





# **Global Marine Insurance Report 2006**

## **Facts & Figures Committee**

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**Thanks also to**

**F&F Committee Members Pamela Frood and Cédric Charpentier**



# Report on marine insurance premiums 2004 and 2005

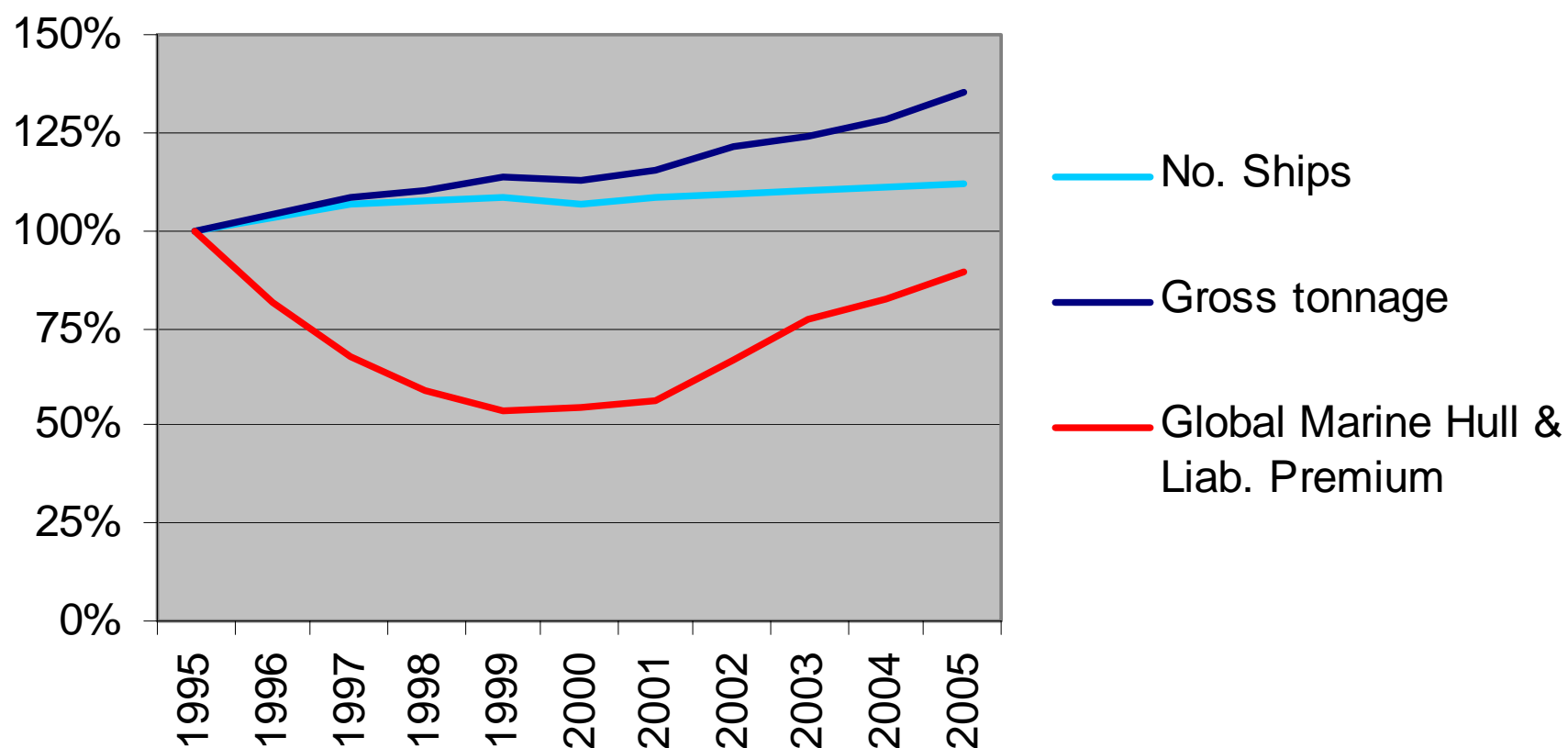
- By end of August 2006, 47 of 54 members reported their country's marine premium figures for accounting years 2004 and 2005.
- Reported figures represent approx. 97% of the total marine premium written by all IUMI members in 2004 and 2005.
- Total premium for both 2004 and 2005 is therefore estimated to reach approx. USD 17.8 billion\*.  
(excluding P&I from mutual P&I Clubs).

\* Strong exchange rate effects on premium volume, see explanations in presentation.

# World Merchant Fleet and Global Marine Hull & Liability Premium



Index of evolution, vessels > 100 GT, 1995 = 100%

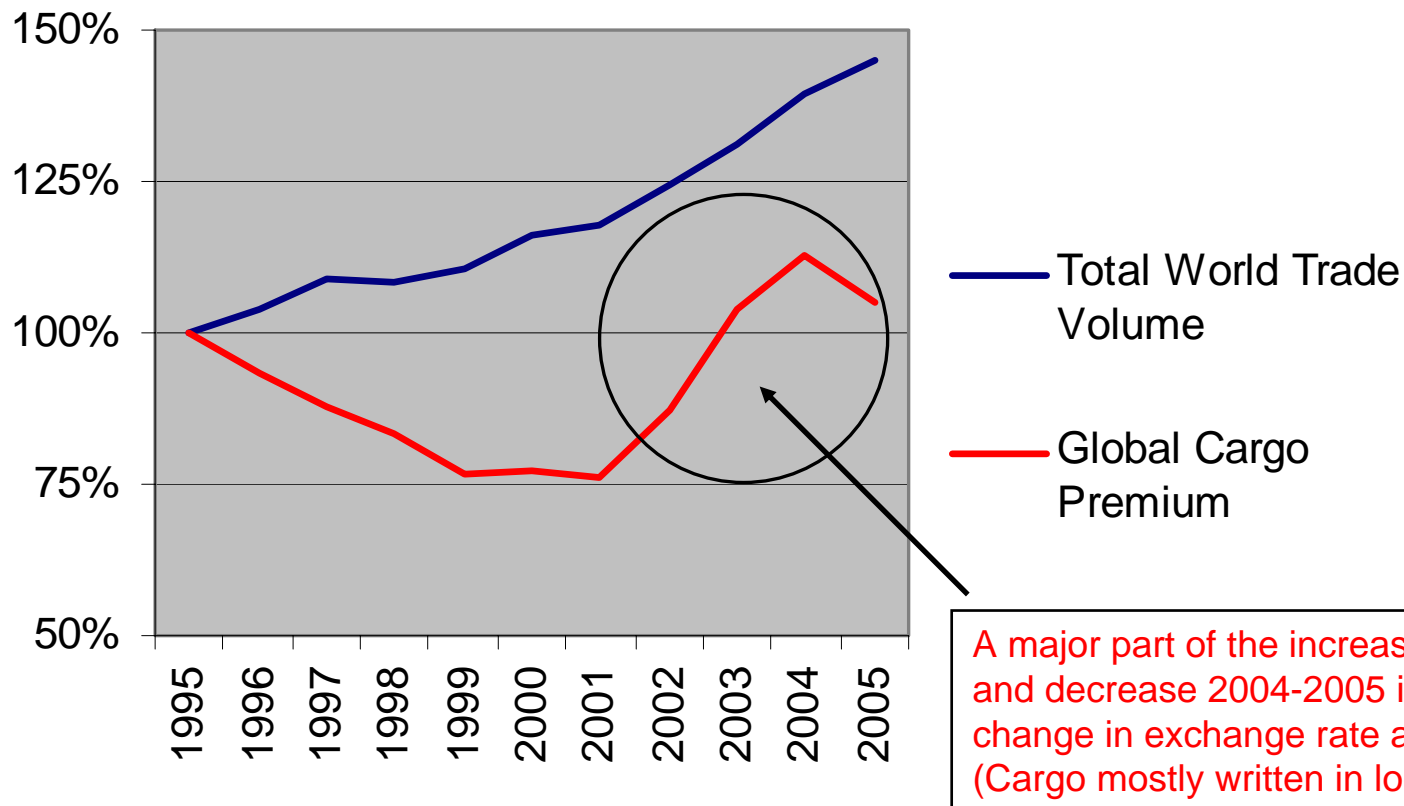


Source: Indicators for World Fleet from ISL Bremen

# World Seaborne Trade Volume and Global Cargo Premium



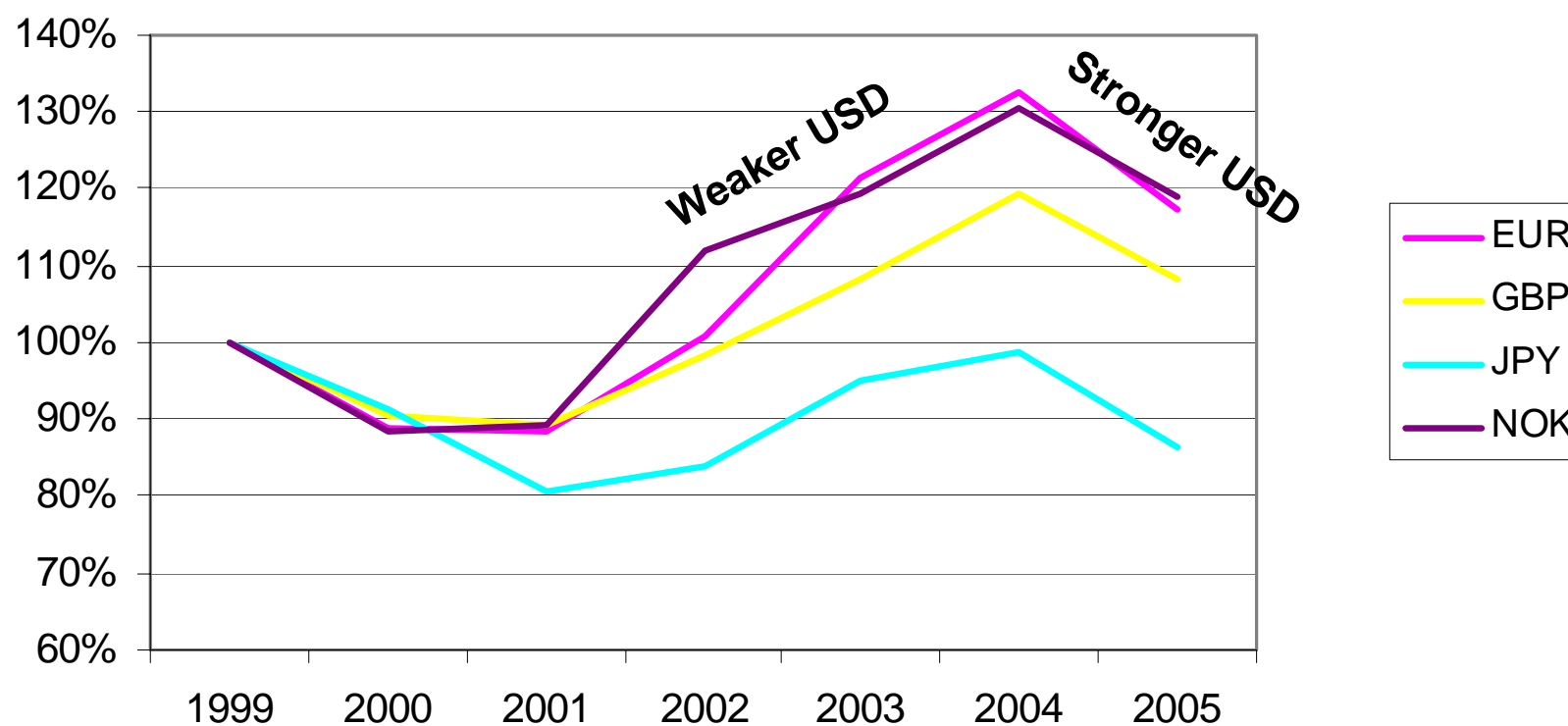
Index of evolution, 1995 = 100%



Source: Indicators for World Trade Volume from ISL Bremen

# Index of evolution of Exchange rates between US\$ and selected currencies

(as of December each year)



Source: Norges Bank Exchange Rates Statistics



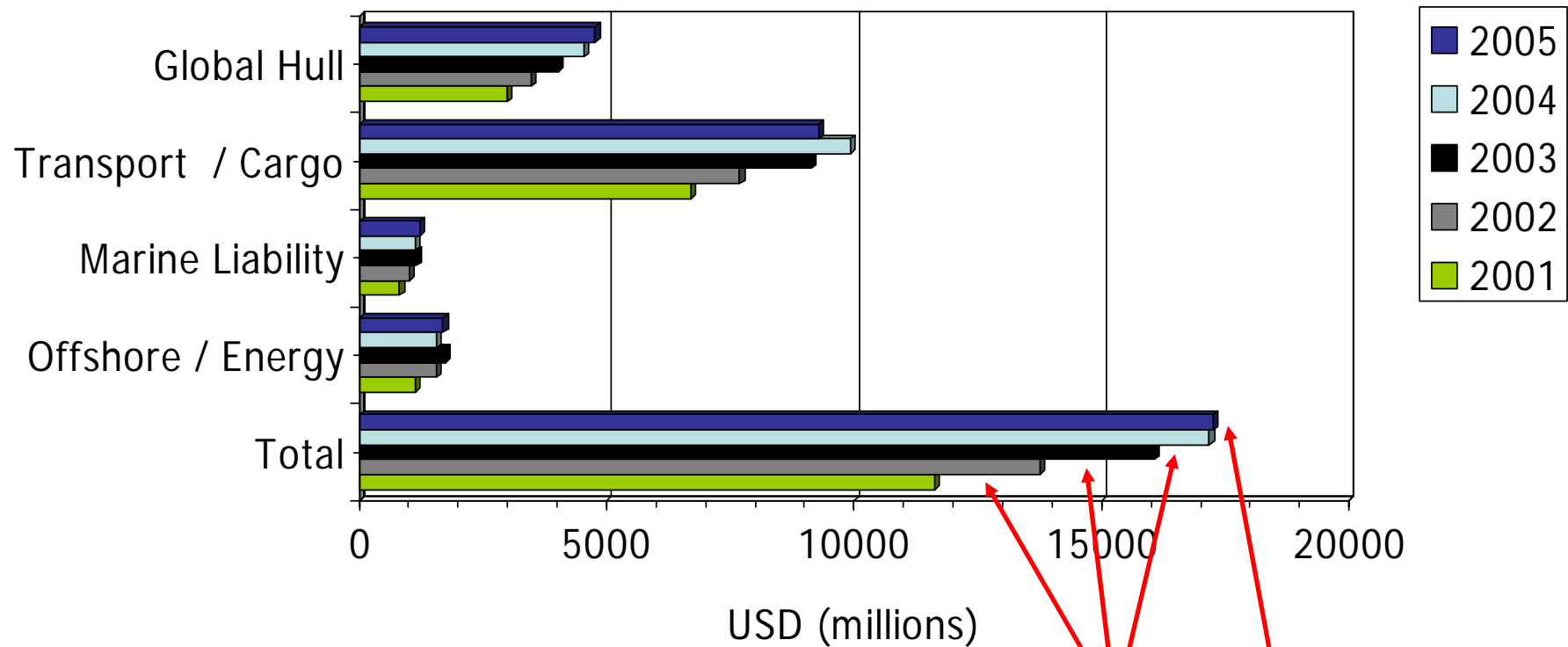
# Exchange rates against US\$

(as of December each year for selected currencies)

<u>Currency</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
against USD:							
USD	1	1	1	1	1	1	1
EUR	0.9894	1.1147	1.1205	0.9826	0.814	0.7462	0.8435
GBP	0.6197	0.6837	0.6945	0.6309	0.5716	0.5184	0.5729
JPY	102.5736	112.0751	127.2118	122.0127	107.8086	103.7914	118.5521
NOK	8.011	9.0662	8.9552	7.168	6.7085	6.1321	6.7257

Source: Norges Bank Exchange Rates Statistics

# Global premiums reported 2001 to 2005 (accounting years)



Increase 01-04 partly due to weakening of USD against major European and Asian currencies.

