

New National Assurance Company Limited

South Africa Insurance Analysis

June 2011

Security class	Rating scale	Currency	Rating	Rating outlook	Expiry date
Claims paying ability	National	Rand	A	No	06/2012

Financial data:

(US\$'m Comparative)

	31/12/09	31/12/10
R/US\$ (ave)	8.44	7.34
R/US\$ (close)	7.42	6.72
Total assets	41.2	46.6
Total capital	15.6	20.6
Cash & equiv.	27.6	29.7
GWP	88.5	112.3
U/w result	0.6	2.3
NPAT	1.8	3.0
Op. cash flow	1.2	0.2

Market cap. n.a.

Market share* 1.3%

*Share of estimated market GWP in 2010

Fundamentals:

New National Assurance Company Limited ("NNAC") has been in operation since 1971. In 1994, the company expanded its presence nationally, from being a niche insurer, mainly of the Indian community in Durban, to one that services all markets. The company has grown rapidly, mainly through the use of underwriting managers ("UMAs"). NNAC is largely owned by private individuals (management), with Munich Re (who have a strategic partnership agreement in place with the insurer) having increased their shareholding to 16% in 2009.

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Rating rationale

The rating is based on the following key factors:

- The strategic partnership with Munich Re allows NNAC to draw upon both technical and capital support through its comprehensive reinsurance programme.
- An international solvency margin of above 50% is expected to continue in the short to medium term, having risen to a ten year high in F10, underpinned by overall profitability.
- NNAC's prudent investment strategy continues to support sound liquidity metrics and a risk free balance sheet. Predictable investment returns have also supported overall profitability. Going forward, however, the low interest rate environment is likely to continue constraining investment returns.
- In this regard, underwriting profitability has improved with remedial measures taken on the motor book since F08, through the introduction of an internal scientific underwriting model. As such, the motor book recorded its first net underwriting profit in five years, although the benefits from the hardening in industry rates cannot be discounted.
- Further supporting underwriting profitability is the marked containment of delivery costs, with the ratio consistently tracking well below the industry average. This remains a major competitive advantage of the NNAC business model.
- The high weighting of the motor book within the overall portfolio increases operational risk. Concentration risk is exacerbated by the high proportion of GWP sourced from a limited number of UMAs. To some extent this is mitigated by the fact that the company has a long standing relationship with these UMAs.

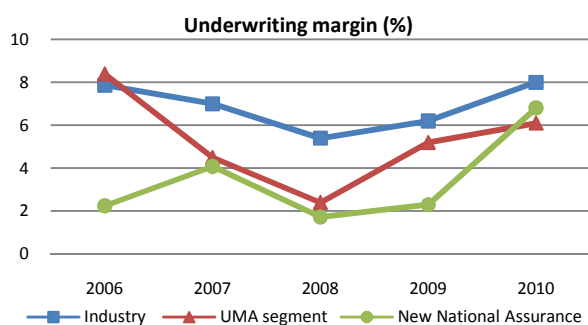
Solvency & liquidity

On the back of retained income of R23m (F09: R16m), shareholders funds increased by 20% to R139m at FYE10. Despite NWP growth of 9%, the international solvency margin rose to 56% (F09: 51%). The statutory solvency margin registered at 44% (F09: 39%) and was above the minimum regulatory requirement. Key liquidity measures remained strong, with the claims cash coverage ratio amounting to 13.1 months (F09: 13.7 months) and cash covering net technical liabilities 1.6x, which is above GCR's minimum comfort level of 1x. Reinsurance is placed with highly rated counterparties, and limits the highest net retention per risk to 2.0% of FYE10 capital.



Industry and competitive overview

An improved economic environment, coupled with re-pricing, prompted a rise in industry GWP growth to approximately 9% from around 6% in F09. The motor loss ratio benefited from harder rates in 2010 and a firmer Rand, with the latter reducing the cost of replacement parts. There was also a reduction in claims frequency, although this was not specific to the motor class alone and extended to other sectors, namely industrial property claims. Given that motor traditionally constitutes the bulk of industry premiums, the improved performance of this class supported industry profitability. As such, the overall earned loss ratio fell to around 62%, from 66% in 2009. The industry underwriting margin strengthened from 6% to approximately 8% in 2010, which marks a level last achieved in 2005. Despite the increase, however, GCR remains of the view that any further improvement in the underwriting margin in 2011 will be constrained by ongoing competitive pressures and the systemic challenges facing the motor class. Adding to the above is the inherent risk of an uptick in weather-related incidences, which will serve to temper further underwriting margin gains.



