



INSURANCE 2009

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Preliminary information



1.1. Changes in the insurance law in 2009

1. Act amending the insurance act and certain other acts of 13 February 2009 (Journal of Laws No. 42, item 341)

Provisions of the act amending the insurance act and certain other acts of 13 February 2009 (Journal of Laws No. 42, item 341) came into effect on 18 June 2009. The aim of the act is to implement the Directive 2005/68/EC of the European Parliament and of the Council of 16 November 2005 on reinsurance and amending Council Directives 73/239/EEC, 92/49/EEC as well as Directives 98/78/EC and 2002/83/EC.

- The act also amends Article 829 § 2 of the Civil code. After the aforementioned provision comes into effect the insured party's consent will constitute a criterion of the insurance company's liability, the Civil code will unequivocally define the consequences of lack of the insured party's consent.

The Article has received the following wording: "In a life insurance contract concluded in someone else's behalf, the insurance company's liability starts not earlier than on the next day after the insured party declared to the party indicated in the contract that it wants to reserve insurance protection on its behalf. The declaration should also include the value of sum insured. Amendment to the contract detrimental to the insured party or party entitled to receive the sum insured in the event of the insured party's death required a consent of that insured party".

Article 829 § 2 of the Civil code will become the basis for dismissing the claims for the payment of the death benefit only on the basis that the insured party's declaration that it wants to take advantage of the reservation of insurance protection in its behalf will be addressed to the wrong party, for instance, to the insurance company and not the insuring party. The new provision will cause that it will not be indifferent to which party to the insurance contract the insured party will submit its declaration. In the event of the party's error the insurance company will not be authorized to pay the death benefit since, by virtue of the act, its liability has not commenced. It will also not be authorized to pay the benefit if the insured party passes away before the declaration sent by it reaches the appropriate party to the contract. The rules of the employees joining group insurance contracts are becoming more liberal. A new employee may join a group life insurance contract, all that is required is his consent. The rules of expressing consent to amend the terms and con-

ditions of such insurance coverage are also being liberalized (it was required in case of any changes), now it will be required only if making changes to the detriment of the insured party.

It has been stipulated in the act (which is a consequence of implementation of the EU Directive on equal treatment between men and women in the access to and supply of goods and services) that the insurance company may differentiate the insurance premiums and the declarations of various parties based on gender (when it is the decisive factor in assessing the insurance risk) but such differentiation depends on the collection, publication and update of precise figures by the insurance company justifying the use of the gender criterion.

- The amendment introduces numerous changes in the accounting act. These changes are associated with establishing a new type of entities operating on the financial markets – reinsurance companies, previously classified in the accounting act as insurance companies. A new term has been introduced in the statutory definitions, i.e. reinsurance company. According to the newly established definition a reinsurance company means an "entity pursuing a reinsurance activity on the basis of the regulations concerning reinsurance activities". The amendment introduces a so-called uniform license and the rule of supervision of the mother country as well as the rules of granting and revoking the aforementioned license. Organizational units acting on the basis of the regulations concerning reinsurance activities have been added to the regulations specifying the entities obliged to abide by the accounting act.

The new act specifies: the requirements of creating technical provisions by the reinsurance company in the amount allowing that company to fulfil its obligations ensuing from the reinsurance contracts; the requirements of possession of assets by the reinsurance company to cover the technical provisions and the rules of investing these assets; the requirements of possession of own funds by the reinsurance company to cover the solvency margin and guarantee capital and of indicating the funds of the reinsurance company classified under own funds to cover the solvency margin and the guarantee capital; the terms on which the supervisory body gives its consent for the reinsurance companies or a reinsurance company and an insurance company to execute an agreement on transferring the risk portfolio; the terms on which the supervisory body gives its consent for the reinsurance companies to execute an agreement

on merging the companies; the requirements concerning reports to be presented by the reinsurance companies; the rules of exercising supervision over reinsurance activities.

2. Act amending the freedom of economic activity act and amending certain other acts of 19 December 2008 (Journal of Laws of 2009, No. 18, item 97)

- A provision is being added to the insurance act of 22 May 2003 (Journal of Laws No. 124, item 1151, as amended) stating that the supervisory body may, upon the request of the supervisory body of an EU member state, inspect the domestic insurance company being a part of an insurance capital group or make it possible for the representatives of the supervisory body of the EU member state to conduct such inspection. The supervisory body is authorized to conduct the inspection with regards to the activity and financial condition of the insurance company. The new provisions regulate in detail the course of the inspection.
- A provision is being added to the insurance intermediation act of 22 May 2003 (Journal of Laws No. 124, item 1154, as amended) stating that the supervisory body may inspect the activities of an insurance company with regards to the use of the services of insurance agents. During the inspection of the insurance company the compliance of the insurance company's activities with the law as regards the use of services of the insurance agents is being examined. The new provisions regulate in detail the course of the inspection.

3. Act amending the act – Traffic law and the act on compulsory insurance, the Insurance Guarantee Fund and the Polish Motor Insurers' Bureau of 5 March 2009 (Journal of Laws No. 91, item 739)

In the act on compulsory insurance, the Insurance Guarantee Fund and the Polish Motor Insurers' Bureau of 22 May 2003 (Journal of Laws No. 124, item 1152, as amended) an exception has been added to the rule saying that if the person being checked fails to present a document confirming the conclusion of a compulso-

ry insurance contract or a proof of having paid the premium for that insurance, the body conducting the check notifies the Insurance Guarantee Fund about this fact within 14 days of conducting or concluding the check stating that this provision does not apply to a compulsory insurance contract if the body conducting the check obtained information from the central vehicle database confirming the conclusion of such contract.

4. Act amending the act – Traffic law and certain other acts of 22 May 2009 (Journal of Laws No. 97, item 802)

Article 17 has been amended in the insurance act of 22 May 2003 (Journal of Laws No. 124, item 1151, as amended) by wording it: A motor vehicle owner is obliged to inform the insurance company about having conducted an extra inspection check referred to in the act of 20 June 1997 – Traffic law (Journal of Laws of 2005, No. 108, item 908, as amended). The technical inspection is considered to be a normal consequence of a loss and its costs are covered by the insurance company as part of an auto casco insurance policy and the perpetrator's third-party liability insurance policy.

5. Act amending the freedom of economic activity act and amending certain other acts of 19 December 2008 (Journal of Laws of 2009, No. 18, item 97)

Provisions have been amended in the crops and livestock insurance act of 7 July 2005 (Journal of Laws No. 150, item 1249, as amended) concerning the method of conducting an inspection, specifying that the inspections are conducted by the inspector after presenting an official identity card and providing an authorization to conduct the inspection issued by the minister in charge of agriculture. It has been precisely defined in the amended provisions what elements the authorization should contain.

Moreover, a provision has been added stating that provisions of chapter 5 of the freedom of economic activity act apply to the inspection of the activities of the insurance company with regards to the conclusion and execution of crop and livestock insurance contracts.

1.2. Information about companies pursuing insurance activities in 2009, definitions of certain terms and indicators used herein

In 2009 the Polish Chamber of Insurance had 80 members. These included 58 joint-stock companies, 13 foreign branches and 9 mutual insurance companies. In comparison to 2008 the number of members in the Polish Chamber of Insurance increased by 3. According to the data of the Polish Financial Supervision Authority there were 568 notified foreign insurance companies in Poland at the end of 2009.

Branches of foreign insurance companies are not subject to the Polish reporting requirements and do not submit their financial statements to the Polish Financial Supervision Authority or the Polish Chamber of Insurance. For this reason this report lacks a section dedicated to the activities of the branches of foreign insurance companies. If the X mark appears at any Figure, it means that it was not possible to indicate it.

Definitions of indicators:

The retention ratio means a percentage share of the net premium written in the gross premium written.

The claims retention ratio means a percentage share of net claims in gross claims.

The gross claims ratio is calculated as the ratio of the sum of gross claims and the change in the status of reserves for outstanding gross claims to the gross premium earned.

The net claims ratio is calculated as the ratio of net claims to the net premium earned.

The level of gross technical provisions is measured by the ratio of the gross technical provisions to the gross premium written.

The degree of profitability of subscribed capitals is measured as the percentage indicator indicating the ratio of the gross financial result before taxes to subscribed capitals.

The degree of profitability of assets is measured by the ratio of the net financial result after taxes to the balance sheet assets less intangible assets and deferred expenses.

The combined ratio is the ratio of gross claims plus the change in the status of gross claims reserves and insurance activity expenses plus other net expenses to the gross premium earned.

Analysis of the insurance market in 2009



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2.1. Review of the situation on the European insurance markets in the last five years

The last two years in the global economy was the time of huge changes and a period of macroeconomic trends. The years 2000-2009 may be analyzed in two time spans, until 2007 and afterwards. The turning point is undoubtedly the outburst of the economic crisis in the United States, which spread all over the world during the next two years. Initially the crisis affected mainly the financial markets but in many countries it spread beyond those frontiers. The effects of the global crisis were felt also in the insurance business. Depending on the region of world and the current pace of growth, the economic growth indexes were dropping at various speeds. The drop in insurance activity was particularly felt on the American market, where the value of the gross premium written dropped by approx. 30% each year despite of good stability in the preceding several years. OECD member states also felt the recession, including, in particular, apart from the USA, the countries of the Old European Union and other markets of highly developed countries. The recession particularly affected the life insurance sector which, until 2007, was characterized by high growth rate as regards the gross premium written.

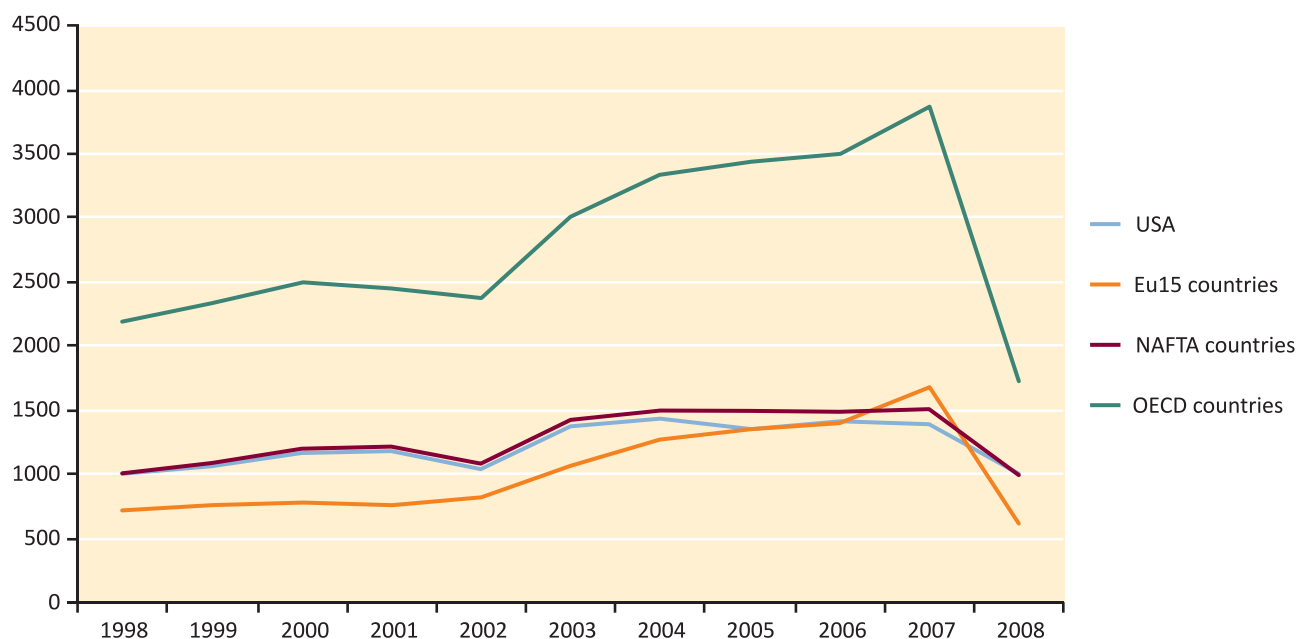
In Europe the insurance markets in various countries reacted at various times to the signals from the United States. In general, after 2007 it was possible to observe two trends in Europe. The economies of the Old Union quickly felt the symptoms of the crisis and as regards in-

surance, the premium growth rate has decelerated significantly. Meanwhile, in the new Member States the upward trend was still holding up, dictated by completely different spirits than observed in the rest of the world. Sudden acceleration of the economic growth, which was so strong that initially it was not affected by the crisis-inducing processes taking place in the West, was felt in these countries, especially in Romania. The premium growth ratio in this country reached a level as high as 58% at the turn of 2006-2007, which does not mean high value but is an important signal indicating that the pace of economic growth is accelerating. Equally record-high growth ratios were observed in Estonia (84%) as well as in Ireland, Hungary and in Poland, although they oscillated at around 20% in those countries.

The last years of the decade in question meant significant weakening of the pace of growth of the insurance market in all European countries, regardless of the current degree of development. The largest drop in the value of the gross premium written in recent years was observed in Poland, Greece and Hungary. Particularly large fluctuations of this indicator were observed on the Polish market. In the first period of 2007/2008 being analyzed the value of the gross premium written increased by approx. 45%, and a year later it decreased by 29%.

The huge fluctuations were affected, in particular, by changes in the premium in Branch 1 as well as fluctua-

Figure 1. Review of the world situation as regards the gross premium written in the years 1998-2008 (figures in billions of USD)



Source: own elaboration based on <http://stats.oecd.org/Index.aspx>.

tions of the PLN/EUR exchange rate. In 2008 structured products were very popular in Poland, especially investment policies, thanks to which the investors did not have to pay tax on capital gains. In 2009 the offer of the insurance companies in this regard decreased drastically, which led to a significant drop in the value of life insurance premium collected. Moreover, at the turn of the last two years we had to deal with a drop in the value of the Polish zloty, which deepened this disproportion even more, especially if the analysis is being conducted based on Euro.

Table 1. Total gross premium written in selected European countries in the years 2005-2009

Country	Total Gross Premium written (in millions Euro)				
	2005	2006	2007	2008	2009*
Austria	15 295	15 582	15 878	16 214	16 404
Belgium	33 830	29 633	31 440	28 276	27 312
Croatia	993	1 118	1 235	1 339	1 281
Czech Republic	3 901	4 229	4 799	5 160	5 158
Estonia	254	236	434	371	367
Finland	14 297	14 953	15 046	16 008	no data
France	175 884	198 160	194 310	183 246	199 284
Greece	3 923	4 334	4 686	4 342	5 001
Spain	48 779	52 584	54 539	59 011	59 840
Holland	47 294	64 691	75 950	76175	no data
Ireland	13 580	14 904	17 672	13 431	no data
Germany	157 974	161 600	163 200	160 700	167 500
Norway	11 968	11 945	12 965	12764	no data
Poland	7 717	9 629	11 580	16 818	11 917
Portugal	13 444	13 122	13 749	14 784	13 843
Romania	890	1 276	2 018	2403	no data
Slovenia	1 547	1 727	1 893	2 018	2 064
Switzerland	32 658	32 059	30 437	33 171	no data
Sweden	22 541	23 148	25 083	24078	23 290
Turkey	4 739	5 760	6 110	6 196	5 748
Hungary	2 767	3 142	3 701	3 542	2 944
Great Britain	236 794	255 428	295 045	249 233	no data
Italy	109 780	106 561	99 116	92 014	117 809

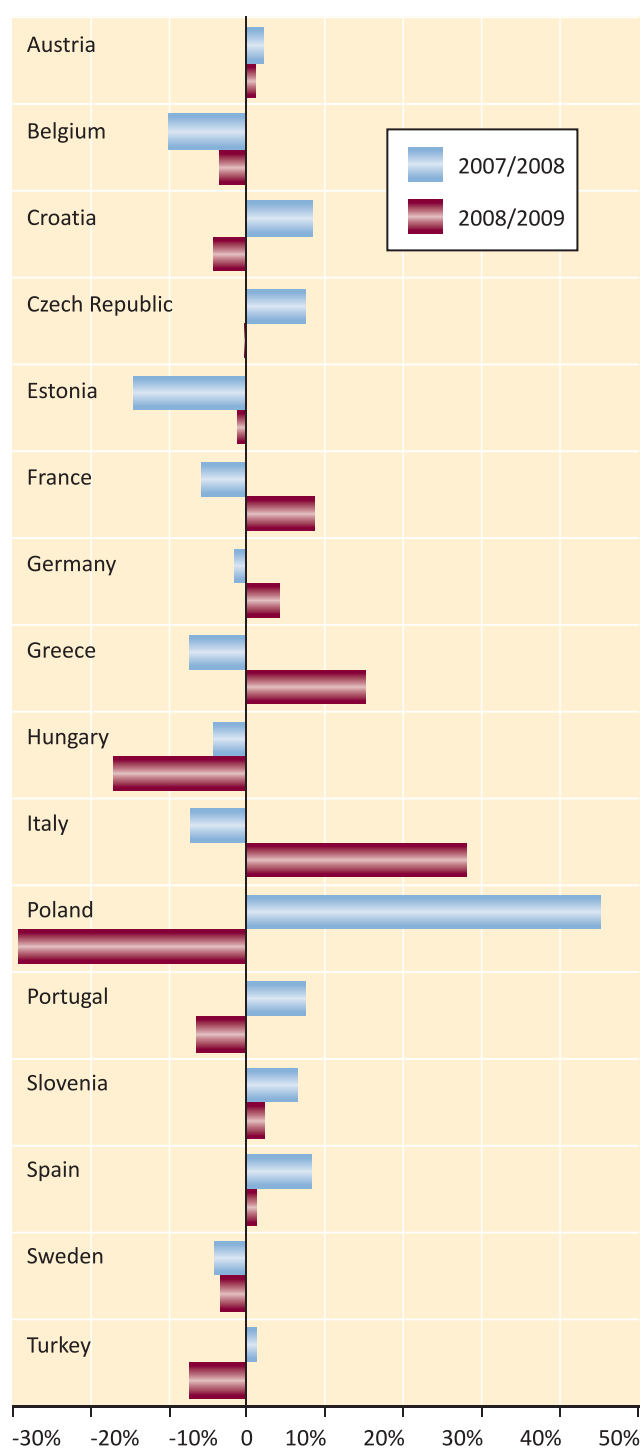
* data for 2009 come from unverified reports.

Source: own elaboration based on CEA data.

Specific conditions being the effect of internal policy of specific state as well as financial institutions in these countries contributed to the overall European situation.

The following factors may be indicative of the significant differences in the level of development of the insurance market in each European country: market saturation, share of the premium in the GDP, as well as the value of the gross premium written per capita.

Figure 2. Changes in the total value of the gross premium written in European countries in the years 2007/2008 and 2008/2009



Source: own elaboration based on CEA data

Especially the last indicator clearly shows the disproportions in the development of the insurance market in the countries being analyzed. Generally, the European national markets can be divided into three groups. The following countries can be found in the first group with

the premium up to EUR 1 thousand per capita: Turkey, Poland, Czech Republic, Hungary, Romania, Estonia and Croatia. Countries with an average indicator ranging from EUR 1 thousand up to EUR 2 thousand include: Spain, Portugal, Austria and Italy. The third group includes countries with strongly developed insurance activities and is dominated by France, Belgium, Germany, Ireland as well as Switzerland and Holland. A high value of the premium per capita is an effect of high insurance awareness of the citizens as well as specific economic and legal conditions, especially well-developed insurance riders related to healthcare or old-age security.

The history of development of the insurance markets in these countries shows that at least three fundamental stages can be observed. The first development stage is characterized by clear dominance of property insurance products in the total premium, the second stage is characterized by equalization of the premiums from life and property insurance, whereas the third stage is dominated by life insurance products. In Europe one can notice that a significant re-shuffle of belonging of each domestic market to the aforementioned groups has taken place during the last decade. For instance, the Polish market has been characterized since 2006 by a small advantage of the life insurance premium over other premiums. The group of countries with clearly and unchangeably dominating life insurance products includes France, Great Britain, Italy and Holland. The group of countries where property insurance predominates includes Turkey, Romania and Slovenia.

The market which clearly did not subordinate itself to the general tendencies is Germany where the premium is distributed in similar proportions among both Branches of insurance. The Hungarian insurance Branches are in a similar situation, although in result of other circumstances.

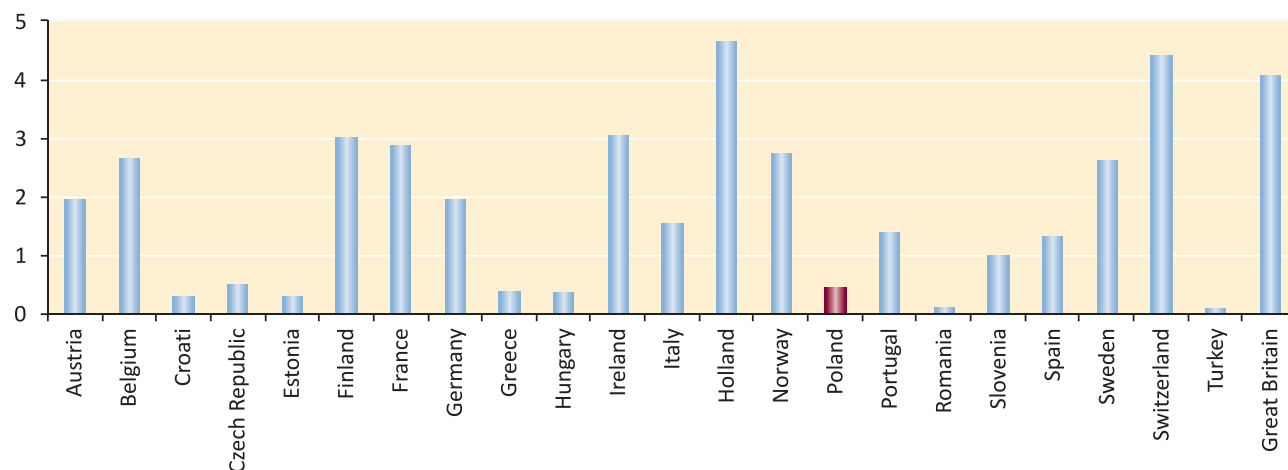
Table 2. Gross premium written in Branch 1 in selected European countries in the years 2005-2009

Country	Gross premium written Branch 1 (in millions EUR)				
	2005	2006	2007	2008	2009
Austria	7 124	7 181	7 208	7 364	7 415
Belgium	24 964	20 634	21 951	18 366	17 263
Croatia	265	297	338	353	339
Czech Republic	1 507	1 661	1 950	1 962	2 034
Estonia	50	36	180	127	133
Finland	11 256	11 803	11 918	12 738	3 074
France	120 090	141 180	136 000	122 420	137 094
Greece	1 935	2 274	2 501	2 175	2 202
Spain	20 522	22 472	23 454	26 582	28 119
Holland	25 000	25 000	26 550	25 998	no data
Ireland	9 000	11 000	14 000	10 097	no data
Germany	72 597	74 700	75 375	76 100	81 400
Norway	6 937	7 442	8 371	8002	7 119
Poland	3 812	5 416	6 743	11 158	7 017
Portugal	9 136	8 762	9 369	10 818	10 054
Romania	235	252	448	452	no data
Slovenia	543	542	609	642	624
Switzerland	18 343	18 582	17 517	17 899	21 576
Sweden	15 059	15 452	17 508	17 890	17 874
Turkey	740	826	744	832	843
Hungary	1 218	1 592	2 023	1 835	1 471
Great Britain	150 629	183 357	222 842	188 422	no data
Italy	73 592	69 377	61 440	54 565	81 078

Source: own elaboration based on CEA data.

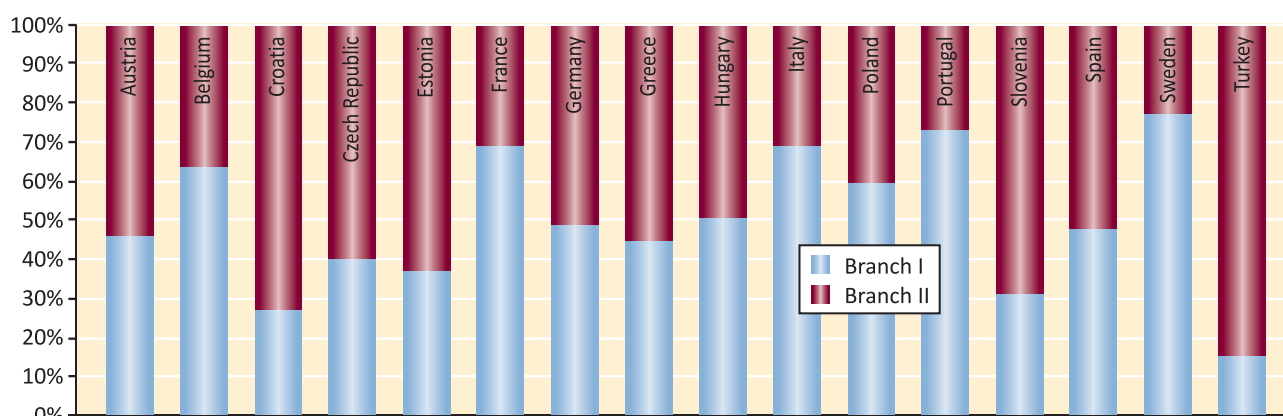
Observing the evolution of that indicator in this country one may notice a clear deceleration of the pace of growth of the life insurance sector which predominated on the Hungarian market in the years 2006-2008. Trou-

Figure 3. Total gross premium written per capita in selected European countries in 2008 (in thousands of EUR)



Source: own elaboration based on CEA data.

Figure 4. Ratio between the gross premium written in Branch 1 and Branch 2 in selected European countries in 2009



Source: own elaboration based on CEA data.

bles of the Hungarian economy also affected the insurance market, a proof of which is the ever larger drop in the value of the overall gross premium written.

Table 3. Gross premium written in Branch 2 in selected European countries in the years 2005-2009

Country	Gross premium written Branch 2 (in millions EUR)				
	2005	2006	2007	2008	2009
Austria	8 171	8 401	8 668	8 836	8 989
Belgium	8 865	8 999	9 489	9 910	10 049
Croatia	758	821	897	987	942
Czech Republic	2 380	2 568	2 850	3 197	3 124
Estonia	139	200	254	245	233
Finland	3 046	3 150	3 129	3 011	3 075
France	54 830	56 980	58 310	60 826	62 190
Greece	1 988	2 060	2 185	2 167	2 799
Spain	28 165	30 112	31 084	32 429	31 721
Holland	24 690	39 691	49 400	50 177	no data
Ireland	3 970	3 904	3 672	3 334	3 098
Germany	85 203	86 900	87 825	84 600	86 100
Norway	4 407	4 502	4 594	4 742	no data
Poland	3 952	4 213	4 837	5 660	4 900
Portugal	4 295	4 360	4 380	3 966	3 789
Romania	655	1 024	1 570	1 951	no data
Slovenia	1 097	1 185	1 284	1 376	1 440
Switzerland	13 247	13 476	12 920	13 264	no data.
Sweden	7 202	7 696	7 575	6 997	5 415
Turkey	3 957	4 934	5 366	5 364	4 905
Hungary	1 550	1 550	1 678	1 707	1 473
Great Britain	70 247	72 071	72 202	60 810	42 370
Italy	36 309	37 184	37 676	37 450	36 731

Source: own elaboration based on CEA data

Changes on the insurance markets in each country reflect the situation in other sectors of the economy. Higher activeness of banks in granting consumer and mortgage loans translates into the development of financial and life insurance products. Moreover, enterprises, during the time when they are exposed to increased risk of payment backlogs, more frequently insure their customer receivables. They equally frequently use the insurance guarantee mechanism.

The condition and reforms of the public healthcare system have a large impact on the development of insurance products associated with the treatment expenses. That is why in countries such as France or Holland medical insurance products, which are a basic element of the insurance package of majority of the population, hold a high market share. As regards clearly defined baskets of guaranteed benefits, the citizens buy extra protection in the form of insurance policies in case of illness in order not to burden their household budgets with high financial expenses.

It is anticipated that in the next several years the European insurance markets will gradually recover their condition from before the crisis, however, this will be a slow process and the pace will vary from country to country. It is most probable that the crisis will last a lot longer in less developed countries than in the old fifteen member states.

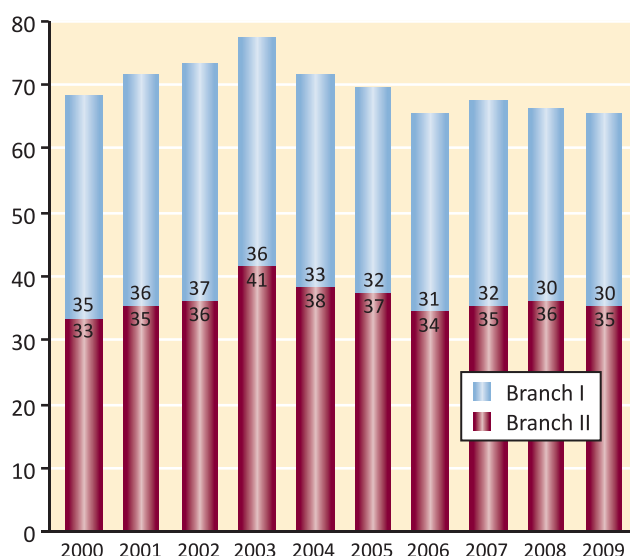
2.2. Structural analysis of the insurance sector in Poland in comparison with the rest of Europe

2.2.1. Situation on the Polish insurance market in 2009

The basic figures characterizing the development of the Polish insurance market in the years 2000-2009 are presented in Table 3.3.2.

During the entire period being analyzed the total number of insurance companies operating in the sector decreased from 68 in 2000 to 65 in 2009. The change in the number of insurance companies is irregular. The largest number of insurance companies was observed in 2003 (77 insurance companies). After 2003 this number started dropping to reach 65. This tendency occurred in the life insurance sector as well as non-life insurance sectors. In 2009, in comparison to 2000, the total number of insurance companies dropped by 4.4%. The average pace of changes in the number of insurance companies operating during this period was insignificant and totalled only 0.5%¹. The change in the number of insurance companies in the years 2000-2009 is presented in Figure 5.

Figure 5. Number of insurance companies in the years 2000-2009



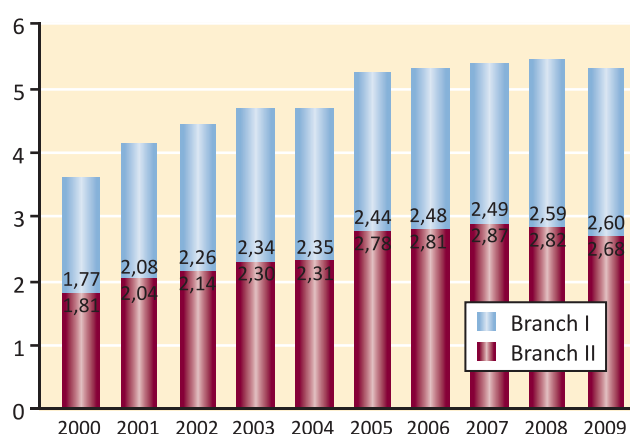
Source: own elaboration.

The value of the subscribed capital in 2009 in comparison to 2000 increased by 47%. The change in the life insurance Branch was 147%, and in the non-life insurance Branch it was 148%. In 2009 the value of the subscribed capital reached a level of PLN 5,278 M. In comparison to 2008 the value of the subscribed capitals decreased slightly. This drop pertained to the property insurance sector where the value of the capitals decreased by 5.1%. The val-

¹ A geometric mean was used to calculate the average pace of growth of the number of insurance companies during the entire period being analyzed.

ue of the subscribed capitals in the life insurance Branch increased slightly in 2009 by only PLN 6.7 M in comparison to 2008 and reached a level of PLN 2,598 M. The average pace of changes in the value of the subscribed capital during the entire period in question was 4.4% for the entire sector. As regards life insurance this pace amounted to 4.35%. As for non-life insurance it reached a level of 4.45%. The level of the subscribed capital in subsequent years is presented in Figure 6.

Figure 6. Level of the subscribed capital in the years 2000-2009 at values from 2009 (in billions of PLN)



Source: own elaboration.

The share of foreign investments grew dynamically together with the changes in the value of the subscribed capital. In 2009 the share of foreign capital in the subscribed capitals amounted to 82.2% while in 2000 it was 59.1%.

In 2009 the level of the gross premium written in both Branches of insurance reached PLN 51,168 M. The real value of the gross premium written increased twofold² in comparison to 2000. As regards life insurance the value of the gross premium written increased in 2009 in comparison to 2000 more than threefold, whereas as regards non-life insurance the premium increased by 46.5%. During the entire period in question the total gross premium written in both Branches of insurance grew at a year-average rate of 8.9%. In the life insurance sector this rate was 13.7%, whereas as regards non-life insurance sector the rate was 4.3%.

The gross value of claims paid at the end of 2009 in comparison to 2000 increased more than threefold to reach

² The analysis of the premium written as well as the claims paid and the changes in the level of investments was performed using actual values converted in accordance with the prices from 2009, after conversion using the inflation rates published by the Central Statistical Office.

a level of more than PLN 40,081 M. During the entire period in question the claims paid grew at the average rate of 14.7% (geometric mean). This pace was faster as regards life insurance and reached a year-average rate of 28.3%. As regards non-life insurance the year-average growth rate of claims was 4.0%. In 2009, in comparison to 2000, claims paid in the life insurance Branch increased by over ninefold from PLN 2,944 M to PLN 27,716 M. The share of claims paid in the life insurance sector in the total value of claims increased from 25.3% in 2000 to 69.2% in 2009.

A similar tendency was observed as regards the gross premium written per capita. The gross premium written per capita in 2000 totalled PLN 625.00. In 2008 the value of the gross premium written per capita increased to PLN 1,557.00 and a year later it reached a level of PLN 1,341.00. The life insurance Branch was characterized by higher growth in the premium written per capita. During the period in question the level of premium per capita in this Branch increased more than threefold, where, simultaneously in the non-life insurance Branch, it increased by 46%. During the entire period in question the premium per capita in the non-life insurance Branch grew at the rate of 4.3% while in the life insurance Branch the growth rate reached a level of 13.7%. In 2009 the gross premium written per capita increased to PLN 1,341.00. In Branch 1 the indicator was PLN 794.00 per capita and in Branch 2 PLN 548.00 per capita, which confirms a large

discrepancy between the market's growth rate in Branch 1 and 2.

In general, a drop in the level of investments was observed in 2009 in comparison to 2008, except for investments in behalf and at the risk of the insuring party in Branch 1. The value of these investments increased by 16% in comparison to 2008. The total value of investments in both Branches of insurance increased more than threefold in 2009 in comparison to 2000 and reached a level of PLN 126,436.9 M. As regards the non-life insurance Branch the value of investments increased nearly threefold in 2009 in comparison to 2000 whereas as regards the life insurance Branch it increased nearly fourfold. The growth of investments in the life insurance Branch was caused by the increase in investments in behalf and at the risk of the insuring party. The value of investments in behalf and at the risk of the insuring party in 2009 increased more than fourteenfold in comparison to 2000 and reached a level of PLN 31,659.5 M, which accounts for 25% of the total value of investments of insurance companies. During the entire period in question the total value of investments of insurance companies grew at an average rate of 14.5% a year, where in the non-life insurance Branch it grew by 11.8% and in the life insurance Branch it grew by approximately 16.2%. As regards the life insurance Branch the value of investments in behalf and at the risk of the insuring party grew at the year-average rate of 34.3%.

2.2.2. Changes in the basic figures characterizing the insurance sector in 2009

Market structure

The value of gross premium written in 2009 in the life insurance Branch at constant prices reached a level of over PLN 30,278 M. In comparison to 2008 it meant a drop by 25%. The premium written from Branch 1 (life insurance) had the highest share in the gross premium written in this Branch and amounted to over 63.5%. In comparison to 2008 the premium level in this group of the life insurance Branch dropped by 34.5%. Insurance products belonging to group 3 held a consecutive place in terms of the share of the premium written as part of the life insurance Branch with 21.3%. An insignificant regress was observed as regards these insurance products. In comparison to 2008 the level of premium from insurance associated with the insurance capital fund decreased by less than 1%.

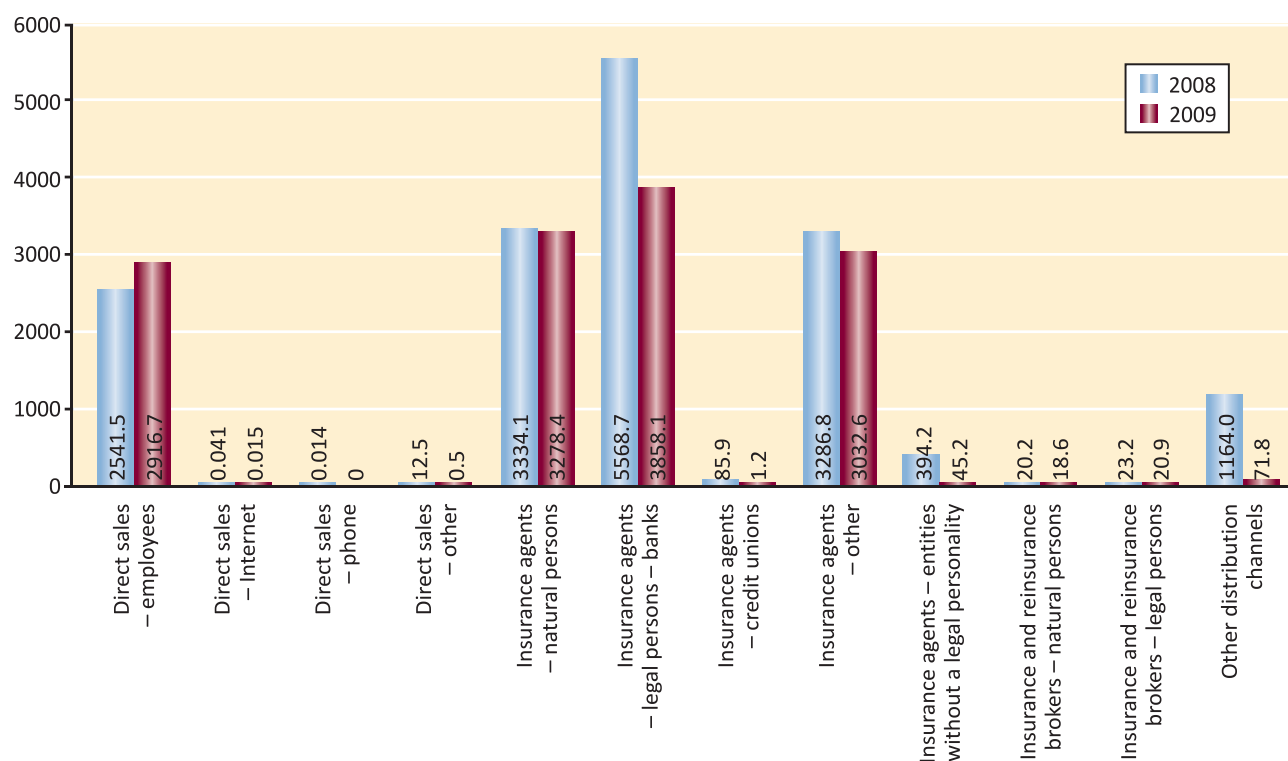
As regards the non-life insurance Branch the value of the gross premium written in 2009 reached a level of just slightly over PLN 20,890 M. The premium growth ratio in 2009 in comparison to 2008 reached a level of 99.15%. In comparison to 2008 it dropped by PLN 180,102 K. Fi-

nancial insurance products were developing the fastest. The growth of the gross premium written in this sector reached a level of 121.7%. The next position was taken by general third-party liability insurance products with the premium growth of 109.5%. Property insurance products with the premium growth of 108.3% followed right after. The premium from motor insurance constitutes the highest share in the structure of the gross premium written in the non-life insurance Branch with a 59.9% share (class 3 and class 10).

The insurance sector is still strongly concentrated. In both Branches the share of five largest insurance companies exceeds 60%. The concentration measured by the market share of five largest insurance companies is higher as regards non-life insurance and amounts to 70.0%.

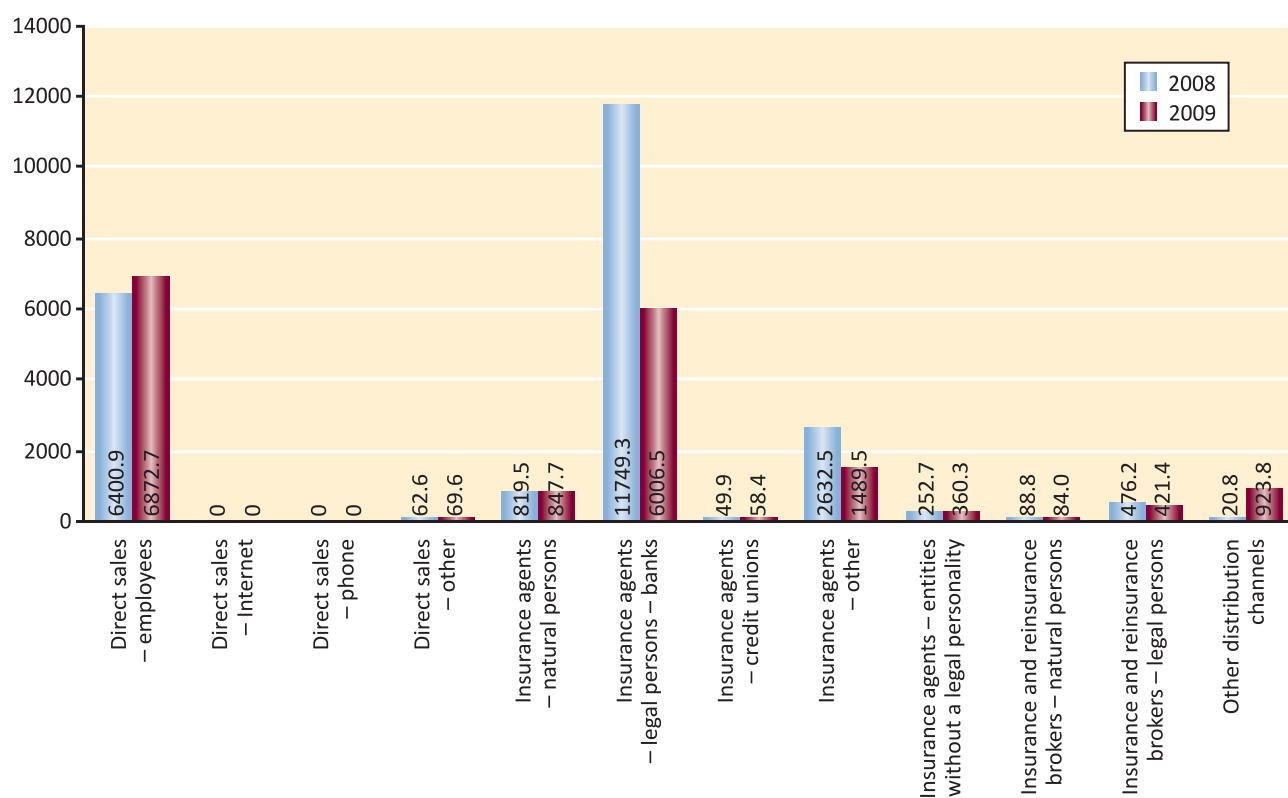
As regards life insurance the market share of five largest insurance companies amounts to 64.8%. The market share of the largest insurance company is systematically dropping. In the property insurance Branch in 2009 it reached a level of 38.3% in comparison to 45.5% in 2008.

Figure 7A. Sale of individual insurance policies in Branch 1 in the years 2008-2009 broken down by distribution channels in millions of PLN



Source: own elaboration.

Figure 7B. Sale of group insurance policies in Branch 1 in the years 2008-2009 broken down by distribution channels in millions of PLN



Source: own elaboration.

In the life insurance Branch the share at the end of 2009 amounted to 32.8%. The market share of the second largest insurance company accounts for 8.9% of the total gross premium written. The third insurance company's market share is 8.6%. The share of the consecutive insurance companies does not exceed 8%. A similar situation can be observed in the non-life insurance Branch. The share of the second largest insurance company amounted to 10.7% in 2009. The market share of the remaining insurance companies does not exceed 10%.

Distribution and employment

As regards distribution of individual insurance policies in the life insurance Branch policies distributed by insurance agents being legal persons (banks) still hold the highest market share. The role of this distribution channel decreased insignificantly in 2009. The share in the sale of individual insurance policies through this channel dropped from 33.9% in 2008 to 29.1% in 2009. As regards individual insurance policies the share of policies distributed directly by employees as part of direct sales increased. The share of this distribution channel in overall sales of individual insurance policies amounted to 22.0%. This same share amounted to 15.5% in 2008. The share of agents being natural persons is still significant at 24.8%. Figures presented on the previous page reflect the structure of the

distribution channels in 2008 and 2009 broken down by each Branch of insurance.

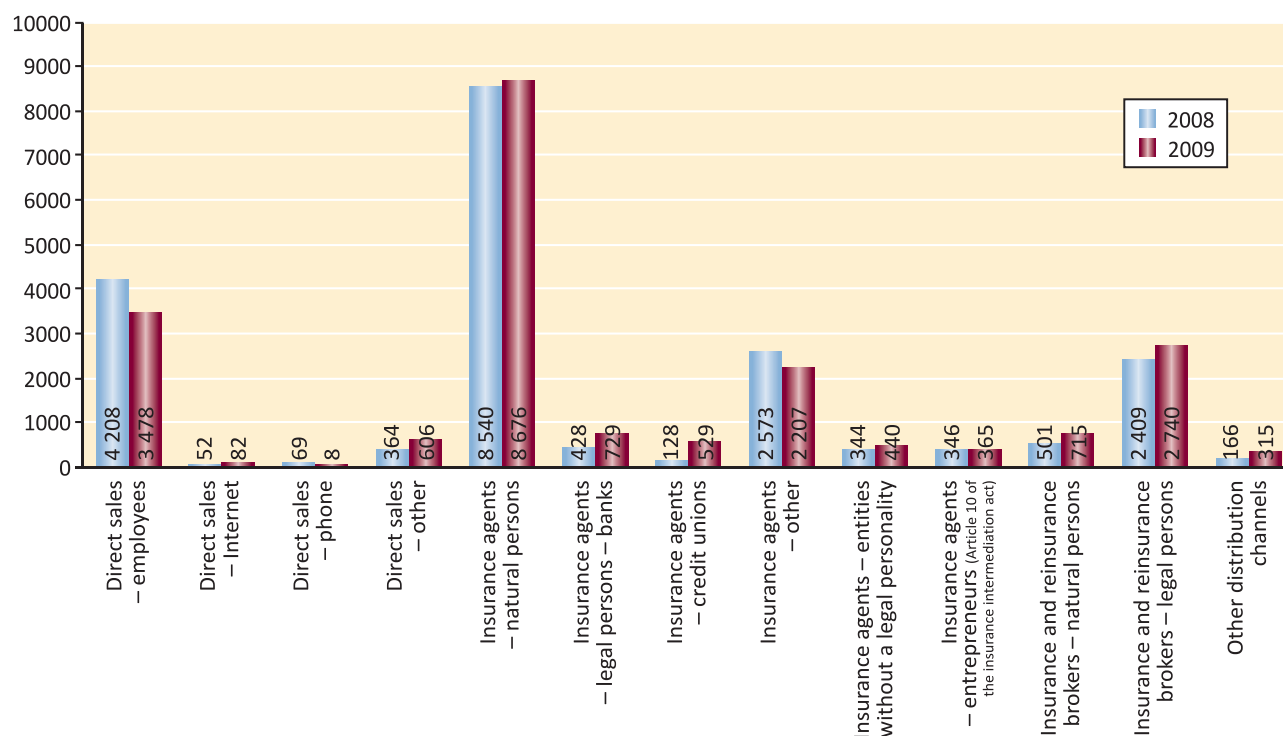
The situation in the group insurance sector looks similar, although the significance of sales made directly by the employees of insurance companies increased drastically at the cost of a decrease in sales made by banks. The share in the sales made by banks amounted to 35.3%. In comparison to 2008 this share decreased by 16.8%. The share of direct sales in the overall sales of group insurance policies in 2009 amounted to 40.3%, in comparison to 2008 it meant an increase by 12.0%.

Group insurance products were characterized by a higher drop in the premium. The group insurance sales ratio in 2009 reached a level of 75.5% and a level of 80.6% as regards individual insurance sales. As regards the sale of individual insurance policies through the current distribution channels direct sales made by the employees of insurance companies developed most dynamically.

The sales growth ratio for this channel was 114%. The largest regress was observed in the agents – credit unions – channel. Sales made through this channel in 2009 dropped by 98.6% in comparison to 2008 reaching a level of PLN 1,214 K.

As regards group insurance the distribution channel that developed most dynamically were the so-called other distribution channels.

Figure 8. Sale of insurance policies in Branch 2 in the years 2008-2009 broken down by distribution channels in millions of PLN

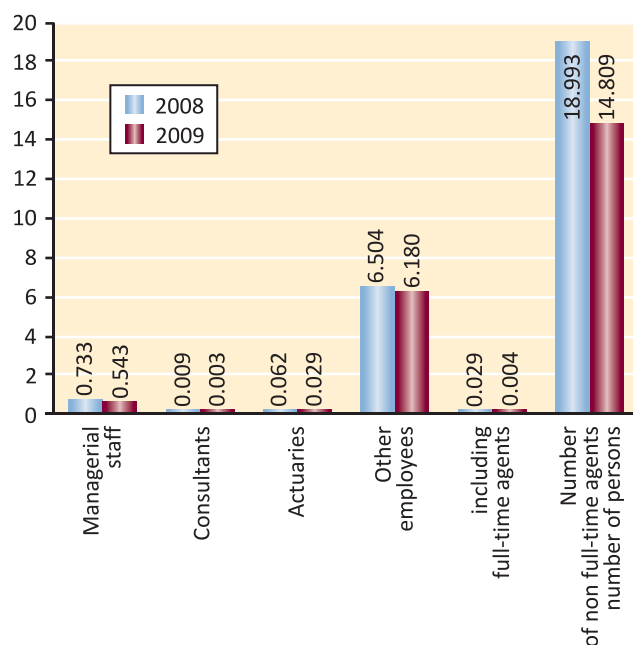


Source: own elaboration.

As regards non-life insurance the most important distribution channel are insurance agents being natural persons. The share of sales made through this channel with respect to total sales of insurance made in 2009 amounted to 41.5% and decreased by only 0.9% in comparison to 2008. The roles of insurance and reinsurance brokers being legal persons also increased in 2009. The share of sales made through this channel in 2009 amounted to 13.1%. The structure of sales of insurance policies in the years 2008-2009 broken down by distribution channels is presented in Figure 8.

The popularity of such channels as the Internet decreased during the period in question. The premium written through the Internet still makes up less than 1% and the growth ratio decreased at the same time. The growth ratio for the premium written through the Internet in 2009 amounted to 155%, and in the analogous period of 2008 the premium written through the Internet increased by 230% in comparison to 2007. Only PLN 8,126 K worth of premium was written by phone in 2009. The most dynamic distribution channel was: insurance agents – credit unions. The growth ratio of the premium written through this channel amounted to 413.7%.

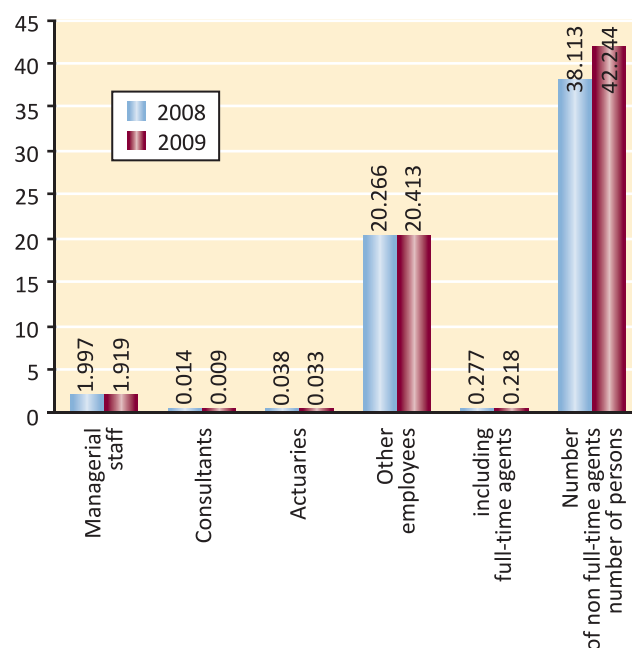
Figure 9A. Employment in the insurance sector in the years 2008-2009. Branch 1 in thousands of people.



Source: own elaboration.

The year 2009 was characterized by changes in the employment structure. The total number of employees employed in the life insurance Branch decreased by 18%. The highest percentage drop was observed in the

Figure 9B. Employment in the insurance sector in the years 2008-2009. Branch 2 in thousands of people.



Source: own elaboration.

consultants group and in the full-time insurance agents group. In terms of numbers the group that decreased the most were non full-time agents. This number dropped by 4,184 persons. The number of people employed at managerial posts in 2009 dropped by 190.

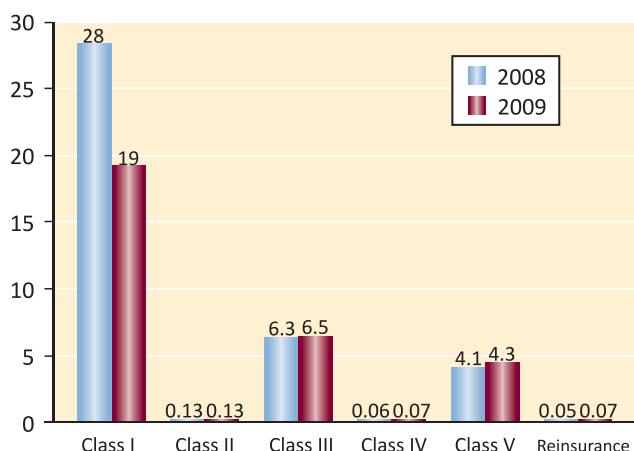
As regards non-life insurance the total number of employees in 2009 increased by 6.9% in comparison to 2008. This increase was owed, to a large extent, to the increase in the number of non full-time agents. The structure of employment in each Branch in the years 2008-2009 is presented in Figures 9A and 9B.

Gross premium written

In the life insurance Branch the growth ratio of the nominal gross premium written reached a level of 77.7% while in the non-life insurance Branch it reached a level of 103.8%.

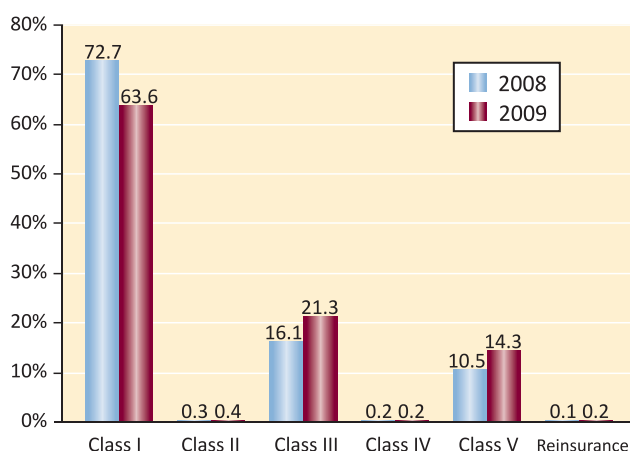
As regards the risk classes of Branch 1 the highest growth rate was observed in the pension insurance class (class 4). The growth ratio for this type of insurance products reached a level of over 115.5%. The premium written on this type of insurance accounted for only 14.3% of the total premium written in Branch 1. The structure of the premium written in the years 2008 and 2009 in the life insurance Branch is presented in the following Figures.

Figure 10A. Gross premium written broken down by risk classes in Branch 1 in the years 2008-2009 in billions of PLN



Source: own elaboration.

Figure 10B. Structure of the gross premium written broken down by risk classes in Branch 1 in the years 2008-2009

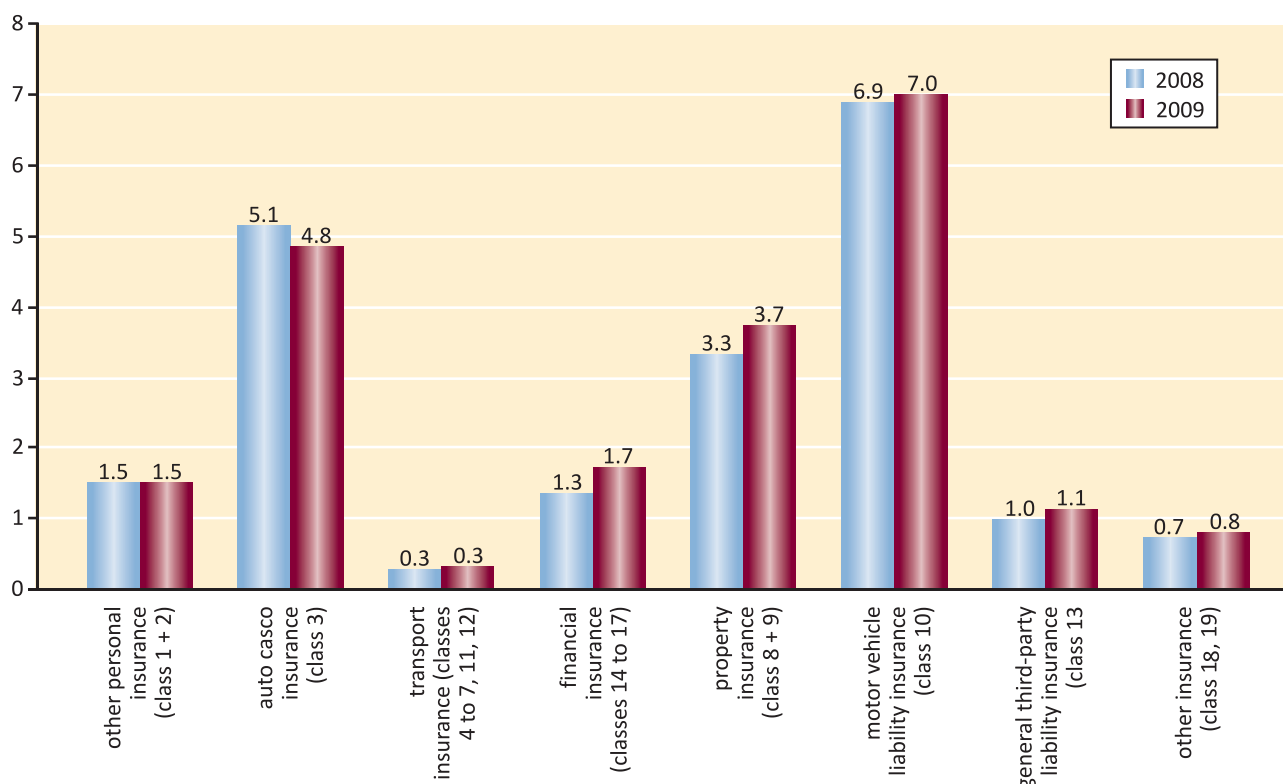


Source: own elaboration.

