foreign investors. Moreover, says KHECHINASHVILI *next year MTPL will be added to the insurers' portfolio, which will be a major driver for the development of insurance in the country.* As a result of a process started three years ago, MTPL introduction is expected to be successful, especially because *the police is not corrupted,*

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1Q2013	1Q2012	Change	1Q2013	1Q2012	Change	1Q2013	1Q2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ALDAGI BCI	0.72	0.94	-23.84	0.21	0.04	477.81	53.88	15.47
2	GPI Holding	0.41	0.18	122.26	0.07	0.02	382.21	30.61	3.01
3	TAO	0.13	0.05	147.40	0.00	-	-	9.46	0.84
4	ARCHIMEDES Global	0.04	0.15	-73.21	0.00	0.00	191.74	3.08	2.51
5	IRAO	0.03	0.01	131.90	0.01	0.00	55.70	2.49	0.23
6	IC Group	0.02	0.02	3.36	-	0.01	-	1.76	0.37
7	ALPHA	0.02	0.03	-43.49	-	0.03	-	1.45	0.56
8	CARTU	0.00	-	-	-	-	-	0.01	-
9	IMEDI-L International	-	0.65	-	-	0.08	-	-	10.58
10	PSP Insurance	-0.04	4.05	-	0.02	0.00	398.26	-2.74	66.42
TOTAL MARKET		1.33	6.10	-78.14	0.32	0.17	80.52	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1Q2013	1Q2012	Change	1Q2013	1Q2012	Change	1Q2013	1Q2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	ALDAGI BCI	15.36	14.52	5.75	12.75	4.00	218.87	30.31	27.26
2	GPI Holding	9.84	7.81	26.01	6.37	4.53	40.42	19.42	14.65
3	CARTU	4.44	1.98	124.07	1.37	0.33	313.99	8.77	3.72
4	IC Group	4.32	3.51	23.01	3.99	2.69	48.58	8.53	6.59
5	ALPHA	3.79	3.34	13.43	5.49	3.78	45.29	7.49	6.28
6	IRAO	3.79	4.24	-10.58	4.24	1.86	128.12	7.48	7.96
7	ARCHIMEDES Global	2.77	3.49	-20.73	6.67	0.75	787.29	5.46	6.55
8	ARDI Group	2.74	0.50	444.03	0.49	0.18	170.44	5.42	0.95
9	PSP Insurance	1.62	5.06	-68.08	1.12	0.85	31.67	3.19	9.50
10	TAO	1.25	1.43	-12.65	0.50	0.38	31.76	2.46	2.68
11	UNISON	0.38	1.50	-74.68	0.14	0.03	379.39	0.75	2.81
12	STANDARD Insurance	0.32	0.17	84.42	0.10	0.03	231.97	0.64	0.33
13	CHARTIS Europe	0.04	0.05	-3.64	0.20	-	-	0.09	0.09
14	IMEDI-L International	-	5.67	-	-	3.87	-	-	10.64
TOTAL MARKET		50.67	53.29	-4.91	43.43	23.28	86.55	100.00	100.00

and is equipped with excellent information technology. We believe that the introduction of MTPL will be effective and uninsured vehicles will represent less than 1%.

Currently in Georgia there are 800,000 registered vehicles, of which only 45,000 are insured under the voluntary policy CASCO.

However the bonus-malus system will not be introduced at this stage. *We will gradually develop it because otherwise a wrong estimation can be made at an early stage. The premium will be a single; there will mostly be competition among insurers on the quality of services."*

Information rules

A special unit was formed within the Georgian Insurance Association, which mainly deals with health insurance because it is a mass product. The unit provides information assistance to the insured.

Moreover, we set up the Motor Insurance Bureau at the Association office; we already have the first voluntary structure organized by insurers, which works on a voluntary

insurance CASCO. The existing Bureau collects the history of policyholders and, later, with the introduction of the MTPL policy our database will be synchronized with the information database of road traffic police, in order to provide better control and results.

Property insurance - not yet

Currently, the voluntary property insurance class represents about 10% of the Georgian market. So far, the precondition for the introduction of compulsory insurance of property does not exist.

In Georgia there are about 1 million private apartments and houses and the main risks faced by the country is the earthquake. Georgia is in a 6 seismic zone except Batumi. The last major earthquake causing property damage was in 2001. The climate is changing, the weather is more hurricane-shaped and we are facing annual flood cases. However, we are not ready for the introduction of compulsory insurance of property, said Devi KHECHINASHVILI. **O.A.**



Kazakhstan



Life insurance (v)	9.06%
Annuity (v)	16.19%
Accidents (v)	5.79%
Sickness (v)	9.34%
Property insurance (v)	19.16%
Motor Hull (v)	2.92%
MTPL (c)	10.28%
CARGO (v)	2.31%
GTPL (v)	6.27%
Financial losses (v)	9.00%
Worker against accidents (c)	5.37%
Others (c)+(v)	4.32%

(v) - voluntary insurance / (c) - compulsory insurance

SOURCE:

NATIONAL BANK OF KAZAKHSTAN
AGENCY OF THE REPUBLIC OF KAZAKHSTAN ON
REGULATION AND SUPERVISION OF FINANCIAL MARKET
AND FINANCIAL ORGANIZATIONS

KAZAKH CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 197.90 TENGE - KZT (JUNE 30TH, 2013)
1 EUR = 187.90 TENGE - KZT (JUNE 30TH, 2012)

- The role of the insurance sector in the economy of Kazakhstan is still quite low: the ratio of premiums to GDP is 0.4%, the ratio of owned capital to GDP - 0.73%, and the ratio of assets to GDP - 1.46
- In 1H2013, the assets of the insurance companies amounted to EUR 2.5 billion, owned capital represented EUR 1.3 billion and insurance reserves – about EUR 1.1 billion
- The structure of total assets of the insurance market in Kazakhstan is represented by most of the highly liquid assets: securities - 49.3% and deposits in banks - 23.5%, money - 5.1%.
- The obligations of insurance companies of 89.1% are made up of insurance reserves.

Every year since 2010 the increase of premiums has represented 17-20%. For example, as of July 1, 2013 the amount of premiums received under direct insurance contracts amounted to KZT 138,252.1 million, which was 38.9% more than in 2012.

In the structure of the total insurance portfolio the tendency planned increased significantly the proportion of voluntary property insurance and the reduction of shares of other classes of insurance. Since 2006, the proportion of voluntary property insurance in 2012 decreased by almost half (from 74.4% to 36.7%), while the share of voluntary property insurance increased by more than 4 times (from 10.7% to 40.3%). At the same time, for the last 6 years, the share of compulsory insurance did not exceed the threshold of 27%.

The rapid development of the classes of voluntary personal insurance since 2010 due to the introduction of legislation in respect of retirement annuities, whose



Marina SHIPOVALOVA
General Director
InterConsult Info

share in the total volume of voluntary personal insurance as of July 1, 2013 was up to 33.8%. In addition, in 2011, there was a significant revival of the consumer credit market, which led to a concomitant increase in the credit of life insurance from an accident.

