Global Alliance Seguros

Mozambique Insurance Analysis **March 2012**

Security class	Rating scale	Rating	Rating outlook	Expiry date
Claims paying ability	National	AA-$_{(MZ)}$	Stable	03/2013

Financial data:
(US$'m Comparative)

	31/12/10	31/12/11
Mt/US$ (avg)	33.19	29.04
Mt/US$ (close)	32.60	26.80
Total assets	20.1	20.4
Total capital	4.2	7.0
Cash & equiv.	5.5	6.8
GWP	28.2	36.7
U/w result	2.4	2.1
NPAT	1.9	1.2
Op. cash flow	0.4	1.1
Market cap.	n.a.	
Market share*	26%	

*Based on estimated GWP at 31 December 2011.

Related methodologies/research:

GCR's criteria for rating short term insurance and reinsurance companies, Nov 2011

Global Alliance Seguros ("GA") rating reports, 2002-2011

Rating history:

Initial Rating (11/2002)
National scale: BBB+$_{(MZ)}$
Rating outlook: Stable

Last Rating (03/2011)
National scale: A+$_{(MZ)}$
Rating outlook: Stable

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Rating rationale

The rating is based on the following key factors:

- The rating upgrade takes cognisance of the fact that effective September 2011, GA became a wholly owned subsidiary of the ABSA Group, one of the largest banking groups in Africa. Furthermore, the group is a subsidiary of Barclays Bank Plc (UK), one of the world's largest banks. Key operational benefits of the purchase for GA include an enhanced risk management and governance framework, technical support, and penetration into the group's vast client base.
- The rating also recognises GA's favourable strategic position as one of the leading insurance companies in Mozambique, underpinned by strong branding, and a high level of client support and broker acceptance.
- Going forward, ABSA has confirmed that GA's capital position will be assessed bi-annually and managed at 2x the statutory requirement (F11: 1.7x), with US$1.5m to be injected into the insurer by end 3Q 2012. This, together with robust profits is expected to see the international solvency margin advance to 64% at FYE12, from 37% at FYE11.
- Key liquidity measures are deemed adequate, albeit investment returns are low. Investment property represented 62% of FYE11 shareholders interest, which increases capital risk.
- The comprehensive reinsurance programme is negotiated at group level, and is led by highly rated counterparties. Maximum net retention per risk and event on 2012 XOL amounts to US$250,000 per risk and event (3.7% of FYE11 capital).
- Motor represents 55% of net premiums, which is deemed high on a risk basis.

What could trigger a rating action

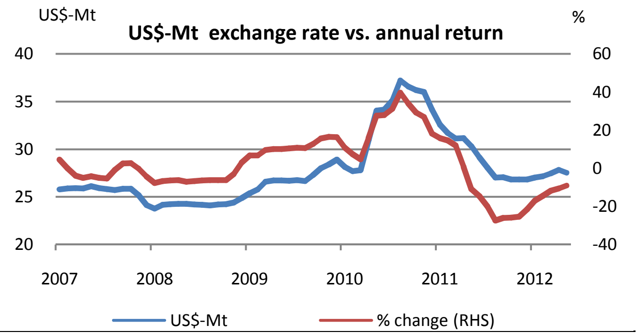
Positive movement factors: The rating upgrade to AA-$_{(MZ)}$ recognises the ABSA shareholding. In the absence of a holding company guarantee, a further upgrade is considered unlikely over the medium term.

Negative movement factors: An unexpected, yet significant and protracted loss in market share, together with a deterioration in underwriting performance, impinging on key credit protection measures.