Note: GCR estimates used for 2010 industry and UMA margins.

NNAC's underwriting margin has improved in line with the overall market, although due to the lack of portfolio diversification, the company is still tracking below the industry average. That being said, the convergence in F10 is noted, along with the improvement relative to the UMA segment, due to NNAC's improved loss ratio.

Peers F10 (R'm)	NNAC	Renasa*	Constantia	Hollard*	Peer avg.**
GWP	824.3	563.7	656.2	5,195.7	-
NWP	247.2	64.7	268.1	4,466.9	-
U/w result	16.6	11.1	(13.4)	31.7	-
NPAT	21.7	14.4	1.6	336.5	-
Capital	138.5	43.4	132.8	2,334.0	-
Assets	312.9	105.5	302.7	5,658.2	-
Key ratios (%)					
GWP growth	10.4	20.4	(4.6)	9.7	9.1
Retention	30.0	11.5	40.9	86.0	69.7
Earned loss ratio	74.6	77.7	75.2	59.0	60.9
Delivery cost ratio	18.6	5.1	29.7	40.3	38.2
U/w margin	6.8	17.2	(4.8)	0.7	0.9
Int. solvency	56.0	67.0	49.5	52.3	52.5
Cash cover (mths)	13.1	9.9	10.4	6.4	7.0

*June year-end.

**Based on the four insurers in the peer comparison.

Table 1 compares the insurer's key credit protection measures with those of competitors that use similar business models. NNAC's liquidity and solvency metrics compared favourably with peer averages, supported by reinsurance and a conservative investment profile.

Risk diversification

NNAC derives business through two distribution channels, namely UMA sponsored business and broker sourced business. UMAs are traditionally utilised to target niche areas of the insurance market in order to complement mainstream insurance lines. However, NNAC utilises the UMA model as a means of achieving product distribution within personal lines, namely motor and property, at a low cost. A key success factor of this type of product distribution is the retention of a stable UMA base in order to generate a steady profit stream.

A lower percentage of GWP was generated from the UMA portfolio in F10. The growth in broker related business was largely due to the acquisition of one large portfolio. The underwriting trend appears to be stabilising, with margins increasing over the last two years on the back of a markedly improved loss ratio within the UMA portfolio.

Division performance breakdown (%)	Division	F06	F07	F08	F09	F10
Prop. of GWP	UMAs	47.8	71.0	75.3	75.0	69.6
	Brokers	52.2	29.0	24.7	25.0	30.4
	Total	100.0	100.0	100.0	100.0	100
Earned loss	UMAs	89.0	86.0	88.1	78.2	71.3
	Brokers	72.0	87.0	73.8	80.1	80.7
	Total	82.0	86.5	83.1	78.8	74.6
U/w result (R'm)	UMAs	2.3	5.3	4.2	9.2	27.8
	Brokers	0.8	2.2	(0.7)	(4.0)	(11.6)
	Total	3.1	7.5	3.6	5.2	16.3

In terms of operations, phase one introduced the TIAL platform in 2007 and 2008 to facilitate the operational monitoring of the UMAs. Currently all but two of the UMAs utilise the platform (the two remaining UMAs using in-house systems). The TIAL system streamlines the collection of the UMA claims and underwriting assessment data. The analysis function is outsourced to an external party, which allows management to take strategic decisions more readily. NNAC is currently in the second phase of this project, converting the core broker base (a sub-segment of the broker division) onto the platform, with 30% currently utilising the system.

UMA analysis

UMA sourced business remains the primary means of product distribution utilised as a cost leadership strategy to improve profitability. UMAs are largely incentivised through an "outsourcing" fee, as well as a policy fee. The volatility in NNAC's UMA base has

reduced noticeably in the last two years, with the insurer reporting three cessations in the year under review and one new addition.

