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# INSURANCE REPORT

by Media XPRIMM

Year III - Issue 1/2011(4) MAY

# 2010

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Daniela GHEȚU  
Editorial Director

# A step forward

"More and better" often demand for... different. This is why, growing issue by issue, this publication earned its right to an independent existence and its own name under the XPRIMM brand: XPRIMM INSURANCE REPORT.

Twice a year, XPRIMM INSURANCE REPORT will bring you over 120 pages of relevant data about the 29 insurance markets in CEE and CIS regions, Russia and Turkey.

The report will also provide you the opportunity to meet the representatives of the analyzed markets, as its release takes advantage of two of the most important professional meetings in the insurance world:

- in May, at FIAR – The International Insurance-Reinsurance Forum, Sinaia, Romania;
- in October, at the Annual Baden-Baden Meeting.

Finally, considering a practical approach as the most suitable, XPRIMM INSURANCE REPORT is available both in hard-copy and in digital version. The full editable format of all the tables in the report are available on [www.xprimm.com](http://www.xprimm.com) – an useful instrument dedicated to the insurance professionals interested to get dynamic, ready-to-use, comprehensive financial information for the analyzed markets.

All in all, XPRIMM INSURANCE REPORT is an open invitation for you to meet both new and traditional insurance markets, as well as their people. We hope it is also a step forward on the growth path.

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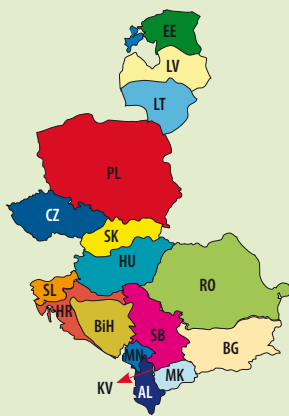


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**Note from the editor**

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).

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

press represented a valuable source of information regarding the local tendencies and events. For conversion of the national currencies into the euro, we have used the official exchange rate valid in the last day of the period considered.

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.

# 2010 - Wavering revival



**Daniela GHEȚU**  
Editorial Director

*In Europe, the recovery is proceeding modestly. Overall, real activity in the region remains below its potential level and unemployment is still high. This is, in short, how the IMF characterizes the evolution of European economies in 2010, according to the Global Financial Stability Report released by the international institution in April, 2011.*

Although vulnerabilities are still here, the European economies show clear signs of recovery on an upward trend. According to IMF, the outlook is for a continued gradual and uneven expansion. Advanced Europe's real GDP is projected to grow by 1.7 percent in 2011 and by 2 percent in 2012. Emerging Europe's growth is expected to be 3.7 percent in 2011 and 4 percent in 2012. Economic prospects across the region are likewise divergent, largely reflecting differences in the state of public and private sector balance sheets and the stance of macroeconomic policies.

In emerging Europe, the recovery has broadened, but growth

continues to be primarily export-led. Poland, the region's largest and most domestically oriented economy, will remain the growth leader. Growth is expected to remain solid at about 3.8 percent this year as corporate profitability rises, the absorption of EU funds continues, and bank lending resumes. Exports are also driving the Baltic region's slow return to growth amid an ongoing process of internal devaluation. Political risks and continued fiscal consolidation threaten support for coalition governments across the region. Estonia will lead regional growth, as positive sentiment surrounding the country's 2011 euro adoption supports a recovery in domestic demand. The South-Eastern Europe economies will experience positive but below-trend growth rates in 2011, due to slow capital inflows, ongoing deleveraging and fiscal austerity measures. Fiscal tightening will weigh on regional growth in the forecast period. A rapid recovery is projected to continue in Turkey, where robust private demand and buoyant credit growth are lifting economic activity above its potential level amid still-accommodative macroeconomic policies.

Among the most important volatility factors, the continuing debt crisis in the eurozone could spill over to the SEE region via trade

**Macroeconomic indicators' variation**

Country	Real GDP growth			Consumer Prices			Unemployment		
	2010	2011f	2012f	2010	2011f	2012f	2010	2011f	2012f
Bulgaria	0.2	3.0	3.5	3.0	4.8	3.7	10.3	8.0	6.7
Croatia	-1.4	1.3	1.8	1.0	3.5	2.4	12.3	12.8	12.3
Czech Republic	2.3	1.7	2.9	1.5	2.0	2.0	7.3	7.1	6.9
Estonia	3.1	3.3	3.7	2.9	4.7	2.1	16.9	14.8	12.8
Hungary	1.2	2.8	2.8	4.9	4.1	3.5	11.2	11.5	10.9
Latvia	-0.3	3.3	4.0	-1.2	3.0	1.7	19.0	17.2	15.5
Lithuania	1.3	4.6	3.8	1.2	3.1	2.9	17.8	16.0	14.0
Poland	3.8	3.8	3.6	2.6	4.1	2.9	9.0	9.0	8.7
Romania	-1.3	1.5	4.4	6.1	6.1	3.4	7.6	6.6	5.8
Serbia	1.8	3.0	5.0	6.2	9.9	4.1	19.4	19.6	19.8
Slovakia	4.0	3.8	4.2	0.7	3.4	2.7	14.4	13.3	12.1
Slovenia	1.2	2.0	2.4	1.8	2.2	3.1	7.2	7.5	7.2
Turkey	8.2	4.6	4.5	8.6	5.7	6.0	11.9	11.4	11.0

Source: International Monetary Fund/ April 2011 – World Economic Outlook

Country	Overall GWP		Change 10/09	Regional market share		Population	Insurance density	Overall paid claims		Change 10/09
	2010	2009		2010	2009			2010	2009	
	EUR m.	EUR m.	%	%	%	Inhabitants m.	EUR/capita	EUR m.	EUR m.	%
Albania	58.74	56.58	3.82	0.18	0.18	3.1	18.95	16.42	12.53	31.05
Bosnia and Herzegovina	178.53	173.15	3.11	0.54	0.56	3.9	45.78	NA	NA	NA
Bulgaria	730.60	859.74	NA	2.21	2.79	7.5	97.41	363.81	394.40	NA
Croatia	1,251.76	1,288.05	-2.82	3.78	4.18	4.4	284.49	594.72	653.42	-8.98
Czech Republic	6,224.27	5,447.22	14.27	18.80	17.68	10.4	598.49	3,299.78	2,861.18	15.33
Estonia	425.54	366.81	16.01	1.29	1.19	1.3	327.34	234.49	205.34	14.19
Hungary	3,024.35	3,050.53	-0.86	9.14	9.90	10.0	302.44	2,164.31	1,928.18	12.25
Kosovo Territory	71.20	67.80	5.01	0.22	0.22	1.8	39.56	26.60	18.80	41.49
Latvia	270.71	317.73	-14.80	0.82	1.03	2.3	117.70	157.97	218.94	-27.85
Lithuania	449.46	446.60	0.64	1.36	1.45	3.4	132.19	270.91	306.99	-11.75
Macedonia	105.37	101.06	4.27	0.32	0.33	2.1	50.18	48.59	48.42	0.34
Montenegro	61.92	64.22	-3.58	0.19	0.21	0.6	103.20	NA	NA	NA
Poland	13,559.33	11,865.08	14.28	40.97	38.50	38.0	356.82	9,204.68	9,283.46	-0.85
Romania	1,988.89	2,093.25	-4.99	6.01	6.79	21.4	92.94	1,292.02	1,282.78	0.72
Serbia	537.36	559.98	-4.04	1.62	1.82	7.4	72.62	220.38	234.68	-6.09
Slovakia	2,066.67	1,985.38	4.09	6.24	6.44	5.4	382.72	NA	1,034.12	NA
Slovenia	2,094.34	2,074.32	0.97	6.33	6.73	2.0	1,047.17	1,242.83	1,239.93	0.23
<b>CEE REGION</b>	<b>33,099.07</b>	<b>30,817.52</b>	<b>7.40</b>	<b>100.00</b>	<b>100.00</b>	<b>125.00</b>	<b>264.79</b>	<b>19,137.49</b>	<b>19,723.17</b>	<b>-2.97</b>

Note: For Bulgaria, all presented data are for January-November 2010

and financial channels, unsettling the recovery. Still, for the time being, although concerns about banking sector losses and fiscal sustainability made the headlines in some European countries, the damage to economic activity was limited to the affected economies and did not spread to the rest of Europe, where growth has become more broad-based and self-sustained. The approaching election cycle in the CEE region brings an additional risk of fiscal slippage, which could result in higher borrowing costs. Another downside risk to growth stems from higher-than-expected commodity prices.

All in all, the worst case scenario seems to be, at the moment this article is written, a long period of slow economic growth. Nevertheless, for the regions' citizens, the positive impact of the macroeconomic recovery remains still in the future, as unemployment will most probably remain at high rates in the following years and the austerity measures, reducing household wealth, will continue to affect the daily life. For the insurance industry, economic recovery could mean corporate business revival, while weakened household incomes will still put pressure on the retail segment.

## 2010 in CEE insurance

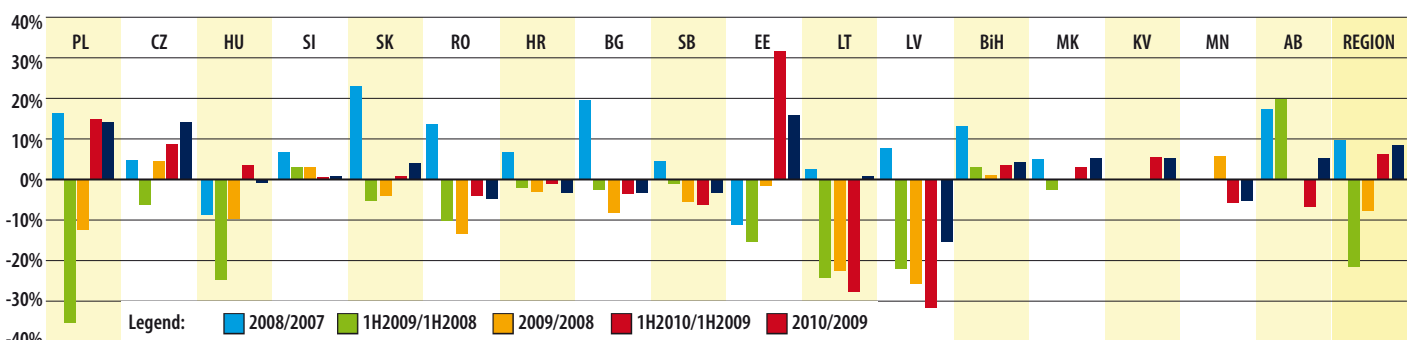
The CEE insurance market ended year 2010 with an overall EUR33.1bn GWP, meaning a 7.4% evolution as compared to 2009. After a quite "symmetrical" result in 2009, of 7.6% less underwriting volume than in 2008, the 2010 results looks really optimistic. Still, it is noticeable the regional end year result shows a sensible

"balancing" of the growth rate showed by the market in the first half of 2010, of about 6.45%. It is also obvious that across the region, results vary in a fairly wide range, usually according to the different situation of the domestic economies: while for many of the countries in the region the second half of 2010 started offering a better environment, visible in the higher market dynamic, there are still some countries where the final six months of 2010 didn't bring any good news.

Estonia, Poland and the Czech Republic - the most spectacular growth rates, of over 16% and 14%, respectively. While growth in Estonia and the Czech Republic comes mainly from the strong recovery of the life segment, in Poland both segments of the market grew almost at the same pace, with a slight plus for non-life. Poland's performance is even more impressive as in 2009 it reported a fall of 12%, unlike the Czech Republic which, with a 2009/2008 growth rate of over 4%, was the only important insurance market in the region that did not decrease due to the crisis.

With few exceptions, the rest of the registered positive performance, in relative terms, in 2010, belong to small and very young markets from the ex-Yugoslav region and surrounding areas: Kosovo, Macedonia, Albania and Bosnia & Herzegovina. They have recorded growth rates of 3-5%, after in previous year they had reported very small decreases or even slightly positive results. The exception is Slovakia, a medium-sized, mature market, who managed to use the increased appetite for insurance products with investment components and marked an increase of 4% of the total volume of gross written premiums. Finally, Slovenia and Lithuania have passed the year 2010 registering growth rates of

### Growth rates in the CEE insurance markets



Country	LIFE GWP			Change 10/09 %	Regional market share		Indemnities		Change 10/09 %
	2010	2009	% in all GWP		2010	2009	2010	2009	
	EUR m.	EUR m.			%	%	EUR m.	EUR m.	
Albania	6.12	5.25	10.41	16.61	0.04	0.04	0.52	0.57	-9.62
Bosnia and Herzegovina	33.53	31.45	18.78	6.62	0.22	0.23	NA	NA	NA
Bulgaria	109.87	114.87	15.04	NA	0.71	0.84	43.08	46.98	NA
Croatia	332.79	340.65	26.59	-2.31	2.15	2.48	140.84	126.90	10.99
Czech Republic	2,863.11	2,274.99	46.00	25.85	18.50	16.55	1,458.28	1,261.96	15.56
Estonia	182.42	133.42	42.87	36.73	1.18	0.97	85.91	67.95	26.44
Hungary	1,608.38	1,534.52	53.18	4.81	10.39	11.16	1,331.48	1,165.92	14.20
Kosovo Territory	-	-	-	-	-	-	-	-	NA
Latvia	46.71	39.61	17.25	17.93	0.30	0.29	20.58	31.06	-33.73
Lithuania	156.28	140.12	34.77	11.53	1.01	1.02	59.59	66.67	-10.63
Macedonia	5.76	4.92	5.47	17.21	0.04	0.04	0.87	1.59	-45.65
Montenegro	8.38	8.08	13.53	3.67	0.05	0.06	NA	NA	NA
Poland	7,866.49	6,998.23	58.02	12.41	50.82	50.91	5,658.37	6,401.59	-11.61
Romania	388.58	377.11	19.54	3.04	2.51	2.74	162.52	58.09	179.78
Serbia	88.92	82.44	16.55	7.86	0.57	0.60	17.04	19.55	-12.86
Slovakia	1,126.41	1,028.99	54.50	9.47	7.28	7.49	NA	551.52	NA
Slovenia	656.01	631.53	31.32	3.88	4.24	4.59	245.62	188.50	30.31
<b>CEE REGION</b>	<b>15,479.75</b>	<b>13,746.18</b>	<b>46.77</b>	<b>12.61</b>	<b>100.00</b>	<b>100.00</b>	<b>9,224.69</b>	<b>9,988.84</b>	<b>-7.65</b>

Country	NON-LIFE GWP			Change 10/09 %	Regional market share		Paid claims		Change 10/09 %
	2010	2009	% in all GWP		2010	2009	2010	2009	
	EUR m.	EUR m.			%	%	EUR m.	EUR m.	
Albania	52.63	51.34	89.59	2.51	0.30	0.30	15.90	11.95	33.00
Bosnia and Herzegovina	144.99	141.70	81.22	2.33	0.82	0.83	NA	NA	NA
Bulgaria	620.74	744.87	84.96	NA	3.52	4.36	320.73	347.43	NA
Croatia	918.97	947.40	73.41	-3.00	5.22	5.55	453.88	526.53	-13.80
Czech Republic	3,361.17	3,172.23	54.00	5.96	19.08	18.58	1,841.50	1,599.22	15.15
Estonia	243.12	233.39	57.13	4.17	1.38	1.37	148.58	137.40	8.14
Hungary	1,415.97	1,516.01	46.82	-6.60	8.04	8.88	832.83	762.26	9.26
Kosovo Territory	71.20	67.80	100.00	5.01	0.40	0.40	26.60	18.80	41.49
Latvia	224.00	278.13	82.75	-19.46	1.27	1.63	137.38	187.88	-26.88
Lithuania	293.18	306.47	65.23	-4.34	1.66	1.80	211.32	240.32	-12.07
Macedonia	99.61	96.15	94.53	3.60	0.57	0.56	47.72	46.83	1.90
Montenegro	53.54	56.14	86.47	-4.63	0.30	0.33	NA	NA	NA
Poland	5,692.84	4,866.84	41.98	16.97	32.31	28.51	3,546.31	2,881.87	23.06
Romania	1,600.31	1,716.14	80.46	-6.75	9.08	10.05	1,129.50	1,224.69	-7.77
Serbia	448.45	477.54	83.45	-6.09	2.55	2.80	203.35	215.13	-5.48
Slovakia	940.27	956.39	45.50	-1.69	5.34	5.60	NA	482.60	NA
Slovenia	1,438.33	1,442.80	68.68	-0.31	8.16	8.45	19.34	19.69	-1.78
<b>CEE REGION</b>	<b>17,619.31</b>	<b>17,071.34</b>	<b>53.23</b>	<b>3.21</b>	<b>100.00</b>	<b>100.00</b>	<b>8,934.94</b>	<b>8,702.59</b>	<b>2.67</b>

less than 1%. For Lithuania, the mere positioning in the group of countries with a positive evolution of the underwritings is a notable performance, given the very difficult period through which the Lithuanian economy continued to pass in 2010.

Hungary, Croatia, Montenegro, Serbia, Romania and Latvia have not been able to stay in the black, although the half year results entitled many of these countries to hope that 2010 will end with clear signs of returning to an ascending trend.

Life insurance industry represented in 2010 the re-launching engine of the industry. In almost all countries, this business segment has recorded positive results. Therefore, not incidentally, the best growth rates in 2010 belong to countries where the share of life insurance is over 40% of the insurance portfolio. The

“reborn” investment appetite of clients, combined with a wide range of life insurance products where the investment component accounted for the “lion’s share”, resulted in growth rates which in some cases have exceeded even the record figures from the “good years” before the crisis.

On the non-life segment, only Poland has registered a spectacular increase, of 16%. The rest of the countries in the region, except for Latvia, have registered modest results, either positive or negative. Also note that, in general, the increase of the premiums volume was accompanied by a significant increase in the volume of paid claims. Not few are the cases where an increase in GWP of only a few percents came with a double digit increase of claims, proving an increasingly competitive character of the non-life markets.



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# Motor insurance

Country	OVERALL MOTOR INSURANCE GWP			Change 10/09	Regional market share		Paid claims		Change 10/09
	2010	2009	% in all GWP		2010	2009	2010	2009	
	EUR m.	EUR m.	%		%	%	EUR m.	EUR m.	
Albania	35.00	34.57	59.58	1.24	0.36	0.36	13.75	10.78	27.54
Bosnia and Herzegovina	100.77	98.51	56.45	2.30	1.04	1.02	NA	NA	NA
Bulgaria	446.29	533.38	NA	-16.33	4.62	5.53	269.20	303.26	NA
Croatia	511.56	537.38	40.87	-4.80	5.29	5.57	262.43	305.95	-14.22
Czech Republic	1,535.01	1,552.69	24.66	-1.14	15.89	16.09	909.61	828.21	9.83
Estonia	145.12	148.52	34.10	-2.29	1.50	1.54	102.26	98.54	3.78
Hungary	696.98	780.91	23.05	-10.75	7.21	8.09	435.12	481.31	-9.60
Kosovo Territory	40.60	36.40	57.02	11.54	0.42	0.38	19.20	13.70	40.15
Latvia	109.99	143.06	40.63	-23.11	1.14	1.48	75.39	97.61	-22.76
Lithuania	169.39	176.68	37.69	-4.13	1.75	1.83	126.75	137.40	-7.75
Macedonia	62.77	59.22	59.57	6.01	0.65	0.61	33.24	33.04	0.60
Montenegro	35.89	37.73	57.96	-4.89	0.37	0.39	NA	NA	NA
Poland	3,201.95	2,778.49	23.61	15.24	33.14	28.80	2,288.59	2,058.38	11.18
Romania	1,203.50	1,317.60	60.51	-8.66	12.46	13.66	972.99	1,058.95	-8.12
Serbia	251.24	270.05	46.75	-6.96	2.60	2.80	123.74	138.54	-10.68
Slovakia	559.57	578.27	27.08	-3.23	5.79	5.99	NA	362.50	NA
Slovenia	557.08	565.40	26.60	-1.47	5.77	5.86	364.50	400.04	-8.88
<b>CEE REGION</b>	<b>9,662.72</b>	<b>9,648.86</b>	<b>29.19</b>	<b>0.14</b>	<b>100.00</b>	<b>100.00</b>	<b>5,996.78</b>	<b>6,328.21</b>	<b>-5.24</b>

Note: for Bosnia and Herzegovina (2010) - estimations

Country	Motor hull				MTPL			
	2010		2009		2010		2009	
	GWP	CLAIMS	GWP	CLAIMS	GWP	CLAIMS	GWP	CLAIMS
EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.
Albania	4.31	3.30	4.21	3.15	30.69	10.45	30.36	7.63
Bosnia and Herzegovina	27.11	NA	26.54	NA	73.66	NA	71.97	NA
Bulgaria	232.44	162.89	308.13	196.44	213.84	106.31	225.24	106.83
Croatia	120.30	99.91	137.43	111.27	391.26	162.53	399.95	194.69
Czech Republic	624.00	471.42	631.89	404.76	911.01	438.19	920.80	423.45
Estonia	85.83	63.90	88.58	61.33	59.30	38.37	59.94	37.21
Hungary	291.68	190.16	327.99	204.79	405.30	244.96	452.91	276.53
Kosovo Territory	NA	NA	NA	NA	40.60	19.20	36.40	13.70
Latvia	53.33	38.64	68.59	56.15	56.66	36.76	74.47	41.46
Lithuania	64.67	61.42	71.05	65.16	104.72	65.33	105.63	72.23
Macedonia	12.95	8.77	13.23	8.66	49.82	24.47	45.98	24.37
Montenegro	5.96	NA	7.10	NA	29.93	NA	30.64	NA
Poland	1,317.38	965.92	1,129.69	865.83	1,884.57	1,322.67	1,648.80	1,192.56
Romania	608.03	588.25	786.11	682.94	595.47	384.75	531.49	376.00
Serbia	72.38	48.00	79.36	55.44	178.86	75.75	190.68	83.10
Slovakia	283.53	NA	293.60	199.67	276.04	NA	284.67	162.82
Slovenia	254.22	195.45	242.42	215.48	302.87	169.05	322.98	184.56

Note: for Bosnia and Herzegovina (2010) - estimations

# Property insurance

Country	OVERALL PROPERTY INSURANCE GWP			Change 10/09 %	Regional market share		Paid claims		Change 10/09 %
	2010	2009	% in all GWP		2010	2009	2010	2009	
	EUR m.	EUR m.			%	%	EUR m.	EUR m.	
Albania	7.63	5.91	12.98	29.08	0.21	0.17	0.97	0.66	47.67
Bosnia and Herzegovina	20.59	20.11	11.53	2.37	0.56	0.57	NA	NA	NA
Bulgaria	113.82	142.10	15.58	NA	3.08	4.05	26.59	20.60	NA
Croatia	181.10	186.01	14.47	-2.64	4.90	5.30	91.92	105.79	-13.11
Czech Republic	804.13	750.46	12.92	7.15	21.76	21.39	485.40	377.00	28.75
Estonia	62.78	58.34	14.75	7.61	1.70	1.66	28.30	24.84	13.92
Hungary	505.51	509.97	16.71	-0.87	13.68	14.53	322.67	193.71	66.57
Kosovo Territory	NA	NA	NA	NA	NA	NA	NA	NA	NA
Latvia	42.15	45.42	15.57	-7.20	1.14	1.29	18.98	16.31	16.39
Lithuania	60.44	64.47	13.45	-6.26	1.64	1.84	35.19	35.53	-0.97
Macedonia	20.75	19.43	19.70	6.79	0.56	0.55	7.75	7.51	3.18
Montenegro	6.95	6.41	11.23	8.47	0.19	0.18	NA	NA	NA
Poland	1,041.62	859.24	7.68	21.23	28.19	24.49	760.00	408.60	86.00
Romania	251.09	259.24	12.62	-3.14	6.80	7.39	86.41	75.09	15.06
Serbia	118.97	126.27	22.14	-5.78	3.22	3.60	44.32	43.70	1.42
Slovakia	225.66	227.41	10.92	-0.77	6.11	6.48	NA	66.02	NA
Slovenia	231.49	228.32	11.05	1.39	6.27	6.51	135.22	181.14	-25.35
<b>CEE REGION</b>	<b>3,694.67</b>	<b>3,509.12</b>	<b>11.16</b>	<b>5.29</b>	<b>100.00</b>	<b>100.00</b>	<b>2,043.70</b>	<b>1,556.50</b>	<b>31.30</b>

Note: for Bosnia and Herzegovina and Slovakia (2010) - estimations

Country	Fire and allied perils				Damages to property			
	2010		2009		2010		2009	
	GWP	CLAIMS	GWP	CLAIMS	GWP	CLAIMS	GWP	CLAIMS
EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	EUR m.	
Albania	6.68	0.89	5.10	0.53	0.94	0.07	0.81	0.13
Bosnia and Herzegovina	11.16	NA	10.88	NA	9.42	NA	9.24	NA
Bulgaria	87.80	18.24	109.63	15.31	26.02	8.34	32.48	5.29
Croatia	77.68	26.72	80.10	30.41	103.42	65.20	105.91	75.38
Czech Republic	480.65	307.49	451.73	213.85	323.48	177.91	298.73	163.15
Estonia	40.64	13.85	37.30	11.66	22.14	14.45	21.05	13.18
Hungary	294.44	184.12	298.70	104.74	211.07	138.55	211.27	88.97
Kosovo Territory	NA	NA	NA	NA	NA	NA	NA	NA
Latvia	30.24	13.08	33.29	10.71	11.90	5.90	12.13	5.59
Lithuania	NA	NA	NA	NA	NA	NA	NA	NA
Macedonia	8.21	2.72	6.11	1.22	12.55	5.03	13.32	6.29
Montenegro	3.40	NA	3.40	NA	3.56	NA	3.01	NA
Poland	600.56	591.15	502.50	280.20	441.06	168.85	356.74	128.40
Romania	226.25	59.09	220.60	49.80	24.84	27.31	38.64	25.30
Serbia	45.16	11.83	48.26	9.45	73.81	32.48	78.01	34.24
Slovakia	225.66	NA	227.41	66.02	NA	NA	NA	NA
Slovenia	94.70	51.97	88.62	61.16	136.79	83.25	139.70	119.98

Note: for Bosnia and Herzegovina and Slovakia (2010) - estimations

Top 120 life insurance companies in CEE Region - as at December 31<sup>st</sup>, 2010

No.	Country	Rank in home country	Company	2010		2009		NOMINAL EVOLUTION (%)
				GWP	CLAIMS	GWP	CLAIMS	
				EUR m.	EUR m.	EUR m.	EUR m.	EUR
1	PL	1	PZU ŻYCIE	2,328.19	1,867.67	2,292.02	2,357.34	1.58
2	PL	2	EUROPA ŻYCIE	980.20	511.03	622.30	309.03	57.51
3	PL	3	WARTA	630.33	619.32	602.34	746.09	4.65
4	CZ	1	CESKA Pojistovna	624.75	NA	513.90	NA	21.57
5	PL	4	ING	500.08	436.52	588.93	731.13	-15.09
6	PL	5	NORDEA POLSKA	485.38	316.16	280.07	264.35	73.30
7	PL	6	AVIVA	476.29	347.58	385.01	519.10	23.71
8	PL	7	ALLIANZ ŻYCIE POLSKA	367.26	300.43	428.81	273.03	-14.35
9	CZ	2	KOMERCNI Pojistovna	346.74	NA	172.24	NA	101.31
10	CZ	3	Pojistovna CESKE Sporitelny VIG	339.97	NA	259.05	NA	31.24
11	CZ	4	KOOPERATIVA Pojistovna VIG	333.48	NA	290.80	NA	14.68
12	PL	8	AMPLICO LIFE	327.15	163.74	361.16	143.30	-9.42
13	HU	1	ING	276.26	NA	291.82	NA	-5.33
14	CZ	5	CSOBP	251.02	NA	210.25	NA	19.39
15	PL	9	GENERALI ŻYCIE	248.52	278.45	279.49	117.20	-11.08
16	SK	1	ALLIANZ Slovenská poisťovňa	244.58	NA	252.36	NA	-3.08
17	CZ	6	ING	238.33	NA	232.20	NA	2.64
18	PL	10	UNIQA ŻYCIE	235.63	234.00	222.03	253.85	6.13
19	SK	2	KOOPERATIVA poisťovňa VIG	223.47	NA	192.41	NA	16.14
20	PL	11	AXA ŻYCIE	222.06	79.45	144.05	213.78	54.16
21	SL	1	TRIGLAV	207.63	NA	211.71	NA	-1.93
22	PL	12	ERGO HESTIA	205.17	31.24	115.92	27.35	76.98
23	PL	13	AEGON ŻYCIE	190.46	169.08	147.79	175.38	28.87
24	HU	2	ALLIANZ	178.93	NA	126.55	NA	41.40
25	HU	3	GROUPAMA GARANCIA	167.24	NA	153.97	NA	8.62
26	HU	4	GENERALI-PROVIDENCIA	156.47	NA	160.78	NA	-2.68
27	HU	5	AEGON	149.05	NA	155.37	NA	-4.07
28	SL	2	KAD	147.50	NA	139.25	NA	5.92
29	CZ	7	ALLIANZ	144.49	NA	112.84	NA	28.04
30	RO	1	ING Asig. de Viață	128.56	3.62	123.68	12.33	3.94
31	SK	3	AMSLICO AIG Life poisťovňa	120.32	NA	119.23	NA	0.91
32	PL	14	BENEFIA VIG	113.34	42.60	95.11	68.79	19.17
33	CZ	8	GENERALI Pojistovna	113.13	NA	97.64	NA	15.86
34	PL	15	HDI-GERLING ŻYCIE	111.01	35.23	41.09	24.20	170.15
35	CZ	9	AXA - ŽP	102.88	NA	78.99	NA	30.23
36	HU	6	MAGYAR Posta Élet	101.94	NA	95.88	NA	6.32
37	PL	16	SKANDIA ŻYCIE	97.94	56.20	76.77	40.81	27.58
38	SK	4	KOMUNÁLNA poisťovňa VIG	97.71	NA	88.35	NA	10.60
39	HU	7	CIG	92.58	NA	44.61	NA	107.53
40	HU	8	AVIVA	92.13	NA	89.64	NA	2.78
41	SK	5	GENERALI Slovensko poisťovňa	88.82	NA	92.73	NA	-4.21
42	SK	6	ING Životná poisťovňa	86.19	NA	89.45	NA	-3.64
43	EE	1	SWEDBANK Life Ins.	83.48	40.96	50.89	26.24	64.03
44	HU	9	UNIQA	82.39	NA	76.66	NA	7.47
45	CZ	10	METLIFE AMCICO	75.67	NA	69.54	NA	8.81
46	PL	17	COMPENSA VIG	75.61	37.84	71.25	47.66	6.12
47	CZ	11	CESKA Podnikatelska Pojistovna VIG	73.92	NA	63.41	NA	16.58
48	RO	2	BCR Asig. de Viață	73.01	-	60.21	5.92	21.25
49	SL	3	MARIBOR	71.31	NA	67.02	NA	6.39
50	SL	4	KD LIFE	70.11	NA	68.70	NA	2.05
51	PL	18	CARDIF POLSKA	64.53	16.26	89.46	16.52	-27.87
52	EE	2	MANDATUM Life Ins.	60.43	26.18	43.99	15.48	37.37
53	HU	10	AXA	59.12	NA	48.65	NA	21.52
54	SK	7	ČSOB Poistovňa	57.33	NA	55.68	NA	2.98
55	PL	19	BZ WBK - AVIVA	50.49	2.41	39.26	1.38	28.60
56	CZ	12	UNIQA	49.86	NA	45.21	NA	10.28
57	SK	8	AXA životní poisťovňa	48.10	NA	39.58	NA	21.53
58	HR	1	ALLIANZ Zagreb	46.81	NA	46.06	NA	1.63
59	HR	2	CROATIA	46.74	NA	48.78	NA	-4.18
60	HU	11	ERSTE	44.75	NA	43.41	NA	3.10

No.	Country	Rank in home country	Company	2010		2009		NOMINAL EVOLUTION (%) EUR
				GWP	CLAIMS	GWP	CLAIMS	
				EUR m.	EUR m.	EUR m.	EUR m.	
61	RO	3	ALICO România	43.94	-	39.66	2.36	10.79
62	PL	20	METLIFE	43.85	75.11	28.49	41.48	53.94
63	PL	21	PRAMERICA ŻYCIE	43.29	10.22	35.55	8.71	21.76
64	LT	1	SWEDBANK Life Ins.	42.85	24.78	44.19	33.52	-3.03
65	HU	12	K&H	42.26	NA	76.60	NA	-44.83
66	SL	5	MERKUR	40.26	NA	38.53	NA	4.48
67	CZ	13	AVIVA	38.58	NA	30.12	NA	28.07
68	HU	13	UNION	38.51	NA	37.38	NA	3.03
69	SK	9	POISŤOVŇA Slovenskej sporitelne VIG	37.92	NA	33.53	NA	13.09
70	CZ	14	AEGON	36.66	NA	25.37	NA	44.49
71	HR	3	MERKUR	35.12	NA	36.16	NA	-2.89
72	HR	4	GRAWE Hrvatska	33.38	NA	35.43	NA	-5.78
73	SL	6	NLB VITA	30.52	NA	22.58	NA	35.17
74	HU	14	SIGNAL	29.93	NA	30.78	NA	-2.75
75	LT	2	SEB G.D.	29.43	11.40	26.39	9.73	11.51
76	LT	3	AVIVA Lietuva	28.72	6.26	24.34	5.36	18.00
77	HR	5	KVARNER VIG	28.62	NA	29.29	NA	-2.29
78	SK	10	UNIQA poisťovňa	28.42	NA	28.13	NA	1.04
79	HR	6	AGRAM Životno	27.99	NA	31.17	NA	-10.21
80	SK	11	WÜSTENROT poisťovňa	27.53	NA	25.27	NA	8.96
81	HU	15	GRAWE	27.19	NA	29.73	NA	-8.52
82	HR	7	BASLER OSIG. Zagreb	26.57	NA	31.35	NA	-15.23
83	HU	16	METLIFE	26.26	NA	28.89	NA	-9.11
84	PL	22	SKOK ŻYCIE	26.08	5.31	14.47	4.34	80.26
85	SK	12	AEGON Životná poisťovňa	25.30	NA	20.65	NA	22.51
86	LT	4	MANDATUM Life	23.68	4.31	16.25	4.38	45.68
87	BG	1	ALLIANZ Bulgaria Life (11 M)	23.28	10.27	25.16	9.77	NA
88	SL	7	GRAWE	22.49	NA	23.60	NA	-4.67
89	SB	1	DELTA GENERALI	22.45	2.53	21.62	1.70	3.80
90	SB	2	WIENER	22.41	4.42	20.78	4.16	7.82
91	RO	4	ASIROM	22.02	18.40	21.00	17.82	4.85
92	RO	5	ALLIANZ-ŢIRIAC	21.85	-	20.68	2.27	5.67
93	RO	6	GENERALI	21.64	2.93	19.91	2.65	8.66
94	PL	23	POLISA-ŻYCIE.	21.48	14.11	18.46	11.32	16.37
95	LV	1	SEB Dzīvības apdr. (10 M)	21.46	8.39	18.10	9.18	18.60
96	RO	7	AVIVA	21.05	2.26	23.98	2.14	-12.21
97	SB	3	GRAWE	18.92	3.70	17.81	3.25	6.27
98	SL	8	GENERALI	18.17	NA	18.87	NA	-3.69
99	CZ	15	WÜST - ŽP	17.44	NA	10.86	NA	60.65
100	HR	8	HELIOS VIG	17.41	NA	19.25	NA	-9.53
101	EE	3	SEB Elu- ja Pensionikindl.	17.27	9.68	17.08	14.56	1.14
102	EE	4	COMPENSA Life VIG	17.20	7.02	16.82	9.01	2.26
103	HR	9	UNIQA	16.62	NA	16.67	NA	-0.30
104	HR	10	GENERALI	15.54	NA	14.57	NA	6.68
105	CZ	16	VICTORIA	15.20	NA	12.28	NA	23.84
106	RO	8	GROUPAMA	14.82	5.69	20.57	6.50	-27.95
107	BG	2	DZI (11 M)	14.55	10.80	17.74	12.60	NA
108	HR	11	ERSTE VIG	14.46	NA	12.16	NA	18.91
109	SL	9	WIENER STÄDTISCHE	14.42	NA	8.44	NA	70.74
110	SL	10	ADRIATIC SLOVENICA	13.66	NA	14.81	NA	-7.78
111	LV	2	ERGO Latvija dzīvība (10 M)	13.64	9.20	14.25	15.77	-4.28
112	HU	17	DIMENZIO	13.44	NA	17.73	NA	-24.21
113	LT	5	ERGO Lietuva G.D.	13.14	5.81	12.73	6.85	3.19
114	BG	3	SyVZK (11 M)	12.88	3.95	5.11	0.30	NA
115	RO	9	GRAWE România	12.83	-	17.47	0.73	-26.57
116	SK	13	UNION poisťovňa	11.66	NA	12.57	NA	-7.20
117	LV	3	MANDATUM Life Ins. (10 M)	11.32	2.86	5.36	3.15	111.19
118	CZ	17	CARDIF	10.92	NA	9.40	NA	16.21
119	BG	4	BULSTRAD Life VIG (11 M)	10.75	3.59	12.80	4.84	NA
120	SL	11	TILIA	10.20	NA	10.36	NA	-1.52

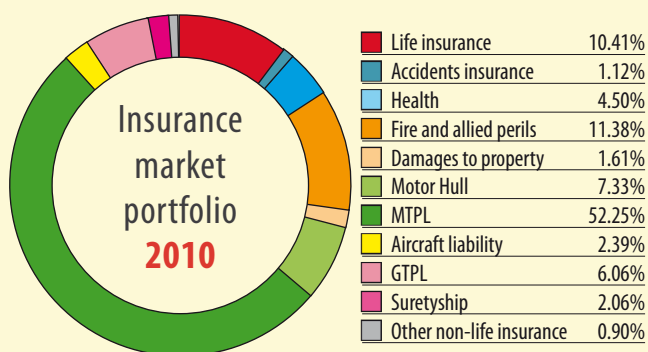
Top 120 non-life insurance companies in CEE Region- as at December 31<sup>st</sup>, 2010

No.	Country	Rank in home country	Company	2010		2009		NOMINAL EVOLUTION (%)
				GWP	CLAIMS	GWP	CLAIMS	
				EUR m.	EUR m.	EUR m.	EUR m.	EUR
1	PL	1	PZU	1,948.61	1,350.39	1,800.47	1,196.38	8.23
2	CZ	1	CESKA Pojistovna	907.55	NA	922.13	NA	-1.58
3	CZ	2	KOOPERATIVA Pojistovna VIG	899.35	NA	880.42	NA	2.15
4	PL	2	ERGO HESTIA	586.93	339.86	504.67	263.97	16.30
5	SL	1	TRIGLAV	512.23	NA	531.34	NA	-3.60
6	PL	3	WARTA	499.55	364.94	429.71	291.57	16.25
7	PL	4	ALLIANZ POLSKA	434.10	270.83	369.11	222.70	17.61
8	HU	1	ALLIANZ	420.44	NA	484.52	NA	-13.23
9	SK	1	ALLIANZ Slovenská poisťovňa	353.57	NA	363.61	NA	-2.76
10	HR	1	CROATIA	345.92	NA	366.53	NA	-5.62
11	HU	2	GENERALI-PROVIDENCIA	298.26	NA	310.79	NA	-4.03
12	CZ	3	ALLIANZ	280.54	NA	274.25	NA	2.29
13	PL	5	INTERRISK VIG	261.85	126.22	177.72	79.82	47.34
14	RO	1	ASTRA	260.28	123.94	188.69	77.16	37.94
15	SK	2	KOOPERATIVA poisťovňa VIG	248.03	NA	275.36	NA	-9.92
16	SL	2	ADRIATIC SLOVENICA	247.52	NA	245.85	NA	0.68
17	CZ	4	GENERALI Pojistovna	243.88	NA	239.11	NA	1.99
18	PL	6	HDI ASEKURACJA	242.75	157.66	193.88	117.54	25.21
19	SL	3	VZAJEMNA	240.26	NA	248.39	NA	-3.27
20	RO	2	ALLIANZ-TIRIAC	223.28	-	282.79	222.16	-21.04
21	PL	7	UNIQA	223.20	164.70	178.04	111.34	25.37
22	RO	3	OMNIASIG	217.61	169.23	263.00	213.57	-17.26
23	PL	8	COMPENSA VIG	204.94	127.93	167.07	89.58	22.66
24	SL	4	MARIBOR	188.29	NA	199.02	NA	-5.39
25	PL	9	GENERALI	187.75	114.30	168.81	92.31	11.22
26	CZ	5	CESKA Podnikatelska Pojistovna VIG	180.34	NA	170.35	NA	5.87
27	RO	4	GROUPAMA	176.61	145.98	190.06	179.12	-7.08
28	HU	3	GROUPAMA GARANCIA	160.30	NA	167.31	NA	-4.19
29	HU	4	AEGON	157.50	NA	154.47	NA	1.96
30	CZ	6	CSOBP	157.40	NA	153.94	NA	2.25
31	CZ	7	UNIQA	148.53	NA	132.13	NA	12.41
32	PL	10	MTU	136.43	78.90	104.74	56.78	30.25
33	HR	2	EUROHERC	135.75	NA	142.84	NA	-4.96
34	RO	5	BCR Asigurări	135.55	84.95	135.95	91.47	-0.30
35	SB	1	DUNAV	132.70	65.53	147.32	67.84	-9.92
36	PL	11	EUROPA	125.11	4.19	80.76	1.26	54.92
37	HU	5	UNIQA	117.21	NA	118.39	NA	-1.00
38	RO	6	ASIROM	113.56	78.98	131.43	110.67	-13.60
39	PL	12	PTU	112.82	76.54	101.92	59.55	10.69
40	EE	1	If P&C Ins. AS	108.47	64.95	90.48	50.81	19.88
41	SK	3	GENERALI Slovensko poisťovňa	106.72	NA	111.70	NA	-4.46
42	RO	7	UNIQA	102.71	93.20	117.22	97.46	-12.38
43	LT	1	LIETUVOS draudimas	98.35	57.86	100.74	63.06	-2.37
44	SB	2	DDOR	94.52	51.97	111.76	63.84	-15.42
45	CZ	8	EGAP	90.09	NA	45.90	NA	96.26
46	HR	3	JADRANSKO	86.84	NA	90.47	NA	-4.02
47	HR	4	ALLIANZ Zagreb	86.42	NA	88.92	NA	-2.80
48	PL	13	CONCORDIA POLSKA	85.34	24.97	45.09	20.25	89.28
49	BG	1	BULSTRAD VIG (11 M)	84.88	57.69	107.11	58.84	NA
50	RO	8	GENERALI	82.45	55.83	99.73	52.51	-17.32
51	SB	3	DELTA GENERALI	77.04	26.70	76.49	28.00	0.71
52	BG	2	DZI - General insurance (11 M)	76.92	54.91	103.25	57.70	NA
53	SK	4	UNIQA poisťovňa	74.34	NA	75.63	NA	-1.70
54	SL	5	TRIGLAV HEALTH	72.66	NA	67.31	NA	7.95
55	RO	9	CARPATICA Asig	72.10	22.32	46.45	12.19	55.23
56	RO	10	EUROINS	71.50	42.36	66.35	35.10	7.77
57	PL	14	TUW	69.41	49.95	53.79	26.97	29.03
58	BG	3	ARMEEC (11 M)	68.85	32.31	75.79	31.77	NA
59	PL	15	LINK4	68.05	36.35	53.87	34.22	26.32
60	CZ	9	CARDIF	66.91	NA	55.35	NA	20.89

No.	Country	Rank in home country	Company	2010		2009		NOMINAL EVOLUTION (%)
				GWP	CLAIMS	GWP	CLAIMS	
				EUR m.	EUR m.	EUR m.	EUR m.	EUR
61	BG	4	ALLIANZ Bulgaria (11 M)	66.20	31.28	72.48	41.96	NA
62	PL	16	AVIVA OGÓLNYCH	64.89	34.84	46.56	19.70	39.36
63	SL	6	TILIA	63.59	NA	61.80	NA	2.89
64	SL	7	GENERALI	62.08	NA	50.40	NA	23.17
65	BG	5	BUL INS (11 M)	62.05	32.92	66.89	30.91	NA
66	PL	17	PTR	61.50	42.26	63.11	40.81	-2.56
67	BG	6	LEV INS (11 M)	59.47	26.83	85.93	27.66	NA
68	PL	18	EULER HERMES	58.19	47.59	48.03	36.00	21.16
69	PL	19	SKOK	56.91	2.05	38.86	1.12	46.44
70	LV	1	BTA (10 M)	54.81	26.78	61.16	37.22	-10.38
71	HU	6	K&H	53.32	NA	58.94	NA	-9.54
72	SK	5	KOMUNÁLNA poisťovňa VIG	51.89	NA	48.55	NA	6.88
73	PL	20	BENEFIA VIG	51.64	32.64	42.42	26.06	21.74
74	RO	11	ARDAF	51.57	55.64	77.25	61.65	-33.24
75	HU	7	UNION	49.85	NA	68.97	NA	-27.73
76	PL	21	PZM VIG	45.86	38.41	51.94	35.22	-11.70
77	HR	5	TRIGLAV	44.74	NA	43.62	NA	2.57
78	EE	2	ERGO Kindlustus	42.85	30.41	46.19	31.93	-7.24
79	LV	2	GJENSIDIGE Baltic (10 M)	42.77	31.25	56.42	34.94	-24.19
80	HR	6	KVARNER VIG	40.63	NA	44.69	NA	-9.09
81	EE	3	SWEDBANK Varakindl.	40.58	19.90	42.51	21.15	-4.56
82	LT	2	ERGO Lietuva	37.61	22.07	38.27	26.20	-1.71
83	LV	3	BALTA (10 M)	37.57	22.90	52.91	32.24	-28.99
84	LT	3	PZU Lietuva	36.15	24.37	37.63	27.65	-3.92
85	LT	4	BTA draudimas	35.92	21.89	39.26	21.99	-8.50
86	BG	7	UNIQA Insurance (11 M)	33.08	19.34	32.24	27.51	NA
87	PL	22	BRE UBEZPIECZENIA	31.92	8.14	21.71	5.59	47.03
88	MN	1	LOVCEN	31.85	NA	34.45	NA	-7.57
89	BG	8	EUROINS (11 M)	31.59	15.66	38.00	19.36	NA
90	EE	4	SEESAM Rahvusvaheline	29.75	19.28	29.69	18.37	0.20
91	HU	8	MAGYAR Posta	29.72	NA	26.71	NA	11.26
92	HR	7	BASLER OSIG. Zagreb	28.81	NA	30.09	NA	-4.27
93	BiH	1	SARAJEVO	28.54	NA	26.35	NA	8.33
94	SK	6	UNION poisťovňa	28.48	NA	23.14	NA	23.08
95	LT	5	IfP&C Insurance	27.62	22.20	31.67	23.70	-12.78
96	CZ	10	Pojistovna CESKE Sporitelny VIG	27.25	NA	4.04	NA	575.41
97	CZ	11	TRIGLAV	26.97	NA	26.93	NA	0.12
98	SB	4	UNIQA Neživot	26.31	11.64	24.26	10.25	8.43
99	CZ	12	SLAVIA	26.27	NA	10.82	NA	142.81
100	HR	8	GENERALI	25.94	NA	22.67	NA	14.39
101	HU	9	CHARTIS	25.52	NA	22.62	NA	12.81
102	PL	23	AXA	25.28	7.97	13.30	11.84	90.03
103	SB	5	WIENER	24.16	12.24	26.26	14.55	-7.99
104	BG	9	GENERALI Insurance (11 M)	23.99	9.05	29.14	13.95	NA
105	HR	9	SUNCE	23.93	NA	24.72	NA	-3.21
106	SK	7	WÜSTENROT poisťovňa	23.21	NA	14.86	NA	56.18
107	BiH	2	BOSNA-SUNCE	22.46	NA	23.51	NA	-4.47
108	BG	10	VICTORIA (11 M)	22.43	8.21	25.13	9.93	NA
109	HU	10	KÖBE	22.43	NA	27.34	NA	-17.98
110	HR	10	HOK	22.41	NA	19.86	NA	12.80
111	BG	11	BULGARSKI IMOTI (11 M)	22.32	16.76	25.66	14.40	NA
112	RO	12	GARANTA	22.17	20.93	28.38	22.34	-21.88
113	MK	1	VARDAR	21.66	13.18	21.52	13.94	0.67
114	SB	6	TAKOVO	21.51	8.13	22.06	7.58	-2.49
115	PL	24	BZ WBK - AVIVA OGÓLNYCH	21.42	2.15	23.19	0.71	-7.61
116	SK	8	ČSOB Poisťovňa	20.89	NA	19.94	NA	4.72
117	HR	11	GRAWE Hrvatska	20.47	NA	21.51	NA	-4.85
118	CZ	13	HASIČSKA Vzájemna Pojistovna	20.41	NA	19.98	NA	2.16
119	SL	8	SID-PKZ	19.88	NA	11.07	NA	79.63
120	BiH	3	EUROHERC	19.88	NA	18.81	NA	5.64



## ALBANIA



### Sources:

Albanian Financial Supervisory Authority (AFSA)  
Albanian Insurers Association; Bank of Albania

### Albanian currency exchange rate for calculations:

1 EUR = 137.96 Lek - ALL (December 31<sup>st</sup>, 2009)  
1 EUR = 138.77 Lek - ALL (December 31<sup>st</sup>, 2010)

The financial crisis did not have a direct impact on the insurance sector in Albania. However, due to a slowdown in the economy, the insurance sector in Albania during the financial turmoil experienced a slight decrease in growth rates, but managed to maintain a positive growth on average. Some of the reasons that the financial turmoil did not have direct impact on Albanian insurers are such as: the market structure mainly dominated by mandatory insurance, a banking sector resilient to the crisis, the lack of complex products in the market, an investment policy oriented towards liquid investments and no capital market exposure, as well as lack of problem transfer by strategic investors to their subsidiaries in the Albanian market.

According to Albanian Financial Supervisory Authority, the local insurance market has experienced high and consistent growth rates during the last years, averaging as high as 20% for the last three years. *In 2010, the growth rate was about 4%, which should be seen positively in the context of an overall economic slowdown, followed by a slight decrease in the number of contracts by 2.6% compared with the year 2009*, said Elisabeta GJONI, Chairperson, Albanian FSA.

In 2010 the market continued to be dominated by Non-Life insurance, constituting 89% of the total premium volume. Also, the insurance market structure was dominated by mandatory motor insurance with 52% of the overall market premiums, while

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>58.74</b>	<b>16.42</b>	<b>56.58</b>	<b>12.53</b>	<b>3.82</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>6.12</b>	<b>0.52</b>	<b>5.25</b>	<b>0.57</b>	<b>16.61</b>	<b>100.00</b>	<b>10.41</b>
Debtor's life	3.99	0.44	3.40	0.54	17.28	65.28	6.80
Group life	0.96	0.03	0.73	0.01	31.87	15.66	1.63
Life with savings	0.78	-	0.63	-	22.50	12.71	1.32
Other life insurance	0.39	0.05	0.48	0.02	-19.02	6.35	0.66
<b>TOTAL NON-LIFE</b>	<b>52.63</b>	<b>15.90</b>	<b>51.34</b>	<b>11.95</b>	<b>2.51</b>	<b>100.00</b>	<b>89.59</b>
Accidents insurance	0.66	0.08	0.67	0.10	-1.54	1.25	1.12
Health insurance	2.64	0.46	2.05	0.32	28.80	5.02	4.50
<b>Overall property insurance</b>	<b>7.63</b>	<b>0.97</b>	<b>5.91</b>	<b>0.66</b>	<b>29.08</b>	<b>14.49</b>	<b>12.98</b>
Fire and allied perils	6.68	0.89	5.10	0.53	31.12	12.70	11.38
Damages to property	0.94	0.07	0.81	0.13	16.32	1.79	1.61
<b>Overall motor insurance</b>	<b>35.00</b>	<b>13.75</b>	<b>34.57</b>	<b>10.78</b>	<b>1.24</b>	<b>66.51</b>	<b>59.58</b>
Motor Hull	4.31	3.30	4.21	3.15	2.34	8.18	7.33
MTPL	30.69	10.45	30.36	7.63	1.09	58.32	52.25
DMTPL	21.16	5.88	19.85	5.16	6.59	40.20	36.01
Green Card	6.56	4.28	7.59	2.37	-13.53	12.46	11.17
Border	2.98	0.29	2.93	0.10	1.68	5.66	5.07
Aircraft liability	1.40	-	1.47	-	-4.89	2.66	2.39
GTPL	3.56	0.01	4.53	0.06	-21.43	6.77	6.06
Suretyship	1.21	0.60	1.67	0.01	-27.51	2.30	2.06
Other non-life insurance	0.53	0.02	0.46	0.02	13.77	1.00	0.90



voluntary insurance took up 48% of the market structure. In 2007, mandatory motor insurance dominated the market structure with about 65% of the overall gross written premiums; nevertheless, the high growth dynamics of voluntary insurance in the last three years has impacted the market structure significantly, causing the motor mandatory insurance to gradually lose its dominance in the market. *Life insurance experienced as much as 17% growth in gross written premiums in 2010, continuing the trend of the recent years, despite the small share life premiums have in the overall market structure,* said Elisabeta GJONI.

*Among the main challenges for the Albanian insurance market for the years to come remains the improvement of the market structure in favour of voluntary insurance as well as introduction of new voluntary products to meet the market demands. The progress in the health sector reform might significantly impact the market structure,* continued Elisabeta GJONI.

Also, one very important development is the revision of the entire insurance legislation in the light of the EU-accession process, where the main focus and the most attention is being given to

**Elisabeta GJONI**  
Chairperson  
Albanian FSA



the freedom to provide services requirement, MTPL liberalization, introduction of the elements of the new financial regulation approach in order to keep up with the global and European trends and moving towards a risk-based supervision.

Read the full version of the interview with **Elisabeta GJONI**, Chairperson, Albanian Financial Supervisory Authority on [www.xprimm.com](http://www.xprimm.com).

## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL LIFE	3.19	0.23	2.87	0.32	11.15	52.19	54.75
2	SICRED	1.71	0.22	1.31	0.15	30.49	27.93	24.96
3	INSIG	1.22	0.07	1.06	0.10	14.27	19.88	20.29
<b>TOTAL MARKET</b>		<b>6.12</b>	<b>0.52</b>	<b>5.25</b>	<b>0.57</b>	<b>16.61</b>	<b>100.00</b>	<b>100.00</b>

## Non-Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	16.16	4.54	15.25	4.02	5.94	30.71	29.71
2	SIGMA	8.09	2.77	7.57	2.25	6.85	15.38	14.75
3	INTERALBANIAN	5.84	1.72	5.83	1.34	0.20	11.09	11.35
4	ATLANTIK	5.70	2.04	5.24	0.96	8.74	10.83	10.21
5	INTERSIG	5.19	1.01	4.47	0.85	16.17	9.87	8.71
6	INSIG	4.43	2.31	6.41	1.65	-30.99	8.41	12.49
7	ALBSIG	3.92	0.81	3.75	0.59	4.50	7.44	7.30
8	EUROSIG	3.30	0.70	2.81	0.30	17.41	6.28	5.48
<b>TOTAL MARKET</b>		<b>52.63</b>	<b>15.90</b>	<b>51.34</b>	<b>11.95</b>	<b>2.51</b>	<b>100.00</b>	<b>100.00</b>

## Overall motor insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	8.94	3.71	8.62	3.53	3.61	25.53	24.95
2	SIGMA	5.14	2.47	5.88	2.14	-12.54	14.69	17.00
3	ATLANTIK	4.53	2.00	4.24	0.94	6.88	12.95	12.26
4	INTERSIG	4.37	0.86	3.83	0.79	14.11	12.49	11.08
5	INTERALBANIAN	4.15	1.55	4.16	1.27	-0.16	11.86	12.03
6	ALBSIG	3.02	0.78	3.04	0.56	-0.39	8.64	8.78
7	INSIG	2.46	1.78	2.68	1.27	-8.29	7.03	7.76
8	EUROSIG	2.38	0.61	2.12	0.29	12.39	6.81	6.14
<b>TOTAL MARKET</b>		<b>35.00</b>	<b>13.75</b>	<b>34.57</b>	<b>10.78</b>	<b>1.24</b>	<b>100.00</b>	<b>100.00</b>

## DMTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	5.16	1.65	4.72	1.38	9.40	24.41	23.79
2	SIGMA	3.32	0.95	3.16	1.08	4.81	15.67	15.94
3	ATLANTIK	2.83	0.44	2.36	0.46	19.82	13.38	11.90
4	INTERSIG	2.78	0.49	2.41	0.37	15.36	13.12	12.12
5	INTERALBANIAN	2.05	0.73	2.14	0.61	-4.16	9.71	10.80
6	EUROSIG	1.88	0.47	1.62	0.23	16.02	8.89	8.16
7	ALBSIG	1.82	0.45	1.91	0.34	-4.40	8.61	9.60
8	INSIG	1.31	0.71	1.52	0.68	-13.93	6.20	7.68
<b>TOTAL MARKET</b>		<b>21.16</b>	<b>5.88</b>	<b>19.85</b>	<b>5.16</b>	<b>6.59</b>	<b>100.00</b>	<b>100.00</b>

## Green Card insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	1.74	0.71	2.04	0.98	-14.91	26.52	26.95
2	INTERSIG	1.10	0.12	0.92	0.13	20.20	16.77	12.06
3	SIGMA	0.95	0.99	1.66	0.56	-42.38	14.56	21.85
4	ATLANTIK	0.92	1.38	1.11	0.24	-17.09	14.08	14.69
5	ALBSIG	0.69	0.15	0.63	0.10	9.24	10.55	8.35
6	INTERALBANIAN	0.68	0.19	0.86	0.07	-20.90	10.42	11.39
7	INSIG	0.47	0.75	0.36	0.30	30.15	7.10	4.72
<b>TOTAL MARKET</b>		<b>6.56</b>	<b>4.28</b>	<b>7.59</b>	<b>2.37</b>	<b>-13.53</b>	<b>100.00</b>	<b>100.00</b>

## Overall property insurance ranking\*

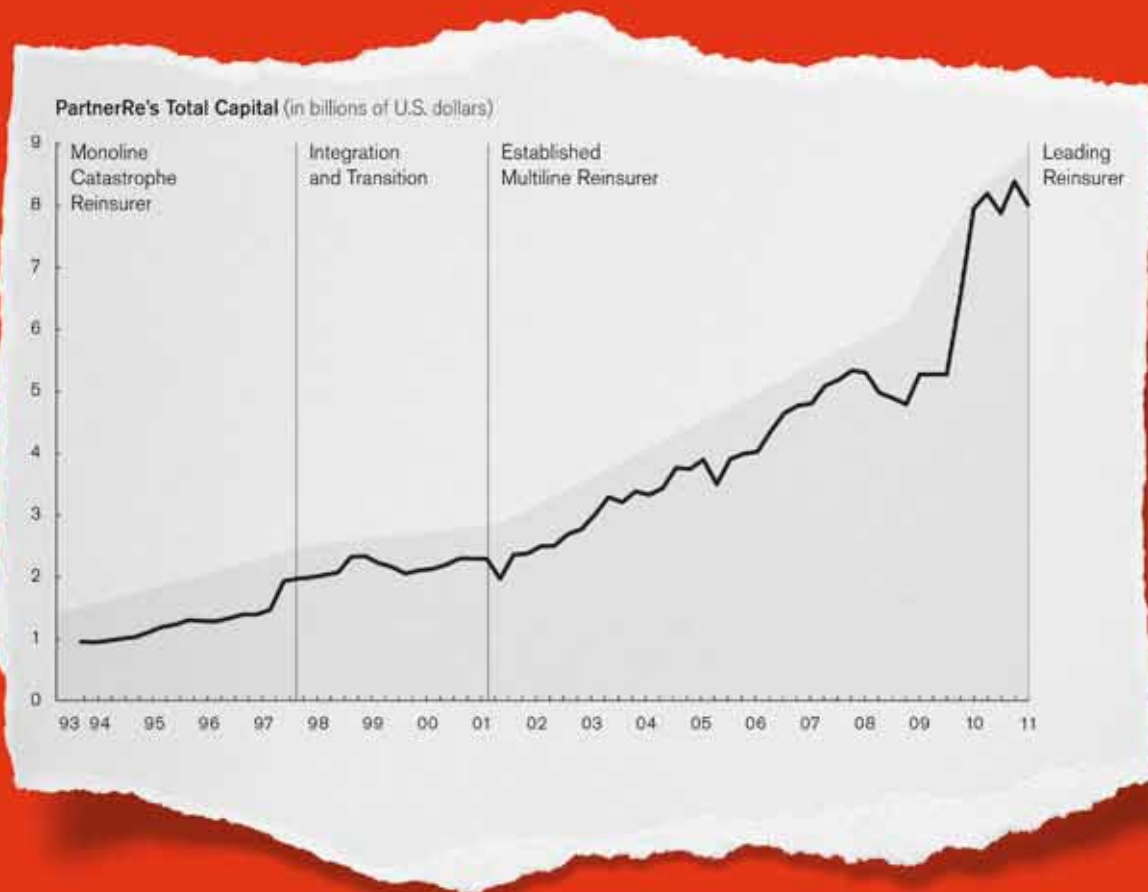
No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	6.32	0.39	5.69	0.22	11.04	42.88	40.48
2	SIGMA	2.58	0.29	1.35	0.08	91.26	17.54	9.61
3	INSIG	1.82	0.53	3.57	0.34	-48.90	12.37	25.38
4	INTERALBANIAN	1.30	0.11	1.32	0.03	-1.25	8.84	9.38
5	ATLANTIK	1.00	0.03	0.77	0.02	30.07	6.77	5.46
6	ALBSIG	0.63	0.02	0.47	0.02	33.79	4.30	3.37
7	EUROSIG	0.60	0.07	0.50	0.00	19.67	4.07	3.56
8	INTERSIG	0.48	0.15	0.39	0.04	22.54	3.23	2.77
<b>TOTAL MARKET</b>		<b>14.73</b>	<b>1.60</b>	<b>14.05</b>	<b>0.75</b>	<b>4.82</b>	<b>100.00</b>	<b>100.00</b>

\*In the property portfolio, there are included, only for statistical purpose, all insurance classes except motor insurance and accident

## Accident and health insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SIGAL	1.31	0.43	0.94	0.27	38.76	39.72	34.65
2	INTERALBANIAN	0.38	0.06	0.35	0.04	9.87	11.67	12.86
3	SIGMA	0.37	0.01	0.35	0.02	6.88	11.26	12.75
4	INTERSIG	0.34	0.01	0.25	0.02	37.75	10.46	9.19
5	EUROSIG	0.32	0.01	0.19	0.01	67.20	9.72	7.04
6	ALBSIG	0.25	0.01	0.24	0.01	5.20	7.63	8.78
7	ATLANTIK	0.17	0.00	0.23	0.00	-27.50	5.13	8.57
8	INSIG	0.14	0.00	0.17	0.04	-13.43	4.40	6.15
<b>TOTAL MARKET</b>		<b>3.29</b>	<b>0.55</b>	<b>2.72</b>	<b>0.42</b>	<b>21.05</b>	<b>100.00</b>	<b>100.00</b>

# Our mission isn't to pursue growth. Growth helps us pursue our mission.



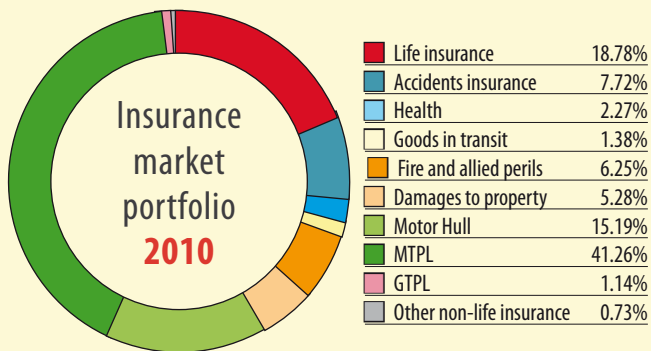
PartnerRe has grown its resources. We have the capital and the capabilities in virtually every risk class and geographic region to offer customized solutions and significant capacity. We offer this value to our clients within our established risk management limits. We do this because we want to honor our commitment to being a financially secure reinsurance partner – providing continuity of offer and preserving the certainty of our ability to pay claims – no matter what the environment. And that's a mission worth pursuing.

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## BOSNIA & HERZEGOVINA



### Sources:

Insurance Supervisory Agency of Federation of Bosnia and Herzegovina (NADOS)  
 Association of Insurance and Re-insurance Companies in BiH (AZOBiH); Central Bank of Bosnia and Herzegovina  
**Bosnian currency exchange rate for calculations:**  
 1 EUR = 1.95583 Convertible marks - BAM (fixed)

Bosnia and Herzegovina has earned its independence during the wars of 1990 and, in accordance with Dayton Agreement, is administered by a representative appointed by the UN Security Council. It is decentralized and administratively divided in two entities, the Federation of Bosnia and Herzegovina and Republika Srpska. Federation of Bosnia and Herzegovina is in its turn divided into ten cantons. There are, also, towns with their own administrative status: Sarajevo, Mostar, Tuzla and Banja Luka. The federal district Brčko was created by an arbitration decision and it is a territory under central Government authority.