Industry overview

Economic overview

In 2010, the Metical depreciated against the currencies of major trading partners, in particular by 19% against the US Dollar to close the year at Mt32.6/US$ (2009: Mt27.5/US$). This, together with increasing global commodity and food prices saw inflation spike to 12.7% in 2010, from 3.3% in 2009. The sharp depreciation was largely attributed to uncertainty regarding the continuation of the flow of donor funds, after these were frozen following the 2009 elections. Given the high dependence on these funds, Mozambique experienced a shortage of foreign exchange on the local market during the freeze. While the Metical actually depreciated to a level of Mt37.2/US$ by August 2010, the currency subsequently appreciated towards the end of that year, leading to a lower local currency value of donor funds. The Mozambiquan government increased taxes accordingly, to compensate for this. During 2011, the Metical continued to appreciate from its August 2010 peak, closing 2011 at Mt26.8/US$ (18% appreciation), making it one of the worlds best performing currencies. Following accelerating inflation and the depreciation of the Metical in 2010, the Mozambique Central Bank raised the interest rate on the standing lending facility from 12.5% in April 2010 to a peak of 16.5% over the period January to August 2011. This notwithstanding, inflation remained high during 2011, closing the year at around 12%.



In July 2011, the government announced new regulations affecting foreign exchange revenues. Exporters are now required to convert 50% of foreign exchange reserves into Meticais upon arrival into Mozambique, with the Central Bank now also approving foreign exchange accounts. These measures are meant to strengthen the monetary base and help de-Dollarize the economy.

Insurance overview

Insurance activities in Mozambique are regulated under the Inspector General of Insurance, on behalf of the Ministry of Planning and Finance. While the insurance market in Mozambique was liberalised in 1997, legislation governing the sector is largely outdated. Minimum capitalisation levels are identical for non-life, life, composites and reinsurers, and have remained at US$1m for several years.

Table 1: Key industry data

Regulatory authority:	**Inspector General of Insurance**
Min. capital req. (non-life; reinsurance):	**US$1m**
# of registered non-life insurers:	**8**
Combined market share of top 5 insurers:	**± 95%**
Non-life industry GWP 2011:	**± US$120m**
Insurance penetration (% of GDP):	**<1%**
GWP growth 2010 (non-life):	**n.a.**
Retention ratio 2010 (non-life):	**n.a.**
Earned loss ratio 2010 (non-life):	**n.a.**
Management expense ratio 2010 (non-life):	**n.a.**
U/w margin 2010 (non-life):	**n.a.**
International solvency margin 2010 (non-life):	**n.a.**
Largest risk classes 2010 (non-life; % of GWP):	**n.a.**
Source of business 2010 (non-life; % of GWP):	**n.a.**

Following the recent entry of NICO Insurance in 2011, a total of eight insurance companies now operate in Mozambique. The industry evidences a 2 tier structure, with the 5 largest entities comprising around 95% of market GWP. The absence of mandatory company specific disclosure requirements impedes individual company comparison. It is understood, however, that Segurado Internacional De Mocambique ("SIM"; a 90% owned subsidiary of Banco International de Mocambique), accounts for roughly 27% of industry gross premiums, and is followed very closely by GA, with 26%. Empresa Mocambicana de Seguros ("EMOSE") is the third largest insurer (approximately 20%), followed by Hollard Seguros (18%). In addition to NICO Insurance, the market also encompasses Mocambique Companhia de Seguros, Austral and REAL Companhia De Seguros De Mocambique.

Insurance requirements for the numerous mining, oil, gas, coal and construction projects being undertaken in Mozambique are overwhelmingly placed by a handful of multinational intermediaries, thereby cementing their prominence in the insurance market. A number of local brokers also enjoy a meaningful presence. The intermediary market is largely unregulated, with commissions negotiated directly with insurers. In addition, although reinsurance transactions are conducted relatively free of regulation, a recent regulatory amendment was enacted stipulating that insurers minimise fronting arrangements. Moz Re, the only locally based reinsurer operating in Mozambique, is expected to benefit accordingly (although increased capitalisation will be necessary). It is also understood that the Regulator has conducted audits of local insurers' fronting arrangements, thereby enforcing this rule.

Ongoing foreign interest in Mozambique from a number of international corporations, driven by the plethora of mega projects being undertaken across the country, continues to benefit key corporate insurers. Specifically, the market continues to evidence double digit growth, with GWP estimated at over US$120m as at 31 December 2011. This overwhelmingly pertains to the short term insurance segment (over 90%). Growth is, however, off a low base, and accordingly, insurance penetration remains restrained, comprising less than 1% of Mozambique's GDP in 2011.

