

INSURANCE MARKET IN POLAND, 2010–2012

CEE INSURANCE SERIES

SAMPLE



by Intelace Research
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- **Macroeconomic overview**

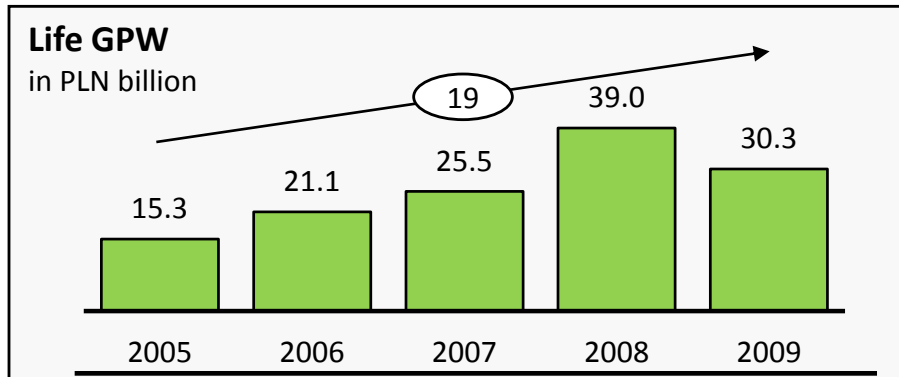
- **Insurance market**
- **Non-life insurance**
- **Life insurance**
- **Bancassurance**
- **Top players' profiles**
- **Forecast**

UNTIL 2008, THE GROWTH OF INSURANCE MARKET WAS DRIVEN MOSTLY BY LIFE BUSINESS

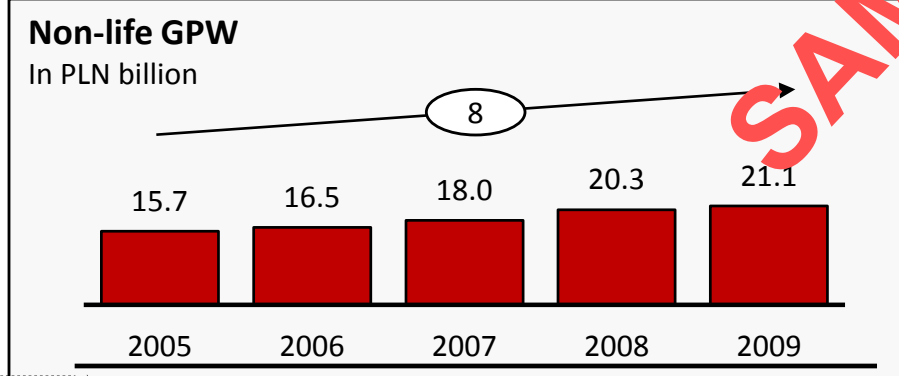
CAGR*

Evolution of gross premium written (GPW) and GPW/GDP penetration, 2005-2009

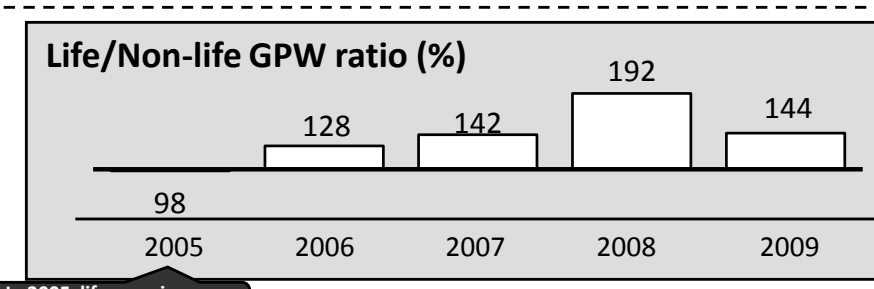
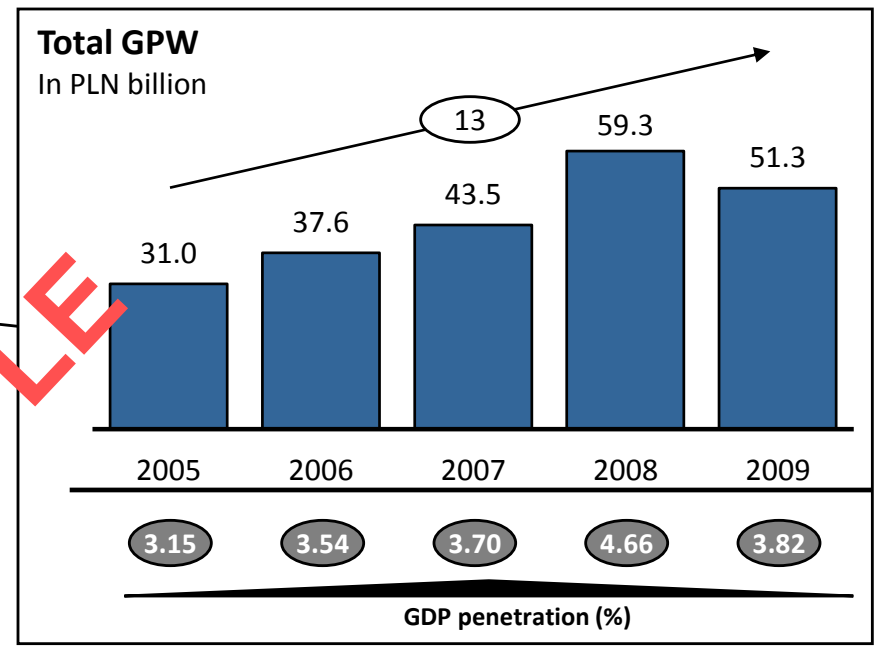
IN LOCAL CURRENCY