Because of constitutional constraints, Bosnia and Herzegovina has a complex legal and institutional framework compared to the small size of the insurance market. Thus, the insurance business is organized and regulated in each of the two territorial entities subordinated to the Insurance Agency, which oversees the industry at state level. Thus, the Agency harmonizes the laws of the two surveilled "markets" and it is responsible for reporting at industry level, while representing it in international relations.

In recent years, insurance law has been adapted to European Union directives, one of the most important changes being the right to use and sell insurance policies for companies under the authority of the Federation of Bosnia and Herzegovina in the Republika Srpska and vice versa, with mutual agreement of both supervisory entities, of the two territorial administrative authorities.

Country's economy and infrastructure were virtually "swept away" during the armed conflicts of the 90s, this being also

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	GWP 2010	GWP 2009*	Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	EUR m.	EUR m.	EUR	%	%
<b>TOTAL MARKET</b>	<b>178.53</b>	<b>173.15</b>	<b>3.11</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>33.53</b>	<b>31.45</b>	<b>6.62</b>	<b>100.00</b>	<b>18.78</b>
<b>TOTAL NON-LIFE</b>	<b>144.99</b>	<b>141.70</b>	<b>2.33</b>	<b>100.00</b>	<b>81.22</b>
Accident insurance**	13.77	13.40	2.81	9.50	7.72
Health insurance**	4.06	3.96	2.51	2.80	2.27
Goods in transit**	2.46	2.38	3.58	1.70	1.38
<b>Overall property insurance</b>	<b>20.59</b>	<b>20.11</b>	<b>2.37</b>	<b>14.20</b>	<b>11.53</b>
Fire and allied perils**	11.16	10.88	2.65	7.70	6.25
Damages to property**	9.42	9.24	2.03	6.50	5.28
<b>Overall motor insurance</b>	<b>100.77</b>	<b>98.51</b>	<b>2.30</b>	<b>69.50</b>	<b>56.45</b>
Motor Hull**	27.11	26.54	2.17	18.70	15.19
MTPL**	73.66	71.97	2.34	50.80	41.26
GTPL**	2.03	1.93	4.91	1.40	1.14
Other non-life insurance	1.30	1.41	-7.18	0.90	0.73

\* audited result

\*\* for 2010 - estimations based on 2009 results

reflected in the "picture" of the insurance market. Moreover, after a difficult period, due to recovery of losses, huge damages being registered at national level, Bosnia and Herzegovina has passed and continues to pass through a transitional period, growth trends of the economic indicators being felt by the population only in recent years.

In the presented economic and social context, we appreciate that, in 2010, the insurance market of Bosnia and Herzegovina is one of the few in the area of Central and Eastern Europe that have managed to achieve growths. With a total volume of underwritings up to EUR179m, the market has increased, in full financial crisis, by 3%. On insurance classes, life insurance policies have generated 19% of total Bosnian insurers business, while in the general insurance area, 56% of the consolidated portfolio belonged to motor policies.

Moreover, this strong dominance of motor insurance has caused the most "heated discussions" in 2009 on the national profile market, namely the competition created by practices considered unfair by Bosnian companies, applied by insurers from the Republika Srpska that were authorized to sell MTPL. Thus, according to representatives of Insurers Association of Bosnia and Herzegovina, *business practices, such as unsubstantiated dumping prices, can lead to the collapse of the entire insurance system.*

Overall, Bosnian insurance market will continue to expand and has great perspectives, being expected for foreigners to show a growing interest in it, under the circumstances of appropriate regulation and of competent and continuous supervision.

This affirmation is also supported under the circumstances of the interest manifested by Bosnian authorities in joining the European Union.

### GWP of companies based in RS\*

Company	GWP 2010	GWP 2009**	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
BRCKO GAS	1.79	0.19	857.97	55.79	38.96
BOBAR	0.10	0.00	7,809.7	3.01	0.25
DRINA	0.07	0.03	138.48	2.10	5.89
JAHORINA	1.09	0.10	1,008.1	34.01	20.53
DUNAV	0.16	0.15	6.00	5.08	32.08
<b>TOTAL MARKET</b>	<b>3.20</b>	<b>0.48</b>	<b>568.88</b>	<b>100.00</b>	<b>100.00</b>

\*the companies reported activity only on non-life segment  
\*\*non-audited results

### Life insurance ranking\*

Company	GWP 2010	GWP 2009**	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
MERKUR BH	9.82	9.05	8.50	29.29	28.70
GRAWE	8.63	8.77	-1.62	25.72	27.80
UNIQA	7.22	6.47	11.60	21.54	20.52
CROATIA	3.33	3.24	2.70	9.92	10.27
TRIGLAV BH	1.59	1.09	45.32	4.74	3.47
SARAJEVO	1.44	1.27	13.14	4.30	4.04
BOSNA-SUNCE	1.28	0.78	63.06	3.81	2.49
LOK	0.16	0.20	-19.92	0.48	0.63
HERCEGOVINA	0.07	0.66	-89.15	0.21	2.09
<b>TOTAL MARKET</b>	<b>33.53</b>	<b>31.54</b>	<b>6.33</b>	<b>100.00</b>	<b>100.00</b>

\*FBiH and RS cumulated  
\*\*non-audited results

### Non-Life insurance ranking\*

Company	GWP 2010	GWP 2009**	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
SARAJEVO	28.54	26.35	8.33	19.68	18.58
BOSNA-SUNCE	22.46	23.51	-4.47	15.49	16.58
EUROHERC	19.88	18.81	5.64	13.71	13.27
CROATIA	16.04	14.71	9.06	11.06	10.37
TRIGLAV BH	14.67	15.00	-2.17	10.12	10.58
VGT	13.38	11.86	12.86	9.23	8.36
UNIQA	10.82	9.84	9.92	7.46	6.94
ASA	4.79	4.28	12.02	3.31	3.02
CAMELIJA	4.27	4.91	-12.95	2.95	3.46
ZOVKO	4.23	3.48	21.76	2.92	2.45
LIDO	3.82	5.20	-26.43	2.64	3.67
GRAWE	1.29	0.55	135.53	0.89	0.39
HERCEGOVINA	0.66	3.13	-79.04	0.45	2.21
MERKUR BH	0.13	0.15	-9.97	0.09	0.10
<b>TOTAL TOP 10</b>	<b>139.09</b>	<b>132.74</b>	<b>4.78</b>	<b>95.93</b>	<b>93.63</b>
<b>TOTAL MARKET</b>	<b>144.99</b>	<b>141.77</b>	<b>2.28</b>	<b>100.00</b>	<b>100.00</b>

\*FBiH and RS cumulated  
\*\*non-audited results

## INSURANCE STATISTICS AND NEWS



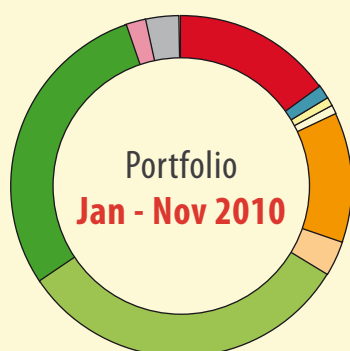
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## BULGARIA



Life insurance	15.04%
Accidents insurance	1.46%
Aircraft insurance	0.91%
Goods in transit	0.87%
Fire and allied perils	12.02%
Damages to property	3.56%
Motor Hull	31.82%
MTPL	29.27%
GTPL	1.87%
Other non-life insurance	3.19%

### Sources:

The Financial Supervision Commission of Bulgaria (FSC)  
The Association of Bulgarian Insurers (ABZ)  
Bulgarian National Bank  
[www.insmarket.bg](http://www.insmarket.bg)

**Bulgarian currency exchange rate for calculations:**  
1 EUR = 1.95583 Leva - BGN (fixed)

Just like in Romania, the global crisis began to show its effects on the Bulgarian economy starting with the second half of 2008. Besides the reduction of the macroeconomic indicators' evolution, the insurance market has also been affected, the total value of underwritings experiencing an increase of only 20 percentage points, compared to 2007, an evolution inferior to previous forecasts of Bulgarian insurance specialists. As 2009 ended, an over 8% decrease of the market could be seen, as well as numerous erosions and contractions of the insurance indicators.

Bulgarian economy, like those in other East European countries, was severely affected by the financial crisis in recent years. Many investors have gradually left the markets, exports have decreased significantly, while lending to individuals and economic agents has been drastically reduced, being virtually frozen by the Central Bank rules. Bulgaria had been accustomed, as all countries that joined the European Union in the last "two waves", with economic growth, but it has been confronted with foreign debts, being one of the countries that have been exposed to the global credit crisis. Also affected by the financial crisis, the insurance market has proven in recent years that the most demanded general insurance products are closely related to losses and financial risks, which was also to be expected, as many Bulgarian economic agents are encountering great difficulties in finding new financial resources.

### Market portfolio as of November 30<sup>th</sup>, 2010

Business Line	January-November 2010		2009		Nominal Evolution (%)**	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>730.60</b>	<b>363.81</b>	<b>859.74</b>	<b>394.40</b>	<b>-3.61</b>	<b>100.00</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>109.87</b>	<b>43.08</b>	<b>114.87</b>	<b>46.98</b>	<b>9.22</b>	<b>100.00</b>	<b>15.04</b>
Life ins. and annuities	84.80	31.78	86.68	35.71	13.01	77.18	11.61
Marriage and birth	3.12	1.13	4.43	1.89	-20.02	2.84	0.43
Unit-linked	4.76	4.48	5.45	3.50	-3.11	4.33	0.65
Other life insurance	17.19	5.69	18.31	5.87	2.65	15.65	2.35
<b>TOTAL NON-LIFE</b>	<b>620.74</b>	<b>320.73</b>	<b>744.87</b>	<b>347.43</b>	<b>-5.57</b>	<b>100.00</b>	<b>84.96</b>
Accidents insurance	10.64	1.99	12.68	2.26	-16.26	1.71	1.46
Aircraft insurance	6.68	0.09	6.10	1.33	10.13	1.08	0.91
Goods in transit	6.33	3.25	6.54	1.58	-3.99	1.02	0.87
<b>Overall property insurance</b>	<b>113.82</b>	<b>26.59</b>	<b>142.10</b>	<b>20.60</b>	<b>-10.54</b>	<b>18.34</b>	<b>15.58</b>
Fire and allied perils	87.80	18.24	109.63	15.31	-9.26	14.14	12.02
Damages to property	26.02	8.34	32.48	5.29	-14.63	4.19	3.56
<b>Overall motor insurance</b>	<b>446.29</b>	<b>269.20</b>	<b>533.38</b>	<b>303.26</b>	<b>-3.49</b>	<b>71.90</b>	<b>61.08</b>
Motor Hull	232.44	162.89	308.13	196.44	-17.67	37.45	31.82
MTPL	213.84	106.31	225.24	106.83	18.75	34.45	29.27
GTPL	13.66	2.92	14.47	2.41	-2.28	2.20	1.87
Other non-life insurance	23.33	16.69	29.61	15.99	-17.84	3.76	3.19

\*The latest data published by the Financial Supervision Commission of Bulgaria are for the period January-November 2010.

\*\*Nominal evolutions were calculated comparing the periods January-November 2010 with January-November 2009.

## Life insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	ALLIANZ Bulgaria Life	23.28	10.27	25.16	9.77	21.19	21.90
2	DZI	14.55	10.80	17.74	12.60	13.25	15.44
3	SyVZK	12.88	3.95	5.11	0.30	11.73	4.45
4	BULSTRAD Life VIG	10.75	3.59	12.80	4.84	9.78	11.14
5	UNIQA Life	9.97	5.05	9.40	7.48	9.08	8.18
6	ALICO Bulgaria Life	9.79	2.31	11.46	2.34	8.91	9.98
7	UBB-ALICO Life	7.84	1.12	7.47	1.30	7.14	6.51
8	GRAWE Bulgaria Life	6.19	0.94	7.70	0.99	5.64	6.70
9	GENERALI Life	4.93	2.74	7.27	4.71	4.49	6.33
10	GROUPAMA Life	2.88	0.64	3.45	0.88	2.62	3.01
11	SOGELIFE Bulgaria	2.74	0.58	2.72	0.29	2.49	2.37
12	INTERAMERICAN Life	1.33	0.02	0.72	0.00	1.21	0.63
13	KD Life	0.96	0.15	1.20	0.02	0.88	1.04
14	CCB Life	0.92	0.52	0.84	0.28	0.84	0.73
15	JZI	0.79	0.34	0.97	0.67	0.72	0.84
16	VZK DOBRUDJA-M-LIFE	0.06	0.06	0.09	0.11	0.05	0.08
17	BULGARSKI IMOTI	-	-	0.78	0.39	-	0.68
	<b>TOTAL TOP 10</b>	<b>103.07</b>	<b>41.41</b>	<b>107.56</b>	<b>45.22</b>	<b>93.81</b>	<b>93.64</b>
	<b>TOTAL MARKET</b>	<b>109.87</b>	<b>43.08</b>	<b>114.87</b>	<b>46.98</b>	<b>100.00</b>	<b>100.00</b>

## Life ins. and annuities ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	ALLIANZ Bulgaria Life	19.75	8.74	21.60	8.92	23.29	24.92
2	SyVZK	12.82	3.89	5.03	0.27	15.11	5.80
3	DZI	9.16	5.25	10.80	6.98	10.80	12.46
4	ALICO Bulgaria Life	7.96	2.12	8.21	1.77	9.39	9.47
5	UNIQA Life	7.79	4.45	7.67	6.91	9.18	8.85
6	BULSTRAD Life VIG	6.64	2.21	9.14	3.36	7.83	10.55
7	UBB-ALICO Life	5.77	0.98	5.21	1.16	6.81	6.01
8	GRAWE Bulgaria Life	5.46	0.92	6.95	0.95	6.44	8.02
9	GENERALI Life	2.90	1.70	4.86	3.34	3.42	5.61
10	SOGELIFE Bulgaria	2.61	0.58	2.72	0.29	3.07	3.14
11	GROUPAMA Life	1.92	0.52	2.20	0.62	2.27	2.53
12	INTERAMERICAN Life	1.15	0.01	0.63	0.00	1.36	0.73
13	JZI	0.70	0.32	0.83	0.61	0.83	0.96
14	CCB Life	0.10	0.05	0.30	0.22	0.12	0.34
15	VZK DOBRUDJA-M-LIFE	0.06	0.04	0.08	0.09	0.07	0.09
16	KD Life	0.01	0.00	0.01	-	0.01	0.01
17	BULGARSKI IMOTI	-	-	0.43	0.23	-	0.49
	<b>TOTAL TOP 10</b>	<b>80.85</b>	<b>30.84</b>	<b>82.21</b>	<b>33.95</b>	<b>95.35</b>	<b>94.85</b>
	<b>TOTAL MARKET</b>	<b>84.80</b>	<b>31.78</b>	<b>86.68</b>	<b>35.71</b>	<b>100.00</b>	<b>100.00</b>

## Financial data – 11 months 2010

The latest data released by the The Financial Supervision Commission of Bulgaria are correspondent to the period January-November 2010. Thus, after 11 months of the third year of crisis, in the first 11 months of 2010, the Bulgarian insurance market has diminished the loss from 2009, down to 3.6%, amid the revival of life insurance (+9.2%).

The 19 insurance companies operating on the non-life segment registered a cumulated business volume of approximately

EUR621m, down by 6% compared with January-November 2009. The collapse from the auto industry, due to the crisis (for new and second-hand cars), had negative influences on the figures recorded by Bulgarian insurers selling Motor Hull insurance policies (-18%).

Due to the mandatory character, MTPL insurance was not affected by the crisis, the sales of this insurance type being on a clearly ascending trend. For comparison, they rose by about 15% in 2009 compared to 2008, and by 19% in the first 11 months of 2010, compared to the same period in 2009.

Thus, motor insurance classes (Motor Hull and MTPL, added-up) have dominated the consolidated portfolio of the Bulgarian insurance market, as they represented 61% of total businesses, of which 32% - Motor Hull, respectively 29% - correspondent to MTPL policies.

In terms of life insurance, the situation at the end of 2009 is totally different to what has happened in the first 11 months of 2010. If 2009 was the worst year for this segment, as, for the first time in the existence of official statistics of the Bulgarian insurance market (1997), the business of life insurers has registered a decline, of -19.3%, in 2010 the market has recovered, increasing by 9.2%, especially amid increased underwritings on the Life insurance and annuities class (+13%), as unit-linked insurance has decreased by 3%.

## Is 2011 announcing the return in the black?

Bulgaria's economy will begin to gradually recover this year, when it will increase by 2%, supported by exports development and by investments with internal capital, according to a survey conducted by the newspaper DNEVNIK, attended by analysts and businessmen. The revival of the economy could accelerate in the second half of 2011, said participants in the survey. They feel that the main risks to economic evolution will be prices increases, limited internal consumption and unpredictability of Government policies.

Also, in an estimate made in October 2010, IMF said that the Bulgarian economy would grow by 0.4% in 2010 and by 2% in 2011. As anti-crisis measure, Sofia has introduced at the beginning of

### Unit-linked insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	DZI	1.85	3.28	2.67	3.06	38.87	48.92
2	ALLIANZ Bulgaria Life	1.10	0.92	1.15	0.28	23.16	21.18
3	KD Life	0.85	0.14	1.08	0.02	17.95	19.75
4	GENERALI Life	0.31	0.11	0.17	0.11	6.55	3.12
5	GRAWE Bulgaria Life	0.30	0.00	0.19	-	6.33	3.51
6	ALICO Bulgaria Life	0.23	-	0.15	0.01	4.77	2.80
7	UNIQA Life	0.11	0.00	0.03	0.00	2.27	0.50
8	INTERAMERICAN Life	0.01	-	0.01	-	0.11	0.12
9	VZK DOBRUDJA-M-LIFE	0.00	0.02	0.00	0.02	0.00	0.07
10	BULSTRAD Life VIG	-	-	0.00	-	-	0.04
<b>TOTAL MARKET</b>		<b>4.76</b>	<b>4.48</b>	<b>5.45</b>	<b>3.50</b>	<b>100.00</b>	<b>100.00</b>

### Non - Life insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	BULSTRAD VIG	84.88	57.69	107.11	58.84	13.67	14.38
2	DZI - General insurance	76.92	54.91	103.25	57.70	12.39	13.86
3	ARMEEC	68.85	32.31	75.79	31.77	11.09	10.18
4	ALLIANZ Bulgaria	66.20	31.28	72.48	41.96	10.66	9.73
5	BUL INS	62.05	32.92	66.89	30.91	10.00	8.98
6	LEV INS	59.47	26.83	85.93	27.66	9.58	11.54
7	UNIQA Insurance	33.08	19.34	32.24	27.51	5.33	4.33
8	EUROINS	31.59	15.66	38.00	19.36	5.09	5.10
9	GENERALI Insurance	23.99	9.05	29.14	13.95	3.87	3.91
10	VICTORIA	22.43	8.21	25.13	9.93	3.61	3.37
11	BULGARSKI IMOTI	22.32	16.76	25.66	14.40	3.60	3.44
12	ENERGIA	18.27	1.30	34.37	1.21	2.94	4.61
13	OZK Insurance	15.81	2.96	14.71	1.96	2.55	1.97
14	INTERAMERICAN Bulgaria	15.33	5.91	15.57	4.70	2.47	2.09
15	HDI Insurance	11.25	4.18	9.83	4.18	1.81	1.32
16	UBB - CHARTIS Insurance	3.07	0.13	3.48	0.14	0.49	0.47
17	GROUPAMA Insurance	2.74	0.22	3.48	0.37	0.44	0.47
18	Bulgarian Export Ins. Agency	2.40	1.05	1.72	0.87	0.39	0.23
19	GRAWE Bulgaria General Ins.	0.08	0.01	0.08	0.00	0.01	0.01
<b>TOTAL TOP 10</b>		<b>529.47</b>	<b>288.19</b>	<b>635.96</b>	<b>319.58</b>	<b>85.30</b>	<b>85.38</b>
<b>TOTAL MARKET</b>		<b>620.74</b>	<b>320.73</b>	<b>744.87</b>	<b>347.43</b>	<b>100.00</b>	<b>100.00</b>



the year a tax of 10%, applicable to any income level. Meanwhile, Bulgaria's Finance Minister has assured that his country would not be forced to raise taxes or to have any discussions with the IMF for a loan to get it out of the crisis: *Bulgaria will manage to overcome the crisis without any loans or any tax increases*, said the Finance Minister, Simeon DJANKOV, according to NOVINITE. Although other CEE countries are dependent on loans from the IMF or the EU, the Bulgarian Government says that financial aid is not needed and that it is handling the crisis far better than any other European country, due to its prudent tax policy.

Bulgaria's economic recovery, which will implicitly help the insurance industry, is also forecasted by the World Bank. As in the case of Romania, Bulgaria, too, where the crisis hit later than in other countries, will register the best rhythm of return to economic

growth in 2011 in the EU 10, except for Latvia and Lithuania, the report said. Economic growth strengthened in the second half of 2010, supported by the "refill" of reserves, by a double-digit growth of the industry and by consumption recovery, the report mentions. According to the report, the rhythm of the revival is forecasted to accelerate in 2011 and 2012, but it also differs from country to country within the EU 10.

### Motor hull insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	BUL INS	39.22	27.52	48.62	27.06	16.87	15.78
2	ARMEEC	37.17	22.61	45.71	22.16	15.99	14.84
3	DZI - General insurance	35.17	22.72	50.05	30.18	15.13	16.24
4	BULSTRAD VIG	31.97	28.40	44.49	33.09	13.75	14.44
5	ALLIANZ Bulgaria	23.13	16.39	28.81	23.87	9.95	9.35
6	UNIQA Insurance	13.28	9.93	16.42	14.46	5.71	5.33
7	LEV INS	13.00	9.93	22.64	10.49	5.59	7.35
8	EUROINS	12.60	7.37	16.60	9.74	5.42	5.39
9	GENERALI Insurance	6.41	4.25	9.69	8.85	2.76	3.15
10	VICTORIA	5.80	4.05	9.10	5.08	2.50	2.95
11	INTERAMERICAN Bulgaria	4.65	3.45	4.76	2.51	2.00	1.54
12	BULGARSKI IMOTI	4.05	3.29	4.75	5.61	1.74	1.54
13	OZK Insurance	2.87	1.04	2.40	0.76	1.23	0.78
14	HDI Insurance	2.69	1.70	3.48	2.27	1.16	1.13
15	ENERGIA	0.45	0.23	0.63	0.32	0.19	0.20
<b>TOTAL TOP 10</b>		<b>217.74</b>	<b>153.18</b>	<b>292.13</b>	<b>184.97</b>	<b>93.67</b>	<b>94.81</b>
<b>TOTAL MARKET</b>		<b>232.44</b>	<b>162.89</b>	<b>308.13</b>	<b>196.44</b>	<b>100.00</b>	<b>100.00</b>

# insurance

## PROFILE

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## MTPL insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	LEV INS	44.34	14.72	53.33	13.52	20.74	23.68
2	BULSTRAD VIG	26.78	18.04	30.32	17.22	12.52	13.46
3	DZI - General insurance	25.36	20.89	33.75	20.81	11.86	14.98
4	BUL INS	20.48	3.33	15.30	3.50	9.58	6.79
5	BULGARSKI IMOTI	17.52	13.36	19.41	8.59	8.19	8.62
6	ARMEEC	16.12	5.35	14.38	7.33	7.54	6.38
7	EUROINS	11.99	6.65	13.70	7.38	5.61	6.08
8	UNIQA Insurance	11.27	7.74	7.16	11.08	5.27	3.18
9	OZK Insurance	8.83	1.49	7.03	0.83	4.13	3.12
10	GENERALI Insurance	7.30	3.01	6.72	4.09	3.42	2.98
11	HDI Insurance	6.71	1.75	4.32	1.34	3.14	1.92
12	VICTORIA	5.88	3.13	8.89	4.17	2.75	3.95
13	ALLIANZ Bulgaria	5.53	4.96	6.27	5.11	2.59	2.79
14	INTERAMERICAN Bulgaria	5.53	1.70	4.33	1.64	2.59	1.92
15	ENERGIA	0.18	0.10	0.20	0.10	0.08	0.09
16	GROUPAMA Insurance	0.01	0.08	0.14	0.10	0.00	0.06
<b>TOTAL TOP 10</b>		<b>190.00</b>	<b>94.59</b>	<b>201.09</b>	<b>94.36</b>	<b>88.85</b>	<b>89.28</b>
<b>TOTAL MARKET</b>		<b>213.84</b>	<b>106.31</b>	<b>225.24</b>	<b>106.83</b>	<b>100.00</b>	<b>100.00</b>

## Fire and allied perils insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	ALLIANZ Bulgaria	18.95	3.42	19.42	2.43	21.58	17.72
2	ENERGIA	17.14	0.75	32.51	0.45	19.53	29.65
3	BULSTRAD VIG	11.21	2.74	13.62	2.23	12.77	12.42
4	DZI - General insurance	9.75	5.25	11.37	4.10	11.11	10.37
5	VICTORIA	7.89	0.65	4.17	0.32	8.98	3.80
6	ARMEEC	4.67	0.81	4.86	0.48	5.32	4.43
7	GENERALI Insurance	4.65	0.84	5.85	0.54	5.30	5.34
8	EUROINS	3.50	0.72	3.17	0.71	3.99	2.89
9	GROUPAMA Insurance	2.57	0.10	3.17	0.12	2.93	2.89
10	OZK Insurance	1.89	0.21	2.23	0.14	2.16	2.04
11	INTERAMERICAN Bulgaria	1.41	0.18	1.40	0.16	1.61	1.28
12	HDI Insurance	1.30	0.57	1.49	0.31	1.48	1.36
13	UBB - CHARTIS Insurance	1.25	0.05	1.45	0.05	1.42	1.33
14	LEV INS	0.89	1.70	3.59	2.81	1.02	3.28
15	BULGARSKI IMOTI	0.35	0.09	0.75	0.15	0.40	0.68
16	UNIQA Insurance	0.27	0.12	0.51	0.31	0.31	0.46
17	BUL INS	0.06	0.01	0.02	-	0.06	0.02
18	GRAWE Bulgaria General Ins.	0.04	0.00	0.04	0.00	0.05	0.04
<b>TOTAL TOP 10</b>		<b>82.23</b>	<b>15.51</b>	<b>100.37</b>	<b>11.52</b>	<b>93.66</b>	<b>91.56</b>
<b>TOTAL MARKET</b>		<b>87.80</b>	<b>18.24</b>	<b>109.63</b>	<b>15.31</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property insurance ranking

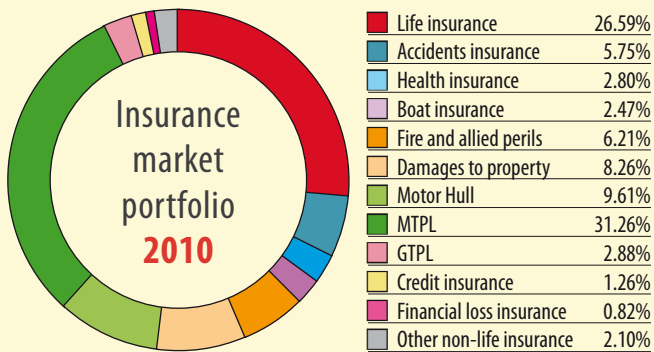
No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	UNIQA Insurance	6.96	1.18	6.83	1.07	26.76	21.03
2	ALLIANZ Bulgaria	4.55	2.18	4.39	1.46	17.48	13.51
3	GENERALI Insurance	4.28	0.72	5.48	0.35	16.45	16.86
4	BULSTRAD VIG	2.74	3.16	3.15	1.50	10.54	9.69
5	INTERAMERICAN Bulgaria	2.34	0.16	3.84	0.13	9.01	11.81
6	BUL INS	1.17	0.09	1.51	0.06	4.51	4.66
7	DZI - General insurance	1.01	0.24	1.42	0.32	3.87	4.38
8	ARMEEC	0.60	0.27	0.73	0.07	2.32	2.24
9	OZK Insurance	0.58	0.09	0.57	0.07	2.21	1.75
10	EUROINS	0.56	0.06	1.17	0.07	2.14	3.59
11	LEV INS	0.37	0.03	2.00	0.01	1.43	6.15
12	VICTORIA	0.32	0.09	0.48	0.08	1.24	1.48
13	ENERGIA	0.19	0.04	0.60	0.03	0.73	1.83
14	HDI Insurance	0.17	0.02	0.17	0.05	0.66	0.54
15	BULGARSKI IMOTI	0.14	0.01	0.13	0.01	0.54	0.39
16	GRAWE Bulgaria General Ins.	0.03	0.01	0.03	0.00	0.12	0.09
<b>TOTAL TOP 10</b>		<b>24.79</b>	<b>8.15</b>	<b>29.07</b>	<b>5.10</b>	<b>95.28</b>	<b>89.51</b>
<b>TOTAL MARKET</b>		<b>26.02</b>	<b>8.34</b>	<b>32.48</b>	<b>5.29</b>	<b>100.00</b>	<b>100.00</b>

## GTPPL insurance ranking

No.	Company	January-November 2010		2009		MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS	Jan.-Nov. 2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.		
1	BULSTRAD VIG	4.15	1.99	4.46	1.41	30.38	30.86
2	ALLIANZ Bulgaria	2.73	0.18	3.25	0.34	19.95	22.48
3	DZI - General insurance	1.64	0.05	1.95	0.08	12.02	13.46
4	ARMEEC	1.18	0.21	0.93	0.01	8.65	6.45
5	UNIQA Insurance	0.68	0.14	0.65	0.07	5.01	4.49
6	EUROINS	0.65	0.18	0.76	0.29	4.79	5.24
7	OZK Insurance	0.57	0.01	0.65	0.02	4.19	4.50
8	GENERALI Insurance	0.56	0.05	0.62	0.09	4.12	4.31
9	INTERAMERICAN Bulgaria	0.41	0.02	0.22	0.01	2.97	1.50
10	VICTORIA	0.38	0.06	0.36	0.03	2.76	2.50
11	LEV INS	0.28	0.02	0.30	0.04	2.06	2.10
12	BUL INS	0.20	0.00	0.13	0.00	1.50	0.92
13	ENERGIA	0.15	0.01	0.08	0.02	1.11	0.54
14	BULGARSKI IMOTI	0.03	0.00	0.06	0.00	0.23	0.43
15	HDI Insurance	0.03	0.00	0.03	0.00	0.21	0.18
16	GRAWE Bulgaria General Ins.	0.01	-	0.01	-	0.04	0.04
<b>TOTAL TOP 10</b>		<b>12.96</b>	<b>2.89</b>	<b>13.86</b>	<b>2.35</b>	<b>94.85</b>	<b>95.78</b>
<b>TOTAL MARKET</b>		<b>13.66</b>	<b>2.92</b>	<b>14.47</b>	<b>2.41</b>	<b>100.00</b>	<b>100.00</b>



## CROATIA



### Sources:

Croatian Financial Services Supervisory Agency (HANFA)  
Croatian Insurance Bureau  
Croatian National Bank

### Croatian currency exchange rate for calculations:

1 EUR = 7.306199 Kuna - HRK (December 31<sup>st</sup>, 2009)

1 EUR = 7.385173 Kuna - HRK (December 31<sup>st</sup>, 2010)

The desire to join the European Union meant higher evolutions compared to the ones registered by the other ex-Yugoslav states, at insurance market level, starting from the surveillance system.

Thus, at the end of 2005, the supervisory authority was established - HANFA (Hrvatska Agencija za Nadzor Usluga Finansijskih), a body which, in addition to the insurance market, supervises and regulates all non-banking financial services.

Subsequently, the legislation has been amended in line with EU Directives: thus, when joining the European Community, Croatian insurers will be able to sell insurance products in the EU states, as will EU insurers be able to operate in Croatia.

From an economic perspective, tourism is the main economic branch in Croatia, with around 10 million tourists per year. This is the approximate number of people who annually visit the Croatian seaside, tourism providing one fifth of the total GDP of the country. Starting from this statistical data, some analysts have warned that the country's economy depends too much on tourism, industry vulnerable to global economic development and to international policies. However, despite the crisis, tourism has registered less significant decreases compared to other sectors of Croatian economy.

Also affected by the crisis, the insurance market has proved its maturity and stability through reduced depreciation of business volume in 2010, especially on general insurance segment. Analyzing the top companies operating in general insurance

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>1,251.76</b>	<b>594.72</b>	<b>1,288.05</b>	<b>653.42</b>	<b>-2.82</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>332.79</b>	<b>140.84</b>	<b>340.65</b>	<b>126.90</b>	<b>-2.31</b>	<b>100.00</b>	<b>26.59</b>
Life insurance	286.20	129.33	293.39	116.71	-2.45	86.00	22.86
Life insurance, annuities and supplementary insurance	21.71	4.52	22.45	5.87	-3.26	6.52	1.73
Life insurance and annuities related to investment funds	22.65	5.63	22.33	2.88	1.42	6.81	1.81
Other life insurance	2.22	1.36	2.48	1.43	-10.26	0.67	0.18
<b>TOTAL NON-LIFE</b>	<b>918.97</b>	<b>453.88</b>	<b>947.40</b>	<b>526.53</b>	<b>-3.00</b>	<b>100.00</b>	<b>73.41</b>
Accident insurance	71.94	19.69	74.88	21.59	-3.92	7.83	5.75
Health insurance	35.03	24.76	37.11	27.34	-5.60	3.81	2.80
Boat insurance	30.92	11.17	30.06	23.81	2.87	3.36	2.47
<b>Overall property insurance</b>	<b>181.10</b>	<b>91.92</b>	<b>186.01</b>	<b>105.79</b>	<b>-2.64</b>	<b>19.71</b>	<b>14.47</b>
Fire and allied perils	77.68	26.72	80.10	30.41	-3.02	8.45	6.21
Damages to property	103.42	65.20	105.91	75.38	-2.35	11.25	8.26
<b>Overall motor insurance</b>	<b>511.56</b>	<b>262.43</b>	<b>537.38</b>	<b>305.95</b>	<b>-4.80</b>	<b>55.67</b>	<b>40.87</b>
Motor Hull	120.30	99.91	137.43	111.27	-12.46	13.09	9.61
MTPL	391.26	162.53	399.95	194.69	-2.17	42.58	31.26
GTPL	36.04	15.14	36.86	14.70	-2.20	3.92	2.88
Credit insurance	15.81	15.41	11.13	15.01	42.01	1.72	1.26
Financial loss insurance	10.32	2.60	9.46	2.62	9.09	1.12	0.82
Other non-life insurance	26.24	10.75	24.51	9.71	7.05	2.86	2.10

## Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
ALLIANZ ZAGREB	46.81	46.06	1.63	14.07	13.52
CROATIA	46.74	48.78	-4.18	14.05	14.32
MERKUR	35.12	36.16	-2.89	10.55	10.62
GRAWE HRVATSKA	33.38	35.43	-5.78	10.03	10.40
KVARNER VIG	28.62	29.29	-2.29	8.60	8.60
AGRAM ŽIVOTNO	27.99	31.17	-10.21	8.41	9.15
BASLER OSIG. ZAGREB	26.57	31.35	-15.23	7.99	9.20
HELIOS VIG	17.41	19.25	-9.53	5.23	5.65
UNIQA	16.62	16.67	-0.30	4.99	4.89
GENERALI	15.54	14.57	6.68	4.67	4.28
ERSTE VIG	14.46	12.16	18.91	4.34	3.57
TRIGLAV	10.16	11.14	-8.82	3.05	3.27
VICTORIA ŽIVOTNO	6.98	4.26	63.71	2.10	1.25
SOCIETE GENERALE	3.98	2.42	64.39	1.20	0.71
VELEBIT ŽIVOTNO	1.28	1.36	-5.51	0.39	0.40
KD LIFE	1.12	0.58	92.16	0.34	0.17
<b>TOTAL TOP 10</b>	<b>294.81</b>	<b>308.73</b>	<b>-4.51</b>	<b>88.59</b>	<b>90.63</b>
<b>TOTAL MARKET</b>	<b>332.79</b>	<b>340.65</b>	<b>-2.31</b>	<b>100.00</b>	<b>100.00</b>

segment, we conclude that it is a "monopoly market", CROATIA osiguranje generating more than 38% of the total profile industry. Moreover, the EUR346m gross written premiums of general insurance placed the company in the top 10 companies in the Central and Eastern Europe.

At the same time, with the end of the crisis, it should be considered the reality that, as a tourist destination, Croatia enjoys an increased influx in the summer months, and there are chances

## Non-Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
CROATIA	345.92	366.53	-5.62	37.64	38.69
EUROHERC	135.75	142.84	-4.96	14.77	15.08
JADRANSKO	86.84	90.47	-4.02	9.45	9.55
ALLIANZ ZAGREB	86.42	88.92	-2.80	9.40	9.39
TRIGLAV	44.74	43.62	2.57	4.87	4.60
KVARNER VIG	40.63	44.69	-9.09	4.42	4.72
BASLER OSIG. ZAGREB	28.81	30.09	-4.27	3.13	3.18
GENERALI	25.94	22.67	14.39	2.82	2.39
SUNCE	23.93	24.72	-3.21	2.60	2.61
HOK	22.41	19.86	12.80	2.44	2.10
GRAWE HRVATSKA	20.47	21.51	-4.85	2.23	2.27
UNIQA	15.88	15.41	3.03	1.73	1.63
CROATIA ZDRAVSTVENO	13.16	13.28	-0.86	1.43	1.40
CARDIF	8.83	4.86	81.68	0.96	0.51
VELEBIT	8.44	7.09	18.99	0.92	0.75
HELIOS VIG	6.28	6.46	-2.78	0.68	0.68
MERKUR	4.20	4.34	-3.21	0.46	0.46
HKO	0.21	-	-	0.02	-
VICTORIA	0.12	0.02	540.96	0.01	0.00
<b>TOTAL TOP 10</b>	<b>841.37</b>	<b>874.42</b>	<b>-3.78</b>	<b>91.56</b>	<b>92.30</b>
<b>TOTAL MARKET</b>	<b>918.97</b>	<b>947.40</b>	<b>-3.00</b>	<b>100.00</b>	<b>100.00</b>

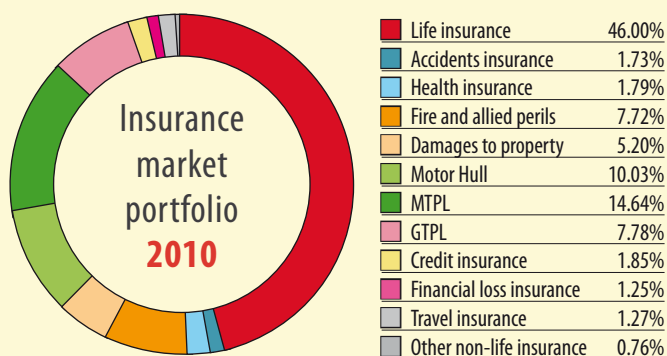
that this situation will lead to increased tourism revenues, and thus to a positive evolution of the economy in 2011 and 2012, especially if local authorities pay special attention to maintaining the unemployment rate and the population income at current parameters.

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## Czech Republic



### Sources:

The Czech National Bank (CNB)  
Czech Insurance Association (CAP)

### Czech currency exchange rate for calculations:

1 EUR = 26.465 Krown - CZK (December 31<sup>st</sup>, 2009)

1 EUR = 25.060 Krown - CZK (December 31<sup>st</sup>, 2010)

The crisis has affected all European Union countries: some have quickly emerged out of recession and have now resumed the economic growth, while others, such as Romania, are waiting to come out of the recession in the first half of this year.

Czech Republic stayed only one year in crisis: in 2009, when the economy fell by 2.5%; however the insurance market was not affected then, remaining in the black. The end of 2010 announced a predicted increase of GDP (+2.4%), as well as an increasing dynamic of over 14 percentage points for the insurance market, confirming once again the stability and the maturity of the industry.

Thus, according to the National Bank of Czech Republic, the total results of insurance companies were favorable in 2010, too: cumulated profit after tax reached EUR860m, increasing spectacularly, by 147% compared to 2009, when the same indicator had been about EUR586m. Even if it refers not only to the technical aspect of insurance activities, the profit has reached a record level even since the beginning of the competitive environment development, in 1991. The positive aspects of these results included the macroeconomic environment and, especially, the economic growth of Czech Republic, its resistance in face of the crisis and the increased savings of the population.

In 2010, total written premiums in the Czech Republic increased

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>6,224.27</b>	<b>3,299.78</b>	<b>5,447.22</b>	<b>2,861.18</b>	<b>14.27</b>	-	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>2,863.11</b>	<b>1,458.28</b>	<b>2,274.99</b>	<b>1,261.96</b>	<b>25.85</b>	<b>100.00</b>	<b>46.00</b>
Assurance on death, survival etc.	1,022.96	813.61	918.46	740.66	11.38	35.73	16.43
The assurance which are linked to investment funds	1,355.00	324.37	911.62	250.56	48.64	47.33	21.77
Other life insurance	485.15	320.29	444.92	270.74	9.04	16.94	7.79
<b>TOTAL NON-LIFE</b>	<b>3,361.17</b>	<b>1,841.50</b>	<b>3,172.23</b>	<b>1,599.22</b>	<b>5.96</b>	<b>100.00</b>	<b>54.00</b>
Accidents insurance	107.53	31.28	100.98	27.50	6.48	3.20	1.73
Health insurance	111.46	21.86	73.76	15.52	51.11	3.32	1.79
<b>Overall property insurance</b>	<b>804.13</b>	<b>485.40</b>	<b>750.46</b>	<b>377.00</b>	<b>7.15</b>	<b>23.92</b>	<b>12.92</b>
Fire and allied perils	480.65	307.49	451.73	213.85	6.40	14.30	7.72
Damages to property	323.48	177.91	298.73	163.15	8.28	9.62	5.20
<b>Overall motor insurance</b>	<b>1,535.01</b>	<b>909.61</b>	<b>1,552.69</b>	<b>828.21</b>	<b>-1.14</b>	<b>45.67</b>	<b>24.66</b>
Motor Hull	624.00	471.42	631.89	404.76	-1.25	18.56	10.03
MTPL	911.01	438.19	920.80	423.45	-1.06	27.10	14.64
GTPL	483.95	235.74	445.18	208.81	8.71	14.40	7.78
Credit insurance	115.00	61.29	86.78	95.28	32.53	3.42	1.85
Financial loss insurance	77.90	18.67	48.20	7.70	61.64	2.32	1.25
Travel insurance	78.86	29.20	72.57	27.94	8.67	2.35	1.27
Other non-life insurance	47.32	48.46	41.61	11.25	13.72	1.41	0.76

### Important note:

For the Czech Republic, the market portfolio is according to data published by the National Bank.

For the rankings, the values are according to the data published by the Czech Insurance Association (ČAP)

by 14.3% compared to 2009, totaling EUR6.22bn. Life insurance was the engine of the market, written premiums on this segment rising by over 25%, totaling EUR2.86bn, whereas for non-life premiums, the growth was around 6%, reaching a value of EUR3.36bn. Superior dynamics of life policies has brought changes to the structure of the insurance market portfolio, as this type of insurance increased its share from 42% in 2009 to 46% in 2010.

Regarding the degree of concentration on the profile market in the Czech Republic, it is noteworthy that its value is very high, according to data published by the Czech Insurance Association (ČAP). In 2010, on the life insurance segment, the market share of top five companies was 67.4%, and of top ten ones - 91.3%. In terms of general insurance, the degree of concentration is also high, the top five insurers accumulating 78.1% of the market and the top ten ones - 93.3%.

The company ČESKA pojišťovna is the undisputed market leader,

both on general insurance segment and on the life insurance one. In 2010, ČP underwrote gross premiums worth EUR625m on the life insurance segment - with a market share of nearly 22.2%. On the general insurance segment, the company's underwritings are close to EUR908m (28.2% - market share).

Being founded in 1827, the history of ČESKÁ pojišťovna begins with the company First Czech Mutual Insurance Company (První česká vzájemná pojišťovna), specialized only on fire insurance. After 80 years, the insurer has diversified its portfolio, introducing life and accidents insurance and also developing its business on the reinsurance segment. Since it was taken over by the PPF Group, the company became an universal financial services provider.

Also, according to CZECH TOP 100 league tables, ČESKÁ pojišťovna became in 2010 the most admired insurance company in the market and was the only insurance company among the ten most admired firms in the Czech Republic.

## Total life insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE(%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR		
ČESKA Pojišťovna	624.75	513.90	21.57	22.19	22.99
KOMERCNI Pojišťovna	346.74	172.24	101.31	12.32	7.71
Pojišťovna ČESKE Sporitelny VIG	339.97	259.05	31.24	12.08	11.59
KOOPERATIVA Pojišťovna VIG	333.48	290.80	14.68	11.85	13.01
CSOBP	251.02	210.25	19.39	8.92	9.41
ING	238.33	232.20	2.64	8.47	10.39
ALLIANZ	144.49	112.84	28.04	5.13	5.05
GENERALI Pojišťovna	113.13	97.64	15.86	4.02	4.37
AXA - ŽP	102.88	78.99	30.23	3.65	3.53
METLIFE AMCICO	75.67	69.54	8.81	2.69	3.11
ČESKA Podnikatelska Pojišťovna VIG	73.92	63.41	16.58	2.63	2.84
UNIQA	49.86	45.21	10.28	1.77	2.02
AVIVA	38.58	30.12	28.07	1.37	1.35
AEGON	36.66	25.37	44.49	1.30	1.13
WÜST - ŽP	17.44	10.86	60.65	0.62	0.49
VICTORIA	15.20	12.28	23.84	0.54	0.55
CARDIF	10.92	9.40	16.21	0.39	0.42
DEUTSCHER RING Lebensversicherungs	1.41	0.83	70.31	0.05	0.04
HASICKA Vzájemna Pojišťovna	0.42	0.45	-5.56	0.02	0.02
MAXIMA	0.03	0.04	-11.24	0.00	0.00
<b>TOTAL TOP 10</b>	<b>2,570.46</b>	<b>2,037.47</b>	<b>26.16</b>	<b>91.32</b>	<b>91.14</b>
<b>TOTAL MARKET (ČAP)</b>	<b>2,814.89</b>	<b>2,235.42</b>	<b>25.92</b>	<b>100.00</b>	<b>100.00</b>

## Life current premium insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR		
ČESKA Pojišťovna	451.15	452.35	-0.27	27.17	29.32
KOOPERATIVA Pojišťovna VIG	212.26	200.00	6.13	12.78	12.96
ING	207.83	210.34	-1.20	12.52	13.63
Pojišťovna ČESKE Sporitelny VIG	164.67	119.90	37.34	9.92	7.77
CSOBP	107.02	97.77	9.46	6.45	6.34
GENERALI Pojišťovna	101.23	91.95	10.09	6.10	5.96
ALLIANZ	74.66	69.00	8.19	4.50	4.47
METLIFE AMCICO	69.93	66.45	5.24	4.21	4.31
AXA - ŽP	61.49	51.31	19.86	3.70	3.33
UNIQA	44.87	41.84	7.25	2.70	2.71
ČESKA Podnikatelska Pojišťovna VIG	44.19	35.99	22.78	2.66	2.33
AVIVA	31.68	27.50	15.21	1.91	1.78
KOMERCNI Pojišťovna	31.67	32.86	-3.62	1.91	2.13
AEGON	27.41	18.58	47.55	1.65	1.20
CARDIF	10.92	9.40	16.21	0.66	0.61
WÜST - ŽP	9.13	8.78	3.91	0.55	0.57
VICTORIA	8.54	7.50	13.83	0.51	0.49
DEUTSCHER RING Lebensversicherungs	1.20	0.76	57.73	0.07	0.05
HASICKA Vzájemna Pojišťovna	0.42	0.45	-5.56	0.03	0.03
MAXIMA	0.03	0.04	-11.24	0.00	0.00
<b>TOTAL TOP 10</b>	<b>1,495.12</b>	<b>1,400.92</b>	<b>6.72</b>	<b>90.05</b>	<b>90.81</b>
<b>TOTAL MARKET (ČAP)</b>	<b>1,660.31</b>	<b>1,542.77</b>	<b>7.62</b>	<b>100.00</b>	<b>100.00</b>



## Life single paid premium insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
	EUR m.	EUR m.		2010	2009
KOMERCNI Pojistovna	315.06	139.38	126.05	27.29	20.12
Pojistovna CESKE Sporitelny VIG	175.30	139.15	25.98	15.18	20.09
CESKA Pojistovna	173.60	61.55	182.04	15.04	8.89
CSOBP	144.00	112.48	28.02	12.47	16.24
KOOPERATIVA Pojistovna VIG	121.22	90.81	33.49	10.50	13.11
ALLIANZ	69.83	43.84	59.29	6.05	6.33
AXA - ŽP	41.38	27.69	49.46	3.58	4.00
ING	30.50	21.85	39.57	2.64	3.15
CESKA Podnikatelska Pojistovna VIG	29.73	27.42	8.44	2.58	3.96
GENERALI Pojistovna	11.90	5.69	109.17	1.03	0.82
AEGON	9.25	6.79	36.14	0.80	0.98
WÜST - ŽP	8.31	2.07	300.94	0.72	0.30
AVIVA	6.90	2.63	162.80	0.60	0.38
VICTORIA	6.66	4.77	39.57	0.58	0.69
METLIFE AMCICO	5.73	3.09	85.83	0.50	0.45
UNIQA	4.99	3.37	47.85	0.43	0.49
DEUTSCHER RING Lebensversicherungs	0.21	0.07	214.47	0.02	0.01
<b>TOTAL TOP 10</b>	<b>1,112.54</b>	<b>669.86</b>	<b>66.09</b>	<b>96.36</b>	<b>96.71</b>
<b>TOTAL MARKET (ČAP)</b>	<b>1,154.59</b>	<b>692.65</b>	<b>66.69</b>	<b>100.00</b>	<b>100.00</b>

## Total Non - life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
	EUR m.	EUR m.		2010	2009
CESKA Pojistovna	907.55	922.13	-1.58	28.22	30.22
KOOPERATIVA Pojistovna VIG	899.35	880.42	2.15	27.96	28.86
ALLIANZ	280.54	274.25	2.29	8.72	8.99
GENERALI Pojistovna	243.88	239.11	1.99	7.58	7.84
CESKA Podnikatelska Pojistovna VIG	180.34	170.35	5.87	5.61	5.58
CSOBP	157.40	153.94	2.25	4.89	5.05
UNIQA	148.53	132.13	12.41	4.62	4.33
EGAP	90.09	45.90	96.26	2.80	1.50
CARDIF	66.91	55.35	20.89	2.08	1.81
Pojistovna CESKE Sporitelny VIG	27.25	4.04	575.41	0.85	0.13
TRIGLAV	26.97	26.93	0.12	0.84	0.88
SLAVIA	26.27	10.82	142.81	0.82	0.35
HASICSKA Vzajemna Pojistovna	20.41	19.98	2.16	0.63	0.65
PVZP	17.37	14.46	20.06	0.54	0.47
CP ZDRAVI	15.23	13.44	13.33	0.47	0.44
MAXIMA	14.65	7.86	86.44	0.46	0.26
HDI Versicherung	13.01	10.56	23.15	0.40	0.35
WÜST	12.63	9.76	29.40	0.39	0.32
DIRECT	11.75	8.61	36.55	0.37	0.28
KOMERCNI Pojistovna	11.67	10.06	15.98	0.36	0.33
<b>TOTAL TOP 10</b>	<b>3,001.84</b>	<b>2,877.62</b>	<b>4.32</b>	<b>93.34</b>	<b>94.32</b>
<b>TOTAL MARKET (ČAP)</b>	<b>3,216.03</b>	<b>3,050.94</b>	<b>5.41</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
	EUR m.	EUR m.		2010	2009
CESKA Pojistovna	193.37	206.36	-6.29	31.14	32.95
KOOPERATIVA Pojistovna VIG	174.73	174.23	0.29	28.14	27.82
ALLIANZ	85.74	85.58	0.18	13.81	13.66
UNIQA	47.31	42.72	10.75	7.62	6.82
GENERALI Pojistovna	41.66	42.94	-3.00	6.71	6.86
CSOBP	34.58	38.18	-9.41	5.57	6.09
CESKA Podnikatelska Pojistovna VIG	29.98	25.26	18.67	4.83	4.03
TRIGLAV	4.96	5.17	-4.15	0.80	0.83
DIRECT	3.38	1.98	70.42	0.54	0.32
SLAVIA	1.84	0.79	132.27	0.30	0.13
HASICSKA Vzajemna Pojistovna	1.32	1.37	-3.05	0.21	0.22
WÜST	1.22	0.95	28.74	0.20	0.15
AXA	0.56	0.37	52.53	0.09	0.06
MAXIMA	0.28	0.44	-36.29	0.05	0.07
<b>TOTAL TOP 10</b>	<b>617.55</b>	<b>623.23</b>	<b>-0.91</b>	<b>99.45</b>	<b>99.50</b>
<b>TOTAL MARKET (ČAP)</b>	<b>620.94</b>	<b>626.35</b>	<b>-0.86</b>	<b>100.00</b>	<b>100.00</b>

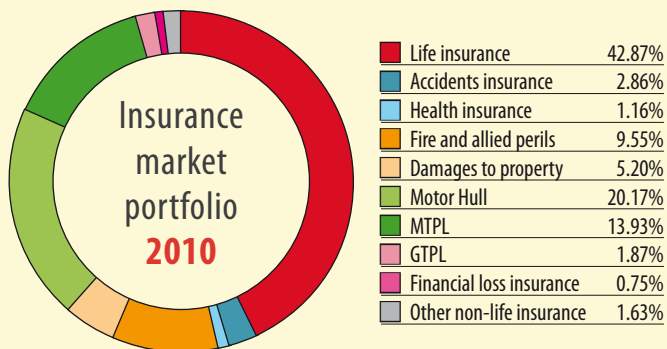
## MTPL insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
	EUR m.	EUR m.		2010	2009
CESKA Pojistovna	254.59	272.60	-6.61	28.71	30.41
KOOPERATIVA Pojistovna VIG	204.90	206.46	-0.76	23.11	23.03
CESKA Podnikatelska Pojistovna VIG	110.36	109.43	0.85	12.45	12.21
ALLIANZ	88.06	89.39	-1.48	9.93	9.97
GENERALI Pojistovna	82.44	89.60	-8.00	9.30	10.00
CSOBP	50.96	50.70	0.51	5.75	5.66
UNIQA	36.10	32.18	12.16	4.07	3.59
TRIGLAV	20.40	20.17	1.15	2.30	2.25
SLAVIA	11.60	3.06	278.83	1.31	0.34
WÜST	9.07	7.24	25.36	1.02	0.81
DIRECT	8.18	6.58	24.43	0.92	0.73
AXA	5.58	3.76	48.51	0.63	0.42
HASICSKA Vzajemna Pojistovna	4.47	5.26	-14.85	0.50	0.59
CESKA Kancelar Pojistitelu	0.01	0.01	1.30	0.00	0.00
<b>TOTAL TOP 10</b>	<b>868.46</b>	<b>880.82</b>	<b>-1.40</b>	<b>97.94</b>	<b>98.26</b>
<b>TOTAL MARKET (ČAP)</b>	<b>886.71</b>	<b>896.43</b>	<b>-1.08</b>	<b>100.00</b>	<b>100.00</b>





## ESTONIA



### Sources:

Financial Supervision Authority of Estonia (Finantsinspeksioon)  
Estonian Insurance Association (EKL)  
National Bank of Estonia

### Estonian currency exchange rate for calculations:

1 EUR = 15.6466 Kroons - EKL (fixed)

During 1918-1919, the Baltic States, Estonia, Latvia and Lithuania, have made their dream come true by winning their independence. Although they encountered dark periods, they managed a healthy development of the economy, becoming "full rights" members of Europe. The insurance market has experienced the same destiny. But, at the end of the Second World War, the Baltic States were once again under foreign occupation and have been incorporated in the USSR.

At that time, state insurance companies GOSSTRACH and INGOSTRACH were the only ones selling financial protection through insurance in the Soviet Union. After another 50 years, in 1990-1991, Estonia, Latvia and Lithuania have regained their independence and have taken the first steps towards market economy, a moment that also marked the establishing of the first private insurance companies, in 1992 their number increasing to 15, in Latvia, and to 20, in Estonia. Private insurance has developed rapidly, but not few times was there felt the lack of experience and of specific know-how. Viewed separately, Estonia is the richest Baltic country, and with a growing standard of living, having one of the healthiest and most modern market economies of the new EU member states. Moreover, these realities have created the premises of successfully passing through the financial crisis that has hit hard neighboring countries Latvia and Lithuania, Estonia registering a stagnation in 2009 (while Latvia and Lithuania declined by over 20%), and of a double digit growth of 16 percent in 2010, to EUR425m.

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>425.54</b>	<b>234.49</b>	<b>366.81</b>	<b>205.34</b>	<b>16.01</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>182.42</b>	<b>85.91</b>	<b>133.42</b>	<b>67.95</b>	<b>36.73</b>	<b>100.00</b>	<b>42.87</b>
Endowment insurance	47.83	31.07	38.59	29.74	23.94	26.22	11.24
Unit-linked	104.04	43.18	71.05	28.15	46.43	57.03	24.45
Other life insurance	30.56	11.67	23.78	10.06	28.50	16.75	7.18
<b>TOTAL NON-LIFE</b>	<b>243.12</b>	<b>148.58</b>	<b>233.39</b>	<b>137.40</b>	<b>4.17</b>	<b>100.00</b>	<b>57.13</b>
Accidents insurance	12.17	6.51	10.00	5.04	21.76	5.01	2.86
Health insurance	4.95	3.99	2.70	3.28	83.16	2.04	1.16
<b>Overall property insurance</b>	<b>62.78</b>	<b>28.30</b>	<b>58.34</b>	<b>24.84</b>	<b>7.61</b>	<b>25.82</b>	<b>14.75</b>
Fire and allied perils	40.64	13.85	37.30	11.66	8.95	16.72	9.55
Damages to property	22.14	14.45	21.05	13.18	5.22	9.11	5.20
<b>Overall motor insurance</b>	<b>145.12</b>	<b>102.26</b>	<b>148.52</b>	<b>98.54</b>	<b>-2.29</b>	<b>59.69</b>	<b>34.10</b>
Motor Hull	85.83	63.90	88.58	61.33	-3.11	35.30	20.17
MTPL	59.30	38.37	59.94	37.21	-1.08	24.39	13.93
GTPL	7.97	3.26	5.83	2.02	36.87	3.28	1.87
Financial loss insurance	3.17	0.83	2.95	1.87	7.57	1.30	0.75
Other non-life insurance	6.94	3.42	5.05	1.81	37.61	2.86	1.63

# country profile

On insurance classes, non-life industry has counted eight participants, gross written premiums in this segment totaling EUR243m, up a little over 4%, the claims amounting to EUR149m. Market concentration has increased slightly, from 76.8% in 2009 to 78.9% in 2010, percentage owned by the first three companies. If P&C insurance remained in the lead, accounting for 44.6% of underwritings, the next two positions were occupied by ERGO Kindlustus and SWEDBANK, with market shares of 17.6% and, respectively, 16.4%.

Life insurance market, divided between the five players, recorded EUR182m, up 37% from 2009. Unit-linked products have dominated the life segment, representing 57% of total life insurance underwriting, or a quarter of the total market. Three of the five companies accounted, in 2006, for 88.4% of the life insurance class, 4.5% more than in 2009. The leader SWEDBANK Life has grown its market share from 38% to 46%, followed by a long distance by MANDATUM Life Ins. - 33% market share, and SEB ELU-ja Pensionikindl (9.5%).



## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SWEDBANK Life Ins.	83.48	40.96	50.89	26.24	64.03	45.76	38.14
2	MANDATUM Life Ins.	60.43	26.18	43.99	15.48	37.37	33.12	32.97
3	SEB Elu- ja Pensionikindl.	17.27	9.68	17.08	14.56	1.14	9.47	12.80
4	COMPENSA Life VIG	17.20	7.02	16.82	9.01	2.26	9.43	12.61
5	ERGO Elukindl.	4.04	2.06	4.64	2.65	-12.85	2.22	3.48
<b>TOTAL MARKET</b>		<b>182.42</b>	<b>85.91</b>	<b>133.42</b>	<b>67.95</b>	<b>36.73</b>	<b>100.00</b>	<b>100.00</b>

## Endowment insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SWEDBANK Life Ins.	29.73	21.77	19.56	15.97	51.96	62.16	50.70
2	SEB Elu- ja Pensionikindl.	10.10	4.69	10.71	6.55	-5.64	21.12	27.75
3	COMPENSA Life VIG	3.60	1.73	3.36	2.42	7.20	7.54	8.71
4	MANDATUM Life Ins.	2.27	1.74	2.58	3.32	-12.30	4.74	6.70
5	ERGO Elukindl.	2.12	1.14	2.37	1.48	-10.44	4.44	6.15
<b>TOTAL MARKET</b>		<b>47.83</b>	<b>31.07</b>	<b>38.59</b>	<b>29.74</b>	<b>23.94</b>	<b>100.00</b>	<b>100.00</b>

## Unit-linked ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MANDATUM Life Ins.	56.58	24.06	39.77	11.71	42.29	54.39	55.97
2	SWEDBANK Life Ins.	37.60	14.08	22.03	8.34	70.73	36.15	31.00
3	COMPENSA Life VIG	5.43	1.09	5.34	0.81	1.57	5.22	7.52
4	SEB Elu- ja Pensionikindl.	4.42	3.94	3.92	7.28	12.94	4.25	5.51
<b>TOTAL MARKET</b>		<b>104.04</b>	<b>43.18</b>	<b>71.05</b>	<b>28.15</b>	<b>46.43</b>	<b>100.00</b>	<b>100.00</b>

## Non-Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	If P&C Ins. AS	108.47	64.95	90.48	50.81	19.88	44.61	38.77
2	ERGO Kindlustus	42.85	30.41	46.19	31.93	-7.24	17.62	19.79
3	SWEDBANK Varakindl.	40.58	19.90	42.51	21.15	-4.56	16.69	18.22
4	SEESAM Rahvusvaheline	29.75	19.28	29.69	18.37	0.20	12.24	12.72
5	SALVA Kindl.	16.48	9.86	17.53	10.01	-5.98	6.78	7.51
6	INGES Kindl.	4.28	4.07	6.82	5.05	-37.21	1.76	2.92
7	D.A.S. Õigusabikulu	0.45	0.11	0.16	0.07	172.77	0.18	0.07
8	AS KredEx Krediidikindl.	0.27	-	-	-	-	0.11	-
<b>TOTAL MARKET</b>		<b>243.12</b>	<b>148.58</b>	<b>233.39</b>	<b>137.40</b>	<b>4.17</b>	<b>100.00</b>	<b>100.00</b>

## Accidents insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	IfP&C Ins. AS	4.57	2.00	3.26	1.25	40.08	37.54	32.63
2	SALVA Kindl.	2.35	1.23	2.45	1.51	-3.83	19.33	24.47
3	ERGO Kindlustus	2.22	1.48	1.52	0.90	46.17	18.22	15.18
4	SEESAM Rahvusvaheline	1.67	1.29	1.72	1.12	-3.27	13.68	17.23
5	SWEDBANK Varakindl.	1.14	0.51	0.84	0.26	35.51	9.35	8.40
6	INGES Kindl.	0.23	0.00	0.21	0.01	9.40	1.88	2.09
<b>TOTAL MARKET</b>		<b>12.17</b>	<b>6.51</b>	<b>10.00</b>	<b>5.04</b>	<b>21.76</b>	<b>100.00</b>	<b>100.00</b>

## Fire and allied perils insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	IfP&C Ins. AS	19.48	6.71	17.22	3.61	13.08	47.93	46.18
2	SWEDBANK Varakindl.	9.60	1.20	7.50	0.72	28.00	23.61	20.10
3	ERGO Kindlustus	6.67	3.14	7.44	5.05	-10.42	16.40	19.95
4	SEESAM Rahvusvaheline	3.68	1.82	3.40	1.76	8.27	9.06	9.11
5	SALVA Kindl.	1.22	0.97	1.74	0.52	-29.76	3.00	4.65
6	INGES Kindl.	0.00	-	0.00	-	-20.00	0.00	0.01
<b>TOTAL MARKET</b>		<b>40.64</b>	<b>13.85</b>	<b>37.30</b>	<b>11.66</b>	<b>8.95</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	IfP&C Ins. AS	12.61	6.88	11.20	7.96	12.59	56.94	53.21
2	SEESAM Rahvusvaheline	3.67	1.87	3.45	1.23	6.26	16.56	16.39
3	ERGO Kindlustus	3.59	2.60	4.25	2.05	-15.52	16.22	20.20
4	SALVA Kindl.	2.28	1.42	2.15	1.04	6.19	10.29	10.19
5	SWEDBANK Varakindl.	-	1.68	-	0.91	-	-	-
<b>TOTAL MARKET</b>		<b>22.14</b>	<b>14.45</b>	<b>21.05</b>	<b>13.18</b>	<b>5.22</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	IfP&C Ins. AS	31.35	25.90	26.79	19.55	17.01	36.53	30.25
2	SWEDBANK Varakindl.	23.67	13.28	27.78	16.48	-14.79	27.58	31.36
3	ERGO Kindlustus	14.40	12.91	15.76	12.97	-8.63	16.78	17.80
4	SEESAM Rahvusvaheline	12.55	9.22	13.66	9.15	-8.16	14.62	15.42
5	SALVA Kindl.	3.84	2.59	4.56	3.13	-15.80	4.48	5.15
6	INGES Kindl.	0.01	0.00	0.02	0.06	-24.90	0.01	0.02
<b>TOTAL MARKET</b>		<b>85.83</b>	<b>63.90</b>	<b>88.58</b>	<b>61.33</b>	<b>-3.11</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	IfP&C Ins. AS	26.16	15.99	23.29	12.48	12.32	44.11	38.85
2	ERGO Kindlustus	12.06	8.07	13.44	9.35	-10.30	20.34	22.43
3	SEESAM Rahvusvaheline	7.03	4.39	6.27	4.15	12.10	11.86	10.46
4	SALVA Kindl.	6.31	3.50	6.17	3.78	2.30	10.64	10.29
5	SWEDBANK Varakindl.	4.12	2.51	4.60	2.59	-10.53	6.94	7.68
6	INGES Kindl.	3.62	3.92	6.17	4.86	-41.32	6.11	10.29
<b>TOTAL MARKET</b>		<b>59.30</b>	<b>38.37</b>	<b>59.94</b>	<b>37.21</b>	<b>-1.08</b>	<b>100.00</b>	<b>100.00</b>



## HUNGARY



Life insurance	53.18%
Accidents insurance	1.51%
Health insurance	0.90%
Fire and allied perils	9.74%
Damages to property	6.98%
Motor Hull	9.64%
MTPL	13.40%
Credit insurance	1.93%
Financial loss insurance	0.53%
Other non-life insurance	2.19%

### Sources:

Hungarian Financial Supervision Authority (PSZAF)  
Association of Hungarian Insurance Companies (MABISZ)  
National Bank of Hungary

### Hungarian currency exchange rate for calculations:

1 EUR = 270.84 Forints - HUF (December 31<sup>st</sup>, 2009)

1 EUR = 278.75 Forints - HUF (December 31<sup>st</sup>, 2010)

Factors that have created the premises of a stable and healthy insurance industry, as well as increased attractiveness, for many international players in the field, of some insurance classes such as professional liability, life insurance or health insurance, did not matter so much when the macroeconomic crisis began, which has made its presence fully felt in Hungary in 2009.