As regards the risk classes of Branch 2 the highest growth rate was observed in the third-party liability inland and sea marine insurance class (class 12). The growth ratio of the gross premium written in this insurance class reached a level of 167.0%. However, the gross premium written in this class constitutes only a small share in the total gross premium written in Branch 2. In 2009 this

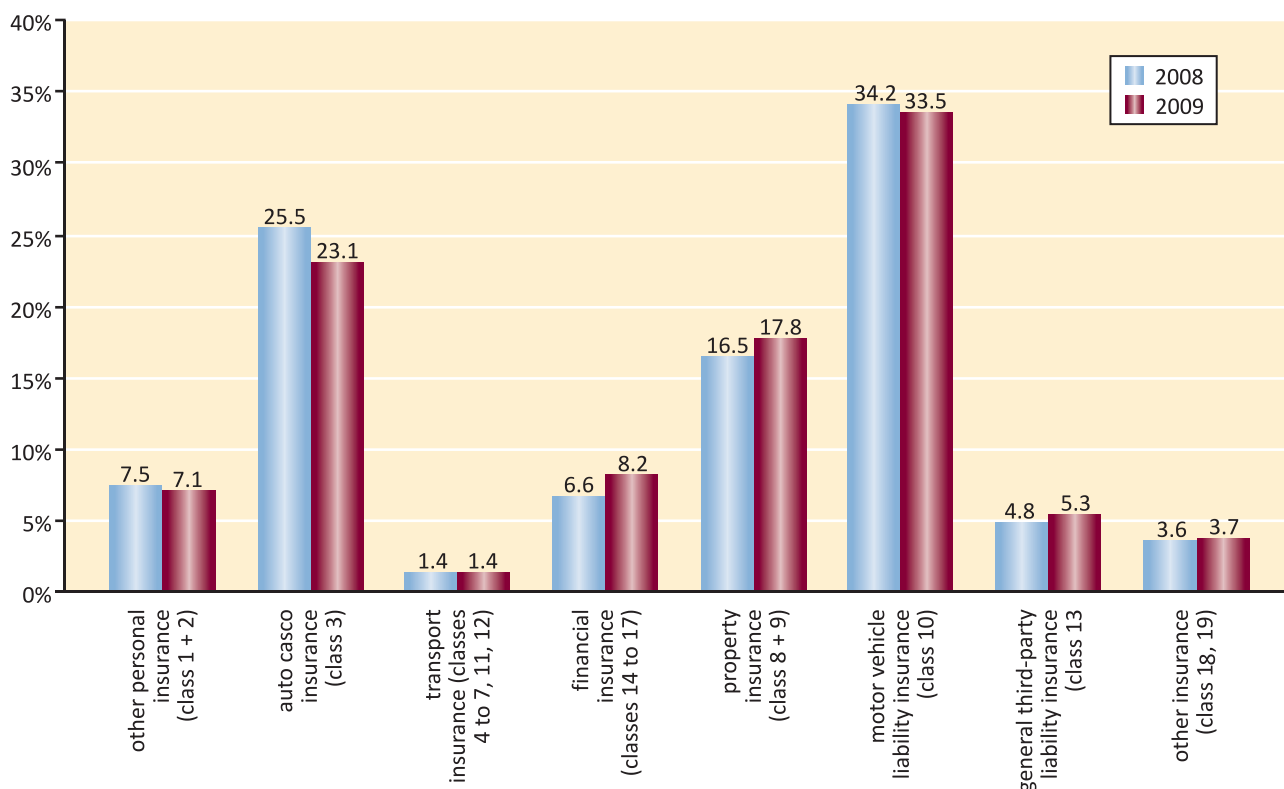
share amounted to just 0.1% and did not change in comparison to 2008. In 2009 insurance covering various financial risks, auto casco insurance covering rail vehicles and insurance guarantees were characterized by a high growth ratio. The aggregated structure of the premium written in the non-life insurance Branch is presented in the following Figures.

Figure 11A. Gross premium written broken down by risk classes in Branch 2 in the years 2008-2009 in billions of PLN



Source: own elaboration.

Figure 11B. Structure of the gross premium written broken down by risk classes in Branch 2 in the years 2008-2009



Source: own elaboration.

Claims paid

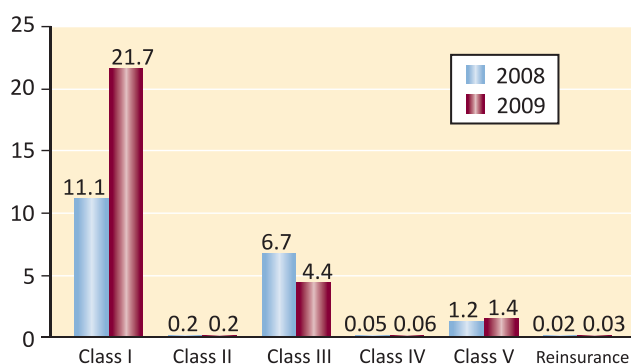
In 2009 the gross nominal value of claims paid increased by 36.0% for both Branches of insurance together. As regards life insurance the gross value of claims paid increased by 43.2%, and as regards non-life insurance it increased by 22.0%. In 2009 the gross claims paid in the life insurance Branch accounted for 69.1% of the total gross value of claims paid.

As regards the risk classes belonging to Branch 1 the highest growth ratio of benefits was observed in class 1 (life

insurance). The growth ratio in this class amounted to 194% in 2009 in comparison to 2008. The structure of gross claims paid broken down by the classes in Branch 1 in the years 2008-2009 is presented in Figures 12A and 12B.

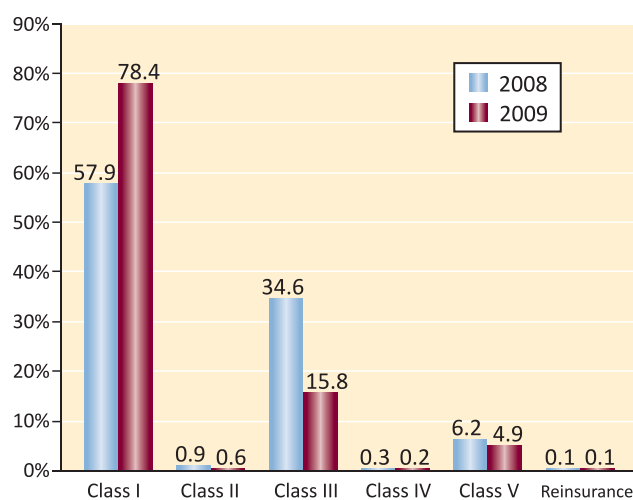
The non-life insurance Branch is dominated by gross claims paid under class 10 (motor vehicle liability insurance)

Figure 12A. Claims paid broken down by classes in Branch 1 in the years 2008-2009 in billions of PLN



Source: own elaboration.

Figure 12B. Structure of claims paid broken down by classes in Branch 1 in the years 2008-2009



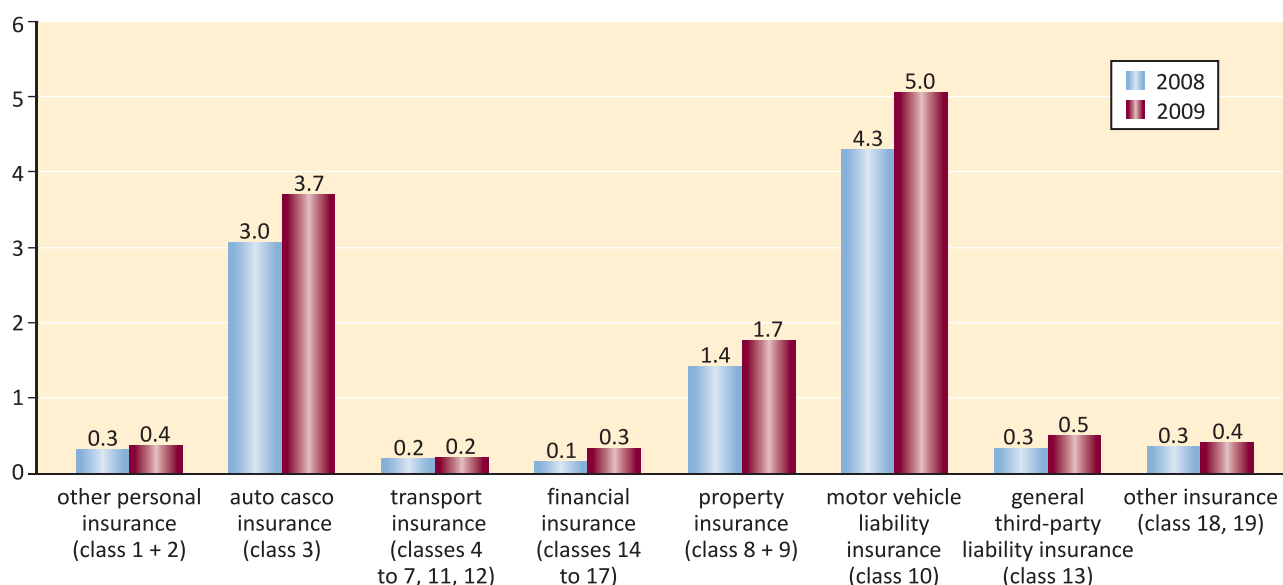
Source: own elaboration.

with a share of 40.9%. The value of claims paid under this class increased by 18% in comparison to 2008. The highest growth ratio was observed in the insurance guarantee class and amounted to 281.2%. The synthetic structure of gross claims paid broken down by the classes in Branch 2 in the years 2008-2009 is presented in the following Figures.

Net financial result

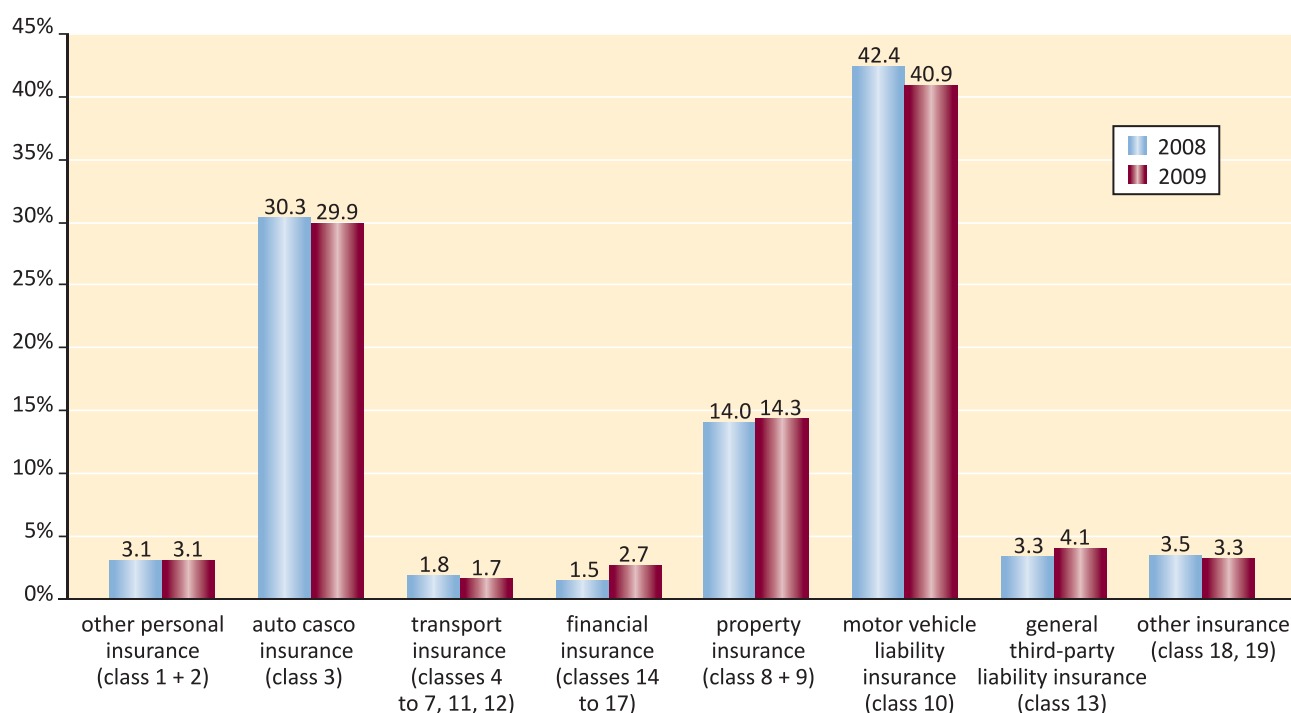
In 2009 the insurance companies generated a net financial result of PLN 6,686 M. In nominal value this result is higher than the net financial result achieved in 2008 by 14.3%, which in terms of a value yields an amount of

Figure 13A. Gross claims paid in Branch 2 in the years 2008-2009 in billions of PLN



Source: own elaboration.

Figure 13B. Structure of gross claims paid in Branch 2 in the years 2008-2009



Source: own elaboration.

PLN 838 M. 60% of the net financial result is generated by insurance companies operating in Branch 1 and 40% by insurance companies operating in the non-life insurance Branch.

In the life insurance Branch insurance companies generated a net financial result equal to PLN 4,009 M. This result is higher by 59.3% in comparison to the result

achieved in 2008. 7 insurance companies recorded a loss in this Branch.

The net financial result in the non-life insurance Branch reached a level of PLN 2,676 M and is 19.6% lower than in 2008. 9 insurance companies generated a loss in this Branch.

2.3. Assessment of the financial condition of the insurance sector

The analysis presented in this part of the document is based on data received from the Polish Chamber of Insurance in May 2009. The figures for 2008 presented in that breakdown may (usually insignificantly) deviate from the figures analyzed analogically last year. The reason for this is the fact that the figures presented for analysis for the given year are preliminary figures and the comparative figures for the previous year are already verified. For this

reason, if the Reader compares data for 2008 in the analytical report for that year with the data for 2008 presented, for instance, in the balance sheet or the profit and loss account for 2008, he may notice certain differences in the current analytical report. However, they are of no significant importance in a long-term analysis. Since the values of the differences are insignificant, they should not affect the analytical conclusions.

2.3.1. Analysis of the basic financial figures

Assets of the insurance sector in 2009

The basis for the analysis of the condition and changes in the assets of the insurance sector in 2009 are collective values for the entire insurance sector presented in Table 4.

The balance sheet value as at 31 December 2009, and, at the same time, the value of the assets of the insur-

ance sector, amounted to PLN 138,510 M. In comparison with the status of assets as at the beginning of 2009 (PLN 137,558 M) this means only a 1% growth, while in 2008 this growth amounted to 9%, in 2007 it was -17%, and in 2006 and 2005 it was 21% and 15% respectively (see the breakdown presented in Table 5).

Table 4. Selected assets of insurance companies in the years 2008-2009 (in thousands of PLN)

Description	Branch 1		Branch 2		TOTAL	
	2008	2009	2008	2009	2008	2009
A. Intangible assets	114 877	108 738	300 084	333 602	414 961	442 340
B. Investments	54 621 564	51 993 200	44 914 722	42 784 246	99 536 286	94 777 446
I. Land and buildings	388 581	398 945	908 682	941 790	1 297 263	1 340 735
II. Investments in subordinated parties	1 419 023	1 525 534	7 588 213	9 023 494	9 007 236	10 549 027
III. Other financial investments	52 813 960	50 068 721	36 399 114	32 799 972	89 213 073	82 868 694
IV. Deposit receivables from assignors	0	0	18 714	18 990	18 714	18 990
C. Net assets for life assurance where the investment risk is borne by the insuring party	26 345 876	31 659 516	0	0	26 345 876	31 659 516
D. Receivables	952 891	1 048 223	3 682 693	4 131 961	4 635 584	5 180 184
I. Direct insurance receivables	592 799	475 790	2 858 546	3 218 583	3 451 345	3 694 373
II. Receivables from reinsurance operations	68 510	78 495	502 427	566 684	570 937	645 178
III. Other receivables	291 582	493 938	321 720	346 695	613 302	840 633
E. Other assets	500 007	489 237	839 813	479 514	1 339 820	968 751
I. Tangible assets	115 073	100 426	260 805	259 836	375 878	360 263
II. Cash	380 102	386 279	576 524	216 823	956 626	603 102
III. Other assets	4 832	2 532	2 484	2 854	7 316	5 386
F. Prepayments and accrued income	2 526 754	2 449 726	2 758 951	3 031 895	5 285 705	5 481 621
I. Deferred tax assets	360 493	196 207	113 542	124 416	474 035	320 624
II. Deferred acquisition costs	1 835 198	1 925 277	1 996 230	2 516 134	3 831 428	4 441 411
III. Accrued interest and rent	197 220	156 509	33 407	35 822	230 627	192 332
IV. Other prepayments	133 844	171 733	615 771	355 522	749 615	527 255
TOTAL ASSETS	85 061 970	87 748 641	52 496 263	50 761 217	137 558 233	138 509 858

Source: analytical data, Polish Chamber of Insurance, May 2010.

Table 5. Nominal and real asset growth in the insurance sector in the years 2004-2009 (in thousands of PLN)

	2004	2005	2006	2007	2008	2009
Value of assets in the insurance sector (total for Branch 1 and Branch 2) in thousands of PLN	77 851 357	89 575 163	108 604 786	126 537 903	137 558 233	138 509 858
Nominal growth of assets in the Polish insurance sector	100.0%	115.0%	121.0%	117.0%	109.0%	101.0%
Inflation rate	3.5%	2.1%	1.0%	2.5%	4.2%	3.5%
Real growth of assets in the Polish insurance sector	100.0%	113.0%	120.0%	114.0%	105.0%	98.0%

Source: own elaboration.

This nominal 1% growth of assets in the insurance sector and the 2% real drop in their value occurred at 3.5% inflation rate, not much higher than a year before. This fact may foretell a downward trend in the actual financial condition of this sector's potential. It should be noted that the drop in the value of assets in the insurance sector was accompanied by an increase in the number of insurance companies in Branch 1 (from 30 to 31) and a stable number of insurance companies in Branch 2 (36). Assessment of the growth of the value of the assets separately for Branch 1 and Branch 2 makes it possible to notice that the drop in the value of assets actually occurred in Branch 2 where (as has been noticed) the number of insurance companies operating in this Branch remained unchanged in comparison to 2008.

It has been noted in the analysis for 2008, while performing calculation analyses, that in 2008, similarly to the preceding year (2007) and in contrast to the situation observed in 2006, resources were accumulated more dynamically in the non-life insurance Branch. The situation from 2006 has reoccurred in 2009 where more dynamic accumulation of resources was observed in Branch 1. This fragment of the analysis starts demonstrating a clear regularity and it is a good idea to observe the problem of growth of assets in the future. As for now: year 2006 – more dynamic growth of resources in Branch 2 and year 2009 – shows again a more dynamic growth of resources in Branch 1.

If we notice that in 2009 the growth of the sector's resources in each Branch thanks to recapitalization by

the owners was identical (5%), then we can say that certain events occurred in Branch 2 which "consumed" the growth of resources in this Branch due to recapitalization. This is not an optimistic signal as it may point to an impairment in the assets caused by managerial activities in this Branch. The figures presented in Table 7 indicate a growth in the premium written in Branch 2 (and not its decline, which might be been suspected). Considering these facts, one may guess that in 2009 either higher costs or changes in the reinsurance policy occurred in Branch 2.

The situation observed in 2009, similarly to that from 2008, is very interesting. However, the reason for this is different. A high growth ratio of gross premium written observed in 2008 did not translate into large growth of investment assets (Table 8) or other groups of assets important to the insurance companies. Practically, this might mean one thing: resources obtained from collection of premiums were quickly spent and it was suggested that some kind of special short-term insurance (maybe investment) products were offered in 2008, which necessitated quick disbursement of the assets. On the other hand, a very significant drop in the gross premium written occurred in 2009 in Branch 1 (22% in comparison to 2008). The drop in this Branch was accompanied by an increase in the value of the assets. This may mean that other areas of activity (probably investment activity) of life insurance companies have been activated. This was accompanied by a small increase in the premium written and a surprising drop of investments in Branch 2.

Table 6. Subscribed capital in the insurance sector in the years 2005-2009 (figures in thousands of PLN)

	2005	2006	2006/2005	2007	2007/2006	2008	2008/2007	2009	2009/2008
Branch 1	2 068 665	2 243 085	109%	2 243 085	100%	2 466 435	110%	2 598 773	105%
Branch 2	2 415 053	2 542 324	105%	2 228 177	88%	2 542 301	114%	2 679 995	105%
TOTAL	4 483 305	4 785 409	107%	4 471 262	93%	5 008 736	112%	5 278 769	105%

Source: own elaboration.

Table 7. Gross premium written in the insurance sector in the years 2005-2009 (figures in thousands of PLN)

	2005	2006	2006/2005	2007	2007/2006	2008	2008/2007	2009	2009/2008
Branch 1	15 323 517	21 108 555	138%	25 509 418	121%	38 985 788	153%	30 278 171	78%
Branch 2	15 697 384	16 472 479	105%	18 064 669	110%	20 125 060	111%	20 890 513	104%
TOTAL	31 020 901	37 581 034	121%	43 574 087	116%	59 109 677	136%	51 168 684	87%

Source: own elaboration.

Table 8. Investments of the insurance sector in the years 2005-2009 (figures in thousands of PLN)

	2005	2006	2006/2005	2007	2007/2006	2008	2008/2007	2009	2009/2008
Branch 1	51 691 749	65 089 093	126%	76 381 534	117%	80 852 661	106%	83 652 699	103%
Branch 2	30 619 402	35 187 851	115%	40 173 726	114%	44 914 714	112%	42 784 235	95%
TOTAL	82 311 151	100 276 944	122%	116 555 260	116%	125 882 140	108%	126 436 934	100%

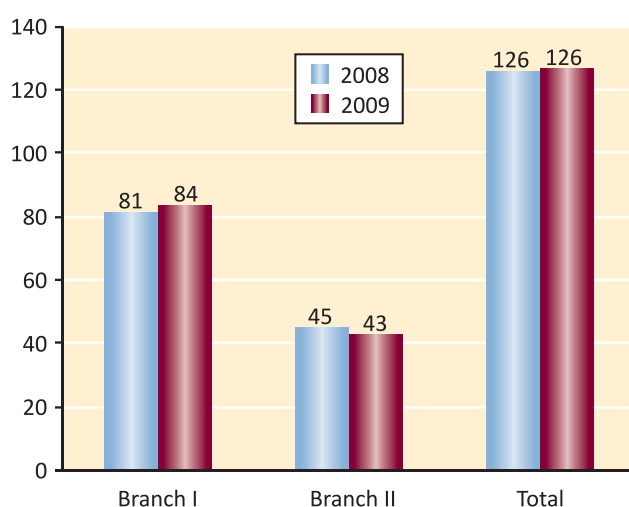
Source: own elaboration.

Analyzing the growth of various asset groups taking place in 2009 in all insurance companies one can make the following observations.

Level and structure of investments

The general value of investments in 2009 in comparison to 2008 increased by only 0.4%, reaching a level of PLN 436.9 M. The investments of the insurance companies from Branch 1 accounted for 66.2% of the total value of investments. The value of investments in Branch 1 increased in 2009 in comparison to 2008 by 3.3%. The return on investments in Branch 1 amounted to 10.9%. This means that every zloty financing the investments generated a return worth nearly 11 groszy.

Figure 14. Value of investments of insurance companies broken down by Branches of insurance in the years 2008-2009 in billions of PLN



Source: own elaboration.

The level of investments of insurance companies in the non-life insurance Branch in 2009 accounted for 33.8% of the total investments in both Branches. The value of investments of insurance companies operating in this Branch dropped by 4.7% in comparison to 2008. The rate of return in this case was 10.4%. This means that every zloty financing the investments of the insurance companies generated a return worth over 10 groszy. The adjacent Figure shows the structure of investments broken down by insurance Branches in the years 2008 and 2009.

Table 9. Share of investments of the insurance sector in its total assets in the years 2005-2009

Investment group	2005	2006	2007	2008	2009
investments maintained at the risk of insurance companies	71%	66%	64%	72%	68%
investments maintained at the risk of insuring parties	21%	26%	28%	19%	23%
TOTAL	92%	92%	92%	92%	91%

Source: own elaboration.

Investments constitute the most significant group of assets of the insurance sector, i.e. an insignificant change in the structure of investments in comparison to 2008, 2007 and 2006 can be observed as regards investments, which hold a similar share each year worth 91-92%. A clear drop in the share of investments maintained at the risk of insurance companies occurred in 2009 while a year earlier – in 2008 – that share clearly increased. However, at the same time, the share of investments maintained at the risk of insuring parties increased in 2009 (see Table 9), while in 2008 the share of investments maintained at the risk of the insuring parties decreased, which could be

explained by the difficult economic situation in the country at that time. Since the condition concerning the structure of the investments turned around and the share of investments maintained at the risk of the insuring party is currently increasing (in 2009), one might seek in it a reaction of the insurance sector to the stabilization of the situation on the market.

Analyzing the structure and growth of the investments in the insurance sector in 2009 one may easily notice that investment activities were focused on investments in subordinated parties. This observation applies to both Branches, although it better visible in Branch 2. It may mean strengthening of capital groups operating in the insurance business. Similarly to the previous year, this year real estates constituted a significant investment instrument in both Branches (Table 10), in contrast to "other financial investments" which lost momentum in 2009 (negative growth) in comparison to 2008 when an almost 40% increase in investments in this group of investment instruments was observed.

Moreover, as regards investments made at the risk of the insurance companies, we may notice interesting changes taking place in comparison to 2008 and 2007. During those years increased investments in the housing field (buildings, structures and cooperative housing – with the growth ratio of 150%, and construction investments and down payments for these investments – with a growth ratio of 137%) as well as term deposits at lending institutions was observed – with a growth ratio of 322%. Meanwhile, in 2009 one can notice a very strong level of investments in buildings, structures and cooperative housing (99% of last year's value of these investments), a 40% increase in the value of construction investments and down payments for these investments and only 70% of last year's value of term deposits at lending institutions. This observation distinctly shows that popularity of deposits at lending institutions is on the decline.

Making a more thorough analysis of the investments in real estate one can easily notice that the insurance

sector has steadily maintained the growth of investments in land (16% growth in comparison to 2008). 2008 was characteristic in this area due to the fact that the insurance sector clearly increased investments in land in comparison to 2007 by over 16%, which meant a district growth of value of these investments in 2008. This observation gained informative properties especially due to the fact that a drop in investments in land was observed in 2007 (by 8%), while simultaneously the level of investments in buildings, structures and cooperative housing remained unchanged in comparison to 2006. In contrast to 2006 when construction investments were significantly reduced (by almost 40% in comparison to 2005), 2007 meant a substantial change in this regards in the insurance sector. Insurance companies made more extensive investments in this field. This trend was particularly visible in Branch 1.

Another interesting observation ensues from the fact that the level of investments in subordinated parties clearly decreased in 2009 while they significantly increased the year before. The decline also affected shares and other variable income securities as well as units of participation and investment certificates in investment funds. These are obvious consequences of a difficult financial situation on the market ensuing from the crisis prerequisites.

Hence, focus of the investment policy used in the insurance sector in 2009 on land, buildings and structures as well as term deposits at lending institutions may be considered to be a particular attribute thereof. Analyzing the previous years (2006-2007) it was noted that the investment policy remained stable until 2006 and that insurance companies tended to invest funds in various loans other than those secured by a mortgage and in term deposits at lending institutions. However, already in 2007 insurance companies used investment instruments associated with real estates to a greater extent than a year before.

Table 10. Structure and growth of investments in the insurance sector in 2009

	Branch 1		Branch 2		Total 1 and 2	
	structure	growth	structure	growth	structure	growth
Total investments	100.00%	95.20%	100.00%	95.30%	100.00%	95.20%
Real estate	0.77%	103.00%	2.20%	104.00%	1.40%	103.40%
Investments in subordinated parties	2.93%	108.00%	21.09%	119.00%	11.00%	117.10%
Other financial investments	96.30%	94.80%	76.66%	90.00%	87.00%	92.90%
Investment receivables	0.00%	110.00%	0.00%	101.00%	0.00%	101.50%

Source: own elaboration.

Analyzing the year 2009 now it can be said that insurance companies are continuing this investment policy (investing in real estate) but in a slightly different configuration: a year before investments in real estates were accompanied by increased investments in entities from insurance capital groups while in 2009 investments in subordinated parties was limited.

Investments in entities from insurance capital groups have been taking place in Poland since 2005. As was indicated in the report on the analysis of the insurance sector in 2005, noticeable, although still not very dynamic growth of insurance capital groups could be observed. Further growth of the value of shares in subordinated parties was observed in 2006 (by 9%), which also confirmed further development (on a scale similar to that observed the year before) of insurance capital groups. The growth of investments in shares in subordinated parties in 2007 already reached a level of 35%. This meant a clear upward trend of insurance capital groups. In contrast, a decline by 5% could already be noticed in 2008.

Moreover, it can be noticed that similarly to the previous years, in 2008 insurance companies less frequently granted loans to subordinated parties and bought fewer securities issued by those entities (in 2006 by 25% less than in 2005, and in 2007 by as much as 50% less than in 2006, in 2008 by as much as 60% less than in 2007).

It was noted in last year's analysis (for 2008) that in 2008 (similarly to the year before and preceding years) the investment portfolio was focused on entities from outside of the capital groups established around insurance companies. This year the situation changed significantly: expansion of the investment portfolio focused on entities from insurance capital groups is gaining priority.

The above observations (made in comparison to the preceding year) lead to several conclusions. First of all, a change is taking place (reversal of the trend) in the investment activities in the insurance sector. A year ago the growing value of investments indirectly confirmed a systematic and somewhat dynamized (23% in 2008, 13% in 2007, 13% in 2006 and approx. 10% in 2005) development of the scale of activities of the insurance sector in our country, although the investment policy applied in this sector, with regards to the structure of the investments being made at the risk of insurance companies in 2008, was not so stable as in the past. In 2008 increases in some of the investment groups (term deposits, real estate) were observed while in others (investments in subordinated parties) decreases could be seen. In 2007 the structure of the investments was almost identical as in 2006, 2005 and 2004, although the values were increasing in almost all investment groups. An exception here are only (similarly to

the year before) loans granted to entities from insurance capital groups and debt instruments issued within these groups. The insurance sector was developing multi-entity organizational structures (capital groups) quite dynamically in 2007 (in comparison to the preceding years), while in 2008 downward trends were observed in this regard. The investments growth declined by 5% in 2009. This decline equally applied to Branch 1 and Branch 2 and has occurred for the first time since 2005.

Second of all, an observation that in 2009 investments in the net assets of life insurance where the investment risk is being borne by the insuring party are reliving the renaissance (20% increase in the value of these investments) is interesting. This observation may be interesting in the light of a constation that in 2008 a clear collapse of the trend in this investment area was observed (27% drop in value), which was uninterruptedly strong in the years 2005-2007. It was still possible to observe a growth in the value of these investments in 2007 despite that it was lower (25%) than in 2006 when a nearly 50% growth was recorded (over 30% in 2005). It was also possible to notice that in the years 2004-2007 the share of this group of assets in the entire property of the insurance sector was slowly increasing (from approx. 18% in 2004 to 21% in 2005, to 26% in 2006, to 28% in 2007, a clear drop to 19% occurred in 2008 and another growth to 22% took place in 2009). This may mean an initial dynamization of activities of the insurance sector related to the sales of insurance products with an insurance capital fund after a slowdown in 2007 and decline in 2008.

Third of all, a drop in the value of assets covering cash can be observed in 2009 (by almost 30%). This drop is most evident in the cash group itself (almost 40%). This observation is the more so interesting that in 2008 further growth (in comparison to previous years) of the value of the assets covering cash was recorded. This upward trend lasting until 2009 began in 2007 when, in contrast to 2006, it was possible to notice a clearly visible growth in the value of assets covering cash, tangible fixed assets and other tangible assets. It's hard to guess the reason for the changes in the cash management policy in the insurance sector in 2009, especially if we notice that a radical decline in the value of the item "cash" occurred under insurance companies operating in Branch 2 (almost by 50%).

Maybe the values presented in this group, when compared against large investment values, for instance, are not significantly important but the huge drop or the high growth in the cash group may be significant. The growth may be explained by the need to secure payment capabilities whereas the drop may be explained by changes in

the policy of managing the temporary structure of liabilities (where this policy may be implemented, for instance, towards reinsurers).

It should be noted that in the tangible assets group, covering mainly fixed assets, one may observe (similarly to the year before) a decline in the value by several per cent (5% in 2009 and 10% in 2008). This may be an indication of aging of this asset group, which is important in view of the fact that these assets are being revived in both Branches, an evidence of which are expenses in the cash flow statement.

Fourth of all, prepayments increased in 2009. The increase was not as evident as the year before (when this item increased by almost 50% in comparison to 2007). The growth observed in 2009 amounted to only 3% and was strongest in the group of deferred acquisition costs (16%), which may mean an increase in the sale of long-term products. This observation may be astonishing in view of the fact that the growth of this item can be observed mainly in Branch 2 (26%) while in Branch 1 the growth amounts only to 4%. One may guess that Branch 2 is re-focusing its attention as regards the nature of insurance products being sold (it is possible that sales of insurance products with a protection period longer than one year are being intensified).

A different conclusion may be drawn from the observation of deferred tax assets. In 2006 and 2005 deferred tax assets were increasing significantly, which is indicative of the development of the balance sheet policy at insurance companies taking into account long-term arrangements concerning valuations made in accounting. A similar observation was made in this regard in 2007 when it was possible to notice a constantly high growth (26%). 2008 was particular in this regard due to an almost double growth of the value of deferred tax assets. This observation (similar to previous years) went hand-in-hand with further growth of deferred acquisition costs. This growth was huge (in 2008 the growth amounted to 140% in comparison to the preceding year, in 2007 it was 147% in comparison to 2006, in 2006 it was 131% in comparison to 2005), although not as high as in 2005 when the acquisition costs grew by 85% in comparison to 2004. All this together meant further growth of sales of long-term insurance products, although the jump in this regard already occurred in 2005, but a 40% growth in 2008 and a nearly 50% growth in 2007 in the deferred acquisition costs could be considered as the start of a stable, increasing trend in the formulation of the accounting policy at insurance companies. Continuing the thought presented in the form of an assumption made in the report for 2006, 2007 and 2008, at this point it is possible, with regards to 2009,

to confirm that autonomy (regardless of the tax aspect) of the balance sheet policy used at insurance companies is being developed in the insurance sector. This observation may be interpreted as a positive economic phenomenon and characteristic confirming further development of market thinking about insurance activities as business activity. These observations ensue from continuous (also in 2009) growth of deferred tax assets.

Fifth of all, in 2009 (similarly to 2008) a growth in the value of intangible assets (by 6%) could be observed, especially as regards other intangible assets. Observation of a 7% drop in goodwill disclosed under intangible assets may be particularly interesting. One may guess that this decline was caused by a loss of goodwill (expressed by its depreciation and write-downs).

As regards goodwill it is also worth mentioning that a particularly noticeable increase in the value of that item occurred in 2008 (over 200% in comparison to the year before). It seems that it was an effect of takeovers (mainly in Branch 2), which, in view of the previous drop in investments in subordinated parties, could be deemed as a change in the investment strategies in the insurance sector: external expansion was replaced by internal expansion in 2008. Previous commentaries referring to investments, their structure and growth in 2009 do not confirm the maintenance of the development strategy of the potential of the insurance sector focused since at least 2007 on internal and not external development of insurance companies (by creating capital groups).

Sixth of all, changes in the value of the item "Receivables from reinsurance" and "Investment receivables from assignors" send particular signals. The first item increased significantly (by 13%) while it insignificantly decreased in 2008 (similarly to 2007 and 2006). The second item (in contrast to 2008 when it increased significantly) practically did not change. Indirectly this may mean yet another change (in comparison to 2008 and 2007) in the policy concerning settlements with assignors and reinsurers, which may mean certain changes in the reinsurance programmes. One should rather not suspect significant changes in the area of active reinsurance. If so, these changes may apply to passive reinsurance and retrocession. This observation may be confirmed by the growth of the reinsurers' share in the gross premium written in view of the significant drop in that premium in 2009. One could make a guess in the report for 2008 (similarly to 2007) that insurance companies rather extended the scale on which they used passive reinsurance. Such opinion could have been expressed, in particular, in view of the fact that in 2008 an over 40% increase in the share of the reinsurers in that premium was accompanied by a 36% increase

in the gross premium written, which may indicate that in 2008 insurance companies used passive reinsurance more extensively than in 2007 and 2006, and hence this could have translated into the growth of receivables from reinsurance. Although the growth ratios are different in 2009 (there is even a negative growth of the gross premium written), but the growth of the share of the reinsurers in the gross premium written speaks for itself and justifies further growth (in 2009) of the scale (or value or scope) of passive reinsurance.

Liabilities of the insurance sector in 2009

The basis for the analysis of the status and changes in the sources of financing of the insurance sector during that period are collective values for the entire insurance sector presented in Table 11.

The liabilities of the insurance companies inform about the sources of financing of assets engaged in insurance

activities. Due to the assessment of solvency of the insurance companies a particularly important item of the liabilities is the Capital and reserves.

In 2009 the total value of the capital and reserves decreased by 20% in comparison to the preceding year. As for the 2004-2009 time span 2009 will be remembered as the first year when the capital and reserves in the insurance sector decreased in comparison to the previous year. It's worth mentioning here that certain signals have already been given by 2008 when the capital increased by almost 10% but when comparing it to the growth observed in the preceding years, it could not be considered to be great (25% in 2007, 18% in 2006, 20% in 2005 in comparison to 2004). In the analysis concerning 2008 the growth of the capital and reserves in 2008 was assessed positively, but at the same time a question was asked about the reason why the insurance sector did not "attract" capital in 2008 with the same strength as it did

Table 11. Selected items of liabilities of insurance companies in the years 2008-2009 (in thousands of PLN)

Description	Branch 1		Branch 2		Total	
	2008	2009	2008	2009	2008	2009
A. Capital and reserves	11 434 889	13 473 991	24 089 158	15 454 565	35 524 047	28 928 556
I. Subscribed capital	2 466 435	2 598 773	2 542 301	2 679 995	5 008 736	5 278 769
II. Called up subscribed capital (negative value)	18 331	18 331	413	327	18 744	18 658
III. Own shares (negative value)	0	0	0	0	0	0
IV. Reserve capital	6 762 216	7 232 680	12 786 234	4 296 486	19 548 450	11 529 167
V. Revaluation capital	248 105	317 358	6 090 213	7 567 648	6 338 318	7 885 006
VI. Other reserve capitals	603 900	491 007	476 027	142 523	1 079 926	633 530
VII. Previous years' profit (loss)	1 373 650	-1 157 388	2 151 787	-1 157 582	3 525 437	-2 314 970
VIII. Net profit (loss)*	-1 087	4 009 891	43 010	1 925 822	41 923	5 935 712
– value taken from the general profit and loss account	2 517 726	4 009 891	3 330 334	2 676 222	5 848 060	6 686 112
B. Subordinated liabilities	20 330	20 243	0	4 000	20 330	24 243
C. Technical provisions	71 003 882	71 216 826	26 767 020	28 667 910	97 770 901	99 884 736
D. Share of reinsurers in technical provisions (negative value)	1 467 691	1 490 741	3 017 382	3 148 041	4 485 073	4 638 782
E. Estimated recourses and claims returns (negative value)	0	0	177 119	232 851	177 119	232 851
F. Other provisions	619 260	869 031	742 140	921 925	1 361 400	1 790 956
G. Liabilities arising out of reinsurers' deposits	1 424 655	1 454 763	264 940	274 860	1 689 595	1 729 622
H. Other liabilities and special funds	1 475 269	1 558 089	2 678 895	7 679 452	4 154 164	9 237 541
I. Accruals and deferred income	551 376	646 439	1 148 611	1 139 397	1 699 986	1 785 836
TOTAL LIABILITIES	85 061 970	87 748 641	52 496 263	50 761 216	137 558 233	138 509 857

* As regards this item differences in the presentation of the net financial result in each year and for each Branch (except for 2009 in Branch 1) as well as in the total value should be pointed out. The values of the net result in the balance sheet should be presented in the same way as in the general profit and loss account, however, due to the earlier disposal of the net profit by one of the leading companies operating on the Polish market, discrepancies appeared in liabilities with respect to the value of the net profit presented in the general profit and loss account. For that reason all subsequent analyses of the value of the net profit will be conducted on the basis of data presented in the general profit and loss account.

Source: own elaboration based on data of the Polish Chamber of Commerce.

in 2007. An analysis of detailed components of the capital and reserves was interesting in this regard. This year's analysis (for 2009) may show what exactly happened, what caused the drop in the value of capital and reserves this year.

First of all, in 2009 the value of the capital and reserves changed "symbolically" (a 5% growth in Branch 1 as well as in Branch 2). The most noticeable changes may be observed in the value of the reserve capital (a drop to 60% of previous year's value) and of the other reserve capitals (drop to 60%) and in the item previous years' profit (loss) (a drop to 66% of previous year's value) and net profit (loss) (growth by 42% in comparison to 2008).

In general, a large drop in the entire value of the capital and reserves applies to Branch 2 (64% of previous year's value) and ensues, above all, from an almost 70% drop in reserve capital and other reserve capitals. One can assume (in the context of a very serious decrease in the value of the item previous years' profit (loss)) that the drop in the supplementary capital and other reserve capitals ensues most probably from the reconciliation of the result from previous years (coverage of accumulated losses). In this area an analysis of the situation in Branch 1 yields analogical observations, although this situation is felt much stronger in Branch 2. In Branch 1, one may assume (in view of the fact that the value of the reserve capital has been maintained on last year's level, that other reserve capitals and the value of previous year's profit (loss) have declined) occurrence of recapitalizations or withdrawal of fixed assets possessed at least since 1995.

It is interesting to notice that a clear increase in the value of the revaluation capital has taken place (in both Branches: in Branch 1 by 28%, and in Branch 2 by 24%). The increase in this capital may serve as evidence of positive changes in the investment area of insurance companies. It generally ensues from the growth in the market value of financial instruments.

An analysis of the changes in the value of "reserve" capitals is interesting, in particular, in view of the changes and conclusions drawn in the analysis concerning year 2008. It was then possible to notice a much smaller increase in the reserve capital than in 2007. As has been indicated above, the "reserve" capitals decreased a lot in 2009. The reasons for the changes in the value of these capitals in 2008 and 2009 seem to be different. A year before they could have been tied to the management of fixed assets in the insurance sector, and this year to the problems associated with reconciliation of previous years' results and to investment activities.

These conclusions may be drawn from the observations that the reserve capital is fed, among other things,

by the reconciliation of the differences arising from the revaluation of fixed assets and referring to fixed assets withdrawn from use. Because a drop in the value of revaluation capital was observed in 2008, one might assume that the reason for the growth in the value of the reserve capital were not the decisive contributions to the capital but withdrawal of "old" fixed assets (i.e. assets which insurance companies possessed in 1995 and which they revalued this year). On the other hand, a clear increase in the revaluation capital in 2009 may only mean revaluations in plus of the value of certain investment instruments. There was no official revaluation of fixed assets in 2009 which might result in an increase in the value of that capital. Moreover, this observation is supported by the fact that there is no significant number of insurance companies operating in Poland which would be obliged to apply the International Financial Reporting Standards which stipulate the possibility of using asset valuation models where the differences associated with that valuation would have to be carried over to the revaluation capital.

To present the trend in the asset revaluation area of the insurance sector information that in 2007 a huge growth (in contrast to 2008) in the reserve capital (147%) and revaluation capital (40%, where in 2006 this growth amounted to only 13%) was observed might be important. Considering the fact that no official revaluation of fixed assets has been performed in Poland since 1995, it was possible to state then that this capital is an effect of valuation of certain financial instruments, which did not mean recapitalization of the sector by its owners, but was only an effect of the methodology of valuating the financial assets appearing in this sector. The increase in the revaluation capital could be deemed as a derivative of the valuation of capital financial instruments acquired from subordinated parties. Hence, the increase in the revaluation capital and the growth of investments in subordinated parties in 2007 confirmed the systematic development of insurance capital groups. In 2008, despite of a large growth of the revaluation capital (especially in Branch 1 – over 70%), such confirmation is hard to find in the light of the drop in investments in shares in subordinated parties, but may be indicative of the profitability of the subordinated parties in the capital groups of insurance companies. 2009 meant yet another growth (this year it was significant) in the value of the revaluation capital. It is indicative (this time in the context of the growth in the value of investments in the form of shares in subordinated parties (by 17%) as well as shares and other variable income securities and units of participation and investment certificates in investment funds (by 14%)) of

further development of capital ties of entities operating in the insurance sector and of their profitability.

Second of all, the real recapitalization of the insurance sector by the owners of insurance companies may be assessed analyzing the change in the value of the capital and the value of the called up capital. The growth of the capital in 2009 amounted to only 5% and is smaller than the year before. In 2008 it amounted to 10%, although the pace of recapitalization in Branch 1 was definitely higher (a 16% increase) than in Branch 2 (a 6% increase). This is an interesting observation in view of the fact that in 2007 recapitalization in Branch 1 as well as Branch 2 occurred at a similarly slow pace (3% and 5%), at 4% (almost two times lower than in 2006) average growth of that capital for the entire insurance sector. Analyzing the changes in 2009 in the light of the preceding years, one may say that in the aspect of recapitalization of the insurance companies by their owners, a stable upward trend of approx. 5% annually can be observed. However, this recapitalization is taking place with an analogical force in Branch 1 as well as Branch 2. This ensues from the observation of the contributed capital, i.e. capital adjusted by the value of contributions made towards the capital. This observation ensues also from the fact that in the years 2004-2007 the insurance sector was not significantly recapitalized by the owners (considering, apart from the observation made in 2007, the fact that in 2006 the value of the capital amounted to approx. 7% for both Branches jointly (8% in Branch 1 and 5% in Branch 2) and the fact that in 2005 this growth was insignificant although noticeable (over 4%)). An indirect proof of this was the drop in the value of the called up capital, which might rather signal collection of the payments due from the owners which arose during the previous periods than appearance of receivables caused by newly issued shares. A downward tendency (similarly to the preceding years) in the called up capital was observed in 2008. Nonetheless, in the light of the growth of the capital one might risk saying that issues of shares by the owners were paid for by the owners to a greater extent than in the preceding years.

Third of all, what is important here is the fact that this nearly 20% drop in the capital invested in the insurance sector in 2009 is owed, above all, to a large decrease in the reserve capital and the supplementary capital. Another thing that is significant here is the profitability of the sector which is much lower than the year before.

Fourth of all, assessing the policy of the owners of the insurance companies it's good to analyze not just the financial result for 2009 in comparison to the financial result for 2008 but also the joint value of the result from previous years and the result from this year (Table 12).

In 2009 the value of retained profits:

- in Branch 1 reached a level of 73% of the value of that Branch from 2008 (while the net result for 2009 in this Branch increased by nearly 60%),
- in Branch 2 reached a level of just 27% of last year's value (while the net result for 2009 decreased by 20%).

All in all, the value of the retained profits (the so-called self-financing capital) in 2009 accounts for just over 45% of the value from 2008, while the net result in that year increased by nearly 15%. This observation confirms the previous conclusions that serious changes occurred in 2009 which were associated with the reconciliation of the result from previous years consisting in the coverage of losses from previous years by supplementary and reserve capitals. This observation is the more so valued that in the analysis for 2008 it was noticed that previous years' losses were reconciled in 2008 to an insignificant extent.

Table 12. Retained profits in the insurance sector in the years 2005-2009 (in thousands of PLN)

		Previous years' profit (loss)	Net profit (loss)	TOTAL	Retained profits growth ratio
Branch I	2005	965 709	-13 045	952 664	100%
	2006	1 601 896	50 513	1 652 409	173%
	2007	2 085 346	0	2 085 346	126%
	2008	1 373 650	2 517 726	3 891 376	187%
	2009	-1 157 288	4 009 891	2 852 503	73%
Branch II	2005	1 641 502	35 916	1 677 418	100%
	2006	2 431 815	13 405	2 445 220	146%
	2007	754 286	-	754 286	31%
	2008	2 151 787	3 330 334	5 482 121	281%
	2009	-1 157 582	2 676 222	1 518 640	28%
Total Branch I and II	2005	2 607 211	22 871	2 630 082	100%
	2006	4 033 711	63 918	4 097 629	156%
	2007	2 839 632	-	2 839 632	70%
	2008	3 525 437	5 848 060	9 373 497	330%
	2009	-2 314 970	6 686 112	4 371 142	47%

Source: own elaboration.

An analysis of the retained profits shows the direction of the policy of the owners of the insurance companies adopted in connection with the reconciliation of the profits. An observation of the changes in the retained profits makes it possible to state that there is no clear trend. Al-

ternating increases and decreases in the retained profits can be observed in the entire insurance segment. A very high growth ratio was observed in this area in 2006. The figures for 2006 also indicated that the insurance sector increased the retained profits by 56% in comparison to the year before. This observation made it possible to state that both Branches were earning ever higher profits and that a large portion thereof was retained in the insurance sector. 2007 meant a significant change. Retention of profits has decelerated. This was caused by the fact that in 2007 this sector generated a profit which accounted for 70% of the profit made in 2006. Then again in 2008 the retained profits grew. It is also interesting to notice that during those years, if more profits were retained in Branch 1, they were distributed in Branch 2 (2006 and 2007). If profits were distributed more intensively in Branch 1, they were retained in Branch 2 (2008). A clear drop in the retained profits can be observed in 2009. The reason for this may be – as was mentioned above, the coverage of accumulated losses from previous years with unsettled supplementary capitals.

Changes in the technical provisions

The second group of categories which play an important role in the sources of financing the operations of the insurance sector are gross technical provisions analyzed in combination with the reinsurers' shares diminishing their value. The following observations may be made in this group of liabilities.

In 2009 the value of the technical provisions in comparison to 2008 increased by PLN 2,113.8 M, reaching a level of over PLN 99,884.7M. The overall value of the technical provisions grew by 2.2%.

As regards Branch 1 the value of the technical provisions in 2009 reached a level of PLN 71,216.8 M, which accounts for 71% of the overall value of the technical provisions in both Branches. In 2009 the level of technical provisions in this Branch grew only by 0.3% in comparison to 2008.

As regards the non-life insurance Branch the value of the technical provisions reached a level of PLN 28,667.9 M, accounting for 29% of the overall value of the technical provisions in both Branches. The level of provisions increased in 2009 by 7.1% in comparison to 2008.

As regards Branch 1, eight insurance companies recorded a drop in the level of technical provisions (no data were available in one case). As regards Branch 2, the level of technical provisions decreased at five insurance companies (no data were available in one case).

The sum of technical provisions in 2009 in both Branches accounted for 195.2% of the total gross premium writ-

ten. As regards life insurance, this index was 235% in 2009 and 183% in 2008. In Branch 2 the total value of the technical provisions accounted for 137% of the gross premium written in 2009 and 142% in 2008.

The value of these provisions constitutes a dominant item in the liabilities. This fact is not surprising in the insurance business. In 2009 the share of the technical provisions net of reinsurance accounted for 69% and did not differ much from the share observed in 2008 and the preceding years. Thus, a near 70% share of the technical provisions in the financing of the insurance sector can be deemed as a regularity, which was also confirmed in 2009. Based on the observations made in the analysis of the current year and of 2008 one may notice that there is a relationship between the changes in the value of the resources of the insurance sector, expressed by a linear relationship between the changes in the balance sheet total, and the changes in the value of the provisions being created. Such dependencies have been observed in the insurance sector since 2005. Parallelism, pace and identical direction of these changes are indicative of the fact that the imperative of assuring the opportunity to continue insurance operations is being maintained in the insurance sector.

Table 13. Structure of gross technical provisions in the years 2008-2009

C. Gross technical provisions	2008	2009
	100%	100%
I. Reserves for premiums and reserves for unexpired risk	12.0%	12.6%
II. Reserves for life insurance	42.0%	36.4%
III. Reserves for outstanding claims	17.0%	36.4%
IV. Reserves for bonuses and rebates for insured parties	0.0%	0.1%
V. Equalization reserves	1.0%	1.0%
VI. Reserve for reimbursement of premiums for members	0.0%	0.0%
VII. Other technical provisions stipulated in the corporate charter	1.0%	0.7%
VIII. Reserve for life insurance where the investment risk is borne by the insuring party	27.0%	31.7%

Source: own elaboration.

Analyzing the changes in the different types of reserves one may notice a significant change in the value of life insurance reserves when the investment risk is borne by the insuring party, which speaks positively about this investment area of the insurance sector. Maybe it's also worth mentioning that in contrast to 2008, when further deceleration of the development of the policy of granting bo-

nuses and rebates was taking place (although not so significant in 2008 as in 2007), in 2009 this policy is changing direction. These reserves are increasing in Branch 1 and Branch 2, which may mean that the insurance companies use the bonuses and rebates for the insured parties more extensively than in the preceding years as instruments of making their insurance products more attractive.

Third of all, determining the ratio of the reinsurers' shares and the value of technical provisions it is possible to notice that in the future approx. 13% of payments associated with the claims paid may be expected to be re-funded. In 2008 this ratio amounted to 14%, in 2007 it was 17%, in 2006 it was 20%, in 2005 it was 22% and in 2004 it was 24%. Its decrease in the preceding periods foretold certain changes in the reinsurance policy of the insurance sector. Those changes were not so evident yet at that time. Looking at the period from 2004 to 2006 it is possible to say that the reinsurance policy in the main insurance areas was stable. In 2007 this stability clearly collapsed and in 2008 this collapse is already clearly visible (over the lifespan of the consecutive years). 2009 also confirms this change (trend to reduce reinsurance). However, observing reserves net of reinsurance (Table 14), one may notice that reinsurance did not have a significant impact on the share of technical provisions in total liabilities: these reserves, which in 2009 and in 2008, are most significant in terms of gross value, are also significant in terms of net of reinsurance value.

Fourth of all, another observation worth mentioning is the fact that a 38% increase in the estimated recourses and claims returns in Branch 2 occurred in 2009. In 2008 the growth in this regard amounted to 4%, in 2007 there was a drop of 5%, and in 2006 the ratio grew again by 4%. The changes were not very significant in the preceding years but the drop observed in this Branch in 2007 and 2006 could have been indicative of a smaller scale of indemnifiable accidents (where recourse is possible by nature). It is probable that in the years 2006-2007 this state of affairs was affected by the same reason. The statistical data of the Polish Chamber of Insurance shows that during that period the share of auto casco insurance, motor vehicle liability insurance and transport insurance in the insurance portfolio of Branch 2 decreased, in connection with the above – in a natural way to some extent – due to insignificant changes in the structure of the insurance portfolio, the scale of indemnifiable accidents with a possible recourse also decreased insignificantly. Because that drop jointly amounted at that time to approx. 1.6%, it was possible to assume that – in the light to a 2.5% inflation rate in 2007 – recourses at insurance companies

in Branch 2 presented a downward tendency. The situation changed in 2008: recourses are growing value-wise. The year 2009, when compared to the preceding years, is unique in this aspect: it strongly expresses the continuation of the upward tendency as regards estimation of recourses which began in 2008.

Fifth of all, stable values may be observed in other sources of financing (an exception here is the provision for deferred tax which shows an over 50% growth, which is quite interesting in the light of the fact that a 25% drop was observed in this regard in 2008). This may be indicative of an ever stronger notice of the need for the insurance companies to use a balance sheet policy that differs from the tax policy, expressing the criteria of a business and not tax presentation of achievements of insurance companies. It is also an expression of a growing caution in presenting the financial result intended for distribution. Additionally, this observation is supported by a 26% increase in other reserves.

Assessment of the growth of the provision for retirement benefits and other obligatory employee benefits (98% of last year's value) yields other interesting conclusions. The following observations were made in the analysis of the data for 2008. A small increase in the value of provisions for retirement benefits and other obligatory employee benefits was observed in 2007. Considering the fact that such provisions are being created in Poland since recently, it may be assumed that the increase in their value (approx. 9% and in 2006 approx. 4%) is still insignificant but it may be indicative of a still cautious policy concerning long-term declaration of benefits for employees. Analyzing the value of this provision in combination with the changes in special funds (which increased by 37% in 2009, by 22% in 2008, by 18% in 2007, by 6% in 2006 and by 8% in 2005), one may suspect further preference for short-term benefits for employees.

In conclusion, the drop in the value of the provision for retirement benefits and other obligatory employee benefits observed in 2009, in view of a strong growth of the value of social funds, confirms that these preferences still hold true.

Sixth of all, looking at the insurance sector from the perspective of possible capital ties between various entities, one may notice that in 2009 – in contrast to the year before – the scale of intra-group transactions is not increasing. One may even risk saying that their scale is decreasing or that changes are taking place in the lending policy of the insurance companies towards subordinated parties where the period of crediting these parties using the so-called trade credit is being cut down.

Growth ratios concerning the total value of liabilities towards subordinated parties and the total value of receivables from these parties serve as evidence. A significant boom in relations (transactions) between entities from the capital groups operating in the insurance sector could be observed in 2008. A proof of this were growing ratios in majority of significant items of liabilities as well as receivables ensuing from business relations with subordinated parties. These transactions decelerated somewhat in 2009.

Looking at the dynamics of changes in the value of liabilities towards subordinated parties one may notice an 8% increase (10% in 2008, 12% in 2007, 7% in 2006) in liabilities towards insurance intermediaries stemming out from subordinated parties, while observing a 20% drop of these liabilities towards other parties (increase by 15% in 2008, increase by almost 40% in 2007 and by 30% in 2006). The analysis of the liabilities towards insurance intermediaries conducted in the preceding years shows that different policy of paying these liabilities was applied towards subordinated parties and a different one towards other parties, or that the acquisition effectiveness of subordinated parties has increased. However, the changes observed in 2009 in these liabilities in the context of a 14% drop in the gross premium written are astonishing. One might assume that liabilities towards insurance intermediaries not being subordinated parties, lower by nearly 20%, are a derivative of the drop in the gross premium written and only insignificantly a derivative of the change in the lending policy.

insurance in Branch 2. In this Branch the reinsurers' share in the gross premium written increased by 18.1%. The value of the premium arising from reinsurance in Branch 2 increased in 2009 by 22%.

In the life insurance Branch the premium arising from passive reinsurance decreased in 2009 by 16%. The reinsurers' share in the gross premium written in Branch 1 amounted to 3.5%.

The insurers' share in the value of claims paid increased in 2009. The reinsurers paid a total of PLN 2,110 M worth of claims. The growth ratio of the value of claims paid in 2009 was 209.4% in comparison to 2008. This huge growth was caused by an increase in the reinsurers' share in the claims paid in Branch 1. The growth ratio of the reinsurers' share in the claims in this Branch was 635.5%.

The reinsurers' share in the gross claims paid in Branch 1 accounted for 3.5% of the total value of gross claims paid. As regards the non-life insurance Branch this share was almost 9.2%. For comparison reasons, in 2008 the reinsurers' share in the non-life insurance Branch accounted for 8.4% of the gross claims paid.

The level of gross premium written under active reinsurance dropped in 2009 in comparison to 2008 by 0.3%. This drop pertained to non-life insurance where the premium decreased by 45%. The share of the gross premium written under active reinsurance concerning these insurance products accounted for 88% of the total premium. As regards active reinsurance, the level of the gross premium written decreased. The decline was observed in both Branches of insurance. As regards Branch 1 the level of the

Table 14. Selected technical provisions net of reinsurance in the years 2005-2009 (in thousands of PLN)

Net of reinsurance:	2005	2006	2007	2008	2009	
					Value net of reinsurance	Share in provisions net of reinsurance
I. Reserves for premiums and reserves for unexpired risk	7 795 175	8 573 908	10 152 756	11 054 488	11 630 211	12.2%
II. Reserves for life insurance	23 077 167	24 964 521	27 125 465	40 651 143	35 539 882	37.2%
III. Reserves for outstanding claims	13 038 207	13 786 417	14 854 308	14 160 086	15 459 906	16.2%
VIII. Reserve for life insurance where the investment risk is borne by the insuring party	18 767 336	28 075 760	35 945 286	25 763 631	30 974 071	32.0%

Source: own elaboration.

Reinsurance level

As regards passive reinsurance in 2009 the premium reached a level of PLN 3,126.3 M. Its level increased in comparison to 2008 by 6%. This increase was caused by a dynamic growth in the premium arising from passive re-

gross premium written increased by 38.8% reaching a level of PLN 66.6 M.

The claims paid during the period in question as part of active reinsurance increased in terms of value. In Branch 1 the value of gross claims paid increased by 28.4% in com-

parison to 2008 and in Branch 2 it increased by 9.2% in comparison to 2008.

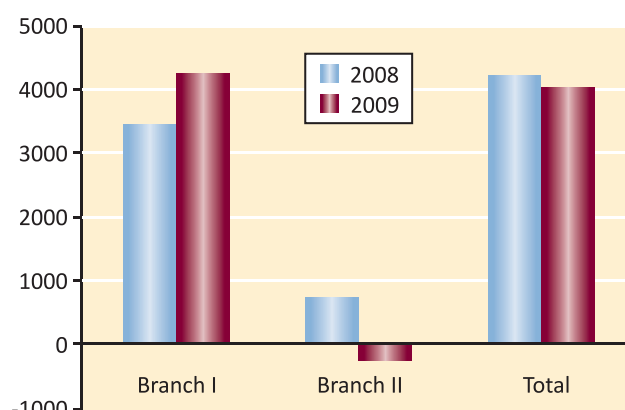
As regards reinsurance it's a bit different than in the preceding years. Reinsurance liabilities contracted at subordinated parties decreased radically, while the change in liabilities arising from reinsurance towards other parties was hardly noticeable. In 2008 the liabilities arising from reinsurance contracted at subordinated parties increased more than sixfold, while the liabilities towards reinsurers from outside of the subordinated parties decreased. Exactly the same situation occurred in 2007, and exactly the opposite situation took place in 2006. Since the amounts accompanying these huge changes are not significant to the balance sheet total, it can be said that symptoms are taking place in 2009 in the insurance sector which are indicative of a maintenance but not necessarily development of ties in the reinsurance area as part of the same capital group. However, due to the continuously low values characterizing the relations between the entities in the insurance capital groups, intra-group transactions did not play an important role in the insurance sector during the period from 2004 to 2009.