Stagnation 05 due to strengthening of USD against major European and Asian currencies.





# Report on marine insurance premiums

(USD billions)

## Global premiums 2003-2005

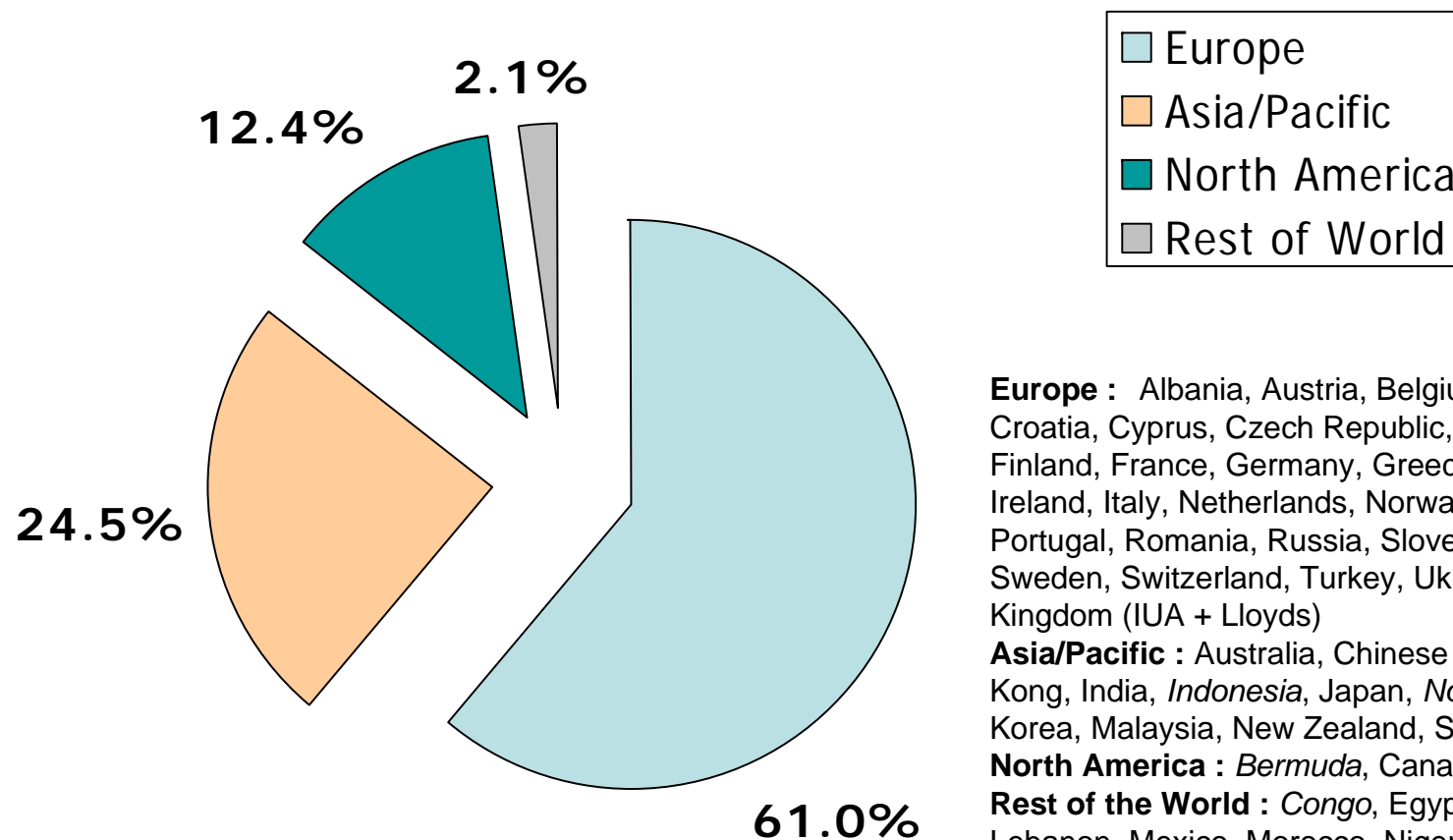
(as reported per end of August 2005)

	<u>Global Hull</u>	<u>Transport/Cargo</u>	<u>Marine Liability</u>	<u>Offshore/Energy</u>	<u>Total</u>
2005	4.772	9.279	1.231	1.696	17.260
2004	4.540	9.923	1.145	1.551	17.178
2003	4.026	9.129	1.152	1.753	16.076
Index 2003-2004*	12.8%	8.7%	-0.7%	-11.5%	6.9%
Index 2004-2005*	5.1%	-6.5%	7.6%	9.3%	0.5%

\*Index based on figures from Associations who have reported in both years.  
The index reflects changes in country activity, exchange rates in addition to premium increases and is thus not a renewal index!

As some countries only report total marine premium without splitting into classes, the sum of these classes might in some cases be slightly less than the "total" sum.

# Market Shares 2005



**Europe :** Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom (IUA + Lloyds)

**Asia/Pacific :** Australia, Chinese Taipei, Hong Kong, India, *Indonesia*, Japan, *North Korea*, South Korea, Malaysia, New Zealand, Singapore

**North America :** *Bermuda*, Canada, USA

**Rest of the World :** *Congo*, Egypt, Israel, Kenya, Lebanon, Mexico, Morocco, Nigeria, South Africa, *Tunisia*, *United Arab Emirates*

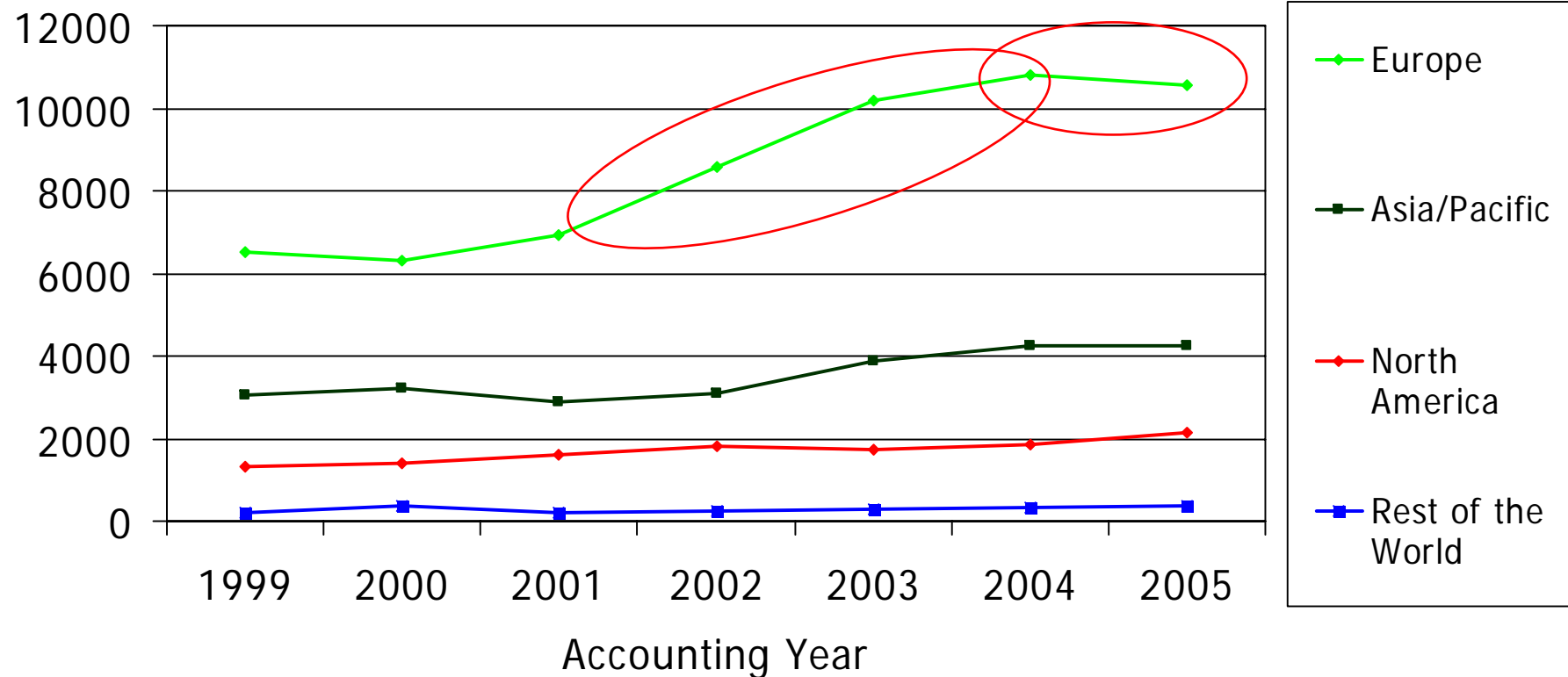
*Countries in italics did not report in 2006*

# Report on marine insurance premiums – by economic areas



(USD Millions)

Europe, Asia: Exchange rate effects due to weakening/strengthening of USD



# Report on marine insurance premiums - by economic areas



(USD 1,000)

Region	Premiums 2005	Premiums 2004	Premiums 2003	Variation 2003-2004	Variation 2004-2005	Market share 2005	Market share 2004	Market share 2003
Europe	10,542,490	10,815,591	10,173,972	6.31%	-2.53%	61.02%	62.63%	63.28%
Asia/Pacific	4,227,758	4,261,875	3,875,862	9.96%	-0.80%	24.47%	24.68%	24.11%
North America	2,137,171	1,848,314	1,719,874	7.47%	15.63%	12.37%	10.70%	10.70%
Rest of the world	369,866	343,252	306,763	11.89%	7.75%	2.14%	1.99%	1.91%

## Europe :

Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom (IUA + Lloyds)

## Asia/Pacific :

Australia, China, Hong Kong, India, *Indonesia*, Japan, *North Korea*, South Korea, Malaysia, New Zealand, Singapore

## North America:

*Bermuda*, Canada, USA

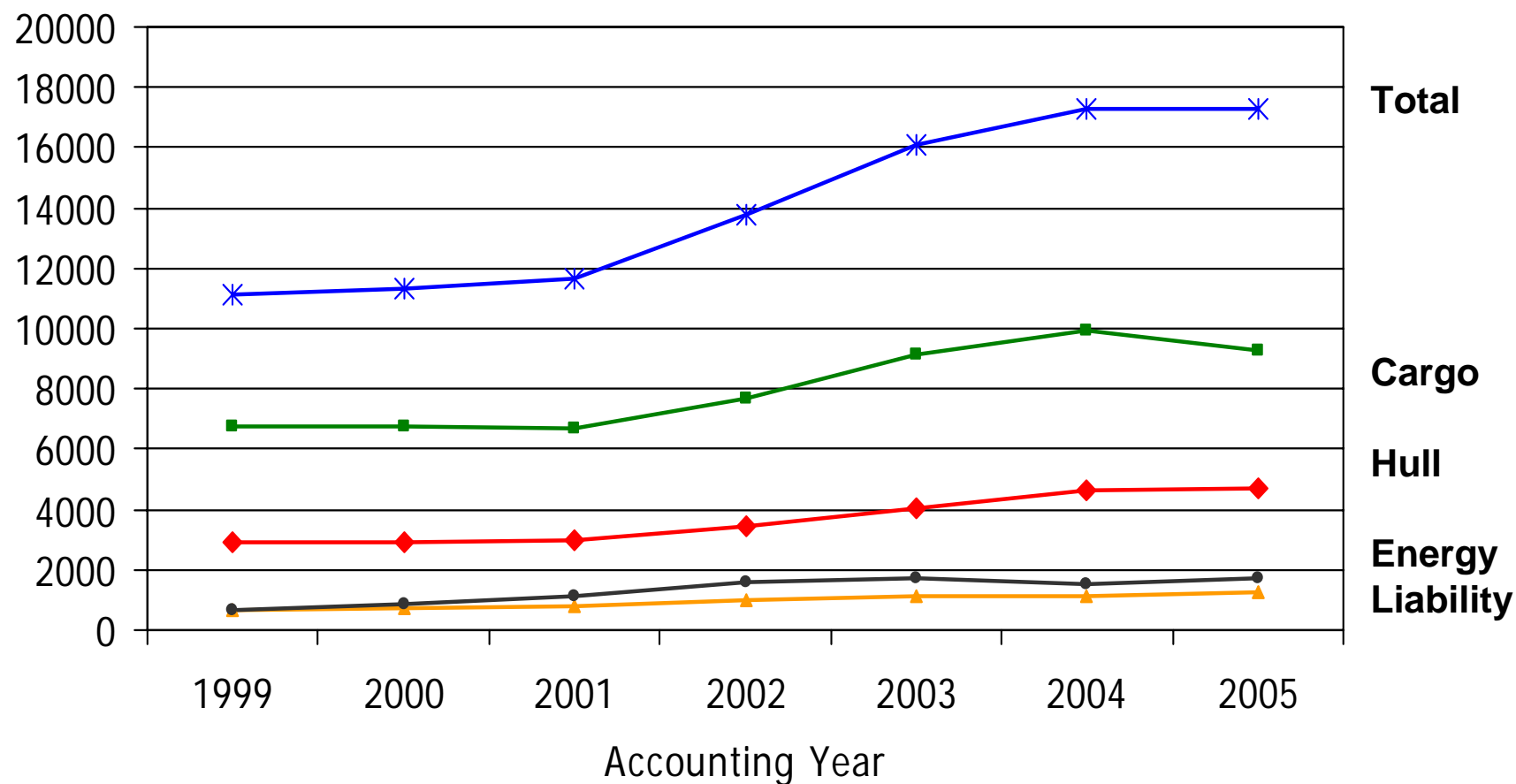
## Rest of the World :