If in 2012 the class of accident insurance showed the highest growth (most of it is provided by borrower's insurance), in 2013 insurers shifted to borrower's life insurance. In the structure of voluntary personal insurance on July 1, 2013 the percentage of life insurance is 22.4% and

MARKET PORFOLIO AS OF JUNE 30TH, 2013*

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	766.45	598.28	28.11	150.45	174.47	-13.77	100.00	100.00
TOTAL LIFE	193.52	123.14	57.15	33.45	69.06	-51.55	25.25	20.58
Life insurance (v)	69.42	31.02	123.82	1.55	1.04	48.97	9.06	5.18
Annuity (v)	124.09	92.13	34.70	31.91	68.02	-53.09	16.19	15.40
TOTAL NON-LIFE	572.94	475.13	20.58	117.00	105.41	10.99	74.75	79.42
Accidents (v)	44.35	51.50	-13.89	2.44	2.24	8.92	5.79	8.61
Sickness (v)	71.56	60.70	17.88	30.33	23.23	30.54	9.34	10.15
Property insurance (v)	146.84	139.93	4.94	19.73	25.31	-22.02	19.16	23.39
Overall motor insurance	101.17	101.55	-0.37	32.90	31.18	5.52	13.20	16.97
Motor Hull (v)	22.41	15.79	41.88	6.02	4.52	33.06	2.92	2.64
MTPL (c)	78.77	85.76	-8.15	26.88	26.66	0.85	10.28	14.33
CARGO (v)	17.74	13.16	34.80	1.10	1.18	-6.47	2.31	2.20
GTPL (v)	48.07	29.93	60.58	2.32	2.49	-6.92	6.27	5.00
Financial losses (v)	68.97	19.89	246.66	2.32	0.12	1,907.03	9.00	3.33
Worker against accidents (c)	41.15	25.04	64.35	23.74	17.33	37.00	5.37	4.19
Others (c)+(v)	33.08	33.41	-0.98	2.12	2.34	-9.68	4.32	5.58

(v) - voluntary insurance / (c) - compulsory insurance

* insurance premiums accepted on insurance and reinsurance contracts, summed

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and download in MS Excel format:

Market indicators (in EUR and KZT)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and KZT)

Overall market, life, non-life, accidents, sickness, motor hull, cargo, GTPL, financial losses, MTPL and worker upon accident

that of accident insurance - 14.3%.

Despite the fact that the classes of voluntary personal insurance are showing a good evolution, the situation may soon change seriously. On 1 July 2013 a time limit (without specifying a termination date for this restriction) was introduced on annuity contracts in connection with the reorganization of Kazakhstan's pension system. In addition, the growing risks in the banking system, with the growth of the portfolio of unsecured (consumer) loans can bring about a serious decline in both lending and borrower's insurance.

Also, the growth of "bad loans" may have a negative impact on the volume of claims for insured financial risks, which increased to 265.5% as of July 1, 2013 compared with the same period last year.

Compulsory insurance classes show a stable annual growth dynamics at the level of 20-25%. But the most significant contribution to this growth was provided by two classes - the mandatory liability insurance of car owners (share in the total premiums on the market - 16.5% on 1 July 2013) and compulsory insurance against accidents (share in the total premiums on the market - 3, 8% on July 1, 2013).

For other classes of compulsory insurance (for the most part are classes of liability insurance), their share does not exceed 7% and according to the regulator, they "are ineffective because of the insignificant volume of insurable risks and inadequate tariffs." Presently, inefficient classes of compulsory insurance are considered for upgrade by being transferred into a voluntary form of insurance on a compulsory basis.

At the moment, some of the ministries of the Republic of Kazakhstan are considering legislation that provides for the introduction of voluntary insurance in the form of compulsory subjects for a number of industries: in agriculture, construction and health care. Also, there are discussions about the introduction of compulsory property insurance of citizens against catastrophic risks. According to the insurers, the implementation of these bills could give a new impetus to the development of the insurance market in Kazakhstan.

O.A.

LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	KAZKOMMERTS Life	44.77	24.35	83.83	4.95	11.89	-58.37	23.13	19.78
2	PPF Insurance	39.67	17.44	127.37	0.45	0.40	12.32	20.50	14.17
3	HALYK Life	35.64	17.29	106.19	9.15	11.63	-21.34	18.42	14.04
4	State Annuity Company	25.16	14.16	77.70	8.96	11.14	-19.55	13.00	11.50
5	NOMAD Life	23.09	24.12	-4.28	3.46	16.40	-78.88	11.93	19.59
6	BTA Life	16.90	22.51	-24.94	4.12	13.53	-69.55	8.73	18.28
7	ALLIANCE Life	8.30	3.28	153.52	2.37	4.08	-41.94	4.29	2.66
TOTAL MARKET		193.52	123.14	57.15	33.45	69.06	-51.55	100.00	100.00

NON-LIFE INSURANCE RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	KASPI Insurance	97.56	45.15	116.05	0.69	0.19	265.00	17.03	9.50
2	EURASIA	86.73	100.42	-13.64	25.92	25.64	1.10	15.14	21.14
3	HALYK-KAZAKHINSTRAXH	77.77	64.96	19.73	15.84	11.78	34.46	13.57	13.67
4	NOMAD Insurance	39.00	31.72	22.96	8.96	6.67	34.28	6.81	6.68
5	TSESNA GARANT	34.25	19.89	72.22	6.87	1.04	562.09	5.98	4.19
6	OIL Ins. Company	30.45	28.52	6.76	8.13	6.40	26.94	5.31	6.00
7	KAZKOMMERTS-POLICY	20.73	26.74	-22.49	5.75	11.71	-50.92	3.62	5.63
8	AMANAT Insurance	20.57	11.03	86.45	1.80	2.15	-16.17	3.59	2.32
9	BTA Insurance	18.14	23.13	-21.57	3.88	6.67	-41.72	3.17	4.87
10	LONDON-ALMATY	15.31	11.16	37.18	1.77	2.17	-18.50	2.67	2.35
11	STANDARD	13.81	7.48	84.57	4.20	1.38	203.01	2.41	1.58
12	InterTeach	10.76	7.67	40.18	3.11	3.56	-12.74	1.88	1.61
13	KAZAKHMYS	9.49	1.47	545.54	3.42	2.84	20.19	1.66	0.31
14	CENTRAS Insurance	9.44	7.83	20.64	2.64	3.65	-27.59	1.65	1.65
15	KOMPETENZ	9.17	7.37	24.54	1.45	2.80	-48.24	1.60	1.55
16	KOMMESK-OMIR	8.94	9.38	-4.66	2.51	2.85	-12.03	1.56	1.97
17	NOMAD Life	8.73	6.91	26.41	4.77	-	-	1.52	1.45
18	BTA Life	7.34	2.02	262.83	0.99	0.02	5,241	1.28	0.43
19	VICTORY	6.96	3.50	99.16	0.58	0.83	-30.32	1.22	0.74
20	ALLIANCE-POLICY	5.61	9.83	-42.95	3.05	5.29	-42.37	0.98	2.07
21	ALATAU	5.52	5.06	9.05	1.57	1.34	16.95	0.96	1.07
22	HALYK Life	5.08	4.72	7.53	1.04	0.22	365.43	0.89	0.99
23	KAZKOMMERTS Life	4.91	3.84	27.92	0.53	0.14	276.41	0.86	0.81
24	CHARTIS Kazakhstan	4.89	6.33	-22.80	0.50	0.22	126.90	0.85	1.33
25	ASKO	4.23	4.78	-11.46	1.52	0.99	54.13	0.74	1.01
26	PPF Insurance	3.42	7.44	-54.07	0.78	0.03	2,317	0.60	1.57
27	ARCHIMEDES-KAZAKHSTAN	2.75	3.30	-16.58	2.25	2.34	-3.88	0.48	0.69
28	TransOil	2.72	3.18	-14.68	0.99	0.87	14.71	0.47	0.67
29	GRAIN Ins. Company	2.35	1.51	55.46	0.08	0.03	153.71	0.41	0.32
30	KazExportGarant	2.11	1.64	28.82	0.12	0.03	274.52	0.37	0.34
31	ALLIANCE Life	1.27	2.53	-50.04	0.17	0.00	19,604	0.22	0.53
32	NURPOLICY Ins. Company	1.19	2.15	-44.79	0.58	0.93	-37.81	0.21	0.45
33	TRUST Insurance	0.92	0.77	18.54	0.00	0.03	-86.12	0.16	0.16
34	State Annuity Company	0.77	0.20	276.70	0.10	0.09	9.50	0.13	0.04
35	SAYA	0.07	1.55	-95.57	0.42	0.49	-14.31	0.01	0.33
36	TSASO	-	-0.06	-	-	-	-	-	-0.01
TOTAL MARKET		572.94	475.13	20.58	117.00	105.41	10.99	100.00	100.00