Fundamentals

GA was incorporated in 1993, and has since expanded its business to become one of the leading insurance companies operating in Mozambique. The insurer was previously a 99.5% owned subsidiary of Global Alliance Holdings. During 2011, 100% of GA's shares were purchased by the ABSA Group, with its ultimate holding company being Barclays Bank Plc (55.62% shareholding). In view of Global Alliance's strong brand in the domestic market, ABSA chose to retain its name. The transaction forms part of the greater ABSA group's African Bancassurance Expansion Programme into countries in which it or Barclays has a presence.

GA's risk management and governance framework has been aligned with the ABSA Group and Barclays Plc risk philosophy and methodologies. The framework is managed through a quarterly Capital Investment & Underwriting Committee and Risk Governance & Control Committee. Furthermore, monthly EXCO meetings are held, while GA has access to ABSA insurance and reinsurance expertise when required.

GA's head office is situated in Maputo, employing around 90 employees, with 4 branch offices providing support. The company has a composite license to transact both non-life and life insurance. The bulk of the insurer's business is sourced from the corporate market, which includes the large multinationals. Efforts are, however, increasingly being applied across other key insurance segments.

Risk diversification

GA is structured into 3 operating divisions, each with their own general manager, financial, underwriting and claims staff. Each division is briefly discussed:

- The corporate and commercial division is the core constituent of GA's business, encompassing several large companies operating across a broad range of industries in Mozambique. Most of these have been clients of the insurer for more than a decade. This division dominates company premiums, representing over 90% of GA's gross book, the bulk of which pertain to property, engineering and motor fleet risks.
- The insurer launched Alo Seguros in May 2010, a direct line of motor insurance (personal lines).
- The life division (Vida) commenced operations late in 2010. This segment of the business mainly encompasses group and credit life cover, and a small component of individual life. The product offering was recently expanded to include investment products.

Consistent with market convention, the bulk of GA's business is procured through brokers (F11: 79%), in particular two multinationals with which the insurer has developed long standing relationships (combined 41% of GWP). Direct business accounts for the remaining 21% of premiums. The largest client represented 5% of GWP in F11, with the five largest totalling a combined 16%.

Table 2: Class analysis (%)	**GWP**		**NWP**		**Retention**	
	F10	**F11**	**F10**	**F11**	**F10**	**F11**
Aviation	0.2	0.3	0.0	0.1	0.0	8.1
Fire & engineering	53.2	49.8	17.5	15.3	15.5	14.9
GIT	1.5	1.3	3.1	2.5	97.0	92.7
Marine	1.3	2.2	0.9	1.6	34.8	34.3
Accident & health	1.9	1.6	2.4	2.0	59.3	63.4
Motor	26.3	26.9	55.6	55.4	98.9	99.5
Workman comp.	5.5	6.7	11.7	13.7	100.0	100.0
Miscellaneous	8.0	6.0	6.8	5.0	39.4	39.8
Life	2.1	5.2	2.0	4.4	44.1	41.3
Total	**100.0**	**100.0**	**100.0**	**100.0**	**46.9**	**48.4**

GWP continued to register robust growth in F11, of an unchanged 30% to pierce the Mt1bn mark. The plethora of property, oil, gas and coal projects being undertaken in Mozambique is expected to underpin sustained above average growth over the medium term. Both key lines reported solid growth, with little impact evidenced in terms of the premium mix. As such, there is no scale in the balance of the book. In this regard, fire & engineering continued to dominate, representing half of the gross book, highlighting GA's prominence in the construction and property market. Given potentially high value claims, however, GA adopts a conservative approach to these risks, which contributed a combined 15% to the net book. Motor advanced 33% to Mt285m, to comprise 27% of gross premiums (F10: 26%), and an unchanged 55% given the high retention. Following its launch in 2010, Vida (life division) gained good traction, contributing 5% to premium income from 2% previously. The bulk of life business stems from credit (53%) and group (42%) life. The former is predominantly reinsured, given potential high value claims.