So, after in 2009 the Hungarian insurance market dropped by about 10 percentage points amid massive depreciation of the life insurance sector (-12.5%) and of voluntary motor insurance (-11%), figures published by the Hungarian Financial Supervisory Authority for 2010 indicate a market stabilization.

Thus, the year 2010 ended with a total volume of underwritings of EUR3.02bn, down by 0.9 percentage points compared to 2009. On insurance classes, the most significant volume (53.18% - equivalent to a volume of underwritings of EUR1.60bn) was reported by life insurance, while, in non-life insurance, the most important shares were held by motor insurance and property insurance. At the same time, the amount of gross paid claims amounted to EUR2.16bn, of which about over 20 percent were related to motor insurance (Motor Hull and MTPL, added-up).

Other branches of the Hungarian economy have also proven their vulnerability, being hit by the crisis: the retail market has registered drastical declines, due to lower demand for exports, while the decrease of the auto industry business in 2009 was of 70%.

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>3,024.35</b>	<b>2,164.31</b>	<b>3,050.53</b>	<b>1,928.18</b>	<b>-0.86</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>1,608.38</b>	<b>1,331.48</b>	<b>1,534.52</b>	<b>1,165.92</b>	<b>4.81</b>	<b>100.00</b>	<b>53.18</b>
Assurance on death	62.95	16.68	54.98	20.54	14.51	3.91	2.08
Endowment	331.37	386.73	375.73	427.49	-11.81	20.60	10.96
Unit-linked	1,061.76	791.47	936.43	542.29	13.38	66.01	35.11
Other life insurance (mutual companies included)	152.30	136.60	167.39	175.60	-9.02	9.47	5.04
<b>TOTAL NON-LIFE</b>	<b>1,415.97</b>	<b>832.83</b>	<b>1,516.01</b>	<b>762.26</b>	<b>-6.60</b>	<b>100.00</b>	<b>46.82</b>
Accidents insurance	45.63	13.48	42.70	13.37	6.86	3.22	1.51
Health insurance	27.26	7.45	28.03	8.60	-2.76	1.93	0.90
<b>Overall property insurance</b>	<b>505.51</b>	<b>322.67</b>	<b>509.97</b>	<b>193.71</b>	<b>-0.87</b>	<b>35.70</b>	<b>16.71</b>
Fire and allied perils	294.44	184.12	298.70	104.74	-1.43	20.79	9.74
Damages to property	211.07	138.55	211.27	88.97	-0.09	14.91	6.98
<b>Overall motor insurance</b>	<b>696.98</b>	<b>435.12</b>	<b>780.91</b>	<b>481.31</b>	<b>-10.75</b>	<b>49.22</b>	<b>23.05</b>
Motor Hull	291.68	190.16	327.99	204.79	-11.07	20.60	9.64
MTPL	405.30	244.96	452.91	276.53	-10.51	28.62	13.40
GTPL	58.44	14.98	64.04	16.51	-8.75	4.13	1.93
Financial loss	16.02	9.27	15.29	9.96	4.76	1.13	0.53
Other non-life insurance (mutual companies included)	66.15	29.86	75.08	38.80	-11.89	4.67	2.19

### Important note:

For Hungary, the market portfolio is according to data published by the Hungarian Financial Supervisory Authority (PSZAF).

For the rankings, the values are according to the data published by the Association of Hungarian Insurance Companies (MABISZ)

Also, in the financial-banking sector, MOODY's lowered the ratings of financial stability, with negative implications on deposit and debt ratings, for MKB Bank, K&H Bank, BUDAPEST Bank, FHB Mortgage Bank and ERSTE Bank Hungary. Also, the agency has downgraded the local currency deposit ratings of OTP Bank and OTP Mortgage Bank and the foreign currency debt ratings of OTP Bank.

The agency notes that 70% of loans in Hungary are denominated in foreign currencies, especially in Swiss francs. *Many debtors, especially in the retail sector, are not protected against currency risk*, said Simone ZAMPA, analyst at MOODY's. The Hungarian Government has restricted foreign currency lending, last year. However, the risks of currency exposure will persist for many years, as there is a long term until maturity of loans in the banks' portfolios, the agency mentions.

MOODY's also mentions that the banks' profitability was significantly lower last year compared with 2009, given that several banks have reported losses.

## Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
ING	276.26	291.82	-5.33	17.40	19.23
ALLIANZ	178.93	126.55	41.40	11.27	8.34
GROUPAMA GARANCIA	167.24	153.97	8.62	10.53	10.14
GENERALI-PROVIDENCIA	156.47	160.78	-2.68	9.85	10.59
AEGON	149.05	155.37	-4.07	9.39	10.24
MAGYAR Posta Élet	101.94	95.88	6.32	6.42	6.32
CIG	92.58	44.61	107.53	5.83	2.94
AVIVA	92.13	89.64	2.78	5.80	5.91
UNIQA	82.39	76.66	7.47	5.19	5.05
AXA	59.12	48.65	21.52	3.72	3.21
ERSTE	44.75	43.41	3.10	2.82	2.86
K&H	42.26	76.60	-44.83	2.66	5.05
UNION	38.51	37.38	3.03	2.43	2.46
SIGNAL	29.93	30.78	-2.75	1.89	2.03
GRAWE	27.19	29.73	-8.52	1.71	1.96
METLIFE	26.26	28.89	-9.11	1.65	1.90
DIMENZIO	13.44	17.73	-24.21	0.85	1.17
MKB Élet	9.42	9.33	0.98	0.59	0.61
<b>TOTAL TOP 10</b>	<b>1,356.10</b>	<b>1,243.93</b>	<b>9.02</b>	<b>85.40</b>	<b>81.96</b>
<b>TOTAL MARKET MABISZ</b>	<b>1,587.87</b>	<b>1,517.77</b>	<b>4.62</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

Company	GWP 2010	GWP 2009	NOMINAL EVOLUTION (%)	MARKET SHARE (%)	
	EUR m.	EUR m.		2010	2009
ALLIANZ	144.12	183.47	-21.45	34.04	39.68
GENERALI-PROVIDENCIA	56.55	58.94	-4.07	13.36	12.75
UNIQA	36.66	35.59	3.00	8.66	7.70
GROUPAMA GARANCIA	34.01	37.51	-9.33	8.03	8.11
AEGON	31.65	30.93	2.34	7.48	6.69
K&H	28.57	31.99	-10.70	6.75	6.92
MAGYAR Posta	21.39	19.37	10.45	5.05	4.19
KÖBE	21.38	26.67	-19.84	5.05	5.77
GENERTEL	14.93	12.61	18.41	3.53	2.73
UNION	11.57	13.52	-14.47	2.73	2.93
WABARD	8.73	-	-	2.06	-
AIM	8.07	3.59	125.16	1.91	0.78
SIGNAL	5.01	5.78	-13.28	1.18	1.25
MKB Általános	0.77	0.44	77.37	0.18	0.09
<b>TOTAL TOP 10</b>	<b>400.81</b>	<b>450.60</b>	<b>-11.05</b>	<b>94.67</b>	<b>97.46</b>
<b>TOTAL MARKET MABISZ</b>	<b>423.40</b>	<b>462.33</b>	<b>-8.42</b>	<b>100.00</b>	<b>100.00</b>

The agency also anticipates that this year the Hungarian economy will grow by 3% and unemployment will decrease, but it maintains its opinion that macroeconomic difficulties will persist on medium term.

## Non - Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE(%)	
	EUR m.	EUR m.		2010	2009
ALLIANZ	420.44	484.52	-13.23	29.21	31.69
GENERALI-PROVIDENCIA	298.26	310.79	-4.03	20.72	20.33
GROUPAMA GARANCIA	160.30	167.31	-4.19	11.14	10.94
AEGON	157.50	154.47	1.96	10.94	10.10
UNIQA	117.21	118.39	-1.00	8.14	7.74
K&H	53.32	58.94	-9.54	3.70	3.85
UNION	49.85	68.97	-27.73	3.46	4.51
MAGYAR Posta	29.72	26.71	11.26	2.06	1.75
CHARTIS	25.52	22.62	12.81	1.77	1.48
KÖBE	22.43	27.34	-17.98	1.56	1.79
QBE Europe	18.97	21.44	-11.51	1.32	1.40
GENERTEL	17.27	13.81	25.10	1.20	0.90
SIGNAL	14.37	14.41	-0.28	1.00	0.94
AIM	12.24	8.23	48.75	0.85	0.54
WABARD	11.55	-	-	0.80	-
EULER HERMES	11.26	11.15	0.96	0.78	0.73
EUROPAI Utazási Bizt.	7.61	7.68	-0.91	0.53	0.50
MKB Általános	3.97	1.87	112.82	0.28	0.12
AXA	2.50	2.69	-7.21	0.17	0.18
METLIFE	2.29	2.97	-22.93	0.16	0.19
PORSCHE	1.98	2.03	-2.29	0.14	0.13
TIR BE	0.64	2.63	-75.82	0.04	0.17
<b>TOTAL TOP 10</b>	<b>1,334.54</b>	<b>1,440.06</b>	<b>-7.33</b>	<b>92.73</b>	<b>94.19</b>
<b>TOTAL TOP 20</b>	<b>1,436.58</b>	<b>1,524.31</b>	<b>-5.76</b>	<b>99.82</b>	<b>99.70</b>
<b>TOTAL MARKET MABISZ</b>	<b>1,439.19</b>	<b>1,528.97</b>	<b>-5.87</b>	<b>100.00</b>	<b>100.00</b>





## KOSOVO TERRITORY

Kosovo is a former Yugoslav republic with a special status, as the state's independence declaration is dated February 17<sup>th</sup>, 2008.

Thus, due to the "more special" statute, the legislation corresponding to the insurance market is also "special", the regulatory authority being the Central Bank (Central Banking Authority of Kosovo). The number of insurance companies currently stands at 14 (DARDANIA, ILLYRIA, KOSOVA Re, SIGURIA, INSIG TIRANA, SIGAL UNIQA Group Austria, SIGMA Tirana, CROATIA SIGURIMI Pristina, SIGKOS Prishtinë, ELSIG Prishtinë, Shoqata e Sigurimeve IAK, Fondi i Garnacionit GFK, DUKAGJINI LIFE Prishtinë and CIU), some of them having Albanian, Turkish, Austrian or Croatian shareholding.

Year 2010 represented, for insurance companies operating in Kosovo, a volume of gross written premiums of EUR71.2m, recording, compared to 2009, an increasing evolution of 5%. Although the insurance market in Kosovo is the youngest of Central and Eastern Europe region, it has experienced constant substantial increases in recent years, higher than the evolution of the GDP.

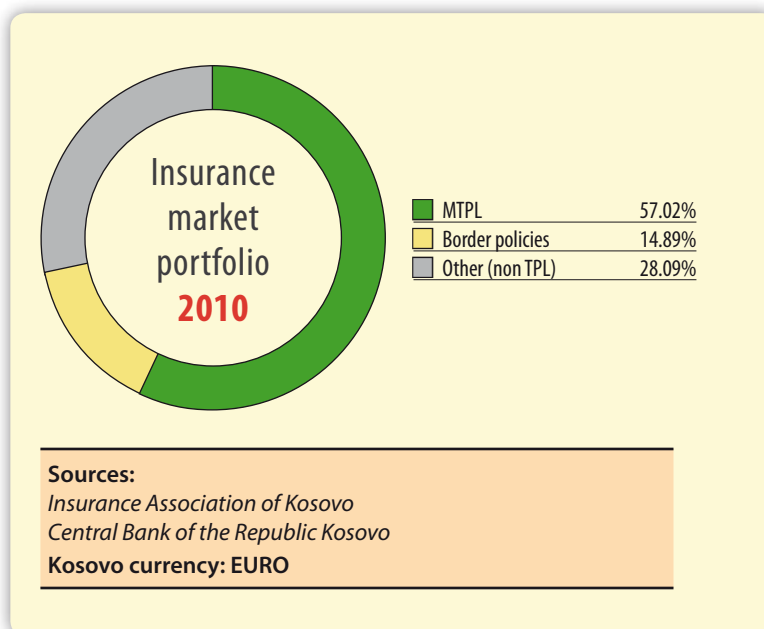
The characteristic of young market is strongly supported by the practiced insurance lines, as more than 57% of the local market portfolio is attributed to mandatory motor insurance. For the development of voluntary insurance lines, implicitly that of life insurance, the market feels the need to improve and diversify sales channels and to increase investment in all economic and financial sectors.

Also, approved and paid claims of insurers amounted to EUR26.6m, an increase in absolute value of EUR7.8m compared to 2009, while insurance density indicator was about EUR39.5 per capita.

### About the Supervisory Authority

The Central Banking Authority of Kosovo (CBAK), established in September 2006, is an independent body responsible for fostering the development of competitive, sound and transparent banking and financial sectors. This includes supervising and regulating Kosovo's banking sector, insurance industry, pension funds and other micro-finance institutions, and performing a number of other normal central bank tasks, including cash management, transfers, clearing, management of funds deposited by the Ministry of Finance and Economy or other public institutions, collection of financial data and management of a credit register. CBAK is not authorized to grant loans to banks.

Kosovo's banking system and non-financial enterprises are not prepared to finance large investment projects in the private



sector. In the past three years, there has been minimal private investment in Kosovo outside of real estate construction and development. About 80% of bank loans are short-term credits with interest rates ranging from 12% to 14%.

### The Association

Insurance Association of Kosovo – IAK was founded on April 2002, based on agreement of Insurance Companies which are licensed to practice their insurance activity in Kosovo. Association was founded with an aim to improve the insurance industry in Kosovo, to assist in the stabilization of the insurance market, to offer education for the staff of insurance companies, and to increase the human resources in general, in the insurance field. Another priorities of the Association are the organization of the different seminars, workshops and conferences, national and international ones, and to educate the public regarding the insurance field in general. Activities of Association and its goals are established by its statute and its foundation Act. IAK has, at this moment, 10 members: CROATIA Sigurimi (CROATIA Osiguranje), DARDANIA, ILLYRIA (SAVA Re), ELSIG (GRAWE Group), INSIG (Albania), KOSOVA Re, SIGAL (UNIQA Group Austria), SIGMA (VIENNA Insurance Group), SIGKOS and SIGURIA.

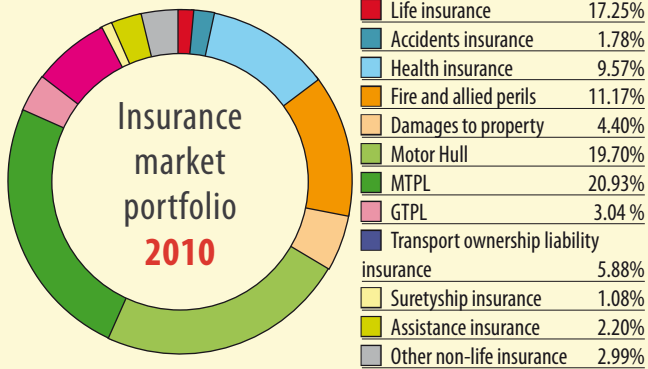
### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS		
	EUR m.	EUR m.	EUR m.	EUR m.		
<b>TOTAL MARKET</b>	<b>71.20</b>	<b>26.60</b>	<b>67.80</b>	<b>18.80</b>	<b>5.01</b>	<b>100.00</b>
MTPL	40.60	19.20	36.40	13.70	11.54	57.02
Border policies	10.60	1.10	12.70	1.20	-16.54	14.89
Other (non TPL)	20.00	6.30	18.70	3.90	6.95	28.09





## LATVIA



### Sources:

The Financial and Capital Market Commission of Latvia (FKTK)  
Latvian Insurers Association (LAA)  
National Bank of Latvia

### Latvia currency exchange rate for calculations:

1 EUR = 0.702804 Lats - LVL (fixed)

Marked by a long domination of the USSR, after regaining independence in 1991, the three Baltic states, Latvia, Lithuania and Estonia, have achieved a healthy growth of the economy, making considerable efforts for economic and social consolidation. Baltic insurance market development had to overcome the same obstacles, but after joining the EU, it has managed to stabilize, to gain experience, to exploit its potential and to attract foreign investors. Then came the financial crisis, which meant a strong contraction of the economy and also of the Latvian insurance market.

So, after significant increases in GDP in the years before the crisis, when most companies, financial and real estate institutions have been privatized, and after the main foreign policy objective was reached in 2004, once with joining the EU, Latvia's economy has registered in 2009 the worst contraction in the European Union. Subsequently, it has benefited, in July-September 2010, of the first increase in GDP at an annual rate, as the austerity measures began to show their effects. Latvian National Institute of Statistics announced that, during July-September 2010, the economy grew by 0.8 percent compared with the previous quarter, this being the third consecutive quarter of growth. At an annual pace, Latvia's GDP grew by 2.7 percent, well above analysts' estimates, which counted on an increase of 0.9 percent, after a 2.1

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>270.71</b>	<b>157.97</b>	<b>317.73</b>	<b>218.94</b>	<b>-14.80</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>46.71</b>	<b>20.58</b>	<b>39.61</b>	<b>31.06</b>	<b>17.93</b>	<b>100.00</b>	<b>17.25</b>
Life insurance with savings	25.61	10.88	23.82	11.40	7.53	54.84	9.46
Unit-linked	8.95	2.40	3.46	4.18	159.00	19.17	3.31
Other life insurance	12.14	7.30	12.33	15.48	-1.53	25.99	4.48
<b>TOTAL NON-LIFE</b>	<b>224.00</b>	<b>137.38</b>	<b>278.13</b>	<b>187.88</b>	<b>-19.46</b>	<b>100.00</b>	<b>82.75</b>
Accidents insurance	4.83	2.23	5.02	1.85	-3.80	2.16	1.78
Health insurance	25.90	23.80	44.64	51.33	-41.98	11.56	9.57
<b>Overall property insurance</b>	<b>42.15</b>	<b>18.98</b>	<b>45.42</b>	<b>16.31</b>	<b>-7.20</b>	<b>18.82</b>	<b>15.57</b>
Fire and allied perils	30.24	13.08	33.29	10.71	-9.15	13.50	11.17
Damages to property	11.90	5.90	12.13	5.59	-1.83	5.31	4.40
<b>Overall motor insurance</b>	<b>109.99</b>	<b>75.39</b>	<b>143.06</b>	<b>97.61</b>	<b>-23.11</b>	<b>49.10</b>	<b>40.63</b>
Motor hull	53.33	38.64	68.59	56.15	-22.25	23.81	19.70
MTPL	56.66	36.76	74.47	41.46	-23.91	25.30	20.93
GTPL	8.22	1.44	8.17	1.57	0.67	3.67	3.04
Transport ownership liability insurance	15.92	11.29	15.26	11.59	4.33	7.11	5.88
Suretyship insurance	2.94	0.34	2.84	1.19	3.50	1.31	1.08
Assistance insurance	5.96	1.72	6.10	1.51	-2.40	2.66	2.20
Other non-life insurance	8.09	2.20	7.63	4.91	6.11	3.61	2.99

### Important note:

For Latvia, the market portfolio is according to data published by the Financial and Capital Market Commission.

For the rankings, the values are according to the data published by the Latvian Insurers Association (LAA). The latest published data by LAA are for the period January-October 2010.



percent decline in the previous quarter. The last time the Latvian economy grew at an annual rate was in the first quarter of 2008, when GDP grew by 0.8 percent.

From the point of view of the insurance market, after it had suffered a negative growth of 25% in 2009, in 2010, figures published by the Financial and Capital Market Commission indicate an improvement of the decline (-15%), the market reaching the value of EUR271m, due to the revival of the life insurance segment. Total of paid claims has also had an accentuated dynamics, as it decreased by 28% compared to 2009, accumulating EUR158m.

The share of general insurance segment in the total underwritings declined slightly in 2010, to about 83%, compared to 2009 level of 88%.

Latest data published by the Latvian Insurers Association (January-October 2010) indicate, in the hierarchy based on the underwritings criterion, a concentration of 65% among the top three companies (out of a total of 11 presented companies).

Life insurance accounted for only 17% of total written premiums. However, the increase compared to 2009 was of over 18%, reaching EUR47m, these types of policies mitigating much of the negative dynamics of the insurance market.

Life insurance class is heavily dominated by the top three players, who own over 78% of the profile operations (SEB Dzīvības apdr., ERGO Latvija dzīvība, MANDATUM Life Ins.), in terms of gross written premiums, as show the figures for the period January-October 2010, presented by the Latvian Insurers Association.



### Life insurance ranking

No.	Company	January-October 2010		January-October 2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		Jan. - Oct. 2010	Jan. - Oct. 2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SEB Dzīvības apdr.	21.46	8.39	18.10	9.18	18.60	35.90	34.39
2	ERGO Latvija dzīvība	13.64	9.20	14.25	15.77	-4.28	22.81	27.08
3	MANDATUM Life Ins.	11.32	2.86	5.36	3.15	111.19	18.94	10.19
4	SWEDBANK Life Ins.	6.69	1.74	6.96	1.48	-3.83	11.19	13.22
5	COMPENSA Life VIG	4.53	1.93	6.08	3.91	-25.41	7.58	11.55
6	CITADELE Life	0.77	0.03	0.43	0.01	77.99	1.28	0.82
7	METLIFE AMPLICO	0.65	0.08	0.51	0.06	27.93	1.09	0.97
8	VITAL Life	0.41	0.01	0.75	0.01	-44.78	0.69	1.42
9	LKB Life	0.31	0.20	0.20	0.35	57.00	0.51	0.37
<b>TOTAL MARKET (LAA)</b>		<b>59.78</b>	<b>24.44</b>	<b>52.62</b>	<b>33.92</b>	<b>13.61</b>	<b>100.00</b>	<b>100.00</b>

### Non - Life insurance ranking

No.	Company	January-October 2010		January-October 2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		Jan. - Oct. 2010	Jan. - Oct. 2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	BTA	54.81	26.78	61.16	37.22	-10.38	26.41	22.39
2	GJENSIDIGE Baltic	42.77	31.25	56.42	34.94	-24.19	20.61	20.66
3	BALTA	37.57	22.90	52.91	32.24	-28.99	18.11	19.37
4	If P&C Insurance	18.06	9.95	22.66	12.63	-20.29	8.71	8.30
5	BALTIKUMS	12.26	7.65	16.53	8.76	-25.84	5.91	6.05
6	ERGO Latvija	11.72	7.01	16.84	11.22	-30.40	5.65	6.17
7	SEESAM Latvia	9.32	5.92	12.15	9.00	-23.30	4.49	4.45
8	BALVA	8.38	6.19	12.08	10.74	-30.64	4.04	4.42
9	BALTIJAS Apdr. Nams	7.57	5.95	9.41	5.68	-19.59	3.65	3.45
10	SWEDBANK Ins.	5.03	2.49	4.84	0.48	3.83	2.42	1.77
11	RSK apdrošināšana	-	1.22	8.10	7.31	-	-	2.97
<b>TOTAL MARKET (LAA)</b>		<b>207.49</b>	<b>127.30</b>	<b>273.11</b>	<b>170.21</b>	<b>-24.03</b>	<b>100.00</b>	<b>100.00</b>



## LITHUANIA



Life insurance	34.77%
Health insurance	5.81%
Overall property insurance	13.45%
Motor Hull	14.39%
MTPL	23.30%
GTPL	3.87%
Credit insurance	0.71%
Suretyship insurance	2.43%
Other non-life insurance	1.28%

### Sources:

Insurance Supervisory Commission of the Republic of Lithuania (DPK)  
Lithuanian Insurers Association (LDA)  
Bank of Lithuania

### Lithuanian currency exchange rate for calculations:

1 EUR = 3.4528 Litas, LTL (fixed)

After two consecutive years of recession, the Lithuanian insurance market accounted in 2010 a symbolic increase of 0.6%, according to data published by the Insurance Supervisory Commission of the Republic of Lithuania. As to policies type, life insurance market was more responding to fluctuations in financial markets, after the largest decrease in 2008 (-32%) and the smaller fall in 2009 (-9%), already fully recovered in 2010 (+11%). Also, non-life insurance market development was closely linked to national economic trends. As well as in the Lithuanian economy, the largest decline in non-life insurance market was observed in 2009 (-30%). In 2010, although the economy recovered, the non-life insurance sector continued to decrease further (-5%). Overall, finally it can be stated that the insurance market has stabilized in 2010, said Ramunas BARAVYKAS, Deputy Chairman of the Insurance Supervisory Commission of the Republic of Lithuania.

Also, according to Supervisory Commission, the insurance market reacted sensitively to the global financial crisis and the economic recession. Life insurance market is dominated by unit-linked life insurance which fell significantly in volume because of turbulence in financial markets. The non-life insurance market has been more dependent on commercial sector. The growth of Lithuania's economy was closely related to the constructions and transport sectors – as the economy went down, the strong decrease in these sectors, as well as weaker exports were the reasons that have led to the big fall in the commercial insurance segment, added Ramunas BARAVYKAS. So, the total insurance market decreased

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>449.46</b>	<b>270.91</b>	<b>446.60</b>	<b>306.99</b>	<b>0.64</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>156.28</b>	<b>59.59</b>	<b>140.12</b>	<b>66.67</b>	<b>11.53</b>	<b>100.00</b>	<b>34.77</b>
Life assurance	42.63	22.81	41.37	29.68	3.03	27.28	9.48
Unit-linked	111.01	31.56	95.67	31.34	16.03	71.03	24.70
Marriage and birth	2.65	5.22	3.08	5.65	-13.98	1.70	0.59
<b>TOTAL NON-LIFE</b>	<b>293.18</b>	<b>211.32</b>	<b>306.47</b>	<b>240.32</b>	<b>-4.34</b>	<b>100.00</b>	<b>65.23</b>
Health insurance	26.09	10.93	24.34	13.01	7.21	8.90	5.81
<b>Overall property insurance</b>	<b>60.44</b>	<b>35.19</b>	<b>64.47</b>	<b>35.53</b>	<b>-6.26</b>	<b>20.61</b>	<b>13.45</b>
Fire and allied perils	NA	NA	NA	NA	NA	NA	NA
Damages to property	NA	NA	NA	NA	NA	NA	NA
<b>Overall motor insurance</b>	<b>169.39</b>	<b>126.75</b>	<b>176.68</b>	<b>137.40</b>	<b>-4.13</b>	<b>57.78</b>	<b>37.69</b>
Motor Hull	64.67	61.42	71.05	65.16	-8.98	22.06	14.39
MTPL	104.72	65.33	105.63	72.23	-0.86	35.72	23.30
GTPL	17.38	4.04	17.82	3.44	-2.50	5.93	3.87
Credit insurance	3.19	29.77	7.33	44.68	-56.41	1.09	0.71
Suretyship insurance	10.93	1.80	9.70	1.87	12.59	3.73	2.43
Other non-life insurance	5.76	2.84	6.13	4.38	-5.97	1.96	1.28

## Total life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SWEDBANK Life Ins.	42.85	24.78	44.19	33.52	-3.03	27.42	31.54
2	SEB G.D.	29.43	11.40	26.39	9.73	11.51	18.83	18.83
3	AVIVA Lietuva	28.72	6.26	24.34	5.36	18.00	18.38	17.37
4	MANDATUM Life	23.68	4.31	16.25	4.38	45.68	15.15	11.60
5	ERGO Lietuva G.D.	13.14	5.81	12.73	6.85	3.19	8.41	9.09
6	PZU Lietuva G.D.	4.73	1.84	4.38	1.23	8.03	3.03	3.12
7	BONUM PUBLICUM	4.69	1.16	4.86	0.82	-3.44	3.00	3.47
8	COMPENSA Life VIG	4.60	0.62	2.78	0.50	65.25	2.94	1.99
9	AMPLICO Life	2.77	0.13	2.48	0.22	11.64	1.77	1.77
10	VITAL Life	0.65	0.04	0.86	0.04	-24.36	0.42	0.61
11	NORDEA Life Finland	0.55	0.00	0.12	-	369.19	0.35	0.08
12	LIETUVOS draudimas	0.49	3.25	0.75	4.02	-34.77	0.31	0.53
<b>TOTAL MARKET</b>		<b>156.28</b>	<b>59.59</b>	<b>140.12</b>	<b>66.67</b>	<b>11.53</b>	<b>100.00</b>	<b>100.00</b>

## Life assurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SWEDBANK Life Ins.	21.07	14.52	21.88	20.06	-3.70	49.44	52.89
2	ERGO Lietuva G.D.	12.13	5.38	12.19	6.82	-0.47	28.47	29.47
3	COMPENSA Life VIG	2.83	0.46	1.41	0.38	100.60	6.63	3.41
4	AMPLICO Life	2.77	0.13	2.48	0.22	11.64	6.49	5.99
5	PZU Lietuva G.D.	1.82	1.17	1.34	0.80	36.49	4.28	3.23
6	MANDATUM Life	0.85	0.16	0.89	0.30	-4.25	1.99	2.14
7	SEB G.D.	0.53	0.38	0.60	0.44	-11.69	1.23	1.44
8	BONUM PUBLICUM	0.52	0.21	0.45	0.18	15.75	1.23	1.10
9	LIETUVOS draudimas	0.10	0.41	0.14	0.47	-27.34	0.23	0.33
<b>TOTAL MARKET</b>		<b>42.63</b>	<b>22.81</b>	<b>41.37</b>	<b>29.68</b>	<b>3.03</b>	<b>100.00</b>	<b>100.00</b>

## Unit-linked ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SEB G.D.	28.90	11.02	25.79	9.29	12.05	26.04	26.96
2	AVIVA Lietuva	28.72	6.26	24.34	5.36	18.00	25.87	25.44
3	MANDATUM Life	22.83	4.15	15.37	4.08	48.56	20.57	16.06
4	SWEDBANK Life Ins.	19.52	7.89	19.84	11.36	-1.62	17.58	20.74
5	BONUM PUBLICUM	4.17	0.95	4.40	0.64	-5.42	3.75	4.60
6	PZU Lietuva G.D.	2.90	0.66	3.04	0.42	-4.48	2.62	3.18
7	COMPENSA Life VIG	1.77	0.16	1.37	0.12	28.95	1.59	1.43
8	ERGO Lietuva G.D.	1.00	0.43	0.54	0.03	85.67	0.91	0.57
9	VITAL Life	0.65	0.04	0.86	0.04	-24.36	0.59	0.90
10	NORDEA Life Finland	0.55	0.00	0.12	-	369.19	0.49	0.12
<b>TOTAL MARKET</b>		<b>111.01</b>	<b>31.56</b>	<b>95.67</b>	<b>31.34</b>	<b>16.03</b>	<b>100.00</b>	<b>100.00</b>

not only due to the economic recession, but also due to consumers' need to cut expenses by decreasing insurance coverage – along with a decrease in income, the financial possibilities to allocate funds for insurance have been reduced as well.

Thus, despite the recession, the insurance market from Lithuania remained stable. Lithuania avoided the problems that the insurance markets in some other economically developed countries have encountered. Trying to adapt to the existing situation, insurers applied preventive measures aimed at reducing the number of contract cancellations. Some insurers offered new products

that better meet the needs of the decreasing market; the others improved the existing products by adapting them to the current situation, facilitating payment schedules. Besides, the majority of insurers reduced operating costs and increased the work efficiency by improving the use of human resources, as well as paid more attention to risk management. Insurance undertakings registered in Lithuania pursue a rather conservative investment strategy – they target the major share of their investment portfolio to sovereign debt securities of developed Western Europe countries and corporate bonds with high credit ratings. During the market

recession, such practice earned stable investment income to undertakings and, after the financial markets had regained confidence, investments restored their value in the most rapid way, continued Ramunas BARAVYKAS.

For 2011, specialists in the insurance market estimate for Lithuania, in case the country's economy will continue to grow and in the absence of turbulence in financial markets, a grow of 8-10%. Life insurance market will increase by 5-6% and non-life insurance market will grow by 10-12%, according to the optimistic scenario, said Ramunas BARAVYKAS.

Read the full version of the interview with **Ramunas BARAVYKAS**, Deputy Chairman of the Insurance Supervisory Commission of the Republic of Lithuania, on [www.xprimm.com](http://www.xprimm.com).

**Ramunas BARAVYKAS**  
Deputy Chairman of the  
Insurance Supervisory  
Commission of the  
Republic of Lithuania



## Non - Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	LIETUVOS draudimas	98.35	57.86	100.74	63.06	-2.37	33.55	32.87
2	ERGO Lietuva	37.61	22.07	38.27	26.20	-1.71	12.83	12.49
3	PZU Lietuva	36.15	24.37	37.63	27.65	-3.92	12.33	12.28
4	BTA draudimas	35.92	21.89	39.26	21.99	-8.50	12.25	12.81
5	If P&C Insurance	27.62	22.20	31.67	23.70	-12.78	9.42	10.33
6	AAS GJENSIDIGE Baltic	19.18	11.17	21.05	13.85	-8.87	6.54	6.87
7	SEESAM Lietuva	9.86	7.06	9.46	6.70	4.22	3.36	3.09
8	INDUSTRIJOS garantas	6.62	3.15	5.59	2.43	18.38	2.26	1.83
9	COMPENSA VIG	3.53	0.37	-	-	-	1.20	-
10	LAMANTINAS	3.46	0.17	2.82	0.29	22.55	1.18	0.92
11	ERGO Lietuva G.D.	3.18	1.82	2.57	3.02	24.06	1.09	0.84
12	SEB G.D.	2.79	2.16	2.85	2.97	-1.91	0.95	0.93
13	BTA akcinės	2.57	0.37	0.24	-	962.30	0.88	0.08
14	BŪSTO paskolų draudimas	2.06	22.02	2.50	13.17	-17.64	0.70	0.82
15	VVaG Filialas VH Lietuva	1.57	4.45	2.68	0.22	-41.52	0.53	0.87
16	COFACE Austria Kreditvers.	1.48	4.64	3.06	21.78	-51.67	0.50	1.00
17	COMPENSA Life VIG	1.05	0.81	0.82	0.49	27.94	0.36	0.27
18	JSIC BALTIKUMS	0.68	0.02	0.06	0.00	1013	0.23	0.02
19	PZU Lietuva G.D.	0.01	0.00	0.01	0.01	-19.02	0.00	0.00
20	BONUM PUBLICUM	0.01	0.00	0.01	0.01	-39.87	0.00	0.00
21	BALTIJOS garantas	0.00	0.02	-0.05	0.78	-98.89	-	-
22	LÄNSFÖRSÄKRINGAR Int.	-0.18	1.61	3.47	2.27	-105.15	-	1.13
23	EULER HERMES Kreditvers.	-0.34	3.11	1.77	9.73	-119.29	-	0.58
<b>TOTAL TOP 10</b>		<b>278.31</b>	<b>170.29</b>	<b>286.49</b>	<b>185.88</b>	<b>-2.86</b>	<b>94.93</b>	<b>93.48</b>
<b>TOTAL MARKET</b>		<b>293.18</b>	<b>211.32</b>	<b>306.47</b>	<b>240.32</b>	<b>-4.34</b>	<b>100.00</b>	<b>100.00</b>

## Health insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	LIETUVOS draudimas	6.29	2.06	5.90	2.03	6.62	24.11	24.24
2	ERGO Lietuva G.D.	3.18	1.82	2.57	3.02	24.06	12.20	10.54
3	ERGO Lietuva	3.09	1.12	3.18	1.22	-2.71	11.84	13.05
4	BTA draudimas	2.95	0.59	2.71	0.78	8.77	11.30	11.14
5	PZU Lietuva	2.86	1.10	2.60	0.79	10.32	10.98	10.67
6	SEB G.D.	2.79	2.16	2.85	2.97	-1.91	10.70	11.69
7	If P&C Insurance	2.05	0.79	1.96	1.04	4.62	7.86	8.06
8	COMPENSA Life VIG	1.05	0.81	0.82	0.49	27.94	4.01	3.36
9	SEESAM Lietuva	0.78	0.20	0.81	0.28	-3.87	2.97	3.32
10	AAS GJENSIDIGE Baltic	0.73	0.21	0.77	0.27	-5.64	2.80	3.18
11	INDUSTRIJOS garantas	0.18	0.07	0.13	0.06	44.30	0.69	0.51
12	JSIC BALTIKUMS	0.09	0.00	0.04	0.00	129.97	0.34	0.16
13	COMPENSA VIG	0.03	0.00	-	-	-	0.12	-
14	PZU Lietuva G.D.	0.01	0.00	0.01	0.01	-19.02	0.04	0.05
15	BONUM PUBLICUM	0.01	0.00	0.01	0.01	-39.87	0.03	0.05
16	BALTIJOS garantas	-	0.00	-0.01	0.05	-	-	-
<b>TOTAL TOP 10</b>		<b>25.78</b>	<b>10.85</b>	<b>24.16</b>	<b>12.88</b>	<b>6.69</b>	<b>98.78</b>	<b>99.25</b>
<b>TOTAL MARKET</b>		<b>26.09</b>	<b>10.93</b>	<b>24.34</b>	<b>13.01</b>	<b>7.21</b>	<b>100.00</b>	<b>100.00</b>

## Property insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	LIETUVOS draudimas	29.18	13.61	30.67	14.25	-4.84	48.28	47.57
2	ERGO Lietuva	9.80	5.69	10.84	6.99	-9.63	16.21	16.82
3	If P&C Insurance	6.75	4.99	9.01	5.15	-25.09	11.16	13.97
4	PZU Lietuva	5.47	3.13	4.53	6.33	20.67	9.05	7.03
5	BTA akcinės	2.01	0.37	0.01	-	21093	3.33	0.01
6	AAS GJENSIDIGE Baltic	1.76	0.65	1.48	1.33	19.58	2.92	2.29
7	SEESAM Lietuva	1.65	0.66	1.33	0.93	24.29	2.73	2.06
8	VVaG Filialas VH Lietuva	1.57	4.45	2.68	0.22	-41.52	2.59	4.15
9	BTA draudimas	1.53	1.35	3.26	0.16	-53.07	2.53	5.05
10	INDUSTRIJOS garantas	0.70	0.20	0.55	0.02	26.88	1.16	0.86
11	COMPENSA VIG	0.02	-	-	-	-	0.03	-
12	BALTIJOS garantas	0.00	0.00	-0.05	0.07	-99.60	-	-
13	LÄNSFÖRSÄKRINGAR Int.	-0.01	0.10	0.16	0.08	-103.66	-	0.25
<b>TOTAL MARKET</b>		<b>60.44</b>	<b>35.19</b>	<b>64.47</b>	<b>35.53</b>	<b>-6.26</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	LIETUVOS draudimas	29.70	24.74	30.73	27.19	-3.35	45.92	43.25
2	If P&C Insurance	10.20	11.88	11.57	10.69	-11.85	15.78	16.29
3	ERGO Lietuva	8.61	7.46	8.82	9.14	-2.39	13.31	12.41
4	PZU Lietuva	5.41	6.83	7.62	7.46	-29.08	8.36	10.73
5	SEESAM Lietuva	4.62	4.40	4.96	3.41	-6.96	7.14	6.99
6	AAS GJENSIDIGE Baltic	2.09	2.06	2.64	2.70	-21.12	3.22	3.72
7	BTA draudimas	1.87	2.24	2.22	2.02	-15.46	2.90	3.12
8	INDUSTRIJOS garantas	1.17	0.73	1.05	0.60	10.55	1.80	1.48
9	COMPENSA VIG	1.14	0.21	-	-	-	1.77	-
10	BALTIJOS garantas	0.00	-	-0.16	0.11	-99.78	-	-
11	LÄNSFÖRSÄKRINGAR Int.	-0.13	0.88	1.59	1.86	-108.17	-	2.24
<b>TOTAL MARKET</b>		<b>64.67</b>	<b>61.42</b>	<b>71.05</b>	<b>65.16</b>	<b>-8.98</b>	<b>100.00</b>	<b>100.00</b>

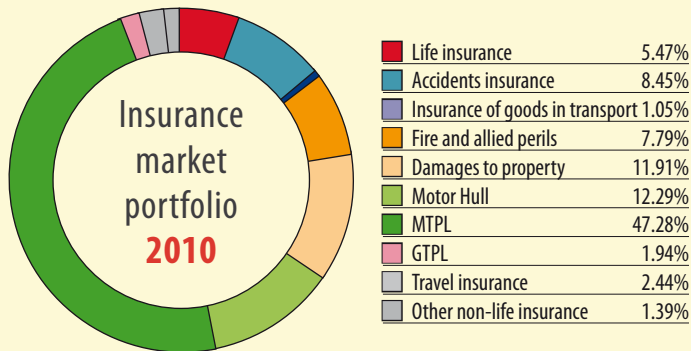
## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	LIETUVOS draudimas	28.55	15.37	29.81	18.63	-4.23	27.26	28.22
2	BTA draudimas	22.36	16.74	23.44	18.37	-4.65	21.35	22.19
3	PZU Lietuva	15.93	10.95	15.75	11.63	1.09	15.21	14.91
4	AAS GJENSIDIGE Baltic	12.71	8.14	13.61	9.27	-6.67	12.13	12.89
5	ERGO Lietuva	11.44	7.01	10.63	7.65	7.61	10.92	10.06
6	If P&C Insurance	5.37	3.07	5.67	2.76	-5.25	5.13	5.36
7	INDUSTRIJOS garantas	4.00	1.94	3.23	1.68	23.75	3.82	3.06
8	COMPENSA VIG	2.30	0.15	-	-	-	2.19	-
9	SEESAM Lietuva	2.13	1.32	1.77	1.91	20.19	2.03	1.67
10	LÄNSFÖRSÄKRINGAR Int.	-0.04	0.64	1.71	0.34	-102.50	-	1.62
<b>TOTAL MARKET</b>		<b>104.72</b>	<b>65.33</b>	<b>105.63</b>	<b>72.23</b>	<b>-0.86</b>	<b>100.00</b>	<b>100.00</b>



## MACEDONIA (FYROM)

According to Insurance Supervision Agency, at the end of 2010, 13 insurance companies have been active on the Macedonian insurance market, of which 11 are non-life insurance and 2 are life insurance companies. Towards the end of December 2010, the new participant WINNER Life Vienna Insurance Group was granted with a license for conduction of life insurance operations. During 2010, the number of insurance brokerage increased by 2 new companies, totaling 14.



### Sources:

Insurance Supervision Agency  
National Bank of the Republic of Macedonia

### Macedonian currency exchange rate for calculations:

1 EUR = 61.1732 Denars, MKD (December 31<sup>st</sup>, 2009)

1 EUR = 61.5050 Denars, MKD (December 31<sup>st</sup>, 2010)

The level of development of an insurance market, measured through the basic indicators, density and penetration rate, shows that both indicators remain unchanged compared to 2009. At the end of 2010, the density rate was EUR51.27, while the penetration rate was 1.52%. The gross written premiums registered in 2010 were EUR105.37m worth, which represents a growth of 4.3% relative to the GWP in 2009.

The financial indicators published by Insurance Supervision Agency show that in 2010 the positive trend has been present in both insurance segments. The value of GWP in the non-life insurance was EUR99.6m, or 94.5% of the total GWP of the insurance sector, which represents a growth of 3.6% relative to the same period in the previous year. In life insurance, which represents 5.5% of the total GWP of the insurance market, the value of GWP was EUR5.8m, representing a growth of 17%.

In the period January 1<sup>st</sup> - December 31<sup>st</sup>, 2010, the insurance sector made a profit of EUR1.2m compared to the loss of EUR2.8m in the previous year. The profit made by the life insurance undertakings was EUR0.7m, while the profit of the non-life insurance undertakings was EUR0.5m.

The conclusion is that, during 2010, the consequences of the financial crisis upon the insurance sector were smaller. *This was due to the fact that, unlike other countries from the region, the Republic of Macedonia achieved a growth of the GWP. The growth of the GWP of 4.83% in 2010 is also a proof for the economy's recovery, and so is the positive financial result in the insurance sector of EUR1.2m profit compared to the realized loss of EUR2.8m in 2009, said Mr. Klime POPOSKI, PhD, the President of the Council of Experts of the Insurance Supervision Agency.*

Speaking about the development perspectives for 2011, Klime

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>105.37</b>	<b>48.59</b>	<b>101.06</b>	<b>48.42</b>	<b>4.27</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>5.76</b>	<b>0.87</b>	<b>4.92</b>	<b>1.59</b>	<b>17.21</b>	<b>100.00</b>	<b>5.47</b>
<b>TOTAL NON-LIFE</b>	<b>99.61</b>	<b>47.72</b>	<b>96.15</b>	<b>46.83</b>	<b>3.60</b>	<b>100.00</b>	<b>94.53</b>
Accidents insurance	8.91	5.93	9.43	5.79	-5.60	8.94	8.45
Insurance of goods in transport	1.10	0.06	1.09	0.08	0.80	1.11	1.05
<b>Overall property insurance</b>	<b>20.75</b>	<b>7.75</b>	<b>19.43</b>	<b>7.51</b>	<b>6.79</b>	<b>20.83</b>	<b>19.70</b>
Fire and allied perils	8.21	2.72	6.11	1.22	34.24	8.24	7.79
Damages to property	12.55	5.03	13.32	6.29	-5.81	12.60	11.91
<b>Overall motor insurance</b>	<b>62.77</b>	<b>33.24</b>	<b>59.22</b>	<b>33.04</b>	<b>6.01</b>	<b>63.02</b>	<b>59.57</b>
Motor Hull	12.95	8.77	13.23	8.66	-2.11	13.00	12.29
MTPL	49.82	24.47	45.98	24.37	8.34	50.02	47.28
GTPL	2.04	0.16	1.05	0.09	93.98	2.05	1.94
Travel insurance	2.57	0.46	2.35	0.25	9.18	2.58	2.44
Other non-life insurance	1.46	0.12	3.56	0.07	-58.91	1.47	1.39

## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	GRAWE	3.29	0.11	2.70	0.05	21.84	57.13	54.96
2	CROATIA	2.23	0.19	1.85	0.16	20.21	38.67	37.71
3	QBE	0.24	0.57	0.36	1.39	-32.90	4.20	7.33
<b>TOTAL MARKET</b>		<b>5.76</b>	<b>0.87</b>	<b>4.92</b>	<b>1.59</b>	<b>17.21</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	VARDAR	21.66	13.18	21.52	13.94	0.67	21.74	22.38
2	SAVA TABAK	15.20	7.26	16.73	7.56	-9.12	15.26	17.40
3	QBE	13.17	7.23	14.53	8.87	-9.34	13.23	15.12
4	EUROLINK	10.85	4.16	10.02	3.52	8.26	10.89	10.42
5	INSUR. POLICY	9.00	3.93	8.28	4.35	8.63	9.03	8.61
6	EVROINS	7.11	2.76	6.79	2.33	4.67	7.14	7.06
7	UNIQA	6.70	3.53	5.88	2.00	13.84	6.72	6.12
8	WINNER	6.12	2.77	4.99	2.68	22.64	6.14	5.19
9	ALBSIG	4.61	1.57	4.07	0.75	13.41	4.63	4.23
10	INSIG	2.90	0.92	2.79	0.82	4.09	2.91	2.90
11	CROATIA	2.29	0.42	0.55	0.01	316.88	2.30	0.57
<b>TOTAL TOP 10</b>		<b>97.32</b>	<b>47.31</b>	<b>95.60</b>	<b>46.82</b>	<b>1.80</b>	<b>97.70</b>	<b>99.43</b>
<b>TOTAL MARKET</b>		<b>99.61</b>	<b>47.72</b>	<b>96.15</b>	<b>46.83</b>	<b>3.60</b>	<b>100.00</b>	<b>100.00</b>

## Accidents insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	QBE	1.84	1.06	2.09	1.31	-12.33	20.62	22.20
2	VARDAR	1.83	1.33	2.15	1.36	-14.68	20.56	22.75
3	EUROLINK	1.19	0.98	1.24	0.57	-4.57	13.34	13.20
4	WINNER	1.00	0.74	1.31	0.42	-23.35	11.24	13.84
5	SAVA TABAK	0.85	0.57	0.82	0.67	3.57	9.52	8.67
6	INSUR. POLICY	0.79	0.56	0.78	0.96	1.33	8.83	8.23
7	EVROINS	0.76	0.34	0.53	0.36	44.55	8.53	5.57
8	UNIQA	0.25	0.13	0.23	0.07	11.79	2.83	2.39
9	CROATIA	0.18	0.02	0.07	0.00	166.32	2.06	0.73
10	ALBSIG	0.11	0.15	0.14	0.03	-18.43	1.27	1.46
11	INSIG	0.11	0.06	0.09	0.04	20.10	1.21	0.95
<b>TOTAL TOP 10</b>		<b>8.80</b>	<b>5.87</b>	<b>9.34</b>	<b>5.75</b>	<b>-5.84</b>	<b>98.79</b>	<b>99.05</b>
<b>TOTAL MARKET</b>		<b>8.91</b>	<b>5.93</b>	<b>9.43</b>	<b>5.79</b>	<b>-5.60</b>	<b>100.00</b>	<b>100.00</b>

## Insurance of goods in transport ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	QBE	0.58	0.02	0.60	0.06	-3.82	52.36	54.88
2	VARDAR	0.11	-	0.12	0.01	-11.53	9.59	10.93
3	EUROLINK	0.09	0.01	0.07	0.00	25.98	7.99	6.39
4	EVROINS	0.08	0.00	0.17	0.00	-53.32	7.18	15.51
5	WINNER	0.08	0.01	0.01	0.00	486.95	6.97	1.20
6	SAVA TABAK	0.05	0.00	0.06	0.00	-29.27	4.13	5.89
7	UNIQA	0.04	0.01	0.01	-	286.25	3.49	0.91
8	INSUR. POLICY	0.04	0.00	0.02	-	46.45	3.19	2.20
9	CROATIA	0.03	-	0.01	-	333.61	2.93	0.68
10	ALBSIG	0.02	0.00	0.02	0.01	54.54	2.17	1.42
<b>TOTAL MARKET</b>		<b>1.10</b>	<b>0.06</b>	<b>1.09</b>	<b>0.08</b>	<b>0.80</b>	<b>100.00</b>	<b>100.00</b>

POPOSKI expects a growth, especially in the non-life property insurance, as well as in the liability insurance. A specific development trend has been noticed in the life insurance sector. The trend has also been evident in the realized financial result of the life insurance companies, as well as in the start of the activity of one new market player, and so the number of new life insurance companies for 2011 will be 2.

Read the full version of the interview with Mr. Klime POPOSKI, PhD, the President of the Council of Experts of the Insurance Supervision Agency, on [www.xprimm.com](http://www.xprimm.com).

Mr. Klime POPOSKI, PhD  
President of the Council of  
Experts of the Insurance  
Supervision Agency



## Fire and allied perils ranking

No.	Company	2010		2009		Nominal Evolution (%) EUR	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	VARDAR	2.37	0.27	1.14	0.33	106.96	28.83	18.70
2	QBE	1.95	0.71	1.99	0.49	-2.18	23.75	32.59
3	EUROLINK	1.62	0.25	0.87	0.08	86.71	19.69	14.16
4	SAVA TABAK	0.97	0.16	1.00	0.23	-2.27	11.86	16.29
5	UNIQA	0.38	1.24	0.32	0.00	16.76	4.57	5.26
6	EVROINS	0.30	0.04	0.30	0.02	0.79	3.66	4.88
7	INSUR. POLICY	0.28	0.01	0.27	0.05	4.49	3.44	4.42
8	WINNER	0.19	0.02	0.10	0.00	94.09	2.35	1.63
9	CROATIA	0.07	0.02	0.02	-	320.91	0.89	0.28
10	ALBSIG	0.06	0.00	0.09	0.00	-30.81	0.77	1.50
11	INSIG	0.01	0.00	0.02	0.00	-20.65	0.17	0.29
<b>TOTAL TOP 10</b>		<b>8.19</b>	<b>2.72</b>	<b>6.09</b>	<b>1.22</b>	<b>34.40</b>	<b>99.83</b>	<b>99.71</b>
<b>TOTAL MARKET</b>		<b>8.21</b>	<b>2.72</b>	<b>6.11</b>	<b>1.22</b>	<b>34.24</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property ranking

No.	Company	2010		2009		Nominal Evolution (%) EUR	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	SAVA TABAK	4.99	1.94	5.80	2.81	-13.98	39.76	43.54
2	QBE	2.45	0.86	2.81	1.23	-12.84	19.55	21.13
3	VARDAR	1.87	1.32	2.09	1.12	-10.26	14.94	15.68
4	WINNER	1.31	0.35	1.07	0.43	22.51	10.42	8.01
5	INSUR. POLICY	0.66	0.23	0.39	0.21	69.34	5.23	2.91
6	EUROLINK	0.49	0.12	0.49	0.19	0.31	3.91	3.67
7	EVROINS	0.33	0.14	0.42	0.23	-20.00	2.65	3.12
8	UNIQA	0.28	0.03	0.18	0.04	55.39	2.22	1.35
9	CROATIA	0.09	0.00	0.02	0.00	305.83	0.75	0.17
10	ALBSIG	0.05	0.02	0.04	0.02	37.70	0.42	0.29
11	INSIG	0.02	0.01	0.02	0.01	5.46	0.15	0.13
<b>TOTAL TOP 10</b>		<b>12.53</b>	<b>5.02</b>	<b>13.30</b>	<b>6.28</b>	<b>-5.82</b>	<b>99.85</b>	<b>99.87</b>
<b>TOTAL MARKET</b>		<b>12.55</b>	<b>5.03</b>	<b>13.32</b>	<b>6.29</b>	<b>-5.81</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%) EUR	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	VARDAR	3.95	2.84	3.98	2.77	-0.69	30.49	30.05
2	QBE	1.97	1.19	2.24	1.42	-12.47	15.17	16.97
3	EUROLINK	1.91	1.19	2.08	1.22	-8.29	14.74	15.74
4	SAVA TABAK	1.70	1.40	1.88	1.35	-9.49	13.11	14.18
5	INSUR. POLICY	1.19	0.74	1.18	0.69	1.15	9.19	8.89
6	EVROINS	0.73	0.55	0.83	0.59	-11.05	5.67	6.24
7	UNIQA	0.56	0.28	0.44	0.27	26.29	4.33	3.36
8	WINNER	0.40	0.25	0.25	0.21	58.48	3.12	1.93
9	CROATIA	0.27	0.15	0.07	0.00	257.15	2.06	0.56
10	ALBSIG	0.18	0.15	0.19	0.09	-5.56	1.37	1.42
11	INSIG	0.10	0.05	0.09	0.07	11.03	0.76	0.67
<b>TOTAL TOP 10</b>		<b>12.86</b>	<b>8.72</b>	<b>13.14</b>	<b>8.60</b>	<b>-2.20</b>	<b>99.24</b>	<b>99.33</b>
<b>TOTAL MARKET</b>		<b>12.95</b>	<b>8.77</b>	<b>13.23</b>	<b>8.66</b>	<b>-2.11</b>	<b>100.00</b>	<b>100.00</b>



## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	VARDAR	10.69	7.22	10.82	8.31	-1.21	21.46	23.53
2	SAVA TABAK	6.27	3.08	6.41	2.39	-2.06	12.59	13.93
3	INSUR. POLICY	5.58	2.32	5.22	2.41	6.96	11.21	11.35
4	UNIQA	4.72	1.80	4.31	1.61	9.34	9.47	9.38
5	EVROINS	4.56	1.66	4.05	1.08	12.39	9.15	8.82
6	ALBSIG	3.95	1.23	3.35	0.57	17.96	7.94	7.29
7	QBE	3.90	3.32	4.19	4.28	-6.99	7.83	9.12
8	EUROLINK	3.46	1.48	2.93	1.38	17.98	6.94	6.37
9	WINNER	2.67	1.38	1.96	1.61	36.70	5.37	4.25
10	INSIG	2.51	0.77	2.39	0.71	4.85	5.04	5.21
11	CROATIA	1.51	0.19	0.35	0.01	336.27	3.03	0.75
<b>TOTAL TOP 10</b>		<b>48.31</b>	<b>24.28</b>	<b>45.64</b>	<b>24.36</b>	<b>5.86</b>	<b>96.97</b>	<b>99.25</b>
<b>TOTAL MARKET</b>		<b>49.82</b>	<b>24.47</b>	<b>45.98</b>	<b>24.37</b>	<b>8.34</b>	<b>100.00</b>	<b>100.00</b>

## GTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	EUROLINK	1.15	0.01	0.35	0.00	231.12	56.18	32.91
2	VARDAR	0.16	0.03	0.11	0.03	49.61	7.98	10.35
3	QBE	0.16	0.03	0.13	0.00	24.65	7.88	12.27
4	INSUR. POLICY	0.14	0.04	0.13	0.00	8.64	7.02	12.54
5	SAVA TABAK	0.12	0.05	0.07	0.05	61.73	5.90	7.08
6	EVROINS	0.10	-	0.12	0.01	-9.57	5.13	11.00
7	WINNER	0.10	0.01	0.06	0.00	78.45	5.09	5.53
8	UNIQA	0.06	0.01	0.08	0.00	-22.51	3.00	7.51
9	CROATIA	0.04	-	0.01	-	336.24	1.81	0.80
<b>TOTAL MARKET</b>		<b>2.04</b>	<b>0.16</b>	<b>1.05</b>	<b>0.09</b>	<b>93.98</b>	<b>100.00</b>	<b>100.00</b>

## Travel insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	EUROLINK	0.43	0.12	0.56	0.08	-22.15	16.89	23.68
2	UNIQA	0.41	0.03	0.31	0.02	33.64	16.07	13.13
3	VARDAR	0.35	0.08	-	-	-	13.47	-
4	QBE	0.27	0.03	0.42	0.05	-36.25	10.52	18.01
5	INSUR. POLICY	0.24	0.03	0.25	0.01	-3.21	9.52	10.74
6	EVROINS	0.24	0.02	0.38	0.04	-38.01	9.15	16.12
7	SAVA TABAK	0.21	0.04	0.25	0.05	-14.24	8.21	10.45
8	WINNER	0.16	0.02	-	-	-	6.38	-
9	INSIG	0.15	0.03	0.18	0.01	-15.05	5.98	7.69
10	CROATIA	0.10	0.04	0.00	-	2,132	3.82	0.19
<b>TOTAL MARKET</b>		<b>2.57</b>	<b>0.46</b>	<b>2.35</b>	<b>0.25</b>	<b>9.18</b>	<b>100.00</b>	<b>100.00</b>





## MONTENEGRO

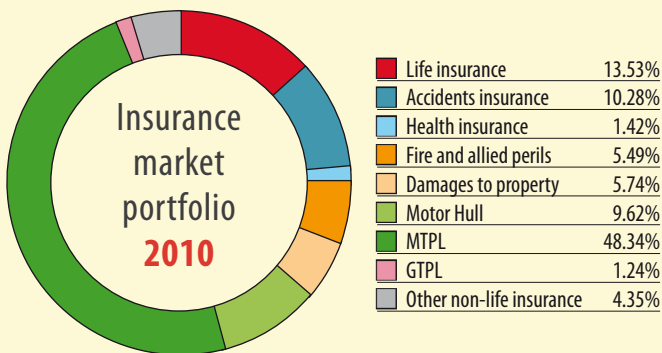
Through the declaration of independence in June 2006, as a result of the referendum of May 21<sup>st</sup>, 2006, Montenegro became the 192<sup>th</sup> member state of the UN. A "special" branch of Montenegrin economy is the tourism, as it makes part of a comprehensive long-term development project, investments from recent years resulting in obtaining one of the highest dynamics in the world.

Thus, today, Montenegro is under a continuous process of liberalization, privatization and restructuring of economic sectors, as the Government in Podgorica has set as target, as the final purpose, to obtain the membership in the European Union and NATO.

Maturity of economic policy has been proven by Montenegrins since 2002, by adopting the euro as their national currency. However, the Government of Montenegro has developed a comprehensive development program, headed in two directions, one leading to growth of tourism sector, the other aimed at privatization and attracting foreign investors, the final target being, among others, infrastructure development, thus creating new jobs.

Thus, with the separation from Serbia, in terms of the insurance market, the progress was not immediately reflected in the indicators of growth, but the positive influences of the legal and institutional framework are visible and in accordance with EU Directives. Among other things, insurance market surveillance by an independent institution was regulated, new solvency standards were adopted and a new law on mandatory MTPL insurance was adopted. Moreover, a National Bureau of Insurers was founded.

The insurance market in Montenegro is, by volume, one of the smallest in Central and Eastern European region. Moreover, given the low number of inhabitants and the country's small size, the insurance market will not ever raise to the size of the European states with tradition in the economic field. Despite these realities, market indicators suggest an interesting area of development for insurance companies: an insurance density in 2010 of over EUR100 per capita and a degree of coverage of industry in GDP steadily approaching 2.5%.



### Sources:

Central Bank of Montenegro  
Insurance Supervision Agency of Montenegro

Montenegro currency: EURO

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	GWP 2010	GWP 2009	Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	EUR m.	EUR m.	EUR	%	%
<b>TOTAL MARKET</b>	<b>61.92</b>	<b>64.22</b>	<b>-3.58</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>8.38</b>	<b>8.08</b>	<b>3.67</b>	<b>100.00</b>	<b>13.53</b>
Life insurance	7.23	7.24	-0.13	86.31	11.68
Supplementary insurance	0.84	0.77	9.48	10.01	1.35
Other life insurance	0.31	0.07	311.70	3.68	0.50
<b>TOTAL NON-LIFE</b>	<b>53.54</b>	<b>56.14</b>	<b>-4.63</b>	<b>100.00</b>	<b>86.47</b>
Accident	6.37	7.86	-19.00	11.89	10.28
Health	0.88	0.18	380.78	1.64	1.42
<b>Overall property insurance</b>	<b>6.95</b>	<b>6.41</b>	<b>8.47</b>	<b>12.98</b>	<b>11.23</b>
Fire and allied perils	3.40	3.40	0.00	6.34	5.49
Damages to property	3.56	3.01	18.03	6.64	5.74
<b>Overall motor insurance</b>	<b>35.89</b>	<b>37.73</b>	<b>-4.89</b>	<b>67.03</b>	<b>57.96</b>
Motor hull	5.96	7.10	-16.07	11.13	9.62
MTPL	29.93	30.64	-2.31	55.90	48.34
GTPL	0.77	0.43	78.62	1.43	1.24
Other non-life insurance	2.69	3.53	-23.61	5.03	4.35



In 2010, the local insurance market has registered underwritings of EUR61.9m, decreasing 3.6% compared to 2009. Of these, a share of over 57% comes to motor lines (MTPL and Motor Hull), 11.2% - to property insurance, and 10.3% of total incomes - to accident insurance. Life insurance, which holds a significant share in the developed countries, has a modest share, of 13.5%. A similar situation was recorded for health and liability insurance, with extremely low shares, of 1.4% and, respectively, 1.2%.

The insurance market of the "little Balkan state" fully reflects the current pro-European economic policy. Significant increases registered by economy sectors through attracting foreign investments can only raise the living standards of the population and strengthen the financial sector, implicitly the insurance sector, as it has fully proved its attractiveness in recent years.

## Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE	
	EUR m.	EUR m.	EUR	2010	2009
GRAWE	4.82	4.94	-2.51	57.55	61.19
LOVCEN	1.32	1.32	-0.14	15.73	16.33
UNIQA Life	1.31	1.18	10.83	15.63	14.62
MERKUR	0.65	0.42	54.38	7.81	5.24
DELTA GENERALI Life	0.16	0.13	15.72	1.86	1.66
ATLAS Life	0.12	0.08	54.88	1.44	0.96
<b>TOTAL MARKET</b>	<b>8.38</b>	<b>8.08</b>	<b>3.67</b>	<b>100.00</b>	<b>100.00</b>

## Non-Life insurance ranking

Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE	
	EUR m.	EUR m.	EUR	2010	2009
LOVCEN	31.85	34.45	-7.57	59.48	61.37
SAVA Montenegro	9.48	10.87	-12.83	17.70	19.37
DELTA GENERALI	5.81	4.86	19.58	10.86	8.66
UNIQA Non-Life	4.74	2.73	73.34	8.85	4.87
SWISS Insurance	1.67	2.14	-22.33	3.11	3.82
MAGNAT	-	1.07	-	-	1.91
<b>TOTAL MARKET</b>	<b>53.54</b>	<b>56.14</b>	<b>-4.63</b>	<b>100.00</b>	<b>100.00</b>

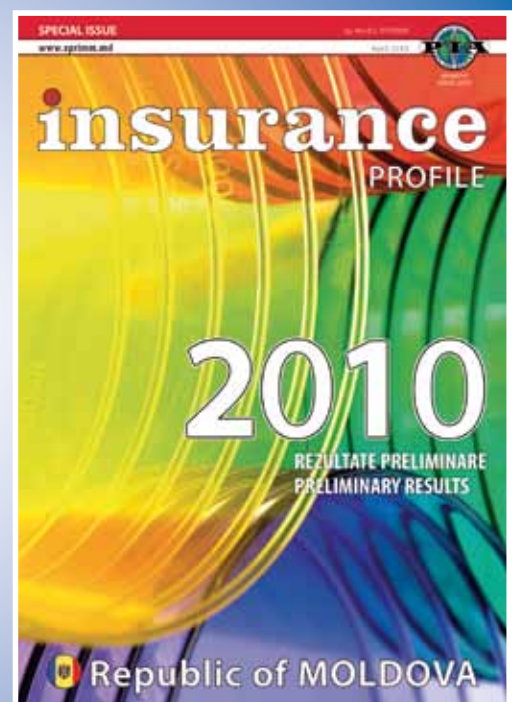
# insurance

## PROFILE

[www.xprimm.md](http://www.xprimm.md)

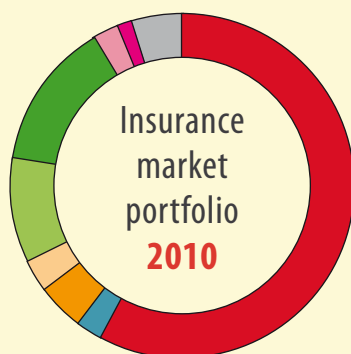
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## POLAND



Life insurance	58.02%
Accidents insurance	2.34%
Fire and allied perils	4.43%
Damages to property	3.25%
Motor Hull	9.72%
MTPL	13.90%
GTPL	2.30%
Financial loss insurance	1.45%
Other non-life insurance	4.59%

\*Reinsurance accepted included

### Sources:

The Polish Financial Supervision Authority (KNF)

The Polish Chamber of Insurance (PIU)

National Bank of Poland

Currency conversions were calculated for an average exchange rate of:

PLN 4.3273/EUR - in 2009

PLN 3.9946/EUR - in 2010

Once considered a poor country from Eastern Europe, Poland is rapidly turning into a center of economic power of Central Europe, as Poland took advantage from obtaining EU membership and from globalization, more than any other country. Thus, even when the rest of Europe was in recession, the Polish economy grew by 1.7%. Unemployment is now about 8%, but decreased from 20%. Economic growth in Poland, the only EU country that has not entered recession, doubled in 2010, after exports have recovered and internal demand increased. Poland had in 2010 an economic growth of 3.8% compared to 1.7% in 2009, according to Bloomberg. According to FMI, the 3.8% growth was the third most powerful in the EU in 2010. Poland has managed to avoid entering a recession even in the midst of financial crisis due to domestic market. Consumption rose by 3.2% last year and internal demand grew by 3.9%. Also, sales rose by 12% in December compared to a year earlier.

Local insurance market, until it became the most powerful in CEE, has suffered, over the years, many changes. Thus, if until the fall of the communist block, the Polish insurance industry consisted of only two state companies, PZU and WARTA - that sold life insurance and non-life insurance, and reinsurance services -, after 1990, with passing to a democratic political system, the insurance system reform in Poland has also started, and the local market

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>13,559.33</b>	<b>9,204.68</b>	<b>11,865.08</b>	<b>9,283.46</b>	<b>14.28</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>7,866.49</b>	<b>5,658.37</b>	<b>6,998.23</b>	<b>6,401.59</b>	<b>12.41</b>	<b>100.00</b>	<b>58.02</b>
Annuities and supplementary ins.	4,696.30	4,024.94	4,441.28	5,014.83	5.74	59.70	34.64
Unit-linked	2,032.75	1,168.90	1,492.64	1,010.96	36.19	25.84	14.99
Other life insurance	1,137.43	464.52	1,064.31	375.80	6.87	14.46	8.39
<b>TOTAL NON-LIFE</b>	<b>5,692.84</b>	<b>3,546.31</b>	<b>4,866.84</b>	<b>2,881.87</b>	<b>16.97</b>	<b>100.00</b>	<b>41.98</b>
Accidents and illness insurance	317.73	67.06	280.13	59.71	13.42	5.58	2.34
<b>Overall property insurance</b>	<b>1,041.62</b>	<b>760.00</b>	<b>859.24</b>	<b>408.60</b>	<b>21.23</b>	<b>18.30</b>	<b>7.68</b>
Fire and allied perils	600.56	591.15	502.50	280.20	19.51	10.55	4.43
Damages to property	441.06	168.85	356.74	128.40	23.64	7.75	3.25
<b>Overall motor insurance</b>	<b>3,201.95</b>	<b>2,288.59</b>	<b>2,778.49</b>	<b>2,058.38</b>	<b>15.24</b>	<b>56.25</b>	<b>23.61</b>
Motor Hull	1,317.38	965.92	1,129.69	865.83	16.61	23.14	9.72
MTPL	1,884.57	1,322.67	1,648.80	1,192.56	14.30	33.10	13.90
GTPL	311.36	147.14	257.31	116.31	21.00	5.47	2.30
Financial loss	197.24	22.24	200.28	13.66	-1.52	3.46	1.45
Other non-life insurance	622.95	261.28	491.39	225.22	26.77	10.94	4.59

\*Reinsurance accepted included

became attractive to many world-renowned insurance groups.

Another important change in the Polish insurance market started to manifest since the country's EU accession, the main benefits obtained by this industry in the post-accession period being, besides accentuated processes of globalization and internationalization of the industry: changing the ratio of life insurance - non-life insurance, in favor of the former, annual increase of the total volume of gross written premiums, annually winning important percentage points in the gross domestic product and, last but not least, the increase of the amounts allocated by each Polish citizen for insurance - EUR357/capita in 2010.

If Poland's economy has not experienced negative dynamics, the insurance industry declined in 2009 compared to 2008, by about 12%, but in 2010 it has recovered (an increase of over 14%), and at the end of 2010, the volume of gross written premiums was of about EUR13.56bn, a lower value than that recorded in 2008, when the market had reached a peak of EUR14.21bn.

Noteworthy is the rise of the life segment (+12%), representing over 58% (EUR7.9bn) of total underwritings. A significant increase of about 17% has also been registered by the non-life segment, the underwritings of this class reaching in 2010 the value of EUR5.7bn.

## GROUPAMA plans to enter in Poland

French insurer GROUPAMA plans to start operations in Poland in H2/2011 and has already started to recruit managers and employees, the daily *DZIENNIK GAZETA PRAWNA* writes. The direct insurance provider may start up as a foreign division of the parent firm, thus cutting the time needed to set up as a new business.

Meanwhile, in 2010, total gross claims paid by Polish insurers amounted to EUR9.2bn, of which EUR5.7bn is represented by claims paid for life insurance, while the rest, EUR3.5bn, represents general insurance, thus confirming the importance that life insurance has earned on the Polish profile industry.

Founded in 1803, PZU is the most famous Polish insurance company and it has held, during the communist regime, a monopoly over the national insurance industry. The company owned, at the end of the previous year, 30% of the life insurance market and 24% of the non-life segment. In recent years, the Polish company started a process of expanding, with offices in Lithuania and Ukraine.

## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	PZU ŻYCIE	2,328.19	1,867.67	2,292.02	2,357.34	1.58	29.60	32.75
2	EUROPA ŻYCIE	980.20	511.03	622.30	309.03	57.51	12.46	8.89
3	WARTA	630.33	619.32	602.34	746.09	4.65	8.01	8.61
4	ING	500.08	436.52	588.93	731.13	-15.09	6.36	8.42
5	NORDEA POLSKA	485.38	316.16	280.07	264.35	73.30	6.17	4.00
6	AVIVA	476.29	347.58	385.01	519.10	23.71	6.05	5.50
7	ALLIANZ ŻYCIE POLSKA	367.26	300.43	428.81	273.03	-14.35	4.67	6.13
8	AMPLICO LIFE	327.15	163.74	361.16	143.30	-9.42	4.16	5.16
9	GENERALI ŻYCIE	248.52	278.45	279.49	117.20	-11.08	3.16	3.99
10	UNIQA ŻYCIE	235.63	234.00	222.03	253.85	6.13	3.00	3.17
11	AXA ŻYCIE	222.06	79.45	144.05	213.78	54.16	2.82	2.06
12	ERGO HESTIA	205.17	31.24	115.92	27.35	76.98	2.61	1.66
13	AEGON ŻYCIE	190.46	169.08	147.79	175.38	28.87	2.42	2.11
14	BENEFIA VIG	113.34	42.60	95.11	68.79	19.17	1.44	1.36
15	HDI-GERLING ŻYCIE	111.01	35.23	41.09	24.20	170.15	1.41	0.59
16	SKANDIA ŻYCIE	97.94	56.20	76.77	40.81	27.58	1.24	1.10
17	COMPENSA VIG	75.61	37.84	71.25	47.66	6.12	0.96	1.02
18	CARDIF POLSKA	64.53	16.26	89.46	16.52	-27.87	0.82	1.28
19	BZ WBK - AVIVA	50.49	2.41	39.26	1.38	28.60	0.64	0.56
20	METLIFE	43.85	75.11	28.49	41.48	53.94	0.56	0.41
21	PRAMERICA ŻYCIE	43.29	10.22	35.55	8.71	21.76	0.55	0.51
22	SKOK ŻYCIE	26.08	5.31	14.47	4.34	80.26	0.33	0.21
23	POLISA-ŻYCIE.	21.48	14.11	18.46	11.32	16.37	0.27	0.26
24	CONCORDIA CAPITAL	7.90	1.99	7.71	1.39	2.41	0.10	0.11
25	SIGNAL IDUNA ŻYCIE POLSKA.	6.93	3.61	4.53	2.25	52.73	0.09	0.06
26	REJENT-LIFE	2.96	0.97	2.58	0.84	14.39	0.04	0.04
27	UNIVERSUM-ŻYCIE	1.84	0.89	1.04	0.44	77.27	0.02	0.01
28	MACIF ŻYCIE	1.74	0.56	1.43	0.13	22.16	0.02	0.02
29	INTER-ŻYCIE POLSKA	0.41	0.31	0.45	0.32	-8.55	0.01	0.01
30	LINK4 LIFE ŻYCIE	0.36	0.07	0.65	0.08	-45.36	0.00	0.01
<b>TOTAL TOP 10</b>		<b>6,579.04</b>	<b>5,074.90</b>	<b>6,062.17</b>	<b>5,714.41</b>	<b>8.53</b>	<b>83.63</b>	<b>86.62</b>
<b>TOTAL TOP 20</b>		<b>7,753.50</b>	<b>5,620.32</b>	<b>6,911.35</b>	<b>6,371.76</b>	<b>12.19</b>	<b>98.56</b>	<b>98.76</b>
<b>TOTAL MARKET</b>		<b>7,866.49</b>	<b>5,658.37</b>	<b>6,998.23</b>	<b>6,401.59</b>	<b>12.41</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

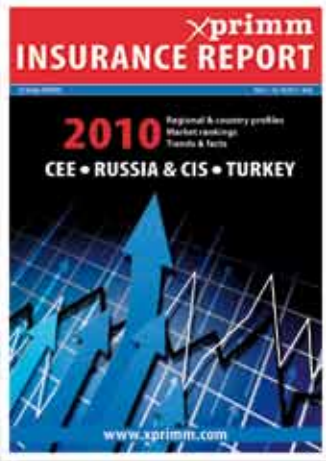
No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	PZU	1,948.61	1,350.39	1,800.47	1,196.38	8.23	34.23	36.99
2	ERGO HESTIA	586.93	339.86	504.67	263.97	16.30	10.31	10.37
3	WARTA	499.55	364.94	429.71	291.57	16.25	8.77	8.83
4	ALLIANZ POLSKA	434.10	270.83	369.11	222.70	17.61	7.63	7.58
5	INTERRISK VIG	261.85	126.22	177.72	79.82	47.34	4.60	3.65
6	HDI ASEKURACJA	242.75	157.66	193.88	117.54	25.21	4.26	3.98
7	UNIQA	223.20	164.70	178.04	111.34	25.37	3.92	3.66
8	COMPENSA VIG	204.94	127.93	167.07	89.58	22.66	3.60	3.43
9	GENERALI	187.75	114.30	168.81	92.31	11.22	3.30	3.47
10	MTU	136.43	78.90	104.74	56.78	30.25	2.40	2.15
11	EUROPA	125.11	4.19	80.76	1.26	54.92	2.20	1.66
12	PTU	112.82	76.54	101.92	59.55	10.69	1.98	2.09
13	CONCORDIA POLSKA	85.34	24.97	45.09	20.25	89.28	1.50	0.93
14	TUW	69.41	49.95	53.79	26.97	29.03	1.22	1.11
15	LINK4	68.05	36.35	53.87	34.22	26.32	1.20	1.11
16	AVIVA OGÓLNYCH	64.89	34.84	46.56	19.70	39.36	1.14	0.96
17	PTR	61.50	42.26	63.11	40.81	-2.56	1.08	1.30
18	EULER HERMES	58.19	47.59	48.03	36.00	21.16	1.02	0.99
19	SKOK	56.91	2.05	38.86	1.12	46.44	1.00	0.80
20	BENEFIA VIG	51.64	32.64	42.42	26.06	21.74	0.91	0.87
21	PZM VIG	45.86	38.41	51.94	35.22	-11.70	0.81	1.07
22	BRE UBEZPIECZENIA	31.92	8.14	21.71	5.59	47.03	0.56	0.45
23	AXA	25.28	7.97	13.30	11.84	90.03	0.44	0.27
24	BZ WBK - AVIVA OGÓLNYCH	21.42	2.15	23.19	0.71	-7.61	0.38	0.48
25	TUZ	19.84	5.86	11.68	4.50	69.89	0.35	0.24
26	INTER POLSKA	19.26	7.36	15.74	5.50	22.41	0.34	0.32
27	SIGNAL IDUNA POLSKA	16.12	12.46	16.53	12.30	-2.47	0.28	0.34
28	POCZTOWE	11.24	6.82	8.66	5.64	29.73	0.20	0.18
29	KUKE	11.10	4.48	6.46	3.09	71.75	0.19	0.13
30	CUPRUM	6.40	4.62	5.23	2.99	22.49	0.11	0.11
31	D.A.S. OCHRONY PRAWNEJ	4.26	0.91	3.19	0.70	33.61	0.07	0.07
32	PARTNER	0.14	0.03	0.12	0.01	17.38	0.00	0.00
33	MEDICA POLSKA	0.05	0.00	-	-	-	0.00	-
34	BEZPIECZNY DOM	-	-	0.01	-	-	-	0.00
35	HDI-GERLING POLSKA	-	-	20.46	5.86	-	-	0.42
<b>TOTAL TOP 10</b>		<b>4,726.09</b>	<b>3,095.72</b>	<b>4,094.22</b>	<b>2,521.98</b>	<b>15.43</b>	<b>83.02</b>	<b>84.12</b>
<b>TOTAL TOP 20</b>		<b>5,479.95</b>	<b>3,447.10</b>	<b>4,668.64</b>	<b>2,787.93</b>	<b>17.38</b>	<b>96.26</b>	<b>95.93</b>
<b>TOTAL TOP 30</b>		<b>5,688.39</b>	<b>3,545.37</b>	<b>4,843.07</b>	<b>2,875.31</b>	<b>17.45</b>	<b>99.92</b>	<b>99.51</b>
<b>TOTAL MARKET</b>		<b>5,692.84</b>	<b>3,546.31</b>	<b>4,866.84</b>	<b>2,881.87</b>	<b>16.97</b>	<b>100.00</b>	<b>100.00</b>



Sunday, October 23<sup>rd</sup> 2011,  
19.00 – 21.00  
Kurhaus Casino,  
Damenzimmer & Spiegelsaal

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### SPECIAL REPORT CEE, RUSSIA & CIS Insurance Markets 2009



Regional outlook – life and non-life regional statistics on gross written premium and claims paid  
Regional statistics on the motor and property insurance lines

- Top 120 CEE life insurers
- Top 120 CEE non-life insurers
- CEE insurance markets profiles
  - Market portfolio
  - Life insurers ranking
  - Non-life insurers ranking
  - Insurance market review

Turkish insurance market profile

RUSSIA & CIS insurance markets profiles

- Market portfolio
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- Non-life insurers ranking
- Insurance market review

Major insurance companies in CEE

Major insurance groups in CEE

Major reinsurance groups based in CEE, RUSSIA & CIS

### SPECIAL REPORT CEE, RUSSIA & CIS Insurance Markets 2010 - 1H Results



Regional outlook – life and non-life regional statistics on gross written premium and claims paid  
Regional statistics on the motor and property insurance lines

Top 120 CEE life insurers

Top 120 CEE non-life insurers

CEE insurance markets profiles

- Market portfolio
- Life insurers ranking
- Non-life insurers ranking
- Insurance market review
- Market indicators (assets, technical reserves etc.)

Turkish insurance market profile

RUSSIA & CIS insurance markets profiles

Major insurance companies in CEE

Major insurance groups in CEE

Major reinsurance groups based in CEE, RUSSIA & CIS

### SPECIAL REPORT CEE Insurance Markets 2009 - 1H Results



Regional outlook – life and non-life regional statistics on gross written premium and claims paid

Top 100 CEE life insurers

Top 150 CEE non-life insurers

CEE insurance markets profiles

- Market portfolio
- Life insurers ranking
- Non-life insurers ranking
- Insurance market review

Major groups in CEE – business results of their branches/  
subsidiaries in the CEE region

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E-mail: georgiana.oprea@mxp.ro



## ROMANIA

Last year ended with an expected evolution. The decreasing trend has been maintained in the industry since the first quarter and was confirmed in each of the following quarters and, in this context, each of the main indicators of the insurance industry finds its correspondent in one from the previous years.

EUR1,989m is the value of gross written premiums of Romanian insurers of last year. EUR11m below the psychological threshold of the EUR2bn and over 100 less than the figure recorded at the end of 2009. So, nothing so spectacular happened for the insurance market in Q4, as to cause a significant change of the -5% dynamics anticipated by INSURANCE Profile after the first 9 months of last year.

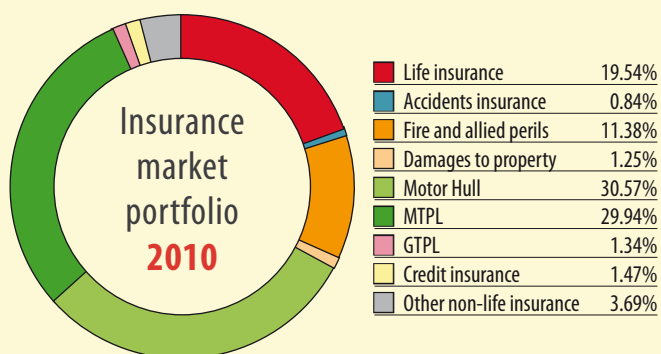
In European currency, the market recorded a negative dynamic of -5%. The real evolution in national currency, taking into account an average inflation rate of 6.09% for 2010, was -11%. This dynamic was in contrast to that of the Gross Domestic Product, which, according to announced statistics, has registered, in European currency, an increase of 5%.

Under these circumstances, the degree of penetration in GDP has also diminished to 1.63%, down from the value of 1.81% registered at the end of last year and below the value recorded in 2006, of 1.68%.

Insurance density has decreased, in the period under review, by about EUR4, being situated around the value of EUR92 per capita, below the 2007 value of the above-mentioned indicator.

The degree of market concentration has been on a very slight increase, to the value of 80.35%. Of the top 10 companies, only 3 have registered a positive dynamic, of which two are specialized in life insurance. The contrast of the evolution is also maintained regarding the decrease registered on the general insurance segment, respectively the increase from the life insurance segment.

On the general insurance segment, companies have underwritten, in EUR, 6.75% less less than the value recorded in 2009. The value of underwritings correspondent to general insurance amounted last year to EUR1.6bn, EUR116m less than 2009 results. These figures have led to the decrease of the share that general



### Sources:

Insurance PROFILE  
Insurance Supervisory Commission (ISC)  
Romanian National Bank

Currency conversions were calculated for an average exchange rate of:

RON 4.2373/EUR - in 2009  
RON 4.2099/EUR - in 2010

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP EUR m.	CLAIMS EUR m.	GWP EUR m.	CLAIMS EUR m.			
<b>TOTAL MARKET</b>	<b>1,988.89</b>	<b>1,292.02</b>	<b>2,093.25</b>	<b>1,282.78</b>	<b>-4.99</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>388.58</b>	<b>162.52</b>	<b>377.11</b>	<b>58.09</b>	<b>3.04</b>	<b>100.00</b>	<b>19.54</b>
Annuities and supplementary ins.	239.70	98.71	243.09	52.02	-1.39	61.69	12.05
Unit-linked	148.41	63.10	133.52	6.03	11.15	38.19	7.46
Other life insurance	0.47	0.71	0.50	0.04	-4.97	0.12	0.02
<b>TOTAL NON-LIFE</b>	<b>1,600.31</b>	<b>1,129.50</b>	<b>1,716.14</b>	<b>1,224.69</b>	<b>-6.75</b>	<b>100.00</b>	<b>80.46</b>
Accidents and illness insurance	16.62	3.51	20.95	3.35	-20.63	1.04	0.84
<b>Overall property insurance</b>	<b>251.09</b>	<b>86.41</b>	<b>259.24</b>	<b>75.09</b>	<b>-3.14</b>	<b>15.69</b>	<b>12.62</b>
Fire and allied perils	226.25	59.09	220.60	49.80	2.56	14.14	11.38
Damages to property	24.84	27.31	38.64	25.30	-35.71	1.55	1.25
<b>Overall motor insurance</b>	<b>1,203.50</b>	<b>972.99</b>	<b>1,317.60</b>	<b>1,058.95</b>	<b>-8.66</b>	<b>75.20</b>	<b>60.51</b>
Motor Hull	608.03	588.25	786.11	682.94	-22.65	37.99	30.57
MTPL	595.47	384.75	531.49	376.00	12.04	37.21	29.94
Credit insurance	29.16	36.53	27.29	56.19	6.88	1.82	1.47
GTPL	26.58	8.64	32.05	4.49	-17.05	1.66	1.34
Other non-life insurance	73.35	21.43	59.03	26.62	24.26	4.58	3.69

Note: For 2010, the data are non-audited



## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS**	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ING Asig. de Viață	128.56	3.62	123.68	12.33	3.94	33.08	32.80
2	BCR Asig. de Viață	73.01	-	60.21	5.92	21.25	18.79	15.97
3	ALICO România*	43.94	-	39.66	2.36	10.79	11.31	10.52
4	ASIROM	22.02	18.40	21.00	17.82	4.85	5.67	5.57
5	ALLIANZ-ȚIRIAC	21.85	-	20.68	2.27	5.67	5.62	5.48
6	GENERALI	21.64	2.93	19.91	2.65	8.66	5.57	5.28
7	AVIVA	21.05	2.26	23.98	2.14	-12.21	5.42	6.36
8	GROUPAMA	14.82	5.69	20.57	6.50	-27.95	3.81	5.46
9	GRAWE România*	12.83	-	17.47	0.73	-26.57	3.30	4.63
10	EUREKO	7.42	0.80	8.03	0.70	-7.54	1.91	2.13
11	BRD Asig. de Viață	4.37	-	0.25	0.00	1,614	1.12	0.07
12	AXA Life Insurance	4.35	0.85	5.53	2.40	-21.35	1.12	1.47
13	ERGO Asig. de Viață	4.04	-	-	-	-	1.04	-
14	ASTRA	3.53	0.50	2.35	0.19	50.42	0.91	0.62
15	EFG Eurolife Viață	2.93	1.04	2.97	0.73	-1.28	0.76	0.79
16	AEGON Asig. de Viață	1.11	0.01	0.51	-	119.01	0.29	0.13
17	GARANTA	0.97	0.53	3.42	0.78	-71.74	0.25	0.91
18	SIGNAL IDUNA	0.12	-	0.01	-	1,598	0.03	0.00
19	ATE Insurance	0.03	-	0.03	0.01	9.58	0.01	0.01
20	ARDAF	-	-	-0.05	0.05	-	-	-
TOTAL TOP 10		367.13	NA	355.19	53.42	3.36	94.48	94.19
TOTAL MARKET		388.58	162.52	377.11	58.09	3.04	100.00	100.00

\*estimation; \*\*includes gross paid indemnities, amounts paid for maturities and surrenders

## Annuities and supplementary ins. ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS**	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ING Asig. de Viață	55.60	2.43	52.12	8.64	6.67	23.20	21.44
2	ALICO România*	38.24	-	34.53	2.34	10.75	15.95	14.20
3	BCR Asig. de Viață	33.58	-	31.27	5.91	7.40	14.01	12.86
4	ASIROM	22.02	18.40	21.00	17.82	4.85	9.18	8.64
5	GENERALI	18.06	2.85	16.95	2.57	6.54	7.53	6.97
6	GROUPAMA	14.75	-	20.57	6.50	-28.33	6.15	8.46
7	GRAWE România*	12.79	-	17.38	0.70	-26.42	5.34	7.15
8	AVIVA	10.99	2.10	13.01	0.73	-15.52	4.59	5.35
9	ALLIANZ-ȚIRIAC*	10.21	-	9.33	1.48	9.42	4.26	3.84
10	EUREKO	5.99	0.75	6.81	0.67	-12.02	2.50	2.80
11	BRD Asig. de Viață	4.34	-	0.25	0.00	1,602	1.81	0.10
12	AXA Life Insurance	3.92	0.85	5.10	2.40	-23.05	1.64	2.10
13	ASTRA	3.53	0.50	2.35	0.19	50.42	1.47	0.97
14	EFG Eurolife Viață	2.93	1.04	2.97	0.73	-1.28	1.22	1.22
15	ERGO Asig. de Viață	1.63	-	-	-	-	0.68	-
16	GARANTA	0.97	0.53	3.42	0.78	-71.74	0.40	1.41
17	SIGNAL IDUNA	0.09	-	0.00	-	1,673	0.04	0.00
18	ATE Insurance	0.03	-	0.03	0.01	9.58	0.01	0.01
19	AEGON Asig. de Viață	0.02	0.00	0.09	-	-75.36	0.01	0.04
20	CARDIF Asigurări	-	-	5.34	0.36	-	-	2.20
TOTAL TOP 10		222.23	NA	222.98	47.36	-0.34	92.71	91.73
TOTAL MARKET		239.70	98.71	243.09	52.02	-1.39	100.00	100.00

\*estimation; \*\*includes gross paid indemnities, amounts paid for maturities and surrenders

insurance holds in the total underwritings by 1.5 percentage points, to a percentage of 80.46% of the total insurance market. Regarding general insurance, noteworthy is, for the first time in the last years, the negative dynamics of claims paid by insurers. Their value has declined by about 8 percent in EUR, to EUR1.13bn. Essential for this result was the decrease by almost 14% in EUR of the claims registered on the Motor Hull segment.

On the life segment, insurers have increased their businesses by nearly EUR11.5m, which represents an over 3% increase in European currency. In these circumstances, life insurance has increased its share in the insurance industry, up to 19.54% of total underwritings. The amount of indemnities paid on life insurance segment, including surrenders, totaled EUR163m in the previous year.

Besides life insurance, the only insurance classes for which last year brought increases in the volume of gross written premiums were fire and allied perils insurance, credit and warranties insurance and MTPL insurance.

Motor Hull insurance, the engine of growth for the local insurance industry in the previous years, was the main source of decrease for the year 2010. The underwritings volume on the above-mentioned class has diminished by over EUR178m, which has resulted in a decrease of the mentioned insurance of about 23% in EUR, down to the value of EUR608m. This dynamic has resulted in reducing the share of the Motor Hull insurance in the market structure by about 7 percentage points, to 30.57% of the total underwritings made by local companies in the analyzed period. Although the claims related to Motor Hull business have also diminished in the previous year by about 14%, they still represent the largest part of the claims that insurers have paid in 2010: 45.5% of the total paid claims of the market, over EUR588m.

MTPL is the second insurance class, as share of total underwritings, and the class with the biggest increase recorded last year, with a volume of gross written premiums of over EUR595m, that is about 30% of total underwritings. Almost EUR64m is the value that insurers have added over the amount registered in 2009 for MTPL. This premiums increase has resulted in an increase of 12% in European currency and an increase of 4.55 percentage points of the share that MTPL insurance holds in the total underwritings.

Fire and allied perils insurance has brought underwritings of over EUR226m, up by almost 3% compared to the premiums value recorded in 2009. The above-mentioned insurance class is the fourth, as share, in the insurance industry and represents 11.4% of the industry. The fact that insurers have managed to underwrite nearly EUR6m more than in 2009 led to an increase of its share in the market structure on insurance classes, by about 1 percentage point. Even if fire and allied perils insurance brings only 4.6% of

the total claims paid by insurers in 2010, we notice an increase by almost 19% of the volume of claims paid by insurance companies last year for the mentioned class.

Cumulated, credit and warranties insurance represents only 2.24% of total gross premiums underwritten by insurers. With a dynamics in EUR of almost +30%, credit and warranties insurance has had the biggest increase of all insurance classes, in terms of percentage. In absolute value, underwritings have increased by over EUR10m, value close to the increase recorded in life insurance.

## Market ends the year with a new leader and two life companies in TOP 10

Regarding the evolution of companies and their hierarchy, the year 2010 brought two premieres. ASTRA Asigurari has become the market leader since the first quarter, maintaining its position at the end of the year. Another premiere is the entry in TOP 10 of BCR Asigurari de Viata, so that two of the top 10 companies in the market are specialized in life insurance.

Therefore, rising 3 positions in the underwritings hierarchy, the new leader of the insurance market is ASTRA Asigurari. The company has underwritten gross premiums whose value was close to EUR264m, up by over 38% compared to the results recorded in 2009. ASTRA has also increased its market share by 4.14 percentage points, up to 13.3% of the total underwritings made by insurers. The company has underwritten almost EUR73m more than in 2009.

With a reduction of underwritings of over 19%, ALLIANZ-TIRIAC fell down a place in the insurers top, with underwritings whose value exceeded EUR245m (over EUR58m less than in 2009). The company has reduced its market share by 2.17 percentage points, to 12.3%.

OMNIASIG occupies the 3rd place in the hierarchy based on the total underwritings. The company has reduced its business by 17.3%, to a volume of gross written premiums of EUR218m, EUR45m less than the underwritings value recorded in 2009. OMNIASIG holds a 12.6% share of the insurance market, 1.6 percentage points less than in 2009.

In fact, the only changes in TOP 10 were produced by the 3 positions rise of the new leader, so ALLIANZ-TIRIAC, OMNIASIG and GROUPAMA have lost one place each, and its component was modified by the entry in TOP 10 of BCR Asigurari de Viata.

Courtesy to INSURANCE Profile, Issue 1/2011

### Unit-linked insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS**	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ING Asig. de Viață	72.96	1.19	71.56	3.69	1.95	49.16	53.59
2	BCR Asig. de Viață	39.42	-	28.94	0.01	36.21	26.56	21.68
3	ALLIANZ-TIRIAC*	11.64	-	11.35	0.79	2.58	7.84	8.50
4	AVIVA	10.05	0.17	10.96	1.40	-8.28	6.78	8.21
5	ALICO România*	5.70	-	5.13	0.02	11.04	3.84	3.85
6	GENERALI	3.54	0.07	2.95	0.07	19.99	2.38	2.21
7	ERGO Asig. de Viață	2.41	-	-	-	-	1.63	-
8	EUREKO	1.43	0.05	1.21	0.03	17.59	0.96	0.91
9	AEGON Asig. de Viață	1.09	0.01	0.42	-	161.77	0.73	0.31
10	GROUPAMA	0.08	-	-	-	-	0.05	-
<b>TOTAL TOP 10</b>		<b>148.32</b>	<b>NA</b>	<b>132.53</b>	<b>6.02</b>	<b>11.92</b>	<b>99.94</b>	<b>99.25</b>
<b>TOTAL MARKET</b>		<b>148.41</b>	<b>63.10</b>	<b>133.52</b>	<b>6.03</b>	<b>11.15</b>	<b>100.00</b>	<b>100.00</b>

\*estimation; \*\*includes gross paid indemnities, amounts paid for maturities and surrenders

## Non - Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASTRA	260.28	123.94	188.69	77.16	37.94	16.26	10.99
2	ALLIANZ-TIRIAC	223.28	-	282.79	222.16	-21.04	13.95	16.48
3	OMNIASIG	217.61	169.23	263.00	213.57	-17.26	13.60	15.33
4	GROUPAMA	176.61	145.98	190.06	179.12	-7.08	11.04	11.07
5	BCR Asigurări	135.55	84.95	135.95	91.47	-0.30	8.47	7.92
6	ASIROM	113.56	78.98	131.43	110.67	-13.60	7.10	7.66
7	UNIQA	102.71	93.20	117.22	97.46	-12.38	6.42	6.83
8	GENERALI	82.45	55.83	99.73	52.51	-17.32	5.15	5.81
9	CARPATICA Asig	72.10	22.32	46.45	12.19	55.23	4.51	2.71
10	EUROINS	71.50	42.36	66.35	35.10	7.77	4.47	3.87
11	ARDAF	51.57	55.64	77.25	61.65	-33.24	3.22	4.50
12	GARANTA	22.17	20.93	28.38	22.34	-21.88	1.39	1.65
13	CITY Insurance	15.01	0.41	6.72	0.17	123.39	0.94	0.39
14	ASITO CAPITAL	9.75	2.62	7.79	2.56	25.19	0.61	0.45
15	CREDIT EUROPE Asig.	9.08	5.77	9.99	3.82	-9.11	0.57	0.58
16	P.A.I.D.	6.91	-	-	-	-	0.43	-
17	ALICO România*	6.18	-	5.53	0.26	11.70	0.39	0.32
18	CERTASIG	4.92	4.23	7.82	2.66	-37.07	0.31	0.46
19	FATA Asigurări	4.64	9.12	8.19	17.50	-43.37	0.29	0.48
20	ABC Asigurări	4.24	2.42	4.02	1.41	5.47	0.27	0.23
<b>TOTAL TOP 10</b>		<b>1,455.65</b>	<b>NA</b>	<b>1,521.65</b>	<b>1,091.41</b>	<b>-4.34</b>	<b>90.96</b>	<b>88.67</b>
<b>TOTAL TOP 20</b>		<b>1,590.10</b>	<b>NA</b>	<b>1,677.33</b>	<b>1,203.78</b>	<b>-5.20</b>	<b>99.36</b>	<b>97.74</b>
<b>TOTAL MARKET</b>		<b>1,600.31</b>	<b>1,129.50</b>	<b>1,716.14</b>	<b>1,224.69</b>	<b>-6.75</b>	<b>100.00</b>	<b>100.00</b>

\*estimation

# INSURANCE STATISTICS AND NEWS



## REGIONAL & COUNTRY STATISTICS

### REGIONAL RANKINGS

#### CEE & TURKEY

Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Kosovo Territory, Latvia, Lithuania, Macedonia (FYROM), Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey

#### RUSSIA & CIS

Armenia, Azerbaijan, Belarus, Republic of Moldova, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan

### MAJOR GROUPS' NEWS

### INTERNATIONAL INSURANCE EVENTS

## Accidents and illness insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ALICO România*	5.94	-	5.28	0.25	12.43	35.72	25.22
2	OMNIASIG	1.95	0.34	1.19	0.19	63.82	11.75	5.69
3	ASTRA	1.29	0.76	1.38	1.06	-6.40	7.75	6.57
4	ASIROM	1.12	0.12	1.31	0.12	-14.48	6.76	6.27
5	UNIQA*	1.04	-	0.47	0.03	121.72	6.24	2.23
6	CREDIT EUROPE Asig.	0.89	0.03	1.57	0.05	-43.58	5.34	7.51
7	GARANTA	0.77	0.16	0.87	0.23	-11.39	4.64	4.16
8	BCR Asigurări	0.67	0.07	0.61	0.09	8.84	4.02	2.93
9	GROUPAMA	0.66	-	0.63	0.21	5.23	3.97	2.99
10	ING Asig. de Viață	0.52	0.09	0.70	0.14	-25.50	3.15	3.36
11	ASITO KAPITAL	0.35	0.23	0.41	0.29	-13.71	2.12	1.95
12	GENERALI	0.35	0.07	0.56	0.01	-37.85	2.11	2.70
13	CARPATICA Asig	0.21	0.01	0.27	0.03	-21.19	1.28	1.29
14	EUREKO	0.18	0.09	0.35	0.09	-47.91	1.10	1.68
15	ABC Asigurări	0.18	-	0.07	0.00	136.19	1.06	0.36
16	PLATINUM	0.16	0.01	0.01	0.01	1,450	0.94	0.05
17	ARDAF	0.12	0.05	0.53	0.04	-77.89	0.70	2.53
18	EFG Eurolife Generale	0.09	-	0.09	0.00	-0.55	0.55	0.44
19	CITY Insurance	0.07	0.00	0.00	-	1,435	0.42	0.02
20	SIGNAL IDUNA	0.06	0.00	0.02	-	207.35	0.34	0.09
<b>TOTAL TOP 10</b>		<b>14.85</b>	<b>NA</b>	<b>14.02</b>	<b>2.36</b>	<b>5.93</b>	<b>89.33</b>	<b>66.93</b>
<b>TOTAL TOP 20</b>		<b>16.62</b>	<b>NA</b>	<b>16.35</b>	<b>2.83</b>	<b>1.68</b>	<b>99.97</b>	<b>78.03</b>
<b>TOTAL MARKET</b>		<b>16.62</b>	<b>3.51</b>	<b>20.95</b>	<b>3.35</b>	<b>-20.63</b>	<b>100.00</b>	<b>100.00</b>

\*estimation

## Fire and allied perils insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ALLIANZ-TIRIAC	38.72	-	42.21	9.90	-8.27	17.11	19.13
2	OMNIASIG	37.90	4.40	33.82	11.14	12.06	16.75	15.33
3	ASTRA	34.56	2.62	31.98	1.32	8.08	15.28	14.50
4	GROUPAMA	21.90	-	23.27	4.26	-5.88	9.68	10.55
5	BCR Asigurări	18.43	6.75	16.50	3.34	11.71	8.15	7.48
6	GENERALI	17.90	3.52	17.40	3.09	2.90	7.91	7.89
7	ASIROM	16.93	5.03	17.21	8.32	-1.57	7.49	7.80
8	UNIQA*	9.93	-	11.27	1.45	-11.91	4.39	5.11
9	P.A.I.D.	6.91	-	-	-	-	3.05	-
10	ASITO KAPITAL	6.47	0.10	4.28	0.12	50.91	2.86	1.94
11	GARANTA	4.07	0.34	5.07	0.25	-19.70	1.80	2.30
12	ARDAF	2.95	0.80	3.27	0.22	-9.77	1.30	1.48
13	CREDIT EUROPE Asig.	2.38	0.27	2.63	0.09	-9.69	1.05	1.19
14	EUROINS	1.60	0.11	0.82	0.07	94.11	0.71	0.37
15	CARPATICA Asig	1.34	1.13	1.71	0.41	-21.39	0.59	0.77
16	EFG Eurolife Generale	1.20	0.03	0.92	0.05	30.10	0.53	0.42
17	PLATINUM	0.77	0.02	0.14	0.00	447.42	0.34	0.06
18	FATA Asigurări	0.69	0.60	0.46	0.26	48.34	0.30	0.21
19	ABC Asigurări	0.50	0.01	0.40	0.01	24.39	0.22	0.18
20	ATE Insurance	0.47	0.00	0.28	0.00	66.62	0.21	0.13
<b>TOTAL TOP 10</b>		<b>209.65</b>	<b>NA</b>	<b>197.94</b>	<b>42.94</b>	<b>5.92</b>	<b>92.66</b>	<b>89.73</b>
<b>TOTAL TOP 20</b>		<b>225.61</b>	<b>NA</b>	<b>213.65</b>	<b>44.31</b>	<b>5.60</b>	<b>99.72</b>	<b>96.85</b>
<b>TOTAL MARKET</b>		<b>226.25</b>	<b>59.09</b>	<b>220.60</b>	<b>49.80</b>	<b>2.56</b>	<b>100.00</b>	<b>100.00</b>

\*estimation



## Azerbaijan International Insurance Conference

**July, 7<sup>th</sup>-8<sup>th</sup>, 2011**

Baku Business Center, Baku, Republic of Azerbaijan

### Organizers



Azerbaijan  
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### Topics

- Legislation on mandatory insurance classes, effectiveness for the market development
- Bancassurance and its potential on the emerging markets
- The role of life & pension insurance in the Region
- Reinsurance perspectives in the Middle Asia and Caucaz Countries
- Trends and prospects of national and international insurance markets

[www.xprimm.com](http://www.xprimm.com)

# country profile

## Damages to property insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	GENERALI	5.13	2.13	6.12	2.04	-16.23	20.63	15.83
2	ASIROM	5.07	7.93	4.91	4.90	3.18	20.40	12.71
3	GROUPAMA	4.77	-	2.69	0.77	77.45	19.19	6.95
4	FATA Asigurări	3.20	5.55	5.41	8.29	-40.77	12.90	14.00
5	BCR Asigurări	2.37	0.42	2.76	0.38	-14.30	9.53	7.15
6	OMNIASIG	1.78	1.39	1.21	1.49	47.67	7.18	3.12
7	ASTRA	1.50	0.30	1.50	0.26	-0.06	6.04	3.89
8	PLATINUM	0.46	3.03	0.04	0.01	996.75	1.84	0.11
9	EUROINS	0.30	0.59	0.93	0.46	-67.20	1.23	2.40
10	GARANTA	0.08	0.00	0.12	0.01	-34.65	0.31	0.30
<b>TOTAL TOP 10</b>		<b>24.65</b>	<b>NA</b>	<b>25.68</b>	<b>18.61</b>	<b>-4.02</b>	<b>99.23</b>	<b>66.46</b>
<b>TOTAL MARKET</b>		<b>24.84</b>	<b>27.31</b>	<b>38.64</b>	<b>25.30</b>	<b>-35.71</b>	<b>100.00</b>	<b>100.00</b>

\*estimation

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ALLIANZ-TIRIAC	119.96	-	169.40	154.52	-29.19	19.73	21.55
2	OMNIASIG	102.59	107.69	149.90	132.48	-31.56	16.87	19.07
3	GROUPAMA	90.43	-	102.98	96.07	-12.19	14.87	13.10
4	ASTRA	62.63	44.08	69.44	37.66	-9.80	10.30	8.83
5	BCR Asigurări	53.55	46.75	69.31	58.49	-22.74	8.81	8.82
6	UNIQA*	51.52	-	63.98	59.85	-19.48	8.47	8.14
7	ASIROM	44.64	31.45	47.86	47.72	-6.74	7.34	6.09
8	GENERALI	36.61	34.50	45.86	36.73	-20.18	6.02	5.83
9	ARDAF	19.10	22.69	26.46	19.03	-27.79	3.14	3.37
10	EUROINS	5.88	6.08	8.29	6.21	-29.03	0.97	1.05
11	CARPATICA Asig	5.85	2.64	7.50	3.03	-22.01	0.96	0.95
12	GARANTA	4.26	5.91	5.23	5.93	-18.56	0.70	0.66
13	CREDIT EUROPE Asig.	3.99	3.34	4.05	1.87	-1.47	0.66	0.51
14	ABC Asigurări	1.69	1.29	1.62	0.76	4.14	0.28	0.21
15	CERTASIG	1.56	3.62	3.98	2.10	-60.94	0.26	0.51
16	ASITO KAPITAL	1.42	2.29	2.32	2.15	-38.97	0.23	0.30
17	PLATINUM	1.25	1.00	2.24	2.04	-44.18	0.21	0.29
18	FATA Asigurări	0.71	2.97	2.22	8.94	-68.08	0.12	0.28
19	CITY Insurance	0.42	0.04	0.00	-	200,182	0.07	0.00
20	ATE Insurance	0.05	0.01	0.03	0.00	89.83	0.01	0.00
<b>TOTAL TOP 10</b>		<b>586.90</b>	<b>NA</b>	<b>753.48</b>	<b>648.76</b>	<b>-22.11</b>	<b>96.53</b>	<b>95.85</b>
<b>TOTAL MARKET</b>		<b>608.03</b>	<b>588.25</b>	<b>786.11</b>	<b>682.94</b>	<b>-22.65</b>	<b>100.00</b>	<b>100.00</b>

\*estimation



## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASTRA	143.92	71.87	68.38	34.40	110.46	24.17	12.87
2	CARPATICA Asig	63.30	17.75	35.50	7.88	78.30	10.63	6.68
3	EUROINS	62.77	35.41	54.99	28.22	14.14	10.54	10.35
4	OMNIASIG	60.02	44.18	64.20	58.02	-6.50	10.08	12.08
5	ALLIANZ-TIRIAC	51.78	-	54.39	36.52	-4.79	8.70	10.23
6	BCR Asigurări	49.96	25.25	39.28	27.70	27.19	8.39	7.39
7	ASIROM	41.47	33.82	55.88	48.74	-25.79	6.96	10.51
8	GROUPAMA	38.79	-	47.04	47.40	-17.55	6.51	8.85
9	UNIQA*	37.93	-	39.69	35.73	-4.44	6.37	7.47
10	ARDAF	27.88	30.52	43.89	38.80	-36.49	4.68	8.26
11	GENERALI	16.09	14.65	25.80	10.10	-37.65	2.70	4.85
12	ABC Asigurări	1.36	1.07	1.57	0.60	-12.85	0.23	0.29
13	CITY Insurance	0.20	0.01	-	-	-	0.03	-
14	PLATINUM	0.01	0.23	0.07	0.13	-86.68	0.00	0.01
15	GARANTA	0.00	-	0.00	-	-25.21	0.00	0.00
16	FATA Asigurări	-	-	0.04	0.01	-	-	0.01
17	R.A.I.	-	-	0.00	-	-	-	-
18	EUREKO	0.00	0.77	0.76	1.77	-	-	0.14
<b>TOTAL TOP 10</b>		<b>577.82</b>	<b>NA</b>	<b>503.25</b>	<b>363.40</b>	<b>14.82</b>	<b>97.03</b>	<b>94.69</b>
<b>TOTAL MARKET</b>		<b>595.47</b>	<b>384.75</b>	<b>531.49</b>	<b>376.00</b>	<b>12.04</b>	<b>100.00</b>	<b>100.00</b>

\*estimation

## GTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	BCR Asigurări	5.07	4.68	3.63	0.20	39.79	19.07	11.32
2	OMNIASIG	4.95	0.39	4.08	0.59	21.27	18.61	12.73
3	ASIROM	2.72	0.29	2.57	0.58	5.81	10.25	8.03
4	ASTRA	2.70	0.12	2.29	0.15	18.04	10.15	7.13
5	GENERALI	2.62	0.04	2.65	0.12	-1.31	9.84	8.27
6	GROUPAMA	2.34	-	3.18	0.18	-26.29	8.81	9.91
7	UNIQA*	1.38	-	1.03	0.12	33.78	5.18	3.21
8	ARDAF	1.23	0.11	1.37	0.30	-10.01	4.63	4.26
9	ASITO KAPITAL	0.93	0.00	0.44	-	112.08	3.48	1.36
10	CERTASIG	0.55	0.03	0.38	0.04	46.29	2.08	1.18
<b>TOTAL TOP 10</b>		<b>24.48</b>	<b>NA</b>	<b>21.60</b>	<b>2.27</b>	<b>13.32</b>	<b>92.10</b>	<b>67.42</b>
<b>TOTAL MARKET</b>		<b>26.58</b>	<b>8.64</b>	<b>32.05</b>	<b>4.49</b>	<b>-17.05</b>	<b>100.00</b>	<b>100.00</b>

\*estimation

## Credit insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	GROUPAMA	15.12	-	7.24	28.85	108.78	51.86	26.55
2	GARANTA	12.30	14.50	16.40	15.85	-25.01	42.16	60.10
3	CREDIT EUROPE Asig.	1.56	2.11	1.57	1.77	-0.47	5.35	5.74
4	ASTRA	0.13	0.13	0.20	0.23	-34.16	0.46	0.74
5	CARPATICA Asig	0.11	0.55	0.10	0.55	11.64	0.39	0.37
6	UNIQA*	0.08	-	0.13	0.07	-35.24	0.29	0.47
7	ASIROM	0.03	0.00	0.01	0.01	102.10	0.10	0.05
8	ARDAF	0.01	0.07	0.03	0.18	-70.42	0.03	0.13
9	EFG Eurolife Generale	0.01	-	0.01	-	-27.89	0.03	0.05
10	EXIM România	0.01	-	-	-	-	0.03	-
<b>TOTAL TOP 10</b>		<b>28.98</b>	<b>NA</b>	<b>25.21</b>	<b>46.47</b>	<b>14.96</b>	<b>99.37</b>	<b>92.39</b>
<b>TOTAL MARKET</b>		<b>29.16</b>	<b>36.53</b>	<b>27.29</b>	<b>56.19</b>	<b>6.88</b>	<b>100.00</b>	<b>100.00</b>

\*estimation



## SERBIA

According to National Bank of Serbia, as shown by relevant indicators – total premium to GDP ratio and total premium per capita -, the Serbian insurance market is underdeveloped, ranking substantially below the EU average.

Judging by the 2009 1.9% share of premiums in the GDP (vs. as much as 8.43% in EU-27), Serbia ranks 66th in the world. However, when compared with the 2.8% average of the group created under the SWISS Re methodology (including, among others, Serbia, Slovenia, the Czech Republic, Hungary, Poland, Croatia, Bulgaria and Romania), Serbia ranks well, as the value of this indi-

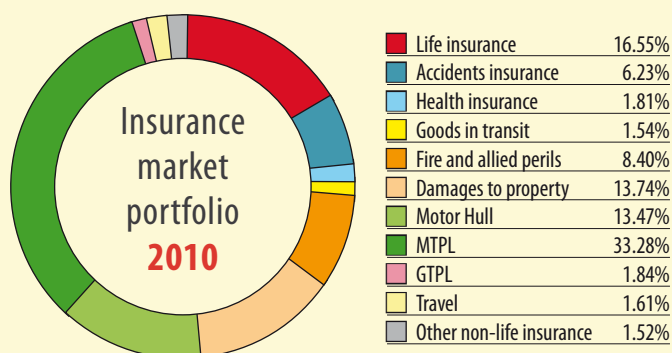
cator for Greece and Romania is almost identical, while Lithuania and Turkey are positioned behind Serbia.

According to the 2009 premium per capita of USD110 or EUR76 (in 2004: USD52 or EUR 38), Serbia is 66th in the world, while the same indicator for EU-27 was USD2,772. Holland ranks the first with USD6,555, followed by Switzerland and Luxemburg, while Slovenia and Croatia hold the 28th and 42th place with USD1,418 and USD402 respectively.

The Serbian insurance market currently numbers 26 companies (unchanged from 2009). There are 22 insurance and 4 reinsurance companies. Out of the insurance companies, seven engage in life insurance only, nine in non-life insurance and six in both life and non-life insurance.

Two foreign companies (CARDIF – France and AXA – Spain) are in a process of getting non-life insurance operating licenses. Breakdown by ownership shows that 19 insurance companies were in majority foreign and seven in majority domestic ownership in 2010. Through greenfield licenses (11 in 2005) and acquisition of domestic insurance companies, foreign-owned companies held the dominant share in 2010 in terms of life insurance premiums – 92.5%, non-life insurance premiums – 61.1%, total assets – 66.7%, and employment numbers – 65.6%.

Total premiums of EUR537m decreased in nominal terms by 4%, due to depreciation RSD/EUR exchange rate. Despite solid growth in life-insurance premiums (8%), non-life insurance remains dominant with 83.5%, which is typical of less developed markets. MTPL holds the largest share in total premiums – 33.3%, followed by property insurance – 22.1%, and Motor Hull – 13.5%. The most important positive development is doubtless the increase in technical reserves relative to premium, recorded for the first time in 2009. These signal (together with technical reserves coverage) a better protection of policyholders and third damaged parties, i.e. timely payment of damages. The guarantee



### Sources:

National Bank of Serbia

### Serbian currency exchange rate for calculations:

1 EUR = 95.6011 Dinars - RSD (December 31<sup>st</sup>, 2009)

1 EUR = 105.1817 Dinars - RSD (December 31<sup>st</sup>, 2010)

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP EUR m.	CLAIMS EUR m.	GWP EUR m.	CLAIMS EUR m.			
<b>TOTAL MARKET</b>	<b>537.36</b>	<b>220.38</b>	<b>559.98</b>	<b>234.68</b>	<b>-4.04</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>88.92</b>	<b>17.04</b>	<b>82.44</b>	<b>19.55</b>	<b>7.86</b>	<b>100.00</b>	<b>16.55</b>
<b>TOTAL NON-LIFE</b>	<b>448.45</b>	<b>203.35</b>	<b>477.54</b>	<b>215.13</b>	<b>-6.09</b>	<b>100.00</b>	<b>83.45</b>
Accidents insurance	33.49	17.16	32.46	18.00	3.18	7.47	6.23
Health insurance	9.73	4.58	21.77	8.09	-55.30	2.17	1.81
Goods in transit	8.25	2.12	9.93	2.72	-16.89	1.84	1.54
<b>Overall property insurance</b>	<b>118.97</b>	<b>44.32</b>	<b>126.27</b>	<b>43.70</b>	<b>-5.78</b>	<b>26.53</b>	<b>22.14</b>
Fire and allied insurance perils	45.16	11.83	48.26	9.45	-6.43	10.07	8.40
Damages to property	73.81	32.48	78.01	34.24	-5.38	16.46	13.74
<b>Overall motor insurance</b>	<b>251.24</b>	<b>123.74</b>	<b>270.05</b>	<b>138.54</b>	<b>-6.96</b>	<b>56.03</b>	<b>46.75</b>
Motor Hull	72.38	48.00	79.36	55.44	-8.80	16.14	13.47
MTPL	178.86	75.75	190.68	83.10	-6.20	39.88	33.28
GTPL	9.90	1.82	9.28	2.35	6.68	2.21	1.84
Travel	8.67	3.12	0.29	0.05	2877.45	1.93	1.61
Other non-life insurance	8.18	6.49	7.48	1.68	9.36	1.82	1.52



## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	DELTA GENERALI	22.45	2.53	21.62	1.70	3.80	25.24	26.23
2	WIENER	22.41	4.42	20.78	4.16	7.82	25.20	25.21
3	GRAWE	18.92	3.70	17.81	3.25	6.27	21.28	21.60
4	UNIQA Zivot	6.67	2.14	6.06	5.31	10.05	7.50	7.35
5	DUNAV	6.64	1.89	6.22	2.59	6.76	7.47	7.54
6	DDOR	4.89	1.88	5.08	2.16	-3.77	5.50	6.16
7	MERKUR	3.73	0.22	2.67	0.17	39.73	4.19	3.24
8	AXA Zivot	1.54	0.12	1.35	0.08	14.46	1.74	1.64
9	TRIGLAV Kop.	0.60	0.14	0.52	0.14	15.92	0.67	0.63
10	ALICO	0.39	0.00	0.18	-	115.42	0.44	0.22
11	SAVA Zivotno	0.33	0.00	0.03	-	837.10	0.37	0.04
12	BASLER Zivot	0.31	0.00	0.12	-	158.49	0.35	0.15
13	SOCIETE Gen.	0.05	-	-	-	-	0.06	-
	<b>TOTAL TOP 10</b>	<b>88.23</b>	<b>17.04</b>	<b>82.28</b>	<b>19.55</b>	<b>7.23</b>	<b>99.22</b>	<b>99.81</b>
	<b>TOTAL MARKET</b>	<b>88.92</b>	<b>17.04</b>	<b>82.44</b>	<b>19.55</b>	<b>7.86</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	DUNAV	132.70	65.53	147.32	67.84	-9.92	29.59	30.85
2	DDOR	94.52	51.97	111.76	63.84	-15.42	21.08	23.40
3	DELTA GENERALI	77.04	26.70	76.49	28.00	0.71	17.18	16.02
4	UNIQA Nezivot	26.31	11.64	24.26	10.25	8.43	5.87	5.08
5	WIENER	24.16	12.24	26.26	14.55	-7.99	5.39	5.50
6	TAKOVO	21.51	8.13	22.06	7.58	-2.49	4.80	4.62
7	TRIGLAV Kop.	18.31	6.58	18.04	5.84	1.52	4.08	3.78
8	SAVA Nezivot	15.03	6.50	14.07	5.11	6.78	3.35	2.95
9	AMS	14.36	6.39	16.08	5.55	-10.71	3.20	3.37
10	MILENIJUM	8.87	4.24	10.28	4.63	-13.73	1.98	2.15
11	AS Osiguranje	8.76	1.75	5.08	0.29	72.50	1.95	1.06
12	GLOBOS	3.06	1.47	3.25	1.43	-5.72	0.68	0.68
13	ENERGOPROJEKT	2.76	0.10	1.90	0.15	45.09	0.62	0.40
14	BASLER Nezivot	0.78	0.08	0.43	0.04	80.36	0.17	0.09
15	GRAWE	0.28	0.04	0.27	0.03	5.31	0.06	0.06
	<b>TOTAL TOP 10</b>	<b>432.80</b>	<b>199.91</b>	<b>466.62</b>	<b>213.19</b>	<b>-7.25</b>	<b>96.51</b>	<b>97.71</b>
	<b>TOTAL MARKET</b>	<b>448.45</b>	<b>203.35</b>	<b>477.54</b>	<b>215.13</b>	<b>-6.09</b>	<b>100.00</b>	<b>100.00</b>

reserve to solvency margin ratio of 190%, high volume of technical reserves, i.e. coverage of technical reserves by the prescribed forms of investment, as well as other indicators all go to confirm that, though still underdeveloped, the Serbian insurance market is stable and solvent.

## About the effects of the crisis

The global financial crisis has had a dual impact on the insurance sector in Serbia:

First, by exposing it to the risk of falling values of assets and capital driven by adverse developments in the capital market, and second, to the risk of declining insurance demand, difficulties in collection of premiums from illiquid companies and the risk of rising costs in order to maintain the existing volume of operations, as a result of the negative impact that crisis has had on the overall economic development of the country.

The initial effects of the crisis "spilled over" to the insurance market in Q1/2008. However, due to the underdevelopment of the capital market, which resulted in a small share of securities in the

insurance companies' portfolio and consequently a small impact of volatility of stock prices on the portfolio value, and owing to the regulatory stipulations related to investment for the coverage of technical reserves, the insurance market remained solvent and liquid, posting profits in both 2009 and 2010.

Since October 2008 and in order to mitigate the effects of the crisis on the financial sector (improving liquidity, preserving solvency and building confidence), the NBS has adopted a range of prudential measures, such as the Decision on Temporary Measures for Preserving Financial Stability, which raised the limits on investment from insurance companies' technical reserves into bank deposits from 30% to 35% for life and from 35% to 40% for non-life insurance, and altered the requirements for shares that companies can invest in.

## Future sounds good

Global insurance grew faster than GDP in 2009, but the position of the insurance sector will continue to be determined to a high degree by situation in the real economy and capital markets.

Led by the emerging markets, the world economy is expected to continue expanding, while Eastern Europe is expected to achieve its pre-crisis growth rates. The SWISS Re projects that non-life premium in emerging markets will record real growth of 8.4% in 2011 (Eastern Europe – 4.1%), while life and health insurance real premium income will increase by 10.9%.

Serbia recorded modest real GDP growth in 2010 of 1.5%, after a dip of 3.5% in 2009. Economic recovery is expected to continue, and Serbia is likely to see GDP growth of 3% in 2011. Like elsewhere, the financial crisis had an effect on Serbian insurance market, as it dampened growth. However, the year 2010 showed signs of recovery and stronger premium growth compared to

2009, when the financial crisis culminated. As the insurance sector development depends on circumstances in the rest of the economy, GDP, monetary and tax policies, and socio-cultural determinants of allocations into financial security schemes or in saving (life insurance), the growth trend in insurance from 2010 is likely to continue into 2011 if macroeconomic indicators improve as expected. The long-term trends of rising premium, increasing share of life insurance in total insurance premium and growth in assets and technical reserves are likely to continue.

Courtesy to Insurance Supervision Department, National Bank of Serbia

## Fire and allied perils insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP EUR m.	CLAIMS EUR m.	GWP EUR m.	CLAIMS EUR m.		2010	2009
1	DUNAV	16.90	3.83	18.90	3.76	-10.62	37.41	39.16
2	DDOR	13.04	4.28	15.40	3.06	-15.33	28.87	31.90
3	DELTA GENERALI	6.92	1.92	6.47	0.85	6.81	15.31	13.41
4	WIENER	3.74	0.95	3.77	0.53	-0.96	8.27	7.81
5	UNIQA Nezivot	1.83	0.36	1.52	0.49	20.79	4.05	3.14
6	TRIGLAV Kop.	1.02	0.27	0.82	0.07	23.96	2.25	1.70
7	SAVA Nezivot	0.67	0.07	0.53	0.19	26.62	1.49	1.10
8	GLOBOS	0.29	0.02	0.27	0.01	6.72	0.63	0.55
9	MILENIJUM	0.25	0.07	0.26	0.47	-1.61	0.56	0.53
10	TAKOVO	0.18	0.04	0.17	0.00	1.55	0.39	0.36
11	AS Osiguranje	0.14	0.01	0.03	-	343.37	0.31	0.07
12	GRAWE	0.11	0.00	0.09	0.00	22.72	0.25	0.19
13	BASLER Nezivot	0.06	0.00	0.01	0.00	524.55	0.14	0.02
14	ENERGOPROJEKT	0.03	-	0.02	0.01	39.55	0.06	0.04
15	AMS	-	-	-	0.00	-	-	-
<b>TOTAL TOP 10</b>		<b>44.82</b>	<b>11.82</b>	<b>48.11</b>	<b>9.44</b>	<b>-6.84</b>	<b>99.24</b>	<b>99.68</b>
<b>TOTAL MARKET</b>		<b>45.16</b>	<b>11.83</b>	<b>48.26</b>	<b>9.45</b>	<b>-6.43</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP EUR m.	CLAIMS EUR m.	GWP EUR m.	CLAIMS EUR m.		2010	2009
1	DUNAV	34.88	17.58	39.56	18.78	-11.82	47.26	50.71
2	DDOR	18.32	8.00	21.08	9.64	-13.09	24.83	27.03
3	DELTA GENERALI	10.65	3.79	8.30	3.44	28.37	14.43	10.64
4	WIENER	2.61	0.93	3.20	0.63	-18.48	3.54	4.11
5	UNIQA Nezivot	2.45	0.74	1.93	0.56	26.87	3.33	2.48
6	ENERGOPROJEKT	1.56	0.03	0.47	0.00	229.56	2.11	0.61
7	TRIGLAV Kop.	1.37	0.68	1.64	0.76	-16.29	1.86	2.10
8	SAVA Nezivot	0.89	0.26	0.88	0.18	1.48	1.21	1.13
9	GLOBOS	0.36	0.10	0.39	0.08	-7.90	0.49	0.50
10	TAKOVO	0.29	0.22	0.33	0.08	-12.93	0.39	0.42
11	MILENIJUM	0.18	0.13	0.16	0.07	12.21	0.24	0.20
12	AS Osiguranje	0.11	0.01	0.01	-	1207.68	0.15	0.01
13	BASLER Nezivot	0.07	0.01	0.00	0.00	2793.70	0.10	0.00
14	GRAWE	0.05	0.01	0.04	0.00	9.47	0.06	0.05
15	AMS	-	-	-	0.00	-	-	-
<b>TOTAL TOP 10</b>		<b>73.40</b>	<b>32.33</b>	<b>77.80</b>	<b>34.17</b>	<b>-5.65</b>	<b>99.45</b>	<b>99.73</b>
<b>TOTAL MARKET</b>		<b>73.81</b>	<b>32.48</b>	<b>78.01</b>	<b>34.24</b>	<b>-5.38</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	DUNAV	20.49	12.88	21.91	14.38	-6.46	28.31	27.61
2	DDOR	16.78	10.82	19.69	14.79	-14.81	23.18	24.82
3	DELTA GENERALI	9.72	5.81	10.80	7.20	-10.03	13.43	13.61
4	WIENER	9.68	7.47	11.11	9.57	-12.87	13.37	14.00
5	UNIQA Nezivot	3.93	3.34	3.64	2.83	7.77	5.43	4.59
6	AMS	3.74	2.48	4.02	2.05	-7.01	5.16	5.06
7	GLOBOS	2.03	0.75	1.83	0.62	11.34	2.81	2.30
8	TRIGLAV Kop.	1.87	1.00	1.99	1.31	-6.10	2.59	2.51
9	TAKOVO	1.45	1.19	2.27	1.25	-36.05	2.01	2.86
10	SAVA Nezivot	0.97	1.24	1.15	0.91	-16.34	1.33	1.45
11	AS Osiguranje	0.96	0.39	0.34	0.07	178.11	1.32	0.43
12	MILENIJUM	0.76	0.62	0.59	0.46	27.55	1.05	0.75
13	ENERGOPROJEKT	0.01	0.00	-	-	-	0.01	-
<b>TOTAL TOP 10</b>		<b>70.66</b>	<b>46.98</b>	<b>78.43</b>	<b>54.92</b>	<b>-9.91</b>	<b>97.62</b>	<b>98.82</b>
<b>TOTAL MARKET</b>		<b>72.38</b>	<b>48.00</b>	<b>79.36</b>	<b>55.44</b>	<b>-8.80</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	DUNAV	38.81	17.81	46.75	22.55	-16.98	21.70	24.51
2	DELTA GENERALI	32.86	10.37	30.00	10.33	9.53	18.37	15.73
3	DDOR	28.19	18.93	34.71	25.79	-18.79	15.76	18.20
4	TAKOVO	18.44	6.16	18.11	5.96	1.85	10.31	9.50
5	TRIGLAV Kop.	12.14	3.80	11.69	2.91	3.85	6.79	6.13
6	SAVA Nezivot	11.52	4.50	10.79	3.61	6.76	6.44	5.66
7	AMS	10.36	3.78	11.89	3.44	-12.81	5.79	6.23
8	UNIQA Nezivot	9.08	4.37	9.66	3.02	-5.93	5.08	5.06
9	MILENIJUM	7.40	3.31	8.98	3.48	-17.52	4.14	4.71
10	AS Osiguranje	7.32	1.27	4.66	0.23	57.22	4.09	2.44
11	WIENER	2.72	1.43	3.46	1.77	-21.24	1.52	1.81
<b>TOTAL TOP 10</b>		<b>176.14</b>	<b>74.32</b>	<b>187.23</b>	<b>81.32</b>	<b>-5.92</b>	<b>98.48</b>	<b>98.19</b>
<b>TOTAL MARKET</b>		<b>178.86</b>	<b>75.75</b>	<b>190.68</b>	<b>83.10</b>	<b>-6.20</b>	<b>100.00</b>	<b>100.00</b>

## GENERALI: A new leader in Serbia

Nebojša DIVLJAN, Chairman and CEO of Delta GENERALI Osiguranje, according to agreements taken with the shareholders, will leave the company that he managed since its foundation in 1998. He shall be succeeded in all his positions by Andrea SIMONCELLI (58), a recognized insurance manager, whose last position was member of the Management of ALLEANZA TORO, one of the biggest Italian companies, member of the GENERALI Group. Former Vice President of DELTA Holding, Dragan FILIPOVIC will be appointed as Deputy CEO.