Courtesy to **INSURANCE Profile Kazakhstan 1H2013/FY2012**, Media XPRIM and InterConsult Info, October 2013



Moldova



Life insurance	5.82%
Accidents insurance	2.33%
Health - valid in Moldova	2.56%
Health - valid outside Moldova	2.19%
Fire and allied perils	5.64%
Damages to property	8.24%
Motor Hull	16.31%
MTPL	20.99%
Green Card	20.19%
Other motor insurance	2.40%
Aircraft insurance	2.31%
Aircraft liability	7.61%
Goods in transit	1.14%
GTPL	1.58%
Financial loss insurance	0.67%
Other non-life insurance	0.02%

SOURCE:

NATIONAL COMMISSION OF FINANCIAL MARKET
NATIONAL BANK OF MOLDOVA

MOLDAVIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

MDL 15.4062/EUR - IN 1H2012
MDL 16.1284/EUR - IN 1H2013

- In 1H2013, a citizen of the Republic of Moldova spent on average only EUR 10 on insurance products
- Based on the criterion of GWP (life and non-life, added-up), no changes have occurred for the top five insurance companies
- 17 insurers are active on the market compared with 22 in 2011
- GRAWE CARAT Asigurari is the only market player, a member of the well-known financial group - Grazer Wechselseitige Versicherung
- A total of 10 insurers reported profit. The most profitable companies were MOLDASIG (MDL 8.4 million) and MOLDCARGO (MDL 4 million). EUROASIG reported the largest losses: MDL 12.4 million
- Only two insurers specialize in the life segment: GRAWE CARAT Asigurari (94% market share) and the locally-owned SIGUR-ASIGUR

In 1H2013 the Moldavian insurers wrote premiums worth MDL 571.5 million (EUR 35.4 million), according to data published by the National Commission for Financial Markets in Moldova, an increase in national currency by 14% y-o-y. In European currency, due to the depreciation of the Moldovan Leu against the EUR, the market increased by almost 9%. Regarding claims, the companies have paid claims totaling MDL 196.6 million (EUR 12.2 million), 0.3% up y-o-y.

By main insurance business classes, EUR 2 million (or 5.2% of the total market) was the total value of the GWP of the only two insurance companies on the life insurance segment, a figure remaining at the same level as the previous year. In case of the general insurance segment, it totaled 94.2% of the total insurance

market, gaining about 0.5% compared with 1H2012. However, the volume of gross written premiums increased by 9.6%, to EUR 33.4 million. These results were reported under the circumstances of an increased business volume on the following lines: motor insurance (especially the Green Card segment), accidents, health, aircraft liability, GTPL or goods in transit.

The total value of premiums ceded to reinsurance by insurers was MDL 110 million or EUR 6.8 million, the degree of coverage being only 19.3%, whereas one year before the same indicator amounted to 23.1%. Among the insurance companies, ACORD-GRUP is the insurer that ceded the most to reinsurance, the ratio of premiums ceded to reinsurance/gross written premiums approaching 43%, due the share of about 55% of aviation insurance in the

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	35.44	32.52	8.96	12.19	12.15	0.34	100.00	100.00
TOTAL LIFE	2.06	2.06	0.22	0.26	0.28	-8.13	5.82	6.33
TOTAL NON-LIFE	33.37	30.46	9.55	11.93	11.87	0.54	94.18	93.67
Accidents insurance	0.82	0.61	34.78	0.13	0.07	91.00	2.33	1.88
Overall health insurance	1.68	1.57	7.01	0.47	0.70	-33.65	4.74	4.83
Health - valid in Moldova	0.91	0.78	15.75	0.24	0.56	-56.97	2.56	2.41
Health - valid outside Moldova	0.77	0.79	-1.68	0.23	0.14	57.10	2.19	2.42
Overall property insurance	4.92	5.41	-9.14	1.44	2.51	-42.78	13.88	16.65
Fire and allied perils	2.00	3.74	-46.59	0.12	2.37	-94.73	5.64	11.51
Damages to property	2.92	1.67	74.84	1.31	0.14	815.18	8.24	5.13
Overall motor insurance	21.23	20.84	1.87	8.46	8.51	-0.55	59.90	64.07
Motor Hull	5.78	5.76	0.35	3.94	3.89	1.44	16.31	17.72
MTPL	7.44	7.42	0.20	2.54	2.77	-8.37	20.99	22.83
Green Card	7.16	6.80	5.25	1.94	1.81	7.19	20.19	20.91
Other motor insurance	0.85	0.85	-0.13	0.04	0.04	-3.15	2.40	2.62
Aircraft insurance	0.82	0.15	444.06	0.04	0.03	16.59	2.31	0.46
Aircraft liability	2.70	0.95	184.46	-	-	-	7.61	2.91
Goods in transit	0.40	0.25	61.11	0.01	0.03	-70.75	1.14	0.77
GTPL	0.56	0.45	26.02	0.04	0.01	500.97	1.58	1.37
Financial loss insurance	0.24	0.22	9.89	1.35	0.01	20,120	0.67	0.66
Other non-life insurance	0.01	0.02	-59.85	-	-	-	0.02	0.07

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Market indicators (in EUR and MDL)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and MDL)

Overall market, life, non-life

portfolio (voluntary and mandatory, added up).

Regarding the market profitability, the gross profit recorded by the players on the insurance market was MDL 24.3 million (or EUR 1.5 million), which represents, in comparison with 1H2012, a negative evolution of about MDL 9.4 million in absolute value. Also, the losses recorded by insurers amounted to MDL 17.2 million or EUR 1.1 million. Thus, the aggregated result of "the profit and loss account" for the insurance market was MDL 7.1 million (EUR 0.4 million) compared with MDL 25.4 million in 1H2012.

The underwritten share capital of the companies totaled almost MDL 467 million (about EUR 29 million) at the end of June 2013. Due to the reduction of the number of market players, as compared with January-June 2012, the share capital in the insurance industry decreased by over MDL 90 million in absolute value. In 1H2013, ASTERRA GROUP was the company that operated the most consistent capital infusion: MDL 7.5 million, while the shareholders of DONARIS GROUP, diminished the capital of the company by over MDL 24 million. SIGUR-ASIGUR (MDL 67.4), MOLDASIG (MDL 60 million), GRAWE CARAT (MDL 57.4 million), ASITO (MDL 46.5 million) and MOLDCARGO (MDL 30 million) are the most capitalized insurance companies, accounting for 56% of the total capital. **V.B.**

LIFE INSURANCE

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	GRAWE CARAT Asigurări	1.94	1.93	0.68	0.04	0.03	15.81	93.91	93.49
2	SIGUR-ASIGUR	0.11	0.11	-2.54	0.00	0.00	-1.80	5.32	5.47
3	ASITO	0.02	0.02	-26.02	0.22	0.24	-11.40	0.76	1.03
4	VICTORIA Asigurări	-	-	-	0.00	0.00	-3.28	-	-
TOTAL MARKET		2.06	2.06	0.22	0.26	0.28	-8.13	100.00	100.00