Table 3: Class performance (%)	**Earned loss ratio***		**Net commission ratio***		**Technical margin***	
	F10	**F11**	**F10**	**F11**	**F10**	**F11**
Aviation	0.0	0.0	0.0	18.5	100.0	81.5
Fire & eng.	12.4	37.5	(14.0)	4.8	101.6	57.7
GIT	47.2	44.6	16.8	18.1	36.0	37.3
Marine	86.1	(21.2)	5.1	14.7	8.8	106.5
Acc. & health	40.1	18.4	9.0	9.4	50.9	72.2
Motor	62.5	49.7	9.8	11.5	27.7	38.8
Workman comp.	31.8	28.6	16.1	15.5	52.1	55.9
Miscellaneous	64.5	39.8	(115.2)	12.0	150.7	48.2
Life	0.0	9.3	(9.0)	(8.4)	109.0	99.1
Total	**48.2**	**40.7**	**(1.2)**	**10.3**	**53.0**	**49.0**

*NWP used as a proxy for earned premiums. Source: Audited accounts.

The earned loss ratio for motor was reported at 50% in F11, from 63% in F10. According to management, this was partly assisted by the appreciation of the Meticais against the US Dollar (thereby deflating imported replacement part costs). Furthermore, GA implemented a rates increase during the latter stages of F10 (the benefits of which were evident in F11), and appointed a claims investigator to focus on fraudulent submissions. Loss experience for fire & engineering was well contained in F10, underpinned by sizeable reinsurance recoveries. In F11, the earned loss ratio rose to 38% from 12%, albeit remaining adequate and below the overall level of relative claims. Life reported a very low incidence of claims in F11. The relative infancy and nature of this class is expected to see increasing loss experience going forward. All other lines recorded an improvement in relative claims in F11, with the overall earned loss ratio reported 7 percentage points lower at 41%.

The commission expense ratio normalised to 10% in F11, from a small inflow previously (relating to a commission adjustment). All lines remained profitable on a technical level in F11, with GA reporting a 49% margin from 53% in F10. Management expenses climbed 62% to Mt167m, mainly attributable to an increase in staff costs. The expense ratio rose accordingly, to 34% from 29%. Overall, the comparative rise in delivery costs outpaced the decline in earned losses, with GA reporting a lower Mt61m underwriting profit (F10: Mt80m). The underwriting margin declined to 12% from 22%, albeit the impact of the commission reversal on F10 results is noted.

Solvency and reserving

While the financial statements were previously presented in accordance with Mozambican Generally Accepted Accounting Principles Applicable to Insurance Companies ("MZGAAP"), the 2011 results have been prepared in accordance with IFRS, with prior year 2010 results restated accordingly.

Shareholders interest amounted to Mt187m at FYE11. International solvency was reported at 37% in F11, from 28% previously. Average debtors collection has continued to improve in recent years, amounting to 35 days in F11 from 55 days in F10. According to management, all debtors remain within 180 days.

From a statutory perspective, solvency amounted to 166% in F11 (net admissible assets of US$11.4m covered admitted liabilities of US$6.9m by 1.66x), which is comfortably above the minimum requirement of 100%. ABSA has confirmed that coverage of 2x the statutory requirement will be targeted going forward, with a US$1.5m capital injection into GA having been confirmed by the shareholder by end 3Q 2012. Further, ABSA has confirmed that the capital position will be assessed bi-annually to ensure conformity to this statutory level, and that no dividend is expected to be paid over the medium term.

Reinsurance

Following the purchase of GA by ABSA, the reinsurance programme for 2012 has evidenced some amendments (readers are referred to the March 2011 rating report for previous treaty arrangements). The treaties are typically priced in both Rands and US Dollars. The lead reinsurer across most of the programme is Munich Re, and also includes highly rated international investment grade rated Hannover Re, Partner Re Europe (France), Transatlantic Re (USA), Africa Re and Lloyds Syndicates.