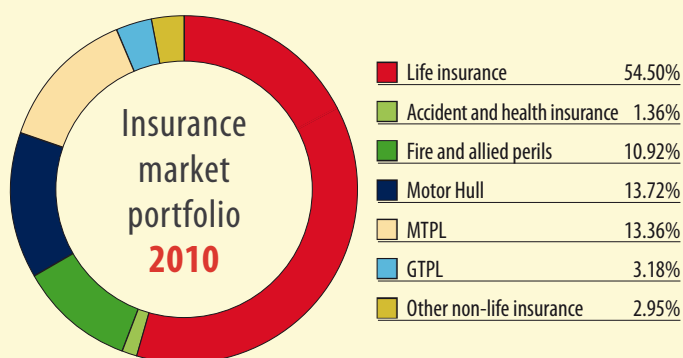
## VIG: Svetlana SMILJANIĆ appointed to the Management Board in Serbia

The Supervisory Board of WIENER STÄDTISCHE osiguranje has appointed Svetlana SMILJANIĆ (33) to the Board of the Serbian Group company with effect from March 2011. The Board department to which Svetlana SMILJANIĆ is assigned covers the areas of life insurance, human resources, logistics and administration, and international cooperations.





## SLOVAKIA



### Sources:

Slovak Insurers Association (SLASPO)

National Bank of Slovakia

Slovak currency : EURO

In Slovakia, the insurance industry has evolved in parallel with the economy. This is the first conclusion that can be drawn by analyzing the 2010 insurance market figures, respectively the macroeconomic indicators. So, after a rebound of GDP of 4.8% in 2009, in conjunction with a decrease in the insurance market of about 4%, in 2010 the Slovakian insurance market registered underwritings of EUR2.07bn (according to the figures published by the Slovak Insurance Association), marking an increase of 4.1%, while the economy grew by 4%.

Thus, in 2010, Slovakia was the 5th insurance market in Central and Eastern Europe after Poland, Czech Republic, Hungary and Slovenia, generating about 6.2% of the total of the Region. Also, in 2010, a Slovak citizen spent on insurance EUR383 (EUR118 more than the CEE average), as the insurance industry was placed, from this point of view, on the third place in CEE.

In 2010, general insurance segment holds a 45.5% market share, companies collecting gross written premiums of more than EUR940m. The concentration degree was maintained at a high level, the top three companies, members of leading European groups (ALLIANZ, VIG and GENERALI) cumulating 75.3% of the underwritings on the general insurance class, after a year before the same companies had held 77.8%.

At the same time, companies specialized on the life segment reported gross premiums of EUR1.13bn, generating 54.5% of the market.

ALLIANZ Slovenska maintained its leading position on this segment, with underwritings of EUR245m, followed by the company member of VIG, KOOPERATIVA (EUR223.5m) and by AMSLICO AIG Life (EUR120.3m - equivalent to a 10.7% market share). Also, the most important growth in Top 10 was the one registered by AXA Zivotni, with a growth rate of 21.5%, while the biggest decrease in Top 10 was the one registered by GENERALI, with a negative dynamic of -4.2%.

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>2,066.67</b>	<b>NA</b>	<b>1,985.38</b>	<b>1,034.12</b>	<b>4.09</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>1,126.41</b>	<b>NA</b>	<b>1,028.99</b>	<b>551.52</b>	<b>9.47</b>	<b>100.00</b>	<b>54.50</b>
Unit-Linked	360.92	NA	284.14	43.48	27.02	32.04	17.46
Other life insurance	765.49	NA	744.84	676.56	2.77	67.96	37.04
<b>TOTAL NON-LIFE</b>	<b>940.27</b>	<b>NA</b>	<b>956.39</b>	<b>482.60</b>	<b>-1.69</b>	<b>100.00</b>	<b>45.50</b>
Accident and health insurance	28.21	NA	31.89	7.23	-11.54	3.00	1.36
<b>Overall property insurance</b>	<b>225.66</b>	<b>NA</b>	<b>227.41</b>	<b>66.02</b>	<b>-0.77</b>	<b>24.00</b>	<b>10.92</b>
Fire and allied perils	225.66	NA	227.41	66.02	-0.77	24.00	10.92
Damages to property	NA	NA	NA	NA	NA	NA	NA
<b>Overall motor insurance</b>	<b>559.57</b>	<b>NA</b>	<b>578.27</b>	<b>362.50</b>	<b>-3.23</b>	<b>59.51</b>	<b>27.08</b>
Motor Hull	283.53	NA	293.60	199.67	-3.43	30.15	13.72
MTPL	276.04	NA	284.67	162.82	-3.03	29.36	13.36
GTPL	65.82	NA	51.96	13.20	26.68	7.00	3.18
Other non-life insurance	61.01	NA	66.87	33.65	-8.77	6.49	2.95

### Important note:

For Slovakia, for 2009, the market portfolio is according to data published by the National Bank. For 2010, the total market, total life, unit-linked, total non-life, MTPL and Motor Hull are according to Slovak Insurance Association (SLASPO). Accidents and health, fire and allied perils and GTPL are estimations according to 3Q/2010 financial data published by National Bank. For the rankings, the values are according to the data published by SLASPO.

## Life insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
ALLIANZ Slovenská poisťovňa	244.58	252.36	-3.08	21.71	23.76
KOOPERATIVA poisťovňa VIG	223.47	192.41	16.14	19.84	18.12
AMSLICO AIG Life poisťovňa	120.32	119.23	0.91	10.68	11.23
KOMUNÁLNA poisťovňa VIG	97.71	88.35	10.60	8.67	8.32
GENERALI Slovensko poisťovňa	88.82	92.73	-4.21	7.89	8.73
ING Životná poisťovňa	86.19	89.45	-3.64	7.65	8.42
ČSOB Poisťovňa	57.33	55.68	2.98	5.09	5.24
AXA životní poisťovna	48.10	39.58	21.53	4.27	3.73
POIŠŤOVŇA Slovenskej sporiteľne VIG	37.92	33.53	13.09	3.37	3.16
UNIQA poisťovňa	28.42	28.13	1.04	2.52	2.65
WÜSTENROT poisťovňa	27.53	25.27	8.96	2.44	2.38
AEGON Životná poisťovňa	25.30	20.65	22.51	2.25	1.94
UNION poisťovňa	11.66	12.57	-7.20	1.04	1.18
VICTORIA - VOLKSBANKEN Poisťovňa	10.18	7.54	34.92	0.90	0.71
ERGO životná poisťovňa	7.56	-	-	0.67	-
DEUTSCHER Ring Lebensversicherung	4.99	-	-	0.44	-
POIŠŤOVŇA Poštovej banky	3.42	1.97	73.93	0.30	0.19
Poisťovňa CARDIF Slovakia	1.69	1.73	-2.08	0.15	0.16
GROUPAMA životná poisťovňa	1.21	0.92	30.99	0.11	0.09
<b>TOTAL TOP 10</b>	<b>1,032.86</b>	<b>991.44</b>	<b>4.18</b>	<b>91.70</b>	<b>93.35</b>
<b>TOTAL MARKET (SLASPO)</b>	<b>1,126.41</b>	<b>1,062.09</b>	<b>6.06</b>	<b>100.00</b>	<b>100.00</b>

## Unit-linked insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
ALLIANZ Slovenská poisťovňa	77.35	88.14	-12.23	21.43	27.44
GENERALI Slovensko poisťovňa	52.28	51.64	1.24	14.49	16.08
ING Životná poisťovňa	46.89	49.82	-5.89	12.99	15.51
AXA životní poisťovna	41.16	37.52	9.72	11.41	11.68
AMSLICO AIG Life poisťovňa	28.19	19.50	44.61	7.81	6.07
AEGON Životná poisťovňa	17.41	14.54	19.74	4.82	4.53
KOMUNÁLNA poisťovňa VIG	16.64	10.65	56.18	4.61	3.32
POIŠŤOVŇA Slovenskej sporiteľne VIG	15.87	6.74	135.38	4.40	2.10
WÜSTENROT poisťovňa	14.12	11.32	24.79	3.91	3.52
KOOPERATIVA poisťovňa VIG	11.96	4.65	157.35	3.31	1.45
UNIQA poisťovňa	10.95	10.01	9.38	3.03	3.12
VICTORIA - VOLKSBANKEN Poisťovňa	7.69	3.63	111.91	2.13	1.13
ERGO životná poisťovňa	7.41	-	-	2.05	-
ČSOB Poisťovňa	5.51	10.40	-47.01	1.53	3.24
DEUTSCHER Ring Lebensversicherung	4.99	-	-	1.38	-
UNION poisťovňa	2.48	2.62	-5.16	0.69	0.81
POIŠŤOVŇA Poštovej banky	0.01	-	-	0.00	-
<b>TOTAL TOP 10</b>	<b>321.88</b>	<b>294.51</b>	<b>9.29</b>	<b>89.18</b>	<b>91.70</b>
<b>TOTAL MARKET (SLASPO)</b>	<b>360.92</b>	<b>321.16</b>	<b>12.38</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
ALLIANZ Slovenská poisťovňa	353.57	363.61	-2.76	37.60	37.68
KOOPERATIVA poisťovňa VIG	248.03	275.36	-9.92	26.38	28.53
GENERALI Slovensko poisťovňa	106.72	111.70	-4.46	11.35	11.57
UNIQA poisťovňa	74.34	75.63	-1.70	7.91	7.84
KOMUNÁLNA poisťovňa VIG	51.89	48.55	6.88	5.52	5.03
UNION poisťovňa	28.48	23.14	23.08	3.03	2.40
WÜSTENROT poisťovňa	23.21	14.86	56.18	2.47	1.54
ČSOB Poisťovňa	20.89	19.94	4.72	2.22	2.07
Poisťovňa CARDIF Slovakia	10.92	8.56	27.65	1.16	0.89
GROUPAMA poisťovňa	7.50	6.70	11.99	0.80	0.69
AMSLICO AIG Life poisťovňa	6.02	4.86	23.89	0.64	0.50
DEUTSCHER Ring Sachversicherung	3.60	-	-	0.38	-
D.A.S. poisťovňa právnej ochrany	2.22	2.44	-8.98	0.24	0.25
AXA životní poisťovna	1.56	1.13	37.33	0.17	0.12
POIŠŤOVŇA Poštovej banky	0.80	0.62	29.47	0.09	0.06
VICTORIA - VOLKSBANKEN Poisťovňa	0.52	0.47	9.07	0.05	0.05
SLOVENSKÁ KANCELÁRIA poisťovateľov	0.01	0.01	33.33	0.00	0.00
HDI Versicherung AG	-	7.45	-	-	0.77
<b>TOTAL TOP 10</b>	<b>925.54</b>	<b>948.04</b>	<b>-2.37</b>	<b>98.43</b>	<b>98.24</b>
<b>TOTAL MARKET (SLASPO)</b>	<b>940.27</b>	<b>965.02</b>	<b>-2.56</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
ALLIANZ Slovenská poisťovňa	95.26	98.48	-3.27	34.51	33.54
KOOPERATIVA poisťovňa VIG	78.97	90.71	-12.94	28.61	30.89
GENERALI Slovensko poisťovňa	38.71	42.92	-9.82	14.02	14.62
UNIQA poisťovňa	30.31	30.56	-0.80	10.98	10.41
KOMUNÁLNA poisťovňa VIG	19.29	19.90	-3.07	6.99	6.78
ČSOB Poisťovňa	4.88	5.56	-12.20	1.77	1.89
WÜSTENROT poisťovňa	4.59	3.06	50.05	1.66	1.04
GROUPAMA poisťovňa	2.04	2.22	-8.08	0.74	0.75
UNION poisťovňa	2.00	0.12	1510.48	0.72	0.04
POIŠŤOVŇA Poštovej banky	-	0.08	-	-	0.03
<b>TOTAL MARKET (SLASPO)</b>	<b>276.04</b>	<b>293.60</b>	<b>-5.98</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

Company	GWP		Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
KOOPERATIVA poisťovňa VIG	95.69	100.65	-4.93	33.75	35.36
ALLIANZ Slovenská poisťovňa	95.48	104.61	-8.73	33.67	36.75
GENERALI Slovensko poisťovňa	24.97	26.29	-5.01	8.81	9.23
KOMUNÁLNA poisťovňa VIG	24.08	20.18	19.34	8.49	7.09
UNIQA poisťovňa	16.90	16.62	1.67	5.96	5.84
WÜSTENROT poisťovňa	13.01	6.75	92.91	4.59	2.37
ČSOB Poisťovňa	6.27	6.39	-1.83	2.21	2.24
UNION poisťovňa	3.63	0.38	860.32	1.28	0.13
GROUPAMA poisťovňa	3.49	2.81	24.11	1.23	0.99
SLOVENSKÁ KANCELÁRIA	0.01	0.01	33.33	0.00	0.00
<b>TOTAL MARKET (SLASPO)</b>	<b>283.53</b>	<b>284.68</b>	<b>-0.40</b>	<b>100.00</b>	<b>100.00</b>



## SLOVENIA

Due to the geographical position, Slovenia has experienced the fewest problems in the "process of disintegration" of the former Yugoslavia, as armed conflicts have not taken place on its territory. It is also the only state that is a member of the European Union, since 2004, and who has been using, since 2007, euro as exchange currency.

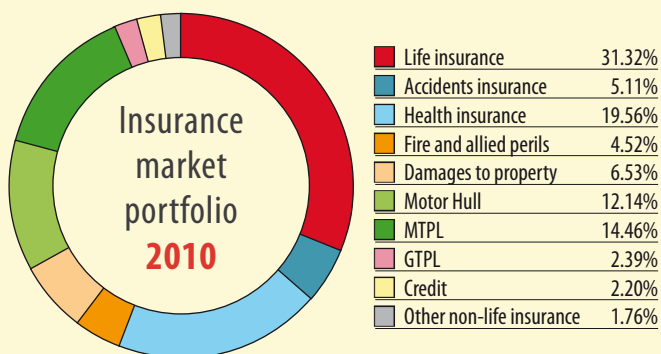
In the transition process, at insurance industry level, Slovenia has had many difficulties to overcome, taking into account that, after obtaining independence, on the Slovenian profile market, only one insurance company – TRIGLAV - activated; this, in fact, still

dominates the local profile market, being a real problem regarding the existence of competition at industry level.

In 1994, Slovenia adopted a new law regulating the insurance market, as a first step towards the "euroisation" of the market (standards for calculating reserves, solvency and guarantee funds, accounting based on EU directives). The Supervisory Authority was established in 1995 and has encountered many difficulties in the beginning of its activity, of which the most important seems to be the lack of specialized workforce, able to manage at optimal parameters the overall market activity. An "interesting" decision was the one regarding the elaboration of a package of measures able to protect domestic companies, by limiting the activity of insurance and reinsurance companies with foreign capital, however a stage surpassed by complying to requirements imposed by EU by Solvency II, which has propelled and has further encouraged foreign investors' accession in Slovenia, and thus changes in insurance law.

In 2010, the Slovenian insurance market recorded a total volume of gross written premiums of EUR2.1bn, being the largest of the ex-Yugoslav countries. The result is so much more "commendable" as, at the level of the whole Central and Eastern Europe, Slovenia has been placed, according to the same criterion, on the fourth position, behind Poland, the Czech Republic and Hungary. It is worth mentioning, however, the insurance density indicator, as being the highest in the entire CEE area: a Slovenian spent, on average, EUR1,047, in 2010 for insurance.

In conclusion, we can say that Slovenia's insurance market has proved, with the onset of the global financial crisis, stability and maturity, by not registering the fluctuations characteristic to young markets, mostly supported by the motor sector, a positive evolution of the overall market being expected in the future, a market which, according to analysts, is by no means saturated.



### Sources:

Insurance Supervision Agency (ISA)  
Slovenian Insurance Association  
National Bank of Slovenia  
Slovenian currency: EURO

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>2,094.34</b>	<b>1,242.83</b>	<b>2,074.32</b>	<b>1,239.93</b>	<b>0.97</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>656.01</b>	<b>245.62</b>	<b>631.53</b>	<b>188.50</b>	<b>3.88</b>	<b>100.00</b>	<b>31.32</b>
Life assurance	228.41	169.84	231.91	141.19	-1.51	34.82	10.91
Unit-linked	404.73	71.25	378.19	44.38	7.02	61.69	19.32
Other life insurance	22.87	4.53	21.42	2.93	6.79	3.49	1.09
<b>TOTAL NON-LIFE</b>	<b>1,438.33</b>	<b>997.21</b>	<b>1,442.80</b>	<b>1,051.43</b>	<b>-0.31</b>	<b>100.00</b>	<b>68.68</b>
Accident insurance	107.01	39.96	110.28	42.11	-2.96	7.44	5.11
Health insurance	409.66	365.66	414.68	341.49	-1.21	28.48	19.56
<b>Overall property insurance</b>	<b>231.49</b>	<b>135.22</b>	<b>228.32</b>	<b>181.14</b>	<b>1.39</b>	<b>16.09</b>	<b>11.05</b>
Fire and allied perils	94.70	51.97	88.62	61.16	6.86	6.58	4.52
Damages to property	136.79	83.25	139.70	119.98	-2.09	9.51	6.53
<b>Overall motor insurance</b>	<b>557.08</b>	<b>364.50</b>	<b>565.40</b>	<b>400.04</b>	<b>-1.47</b>	<b>38.73</b>	<b>26.60</b>
Motor Hull	254.22	195.45	242.42	215.48	4.87	17.67	12.14
MTPL	302.87	169.05	322.98	184.56	-6.23	21.06	14.46
GTPL	50.04	26.62	49.33	32.26	1.46	3.48	2.39
Credit insurance	46.16	45.90	38.40	34.70	20.21	3.21	2.20
Other non-life insurance	36.88	19.34	36.39	19.69	1.34	2.56	1.76

## Life insurance ranking

Company	GWP	GWP	Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
TRIGLAV	207.63	211.71	-1.93	31.65	33.52
KAD	147.50	139.25	5.92	22.48	22.05
MARIBOR	71.31	67.02	6.39	10.87	10.61
KD LIFE	70.11	68.70	2.05	10.69	10.88
MERKUR	40.26	38.53	4.48	6.14	6.10
NLB VITA	30.52	22.58	35.17	4.65	3.58
GRAWE	22.49	23.60	-4.67	3.43	3.74
GENERALI	18.17	18.87	-3.69	2.77	2.99
WIENER STÄDTISCHE	14.42	8.44	70.74	2.20	1.34
ADRIATIC SLOVENICA	13.66	14.81	-7.78	2.08	2.34
TILIA	10.20	10.36	-1.52	1.55	1.64
SOP	3.65	4.10	-11.17	0.56	0.65
ERGO	3.52	1.44	144.94	0.54	0.23
VICTORIA-VOLKSBANKEN	2.58	2.12	22.04	0.39	0.34
<b>TOTAL TOP 10</b>	<b>636.07</b>	<b>613.51</b>	<b>3.68</b>	<b>96.96</b>	<b>97.15</b>
<b>TOTAL MARKET</b>	<b>656.01</b>	<b>631.53</b>	<b>3.88</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

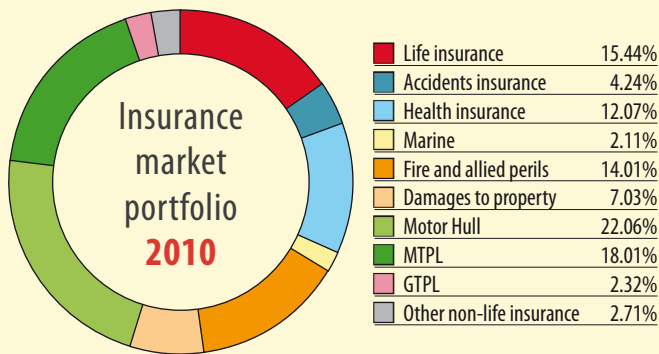
Company	GWP	GWP	Nominal Evolution (%)	MARKET SHARE (%)	
	2010	2009		2010	2009
	EUR m.	EUR m.	EUR	2010	2009
TRIGLAV	512.23	531.34	-3.60	35.61	36.83
ADRIATIC SLOVENICA	247.52	245.85	0.68	17.21	17.04
VZAJEMNA	240.26	248.39	-3.27	16.70	17.22
MARIBOR	188.29	199.02	-5.39	13.09	13.79
TRIGLAV HEALTH	72.66	67.31	7.95	5.05	4.67
TILIA	63.59	61.80	2.89	4.42	4.28
GENERALI	62.08	50.40	23.17	4.32	3.49
SID-PKZ	19.88	11.07	79.63	1.38	0.77
GRAWE	12.42	11.80	5.32	0.86	0.82
MERKUR	7.10	6.59	7.69	0.49	0.46
WIENER STÄDTISCHE	4.94	3.57	38.10	0.34	0.25
ALLIANZ	3.33	1.98	68.42	0.23	0.14
ARAG	1.98	1.84	7.91	0.14	0.13
NLB VITA	1.73	1.64	5.37	0.12	0.11
VICTORIA-VOLKSBANKEN	0.32	0.21	50.98	0.02	0.01
<b>TOTAL TOP 10</b>	<b>1,426.03</b>	<b>1,433.56</b>	<b>-0.52</b>	<b>99.15</b>	<b>99.36</b>
<b>TOTAL MARKET</b>	<b>1,438.33</b>	<b>1,442.80</b>	<b>-0.31</b>	<b>100.00</b>	<b>100.00</b>



[www.insurance.1asig.ro](http://www.insurance.1asig.ro)



## TURKEY



### Source:

Association of Insurance and Reinsurance Companies of Turkey  
Central Bank of the Republic of Turkey

### Turkish currency exchange rate for calculations:

1 EUR = 2.1530 Turkish lira - TRY (December 31<sup>st</sup>, 2009)

1 EUR = 2.0650 Turkish lira - TRY (December 31<sup>st</sup>, 2010)

Turkey's insurance market has continued its expansion, despite the prolonged financial crisis from 2010.

Thus, the most recent figures published by the Association of the Insurance and Reinsurance Companies of Turkey indicate, for the year 2010, a gross written premium volume of EUR6.8bn, up by 18.5% compared to 2009.

However, despite these figures, which seem incredible to us in this period, the Turkish insurance market remains very small, if we look at other indicators: about EUR93.5/capita - insurance density, while the degree of insurance penetration in GDP is around one percentage point.

Thus, commenting on these two indicators, we can conclude that

### EULER Hermes is expanding in Turkey

Credit insurer EULER Hermes obtained the license to operate on the Turkish market, on which it has been activating since 2005, through the mother-group ALLIANZ. This approach marks, the statement said, a new step in its development as a global leader in credit insurance, which now offers solutions for Turkish entities and companies that are exporting in Turkey.

By opening its new branch, EULER Hermes Sigurta, that will have the headquarter in Istanbul, the insurer intends to strengthen its business with the companies operating in Turkey, as well as with those who export in this country.

Opening the branch in Turkey proves our commitment to our clients and their commercial partners, stated Wilfried VERSTRATE, CEO, EULER Hermes. We are thrilled to contribute to Turkey's economic growth, continued the official.

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	GWP 2010	GWP 2009	Nominal Evolution (%)	in LIFE/ NON-LIFE	% in all GWP
	EUR m.	EUR m.	EUR	%	
<b>TOTAL MARKET</b>	<b>6,842.19</b>	<b>5,776.16</b>	<b>18.46</b>	-	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>1,056.30</b>	<b>846.40</b>	<b>24.80</b>	<b>100.00</b>	<b>15.44</b>
<b>TOTAL NON-LIFE</b>	<b>5,785.90</b>	<b>4,929.75</b>	<b>17.37</b>	<b>100.00</b>	<b>84.56</b>
Accident	289.77	251.02	15.44	5.01	4.24
Health	825.90	657.31	25.65	14.27	12.07
Marine	144.62	121.41	19.12	2.50	2.11
<b>Overall property ins.</b>	<b>1,439.72</b>	<b>1,328.42</b>	<b>8.38</b>	<b>24.88</b>	<b>21.04</b>
Fire and allied perils	958.75	894.32	7.20	16.57	14.01
Damages to property	480.97	434.10	10.80	8.31	7.03
<b>Overall motor insurance</b>	<b>2,741.67</b>	<b>2,285.52</b>	<b>19.96</b>	<b>47.39</b>	<b>40.07</b>
Motor Hull	1,509.23	1,240.72	21.64	26.08	22.06
MTPL	1,232.44	1,044.80	17.96	21.30	18.01
GTPL	158.65	117.02	35.58	2.74	2.32
Other non-life insurance	185.56	169.06	9.76	3.21	2.71

important growth opportunities for the market abound, and if we add the economic potential offered by the different lines of business, the expansion opportunities for the insurance market are substantial.

In the analyzed period, on the market, 26 life insurance companies were active, 36 were active on the general insurance segment, there were 2 reinsurance companies (ARTI Re and MILLI Re) - members of The Association of the Insurance and Reinsurance Companies of Turkey, and 80 brokerage companies - members of the Association of Insurance Brokers, of which the most famous names are AON, GRAS SAVOYE and MARSH.

Analyzing only the life insurance line, which generates about 15 percent of total gross written premiums, in conjunction with low insurance density, we can conclude that there is a significant potential for these types of products, of which may derive, in particular, savings or pension plans.

Furthermore, population growth and development of the "middle class" have generated in recent years an improvement of the level of insurance culture among the population. To all these, the introduction of private pensions system was added, which increased foreign investors interest in Turkish insurance market. Other important reforms aimed at introducing mandatory household insurance against earthquake risk and price liberalization for mandatory MTPL insurance.

In terms of the insurance industry, the entry on the profile market of large international groups has created an increased competitiveness, creating the premises of a healthy market. Perspectives are beautiful, and time will surely bring the change of indicators and will shape an increasingly competitive industry, at the same level as Western European countries.



## Life insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	ZIRAAT HAYAT VE EMEKLILIK	291.38	-	-	27.59	-
2	ANADOLU HAYAT EMEKLILIK	173.05	232.11	-25.44	16.38	27.42
3	GARANTI EMEKLILIK	113.39	84.11	34.81	10.74	9.94
4	HALK HAYAT VE EMEKLILIK	68.42	36.16	89.21	6.48	4.27
5	AVIVASA	60.22	55.67	8.18	5.70	6.58
6	YAPI KREDI EMEKLILIK	53.12	42.87	23.93	5.03	5.06
7	FINANS EMEKLILIK VE HAYAT	41.29	22.58	82.84	3.91	2.67
8	VAKIF EMEKLILIK	40.37	29.91	34.98	3.82	3.53
9	ALLIANZ HAYAT VE EMEKLILIK	35.98	35.89	0.25	3.41	4.24
10	DENIZ EMEKLILIK VE HAYAT	29.28	19.34	51.41	2.77	2.28
11	AXA HAYAT	27.26	32.31	-15.63	2.58	3.82
12	AMERICAN LIFE HAYAT	25.22	27.55	-8.46	2.39	3.25
13	GROUPAMA EMEKLILIK	18.77	164.80	-88.61	1.78	19.47
14	CARDIF HAYAT	17.18	20.39	-15.73	1.63	2.41
15	ERGO EMEKLILIK VE HAYAT	12.58	10.76	16.84	1.19	1.27
16	CIV HAYAT	10.94	5.91	85.19	1.04	0.70
17	ING EMEKLILIK	9.46	-	-	0.90	-
18	FORTIS EMEKLILIK VE HAYAT	8.59	9.02	-4.68	0.81	1.07
19	AEGON EMEKLILIK VE HAYAT	6.93	3.35	106.61	0.66	0.40
20	MAPFRE GENEL YASAM	6.31	5.58	13.11	0.60	0.66
<b>TOTAL TOP 10</b>		<b>906.51</b>	<b>558.64</b>	<b>62.27</b>	<b>85.82</b>	<b>66.00</b>
<b>TOTAL TOP 20</b>		<b>1,049.75</b>	<b>838.31</b>	<b>25.22</b>	<b>99.38</b>	<b>99.04</b>
<b>TOTAL MARKET</b>		<b>1,056.30</b>	<b>846.40</b>	<b>24.80</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	AXA	735.37	593.22	23.96	12.71	12.03
2	ANADOLU	687.87	577.56	19.10	11.89	11.72
3	ALLIANZ	482.22	432.28	11.55	8.33	8.77
4	AK SIGORTA	429.07	395.15	8.58	7.42	8.02
5	YAPI KREDI	367.16	282.39	30.02	6.35	5.73
6	ERGO	357.08	337.68	5.75	6.17	6.85
7	GROUPAMA	336.02	337.52	-0.44	5.81	6.85
8	GUNES	335.91	313.85	7.03	5.81	6.37
9	EUREKO	299.47	250.43	19.58	5.18	5.08
10	MAPFRE GENEL	199.41	167.75	18.88	3.45	3.40
11	FIBA	154.28	142.00	8.65	2.67	2.88
12	AVIVA	136.47	127.63	6.93	2.36	2.59
13	RAY	122.22	117.89	3.67	2.11	2.39
14	ZURICH	111.97	100.37	11.56	1.94	2.04
15	HDI	108.25	81.42	32.95	1.87	1.65
16	ANKARA	104.50	91.08	14.73	1.81	1.85
17	CHARTIS SIGORTA	84.06	81.02	3.75	1.45	1.64
18	ZIRAAT SIGORTA	83.58	-	-	1.44	-
19	HALK	75.40	52.65	43.21	1.30	1.07
20	MAPFRE GENEL YASAM	70.15	55.63	26.10	1.21	1.13
<b>TOTAL TOP 10</b>		<b>4,229.58</b>	<b>3,687.82</b>	<b>14.69</b>	<b>73.10</b>	<b>74.81</b>
<b>TOTAL TOP 20</b>		<b>5,280.45</b>	<b>4,537.51</b>	<b>16.37</b>	<b>91.26</b>	<b>92.04</b>
<b>TOTAL MARKET</b>		<b>5,785.90</b>	<b>4,929.75</b>	<b>17.37</b>	<b>100.00</b>	<b>100.00</b>

## Accident insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	EUREKO	39.38	32.14	22.53	13.59	12.81
2	ALLIANZ	37.21	28.75	29.39	12.84	11.45
3	CHARTIS SIGORTA	18.91	25.95	-27.14	6.52	10.34
4	ANADOLU	17.94	20.67	-13.23	6.19	8.23
5	ERGO	15.20	13.56	12.10	5.24	5.40
6	AVIVASA	14.99	16.29	-7.96	5.17	6.49
7	AXA	13.46	13.89	-3.08	4.65	5.53
8	ZURICH	12.77	10.51	21.49	4.41	4.19
9	AK SIGORTA	9.75	8.97	8.71	3.36	3.57
10	ZIRAAT SIGORTA	9.63	-	-	3.32	-
11	YAPI KREDI	7.92	6.11	29.45	2.73	2.44
12	SBN	6.98	4.79	45.76	2.41	1.91
13	AVIVA	6.29	5.09	23.46	2.17	2.03
14	GROUPAMA	6.29	6.40	-1.71	2.17	2.55
15	GROUPAMA EMEKLILIK	6.23	4.03	54.40	2.15	1.61
16	GUNES	6.00	5.47	9.75	2.07	2.18
17	DENIZ EMEKLILIK VE HAYAT	5.80	6.61	-12.26	2.00	2.63
18	MAPFRE GENEL	4.99	4.52	10.42	1.72	1.80
19	VAKIF EMEKLILIK	4.67	2.08	123.97	1.61	0.83
20	CARDIF	4.65	2.95	57.75	1.60	1.17
<b>TOTAL TOP 10</b>		<b>189.24</b>	<b>170.73</b>	<b>10.84</b>	<b>65.30</b>	<b>68.01</b>
<b>TOTAL TOP 20</b>		<b>249.03</b>	<b>218.77</b>	<b>13.83</b>	<b>85.94</b>	<b>87.15</b>
<b>TOTAL MARKET</b>		<b>289.77</b>	<b>251.02</b>	<b>15.44</b>	<b>100.00</b>	<b>100.00</b>

## Health insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	YAPI KREDI	163.40	132.17	23.63	19.78	20.11
2	ALLIANZ	147.09	122.08	20.49	17.81	18.57
3	ANADOLU	85.16	71.12	19.73	10.31	10.82
4	MAPFRE GENEL YASAM	69.84	55.42	26.02	8.46	8.43
5	AK SIGORTA	66.70	54.40	22.60	8.08	8.28
6	ACIBADEM SAGLIK VE HAYAT	59.93	54.04	10.89	7.26	8.22
7	GROUPAMA	46.60	32.24	44.52	5.64	4.91
8	AXA	30.63	4.64	559.99	3.71	0.71
9	GUNES	27.22	26.94	1.02	3.30	4.10
10	ERGO	26.48	18.05	46.69	3.21	2.75
11	DEMIR HAYAT	22.74	16.95	34.14	2.75	2.58
12	EUREKO	20.89	12.83	62.80	2.53	1.95
13	MAPFRE GENEL	18.55	14.75	25.73	2.25	2.24
14	ZIRAAT SIGORTA	10.48	-	-	1.27	-
15	ZURICH	8.05	4.94	62.92	0.97	0.75
16	AMERICAN LIFE HAYAT	7.74	7.55	2.61	0.94	1.15
17	FIBA	3.82	2.71	40.89	0.46	0.41
18	CHARTIS SIGORTA	2.87	2.78	3.35	0.35	0.42
19	SBN	2.18	1.69	29.03	0.26	0.26
20	RAY	1.60	0.62	157.57	0.19	0.09
<b>TOTAL TOP 10</b>		<b>723.06</b>	<b>571.12</b>	<b>26.60</b>	<b>87.55</b>	<b>86.89</b>
<b>TOTAL TOP 20</b>		<b>821.97</b>	<b>635.94</b>	<b>29.25</b>	<b>99.52</b>	<b>96.75</b>
<b>TOTAL MARKET</b>		<b>825.90</b>	<b>657.31</b>	<b>25.65</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	ANADOLU	228.29	161.03	41.77	15.13	12.98
2	AXA	224.44	201.44	11.42	14.87	16.24
3	AK SIGORTA	149.21	122.39	21.91	9.89	9.86
4	ERGO	110.38	94.24	17.14	7.31	7.60
5	GROUPAMA	99.12	101.78	-2.61	6.57	8.20
6	ALLIANZ	94.22	79.40	18.67	6.24	6.40
7	GUNES	82.77	86.77	-4.61	5.48	6.99
8	EUREKO	73.74	48.93	50.70	4.89	3.94
9	YAPI KREDI	71.52	46.32	54.40	4.74	3.73
10	MAPFRE GENEL	54.50	47.95	13.68	3.61	3.86
11	FIBA	40.85	38.37	6.44	2.71	3.09
12	ANKARA	36.79	28.29	30.04	2.44	2.28
13	HDI	35.45	27.62	28.36	2.35	2.23
14	RAY	31.71	33.45	-5.22	2.10	2.70
15	AVIVA	27.32	22.65	20.64	1.81	1.83
16	ZURICH	23.27	20.03	16.18	1.54	1.61
17	DUBAI GROUP	22.38	15.15	47.79	1.48	1.22
18	HALK	18.91	12.12	55.98	1.25	0.98
19	LIBERTY	14.84	11.93	24.41	0.98	0.96
20	GENERALI	13.27	13.90	-4.55	0.88	1.12
<b>TOTAL TOP 10</b>		<b>1,188.19</b>	<b>990.25</b>	<b>19.99</b>	<b>78.73</b>	<b>79.81</b>
<b>TOTAL TOP 20</b>		<b>1,452.98</b>	<b>1,213.76</b>	<b>19.71</b>	<b>96.27</b>	<b>97.83</b>
<b>TOTAL MARKET</b>		<b>1,509.23</b>	<b>1,240.72</b>	<b>21.64</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	AXA	196.70	125.98	56.13	19.59	14.78
2	ANADOLU	100.61	96.06	4.74	10.02	11.27
3	ERGO	74.73	95.10	-21.42	7.44	11.16
4	GUNES	74.16	61.30	20.98	7.39	7.19
5	GROUPAMA	62.40	63.53	-1.78	6.22	7.45
6	AK SIGORTA	54.17	59.64	-9.17	5.40	7.00
7	MAPFRE GENEL	42.08	30.09	39.85	4.19	3.53
8	HDI	41.09	30.92	32.92	4.09	3.63
9	ALLIANZ	40.97	40.77	0.49	4.08	4.78
10	AVIVA	40.40	35.79	12.86	4.02	4.20
11	FIBA	34.90	33.67	3.64	3.48	3.95
12	ANKARA	28.18	27.23	3.49	2.81	3.20
13	DUBAI GROUP	26.47	10.63	149.06	2.64	1.25
14	SBN	24.78	16.70	48.44	2.47	1.96
15	YAPI KREDI	24.60	18.13	35.71	2.45	2.13
16	EUREKO	21.74	15.68	38.67	2.17	1.84
17	RAY	18.63	20.87	-10.73	1.86	2.45
18	HUR	17.91	17.69	1.21	1.78	2.08
19	EURO	16.66	14.99	11.14	1.66	1.76
20	ISIK	16.21	15.67	3.47	1.62	1.84
<b>TOTAL TOP 10</b>		<b>727.32</b>	<b>639.19</b>	<b>13.79</b>	<b>72.45</b>	<b>74.99</b>
<b>TOTAL TOP 20</b>		<b>957.42</b>	<b>830.45</b>	<b>15.29</b>	<b>95.37</b>	<b>97.43</b>
<b>TOTAL MARKET</b>		<b>1,003.90</b>	<b>852.40</b>	<b>17.77</b>	<b>100.00</b>	<b>100.00</b>

## Fire and allied perils insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	AXA	136.31	137.84	-1.11	14.22	15.41
2	ANADOLU	110.12	105.55	4.32	11.49	11.80
3	ALLIANZ	88.26	81.89	7.78	9.21	9.16
4	AK SIGORTA	68.21	68.57	-0.53	7.11	7.67
5	GUNES	62.34	61.05	2.10	6.50	6.83
6	EUREKO	61.20	58.26	5.06	6.38	6.51
7	YAPI KREDI	50.15	42.19	18.86	5.23	4.72
8	ERGO	49.70	46.33	7.28	5.18	5.18
9	GROUPAMA	41.93	61.38	-31.69	4.37	6.86
10	AVIVA	32.94	32.74	0.60	3.44	3.66
11	FIBA	31.09	26.09	19.18	3.24	2.92
12	MAPFRE GENEL	29.88	31.47	-5.07	3.12	3.52
13	RAY	27.04	23.30	16.08	2.82	2.60
14	HALK	26.44	21.05	25.60	2.76	2.35
15	ZIRAAT SIGORTA	26.02	-	-	2.71	-
16	ZURICH	25.59	28.33	-9.67	2.67	3.17
17	ANKARA	15.02	12.85	16.85	1.57	1.44
18	ISIK	14.76	12.51	17.93	1.54	1.40
19	CHARTIS SIGORTA	14.66	11.64	25.93	1.53	1.30
20	GENERALI	12.50	11.34	10.25	1.30	1.27
<b>TOTAL TOP 10</b>		<b>701.16</b>	<b>695.80</b>	<b>0.77</b>	<b>73.13</b>	<b>77.80</b>
<b>TOTAL TOP 20</b>		<b>924.14</b>	<b>874.37</b>	<b>5.69</b>	<b>96.39</b>	<b>97.77</b>
<b>TOTAL MARKET</b>		<b>958.75</b>	<b>894.32</b>	<b>7.20</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	ANADOLU	53.70	46.21	16.22	11.17	10.64
2	GUNES	48.17	40.22	19.77	10.01	9.26
3	GROUPAMA	46.15	43.01	7.30	9.59	9.91
4	EUREKO	39.21	45.35	-13.53	8.15	10.45
5	AXA	35.63	43.16	-17.44	7.41	9.94
6	AK SIGORTA	31.14	40.08	-22.31	6.47	9.23
7	YAPI KREDI	26.75	20.15	32.76	5.56	4.64
8	ALLIANZ	24.79	27.12	-8.61	5.15	6.25
9	FIBA	24.57	20.76	18.32	5.11	4.78
10	ZIRAAT SIGORTA	23.96	-	-	4.98	-
11	MAPFRE GENEL	22.27	19.26	15.62	4.63	4.44
12	RAY	18.93	14.26	32.83	3.94	3.28
13	ZURICH	18.03	18.36	-1.76	3.75	4.23
14	ERGO	14.59	12.15	20.08	3.03	2.80
15	HALK	11.89	6.85	73.50	2.47	1.58
16	AVIVA	11.87	13.80	-14.00	2.47	3.18
17	ANKARA	7.88	9.21	-14.38	1.64	2.12
18	CHARTIS SIGORTA	5.52	2.06	167.49	1.15	0.48
19	GENERALI	3.99	2.43	64.08	0.83	0.56
20	ISIK	3.33	3.68	-9.49	0.69	0.85
<b>TOTAL TOP 10</b>		<b>354.07</b>	<b>326.05</b>	<b>8.59</b>	<b>73.62</b>	<b>75.11</b>
<b>TOTAL TOP 20</b>		<b>472.37</b>	<b>428.11</b>	<b>10.34</b>	<b>98.21</b>	<b>98.62</b>
<b>TOTAL MARKET</b>		<b>480.97</b>	<b>434.10</b>	<b>10.80</b>	<b>100.00</b>	<b>100.00</b>

## Marine insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	ERGO	15.30	12.35	23.95	10.58	10.17
2	ANADOLU	14.65	12.63	16.01	10.13	10.40
3	ALLIANZ	13.11	12.47	5.12	9.06	10.27
4	AXA	12.71	12.48	1.90	8.79	10.28
5	MAPFRE GENEL	9.82	6.87	42.90	6.79	5.66
6	CHARTIS SIGORTA	9.71	9.11	6.53	6.71	7.51
7	EUREKO	8.98	8.02	11.87	6.21	6.61
8	RAY	8.56	4.17	105.38	5.92	3.43
9	AK SIGORTA	7.86	8.12	-3.25	5.43	6.69
10	GROUPAMA	7.62	6.34	20.20	5.27	5.22
11	GUNES	6.79	5.76	17.83	4.70	4.75
12	ZURICH	6.58	5.38	22.30	4.55	4.43
13	YAPI KREDI	5.38	4.50	19.57	3.72	3.70
14	AVIVA	4.15	3.98	4.27	2.87	3.27
15	FIBA	3.68	3.25	13.14	2.55	2.68
16	HDI	2.90	1.06	174.48	2.00	0.87
17	GENERALI	1.83	1.71	7.12	1.27	1.41
18	ANKARA	1.36	1.19	14.13	0.94	0.98
19	ISIK	0.95	0.78	22.60	0.66	0.64
20	ACE EUROPE	0.87	0.11	668.69	0.60	0.09
<b>TOTAL TOP 10</b>		<b>108.31</b>	<b>92.55</b>	<b>17.03</b>	<b>74.89</b>	<b>76.23</b>
<b>TOTAL TOP 20</b>		<b>142.80</b>	<b>120.27</b>	<b>18.73</b>	<b>98.74</b>	<b>99.06</b>
<b>TOTAL MARKET</b>		<b>144.62</b>	<b>121.41</b>	<b>19.12</b>	<b>100.00</b>	<b>100.00</b>

## GTPL insurance ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	ANADOLU	25.67	16.25	57.94	16.18	13.89
2	AXA	24.62	16.07	53.19	15.52	13.73
3	CHARTIS SIGORTA	16.38	14.17	15.57	10.33	12.11
4	EUREKO	13.31	11.44	16.33	8.39	9.78
5	ALLIANZ	12.53	10.52	19.05	7.90	8.99
6	YAPI KREDI	9.34	4.64	101.37	5.88	3.96
7	ERGO	8.30	5.25	58.08	5.23	4.49
8	AK SIGORTA	6.98	6.72	3.77	4.40	5.75
9	GROUPAMA	6.13	2.60	135.44	3.86	2.22
10	GUNES	5.94	5.27	12.64	3.74	4.51
11	ZURICH	5.26	6.12	-14.09	3.32	5.23
12	MAPFRE GENEL	5.02	4.39	14.41	3.16	3.75
13	RAY	3.17	3.95	-19.78	2.00	3.38
14	AVIVA	2.56	2.33	9.98	1.61	1.99
15	ACE EUROPE	2.29	0.23	903.90	1.44	0.19
16	HDI	2.24	2.05	9.23	1.41	1.75
17	ANKARA	2.07	0.76	171.34	1.31	0.65
18	FIBA	1.64	1.14	44.32	1.03	0.97
19	GENERALI	1.46	0.80	81.77	0.92	0.68
20	ISIK	1.35	1.10	23.20	0.85	0.94
<b>TOTAL TOP 10</b>		<b>129.19</b>	<b>92.95</b>	<b>38.99</b>	<b>81.43</b>	<b>79.43</b>
<b>TOTAL TOP 20</b>		<b>156.25</b>	<b>115.82</b>	<b>34.91</b>	<b>98.48</b>	<b>98.97</b>
<b>TOTAL MARKET</b>		<b>158.65</b>	<b>117.02</b>	<b>35.58</b>	<b>100.00</b>	<b>100.00</b>



# The future is in the East



**Vlad BOLDIJAR**  
Coordinating Editor

The CIS insurance market has avoided the crisis in 2010, a reality confirmed by presented figures: in no state has the insurance industry decreased. Thus, if we exclude Russia, the insurance market of the 10 CIS countries accounted for a volume of underwritings of EUR3.6bn, about 21% more than in 2009. If in the total result we also include Russia, the market amounted to EUR29.4bn, with only EUR3.6bn less than the cumulated result of the 17 countries of the CEE region.

With a population double as number, if we compare the CIS insurance market to the one in CEE, the future of this industry sounds promising in the years to come. For example, in Armenia, introducing the mandatory MTPL insurance has led to some structural changes of the insurance market and has created a strong competitive environment. Also, in Belarus, the national insurance market has continued its dynamic growth and the range of insurance products has been diversified, which led to an increase of the number of voluntary insurance classes and a ratio mandatory/voluntary insurance of 50:50 was reached. Meanwhile, in Moldova, the continuous capitalization of the market comes as a result of reforms began in the insurance industry in 2007, with the publishing in the Official Gazette, on April 6<sup>th</sup>, of Law no. 407, which stipulates among others the change of the

requirements related to the minimum share capital of insurers, that has to reach, gradually, MDL15bn by 2012. For Tajikistan, the insurance market is young, the first private insurance companies have appeared on the profile market in 1992, while in Turkmenistan, one single insurance company activates, that is administered by the state.

Overall, in all markets, it can be seen an active process of merger and acquisitions between insurance companies, and it is noted the entry on the markets of the two Russian giants: ROSGOSSTRAKH and INGOSSTRAKH.

This globalization brings only benefits, creating, at regional level, an increasingly competitive market. Meanwhile, authorities in each state have numerous attempts to attract insurance groups from Western Europe. In this respect a good example is Ukraine, where 115 companies with foreign capital are activating, which, in percentage, represents 26.5% of the share capital of insurance companies active in the market. Another positive example comes from Belarus, where at the end of last year AXA announced that it has acquired a 80% stake in B&B Insurance of Belarus, which occupies the third place on the general insurance market.

So, this globalization, correlated with the reforms started in each insurance market by the supervisory authorities have created all the premises for the development of this industry, even in 2010, despite a difficult year, marked by the international economic crisis.

## Commonwealth of Independent States (CIS) insurance markets main indicators

Nr.	Country	Gross Written Premiums - 2010			2010 - Overall Paid Claims	Gross Written Premiums - 2009	GWP change 10/09	Market Share		2010 - Insurance density
		All insurance lines	Life insurance	Non-life insurance				2010	2009	
		EUR m.	EUR m.	EUR m.		EUR m.		EUR m.	%	
1	Armenia	17.16	2.22	14.94	3.62	13.08	31.1	0.5	0.4	5.5
2	Azerbaijan	147.34	1.38	145.96	46.16	142.02	3.7	4.1	4.7	17.1
3	Belarus	337.09	19.87	317.22	201.76	271.60	24.1	9.3	9.1	35.1
4	Kazakhstan	786.24	95.51	690.73	NA	622.42	26.3	21.7	20.7	49.1
5	Kyrgyzstan	8.61	0.00	8.60	0.33	7.53	14.3	0.2	0.3	1.6
6	Moldova	55.78	3.28	52.50	19.68	52.38	6.5	1.5	1.7	15.5
7	Tajikistan	16.00	NA	NA	NA	9.0	77.8	0.4	0.3	2.2
8	Turkmenistan	39.63	NA	NA	NA	34.43	15.1	1.1	1.1	6.6
9	Ukraine	2,137.49	87.96	2,049.53	576.93	1,781.83	20.0	59.0	59.4	46.6
10	Uzbekistan	79.2	NA	NA	12.5	66.0	20.0	2.2	2.2	2.9
TOTAL CIS		3,624.5	210.2	3,279.5	860.9	3,000.3	20.8	100.0	100.0	27.3
11	Russia	25,812.30	558.60	25,253.70	19,056.06	22,540.70	14.5	-	-	182.8
TOTAL CIS & RUSSIA REGION		29,436.8	768.8	28,533.2	19,917.0	25,541.0	15.3	-	-	107.4



## About Commonwealth of Independent States (CIS)

Commonwealth of Independent States is a regional organization which was created in December 1991 by the former Soviet Republics. In the adopted Declaration the participants of the Commonwealth declared their interaction on the basis of sovereign equality.

At present the CIS member states are: Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Uzbekistan and Ukraine. In 2008, Georgia left the organization.

## Top 100 insurance companies in CIS Region (all insurance lines / without Russia and Ukraine)

No.	Company	Country	GWP 2010	CLAIMS 2010
			EUR m.	EUR m.
1	BELGOSSTRAKH	Belarus	175.03	115.83
2	EUROASIA	Kazakhstan	96.89	11.72
3	KAZKOMMERTS Policy	Kazakhstan	85.17	5.52
4	HALYK Bank Kazakhstan	Kazakhstan	75.58	23.05
5	OIL Insurance Company	Kazakhstan	46.87	7.81
6	State Ins. Organization	Turkmenistan	39.63	NA
7	ALLIANZ Kazakhstan	Kazakhstan	39.19	3.44
8	NOMAD Insurance	Kazakhstan	34.92	3.50
9	STATE ANNUITY Company	Kazakhstan	32.38	10.10
10	CHARTIS Ins. Company	Kazakhstan	30.05	2.40
11	LONDON ALMATY	Kazakhstan	27.14	3.71
12	AMANAT Insurance	Kazakhstan	26.01	1.72
13	VICTORIA	Kazakhstan	25.29	1.65
14	TASK	Belarus	25.05	16.07
15	KASPI Bank	Kazakhstan	24.80	(3.61)
16	SENTRANS Insurance	Kazakhstan	23.95	5.03
17	AZERSIGORTA	Azerbaijan	22.91	10.14
18	B&B Insurance	Belarus	22.31	20.88
19	PromTransInvest	Belarus	20.88	9.72
20	BELNEFTESTRAKH	Belarus	17.76	8.30
21	HALYK Life	Kazakhstan	17.32	7.10
22	KAZROMMERTS Life	Kazakhstan	16.86	5.21
23	MOLDASIG	Moldova	15.99	6.27
24	EXIMGARANT OF BELARUS	Belarus	15.64	6.79
25	ALLIANCE Life	Kazakhstan	15.11	3.97
26	STRAVITA	Belarus	14.84	0.03
27	AZSIGORTA	Azerbaijan	14.80	1.28
28	KOMMESK Omir	Kazakhstan	14.37	3.33
29	BTA Life	Kazakhstan	14.22	4.52
30	ALLIANZ Policy	Kazakhstan	14.02	5.31
31	ATESHGAIH	Azerbaijan	13.80	4.98
32	INTER Teach	Kazakhstan	13.24	7.82
33	UZAGRO Insurance	Uzbekistan	13.05	NA
34	PASHA Insurance	Azerbaijan	12.36	2.31
35	BELKOOPTSSTRAKH	Belarus	11.87	5.58
36	BTA Insurance	Kazakhstan	11.84	3.91
37	ASITO	Moldova	11.65	3.91
38	AZAL SIGORTA	Azerbaijan	11.47	3.86
39	UZBEKINVEST	Uzbekistan	10.73	NA
40	PANA Insurance	Kazakhstan	10.65	1.05
41	INTERNATIONAL	Azerbaijan	9.64	4.87
42	TSACO	Kazakhstan	9.59	0.18
43	STANDART Insurance	Azerbaijan	8.16	2.10
44	TRANS OIL	Kazakhstan	8.11	1.84
45	ASTANA Finance	Kazakhstan	8.09	1.68
46	MBASK	Azerbaijan	7.95	3.35
47	UVT Insurance	Uzbekistan	7.92	NA
48	EKO Policy	Kazakhstan	7.91	1.26
49	BELROSSTRAKH	Belarus	7.58	5.37
50	TOJKSUGURTA	Tajikistan	7.57	1.78

No.	Company	Country	GWP 2010	CLAIMS 2010
			EUR m.	EUR m.
51	ASKO	Kazakhstan	7.37	0.98
52	ASTANA Finance - Life	Kazakhstan	7.03	1.03
53	KHALQ Insurance	Azerbaijan	6.91	1.70
54	ORIEN Insurance	Tajikistan	6.70	0.37
55	QARANT Sigorta	Azerbaijan	6.70	2.35
56	A-QROUP	Azerbaijan	6.66	4.96
57	GENERALI LIFE	Kazakhstan	6.41	0.54
58	GRAWE CARAT	Moldova	6.39	1.43
59	INGO Uzbekistan	Uzbekistan	6.12	NA
60	ALATAU	Kazakhstan	5.98	0.24
61	KAFOLAT	Uzbekistan	5.40	NA
62	BELINGOSSTRACH	Belarus	5.12	3.00
63	AZERBAIJAN Senaye Sig.	Azerbaijan	4.89	1.58
64	ALFA Invest	Uzbekistan	4.25	NA
65	DONARIS-GROUP	Moldova	4.24	1.58
66	ATASIGORTA	Azerbaijan	4.01	1.00
67	INGO Armenia	Armenia	4.00	1.00
68	ASIA Insurans	Uzbekistan	3.94	NA
69	ROSGOSSTRACH Armenia	Armenia	3.85	0.67
70	KAPITAL Insurance	Uzbekistan	3.82	NA
71	National Belorussian Ins.	Belarus	3.70	2.33
72	AUB Insurance	Kyrgyzstan	3.69	0.00
73	KUPALA	Belarus	3.62	1.75
74	ALSKOM	Uzbekistan	3.22	NA
75	MOLDCARGO	Moldova	2.93	1.15
76	GENERALI	Belarus	2.84	0.00
77	BELVNESHSTRAKH	Belarus	2.71	1.38
78	ISG	Armenia	2.52	0.05
79	BASHAK INAM	Azerbaijan	2.46	1.43
80	BAKI Insurance	Azerbaijan	2.45	1.12
81	TRANSINSURANCE Plus	Uzbekistan	2.38	NA
82	CASCADE Insurance	Armenia	2.36	0.72
83	ALFA Insurance	Azerbaijan	2.15	0.27
84	ACORD-GRUP	Moldova	2.10	0.05
85	ZEPTER Insurance	Belarus	2.07	1.29
86	ERA-TRANS Company	Azerbaijan	2.02	0.98
87	EUROASIG	Moldova	1.96	0.65
88	KENTAVR	Belarus	1.91	0.93
89	CHARTIS Azerbaijan	Azerbaijan	1.65	0.26
90	NAIRI Insurance	Armenia	1.61	0.25
91	RAVAN Insurance	Azerbaijan	1.60	1.01
92	EXIM-ASINT	Moldova	1.35	0.70
93	MOLDOVA-ASTROVAZ	Moldova	1.33	0.69
94	KLASSIKA Asigurări	Moldova	1.28	0.59
95	ERGO	Belarus	1.25	0.81
96	TRANSELIT	Moldova	1.22	0.35
97	SEDYMAIA LINYA	Belarus	1.13	0.19
98	GARANTYA	Belarus	1.12	0.11
99	VICTORIA Asigurări	Moldova	1.07	0.63
100	RESO	Armenia	1.00	0.36



## ARMENIA

We cannot talk about an evolution of the insurance market in Armenia in 2010, for one single reason: for more than 15 years the market has stagnated, because it was supported by a very small number of corporate clients.

Meanwhile, by the adoption of the law regarding mandatory MTPL insurance, in 2009, which came into force on January 1<sup>st</sup>, 2011, the market has entered a phase of revolutionary change.

Therefore, the year 2010 was a year of preparation, both for market participants and for the state, in terms of implementation

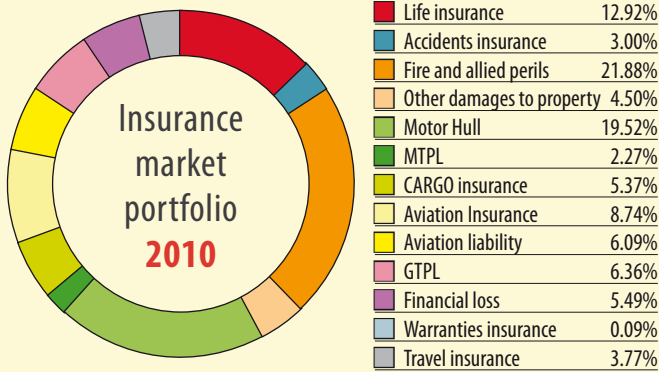
and legal regulation of MTPL law, training specialized personnel, respectively, creating the network of sales agents for MTPL insurance policy. At the end of 2010, according to Central Bank of Armenia (supervisory and regulatory authority of the insurance market), 5,000 insurance agents were registered. Another notable event for the Armenian insurance market was the establishment of the National Bureau of Insurers (2010) - organization responsible for regulating and supervising the motor insurance market. According to figures released for publicity, about 300,000 MTPL contracts have been signed, which means approximately 80% of car drivers have bought an MTPL policy.

Also, the perspective of introduction of the mandatory MTPL insurance has led to some structural changes of the Armenian insurance market, by creating a highly competitive environment. Thus, besides the processes of mergers and acquisitions started by smaller companies in Armenian market, two large insurance companies from Russia have appeared: ROSGOSSTRAKH and RESO GARANTIA. These two companies have created increased competition in the market, especially for the third largest player from the Russian insurance market: INGOSSTRAKH.

Insurance groups from Western Europe are not found on the Armenian profile market, despite numerous attempts of the Central Bank to attract them, amid lack of interest of foreign investors in small markets.

### Unaffected by crisis

The economic crisis has been present in Armenia since 2009, with GDP contracting by 14.4%. However, due to the low level of integration of Armenian financial markets in global development processes and due to lack of external debt, the country has



Source:

ArmlInfo News Agency

Armenian currency exchange rate for calculations:

1 EUR = 542.23 Dram - AMD (December 31<sup>st</sup>, 2009)

1 EUR = 481.16 Dram - AMD (December 31<sup>st</sup>, 2010)

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>17.16</b>	<b>3.62</b>	<b>13.08</b>	<b>3.07</b>	<b>31.15</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>2.22</b>	<b>1.29</b>	<b>1.27</b>	<b>0.67</b>	<b>74.16</b>	<b>100.00</b>	<b>12.92</b>
<b>TOTAL NON-LIFE</b>	<b>14.94</b>	<b>2.33</b>	<b>11.81</b>	<b>2.40</b>	<b>26.51</b>	<b>100.00</b>	<b>87.08</b>
Accidents insurance	0.52	0.04	0.40	0.05	27.43	3.45	3.00
<b>Overall property insurance</b>	<b>4.53</b>	<b>0.20</b>	<b>2.71</b>	<b>0.11</b>	<b>66.91</b>	<b>30.29</b>	<b>26.38</b>
Fire and allied perils	3.75	0.20	2.30	0.11	63.47	25.13	21.88
Other damages to property	0.77	0.00	0.41	0.00	85.97	5.16	4.50
<b>Overall motor insurance</b>	<b>3.74</b>	<b>1.58</b>	<b>2.74</b>	<b>1.42</b>	<b>36.49</b>	<b>25.02</b>	<b>21.78</b>
Motor Hull	3.35	1.39	2.40	1.33	39.43	22.41	19.52
Motor Liability	0.39	0.19	0.34	0.09	15.53	2.60	2.27
CARGO insurance	0.92	0.14	0.72	0.10	27.28	6.17	5.37
Aviation insurance	1.50	-	1.81	-	-17.21	10.04	8.74
Aviation liability	1.05	-	1.17	0.00	-10.64	7.00	6.09
Marine insurance	-	-	0.01	-	-	-	-
GTPL	1.09	0.02	0.29	0.01	270.47	7.30	6.36
Financial risks	0.94	0.14	0.71	0.65	31.68	6.30	5.49
Warranties insurance	0.02	0.07	0.89	0.00	-98.18	0.11	0.09
Travel insurance	0.65	0.13	0.34	0.07	88.38	4.33	3.77

## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	GARANT-LIMENCE	0.63	0.32	0.37	0.20	70.25	28.47	29.13
2	INGO Armenia	0.53	0.40	0.32	0.17	68.86	24.00	24.76
3	ROSGOSSTRAKH Armenia	0.44	0.16	0.14	-	205.50	19.83	11.30
4	CASCADE Insurance	0.43	0.30	0.44	0.23	-2.16	19.48	34.67
5	RESO	0.18	0.11	-	-	-	8.20	-
6	NAIRI Insurance	0.00	0.00	0.00	0.00	-75.38	0.02	0.14
<b>TOTAL MARKET</b>		<b>2.22</b>	<b>1.29</b>	<b>1.27</b>	<b>0.67</b>	<b>74.16</b>	<b>100.00</b>	<b>100.00</b>

## Non - Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	INGO Armenia	3.46	0.61	2.75	0.69	26.00	23.18	23.27
2	ROSGOSSTRAKH Armenia	3.41	0.52	1.37	0.17	149.51	22.82	11.57
3	ISG	2.52	0.05	3.00	0.01	-15.97	16.86	25.38
4	CASCADE Insurance	1.93	0.42	1.59	0.23	21.49	12.92	13.45
5	NAIRI Insurance	1.61	0.25	1.07	0.18	50.69	10.78	9.05
6	RESO	0.82	0.25	0.37	0.02	120.67	5.47	3.13
7	SIL Insurance	0.52	0.17	0.44	0.31	16.78	3.47	3.76
8	RASCO	0.46	0.06	0.49	0.78	-4.78	3.09	4.11
9	GARANT-LIMENCE	0.21	0.01	0.04	0.00	483.26	1.41	0.31
10	GRIAR-Insurance	-	-	0.70	0.08	-	-	5.96
<b>TOTAL MARKET</b>		<b>14.94</b>	<b>2.33</b>	<b>11.81</b>	<b>2.40</b>	<b>26.51</b>	<b>100.00</b>	<b>100.00</b>

undergone the crisis without major losses, while maintaining its stability.