UMA breakdown (%)	GWP		Earned loss		Delivery cost		U/W ratio	
	F09	F10	F09	F10	F09	F10	F09	F10
Current UMAs	67.8	68.0	75.3	70.4	16.7	10.7	8.0	18.9
Cancelled UMAs	7.2	1.6	108.3	111.9	6.4	22.3	(14.7)	(34.2)
UMA total	75.0	69.6	78.2	71.3	15.8	11.0	6.0	17.7
Brokers	25.0	30.4	80.1	80.7	25.3	32.6	(5.4)	(13.3)
Total	100.0	100.0	78.8	74.6	18.9	18.7	2.3	6.7

Performance has also improved, reflected by the decline in the UMA earned loss ratio, which was recorded at 71% compared to 88% two years ago. The largest UMA showed a further improvement in the earned loss ratio, while the second largest UMA reported a slight uptick, buoyed by losses pertaining to its property book. The next three largest UMAs showed noticeable improvements in their earned loss ratios. The above highlights the underlying trend seen in the period under review. As such, the total UMA underwriting profit margin rose to 19%. The improvement was seen across the board, with the largest UMAs recording underwriting margins in excess of 9%, while the next three largest UMAs showed a combined profit margin of 27% (F09: 6%). Further supporting underwriting profitability has been the low delivery cost ratio of the UMAs, with the ratio falling to 11% (F09: 16%). Notwithstanding the above, concentration risk remains a significant offsetting factor, with the two largest UMAs accounting for 46% of total GWP.

Conversely, the broker segment displays a very high trade ratio, which continues to impact on NNAC's underwriting profitability. The overall broker delivery cost ratio rose to 33% from 25%, with the main driver being the NNAC core brokers. Although NNAC's core brokers only account for 13% of total GWP, they are responsible for 52% of total delivery costs. As such, some concern is raised as to how management will look to improve efficiencies going forward. Furthermore, the overall broker earned loss ratio remained elevated at 81%. A key driver of the increase was a large book of business secured, which was not underwritten by the Blackbox. According to management, this has since been rectified. The insurer has indicated that it is in the process of converting the motor book of the NNAC core brokers onto the ratings model. An underwriting loss of R12m (F09: R4m loss) was recorded for the broker segment.

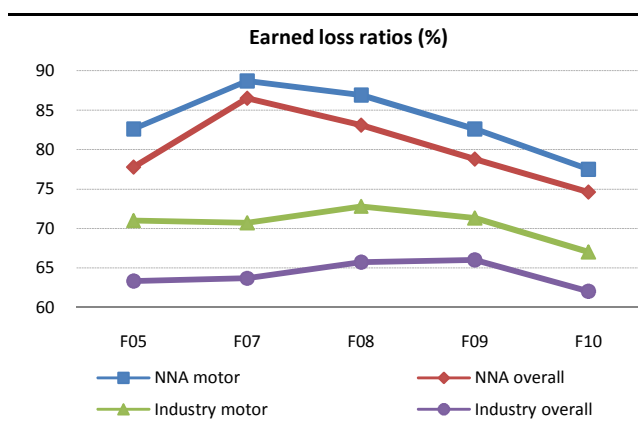
Class analysis

In line with estimated growth for the industry of 9%, NNAC's GWP grew by 10% in F10. The main drivers of the increase were property (29%) and motor (7%). Overall, NNAC remains heavily vested in property and motor insurance, which accounted for

a combined 81% of GWP in F10 (F09: 80%). Concentration risk is considered high, in that 79% of NWP relates to motor risks, given the low margins in motor and the lack of scale in the balance of the book.