Table 4: Reinsurance – 2012	**Retention**	**Capacity**
Excess of loss (layers)		
General account (2)*	US$250,000	US$4m
Fire & allied perils CAT (6)**	R30m	R3,000m
Motor, acc., liab, Eng EML & CAT (3)**	R2m	R20m
Risk CAT**	R5m	R25m
Surplus (lines)		
Compulsory surplus (20)#	US$1.7m	US$34.9m

*Fire & allied perils, CAR/EAR, marine, motor, misc, acc, liability.
**Specific to certain Underwriting Managers.
#All property, GIT, agriculture, business interruption/material damage.

The general account XOL contract remains in place (Munich Re: 50%; Africa Re: 50%), covering fire, CAR/EAR, accident, liability, motor, and marine cargo & hull. This treaty is structured into two layers, with GA retaining US$250,000 per risk and event, with the 2nd layer providing capacity of US$4m. An additional three XOL treaties (denominated in Rands) have been introduced, which pertain to a handful of ABSA Underwriting Managers, enabling them to underwrite specific risks in Mozambique. These treaties are extensions of the general account XOL, providing additional capacity, but subject to a maximum net retention per risk or event of US$250,000 (Mt7m, or 3.7% of FYE11 capital). The compulsory surplus treaty provides capacity of US$35m, which extends to US$140m in the event of a catastrophe. In terms of the life division, an XOL policy has been purchased in order to provide cover in the event of catastrophic losses.

Table 5: Reinsurance trade-off (Mt'm)	**F10**	**F11**
Premium ceded	(432.4)	(547.1)
Commissions received	61.5	44.3
Claims recovered	41.2	33.4
Net transfer / (recovery)	**329.7**	**469.4**
% of capital	305.8	250.9

Premiums ceded increased by 27% to Mt547m in F11, closely matching GWP growth. Against lower relative claims and commission recoveries (14% of cessions from 24%), the net transfer amounted to 86% of reinsurance premiums (F10: 76%). This is considered significant relative to capital, albeit note is taken of the absence of any major incidences in recent years.

Asset management

On the back of solid operating cash flows, cash and equivalents advanced 24% to Mt181m in F11, to comprise an enlarged 61% of total investments (F10: 56%). Against similar growth in claims, the cash coverage ratio was unchanged at 10 months. In addition, cash coverage of technical liabilities remained stable at 1.1x. An analysis of cash holdings reveals that these are mainly placed with Barclays Bank Mozambique (ABSA has an 80% stake in Barclays Bank Mozambique).

Table 6: Investment portfolio	F10		F11	
	Mt'm	%	Mt'm	%
Cash & cash equivalents	**145.4**	**56.0**	**180.6**	**60.5**
Listed equities	0.6	0.2	1.0	0.3
Bonds	1.1	0.4	1.2	0.4
Investment property	112.7	43.4	115.6	38.7
Other investments	**114.3**	**44.0**	**117.8**	**39.5**
Total investments	**259.7**	**100.0**	**298.4**	**100.0**
% of assets	58.4		56.5	

The bulk of non-cash investments relate to the insurer's head office development in Maputo, which is partially occupied by tenants. The portion that is rented to third parties has been recognised as investment property (Mt111m from Mt108m). Cumulatively, investment property amounted to Mt116m at FYE11 (FYE10: Mt113m), representing 39% of total investments (F10: 43%), and a sizeable 62% of FYE11 capital (FYE10: 105%).

Over 90% of liquid funds are held in US$, which derives nominal interest in Mozambiquan banks. Accordingly, the investment yield (excluding unrealised movements) remained subdued in F11, at 3%, largely underpinned by rental flows.

Financial performance

A 5-year financial synopsis is reflected at the back of this report and brief comment follows hereafter.

