

ANNUAL REPORT 2007



**WE HELP INCREASE
THE SIGNIFICANCE OF
THE INSURANCE SECTOR
AND CREATE SPACE
FOR ITS EFFICIENT
FUNCTIONING
IN SOCIETY**

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**OPENING
STATEMENT**



After two years of slower growth, the Czech insurance market witnessed a visible revival in 2007. Total premiums written increased by almost 9%, i.e. its growth rate almost doubled factually compared with 2005–2006.

The premiums written in total by the 27 Czech Insurance Association's (ČAP) members totalled CZK 130.8 billion. Measured by the number of insurance contracts, the insurance portfolio rose to almost 24 million policies, and this represents a 5.8% year-on-year increase. This indicator also showed faster growth compared with the 4.4% achieved in 2006. Life insurance accounts for a substantial part of this, with a 14.6% year-on-year increase in premiums written. The positive development in life insurance is due to broad interest in unit-linked insurance, which is very often connected with single premium payments. Average premiums of regularly paid premiums also grew, and the dynamics of their indicators promise stable growth of the market also in 2008. Faster growth in life insurance resulted in its record share in total premiums written of over 40%. However, compared with the European average of about 60%, this share is still relatively low in the Czech Republic.

When we compare results of the Czech insurance industry with the situation in the EU countries, we can see they are – very slightly – getting closer. However, in the ratio of premiums to GDP, and the ratio of life insurance to total premiums written, we are still very much below the EU average. On the other hand, this means that the Czech market continues to have great potential for future growth.

For the Czech insurance industry, 2007 was a significant year in terms of preparations for new legislation: the Czech Insurance Association commented on 14 draft legal regulations related to the insurance business. ČAP's role in the preparation of the insurance act, that was supposed to be adopted in 2008, was of key importance. We also paid considerable attention to the draft amendment to the Motor Third Party Liability Insurance Act. In this amendment we concentrated our attention on issues of limits of damage to property, introduction of the contribution from owners of uninsured vehicles to the guarantee fund, and on partial issues related to the amendment to the Road Traffic Act.

OPENING STATEMENT

Based on the analysis of the legislation adopted in certain other EU member states, ČAP made a distinct contribution to the preparation of the global exemption for insurance from the ban to use differences in sex when defining the premium and calculating the insurance settlement. This exception is expected to be approved in the framework of the draft anti-discriminatory act in 2008.

Insurance experts of the Association and insurance companies closely scrutinized relevant tax proposals. Comments and professional arguments on the draft act on reserves for the establishment of the income tax base and on the draft income taxes act certainly contributed to a generally acceptable compromise, especially in the sphere of technical provisions taxation. The correct conceptual decision of the state and the relevant legislation, be it in the framework of pension system reform, or financing of health care, can distinctly move the significance of the insurance sector closer to EU standards. However, the speed and progress of key reforms preparation do not meet the expectation of insurance companies and hinder, to a considerable extent, further development of the Czech insurance market. The Czech Insurance Association has declared several times it is ready to cooperate with the government to a greater degree, namely in the sphere of pension reform preparation, as well as in other areas such as, for example, multi-source funding of the health care sector.

ČAP and its members were successful in other areas, too. The insurance houses act more decisively in investigating and punishing insurance fraud. In the course of the previous year, specialists of ČAP member insurance companies investigated more than 4.5 thousand claims, where there was a justified suspicion of insurance fraud. By proving fraudulent action, the insurance companies saved more than half a billion Czech crowns. The prepared system for the exchange of information between insurance companies should contribute to the prevention of fraud and facilitate its detection.

The year 2007 will be marked in Czech insurance business history very distinctly also due to hurricane Kyrill, the worst windstorm event in the Czech Republic. The settlement of almost 80 thousand claims worth more than 2.2 billion crowns was an exacting and very well-managed test for ČAP members. The insurance companies showed an exemplary flexibility and almost 90% of reported insurance claims were settled within three months after the disaster. The extent of the disaster – in terms of the number of claims – can be compared only with the disastrous floods in 2002.

For the Czech Insurance Association, 2007 was the first year with a new organizational structure and modern management style, and in new premises. We believe that both the professional and lay public noticed these positive changes.

The Czech Insurance Association fostered its presentation and public relations, among other things, also via its web pages and by compiling well-structured and easy-to-understand product sheets. Together with other financial associations we also participated in the launch of the website for financial education, designed to provide objective information for consumers on financial products and their benefits.

In March 2007, the Czech Insurance Association's Assembly admitted two other significant insurance companies as members and the total number of members increased to 27 commercial insurance companies with a 98.4% share in total premiums written in the Czech Republic. In October 2007, an Ethics Committee was established at ČAP as part of its long-term efforts to abide by the rules of ethics on the insurance and financial markets; it supervises the observation of rules set in the Code of Ethics in the insurance industry.

Significant legislative changes in the insurance sector will no doubt continue also in 2008. Let us wish for the new insurance legislation, as well as for the long expected conceptual government decisions concerning the pension reform system and the reforms of the health care system, and that they support development of the Czech insurance industry. In terms of figures – that the insurance market continues in the encouraging results achieved in 2007 and gets closer even more quickly to standards applicable in the advanced EU markets.



Ladislav Bartoniček
President



Tomáš Síkora
Executive Director

A graphic consisting of a red square frame centered on a dark blue background. Inside the frame, the words "INSURANCE" and "MARKET" are written in white, bold, uppercase letters, stacked vertically. A light blue curved shape is visible at the bottom of the page.

**INSURANCE
MARKET**

DEVELOPMENT OF THE NATIONAL ECONOMY

In 2007, the national economy developed favourably in terms of basic indicators. The gross domestic product totalled 6.5% in constant prices and it is the highest since the establishment of the Czech Republic. On the demand side, the final consumption expenditure (+4.2%), the gross capital formation (+9.2%), and higher year-on-year increase in exports in constant prices (+14.5%) than in imports (+13.7%) contributed to the GDP's growth. Household final-consumption expenses increased in real terms by 5.7%. The fastest increase in the creation of gross fixed capital (in real terms, +6.1%) was recorded in investments in vehicles (+8.6%) and machinery and equipment (+7.9%).

The inflation rate measured by year-on-year changes in average prices over 12 months slightly increased – by 0.3% compared with 2006. Average real wages rose by 4.4% compared with 3.8% in the previous year. The rate of registered unemployment continued to drop, namely to 6.6% against 8.1% in 2006. The Czech crown grew stronger in relation to the euro as well as the US dollar. The hike in imports in current prices (+13.6%) was slightly higher than the growth in exports (+13.3%), while a surplus was recorded in the balance of trade (+44.4 billion CZK) and in the balance of income and expenses for services (+12.4 billion CZK).

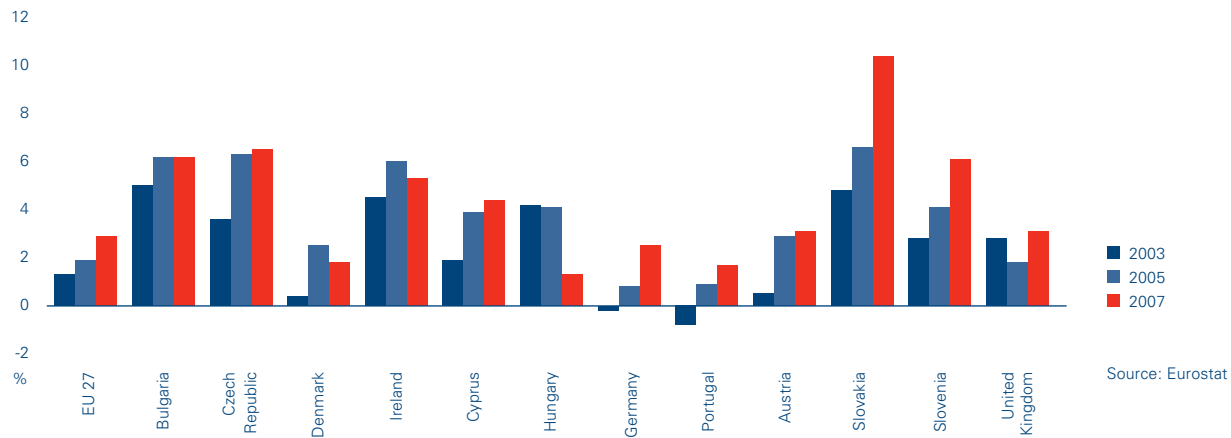
	2003	2004	2005	2006	2007
GDP – year-on-year changes (constant prices)	3.6	4.5	6.4	6.4	6.5
GDP per inhabitant (CZK thousands)	252.6	275.8	291.9	314.8	344.6
Industry – sales (constant prices)	5.8	9.9	8.1	11.6	10.0
Services – sales (constant prices)	4.7	3.2	3.0	5.0	7.0
Year-on-year inflation rate	0.1	2.8	1.9	2.5	2.8
Prices of industrial producers	-0.3	5.7	3.0	1.6	4.1
Registered unemployment rate	9.9*	(10.2*) 9.2	9.0	8.1	6.6
State budget balance relative to GDP (current prices)	-4.2	-3.3	-1.9	-3.0	-1.9
Current account of balance of payments relative to GDP (current prices)	-6.2	-5.2	-1.6	-3.1	-2.5
Exports (constant prices)	7.2	20.7	11.8	14.4	14.5
Imports (constant prices)	8.0	17.9	5.0	13.8	13.7

*) according to the original methodology
 Source: Czech Statistical Office, March 2008

DEVELOPMENT OF THE NATIONAL ECONOMY

The deficit in the balance of payments current account decreased from CZK 100.8 billion to CZK 89 billion and reached 2.5% to GDP compared with 3.1% in 2006. The deficit of the state budget dropped by one-third to CZK 66.4 billion. At the end of the year, however, signals indicating possible future economic slowdown began to appear – in particular due to marked acceleration of inflation and appreciation of the crown. The level achieved is above the EU average (2.9%) and it is comparable with many other European countries.

YEAR-ON-YEAR GROWTH RATE OF REAL GDP



THE INSURANCE MARKET IN THE CZECH REPUBLIC

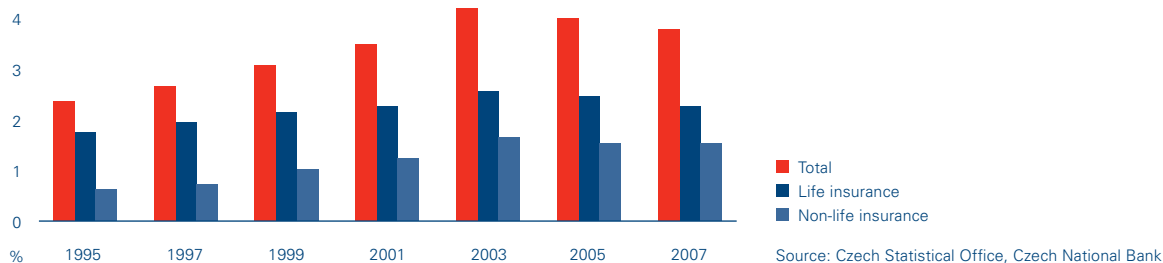
Premiums written

The growth rate of total premiums written more than doubled compared with the previous two years and reached 8.8%. It was namely life insurance (+14.6%) that contributed to its growth. Non-life insurance, on one hand, grew faster than in 2006 (+5.2% compared with +3.8%), but it still did not match development of previous years. Due to the fact that the growth in premiums written lagged behind the GDP growth in current prices (+10.1%), overall insurance penetration, measured as a share of premiums written in GDP, declined from 3.8% to 3.7%. Life insurance maintains its constant share of 1.5%. These indicators therefore still show the opportunity for growth of the Czech insurance market compared with other countries.

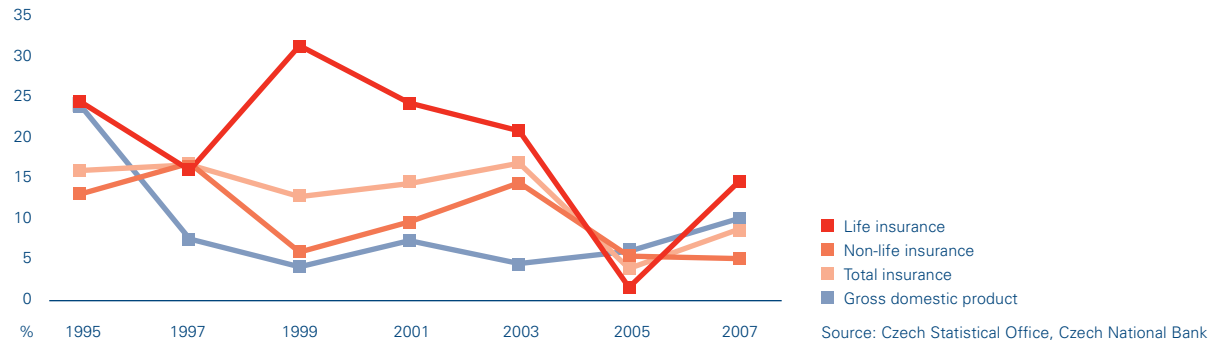
In January 2007, the Czech insurance market was hit by a major natural disaster: hurricane Kyrill. The insured losses totalled more than CZK 2.2 billion.

The claims incurred in life insurance rose by 33% and their share in total claims incurred thus increased from 33% to 41%.

SHARE OF INSURANCE PREMIUMS IN GDP



YEAR-ON-YEAR GROWTH OF INSURANCE PREMIUMS AND GDP

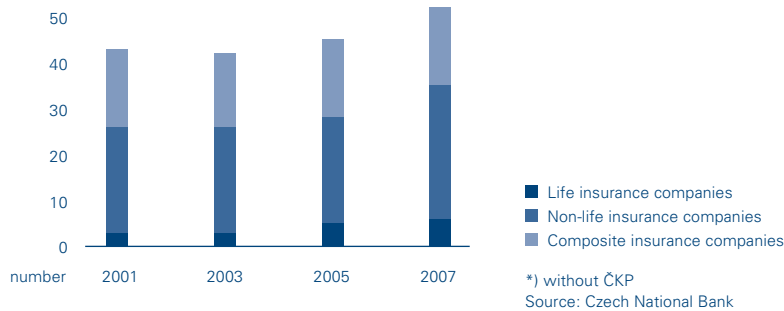


Despite varying dynamics of total premiums written and premiums in life and non-life insurance, until 2003 the insurance market recorded faster growth than the GDP indicator in current prices. In the subsequent years, the premiums growth rate considerably declined and it began to increase again after 2005. This favourable trend impacts the most life insurance, and it is based namely on so-called investment insurance products.

Insurance companies

At the end of 2007, 52 insurance companies* engaged in business on the Czech insurance market compared with 49 insurance companies registered at the end of 2006. By the type of activity, there were 29 non-life insurance, 17 composite insurance and 6 life insurance companies. The number of domestic insurance houses rose by one to 34, and the number of branches increased by two to 18.

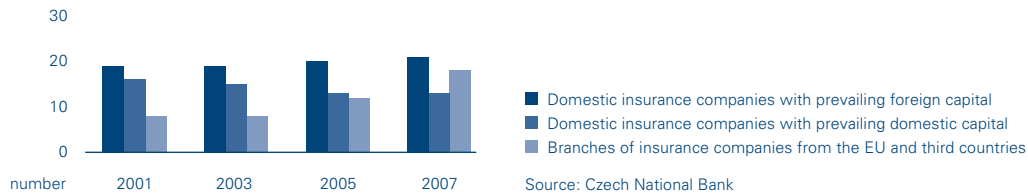
INSURANCE COMPANIES BY TYPE OF INSURANCE



At the end of 2007, 478 insurance companies and branches from EU/EEA showed interest in operating in the Czech Republic in the form of the appropriate notification on the basis of freedom to provide services, compared with 401 in the previous year. According to available ČNB data, the premiums written by these insurance companies in 2005 totalled CZK 1.2 billion.