Premium by class (%)	GWP		NWP		Retention	
	F09	F10	F09	F10	F09	F10
Property	15.0	17.5	10.2	9.3	20.8	15.9
Transport	2.6	2.9	2.4	2.6	28.6	26.7
Motor	65.2	63.2	78.1	78.9	36.6	37.5
Accident	0.3	0.2	0.2	0.2	25.4	24.3
Guarantee	0.6	0.6	0.2	0.4	9.4	21.2
Liability	1.1	1.1	1.0	0.8	27.8	22.5
Engineering	8.1	7.8	2.3	2.8	8.6	10.6
Miscellaneous	7.2	6.6	5.6	4.9	23.8	22.5
Total	100.0	100.0	100.0	100.0	30.5	30.0

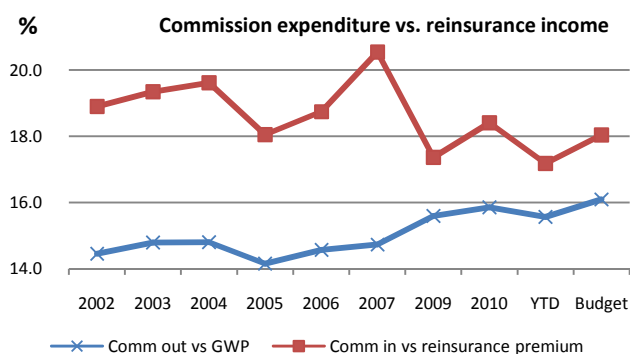
Cognisance is, however, taken of the consistent improvement in the motor earned loss ratio since F07, which saw a decline from 89% to 78% in F10, albeit still consistently tracking well above the industry average over this period. Whilst the improvement in claims over the last two years could be partly ascribed to a better claims experience across the industry, internal efficiencies cannot be discounted. The improved pricing of risk can be attributed to the development of an internal rating model for motor, which management implemented in F08. 90% of motor relates to personal lines and the balance comprises of commercial motor risks.



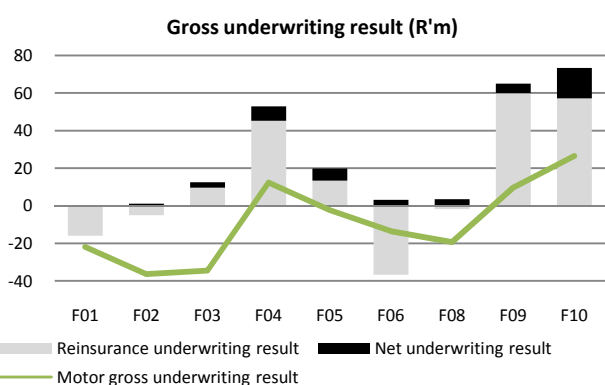
Currently 76% of premiums written in motor personal lines are underwritten through the Blackbox model, which equates to 43% of total GWP in F10 (F09: 42%). The balance will be converted by year end F11 (which would have equated to 57% of total GWP as at FYE10). Presently management are looking to enhance the Blackbox model by modelling driver behaviour, similar to what a number of key competitors are doing. This will allow NNAC to price premiums more commensurately with risk. The increased use of technology and improvements to underwriting efficiency have contributed to a 8.5 percentage point reduction in the overall earned loss ratio since implementation in F08, to 74.6% in F10.

Class performance (%)	Earned loss ratio		Comm. cost ratio		U/w ratio	
	F09	F10	F09	F10	F09	F10
Property	86.6	90.3	14.6	15.3	(7.8)	(13.5)
Transport	52.8	32.9	4.3	1.9	34.7	56.3
Motor	82.6	77.5	12.3	13.0	(2.7)	0.8
Accident	19.3	24.8	(2.3)	4.5	75.8	62.7
Guarantee	82.0	17.5	(30.0)	(13.9)	31.3	80.9
Liability	3.5	33.1	22.7	30.7	66.9	28.7
Engineering	64.2	48.6	(36.4)	(39.3)	65.1	82.9
Miscellaneous	45.6	49.9	11.0	(18.2)	36.1	59.8
Total	78.8	74.6	11.3	10.0	2.3	6.7

It is significant to note that for the first time in the history of the company the motor book contributed positively to underwriting profits in F10. The property class, however, continues to weigh on overall profitability. Two large claims relating to one of the biggest UMAs marred the performance of this class in F10. Management continues to survey risks written under the property book using internal surveyors and external consultants.



