

INSURANCE MARKET IN POLAND, 2020–2022

CEE INSURANCE SERIES

Sample slides from the original report



by Inteliace Research
December 2020

Table of contents (1/3)

Slide 1: Executive summary

1. Macroeconomic overview

Slide 2: Poland – Overview and key facts

Slide 3: Poland in Europe: Number of households vs. wealth, 2019

Slide 4: Key macroeconomic indicators, 2015-2020F

Slide 5: Foreign trade statistics, C/A, FDI, 2015-2020F

Slide 6: Unemployment and salaries/wages, 2015-2020F

Slide 7: Disposable income in households and income distribution, 2015-2020F; Income distribution 2019

Slide 8: Consumer confidence index evolution, Dec. 2013 – Oct. 2020

Slide 9: Warsaw Stock Exchange - Turnover, Market cap. and indexes - 2014-2019

Slide 10: Banking assets evolution, 2015-Q1 2020

2. Insurance market

Slide 11: Insurance Markets in CEE – Size vs. growth matrix, 2017-2019

Slide 12: Insurance premiums per capita & premiums/GDP penetration – CEE comparison, 2019

Slide 13: Insurance gross premiums - Local insurers (life/non-life, in EUR), 2016-2020F

Slide 14: Insurance gross premiums - Local insurers (life/non-life, in PLN), 2016-2020F

Slide 15: Top 10 insurance groups in Poland by total premium written, 1H 2020 (taking into account recently announced M&A)

Slide 16: Insurance market concentration and Herfindahl-Hirschman Index (life/non-life), 1H 2019 vs. 1H 2020

Slide 17: Current and upcoming Insurance M&A transactions in Poland, 2018-2020

Slide 18: Own funds for life and non-life insurers, 2016-1H 2020, SCR coverage ratios, 2017-2019

Slide 19: Number of insurance agents by type and number of sales reps (OFWCA), 2017-2019

Slide 20: Insurance – Regulatory institutions

Slide 21: Private health Insurance – Opportunity for insurers; Premium written, 2017-2020F

Table of contents (2/3)

3. Non-life insurance

- Slide 22: Non-life insurance markets in CEE – Size vs. growth matrix, 2017-2019
- Slide 23: Non-life premiums per capita & premiums/GDP penetration – CEE comparison, 2019
- Slide 24: Non-life insurance gross and net premium evolution, 2016-2020F
- Slide 25: Top 10 non-life insurance players in Poland, 1H 2020
- Slide 26: Market shares of top non-life players evolution, 2017-1H 2020
- Slide 27: Non-life premium by client segment and insurance class (car insurance vs. other), 1H 2020
- Slide 28: Non-life premium by risk class, 2018-1H 2020
- Slide 29: Sales channels of non-life insurance, 2018-2019
- Slide 30: Non-life insurers results, technical and P&L accounts (waterfall chart), 2019
- Slide 31: Non-life insurance - Profitability tree, 2016-1H 2020
- Slide 32: Non-life insurance - Claims and expense ratio evolution, 2016-1H 2020
- Slide 33: Non-life insurance - Combined ratio and its elements, 2016-1H 2020
- Slide 34: Non-life insurance - Acquisition costs evolution, 2018-1H 2020, acquisition cost ratios for top non-life insurers, 2019
- Slide 35: Network multi-agents: Unilink, CUK, Conditor, LGK, Assist, Arrant, DCU etc.
- Slide 36: Current legislative initiatives affecting insurance business in Poland, 2017/2019
- Slide 37: Car insurance - Premium and no. policies evolution, MTPL, Casco, 2016-1H 2020
- Slide 38: Car insurance - Top players in MTPL and in Casco, 2018-1H 2020
- Slide 39: Car insurance - Combined ratio and its elements, MTPL and in Casco, 2018-1H 2020
- Slide 40: Car insurance - Average premium per policy for Casco and TPL, 1Q2015-3Q2020