GDP penetration (%)



GDP penetration (%)



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+

In 2005, life premium exceeded non-life premium

Insurance Market in Poland 2008-2010

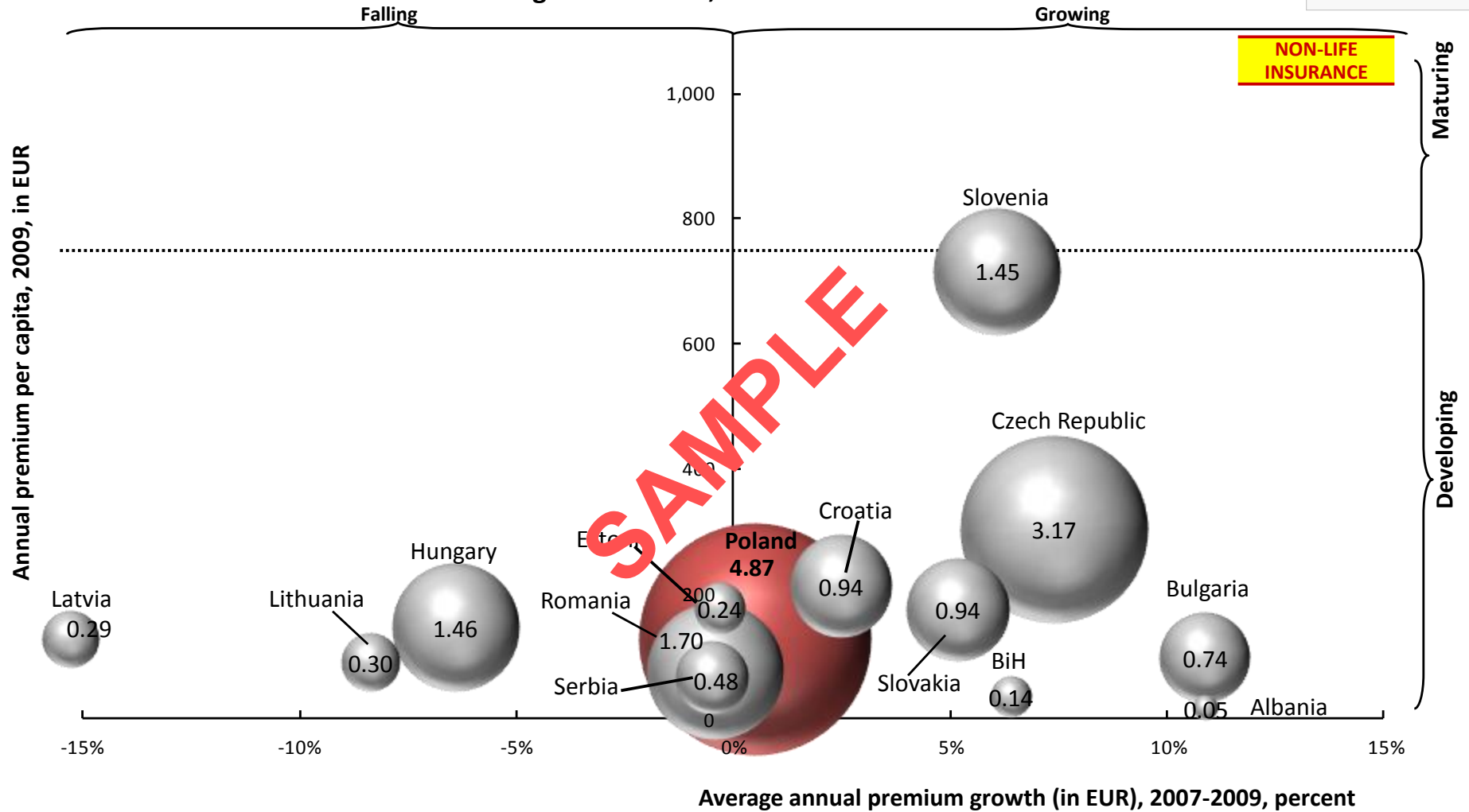
*Compound Annual Growth Rate
Source: KNF, Intelace Research