About 61 thousand active insurance intermediaries operated simultaneously on the Czech insurance market.

INSURANCE COMPANIES BY CAPITAL

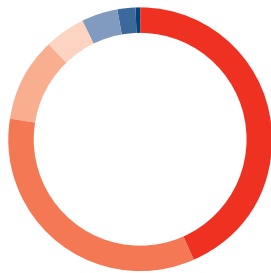


Structure of the insurance market

For the first time in history, the share (proportion) of life insurance surpassed 40% and reached 40.7% while the value of premiums written rose in total by 8.8% and the life insurance growth rate was faster (+14.6%). Insurance on survival/death or survival prevailed in the basic structure of life insurance (43.5%), but insurance linked to investment funds (unit-linked products) accounted for more than one third (34.0%).

SHARE OF PREMIUMS WRITTEN IN

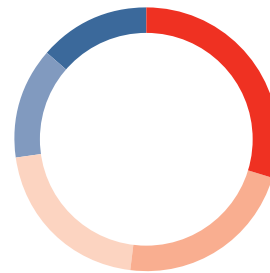
LIFE INSURANCE



	%
Insurance on survival/death or survival	43.5
Insurance linked to an investment fund	34.0
Supplementary insurance	10.5
Pension insurance	4.8
Marriage insurance, birth insurance	4.5
Insurance on death	2.3
Capital operations	0.4

Source: Czech National Bank, Czech Insurance Association

NON-LIFE INSURANCE



	%
Motor third-party liability insurance	29,9
Property insurance	22,2
Motor insurance except for rail vehicles	20,9
General liability for damage insurance	13,5
Others	13,5

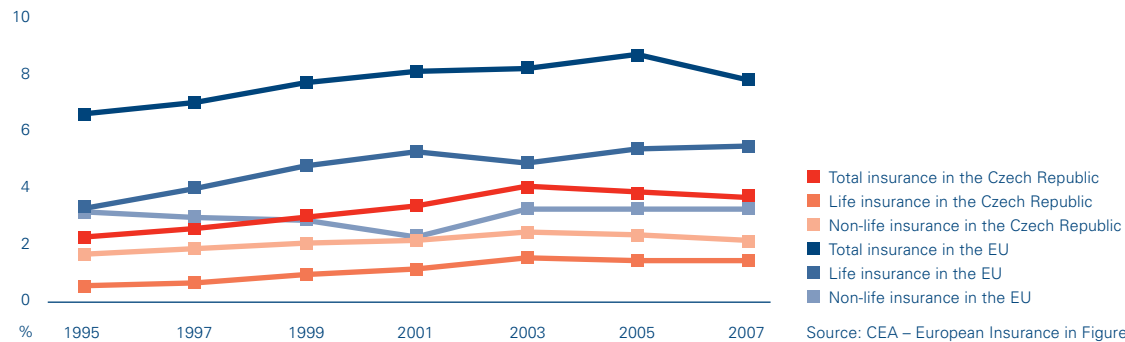
Source: Czech National Bank

Despite a slight decrease, insurance of vehicles, i.e. motor third-party liability insurance (29.9%) and motor damage insurance (20.9%) accounted for more than half of non-life insurance, in total 50.8%, against 52.2% in 2006. Insurance of property continued to maintain its significant share in total value of premiums written for non-life insurance.

POSITION OF THE CZECH INSURANCE INDUSTRY IN THE EUROPEAN CONTEXT

The share of premiums written in GDP, so-called insurance penetration, can be considered as a key indicator of the insurance industry's significance in a country's economics. In this parameter, the Czech Republic did not reach even one half of the EU (25) countries's level. With respect to the positive development of GDP in the Czech Republic, this indicator has been declining in recent years. Out of new EU members, Cyprus had a higher share of premiums in GDP (4.5%), as well as Slovenia (5.6%) and Malta (6.5%), but even these countries did not achieve the EU average (8.8%).

SHARE OF PREMIUMS WRITTEN IN GDP IN THE CZECH REPUBLIC AND EU (25)

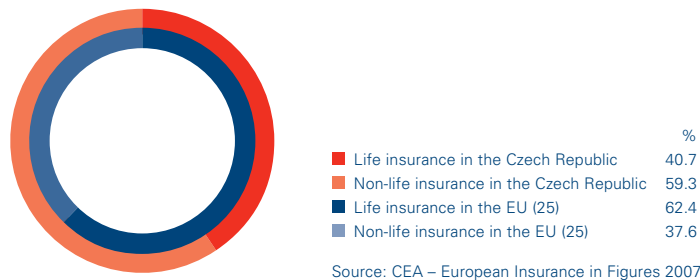


Source: CEA – European Insurance in Figures 2007, Eurostat

POSITION OF THE CZECH INSURANCE INDUSTRY IN THE EUROPEAN CONTEXT

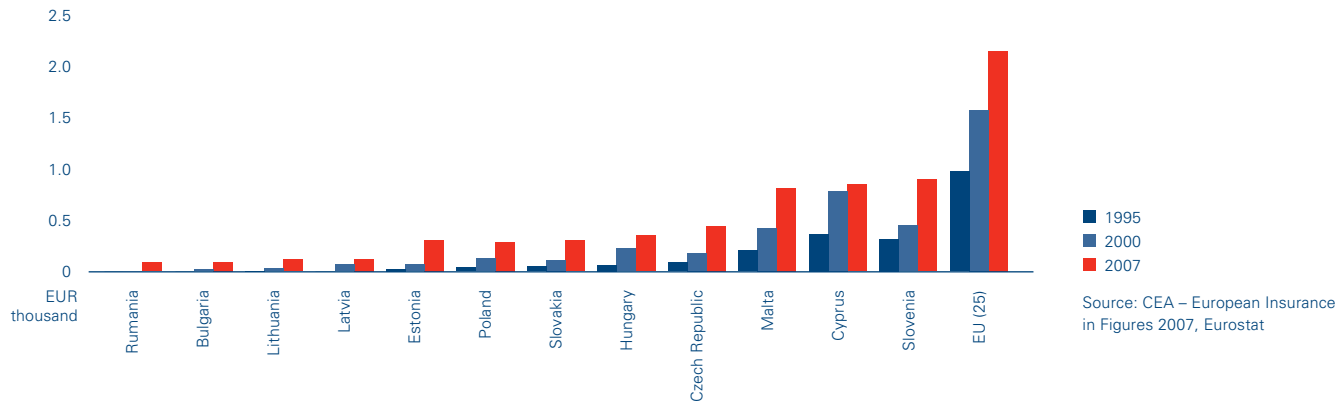
When comparing the proportion of life and non-life insurance in total premiums written, the Czech insurance market continued to show an adverse proportion compared to the EU average. Although the proportion of life insurance in total premiums written did gradually increase in the Czech Republic, it did not reach the EU average of about 60%.

PROPORTION OF LIFE AND NON-LIFE INSURANCE IN THE CZECH REPUBLIC AND THE EU



The varying level of insurance market development in individual European countries was also mirrored in the average insurance premium per inhabitant. While in several new countries it did not even total 200 EUR (Latvia 129), Slovenia recorded 942 EUR. The EU average exceeded 2,000 EUR, in the Czech Republic this indicator totalled 465 EUR.

AVERAGE INSURANCE PREMIUM PER INHABITANT



Legislation and the insurance industry in the Czech Republic

In 2007, the insurance market was concerned primarily with the fulfilment of government reform, namely the Act on Stabilization of Public Budgets. Aims of the reform included lowering of the state budget deficit, and therefore the focus was also on the taxation of technical provisions and reinsurance. Drafts of new legal regulations were being prepared, as well as a new Act on Insurance Industry, amendments to the Act on Motor Third Party Liability Insurance and the respective part of the antidiscrimination act, some of which were and others will be adopted in 2008. In all cases this involved implementation of the relevant EC directives.

PUBLISHED LEGAL REGULATIONS

Act No. 261/2007, on Stabilization of Public Budgets, is of key importance for insurance companies. Its part is also an amendment to the Income Tax Act, which stipulated the amount of CZK 24,000 per year as the maximum common limit for contributions to supplementary pension insurance and insurance premiums for private life insurance from the same employer that can be exempt from tax. The above mentioned Act also includes an amendment to the Act on Provisions for Establishing the Income Tax Base that set taxation of technical provisions of insurance companies.

The effective dates of certain acts relevant for insurance companies were postponed. This involves, for example, **Act No. 108/2007**, amending Act No. 182/2006 on Insolvency and Methods for the Solution Thereof (**the Insolvency Act**), as amended by Act No. 312/2006, and Act No. 312/2006, on Bankruptcy Administrators. In the case of this Act, the effective date was postponed to 1 January 2008. A wider amendment of the Insolvency Act was adopted by Act No. 296/2007.

Also adopted was **Act No. 215/2007**, amending Act No. 361/2000, on Road Traffic and on Amendments to Certain Laws (**the Road Traffic Act**), as amended, and Act No. 200/1990, on Misdemeanours, as amended. In the latter, the limit of damage caused during traffic accidents for which it is not necessary to call the police was specified, i.e. the value of CZK 50,000 and less, to comply with the limit set forth in the Road Traffic Act. With the amendment, the amount of CZK 50,000 was also included in the limit.

The amendment to the Motor Third Party Liability Act implemented the so-called 5th motor directive. It increased, for example, the minimum limit for damage to property to CZK 35 million per claim, whatever the number of victims; the green card became the only document proving liability insurance and a contribution to the Bureau was introduced, that will be covered by the owner (or operator) in case a vehicle is not insured for liability insurance. In February 2008, the amendment was approved by the House of Deputies and in March 2008 by the Senate. In the Collection of Laws, the act was published under number 137/2008.

DECREES PUBLISHED IN 2007

- **Decree No. 76/2007**, amending Decree No. 540/2002, implementing certain provisions of Act No. 151/1997, on Property Valuation and on Amendments to Certain Laws (Property Valuation Act), as amended.
- **Decree No. 250/2007**, amending Decree of the Ministry of Health No. 342/1997 that sets forth the procedure for recognizing occupational diseases and contains a list of health care facilities that recognize such diseases, in the wording of Decree No. 38/2005.
- **Decree No. 251/2007**, amending Decree No. 582/2004, implementing certain provisions of the Act on Insurance Intermediaries and Loss Adjusters, in the wording of Decree No. 40/2006.
- **Decree No. 314/2007**, about minimal limit per claim and minimal standards for insurance contracts of bankruptcy administrators.
- **Decree No. 351/2007**, amending Decree No. 502/2002, implementing certain provisions of Act No. 563/1991 on Accounting, as amended, for accounting units that are insurance companies, as amended.
- **Decree No. 355/2007**, amending Decree of the Ministry of Finance No. 114/2002, on the fund for cultural and social needs, as amended.
- **Government Regulation No. 366/2007**, on the adjustment of compensation for loss of earnings after termination of sick-leave due to a work accident or occupational disease and for loss of earnings after the termination of sick-leave, or in the case of permanent disablement and on the adjustment of compensation of costs related to the sustenance of survivors (adjustment of compensation).

DRAFTS AFFECTING THE INSURANCE INDUSTRY IN PROGRESS

Draft Insurance Act implements in particular Directive 2005/68/EC on reinsurance and Directive 2007/44/EC as regards procedural rules and evaluation criteria for the prudential assessment of acquisitions and increase of holdings in the financial sector. In 2007, an external amendment procedure took place and in June 2008 the draft was discussed by the Czech Republic's government.

Draft Anti-discriminatory Act, that also includes a draft amendment to the Act on Insurance Contract and draft Insurance Act, implementing Article 5 of Directive 2004/113/EC, which introduces the principle of equal treatment between men and women in the access to and supply of goods and services. In 2007, total exemption was eventually proposed for insurance from the ban to use sex as a factor in the calculation of premiums and benefits. The legislation process should be completed in 2008.

Legislation and the Insurance Industry in the EU

In 2007, the European legislation as regards financial services focused on the formulation of strategic objectives with the aim to develop the single insurance market, and especially cross-border cooperation.

In April 2007, the European Commission published the **Green Paper on Retail Financial Services in the Single Market**. The Green Paper specified global targets of the Commission and many specific measures to achieve progress in individual areas. Changes in individual areas will be carried out only if they prove to bring a demonstrable economic benefit and higher consumer trust. The first example is a review of directives on insurance mediation targeted at establishing whether it met its aims in the area of consumer protection.

In September 2007, the **final report on the results of sector investigation in the area of business entities' insurance** was published; the investigation has been in progress since 2005. In its report, the Commission explicitly mentioned two key areas which caused its concern – setting of insurance premiums in co-insurance/co-reinsurance and remuneration in the area of insurance intermediation. These issues will be investigated in greater detail in the subsequent period.

DIRECTIVES ADOPTED IN 2007

- **Commission Directive 2007/14/EC of 8 March 2007, laying down detailed rules for the implementation of certain provisions of Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.** The aim of the directive is to ensure a high level of investors' protection and increase efficiency of the market based on the formulation of rules adjusting transparency requirements which should be applied uniformly.
- **Directive of the European Parliament and the Council 2007/44/EC of 5 September 2007, amending Directive of the Council 92/49/EEC and Directives 2002/83/EC, 2004/39/EC, 2005/68/EC and 2006/48/EC, as regards procedure rules and evaluation criteria for prudent assessment of acquisitions and increase of holdings in the financial sector.** The aim of the directive is to set forth detailed criteria for prudent assessment of the proposed acquisitions and application procedure. This is necessary in order to secure legal safeguards, clarity and predictability as regards the assessment procedure and its results.
- **Directive of the European Parliament and the Council 2007/60/EC of 23 October 2007 on the assessment and management of flood risks.** The purpose of this directive is to establish the framework for assessment and management of flood risks with the aim to decrease unfavourable impact on human health, environment, cultural heritage and economic activities related to floods in the Community.

DRAFT DIRECTIVES PUBLISHED IN 2007

- **Draft directive of the European Parliament and the Council concerning the approach to insurance and reinsurance and their execution: SOLVENCY II.** The draft was published in July 2007. The draft essence of the Solvency II is comprehensive management and assessment of an insurance company's risks and stipulation of adequate capital requirements. Thirteen directives concerning life insurance and non-life insurance, insurance groups and winding-up were incorporated in the draft. QIS studies played a major role in the completion of the draft and especially in the preparation of implementing legal regulations. In 2008, QIS 4 will be carried out.
- **Draft directive of the Council amending Directive 2006/112/EC on the common system of value added tax (VAT), as regards treatment of insurance and financial services.** The aim of the draft is primarily to increase legal safeguards for economic entities as well as national tax administration offices, decrease their administrative load and lower the impact of VAT hidden in costs of insurance and financial services providers. These aims are to be achieved by clarification of rules which govern exemption of insurance and financial services from VAT.
- **Draft regulation of the Council, which stipulates implementing rules for Directive 2006/112/EC on the common system of value added tax as regards treatment of insurance and financial services.** The draft regulation contains implementing rules to Article 135 and Article 135a of the Council's Directive 2006/112/EC on the common system of value added tax. The aims of the regulation are similar as in the case of the above listed directive.
- **Draft directive of the European Parliament and of the Council on minimal requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights.** The legislative procedure was in progress in 2007 and continues in 2008. Compared with the original draft directive, its scope was streamlined; it no longer concerns the portability of claims to supplementary pension insurance. It now strives to reach agreement among member states as regards certain remaining parameters, such as, for example, the minimal age for acquiring rights, minimal period for acquisition, and explanation of situations in which certain individual agreements are to be considered as supplementary pension insurance systems.