Results of the insurance sector in 2009

The basis for the analysis of the value of the balance on technical account and its causes in the activities of the insurance sector during that period are the collective figures of the entire insurance sector presented in tables 15 and 16.

At the end of 2009 the balance on the technical account reached a level of PLN 4,026.6 M. This result was determined by the balance on the technical account achieved in the life insurance Branch. As regards the non-life insurance sector a technical loss of PLN 0.22 M was recorded. The joint balance on the technical account achieved in 2009 for both Branches of insurance was 4.8% lower than in 2008. As regards Branch 1, the level of the balance on the technical account increased by 22.7% in comparison to 2008. The level of the balance on the technical account broken down by the Branches of insurance is presented in the following Figure.

Figure 15. Balance on the technical account broken down by Branches of insurance in the years 2008-2009 in millions of PLN



Source: own elaboration.

In 2009 7 insurance companies operating in Branch 1 recorded a technical loss, which accounts for 23% of the total number of insurance companies operating in this Branch. As regards Branch 2, the number of insurance companies with a technical loss is 19, which accounts for 54% of the total number of insurance companies operating in this Branch.

In the preceding years the decreasing pace of growth pertained, to a comparable degree, to both Branches of insurance. Considering a 3.3% rate of inflation observed in 2008, the real value of the balance on the technical account in this sector was even lower in 2008. An observation was made in the analysis of the data for 2008 that, in general, Branch 2 contributed to this situation more, where the balance on the technical account accounted for 60% (in 2007 it was 79%) of the previous year's result. In Branch 1 this result held stable at 100% (6% growth in 2006). It seems that 2008 (similarly to 2007) was not an easy year for insurance companies. This fact was particularly noticeable in view of the preceding years.

In 2009 Branch 2 clearly contributed to the deceleration of the pace of growth of the nominal (and hence – in view of the inflation – the real) value of the profit, where a 30% drop in the balance on the technical account could be observed. At the same time this same balance increased in Branch 1 by 23%. This is particularly visible in view of the preceding years. To recall, it should be pointed out that 2005 was a good year for the insurance sector (the balance on the technical account in the entire insurance sector grew by 80% in comparison to 2004). From the perspective of time, 2006 – despite of a smaller pace of growth of the balance on the technical account (45%) – should also be assessed positively. 2007 meant a decrease in the balance on the technical account by 3%

Table 15. Selected elements of the technical account in the years 2008-2009 (in thousands of PLN)

Description	Branch 1		Branch 2		Total	
	2008	2009	2008	2009	2008	2009
I. Premiums	37 323 335	29 291 271	17 019 265	18 178 932	54 342 599	47 470 202
1. Gross premiums written	38 984 617	30 278 171	20 125 069	20 890 523	59 109 686	51 168 694
2. Reinsurers' share in the premium written	1 250 523	1 050 703	1 692 755	2 075 667	2 943 278	3 126 370
3. Change in the premium reserve and gross reserve for unexpired risk	411 164	-63 669	1 442 248	803 950	1 853 412	740 281
4. Reinsurer's share in the change in the premium reserves	405	134	29 199	168 026	29 604	168 159
II. Other technical revenues net of reinsurance	361 291	252 120	149 468	256 342	510 759	508 462
III. Claims	19 399 802	26 931 707	10 450 412	12 248 944	29 850 214	39 180 652
1. Claims paid net of reinsurance	19 181 698	26 745 845	9 277 697	11 224 847	28 459 395	37 970 693
1.1. Gross claims paid	19 334 356	27 716 051	10 132 639	12 364 979	29 466 995	40 081 030
1.2. Reinsurer's share in claims paid	152 659	970 206	854 942	1 140 132	1 007 601	2 110 337
2. Change in reserve for outstanding claims net of reinsurance	218 104	185 862	1 172 715	1 024 097	1 390 819	1 209 959
2.1. Change in reserve for outstanding gross claims	225 693	191 881	1 245 361	965 894	1 471 054	1 157 775
2.2. Reinsurers' share in the change in the reserve for outstanding claims	7 589	6 019	72 646	-58 203	80 235	-52 184
IV. Changes in other technical provisions net of reinsurance	3 819 644	50 395	-62 308	-1 197	3 757 336	49 198
VII. Net operating expenses	4 946 681	5 422 708	5 141 875	5 781 238	10 088 556	11 203 946
1. Acquisition costs	3 590 934	3 846 329	3 666 544	4 181 182	7 257 478	8 027 511
2. Administrative expenses	1 552 209	1 603 841	1 916 980	2 051 611	3 469 188	3 655 452
3. Reinsurance commissions and profit participation	196 462	27 462	441 649	451 555	638 110	479 017
VI. Other technical charges net of reinsurance	178 350	277 894	1 065 049	871 165	1 243 399	1 149 059
VII. Balance on technical account	3 463 755	4 248 774	768 073	-222 123	4 231 828	4 026 651
Growth	100%	123%	100%	-29%	100%	95%

Source: own elaboration.

in comparison to 2006, and 2008 meant a decrease of 11% in comparison to 2007. Hence, the 5% drop in the value of the balance on the technical account from 2009 to 2008 deepens the distance with respect to the years which proved profitable to the insurance sector, but at the same time – maybe – it foretells smaller decreases in the value of that balance in the future years. Observation of 2010 will be very interesting in this aspect.

Net operating expenses in 2009

The net operating expenses increased in 2009 in comparison to 2008 by PLN 1,115 M, which meant an increase of 11.0%. The net operating expenses grew faster in the non-life insurance Branch where the grow ratio reached a level of 112.4%. In the life insurance Branch the grow ratio was 109.6%.

A significant increase in the acquisition costs was observed in 2009. In Branch 1 the acquisition costs increased

by more than 7.1% whereas the administrative expenses increased by 3.3%. In the non-life insurance Branch the acquisition costs grew by 114.5 whereas the administrative expenses grew by 107.0%.

The level of reinsurance commissions decreased in general. In Branch 1 the reinsurance commissions in 2009 amounted to PLN 27.4M. Their level declined by 86% in comparison to 2008. In Branch 2 the value of reinsurance commissions reached a level of PLN 451.5 M, which meant an increase of 2.2% in comparison to 2008.

In 2009 the share of acquisition costs in the total premium written was 15.7%. The administrative expenses ratio reached a level of 7.1%. The net operating expenses reach higher levels in case of non-life insurance Branch than in the life insurance Branch. The acquisition costs ratio in Branch 1 reached a level of 12.7%, whereas in Branch 2 it reached a level of almost 20%. As regards the administrative expenses ratio the situation

looks similar. In Branch 1 the administrative expenses account for 5.3% of the gross premium written, whereas in Branch 2 they account for 9.8%. In the life insurance Branch the administrative expenses ratio increased in comparison to 2008 by 1.3%. A small increase also occurred in Branch 2 where the value in 2009 increased to 9.8% from 9.5% in 2008.

Analyzing the main areas of the factors shaping the balance on the technical account one may notice large differences in the growth ratios of various result Branches (Figure 16).

2009 was characterized by a significant decrease in the value of premium net of reinsurance. A drop of almost 13% is significant in view of the fact that in 2008 the premium in question increased extensively (37% in comparison to 2007 when the increase amounted to 14%).

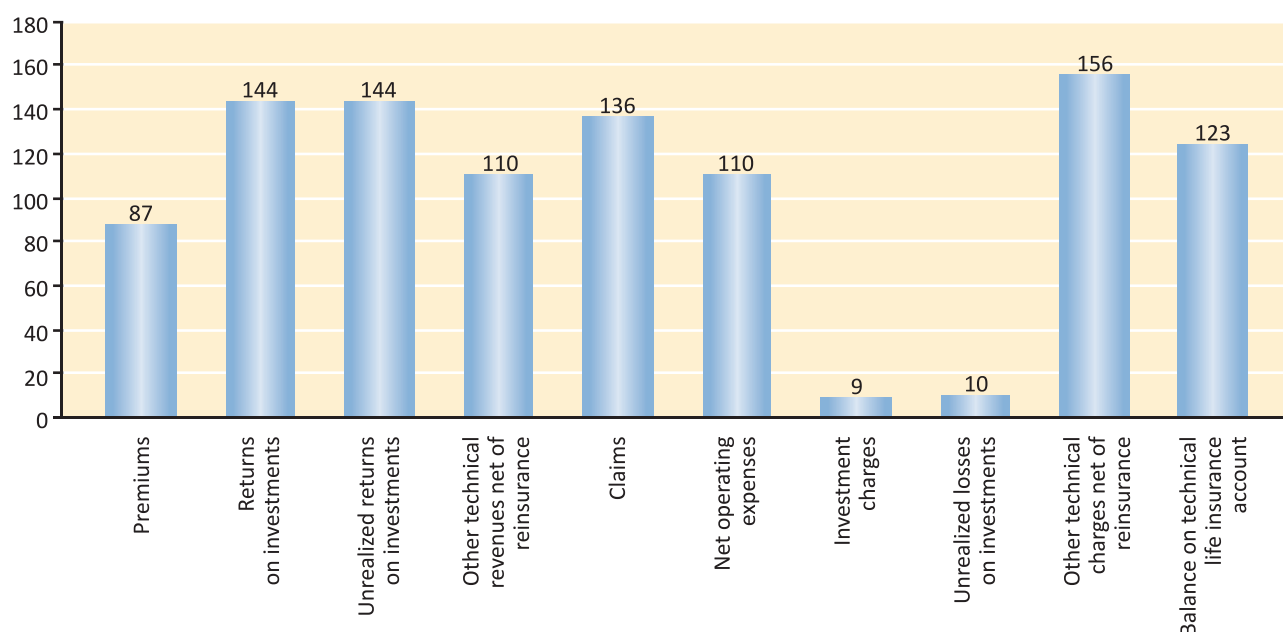
2009 meant an increase of over 40% in the returns on investments (same increase for realized as well as unrealized returns on investments). This growth is specific in view of 2008 especially because it is significantly lower than in 2008 when returns on investments more than doubled. Nonetheless, a small increase in the investment charges (9%) and unrealized losses on investments (10%) can be observed, which might mean better conditions on the investment market than in 2008.

The fact that the gross claims increased by 36% while the level of premiums decreased by 13% is surprising. At the same time a small growth (7%) in the reserve for outstanding claims should be pointed out. A detailed analysis of the value of the items specifying the value of the

claims burdening the 2009 result points to claims paid (growth of 39%) this year as the basic cause of the growth in the claims expenses in 2009. In this aspect it might be interested to check the claims rate during the period being analyzed.

The drop in the value of the premiums in 2009 and the growth in the returns on investments is particular in the light of previous years. Although profitability was lower in 2007 than in 2006, the returns were characterized by an upward and not downward tendency (for instance, in the investments segment), just as it did in 2008. In 2007 the revenue hikes were consumed by a much lower increase in claims than in 2008 (by 16% in 2007), by increasing investment charges (by 58% in 2007) and higher net operating expenses (by 19% in 2007). 2008 meant not only a large increase in the claims but also an increase in the investment charges. A detailed analysis of these expenses points to extremely negative changes in the investment revaluation expenses which might mean loss of value of the investments and in the expenses of executing these investments, which mean losses arising from the sale of investments. These two cost items indicated that 2008 was a very difficult year. This fact was confirmed by the crisis situation observed in 2008 and reflected on the technical account in the insurance sector. 2009 means a large drop in the value of premiums, high growth in the value of claims paid, a significant increase in the returns on investments and a small growth in the investment charges. Only the last fact can be deemed as being positive. The previous facts may be deemed as alarming.

Figure 16. Growth ratios in selected result Branches in 2009 in comparison to 2008 (%)



Source: own elaboration.

In the light of the above observations it is important to determine the impact of the difference between the growth in the value of the premiums and the growth in the value of claims on the growth of the balance on the technical account.

In 2009 the drop in the value of premiums (- 6,872,397 K) and the increase in the claims paid (9,511,298 K) jointly in both Branches had an impact on the decrease in the balance on the technical account in comparison to the year before by PLN 205,177 K. If, despite this, the balance on the technical account grew in Branch 1 by PLN 785,019 K, this means that investments contributed to this, above all. Observing the growth in the technical revenues and expenses, it's easy to notice a very interesting effect that this area had on the increase in the balance on the technical account. The growth in the overall investment revenues (returns on investments and unrealized returns on investments) amounted to PLN 4,680,976 K while, at the same time, adequate expenses (investment charges and unrealized losses on investments) decreased by PLN -10,272,905 K, which led to the growth of the balance on the technical account in comparison to 2008 by 14,953,880 K. This fact is indicative of a very significant impact in 2009 on the results of the technical activities of the investment area of the insurance sector. This impact is definitely positive in contrast to the activities in the premiums and claims area which "jointly" worsened that result.

Since the increase in the balance on the technical account in Branch 1 is almost 20 times smaller (at PLN 785,019 K) than the value of the effects of the impact on investment activities, this means a negative impact of other elements of the balance on the technical account. This means that the amount of PLN 14,168,861 K (the difference between the upward effect of the result generated by investments (PLN 14,953,880 K) and the actual increase in the balance on the technical account (PLN 785,019 K)) was unfortunately consumed in the form of a faster growth of other expenses (in comparison to the revenues).

This observation may lead to a more general reflection if we compare the area from 2009 being analyzed here with the analysis of the preceding years. The situation was quite the opposite then. The growth in the premiums was significant, the claims also increased, but despite this it did not have an impact on the growth of the balance on the technical account since the growth was negative in 2008. An analysis of other figures from preceding years showed that the investment area played a crucial role in this. From the perspective of time, all this resembles a swing, there is no evident trend. One might assume that this is an ef-

fect of the financial crisis. The more so that 2006 and 2007 could have foreshadowed a certain regularity in this respect, but this did not occur due to the crisis.

To make a recollection, in 2008 the difference between the growth in the value of the premium (by PLN 14,633,851 K, in 2007 by PLN 4,751,055 K) and the growth in the claims expenses (PLN 10,085,442 K, in 2007 by PLN 2,567,085 K) totalled PLN 4,548,409 K (in 2007 PLN 2,233,971 K). However, this difference did not affect the growth of the balance on the technical account because the growth in 2008 was negative (PLN -493,894 K). An identical situation had place the year before (2007), with the difference being that the negative growth of the balance on the technical account in 2007 was significantly smaller than in 2008 and amounted to PLN -139,779 K. Considering a 3.3% inflation rate in 2008 (2.5% in 2007), the real drop of this result in 2008 is even higher.

To make a comparison, in 2006 the difference between the growth in the value of the premium and the growth in the claims expenses superseded the growth of the balance on the technical account almost fourfold (the growth in 2006 amounted to PLN 1,424 M). In 2006 the impact of the growth in the premium and the growth in the claims on the balance on the technical account was multiplied in comparison to 2005 when it was possible to say that the value of the growth of the balance on the technical account was strongly determined by the growth of the gross balance on the technical account (growth in the premium minus the growth in the claims). This was additionally supported by the fact that the ratio of the claims expenses during those years to the value of the premium was decreasing (47% in 2006, 55% in 2005, 57% in 2004). In this aspect 2007 wasn't the worst. The ratio of claims paid during that year to the value of the premiums was 49% and was indicative of a good assessment of the insurance risk and insurance premiums. However, as regards sufficiency of the premiums to cover the basic insurance expenses 2008 was difficult for the insurance sector and could have foreshadowed the need to verify the strategy adopted in this sector. Unfortunately, 2009 shed a light on this difficulty with a greater force: claims paid that year consumed over 60% of that year's premiums, which means a reversal of the decreasing trend (advantageous to the insurance sector) observed in the years 2004-2008.

Analyzing the net operating expenses – another area playing an important role in shaping the balance on the technical account – a 10% growth can be observed (14% in 2008, 19% in 2007). It is owed mainly to a 7% increase in the acquisition costs (20% in 2008, 23% in 2007) and a 3% increase in administrative expenses. In this case it is

Table 16. Selected elements of the general insurance account in 2009 (in thousands of PLN)

Description	Branch 1		Branch 2		Total	
	2008	2009	2008	2009	2008	2009
I. Balance on technical non-life insurance account or balance on technical life insurance account	3 463 756	4 248 774	768 073	-222 123	4 231 829	4 026 651
II. Return on investments	0	0	4 332 482	4 097 524	4 332 482	4 097 524
1. Return on investments in land and buildings	0	0	18 441	18 917	18 441	18 917
2. Return on investments in subordinated parties	0	0	2 200 606	1 456 607	2 200 606	1 456 607
2.1. on shares	0	0	2 195 566	1 453 553	2 195 566	1 453 553
2.2. on loans and debt securities	0	0	5 040	3 054	5 040	3 054
2.3. on other investments	0	0	0	0	0	0
3. Return on other financial investments	0	0	1 876 816	1 888 130	1 876 816	1 888 130
3.1. on shares, other variable income securities and units of participation and investment certificates in investment funds	0	0	71 048	26 927	71 048	26 927
3.2. on debt securities and other fixed income securities	0	0	1 541 607	1 722 205	1 541 607	1 722 205
3.3. on term deposits at lending institutions	0	0	184 724	45 550	184 724	45 550
3.4. on other investments	0	0	79 437	93 449	79 437	93 449
4. Income on investment revaluation	0	0	29 357	177 869	29 357	177 869
5. Income on investments	0	0	207 261	556 002	207 261	556 002
III. Unrealized returns on investments	0	0	265 463	347 774	265 463	347 774
IV. Return on net investments after taking into account expenses, carried over from the technical life insurance account	-346 789	649 550	0	0	-346 789	649 550
V. Investment charges	0	0	715 546	523 609	715 546	523 609
1. Land and buildings maintenance costs	0	0	9 862	9 990	9 862	9 990
2. Other investment charges	0	0	64 740	78 190	64 740	78 190
3. Loss on investment revaluation	0	0	237 415	122 093	237 415	122 093
4. Loss on investments	0	0	403 529	313 335	403 529	313 335
VI. Unrealized losses on investments	0	0	676 268	296 362	676 268	296 362
VII. Return on net investments after taking into account expenses, carried over to the technical non-life insurance account	0	0	303 150	350 976	303 150	350 976
VIII. Other operating income	143 396	164 290	204 504	228 676	347 900	392 965
IX. Other operating expenses	165 208	162 861	203 077	242 775	368 285	405 636
X. Operating profit (loss)	3 095 156	4 899 753	3 672 481	3 038 129	6 767 637	7 937 882
XI. Extraordinary profits	8	0	16	17	24	17
XII. Extraordinary losses	15	0	0	0	15	0
XIII. Gross profit (loss)	3 095 149	4 899 753	3 672 497	3 038 146	6 767 645	7 937 899
XIV. Income tax	578 795	889 245	342 090	361 597	920 885	1 250 842
XV. Other obligatory profit reductions (increase of losses)	-1 372	617	73	327	-1 299	945
XVI. Net profit (loss)	2 517 726	4 009 891	3 330 334	2 676 222	5 848 060	6 686 112
Growth	100%	159%	100%	80%	100%	114%

Source: own elaboration.

possible to observe a downward tendency that started in 2007 as regards the growth of the acquisition costs and a relative stability as regards administrative expenses.

Theoretically, one might attribute the reasons for the drop in the acquisition costs directly to the negative growth of the premiums. However, in 2009 the 13% drop in the value of premiums earned (in comparison to 2008) – and the same drop in the gross premium written – does not go hand-in-hand with the drop in the acquisition costs. This means lower acquisition effectiveness than in the preceding years and probably greater intra-sectoral competitiveness with lower premium value in 2009.

In the long run what may prove interesting is the fact that in 2008, where the premiums earned increased by 37% (by 14% in 2007), a definitely lower growth of the acquisition costs occurred. This is quite opposite to what we observed the year before when the acquisition costs increased by more than twofold in comparison to the premium earned. In 2007 this might have meant growing competitiveness within the insurance sector, which was additionally supported by the fact that this fast growth of the acquisition costs was already observed in 2006 when they increased at the rate of 50% (only 9% in 2005). It is evident that in 2008 the insurance sector was “saving” on the costs of acquisition commissions or that the insurance intermediaries were more effective in their work (a 20%

increase in the acquisition costs was accompanied by a 37% increase in the premium earned). The same thing cannot be said about 2009.

Where the administrative expenses are concerned, as has already been mentioned before (3% increase in 2005, 4% increase in 2006, 3% increase in 2007, 3% increase in 2008, 3% increase in 2009), stability of their real value may be observed. Small changes may ensue from the price hikes caused by inflation. In 2009, similarly to 2008 and the preceding years, the insurance companies paid particular attention to maintaining administrative expenses on an optimum level, which are practically kept on an almost steady level. In 2008, this trend, despite of a growing level of the premium written, was assessed positively, the more so that (in contrast to 2007) the “premium return” on these expenses was higher in 2008 than in the preceding years. In 2009, the “premium return” on the administrative expenses is definitely lower than in 2008 and the preceding years.

Assessing the balance on the technical account and the general profit and loss account jointly it might prove interesting to examine the impact of the return on investments and investment charges in both Branches of insurance jointly. A breakdown that may prove helpful in this case is presented in Table 16.

Table 17 shows that the profitability of the investment activities in the insurance sector in Branch 1 was drop-

Table 17. Return on investments in the years 2006-2009 (in thousands of PLN)

		Return on investments	Growth	Investment charges	Growth	Return on investments*	Growth	Total investment value	Growth	Gross return on investments = Return on investments */ Arithmetic average of the total investment value
Branch I	2006	4 451 392	100%	424 547	100%	4 026 845	100%	68 597 280	100%	7%
	2007	4 953 390	111%	668 937	157%	4 284 453	106%	76 443 549	111%	6%
	2008	4 287 066	87%	8 121 159	1214%	-3 834 093	X	54 621 564	71%	X
	2009	6 270 637	146%	703 744	9%	5 566 893	X	51 993 200	95%	10%
Branch II	2006	3 305 437	100%	298 120	100%	3 010 317	100%	35 187 859	115%	10%
	2007	2 058 477	62%	270 128	91%	1 788 349	59%	40 774 007	116%	4%
	2008	4 332 482	210%	715 546	265%	3 616 937	202%	44 914 722	110%	8%
	2009	4 097 524	95%	523 609	73%	3 573 915	99%	42 784 246	95%	8%
Total	2006	7 756 829	122%	722 667	100%	7 037 162	100%	103 785 139	100%	8%
	2007	7 011 867	90%	939 065	122%	6 072 802	122%	117 217 556	113%	6%
	2008	8 619 548	123%	8 836 704	941%	-217 156	X	99 536 286	85%	0%
	2009	10 368 161	120%	1 227 353	14%	9 140 808	-4209%	94 777 446	95%	9%

* Jointly from the technical account and from the general profit and loss account; without the value of the item ‘unrealized profits and losses’ reflecting the consequences of the balance sheet valuation.

Source: own elaboration.

ping until 2008 from year to year. 2008 was very unfavourable to Branch 1 in this respect. It was caused, above all, by an increase in the losses on investments and losses on investment revaluation. The situation changed in 2009. The profitability of the investment activities in Branch 1 definitely improved. The reason for this are high positive returns on investments and low losses on investments. In 2009 the return on investments amounted to PLN 2,806,403 K, which means more than a 3.5-fold of the return observed in 2008 (PLN 763,397 K). At the same time the loss on investments amounted to PLN 583,423 K in 2009, which, in the light of a huge loss on investments recorded in 2008 (PLN 7,953,474 K), is a positive signal about the investment market.

Characterizing the changes in the investment activities in Branch 2 it's a good idea to go back to the conclusions drawn in previous years. In 2008 an increase in the profitability of investments was observed in Branch 2. It was owed, to a large extent, to a huge increase in the returns on investments in subordinated parties. These returns (achieved mainly on shares) in 2008 were more than 120 times higher than the returns achieved in 2007. Other observations concerning investment activities in Branch 2 were also interesting where positive returns on investment revaluation occurred (which meant a reversal of the write-downs adjusting the value of the investments arising from the loss of value and was a positive phenomenon) and where a small growth in the returns on invest-

ments was observed (which meant a sale of investments at a profit).

Looking simultaneously at the investment charges in this Branch in 2008, one may notice that their value was definitely lower than the value of analogical charges in Branch 1. Moreover, upward tendencies in the investment charges were observed in Branch 2, similarly to those from Branch 1 (huge – more than 250-fold – increases in the costs corresponding to the loss on investment revaluation, which meant possessing investments for which write-downs had to be made and a nearly two-fold growth in the value of the loss on the sale of investments). Considering the fact that the values of these items are, in principle, not significant, it can be said that both Branches reacted similarly to the market situation as regards investments, nonetheless, the crisis observed in 2008 had the most harmful effect on investments in Branch 1.

In the light of the above observations it can be said that in 2009 Branch 2 is showing slight downward tendencies in the value of the areas associated with investment activities. Returns achieved on these activities diminished.

Luckily, the drop in the costs of these activities was so much higher than the drop in the returns that it led to only 1% drop in the return on investments in comparison to 2008. The profitability of the investment activities in Branch 2 has stabilized itself in 2009 at 8%.

2.3.2. Ratio analysis

In addition to the report data presented above the achievements of the insurance sector in 2009 are characterized by relations between the report Branches, i.e. by financial ratios. They can be created and grouped in various ways, depending on the nature of the analysis, related economic content, obligation to use them availability of source materials which make it possible to determine them.

Below we present a ratio analysis based on typical areas of a ratio analysis in the insurance sector. This analysis covers:

1. assessment of solvency, financial liquidity and ability to pay in this sector,
2. assessment of profitability,
3. assessment of operating effectiveness,
4. assessment of interdependencies.

Condition of the insurance sector in the light of the assessment of solvency, liquidity and ability to pay in 2009

The condition of the insurance sector in the light of the assessment of solvency, liquidity and ability to pay are synthetically presented by the ratios (Table 18).

The first of the above ratios (solvency ratio), contrary to last year's concerns, returned, after last year's drop, to its level from two years ago, which is a very positive symptom. The situation in Branch 2 looked quite differently where a significant drop by approx. 40% in the value of that ratio was observed, which emphasizes the downward tendency even more than the year before. A significant increase in the ratio from that group was observed in Branch 2 in 2007, which could have meant, especially in the light of a simplified procedure of determining own funds used in the calculations leading to a cautious determination of the values in this group, good financial condition of the insurance companies operating in this Branch. Such a positive changes in this Branch has been taking place already since

Table 18. Solvency, financial liquidity and ability to pay ratios in the years 2008-2009

Ratio	Branch 1		Branch 2		Total	
	2008	2009	2008	2009	2008	2009
Solvency ratio (in %)	28.53	43.80	109.39	64.30	55.21	51.90
Financial liquidity ratio (in %)	132.26	161.76	196.99	151.16	147.57	157.41
Ability to pay ratio - net of reinsurance (in %)	137.67	145.53	73.81	104.93	111.46	129.54
Creditors cover ratio (in %)	13.72	(8.40)	4.65	(38.40)	11.26	(17.96)
Debtors to available solvency margin ratio (in %)	9.21	8.20	18.22	33.90	15.10	20.75
Debtors cycle ratio (in days)	8.46	12.10	64.49	68.00	27.64	35.03
Creditors to available solvency margin ratio (in %)	13.65	12.20	12.84	63.00	13.12	35.00
Creditors payment ratio (in days)	13.36	18.10	42.69	89.20	23.39	37.00

where:

Solvency ratio	$(\text{Own funds} / \text{premium written net of reinsurance}) * 100\%$
Financial liquidity ratio	$((\text{Liquid deposits} + \text{cash}) / \text{gross premium written}) * 100\%$
Ability to pay ratio - net of reinsurance	$((\text{Creditors} + \text{technical provisions net of reinsurance}) / ((\text{liquid deposits} + \text{cash}))) * 100\%$
Creditors cover ratio	$((\text{Net operating flows} - \text{dividends paid}) / (\text{technical provisions net of reinsurance} + \text{creditors})) * 100\%$
Debtors to available solvency margin ratio	$(\text{Debtors} / \text{own funds}) * 100\%$
Debtors cycle ratio (in days)	$(\text{Average debtors} / \text{gross premium written})$
Creditors to available solvency margin ratio)	$(\text{Creditors} / \text{own funds}) * 100\%$
Creditors payment ratio (in days)	$(\text{Average creditors} / \text{gross premium written})$

Source: own elaboration and on the basis of www.knf.gov.pl from May 2009.

2005. As regards solvency, 2008 has brought about a certain concern which is still being felt today.

Interpreting this ratio more graphically, one might say every PLN 1.00 of premium written net of reinsurance in Branch 2 was accompanied by PLN 0.64 of own funds securing the solvency, while in Branch 1 it was just over PLN 0.43 (PLN 0.28 in 2008).

The financial liquidity ratio in the formula applied indirectly presents the asset management policy of insurance companies. To evaluate this policy, the share of liquid deposits and cash in the value of the gross premium written should be analyzed over a long time span. Based on the four years being analyzed, one may assume that insurance companies could have grappled with payment problems in 2009 differently than in 2008. Such an assumption can be made with regards to Branch 2 (considering the value of the ratio being analyzed). A significant increase thereof can be seen in Branch 1, which foreshadowed better concern for ability to pay.

The ability to pay net of reinsurance ratio talks about the burdening of liquid assets with liabilities and technical provisions, which might be used to pay them off.

Observance of this ratio's trend since 2005 initially foreshadowed a generally minimal (in fact, irrelevant) im-

provement of the ability to pay in the insurance sector, which later deteriorated in the years 2007-2008 and insignificantly increased in the last year being examined. The ratios, broken down by the Branches of insurance, informed that this is owed mainly to Branch 1. An opposite situation was observed in 2006: the ability to pay net of reinsurance visibly deteriorated, which was clearly evident in Branch 1, although this ability to pay is higher than the ability to pay in Branch 2. The ability to pay in Branch 2 deteriorated significantly. 2007 faithfully reflected the ability to pay from 2006. A clear stabilization in this area was recorded here, which may be indicative of an ever better financial management at insurance companies. 2008 yielded a different picture in Branch 1 and a different one in Branch 2. The payment policy deteriorated insignificantly in Branch 2, whereas this ability clearly worsened in Branch 1. A small increase in the ability to pay in the life insurance Branch and a huge, almost 40% increase in this ability in Branch 2 occurred in 2009.

The next ratio – the creditors cover ratio – illustrates the changes in the investment policies of the insurance companies and in the payment management practices. Its values, diminishing in 2005, were indicative of an ever more cautious management of cash earned on oper-

ations, which is a positive phenomenon, especially if we consider a long maturity date of technical liabilities expressed in the value of provisions. In 2006 the value of the ability of the insurance sector to almost immediately cover payable as well as potential liabilities – expressed by technical provisions – significantly increased, i.e. by more than 85% in the entire sector (including by more than 80% in Branch 1 and by 40% in Branch 2).

This could have been indicative, for instance, of efficient collection of insurance debts and of good management of operating expenses (which guaranteed higher net operating flows). This trend is maintained in 2007, which is a very positive sign. Analogically to the ratio referred to above, the creditors cover ratio improved insignificantly in 2008 in Branch 1 but deteriorated in Branch 2. An unexpected turnaround came in 2009 when this ratio took on negative values for the first time.

The next debtors cycle ratio (in days) shows that the liabilities rotation cycle got extended in 2009 in both Branches. In 2008 the debt collection cycle got shortened to 27.64 days (from 35.5 days), while the settlement period got insignificantly shortened. In 2008 the debt collection waiting time got a bit shortened (from 35 to 27 days). This meant that the quality of monitoring receivables has improved. Changes presented in Table 18 are indicative of a relatively worse effectiveness of debt collection than the year before.

Condition of the insurance sector in the light of the assessment of profitability in 2009

The synthetic measurements, thanks to which it is possible to assess the profitability of the business operations, are profitability ratios. They are expressed by the ratios

of the result Branches to significant items of the balance sheet and the profit and loss account. A selected group of these ratios may apply in the insurance sector. It is presented in Table 19.

A retrospective observation of the technical activity profitability ratio in the insurance sector as the whole shows that its values were increasing only until 2006. This fact was a positive sign showing that insurance companies are functioning well and the profitability of strict insurance activities is increasing. Many factors could have contributed to that in 2006: higher premium growth as well as low growth of claims expenses. High profitability of investments also played a crucial role. However, 2007 was characterized by a clear downward tendency in the area of profitability. The downward tendency concerning the profitability of the technical activity unfortunately prevailed in 2008 as well. It should be noted though that the pace of growth of the nominal value of the balance on the technical account in 2007 significantly decelerated in 2007 and amounted to minus 3% at a 2.5% inflation rate (plus 6% in Branch 1, but minus 21% in Branch 2). In 2006 the balance on the technical account increased by approx. 15.5% at a 1% inflation rate, and in 2005 - by more than 16% at a 2.1% inflation rate. This is an alarming signal indicating that the insurance sector experienced quite significant problems with maintaining the profitability pace observed in 2005 and 2006. In 2007 the insurance sector did not achieve the results from the year before. In 2008, with the inflation rate running at 4.2%, the pace of the balance on the technical account was minus 12% (the drop is quite noticeable in relation to 2007). In this case one might risk an opinion that maybe 2005 and 2006 were unique as regards the profitability of the technical activity. A more than 60%

Table 19. Profitability ratios in the years 2007-2009 (in %)

Ratio	Branch 1			Branch 2			Total for Branch 1 and 2		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Technical activity profitability ratio	13.78	9.24	14.50	8.28	4.31	- 1.50	11.72	7.68	8.30
Investment activity profitability ratio	5.06	-7.86	9.80	4.36	7.53	8.20	4.81	-2.42	9.30
Sales profitability ratio	12.88	6.62	13.20	11.04	16.58	12.20	12.11	10.03	12.80
Equity profitability ratio	32.92	22.55	32.00	10.30	14.71	13.00	17.95	17.33	21.00
Assets profitability ratio	4.47	3.13	4.70	4.55	6.72	6.30	4.50	4.49	5.20

where:

Technical activity profitability ratio	(Balance on technical account / premium earned net of reinsurance) * 100%
Investment activity profitability ratio	(Investment revenue / average value of balance sheet investments) * 100%
Sales profitability ratio	(Net financial result / gross premium written) * 100%
Equity profitability ratio	(Net financial result / average value of equity) * 100%
Assets profitability ratio	(Net financial result / average value of assets) * 100%

Source: own elaboration.

growth of the balance on the technical account observed in 2006 meant that there was a boom on the non-life insurance market. Unfortunately, 2007 interrupts that run of luck and the downward tendency continues in 2008 at least in two ways.

2009 maybe foreshadows positive changes in this respect, especially in Branch 1. The growth of the profitability of the technical activity in this Branch is going hand-in-hand with the increases of all other profitability ratios important in the analysis. The increase in the profitability of the investment activity is looking good and the profitability of all assets involved in insurance activities is growing again. The situation in Branch 2 is not as good, although positive changes in the profitability of investment activity can be seen here too. Technical activity is not profitable for the first time since 2007.

As regards the assessment of profitability of the investment activity – as was pointed out earlier – it seems that 2009 interrupts the run of bad luck. The investment activity profitability ratio is satisfactory, in contrast to 2008 when its negative value was significant. The profitability of that activity in Branch 1 was negative then and in Branch 2 it was lower than the year before. In last year's analysis it was noted in the statement the ratio in question displayed a trend that foreshadowed poorer results already in 2007. The investment activity of the insurance sector in 2007 continued on the same level as the year before. The minimal decline in the profitability of the investment activity was not alarming at that time. The only thing that might raise concern was the fact that it occurred at a 2.5% inflation rate. Thus, the real growth of the profitability of the investment activity in 2007 was poorer. Last year's report already signalled difficulties being experienced by the investment activity, which were manifested by significant unrealized losses on investments. Although these losses were the result of a balance sheet assessment of some of the investments, the fact that they occurred and that their values were high was indicative of the difficulties on the investment market already in 2007. Difficulties on the investment market intensified a lot in 2008 where the costs associated with the valuation of investments indicating the loss of value of the investments were five times higher than the values achieved the year before and the losses arising from sales were almost fourteen times higher (in 2007 they amounted to PLN 575 M, and in 2008 they amounted to PLN 7,895 M). It should be noted that in 2008 these costs were accompanied by revenues from the sale of investments, whose value accounted for only 1/3rd of the value of last year's profits from investments. This comparison clearly showed the serious difficulties on the investment

market observed in 2008 and already foreshadowed in 2007 (thanks to the ratios being analyzed).

In the light of the recollection of these "historical" observations, one may say that 2009 is bringing good changes because the returns on investment activity (together with unrealized profits from investments covering valuation of investments at fair value) are showing a very nice upward tendency (in 2008 the overall value of these revenues totalled PLN 9,713,088 K, and in 2009 they totalled 40% more, i.e. PLN 13,554,228 K). What is important here is that in 2009 the costs of investment activity decelerated significantly. This is owed mainly to the deceleration of sales of investments which caused losses in 2008 whose extent was the highest since 2005.

The sales profitability ratio informs about which part of the gross premium written determines the value of the net profit (profit to be distributed) in the insurance sector. It was pointed out in last year's analysis that observing the value of that ratio over the span of the years 2005-2008 one could notice a significant increase in profitability but only until 2006. It was significant already in 2005, which was confirmed by the growth of that ratio's value with respect to the entire sector. This growth was observed in both Branches of insurance. 2007 was already characterized by evident, and thus alarming, downward trend as regards sales profitability. This decline could have been the result of the acquisition costs which increased significantly that year. However, the factor that had the greatest impact on this in 2007 (similarly to the year before) were high increases of costs caused by increases in technical provisions net of reinsurance. In summary, one might say that 2007 was a difficult year for the insurance sector as regards profitability. 2008 did not bring any hope, especially in Branch 1. The sales profitability ratio in this Branch accounted for just a bit more than 50% of previous year's ratio. This state could have ensued not from the increase in the acquisition costs (a 20% increase was not so significant in this case) but, above all, from a very large value of losses on the sale of investments and costs associated with the revaluation of investments maintained in this Branch.

Maybe 2009 is characterized by an upward tendency as regards the share of the value of the net profit in the gross premium written. However, what is alarming is the fact that this growing ratio may be owed to a smaller gross premium written than observed the year before (by 13%). This context does not look too optimistic because it means that the profit intended for distribution is actually affected by factors other than those associated with the expansion of the insurance portfolio.

The above observations are also reflected by other ratios. Both ROE and ROA, calculated for the entire insurance

sector in 2009, display an upward tendency, although the situation looks different in Branch 1 and in Branch 2. This is worth emphasizing because in 2008 the equity profitability ratio (ROE) for the entire insurance sector decreased. The same applied to the asset profitability ratio (ROA). Although the decrease of that ratio was significant in 2007 and in 2008 the decreasing pace of changes in the values of these ratios was not drastically low, the continuing decline of profitability (in the entire sector) did not pose a good incentive of the investors. A need was suggested in last year's analysis to carefully observe these ratios in the years to come. It was expected then that these observations might provide an answer to a cardinal question how the insurance sector will cope in the future with the difficult market situation observed in 2008 and expected next year. Today we already know the answer to that question. It can be said that in 2009 the insurance sector properly used the appearing opportunity to come out of the crisis situation. ROE's and ROA's growth is not vehement but satisfactory.

Condition of the insurance sector in the light of the operating effectiveness in 2009

The operating effectiveness ratio group is carrying a specific burden of multi-aspect information about changes in the insurance sector in 2009 (Table 20).

The crucial test of the operating activity in the insurance sector is the increase (growth) of the gross premium written. The breakdown of the values of the ratios presented in the Table shows visible differences in subsequent years. A conclusion could be drawn from the analyses performed in the past (2005-2008) that until 2008 the systematic growths bode well about the development of the insurance market in Poland. In 2006 Branch 1 was more effective in this regard, where the growth of the gross premium written is significant. The analyses of the data for 2006 show that it was associated, to a great extent, with the sale of insurance products with an insurance capital fund. As regards Branch 2 in 2006, stabilization of the premium written meant that where the value of sales of insurance products is concerned, insurance companies from the life insurance Branch were in the lead. 2007 was characterized by a downward trend also in this area. Its decline was also strengthened by the fact that the inflation rate in 2007 amounted to 2.5%. It may somewhat explain a smaller demand for insurance protection observed that year. 2008 was characterized by an increase in the gross premium written. The growth of the premium during that period is the highest from all the previous years. In this respect year 2009 – as has already been mentioned multiple times – will be remembered as

the year in which the gross premium written and the premium net of reinsurance decreased. This is not a signal which might be welcomed with joy. It rather characterizes an insurance market which is becoming competitively difficult for the insurance companies.

An analysis of the growth of gross claims paid in the years 2004-2008, in the light of the growth of the premium written, disclosed a unique synchronization of the trends between both areas observed separately for both Branches. Even though their values differed, the growths were quite similar. Such balance is a good attribute of the insurance sector. This synchronization collapsed a bit in 2007. Claims paid in 2007 in Branch 2 superseded the gross premiums written. It was stated in the report for 2007 that maybe this is yet another signal about the forthcoming market difficulties in this sector. Last year's diagnosis proved to be correct. A very high growth in the claims paid was observed in 2008, especially in Branch 1. As for Branch 2, the growth continued in 2008 on a level similar to that observed the year before. The trend continues in 2009, although the growth of the claims paid in Branch 1 is not as high as in 2008, and in Branch 2 not much has changed during 2009.

The technical provisions rate indicates a consistent observation of the policy concerning the technical provisions which are an important element of a strategy of protecting the insurance company and its customers against the consequences of the insurance risk. Analyzing the technical provisions rate in Branch 1 over a long time span (and making use of the findings presented in the analytical reports from previous years) it's easy to notice that contrary to Branch 2, in Branch 1 this rate declines until 2006. 2007 foreshadowed minimally increasing changes in this regard. In the light of the decreasing growth of the gross premium written observed in 2007, this may mean that the insurance portfolio adopted a different structure of the insurance risk or that the insurance companies decreased the insurance premiums. Based on a small change one might only speculate. It was stated in the report for 2007 that the aspect of functioning of the insurance sector should be closely analyzed next year. A further but this time significant drop in the technical provisions rate was observed in 2008, especially in Branch 1. This meant – most probably – refocusing of the insurance protection towards offering short-term products. In 2009 the technical provisions rate increases again. In a normal situation, that is if the gross premiums written had increased, one could say that this rate's growth is indicative of a cautious valuation of the technical provisions, which would probably be reflected by an increase in the expenses on the technical account arisen due to "cautious"

Table 20. Operating effectiveness ratio in the years 2007-2009 (in %)

Nazwa wskaźnika	Branch 1			Branch 2			Total Branch 1 and 2		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Growth of gross premium written	121	153	78	111	111	107	117	136	87
Growth of premium written net of reinsurance	121	150	77	114	114	102	118	136	86
Growth of gross claims paid	123	186	139	110	111	117	117	151	131
Growth of claims paid net of reinsurance	123	186	139	113	113	121	119	154	133
Technical provisions rate	258	184	239	130	129	137	208	166	199
Claims payment security ratio	302	215	285	262	259	219	287	229	259
Gross premium reserve to gross premium written	3	3	4	51	53	55	23	20	27
Reserve for life insurance to premium written net of reinsurance	247	176	228	0,00	0,00	0	151	118	138
Reserve for outstanding claims to gross claims paid	9	6	5	152	149	133	76	55	45
Asset rotation ratio	35	47	35	41	41	35	37	45	37
Investment growth	118	106	103	116	111	95	117	108	95
Share of investments in premium written net of reinsurance	303	214	286	249	243	227	282	224	263
Total investment ratio	100	100	101	95	94	104	99	98	102
Gross claims ratio	42	51	92	60	61	67	49	54	82
Claims ratio net of reinsurance	42	52	92	64	61	68	50	55	83
Acquisition costs ratio	12	9	13	17	18	20	14	12	16
Administrative expenses ratio	6	4	5	11	10	10	8	6	7
Insurance activity expenses ratio	17	13	18	25	26	28	21	17	22
Technical costs net of reinsurance	19	14	20	32	34	35	23	20	26

where:

Growth of gross premium written	Gross premium written in the year in question / gross premium written in preceding year) * 100%
Growth of premium written net of reinsurance	(Premium written net of reinsurance in the year in question / premium written net of reinsurance in preceding year)* 100%
Growth of gross claims paid	(Gross claims paid in the year in question / gross claims paid in preceding year) * 100%
Growth of claims paid net of reinsurance	(Claims paid net of reinsurance in the year in question / claims paid net of reinsurance in preceding year) * 100%
Technical provisions rate	(Technical provisions net of reinsurance / premium written net of reinsurance) * 100%
Claims payment security ratio	(Technical provisions net of reinsurance + equities / premium written net of reinsurance) * 100%
Gross premium reserve to gross premium written	(Gross premium reserve / gross premium written) * 100%
Reserve for life insurance to premium written net of reinsurance	((Reserve for life insurance net of reinsurance + reserve for life insurance where the investment risk is borne by the insuring party net of reinsurance) / premium written net of reinsurance) * 100%
Reserve for outstanding claims to gross claims paid	(Reserve for outstanding claims / gross claims paid) * 100%
Asset rotation ratio	(Gross premium written / average value of assets) * 100%
Investment growth	(Investments as at the end of the period in question / investments as at the start of the period in question) * 100%
Share of investments in premium written net of reinsurance	(Investments / gross premium written net of reinsurance) * 100%
Overall investment ratio	(Investments / (equities + technical provisions net of reinsurance)) * 100%
Gross claims ratio	((Gross claims paid + change in the status of reserves for outstanding gross claims)/ gross premium earned) * 100%
Claims ratio net of reinsurance	(Claims / premium earned net of reinsurance) * 100%
Acquisition costs ratio	(Acquisition costs / gross premium written) * 100%
Administrative expenses ratio	(Administrative expenses /gross premium written) * 100%
Insurance activity expenses ratio	(Insurance activity expenses /gross premium written) * 100%
Technical costs net of reinsurance	((Insurance activity expenses + other technical costs net of reinsurance) /premium written net of reinsurance) * 100%

Source: own elaboration.

creation of these provisions. However, this conclusion did not hold true in 2009 because the premium written net of reinsurance decreased. Thus, the rate increased only for that reason. The provisions did not grow significantly, hence one may risk saying that the assumptions of the policy of the insurance companies concerning protection of the insurance company and its customers against the consequences of the insurance risk did not change. No escalation of a uniquely cautious valuation of the technical provision can be observed in 2009. The increase in that rate is – as one might suspect – the result of a narrowing of the insurance portfolio and can be interpreted only in this aspect as stronger protection of the interests of customer already found in this portfolio.

Analyzing the assets effectiveness (rotation) ratio it was possible to notice still insignificant downward tendency in 2005. However, it was pointed out in the report in which the insurance market was analyzed in 2005 that this ratio is worth observing in 2006 because it may foreshadow a drop in the effectiveness of acquiring the premium written and lower use of assets. These fears came true in 2006 generally with respect to Branch 2 where one could observe a definite deterioration of effectiveness of the assets, which was indicative of a deterioration of the operating effectiveness measured by that ratio. The report for 2006 thoroughly analyzed the factors significant to the operating effectiveness, to the operating productiveness of the assets. Interpreting them it was stated then that 2006 strengthened the sense of deterioration of effectiveness of use of the assets (operating effectiveness) engaged in the insurance sector, especially in Branch 2. 2007 brought about a definitive improvement of the operating effectiveness in Branch 2. In Branch 2 the permanence of the growth of the operating effectiveness required to be confirmed next year. 2007 maintained that effectiveness in 2007 on a level from the year before. In this view a significant increase in the operating effectiveness in the insurance sector was emphasized in 2008. This observation bode well about the operating effectiveness, unfortunately it is not reflected in the effectiveness (rotation) of assets in 2009 as this rotation deteriorated that year. The drop in the operating effectiveness measured by that ratio can be noticed in both Branches. It is not very alarming but does not provide grounds to be satisfied because the ratios from 2009 correspond to the values from 2007. This may mean – as one might suspect – exceptional effectiveness in 2008.

Observation of the ratios associated with the intensity of the investment activity may prove interesting. The comments found in the reports from preceding years show that a growing pace may be observed in 2006 as

regards the value of investments in the insurance sector. It was the result of intensified investment activities in Branch 1. In Branch 2 the changes between 2006 and 2005 were hardly noticeable. This impressive increase in the investments in Branch 1 in 2006 – as has already been indicated – was owed, above all, to the growth of the investments pertaining to the insurance products with an insurance capital fund. In this view 2007 did not look very optimistic. It was interesting to notice here though that a certain regularity occurred in the investment growth in the years 2004-2007: periodic increases and decreases. Unfortunately, the assumption that this presumed “regularity” of behaviour in the investment growth – if the justness of this observation is confirmed – may manifest itself in 2008 in the insurance sector through definitely more favourable changes in the investment area than in 2007 did not come true. This regularity did not occur in 2008. This type of “periodicity” does not take place in the insurance sector. 2008 is not a part of that periodicity. 2009 is also not a part of it as it confirms the downward tendency as regards the growth of the value of investments.

A special area of the assessment of the operating effectiveness in the insurance sector is management of costs of insurance companies. The ratio that seems to be most important in this case is the gross claims ratio. This ratio informs about what part of the gross premium earned was transferred by the sector in the given year towards the gross claim costs. Huge fluctuations in the value of that ratio may inform about errors in the assessment of the insurance risk. In 2005 this ratio decreased by approx. 2% in the entire sector. In 2006 the gross claims ratio decreased very significantly, i.e. by 12%. In 2007 just a bit over 1%. No particular threat or irregularity was observed in 2007. However, 2008 gave reasons to be concerned as this ratio's growth was big in the entire sector, especially in Branch 1. In 2007 Branch 1 took the lead in this respect. In 2009 the gross claims ratio grows radically in Branch 1 and more smoothly in Branch 2. A 92% ratio in Branch 1 is very alarming. The pace of growth of the gross premium written in this Branch was negative (-23%), while the claims paid grew by almost 40%. What is interesting is the fact that in Branch 2 an almost identical pace of growth of the gross premium written can be observed (3%), accompanied by a 2% growth in the gross claims paid, which means that the claims ratio in this Branch is similar to that from the year before.

In this case it is interesting to check how the claims ratio net of reinsurance behaved during the period in question. If these ratios are analyzed jointly, then one may assume a stable reinsurance policy if the trend is similar.

In 2009 it should be repeated, as a continuously justified observation from previous years, that observations of the pace of growth of both these ratios make it possible to ascertain an almost 100% synchronization of changes in both measures of the claims ratio. Because this synchronization has lasted over the 5 years being analyzed, one may assume this to be a permanent behaviour (otherwise substantively justified) of the insurance sector. On this basis (and small differences in the changes in the ratios being analyzed) it may be added that no radical changes in the reinsurance policies of insurance companies operating in both Branches have been taking place in the insurance sector in Poland since 2005.

Another particularly important cost management area in the insurance sector are the acquisition costs and administrative expenses. In 2005 the share of both cost Branches (in the gross premium written) decreased in the entire insurance sector. In 2006 only the share of administrative expenses (in the gross premium written) decreased. Meanwhile, the share of acquisition costs increased significantly in 2007 in both Branch 1 and Branch 2, while the share of administrative expenses in the gross premium written decreased. In 2008 one may observe a drop of the value of acquisition costs in the value of the gross premium written. This drop was particularly visible in Branch 1 and it seemed that insurance companies paid attention to ever more effective work of the insurance intermediaries. In 2009 the share of the acquisition costs in the premium increased in both Branches, although a stronger growth can be observed in Branch 1. The acquisition costs were commented earlier in the report but a specific context of that growth can be recalled here. 2009 is characterized by a drop in the premium written, especially in Branch 1, which makes it possible to conclude that either the effectiveness of the acquisition activities was low or that this cost area was managed more poorly than in 2008.

Another important area characterizing the operating effectiveness of the insurance sector is the management of administrative expenses. It should be emphasized that even a small change in relation to the administrative expenses ratio is an important signal about the quality of management in this cost area. This ensues from the fact that the administrative expenses are, by nature, generally fixed costs (in contrast to the acquisition costs where majority of them change accordingly to the changes in the value of the premium written). For this reason a lower administrative expenses ratio means, in fact, greater effectiveness, which is, by all measures, a positive sign. The fact that such drop in the share of administrative expenses in the gross premium written can be observed in 2005,

2006, 2007 and 2008 means that the administrative expenses are being well managed in both Branches.

The situation looks different for the acquisition costs. Observing the retrospective changes in the growth of these costs in the context of the changes in the gross premium written one may notice that a high increase therein occurred during the period until 2008. At the same time the growth in the gross premium written was faster. Such behaviour of the acquisition costs could have been considered as being indicative of a progressive changeability of the acquisition costs, and hence of a drop in the productivity of these costs. Analyzing 2008 it was determined that the ratio of the acquisition costs to the gross premium written commences a downward trend. A drop in the value of that ratio in Branch 1 from 12% to 9% and a small increase in Branch 2 from 17% to 18% in the light of a more than 36% growth in the gross premium written (in 2008) did not confirm the progressive changeability of the acquisition costs observed so far but may be indicative of their mixed nature and of probable changes in the commissions policy or of seeking new (cheaper) ways of distributing insurance products. As regards acquisition costs 2009 (similarly to 2008) denies the existence of any regularities which might be considered to be a relatively permanent property of the insurance sector.

Condition of the insurance sector in the light of the assessment of interdependence ratios in 2009

Interdependence should be interpreted in three ways: firstly, as the strength with which the insurance sector depends on external sources of financing of its operations, secondly, as the strength of the relationship with the reinsurers, and thirdly, as the strength with which the owners assure the solvency of the insurance companies. Appropriate ratios are presented in Table 21.

As regards the first issue it can be stated that in 2009 (minimally more than the year before) the insurance sector made use of external sources of financing its operations, which should be understood here as liabilities due and payable as well as technical provisions. Information here is provided by the value of the overall indebtedness ratio which changed insignificantly over the span of 2004-2008, and which increased insignificantly in 2009. Because the changes in the value of the ratio being analyzed as regards Branch 1 and 2 are small or insignificant, it can be said that indebtedness in the insurance sector is characterized by stability: it remains on a very similar level from period to period.

As regards the strength of the relationship of the insurance sector with the reinsurers, the premiums retention ratio, the claims retention ratio and a practically stable value of the technical provisions retention ratio

inform, in general, about probably minimal changes in the reinsurance policy applied in the insurance sector and may confirm its stability, which was signalled previously in this text.

As regards the strength with which the owners assure the solvency of the insurance companies stability can be observed. The capital and reserves to insurance fund ratio is practically not changing in a significant way.

Table 21. Interdependence ratios in the years 2007-2009 (in %)

Ratio	Branch 1			Branch 2			Total		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Capital and reserves to insurance fund	17	17	19	100	101	60	38	38	30
Premiums retention ratio	99	97	97	90	90	90	95	95	94
Claims retention ratio	99	99	99	90	92	92	95	97	97
Technical provisions retention ratio	99	98	98	88	89	89	96	95	95
Total asset indebtedness ratio	83	84	83	50	51	66	71	71	77

where:

Capital and reserves to insurance fund (Capital and reserves / technical provisions net of reinsurance) * 100%

Premiums retention ratio (Premiums written net of reinsurance / gross premiums written) * 100%

Claims retention ratio (Claims paid net of reinsurance / gross claims paid) * 100%

Technical provisions retention ratio (Technical provisions net of reinsurance / gross technical provisions) * 100%

Total asset indebtedness ratio ((Technical provisions net of reinsurance + creditors) / assets) * 100%

Source: own elaboration.

2.3.3. Summary of conclusions drawn from the analysis

Several significant changes and important observations in this regard occurred in 2009 in the insurance sector which may be summarized in the form of the following synthetic conclusions.

1. The value of the balance sheet total as at 31 December 2009, and, at the same time, the value of the assets of the insurance sector totalled PLN 138,509,858 K. In comparison with the level of assets as at the beginning of 2009 (PLN 137,558,233 K), this meant a 1% increase, while a 10% growth was observed in 2008, a 17% growth in 2007, and even a 20% growth in 2006. This growth of the assets in the insurance sector occurred at a 3.5% inflation rate (3.3% in 2008 and 2.5% in 2007). This fact may foreshadow a downward trend in the actual status of this sector's asset potential. An assessment of the growth of the value of the assets separately for Branch 1 and 2 makes it possible to notice that the drop in the value of assets actually occurred in Branch 2 where, as has been pointed out, the number of insurance companies operating in this Branch did not change in comparison to 2008.
2. In 2009 the resources were gathered more dynamically in Branch 1, contrary to what was observed the year before. The growth was not significant in the light of the inflation, it was actually lower than the inflation rate. It is difficult to identify any area as a clear cause of this growth. Practically,

the values related to this matter are insignificant. This can be deemed as a manifestation of a clear stabilization in the policy of financing insurance activities. 2009 is interesting in this regard in the light of the preceding years for one reason. There was a drop in the gross premium written, which went hand-in-hand with changes in the investments. Contrary to what was observed the year before when a large increase in the gross premiums written in 2008 did not translate into a large growth of the investment assets or other asset groups, significant to the insurance companies. What is interesting is the fact that such regularity was observed in 2007. In 2009 the value of the assets clearly diminished, but at a definitely slower pace than the gross premium written. Practically, three different situations associated with the search for the causes of the changes in the value of the assets occurred within the last three years. In 2009 the situation observed in 2006 is repeated where more dynamic gathering of resources occurred in Branch 1. This fragment of the analysis may demonstrate a clear periodicity and for that reason it is a good idea to observe the growth of assets in the future. Until then 2006 – more dynamic growth in the assets in Branch 1, two subsequent years (2007, 2008) – more dynamic growth of assets in Branch 2 and current year 2009 – are again indicative of a more dynamic growth of assets in Branch 1.

