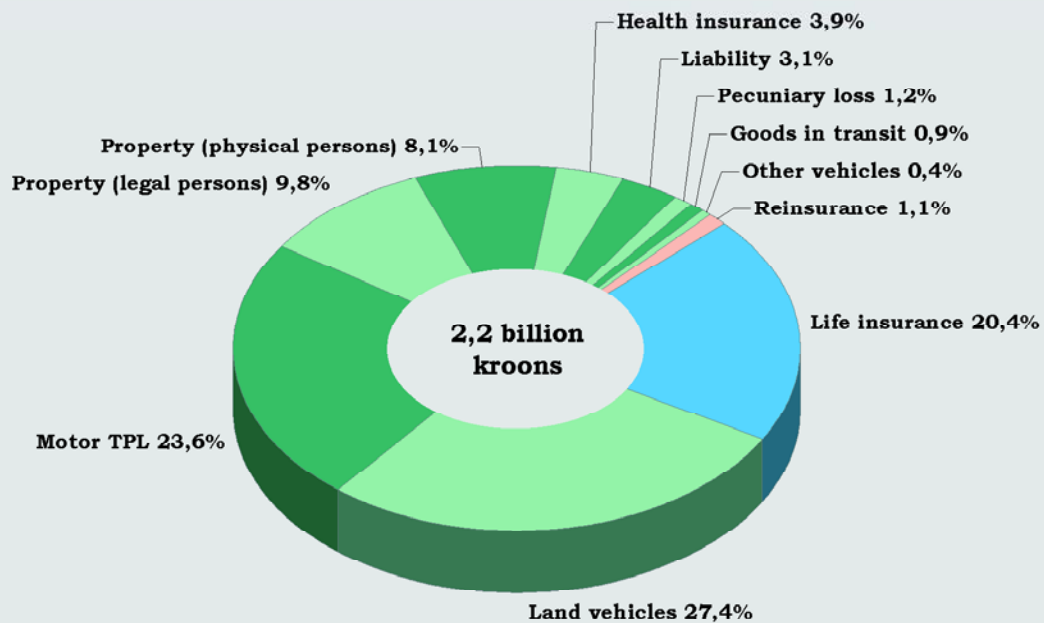


# KINDLUSTUSE AASTARAAMAT INSURANCE YEARBOOK

2002



**Finantsinspektsioon**

**Estonian Financial Supervision Authority**





# ESTONIAN FINANCIAL SUPERVISION AUTHORITY

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## **FOREWORD**

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Financial Supervision Authority presents in this insurance yearbook an overview of Estonian insurance market and companies in 2002.

The yearbook was prepared by the Department of Analysis and Reporting – Priit Kask (Head of Department, Chief Editor of the Yearbook), Anneli Sibul (Managing Editor of the Yearbook), Anne Pirn, Eret Võsa, Siiri Ollerma and Tauno Kuusk. Assistance and contribution was also provided by Leiu Einberg and Katrin Plaser, employees of the Insurance Division.

The current yearbook gives an overview of the following main topics: insurance market (Anneli Sibul), life insurance (Anne Pirn), non-life insurance (Siiri Ollerma, Tauno Kuusk) and insurance in the Baltic countries (Anneli Sibul).

Tallinn, December 2003

Kaido Tropp

Member of the Management Board  
Estonian Financial Supervision Authority

Priit Kask

Head of Department, Analysis and Reporting  
Chief Editor of Insurance Yearbook 2002

## OVERVIEW OF INSURANCE MARKET

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# **INSURANCE MARKET, 2002**

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## **ECONOMY IN 2002<sup>1</sup>**

In 2002 the growth in the world economy was about 2%. Expectations for an economic revival were not fulfilled, still, also pessimistic prognoses of an economic downturn failed to come true. The main factor jeopardizing the whole world economy in 2002 was the increasing burden of debt, which in case of an interest-rate climb may have an adverse effect on many countries and be fatal for many companies. The world economy was also endangered by major losses of pension funds, which were caused by a catastrophic price collapse of shares and proved to be insuperable to pension funds alone.

In 2002 the development of the Estonian economy continued to be fast in global terms. Pursuant to the data of the Statistical Office of Estonia (SOE), the growth in economy was 10.3% in nominal terms and 6.0% in actual terms.

The development of the Estonian economy was hindered by the global instability; still, the increasing domestic demand based mainly on investments had a favorable effect. The borrowing demand was strong for the whole year due to the drop in loan interests, and the real estate loans continued to prevail among other loans. Also the demand for lease was lively, the main articles for lease being flats and cars. Favorable borrowing terms, an increasing demand for residential and non-residential buildings, and an intensifying road construction caused a significant growth in the construction production. The private household consumption grew faster than expected, enhanced by the fast increase in wages, favorable leasing and borrowing terms and the price deceleration (the consumer price index grew 3.6% if compared with 2001).

## **INSURANCE MARKET**

The role of the insurance sector was still quite moderate in the development of the Estonian economy. In 2002 the Estonian gross domestic product was 108 billion kroons and the average population was 1,3 million people (table 1).

Although the volume of direct gross premiums of insurers constituted only 2.0% of GDP, we can see the growth in the relative importance of the insurance sector in 2002 (figure 1).

In 2002 the insurance market increased 21.4% (the biggest growth in the last five years) in terms of direct gross premiums. Insurers collected gross premiums within the amount of 2,2 billion kroons, 78.5% of which was received from non-life insurance, 20.4% from life insurance and 1.1% from accepted reinsurance business (figure 2).

Direct gross premiums were collected within the amount of 2,2 billion kroons (1,8 bln kroons in 2001, the growth being 21.4%) and claims were paid within the amount of 973,6 million kroons (767,3 m kroons in 2001, the growth being 26.9%). The volume of life gross premiums grew 25.4% and that of non-life gross premiums 20.4% in a year. The structure of direct insurance market was changed by 0,6 percentage points in favor of the life insurance. As a result, 20.6% of the direct insurance market belonged to the life

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<sup>1</sup> The summary of developments in economy in 2002 has been drafted on the basis of "The Estonian International Competitiveness", published in 2003 by the Estonian Institute of Economic Research



Table 1. Estonian economy and the insurance market, 1995–2002

|   | 1995   | 1996   | 1997   | 1998   | 1999   | 2000   | 2001   | 2002    |
|---|--------|--------|--------|--------|--------|--------|--------|---------|
| GDP at current prices (million kroons)                            | 40 897 | 52 423 | 64 045 | 73 538 | 76 327 | 87 379 | 97 895 | 108 024 |
| Change in GDP at constant prices (% of previous year)             | 4,3    | 3,9    | 9,8    | 4,6    | -0,6   | 7,3    | 6,5    | 6,0     |
| Change in consumer prices (CP) (% of previous year)               | 29,0   | 23,1   | 11,2   | 8,2    | 3,3    | 4,0    | 5,8    | 3,6     |
| incl. goods (CP-G)  | 18,0   | 19,6   | 8,5    | 6,2    | 0,3    | 3,3    | 4,9    | 1,9     |
| services (CP-S)   | 45,3   | 27,2   | 14,2   | 12,7   | 9,7    | 5,4    | 7,6    | 6,8     |
| Average population (thousand)                                     | 1 437  | 1 416  | 1 400  | 1 386  | 1 376  | 1 370  | 1 364  | 1 359   |
| Gross premiums (million kroons)                                   | 550    | 824    | 1 085  | 1 272  | 1 417  | 1 659  | 1 832  | 2 189   |
| incl. non-life insurance  | 505    | 733    | 926    | 1 031  | 1 127  | 1 290  | 1 427  | 1 719   |
| life insurance  | 43     | 64     | 128    | 206    | 216    | 304    | 356    | 446     |
| reinsurance   | 2      | 27     | 31     | 35     | 74     | 65     | 49     | 24      |
| Real change in gross premiums (without CP) (% of previous year)   | 23,5   | 21,8   | 18,4   | 8,3    | 7,9    | 12,6   | 4,4    | 15,3    |
| Real change in gross premiums (without CP-S) (% of previous year) | 9,5    | 14,3   | 15,8   | 4,1    | -1,0   | 12,6   | 4,0    | 13,7    |
| Direct gross premiums per capita (kroons)                         | 382    | 563    | 753    | 892    | 976    | 1 164  | 1 307  | 1 593   |
| incl. non-life insurance  | 352    | 518    | 662    | 743    | 819    | 942    | 1 046  | 1 265   |
| life insurance  | 30     | 45     | 91     | 149    | 157    | 222    | 261    | 328     |
| Insurance penetration (%)   | 1,3    | 1,5    | 1,6    | 1,7    | 1,8    | 1,8    | 1,8    | 2,0     |
| incl. non-life insurance  | 1,2    | 1,4    | 1,4    | 1,4    | 1,5    | 1,5    | 1,5    | 1,6     |
| life insurance  | 0,1    | 0,1    | 0,2    | 0,3    | 0,3    | 0,3    | 0,3    | 0,4     |

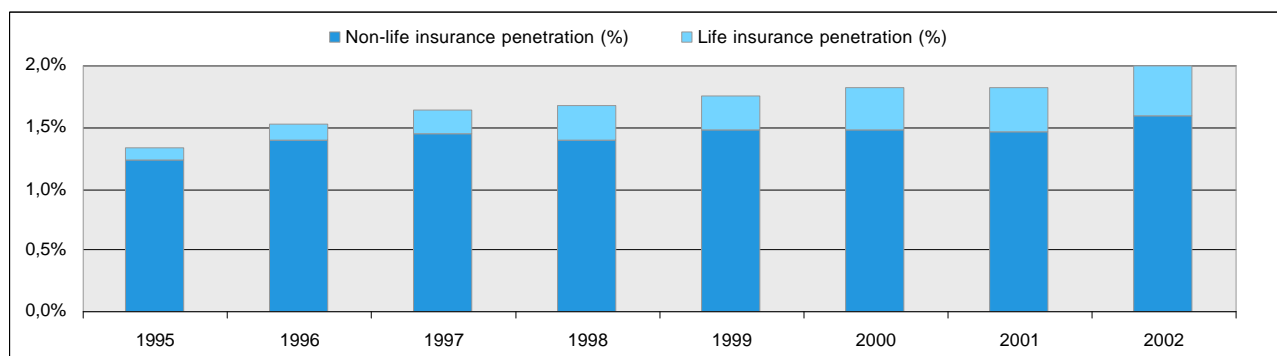


Figure 1. The relative importance of insurers' gross premiums in gross domestic product (GDP), 1995–2002

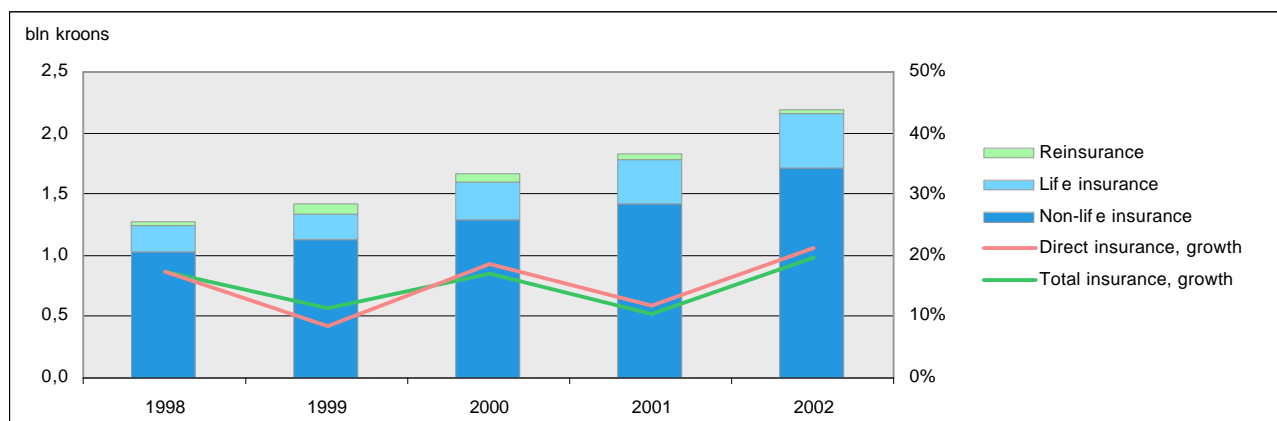


Figure 2. Insurers' gross premiums and the nominal growth in gross premiums, 1998–2002

insurance and 79.4% to the non-life insurance. The premium volume of accepted reinsurance business continued to decline and reached the level of 24,3 million kroons in 2002, thus being two times less than in 2001 (49,1 m kroons).

Premiums from land vehicles insurance made up more than a quarter and those from motor TPL insurance almost another quarter of the volume of gross premiums collected in the Estonian insurance market. Other

insurance classes prevailing in the insurance market were the property insurance and the endowment insurance (figure 3).

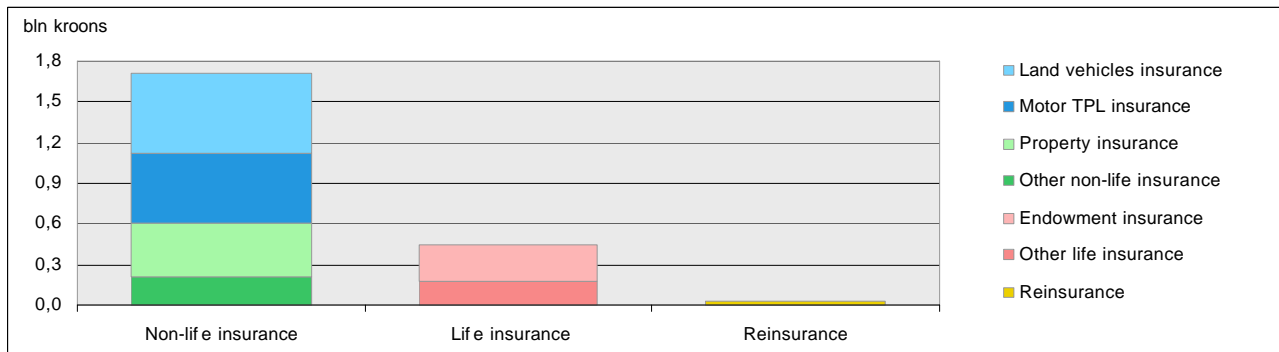


Figure 3. Gross premiums by insurance classes, 2002

Considering also the annual growth in the consumer price index, we can see that the actual growth in direct gross premiums was 17.2%, thus being considerably higher than the actual growth in 2001 (5.7%) and similarly to the nominal growth also the highest growth in the past five years. The actual growth of life premiums was 21.0% and that of non-life premiums 16.2% (figure 4).

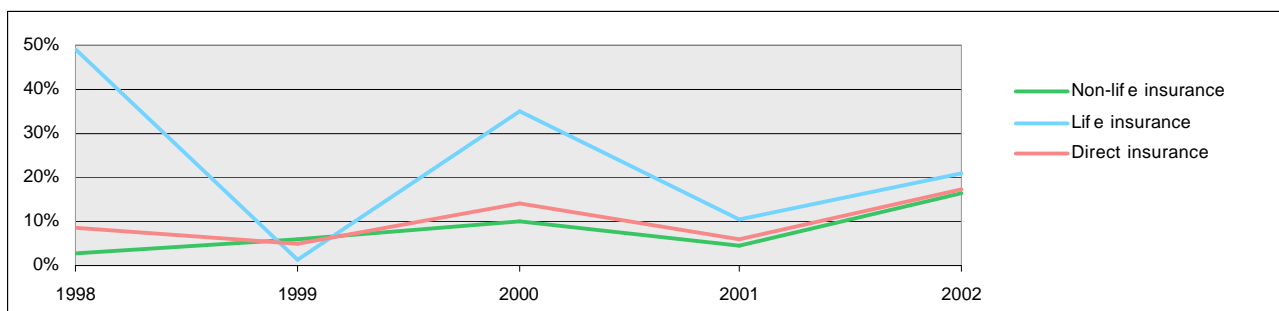


Figure 4. The actual growth of gross premiums, 1998–2002

Over the years the actual growth of gross premiums has been more stable in non-life insurance than in life insurance. The reason for this phenomenon is the slower entrance of new policyholders to the life insurance market due to the long-term nature of life policies, and the subsequently smaller volume of life insurance market at the beginning and the delayed stage of active growth. (The addition of premium volumes being equal in terms of absolute values gives a bigger growth in case of a smaller volume). The growth in life insurance market had been hindered by a major disposition of the market in 1999. The fast growth had been restored due to the cession of insurance portfolios of bankrupt insurers, the performance of more effective supervision over the insurers and the beginning of the active sale of policies with tax benefit in 2000. The sale of life policies has been and will be influenced by the overall economic development, including the growth of net income of people and their positive expectations for the future. The growth of insurance market in 2002 was enhanced by a favorable situation in the loan and lease markets because people often buy a property or car insurance policy in order to get a residence or a car by using a loan or a lease. Also, the interest towards life policies increased due to the necessity to secure the redemption of long-term loans.

In 2002 the volume of direct gross premiums per person was 1,593 kroons in Estonia (1,307 kroons in 2001), thereof 328 kroons were received from life insurance (261 kroons in 2001) and 1,265 kroons from non-life insurance (1,046 kroons in 2001). As the average monthly gross wage in 2002 was 6,144 kroons and the number of employed people was 0,6 million, we see that an average person spent 1% of her/his gross wage to the life insurance and 0.4% to the household insurance.

## INSURERS

At the end of 2002 there were seven non-life insurers, five life insurers, and the Estonian Traffic Insurance Foundation as the provider of border insurance and motor TPL reinsurance, writing business in the Estonian insurance market (figure 5).

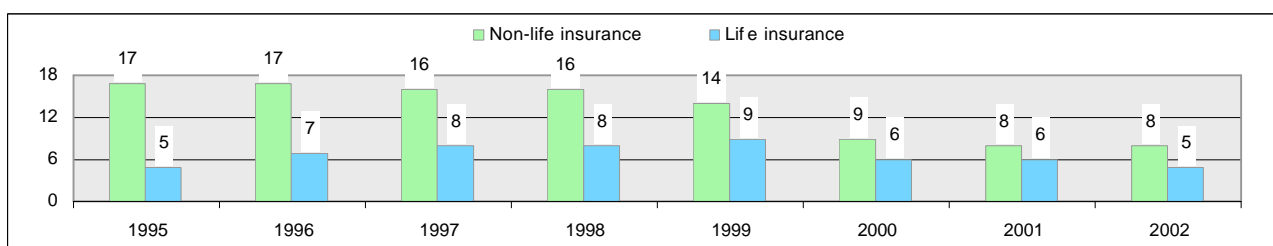


Figure 5. The number of life and non-life insurers (incl. Estonian Traffic Insurance Foundation), 1995—2002

At the beginning of 2002 the non-life insurer AS Sampo Eesti Varakindlustus changed its name to AS If Eesti Kindlustus because of a new owner. In 2002 the life insurer Nordika Elukindlustuse AS and the non-life insurer Nordika Kindlustuse AS with market shares extremely insignificant in 2001, left the market. In 2001 the first one had the market share of 0.5% and the second one 4.1%, calculated on the basis of direct gross premiums. The Nordika Elukindlustuse AS ceded its insurance portfolio to the ERGO Elukindlustuse AS. The Nordika Kindlustuse AS ceded its insurance portfolio to the newcomer in the market - Nordea Kindlustuse Eesti AS.

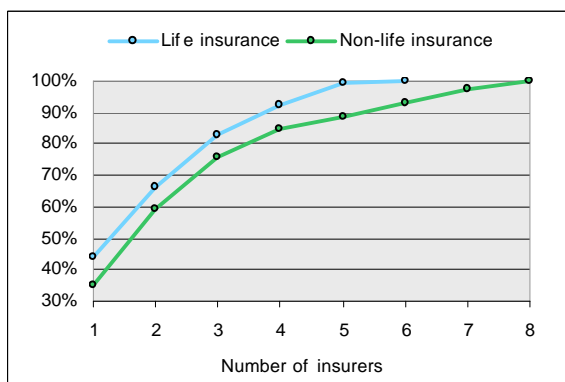


Figure 6. Market concentration, 2002

Thus, we can see that the Estonian insurance market became more stable in 2002, and the redistribution of the market was already a history. In 2002 both in life and non-life insurance more than half of the direct market belonged to the two biggest insurance companies; still, the market concentration was higher in life insurance (figure 6).

The insurance company AS If Eesti Kindlustus led the market in 2002, and its market share made up more than a quarter of direct gross premiums (figure 7). Among non-life insurers there was no significant market redistribution in 2002. The newcomer – Nordea Kindlustuse Eesti AS – maintained the market

share of the Nordika Kindlustuse AS. The life insurer Hansapanga Kindlustuse AS kept its leading position among life insurers despite the drop in its market share in 2002.

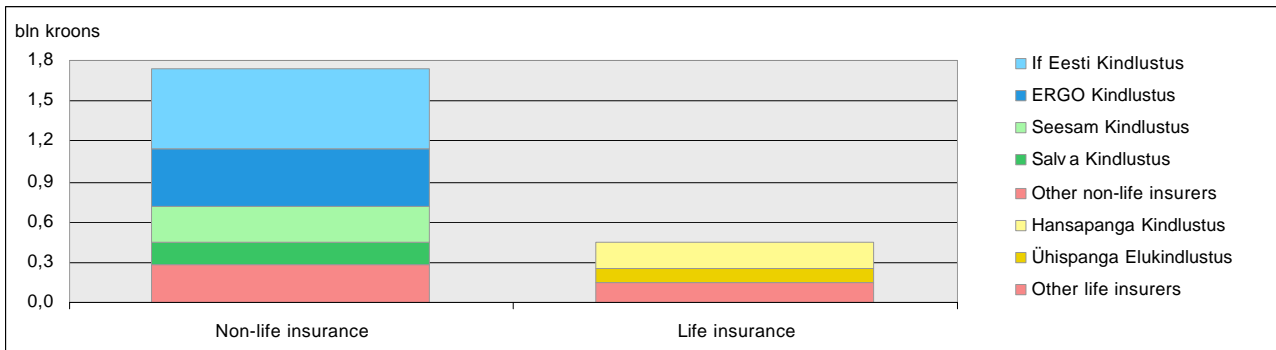


Figure 7. Distribution of insurance market by insurers, based on the volume of gross premiums, 2002

In spite of the lowering number of insurance companies, the asset volume of insurance companies grew due to additional policyholders and the subsequent extension of insurers' business activities. In 2002 the insurers' assets formed 2.5% of GDP (figure 8).

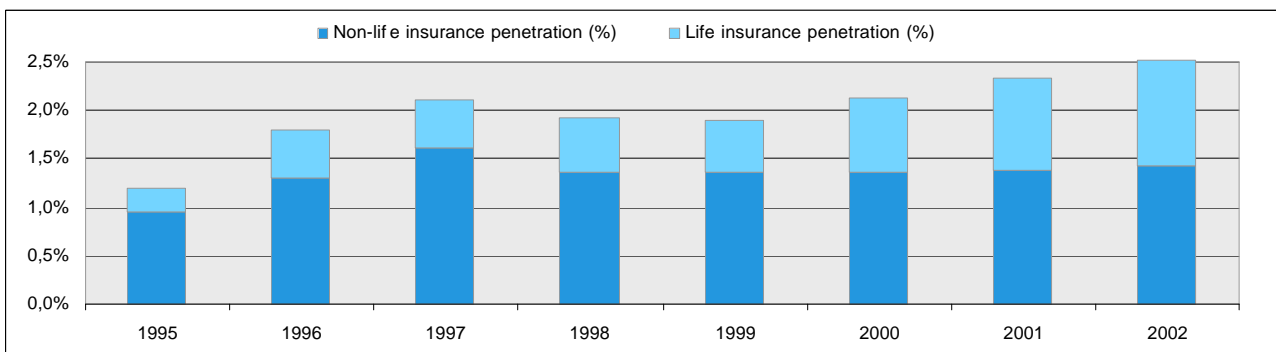


Figure 8. The relative importance of insurers' assets in gross domestic product (GDP)

During the past five years, the assets grew mainly on the account of life insurers. This is also logical considering their youth and the subsequent fast growth in commitments to the clients (figure 9).

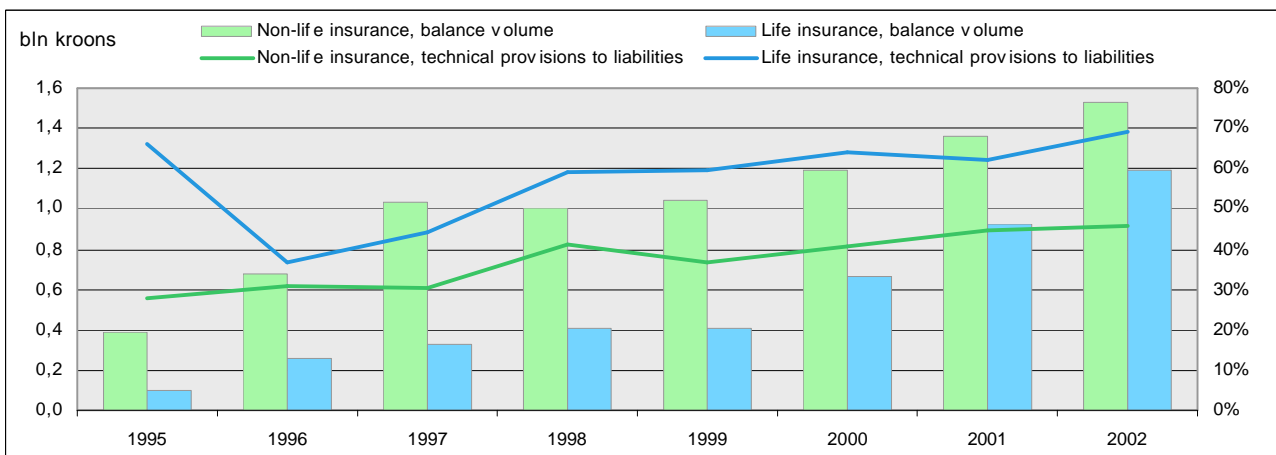


Figure 9. Insurers' consolidated balance volume and the share of technical provisions in the consolidated balance volume, 1995—2002

All insurers writing business at the end of 2002 were following the requirements in respect of insurer's own funds and committed assets, provided by the Insurance Activities Act.

The relative importance of nonresidents in the share capital of Estonian insurers has been growing over the years, thus increasing the influence the nonresidents have on the Estonian insurance market (figure 10).

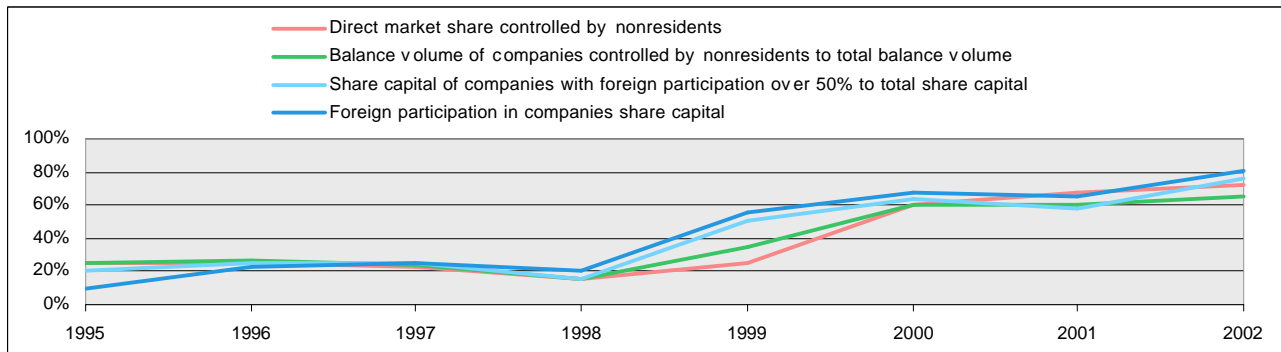


Figure 10. Foreign participation in share capital and the market share controlled by nonresidents, 1995—2002

As two of the insurers controlled by residents left the market in 2002 and an insurer controlled by nonresidents entered the market, the direct foreign participation reached the level of 80.5% of the insurers' share capital at the end of 2002 (64.6% in 2001). Foreign participation formed 91.9% of the non-life insurers' share capital, whereas all of the non-life insurers had foreign shareholders. 53.5% of the life insurers' share capital belonged to nonresidents. The market share directly controlled by foreign owners was 86.4% in non-life insurance and 32.8% in life insurance. The German, Swedish, Danish and Finnish investors had made the biggest investments into Estonian insurance companies in the end of 2002.

Due to the stabilizing insurance market, also net profits of insurance companies have been increasing during the last couple of years (figure 11).

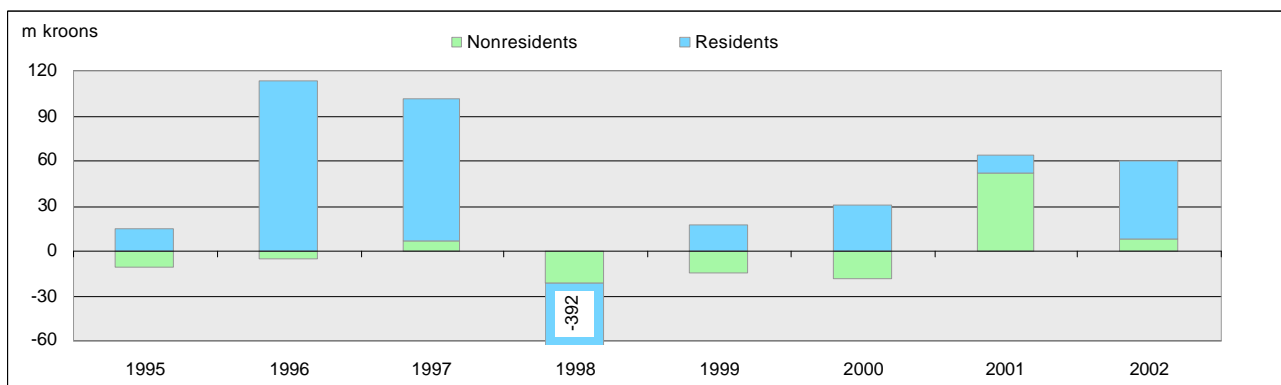


Figure 11. Insurers' net profits from insurance business, 1995—2002

In general terms, profits from non-life insurance sector have been bigger than those from life insurance sector. This is also logical considering the leading role of the non-life sector in the Estonian insurance market. Still, net profits have also been varying considerably from company to company. Losses from the acceptance of insurance portfolios of companies leaving the market in 2002 diminished considerably the profits of insurance companies controlled by nonresidents. Also losses of insurance companies from the

motor TPL insurance business (technical loss of the motor TPL insurance was 16 million kroons) diminished the profits of insurance sector in 2002.

Financial measures illustrating the business - the Profit Margin, the Return on Equity and the Return on Assets - have been improving due to the more stable situation in the insurance market and the increase in profits (figure 12).

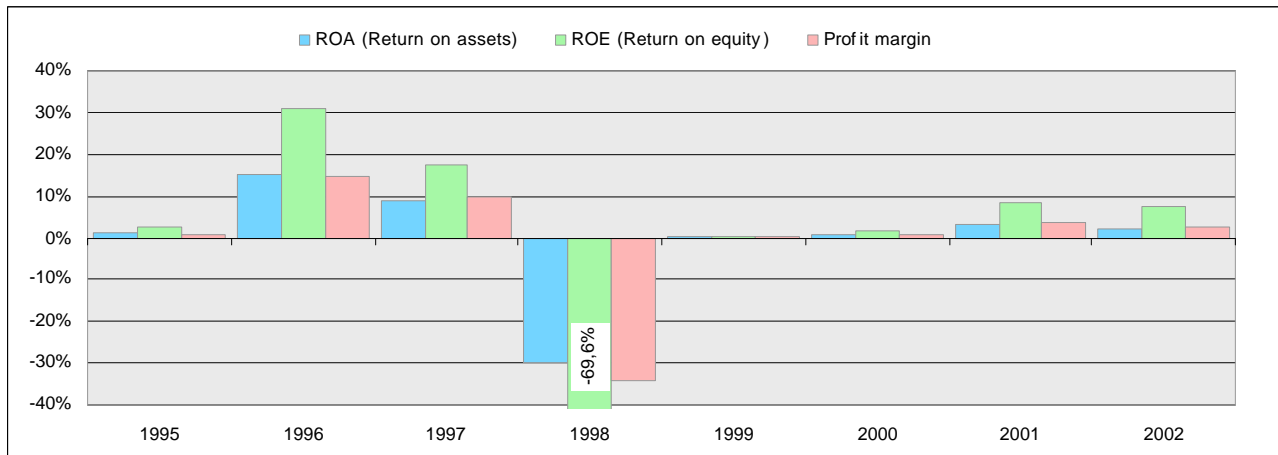


Figure 12. Financial measures of insurance companies, 1995–2002

In 2002 these financial measures shown above were less sound than in 2001. In reality this decline illustrated the loss of 61,3 million kroons of the new insurer that accepted the insurance portfolio of the insurer leaving the market in 2002. The respective measures of other insurance companies were actually sounder than in 2001.

Insurers employed 1,579 people at the end of 2002, which made 0.2% of the employed population and 0.3% of the population engaged in the private sector. The role of insurers in the formation of employment rate has remained unchanged in the past five years. In case of employees of insurance companies one must distinguish between office and sales personnel (figure 13).

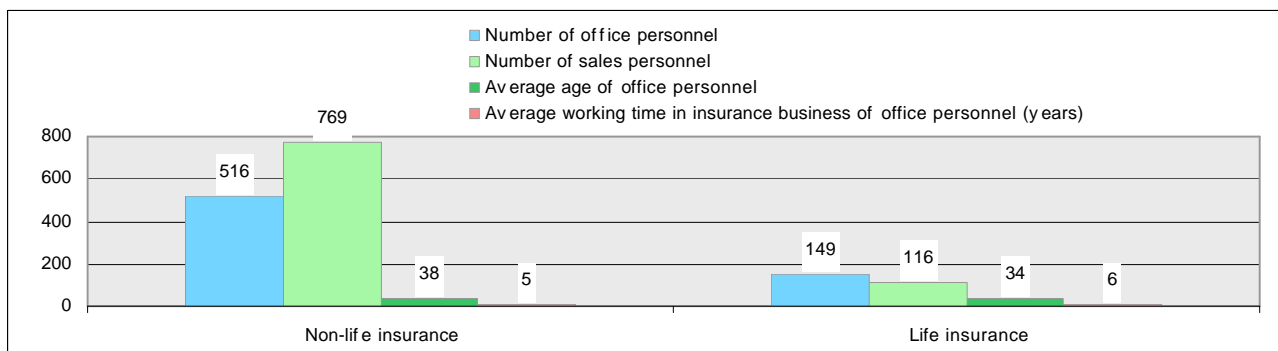


Figure 13. The number of office and sales personnel of insurance companies, 2002

Actually, the number of people working for insurance companies by selling insurance policies was considerably bigger. At the end of 2002 there were 850 people entered into the file of life insurance agents (422 life insurance agents at the end of 2001).

## INSURANCE BROKERS

Insurance mediation is being regulated in Estonia since 1 August 2001. At the end of 2002 there were 14 insurance brokers and 121 representatives of insurance brokers registered. In 2002 two insurance brokers terminated their insurance mediation activities. Insurers collected 22% of their gross premiums through insurance brokers. 27.1% of non-life gross premiums and 2.4% of life gross premiums were collected through insurance brokers. Thus, the brokers were more active in the non-life insurance market. The land vehicles insurance was the most mediated insurance class, considering the volume of gross premiums. When considering the relative importance of mediation in the volume of gross premiums of a single insurance class, we can see that it was the highest in the general liability insurance (brokers mediated 54.1% of premiums of this insurance class) (figure 14).

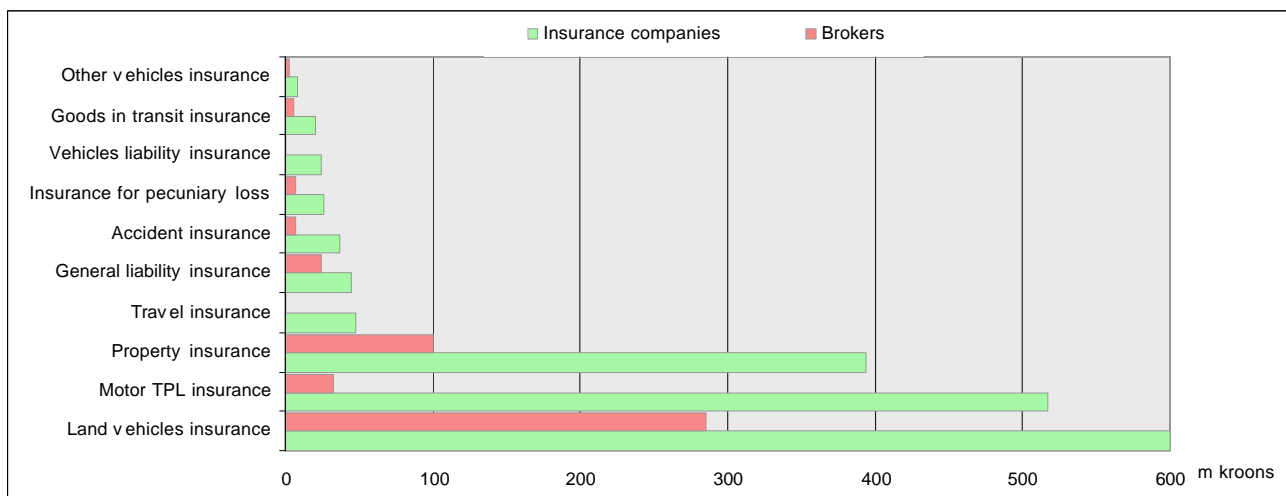


Figure 14. Non-life gross premiums mediated by insurance brokers, 2002

The annuity insurance was the most mediated life insurance class; still, the volume of mediated premiums constituted only 9.8% of annuity gross premiums collected by life insurers (figure 15).

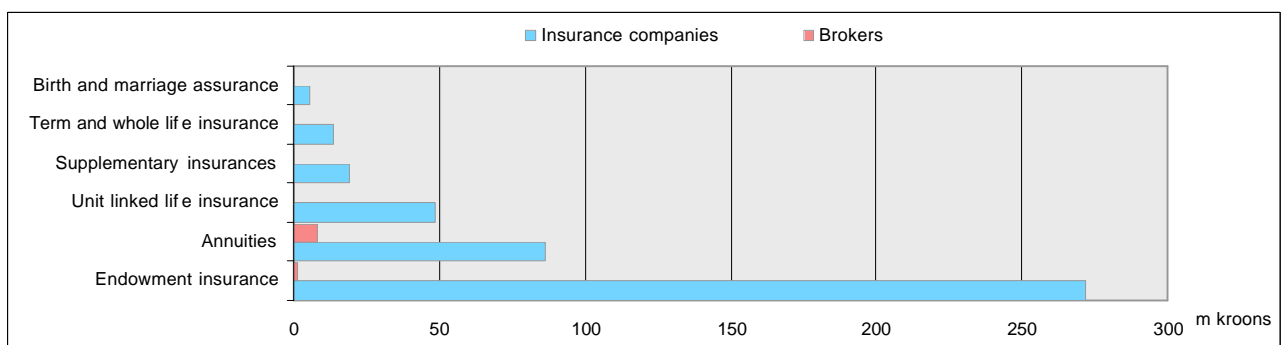


Figure 15. Life gross premiums mediated by insurance brokers, 2002

Besides mediating insurance policies of Estonian insurance companies, the brokers mediated policies of foreign insurance companies. The share of foreign insurance companies was 49.1% of the premium volume mediated by brokers. Premiums for mediated foreign policies formed 18.1% of mediated non-life gross premiums; in life insurance this rate was 39.8% (figure 16).

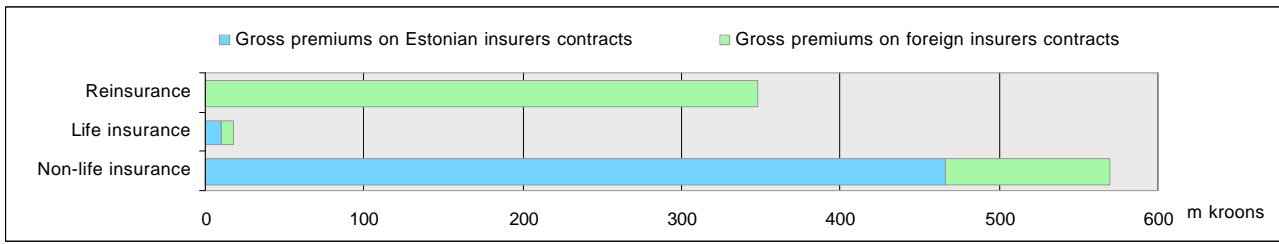


Figure 16. Gross premiums for mediated policies of Estonian and foreign insurance companies, 2002



## LIFE INSURANCE

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# LIFE INSURANCE, 2002

## LIFE INSURANCE MARKET

### Economic environment

In 2002 the life insurance market grew 25.3% in terms of premium income and the consumer price index of the year was 3.6%. The respective figures of the previous year were 17.1% and 5.8% (figure 17). The premium volume of life insurance grew slower than expected, the main cause being the launch of the II pension pillar hindering the increase in the premium volume of the III pension pillar in the life insurance market.

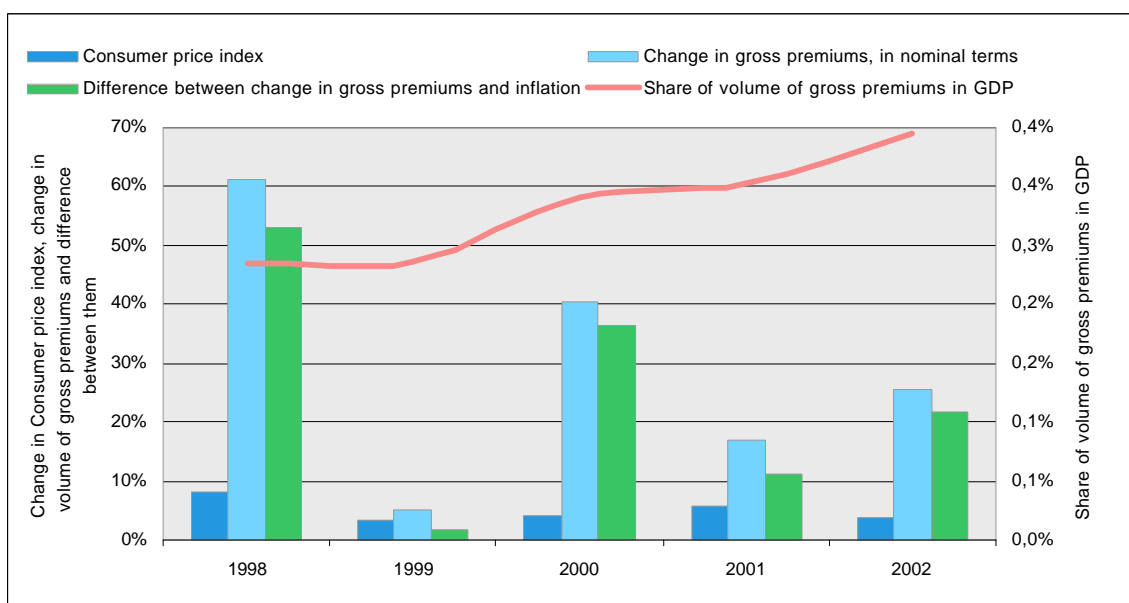


Figure 17. Growth in life insurance market (based on the volume of gross premiums) versus the inflation, 1998–2002

The average gross wage per an employed person was 73,728 kroons in 2002, and the average annual life insurance premium was 1,932.6 kroons. Thus, the average cost of life insurance for an insured person was 2.6% of the gross wage in 2002. In 2001 the average gross wage was 66,120 kroons (the increase being 14.09%), the average annual life insurance premium was 1,643.7 kroons (the increase being 17.6%), and the average cost of life insurance for an insured person was 2.0% (an increase of 0.6 percentage points) (figure 18).

The number of Estonian population was 1,361,242 people at the end of 2002; thereof 59.6% (810,911 people) were the labour force. The number of employed people was 575,747, i.e. 71.4% of the labour force. The number of main policies in force in the life insurance market was 128,161 and that of supplementary insurance policies 102,640 at the end of 2002 (figure 19). Still, the actual level of insured population was lower as any one insurer can have several life insurance policies.

The volume of savings in banks was 20,6 billion kroons at the end of 2002. The amount of technical provisions or commitments to policyholders was 814,6 million kroons. Thus, the rate of technical provisions to savings was 3.9%. Savings increased 12.5% and technical provisions 47.6% in a year (figure 20).

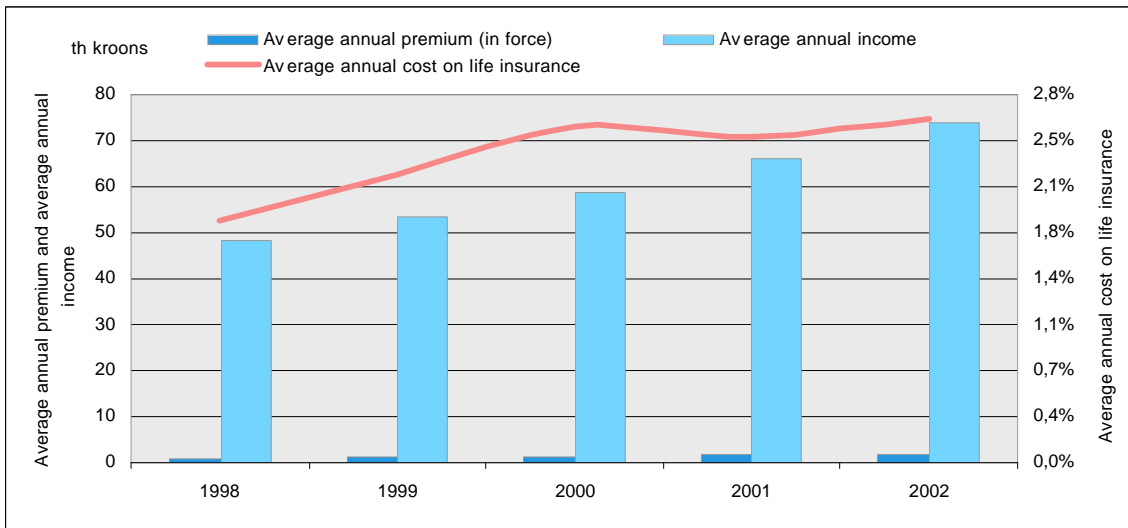


Figure 18. Average gross wage versus the average premium of life insurance contracts in force (31 December), 1998–2002

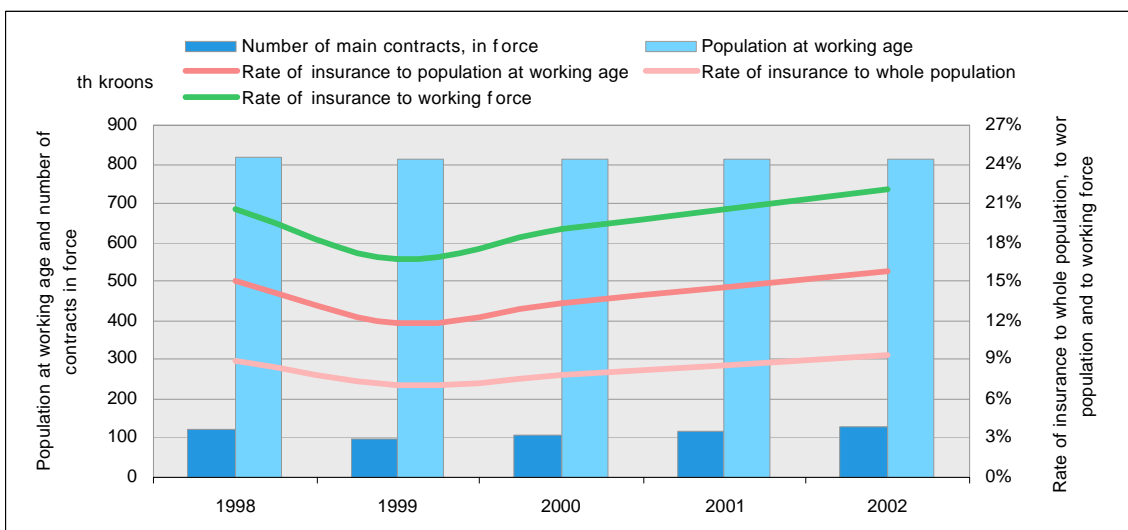


Figure 19. Rate of insurance to whole population, labour force and employed population, 31 December 1998–2002

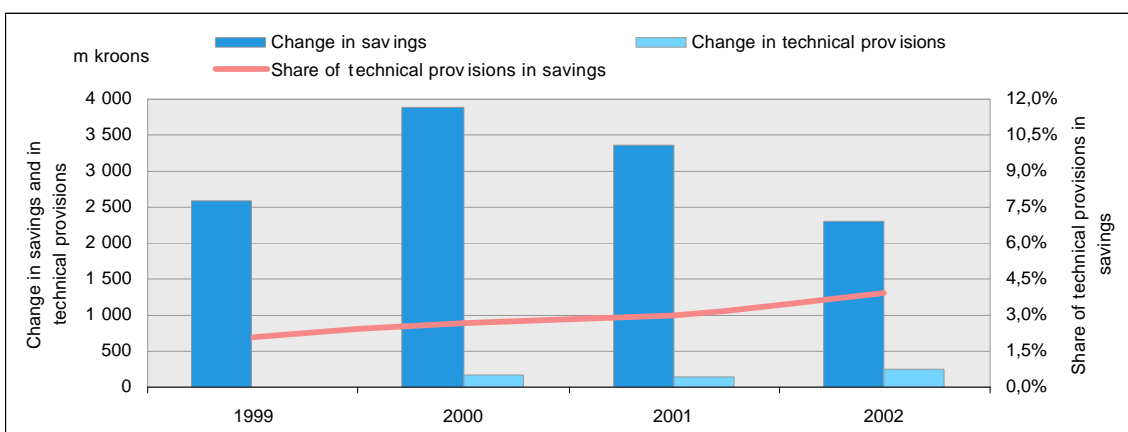


Figure 20. Growth in savings and technical provisions. Rate of technical provisions to savings, 1999–2002

## Owners

In 2002 the life insurer Nordika Elukindlustuse AS terminated its activities in the market and its insurance portfolio was transferred to the ERGO Elukindlustuse AS in July 2002. 46.6% of the direct ownership of life insurance companies belonged to Estonian, 35.6% to Finnish and 17.9% to German citizens. Foreigners controlled 90.3% of the direct Estonian ownership (figure 21).

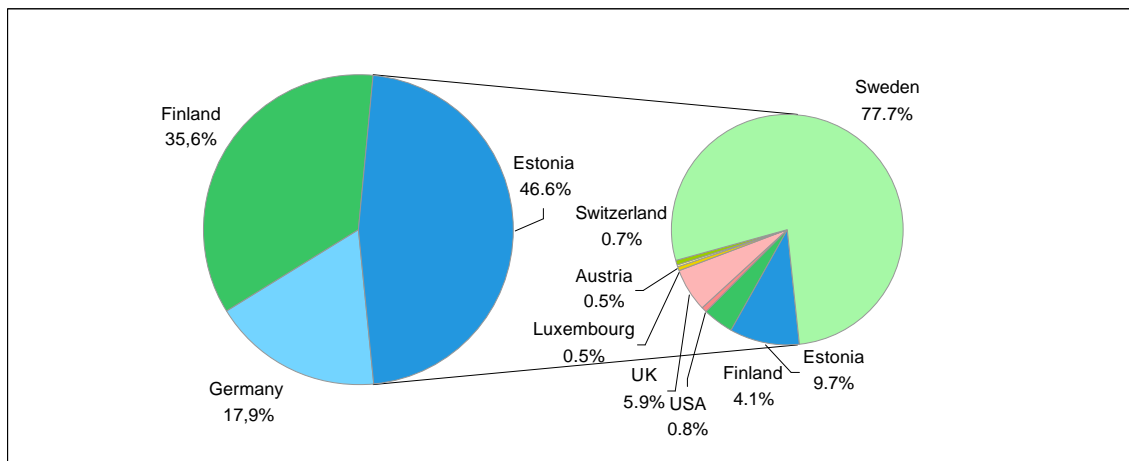


Figure 21. Direct and indirect ownership of life insurers, 31 December 2002

## Market developments

The life insurance market constituted 20.6% of the total insurance market, based on the volume of gross premiums. The share of the life insurance market in the total insurance market remained almost to the same level as in the previous year (20.0% in 2001) (figure 22).

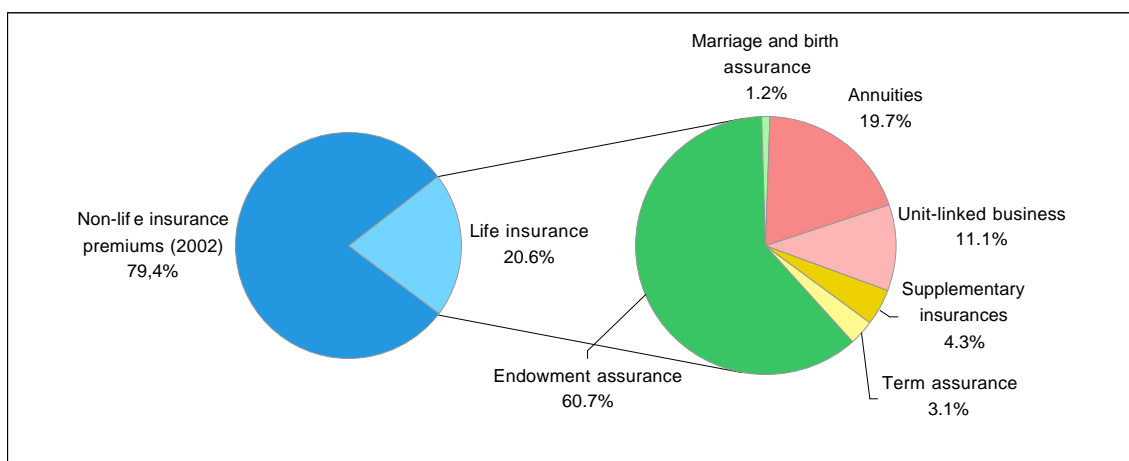


Figure 22. Distribution of insurance market and distribution of life insurance market, 2002

Life insurers collected gross premiums within the amount of 446,0 million kroons in 2002 (the increase being 25.3%). Considering the change in the consumer price index, the increase in gross premiums was 21.0% in actual terms (figure 23).

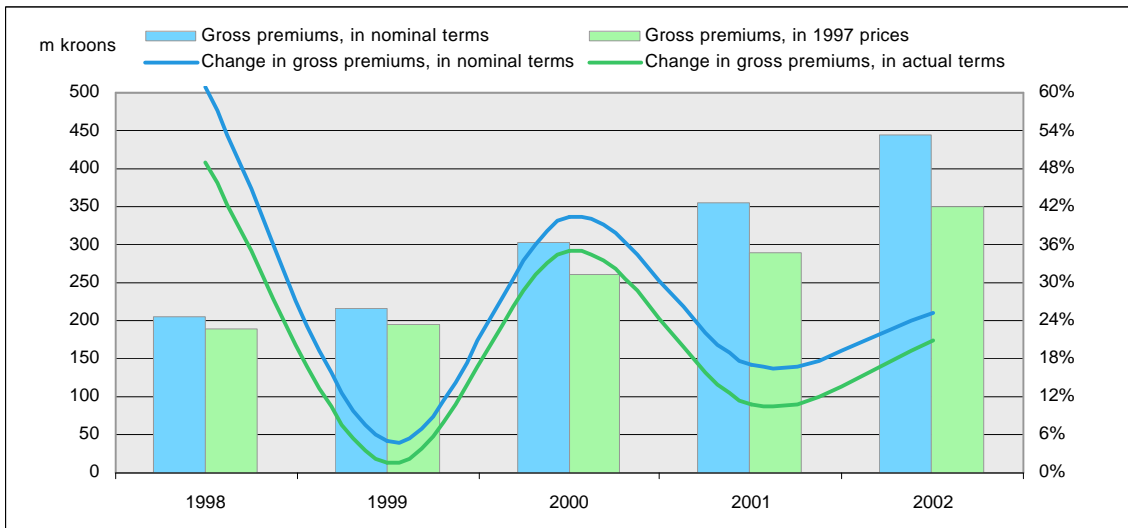


Figure 23. Volume of gross premiums and the change in volume of gross premiums in nominal and actual terms, 1998–2002

The share of gross premiums from new business in the total volume of gross premiums was 25.5% in 2002 (24.4% in 2001).

The increase in the number of main policies in force and in the total number of policies in force was more or less equal - 8.6% and 8.8%, respectively. Still, when the total number of supplementary insurance policies increased 4.2% if compared to 2001, the number of new supplementary insurance policies decreased 6.2%. The number of new main policies formed 17.6% of the total number of main policies in force (17.6% also in 2001).

The total volume of benefits was 61,2 million kroons in 2002, the annual increase being 12.3%.

Operating expenses decreased 1.5% in 2002 and the total volume of operating expenses was 104,6 million kroons; investment expenses increased 40.1% in 2002 and the total volume of investment expenses was 26,7 million kroons. The total income of life insurers exceeded the expenses by 56.8% in 2002 (figure 24).

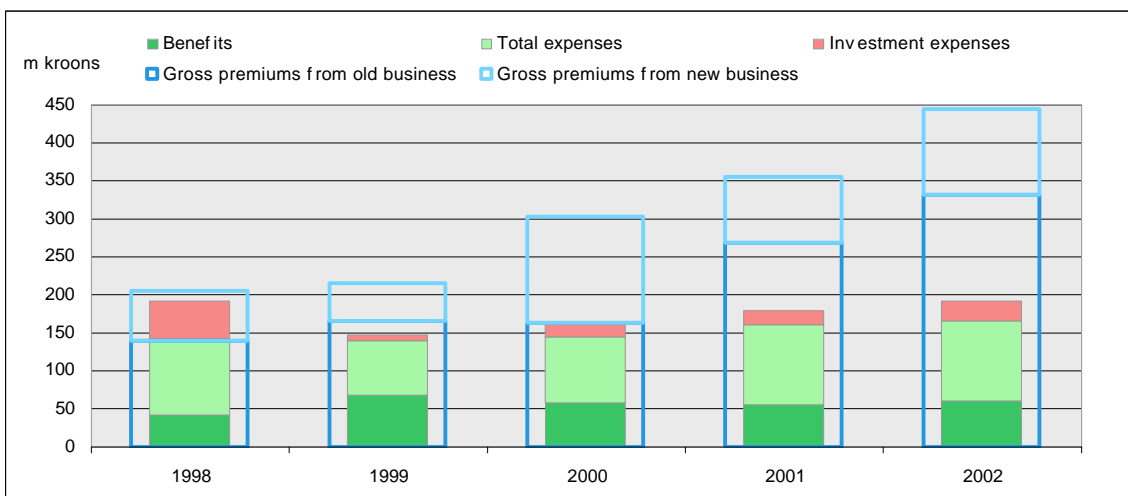


Figure 24. Volume of benefits, operating expenses, investment expenses, gross premiums from new and old business, 1998–2002

Due to the nature of life insurance risks, the share of reinsurance is very small in the life insurance market. The share of premiums ceded in the total volume of gross premiums has been between 2.2% and 2.7% in the past five years (2.2% in 2002).

### **Market concentration**

The two biggest life insurers – Hansapanga Kindlustuse AS and AS Ühispanga Elukindlustus – were continuously prevailing in the life insurance market in 2002. Their share was 66.2% on the basis of gross premiums, 75.4% on the basis of benefits paid, and 82.6% on the basis of technical provisions (figure 25).

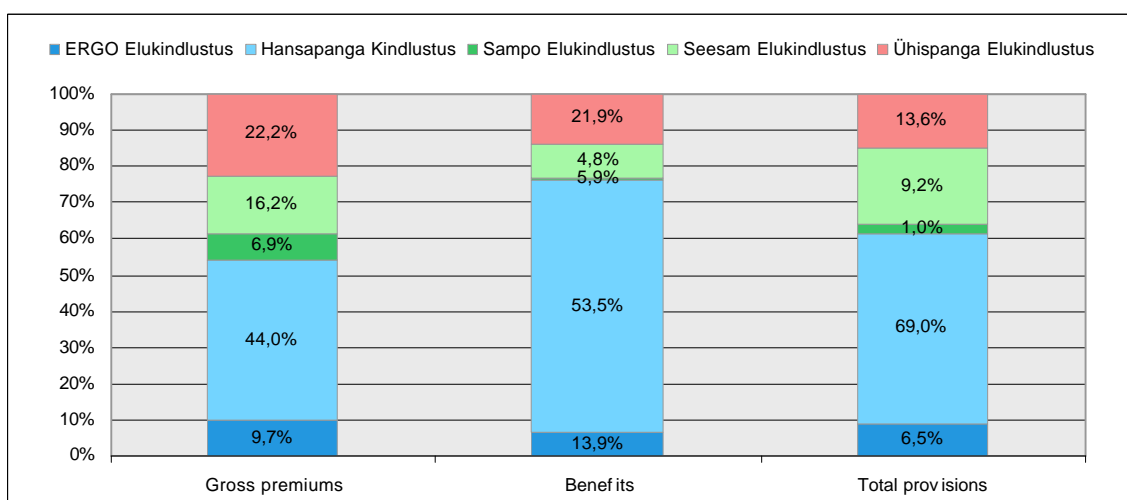


Figure 25. Concentration of life insurers according to gross premiums, benefits and technical provisions (31 December), 2002

### **Market shares of insurance classes**

Life insurance products sold in the market in 2002 were – term assurance, endowment assurance, annuities, unit-linked business and several types of supplementary insurances. There was the possibility to buy endowment assurance, annuity or unit-linked policies also with tax benefit, meaning that the policyholder would be refunded 26% of premiums paid for saving purposes in a year. The tax benefit is valid only if the first payout (first payment of annuity) will be made after the age of 55 of policyholder.

There were no new products in the life insurance market in 2002, but the products being already in the market were modified. The enforcement of the Law of Obligations Act required some changes to be made in insurance conditions and provided new requirement to the information that life insurers have to disclose to policyholders.

The distribution of gross premiums between different classes of insurance had no major changes in 2002 – 61.0% of the market was the endowment assurance, 19.5 were the annuities and 11.0% was the unit-linked business, thus constituting 91.5% of the total life insurance market. In 2001 the volume of gross premiums in these three major classes was 321,6 million kroons, constituting 90.4% of the total volume of gross premiums (figure 26).