The logo consists of a thick red square border. Inside this border, the text "CZECH INSURANCE ASSOCIATION" is centered in white, bold, uppercase letters. The background of the entire image is a dark blue gradient with a lighter blue curved shape at the bottom.

**CZECH
INSURANCE
ASSOCIATION**

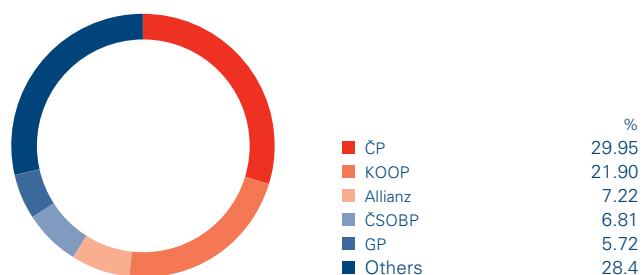
MEMBERS AND THEIR RESULTS

The Czech Insurance Association was established as an association representing interests of commercial insurance houses and began operating on 1 January 1994. Originally, the association had 16 members. During more than 14 years of operation, the association grew by 11 members. Today, it includes 27 commercial insurance companies, whose share in total premiums written in the Czech Republic exceeds 98%. ČAP also includes two members with a special status – Czech Insurers Bureau and Czech Section of the International Association for Insurance Law (AIDA).

The Association supports development of the insurance industry and the insurance market in the Czech Republic. It represents, defends and enforces interests of insurance companies and their clients in relation to state administration bodies, as well as to the professional and lay public. Since 1998, it has also represented the Czech insurance industry in the EU as a regular member of the European Federation of National Associations of Insurers (Comité Européen des Assurances – CEA). In 2004–2007, Vladimír Mráz, long-time ČAP president and vice-president, acted as a member of the CEA's Presidium Committee.

Results of ČAP members mirrored the overall market developments. Total premiums written recorded higher dynamics, especially in life insurance. Concentration on the market continued to be high, the top 10 insurance companies still held over 90% of the business, but the share slightly declined from 90.93% to 90.02%. The share of the top three insurance companies continued to decrease in favour of the majority of other insurance companies among the top ten. The decisive 66% share of the market is held by two groups: 35.7% by PPF – Generali (ČP, GP) and 30.3% by Vienna Insurance Group (KOOP, ČPP, PČS).

PREMIUMS WRITTEN – MARKET SHARES

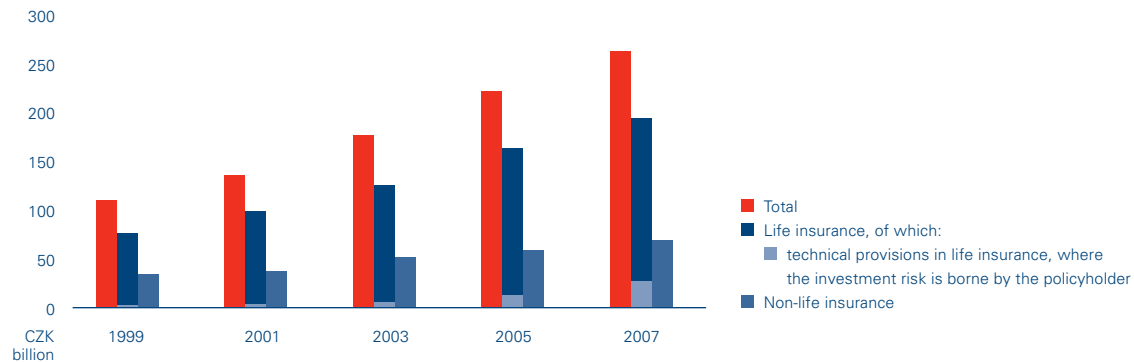


TRENDS IN RESULTS OF MEMBER INSURANCE COMPANIES

The registered capital of ČAP member insurance companies increased by 1.4% to CZK 16.9 billion, the funds totalled CZK 39.5 billion (+0.9%). Compared with the previous year, the aggregate after-tax profit of insurance companies decreased by 10.2% to CZK 12.7 billion, nevertheless it was still by more than one half higher than the result for the year 2005.

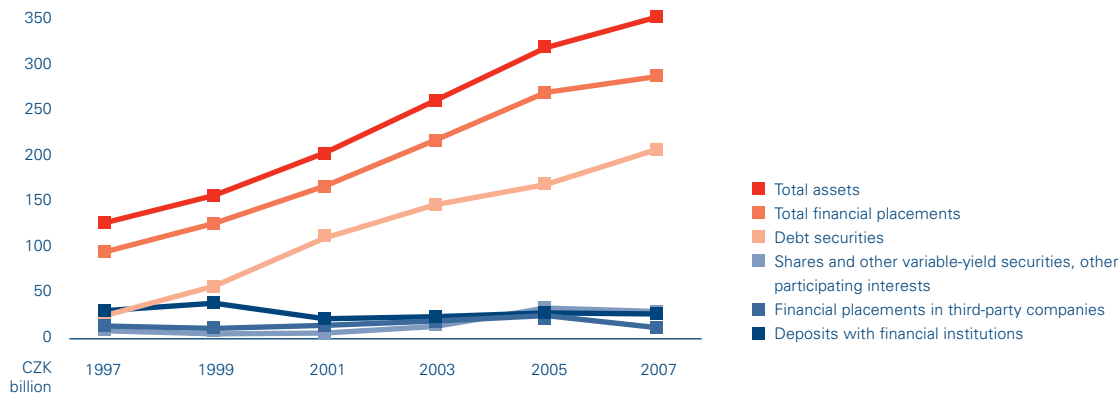
In 2007, the growth of insurance companies' technical provisions in life insurance decreased by one third: from 12.2% to 7.9%; on the contrary, technical provisions in non-life insurance rose by 9.5% compared with the 6.3% growth in the previous year. This, however, was not sufficient to out-balance the slowdown in life-insurance and, as a result, the growth of technical provisions totalled 8.3% (10.7% in 2006). The provision in so-called unit-linked insurance, where the investment risk is borne by the policyholder, recorded an above-average growth, despite its declining tendency. The growth totalled 45.1% against 53.9% in the previous year. As a result, the share of this provision in total provisions in life-insurance rose from 10.1% to 13.6%.

TECHNICAL PROVISIONS



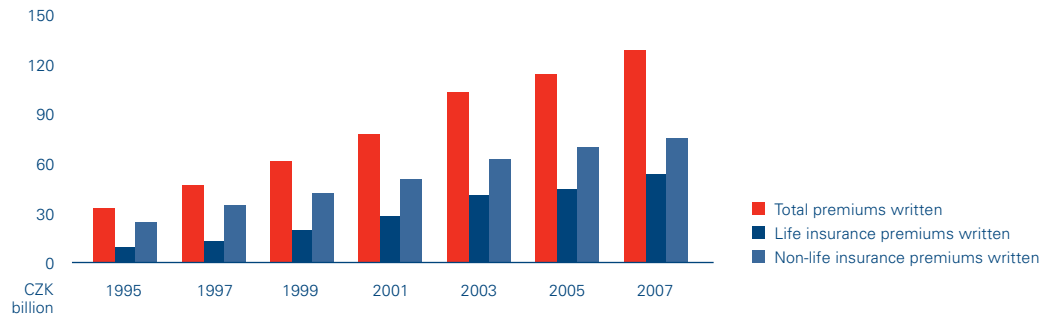
Assets of ČAP members rose by 6.6% compared with 3.7% in the previous year; a similar increase (4.1%) was recorded in the financial placements in the year under review, compared with 2.2% the year before. Since 2001, debt securities have kept a majority share in the financial placements of ČAP members, in 2007 it was over 70%, while deposits with financial institutions have oscillated around 10%.

TRENDS IN ASSETS AND FINANCIAL PLACEMENTS



Technical accounts for life insurance declined by 33%, while the claims incurred and changes in the value of financial placements grew the most. Total results in technical accounts for non-life insurance increased by 2.0%.

TRENDS IN PREMIUMS WRITTEN



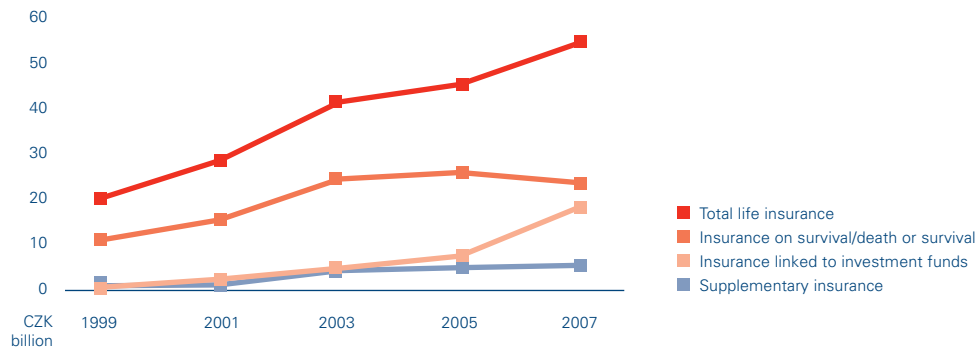
TOTAL PREMIUMS WRITTEN

Writing insurance forms the basis of the insurance business. Compared with the previous year, the premiums written by ČAP members went up. Total premiums increased by 8.6% as opposed to 3.9% in the previous year, in non-life insurance they rose by 4.8% compared with 3.1%. Life insurance recorded a major increase by 14.6% against 5.1% in the preceding year.

NON-LIFE INSURANCE

Major growth items included insurance of various financial losses (+44.3%), credit insurance (+30.0%), sickness insurance (+15.4 %) and accident insurance (+11.4%). On the contrary, development in the insurance of property was below average, primarily due to a decline in industrial and business insurance. Insurance of individuals recorded growth, namely in buildings and structures insurance (+9.7%), household insurance (+5.4%) and liability insurance (+23%).

LIFE INSURANCE



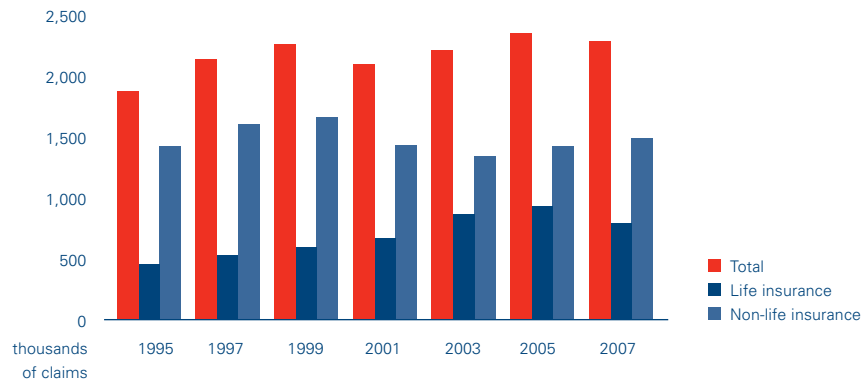
In the life insurance segment, insurance on survival/death or survival maintained the highest share in premiums written. Compared with 2006, however, its share decreased under the half: to 43.6%. On the contrary, the very quickly growing insurance linked to investment funds increased its share from 24% to 34%. So-called supplementary insurance types (accident, sickness) also had a significant 10.5% share.

Over the past three years, the share of insurance on survival/death or survival declined, however in 2007 it was lower only by -1.9% as opposed to -7.0% in 2006. A decline was also recorded in other items (marriage and birth insurance, pension insurance, capital operations). As opposed to this, insurance linked to investment funds grew faster: from +50.1% to +62.2%, insurance on death recorded a growth of +27.3% (against +31.9%), and supplementary insurance +4.7% against +5.5%.

As at 31 December 2007 the portfolio, i.e. the number of valid insurance contracts, increased by 0.4 million, namely on account of insurance on death (+0.4 million), and so did insurance linked to investment funds (+0.3 million). In total, almost 0.8 million new contracts were concluded in life insurance.

The year 2007 was the last year when tax support was provided to the employer's contributions to private life insurance, the employers contributed to more than 400 thousand contracts. ČAP member companies issued over three million certificates to policyholders on premiums paid on private life insurance.

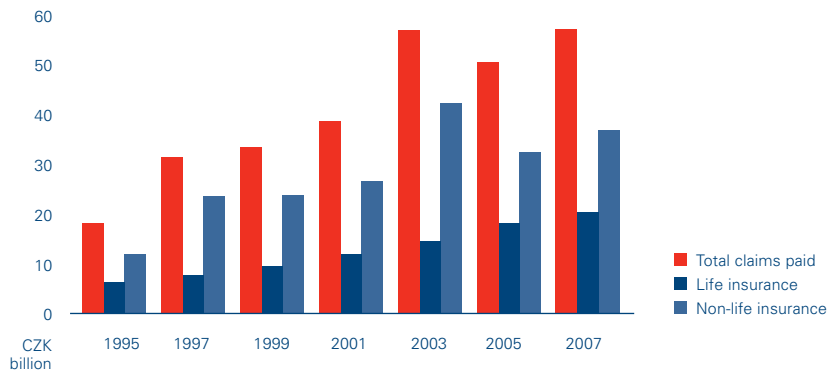
CLAIMS SETTLED



In 2007, 2,262 thousand insurance claims were settled, i.e. by 1.1% less than in 2006. A more distinct growth was recorded in the insurance of medical expenses abroad (+13.9%), accident insurance (+4.8%) and pension insurance (+3.5%). The number of thefts settled rose by a little less than 2%. The number of claims settled for motor vehicle accidents increased by 1.5% compared with 9% in 2006. The number of claims settled in other items monitored decreased compared with the previous year.

At the beginning of 2007, hurricane Kyrill caused a large quantity of one-off loss occurrences with considerable value; it accounted for almost 80 thousand claims with losses exceeding CZK 2.2 billion. However, in total yearly data, this did not show up distinctly.

CLAIMS PAID



Although the number of claims settled dropped, in aggregate the claims incurred and claims paid grew. In 2007, claims paid increased by 7.7% against 5.0% in previous year. Claims paid increased in particular in the following major items: life insurance by 22.4%, accident insurance (+4.8%) and workmen's compensation insurance (+4.2%). The 25% decline in claims paid in the case of insurance against natural hazards ensues from the comparison with the previous year that was exceptional due to the settlement of claims caused by floods and snow. A decrease was also recorded in motor third party liability insurance (-4.3%) and motor damage insurance (-2.3%).

Detailed statistics on developments in the Czech insurance market and on the cumulative results of ČAP members are contained in the "Statistics" chapter of this Annual Report. The figures are as at 31 May 2008.