3. In 2009, a small, compared to 2008, 2007 and 2006, change in the structure of assets can be observed in the most significant group of assets of the insurance sector, i.e. in investments which account for a similar share of 91-92% each year. A clear drop in the share of investments at the risk of insurance companies occurred in 2009, while the year before – in 2008 – this share definitely increased. At the same time – in 2009 – the share of investments at the risk of insuring parties increased while in 2008 it decreased, which could have been explained by a difficult economic situation in Poland at that time. In the light of the reversal of the situation concerning the structure of the investments towards growth again (in 2009) the share of investments at the risk of the insuring party, one may seek in this fact a reaction of the insurance sector to the stabilization of the market situation.
4. Analyzing the structure and growth of the insurance sector in 2009, one may easily see that investment activity was focused on investments in subordinated parties. This observation applies to both Branches, although this investment direction is stronger in Branch 2. It may mean strengthening of the capital groups operating in the insurance sector. Similarly to the year before, this year the land and buildings constituted an important investment tool in both Branches, in contrast to “other financial investments”, which definitely lost their importance in 2009 (growth was definitely negative) in comparison to 2008 when an almost 40% increase in investments in this group of investment tools was observed.
5. As regards investments made at the risk of insurance companies interesting changes in comparison to 2008 and 2007 should be observed. Intensified construction investments and investments in term deposits at lending institutions occurred during those years with a threefold increase in 2008. Meanwhile in 2009 a stable level of investments in buildings, structures and cooperative housing (99% of last year's value of these investments), a 40% increase in the value of construction investments and down payments for investments and only a 70% of last year's value of short-term investments at lending institutions could be observed. This observation clearly shows a decline in the attractiveness of investments at lending institutions. Making a more thorough analysis of the investments in real estate one may easily notice that in 2009 the insurance sector is maintaining the growth of investments at a stable level (16% in comparison to 2008).
6. It was stated in last year's analysis that in 2008 (similarly to the year before and the preceding years) the investment portfolio was focused on entities from outside of the capital groups created around insurance companies. That year (2009) the situation changes significantly as development of the investment portfolio focused on entities from the insurance capital groups took the lead.
7. The above observations (made in the light of the preceding year) make it possible to draw several conclusions. First of all, a change (reversal of the trend) occurs in the insurance sector's investment activity. A 5% negative growth of investments takes place. It applies equally to Branch 1 as well as Branch 2 and occurs for the first time since 2005. An observation that in 2009 investments in the net assets of life insurance where the investment risk is being borne by the insuring party are reliving the renaissance is interesting. This may mean re-dynamization of activities of the insurance sector related to the sales of insurance products with an insurance capital fund after a slowdown in 2007 and decline in 2008.
8. A drop in the value of assets covering cash can be observed in 2009 (by almost 30%). This drop is most evident in the cash group itself (almost 40%). It should be noted that in the tangible assets group, covering mainly fixed assets, one may observe (similarly to the year before) a decline in the value by several percent (5% in 2009 and 10% in 2008). This may be an indication of aging of this asset group, which is important in view of the fact that these assets are being revived in both Branches, an evidence of which are expenses in the cash flow statement.
9. Prepayments increased in 2009. The increase was not as evident as the year before. The growth observed in 2009 amounted to only 3% and was strongest in the group of deferred acquisition costs (16%), which may mean an increase in the sale of long-term products. This observation may be astonishing in view of the fact that the growth of this item can be observed mainly in Branch 2 (26%) while in Branch 1 the growth amounts only to 4%. One may guess that Branch 2 is re-focusing its attention as regards the nature of insurance products being sold (it is possible that sales of insurance products with a protection period longer than one year are being intensified).
10. In 2009 it is possible to confirm that autonomy (regardless of the tax aspect) of the balance sheet policy used at insurance companies is being developed further in the insurance sector. This observation may be interpreted as a positive economic phenomenon and characteristic confirming further development of market thinking about insurance activities as business activity. These observations ensue from continuous (also in 2009) growth of deferred tax assets.
11. As for the 2004-2009 time span 2009 will be remembered as the first year when the capital and reserves in the insurance sector decreased in comparison to the previous year. One can assume (in the context of a very serious decrease in the value of the item previous years' profit (loss)) that the drop in the supplementary capital and other reserve capitals ensues most probably from the reconciliation of the result from previous years (coverage of accumulated

- losses). A year before the changes in the supplementary capitals could have been tied to the management of fixed assets in the insurance sector, and this year to the problems associated with reconciliation of previous years' results and to investment activities.
12. It is interesting to notice that a clear increase in the value of the revaluation capital has taken place (in both Branches: in Branch 1 by 28%, and in Branch 2 by 24%). The increase in this capital may serve as evidence of positive changes in the investment area of insurance companies. It generally ensues from the growth in the market value of financial instruments.
 13. 2009 meant yet another growth (this year it was significant) in the value of the revaluation capital. It is indicative (this time in the context of the growth in the value of investments in the form of shares in subordinated parties as well as shares and other variable income securities and units of participation and investment certificates in investment funds) of further development of capital ties of entities operating in the insurance sector and of their continuous profitability.
 14. Analyzing the changes in 2009 in the light of the preceding years, one may say that in the aspect of recapitalization of the insurance companies by their owners, a stable upward trend of approx. 5% annually can be observed. However, this recapitalization is taking place with an analogical force in Branch 1 as well as Branch 2.
 15. The value of the retained profits (the so-called self-financing capital) in 2009 accounts for just over 45% of the value from 2008, while the net result in that year increased by nearly 15%. This observation confirms the previous conclusions that serious changes occurred in 2009 which were associated with the reconciliation of the result from previous years consisting in the coverage of losses from previous years by supplementary and reserve capitals. This observation is the more so valued that in the analysis for 2008 it was noticed that previous years' losses were reconciled in 2008 to an insignificant extent.
 16. In 2009 the share of technical provisions net of reinsurance did not deviate too much from the share observed in the preceding years. A near 70% share of the technical provisions in the financing of the insurance sector can be deemed as a regularity, which was also confirmed in 2009. Based on the observations made in the analysis of the current year and of 2008 one may notice that there is a relationship between the changes in the value of the resources of the insurance sector, expressed by a linear relationship between the changes in the balance sheet total, and the changes in the value of the provisions being created. Such dependencies have been observed in the insurance sector since 2005. Parallelism, pace and identical direction of these changes are indicative of the fact that the imperative of assuring the opportunity to continue insurance operations is being maintained in the insurance sector.
 17. Analyzing the changes in the different types of reserves one may notice a significant change in the value of life insurance reserves when the investment risk is borne by the insuring party, which speaks positively about this investment area of the insurance sector. Maybe it's also worth mentioning that in contrast to 2008, when further deceleration of the development of the policy of granting bonuses and rebates was taking place (although not so significant in 2008 as in 2007), in 2009 this policy is changing direction. These reserves are increasing in Branch 1 and Branch 2, which may mean that the insurance companies use the bonuses and rebates for the insured parties more extensively than in the preceding years as instruments of making their insurance products more attractive.
 18. A 38% increase in the estimated recourses and claims returns in Branch 2 occurred in 2009. The year 2009, when compared to the preceding years, is unique in this aspect: it strongly expresses the continuation of the upward tendency as regards estimation of recourses which began in 2008.
 19. In the year being analyzed an ever stronger notice of the need for the insurance companies to use a balance sheet policy that differs from the tax policy, expressing the criteria of a business and not tax presentation of achievements of insurance companies is made. A large increase in the provisions for deferred income tax is also an expression of a growing caution in presenting the financial result intended for distribution. This observation is additionally supported by an increase in other reserves.
 20. The drop in the value of the provision for retirement benefits and other obligatory employee benefits observed in 2009, in view of a strong growth of the value of social funds, confirms that the preferences of the insurance companies as regards short-term benefits for employees still hold true.
 21. The scale of intra-group transactions is not increasing in 2009. One may even risk saying that their scale is decreasing or that changes are taking place in the lending policy of the insurance companies towards subordinated parties where the period of crediting these parties using the so-called trade credit is being cut down. Growth ratios concerning the total value of liabilities towards subordinated parties and the total value of receivables from these parties serve as evidence. A significant boom in relations (transactions) between entities from the capital groups operating in the insurance sector could be observed in 2008. A proof of this were growing ratios in majority of significant items of liabilities as well as receivables ensuing from business relations with subordinated parties. Liabilities towards insurance intermediaries not being sub-

ordinated parties, lower by nearly 20%, are a derivative of the drop in the gross premium written and only insignificantly a derivative of the change in the lending policy. As regards reinsurance it's a bit different than in the preceding years: reinsurance liabilities contracted at subordinated parties decreased radically, while the change in liabilities arising from reinsurance towards other parties was hardly noticeable.

22. Assessing the profitability of the insurance sector it should be noted that the 5% drop in the value of the balance on the technical account from 2009 to 2008 deepens the distance with respect to the years which proved profitable to the insurance sector, but at the same time - maybe - it foretells smaller decreases in the value of that balance in the future years. Observation of 2010 will be very interesting in this aspect.
23. 2009 was characterized by a significant decrease in the value of premium net of reinsurance. A drop of almost 25% is significant in view of the fact that in 2008 the premium in question increased extensively (37% in comparison to 2007 when the increase amounted to 14%).
24. 2009 meant an increase of over 40% in the returns on investments (same increase for realized as well as unrealized returns on investments). This growth is specific in view of 2008 especially because it is significantly lower than in 2008 when returns on investments more than doubled. Nonetheless, a small increase in the investment charges (9%) and unrealized losses on investments (10%) can be observed, which might mean better conditions on the investment market than in 2008.
25. A detailed analysis of the value of the items specifying the value of the claims burdening the 2009 result points to claims paid (growth of 39%) this year as the basic cause of the growth in the claims expenses in 2009. In this aspect it might be interested to check the claims rate during the period being analyzed, which changed significantly this year. In 2009 the gross claims ratio grows radically in Branch 1 and more smoothly in Branch 2. A 92% ratio in Branch 1 is very alarming. The pace of growth of the gross premium written in this Branch was negative (-23%), while the claims paid grew by almost 40%. What is interesting is the fact that in Branch 2 an almost identical pace of growth of the gross premium written can be observed (3%), accompanied by a 2% growth in the gross claims paid, which means that the claims ratio in this Branch is similar to that from the year before. In 2009 it should be repeated, as a continuously justified observation from previous years, that observations of the pace of growth of both these ratios make it possible to ascertain an almost 100% synchronization of changes in both measures of the claims ratio. Because this synchronization has lasted over the 5 years being analyzed, one may assume this to be a permanent behaviour (otherwise substantively justified) of the insurance sector. On this basis (and small differences in the changes in the ratios being analyzed) it may be added that no radical changes in the reinsurance policies of insurance companies operating in both Branches have been taking place in the insurance sector in Poland since 2005.
26. 2009 means a large drop in the value of premiums, high growth in the value of claims paid, a significant increase in the returns on investments and a small growth in the investment charges. Only the last fact can be deemed as being positive. The previous facts may be deemed as alarming. This fact is indicative of a very significant impact in 2009 on the results of the technical activities of the investment area of the insurance sector. This impact is definitely positive in contrast to the activities in the premiums and claims area which "jointly" worsened that result. This is confirmed by the fact that the increase in the balance on the technical account is almost 20 times smaller (at PLN 785,019 K) than the value of the effects of the impact on investment activities, which means a negative impact of other elements of the balance on the technical account. This means that the amount of PLN 14,168,861 K (the difference between the upward effect of the result generated by investments (PLN 14,953,880 K) and the actual increase in the balance on the technical account (PLN 785,019 K)) was unfortunately consumed in the form of a faster growth of other expenses (in comparison to the revenues).
27. This observation may lead to a more general reflection if we compare the area from 2009 being analyzed here with the analysis of the preceding years. The situation was quite the opposite then. The growth in the premiums was significant, the claims also increased, but despite this it did not have an impact on the growth of the balance on the technical account since the growth was negative in 2008. An analysis of other figures from preceding years showed that the investment area played a crucial role in this. From the perspective of time, all this resembles a swing, there is no evident trend. One might assume that this is an effect of the financial crisis. The more so that 2006 and 2007 could have foreshadowed a certain regularity in this respect, but this did not occur due to the crisis.
28. As regards sufficiency of the premiums to cover the basic insurance expenses 2008 was difficult for the insurance sector and could have foreshadowed the need to verify the strategy adopted in this sector. Unfortunately, 2009 shed a light on this difficulty with a greater force: claims paid that year consumed over 60% of that year's premiums, which means a reversal of the decreasing trend (advantageous to the insurance sector) observed in the years 2004-2008.
29. In this case it is possible to observe a downward tendency that started in 2007 as regards the growth of the ac-

quisition costs and a relative stability as regards administrative expenses. Theoretically, one might attribute the reasons for the drop in the acquisition costs directly to the negative growth of the premiums. However, in 2009 the 13% drop in the value of premiums earned (in comparison to 2008) – and the same drop in the gross premium written – does not go hand-in-hand with the drop in the acquisition costs. This means lower acquisition effectiveness than in the preceding years and probably greater intra-sectoral competitiveness with lower premium value in 2009. Where the administrative expenses are concerned, as has already been mentioned before, stability of their real value may be observed. Small changes may ensue from the price hikes caused by inflation. In 2009, the “premium return” on the administrative expenses is definitely lower than in 2008 and the preceding years.

30. The profitability of the investment activities in Branch 1 definitely improved. The reason for this are high positive returns on investments and low losses on investments. In 2009 the return on investments amounted to PLN 2,806,403 K, which means more than a 3.5-fold of the return observed in 2008 (PLN 763,397 K). At the same time the loss on investments amounted to PLN 583,423 K in 2009, which, in the light of a huge loss on investments recorded in 2008 (PLN 7,953,474 K), is a positive signal about the investment market. In 2009 Branch 2 is showing slight downward tendencies in the value of the areas associated with investment activities. Returns achieved on these activities diminished. Luckily, the drop in the costs of these activities was so much higher than the drop in the returns that it led to only 1% drop in the return on investments in comparison to 2008. The profitability of the investment activities in Branch 2 has stabilized itself in 2009 at 8%. It seems that 2009 interrupts the run of bad luck. The investment activity profitability ratio is satisfactory, in contrast to 2008 when its negative value was significant. One may say that 2009 is bringing good changes because the returns on investment activity (together with unrealized profits from investments covering valuation of investments at fair value) are showing a very nice upward tendency (in 2008 the overall value of these revenues totalled PLN 9,713,088 K, and in 2009 they totalled 40% more, i.e. PLN 13,554,228 K). What is important here is that in 2009 the costs of investment activity decelerated significantly. This is owed mainly to the deceleration of sales of investments which caused losses in 2008 whose extent was the highest since 2005. 2009 maybe foreshadows positive changes in this respect, especially in Branch 1. The growth of the profitability of the technical activity in this Branch is going hand-in-hand with the increases of all other profitability ratios important in the analysis. The increase in the profitability of the investment activity is looking good

and the profitability of all assets involved in insurance activities is growing again. The situation in Branch 2 is not as good, although positive changes in the profitability of investment activity can be seen here too. Technical activity is not profitable for the first time since 2007.

31. Maybe 2009 is characterized by an upward tendency as regards the share of the value of the net profit in the gross premium written. However, what is alarming is the fact that this growing ratio may be owed to a smaller gross premium written than observed the year before (by 13%). This context does not look too optimistic because it means that the profit intended for distribution is actually affected by factors other than those associated with the expansion of the insurance portfolio.
32. A need was suggested in last year's analysis to carefully observe ROE and ROA ratios in the years to come. It was expected then that these observations might provide an answer to a cardinal question how the insurance sector will cope in the future with the difficult market situation observed in 2008 and expected next year. Today it can be said that in 2009 the insurance sector properly used the appearing opportunity to come out of the crisis situation. ROE's and ROA's growth is not vehement but satisfactory.
33. 2009 – as has already been mentioned multiple times – will be remembered as the year in which the gross premium written and the premium net of reinsurance decreased. This is not a signal which might be welcomed with joy. It rather characterizes an insurance market which is becoming competitively difficult for the insurance companies.
34. No escalation of a uniquely cautious valuation of the technical provision can be observed in 2009. The increase in that rate is – as one might suspect – the result of a narrowing of the insurance portfolio and can be interpreted only in this aspect as stronger protection of the interests of customer already found in this portfolio.
35. A significant increase in the operating effectiveness in the insurance sector was emphasized in 2008. This observation bode well about the operating effectiveness, unfortunately it is not reflected in the effectiveness (rotation) of assets in 2009 as this rotation deteriorated that year. The drop in the operating effectiveness measured by that ratio can be noticed in both Branches. It is not very alarming but does not provide grounds to be satisfied because the ratios from 2009 correspond to the values from 2007. This may mean exceptional effectiveness.
36. In the end, a ratio analysis of the interdependence of external and own sources of financing with regards to Branch 1 and Branch 2 makes it possible to observe small or insignificant changes in the ratios. This fact may be deemed as a signal that indebtedness in the insurance sector is characterized by stability: it remains on a very similar level from period to period.

2.4. Assessment of the past forecasts concerning the development of the insurance market

Subsequent annual forecasts concerning the development of the insurance market in Poland were made in April 2009. This time the analysis covered the years 2009-

2010³. Below we present a verification of these forecasts. Previous forecasts from June 2007⁴ and April 2008⁵ were also verified.

2.4.1. Analysis of the correctness of the adopted assumptions

The forecasts concerning the development of the insurance market in Poland made in the preceding years have been based on two approaches:

- a) an analysis and forecast of changes in the macroeconomic environment in which the Polish economy operates, especially the insurance market in Poland, and
- b) extrapolation of trends for the insurance market based on historical data.

Pursuant to the first approach it has been assumed that the condition of the insurance market depends on the condition of the rest of the economy. Hence, to achieve forecasts of the changes of the local market itself, in this case the Polish market being a part of the global financial system, forecasts concerning its environment should be made. Events that have been taking place in the global economy since the last forecasts confirmed the correctness of this approach, i.e. the need to perform analyses of the environment to forecast changes on the Polish insurance market.

Opinions about the future condition of the Polish economy have been based on assumptions concerning factors that shape it. The economic situation in Poland is being shaped not so much in a way that is dependant solely on internal forces but also on the global economic situation. Poland, similarly to many other countries, "imports" economic impulses from outside, mainly from the largest global economies and from those with which the Polish economy has the strongest ties: the United States, Germany and partially the countries of Central Eastern Europe⁶. The degree of integrity of the Polish economy with the global economy is high, although not as high as majority of the emerging markets⁷.

Since the condition of the insurance market in Poland is tied to the condition of the entire economy, an obvious consequence is, for instance, that the global economic recession anticipated in 2009 should have had an impact on

the condition of the Polish insurance market. And that is exactly what happened.

As regards verification of the assumptions an expert analysis method has been adopted. The forecasts for 2007 assumed that no external factors disrupting the economic situation will appear (for instance, a deepening recession spreading over to other sectors in the US). This corresponded to the opinion expressed by an overwhelming majority of economists. The basis for the forecasts of the trends made in 2008 were the estimates of the International Monetary Fund from April 2008 indicating that the global economic situation will be worse than the year before. The author's economic forecasts taken into account in the forecasts concerning the insurance market at the end of 2008 generally came true. Based on the International Monetary Fund's forecasts from April 2009 assuming an anticipated economic growth of -0.8% in Poland in 2009, the author assumed that the decline will not be that significant (-0.3%). It turned out though that at the end of last year the Polish economy grew (by approx. 1.7%). However, the GDP forecasts were not included in the creation of the models (due to an insignificant value of appropriate correlation coefficients), but their only aim was to lay out general direction of the trends. The forecast assumed the return of a favourable economic situation. The calculations performed in 2009 were based on IMF's forecasts concerning inflation. According to them the value of the inflation rate was supposed to be 3.3%. The error margin wasn't great as the actual inflation rate was 3.5%.

Another element of verification of the forecast assumptions is the evaluation of the research tools used. A popular approach using extrapolation of time series has been used in this case. An assumption ensuing from previous analyses has been made that there are no changes in the trends, which makes it possible to apply the adopted methods. Unfortunately, this assumption proved not

³ Insurance 2008, Polish Chamber of Insurance, Warsaw 2009, pg. 122-129.

⁴ Insurance 2006, Polish Chamber of Insurance, Warsaw 2007, pg. 146-152.

⁵ Insurance 2007, Polish Chamber of Insurance, Warsaw 2008, pg. 119-121.

⁶ K. Piech, International synchronization of Poland's economic cycle [in:] K. Piech, S. Pangsy-Kania (edit.), Diagnosing the economic situation in Poland, Elipsa, Warsaw 2003, pg. 85-95.

⁷ Detailed calculations show that as regards Poland approx. 50% of tensions in developed economies are transmitted to our country (average for the emerging markets is 70%). World Economic Outlook, IMF, Washington, April 2009, pg. 156.

to be entirely correct. A different situation of the sector in 2008 was adopted by using a dummy variable. The global crisis of 2008-2009 had quite a significant impact on the Polish insurance market in 2009, especially in Branch 1. It was not possible to use a different approach based on extrapolation of trends due to lack of historical analogies which might indicate the correct direction of changes. In connection with this unprecedented situation making it impossible to estimate the scale of the impact of the global crisis on the Polish insurance market, we must expect that the quality of the forecasts is not as high as that of the forecasts made in previous years.

As a rule, the problem of the forecasts based on trends is the identification of the trend itself: to do that the author used many available techniques. Adaptation of the given form of the trend was based on:

- the statistical criterion, i.e. similarity between actual and theoretical data⁶, ensuing from the trend model, as well as on
- the logical and economic criterion, i.e. a check was made whether the adopted form of the trend is justifi-

fied from the point of view of economic knowledge.

The forecasts were based on time series covering 18 annual observations, at constant prices, for the premium and claims and 13 observations for the balance on the technical account. This is still a small amount of data. Forecasts expressed at current prices were made on the basis of values at constant prices. They were calculated by the authors on the basis of the consumer price index (CPI) published by the International Monetary Fund (together with the forecasts)⁹.

It should also be pointed out that when forecasting the development of the insurance market in Poland the author did not use complex econometric techniques in the form of a multi-equation model of the sector. This did not make it possible to consider a complex mechanism of functioning of that market¹⁰. Moreover, only annual data were used, which made it more difficult to consider the changes taking place already at the end of 2008.

2.4.2. Verification of results obtained

The forecasts prepared in 2009 concerned the main ratios describing the insurance market, i.e.:

1. the general macroeconomic situation: external (global) and internal (domestic),
2. the gross premium written at current prices (overall and broken down by Branches),
3. the actual growth of the gross premium written (overall and broken down by Branches),
4. the actual gross claims and premium paid (overall and broken down by Branches),
5. the balance on the technical account (overall and broken down by Branches).

The forecasts were made using data expressed as constant prices, where they were calculated using data provided in current price lists, and then they were recalculated into current prices based on the forecasts concerning the price ratio.

The following verification of the correctness of the forecasts covered three years: 2007, 2008 and 2009 (forecasts made accordingly in 2006, 2007, 2008 and 2009). They were based on possibly simple (and clear) statistical measures: absolute and relative difference.

Gross premium written

As regards the gross premium written in Branch 1, the basis for the forecasts was the linear trend and the value of the dependent variable delayed by one period as well as the dummy variable. In Branch 2 the dependent variable was delayed by two periods. Similarly to the preceding years, the overall results were calculated as their sum (they were not modelled separately). A high value of the linear determination ratio was obtained.

Table 22. Gross premium written at constant prices, overall and broken down by Branches, in 2009 and the forecasts from 2008 and 2009 (in billions of PLN)

	Total		Branch 1		Branch 2	
Actual values	51.2		30.3		20.9	
FORECASTS from	2008	2009	2008	2009	2008	2009
Forecasted values	55.4	61.2	32.7	39.0	22.7	22.3
Absolute difference	4.2	10.0	2.4	8.7	1.8	1.4
Relative difference	8.2%	19.5%	7.9%	28.7%	8.6%	6.7%

Source: data of the Polish Chamber of Insurance and own calculations.

⁶ This was measured by the value of the linear determination factor R².

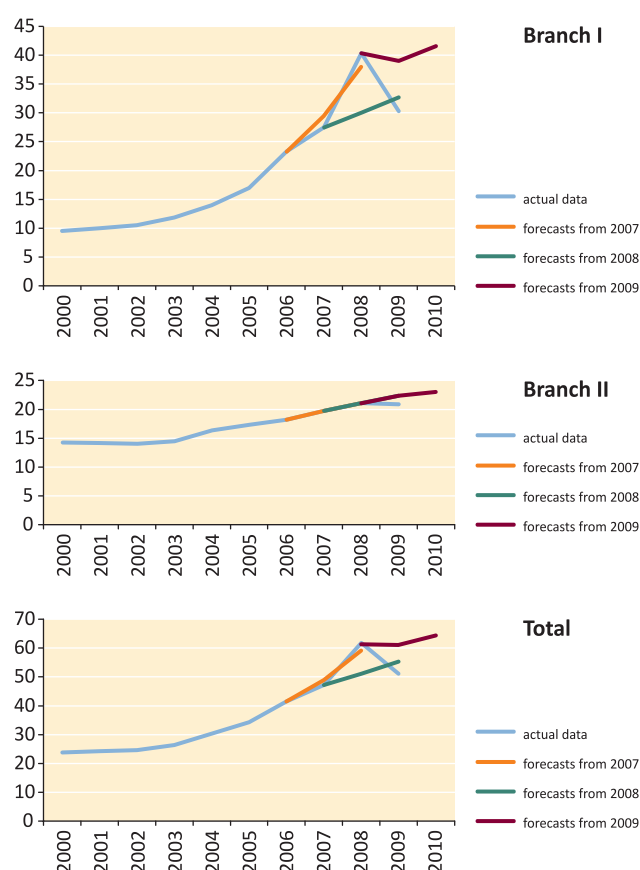
⁷ Similarly to the preceding years estimates of the insurance market at constant prices provided by the Polish Chamber of Insurance were not used.

⁸ An econometric model of the insurance sector might make it possible to obtain forecasts which would be methodologically better constructed, taking into account the cause and effect relations between various parts of the economy. Because of that only the most important ratios of the insurance market were forecasted.

More detailed results of the forecasts from two previous years and the actual data have been presented in Figures 17. Table 22 presents data (provided by the Polish Chamber of Insurance) expressed as constant prices from 2009.

Analyzing the graph one may notice that the forecasts made in 2008 better expressed the prolongation of the trends concerning the gross premium written than the forecasts made next year. The reason for this was adoption of extrapolation of the trend as the basic forecasting method. The forecasts from 2009 additionally took into account the possibility of obtaining worse results in result of the crisis, which was particularly visible in Branch 1. The extent of the deterioration of the condition in this Branch was higher than actually forecasted. This obviously affected the overall results (jointly for both Branches).

Figure 17. Gross premium written and its forecasts, constant prices from 2009 (in billions of PLN), 2000-2010



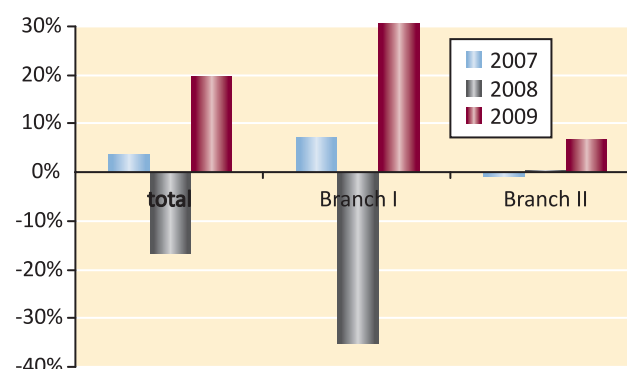
Source: data of the Polish Chamber of Insurance and own calculations found in: Insurance 2006, Polish Chamber of Insurance, Warsaw 2007, pg. 143-152; Insurance 2007, Polish Chamber of Insurance, Warsaw 2008, pg. 119-121; Insurance 2008, Polish Chamber of Insurance, Warsaw 2009, pg. 122-129.

A comparison of the different forecasts shows that the forecasts from 2007 were more accurate than those from 2008 and 2009. In 2008 no such dynamic growth

was foreshadowed in Branch 1 (real growth of 42% while only a 13.6% growth was forecasted), while the forecast from 2007 was more accurate. In 2009 a 3.5% drop was forecasted while it actually amounted to 25%. It may be noticed though that during the previous years of this decade year-average growths of approx. 20% can be observed in Branch 1 (in terms of actual value). As for Branch 2 a 6% growth was forecasted while in reality a 1% drop occurred. The year-average growth in the preceding years amounted to 5%. As for the overall results, a 0.3% drop was forecasted, while in reality it was higher and amounted to 17%. The year-average growth in the preceding years was 13%.

In effect, the values forecasted for 2009 in Branch 1 differed from the actual results by almost 30%, in Branch 2 they differed by 7%, and overall by 20%. The 2008 forecasts for 2009 were generally characterized by better accuracy than the forecasts made next year. This was associated with increasing difficulties on the financial markets in 2009, after an exceptionally good 2008, whose results had a significant impact on the forecast results from 2009. The results of the largest insurance company on the market – PZU – had a major impact on the worse results in Branch 1 in 2009. This company has a 1/3rd market share and recorded a drop in the premium written in Branch 1 from PLN 13 M to PLN 10 M (at current prices), i.e. by approx. 25%, while the other 28 insurance companies operating on the market (no info for Link4) recorded growths averaging 7%. It should be added that four subsequent insurance companies – in terms of the market share value in Branch 1 – also achieved worse results. The joint premium written for these companies decreased from PLN 13.5 M to PLN 9.5 M. Hence, five largest insurance companies on the market were responsible for a 82% drop in the premium written in Branch 1.

Figure 18. Scale of inaccuracy of premium forecasts from the years 2007-2009 for the year in which the forecast was made



Source: data of the Polish Chamber of Insurance and own calculations.

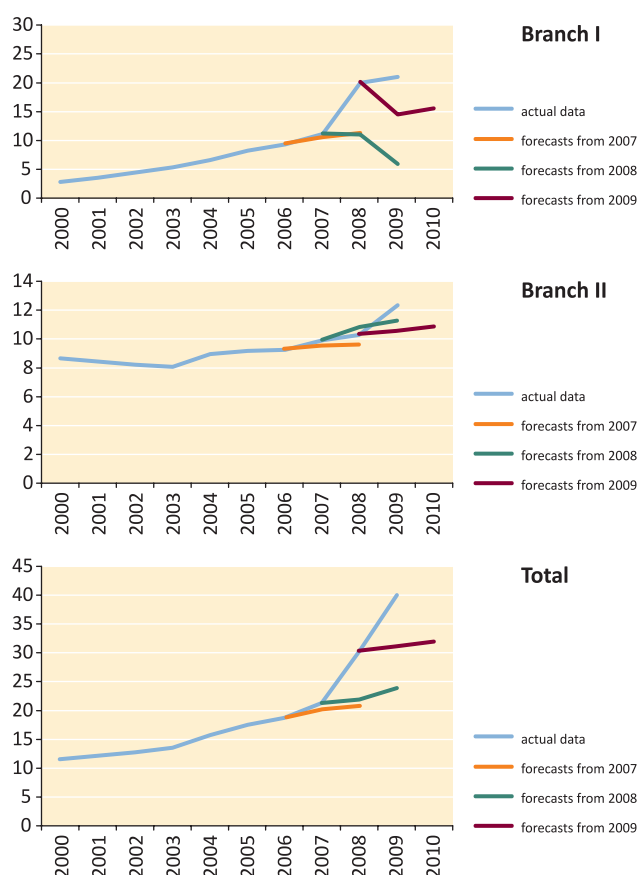
A comparison of the discrepancies between the forecasts and the actual values is indicative of the existence of quite large discrepancies in Branch 1 and overall results, while the ex-post error margin in Branch 2 is acceptable. The scale of inaccuracy of the premium forecasts in 2009 increased slightly in comparison to the previous years. This was a consequence of the crisis causing a change in the regularities constituting the basis for the forecasts.

Gross claims paid

delays in the dependent variable by one period, the dummy variable, and also a logarithmic trend. In Branch 2 a logarithmic trend and delays in the dependent variable by one and two periods were used. As before, the overall results were calculated as their sum of forecasted values from Branch 1 and 2. A high value of the linear determination ratio was obtained.

Analyzing the graph again one may notice that the forecasts made in 2008 expressed a continuation of the trends concerning gross claims paid. This was due, of course, to adoption of the trend extrapolation technique as the basic forecasting method.

Figure 19. Gross claims paid and their forecasts, constant prices from 2009 (in billions of PLN), 2000-2010



Source: data of the Polish Chamber of Insurance and own calculations.

More detailed results of the forecasts from three preceding years and the actual data are presented in Figures 19. Table 23 presents data provided by the Polish Chamber of Insurance expressed as constant prices from 2009.

Analyzing the graph again one may notice that the forecasts made in 2008 and 2009 expressed a continuation of the trends concerning gross claims paid in the previous years. This was due, of course, to adoption of the trend extrapolation technique as the basic forecasting method. Similarly to the premium written, also this time there were more problems with forecasting in Branch 1 than in Branch 2. Both last years, 2008 and 2009, were unique in comparison to the previous years. Meanwhile, majority of the sector's models covered a much broader scope of data from which certain regularities predominating over the untypical observations of these two years ensued. The predominance of the observations from previous years affected the forecasts concerning subsequent periods. As for Branch 2, the 2008 forecasts for 2009 turned out to be more accurate than the forecasts from 2009 concerning this same year.

Table 23. Gross claims paid at constant prices (overall and broken down by Branches)

	Total		Branch I		Branch II	
Actual values	40.1		27.7		12.4	
FORECASTS from	2008	2009	2008	2009	2008	2009
Forecasted values	23.8	31.2	12.6	20.6	11.3	10.6
Absolute difference	-16.3	-8.9	-15.1	-7.1	-1.1	-1.8
Relative difference	-40.6%	-22.2%	-54.5%	-25.6%	-8.9%	-14.5%

Source: data of the Polish Chamber of Insurance and own calculations.

A comparison of various results of the forecasts shows that the most accurate forecasts were those from 2007 concerning 2008, where the trend concerning the payments of claims was maintained. As regards Branch 1 increases in the claims were forecasted for 2009 in comparison to the preceding years. It was forecasted in 2008 that the value of claims in 2009 will be higher than the year before by 14% (in terms of actual value), whereas a 4.5% increase was forecasted in 2009. In reality the growth of the claims was significantly higher and amounted to almost 40% (almost ten times higher than forecasted). A 28% year-average growth of claims was observed during the previous years of this decade. 2008 was a very unique year as the value of claims in comparison to the year before increased by almost 80%. The year-average growths in the previous years of this decade amounted to 21%.

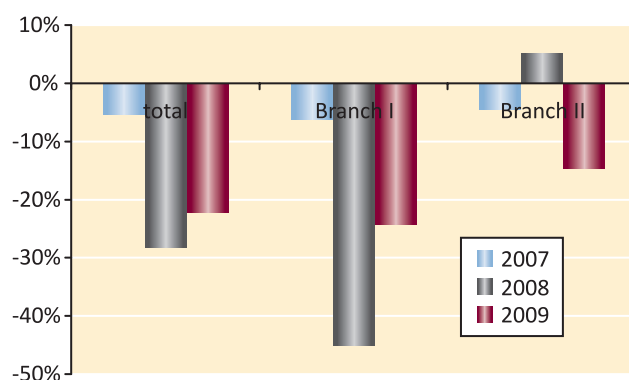
As regards Branch 2 a 2.6% growth was forecasted for 2009 while in reality the growth was almost ten times higher and amounted to 20%. The year-average growth in the previous years was only 2%.

As regards the overall results a 4% growth was forecasted while in reality it was higher and amounted to 17%, whereas the year-average growth in previous years amounted to 13%.

In effect, the values forecasted for 2009 in Branch 1 differed from the actual results by 26%, in Branch 2 they differed by 16%, and overall by 22%. The 2008 forecasts for 2009 were generally characterized by smaller accuracy than the forecasts made next year, which is a normal phenomenon.

Similarly to the premium written, as regards payments of claims the results in Branch 1 in 2009 were most affected by the results achieved by the largest insurance company on the market – PZU. This company's share in the value of claims paid accounts for more than 1/3rd of the entire Branch. It's payments of claims in Branch 1 increased from PLN 7.4 M to PLN 10.2 M (at current prices), i.e. by approx. 38%, while the other 28 companies (no info for Link4 and excluding Aviva's results) recorded an average growth by as much as 145%. As regards the next 4 companies in terms of the value of the shares in Branch 1, overall payments of claims almost doubled, i.e. they increased from PLN 5.3 M to PLN 10 M. Five largest insurance companies on the market were responsible for a 89% drop in the premium written in Branch 1.

Figure 20. Scale of inaccuracy of forecasts of gross claims paid from the years 2007-2009 for the year in which the forecast was made



Source: own elaboration.

A comparison of the discrepancies between the forecasts and the actual overall values and values in Branch 1 shows that they have decreased in comparison to 2008, accompanied by a deterioration of the quality of the forecasts for Branch 2.

Balance on the technical account

The last ratio being forecasted was the balance on the technical account (at current prices). Contrary to the previous cases where 18-element time series were used, 13-element time series were applied. The calculation was again based on constant prices to which a combination of a linear trend (Branch 1) or a logarithmic trend (Branch 2) and delays in the dependent variable were applied. The forecasts concerning the balance on the technical account were not obtained as a resultant, for instance, of the premium and claims, due to the techniques applied (not based on a multi-equation model of the sector). Hence, the accuracy of these forecasts may be assumed to be worse than the forecasts concerning the premium and the claims. The results of the forecasts from three previous years and the actual data are presented in the following Figures, and exact values are presented in Table 24.

Figure 21. Balance on the technical account and its forecasts, constant prices, billions of PLN, 2000-2010



Source: own elaboration.

Analyzing the graphs again one may notice that the forecasts made in previous years were based on an assumption that the trends will continue. The results of the forecasts achieved in 2007 in Branch 2 were particularly inaccurate and too optimistic. These errors were the result of a small quantity of empirical data. The forecasts made in subsequent years were more cautious and their accuracy increased.

Table 24. Gross balance on the technical account at constant prices (overall and broken down by Branches) in 2009 and the forecasts (from 2008 and 2009), billions of PLN

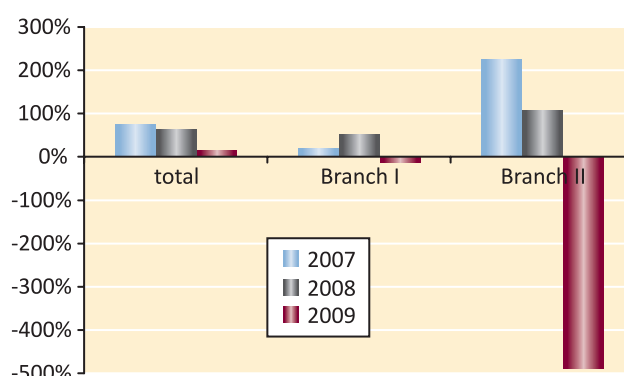
	Total		Branch I		Branch II	
Actual values	4.0		4.3		-0.2	
FORECASTS from	2008	2009	2008	2009	2008	2009
Forecasted values	9.3	4.6	7.3	3.7	2.0	0.9
Absolute difference	5.3	0.6	3.0	-0.6	2.2	1.1
Relative difference	132.5%	15.0%	69.8%	-14.0%	-1100.0%	-550.0%

Source: own elaboration.

A comparison of the discrepancies between the forecasts and the actual values shows that they decreased in Branch 1 and overall results and that they increased

in Branch 2. Its value is 3 times lower than the value of Branch 1, meaning that large discrepancies in Branch 2 did not have a significant impact on the deterioration of the overall forecast results, whose accuracy in 2009 was almost 15% (for forecasts from 2009), which, in case of such a difficult phenomenon as the balance on the technical account, may be considered to be a success. Despite this fact more attention should be paid to Branch 2 and the forecasting techniques should be appropriately adjusted.

Figure 22. Scale of inaccuracy of forecasts of the balance on the technical account from the years 2007-2009 for the year in which the forecast was made



Source: own elaboration.

2.4.3. Summary

Forecasting of the development of the insurance market in Poland is not an easy matter. There is no multi-equation econometric model of that sector which can be used to obtain forecasts based on mechanisms appearing in the sector and in the economy. In connection with this problem it was necessary to adopt far reaching simplifications, i.e. to use extrapolations of trends and expert analyses of the possibilities for the trends to be continued (based on assumptions concerning the development of the global and Polish economy). Moreover, the events that occurred during the past two years, namely the financial crisis, laid a shadow over all forecasts, particularly those concerning the financial markets (including insurance markets). Besides, the forecasts were based on annual data, while there is still not enough of those in Poland, which makes it necessary to accept forecasts with greater ex-ante errors.

As regards two most important characteristics describing the insurance market, namely the gross premium written as well as the gross claims paid, the forecasts made in 2009 for this same year turned out to differ from reality by approx. 20-30%. This is a better result than, for instance, the results of forecasts of the economic growth

for Poland (and the world) made during a similar period of the preceding year by our country's economists. The accuracy of the forecasts for 2009 wasn't much worse than those from the previous year. The reason for that was – despite of a construction of more advanced econometric models – bigger uncertainty regarding the market condition that year.

Other forecasting problems were associated with the quality of the data which were used in the analyses: problems with switching between the data at current and constant prices. Another problem of this kind were incomplete data, i.e. did not come from all companies in the sector, which, of course, distorted the results.

As regards the premium written and the claims paid, the forecasts in Branch 2 were characterized by better accuracy than the forecasts in Branch 1. The forecasting errors pertaining to the gross balance on the technical account of Branch 2 were unacceptably high. A detailed summary of the results of the forecasts made in 2007, 2008 and 2009 are presented in Table 25.

We can see that in five out of nine cases the forecasts from 2007 were more accurate than the year be-

fore. 2007 was not so turbulent as the next year when the difficulties on the financial markets became significantly more evident. In comparison to 2008, in 2009 five forecasts were more accurate (four were less accurate).

The largest errors were made in forecasting the balance on the technical account, and the smallest ones in forecasting the gross premium written and gross claims paid in Branch 2.

Table 25. Summary of errors in relative forecasts concerning the year in which the forecast was made (in %)

	Total			Branch I			Branch II.		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
Gross premium written	4%	-17%	20%	7%	-35%	32%	-1%	0%	7%
Gross claims paid	-5%	-28%	-22%	-6%	-45%	-24%	-5%	5%	-15%
Balance on technical account	74%	62%	14%	19%	51%	-12%	226%	107%	-490%

Source: own elaboration.

2.5. Forecast of the development of the insurance market in Poland for the years 2010-2012

The last two years were a period of huge changes on the financial markets, including the insurance market. They were evoked – of course – by the global financial crisis, referred to by some – exaggeratedly – the economic crisis. Its first wave is almost over¹¹. Presently we are dealing with the second wave which is no longer associated mainly with difficulties on the financial markets but with the dysfunction of the real sphere in some countries resulting from excessive indebtedness of the country (for instance, Greece, Portugal, Spain or even – as some people say – Great Britain might have been affected by the symptoms). Coming out of this phase of the crisis is more difficult and takes longer. It will also affect the results of the insurance market in Poland, although to a lesser degree than in the previous years. On the side, it may be

noted that the situation quickly improved after such deep financial crisis. It improved too quickly to heal the global financial sphere. One might say, as was noted by Dariusz Winek from Bank Ochrony Środowiska, that this crisis lasted too short¹². A consequence of this will be faster than “normal” approach of the next recession. However, this is a scenario which – from the point of view of the forecasts for 2010-2012 – may be omitted in further deliberations. Due to the improvement of the global economy, especially in the USA (although not necessarily in the Euro zone), in subsequent years – after very untypical 2008 and 2009 – the Polish economy and its markets, including the insurance market, will – although not instantly – return onto the normal development tracks. These tendencies will be reflected in the forecasts presented below.

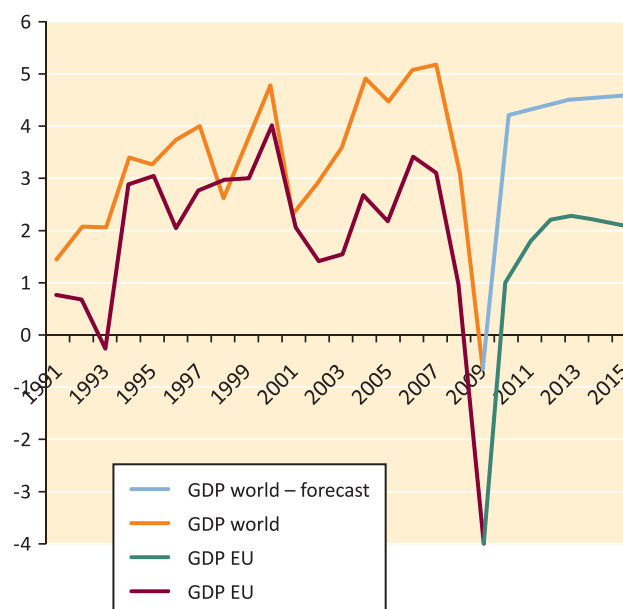
2.5.1. Development of the global economy and forecasts

Below you will find a description of the conditions affecting the development of the Polish economy. As was clearly visible in the previous years, the global economic growth has a significant impact on the developments on the insurance market in Poland. The situation in the rest of the European Union, especially at our Western neighbour, has a similar, although surely a bit smaller, impact. Presenting the forecasts concerning the insurance market these macroeconomic conditions should be taken into account. For that purposes forecasts of the International Monetary Fund presented in the World Economic Outlook published in April 2010 (Figure 23) will be presented. This organization possesses the most advanced macroeconomic model of the global economy in the world, which gives it a large advantage – at least on the substantive side – over the forecasts of other organizations.

Similarly to last year, the latest report of the International Monetary Fund from the World Economic Outlook series confirms the accuracy of adoption of the global business cycle, which we presented in the previous two reports of the Polish Chamber of Insurance. Although the last recession was much deeper than the two previous ones, the global economy and the EU's economy – pursuant to the forecasts presented – should develop in the right direction as early as 2010 when a very dynamic re-

bounce of the economic situation in comparison to 2009 will be observed.

Figure 23. Economic growth in the European Union and the world in the years 1991-2009 and its forecasts until 2015, constant prices, %



Source: World Economic Outlook Database, International Monetary Fund, April 2010

¹¹ At the end of April 2010 several more American banks went bankrupt, which still fits into the first wave of the global financial crisis, i.e. the banking crisis. Also, a federal investigation against Goldman Sachs has been commenced.

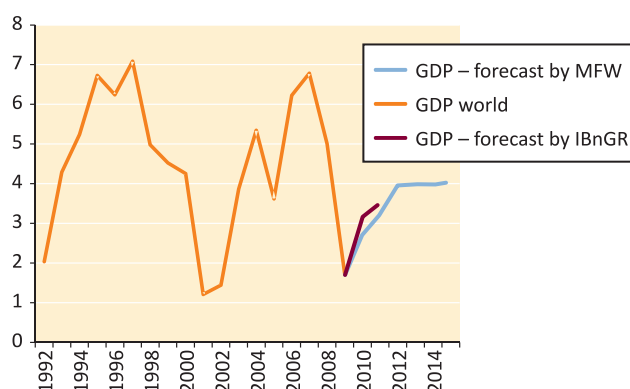
¹² J. Lipszyc, *The crisis lasted too short, "Rynek spożywczy"* [Food market], 30 April 2010

2.5.2. Development of the Polish economy – forecasts of the International Monetary Fund and the Ministry of Finance

The forecasts for the Polish economy may be presented in this view. Our country has gone smoothly through the last global economic slowdown. Maybe one of the reasons for this was the fact that Polish economic politicians became aware of the possibility of occurrence of the global crisis and its impact on our economy earlier than their counterparts in Western countries. Publications in this regard, informing about the possibility of occurrence of the economic slowdown in our country, came out already in August 2007 and had a particularly significant impact on the public opinion (and other forecasts published in our country) at the beginning of 2008. Maybe this made it possible for our country to better prepare itself for the crisis whose force increased significantly after the collapse of the Lehman Brothers bank in September 2008. Although the consequences of the global crisis were not so painful for Poland, the slowdown was visible and had a significant impact on the Polish insurance market.

The condition of the Polish economy at the time of the crisis surprised the International Monetary Fund which last year forecasted a 0.75% drop in the GDP in Poland in 2009. At the beginning of May the Ministry of Finance foreshadowed – according to the most pessimistic scenario – an economic growth in Poland by 1.7%. And indeed the growth was exactly that high. Subsequent years should be better than 2009.

Figure 24. Economic growth in Poland in the years 1992-2009 and its forecasts, constant prices, %



Source: World Economic Outlook Database, International Monetary Fund, April 2010.

Both the International Monetary Fund and the Gdańsk Institute for Market Economics forecast a growth of the Polish economy at around 3% in 2010 and a bit more but not above 4% in 2011. Moreover, the International Monetary Fund is more pessimistic as regards the perspectives of the economic growth in Poland in subsequent years than the results of the middle portion of the previous two business cycles would indicate.

2.5.3. Development of the insurance market in the previous years

The years 2008-2009, in comparison to the previous ones, were untypical not only for the Polish economy and financial markets but also for the insurance market. Quarterly data will be presented in the following part of this document, whereas subsequent ones – used in the forecasts – have been based on annual data. Nonetheless, the quarterly data are important to further reasoning due to the fact that they are capable of indicating short-term changes that are not evident in the annual data. However, to eliminate seasonal effects hindering the interpretation of the results, the values presented below show values from the last four quarters. These are then annual data presented with a quarterly frequency. It should be pointed out that these data were not used to create models because they were based on annual and not quarterly values. Nonetheless, they helped make expert forecasts of the developments on the Polish insurance market in a short run. Obtainment of data for the first quarter of 2010 also turned out to be important because the situa-

tion on the market was so unstable that it was difficult to forecast trends (in addition to the strength and duration of the effects of the crisis which are difficult to estimate uncertainty was also caused by the floods that occurred in May and June 2010).

It is clearly visible (Figure 25) that the main characteristics of Branch 1 from 2002 to Q2 2008 followed the trends. In Q2 2008 the premium written was nearly PLN 3 B higher than in the preceding quarter (and earlier ones). In subsequent quarters the value of the premiums collected was gradually decreasing. It can be expected that the value of the premium written in 2010 will not be so high as in the preceding year. It is believed that the value of the saving insurance policies will decline in 2010 due to the drop in the interest rates and to large risk which insurance companies bear in relation to the profitability of these products¹³.

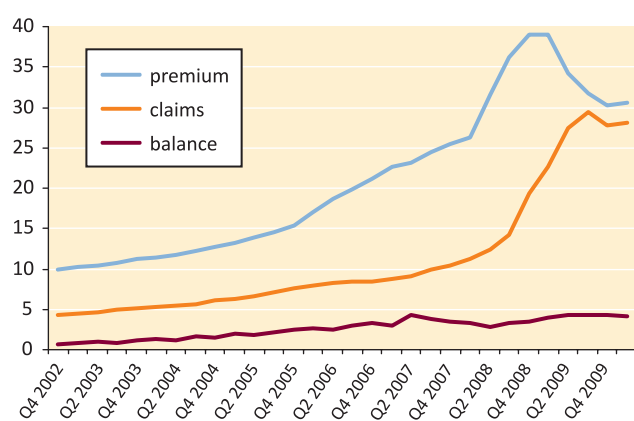
As regards the value of gross claims paid in Branch 1, it started growing in Q4 2008 and peaked in Q2 2009

¹³ A. Biały, *Depozyty już bez polis [Deposits already without Policies]*, Rzeczpospolita, 18 March 2010.

when it started to decline. The balance on the technical account remained on a stable level, recording higher results than in the preceding years (PLN 1 B was exceeded during each of the first three quarters of 2009, which was the best result achieved so far). The peak period occurred in Q1 2009.

In comparison to Branch 1 the situation in Branch 2 seemed to be more stable. The pace of growth of the

Figure 25. Annual values of premiums, claims and the balance on the technical account in Branch 1 in the years 2002-2009, current prices, billions of PLN



Note: designation of the given quarter means the sum of the values in the given quarter and in the three preceding ones. The above graph also takes into account preliminary data of the Polish Chamber of Insurance for Q1 2010 (they are fully comparable with the data of the Polish Financial Supervision Authority) as well as own estimates of the gross balance on the technical account made on their basis.

Source: own elaboration based on the data from the Polish Financial Supervision Authority and the Polish Chamber of Insurance.

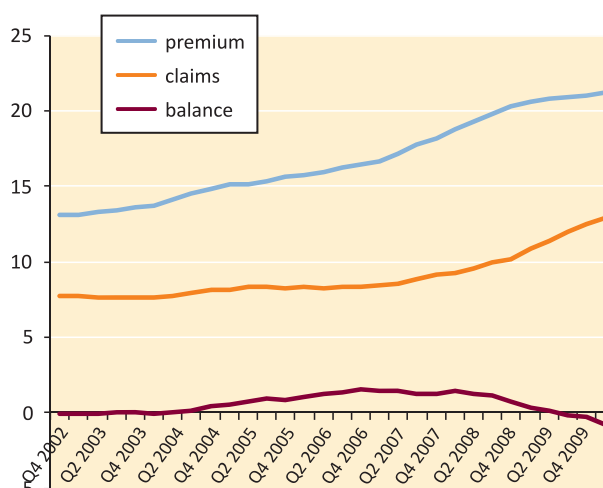
2.5.4. Modelling and forecasting assumptions

Forecasts of the development of the insurance market in Poland in the preceding years were based mainly on trend extrapolation methods (multinomial and exponential). The set of independent variables was expanded in 2009 forecasts by going beyond the time variables. Attempts were made to use the GDP as the independent variable, however, the growth of the GDP (real GDP growth) turned out to be too poorly correlated with the independent variables. Due to sudden changes in the environment which affected the situation on the Polish insurance market, a decision was made to also take into account the dummy (zero-one) variables. Also, delays (by one or two periods) of dependent variables were used, which was not done in the past.

Models with a high degree of correspondence of theoretical values to empirical values were obtained (a very high value of the adjusted R2 ratio was observed). Also,

premium written decreased in the last quarters, while the pace of claims quickened. In effect, the technical results worsened to the extent observed at the beginning of the decade, i.e. to negative values (such poor results as were recorded in Q4 2009 have not been observed during the entire period for which quarterly data are available).

Figure 26. Annual values of premiums, claims and the balance on the technical account in Branch 2 in the years 2002-2009, current prices, billions of PLN



Note: designation of the given quarter means the sum of the values in the given quarter and in the three preceding ones. The above graph also takes into account preliminary data of the Polish Chamber of Insurance for Q1 2010 (they are fully comparable with the data of the Polish Financial Supervision Authority).

Source: own elaboration based on the data from the Polish Financial Supervision Authority and the Polish Chamber of Insurance.

a series of statistical tests were conducted, for instance, the autocorrelation of the random element was examined (a Lagrange Multiplier test, a Ljung-Box test as well as a Durbin-Watson statistic and a Durbin h-statistic were conducted among other things), the credibility logarithm was calculated, information criteria tests were conducted (Akaike's information criterion, Schwarz's Bayesian information criterion, Quinn's information criterion), the heteroskedasticity phenomenon was examined (White's and Breusch-Pagan tests were conducted). Despite of that no results were obtained whose ex-post verification would be sufficiently positive. Turbulent conditions in which the forecasts had to be made proved to pose a problem. In this case a decision was made this year to expand the scope of the variables even more¹⁴.

¹⁴ Experiences gained during the project run by the Gdańsk Institute for Market Economics in 2009 and in the beginning of 2010 for PZU were used for this purpose.

Over 20 potential independent variables (and their delays by one, potentially two periods) were chosen. All in all the following variables were considered (designations of the variables used are presented in brackets):

a) dependent variables:

- gross premium in Branch 1 (skl_dz1) and in Branch 2 (skl_dz2) and delayed by one period (skl_dz2_1),
- gross claims paid in Branch 1 (odsz_dz1) and in Branch 2 (odszk_dz2) and delayed by one period (odszk_dz2_1),
- gross balance on technical account in Branch 1 (wynik_dz1) and delayed by one year (wynik_dz1_1) and in Branch 2 (wynik_dz2),

b) variables concerning the external situation: world real GDP growth, EU real GDP growth (PKB_UE), Germany real GDP growth, world inflation,

c) variables concerning the internal situation:

- real GDP growth,
- GDP value at constant prices from 2009 (PKB_zl_const) and same variable delayed by one year (PKB_zl_const_1),
- inflation rate,
- unemployment rate recorded at year's end,
- number of bankruptcies,
- PLN/USD exchange rate,
- PLN/EUR exchange rate (PLN_EUR),
- short-term interest rates (interest rate charge on the receivables of enterprises in the non-financial sector in the current account),
- export value (in EUR and PLN),
- value of direct foreign investments (BIZ) in Poland (in EUR and PLN),
- growth of investments (gross expenditures on fixed assets) (dinwest) and the growth delayed by one year (dinwest_1),
- industry growth,
- construction growth (dBud) and delayed by one year (dBud_1),
- market services growth,
- Warsaw Stock Exchange WIG return index,
- value of average salaries in the national economy (at constant prices from 2009),
- endogenic variable, calculated as the difference between the value of the premium and claims in Branch 1 (roznica1) and its first delay (roznica_1), which was used to explain the balance on the technical account,

d) time variables: time trend (t), square trend (t2), cubic trend (t3),

e) dummy variables, assuming a value of 1 in 2008 (zm01) and value of 1 in 2009 (zm02).

The following sources were used: the International Monetary Fund, the Central Statistical Office, the National Bank of Poland, the Warsaw Stock Exchange and – where necessary – own calculations based on those sources.

As regards majority of the independent variables an analysis of the correlations was made, taking into account the relations with dependent variables as well as between independent variables (to obtain a possibly high independence of the independent variables). Moreover, a theoretical verification of the usability of the different variables was performed (variables concerning the inflation were rejected as a result). For further analysis independent variables most correlated with the dependent variables and least correlated between one another were chosen. Where necessary, calculations were based on expert knowledge (and not only on a statistical criterion in the form of the value of the correlation coefficient)¹⁵. An example of that may be a variable “number of bankruptcies” which was left as a potential independent variable despite of a low value of the correlation coefficients (the reason for leaving this variable were its ties to the revenues of micro-companies and the economic situation). Some of the variables describing the macroeconomic condition were highly correlated with one another. In effect, a decision was made to leave the GDP at constant prices (due to easier interpretation and availability of forecasts until 2015), as well as the variables: export and BIZ.

Not all of the mentioned independent variables were taken into account as regards every dependent variable. To limit the size of the document further details in this regard have been omitted.

Entering independent variables other than the time variable or delays in the dependent variable, to obtain forecasts of the dependent variables it is necessary to possess forecasts of the independent variables. For this purpose, in general, no separate models were developed but expert knowledge was used instead.

- The number of bankruptcies in Q1 2010 was higher by 33.3% than the year before (according to Coface¹⁶ data). It was assumed that this tendency will continue during the entire year and in subsequent years the

¹⁵ As regards claims in category 1 the GDP EU was chosen instead of GDP Germany (although the correlation coefficient was a bit higher – by 0.02). As regards average remunerations a decision was made to leave them among the potential independent variables in categories 2, although a higher correlation coefficient was observed in categories 1 for all three types of independent variables. The reason for that was higher sensitivity of category 2 to changes in the revenue (as regards household insurance, motor insurance).

¹⁶ Coface's report on bankruptcies in Poland in Q1 2010, www.coface.pl, Warsaw, 6 April 2010.

number of bankruptcies will decrease in comparison to the previous years at a rate at which it was decreasing since 2003 (i.e. it decreased in 2004 in comparison to the year before by 38% and it has been assumed that this number will decrease in 2011 in comparison to 2010 by 38%, etc.).

- As regards the PLN/EUR exchange rate, the rate of PLN 3.8 was adopted for 2010 and PLN 3.6 for 2011 – in accordance with the April forecasts of the Gdańsk Institute for Market Economics¹⁷, then, based on relative changes in the exchange rate, depreciation of the Polish zloty at 3% annually has been adopted since 2005. A similar method was applied to the dollar exchange rate: values from the latest forecasts of the Gdańsk Institute for Market Economics were adopted for 2010 and 2011, and then depreciation of the Polish zloty at 6% annually has been adopted since 2000 based on the data (peak value of the dollar with respect to the zloty).
- As regards remunerations a growth by 2.5% was adopted in 2010 and by 4.5% during the subsequent year according to the Gdańsk Institute for Market Economics. The growth during the subsequent years has been assumed at 2%, i.e. an average by which remunerations increased in the years 2000-2006 (moreover, during majority of these years the remunerations were increasing by 2% annually).
- As regards the forecasts of the growth of the industry, construction, market services and investments for 2010 and 2011 the forecasts of the Gdańsk Institute

for Market Economics have been adopted, and in the subsequent years - own expert forecasts.

- In the current year, similarly to the previous years, the dependent variables were presented at constant prices. However, the data used here weren't the data prepared by the Polish Chamber of Insurance but the data prepared by the Polish Financial Supervision Authority; the data were converted using the inflation rate (at the end of the year) published by the International Monetary Fund in the World Economic Outlook Database (and not by the Central Statistical Office, due to better accuracy of the International Monetary Fund's data). Also, the International Monetary Fund's forecasts for subsequent years were used.
- To calculate the forecasted current values the February inflation forecasts of the National Bank of Poland were used, i.e. 1.8% in 2010, 2.4% in 2011 and 3.5% in 2012¹⁸.

Similarly to the preceding years separate models for Branches 1 and 2 were developed, whereas the overall values for both Branches were calculated not in result of separate modelling but in result of adding up the values of these Branches.

Before modelling was commenced the existence of a trend in the dependent variables was checked and its extent was estimated, the autoregression was checked, the PACF graphs were interpreted, on the basis of which an appropriate number of delays was added (to remove autoregression).

2.5.5. Forecasting of the gross premium written

In result of the work that was carried out several hundred econometric models have been developed. Calculations began with a wide range of independent variables, which were then gradually eliminated. A series of statistical tests were also conducted and the results were checked for correspondence with the anticipated trends. In the end the ones yielding the best results were chosen (taking into account various criteria) and only these have been presented below.

Contrary to the preceding years, the time span of the current forecast was 3 years (previously 2 years). Also, the graphs presented a confidence range in such a way so that it laid out an area in which there is a 95% probability that the value being forecasted will be contained therein. Thus, not only point forecasts but also range forecasts

have been presented. This increases the interpretative possibilities of the results obtained.