Table 7: Income statement F11 (Mt'm)	Actual	Budget	% of budget
GWP	**1,060.4**	**970.7**	**109.2**
NWP	513.3	576.2	89.1
NPE	**496.7**	**533.6**	**93.1**
Net claims	(215.9)	(235.6)	91.6
Net commission	(53.1)	(25.7)	206.6
Management expenses	(166.8)	(139.7)	119.4
Underwriting result	**60.9**	**132.6**	**45.9**
Ratios (%)			
Retention	48.4	59.4	
Earned loss	43.5	44.2	
Commission	10.7	4.8	
Management expense	33.6	26.2	
Underwriting	12.3	24.8	
International solvency	36.5	n.a.	

Note: Budget translated using an exchange rate of Mt27/US$.

GWP came in 30% higher in F11, exceeding initial expectations by 9%. In US$ terms, GWP was also recorded 30% higher, at US$36.7m, notwithstanding significant currency volatility during the year. Retention amounted to 48% from 47%, which was well below budget of 59%. Accordingly, while NWP was reported 34% above the prior year, this fell 11% short of forecasts. NPE amounted to Mt497m, translating to 39% growth over F10.

In the absence of any major claims in either F10 or F11, the gross loss ratio has been maintained at very low levels (F11: 23%; F10: 28%). Net of reinsurance recoveries (Mt33m from Mt41m in F10) and IBNR movements, net claims incurred amounted to Mt216m, representing a 19% increase over the previous year. This was well below NPE growth, thus supporting a 7 percentage point decline in the earned loss ratio to 44%, closely aligned to budget.

Following a net commission inflow in F10 (driven by the previously mentioned commission adjustment), GA reported net commission expenses equivalent to 11% of NPE. This was more than double initial expectations of 5%, although it was in line with prior years. Furthermore, management expenses climbed 62% to Mt167m, mainly attributable to staff costs. Furthermore, legal and consulting fees increased to Mt23m from Mt7.5m in F10. This drove a 5 percentage point increase in the expense ratio to 34%, well above budget of 26%. Relative to GWP, the cost base rose to 15.7% from 12.6% previously. Accordingly, the delivery cost ratio climbed significantly in F11, to 44% (F10: 27%), which compared unfavourably to budget of 31%. The impact of the net commission reversal in F10 on this ratio is noted. Overall, GA reported a lower Mt61m underwriting profit (F10: Mt80m). This translated to a 12% underwriting margin (F10: 22%), or around half of budget.

Investment income increased marginally to Mt8.1m (F10: Mt7.4m), and was mainly comprised of rental income derived from investment property. After accounting for other income and a higher taxation charge, net after tax profits were reported 46% down on F10. Including unrealised forex gains of a significant Mt47m, however, retained earnings amounted to a higher Mt84m (F10: Mt62m).

Future prospects

In US$ terms, GWP is forecast at an unchanged US$37m in F12. This translates into conservative growth of 4% to Mt1.1bn at current exchange rates. Management has, however, advised that significantly higher growth is anticipated, in particular given GA's participation in a number of the megaprojects being undertaken in Mozambique, and synergies expected to be created following the purchase of the company by ABSA (in particular bancassurance initiatives through the life division). Retention is budgeted at a higher 58% (F11: 48%), underpinning a 25% increase in NWP. Following from the improvement in relative claims in F11, the earned loss ratio is expected to decrease a further 3 percentage points to 41%. Moreover, the insurer expects management costs to decrease slightly, which against NPE growth is expected to translate into a significantly lower expense ratio, of 24% from 34% in F11. Overall, underwriting profits are anticipated to climb by Mt103m to Mt164m in F12, supporting a doubling of the underwriting margin. As previously mentioned, ABSA have confirmed that a capital injection of US$1.5m will be made by end 3Q 2012. Together with the robust underwriting profits, international solvency is budgeted at 64% by FYE12, from 37% previously.