4. Life insurance

- Slide 41: Life insurance markets in CEE – Size vs. growth matrix, 2017-2019
- Slide 42: Life premiums per capita & premiums/GDP penetration – CEE comparison, 2019
- Slide 43: Life insurance gross and net premiums evolution, 2016-2020E
- Slide 44: Top 10 life insurance players in Poland, 1H 2020
- Slide 45: Market shares of top life players evolution, 2017-1H 2020
- Slide 46: Life premium by insurance class and segment, 1H 2020
- Slide 47: Life premium by risk class evolution, 2018-1H 2020

Table of contents (3/3)

Slide 48: Life insurance technical reserves evolution and structure, 2017-1H 2020

Slide 49: Sales channels of life insurance, 2018-2019

Slide 50: Life insurers results, Technical and P&L accounts (waterfall chart), 2019

Slide 51: Life insurance - profitability tree, 2016-1H 2020

Slide 52: Life insurance - acquisition costs evolution, 2018-1H 2020, acquisition cost ratios for top life insurers, 2019

5. Bancassurance

Slide 53: Bancassurance: Premium written by bank channel (life/non-life), 2017-2019, data by KNF vs. data by PIU

Slide 54: Bancassurance: Product/class split in bank channel (life/non-life), 3Q 2020

Slide 55: Bancassurance: Sales of investment type life products other than unit-linked, 2016-2020F

Slide 56: Bancassurance: Comparison websites and online sales sites of banks – overview, 2020

6. Top players' profiles

Slide 57: PZU

Slide 58: Warta

Slide 59: ERGO Hestia

7. Forecast

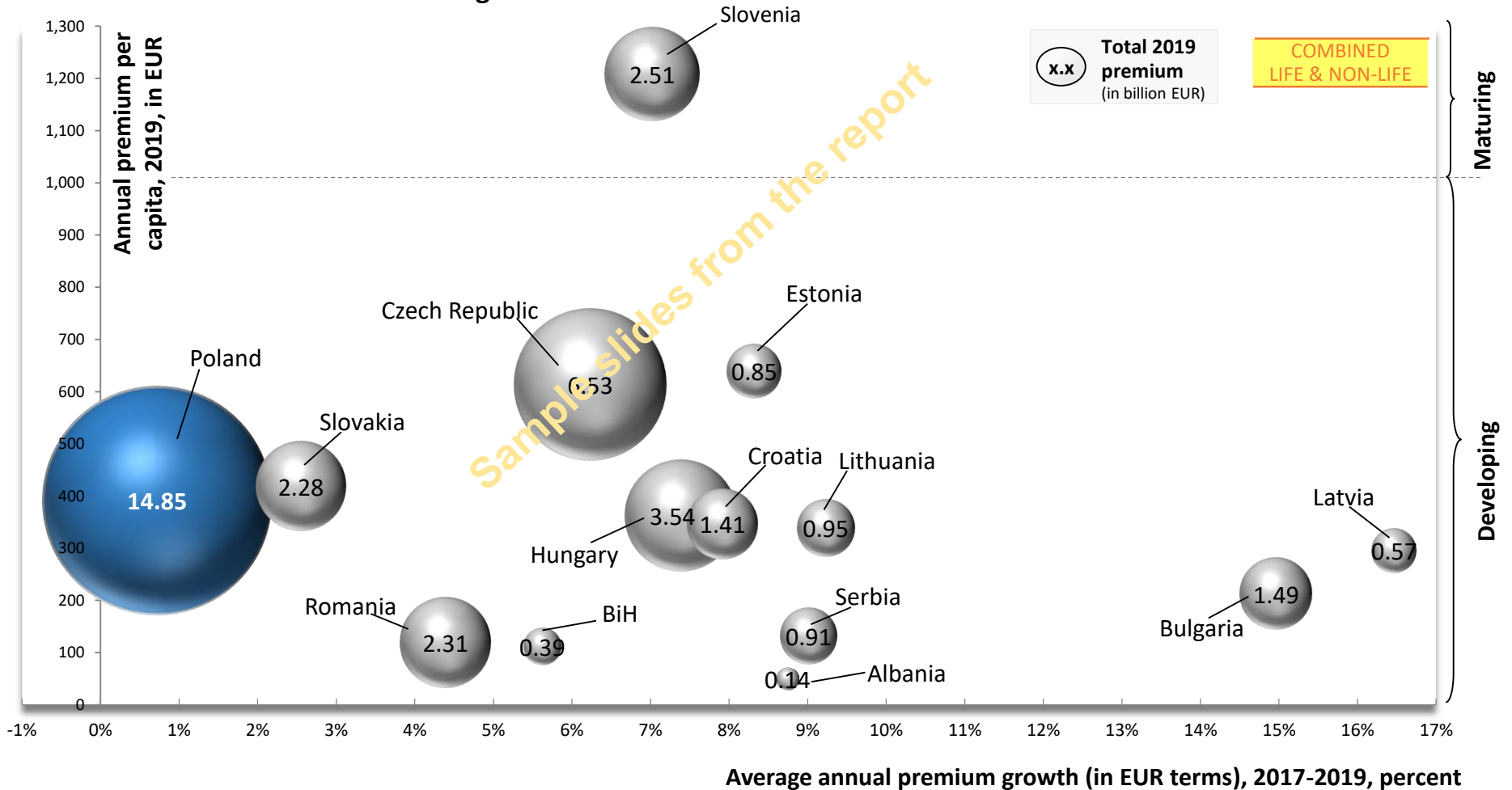
Slide 60: Non-life insurance premiums forecast, 2020-2022