*Congo*, Egypt, Israel, *Kenya*, Lebanon, Mexico, Morocco, Nigeria, South Africa, *Tunisia*, *United Arab Emirates*

*Countries in italics did not report in 2006.*

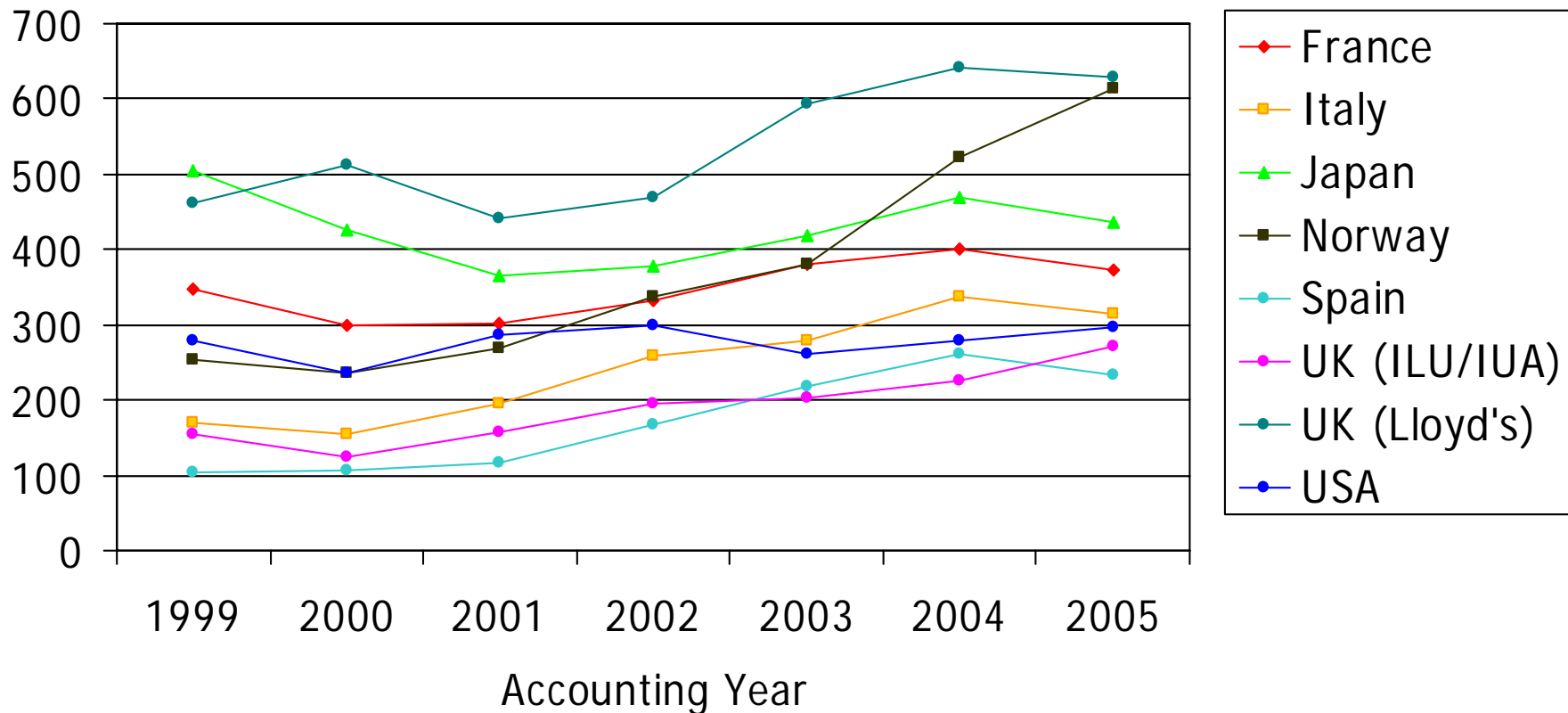
# Global Marine Premium 1999 - 2005

(USD Million), as reported



# Global Hull Premium

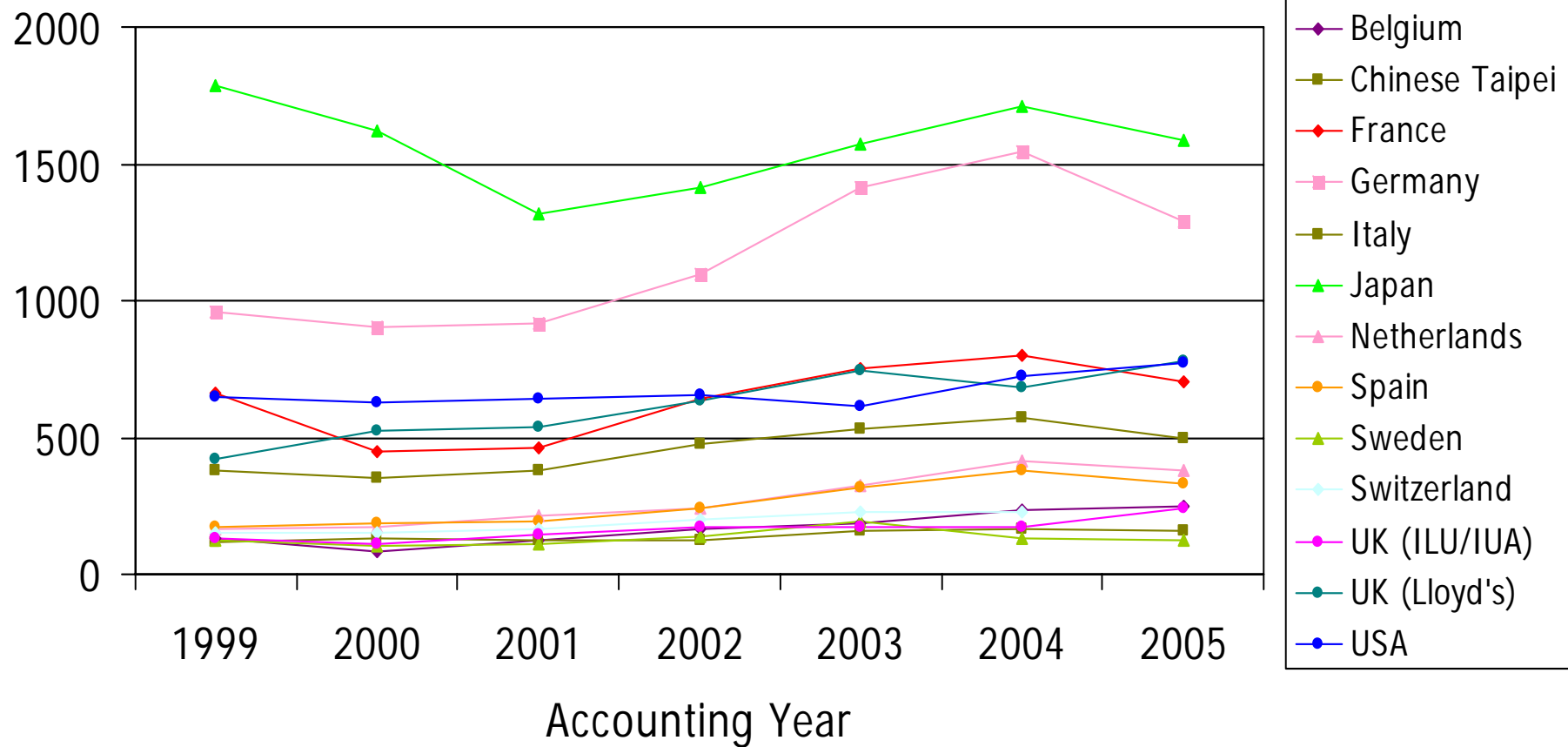
## Major Markets, 1999 - 2005 (USD Million)



From 2004 building risk is officially included in figures.

# Global Cargo Premium

## Major Markets, 1999 - 2005 (USD Million)

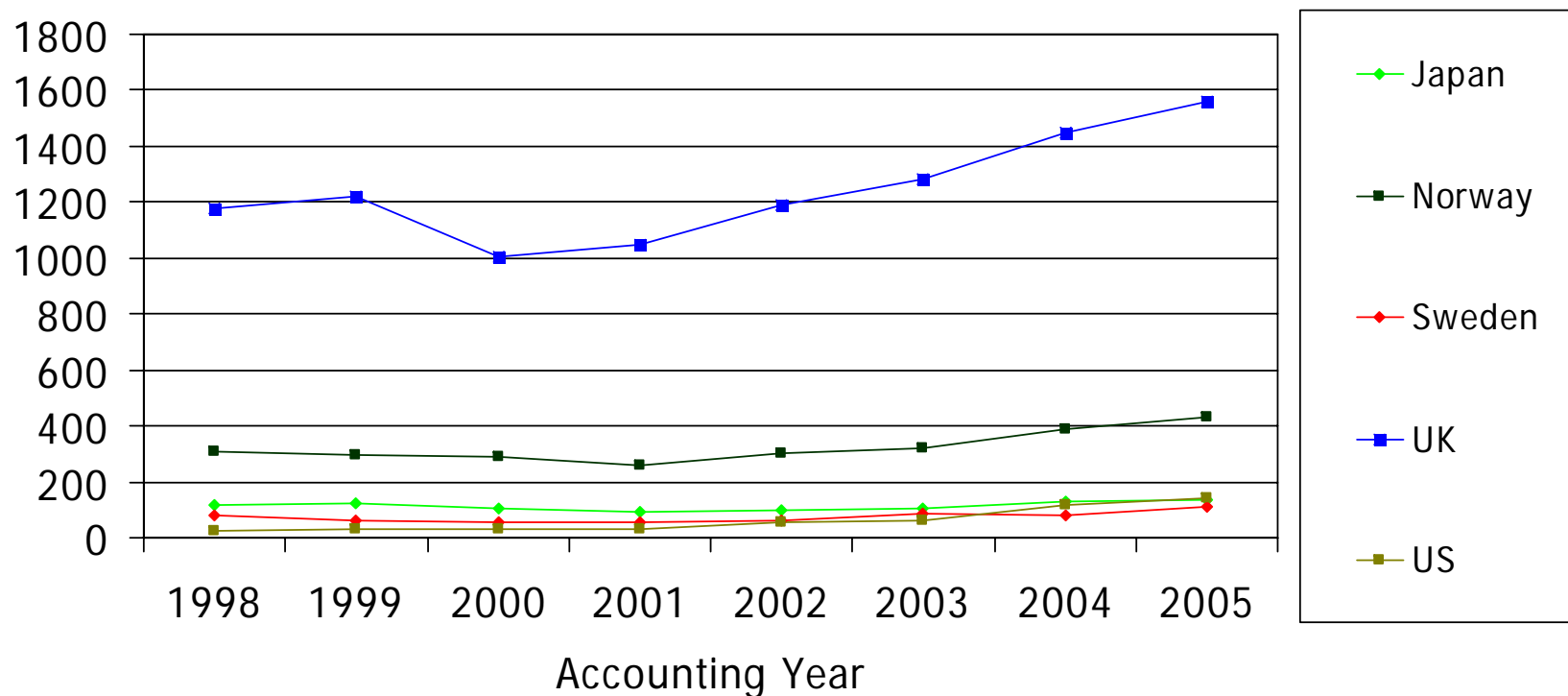


Europe/Asia: exchange rate effects.