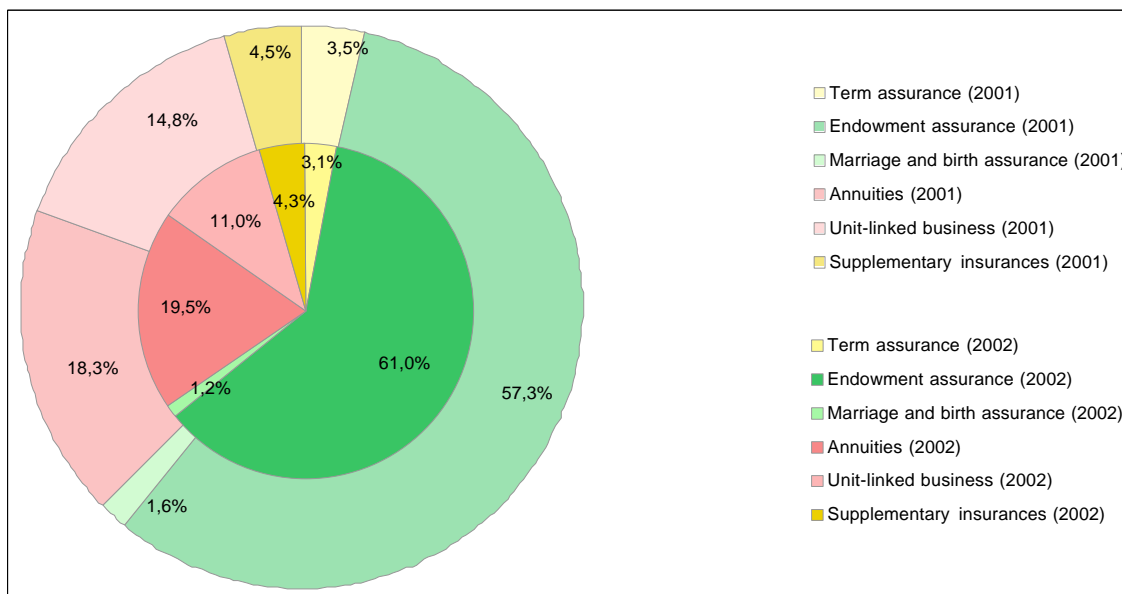


Figure 26. Distribution of insurance portfolio according to gross premiums, 2001–2002

The volume of gross premiums from new business was 113,8 million kroons, the annual increase being 30.9%. Gross premiums from new endowment assurance policies and annuities were 75.7% of the total volume of gross premiums from new business (figure 27). In 2001, the two biggest insurance classes were the endowment assurance and the unit-linked business, and premiums from these classes formed 73.5% of the total volume of gross premiums from new business.

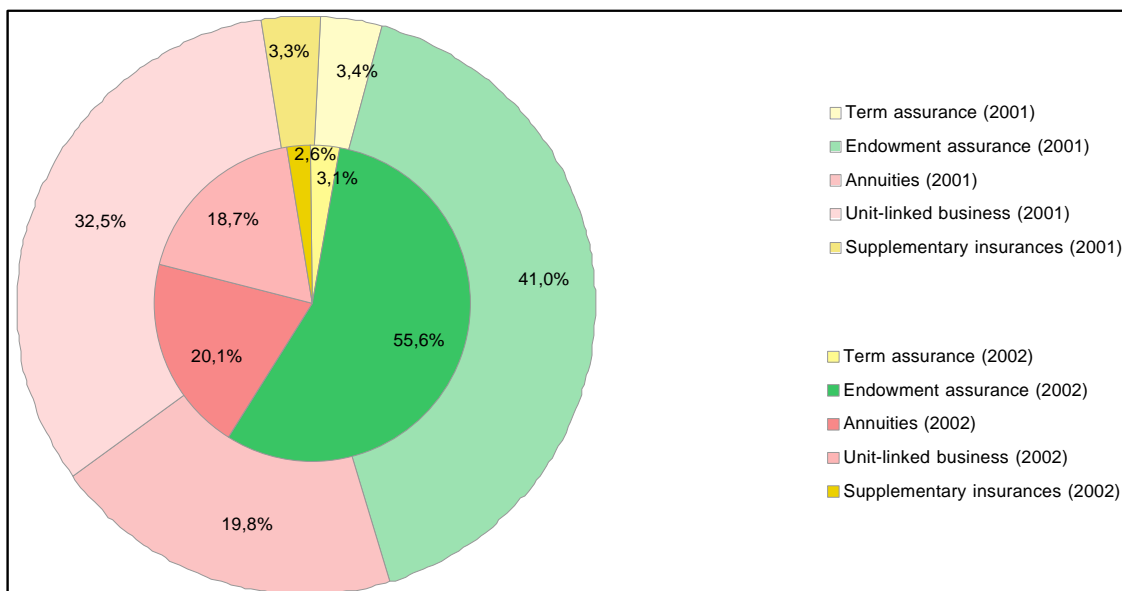


Figure 27. Distribution of insurance portfolio according to gross premiums from new business by classes of insurance, 2001–2002

The volume of gross premiums from policies with tax benefit was 52.9% of the total volume of gross premiums (46.8% in 2001) and 57.9% of the total volume of gross premiums from the three biggest insurance classes (51.7% in 2001) (figure 28).

The volume of gross premiums from new policies with tax benefit was 56.7% of the total volume of gross premiums from new business (54.8% in 2001) and 14.5% of the total volume of gross premiums (13.4% in 2001).

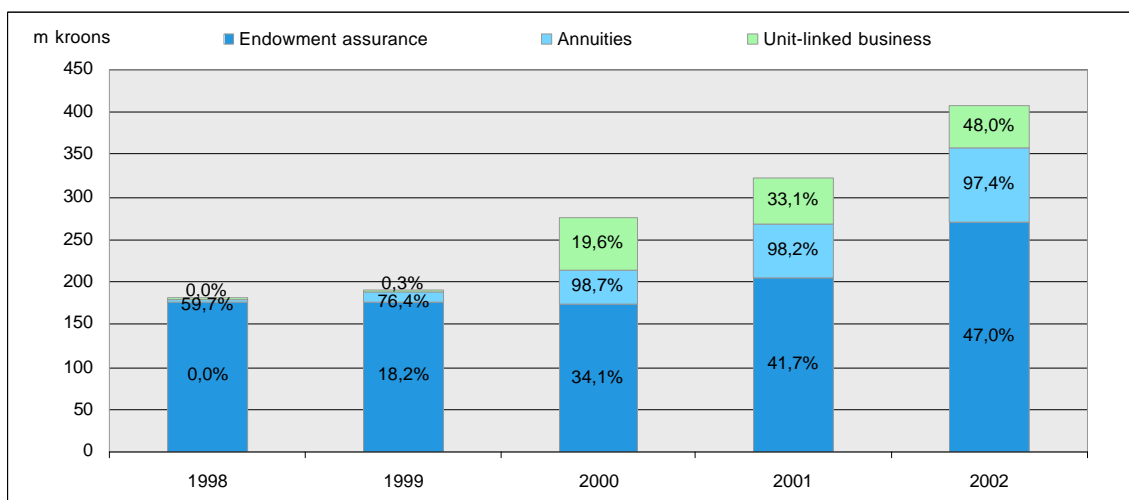


Figure 28. Total volume of gross premiums of endowment assurance, annuities and unit-linked business, and share of gross premiums with tax benefit in total volume of gross premiums in these classes of insurance, 1998—2002

The total volume of benefits was 61,1 million kroons in 2002 and the biggest share thereof constituted benefits for the endowment assurance. It was followed by unit-linked business and annuities; the volume of benefits from these classes formed 87.8% of the total volume of benefits.

The constant decrease in the volume of gross premiums and increase in benefits indicates that marriage and birth assurance is a decreasing class of insurance. Actually, the sale of its policies has been terminated and the portfolio is consisting only of old business (figure 29).

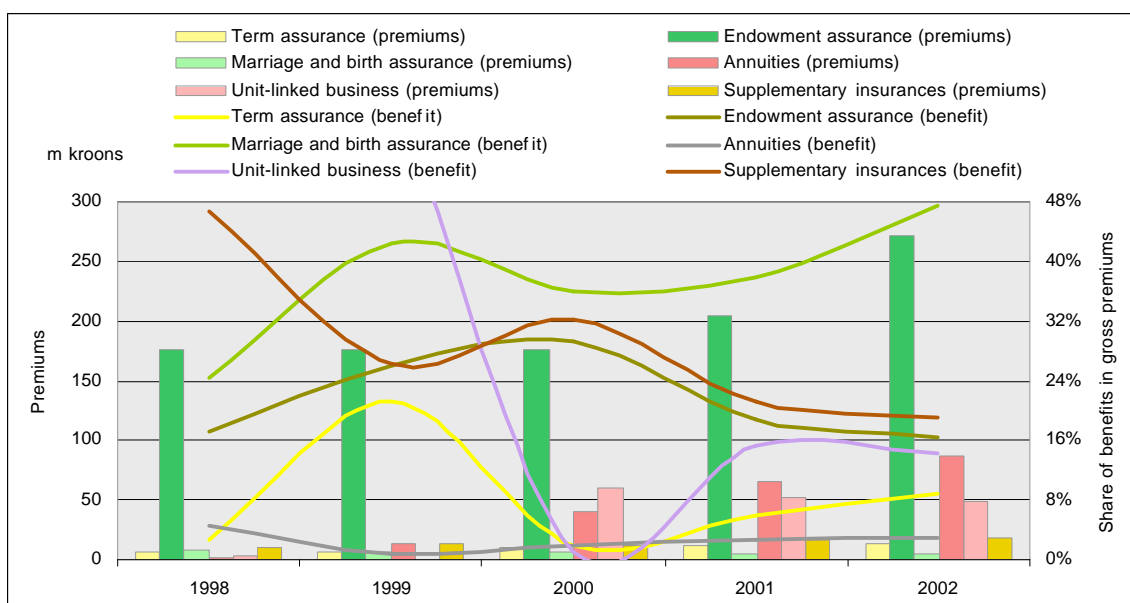


Figure 29. Gross premiums and benefits paid by classes of insurance, 1998—2002



The volume of technical provisions of life insurers was 803,1 million kroons at the end of 2002, thereof the provision for endowment assurance was 73.5% and the provision for annuities 22.2%.

### **Number of policies, benefits and withdrawals**

The 8.6% increase in the number of policies was mainly caused by the increase in the number of policies of annuities (the increase of 31.7%), term assurance (the increase of 24.8%) and unit-linked business (the increase of 25.9%). The biggest share of new business in the total number of policies was in term assurance (34.1% in 2002, 45.5% in 2001), which depends on the increase in the volume of private loans (figure 30).

The share of new policies with tax benefit in the total number of new policies was 57.8% (55.8% in 2001).

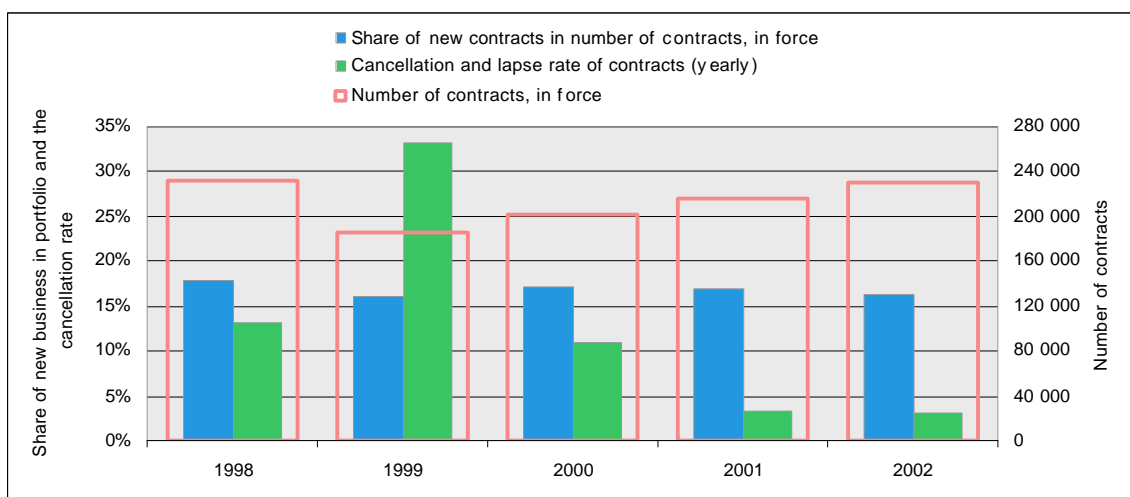


Figure 30. Share of new policies in number of policies in force (31 December), cancellation and lapse rate of policies and number of policies in force (31 December), 1998—2002

In 2002 in total 4,112 policies were cancelled or lapsed (4,966 in 2001). The ratio of new policies to cancelled and lapsed policies has also improved, as the volume of new policies exceeded that of cancelled and lapsed policies 9,1 times in 2002 (7,4 times in 2001) (figure 33).

The distribution of insurance classes has varied considerably over the years, both in the number of policies and in the volume of gross premiums. Due to the favourable legislative environment, the unit-linked business is a rapidly growing class of insurance and the popularity of that product is increasing (the share of gross premiums from new business to the total of gross premiums from that class of insurance was 43.5%). The characteristic differentiating the unit-linked business from traditional products is the difference between the number of policies and the volume of gross premiums – the share of new policies in the total number of policies was only 2%, but the share of gross premiums from new business in the total of gross premiums was 19.2% (figure 31).

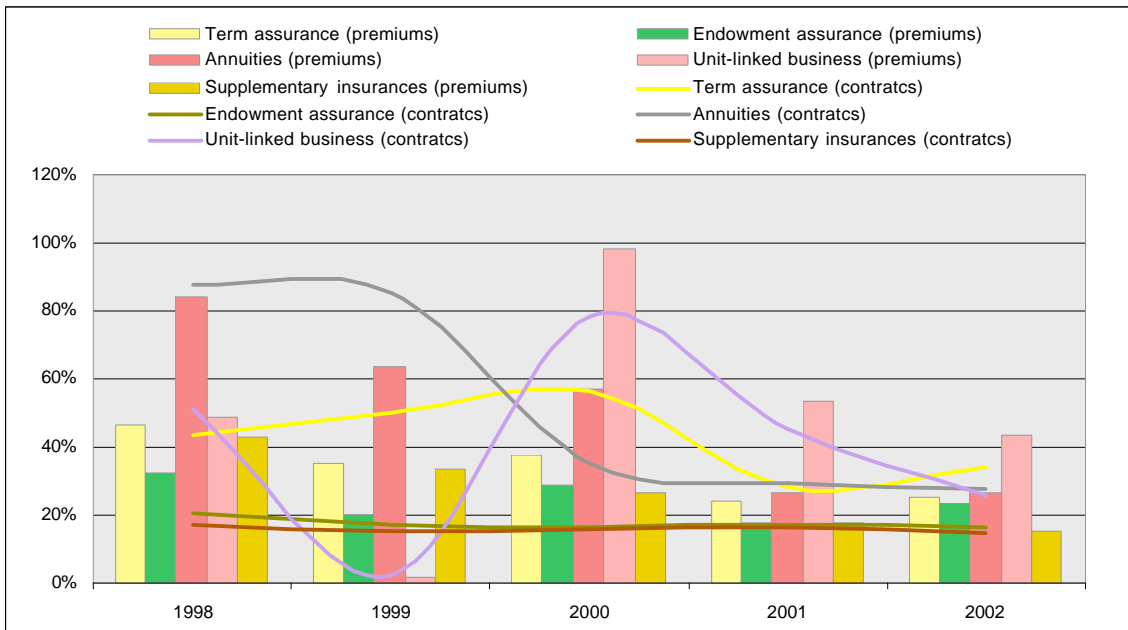


Figure 31. Share of new policies in average annual portfolio of policies and gross premiums from new business in total volume of gross premiums by classes of insurance, 1998—2002

There were 10,523 claims reported in 2002 (occurrence of insured event, maturity of policy, cancellation or lapse), and the number of claims paid was 10,217. In 2001 these figures were 10,946 and 10,719, respectively (figure 32). The number of reported claims was 8.3% of the average annual insurance portfolio in 2002 (9.5% in 2001).

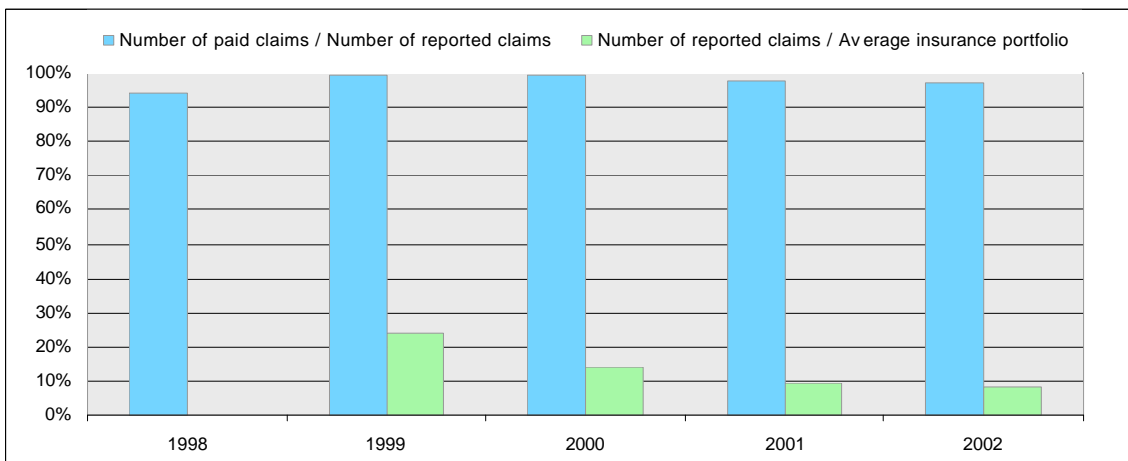


Figure 32. Ratio of paid claims to reported claims and reported claims to average annual insurance portfolio, 1998—2002

There were in total 4,112 cancelled and lapsed insurance policies in 2002, whereas the highest cancellation and lapse rate was in the term assurance – 6.7% -, and the lowest in the marriage and birth assurance – 0.3% (figure 34). The lapse and cancellation rate was the highest in the first year of an insurance policy (figure 33). The early cancellation and lapse rate (i.e. cancellation and lapse of policies which technical provision is negative and the surrender value is zero) was 0.2% in 2002 (0.5% in 2001).

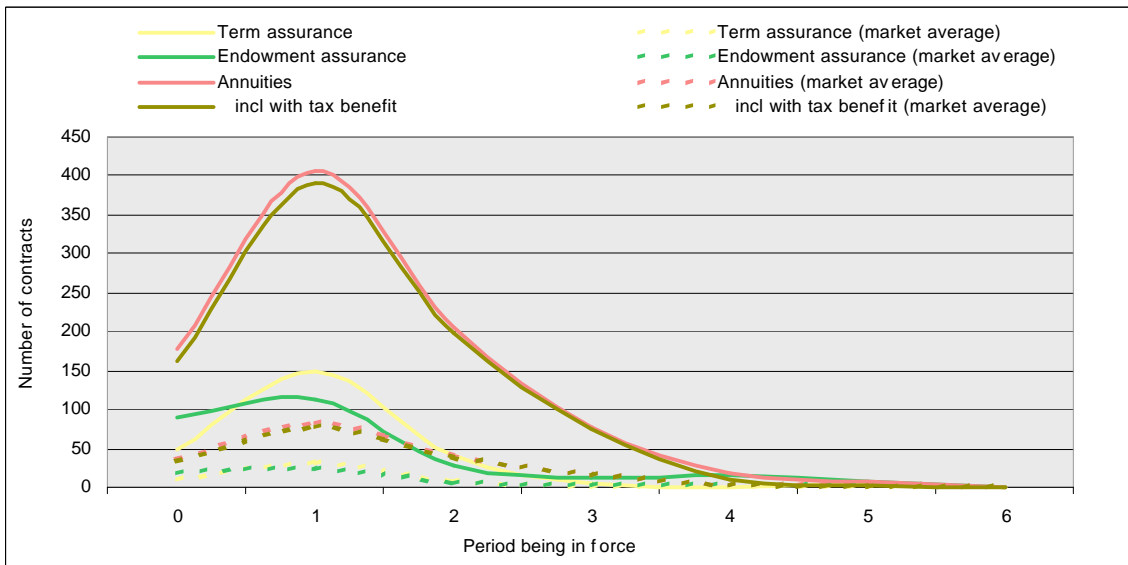


Figure 33. Distribution of cancellation and lapse according to period being in force, 2002

Since 2000 when the life insurance market became more stable due to the improving economic and legislative environment, the cancellation and lapse rate has improved steadily (figure 34).

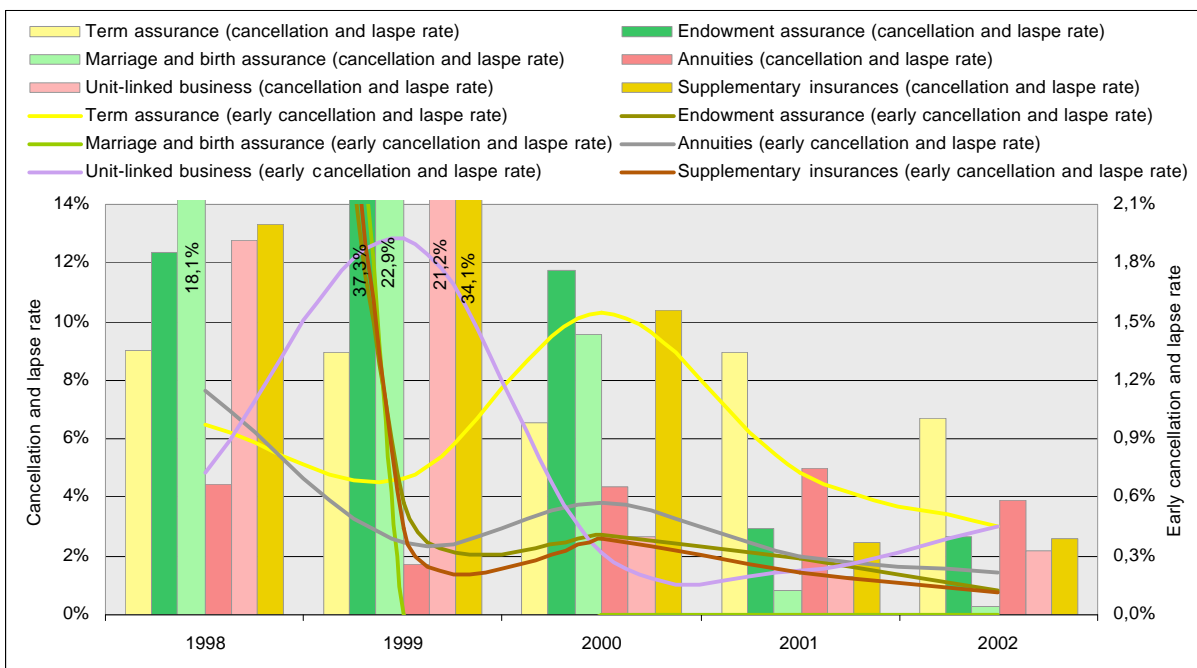


Figure 34. Cancellation and lapse rate and early cancellation and lapse rate, 1998—2002

The surrender ratio (share of surrenders in benefits) shows, how large is the share of benefits that is used to cover the liabilities related to the cancellation and lapse. The surrender ratio was 43.3% in 2002 (46.5% in 2001) (figure 35). The surrender ratio has decreased as the volume of surrenders and therefore also the liabilities related to surrender have increased, but the volume of benefits has increased (12.3%).

The simple loss ratio (ratio of benefits to the volume of gross premiums) shows the ratio of income related to premiums to the benefits paid. As a general trend this ratio will increase constantly for some time, but is

still very low because the insurance portfolio is relatively young. In 2002 this ratio decreased 13.7% (15.3% in 2001), which was mainly caused by the slower increase in benefits (12.3%) if compared to the growth in the volume of gross premiums (25.3%) (figure 35).

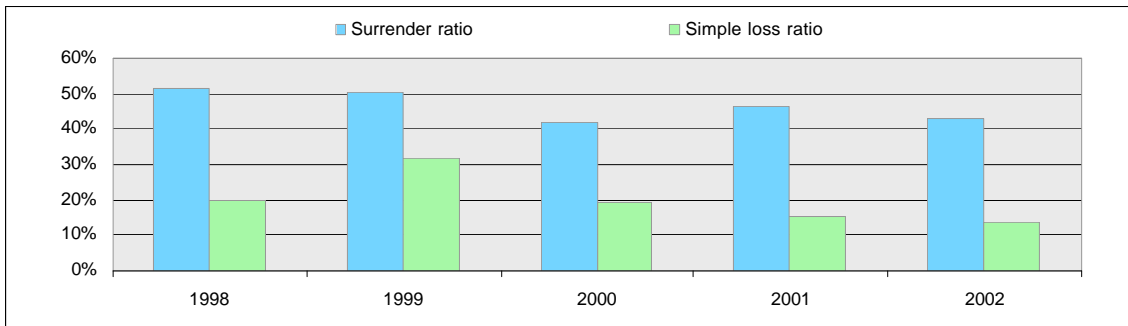


Figure 35. Surrender ratio and simple loss ratio, 1998–2002

### Expenses of life insurers

As the life insurance market as a whole increased in 2002 and the volume of operating expenses decreased 1.5%, the ratio of operating expenses to gross premium also dropped to the level of 23.4% (29.8% in 2001) (figure 36).

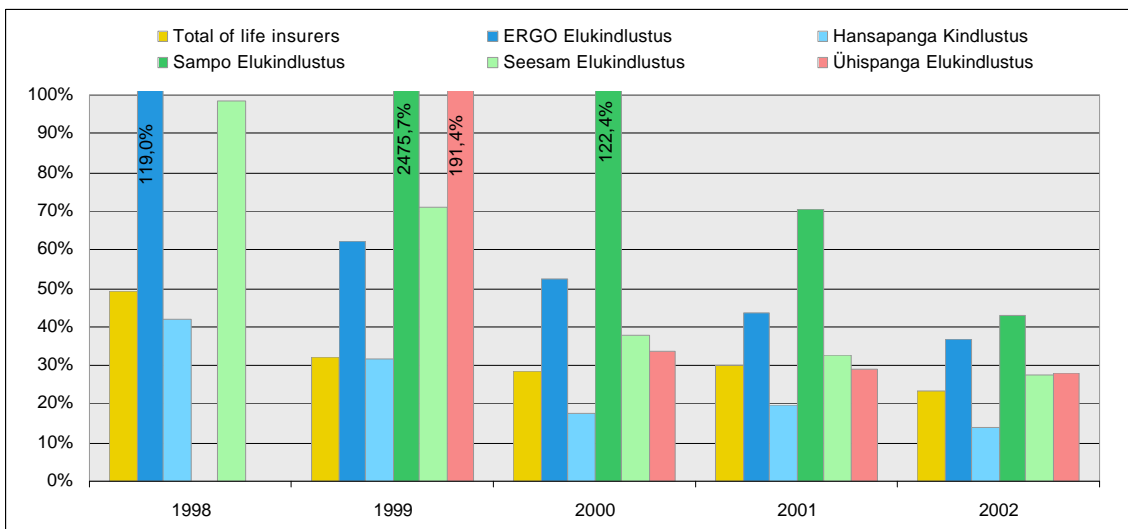


Figure 36. Ratio of operating expenses to gross premiums by life insurers, 1998–2002

The volume of operating expenses of life insurers was 104,6 million kroons in 2002, thereof 63.1% were acquisition costs, 35.7% administrative expenses and 1.1% claims handling costs. The volume of investment expenses was 26,7 million kroons in 2002, thus the increase being 40.1% if compared to the previous year.

The volume of acquisition costs, considering the major increase in gross premiums, increased only by 9.8%. Administrative costs decreased 16.1% and claims handling costs 21.4%; investment expenses grew 40.1%.

Thus, the decrease in operating expenses was mainly due to the decrease in administrative expenses (figure 37).

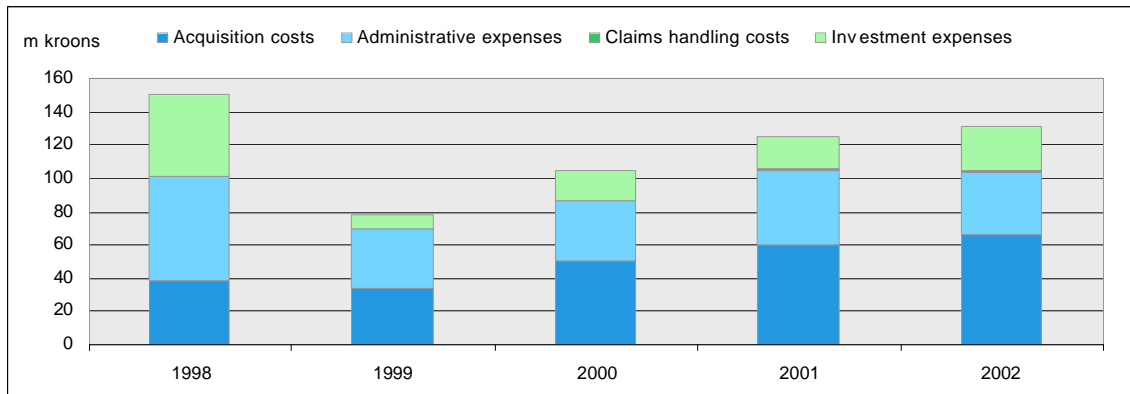


Figure 37. Operating expenses by classes of expenses, 1998–2002

The acquisition cost per policy was 1,757.9 kroons in 2002. This figure increased during the year 7.3% (1,637.6 kroons in 2001). As the volume of administrative expenses has decreased and the number of policies in force increased, the administrative expense per policy decreased 21.2% reaching the level of 161.9 kroons per policy (205.7 kroons in 2001). Operating expenses per insured were 451.6 kroons in 2002, the decrease being 7.6% in a year (488.6 kroons in 2001) (figure 38).

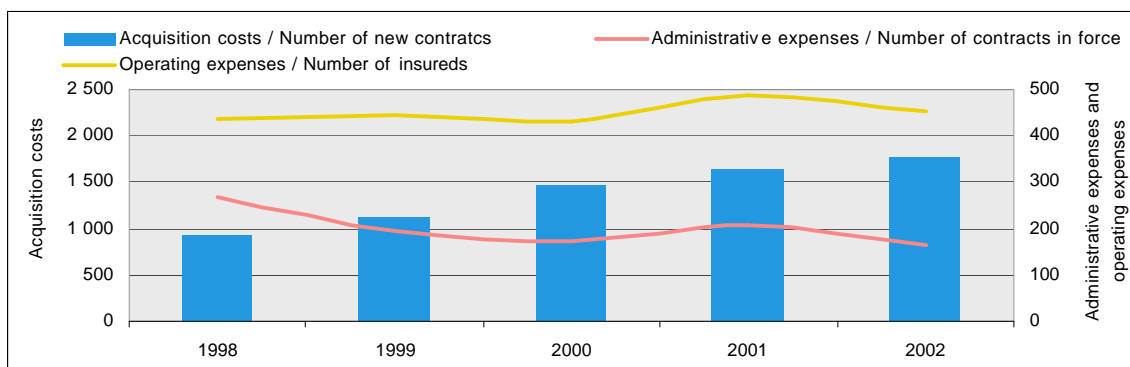


Figure 38. Acquisition cost per policy, administrative expenses per policy in force and operating expenses per insured, 1998–2002

The ratio of acquisition costs to gross premiums from new business was 58.0% in 2002 (69.2% in 2001), the main reason for the drop being the increase of 30.9% in the volume of gross premiums and that of only 9.8% in the acquisition cost. The ratio of administrative expenses to gross premiums was 8.4% in 2002 (12.5% in 2001), the main reason for the drop being the decrease of 16.1% in administrative expenses and the increase of 25.3% in gross premiums. The volume of claims handling expenses formed 2.0% of benefits paid in 2002 (2.8% in 2001). The volume of claims handling costs decreased 21.4%, though the volume of benefits paid increased 12.3% (figure 39).

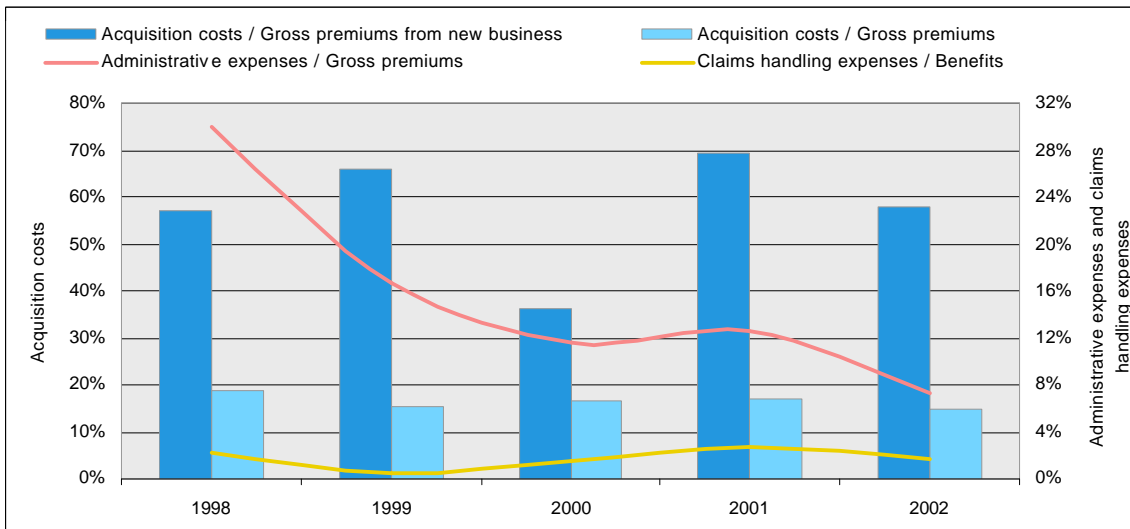


Figure 39. Ratio of acquisition costs to gross premiums from new business, administrative expenses to gross premiums and claims handling costs to benefits paid, 1998–2002

### Technical provisions

The amount of technical provisions was 814,6 million kroons at the end of 2002, of which 98.6% was the life insurance provision (together with the unearned premiums provision), 0.8% (6,3 million kroons) the outstanding claims provision and 0.6% (5,2 million kroons) the provision for bonuses. The growth in the amount of technical provisions was 47.6%, whereas the life insurance provision increased 47.6%, the outstanding claims provision increased 701.0% and the provision for bonuses decreased 57.2% (figure 40).

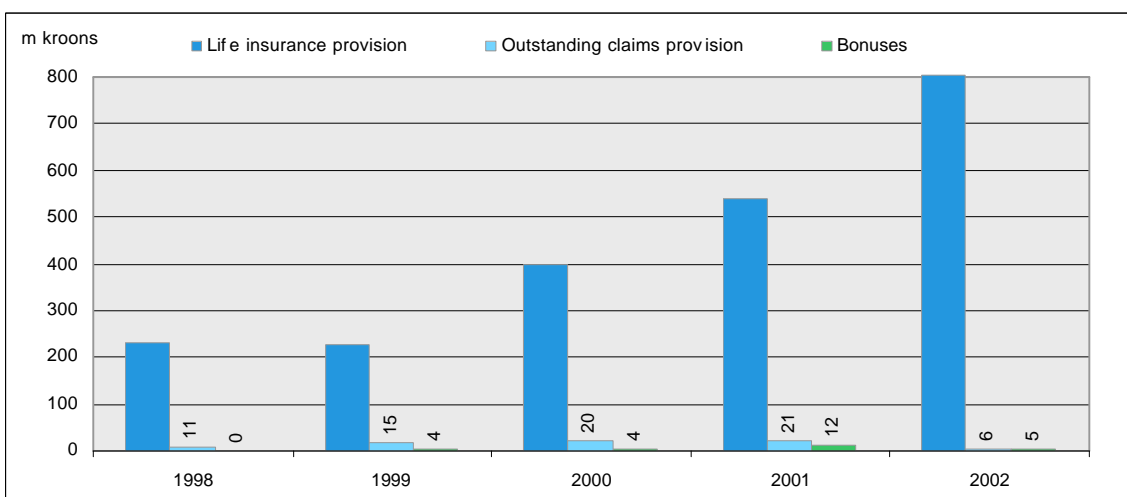


Figure 40. Life insurance provision (31 December), outstanding claims provision (31 December) and bonuses, 2002

The ratio of provision for bonuses (bonuses declared in 2002) to life insurance provision was 0.6 (figure 41).

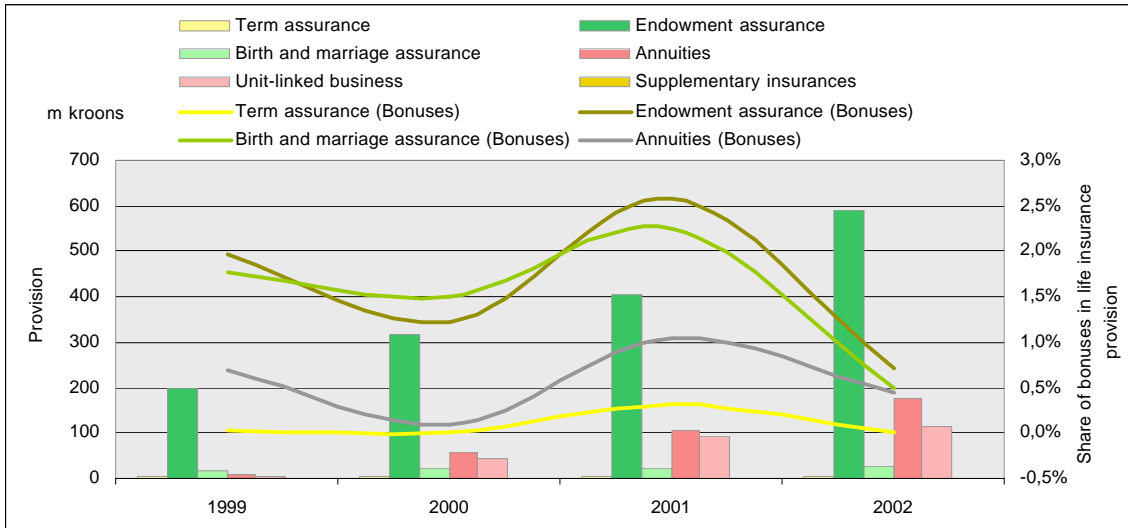


Figure 41. Life insurance provisions of life insurers (31 December) and bonuses declared as the percentage of life insurance provision, 1999–2002

The total balance sheet volume of life insurers was 1,2 billion kroons at the end of 2002, thereof 68.4% were the technical provisions (61.2% in 2001), 9.0% the provisions for unit-linked business (10.0% in 2001) and 19.1% the owners' equity (25.6% in 2001). The total volume of investments of life insurers was 1,0 billion kroons and the volume of investments for unit-linked business 113,2 million kroons, i.e. 85.2% and 9.5% of total balance sheet volume, respectively (figures 42 and 43).

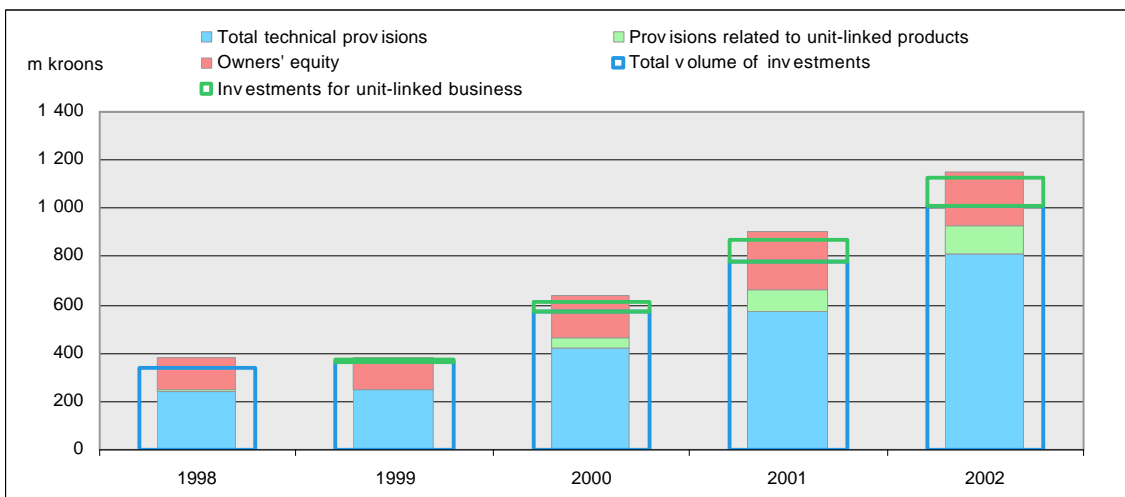


Figure 42. Technical provisions, provisions for unit-linked business, owners' equity, volume of investments and investments for unit-linked business of life insurers, 31 December 1998–2002

The total volume of committed assets (assets that have to cover technical provisions) was 823,9 million kroons at the end of 2002, thus the coverage level of technical provisions was 101.9%. Investments into listed debt securities formed the biggest share of committed assets (52.5%); they were followed by time deposits (30.4%) and equities and shares of investment funds (6.6%) (figure 44).

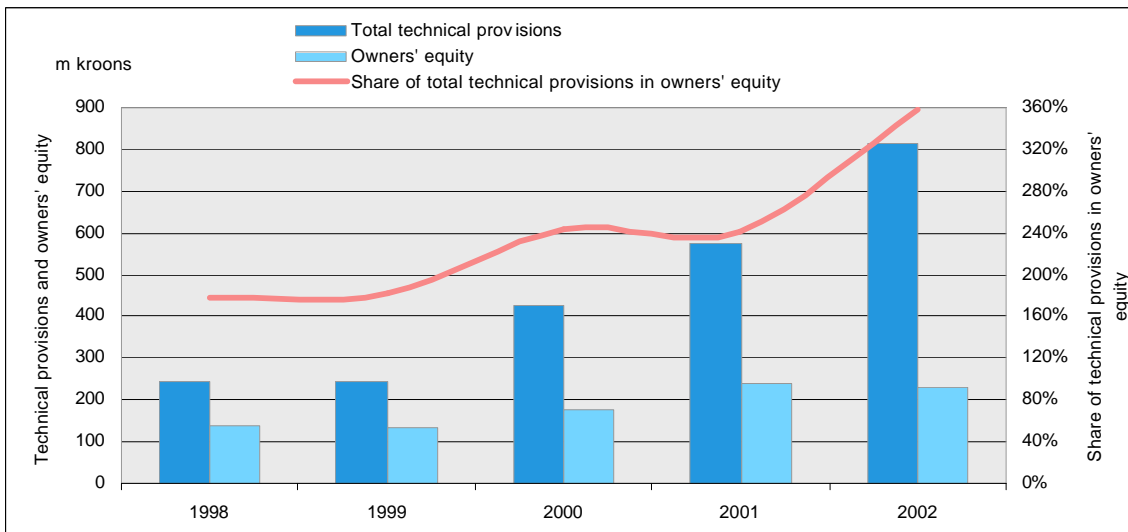


Figure 43. Technical provisions, owners' equity and the share of technical provisions in owners' equity of life insurers, 31 December 1998—2002

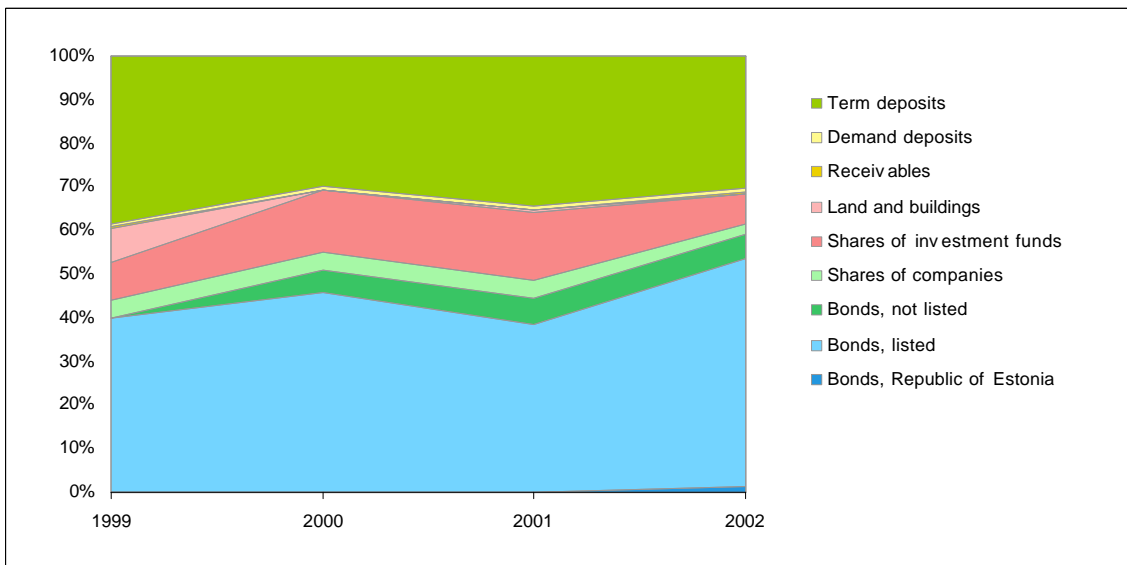


Figure 44. The structure of committed assets, 31 December 1999—2002

### **Investments of life insurers**

The total investment volume of life insurers was 1,0 billion kroons at the end of 2002, thereof 59.4% were investments in debt securities and other fixed-interest securities (43.2% in 2001), 24.7% were investments in deposits with credit institutions (30.9% in 2001) and 11.2% were investments in shares and other securities (17.8% in 2001). The relative importance of fixed-interest securities in the structure of investments increased (figure 45).



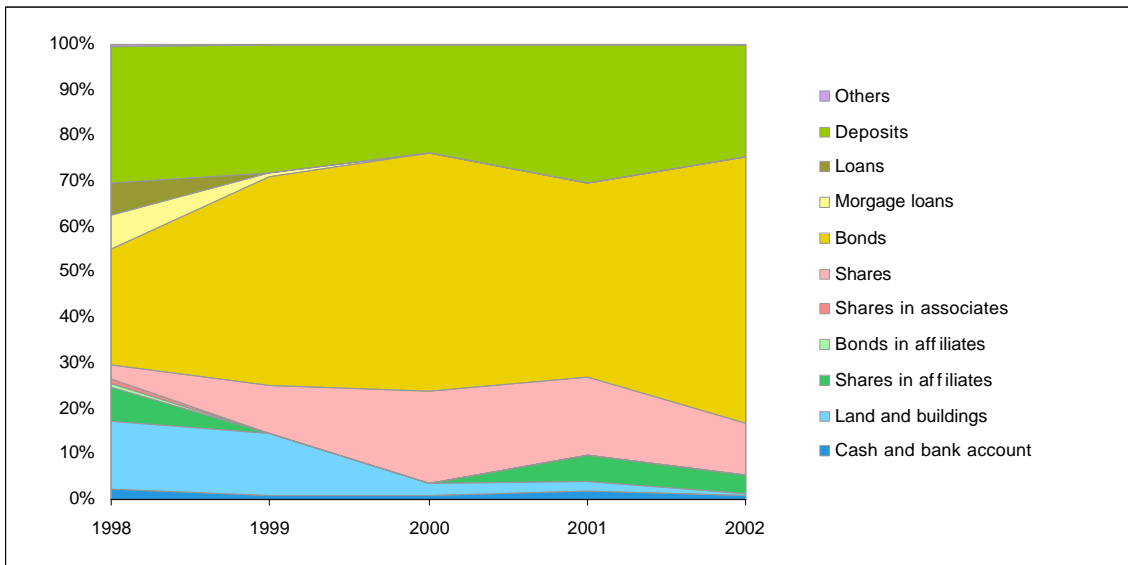


Figure 45. The structure of investment portfolio, 31 December 1998—2002

Investments made into variable-interest securities issued in Estonia formed the biggest share in this investment class (63.0%); the second and the third place were taken by securities traded in securities' markets of Luxembourg (19.4%) and Finland (8.7%) (figure 46).

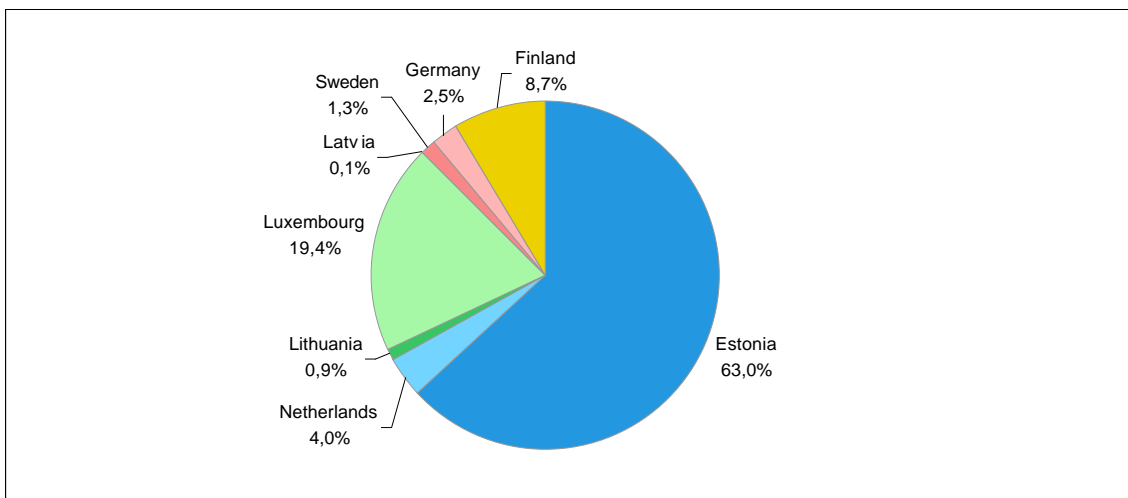


Figure 46. Investments in shares, 31 December 2002

Investments made into fixed-interest securities issued in Estonia formed the biggest share in this investment class (29.0%); the second and the third place were taken by securities issued in Germany (10.4%) and Sweden (9.0) (figure 47).

The total volume of investments was 1,0 billion kroons at the end of 2002, investments expenses were 26,7 million kroons and investment income 53,8 million kroons. Thus, the investment profit was 2.7% in 2002, which was lower than EURIBOR for different time periods (in 2002 the investment profit was 2.5%) (figure 48). The increase in profitability was partly due to the increase in the share of bonds in the total volume of investments, accompanied by the decrease in the share of equities.

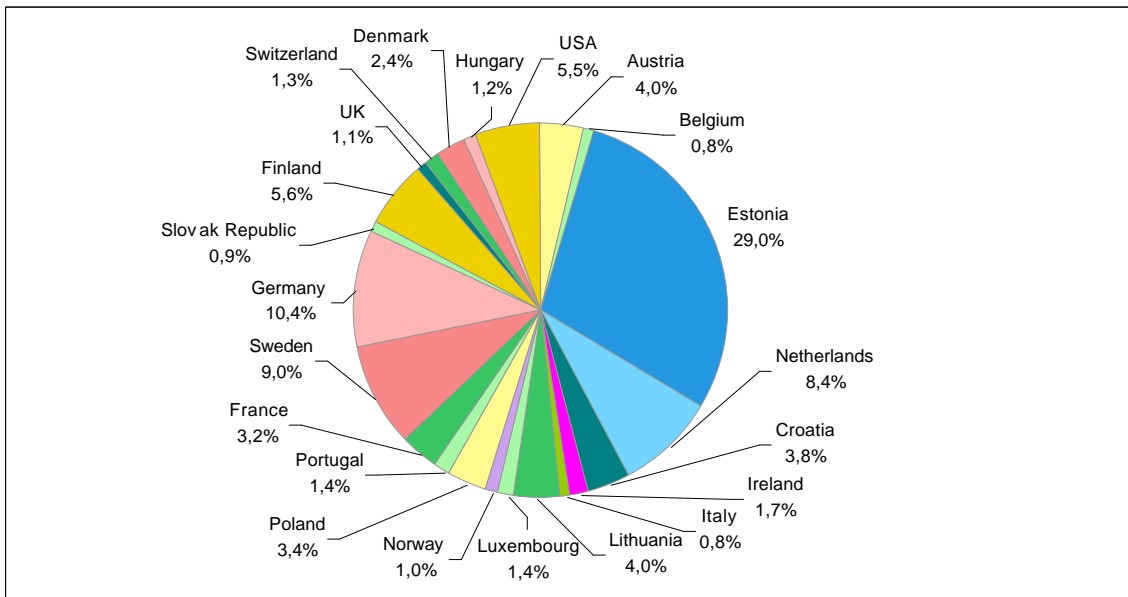


Figure 47. Investments in bonds, 31 December 2002

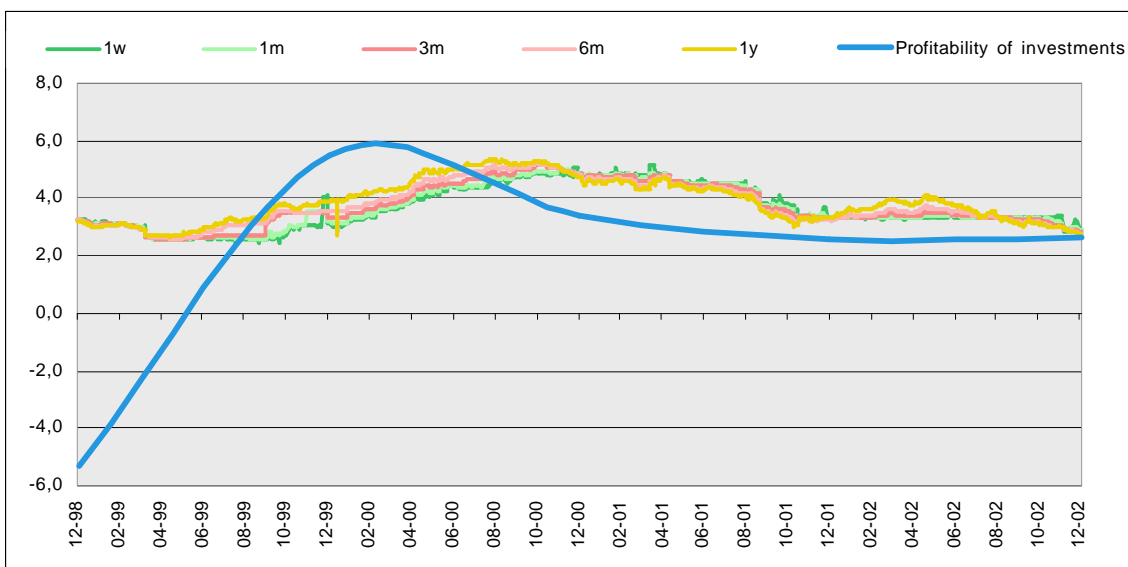


Figure 48. Profitability of investments of life insurers and EURIBOR, 1998—2002

**Owners' equity, technical profit/loss**

The total balance sheet volume was 1,2 billion kroons at the end of 2002, thereof 1.0% were short-term assets, 0.3% payables to policyholders and 68.4% technical provisions. The assets exceeded the liabilities by 29.2%, but the ratio varied considerably from insurer to insurer (figure 49).

Short-term assets decreased in 2002 as the ratio of cash and bank account to the total volume of investments dropped from 1.7% to 0.9%.

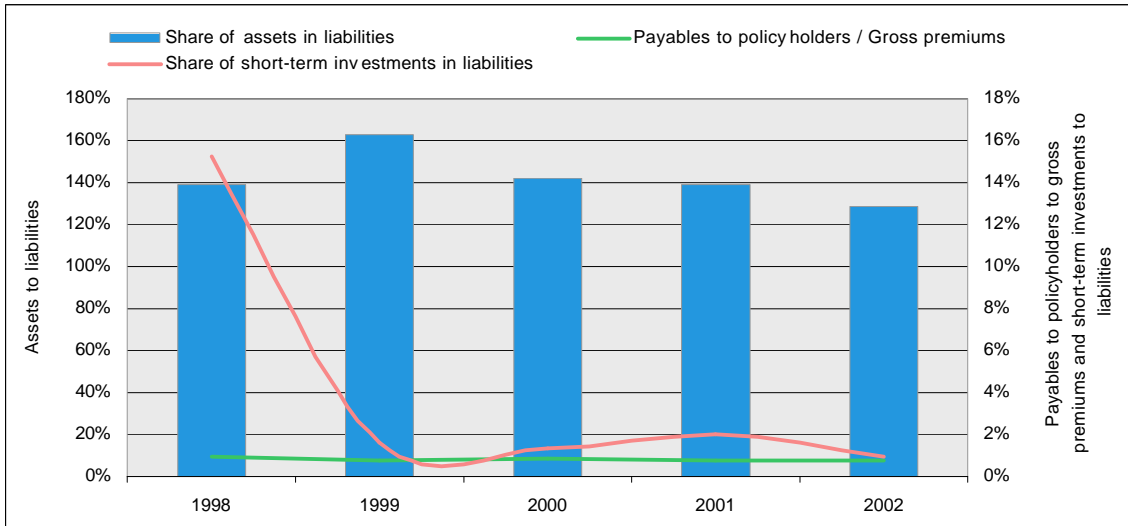


Figure 49. Ratios of assets to liabilities (31 December), payables to policyholders to gross premiums and short-run assets to liabilities (31 December), 1998–2002

Investments exceeded the committed assets by 123.1% (ratio of investments to committed assets) at the end of 2002. In 2002 ratio decreased by 10.4 percentage points (figure 50).

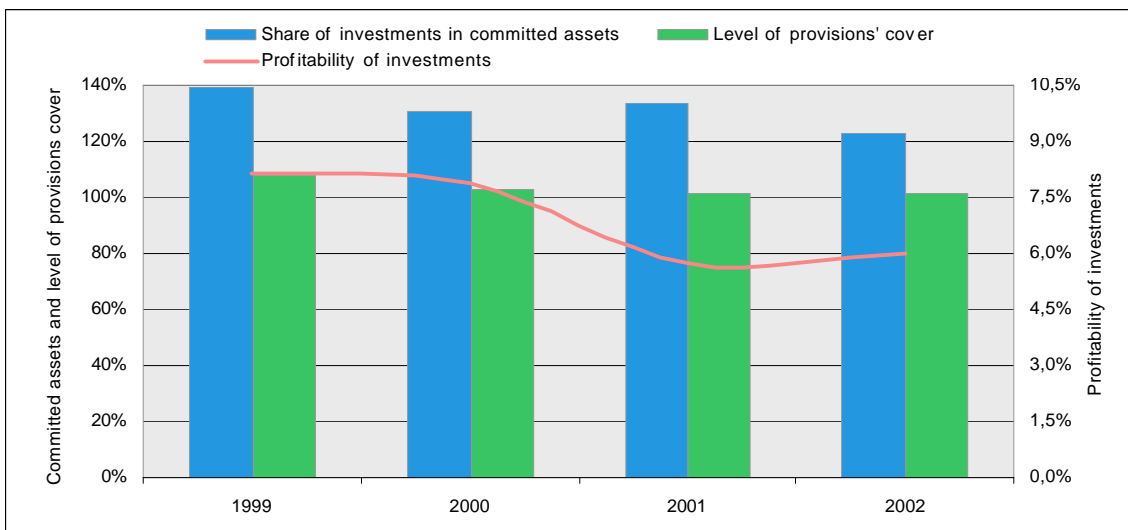


Figure 50. Ratio of investments to committed assets (31 December), level of technical provisions' cover (31 December) and profitability of investments, 1999–2002

The amount of owners' equity was 227,5 million kroons at the end of 2002, whereas the drop was 4.0% if compared to the previous year (237,1 million kroons in 2001). The main reason for that was the payment of dividends to shareholders in a bigger amount than before (figure 51).

The total technical profit of life insurers was 20,4 million kroons in 2002, the growth being 2,8 times in comparison to 2001. Due to the increase in technical profit, also the profitability of owners' equity (return on equity) increased to the level of 7.7% (2.1% in 2001) (figure 51).

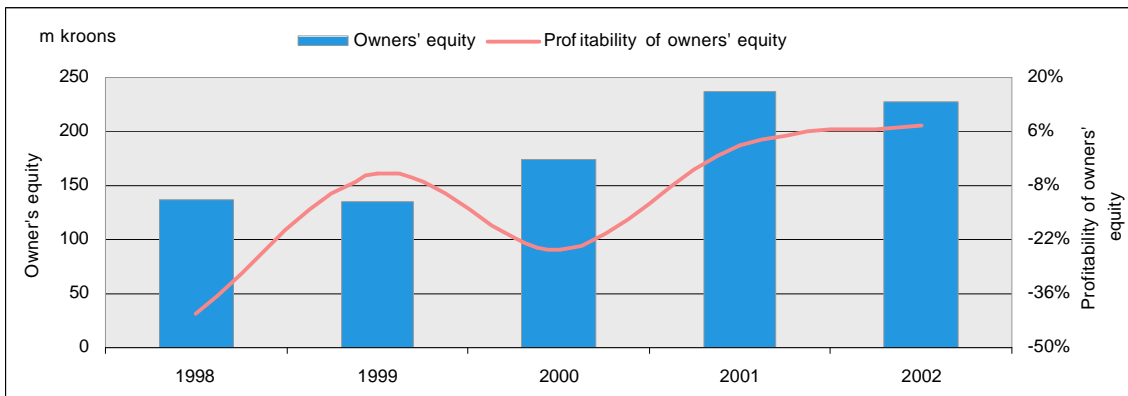


Figure 51. Owners' equity (31 December) and profitability of owners' equity of life insurers, 1998—2002

The solvency margin was 101,3 million kroons at the end of 2002 (68,3 million kroons in 2001), and the volume of own funds exceeded the solvency margin 2,2 times (3,5 times in 2001). The increase in the solvency margin was mainly due to the extension of the remaining period for an average insurance policy and the respective increase in technical provisions (figure 52).

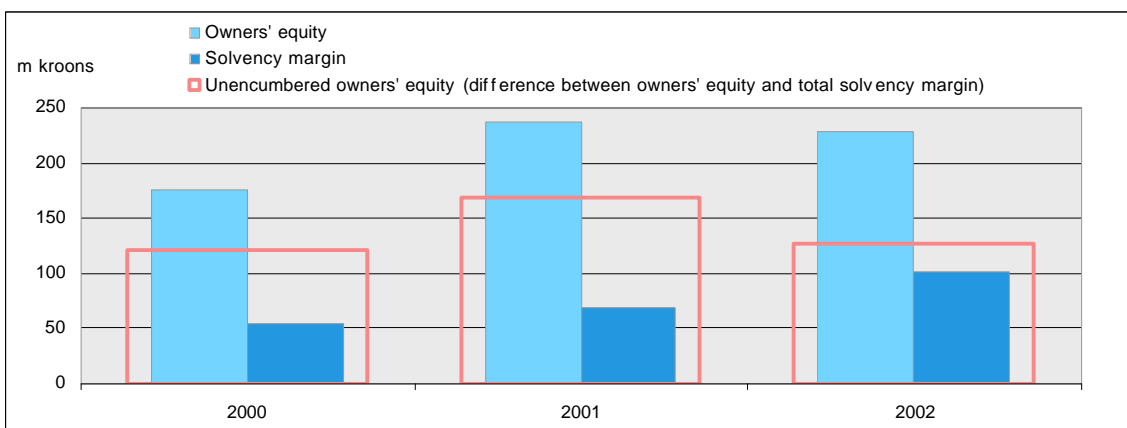


Figure 52. Life insurers' own funds (31 December), solvency margin and unencumbered own funds (31 December), 2000—2002

The volume of unencumbered own funds (difference between own funds and the solvency margin) was 126,3 million kroons at the end of 2002. Considering the share of variable-interest securities (11.2%) and the share of fixed-interest securities (59.4%) in the total volume of investments and comparing these figures with the volume of unencumbered own funds, we can find the tolerance level of the decrease in investment value, which would not jeopardize life insurers.

As the volume of unencumbered own funds decreased 25.2% in 2002 and also the share of equities in the investment portfolio dropped (17.8% in 2001), there was also a decrease in the tolerance level of the decrease in the value of fixed-interest securities.

Due to the minor share of variable-interest securities in investment portfolios and considering the volume of unencumbered own funds, we can see that the fall in the value of these investments would not affect the ability of life insurers to follow the solvency margin requirements (figure 53).