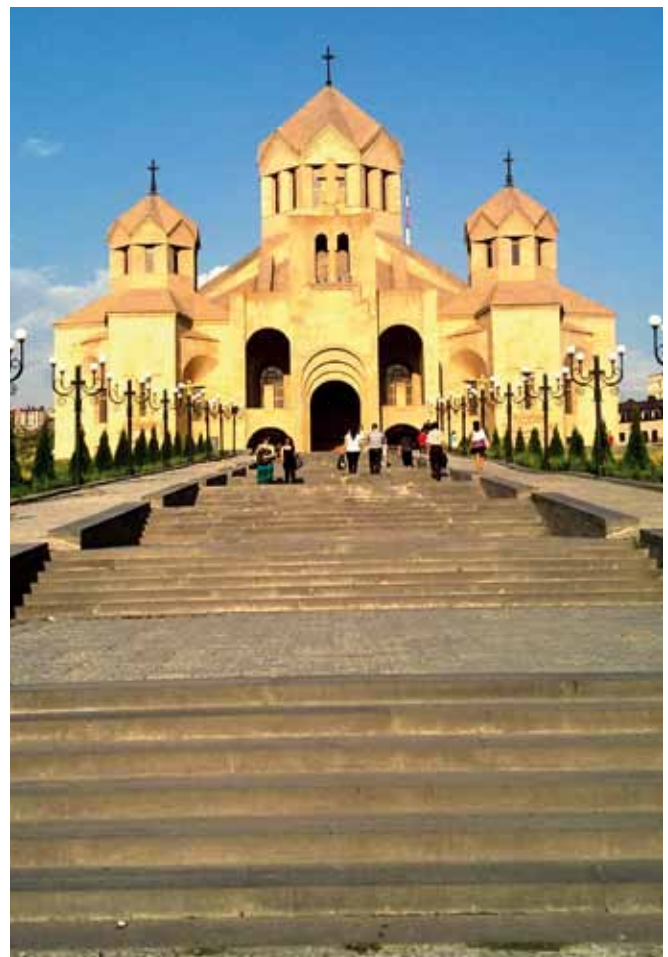
If we are to talk only about the insurance market, the corporate segment was the only one affected. Also, if we refer to the first six months of 2009, premiums collected by the 12 insurance companies active at that time fell by 6% in local currency compared with the corresponding period in 2008. However, it is important to note that towards the end of 2009, the companies managed to register indicators at the pre-crisis level.

## What are the perspectives for 2011?

Armenian experts believe that insurance market development is due to an evolution of the Motor Hull and property lines.

Also, a special importance is given to the development of voluntary health insurance, as a result of substantial growth in prices for medical services, on one hand, and of their diminished quality, on the other hand. According to insurers, a growing number of middle-income families, as well as larger companies prefer to sign a contract with insurance companies for medical services, in order to avoid unexpected surprises from the state health system. However, in post-crisis period, the state holds back from implementation of new types of mandatory insurance, while insurers are expecting mandatory health insurance to be implemented over five years at least.

Moreover, experts expect that over the next 5-7 years, besides mandatory health insurance, other types of mandatory insurance to also be introduced, such as environmental risks insurance and employer liability insurance.



Courtesy to Arminfo News Agency  
and [www.arminfo.am](http://www.arminfo.am)





## AZERBAIJAN



Life insurance	0.94%
Accidents insurance	4.79%
Health insurance	15.00%
Fire and allied perils	14.61%
Mandatory fire insurance	4.65%
Motor Hull	23.44%
MTPL	2.39%
Aircraft insurance	5.72%
Aircraft liability insurance	1.86%
Ships insurance	1.49%
Goods in transit insurance	6.96%
GTPL	2.80%
State mandatory personal insurance of military servants	9.39%
State mandatory personal insurance of the servants of judicial and law-enforcement bodies	2.99%
Other non-life insurance	2.98%

**Source:**

Central Bank of Azerbaijan Republic

**Azerbaijan currency exchange rate for calculations:**

1 EUR = 1.1499 Manat - AZN (December 31<sup>st</sup>, 2009)

1 EUR = 1.0560 Manat - AZN (December 31<sup>st</sup>, 2010)

In Azerbaijan, the body of monitoring and regulating the insurance market is represented by the Insurance Supervision Department of the Ministry of Finance.

Thus, according to data from the supervisory authority, in 2010, insurance companies have achieved a volume of gross written premiums which totaled EUR147m, a nominal increase of about 5.9% compared to 2009.

Analyzing the insurance market, by types of concluded insurance, life insurance accounted for a volume of written premiums of EUR1.4m, increasing by 77% compared to 2009, representing less than one percentage point in the consolidated portfolio of the market.

On insurance types, most concluded policies were the ones from the motor segment - EUR38.6m (equivalent to 26% of the total market), followed by health insurance - EUR22m (15%) and fire and allied perils - EUR21.5m (14.7%).

However, in 2010, the total volume of claims approved and paid by insurers amounted to EUR51m, an increase of 10 percentage points compared to 2009. On insurance classes, the biggest volumes of paid claims corresponded to voluntary health insurance (31.2% - EUR16m), motor insurance (29% - EUR14.7m) and mandatory insurance for the military (12.6% - EUR6.4 m).

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>147.34</b>	<b>50.97</b>	<b>142.02</b>	<b>46.16</b>	<b>3.74</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>1.38</b>	<b>0.31</b>	<b>0.78</b>	<b>0.39</b>	<b>76.86</b>	<b>100.00</b>	<b>0.94</b>
<b>TOTAL NON-LIFE</b>	<b>145.96</b>	<b>50.66</b>	<b>141.24</b>	<b>45.77</b>	<b>3.34</b>	<b>100.00</b>	<b>99.06</b>
Accidents insurance	7.06	1.39	4.80	1.58	47.13	4.84	4.79
Health insurance	22.09	15.92	18.73	13.16	17.94	15.14	15.00
Fire and allied perils	21.52	3.10	23.16	4.90	-7.09	14.74	14.61
Mandatory fire insurance	6.85	0.31	3.30	0.15	107.57	4.70	4.65
<b>Overall motor insurance</b>	<b>38.06</b>	<b>14.70</b>	<b>30.21</b>	<b>14.80</b>	<b>25.98</b>	<b>26.08</b>	<b>25.83</b>
Motor Hull	34.54	14.07	27.19	14.13	27.03	23.67	23.44
MTPL	3.52	0.63	3.02	0.66	16.56	2.41	2.39
Aircraft insurance	8.42	3.95	9.09	0.31	-7.35	5.77	5.72
Aircraft liability insurance	2.74	0.08	2.98	0.03	-8.09	1.87	1.86
Ships insurance	2.19	1.47	1.56	-	40.73	1.50	1.49
Goods in transit insurance	10.25	1.21	6.31	0.87	62.42	7.03	6.96
GTPL	4.13	0.05	18.43	0.46	-77.58	2.83	2.80
State mandatory personal insurance of military servants	13.84	6.44	15.30	7.42	-9.58	9.48	9.39
State mandatory personal insurance of the servants of judicial and law-enforcement bodies	4.41	0.69	3.21	0.57	37.22	3.02	2.99
Other non-life insurance	4.39	1.36	4.15	1.52	5.71	3.01	2.98





## All insurance lines ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	AZERSIGORTA	22.91	10.14	23.05	10.63	-0.60	15.55	16.23
2	AZSIGORTA	14.80	1.28	9.31	3.03	59.06	10.05	6.55
3	ATESHGAH	13.80	4.98	10.71	3.80	28.88	9.36	7.54
4	PASHA Insurance	12.36	2.31	8.97	1.62	37.83	8.39	6.31
5	AZAL SIGORTA	11.47	3.86	11.50	0.10	-0.25	7.78	8.10
6	INTERNATIONAL	9.64	4.87	12.89	3.78	-25.20	6.54	9.07
7	STANDART Insurance	8.16	2.10	6.23	3.53	31.10	5.54	4.38
8	MBASK	7.95	3.35	6.57	5.43	20.85	5.39	4.63
9	KHALQ Insurance	6.91	1.70	21.12	1.21	-67.27	4.69	14.87
10	QARANT Sigorta	6.70	2.35	3.61	0.22	85.51	4.54	2.54
11	A-QROUP	6.66	4.96	6.29	4.39	5.88	4.52	4.43
12	AZERBAIJAN Senaye Sigorta	4.89	1.58	3.83	0.70	27.70	3.32	2.69
13	ATASIGORTA	4.01	1.00	2.57	0.62	56.14	2.72	1.81
14	BASHAK INAM	2.46	1.43	2.12	0.97	16.03	1.67	1.49
15	BAKI Insurance	2.45	1.12	3.09	1.30	-20.55	1.66	2.17
16	ALFA Insurance	2.15	0.27	0.81	0.23	165.79	1.46	0.57
17	ERA-TRANS Company	2.02	0.98	1.19	0.65	69.30	1.37	0.84
18	CHARTIS Azerbaijan	1.65	0.26	1.43	1.03	14.83	1.12	1.01
19	RAVAN Insurance	1.60	1.01	2.04	0.98	-21.69	1.09	1.44
20	ATESHGAH Life	0.98	0.02	0.31	0.00	214.58	0.67	0.22
<b>TOTAL TOP 10</b>		<b>114.69</b>	<b>36.95</b>	<b>113.94</b>	<b>33.34</b>	<b>0.66</b>	<b>77.84</b>	<b>80.23</b>
<b>TOTAL TOP 20</b>		<b>143.55</b>	<b>49.58</b>	<b>137.62</b>	<b>44.22</b>	<b>4.31</b>	<b>97.43</b>	<b>96.90</b>
<b>TOTAL MARKET</b>		<b>147.34</b>	<b>50.97</b>	<b>142.02</b>	<b>46.16</b>	<b>3.74</b>	<b>100.00</b>	<b>100.00</b>



## BELARUS

Insurance market in Belarus, in 2010, continued its dynamic growth. During 2010, the range of insurance products has been diversified, which led to an increase in the voluntary insurance classes, and the ratio voluntary/mandatory insurance became 50:50.

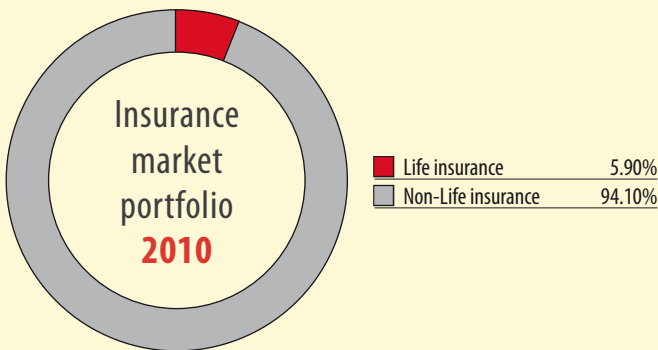
The global financial crisis had weak impacts on the development of the profile market in Belarus, basically we can not speak of a negative impact on companies' performances. At the same time, the value of premiums per capita (insurance density) is about USD48, while in Eastern and Central Europe it ranges between USD75 and USD495.

The share of insurance premiums in the country's GDP, according to 2010 results, was 0.82%, compared to 5% - 16% in the EU.

In 2011, the insurance market expects a liberalization announced by the Government of the country. This liberalization implies the introduction of new insurance classes, improving the quality of insurance services, granting equal rights for conducting the insurance activity to all insurance companies on the profile market.

A very important step in the liberalization measures is represented by allowing the private companies to practice mandatory MTPL insurance, and the foreign private companies – voluntary life insurance.

Courtesy to Anton NEDVEDSKY, the Belarusian Association of Insurers



Source:

The Belarusian Association of Insurers

Belarusian currency exchange rate for calculations:

1 EUR = 4106.11 Ruble - BYR (December 31<sup>st</sup>, 2009)

1 EUR = 3972.60 Ruble - BYR (December 31<sup>st</sup>, 2010)

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS		
	EUR m.	EUR m.	EUR m.	EUR m.	EUR	%
TOTAL MARKET	337.09	201.76	271.60	153.91	24.11	100.00
TOTAL LIFE	19.87	3.65	14.83	3.00	34.00	5.90
TOTAL NON-LIFE	317.22	198.10	256.77	150.91	23.54	94.10

## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	STRAVITA	14.84	0.03	10.91	2.23	36.04	74.65	73.53
2	National Belorussian Ins. PensionFund.	3.70	2.33	3.04	0.64	21.87	18.63	20.49
3	SEDYMAIA LINYA	1.13	0.19	0.83	0.10	36.74	5.70	5.59
4	PENSIONNIE GARANTYI	0.20	1.10	0.06	0.03	243.04	1.01	0.40
<b>TOTAL MARKET</b>		<b>19.87</b>	<b>3.65</b>	<b>14.83</b>	<b>3.00</b>	<b>34.00</b>	<b>100.00</b>	<b>100.00</b>

## Non-Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	BELGOSSTRAKH	175.03	115.83	146.82	83.44	19.21	55.18	57.18
2	TASK	25.05	16.07	20.07	12.05	24.81	7.90	7.82
3	B&B Insurance	22.31	20.88	21.21	19.69	5.17	7.03	8.26
4	PromTransInvest	20.88	9.72	17.06	6.47	22.39	6.58	6.65
5	BELNEFTESTRAKH	17.76	8.30	12.60	6.01	40.96	5.60	4.91
6	EXIMGARANT OF BELARUS	15.64	6.79	9.50	7.77	64.65	4.93	3.70
7	BELKOOTPSSTRAKH	11.87	5.58	9.27	4.08	28.03	3.74	3.61
8	BELROSSTRAKH	7.58	5.37	7.09	5.42	6.93	2.39	2.76
9	BELINGOSSTRAKH	5.12	3.00	3.16	1.68	62.11	1.62	1.23
10	KUPALA	3.62	1.75	2.02	1.33	79.40	1.14	0.79
11	GENERALI	2.84	0.00	1.24	0.00	129.77	0.90	0.48
12	BELVNESHSTRAKH	2.71	1.38	2.47	1.46	9.47	0.85	0.96
13	ZEPTEP Insurance	2.07	1.29	0.51	0.07	303.25	0.65	0.20
14	KENTAVR	1.91	0.93	0.91	0.72	109.72	0.60	0.35
15	ERGO	1.25	0.81	0.76	0.35	64.06	0.39	0.30
16	GARANTYA	1.12	0.11	0.71	0.05	58.08	0.35	0.28
17	BAGACH	0.43	0.30	0.31	0.24	36.52	0.13	0.12
18	ROSGOSSTRAH	0.02	-	-	-	0.00	0.01	-
19	DELTA Insurance	0.01	-	0.01	0.00	0.08	0.00	0.01
20	VICTORIA	-	-	1.04	0.07	0.00	-	0.40
<b>TOTAL TOP 10</b>		<b>304.86</b>	<b>193.28</b>	<b>248.80</b>	<b>147.94</b>	<b>22.53</b>	<b>96.10</b>	<b>96.90</b>
<b>TOTAL MARKET</b>		<b>317.22</b>	<b>198.10</b>	<b>256.77</b>	<b>150.91</b>	<b>23.54</b>	<b>100.00</b>	<b>100.00</b>





## KAZAKHSTAN

According to forecasts made by the insurance company KOM-MESK Omir, the Kazakhstan profile market will register in 2011, compared to 2010, an increase of 16-18%.

Thus, this forecasted evolution will be supported by an increase of 15-16% of the general insurance segment, conditioned by increase of the price for mandatory MTPL insurance. At the same time, this increase is due to increased monthly reference index (MRP) from EUR6.3 to EUR6.9.



Life insurance	12.15%
Accidents insurance	4.52%
Health insurance	6.87%
Employees insurance in case of accident	8.22%
Damages to property	26.96%
Motor Hull	2.19%
MTPL	13.65%
Aviation Insurance	1.17%
Aviation liability	2.95%
GTPL	11.67%
Financial loss	4.13%
Other non-life insurance	5.51%

### Source:

National Bank of Kazakstan

### Kazakh currency exchange rate for calculations:

1 EUR = 212.84 Tenge - KZT (December 31<sup>st</sup>, 2009)

1 EUR = 195.23 Tenge - KZT (December 31<sup>st</sup>, 2010)

Monthly reference index (MRP) is used in the Republic of Kazakhstan to calculate pensions, state indemnifications, taxes, average salary for the economy and other social payments.

Also, in 2011 the insurance law regarding reinsuring risks of insurance companies in favor of the Kazakhstan reinsurers will be modified.

Therefore, in 2011 the growth trend from 2010 will be maintained, due to recovery of the the market economy in Kazakhstan.

In 2010, insurance market in Kazakhstan totaled EUR786m, an increase of 26% compared to 2009. In 2010, on the insurance market in Kazakhstan, 38 insurance and reinsurance companies were active.

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	GWP 2010	GWP 2009	Nominal Evolution (%)	% In Life/ Non-Life Gwp	% in all GWP
	EUR m.	EUR m.	EUR	%	%
<b>TOTAL MARKET</b>	<b>786.24</b>	<b>622.42</b>	<b>26.32</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE AND ANNUITIES</b>	<b>95.51</b>	<b>43.85</b>	<b>117.80</b>	<b>100.00</b>	<b>12.15</b>
<b>TOTAL NON-LIFE</b>	<b>690.73</b>	<b>578.57</b>	<b>19.39</b>	<b>100.00</b>	<b>87.85</b>
Accidents insurance	35.56	0.00	-	5.15	4.52
Illness insurance	54.02	-0.01	-	7.82	6.87
Employees insurance in case of accident	64.67	51.80	24.83	9.36	8.22
Property (goods) insurance	211.98	221.15	-4.14	30.69	26.96
<b>Overall motor insurance</b>	<b>124.57</b>	<b>101.80</b>	<b>22.36</b>	<b>18.03</b>	<b>15.84</b>
Motor Hull	17.24	19.83	-13.04	2.50	2.19
MTPL	107.33	81.97	30.93	15.54	13.65
Aviation insurance	9.19	8.99	2.22	1.33	1.17
CARGO insurance	23.16	19.32	19.91	3.35	2.95
GTPL	91.72	56.60	62.05	13.28	11.67
Financial loss insurance	32.51	20.83	56.07	4.71	4.13
Other non-life insurance	43.35	98.09	-55.80	6.28	5.51

\*Insurance and reinsurance GWP, added-up

## All insurance lines ranking

No.	Company	2010		2009		Nominal Evolution (%) EUR	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	EUROASIA	96.89	11.72	107.25	11.89	-9.65	12.32	17.23
2	KAZKOMMERTS Policy	85.17	5.52	34.90	9.35	144.06	10.83	5.61
3	HALYK Bank Kazakhstan	75.58	23.05	60.62	15.71	24.67	9.61	9.74
4	OIL Insurance Company	46.87	7.81	30.74	6.23	52.46	5.96	4.94
5	ALLIANZ Kazakhstan	39.19	3.44	32.15	1.82	21.90	4.98	5.17
6	NOMAD Insurance	34.92	3.50	28.27	2.64	23.54	4.44	4.54
7	STATE ANNUITY Company	32.38	10.10	11.15	3.30	190.32	4.12	1.79
8	CHARTIS Ins. Company	30.05	2.40	26.06	29.95	15.32	3.82	4.19
9	LONDON ALMATY	27.14	3.71	13.02	3.53	108.44	3.45	2.09
10	AMANAT Insurance	26.01	1.72	13.91	1.28	87.02	3.31	2.23
11	VICTORIA	25.29	1.65	35.57	1.45	-28.92	3.22	5.72
12	KASPI Bank	24.80	-3.61	18.60	3.95	33.34	3.15	2.99
13	SENTRANS Insurance	23.95	5.03	16.58	2.26	44.45	3.05	2.66
14	HALYK Life	17.32	7.10	6.65	2.11	160.61	2.20	1.07
15	KAZROMMERTS Life	16.86	5.21	9.55	1.32	76.42	2.14	1.54
16	ALLIANCE Life	15.11	3.97	4.45	0.40	239.28	1.92	0.72
17	KOMMESK Omir	14.37	3.33	8.41	2.80	70.79	1.83	1.35
18	BTA Life	14.22	4.52	10.82	2.41	31.47	1.81	1.74
19	ALLIANZ Policy	14.02	5.31	15.09	7.02	-7.09	1.78	2.42
20	INTER Teach	13.24	7.82	12.08	7.10	9.60	1.68	1.94
21	BTA Insurance	11.84	3.91	20.09	6.06	-41.07	1.51	3.23
22	PANA Insurance	10.65	1.05	7.43	0.38	43.33	1.36	1.19
23	TSACO	9.59	0.18	7.19	0.16	33.49	1.22	1.15
24	TRANS OIL	8.11	1.84	7.16	1.30	13.19	1.03	1.15
25	ASTANA Finance	8.09	1.68	29.12	0.77	-72.23	1.03	4.68
26	EKO Policy	7.91	1.26	-	-	-	1.01	-
27	ASKO	7.37	0.98	5.38	0.81	37.00	0.94	0.86
28	ASTANA Finance - Life	7.03	1.03	3.76	0.54	86.81	0.89	0.60
29	GENERALI LIFE	6.41	0.54	2.85	0.12	125.16	0.81	0.46
30	ALATAU	5.98	0.24	5.82	0.06	2.81	0.76	0.93
<b>TOTAL TOP 10</b>		<b>494.21</b>	<b>72.95</b>	<b>358.07</b>	<b>85.70</b>	<b>38.02</b>	<b>62.86</b>	<b>57.53</b>
<b>TOTAL TOP 20</b>		<b>673.39</b>	<b>113.28</b>	<b>495.88</b>	<b>116.54</b>	<b>35.80</b>	<b>85.65</b>	<b>79.67</b>
<b>TOTAL TOP 30</b>		<b>756.36</b>	<b>125.99</b>	<b>584.67</b>	<b>126.73</b>	<b>29.36</b>	<b>96.20</b>	<b>93.93</b>
<b>TOTAL</b>		<b>786.24</b>	<b>139.01</b>	<b>622.42</b>	<b>140.15</b>	<b>26.32</b>	<b>100.00</b>	<b>100.00</b>





## KYRGYZSTAN

On December 31<sup>st</sup>, 2010, on the Kyrgyzstan insurance market, 19 companies were active. Of these, two are reinsurance companies (STRAKHOVOY REZERV and KYRGYZ Reinsurance Company) and 7 are non-resident insurance companies - KYRGYZINSSTRAKH, ROSSTRAKH KYRGYSTAN, ENGLISH-KYRGYZ, LONDON-BISHKEK, INSURANCE Rezerve, OIL Insurance, INSURANCE House.

Also, at the end of the previous year, the investment portfolio of insurance companies decreased by 37% compared to same period in 2009. In 2010, companies have made investments in the banking segment - 49.30% of the total investments. Investments in loans represented 15.80% of the total and the investments in state bonds represented 5.20% of total value.

Assets of insurance companies, in 2010, amounted to KGS942.3m, up by 8.9% compared to 2009 (KGS865.5m). Also, the share of all assets in the country's GDP stagnated in 2010 at the 2009 value: 0.44%.

Financial Supervisory Commission expects an increase of assets of insurance companies to KGS4bn in 2013. In these circumstances, the share of assets of insurance companies will be 3.5% of GDP, in 2013, said the President of the Financial Supervisory Commission, Yurslan TOICHIUBEK.



Insurance Type	Percentage
Life insurance	0.05%
Personal insurance	13.23%
Property insurance	71.92%
Liability insurance	11.58%
Mandatory insurance	3.22%

### Source:

National Bank of the Kyrgyz Republic  
FSC - Gosfinnadzor

### Kyrgyzstan currency exchange rate for calculations:

1 EUR = 63.5229 Som - KGS (December 31<sup>st</sup>, 2009)

1 EUR = 61.7949 Som - KGS (December 31<sup>st</sup>, 2010)

According to the statement, the Commission initiated a proposal regarding legislative changes on mandatory insurance segment. This involves creating a Guarantees Fund for claims paid on mandatory insurance line, creating the Actuarial Institute and a proposal for amending the law on "Insurance activity in the Kyrgyzstan Republic", which aims at improving the activity of the profile market and increasing its efficiency.

Courtesy to Financial Supervisory Commission (Gosfinnadzor)

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS		
	EUR m.	EUR m.	EUR m.	EUR m.		
<b>TOTAL MARKET</b>	<b>8.61</b>	<b>0.33</b>	<b>7.53</b>	<b>0.83</b>	<b>14.30</b>	<b>100.00</b>
Life insurance	0.00	0.01	0.00	0.00	81.15	0.05
Personal insurance	1.14	0.11	0.99	0.14	14.56	13.23
Property insurance	6.19	0.19	5.58	0.66	10.85	71.92
Liability insurance	1.00	0.02	0.95	0.02	4.92	11.58
Mandatory insurance	0.28	-	-	0.00	-	3.22

### All insurance lines ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	AUB Insurance	3.69	0.00	3.24	0.00	13.91	42.93	43.08
2	KYRGYZINSTRAKH	0.82	0.05	0.79	0.49	4.22	9.55	10.48
3	NSK Ins.	0.81	0.06	0.48	0.04	68.85	9.46	6.41
4	KYRGYZSTAN	0.70	0.06	0.52	0.09	34.71	8.13	6.90
5	LONDON-BISHKEK	0.63	0.03	0.56	0.07	13.23	7.33	7.40
6	MEGA Insurance Group	0.43	0.01	0.12	0.00	267.28	5.02	1.56
7	AK-JOL	0.36	0.01	0.44	0.01	-16.92	4.20	5.78
8	ROSSTRAKH KYRGYSTAN	0.32	0.02	0.28	0.02	13.00	3.73	3.77
9	FCB INSURANCE	0.15	0.03	0.13	0.02	16.34	1.78	1.75
10	FAVORIT	0.14	-	0.11	-	26.20	1.67	1.51
11	ZDOROBYE	0.12	0.03	0.12	0.02	3.46	1.39	1.53
12	ATH Polis	0.12	0.02	0.15	0.04	-18.87	1.38	1.95
13	KIRGIZ Re	0.10	0.00	0.17	0.00	-42.05	1.15	2.26
14	STRAKHOVOY REZERV	0.07	-	0.10	-	-36.31	0.76	1.37
15	INKOM POLIS	0.06	0.00	0.08	0.01	-27.03	0.65	1.01
16	ANGLO-KYRGYZSKAYA	0.05	0.00	0.21	0.00	-76.99	0.55	2.74
17	DOSINVEST	0.03	0.01	0.02	0.01	61.28	0.31	0.22
18	STRAKHOVOY DOM	0.00	0.00	0.02	0.01	-93.46	0.02	0.28
	<b>TOTAL TOP 10</b>	<b>8.07</b>	<b>0.27</b>	<b>6.67</b>	<b>0.75</b>	<b>20.97</b>	<b>93.80</b>	<b>88.64</b>
	<b>TOTAL MARKET</b>	<b>8.61</b>	<b>0.33</b>	<b>7.53</b>	<b>0.83</b>	<b>14.32</b>	<b>100.00</b>	<b>100.00</b>



**Rosgosstrakh Group of Companies**

**M O L D A S I G**

**Moldova, Central Office**

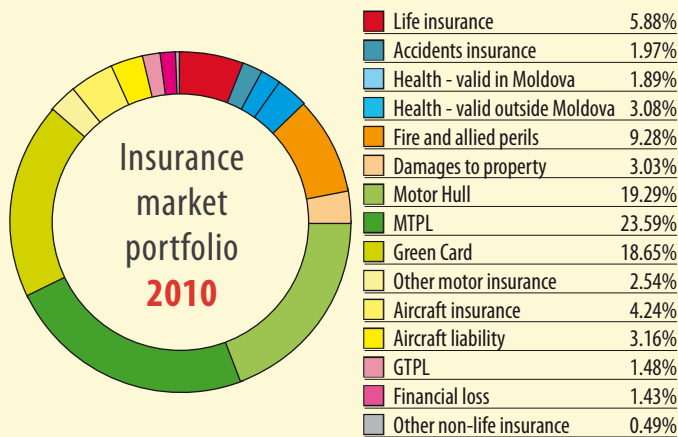
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## REPUBLIC OF MOLDOVA

After 2009 had ended with a negative result for the insurance industry, in 2010 the profile market ended the year in the black, as the cumulated volume of underwritings registered by the 24 insurance companies operating in Moldova exceeded by EUR3.4m the value recorded in 2009 and by about EUR1.3m the figure registered at the end of 2008.



**Source:**

National Commission of Financial Market  
National Bank  
Insurance PROFILE

Currency conversions were calculated for an average exchange rate of:

MDL 15.5248/EUR - in 2009  
MDL 16.3995/EUR - in 2010

EUR55.78m was the total value of underwritings made by insurance companies in 2010, according to data published by the National Commission of Financial Market in Moldova, an increase in national currency, in nominal terms, by 12.5 percentage points. In real terms, at an inflation rate of 7.4%, the dynamic of the insurance market stood at 4.7%. However, the depreciation of MDL compared to the European currency disfavored the nominal evolution calculated in euro, the dynamics for the period January-December 2010, compared to the corresponding period of 2009, marking an increase of 6.5%.

An evolution similar to that of the insurance market was the one of the Moldavian economy, that registered, in 2010, a 12.55% increase in EUR, reaching the value of EUR4.38bn, after, one year before, it had depreciated by 5.4%.

On the claims "chapter", their total volume has reached, at the end of 2010, the value of EUR19.7m, an increase in absolute value by EUR0.35m compared to December 2009. As in previous years, the largest share of the claims corresponded to motor insurance, EUR15.8m, split as follows: EUR8m for Motor Hull policies, EUR5.3m – for mandatory MTPL and EUR2.4m – for Green Card.

### Decreasing penetration degree

The superior dynamics of the economy compared to the insurance market has created the premises for the decrease of the degree of penetration of the total volume of underwritings in GDP, as it amounted, on December 31<sup>st</sup>, 2010, to the value of 1.27%.

The registered value is significantly lower than the values calculated for the years 2007, 2008 and 2009, being close to the figure registered in 2006, when the indicator stood at 1.25%.

### Insurance density: EUR15 per capita

In the previous year, a citizen of the Republic of Moldova has spent an average of EUR15.5 for insurance products, about EUR1

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP EUR m.	CLAIMS EUR m.	GWP EUR m.	CLAIMS EUR m.			
<b>TOTAL MARKET</b>	<b>55.78</b>	<b>19.68</b>	<b>52.38</b>	<b>19.32</b>	<b>6.49</b>	-	<b>100.00</b>
<b>TOTAL LIFE</b>	<b>3.28</b>	<b>0.74</b>	<b>3.25</b>	<b>0.92</b>	<b>0.91</b>	<b>100.00</b>	<b>5.88</b>
<b>TOTAL NON-LIFE</b>	<b>52.50</b>	<b>18.94</b>	<b>49.13</b>	<b>18.40</b>	<b>6.85</b>	<b>100.00</b>	<b>94.12</b>
Accidents insurance	1.10	0.31	1.99	0.31	-44.92	2.09	1.97
<b>Overall health insurance</b>	<b>2.77</b>	<b>0.63</b>	<b>2.48</b>	<b>0.61</b>	<b>11.53</b>	<b>5.28</b>	<b>4.97</b>
Health - valid in Moldova	1.05	0.31	1.06	0.39	-0.27	2.01	1.89
Health - valid outside Moldova	1.72	0.31	1.43	0.21	20.26	3.27	3.08
<b>Overall property insurance</b>	<b>6.87</b>	<b>1.92</b>	<b>5.66</b>	<b>2.04</b>	<b>21.23</b>	<b>13.08</b>	<b>12.31</b>
Fire and allied perils	5.18	0.98	3.29	2.00	57.13	9.86	9.28
Damages to property	1.69	0.94	2.37	0.04	-28.65	3.22	3.03
<b>Overall motor insurance</b>	<b>35.74</b>	<b>15.79</b>	<b>32.35</b>	<b>15.18</b>	<b>10.47</b>	<b>68.07</b>	<b>64.07</b>
Motor Hull	10.76	7.97	11.14	8.35	-3.44	20.50	19.29
MTPL	13.16	5.32	10.95	4.99	20.17	25.07	23.59
Green Card	10.40	2.44	9.13	1.84	13.93	19.81	18.65
Other motor insurance	1.41	0.05	1.13	0.00	25.60	2.69	2.54
Aircraft insurance	2.36	0.05	2.78	0.02	-14.89	4.50	4.24
Aircraft liability	1.76	0.06	1.98	-	-11.00	3.36	3.16
GTPL	0.82	0.10	0.60	0.22	37.33	1.57	1.48
Financial loss	0.80	0.07	0.91	0.03	-11.89	1.52	1.43
Other non-life insurance	0.28	-	0.37	0.00	-26.25	0.52	0.49



## Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	GRAWE CARAT	3.00	0.16	3.02	0.19	-0.53	91.49	92.82
2	SIGUR-ASIGUR	0.21	0.00	0.15	-	37.69	6.36	4.66
3	ASITO	0.05	0.55	0.07	0.71	-26.32	1.67	2.29
4	ASTERRA GRUP	0.02	-	0.01	-	110.48	0.47	0.22
5	ALIANȚA-MOLDCOOP	-	0.02	-	0.00	-	-	-
6	NOTABIL-POLIS	-	-	-	0.01	-	-	-
7	VICTORIA Asigurări	-	0.01	-	0.01	-	-	-
<b>TOTAL MARKET</b>		<b>3.28</b>	<b>0.74</b>	<b>3.25</b>	<b>0.92</b>	<b>0.91</b>	<b>100.00</b>	<b>100.00</b>

## Non-Life insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MOLDASIG	15.99	6.27	16.40	5.67	-2.53	30.46	33.39
2	ASITO	11.60	3.37	11.52	3.96	0.65	22.09	23.45
3	DONARIS-GROUP	4.24	1.58	3.42	1.41	24.13	8.08	6.95
4	GRAWE CARAT	3.38	1.26	2.60	1.11	30.10	6.45	5.29
5	MOLDCARGO	2.93	1.15	2.44	1.37	19.88	5.58	4.97
6	ACORD-GRUP	2.10	0.05	2.10	0.02	-0.08	4.00	4.28
7	EUROASIG	1.96	0.65	0.99	0.28	97.36	3.73	2.02
8	EXIM-ASINT	1.35	0.70	0.96	0.30	40.30	2.58	1.96
9	MOLDOVA-ASTROVAZ	1.33	0.69	1.76	0.83	-24.36	2.53	3.58
10	KLASSIKA Asigurări	1.28	0.59	1.16	0.41	10.63	2.44	2.36
11	TRANSELIT	1.22	0.35	0.98	0.16	23.89	2.32	2.00
12	VICTORIA Asigurări	1.07	0.62	1.05	0.48	2.19	2.04	2.13
13	GARANȚIE	0.75	0.39	0.62	0.78	19.42	1.42	1.27
14	GALAS	0.69	0.28	0.58	0.41	19.64	1.32	1.18
15	AUTO-SIGURANȚA	0.69	0.27	0.60	0.22	14.70	1.32	1.23
16	ASTERRA GRUP	0.60	0.13	0.54	0.09	10.89	1.14	1.10
17	IDEEA Asigurări	0.43	0.13	0.38	0.19	11.97	0.81	0.78
18	ARTAS	0.39	0.23	0.40	0.25	-1.01	0.75	0.81
19	VITORIASIG	0.33	0.09	0.32	0.10	4.65	0.63	0.65
20	ALIANȚA-MOLDCOOP	0.05	0.02	0.05	0.01	3.76	0.10	0.11
21	GARANT	0.05	0.05	0.08	0.06	-37.47	0.10	0.17
22	AFES-MOLDOVA	0.02	0.05	0.12	0.29	-82.20	0.04	0.24
23	EDICT	0.02	0.01	0.02	0.00	7.27	0.03	0.03
24	SIGUR-ASIGUR	0.01	0.00	0.02	0.01	-26.24	0.03	0.04
25	NOTABIL-POLIS	-	-	0.00	-	-	-	0.00
<b>TOTAL TOP 10</b>		<b>46.16</b>	<b>16.32</b>	<b>43.36</b>	<b>15.35</b>	<b>6.46</b>	<b>87.94</b>	<b>88.27</b>
<b>TOTAL TOP 20</b>		<b>52.39</b>	<b>18.83</b>	<b>48.89</b>	<b>18.04</b>	<b>7.16</b>	<b>99.80</b>	<b>99.51</b>
<b>TOTAL MARKET</b>		<b>52.50</b>	<b>18.94</b>	<b>49.13</b>	<b>18.40</b>	<b>6.85</b>	<b>100.00</b>	<b>100.00</b>

more than the insurance density calculated for 2009. On insurance classes, a citizen of Moldova has spent last year EUR0.92 to insure his life and EUR14.73 to insure his goods.

## Life insurance: 6% of the total market

EUR3.3m was the total value of the gross written premiums of insurance companies activating on the life insurance segment, one percentage point more than in January-December 2009, as this line of business generated a little less than 6 percentage points in the total insurance market.

Worthy to mention is the distribution of the volume of gross written premiums, on insurance companies level: of the total EUR3.3m, about EUR3m belonged to the company GRAWE CARAT Asigurari (91.5% of the total market), while EUR0.21m went to the insurance company specialized on this market segment, SIGUR-ASIGUR.

Also, at market level, 93.7% of underwritings from life insurance were generated by "traditional insurance", the rest of the market portfolio being completed by pension insurance and annuities (5.7%), respectively by accidents and illness clauses supplementary to life insurance (0.6%).

## The engine of market growth: motor and property

In the previous year, general insurance segment totaled 94.12% of the total insurance market, gaining about half a percentage point compared to 2009. However, the volume of gross written premiums increased by 6.9%, to EUR52.5m. These results were registered under the circumstances of increased business volume on the motor insurance segments (Motor Hull, mandatory MTPL, Green Card, added up), by up to EUR2.3m in absolute value.

The same trend was also shown on the property insurance line (fire and allied perils and other goods insurance, added up). Thus, if at the end of 2009 property insurance generated 10.8% of the total insurance market, the equivalent of EUR5.7m, according to figures released by the National Commission of Financial Market, on December 31<sup>st</sup>, 2010, they were generating more than 12.3% of total insurance market, totaling EUR6.9m.

Courtesy to INSURANCE Profile – Republic of Moldova (Special Issue – April 2011)

## Accidents insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASITO	0.26	0.13	0.31	0.17	-17.05	23.63	15.69
2	MOLDASIG	0.25	0.01	1.22	0.08	-79.85	22.36	61.10
3	ACORD-GRUP	0.12	0.04	0.10	0.01	15.48	10.98	5.24
4	MOLDCARGO	0.12	0.01	0.01	0.00	692.48	10.68	0.74
5	DONARIS-GROUP	0.06	0.05	0.07	0.01	-8.92	5.82	3.52
6	AUTO-SIGURANȚA	0.04	0.00	0.04	0.01	-6.06	3.55	2.08
7	GARANȚIE	0.04	0.01	0.03	0.00	39.55	3.32	1.31
8	KLASSIKA Asigurări	0.04	0.00	0.03	0.00	21.65	3.22	1.46
9	EXIM-ASINT	0.03	0.00	0.01	0.00	156.40	2.56	0.55
10	VICTORIA Asigurări	0.02	-	0.03	0.00	-14.82	2.18	1.41
<b>TOTAL TOP 10</b>		<b>0.97</b>	<b>0.26</b>	<b>1.85</b>	<b>0.28</b>	<b>-47.76</b>	<b>88.31</b>	<b>93.10</b>
<b>TOTAL MARKET</b>		<b>1.10</b>	<b>0.31</b>	<b>1.99</b>	<b>0.31</b>	<b>-44.92</b>	<b>100.00</b>	<b>100.00</b>

## Health (valid in Moldova) insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASITO	0.57	0.19	0.81	0.20	-29.38	54.31	76.70
2	MOLDASIG	0.33	0.07	0.04	0.10	651.63	31.53	4.18
3	GRAWE CARAT	0.07	0.02	0.08	0.04	-9.66	6.52	7.20
4	KLASSIKA Asigurări	0.04	0.01	0.04	0.01	-2.35	3.48	3.56
5	GALAS	0.02	0.01	0.04	0.01	-49.65	1.78	3.53
6	DONARIS-GROUP	0.01	0.00	0.01	0.00	11.45	0.87	0.78
7	VICTORIA Asigurări	0.01	0.01	0.01	0.01	-13.57	0.85	0.98
8	SIGUR-ASIGUR	0.01	0.00	0.01	0.01	-44.26	0.52	0.92
9	MOLDCARGO	0.00	0.01	0.02	0.01	-93.67	0.13	2.12
10	AUTO-SIGURANȚA	-	-	-	0.00	-	-	-
<b>TOTAL MARKET</b>		<b>1.05</b>	<b>0.31</b>	<b>1.06</b>	<b>0.39</b>	<b>-0.27</b>	<b>100.00</b>	<b>100.00</b>

## Health (valid outside Moldova) insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE	
		GWP	CLAIMS	GWP	CLAIMS		%	%
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MOLDASIG	0.61	0.16	0.50	0.12	21.74	35.69	35.26
2	ASITO	0.21	0.04	0.22	0.02	-5.97	12.07	15.44
3	VICTORIA Asigurări	0.17	0.05	0.09	0.01	98.65	9.87	5.97
4	IDEEA Asigurări	0.13	0.01	0.09	0.00	50.70	7.64	6.10
5	DONARIS-GROUP	0.10	0.01	0.08	0.01	33.89	5.99	5.38
6	GALAS	0.08	0.00	0.10	0.01	-18.93	4.81	7.13
7	GRAWE CARAT	0.08	0.01	0.08	0.02	-5.60	4.48	5.71
8	ASTERRA GRUP	0.07	0.01	0.06	0.00	15.50	4.10	4.27
9	EXIM-ASINT	0.05	0.00	0.05	0.01	-15.23	2.65	3.77
10	MOLDCARGO	0.04	0.00	0.03	0.00	41.29	2.53	2.16
<b>TOTAL TOP 10</b>		<b>1.54</b>	<b>0.29</b>	<b>1.30</b>	<b>0.20</b>	<b>18.49</b>	<b>89.84</b>	<b>91.18</b>
<b>TOTAL MARKET</b>		<b>1.72</b>	<b>0.31</b>	<b>1.43</b>	<b>0.21</b>	<b>20.26</b>	<b>100.00</b>	<b>100.00</b>

## Fire and allied perils insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MOLDASIG	2.45	0.20	1.65	1.22	48.88	47.34	49.97
2	MOLDCARGO	0.67	0.24	0.42	0.31	58.47	13.00	12.89
3	EXIM-ASINT	0.61	0.38	0.05	0.05	1,200	11.81	1.43
4	DONARIS-GROUP	0.42	0.07	0.37	0.01	12.07	8.03	11.26
5	GARANȚIE	0.19	0.02	0.12	0.39	55.45	3.58	3.62
6	VICTORIA Asigurări	0.18	0.04	0.07	-	147.54	3.42	2.17
7	ASITO	0.12	0.02	0.15	0.01	-19.81	2.37	4.64
8	GRAWE CARAT	0.11	0.00	0.11	0.00	6.13	2.21	3.28
9	KLASSIKA Asigurări	0.11	0.00	0.11	0.00	2.69	2.21	3.38
10	TRANSELIT	0.10	0.00	0.04	-	150.85	1.92	1.20
<b>TOTAL TOP 10</b>		<b>4.96</b>	<b>0.98</b>	<b>3.09</b>	<b>2.00</b>	<b>60.59</b>	<b>95.90</b>	<b>93.83</b>
<b>TOTAL MARKET</b>		<b>5.18</b>	<b>0.98</b>	<b>3.29</b>	<b>2.00</b>	<b>57.13</b>	<b>100.00</b>	<b>100.00</b>

## Damages to property insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASITO	1.59	0.12	1.77	0.02	-10.11	94.31	74.85
2	MOLDOVA-ASTROVAZ	0.03	-	0.01	-	254.41	1.70	0.34
3	MOLDASIG	0.03	0.81	0.11	-	-76.29	1.55	4.65
4	ALIANȚA-MOLDSCOOP	0.02	0.01	0.01	0.01	16.76	0.93	0.57
5	DONARIS-GROUP	0.01	0.00	0.01	-	-44.22	0.45	0.58
6	VITORIASIG	0.01	-	0.01	-	-40.45	0.40	0.48
7	SIGUR-ASIGUR	0.00	-	0.01	-	-44.42	0.19	0.24
8	AUTO-SIGURANȚA	0.00	0.00	0.02	0.00	-80.63	0.18	0.65
9	GALAS	0.00	-	-	-	-	0.17	-
10	GARANT	0.00	-	0.00	-	-70.81	0.06	0.14
<b>TOTAL TOP 10</b>		<b>1.69</b>	<b>0.94</b>	<b>1.96</b>	<b>0.03</b>	<b>-13.58</b>	<b>99.94</b>	<b>82.50</b>
<b>TOTAL MARKET</b>		<b>1.69</b>	<b>0.94</b>	<b>2.37</b>	<b>0.04</b>	<b>-28.65</b>	<b>100.00</b>	<b>100.00</b>

## Motor Hull insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MOLDASIG	2.54	2.21	2.75	2.05	-7.68	23.61	24.69
2	DONARIS-GROUP	1.50	1.00	1.54	1.06	-2.42	13.93	13.79
3	ASITO	1.38	0.90	1.54	1.46	-10.27	12.85	13.83
4	EUROASIG	1.17	0.48	0.53	0.19	122.59	10.88	4.72
5	KLASSIKA Asigurări	0.79	0.49	0.82	0.38	-3.19	7.36	7.34
6	GRAWE CARAT	0.61	0.53	0.59	0.46	2.53	5.63	5.30
7	VICTORIA Asigurări	0.45	0.43	0.60	0.40	-24.59	4.22	5.41
8	MOLDCARGO	0.41	0.63	0.74	0.90	-44.20	3.82	6.62
9	ASTERRA GRUP	0.31	0.07	0.35	0.07	-9.78	2.93	3.13
10	GALAS	0.28	0.20	0.28	0.33	0.23	2.60	2.50
<b>TOTAL TOP 10</b>		<b>9.45</b>	<b>6.94</b>	<b>9.73</b>	<b>7.30</b>	<b>-2.88</b>	<b>87.83</b>	<b>87.33</b>
<b>TOTAL MARKET</b>		<b>10.76</b>	<b>7.97</b>	<b>11.14</b>	<b>8.35</b>	<b>-3.44</b>	<b>100.00</b>	<b>100.00</b>

## MTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	ASITO	3.32	1.34	3.04	1.62	9.28	25.26	27.77
2	MOLDASIG	3.13	1.51	2.70	1.34	16.04	23.82	24.67
3	DONARIS-GROUP	1.25	0.44	0.99	0.32	26.02	9.49	9.04
4	GRAWE CARAT	0.88	0.41	0.68	0.30	29.89	6.68	6.18
5	TRANSELIT	0.85	0.19	0.68	0.11	25.43	6.45	6.18
6	EUROASIG	0.67	0.17	0.38	0.09	75.47	5.07	3.47
7	AUTO-SIGURANȚA	0.53	0.21	0.39	0.16	35.78	4.03	3.57
8	MOLDOVA-ASTROVAZ	0.39	0.19	0.47	0.34	-17.77	2.93	4.28
9	MOLDCARGO	0.36	0.18	0.27	0.15	34.78	2.76	2.46
10	VITORIASIG	0.27	0.06	0.23	0.07	15.48	2.04	2.12
<b>TOTAL TOP 10</b>		<b>11.65</b>	<b>4.71</b>	<b>9.83</b>	<b>4.49</b>	<b>18.53</b>	<b>88.52</b>	<b>89.75</b>
<b>TOTAL MARKET</b>		<b>13.16</b>	<b>5.32</b>	<b>10.95</b>	<b>4.99</b>	<b>20.17</b>	<b>100.00</b>	<b>100.00</b>

## Green Card insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)	
		GWP	CLAIMS	GWP	CLAIMS		2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			
1	MOLDASIG	4.11	1.15	4.42	0.74	-6.89	39.56	48.40
2	ASITO	3.13	0.62	2.69	0.42	16.20	30.07	29.48
3	GRAWE CARAT	1.57	0.25	0.94	0.27	66.93	15.05	10.27
4	MOLDOVA-ASTROVAZ	0.78	0.36	1.08	0.32	-27.51	7.53	11.84
5	DONARIS-GROUP	0.53	-	-	-	-	5.10	-
6	MOLDCARGO	0.28	0.07	-	-	-	2.68	-
7	AFES-MOLDOVA	-	0.00	-	0.09	-	-	-
8	ARTAS	-	0.00	-	-	-	-	-
<b>TOTAL MARKET</b>		<b>10.40</b>	<b>2.44</b>	<b>9.13</b>	<b>1.84</b>	<b>13.93</b>	<b>100.00</b>	<b>100.00</b>

## Aircraft insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)		
		GWP	CLAIMS	GWP	CLAIMS		EUR	2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			2010	2009
1	ACORD-GRUP	1.54	-	1.65	-	-6.71	65.22	59.51	
2	MOLDASIG	0.75	0.04	1.02	0.02	-26.37	31.64	36.57	
3	DONARIS-GROUP	0.05	0.00	0.09	-	-41.41	2.20	3.20	
4	VICTORIA Asigurări	0.02	0.01	0.02	-	9.78	0.82	0.63	
5	EXIM-ASINT	0.00	-	-	-	-	0.12	-	
6	AFES-MOLDOVA	-	-	0.00	-	-	-	0.09	
<b>TOTAL MARKET</b>		<b>2.36</b>	<b>0.05</b>	<b>2.78</b>	<b>0.02</b>	<b>-14.89</b>	<b>100.00</b>	<b>100.00</b>	

## Aircraft liability insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)		
		GWP	CLAIMS	GWP	CLAIMS		EUR	2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			2010	2009
1	MOLDASIG	1.34	0.06	1.60	-	-16.31	75.91	80.72	
2	ACORD-GRUP	0.35	-	0.20	-	75.77	19.96	10.11	
3	DONARIS-GROUP	0.06	-	0.14	-	-55.14	3.61	7.16	
4	VICTORIA Asigurări	0.01	-	0.01	-	2.07	0.51	0.44	
5	GARANȚIE	0.00	-	0.03	-	-99.56	0.01	1.40	
6	AFES-MOLDOVA	0.00	-	0.00	-	-97.22	0.00	0.13	
7	MOLDCARGO	0.00	-	0.00	-	-57.40	0.00	0.00	
8	IDEEA Asigurări	-	-	0.00	-	-	-	0.03	
<b>TOTAL MARKET</b>		<b>1.76</b>	<b>0.06</b>	<b>1.98</b>	<b>-</b>	<b>-11.00</b>	<b>100.00</b>	<b>100.00</b>	

## GTPL insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)		
		GWP	CLAIMS	GWP	CLAIMS		EUR	2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			2010	2009
1	ASITO	0.30	-	0.23	0.03	33.88	36.97	37.92	
2	DONARIS-GROUP	0.19	0.01	0.06	-	247.18	23.54	9.31	
3	EXIM-ASINT	0.11	-	0.07	0.01	60.83	13.69	11.69	
4	GARANȚIE	0.07	0.09	0.05	0.15	37.85	8.21	8.18	
5	MOLDASIG	0.06	-	0.04	0.00	55.88	7.62	6.71	
6	VICTORIA Asigurări	0.04	-	0.05	0.01	-25.24	4.53	8.33	
7	TRANSELIT	0.01	-	0.00	-	893.50	1.14	0.16	
8	EUROASIG	0.01	-	-	-	-	1.12	-	
9	GRAWE CARAT	0.01	-	0.08	0.02	-90.16	0.94	13.14	
10	KLASSIKA Asigurări	0.00	-	0.01	-	-49.57	0.55	1.50	
<b>TOTAL TOP 10</b>		<b>0.81</b>	<b>0.10</b>	<b>0.58</b>	<b>0.22</b>	<b>39.28</b>	<b>98.31</b>	<b>96.93</b>	
<b>TOTAL MARKET</b>		<b>0.82</b>	<b>0.10</b>	<b>0.60</b>	<b>0.22</b>	<b>37.33</b>	<b>100.00</b>	<b>100.00</b>	

## Financial loss insurance ranking

No.	Company	2010		2009		Nominal Evolution (%)	MARKET SHARE (%)		
		GWP	CLAIMS	GWP	CLAIMS		EUR	2010	2009
		EUR m.	EUR m.	EUR m.	EUR m.			2010	2009
1	ASITO	0.63	-	0.66	-	-4.18	78.73	72.40	
2	MOLDASIG	0.09	0.04	0.10	-	-2.19	11.71	10.55	
3	EXIM-ASINT	0.04	0.03	0.07	0.02	-43.42	4.77	7.43	
4	MOLDCARGO	0.02	-	0.06	-	-59.63	2.87	6.26	
5	AFES-MOLDOVA	0.01	-	0.03	0.00	-70.36	1.04	3.08	
6	SIGUR-ASIGUR	0.00	-	0.00	-	89.48	0.59	0.27	
7	KLASSIKA Asigurări	0.00	-	-	-	-	0.30	-	
8	GARANT	-	-	0.00	-	-	-	0.01	
<b>TOTAL MARKET</b>		<b>0.80</b>	<b>0.07</b>	<b>0.91</b>	<b>0.03</b>	<b>-11.89</b>	<b>100.00</b>	<b>100.00</b>	



# RUSSIA



Life insurance	2.16%
Personal insurance (v)	11.73%
Property insurance (v)	26.71%
Liability insurance (v)	2.56%
Commercial and financial risks (v)	0.76%
Mandatory TPL	8.80%
Mandatory health insurance	46.61%
Mandatory ins. (excluding health and MTPL)	0.66%

v - voluntary

#### Sources:

Central Bank of the Russian Federation  
Federal Insurance Supervision Service

#### Russian currency exchange rate for calculations:

1 EUR = 43.3883 Ruble - RUB (December 31<sup>st</sup>, 2009)

1 EUR = 40.3331 Ruble - RUB (December 31<sup>st</sup>, 2010)

2009 was a year of crisis for both the whole economy of Russia and for the insurance market. *Absolutely all the financial indicators were negative. In other words, in 2009, the share of industrial production and the volume of written premiums compared to the quarterly GDP have decreased, compared to the similar period of 2008,* commented Andrey Al. VESELKOV, General Director of Media-Information Group "Insurance Today".

As in most countries of Central and Eastern Europe, until the crisis, the evolution of the insurance market was much higher compared to other sectors of the economy, while during the crisis, the insurance market's decline was not as dramatic. Also, the coming out of the crisis of the profile market, during 2010, was rather slow, while all other areas of the economy have had superior growth.

## GENERALI might invest in a bank in Russia

The Italian group GENERALI is analyzing the possibility to participate in the capital of the state bank VTB from Russia, according to France Presse. The participation implies the acquisition of shares worth USD300m, which is approximately 1% of the bank's capital. This action comes amid VTB starting, as part of its privatization strategy, of a campaign for searching potential investors, in Europe and in the United States, for selling 10% of its shares. The GENERALI Group is already present in Russia, since 2007, through a joint-venture with the financial Czech group PPF (Prvni privatizacni fond).

A positive factor of the crisis was the fact that most insurance companies have implemented measures to reduce activity costs. During the crisis, a small number of insurers have ended their activity on the profile market.

In the "negative factors" chapter, we can say that *some companies have practices dumping prices, which had a negative impact on both the activity of each company, and the financial results of the insurance market as a whole. The method of dumping was reflected in two forms, namely: increase of the commissions charged by intermediaries and reduced insurance rates,* added Andrey Al. VESELKOV.

*I am convinced that the market will continue to grow, but I doubt that this growth will be fast. We will have a slow growth all throughout 2011 and only in 2012 will we see a strong recovery,* said VESELKOV.

Read the full version of the interview with **Andrey Al. VESELKOV**, General Director, MEDIA-INFORMATION Group "Insurance Today", on [www.xprimm.com](http://www.xprimm.com)

## Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in LIFE/ NON-LIFE GWP	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS			
	EUR m.	EUR m.	EUR m.	EUR m.			
<b>TOTAL MARKET</b>	<b>25,812.30</b>	<b>19,056.06</b>	<b>22,540.70</b>	<b>16,933.24</b>	<b>14.51</b>	<b>-</b>	<b>100.00</b>
<b>TOTAL LIFE (v)</b>	<b>558.60</b>	<b>194.38</b>	<b>362.35</b>	<b>123.32</b>	<b>54.16</b>	<b>100.00</b>	<b>2.16</b>
<b>TOTAL NON-LIFE</b>	<b>25,253.70</b>	<b>18,861.68</b>	<b>22,178.35</b>	<b>16,809.92</b>	<b>13.87</b>	<b>100.00</b>	<b>97.84</b>
Personal insurance (v)	3,027.04	1,764.31	2,345.60	1,582.64	29.05	11.99	11.73
Property insurance (v)	6,895.08	3,647.13	6,215.99	3,470.00	10.92	27.30	26.71
Liability insurance (v)	661.00	71.16	600.00	68.92	10.17	2.62	2.56
Commercial and financial risks (v)	195.13	60.00	176.80	45.64	10.37	0.77	0.76
Mandatory TPL	2,272.33	1,375.05	1,977.03	1,149.06	14.94	9.00	8.80
Mandatory health insurance	12,032.05	11,781.14	10,700.89	10,356.52	12.44	47.64	46.61
Mandatory ins. (excluding health and MTPL)	171.08	162.89	162.04	136.92	5.57	0.68	0.66
<b>TOTAL VOLUNTARY</b>	<b>11,336.84</b>	<b>5,736.98</b>	<b>9,700.74</b>	<b>5,290.52</b>	<b>16.87</b>	<b>-</b>	<b>43.92</b>
<b>TOTAL MANDATORY</b>	<b>14,475.46</b>	<b>13,319.09</b>	<b>12,839.96</b>	<b>11,642.73</b>	<b>12.74</b>	<b>-</b>	<b>56.08</b>

## Life insurance ranking

Nr.	Company	GWP		Nominal Evolution (%)	MARKET SHARE	
		2010	2009		2010	2009
		EUR m.	EUR m.	EUR	%	(%)
1	ALICO	78.94	61.36	28.64	14.13	16.93
2	ALFASTRAKHOVANIAE Life	71.52	20.99	240.81	12.80	5.79
3	ROSGOSSTRAKH Life	62.55	38.52	62.40	11.20	10.63
4	RUSSIAN Standard Insurance	45.47	22.89	98.59	8.14	6.32
5	SOGEKAP Life Insurance	28.54	8.60	231.97	5.11	2.37
6	ALLIANZ ROSNA Life	28.53	14.83	92.41	5.11	4.09
7	CIV Life	27.70	14.45	91.74	4.96	3.99
8	SOGAZ Life	27.31	25.83	5.74	4.89	7.13
9	GENERALI PPF Life	26.87	19.12	40.53	4.81	5.28
10	GEOPOLIS	21.82	18.27	19.43	3.91	5.04
<b>TOTAL TOP 10</b>		<b>419.26</b>	<b>244.86</b>	<b>71.22</b>	<b>75.05</b>	<b>67.57</b>
<b>TOTAL MARKET</b>		<b>558.60</b>	<b>362.35</b>	<b>54.16</b>	<b>100.00</b>	<b>100.00</b>

## VIG: Exit from the Russian insurance market

VIG is selling its stake in the Russian group KAPITAL Insurance Group, composed by MSK Insurance, MSK Life and SOVITA, thus making its exit from the Russian insurance market. *We intend to sell, by the end of May 2011, our shares in KAPITAL Insurance Group: 25% of the shares of MSK Life, 5% of MSK Insurance and 15% of SOVITA*, stated VIG officials.

The Austrian group entered the Russian profile market in 2005, through the acquisition of a 25% stake in MSK Life, controlled by the Bank of Moscow. Moreover, in 2005, VIG along with the Bank of Moscow have participated in the acquisition of the company STANDART-REZERV from TBIH Holding.

## All lines ranking by insurance groups - excluding mandatory health insurance

Nr.	Company	GWP		Nominal Evolution (%)	MARKET SHARE	
		2010	2009		2010	2009
		EUR m.	EUR m.	EUR	%	%
1	ROSGOSSTRAKH Group	2,004.49	1,671.37	19.93	14.55	14.12
2	SOGAZ Group	1,209.98	928.59	30.30	8.78	7.84
3	INGOSSTRAKH	1,020.67	1,029.43	-0.85	7.41	8.69
4	RESO Garantia	887.88	701.27	26.61	6.44	5.92
5	ROSNO-ALLIANZ Group	655.64	573.28	14.37	4.76	4.84
6	MILITARY Ins. Company	623.49	450.01	38.55	4.52	3.80
7	ALFA Insurance Group	579.53	467.07	24.08	4.21	3.94
8	MSK Group	461.76	215.89	113.88	3.35	1.82
9	SOGLASIE	391.69	207.44	88.82	2.84	1.75
10	RENAISSANCE Group	297.53	238.18	24.92	2.16	2.01
11	URALSIB	256.93	283.08	-9.24	1.86	2.39
12	JASO	244.37	219.78	11.19	1.77	1.86
13	MAKS	234.55	189.21	23.96	1.70	1.60
14	KAPITAL Insurance	214.91	192.05	11.90	1.56	1.62
15	GENERALI PPF Group	201.12	143.29	40.35	1.46	1.21
16	YGORYA	186.62	168.62	10.67	1.35	1.42
17	ZURICH	162.31	196.89	-17.56	1.18	1.66
18	ROSTRA	145.74	80.91	80.13	1.06	0.68
19	VTB Insurance	137.44	80.01	71.77	1.00	0.68
20	GUTA Insurance	124.29	98.96	25.60	0.90	0.84
21	ENERGOGARANT	121.87	117.73	3.52	0.88	0.99
22	TRANSNEFTY	110.21	73.31	50.34	0.80	0.62
23	ALICO	105.83	82.17	28.79	0.77	0.69
24	SURGUTNEFTEGAZ	93.21	70.17	32.83	0.68	0.59
25	ROSSIA	75.70	117.96	-35.82	0.55	1.00
26	ORANTA	74.53	75.11	-0.77	0.54	0.63
27	RUSSIAN Ins. Center	73.51	78.45	-6.30	0.53	0.66
28	PRIME Ins. Company	65.77	57.06	15.28	0.48	0.48
29	AVIVA	63.65	25.65	148.16	0.46	0.22
30	SOCIUM	63.50	34.75	82.74	0.46	0.29
31	INNOGARANT	63.45	61.44	3.27	0.46	0.52
32	MEGARUSS-D	59.56	50.56	17.80	0.43	0.43
33	NATIONAL Ins. Group	55.39	58.74	-5.71	0.40	0.50
34	RUSSIAN Standart Ins.	52.50	23.65	121.96	0.38	0.20
35	RUSSIAN NATIONAL Ins. Company	50.61	38.49	31.48	0.37	0.33
36	NASKO TATARSTAN	48.75	38.03	28.19	0.35	0.32
37	CHARTIS	47.95	37.59	27.55	0.35	0.32
38	RESPEKT - POLIS	47.89	43.51	10.08	0.35	0.37
39	ERGO RUSI	47.42	45.78	3.57	0.34	0.39
40	SOGEKAP Life Ins.	44.22	14.45	206.08	0.32	0.12
<b>TOTAL TOP 10</b>		<b>8,132.67</b>	<b>6,482.53</b>	<b>25.46</b>	<b>59.02</b>	<b>54.75</b>
<b>TOTAL TOP 20</b>		<b>10,040.95</b>	<b>8,135.34</b>	<b>23.42</b>	<b>72.86</b>	<b>68.71</b>
<b>TOTAL TOP 30</b>		<b>10,888.74</b>	<b>8,867.70</b>	<b>22.79</b>	<b>79.02</b>	<b>74.90</b>
<b>TOTAL TOP 40</b>		<b>11,406.47</b>	<b>9,279.94</b>	<b>22.92</b>	<b>82.77</b>	<b>78.38</b>
<b>TOTAL MARKET</b>		<b>13,780.25</b>	<b>11,839.81</b>	<b>16.39</b>	<b>100.00</b>	<b>100.00</b>

## Voluntary insurance ranking by insurance groups

Nr.	Company	GWP		Nominal Evolution (%)	MARKET SHARE	
		2010	2009		2010	2009
		EUR m.	EUR m.	EUR	%	%
1	ROSGOSSTRAKH Group	1,220.09	NA	NA	10.76	NA
2	SOGAZ Group	1,137.58	875.02	30.01	10.03	9.02
3	INGOSSTRAKH	865.51	893.08	-3.09	7.63	9.21
4	RESO Garantia	675.57	526.24	28.38	5.96	5.42
5	ROSNO-ALLIANZ Group	601.75	514.64	16.93	5.31	5.31
6	MILITARY Ins. Company	513.85	368.47	39.46	4.53	3.80
7	ALFA Insurance Group	512.46	409.36	25.18	4.52	4.22
8	SOGLASIE	335.51	173.39	93.50	2.96	1.79
9	MSK Group	285.21	113.19	151.98	2.52	1.17
10	RENAISSANCE Group	263.30	211.92	24.24	2.32	2.18
11	JASO	224.28	200.94	11.61	1.98	2.07
12	KAPITAL Insurance	210.35	187.58	12.14	1.86	1.93
13	GENERALI PPF Group	201.12	143.29	40.35	1.77	1.48
14	URALSIB	191.53	219.67	-12.81	1.69	2.26
15	MAKS	148.30	150.48	-1.45	1.31	1.55
16	YGORYA	145.73	139.73	4.29	1.29	1.44
17	VTB Insurance	135.47	78.19	73.27	1.19	0.81
18	ZURICH	127.73	152.78	-16.39	1.13	1.57
19	ROSTRA	119.08	67.87	75.44	1.05	0.70
20	TRANSNEFTY	108.02	71.65	50.76	0.95	0.74
21	ENERGOGARANT	107.87	103.29	4.43	0.95	1.06
22	ALICO	105.83	82.17	28.79	0.93	0.85
23	GUTA Insurance	98.15	76.51	28.28	0.87	0.79
24	SURGUTNEFTEGAZ	85.86	63.30	35.64	0.76	0.65
25	RUSSIAN Ins. Center	73.06	78.07	-6.42	0.64	0.80
26	AVIVA	63.65	25.65	148.16	0.56	0.26
27	SOCIUM	63.50	34.75	82.74	0.56	0.36
28	ORANTA	62.74	62.73	0.02	0.55	0.65
29	PRIME Ins. Company	55.74	49.05	13.64	0.49	0.51
30	RUSSIAN Standart Ins.	52.50	23.65	121.96	0.46	0.24
31	ROSSIA	51.45	95.96	-46.39	0.45	0.99
32	MEGARUSS-D	48.27	38.45	25.55	0.43	0.40
33	RESPEKT - POLIS	47.89	43.51	10.08	0.42	0.45
34	NATIONAL Ins. Group	47.13	47.44	-0.65	0.42	0.49
35	CHARTIS	46.55	36.38	27.96	0.41	0.38
36	INNOGARANT	45.31	36.41	24.43	0.40	0.38
37	SOGEKAP Life Ins.	44.22	14.45	206.08	0.39	0.15
38	ERGO RUSI	44.05	42.91	2.66	0.39	0.44
39	NASKO TATARSTAN	40.24	31.15	29.16	0.35	0.32
40	CIV Life	36.76	23.53	56.23	0.32	0.24
<b>TOTAL TOP 10</b>		<b>6,410.83</b>	<b>NA</b>	<b>45.98</b>	<b>56.55</b>	<b>NA</b>
<b>TOTAL TOP 20</b>		<b>8,022.44</b>	<b>NA</b>	<b>38.23</b>	<b>70.76</b>	<b>NA</b>
<b>TOTAL TOP 30</b>		<b>8,791.33</b>	<b>NA</b>	<b>37.30</b>	<b>77.55</b>	<b>NA</b>
<b>TOTAL TOP 40</b>		<b>9,243.20</b>	<b>NA</b>	<b>35.67</b>	<b>81.53</b>	<b>NA</b>
<b>TOTAL MARKET</b>		<b>11,336.84</b>	<b>9,700.74</b>	<b>16.87</b>	<b>100.00</b>	<b>100.00</b>



## TAJIKISTAN

The Tajikistan Republic's insurance market is a young market. The first private insurance companies have appeared on the profile market in 1992. Currently, there are 16 insurance companies who are active on the market, including two state companies, TOJIK-SUGURTA and TAJIKSARMOYAGUZOR, and 14 private companies, of which the most important ones are ORIEN Insurance, MUIN, TRUD and SPITAMEN Insurance.