# MARINE MUTUAL MARKET SECTOR

## Gross Calls (Premium) – Operational location

Per accounting year – USD Million



Source: Standard & Poors Marine Mutual Report 2006





# MARINE MUTUAL MARKET SECTOR

## Gross Calls (Premium) – Operational location

Per accounting year - USD 1000

Operational	2005	2004	2003	2002	2001	2000	1999	Difference 05-99	Average Annual variation over period 99-05	Ranking	
										2005	1999
UK	1,559,043	1,448,285	1,285,050	1,190,162	1,047,583	1,003,842	1,222,927	336,116	3.93%	1	1
Norway	432,929	390,665	317,723	304,613	260,728	291,089	292,858	140,071	6.83%	2	2
US	139,602	118,959	63,749	53,004	30,814	30,004	29,221	110,381	53.96%	3	5
Japan	136,432	126,585	107,539	97,027	94,417	103,048	122,224	14,208	1.66%	4	3
Sweden	110,057	82,618	84,472	61,317	54,239	57,424	61,717	48,340	11.19%	5	4
Total	2,378,063	2,167,112	1,858,533	1,706,123	1,487,781	1,485,407	1,728,947	649,116	5.36%		

Source: Standard & Poors Marine Mutual Report 2006

# Report on marine insurance premiums - Accounting year 2004 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
Albania (Albanian Ass. of Marine Insurers)	14	283	159	0	456
Australia (Insurance Council of Australia Ltd.)	73,156	143,017	21,198	2,779	240,150
Austria (Verband der Versicherungsunternehmen Oesterreichs)	0	144,636	0	0	144,636
Belgium (ABAM_/BVT Belgian Association of Marine Insurers)	28,484	232,841	0	0	261,326
Bermuda (Bermuda Institute of Marine Underwriters)					0 not rep.
Bulgaria (BULSTRAD Insurance and Reinsurance PLC)	4,258	10,041	765	0	15,064
Canada (The Canadian Board of Marine Underwriters)	86,000	113,000	0	0	199,000
Chinese Taipei (The Non-Life Ins. Ass. of the Republic of China)	41,198	164,018	0	0	205,216
Congo (Société Nationale d'Assurances SONAS)					0 not rep.
Croatia (Croatian Insurance Bureau)	16,500	7,500	1,200	4,000	29,200
Cyprus (Insurance Association of Cyprus)	426	7,676	8	0	8,111
Czech Republic (Ceska Pojistovna AS)	390	19,110	510	0	20,010
Denmark (Foreningen af Danske Soeassurandører)	88,000	76,500	0	0	164,500
Egypt (Insurance Federation of Egypt)	11,643	30,388	361	48,894	91,287
Finland (Finnish Marine Underwriters' Association)	22,800	61,000	0	0	83,800
France (FFSA-Féd.Francaise des Sociétés d'Ass.Transports)	401,956	800,642	0	0	1,202,598
Germany (Gesamtverband der Deutschen Versicherungswirtschaft e.V.)	145,332	1,541,476	0	0	1,686,808
Greece (Greece Association of Insurance Companies-Greece)	26,484	54,786	6,040	0	87,310
Hong Kong (The Hong Kong Federation of Insurers)	87,083	125,484	0	0	212,567
Hungary (Association of Hungarian Insurance Companies)	NA	NA	NA	NA	18,900

Comments: NA = split not available, not rep. = country did not report

# Report on marine insurance premiums - Accounting year 2004 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
India (Tariff Advisory Committee)	29,410	143,084	1,326	62,281	<b>236,101</b>
Indonesia (Insurance Council of Indonesia)	36,000	97,000	0	61,000	<b>194,000</b> estimation
Ireland (The Irish Institute of Marine Underwriters)	6,678	28,104	1,231	0	<b>36,012</b>
Israel (Israel Insurance Association)	6,800	29,000	0	0	<b>35,800</b>
Italy (ANIA-Associazione Nazionale fra le Imprese Assicuratrici)	337,910	570,222	8,378	24,550	<b>941,059</b>
Japan (The Marine and Fire Insurance Association of Japan, Inc.)	470,107	1,711,491	30,624	55,080	<b>2,267,302</b>
Kenya (The Association of Kenya Insurers)					<b>0 not rep.</b>
Korea, (Korea Foreign Ins. Co.)					<b>0 not rep.</b>
Korea, (Korea Non-life Ins. Assocn.)	181,276	237,526	NA	NA	<b>437,219</b> Total incl. others
Lebanon (Lebanese Ins. Comp. Ass.)	1,349	12,306	0	0	<b>13,655</b>
Malaysia (General Ins. Association of Malaysia)	34,794	93,119	0	51,956	<b>179,870</b>
Mexico (Zurich)	11,615	23,082	3,575	2,680	<b>40,952</b>
Morocco (Comité des Assureurs Maritime du Maroc CAMM)	23,225	32,297	0	0	<b>55,522</b>
Netherlands (Association of Insurers)	130,000	412,000	45,000	0	<b>587,000</b>
New Zealand (Insurance Council of New Zealand)	26,393	39,177	1,580	0	<b>67,150</b>
Nigeria (Nigerian Insurers Association)	109	15,927	0	0	<b>16,036</b>
Norway (The Central Union of Marine Underwriters)	521,500	58,100	0	NA	<b>579,600</b>

Comments: NA = split not available, not rep. = country did not report

# Report on marine insurance premiums - Accounting year 2004 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
Poland ("WARTA" Insurance & Reinsurance Company Ltd.)	24,429	63,178	4,100	591	<b>92,298</b>
Portugal (Associação Portuguesa de Seguradores)	24,127	50,417	1,077	0	<b>75,621</b>
Romania (National Union - Insurance and Reinsurance Comp.)	6,739	5,808	1,355	0	<b>13,902</b>
Russia (Russia Ingosstrakh Insurance Company Ltd.)	29,500	113,200	24,300	NA	<b>167,000</b>
Singapore (General Insurance Association of Singapore)	128,700	93,600 incl. in hull		incl. in hull	<b>222,300</b>
Slovenia (Slovenian Insurance Association)	1,522	8,638	908	0	<b>11,068</b>
South Africa (Association of Marine Underwriters in South Africa)	8,900	81,100	0	0	<b>90,000</b>
Spain (Comité de Transportes de UNESPA)	260,024	379,434	0	0	<b>639,458</b>
Sweden (Sjöassuradörernas Förening)	88,931	130,881	227	0	<b>220,039</b>
Switzerland (Swiss Association of Marine Underwriters)	1,150	227,651	24,924	0	<b>253,725</b>
Tunisia (Fédération Tunisienne des Sociétés)					<b>0 not rep.</b>
Turkey (Ass. of the Ins. and Reins. Companies of Türkiye)	33,958	158,163	0	0	<b>192,952</b> Total incl. others
Ukraine (Marine Insurance Bureau of Ukraine)	3,500	NA	3,600	NA	<b>7,100</b>
United Arab Emirates (Emirates Insurance Association)					<b>0 not rep.</b>
United Kingdom (Int'l Underwriting Association of London - IUA)	225,893	171,955	24,966	57,108	<b>479,922</b>
United Kingdom (Lloyd's Underwriters' Association.)	642,071	680,430	450,566	1,023,049	<b>2,796,116</b>
U S A (American Institute of Marine Underwriters)	278,838	723,141	490,127	157,208	<b>1,649,314</b>
<b>Total sum</b>	<b>4,609,173</b>	<b>9,922,430</b>	<b>1,148,105</b>	<b>1,551,175</b>	<b>17,269,032</b>

UK Lloyd's: Projected ultimate underwriting year premium, after deduction of acquisition costs, but including proportional and facultative reinsurance.

Acquisition cost ratio is estimated to be ca. 20-25% for most years.

Marine Liability includes P&I premium via International Group's reinsurance programme, which is estimated to be about 65% of the reported liability premium.

Comments: NA = split not available, not rep. = country did not report

# Report on marine insurance premiums - Accounting year 2005 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
Albania (Albanian Ass. of Marine Insurers)	0	102	123	0	<b>225</b>
Australia (Insurance Council of Australia Ltd.)	73,156	143,017	21,198	2,779	<b>240,150</b> estimated (=2004)
Austria (Verband der Versicherungsunternehmen Oesterreichs)	0	134,258	0	0	<b>134,258</b>
Belgium (ABAM_/BVT Belgian Association of Marine Insurers)	21,322	245,208	0	0	<b>266,530</b>
Bermuda (Bermuda Institute of Marine Underwriters)					<b>0 not rep.</b>
Bulgaria (BULSTRAD Insurance and Reinsurance PLC)	6,311	9,168	891	0	<b>16,369</b>
Canada (The Canadian Board of Marine Underwriters)	118,530	116,322	0	0	<b>234,852</b>
Chinese Taipei (The Non-Life Ins. Ass. of the Republic of China)	42,993	160,130	0	0	<b>203,123</b>
Congo (Société Nationale d'Assurances SONAS)					<b>0 not rep.</b>
Croatia (Croatian Insurance Bureau)	16,500	7,500	1,500	5,000	<b>30,500</b>
Cyprus (Insurance Association of Cyprus)	454	6,568	7	0	<b>7,030</b>
Czech Republic (Ceska Pojistovna AS)	290	21,880	610	0	<b>22,780</b>
Denmark (Foreningen af Danske Soeassurandoerer)	83,000	63,000	0	0	<b>146,000</b>
Egypt (Insurance Federation of Egypt)	14,198	34,683	381	52,099	<b>101,361</b>
Finland (Finnish Marine Underwriters' Association)	23,600	50,100	0	0	<b>73,700</b>
France (FFSA-Féd.Francaise des Sociétés d'Ass.Transports)	373,021	702,511	0	0	<b>1,075,532</b>
Germany (Gesamtverband der Deutschen Versicherungswirtschaft e.V.)	135,547	1,291,656	0	0	<b>1,427,203</b>
Greece (Greece Association of Insurance Companies-Greece)	23,135	45,714	6,393	0	<b>75,242</b>
Hong Kong (The Hong Kong Federation of Insurers)	95,169	126,566	0	0	<b>221,735</b>
Hungary (Association of Hungarian Insurance Companies)	NA	NA	NA	NA	<b>14,100</b>

Comments: NA = split not available, not rep. = country did not report

# Report on marine insurance premiums - Accounting year 2005 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
India (Tariff Advisory Committee)	47,603	145,122	1,828	55,783	<b>250,337</b>
Indonesia (Insurance Council of Indonesia)	36,000	97,000	0	61,000	<b>194,000</b> est.=2004, <b>not rep.</b>
Ireland (The Irish Institute of Marine Underwriters)	7,245	29,510	1,335	0	<b>38,090</b>
Israel (Israel Insurance Association)	8,000	32,500	0	0	<b>40,500</b>
Italy (ANIA-Associazione Nazionale fra le Imprese Assicuratrici)	314,837	499,045	7,852	41,424	<b>863,158</b>
Japan (The Marine and Fire Insurance Association of Japan, Inc.)	436,726	1,584,723	30,419	67,742	<b>2,119,610</b>
Kenya (The Association of Kenya Insurers)					<b>0 not rep.</b>
Korea, (Korea Foreign Ins. Co.)					<b>0 not rep.</b>
Korea, (Korea Non-life Ins. Assocn.)	213,847	217,856	14,166	NA	<b>520,852</b> Total incl. others
Lebanon (Lebanese Ins. Comp. Ass.)	NA	NA	NA	NA	<b>14,500</b>
Malaysia (General Ins. Association of Malaysia)	38,290	103,734	0	78,819	<b>220,843</b>
Mexico (Zurich)	3,681	28,538	3,153	2,454	<b>37,826</b>
Morocco (Comité des Assureurs Maritime du Maroc CAMM)	23,073	39,042	0	0	<b>62,115</b>
Netherlands (Association of Insurers)	116,000	381,000	42,000	0	<b>539,000</b>
New Zealand (Insurance Council of New Zealand)	25,906	38,547	1,555	0	<b>66,008</b>
Nigeria (Nigerian Insurers Association)	133	19,431	0	0	<b>19,564</b>
Norway (The Central Union of Marine Underwriters)	614,200	63,100	0	NA	<b>677,300</b>

Comments: NA = split not available, not rep. = country did not report

# Report on marine insurance premiums - Accounting year 2005 (in USD 1000)



Name of association	Global Hull	Transp./ Cargo	Marine Liability	Offshore/ Energy	Total
Poland ("WARTA" Insurance & Reinsurance Company Ltd.)	28,865	62,987	3,294	794	<b>95,939</b>
Portugal (Associação Portuguesa de Seguradores)	20,309	43,981	948	0	<b>65,238</b>
Romania (National Union - Insurance and Reinsurance Comp.)	6,477	6,999	2,402	0	<b>15,878</b>
Russia (Russia Ingosstrakh Insurance Company Ltd.)	30,680	119,600	26,200	NA	<b>176,480</b>
Singapore (General Insurance Association of Singapore)	105,600	85,500 incl. in hull		incl. in hull	<b>191,100</b>
Slovenia (Slovenian Insurance Association)	1,427	7,477	877	0	<b>9,781</b>
South Africa (Association of Marine Underwriters in South Africa)	9,000	85,000	0	0	<b>94,000</b>
Spain (Comité de Transportes de UNESPA)	232,363	331,544	0	0	<b>563,907</b>
Sweden (Sjöassuradörernas Förening)	127,985	125,713	1,251	0	<b>254,949</b>
Switzerland (Swiss Association of Marine Underwriters)	NA	NA	NA	NA	<b>252,600</b>
Tunisia (Fédération Tunisienne des Sociétés)					<b>0 not rep.</b>
Turkey (Ass. of the Ins. and Reins. Companies of Türkiye)	39,760	167,346	0	0	<b>208,006</b>
Ukraine (Marine Insurance Bureau of Ukraine)	4,000	NA	3,800	NA	<b>7,800</b>
United Arab Emirates (Emirates Insurance Association)					<b>0 not rep.</b>
United Kingdom (Int'l Underwriting Association of London - IUA)	271,579	238,182	31,273	86,356	<b>627,390</b>
United Kingdom (Lloyd's Underwriters' Association.)	628,576	777,408	457,666	993,854	<b>2,857,504</b>
U S A (American Institute of Marine Underwriters)	296,843	769,620	588,319	247,537	<b>1,902,319</b>
<b>Total sum</b>	<b>4,716,234</b>	<b>9,258,888</b>	<b>1,249,442</b>	<b>1,695,639</b>	<b>17,277,286</b>

UK Lloyd's: Projected ultimate underwriting year premium, after deduction of acquisition costs, but including proportional and facultative reinsurance.

Acquisition cost ratio is estimated to be ca. 20-25% for most years.