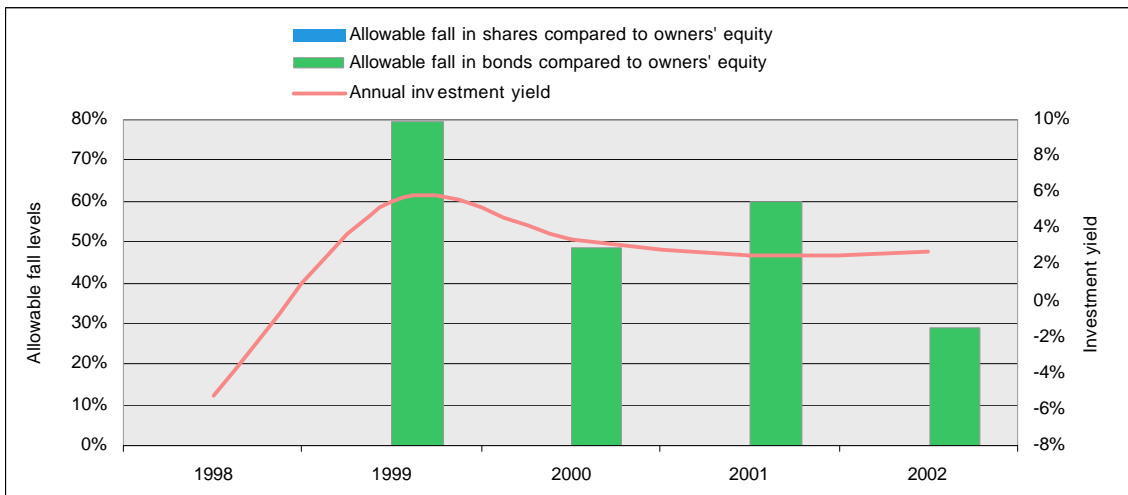


Figure 53. The tolerance level of the decrease in investment value according to unencumbered own funds and the profitability of investments, 1998—2002

The net profit of life insurers was 17,4 million kroons in 2002 and the profit margin (ratio of net profit to gross premiums) was 3.9%. Both the volume of gross premiums and that of net profit increased, if compared to 2001; therefore, also the profit margin increased in 2002 (2.5) (figure 54).

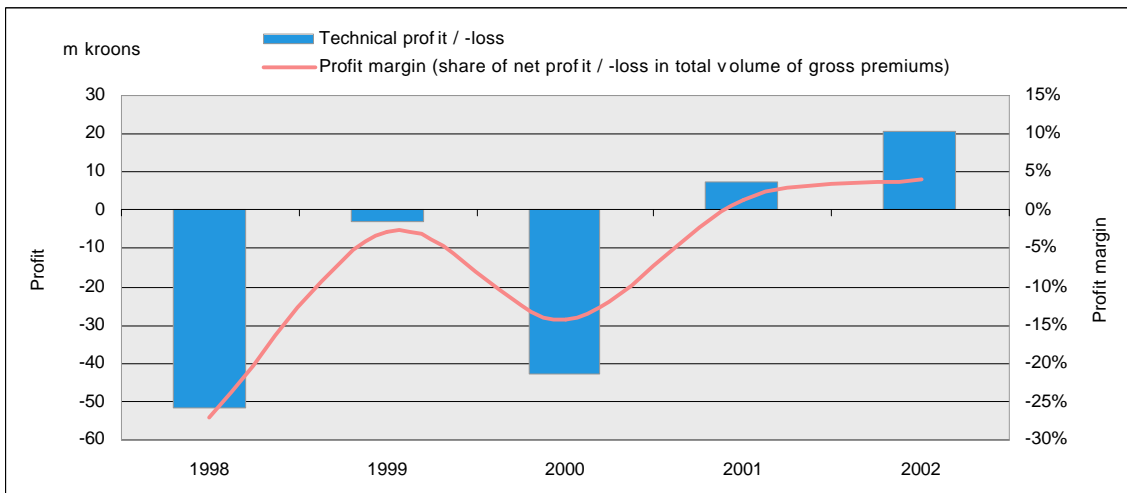


Figure 54. Technical profit/loss and the profit margin of life insurers<sup>1</sup>, 1998—2002

As to the ratio of acquisition costs to owners' equity, it shows us how much a life insurer has to put in the money in order to gain new business (considering this as the investment in the future). This ratio increased to the level of 3.6% in 2002 because both the volume of new business and the cost per contract grew (figure 55).

<sup>1</sup> 1999 data does not include the losses of two life insurers (AB Elukindlustuse AS and Polaris-Elu KAS) who had transferred their portfolio to other life insurers

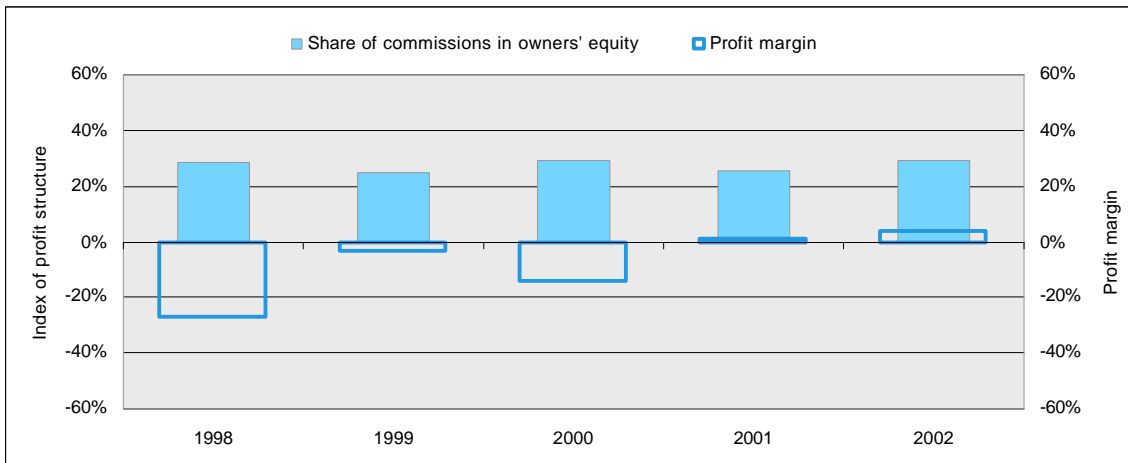


Figure 55. Share of commissions in owners' equity and the profit margin of life insurers, 1998—2002

## ANALYSIS OF PORTFOLIO OF LIFE INSURANCE POLICIES

### Average life insurance policy

As to the average insurance policy, we have to remember that average components of a policy (premium, sum assured, insurance period, etc.) vary considerably in each insurance class.

In 2002, average sums assured increased in term assurance, unit-linked business, annuities and supplementary insurances, decreased in marriage and birth assurance, and remained to the same level in endowment assurance (figure 56).

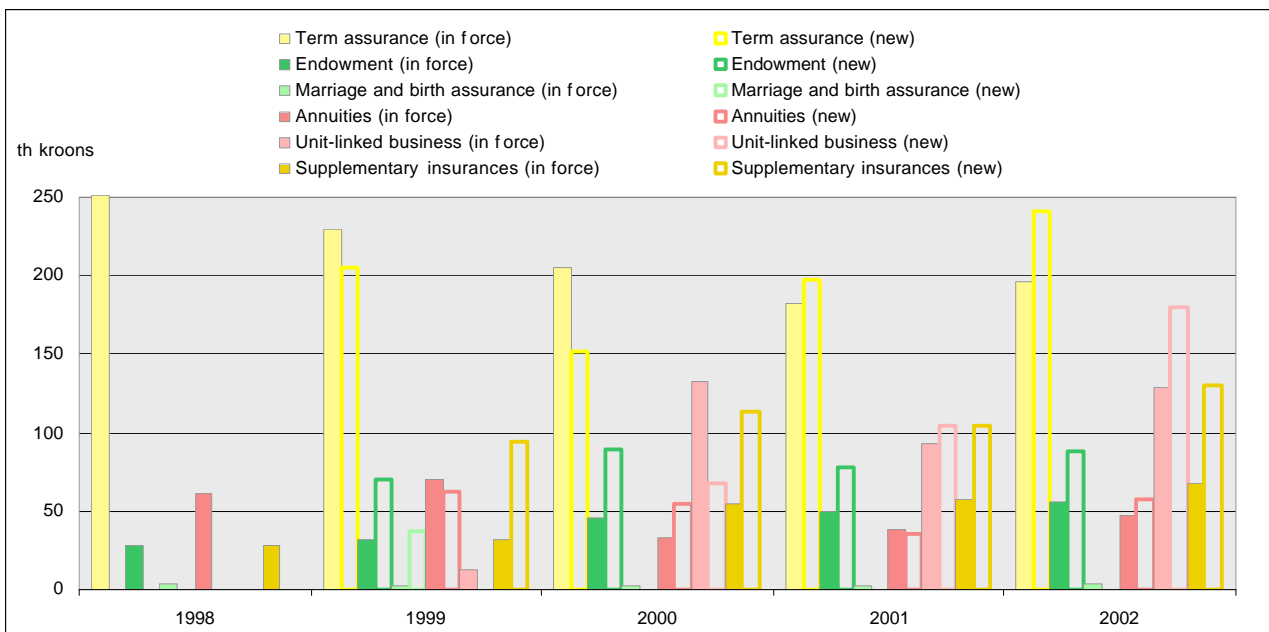


Figure 56. Average sum assured for policies in force and for new business, by insurance classes, 31 December 1998—2002

The average premium per contract increased in annuities and endowment assurance and decreased in term assurance and unit-linked business (figure 57).

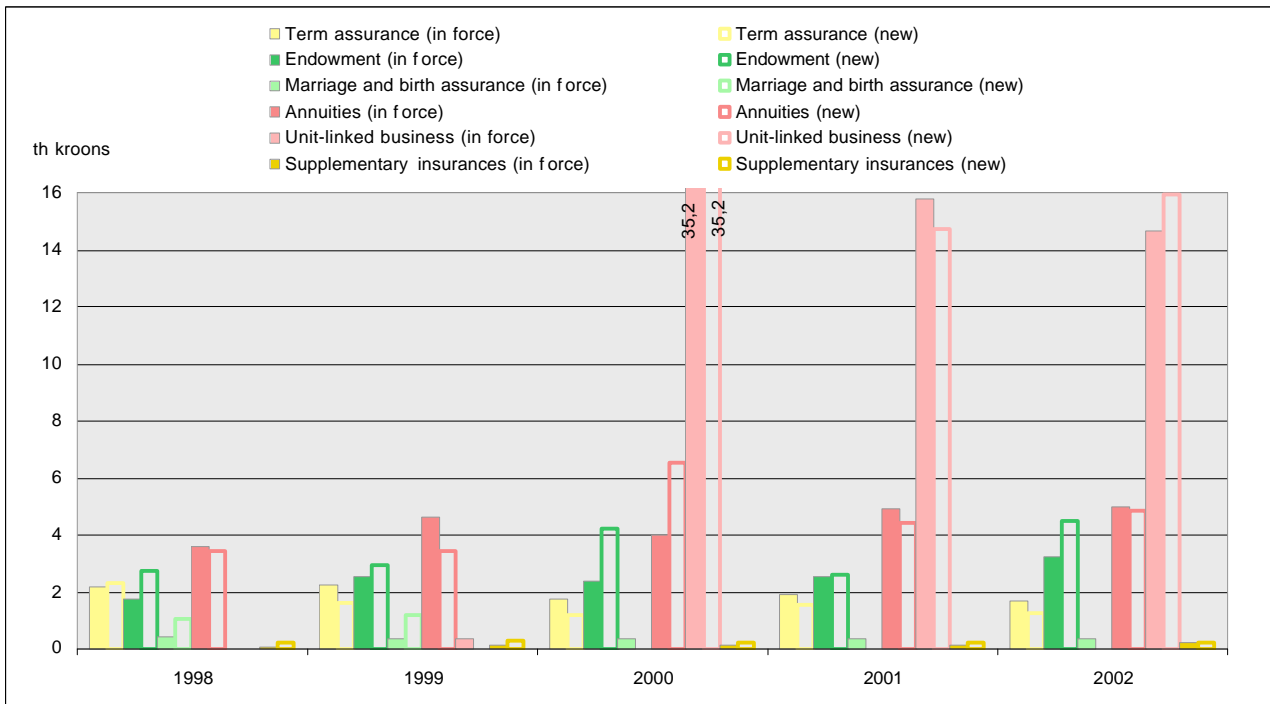


Figure 57. Average premiums per contracts in force and for new business, by insurance classes, 1998–2002

Due to differences in the nature of insurance cover, the average sum assured and premiums of different insurance classes vary considerable from each other.

Thus, e.g. the average sum assured per policy was 56,463 kroons and the average annual premium per policy 3,199 kroons in the endowment assurance, but in the term assurance these amounts were 196,295 kroons and 1,684 kroons, respectively. In addition to the death risk component, the endowment assurance includes also a more “expensive” component – the saving component.

The average policy in new business differs from that in old business mainly in respect of the volumes of its sum assured and premium. New policies are issued with larger insurance cover and are accompanied by a higher insurance premium. The increase in average premium depends also on the increase in the cost of living.

The average age of an insured when purchasing the policy (enforcement) was approximately 36 years and the average period of insurance policy 14 years (figure 58). Depending on the aim of purchasing the policy (death cover, savings, etc.), there are big differences in average measures of insurance classes – in the endowment assurance the average period was 23,1 years and the average age of insured 28,5 years, in term assurance the average period was 17,1 years and the average age of insured 35,7 years.

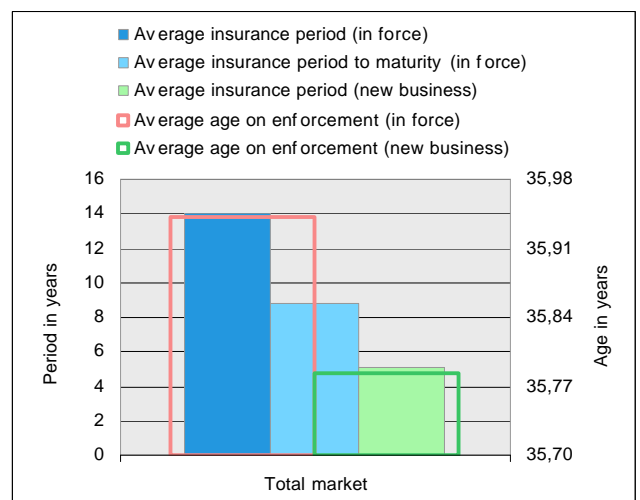


Figure 58. Average insurance period and average age on enforcement, 2002

In 2002, people between the ages of 30 and 35 years purchased insurance policies the most, and the most of policies purchased at these ages were endowment policies (figure 59). In case of endowment assurance, an important role was also played by the assurance for children, as we can see from the jump at the ages between 0 and 3 years (figure 43). The highest average age on enforcement was in annuities because of the nature of that class, and the lowest average age on enforcement was in term assurance.

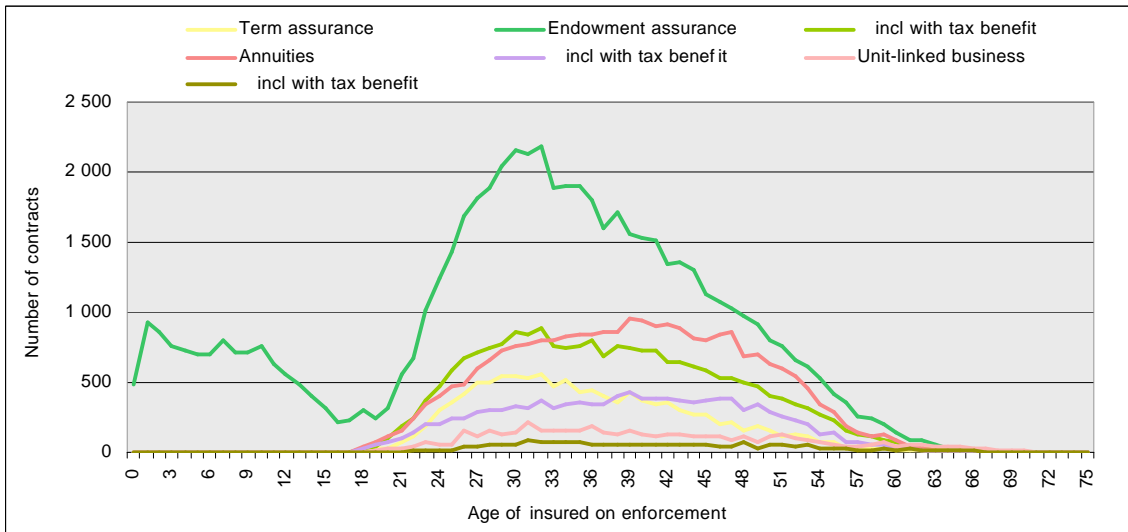


Figure 59. Distribution of age of insured on enforcement by insurance class, 2002

Insurance policies with a period of 18 years were purchased the most in 2002.

Among insurance classes, the endowment assurance had the longest average period. The main reason for that was that one third of all endowment assurance policies was issued with tax benefit (33.1% of endowment assurance policies) (figure 60).

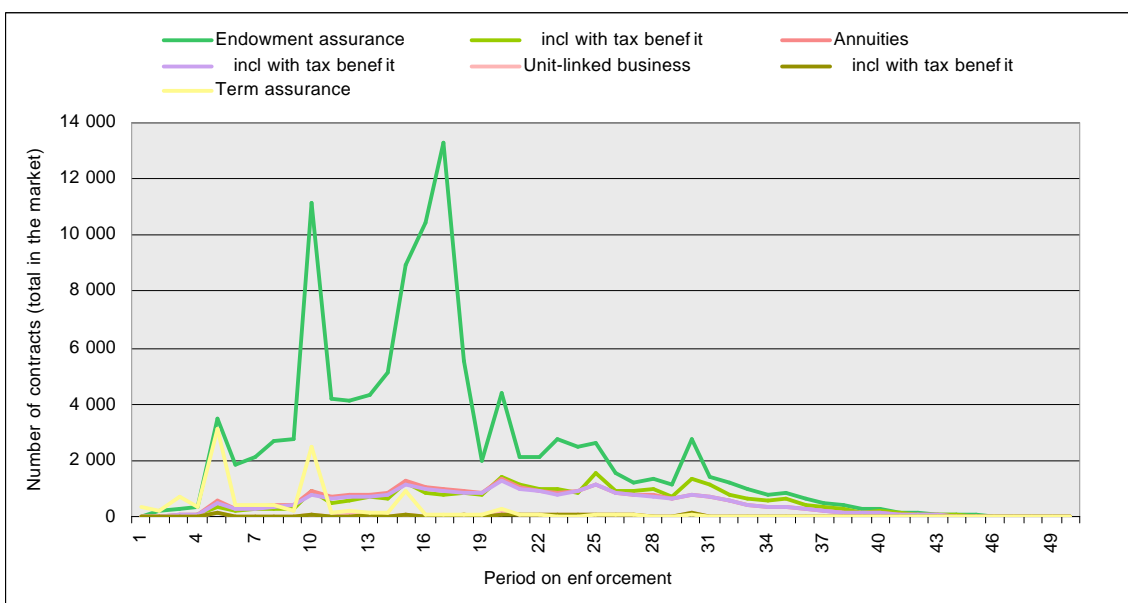


Figure 60. Distribution of period on enforcement of insurance policies, 2002



The average length of investments in fixed-interest securities was 3 to 4 years in 2002, but the average length of liabilities was 14 years. In the next figure (figure 61) we can see the distribution of technical provisions and investments according to the remaining period to maturity. This figure illustrates the fact that investments can cover the liabilities in a short run, but for covering long-term liabilities there are insufficient investments. We can see also the sums assured payable in case of death and maturity, presented by using the same time horizon.

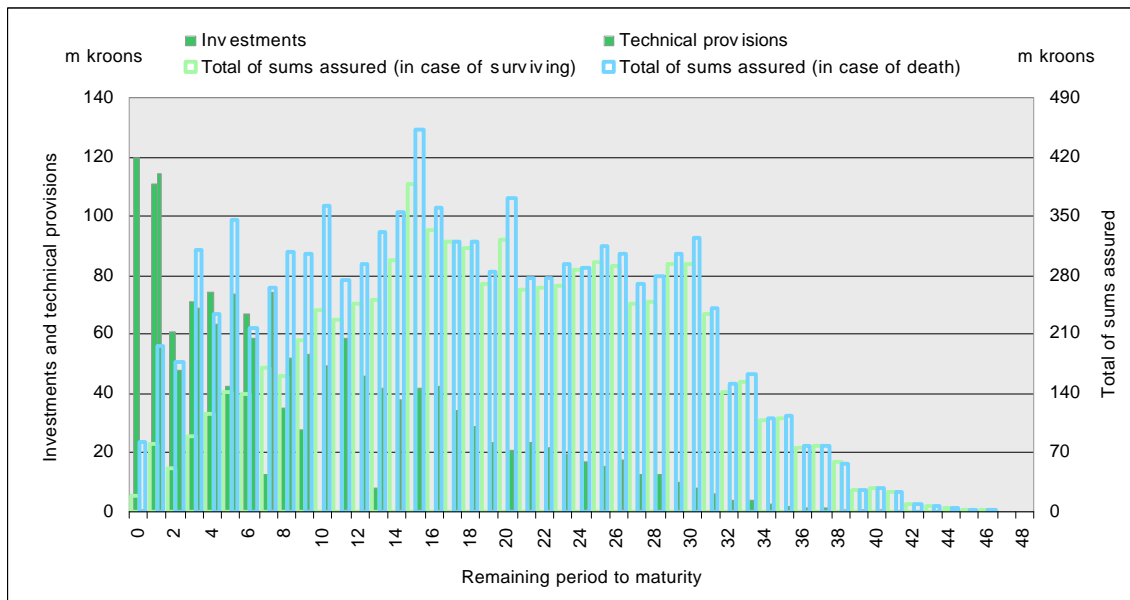
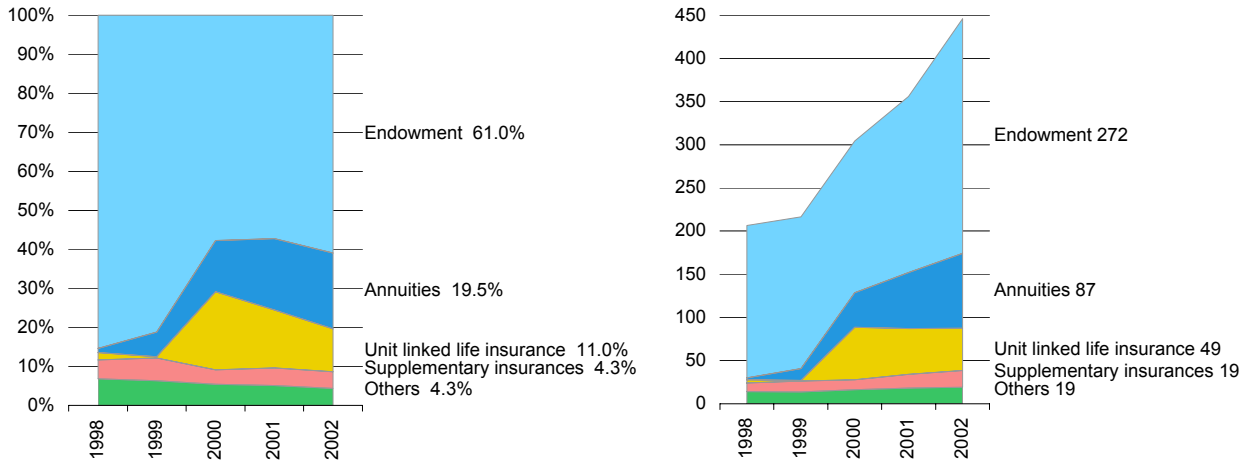


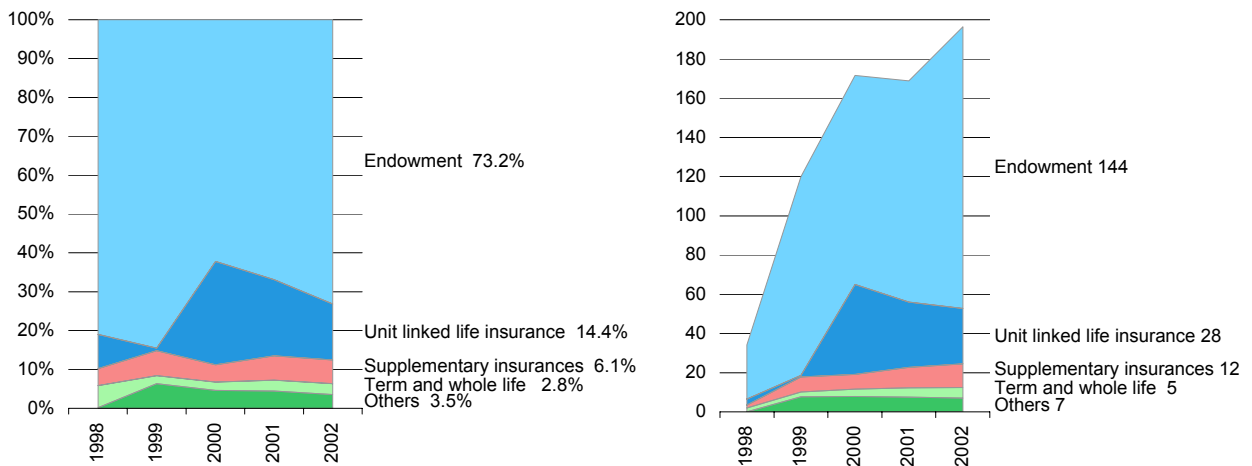
Figure 61. Distribution of technical provisions and sums assured of insurance policies and distribution of investments according to remaining period to maturity, 2002

# Insurance portfolio structure of life insurers (1)

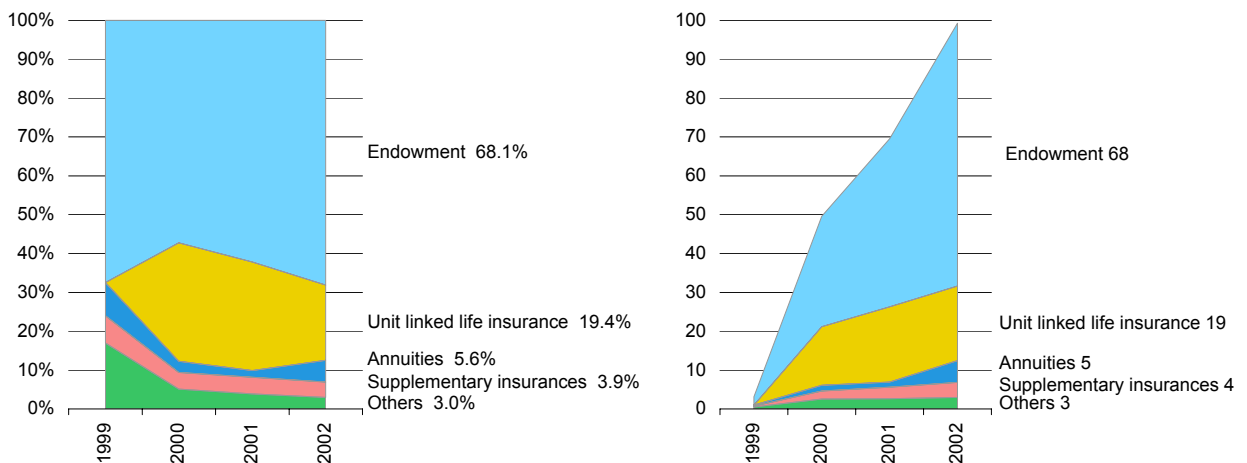
## Total gross premiums of life insurers (446 million kroons)



## Hansapanga Kindlustuse AS (196 million kroons)

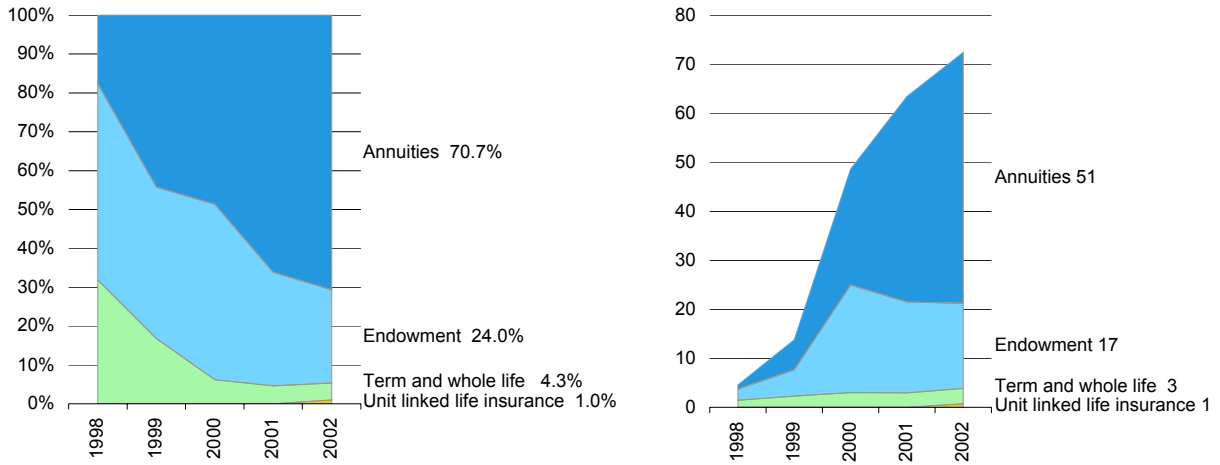


## Ühispanga Elukindlustuse AS (99 million kroons)

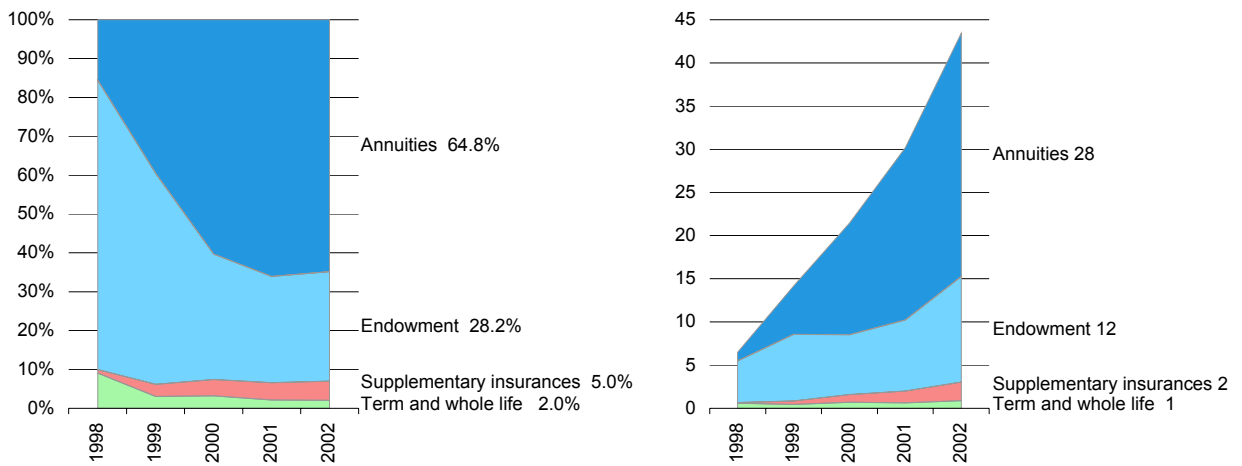


## Insurance portfolio structure of life insurers (2)

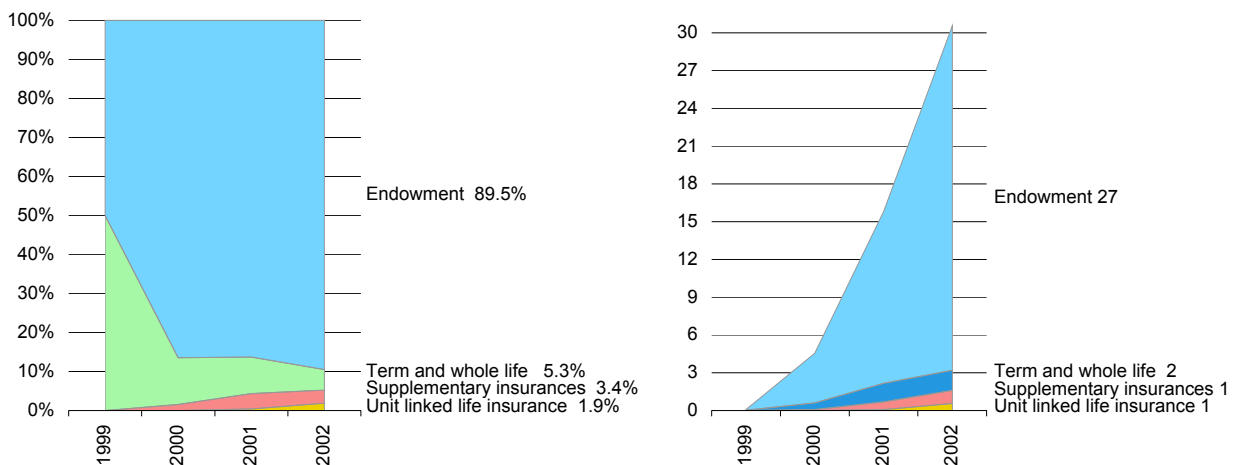
### Seesam Elukindlustuse AS (72 million kroons)



### ERGO Elukindlustuse AS (43 million kroons)

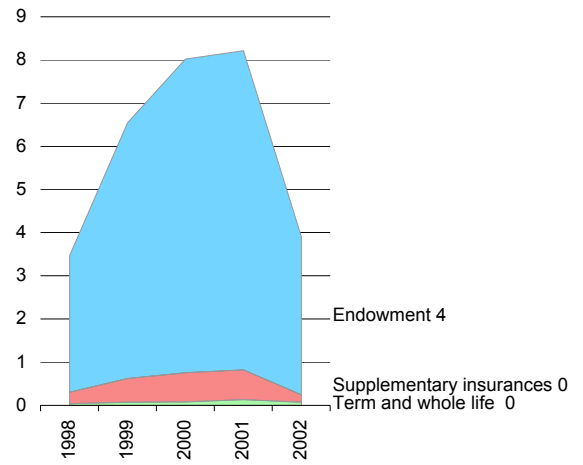
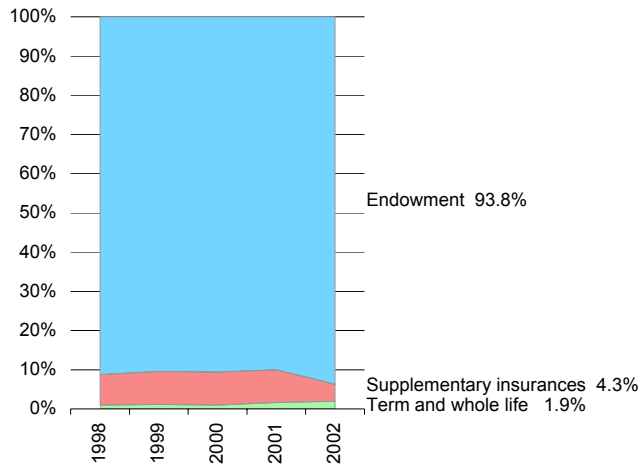


### AS Sampo Elukindlustus (31 million kroons)



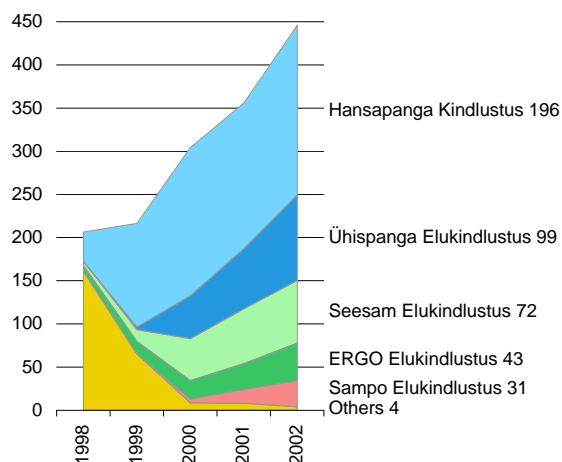
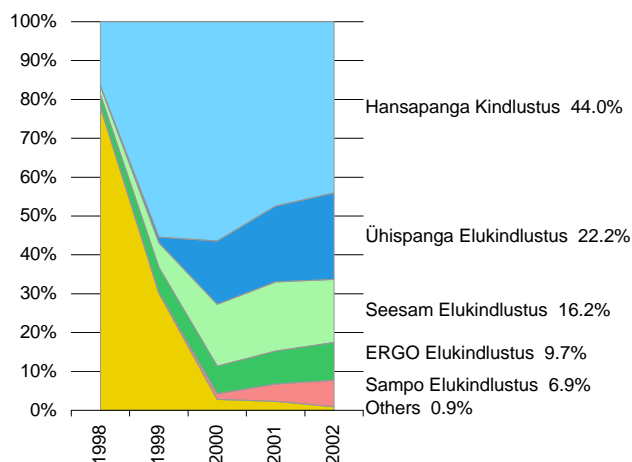
# Insurance portfolio structure of life insurers (3)

## Nordika Elukindlustuse AS (4 million kroons)

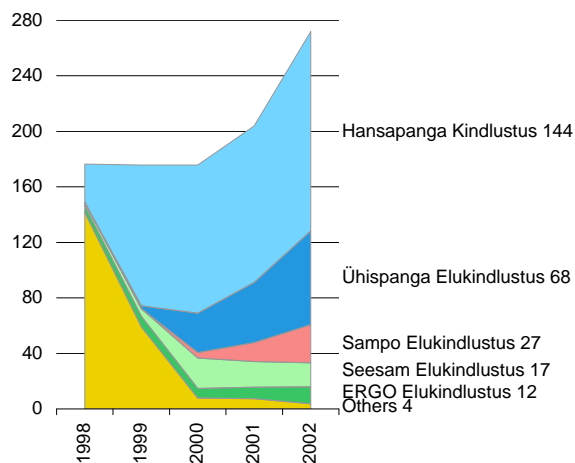
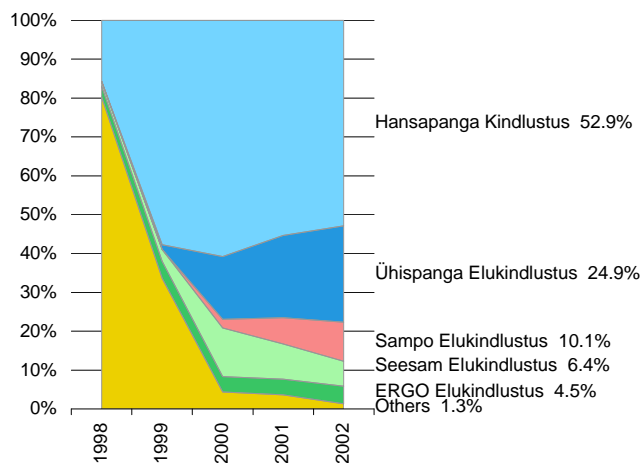


# Market shares of insurers by classes of life insurance (1)

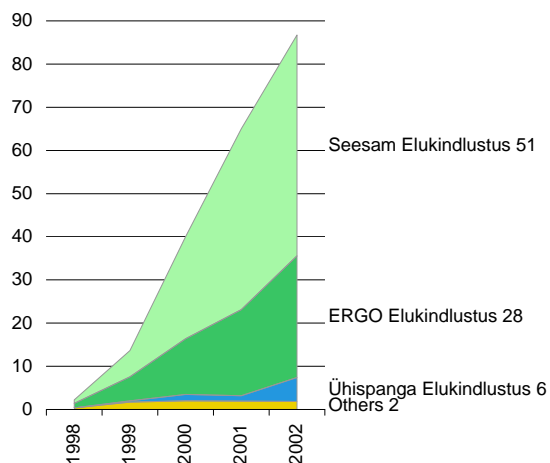
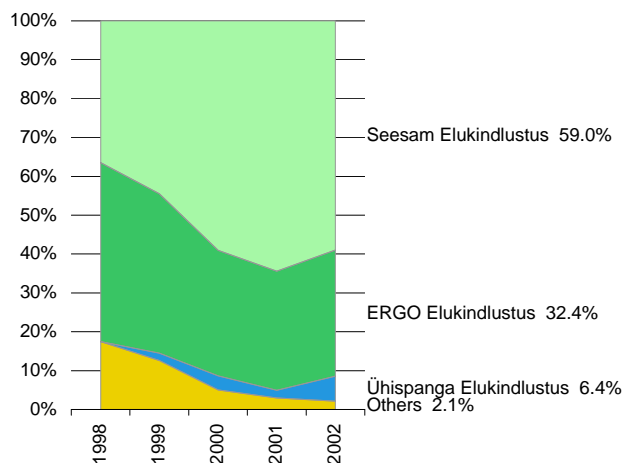
## Total gross premiums of life insurance lines (446 million kroons)



## Endowment insurance (272 million kroons)

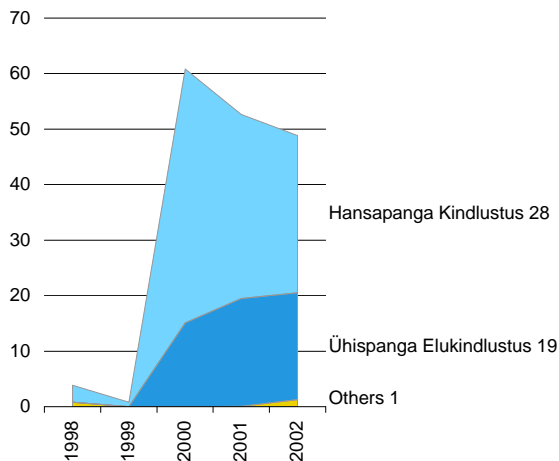
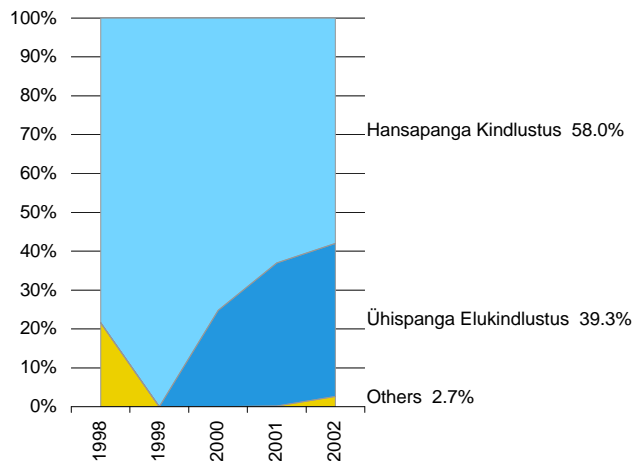


## Annuities (87 million kroons)

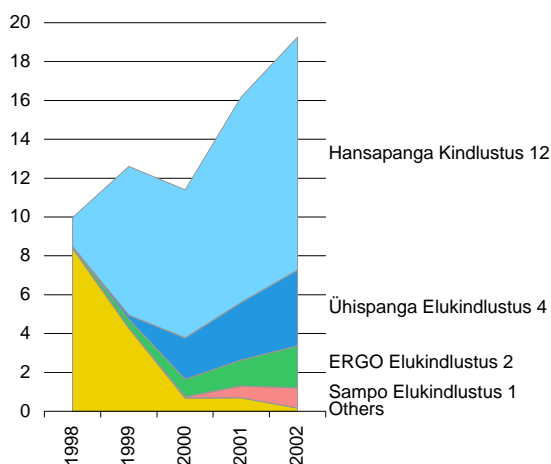
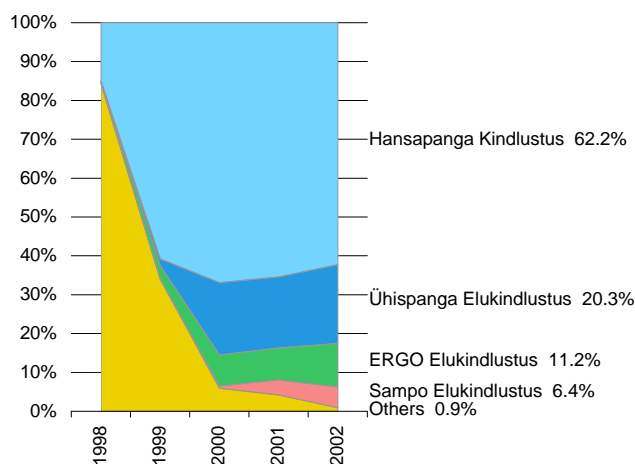


## Market shares of insurers by classes of life insurance (2)

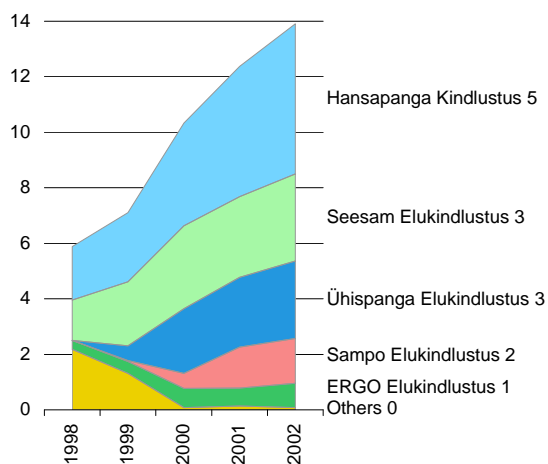
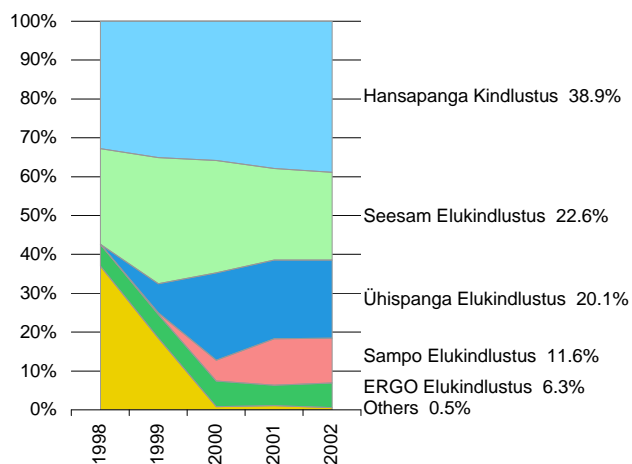
### Unit linked life insurance (49 million kroons)



### Supplementary insurances (19 million kroons)

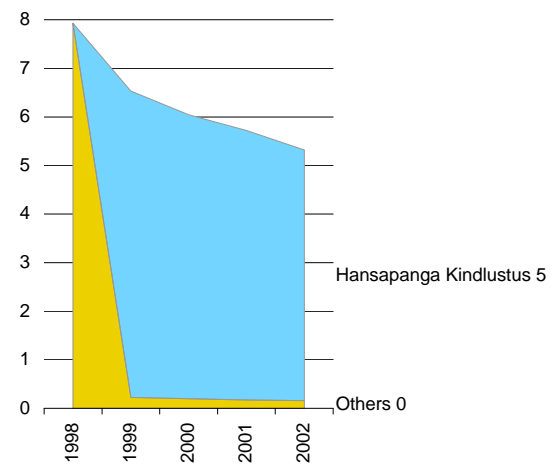
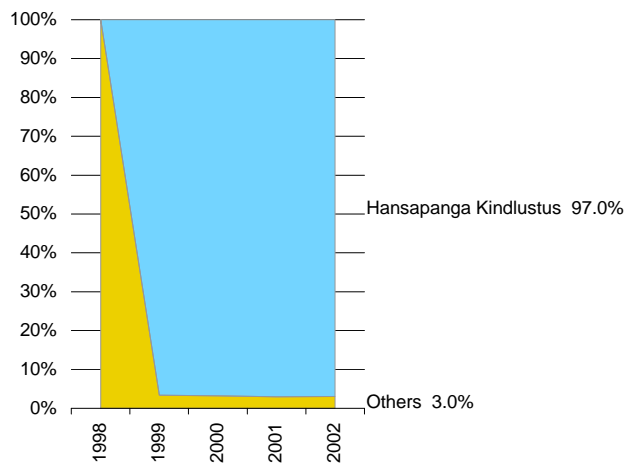


### Term and whole life assurance (14 million kroons)

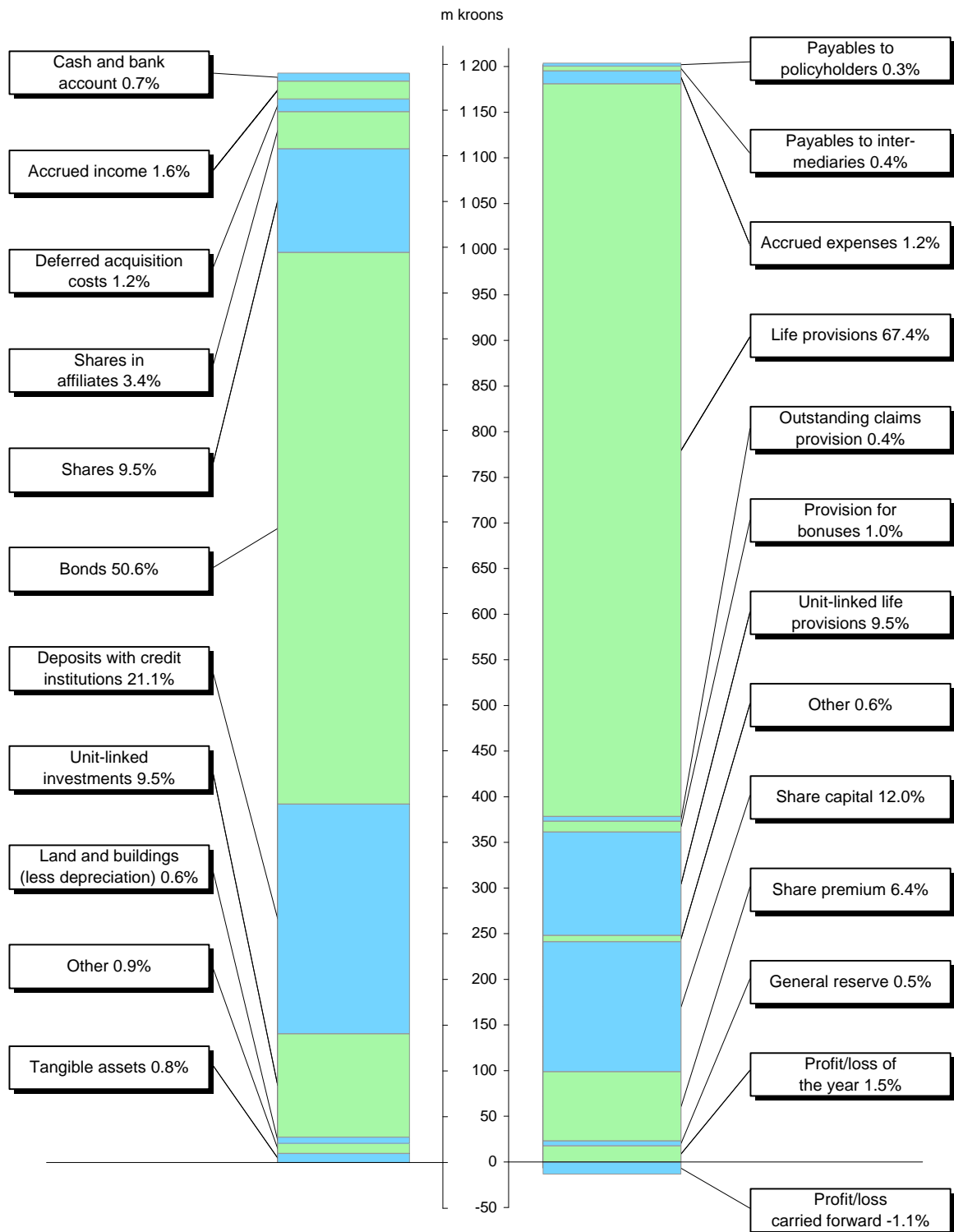


# Market shares of insurers by classes of life insurance (3)

## Birth and marriage assurance (5 million kroons)



# Structure of assets and liabilities of life insurers, 31 December 2002 (Balance volume — 1.2 billion kroons)



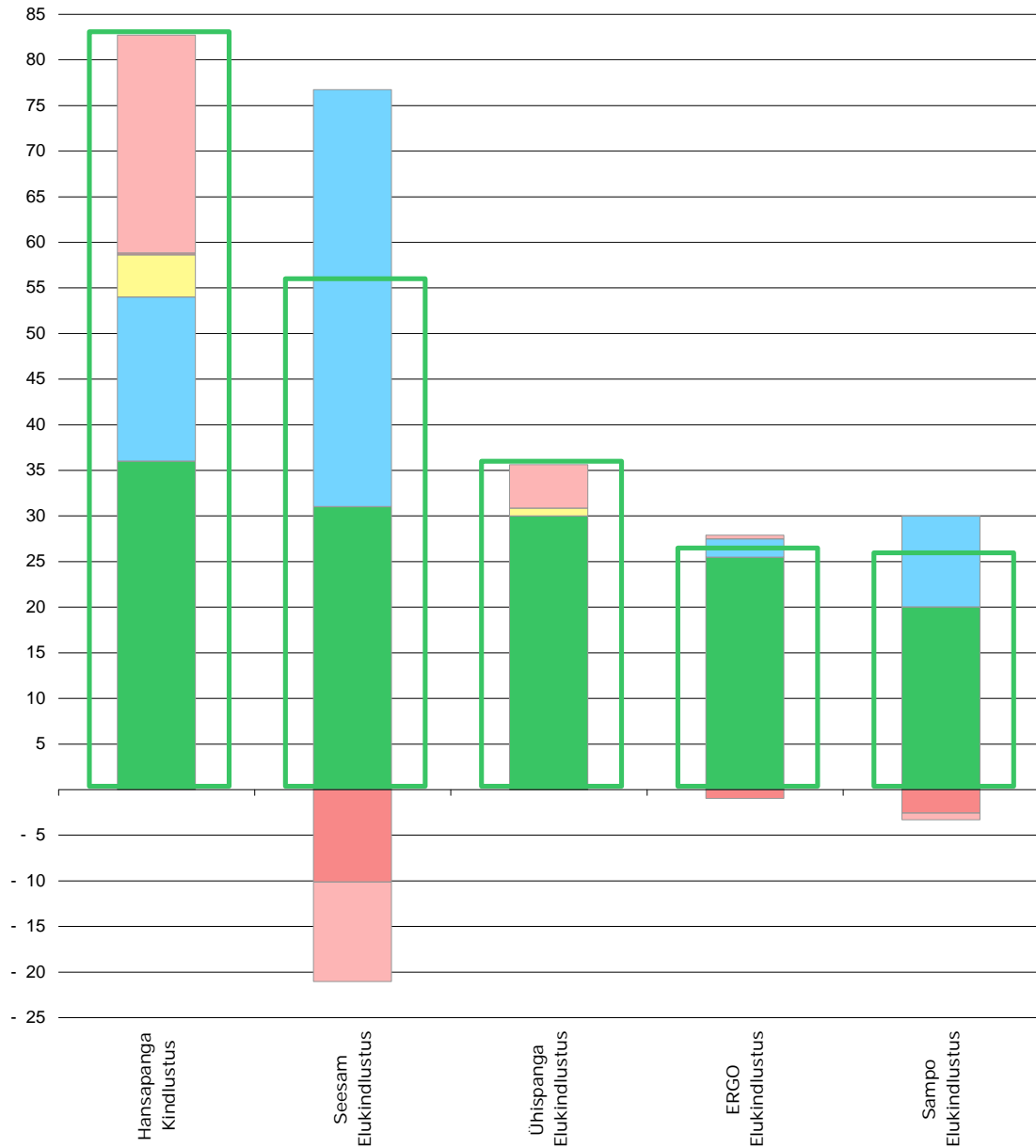


## Components of owners' equity in life insurance, 31 December 2002 (million kroons)

- Profit/loss of the year
- Profit/loss carried forward
- General reserve
- Share premium
- Paid-in share capital less treasury shares
- Owners' equity less intangible assets

Owners' equity less unpaid capital  
and intangible assets (kroons)

|                         |            |
|-------------------------|------------|
| Hansapanga Kindlustus   | 82 726 443 |
| Seesam Elukindlustus    | 55 653 859 |
| Ühispanga Elukindlustus | 35 615 223 |
| ERGO Elukindlustus      | 26 122 772 |
| Sampo Elukindlustus     | 25 577 263 |



## Ratios of life insurers, 2002

|  | ERGO<br>Elukindlustus | Hansapanga<br>Kindlustus | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Ühispanga<br>Elukindlustus | TOTAL  |
|--|-----------------------|--------------------------|------------------------|-------------------------|----------------------------|--------|
| Gross premiums to owners' equity                             | 161.6%                | 237.5%                   | 114.6%                 | 130.1%                  | 278.6%                     | 196.0% |
| Operating expenses to gross premiums                         | 36.6%                 | 14.2%                    | 43.2%                  | 27.7%                   | 27.7%                      | 23.4%  |
| Operating expenses to annual<br>average technical provisions | 26.4%                 | 7.5%                     | 85.6%                  | 12.0%                   | 37.4%                      | 15.1%  |
| Investments profitability of life insurers                   | 6.2%                  | 6.3%                     | 7.0%                   | 4.8%                    | 7.5%                       | 6.0%   |
| Surrender ratio  | 61.6%                 | 41.6%                    | 48.7%                  | 39.0%                   | 48.0%                      | 43.3%  |

## NON-LIFE INSURANCE

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# NON-LIFE INSURANCE, 2002

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## NON-LIFE INSURANCE MARKET

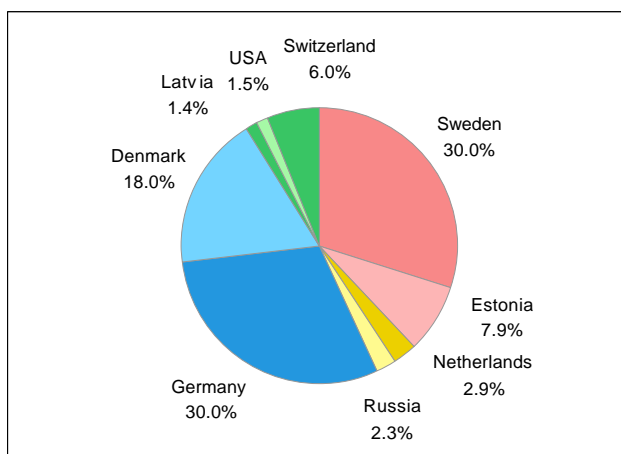
### Owners

At the end of 2002 there were 7 insurance companies writing non-life insurance business and the Estonian Traffic Insurance Foundation (ETIF) writing border insurance and motor TPL reinsurance business, in the Estonian insurance market. This article on non-life insurance is based on the analysis of the data of non-life insurance companies; whenever the data of the Estonian Traffic Insurance Foundation is included there will be the respective note made.

The number of insurers remained the same as in 2001, though the non-life insurance company Nordika Kindlustuse AS left the market and the non-life insurance company Nordicum Eesti AS (later changed its name to Nordea Kindlustuse Eesti AS) entered the market. Still, we can see some changes in the ownership area.

At the beginning of 2002 the biggest Nordic insurance group If P&C Insurance Holding Ltd, which was formed as a result of a merger of Sampo non-life insurers and the Swedish non-life insurer If P&C Holding AB, became the new owner of the AS Sampo Eesti Varakindlustus. Therefore, the AS Sampo Eesti Varakindlustus changed its name to AS If Eesti Kindlustus. The former owner of the Nordea Kindlustuse Eesti AS, the Danish insurer Trygg-Baltica Ltd passed the ownership over to the Trygg Vesta Group AS (Denmark). The ownership structure of other non-life insurers remained the same as in the previous year.

At the end of 2002 altogether 5 of the non-life insurers were completely foreign owned, whereas in other two non-life companies the foreign owners were in minority position, although having an influential participation.



The foreign participation in the capital of non-life insurers was 92% at the end of 2002. 30% thereof belonged to companies registered in Germany, 30% to those registered in Sweden and 18% to those of Denmark (figure 62). The participation of companies from other countries remained under 8%. When considering the volume of gross written premiums in 2002 we can see that the market share controlled by foreign owners was 86% in the non-life insurance market.

Figure 62. Owners of non-life insurers,  
31 December 2002

## Market developments

The non-life insurance market<sup>1</sup> constituted 79.4% of the whole Estonian insurance market in 2002. When compared to 2001 we can see that the share of non-life insurance market remained practically to the same level (in 2001 the respective percentage was 80%).

The volume of premium income of non-life insurers reached 1,7 billion kroons in 2002, which was 20.4% more than a year before. In 2001 the volume of non-life premium income was 1,4 billion kroons and the growth was 10.7%. The main factor causing the speed-up of non-life premium growth was the availability of low-interest-rate loan products in the market enhancing the acquisition of real estate and cars.

When keeping an eye on the change of the consumer price index, we can see that the growth in the real value of premium income was also quite fast – 16.2% -, especially when comparing with the growth in the real value of premium income of 4.6% in 2001. In 2002 the growth in the real value of premium income was the fastest in the past five years (figure 63).

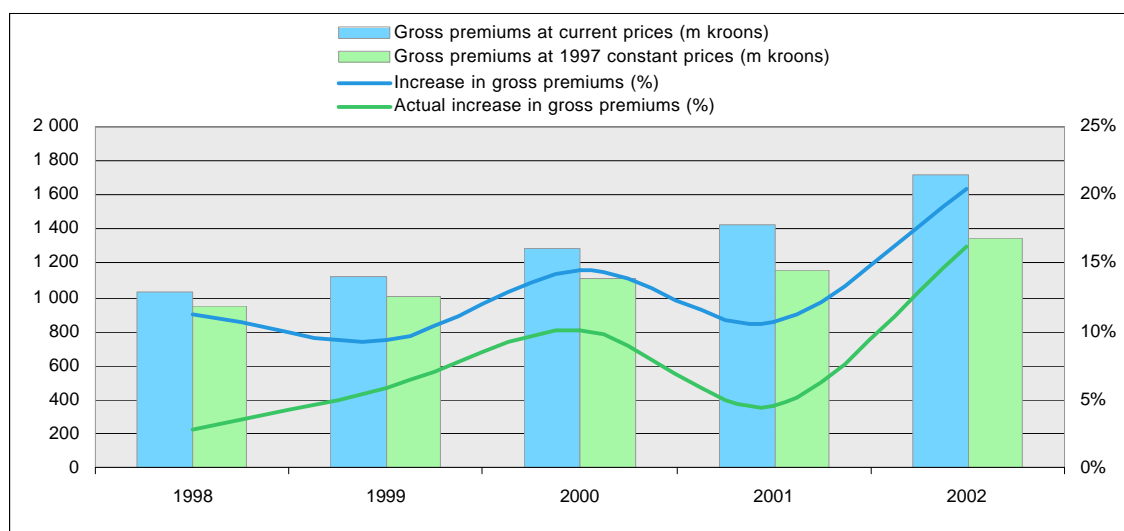


Figure 63. The volume of gross premiums and the growth of gross premiums in actual and absolute values, 1998—2002

Insurance companies ERGO Kindlustuse AS and Salva Kindlustuse AS showed the higher than the average growth in gross premiums, 24.3% and 38.4% respectively.

The 2002 amount of loss payments was 912 million kroons (713 million kroons in 2001), which was 28% more than a year before. In 2002 the non-life insurance sector was characterized by the higher growth in loss payments of the two major insurance classes – motor TPL insurance and land vehicles insurance - if compared to the growth in their gross written premiums. When the growth in motor TPL gross written premiums was 13.1% in comparison to 2001, the growth in loss payments was 30.7%. This difference was a little smaller in the land vehicles insurance – the growth in gross written premiums was 25.9% and in loss payments 33.8%.

In 2002 the volume of loss payments increased the most in the Nordea Kindlustuse Eesti AS (77.5%). The volume of loss payments of the Estonian Traffic Insurance Foundation dropped more than a half (52.3%), though the volume of its gross premiums grew 24.6%.

<sup>1</sup> This paragraph covering market developments includes also the data of the Estonian Traffic Insurance Foundation

In 2002 the highest loss payment level was in motor TPL and land vehicles insurances - 66.8% and 61.7%, respectively (figure 64). The loss payment level in these insurance classes increased by 9 and 3.6 percentage points if compared to the previous year. The loss payment level in property insurance decreased by 1.6 percentage points and reached the level of 36.1%, whereas the loss payment level in the property insurance of physical persons was 23.9% and in that of legal persons 46.3%.