An analysis of the history of the gross premium written in Branch 1 shows that it is clearly non-linear. Addition of a time variable with an exponent higher than one did not yield the expected forecast results (for that reason only the linear time variable has been left), although it improved the technical quality of the models. Also, due to the impact of the crisis on that value, a zero-one variable has been used. Additionally, a number of tests made it possible to leave the GDP among the independent variables.

The following model has been obtained:

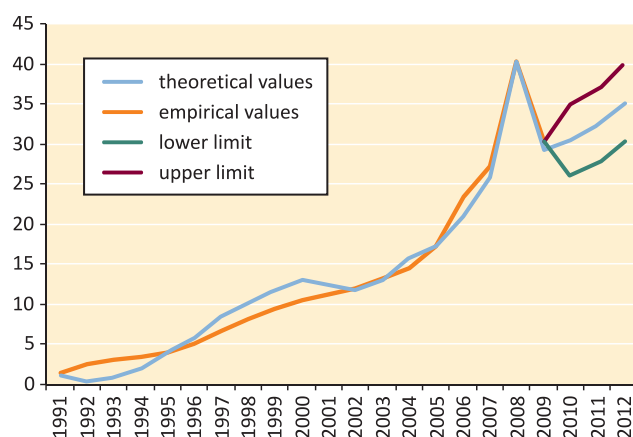
$$skl_dz1 = -46,5 - 1,7t + 11,3zm01 + 0,08PKB_zl_const$$

¹⁷ B. Wyżnikiewicz, J. Fundowicz, K. Lada, K. Łapiński, M. Peterlik, Condition and forecast of the economic situation, Gdańsk Institute for Market Economic, "Quarterly macroeconomic forecasts", No. 66, 28 April 2010.

¹⁸ Report on inflation, National Bank of Poland, Warsaw, February 2010, pg. 65.

Estimates of all parameters were below 1% significance level. The adjusted R2 ratio was 0.97, the value of the F statistic was 219. The values of the ex-ante errors did not exceed 7%.

Figure 27. Empirical and theoretical values of gross premium written in Branch 1 in the years 1991-2009 and the forecasts for the years 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

Empirical and theoretical values are presented in Figure 27 above, i.e. values resulting from the model. We can see a relatively high degree of similarity of their course.

After a very untypical 2008, it seems that the values of the premiums in Branch 1 in 2009 returned to the levels which might be forecasted on the basis of trends observed in previous years. The results obtained are based on this assumption (the variable *zm01* has been applied for this reason). We expect the situation to improve in subsequent years, however, the record results achieved in 2008 will not be repeated during the adopted forecast time span.

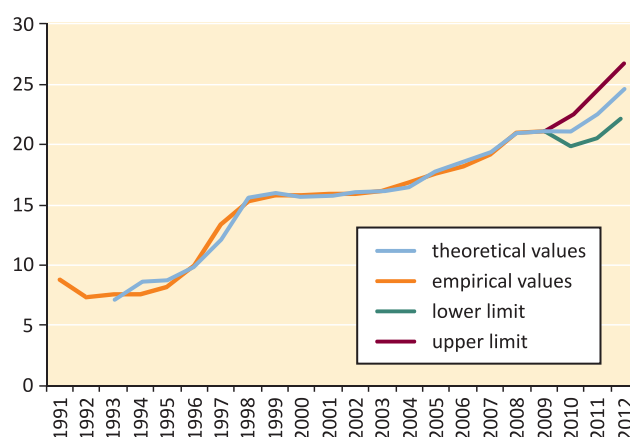
As regards Branch 2 one of the zero-one variables (it was assumed here that the crisis from 2009 will be felt somewhat in Branch 2 during the subsequent year but not during the next year¹⁹), the time variable, a one-year delay in the GDP and a delay in the dependent variable by one and two periods have been used. The sample range covers the years 1993-2009. The following model has been obtained:

$$skl_dz2 = -1,6 - 2zm02 + 0,01PKB_zl_cons_1 + 1,2skl_dz2_1 - 0,7 skl_dz2_2$$

¹⁹ On the technical side the assumption is such that the value of the variable *zm02* in 2010 would amount to 0.5 (1 in 2009). This is an important assumption of the forecasts obtained and difficult to verify due to the obvious problems with foreshadowing the end date of the unfavourable situation on the market, especially for Polish enterprises. It is also assumed that in 2011 the effects of the crisis will not be felt on the insurance market (which, of course, does not have to be true).

The basic statistics are indicative of a high value of the model. Estimates of all parameters were below 1% significance level. The adjusted R2 ratio was 0.98, the value of the F statistic was 224. The values of the ex-ante errors did not exceed 3% for the first forecast and 5% for two subsequent forecasts. A comparison of the theoretical and empirical values is presented in Figure 28.

Figure 28. Empirical and theoretical values of gross premium written in Branch 2 in the years 1991-2009 and the forecasts for the years 2010-2012, constant prices from 2009, billions of PLN

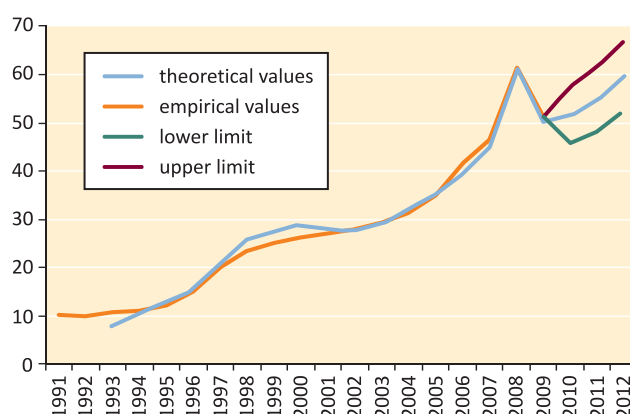


Note: limit – 95% confidence interval limit. Theoretical values from 1993.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

The forecasts presented in Figure 28 are indicative of possible growths in subsequent years, however, the growth in 2010 would be insignificant (only by 0.04%).

Figure 29. Empirical and theoretical values of the overall gross premium written in the years 1991-2009 and the forecasts for 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit. The confidence interval limits have also been calculated on the basis of the sum of appropriate limits in case of forecasts for Branch 1 and 2. Theoretical values from 1993.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

Based on the results of the calculations for Branch 1 and 2 overall results have been obtained (see Figure 29). They, too, have been presented with the "confidence interval"²⁰.

Due to the forecasted growths in the premium written in Branch 1 and 2, the overall results are also generally promising. 2010 will still be a more difficult year, whereas the next two years will be characterized by a return of a favourable situation on the insurance market.

More detailed results are presented in Table 26. They are already expressed at constant prices (in accordance with the inflation rate forecasted by the National Bank of Poland).

The results are generally indicative of growths to be expected during subsequent years with the overall premium written reaching a level of nearly PLN 60 B in 2012.

2.5.6. Forecast of the gross claims paid

Similarly to the gross premium written calculations have been made for the gross claims paid.

The final version of the claims model in Branch 1 uses quite a broad set of variables, which includes a cubic time variable, both zero-one variables, as well as two structural variables: one-year delays in the value of the claims paid in Branch 1 and the growth of GDP EU. Similarly to the forecasts of the premium, it has been assumed that the situation in Branch 1 will not return to the normal condition partially due to the effects of the crisis visible on the insurance market, as well as due to the floods that occurred in 2010 (these effects will expire in subsequent years). This assumption had a significant impact on the forecast results. A significant novelty in this calculation – in comparison to the forecasts made in previous years – is the dependence of the payments of the claims on the premium written and its forecasts (presented earlier in Figure 27).

The best estimated model has the following formula:

$$\begin{aligned} ods_dz1 = & 1,5 + 0,002t^3 + 7,7zm01 + 10,5zm02 \\ & + 0,3ods_dz1_1 - 0,1skl_dz1 \end{aligned}$$

The estimates of the first three parameters were below 1% significance level, the variable parameter of the premium below 5% and that of claims below 10%. The adjusted R2 ratio was 0.99, the value of the F statistic was 8,038. The values of the ex-ante errors did not exceed 1%.

An insignificant drop in the payments of the claims is being forecasted for 2010, after which – mainly if the effects of the crisis and the flood end in 2011 – a higher drop in the payments of the claims will occur that year, followed by a small increase in 2012.

Table 26. Forecast of the value of the overall gross premium written and in each Branch for the years 2010-2012 and the actual values from 2009, constant prices, billions of PLN

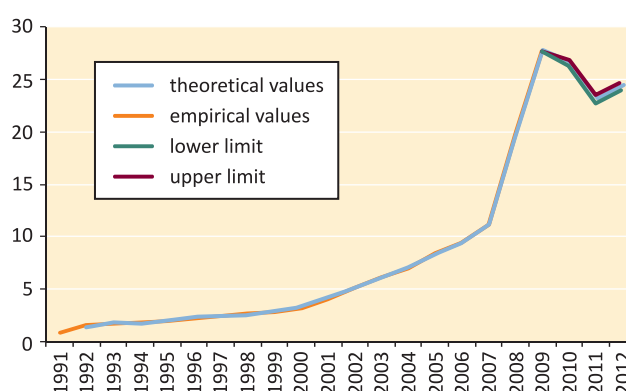
Years	Branch 1	Branch 2	Total
2009	30.3	21.1	51.3
2010	31.0	20.5	51.5
2011	33.7	22.2	55.9
2012	37.9	23.5	61.4

Note: the overall values may not constitute the sum of the values of Branch 1 and 2 due to rounding-off.

Source: own calculations based on data from the Polish Financial Supervision Authority, the International Monetary Fund and the National Bank of Poland.

The empirical and theoretical values are presented in Figure 30 below.

Figure 30. Empirical and theoretical values of gross claims paid in Branch 1 in the years 1991-2009 and the forecasts for 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

Modelling and then forecasting for Branch 2 has been performed in a similar way. A model has been chosen from several dozen different, well forecasted models, which was based on the largest number of structural variables. However, it was not possible to obtain results which would comply with the expert forecasts of the values of claims in Branch 2 for 2010. The following variables were used in this model: the time variable, one-year delay in the premium and claims in Branch 2, investment growth delayed by one period, the PLN/EUR exchange rate, as well as a one-year delay in the GDP (at constant

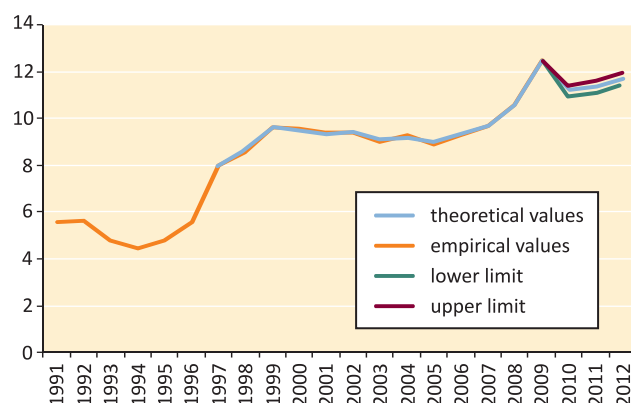
²⁰ This approach is not methodologically appropriate due to the fact that these values have not been obtained on the basis of separate modelling but on the basis of addition of the results of two separate modelling processes.

prices). Zero-one variables were not used. Thus, elements of a two-equation model were used to obtain the forecasts (the forecasts of the premium in Branch 2 obtained earlier were used – see above).

$$\begin{aligned} \text{odsz_dz2} = & -8,8 - 1,0t - 0,4\text{odsz_dz2_1} \\ & + 0,3\text{skl_dz2_1} - 0,04\text{dlnwest_1} + 0,9\text{PLN_EUR} \\ & + 0,03\text{PKB_zl_cons_1} \end{aligned}$$

The estimates of all parameters were below 1% significance level. The adjusted R2 ratio was 0.94, the value of the F statistic was 287. The value of the ex-ante errors did not exceed 1% (meaning that the confidence interval limits were very close to the forecasted values). The results of the modelling and forecasting are presented graphically in Figure 31.

Figure 31. Empirical and theoretical values of gross claims paid in Branch 2 in the years 1991-2009 and the forecasts for 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit. Theoretical values from 1997.

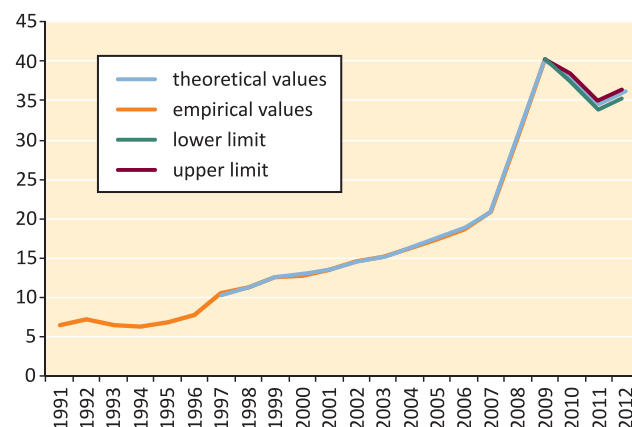
Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

After a significant growth in 2009 we are forecasting a drop in the overall gross payments of claims in 2010 and then a slight increase in subsequent years.

The forecasts for Branch 1 and 2 have been added up (other values have also been added up). The results are presented in Figure 32.

Similarly to the past, the values ensuing from the models in the years 1997-2009 were very similar to the actual results. Due to the previously obtained forecasts for both Branches, it is being forecasted that in 2010 and 2011 the value of the gross claims paid will decrease in comparison to the preceding years, and then – after the effects of the crisis and the flood are over – will increase.

Figure 32. Empirical and theoretical values of overall gross claims paid in the years 1991-2009 and their forecasts for the years 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit. The confidence interval limits have also been calculated on the basis of the sum of appropriate limits in case of forecasts for Branch 1 and 2. Theoretical values from 1997.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

More detailed results are presented in Table 27 below. They are expressed at current prices (taking into account the forecasts of the inflation by the National Bank of Poland).

Table 27. Forecast of the values of gross claims paid for the years 2010-2012 and the actual values from 2009, current prices, billions of PLN

Years	Branch 1	Branch 2	Total
2009	27.7	12.5	40.2
2010	27.0	11.4	38.4
2011	24.1	11.9	36.0
2012	26.4	12.6	39.0

Source: own calculations based on data from the Polish Financial Supervision Authority, the International Monetary Fund and the National Bank of Poland.

As regards Branch 1 an insignificant drop in the payments of claims in 2010 is forecasted in comparison to the preceding year; this drop will be bigger in subsequent year. As regards Branch 2 the payments should decrease in 2010; they will increase next year. A growth in the payments of claims will be observed in 2012. As regards the overall claims it is forecasted that the value of the claims will decrease over the next two years, after which it will increase in 2012.

2.5.7. Forecast of the balance on the technical account

Similarly to the previous two ratios of the insurance market in Poland, forecasts were made for the gross balance on the technical account. In all previous years when the forecasts of the balance on the technical account were being formulated, this task was more difficult than forecasting the premium written or the payments of claims. This time it was the same. Modelling of the results for Branch 2 posed a particular problem – similarly to the preceding years – where the scale of the *ex-ante* errors was very large²¹. After obtaining several dozen models of acceptable format, a greater majority of them had to be rejected for reasons associated with the compliance of the econometric forecasts with the expert forecasts of the changes in the gross balance on the technical account. As regards Branch 1 the following variables were used: square time variable, both zero-one variables, the PLN/USD exchange rate (and not EUR), growth in the construction industry delayed by one year and delayed variable balance on the technical account in Branch 1. The following model has been obtained:

$$\begin{aligned} \text{wynik_dz1} = & 2,1 + 0,1\text{skl_dz1} + 0,4\text{odsz_dz1} - 5\text{zm01} \\ & - 6,2\text{zm02} - 0,004\text{PKB_zl_cons_1} \end{aligned}$$

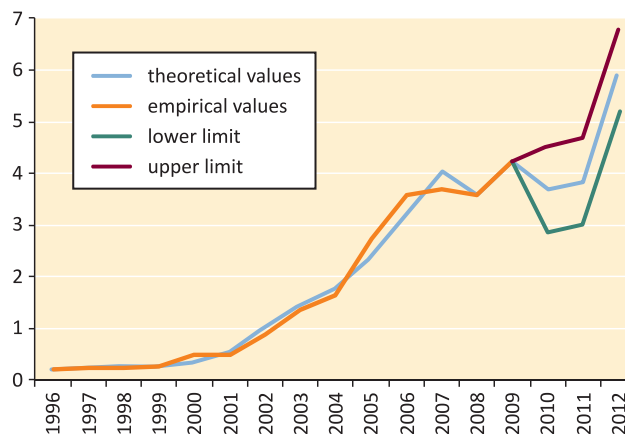
Estimates of nearly all parameters were below 1% significance level (an exception was the variable concerning the GDP, for which a 5% level was adopted and the premium for which a 10% level was adopted). The adjusted R2 ratio was 0.98, the value of the F statistic was 111.

To obtain the forecasts with expected results an assumption was made concerning the second zero-one variable. It was assumed that the effects of the crisis observed in 2009 will gradually expire over the next three years starting in 2011, although the effect will still be as strong in 2010 as the year before (the flood of 2010 may contribute to that). Unfortunately, the values of the *ex-ante* errors were high and reached a level of approx. 10%. The empirical and theoretical values are presented in Figure 33.

The forecasts point to a drop in the balance in 2010 and 2011 in comparison to 2009, and then a dynamic rebound in 2012 (although that balance seems to be remote).

As every year, modelling of the balance for Branch 2²² proved to be a real challenge. Last year a decision was made to reject three more advanced models and to base the calculations on a very simple technique, simultaneously agreeing to poor accuracy of the results.

Figure 33. Empirical and theoretical values of the balance on the technical account in Branch 1 in the years 1996-2009 and the forecasts for the years 2010-2012, constant prices from 2009, billions of PLN



Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

This time several hundred combinations of independent variables and various other types of models (other than those obtained through KNMK) were used. Attempts were also made to simulate the course of the business cycle using the sinusoid, including a multiplicative one (with a growing amplitude). This model, in which a one-year delay in the independent variable was introduced as a dependent variable, has been chosen to make the forecasts. This model did not include structural independent variables, such as, for instance, the premium written, payment of claims, situational variables, etc. It contains only variables selected from the forecasting point of view.

The model looked as follows:

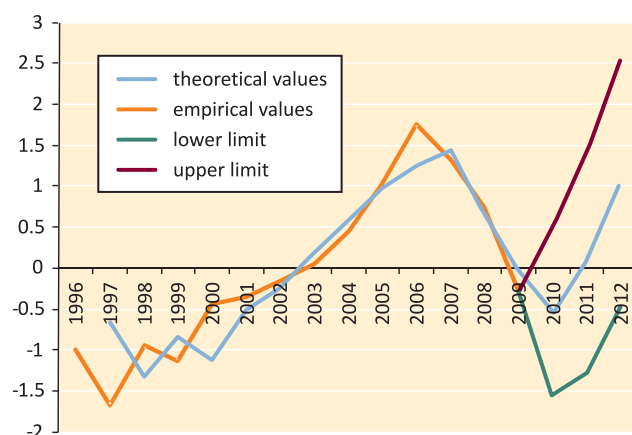
$$\text{wynik_dz2} = 0,1 + 0,05\sin + 0,8\text{wynik_dz2_1}$$

The estimates of the model's first structural parameter were below the 3% threshold, and of the second parameter – below 1% significance level. The adjusted R2 ratio was only 0.79, the value of the F statistic was only 23. The values of the *ex-ante* errors were very high. The discrepancies are shown in Figure 34.

²¹ To obtain appropriate models attempts were made to introduce new variables. One of the attempts involved applying the difference between the value of the gross premium written and the value of gross claims paid as one of the independent variables. One of the reasons for the difficulties associated with modelling of the result is a shorter time series (data not since 1991 but since 1996), and hence a smaller number of the degrees of freedom, as well as the multiplicity of factors affecting the result, some of which do not ensue from the macroeconomic or market processes (but specific though to the largest insurance companies).

²² The amount of work involved in modelling the balance for category 2 was comparably high to the development of all previous models jointly.

Figure 34. Empirical and theoretical values of the balance on the technical account in Branch 2 in the years 1996-2009 and the forecasts for the years 2010-2012, constant prices from 2009, billions of PLN



Source: own calculations based on data from the Polish Financial Supervision Authority.

The results are far from being acceptable (which can be seen by looking at a wide range of the confidence interval), although they are the best that the authors managed to obtain on the basis of econometric modelling, which would comply with the expert forecasts made by the team. According to them, in 2010 the value of the balance on the technical account in Branch 2 should be negative, next year it should exceed the zero value in order to grow dynamically in 2012.

Based on the results presented earlier the overall values were calculated, similarly to the way it was done before, by adding up the limit values of the confidence intervals (see Figure 35).

In effect forecasts of the overall balance were obtained, which indicate that the situation of the insurance companies should improve during subsequent years. However, these forecasts are burdened with a large error. Such a significant increase of the result in 2012 seems to be particularly doubtful. More accurate results of all calculations made at constant prices are presented in Table 28 below.

2.5.8. Summary

As every year, the authors of the forecasts made changes in the forecasting tools that they used. The set of potential independent variables was significantly increased this time, there were over 70 of them, considering their various forms, time spans and variables not presented above. Time variables and delays in independent variables were gone beyond, taking into account a number

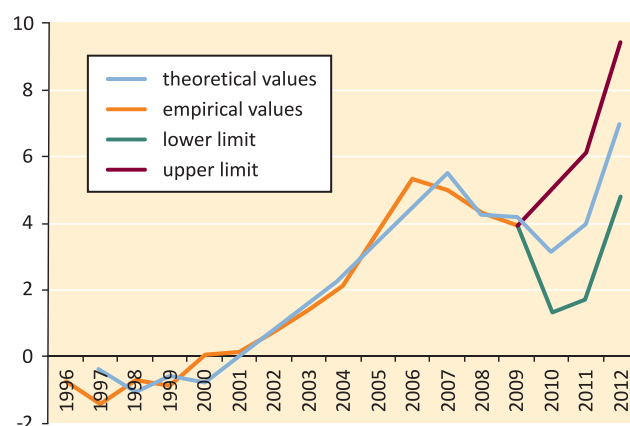
Table 28. Forecast of the values of the gross balance on the technical account for the years 2009-2010 and the actual values from 2009, current prices, billions of PLN

Years	Category 1	Category 2	Total
2009	4.2	-0.3	4.0
2010	3.8	-0.5	3.2
2011	4.0	0.1	4.1
2012	6.5	1.2	7.6

Note: overall values may not constitute the sum of the presented values of Branch 1 and 2 due to round-offs.

Source: own calculations based on data from the Polish Financial Supervision Authority, the International Monetary Fund and the National Bank of Poland.

Figure 35. Empirical and theoretical values of the overall balance on the technical account in the years 1996-2009 and the forecasts for the years 2010-2012, constant prices from 2009, billions of PLN



Note: limit – 95% confidence interval limit. The confidence interval limits have also been calculated on the basis of the sum of appropriate limits in case of forecasts for Branch 1 and 2.

Source: own calculations based on data from the Polish Financial Supervision Authority (and others).

Pursuant to the forecasts, the gross balance on the technical account in both Branches will decline in 2010, after which it will improve in 2011 where it will reach values similar to those achieved in 2009, and will grow dynamically in 2012.

of situational variables. The models that were obtained had overall very high statistical quality and were characterized by low ex-ante errors. An exception in this case was the model of the balance on the technical account in Branch 2, which also had an impact on the increase in the range of uncertainty in case of forecasts of the overall balance on the technical account. Moreover, the pre-

sented forecasts were based on certain assumptions regarding the development of certain macroeconomic phenomena. They, too, evoke uncertainty as to subsequent accuracy of the forecasts. The prolongation of the forecast time span by 50% (one year) also contributes to that, which, by assumption, will reduce the chances for positive verification of ex-post results.

Summarizing the research, below (Table 29) you will find the overall values of three ratios characterising the insurance market and their forecasted changes for the years 2010-2012.

Table 29. Forecast of selected values for the insurance market in Poland for the years 2010-2012 and the actual values from 2009, current prices, billions of PLN

Years	Total gross premium written	Total gross claims paid	Total balance on the technical account
2009	51.3	40.2	4.0
2010	51.5	38.4	3.2
2011	55.9	36.0	4.1
2012	61.4	39.0	7.6

Source: own calculations based on data from the Polish Financial Supervision Authority, the International Monetary Fund and the National Bank of Poland.

The results of the calculations give reasons to look optimistically at the future of the Polish insurance market in the long run. It is anticipated that the overall premium written will increase during subsequent years, although 2010 itself will still be difficult in this respect. A drop in the payments of claims in 2010 and 2011 is forecasted (after which they will increase). This will contribute to a decrease of the gross balance on the technical account in 2010 in comparison to the preceding year. The values from 2009 will return in 2011, after which the situation will improve the year after.

The presented results of the analysis are the resultant of the trends observed in different sectors of the economy. Similarly to the Polish Chamber of Insurance, other institutions (such as the Gdańsk Institute of Market Eco-

nomics) and individual experts are also forecasting the situation in key sectors of the economy. That is where the information constituting the background for this analysis has been taken from. In the end the value of the forecasted premium is affected, apart from the situation in the areas of the economy like construction, industry, investments, by the situation on the capital markets and broadly understood mood of the public. The development of the situation on the insurance market may also be affected by the last flood which destroyed the assets of many households as well as the social and industrial infrastructure. Awakening of the insurance awareness in the society may have a significant impact on the situation on the property insurance market. However, the experiences of insurance companies may inspire them to take a passive stance in the light of the increasing demand for natural disaster insurance. The government's policy and the MPs' stance on the package of so-called flood bills will surely be important in this aspect.

Transferring the reflections regarding the value of the forecasted premium to other areas of the economy, it's worth emphasizing the increase in the demand for insurance protection in the form of guarantees. This relatively simple and easily available form of insurance protection will surely be becoming ever more popular among entrepreneurs, especially in the near future where we are dealing with a quite unstable situation in the economic micro-environment. The same applies to the growing need to insure customer receivables, thanks to which enterprises secure their financial liquidity. Especially in a situation where the processes associated with payment backlogs in the economy are gaining in strength, this type of insurance protection is gaining importance.

The phenomena presented above confirm the fact that within the next 2 or 3 years we should expect a balanced, stable growth of the gross premium written guaranteeing a harmonious development of the insurance sector.

Breakdown in table form
– insurance market in figures



3.1. Financial results of insurance companies

3.1.1. Distribution channels and employment

Gross premium written in Branch 1 in thousands of PLN

No.	Distribution channels	Individual insurance		Group insurance	
		2008	2009	2008	2009
1.	Direct sales – employees	2 541 520	2 916 701	6 400 926	6 872 749
2.	– Internet	41	15	0	0
3.	– Phone	14	0	0	0
4.	– other	12 485	497	62 612	69 657
5.	Insurance agents – natural persons	3 334 078	3 278 425	819 555	847 723
6.	– legal persons – banks	5 568 731	3 858 125	11 749 329	6 006 528
7.	– Credit Unions	85 893	1 214	49 947	58 431
8.	– other	3 286 855	3 032 556	2 632 518	1 489 509
9.	– entities without legal personality	394 160	45 213	252 722	260 345
10.	Insurance and reinsurance brokers – natural persons	20 172	18 580	88 864	83 966
11.	– legal persons	23 202	20 927	476 209	421 418
12.	Other distribution channels	1 163 969	71 805	20 815	923 787
13.	Total	16 431 120	13 244 058	22 553 497	17 034 113

Employment in Branch 1

No.	Title	No. of jobs/persons	
		2008	2009
1.	Managerial staff	693	543
2.	Consultants	2	3
3.	Actuaries	60	29
4.	Other employees (including full-time agents)	6 514 (12)	6 180 (4)
5.	Number of non full-time agents in persons	17 252	14 809

Gross premium written in Branch 2 in thousands of PLN

No.	Distribution channels	Gross premium	
		2008	2008
1.	Direct sales – employees	4 208 461	3 477 692
2.	– Internet	52 504	81 622
3.	– Phone	68 958	8 126
4.	– other	364 476	21 453
5.	Insurance agents – natural persons	8 540 074	9 260 552
6.	– legal persons – banks	422 709	728 717
7.	– Credit Unions	127 857	90 822
8.	– other	2 573 259	2 645 658
9.	– entities without legal personality	344 122	440 538
10.	– entrepreneurs (Article 10 of the Act on intermediation)	346 076	335 930
11.	Insurance and reinsurance brokers – natural persons	501 212	715 264
12.	– legal persons	2 409 027	2 739 949
13.	Other distribution channels	166 325	344 190
14.	Total	20 125 060	20 890 513

Employment in Branch 2

No.	Title	No. of jobs/persons	
		2008	2009
1.	Managerial staff	1 997	1 919
2.	Consultants	14	9
3.	Actuaries	38	33
4.	Other employees (including full-time agents)	20 266 (277)	20 413 (218)
5.	Number of non full-time agents in persons	38 113	42 244

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.2. Premium written

Gross premium written in thousands of PLN

No.	Branch	Gross premium written		Growth
		2008	2009	09/08
1.	Branch 1	38 985 758	30 278 171	77.7%
2.	Branch 2	20 358 090	20 890 513	103.8%
3.	Total	59 343 848	51 168 684	86.6%

Gross premium written in thousands of PLN in Branch 1

No.	Insurer	Gross premium written		Growth
		2008	2009	09/08
1.	AEGON S.A.	914 420	639 806	70.0%
2.	ALLIANZ ŻYCIE POLSKA S.A.	1 509 060	1 855 588	123.0%
3.	AMPLICO LIFE S.A.	1 734 178	1 562 866	90.1%
4.	AVIVA - ŻYCIE S.A.	3 993 935	1 666 055	41.7%
5.	AXA ŻYCIE S.A.	1 604 890	623 334	38.8%
6.	BENEFIA NA ŻYCIE S.A.	986 686	411 561	41.7%
7.	BZWBK - Aviva TUnŻ S.A.	59 013	169 892	287.9%
8.	CARDIF POLSKA S.A.	452 113	387 126	85.6%
9.	COMPENSA ŻYCIE S.A.	367 126	308 311	84.0%
10.	CONCORDIA CAPITAL S.A.	15 080	33 379	221.3%
11.	ERGO HESTIA STUnŻ S.A.	269 332	500 103	185.7%
12.	EUROPA ŻYCIE S.A.	2 657 004	2 692 884	101.4%
13.	GENERALI ŻYCIE S.A.	792 027	1 209 428	152.7%
14.	HDI-GERLING ŻYCIE S.A.	167 259	177 815	106.3%
15.	ING S.A.	3 876 007	2 548 479	65.8%
16.	INTER - ŻYCIE S.A.	6 050	1 958	32.4%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	3 758	6 171	164.2%
19.	METLIFE S.A.	429 035	123 282	28.7%
20.	NORDEA TUnŻ S.A.	1 336 407	1 211 968	90.7%
21.	POLISA - ŻYCIE S.A.	65 438	79 879	122.1%
22.	PRAMERICA S.A.	125 250	153 857	122.8%
23.	PZU ŻYCIE S.A.	13 082 075	9 918 240	75.8%
24.	REJENT LIFE T.U.W.	10 748	11 183	104.0%
25.	SIGNAL IDUNA ŻYCIE S.A.	16 906	19 623	116.1%
26.	SKANDIA ŻYCIE S.A.	377 560	330 950	87.7%
27.	SKOK ŻYCIE S.A.	48 529	62 631	129.1%
28.	UNIQA ŻYCIE S.A.	1 154 891	960 786	83.2%
29.	UNIVERSUM ŻYCIE S.A.	3 586	4 491	125.2%
30.	WARTA TUnŻ S.A.	2 926 256	2 606 524	89.1%
31.	Total	38 984 617	30 278 171	77.7%

Gross premium written in thousands of PLN in Branch 2

No.	Insurer	Gross premium written		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	1 619 723	1 601 596	98.9%
2.	AVIVA - TUO S.A.	193 161	201 490	104.3%
3.	AXA S.A.	26 111	57 564	220.5%
4.	BENEFIA S.A.	161 290	183 565	113.8%
5.	BEZPIECZNY DOM T.U.W.	922	35	3.8%
6.	BRE UBEZPIECZENIA S.A.	126 569	93 943	74.2%
7.	BZWBK - Aviva TUO S.A.	15 614	98 993	634.0%
8.	COMPENSA S.A.	585 632	722 980	123.5%
9.	CONCORDIA POLSKA T.U.W.	141 092	195 110	138.3%
10.	CUPRUM T.U.W.	23 273	22 622	97.2%
11.	D.A.S. S.A.	11 827	13 800	116.7%
12.	ERGO HESTIA S.A.	1 805 029	2 183 865	121.0%
13.	EULER HERMES S.A.	154 252	207 820	134.7%
14.	EUROPA S.A.	253 082	349 466	138.1%
15.	GENERALI S.A.	600 137	730 512	121.7%
16.	HDI-ASEKURACJA S.A.	856 590	838 956	97.9%
17.	HDI-GERLING POLSKA S.A.	89 520	88 533	98.9%
18.	INTER POLSKA S.A.	59 188	67 773	114.5%
19.	INTERRISK S.A.	715 428	769 062	107.5%
20.	KUKE S.A.	15 014	27 954	186.2%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	74 987	62 108	82.8%
23.	MTU S.A.	358 338	453 251	126.5%
24.	PARTNER S.A.	483	519	107.5%
25.	POCZTOWE T.U.W.	32 874	37 492	114.0%
26.	PTR S.A.	296 999	273 095	92.0%
27.	PTU S.A.	425 524	441 056	103.7%
28.	PZM S.A.	184 226	224 741	122.0%
29.	PZU S.A.	8 217 789	7 791 169	94.8%
30.	SIGNAL IDUNA POLSKA S.A.	76 389	71 525	93.6%
31.	SKOK T.U.W.	92 782	166 744	179.7%
32.	TUW T.U.W.	188 136	232 771	123.7%
33.	TUZ T.U.W.	39 897	50 528	126.6%
34.	UNIQA S.A.	664 871	770 412	115.9%
35.	WARTA S.A.	2 018 311	1 859 463	92.1%
36.	Total	20 125 060	20 890 513	103.8%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Gross premium written in thousands of PLN broken down by risk classes in Branch 1

No.	Risk class	Gross premium written		Growth	Share in gross premium written	
		2008	2009	09/08	2008	2009
1.	Class 1 – Life insurance	28 376 419	19 216 576	67.7%	72.7%	63.6%
2.	Class 2 – Marriage insurance, birth insurance	131 588	125 866	95.7%	0.3%	0.4%
3.	Class 3 – Life insurance linked to capital investment funds	6 289 242	6 458 122	102.7%	16.1%	21.3%
4.	Class 4 – Annuity insurance	61 654	71 192	115.5%	0.2%	0.2%
5.	Class 5 – Accident and sickness insurance if supplemental to the insurance referred to in classes 1-4	4 077 713	4 339 805	106.4%	10.5%	14.3%
6.	Active reinsurance	48 001	66 610	138.8%	0.1%	0.2%
7.	Total	38 984 617	30 278 171	77.7%	100.0%	100.0%

Gross premium written in thousands of PLN broken down by risk class in Branch 2

No.	Risk class	Gross premium written		Growth	Share in gross premium written	
		2008	2009	09/08	2008	2009
1	Class 1 – Accident insurance, including industrial injury and occupational disease	1 203 103	1 202 600	100.0%	6.0%	5.8%
2	Class 2 – Sickness insurance	296 240	277 882	93.8%	1.5%	1.3%
3	Class 3 – Casco insurance of land vehicles other than railway rolling stock	5 136 093	4 829 382	94.0%	25.5%	23.1%
4	Class 4 – Casco insurance of railway rolling stock	11 874	16 988	143.1%	0.1%	0.1%
5	Class 5 – Casco insurance of aircraft	17 133	20 211	118.0%	0.1%	0.1%
6	Class 6 – Insurance of vessels in sea and inland navigation	101 141	106 358	105.2%	0.5%	0.5%
7	Class 7 – Goods-in-transit insurance	112 745	92 299	81.9%	0.6%	0.4%
8	Class 8 – Insurance against fire and natural forces not included in classes 3-7	1 881 385	2 170 170	115.3%	9.3%	10.4%
9	Class 9 – Insurance against other damage to or loss of property not included in classes 3-8	1 432 975	1 542 016	107.6%	7.1%	7.4%
10	Class 10 – Motor vehicle liability – all liability arising out of the possession and use of self-propelled land vehicles	6 878 624	6 988 372	101.6%	34.2%	33.5%
11	Class 11 – Aircraft liability – all liability arising out of the possession and use of aircraft	21 463	24 049	112.0%	0.1%	0.1%
12	Class 12 – Liability for ships in sea and inland navigation arising out of the possession and use of sea and inland vessels	15 476	25 838	167.0%	0.1%	0.1%
13	Class 13 – General liability – all liability other than those forms included in classes 10-12	973 140	1 112 825	114.4%	4.8%	5.3%
14	Class 14 – Credit insurance	491 983	460 095	93.5%	2.4%	2.2%
15	Class 15 – Insurance guarantee	215 178	277 540	129.0%	1.1%	1.3%
16	Class 16 – Insurance of various financial risks	547 059	871 780	159.4%	2.7%	4.2%
17	Class 17 – Insurance of legal protection	71 858	95 392	132.8%	0.4%	0.5%
18	Class 18 – Insurance of assistance and benefits to persons encountering difficulties while travelling or when away from their place of residence	207 239	286 740	138.4%	1.0%	1.4%
19	Class 19 – Active reinsurance	510 351	489 976	96.0%	2.5%	2.3%
20	Total	20 125 060	20 890 513	103.8%	100.0%	100.0%

Net premium written in thousands of PLN

No.	Branch	Net premium written		Growth
		2008	2009	09/08
1.	Branch 1	37 328 109	29 291 263	78.5%
2.	Branch 2	17 247 135	18 178 924	106.8%
3.	Total	54 575 244	47 470 187	87.4%

Net premium written in thousands of PLN in Branch 1

No.	Insurer	Net premium written		Growth
		2008	2009	09/08
1.	AEGON S.A.	801 272	639 047	79.8%
2.	ALLIANZ ŻYCIE POLSKA S.A.	1 462 190	1 922 904	131.5%
3.	AMPLICO LIFE S.A.	1 357 566	1 522 753	112.2%
4.	AVIVA - ŻYCIE S.A.	3 991 008	1 662 011	41.6%
5.	AXA ŻYCIE S.A.	1 602 772	620 460	38.7%
6.	BENEFIA NA ŻYCIE S.A.	982 067	408 518	41.6%
7.	BZWBK - Aviva TUnŻ S.A.	59 012	169 891	287.9%
8.	CARDIF POLSKA S.A.	450 594	386 079	85.7%
9.	COMPENSA ŻYCIE S.A.	370 242	302 819	81.8%
10.	CONCORDIA CAPITAL S.A.	14 889	33 159	222.7%
11.	ERGO HESTIA STUnŻ S.A.	249 914	478 545	191.5%
12.	EUROPA ŻYCIE S.A.	2 642 688	2 691 883	101.9%
13.	GENERALI ŻYCIE S.A.	779 277	1 191 213	152.9%
14.	HDI-GERLING ŻYCIE S.A.	105 126	105 030	99.9%
15.	ING S.A.	3 310 874	1 686 065	50.9%
16.	INTER - ŻYCIE S.A.	5 923	1 847	31.2%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	2 205	4 643	210.6%
19.	METLIFE S.A.	428 255	122 284	28.6%
20.	NORDEA TUnŻ S.A.	1 337 184	1 210 882	90.6%
21.	POLISA - ŻYCIE S.A.	65 636	79 812	121.6%
22.	PRAMERICA S.A.	122 003	150 566	123.4%
23.	PZU ŻYCIE S.A.	13 040 246	9 917 296	76.1%
24.	REJENT LIFE T.U.W.	10 755	11 185	104.0%
25.	SIGNAL IDUNA ŻYCIE S.A.	16 683	19 399	116.3%
26.	SKANDIA ŻYCIE S.A.	376 631	329 773	87.6%
27.	SKOK ŻYCIE S.A.	47 731	58 084	121.7%
28.	UNIQA ŻYCIE S.A.	1 152 415	957 191	83.1%
29.	UNIVERSUM ŻYCIE S.A.	2 611	4 189	160.4%
30.	WARTA TUnŻ S.A.	2 535 557	2 603 735	102.7%
31.	Total	37 323 326	29 291 263	78.5%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Net premium written in thousands of PLN in Branch 2

No.	Insurer	Net premium written		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	1 168 902	1 287 048	110.1%
2.	AVIVA - TUO S.A.	108 107	144 825	134.0%
3.	AXA S.A.	2 291	10 928	477.0%
4.	BENEFIA S.A.	137 277	148 819	108.4%
5.	BEZPIECZNY DOM T.U.W.	1 303	1 470	112.8%
6.	BRE UBEZPIECZENIA S.A.	41 294	75 989	184.0%
7.	BZWBK - Aviva TUO S.A.	12 391	59 580	480.8%
8.	COMPENSA S.A.	507 853	601 273	118.4%
9.	CONCORDIA POLSKA T.U.W.	75 348	110 044	146.0%
10.	CUPRUM T.U.W.	19 412	20 076	103.4%
11.	D.A.S. S.A.	4 199	4 906	116.8%
12.	ERGO HESTIA S.A.	1 439 679	1 688 179	117.3%
13.	EULER HERMES S.A.	20 454	26 808	131.1%
14.	EUROPA S.A.	198 251	238 470	120.3%
15.	GENERALI S.A.	445 337	532 810	119.6%
16.	HDI-ASEKURACJA S.A.	699 715	667 466	95.4%
17.	HDI-GERLING POLSKA S.A.	63 947	51 996	81.3%
18.	INTER POLSKA S.A.	39 448	46 878	118.8%
19.	INTERRISK S.A.	580 391	627 069	108.0%
20.	KUKE S.A.	10 456	-2 457	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	67 302	62 608	93.0%
23.	MTU S.A.	293 670	395 224	134.6%
24.	PARTNER S.A.	149	502	336.9%
25.	POCZTOWE T.U.W.	23 811	17 611	74.0%
26.	PTR S.A.	280 552	257 310	91.7%
27.	PTU S.A.	294 462	319 906	108.6%
28.	PZM S.A.	96 173	213 651	222.2%
29.	PZU S.A.	8 028 557	7 939 042	98.9%
30.	SIGNAL IDUNA POLSKA S.A.	68 759	64 216	93.4%
31.	SKOK T.U.W.	69 531	97 469	140.2%
32.	TUW T.U.W.	142 114	181 272	127.6%
33.	TUZ T.U.W.	34 562	36 978	107.0%
34.	UNIQA S.A.	397 411	479 107	120.6%
35.	WARTA S.A.	1 646 149	1 771 851	107.6%
36.	Total	17 019 257	18 178 924	106.8%

3.1.3. Claims paid

Gross claims in thousands of PLN

No.	Branch	Gross claims		Growth
		2008	2009	09/08
1.	Branch 1	19 334 348	27 716 045	143.4%
2.	Branch 2	10 132 628	12 364 968	122.0%
3.	Total	29 466 976	40 081 013	136.0%

Gross claims in thousands of PLN in Branch 1

No.	Insurer	Gross claims		Growth
		2008	2009	09/08
1.	AEGON S.A.	1 279 314	759 196	59.3%
2.	ALLIANZ ŻYCIE POLSKA S.A.	737 169	1 204 135	163.3%
3.	AMPLICO LIFE S.A.	706 456	619 913	87.7%
4.	AVIVA - ŻYCIE S.A.	2 533 417	2 246 305	88.7%
5.	AXA ŻYCIE S.A.	584 638	925 065	158.2%
6.	BENEFIA NA ŻYCIE S.A.	375 789	297 658	79.2%
7.	BZWBK - Aviva TUnŻ S.A.	148	5 991	4048.0%
8.	CARDIF POLSKA S.A.	46 351	71 507	154.3%
9.	COMPENSA ŻYCIE S.A.	113 483	206 242	181.7%
10.	CONCORDIA CAPITAL S.A.	3 740	6 006	160.6%
11.	ERGO HESTIA STUnŻ S.A.	96 511	118 332	122.6%
12.	EUROPA ŻYCIE S.A.	833 236	1 337 263	160.5%
13.	GENERALI ŻYCIE S.A.	482 252	507 162	105.2%
14.	HDI-GERLING ŻYCIE S.A.	162 644	104 732	64.4%
15.	ING S.A.	561 668	3 163 815	563.3%
16.	INTER - ŻYCIE S.A.	3 689	1 412	38.3%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	762	545	71.5%
19.	METLIFE S.A.	67 202	179 493	267.1%
20.	NORDEA TUnŻ S.A.	988 708	1 143 918	115.7%
21.	POLISA - ŻYCIE S.A.	34 805	48 991	140.8%
22.	PRAMERICA S.A.	29 414	37 680	128.1%
23.	PZU ŻYCIE S.A.	7 405 086	10 193 045	137.6%
24.	REJENT LIFE T.U.W.	2 959	3 635	122.8%
25.	SIGNAL IDUNA ŻYCIE S.A.	10 570	9 725	92.0%
26.	SKANDIA ŻYCIE S.A.	255 328	176 577	69.2%
27.	SKOK ŻYCIE S.A.	30 358	18 775	61.8%
28.	UNIQA ŻYCIE S.A.	643 744	1 098 468	170.6%
29.	UNIVERSUM ŻYCIE S.A.	763	1 907	249.9%
30.	WARTA TUnŻ S.A.	1 344 144	3 228 552	240.2%
31.	Total	19 334 348	27 716 045	143.4%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Gross claims in thousands of PLN in Branch 2

No.	Insurer	Gross claims		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	819 767	962 110	117.4%
2.	AVIVA - TUO S.A.	41 915	85 244	203.4%
3.	AXA S.A.	3 105	50 434	1624.3%
4.	BENEFIA S.A.	88 250	112 790	127.8%
5.	BEZPIECZNY DOM T.U.W.	0	0	X
6.	BRE UBEZPIECZENIA S.A.	10 626	24 184	227.6%
7.	BZWBK - Aviva TUO S.A.	67	3 089	4610.4%
8.	COMPENSA S.A.	314 116	387 642	123.4%
9.	CONCORDIA POLSKA T.U.W.	50 238	87 619	174.4%
10.	CUPRUM T.U.W.	7 991	12 923	161.7%
11.	D.A.S. S.A.	2 619	3 009	114.9%
12.	ERGO HESTIA S.A.	811 371	1 142 473	140.8%
13.	EULER HERMES S.A.	69 275	155 802	224.9%
14.	EUROPA S.A.	208	5 451	2620.7%
15.	GENERALI S.A.	245 703	399 435	162.6%
16.	HDI-ASEKURACJA S.A.	499 797	508 612	101.8%
17.	HDI-GERLING POLSKA S.A.	41 633	25 363	60.9%
18.	INTER POLSKA S.A.	18 810	23 780	126.4%
19.	INTERRISK S.A.	249 375	345 410	138.5%
20.	KUKE S.A.	9 715	13 358	137.5%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	36 912	37 034	100.3%
23.	MTU S.A.	147 781	245 685	166.2%
24.	PARTNER S.A.	264	30	11.4%
25.	POCZTOWE T.U.W.	30 392	24 527	80.7%
26.	PTR S.A.	191 158	176 609	92.4%
27.	PTU S.A.	235 197	257 707	109.6%
28.	PZM S.A.	43 923	152 408	347.0%
29.	PZU S.A.	4 586 363	5 184 674	113.0%
30.	SIGNAL IDUNA POLSKA S.A.	45 990	53 211	115.7%
31.	SKOK T.U.W.	3 456	4 816	139.4%
32.	TUW T.U.W.	89 446	116 705	130.5%
33.	TUZ T.U.W.	22 914	19 324	84.3%
34.	UNIQA S.A.	368 970	481 818	130.6%
35.	WARTA S.A.	1 045 281	1 261 692	120.7%
36.	Total	10 132 628	12 364 968	122.0%

Gross claims in thousands of PLN broken down by risk class in Branch 1

No.	Risk class	Gross claims		Growth in %	Share in Total claims paid	
		2008	2009	09/08	2008	2009
1.	Class 1 – Life insurance	11 195 821	21 715 962	194.0%	57.9%	78.4%
2.	Class 2 – Marriage insurance, birth insurance	171 971	167 399	97.3%	0.9%	0.6%
3.	Class 3 – Life insurance linked to capital investment funds	6 695 896	4 376 443	65.4%	34.6%	15.8%
4.	Class 4 – Annuity insurance	55 536	61 199	110.2%	0.3%	0.2%
5.	Class 5 – Accident and sickness insurance if supplemental to the insurance referred to in classes 1-4	1 193 230	1 366 932	114.6%	6.2%	4.9%
6.	Active reinsurance	21 894	28 110	128.4%	0.1%	0.1%
7.	Total	19 334 348	27 716 045	143.4%	100.0%	100.0%

Gross claims in thousands of PLN broken down by risk class in Branch 2

No.	Risk class	Gross claims		Growth in %	Share in Total claims paid	
		2008	2009	09/08	2008	2009
1	Class 1 – Accident insurance, including industrial injury and occupational disease	224 424	258 914	115.4%	2.2%	2.1%
2	Class 2 – Sickness insurance	91 902	119 541	130.1%	0.9%	1.0%
3	Class 3 – Casco insurance of land vehicles other than railway rolling stock	3 072 383	3 708 088	120.7%	30.3%	29.9%
4	Class 4 – Casco insurance of railway rolling stock	8 037	8 129	101.1%	0.1%	0.1%
5	Class 5 – Casco insurance of aircraft	12 254	12 660	103.3%	0.1%	0.1%
6	Class 6 – Insurance of vessels in sea and inland navigation	107 311	129 856	121.0%	1.1%	1.1%
7	Class 7 – Goods-in-transit insurance	50 140	46 839	93.4%	0.5%	0.4%
8	Class 8 – Insurance against fire and natural forces not included in classes 3-7	904 513	1 211 530	133.9%	8.9%	9.8%
9	Class 9 – Insurance against other damage to or loss of property not included in classes 3-8	518 744	555 452	107.1%	5.1%	4.5%
10	Class 10 – Motor vehicle liability – all liability arising out of the possession and use of self-propelled land vehicles	4 295 147	5 066 447	118.0%	42.4%	40.9%
11	Class 11 – Aircraft liability – all liability arising out of the possession and use of aircraft	1 558	741	47.6%	0.0%	0.0%
12	Class 12 – Liability for ships in sea and inland navigation arising out of the possession and use of sea and inland vessels	7 068	6 842	96.8%	0.1%	0.1%
13	Class 13 – General liability - all liability other than those forms included in classes 10-12	335 527	503 413	150.0%	3.3%	4.1%
14	Class 14 – Credit insurance	86 809	207 956	239.6%	0.9%	1.7%
15	Class 15 – Insurance guarantee	21 047	59 190	281.2%	0.2%	0.5%
16	Class 16 – Insurance of various financial risks	41 037	59 806	145.7%	0.4%	0.5%
17	Class 17 – Insurance of legal protection	4 196	5 616	133.8%	0.0%	0.0%
18	Class 18 – Insurance of assistance and benefits to persons encountering difficulties while travelling or when away from their place of residence	80 189	108 769	135.6%	0.8%	0.9%
19	Class 19 – Active reinsurance	270 342	295 179	109.2%	2.7%	2.4%
20	Total	10 132 628	12 364 968	122.0%	100.0%	100.0%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Net claims in thousands of PLN

No.	Branch	Net claims		Growth
		2008	2009	09/08
1.	Branch 1	19 399 794	26 931 701	138.8%
2.	Branch 2	10 450 403	12 248 934	117.2%
3.	Total	29 850 197	39 180 635	131.3%

Net claims in thousands of PLN in Branch 1

No.	Insurer	Net claims		Growth
		2008	2009	09/08
1.	AEGON S.A.	1 277 163	757 778	59.3%
2.	ALLIANZ ŻYCIE POLSKA S.A.	757 957	1 190 959	157.1%
3.	AMPLICO LIFE S.A.	683 215	621 643	91.0%
4.	AVIVA - ŻYCIE S.A.	2 545 175	2 248 647	88.3%
5.	AXA ŻYCIE S.A.	588 144	939 888	159.8%
6.	BENEFIA NA ŻYCIE S.A.	377 237	299 166	79.3%
7.	BZWBK - Aviva TUnŻ S.A.	595	5 771	969.9%
8.	CARDIF POLSKA S.A.	56 688	78 916	139.2%
9.	COMPENSA ŻYCIE S.A.	114 305	208 882	182.7%
10.	CONCORDIA CAPITAL S.A.	3 877	6 852	176.7%
11.	ERGO HESTIA STUnŻ S.A.	99 550	121 043	121.6%
12.	EUROPA ŻYCIE S.A.	840 021	1 354 974	161.3%
13.	GENERALI ŻYCIE S.A.	488 469	520 801	106.6%
14.	HDI-GERLING ŻYCIE S.A.	136 028	72 898	53.6%
15.	ING S.A.	539 447	2 309 331	428.1%
16.	INTER - ŻYCIE S.A.	3 509	1 093	31.1%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	563	463	82.2%
19.	METLIFE S.A.	70 694	201 791	285.4%
20.	NORDEA TUnŻ S.A.	1 008 529	1 130 535	112.1%
21.	POLISA - ŻYCIE S.A.	32 767	49 795	152.0%
22.	PRAMERICA S.A.	29 443	35 866	121.8%
23.	PZU ŻYCIE S.A.	7 492 405	10 271 425	137.1%
24.	REJENT LIFE T.U.W.	2 879	3 589	124.7%
25.	SIGNAL IDUNA ŻYCIE S.A.	10 664	9 687	90.8%
26.	SKANDIA ŻYCIE S.A.	254 645	179 306	70.4%
27.	SKOK ŻYCIE S.A.	31 066	19 853	63.9%
28.	UNIQA ŻYCIE S.A.	646 085	1 101 457	170.5%
29.	UNIVERSUM ŻYCIE S.A.	887	2 122	239.2%
30.	WARTA TUnŻ S.A.	1 307 787	3 187 170	243.7%
31.	Total	19 399 794	26 931 701	138.8%

Net claims in thousands of PLN in Branch 2

No.	Insurer	Net claims		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	724 481	830 113	114.6%
2.	AVIVA - TUO S.A.	48 366	100 703	208.2%
3.	AXA S.A.	3 486	8 800	252.4%
4.	BENEFIA S.A.	102 880	108 233	105.2%
5.	BEZPIECZNY DOM T.U.W.	6	17	283.3%
6.	BRE UBEZPIECZENIA S.A.	9 299	15 602	167.8%
7.	BZWBK - Aviva TUO S.A.	1 399	6 953	497.0%
8.	COMPENSA S.A.	326 279	429 126	131.5%
9.	CONCORDIA POLSKA T.U.W.	38 489	61 041	158.6%
10.	CUPRUM T.U.W.	6 245	12 146	194.5%
11.	D.A.S. S.A.	1 403	1 146	81.7%
12.	ERGO HESTIA S.A.	896 481	1 136 488	126.8%
13.	EULER HERMES S.A.	17 525	33 904	193.5%
14.	EUROPA S.A.	1 772	8 720	492.1%
15.	GENERALI S.A.	299 738	420 886	140.4%
16.	HDI-ASEKURACJA S.A.	420 265	441 418	105.0%
17.	HDI-GERLING POLSKA S.A.	36 140	21 145	58.5%
18.	INTER POLSKA S.A.	14 245	21 890	153.7%
19.	INTERRISK S.A.	304 040	370 850	122.0%
20.	KUKE S.A.	8 231	15 336	186.3%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	40 779	37 770	92.6%
23.	MTU S.A.	199 338	282 378	141.7%
24.	PARTNER S.A.	570	188	33.0%
25.	POCZTOWE T.U.W.	11 611	9 783	84.3%
26.	PTR S.A.	218 897	194 892	89.0%
27.	PTU S.A.	194 028	206 495	106.4%
28.	PZM S.A.	75 581	177 532	234.9%
29.	PZU S.A.	5 063 091	5 465 575	107.9%
30.	SIGNAL IDUNA POLSKA S.A.	59 929	40 125	67.0%
31.	SKOK T.U.W.	5 088	-2 369	X
32.	TUW T.U.W.	85 369	135 675	158.9%
33.	TUZ T.U.W.	19 523	14 708	75.3%
34.	UNIQA S.A.	231 593	304 914	131.7%
35.	WARTA S.A.	984 236	1 336 751	135.8%
36.	Total	10 450 403	12 248 934	117.2%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.4. Balance on technical account

Balance on technical account in thousands of PLN

No.	Branch	Balance on technical account		Growth
		2008	2009	09/08
1.	Branch 1	3 463 747	4 248 764	122.7%
2.	Branch 2	768 064	-222 132	X
3.	Total	4 231 811	4 026 632	95.2%

Balance on technical account in thousands of PLN in Branch 1

No.	Insurer	Balance on technical account		Growth
		2008	2009	09/08
1.	AEGON S.A.	71 083	83 907	118.0%
2.	ALLIANZ ŻYCIE POLSKA S.A.	20 870	50 310	241.1%
3.	AMPLICO LIFE S.A.	324 944	304 545	93.7%
4.	AVIVA - ŻYCIE S.A.	429 566	465 304	108.3%
5.	AXA ŻYCIE S.A.	-56 212	-46 944	X
6.	BENEFIA NA ŻYCIE S.A.	3 730	5 004	134.2%
7.	BZWBK - Aviva TUnŻ S.A.	-3 624	-1 816	X
8.	CARDIF POLSKA S.A.	27 050	23 717	87.7%
9.	COMPENSA ŻYCIE S.A.	10 836	15 826	146.1%
10.	CONCORDIA CAPITAL S.A.	-464	792	X
11.	ERGO HESTIA STUnŻ S.A.	5 819	15 028	258.3%
12.	EUROPA ŻYCIE S.A.	28 458	55 595	195.4%
13.	GENERALI ŻYCIE S.A.	16 058	26 170	163.0%
14.	HDI-GERLING ŻYCIE S.A.	-21 655	-25 486	X
15.	ING S.A.	203 054	248 657	122.5%
16.	INTER - ŻYCIE S.A.	-1 296	1 510	X
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	-3 144	-2 842	X
19.	METLIFE S.A.	11 513	11 237	97.6%
20.	NORDEA TUnŻ S.A.	1 528	-4 254	X
21.	POLISA - ŻYCIE S.A.	4 016	2 887	71.9%
22.	PRAMERICA S.A.	6 466	2 524	39.0%
23.	PZU ŻYCIE S.A.	2 302 962	2 920 941	126.8%
24.	REJENT LIFE T.U.W.	-1 548	2 096	X
25.	SIGNAL IDUNA ŻYCIE S.A.	-4 606	-5 029	X
26.	SKANDIA ŻYCIE S.A.	45 937	37 057	80.7%
27.	SKOK ŻYCIE S.A.	12 875	15 718	122.1%
28.	UNIQA ŻYCIE S.A.	756	3 160	418.0%
29.	UNIVERSUM ŻYCIE S.A.	-511	-681	X
30.	WARTA TUnŻ S.A.	29 286	43 831	149.7%
31.	Total	3 463 747	4 248 764	122.7%

Balance on technical account in thousands of PLN in Branch 2

No.	Insurer	Balance on technical account		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	13 346	-26 586	X
2.	AVIVA - TUO S.A.	-42 688	-53 519	X
3.	AXA S.A.	-16 154	-20 748	X
4.	BENEFIA S.A.	-2 180	-891	X
5.	BEZPIECZNY DOM T.U.W.	441	638	144.7%
6.	BRE UBEZPIECZENIA S.A.	-1 161	12 547	X
7.	BZWBK - Aviva TUO S.A.	-4 055	619	X
8.	COMPENSA S.A.	3 180	-13 109	X
9.	CONCORDIA POLSKA T.U.W.	1 461	3 333	228.1%
10.	CUPRUM T.U.W.	-548	552	X
11.	D.A.S. S.A.	-2 091	-1 783	X
12.	ERGO HESTIA S.A.	56 275	-27 203	X
13.	EULER HERMES S.A.	15 201	640	4.2%
14.	EUROPA S.A.	63 417	58 443	92.2%
15.	GENERALI S.A.	-36 326	-76 902	X
16.	HDI-ASEKURACJA S.A.	-2 646	-20 378	X
17.	HDI-GERLING POLSKA S.A.	8 523	6 113	71.7%
18.	INTER POLSKA S.A.	-5 450	-7 684	X
19.	INTERRISK S.A.	15 683	5 317	33.9%
20.	KUKE S.A.	-961	-23 141	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	10 397	9 198	88.5%
23.	MTU S.A.	-3 090	1 823	X
24.	PARTNER S.A.	-1 170	-148	X
25.	POCZTOWE T.U.W.	-1 133	-1 637	X
26.	PTR S.A.	-15 542	5 249	X
27.	PTU S.A.	-22 875	-6 211	X
28.	PZM S.A.	-29 364	-23 763	X
29.	PZU S.A.	718 263	133 583	18.6%
30.	SIGNAL IDUNA POLSKA S.A.	-29 790	-13 405	X
31.	SKOK T.U.W.	29 143	57 817	198.4%
32.	TUW T.U.W.	1 284	-4 915	X
33.	TUZ T.U.W.	-2 886	2 678	X
34.	UNIQA S.A.	-1 037	-9 130	X
35.	WARTA S.A.	52 597	-189 529	X
36.	Total	768 064	-222 132	X