Global Alliance Seguros

(Meticais in millions except as noted)

Year ended : 31 December		2007	2008	2009	2010	2011
Income Statement						
Gross written premiums		368.2	435.6	628.6	814.3	1,060.4
Reinsurance premiums		(188.6)	(242.6)	(350.3)	(432.4)	(547.1)
Net written premiums		**179.6**	**193.1**	**278.3**	**381.9**	**513.3**
(Increase) / Decrease in insurance Funds		(3.3)	(7.9)	(8.3)	(25.8)	(16.6)
Net earned premiums		**176.3**	**185.1**	**270.0**	**356.1**	**496.7**
Claims incurred		(73.6)	(82.8)	(102.8)	(182.1)	(215.9)
Commission		(13.4)	(23.6)	(31.1)	8.4	(53.1)
Management expenses		(44.1)	(76.5)	(98.7)	(102.9)	(166.8)
Underwriting profit / (loss)		**45.3**	**2.2**	**37.4**	**79.5**	**60.9**
Investment income		0.8	0.7	2.3	7.4	8.1
Other income / (expenses)		(0.7)	5.7	(1.1)	7.6	6.6
Taxation		(14.5)	(6.6)	(17.3)	(32.0)	(41.8)
Net income after tax		**30.9**	**2.0**	**21.2**	**62.6**	**33.8**
Unrealised foreign exchange gains / (losses)		(0.1)	13.0	14.6	0.0	47.0
Unrealised investment gains / (losses)		n.a.	2.3	79.7	(0.2)	3.6
Retained earnings		**30.8**	**17.3**	**115.5**	**62.4**	**84.4**
Dividend in respect of financial year		0.0	0.0	0.0	0.0	0.0
Balance Sheet						
Shareholders interest		**87.2**	**102.0**	**217.6**	**107.8**	**187.1**
Insurance funds		29.9	40.0	48.1	61.4	85.3
Other liabilities		69.5	124.1	196.7	275.5	255.5
Total capital & liabilities		**186.5**	**266.0**	**462.4**	**444.6**	**527.9**
Fixed assets		4.4	4.7	6.8	87.3	84.7
Investments		18.7	25.5	200.8	114.3	117.8
Cash and short term deposits		120.1	144.2	71.4	145.4	180.6
Other current assets		43.4	91.6	183.5	97.6	144.8
Total assets		**186.5**	**266.0**	**462.4**	**444.6**	**527.9**
Key Ratios						
Solvency / Liquidity						
Shareholders funds / NWP	%	48.5	52.8	78.2	28.2	36.5
Adjusted international solvency margin*	%	n.a.	n.a.	n.a.	28.2	36.5
Statutory solvency	%	n.a.	n.a.	n.a.	n.a.	166.2
Financial base	%	65.1	73.5	95.5	44.3	53.1
Claims cash coverage	months	19.6	20.9	8.3	9.6	10.0
Cash & equivalents / Technical reserves	X	2.4	1.7	0.6	1.1	1.1
Net outstanding claims / NWP	%	11.0	22.6	26.8	17.2	14.0
Insurance funds / NWP	%	16.6	20.7	17.3	16.1	16.6
Debtors days	days	51.6	51.5	76.6	54.6	34.8
Profitability						
ROaE	%	38.8	4.5	63.1	38.4	25.4
Investment yield (including unrealised gains / losses)	%	0.6	1.9	37.1	2.7	4.2
Cash investment yield (average)	%	0.6	0.5	1.0	2.8	2.9
Efficiency / Growth						
GWP growth	%	8.6	18.3	44.3	29.5	30.2
Premiums reinsured / GWP	%	51.2	55.7	55.7	53.1	51.6
Earned loss ratio	%	41.7	44.7	38.1	51.1	43.5
Commissions / Earned premiums	%	7.6	12.8	11.5	(2.4)	10.7
Management expenses / Earned premiums	%	25.0	41.3	36.6	28.9	33.6
Underwriting result / Earned premiums	%	25.7	1.2	13.9	22.3	12.3
Trade ratio	%	74.3	98.8	86.1	77.7	87.7
Operating						
Effective tax rate	%	31.9	77.1	45.0	33.8	55.3

*Excludes debtors in excess of 180 days.

Note: 2010 results have been restated to align wth 2011 IFRS results.