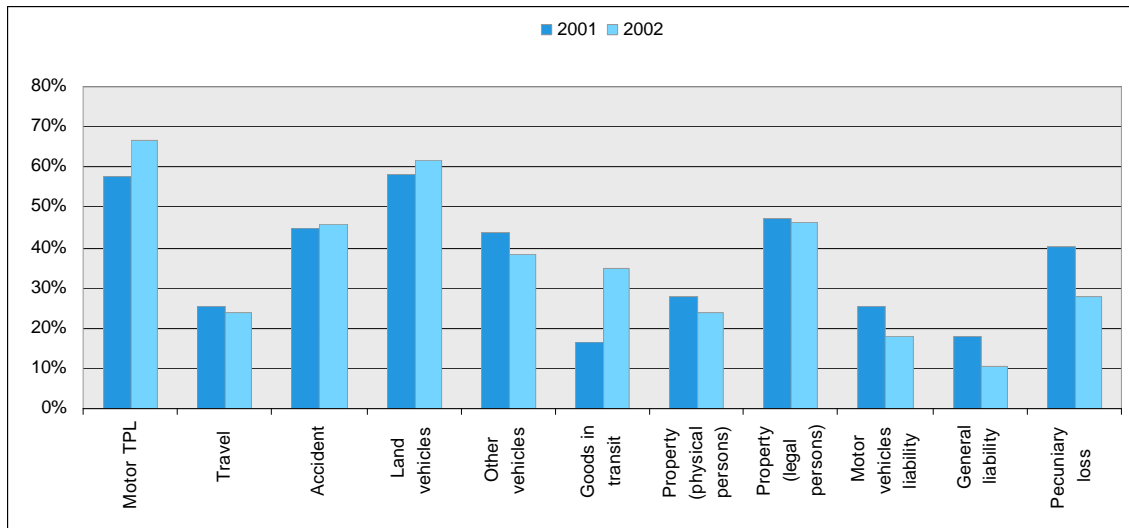


Figure 64. The change in the loss payment level of non-life insurance classes, 2001—2002

### **Market shares of insurance classes**

Non-life insurance products sold in the market in 2002 were: compulsory motor TPL insurance, health insurance, motor damage or land vehicles insurance, insurance of aircraft and vessels, goods in transit insurance, property insurance, general liability insurance, insurance for pecuniary loss, and several liability insurances like liability insurances for owners of land vehicles and other vehicles (aircraft, vessels).

The overall proportion of non-life insurance classes has been stable over the few last years. In 2002 the growth rates of main insurance classes were equally strong. 85% of the non-life insurance market was divided between the three largest insurance classes - motor TPL insurance, land vehicles insurance and property insurance - having the market shares of 30%, 35% and 23%, respectively (figure 65). The property insurance was divided into the property insurance of physical persons (with the market share of 10.4%) and the property insurance of legal persons (market share of 12.5%).

Among the largest insurance classes, the increase in market shares if compared to 2001 was evident in land vehicles insurance (1.5 percentage points) and property insurance (0.7 percentage points). The main reason lying behind the volume growth of land vehicles insurance and property insurance was the activated sale of vehicles and acquisition of real estate due to the availability of low-interest-rate loans in 2002.

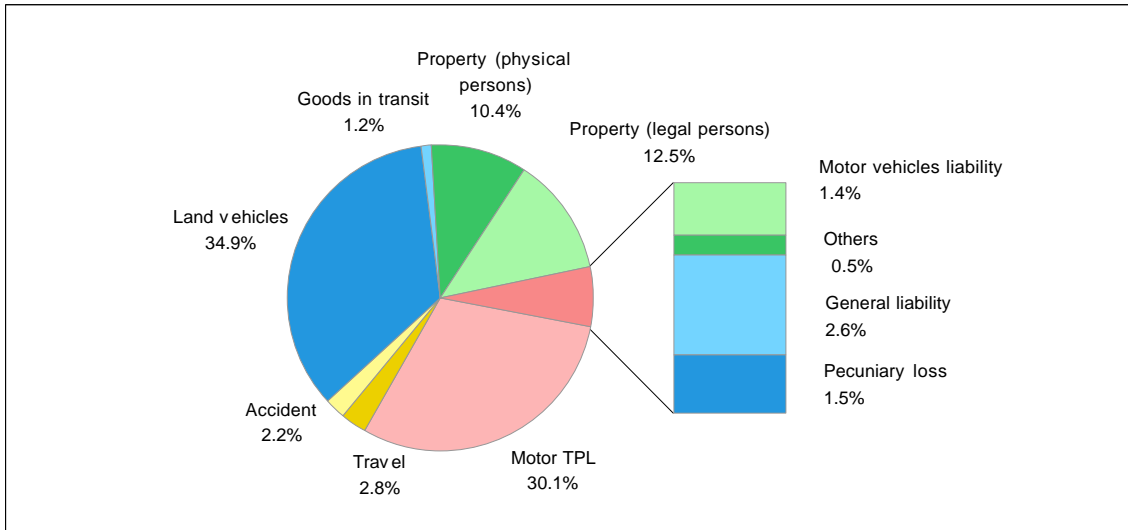


Figure 65. Market shares of non-life insurance classes, 2002

Market shares of other insurance classes remained between 1% and 3%. Among the smallest non-life insurance classes, the biggest growth in 2002 was achieved by the general liability insurance (63.2%), but this growth had no material influence on the overall non-life insurance market due to its small market share (2.6%).

### **Market concentration**

In 2002 the rather high concentration of premium incomes in the insurance market increased even more. In 2002 the two biggest insurance companies (ERGO Kindlustuse AS and AS If Eesti Kindlustus) acquired 61.7% of the total premium income collected by non-life insurers (60.8% in 2001), (figure 66).

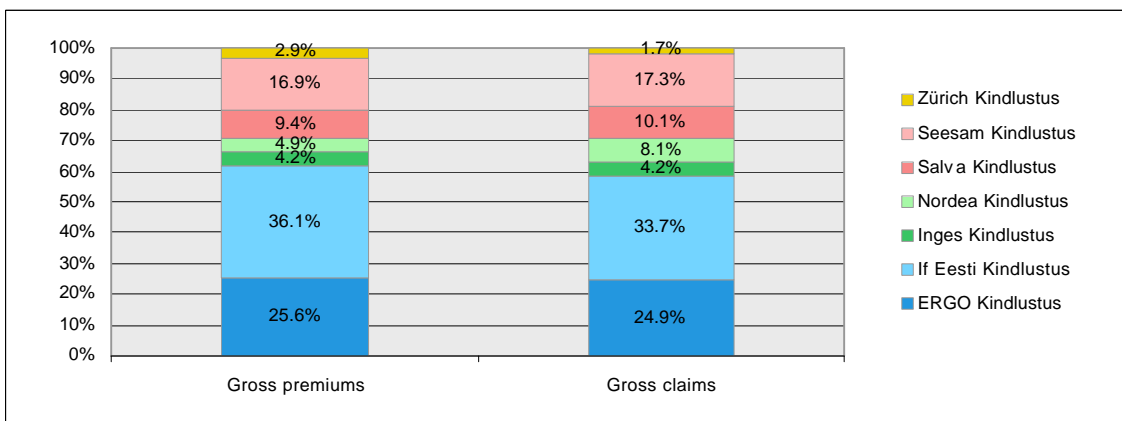


Figure 66. Market shares of non-life insurers, 2002

Among smaller (by premium income) non-life insurers, only the Salva Kindlustuse AS was able to raise its market share by 1.3 percentage points (8.1% in 2001). This was mainly due to the increase of its share in the motor TPL insurance market and also in the property insurance for legal persons. The shares of other smaller non-life insurers dropped in the market

Among bigger non-life insurers, the ERGO Kindlustuse AS increased its market share by 0.8 percentage points. This growth in the market share was mainly achieved due to the increase of its share in the land vehicles insurance market and also in the goods in transit insurance.

The continuous and slowly increasing concentration of insurance premiums into the hands of bigger non-life insurers may indicate the difficulties of smaller insurers in gaining the market.

The characterizing feature of the Estonian Traffic Insurance Foundation in 2002 was the drop in its share in the volume of loss payments. When the share of the ETIF in the volume of gross premiums increased from the level of 3.4% in 2001 to 3.6% in 2002, its share in the volume of loss payments diminished from 1.2% to 0.5%, respectively.

### **Reinsurance**

The amount of non-life insurance premiums ceded was 595,3 million kroons in 2002 (472,9 million kroons in 2001), the annual increase being 25.9%. Non-life reinsurance premiums represented 35.9% of the total non-life premium income in 2002 (figure 67). The proportion of ceded premiums increased by 2.5 percentage points in comparison to 2001.

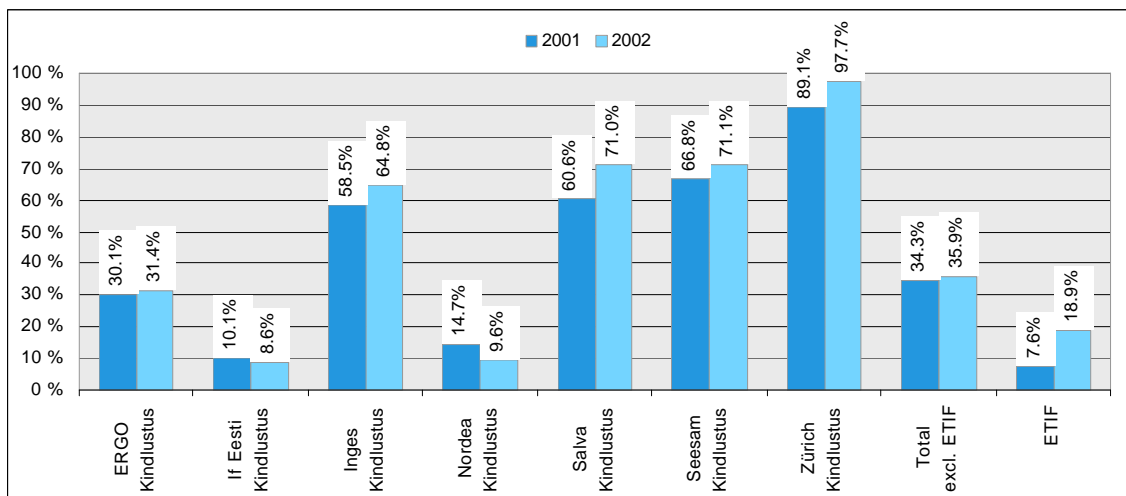


Figure 67. The comparison of the level of reinsurance by non-life insurers<sup>2</sup>, 2001—2002

When looking at bigger insurance classes, it must be noted that the rate of cession was higher in the property insurance for legal persons (56.5%) and in the land vehicles insurance (43%) (figure 68). As to smaller insurance classes, the rate of cession was higher in the pecuniary loss insurance, especially in the financial loss insurance (91.8%), and also in insurances for vessels, aircraft and railway (both damage and liability).

<sup>2</sup> In the comparison of the data of Nordea Kindlustuse AS the previous data of Nordika Kindlustuse Eesti AS has been used



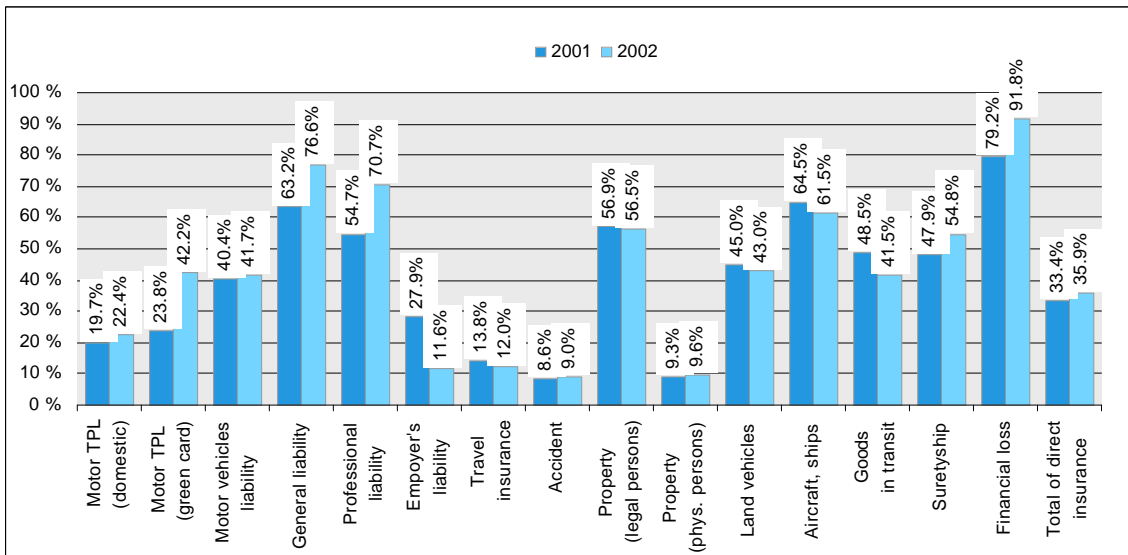


Figure 68. The comparison of the level of reinsurance by insurance classes, 2001—2002

85.2% of reinsurance premiums were ceded under the obligatory treaty arrangements (figure 69). 4.6% of reinsurance premiums (originating from the compulsory motor TPL insurance) ceded under the treaty

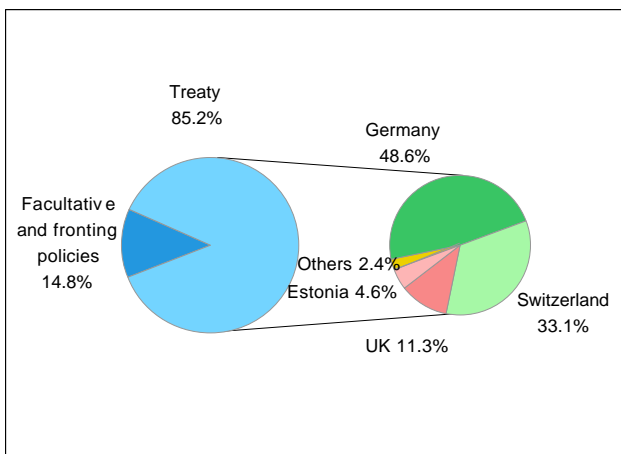


Figure 69. Reinsurance premiums by countries, 2002

arrangements were left to Estonia because the reinsurer of the motor TPL insurance was the ETIF. 48.6% of reinsurance premiums was ceded to the German reinsurers, 33.1% to the Swiss reinsurers and 11.3% to the UK insurers. The shares of reinsurers from other countries remained below 1.5%. Reinsurance premiums ceded under the treaty arrangements went also to the reinsurers from Finland, Sweden, Denmark, Ukraine and Russia.

Considering the premiums ceded under the treaty arrangements, we can see that the biggest market shares belonged to the following foreign reinsurers: Swiss Re (24.7%), Munich Re (17.8%), Zurich (8.6%), If P&C Insurance Company Ltd (8.2%), Gerling (7.8%), SOVAG AG (7.6%) and GeneralCologne Re (6.8%). Market shares of other foreign reinsurers were insignificant, i.e. under 2% (figure 70). 10.3% of reinsurance premiums were ceded through the insurance broker MAI Re.

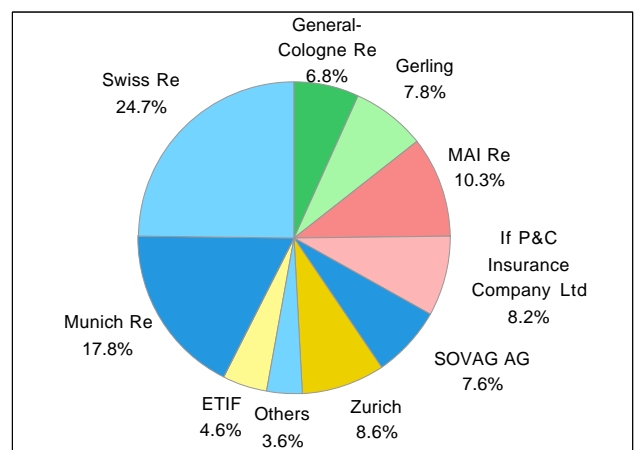


Figure 70. Market shares of reinsurers, 2002

## ASSETS, LIABILITIES AND TECHNICAL CHARACTERISTICS

### Assets and liabilities

The amount of investments of non-life insurers was 1,3 billion kroons at the end of 2002, of which 44.1% constituted investments in debt securities and other fixed-interest securities. Investments in bank deposits made 21.9% and shares and other securities (mostly units of various investment funds) 18.0% of the total amount of investments. In the previous year the major areas of investments were the same: investments in debt securities and other fixed interest securities (33%), bank deposits (25%) and shares and other securities (13%). The next figure shows that the share of investments made into tradable liquid securities has been increasing and that of non-liquid real estate investments decreasing (figure 71).

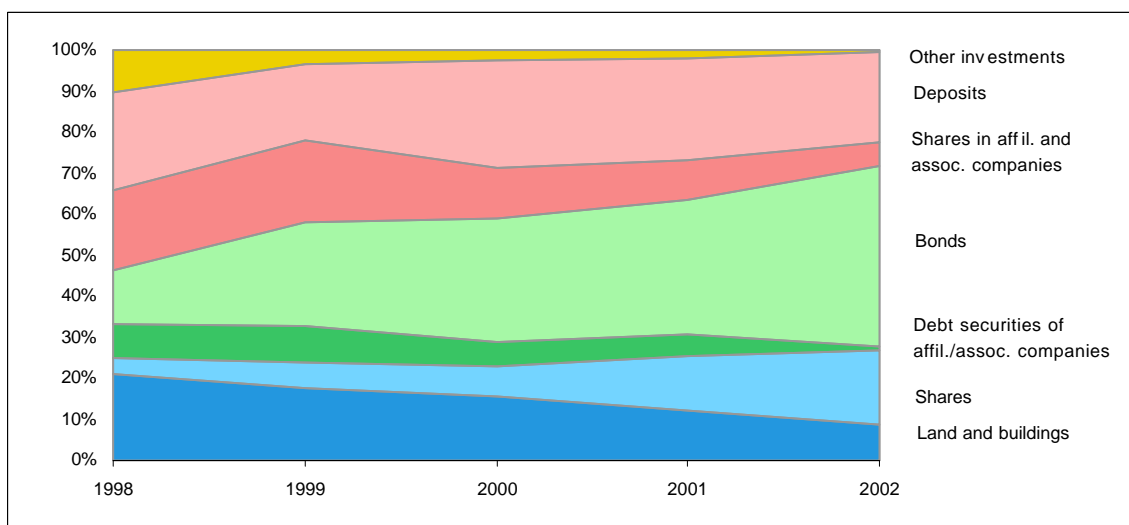


Figure 71. The investment structure, 31 December 1998–2002

The share of investments made into shares and other variable-interest securities constituted 18.0% of the total amount of investments at the end of 2002. 74.5% of them were shares of Estonian origin and 19.4% were those of Finnish origin (figure 72).

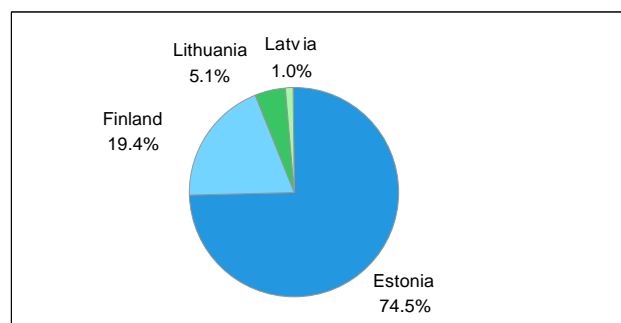


Figure 72. Investments in shares by countries, 31 December 2002

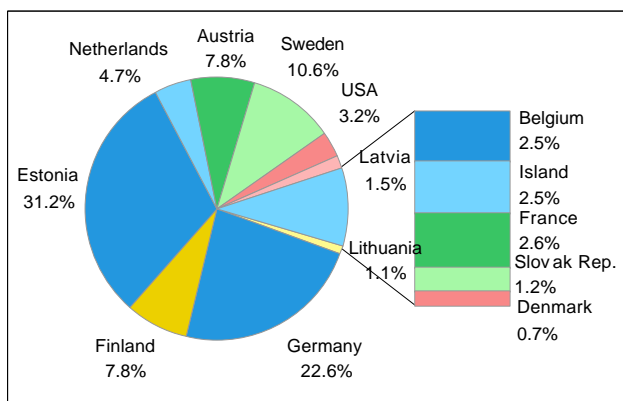


Figure 73. Investments into bonds by countries, 31 December 2002

The share of investments made into debt securities and other fixed income securities constituted 44.1% of the total amount of investments at the end of 2002. 31.2% of them were of Estonian, 22.6% of German and 10.6% of Swedish origin (figure 73).

Investment expenses of non-life insurers were 11,2 million kroons and investment income was 58,0 million kroons in 2002. Investment profit of non-life insurers was 3.6% (4.4% in 2001), which was lower than the EURIBOR rate of different time periods. The drop in investment profit may have been caused by the increase in the share of investments in debt securities on the account of investments in shares (figure 74).

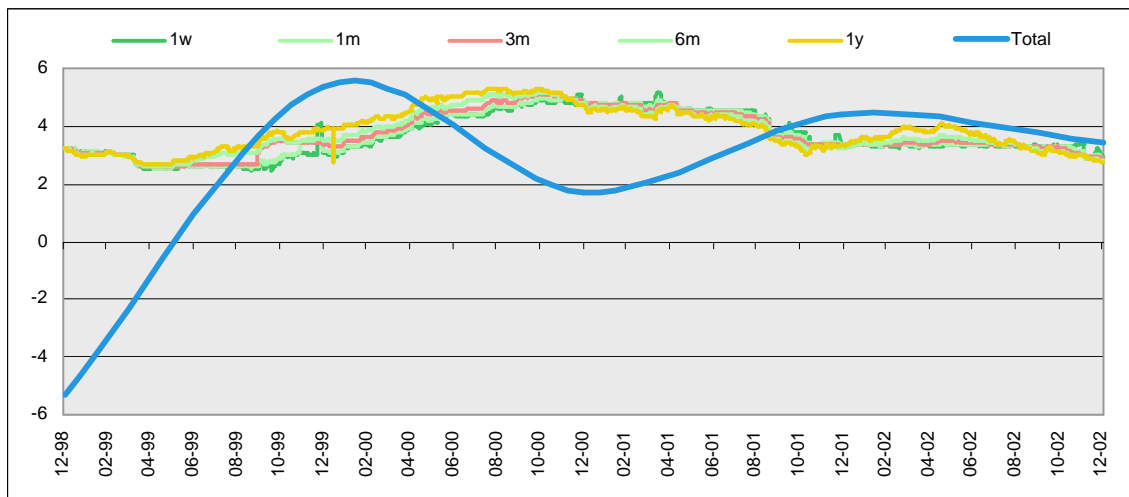


Figure 74. Investment profit of non-life insurers and EURIBOR, 1998—2002

The total volume of technical provisions of non-life insurers was 1,2 billion kroons at the end of 2002 (the reinsurers' share thereof was 487 million kroons). The volume of the unearned premiums provision was 449 million kroons (reinsurers' share thereof was 135 million kroons), the outstanding claims provision was 684 million kroons (reinsurers' share thereof was 125 million kroons), and other technical provisions (mostly the provision for motor TPL insurance pension) were 54 million kroons (reinsurers' share thereof was 37 million kroons).

The amount of assets corresponding to technical provisions (net amount 700 million kroons) was 874,8 million kroons at the end of 2002. Thus, the level of coverage of technical provision was 125.1%. The structure of committed assets is presented on the next figure (figure 75).

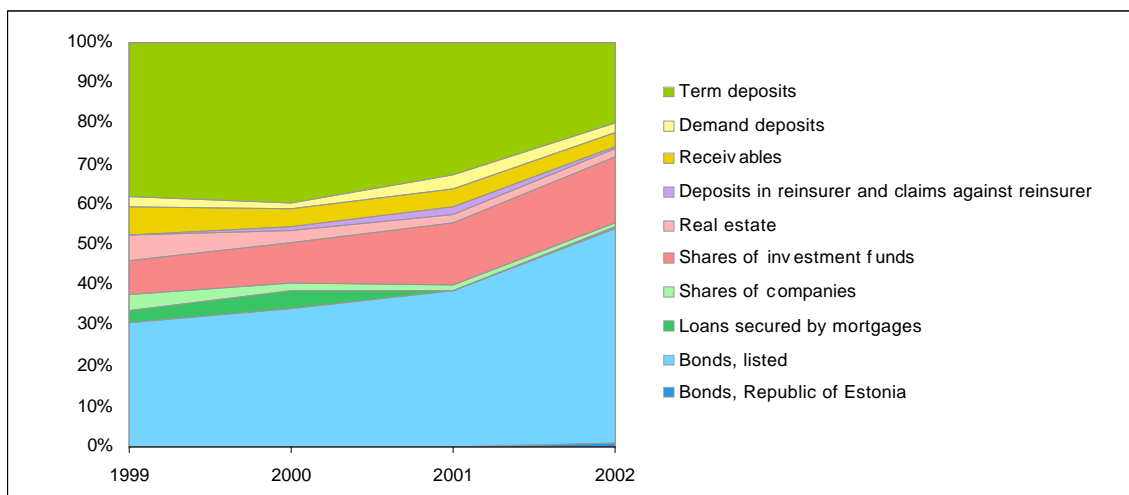


Figure 75. The structure of committed assets, 31 December 1999—2002

The balance sheet volume of non-life insurers was 1,5 billion kroons at the end of 2002, whereas 8.5% thereof were short-term assets (cash, bank and receivables), 2.1% were payables to policyholders, and 45.7% were technical provisions. We can see from the following figure (figure 76) that there are assets 3,2 times more than there are liabilities in the insurance market, but the actual ratio is varying considerably from a company to another.

The share of short-term assets in total assets decreased in 2002, because the growth of short-term assets was smaller than the growth of the balance volume.

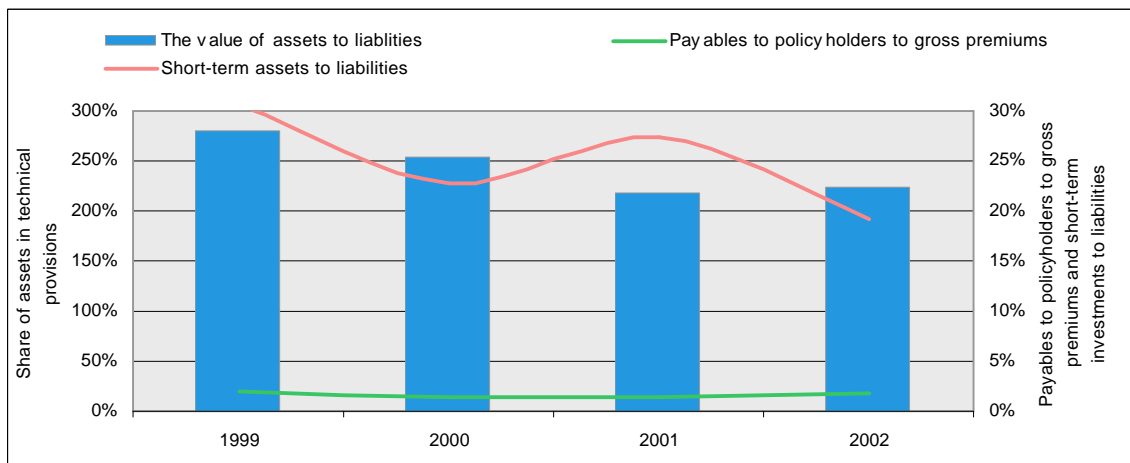


Figure 76. Ratios of assets to liabilities (31 December), liabilities towards policyholders to gross premiums, and short-term assets to liabilities (31 December), 1999–2002

The ratio of investments to committed assets was 153.3%. The respective ratio increased if compared to 2001 (157.1% in 2001) (figure 77).

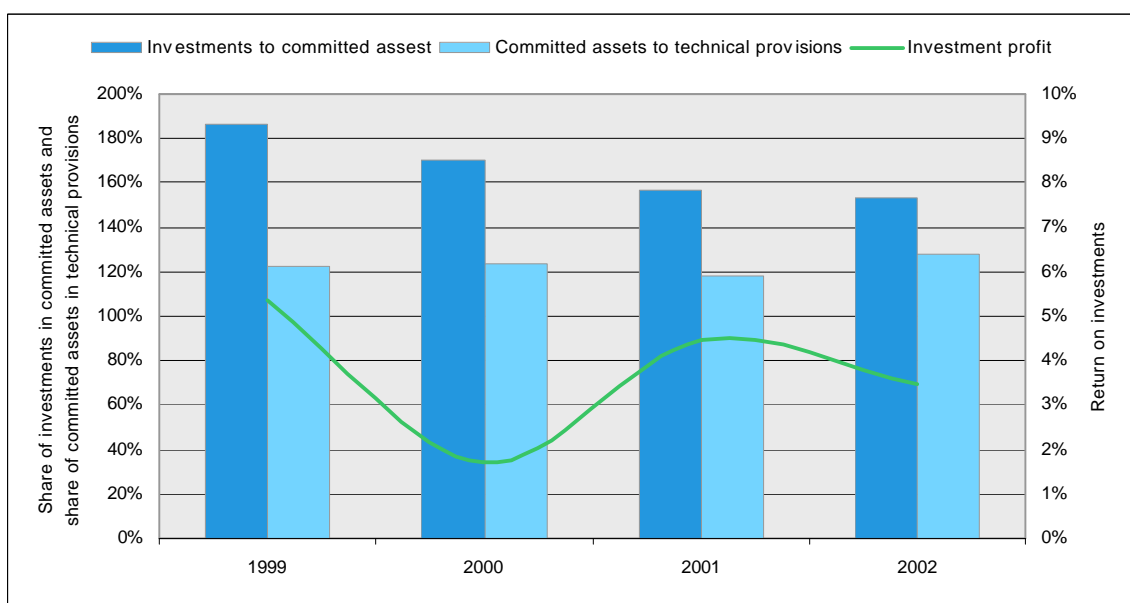


Figure 77. Ratios of investments to committed assets (31 December), committed assets to technical provisions (31 December) and investment profit, 1999–2002

The owners' equity of non-life insurers was 610,5 million kroons at the end of 2002, thus the growth being 23.6% in comparison to 2001 (493,8 million kroons in 2001).

The technical profit of non-life insurers was 1,9 million kroons in 2002, which was 17,4 times less than in 2001. Due to the drop in the technical profit, also the profitability of owners' equity (return on equity) diminished to the level of 6.9% (16.4% in 2001), (figure 78).

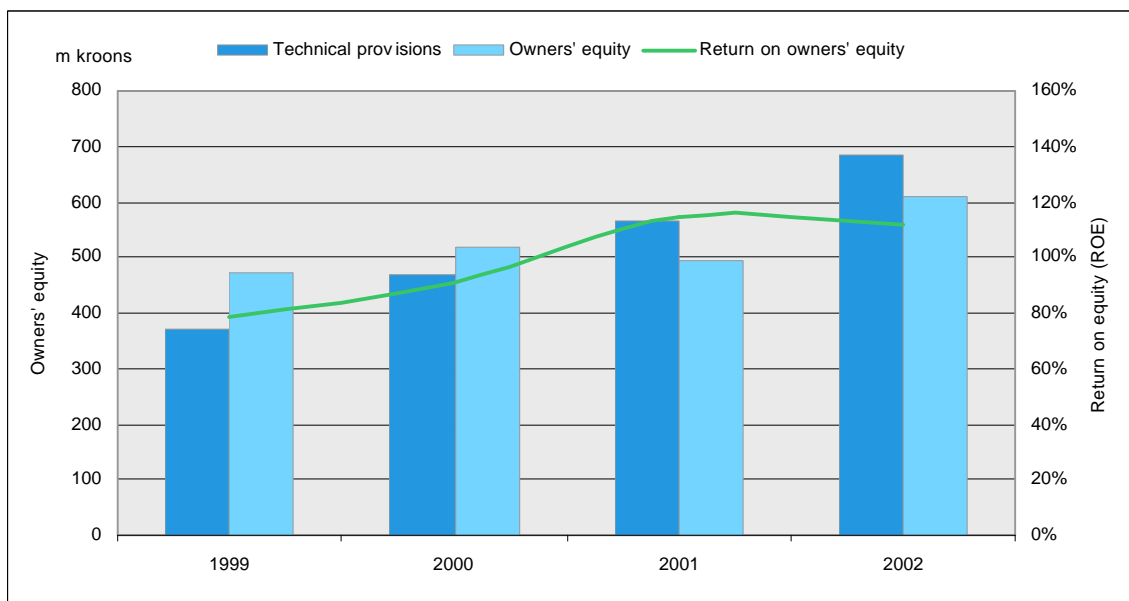


Figure 78. Owners' equity (31 December) and the ROE of non-life insurers, 1999—2002

### **Technical characteristics**

The low profitability of the non-life insurance market in 2002 was largely caused by the loss (34,5 million kroons) of the Nordea Kindlustuse Eesti AS (due to the portfolio transfer).

Ignoring this extraordinary source of loss, the gross loss ratio decreased to 61.6% in 2002 (64.7% in 2001). The growth in reinsurance costs had some impact to the increase of the net loss ratio (64.3% in 2002, 63.5% in 2001). The adverse effect of free competition in the tariffs of the motor TPL insurance continued also in the first quarter of 2002 (losses in the first quarter of 2002 were 18 million kroons). Due to the increasing number of claims, also the fourth quarter was characterized by a high loss ratio in 2002.

Among all non-life insurers, the loss ratio increased only in the Nordea Kindlustuse Eesti AS. In other companies this ratio rather decreased or stayed at the same level as in the previous year. Insurance companies ERGO Kindlustuse AS and Nordea Kindlustuse Eesti AS had a technical loss in 2002.

As opposed to the growth in the loss ratio of the motor TPL insurance, other insurance classes as a whole had better results if compared to the previous year.

The net combined ratio remained under 100% (96.3%) due to the continuous decrease in the expense ratio (in net terms 32.1% in 2002, 33.5% in 2001). The reason for this decrease was the stabilization of fixed costs due to the slight growth in the volume of gross premiums.

The total profit of non-life insurers, including the result from investment activities, was 42 million kroons. Six out of seven non-life insurance companies had a net profit in 2002.

The total gross outstanding claims provision (OCP) of non-life insurers was 658 million kroons at the beginning of 2002. The re-evaluation at the end of 2002 proved this sum to be over-estimated by 103 million kroons. Thus, the sum was decreased to the level of 84% in comparison to the originally received amount. In net amounts these figures were 339 million kroons, 67 million kroons and 80%, respectively.

Considering the volume of this over-estimation, we can see the correction of provisions as a major factor in the formation of technical profit in 2002.

The main reasons for prudence in provision evaluation were the preliminary over-estimation in the IBNR provision and the fact that the non-life insurers included also claims related to events where, as appeared in the process of claims handling, there was no obligation to pay the indemnity.

Looking at the trend of the outstanding claims provision over the longer period of time, we can make a final estimation of about 75% of the original amount.

The following figure characterizes the cumulative payment pattern by more important insurance classes (figure 79).

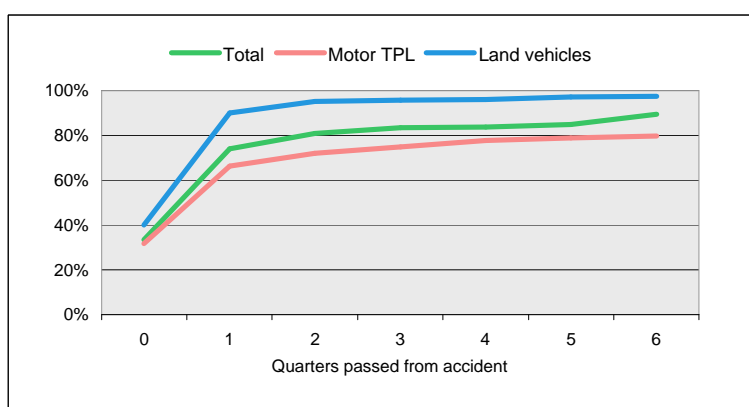


Figure 79. Cumulative payment by insurance classes

A significant part of incurred losses were paid out during the first two quarters after the occurrence of an insured event. Pursuant to the Motor TPL Insurance Act, a decision concerning the compensation under the usual circumstances shall be made no later than within thirty days as of the submission of a claim. Nevertheless, the payment pattern in the motor TPL insurance has one of the longest tails among the insurance classes. This is caused by the pension provision, which is characteristic only for the motor TPL insurance.

This is confirmed also by the next figure (figure 80), which shows the non-paid part of the aggregate claim amount after 2 years of the occurrence of an insured event.

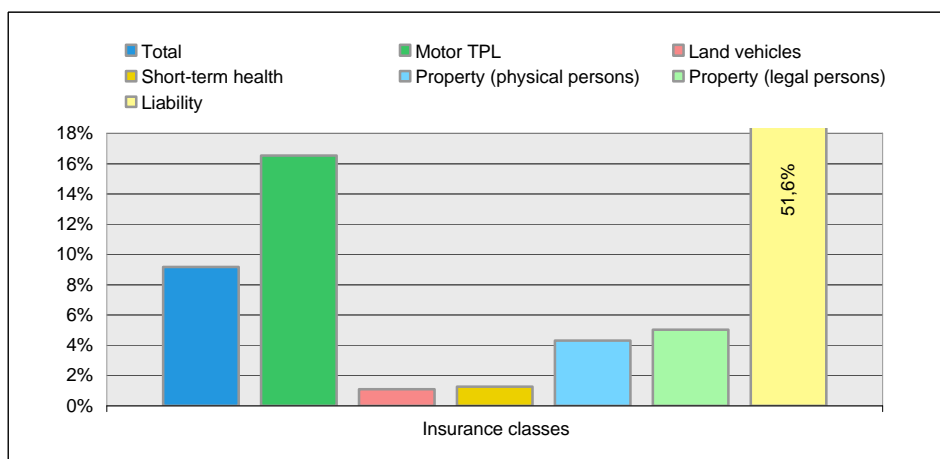


Figure 80. The share of unpaid losses after two years from the accident, by insurance classes

The claims data of property (legal persons) insurance, liability insurance, and some specific cases in motor TPL insurance (Green Card) may vary considerably, because these classes depend on individual large losses where the claim settlement period may be longer than 2 years.

All of the seven non-life insurers followed the requirements to the volume of own funds (solvency margin) at the end of 2002. The total sum of required solvency margin of non-life insurers was 217 million kroons. The available solvency margin (own funds) exceeded the required solvency margin by 2,3 times, thus reaching the level of 494 million kroons (2,6 times in 2001; without Nordea Kindlustuse Eesti AS). The decline was caused by the increase in gross premiums (the basic component for calculating the solvency margin) in 2002 (figure 81).

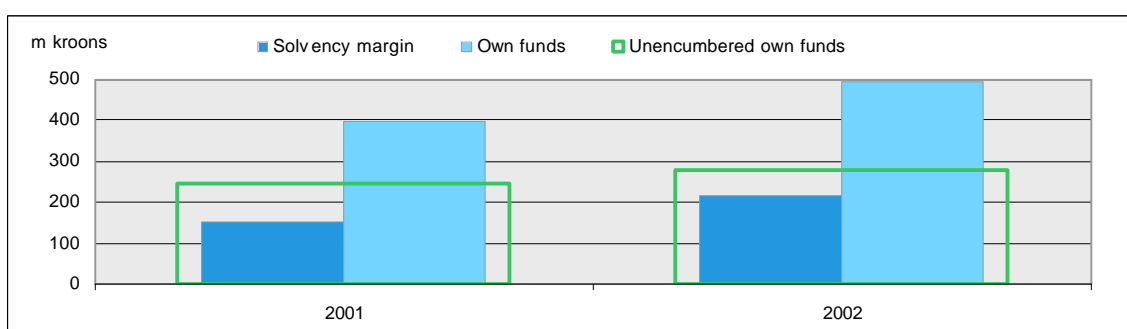


Figure 81. Own funds (31 December), solvency margin and unencumbered own funds (31 December) of non-life insurers, 2001–2002

The amount of unencumbered own funds (own funds less the solvency margin) of non-life insurers was 494,0 million kroons at the end of 2002. Considering the share of variable-interest securities (13%) and that of fixed-interest securities (33%) in the total investment volume and comparing these shares with the volume of unencumbered own funds, we can find the tolerance level of the decrease in investment value (figure 82). Still, if other conditions remain unchanged this does not jeopardize the own funds.

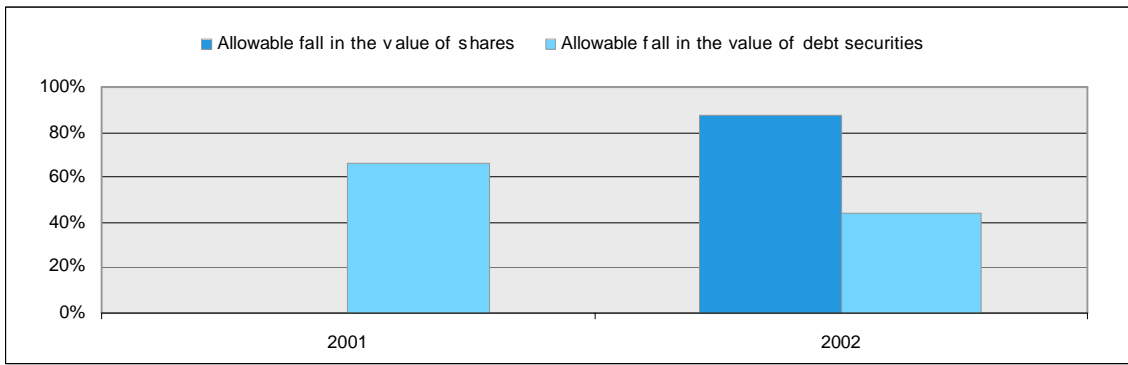
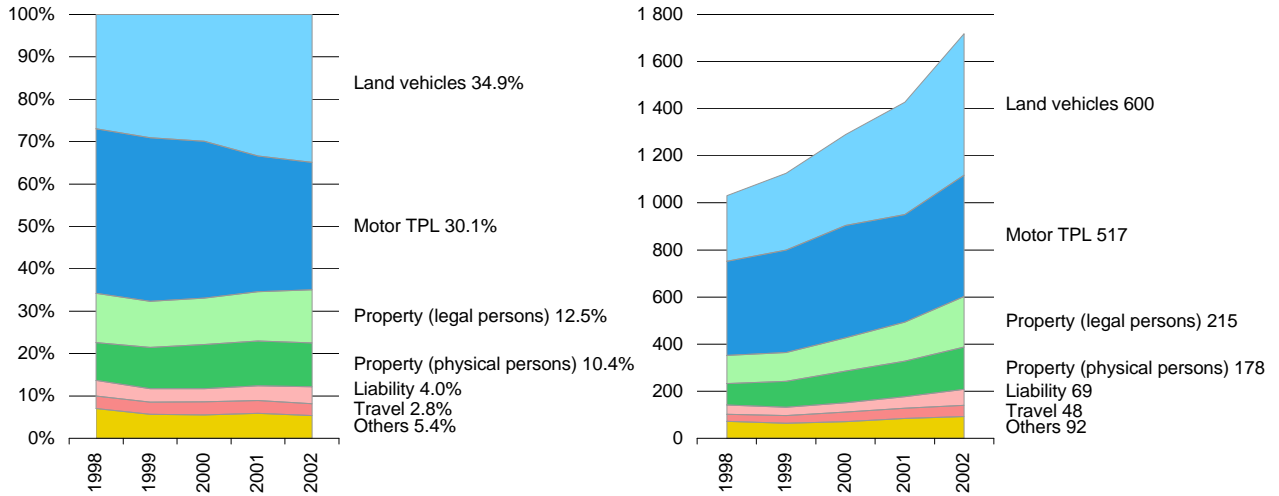


Figure 82. The tolerance level of the decrease in the value of shares and bond securities according to unencumbered own funds, 2001—2002

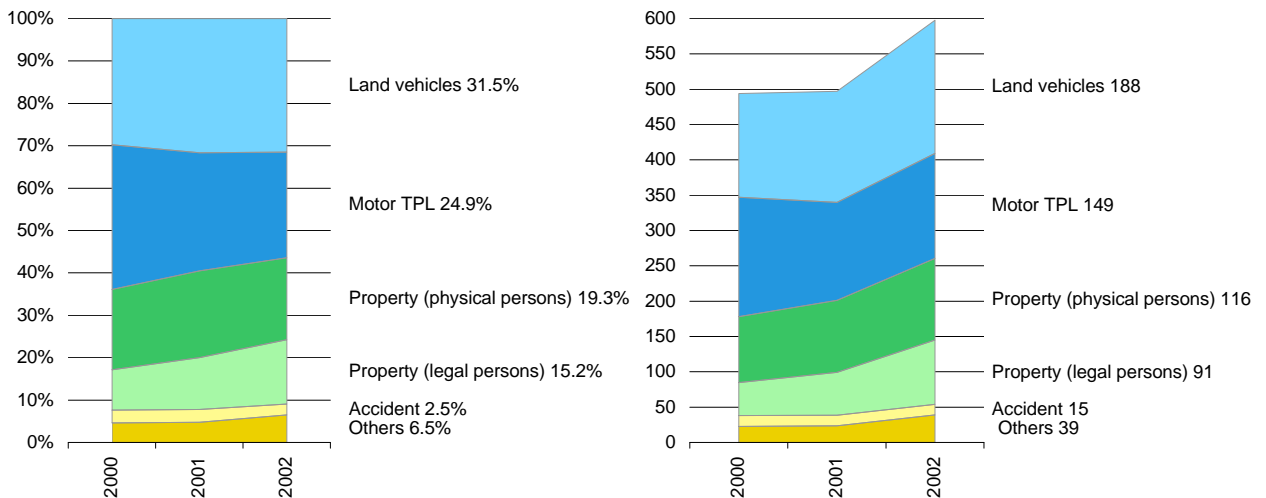


# Insurance portfolio structure of non-life insurers (1)\*

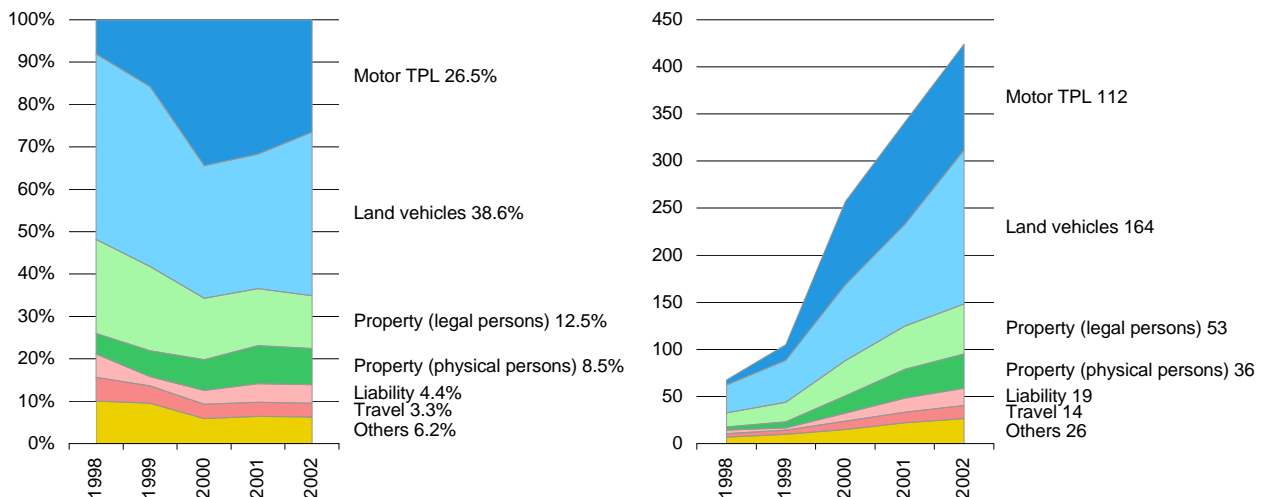
## Total gross premiums of non-life insurers (1.7 billion kroons)



## AS If Eesti Kindlustus (598 million kroons)



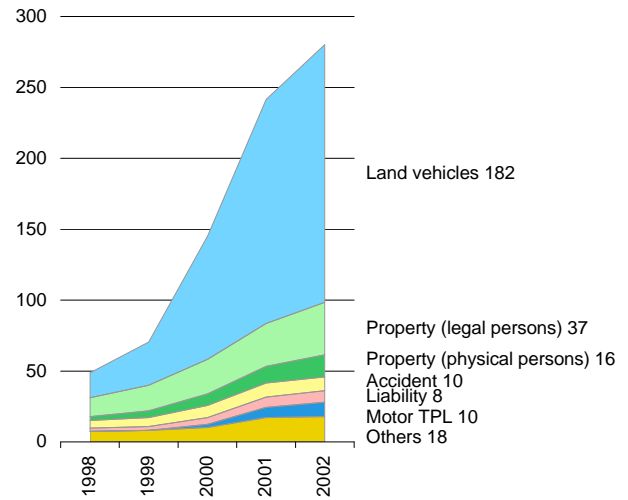
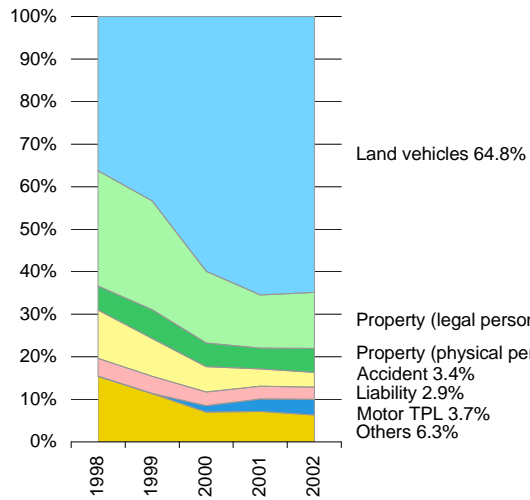
## ERGO Kindlustuse AS (424 million kroons)



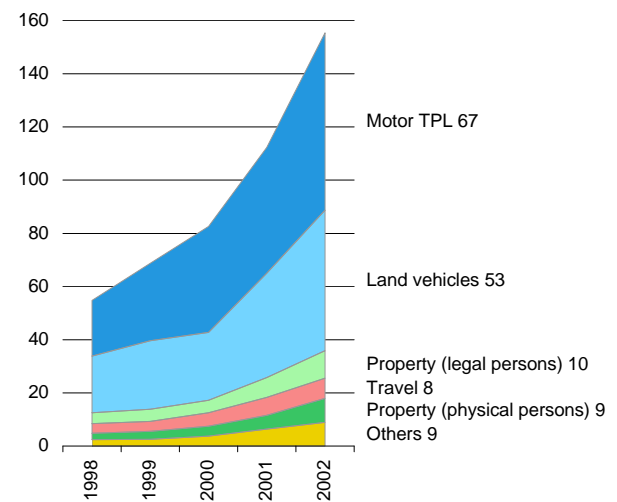
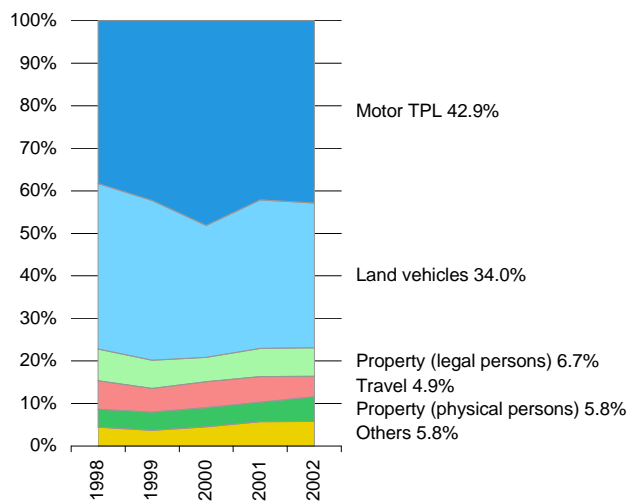
\* only direct insurance

## Insurance portfolio structure of non-life insurers (2)\*

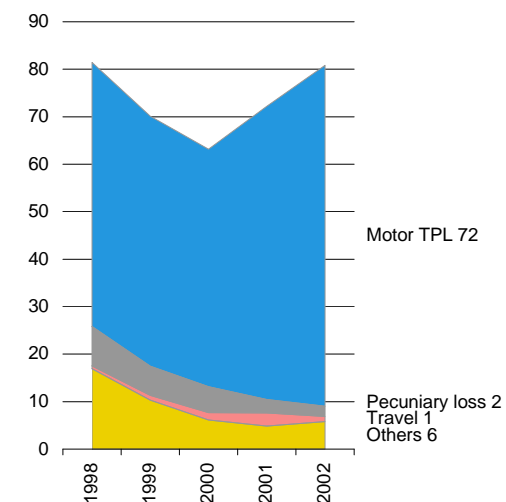
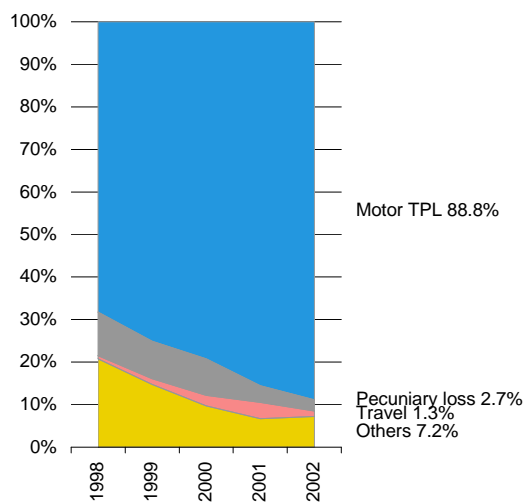
### Seesam Rahvusvaheline Kindlustuse AS (280 million kroons)



### Salva Kindlustuse AS (155 million kroons)



### Nordea Kindlustuse Eesti AS\*\* (81 million kroons)

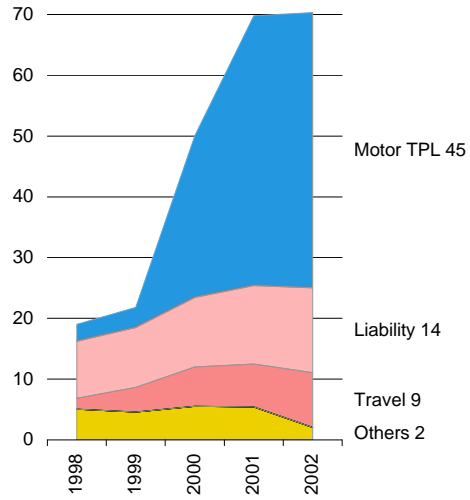
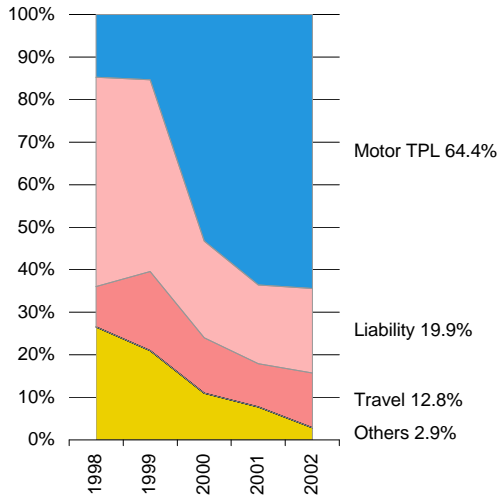


\* only direct insurance

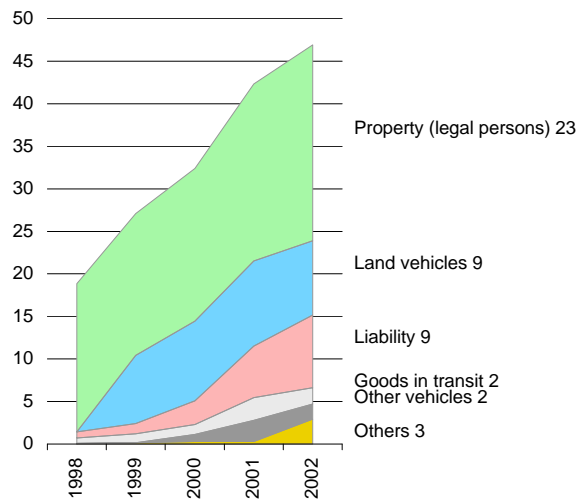
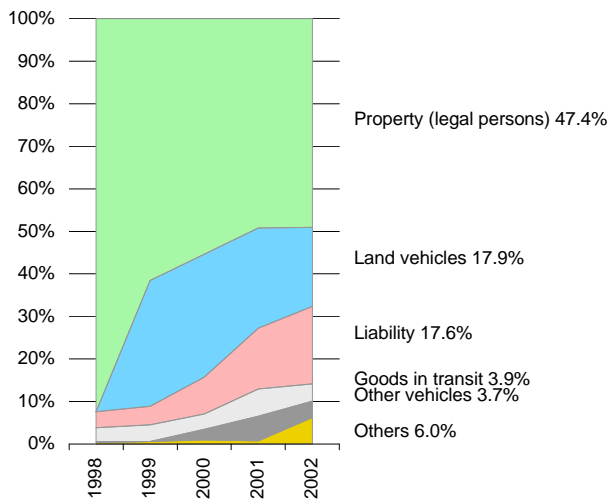
\*\* until 2001 data of Nordika Kindlustuse AS (transferred its insurance portfolio to Nordea Kindlustuse Eesti AS)

# Insurance portfolio structure of non-life insurers (3)\*

## AS Inges Kindlustus (70 million kroons)



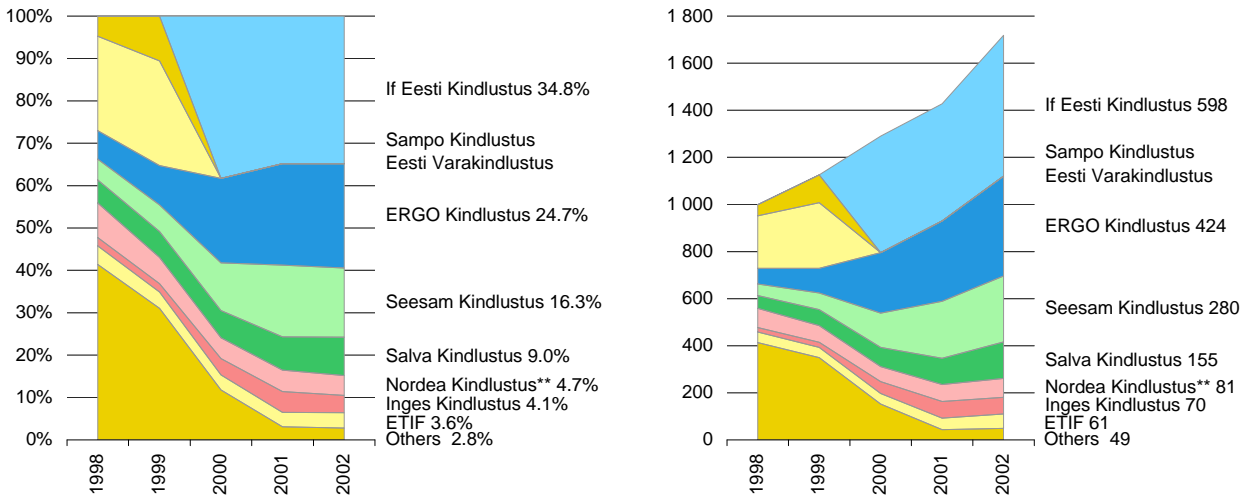
## Zürich Kindlustuse Eesti AS (49 million kroons)



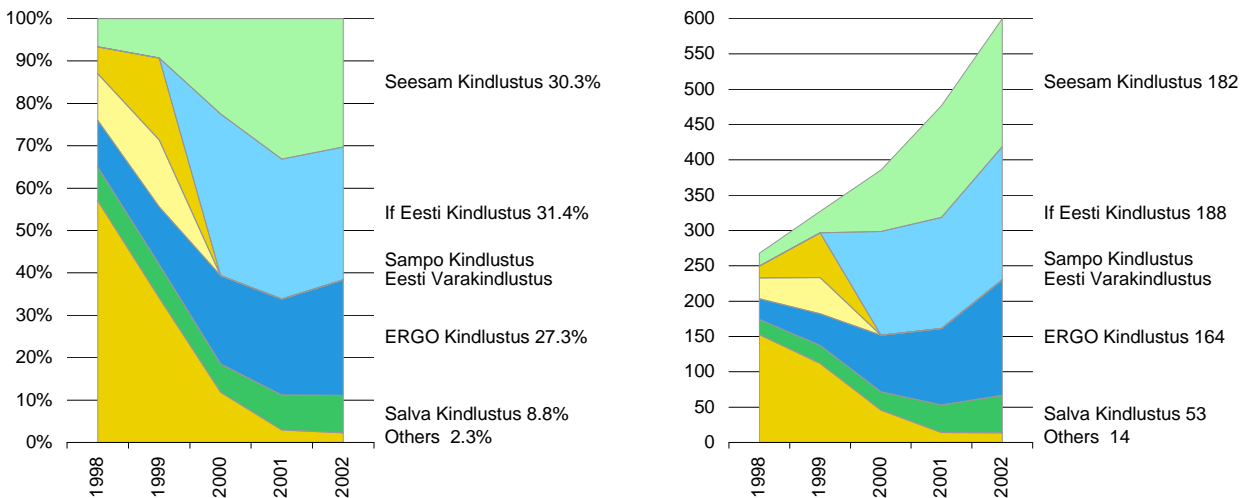
\* only direct insurance

# Market shares of insurers by classes of non-life insurance (1)

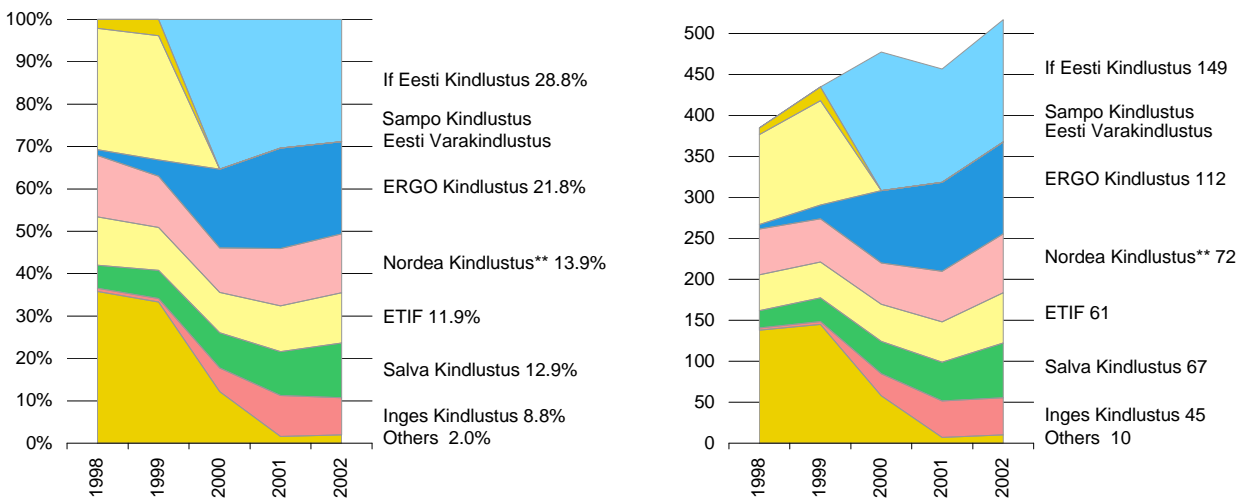
## Total gross premiums of non-life insurance lines\* (1.7 billion kroons)