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.5. Net operating expenses

Net operating expenses in thousands of PLN

No.	Branch	Net operating expenses		Growth 09/08	Acquisition costs		Growth 09/08	Administrative expenses		Growth 09/08	Commissions received		Growth 09/08
		2008	2009		2008	2009		2008	2009		2008	2009	
1.	Branch 1	4 946 671	5 422 699	109.6%	3 590 926	3 846 321	107.1%	1 552 201	1 603 834	103.3%	196 456	27 456	14.0%
2.	Branch 2	5 141 866	5 781 227	112.4%	3 666 538	4 181 171	114.0%	1 916 969	2 051 602	107.0%	441 641	451 546	102.2%
3.	Total	10 088 537	11 203 926	111.1%	7 257 464	8 027 492	110.6%	3 469 170	3 655 436	105.4%	638 097	479 002	75.1%

Net operating expenses in thousands of PLN in Branch 1

No.	Insurer	Net operating expenses		Growth 09/08	Acquisition costs		Growth 09/08	Administrative expenses		Growth 09/08	Commissions received		Growth 09/08
		2008	2009		2008	2009		2008	2009		2008	2009	
1.	AEGON S.A.	101 467	186 367	183.7%	171 502	144 233	84.1%	41 837	42 183	100.8%	111 872	49	0.0%
2.	ALLIANZ ŻYCIE POLSKA S.A.	483 681	605 434	125.2%	463 988	585 707	126.2%	20 467	20 603	100.7%	774	876	113.2%
3.	AMPLICO LIFE S.A.	619 581	777 656	125.5%	521 777	683 357	131.0%	110 474	108 975	98.6%	12 670	14 676	115.8%
4.	AVIVA - ŻYCIE S.A.	340 413	339 492	99.7%	203 082	202 322	99.6%	137 463	136 918	99.6%	132	-252	X
5.	AXA ŻYCIE S.A.	122 883	161 247	131.2%	69 681	89 679	128.7%	53 541	71 761	134.0%	339	193	56.9%
6.	BENEFIA NA ŻYCIE S.A.	284 898	335 086	117.6%	270 802	321 805	118.8%	14 474	13 320	92.0%	378	39	10.3%
7.	BZWBK - Aviva TUnŻ S.A.	8 303	28 515	343.4%	3 402	19 459	572.0%	4 901	9 056	184.8%	0	0	X
8.	CARDIF POLSKA S.A.	348 748	296 266	85.0%	332 970	278 939	83.8%	15 778	17 327	109.8%	0	0	X
9.	COMPENSA ŻYCIE S.A.	132 578	115 400	87.0%	103 999	88 573	85.2%	28 998	26 978	93.0%	419	151	36.0%
10.	CONCORDIA CAPITAL S.A.	9 230	20 461	221.7%	6 238	16 959	271.9%	3 039	3 516	115.7%	47	14	29.8%
11.	ERGO HESTIA STUnŻ S.A.	131 232	242 817	185.0%	113 175	224 444	198.3%	20 706	21 655	104.6%	2 649	3 282	123.9%
12.	EUROPA ŻYCIE S.A.	316 977	259 897	82.0%	295 736	237 273	80.2%	21 909	22 570	103.0%	668	-54	X
13.	GENERALI ŻYCIE S.A.	121 729	68 291	56.1%	83 269	33 352	40.1%	41 325	39 478	95.5%	2 865	4 539	158.4%
14.	HDI-GERLING ŻYCIE S.A.	53 823	57 186	106.2%	38 358	41 680	108.7%	35 282	31 432	89.1%	19 817	15 926	80.4%
15.	ING S.A.	328 883	299 278	91.0%	235 766	188 746	80.1%	100 476	114 873	114.3%	7 359	4 341	59.0%
16.	INTER - ŻYCIE S.A.	3 025	1 308	43.2%	1 271	135	10.6%	1 825	1 238	67.8%	71	65	91.5%
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X	no data	no data	X	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	5 418	6 497	119.9%	3 000	3 433	114.4%	2 804	3 064	109.3%	386	0	X
19.	METLIFE S.A.	75 820	73 459	96.9%	21 475	15 468	72.0%	54 345	57 991	106.7%	0	0	X
20.	NORDEA TUnŻ S.A.	52 395	50 360	96.1%	33 353	29 550	88.6%	19 350	20 962	108.3%	308	152	49.4%
21.	POLISA - ŻYCIE S.A.	26 406	26 776	101.4%	4 652	5 075	109.1%	21 782	21 715	99.7%	28	14	50.0%
22.	PRAMERICA S.A.	67 418	88 332	131.0%	8 330	10 196	122.4%	49 110	62 596	127.5%	-9 978	-15 540	X
23.	PZU ŻYCIE S.A.	1 008 007	1 068 252	106.0%	355 411	415 994	117.0%	652 596	654 510	100.3%	0	2 252	X
24.	REJENT LIFE T.U.W.	952	1 057	111.0%	0	0	X	952	1 057	111.0%	0	0	X
25.	SIGNAL IDUNA ŻYCIE S.A.	11 633	15 102	129.8%	4 619	9 523	206.2%	7 020	5 585	79.6%	6	6	100.0%
26.	SKANDIA ŻYCIE S.A.	105 447	109 562	103.9%	60 163	61 937	102.9%	45 511	47 869	105.2%	227	244	107.5%
27.	SKOK ŻYCIE S.A.	23 999	29 106	121.3%	16 264	20 656	127.0%	7 735	8 450	109.2%	0	0	X
28.	UNIQA ŻYCIE S.A.	26 227	29 018	110.6%	22 431	25 205	112.4%	6 007	6 852	114.1%	2 211	3 039	137.4%
29.	UNIVERSUM ŻYCIE S.A.	3 150	3 724	118.2%	375	824	219.7%	2 814	2 909	103.4%	39	9	23.1%
30.	WARTA TUnŻ S.A.	132 348	126 753	95.8%	145 837	91 797	62.9%	29 680	28 391	95.7%	43 169	-6 565	X
31.	Total	4 946 671	5 422 699	109.6%	3 590 926	3 846 321	107.1%	1 552 201	1 603 834	103.3%	196 456	27 456	14.0%

Net operating expenses in thousands of PLN in Branch 2

No.	Insurer	Net operating expenses		Growth	Acquisition costs		Growth	Administrative expenses		Growth	Commissions received		Growth
		2008	2009	09/08	2008	2009	09/08	2008	2009	09/08	2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	358 756	439 457	122.5%	365 199	430 424	117.9%	46 521	55 492	119.3%	52 964	46 459	87.7%
2.	AVIVA - TUO S.A.	96 937	94 530	97.5%	71 921	64 849	90.2%	27 136	32 483	119.7%	2 120	2 802	132.2%
3.	AXA S.A.	15 144	23 021	152.0%	2 085	4 783	229.4%	15 659	23 853	152.3%	2 600	5 615	216.0%
4.	BENEFIA S.A.	33 649	41 694	123.9%	23 953	31 158	130.1%	12 090	11 912	98.5%	2 394	1 376	57.5%
5.	BEZPIECZNY DOM T.U.W.	872	826	94.7%	71	59	83.1%	801	767	95.8%	0	0	X
6.	BRE UBEZPIECZENIA S.A.	30 704	47 879	155.9%	31 429	48 985	155.9%	5 997	9 865	164.5%	6 722	10 971	163.2%
7.	BZWBK - Aviva TUO S.A.	15 034	51 953	345.6%	9 929	39 231	395.1%	5 105	12 722	249.2%	0	0	X
8.	COMPENSA S.A.	150 868	166 829	110.6%	117 997	132 033	111.9%	35 828	40 103	111.9%	2 957	5 307	179.5%
9.	CONCORDIA POLSKA T.U.W.	29 773	41 242	138.5%	26 487	41 638	157.2%	11 287	14 582	129.2%	8 001	14 978	187.2%
10.	CUPRUM T.U.W.	1 772	2 912	164.3%	681	666	97.8%	2 456	2 493	101.5%	1 365	247	18.1%
11.	D.A.S. S.A.	4 637	5 207	112.3%	8 166	9 407	115.2%	3 426	3 611	105.4%	6 955	7 811	112.3%
12.	ERGO HESTIA S.A.	454 423	557 097	122.6%	399 795	499 219	124.9%	81 354	94 090	115.7%	26 726	36 212	135.5%
13.	EULER HERMES S.A.	-17 177	-14 132	X	22 837	21 583	94.5%	9 325	11 103	119.1%	49 339	46 818	94.9%
14.	EUROPA S.A.	103 676	143 340	138.3%	84 323	120 075	142.4%	19 880	24 145	121.5%	527	880	167.0%
15.	GENERALI S.A.	142 019	157 494	110.9%	90 087	110 408	122.6%	58 288	70 119	120.3%	6 356	23 033	362.4%
16.	HDI-ASEKURACJA S.A.	207 959	210 672	101.3%	122 500	129 095	105.4%	120 307	119 546	99.4%	34 848	37 969	109.0%
17.	HDI-GERLING POLSKA S.A.	18 725	19 764	105.5%	16 556	17 327	104.7%	7 265	7 248	99.8%	5 096	4 811	94.4%
18.	INTER POLSKA S.A.	31 255	32 688	104.6%	23 969	25 250	105.3%	11 589	12 316	106.3%	4 303	4 878	113.4%
19.	INTERRISK S.A.	217 515	225 111	103.5%	142 784	152 713	107.0%	80 071	81 418	101.7%	5 340	9 020	168.9%
20.	KUKE S.A.	11 796	11 083	94.0%	4 630	4 442	95.9%	9 355	8 164	87.3%	2 189	1 523	69.6%
21.	LINK4 S.A.	no data	no data	X	no data	no data	X	no data	no data	X	no data	no data	X
22.	MONDIAL ASSISTANCE	14 525	13 350	91.9%	9 273	7 691	82.9%	5 252	5 683	108.2%	0	24	X
23.	MTU S.A.	61 684	79 675	129.2%	42 557	57 907	136.1%	19 127	21 768	113.8%	0	0	X
24.	PARTNER S.A.	798	458	57.4%	0	60	X	798	398	49.9%	0	0	X
25.	POCZTOWE T.U.W.	8 356	6 862	82.1%	4 809	3 712	77.2%	5 789	5 802	100.2%	2 242	2 652	118.3%
26.	PTR S.A.	78 984	59 174	74.9%	67 458	47 704	70.7%	11 674	11 741	100.6%	148	271	183.1%
27.	PTU S.A.	98 452	100 939	102.5%	66 647	73 812	110.8%	52 051	56 046	107.7%	20 246	28 919	142.8%
28.	PZM S.A.	33 151	54 854	165.5%	23 744	42 940	180.8%	9 484	12 204	128.7%	77	290	376.6%
29.	PZU S.A.	2 080 925	2 247 677	108.0%	1 230 011	1 287 578	104.7%	939 278	1 006 743	107.2%	88 364	46 644	52.8%
30.	SIGNAL IDUNA POLSKA S.A.	38 499	36 230	94.1%	18 323	17 981	98.1%	21 800	19 452	89.2%	1 624	1 203	74.1%
31.	SKOK T.U.W.	33 425	40 531	121.3%	20 962	28 061	133.9%	12 466	12 474	100.1%	3	4	133.3%
32.	TUW T.U.W.	39 299	46 866	119.3%	23 833	30 154	126.5%	23 042	26 883	116.7%	7 576	10 171	134.3%
33.	TUZ T.U.W.	14 102	17 918	127.1%	11 210	14 084	125.6%	4 882	4 813	98.6%	1 990	979	49.2%
34.	UNIQA S.A.	134 896	162 405	120.4%	140 464	178 523	127.1%	62 748	64 529	102.8%	68 316	80 647	118.0%
35.	WARTA S.A.	596 433	655 621	109.9%	441 848	507 619	114.9%	184 838	167 034	90.4%	30 253	19 032	62.9%
36.	Total	5 141 866	5 781 227	112.4%	3 666 538	4 181 171	114.0%	1 916 969	2 051 602	107.0%	441 641	451 546	102.2%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Share of net operating expenses in gross premium written in thousands of PLN

No.	Branch	Acquisition costs		Share in gross premium written		Administrative expenses		Share in gross premium written	
		2008	2009	2008	2009	2008	2009	2008	2009
1.	Branch 1	3 590 926	3 846 321	9.2%	12.7%	1 552 201	1 603 834	4.0%	5.3%
2.	Branch 2	3 666 538	4 181 171	18.2%	20.0%	1 916 969	2 051 602	9.5%	9.8%
3.	Total	7 257 464	8 027 492	12.3%	15.7%	3 469 170	3 655 436	5.9%	7.1%

Share of net operating expenses in gross premium written in Branch 1 in thousands of PLN

No.	Insurer	Branch		Acquisition costs		Share in gross premium written		Administrative expenses	
		2008	2009	2008	2009	2008	2009	2008	2009
1.	AEGON S.A.	171 502	144 233	18.8%	22.5%	41 837	42 183	4.6%	6.6%
2.	ALLIANZ ŻYCIE POLSKA S.A.	463 988	585 707	30.7%	31.6%	20 467	20 603	1.4%	1.1%
3.	AMPLICO LIFE S.A.	521 777	683 357	30.1%	43.7%	110 474	108 975	6.4%	7.0%
4.	AVIVA - ŻYCIE S.A.	203 082	202 322	5.1%	12.1%	137 463	136 918	3.4%	8.2%
5.	AXA ŻYCIE S.A.	69 681	89 679	4.3%	14.4%	53 541	71 761	3.3%	11.5%
6.	BENEFIA NA ŻYCIE S.A.	270 802	321 805	27.4%	78.2%	14 474	13 320	1.5%	3.2%
7.	BZWBK - Aviva TUnŻ S.A.	3 402	19 459	5.8%	11.5%	4 901	9 056	8.3%	5.3%
8.	CARDIF POLSKA S.A.	332 970	278 939	73.6%	72.1%	15 778	17 327	3.5%	4.5%
9.	COMPENSA ŻYCIE S.A.	103 999	88 573	28.3%	28.7%	28 998	26 978	7.9%	8.8%
10.	CONCORDIA CAPITAL S.A.	6 238	16 959	41.4%	50.8%	3 039	3 516	20.2%	10.5%
11.	ERGO HESTIA STUnŻ S.A.	113 175	224 444	42.0%	44.9%	20 706	21 655	7.7%	4.3%
12.	EUROPA ŻYCIE S.A.	295 736	237 273	11.1%	8.8%	21 909	22 570	0.8%	0.8%
13.	GENERALI ŻYCIE S.A.	83 269	33 352	10.5%	2.8%	41 325	39 478	5.2%	3.3%
14.	HDI-GERLING ŻYCIE S.A.	38 358	41 680	22.9%	23.4%	35 282	31 432	21.1%	17.7%
15.	ING S.A.	235 766	188 746	6.1%	7.4%	100 476	114 873	2.6%	4.5%
16.	INTER - ŻYCIE S.A.	1 271	135	21.0%	6.9%	1 825	1 238	30.2%	63.2%
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X	no data	no data
18.	MACIF ŻYCIE T.U.W.	3 000	3 433	79.8%	55.6%	2 804	3 064	74.6%	49.7%
19.	METLIFE S.A.	21 475	15 468	5.0%	12.5%	54 345	57 991	12.7%	47.0%
20.	NORDEA TUnŻ S.A.	33 353	29 550	2.5%	2.4%	19 350	20 962	1.4%	1.7%
21.	POLISA - ŻYCIE S.A.	4 652	5 075	7.1%	6.4%	21 782	21 715	33.3%	27.2%
22.	PRAMERICA S.A.	8 330	10 196	6.7%	6.6%	49 110	62 596	39.2%	40.7%
23.	PZU ŻYCIE S.A.	355 411	415 994	2.7%	4.2%	652 596	654 510	5.0%	6.6%
24.	REJENT LIFE T.U.W.	0	0	0.0%	0.0%	952	1 057	8.9%	9.5%
25.	SIGNAL IDUNA ŻYCIE S.A.	4 619	9 523	27.3%	48.5%	7 020	5 585	41.5%	28.5%
26.	SKANDIA ŻYCIE S.A.	60 163	61 937	15.9%	18.7%	45 511	47 869	12.1%	14.5%
27.	SKOK ŻYCIE S.A.	16 264	20 656	33.5%	33.0%	7 735	8 450	15.9%	13.5%
28.	UNIQA ŻYCIE S.A.	22 431	25 205	1.9%	2.6%	6 007	6 852	0.5%	0.7%
29.	UNIVERSUM ŻYCIE S.A.	375	824	10.5%	18.3%	2 814	2 909	78.5%	64.8%
30.	WARTA TUnŻ S.A.	145 837	91 797	5.0%	3.5%	29 680	28 391	1.0%	1.1%
31.	Total	3 590 926	3 846 321	9.2%	12.7%	1 552 201	1 603 834	4.0%	5.3%

Share of net operating expenses in gross premium written in Branch 2 in thousands of PLN

No.	Insurer	Branch		Acquisition costs		Share in gross premium written		Administrative expenses	
		2008	2009	2008	2009	2008	2009	2008	2009
1.	ALLIANZ POLSKA S.A.	365 199	430 424	22.5%	26.9%	46 521	55 492	2.9%	3.5%
2.	AVIVA - TUO S.A.	71 921	64 849	37.2%	32.2%	27 136	32 483	14.0%	16.1%
3.	AXA S.A.	2 085	4 783	8.0%	8.3%	15 659	23 853	60.0%	41.4%
4.	BENEFIA S.A.	23 953	31 158	14.9%	17.0%	12 090	11 912	7.5%	6.5%
5.	BEZPIECZNY DOM T.U.W.	71	59	7.7%	168.6%	801	767	86.9%	2191.4%
6.	BRE UBEZPIECZENIA S.A.	31 429	48 985	24.8%	52.1%	5 997	9 865	4.7%	10.5%
7.	BZWBK - Aviva TUO S.A.	9 929	39 231	63.6%	39.6%	5 105	12 722	32.7%	12.9%
8.	COMPENSA S.A.	117 997	132 033	20.1%	18.3%	35 828	40 103	6.1%	5.5%
9.	CONCORDIA POLSKA T.U.W.	26 487	41 638	18.8%	21.3%	11 287	14 582	8.0%	7.5%
10.	CUPRUM T.U.W.	681	666	2.9%	2.9%	2 456	2 493	10.6%	11.0%
11.	D.A.S. S.A.	8 166	9 407	69.0%	68.2%	3 426	3 611	29.0%	26.2%
12.	ERGO HESTIA S.A.	399 795	499 219	22.1%	22.9%	81 354	94 090	4.5%	4.3%
13.	EULER HERMES S.A.	22 837	21 583	14.8%	10.4%	9 325	11 103	6.0%	5.3%
14.	EUROPA S.A.	84 323	120 075	33.3%	34.4%	19 880	24 145	7.9%	6.9%
15.	GENERALI S.A.	90 087	110 408	15.0%	15.1%	58 288	70 119	9.7%	9.6%
16.	HDI-ASEKURACJA S.A.	122 500	129 095	14.3%	15.4%	120 307	119 546	14.0%	14.2%
17.	HDI-GERLING POLSKA S.A.	16 556	17 327	18.5%	19.6%	7 265	7 248	8.1%	8.2%
18.	INTER POLSKA S.A.	23 969	25 250	40.5%	37.3%	11 589	12 316	19.6%	18.2%
19.	INTERRISK S.A.	142 784	152 713	20.0%	19.9%	80 071	81 418	11.2%	10.6%
20.	KUKE S.A.	4 630	4 442	30.8%	15.9%	9 355	8 164	62.3%	29.2%
21.	LINK4 S.A.	no data	no data	X	X	no data	no data	X	X
22.	MONDIAL ASSISTANCE	9 273	7 691	12.4%	12.4%	5 252	5 683	7.0%	9.2%
23.	MTU S.A.	42 557	57 907	11.9%	12.8%	19 127	21 768	5.3%	4.8%
24.	PARTNER S.A.	0	60	X	11.6%	798	398	165.2%	76.7%
25.	POCZTOWE T.U.W.	4 809	3 712	14.6%	9.9%	5 789	5 802	17.6%	15.5%
26.	PTR S.A.	67 458	47 704	22.7%	17.5%	11 674	11 741	3.9%	4.3%
27.	PTU S.A.	66 647	73 812	15.7%	939 278	52 051	56 046	12.2%	12.7%
28.	PZM S.A.	23 744	42 940	12.9%	19.1%	9 484	12 204	5.1%	5.4%
29.	PZU S.A.	1 230 011	1 287 578	15.0%	16.5%	16.7%	1 006 743	11.4%	12.9%
30.	SIGNAL IDUNA POLSKA S.A.	18 323	17 981	24.0%	25.1%	21 800	19 452	28.5%	27.2%
31.	SKOK T.U.W.	20 962	28 061	22.6%	16.8%	12 466	12 474	13.4%	7.5%
32.	TUW T.U.W.	23 833	30 154	12.7%	13.0%	23 042	26 883	12.2%	11.5%
33.	TUZ T.U.W.	11 210	14 084	28.1%	27.9%	4 882	4 813	12.2%	9.5%
34.	UNIQA S.A.	140 464	178 523	21.1%	23.2%	62 748	64 529	9.4%	8.4%
35.	WARTA S.A.	441 848	507 619	66.5%	65.9%	184 838	167 034	27.8%	21.7%
36.	Total	3 666 538	4 181 171	18.2%	20.0%	1 916 969	2 051 602	9.5%	9.8%

3.1.6. Technical provisions

Gross technical provisions in thousands of PLN

No.	Branch	Provisions		Growth
		2008	2009	09/08
1.	Branch 1	71 003 877	71 216 818	100.3%
2.	Branch 2	26 767 010	28 667 899	107.1%
3.	Total	97 770 887	99 884 717	102.2%

Gross technical provisions in thousands of PLN in Branch 1

No.	Insurer	Provisions		Growth
		2008	2009	09/08
1.	AEGON S.A.	4 408 936	4 886 734	110.8%
2.	ALLIANZ ŻYCIE POLSKA S.A.	2 557 315	2 945 718	115.2%
3.	AMPLICO LIFE S.A.	6 038 361	6 404 881	106.1%
4.	AVIVA - ŻYCIE S.A.	11 286 238	11 690 118	103.6%
5.	AXA ŻYCIE S.A.	1 592 792	1 348 260	84.6%
6.	BENEFIA NA ŻYCIE S.A.	683 378	498 794	73.0%
7.	BZWBK - Aviva TUnŻ S.A.	67 245	206 213	306.7%
8.	CARDIF POLSKA S.A.	216 650	221 119	102.1%
9.	COMPENSA ŻYCIE S.A.	519 895	568 418	109.3%
10.	CONCORDIA CAPITAL S.A.	9 894	16 622	168.0%
11.	ERGO HESTIA STUnŻ S.A.	384 108	527 222	137.3%
12.	EUROPA ŻYCIE S.A.	2 435 841	3 625 632	148.8%
13.	GENERALI ŻYCIE S.A.	1 086 907	1 897 344	174.6%
14.	HDI-GERLING ŻYCIE S.A.	368 345	466 535	126.7%
15.	ING S.A.	7 751 076	7 295 288	94.1%
16.	INTER - ŻYCIE S.A.	9 477	8 315	87.7%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	2 398	4 376	182.5%
19.	METLIFE S.A.	718 178	607 232	84.6%
20.	NORDEA TUnŻ S.A.	1 460 771	1 632 400	111.7%
21.	POLISA - ŻYCIE S.A.	25 917	29 348	113.2%
22.	PRAMERICA S.A.	142 804	177 079	124.0%
23.	PZU ŻYCIE S.A.	24 744 156	22 105 558	89.3%
24.	REJENT LIFE T.U.W.	120 346	132 959	110.5%
25.	SIGNAL IDUNA ŻYCIE S.A.	7 154	7 781	108.8%
26.	SKANDIA ŻYCIE S.A.	1 111 910	1 443 126	129.8%
27.	SKOK ŻYCIE S.A.	26 071	31 283	120.0%
28.	UNIQA ŻYCIE S.A.	685 445	556 033	81.1%
29.	UNIVERSUM ŻYCIE S.A.	2 719	3 193	117.4%
30.	WARTA TUnŻ S.A.	2 539 550	1 879 237	74.0%
31.	Total	71 003 877	71 216 818	100.3%

Gross technical provisions in thousands of PLN in Branch 2

No.	Insurer	Provisions		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	1 701 605	1 782 400	104.7%
2.	AVIVA - TUO S.A.	159 441	209 931	131.7%
3.	AXA S.A.	65 028	63 972	98.4%
4.	BENEFIA S.A.	154 038	169 097	109.8%
5.	BEZPIECZNY DOM T.U.W.	1 952	535	27.4%
6.	BRE UBEZPIECZENIA S.A.	99 657	100 666	101.0%
7.	BZWBK - Aviva TUO S.A.	60 559	106 453	175.8%
8.	COMPENSA S.A.	684 087	842 820	123.2%
9.	CONCORDIA POLSKA T.U.W.	112 105	146 416	130.6%
10.	CUPRUM T.U.W.	17 594	14 321	81.4%
11.	D.A.S. S.A.	12 949	14 850	114.7%
12.	ERGO HESTIA S.A.	1 782 443	2 140 167	120.1%
13.	EULER HERMES S.A.	213 311	305 905	143.4%
14.	EUROPA S.A.	342 267	470 953	137.6%
15.	GENERALI S.A.	686 404	869 861	126.7%
16.	HDI-ASEKURACJA S.A.	1 159 634	1 189 019	102.5%
17.	HDI-GERLING POLSKA S.A.	123 601	143 172	115.8%
18.	INTER POLSKA S.A.	74 433	84 212	113.1%
19.	INTERRISK S.A.	848 407	988 356	116.5%
20.	KUKE S.A.	39 353	78 073	198.4%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	48 398	49 577	102.4%
23.	MTU S.A.	373 723	463 994	124.2%
24.	PARTNER S.A.	1 108	1 286	116.1%
25.	POCZTOWE T.U.W.	43 992	41 482	94.3%
26.	PTR S.A.	275 787	300 624	109.0%
27.	PTU S.A.	424 378	455 511	107.3%
28.	PZM S.A.	146 468	182 965	124.9%
29.	PZU S.A.	12 659 941	12 767 186	100.8%
30.	SIGNAL IDUNA POLSKA S.A.	56 643	46 643	82.3%
31.	SKOK T.U.W.	102 209	164 176	160.6%
32.	TUW T.U.W.	131 620	185 939	141.3%
33.	TUZ T.U.W.	35 695	40 203	112.6%
34.	UNIQA S.A.	771 859	808 964	104.8%
35.	WARTA S.A.	3 356 321	3 438 170	102.4%
36.	Total	26 767 010	28 667 899	107.1%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.7. Investments

Investments in thousands of PLN

No.	Branch	Investments		Dynamics	Investments income		Dynamics	Income/Investments	
		2008	2009	09/08	2008	2009	09/08	2008	2009
1.	Branch 1	80 967 426	83 652 699	103,3%	5 115 130	9 108 915	178,1%	6,3%	10,9%
2.	Branch 2	44 914 714	42 784 235	95,3%	4 597 929	4 445 280	96,7%	10,2%	10,4%
3.	Total	125 882 140	126 436 934	100,4%	9 713 059	13 554 195	158,7%	7,7%	10,7%

Investments in Branch 1 in thousands of PLN

No.	Insurer	Investments		Dynamics	Investments income		Dynamics	Income/Investments	
		2008	2009	09/08	2008	2009	09/08	2008	2009
1.	AEGON S.A.	4 423 005	4 932 241	111,5%	375 554	839 186	223,5%	8,5%	17,0%
2.	ALLIANZ ŻYCIE POLSKA S.A.	2 646 631	3 148 013	118,9%	121 388	445 912	367,3%	4,6%	14,2%
3.	AMPLICO LIFE S.A.	7 272 480	8 114 771	111,6%	519 834	735 739	141,5%	7,1%	9,1%
4.	AVIVA - ŻYCIE S.A.	12 397 875	12 587 980	101,5%	1 041 578	2 011 295	193,1%	8,4%	16,0%
5.	AXA ŻYCIE S.A.	1 628 462	1 485 659	91,2%	71 281	185 808	260,7%	4,4%	12,5%
6.	BENEFIA NA ŻYCIE S.A.	737 479	637 273	86,4%	42 843	66 780	155,9%	5,8%	10,5%
7.	BZWBK - Aviva TUnŻ S.A.	97 200	234 008	240,7%	1 411	3 568	252,9%	1,5%	1,5%
8.	CARDIF POLSKA S.A.	264 884	276 518	104,4%	18 029	21 982	121,9%	6,8%	7,9%
9.	COMPENSA ŻYCIE S.A.	652 799	687 061	105,2%	45 627	92 987	203,8%	7,0%	13,5%
10.	CONCORDIA CAPITAL S.A.	23 186	32 069	138,3%	1 168	1 650	141,3%	5,0%	5,1%
11.	ERGO HESTIA STUnŻ S.A.	436 174	593 298	136,0%	21 624	34 359	158,9%	5,0%	5,8%
12.	EUROPA ŻYCIE S.A.	2 549 518	3 816 999	149,7%	93 926	231 349	246,3%	3,7%	6,1%
13.	GENERALI ŻYCIE S.A.	1 107 972	1 883 613	170,0%	94 449	288 326	305,3%	8,5%	15,3%
14.	HDI-GERLING ŻYCIE S.A.	378 552	471 240	124,5%	17 758	103 586	583,3%	4,7%	22,0%
15.	ING S.A.	8 372 577	7 855 368	93,8%	285 070	867 401	304,3%	3,4%	11,0%
16.	INTER - ŻYCIE S.A.	21 341	23 601	110,6%	1 299	1 273	98,0%	6,1%	5,4%
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X	X	X
18.	MACIF ŻYCIE T.U.W.	16 841	20 630	122,5%	834	773	92,7%	5,0%	3,7%
19.	METLIFE S.A.	791 159	654 684	82,7%	47 096	39 967	84,9%	6,0%	6,1%
20.	NORDEA TUnŻ S.A.	1 510 919	1 694 023	112,1%	105 235	207 924	197,6%	7,0%	12,3%
21.	POLISA - ŻYCIE S.A.	55 002	63 834	116,1%	3 482	4 979	143,0%	6,3%	7,8%
22.	PRAMERICA S.A.	215 024	237 598	110,5%	10 947	12 129	110,8%	5,1%	5,1%
23.	PZU ŻYCIE S.A.	30 577 235	29 729 442	97,2%	2 010 401	2 388 525	118,8%	6,6%	8,0%
24.	REJENT LIFE T.U.W.	120 351	136 176	113,1%	6 597	8 468	128,4%	5,5%	6,2%
25.	SIGNAL IDUNA ŻYCIE S.A.	26 116	26 649	102,0%	1 466	1 396	95,2%	5,6%	5,2%
26.	SKANDIA ŻYCIE S.A.	1 151 602	1 517 771	131,8%	66 691	325 122	487,5%	5,8%	21,4%
27.	SKOK ŻYCIE S.A.	56 520	67 831	120,0%	4 678	7 416	158,5%	8,3%	10,9%
28.	UNIQA ŻYCIE S.A.	713 980	599 822	84,0%	31 486	44 324	140,8%	4,4%	7,4%
29.	UNIVERSUM ŻYCIE S.A.	15 802	20 078	127,1%	1 057	1 185	112,1%	6,7%	5,9%
30.	WARTA TUnŻ S.A.	2 706 740	2 104 449	77,7%	72 321	135 506	187,4%	2,7%	6,4%
31.	Total	80 967 426	83 652 699	103,3%	5 115 130	9 108 915	178,1%	6,3%	10,9%

Investments in Branch 2 in thousands of PLN

No.	Insurer	Investments		Dynamics	Investments income		Dynamics	Income/Investments	
		2008	2009	09/08	2008	2009	09/08	2008	2009
1.	ALLIANZ POLSKA S.A.	1 714 735	1 748 588	102,0%	109 731	91 429	83,3%	6,4%	5,2%
2.	AVIVA - TUO S.A.	168 690	203 424	120,6%	13 046	12 055	92,4%	7,7%	5,9%
3.	AXA S.A.	52 407	47 065	89,8%	1 816	2 241	123,4%	3,5%	4,8%
4.	BENEFIA S.A.	198 909	361 161	181,6%	13 275	20 724	156,1%	6,7%	5,7%
5.	BEZPIECZNY DOM T.U.W.	5 585	4 606	82,5%	279	255	91,4%	5,0%	5,5%
6.	BRE UBEZPIECZENIA S.A.	52 130	88 959	170,6%	2 004	13 313	664,3%	3,8%	15,0%
7.	BZWBK - Aviva TUO S.A.	54 204	76 064	140,3%	1 237	3 198	258,5%	2,3%	4,2%
8.	COMPENSA S.A.	632 208	779 385	123,3%	46 535	46 966	100,9%	7,4%	6,0%
9.	CONCORDIA POLSKA T.U.W.	64 656	97 785	151,2%	3 660	4 361	119,2%	5,7%	4,5%
10.	CUPRUM T.U.W.	46 839	45 876	97,9%	2 618	2 476	94,6%	5,6%	5,4%
11.	D.A.S. S.A.	19 241	21 998	114,3%	1 009	927	91,9%	5,2%	4,2%
12.	ERGO HESTIA S.A.	1 866 628	1 983 237	106,2%	120 494	95 261	79,1%	6,5%	4,8%
13.	EULER HERMES S.A.	95 698	132 688	138,7%	5 713	5 093	89,1%	6,0%	3,8%
14.	EUROPA S.A.	459 732	534 185	116,2%	40 263	23 200	57,6%	8,8%	4,3%
15.	GENERALI S.A.	719 411	813 721	113,1%	60 657	74 667	123,1%	8,4%	9,2%
16.	HDI-ASEKURACJA S.A.	1 104 550	1 164 918	105,5%	72 899	73 205	100,4%	6,6%	6,3%
17.	HDI-GERLING POLSKA S.A.	146 466	167 883	114,6%	9 387	10 063	107,2%	6,4%	6,0%
18.	INTER POLSKA S.A.	75 884	83 908	110,6%	4 458	5 416	121,5%	5,9%	6,5%
19.	INTERRISK S.A.	867 347	971 867	112,1%	48 645	63 412	130,4%	5,6%	6,5%
20.	KUKE S.A.	172 673	169 071	97,9%	10 476	10 217	97,5%	6,1%	6,0%
21.	LINK4 S.A.	no data	no data	X	no data	no data	X	no data	no data
22.	MONDIAL ASSISTANCE	66 753	66 044	98,9%	3 447	3 350	97,2%	5,2%	5,1%
23.	MTU S.A.	370 079	471 290	127,3%	23 245	21 836	93,9%	6,3%	4,6%
24.	PARTNER S.A.	13 081	16 521	126,3%	704	865	122,9%	5,4%	5,2%
25.	POCZTOWE T.U.W.	37 104	35 901	96,8%	3 123	4 533	145,1%	8,4%	12,6%
26.	PTR S.A.	304 143	401 660	132,1%	31 709	54 789	172,8%	10,4%	13,6%
27.	PTU S.A.	315 508	340 429	107,9%	17 501	18 761	107,2%	5,5%	5,5%
28.	PZM S.A.	175 338	192 698	109,9%	5 030	11 429	227,2%	2,9%	5,9%
29.	PZU S.A.	30 451 371	26 690 204	87,6%	3 541 848	3 140 107	88,7%	11,6%	11,8%
30.	SIGNAL IDUNA POLSKA S.A.	57 319	47 741	83,3%	2 889	2 935	101,6%	5,0%	6,1%
31.	SKOK T.U.W.	191 836	261 416	136,3%	9 940	10 909	109,7%	5,2%	4,2%
32.	TUW T.U.W.	136 440	188 746	138,3%	6 698	8 690	129,7%	4,9%	4,6%
33.	TUZ T.U.W.	29 726	42 267	142,2%	1 521	2 064	135,7%	5,1%	4,9%
34.	UNIQA S.A.	672 206	719 224	107,0%	39 820	44 114	110,8%	5,9%	6,1%
35.	WARTA S.A.	3 575 817	3 813 705	106,7%	342 252	562 419	164,3%	9,6%	14,7%
36.	Total	44 914 714	42 784 235	95,3%	4 597 929	4 445 280	96,7%	10,2%	10,4%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.8. Financial result

Gross and net financial result in thousands of PLN

No.	Branch	Gross financial result		Growth	Net financial result		Growth
		2008	2009	09/08	2008	2009	09/08
1.	Branch 1	3 095 142	4 899 746	158.3%	2 517 720	4 009 885	159.3%
2.	Branch 2	3 672 488	3 038 136	82.7%	3 330 325	2 676 211	80.4%
3.	Total	6 767 630	7 937 882	117.3%	5 848 045	6 686 096	114.3%

Gross and net financial result in thousands of PLN in Branch 1

No.	Insurer	Gross financial result		Growth	Net financial result		Growth
		2008	2009	09/08	2008	2009	09/08
1.	AEGON S.A.	77 363	85 829	110.9%	62 325	68 273	109.5%
2.	ALLIANZ ŻYCIE POLSKA S.A.	17 077	46 491	272.2%	11 004	37 922	344.6%
3.	AMPLICO LIFE S.A.	443 694	424 300	95.6%	362 923	344 687	95.0%
4.	AVIVA - ŻYCIE S.A.	466 053	548 426	117.7%	397 350	461 917	116.2%
5.	AXA ŻYCIE S.A.	-59 337	-48 714	X	-47 657	-40 158	X
6.	BENEFIA NA ŻYCIE S.A.	3 881	3 696	95.2%	2 484	3 663	147.5%
7.	BZWBK - Aviva TUnŻ S.A.	-3 752	-1 846	X	-4 051	-1 534	X
8.	CARDIF POLSKA S.A.	26 972	24 188	89.7%	21 756	19 670	90.4%
9.	COMPENSA ŻYCIE S.A.	8 295	12 042	145.2%	4 133	5 977	144.6%
10.	CONCORDIA CAPITAL S.A.	223	1 592	713.9%	235	1 365	580.9%
11.	ERGO HESTIA STUnŻ S.A.	5 854	15 217	259.9%	4 526	14 098	311.5%
12.	EUROPA ŻYCIE S.A.	35 815	56 841	158.7%	28 737	45 896	159.7%
13.	GENERALI ŻYCIE S.A.	16 423	28 594	174.1%	11 894	25 258	212.4%
14.	HDI-GERLING ŻYCIE S.A.	-5 491	-3 771	X	-5 613	-3 649	X
15.	ING S.A.	205 578	241 229	117.3%	165 319	195 365	118.2%
16.	INTER - ŻYCIE S.A.	-1 253	1 515	X	-1 253	1 515	X
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	-3 229	-2 896	X	-3 229	-2 896	X
19.	METLIFE S.A.	17 921	15 100	84.3%	13 662	11 810	86.4%
20.	NORDEA TUnŻ S.A.	-743	-2 460	X	109	-2 296	X
21.	POLISA - ŻYCIE S.A.	3 428	4 901	143.0%	3 428	4 901	143.0%
22.	PRAMERICA S.A.	6 495	1 630	25.1%	4 930	711	14.4%
23.	PZU ŻYCIE S.A.	1 751 346	3 352 516	191.4%	1 419 146	2 741 140	193.2%
24.	REJENT LIFE T.U.W.	-1 616	2 119	X	-1 525	1 712	X
25.	SIGNAL IDUNA ŻYCIE S.A.	-4 648	-5 074	X	-4 648	-5 074	X
26.	SKANDIA ŻYCIE S.A.	47 870	38 587	80.6%	38 445	30 565	79.5%
27.	SKOK ŻYCIE S.A.	12 907	15 765	122.1%	10 366	13 450	129.8%
28.	UNIQA ŻYCIE S.A.	42	2 753	6554.8%	822	2 083	253.4%
29.	UNIVERSUM ŻYCIE S.A.	-679	-1 043	X	-679	-1 043	X
30.	WARTA TUnŻ S.A.	28 653	42 219	147.3%	22 781	34 557	151.7%
31.	Total	3 095 142	4 899 746	158.3%	2 517 720	4 009 885	159.3%

Gross and net financial result in thousands of PLN in Branch 2

No.	Insurer	Gross financial result		Growth	Net financial result		Growth
		2008	2009	09/08	2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	-5 390	-74 329	X	-21 853	-83 880	X
2.	AVIVA - TUO S.A.	-35 250	-41 771	X	-35 357	-37 078	X
3.	AXA S.A.	-14 792	-19 028	X	-12 948	-14 002	X
4.	BENEFIA S.A.	5 757	7 309	127.0%	3 742	5 340	142.7%
5.	BEZPIECZNY DOM T.U.W.	718	891	124.1%	616	722	117.2%
6.	BRE UBEZPIECZENIA S.A.	-1 794	24 421	X	-2 011	21 009	X
7.	BZWBK - Aviva TUO S.A.	-2 947	3 642	X	-2 979	2 891	X
8.	COMPENSA S.A.	18 990	23 241	122.4%	18 990	22 876	120.5%
9.	CONCORDIA POLSKA T.U.W.	4 949	7 530	152.2%	5 271	5 753	109.1%
10.	CUPRUM T.U.W.	1 709	2 873	168.1%	1 372	2 318	169.0%
11.	D.A.S. S.A.	-1 113	-950	X	-1 113	-922	X
12.	ERGO HESTIA S.A.	141 146	58 875	41.7%	114 822	47 046	41.0%
13.	EULER HERMES S.A.	20 913	5 601	26.8%	16 394	3 863	23.6%
14.	EUROPA S.A.	82 283	77 896	94.7%	66 542	62 993	94.7%
15.	GENERALI S.A.	15 044	-11 590	X	15 028	-11 720	X
16.	HDI-ASEKURACJA S.A.	42 087	37 074	88.1%	31 200	28 489	91.3%
17.	HDI-GERLING POLSKA S.A.	16 233	15 558	95.8%	12 848	12 399	96.5%
18.	INTER POLSKA S.A.	-1 870	-2 937	X	-1 870	-2 937	X
19.	INTERRISK S.A.	45 778	54 593	119.3%	37 084	42 621	114.9%
20.	KUKE S.A.	12 479	-20 625	X	9 876	-20 730	X
21.	LINK4 S.A.	no data	no data	X	no data	no data	X
22.	MONDIAL ASSISTANCE	13 798	12 430	90.1%	11 171	10 057	90.0%
23.	MTU S.A.	16 444	22 947	139.5%	18 850	17 060	90.5%
24.	PARTNER S.A.	-320	795	X	-288	594	X
25.	POCZTOWE T.U.W.	285	846	296.8%	221	731	330.8%
26.	PTR S.A.	-30 795	52 484	X	-32 717	45 868	X
27.	PTU S.A.	-9 014	3 822	X	-8 189	1 822	X
28.	PZM S.A.	-24 548	-13 823	X	-23 137	-13 830	X
29.	PZU S.A.	3 283 138	2 720 812	82.9%	3 026 798	2 454 432	81.1%
30.	SIGNAL IDUNA POLSKA S.A.	-27 283	-10 707	X	-27 283	-10 707	X
31.	SKOK T.U.W.	38 614	67 283	174.2%	31 426	54 799	174.4%
32.	TUW T.U.W.	4 974	1 430	28.7%	3 615	527	14.6%
33.	TUZ T.U.W.	-1 274	4 694	X	-1 254	4 694	X
34.	UNIQA S.A.	10 687	19 418	181.7%	7 437	12 289	165.2%
35.	WARTA S.A.	52 852	7 431	14.1%	68 021	10 824	15.9%
36.	Total	3 672 488	3 038 136	82.7%	3 330 325	2 676 211	80.4%

3.1.9. Reinsurance

3.1.9.1. Passive reinsurance. premium with the reinsurers' share

Passive reinsurance – gross premium with the reinsurers' share in thousands of PLN

No.	Branch	Gross premium with the share of reinsurers		Growth	Share of reinsurance in gross premium		Growth
		2008	2009	09/08	2008	2009	09/08
1.	Branch 1	1 250 518	1 050 696	84.0%	3.2%	3.5%	108.2%
2.	Branch 2	1 692 744	2 075 655	122.6%	8.4%	9.9%	118.1%
3.	Total	2 943 262	3 126 351	106.2%	5.0%	6.1%	122.7%

Passive reinsurance – gross premium with the reinsurers' share in thousands of PLN in Branch 1

No.	Insurer	Gross premium with the share of reinsurers		Growth	Share of reinsurance in gross premium		Growth
		2008	2009	09/08	2008	2009	09/08
1.	AEGON S.A.	113 050	979	0.9%	12.4%	0.2%	1.2%
2.	ALLIANZ ŻYCIE POLSKA S.A.	10 640	12 412	116.7%	0.7%	0.7%	94.9%
3.	AMPLICO LIFE S.A.	44 581	42 094	94.4%	2.6%	2.7%	104.8%
4.	AVIVA - ŻYCIE S.A.	2 927	4 044	138.2%	0.1%	0.2%	331.2%
5.	AXA ŻYCIE S.A.	1 614	2 231	138.2%	0.1%	0.4%	355.9%
6.	BENEFIA NA ŻYCIE S.A.	3 249	1 816	55.9%	0.3%	0.4%	134.0%
7.	BZWBK - Aviva TUnŻ S.A.	0	0	X	0.0%	0.0%	X
8.	CARDIF POLSKA S.A.	174	450	258.6%	0.0%	0.1%	302.0%
9.	COMPENSA ŻYCIE S.A.	1 296	1 910	147.4%	0.4%	0.6%	175.5%
10.	CONCORDIA CAPITAL S.A.	191	220	115.2%	1.3%	0.7%	52.0%
11.	ERGO HESTIA STUnŻ S.A.	19 201	21 027	109.5%	7.1%	4.2%	59.0%
12.	EUROPA ŻYCIE S.A.	8 784	-2 964	X	0.3%	-0.1%	X
13.	GENERALI ŻYCIE S.A.	12 706	18 074	142.2%	1.6%	1.5%	93.2%
14.	HDI-GERLING ŻYCIE S.A.	60 778	73 311	120.6%	36.3%	41.2%	113.5%
15.	ING S.A.	563 394	859 241	152.5%	14.5%	33.7%	232.0%
16.	INTER - ŻYCIE S.A.	161	138	85.7%	2.7%	7.0%	264.8%
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	1 296	1 294	99.8%	34.5%	21.0%	60.8%
19.	METLIFE S.A.	766	541	70.6%	0.2%	0.4%	245.8%
20.	NORDEA TUnŻ S.A.	1 348	1 434	106.4%	0.1%	0.1%	117.3%
21.	POLISA - ŻYCIE S.A.	84	87	103.6%	0.1%	0.1%	84.8%
22.	PRAMERICA S.A.	3 103	3 086	99.5%	2.5%	2.0%	81.0%
23.	PZU ŻYCIE S.A.	7 307	2 030	27.8%	0.1%	0.0%	36.6%
24.	REJENT LIFE T.U.W.	0	0	X	0.0%	0.0%	X
25.	SIGNAL IDUNA ŻYCIE S.A.	147	180	122.4%	0.9%	0.9%	105.5%
26.	SKANDIA ŻYCIE S.A.	929	1 177	126.7%	0.2%	0.4%	144.5%
27.	SKOK ŻYCIE S.A.	12	15	125.0%	0.0%	0.0%	96.9%
28.	UNIQA ŻYCIE S.A.	2 428	3 455	142.3%	0.2%	0.4%	171.0%
29.	UNIVERSUM ŻYCIE S.A.	159	60	37.7%	4.4%	1.3%	30.1%
30.	WARTA TUnŻ S.A.	390 193	2 354	0.6%	13.3%	0.1%	0.7%
31.	Total	1 250 518	1 050 696	84.0%	3.2%	3.5%	108.2%

Passive reinsurance – gross premium with the reinsurers' share in thousands of PLN in Branch 2

No.	Insurer	Gross premium with the share of reinsurers		Growth	Share of reinsurance in gross premium		Growth
		2008	2009	09/08	2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	241 088	231 042	95.8%	14.9%	14.4%	96.9%
2.	AVIVA - TUO S.A.	15 910	17 454	109.7%	8.2%	8.7%	105.2%
3.	AXA S.A.	18 934	38 354	202.6%	72.5%	66.6%	91.9%
4.	BENEFIA S.A.	13 009	13 417	103.1%	8.1%	7.3%	90.6%
5.	BEZPIECZNY DOM T.U.W.	0	0	X	0.0%	0.0%	X
6.	BRE UBEZPIECZENIA S.A.	28 339	34 419	121.5%	22.4%	36.6%	163.6%
7.	BZWBK - Aviva TUO S.A.	0	45	X	0.0%	0.0%	X
8.	COMPENSA S.A.	22 892	30 065	131.3%	3.9%	4.2%	106.4%
9.	CONCORDIA POLSKA T.U.W.	46 102	59 623	129.3%	32.7%	30.6%	93.5%
10.	CUPRUM T.U.W.	2 944	2 523	85.7%	12.6%	11.2%	88.2%
11.	D.A.S. S.A.	7 096	8 280	116.7%	60.0%	60.0%	100.0%
12.	ERGO HESTIA S.A.	160 319	186 443	116.3%	8.9%	8.5%	96.1%
13.	EULER HERMES S.A.	130 134	162 161	124.6%	84.4%	78.0%	92.5%
14.	EUROPA S.A.	1 565	3 732	238.5%	0.6%	1.1%	172.7%
15.	GENERALI S.A.	62 612	169 310	270.4%	10.4%	23.2%	222.2%
16.	HDI-ASEKURACJA S.A.	164 959	176 447	107.0%	19.3%	21.0%	109.2%
17.	HDI-GERLING POLSKA S.A.	24 558	33 412	136.1%	27.4%	37.7%	137.6%
18.	INTER POLSKA S.A.	15 202	11 997	78.9%	25.7%	17.7%	68.9%
19.	INTERRISK S.A.	31 944	64 703	202.6%	4.5%	8.4%	188.4%
20.	KUKE S.A.	6 877	12 353	179.6%	45.8%	44.2%	96.5%
21.	LINK4 S.A.	no data	no data	X	no data	no data	X
22.	MONDIAL ASSISTANCE	217	265	122.1%	0.3%	0.4%	147.4%
23.	MTU S.A.	9 655	12 854	133.1%	2.7%	2.8%	105.3%
24.	PARTNER S.A.	0	0	X	0.0%	0.0%	X
25.	POCZTOWE T.U.W.	14 131	20 028	141.7%	43.0%	53.4%	124.3%
26.	PTR S.A.	9 416	28 655	304.3%	3.2%	10.5%	331.0%
27.	PTU S.A.	110 828	119 836	108.1%	26.0%	27.2%	104.3%
28.	PZM S.A.	2 037	3 998	196.3%	1.1%	1.8%	160.9%
29.	PZU S.A.	104 298	129 978	124.6%	1.3%	1.7%	131.4%
30.	SIGNAL IDUNA POLSKA S.A.	4 825	5 383	111.6%	6.3%	7.5%	119.2%
31.	SKOK T.U.W.	32	42	131.3%	0.0%	0.0%	73.0%
32.	TUW T.U.W.	25 870	34 100	131.8%	13.8%	14.6%	106.5%
33.	TUZ T.U.W.	8 816	8 920	101.2%	22.1%	17.7%	79.9%
34.	UNIQA S.A.	238 643	294 483	123.4%	35.9%	38.2%	106.5%
35.	WARTA S.A.	169 492	161 333	95.2%	25.5%	20.9%	82.1%
36.	Total	1 692 744	2 075 655	122.6%	8.4%	9.9%	118.1%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.1.9.2. Passive reinsurance. claims with the reinsurers' share

Passive reinsurance – gross claims with the reinsurers' share in thousands of PLN

No.	Branch	Gross claims		Growth	Share in claims paid		Growth
		2008	2009	09/08	2008	2009	09/08
1.	Branch 1	152 656	970 200	635.5%	0.8%	3.5%	443.3%
2.	Branch 2	854 934	1 140 124	133.4%	8.4%	9.2%	109.3%
3.	Total	1 007 590	2 110 324	209.4%	3.4%	5.3%	154.0%

Passive reinsurance – gross claims with the reinsurers' share in thousands of PLN in Branch 1

No.	Insurer	Gross claims		Growth	Share in claims paid		Growth
		2008	2009	09/08	2008	2009	09/08
1.	AEGON S.A.	170	259	152.4%	0.0%	0.0%	256.7%
2.	ALLIANZ ŻYCIE POLSKA S.A.	2 869	2 735	95.3%	0.4%	0.2%	58.4%
3.	AMPLICO LIFE S.A.	24 673	25 151	101.9%	3.5%	4.1%	116.2%
4.	AVIVA - ŻYCIE S.A.	808	501	62.0%	0.0%	0.0%	69.9%
5.	AXA ŻYCIE S.A.	167	581	347.9%	0.0%	0.1%	219.9%
6.	BENEFIA NA ŻYCIE S.A.	1 193	2 640	221.3%	0.3%	0.9%	279.4%
7.	BZWBK - Aviva TUnŻ S.A.	0	0	X	0.0%	0.0%	X
8.	CARDIF POLSKA S.A.	0	342	X	0.0%	0.5%	X
9.	COMPENSA ŻYCIE S.A.	12	118	983.3%	0.0%	0.1%	541.1%
10.	CONCORDIA CAPITAL S.A.	0	0	X	0.0%	0.0%	X
11.	ERGO HESTIA STUnŻ S.A.	1 034	1 910	184.7%	1.1%	1.6%	150.7%
12.	EUROPA ŻYCIE S.A.	793	2 385	300.8%	0.1%	0.2%	187.4%
13.	GENERALI ŻYCIE S.A.	3 512	6 131	174.6%	0.7%	1.2%	166.0%
14.	HDI-GERLING ŻYCIE S.A.	27 103	31 683	116.9%	16.7%	30.3%	181.5%
15.	ING S.A.	36 308	865 593	2384.0%	6.5%	27.4%	423.2%
16.	INTER - ŻYCIE S.A.	0	0	X	0.0%	0.0%	X
17.	LINK4 LIFE S.A.	no data	no data	X	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	275	133	48.4%	36.1%	24.4%	67.6%
19.	METLIFE S.A.	188	126	67.0%	0.3%	0.1%	25.1%
20.	NORDEA TUnŻ S.A.	440	528	120.0%	0.0%	0.0%	103.7%
21.	POLISA - ŻYCIE S.A.	70	0	X	0.2%	0.0%	X
22.	PRAMERICA S.A.	688	68	9.9%	2.3%	0.2%	7.7%
23.	PZU ŻYCIE S.A.	0	0	X	0.0%	0.0%	X
24.	REJENT LIFE T.U.W.	0	0	X	X	X	X
25.	SIGNAL IDUNA ŻYCIE S.A.	71	16	22.5%	0.7%	0.2%	24.5%
26.	SKANDIA ŻYCIE S.A.	225	655	291.1%	0.1%	0.4%	420.9%
27.	SKOK ŻYCIE S.A.	0	0	X	0.0%	0.0%	X
28.	UNIQA ŻYCIE S.A.	301	132	43.9%	0.0%	0.0%	X
29.	UNIVERSUM ŻYCIE S.A.	9	8	88.9%	1.2%	0.4%	35.6%
30.	WARTA TUnŻ S.A.	51 747	28 505	55.1%	3.8%	0.9%	22.9%
31.	Total	152 656	970 200	635.5%	0.8%	3.5%	443.3%

Passive reinsurance – gross claims with the reinsurers' share in thousands of PLN in Branch 2

No.	Insurer	Gross claims		Growth	Share in claims paid		Growth
		2008	2009	09/08	2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	201 071	167 840	83.5%	24.5%	17.4%	71.1%
2.	AVIVA - TUO S.A.	3 120	3 125	100.2%	7.4%	3.7%	49.2%
3.	AXA S.A.	1 815	45 829	2525.0%	58.5%	90.9%	155.5%
4.	BENEFIA S.A.	1 481	3 139	212.0%	1.7%	2.8%	165.8%
5.	BEZPIECZNY DOM T.U.W.	0	0	X	X	X	X
6.	BRE UBEZPIECZENIA S.A.	8 956	17 259	192.7%	84.3%	71.4%	84.7%
7.	BZWBK - Aviva TUO S.A.	0	0	X	0.0%	0.0%	X
8.	COMPENSA S.A.	16 919	16 461	97.3%	5.4%	4.2%	78.8%
9.	CONCORDIA POLSKA T.U.W.	12 647	27 678	218.9%	25.2%	31.6%	125.5%
10.	CUPRUM T.U.W.	1 990	2 034	102.2%	24.9%	15.7%	63.2%
11.	D.A.S. S.A.	1 572	1 806	114.9%	60.0%	60.0%	100.0%
12.	ERGO HESTIA S.A.	59 766	62 505	104.6%	7.4%	5.5%	74.3%
13.	EULER HERMES S.A.	57 435	128 751	224.2%	82.9%	82.6%	99.7%
14.	EUROPA S.A.	603	1 077	178.6%	289.9%	19.8%	6.8%
15.	GENERALI S.A.	8 863	28 330	319.6%	3.6%	7.1%	196.6%
16.	HDI-ASEKURACJA S.A.	87 015	87 644	100.7%	17.4%	17.2%	99.0%
17.	HDI-GERLING POLSKA S.A.	7 074	5 499	77.7%	17.0%	21.7%	127.6%
18.	INTER POLSKA S.A.	2 675	2 992	111.9%	14.2%	12.6%	88.5%
19.	INTERRISK S.A.	7 778	15 593	200.5%	3.1%	4.5%	144.7%
20.	KUKE S.A.	3 341	4 631	138.6%	34.4%	34.7%	100.8%
21.	LINK4 S.A.	no data	no data	X	no data	no data	X
22.	MONDIAL ASSISTANCE	0	0	X	0.0%	0.0%	X
23.	MTU S.A.	204	2 170	1063.7%	0.1%	0.9%	639.8%
24.	PARTNER S.A.	51	-4	X	19.3%	X	X
25.	POCZTOWE T.U.W.	17 527	14 136	80.7%	57.7%	57.6%	99.9%
26.	PTR S.A.	3 372	-5 583	X	1.8%	-3.2%	X
27.	PTU S.A.	63 132	66 239	104.9%	26.8%	25.7%	95.8%
28.	PZM S.A.	0	358	X	0.0%	0.2%	X
29.	PZU S.A.	57 711	174 555	302.5%	1.3%	3.4%	267.6%
30.	SIGNAL IDUNA POLSKA S.A.	2 779	1 208	43.5%	6.0%	2.3%	37.6%
31.	SKOK T.U.W.	0	0	X	0.0%	0.0%	X
32.	TUW T.U.W.	10 234	11 121	108.7%	11.4%	9.5%	83.3%
33.	TUZ T.U.W.	5 887	5 041	85.6%	25.7%	26.1%	101.5%
34.	UNIQA S.A.	151 351	184 149	121.7%	41.0%	38.2%	93.2%
35.	WARTA S.A.	58 565	64 541	110.2%	5.6%	5.1%	91.3%
36.	Total	854 934	1 140 124	133.4%	8.4%	9.2%	109.3%

3.1.9.3. Gross premium written in active reinsurance

Active reinsurance

– gross premium written in thousands of PLN

Branch	Gross premium written		Growth	Share of reinsurance in gross premium		Growth
	2008	2009	09/08	2008	2009	09/08
Branch I	48 001	66 610	138.8%	0.1%	0.2%	178.7%
Branch II	510 351	489 976	96.0%	2.5%	2.3%	92.5%
Total	558 352	556 586	99.7%	0.9%	1.1%	115.2%