REGULAR MEMBERS

**AEGON Pojišťovna, a.s.**

Na Pankráci 26, 140 00 Praha 4,
phone: +420 244 090 300, fax: +420 244 090 390,
e-mail: vasedotazy@aegon.cz, internet: www.aegon.cz

start of operations:	1 April 2005
member from:	28 March 2007
foreign participation:	100%
Board of Directors Chairman:	Vladimír Bezděk
Supervisory Board Chairman:	Gabor Kepecs
CEO:	Vladimír Bezděk

**Allianz pojišťovna, a.s.**

Ke Štvanici 656/3, 186 00 Praha 8,
phone: +420 224 405 111, fax: +420 242 455 555,
e-mail: klient@allianz.cz, internet: www.allianz.cz

start of operations:	1 January 1993
member from:	26 October 1993
foreign participation:	100%
Board of Directors Chairman:	Miroslav Tacl
Supervisory Board Chairman:	Werner Eduard Zedelius

**Aviva životní pojišťovna, a.s.**

Londýnská 41, 120 21 Praha 2,
phone: +420 221 416 111, fax: +420 221 416 101,
e-mail: info@avivazp.cz, internet: www.aviva-pojistovna.cz

start of operations:	3 November 1997
member from:	1 December 1998
foreign participation:	100%
Board of Directors Chairman:	Paul Matoušek
Supervisory Board Chairman:	Pierre – Olivier Bouee
CEO:	Stephen Marini (from 1 September 2008), Paul Matoušek

**AXA životní pojišťovna a.s. (Winterthur pojišťovna a.s. until 15 March 2007)**

Lazarská 13/8, 120 00 Praha 2,
phone: +420 225 021 111, fax: +420 225 021 144,
e-mail: info@axa.cz, internet: www.axa.cz

start of operations:	14 July 1995
member from:	25 November 1997
foreign participation:	100%
Board of Directors Chairman:	Dušan Doliak (from 1 February 2008), Petr Žaluda
Supervisory Board Chairman:	Willem Wynaendts (from 31 May 2007), Marc Meurant
CEO:	Dušan Doliak (from 1 February 2008), Petr Žaluda

MEMBERS AND THEIR RESULTS



Česká podnikatelská pojišťovna, a.s. Vienna Insurance Group

Budějovická 5/64, 140 21 Praha 4,
phone: +420 261 021 111, fax: +420 261 022 163,
e-mail: info@cpp.cz, internet: www.cpp.cz

start of operations:	6 November 1995
member from:	17 March 1998
foreign participation:	0%
Board of Directors Chairman:	Jakub Strnad (from 1 April 2008), Franz Kosyna
Supervisory Board Chairman:	Martin Diviš (from 1 April 2008), Vladimír Mráz
CEO:	Jakub Strnad (from 1 April 2008), Franz Kosyna



Česká pojišťovna a.s.

Na Pankráci 121/1658, 140 00 Praha 4,
phone: +420 224 051 111, fax: +420 224 052 200,
e-mail: klient@cpoj.cz, internet: www.ceskapojistovna.cz

start of operations:	1 May 1992
member from:	26 October 1993
foreign participation:	100%
Board of Directors Chairman:	Ladislav Bartoníček
Supervisory Board Chairman:	Milan Maděrič (from 1 June 2007), Ivan Kočárník
CEO:	Ivan Vodička (from 1 August 2008), Lard Friese



Česká pojišťovna ZDRAVÍ a.s.

Litevská 1174/8, 100 05 Praha 10,
phone: +420 267 222 515, fax: +420 267 222 936,
e-mail: pojistovna@zdravi.cz, internet: www.zdravi.cz

start of operations:	1 July 1993
member from:	25 November 1997
foreign participation:	0%
Board of Directors Chairman:	Ivana Majerechová (from 3 July 2007), Přemysl Gistr
Supervisory Board Chairman:	Pavel Východský
CEO:	Ivana Majerechová (from 3 July 2007), Přemysl Gistr



ČSOB Pojišťovna, a.s., člen holdingu ČSOB

Masarykovo nám. 1458, 532 18 Pardubice,
phone: +420 467 007 111, fax: +420 467 007 444,
e-mail: info@csobpoj.cz, internet: www.csobpoj.cz

start of operations:	17 April 1992
member from:	25 November 1996
foreign participation:	75%
Board of Directors Chairman:	Jeroen Karel Van Leeuwen
Supervisory Board Chairman:	Jan Vanhevel
CEO:	Jeroen Karel Van Leeuwen

**D.A.S. pojišťovna právní ochrany, a.s.**

Benešovská 40, 101 00 Praha 10,
phone: +420 267 990 711, fax: +420 267 990 722,
e-mail: das@das.cz, internet: www.das.cz

start of operations:	1 February 1995
member from:	17 March 1998
foreign participation:	100%
Board of Directors members:	Jitka Chizzola, Rainer Markus Huber
Supervisory Board Chairman:	Peter Hans Otto Wiegand
Director:	Jitka Chizzola

**Evropská Cestovní Pojišťovna, a.s.**

Křižíkova 237/36a, 186 00 Praha 8,
phone: +420 221 860 111, fax: +420 221 860 100,
e-mail: ecp@evropska.cz, internet: www.evropska.cz

start of operations:	16 September 1993
member from:	26 October 1993
foreign participation:	100%
Board of Directors Chairman:	Vladimír Krajiček
Supervisory Board Chairman:	Richard Gustav Johann Bader
CEO:	Vladimír Krajiček

**Exportní garanční a pojišťovací společnost, a.s.**

Vodičkova 34/701, 111 21 Praha 1,
phone: +420 222 841 111, fax: +420 222 844 001,
e-mail: egap@egap.cz, internet: www.egap.cz

start of operations:	1 June 1992
member from:	26 October 1993
foreign participation:	0%
Board of Directors Chairman:	Pavol Parížek
Supervisory Board Chairman:	Ivan Fuksa (from 28 February 2008), Václav Petříček
CEO:	Pavol Parížek

**Generali Pojišťovna a.s.**

Bělehradská 132, 120 84 Praha 2,
phone: +420 221 091 000, fax: +420 221 091 300,
e-mail: servis@generali.cz, internet: www.generali.cz

start of operations:	1 December 1993
member from:	26 October 1993
foreign participation:	100%
Board of Directors Chairman:	Jaroslav Mlynář
Supervisory Board Chairman:	Werner Moertel
CEO:	Štefan Tillingier (from 1 April 2008), Jaroslav Mlynář

MEMBERS AND THEIR RESULTS



Hasičská vzájemná pojišťovna, a.s.

Římská 45, 120 00 Praha 2,
phone: +420 222 119 111, fax: +420 222 514 412,
e-mail: info@hvp.cz, internet: www.hvp.cz

start of operations:	11 November 1992
member from:	26 October 1993
foreign participation:	0%
Board of Directors Chairman:	Josef Kubeš
Supervisory Board Chairman:	Karel Richter
CEO:	Josef Kubeš



HDI Versicherung AG, organizational unit

Jugoslávská 29/620, 120 00 Praha 2,
phone: +420 220 190 211, fax: +420 220 190 299,
e-mail: info@hdiczech.cz

start of operations:	21 December 1993
member from:	21 December 1993
CEO:	Otokar Cudlman



ING Životní pojišťovna N.V., branch for the Czech Republic

Nádražní 344/25, 150 00 Praha 5,
phone: +420 257 471 111, fax: +420 257 473 555,
e-mail: klient@ing.cz, internet: www.ing.cz

start of operations:	1 June 1992
member from:	26 October 1993
Head of organization unit:	Dionysius Johannes Okhuijsen



Komerční pojišťovna, a.s.

Karolinská 1/650, 186 00 Praha 8,
phone: +420 222 095 999, fax: +420 224 236 696,
e-mail: servis@komercpoj.cz, internet: www.komercpoj.cz

start of operations:	6 November 1995
member from:	20 November 1995
foreign participation:	51%
Board of Directors Chairman:	Arnaud Briere de la Hosserraye
Supervisory Board Chairman:	Alain Antoine Jean Minette de Saint-Martin
Director:	Arnaud Briere de la Hosserraye



Kooperativa, pojišťovna, a.s.

Templová 747, 110 01 Praha 1,
phone: +420 221 000 111, fax: +420 222 322 633,
e-mail: info@koop.cz, internet: www.koop.cz

start of operations:	1 March 1993
member from:	26 October 1993
foreign participation:	89.65%
Board of Directors Chairman:	Martin Diviš (from 6 May 2008), Vladimír Mráz
Supervisory Board Chairman:	Günter Geyer
CEO:	Martin Diviš (from 6 May 2008), Vladimír Mráz

**Pojišťovna CARDIF PRO VITA, a.s.**

Na Rybníčku 1329/5, 120 00 Praha 2,
phone: +420 234 240 234, fax: +420 234 240 112,
e-mail: info@cardif.cz, internet: www.cardif.cz

start of operations:	1 December 1997
member from:	28 November 2000
foreign participation:	100%
Board of Directors Chairman:	Zdeněk Jaroš (from 1 November 2007), Richard Sumann
Supervisory Board Chairman:	Pierre de Villeneuve
CEO:	Zdeněk Jaroš (from 1 November 2007), Richard Sumann

**Pojišťovna České spořitelny, a.s.**

nám. Republiky 115, 530 02 Pardubice,
phone: +420 466 051 111, fax: +420 466 051 380,
e-mail: pojistovnacs@pojistovnacs.cz,
internet: www.pojistovnacs.cz

start of operations:	1 January 1993
member from:	26 October 1993
foreign participation:	44.80%
Board of Directors Chairman:	Petr Zapletal
Supervisory Board Chairman:	Petr Bobysud
CEO:	Petr Zapletal

**Slavia pojišťovna a.s.**

Revoluční 1 (from 1 May 2007), 110 00 Praha 1,
phone: +420 221 803 444, fax: +420 221 803 499,
e-mail: obchod@pojistovna-slavia.cz,
internet: www.pojistovna-slavia.cz

start of operations:	1 June 1994
member from:	20 November 1995
foreign participation:	0%
Board of Directors Chairman:	Radek Žďárecký
Supervisory Board Chairman:	Pavel Kunc
CEO:	Radek Žďárecký

**Pojišťovna VZP, a.s.**

Jankovcova 1566/2b, 170 04 Praha 7,
phone: +420 233 006 311, fax: +420 233 006 300,
e-mail: info@pvzp.cz, internet: www.pvzp.cz

start of operations:	1 May 2004
member from:	28 March 2007
foreign participation:	0%
Board of Directors Chairman:	Karel Hlaváček
Supervisory Board Chairman:	Jiří Zahradník
CEO:	Aleš Svárovský (from 3 September 2007), Karel Kos

**PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s.**

V Celnici 1028/10, 117 21 Praha 1,
phone: +420 227 111 111, fax: +420 227 111 777,
e-mail: amcico@amcico.cz, internet: www.amcico.cz

start of operations:	October 1992
member from:	26 October 1993
foreign participation:	100%
Board of Directors Chairman:	Christos Mistilioglou
Supervisory Board Chairman:	Andreas Vassiliou
CEO:	Daniel Martínek

MEMBERS AND THEIR RESULTS



Triglav pojišťovna, a.s.

Novobranská 544/1, 602 00 Brno,
phone: +420 542 425 000, fax: +420 542 217 910,
triglav@triglav.cz, internet: www.triglav.cz

start of operations:	21 August 2000
member from:	26 March 2008
foreign participation:	100 %
Board of Directors Chairman:	Petr Baný (from 25 September 2007), Václav Stix
Supervisory Board Chairman:	Andrej Kocič
CEO:	Petr Baný (from 25 September 2007), Václav Stix



UNIQA pojišťovna, a.s.

Evropská 136, 160 12 Praha 6,
phone: +420 225 393 111, fax: +420 225 393 777,
e-mail: info@uniqa.cz, internet: www.uniqa.cz

start of operations:	1 July 1993
member from:	26 October 1993
foreign participation:	100 %
Board of Directors Chairman:	Martin Žáček (from 1 July 2008), Marek Venuta
Supervisory Board Chairman:	Gottfried Wanitschek
CEO:	Martin Žáček (od 11 July 2008), Marek Venuta



VICTORIA VOLKSBANKEN pojišťovna, a.s.

Francouzská 28, 120 00 Praha 2,
phone: +420 221 585 111, fax: +420 221 585 555,
e-mail: victoria@victoria.cz, internet: www.victoria.cz

start of operations:	11 August 1994
member from:	17 March 1998
foreign participation:	90,27 %
Board of Directors Chairman:	Karl Vosatka
Supervisory Board Chairman:	Ingo Lorenzoni



Wüstenrot pojišťovna, branch for the Czech Republic

nám. Kinských 602/2, 150 00 Praha 5,
phone: +420 257 092 571, fax: +420 257 092 580,
e-mail: info@wuestenrotpojistovna.cz,
internet: www.wuestenrotpojistovna.cz

start of operations:	1 January 2006
member from:	29 March 2006
Board of Directors Chairman:	Siegfried Fatzi
Supervisory Board Chairman:	Helmut Geier
CEO:	Siegfried Fatzi

**Wüstenrot, životní pojišťovna, a.s.**

nám. Kinských 602/2, 150 00 Praha 5,
phone: +420 257 092 549, fax: +420 257 092 596,
e-mail: pojistovna@wuestenrot.cz,
internet: www.wuestenrot.cz

start of operations: 21 December 1998
member from: 28 November 2000
foreign participation: 100%

Board of Directors Chairman:
Harald Mayer-Rönne (from 24 June 2008),
Hans-Jürgen Wohlrabe,
Jaroslav Vostatek

Supervisory Board Chairman:
Alexander Erdland (from 14 June 2007),
Helmut Geier

CEO: Harald Mayer-Rönne (from 24 June 2008),
Hans-Jürgen Wohlrabe,
Jaroslav Vostatek

MEMBERS WITH A SPECIAL STATUS**Česká kancelář pojistitelů (Czech Insurers' Bureau)**

Štefánikova 248/32, 150 00 Praha 5,
phone: +420 221 413 111, fax: +420 257 322 370,
e-mail: info@ckp.cz, internet: www.ckp.cz

start of operations: 1 January 2000
member from: 20 February 1995
Administrative Board Chairman: Vladimír Mráz
Chief Executive: Jakub Hradec
Supervisory Board Chairman: Zdeněk Douša

**Česká sekce AIDA (International Association of Insurance Law)**

Spálená 75/16, 113 04 Praha 1,
phone: +420 224 946 531, fax: +420 224 052 378,
e-mail: jkotrbata@cpoj.cz

start of operations: 1 January 1993
member from: 22 February 2000
Chairwoman: Jiřina Kotrbatá