## Land vehicles insurance (600 million kroons)



## Motor TPL insurance (517 million kroons)

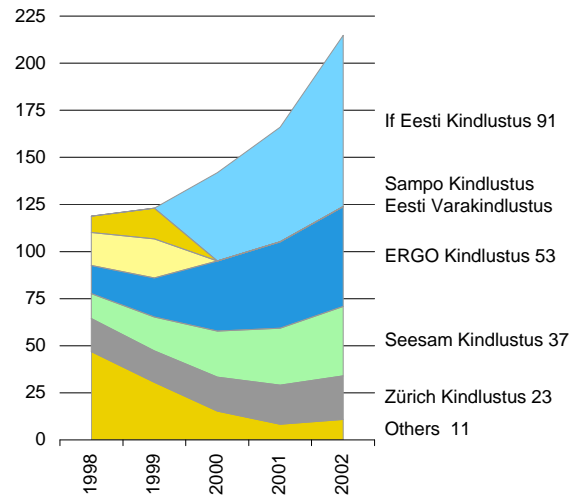
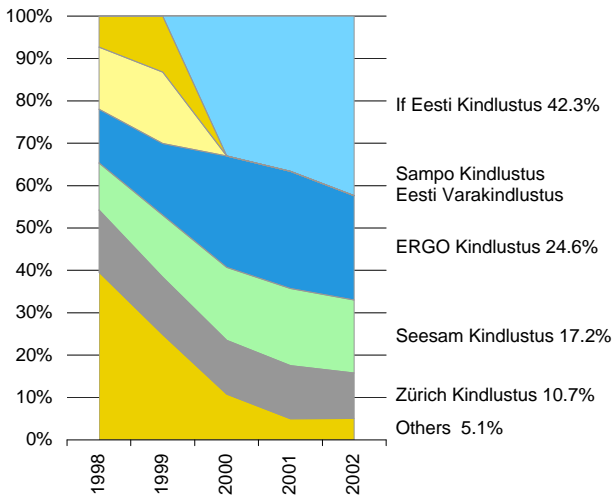


\* only direct insurance

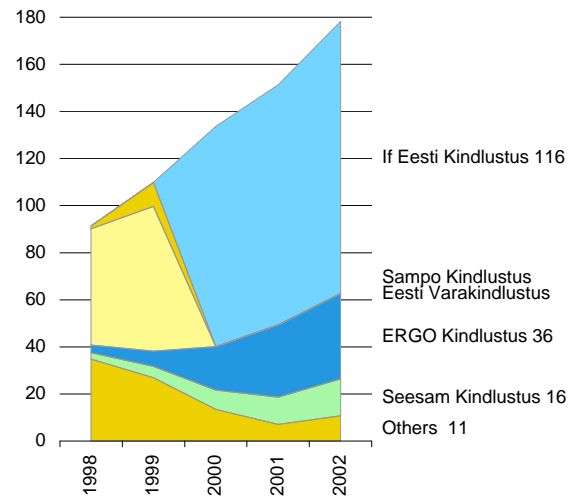
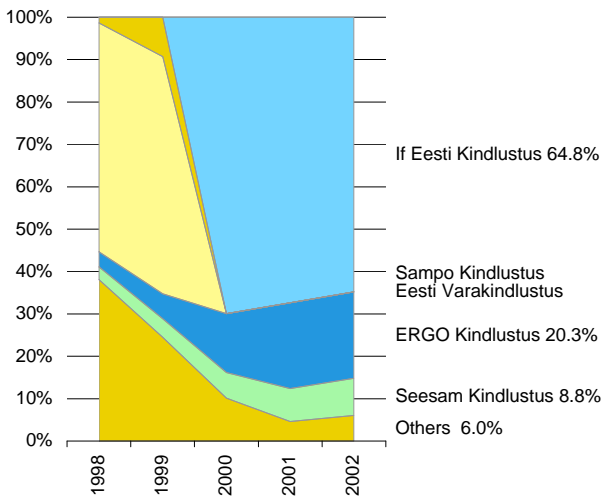
\*\* until 2001 data of Nordika Kindlustuse AS (transferred its insurance portfolio to Nordea Kindlustus Eesti AS)

## Market shares of insurers by classes of non-life insurance (2)

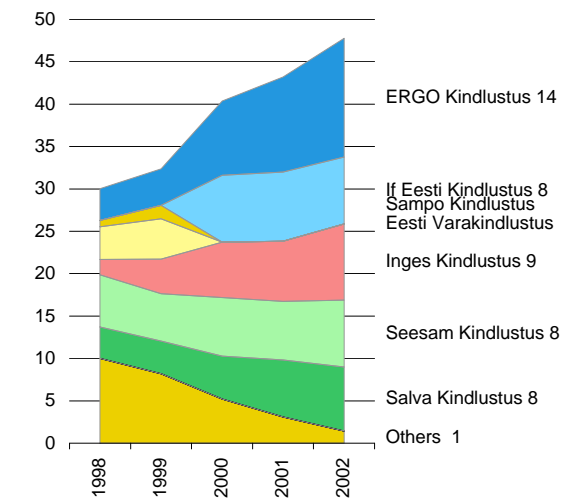
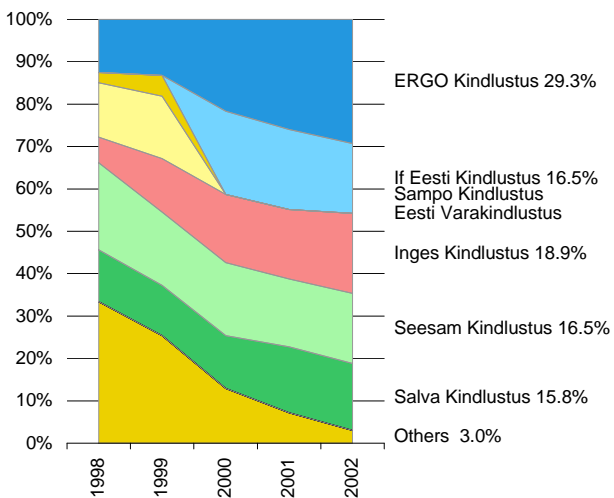
### Property insurance (legal persons) (215 million kroons)



### Property insurance (physical persons) (178 million kroons)

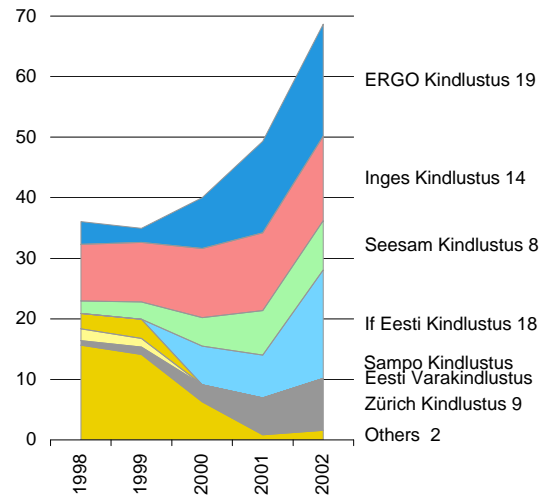
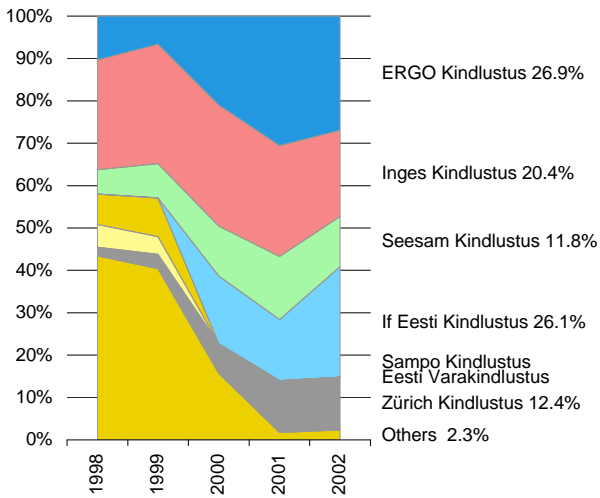


### Travel insurance (48 million kroons)

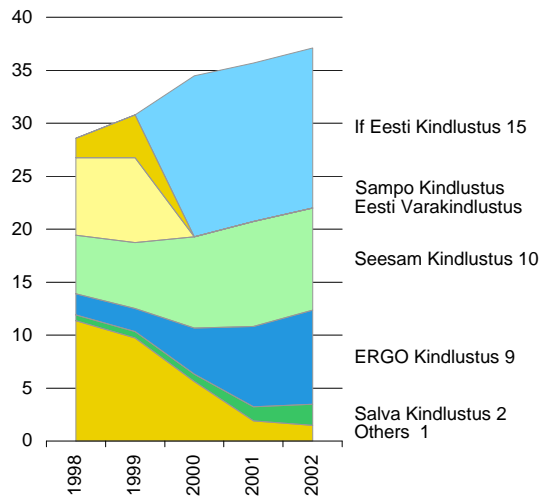
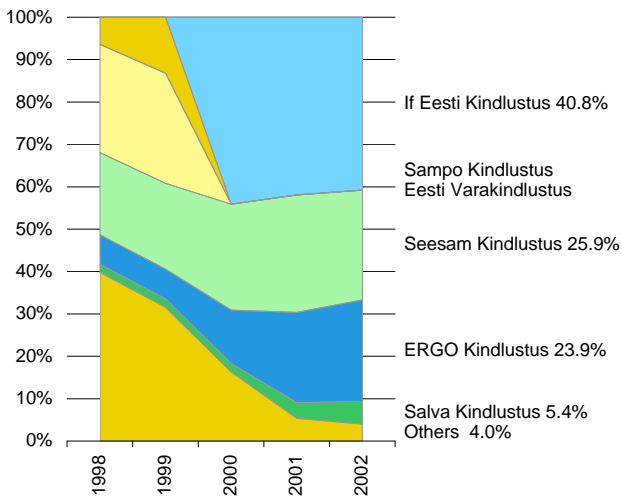


# Market shares of insurers by classes of non-life insurance (3)

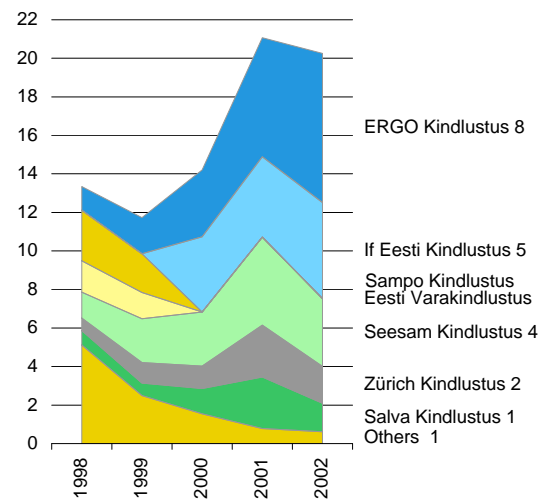
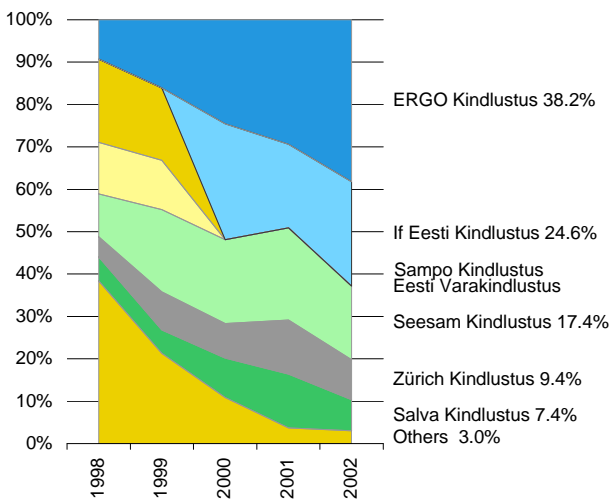
## Liability insurance (69 million kroons)



## Accident insurance (37 million kroons)

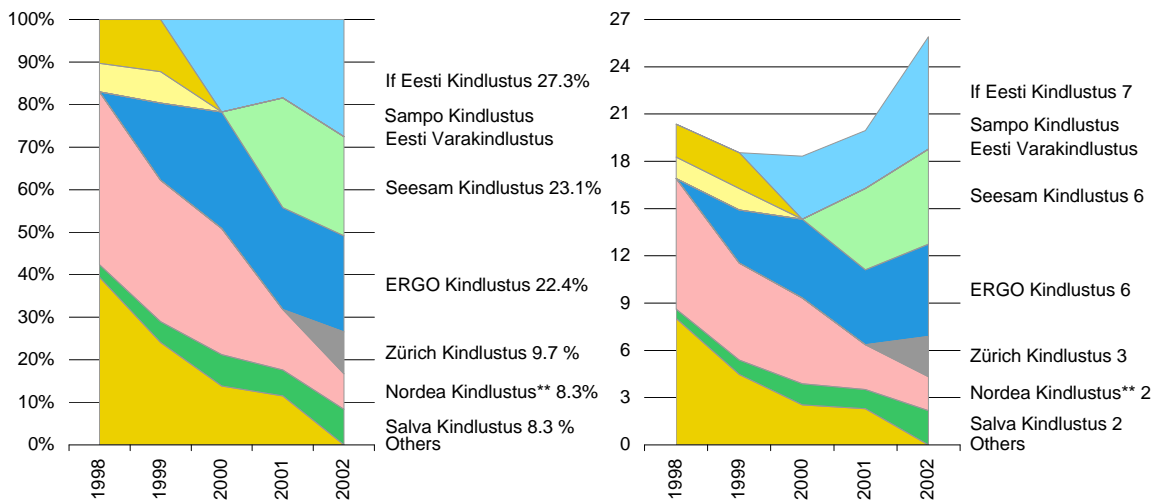


## Goods in transit insurance (20 million kroons)



# Market shares of insurers by classes of non-life insurance (4)

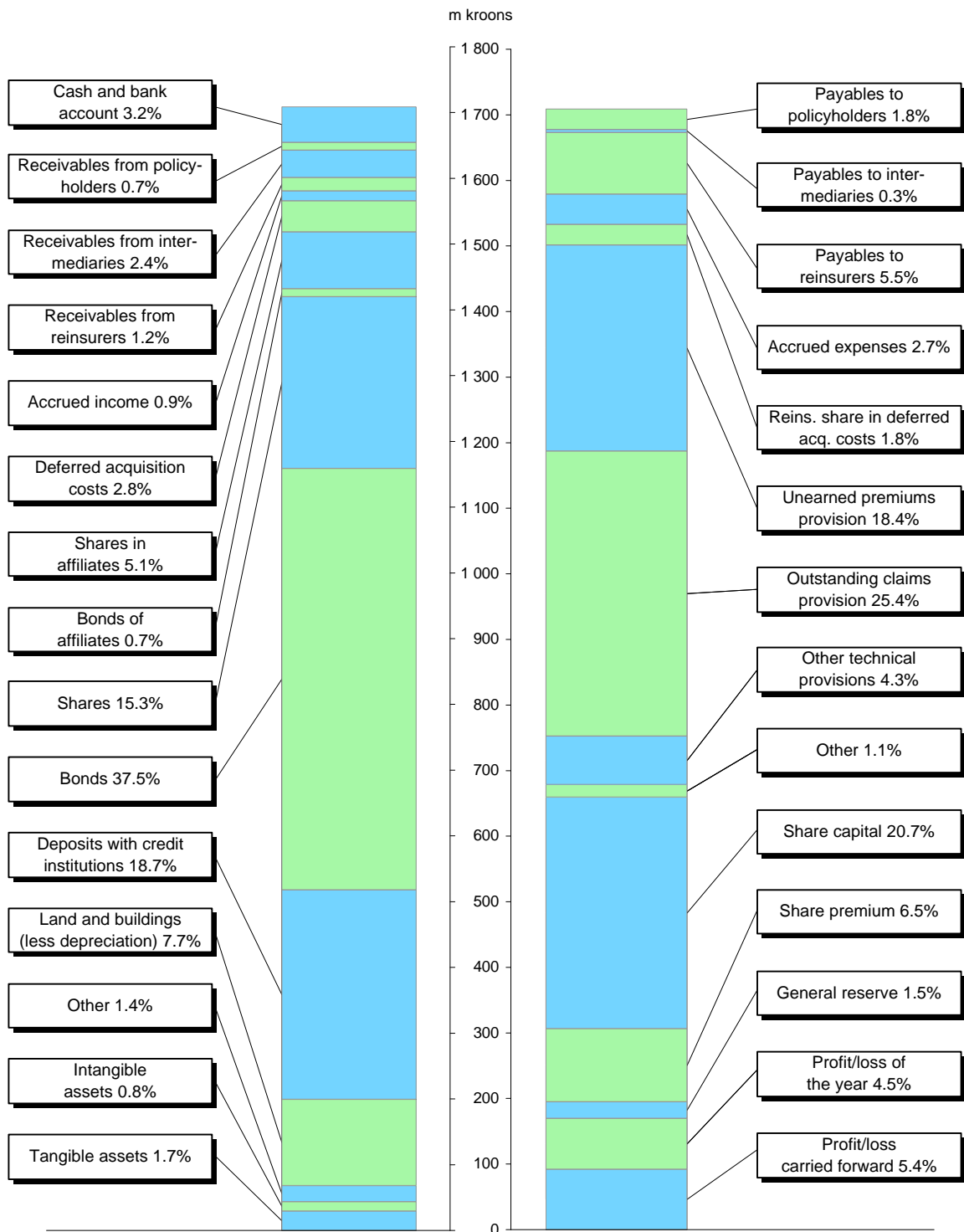
## Insurance for pecuniary loss (26 million kroons)



\*\* until 2001 data of Nordika Kindlustuse AS (transferred its insurance portfolio to Nordea Kindlustus Eesti AS)

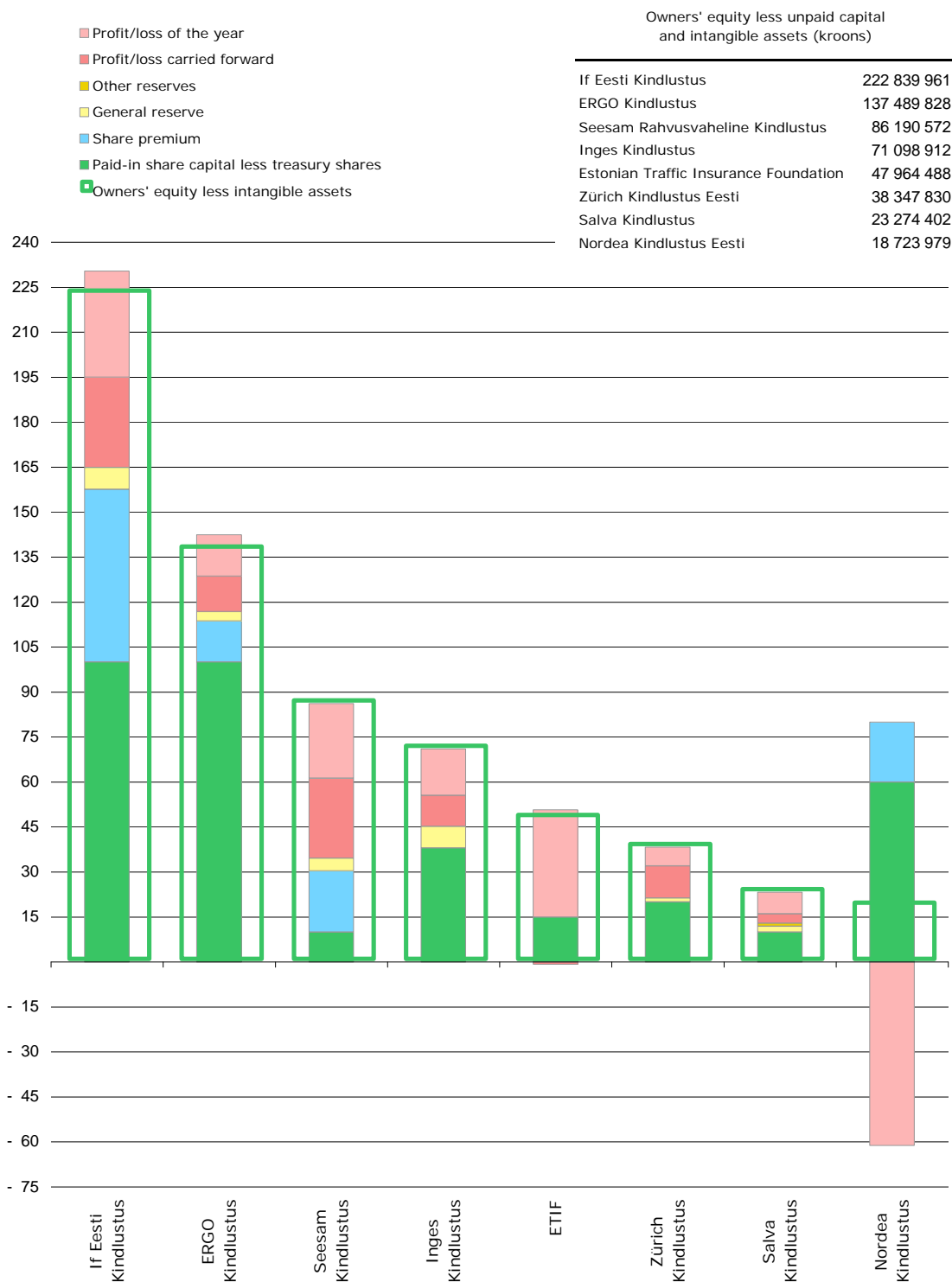
# Structure of assets and liabilities of non-life insurance companies, 31 December 2002

(Balance volume — 1.7 billion kroons)





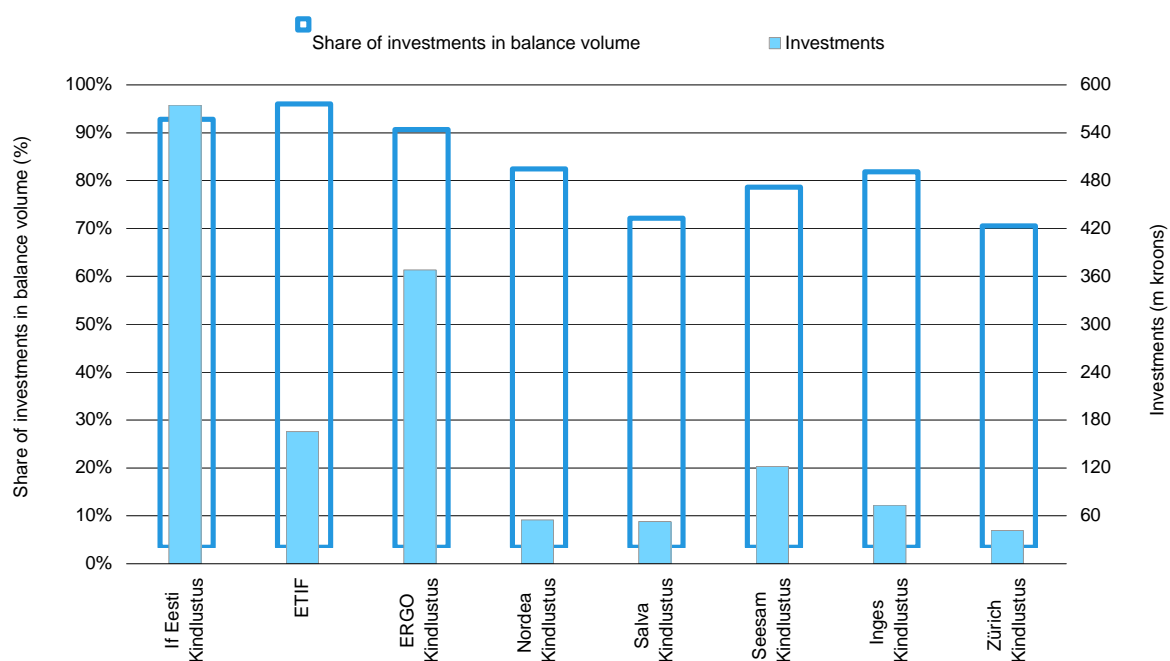
## Components of owners' equity in non-life insurance, 31 December 2002 (million kroons)



## Investment activity and technical provisions of non-life insurers

|  | 1999      |     | 2000      |     | 2001      |     | 2002      |     |
|--|-----------|-----|-----------|-----|-----------|-----|-----------|-----|
|  | th kroons | %   | th kroons | %   | th kroons | %   | th kroons | %   |
| Total investments, 31 December             | 969 244   |     | 1 126 484 |     | 1 199 441 |     | 1 453 485 |     |
| Land and buildings                         | 171 910   | 18% | 176 791   | 16% | 145 033   | 12% | 131 092   | 9%  |
| Shares in affil. and assoc. companies      | 193 639   | 20% | 142 045   | 13% | 115 384   | 10% | 86 563    | 6%  |
| Debt securities of affil./assoc. companies | 85 003    | 9%  | 68 088    | 6%  | 66 298    | 6%  | 11 950    | 1%  |
| Shares                                     | 61 222    | 6%  | 80 967    | 7%  | 158 764   | 13% | 261 319   | 18% |
| Bonds                                      | 244 209   | 25% | 337 852   | 30% | 391 625   | 33% | 640 807   | 44% |
| Mortgage loans                             | 24 332    | 3%  | 24 067    | 1%  | 17 318    | 1%  | 1 120     | 0%  |
| Other loans                                | 7 871     | 1%  | 1 314     | 0%  | 1 806     | 0%  | 1 841     | 0%  |
| Deposits                                   | 180 544   | 18% | 295 045   | 26% | 303 030   | 25% | 318 791   | 22% |
| Other investments                          | 515       | 0%  | 314       | 0%  | 184       | 0%  | 3         | 0%  |
| Technical provisions, 31 December          | 517 601   |     | 595 418   |     | 737 329   |     | 822 809   |     |
| Balance volume, 31 December                | 1 239 858 |     | 1 392 946 |     | 1 513 460 |     | 1 708 809 |     |
| Share of investments in balance volume     | 78%       |     | 81%       |     | 79%       |     | 85%       |     |
| Share of provisions in balance volume      | 42%       |     | 43%       |     | 49%       |     | 48%       |     |
| Investment income                          | 103 808   |     | 52 277    |     | 67 485    |     | 62 478    |     |
| Investment expenses                        | 58 615    |     | 41 540    |     | 74 748    |     | 11 583    |     |

### Volume of investments of non-life insurers and share in balance volume, 31 December 2002





## COMMENTS TO RATIOS OF NON-LIFE INSURANCE

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In all ratios the premiums have been decreased by mandatory transfers to ETIF (8% of motor TPL premiums, included in "Other technical charges" in P&L account) since these transfers do not participate directly in indemnification of losses arising from contracts concluded by insurers concerned.

Changes in other technical provisions are split between nominator and denominator according to their essence - changes in unexpired risk provisions (URP) have been added to denominator and changes in motor TPL pension provision (MPP) have been added to nominator.

The expense ratios include adjustments for deferred acquisition costs (DAC) in nominator, which enables to present the combined ratios of companies. Expense ratios not adjusted by DAC are accompanied by note "(not adjusted by change in DAC and UPP)".

Ratios of claims paid to premiums written are given just for reference, since they affect liquidity only and can not be used for overall judgement of a company.

OCP and UPP stand for outstanding claims provision and unearned premiums provision, respectively.

None of the following diagrams has been made with the intention to be interpreted as a ranking list of any kind since the initial data may depend on different factors in different companies which, therefore, makes any ratios sometimes incomparable to a certain extent.

The following ratios are used:

$$\text{Gross loss ratio} = \frac{\text{total claims paid} + \text{change in OCP} + \text{change in MPP}}{\text{gross premiums} + \text{change in UPP} + \text{change in URP}}$$

$$\text{Gross expense ratio} = \frac{\text{acquisition costs} + \text{administrative expenses} + \text{change in DAC}}{\text{gross premiums} + \text{change in UPP} + \text{change in URP}}$$

$$\text{Gross combined ratio} = \text{gross loss ratio} + \text{gross expense ratio}$$

Reinsurers' loss ratio =

$$= \frac{\text{reinsurers' share in claims paid} + \text{change in reinsurers' OCP} + \text{change in reinsurers' share of MPP}}{\text{ceded premiums} + \text{reinsurers' share in UPP} + \text{reinsurers' share of URP}}$$

$$\text{Reinsurers' expense ratio} = \frac{\text{commissions from reinsurers} + \text{change in reinsurers' share of DAC}}{\text{premiums ceded} + \text{change in reinsurers' UPP} + \text{change in reinsurers' URP}}$$

$$\text{Reinsurers' combined ratio} = \text{reinsurers' loss ratio} + \text{reinsurers' expense ratio}$$

$$\text{Net loss ratio} = \frac{\text{net claims paid} + \text{net change in OCP} + \text{net change MPP}}{\text{net premiums} + \text{net change in UPP} + \text{net change in URP}}$$

$$\text{Net expense ratio} = \frac{\text{operating expenses}}{\text{net premiums} + \text{net change in UPP} + \text{net change in URP}}$$

$$\text{Net combined ratio} = \text{net loss ratio} + \text{net expense ratio}$$

$$\text{Gross payout ratio} = \frac{\text{total claims paid} + \text{claim handling expenses} - \text{subrogation}}{\text{gross premiums}}$$

$$\text{Net payout ratio} = \frac{\text{net claims paid}}{\text{net premiums}}$$

$$\text{Reinsurers' payout ratio} = \frac{\text{reinsurers' share in claims paid}}{\text{ceded premiums}}$$

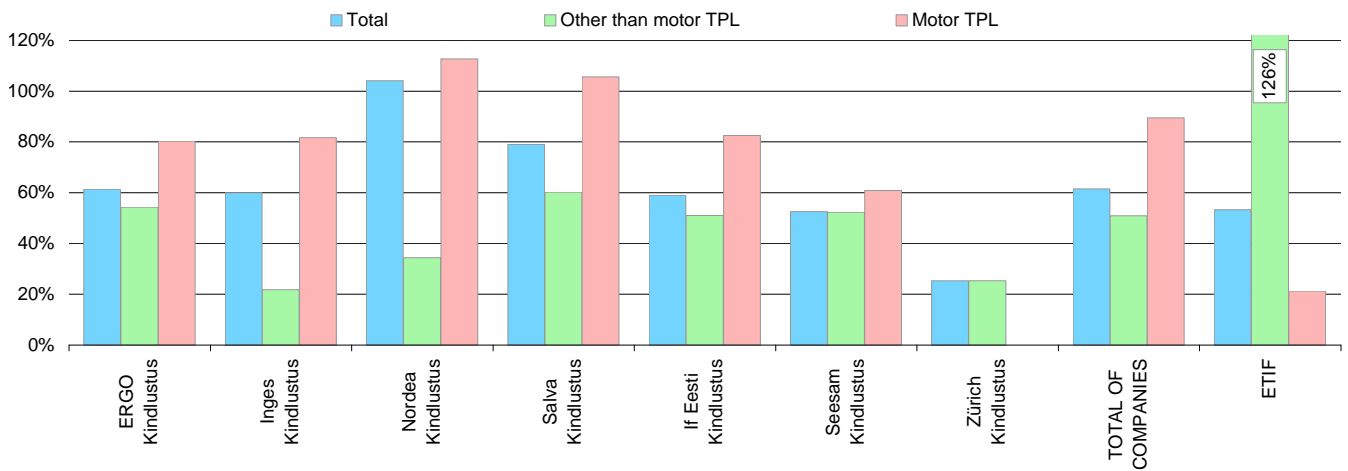
$$\text{Gross expense ratio (not adjusted by changes in DAC and UPP)} = \frac{\text{operating expenses} + \text{administrative expenses}}{\text{gross premiums}}$$

$$\begin{aligned} \text{Net expense ratio (not adjusted by changes in DAC and UPP)} &= \\ &= \frac{\text{operating expenses} + \text{administrative expenses} - \text{reinsurance commissions}}{\text{net premiums written}} \end{aligned}$$

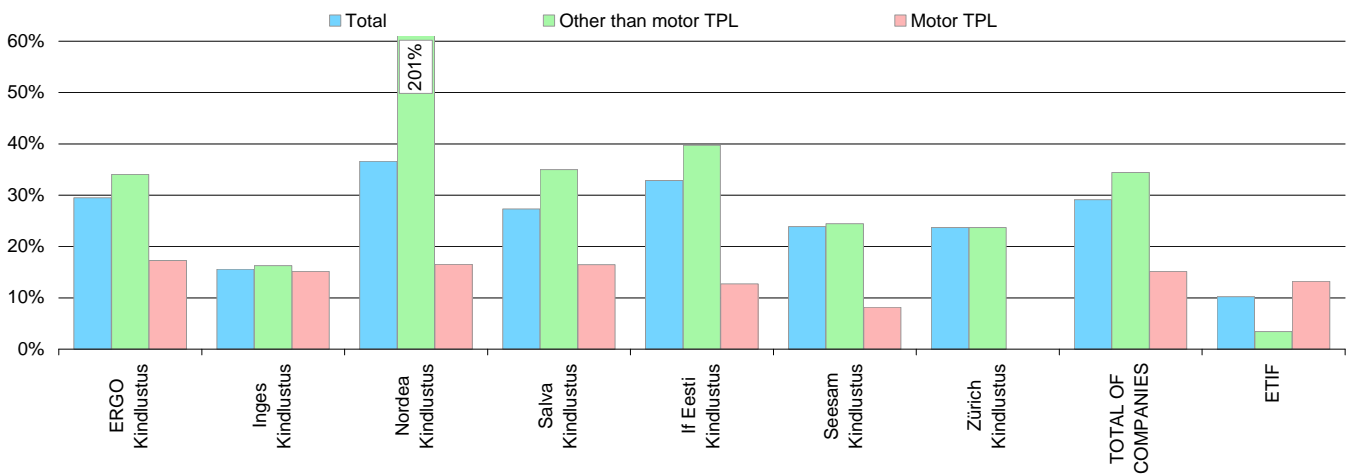
$$\text{Reinsurers' expense ratio (not adjusted by changes in DAC and UPP)} = \frac{\text{reinsurance commissions}}{\text{premiums ceded}}$$

# Main ratios of non-life insurers (1)

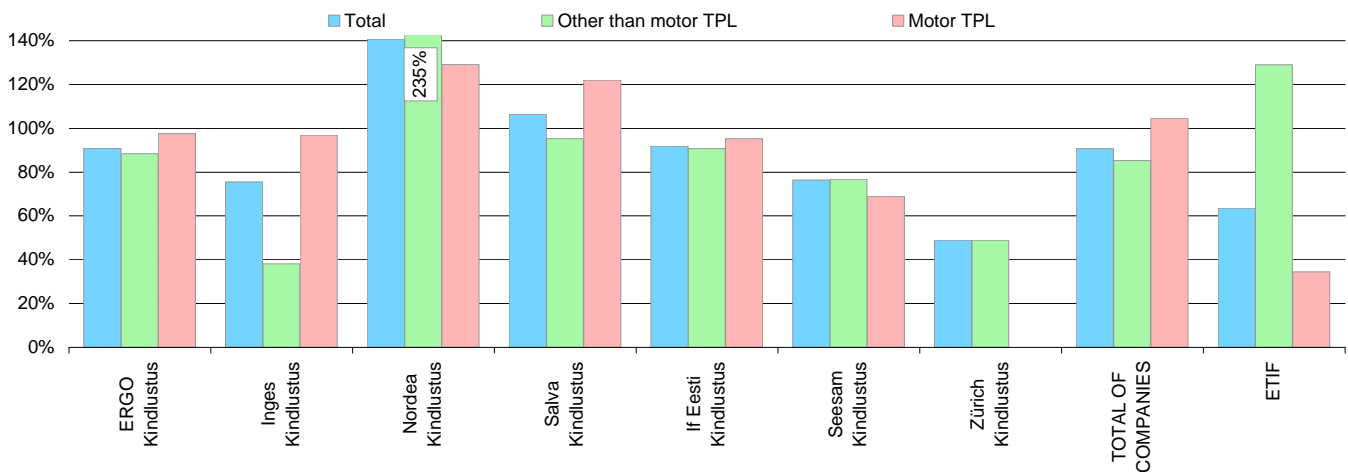
## Gross loss ratio



## Gross expense ratio

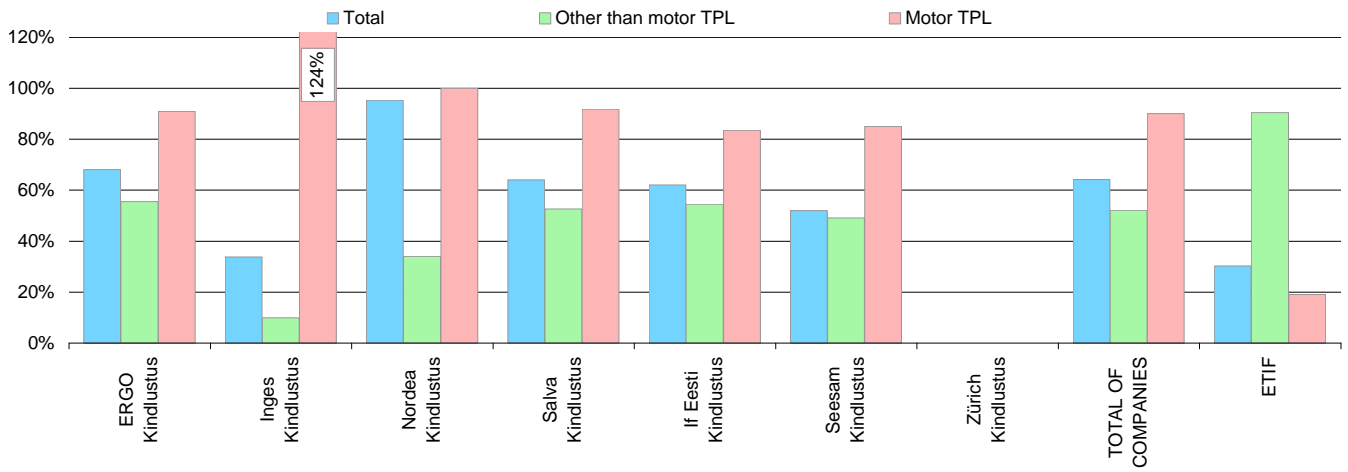


## Gross combined ratio

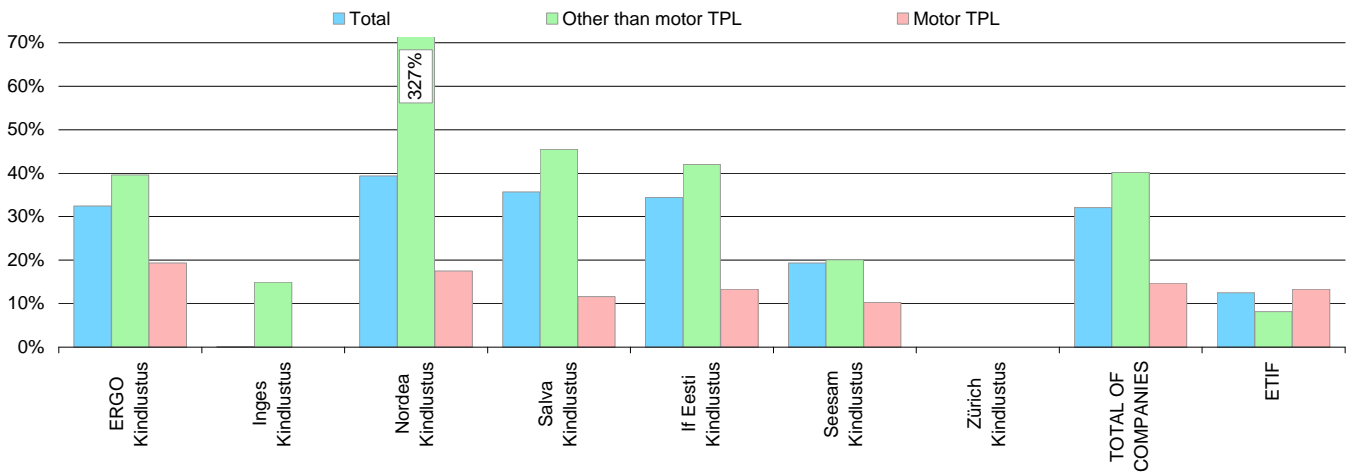


## Main ratios of non-life insurers (2)

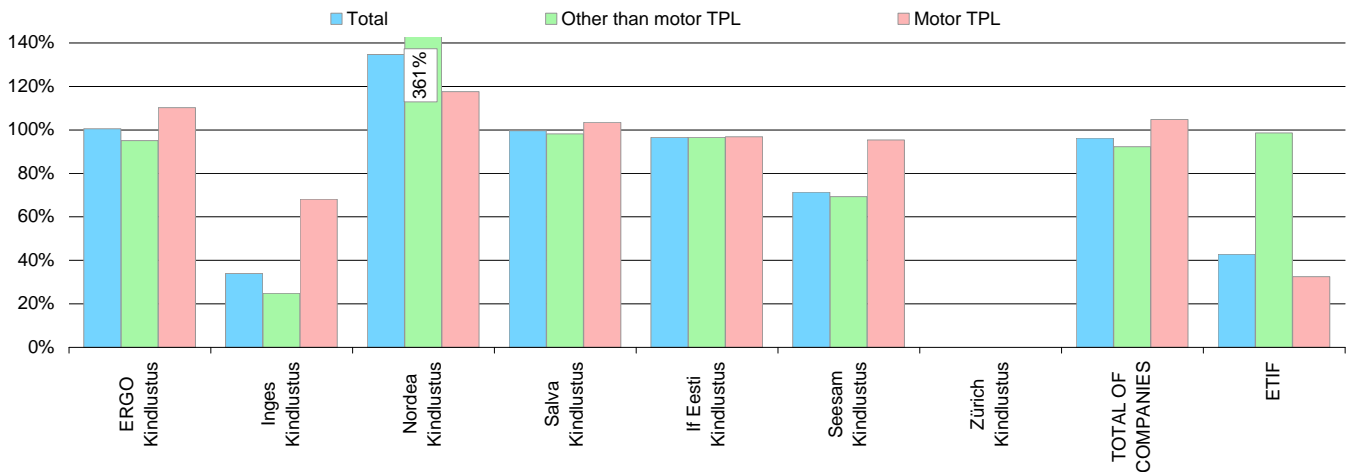
### Net loss ratio



### Net expense ratio

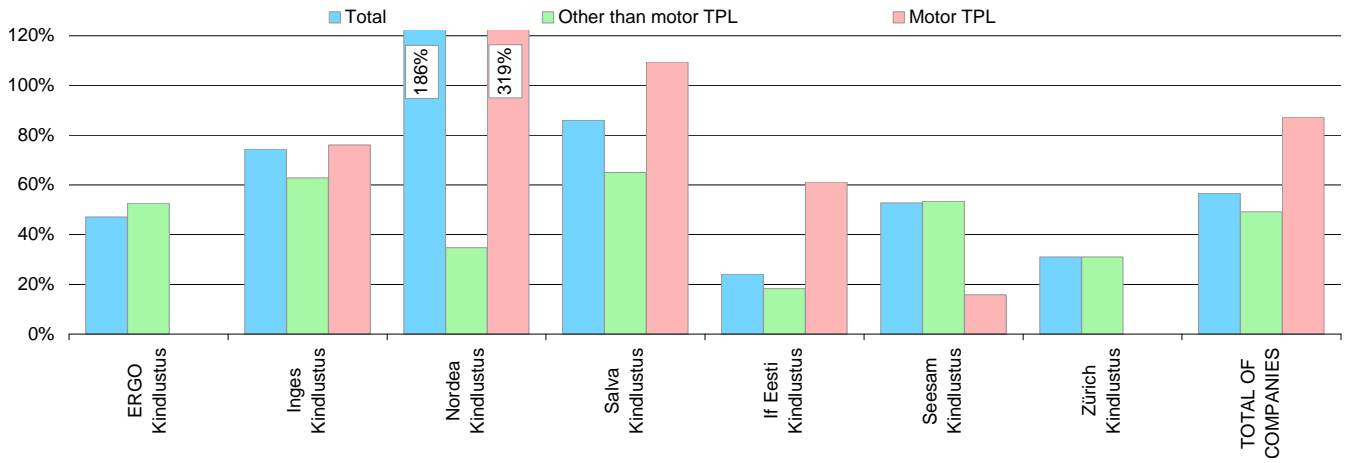


### Net combined ratio

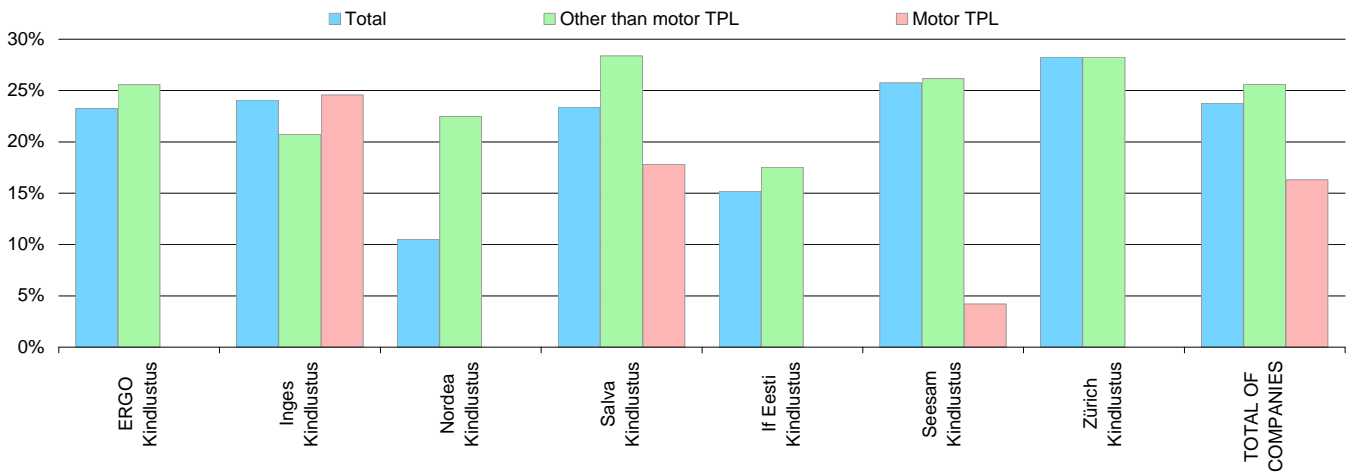


## Main ratios of non-life insurers (3)

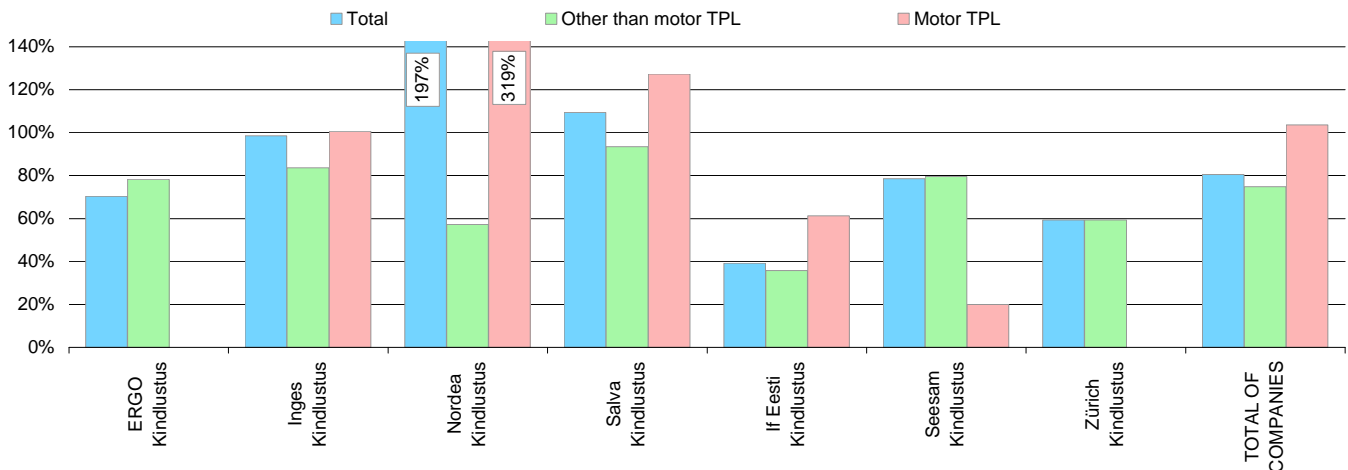
### Reinsurers' loss ratio



### Reinsurers' expense ratio



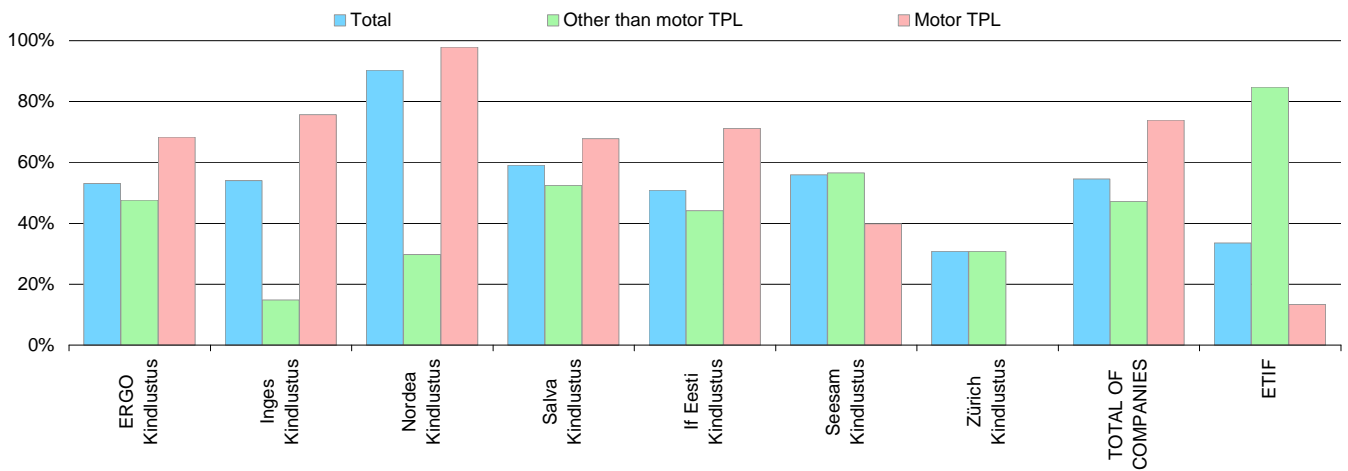
### Reinsurers' combined ratio



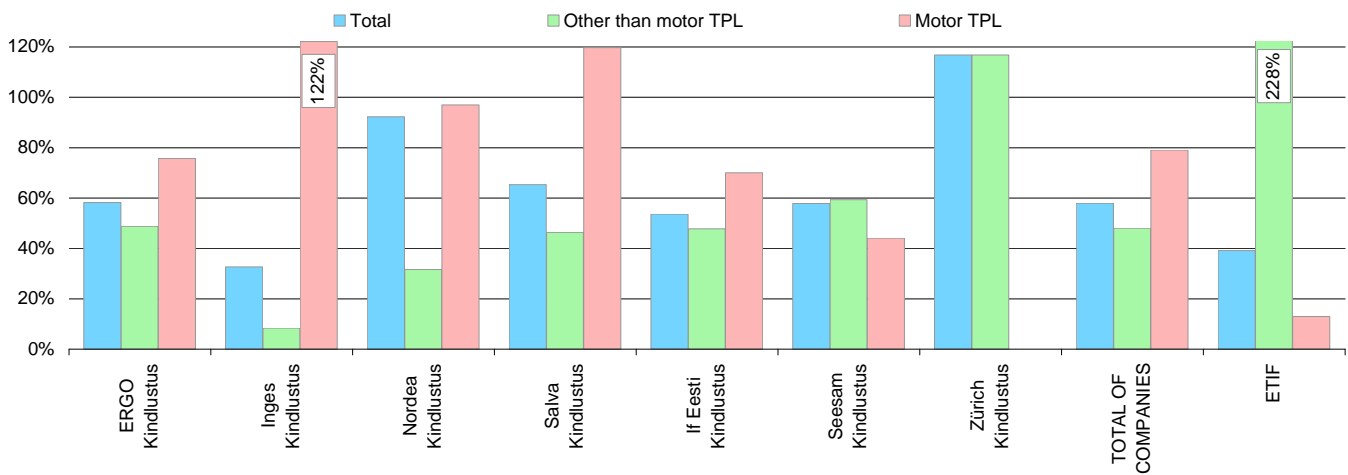


## Main ratios of non-life insurers (4)

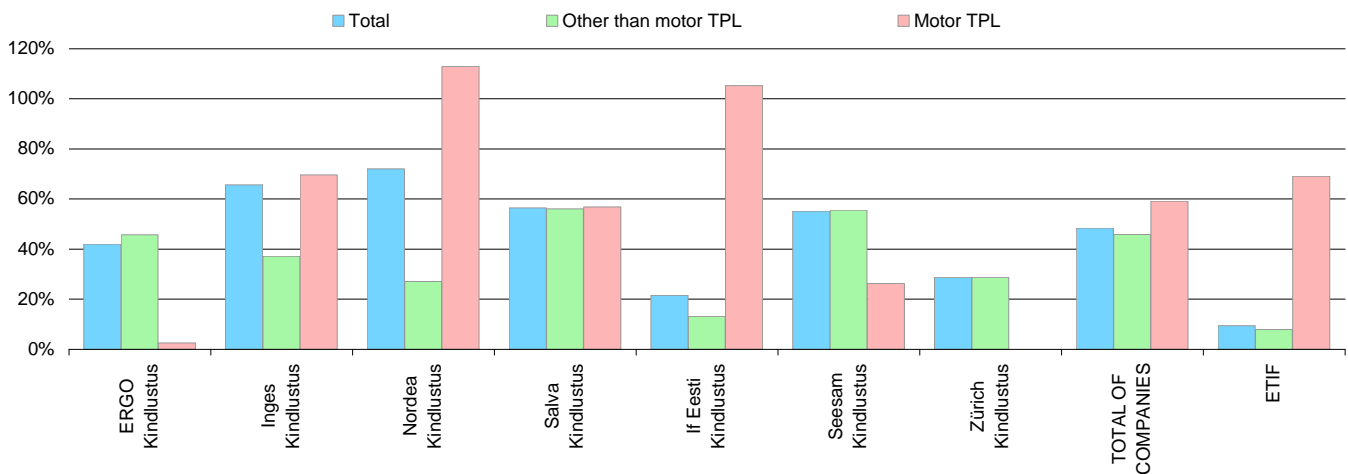
### Gross payout ratio



### Net payout ratio

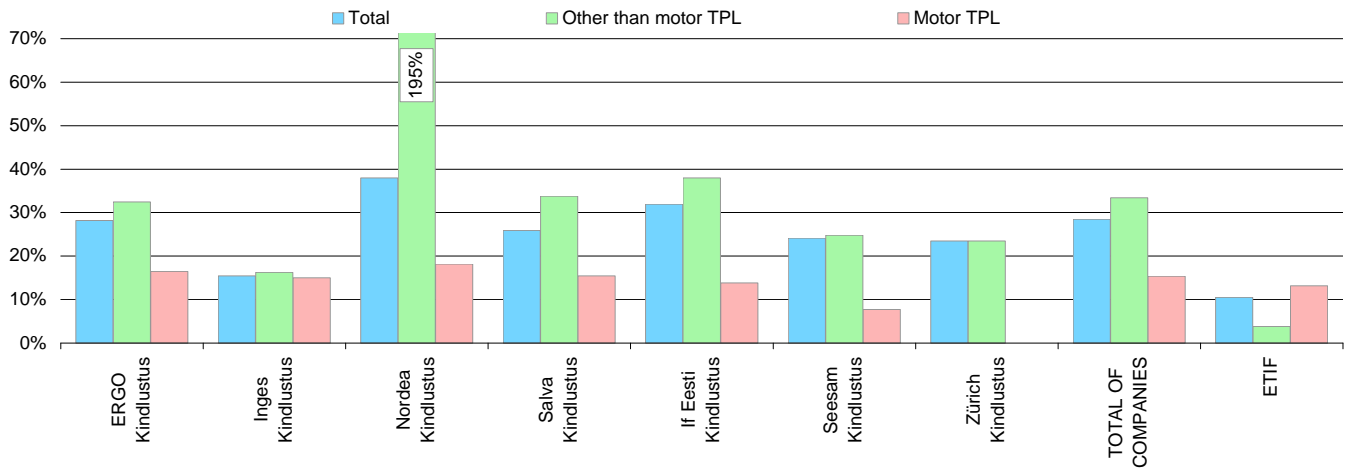


### Reinsurers' payout ratio

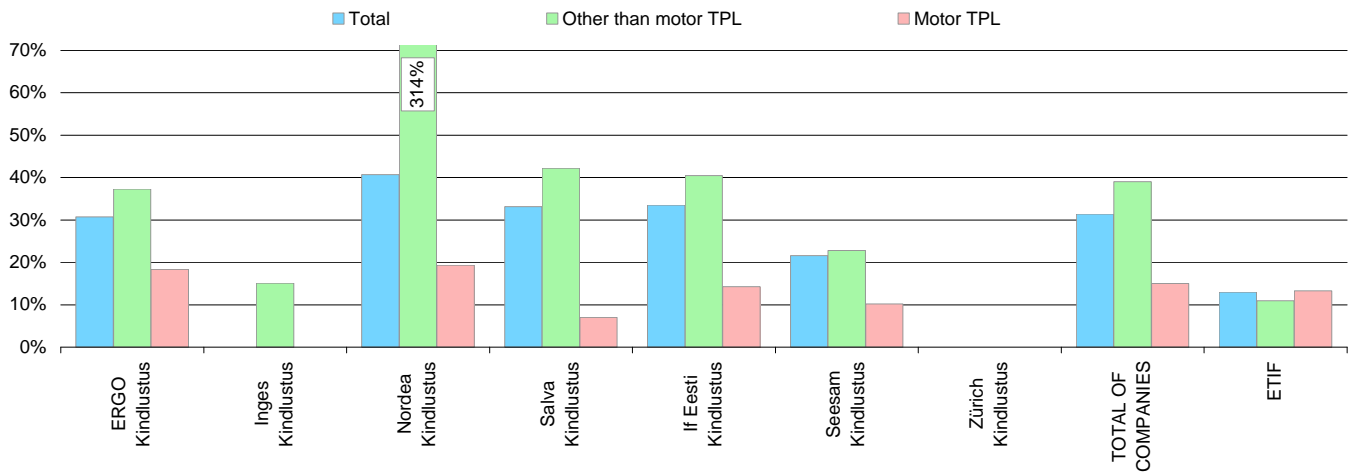


## Main ratios of non-life insurers (5)

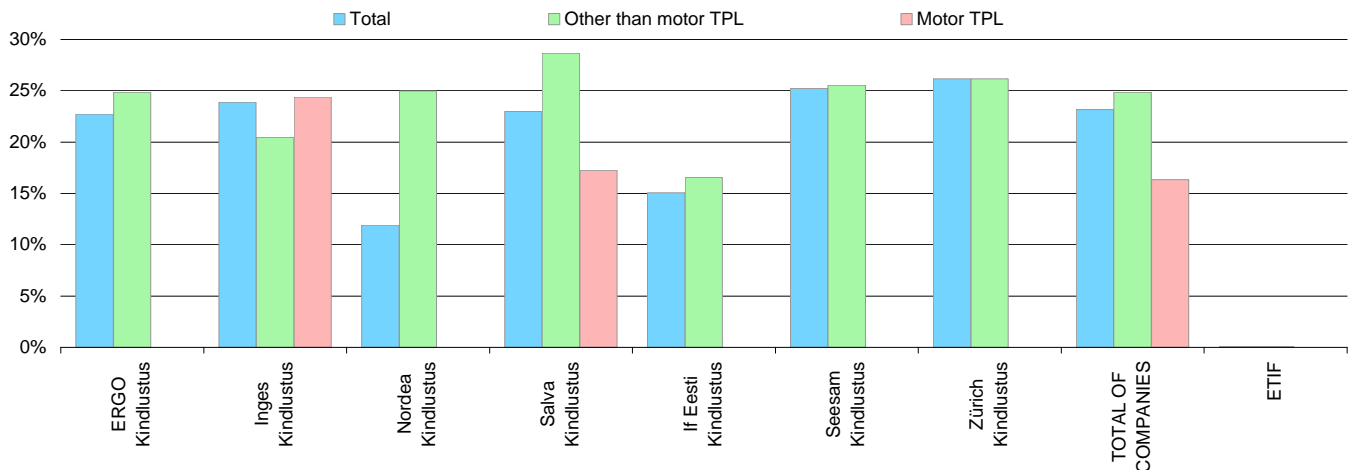
### Gross expense ratio (not adjusted by change in DAC and UPP)