POLAND HAS THE LARGEST NON-LIFE INSURANCE MARKET IN CEE14*

CEE14* non-life insurance markets - Size vs. growth matrix, 2007-2009

Total 2009 premium (in billion EUR)

x.x



Insurance Market in Poland 2008-2010

*Major 14 CEE countries. Russia, Ukraine, Belarus and Macedonia not included

Source: National supervision authorities, IMF, Intelace Research

LIFE INSURANCE TOP PLAYERS - TU EUROPA ŻYCIE

CAGR**

LIFE INSURANCE

Background

- TU Europa Życie was set up in 2002 as a subsidiary of TU Europa (non-life insurer, operating in the market since 1995)
- TU Europa Życie from the beginning focused on selected products only, mostly bancassurance, which enabled it to build strong relationships with almost all major banks in Poland

History

- 1995: TU Europa starts operations in Poland
- 1996-2004: Non-life business is being developed. Insurer focuses on mortgage and leasing contracts insurance
- 2002: TU Europa Życie registered; company starts to offer life products – mostly add-on products to consumer, car and mortgage loans
- 2007: Getin Holding (L. Czarnecki) acquires majority stake in TU Europa & Europa Życie
- 2008-2009: Life company expands its sales of deposit/investment products and becomes one of major players in the market

Shareholders***, 2009 (share in %)

Getin Noble Bank	19.9
Getin Holding	79.9
Other	0.2

Products

- Europa Życie traditionally specializes in bancassurance products including life insurance of consumer or mortgage lender
- Europa Życie offers a range of structured/ investment insurance products dedicated to bank clients looking for alternative investments

Channels

- TU Europa Życie cooperates with most major banks (11 out of 15 major banks), offering individual and group life products
- Bancassurance is still the primary channel, although company wants to expand beyond it

Customers

- Europa Życie serves in the first line clients of cooperating banks taking consumer, car or mortgage loans or using leasing products

Results

Gross Premium Written

EUR billion

Year	2007	2008	2009
Gross Premium Written (EUR billion)	0.32	0.76	0.62

CAGR: 40%

Market share*

(percent)

Year	2007	2008	2009
Market share (percent)	4.7	6.8	8.9

Net profit

EUR million

Year	2007	2008	2009
Net profit (EUR million)	2	9	11

CAGR: 129%

Return on Average Equity (ROAE)

Percent

Year	2007	2008	2009
ROAE (Percent)	12.2	27.0	25.3

CAGR: 44%

High profitability

Insurance Market in Poland 2008-2010

*Life insurance share by gross premium written

**Compound Annual Growth Rate

***Shareholders of parent company TU Europa SA, owner of 100% stake in TU Europa Życie S.A.; Getin Holding is controlled by Mr. L.Czarnecki

Source: Company, Press, Intelace Research

NOTES ON METHODOLOGY

FX rates:

- For the purpose of conversion from local currency (PLN) into EUR for most values presented in this report, including premium written, annual results, etc., **average** exchange rates have been used

- Exchange rates used in the report:

EUR/PLN	2001	2002	2003	2004	2005	2006	2007	2008	2009
End of year	3.53	4.02	4.72	4.08	3.86	3.83	3.58	4.17	4.11
Average	3.68	3.85	4.40	4.53	4.03	3.90	3.78	3.52	4.33

Estimates and Forecasts:

- In some cases, recent or verified data was not available. Therefore, necessary short-term estimates have been calculated to fill the gaps. Estimates are always indicated with the letter “E”
- When preparing forecasts/estimates, we have built models using latest observed trends, available forecasts of main economic indicators, seasonal changes observed in the past and other specific factors considered important.

Multiple sources:

- In some cases, multiple sources of similar data exist. In this situation we always try to select the most appropriate one in our view. The source is indicated in the footer area of each slide. Nevertheless, in specific cases, before interpreting the data, it is recommended to get a good understanding on the methodology of data collection.

About this report

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Through our customized research services we help our clients to better understand their consumers, competitors and overall market dynamics.

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AEGON TU na ŻYCIE S.A.
PAPTUnżiR AMPLICO LIFE S.A.
TU ALLIANZ ŻYCIE POLSKA S.A.
ING TUnż S.A.
TUnż EUROPA S.A.
SKANDIA ŻYCIE TU S.A.
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TUnż WARTA S.A.
GENERALI ŻYCIE TU S.A.
AXA ŻYCIE TU S.A.
COMPENSA TUnż S.A. Vienna Insurance Group
BENEFIA TUnż S.A. Vienna Insurance Group
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