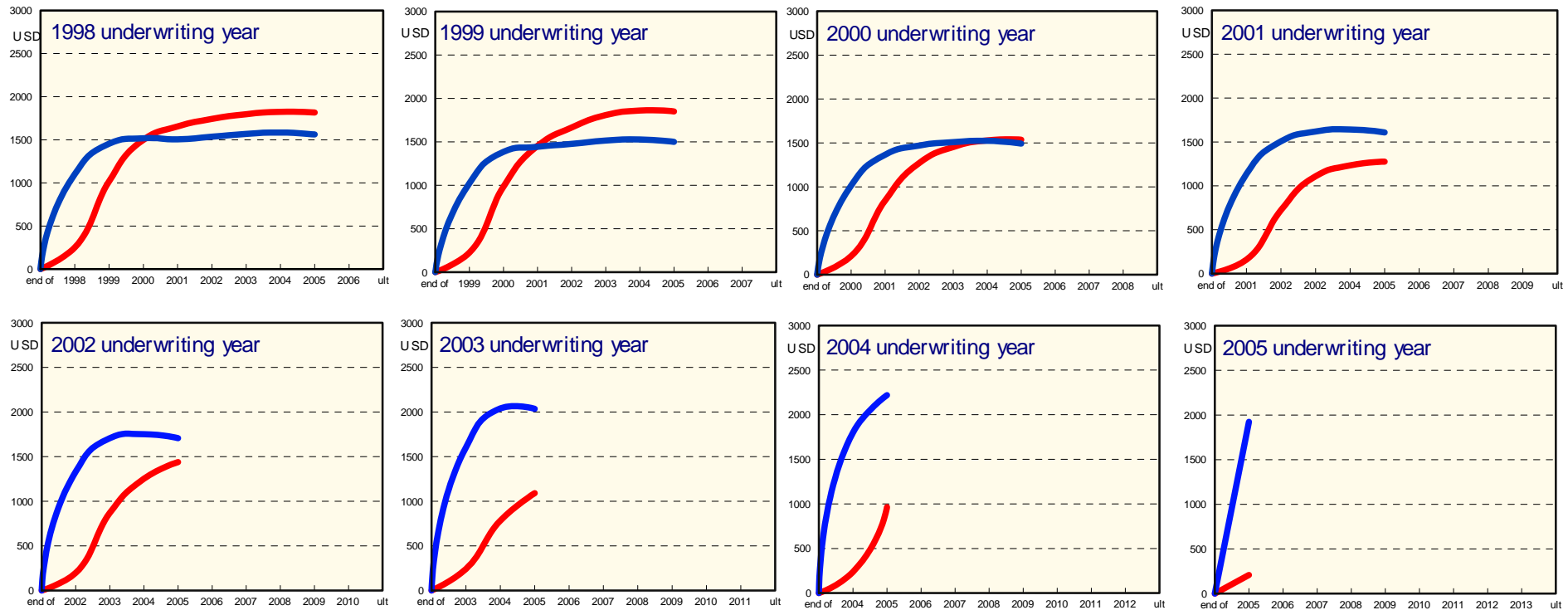
Marine Liability includes P&I premium via International Group's reinsurance programme, which is estimated to be about 65% of the reported liability premium.

Comments: NA = split not available, not rep. = country did not report

# Marine Hull – Evolution of Paid Claims and Gross Premiums



as reported, U/W Year 1998 to 2005 (USD)



Blue line = Gross Premium; Red line = Paid Claims

Totals of 6 IUMI members – France, Germany, Italy, Norway, UK Lloyds, UK IUA



# Marine Hull – Ladder Table I. (USD)

Totals of 6 IUMI members – France, Germany, Italy, Norway, UK Lloyds, UK IUA  
(5 for 1996 - no Germany)

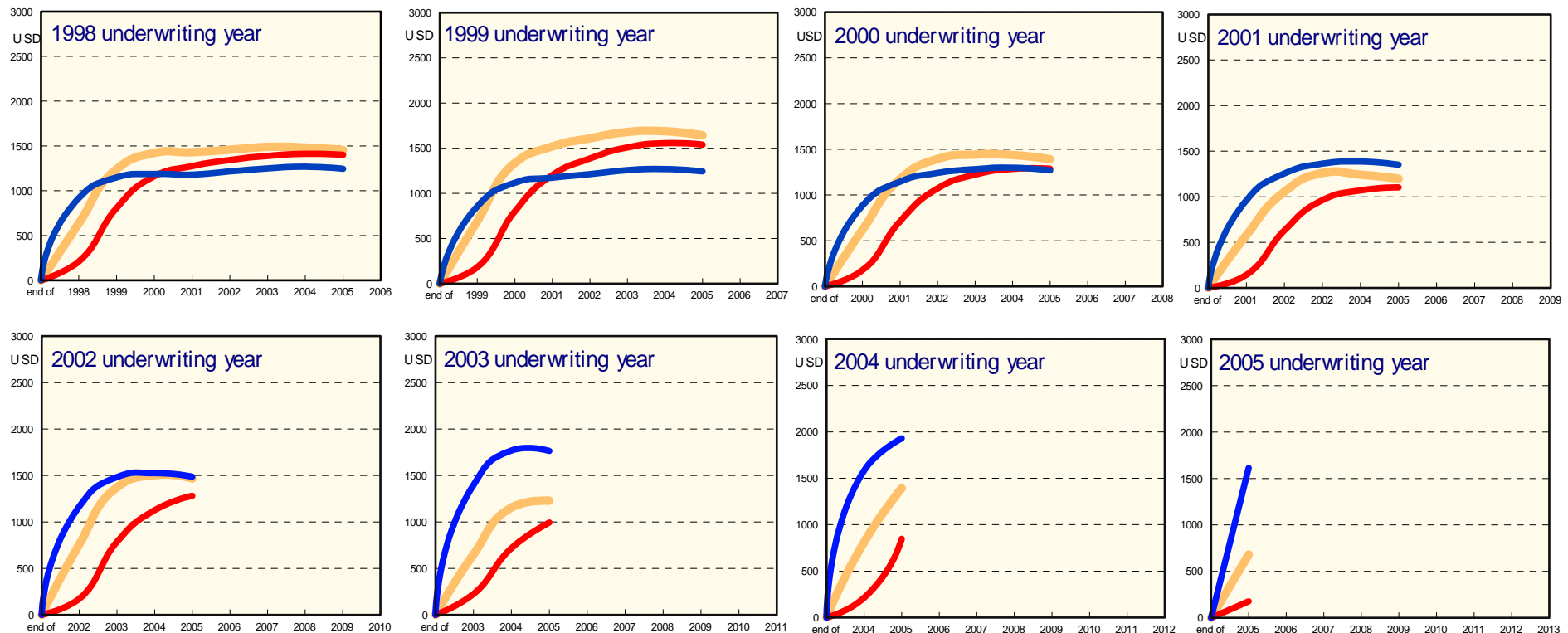


		Months									
		12	24	36	48	60	72	84	96	108	120
1996	Gross premiums <sup>3)</sup>	1,561,172,939	1,925,652,249	1,992,914,981	1,974,310,631	1,966,908,257	1,955,964,761	1,973,645,653	1,997,997,759	2,010,189,394	1,984,892,007
	Paid claims <sup>4)</sup>	183,208,387	766,709,895	1,102,978,601	1,265,053,878	1,335,694,620	1,360,529,848	1,386,370,621	1,428,068,809	1,445,375,959	1,425,813,690
	Loss ratio paid <sup>6)</sup>	11.74	39.82	55.34	64.08	67.91	69.56	70.24	71.47	71.90	71.83
1997	Gross premiums	1,276,675,368	1,676,507,220	1,695,993,066	1,697,115,333	1,679,715,261	1,698,604,362	1,726,757,847	1,739,096,111	1,711,387,659	
	Paid claims	224,319,750	874,816,709	1,239,627,613	1,390,295,545	1,443,592,134	1,501,176,227	1,530,079,892	1,545,858,515	1,487,388,700	
	Loss ratio paid	17.57	52.18	73.09	81.92	85.94	88.38	88.61	88.89	86.91	
1998	Gross premiums	1,102,395,110	1,454,497,638	1,518,180,111	1,505,571,244	1,536,847,560	1,568,917,035	1,585,724,146	1,562,015,803		
	Paid claims	251,004,308	1,018,361,935	1,500,802,260	1,656,183,196	1,742,222,999	1,797,970,456	1,825,844,922	1,817,811,849		
	Loss ratio paid	22.77	70.01	98.86	110.00	113.36	114.60	115.14	116.38		
1999	Gross premiums	1,023,087,115	1,385,242,863	1,443,041,040	1,476,024,644	1,515,926,075	1,527,002,013	1,500,859,063			
	Paid claims	225,585,098	985,648,966	1,454,182,519	1,665,478,549	1,808,458,795	1,860,110,667	1,851,058,446			
	Loss ratio paid	22.05	71.15	100.77	112.84	119.30	121.81	123.33			
2000	Gross premiums	1,015,909,953	1,366,879,026	1,470,107,096	1,508,103,630	1,524,148,190	1,493,082,195				
	Paid claims	212,226,594	844,386,977	1,271,008,502	1,454,274,806	1,529,774,610	1,537,796,574				
	Loss ratio paid	20.89	61.77	86.46	96.43	100.37	102.99				
2001	Gross premiums	1,134,588,414	1,507,685,531	1,620,266,907	1,642,992,853	1,609,213,496					
	Paid claims	158,905,631	723,097,459	1,109,208,985	1,233,600,947	1,275,358,377					
	Loss ratio paid	14.01	47.96	68.46	75.08	79.25					
2002	Gross premiums	1,332,978,205	1,707,598,275	1,751,394,406	1,707,815,088						
	Paid claims	199,916,677	870,234,252	1,252,002,805	1,439,490,512						
	Loss ratio paid	15.00	50.96	71.49	84.29						
2003	Gross premiums	1,602,460,516	2,039,185,765	2,036,847,916							
	Paid claims	242,686,685	783,932,578	1,090,166,701							
	Loss ratio paid	15.14	38.44	53.52							
2004	Gross premiums	1,800,798,268	2,220,752,053								
	Paid claims	238,050,697	964,980,218								
	Loss ratio paid	13.22	43.45								
2005	Gross premiums	1,923,057,531									
	Paid claims	208,621,272									
	Loss ratio paid	10.85									

Premium = Gross Premium; Claims = Paid Claims

# Marine Hull – Evolution of Paid and Total Claims and Gross Premiums

as reported, U/W Year 1998 to 2005 (USD)



Blue line = Gross Premium; Red line = Paid Claims, Yellow line = Paid+Outstanding claims

Totals of 5 IUMI members – France, Germany, Italy, Norway, UK Lloyds

# Marine Hull – Ladder Table II. (USD)



Totals of 5 IUMI members – France, Germany, Italy, Norway, UK Lloyds  
(4 for 1996 - no Germany)