### Net expense ratio (not adjusted by change in DAC and UPP)

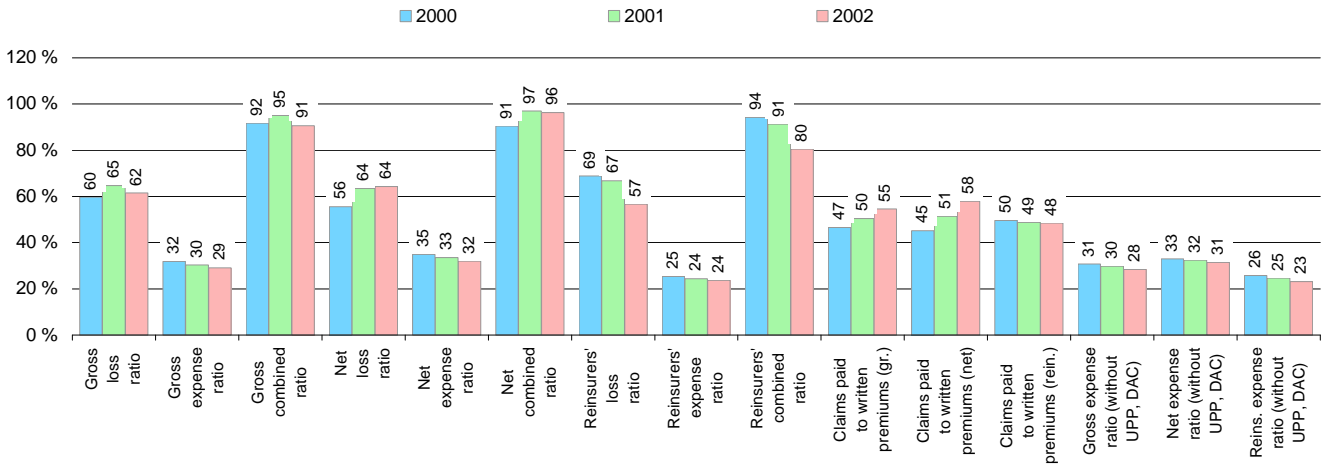


### Reinsurers' expense ratio (not adjusted by change in DAC and UPP)

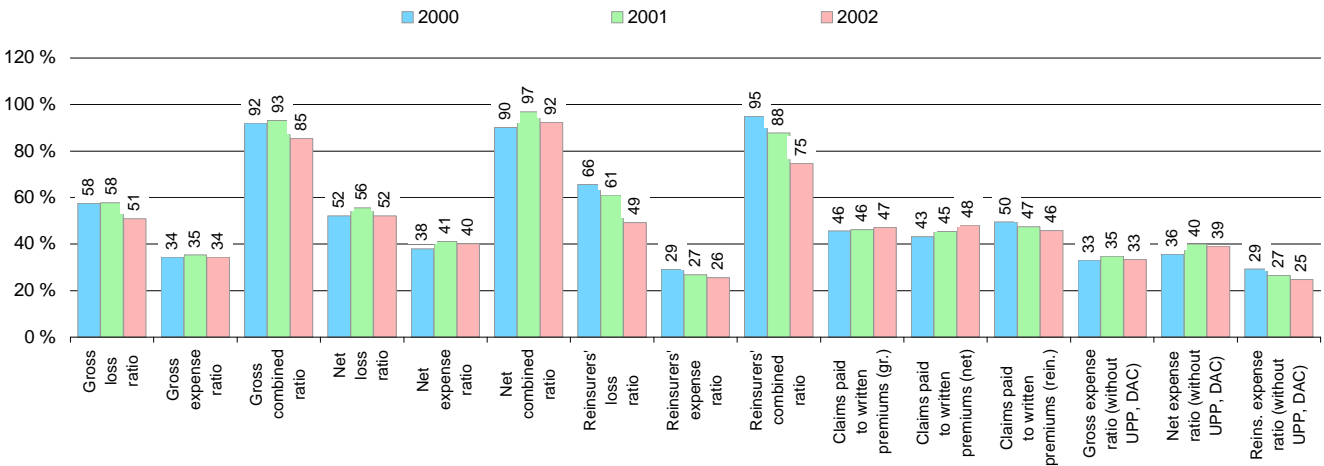


# Non-life insurance ratios<sup>1</sup>

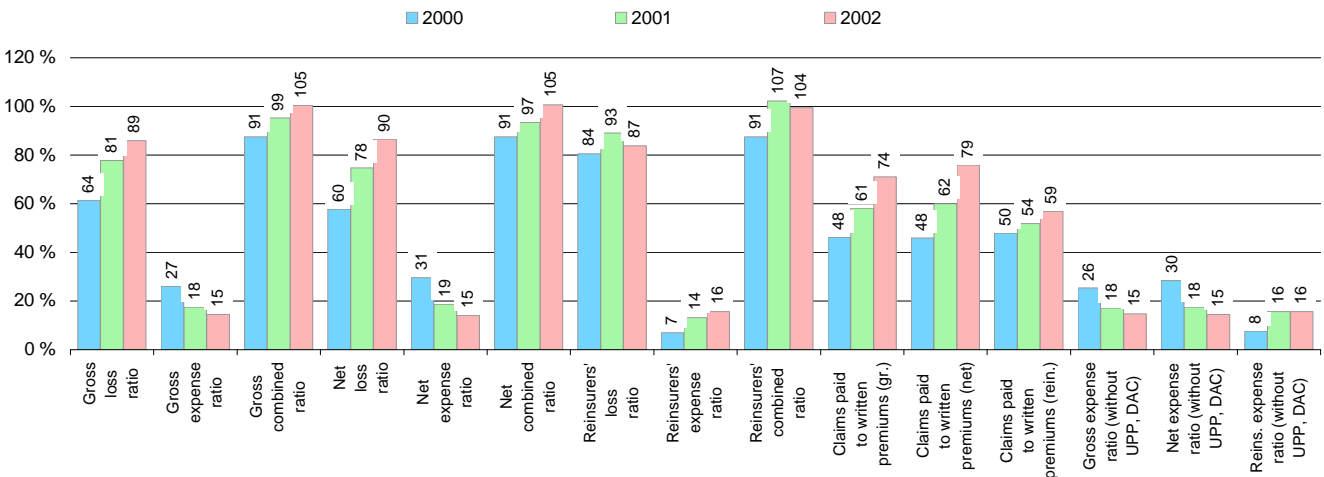
## Total



## Other than motor TPL



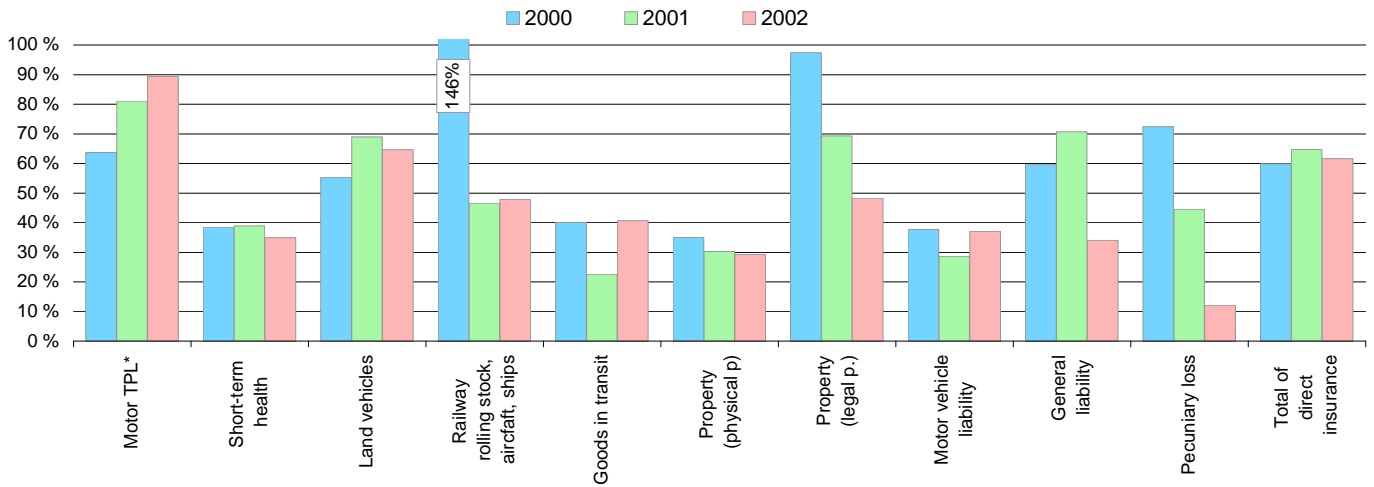
## Motor TPL



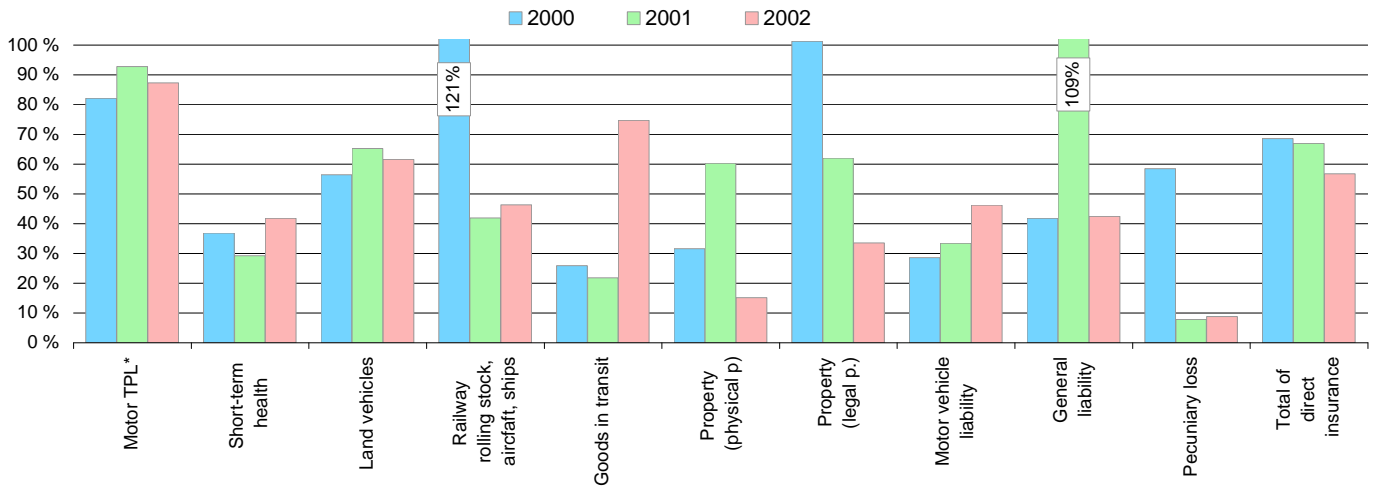
<sup>1</sup> The ratios do not include data of ETIF

# Loss ratios of classes of business

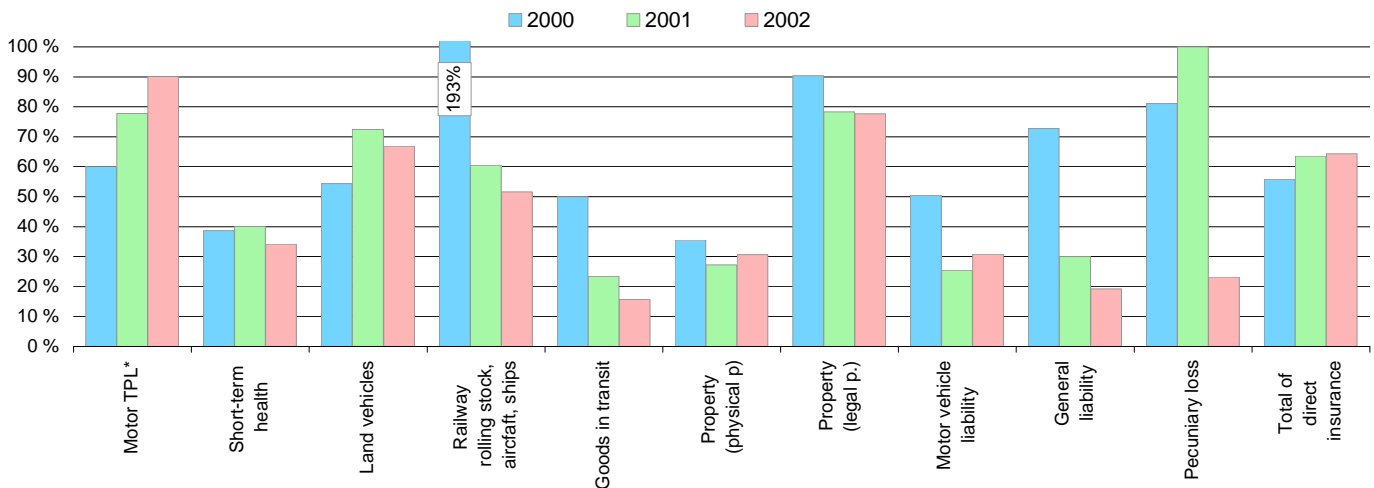
## Gross loss ratio



## Reinsurance loss ratio



## Net loss ratio



\* does not include ETIF

## MOTOR THIRD PARTY LIABILITY INSURANCE, 2002

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The motor TPL insurance has been in force in Estonia as a compulsory class of insurance since 1 July 1993.

Six insurance companies wrote the motor TPL insurance in 2002. In addition, the Estonian Traffic Insurance Foundation (further ETIF) acted as a sole insurer in border insurance, the Estonian National Bureau in an international motor TPL insurance business and also a guarantee fund. ETIF-s functions included also the general guidance of motor TPL insurance in Estonia, the indemnification of motor accident damages caused by illegally uninsured vehicles, and acting as a reinsurer in motor TPL insurance.

The total volume of motor TPL premiums in 2002 was 516,7 million kroons (456,6 million kroons in 2001).

There were 366,948 annual contracts (i.e. contracts of different lengths are annualized) sold for vehicles registered in Estonia in 2002. According to data from state registers, there were 528,000 vehicles subject to motor TPL insurance. The percentage of insured vehicles registered in Estonia increased from 57.5% in 2001 to 63% in 2002.

In 2002, the average cost for client of an annualized domestic policy (i.e. excluding border insurance and Green Card) was the highest in the Seesam Rahvusvaheline Kindlustuse AS and the lowest in the AS If Eesti Kindlustus. It should be noted that this depends on the average duration of policies and the predominant types of vehicles.

Insurers were able to draw up tariffs of motor TPL insurance independently since the second half of 2001. In the course of an increased competition, the previously used tariffs proved to be slightly insufficient, which had an impact on the technical result of 2002. The overall loss from motor TPL insurance was 16 million kroons in 2002. In order to avoid further loss, the insurance companies had to adjust their tariffs, which caused the increased cost of daily insurance cover in 2002.

*Table 2. Cost of daily insurance cover in domestic insurance by classes of vehicle*

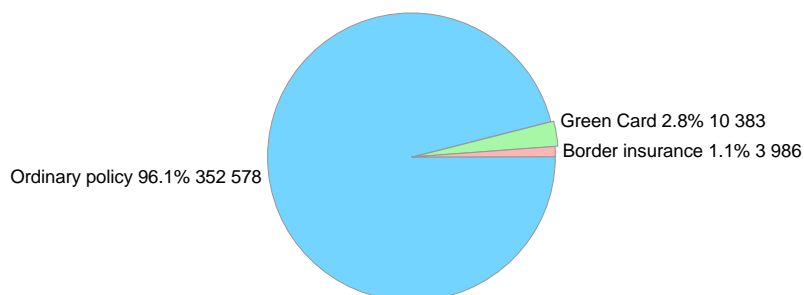
|      | Buses | Motorcycles | Cars | Trucks | Lorries | Vans | TOTAL |
|------|-------|-------------|------|--------|---------|------|-------|
| 1998 | 6,32  | 1,07        | 3,14 | 5,96   | 4,22    | 3,39 | 3,00  |
| 1999 | 6,86  | 0,56        | 3,14 | 5,71   | 3,78    | 3,01 | 2,93  |
| 2000 | 5,67  | 0,32        | 3,20 | 7,19   | 3,40    | 3,58 | 2,98  |
| 2001 | 4,41  | 0,84        | 2,93 | 8,17   | 4,43    | 3,85 | 2,83  |
| 2002 | 5,20  | 1,19        | 3,43 | 7,55   | 4,66    | 4,19 | 3,24  |

The total volume of technical provision in motor TPL insurance was 461,6 million kroons at the end of 2002 (reinsurers' share being 176,4 million kroons), thereof the unearned premiums comprised 117 million kroons (reinsurers' share being 23,3 million kroons), the outstanding claims provision 290,7 million kroons (reinsurers' share being 115,7 million kroons) and traffic pension provisions 53,9 million kroons (reinsurers' share being 37,4 million kroons).

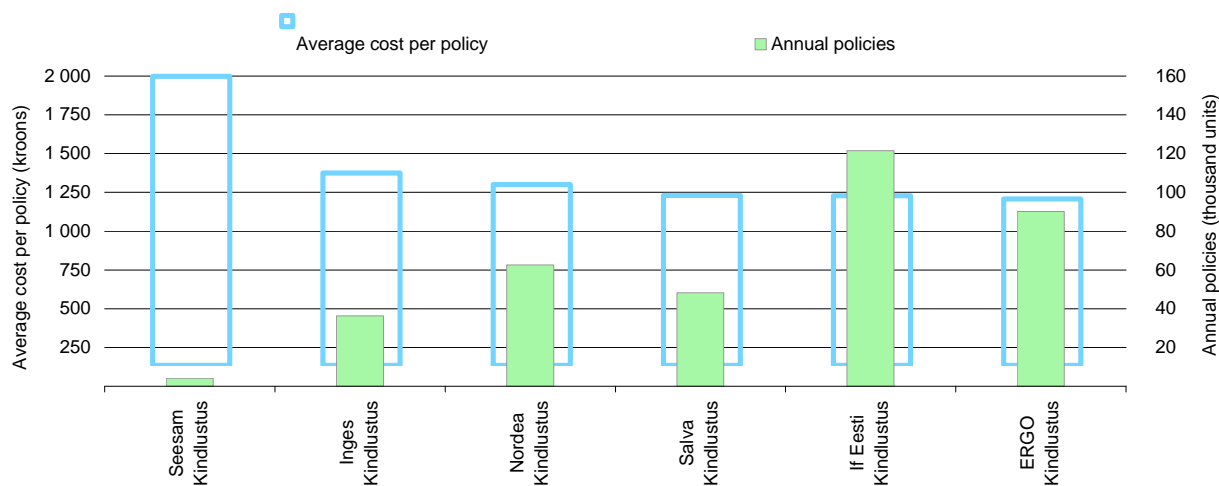
## Insurance market and its breakdown, 1998–2002

|  | Motor-cycles | Cars    | Trucks, trailers and vans | Tractors | Trailed vehicles | Buses | TOTAL   |
|--|--------------|---------|---------------------------|----------|------------------|-------|---------|
| Number of vehicles (31 December, thousand units) |              |         |                           |          |                  |       |         |
| 1998   | 6            | 451     | 81                        | 51       | 51               | 6     | 646     |
| 1999   | 7            | 459     | 81                        | 51       | 52               | 6     | 656     |
| 2000   | 7            | 464     | 82                        | 51       | 52               | 6     | 662     |
| 2001   | 7            | 407     | 81                        | 52       | 52               | 6     | 605     |
| 2002   | 7            | 401     | 80                        | 40       | 49               | 5     | 582     |
| Annual policies (units)                          |              |         |                           |          |                  |       |         |
| 1998   | 1 500        | 237 058 | 45 471                    | 17 914   | 21 748           | 3 801 | 327 492 |
| 1999   | 1 652        | 258 833 | 49 025                    | 19 714   | 24 474           | 3 567 | 357 265 |
| 2000   | 1 417        | 238 607 | 39 279                    | 10 140   | 21 496           | 3 223 | 314 162 |
| 2001   | 1 381        | 267 492 | 40 339                    | 11 376   | 23 829           | 3 592 | 348 009 |
| 2002   | 1 717        | 276 366 | 43 723                    | 13 362   | 28 302           | 3 478 | 366 948 |
| Percentage of insurance (%)                      |              |         |                           |          |                  |       |         |
| 1998   | 25           | 53      | 56                        | 35       | 43               | 63    | 51      |
| 1999   | 24           | 56      | 61                        | 39       | 47               | 59    | 54      |
| 2000   | 20           | 51      | 48                        | 20       | 41               | 54    | 47      |
| 2001   | 20           | 66      | 50                        | 22       | 46               | 60    | 58      |
| 2002   | 25           | 69      | 55                        | 33       | 58               | 70    | 63      |

### Number of annual policies and structure by classes of policies, 2002 (Total — 366 947 annual policies)



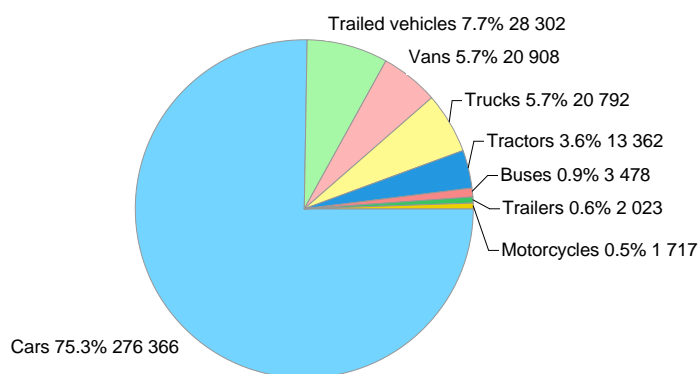
### Number of domestic annual policies concluded and their average cost for customers, 2002



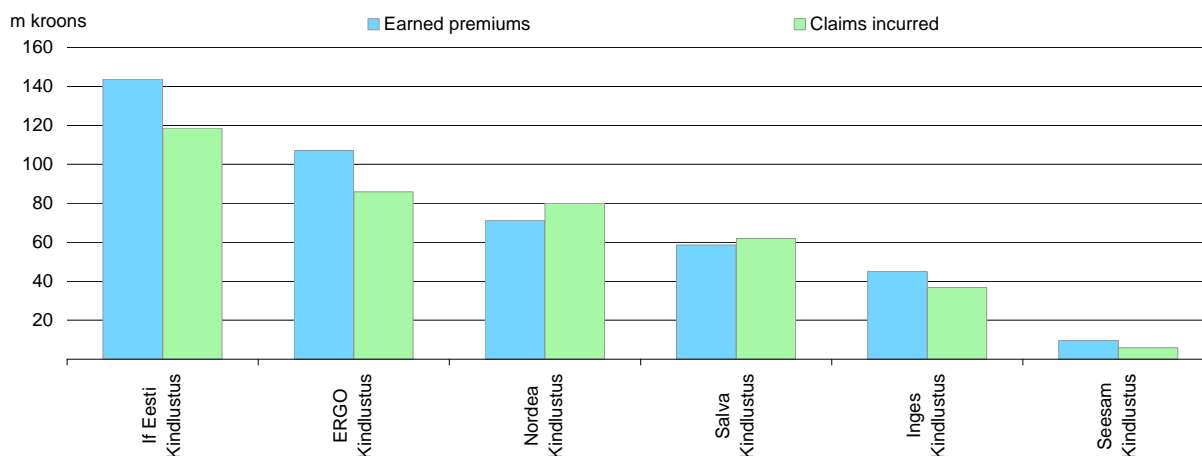
## The structure of insured vehicles by the duration of policy in domestic insurance industry, 2002

| Type of vehicle  | Duration of policy |             |                         |                          |                         | TOTAL |
|------------------|--------------------|-------------|-------------------------|--------------------------|-------------------------|-------|
|                  | Up to 5 days       | 6 - 15 days | from 16 days to 1 month | from 1 month to 3 months | from 3 months to 1 year |       |
| Buses            | 0%                 | 0%          | 0.1%                    | 0.2%                     | 0.4%                    | 0.9%  |
| Trailed vehicles | 0%                 | 0%          | 0.3%                    | 0.3%                     | 2.9%                    | 4.2%  |
| Motorcycles      | 0%                 | 0%          | 0%                      | 0.1%                     | 0.3%                    | 0.4%  |
| Cars             | 2.5%               | 8.2%        | 15.6%                   | 26.1%                    | 29.3%                   | 81.7% |
| Tractors         | 0%                 | 0%          | 0%                      | 0.1%                     | 1.5%                    | 1.6%  |
| Trailers         | 0%                 | 0%          | 0.1%                    | 0.2%                     | 0.2%                    | 0.6%  |
| Trucks           | 0.5%               | 1.1%        | 0.9%                    | 1.3%                     | 2.2%                    | 6.0%  |
| Vans             | 0%                 | 0.1%        | 0.8%                    | 1.4%                     | 2.3%                    | 4.6%  |
| TOTAL            | 3.1%               | 10.4%       | 17%                     | 29.7%                    | 39.1%                   | 100%  |

## Number and structure of annual policies in domestic insurance by type of vehicles, 2002 (Total — 366 947 annual policies)



## Earned premiums and claims incurred of motor TPL insurance by insurance companies, 2002



Earned premiums = motor TPL gross premiums - 8% to Estonian Traffic Insurance Foundation - change in unearned premiums provision  
 Claims incurred = claims paid + change in outstanding claims provision + change in other tech. provisions

## Policies, premiums and claims paid of motor TPL insurance per insurer, 2002

|   | ERGO<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus<br>Eesti | Salva<br>Kindlustus | If Eesti<br>Kindlustus | Seesam<br>Rahvus-<br>vaheline<br>Kindlustus | TOTAL<br>insurance<br>companies | Estonian<br>Traffic<br>Insurance<br>Foundation | TOTAL   |
|---|--------------------|---------------------|-------------------------------|---------------------|------------------------|---|---------------------------------|--|---------|
| Structure of premiums by policy types:                      |                    |                     |                               |                     |                        |   |                                 |  |         |
| TOTAL   | 24%                | 9%                  | 15%                           | 15%                 | 31%                    | 2%  | 96%                             | 4%   | 100%    |
| - Domestic insurance  | 19%                | 8%                  | 14%                           | 11%                 | 26%                    | 1%  | 79%                             |  | 79%     |
| - International policies (Green Card)                       | 5%                 | 1%                  | 1%                            | 4%                  | 5%                     | 1%  | 17%                             |  | 17%     |
| - Border insurance  |                    |                     |                               |                     |                        |   |                                 | 4%   | 4%      |
| Gross premiums ( thousand kroons)                           | 112 437            | 45 284              | 71 782                        | 66 608              | 148 933                | 10 265                                      | 455 309                         | 61 246   | 516 556 |
| Reinsurers' share in gross premiums (thousand kroons)       | 11 413             | 40 006              | 4 078                         | 54 983              | 4 726                  | 2 459                                       | 117 667                         | 405  | 118 072 |
| Structure of paid indemnities:                              |                    |                     |                               |                     |                        |   |                                 |  |         |
| TOTAL   | 22%                | 10%                 | 20%                           | 12%                 | 30%                    | 1%  | 95%                             | 5%   | 100%    |
| - Personal loss   | 2%                 | 1%                  | 1%                            | 1%                  | 2%                     | 0%  | 7%                              | 1%   | 8%      |
| incl medical expenses                                       | 1%                 | 1%                  | 1%                            | 1%                  | 2%                     | 0%  | 6%                              | 1%   | 7%      |
| temporary disability  | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              | 0%   | 0%      |
| permanent disability  | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              | 0%   | 0%      |
| family pension  | 1%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 1%                              | 0%   | 1%      |
| funeral expenses  | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              | 0%   | 0%      |
| other   | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              | 0%   | 0%      |
| - Property loss   | 20%                | 9%                  | 19%                           | 11%                 | 28%                    | 1%  | 88%                             | 4%   | 92%     |
| incl vehicles   | 19%                | 9%                  | 18%                           | 10%                 | 27%                    | 1%  | 84%                             | 3%   | 87%     |
| personal articles   | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              | 0%   | 0%      |
| road, road constructions                                    | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     | 0%  | 0%                              | 1%   | 1%      |
| cargo   | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     |   | 0%                              |  | 0%      |
| other   | 1%                 | 0%                  | 1%                            | 1%                  | 1%                     | 0%  | 4%                              | 0%   | 4%      |
| legal assistance and expertise                              | 0%                 | 0%                  | 0%                            | 0%                  | 0%                     | 0%  | 0%                              | 0%   | 0%      |
| Claims paid (thousand kroons)                               | 76 847             | 34 303              | 70 301                        | 45 175              | 106 066                | 4 087                                       | 336 779                         | 8 174  | 344 953 |
| (claims paid = indemnities + handling costs - subrogations) |                    |                     |                               |                     |                        |   |                                 |  |         |
| - Paid indemnities  | 71 563             | 33 647              | 65 244                        | 39 446              | 99 735                 | 4 144                                       | 313 781                         | 10 660   | 324 441 |
| - Handling costs  | 10 765             | 1 530               | 8 532                         | 6 878               | 14 733                 | 127   | 42 565                          | 2 553  | 45 118  |
| - Subrogations  | 5 481              | 874                 | 3 476                         | 1 149               | 8 402                  | 184   | 19 566                          | 5 040  | 24 606  |
| Reinsurers' share in paid claims (thousand kroons)          | 295                | 27 854              | 4 607                         | 31 249              | 4 980                  | 648   | 69 633                          | 280  | 69 914  |





# INSURANCE MARKET IN BALTIC COUNTRIES, 2002

In 2002 the total of gross premiums of the Baltic countries was 8,5 billion kroons<sup>1</sup> (in 2001 this figure was 6,6 billion kroons), thereof 82.5% were received from non-life insurance, 14.0% from life insurance, and 3.4% from accepted reinsurance business (figure 83).

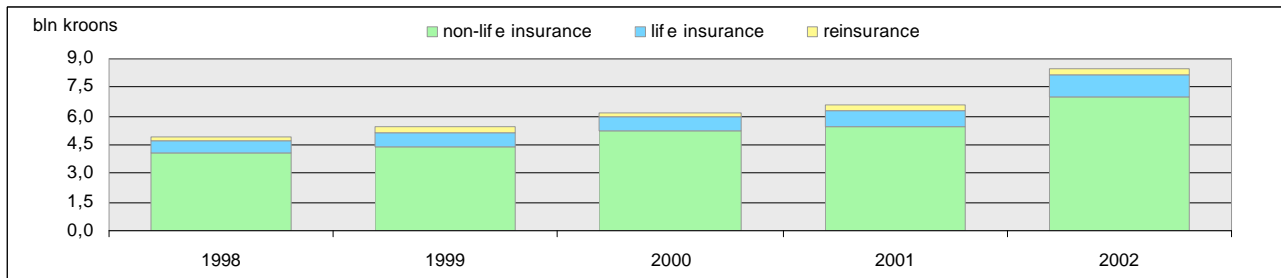


Figure 83. Gross premiums of the Baltic countries, 1998–2002

In 2002 the volume of direct gross premiums in the Baltic countries increased by more than a quarter (29.8%), whereas in all three countries the growth of insurance market was substantially faster than in the previous year. The volume of direct gross premiums increased 21.4% in Estonia, 3.1% in Latvia, and 73.2% in Lithuania. In 2001 the respective rates were as follows: 11.9% of growth in Estonia, 0.3% of decrease in Latvia, and 10.6% of growth in Lithuania.

Both life and non-life insurance business played substantial role in the development of the rapidly increased Lithuanian insurance market. Major players behind the 77.8% growth of non-life insurance were the adoption of the compulsory motor TPL insurance law on 14 June 2001 and its enforcement since 1 April 2002. As a result, in 2002 the share of motor TPL insurance formed 32.7% of direct gross premiums in Lithuania (the share of the voluntary motor liability insurance had been 14.2% in 2001). In Estonia and Latvia the shares of the motor TPL insurance business of direct gross premiums were 23.9% and 25.4%, respectively. The 55.5% growth in Lithuanian life insurance market was facilitated by amendments to the law regarding the taxation of life insurance benefits.

Consequently, the leading position in the Baltic insurance market was passed over from Latvia to Lithuania, which is also natural when comparing the size and the population of all three countries. In 2002 the shares of individual countries in the Baltic direct insurance market were as follows (based on the volume of gross premiums): Lithuania 40.9%, Latvia 32.6% and Estonia 26.5% (figure 84).

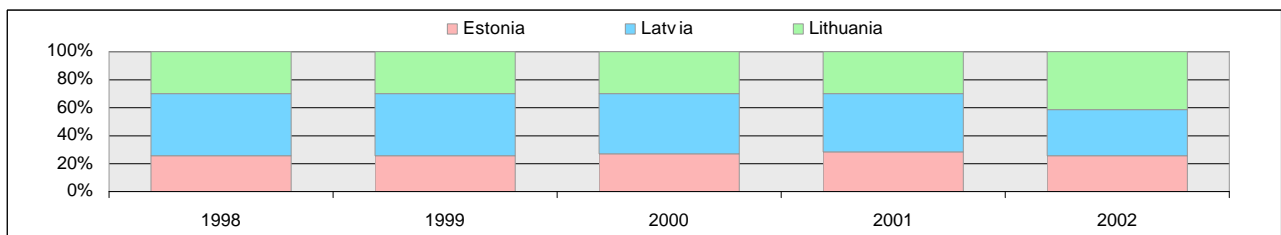


Figure 84. Division of gross premiums in the Baltic countries, 1998–2002

<sup>1</sup> Hereinafter: data in Latvian latts (LVL) and Lithuanian litas (LTL) has been translated into Estonian kroons. In 2002 the average exchange rates were: 1 LVL = 26,9556 EEK and 1 LTL = 4,5224 EEK

In case of the growth of gross premiums we must distinguish between nominal and actual growth of premiums. In 2002 both the nominal and actual growth of premiums were positive and bigger than in 2001 in all three Baltic countries (figure 85).

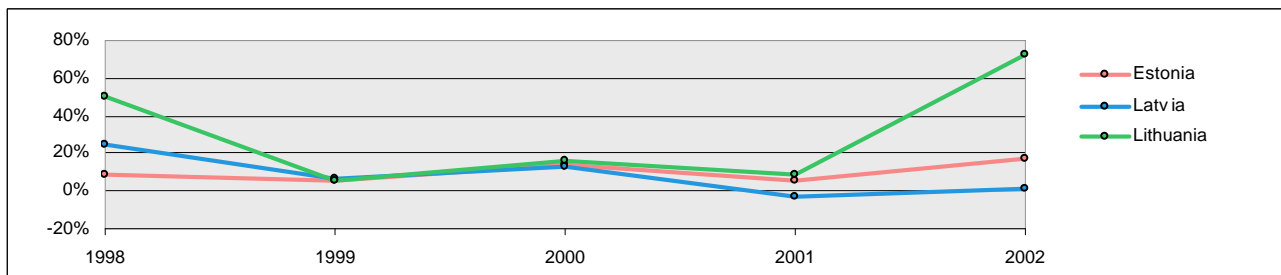


Figure 85. Annual actual growth of gross premiums in the Baltic countries, 1998–2002

In Estonia the actual growth rate of gross premiums was 17.2% in 2002 (5.7% in 2001). The respective rate was 21.0% in life insurance and 16.2% in non-life insurance. The volume of direct premiums at 1997 constant prices increased 61.1% during the last five years, whereas the volume of non-life premiums increased 45.6% and that of life premiums almost three times.

In Latvia the actual growth rate of gross premiums was 1.2% in 2002 (decrease of 2.7% in 2001), whereas non-life premiums increased 0.7% (decrease of 2.5% in 2001) and life premiums increased 13.4% (decrease of 7.7% in 2001). The volume of direct premiums at 1997 constant prices increased 48.5% in Latvia during the last five years, whereas the volume of non-life premiums increased 58.3% and that of life premiums decreased 37.8%.

In Lithuania the actual growth rate of gross premiums was exceptionally big in 2002 – 72.7% (9.2% in 2001), whereas the growth was significant both in the volume of non-life and that of life gross premiums. The actual growth of life premiums was 55.1% (23.7% in 2001). The respective rate in non-life sector was 77.3% (5.9% in 2001). Due to the rapid development of insurance market in 2002, the volume of direct premiums at 1997 constant prices increased 3,5 times in Lithuania during the last five years, thus the growth being significantly bigger than in Estonia or Latvia. Non-life premiums increased approximately 3,7 times and life premiums 2,9 times.

The number of insurance companies in the Baltic countries was 63 in 2002; 20 of them were life insurers. In Lithuania the total number of insurance companies remained unchanged. In Estonia the total number decreased by a life insurer and in Latvia by a non-life insurer.

In 2002 the total number of insurers with foreign shareholders was 36 in the Baltic countries; 10 of them were in Estonia, 10 in Latvia and 16 in Lithuania. The total number increased during the year by two companies – both Latvia and Lithuania got a non-life insurer with foreign shareholders. Though the number of insurance companies with foreign shareholders remained the same in Estonia, the direct foreign participation increase the most in Estonia, being higher than in Latvia and Lithuania at the end of 2002. Nevertheless, the market share controlled by nonresidents was more or less equal in Estonia and in Lithuania – approximately 72%. In Latvia the respective rate was considerably lower – 47.3% (figure 86).

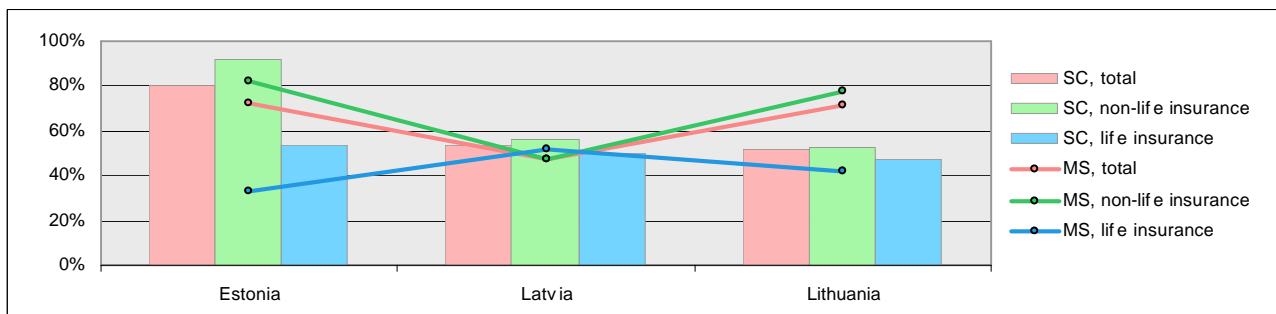


Figure 86. Foreign participation in share capital (SC) and the market share (based on gross premiums) controlled by nonresidents (MS), 2002

The relative importance of life and non-life insurance in each country is calculated on the basis of direct gross premiums. 85.5% of direct gross premiums of the Baltic countries were collected from non-life insurance and 14.5% from life insurance. In 2002 the relative importance of life insurance was 20.6% of gross premiums in Estonia; in Lithuania the respective ratio was 18.8%. In Latvia the relative importance of life insurance increased during the year from 3.8% to the level of 4.3%, thus reversing the former trend of decrease.

The relative importance of reinsurance in total gross premiums was the following: in Estonia 1.1% (2.7% in 2001), in Latvia 4.0% (4.7% in 2001) and in Lithuania 4.4% (7.4% in 2001). Thus, the relative importance of gross premiums accepted for reinsurance business decreased in all three Baltic countries (figure 87).

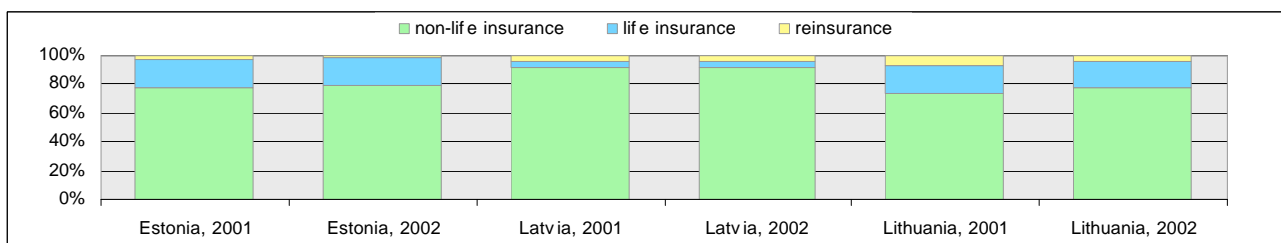


Figure 87. Division of gross premiums between life insurance, non-life insurance and reinsurance, 2001–2002

The development level of insurance is well characterized by the volume of direct premium per person, i.e. how much people spend on insurance in average. In 2002 the volume of direct gross premiums per person was 1,593 kroons in Estonia, 1,145 kroons in Latvia and 966 kroons in Lithuania. In Estonia the average spending on insurance increased by 286 kroons in 2002, in Latvia the respective raise in spending was 43 kroons and in Lithuania 410 kroons.

Despite the developments in the insurance sector, the relative importance of insurance business was still quite moderate in national economies of the Baltic countries. The ratio of direct gross premiums to GDP (insurance penetration) increased in 2002 to the level of 2.0% in Estonia. In Latvia the respective ratio was 1.9% and in Lithuania 1.5%.

## Economy and insurance of Baltic Countries, 2002

|   | Estonia | Latvia | Lithuania |
|---|---------|--------|-----------|
| GDP at current prices (million USD)                     | 6 505   | 8 406  | 13 798    |
| GDP at current prices (million EUR)                     | 6 904   | 8 910  | 14 643    |
| Average population (thousand)                           | 1 359   | 2 339  | 3 469     |
| Number of insurers, 31 Dec.                             | 13*     | 20     | 31        |
| incl. non-life insurance                                | 8*      | 14     | 22        |
| life insurance  | 5       | 6      | 9         |
| Foreign ownership, direct (% of share capital), 31 Dec. | 80      | 54     | 52        |
| non-life insurance companies                            | 92      | 56     | 53        |
| life insurance companies                                | 53      | 50     | 47        |
| Number of insurance brokers, 31 Dec.                    | 14      | 29     | 95        |
| Gross premiums (million USD)                            | 131.8   | 167.5  | 211.1     |
| incl. non-life insurance                                | 103.5   | 153.9  | 163.7     |
| life insurance  | 26.9    | 6.9    | 38.0      |
| reinsurance   | 1.4     | 6.7    | 9.4       |
| Gross premiums (million EUR)                            | 139.9   | 177.5  | 224.0     |
| incl. non-life insurance                                | 109.8   | 163.1  | 173.7     |
| life insurance  | 28.5    | 7.3    | 40.3      |
| reinsurance   | 1.6     | 7.1    | 10.0      |
| Growth of gross premiums** (%)                          | 19.5    | 6.1    | 62.2      |
| incl. non-life insurance                                | 18.0    | 5.6    | 65.1      |
| life insurance  | 25.3    | 19.8   | 50.3      |
| reinsurance   | -50.6   | -9.3   | -2.4      |
| Real change in gross premiums** (% of previous year)    | 15.3    | 4.2    | 61.7      |
| incl. non-life insurance                                | 13.9    | 3.7    | 64.6      |
| life insurance  | 21.0    | 17.5   | 49.8      |
| reinsurance   | -52.3   | -11.0  | -2.7      |
| Direct gross premiums per capita (USD)                  | 96      | 69     | 58        |
| incl. non-life insurance                                | 76      | 66     | 47        |
| life insurance  | 20      | 3      | 11        |
| Direct gross premiums per capita (EUR)                  | 102     | 73     | 62        |
| incl. non-life insurance                                | 81      | 70     | 50        |
| life insurance  | 21      | 3      | 12        |
| Insurance penetration (%)                               | 2.0     | 1.9    | 1.5       |
| incl. non-life insurance                                | 1.6     | 1.8    | 1.2       |
| life insurance  | 0.4     | 0.1    | 0.3       |

\* incl. Estonian Traffic Insurance Foundation

\*\* basic data in EEK, LTL and LVL

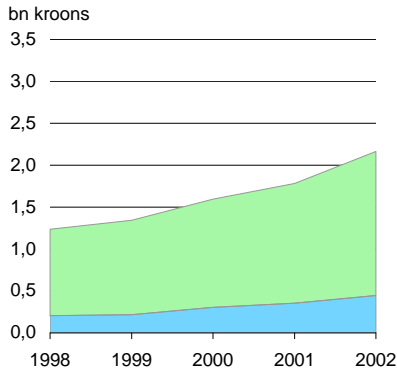
## Life and non-life insurance market in Baltic Countries, 1998—2002\*

|           | 1998         |          | 1999         |          | 2000         |          | 2001         |          | 2002         |          |
|-----------|--------------|----------|--------------|----------|--------------|----------|--------------|----------|--------------|----------|
|           | Non-life (%) | Life (%) | Non-life (%) | Life (%) | Non-life (%) | Life (%) | Non-life (%) | Life (%) | Non-life (%) | Life (%) |
| Estonia   | 83,3         | 16,7     | 83,9         | 16,1     | 80,9         | 19,1     | 80,0         | 20,0     | 79,4         | 20,6     |
| Latvia    | 90,9         | 9,1      | 92,5         | 7,5      | 96,0         | 4,0      | 96,2         | 3,8      | 95,7         | 4,3      |
| Lithuania | 83,2         | 16,8     | 81,7         | 18,3     | 81,5         | 18,5     | 79,0         | 21,0     | 81,2         | 18,8     |

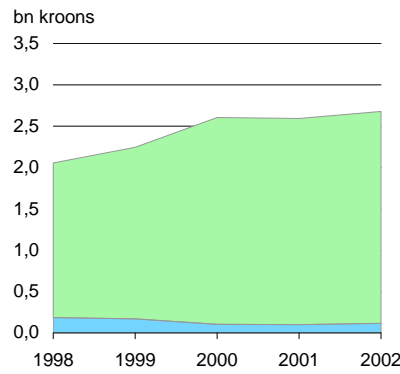
\* Only direct insurance

# Insurance market in Baltic Countries, 1998—2002

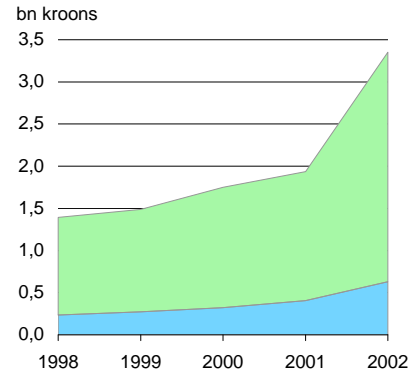
## Direct gross premiums



Estonia

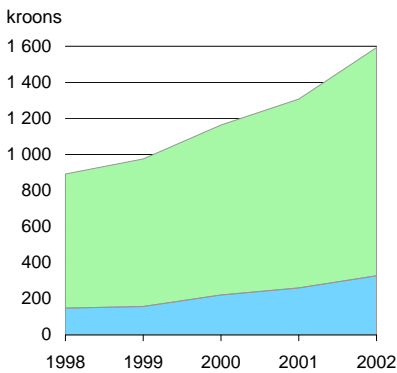


Latvia

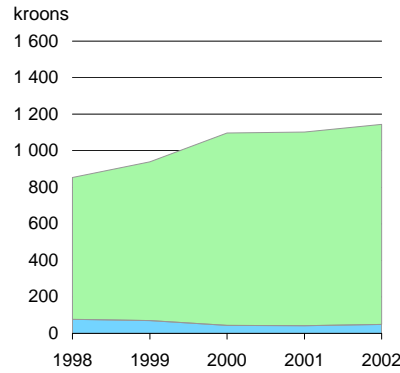


Lithuania

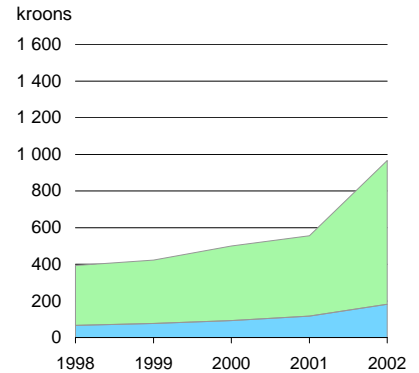
## Direct gross premiums per capita



Estonia

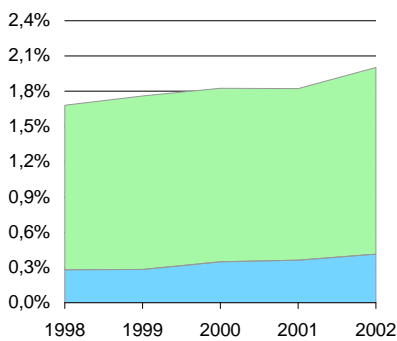


Latvia

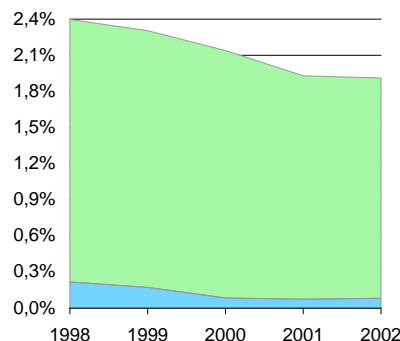


Lithuania

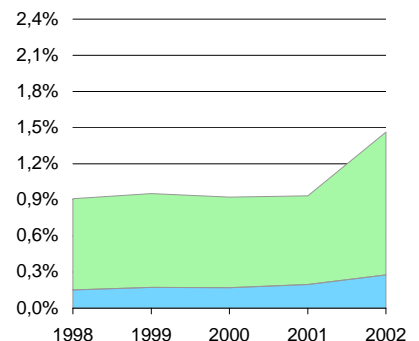
## Insurance penetration



Estonia



Latvia



Lithuania

■ Non-life insurance  
■ Life insurance

Average exchange rate of EEK for 2002: 1 LVL = 26,9556 EEK  
1 LTL = 4,5224 EEK

## BASIC TABLES

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## Balance sheet of insurance companies, 31 December 2002

(kroons)

| <b>ASSETS</b>                          | <b>NON-LIFE</b>      | <b>LIFE</b>          | <b>TOTAL</b>         |
|--|----------------------|----------------------|----------------------|
| Cash and bank account                  | 53 552 492           | 8 891 362            | 62 443 854           |
| Receivables                            | 77 097 744           | 6 706 791            | 83 804 535           |
| Direct insurance                       | 52 298 096           | 2 053 118            | 54 351 214           |
| Policyholders                          | 11 927 105           | 2 053 118            | 13 980 223           |
| Intermediaries                         | 38 304 034           |                      | 38 304 034           |
| Other                                  | 2 066 957            |                      | 2 066 957            |
| Reinsurance                            | 17 435 439           | 3 523 840            | 20 959 279           |
| Other receivables                      | 7 364 209            | 1 129 833            | 8 494 042            |
| Accrued income, prepayments            | 70 959 379           | 35 055 142           | 106 014 521          |
| Accrued income                         | 14 945 301           | 19 392 190           | 34 337 491           |
| Deferred acquisition costs             | 47 234 236           | 13 967 460           | 61 201 696           |
| Other prepaid expenses                 | 8 779 842            | 1 695 492            | 10 475 334           |
| Investments                            | 1 287 865 446        | 1 014 605 030        | 2 302 470 476        |
| Land and buildings                     | 78 392 460           | 6 808 518            | 85 200 978           |
| Affiliated companies                   | 98 362 472           | 40 706 072           | 139 068 544          |
| Shares                                 | 86 412 472           | 40 490 772           | 126 903 244          |
| Bonds, loans                           | 11 950 000           | 215 300              | 12 165 300           |
| Other financial investments            | 1 111 110 514        | 967 090 440          | 2 078 200 954        |
| Shares and other securities            | 230 370 675          | 113 217 168          | 343 587 843          |
| Bonds, fixed interest securities       | 608 945 017          | 602 804 478          | 1 211 749 495        |
| Participation in joint investments     | 2 800                |                      | 2 800                |
| Mortgage loans                         | 1 119 726            |                      | 1 119 726            |
| Other loans                            | 1 841 087            | 278 392              | 2 119 479            |
| Deposits with credit institutions      | 268 831 209          | 250 790 402          | 519 621 611          |
| Unit-linked life ins. investments      |                      | 113 170 629          | 113 170 629          |
| Intangible assets                      | 12 525 907           | 1 897 907            | 14 423 814           |
| Fixed assets                           | 28 012 520           | 9 930 627            | 37 943 147           |
| <b>TOTAL ASSETS</b>                    | <b>1 530 013 488</b> | <b>1 190 257 488</b> | <b>2 720 270 976</b> |
| <b>LIABILITIES</b>                     |                      |                      |                      |
| Payables                               | 144 403 554          | 15 533 162           | 159 936 716          |
| Direct insurance                       | 39 438 994           | 8 619 076            | 48 058 070           |
| Policyholders                          | 31 306 197           | 3 363 053            | 34 669 250           |
| Intermediaries                         | 4 449 759            | 5 256 023            | 9 705 782            |
| Other                                  | 3 683 038            |                      | 3 683 038            |
| Reinsurance                            | 90 594 971           | 1 687 382            | 92 282 353           |
| Other payables                         | 14 369 589           | 5 226 704            | 19 596 293           |
| Accrued expenses, prepayments          | 75 719 017           | 14 217 921           | 89 936 938           |
| Accrued expenses                       | 44 327 041           | 14 193 241           | 58 520 282           |
| Deferred acq. costs, reinsurers' share | 31 391 976           |                      | 31 391 976           |
| Other prepaid income                   |                      | 24 680               | 24 680               |
| Technical provisions                   | 699 399 526          | 819 738 605          | 1 519 138 131        |
| Unearned premiums provisions (net)     | 313 403 401          |                      | 313 403 401          |
| (Reinsurers' share)                    | 135 359 172          |                      | 135 359 172          |
| Life provisions (net)                  |                      | 802 554 789          | 802 554 789          |
| (Reinsurers' share)                    |                      | 554 801              | 554 801              |
| Outstanding claims provisions (net)    | 369 580 958          | 5 172 791            | 374 753 749          |
| (Reinsurers' share)                    | 314 587 164          | 957 629              | 315 544 793          |
| Provision for bonuses (net)            |                      | 12 011 025           | 12 011 025           |
| Other technical provisions (net)       | 16 415 167           |                      | 16 415 167           |
| (Reinsurers' share)                    | 37 459 381           |                      | 37 459 381           |
| Unit-linked life ins. provisions (net) |                      | 113 174 333          | 113 174 333          |
| Owners' equity                         | 610 491 391          | 227 593 467          | 838 084 858          |
| Share capital                          | 338 000 160          | 142 460 000          | 480 460 160          |
| Share premium                          | 111 688 632          | 75 733 874           | 187 422 506          |
| General reserve                        | 25 011 632           | 5 462 256            | 30 473 888           |
| Other reserves                         | 1 008 085            |                      | 1 008 085            |
| Profit/loss carried forward            | 92 813 634           | - 13 529 161         | 79 284 473           |
| Profit/loss of the year                | 41 973 148           | 17 466 498           | 59 439 646           |
| Treasury shares (-)                    | - 3 900              |                      | - 3 900              |
| <b>TOTAL LIABILITIES</b>               | <b>1 530 013 488</b> | <b>1 190 257 488</b> | <b>2 720 270 976</b> |



## Balance sheets of non-life insurers, 31 December 2002 (1)

(kroons)

| <b>ASSETS</b>                          | ERGO<br>Kindlustus | If Eesti<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus Eesti | Salva<br>Kindlustus |
|--|--------------------|------------------------|---------------------|----------------------------|---------------------|
| Cash and bank account                  | 1 581 810          | 12 416 742             | 14 202 458          | 1 379 071                  | 2 558 873           |
| Receivables                            | 20 610 323         | 13 562 991             | 4 481 761           | 9 940 893                  | 14 641 230          |
| Direct insurance                       | 16 317 335         | 7 542 223              | 4 309 144           | 4 068 289                  | 9 674 068           |
| Policyholders                          | 6 057 091          | 941 630                | 608 544             | 141 919                    | 1 552 033           |
| Intermediaries                         | 8 193 287          | 6 600 593              | 3 700 600           | 3 926 370                  | 8 122 035           |
| Other                                  | 2 066 957          |                        |                     |                            |                     |
| Reinsurance                            | 4 045 065          | 5 551 119              | 164 867             | 345 815                    | 4 954 602           |
| Other receivables                      | 247 923            | 469 649                | 7 750               | 5 526 789                  | 12 560              |
| Accrued income, prepayments            | 19 197 330         | 29 046 336             | 1 002 805           | 2 772 838                  | 6 433 000           |
| Accrued income                         | 5 270 655          | 6 245 894              | 207 579             | 1 102 500                  | 203 832             |
| Deferred acquisition costs             | 11 112 722         | 19 947 689             | 523 898             | 1 494 655                  | 5 699 041           |
| Other prepaid expenses                 | 2 813 953          | 2 852 753              | 271 328             | 175 683                    | 530 127             |
| Investments                            | 368 129 424        | 574 916 884            | 73 358 176          | 55 000 000                 | 52 783 052          |
| Land and buildings                     | 50 314 451         | 4 799 913              | 3 929 283           |                            | 14 561 273          |
| Affiliated companies                   |                    | 89 744 497             |                     |                            | 8 617 975           |
| Shares                                 |                    | 78 244 497             |                     |                            | 8 167 975           |
| Bonds, loans                           |                    | 11 500 000             |                     |                            | 450 000             |
| Other financial investments            | 317 814 973        | 480 372 474            | 69 428 893          | 55 000 000                 | 29 603 804          |
| Shares and other securities            | 121 255            | 153 871 458            | 8 470 157           |                            | 22 970 204          |
| Bonds, fixed interest securities       | 276 514 307        | 247 092 517            |                     |                            |                     |
| Participation in joint investments     |                    | 2 800                  |                     |                            |                     |
| Mortgage loans                         | 487 726            |                        |                     |                            | 590 000             |
| Other loans                            | 75 370             | 38 699                 |                     |                            | 1 727 018           |
| Deposits with credit institutions      | 40 616 315         | 79 367 000             | 60 958 736          | 55 000 000                 | 4 316 582           |
| Intangible assets                      | 4 998 763          | 7 527 144              |                     |                            |                     |
| Fixed assets                           | 7 679 496          | 5 939 949              | 474 281             | 526 789                    | 411 644             |
| <b>TOTAL ASSETS</b>                    | <b>422 197 146</b> | <b>643 410 046</b>     | <b>93 519 481</b>   | <b>69 619 591</b>          | <b>76 827 799</b>   |
| <b>LIABILITIES</b>                     |                    |                        |                     |                            |                     |
| Payables                               | 27 468 273         | 49 187 007             | 5 320 750           | 6 989 661                  | 14 550 325          |
| Direct insurance                       | 11 156 690         | 13 752 234             | 2 631 323           | 4 595 474                  | 4 999 675           |
| Policyholders                          | 7 929 086          | 12 374 340             | 2 050 438           | 3 808 009                  | 3 332 598           |
| Intermediaries                         | 2 449 046          | 128 463                | 118 301             | 98 194                     | 1 249 323           |
| Other                                  | 778 558            | 1 249 431              | 462 584             | 689 271                    | 417 754             |
| Reinsurance                            | 15 718 213         | 30 495 748             | 1 859 285           | 899 096                    | 4 455 567           |
| Other payables                         | 593 370            | 4 939 025              | 830 142             | 1 495 091                  | 5 095 083           |
| Accrued expenses, prepayments          | 26 531 943         | 16 337 229             | 2 208 511           | 2 665 751                  | 11 669 215          |
| Accrued expenses                       | 17 550 188         | 15 297 106             | 645 081             | 2 544 861                  | 3 856 001           |
| Deferred acq. costs, reinsurers' share | 8 981 755          | 1 040 123              | 1 563 430           | 120 890                    | 7 813 214           |
| Technical provisions                   | 225 708 339        | 347 518 705            | 14 891 308          | 41 240 200                 | 27 333 857          |
| Unearned premiums provisions (net)     | 92 892 600         | 167 311 122            | 3 822 452           | 13 228 636                 | 13 907 908          |
| (Reinsurers' share)                    | 31 688 215         | 8 229 968              | 6 542 547           | 1 015 762                  | 33 403 947          |
| Outstanding claims provisions (net)    | 127 882 668        | 171 111 732            | 10 790 267          | 26 375 433                 | 12 954 424          |
| (Reinsurers' share)                    | 98 011 941         | 44 723 850             | 42 542 280          | 14 901 957                 | 47 566 124          |
| Other technical provisions (net)       | 4 933 071          | 9 095 851              | 278 589             | 1 636 131                  | 471 525             |
| (Reinsurers' share)                    | 12 138 327         | 6 318 419              | 1 301 674           | 13 027 918                 | 4 673 043           |
| Owners' equity                         | 142 488 591        | 230 367 105            | 71 098 912          | 18 723 979                 | 23 274 402          |
| Share capital                          | 100 000 160        | 100 000 000            | 38 000 000          | 60 000 000                 | 10 000 000          |
| Share premium                          | 13 721 195         | 57 559 617             | 25 333              | 20 000 000                 |                     |
| General reserve                        | 3 114 785          | 7 301 872              | 7 174 672           |                            | 1 910 578           |
| Other reserves                         |                    |                        |                     |                            | 1 008 085           |
| Profit/loss carried forward            | 11 782 112         | 30 110 085             | 10 390 458          |                            | 3 123 610           |
| Profit/loss of the year                | 13 874 239         | 35 395 531             | 15 508 449          | - 61 276 021               | 7 232 129           |
| Treasury shares (-)                    | - 3 900            |                        |                     |                            |                     |
| <b>TOTAL LIABILITIES</b>               | <b>422 197 146</b> | <b>643 410 046</b>     | <b>93 519 481</b>   | <b>69 619 591</b>          | <b>76 827 799</b>   |

**Balance sheets of non-life insurers, 31 December 2002 (2)**  
(kroons)

| <b>ASSETS</b>                          | Seesam<br>Kindlustus | Zürich<br>Kindlustus Eesti | Total of non-<br>life insurers | Estonian Traffic<br>Ins. Foundation |
|--|----------------------|----------------------------|--------------------------------|-------------------------------------|
| Cash and bank account                  | 5 687 289            | 15 726 249                 | 53 552 492                     | 549 798                             |
| Receivables                            | 12 440 186           | 1 420 360                  | 77 097 744                     | 9 067 470                           |
| Direct insurance                       | 9 090 090            | 1 296 947                  | 52 298 096                     | 6 041 480                           |
| Policyholders                          | 2 350 037            | 275 851                    | 11 927 105                     |                                     |
| Intermediaries                         | 6 740 053            | 1 021 096                  | 38 304 034                     | 3 103 762                           |
| Other                                  |                      |                            | 2 066 957                      | 2 937 718                           |
| Reinsurance                            | 2 250 558            | 123 413                    | 17 435 439                     | 2 981 979                           |
| Other receivables                      | 1 099 538            |                            | 7 364 209                      | 44 011                              |
| Accrued income, prepayments            | 10 990 490           | 1 516 580                  | 70 959 379                     | 304 388                             |
| Accrued income                         | 1 770 344            | 144 497                    | 14 945 301                     | 203 903                             |
| Deferred acquisition costs             | 7 307 179            | 1 149 052                  | 47 234 236                     |                                     |
| Other prepaid expenses                 | 1 912 967            | 223 031                    | 8 779 842                      | 100 485                             |
| Investments                            | 121 840 824          | 41 837 086                 | 1 287 865 446                  | 165 619 864                         |
| Land and buildings                     | 2 640 144            | 2 147 396                  | 78 392 460                     | 52 700 000                          |
| Affiliated companies                   |                      |                            | 98 362 472                     | 150 188                             |
| Shares                                 |                      |                            | 86 412 472                     | 150 188                             |
| Bonds, loans                           |                      |                            | 11 950 000                     |                                     |
| Other financial investments            | 119 200 680          | 39 689 690                 | 1 111 110 514                  | 112 769 676                         |
| Shares and other securities            | 24 804 600           | 20 133 001                 | 230 370 675                    | 30 948 400                          |
| Bonds, fixed interest securities       | 76 396 080           | 8 942 113                  | 608 945 017                    | 31 861 971                          |
| Participation in joint investments     |                      |                            | 2 800                          |                                     |
| Mortgage loans                         |                      | 42 000                     | 1 119 726                      |                                     |
| Other loans                            |                      |                            | 1 841 087                      |                                     |
| Deposits with credit institutions      | 18 000 000           | 10 572 576                 | 268 831 209                    | 49 959 305                          |
| Intangible assets                      |                      |                            | 12 525 907                     | 1 939 930                           |
| Fixed assets                           | 11 094 662           | 1 885 699                  | 28 012 520                     | 1 314 517                           |
| <b>TOTAL ASSETS</b>                    | <b>162 053 451</b>   | <b>62 385 974</b>          | <b>1 530 013 488</b>           | <b>178 795 967</b>                  |
| <b>LIABILITIES</b>                     |                      |                            |                                |                                     |
| Payables                               | 21 553 207           | 19 334 331                 | 144 403 554                    | 3 660 415                           |
| Direct insurance                       | 1 725 211            | 578 387                    | 39 438 994                     | 33 522                              |
| Policyholders                          | 1 601 797            | 209 929                    | 31 306 197                     | 14 150                              |
| Intermediaries                         | 37 974               | 368 458                    | 4 449 759                      | 19 372                              |
| Other                                  | 85 440               |                            | 3 683 038                      |                                     |
| Reinsurance                            | 18 439 118           | 18 727 944                 | 90 594 971                     | 3 586 767                           |
| Other payables                         | 1 388 878            | 28 000                     | 14 369 589                     | 40 126                              |
| Accrued expenses, prepayments          | 12 733 372           | 3 572 996                  | 75 719 017                     | 1 821 328                           |
| Accrued expenses                       | 3 353 510            | 1 080 294                  | 44 327 041                     | 1 821 328                           |
| Deferred acq. costs, reinsurers' share | 9 379 862            | 2 492 702                  | 31 391 976                     |                                     |
| Technical provisions                   | 41 576 300           | 1 130 817                  | 699 399 526                    | 123 409 806                         |
| Unearned premiums provisions (net)     | 22 179 593           | 61 090                     | 313 403 401                    | 886 079                             |
| (Reinsurers' share)                    | 39 840 418           | 14 638 315                 | 135 359 172                    |                                     |
| Outstanding claims provisions (net)    | 19 396 707           | 1 069 727                  | 369 580 958                    | 64 962 697                          |
| (Reinsurers' share)                    | 44 426 055           | 22 414 957                 | 314 587 164                    | 48 915 773                          |
| Other technical provisions (net)       |                      |                            | 16 415 167                     | 57 561 030                          |
| (Reinsurers' share)                    |                      |                            | 37 459 381                     | 5 553 728                           |
| Owners' equity                         | 86 190 572           | 38 347 830                 | 610 491 391                    | 49 904 418                          |
| Share capital                          | 10 000 000           | 20 000 000                 | 338 000 160                    | 15 000 000                          |
| Share premium                          | 20 324 472           | 58 015                     | 111 688 632                    |                                     |
| General reserve                        | 4 275 225            | 1 234 500                  | 25 011 632                     |                                     |
| Other reserves                         |                      |                            | 1 008 085                      |                                     |
| Profit/loss carried forward            | 26 670 779           | 10 736 590                 | 92 813 634                     | - 839 635                           |
| Profit/loss of the year                | 24 920 096           | 6 318 725                  | 41 973 148                     | 35 744 053                          |
| Treasury shares (-)                    |                      |                            | - 3 900                        |                                     |
| <b>TOTAL LIABILITIES</b>               | <b>162 053 451</b>   | <b>62 385 974</b>          | <b>1 530 013 488</b>           | <b>178 795 967</b>                  |