NON-LIFE INSURANCE

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	MOLDASIG	11.71	9.11	28.62	4.55	4.36	4.54	35.10	29.89
2	ASITO	5.59	5.61	-0.33	1.81	1.62	11.48	16.75	18.41
3	MOLDCARGO	4.11	4.28	-4.06	1.62	1.00	62.33	12.32	14.07
4	DONARIS-GROUP	2.79	2.68	4.18	1.01	0.98	2.56	8.36	8.79
5	GRAWE CARAT Asigurări	1.92	1.88	1.98	0.58	0.74	-21.08	5.74	6.17
6	VICTORIA Asigurări	1.10	1.36	-19.33	0.57	0.78	-26.54	3.29	4.47
7	TRANSELIT	0.92	0.95	-2.87	0.29	0.25	13.97	2.76	3.11
8	GARANȚIE	0.85	0.28	207.18	0.15	0.12	24.70	2.55	0.91
9	ASTERRA GRUP	0.82	0.43	88.85	0.16	0.11	46.18	2.46	1.43
10	EUROASIG**	0.70	1.38	-49.11	0.28	0.55	-47.96	2.10	4.52
11	ACORD-GRUP	0.67	0.44	52.68	0.25	0.08	200.67	2.01	1.44
12	GALAS	0.60	0.30	97.53	0.17	0.19	-9.56	1.80	1.00
13	KLASSIKA Asigurări	0.54	0.61	-10.77	0.13	0.32	-58.01	1.63	2.00
14	MOLDOVA-ASTROVAZ	0.41	0.25	64.05	0.09	0.27	-66.89	1.22	0.82
15	AUTO-SIGURANȚA	0.39	0.43	-8.85	0.16	0.25	-35.96	1.18	1.41
16	EXIM-ASINT	0.25	0.32	-21.38	0.10	0.13	-24.87	0.75	1.05
17	ALIANȚA-MOLDCOOP*	-	0.00	-	-	0.00	-	-	0.01
18	ARTAS*	-	-	-	-	0.00	-	-	-
19	EDICT*	-	-	-	-	0.00	-	-	-
20	IDEEA Asigurări*	-	-	-	-	0.03	-	-	-
21	VITORIASIG*	-	0.16	-	-	0.08	-	-	0.52
TOTAL MARKET		33.37	30.46	9.55	11.93	11.87	0.54	100.00	100.00

* Insurers that have no operating license

** In case of EUROASIG, the figures are according to 1Q2013



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Russia



Life insurance (V)	7.78%
Accidents (V)	9.30%
Health (V)	16.18%
Motor hull (V)	21.66%
Other goods (V)	15.16%
Agricultural ins. (V)	1.38%
Railway, aircraft and ships (V)	1.24%
CARGO	2.15%
Financial and business risks (V)	2.31%
Liabilities (V)	3.04%
Mandatory personal ins.	3.95%
MTPL	13.47%
Other mandatory ins.	2.38%

SOURCE:

CENTRAL BANK OF THE RUSSIAN FEDERATION
FEDERAL INSURANCE SUPERVISION SERVICE

RUSSIAN CURRENCY EXCHANGE RATE FOR

CALCULATIONS:

1 EUR = 42.7180 RUBLE - RUB (JUNE 30TH, 2013)
1 EUR = 41.3230 RUBLE - RUB (JUNE 30TH, 2012)

- Starting September 1st, 2013 the Federal Financial Markets Service of Russia was integrated in the Russian Federation Central Bank's structure
- Since September 1st, 2013 tariffs for mandatory insurance (MTPL, Compulsory insurance of dangerous objects and Compulsory insurance of civil liability of the carrier) will be regulated by the Bank of Russia.
- Currently the MTPL reform is under debate
- Probably in 2014 property individual insurance against catastrophic events will be launched

Results for the Russian insurance market for the past half a year are moderately negative. The market continues to grow; the total insurance premiums amounted to about RUB 468 billion, but the growth trend has declined considerably.

In the first half of 2012 the market grew by 24% (versus the same period in 2011), while the increase in the same period of 2013 was only 13%.

It is not a fall yet, as it occurred at the top of the crisis in 2009 (back then the fall for the half of the year was 7.5%), but neither is there the vigorous growth that we saw in the previous year. However, it should be noted that the rate of the market growth in 2012 was just a record for the previous 8-10 years, said Andrey VESELKOV, General Director, Media-Information Group, "Insurance Today", Russian Federation.

At the same time, the most promising and fast-growing segment is life insurance - the growth rate in the last three years is consistently high. Thus, in the first half of 2013 the life insurance market in Russia increased by 65% (for 6 months in 2012 - by 50%, in 2011 - by 64%, in 2010 - 26%).

There was a noticeable slow down in motor



Andrey VESELKOV
General Director
Media-Information
Group, "Insurance Today"
[Read the full interview on www.xprimm.com](http://www.xprimm.com)

insurance from 27% to 10% in the MTPL and from 18% to 12% in the Motor Hull segment. The drop in sales of new cars in Russia is quite noticeable (for 6 months - 6%, but only in June - 11%) and it also leads to a decline in motor insurance, added VESELKOV.

Insurance supervision goes to CBRF

Starting September 1st 2013 the Federal Financial Markets Service of Russia was integrated into the structure of the Russian Federation's Central Bank. Therefore, all reports, information, notices and documents issued by the entities subject to the former federal service authority will be submitted to and analyzed by the Financial Markets Service of the Bank of Russia.

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	10,944.92	9,980.47	9.66	4,550.45	4,077.26	11.61	100.00	100.00
LIFE INSURANCE (V)	851.59	533.36	59.66	126.70	139.65	-9.27	7.78	5.34
NON-LIFE INSURANCE	10,093.33	9,447.10	6.84	4,423.75	3,937.61	12.35	92.22	94.66
Personal insurance (V)	2,789.04	2,487.74	12.11	1,099.23	1,005.90	9.28	25.48	24.93
Accidents (V)	1,018.11	806.86	26.18	135.45	108.61	24.72	9.30	8.08
Health (V)	1,770.93	1,680.88	5.36	963.78	897.29	7.41	16.18	16.84
Property insurance (V)	5,136.33	4,918.25	4.43	2,297.93	2,132.08	7.78	46.93	49.28
Motor hull (V)	2,370.68	2,186.71	8.41	1,674.90	1,384.56	20.97	21.66	21.91
Other goods (V)	1,659.14	1,589.10	4.41	376.63	518.60	-27.38	15.16	15.92
Agricultural ins. (V)	150.59	170.39	-11.62	63.02	63.95	-1.46	1.38	1.71
Railway, aircraft and ships (V)	135.75	149.07	-8.93	67.07	44.30	51.38	1.24	1.49
CARGO	234.80	249.69	-5.96	28.99	33.74	-14.06	2.15	2.50
Financial and business risks (V)	252.48	211.02	19.65	16.17	25.35	-36.22	2.31	2.11
Liabilities (V)	332.88	362.28	-8.11	71.16	61.58	15.56	3.04	3.63
Mandatory personal ins.	432.69	461.65	-6.27	166.67	101.79	63.73	3.95	4.63
MTPL	1,474.25	1,382.94	6.60	856.50	694.60	23.31	13.47	13.86
Other mandatory ins.	261.02	196.52	32.82	3.43	3.24	5.73	2.38	1.97
TOTAL VOLUNTARY INSURANCE	8,776.95	7,939.36	10.55	3,523.86	3,277.63	7.51	80.19	79.55
TOTAL MANDATORY INSURANCE	2,167.96	2,041.11	6.21	1,026.59	799.63	28.38	19.81	20.45