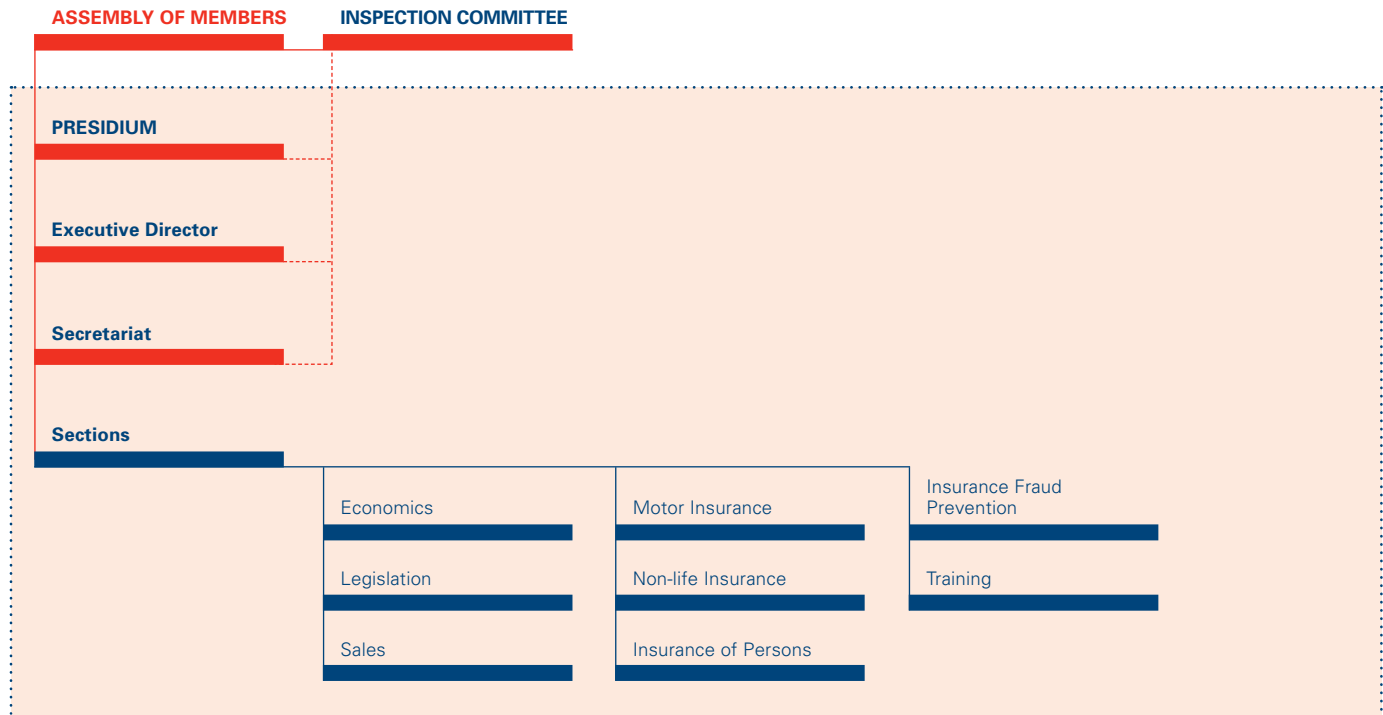
RANGE OF INSURANCE PRODUCTS

	Insurance of persons										Personal property and liability insurance (individuals)												
	Basic insurance					Supplementary insurance					Other												
	Insurance on death	Capital life insurance	Pension insurance (annuity)	Children and youth insurance	Investment life insurance	Accident insurance (+ supplementary insurance)	Premium waiver	Dread disease insurance	Insurance in case of hospitalization	Sickness insurance	Disablement insurance	Medical expenses abroad insurance	Other insurance	Motor damage insurance	Motor third party liability insurance (1)	Professional liability insurance	Other liability insurance (2)	Household contents insurance	Recreational household insurance	Buildings and structures insurance (3)	Travel insurance	Legal expenses insurance	Other property insurance
AEGON	•	•		•	•	•	•	•	•	•													
ALLIANZ	•	•	•	•	•	•	•	•	•	•		•		•	•	•	•	•	•	•	•	•	•
AMCICO	•	•		•	•	•	•	•	•	•		•	•										
AVIVA	•			•	•	•	•	•	•	•													
AXA	•	•		•	•	•	•	•	•	•													
CARDIF	•							•	•	•		•											
ČP	•	•	•	•	•	•	•	•	•	•		•		•	•	•	•	•	•	•	•	•	•
ČP ZDRAVÍ						•			•	•	•	•											
ČPP	•	•	•	•	•	•	•		•	•		•		•	•	•	•	•	•	•	•	•	•
ČSOBP	•	•		•	•	•		•	•	•		•		•	•	•	•	•	•	•	•	•	•
D.A.S.																						•	
EGAP																							
ECP												•										•	
GP	•	•	•	•	•	•		•	•	•		•		•	•	•	•	•	•	•	•	•	•
HDI						•																	
HVP	•	•	•	•	•				•	•	•			•	•	•	•	•	•	•	•	•	•
ING	•	•	•	•	•	•	•	•	•	•													
KP	•	•			•	•						•	•			•						•	
KOOP	•	•	•	•	•	•	•	•	•	•		•		•	•	•	•	•	•	•	•	•	•
PČS	•	•		•	•	•	•	•	•	•													
PVZP								•	•			•											
SLAVIA									•	•	•	•		•	•	•	•	•	•	•	•		•
TRIGLAV						•									•	•	•	•	•	•	•		
UNIQA	•	•		•	•	•		•	•	•		•		•	•	•	•	•	•	•	•	•	•
VICTORIA	•	•	•	•		•			•			•						•	•	•	•	•	•
WÜST – branch												•		•	•	•	•	•	•	•	•		•
WÜST – ŽP	•	•	•	•	•	•	•	•	•	•													•

As at 31 December 2007

More detailed information at www.cap.cz

ČAP BODIES AND ORGANIZATION CHART



PRESIDIUM

President

Ladislav Bartoníček
Board of Directors Chairman, Česká pojišťovna a.s.

Vice-Presidents

Martin Diviš
Board of Directors Chairman and CEO,
Kooperativa pojišťovna, a.s., V.I.G.
from 26 March 2008

Miroslav Tacl
Board of Directors Chairman, Allianz pojišťovna, a.s.

Members

Vladimír Krajiček
Board of Directors Chairman and CEO,
Evropská Cestovní Pojišťovna, a.s

Jaroslav Kulhánek
Board of Directors Vice-Chairman and Deputy CEO,
Pojišťovna České spořitelny, a.s.

Jeroen K. van Leeuwen
Board of Directors Chairman and CEO,
ČSOB Pojišťovna, a. s.

Jaroslav Mlynář
Board of Directors Chairman,
Generali Pojišťovna a.s.

Marek Venuta
Board of Directors Chairman and CEO,
UNIQA pojišťovna, a.s.

Dalibor Šajar
CEO for Sales Services
ING Životní pojišťovna N.V.,
branch for the Czech Republic

INSPECTION COMMITTEE

Chairman

Milan Tulach
Exportní garanční a pojišťovací společnost, a.s.

Members

Katarína Dupláková
Komerční pojišťovna, a.s.

Jaroslava Reichlová
Hasičská vzájemná pojišťovna, a.s.

Peter Mančík
PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s.
(AMCICO AIG Life) from 26 March 2008

Executive Director

Tomáš Sikora
Czech Insurance Association

Honorary President

Vladimír Mráz
until 26 March 2008 ČAP Vice-President

PRINCIPAL ACTIVITIES AND PROJECTS

In 2007, the Czech Insurance Association streamlined its efforts on fostering the government's and the House of Deputies' activities in the area of new draft laws. At the same time, we carried out expert activities and provided consulting services during preparation of key reforms of the pension system and health care. Our new projects were focused primarily on fighting insurance fraud, decreasing the expenditures of insurance companies, information and educational activities and improving the insurance market's ethics.

LEGISLATION

In the sphere of legislation, ČAP focused its efforts on the preparation of the **draft insurance act**. In the framework of a work group of the Ministry of Finance, ČNB and ČAP, its representatives actively participated in the drafting of the new act, primarily in the first half of 2007. The association further focused attention on commenting on the working version of the draft act and the draft for external amendment procedure and working versions of the ČNB's implementing decrees to this draft act. The majority of problem issues have been solved in work meetings held at the beginning of 2008. We can, however, assume that the issue of information exchange about clients and suspicious individuals among insurance companies, and certain issues concerning the economics of insurance companies, will be discussed again in the course of the continuing legislative procedure.

The association also paid considerable attention to **the draft amendment act on motor third party liability insurance**, especially as part of the external amendment procedure. Certain specific issues were subsequently assessed jointly with the regulator; some of them were reflected in proposed amendments adopted by the Czech Republic's Parliament. The act was fully approved in compliance with the needs of our members and published in the Collection of Laws. In 2008, another amendment to this act is expected in connection with the preparation of reform of the Police of the Czech Republic.

As part of **the draft anti-discriminatory act**, ČAP tackled the need for a sector exemption for the insurance industry while respecting the requirements of the respective European directive. We have prepared and consulted with the Czech Ministry of Finance dozens of arguments, including the analysis of legislative solutions adopted in other EU countries. A global exemption for all insurance classes was successfully enforced, which was adopted in the first quarter of 2008 by the House of Deputies and the Senate. The legislative procedure will continue in 2008.

In the initial phase, **the draft act on the stabilization of public budgets**, and amendments to the Act on Provisions for Establishing the Income Tax Base and to the Income Tax Act, presented serious problems for the insurance market. Thanks to ČAP's comments, based on expertise of the economic section, we achieved an acceptable compromise especially in the area of technical provisions taxation.

In 2007, ČAP's experts reviewed and commented on 14 draft acts and dozens of other documents related to the insurance sector. In 2008, we expect completion of the legislation procedure, especially of the Act on the Insurance Industry, of acts concerning the reform of the Czech Republic's Police, health care and, primarily, opening of discussion about the draft of the new Civil Code, which includes complete legal regulation of the insurance contract.

HEALTH AND PENSION REFORM

As part of monitoring of the insurance market for the projected **health care reform**, ČAP completed a study on the option of including commercial insurance in the financing of the health sector and a study concerning institutional arrangement of health insurance operation. We regularly discussed with the Ministry of Health the scope of health care suitable for commercial insurance, and we expect our comments to be applied in the draft act in the course of 2008. Our activities in the forthcoming period will concentrate on commenting on laws governing health care and, primarily, on efforts to open the widest possible legislative space for commercial health insurance.

Unfortunately, political discussion concerning **pension reform** does not correspond to the urgency of the issue. Despite this, ČAP established a work group for the formulation of material arguments for the acceleration of phase III of pension reform and proposed basic parameters of a product suitable for so-called opt-out. At the same, the association actively communicated with the respective ministries and associations in order to tune the opinions and communication in this sphere.

EUROPEAN COOPERATION AND INTERNATIONAL PROJECTS

In 2007, in the area of **international cooperation**, ČAP – next to its usual activities including, among other things, provision of information on the development of the Czech insurance market to foreign partners, and monitoring and analysis of drafts of new communal legal regulations concerning insurance – focused primarily on participation in CEA activities. Through this, ČAP was involved in key issues concerning future regulation of the insurance industry at the European level. We have actively enforced interests of the Czech insurance market both in work groups and through submitted papers, and on the platform of political discussion at the level of associations' directors.

PRINCIPAL ACTIVITIES AND PROJECTS

ČAP paid the biggest attention to **Solvency II**: the project concerning the solvency of insurance companies. The association established a special work group for this project, with the main task to monitor the development of this directive, participate in the drafting of opinions and cooperate with the respective partners and institutions. The third round of the quantitative impact study (QIS3) was completed, in which the Czech insurance market was included quite strongly, and the first draft of Framework Directive was published. The work group continues in its activities in 2008 and it will focus on the solution of so-far unsolved nonconsensual issues.

Other significant activities in the international field included, for example, drafting of the association's response to EC's consultation concerning **sectoral investigation in insurance of businesses** and active participation in the discussion on the draft directive **on minimal requirements facilitating mobility of employees by improving the portability of supplementary pension rights**, where ČAP was also involved in lobbying in the European Parliament.

PREVENTION OF INSURANCE FRAUD AND LOWERING OF MEMBERS' EXPENDITURE

ČAP's long-term endeavours concerning defence against insurance fraud resulted in an agreement of member insurance companies on opening work on a project called **Exchange of information on suspicious circumstances system (SVIPO)** with the aim to decrease the number of fraud cases in the area of claims adjustment and disclosure of attempts to commit insurance fraud through sharing of selected information of our members. A feasibility study was carried out which proved the viability of this project, as well as technical readiness of the insurance companies. Based on the study, a decision was made to organize a tender for the selection of the contractor of the project; it is expected to be opened in the course of 2008. In the forthcoming period, we will participate in the development of the system and preparation of its operation policy with the aim to launch the system in 2009.

The situation concerning intervention of "non-contractual" assistance services of insurance companies at the sites of road accidents and problems related to the expense of their services for insurance companies and their clients resulted in an agreement between the Ministry of Interior and ČAP on the establishment of a system for the exchange of information about notified road accidents between the police and contractual assistance services of insurance companies via establishment of an "**Insurance companies' accident centre**". We began working intensively on achieving accord among individual members and contractual assistance services about the form and process administration method allowing immediate information of the respective assistance service about a road accident even in the case where a client did not contact it personally. Launch of cooperation between the police emergency line and the insurance companies' accident centre is expected in the course of the second half of 2008.

TRANSPARENCY AND EDUCATION

An information openness policy and targeted education about insurance issues are other significant activities of ČAP. Last year, it included a key measure: creation of “**product sheets**” about life insurance, facilitating provision of unified and easy to understand information by all our members about various types of insurance for individuals interested in insurance. In the future, the product sheets should distinctly help consumers understand the meaning and purpose of separate insurance types and, at the same time, to present an example of the self-regulating ability of the insurance market. In the framework of information activities we published over 150 interviews and articles in all kinds of media – with the aim to inform on topical issues, and – primarily – to educate methodically on individual insurance issues. For the first time, our media activities will culminate in the “**February – Insurance Month**” project, during which we will even more intensively communicate selected insurance issues to the wider public.

The association’s web pages underwent a major graphic and structural change. We focused more on their clear arrangement and division of the contents according to individual target groups – consumers and professionals. In the future, our website should be a portal providing basic orientation on the Czech insurance market. At the same time, we have also intensively contributed to the development and **launch of consumer pages concerning financial products** (www.financnivzdelavani.cz) with the ambition to provide aggregate information on all financial products and their characteristic features. **New professional seminars and workshops** were added to traditional educational ČAP activities, namely the course “Basics of the Insurance Law”; they were attended by almost 500 participants. In 2008 we will continue in the area of professional and employee education with a completely new educational system aimed at deepening knowledge of employees in the insurance sector, as well as other persons related to the insurance sector.

A break-through decision was made in the association’s publication activities: to modernize the traditional magazine of the Czech insurance industry – **Pojistný obzor (Insurance Horizon)**. Starting with the year 2008, the magazine is published quarterly and its contents are focused more on interviews, opinions and comments on topical issues. The association’s publication activities culminated in publishing of the successful **Czech-English Insurance Dictionary**, a continuation of the previously published English-Czech Insurance Dictionary.

TERMS AND ABBREVIATIONS USED

MEMBER INSURANCE COMPANIES

AEGON	AEGON Pojišťovna, a.s.
ALLIANZ	Allianz pojišťovna, a.s.
AMCICO	PRVNÍ AMERICKO-ČESKÁ POJIŠŤOVNA, a.s. (AMCICO AIG Life)
AVIVA	Aviva životní pojišťovna, a.s.
AXA	AXA životní pojišťovna, a.s.
CARDIF	POJIŠŤOVNA CARDIF PRO VITA, a.s.
ČP	Česká pojišťovna a.s.
ČP ZDRAVÍ	Česká pojišťovna ZDRAVÍ a.s.
ČPP	Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
ČSOBP	ČSOB Pojišťovna, a.s., member of ČSOB holding
D.A.S.	D.A.S. pojišťovna právní ochrany, a.s.
ECP	Evropská Cestovní Pojišťovna, a.s.
EGAP	Exportní garanční a pojišťovací společnost, a.s.
HDI	HDI Versicherung AG, organizational unit (in 2007, it took over business of the GERLING insurance company's branch)
GP	Generali Pojišťovna a.s.
HVP	Hasičská vzájemná pojišťovna, a.s.
ING	ING Životní pojišťovna N.V., branch for the Czech Republic
KOOP	Kooperativa, pojišťovna, a.s., Vienna Insurance Group
KP	Komerční pojišťovna, a.s.
PČS	Pojišťovna České spořitelny, a.s.
PVZP	Pojišťovna VZP, a.s.
SLAVIA	Slavia pojišťovna a.s.

TRIGLAV	Triglav pojišťovna, a.s.
UNIQA	UNIQA pojišťovna, a.s.
VICTORIA	VICTORIA VOLKSBANKEN pojišťovna, a.s.
WÜST – branch	Wüstenrot pojišťovna, branch for the Czech Republic
WÜST – ŽP	Wüstenrot, životní pojišťovna, a.s.