**Balance sheets of life insurers, 31 December 2002**  
(kroons)

| <b>ASSETS</b>                          | ERGO<br>Elukindlustus | Hansapanga<br>Kindlustus | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Uhispanga<br>Elukindlustus | Total of<br>life insurers |
|--|-----------------------|--------------------------|------------------------|-------------------------|----------------------------|---------------------------|
| Cash and bank account                  | 1 071 023             | 805 930                  | 261 484                | 4 127 539               | 2 625 386                  | 8 891 362                 |
| Receivables                            | 1 143 915             | 1 717 409                | 211 654                | 1 284 245               | 2 349 568                  | 6 706 791                 |
| Direct insurance                       | 952 246               |                          | 211 654                | 42 899                  | 846 319                    | 2 053 118                 |
| Policyholders                          | 952 246               |                          | 211 654                | 42 899                  | 846 319                    | 2 053 118                 |
| Reinsurance                            |                       | 1 713 685                |                        | 317 685                 | 1 492 470                  | 3 523 840                 |
| Other receivables                      | 191 669               | 3 724                    |                        | 923 661                 | 10 779                     | 1 129 833                 |
| Accrued income, prepayments            | 6 822 507             | 15 931 096               | 1 038 935              | 3 448 271               | 7 814 333                  | 35 055 142                |
| Accrued income                         | 1 601 171             | 11 123 466               | 829 204                | 3 068 025               | 2 770 324                  | 19 392 190                |
| Deferred acquisition costs             | 5 100 066             | 4 215 702                |                        |                         | 4 651 692                  | 13 967 460                |
| Other prepaid expenses                 | 121 270               | 591 928                  | 209 731                | 380 246                 | 392 317                    | 1 695 492                 |
| Investments                            | 103 227 527           | 495 639 602              | 50 701 495             | 240 962 090             | 124 074 316                | 1 014 605 030             |
| Land and buildings                     | 4 663 914             |                          |                        | 2 144 604               |                            | 6 808 518                 |
| Affiliated companies                   | 383 463               |                          |                        | 40 322 609              |                            | 40 706 072                |
| Shares                                 | 168 163               |                          |                        | 40 322 609              |                            | 40 490 772                |
| Bonds, loans                           | 215 300               |                          |                        |                         |                            | 215 300                   |
| Other financial investments            | 98 180 150            | 495 639 602              | 50 701 495             | 198 494 877             | 124 074 316                | 967 090 440               |
| Shares and other securities            | 507 462               | 60 639 779               | 10 203 945             | 25 872 101              | 15 993 881                 | 113 217 168               |
| Bonds, fixed interest securities       | 77 715 778            | 216 394 171              | 34 497 550             | 170 622 776             | 103 574 203                | 602 804 478               |
| Other loans                            | 278 392               |                          |                        |                         |                            | 278 392                   |
| Deposits with credit institutions      | 19 678 518            | 218 605 652              | 6 000 000              | 2 000 000               | 4 506 232                  | 250 790 402               |
| Unit-linked life ins. investments      |                       | 68 750 267               | 503 722                | 646 699                 | 43 269 941                 | 113 170 629               |
| Intangible assets                      | 800 000               |                          | 1 097 907              |                         |                            | 1 897 907                 |
| Fixed assets                           | 853 175               | 2 046 918                | 292 339                | 4 862 015               | 1 876 180                  | 9 930 627                 |
| <b>TOTAL ASSETS</b>                    | <b>113 918 147</b>    | <b>584 891 222</b>       | <b>54 107 536</b>      | <b>255 330 859</b>      | <b>182 009 724</b>         | <b>1 190 257 488</b>      |
| <b>LIABILITIES</b>                     |                       |                          |                        |                         |                            |                           |
| Payables                               | 3 136 506             | 5 127 681                | 1 024 336              | 3 105 854               | 3 138 785                  | 15 533 162                |
| Direct insurance                       | 2 609 039             | 2 211 560                | 762 322                | 811 877                 | 2 224 278                  | 8 619 076                 |
| Policyholders                          | 2 140 678             | 30 744                   | 334 800                | 61 761                  | 795 070                    | 3 363 053                 |
| Intermediaries                         | 468 361               | 2 180 816                | 427 522                | 750 116                 | 1 429 208                  | 5 256 023                 |
| Reinsurance                            | 527 467               | 897 901                  | 262 014                |                         |                            | 1 687 382                 |
| Other payables                         |                       | 2 018 220                |                        | 2 293 977               | 914 507                    | 5 226 704                 |
| Accrued expenses, prepayments          | 4 266 276             | 2 317 801                | 1 952 459              | 1 240 897               | 4 440 488                  | 14 217 921                |
| Accrued expenses                       | 4 266 276             | 2 293 121                | 1 952 459              | 1 240 897               | 4 440 488                  | 14 193 241                |
| Deferred acq. costs, reinsurers' share |                       |                          |                        |                         |                            |                           |
| Other prepaid income                   |                       | 24 680                   |                        |                         |                            | 24 680                    |
| Technical provisions                   | 79 592 593            | 425 969 030              | 23 951 849             | 194 679 846             | 95 545 287                 | 819 738 605               |
| Life provisions (net)                  | 77 385 427            | 414 616 287              | 23 810 576             | 194 182 633             | 92 559 866                 | 802 554 789               |
| (Reinsurers' share)                    | 148 941               |                          |                        | 405 860                 |                            | 554 801                   |
| Outstanding claims provisions (net)    | 1 006 526             | 2 062 613                | 50 460                 | 497 213                 | 1 555 979                  | 5 172 791                 |
| (Reinsurers' share)                    | 88 916                | 345 498                  | 22 923                 | 7 280                   | 493 012                    | 957 629                   |
| Provision for bonuses (net)            | 1 200 640             | 9 290 130                | 90 813                 |                         | 1 429 442                  | 12 011 025                |
| Unit-linked life ins. provisions (net) |                       | 68 750 267               | 503 722                | 650 403                 | 43 269 941                 | 113 174 333               |
| Owners' equity                         | 26 922 772            | 82 726 443               | 26 675 170             | 55 653 859              | 35 615 223                 | 227 593 467               |
| Share capital                          | 25 460 000            | 36 000 000               | 20 000 000             | 31 000 000              | 30 000 000                 | 142 460 000               |
| Share premium                          | 2 003 370             | 18 000 000               | 10 000 000             | 45 730 504              |                            | 75 733 874                |
| General reserve                        | 5 309                 | 4 600 000                |                        |                         | 856 947                    | 5 462 256                 |
| Profit/loss carried forward            | - 996 310             | 197 192                  | - 2 589 905            | - 10 140 138            |                            | - 13 529 161              |
| Profit/loss of the year                | 450 403               | 23 929 251               | - 734 925              | - 10 936 507            | 4 758 276                  | 17 466 498                |
| <b>TOTAL LIABILITIES</b>               | <b>113 918 147</b>    | <b>584 891 222</b>       | <b>54 107 536</b>      | <b>255 330 859</b>      | <b>182 009 724</b>         | <b>1 190 257 488</b>      |

## Profit/loss account of non-life insurers, 2002 (1)

(kroons)

|   | ERGO<br>Kindlustus | If Eesti<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus Eesti | Salva<br>Kindlustus |
|---|--------------------|------------------------|---------------------|----------------------------|---------------------|
| (A1) Gross premiums <sup>1</sup>                    | 433 883 868        | 610 819 567            | 74 282 815          | 87 191 984                 | 161 175 079         |
| (A2) Ceded premiums                                 | 133 140 201        | 51 684 352             | 45 569 346          | 7 788 654                  | 110 288 445         |
| (A) Net premiums (A1-A2)                            | 300 743 667        | 559 135 216            | 28 713 469          | 79 403 330                 | 50 886 634          |
| (B1) Change in UPP (incr. -)                        | -27 215 917        | -28 820 561            | 458 572             | -1 067 450                 | -13 847 249         |
| (B2) Change in reinsurers' UPP (incr. -)            | 6 537 397          | 5 032 417              | - 24 481            | 123 344                    | 13 766 763          |
| (B) Net change in UPP (B1+B2; incr.-)               | -20 678 520        | -23 788 144            | 434 091             | - 944 106                  | - 80 486            |
| (C) Earned net premiums (A+B)                       | 280 065 147        | 535 347 072            | 29 147 560          | 78 459 224                 | 50 806 148          |
| (D) Other technical income                          | 450                |                        |                     | 12 107                     | 2 356               |
| (E1) Total claims paid                              | 222 330 017        | 302 403 381            | 37 305 251          | 67 684 327                 | 79 598 014          |
| (E2) Claim handling expenses                        | 19 274 701         | 21 244 883             | 1 584 740           | 8 776 432                  | 15 267 630          |
| (E3) Subrogations                                   | -16 199 189        | -19 281 320            | - 874 254           | -3 475 658                 | -3 118 869          |
| (E4) Reinsurers' share in claims paid               | 56 041 653         | 11 166 996             | 29 925 169          | 5 610 899                  | 62 304 364          |
| (E) Net claims paid (E1+E2+E3-E4)                   | 169 363 876        | 293 199 948            | 8 090 568           | 67 374 202                 | 29 442 411          |
| (F1) Change in OCP (incr. -)                        | -13 553 362        | -30 500 399            | -3 689 783          | -6 259 169                 | -16 379 812         |
| (F2) Change in reinsurer's OCP (incr. +)            | 432 545            | -1 535 298             | 3 385 530           | 4 492 970                  | 17 167 374          |
| (F) Net change in OCP (F1+F2; incr.-)               | -13 120 817        | -32 035 697            | - 304 253           | -1 766 199                 | 787 562             |
| (G) Net claims incurred (E-F)                       | 182 484 693        | 325 235 645            | 8 394 821           | 69 140 401                 | 28 654 849          |
| (H) Change in other tech. prov. (incr.-)            | -1 477 395         | 726 866                | - 107 428           | 377 583                    | - 172 463           |
| (I1) Acquisition costs                              | 80 290 799         | 122 512 957            | 7 511 006           | 16 922 863                 | 29 415 980          |
| (I2) Change in deferred acquisition costs (incr. +) | 2 514 012          | 3 847 134              | - 147 372           | 1 494 655                  | 1 642 660           |
| (I3) Administrative expenses                        | 39 397 407         | 68 532 407             | 3 366 490           | 13 749 230                 | 10 858 344          |
| (I4) Reinsurance commissions, profit participation  | 30 258 263         | 7 778 796              | 10 889 413          | 926 952                    | 25 334 555          |
| (I5) Reinsurers' share in def. acq. costs (incr.-)  | - 795 722          | - 706 110              | 93 207              | - 120 890                  | -2 760 367          |
| (I) Net operating expenses (I1-I2+I3-I4-I5)         | 87 711 653         | 180 125 544            | 42 248              | 28 371 376                 | 16 057 476          |
| (J) Other technical charges                         | 9 777 092          | 12 950 730             | 3 969 204           | 6 596 947                  | 5 791 886           |
| (K) Profit/loss from portfolios accepted            |                    |                        |                     | -35 427 002                |                     |
| (L) TECHN. RESULT (C+D-G+H-I-J+K)                   | -1 385 236         | 17 762 019             | 16 633 859          | -60 686 812                | 131 830             |
| (M1) Income from affil. and associated companies    |                    | 3 130 833              |                     |                            | 5 264 322           |
| (M2) Income from land and buildings                 | 312 578            | 23 856                 |                     |                            | 12 689              |
| (M3) Income from other investments                  | 13 392 589         | 13 302 097             | 1 509 431           | 1 741 631                  | 774 853             |
| (M4) Change in investments' value                   | 1 676 619          | 2 815 261              | 206 306             |                            | 176 105             |
| (M5) Profit from investment disposal                | 2 379 791          | 5 097 163              |                     |                            | 613 974             |
| (M) Investment income (M1+...+M5)                   | 17 761 577         | 24 369 210             | 1 715 737           | 1 741 631                  | 6 841 943           |
| (N1) Managing expenses                              | 498 856            | 534 705                | 134 880             |                            | 625 357             |
| (N2) Expenses from affil. and associated companies: | 11 183             |                        |                     |                            | 12 937              |
| (N3) Change in investments' value                   | 752 682            | 5 403 014              | 688 983             |                            | 539 749             |
| (N4) Loss from investment disposal                  | 450 496            | 625 621                |                     |                            | 29                  |
| (N) Investment expenses (N1+...+N4)                 | 1 713 217          | 6 563 340              | 823 863             |                            | 1 178 072           |
| (O) Net investment income (M-N)                     | 16 048 360         | 17 805 870             | 891 874             | 1 741 631                  | 5 663 871           |
| (P) Net other income                                | - 788 885          | - 172 358              | -2 017 284          | -2 330 840                 | 1 436 428           |
| (Q) NET PROFIT/LOSS (L+O+P)                         | 13 874 239         | 35 395 531             | 15 508 449          | -61 276 021                | 7 232 129           |

### Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

<sup>1</sup> Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (8% of motor TPL premiums); the expense is included in "Other technical charges" (J)

## Profit/loss account of non-life insurers, 2002 (2)

(kroons)

|   | Seesam<br>Kindlustus | Zürich<br>Kindlustus Eesti | Total of non-<br>life insurers | Estonian Traffic<br>Ins. Foundation |
|---|----------------------|----------------------------|--------------------------------|-------------------------------------|
| (A1) Gross premiums <sup>1</sup>                    | 280 932 318          | 48 738 130                 | 1697 023 761                   | 45 723 824                          |
| (A2) Ceded premiums                                 | 198 967 262          | 47 631 084                 | 595 069 344                    | 16 108 977                          |
| (A) Net premiums (A1-A2)                            | 81 965 056           | 1 107 046                  | 1101 954 418                   | 29 614 847                          |
| (B1) Change in UPP (incr. -)                        | -5 463 207           | -1 001 150                 | -76 956 962                    | 2 669 077                           |
| (B2) Change in reinsurers' UPP (incr. -)            | 4 887 025            | 3 572 151                  | 33 894 616                     |                                     |
| (B) Net change in UPP (B1+B2; incr.-)               | - 576 182            | 2 571 001                  | -43 062 346                    | 2 669 077                           |
| (C) Earned net premiums (A+B)                       | 81 388 874           | 3 678 047                  | 1058 892 072                   | 32 283 924                          |
| (D) Other technical income                          |                      | 69 947                     | 84 860                         | 39 640 573                          |
| (E1) Total claims paid                              | 159 335 521          | 15 313 906                 | 883 970 417                    | 30 769 212                          |
| (E2) Claim handling expenses                        | 5 248 479            | 452 657                    | 71 849 522                     | 2 888 326                           |
| (E3) Subrogations                                   | -7 859 233           | - 749 696                  | -51 558 219                    | -5 039 471                          |
| (E4) Reinsurers' share in claims paid               | 109 820 183          | 13 723 216                 | 288 592 480                    | 1 531 906                           |
| (E) Net claims paid (E1+E2+E3-E4)                   | 46 904 584           | 1 293 651                  | 615 669 240                    | 27 086 161                          |
| (F1) Change in OCP (incr. -)                        | 12 416 438           | 2 946 326                  | -55 019 761                    | - 350 857                           |
| (F2) Change in reinsurer's OCP (incr. +)            | -7 362 624           | - 45 505                   | 16 534 992                     | 22 444 997                          |
| (F) Net change in OCP (F1+F2; incr.-)               | 5 053 814            | 2 900 821                  | -38 484 769                    | 22 094 140                          |
| (G) Net claims incurred (E-F)                       | 41 850 770           | -1 607 170                 | 654 154 009                    | 4 992 021                           |
| (H) Change in other tech. prov. (incr.-)            |                      |                            | - 652 837                      | -16 810 457                         |
| (I1) Acquisition costs                              | 48 740 480           | 7 218 158                  | 312 612 243                    | 2 299 194                           |
| (I2) Change in deferred acquisition costs (incr. +) | 2 063 516            | 153 149                    | 11 567 754                     |                                     |
| (I3) Administrative expenses                        | 18 906 364           | 4 243 697                  | 159 053 939                    | 6 708 536                           |
| (I4) Reinsurance commissions, profit participation  | 50 166 573           | 12 459 717                 | 137 814 269                    | 3 237                               |
| (I5) Reinsurers' share in def. acq. costs (incr.-)  | - 153 717            | - 16 203                   | -4 459 802                     |                                     |
| (I) Net operating expenses (I1-I2+I3-I4-I5)         | 15 570 472           | -1 134 808                 | 326 743 961                    | 9 004 493                           |
| (J) Other technical charges                         | 974 670              | 24 199                     | 40 084 728                     | 8 425 212                           |
| (K) Profit/loss from portfolios accepted            |                      |                            | -35 427 002                    |                                     |
| (L) TECHN. RESULT (C+D-G+H-I-J+K)                   | 22 992 962           | 6 465 773                  | 1 914 395                      | 32 692 314                          |
| (M1) Income from affil. and associated companies    |                      |                            | 16 790 310                     | 528 688                             |
| (M2) Income from land and buildings                 | 112 800              | 54 960                     | 516 883                        | 198 926                             |
| (M3) Income from other investments                  | 3 460 356            | 1 022 598                  | 35 203 555                     | 2 484 139                           |
| (M4) Change in investments' value                   | 273 679              |                            | 5 147 970                      |                                     |
| (M5) Profit from investment disposal                | 677 934              |                            | 8 768 862                      | 1 234 260                           |
| (M) Investment income (M1+...+M5)                   | 4 524 769            | 1 077 558                  | 58 032 425                     | 4 446 013                           |
| (N1) Managing expenses                              | 961 928              | 33 134                     | 2 788 860                      | 1 616 984                           |
| (N2) Expenses from affil. and associated companies  |                      |                            | 24 120                         | 374 962                             |
| (N3) Change in investments' value                   | 147 291              | 287 592                    | 7 819 311                      | -2 126 667                          |
| (N4) Loss from investment disposal                  | 9 616                |                            | 1 085 762                      |                                     |
| (N) Investment expenses (N1+...+N4)                 | 1 118 835            | 320 726                    | 11 718 053                     | - 134 721                           |
| (O) Net investment income (M-N)                     | 3 405 934            | 756 832                    | 46 314 372                     | 4 580 734                           |
| (P) Net other income                                | -1 478 800           | - 903 880                  | -6 255 619                     | -1 528 995                          |
| (Q) NET PROFIT/LOSS (L+O+P)                         | 24 920 096           | 6 318 725                  | 41 973 148                     | 35 744 053                          |

### Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

<sup>1</sup> Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (8% of motor TPL premiums); the expense is included in "Other technical charges" (J)

**Profit/loss account of motor TPL, 2002**  
(kroons)

|   | ERGO<br>Kindlustus | If Eesti<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus Eesti | Salva<br>Kindlustus | Seesam<br>Kindlustus | Total of non-<br>life insurers | Estonian Traffic<br>Ins. Foundation |
|---|--------------------|------------------------|---------------------|----------------------------|---------------------|----------------------|--------------------------------|-------------------------------------|
| (A1) Gross premiums <sup>1</sup>                    | 122 213 377        | 161 884 123            | 49 253 640          | 78 168 123                 | 72 399 792          | 11 164 033           | 495 083 088                    | 21 605 585                          |
| (A2) Ceded premiums                                 | 11 414 193         | 4 726 329              | 40 006 265          | 4 077 860                  | 54 982 929          | 2 459 219            | 117 666 795                    | 405 272                             |
| (A) Net premiums (A1-A2)                            | 110 799 184        | 157 157 794            | 9 247 375           | 74 090 263                 | 17 416 863          | 8 704 814            | 377 416 293                    | 21 200 313                          |
| (B1) Change in UPP (incr. -)                        | -5 340 441         | -5 143 426             | - 224 497           | - 724 567                  | -7 977 523          | - 604 821            | -20 015 275                    | - 181 975                           |
| (B2) Change in reinsurers' UPP (incr. -)            |                    | -1 583 003             | 191 032             |                            | 9 391 309           | - 923 613            | 7 075 725                      |                                     |
| (B) Net change in UPP (B1+B2; incr.-)               | -5 340 441         | -6 726 429             | - 33 465            | - 724 567                  | 1 413 786           | -1 528 434           | -12 939 550                    | - 181 975                           |
| (C) Earned net premiums (A+B)                       | 105 458 743        | 150 431 365            | 9 213 910           | 73 365 696                 | 18 830 649          | 7 176 380            | 364 476 743                    | 21 018 338                          |
| (D) Other technical income                          | 450                |                        |                     | 12 107                     |                     | - 380                | 12 177                         | 39 640 573                          |
| (E1) Total claims paid                              | 71 563 346         | 99 735 072             | 33 647 209          | 65 244 330                 | 39 445 523          | 4 144 282            | 313 779 762                    | 10 661 330                          |
| (E2) Claim handling expenses                        | 10 764 571         | 14 732 540             | 1 529 985           | 8 532 432                  | 6 878 471           | 127 092              | 42 565 091                     | 2 552 919                           |
| (E3) Subrogations                                   | -5 481 258         | -8 401 535             | - 874 254           | -3 475 658                 | -1 149 304          | - 184 404            | -19 566 413                    | -5 039 471                          |
| (E4) Reinsurers' share in claims paid               | 294 861            | 4 979 877              | 27 853 891          | 4 607 203                  | 31 249 323          | 648 344              | 69 633 499                     | 280 174                             |
| (E) Net claims paid (E1+E2+E3-E4)                   | 76 551 798         | 101 086 200            | 6 449 049           | 65 693 901                 | 13 925 367          | 3 438 626            | 267 144 941                    | 7 894 604                           |
| (F1) Change in OCP (incr. -)                        | -4 519 857         | -11 725 409            | -1 788 768          | -5 957 950                 | -12 967 563         | -1 790 377           | -38 749 924                    | 3 801 698                           |
| (F2) Change in reinsurer's OCP (incr. +)            | -4 499 040         | -2 736 794             | 1 826 758           | 4 247 920                  | 15 084 324          | - 113 943            | 13 809 225                     | - 397                               |
| (F) Net change in OCP (F1+F2; incr.-)               | -9 018 897         | -14 462 203            | 37 990              | -1 710 030                 | 2 116 761           | -1 904 320           | -24 940 699                    | 3 801 301                           |
| (G) Net claims incurred (E-F)                       | 85 570 695         | 115 548 403            | 6 411 059           | 67 403 931                 | 11 808 606          | 5 342 946            | 292 085 640                    | 4 093 303                           |
| (H) Change in other tech. prov. (incr.-)            | -1 476 949         | 726 866                | - 107 428           | 377 583                    | - 172 463           |                      | - 652 391                      | -7 521 466                          |
| (I1) Acquisition costs                              | 13 493 918         | 13 888 010             | 4 573 949           | 9 534 277                  | 7 542 011           | 399 933              | 49 432 098                     | 2 296 674                           |
| (I2) Change in deferred acquisition costs (incr. +) |                    | 2 269 265              | - 36 943            | 1 340 705                  | 663 689             |                      | 4 236 716                      |                                     |
| (I3) Administrative expenses                        | 5 026 502          | 6 715 001              | 2 232 170           | 3 530 752                  | 2 759 211           | 390 941              | 20 654 577                     | 5 785 049                           |
| (I4) Reinsurance commissions, profit participation  |                    |                        | 9 751 173           |                            | 9 482 530           | - 3 237              | 19 230 466                     |                                     |
| (I5) Reinsurers' share in def. acq. costs (incr.-)  |                    |                        | 32 239              |                            | -1 365 419          | 146 126              | -1 187 054                     |                                     |
| (I) Net operating expenses (I1-I2+I3-I4-I5)         | 18 520 420         | 18 333 746             | -2 940 350          | 11 724 324                 | 1 520 422           | 647 985              | 47 806 547                     | 8 081 723                           |
| (J) Other technical charges                         | 9 777 092          | 12 950 730             | 3 969 204           | 6 596 947                  | 5 791 886           | 898 475              | 39 984 334                     | 8 425 212                           |
| (K) TECHN. RESULT (C+D-G+H-I-J)                     | -9 885 963         | 4 325 352              | 1 666 569           | -11 969 816                | - 462 728           | 286 594              | -16 039 992                    | 32 537 207                          |

*Abbreviations:*

*UPP - Unearned premiums provision*

*OCP - Outstanding claims provision*

<sup>1</sup> Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (8% of motor TPL premiums); the expense is included in "Other technical charges" (J)

**Profit/loss account of non-life business excl. motor TPL, 2002**  
(kroons)

|   | ERGO<br>Kindlustus | If Eesti<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus Eesti | Salva<br>Kindlustus | Seesam<br>Kindlustus | Zürich<br>Kindlustus | Total of non-<br>life insurers | Estonian Traffic<br>Ins. Foundation |
|---|--------------------|------------------------|---------------------|----------------------------|---------------------|----------------------|----------------------|--------------------------------|-------------------------------------|
| (A1) Gross premiums <sup>1</sup>                    | 311 670 491        | 448 935 444            | 25 029 175          | 9 023 861                  | 88 775 287          | 269 768 285          | 48 738 130           | 1201 940 673                   | 24 118 239                          |
| (A2) Ceded premiums                                 | 121 726 008        | 46 958 023             | 5 563 081           | 3 710 794                  | 55 305 516          | 196 508 043          | 47 631 084           | 477 402 549                    | 15 703 705                          |
| (A) Net premiums (A1-A2)                            | 189 944 483        | 401 977 422            | 19 466 094          | 5 313 067                  | 33 469 771          | 73 260 242           | 1 107 046            | 724 538 125                    | 8 414 534                           |
| (B1) Change in UPP (incr. -)                        | -21 875 476        | -23 677 135            | 683 069             | - 342 883                  | -5 869 726          | -4 858 386           | -1 001 150           | -56 941 687                    | 2 851 052                           |
| (B2) Change in reinsurers' UPP (incr. -)            | 6 537 397          | 6 615 420              | - 215 513           | 123 344                    | 4 375 454           | 5 810 638            | 3 572 151            | 26 818 891                     |                                     |
| (B) Net change in UPP (B1+B2; incr.-)               | -15 338 079        | -17 061 715            | 467 556             | - 219 539                  | -1 494 272          | 952 252              | 2 571 001            | -30 122 796                    | 2 851 052                           |
| (C) Earned net premiums (A+B)                       | 174 606 404        | 384 915 707            | 19 933 650          | 5 093 528                  | 31 975 499          | 74 212 494           | 3 678 047            | 694 415 329                    | 11 265 586                          |
| (D) Other technical income                          |                    |                        |                     |                            | 2 356               | 380                  | 69 947               | 72 683                         |                                     |
| (E1) Total claims paid                              | 150 766 671        | 202 668 309            | 3 658 042           | 2 439 997                  | 40 152 491          | 155 191 239          | 15 313 906           | 570 190 655                    | 20 107 882                          |
| (E2) Claim handling expenses                        | 8 510 130          | 6 512 343              | 54 755              | 244 000                    | 8 389 159           | 5 121 387            | 452 657              | 29 284 431                     | 335 407                             |
| (E3) Subrogations                                   | -10 717 931        | -10 879 785            |                     |                            | -1 969 565          | -7 674 829           | - 749 696            | -31 991 806                    |                                     |
| (E4) Reinsurers' share in claims paid               | 55 746 792         | 6 187 119              | 2 071 278           | 1 003 696                  | 31 055 041          | 109 171 839          | 13 723 216           | 218 958 981                    | 1 251 732                           |
| (E) Net claims paid (E1+E2+E3-E4)                   | 92 812 078         | 192 113 748            | 1 641 519           | 1 680 301                  | 15 517 044          | 43 465 958           | 1 293 651            | 348 524 299                    | 19 191 557                          |
| (F1) Change in OCP (incr. -)                        | -9 033 505         | -18 774 990            | -1 901 015          | - 301 219                  | -3 412 249          | 14 206 815           | 2 946 326            | -16 269 837                    | -4 152 555                          |
| (F2) Change in reinsurer's OCP (incr. +)            | 4 931 585          | 1 201 496              | 1 558 772           | 245 050                    | 2 083 050           | -7 248 681           | - 45 505             | 2 725 767                      | 22 445 394                          |
| (F) Net change in OCP (F1+F2; incr.-)               | -4 101 920         | -17 573 494            | - 342 243           | - 56 169                   | -1 329 199          | 6 958 134            | 2 900 821            | -13 544 070                    | 18 292 839                          |
| (G) Net claims incurred (E-F)                       | 96 913 998         | 209 687 242            | 1 983 762           | 1 736 470                  | 16 846 243          | 36 507 824           | -1 607 170           | 362 068 369                    | 898 718                             |
| (H) Change in other tech. prov. (incr.-)            | - 446              |                        |                     |                            |                     |                      |                      | - 446                          | -9 288 991                          |
| (I1) Acquisition costs                              | 66 796 881         | 108 624 947            | 2 937 057           | 7 388 586                  | 21 873 969          | 48 340 547           | 7 218 158            | 263 180 145                    | 2 520                               |
| (I2) Change in deferred acquisition costs (incr. +) | 2 514 012          | 1 577 869              | - 110 429           | 153 950                    | 978 971             | 2 063 516            | 153 149              | 7 331 038                      |                                     |
| (I3) Administrative expenses                        | 34 370 905         | 61 817 406             | 1 134 320           | 10 218 478                 | 8 099 133           | 18 515 423           | 4 243 697            | 138 399 362                    | 923 487                             |
| (I4) Reinsurance commissions, profit participation  | 30 258 263         | 7 778 796              | 1 138 240           | 926 952                    | 15 852 025          | 50 169 810           | 12 459 717           | 118 583 803                    | 3 237                               |
| (I5) Reinsurers' share in def. acq. costs (incr.-)  | - 795 722          | - 706 110              | 60 968              | - 120 890                  | -1 394 948          | - 299 843            | - 16 203             | -3 272 748                     |                                     |
| (I) Net operating expenses (I1-I2+I3-I4-I5)         | 69 191 233         | 161 791 798            | 2 982 598           | 16 647 052                 | 14 537 054          | 14 922 487           | -1 134 808           | 278 937 414                    | 922 770                             |
| (J) Other technical charges                         |                    |                        |                     |                            |                     | 76 195               | 24 199               | 100 394                        |                                     |
| (K) Profit/loss from portfolios accepted            |                    |                        |                     | -35 427 002                |                     |                      |                      | -35 427 002                    |                                     |
| (L) TECHN. RESULT (C+D-G+H-I-J+K)                   | 8 500 727          | 13 436 667             | 14 967 290          | -48 716 996                | 594 558             | 22 706 368           | 6 465 773            | 17 954 387                     | 155 107                             |

*Abbreviations:*

*UPP - Unearned premiums provision*

*OCP - Outstanding claims provision*

## Profit/loss account of life insurers, 2002\*

(kroons)

|  | ERGO<br>Elukindlustus | Hansapanga<br>Kindlustus | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Uhispanga<br>Elukindlustus | Total of<br>life insurers |
|--|-----------------------|--------------------------|------------------------|-------------------------|----------------------------|---------------------------|
| (A1) Gross premiums                                | 43 430 897            | 196 475 603              | 30 561 546             | 72 428 721              | 99 240 441                 | 442 137 208               |
| (A2) Ceded premiums                                | 977 485               | 3 274 141                | 1 045 002              | 1 434 747               | 2 863 723                  | 9 595 098                 |
| (A) Net premiums written (A1-A2)                   | 42 453 412            | 193 201 462              | 29 516 544             | 70 993 974              | 96 376 718                 | 432 542 110               |
| (B1) Investm. income from affil. and assoc. co     | 57 549                |                          |                        |                         |                            | 57 549                    |
| (B2) Income from land and buildings                | 242 063               |                          |                        | 90 000                  |                            | 332 063                   |
| (B3) Income from other investments                 | 3 346 092             | 22 590 635               | 1 468 222              | 6 826 466               | 4 871 180                  | 39 102 595                |
| (B4) Change in investments' value                  | 838 193               | 232 881                  | 3 836                  | 925 670                 | 1 148 930                  | 3 149 510                 |
| (B5) Profit from investment disposal               | 722 793               | 4 733 477                | 1 281 264              | 2 497 187               | 1 684 577                  | 10 919 298                |
| (B) Investment income (B1+...+B5)                  | 5 206 690             | 27 556 993               | 2 753 322              | 10 339 323              | 7 704 687                  | 53 561 015                |
| (C1) Managing expenses                             | 69 578                | 1 809 731                | 170 348                | 1 297 723               | 794 822                    | 4 142 202                 |
| (C2) Investm. expenses from affil. and assoc. co   |                       |                          |                        | 4 677 391               |                            | 4 677 391                 |
| (C3) Change in investm. value                      | 71 870                | 4 718 851                | 1 307 043              | 6 111 509               | 5 290 485                  | 17 499 758                |
| (C4) Loss from investment disposal                 | 24 714                |                          | 782                    | 58 130                  | 3 010                      | 86 636                    |
| (C) Investment expenses (C1+...+C4)                | 166 162               | 6 528 582                | 1 478 173              | 12 144 753              | 6 088 317                  | 26 405 987                |
| (D) Net investment income (B-C)                    | 5 040 528             | 21 028 411               | 1 275 149              | -1 805 430              | 1 616 370                  | 27 155 028                |
| (E) Unrealized gains/losses from inv. <sup>1</sup> | -2 408 264            | -13 976 523              | - 8 313                | - 15 503                | -2 757 069                 | -19 165 672               |
| (F1) Sums insured                                  | 1 452 989             | 24 053 231               | 221 405                | 3 157 539               | 4 186 948                  | 33 072 112                |
| (F2) Surrenders                                    | 2 447 829             | 17 572 312               | 285 988                | 2 194 623               | 3 995 879                  | 26 496 631                |
| (F2) Claim handling expenses                       | 75 176                | 614 613                  | 79 285                 | 280 861                 | 141 823                    | 1 191 758                 |
| (F3) Reinsurers' share in claims paid              |                       | 319 932                  |                        | 150 000                 | 579 201                    | 1 049 133                 |
| (F) Net claims paid (F1+F2+F3-F4)                  | 3 975 994             | 41 920 224               | 586 678                | 5 483 023               | 7 745 449                  | 59 711 368                |
| (G1) Change in OCP (incr. -)                       | - 166 642             | - 770 468                | - 29 583               | - 283 191               | 237 267                    | -1 012 617                |
| (G2) Change in reinsurers' OCP (incr. +)           | 88 916                | - 87 412                 | 22 923                 | 7 280                   | - 235 177                  | - 203 470                 |
| (G) Net change in OCP (G1+G2; incr.-)              | - 77 726              | - 857 880                | - 6 660                | - 275 911               | 2 090                      | -1 216 087                |
| (H) Net claims incurred (F-G)                      | 4 053 720             | 42 778 104               | 593 338                | 5 758 934               | 7 743 359                  | 60 927 455                |
| (I1) Change in LP (incr. -)                        | -25 071 261           | -90 355 867              | -16 993 478            | -56 366 168             | -43 217 135                | -232 003 909              |
| (I2) Change in reinsurers' LP (incr. +)            | 5 357                 |                          |                        | 61 836                  |                            | 67 193                    |
| (I) Net change in LP (I1+I2; incr.-)               | -25 065 904           | -90 355 867              | -16 993 478            | -56 304 332             | -43 217 135                | -231 936 716              |
| (J) Bonuses  | 1 135 025             | 9 290 130                | 86 928                 |                         | 1 429 442                  | 11 941 525                |
| (J) Net change in other tech. prov. (incr. -)      |                       | -5 335 753               | - 440 197              | - 635 976               | -14 103 785                | -20 515 711               |
| (L1) Acquisition costs                             | 9 597 668             | 15 553 946               | 8 040 904              | 12 780 199              | 20 029 282                 | 66 001 999                |
| (L2) Change in deferred acq. costs (incr.+)        | 1 488 024             | -2 248 316               |                        |                         | 2 053 906                  | 1 293 614                 |
| (L3) Administrative expenses                       | 6 202 550             | 11 778 692               | 5 074 058              | 6 965 743               | 7 339 211                  | 37 360 254                |
| (L4) Reinsurance commissions, profit participation | 595 363               | 2 183 349                | 79 055                 | 307 571                 | 1 594 787                  | 4 760 125                 |
| (L5) Reinsurers' share in def. acq. costs (incr.-) |                       |                          |                        |                         |                            |                           |
| (L) Net operating expenses (L1-L2+L3-L4-L5)        | 13 716 831            | 27 397 605               | 13 035 907             | 19 438 371              | 23 719 800                 | 97 308 514                |
| (M) Net other technical income                     |                       |                          |                        | - 56 766                |                            | - 56 766                  |
| (N) Profit/loss from portfolios accepted           |                       |                          |                        | 2 634 960               |                            | 2 634 960                 |
| (N) TECHN. RESULT (A+D+E-H+I+J+K-L+M-N)            | 1 114 196             | 25 095 891               | - 366 468              | -10 386 378             | 5 022 498                  | 20 479 739                |
| (P) Net other income                               | - 663 793             | -1 166 640               | - 368 457              | - 550 130               | - 264 222                  | -3 013 242                |
| (Q) NET PROFIT/LOSS (O+P)                          | 450 403               | 23 929 251               | - 734 925              | -10 936 508             | 4 758 276                  | 17 466 497                |

\* Data of life insurance companies operating at the end of 2002

### Abbreviations:

LP - Life insurance provisions

OCP - Outstanding claims provision



## Insurance premiums and claims, 1998—2002

|                                   | LIFE<br>INSURANCE | Changes<br>compared to<br>previous year | NON-LIFE<br>INSURANCE | Changes<br>compared to<br>previous year | TOTAL OF<br>DIRECT<br>INSURANCE | Changes<br>compared to<br>previous year | REINSURANCE | Changes<br>compared to<br>previous year | TOTAL     | Changes<br>compared to<br>previous year |
|-----------------------------------|-------------------|---|-----------------------|---|---------------------------------|---|-------------|---|-----------|---|
| Gross premiums (thousand kroons)  |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 206 457           | 61.1%                                   | 1 030 320             | 11.3%                                   | 1 236 777                       | 17.3%                                   | 35 079      | 13.0%                                   | 1 271 856 | 17.2%                                   |
| 1999                              | 216 483           | 4.9%                                    | 1 126 263             | 9.3%                                    | 1 342 746                       | 8.6%                                    | 74 241      | 2 times                                 | 1 416 987 | 11.4%                                   |
| 2000                              | 304 325           | 40.6%                                   | 1 289 686             | 14.5%                                   | 1 594 011                       | 18.7%                                   | 64 798      | -12.7%                                  | 1 658 809 | 17.1%                                   |
| 2001                              | 355 900           | 16.9%                                   | 1 427 197             | 10.7%                                   | 1 783 097                       | 11.9%                                   | 49 145      | -24.2%                                  | 1 832 242 | 10.5%                                   |
| 2002                              | 446 044           | 25.3%                                   | 1 718 337             | 20.4%                                   | 2 164 381                       | 21.4%                                   | 24 278      | -50.6%                                  | 2 188 659 | 19.5%                                   |
| Reinsurance (thousand kroons)     |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 6 732             | 57.8%                                   | 245 025               | 1.5%                                    | 251 757                         | 2.4%                                    | 7 551       | 2.5 times                               | 259 308   | 4.2%                                    |
| 1999                              | 5 959             | -11.5%                                  | 353 800               | 44.4%                                   | 359 759                         | 42.9%                                   | 4 503       | -40.4%                                  | 364 262   | 40.5%                                   |
| 2000                              | 8 123             | 36.3%                                   | 387 741               | 9.6%                                    | 395 864                         | 10.0%                                   | 6 371       | 41.5%                                   | 402 235   | 10.4%                                   |
| 2001                              | 7 749             | -4.6%                                   | 472 904               | 22.0%                                   | 480 653                         | 21.4%                                   | 7 736       | 21.4%                                   | 488 389   | 21.4%                                   |
| 2002                              | 9 666             | 24.7%                                   | 595 315               | 25.9%                                   | 604 981                         | 25.9%                                   | 15 863      | 2.1 times                               | 620 844   | 27.1%                                   |
| Net premiums (thousand kroons)    |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 199 725           | 61.2%                                   | 785 295               | 14.7%                                   | 985 020                         | 21.8%                                   | 27 528      | -1.9%                                   | 1 012 548 | 21.1%                                   |
| 1999                              | 210 524           | 5.4%                                    | 772 463               | -1.6%                                   | 982 987                         | -0.2%                                   | 69 738      | 2.5 times                               | 1 052 725 | 4.0%                                    |
| 2000                              | 296 202           | 40.7%                                   | 901 945               | 16.8%                                   | 1 198 147                       | 21.9%                                   | 58 427      | -16.2%                                  | 1 256 574 | 19.4%                                   |
| 2001                              | 348 151           | 17.5%                                   | 954 293               | 5.8%                                    | 1 302 444                       | 8.7%                                    | 41 409      | -29.1%                                  | 1 343 853 | 6.9%                                    |
| 2002                              | 436 378           | 25.3%                                   | 1 123 022             | 17.7%                                   | 1 559 400                       | 19.7%                                   | 8 415       | -79.7%                                  | 1 567 815 | 16.7%                                   |
| Claims reported (in units)        |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 30 232            | -26.5%                                  | 41 937                | 25.0%                                   |                                 |   | 1 101       | 34.1%                                   |           |   |
| 1999                              | 27 804            | -8.0%                                   | 42 161                | 0.5%                                    |                                 |   | 2 843       | 2.6 times                               |           |   |
| 2000                              | 14 661            | -47.3%                                  | 44 979                | 6.7%                                    |                                 |   | 2 872       | 1.0%                                    |           |   |
| 2001                              | 10 946            | -25.3%                                  | 53 550                | 19.1%                                   |                                 |   | 2 440       | -15.0%                                  |           |   |
| 2002                              | 10 523            | -3.9%                                   | 61 179                | 14.2%                                   |                                 |   | 1 151       | -52.8%                                  |           |   |
| Claims settled (in units)         |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 29 353            | -21.6%                                  | 34 558                | 19.7%                                   |                                 |   | 1 097       | 33.6%                                   |           |   |
| 1999                              | 27 367            | -6.8%                                   | 37 969                | 9.9%                                    |                                 |   | 2 830       | 2.6 times                               |           |   |
| 2000                              | 14 537            | -46.9%                                  | 42 886                | 13.0%                                   |                                 |   | 2 858       | 1.0%                                    |           |   |
| 2001                              | 10 719            | -26.3%                                  | 46 890                | 9.3%                                    |                                 |   | 2 436       | -14.8%                                  |           |   |
| 2002                              | 10 217            | -4.7%                                   | 55 772                | 18.9%                                   |                                 |   | 996         | -59.1%                                  |           |   |
| Claims paid (thousand kroons)     |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 41 027            | 62.1%                                   | 546 678               | 43.7%                                   | 587 705                         | 44.9%                                   | 23 070      | 2.3 times                               | 610 775   | 46.9%                                   |
| 1999                              | 68 604            | 67.2%                                   | 580 662               | 6.2%                                    | 649 266                         | 10.5%                                   | 34 331      | 48.8%                                   | 683 597   | 11.9%                                   |
| 2000                              | 58 415            | -14.9%                                  | 616 950               | 6.2%                                    | 675 365                         | 4.0%                                    | 32 753      | -4.6%                                   | 708 118   | 3.6%                                    |
| 2001                              | 54 483            | -6.7%                                   | 712 842               | 15.5%                                   | 767 325                         | 13.6%                                   | 30 004      | -8.4%                                   | 797 329   | 12.6%                                   |
| 2002                              | 61 195            | 12.3%                                   | 912 436               | 28.0%                                   | 973 631                         | 26.9%                                   | 20 443      | -31.9%                                  | 994 074   | 24.7%                                   |
| Reinsurance (thousand kroons)     |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 367               | -45.4%                                  | 139 453               | 49.3%                                   | 139 820                         | 48.6%                                   |             |   | 139 820   | 48.6%                                   |
| 1999                              | 2 493             | 6.8 times                               | 172 487               | 23.7%                                   | 174 980                         | 25.1%                                   |             |   | 174 980   | 25.1%                                   |
| 2000                              | 860               | -65.5%                                  | 193 312               | 12.1%                                   | 194 172                         | 11.0%                                   | -154        |   | 194 018   | 10.9%                                   |
| 2001                              | 186               | -78.4%                                  | 231 178               | 19.6%                                   | 231 364                         | 19.2%                                   |             |   | 231 364   | 19.2%                                   |
| 2002                              | 1 049             | 5.6 times                               | 288 873               | 25.0%                                   | 289 922                         | 25.3%                                   | 1 252       |   | 291 174   | 25.9%                                   |
| Net claims paid (thousand kroons) |                   |   |                       |   |                                 |   |             |   |           |   |
| 1998                              | 40 660            | 65.0%                                   | 407 225               | 41.9%                                   | 447 885                         | 43.7%                                   | 23 070      | 2.3 times                               | 470 955   | 46.5%                                   |
| 1999                              | 66 111            | 62.6%                                   | 408 175               | 0.2%                                    | 474 286                         | 5.9%                                    | 34 331      | 48.8%                                   | 508 617   | 8.0%                                    |
| 2000                              | 57 555            | -12.9%                                  | 423 638               | 3.8%                                    | 481 193                         | 1.5%                                    | 32 907      | -4.1%                                   | 514 100   | 1.1%                                    |
| 2001                              | 54 297            | -5.7%                                   | 481 664               | 13.7%                                   | 535 961                         | 11.4%                                   | 30 004      | -8.8%                                   | 565 965   | 10.1%                                   |
| 2002                              | 60 146            | 10.8%                                   | 623 563               | 29.5%                                   | 683 709                         | 27.6%                                   | 19 191      | -36.0%                                  | 702 900   | 24.2%                                   |

## Life insurance policies, premiums and claims per insurer, 1998–2002 (1)

|   | AB<br>Elukindlustus | Eesti<br>Elukindlustus | ERGO<br>Elukindlustus <sup>1</sup> | Hansapanga<br>Kindlustus | Leks<br>Elukindlustus | Nordika<br>Elukindlustus <sup>2</sup> | Polaris-<br>Elu | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Uhispanga<br>Elukindlustus | TOTAL OF<br>COMPANIES |
|---|---------------------|------------------------|------------------------------------|--------------------------|-----------------------|---------------------------------------|-----------------|------------------------|-------------------------|----------------------------|-----------------------|
| Policies in force (in units), 31 December |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 8 515               | 89 928                 | 1 495                              | 3 376                    | 4 061                 | 1 826                                 | 13 053          | -                      | 1 465                   | -                          | 123 719               |
| 1999                                      | -                   | -                      | 2 523                              | 80 692                   | 4 498                 | 3 185                                 | -               | 66                     | 3 698                   | 1 667                      | 96 329                |
| 2000                                      | -                   | -                      | 4 114                              | 72 554                   | -                     | 3 878                                 | -               | 1 941                  | 16 202                  | 9 269                      | 107 958               |
| 2001                                      | -                   | -                      | 4 950                              | 74 228                   | -                     | 3 667                                 | -               | 4 328                  | 18 247                  | 12 622                     | 118 042               |
| 2002                                      | -                   | -                      | 9 959                              | 74 251                   | -                     | -                                     | -               | 7 207                  | 18 737                  | 18 007                     | 128 161               |
| Sums insured (thousand kroons)            |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 1 048 382           | 2 145 417              | 203 967                            | 1 123 318                | 564 657               | 299 461                               | 1 050 403       | -                      | 265 111                 | -                          | 6 700 716             |
| 1999                                      | -                   | -                      | 485 744                            | 3 749 736                | 569 753               | 487 176                               | -               | 10 592                 | 340 356                 | 433 002                    | 6 076 359             |
| 2000                                      | -                   | -                      | 798 827                            | 6 338 323                | -                     | 601 228                               | -               | 241 778                | 624 065                 | 1 646 643                  | 10 250 864            |
| 2001                                      | -                   | -                      | 1 066 713                          | 6 176 962                | -                     | 786 378                               | -               | 638 773                | 638 822                 | 2 315 217                  | 11 622 865            |
| 2002                                      | -                   | -                      | 2 015 074                          | 7 767 877                | -                     | -                                     | -               | 860 179                | 701 180                 | 3 177 921                  | 14 522 231            |
| New policies (in units)                   |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 2 708               | 9 347                  | 918                                | 1 791                    | 2 368                 | 1 616                                 | 2 944           | -                      | 1 345                   | -                          | 23 037                |
| 1999                                      | 693                 | -                      | 1 239                              | 8 307                    | 1 651                 | 1 416                                 | ...             | 68                     | 2 554                   | 1 689                      | 17 617                |
| 2000                                      | -                   | -                      | 1 663                              | 7 674                    | -                     | 1 116                                 | -               | 2 096                  | 13 251                  | 8 764                      | 34 564                |
| 2001                                      | -                   | -                      | 1 467                              | 9 216                    | -                     | 395                                   | -               | 2 814                  | 3 170                   | 4 460                      | 21 522                |
| 2002                                      | -                   | -                      | 3 084                              | 9 154                    | -                     | ...                                   | -               | 3 444                  | 1 591                   | 6 697                      | 23 970                |
| Gross premiums (thousand kroons)          |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 29 711              | 90 418                 | 6 499                              | 34 202                   | 14 054                | 3 466                                 | 23 550          | -                      | 4 557                   | -                          | 206 457               |
| 1999                                      | 21 734              | -                      | 14 171                             | 120 075                  | 16 609                | 6 548                                 | 20 410          | 66                     | 13 753                  | 3 117                      | 216 483               |
| 2000                                      | 469                 | -                      | 21 444                             | 171 669                  | -                     | 8 020                                 | -               | 4 549                  | 48 583                  | 49 591                     | 304 325               |
| 2001                                      | -                   | -                      | 30 162                             | 168 837                  | -                     | 8 211                                 | -               | 15 801                 | 63 399                  | 69 490                     | 355 900               |
| 2002                                      | -                   | -                      | 43 431                             | 196 476                  | -                     | 3 907                                 | -               | 30 561                 | 72 429                  | 99 240                     | 446 044               |
| Reinsurance (thousand kroons)             |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 1 854               | 322                    | 252                                | 2 043                    | 827                   | 148                                   | 513             | -                      | 773                     | -                          | 6 732                 |
| 1999                                      | 492                 | -                      | 434                                | 2 909                    | 397                   | 153                                   | -               | 5                      | 1 460                   | 109                        | 5 959                 |
| 2000                                      | -                   | -                      | 881                                | 3 578                    | -                     | 149                                   | -               | 91                     | 1 640                   | 1 784                      | 8 123                 |
| 2001                                      | -                   | -                      | 766                                | 2 681                    | -                     | 143                                   | -               | 424                    | 1 351                   | 2 384                      | 7 749                 |
| 2002                                      | -                   | -                      | 977                                | 3 274                    | -                     | 71                                    | -               | 1 045                  | 1 435                   | 2 864                      | 9 666                 |
| Net premiums (thousand kroons)            |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 27 857              | 90 096                 | 6 247                              | 32 159                   | 13 227                | 3 318                                 | 23 037          | -                      | 3 784                   | -                          | 199 725               |
| 1999                                      | 21 242              | -                      | 13 737                             | 117 166                  | 16 212                | 6 395                                 | 20 410          | 61                     | 12 293                  | 3 008                      | 210 524               |
| 2000                                      | 469                 | -                      | 20 563                             | 168 091                  | -                     | 7 871                                 | -               | 4 458                  | 46 943                  | 47 807                     | 296 202               |
| 2001                                      | -                   | -                      | 29 396                             | 166 156                  | -                     | 8 068                                 | -               | 15 377                 | 62 048                  | 67 106                     | 348 151               |
| 2002                                      | -                   | -                      | 42 454                             | 193 202                  | -                     | 3 836                                 | -               | 29 516                 | 70 994                  | 96 376                     | 436 378               |
| Claims reported (in units)                |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 1 308               | 26 736                 | 27                                 | 281                      | 299                   | 31                                    | 1 517           | -                      | 33                      | -                          | 30 232                |
| 1999                                      | 1 612               | -                      | 164                                | 25 170                   | 395                   | 274                                   | ...             | -                      | 187                     | 2                          | 27 804                |
| 2000                                      | -                   | -                      | 292                                | 12 549                   | -                     | 289                                   | -               | 2                      | 1 047                   | 482                        | 14 661                |
| 2001                                      | -                   | -                      | 281                                | 8 669                    | -                     | 481                                   | -               | 59                     | 634                     | 822                        | 10 946                |
| 2002                                      | -                   | -                      | 671                                | 8 351                    | -                     | ...                                   | -               | 148                    | 704                     | 649                        | 10 523                |
| of which surrenders (in units)            |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                      | 882                 | 12 419                 | 17                                 | 230                      | 170                   | 1                                     | 1 130           | -                      | 32                      | -                          | 14 881                |
| 1999                                      | 1 223               | -                      | 126                                | 15 151                   | 244                   | 156                                   | ...             | -                      | 186                     | 2                          | 17 088                |
| 2000                                      | -                   | -                      | 227                                | 5 830                    | -                     | 214                                   | -               | -                      | 812                     | 287                        | 7 370                 |
| 2001                                      | -                   | -                      | 163                                | 3 703                    | -                     | 373                                   | -               | 26                     | 421                     | 590                        | 5 276                 |
| 2002                                      | -                   | -                      | 384                                | 3 207                    | -                     | ...                                   | -               | 88                     | 438                     | 327                        | 4 444                 |

... N/A

<sup>1</sup> Nordika Elukindlustuse AS transferred its insurance portfolio to ERGO Elukindlustuse AS on 1 July 2002

<sup>2</sup> terminated its business as an insurer on 1 July 2002; data of 2002 for 1 half-year

## Life insurance policies, premiums and claims per insurer, 1998—2002 (2)

|   | AB<br>Elukindlustus | Eesti<br>Elukindlustus | ERGO<br>Elukindlustus <sup>1</sup> | Hansapanga<br>Kindlustus | Leks<br>Elukindlustus | Nordika<br>Elukindlustus <sup>2</sup> | Polaris-<br>Elu | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Ühispanga<br>Elukindlustus | TOTAL OF<br>COMPANIES |
|---|---------------------|------------------------|------------------------------------|--------------------------|-----------------------|---------------------------------------|-----------------|------------------------|-------------------------|----------------------------|-----------------------|
| Claims settled (in units)               |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 973                 | 26 258                 | 25                                 | 277                      | 283                   | 24                                    | 1 481           | -                      | 32                      | -                          | 29 353                |
| 1999                                    | 1 302               | -                      | 157                                | 25 170                   | 411                   | 139                                   | ...             |                        | 186                     | 2                          | 27 367                |
| 2000                                    | -                   | -                      | 271                                | 12 460                   | -                     | 315                                   | -               |                        | 1 034                   | 457                        | 14 537                |
| 2001                                    | -                   | -                      | 221                                | 8 669                    | -                     | 499                                   | -               | 39                     | 643                     | 648                        | 10 719                |
| 2002                                    | -                   | -                      | 644                                | 8 035                    | -                     | ...                                   | -               | 132                    | 695                     | 711                        | 10 217                |
| of which surrenders (in units)          |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 762                 | 12 081                 | 16                                 | 230                      | 167                   |                                       | 1 129           | -                      | 32                      | -                          | 14 417                |
| 1999                                    | 1 120               | -                      | 119                                | 15 151                   | 255                   | 68                                    | ...             |                        | 186                     | 1                          | 16 900                |
| 2000                                    | -                   | -                      | 207                                | 5 811                    | -                     | 217                                   | -               |                        | 808                     | 270                        | 7 313                 |
| 2001                                    | -                   | -                      | 133                                | 3 703                    | -                     | 376                                   | -               | 20                     | 425                     | 309                        | 4 966                 |
| 2002                                    | -                   | -                      | 358                                | 2 898                    | -                     | ...                                   | -               | 90                     | 438                     | 328                        | 4 112                 |
| Claims paid (thousand kroons)           |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 4 714               | 23 159                 | 177                                | 5 393                    | 1 692                 | 53                                    | 4 789           | -                      | 1 050                   | -                          | 41 027                |
| 1999                                    | 11 294              | -                      | 1 946                              | 48 272                   | 1 919                 | 471                                   | 3 615           |                        | 1 077                   | 10                         | 68 604                |
| 2000                                    | -                   | -                      | 1 196                              | 49 499                   | -                     | 885                                   | -               |                        | 3 199                   | 3 636                      | 58 415                |
| 2001                                    | -                   | -                      | 1 785                              | 37 843                   | -                     | 1 409                                 | -               | 322                    | 4 044                   | 9 080                      | 54 483                |
| 2002                                    | -                   | -                      | 3 976                              | 42 240                   | -                     | 434                                   | -               | 587                    | 5 633                   | 8 325                      | 61 195                |
| of which sums insured (thousand kroons) |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 1 823               | 12 195                 | 123                                | 270                      | 663                   | 41                                    | 1 152           | -                      |                         | -                          | 16 267                |
| 1999                                    | ...                 | -                      | 1 535                              | 16 277                   | 675                   | 248                                   | ...             |                        | 105                     | 10                         | 18 850                |
| 2000                                    | -                   | -                      | 397                                | 29 004                   | -                     | 365                                   | -               |                        | 1 554                   | 1 798                      | 33 118                |
| 2001                                    | -                   | -                      | 721                                | 21 210                   | -                     | 256                                   | -               | 121                    | 1 864                   | 3 439                      | 27 611                |
| 2002                                    | -                   | -                      | 1 453                              | 24 053                   | -                     | ...                                   | -               | 221                    | 3 158                   | 4 187                      | 33 072                |
| surrenders (thousand kroons)            |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 2 707               | 10 964                 | 54                                 | 4 994                    | 1 029                 |                                       | 3 101           | -                      | 1 005                   | -                          | 23 854                |
| 1999                                    | ...                 | -                      | 412                                | 31 754                   | 1 244                 | 202                                   | ...             |                        | 873                     |                            | 34 485                |
| 2000                                    | -                   | -                      | 799                                | 20 148                   | -                     | 477                                   | -               |                        | 1 556                   | 1 380                      | 24 360                |
| 2001                                    | -                   | -                      | 1 012                              | 16 211                   | -                     | 1 106                                 | -               | 32                     | 1 926                   | 5 069                      | 25 356                |
| 2002                                    | -                   | -                      | 2 448                              | 17 572                   | -                     | ...                                   | -               | 286                    | 2 195                   | 3 996                      | 26 497                |
| Reinsurance (thousand kroons)           |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 123                 |                        |                                    | 194                      |                       |                                       | 50              | -                      |                         | -                          | 367                   |
| 1999                                    | 127                 | -                      | 1 020                              | 1 283                    |                       | 13                                    | -               |                        | 50                      |                            | 2 493                 |
| 2000                                    | -                   | -                      |                                    | 306                      | -                     | 29                                    | -               |                        | 100                     | 425                        | 860                   |
| 2001                                    | -                   | -                      |                                    | 55                       | -                     | 3                                     | -               |                        |                         | 128                        | 186                   |
| 2002                                    | -                   | -                      |                                    | 320                      | -                     |                                       | -               |                        | 150                     | 579                        | 1 049                 |
| Net claims paid (thousand kroons)       |                     |                        |                                    |                          |                       |                                       |                 |                        |                         |                            |                       |
| 1998                                    | 4 591               | 23 159                 | 177                                | 5 199                    | 1 692                 | 53                                    | 4 739           | -                      | 1 050                   | -                          | 40 660                |
| 1999                                    | 11 167              | -                      | 926                                | 46 989                   | 1 919                 | 458                                   | 3 615           |                        | 1 027                   | 10                         | 66 111                |
| 2000                                    | -                   | -                      | 1 196                              | 49 193                   | -                     | 856                                   | -               |                        | 3 099                   | 3 211                      | 57 555                |
| 2001                                    | -                   | -                      | 1 785                              | 37 788                   | -                     | 1 406                                 | -               | 322                    | 4 044                   | 8 952                      | 54 297                |
| 2002                                    | -                   | -                      | 3 976                              | 41 920                   | -                     | 434                                   | -               | 587                    | 5 483                   | 7 746                      | 60 146                |

... N/A

<sup>1</sup> Nordika Elukindlustuse AS transferred its insurance portfolio to ERGO Elukindlustuse AS on 1 July 2002

<sup>2</sup> terminated its business as an insurer on 1 July 2002; data of 2002 for 1 half-year