Ranked by the underwritings criterion, the biggest insurance companies in the market are ORIEN Insurance and TOJIKSUGURTA. These top companies have the most significant share in total underwritings, cumulating almost 90% of registered gross premiums.

Also, the Law stipulates 16 types of mandatory insurance products, the rest being voluntary.

### Source:

ORIEN Insurance  
Information and Rating Agency SAIPRO  
TOJIKSUGURTA website

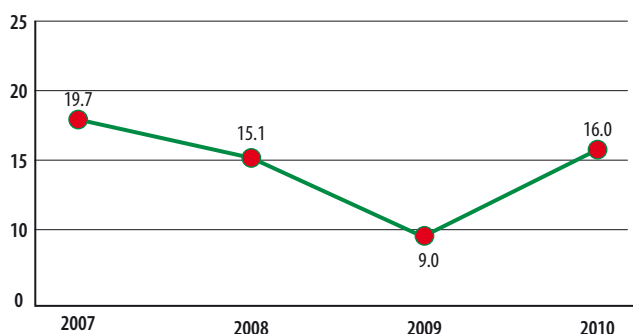
### Tajikistan's currency exchange rate for calculations:

1 EUR = 5.9105 Somoni - TJS (December 31<sup>st</sup> 2010)

### About TOJIKSUGURTA

State insurance company TOJIKSUGURTA was founded in 1991. It is specialized in 45 insurance classes, both mandatory and voluntary ones. Regarding reinsurance partners, the company collaborates with the following reinsurance companies: INGOSSTRAKH, BIMAY MARKAZIY ARON, KYRGYZINSTRAXH, ESTORA RE, ALSKOM, LEMMA, ALVENA, ORANTA.

### GWP dynamic (EUR m.)



Source: For 2007, 2008 and 2009 SAIPRO Rating Agency, originally in USD

### All insurance lines ranking

Nr.	Company	GWP2010	GWP 2009	MARKET SHARE
		EUR m.	EUR m.	2010 %
1	TOJIKSUGURTA	7.57	1.78	47.31
2	ORIEN Insurance	6.70	0.37	41.88
	Other companies	1.73	-	10.80
	<b>TOTAL MARKET*</b>	<b>16.00</b>	<b>-</b>	<b>100.00</b>

\* PRIMM estimation

### About ORIEN Insurance

The company ORIEN Insurance was created on May 18th, 2004, by specialists with experience in the insurance field. Currently, the company has 21 employees and sells 11 products of voluntary insurance for individuals, legal persons and non-residents of the Tajikistan Republic. The company's share capital is USD800,000. Also, the company's technical reserves amounted in 2010 to USD4.96m (USD3.76m in 2009). As to ceding risks in reinsurance, ORIEN Insurance has partnerships with companies such as SKALA Insurance Broker LTD, IF Insurance, ALFA Strakhovanie, MARSH LLP, AXIOM Insurance Brokers LLC, CHARTIS Uzbekistan Insurance Company LLC and SOGAZ.





## TURKMENISTAN

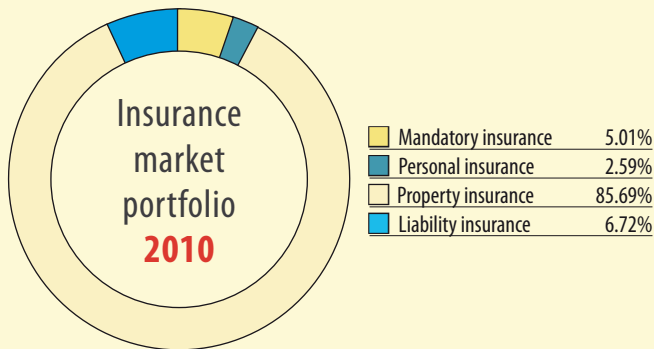
The only company that operates on Turkmenistan's insurance market is the State Insurance Organization of Turkmenistan. Founded on August 18<sup>th</sup>, 1992, the State Insurance Organization of Turkmenistan carries out insurance and reinsurance activities in accordance with the License issued by the Ministry of Finance of Turkmenistan.

The State Insurance Organization of Turkmenistan has a wide network over the country, which includes more than 40 branches. About 400 insurance specialists assist policyholders on a daily basis. More than 40 types of non-mandatory and 5 types of mandatory insurance services are provided to clients, who benefit of the most beneficial options to secure themselves and their property.

Experts of the State Insurance Organization of Turkmenistan in cooperation with leading insurance companies of the world have worked out specific insurance programs which are accepted worldwide to cover risks of industrial, construction works, energetic, aviation, marine and other most highly protected risks.

The State Insurance Organization of Turkmenistan expands partner relations with leading international insurance and reinsurance companies and also with insurance brokers. The significant part of reinsurance is carried out through the largest insurance brokers of the London insurance market, such as MARSH Ltd., AON Ltd., COLEMONT Ltd., HSBC, WILLIS Ltd and others.

Courtesy to the website of the State Insurance Organization of Turkmenistan



### Source:

The Central Bank of Turkmenistan  
State Insurance Organization of Turkmenistan

### Turkmenistan's currency exchange rate for calculations:

1 EUR = 4.1377 Manat - TMT (December 31<sup>st</sup>, 2009)  
1 EUR = 3.7710 Manat - TMT (December 31<sup>st</sup>, 2010)



### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	GWP 2010	GWP 2009	Nominal Evolution (%)	% in all GWP
	EUR m.	EUR m.	EUR	%
<b>TOTAL MARKET</b>	<b>39.66</b>	<b>31.40</b>	<b>26.30</b>	<b>100.00</b>
<b>Mandatory insurance</b>	<b>1.99</b>	<b>1.52</b>	<b>30.35</b>	<b>5.01</b>
<b>Voluntary insurance</b>	<b>37.68</b>	<b>29.88</b>	<b>26.10</b>	<b>94.99</b>
Personal insurance	1.03	0.70	45.77	2.59
Property insurance	33.99	26.25	29.47	85.69
Liability insurance	2.66	2.92	-8.89	6.72





## UKRAINE

On December 30th, 2010, on the insurance market of Ukraine, 457 insurance companies were registered, of which 67 companies on the life insurance segment.

According to preliminary data of the Supervisory Commission, in 2010, the volume of gross written premiums reached UAH22.6bn (EUR2.14bn), an increase in EUR of 20% compared with 2009. Also, the volume of net written premiums totaled UAH12bn (EUR1.14bn). In 2010, insurance companies paid claims amounting to UAH6.1bn (EUR577m). Volume of the premiums ceded in reinsurance amounted to UAH11bn (EUR1bn).

On the insurance market in Ukraine, 115 companies with foreign capital operate (26.5% of the share capital of insurance companies). Analyzing the portfolio structure of insurance companies with foreign capital, it is shown that the top positions correspond to property insurance (50%), mandatory insurance - 22%, life insurance - 15%, personal insurance - 10% and liability - 3%.

Approximately 50% of companies with foreign capital are represented by financial and insurance groups in Austria, Great Britain, Kazakhstan, Germany, Poland, Russia, Slovenia, United States,



Life insurance	4.12%
Non-life insurance	95.88%

### Source:

Insurance TOP Magazine  
Federal Insurance Supervision Service

### Ukrainian currency exchange rate for calculations:

1 EUR = 11.448893 Hryvnia - UAH (December 31<sup>st</sup> 2009)

1 EUR = 10.573138 Hryvnia - UAH (December 31<sup>st</sup> 2010)

France, Sweden etc. In 2010, these companies accounted for about 60% of the non-life insurance market.

It is expected that, in coming years, the number and market share occupied by companies with foreign capital will grow.

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

### Market portfolio as of December 31<sup>st</sup>, 2010

Business Line	2010		2009		Nominal Evolution (%)	% in all GWP
	GWP	CLAIMS	GWP	CLAIMS		
	EUR m.	EUR m.	EUR m.	EUR m.		
TOTAL MARKET	2,137.49	576.93	1,781.83	585.21	19.96	100.00
TOTAL LIFE	87.96	6.43	72.23	5.50	21.77	4.12
TOTAL NON-LIFE	2,049.53	570.50	1,709.60	579.71	19.88	95.88

### Life insurance ranking

Nr.	Company	GWP		Nominal Evolution (%)	MARKET SHARE	
		2010	2009		2010	2009
		EUR m.	EUR m.		%	%
1	ALICO Ukraine	18.68	15.29	22.19	21.23	21.16
2	GRAWE Ukraine	14.10	13.40	5.18	16.02	18.55
3	TAS	12.13	10.54	15.04	13.79	14.59
4	RENESANS Life	10.96	4.19	161.28	12.46	5.81
5	UNIQA Life	4.83	2.29	110.50	5.49	3.17
6	PZU Ukraine	4.82	2.80	72.23	5.48	3.88
7	FIDEM Life	2.95	2.12	39.25	3.35	2.93
8	LEMMA Life	1.97	1.99	-1.10	2.24	2.76
9	GARANT Life	1.85	2.36	-21.44	2.11	3.27
10	KD Life	1.79	2.93	-38.97	2.03	4.06
11	VIG - Yupiter Life	1.50	1.06	41.94	1.71	1.47
12	ORANTA Life	1.35	0.97	38.83	1.53	1.35
13	DELYTA Life	1.35	1.00	34.69	1.53	1.38
14	YLICHEVSKAYA	1.11	0.87	26.80	1.26	1.21
15	BLAKITNYI Polis	1.05	2.54	-58.71	1.19	3.51
TOTAL TOP 10		74.07	57.92	27.89	84.21	80.19
TOTAL TOP 15		80.43	64.36	24.96	91.44	89.10
TOTAL MARKET		87.96	72.23	21.77	100.00	100.00

### Non - Life insurance ranking

Nr.	Company	GWP		Nominal Evolution (%)	MARKET SHARE	
		2010	2009		2010	2009
		EUR m.	EUR m.		%	%
1	KREMENY	119.68	46.66	156.50	5.84	2.73
2	AXA	68.28	61.22	11.53	3.33	3.58
3	ORANTA	60.90	62.50	-2.55	2.97	3.66
4	UNIQA	49.97	43.67	14.41	2.44	2.55
5	PROVIDNA	42.97	39.64	8.40	2.10	2.32
6	INGO UKRAINE	41.35	38.29	7.99	2.02	2.24
7	UPSK	40.94	36.43	12.38	2.00	2.13
8	USG	38.56	32.57	18.39	1.88	1.91
9	LEMMA	36.78	47.38	-22.36	1.79	2.77
10	DNEPROINMED	35.68	18.27	95.24	1.74	1.07
11	TAS	32.81	24.95	31.48	1.60	1.46
12	ASKA	27.50	30.65	-10.26	1.34	1.79
13	PZU UKRAINE	26.28	18.11	45.16	1.28	1.06
14	GENERALI Garant	25.88	30.29	-14.57	1.26	1.77
15	BROKBISNES	20.27	21.64	-6.36	0.99	1.27
TOTAL TOP 10		535.10	426.63	25.43	26.11	24.95
TOTAL TOP 15		667.84	552.27	20.93	32.59	32.30
TOTAL MARKET		2,049.53	1,709.60	19.88	100.00	100.00



## UZBEKISTAN

The insurance companies of Uzbekistan have underwritten, in 2010, premiums of over EUR79.2m worth, up 20% from 2009. *This growth comes under the circumstances of the national economy's overall evolution and of the great potential the local market has,* said Olimjon IKRAMOV, Chief of the Insurance Supervision Inspectorate, in the opening of the International Insurance Forum in Uzbekistan.

Speaking about the results of the Uzbek insurance market, Olimjon IKRAMOV has mentioned that, in recent years, the share held by state insurance companies in total underwritings is decreasing, reaching 34.9% in 2010. Also, 26.7% of total gross premiums were collected on mandatory insurance segments.

The value of claims paid by Uzbek insurers rose to EUR12.5m, up 33% compared to 2009, the claims ratio reaching 15% of the total value of underwritings.

During the analyzed period, 30 companies have ceded risks in re-insurance, of which 18 companies have ceded abroad. The volume of ceded premiums amounted to 24% of total underwritings, being ceded in 30 foreign countries (40% - United Kingdom, 22% - Russia, 14% - Germany).

On the Uzbek insurance market, 33 insurance companies are active, a total of 10,000 people being hired in the field. Three insurance brokers and two actuaries also operate on the market. In 2010, 6 million insurance contracts have been signed, of which 75% are voluntary contracts.

Courtesy to Information & Rating Agency SAIPRO

### Source:

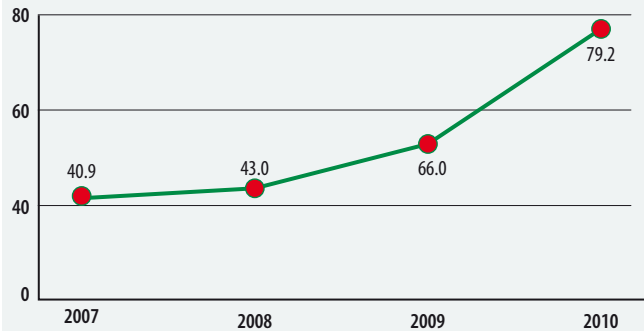
Information & Rating Agency SAIPRO

### Uzbekistan's currency exchange rate for calculations:

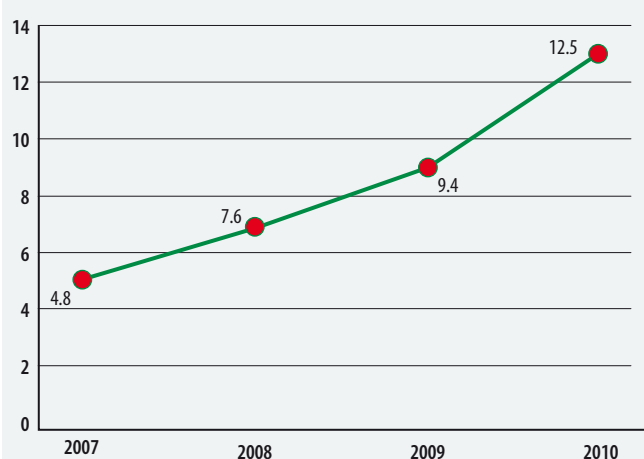
1 EUR = 2213.75 Som - UZS (December 31<sup>st</sup>, 2009)

1 EUR = 2165.13 Som - UZS (December 31<sup>st</sup>, 2010)

**GWP and paid claims dynamic of Uzbek insurance market in 2007-2010 (EUR m.)**



**CLAIMS dynamic of Uzbek insurance market in 2007-2010 (EUR m.)**



### All insurance lines ranking

No.	Company	GWP 2010	GWP 2009	Nominal Evolution (%)	MARKET SHARE (%)	
		EUR m.	EUR m.		2010	2009
1	UZAGRO Insurance	13.05	11.40	14.51	16.50	17.27
2	UZBEKINVEST	10.73	8.70	23.37	13.60	13.18
3	UVT Insurance	7.92	5.10	55.23	10.00	7.73
4	INGO Uzbekistan	6.12	4.80	27.47	7.70	7.27
5	KAFOLAT	5.40	4.30	25.66	6.80	6.52
6	ALFA Invest	4.25	3.60	18.16	5.40	5.45
7	ASIA Insurans	3.94	2.60	51.53	5.00	3.94
8	KAPITAL Insurance	3.82	3.20	19.40	4.80	4.85
9	ALSKOM	3.22	2.50	28.98	4.10	3.79
10	TRANSINSURANCE Plus	2.38	NA	-	3.00	NA
TOTAL TOP 10		60.84	46.20	31.70	76.90	70.00
TOTAL MARKET		79.16	66.00	19.95	100.00	100.00

For the results by insurance companies in 2009, were used the data published in PRIMM Insurance & Pensions Magazine (Issue 6/2010)



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# Solid total premiums in recovering environment



ALLIANZ in Central and Eastern Europe reported solid results for 2010. Total premiums in CEE amounted to EUR3.7bn and remained on the same high level as in 2009. Adjusted for currency effects, premiums decreased by 3 percent. Operating profit in 2010 reached EUR119m, which corresponds to a 61 percent decrease.

*Our main priority is to protect our clients who rely on us. Last summer, we paid out more than EUR60m to customers affected by floods and rain in CEE and responded with efficient and uncomplicated service, like advance payments to cover immediate expenses or the sending of emergency supplies to various catastrophe areas,* commented Manuel BAUER, Member of the Board of Manage-

ment of ALLIANZ SE responsible for growth markets.

In 2010 gross premiums written in the property and casualty business remained stable and reached EUR2.6bn. Adjusted for currency effects, premiums decreased by 4%.

Recovery of new car sales across the region, although still below the pre-crisis level, as well as a slight increase of demand for private retail insurance supported the top-line development. Operating profit for the full year in CEE decreased by 76% and reached EUR56m, compared to EUR231m in 2009.

Natural catastrophes like heavy rains and floods, as well as the introduction of the crisis tax for financial institutions in Hungary,

impacted operating profit. Furthermore an increase of VAT in Romania from 19 to 24 percent lead to an additional revaluation of claims reserves. In addition, a write-off of reinsurance receivables for 2009 on a large claim in Russia was a driver for the development of the operating profit in 2010.

In 2010 the life and health business premiums surpassed again EUR1.1bn, which reflects an increase of 2%, compared to the same period in 2009. Adjusted for currency effects, premiums declined by 1 percent.

Revenues were supported by sales campaigns in Hungary, the Czech Republic and Poland. The focus of the campaigns was on traditional life products, as well as on single premium products. Also, the new sales cooperations with bank partners showed first results, for example, in Russia, where premiums grew by 26%, compared to 2009.

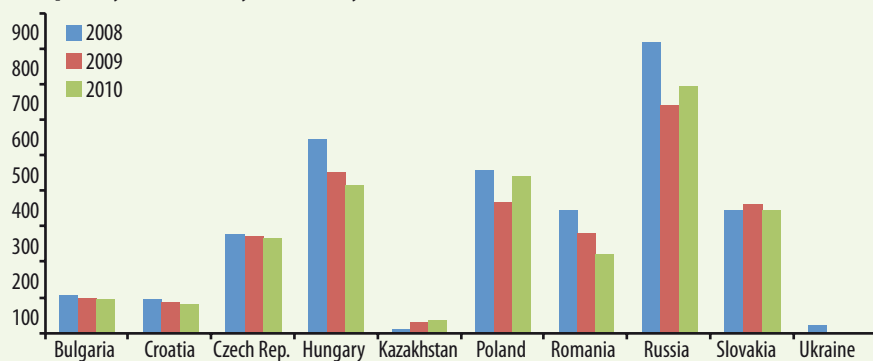
Operating profit for 2010 reached EUR64m, compared to EUR76m in the previous year. This translates to a 16% decrease. Operating profit of EUR19m in the fourth quarter remained stable compared to fourth quarter 2009. Drivers for the year-on-year decline in operating profit were the crisis tax for financial institutions in Hungary, which was introduced mid-2010, as well as an adjustment of the deferred acquisition cost in Slovakia.

## GWP by insurance segment and CEE countries (EUR m.)

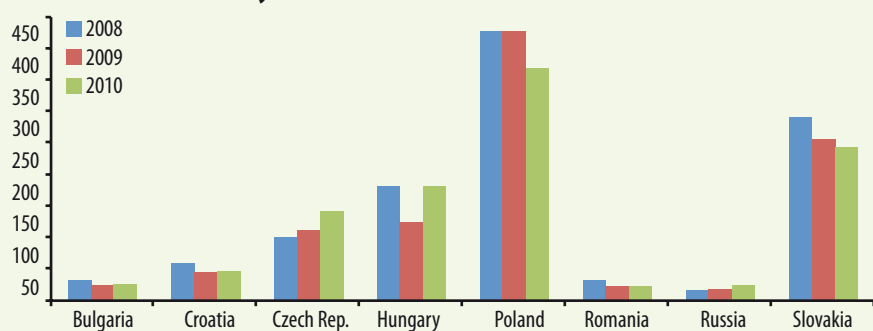
Country	Property/Casualty			Life/Health		
	2010	2009	2008	2010	2009	2008
Bulgaria	95	101	110	26	25	33
Croatia	86	87	95	47	46	59
CZECH REP.	268	274	278	143	112	101
Hungary	420	454	546	182	124	181
Kazakhstan	38	33	14	-	-	-
Poland	443	372	460	368	428	428
Romania	223	282	346	22	23	32
Russia	698	642	820	25	18	17
Slovakia	349	361	348	244	256	290
Ukraine	9	9	23	-	-	-
TOTAL	2.629	2.615	3.040	1.057	1.032	1.141

Source: www.allianz.com

## Property-Casualty GWP by countries (EUR m.)



## Life/Health GWP by countries (EUR m.)



## Strategic partnership

ALLIANZ SE and BANCO POPULAR form a joint venture to strengthen the existing partnership and to unite all existing joint ventures under one roof. With the company called ALLIANZ POPULAR, the two partners also expand their cooperation to asset management. Both companies will contribute their interests in the various subsidiaries that currently distribute, through the network of BANCO POPULAR, life insurance, pension plans and investment funds.

The new platform will manage assets worth around EUR11bn (as of end 2010), and will allow BANCO POPULAR to become the partner of one of the largest insurance companies and asset managers in the world. Distribution will be on an exclusive basis for an initial term of 15 years. As a result, the new company will receive access to a broad clientele of 6.3 million customers.

ALLIANZ will own 60 percent of ALLIANZ POPULAR, with the remaining share being held by the Spanish partner.

# Revenues down



In 2010, the total revenues of AXA Group were down 1% to EUR90,972m.

Life & Savings insurance line revenues were down 3% to EUR56,923m with increases in Mediterranean and Latin American Region and Northern Central and Eastern Europe more than offset by decreases in France, the US and Japan. APE (Annual Premium Equivalent) was down 2% to EUR5,780m, with lower sales mainly in France, Japan and the US, partly offset by strong performance in the UK (retained business only), SEA & China, Hong-Kong and CEE.

## AXA declared world leader in the insurers top

AXA was declared the leading insurance company worldwide in a ranking based on the amount of cashed net premiums. The ranking was established by AM Best – worldwide renowned rating agency, specialized in insurance. Thus, AM Best has established the lists of the top insurers based on the 2009 financial results. The criteria of the two rankings were cashed net premiums and, respectively, assets under management.

It is also shown that life insurance companies dominate the top of insurers in terms of assets. In this ranking, AXA occupies the second position. Another conclusion of AM Best hierarchy shows that European insurers are at the top of the list, 13 of the top 25 companies being European.

In Property & Casualty business line, the revenues increased by 1,3% to EUR27,413m as the 3.9% growth in Personal lines (largely driven by a 3.8% average price increase) was partly offset by a 2.8% decrease in Commercial lines, where the 2.1% average price increase was more than offset notably by lower volumes from selective underwriting and reduced sum insured. Overall, the average price increase was 3.1%.

Also, Personal Motor revenues (36% of total P&C revenues) increased by 5% mainly driven by the UK (+34%) following strong tariff increases, higher volumes and improved retention, mostly as a result of the success of both SWIFTCOVER and AXA branded direct businesses. France was up 3%, mostly driven by tariff increases, while Spain was down 7%, mainly due to both lower volumes as a result of severe price competition, and lower risk coverage partly compensated by price increases. The Commercial Motor revenues (8% of total P&C revenues) were stable as increases, notably in the UK & Ireland (+10%), France (+2%) and Canada (+8%) were offset by Spain (-21%), reflecting tariff increase despite strong competition.

## AXA acquires B&B Insurance in Belarus

AXA announced on December the 29<sup>th</sup>, 2010, its 80% B&B Insurance Belarus share purchase, a company holding the first place on the local profile market and the second place on the local non-life insurance market.

B&B Insurance activates on the property and casualty segment, in which the company holds a market share of 10% (with a EUR29m turnover in 2009) and on other segments, where the market share varies between 20% and 40%.

*The acquisition of B&B is an excellent opportunity for AXA to enter the Belarusian market, currently in development. We wish to repeat our success from Ukraine, where we became market leaders in 3 years, taking advantage of the cultural and geographical bonds between the two countries, declared Cyrille de MONTGOLFIER, CEO of AXA CEE.*

## Philippe MASO leaves the AXA Group

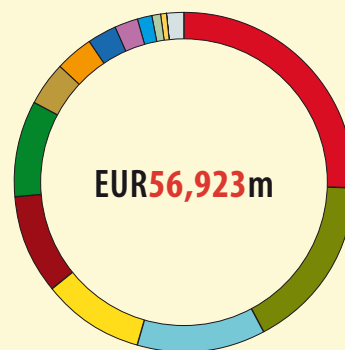
AXA Group announces that, after sixteen years of collaboration, AXA and Philippe MASO, former CEO of AXA Insurance in the UK, have agreed to part company. Philippe MASO will pursue other opportunities in the UK market where he has been based for the past eight years. *I am grateful to AXA for the opportunities it offered me over the years. I wish my colleagues at AXA all the best as they continue to take AXA forward, said Philippe MASO.*

Personal Non-Motor revenues (26% of total P&C revenues) increased by 3%, driven by France (+6%) largely attributable to price increases combined with positive portfolio developments, MedLA (+6%) with strong price increases in Mexico (Health) and in Spain (Health and Household), as well as Italy as AXA.

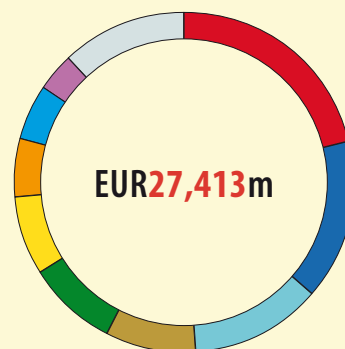
MPS household business benefited from the rebound of bank mortgage loan activity. This was partly offset by a decrease in Germany (-3%) due to the medical liability segment restructuring with tariff increases and selective underwriting. Commercial non-Motor revenues (30% of total P&C revenues) decreased 3%, largely due to the UK (-11%) following AXA's exit from certain property accounts in a very competitive environment, Belgium (-7%) as a consequence of selective underwriting in workers compensation, partly offset by the Gulf Region (+14%) with a strong new business in Health.

Source: www.axa.com

### Life & Savings IFRS revenues



### Property Casualty IFRS revenues



# A successful year

The ERGO Insurance Group reported a successful financial year 2010. By comparison to the previous year, the consolidated result had more than doubled and stood at EUR355m. Total premium income was up 5.7 percent to EUR20.1bn. All business segments contributed to this very favorable result. At the same time, ERGO took advantage of the launch of its brand in the German insurance market to reposition itself with the promise "To insure is to understand".

*2010 was a momentous year and a successful one at the same time. On a positive note, a 5.7 percent increase in premiums was recorded and the combined ratio for our domestic business was once again very good at 90.3 percent. By contrast, our international business was confronted by challenges in the property-casualty segment,*

## ERGO signs joint venture agreement in China

In China, ERGO is setting up a joint venture for life insurance together with the Shandong State-owned Assets Investment Holding Company (SSAIH), which will have its head office in the province of Shandong, about 400 km South of Beijing. ERGO and SSAIH will each hold a 50% share in the joint venture, which aims primarily to offer life insurance to private customers in Shandong. The ERGO Insurance Group will contribute with its comprehensive expertise in the areas of product development, sales and risk management.

Dr. Jochen MESSEMER, member of the Management Board, ERGO Insurance Group, is convinced of the potential of the Chinese insurance market: *China is one of the strongest growth regions in Asia. As a consequence, both private customers and companies have an increasing requirement for provident products and safeguarding against risks.*

With its 92 million citizens, the province of Shandong is a key economic province in China and is considered to be the third largest domestic insurance market. Premium income has risen by an average of 24% over the past five years.

## Key figures (IFRS) for the ERGO Group in the 2010 financial year

		2010	2009	Change
Total premium income	EUR m.	20,131	19,050	5.70%
Life Germany	EUR m.	5,241	5,190	1.00%
Health	EUR m.	5,778	5,424	6.50%
Property-casualty Germany	EUR m.	3,160	3,107	1.70%
Direct insurance	EUR m.	1,358	1,197	13.40%
Travel insurance	EUR m.	430	390	10.30%
International	EUR m.	4,440	3,978	11.60%
Gross written premiums	EUR m.	18,457	17,470	5.70%
Expenses for claims and benefits (net)	EUR m.	17,738	16,114	10.10%
Investment result	EUR m.	5,243	4,401	19.10%
Operating result	EUR m.	1,002	734	36.60%
Consolidated result	EUR m.	355	173	105.70%
Investments	EUR m.	116,388	113,277	2.70%
Technical provisions (net)	EUR m.	112,819	109,197	3.30%
Equity	EUR m.	3,785	3,857	-1.90%
Full-time representatives		22,460	21,963	2.30%
Salaried employees		32,997	33,152	-0.50%

## Acquiring a stake in a Vietnamese insurer

In Vietnam, ERGO is acquiring a 25% stake in Global Insurance Company (GIC), which specialises in non-life products. GIC was founded in 2006 and achieved premiums equivalent to around EUR11m in 2009. A further major shareholder of GIC is the state-owned energy utility EVN. *We are aiming for a long-term strategic partnership to develop GIC into a leading insurer in Vietnam,* explains Dr. Jochen MESSEMER, member of the Management Board, ERGO Insurance Group. In recent years, the market for non-life insurance in Vietnam has been growing at over 20% per year and this trend is expected to continue, according to ERGO press release.

commented about the financial year Torsten OLETZKY, Chairman of the Board of ERGO. The combined ratio for that segment climbed to 107.9 percent.

The significant rise in the consolidated result is due not least to a considerably improved investment result, which was up 19.1 percent to EUR5.2bn, meaning a 4.5 percent return based on the average investment portfolio at market value. At the end of 2010, investments stood at EUR116bn.

*We intend to continue this positive trend in results and growth in the coming year,* OLETZKY continued. *In 2011, we are aiming for a consolidated result of between EUR450m and EUR550m.*

Source: www.ergo.com





## Satisfactory year

Excluding the merger of the Pension Funds in 2009 (EUR1.1bn), in 2010 gross written premiums increased by 7%. Including this merger, premiums grew slightly to EUR19.9bn (EUR19.6bn in 2009). Premiums from Health business increased (16%) mainly as a result of higher Government contributions. Non-life remained more or less stable (-1%). The slightly lower gross written premiums in Non-life were the result of lower premiums in Property & Casualty in the Netherlands; this was only partly offset by higher premiums in Europe. Premiums from IP were stable. If the merger between the two ACHMEA pension funds is excluded, then premiums in Life were down 8%.

*We continued our course that will lead to reduced complexity and cost efficiency in our operations. With a profit before tax of EUR1.2b in 2010, combined with a robust financial position, we have created the conditions for continuity of our Group, serving the interests of all our stakeholders: customers, business partners, employees and shareholders. The process of continuous improvement we have put in place is well on track but there is still much to do. In our international business, we divested a number of non-core activities so that we can now focus on developing and building our business in selected markets, such as Turkey, Russia and Greece, comments Willem van DUIN, Chairman of the Executive Board.*

In 2010, the non-life gross written premiums were down 1% from EUR4,030m to EUR3,992m, due to a decrease in P&C in the Netherlands. Premiums outside the Netherlands represent around 20% of total non-life premiums. These rose 3%. Profit before tax was up 55% to EUR401m as a result of better investment results (EUR133m) and lower operating expenses (EUR52m). The claims ratio was up slightly from 67.8% to 68.1%. Also, the combined ratio improved from 95.9% in 2009 to 95.7% in 2010.

In 2010, total gross written premiums in the health business increased 16% from EUR10,617m in 2009 to EUR12,289m. Growth is due mainly to an increased Government contribution of EUR1,241m through higher claim forecasts on basic health insurance. Gross written premiums received from private individuals increased by 8% to EUR5,647m, due mainly to increased prices and growth in the number of customers. This was partly offset by higher discounting on group premiums and a higher percentage of group policies. Europe's gross written premiums grew 16%, to EUR347m, primarily as a result of the launch of Health insurance by EUREKO Sigorta in Turkey in 2008 and through the reallocation of ORANTA Russia's health business to this business line.

On life segment, gross written premiums decreased 8% excluding the one-off merger of two pension funds into STICHTING Pensioenfondsen ACHMEA (SPA) in 2009. Including the merger, premiums declined 29% to EUR3,571m. The decline is mainly the result of lower single premiums. The decrease was a number of percentage points higher if a reclassification at EUREKO Re was

### EUREKO finalized the sale of AVÉRO Belgium Insurance to BALOISE

The sale of Belgian operation of EUREKO (AVÉRO Belgium Insurance) ended. The buyer is BALOISE from Switzerland. The selling price amounts to EUR75m.

EUREKO and BALOISE announced on July 20th, 2010, that they signed an agreement leading to the sale and purchase of AVÉRO Belgium Insurance. The brand name "AVÉRO" will be used during a short transitional period before being removed from the Belgian market.

### ACHMEA Reinsurance was sold

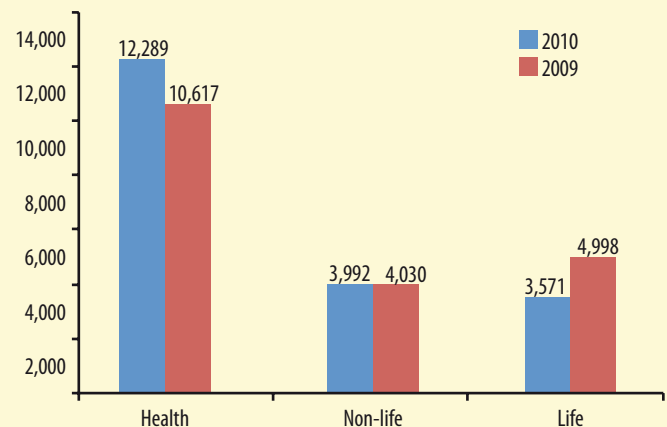
EUREKO sells ACHMEA Reinsurance in Luxembourg to RAMIUS Enterprise Luxembourg Holdco, an affiliate of COWEN Group. The transaction was approved by the regulatory authorities. The formal share-transfer was completed at the end of December 2010.

ACHMEA Reinsurance S.A. is an internal reinsurance company, fully owned by EUREKO Re N.V., which in turn is a 100% subsidiary of EUREKO B.V. It provides reinsurance coverage to EUREKO subsidiaries and external clients. As of 2008, no new business has been written by ACHMEA Reinsurance S.A. A portfolio transfer of all reinsurance treaties was completed before closing. As a result, the sale comprises a clean company with an Equalization Reserve of approximately EUR104m.

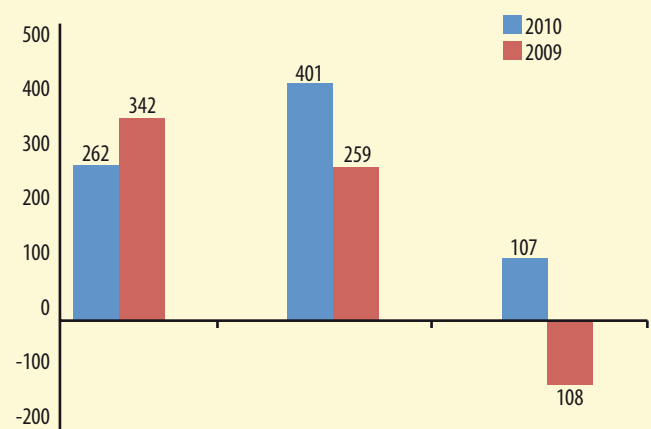
not taken into account. Profit before tax improved by EUR215m to EUR107m, mainly due to better investment results which were partly offset by unit-linked and longevity risk provisions. EUREKO has allocated an additional EUR149m to the provision for unit-linked policies. Operating expenses contributed positively as these were down 11% to EUR799m from EUR901m in 2009.

Source: [www.eureko.net](http://www.eureko.net)

### Gross written premiums by segments (EUR m.)



### Profit before taxes by segments (EUR m.)





# Premiums up to over EUR73bn

GENERALI Group ended 2010 with gross written premiums up to EUR73.2bn, an increase of 3.8% (EUR70.5bn in 2009). The Group confirmed its strong growth in the Life business (+4.5%) with premiums in excess of EUR51bn. The improvement

in Life premiums arose specifically from excellent growth in Italy, Germany, East Europe and China. Premiums in the Non-Life segment also made a return to healthy growth (+2.1%), to over EUR22bn, with Italy and France reporting excellent performance.

## Vladislav MINAR leaves GENERALI Life Ukraine

Vladislav MINAR, CEO of GENERALI Life Ukraine, is leaving the company that he managed since its foundation in 2005 and is taking over a new challenging top managerial position in GENERALI PPF Russia. He is succeeded in his position by Dmitriy DUBINA (33), a recognized insurance manager, whose last position within GENERALI Life was the First Deputy for Bancassurance; being in the company also since its foundation. Vladislav MINAR will become a member of the GENERALI Life Ukraine Supervisory Board. At the same time, he moves to Russia, where he takes over the position of Deputy CEO in GENERALI PPF Russia.

## GENERALI Asigurari paid the biggest claim in the history of the Romanian market

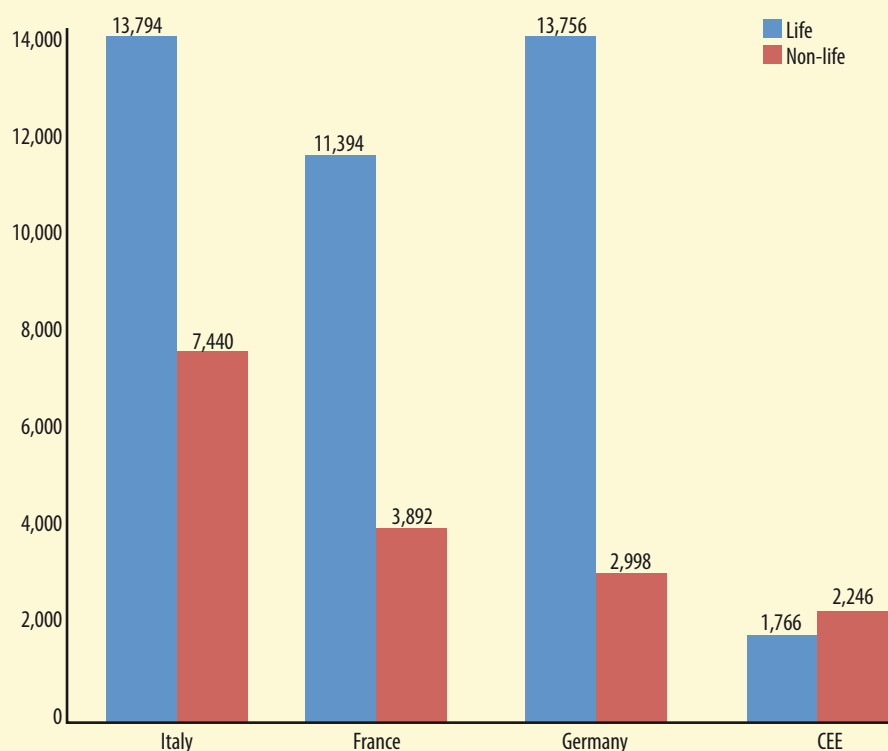
GENERALI Asigurari announced on the 18th of April that it paid the biggest claim in the history of the Romanian insurance market, amounting to RON55.25m, resulting from the fire at Red Dragon in May 2010. To this will be added claims in the amount of EUR100,000 paid to tenants in the complex owned by NIRO Investment. *We confirm that we have paid to our client, NIRO Investment, which owns the shopping center Red Dragon, the amount of RON55.25m, on March the 4<sup>th</sup>, 2011. The amount was established after a negotiation process between the two parties, ended amicably, claims assessment being made by the GENERALI team, together with international experts in claims settlement, said Marie KOVAROVA, General Manager, GENERALI Romania, regarding the solving of this claims file.*

Also, life gross premiums written made significant progress (+4.5%) to EUR51bn (EUR48.9bn at the end of 2009; +3.6% on a like-for-like basis). The geographical breakdown of premiums shows a significant improvement in Italy (+6.8%), driven by growth in traditional individual policies, and strong progress in Germany (+12.5%), where excellent performance was achieved in all business lines. Central Eastern Europe also reported a good result (+5.6%) buoyed by a significant increase in linked policies, especially in Poland and the Czech Republic. By contrast, France saw a downturn of 7.9% following the decision to focus on products with larger margins. Even so, the premium trend in France picked up in the fourth quarter (+12.4%). In Asia, strong growth continued in China (+44.7%), confirming the Group's position as one of the top foreign Life insurers.

In a year marked by continuing macroeconomic uncertainty, the Group successfully raised Non-Life premiums to

EUR22.1bn (+2.1%; EUR21.6bn at the end of 2009). Significant contributions came from France (+3.7%) – with growth in both the Motor business (+2.9%) and the Non-Motor lines (+3.5%) – and from Italy (+1.2%), notably in the Non-Motor lines. Premiums also rose in Central Eastern Europe (+1.9%), due in particular to personal policies in the Non-Motor lines. Germany reported a small downturn (-1.2%), arising from performance in the Motor business.

GWP (EUR m.) by business region in 2010



Source: www.generali.com

## Romania: GENERALI and ARDAF shareholders have approved merger plans

GENERALI Asigurari and ARDAF shareholders approved, during the Extraordinary General Meeting held on the 21<sup>st</sup> of March, the intention of both companies owned by GENERALI Group in Romania to merge. Management teams of GENERALI Asigurari and ARDAF have received from shareholders the empowerment to start merger plans, in accordance with all local regulations. The management of the two companies communicated to the shareholders its intention to form a new combined entity, GENERALI Romania, oriented towards profitable operations, increased efficiency and superior quality products and services. GENERALI Asigurari and ARDAF representatives are expecting the merger to be completed in the second half of 2011.





Groupama

At the end of 2010, the consolidated premium income of insurance activities for GROUPAMA is higher by 1.5% at EUR14.4bn. Life and health insurance premium income was EUR7.5bn and property and casualty insurance premium income was EUR6.9bn, representing a 4% increase.

Insurance premium income in France was up at December 31<sup>st</sup>, 2010, by 1.2% compared to December 31<sup>st</sup>, 2009 for a total of EUR10bn. Life and health insurance (in France) premium income was stable at EUR6.3bn, with mixed results according to business line. In a context of strong competition on French insurance market, the property and casualty insurance premium income was higher by 3.4% at EUR3.7bn and posted an increase that is 1.9 points ahead of the market.

On international markets, the economic crisis has slowed the catch-up momentum of the Central and Eastern European Countries. As with Southern Europe, the CEE economies are suffering the effects of austerity plans. In a very sluggish economy, GROUPAMA's business continues to progress internationally with premium income higher by 2.1% at EUR4.3bn. The growth is especially significant in life and health insurance where premium income rose by 8.1% to EUR1.2bn. The individual savings/pensions segment was up by 4.6%, benefitting mainly from the success of marketing campaigns conducted in Hungary and Italy. The strong growth in the health segment (17.3%) is primarily linked to the development of new business in Italy and Turkey.

Property and casualty insurance on international markets posted premium income of EUR3.2bn at December 31<sup>st</sup>, 2010, an increase of 4.4% compared to December 31<sup>st</sup>, 2009. This progression reflects a very strong performance compared to the local market in some countries: in Italy (+7.3% against +1.8% for the market at the end of September 2010), in Spain (+4.1% against -0.5% for the market at September 30<sup>th</sup>, 2010), in Greece (+7.4% against +3.8% for the market at September 30<sup>th</sup>, 2010).

The motor insurance segment (including fleets) is the main engine behind this growth with an increase of 3.9%. This change, however, hides disparities between geographic regions: the strong performances of the countries of Southern Europe and Great Britain largely offset the downturn experienced in Central and Eastern Europe, more severely affected by the economic crisis. The progression in the households (6.9%) and commercial property (3.7%) segments also contributed to this rise.

Source: www.groupama.com

### Territorial distribution of GWP

Territory	Subsidiaries	GWP (EUR m.)
TOTAL		14,372
I France	GROUPAMA SA	10,023
II International & overseas		4,349
Greece	GROUPAMA Phoenix	195
Hungary	GROUPAMA GARANCIA Biztosito	338
Italy	GROUPAMA Assicurazioni	1,505
Portugal	GROUPAMA Seguros	124
Romania	GRUPAMA Asigurări and OTP GARANCIA	192
Spain	GROUPAMA Seguros	956
Turkey	GROUPAMA Sigorta and GROUPAMA Emeklilik	373
Great Britain	GROUPAMA Insurances	549
Other markets		117

# A growing business in spite of austerity plans underway

## Romania: ONIX Asigurari, the new name of OTP Garancia

Insurance Supervisory Commission decided, at the end of 2010, to change the name of the company OTP Garancia into ONIX Asigurari. The portfolio of OTP Garancia was transferred to GROUPAMA Asigurari in April last year, following the French group to complete the full integration of the three companies it has acquired locally. GROUPAMA Asigurari, "born" as a result of the biggest merger process in the Romanian insurance market, between ASIBAN and BT Asigurari, was officially launched on September 28<sup>th</sup>, 2009.

## Portugal: 90th anniversary for GROUPAMA Seguros

GROUPAMA Seguros, which celebrated its 90<sup>th</sup> anniversary, continues to grow with an increase in premium income of 12.9%, to EUR124m at December 31<sup>st</sup>, 2010. In property and casualty, the growth of 21.3% was strongly sustained by individual motor insurance with the launch of a new product in September 2009. Life and health insurance, which grew by 12.2%, benefitted from the dynamics of the individual savings offer through bancassurance agreements.

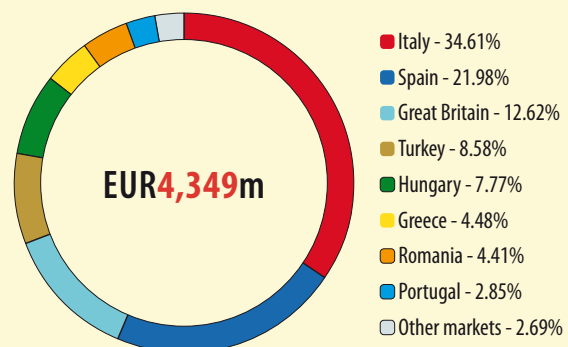
## Partnership with RENAULT DACIA in Romania

To diversify its distribution, the insurance group has signed an agreement with RENAULT DACIA in Romania, covering the distribution of its motor insurance through the company's dealerships in the country.

## Joint-Venture in China

On December 18<sup>th</sup>, 2010, the AVIC Group (Aviation Industry Corporation of China) and GROUPAMA signed an agreement to create a joint venture to develop its activities in the non-life sector in the People's Republic of China. The new company, whose creation is subject to approval by the authorities, will be held equally between AVIC and GROUPAMA. It will conduct its activities simultaneously in commercial, private and agricultural insurance.

### Territorial distribution of GWP on International Markets



# Significant growth in Central and Rest of Europe



In 2010, the underlying loss before tax was EUR519m compared with a loss of EUR202m in 2009. The operating result of insurance and investment management increased to EUR1.7bn from EUR1.4bn in 2009, mostly driven by higher investment margins and increased fees and premium-based revenues in life insurance and the investment management business.

The investment spread on life general account assets increased 10 basis points to 93 basis points in 2010, after cautious re-risking of the investment portfolios. The increase in operating income was partly offset by higher expenses. Operating results improved in nearly every business line, with the exception of Central and Rest of Europe given the harsh economic conditions; and in Investment Management following higher expenses related to the build-up of its global investment capabilities.

Total premium income decreased by 7.4% to EUR27.95bn most notably in the US and Benelux.

In Central and Rest of Europe, premiums increased by 5%, totaling more than EUR2.1bn. This region has produced more than 7.6% of total premiums made by the company.

Also, insurance business in Central and Rest of Europe presents solid growth opportunities with a market of approximately 220 million people and relatively low penetration rates for life insurance and pensions.

ING Insurance operates in Poland, Hungary, the Czech Republic, Slovakia, Romania, Bulgaria, Greece, Turkey and Spain.

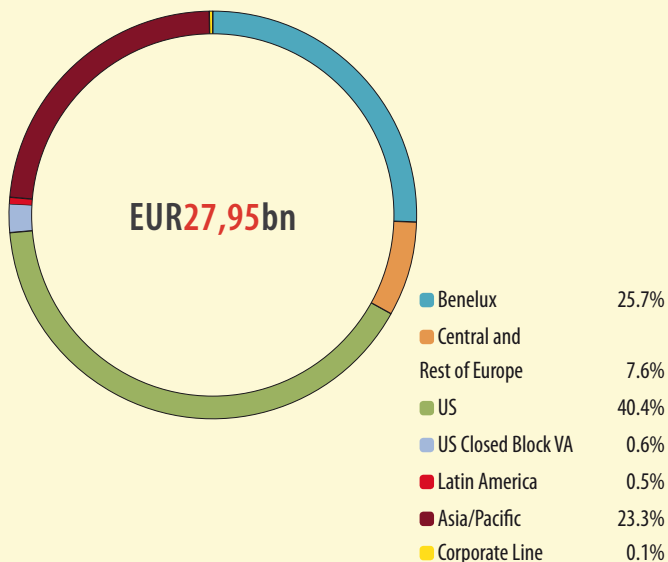
In 2010, the underlying result before tax of Insurance Central and Rest of Europe decreased by 12.7% to EUR254m from EUR291m in 2009. Gains and Losses on sales of securities and impairments were EUR-29m in 2010 compared to EUR-45million in 2009, mainly as a result of EUR10m lower impairments in Spain. Market and other impacts were EUR-10m as a result of the EUR10m prepaid capitalized commission write-off in the pension fund in Hungary. The operating result fell by 13.1% to EUR292m. The result was largely driven by a EUR26m lower technical margin and EUR20m lower fees and premium-based revenues. The EUR26million lower technical margin was largely driven by a release in the provision for rider reserves in Poland and Hungary in 2009 of EUR23m and to a lesser extent by a lower realized result on surrenders. Lower fees and premium-based revenues of EUR20m were largely driven by lower revenues in both the pension fund in Poland and the life company in the Czech Republic.

Source: www.ing.com

## Gross premium income by Regions (EUR m.)

Region	FY2010	FY2009	Change
Benelux	7,177	7,721	-7.05
Central and Rest of Europe	2,115	2,016	4.92
US	11,285	11,430	-1.27
US Closed Block Variable Annuity	676	2,382	-71.61
Latin America	161	161	-0.10
Asia/Pacific	6,506	6,422	1.31
Corporate Line	27	38	-30.04
<b>Total</b>	<b>27,947</b>	<b>30,170</b>	<b>-7.37</b>

## Distribution of gross premium income by Regions



## ING could list its insurance division on the Stock Exchange, starting 2012



Dutch financial group ING, also present in the Romanian market, estimates that it will list on the Stock Exchange one or more of its international insurance divisions, starting 2012. Also, ING is still in negotiations regarding the sale of its real estate investments division.

*I think next year this will be possible. Everything will depend on market conditions. We will analyze the situation and we will determine the extent of this process,* said Jan HOMMEN, CEO of ING. Company representatives said they were considering two possible IPO's: one in Europe and one in the United States of America, most likely in 2012.



# CEE generates about one third of insurance premiums

In 2010, the earned premiums in non-life insurance by KBC Group came to EUR1.9bn, virtually on a par with the year-earlier figure. Premium income increased again in Belgium, rising by 3% (not including SECURA, which was sold in 2010), whereas it fell slightly in Central and Eastern Europe. Storms and flooding in 2010 resulted in a relatively high claims burden, especially in Central and Eastern Europe, and pushed up the combined ratio for that region to 108%. The combined ratio in Belgium, by contrast, remained at an excellent 95%. As a result, the ratio for the group as a whole remained at 100% in 2010, in line with the previous year's figure.

Also, earned premiums in life insurance came to EUR2.7bn in 2010. In compliance with IFRS, this figure does not include certain types of life insurance (mostly unit-linked products). If the premium income from such products is included, premium income from the life insurance business totalled EUR4.6bn, comparable with the figure for 2009. Lower sales of guaranteed-rate products were offset by higher sales of unit-linked products. Overall, products offering guaranteed rates accounted for about 61% of premium income from the life insurance business, and unit-linked products for 39%. On December 31<sup>st</sup>, 2010, the group's total life reserves stood at EUR26bn (excluding VITIS Life). The Belgium Business Unit accounted for the bulk of that figure (83%), while the Central & Eastern Europe Business Unit was good for 8% (and the Group Centre for 9%).

In Central and Eastern Europe, earned insurance premiums amounted to EUR1.4bn, EUR568m of which related to life insurance and EUR792m to non-life insurance. Earned non-life insurance premiums were slightly lower than the previous year (-3% in organic terms), and were realised mainly in Poland (EUR472m) and the Czech Republic (EUR154m). Storms, floods and other factors in the region resulted in a relatively high combined ratio (108%) again in 2010. At 96%, the combined ratio in the Czech Republic remained below 100%, but the equivalent figures in the other countries exceeded that threshold. Earned life insurance premiums, including premiums on unit-linked life insurance (which, as required under IFRS, are not recognised under earned premiums), totalled EUR1bn, virtually the same as in 2009 on an organic basis (premiums earned from guaranteed-interest products went down, whereas those earned from unit-linked products went up). Once again, most of the premium income from life insurance was earned in Poland (EUR628m) and in the Czech Republic (EUR248m). At year-end, outstanding life reserves stood at approximately EUR2bn.

Source: [www.kbc.com](http://www.kbc.com)

## Earned premiums by Units according to IFRS (EUR m.)

Unit	Life	Non-life	Total
KBC Group	2,700	1,916	4,616
Belgium Unit	1,885	1,001	2,886
CEE Unit	568	792	1,360
Group Centre	247	123	370

## Bulgaria: CIBank and DZI Insurance are adopting the "Country team" model of European management

On March the 10<sup>th</sup>, 2011, CIBank and DZI, both members of the KBC Group, formed a council of common management "Country team" type. An identical model already exists in the Czech Republic, Poland, Hungary and Slovakia, following the whole KBC group strategy of consistency at the level of management structures.

Petir ANDRONOV, the current General Manager of CIBank, has been appointed as Country Manager for Bulgaria, his Deputy going to be Nedyalko CHANDAROV, currently CEO of DZI Insurance.

KBC Bulgaria group will consist of separate legal entities: the bank, the insurance company, the assets management company, the leasing company etc. *Adopting the "Country team" model in Bulgaria will help CIBank and DZI Insurance to form a solid management team and to create beneficial conditions for our employees, as well as for our clients and partners, stated Petir ANDRONOV.*

According to the statement of Nedyalko CHANDAROV, CEO, DZI Insurance, *this management model is a good start for achieving out common objective, that is: the development of the bankassurance model for the Bulgarian market.*



## Insurance main indicators of the CEE Unit

Country	Czech Republic	Slovakia	Hungary	Poland	Bulgaria	
Insurance company	CSOB Pojišťovna	CSOB Pojišťovna	K&H Insurance	WARTA	DZI Insurance	
Result after tax 2010 (EUR m.)	34	7	3	0	3	
Market share 2010 (%)	Life insurance	9	5	3	8	13
	Non-life insurance	5	2	4	9	12

## In the black

In 2010 the PZU Group wrote premiums of PLN14.5bn (EUR3.6bn). That was, in Polish currency, 1.3% more than last year. Also, the non-recurring events contributed to lower net earnings than in the previous year of PLN2.4bn (EUR0.6bn). The PZU Group paid claims worth PLN10.3bn (EUR2.6bn).

*The past year abounded in challenges: our IPO and restructuring coupled with massive flooding and a severe winter. With this in mind we are publishing our financial results with even greater satisfaction. The premium growth achieved in spite of restructuring our corporate insurance portfolio is a source of particular joy. We also cut administrative expenses as announced prior to our IPO, said Andrzej KLESYK, CEO of PZU SA.*

Gross written premium in 2010 amounted to PLN14.5bn (EUR3.6bn). The PLN181m (EUR45.4m) - 1.3% growth stemmed primarily from expanding group insurance and higher sales of single-premium endowments in the bancassurance channel (life insurance segment). In the non-life insurance segment, gross written premium remained constant at the 2009 level (+0.1%).

Income on investing activity in 2010 was PLN2.8bn (EUR0.7bn). The decline in net investment revenues by PLN534m (EUR133.8m) was primarily caused by lower interest income. The major factor driving lower revenues was the reduction in the size of the debt security portfolio stemming from the dividend disbursement at the end of November 2009 under the shareholder settlement.

Net claims paid grew in both business segments by PLN862m – EUR216m (9.1%).



In the life insurance segment this growth was primarily driven by the lower conversion rate of long-term policies into yearly renewable term insurance (lower release of mathematical reserves) and higher paid claims (mainly as a consequence of higher benefits paid in group protection business and continued business). In the non-life segment, the growth came as a result of significantly higher claims paid in property insurance, general TPL and agricultural insurance (heavy snow fall in Q1 2010 and flooding in Q2 2010).

Acquisition expenses in 2010 increased by PLN11m - EUR2.8m (0.6%) compared to 2009. This growth primarily resulted from changes in the sales area in the non-life segment related to restructuring the insu-

rance portfolio (growing the share held by products and distribution channels with higher margins) and from the changes implemented last year in sales network management. The decline in administrative expenses by PLN145m – EUR36.3m (-8.1%) was to a large extent the consequence of the restructuring measures taken by PZU Group companies, including the downsizing program in the head offices of PZU and PZU Życie carried out in the latter half of 2009. In 2010, the PZU Group continued the downsizing process launched one year earlier in the field units to streamline claims handling, centralize current policy administration and devise new customer service standards leading to a considerable reduction in fixed operating expenses. Moreover, the fixed expense optimization program implemented mid-year accrued positive effects at the PZU Group level, making it possible to cut expenditures in many areas, including administration (office materials, postal services), property management (space cleaning costs) and IT expenses.

### VIG and PZU are the ERSTE recommendations for investors

VIENNA Insurance Group and PZU are the companies with the highest potential for investors, according to a recently published ERSTE Group report. The report shows that VIG has great exposure to Central and Eastern Europe, occupying top position on the markets in Czech Republic, Slovakia, Romania and Bulgaria, besides the fact that it is the biggest Austrian company. VIG's strong points, in the specialists opinion, are the strong capitalization, with a solvency exceeding 200%, as well as the sums at its disposal for acquisitions, worth EUR1.2bn.

At the same time, Polish group PZU is an attractive objective for the investors due to strong capitalization and high value of its assets, and also due to its high profitability. The only negative aspects in the ERSTE report are the fact that PZU keeps on losing its market share in Poland and the fact that it does not try an extension in Central and Eastern Europe, region which has high development potential.

Source: [www.pzu.pl](http://www.pzu.pl)



## EUR43.2m profit before taxes

In the year 2010, despite the financial recession, the TRIGLAV Group conducted business well and created EUR26.6m of net profit, which, considering the loss of the preceding year, is an exceptional achievement that TRIGLAV Group reached through effective corporate management. In the previous year, TRIGLAV Group achieved EUR43.2m profit before taxes. The plans of TRIGLAV Group for the year 2011 are equally ambitious and forecast EUR54m of net profit.

With the assertion of the primary strategic direction – the maximization of operations profitability, the insurance company ZAVAROVALNICA TRIGLAV has achieved a net profit before taxes in the amount of EUR46.7m, while the net profit amounted to EUR32.1m.

Also, the net profitability of capital for the TRIGLAV Group thus increased from -1.3% in 2009 to 5.5% in 2010, while the profitability of capital for ZAVAROVALNICA TRIGLAV increased from -0.4% in 2009 to 6.7% in 2010. Even the combined ratio has

increased markedly in comparison with the preceding year, and amounts to 92% for the TRIGLAV Group, which represents a 12% decrease compared to the year prior.

In the preceding year, the insurance companies within TRIGLAV Group charged EUR1,013m of insurance premiums; of this, the parent company charged EUR721m. For the first time in history, in the year 2010 the principal activity became profitable.

Within the TRIGLAV Group Strategy leading up to 2013, strategic goals and projects which the Group wishes to realize in this period and for which additional sources of capital will have to be ensured, as well as potential sources of capital provided are defined.

Source: [www.zav-triglav.si](http://www.zav-triglav.si)

### Expansion in Romania, Bulgaria and Turkey?

ZAVAROVALNICA TRIGLAV wants to sell 3.3 million shares on the Warsaw Stock Exchange to obtain necessary financing to expand in Romania, Bulgaria and Turkey, according to statements by Matjaz RAKOVEC, CEO of the company, quoted by DNEVNIK. *The process has already begun and we are looking for consultants for the sale of shares, its completion being expected in July*, said Matjaz RAKOVEC.

TRIGLAV strategy, to expand its operations in the Balkans, to provide products and financial and insurance services, has worked in recent years. Thus, the Slovenian group is present in eight countries in the region, is the market leader in Slovenia, Montenegro and Macedonia and now has plans to enter the insurance markets in Romania, Bulgaria and Turkey. The eight countries where TRIGLAV is running operations are Slovenia, Croatia, Bosnia-Herzegovina, Montenegro, Serbia, Macedonia and Albania.