Slide 61: Life Insurance premiums forecast, 2020-2022

Slide 62: Notes on Methodology

Insurance markets differ significantly across CEE14*. Poland has the largest insurance market in the region

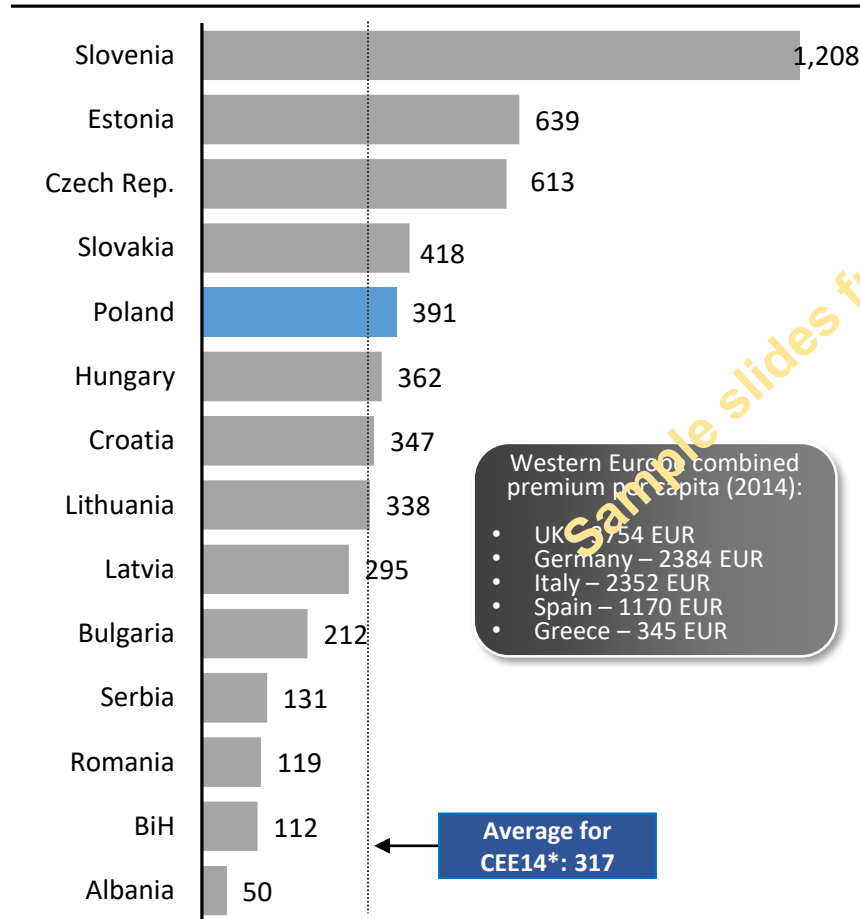
CEE14* insurance markets - Size vs. growth matrix