## Life insurance policies, premiums and claims by classes of business, 1998—2002 (1)

|   | Term and whole life assurance | Endowment insurance | Annuities | Birth and marriage insurance | Unit linked life insurance | Others | TOTAL OF BASIC INSURANCE | Supplementary insurances | TOTAL WITH SUPPLEMENTARY INSURANCES | Incl. insurances with tax benefit |
|---|-------------------------------|---------------------|-----------|------------------------------|----------------------------|--------|--------------------------|--------------------------|-------------------------------------|-----------------------------------|
| Policies in force (in units), 31 December |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 2 681                         | 101 562             | 609       | 18 520                       | 274                        | 73     | 123 719                  | 108 538                  | 232 257                             | ...                               |
| 1999                                      | 3 164                         | 70 084              | 2 968     | 19 905                       | 208                        |        | 96 329                   | 89 360                   | 185 689                             | 10 452                            |
| 2000                                      | 5 897                         | 73 778              | 9 951     | 17 391                       | 941                        |        | 107 958                  | 93 512                   | 201 470                             | 24 430                            |
| 2001                                      | 6 618                         | 79 672              | 13 156    | 15 936                       | 2 660                      |        | 118 042                  | 98 481                   | 216 523                             | 34 883                            |
| 2002                                      | 8 258                         | 85 005              | 17 323    | 14 226                       | 3 349                      |        | 128 161                  | 102 640                  | 230 801                             | 46 732                            |
| Sums insured (thousand kroons)            |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 675 240                       | 2 786 784           | 36 911    | 63 976                       | 20 697                     | 7 516  | 3 591 124                | 3 109 592                | 6 700 716                           | ...                               |
| 1999                                      | 725 572                       | 2 214 165           | 206 933   | 54 077                       | 14 635                     |        | 3 215 382                | 2 860 977                | 6 076 359                           | 885 075                           |
| 2000                                      | 1 209 264                     | 3 414 167           | 332 681   | 50 113                       | 61 189                     |        | 5 067 414                | 5 183 450                | 10 250 864                          | 2 123 489                         |
| 2001                                      | 1 207 636                     | 3 986 990           | 499 685   | 50 801                       | 182 424                    |        | 5 927 536                | 5 695 329                | 11 622 865                          | 2 658 894                         |
| 2002                                      | 1 621 002                     | 4 799 650           | 812 450   | 48 894                       | 313 594                    |        | 7 595 590                | 6 926 641                | 14 522 231                          | 3 685 700                         |
| Gross premiums (thousand kroons)          |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 5 883                         | 176 376             | 2 199     | 7 930                        | 3 835                      | 262    | 196 485                  | 9 972                    | 206 457                             | ...                               |
| 1999                                      | 7 104                         | 175 756             | 13 670    | 6 532                        | 819                        |        | 203 881                  | 12 602                   | 216 483                             | 42 415                            |
| 2000                                      | 10 331                        | 175 676             | 40 035    | 6 045                        | 60 845                     |        | 292 932                  | 11 393                   | 304 325                             | 111 281                           |
| 2001                                      | 12 372                        | 203 923             | 65 048    | 5 723                        | 52 648                     |        | 339 714                  | 16 186                   | 355 900                             | 166 385                           |
| 2002                                      | 13 907                        | 271 932             | 86 768    | 5 318                        | 48 860                     |        | 426 785                  | 19 259                   | 446 044                             | 235 723                           |
| Reinsurance (thousand kroons)             |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 1 928                         | 3 706               |           | 2                            | 18                         | 7      | 5 661                    | 1 071                    | 6 732                               | ...                               |
| 1999                                      | 2 507                         | 2 190               |           | 1                            |                            |        | 4 698                    | 1 261                    | 5 959                               | 169                               |
| 2000                                      | 3 017                         | 3 108               |           | 3                            | 1                          |        | 6 129                    | 1 994                    | 8 123                               | 404                               |
| 2001                                      | 2 643                         | 3 034               |           | 4                            | 12                         |        | 5 693                    | 2 056                    | 7 749                               | 841                               |
| 2002                                      | 3 410                         | 4 432               | 5         | 1                            | 33                         |        | 7 881                    | 1 785                    | 9 666                               | 2 626                             |
| Net premiums (thousand kroons)            |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 3 955                         | 172 670             | 2 199     | 7 928                        | 3 817                      | 255    | 190 824                  | 8 901                    | 199 725                             | ...                               |
| 1999                                      | 4 597                         | 173 566             | 13 670    | 6 531                        | 819                        |        | 199 183                  | 11 341                   | 210 524                             | 42 246                            |
| 2000                                      | 7 314                         | 172 568             | 40 035    | 6 042                        | 60 844                     |        | 286 803                  | 9 399                    | 296 202                             | 110 877                           |
| 2001                                      | 9 729                         | 200 889             | 65 048    | 5 719                        | 52 636                     |        | 334 021                  | 14 130                   | 348 151                             | 165 544                           |
| 2002                                      | 10 497                        | 267 500             | 86 763    | 5 317                        | 48 827                     |        | 418 904                  | 17 474                   | 436 378                             | 233 097                           |
| Claims reported (in units)                |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 155                           | 21 691              | 91        | 4 509                        | 101                        |        | 26 547                   | 3 685                    | 30 232                              | ...                               |
| 1999                                      | 102                           | 21 526              | 114       | 3 273                        | 47                         |        | 25 062                   | 2 742                    | 27 804                              | 188                               |
| 2000                                      | 140                           | 10 752              | 255       | 1 866                        | 37                         |        | 13 050                   | 1 611                    | 14 661                              | 506                               |
| 2001                                      | 188                           | 7 589               | 361       | 1 073                        | 113                        |        | 9 324                    | 1 622                    | 10 946                              | 893                               |
| 2002                                      | 332                           | 6 926               | 452       | 1 059                        | 171                        |        | 8 940                    | 1 583                    | 10 523                              | 976                               |
| of which surrenders (in units)            |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                      | 85                            | 10 758              | 23        | 3 616                        | 101                        |        | 14 583                   | 298                      | 14 881                              | ...                               |
| 1999                                      | 71                            | 13 704              | 50        | 2 718                        | 46                         |        | 16 589                   | 499                      | 17 088                              | 185                               |
| 2000                                      | 125                           | 5 755               | 181       | 1 279                        | 30                         |        | 7 370                    |                          | 7 370                               | 478                               |
| 2001                                      | 172                           | 3 838               | 272       | 886                          | 108                        |        | 5 276                    |                          | 5 276                               | 802                               |
| 2002                                      | 310                           | 2 810               | 312       | 850                          | 162                        |        | 4 444                    |                          | 4 444                               | 820                               |

... N/A

## Life insurance policies, premiums and claims by classes of business, 1998–2002 (2)

|   | Term and whole life assurance | Endowment insurance | Annuities | Birth and marriage insurance | Unit linked life insurance | Others | TOTAL OF BASIC INSURANCE | Supplementary insurances | TOTAL WITH SUPPLEMENTARY INSURANCES | Incl. insurances with tax benefit |
|---|-------------------------------|---------------------|-----------|------------------------------|----------------------------|--------|--------------------------|--------------------------|-------------------------------------|-----------------------------------|
| Claims settled (in units)               |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 126                           | 21 392              | 91        | 4 228                        | 100                        |        | 25 937                   | 3 416                    | 29 353                              | ...                               |
| 1999                                    | 88                            | 21 130              | 114       | 3 274                        | 48                         |        | 24 654                   | 2 713                    | 27 367                              | 189                               |
| 2000                                    | 130                           | 10 659              | 252       | 1 866                        | 34                         |        | 12 941                   | 1 596                    | 14 537                              | 494                               |
| 2001                                    | 184                           | 7 399               | 356       | 1 064                        | 139                        |        | 9 142                    | 1 577                    | 10 719                              | 715                               |
| 2002                                    | 188                           | 6 772               | 459       | 1 056                        | 215                        |        | 8 690                    | 1 527                    | 10 217                              | 913                               |
| of which surrenders (in units)          |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 80                            | 10 657              | 23        | 3 297                        | 100                        |        | 14 157                   | 260                      | 14 417                              | ...                               |
| 1999                                    | 57                            | 13 612              | 50        | 2 719                        | 47                         |        | 16 485                   | 415                      | 16 900                              | 186                               |
| 2000                                    | 118                           | 5 709               | 179       | 1 279                        | 28                         |        | 7 313                    |                          | 7 313                               | 471                               |
| 2001                                    | 172                           | 3 540               | 254       | 877                          | 123                        |        | 4 966                    |                          | 4 966                               | 639                               |
| 2002                                    | 162                           | 2 603               | 295       | 847                          | 205                        |        | 4 112                    |                          | 4 112                               | 730                               |
| Claims paid (thousand kroons)           |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 162                           | 30 158              | 103       | 1 933                        | 4 015                      |        | 36 371                   | 4 656                    | 41 027                              | ...                               |
| 1999                                    | 1 513                         | 59 794              | 430       | 2 768                        | 512                        |        | 65 017                   | 3 587                    | 68 604                              | 1 177                             |
| 2000                                    | 202                           | 51 000              | 723       | 2 165                        | 662                        |        | 54 752                   | 3 663                    | 58 415                              | 2 130                             |
| 2001                                    | 721                           | 38 370              | 1 735     | 2 158                        | 8 083                      |        | 51 067                   | 3 416                    | 54 483                              | 6 735                             |
| 2002                                    | 1 238                         | 44 145              | 2 602     | 2 531                        | 6 988                      |        | 57 504                   | 3 691                    | 61 195                              | 7 390                             |
| of which sums insured (thousand kroons) |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 126                           | 11 687              | 37        | 237                          |                            |        | 12 087                   | 4 180                    | 16 267                              | ...                               |
| 1999                                    | 1 469                         | 14 029              | 39        | 254                          | 4                          |        | 15 795                   | 3 055                    | 18 850                              | 546                               |
| 2000                                    | 175                           | 28 915              | 252       | 421                          | 206                        |        | 29 969                   | 3 149                    | 33 118                              | 638                               |
| 2001                                    | 463                           | 22 911              | 676       | 154                          | 297                        |        | 24 501                   | 3 110                    | 27 611                              | 1 820                             |
| 2002                                    | 1 017                         | 27 271              | 908       | 168                          | 197                        |        | 29 561                   | 3 511                    | 33 072                              | 2 556                             |
| surrenders (thousand kroons)            |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 30                            | 18 048              | 56        | 1 696                        | 4 015                      |        | 23 845                   | 9                        | 23 854                              | ...                               |
| 1999                                    | 32                            | 31 352              | 80        | 2 513                        | 508                        |        | 34 485                   |                          | 34 485                              | 622                               |
| 2000                                    | 21                            | 21 686              | 458       | 1 739                        | 456                        |        | 24 360                   |                          | 24 360                              | 1 430                             |
| 2001                                    | 249                           | 14 590              | 944       | 1 981                        | 7 592                      |        | 25 356                   |                          | 25 356                              | 4 632                             |
| 2002                                    | 200                           | 15 712              | 1 570     | 2 325                        | 6 690                      |        | 26 497                   |                          | 26 497                              | 4 636                             |
| Reinsurance (thousand kroons)           |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 14                            | 50                  |           |                              |                            |        | 64                       | 303                      | 367                                 | ...                               |
| 1999                                    | 1 190                         | 1 069               |           |                              |                            |        | 2 259                    | 234                      | 2 493                               | 450                               |
| 2000                                    |                               | 391                 |           |                              |                            |        | 391                      | 469                      | 860                                 |                                   |
| 2001                                    |                               | 174                 |           |                              |                            |        | 174                      | 12                       | 186                                 | 97                                |
| 2002                                    | 70                            | 779                 |           |                              |                            |        | 849                      | 200                      | 1 049                               | 191                               |
| Net claims paid (thousand kroons)       |                               |                     |           |                              |                            |        |                          |                          |                                     |                                   |
| 1998                                    | 148                           | 30 108              | 103       | 1 933                        | 4 015                      |        | 36 307                   | 4 353                    | 40 660                              | ...                               |
| 1999                                    | 323                           | 58 725              | 430       | 2 768                        | 512                        |        | 62 758                   | 3 353                    | 66 111                              | 727                               |
| 2000                                    | 202                           | 50 609              | 723       | 2 165                        | 662                        |        | 54 361                   | 3 194                    | 57 555                              | 2 130                             |
| 2001                                    | 721                           | 38 196              | 1 735     | 2 158                        | 8 083                      |        | 50 893                   | 3 404                    | 54 297                              | 6 638                             |
| 2002                                    | 1 168                         | 43 366              | 2 602     | 2 531                        | 6 988                      |        | 56 655                   | 3 491                    | 60 146                              | 7 199                             |

... N/A

## Non-life insurance policies, premiums and claims per insurer, 1998–2002 (1)\*

|   | ASA<br>Kindlustus | Eesti<br>Varakindlustus | ERGO<br>Kindlustus | ETAS   | If Eesti<br>Kindlustus <sup>1</sup> | Inges<br>Kindlustus | Kalju | Leks<br>Kindlustus | Nordea<br>Kindlustus<br>Eesti <sup>2</sup> | Nordika<br>Kindlustus <sup>2</sup> |
|---|-------------------|-------------------------|--------------------|--------|-------------------------------------|---------------------|-------|--------------------|--|------------------------------------|
| Policies in force (in units), 31 December |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 60 025            | 206 823                 | 20 825             | -      | -                                   | 3 241               | -     | 73 559             | -  | 41 212                             |
| 1999                                      | -                 | 306 338                 | 42 968             | -      | -                                   | 6 822               | -     | 92 483             | -  | 39 105                             |
| 2000                                      | -                 | -                       | 147 253            | -      | 262 722                             | 57 902              | -     | -                  | -  | 36 319                             |
| 2001                                      | -                 | -                       | 129 906            | -      | 248 716                             | 43 806              | -     | -                  | -  | 58 996                             |
| 2002                                      | -                 | -                       | 150 308            | -      | 245 670                             | 40 751              | -     | -                  | 53 565                                     | -                                  |
| Gross premiums (thousand kroons)          |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 119 086           | 222 634                 | 67 547             | 25 599 | -                                   | 19 002              | 5 447 | 160 239            | -  | 81 461                             |
| 1999                                      | 87 267            | 278 331                 | 105 108            | -      | -                                   | 21 824              | -     | 205 980            | -  | 70 083                             |
| 2000                                      | -                 | -                       | 257 055            | -      | 494 045                             | 50 115              | -     | 118 522            | -  | 63 202                             |
| 2001                                      | -                 | -                       | 341 146            | -      | 497 267                             | 69 775              | -     | -                  | -  | 72 235                             |
| 2002                                      | -                 | -                       | 424 107            | -      | 597 869                             | 70 314              | -     | -                  | 80 805                                     | -                                  |
| Reinsurance (thousand kroons)             |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 12 817            | 20 648                  | 19 956             | 6 295  | -                                   | 6 914               | 484   | 52 804             | -  | 8 180                              |
| 1999                                      | 11 010            | 33 443                  | 41 532             | -      | -                                   | 7 258               | -     | 53 716             | -  | 40 836                             |
| 2000                                      | -                 | -                       | 74 987             | -      | 90 149                              | 24 227              | -     | 26 734             | -  | 7 474                              |
| 2001                                      | -                 | -                       | 102 518            | -      | 50 396                              | 40 832              | -     | -                  | -  | 10 621                             |
| 2002                                      | -                 | -                       | 133 140            | -      | 51 684                              | 45 569              | -     | -                  | 7 789                                      | -                                  |
| Net premiums (thousand kroons)            |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 106 269           | 201 986                 | 47 591             | 19 304 | -                                   | 12 088              | 4 963 | 107 435            | -  | 73 281                             |
| 1999                                      | 76 257            | 244 888                 | 63 576             | -      | -                                   | 14 566              | -     | 152 264            | -  | 29 247                             |
| 2000                                      | -                 | -                       | 182 068            | -      | 403 896                             | 25 888              | -     | 91 788             | -  | 55 728                             |
| 2001                                      | -                 | -                       | 238 628            | -      | 446 871                             | 28 943              | -     | -                  | -  | 61 614                             |
| 2002                                      | -                 | -                       | 290 967            | -      | 546 185                             | 24 745              | -     | -                  | 73 016                                     | -                                  |
| Claims reported (in units)                |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 5 843             | 11 287                  | 2 152              | 857    | -                                   | 124                 | -     | 6 077              | -  | 4 187                              |
| 1999                                      | 2 790             | 12 042                  | 3 700              | -      | -                                   | 181                 | -     | 9 520              | -  | 3 163                              |
| 2000                                      | -                 | -                       | 9 867              | -      | 17 576                              | 1 059               | -     | 4 256              | -  | 2 438                              |
| 2001                                      | -                 | -                       | 15 055             | -      | 18 794                              | 2 440               | -     | -                  | -  | 2 840                              |
| 2002                                      | -                 | -                       | 16 130             | -      | 19 731                              | 2 720               | -     | -                  | 4 132                                      | -                                  |
| Claims settled (in units)                 |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 4 456             | 10 043                  | 1 715              | 720    | -                                   | 141                 | -     | 5 250              | -  | 3 778                              |
| 1999                                      | 3 019             | 10 709                  | 2 858              | -      | -                                   | 160                 | -     | 8 434              | -  | 3 750                              |
| 2000                                      | -                 | -                       | 8 348              | -      | 17 795                              | 578                 | -     | 4 301              | -  | 2 426                              |
| 2001                                      | -                 | -                       | 12 185             | -      | 16 740                              | 2 306               | -     | -                  | -  | 2 781                              |
| 2002                                      | -                 | -                       | 14 237             | -      | 19 183                              | 2 429               | -     | -                  | 4 516                                      | -                                  |
| Claims paid (thousand kroons)             |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 61 807            | 121 251                 | 35 375             | 13 121 | -                                   | 7 015               | 3 349 | 98 647             | -  | 44 256                             |
| 1999                                      | 46 751            | 121 491                 | 53 043             | -      | -                                   | 6 208               | -     | 106 387            | -  | 51 143                             |
| 2000                                      | -                 | -                       | 134 267            | -      | 240 649                             | 14 111              | -     | 53 634             | -  | 32 105                             |
| 2001                                      | -                 | -                       | 188 097            | -      | 251 128                             | 33 297              | -     | -                  | -  | 41 120                             |
| 2002                                      | -                 | -                       | 225 405            | -      | 304 367                             | 38 016              | -     | -                  | 72 985                                     | -                                  |
| Reinsurance (thousand kroons)             |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 7 355             | 7 065                   | 15 350             | 3 271  | -                                   | 3 097               | 348   | 36 034             | -  | 2 356                              |
| 1999                                      | 8 347             | 8 037                   | 23 258             | -      | -                                   | 4 318               | -     | 30 149             | -  | 20 117                             |
| 2000                                      | -                 | -                       | 38 110             | -      | 60 976                              | 10 122              | -     | 11 785             | -  | 10 953                             |
| 2001                                      | -                 | -                       | 45 081             | -      | 31 006                              | 26 293              | -     | -                  | -  | 6 720                              |
| 2002                                      | -                 | -                       | 56 042             | -      | 11 167                              | 29 925              | -     | -                  | 5 611                                      | -                                  |
| Net claims paid (thousand kroons)         |                   |                         |                    |        |                                     |                     |       |                    |  |                                    |
| 1998                                      | 54 452            | 114 186                 | 20 025             | 9 850  | -                                   | 3 918               | 3 001 | 62 613             | -  | 41 900                             |
| 1999                                      | 38 404            | 113 454                 | 29 785             | -      | -                                   | 1 890               | -     | 76 238             | -  | 31 026                             |
| 2000                                      | -                 | -                       | 96 157             | -      | 179 673                             | 3 989               | -     | 41 849             | -  | 21 152                             |
| 2001                                      | -                 | -                       | 143 016            | -      | 220 122                             | 7 004               | -     | -                  | -  | 34 400                             |
| 2002                                      | -                 | -                       | 169 363            | -      | 293 200                             | 8 091               | -     | -                  | 67 374                                     | -                                  |

\* Only direct insurance

<sup>1</sup> AS Sampo Eesti Varakindlustus was altered to AS If Eesti Kindlustus on 23 January 2002

<sup>2</sup> Nordika Kindlustuse AS transferred part of its insurance portfolio to Nordea Kindlustuse Eesti AS (retroactively as of 1 January 2002) on 25 February 2002

## Non-life insurance policies, premiums and claims per insurer, 1998–2002 (2)\*

|   | Polaris-<br>Vara | Salva<br>Kindlustus | Sampo<br>Kindlustus | Seesam<br>Rahvusvaheline<br>Kindlustus | Zürich<br>Kindlustus<br>Eesti | Ühis-<br>kindlustus | TOTAL OF<br>COMPANIES | Estonian Traffic<br>Insurance<br>Foundation | TOTAL     |
|---|------------------|---------------------|---------------------|--|-------------------------------|---------------------|-----------------------|---|-----------|
| Policies in force (in units), 31 December |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 32 329           | 19 890              | 5 375               | 7 577                                  | 946                           | 12 992              | 484 794               | 3 058                                       | 487 852   |
| 1999                                      | -                | 30 187              | 29 668              | 23 835                                 | 1 115                         | -                   | 572 521               | 22 676                                      | 595 197   |
| 2000                                      | -                | 34 046              | -                   | 32 676                                 | 1 135                         | -                   | 572 053               | 3 563                                       | 575 616   |
| 2001                                      | -                | 53 287              | -                   | 59 998                                 | 1 035                         | -                   | 595 744               | 4 290                                       | 600 034   |
| 2002                                      | -                | 76 172              | -                   | 162 580                                | 1 067                         | -                   | 730 113               | 3 376                                       | 733 489   |
| Gross premiums (thousand kroons)          |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 89 273           | 54 771              | 47 216              | 48 858                                 | 19 998                        | 25 220              | 986 351               | 43 969                                      | 1 030 320 |
| 1999                                      | 24 437           | 68 713              | 118 687             | 70 436                                 | 29 236                        | 2 345               | 1 082 447             | 43 816                                      | 1 126 263 |
| 2000                                      | -                | 82 561              | -                   | 145 144                                | 33 784                        | -                   | 1 244 428             | 45 258                                      | 1 289 686 |
| 2001                                      | -                | 112 302             | -                   | 241 494                                | 43 814                        | -                   | 1 378 033             | 49 164                                      | 1 427 197 |
| 2002                                      | -                | 155 383             | -                   | 280 034                                | 48 579                        | -                   | 1 657 091             | 61 246                                      | 1 718 337 |
| Reinsurance (thousand kroons)             |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 16 917           | 33 319              | 28 922              | 14 508                                 | 15 411                        | 7 713               | 244 888               | 137   | 245 025   |
| 1999                                      | -                | 41 840              | 66 838              | 33 730                                 | 23 507                        | -                   | 353 710               | 90  | 353 800   |
| 2000                                      | -                | 48 938              | -                   | 90 877                                 | 24 286                        | -                   | 387 672               | 69  | 387 741   |
| 2001                                      | -                | 68 033              | -                   | 161 305                                | 39 124                        | -                   | 472 829               | 75  | 472 904   |
| 2002                                      | -                | 110 289             | -                   | 198 967                                | 47 472                        | -                   | 594 910               | 405   | 595 315   |
| Net premiums (thousand kroons)            |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 72 356           | 21 452              | 18 294              | 34 350                                 | 4 587                         | 17 507              | 741 463               | 43 832                                      | 785 295   |
| 1999                                      | 24 437           | 26 873              | 51 849              | 36 706                                 | 5 729                         | 2 345               | 728 737               | 43 726                                      | 772 463   |
| 2000                                      | -                | 33 623              | -                   | 54 267                                 | 9 498                         | -                   | 856 756               | 45 189                                      | 901 945   |
| 2001                                      | -                | 44 269              | -                   | 80 189                                 | 4 690                         | -                   | 905 204               | 49 089                                      | 954 293   |
| 2002                                      | -                | 45 094              | -                   | 81 067                                 | 1 107                         | -                   | 1 062 181             | 60 841                                      | 1 123 022 |
| Claims reported (in units)                |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 2 988            | 2 284               | 1 009               | 1 285                                  | 445                           | 1 832               | 40 370                | 1 567                                       | 41 937    |
| 1999                                      | ...              | 3 153               | 4 095               | 1 688                                  | 580                           | ...                 | 40 912                | 1 249                                       | 42 161    |
| 2000                                      | -                | 2 962               | -                   | 4 765                                  | 556                           | -                   | 43 479                | 1 500                                       | 44 979    |
| 2001                                      | -                | 4 061               | -                   | 8 130                                  | 640                           | -                   | 51 960                | 1 590                                       | 53 550    |
| 2002                                      | -                | 7 389               | -                   | 9 650                                  | 431                           | -                   | 60 183                | 996   | 61 179    |
| Claims settled (in units)                 |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 2 684            | 1 829               | 862                 | 973                                    | 191                           | 1 186               | 33 828                | 730   | 34 558    |
| 1999                                      | ...              | 2 497               | 2 779               | 1 826                                  | 396                           | ...                 | 36 428                | 1 541                                       | 37 969    |
| 2000                                      | -                | 2 509               | -                   | 4 205                                  | 391                           | -                   | 40 553                | 2 333                                       | 42 886    |
| 2001                                      | -                | 3 409               | -                   | 7 685                                  | 495                           | -                   | 45 601                | 1 289                                       | 46 890    |
| 2002                                      | -                | 4 911               | -                   | 9 264                                  | 417                           | -                   | 54 957                | 815   | 55 772    |
| Claims paid (thousand kroons)             |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 50 697           | 39 276              | 18 418              | 17 483                                 | 9 533                         | 16 502              | 536 730               | 9 948                                       | 546 678   |
| 1999                                      | 18 300           | 43 552              | 72 455              | 27 165                                 | 5 674                         | 7 863               | 560 032               | 20 630                                      | 580 662   |
| 2000                                      | -                | 40 539              | -                   | 57 018                                 | 7 380                         | -                   | 579 703               | 37 247                                      | 616 950   |
| 2001                                      | -                | 55 793              | -                   | 116 699                                | 9 556                         | -                   | 695 690               | 17 152                                      | 712 842   |
| 2002                                      | -                | 91 747              | -                   | 156 725                                | 15 017                        | -                   | 904 262               | 8 174                                       | 912 436   |
| Reinsurance (thousand kroons)             |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 10 031           | 26 804              | 11 639              | 4 804                                  | 6 592                         | 4 707               | 139 453               | -   | 139 453   |
| 1999                                      | -                | 28 775              | 35 762              | 9 816                                  | 3 908                         | -                   | 172 487               | -   | 172 487   |
| 2000                                      | -                | 24 842              | -                   | 30 711                                 | 5 464                         | -                   | 192 963               | 349   | 193 312   |
| 2001                                      | -                | 35 477              | -                   | 79 109                                 | 6 966                         | -                   | 230 652               | 526   | 231 178   |
| 2002                                      | -                | 62 305              | -                   | 109 820                                | 13 723                        | -                   | 288 593               | 280   | 288 873   |
| Net claims paid (thousand kroons)         |                  |                     |                     |  |                               |                     |                       |   |           |
| 1998                                      | 40 666           | 12 472              | 6 779               | 12 679                                 | 2 941                         | 11 795              | 397 277               | 9 948                                       | 407 225   |
| 1999                                      | 18 300           | 14 777              | 36 693              | 17 349                                 | 1 766                         | 7 863               | 387 545               | 20 630                                      | 408 175   |
| 2000                                      | -                | 15 697              | -                   | 26 307                                 | 1 916                         | -                   | 386 740               | 36 898                                      | 423 638   |
| 2001                                      | -                | 20 316              | -                   | 37 590                                 | 2 590                         | -                   | 465 038               | 16 626                                      | 481 664   |
| 2002                                      | -                | 29 442              | -                   | 46 905                                 | 1 294                         | -                   | 615 669               | 7 894                                       | 623 563   |

\* Only direct insurance

... N/A

## Non-life insurance premiums and claims by classes of business, 1998–2002 (1)\*

|                                   | Motor TPL insurance | Short-term health insurance |                    |                  | Land vehicles insurance (KASKO) | Railway rolling stock insurance | Aircraft insurance | Insurance for ships | Goods in transit insurance | Property insurance |                  |         |
|-----------------------------------|---------------------|-----------------------------|--------------------|------------------|---------------------------------|---------------------------------|--------------------|---------------------|----------------------------|--------------------|------------------|---------|
|                                   |                     | Accident insurance          | Sickness insurance | Travel insurance |                                 |                                 |                    |                     |                            | Legal persons      | Physical persons | Total   |
| Gross premiums (thousand kroons)  |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 399 944             | 28 906                      | 696                | 30 337           | 278 063                         |                                 | 113                | 7 682               | 13 436                     | 119 469            | 91 920           | 211 389 |
| 1999                              | 434 460             | 30 796                      | 421                | 32 346           | 327 367                         |                                 | 258                | 2 439               | 11 736                     | 123 114            | 109 803          | 232 917 |
| 2000                              | 476 978             | 34 480                      |                    | 40 375           | 385 773                         | 823                             | 86                 | 3 018               | 14 211                     | 141 926            | 133 694          | 275 620 |
| 2001                              | 456 616             | 35 675                      |                    | 43 187           | 476 606                         | 2 852                           | 161                | 4 429               | 21 069                     | 166 042            | 151 280          | 317 322 |
| 2002                              | 516 556             | 37 105                      |                    | 47 755           | 600 138                         | 3 766                           | 57                 | 4 836               | 20 257                     | 214 795            | 178 252          | 393 047 |
| Reinsurance (thousand kroons)     |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 33 285              | 6 462                       | 12                 | 4 271            | 80 436                          |                                 | 98                 | 4 970               | 5 894                      | 79 202             | 11 248           | 90 450  |
| 1999                              | 72 673              | 4 039                       | 92                 | 6 205            | 147 960                         |                                 | 189                | 1 354               | 5 901                      | 80 513             | 11 159           | 91 672  |
| 2000                              | 63 484              | 2 410                       |                    | 6 249            | 186 602                         | 811                             | 59                 | 1 932               | 5 532                      | 84 536             | 10 396           | 94 932  |
| 2001                              | 90 631              | 3 082                       |                    | 5 965            | 213 076                         | 2 733                           | 40                 | 2 921               | 10 223                     | 94 543             | 13 833           | 108 376 |
| 2002                              | 118 072             | 3 341                       |                    | 5 735            | 256 728                         | 3 087                           | 55                 | 2 956               | 8 411                      | 121 304            | 16 473           | 137 777 |
| Net premiums (thousand kroons)    |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 366 659             | 22 444                      | 684                | 26 066           | 197 627                         |                                 | 15                 | 2 712               | 7 542                      | 40 267             | 80 672           | 120 939 |
| 1999                              | 361 787             | 26 757                      | 329                | 26 141           | 179 407                         |                                 | 69                 | 1 085               | 5 835                      | 42 601             | 98 644           | 141 245 |
| 2000                              | 413 494             | 32 070                      |                    | 34 126           | 199 171                         | 12                              | 27                 | 1 086               | 8 679                      | 57 390             | 123 298          | 180 688 |
| 2001                              | 365 985             | 32 593                      |                    | 37 222           | 263 530                         | 119                             | 121                | 1 508               | 10 846                     | 71 499             | 137 447          | 208 946 |
| 2002                              | 398 484             | 33 764                      |                    | 42 020           | 343 410                         | 679                             | 2                  | 1 880               | 11 846                     | 93 491             | 161 779          | 255 270 |
| Claims reported (in units)        |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 21 829              | 2 866                       | 137                | 1 317            | 11 434                          |                                 | 1                  | 18                  | 41                         | ...                | ...              | 3 998   |
| 1999                              | 20 009              | 2 877                       | 24                 | 1 293            | 13 703                          |                                 |                    | 24                  | 71                         | 1 995              | 1 902            | 3 897   |
| 2000                              | 19 280              | 3 575                       |                    | 1 716            | 16 142                          |                                 |                    | 11                  | 169                        | 1 984              | 1 848            | 3 832   |
| 2001                              | 21 504              | 3 770                       |                    | 1 889            | 21 155                          |                                 |                    | 29                  | 261                        | 2 582              | 2 053            | 4 635   |
| 2002                              | 25 594              | 4 116                       |                    | 2 395            | 24 031                          | 1                               |                    | 28                  | 99                         | 2 353              | 2 206            | 4 559   |
| Claims settled (in units)         |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 17 928              | 2 576                       | 107                | 1 028            | 9 643                           |                                 | 1                  | 19                  | 37                         | ...                | ...              | 3 038   |
| 1999                              | 18 609              | 2 656                       | 18                 | 1 222            | 12 206                          |                                 |                    | 27                  | 64                         | 1 359              | 1 631            | 2 990   |
| 2000                              | 18 721              | 3 331                       |                    | 1 572            | 15 402                          |                                 |                    | 13                  | 143                        | 1 727              | 1 734            | 3 461   |
| 2001                              | 19 556              | 3 188                       |                    | 1 628            | 18 070                          |                                 | 1                  | 27                  | 225                        | 2 124              | 1 892            | 4 016   |
| 2002                              | 23 100              | 3 674                       |                    | 2 051            | 22 510                          | 1                               |                    | 30                  | 71                         | 2 028              | 2 131            | 4 159   |
| Claims paid (thousand kroons)     |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 233 514             | 8 640                       | 32                 | 6 573            | 190 706                         |                                 | 1 431              | 9 416               | 7 041                      | 47 492             | 27 653           | 75 145  |
| 1999                              | 242 774             | 12 252                      | 274                | 6 930            | 203 196                         |                                 |                    | 1 678               | 4 774                      | 66 557             | 27 468           | 94 025  |
| 2000                              | 244 963             | 14 236                      |                    | 9 214            | 209 635                         |                                 |                    | 2 011               | 2 409                      | 69 930             | 33 503           | 103 433 |
| 2001                              | 263 975             | 15 961                      |                    | 11 037           | 276 972                         |                                 | 382                | 2 856               | 3 454                      | 77 980             | 41 769           | 119 749 |
| 2002                              | 344 953             | 16 942                      |                    | 11 386           | 370 496                         | 1 035                           |                    | 2 270               | 7 081                      | 99 396             | 42 577           | 141 973 |
| Reinsurance (thousand kroons)     |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 12 138              | 2 276                       |                    | 1 107            | 70 015                          |                                 |                    | 7 254               | 5 365                      | 29 735             | 6 119            | 35 854  |
| 1999                              | 36 771              | 1 672                       |                    | 991              | 73 256                          |                                 |                    | 1 179               | 3 050                      | 43 738             | 3 697            | 47 435  |
| 2000                              | 31 999              | 1 225                       |                    | 2 047            | 99 329                          |                                 |                    | 997                 | 602                        | 38 623             | 4 797            | 43 420  |
| 2001                              | 49 439              | 1 046                       |                    | 1 507            | 129 197                         |                                 |                    | 1 651               | 1 288                      | 35 420             | 6 481            | 41 901  |
| 2002                              | 69 914              | 780                         |                    | 1 261            | 158 665                         | 962                             |                    | 1 295               | 5 286                      | 40 245             | 3 294            | 43 539  |
| Net claims paid (thousand kroons) |                     |                             |                    |                  |                                 |                                 |                    |                     |                            |                    |                  |         |
| 1998                              | 221 376             | 6 364                       | 32                 | 5 466            | 120 691                         |                                 | 1 431              | 2 162               | 1 676                      | 17 757             | 21 534           | 39 291  |
| 1999                              | 206 003             | 10 580                      | 274                | 5 939            | 129 940                         |                                 |                    | 499                 | 1 724                      | 22 819             | 23 771           | 46 590  |
| 2000                              | 212 964             | 13 011                      |                    | 7 167            | 110 306                         |                                 |                    | 1 014               | 1 807                      | 31 307             | 28 706           | 60 013  |
| 2001                              | 214 536             | 14 915                      |                    | 9 530            | 147 775                         |                                 | 382                | 1 205               | 2 166                      | 42 560             | 35 288           | 77 848  |
| 2002                              | 275 039             | 16 162                      |                    | 10 125           | 211 831                         | 73                              |                    | 975                 | 1 795                      | 59 151             | 39 283           | 98 434  |

\* Only direct insurance

... N/A



## Non-life insurance premiums and claims by classes of business, 1998–2002 (2)\*

|                                   | Motor vehicle liability insurance | Aircraft liability insurance | Liability insurance for ships | General liability insurance   |                            |                                  |                             |                   | Insurance for pecuniary loss |                      |                                | TOTAL     |
|-----------------------------------|-----------------------------------|------------------------------|-------------------------------|-------------------------------|----------------------------|----------------------------------|-----------------------------|-------------------|------------------------------|----------------------|--------------------------------|-----------|
|                                   |                                   |                              |                               | Employers liability insurance | Public liability insurance | Professional liability insurance |                             | Product liability | Credit insurance             | Suretyship insurance | Misc. financial loss insurance |           |
|                                   |                                   |                              |                               |                               |                            | Total                            | incl. obligatory insurances |                   |                              |                      |                                |           |
| Gross premiums (thousand kroons)  |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 22 837                            | 184                          |                               | 675                           | 10 065                     | 4 243                            | 1 088                       | 581               | 217                          | 18 182               | 2 770                          | 1 030 320 |
| 1999                              | 20 196                            | 144                          | 143                           | 1 406                         | 8 115                      | 4 824                            | 1 058                       | 143               | 1 125                        | 14 930               | 2 497                          | 1 126 263 |
| 2000                              | 19 832                            | 122                          | 38                            | 6 016                         | 9 335                      | 4 277                            | 1 366                       | 384               | 375                          | 14 403               | 3 540                          | 1 289 686 |
| 2001                              | 21 933                            | 262                          | 63                            | 6 370                         | 14 974                     | 5 579                            | 2 317                       | 154               | 375                          | 11 264               | 8 306                          | 1 427 197 |
| 2002                              | 23 986                            | 323                          | 193                           | 6 034                         | 20 112                     | 17 579                           | 2 743                       | 453               |                              | 10 531               | 15 609                         | 1 718 337 |
| Reinsurance (thousand kroons)     |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 7 773                             | 152                          |                               | 117                           | 4 651                      | 2 141                            | 851                         | 3                 | 7                            | 2 316                | 1 987                          | 245 025   |
| 1999                              | 9 060                             | 113                          | 129                           | 101                           | 4 358                      | 2 435                            | 508                         | 64                | 1 125                        | 4 187                | 2 143                          | 353 800   |
| 2000                              | 9 801                             | 109                          |                               | 1 406                         | 4 044                      | 2 686                            | 610                         | 328               | 375                          | 5 484                | 1 497                          | 387 741   |
| 2001                              | 8 866                             | 248                          | 13                            | 1 780                         | 9 459                      | 3 050                            | 1 134                       | 91                | 375                          | 5 395                | 6 580                          | 472 904   |
| 2002                              | 10 005                            | 305                          | 82                            | 703                           | 15 413                     | 12 425                           | 1 232                       | 119               |                              | 5 767                | 14 334                         | 595 315   |
| Net premiums (thousand kroons)    |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 15 064                            | 32                           |                               | 558                           | 5 414                      | 2 102                            | 237                         | 578               | 210                          | 15 866               | 783                            | 785 295   |
| 1999                              | 11 136                            | 31                           | 14                            | 1 305                         | 3 757                      | 2 389                            | 550                         | 79                |                              | 10 743               | 354                            | 772 463   |
| 2000                              | 10 031                            | 13                           | 38                            | 4 610                         | 5 291                      | 1 591                            | 756                         | 56                |                              | 8 919                | 2 043                          | 901 945   |
| 2001                              | 13 067                            | 14                           | 50                            | 4 590                         | 5 515                      | 2 529                            | 1 183                       | 63                |                              | 5 869                | 1 726                          | 954 293   |
| 2002                              | 13 981                            | 18                           | 111                           | 5 331                         | 4 699                      | 5 154                            | 1 511                       | 334               |                              | 4 764                | 1 275                          | 1 123 022 |
| Claims reported (in units)        |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 154                               |                              |                               | 16                            | 64                         | 20                               | 9                           |                   |                              | 40                   | 2                              | 41 937    |
| 1999                              | 108                               |                              |                               | 29                            | 73                         | 22                               | 14                          |                   |                              | 29                   | 2                              | 42 161    |
| 2000                              | 154                               |                              |                               | 25                            | 39                         | 16                               | 9                           |                   | 3                            | 14                   | 3                              | 44 979    |
| 2001                              | 196                               |                              |                               | 27                            | 41                         | 25                               | 15                          |                   |                              | 17                   | 1                              | 53 550    |
| 2002                              | 213                               |                              |                               | 8                             | 80                         | 43                               | 10                          | 1                 |                              | 6                    | 5                              | 61 179    |
| Claims settled (in units)         |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 113                               |                              |                               | 9                             | 39                         | 4                                | 1                           |                   |                              | 13                   | 3                              | 34 558    |
| 1999                              | 89                                |                              |                               | 13                            | 51                         | 6                                | 1                           |                   |                              | 16                   | 2                              | 37 969    |
| 2000                              | 131                               |                              |                               | 29                            | 44                         | 14                               | 5                           |                   | 2                            | 21                   | 2                              | 42 886    |
| 2001                              | 95                                |                              |                               | 18                            | 33                         | 10                               | 1                           |                   | 1                            | 17                   | 5                              | 46 890    |
| 2002                              | 80                                |                              |                               | 7                             | 54                         | 23                               |                             | 1                 |                              | 7                    | 4                              | 55 772    |
| Claims paid (thousand kroons)     |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 5 974                             |                              |                               | 64                            | 1 558                      | 255                              | 81                          |                   |                              | 4 882                | 1 447                          | 546 678   |
| 1999                              | 8 225                             |                              |                               | 87                            | 1 643                      | 295                              | 46                          |                   |                              | 4 383                | 126                            | 580 662   |
| 2000                              | 5 229                             |                              |                               | 756                           | 6 658                      | 1 100                            | 121                         |                   | 1 196                        | 13 906               | 2 204                          | 616 950   |
| 2001                              | 5 596                             |                              |                               | 2 404                         | 1 520                      | 927                              | 304                         |                   | 747                          | 6 975                | 287                            | 712 842   |
| 2002                              | 4 286                             |                              |                               | 48                            | 1 283                      | 3 336                            | 1 473                       | 17                |                              | 4 980                | 2 350                          | 912 436   |
| Reinsurance (thousand kroons)     |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 2 906                             |                              |                               |                               | 435                        | 180                              | 66                          |                   |                              | 637                  | 1 286                          | 139 453   |
| 1999                              | 4 702                             |                              |                               |                               | 762                        | 97                               | 44                          |                   |                              | 2 457                | 115                            | 172 487   |
| 2000                              | 2 579                             |                              |                               | 308                           | 3 727                      | 665                              | 77                          |                   | 1 195                        | 3 806                | 1 413                          | 193 312   |
| 2001                              | 2 757                             |                              |                               | 15                            | 594                        | 430                              | 152                         |                   | 747                          | 537                  | 69                             | 231 178   |
| 2002                              | 2 360                             |                              |                               |                               | 490                        | 2 113                            | 789                         |                   |                              | 196                  | 2 012                          | 288 873   |
| Net claims paid (thousand kroons) |                                   |                              |                               |                               |                            |                                  |                             |                   |                              |                      |                                |           |
| 1998                              | 3 068                             |                              |                               | 64                            | 1 123                      | 75                               | 15                          |                   |                              | 4 245                | 161                            | 407 225   |
| 1999                              | 3 523                             |                              |                               | 87                            | 881                        | 198                              | 2                           |                   |                              | 1 926                | 11                             | 408 175   |
| 2000                              | 2 650                             |                              |                               | 448                           | 2 931                      | 435                              | 44                          |                   | 1                            | 10 100               | 791                            | 423 638   |
| 2001                              | 2 839                             |                              |                               | 2 389                         | 926                        | 497                              | 152                         |                   |                              | 6 438                | 218                            | 481 664   |
| 2002                              | 1 926                             |                              |                               | 48                            | 793                        | 1 223                            | 684                         | 17                |                              | 4 784                | 338                            | 623 563   |

\* Only direct insurance

**Expenses of insurers, 2002\***  
(kroons)

| <b>Non-life insurance</b>    | ERGO<br>Kindlustus | If Eesti<br>Kindlustus | Inges<br>Kindlustus | Nordea<br>Kindlustus Eesti | Salva<br>Kindlustus | Seesam<br>Kindlustus | Zürich<br>Kindlustus Eesti | %             | Estonian Traffic<br>Ins. Foundation |
|------------------------------|--------------------|------------------------|---------------------|----------------------------|---------------------|----------------------|----------------------------|---------------|-------------------------------------|
| Salaries and wages           | 36 266 731         | 77 131 967             | 3 340 356           | 10 986 119                 | 11 513 635          | 13 029 839           | 3 328 493                  | 28,5%         | 5 346 961                           |
| Social and sick-fund tax     | 17 362 852         | 25 840 125             | 1 102 317           | 4 531 266                  | 5 027 795           | 4 079 719            | 1 115 045                  | 10,8%         | 1 576 203                           |
| Commissions to agents        | 15 417 415         |                        | 75 856              | 2 522 377                  | 3 530 168           | 5 745 827            |                            | 5,0%          |                                     |
| Commissions to legal persons | 21 702 001         | 31 264 725             | 6 017 484           | 5 370 509                  | 11 329 772          | 34 701 514           | 3 764 408                  | 20,9%         | 1 812 260                           |
| Services bought              | 2 991 595          | 885 410                | 6 879               |                            | 15 303 258          | 615 504              | 73 855                     | 3,6%          | 254 272                             |
| Depreciation and devaluation | 6 290 522          | 11 212 556             | 329 370             | 2 522 501                  | 471 139             | 4 060 007            | 1 180 518                  | 4,8%          | 481 053                             |
| Reinsurance commissions      |                    |                        |                     |                            |                     |                      |                            | 0,0%          | - 3 237                             |
| Other expenses               | 39 430 647         | 66 490 171             | 1 724 854           | 13 515 753                 | 8 991 544           | 11 624 841           | 2 772 919                  | 26,4%         | 4 042 290                           |
| <b>TOTAL</b>                 | <b>139 461 763</b> | <b>212 824 952</b>     | <b>12 597 116</b>   | <b>39 448 525</b>          | <b>56 167 311</b>   | <b>73 857 251</b>    | <b>12 235 238</b>          | <b>100,0%</b> | <b>13 509 802</b>                   |

| <b>Life insurance**</b>      | ERGO<br>Elukindlustus | Hansapanga<br>Kindlustus | Sampo<br>Elukindlustus | Seesam<br>Elukindlustus | Ühispanga<br>Elukindlustus | %             |
|------------------------------|-----------------------|--------------------------|------------------------|-------------------------|----------------------------|---------------|
| Salaries and wages           | 6 472 662             | 7 007 819                | 3 597 231              | 3 901 774               | 5 729 003                  | 24,6%         |
| Social and sick-fund tax     | 2 135 979             | 2 508 342                | 1 168 519              | 1 278 087               | 3 040 239                  | 9,3%          |
| Commissions to agents        | 284 540               |                          | 52 195                 | 1 849 828               | 3 307 499                  | 5,1%          |
| Commissions to legal persons | 2 326 528             | 10 622 609               | 1 501 565              | 4 932 866               | 7 855 648                  | 25,1%         |
| Services bought              |                       | 1 665 346                | 301 522                | 1 185 706               |                            | 2,9%          |
| Depreciation and devaluation | 303 193               | 371 575                  | 834 454                | 1 461 640               | 686 740                    | 3,4%          |
| Other expenses               | 4 422 070             | 7 581 291                | 5 909 109              | 6 714 624               | 7 686 009                  | 29,7%         |
| <b>TOTAL</b>                 | <b>15 944 972</b>     | <b>29 756 982</b>        | <b>13 364 595</b>      | <b>21 324 525</b>       | <b>28 305 138</b>          | <b>100,0%</b> |

\* The present table shows split of expenses within the sum of claim handling, acquisition, administrative and investment expenses

\*\* Data of life insurance companies operating at the end of 2002



# Insurance Institutions, 31 December 2002

## Estonian Financial Supervision Authority

### Supervisory Board

Chairman: Mr Harri Õunapuu

Members: Mr Vahur Kraft  
Mr Matti Klaar  
Mr Ruut Mägi  
Mr Andres Sutt  
Mr Veiko Tali

### Management Board

Chairman: Mr Andres Trink

Members: Mr Kaido Tropp  
Mr Kilvar Kessler  
Ms Angelika Koha  
Mr Andres Kurgpöld

Estonian Traffic Insurance Foundation (ETIF)  
General Director Mr Mart Jesse

### Non-life insurance companies:

1. ERGO Kindlustuse AS  
Ms Olga Reznik
2. AS If Eesti Kindlustus  
Mr Olavi Laido
3. AS Inges Kindlustus  
Mr Voldemar Vaino
4. Nordea Kindlustuse Eesti AS  
Mr Mikko Sakari Saario

5. Salva Kindlustuse AS  
Mr Tiit Pahapill
6. Seesam Rahvusvaheline Kindlustuse AS  
Mr Margus Lüh
7. Zürich Kindlustuse Eesti AS  
Mr Olavi Saadoja

### Life insurance companies:

1. ERGO Elukindlustuse AS  
Mr Georg Männik
2. Hansapanga Kindlustuse AS  
Mr Veikko Tamlak
3. AS Sampo Elukindlustus  
Ms Ulla Ilisson
4. Seesam Elukindlustuse AS  
Mr Taivo Saar
5. AS Ühispanga Elukindlustus  
Mr Indrek Holst

Estonian Insurance Brokers Association  
Chairman of the Board  
Mr Ain Habicht

Association of Estonian Insurers  
Chairman of the Board  
Mr Indrek Holst  
Managing Director Ms Katrin Hanko

Estonian Actuarial Society  
Chairman of the Board  
Mr Tarmo Koll

### Insurance brokers:

1. OÜ ADVICE S.E. Kindlustusmaakler  
Mr Ain Niineste
2. AS AON Eesti Kindlustusmaakler  
Mr Kari-Edvin Aitolehti
3. Balti Kindlustusmaakleri OÜ  
Mr Kaido Tõnisson
4. AS Dividum Kindlustusmaakler  
Mr Margus Grünberg
5. AS E-Kindlustus Kindlustusmaakler  
Mr Risto Rossar
6. Heath Lambert Baltic Kindlustusmaakler AS  
Mr Heiki Nurmeots
7. AS Kindlustusmaakler In Bro & Partners  
Mr Tõnu Nael
8. OÜ ABC Kindlustusmaaklerid  
Mr Harri Kahl
9. OÜ Mai Estonia IBP Kindlustusmaakler  
Mr Raul Suup
10. Majesteedi Elukindlustusmaakleri OÜ  
Mr Raul Siimut
11. OÜ Marks ja Partnerid Kindlustusmaaklerid  
Mr Jaan Marks
12. Marsh Kindlustusmaakler AS  
Mr Kristo Ristikivi
13. Vagneri Kindlustusmaakler AS  
Mr Roman Illarionov
14. AS Vandeni Kindlustusmaaklerid  
Mr Raul Källo

## **ESTONIAN INSURANCE COMPANIES, 2002 (listed by foundation date)**

### **AS IF EESTI KINDLUSTUS** ..... (non-life insurance)

Address: ..... Pronksi 19 Tallinn  
Comments: ..... Pursuant to the merger agreement of 08.12.1999, Sampo Kindlustuse AS, Eesti Varakindlustuse AS and AS Sampo Eesti Varakindlustus merged in a way that AS Sampo Eesti Varakindlustus was the merging company and Sampo Kindlustuse AS and Eesti Varakindlustuse AS were companies which were merged.  
AS Sampo Eesti Varakindlustus was altered to AS If Eesti Kindlustus on 23.01.2002.  
Owner: ..... If Skadeforsäkring Holding AB, Sweden (100%)  
Auditor: ..... KPMG Estonia  
Management board: Chairman ..... Olavi Laido  
Members ..... Mihkel Uibopuu  
Pasi Jorma Kristian Harttunen  
Andres Sooniste  
Supervisory board: Members ..... Tom Melbye Eide  
Åke Ricard Wennerklint  
Kimmo Haapalehto  
Nils Henriksson  
Licenses: RM-1119-E, 14.08.1997 .....reinsurance  
RM-1159-E, 10.12.1997 .....reinsurance  
RM-1376, 26.11.1999 .....non-life insurance (accident, land vehicles, motor vehicle liability, fire and natural forces, other property, ships, general liability, goods in transit, misc. financial losses, credit, suretyship)  
RM-1375-L, 26.11.1999 .....motor TPL insurance  
RM-1475, 09.07.2001 .....non-life insurance (railway rolling stock)  
RM-1495, 23.10.2001 .....non-life insurance (liability for ships)

### **ERGO KINDLUSTUSE AS** ..... (non-life insurance)

Address: ..... A.Lauteri 5 Tallinn  
Comments: ..... founded on 10.12.1990 in Tallinn  
30.06.2000 the agreement for portfolio transfer was concluded with Leks Kindlustuse AS  
30.06.2000 the new business name of Balti Kindlustuse AS is BICO-LEKS Kindlustuse AS.  
BICO-LEKS Kindlustuse AS was altered to ERGO Kindlustuse AS on 12.07.2001.  
Owners: ..... ERGO Europa Beteiligungsgesellschaft AG, Germany (99%)  
minor shareholder (1%)  
Auditor: ..... BDO Eesti  
Management board: Chairman ..... Olga Reznik  
Members ..... Georg Männik  
Sergei Vahnitski  
Arvi Luhakooder  
Supervisory board: Chairman ..... Achim Naumann  
Members ..... Siegmar Krüger  
Hans-Dieter Knüttel  
License: RM-1467, 17.05.2001 .....non-life insurance (accident, sickness, land vehicles, aircrafts, ships, fire and natural forces, other property, goods in transit, motor vehicle liability, general liability, motor TPL insurance, suretyship, aircraft liability)

### **ZÜRICH KINDLUSTUSE EESTI AS** ..... (non-life insurance)

Address: ..... Narva mnt 24 Tallinn  
Comments: ..... founded in 1991 in Tallinn  
Owner: ..... Zurich Insurance Company, Switzerland (100%)  
Auditor: ..... KPMG Estonia  
Director: ..... Olev Saadoja  
Supervisory board: Chairman ..... Kurt Otto Treichler  
Members ..... Caj Weckström  
Fredrik Rosencrantz  
Licenses: RM-813, 24.03.1995 .....non-life insurance (accident, sickness, goods in transit, fire, natural forces, other property, general liability, misc. financial loss)  
RM-1205, 06.08.1998 .....non-life insurance (land vehicles)  
RM-1406, 16.05.2000 .....non-life insurance (railway rolling stock, motor vehicle liability, aircrafts, aircraft liability)  
RM-1407, 16.05.2000 .....reinsurance  
RM-1494, 23.10.2001 .....non-life insurance (credit insurance)  
F-2/0004, 27.02.2002 .....non-life insurance (assistance insurance)

## **SEESAM RAHVUSVAHELINE KINDLUSTUSE AS** ..... (non-life insurance)

Address: ..... Vambola 6 Tallinn  
Comments: ..... founded in 1991 in Tallinn  
Owners: ..... Pohjola Group Insurance Corporation, Finland (50,5%)  
New Hampshire Insurance Company, USA (49,5%)  
Auditor: ..... PricewaterhouseCoopers  
Management board: Members ..... Ivo Kuldmäe  
Margus Luih  
Svetlana Dutkina  
Supervisory board: Members ..... Tomi Yli-Kyynty  
Toomas Abner  
Riho Remmel  
Bengt Westergren  
Licenses: RM-1006, 07.11.1996 .....non-life insurance (accident, fire and natural forces, other property, goods  
in transit, land vehicles, misc. financial loss)  
RM-1047, 30.01.1997 .....non-life insurance (general liability)  
RM-1164, 10.12.1997 .....non-life insurance (ships, liability for ships)  
RM-1404, 24.04.2000 .....motor TPL insurance

## **AS INGES KINDLUSTUS** ..... (non-life insurance)

Address: ..... Raua 35 Tallinn  
Comments: ..... founded in 1992 in Tallinn  
Inges was altered to AS Inges Kindlustuse on 28.10.1996  
Owners: ..... UNIX-V Ltd (35%)  
Ingossur B.V., Netherlands (25%)  
Ingostrakh Ltd, Russia (20%)  
physical persons (20%)  
Auditor: ..... KPMG Estonia  
Director: ..... Voldemar Vaino  
Supervisory board: Members ..... Margus Metsma  
Aleksej Kolesnikov  
Inge Veso  
Licenses: RM-1015, 28.11.1996 .....non-life insurance (accident, sickness, goods in transit, land vehicles, ships,  
fire and natural forces, other property, general liability, liability for ships)  
RM-1016-L, 28.11.1996 .....motor TPL insurance  
RM-1017, 28.11.1996 .....non-life insurance (land vehicles liability)  
RM-1093, 30.04.1997 .....non-life insurance (suretyship)

## **SALVA KINDLUSTUSE AS** ..... (non-life insurance)

Address: ..... Pärnu mnt 16 Tallinn  
Comments: ..... founded in 1993 in Tallinn  
Owners: ..... SIA "UB Aprodīšināšana", Latvia (45%)  
Tiit Pahapill (45%)  
minor shareholders (10%)  
Auditor: ..... KPMG Estonia  
Management board: Chairman ..... Tiit Pahapill  
Members ..... Irja Elias  
Urmas Kivirüüt  
Andres Lõhmus  
Supervisory board: Members ..... Leho Siimsen  
Peep Kütt  
Toomas Teramäe  
Anu Uritam  
Licenses: RM-297-L, 06.04.1993 .....motor TPL insurance  
RM-298, 06.04.1993 .....non-life insurance (goods in transit)  
RM-536, 01.12.1993 .....non-life insurance (fire and natural forces, land vehicles, accident, other  
property, general liability)  
RM-788, 27.01.1995 .....non-life insurance (motor vehicles liability)  
RM-1104, 15.05.1997 .....non-life insurance (ships, liability for ships)  
RM-1137, 02.10.1997 .....non-life insurance (aircrafts, aircraft liability)  
RM-1163, 10.12.1997 .....non-life insurance (suretyship)  
RM-1441, 26.01.2001 .....non-life insurance (railway rolling stock)

## **SEESAM ELUKINDLUSTUSE AS** ..... (life insurance)

Address: ..... Roosikrantsi 11 Tallinn  
Comments: ..... founded in 1993 in Tallinn  
Owners: ..... Suomi Mutual Life Assurance Company, Finland (99%)  
Seesam Rahvusvaheline Kindlustuse AS (1%)  
Auditor: ..... PricewaterhouseCoopers  
Management board: Chairman ..... Taivo Saar  
Members ..... Erki Kilu  
Marika Guralnik  
Supervisory board: Chairman ..... Jukka Peltola  
Members ..... Toomas Abner  
Ilka Lohi  
Riho Rimmel  
Licenses: RM-1097, 30.04.1997 ..... life insurance (term and whole life assurance, endowment)  
RM-1165, 10.12.1997 ..... life insurance (annuities)  
RM-1218, 30.09.1998 ..... life insurance (annuities with tax benefit)  
RM-1527, 14.12.2001 ..... life insurance (unit-linked life insurance, supplementary insurances)

## **HANSAPANGA KINDLUSTUSE AS** ..... (life insurance)

Address: ..... Liivalaia 12 Tallinn  
Comments: ..... founded on 24.10.1995 in Tallinn  
Owner: ..... AS Hansapank (100%)  
Auditor: ..... Deloitte & Touche Eesti  
Management board: Chairman ..... Veikko Tamlak  
Members ..... Jürgen Pelt  
Liia Kirnmann  
Supervisory board: Chairman ..... Erkki Raasuke  
Members ..... Priit Põldoja  
Priit Potisepp  
License: RM-1405, 24.04.2000 ..... life insurance (term and whole life assurance, endowment, annuities, birth and marriage, unit linked life insurance, supplementary insurances, annuities with tax benefit)

## **ERGO ELUKINDLUSTUSE AS** ..... (life insurance)

Address: ..... A.Lauteri 5 Tallinn  
Comments: ..... founded on 31.08.1995 in Tallinn  
BICO Elukindlustuse AS was altered to ERGO Elukindlustuse AS on 12.07.2001  
Nordika Elukindlustuse AS transferred its insurance portfolio to ERGO Elukindlustuse AS on 01.07.2002  
Owners: ..... ERGO Europa Beteiligungsgesellschaft AG, Germany (100%)  
ERGO Kindlustuse AS (35%)  
Auditor: ..... BDO Eesti  
Managing Director: ..... Georg Männik  
Supervisory board: Chairman ..... Olga Reznik  
Members ..... Georg Männik  
Kaido Kepp  
Ivar-Heldur Petersen  
Supervisory board: Chairman ..... Hans-Dieter Knüttel  
Members ..... Achim Naumann  
Siegmar Karl Theodor Krüger  
License: RM-1493, 12.10.2001 ..... life insurance (term and whole life assurance, endowment, annuities, incl annuities with tax benefit, supplementary insurances)

## **AS ÜHISPANGA ELUKINDLUSTUS** ..... (life insurance)

Address: ..... Tornimäe 2 Tallinn  
Comments: ..... founded on 29.10.1998 in Tallinn  
Owner: ..... AS Eesti Ühispank (100%)  
Auditor: ..... PricewaterhouseCoopers  
Management board: Chairman ..... Indrek Holst  
Members ..... Jaanus Sibul  
Aira Tammemäe  
Supervisory board: Chairman ..... Ain Hanschmidt  
Members ..... Lembit Kitter  
Ülo Suurkask  
Tõnu Liik  
Rein Rätsep  
Licenses: RM-1255, 21.12.1998 ..... life insurance (term and whole life assurance)  
RM-1256, 21.12.1998 ..... life insurance (endowment)  
RM-1257, 21.12.1998 ..... life insurance (annuities)  
RM-1258, 21.12.1998 ..... life insurance (supplementary insurances)  
RM-1259, 21.12.1998 ..... life insurance (annuities with tax benefit)  
RM-1430, 20.11.2000 ..... life insurance (unit linked life insurance)

## **AS SAMPO ELUKINDLUSTUS** ..... (life insurance)

Address: ..... Pronksi tn 19 Tallinn  
Comments: ..... founded on 07.04.1999 in Tallinn  
Sampo Elukindlustuse AS was altered to AS Sampo Eesti Elukindlustus on 03.02.2000 and  
AS Sampo Eesti Elukindlustus was altered to AS Sampo Elukindlustus on 05.06.2001.  
Owner: ..... Vakuutusosakeyhtio Yritys-Sampo, Soome (100%)  
Auditor: ..... KPMG Estonia  
Management board: Chairman ..... Ulla Ilisson  
Members ..... Airi Viiart  
Terje Otstavel  
Supervisory board: Chairman ..... Terttu Marjatta Virmavirta  
Members ..... Minna Kaarina Kohmo  
Timo Pursiala  
Margus Žuravljov  
Licenses: RM-1314, 29.04.1999 ..... life insurance (term and whole life assurance, endowment, annuities)  
RM-1388, 10.01.2000 ..... life insurance (annuities with tax benefit)  
RM-1420, 10.08.2000 ..... life insurance (supplementary insurances)  
RM-1476, 09.07.2001 ..... life insurance (unit linked life insurance)

## **NORDEA KINDLUSTUSE EESTI AS** ..... (non-life insurance)

Address: ..... Rävälä 2 Tallinn  
Comments: ..... founded on 30.10.2001 in Tallinn as Nordicum Eesti AS,  
Nordicum Eesti AS was altered to Nordea Kindlustuse Eesti AS on 08.11.2001 and Nordea  
Kindlustuse Eesti AS was altered to Nordicum Kindlustuse Eesti AS in 12.2003.  
Nordika Kindlustuse AS transferred part of its insurance portfolio to Nordea Kindlustuse Eesti AS  
(retroactively as of 1.01.2002) on 25.02.2002  
Owners: ..... Tryg Vesta Group Ltd, Denmark (100%)  
Auditor: ..... KPMG Estonia  
Management board: Members ..... Mikko Sakari Saario  
Ilona Küber  
Supervisory board: Chairman ..... Peter Falkenham  
Members ..... Henrik B. Winther  
Kaupo Luhaäär  
Kalle Pedak  
License: F2-/0003, 13.02.2002 ..... non-life insurance (accident (incl injury to passengers), land vehicles,  
goods in transit, fire and natural forces, other property,  
motor TPL insurance, general liability, suretyship)



## MAJOR INSURANCE EVENTS, 2002

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- 01.01 ..... The Financial Supervision Authority commenced its activities
- 02.01 ..... The ownership of the AS Sampo Eesti Varakindlustus was changed. The Vakuutusyhtiö Yritys-Sampo (Finland) passed the insurance company over to the If P&C Insurance Holding Ltd (Sweden)
- 23.01 ..... The name of the AS Sampo Eesti Varakindlustus was changed to AS If Eesti Kindlustus
- 06-08.02 ... The OECD Conference on insurance and funded pension issues and also the regional meeting of the INPRS (International Network of Pension Regulators and Supervisors) took place in Tallinn
- 13.02 ..... A new non-life insurance provider entered the market; the Financial Supervision Authority granted a license to the Nordicum Eesti AS for writing several non-life insurance classes
- 25.02 ..... The Nordika Kindlustuse AS passed partially its insurance portfolio over to the Nordicum Eesti AS (retroactively as of 1 January 2002); the Nordika Kindlustuse AS terminated its substantive activities as a non-life insurance provider
- 26.02 ..... The name of the Nordicum Eesti AS was changed to Nordea Kindlustus Eesti AS
- 18.03 ..... The Financial Supervision Authority concluded a Memorandum of Understanding with the German Insurance Supervisory Authority
- 13.05 ..... The Financial Supervision Authority established a special regime for three months for the Nordika Elukindlustuse AS
- 01.06 ..... The amendment acts of the Insurance Activities Act and the Motor TPL Insurance Act entered into force
- 01.07 ..... The Nordika Elukindlustuse AS passed its insurance portfolio over to the ERGO Elukindlustuse AS; the Nordika Elukindlustuse AS terminated its substantive activities as a life insurance provider.
- 01.07 ..... The Law of Obligations Act entered into force
- 13.08 ..... The Financial Supervision Authority concluded a Memorandum of Understanding with the Danish Financial Supervisory Authority
- 01.10 ..... The ownership of the Nordea Kindlustuse Eesti AS was changed. The Trygg-Baltica Ltd (Denmark) passed the insurance company over to the Trygg Vesta Group AS (Denmark)
- 23.10 ..... The Financial Supervision Authority erased the OÜ Kindlustusjuht Kindlustusmaakler from the list of insurance intermediaries
- 01.11 ..... A cooperation agreement was concluded between the Financial Supervision Authority, the Bank of Estonia and the Ministry of Finance
- 31.12 ..... The Financial Supervision Authority erased the Rae Kindlustuskoda AS from the list of insurance intermediaries

## COMMENTS

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