MEMBERS WITH SPECIAL STATUS

AIDA	Czech Section of AIDA (International Association of Insurance Law)
ČKP	Czech Insurers' Bureau

OTHER

CEA	Comité Européen des Assurances
ČAP	Czech Insurance Association
ČNB	Czech National Bank
ČR	Czech Republic
ČSÚ	Czech Statistical Office
EK	European Commission
GDP	Gross domestic product
IAS/IFRS	International Accounting Standards/International Financial Reporting Standards
MF	Ministry of Finance of the Czech Republic
QIS	Quantitative Impact Study



STATISTICS



INSURANCE MARKET IN THE CZECH REPUBLIC IN TOTAL

Line	Indicator	in	Czech Republic total		ČAP share in %	
			2007	2006	07/06	2007
1	Total revenues	CZK thousand	330,223,012	278,490,907	118.58	99.44
2	Premiums written, of which:	CZK thousand	132,900,945	122,123,137	108.83	98.40
3	Total life insurance	CZK thousand	54,140,832	47,233,389	114.62	99.97
4	Total non-life insurance, of which:	CZK thousand	78,760,113	74,889,748	105.17	97.33
5	Accident insurance	CZK thousand	2,280,141	2,043,734	111.57	99.55
6	Buildings and structures insurance	CZK thousand	3,441,172	3,137,122	109.69	99.88
7	Household contents insurance	CZK thousand	2,233,319	2,118,670	105.41	99.93
8	Liability insurance of individuals	CZK thousand	893,979	729,670	122.52	98.41
9	Medical expenses abroad	CZK thousand	1,014,179	918,342	110.44	95.37
10	Industrial and business insurance*, of which:	CZK thousand	16,638,903	16,920,525	98.34	97.31
11	Agricultural insurance **	CZK thousand	966,305	911,956	105.96	–
12	Motor damage insurance, total	CZK thousand	16,207,345	15,604,973	103.86	98.64
13	Motor third-party liability insurance	CZK thousand	22,804,375	22,125,561	103.07	98.34
14	Workmen's compensation insurance	CZK thousand	5,675,928	5,199,571	109.16	100.00
15	Total expenses	CZK thousand	317,546,188	264,280,535	120.15	99.40
16	Result (after tax)	CZK thousand	12,775,578	14,224,566	89.81	99.71
17	Number of employees	persons	14,501	14,410	100.63	95.86

Source: ČAP with use of aggregate ČNB data

*) includes primarily property insurance, general liability insurance, credit insurance, except motor damage insurance, motor third-party liability insurance and workmen's compensation insurance

**) ČAP members

Note: A complete list of Czech insurance companies and branches engaging in business on the Czech territory please find at www.cnb.cz.

ČAP MEMBERS RESULTS

A. Total results

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Total revenues	CZK thousand	328,366,092	276,816,423	258,505,894	118.62	107.08
2	Total expenses	CZK thousand	315,627,477	262,629,047	250,175,952	120.18	104.98
3	Profit or loss for the accounting period	CZK thousand	12,738,615	14,187,376	8,329,942	89.79	170.32
4	Total premiums written	CZK thousand	130,780,955	120,411,623	115,904,059	108.61	103.89
5	Registered capital	CZK thousand	16,913,336	16,687,432	15,567,491	101.35	107.19
6	Funds	CZK thousand	39,500,235	39,157,243	39,964,625	100.88	97.98
7	Technical provisions – non-life insurance	CZK thousand	68,085,301	62,196,283	58,505,201	109.47	106.31
8	Technical provisions – life insurance, of which:	CZK thousand	197,386,818	182,887,012	162,964,889	107.93	112.22
9	where investment risk is borne by the policyholder	CZK thousand	26,902,536	18,545,544	12,053,208	145.06	153.86
10	Total number of employees, of which:	persons	13,900	13,982	14,187	99.41	98.56
11	Total sales staff, of which:	persons	5,756	5,845	5,742	98.48	101.79
12	employees underwriting for insurance	persons	3,496	3,461	3,357	101.01	103.10
13	Total insurance intermediaries acting in the name of and to the account of one insurance company, of which:	number	16,832	17,360	15,544	96.96	111.68
14	exclusive insurance agents	number	9,917	8,833	8,503	112.27	103.88
15	tied insurance intermediaries	number	5,467	5,819	5,390	93.95	107.96
16	Number of contracts in the insurance portfolio, of which:	number	23,805,947	22,504,983	21,561,715	105.78	104.37
17	Total life insurance, of which:	number	8,254,634	7,817,529	7,512,025	105.59	104.07
18	Policies paid on a current basis	number	7,194,727	6,265,150	6,421,058	114.84	97.57
19	Total non-life insurance	number	15,551,313	14,687,454	14,049,690	105.88	104.54

Explanatory notes to table A:

line 1 accounting class 6

line 2 accounting class 5

line 3 difference between lines 1 and 2

line 4 volume of premiums written to the client for payment as due for a particular period

line 5 balance sheet value – Liabilities & equity, item A.I

line 6 balance sheet value – Liabilities & equity, items A.II – A.VII

line 7 balance sheet value – Liabilities & equity, item C – non-life insurance data only

line 8 balance sheet value – Liabilities & equity, item C – life insurance data only + balance sheet value from Liabilities & equity, item D

line 9 balance sheet value – Liabilities & equity, item D

line 10 registered average number of employees adjusted for the period

line 11 registered average number of employees adjusted for the period – sales service

line 12 employees reporting sales output

line 16 – 19 the insurance portfolio is a set of concluded contracts in force and in effect at a given date

line 18 the insurance portfolio of life insurance contracts is a set of concluded life insurance contracts in force and in effect at a given date, for which repeat payments are paid regularly (monthly, quarterly, half-yearly, annually or otherwise)

B. ČAP members results for 2007 – financial statements

	Assets	in	2007	2006	2005	07/06	06/05
A.	Capital subscriptions receivables	CZK thousand	0	0	300,000	–	–
B.	Intangible fixed assets, of which:	CZK thousand	2,596,445	3,368,343	3,985,198	77.08	84.52
a)	formation expenses	CZK thousand	2,970	4,705	6,394	63.12	73.58
b)	goodwill	CZK thousand	686,756	1,288,995	1,892,425	53.28	68.11
C.	Financial placements (investments)	CZK thousand	284,987,216	273,739,679	267,908,036	104.11	102.18
I.	Land and buildings (real estate), of which:	CZK thousand	4,683,490	8,578,013	9,122,764	54.60	94.03
a)	land and buildings used in operations	CZK thousand	3,545,888	2,719,211	2,666,798	130.40	101.97
II.	Financial placements in third-party companies	CZK thousand	11,381,815	11,110,957	25,787,352	102.44	43.09
1.	Property interests in controlled companies	CZK thousand	9,309,003	9,559,860	22,004,225	97.38	43.45
2.	Bonds and other debt securities issued by controlled companies and loans to these companies	CZK thousand	213,028	229,648	2,853,368	92.76	8.05
3.	Property interests in companies with substantial influence	CZK thousand	1,370,855	861,293	929,759	159.16	92.64
4.	Debt securities issued by companies in which the accounting unit has a substantial influence, and loans to these companies	CZK thousand	488,929	460,156	0	106.25	–
III.	Other financial placements	CZK thousand	268,921,353	254,049,811	232,975,170	105.85	109.05
1.	Shares and other variable-yield securities, other interests	CZK thousand	28,994,861	30,395,751	32,784,437	95.39	92.71
2.	Debt securities	CZK thousand	205,426,865	194,493,076	167,439,795	105.62	116.16
3.	Financial placements in investment pools	CZK thousand	476,474	456,523	482,551	104.37	94.61
5.	Other loans	CZK thousand	6,786,881	2,057,538	4,311,684	329.85	47.72
6.	Deposits with financial institutions	CZK thousand	26,150,072	25,987,419	27,408,245	100.63	94.82
7.	Other financial placements	CZK thousand	1,086,200	659,504	548,458	164.70	120.25
IV.	Inwards reinsurance deposits	CZK thousand	558	898	22,750	62.14	3.95

ČAP MEMBERS RESULTS

	Assets (continued)	in	2007	2006	2005	07/06	06/05
D.	Life insurance financial placements where investment risk is borne by the policyholder	CZK thousand	26,971,726	18,581,168	12,419,622	145.16	149.61
E.	Debtors	CZK thousand	24,602,852	23,235,105	23,789,761	105.89	97.67
I.	Receivables arising out of direct insurance operations	CZK thousand	9,881,536	9,445,989	8,154,362	104.61	115.84
1.	Policyholders	CZK thousand	9,599,700	9,266,484	7,921,606	103.60	116.98
2.	Intermediaries	CZK thousand	281,836	179,505	232,756	157.01	77.12
II.	Receivables arising out of reinsurance operations	CZK thousand	4,468,866	4,212,194	6,812,303	106.09	61.83
III.	Other receivables	CZK thousand	10,252,450	9,576,922	8,823,096	107.05	108.54
F.	Other assets	CZK thousand	4,113,353	4,503,981	4,188,995	91.33	107.52
I.	Tangible fixed assets other than land and buildings (real estate) and stocks	CZK thousand	2,156,210	1,937,854	2,153,169	111.27	90.00
II.	Cash at bank and cash in hand	CZK thousand	1,957,143	2,566,127	2,035,826	76.27	126.05
III.	Other assets	CZK thousand	0	0	0	–	–
G.	Temporary accounts of assets	CZK thousand	7,119,203	5,332,569	4,341,014	133.50	122.84
I.	Accrued interest and prepaid rent	CZK thousand	95,585	82,140	115,842	116.37	70.91
II.	Deferred acquisition cost of insurance contracts, of which:	CZK thousand	5,346,764	3,779,404	3,086,407	141.47	122.45
a)	life insurance	CZK thousand	3,436,074	2,086,332	1,538,052	164.69	135.65
b)	non-life insurance	CZK thousand	1,910,690	1,693,072	1,548,355	112.85	109.35
III.	Other temporary accounts of assets, of which:	CZK thousand	1,676,854	1,471,025	1,138,765	113.99	129.18
a)	estimated receivables	CZK thousand	771,062	667,425	666,081	115.53	100.20
	Total assets	CZK thousand	350,390,795	328,760,845	316,932,626	106.58	103.73

	Liabilities & equity	in	2007	2006	2005	07/06	06/05
A.	Equity	CZK thousand	56,413,571	55,844,675	55,532,116	101.02	100.56
I.	Registered capital, of which:	CZK thousand	16,913,336	16,687,432	15,567,491	101.35	107.19
a)	changes in registered capital	CZK thousand	20,000	95,000	338,000	21.05	28.11
b)	own shares (treasury shares) of which own interim certificates and property interests in own equity	CZK thousand	0	0	0	–	–
II.	Share premium account	CZK thousand	462,014	462,014	462,014	100.00	100.00
III.	Re-valuation reserve fund	CZK thousand	0	1,311,378	0	–	–
IV.	Other capital funds	CZK thousand	7,327,407	10,581,929	13,107,657	69.24	80.73
V.	Reserve fund and other revenue funds	CZK thousand	7,743,623	5,705,399	4,754,720	135.72	119.99
VI.	Profit/loss brought forward	CZK thousand	11,228,585	6,909,147	13,310,292	162.52	51.91
VII.	Profit/loss for current period	CZK thousand	12,738,606	14,187,376	8,329,942	89.79	170.32
B.	Subordinated liabilities	CZK thousand	251,973	0	2,500,000	–	–
C.	Technical provisions	CZK thousand	238,569,583	226,537,751	209,416,882	105.31	108.18
a)	gross amount	CZK thousand	262,153,556	250,019,022	234,301,804	104.85	106.71
b)	reinsurers' share	CZK thousand	23,583,973	23,481,271	24,884,922	100.44	94.36
1.	Provisions for unearned premiums	CZK thousand	17,467,778	15,540,707	13,902,272	112.40	111.79
a)	gross amount	CZK thousand	21,674,387	19,899,001	18,665,788	108.92	106.61
b)	reinsurers' share	CZK thousand	4,206,609	4,358,294	4,763,516	96.52	91.49
2.	Life insurance provisions	CZK thousand	160,979,669	151,218,665	136,557,672	106.45	110.74
a)	gross amount	CZK thousand	161,100,684	151,259,966	138,159,292	106.51	109.48
b)	reinsurers' share	CZK thousand	121,015	41,301	1,601,620	293.01	2.58
3.	Provision for outstanding claims	CZK thousand	46,247,138	42,473,001	40,201,483	108.89	105.65
a)	gross amount	CZK thousand	65,101,281	61,143,455	58,616,328	106.47	104.31
b)	reinsurers' share	CZK thousand	18,854,143	18,670,454	18,414,845	100.98	101.39
4.	Provision for bonuses and rebates	CZK thousand	1,249,969	1,214,515	1,159,714	102.92	104.73
a)	gross amount	CZK thousand	1,296,875	1,262,573	1,209,865	102.72	104.36
b)	reinsurers' share	CZK thousand	46,906	48,058	50,151	97.60	95.83
5.	Equalization provision	CZK thousand	4,757,441	4,464,193	4,317,183	106.57	103.41
a)	gross amount	CZK thousand	4,757,441	4,464,193	4,317,183	106.57	103.41
6.	Provision to meet technical interest rate commitments	CZK thousand	2,002,667	5,562,108	6,977,526	36.01	79.71

ČAP MEMBERS RESULTS

	Liabilities & equity (continued)	in	2007	2006	2005	07/06	06/05
7.	Provision for non-life insurance	CZK thousand	245,531	191,896	164,535	127.95	116.63
a)	gross amount	CZK thousand	245,585	192,040	219,325	127.88	87.56
b)	reinsurers' share	CZK thousand	54	144	54,790	37.50	0.26
8.	Provision to meet commitments under responsibility for liabilities of the Czech Insurers' Bureau	CZK thousand	4,651,974	4,526,422	4,653,280	102.77	97.27
9.	Other provisions	CZK thousand	967,416	1,346,244	1,483,217	71.86	90.77
a)	gross amount	CZK thousand	1,322,662	1,709,264	1,483,217	77.38	115.24
b)	reinsurers' share	CZK thousand	355,246	363,020	0	97.86	–
D.	Technical provisions for life insurance where the investment risk is borne by the policyholder	CZK thousand	26,902,536	18,545,544	12,053,208	145.06	153.86
a)	gross amount	CZK thousand	26,902,536	18,545,544	12,405,847	145.06	149.49
b)	reinsurers' share	CZK thousand	0	0	352,639	–	–
E.	Other provisions	CZK thousand	1,873,625	2,107,938	1,395,502	88.88	151.05
1.	Provision for pensions and similar liabilities	CZK thousand	6,111	7,235	14,653	84.46	49.38
2.	Provisions for taxes	CZK thousand	1,285,306	1,763,343	1,095,398	72.89	160.98
3.	Other provisions	CZK thousand	582,208	337,360	285,451	172.58	118.18
F.	Outwards reinsurance deposits	CZK thousand	183,316	210,755	3,541,525	86.98	5.95
G.	Creditors	CZK thousand	18,867,325	18,354,534	26,387,278	102.79	69.56
I.	Payables arising out of direct insurance operations	CZK thousand	7,735,896	6,498,516	6,441,325	119.04	100.89
II.	Payables arising out of reinsurance	CZK thousand	6,024,951	6,520,190	10,066,780	92.40	64.77
III.	Borrowings secured by debenture	CZK thousand	0	0	0	–	–
IV.	Payables to financial institutions	CZK thousand	500	500,472	1,000,364	0.10	50.03
V.	Other payables, of which:	CZK thousand	4,972,601	4,709,247	8,756,916	105.59	53.78
a)	tax and social security payables	CZK thousand	1,267,062	2,221,985	2,516,917	57.02	88.28
VI.	Bureau Guarantee Fund	CZK thousand	133,377	126,109	121,893	105.76	103.46
H.	Temporary accounts of liabilities	CZK thousand	7,328,866	7,159,648	6,106,115	102.36	117.25
I.	Accrued expenses and deferred income	CZK thousand	2,984,507	3,584,031	3,444,655	83.27	104.05
II.	Other temporary accounts of liabilities, of which:	CZK thousand	4,344,359	3,575,617	2,661,460	121.50	134.35
a)	estimated payables	CZK thousand	4,339,009	3,648,228	2,658,196	118.93	137.24
	Total liabilities & equity	CZK thousand	350,390,795	328,760,845	316,932,626	106.58	103.73