TOP 20 - VOLUNTARY LIFE INSURANCE

No.	Company	Region	1H2013	MARKET SHARE
			EUR m	%
1	RENAISSANS Life	Moscow	234.91	27.58
2	ALFASTRAKHOVANIE Life	Moscow	100.25	11.77
3	ROSGOSSTRAKH Life	Moscow	86.23	10.13
4	ALICO	Moscow	74.19	8.71
5	RUSSIAN Standard Ins.	Moscow	69.08	8.11
6	SBERBANK Insurance	Moscow	45.72	5.37
7	SOGEKAP Life Insurance	Moscow	39.45	4.63
8	CIV Life	Moscow	33.37	3.92
9	ALLIANZ Rosno Life	Moscow	32.87	3.86
10	RAIFFEISEN Life	Moscow	30.90	3.63
11	PPF Life Insurance	Moscow	22.90	2.69
12	SOGAZ Life	Moscow	18.57	2.18
13	CHULPAN Life	Almetyevsk	9.96	1.17
14	DISKONT	Saratov	5.47	0.64
15	ROSSIA	Moscow	5.20	0.61
16	GEOPOLIS	Moscow	4.68	0.55
17	SOYUZ Life	Rostov-on-Don	4.47	0.52
18	NSG Life	Moscow	4.31	0.51
19	KOLYMSKAYA	Khabarovsk	3.84	0.45
20	URALSIB Life	Moscow	3.65	0.43
FIRST 10 COMPANIES			746.98	87.72
FIRST 20 COMPANIES			830.02	97.47
OTHER COMPANIES			21.57	2.53
TOTAL MARKET			851.59	100.00

TOP 20 - VOLUNTARY PERSONAL INSURANCE

No.	Company	Region	1H2013	MARKET SHARE
			EUR m	%
1	SOGAZ	Moscow	490.74	17.60
2	RESO-Garantia	Moscow	148.77	5.33
3	VTB Insurance	Moscow	148.68	5.33
4	ROSGOSSTRAKH	Lyubertsy	141.95	5.09
5	PPF Life Insurance	Moscow	138.65	4.97
6	ALLIANZ	Moscow	130.85	4.69
7	INGOSSTRAKH	Moscow	113.59	4.07
8	ALFASTRAKHOVANIE	Moscow	112.63	4.04
9	ZHASO	Moscow	98.67	3.54
10	SOGLASIE	Moscow	85.12	3.05
11	TRANSNEFT	Moscow	80.13	2.87
12	VSK	Moscow	77.41	2.78
13	RENAISSANS Ins. Group	Moscow	51.25	1.84
14	AVIVA	Moscow	47.22	1.69
15	SURGUTNEFTEGAS	Surgut	44.91	1.61
16	OTKRITIE INSURANCE	Moscow	43.57	1.56
17	CARDIF Ins. Company	Moscow	40.25	1.44
18	MAKS	Moscow	39.97	1.43
19	ROSGOSSTRAKH Life	Moscow	37.86	1.36
20	KAPITAL Insurance	Kogalym	36.34	1.30
FIRST 10 COMPANIES			1,609.66	57.71
FIRST 20 COMPANIES			2,108.58	75.60
OTHER COMPANIES			680.46	24.40
TOTAL MARKET			2,789.04	100.00

For the last 2.5 years a second reform of insurance supervision has been made in Russia. On March 4th 2011 the Federal Insurance Supervision Service was attached to the Federal Financial Markets Service of Russia, and starting September 1st 2013 the Federal Financial Markets Service of Russia was transferred to the Central Bank of the Russian Federation (represented by the Financial Markets Service of the Bank of Russia), said Andrey VESELKOV.

According to Andrey VESELKOV, the reason for such a transformation was the success of the Central Bank of the Russian Federation in regulating the Federal Financial Markets Service. Bank supervision is fairly effective and strict. The Central Bank has more resources and authority. Expectations of the financial experts following the appointment of a new regulator are different.

Some market participants fear that the insurance market will not be sufficiently interesting and important for the Central Bank as an object of regulation due to the relatively small volume (compared to the bank).

The reason of such a fear reflects the recent experience of the merger between the Federal Insurance Supervision Service and the Federal Financial Markets Service - except the introduction of penalties for insurers. Other significant changes in the system of supervision were not observed, explained Andrey VESELKOV.

Prudential supervision

VESELKOV has been speaking for many years about the need for prudential supervision of the insurance market for some time; still, the Federal Financial Markets Service wasn't the one to implement it. Other insurers are hoping that the Central Bank can still start the system of prudential supervision, and along with other already introduced or imposed measures (the development of a system of self-regulation in the insurance, the transition to reporting according to international standards (IFRS), the introduction of independent actuaries, etc.), this will considerably strengthen and improve the market, helping to overcome the crisis tendencies.

Regulated tariffs for mandatory insurance

Since 1st September 2013 the tariffs for mandatory insurance (MTPL, Compulsory insurance of dangerous objects and Compulsory insurance of civil liability of the carrier) will be regulated by the Bank of Russia. We hope that the Central Bank will be able to adjust rates with less consideration on politics and populism, which would be guided not only by the short-term interests of policyholders (to pay less for insurance and get higher compensations) but also by their long-term interests (insured as well as insurers are interested in the stability of

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the market and individual insurers, and are to be given the opportunity to insure their responsibility and get paid in case of an accident), considers VESELKOV.

According to VESELKOV, perhaps the most sensitive moment is the limits and tariffs in MTPL. At the recent international conference organized by the Russian Union of Insurers and the National Union of Liability Insurers about tariffs for mandatory insurance the thesis of the need for actuarial calculation of tariffs was brought up again and again, along with the danger of a strong social role in matters decided by economy.

Insurance community (the All-Russian Insurance Association and the National Union of Liability Insurers) lead an active and quite constructive dialogue with the main opponents (the Russian Union of Industrialists and Entrepreneurs, Support, and Business Russia) on the tariffs for Compulsory insurance of dangerous objects. There, the tariffs topic is not so critical and I think that the Central Bank will not take urgent and ill-considered steps.

TOP 20 - VOLUNTARY PROPERTY INSURANCE

No.	Company	Region	1H2013	MARKET SHARE
			EUR m	%
1	ROSGOSSTRAKH	Lyubertsy	667.06	12.99
2	SOGAZ	Moscow	632.88	12.32
3	INGOSSTRAKH	Moscow	547.64	10.66
4	RESO-Garantia	Moscow	399.30	7.77
5	SOGLASIE	Moscow	297.93	5.80
6	ALFASTRAKHOVANIE	Moscow	239.58	4.66
7	VSK	Moscow	215.55	4.20
8	ALLIANZ	Moscow	177.88	3.46
9	RENAISSANS Ins. Group	Moscow	131.21	2.55
10	KAPITAL Insurance	Kogalym	100.31	1.95
11	URALSIB	Moscow	98.65	1.92
12	MSK Ins. Group	Kazan	97.77	1.90
13	VTB Insurance	Moscow	78.50	1.53
14	TRANSNEFT	Moscow	69.93	1.36
15	ZURICH	Moscow	54.96	1.07
16	GUTA Insurance	Moscow	51.23	1.00
17	GENERALI PPF Non-Life	Moscow	49.66	0.97
18	ENERGOGARANT	Moscow	49.53	0.96
19	MAKS	Moscow	38.37	0.75
20	COMPANION	Samara	38.02	0.74
FIRST 10 COMPANIES			3,409.34	66.38
FIRST 20 COMPANIES			4,035.94	78.58
OTHER COMPANIES			1,100.39	21.42
TOTAL MARKET			5,136.33	100.00

TOP 20 - MTPL

No.	Company	Region	1H2013	MARKET SHARE
			EUR m	%
1	ROSGOSSTRAKH	Lyubertsy	408.28	27.69
2	RESO-Garantia	Moscow	135.00	9.16
3	INGOSSTRAKH	Moscow	121.57	8.25
4	MSK Ins. Group	Kazan	93.65	6.35
5	VSK	Moscow	88.31	5.99
6	ALFASTRAKHOVANIE	Moscow	81.03	5.50
7	SOGLASIE	Moscow	70.13	4.76
8	URALSIB	Moscow	46.96	3.19
9	ALLIANZ	Moscow	42.12	2.86
10	MAKS	Moscow	38.29	2.60
11	RENAISSANS Ins. Group	Moscow	35.46	2.41
12	ROSSIA	Moscow	24.29	1.65
13	GUTA Insurance	Moscow	23.82	1.62
14	SOGAZ	Moscow	22.88	1.55
15	ZURICH	Moscow	21.56	1.46
16	YUGORIA	Khanty-Mansiysk	19.85	1.35
17	ENERGOGARANT	Moscow	14.50	0.98
18	KAZNA	Yekaterinburg	13.86	0.94
19	ASKO	Naberezhnye Chelny	13.11	0.89
20	YJURAL-ASKO	Chelyabinsk	10.29	0.70
FIRST 10 COMPANIES			1,125.33	76.33
FIRST 20 COMPANIES			1,324.95	89.87
OTHER COMPANIES			149.29	10.13
TOTAL MARKET			1,474.25	100.00