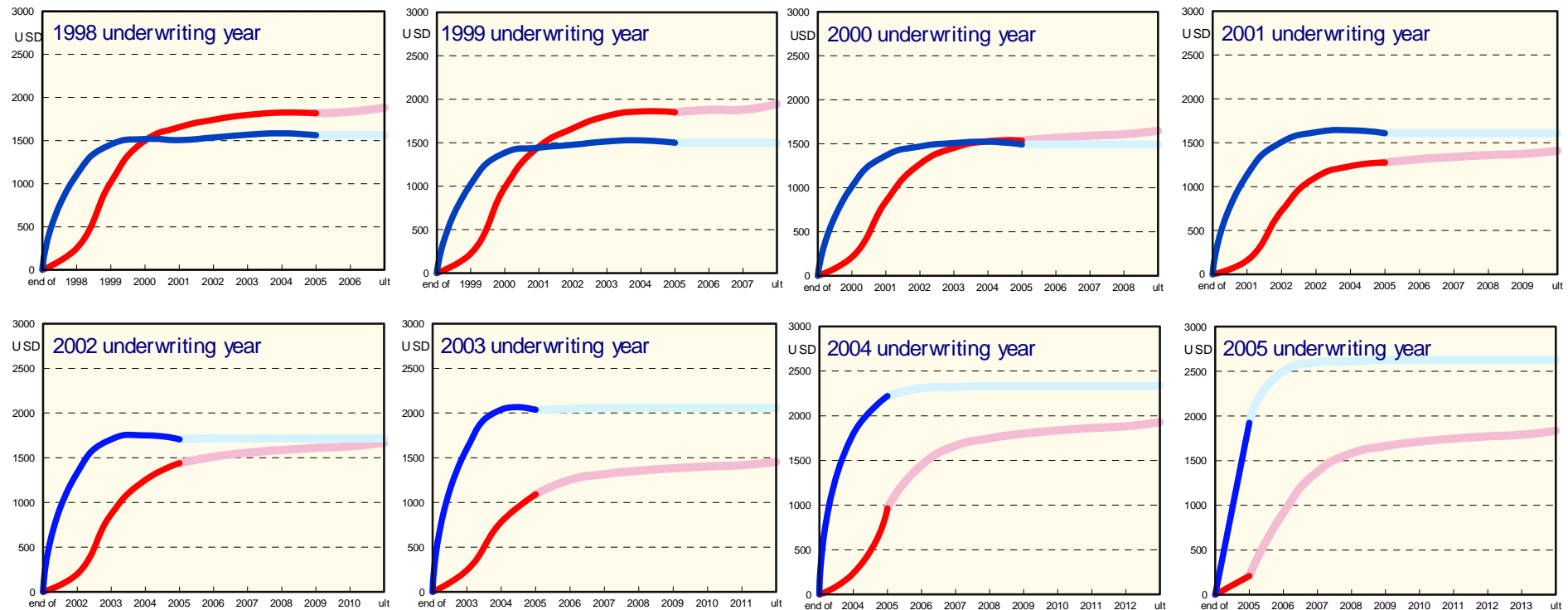
		Months									
		12	24	36	48	60	72	84	96	108	120
1996	Gross premiums <sup>3)</sup>	1,187,225,631	1,402,953,509	1,450,317,043	1,429,348,432	1,418,944,628	1,412,546,803	1,432,235,565	1,459,614,619	1,473,341,639	1,449,121,314
	Paid claims <sup>4)</sup>	135,392,387	565,641,895	808,686,601	912,797,878	957,083,060	973,097,387	994,265,185	1,023,579,372	1,038,663,409	1,019,165,697
	Total claims incl. outstanding <sup>5)</sup>	536,129,040	913,069,106	1,037,476,129	1,038,546,657	1,032,452,640	1,025,456,598	1,042,206,566	1,066,837,452	1,079,240,812	1,052,381,156
	Loss ratio paid <sup>6)</sup>	11.40	40.32	55.76	63.86	67.45	68.89	69.42	70.13	70.50	70.33
	Total loss ratio <sup>7)</sup>	45.16	65.08	71.53	72.66	72.76	72.60	72.77	73.09	73.25	72.62
1997	Gross premiums	1,026,851,772	1,293,102,867	1,293,871,646	1,290,761,885	1,276,568,342	1,298,526,388	1,330,143,516	1,344,412,516	1,317,924,827	
	Paid claims	174,783,750	690,088,709	962,707,613	1,066,765,265	1,102,924,295	1,152,544,826	1,184,473,273	1,197,191,077	1,136,656,854	
	Total claims incl. outstanding	583,562,808	1,123,893,729	1,226,187,268	1,235,464,008	1,214,936,106	1,225,972,669	1,242,303,193	1,246,927,752	1,174,474,695	
	Loss ratio paid	17.02	53.37	74.41	82.65	86.40	88.76	89.05	89.05	86.25	
	Total loss ratio	56.83	86.91	94.77	95.72	95.17	94.41	93.40	92.75	89.12	
1998	Gross premiums	917,785,717	1,149,113,904	1,188,887,786	1,180,688,656	1,216,890,515	1,250,387,029	1,268,598,018	1,245,989,510		
	Paid claims	210,928,308	807,833,935	1,162,798,180	1,275,460,649	1,343,308,841	1,389,565,909	1,412,351,979	1,401,252,367		
	Total claims incl. outstanding	635,464,461	1,241,720,423	1,423,779,896	1,430,848,698	1,458,327,410	1,489,319,310	1,482,567,899	1,455,401,077		
	Loss ratio paid	22.98	70.30	97.81	108.03	110.39	111.13	111.33	112.46		
	Total loss ratio	69.24	108.06	119.76	121.19	119.84	119.11	116.87	116.81		
1999	Gross premiums	855,421,594	1,118,187,742	1,173,111,930	1,213,357,784	1,257,214,604	1,269,439,736	1,243,894,398			
	Paid claims	183,273,098	801,462,766	1,203,546,226	1,386,885,722	1,509,782,421	1,555,905,670	1,540,198,054			
	Total claims incl. outstanding	692,458,903	1,336,187,959	1,520,660,874	1,609,080,677	1,679,192,353	1,687,132,351	1,642,715,443			
	Loss ratio paid	21.42	71.68	102.59	114.30	120.09	122.57	123.82			
	Total loss ratio	80.95	119.50	129.63	132.61	133.56	132.90	132.06			
2000	Gross premiums	884,648,143	1,147,359,796	1,241,066,131	1,282,770,785	1,299,017,021	1,269,252,432				
	Paid claims	178,223,914	713,955,759	1,072,750,677	1,223,681,582	1,286,059,826	1,287,407,526				
	Total claims incl. outstanding	619,494,289	1,175,747,048	1,395,826,402	1,443,670,494	1,438,220,441	1,391,200,904				
	Loss ratio paid	20.15	62.23	86.44	95.39	99.00	101.43				
	Total loss ratio	70.03	102.47	112.47	112.54	110.72	109.61				
2001	Gross premiums	961,612,029	1,255,841,139	1,363,345,318	1,386,570,948	1,352,772,350					
	Paid claims	143,122,058	631,480,825	963,297,113	1,070,494,899	1,103,713,825					
	Total claims incl. outstanding	578,801,915	1,055,854,622	1,261,363,939	1,243,744,049	1,198,918,807					
	Loss ratio paid	14.88	50.28	70.66	77.20	81.59					
	Total loss ratio	60.19	84.08	92.52	89.70	88.63					
2002	Gross premiums	1,167,007,232	1,483,497,864	1,526,700,778	1,487,768,787						
	Paid claims	174,008,027	787,404,443	1,127,294,072	1,281,892,256						
	Total claims incl. outstanding	760,829,498	1,373,076,424	1,505,671,646	1,468,013,062						
	Loss ratio paid	14.91	53.08	73.84	86.16						
	Total loss ratio	65.19	92.56	98.62	98.67						
2003	Gross premiums	1,397,791,742	1,769,144,939	1,765,659,696							
	Paid claims	224,667,351	718,905,343	994,278,502							
	Total claims incl. outstanding	650,121,546	1,155,963,090	1,229,474,101							
	Loss ratio paid	16.07	40.64	56.31							
	Total loss ratio	46.51	65.34	69.63							
2004	Gross premiums	1,583,498,372	1,930,925,376								
	Paid claims	212,188,548	848,105,769								
	Total claims incl. outstanding	812,693,023	1,393,823,135								
	Loss ratio paid	13.40	43.92								
	Total loss ratio	51.32	72.18								
2005	Gross premiums	1,614,641,632									
	Paid claims	176,068,529									
	Total claims incl. outstanding	682,129,370									
	Loss ratio paid	10.90									
	Total loss ratio	42.25									

Premium = Gross Premium; Claims = Paid Claims

# Marine Hull – Evolution of Gross Premium and Paid Claims



Actual and estimated towards ultimate, U/W Year 1998 to 2005 (USD)



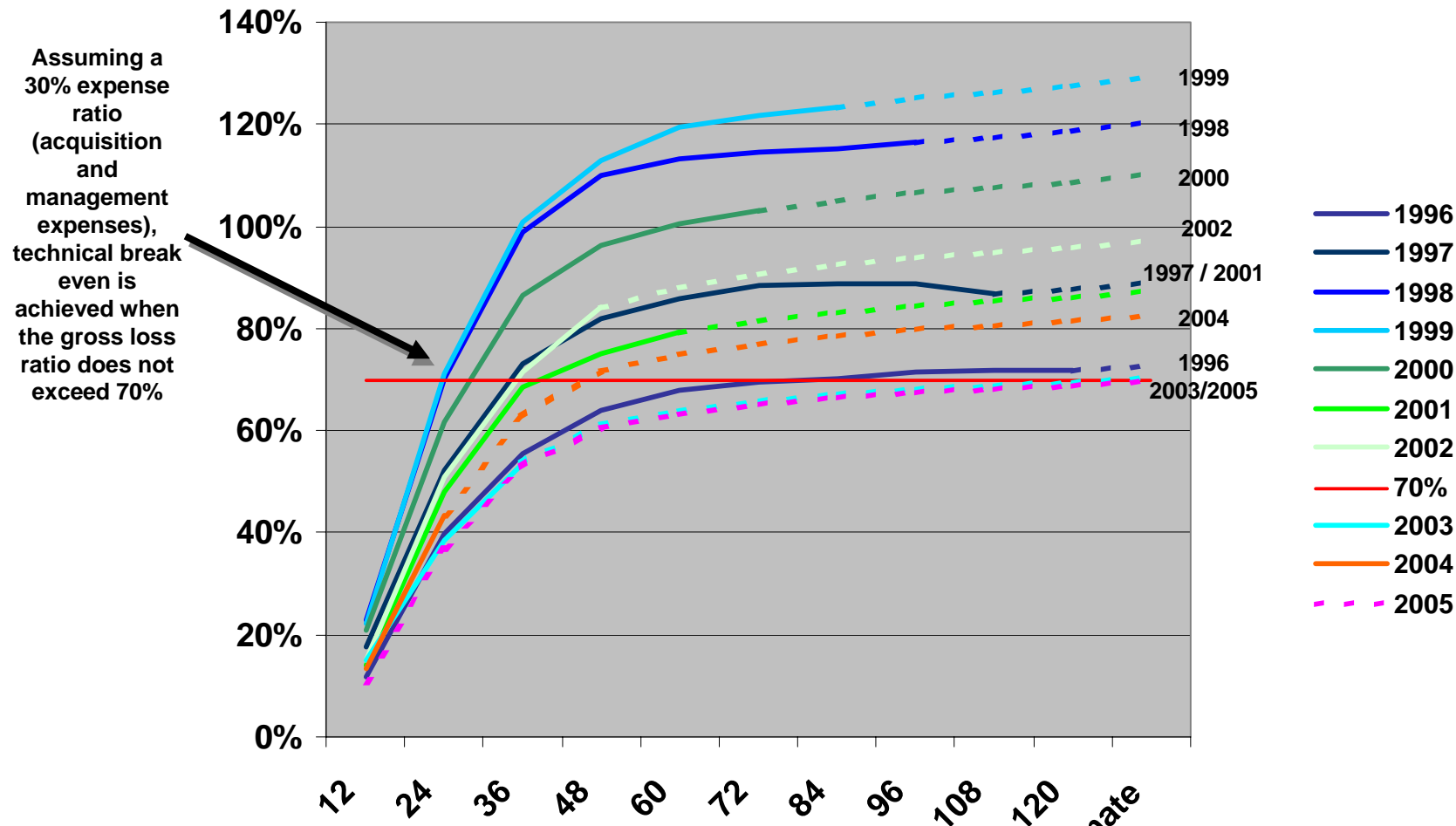
Blue line = Gross Premium; Red line = Paid Claims

Ultimate calculation based on figures of 6 IUMI members –  
France, Germany, Italy, Norway, UK Lloyds, UK IUA

# Marine Hull – Evolution of Gross Loss Ratio, actual and estimated towards ultimate



## U/W Year 1996 to 2005

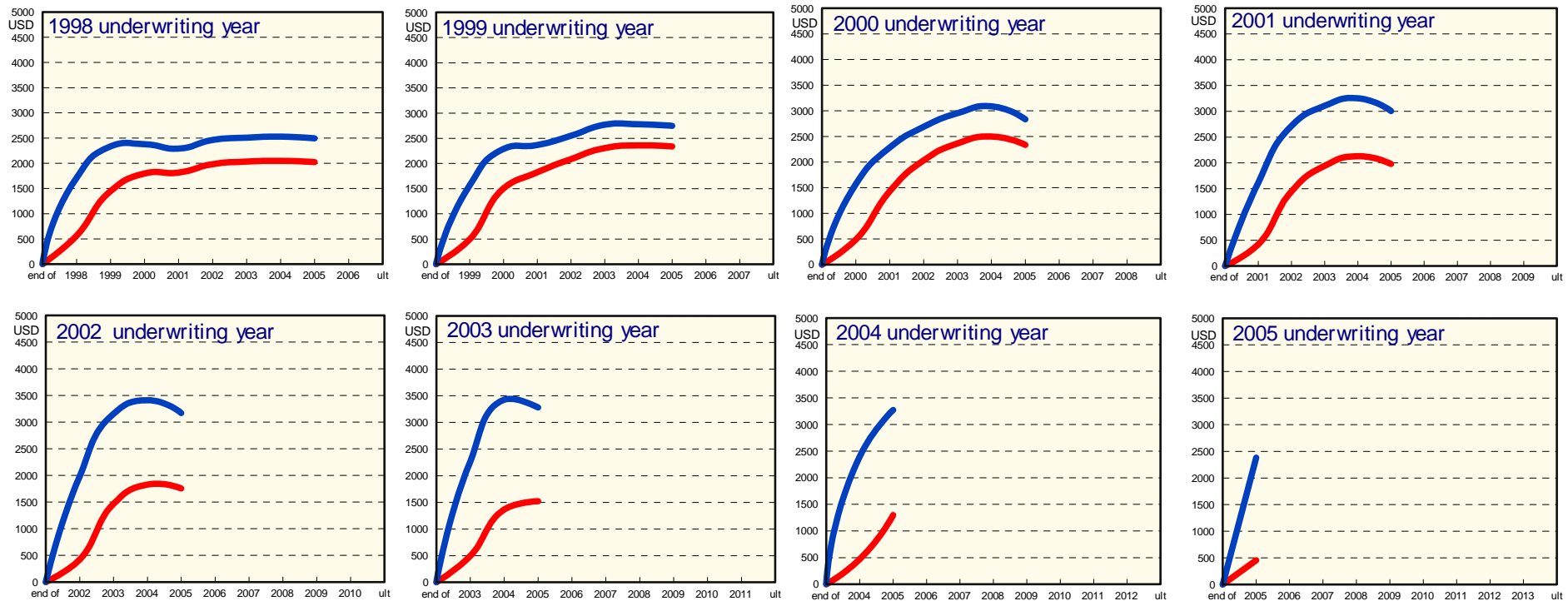


Ultimate calculation based on figures of 6 IUMI members:  
France, Germany, Italy, Norway, UK Lloyds, UK IUA (5 for 1996 – no Germany)



# Transport/Cargo – Evolution of Paid Claims and Gross Premiums

as reported, U/W Year 1998 to 2005 (USD)



Blue line = Gross Premium; Red line = Paid Claims

Totals of 7 IUMI members – Belgium, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA

# Transport / Cargo – Ladder Table I. (USD)



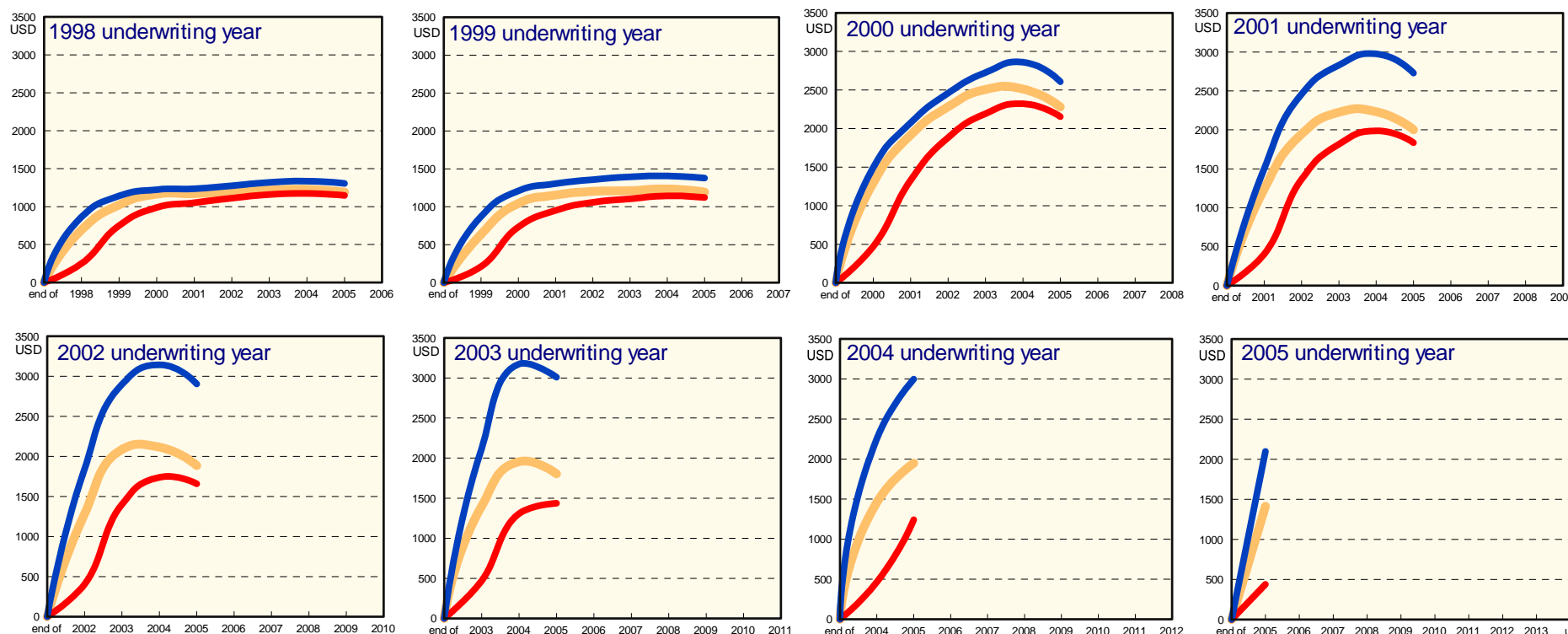
**Totals of 7 IUMI members – Belgium, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA (6 for 1996 – no Germany)**

		Months									
		12	24	36	48	60	72	84	96	108	120
1996	Gross premiums <sup>3)</sup>	1,075,445,823	1,509,276,950	1,630,699,729	1,633,810,669	1,655,682,903	1,657,965,714	1,690,232,524	1,725,130,653	1,741,830,129	1,711,906,252
	Paid claims <sup>4)</sup>	262,767,276	752,532,758	997,401,025	1,058,200,660	1,105,323,436	1,116,082,988	1,139,641,482	1,161,302,372	1,175,399,289	1,159,459,982
	Loss ratio paid <sup>6)</sup>	24.43	49.86	61.16	64.77	66.76	67.32	67.43	67.32	67.48	67.73
1997	Gross premiums	1,755,324,370	2,551,115,669	2,473,539,165	2,454,739,513	2,365,092,566	2,395,355,508	2,425,629,044	2,439,979,525	2,411,970,907	
	Paid claims	578,806,784	1,584,330,388	1,783,761,323	1,860,871,328	1,809,970,790	1,846,651,344	1,878,859,694	1,888,664,623	1,868,063,286	
	Loss ratio paid	32.97	62.10	72.11	75.81	76.53	77.09	77.46	77.40	77.45	
1998	Gross premiums	1,711,727,301	2,335,568,429	2,379,486,101	2,290,321,829	2,463,258,365	2,508,521,058	2,528,372,557	2,496,076,760		
	Paid claims	562,947,304	1,448,434,777	1,797,294,359	1,816,188,199	1,983,244,543	2,033,145,452	2,049,557,589	2,024,261,837		
	Loss ratio paid	32.89	62.02	75.53	79.30	80.51	81.05	81.06	81.10		
1999	Gross premiums	1,570,923,291	2,291,386,727	2,366,736,702	2,551,038,461	2,769,521,035	2,779,735,664	2,748,780,611			
	Paid claims	497,959,284	1,507,198,728	1,825,771,763	2,088,438,118	2,305,942,782	2,356,406,570	2,337,719,209			
	Loss ratio paid	31.70	65.78	77.14	81.87	83.26	84.77	85.05			
2000	Gross premiums	1,571,767,422	2,284,906,896	2,688,863,019	2,954,921,636	3,088,256,210	2,833,260,616				
	Paid claims	489,939,084	1,431,409,163	2,034,152,442	2,364,860,351	2,498,262,312	2,337,012,003				
	Loss ratio paid	31.17	62.65	75.65	80.03	80.90	82.48				
2001	Gross premiums	1,617,916,878	2,716,555,457	3,107,379,355	3,252,931,092	3,004,199,324					
	Paid claims	420,053,881	1,448,896,023	1,944,533,220	2,129,621,798	1,979,712,450					
	Loss ratio paid	25.96	53.34	62.58	65.47	65.90					
2002	Gross premiums	1,986,279,420	3,155,589,844	3,410,869,468	3,170,068,679						
	Paid claims	422,419,563	1,466,731,399	1,828,679,514	1,755,945,761						
	Loss ratio paid	21.27	46.48	53.61	55.39						
2003	Gross premiums	2,264,724,321	3,426,701,382	3,278,812,038							
	Paid claims	493,945,996	1,365,982,939	1,522,785,635							
	Loss ratio paid	21.81	39.86	46.44							
2004	Gross premiums	2,397,092,207	3,273,429,122								
	Paid claims	471,436,754	1,298,213,366								
	Loss ratio paid	19.67	39.66								
2005	Gross premiums	2,381,904,976									
	Paid claims	455,398,525									
	Loss ratio paid	19.12									

**Premium = Gross Premium; Claims = Paid Claims**

# Transport/Cargo – Paid and Total Claims and Gross Premiums

as reported, U/W Year 1998 to 2005 (USD)



Blue line = Gross Premium; Red line = Paid Claims, Yellow line = Paid+Outstanding claims

Totals of 6 IUMI members – Belgium, France, Germany, Italy, Netherlands, UK Lloyds





# Transport / Cargo – Ladder Table (USD)

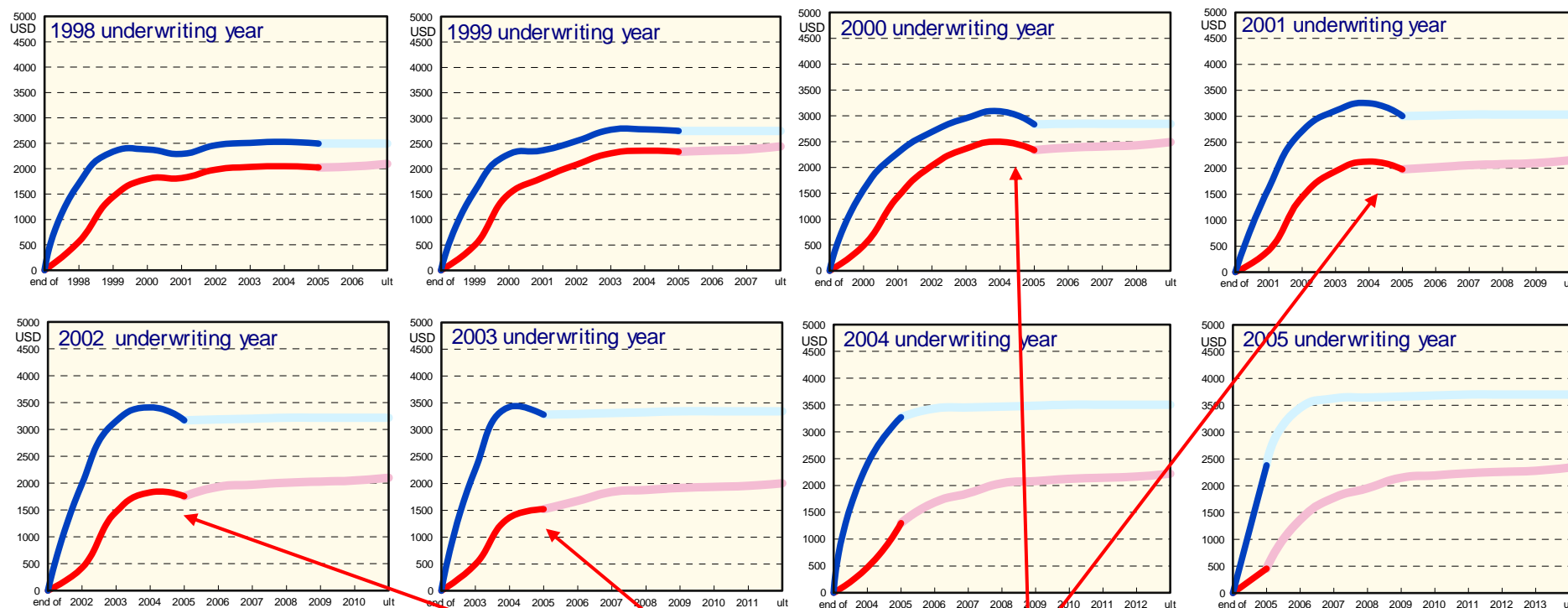
Totals of 6 IUMI members – Belgium, France, Germany, Italy, Netherlands, UK Lloyds  
(5 until 1999 – no Germany)

		Months									
		12	24	36	48	60	72	84	96	108	120
1996	Gross premiums <sup>3)</sup>	896,057,485	1,168,387,622	1,248,459,936	1,241,977,717	1,258,198,358	1,260,265,502	1,292,699,704	1,327,438,641	1,343,661,480	1,314,209,325
	Paid claims <sup>4)</sup>	227,241,276	612,726,148	780,885,141	817,598,886	853,155,608	860,180,636	883,485,188	903,658,395	914,914,390	898,615,876
	Total claims incl. outstanding <sup>6)</sup>	633,125,225	856,452,294	926,446,257	900,609,184	919,346,743	915,110,231	928,335,154	944,516,384	952,187,476	932,159,881
	Loss ratio paid <sup>5)</sup>	25.36	52.44	62.55	65.83	67.81	68.25	68.34	68.08	68.09	68.38
	Total loss ratio <sup>7)</sup>	70.66	73.30	74.21	72.51	73.07	72.61	71.81	71.15	70.87	70.93
1997	Gross premiums	875,254,675	1,143,885,488	1,185,576,100	1,209,204,312	1,217,008,948	1,246,664,811	1,276,966,991	1,291,183,345	1,264,083,701	
	Paid claims	257,281,923	720,346,542	892,032,620	957,445,428	968,184,742	996,602,706	1,024,572,860	1,036,729,581	1,016,446,541	
	Total claims incl. outstanding	671,058,653	959,346,706	1,027,952,502	1,064,531,567	1,040,932,599	1,050,459,936	1,070,777,052	1,076,862,814	1,052,913,442	
	Loss ratio paid	29.40	62.97	75.24	79.18	79.55	79.94	80.23	80.29	80.41	
	Total loss ratio	76.67	83.87	86.70	88.04	85.53	84.26	83.85	83.40	83.29	
1998	Gross premiums	863,939,633	1,140,271,108	1,224,586,129	1,236,938,845	1,275,496,130	1,319,168,382	1,336,842,176	1,306,367,481		
	Paid claims	249,287,191	750,696,328	987,670,596	1,051,561,532	1,111,311,923	1,158,718,223	1,173,934,671	1,147,802,396		
	Total claims incl. outstanding	692,486,878	1,023,194,811	1,165,733,037	1,171,021,190	1,201,030,972	1,218,065,836	1,226,196,405	1,191,142,609		
	Loss ratio paid	28.85	65.83	80.65	85.01	87.13	87.84	87.81	87.86		
	Total loss ratio	80.15	89.73	95.19	94.67	94.16	92.34	91.72	91.18		
1999	Gross premiums	872,335,943	1,210,778,943	1,305,401,293	1,358,619,316	1,395,707,749	1,409,336,844	1,379,441,977			
	Paid claims	211,514,911	733,146,600	953,393,348	1,058,627,336	1,105,238,538	1,144,646,526	1,122,578,964			
	Total claims incl. outstanding	638,665,845	1,045,999,406	1,155,502,285	1,203,099,466	1,213,284,636	1,235,075,190	1,195,849,233			
	Loss ratio paid	24.25	60.55	73.03	77.92	79.19	81.22	81.38			
	Total loss ratio	73.21	86.39	88.52	88.55	86.93	87.64	86.69			
2000	Gross premiums	1,495,225,238	2,076,515,966	2,459,333,862	2,726,312,482	2,860,630,198	2,607,012,693				
	Paid claims	473,704,084	1,331,756,025	1,883,477,095	2,194,581,708	2,321,545,380	2,154,019,179				
	Total claims incl. outstanding	1,298,000,968	1,917,618,432	2,282,116,657	2,507,834,772	2,512,877,381	2,279,809,541				
	Loss ratio paid	31.68	64.13	76.58	80.50	81.16	82.62				
	Total loss ratio	86.81	92.35	92.79	91.99	87.84	87.45				
2001	Gross premiums	1,503,222,089	2,459,465,097	2,832,275,659	2,976,984,760	2,729,725,562					
	Paid claims	405,728,881	1,365,276,849	1,816,017,213	1,988,159,209	1,836,092,105					
	Total claims incl. outstanding	1,240,738,860	1,946,190,247	2,226,932,825	2,233,436,079	2,001,247,683					
	Loss ratio paid	26.99	55.51	64.12	66.78	67.26					
	Total loss ratio	82.54	79.13	78.63	75.02	73.31					
2002	Gross premiums	1,843,747,663	2,898,863,168	3,144,792,698	2,904,333,335						
	Paid claims	404,981,193	1,401,469,539	1,739,065,289	1,659,815,284						
	Total claims incl. outstanding	1,283,743,720	2,087,063,868	2,115,439,114	1,886,236,268						
	Loss ratio paid	21.97	48.35	55.30	57.15						
	Total loss ratio	69.63	72.00	67.27	64.95						
2003	Gross premiums	2,119,460,053	3,175,508,703	3,011,423,193							
	Paid claims	469,787,226	1,307,160,159	1,437,592,037							
	Total claims incl. outstanding	1,400,827,001	1,956,050,503	1,805,333,633							
	Loss ratio paid	22.17	41.16	47.74							
	Total loss ratio	66.09	61.60	59.95							
2004	Gross premiums	2,255,800,947	2,998,955,485								
	Paid claims	465,360,353	1,242,121,566								
	Total claims incl. outstanding	1,459,646,319	1,949,501,906								
	Loss ratio paid	20.63	41.42								
	Total loss ratio	64.71	65.01								
	Gross premiums	2,098,601,738									
	Paid claims	440,204,540									
2005	Total claims incl. outstanding	1,412,382,031									
	Loss ratio paid	20.98									
	Total loss ratio	67.30									

Premium = Gross Premium; Claims = Paid Claims

# Transport / Cargo – Evolution of Gross Premium and Paid Claims

Actual and estimated towards ultimate, U/W Year 1998 to 2005 (USD)



Decrease due to exchange rate effects. Figures in original currencies would not have shown a decrease.