ČAP MEMBERS RESULTS

I.	Technical account – non-life insurance	in	2007	2006	2005	07/06	06/05
1.	Earned premiums, net of reinsurance:	CZK thousand	53,655,241	49,237,634	44,369,626	108.97	110.97
a)	gross premiums written	CZK thousand	76,658,991	73,178,791	70,949,836	104.76	103.14
b)	premiums ceded to reinsurers	CZK thousand	20,815,476	22,473,392	26,516,022	92.62	84.75
c)	changes in gross balance of provisions for unearned premiums (+/-)	CZK thousand	2,078,958	1,486,422	609,858	139.86	243.73
d)	change in balance of provision for unearned premiums, reinsurers' share (+/-)	CZK thousand	-109,316	18,657	545,670	–	3.42
2.	Return on financial placements (investments) transferred from the Non-technical account	CZK thousand	915,548	1,038,770	1,491,141	88.14	69.66
3.	Other technical income, net of reinsurance	CZK thousand	5,433,900	7,713,423	14,003,004	70.45	55.08
4.	Claims incurred, net of reinsurance:	CZK thousand	30,555,476	29,823,208	27,672,977	102.46	107.77
a)	claims paid:	CZK thousand	27,134,133	28,807,450	24,089,425	94.19	119.59
aa)	gross amount	CZK thousand	36,044,197	37,833,787	33,978,867	95.27	111.35
ab)	reinsurers' share	CZK thousand	8,910,064	9,026,337	9,889,442	98.71	91.27
b)	change in outstanding claims provision	CZK thousand	3,421,343	1,015,758	3,583,552	336.83	28.35
ba)	gross amount	CZK thousand	3,478,391	2,045,563	5,709,905	170.05	35.82
bb)	reinsurers' share	CZK thousand	57,048	1,029,805	2,126,353	5.54	48.43
5.	Change in balance of other technical provisions, net of reinsurance (+/-)	CZK thousand	-58,154	-218,212	-140,722	–	–
6.	Bonuses and rebates, net of reinsurance	CZK thousand	1,268,779	784,400	599,398	161.75	130.86
7.	Operating expenses, net amounts:	CZK thousand	14,567,370	12,962,615	11,186,948	112.38	115.87
a)	acquisition costs of insurance contracts	CZK thousand	11,418,352	10,472,372	9,587,428	109.03	109.23
b)	change in deferred acquisition costs of insurance contracts (+/-)	CZK thousand	-214,963	-144,627	76,690	–	–
c)	administrative expenses	CZK thousand	8,499,219	8,154,122	7,675,091	104.23	106.24
d)	reinsurance commissions and profit participation (-)	CZK thousand	5,135,238	5,519,252	6,152,261	93.04	89.71
8.	Other technical charges, net of reinsurance	CZK thousand	8,139,683	9,354,031	16,529,443	87.02	56.59
9.	Change in balance of equalization provision (+/-)	CZK thousand	293,251	147,012	-172,626	199.47	–
10.	Subtotal balance (result) of Non-life technical account	CZK thousand	5,238,284	5,136,773	4,188,353	101.98	122.64

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II.	Technical account – life insurance	in	2007	2006	2005	07/06	06/05
1.	Earned premiums, net of reinsurance:	CZK thousand	53,049,238	46,137,224	42,837,930	114.98	107.70
a)	gross premiums written	CZK thousand	54,121,964	47,232,832	44,954,223	114.59	105.07
b)	premiums ceded to reinsurers (-)	CZK thousand	1,368,157	1,315,034	2,196,421	104.04	59.87
c)	change in balance of provisions for unearned premiums, net of reinsurers (+/-)	CZK thousand	-295,431	-219,426	-80,128	-	-
2.	Income from financial placements (investments):	CZK thousand	21,647,821	19,568,520	29,741,507	110.63	65.80
a)	income from property interests with those originating from controlled companies listed separately	CZK thousand	155,087	206,741	139,816	75.02	147.87
b)	income from other financial placements (investments) with those originating from controlled companies listed separately, of which:	CZK thousand	10,788,567	8,557,958	7,771,738	126.06	110.12
ba)	income from land and buildings (real estate)	CZK thousand	244,345	311,172	345,087	78.52	90.17
bb)	income from other investments	CZK thousand	10,544,222	8,246,786	7,426,651	127.86	111.04
c)	Value re-adjustments to financial placements (investments)	CZK thousand	1,221,519	1,518,301	87,759	80.45	1,730.08
d)	Gains on the realization of financial placements (investments)	CZK thousand	9,482,648	9,285,520	21,742,194	102.12	42.71
3.	Increases in value of financial placements (investments)	CZK thousand	3,255,441	4,465,582	5,002,059	72.90	89.27
4.	Other technical income, net of reinsurance	CZK thousand	897,845	689,814	822,951	130.16	83.82
5.	Claims incurred, net of reinsurance:	CZK thousand	25,282,049	18,946,257	19,421,040	133.44	97.56
a)	Claims paid:	CZK thousand	24,869,875	18,512,906	19,298,065	134.34	95.93
aa)	gross amount	CZK thousand	25,195,925	18,836,984	19,730,279	133.76	95.47
ab)	reinsurers' share	CZK thousand	326,050	324,078	432,214	100.61	74.98
b)	change in provision for claims (+/-):	CZK thousand	412,174	433,351	122,975	95.11	352.39
ba)	gross amount	CZK thousand	392,639	486,716	373,314	80.67	130.38
bb)	reinsurers' share	CZK thousand	-19,535	53,365	250,339	-	21.32
6.	Change in balance of other technical provisions, net of reinsurance (+/-):	CZK thousand	14,444,861	17,783,638	19,245,341	81.23	92.40
a)	life insurance provisions	CZK thousand	9,933,589	13,607,309	8,899,365	73.00	152.90
aa)	change in gross amount	CZK thousand	9,938,833	13,616,446	12,672,511	72.99	107.45
ab)	reinsurers' share	CZK thousand	5,244	9,137	3,773,146	57.39	0.24
b)	other technical provisions, net of reinsurance	CZK thousand	4,511,272	4,176,329	10,345,976	108.02	40.37

II.	Technical account – life insurance (continued)	in	2007	2006	2005	07/06	06/05
7.	Bonuses and rebates, net of reinsurance	CZK thousand	107,747	57,828	47,046	186.32	122.92
8.	Operating expenses, net amounts:	CZK thousand	11,915,602	10,500,135	9,897,667	113.48	106.09
a)	acquisition costs of insurance contracts	CZK thousand	8,538,927	6,591,882	6,202,087	129.54	106.28
b)	change in deferred acquisition costs of insurance contracts (+/-)	CZK thousand	-1,354,785	-546,537	-32,534	–	–
c)	administrative expenses	CZK thousand	5,097,643	4,801,669	4,401,706	106.16	109.09
d)	reinsurance commission and profit participation	CZK thousand	366,183	346,879	673,592	105.57	51.50
9.	Charges for financial placements (investments):	CZK thousand	12,330,048	11,379,757	21,804,408	108.35	52.19
a)	management charges on financial placements (investments), including interest	CZK thousand	1,230,365	1,378,447	1,362,045	89.26	101.20
b)	value re-adjustments to financial placements (investments)	CZK thousand	205,084	59,076	2,777,316	347.15	2.13
c)	charges related to the realization of financial placements (investments)	CZK thousand	10,894,599	9,942,234	17,665,047	109.58	56.28
10.	Diminutions in value of financial placements (investments)	CZK thousand	8,525,747	3,284,444	2,156,246	259.58	152.32
11.	Other technical charges, net of reinsurance	CZK thousand	689,740	656,924	1,010,357	105.00	65.02
12.	Transfer of return on financial placements (investments) to the Non-technical account	CZK thousand	296,482	405,623	419,764	73.09	96.63
13.	Subtotal balance (result) of Life technical account	CZK thousand	5,258,069	7,846,534	4,402,578	67.01	178.23

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III.	Non-technical account	in	2007	2006	2005	07/06	06/05
1.	Non-life insurance technical account	CZK thousand	5,238,284	5,136,773	4,188,353	101.98	122.64
2.	Life insurance technical account result	CZK thousand	5,258,069	7,846,534	4,402,578	67.01	178.23
3.	Income from financial placements (investments):	CZK thousand	14,180,405	11,653,226	9,334,810	121.69	124.84
a)	income from property interests with those originating from controlled companies listed separately	CZK thousand	2,320,780	2,164,549	1,860,245	107.22	116.36
b)	income from other financial placements (investments), of which:	CZK thousand	2,615,141	2,089,771	2,002,227	125.14	104.37
ba)	income from land and buildings (real estate)	CZK thousand	127,200	49,061	50,887	259.27	96.41
bb)	income from other investments	CZK thousand	2,487,941	2,040,710	1,951,340	121.92	104.58
c)	value-readjustments to financial placements (investments), of which:	CZK thousand	1,240,090	1,188,481	1,262,117	104.34	94.17
ca)	increases in value of financial placements	CZK thousand	387	21,154	28,857	1.83	73.31
d)	gains on the realization of financial placements (investments)	CZK thousand	8,004,394	6,210,425	4,210,221	128.89	147.51
4.	Allocated return on financial placements (investments) transferred from Life insurance technical account	CZK thousand	296,482	405,623	419,764	73.09	96.63
5.	Charges for financial placements (investments):	CZK thousand	7,758,998	6,730,179	6,654,444	115.29	101.14
a)	management charges on financial placements (investments), including interest	CZK thousand	478,444	631,147	757,180	75.81	83.35
b)	value re-adjustments to financial placements (investments), of which:	CZK thousand	1,390,937	1,196,159	1,346,412	116.28	88.84
ba)	diminutions in value of financial placements	CZK thousand	72,908	102,771	3,261	70.94	3,151.52
c)	charges related to the realization of financial placements (investments)	CZK thousand	5,889,617	4,902,873	4,550,852	120.13	107.74
6.	Transfer of allocated return on financial placements (investments) to Non-life insurance technical account	CZK thousand	915,548	1,038,770	1,491,141	88.14	69.66
7.	Other income	CZK thousand	1,377,905	2,441,434	960,239	56.44	254.25
8.	Other charges	CZK thousand	1,459,987	1,746,487	533,968	83.60	327.08
9.	Income tax on ordinary activities	CZK thousand	3,370,298	3,797,307	2,535,313	88.75	149.78
10.	After-tax profit/loss on ordinary activities	CZK thousand	12,846,314	14,170,847	8,090,878	90.65	175.15
11.	Extraordinary income	CZK thousand	608,598	77,096	333,327	789.40	23.13
12.	Extraordinary charges	CZK thousand	531,705	7,311	52,630	7,272.67	13.89
13.	Extraordinary profit/loss	CZK thousand	76,893	69,785	280,697	110.19	24.86
14.	Income tax on extraordinary activities	CZK thousand	6,935	9,089	-4,688	76.30	-
15.	Other taxes not listed above	CZK thousand	177,657	44,167	46,321	402.24	95.35
16.	Profit/loss for the accounting period	CZK thousand	12,738,615	14,187,376	8,329,942	89.79	170.32

C. Premiums written

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Total premiums written	CZK thousand	130,780,955	120,411,623	115,904,059	108.61	103.89
2	Total non-life insurance, of which:	CZK thousand	76,658,991	73,178,791	70,949,836	104.76	103.14
3	Accident insurance	CZK thousand	2,269,860	2,037,474	1,931,609	111.41	105.48
4	Sickness insurance (private health insurance)	CZK thousand	1,234,665	1,069,835	898,667	115.41	119.05
5	Motor hull insurance - road vehicles	CZK thousand	15,986,244	15,371,286	15,042,124	104.00	102.19
6	Rail damage insurance	CZK thousand	7,245	11,648	10,942	62.20	106.45
7	Aircraft hull insurance	CZK thousand	119,963	105,689	178,546	113.51	59.19
8	River/sea hull insurance	CZK thousand	13,488	13,255	9,904	101.76	133.83
9	Transport freight insurance	CZK thousand	476,189	453,767	465,557	104.94	97.47
10	Property insurance under class 8, of which:	CZK thousand	10,369,296	10,199,021	10,813,760	101.67	94.32
11	individuals, of which:	CZK thousand	3,233,208	2,952,913	2,908,467	109.49	101.53
12	fire insurance	CZK thousand	885,940	834,446	800,948	106.17	104.18
13	industry and business, of which:	CZK thousand	7,136,088	7,246,108	7,905,293	98.48	91.66
14	fire insurance	CZK thousand	3,522,672	3,668,471	3,973,589	96.03	92.32
15	livestock and epidemic insurance	CZK thousand	5,681	10,855	10,756	52.34	100.92
16	crops and forests insurance	CZK thousand	171,867	99,410	174,193	172.89	57.07
17	Property insurance under class 9, of which:	CZK thousand	6,642,364	6,848,980	6,339,428	96.98	108.04
18	individuals, of which:	CZK thousand	2,496,016	2,404,044	2,202,783	103.83	109.14
19	theft insurance, of which:	CZK thousand	1,247,957	1,195,245	1,124,855	104.41	106.26
20	industry and businesses, of which:	CZK thousand	4,146,348	4,444,936	4,136,645	93.28	107.45
21	theft insurance	CZK thousand	1,022,718	1,028,756	983,347	99.41	104.62
22	livestock and epidemic insurance	CZK thousand	289,674	321,786	319,472	90.02	100.72
23	crops and forests insurance	CZK thousand	499,083	479,905	440,650	104.00	108.91
24	Liability insurance under class 10, of which:	CZK thousand	22,846,152	22,158,866	21,871,737	103.10	101.31
25	liability insurance pursuant to Act No. 168/1999	CZK thousand	22,426,510	21,891,715	21,611,764	102.44	101.30
26	Aircraft liability insurance	CZK thousand	123,023	227,272	244,658	54.13	92.89

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Line	Indicator	in	2007	2006	2005	07/06	06/05
27	Marine liability insurance	CZK thousand	8,209	7,348	6,488	111.72	113.26
28	General liability insurance, of which:	CZK thousand	10,324,695	9,554,271	9,179,519	108.06	104.08
29	workmen's compensation insurance	CZK thousand	5,675,928	5,199,571	4,859,277	109.16	107.00
30	industry and businesses insurance	CZK thousand	3,553,227	3,533,781	3,470,271	100.55	101.83
31	Credit insurance	CZK thousand	2,339,892	1,799,573	791,298	130.02	227.42
32	Suretyship insurance (guarantee deposits)	CZK thousand	178,588	185,657	166,695	96.19	111.38
33	Insurance against various financial losses, of which:	CZK thousand	1,132,654	784,821	808,170	144.32	97.11
34	insurance against losses caused by business interruption	CZK thousand	405,342	416,406	477,433	97.34	87.22
35	Legal expenses insurance	CZK thousand	246,400	221,020	198,782	111.48	111.19
36	Assistance insurance for persons who get into difficulties while travelling or while away from their permanent residence	CZK thousand	1,597,141	1,501,921	1,285,255	106.34	116.86
37	Inwards reinsurance	CZK thousand	742,923	627,087	706,697	118.47	88.73
38	Total life insurance, of which:	CZK thousand	54,121,964	47,232,832	44,954,223	114.59	105.07
39	current premiums	CZK thousand	37,100,175	34,653,209	32,410,666	107.06	106.92
40	single payment, of which:	CZK thousand	17,021,789	12,579,623	12,543,557	135.31	100.29
41	single payment insurance linked with existing policy paid on a current basis (pre-payments, extraordinary premiums...)	CZK thousand	7,350,242	5,717,983	5,412,037	128.55	105.65
42	separately single paid, total (including return deposit)	CZK thousand	9,479,549	6,666,383	6,860,422	142.20	97.17
43	Insurance on survival or death/survival	CZK thousand	23,575,964	24,044,706	25,859,804	98.05	92.98
44	Insurance on death	CZK thousand	1,270,192	997,971	756,430	127.28	131.93
45	Marriage insurance, birth insurance	CZK thousand	2,439,804	2,444,037	2,460,641	99.83	99.33
46	Pension insurance (annuity)	CZK thousand	2,577,238	2,768,343	2,801,115	93.10	98.83
47	Insurance linked to investment fund, total – excluding children	CZK thousand	17,775,054	10,831,958	7,238,343	164.10	149.65
48	Insurance linked to investment fund, total – children	CZK thousand	614,531	504,119	312,048	121.90	161.55
49	Capital operations	CZK thousand	207,403	234,067	398,380	88.61	58.75
50	Supplementary insurance, of which:	CZK thousand	5,661,778	5,407,631	5,127,462	104.70	105.46
51	accident insurance	CZK thousand	5,127,271	4,890,826	4,651,595	104.83	105.14
52	sickness insurance	CZK thousand	505,429	481,613	460,023	104.95	104.69