MTPL 1:2

In the market there is an active discussion of the draft of MTPL –2. I seriously doubt that the MTPL reform a will take revolutionary character and the current law will be rejected and replaced by something radically new. I believe that MTPL-2 is more of a slogan rather than a project with real chances of

implementation. Well, or a qualitatively new state of MTPL after a deep and consistent - but still gradually evolutionary - modernization. I am sure that the continuity of the all key processes and the continuity of the rights and obligations of insurers and policyholders will be guaranteed. And this means that we may see the MTPL- 2 in 3-4 years, but hardly ever before, said Andrey VESELKOV.

VESELKOV considers that the new law must provide for the following: the limit of indemnities for bodily injuries in the amount of RUB 2 million (as in all the other laws on compulsory liability insurance in the Russian Federation); the indemnities limit for property damage should be about RUB 1-1.5 million and the payment of compensations, excluding the depreciation and reduction, RUB 5-10 thousand; full or preferential transfer of these policies in a electronic form; the launching of a full-length bonus-malus system; mandatory regressions for road services in road accidents due to bad roads; cancellation tariff regulation (free rate).

I repeat, all of these cannot start right away - different items will appear in the MTPL gradually, added VESELKOV.

Expectations for the year end

I do not expect a quick change of trends in the market. I think that, after all, the Russian economy insurance market slows down and its growth for the year is not amounted by tens, but by percent units (at the level of 6-9% for the whole 2013). Perhaps in 2014 a new kind of mass insurance – Property individual insurance against catastrophic events (such as the devastating floods in Russia's Far East) will be launched. It is unlikely that this type of insurance will be introduced as compulsory, said VESELKOV.

Andrey VESELKOV thinks that the massive property insurance will be implemented as a voluntary mechanism through co-financing of insurance premiums (when a part of the premiums is paid by the property owner (insured) and the other part by the state) or payments (for example - the government warns that it will provide assistance only to those victims who already have property insurance policies and only to the extent to which the damage will exceed insurers' payment) to encourage policyholders through tax incentives (for example - a differentiated rate of property tax for the insured and uninsured owners) and by other similar schemes.

O.A.



Starting 1st of January 2012 there are new requirements for the minimum authorized capital that came into force for the companies which accept risks in reinsurance. Find out more details about this legislative change, as well as the major problems, and the trends on the Russian reinsurance market reading the interview with

Dmitry GARMASH

Deputy CEO, UNITY Re

XPRIMM: How do you assess the influence of the new requirements for the minimum authorized capital, which were introduced the previous year on the market? Are there any consequences worth mentioning for 2013?

Dmitry GARMASH: The main consequences are still there, and they have already been discussed many times for the past years. The major one is the significant market consolidation, followed by the financial crisis of 2009-2010 and new capital requirements. Financially weak, strategically untargeted players escaped the market either via losing their licenses, by getting bankrupt or by being taken over within some M&As. A smaller number of players now comprise the largest, strongest and best managed insurance companies, which tend to provide a better quality of services and financial confidence to their insured.

XPRIMM: What are, from your point of view, the main trends/problems on the Russian reinsurance market in 1H2013? What was the volume of incoming/outgoing reinsurance premiums as of 1H2013?

Dmitry GARMASH: Reinsurance GWP for 1H2013 reached RUB 23 billion, which is roughly equal to the results of 1H2012. So, we could say that the market has stabilized and has maintained this trend for already 3 years (though from 2011 to 2012 there was a certain growth). Internally, the share of foreign business within the total inward premiums slightly grew for this half-year period: from RUB 6 billion to RUB 7 billion.

Another constant trend is the decreasing number of players writing inward reinsur-



ance. It has been stably going down since mid-2000s and continues nowadays.

For the outward reinsurance premiums, the stability is also there: for the 1h 2013 the volume reached 60b RUR (roughly same as in 1h 2012, 59b RUR).

XPRIMM: What are your expectations regarding the renewal season 2013/2014?

Dmitry GARMASH: We expect to deal with a rather flat renewal season, though we understand that the competition on rates and orders will be quite significant. The market looks smooth worldwide, much capital is available within the reinsurance industry, so most large and medium sized reinsurers aspire to sell a bigger volume to more clients, and these would lead to an additional competitive pressure.

XPRIMM: What are the main achievements of UNITY Re in 2013? What are your targets till the end of this year?

Dmitry GARMASH: The last year appeared to be exceptionally successful for UNITY Re. We wrote over USD 52 million of premiums to end the year with a combined ratio of 79% and an excellent net profit of over USD 11.5 million. In September, A.M.Best reconfirmed their "B+" rating to UNITY Re... So, everything is looking stable and we are hoping to maintaining the situation at the same level. However, this year we have more claims compared with 2012, so the main target at the moment is to handle this aspect carefully to reach the end of the year with our usual good results.

OA



Ukraine



Life insurance	7.19%
Accidents	4.38%
Voluntary health	5.29%
Medical expenses	1.21%
CARGO	5.96%
Property	24.27%
Motor hull	12.76%
MTPL	8.84%
Green Card	1.46%
Compulsory aviation ins.	1.12%
Other	26.80%

The statistics submitted to the analysis have been supplied by:



SOURCE:

NATIONAL BANK OF UKRAINE
INSURANCE TOP MAGAZINE

UKRAINIAN CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 10.410083 HRYVNIA - UAH
(JUNE 30TH, 2013)
1 EUR = 9.970644 HRYVNIA - UAH
(JUNE 30TH, 2012)

- GWP collected by Ukrainian insurers in 1H2013 amounted to UAH 14.33 billion, which is 49.6% more y-o-y. The life insurance market grew by 34%.
- The significant increase in GWP in the non-life segment was related to changes in the Tax Code, which led to a growth in reinsurance operations in the domestic market (tax optimization of business entities).
- The volume of agricultural insurance is insignificant - only 2-3% of the total crops area in the country was insured in the summer of 2011-2012

Gross written premiums collected by Ukrainian insurers in 1H2013 amounted to UAH 14.33 billion, which represents 49.6% more y-o-y. The life insurance market grew by 34%.

The significant increase in GWP in the non-life segment related to changes in the Tax Code, which led to an increase in reinsurance operations on the domestic market (tax optimization of business entities). For example, the domestic reinsurance market in 1H2013 amounted to UAH 3.9 billion, up 545.1% or UAH 3.4 billion more than in the same period of 2012. Insurance premiums from enterprises increased by 34.8% and reached UAH 6.379 billion. Retail insurance showed the worst dynamics (up by 6.5%) amounting to UAH 3.574 billion, explained Alexandr ZALETOV, Deputy Chairman of the Council of the League of Insurance Organizations of Ukraine and Editor in Chief, Insurance TOP Magazine.

The main growth in life insurance was linked to bancassurance (life insurance for consumer's credit).

Agricultural insurance in Ukraine

The Ukrainian Law "On particularities about the insurance of agricultural products with state support" (2012) provides the compensation for agricultural producers up to 50% of the insurance payments

and extends to the crop insurance, crop perennial plants, farm animals, birds, rabbits, fur animals, bees, fish and other aquatic resources and livestock products. Most farmers are trying to insure mortgage cereal crops, canola, corn, sugar beet and sunflower.