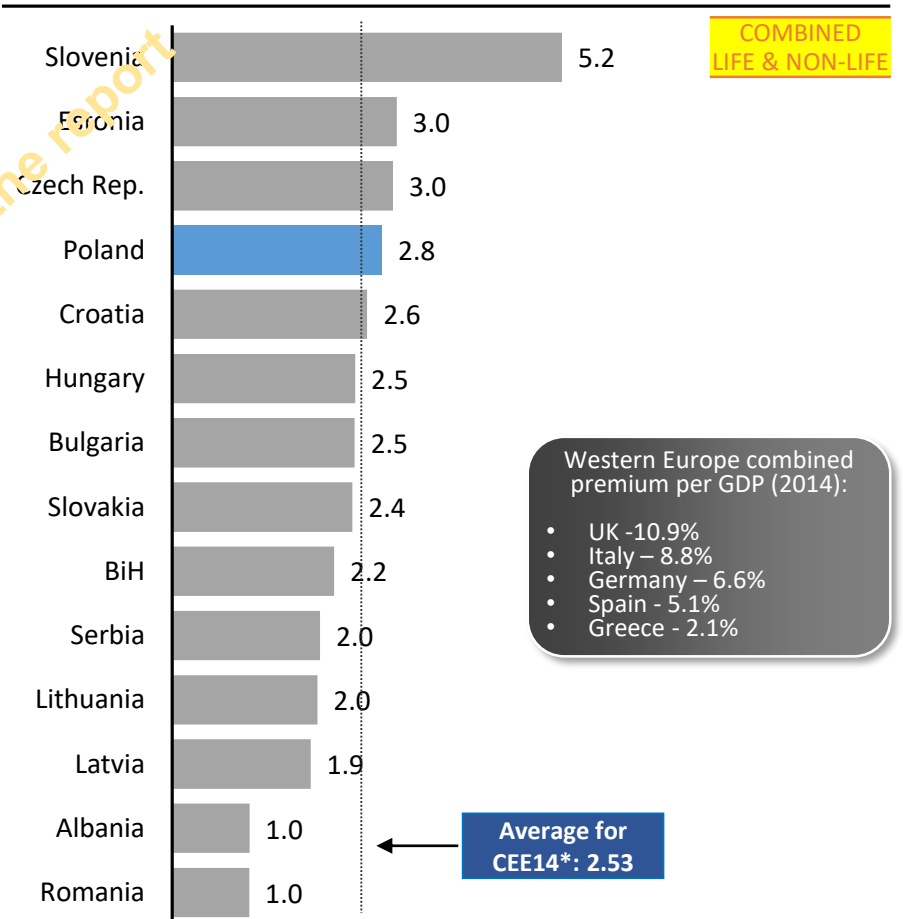
*Major 14 CEE countries. Russia, Ukraine, Belarus and North Macedonia not included
 Source: National supervision authorities, IMF, Inteliace Research