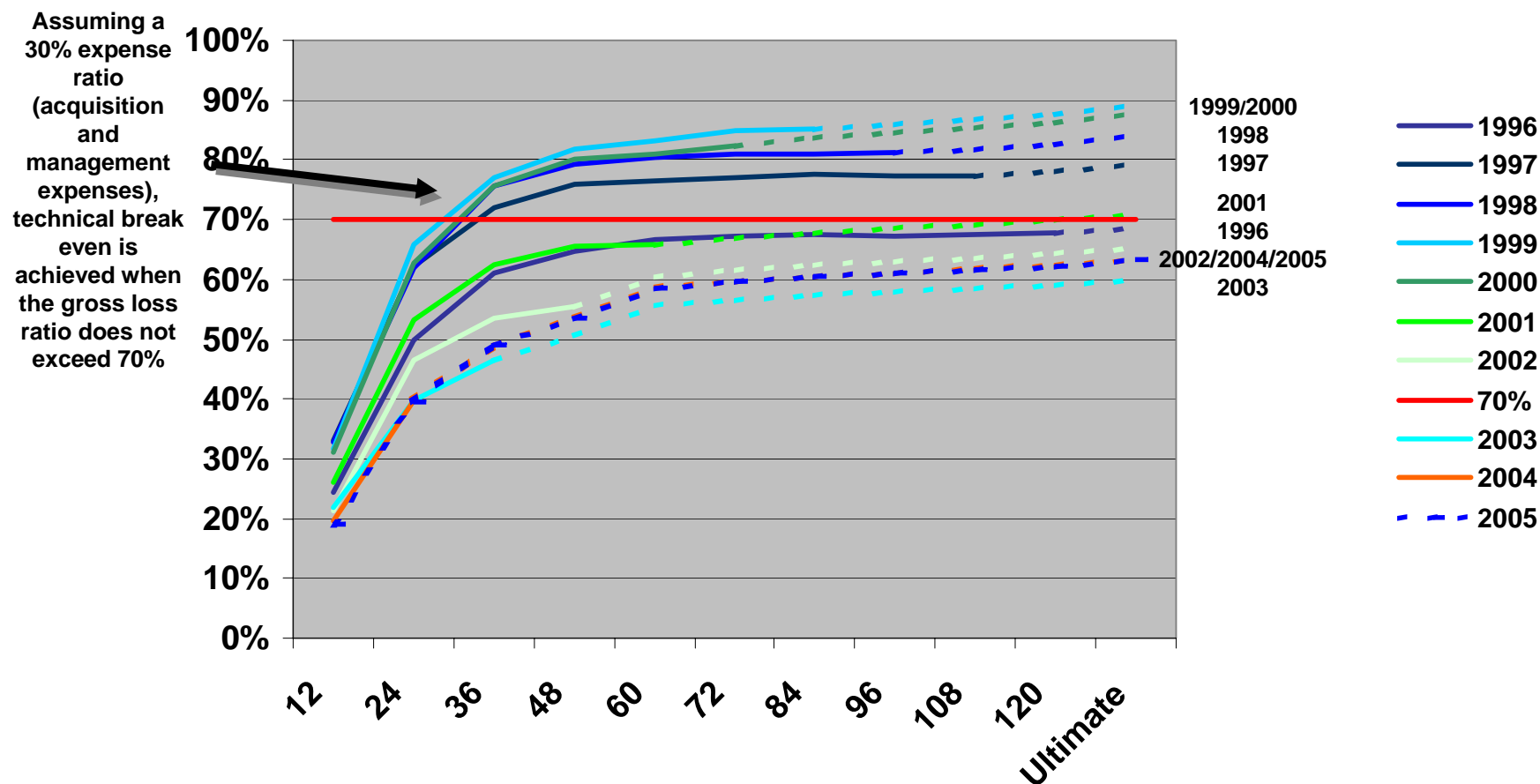
Blue line = Gross Premium; Red line = Paid Claims

Totals of 7 IUMI members – Belgium, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA

# Transport/Cargo – Evolution of Gross Loss Ratio, actual and estimated towards ultimate



## U/W Year 1996 to 2005

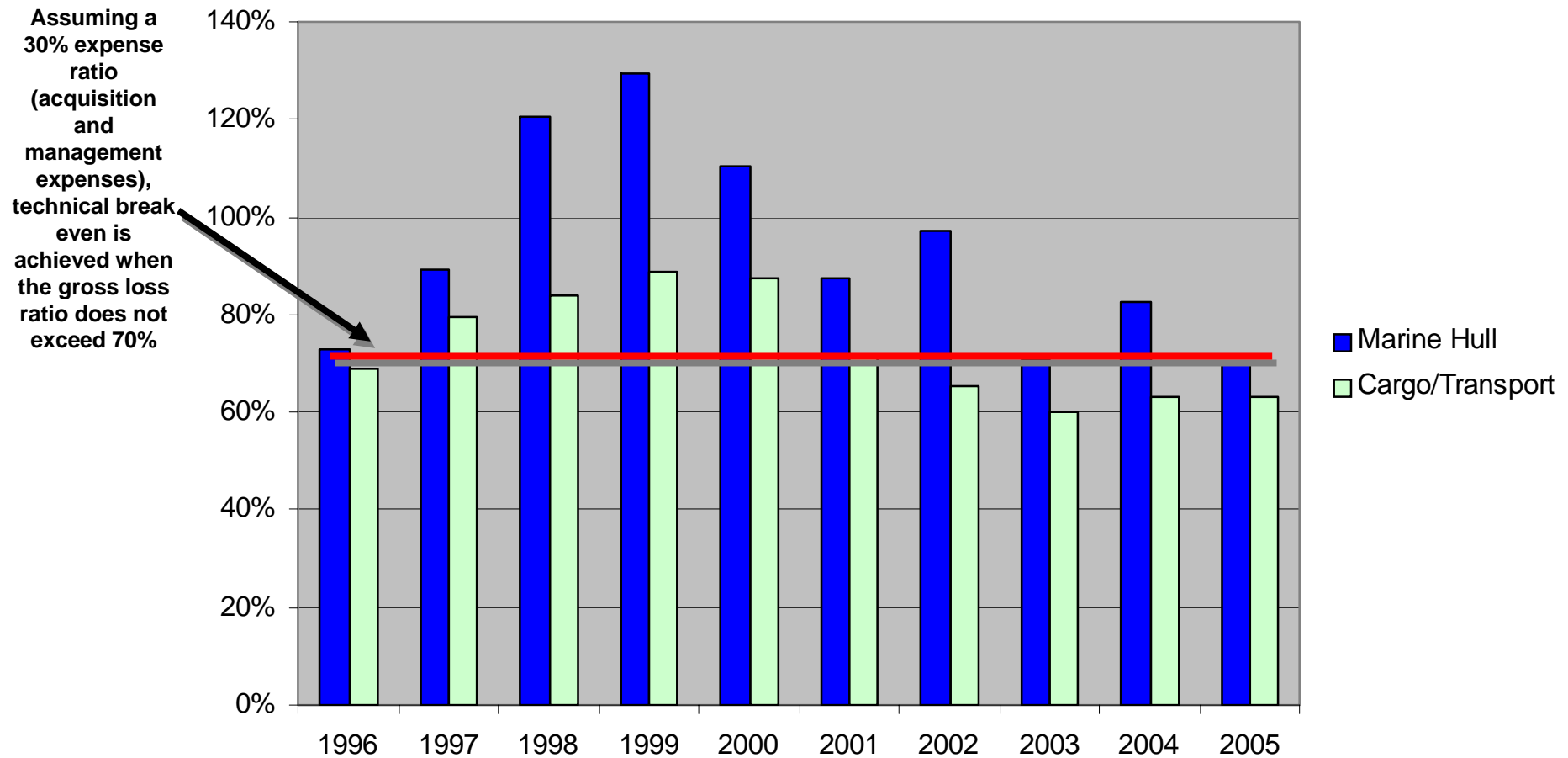


Ultimate calculation based on totals of 7 IUMI members –  
Belgium, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA (6 for 1996 – no Germany)

# Marine Hull and Cargo/Transport Gross Ultimate Loss Ratio



**U/W Year 1996 to 2005**



# Explanation of terms used in this presentation (1)



**Gross premium** = Premium for insurance including the provision for anticipated losses (the pure premium) and for the anticipated expenses (loading), including also commission and brokerage but excluding taxes and other contributions on insurance premiums.

**Written premium** = Complete premium due for insurance policies which start, i.e. “are written”, in a specific year (= the underwriting year of the policy). Does not give any information on actual premium payments/instalments, i.e. the cash flow.

**Paid claims** = Amounts the insurer has paid for known and registered claims.

**Outstanding claims reserve** = Claims reserve for specific reported, but not yet (fully) paid claims, of which the insurer has an estimation of the total amount to be paid. Includes loss adjustment expenses.

= Sum of total claims estimates minus any amounts already paid for these claims.

**Total claim** = Paid amounts + outstanding claims reserve for specific reported claims.

**IBNR** = “Incurred but not reported” = additional claims reserve on top of the outstanding claims reserve, and which for claims incurred, but not yet known or registered in the insurer’s system. The necessary IBNR reserve is derived by statistical methods based on historical claims ladder statistics.

**Loss ratio** = Claims divided by premiums. Indicator of whether premiums are calculated correctly to match claims and other expenses.

**Gross loss ratio (in this presentation)** = Sum of total claims and IBNR reserves, divided by gross written premiums

**Underwriting year basis** = Insurance figures are registered with the calendar year in which the insurance policy starts, and to which the covered risks accordingly attach to. Example: a policy with cover period 01.07.06-30.06.07 has underwriting year 2006. Both claims occurring in 2006 and 2007 for risks attaching to this policy are thus attributed to underwriting year 2006. The underwriting year is not closed, so underwriting year figures change as long as there are payments related to policies with this underwriting year.

**Accident year** = Claims are registered with the calendar year in which an accident happens. Claims attaching to the same policy may thus be attributed to different accident years. Example: for the policy with cover period 01.07.06-30.06.07 a claim occurring in 2007 has accident year 2007, but underwriting year 2006. The accident year is not closed, so figures will change as long as there are claims payments related to claims occurred in that accident year, e.g. a claim payment made in 2009 for an accident which happened in 2007 will be attributed to accident year 2007.

**Accounting year (also booking year)** = Insurance figures, regardless of their original source date, are booked into that year of account which is open at the time of actually entering the figures in the books. Contrary to the underwriting and accident year, the accounting year is closed at some point in time, usually at the end of one calendar year, such that figures do not change any more once the accounting year is closed. These give the insurance results usually published in companies’ annual reports.

# Explanation of terms used in this presentation (2)



**Premium volumes shown in this report are  
(as defined in the Global Premium Report Form):**

## **Gross written premiums**

- for direct marine insurance in the national market
- for the accounting years 2004 and 2005
- excluding:
  - all types of reinsurance (facultative and treaty, proportional as well as non-proportional),  
with the exception of facultative reinsurance from a captive, which would not be reported  
by another member association.
  - War risk premium.
- including:
  - all marine premium from the national market, if possible also premium written by insurers who are not members of the national association.

**Above are the specifications of what IUMI members ideally should report.  
The actually reported figures may though possibly deviate from that. If such deviations and their impact on the figures is known to IUMI it is commented.**



# Explanation of terms used in this presentation (3)



## Classes of business the premium is reported for (as defined in the Global Premium Report Form):

### Global Hull =

#### -Ocean (blue-water) Hull Insurance

- Commercial vessels engaged in international trade under domestic or foreign flag.
- Interests included are: hull and machinery (H&M), disbursements, increased value, freight or other ancillary interests, loss of hire (LOH), construction risks.

#### -Coastal/Inland Marine Hull Insurance

- Vessels not included in the above category, trading in domestic waters or inland waterways, e.g. coasters, fishing vessels, tugs, lighters, barges, etc. Only premium relating to commercial vessels, pleasure craft is excluded (where possible).
- Interests included are: same as for ocean hull. Marine liabilities for this type of vessel are excluded (where possible), as these fall under "Marine Liability".

**Transport/Cargo** = all types of insurance relating to cargo, including freight forwarders, CMI and carriers liability, in transit whether on land, sea or air, domestic as well as international trade.

**Marine Liability** = insurance covering marine liabilities in respect of vessels classified as coastal/inland marine and also marine liabilities covering charterers, shiprepairers, stevedores, wharfingers, terminal operators and similar legal liability insurances. **P&I insurance placed with members of the International Group of P&I Clubs is excluded here** (where possible).

**Offshore/Energy** = insurance of all interests relating to offshore exploration and production activities, including both mobile and fixed units, construction risks. Figures relating to onshore (downstream) operations are excluded (where possible).