Although the management expense ratio has trended upwards since F07, it has remained below 10% (F10: 8.6%). This is one of the lowest expense ratios in the industry. However, acquisition costs remain relatively high, particularly considering the insurer cedes 70% of its book. Furthermore, NNAC's net commission cost ratio (10%) is above the peer group average of 8.7%. As seen in the graph above, the cost benefit of its business strategy has reduced markedly since F02. This will serve to constrain underwriting profitability going forward without a continued improvement in loss ratios.



The above notwithstanding, the insurer's reinsurance strategy has allowed for consistent positive

underwriting results since F03, albeit at very thin net margins. Overall, the underwriting profit of R16m was driven mainly by the two smaller classes of engineering and miscellaneous, which contributed 34% and 43% respectively in F10 (60% higher than the combined profit seen in F09 of R8m).

Reinsurance

NNAC's reinsurance programme is led by Munich Re (41% of total F10 reinsurance premium), with additional participation from Swiss Re (26%) and Africa Re (32%). The majority of treaty arrangements were renewed on 1st January 2011, with no material changes to terms and conditions noted. The CAT capacity remained unchanged at R170m, with retention maintained at R2.5m per event. Maximum retention per risk (R2.5m) equates to 1.8% of capital. The insurer does not retain any facultative exposure for the net account.

Reinsurance account (R'm)	F06	F07	F08	F09	F10	5-year avg.
Premium ceded	266.4	361.1	438.0	519.1	577.1	432.4
Comm. recovered	(193.4)	(74.9)	(81.4)	(90.7)	(106.2)	(109.3)
Claims recovered	(49.5)	(294.0)	(327.8)	(383.3)	(356.5)	(282.2)
Cash u/w profit/(loss)	23.5	(7.7)	28.9	45.2	114.4	40.9
Key ratios (%):						
Recoveries: Reinsurance Claims	62.9	64.9	66.1	68.1	66.2	65.6
Recoveries: Cessions	91.2	102.1	93.4	91.3	80.2	91.6
Premium retention	34.7	34.0	31.4	30.5	30.0	32.1
U/w profit retention*	(9.3)	(51.4)	219.3	7.9	22.2	37.7

*Measured as net underwriting profit to gross underwriting profit, on an accrued basis.

Profits transferred to the reinsurance market have risen since F07, which coincides with an improved earned loss ratio. Cognisance, is however, taken of the claims recovery rate, which is in line with the overall retention strategy.

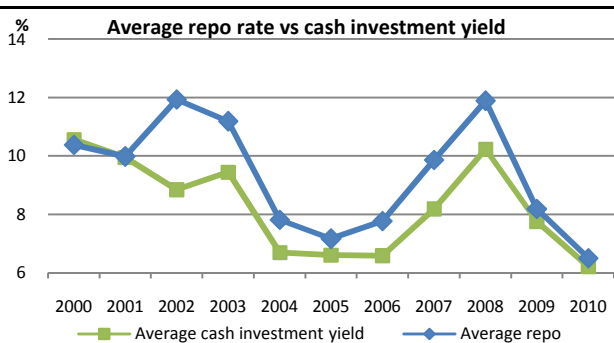
Asset management

The insurer's investment strategy is considered conservative, in line with the high concentration of short tail risks.

Investments	F09		F10	
	R'm	%	R'm	%
Cash and equivalents	204.6	93.2	199.4	91.1
Listed shares	14.9	6.8	19.5	8.9
- Ordinary	12.3	5.6	16.6	7.6
- Preference	2.6	1.2	2.9	1.3
Total investments	219.5	100.0	218.8	100.0

The overall portfolio mix remained geared towards liquid funds, which represented 144% of capital at FYE10 and 64% of total assets, positively supporting the rating. Claims cash coverage remained elevated at 13.1 months in F10 (5 year average: 13.6 months). Moreover, cash holdings covered net technical

liabilities 1.6x in F10 (F09: 1.9x), remaining above GCR's comfort level of 1x. Listed shares only accounted for a moderate 9% of total investments and 14% of capital at FYE10. Given the large weighting in cash, the NNAC investment yield is relatively predictable. With interest rates falling further in F10, the average cash and total investment yield declined relative to F09 and F08. Some respite was afforded by the gains in equity markets, with R1.9m unrealised gains recorded at year end. However, these gains were not sufficient to bolster the lower yield on cash. Management has commenced an investigation into broadening its investments to include preference shares, due to the diversification benefits afforded by this asset class without unduly increasing risk.