3.1.9.4. Gross claims paid from active reinsurance

Active reinsurance

– gross claims in thousands of PLN

Branch	Gross claims		Growth	Share in Total claims		Growth
	2008	2009	09/08	2008	2009	09/08
Branch I	21 894	28 110	128.4%	0.1%	0.1%	89.6%
Branch II	270 342	295 179	109.2%	2.7%	2.4%	89.5%
Total	292 236	323 289	110.6%	1.0%	0.8%	81.3%

3.2. Ratios characterizing activities of the insurers

3.2.1. Retention ratio and claim retention ratio

Retention ratio

No.	Branch	Retention ratio		Growth
		2008	2009	09/08
1.	Branch 1	96.8%	96.5%	99.7%
2.	Branch 2	91.6%	90.1%	98.3%
3.	Total	95.0%	93.9%	98.8%

Retention ratio in Branch 1

No.	Insurer	Retention ratio		Growth
		2008	2009	09/08
1.	AEGON S.A.	87.6%	99.8%	113.9%
2.	ALLIANZ ŻYCIE POLSKA S.A.	99.3%	99.3%	100.0%
3.	AMPLICO LIFE S.A.	97.4%	97.3%	99.9%
4.	AVIVA - ŻYCIE S.A.	99.9%	99.8%	99.8%
5.	AXA ŻYCIE S.A.	99.9%	99.6%	99.7%
6.	BENEFIA NA ŻYCIE S.A.	99.7%	99.6%	99.9%
7.	BZWBK - Aviva TUnŻ S.A.	100.0%	100.0%	100.0%
8.	CARDIF POLSKA S.A.	100.0%	99.9%	99.9%
9.	COMPENSA ŻYCIE S.A.	99.6%	99.4%	99.7%
10.	CONCORDIA CAPITAL S.A.	98.7%	99.3%	100.6%
11.	ERGO HESTIA STUnŻ S.A.	92.9%	95.8%	103.1%
12.	EUROPA ŻYCIE S.A.	99.7%	100.1%	100.4%
13.	GENERALI ŻYCIE S.A.	98.4%	98.5%	100.1%
14.	HDI-GERLING ŻYCIE S.A.	63.7%	58.8%	92.3%
15.	ING S.A.	85.5%	66.3%	77.6%
16.	INTER - ŻYCIE S.A.	97.3%	93.0%	95.5%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	65.5%	79.0%	120.6%
19.	METLIFE S.A.	99.8%	99.6%	99.7%
20.	NORDEA TUnŻ S.A.	99.9%	99.9%	100.0%
21.	POLISA - ŻYCIE S.A.	99.9%	99.9%	100.0%
22.	PRAMERICA S.A.	97.5%	98.0%	100.5%
23.	PZU ŻYCIE S.A.	99.9%	100.0%	100.0%
24.	REJENT LIFE T.U.W.	100.0%	100.0%	100.0%
25.	SIGNAL IDUNA ŻYCIE S.A.	99.1%	99.1%	100.0%
26.	SKANDIA ŻYCIE S.A.	99.8%	99.6%	99.9%
27.	SKOK ŻYCIE S.A.	100.0%	100.0%	100.0%
28.	UNIQA ŻYCIE S.A.	99.8%	99.6%	99.9%
29.	UNIVERSUM ŻYCIE S.A.	95.6%	98.7%	103.2%
30.	WARTA TUnŻ S.A.	86.7%	99.9%	115.3%
31.	Total	96.8%	96.5%	99.7%

Retention ratio in Branch 2

No.	Insurer	Retention ratio		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	85.1%	85.6%	100.5%
2.	AVIVA - TUO S.A.	91.8%	91.3%	99.5%
3.	AXA S.A.	27.5%	33.4%	121.4%
4.	BENEFIA S.A.	91.9%	92.7%	100.8%
5.	BEZPIECZNY DOM T.U.W.	100.0%	100.0%	100.0%
6.	BRE UBEZPIECZENIA S.A.	77.6%	63.4%	81.6%
7.	BZWBK - Aviva TUO S.A.	100.0%	100.0%	100.0%
8.	COMPENSA S.A.	96.1%	95.8%	99.7%
9.	CONCORDIA POLSKA T.U.W.	67.3%	69.4%	103.1%
10.	CUPRUM T.U.W.	87.4%	88.8%	101.7%
11.	D.A.S. S.A.	40.0%	40.0%	100.0%
12.	ERGO HESTIA S.A.	91.1%	91.5%	100.4%
13.	EULER HERMES S.A.	15.6%	22.0%	140.5%
14.	EUROPA S.A.	99.4%	98.9%	99.5%
15.	GENERALI S.A.	89.6%	76.8%	85.8%
16.	HDI-ASEKURACJA S.A.	80.7%	79.0%	97.8%
17.	HDI-GERLING POLSKA S.A.	72.6%	62.3%	85.8%
18.	INTER POLSKA S.A.	74.3%	82.3%	110.7%
19.	INTERRISK S.A.	95.5%	91.6%	95.9%
20.	KUKE S.A.	54.2%	55.8%	103.0%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	99.7%	99.6%	99.9%
23.	MTU S.A.	97.3%	97.2%	99.9%
24.	PARTNER S.A.	100.0%	100.0%	100.0%
25.	POCZTOWE T.U.W.	57.0%	46.6%	81.7%
26.	PTR S.A.	96.8%	89.5%	92.4%
27.	PTU S.A.	74.0%	72.8%	98.5%
28.	PZM S.A.	98.9%	98.2%	99.3%
29.	PZU S.A.	98.7%	98.3%	99.6%
30.	SIGNAL IDUNA POLSKA S.A.	93.7%	92.5%	98.7%
31.	SKOK T.U.W.	100.0%	100.0%	100.0%
32.	TUW T.U.W.	86.2%	85.4%	99.0%
33.	TUZ T.U.W.	77.9%	82.3%	105.7%
34.	UNIQA S.A.	64.1%	61.8%	96.4%
35.	WARTA S.A.	91.6%	91.3%	99.7%
36.	Total	91.6%	90.1%	98.3%

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

Claims retention ratio

No.	Branch	Retention ratio		Growth
		2008	2009	09/08
1.	Branch 1	99.2%	96.5%	97.3%
2.	Branch 2	91.6%	90.8%	99.1%
3.	Total	96.6%	94.7%	98.1%

Claims retention ratio in Branch 1

No.	Insurer	Retention ratio		Growth
		2008	2009	09/08
1.	AEGON S.A.	100.0%	100.0%	100.0%
2.	ALLIANZ ŻYCIE POLSKA S.A.	99.6%	99.8%	100.2%
3.	AMPLICO LIFE S.A.	96.5%	95.9%	99.4%
4.	AVIVA - ŻYCIE S.A.	100.0%	100.0%	100.0%
5.	AXA ŻYCIE S.A.	100.0%	99.9%	100.0%
6.	BENEFIA NA ŻYCIE S.A.	99.7%	99.1%	99.4%
7.	BZWBK - Aviva TUnŻ S.A.	100.0%	100.0%	100.0%
8.	CARDIF POLSKA S.A.	100.0%	99.5%	99.5%
9.	COMPENSA ŻYCIE S.A.	100.0%	99.9%	100.0%
10.	CONCORDIA CAPITAL S.A.	100.0%	100.0%	100.0%
11.	ERGO HESTIA STUnŻ S.A.	98.9%	98.4%	99.5%
12.	EUROPA ŻYCIE S.A.	99.9%	99.8%	99.9%
13.	GENERALI ŻYCIE S.A.	99.3%	98.8%	99.5%
14.	HDI-GERLING ŻYCIE S.A.	83.3%	69.7%	83.7%
15.	ING S.A.	93.5%	72.6%	77.7%
16.	INTER - ŻYCIE S.A.	100.0%	100.0%	100.0%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	63.9%	75.6%	118.3%
19.	METLIFE S.A.	99.7%	99.9%	100.2%
20.	NORDEA TUnŻ S.A.	100.0%	100.0%	100.0%
21.	POLISA - ŻYCIE S.A.	99.8%	100.0%	100.2%
22.	PRAMERICA S.A.	97.7%	99.8%	102.2%
23.	PZU ŻYCIE S.A.	100.0%	100.0%	100.0%
24.	REJENT LIFE T.U.W.	100.0%	100.0%	100.0%
25.	SIGNAL IDUNA ŻYCIE S.A.	99.3%	99.8%	100.5%
26.	SKANDIA ŻYCIE S.A.	99.9%	99.6%	99.7%
27.	SKOK ŻYCIE S.A.	100.0%	100.0%	100.0%
28.	UNIQA ŻYCIE S.A.	100.0%	100.0%	100.0%
29.	UNIVERSUM ŻYCIE S.A.	98.8%	99.6%	100.8%
30.	WARTA TUnŻ S.A.	96.2%	99.1%	103.1%
31.	Total	99.2%	96.5%	97.3%

Claims retention ratio in Branch 2

No.	Insurer	Retention ratio		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	75.5%	82.6%	109.4%
2.	AVIVA - TUO S.A.	92.6%	96.3%	104.1%
3.	AXA S.A.	41.5%	9.1%	22.0%
4.	BENEFIA S.A.	98.3%	97.2%	98.9%
5.	BEZPIECZNY DOM T.U.W.	X	X	X
6.	BRE UBEZPIECZENIA S.A.	15.7%	28.6%	182.2%
7.	BZWBK - Aviva TUO S.A.	100.0%	100.0%	100.0%
8.	COMPENSA S.A.	94.6%	95.8%	101.2%
9.	CONCORDIA POLSKA T.U.W.	74.8%	68.4%	91.4%
10.	CUPRUM T.U.W.	75.1%	84.3%	112.2%
11.	D.A.S. S.A.	40.0%	40.0%	100.0%
12.	ERGO HESTIA S.A.	92.6%	94.5%	102.0%
13.	EULER HERMES S.A.	17.1%	17.4%	101.6%
14.	EUROPA S.A.	X	80.2%	X
15.	GENERALI S.A.	96.4%	92.9%	96.4%
16.	HDI-ASEKURACJA S.A.	82.6%	82.8%	100.2%
17.	HDI-GERLING POLSKA S.A.	83.0%	78.3%	94.4%
18.	INTER POLSKA S.A.	85.8%	87.4%	101.9%
19.	INTERRISK S.A.	96.9%	95.5%	98.6%
20.	KUKE S.A.	65.6%	65.3%	99.6%
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	100.0%	100.0%	100.0%
23.	MTU S.A.	99.9%	99.1%	99.3%
24.	PARTNER S.A.	80.7%	113.3%	140.5%
25.	POCZTOWE T.U.W.	42.3%	42.4%	100.1%
26.	PTR S.A.	98.2%	103.2%	105.0%
27.	PTU S.A.	73.2%	74.3%	101.6%
28.	PZM S.A.	100.0%	99.8%	99.8%
29.	PZU S.A.	98.7%	96.6%	97.9%
30.	SIGNAL IDUNA POLSKA S.A.	94.0%	97.7%	104.0%
31.	SKOK T.U.W.	100.0%	100.0%	100.0%
32.	TUW T.U.W.	88.6%	90.5%	102.2%
33.	TUZ T.U.W.	74.3%	73.9%	99.5%
34.	UNIQA S.A.	59.0%	61.8%	104.7%
35.	WARTA S.A.	94.4%	94.9%	100.5%
36.	Total	91.6%	90.8%	99.1%

3.2.2. Claims ratio

Gross claims ratio

No.	Branch	Claims ratio		Growth
		2008	2009	09/08
1.	Branch 1	50.7%	92.0%	181.4%
2.	Branch 2	60.6%	66.7%	110.1%
3.	Total	53.9%	81.9%	151.9%

Gross claims ratio in Branch 1

No.	Insurer	Claims ratio		Growth
		2008	2009	09/08
1.	AEGON S.A.	139.7%	118.5%	84.8%
2.	ALLIANZ ŻYCIE POLSKA S.A.	51.7%	61.7%	119.4%
3.	AMPLICO LIFE S.A.	50.4%	41.4%	82.1%
4.	AVIVA - ŻYCIE S.A.	63.7%	135.0%	211.8%
5.	AXA ŻYCIE S.A.	36.7%	151.1%	412.0%
6.	BENEFIA NA ŻYCIE S.A.	38.4%	73.8%	191.9%
7.	BZWBK - Aviva TUnŻ S.A.	1.0%	3.4%	336.9%
8.	CARDIF POLSKA S.A.	12.6%	20.6%	163.6%
9.	COMPENSA ŻYCIE S.A.	30.8%	68.6%	222.9%
10.	CONCORDIA CAPITAL S.A.	25.7%	20.6%	79.9%
11.	ERGO HESTIA STUnŻ S.A.	37.4%	24.7%	65.9%
12.	EUROPA ŻYCIE S.A.	31.8%	50.5%	158.9%
13.	GENERALI ŻYCIE S.A.	62.3%	43.9%	70.4%
14.	HDI-GERLING ŻYCIE S.A.	99.9%	59.8%	59.9%
15.	ING S.A.	14.9%	124.7%	839.6%
16.	INTER - ŻYCIE S.A.	57.7%	55.1%	95.5%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	28.4%	11.4%	40.0%
19.	METLIFE S.A.	16.5%	164.4%	996.3%
20.	NORDEA TUnŻ S.A.	75.4%	93.3%	123.8%
21.	POLISA - ŻYCIE S.A.	50.0%	62.3%	124.7%
22.	PRAMERICA S.A.	23.9%	23.4%	98.1%
23.	PZU ŻYCIE S.A.	57.4%	103.5%	180.3%
24.	REJENT LIFE T.U.W.	26.8%	32.1%	119.9%
25.	SIGNAL IDUNA ŻYCIE S.A.	63.7%	49.6%	77.9%
26.	SKANDIA ŻYCIE S.A.	67.5%	54.4%	80.5%
27.	SKOK ŻYCIE S.A.	65.1%	34.2%	52.5%
28.	UNIQA ŻYCIE S.A.	56.0%	114.7%	204.9%
29.	UNIVERSUM ŻYCIE S.A.	32.6%	50.2%	154.1%
30.	WARTA TUnŻ S.A.	46.6%	123.3%	264.7%
31.	Total	50.7%	92.0%	181.4%

Gross claims ratio in Branch 2

No.	Insurer	Claims ratio		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	65.0%	65.5%	100.7%
2.	AVIVA - TUO S.A.	41.7%	63.5%	152.5%
3.	AXA S.A.	39.3%	123.3%	313.5%
4.	BENEFIA S.A.	69.2%	68.6%	99.1%
5.	BEZPIECZNY DOM T.U.W.	0.5%	1.2%	251.1%
6.	BRE UBEZPIECZENIA S.A.	28.9%	30.1%	104.1%
7.	BZWBK - Aviva TUO S.A.	11.3%	11.7%	103.3%
8.	COMPENSA S.A.	64.6%	70.4%	109.0%
9.	CONCORDIA POLSKA T.U.W.	47.0%	54.6%	116.1%
10.	CUPRUM T.U.W.	35.4%	62.9%	177.7%
11.	D.A.S. S.A.	28.3%	24.1%	84.9%
12.	ERGO HESTIA S.A.	60.0%	64.2%	107.0%
13.	EULER HERMES S.A.	53.1%	99.5%	187.4%
14.	EUROPA S.A.	1.2%	4.1%	342.3%
15.	GENERALI S.A.	61.2%	70.0%	114.3%
16.	HDI-ASEKURACJA S.A.	58.6%	63.1%	107.6%
17.	HDI-GERLING POLSKA S.A.	46.5%	32.3%	69.5%
18.	INTER POLSKA S.A.	32.8%	40.7%	124.0%
19.	INTERRISK S.A.	51.0%	56.9%	111.6%
20.	KUKE S.A.	60.9%	X	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	X	99.6%	X
23.	MTU S.A.	66.2%	70.1%	105.9%
24.	PARTNER S.A.	416.8%	36.4%	8.7%
25.	POCZTOWE T.U.W.	66.4%	66.6%	100.3%
26.	PTR S.A.	76.4%	67.8%	88.8%
27.	PTU S.A.	64.5%	62.5%	96.9%
28.	PZM S.A.	77.1%	81.9%	106.2%
29.	PZU S.A.	63.0%	70.0%	111.2%
30.	SIGNAL IDUNA POLSKA S.A.	81.5%	59.3%	72.7%
31.	SKOK T.U.W.	7.3%	X	X
32.	TUW T.U.W.	57.5%	68.8%	119.6%
33.	TUZ T.U.W.	56.1%	42.6%	75.9%
34.	UNIQA S.A.	60.6%	64.3%	106.2%
35.	WARTA S.A.	57.4%	72.3%	126.1%
36.	Total	60.6%	66.7%	110.1%

3.2.3. Level of technical provisions

Level of gross technical provisions

No.	Branch	Provision level		Growth
		2008	2009	09/08
1.	Branch 1	52.0%	91.9%	176.9%
2.	Branch 2	61.4%	67.4%	109.7%
3.	Total	54.9%	82.5%	150.3%

Level of gross technical provisions in Branch 1

No.	Insurer	Provision level		Growth
		2008	2009	09/08
1.	AEGON S.A.	159.4%	118.6%	74.4%
2.	ALLIANZ ŻYCIE POLSKA S.A.	51.8%	61.9%	119.5%
3.	AMPLICO LIFE S.A.	50.3%	40.8%	81.1%
4.	AVIVA - ŻYCIE S.A.	63.8%	135.3%	212.2%
5.	AXA ŻYCIE S.A.	36.7%	151.5%	412.8%
6.	BENEFIA NA ŻYCIE S.A.	38.4%	73.2%	190.6%
7.	BZWBK - Aviva TUnŻ S.A.	1.0%	3.4%	336.9%
8.	CARDIF POLSKA S.A.	12.6%	20.4%	162.5%
9.	COMPENSA ŻYCIE S.A.	30.9%	69.0%	223.4%
10.	CONCORDIA CAPITAL S.A.	26.0%	20.7%	79.4%
11.	ERGO HESTIA STUnŻ S.A.	39.8%	25.3%	63.5%
12.	EUROPA ŻYCIE S.A.	31.8%	50.3%	158.4%
13.	GENERALI ŻYCIE S.A.	62.7%	43.7%	69.7%
14.	HDI-GERLING ŻYCIE S.A.	129.4%	69.4%	53.6%
15.	ING S.A.	16.3%	137.0%	840.6%
16.	INTER - ŻYCIE S.A.	59.2%	59.2%	99.9%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	25.5%	10.0%	39.1%
19.	METLIFE S.A.	16.5%	165.0%	999.7%
20.	NORDEA TUnŻ S.A.	75.4%	93.4%	123.8%
21.	POLISA - ŻYCIE S.A.	49.9%	62.4%	125.0%
22.	PRAMERICA S.A.	24.1%	23.8%	98.7%
23.	PZU ŻYCIE S.A.	57.5%	103.6%	180.3%
24.	REJENT LIFE T.U.W.	26.8%	32.1%	119.9%
25.	SIGNAL IDUNA ŻYCIE S.A.	63.9%	49.9%	78.1%
26.	SKANDIA ŻYCIE S.A.	67.6%	54.4%	80.4%
27.	SKOK ŻYCIE S.A.	65.1%	34.2%	52.5%
28.	UNIQA ŻYCIE S.A.	56.1%	115.1%	205.3%
29.	UNIVERSUM ŻYCIE S.A.	34.0%	50.7%	149.1%
30.	WARTA TUnŻ S.A.	51.6%	122.4%	237.3%
31.	Total	52.0%	91.9%	176.9%

Level of gross technical provisions in Branch 2

No.	Insurer	Provision level		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	62.0%	64.5%	104.1%
2.	AVIVA - TUO S.A.	44.7%	69.5%	155.4%
3.	AXA S.A.	152.2%	80.5%	52.9%
4.	BENEFIA S.A.	74.9%	72.7%	97.0%
5.	BEZPIECZNY DOM T.U.W.	0.5%	1.2%	251.1%
6.	BRE UBEZPIECZENIA S.A.	22.5%	20.5%	91.2%
7.	BZWBK - Aviva TUO S.A.	11.3%	11.7%	103.4%
8.	COMPENSA S.A.	64.2%	71.4%	111.1%
9.	CONCORDIA POLSKA T.U.W.	51.1%	55.5%	108.6%
10.	CUPRUM T.U.W.	32.2%	60.5%	188.1%
11.	D.A.S. S.A.	33.4%	23.4%	69.9%
12.	ERGO HESTIA S.A.	62.3%	67.3%	108.1%
13.	EULER HERMES S.A.	85.7%	126.5%	147.6%
14.	EUROPA S.A.	0.9%	3.7%	409.1%
15.	GENERALI S.A.	67.3%	79.0%	117.4%
16.	HDI-ASEKURACJA S.A.	60.1%	66.1%	110.1%
17.	HDI-GERLING POLSKA S.A.	56.5%	40.7%	72.0%
18.	INTER POLSKA S.A.	36.1%	46.7%	129.3%
19.	INTERRISK S.A.	52.4%	59.1%	112.9%
20.	KUKE S.A.	78.7%	X	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	60.6%	60.3%	99.6%
23.	MTU S.A.	67.9%	71.4%	105.3%
24.	PARTNER S.A.	382.6%	37.5%	9.8%
25.	POCZTOWE T.U.W.	48.8%	55.6%	113.9%
26.	PTR S.A.	78.0%	75.7%	97.1%
27.	PTU S.A.	65.9%	64.5%	98.0%
28.	PZM S.A.	78.6%	83.1%	105.7%
29.	PZU S.A.	63.1%	68.8%	109.2%
30.	SIGNAL IDUNA POLSKA S.A.	87.2%	62.5%	71.7%
31.	SKOK T.U.W.	7.3%	X	X
32.	TUW T.U.W.	60.1%	74.8%	124.6%
33.	TUZ T.U.W.	56.5%	39.8%	70.4%
34.	UNIQA S.A.	58.3%	63.6%	109.2%
35.	WARTA S.A.	59.8%	75.4%	126.2%
36.	Total	61.4%	67.4%	109.7%

3.2.4. Degree of profitability of capital and reserves

Degree of profitability of capital and reserves

No.	Branch	Profitability of capitals		Growth
		2008	2009	09/08
1.	Branch 1	27.1%	36.4%	134.3%
2.	Branch 2	15.2%	19.8%	129.9%
3.	Total	19.0%	27.5%	144.5%

Degree of profitability of capital and reserves in Branch 1

No.	Insurer	Profitability of capitals		Growth
		2008	2009	09/08
1.	AEGON S.A.	20.5%	21.1%	102.9%
2.	ALLIANZ ŻYCIE POLSKA S.A.	11.2%	23.6%	211.4%
3.	AMPLICO LIFE S.A.	25.9%	21.5%	82.9%
4.	AVIVA - ŻYCIE S.A.	43.2%	65.0%	150.3%
5.	AXA ŻYCIE S.A.	-31.1%	-14.1%	X
6.	BENEFIA NA ŻYCIE S.A.	4.9%	4.9%	99.9%
7.	BZWBK - Aviva TUnŻ S.A.	-13.4%	-6.9%	X
8.	CARDIF POLSKA S.A.	46.9%	39.2%	83.7%
9.	COMPENSA ŻYCIE S.A.	6.1%	8.5%	139.4%
10.	CONCORDIA CAPITAL S.A.	1.5%	10.0%	650.4%
11.	ERGO HESTIA STUnŻ S.A.	8.0%	17.7%	221.4%
12.	EUROPA ŻYCIE S.A.	19.8%	23.0%	116.4%
13.	GENERALI ŻYCIE S.A.	15.3%	21.7%	141.4%
14.	HDI-GERLING ŻYCIE S.A.	-18.8%	-14.8%	X
15.	ING S.A.	41.0%	35.8%	87.4%
16.	INTER - ŻYCIE S.A.	-11.1%	10.0%	X
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	-25.1%	-19.3%	X
19.	METLIFE S.A.	18.5%	13.8%	74.9%
20.	NORDEA TUnŻ S.A.	-0.7%	-2.3%	X
21.	POLISA - ŻYCIE S.A.	12.6%	15.3%	121.1%
22.	PRAMERICA S.A.	5.6%	1.4%	25.7%
23.	PZU ŻYCIE S.A.	29.5%	45.5%	154.2%
24.	REJENT LIFE T.U.W.	-74.3%	54.5%	X
25.	SIGNAL IDUNA ŻYCIE S.A.	-24.5%	-32.3%	X
26.	SKANDIA ŻYCIE S.A.	32.6%	24.4%	74.8%
27.	SKOK ŻYCIE S.A.	39.4%	43.1%	109.4%
28.	UNIQA ŻYCIE S.A.	0.1%	5.6%	6355.0%
29.	UNIVERSUM ŻYCIE S.A.	-5.2%	-6.1%	X
30.	WARTA TUnŻ S.A.	19.6%	23.3%	118.9%
31.	Total	27.1%	36.4%	134.3%

Degree of profitability of capital and reserves in Branch 2

No.	Insurer	Profitability of capitals		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	-0.9%	-11.8%	X
2.	AVIVA - TUO S.A.	-60.1%	-59.3%	X
3.	AXA S.A.	-33.1%	-61.7%	X
4.	BENEFIA S.A.	1.0%	1.1%	117.1%
5.	BEZPIECZNY DOM T.U.W.	-52.0%	639.5%	X
6.	BRE UBEZPIECZENIA S.A.	-9.2%	53.1%	X
7.	BZWBK - Aviva TUO S.A.	-8.8%	10.0%	X
8.	COMPENSA S.A.	10.1%	11.1%	110.1%
9.	CONCORDIA POLSKA T.U.W.	22.5%	26.7%	118.9%
10.	CUPRUM T.U.W.	6.1%	9.3%	152.7%
11.	D.A.S. S.A.	-11.5%	-8.7%	X
12.	ERGO HESTIA S.A.	21.3%	9.3%	43.4%
13.	EULER HERMES S.A.	40.4%	11.1%	27.4%
14.	EUROPA S.A.	33.1%	24.5%	74.0%
15.	GENERALI S.A.	8.4%	-6.6%	X
16.	HDI-ASEKURACJA S.A.	16.8%	14.0%	83.8%
17.	HDI-GERLING POLSKA S.A.	26.0%	22.1%	85.0%
18.	INTER POLSKA S.A.	-8.0%	-9.7%	X
19.	INTERRISK S.A.	23.3%	22.4%	96.0%
20.	KUKE S.A.	8.6%	-16.7%	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	45.2%	45.3%	100.2%
23.	MTU S.A.	18.8%	21.6%	114.9%
24.	PARTNER S.A.	-2.7%	5.1%	X
25.	POCZTOWE T.U.W.	1.2%	3.4%	286.5%
26.	PTR S.A.	-27.2%	29.6%	X
27.	PTU S.A.	-14.9%	5.6%	X
28.	PZM S.A.	-34.5%	-25.3%	X
29.	PZU S.A.	17.1%	26.5%	154.7%
30.	SIGNAL IDUNA POLSKA S.A.	-148.9%	-46.7%	X
31.	SKOK T.U.W.	28.7%	35.6%	124.0%
32.	TUW T.U.W.	12.2%	3.4%	27.6%
33.	TUZ T.U.W.	-13.5%	29.6%	X
34.	UNIQA S.A.	3.6%	6.2%	171.9%
35.	WARTA S.A.	4.8%	0.7%	14.9%
36.	Total	15.2%	19.8%	129.9%

3.2.5. Degree of profitability of assets

Degree of profitability of assets

No.	Branch	Profitability of assets		Growth
		2008	2009	09/08
1.	Branch 1	3.0%	4.7%	154.4%
2.	Branch 2	6.7%	6.3%	93.1%
3.	Total	4.4%	5.2%	118.0%

Degree of profitability of assets in Branch 1

No.	Insurer	Profitability of assets		Growth
		2008	2009	09/08
1.	AEGON S.A.	1.3%	1.3%	99.2%
2.	ALLIANZ ŻYCIE POLSKA S.A.	0.4%	1.2%	296.1%
3.	AMPLICO LIFE S.A.	4.4%	3.9%	88.8%
4.	AVIVA - ŻYCIE S.A.	3.2%	3.6%	113.8%
5.	AXA ŻYCIE S.A.	-2.6%	-2.3%	X
6.	BENEFIA NA ŻYCIE S.A.	0.3%	0.6%	194.0%
7.	BZWBK - Aviva TUnŻ S.A.	-4.1%	-0.6%	X
8.	CARDIF POLSKA S.A.	7.7%	6.7%	86.5%
9.	COMPENSA ŻYCIE S.A.	0.6%	0.8%	131.1%
10.	CONCORDIA CAPITAL S.A.	0.9%	4.1%	433.6%
11.	ERGO HESTIA STUnŻ S.A.	0.9%	2.2%	231.5%
12.	EUROPA ŻYCIE S.A.	1.1%	1.1%	104.8%
13.	GENERALI ŻYCIE S.A.	0.9%	1.2%	127.7%
14.	HDI-GERLING ŻYCIE S.A.	-1.4%	-0.7%	X
15.	ING S.A.	2.0%	2.4%	122.5%
16.	INTER - ŻYCIE S.A.	-6.0%	6.4%	X
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	-21.7%	-15.5%	X
19.	METLIFE S.A.	1.7%	1.6%	98.0%
20.	NORDEA TUnŻ S.A.	0.0%	-0.1%	X
21.	POLISA - ŻYCIE S.A.	6.4%	7.9%	123.8%
22.	PRAMERICA S.A.	1.8%	0.2%	12.9%
23.	PZU ŻYCIE S.A.	4.6%	9.2%	200.0%
24.	REJENT LIFE T.U.W.	-1.2%	1.2%	X
25.	SIGNAL IDUNA ŻYCIE S.A.	-18.5%	-22.4%	X
26.	SKANDIA ŻYCIE S.A.	3.0%	1.9%	62.8%
27.	SKOK ŻYCIE S.A.	17.7%	20.0%	113.3%
28.	UNIQA ŻYCIE S.A.	0.1%	0.3%	306.6%
29.	UNIVERSUM ŻYCIE S.A.	-4.3%	-5.1%	X
30.	WARTA TUnŻ S.A.	0.8%	1.6%	196.9%
31.	Total	3.0%	4.7%	154.4%

Degree of profitability of assets in Branch 2

No.	Insurer	Profitability of assets		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	-1.0%	-3.7%	X
2.	AVIVA - TUO S.A.	-17.3%	-13.6%	X
3.	AXA S.A.	-22.1%	-22.1%	X
4.	BENEFIA S.A.	1.7%	2.2%	130.2%
5.	BEZPIECZNY DOM T.U.W.	11.2%	16.3%	145.0%
6.	BRE UBEZPIECZENIA S.A.	-1.8%	16.3%	X
7.	BZWBK - Aviva TUO S.A.	-3.1%	2.0%	X
8.	COMPENSA S.A.	2.3%	2.3%	99.3%
9.	CONCORDIA POLSKA T.U.W.	4.7%	3.8%	80.6%
10.	CUPRUM T.U.W.	3.0%	5.1%	170.5%
11.	D.A.S. S.A.	-4.8%	-3.7%	X
12.	ERGO HESTIA S.A.	5.1%	1.8%	35.6%
13.	EULER HERMES S.A.	11.9%	2.5%	20.9%
14.	EUROPA S.A.	10.8%	7.8%	71.8%
15.	GENERALI S.A.	1.8%	-1.2%	X
16.	HDI-ASEKURACJA S.A.	2.5%	2.2%	89.6%
17.	HDI-GERLING POLSKA S.A.	7.9%	6.9%	87.0%
18.	INTER POLSKA S.A.	-2.2%	-3.0%	X
19.	INTERRISK S.A.	3.6%	3.6%	98.2%
20.	KUKE S.A.	5.5%	-11.6%	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	14.1%	13.0%	92.2%
23.	MTU S.A.	4.2%	3.1%	74.0%
24.	PARTNER S.A.	-2.2%	3.5%	X
25.	POCZTOWE T.U.W.	0.4%	1.3%	329.9%
26.	PTR S.A.	-8.6%	10.3%	X
27.	PTU S.A.	-2.2%	0.4%	X
28.	PZM S.A.	-10.6%	-5.9%	X
29.	PZU S.A.	9.5%	10.5%	110.8%
30.	SIGNAL IDUNA POLSKA S.A.	-38.7%	-16.4%	X
31.	SKOK T.U.W.	13.2%	15.5%	117.0%
32.	TUW T.U.W.	2.0%	0.2%	10.9%
33.	TUZ T.U.W.	-3.2%	9.4%	X
34.	UNIQA S.A.	0.8%	1.3%	156.0%
35.	WARTA S.A.	1.6%	0.3%	16.1%
36.	Total	6.7%	6.3%	93.1%

3.2.6. Combined ratio

Combined ratio

No.	Branch	Combined ratio		Growth
		2008	2009	09/08
1.	Branch 1	64.0%	110.8%	173.1%
2.	Branch 2	93.1%	99.2%	106.5%
3.	Total	73.5%	106.2%	144.4%

Combined ratio in Branch 1

No.	Insurer	Combined ratio		Growth
		2008	2009	09/08
1.	AEGON S.A.	152.4%	149.1%	97.9%
2.	ALLIANZ ŻYCIE POLSKA S.A.	84.7%	93.2%	110.0%
3.	AMPLICO LIFE S.A.	96.2%	92.4%	96.0%
4.	AVIVA - ŻYCIE S.A.	72.7%	155.5%	213.9%
5.	AXA ŻYCIE S.A.	46.3%	182.9%	395.1%
6.	BENEFIA NA ŻYCIE S.A.	67.5%	155.6%	230.6%
7.	BZWBK - Aviva TUnŻ S.A.	15.2%	21.6%	142.3%
8.	CARDIF POLSKA S.A.	91.3%	99.3%	108.7%
9.	COMPENSA ŻYCIE S.A.	67.0%	108.2%	161.5%
10.	CONCORDIA CAPITAL S.A.	87.0%	81.9%	94.1%
11.	ERGO HESTIA STUnŻ S.A.	86.7%	73.5%	84.8%
12.	EUROPA ŻYCIE S.A.	43.8%	60.2%	137.5%
13.	GENERALI ŻYCIE S.A.	79.3%	50.6%	63.7%
14.	HDI-GERLING ŻYCIE S.A.	133.3%	92.6%	69.5%
15.	ING S.A.	23.5%	139.1%	591.8%
16.	INTER - ŻYCIE S.A.	107.5%	121.2%	112.8%
17.	LINK4 LIFE S.A.	no data	no data	X
18.	MACIF ŻYCIE T.U.W.	185.7%	122.0%	65.7%
19.	METLIFE S.A.	34.3%	224.3%	654.7%
20.	NORDEA TUnŻ S.A.	79.4%	97.5%	122.9%
21.	POLISA - ŻYCIE S.A.	90.2%	95.9%	106.3%
22.	PRAMERICA S.A.	77.8%	80.9%	104.0%
23.	PZU ŻYCIE S.A.	65.5%	115.3%	176.0%
24.	REJENT LIFE T.U.W.	35.7%	41.6%	116.5%
25.	SIGNAL IDUNA ŻYCIE S.A.	132.9%	128.8%	96.9%
26.	SKANDIA ŻYCIE S.A.	95.7%	87.6%	91.6%
27.	SKOK ŻYCIE S.A.	115.4%	84.3%	73.1%
28.	UNIQA ŻYCIE S.A.	58.3%	117.7%	201.8%
29.	UNIVERSUM ŻYCIE S.A.	146.5%	137.8%	94.1%
30.	WARTA TUnŻ S.A.	51.3%	128.4%	250.2%
31.	Total	64.0%	110.8%	173.1%

Combined ratio in Branch 2

No.	Insurer	Combined ratio		Growth
		2008	2009	09/08
1.	ALLIANZ POLSKA S.A.	94.5%	97.2%	102.9%
2.	AVIVA - TUO S.A.	123.0%	123.9%	100.7%
3.	AXA S.A.	151.9%	175.3%	115.4%
4.	BENEFIA S.A.	95.5%	97.6%	102.2%
5.	BEZPIECZNY DOM T.U.W.	68.8%	58.0%	84.3%
6.	BRE UBEZPIECZENIA S.A.	80.2%	74.4%	92.8%
7.	BZWBK - Aviva TUO S.A.	132.7%	98.9%	74.5%
8.	COMPENSA S.A.	98.7%	100.2%	101.5%
9.	CONCORDIA POLSKA T.U.W.	77.9%	82.4%	105.7%
10.	CUPRUM T.U.W.	44.1%	77.0%	174.6%
11.	D.A.S. S.A.	75.1%	69.0%	92.0%
12.	ERGO HESTIA S.A.	91.5%	96.2%	105.0%
13.	EULER HERMES S.A.	42.3%	93.3%	220.4%
14.	EUROPA S.A.	53.3%	63.9%	119.8%
15.	GENERALI S.A.	94.6%	104.4%	110.3%
16.	HDI-ASEKURACJA S.A.	92.5%	94.8%	102.5%
17.	HDI-GERLING POLSKA S.A.	72.4%	57.9%	80.0%
18.	INTER POLSKA S.A.	93.7%	95.3%	101.7%
19.	INTERRISK S.A.	92.9%	94.5%	101.6%
20.	KUKE S.A.	133.2%	-1071.2%	X
21.	LINK4 S.A.	no data	no data	X
22.	MONDIAL ASSISTANCE	-53.4%	123.1%	X
23.	MTU S.A.	99.6%	98.8%	99.2%
24.	PARTNER S.A.	953.7%	128.0%	13.4%
25.	POCZTOWE T.U.W.	91.9%	86.7%	94.3%
26.	PTR S.A.	104.8%	91.5%	87.3%
27.	PTU S.A.	-191.4%	-836.1%	X
28.	PZM S.A.	128.2%	110.0%	85.8%
29.	PZU S.A.	94.6%	102.7%	108.6%
30.	SIGNAL IDUNA POLSKA S.A.	131.9%	112.9%	85.6%
31.	SKOK T.U.W.	56.5%	40.2%	71.1%
32.	TUW T.U.W.	91.4%	93.1%	101.8%
33.	TUZ T.U.W.	95.6%	84.8%	88.7%
34.	UNIQA S.A.	88.0%	89.3%	101.5%
35.	WARTA S.A.	96.1%	111.0%	115.5%
36.	Total	93.1%	99.2%	106.5%

3.3. Market structure

3.3.1. Market structure 2008-2009

Gross premium written in thousands of PLN in Branch 1

No.	Insurance type	Gross premium written		Growth
		2008	2009	09/08
1.	Life insurance	28 376 419	19 216 576	67.7%
2.	Life insurance linked to capital investment fund	6 289 242	6 458 122	102.7%
3.	Accident insurance	4 077 713	4 339 805	106.4%
4.	Other insurance	241 243	263 668	109.3%
5.	Total	38 984 617	30 278 171	77.7%

Gross premium written in thousands of PLN in Branch 2I

No.	Insurance type	Gross premium written		Growth
		2008	2009	09/08
1.	Motor insurance	12 014 717	11 817 754	98.4%
2.	Property insurance	3 314 360	3 712 186	112.0%
3.	Personal insurance	1 499 343	1 480 482	98.7%
4.	Financial insurance	1 326 078	1 704 807	128.6%
5.	Third-party liability insurance	973 140	1 112 825	114.4%
6.	Transport insurance	279 832	285 743	102.1%
7.	Other insurance	717 590	776 716	108.2%
8.	Total	20 125 060	20 890 513	103.8%

Structure of the insurance market in Poland in %

No.	Insurer	2008	2009
1.	PZU ŻYCIE S.A.	22.1%	19.4%
2.	PZU S.A.	13.9%	15.2%
3.	EUROPA ŻYCIE S.A.	4.5%	5.3%
4.	WARTA TUnŻ S.A.	5.0%	5.1%
5.	ING S.A.	6.6%	5.0%
6.	ERGO HESTIA S.A.	3.1%	4.3%
7.	WARTA S.A.	3.4%	3.6%
8.	ALLIANZ ŻYCIE POLSKA S.A.	2.6%	3.6%
9.	AVIVA - ŻYCIE S.A.	6.8%	3.3%
10.	ALLIANZ POLSKA S.A.	2.7%	3.1%
11.	OTHER	2.9%	3.1%

Structure in Branch 1 in %

No.	Insurer	2008	2009
1.	PZU ŻYCIE S.A.	33.6%	32.8%
2.	EUROPA ŻYCIE S.A.	6.8%	8.9%
3.	WARTA TUnŻ S.A.	7.5%	8.6%
4.	ING S.A.	9.9%	8.4%
5.	ALLIANZ ŻYCIE POLSKA S.A.	3.9%	6.1%
6.	AVIVA - ŻYCIE S.A.	10.2%	5.5%
7.	AMPLICO LIFE S.A.	4.4%	5.2%
8.	NORDEA TUnŻ S.A.	3.4%	4.0%
9.	GENERALI ŻYCIE S.A.	2.0%	4.0%
10.	UNIQA ŻYCIE S.A.	3.0%	3.2%
11.	OTHER	15.2%	13.4%

Structure in Branch 2 in %

No.	Insurer	2008	2009
1.	PZU S.A.	45.5%	38.3%
2.	ERGO HESTIA S.A.	10.0%	10.7%
3.	WARTA S.A.	11.2%	9.1%
4.	ALLIANZ POLSKA S.A.	9.0%	7.9%
5.	HDI-ASEKURACJA S.A.	4.7%	4.1%
6.	UNIQA S.A.	3.7%	3.8%
7.	INTERRISK S.A.	4.0%	3.8%
8.	GENERALI S.A.	3.3%	3.6%
9.	COMPENSA S.A.	3.2%	3.6%
10.	MTU S.A.	2.0%	2.2%
11.	OTHER	3.4%	13.0%

3.3.2. Market 2000-2009

Basic ratios describing the development of the insurance market in Poland in the years 2000-2009

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
number of insurance companies										
Branch 1	35	36	37	36	33	32	31	32	30	30
Branch 2	33	35	36	41	38	37	34	35	36	35
Total	68	71	73	77	71	69	65	67	66	65
subscribed capitals (in thousands of PLN*)										
Branch 1	1 772 112	2 083 143	2 257 796	2 341 336	2 339 608	2 444 928	2 479 575	2 496 909	2 592 090	2 598 771
Branch 2	1 810 896	2 040 983	2 142 922	2 306 703	2 308 593	2 784 196	2 810 362	2 876 333	2 822 605	2 679 991
Total	3 583 008	4 124 126	4 400 718	4 648 039	4 648 202	5 229 123	5 289 938	5 373 243	5 414 696	5 278 762
share of foreign capital in subscribed capitals										
Total (in %)	59.1%	67.8%	71.9%	71.9%	72.1%	72.7%	75.1%	77.9%	78.6%	82.2%
gross premium written (in thousands of PLN*)										
Branch 1	9 501 378	10 005 795	10 508 021	11 832 976	13 973 157	16 953 079	23 323 765	27 514 656	40 350 260	30 278 171
Branch 2	14 253 026	14 180 116	14 055 800	14 484 797	16 350 837	17 343 607	18 195 855	19 739 691	21 070 615	20 890 513
Total	23 754 403	24 185 911	24 563 821	26 317 772	30 323 994	34 296 687	41 519 621	47 254 347	61 420 874	51 168 684
gross claims paid (in thousands of PLN *)										
Branch 1	2 944 964	3 653 324	4 567 008	5 458 708	6 743 363	8 344 837	9 354 049	11 250 417	20 068 938	27 716 045
Branch 2	8 675 210	8 453 861	8 267 019	8 115 294	8 970 215	9 201 782	9 293 795	9 963 623	10 287 341	12 364 968
Total	11 620 174	12 107 185	12 834 027	13 574 002	15 713 577	17 546 619	18 647 843	21 214 040	30 356 279	40 081 013
gross premium written per capita (in PLN*)										
Branch 1	250	254	270	304	359	433	616	727	1 023	794
Branch 2	375	361	361	373	421	442	480	521	534	548
Total	625	615	631	677	780	875	1 096	1 248	1 557	1 341
balance sheet investments (in thousands of PLN*)										
Branch I. including	21 683 422	27 038 291	33 119 162	40 881 997	48 428 997	57 143 993	71 909 799	82 442 058	83 682 496	83 652 699
investments (B)	19 460 392	23 715 771	28 645 779	28 726 952	33 615 017	36 377 471	40 802 548	43 632 492	56 414 419	51 993 191
investments on behalf and at the risk of the insuring party (C)	2 223 029	3 322 520	4 473 383	12 155 045	14 813 980	20 766 523	31 107 251	38 809 566	27 268 077	31 659 508
Branch II	15 657 105	17 940 182	20 306 008	25 997 726	29 208 968	33 855 727	38 768 332	43 973 531	46 178 555	42 784 235
Total	37 340 526	44 978 473	53 425 170	66 879 723	77 637 965	90 999 720	110 678 131	126 415 590	129 861 050	126 436 934

*) values in PLN are indicated at actual values from 2009 after conversion using the inflation rates published by the Central Statistical Office; inflation 2009 = 3.5%; population of Poland in 2009 – 38.153.389 (CSO almanac)

3.3.3. Market structure 2000-2009

Changes in the structure of the insurance market in Poland in the years 2000-2009

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Structure of the gross premium written broken down by classes in Branch 1 (in %)										
class 1	52.3	49.7	47.3	48.0	48.3	45.0	38.4	38.6	72.8	63.5
class 2	1.0	1.1	1.4	1.3	1.1	1.0	0.7	0.5	0.3	0.4
class 3	30.5	32.3	31.8	30.7	31.5	36.6	46.0	46.9	16.1	21.3
class 4	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
class 5	16.0	16.7	17.7	18.3	17.9	16.4	14.4	13.6	10.5	14.4
active reinsurance	0.0	0.0	1.6	1.5	1.0	0.8	0.3	0.2	0.1	0.2
structure of the gross premium written broken down by type of activity in Branch 2 (in %)										
other personal (class 1+2)	5.3	5.4	5.6	5.7	5.5	5.7	6.0	6.0	7.5	7.1
property (class 8+9)	16.7	17.7	18.5	19.3	18.4	17.8	17.7	17.7	16.3	17.8
auto casco (class 3)	30.6	30.6	28.8	30.1	29.7	27.8	25.7	25.7	25.5	23.1
motor vehicle liability (class 10)	37.3	36.0	36.1	34.0	33.2	34.9	34.7	34.7	34.4	33.5
transport (class 4 to 7, 11, 12)	1.7	1.8	1.9	1.9	1.7	1.9	1.8	1.8	1.5	1.4
general liability (class 13)	2.9	3.2	3.4	3.8	4.2	4.5	5.0	5.0	4.8	5.3
financial (class 14 to 17)	2.7	3.0	3.4	2.5	4.4	4.5	5.5	5.5	6.6	8.1
other (class 18+19)	0.7	0.6	0.7	0.9	0.6	0.6	1.1	0.8	0.9	1.4
active reinsurance	2.1	1.7	1.6	1.9	2.3	2.3	2.5	2.8	2.5	2.3

3.4. Consolidated financial statements

3.4.1. Life insurance

3.4.1.1. Balance sheet Assets

Balance sheet – Assets of life insurance companies in thousands of PLN

Description	01.01.2009	31.12.2009
A. Intangible assets	114 877	108 738
1. Goodwill	33 788	31 062
2. Other intangible assets and advances towards intangible assets	81 090	77 676
B. Investments	54 621 564	51 993 200
I. Land and buildings	388 581	398 945
1. Own land and right of perpetual usufruct of land	94 258	113 648
2. Buildings, structures and cooperative housing	268 863	274 255
3. Construction investments and advances towards these investments	25 460	11 042
II. Investments in subordinated parties	1 419 023	1 525 534
1. Shares in subordinated parties	1 410 251	1 495 652
2. Loans granted to subordinated parties and debt securities issued by these parties	0	25 202
3. Other investments	8 772	4 679
III. Other financial investments	52 813 960	50 068 721
1. Shares and other variable income securities as well as units of participation and investment certificates in investment funds	2 494 713	2 798 428
2. Debt securities and other fixed income securities	30 929 655	32 988 201
3. Shares in joint investments	0	0
4. Loans secured by a mortgage	27	2 327
5. Other loans	577 304	404 602
6. Term deposits at lending institutions	18 698 516	13 329 329
7. Other investments	113 745	545 835
IV. Deposit receivables from assignors	0	0
C. Net assets for life assurance where the investment risk is borne by the insuring party	26 345 876	31 659 516
D. Receivables	952 891	1 048 223
I. Direct insurance receivables	592 799	475 790
1. Receivables from insuring parties	536 433	429 708
1.1. from subordinated parties	164	238
1.2. from other parties	536 269	429 470
2. Receivables from insurance intermediaries	34 991	34 483
2.1. from subordinated parties	5 101	0
2.2. from other parties	29 890	34 483
3. Other receivables	21 375	11 599
3.1. from subordinated parties	0	0
3.2. from other parties	21 375	11 599
II. Receivables from reinsurance operations	68 510	78 495
1. from subordinated parties	284	140
2. from other parties	68 226	78 355
III. Other receivables	291 582	493 938
1. Receivables from the budget	73 695	205 991
2. Other receivables	217 887	287 947
2.1. from subordinated parties	7 518	4 304
2.2. from other parties	210 368	283 643
E. Other assets	500 007	489 237
I. Tangible assets	115 073	100 426
II. Cash	380 102	386 279
III. Other assets	4 832	2 532
F. Prepayments and accrued income	2 526 754	2 449 726
I. Deferred tax assets	360 493	196 207
II. Deferred acquisition costs	1 835 198	1 925 277
III. Accrued interest and rent	197 220	156 509
IV. Other prepayments	133 844	171 733
TOTAL ASSETS	85 061 970	87 748 641

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.4.1.2. Balance sheet Liabilities

Balance sheet – Liabilities of insurance companies in thousands of PLN

Description	01.01.2009	31.12.2009
A. Capital and reserves	11 434 889	13 473 991
I. Subscribed capital	2 466 435	2 598 773
II. Called up subscribed capital (negative value)	18 331	18 331
III. Own shares (negative value)	0	0
IV. Reserve capital	6 762 216	7 232 680
V. Revaluation capital	248 105	317 358
VI. Other reserve capitals	603 900	491 007
VII. Previous year's profit (loss)	1 373 650	-1 157 388
VIII. Net profit (loss)	-1 087	4 009 891
B. Subordinated liabilities	20 330	20 243
C. Technical provisions	71 003 882	71 216 826
I. Reserves for premiums and reserves for unexpired risk	1 184 836	1 121 160
II. Reserves for life insurance	41 538 847	36 334 583
III. Reserves for outstanding claims	1 172 019	1 363 893
IV. Reserves for bonuses and rebates for insured parties	36 296	48 038
V. Equalization reserves	0	0
VI. Reserves for reimbursement of premiums for members	0	0
VII. Other technical provisions stipulated in the corporate charter	764 425	721 269
VIII. Reserve for life insurance where the investment risk is borne by the insuring party	26 307 460	31 627 884
D. Reinsurers' share in technical provisions (negative value)	1 467 691	1 490 741
I. Reinsurers' share in the reserve for premiums and the reserve for unexpired risk	9 157	9 290
II. Reinsurers' share in the reserve for life insurance	932 766	931 742
III. Reinsurers' share in the reserve for outstanding claims	26 387	32 407
IV. Reinsurers' share in the reserve for bonuses and rebates for insured parties	544	320
V. Reinsurers' share in other provisions stipulated in the corporate charter	0	0
VI. Reinsurers' share in the reserve for life insurance where the investment risk is borne by the insuring party	498 837	516 983
E. Estimated recourses and claims returns (negative value)	0	0
I. Gross estimated recourses and claims returns	0	0
II. Reinsurers' share in estimated recourses and claims returns	0	0
F. Other provisions	619 260	869 031
I. Reserves for retirement benefits and other obligatory employee benefits	69 181	68 004
II. Provision for deferred income tax	430 468	650 891
III. Other provisions	119 612	150 135
G. Liabilities arising out of reinsurers' deposits	1 424 655	1 454 763
H. Other liabilities and special funds	1 475 269	1 558 089
I. Liabilities arising from direct insurance	679 195	571 036
1. Liabilities towards insuring parties	423 237	348 512
1.1 towards subordinated parties	0	0
1.2. towards other parties	423 237	348 512
2. Liabilities towards insurance intermediaries	213 228	178 024
2.1. towards subordinated parties	19 144	20 597
2.2. towards other parties	194 084	157 427
3. Other insurance liabilities	42 730	44 500
3.1. towards subordinated parties	15	29
3.2. towards other parties	42 715	44 471
II. Reinsurance liabilities	121 038	119 412
1. towards subordinated parties	165	69
2. towards other parties	120 873	119 343
III. Liabilities arising from the issuance of own debt securities and loans contracted	33 282	0
1. liabilities convertible into shares in the insurance company	0	0
2. other	33 282	0
IV. Liabilities towards lending institutions	12 318	999
V. Other liabilities	543 028	748 201
1. Liabilities towards the budget	273 407	39 703
2. Other liabilities	269 620	708 497
2.1. towards subordinated parties	12 989	10 131
2.2. towards other parties	256 631	698 366
VI. Special funds	86 408	118 441
I. Accruals and deferred income	551 376	646 439
1. Accrued expenses	395 056	366 355
2. Negative goodwill	0	0
3. Deferred income	156 320	280 084
TOTAL LIABILITIES	85 061 970	87 748 641

3.4.1.3. Balance on technical account

Balance on technical life insurance account in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
I. Premiums	37 323 335	29 291 271
1. Gross premiums written	38 984 617	30 278 171
2. Reinsurers' share in the premium written	1 250 523	1 050 703
3. Change in the premium reserve and gross reserve for unexpired risk	411 164	-63 669
4. Reinsurer's share in the change in the premium reserves	405	134
II. Revenues from investments	4 287 066	6 270 637
1. Revenues from investments in real estate	339	70
2. revenues from investments in subordinated parties	263 664	265 934
2.1. from shares	256 785	264 912
2.2. from loans and debt securities	6 879	1 022
2.3. from other investments	0	0
3. Revenues from other financial investments	3 240 234	3 189 155
3.1. from shares, other variable income securities and investment certificates in investment funds	234 928	75 747
3.2. from debt securities and other fixed income securities	2 333 256	2 241 633
3.3. from term deposits at lending institutions	632 547	839 176
3.4. from other investments	39 503	32 600
4. Positive return on investment revaluation	19 432	9 075
5. Positive return on investments	763 397	2 806 403
III. Unrealized returns on investments	828 077	2 838 294
IV. Other technical revenues net of reinsurance	361 291	252 120
V. Claims	19 399 802	26 931 707
1. Claims paid net of reinsurance	19 181 698	26 745 845
1.1. gross claims paid	19 334 356	27 716 051
1.2. reinsurers' share in claims paid	152 659	970 206
2. Change in reserve for outstanding claims net of reinsurance	218 104	185 862
2.1. gross reserves	225 693	191 881
2.2. reinsurers' share	7 589	6 019
VI. Changes in other technical provisions net of reinsurance	3 819 644	50 395
1. Change in reserve for life insurance net of reinsurance	13 940 473	-5 116 904
1.1. gross reserves	14 479 756	-5 112 054
1.2. reinsurers' share	539 282	4 850
2. Change in technical provisions net of reinsurance for life insurance where the investment risk is borne by the insuring party	-9 983 842	5 210 455
2.1. gross reserves	-9 730 456	5 228 600
2.2. reinsurers' share	253 386	18 145
3. Change in other technical provisions net of reinsurance stipulated in the corporate charter	-136 988	-43 156
3.1. gross reserves	-136 988	-43 156
3.2. reinsurers' share	0	0
VII. Bonuses and rebates together with the change in the provision net of reinsurance	34 361	40 228
VIII. Net operating expenses	4 946 681	5 422 708
1. Acquisition costs	3 590 934	3 846 329
2. Administrative expenses	1 552 209	1 603 841
3. Reinsurance commissions and profit participation	196 462	27 462
IX. Investment charges	8 121 159	703 744
1. Land and buildings maintenance costs	1 713	994
2. Other investment charges	69 600	61 735
3. Loss on investment revaluation	96 371	57 592
4. Loss on investments	7 953 474	583 423
X. Unrealized losses on investments	3 182 808	327 318
XI. Other technical charges net of reinsurance	178 350	277 894
XII. Return on net investments after taking into account expenses carried over to the general profit and loss account	-346 789	649 551
XIII. Balance on technical life insurance account	3 463 755	4 248 774

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.4.1.4. General profit and loss account

General profit and loss account of life insurance companies in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
I. Balance on technical non-life insurance account or balance on technical life insurance account	3 463 756	4 248 774
II. Return on investments	0	0
1. Return on investments in land and buildings	0	0
2. Return on investments in subordinated parties	0	0
2.1. on shares	0	0
2.2. on loans and debt securities	0	0
2.3. on other investments	0	0
3. Return on other financial investments	0	0
3.1. on shares, other variable income securities and units of participation and investment certificates in investment funds	0	0
3.2. on debt securities and other fixed income securities	0	0
3.3. on term deposits at lending institutions	0	0
3.4. on other investments	0	0
4. Income on investment revaluation	0	0
5. Income on investments	0	0
III. Unrealized returns on investments	0	0
IV. Return on net investments after taking into account expenses, carried over from the technical life insurance account	-346 789	649 550
V. Investment charges	0	0
1. Land and buildings maintenance costs	0	0
2. Other investment charges	0	0
3. Loss on investment revaluation	0	0
4. Loss on investments	0	0
VI. Unrealized losses on investments	0	0
VII. Return on net investments after taking into account expenses, carried over to the technical non-life insurance account	0	0
VIII. Other operating income	143 396	164 290
IX. Other operating expenses	165 208	162 861
X. Operating profit (loss)	3 095 156	4 899 753
XI. Extraordinary profits	8	0
XII. Extraordinary losses	15	0
XIII. Gross profit (loss)	3 095 149	4 899 753
XIV. Income tax	578 795	889 245
XV. Other obligatory profit reductions (increase of losses)	-1 372	617
XVI. Net profit (loss)	2 517 726	4 009 891

3.4.1.5. Cash flow statement

Cash flow statement of life insurance companies in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
A. Cash flows from operating activities	12 576 366	12 504 080
I. Inflows	39 720 179	38 954 884
1. Inflows from direct activities and active reinsurance	39 333 844	38 575 073
1.1. Inflows from gross premiums	39 232 091	38 451 393
1.2. Inflows from recourses and claims returns	1 275	1 275
1.3. Other inflows from direct activities	100 478	122 405
2. Inflows from passive reinsurance	155 824	155 057
2.1. Reinsurers' payments arising from participation in claims	94 818	98 922
2.2. Inflows from reinsurance commissions and participation in reinsurers' profits	54 143	50 705
2.3. Other inflows from passive reinsurance	6 863	5 429
3. Inflows from other operating activities	230 511	224 754
3.1. Inflows from average surveyor activities	0	0
3.2. Disposal of intangible assets and tangible assets other than investments	11 628	11 563
3.3. Other inflows	218 883	213 191
II. Outflows	27 143 813	26 450 804
1. Outflows arising from direct activities and active reinsurance	25 229 901	24 605 541
1.1. Gross premium returns	647 763	603 061
1.2. Gross claims paid	19 001 068	18 571 335
1.3. Outflows arising from acquisition	3 790 760	3 697 695
1.4. Administrative outflows	1 544 304	1 492 020
1.5. Outflows arising from claim adjustments and recourse collection	185 500	184 320
1.6. Commissions and profit participation paid on active reinsurance	14 230	14 230
1.7. Other outflows arising from direct activities and active reinsurance	46 276	42 880
2. Outflows arising from passive reinsurance	636 481	622 335
2.1. Premiums paid for passive reinsurance	150 651	136 759
2.2. Other outflows arising from passive reinsurance	485 830	485 577
3. Outflows arising from other operating activities	1 277 431	1 222 928
3.1. Outflows arising from average surveyor activities	0	0
3.2. Purchase of intangible assets and tangible assets other than investments	88 907	104 914
3.3. Other operating outflows	1 188 524	1 118 013
B. Cash flows from investment activities	-10 163 801	-10 077 088
I. Inflows	641 061 923	624 071 956
1. Disposal of real properties	589	589
2. Disposal of shares in subordinated parties	85 833	85 833
3. Disposal of shares in other parties as well as units of participation and investment certificates in investment funds	75 317 664	75 504 061
4. Redemption of debt securities issued by subordinated parties and repayment of loans granted to these parties	146 595	4 615 504
5. Redemption of debt securities issued by other parties	60 099 300	59 868 397