The volume of agricultural insurance is however insignificant - in the summer of 2011-2012 farmers insured about 500,000 hectares of crops in the season, which is about 2-3% of the total crops area in the country. About half of the insured areas were occupied by winter wheat, as farmers often take short-term loans for harvesting and in such cases the winter wheat plantings are insured. Areas for other crops are about the same and traditionally about 50,000 ha of sunflower, maize and sugar beet. The amount of premiums collected is USD 12-13 million (UAH 90-100 million) per season. Total insurance contracts for the spring-summer period are usually around 1600-1800, added Alexandr ZALETOV.

The average premium rate for the season is about 3.5%, but for some crops the average premium rate is slightly higher (sunflower - 3.55%, corn - 4.2%, sugar beet - 3.6%, spring barley - 5.3% soybean - 4.6%). Such low premium rates are due to the fact that for the mortgage crops farmers usually choose insurance contracts with an

MARKET PORTFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
	EUR m	EUR m	%	EUR m	EUR m	%	%	%
TOTAL MARKET	1,376.93	961.02	43.28	219.31	260.73	-15.89	100.00	100.00
TOTAL LIFE	99.04	77.23	28.24	5.48	3.82	43.29	7.19	8.04
TOTAL NON-LIFE	1,268.19	883.79	43.49	213.83	256.90	-16.77	92.10	91.96
Accidents	60.37	33.84	78.41	3.16	2.50	26.55	4.38	3.52
Voluntary health	72.88	63.24	15.25	48.22	44.49	8.39	5.29	6.58
Medical expenses	16.68	16.60	0.47	5.20	6.05	-14.07	1.21	1.73
CARGO	82.07	48.18	70.34	1.40	1.32	5.94	5.96	5.01
Property	334.13	192.25	73.79	10.14	19.68	-48.45	24.27	20.01
Overall motor insurance	317.52	307.97	3.10	121.02	125.84	-3.83	23.06	32.05
Motor hull	175.69	168.78	4.09	71.53	71.85	-0.45	12.76	17.56
MTPL	121.77	122.55	-0.64	45.67	49.26	-7.30	8.84	12.75
Green Card	20.07	16.65	20.53	3.82	4.72	-19.07	1.46	1.73
Compulsory aviation ins.	15.48	12.98	19.24	0.20	-	-	1.12	1.35
Others	369.07	208.73	76.81	24.49	57.03	-57.06	26.80	21.72

Source: Insurance Top

Access www.xprimm.com

and download in MS Excel format:

Market indicators (in EUR and UAH)

GWP, claims, growth rates, portfolio

Market rankings (in EUR and UAH)

Life and non-life



Alexandr ZALETOV

Deputy Chairman of the Council of the League of Insurance Organizations of Ukraine and Editor in Chief, Insurance TOP Magazine

[Read the full interview on www.xprimm.com](http://www.xprimm.com)

unconditional franchise at the level of 40-50%, which only provides compensation for catastrophic losses.

The Ukrainian Agrarian Insurance Pool was created in 2012 in order to provide a single point of risk management programs for public procurement of grain, the Agrarian Fund, and monitoring of the program of state support implementation for agricultural insurance. In 1H2013 the members of the Agricultural Insurance Pool signed 527 contracts for the crop insurance program and the Agrarian Fund of Ukraine conducted crops inspections on more than 300 hectares. According to ZALETOV, annual economic losses from fires amount to EUR 250-300 million and those caused by natural disasters – to EUR 100-900 million. Unfortunately, these risks are not covered by the compulsory insurance, only by the voluntary one, so in the private sector citizens' property insurance is less than 2%.

Legislative changes

In the Ukrainian President's National Action Plan for 2014 the State Commission for Regulation of Financial Services Markets proposed the following changes in the legislation: *Strengthening the institutional capacity of the State Commission for Regulation of Financial Services Markets through the introduction of a regulatory tax in the regulation of financial services markets. Allocation of funds collected from the regulatory tax to the implementation of the regulation and supervision of non-banking financial services markets. Improvement of the prudential supervision of insurance services through the implementation of stress testing procedures by insurance companies. The increasing demand for risk management through the implementation of risk management in insurance companies*, explained Alexandr ZALETOV.

According to ZALETOV, the introduction of market-based instruments for the accumulation and redistribution of long-

LIFE INSURANCE - TOP 15

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	RENESANS Life	20.74	13.59	52.60	20.94	17.60
2	ASKA Life	14.07	9.68	45.45	14.21	12.53
3	UNIQA Life	14.03	8.40	66.95	14.16	10.88
4	ALICO Ukraine	13.25	10.88	21.82	13.38	14.09
5	TAS	6.24	7.18	-12.98	6.31	9.29
6	PZU Ukraine Life	5.08	4.26	19.39	5.13	5.51
7	DELYTA Life	4.74	2.85	66.10	4.78	3.69
8	AEGON Life Ukraine	4.43	5.23	-15.29	4.47	6.77
9	GARANT Life	1.83	0.89	106.08	1.84	1.15
10	JUPITER Life VIG	1.43	1.42	1.11	1.45	1.84
11	SEB Life Ukraine	1.11	0.62	80.35	1.12	0.80
12	YLICHEVSKAYA	0.96	1.06	-9.28	0.97	1.38
13	LEMMA Life	0.86	1.26	-31.83	0.87	1.63
14	KD Life	0.76	0.75	0.62	0.76	0.97
15	INGO Ukraine Life	0.34	0.29	16.91	0.35	0.38
TOP 10		85.85	64.36	33.37	86.68	83.34
TOP 15		89.88	68.35	31.50	90.75	88.50
TOTAL MARKET		99.04	77.23	28.24	100.00	100.00

NON- LIFE INSURANCE - TOP 20

No.	Company	GROSS WRITTEN PREMIUMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	%	%
1	KREMENY	133.51	28.90	362.00	10.53	3.27
2	AXA Insurance	35.36	38.35	-7.80	2.79	4.34
3	ASKA	35.05	39.00	-10.13	2.76	4.41
4	INGO UKRAINE	32.76	25.74	27.24	2.58	2.91
5	PROVIDNA	29.99	34.82	-13.86	2.36	3.94
6	ARSENAL Insurance	26.75	19.24	39.06	2.11	2.18
7	UNIQA	26.64	25.39	4.90	2.10	2.87
8	AlfaStrakhovanie	25.61	20.53	24.72	2.02	2.32
9	LEMMA	24.15	22.85	5.70	1.90	2.59
10	ORANTA	24.13	30.14	-19.93	1.90	3.41
11	UKRAINIAN Ins. Group	22.51	20.50	9.80	1.77	2.32
12	ALLIANZ Ukraine	21.33	17.32	23.11	1.68	1.96
13	TAS	18.23	19.27	-5.37	1.44	2.18
14	UPSK	18.12	18.86	-3.95	1.43	2.13
15	PZU UKRAINE	17.05	16.05	6.23	1.34	1.82
16	UNIVERSALNA	12.19	14.24	-14.42	0.96	1.61
17	GARANTIYA	12.18	NA	-	0.96	-
18	NGS	11.95	10.17	17.48	0.94	1.15
19	GARANT-AUTO	10.93	9.69	12.81	0.86	1.10
20	VUSO	10.87	10.73	1.37	0.86	1.21
TOP 10		393.95	284.96	38.25	31.06	32.24
TOP 20		549.31	421.79	30.23	43.31	47.73
TOTAL MARKET		1,268.19	883.79	43.49	100.00	100.00

term financial resources is made through the amendment of the Ukrainian Law "On remuneration", namely, the exclusion of insurance premiums from remuneration that employers provide to their employees. Another point is the planned settlement procedure for calculating and indexing the liability limit for damage caused to an individual in terms of life, health and disability, depending on the victim's category (child, benefactor, senior, etc.).