Solvency and reserving

Bolstered by a markedly improved underwriting result, shareholder funds rose some 20% to R139m at FYE10. This led to a rise in the international solvency margin, to 56%, against budget of 51%. Similarly, the statutory solvency margin rose to 44% from 39%, which is well above the minimum regulatory requirement. Management has allocated R1m for development of an internal solvency model with the assistance from key reinsurers and players in the industry. Furthermore, a resolution to increase authorised share capital, to R20m from R6m, was approved, which improves flexibility to raise additional capital if needed. In the interim, NNAC continues to target an international solvency benchmark of between 40% - 50%.

Following a benign claims experience, the net outstanding claims reserve rose by 13.6% to R108m. This equated to 44% of NWP, which is line with the five year average of 45%. The run-off table below shows adequate provisioning.

Reserving (%)	F05	F06	F07	F08	F09
Claims incurred	85	90	88	92	90
OCR + IBNR	61	77	68	77	72

Financial performance

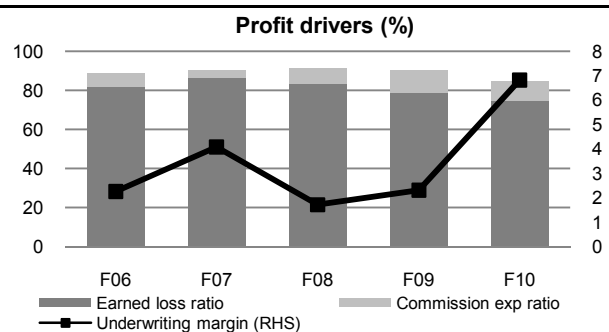
A 5-year financial synopsis is reflected at the end of this report and brief comment follows hereafter. GWP fell 5% short of budget in F10. The main reason for the shortfall was the cancellation of a large portfolio,

as well as remedial measures taken on certain books of business. The improved claims experience, however, supported overall underwriting profitability; with the underwriting margin reported for F10 more than double that which was budgeted.

Income statement (Rm)	F10		% of budget
	Actual	Budget	
GWP	824.3	865.5	95.2
NWP	247.2	265.8	93.0
NPE	244.0	265.5	91.9
Claims	(182.1)	(210.0)	86.7
Commission	(24.5)	(27.5)	89.0
Mgmt expenses	(20.8)	(20.6)	100.6
U/w result	16.6	7.3	226.6
Retained income	21.0	18.6	123.3
Ratio (%)			
GWP growth	10.4	15.9	-
Retention	30.0	30.7	-
Loss ratio	74.6	79.1	-
Commission ratio	10.0	10.4	-
Mgt. expense ratio	8.5	7.8	-
U/w margin	6.8	2.8	-
International solvency	56.0	51.3	-

Claims incurred remained flat relative to F09, growing 1% to R182m (Budget: R210m). Given NPE growth of 7%, the earned loss ratio reduced for the third consecutive year to 75%. Commission income rose by R15m, to R106m, outpacing commission expenses, which rose by R14m to R130m. This translated into a net commission cost ratio of 10% (F09: 12%).

Management expenses increased by 25% in F10 (F09: 14%). Whilst the increase was budgeted for, the expected rise in GWP did not materialise. Consequently this led to an uptick in the management expense ratio to 9%. Management attribute the increase to inflationary pressures and IT expenditure. The underwriting margin rose to 7%, compared to budget of 3%.