Overall insurance penetration in Poland remains slightly above CEE* averages

Total insurance premium per capita 2019, in EUR



Total insurance premium/GDP penetration 2019, Percent of GDP



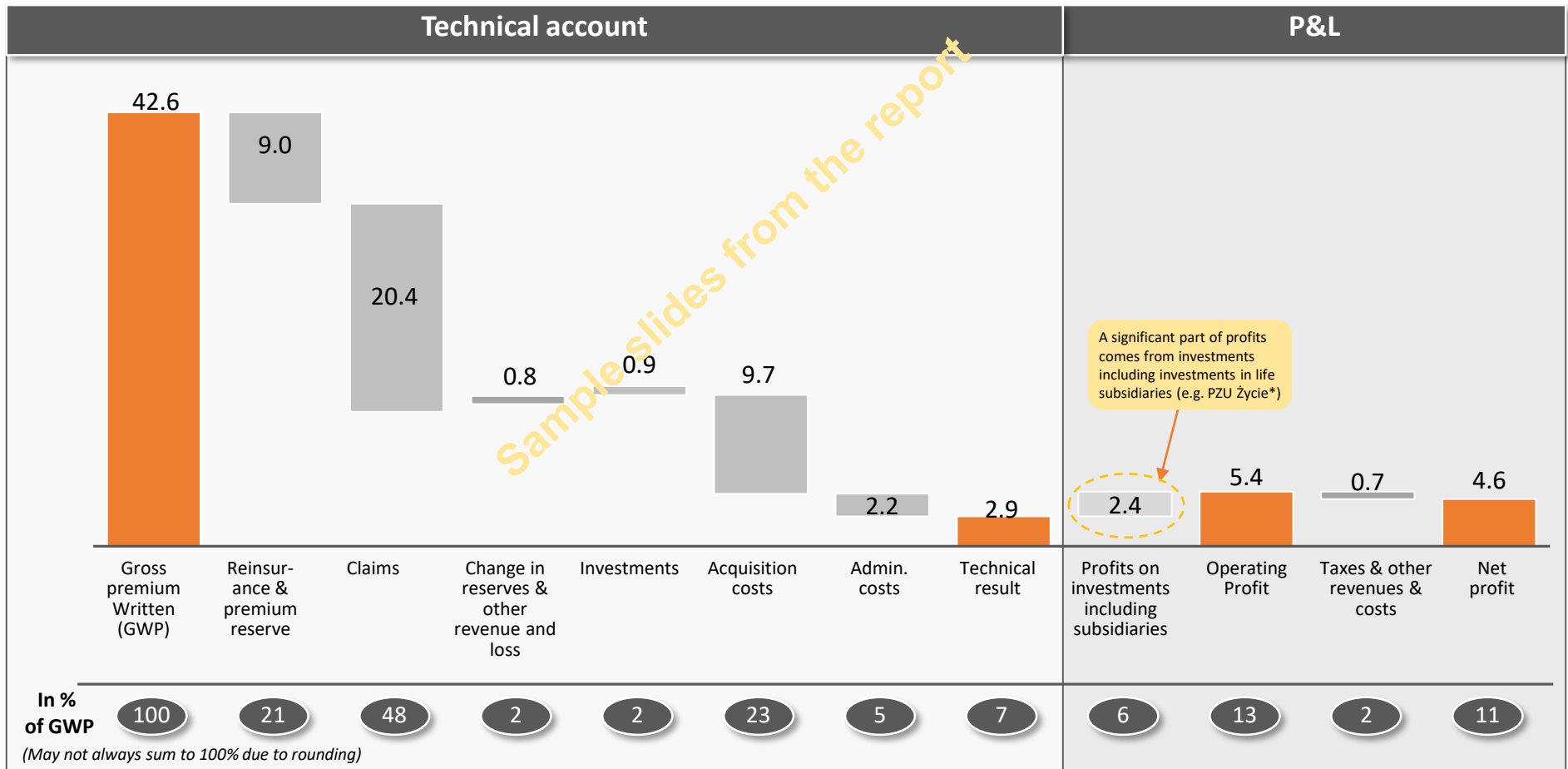
*Major 14 CEE countries. Nt.Macedonia, Russia, Ukraine and Belarus not included
Source: National supervision authorities, IMF, CEA, Inteliace Research