### Strengthening presence in Albania

The end of 2010 had scheduled the signing of the agreement regarding the acquisition of the Albanian insurance company ALBSIG by TRIGLAV. So far, TRIGLAV held 9.9 percent of the ALBSIG shares, but *this figure will be increased to at least 50% in the next period*, according to Slovenian publication FINANCE. According to local media, from an economic point of view, the cooperation between the two countries is modest, in the first eight months of this year Slovenian exports to Albania amounting to EUR26m and imports - to EUR400m. The Slovenian delegation that traveled to Tirana was comprised of many businessmen, headed by the Prime Minister, Borut PAHOR, as he also inaugurated the Embassy of Slovenia in Tirana. Among the businessmen present, Matjaz RAKOVEC, CEO, Zavarovalnica TRIGLAV, was also included.



# Over EUR6bn in premiums for the first time



With an increase in premium volume written of 8.4%, to EUR6.2bn – according to preliminary data -, the UNIQA Group was able to drive growth forward significantly in 2010 and continue the positive trend. This far-reaching strengthening of market position in almost all markets also entailed a significant improvement in profit. The Group pre-tax results, according to preliminary data, will lie between EUR135m and EUR140m.

Life insurance achieved the strongest growth, with a 12.9% increase in premiums, to EUR2.7bn. In property and casualty insurance, the UNIQA Group achieved a gain of 5.9% with a premium volume of EUR2.6bn. In health insurance, the Group experienced growth of 3.8% on year-end premium volume written of EUR973m.

By regions, in the Eastern and South Eastern European markets, the UNIQA Group managed to increase premium volume written by an impressive 12.7% to EUR1.3bn, despite the lingering negative effects of the financial crisis. With the exception of Romania, where premium volume was reduced in the course of portfolio streamlining and corporate restructuring, the UNIQA companies in all of the Eastern and South Eastern European countries managed to generate double-digit premium growth. In the property and casualty insurance area, which continued to dominate these markets, UNIQA company premiums grew by 13.0% to EUR823m. An improved demand situation and the Preferred Partnership with the local RAIFFEISEN banks translated into premium growth in life insurance by 11.6% to EUR456m, with single premiums increasing significantly more than recurring premiums. In health insurance, premiums in this region rose by 28.0% to EUR18m.

The UNIQA companies in Western Europe increased premium volume written by 31.5% and contributed with EUR1.1bn to Group premiums. Life insurance premiums in this region increased by 82.2% to EUR526m due to the extraordinary demand situation in Italy and strengthened sales cooperation with VENETO Banca. Yet increases in health insurance (+9.2% to EUR163m), as well as property and casualty insurance (+2.7% to EUR402m) were also very remarkable in these highly developed markets.

In Austria, in property and casualty insurance, the UNIQA Group was successful in outperforming the market trend and increasing premium volume written by 2.9% to EUR1.4bn. There was significant above-average growth particularly in the industrial and large-scale sector. Premium developments in motor vehicle insurance and in general business were also better than the market average. In life insurance, declines in classic single premiums were more than balanced out by strong growth (+4.4%) in recurring premiums. All told, the Austrian companies of the UNIQA Group in life insurance generated a premium of EUR1.7bn (+1.1%). Unit- and index-linked products also proved to be

## Numerous Management Board starting July 2011

The Supervisory Board of UNIQA Versicherungen AG decided at the meeting of November 23<sup>rd</sup>, 2010 to expand the Management Board of UNIQA Versicherungen AG to include Hartwig LÖGER, Wolfgang KINDL and Kurt SVOBODA as of July 1<sup>st</sup>, 2011.

As of July 1<sup>st</sup>, 2011, the date on which the chairmanship of the Board is handed over from Konstantin KLIEN to Andreas BRANDSTETTER, the Management Board team at UNIQA Versicherungen AG will receive three more experienced insurance experts in addition to previous members, Andreas BRANDSTETTER, Hannes BOGNER, Karl UNGER and Gottfried WANITSCHKEK.

strong growth drivers in recurring premiums. In health insurance, premium volume written increased by 2.3% to EUR791m. Overall, the UNIQA's Group companies in Austria generated an increase of 3.3% in recurring premiums. Total premium volume written (recurring and single premiums) climbed by 2.0% to EUR3.8m.

Source: [www.uniqagroup.com](http://www.uniqagroup.com)



Distribution of GWP in 2010 (EUR m.)

Business line/ Region	Western European markets	Eastern and South-Eastern Europe	Austria	TOTAL
TOTAL GWP	1,092	1,297	3,830	6,219
Life	526	456	1,677	2,659
Property/Casualty	402	823	1,362	2,587
Health	163	18	791	973



VIENNA INSURANCE GROUP

## Premiums raised by 7.2%

VIENNA Insurance Group achieved premiums written totalling about EUR8.6bn in the past financial year 2010. This corresponds to an increase of 7.2%. In the property/casualty insurance segment, premiums totalling EUR4.4bn were written, corresponding to an increase of 3.4%. With premiums amounting to EUR3.9bn, the VIG companies reported a plus of 11.8% on the life insurance segment. On the health insurance segment, VIG reported an increase of 5.2%, with premiums written amounting to EUR338.2m.

*In 2010, VIG exceeded the planned targets once more. Our focus on earnings-oriented growth and on efficiency gains is reflected in a significant increase of the profit (before taxes) to almost EUR508m – this result was achieved despite the heavy burden caused by natural catastrophes, stated Günter GEYER, CEO of VIENNA Insurance Group.*

The Group profit before taxes amounted to EUR507.8m in 2010. Hence, the Group exceeded the result for the year 2009 by 15.1%. The combined ratio after reinsurance (without taking into account investment income) was 98.4% in 2010. This means that the Group succeeded in keeping it clearly below the 100-percent threshold despite the heavy burden caused by natural disasters. Also, the financial result for the year 2010 increased to EUR1.1bn (by 20.2% compared to 2009). The investments amounted to EUR28.2bn as of December 31<sup>st</sup>, 2010, growing by 8.7% compared to December 31<sup>st</sup>, 2009.

Source: www.vig.com

### New logo

The VIENNA Insurance Group AG Wiener Versicherung Gruppe is recreating its identity and presenting itself with a new corporate logo. *After a comprehensive restructuring, the VIENNA Insurance Group can now also communicate its organization as a financially strong Group holding, by means of a modern logo, stated VIG officials.*

*With our new logo, we are clearly positioning the VIENNA Insurance Group as a recognisable holding in our corporate family. After introducing the new corporate structure, to change our public image was the next logical step. The new corporate logo symbolises the strength and innovation capacity of an international insurance group, is how CEO Günter GEYER explains the redesign.*

### First quick repair shop in Romania

On the 28<sup>th</sup> of February 2011, OMNIASIG VIG, together with its partner, PILKINGTON - Windscreen-center, inaugurated, officially, the working point PILKINGTON Bucuresti-Grivitei, located inside the OMNIASIG Claims Center. *OMNIASIG wants to provide additional facilities and high quality services, while also reducing time to repair and to establish the claims. Today's event and the partnership with PILKINGTON come to reconfirm our customer orientation and our willingness to meet its needs, said, in the press conference, Constantin TOMA, President, OMNIASIG VIG.*

### VIENNA Insurance Group by region

Country	Total GWP (EUR m.)	Life GWP (EUR m.)	Non-life GWP (EUR m.)	Market position	Market share	Employees
Austria	4.041,14	2.146,70	1.894,44	1 <sup>st</sup> place	24,1%	6.493
Czech Republic	1.756,54	752,19	1.004,35	2 <sup>nd</sup> place	30,7%	4.913
Slovakia	647,87	340,89	306,98	1 <sup>st</sup> place	31,9%	1.572
Poland	747,69	188,25	559,44	NL: 3 <sup>rd</sup> place	NL:9.8%	1.902
Romania	528,05	93,16	434,89	1 <sup>st</sup> place	26,9%	4.383
Remaining Markets	871,72	383,63	488,10			5.743
Albania	16,18	-	16,18	2 <sup>nd</sup> place	23,7%	343
Baltic States	17,03	17,03	-	L:6 <sup>th</sup> place	L:4.6%	107
Bulgaria	127,05	13,56	113,50	1 <sup>st</sup> place	17,6%	753
Germany	137,41	64,24	73,17	-	-	105
Georgia	20,54	-	20,54	1 <sup>st</sup> place	25,5%	368
Croatia	104,82	61,31	43,51	4 <sup>th</sup> place	8,6%	1.003
Liechtenstein	118,85	118,85	-	-	-	11
Macedonia	6,12	-	6,12	8 <sup>th</sup> place	5,8%	87
Serbia	53,42	22,87	30,55	4 <sup>th</sup> place	7,7%	1.050
Turkey	97,01	-	97,01	12 <sup>th</sup> place	1,8%	262
Ukraine	43,34	1,51	41,83	4 <sup>th</sup> place	3,0%	1.363
Hungary	129,95	84,26	45,69	7 <sup>th</sup> place	4,4%	291

Market share and market position: status as of 2010 (Poland, Romania, Baltic States, Bulgaria, Georgia, Serbia and Ukraine: status as of 9M 2010)

The CEE markets of Montenegro, Russia and Belarus were not yet included in the scope of consolidation of the VIENNA Insurance Group 2010.

There are branch offices in Italy and Slovenia.

# Good start in 2011

According to preliminary estimates, the total amount of receipts of INGO Group companies reached approximately RUB18.0bn (EUR0.45bn) in Q1/2011, which is 5.2% higher than the same indicator of the previous year. The payments for the reporting period amount to RUB11.8bn (EUR0.3bn), which is 4.9% less than the same indicator in 2010. The results cumulate the business of all subsidiaries of INGOSSTRAXH Group present in Russia, Ukraine, Belarus, Armenia, Kyrgyz Republic and Uzbekistan.

The aggregate amount of the premium of Russian companies of INGO Group on direct insurance operations and risks accepted for reinsurance in Q1/2011 amounted to RUB17.3bn (EUR0.43bn), which is 5.6% higher than the same indicator for the previous period of 2010. The payments of companies of the Russian group for Q1/2011 amounted to RUB11.5bn (EUR0.29bn), which is 3.4% less than for Q1/2010.

In the reporting period, the assets of Russian INGO Group companies amounted to RUB72.4bn (EUR1.8bn). Also, the reserves amount to RUB47.1bn (EUR1.18bn). The equity as of 1.04.2011 reached RUB18.9bn (EUR0.47bn), which is 19.7% more than the same indicator as of 1.04.2010. Pretax profit of these companies at the end of Q1/2011 amounted to RUB1.5bn (EUR0.04bn) by preliminary estimates, which is 60% more than in the first three months of the previous year.

The aggregate amount of premium collected by INGOSSTRAXH OJSIC (INGOSSTRAXH Insurance Company) in Q1/2011 amounts to RUB11.5bn (EUR0.29bn), which is 4.6% more than the amount of the same period of 2010. In particular, RUB10.6bn (EUR0.27bn) was obtained from direct insurance operations and RUB0.9bn (EUR0.02bn) represented incomes from reinsurance operations. Also, the company incomes from voluntary insurance other

## INGOSSTRAXH won the Award "Financial Pearl of Russia 2010"

INGOSSTRAXH won the Third Annual Public Contest (award) "Financial Pearl of Russia 2010" (Best Financial Services for Individuals) organized by the Family Budget magazine. The editorial staff of the magazine counted the votes of its readers, visitors of the 7budget.ru web-site and expert council members. INGOSSTRAXH won "The Widest Range of Insurance Services" award. This is the second "Financial Pearl" award of the insurance company, as the first one was received by it in 2008, when the company won "The Best Motor-Insurance Products" award. *This award is important first of all because the winners are selected by readers' vote*, comments Ilya SOLOMATIN, Vice President of INGOSSTRAXH.

than life insurance reached RUB10.1bn (EUR0.25bn), including incomes from personal insurance that reached RUB1.9bn (EUR0.05bn), property insurance - RUB7.3bn (EUR0.18bn), voluntary liability insurance - RUB0.9bn (EUR0.02bn).

The aggregate amount of INGOSSTRAXH OJSIC payments in Q1/2011 reached RUB7.2bn (EUR0.18bn), which is 6% less in comparison with Q1/2010.

Source: [www.ingos.ru](http://www.ingos.ru)

## Largest insurance indemnities in last five years

YEAR	INSURED RISK	USD
2011	The collision of the "Agios Vartholomeos" motor boat on the port crane and port mooring. The incident took place in the course of mooring operations in the port of Dammam, Saudi Arabia.	3,200,000
2010	Damage to the main engine of the Normandic motor ship. The vessel was insured by INGOSSTRAXH OJSIC under the policy of hull insurance, including the risk of loss of freight.	1,106,056
2010	The partial loss of the Indonesian communication satellite PALAPA D as a result of failed launch of the Chinese Long March 3B carrier rocket due to a third stage launcher engine failure, and putting KA into a lower transfer orbit.	2,200,000
2009	The fire at the Snezhnaya Koroleva warehouse on the night of December 25 to 26, 2008.	5,760,000
2009	The fire on the premises of LOMO (OJSC) occurring as a result of emergency operation of electric equipment.	3,775,000
2009	The Atlantic Leader vessel main engine damage.	930,404
2009	Partial loss of Ekspress-AM2 space vehicle of FSUE Kosmicheskaya Svyaz, caused by abnormal functioning of solar batteries.	34,216,685
2009	St. Stephan motor ship main engine damage.	843,500
2009	Partial loss of summer wheat crop of agricultural CJSC Primorsky (Nukutsky District, Irkutsk Region).	605,620
2008	Total loss of Neftegaz-67 consort ship.	3,500,000
2008	Total loss of Rezzak ship.	2,700,000
2008	Collision of Dobrush motor ship.	2,200,000
2008	Loss of trade stock of OOO Proddostavka caused by fire.	1,700,000
2008	Fire in OOO Kora-TK shopping center in Leninsk-Kuznetsky, Kemerovo Region.	1,289,000
2008	Explosion in main building of polyethylene compressor production unit of OAO SIBUR-Holding (OOO Tomskneftehim affiliate) caused by discharge of ethylene into atmosphere at adverse weather conditions. Reinsurance payment to the amount of INGOSSTRAXH's participation.	1,049,530
2008	Fire damage to building and equipment of Rubezhansky Paperboard Mill. Reinsurance payment to the amount of INGOSSTRAXH's participation.	695,563
2008	Loss of agricultural crop of OOO Tsyml'yanskoe (Razgulyay Group of Companies) caused by drought.	500,000
2007	Loss of trade stock caused by fire in OOO Vestel CIS TV-set plant in Aleksandrov, Vladimir Region.	1,500,000
2007	Bilge and propeller blade damage of APL CORONADO caused by bottom graze.	880,000
2007	Total Loss of the Phoenix.	800,000





## Increase on Russian market

ROSGOSSTRACH Group Russia has underwritten, in 2010, gross premiums worth EUR2bn, up 20% compared to the level achieved in 2009, while the insurer paid claims amounting to EUR1.1bn.

On insurance classes, the property segment reached EUR311.7m (up by 18%). As for personal insurance and MTLP segments, the increase was significant here, too - of 39% (EUR160m) and, respectively, of 13% (EUR730m) in comparison with the corresponding period of 2009.

Altogether, in 2010, voluntary Motor Hull insurance, both for individuals and for legal persons, has cumulated a total volume of underwritings of EUR477m, up by 25% compared to 2009.

RGS-Life, the life insurance division of ROSGOSSTRACH Group, registered the best results in the entire Russian group, the life segment reaching EUR86m (+67% in comparison with 2009).

S.A. ROSGOSSTRACH, ROSGOSSTRACH LLC, RGS-Life and RGS-Medicina are also part of ROSGOSSTRACH Group Russia.

Source: [www.rgs.ru](http://www.rgs.ru)

### Republic of Moldova: MOLDASIG was awarded the "Gold Medal"

In February 2011, MOLDASIG, subsidiary of ROSGOSSTRACH Group in Moldova, was awarded the gold medal in the "Profi" nomination, category "Financial Institutions. Products and Services", during the contest "The Commercial Brand of the year 2010".

It is the fifth year when MOLDASIG wins this award. MOLDASIG is the largest insurance company in the Republic of Moldova, ending 2010 on the first position of the ranking based on the criterion of gross written premiums: EUR16m, equivalent to a market share of around 29%.

### The company's Facebook page has been awarded

As part of the 8<sup>th</sup> edition of the International Conference *The role of corporate and media communication networks in the strategic management of the company*, the insurer ROSGOSSTRACH has been awarded, in the "Best Corporate Media 2001" category, the "Corporate Social Networks" prize.

This award comes as a result of increased public interest in the company's Facebook page, of the new site officially launched in autumn 2009, as well as of the activity of promoting products and services on the [www.RGSblog.ru](http://www.RGSblog.ru) blog, and through other social networks such as Twitter and LiveJournal. In addition, management is concerned about the image of the insurance company on insurance specialized web-portals ([ProStrahovanie.ru](http://ProStrahovanie.ru), [711.ru](http://711.ru) etc.).

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During 28<sup>th</sup>-29<sup>th</sup> of March 2011, in Istanbul, the inaugural edition of IIMC - The International Insurance Mediation Conference took place. Representatives of 16 insurance markets in the European Union, CIS and the Middle East responded this year to the invitation launched by Media XPRIMM in collaboration with Istanbul Underwriting Center, participating in a lively debate on the latest issues in the field.



March 28<sup>th</sup>-29<sup>th</sup>, 2011

Grand Hyatt Hotel, Istanbul, Turkey



# A business bridge over Bosphorus

## ORGANIZERS

Media XPRIMM  
Istanbul Underwriting Center

Istanbul - a fairy tale city, placed where Europe and Asia meet, over the deep blue waters of the Bosphorus; a city which, by its location, diversity and history represents a true bridge between East and West; a city in which not only two spectacular bridges and the over 90 air routes that make the Turkish capital one of the most easily accessible destinations in the world, but also a whole cultural, political and economical "inheritance" unite Europe and Asia; a city whose name has been for centuries synonymous with the idea of trade, business and negotiation. In short, the ideal location for an event equally addressed to the European and Asian insurance markets. This is the place chosen by the organizers of IIMC 2011 - Media XPRIMM and Istanbul Underwriting Center (IUC) - to set the foundation of a new mean of communication in the insurance world.

Conceived as a bridge between European and Asian insurance markets, IIMC is centered on the issue of insurance distribution, targeting both professionals in insurance and reinsurance brokerage, as well as their main business partners, insurance

and reinsurance companies. Professional associations, specialized companies, representatives of the supervisors, but also of the insurance consumers' interests, the specialty press and theorists of the field are the target audience for this event. Representatives of all these types of entities arrived from Austria, Belarus, Bulgaria, Croatia, Dubai, Germany, Greece, Lebanon, Kazakhstan, Macedonia, Malta, United Kingdom, Romania, Russia, Syria and Turkey were both the public and the actors of the 2011 Edition of IIMC.

## Crisis – a "live" stress-test

The first session of discussions was focused primarily on analysis of how one of the most painful lessons in the world of finance - the financial crisis of 2008 and the recession that followed - has affected the development of insurance.

In a purely academic approach, the presentation of Dr. Fuat ERDAL, Director of Insurance Training Center and associate professor at Istanbul Technical University, began by noticing



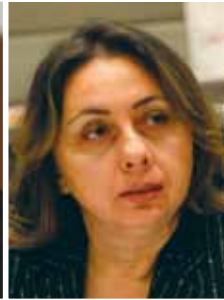
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that, unlike other financial markets, such as banking or capital, the insurance market is still too little analyzed concerning the subsequent relation between economic cycles and the dynamic of insurance. Even in the rare studies on this subject, the sense of the causality between economic growth and insurance is not clearly defined. Overlapping the insurance market statistics with those of the overall economic development and using specific methods of mathematical analysis, Professor ERDAL presented to the IIMC participants some relevant conclusions:

- Relationship between economic growth and insurance is always positive;
- Causality is usually bi-directional;
- Relationship is positive and significant for total premiums, non-life, accident and fire insurance, but insignificant for life, agriculture, transport and engineering insurances;



**I expect the insurance markets to grow faster than the economies they are part of.**

**Fuat ERDAL**  
Director, Insurance Training Center

■ Influence of insurance premium on growth is greater in terms of magnitude of the coefficients when compared to the influence of growth on insurance:

■ On average, if insurance premiums grow 1%, economy will grow 0.25%;

■ If economy grows 1%, insurance income will grow 1.5% to 2.5%;

■ Insurance demand is more reactive to changes in the economy in "good days", however has relatively limited reaction to changes in the economy in "bad days".

In practical terms, the expectations of Professor ERDAL regarding the future development of the insurance market are optimistic: *The studies that I've done lead me to believe that shortly after the economy regains an upward trend, the insurance industry will return to highly positive dynamics. I expect the insurance markets to grow faster than the economies they are part of.* Theoretical conclusions of this study were also validated by analysis of Violeta CIUREL, President of AXA Asigurari de Viata Romania, from the perspective of the practitioner, of the manager with a strategic vision regarding insurance. *Insurance industry has a stabilizing role upon the financial sector, thanks to its prudential, long-term oriented investment policies. Furthermore, it is not bearing any systemic risk, she explained, pointing out that, at global level, financial losses suffered by the insurance industry represented about less than a quarter of those of the banking sector.*

As for the future and the crisis lessons, *it is the time to go for*



new strategies for insurers, concluded Mrs. CIUREL. We have to protect the company financial position and the existing portfolio, intensify the client communication, maintain the operational control mechanisms to prevent financial crime and fraud that can increase during the crisis time, as well as to set up adequate reserves for the longevity risk and adequate measurements of integrated risk management, as Solvency II, together with a better corporate governance, she explained.

## IMD2 – his majesty, the consumer

For European insurance brokers, 2010 meant, besides the crisis and its challenges, also the start of an European approach that could strongly influence the future development of insurance mediation activity: the review of IMD - Insurance Mediation Directive.



**The global insurance industry has lost about USD261bn, about a quarter of the financial sector losses.**

Violeta CIUREL  
President, AXA Romania

Launched in 2002, with deadline for implementation in the EU Member States until 2005, IMD is a simple Directive, of "minimum harmonization". The assessment study on the implementation of IMD, ran by the European Commission in 2009, shows that there are great differences in how the Directive has been transposed into Member States legislation, which creates obvious obstacles in establishing the single market.



**Now the concepts and the directions that will be the basis for IMD2 are being shaped.**

Dieter PSCHIEDL  
VVO representative at the EU

Not less important, experience has shown that, on one hand, the IMD text includes a number of uncertainties and, on the other hand, it leaves uncovered certain aspects of intermediaries activity. As a result, in January 2010, the European Commission sent to a large number of interested European entities a call for advise on the question of revising IMD, following that the collected opinions be the basis for the new version of the Directive, IMD2.

What are the raised issues subjected to debate? Not few, but the most important ones relate mainly to the scope of the Directive, to the potential conflicts of interest - with an emphasis on transparency and on the issue of remuneration of intermediaries - and to the quality of information provided to the customer. *We have at this moment the first conclusions of the consultancy and negotiation process, but we must be aware that we are still far from knowing what provisions will be included, finally, in the new Directive. As for its entry into force, we consider a time horizon of about 4-5 years. However, it is not premature to debate now the issues to be covered by the new Directive; on the contrary, we should discuss them, because now there are being shaped the concepts and the directions that will be the basis for IMD2. The next years will represent only routine of the legislative process,* said Dieter PSCHIEDL, representative of the Austrian insurers association, VVO, at the European Union.

It is worth noting, from the beginning, that the major objectives of IMD review cover two areas of interest: insurance market – for which creating a real level playing field is intended - and consumers, to the benefit of whom the authorities seek to ensure an appropriate regime of transparency and information. *Better regulation makes markets work better for consumers AND industry,* said Mick McATEER, Director, The Financial Inclusion Centre (FIC) and President, European Commission Financial Services User Group. Speaking from the position of organizations representing the interests of consumers, he explained that, currently, buyers of insurance products do not sufficiently perceive the risks, costs and characteristics of these products. As a result, *the review focuses on quality of information to consumer, as well as on ways used by intermediaries to identify the level of financial information and the insurance needs of clients.* The purpose is that, at the level of each insurance market, *the supervisory authorities ensure that consumers receive clear, relevant information post-sale, not just pre-sale and at the point of sale,* McATEER added.

On the other hand, the mediation of insurance products may be subject to significant conflicts of interest. According to FIC Director, in many insurance markets in the European area, commission driven sales are the root cause of most mis-selling scandals and they can only be solved either by a robust regulatory response, forcing the insurers to a very clear statement of the position they have in relation with the insurer whose products they recommend, or by adopting a fee based system, of fees to be paid by the client and not by the insurance provider.

*It must be very clear, however, that there is no intention of imposing one or the other remuneration model to the member states,* has undelined Dieter PSCHIEDL. *Each country remains free to*





**Consumers must receive clear information about insurance products.**

**Mick McATEER**  
 Director, The Financial Inclusion Centre  
 President, EC Financial Services User Group



**Samim UNAN**  
 President  
 AIDA



**George KARAVIAS**  
 President  
 HIBA



**George KOUTINAS**  
 CEO  
 KOUTINAS Brokers

*use its preferred system, complying to the minimum transparency requirements that protect customers interests, but we must find a way that these systems can coexist, so that different regulations of these issues on the EU markets not to be a barrier to the development of the single market, based on freedom of services principle.*

Finally, a number of improvements are absolutely necessary, in terms of scope of the Directive. Thus, the very wide diversity, on European scale, of the existent types of mediation makes the preferred solution so far be that of an activity-based Directive, under the circumstances in which IMD2 will propose a more comprehensive and clear definition of activities that fall under its incidence. Special attention is paid to certain distribution channels that have not been taken into account in IMD1: internet sale - websites offering products and prices comparisons, the sale of policies through motor dealers or in association with certain bank loans, direct sales networks of insurers etc. *Consumers protection should function the same, irrespective of the type of salesman they come in relationship with,* explained Samin UNAN, President, Consumer Protection and Dispute Resolution Working Party, AIDA. *Most likely, he explained, the inclusion of these sales channels will be done differently. For example, specialized websites will be within the scope of IMD2 if their visitors have the possibility, at the end of the price comparison, to buy an online insurance, paying the policy. As for direct sales, they will have to comply with the requirements of transparency and of providing information to consumers, but employees of insurance companies will not be forced to register according to the Directive's requirements.*

**Turkey, an “emotional” market...**

Professional gatherings are meant not only to provide useful “last hour” knowledge in the firms, but also to offer the opportunity of a closer contact between the regional markets’ players. Keeping this in mind, the IIMC 2011 organizers kept a large section opened to the market presentations.

For any insurer interested in working in the Turkish market, one of the conditions of success is to understand the brokerage market in this country and how the interaction with customers takes place. Turkish people are “emotional” buyers and prefer to have a direct relationship with the seller, often based on friendship. Therefore, success in insurance distribution in Turkey is conditioned by building a strong relationship with the client, where trust is the basic component, to which a sustained post-sale communication and a permanent adapting of “the sale and the seller” to the individual needs of the client are added, showed Jetse de VRIES, CEO, ING Emeklilik. This explains, for example, why, although bancassurance distribution has gained ground in recent years in life insurance selling and came to dominate this segment, with a share of almost 70% of the written premiums volume, the agents still remain the sellers with the best results in terms of customer retention, with the best persistency of contracts and with the highest efficiency in cross and up-selling. Banks manage to effectively capitalize on the extensive networks and the large





**The coverage degree of the brokerage market in total underwritings reached 38%, which is superior to that recorded before the crisis.**

**Bogdan ANDRIESCU**  
Preşedinte, UNSICAR

volume of information about the clients they hold, registering an "extensive" increase, but customer retention is lower and the number of cancelled contracts is significantly higher than in the case of policies sold by agents.

On the non-life segment, the balance clearly enclines in favor of the agents, through which about 70% of annual volume of premiums is underwritten. According to data presented by Menekşe UCAROGLU, General Manager, IUC, the share of underwritings by agents has remained almost unchanged, except for accidents and health insurance classes, where banks have managed to win a few percent of the market portfolio by selling very simple products.

Another characteristic feature of the Turkish market is the "ambiguity" of the differentiation between agents and brokers. *On the Turkish market, there is a substantial difference compared to European markets, where the agents clearly represent the insurer, while brokers represent the interests of customers, explained Mrs. UCAROGLU. Here, agents also act as representatives of customers, so we can say that, except for a reduced sales force consisting of employees of banks and insurers, everybody represents the client. Moreover, agents have the possibility, like brokers, to offer products of several insurers. As a result, the differences between brokers and agents are quite unclear and they are rather referring to the size of the company and to the stated level of competence than to the services themselves, the IUC official stated. So, in the market structure, out of the 84 brokerage companies registered as such, only a quarter are brokerage companies in the true sense of the word, either branches of big international brokers like MARSH and AON etc., or local companies acting by international standards. The rest of the brokers are, in fact, larger sized agents which, under pressure from competition, decided it would be useful to register as insurance brokers, to take advantage of the better image that they have among customers, in terms of competency and complexity of offered services. It is no exaggeration to say that Turkey is an insurance market in which agents have an essential role, both due to their large number - more than 16,000 registered agents - and due to the level of communication with customers, concluded Menekşe UCAROGLU.*

### Romania and Greece, sailing on the crisis troubled waters

*In 2010, the brokerage market maintained at the 2009 level, of EUR758m, as the negative effects of the financial crisis where mostly felt by insurance companies, said Bogdan ANDRIESCU, President of UNSICAR. However, despite prolonged unfavorable economic conditions and decreasing business registered by a significant number of players in the insurance market, the degree of coverage of the brokerage market in total underwritings reached 38%, which is superior to that recorded before the crisis, of 30%, in 2008, emphasized the President of the professional association of insurance brokers in Romania.*



**Turkish clients prefer to have a direct relationship with the seller, often based on friendship.**

**Jetse de VRIES**  
CEO, ING Emeklilik

Basically, we can estimate that the new economic conditions that have had a negative impact on the insurance companies did not have a major effect upon the insurance brokerage market, as it managed to withstand and adapt to the current situation, by the orientation to retail and to other types of insurance than motor ones. Thus, *the only segment in the portfolio of the brokerage market that experienced declines was Motor Hull, market segment which has been severely affected by the enormous decrease of the leasing market, especially of financing for cars: from EUR3.4bn in 2008, to EUR712m at the end of 2010, added the President of UNSICAR.*

As far as the Greek market is concerned, *insurance brokers play*

a key role in the market, stated George KARAVIAS, President of Hellenic Insurance Brokers Association (HIBA). Their mission is to seek insurance solutions in the domestic and international market, and, each time, to incorporate into contracts the types of coverage that provide the greatest benefits to policyholders. The strong points of insurance brokers include: their thorough training, the specialization of their knowledge, their access to foreign markets and the fact that they can provide a range of proposals from different companies, with a wide range of coverage types and premiums. It is no coincidence that, in Greece, the participation of insurance brokers in the annual industry output increases year by year, he added.

KARAVIAS also explained that here are many Greek brokerage companies that, long before the crisis, dared to turn to other markets. Greek brokers already operate in markets such as Romania, Egypt, Serbia, while my sources support that we should expect further growth. Their successful efforts will continue, especially now. We will also see, for sure, foreign brokers entering the Greek market. Undoubtedly, in a few months, Greece will be an attractive business "destination" for insurance brokers from other countries. the HIBA president concluded.

### A successful debut...

An excellent opportunity to really understand what the challenges are, in the insurance brokerage business in the markets of the region - this is how the inaugural edition of IIMC - The International Insurance Mediation Conference was defined by most of the participants. A variety of opinions, a dynamic and communicative audience, three well-known moderators - Violeta CIUREL, CEO, AXA Asigurari de Viata Romania, Romeo JANTEA, Managing Partner, INSURANCE Training&Consulting, Ahmet CELEBILER, Member of the Board, Insurance Practitioner's Association -, a generous thematic and a charming location - these are, in short, the components of an event which deserves to become a tradition.

The two partners of IIMC present in Istanbul summarized the benefits and points of interest: The crisis has affected differently the regional markets and it can be said that the Turkish market has not been affected almost at all. This shows us once again how important it is to know as well as possible the markets in that area, to be in permanent contact with them, to understand their mechanisms and distinctive features, so that we can effectively exploit the opportunities they offer. This is the main reason why CERTASIG, which is already present in the Turkish market, has supported this event with great interest, as it seems extremely useful, not only for insurance intermediaries, but also for insurance companies, stated James GRINDLEY, CEO, CERTASIG.

I think the first good news of this event is the clear interest it has raised: I mean by this that there is a genuine interest for cooperation in the region, that our markets are interesting for actors from other parts of the world and that there is, also, a serious concern for the future of our profession, of insurance intermediaries, concluded Ionel DIMA, Vice President, AVUS International.

As for a general conclusion of the 2011 edition of IIMC, Bogdan ANDRIESCU, President of UNSICAR, said: The markets in our region have many common points, both positive and negative. It's good that all these markets have huge growth potential, which also leaves a very generous development path for insurance mediation activity. Not so good is that, especially now, following the crisis, these markets still have potential customers with low purchasing power and with insufficient financial education. On the other hand, the governors of the countries in the region do not seem to want to encourage the development in this area, even if the existence of a strong insurance market represents, implicitly, the existence of a diversity of active forms of financial protection of the population, thus a clear social advantage.



**We must understand the markets in the region, so that we can effectively exploit the opportunities they offer.**

James GRINDLEY  
CEO, CERTASIG



### Participants about

## IIMC 2011

IIMC was not only an extremely useful event, but also a very pleasant one. I think you are doing a remarkable thing for the entire region.

Anelia ANGELOVA  
VIARA Insurance Broker, Bulgaria

IIMC has given me the opportunity to learn many new things about insurance markets I had not known so well before.

Mick McATEER  
Director, Financial Inclusion Center, United Kingdom

I am very pleased to have participated in this forum, which has also given me the chance to better understand the opportunities, and also the difficulties in the Eastern markets.

Sean AGIUS  
President, Association of Insurance Brokers of Malta

I congratulate you on the idea of organizing this conference, as well as for the professionalism of the team. We had many useful contacts and I had the opportunity of a very productive exchange of opinions. Our region certainly needs such an event.

George KOUTINAS  
CEO, KOUTINAS Insurance Broker, Grecia



# The Insurance Market Awards

granted by **PRIMM** Magazine

Recognition of performance and achievements in 2010 were the coordinates for the 11th edition of the Insurance Market Awards Gala. Especially after a year that ended in the red, the performances of the insurers are so much more valuable. Numerous leaders and specialists have had the opportunity to thank all those who helped them overcome another difficult year. Over 350 guests attended the event that, for eleven years, has been offering to the insurance industry a special evening of awards granted as a token of appreciation for its efforts.



## Reinsurance Awards granted at FIAR 2011

Based on namings and votes expressed by the Romanian insurance companies, PRIMM – Insurance & Pensions Magazine granted awards for reinsurers and reinsurance brokers as follows:

**REINSURER OF THE YEAR - MUNICH Re**

**MOST DYNAMIC REINSURER OF THE YEAR - PARTNER Re**

**REINSURANCE BROKER OF THE YEAR - AON Benfield**

**MOST DYNAMIC REINSURANCE BROKER OF THE YEAR - RFIB**

## Insurance Awards

The Insurance Market Awards and the Private Pensions Market Awards granted by PRIMM - Insurance & Pensions Magazine were offered to the best performing profile companies and their territorial networks, that registered extremely good results in 2010.

The **GRAND AWARDS**, granted to insurance companies during the ceremony, were:

**ASTRA Asigurări – Grand Award – Insurance Company of the Year;**

**ALLIANZ-ȚIRIAC Asigurări – Company of the Year – General Insurance;**

**BCR Asigurări de Viață – Company of the Year – Life Insurance.**

OMNIASIG was the company that has won the **EXCELLENCY AWARD** this year for the fact that, through its activity and through its presence in the media, has contributed significantly to the strengthening and development of the insurance field's image.

**XPRIMM TROPHIES** for the contribution to the development of the insurance market, respectively to that of private pensions market, were granted to CSA and CSSPP. By constantly improved legislative framework, the two institutions represented a key factor in maintaining and ensuring macro stability of insurance and private pensions industries.

Other important awards granted with the occasion of the Insurance Market Awards Gala, the 11<sup>th</sup> Edition, are:

**MANAGER OF THE YEAR**

- Violeta CIUREL, AXA Life Insurance and
- Rangam BIR, ALLIANZ-ȚIRIAC Asigurări.



The Award for the **ENTIRE CAREER** was granted this year to Valeriu ROSU, a well-known name in the Romanian insurance brokerage market.

These winners were joined by GENERALI Asigurări and ING Asigurări de Viață, awarded for **QUALITY OF SERVICES** in General Insurance and, respectively, in Life Insurance.

**PRIMM trophy** went this year to GROUPAMA, for its success and for accomplishing the biggest fusion in the Romanian insurance history.

The **best insurance products** in 2010 have been designated:

- The product TRAVEL of the company EUROINS România, for general insurance and
- The product Echipă & Succes (Team & Success) of UNIQA Asigurări de Viață, for life insurance.

For BCR Asigurări a special award has been granted – **Initiative of the Year** in Customers Relationship, awarded for the entire campaign that aims to develop relationships with customers, campaign based on an IT application dedicated to Smartphones, a premiere in Romania.

ALICO and its product RENTA EXTRA have been rewarded this year with the **Special Award for Creativity**.

As in each of the nine previous editions, PRIMM - Insurance & Pensions Magazine has also awarded the achievements of insurance brokerage companies.

Thus, MARSH was declared **Broker of the Year**, the company SAFETY Broker received the **Special Award for Quality of Products**, whereas the **Special Award for Dynamism** was granted to the company POWER Insurance.

The **Special Award 1asig.ro** in the brokers category was granted to the company MAXYGO Broker de Asigurare. PIRAEUS Insurance Broker won the **Special Award Initiative of the Year in Insurance Brokerage**, for the territorial development of the company throughout 2010.

For the special attention given to the collaboration with brokers, EUROINS România and CREDIT EUROPE Asigurări received two special awards: **Award for Developing the Insurers-Brokers Cooperation** and, respectively, **Initiative of the Year in the Cooperation with Brokers**.

The series of special awards continued with:

**The Award for Contribution to the Insurance Market's Development** - AVUS International;

**The Award for International Performance** - CITY INSURANCE;

**The Award for Efficiency** - ASITO Kapital.

The Communication Team of the Insurance Supervisory Commission has received the **Special Award for Performance in Communication**, for continuous efforts to promote the importance of the insurance concept among the general public through the media.

On the same occasion, Diplomas were awarded to branches and agencies of companies on the first five places in the County Tops for general insurance, life insurance and insurance brokerage.

Also, awards were granted for the top three insurance and insurance brokerage companies in the 8 Euroregions of Romania.

... As the first quarter of 2011 has already passed, the journal page dedicated to the 2012 Edition of the Insurance and Private Pensions Markets Awards Gala, granted by PRIMM Insurance and Pensions Magazine, is beginning to take shape. What will the winning strategies and projects of the year 2011 be, will be shown to us by the results awarded in 2012...

# 2011



This year, the motor insurance segment in the Republic of Moldova has to undergo through two major reforms. The first one concerns the electronic issuance of mandatory MTPL insurance policies, a change that will also facilitate the beginning of the second reform: the introduction of bonus-malus, which has as main purpose disciplining the driver, by providing bonus or malus, depending on his claims history.



## Motor insurance in times of crisis

# 2011: Starting the reforms



Monday, April 11th, 2011, the first edition of the Seminar "Motor insurance in times of crisis" took place in Chisinau. The event was organized by Media XPRIMM with the support of NCFM - National Commission for Financial Market and of the National Bureau of Motor Insurers and it took place as an open dialogue between all specialists involved in the profile industry in Moldova and abroad.

The event took place in the context in which the motor insurance segment represents the most important source of revenue for profile companies in Moldova, its underwritings representing about 64% of the total. At the same time, one of the biggest problems faced by insurers on this line is increased claims, over 80% of the total claims paid in the market being correspondent to this segment.



### The 2011 challenges for insurers

One of the great challenges of the current year for the supervisory authority in Chisinau is the implementation of the IT system for the mandatory MTPL insurance policies, a system that will be implemented throughout all Moldova. Also, all profile companies that will issue this type of insurance will be forced to comply with the requirements established by legislation, said Aurica DOINA, Vice President of NCFM, at the beginning of the Seminar.



**Aurica DOINA**  
Vicepresident  
NCFM



**Vladimir ȘTIRBU**  
Director, General Direction of  
Insurance Supervision, NCFM



**Pavel CAȘER**  
Director, National  
Motor Insurers Bureau



**Igor SHEKHOVTSOV**  
Development Director  
UNITY Re



**Ion LĂCĂTUȘ**  
General Manager  
EUROASIG Grup



**Lilia ȚURCAN**  
Head of Insurance  
Department, MOLDA SIG

This new IT system will also facilitate the introduction of bonus-malus, which has as main purpose disciplining the driver, by providing bonus or malus, depending on the claims history. *The future of the motor insurance market is highly dependent on our joint ability to develop the newest technologies*, continued the Vice President of NCFM.

### Romania's experience – a support for the reform struggle from the Republic of Moldova

Romania's experience regarding the electronic issuance of MTPL policies, starting January 1st, 2010, could be an example for the reform which is to be implemented in Moldova. *I am surprised by the degree of involvement and support you have from the Supervision for starting the reform. I think that each insurance company must test this system of electronic underwriting. ASTRA Asigurari had implemented this system nine months before it had become mandatory and we only had benefits, making the difference between us and the competition: 1st place in the insurance market, tripling of profits, human capital, agents and brokers who have seen the benefits of the system*, stated Ina CRUDU, National Sales Manager, ASTRA Asigurari.

This change must be seen as a natural step in the evolution of the insurance market of Moldova, which is thus being aligned to the European practices. Secondly, the introduction of the bonus-malus system, on the MTPL insurance segment, will make electronic issuance indispensable when calculating the new tariff. Thus, the common database, electronic issuance and the bonus-malus system are elements of market maturity.

Insurance companies and the overall market will only have to gain, through transparency and facilitation of the business process. The benefits that electronic issuance offers are indisputable, which will make this distribution channel be used for more types of voluntary insurance. However, this type of sale should be also seen as a cost cutting measure and as an alternative and an opportunity to facilitate people's access to insurance products.

Vlad BOLDIJAR



# Insurance company valuation analysis

SILKROUTEFINANCIAL is a London-headquartered merchant banking firm dedicated exclusively to the financial services sector within emerging markets. The firm provides advisory investment banking and capital markets services to financial institutions located throughout Central and South-Eastern Europe, CIS and beyond.

Below we present a theoretical valuation exercise performed by our Investment Banking associates at a preliminary stage. It involves INSULA Asigurari, an imaginary non-life insurance company based in Romania. The exercise takes into account the market value of relatively comparable publicly-listed companies along with a selected roster of recent transactions involving stakes in insurance companies throughout the region.

■ The methodology used herein is intended to provide a purely indicative valuation. For in-depth valuation, a full due diligence on Insula Asigurari and more complex analyses should be performed, including a Discounted Cash Flow Model analysis and an Adjusted Net Asset Value analysis.

■ Our preliminary valuation exercise uses the following key figures for INSULA Asigurari:

Key inputs	RON mn	EUR mn
2010 Gross Written Premiums (GWP)	602	143
2010 Book Value (BV)	240	56
2010 Net income	55	13
2009 GWP	727	172
2009 BV	130	31

■ We have used the following RON/EUR exchange rates:

RON/EUR exchange rates	2009	2010
Average	4.23	4.21
End of period	4.23	4.28

■ In our preliminary valuation of INSULA Asigurari, we have used relative valuation methods such as:

– A Comparable Companies analysis based upon the Company's 2010 book value, net income and gross written premium and relevant market multiples. We have used average multiples for all comparables for the low end of the valuation and average CEE comparables for the high end of the valuation.

## Public trading analysis of non-life insurance companies<sup>+</sup>

	Home Country	Market cap, €mn	P/LTM GWP	P/GWP 2011 E	P/E			P/BV			ROE		
					2010A	2011E	2012E	2010A	2011E	2012E	2010A	2011E	2012E
VIG *	Austria	5,194	0.6x	0.6x	13.1x	11.6x	10.5x	1.2x	1.1x	1.0x	9%	10%	10%
PZU	Poland	8,235	2.2x	2.3x	13.3x	11.9x	10.9x	2.5x	2.2x	2.0x	20%	20%	19%
TU Europa	Poland	461	3.2x	na	10.5x	na	na	2.4x	na	na	26%	na	na
RSA	UK	5,416	0.5x	0.6x	13.6x	9.2x	8.6x	1.2x	1.3x	1.2x	10%	15%	16%
Aksigorta**	Turkey	272	0.9x	0.9x	36.3x	27.6x	23.7x	1.5x	1.6x	1.5x	0%	5%	8%
Anadolu Anonim Turk Sigorta	Turkey	297	0.5x	0.5x	16.2x	31.1x	25.2x	0.7x	0.8x	0.8x	5%	3%	5%
Progressive	USA	1,561	na	0.1x	13.7x	15.5x	16.0x	1.2x	1.2x	1.2x	9%	8%	8%
<b>Average total</b>			<b>1.3x</b>	<b>0.8x</b>	<b>16.7x</b>	<b>16.6x</b>	<b>13.7x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>1.3x</b>	<b>11%</b>	<b>10%</b>	<b>11%</b>
<b>Average CEE</b>			<b>1.7x</b>	<b>1.2x</b>	<b>17.9x</b>	<b>18.7x</b>	<b>14.4x</b>	<b>1.8x</b>	<b>1.5x</b>	<b>1.4x</b>	<b>13%</b>	<b>10%</b>	<b>11%</b>

<sup>+</sup> The following notations have been used: LTM = last twelve months; mn = million; 2010A = 2010 Actual; 2011E = 2011 Expected; P/E = Price/Earnings Ratio; ROE = Return on Equity

\* VIG is considered a CEE Company, given its large exposure to the region

\*\* The actual 2010 P/E multiple for Aksigorta was 363. We adjusted it by a factor of ten to more accurately reflect current market valuation and adjust for unusual 2010 earnings.

– A Precedent Transactions analysis based upon the Company’s reported 2010 GWP and BV, and past transaction multiples in CEE/CIS, which may provide a value of the Company on the back of the relative prices paid by buyers in the recent past. We have used 2007-2011 multiples for the high end of the valuation and 2010-2011 post-crisis multiples for the low end of the valuation.

### Selected transactions in CEE/CIS

Announcement date	Target name	Acquirer name	Stake Acquired	Deal Value (EUR mn)	Implied Equity Value (EUR mn)	P/GWP	P/BV	P/E	
Feb-11	Aksigorta	Ageas NV	31%	162	523	1.3x	0.4x	32.2x	
Oct-10	Interbanian SHA	Vienna Insurance Group	75%	8	10	1.6x	na	na	
Jul-10	P.T.U. S.S	Gothaer Insurance Group	45%	32	71	0.7x	4.8x	nm	
Jun-10	Fiba Sigorta	Sompo Japan Insurance	93%	243	261	1.7x	3.8x	18.6x	
Sep-08	Oranta	Eureko	100%	203	203	1.5x	5.1x	na	
Apr-08	Koç Allianz Sigorta	Allianz SE	47%	248	528	1.1x	na	na	
Feb-08	OTP Garantia	Groupama	100%	617	617	1.7x	6.5x	19.0x	
Jan-08	Alcona Insurance	HDI-Gerling International Holding	94%	14	15	2.6x	5.1x	na	
Jan-08	RESO Europa	Gjensidige Baltic	100%	18	18	1.1x	na	21.1x	
Dec-07	RESO Garantia	AXA	37%	810	2,189	2.5x	12.1x	30.7x	
Nov-07	DDOR Novi Sad	Fondiarria-SAI	83%	220	265	1.6x	4.9x	nm	
Jun-07	Vardar Osigurivanje	Zavarovalnica Triglav	70%	23	33	1.4x	4.2x	25.5x	
May-07	RESO Garantia	EBRD	10%	111	1,110	2.6x	13.2x	27.8x	
Apr-07	Komercni Uverova Pojistovna	Italian & Belgian investors	66%	26	39	3.6x	1.7x	nm	
Apr-07	NASTA	ZFS Group	66%	198	300	1.6x	6.8x	na	
						Average 2007-2011	1.8x	5.7x	25.0x
						Average 2010-2011	1.3x	3.0x	25.4x

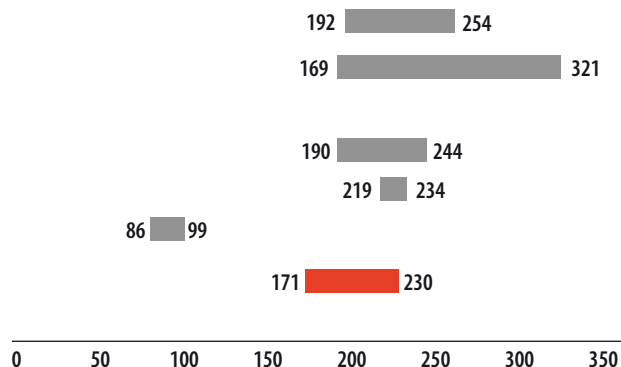
Valuation multiples based on:	P/GWP		P/E		P/BV	
	Low	High	Low	High	Low	High
<b>Precedent Transactions</b>						
2010 P/GWP	1.3x	1.8x	14.7x	19.5x	3.4x	4.5x
2010 P/BV	1.2x	2.2x	12.9x	24.5x	3.0x	5.7x
<b>Comparable Companies</b>						
2010 P/GWP	1.3x	1.7x	14.6x	18.7x	3.4x	4.3x
2010 P/E	1.5x	1.6x	16.7x	17.9x	16.7x	17.9x
2010 P/BV	0.6x	0.7x	6.5x	7.6x	1.5x	1.8x
<b>Implied consensus multiples</b>	<b>1.2x</b>	<b>1.6x</b>	<b>13.1x</b>	<b>17.6x</b>	<b>5.6x</b>	<b>6.9x</b>

Multiples in blue are derived from the company’s valuation using metrics on Y axis applied to the actual metrics on the X axis

**Conclusion:**

A relative valuation analysis would suggest a preliminary enterprise value in the range of EUR171-230mn for INSULA Asigurari.

### Implied Valuation Ranges (EURm)



Under the circumstances of intensified catastrophic events in the Asia-Pacific area, the earthquake in Japan seems to hurry the process of reinsurance market coming out of a long lasting “soft” period. Even if we talk about different contexts compared to the post-Katrina period and even if initial estimates show that damages will not have the same impact upon the market, the perception that frequency of natural catastrophes is intensified could be a motive to push up the prices.



## Japan

# Key point for the soft market?



Alex ROȘCA  
Editor in Chief

### Titles from the international press:

**The Economist:** When nature attacks. Bearers of catastrophe risk are likely to ride this one out

**Bloomberg:** Two-Year Drop in Reinsurance Rates May End After Japan Earthquake Losses

**xprimm.com:** Reinsurance costs will not immediately increase

Reinsurance business cycles are clear: even if the disasters affect their profit, in the post disaster period, the reinsurance premiums are adjusted accordingly to compensated losses. Good examples of this are the periods that followed Hurricanes Andrew (1992) and Katrina (2005). However, the recent disaster in Japan, even if it resulted in serious damage, does not seem to have a similar impact on the market - even though, at least in theory, we should expect adjustment of tariffs.

International insurers, except those from Japan, were not exposed to a large extent. Nuclear risk is not insured and JAPAN Earthquake Reinsurance Company will cover most losses and the authorities will pay for the excess loss.

Although premiums have increased a little, maybe now it is too much capacity available in the market, and floods in Australia and the New Zealand earthquake have decreased the chances of profits, even before March 11<sup>th</sup>.

## How seriously will the earthquake in Japan „move” the market?

According to analysts, brokers and underwriters, the claims caused by the earthquake in Japan could be big enough to change the dynamics of prices for natural disaster protection, which were decreasing for nearly two years.

The value of claims caused by the March 11th event is estimated at around EUR25bn, without taking into account the claims caused by the tsunami that followed, according an AIR Worldwide estimate. These losses are consecutive to those of almost EUR14bn caused by the disaster in the Asia-Pacific region - based on estimates announced by GUY CARPENTER.

*All the conditions for hardening the market are now met. Japan earthquake is affecting the budgets of most reinsurers, said Fabrizio CROCE, Analyst, KEPLER CAPITAL MARKETS, quoted by Bloomberg.*

In terms of reinsurance, hardening of the market translates into higher prices to obtain coverage. Major reinsurers, such as MUNICH Re and SWISS Re, are renewing almost two thirds of the annual property and accidents contracts in the first month of the year, and the rest in April and July. April Renewals are focused precisely on the Asia-Pacific region.

### Context

Reinsurance rates have decreased for the second consecutive year in January, amid high levels of capital available in the industry. Before the earthquake in Japan, insurers and reinsurers have been hit by four disasters, all located in Asia-Pacific: two earthquakes that hit New Zealand, Yasi cyclone and floods that have affected Australia. All these claims have exceeded much, if not entirely, the budgets allocated for catastrophes, which led to the situation that the earthquake in Japan became a capital event for reinsurers.

In 2008, Hurricane Ike hit the american state Texas and has cost the insurers around EUR13bn, increasing reinsurance rates by 8 percent after two years of decline. After the 2005 hurricane season, the rates measured by GUY CARPENTER rose to a historical maximum after 1994.

### How much will the Japan earthquake matter?

The earthquake in Japan has moved not only the tectonic plates, but will probably be an event that will also mark the reinsurance market. Basically, the Japanese earthquake occurred in the



**Torsten JEWORREK,**  
Reinsurance CFO, MUNICH Re

Events like those in Japan demonstrate the role and significance of professional reinsurers in covering major losses. In the current financial year, MUNICH Re expects price increases in global lines such as natural catastrophe or industrial business as a result of

the recent loss events. In loss-affected regions such as Australia and New Zealand, prices are likely to rise considerably.

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## Alexandra STORR, Vice President SWISS Re Europe



Historically, large losses from natural disasters have been followed by price increases and stronger demand in the Property & Casualty market. SWISS Re believes the combination of the recent natural catastrophes, very low interest rates, and years of price declines are

likely to bring forward the turn in the cycle.

The impact of natural catastrophe losses in the first quarter creates an additional challenge but it will also accelerate the market turn we had previously expected in 2012/2013.

context of a culminating point of losses in the international market in recent years and is like “a drop that fills the cup”, given that before the incident the Japanese insurers were counting on 5 or 10 percent reductions; currently, the market looks as if global level increases are to occur. On the other hand, we can not help but think that, regardless of the context of disasters, however, markets do function, in conditions of crisis. So, though the rate increases consecutive to these critical moments may seem natural, we can ask if in the current economic context the markets could bear these price increases. Moreover, the current context is different from the post-catastrophic events period in 2005.

### TOWERS WATSON: The earthquake in Japan will not have a major impact on reinsurance

Despite the many victims and enormous financial losses caused by the March 11th event, the disaster will not have a devastating effect, either upon the insurance market in Japan or upon the reinsurance market, according to TOWERS WATSON.

However, the cumulative impact of losses caused by natural disasters in 2010 and 2011 will lead to a rise in catastrophe rates, which will vary, of course, depending on the region. However, we will not see a similar impact to that caused by Hurricane Katrina in 2005.





**Marin ANDREEV**  
**Deputy Underwriter**  
**Treaty Department**  
**Central & Eastern Europe**  
**HANNOVER Re**

In consequence of the first quarter natural catastrophe losses (flooding in Brisbane, earthquakes in New Zealand and Japan) we expect prices in catastrophe business to rise worldwide by a double-digit percentage.

The context of these events is however different from those of almost six years ago. TOWERS WATSON representatives do not anticipate the same level of increase in prices as in early 2006, the losses of those years being considered to have rather depreciated the revenues, and not necessarily the capital. In addition, although the rating agencies would be able to adjust assessments, recent catastrophic events have increased the experience and, on this basis, the "downgrade" would not be with the same impact as in the years 2005-2006.

The most expensive event for insurers, after Hurricane Katrina AIR Worldwide preliminary estimates indicate that the event in Japan could be the second disaster as costs for insurers and reinsurers after Hurricane Katrina in 2005. According to MUNICH Re, the value of claims due to Hurricane Katrina has exceeded EUR45bn. The earthquake came at a time preceding the campaign of reinsurance contracts renewals in Asia, which is why there will be immediate influences.

TOWERS WATSON estimates a total of insured claims ranging from EUR14bn to EUR32bn. The total value of economic losses, estimated to exceed EUR215bn, is much higher than insured losses, and that is either due to the fact that a large part was assumed by the Japanese authorities, or because for the rest of the damages there is no insurance. In addition, potential liabilities associated with nuclear exposure are not significantly insured by the private market and will remain the responsibility of the Japanese Government.

TOWERS WATSON's estimates include losses paid both by the local insurers in Japan, as well as by international insurers and



**Milan SIMIC, Managing Director**  
**AIR Worldwide Corporation**

It is reasonable to assume that the recent earthquake activity affecting both Japan and New Zealand, coupled with forecasts for another active hurricane season, could have an impact on how the market prices re/insurance coverage, particularly for those regions that have been recently affected. However, as a modeller, it is AIR's policy not to comment directly on insurance and reinsurance rates. Rather we act as an independent agent helping others to quantify and understand their natural catastrophe risk.

**Filip STAVROSITU, Aviation & Reinsurance**  
**Director, ASTRA Asigurari**

Losses caused by natural disasters that have occurred within the first three months of the year have affected most reinsurers, up to the limit of their budget for catastrophe losses for the full year 2011.

As immediate measures, I anticipate price increases from reinsurers for catastrophe risks and reduced capacity for key areas. However, only claims caused by earthquakes in New Zealand and Japan are not sufficient to trigger a hardening of the market for all insurance lines. If other events occur, then it is possible for the conditions for all insurance lines to harden.



**Dragos CIOCAN, Reinsurance Manager**  
**CARE Romania, EXIM Insurance and Reinsurance Company**

A level of claims that could really change the behavior of the international reinsurance market is USD50bn, a level that has not been reached as a result of recent events. Also, the reinsurance market has shown in previous years that is strong and stable enough to face such events. Increases in reinsurance premiums are possible, but certainly not ones that affect the insurance market globally, but in different ways, depending on the risk exposure of each area.

Under the circumstances in which recent years have characterized the reinsurance market as a "soft" one, which the Romanian insurers have also benefited of, with no events to affect the insurance market in Romania, it is possible we feel no major effect of increase of the reinsurance price for these risks.



**Claims caused by the 11<sup>th</sup> March earthquake in Japan**

EUR bn	Minimum Level	Maximum level
Residential	6.79	15.64
Commercial	3.36	7.86
Life	2.07	3.29
Naval	0.79	1.07
Motor	0.14	0.50
International Insurers	1.07	3.57
<b>Total</b>	<b>14.29</b>	<b>32.14</b>

Source: Estimation TOWERS WATSON



reinsurers and refers to damages to domestic households and commercial properties, to business interruption, motor insurance, marine and life insurance.

### Estimated structure of losses

Of the volume of insured losses, only an amount between EUR8-10bn will be reinsured internationally, about 30 to 40% of insured loss or 5-10% of the total economic losses, according to the representatives of TOWERS WATSON. Despite the tragedy of the earthquake and huge economic losses, the impact of the insurance market is less likely to come close to the level of the impact produced by Katrina. 43% of the damages from the above-mentioned hurricane were insured, and a good part of them were placed in reinsurance.

After Katrina, natural disaster rates have increased by 50% or in some cases have doubled, for high exposure areas. In any case, there were several factors in 2005 that are not found in the current context.

After the three major hurricanes - Katrina, Rita and Wilma - most modeling companies have recalibrated their models and additional capital was needed for reinsurers, and this could be also seen in the rating agencies evaluations. Moreover, while most reinsurers that are developed on multiple business lines have absorbed quite well the shock of claims, specialized reinsurers have suffered financial losses or have even exited the market. All these things have caused a reduction of the offer for catastrophe reinsurance, amid increasing demand. Therefore, prices have increased, and precisely because this is no longer the current context, the impact upon prices will not be a major one now.

### What will happen to tariffs?

Even if the recent disasters do not result in losses that would lead to a significant increase in premiums, however, could the perception that extreme catastrophic events are intensified have any impact on prices? If the reinsurance industry reaches the conclusion that catastrophic risks have increased, this will certainly push up prices. And this perception, reinforced by the earthquake in Japan, seems to be the only reason for which we could see an increase in reinsurance costs.

As a simple calculation premise, reinsurers are calculating that the value of paid claims for rare catastrophic events, expected at 200-250 years, represents 6.5% of annual premiums. Through recent intensification of events, it seems that this percentage is much too low. For example, losses caused by disasters to MUNICH Re have represented 11% of net premiums in 2010, while HANNOVER Re has faced losses caused by natural disasters in the preceding year that were 21% higher than the total generated by premiums.

### Georgeta CRIDEANU Reinsurance Manager, OMNIASIG

We will witness increases in costs on all risk classes and in all territories of the world, even if only the Asian region has triggered these losses. Capital will be sold more expensive because it will be less and because it will be considered to be more exposed. This will involve capital transfers from other areas of the world economy, which will diminish, perhaps, that trend of increasing costs, but the phenomenon is difficult to anticipate.

Unfortunately, all these major losses occur after a period of almost five years of soft market, with lower premiums, which made reinsurers profits also be low, and the current shock is even greater and more difficult to bear.

A newer form of bond catastrophe events reinsurance will develop. Unfortunately, this form is more expensive for the reinsured and the classical type of reinsurance will contract.



### Andrei MIRAUTA, Reinsurance Manager CERTASIG Insurance & Reinsurance

NatCat events in the last period, like the Chile earthquake, the two major Australian floods and the two earthquakes in New Zealand seem to have had little effect on the global prices for the main affected lines of business such as Property. Perhaps this is because there is still such a large amount of CAT reinsurance capacity in the market. Certainly in the loss-affected areas there were some changes in the trend of the premiums, but this was to be expected. We can foresee a small step towards the end of the long soft market cycle – by the way apparently one of the longest in history – and this would definitely bring along more underwriting discipline.



Even if the recent disasters will not result in losses that would lead to a significant increase in premiums, however, the perception that extreme catastrophic events are intensified could have an impact on prices.



# Consider the lilies in the valley



Guy HUDSON  
Partner, JTL Re

In October 2010 poisonous and slightly radioactive red sludge swept through three villages of Western Hungary causing many millions of Euros in environmental damage which may take years to clean up.

Disasters like this are likely to accelerate the demand for specific Environmental Impairment Liability Insurance and to remind Governments of the potentially dire human and environmental consequences of lax regulation.

The existing EU legislation in this regard consists of the Environmental Liability Directive (ELD) that came into force with effect from the 30th April 2007. For the first time within the EU this created a comprehensive liability regime for damage to the environment.

The directive implements the "polluter pays" principle, holding operators whose activities have caused environmental damage financially liable to remedy the damage.

Under the ELD there is:

- 1) Strict liability that applies to those who conduct risky or hazardous activities;
- 2) For all others there is a liability regime applying to all professional activity, however an operator will only be held liable if it was at fault or negligent and has caused damage to species and natural habitats protected at EU level under the 1992 Habitats and 1979 Birds directives.

Public authorities play an important role in identifying liable polluters and ensuring the necessary preventative and/or remedial measures.



Although the ELD came into force on 30th April 2007, the European Commission for Justice referred nine members to the European Court of Justice on the 26th June 2008 for failure to implement the legislation.

All EU countries are supposed to implement the ELD by the end of 2011.

At this point it maybe worth defining what, in terms of the ELD, is meant by environmental damage.

Environmental Damage refers to:

- Adverse effects on the integrity of a Site of Special Scientific Interest (SSSI) or on the conservation status of species and habitats protected by EU legislation outside of the SSSI;
- Adverse effects on surface water or groundwater consistent with a deterioration in the water's status;
- Contamination of land that results in a significant risk of adverse effects on human health.

Having identified the sort of event that can damage the environment and having established what the ELD says, what it covers and when it came into force, it is necessary to consider whether an operator would be covered for losses emanating from implementation of the directive.

The extent of pollution coverage under a traditional Property Damage (PD) and Public Liability (PL) policy is a source of significant uncertainty and debate, particularly when an incident occurs!

Public liability policies have since the early 1990's tended to limit pollution coverage to sudden, identified, unintended and unexpected incidents. Therefore disputes tend to centre on whether the pollution has a sudden and accidental cause or in fact occurred gradually. There are no fixed rules on this matter with litigation occurring where coverage is disputed. Public liability policies will not usually respond to claims for third party property damage, bodily injury, nuisance, trespass and obstruction arising out of gradual pollution incidents.

In addition there is nearly always another significant gap in the coverage being the costs incurred by the insured where they are forced to clean up pollution on their own property. Such first party clean up costs maybe imposed by regulatory authorities following a pollution incident whether it is sudden & accidental or gradual. Public liability policies will generally exclude damage to own property.

As first party clean up costs are a key consideration for many original Insureds one would assume that their property damage policies would provide a good level of pollution coverage. However, in reality they are equally limited in scope. For a property damage policy to respond:

- A) Any pollution condition covered, must result from an insured peril (fire, flood etc);
- B) The pollution must be sudden and accidental in nature;
- C) Debris removal coverage may exclude contaminated soil;
- D) Business Interruption coverage is also only triggered following an insured peril.

In conclusion, one can say that it is likely that, in response to recent events, European and Local Authorities will be looking to identify polluters and potential polluters and to enforce action on prevention and remedial measures.

It is possible also that the ELD will be amended in the near future to oblige companies to make financial arrangements to cover potential environmental damage.

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