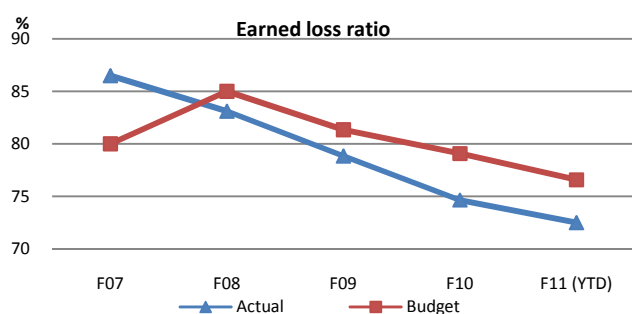


The improvement in underlying profitability was further supported by investment income, which amounted to R14m (45% of NPBT). As such, the operating ratio improved, to 88% from 91% in F09. Net retained income for the year rose, to R21m in F10 from R15m, allowing management to transfer R23m, including unrealised gains of R2m, to reserves. Management paid a dividend of R0.7m,

which translated into dividend cover of 32x (five year average: 23x). ROaE, after unrealised gains and losses, amounted to 18.6%, which is line with the five year average of 19%.

Future prospects

GWP growth has been revised down to 9% for F11. The main driver of the revision is the renewed pricing pressure evident in the motor class. Growth in F11 is expected to mainly originate from the existing client base. Remedial measures will also continue to be taken in certain areas of the business, specifically within the broker segment, as management look to continue to embed sound risk processes throughout the business. NNAC expects the earned loss ratio to increase to 77%. However, management has a record of budgeting conservatively, with the actual earned loss ratio consistently tracking below budget, as seen in the graph below.



The management expense ratio is forecast at a steady 8% of earned premiums, although this does not include the expenditure related to the development of the internal solvency model. Commission expenses are expected to continue rising, to 12%. A decline in international solvency is expected, to 52% (F10: 56%), although this assumes GWP growth of 18%.

Income statement (R'm)	F11		% of budget
	1QF11	Budget*	
GWP	224.5	973.8	23.1
NWP	67.8	293.5	23.1
NPE	67.0	290.0	23.1
Claims	(48.6)	(222.1)	21.9
Commission	(8.0)	(34.1)	23.5
Management expenses	(4.6)	(22.5)	20.4
U/w result	5.8	11.3	51.6
Investment income	3.0	13.9	21.9
Dividend	0.0	0.0	0.0
Retained income	6.0	19.5	30.8
Ratio (%)			
GWP growth**	9.0	18.1	-
Retention	30.2	30.1	-
Loss ratio	72.5	76.6	-
Commission ratio	12.0	11.8	-
Mgt. expense ratio	6.8	7.8	-
U/w margin	8.7	3.9	-
Trade ratio	91.3	96.1	-
International solvency**	53.3	52.0	-

*Based on unrevised budget.

**Annualised for 1QF11.

GWP for the year to date is in line with the revised growth rate of 9%, amid the more competitive pricing by large key players. There is little seasonality in premium collections, with nearly 90% of the premiums received on a monthly basis, while key annual renewals take place in March and September respectively. The earned loss ratio declined further, to 73% from 75% in F10, supported by the continued improvement seen in the industry in the first quarter. Overall, the insurer posted an underwriting margin of 9% for the first quarter of 2011, compared to 7% for the same period in F10. This has supported international solvency of 53%.

New National Assurance Co Ltd

(R in millions except as noted)