For optimizing the management of public finances, the reduction of costs related to state and local budgets has been proposed for compensation of damage caused by unforeseen events. For this purpose, an action plan is prepared for defining the risks that are to be transferred to insurers, on the one hand, and those that remain on-hold with the state and local budgets, on the other hand. **O.A.**



Uzbekistan



Voluntary insurance	72.00%
Mandatory insurance	28.00%

SOURCE:

INFORMATION-RATING AGENCY SAIPRO
NATIONAL BANK OF UZBEKISTAN

UZBEKISTAN'S CURRENCY EXCHANGE RATE FOR CALCULATIONS:

1 EUR = 2,741.69 Som - UZS (JUNE 30TH, 2013)
1 EUR = 2,382.81 Som - UZS (JUNE 30TH, 2012)

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Market indicators (in EUR and UZS)
Full ranking (in EUR and UZS)

- 1H2013 the market grew by 43.8%, the highest pace in the last three years
- The main changes and amendments of the draft law "On insurance activity". were approved by the Uzbek Parliament

The Uzbek insurance market ended 1H2013 with a total GWP volume of UZS 191.189 billion (EUR 69.73 million), 43.8% up y-o-y in national currency, according to the market data provided by Information-Rating Agency SAIPRO. Claims paid for all types of insurance amounted to UZS 40.8 billion (EUR 14.87 million), 72.9% more than in the same period of 2012.

In 1H2013 the loss ratio (the ratio of claims paid to premiums) on the market was 21.3%. For the same period in 2012 this figure was of 17.7%. The growth rate of insurance premiums and payments in the first six months of 2013 are the highest in the last 3 years.

According to the Information-Rating Agency SAIPRO, in January-June 2013 in Uzbekistan were active 34 insurance companies, including 31 non-life insurers and two life insurers. The license for one of the companies was canceled during the reporting period.

Insurance law ammended

Legislative Chamber of the Oliy MAJLIS of the Republic of Uzbekistan approved the main changes and amendments of the draft law "On insurance activity". On considering this draft law it was noted that it provides a more effective control of the government authorities of the state department over the implementation of the statutory duties set by the legislation of the insured on compulsory insurance.

According to deputies of the Legislative Chamber of the Oliy MAJLIS, all amendments provide state control bodies with the possibility of receiving relevant information from the insurers. This will allow insurers to pass on to authorities of the state department the relevant information on insured, the insured persons and beneficiaries, as well as the insured property and insured sum that are the information necessary to establish the fact of the insurance implementation by insurers. **O.A.**

MARKET PORFOLIO AS OF JUNE 30TH, 2013

Business line	GROSS WRITTEN PREMIUMS			PAID CLAIMS			Weight in all GWP	
	1H2013 EUR m	1H2012 EUR m	Change %	1H2013 EUR m	1H2012 EUR m	Change %	1H2013 %	1H2012 %
TOTAL MARKET	69.73	55.81	24.94	14.87	9.90	50.21	100.00	100.00
Voluntary ins.	50.21	38.16	31.58	11.54	6.88	67.88	72.00	68.37
Mandatory ins.	19.53	17.66	10.59	3.33	3.02	10.05	28.00	31.63

TOP 20 - ALL INSURANCE LINES RANKING

No.	Company	GROSS WRITTEN PREMIUMS			PAID CLAIMS			MARKET SHARE	
		1H2013	1H2012	Change	1H2013	1H2012	Change	1H2013	1H2012
		EUR m	EUR m	%	EUR m	EUR m	%	%	%
1	UZAGROSUGURTA	12.85	10.04	27.97	1.26	1.83	-31.32	18.42	17.99
2	UZBEKINVEST	10.76	9.68	11.19	7.75	1.30	495.90	15.43	17.34
3	KAFOLAT	6.00	4.77	25.81	1.07	0.48	122.93	8.60	8.54
4	ASIA Insurans	5.82	5.26	10.55	0.35	3.01	-88.36	8.34	9.43
5	ALFA Invest	4.57	2.45	86.78	0.41	0.38	7.61	6.56	4.38
6	ALSKOM	3.27	2.39	36.87	0.20	0.18	12.88	4.69	4.28
7	KAPITAL Sugurta	3.21	2.54	26.11	0.56	0.46	23.00	4.60	4.56
8	UVT Inshurans	3.19	3.12	2.40	0.22	0.10	126.25	4.58	5.58
9	TRANSINSURANCE Plus	2.90	3.38	-14.24	0.43	0.17	151.66	4.15	6.05
10	TEMIR Yo'l Sugurta	2.06	1.49	38.30	0.20	0.06	219.81	2.95	2.67
11	INGO Uzbekistan	1.90	0.91	108.78	0.36	0.23	57.54	2.73	1.63
12	UZBEKINVEST Hayat	1.67	1.37	21.77	0.92	0.96	-4.45	2.39	2.45
13	XALQ Sugurta	1.36	0.66	105.83	0.17	0.09	89.54	1.95	1.18
14	AGRO Invest Sugurta	1.25	1.23	1.94	0.30	0.18	62.73	1.79	2.19
15	SUGURTA Oz	1.18	0.52	127.20	0.04	0.04	-17.58	1.70	0.93
16	UNIVERSAL Sugurta	1.12	0.60	84.84	0.19	0.09	109.96	1.60	1.08
17	GROSS INSURANCE	0.89	0.40	123.06	0.01	-	-	1.28	0.72
18	ISHONCH	0.86	0.65	32.02	0.09	0.08	17.25	1.23	1.16
19	EUROASIA Insurance	0.58	0.50	17.90	0.01	0.01	28.63	0.84	0.89
20	MEGA Insurance	0.48	0.18	173.81	0.00	0.02	-73.57	0.69	0.32
	Others	3.81	3.68	3.36	0.34	0.25	37.33	5.46	6.60
	TOTAL MARKET	69.73	55.81	24.94	14.87	9.90	50.21	100.00	100.00

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CORIS Roumanie rebrands to APRIL

Starting June 17th of this year, CORIS Roumanie, Broker de Asigurare – Reasigurare, the Romanian branch of CORIS International, rebranded and changed its name into APRIL Broker de Asigurare – Reasigurare.

CORIS International has been a part of the APRIL Group since July 2010.

The decision taken in 2013 to rebrand the CO-RIS network companies, including the Romanian branch, comes naturally following this acquisition and confirms the Group's ambition to become the leader in the international mobility market and to offer its customers integrated insurance and assistance solutions.

The APRIL Group, listed on the Paris stock exchange, is a master broker with a long experience in designing, managing and distributing insurance solutions. Founded in 1988 in Lyon, the group has nearly 4,000 members of staff and is established in 37 countries.

CORIS group is one of the largest international networks for assistance (medical, motor, home, etc.), green card and claims management offering customized solutions to its clients worldwide.

"The two groups have complementary activities, but they have in common a 25 years history and experience on their respective markets. While the rebranding of CORIS Roumanie will mean a greater exposure and access to increased resources, it will not impact our management structure nor our contact details. We are still at your disposal in our offices in Bucharest" says Tatiana Ionescu, CEO of APRIL Romania (ex- CORIS Roumanie).

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France	FI	
Germany	GR	
Greece	HU	
Italy	IE	
Latvia	IS	
Lithuania	IT	
Netherlands	LT	
Poland	LU	
Romania	LV	
Slovakia	MT	
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We operate out of 18 offices in 14 countries throughout the world, delivering a more analytical approach to reinsurance broking and a wider variety of specialist risk management solutions.

JLT Re has a shared mission:
Client First. Independent. Results Based.

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We have Austrian roots.

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And have branched out into 24 countries.

We are now the leader in our core markets.
And our roughly 50 insurance companies are
optimally anchored in their markets.