Non-life insurers made PLN 4.6 billion in net profits in 2019. This was an effect of a stronger technical account and a favourable investment result

NON-LIFE
INSURANCE

Non-Life insurance accounts, 2019

PLN billion



Insurance Market in Poland, 2020-2022

* PZU Życie is a 100% subsidiary of PZU S.A.
Source: KNF, Inteliace 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	2014	2015	2016	2017	2018	2019	2020F
Average	4.19	4.18	4.36	4.26	4.26	4.30	4.45
End of period	4.26	4.26	4.42	4.17	4.30	4.26	4.50

Source: NBP

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. Short-term estimates are indicated with “E” while forecasts are marked with “F”
- 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 the report and its authors

About this report

This report has been prepared using Inteliace Research proprietary research and publicly available sources, including: financial reports, press publications, industry magazines, directories, financial databases and expert opinions.

Views presented in this report reflect solely the independent and unbiased opinion of Inteliace Research and authors.

All due care has been taken in the production of this report. However, Inteliace Research does not accept any responsibility or liability for any omissions or inaccuracies of the information contained in this publication.

This report is copyrighted. Any distribution, storage, replication and usage is restricted to Inteliace Research clients only. In case of any doubt please contact us at: [info @ inteliace.com](mailto:info@inteliace.com)

About Inteliace Research

Inteliace Research is an independent and privately owned research firm based in the heart of Eastern Europe in Warsaw / Poland.

Our company specializes in value-added research services and tailored business intelligence solutions.

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

The lead researcher and founder of Inteliace Research is Marcin Mazurek.

Our contact details:

Inteliace Research

Foksal 17B / 31, 00-372 Warszawa, Poland

Tel. +48 22 408 66 20, Tel. +48 502 512 178

Fax. +48 22 349 21 40

mail: [info @ inteliace.com](mailto:info@inteliace.com)

www: <http://www.inteliace.com/en/publications.html>

Recent publications by Inteliace Research



Since no leading market standard has been set yet, banks bet on partnerships and develop own solutions at the same time

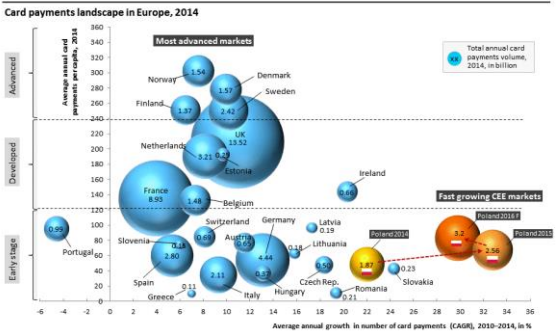
Key players in payment applications/wallets, 2016

Bank	Number of retail accounts (ROA) As of Q3 2016 in million	HCE	blík	pay	MasterPass	Visa Checkout
Bank Polski - PKO BP / Inteliace	5.8	✓	✓	✗	✓**	○
Bank Pekao - Bank Pekao SA	3.5	✓	✗	✗	✓**	○
mBank - mBank	3.2	✗	✓	✗	✓**	○
BZ WBK - BZ WBK	3.1	✓	✓	✓	✓**	○
ING - ING Bank Śląski	2.6	✗	✓	✗	✓**	○

PKO Bank Polski is by far the largest card issuer in Poland



The volume of card payments in Poland is expected to exceed 3 billion in 2016



Recent Reports:

2020

- February - Mortgage Lending in Poland '20
- May - Bank outlets database '20
- May - Top banks in CEE'20
- June - Banking Market in Poland '20
- October - Payments in Poland '20
- November - Investment Funds and Asset Mgmt. '20

and many other ...

Visit <http://www.inteliace.com> for more details