Year ended : 31 December	2006	2007	2008	2009	2010	
Income Statement						
Gross written premium (GWP)	408.1	547.1	638.2	747.0	824.3	
Reinsurance premiums	(266.4)	(361.1)	(438.0)	(519.1)	(577.1)	
Net written premium (NWP)	141.7	186.0	200.2	227.8	247.2	
(Increase) / Decrease in insurance funds	(2.3)	(2.4)	1.9	0.3	(3.2)	
Net premiums earned	139.4	183.6	202.0	228.1	244.0	
Claims incurred	(114.3)	(158.9)	(167.9)	(179.8)	(182.1)	
Commission*	(9.5)	(6.5)	(16.1)	(26.3)	(24.5)	
Management expenses*	(12.5)	(10.8)	(14.6)	(16.7)	(20.8)	
Underwriting profit / (loss)	3.1	7.5	3.5	5.2	16.6	
Investment income (incl. realised gains)	9.1	13.3	19.5	16.9	13.6	
Other income / (expenses)	0.0	0.0	0.0	0.0	0.0	
Taxation	(3.5)	(6.1)	(6.1)	(6.7)	(8.5)	
Net income after tax	8.8	14.7	16.9	15.4	21.7	
Dividends declared / paid	(0.6)	(0.6)	(0.6)	(0.7)	(0.9)	
Unrealised investment gains / (losses)	3.4	1.2	(3.3)	1.8	1.9	
Cash flow statement						
Cash generated by operations	6.8	10.8	2.5	6.1	21.3	
Cash flow from investment income	8.8	13.2	19.5	16.8	13.2	
Working capital decrease / (increase)	26.5	(10.5)	29.9	(4.5)	(26.4)	
Cash available from operating activities	42.1	13.5	51.9	18.3	8.1	
Tax paid	(4.1)	(5.0)	(7.2)	(7.9)	(7.0)	
Cash available from operating activities	38.0	8.5	44.7	10.4	1.1	
Dividends paid	(0.6)	(0.6)	(0.6)	(0.7)	(0.9)	
Cash flow from operating activities	37.4	7.9	44.1	9.7	0.2	
Purchases of investments	(3.2)	(0.9)	(2.8)	(9.0)	(6.8)	
Proceeds on disposal of investments	0.3	0.4	0.2	0.4	1.3	
Other investing activities	0.0	0.0	0.0	0.0	0.0	
Cash flow from investing activities	(2.9)	(0.4)	(2.6)	(8.6)	(5.4)	
Cash flow from financing activities	0.0	0.0	10.0	0.0	0.0	
Net cash inflow / (outflow)	34.5	7.4	51.5	1.1	(5.2)	
Balance Sheet						
Shareholders interest	61.5	76.4	99.3	115.5	138.5	
Net unearned premium reserve	10.5	12.9	11.0	10.8	13.9	
Net OCR and IBNR	69.5	85.7	89.1	95.4	108.4	
Other liabilities	47.5	41.7	72.6	84.2	52.1	
Total capital & liabilities	189.0	216.7	272.0	305.9	312.9	
Fixed assets	6.0	5.6	5.8	12.6	14.5	
Investments	13.3	14.3	11.9	14.9	19.5	
Cash and short term deposits	144.5	152.0	203.5	204.6	199.4	
Other current assets	25.2	44.7	50.8	73.8	79.5	
Total assets	189.0	216.7	272.0	305.9	312.9	
Key Ratios						
Solvency / Liquidity						
Shareholders funds / NWP	%	43.4	41.1	49.6	50.7	56.0
Solvency margin (Act)	%	33.8	32.2	29.0	38.9	44.1
Financial base	%	153.6	117.0	98.0	95.5	103.6
UPR / NWP	%	7.4	6.9	5.5	4.7	5.6
Outstanding claims / NWP	%	49.0	46.1	44.5	41.9	43.8
Cash / Technical Liabilities	X	1.8	1.5	2.0	1.9	1.6
Claims cash coverage	mth	15.2	11.5	14.5	13.7	13.1
Profitability						
ROaE (before unrealised gains / losses)	%	15.7	21.3	19.3	14.3	17.1
ROaE (after unrealised gains / losses)	%	21.8	23.1	15.5	15.9	18.6
Investment yield (including unrealised gains / losses)	%	9.1	8.9	8.5	8.6	7.1
Cash investment yield (average)	%	6.6	8.2	10.2	7.8	6.2
Efficiency / Growth						
GWP Growth	%	32.8	34.1	16.6	17.1	10.4
Premiums reinsured / GWP	%	65.3	66.0	68.6	69.5	70.0
Earned loss ratio	%	82.0	86.5	83.1	78.8	74.6
Commissions / NPE	%	6.8	3.5	8.0	11.6	10.0
Management expenses / NPE	%	8.9	5.9	7.2	7.3	8.5
Underwriting result / NPE	%	2.3	4.1	1.7	2.3	6.8
Trade ratio	%	97.7	95.9	98.3	97.7	93.2
Operating ratio	%	91.2	88.7	88.6	90.3	87.6
Operating						
Effective tax rate	%	28.5	29.1	26.5	30.5	28.1
Dividend cover	X	14.6	24.5	24.9	17.0	32.0

* Net profit commission has been reallocated to management expenses.