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

6. Liquidation of term deposits at lending institutions	353 546 918	340 426 906
7. Redemption of other investments	144 398 595	136 147 916
8. Inflows from real properties	339	339
9. Interest received	2 288 733	2 216 813
10. Dividends received	455 807	449 403
11. Other inflows from investments	4 721 551	4 756 195
II. Outflows	651 225 724	634 149 044
1. Purchase of real properties	820	820
2. Purchase of shares in subordinated parties	22 490	4 051
3. Purchase of shares in other parties as well as units of participation and investment certificates in investment funds	77 561 936	76 707 809
4. Purchase of debt securities issued by subordinated parties and granting of loans to these parties	0	0
5. Purchase of debt securities issued by other parties	57 598 021	57 475 127
6. Purchase of term deposits at lending institutions	368 030 016	359 295 762
7. Purchase of other investments	147 367 650	139 151 903
8. Outflows on land and buildings maintenance	1 367	3 847
9. Other outflows on investments	643 424	1 509 726
C. Cash flows from financial activities	-2 353 116	-2 396 396
I. Inflows	537 886	497 362
1. Net inflows from issuance of shares and capital contributions	472 918	432 924
2. Credits, loans and issuance of debt securities	63 000	63 000
3. Other financial inflows	1 968	1 438
II. Outflows	2 891 001	2 893 758
1. Dividends	2 855 862	2 855 862
2. Profit distribution liabilities other than dividend payments	0	0
3. Purchase of own shares	0	0
4. Repayment of credits, loans and buyback of own debt securities	30 000	33 284
5. Interest on loans, credits and debt securities issued	4 355	4 355
6. Other financial outflows	784	257
D. Total net cash flows	59 449	30 596
E. Balance sheet change in cash	64 197	42 775
1. including change in cash arising from FX differences	3 147	6 668
F. Cash opening balance	346 186	345 966
G. Cash closing balance	408 802	383 232
1. including of limited disposability	57 864	57 791

3.4.2. Non-life insurance

3.4.2.1. Balance sheet Assets

Balance sheet – Assets of non-life insurance companies in thousands of PLN

Description	01.01.2009	31.12.2009
A. Intangible assets	300 084	333 602
1. Goodwill	132 352	125 096
2. Other intangible assets and advances towards intangible assets	167 732	208 506
B. Investments	44 914 722	42 784 246
I. Land and buildings	908 682	941 790
1. Own land and right of perpetual usufruct of land	89 737	98 629
2. Buildings, structures and cooperative housing	795 582	785 200
3. Construction investments and advances towards these investments	23 362	57 960
II. Investments in subordinated parties	7 588 213	9 023 494
1. Shares in subordinated parties	7 513 444	8 983 500
2. Loans granted to subordinated parties and debt securities issued by these parties	74 769	32 069
3. Other investments	0	7 924
III. Other financial investments	36 399 114	32 799 972
1. Shares and other variable income securities as well as units of participation and investment certificates in investment funds	2 687 793	3 133 041
2. Debt securities and other fixed income securities	29 990 852	27 176 217
3. Shares in joint investments	0	0
4. Loans secured by a mortgage	33 744	24 374
5. Other loans	599 862	364 409
6. Term deposits at lending institutions	3 057 966	2 065 974
7. Other investments	28 896	35 957
IV. Deposit receivables from assignors	18 714	18 990
C. Net assets for life assurance where the investment risk is borne by the insuring party	0	0
D. Receivables	3 682 693	4 131 961
I. Direct insurance receivables	2 858 546	3 218 583
1. Receivables from insuring parties	2 656 070	2 937 590
1.1. from subordinated parties	121	1 257
1.2. from other parties	2 655 949	2 936 333
2. Receivables from insurance intermediaries	149 473	249 082
2.1. from subordinated parties	0	0
2.2. from other parties	149 473	249 082
3. Other receivables	53 002	31 911
3.1. from subordinated parties	1 628	91
3.2. from other parties	51 374	31 820
II. Receivables from reinsurance operations	502 427	566 684
1. from subordinated parties	13 573	15 621
2. from other parties	488 853	551 063
III. Other receivables	321 720	346 695
1. Receivables from the budget	109 957	104 070
2. Other receivables	211 763	242 624
2.1. from subordinated parties	7 591	10 020
2.2. from other parties	204 172	232 604
E. Other assets	839 813	479 514
I. Tangible assets	260 805	259 836
II. Cash	576 524	216 823
III. Other assets	2 484	2 854
F. Prepayments and accrued income	2 758 951	3 031 895
I. Deferred tax assets	113 542	124 416
II. Deferred acquisition costs	1 996 230	2 516 134
III. Accrued interest and rent	33 407	35 822
IV. Other prepayments	615 771	355 522
TOTAL ASSETS	52 496 263	50 761 217

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.4.2.2. Balance sheet Liabilities

Balance sheet – Liabilities of non-life insurance companies in thousands of PLN

Description	01.01.2009	31.12.2009
A. Capital and reserves	24 089 158	15 454 565
I. Subscribed capital	2 542 301	2 679 995
II. Called up subscribed capital (negative value)	413	327
III. Own shares (negative value)	0	0
IV. Reserve capital	12 786 234	4 296 486
V. Revaluation capital	6 090 213	7 567 648
VI. Other reserve capitals	476 027	142 523
VII. Previous year's profit (loss)	2 151 787	-1 157 582
VIII. Net profit (loss)	43 010	1 925 822
B. Subordinated liabilities	0	4 000
C. Technical provisions	26 767 020	28 667 910
I. Reserves for premiums and reserves for unexpired risk	10 674 420	11 478 370
II. Reserves for life insurance	0	0
III. Reserves for outstanding claims	15 133 466	16 177 550
IV. Reserves for bonuses and rebates for insured parties	48 521	54 384
V. Equalization reserves	897 482	950 439
VI. Reserves for reimbursement of premiums for members	13 132	7 167
VII. Other technical provisions stipulated in the corporate charter	0	0
VIII. Reserve for life insurance where the investment risk is borne by the insuring party	0	0
D. Reinsurers' share in technical provisions (negative value)	3 017 382	3 148 041
I. Reinsurers' share in the reserve for premiums and the reserve for unexpired risk	804 957	972 982
II. Reinsurers' share in the reserve for life insurance	0	0
III. Reinsurers' share in the reserve for outstanding claims	2 202 003	2 166 260
IV. Reinsurers' share in the reserve for bonuses and rebates for insured parties	10 422	8 798
V. Reinsurers' share in other provisions stipulated in the corporate charter	0	0
VI. Reinsurers' share in the reserve for life insurance where the investment risk is borne by the insuring party	0	0
E. Estimated recourses and claims returns (negative value)	177 119	232 851
I. Gross estimated recourses and claims returns	205 813	284 003
II. Reinsurers' share in estimated recourses and claims returns	28 694	51 152
F. Other provisions	742 140	921 925
I. Reserves for retirement benefits and other obligatory employee benefits	289 323	310 086
II. Provision for deferred income tax	274 182	424 317
III. Other provisions	178 635	187 523
G. Liabilities arising out of reinsurers' deposits	264 940	274 860
H. Other liabilities and special funds	2 678 895	7 679 452
I. Liabilities arising from direct insurance	715 534	821 469
1. Liabilities towards insuring parties	176 997	184 694
1.1 towards subordinated parties	258	256
1.2. towards other parties	176 739	184 438
2. Liabilities towards insurance intermediaries	398 528	489 740
2.1. towards subordinated parties	288	80
2.2. towards other parties	398 239	489 659
3. Other insurance liabilities	140 010	147 036
3.1. towards subordinated parties	4 445	6 233
3.2. towards other parties	135 565	140 803
II. Reinsurance liabilities	717 336	828 026
1. towards subordinated parties	107	6 487
2. towards other parties	717 229	821 539
III. Liabilities arising from the issuance of own debt securities and loans contracted	0	0
1. liabilities convertible into shares in the insurance company	0	0
2. other	0	0
IV. Liabilities towards lending institutions	42 620	5 046 932
V. Other liabilities	766 281	771 906
1. Liabilities towards the budget	145 246	52 251
2. Other liabilities	621 035	719 654
2.1. towards subordinated parties	15 897	17 793
2.2. towards other parties	605 138	701 861
VI. Special funds	437 123	211 119
I. Accruals and deferred income	1 148 611	1 139 397
1. Accrued expenses	684 288	678 665
2. Negative goodwill	0	0
3. Deferred income	464 323	460 732
TOTAL LIABILITIES	52 496 263	50 761 216

3.4.2.3. Balance on technical account

Balance on technical non-life insurance account in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
I. Premiums	17 019 265	18 178 932
1. Gross premiums written	20 125 069	20 890 523
2. Reinsurers' share in the premium written	1 692 755	2 075 667
3. Change in the premium reserve and gross reserve for unexpired risk	1 442 248	803 950
4. Reinsurer's share in the change in the premium reserves	29 199	168 026
II. Return on net investments after taking into account expenses, carried over from the general profit and loss account	303 150	350 976
III. Other technical revenues net of reinsurance	149 468	256 342
IV. Claims	10 450 412	12 248 944
1. Claims paid net of reinsurance	9 277 697	11 224 847
1.1. Gross claims paid	10 132 639	12 364 979
1.2. Reinsurers' share in claims paid	854 942	1 140 132
2. Change in reserve for outstanding claims net of reinsurance	1 172 715	1 024 097
2.1. Change in reserve for gross outstanding claims	1 245 361	965 894
2.2. Reinsurers' share in the change in reserve for outstanding claims	72 646	-58 203
V. Change in other technical provisions net of reinsurance	-62 308	-1 197
1. Change in other gross technical provisions	-62 308	-1 197
2. Reinsurers' share in other technical provisions	0	0
VI. Bonuses and rebates together with the change in the reserve for bonuses and rebates	56 833	55 269
VII. Net operating expenses	5 141 875	5 781 238
1. Acquisition costs	3 666 544	4 181 182
2. Administrative expenses	1 916 980	2 051 611
3. Reinsurance commissions and participation in reinsurers' profits	441 649	451 555
VIII. Other technical charges net of reinsurance	1 065 049	871 165
IX. Change in equalization reserve	51 948	52 954
X. Balance on technical non-life insurance account	768 073	-222 123

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

3.4.2.4. General profit and loss account

General profit and loss account of non-life insurance companies in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
I. Balance on technical non-life insurance account or balance on technical life insurance account	768 073	-222 123
II. Return on investments	4 332 482	4 097 524
1. Return on investments in land and buildings	18 441	18 917
2. Return on investments in subordinated parties	2 200 606	1 456 607
2.1. on shares	2 195 566	1 453 553
2.2. on loans and debt securities	5 040	3 054
2.3. on other investments	0	0
3. Return on other financial investments	1 876 816	1 888 130
3.1. on shares, other variable income securities and units of participation and investment certificates in investment funds	71 048	26 927
3.2. on debt securities and other fixed income securities	1 541 607	1 722 205
3.3. on term deposits at lending institutions	184 724	45 550
3.4. on other investments	79 437	93 449
4. Income on investment revaluation	29 357	177 869
5. Income on investments	207 261	556 002
III. Unrealized returns on investments	265 463	347 774
IV. Return on net investments after taking into account expenses, carried over from the technical life insurance account	0	0
V. Investment charges	715 546	523 609
1. Land and buildings maintenance costs	9 862	9 990
2. Other investment charges	64 740	78 190
3. Loss on investment revaluation	237 415	122 093
4. Loss on investments	403 529	313 335
VI. Unrealized losses on investments	676 268	296 362
VII. Return on net investments after taking into account expenses, carried over to the technical non-life insurance account	303 150	350 976
VIII. Other operating income	204 504	228 676
IX. Other operating expenses	203 077	242 775
X. Operating profit (loss)	3 672 481	3 038 129
XI. Extraordinary profits	16	17
XII. Extraordinary losses	0	0
XIII. Gross profit (loss)	3 672 497	3 038 146
XIV. Income tax	342 090	361 597
XV. Other obligatory profit reductions (increase of losses)	73	327
XVI. Net profit (loss)	3 330 334	2 676 222

3.4.2.5. Cash flow statement

Cash flow statement of non-life insurance companies in thousands of PLN

Description	01.01.2008 - - 31.12.2008	01.01.2009 - - 31.12.2009
A. Cash flows from operating activities	1 676 890	151 223
I. Inflows	23 024 290	24 227 654
1. Inflows from direct activities and active reinsurance	20 476 740	21 264 811
1.1. Inflows from gross premiums	20 009 877	20 774 941
1.2. Inflows from recourses and claims returns	394 175	345 111
1.3. Other inflows from direct activities	72 688	144 759
2. Inflows from passive reinsurance	1 946 580	1 864 488
2.1. Reinsurers' payments arising from participation in claims	1 016 966	1 088 320
2.2. Inflows from reinsurance commissions and participation in reinsurers' profits	403 953	379 102
2.3. Other inflows from passive reinsurance	525 661	397 066
3. Inflows from other operating activities	600 970	1 098 355
3.1. Inflows from average surveyor activities	216 764	221 495
3.2. Disposal of intangible assets and tangible assets other than investments	5 921	5 411
3.3. Other inflows	378 285	871 450
II. Outflows	21 347 400	24 076 432
1. Outflows arising from direct activities and active reinsurance	17 584 848	19 676 735
1.1. Gross premium returns	311 365	385 136
1.2. Gross claims paid	9 346 765	11 215 169
1.3. Outflows arising from acquisition	3 619 585	3 981 718
1.4. Administrative outflows	2 629 160	2 629 736
1.5. Outflows arising from claim adjustments and recourse collection	723 129	887 397
1.6. Commissions and profit participation paid on active reinsurance	82 174	90 183
1.7. Other outflows arising from direct activities and active reinsurance	872 669	487 397
2. Outflows arising from passive reinsurance	2 378 711	2 247 272
2.1. Premiums paid for passive reinsurance	1 669 932	1 835 923
2.2. Other outflows arising from passive reinsurance	708 779	411 349
3. Outflows arising from other operating activities	1 383 841	2 152 424
3.1. Outflows arising from average surveyor activities	411 896	521 805
3.2. Purchase of intangible assets and tangible assets other than investments	205 297	242 885
3.3. Other operating outflows	766,647	1,387,734
B. Cash flows from investment activities	-1,804,601	7,392,348
I. Inflows	377,663,321	362,462,016
1. Disposal of real properties	89,134	688
2. Disposal of shares in subordinated parties	12,628	45,110
3. Disposal of shares in other parties as well as units of participation and investment certificates in investment funds	1 090 418	1 621 848

BREAKDOWN IN TABLE FORM – INSURANCE MARKET IN FIGURES

4. Redemption of debt securities issued by subordinated parties and repayment of loans granted to these parties	45 788	44 443
5. Redemption of debt securities issued by other parties	1,090,418	1,621,848
6. Liquidation of term deposits at lending institutions	229 052 937	195 534 713
7. Redemption of other investments	89 299 939	122 984 530
8. Inflows from real properties	17 749	14 853
9. Interest received	499 843	508 061
10. Dividends received	2 228 246	1 479 197
11. Other inflows from investments	2 762 458	11 034 779
II. Outflows	379 467 922	355 069 669
1. Purchase of real properties	248 076	42 658
2. Purchase of shares in subordinated parties	692 747	186 253
3. Purchase of shares in other parties as well as units of participation and investment certificates in investment funds	1 367 942	1 628 669
4. Purchase of debt securities issued by subordinated parties and granting of loans to these parties	61 850	2 720
5. Purchase of debt securities issued by other parties	56 394 357	25 878 579
6. Purchase of term deposits at lending institutions	229 569 807	194 434 068
7. Purchase of other investments	88 290 285	121 968 483
8. Outflows on land and buildings maintenance	12 157	11 774
9. Other outflows on investments	2 830 701	10 916 463
C. Cash flows from financial activities	312 561	-7 902 624
I. Inflows	684 441	6 609 212
1. Net inflows from issuance of shares and capital contributions	682 447	193 596
2. Credits, loans and issuance of debt securities	1 516	4 712 759
3. Other financial inflows	478	1 702 857
II. Outflows	371 879	14 511 837
1. Dividends	358 891	12 944 724
2. Profit distribution liabilities other than dividend payments	5 709	14 892
3. Purchase of own shares	0	0
4. Repayment of credits, loans and buyback of own debt securities	1 502	493
5. Interest on loans, credits and debt securities issued	4 562	0
6. Other financial outflows	1 215	1 551 728
D. Total net cash flows	184 850	-359 054
E. Balance sheet change in cash	176 253	-355 113
1. including change in cash arising from FX differences	622	153
F. Cash opening balance	391 553	576 524
G. Cash closing balance	576 403	217 481
1. including of limited disposability	323 763	85 027

4. BREAKDOWN OF RISKS BY BRANCHES, CLASSES AND TYPES OF INSURANCE (as per the Act on insurance activity of 22 May 2003)

BRANCH 1 – Life insurance

1. Life insurance.
2. Marriage insurance, birth insurance.
3. Life insurance linked to capital investment fund.
4. Annuity insurance.
5. Accident and sickness insurance if supplemental to the insurance referred to in classes 1-4.

BRANCH 2 – Non-life insurance

1. Accident insurance, including industrial injury and occupational disease:
 - a) one-time benefits,
 - b) recurring benefits,
 - c) combined benefits referred to in item 1 and 2.
 - d) people transport.
2. Sickness insurance:
 - a) one-time benefits,
 - b) recurring benefits,
 - c) combined benefits.
3. Casco insurance of land vehicles other than railway rolling stock, covering damage to:
 - a) road vehicles,
 - b) land vehicles without own propulsion.
4. Casco insurance of railway rolling stock, covering damage to railway rolling stock.
5. Casco insurance of aircraft, covering damage to aircrafts.
6. Insurance of vessels in sea and inland navigation covering damage to:
 - a) vessels in sea navigation,
 - b) vessels in inland navigation.
7. Goods-in-transit insurance covering damage to goods in transit, regardless of the vehicle used in each case.
8. Insurance against fire and natural forces, covering material damage not included in classes 3-7, caused by:
 - a) fire,
 - b) explosion,
 - c) thunderstorm,
 - d) other natural forces,
 - e) nuclear energy,
 - f) land subsidence or tremors.
9. Insurance against other damage to or loss of property (not included in classes 3, 4, 5, 6, or 7), caused by hail or frost and other causes (such as, for instance, theft), is the causes are not included in class 8.
10. Motor vehicle liability – all liability arising out of the possession and use of self-propelled land vehicles, including carrier's liability insurance.
11. Aircraft liability – all liability arising out of the possession and use of aircraft, including carrier's liability insurance.
12. Liability for ships in sea and inland navigation arising out of the possession and use of sea and inland vessels, including carrier's liability insurance.
13. General liability – all liability other than those forms included in classes 10-12.
14. Credit insurance, including:
 - a) general insolvency,
 - b) export credit, repayment of instalments, mortgage loan, agricultural credit.
15. Insurance guarantee:
 - a) direct,
 - b) indirect.
16. Insurance of various financial risks, including:
 - a) risk of employment loss,
 - b) insufficient income,
 - c) bad weather conditions,
 - d) loss of profit,
 - e) permanent general expenses,
 - f) unexpected trade expenses,
 - g) loss of market value,
 - h) loss of permanent source of income,
 - i) indirect trade losses other than those listed above,
 - j) other financial losses.
17. Insurance of legal protection.
18. Insurance of assistance and benefits to persons encountering difficulties while travelling or when away from their place of residence.

5. LIST OF FOREIGN INSURANCE COMPANIES AND BRANCHES OPERATING IN POLAND, WHICH ARE MEMBERS OF THE POLISH CHAMBER OF INSURANCE (as at 1.05.2010)

Insurance companies from Branch 1 – Life insurance

1. AEGON
Towarzystwo Ubezpieczeń na Życie S.A.
ul. Wołoska 5, 02-675 Warszawa
tel. 0 22 451-19-81; Infoline 0 801 300 900
fax 0 22 451-19-99, 0 22 451 19 29
President: Michał Biedzki; scope: classes 1, 3- 5
date the permit was issued: 24.12.1999 r.
www.aegon.pl
2. ALLIANZ ŻYCIE POLSKA S.A.
Towarzystwo Ubezpieczeń
ul. Rodziny Hiszpańskich 1, 02-685 Warszawa
tel. 0 22 567-67-00; Infoline 0 801 10 20 30
fax 0 22 567-40-40
President: Paweł Dangel; scope: classes 1-5
date the permit was issued: 28.02.1997 r.
www.allianz.pl
3. AMPLICO LIFE
Pierwsze Amerykańsko-Polskie Towarzystwo Ubezpieczeń na Życie i Reasekuracji S.A.
ul. Przemysłowa 26, 00-450 Warszawa
tel. 0 22 523-50-00; fax 0 22 523-54-44
scope: classes 1-5
date the permit was issued: 30.10.1990 r.
www.amplicolife.pl; lifeinfo@amplico.pl
4. AVIVA
Towarzystwo Ubezpieczeń na Życie S.A.
ul. Prosta 70, 00-838 Warszawa
tel. 0 22 557-40-50; Infoline 0 801 888 444,
0 22 557-44-44 for cell phones; fax 0 22 557-40-75
President: Maciej Jankowski; scope: classes 1, 3, 4, 5
date the permit was issued: 06.09.1991 r.
www.aviva.pl; bok@aviva.pl
5. AXA ŻYCIE
Towarzystwo Ubezpieczeń S.A.
ul. Chłodna 51, 00-867 Warszawa,
tel. 0 22 555-00-00; fax 0 22 555-05-00
President: Maciej Szwarc; scope: classes 1, 3, 4, 5
date the permit was issued: 23.06.1993 r.
www.axa-polska.pl; ubezpieczenia@axa-polska.pl
6. BENEFIA Towarzystwo Ubezpieczeń na Życie S.A. Vienna Insurance Group
ul. Rydygiera 21, 01-793 Warszawa,
tel. 0 22 525-11-11; Infoline 0 801 106 106
fax 0 22 525-11-00
President: Tomasz Telejko; scope: class 1-5
date the permit was issued: 22.02.1996 r.
www.benefia.pl; bok.Infoline@benefia.pl
7. BZ WBK-AVIVA
Towarzystwo Ubezpieczeń na Życie S.A.
Plac Andersa 5, 61-894 Poznań
tel. 0 61 659-66-09
President: Jacek Koronkiewicz; scope: classes 1, 3, 5
date the permit was issued: 06.06.2008 r.
www.bzwbkaviva.pl
8. CALI EUROPE S.A. Oddział w Polsce
Ul. Domaniewska 42, 02-672 Warszawa
tel. 0 22 326-23-00; fax 0 22 326-23-01
Director: Thierry Verdier
notification date: 21.04.2008 r.
scope: classes 1-3, 6-7
9. CARDIF POLSKA S.A.
Towarzystwo Ubezpieczeń na Życie
ul. Nowogrodzka 11, 00-513 Warszawa
tel. 801 801 111 for land lines
+48 22 319 00 00 for cell phones and from abroad
fax 0 22 529-01-11
President: Jan E. Rościszewski; scope: classes 1, 3, 5
date the permit was issued: 22.01.1998 r.
www.cardif.pl; cardif@cardif.pl
10. COMPENSA S.A.
Towarzystwo Ubezpieczeń na Życie
Al. Jerozolimskie 162, 02-342 Warszawa
tel. 0 22 501-61-00 for land lines and cell phones;
0 801 120 000 for land lines in entire Poland;
fax 0 22 501-60-01
President: Franz Fuchs; scope: classes 1-5
date the permit was issued: 30.09.1997 r.
www.compensa.pl; centrala@compensazycie.com.pl

11. **CONCORDIA CAPITAL S.A.**
Wielkopolskie Towarzystwo Ubezpieczeń
Życiowych i Rentowych
ul. Świętego Michała 43, 61-119 Poznań
tel. 0 61 858-48-00; fax 0 61 858-48-01
President: Piotr Narloch; scope: classes 1, 3, 5
date the permit was issued: 09.08.2000 r.
www.classconcordia.pl
office@classconcordia.pl
12. **ERGO HESTIA S.A.**
Sopockie Towarzystwo Ubezpieczeń na Życie
ul. Hestii 1, 81-731 Sopot
tel. 0 58 555-60-00; fax 0 58 555-60-01
President: Piotr Śliwicki; scope: classes 1-5
date the permit was issued: 28.01.1997 r.
www.hestia.pl; poczta@hestia.pl
13. **EUROPA S.A.**
Towarzystwo Ubezpieczeń na Życie
ul. Powstańców Śląskich 2-4, 53-333 Wrocław
tel. 0 71 334-18-00; fax 0 71 334-18-08
President: Jacek Podoba; scope: classes 1-5
date the permit was issued: 17.01.2002 r.
www.tueuropa.pl; sekretariat@tueuropa.pl
14. **GENERALI ŻYCIE**
Towarzystwo Ubezpieczeń S.A.
ul. Postępu 15B, 02-676 Warszawa
tel. 0 22 543-05-00; fax 0 22 543-08-99
President: Andrzej Jarczyk; scope: classes 1-5
date the permit was issued: 06.01.1998 r.
www.generali.pl
centrumklienta@generali.pl
15. **HDI-Gerling Życie**
Towarzystwo Ubezpieczeń S.A.
ul. Hrubieszowska 2, 01-209 Warszawa
tel. 0 22 537-20-00; fax 0 22 537-20-01
President: Witold Bej-Belkowski; scope: classes 1-5
date the permit was issued: 21.01.1997 r.
www.gerling.com.pl; info@gerling.com.pl
16. **ING NATIONALE-NEDERLANDEN POLSKA S.A.**
Towarzystwo Ubezpieczeń na Życie
ul. Ludna 2, 00-406 Warszawa
tel. 0 22 522-00-00; fax 0 22 522-11-11
President: Tomasz Bławat; scope: classes 1-5
date the permit was issued: 02.08.1994 r.
www.ing.pl; info@ing.pl
17. **INTER - ŻYCIE Polska S.A.**
Towarzystwo Ubezpieczeń
Al. Jerozolimskie 172, 02-486 Warszawa
tel. 0 22 333-75-00; fax 0 22 333-75-01
President: Aniela Schreyner; scope: classes 1, 2, 4, 5
date the permit was issued: 29.04.1997 r.
www.interpolska.pl
interpolska@interpolska.pl
18. **LINK4 Life**
Towarzystwo Ubezpieczeń S.A.
ul. Postępu 15, 02-676 Warszawa
tel. 0 22 444-44-00; fax 0 22 444-44-01
President: Adam Horosz; scope: classes 1, 5
date the permit was issued: 27.09.2007 r.
www.link4.pl; biuro@link4.pl
19. **MACIF ŻYCIE**
Towarzystwo Ubezpieczeń Wzajemnych
Al. Jana Pawła II 25, 00-854 Warszawa
tel. 0 22 653-43-50; fax 0 22 653-43-51
President: Philippe Saffray; scope: classes 1, 5
date the permit was issued: 30.12.2003
www.macif.com.pl; macif@macif.com.pl
20. **METLIFE**
Towarzystwo Ubezpieczeń na Życie S.A.
ul. Puławska 17, 02-515 Warszawa
tel. 0 22 349-69-00; fax 0 22 349-69-01
President: Adam Michon; scope: classes 1, 5
date the permit was issued: 29.09.2000 r.
www.metlife.pl; kontakt@pl.metlife.com
21. **NORDEA**
Polska Towarzystwo Ubezpieczeń na Życie S.A.
Al. Jana Pawła II 27, 00-867 Warszawa
tel. 0 22 541-01-00, 0 22 541-00-00
fax 0 22 541-01-01, 0 22 541-00-01
President: Mariusz Sobiech; scope: classes 1-5
date the permit was issued: 04.03.1994 r.
www.nordeapolska.pl; zycie@nordeapolska.pl
22. **POLISA - ŻYCIE S.A.**
Towarzystwo Ubezpieczeń na Życie
ul. A. Mickiewicza 63, 01-625 Warszawa
tel. 0 22 560-59-55; fax 0 22 869-85-80
President: Leszek Szwedo; scope: classes 1-5
date the permit was issued: 26.06.1995 r.
www.polisa-zycie.pl
sekretariat@polisa-zycie.pl

LIST OF FOREIGN INSURANCE COMPANIES AND BRANCHES...

23. POWSZECHNY ZAKŁAD UBEZPIECZEŃ ŻYCIE S.A.
al. Jana Pawła II 24, 00-133 Warszawa
tel. 0 22 582-37-00; fax 0 22 582-37-01
President: Dariusz Krzewina; scope: classes 1-5
date the permit was issued: 20.12.1991 r.
www.pzuzycie.com.pl
24. PRAMERICA Życie
Towarzystwo Ubezpieczeń i Reasekuracji S.A.
Al. Jana Pawła II 23, 00-854 Warszawa
tel. 0 22 329-30-00; fax 0 22 329-30-10
President: Beata Andruszkiewicz;
scope: classes 1, 3, 4, 5
date the permit was issued: 29.10.1998 r.
www.pramerica.pl; kontakt@pramerica.pl
25. PREVOIR-VIE Groupe Prevoir S.A.
Oddział w Polsce
ul. Kolejowa 5/7, 01-217 Warszawa
tel. 0 22 534-86-58; fax 0 22 534-86-50
Director: Colin Turner; scope: classes 1-5
date the permit was issued: 18.07.2000 r.
www.prevoir.pl; prevoir@prevoir.pl
26. REJENT LIFE
Towarzystwo Ubezpieczeń Wzajemnych
ul. Mostowa 19 C/6, 61-854 Poznań
tel. 0 61 852-95-42 (3); fax 0 61 852-95-48
President: Maria Kuchlewska; scope: classes 1, 4, 5
date the permit was issued: 27.04.1995 r.
www.rejentlife.com.pl; tuw@rejentlifre.com.pl
27. RGA International Reinsurance Company
Limited Sp. z o.o.
Oddział w Polsce
al. Jana Pawła II 19, 00-854 Warszawa
tel. 0 22 370-12-20; fax 0 22 370-12-21
CEO: Sylwester Rakowski
scope: indirect activity within the scope of classes 1-5
notification date:
www.rgare.com
28. SIGNAL IDUNA Życie
Polska Towarzystwo Ubezpieczeń S.A.
ul. Jasna 14/16A, 00-041 Warszawa
tel. 0 22 505-61-00; fax 0 22 505-61-01
President: Adam H. Pustelnik; scope: classes 1, 2, 5
date the permit was issued: 03.08.2001 r.
www.signal-iduna.pl;
info@signal-iduna.pl
29. SKANDIA ŻYCIE
Towarzystwo Ubezpieczeń S.A.
ul. Cybernetyki 7, 02-677 Warszawa
tel. 0 22 332-10-31; 0 801 888 000
fax 0 22 332-17-55
President: Paweł Ziomba; scope: classes 3, 5
date the permit was issued: 16.04.1999 r.
www.skandia.pl; skandiazycie@skandia.pl
30. SKOK S.A.
Towarzystwo Ubezpieczeń na Życie
ul. Władysława IV 22, 81-743 Sopot
tel. 0 58 550-97-28; fax 0 58 550-97-29
President: Grzegorz Buczkowski; scope: classes 1-5
date the permit was issued: 24.12.1999 r.
www.skok.pl; zycie@tuskokzycie.com.pl
31. UNIQA
Towarzystwo Ubezpieczeń na Życie S.A.
ul. Gdańska 132, 90-520 Łódź
tel. 0 42 634-47-00; fax 0 42 634-49-83
President: Jarosław Parkot; scope: classes 1, 2, 3, 5
date the permit was issued: 23.03.1994 r.
www.uniqa.pl; zycie@uniqa.pl
32. UNIVERSUM
Towarzystwo Ubezpieczeń na Życie S.A.
ul. Słomińskiego 19 lok. 515, 00-195 Warszawa
tel. 0 22 536-19-00; fax 0 22 536-19-01
President: Agnieszka Senkowska; scope: classes 1, 5
date the permit was issued: 30.03.1999 r.
www.universum-zycie.pl
universum@universum-zycie.pl
33. WARTA S.A.
Towarzystwo Ubezpieczeń na Życie
ul. Chmielna 85/87, 00-805 Warszawa
tel. 0 22 534-11-11, 0 22 534-11-00
fax 0 22 534-13-00
President: Krzysztof Kudelski; scope: classes 1-5
date the permit was issued: 16.05.1995 r.
www.warta.pl

Zakłady Działu II – Pozostałe ubezpieczenia osobowe oraz ubezpieczenia majątkowe

1. ACE European Group Limited Oddział w Polsce
ul. Chmielna 85/87, 00-805 Warszawa
tel. 0 22 581-07-50; fax 0 22 581-11-33
Director: Przemysław Owczarek; scope: classes 1-18
notification date: 10.01.2005 r.
www.aceeurope.pl; poland.office@ace-ina.com
2. ALLIANZ Polska S.A.
Towarzystwo Ubezpieczeń i Reasekuracji
ul. Rodziny Hiszpańskich 1, 02-685 Warszawa
tel. 0 22 567-40-00; 0 801-10-20-30
fax 0 22 567-40-40
President: Paweł Dangel; scope: classes 1-3, 5-18
date the permit was issued: 14.11.1996 r.
www.allianz.pl
3. ATRADIUS Credit Insurance NV
Spółka Akcyjna Oddział w Polsce
ul. Hrubieszowska 2, 01-209 Warszawa
tel. 0 22 395-43-25; fax 0 22 395-43-94
President: Paweł Szczepankowski; scope: class 14
notification date: 04.10.2004 r.
www.atriadius.pl; ewa.kern@atriadius.com
4. AVANSSUR S.A. Oddział w Polsce
ul. Chłodna 51, 00-867 Warszawa
tel. 0 22 599-90-00; fax 0 22 599-90-01
Director: Ryszard Bociong
scope: classes 1-3, 8-10, 17, 18
notification date: 22.05.2006 r.
www.axadirect.pl
5. AVIVA Towarzystwo Ubezpieczeń Ogólnych S.A.
ul. Prosta 70, 00-838 Warszawa
tel. 0 22 557-49-12; fax 0 22 557-49-22
President: Maciej Jankowski
scope: classes 1-4, 6-10, 12, 13, 15-18
date the permit was issued: 06.09.1991 r.
www.aviva.pl; bok@aviva.pl
6. AXA Towarzystwo Ubezpieczeń i Reasekuracji S.A.
ul. Chłodna 51, 00-867 Warszawa
tel. 0 22 555-00-00; 0 801-200-200
fax 0 22 555-05-00
President: Maciej Szwarz
scope: classes 1-4, 7-10, 13-17
date the permit was issued: 02.07.1994 r.
www.axa.pl; ubezpieczenia@axa-polska.pl
7. BENEFIA Towarzystwo Ubezpieczeń S.A.
Vienna Insurance Group
ul. Rydygiera 21 A, 01-793 Warszawa
tel. 0 22 544-14-70 (71); fax 0 22 544-14-74
President: Paweł Bisek;
scope: classes 1-3, 7-10, 13, 16-18
date the permit was issued: 24.12.1999 r.
www.benefia.pl; centrala@benefia.pl
8. BEZPIECZNY DOM
Towarzystwo Ubezpieczeń Wzajemnych
ul. Żurawia 32/34, 00-515 Warszawa
tel. 0 22 628-60-28; fax 0 22 628-60-26
President: Dariusz Poniewierka; scope: class 16
date the permit was issued: 24.11.2004 r.
www.tuwbd.pl; biuro@tuwbd.pl
9. BRE UBEZPIECZENIA
Towarzystwo Ubezpieczeń i Reasekuracji S.A.
ul. Ks. I. Skorupki 5, 00-963 Warszawa
tel. 0 22 444-70-01; fax 022 444-70-02
President: Paweł Zylm;
scope: classes 1, 3, 7-10, 13-18
date the permit was issued: 19.12.2006 r.
www.breubezpieczenia.pl
biuro@breubezpieczenia.pl
10. BZ WBK - AVIVA
Towarzystwo Ubezpieczeń Ogólnych S.A.
Plac Andersa 5, 61-894 Poznań
tel. 0 61 659-66-09
President: Jacek Koronkiewicz
scope: classes 1-2, 9, 13, 16, 18
date the permit was issued: 09.10.2008 r.
www.bzwbkaviva.pl
11. CARDIF Assurances Risques Divers S.A.
Oddział w Polsce
ul. Nowogrodzka 11, 00-513 Warszawa
tel. 0 22 529-01-23; fax 0 22 529-01-11
Director: Jan E. Rościszewski
scope: classes 1, 2, 8, 9, 11, 13-16, 18
date the permit was issued: 29.05.2001 r.
www.cardif.pl; cardif@cardif.pl

LIST OF FOREIGN INSURANCE COMPANIES AND BRANCHES...

12. CHARTIS Europe S.A.
Oddział w Polsce (dawniej AIG Europe S.A.)
ul. Marszałkowska 111, 00-102 Warszawa
tel. 0 22 528-51-00 (22); fax 0 22 528-52-52 (53)
Director: Agnieszka Żołądziowska-Kulig
scope: classes 1- 3, 5, 7-14, 16-18
date the permit was issued: 30.10.1990 r.
www.chartisinsurance.com
chartis.poland@chartisinsurance.com
13. COFACE POLSKA S.A. Oddział w Polsce
Al. Jerozolimskie 136, 02-305 Warszawa
tel. 0 22 465-00-00; fax 0 22 465-00-55
Director: Katarzyna Kompowska; scope: class 14
date the permit was issued: 26.06.2003 r.
www.coface.pl;
office@coface.pl
14. COMPENSA Towarzystwo Ubezpieczeń S.A.
Al. Jerozolimskie 162, 02-342 Warszawa
tel. 0 22 501-60-00; fax 0 22 501-60-01
President: Franz Fuchs
scope: classes 1-3, 6-10, 12-18
date the permit was issued: 12.02.1990 r.
www.compensa.pl
15. CONCORDIA POLSKA
Towarzystwo Ubezpieczeń Wzajemnych
ul. Św. Michała 43, 61-119 Poznań
tel. 0 61 858-48-00; fax 0 61 858-48-01
President: Piotr Narloch;
scope: classes 1-3, 7-10, 13-18
date the permit was issued: 20.12.1996 r.
www.classconcordia.pl; office@classconcordia.com
16. CUPRUM Towarzystwo Ubezpieczeń Wzajemnych
ul. M.C. Skłodowskiej 82, 59-301 Lubin
tel. 0 76 727-74-00 (01); fax 0 76 727-74-10
President: Renata Głuszczyk;
scope: classes 1, 2, 7- 9, 13
date the permit was issued: 07.05.1994 r.
www.tuw-cuprum.pl; sekretariat@tuw-cuprum.pl
17. D.A.S.
Towarzystwo Ubezpieczeń Ochrony Prawnej S.A.
ul. Wspólna 25, 00-519 Warszawa
tel. 0 22 453-00-00; fax 0 22 453-00-09
President: Mariusz Olszewski; scope: class 17
date the permit was issued: 18.09.2000 r.
www.das.pl; das@das.pl
18. ERGO HESTIA
Sopockie Towarzystwo Ubezpieczeń S.A.
ul. Hestii 1, 81-731 Sopot
tel. 0 58 555-60-00; fax 0 58 555-60-01
President: Piotr Śliwicki; scope: classes 1-18
date the permit was issued: 29.12.1990 r.
www.hestia.pl; poczta@hestia.pl
19. Towarzystwo Ubezpieczeń EULER HERMES S.A.
ul. Domaniewska 50 B, 02-672 Warszawa
tel. 0 22 385-46-55; fax 0 22 385-46-62
President: Krzysztof Chechłacz;
scope: classes 9, 13-16
date the permit was issued: 10.02.2003 r.
www.eulerhermes.pl; info@eulerhermes.pl
20. Towarzystwo Ubezpieczeń EUROPA S.A.
ul. Powstańców Śląskich 2-4, 53-333 Wrocław
tel. 0 71 334-17-00; fax 0 71 334-17-07
President: Jacek Podoba;
scope: classes 1-3, 7-10, 13-18
date the permit was issued: 07.11.1994 r.
www.tueuropa.pl; sekretariat@tueuropa.pl
21. Europäische Reiseversicherung Aktiengesellschaft
Oddział w Polsce
ul. Chmielna 101/102, 80-748 Gdańsk
tel. 0 58-324-88-50; fax 0 58-324-88-51
Director: Beata Kalitowska
scope: classes 1, 2, 8, 9, 11, 13-16, 18
notification date: 20.09.2004 r.
www.europejskie.pl; poczta@europejskie.pl
22. GENERALI
Towarzystwo Ubezpieczeń S.A.
ul. Postępu 15B, 02-676 Warszawa
tel. 0 22 543-05-00; fax 0 22 543-08-99
President: Andrzej Jarczyk; scope: classes 1-5, 7-18
date the permit was issued: 05.07.1999 r.
www.generali.pl; centrumklienta@generali.pl
23. HDI ASEKURACJA
Towarzystwo Ubezpieczeniowe S.A.
ul. Płocka 11/13, 01-231 Warszawa
tel. 0 22 534-40-01; fax 0 22 534-40-01
President: Zbigniew J. Staszak
scope: classes 1-3, 6-10, 12, 13, 15-18
date the permit was issued: 30.09.1994 r.
www.hdi-asekuracja.pl;
info@hdi-asekuracja.pl

24. HDI-GERLING Polska
Towarzystwo Ubezpieczeń S.A.
ul. Hrubieszowska 2, 01-209 Warszawa
tel. 0 22 395-40-29 (32, 35); fax 0 22 395-41-29 (32, 35)
President: Zbigniew J. Staszak
scope: classes 1-3, 7-10, 13-17
date the permit was issued: 13.11.1989 r.
www.gerling.pl
25. INTER PARTNER ASSISTANCE S.A. Oddział w Polsce
ul. Chłodna 51, 00-867 Warszawa
tel.: 0 22 575-94-00; fax: 0 22 575-94-41
President: Marta Kaleńska-Jaśkiewicz
scope: classes 1, 2, 9, 10, 13, 16-18
date the permit was issued: 08.10.2009
www.ipassistance.pl; ipaoddzial@ipa.com.pl
26. INTER Polska S.A. Towarzystwo Ubezpieczeń
Al. Jerozolimskie 172, 02-486 Warszawa
tel. 0 22 333-75-00; fax 0 22 333-75-01
President: Aniela Schreyner
scope: classes 1-3, 7-10, 13, 15-18
date the permit was issued: 17.12.1991 r.
www.interpolska.pl; interpolska@interpolska.pl
27. INTERRISK S.A. Towarzystwo Ubezpieczeń
ul. Noakowskiego 22, 00-668 Warszawa
tel. 0 22 537-68-03; fax 0 22 537-68-04 (05)
President: Jan Bogutyn;
scope: classes 1-4, 5-10, 12-18
date the permit was issued: 05.11.1993 r.
www.interrisk.pl; sekretariat@interrisk.pl
28. KORPORACJA UBEZPIECZEŃ KREDYTÓW
EKSPORTOWYCH S.A.
ul. Sienna 39, 00-121 Warszawa
tel. 0 22 356-83-00; 0 22 313-01-10
fax 0 22 313-01-19 (20)
President: Zygmunt Kostkiewicz; scope: classes 14-16
date the permit was issued: 05.04.1991 r.
www.kuke.com.pl; market@kuke.com.pl
29. LIBERTY DIRECT Liberty Seguros Compania de Seguros y Reaseguros S.A. Oddział w Polsce
ul. Sienna 39, 02-121 Warszawa
tel. 0 22 589-90-00; fax 0 22 589-90-90
Director: Michał Kwieciński
scope: classes 1, 3, 7, 10, 16-17
notification date: 20.09.2004 r.
www.libertydirect.pl; liberty@libertydirect.pl
30. LINK4 Towarzystwo Ubezpieczeń S.A.
ul. Postępu 15, 02-676 Warszawa
tel. 0 22 444-44-00; fax 0 22 444-44-01
President: Arkadiusz Adam Horosz
scope: classes 1-3, 8-10, 13, 16-18
date the permit was issued: 28.11.2002 r.
www.link4.pl; biuro@link4.pl
31. MEDICOVER Försäkrings AB
Spółka Akcyjna Oddział w Polsce
Al. Jerozolimskie 181, 02-222 Warszawa
tel. 0 22 592-70-00; fax 0 22 592-70-99
Director: Stephen Kennedy; scope: classes 1, 2
notification date: 31.01.2007 r.
www.medicover.pl/ubezpieczenia
ubezpieczenia@medicover.pl
32. Mondial Assistance International AG S.A.
Główny Oddział w Polsce
ul. Domaniewska 50 B, 02-672 Warszawa
tel. 0 22 522-28-00; fax 0 22 522-28-01
Director: Tomasz Frączek
scope: classes 1, 2, 7-9, 13, 15-18
date the permit was issued: 30.12.2003 r.
www.mondial-assistance.pl
sekretariat@mondial-assistance.pl
33. MTU Moje Towarzystwo Ubezpieczeniowe S.A.
ul. Hestii 1, 81-731 Sopot
tel. 0 58 555-62-22; 0 801-107-108
fax 0 58 555-63-02
President: Tadeusz Spanily
scope: classes 1, 3, 8-10, 13, 16, 18
date the permit was issued: 21.04.1995 r.
www.mtu.pl; mtu@mtusa.pl
34. PARTNER S.A.
Towarzystwo Ubezpieczeń i Reasekuracji
ul. Kłobucka 25, 02-699 Warszawa
tel. 0 22 534-56-00; fax 0 22 534-56-15
President: Tomasz Majchrzak
scope: classes: 1, 3, 8-10, 13, 15
date the permit was issued: 26.04.1996 r.
www.tuirpartner.pl; centrala@tuirpartner.pl
35. POCZTOWE
Towarzystwo Ubezpieczeń Wzajemnych
ul. Ratuszowa 7/9, 03-450 Warszawa
tel. 0 22 511-20-50; fax 0 22 670-43-34
President: Monika Fill

LIST OF FOREIGN INSURANCE COMPANIES AND BRANCHES...

- scope: classes 1-3, 5, 7-11, 13, 15, 16, 18
date the permit was issued: 23.12.2002 r.
www.tuwpocztowe.pl; poczta@tuwpocztowe.pl
36. POLSKIE TOWARZYSTWO REASEKURACJI S.A.
ul. Bytomska 4, 01-612 Warszawa
tel. 0 22 832-02-57; fax 0 22 833-02-18
President: Marek Czerski
scope: działalność pośrednia w scopeie grup 1-18
date the permit was issued: 20.06.1996 r.
www.polishre.pl; info@polishre.pl
37. POLSKIE Towarzystwo Ubezpieczeń S.A.
ul. Ogrodowa 58, 00-876 Warszawa
tel. 0 22 582-63-00 (do 04); fax 0 22 582-63-05 (06)
President: Olgierd Jatelnicki
scope: classes 1-3, 6-10, 12-18
date the permit was issued: 31.01.1990 r.
www.ptu.pl; telecentrum@ptu.pl
38. POLSKI ZWIĄZEK MOTOROWY
Towarzystwo Ubezpieczeń S.A.
Vienna Insurance Group
Al. Jerozolimskie 162A, 02-342 Warszawa
tel. 0 22 501-68-50; fax 0 22 501-68-51
President: Klaus Eberhart
scope: classes 1-3, 7-10, 13, 16-18
date the permit was issued: 29.12.1999 r.
www.pzmtu.pl; centrala@pzmtu.pl
39. POWSZECHNY ZAKŁAD UBEZPIECZEŃ S.A.
Al. Jana Pawła II 24, 00-133 Warszawa
tel. 0 22 582-20-00; 0 801-102-102
President: Andrzej Klesyk; scope: classes 1-18
date the permit was issued: 03.01.1947 r.
www.pzu.pl; poczta@pzu.pl
40. SIGNAL IDUNA Polska Towarzystwo Ubezpieczeń S.A.
ul. Jasna 14/16A, 00-041 Warszawa
tel. 0 22 505-61-00; fax 0 22 505-61-01
President: Adam H. Pustelnik
scope: classes 1-3, 6-10, 13, 15, 16, 18
date the permit was issued: 03.08.2001 r.
www.signal-iduna.pl; info@signal-iduna.pl
41. SOCIETY OF LLOYD'S Oddział w Polsce
ul. E.Plater 53, 00-113 Warszawa; tel. 022 370 16 18
Director generalny: Witold Janusz
scope: classes 1-9, 11-18
date the permit was issued: 2009-05-20
42. Towarzystwo Ubezpieczeń Wzajemnych
Spółdzielczych Kas Oszczędnościowo Kredytowych
ul. Władysława IV 22, 81-743 Sopot
tel. 0 58 550-97-30; fax 0 58 550-97-31
President: Grzegorz Buczkowski
scope: classes 1, 2, 8, 9, 13, 14, 16
date the permit was issued: 27.02.1995 r.
www.tuwskok.com.pl; tuw@tuwskok.com.pl
43. TUW
Towarzystwo Ubezpieczeń Wzajemnych
ul. Raabego 13, 02-793 Warszawa
tel. 0 22 649-73-87; fax 0 22 649-73-89
President: Ewa Stachura-Kruszewska
scope: classes 1-3, 7-10, 13, 16-18
date the permit was issued: 10.10.1991 r.
www.tuw.pl; tuw@tuw.pl
44. TUZ
Towarzystwo Ubezpieczeń Wzajemnych
ul. Kłobucka 25, 00-699 Warszawa
tel. 0 22 534-56-00; fax 0 22 534-56-15
President: Tomasz Majchrzak
scope: classes 1-3, 7-10, 13-16
date the permit was issued: 25.07.2003 r.
www.tuz.pl; centrala@tuz.pl
45. UNIQA
Towarzystwo Ubezpieczeń S.A.
ul. Gdańska 132, 90-520 Łódź
tel. 0 42 634-47-00; fax 0 42 637-74-30
President: Jarosław Parkot; scope: classes 1-18
date the permit was issued: 12.02.1990 r.
www.uniq.pl; centrala@uniqa.pl
46. WARTA S.A.
Towarzystwo Ubezpieczeń i Reasekuracji
ul. Chmielna 85/87, 00-805 Warszawa
tel. 0 22 581-01-00; fax 0 22 581-13-75
President: Krzysztof Kudelski; scope: classes 1-18
date the permit was issued: 01.09.1920 r.
www.warta.pl
47. XL Insurance Company Oddział w Polsce
ul. Nowy Świat 64, 00-357 Warszawa
tel. 0 22 551-59-15; fax 0 22 827-55-00
Director: Rafał Tokarz
scope: grupy 6-9, 12, 13, 16
date the permit was issued: 21.04.2004 r.
www.xlinsurance.com

6. LIST OF INSURANCE COMPANIES LIQUIDATED, BEING LIQUIDATED AND IN BANKRUPTCY

1. Towarzystwo Ubezpieczeń w Rolnictwie i Gospodarce Żywnościowej AGROPOLISA S.A.
– cancellation of the permit at the company's request (22.12.2004 portfolio taken over by TUIR WARTA S.A., the company ceased to be an insurance company and changed its name)
ul. Chmielna 85/87, 00-805 Warszawa
tel. 0 22 581-08-60; fax 0 22 581-13-74 (75)
President: Lucyna Krakowiak; scope: classes 1-18
date the permit was issued: 24.01.1997 r.
date the permit was cancelled: 28.04.2004
2. AIG Polska Towarzystwo Ubezpieczeń S.A.
date the permit was issued: 30.10.1990
date the permit was cancelled: 06.05.2009
3. ASPECTA Życie TU S.A. – deletion from the National Court Register on 18.08.2008
date the permit was issued: 24.12.2004
scope: classes 1-5
4. Towarzystwo Ubezpieczeniowe FENIX S.A – deleted from the National Court Register on 23.06.2005
scope: classes 1, 3-4, 7-10, 13, 17
date the permit was issued: 23.04.1991
date the permit was cancelled: 30.01.1997
date the bankruptcy was declared: 24.03.1997
5. Korporacja Ubezpieczeniowa FILAR ŻYCIE S.A.
– merged with Uniqa TUnŻ S.A. on 10.12.2004 under the name Uniqa TUnŻ S.A.
6. TU FILAR S.A. – on 31 March 2008 all rights and obligations of TU FILAR S.A. were taken over by UNIQA TU S.A.
7. FinLife TU na Życie S.A.
– on 16.12.2008 entry in the National Court Register on the merger of Finlife TUnŻ S.A. and Compensa TUnŻ S.A. VIG. under the name Compensa TUnŻ S.A. VIG, date the permit was issued: 18.10.1996
scope: classes 1-5
8. Towarzystwo Ubezpieczeń Wzajemnych FLORIAN FLORIAN – on 29.06.2005 portfolio taken over by HDI Samopomoc TU S.A., deleted from the National Court Register on 13.09.2007
9. TU GARDA LIFE S.A. – deleted from the National Court Register on 04.04.2005; scope: classes 1-5
date the permit was issued: 25.09.1997
the permit to pursue an insurance business has not been cancelled
10. PTU GRYF S.A. – in bankruptcy; trustee: Powszechny Zakład Ubezpieczeń S.A.
Al. Jana Pawła II 24, 00-133 Warszawa
tel. 0 22 582-21-00; fax 0 22 582-28-61
receiver's attorney: Olgierd Frankowski
ul. Sobieszewska 3, 85-713 Bydgoszcz
tel. 052 361-69-48
date the permit was cancelled: 20.11.1995
date the bankruptcy was declared: 05.03.1996
11. Towarzystwo Ubezpieczeniowe GWARANT S.A. – in liquidation
liquidator: Stefan Kałużny
date the permit was issued: 15.12.1993
date the permit was cancelled: 30.09.1999
date the bankruptcy was declared: 20.03.2000
The bankruptcy proceedings were discontinued by an order of the District Court in Gdańsk on 16.02.2001 due to lack of funds to continue them.
12. ZU HESTJA S.A. – in bankruptcy; trustee: Waldemar Bojarski; ul. R. Maya 1, 61-372 Poznań
tel. 0 61 874-16-90; fax 0 61 876-69-53
scope: classes 1-13, 15-18
date the permit was issued: 16.07.1990
date the permit was cancelled: 29.01.1997
date the bankruptcy was declared: 4.09.1996
The bankruptcy proceedings are conducted under the supervision of the District Court in Poznań, 9th Commercial Department.
13. IF TU S.A – deleted from the National Court Register on 09.06.2006
date the permit was issued: 27.08.1999
scope: classes 7,8,9,10,13,14,16.
14. HDI SAMOPOMOC Towarzystwo Ubezpieczeń S.A.
On 30.11.2006 a merger of HDI Asekuracja TU S.A. as the company taking over with HDI SAMOPOMOC TU S.A. as the company being taken over was registered in the National Court Register.

LIST OF INSURANCE COMPANIES LIQUIDATED, BEING LIQUIDATED...

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| <p>15. NL TU na Życie S.A. (former name: SAMPO TU na Życie S.A.) – deleted from the National Court Register on 16.11.2006 in connection with the merger of: NL TU na Życie S.A. and Nordea Polska na Życie S.A.</p> <p>16. TUiR POLISA S.A. – deleted from the National Court Register on 28.09.2005
date the permit was issued: 09.11.1988
date the permit was cancelled: 30.09.1999</p> <p>17. ZU na Życie WESTA-LIFE S.A. – in bankruptcy
trustee: Hygin Rymdejko
ul. Piotrkowska 17, 90-406 Łódź
date the permit was cancelled: 29.01.1993
date the bankruptcy was declared: 06.02.1993
date the bankruptcy proceedings were finished:</p> | <p>10.11.1998
location at which the company's documents have been archived: Międzyzakładowa Lecznica Spółdzielni Inwalidów "Novum", ul. 1 Maja 43a, 96-300 Żyrardów, tel. 0 46 855-30-45</p> <p>18. ZU WESTA S.A. – deleted from the National Court Register on 05.10.2004</p> <p>19. WÜSTENROT Życie Towarzystwo Ubezpieczeniowe S.A. – in liquidation since 20.02.2004
liquidator: counsel Witold M. Góralski
ul. Wilcza 71/6, 00-679 Warszawa
tel./fax 0 22 498-07-75; scope: classes 1, 3, 5
date the permit was issued: 31.07.2000
the permit to pursue an insurance business has not been cancelled</p> |
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7. LIST OF INSURANCE INSTITUTIONS, ORGANIZATIONS AND ASSOCIATIONS

1. Komisja Nadzoru Finansowego
[Polish Financial Supervision Authority]
Plac Powstańców Warszawy 1, 00-950 Warszawa
tel. (48 22) 262-50-00; fax (48 22) 262-51-11 (95)
Chairman: Stanisław Kluza
www.knf.gov.pl; knf@knf.gov.pl
tel. 0 22 826-41-13, 505-98-08 (33);
fax 0 22 505-98-73
President: Adam Sankowski
www.pipuif.pl; pipuif@pipuif.pl
2. Polska Izba Ubezpieczeń
[Polish Chamber of Insurance]
ul. Wspólna 47/49, 00-684 Warszawa
tel. 0 22 420-51-05 (06); fax 0 22 420-51-07
President: Jan Grzegorz Prądyński
www.piu.org.pl; office@piu.org.pl
3. Rzecznik Ubezpieczonych
[Insurance Ombudsman]
Al. Jerozolimskie 44, 00-024 Warszawa
tel. 0 22 333-73-26 (27); fax 0 22 333-73-29
Halina Olendzka
www.rzu.gov.pl; biuro@rzu.gov.pl
4. Ubezpieczeniowy Fundusz Gwarancyjny
[Insurance Guarantee Fund]
ul. Płocka 9/11, 01-231 Warszawa
tel. 0 22 539-61-00; fax 0 22 539-62-61
President: Elżbieta Wanat-Poteć
www.ufg.pl; ufg@ufg.pl
5. Polskie Biuro Ubezpieczycieli Komunikacyjnych
[Polish Motor Insurers' Bureau]
ul. Świętokrzyska 14, 00-050 Warszawa
tel. 0 22 551-51-00 (01); fax 0 22 551-51-99
President: Mariusz Wichtowski
www.pbuk.pl; pbuk@pbuk.pl
6. Polska Izba Brokerów Ubezpieczeniowych
i Reasekuracyjnych [Polish Chamber of Insurance
and Reinsurance Brokers]
ul. Chałubińskiego 8, 02-613 Warszawa
tel. 0 22 828-43-49, 620-43-34; fax 0 22 826-71-18
President: Leszek Niedałowski
www.polbrokers.pl; polbrokers@polbrokers.pl
7. Polska Izba Pośredników Ubezpieczeniowych
i Finansowych [Polish Chamber of Insurance
and Financial Intermediaries]
ul. Widok 12, 00-023 Warszawa
8. Izba Gospodarcza Ubezpieczeń i Obsługi Ryzyka
[Insurance and Risk Management Chamber
of Commerce]
ul. Saboty 3, 02-174 Warszawa
tel. 0 22 431-91-00; fax 0 22 431-91-99
President: Stanisław Nowak
www.igu.org.pl; kontakt@igu.org.pl
9. Polskie Stowarzyszenie Aktuariuszy
[Polish Society of Actuaries]
Al. Jana Pawła II 24, 00-133 Warszawa
tel. 0 22 582-36-50; fax 0 22 582-36-51
President: Piotr Szlenk
www.actuary.org.pl
10. POLRISK [Risk Management Society]
ul. Solec 81B unit A51; 00-382 Warszawa
tel. 22 243-17-27; Fax: 22 244-25 23
President: Tomasz Miazek
info@polrisk.pl
11. Ogólnopolskie Stowarzyszenie Pośredników
Ubezpieczeniowych i Finansowych [Polish Association
of Insurance and Financial Intermediaries]
ul. Płocka 15 b, unit 7, 01-231 Warszawa
tel. 0 22 862-39-49; fax 0 22 862-39-99
President: Maciej Łazęcki
www.ospuif.pl; ospuif@ospuif.pl
12. Fundacja Edukacji Ubezpieczeniowej
[Foundation for Insurance Education]
Al. Jerozolimskie 44, 00-024 Warszawa
tel. 0 22 333-73-28; fax 0 22 333-73-29
President: Aleksander Daszewski
www.rzu.gov.pl; feu@rzu.gov.pl
13. AIDA Sekcja Polska Międzynarodowego
Stowarzyszenia Prawa Ubezpieczeniowego
[Polish Section of the International Insurance
Law Association]
ul. Puławska 14, 02-515 Warszawa
tel. 0 22 541-81-00; fax 0 22 541-81-01