D. New business – life insurance

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Total sales – premiums from new contracts, of which:	CZK thousand	22,231,068	16,259,073	14,015,130	136.73	116.01
2	current premiums	CZK thousand	6,947,548	5,571,145	5,677,076	124.71	98.13
3	total single premiums, of which:	CZK thousand	15,283,520	10,687,928	8,338,054	143.00	128.18
4	single premiums linked to existing currently paid policy	CZK thousand	6,504,651	5,105,095	2,673,098	127.41	190.98
5	total separate single premiums (including returnable deposit)	CZK thousand	8,579,741	5,380,916	5,391,999	159.45	99.79
6	Total sales – new insurance contracts, of which:	number	756,608	664,390	787,388	113.88	84.38
7	current premiums	number	699,048	617,106	736,409	113.28	83.80
8	total separate single premiums (including returnable deposit)	number	57,560	47,284	50,979	121.73	92.75

E. Summary tables for selected insurance types

E.1 INSURANCE ON SURVIVAL AND DEATH/SURVIVAL

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	23,575,964	24,044,706	25,859,804	98,05	92,98
2	single premiums	CZK thousand	4,850,597	5,216,303	7,954,160	92,99	65,58
3	Claims paid	CZK thousand	15,427,534	11,473,297	10,248,475	134,46	111,95
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	23,072,714	22,981,808	22,564,236	100,40	101,85
5	Portfolio – number of policies as at 31 December, of which:	number	3,560,542	3,756,938	3,669,856	94,77	102,37
6	current premiums	number	3,284,754	3,212,808	3,233,039	102,24	99,37
7	Claims settled	number	388,608	367,873	399,718	105,64	92,03
8	Claims outstanding	number	10,904	9,444	7,671	115,46	123,11

E.2 INSURANCE ON DEATH

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	1,270,192	997,971	756,430	127,28	131,93
2	single premiums	CZK thousand	97,225	149,147	41,538	65,19	359,06
3	Claims paid	CZK thousand	304,194	171,847	311,031	177,01	55,25
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	2,211,589	1,742,617	1,446,230	126,91	120,49
5	Portfolio – number of policies as at 31 December, of which:	number	2,172,017	1,765,998	1,497,447	122,99	117,93
6	current premiums	number	2,160,610	1,736,450	1,438,921	124,43	120,68
7	Claims settled	number	7,751	6,984	7,632	110,98	91,51
8	Claims outstanding	number	1,879	743	692	252,89	107,37

E.3 MARRIAGE INSURANCE AND BIRTH INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	2,439,804	2,444,037	2,460,641	99.83	99.33
2	single premiums	CZK thousand	39,600	43,589	38,870	90.85	112.14
3	Claims paid	CZK thousand	1,893,771	1,437,344	3,283,111	131.75	43.78
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	2,542,974	2,404,707	2,359,279	105.75	101.93
5	Portfolio – number of policies as at 31 December, of which:	number	753,911	835,429	852,062	90.24	98.05
6	current premiums	number	747,192	782,580	806,875	95.48	96.99
7	Claims settled	number	86,150	62,538	150,671	137.76	41.51
8	Claims outstanding	number	5,536	4,121	4,299	134.34	95.86

E.4 PENSION INSURANCE (ANNUITY)

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	2,577,238	2,768,343	2,801,115	93.10	98.83
2	single premiums	CZK thousand	142,976	139,465	149,552	102.52	93.26
3	Claims paid	CZK thousand	1,972,622	1,890,953	2,295,072	104.32	82.39
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	2,569,958	2,732,748	2,799,314	94.04	97.62
5	Portfolio – number of policies as at 31 December, of which:	number	459,452	492,161	643,568	93.35	76.47
6	current premiums	number	450,543	582,416	610,942	77.36	95.33
7	Claims settled	number	48,125	46,507	63,327	103.48	73.44
8	Claims outstanding	number	1,804	1,293	1,482	139.52	87.25

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E.5 INSURANCE LINKED TO INVESTMENT FUND

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	18,389,585	11,336,077	7,550,391	162.22	150.14
2	single premiums	CZK thousand	10,195,038	5,767,402	3,263,220	176.77	176.74
3	Claims paid	CZK thousand	3,257,560	1,795,940	1,369,290	181.38	131.16
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	14,184,320	9,464,196	6,536,943	149.87	144.78
5	Portfolio – number of policies as at 31 December, of which:	number	1,100,855	778,149	599,118	141.47	129.88
6	current premiums	number	1,026,484	745,236	579,120	137.74	128.68
7	Claims settled	number	52,996	31,253	20,585	169.57	151.82
8	Claims outstanding	number	1,748	362	130	482.87	278.46

E.6 CAPITAL OPERATIONS

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	207,403	234,067	398,380	88.61	58.75
2	single premiums	CZK thousand	207,403	234,067	281,932	88.61	83.02
3	Claims paid	CZK thousand	202,876	210,950	638,049	96.17	33.06
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	4,792,795	4,477,807	4,704,307	107.03	95.19
5	Portfolio – number of policies as at 31 December, of which:	number	244,673	256,604	291,517	95.35	88.02
6	current premiums	number		0	3,661	–	–
7	Claims settled	number	16,123	16,672	36,828	96.71	45.27
8	Claims outstanding	number	1,857	1,409	721	131.80	195.42

E.7 SUPPLEMENTARY INSURANCE TO LIFE INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which: CZK thousand	CZK thousand	5,661,778	5,407,631	5,127,462	104.70	105.46
2	single premiums	CZK thousand	676,606	600,019	522,449	112.76	114.85
3	Claims paid	CZK thousand	1,496,106	1,447,051	1,420,697	103.39	101.86
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	4,462,767	4,302,607	4,786,908	103.72	89.88
5	Claims settled	number	306,603	339,969	327,546	90.19	103.79
6	Claims outstanding	number	117,130	121,889	113,769	96.10	107.14

E.8 ACCIDENT INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	2,216,388	1,988,167	1,868,049	111.48	106.43
2	Claims paid	CZK thousand	547,688	565,363	514,417	96.87	109.90
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	2,219,875	1,940,003	1,692,485	114.43	114.62
4	Portfolio – number of policies as at 31 December, of which:	number	1,259,979	1,163,799	1,030,040	108.26	112.99
5	Claims settled	number	115,760	113,407	95,290	102.07	119.01
6	Claims outstanding	number	27,396	27,720	39,272	98.83	70.58

E. 9 HOUSEHOLD CONTENTS INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	2,231,756	2,117,087	2,031,845	105.42	104.20
2	Claims paid	CZK thousand	533,089	607,248	557,173	87.79	108.99
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	2,397,242	2,171,789	2,170,005	110.38	100.08
4	Portfolio – number of policies as at 31 December, of which:	number	1,967,681	1,805,773	1,782,437	108.97	101.31
5	Claims settled	number	63,002	67,043	67,652	93.97	99.10
6	Claims outstanding	number	5,687	4,784	4,311	118.88	110.97

ČAP MEMBERS RESULTS

E.10 BUILDINGS AND STRUCTURES INSURANCE (INDIVIDUALS)

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	3,436,920	3,134,089	2,930,296	109.66	106.95
2	Claims paid	CZK thousand	1,599,782	2,449,556	1,025,531	65.31	238.86
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	3,645,230	3,263,137	3,153,975	111.71	103.46
4	Portfolio – number of policies as at 31 December, of which:	number	1,875,523	1,715,374	1,653,176	109.34	103.76
5	Claims settled	number	105,841	122,506	61,513	86.40	199.15
6	Claims outstanding	number	6,503	6,165	5,700	105.48	108.16

E.11 GENERAL LIABILITY INSURANCE – INDIVIDUALS

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	879,790	715,444	659,981	122.97	108.40
2	Claims paid	CZK thousand	373,932	393,326	332,830	95.07	118.18
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	905,865	753,427	612,197	120.23	123.07
4	Claims settled	number	51,981	56,302	52,713	92.33	106.81
5	Claims outstanding	number	16,528	11,269	9,348	146.67	120.55

E.12 TRAVEL INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	1,580,063	1,424,985	1,289,848	110.88	110.48
2	medical expenses abroad	CZK thousand	967,181	874,475	890,375	110.60	98.21
3	Claims paid	CZK thousand	475,488	388,874	475,265	122.27	81.82
4	Claims settled	number	48,002	41,986	46,849	114.33	89.62
5	Claims outstanding	number	5,112	4,968	10,667	102.90	46.57

E.13 INDUSTRIAL AND BUSINESS RISKS INSURANCE – TOTAL

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	16,191,281	16,586,908	16,767,499	97.61	98.92
2	Claims paid	CZK thousand	6,905,720	7,408,025	5,672,028	93.22	130.61
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	16,180,977	15,885,695	15,903,479	101.86	99.89
4	Claims settled	number	175,501	156,356	113,155	112.24	138.18
5	Claims outstanding	number	34,342	34,011	20,098	100.97	169.23

E.14 PROPERTY INSURANCE / INDUSTRIAL AND BUSINESS INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	11,437,046	11,825,847	11,891,398	96.71	99.45
2	Claims paid	CZK thousand	5,373,027	5,753,274	4,216,803	93.39	136.44
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	11,628,033	11,326,459	11,376,452	102.66	99.56
4	Claims settled	number	73,028	59,551	41,996	122.63	141.80
5	Claims outstanding	number	15,005	13,812	9,389	108.64	147.11

E.15 GENERAL LIABILITY INSURANCE – INDUSTRIAL AND BUSINESS INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	3,933,189	3,785,953	3,784,763	103.89	100.03
2	Claims paid	CZK thousand	1,194,031	1,218,370	1,027,631	98.00	118.56
3	Portfolio premiums under policies in effect as at 31 December	CZK thousand	3,756,636	3,616,564	3,501,405	103.87	103.29
4	Claims settled	number	92,852	91,147	68,809	101.87	132.46
5	Claims outstanding	number	17,948	18,746	10,274	95.74	182.46

ČAP MEMBERS RESULTS

E.16 EXPORT AND DOMESTIC CREDIT INSURANCE AGAINST COMMERCIAL RISKS

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	–	–	180,166	–	–
2	Claims paid	CZK thousand	–	–	91,116	–	–
3	Value of business insured	CZK thousand	–	–	72,995,000	–	–
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	–	–	180,166	–	–
5	Claims settled	number	–	–	100	–	–
6	Claims outstanding	number	–	–	0	–	–

E.17 EXPORT CREDIT, GUARANTEES AND INVESTMENTS INSURANCE WITH STATE SUPPORT

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	1,381,288	910,850	274,056	151.65	332.36
2	Claims paid	CZK thousand	588,543	471,885	603,009	124.72	78.26
3	Value of business insured	CZK thousand	49,991,736	29,882,883	22,214,381	167.29	134.52
4	Portfolio premiums under policies in effect as at 31 December	CZK thousand	1,381,288	910,850	274,056	151.65	332.36
5	Claims settled	number	14	11	20	127.27	55.00
6	Claims outstanding	number	13	11	17	118.18	64.71

Note: Includes insurance of export credits, guarantees and various financial losses linked to exports (pursuant to Act No. 58/1995, as amended)

E.18 MOTOR DAMAGE INSURANCE – ROAD VEHICLES (BUSINESSES AND INDIVIDUALS)

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	15,986,244	15,371,286	15,042,124	104.00	102.19
2	Claims paid	CZK thousand	9,480,337	9,706,240	9,251,558	97.67	104.91
3	Claims settled	number	298,322	293,810	269,600	101.54	108.98
4	Claims outstanding	number	53,166	42,667	37,889	124.61	112.61

E.19 MOTOR THIRD-PARTY LIABILITY (MTPL) INSURANCE, PURSUANT TO ACT NO. 168/1999, AS AMENDED

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written, of which:	CZK thousand	22,426,510	21,891,715	21,611,764	102.44	101.30
2	frontier insurance	CZK thousand	544	590	289	92.20	204.15
3	group insurance (fleets)	CZK thousand	3,920,791	3,510,790	3,487,359	111.68	100.67
4	Claims paid under MTPL insurance	CZK thousand	9,770,461	10,215,055	9,562,270	95.65	106.83
5	Claims paid under ex lege MTPL insurance	CZK thousand	173,975	259,195	242,838	67.12	106.74
6	Number of insured vehicles as at 31 December	number	5,904,351	5,619,233	5,397,861	105.07	104.10
7	Average claim per loss event by year of occurrence – MTPL insurance	CZK/pc	25,273	28,980	30,071	87.21	96.37
8	Claims settled – MTPL insurance	number	330,483	348,428	351,296	94.85	99.18
9	Claims outstanding – MTPL insurance	number	123,601	110,076	109,334	112.29	100.68

Source: ČAP, Czech Insurers' Bureau (data for ČAP members only; in 2007, 5,997,461 vehicles were insured in the Czech Republic, of which 5,904,351 vehicles were insured by ČAP members)

E.20 WORKMEN'S COMPENSATION INSURANCE

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Premiums written	CZK thousand	5,675,928	5,199,571	4,859,277	109.16	107.00
2	Claims paid	CZK thousand	3,098,801	2,973,255	2,713,900	104.22	109.56
3	Claims settled	number	74,600	81,063	84,045	92.03	96.45
4	Claims outstanding	number	4,891	5,077	4,897	96.34	103.68

F. Number of claims settled by risk

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Total number of claims settled, including	number	2,261,715	2,292,094	2,331,565	98.67	98.31
2	natural hazards	number	153,186	159,564	88,012	96.00	181.30
3	theft	number	39,433	38,799	41,024	101.63	94.58
4	motor damage other than rolling stock (businesses and individuals)	number	298,322	293,810	269,600	101.54	108.98
5	crops, forests, livestock incl. epidemic	number	3,252	3,713	3,674	87.58	101.06
6	accident total	number	193,555	187,399	184,861	103.28	101.37
7	life	number	737,240	746,117	858,196	98.81	86.94
8	pension (annuity)	number	48,125	46,507	63,327	103.48	73.44
9	medical expenses abroad	number	44,933	39,956	44,673	112.46	89.44
10	workmen's compensation insurance	number	74,600	81,063	84,045	92.03	96.45
11	motor third-party liability insurance (net of ex lege)	number	330,483	348,428	351,296	94.85	99.18
12	general liability	number	148,337	153,511	142,730	96.63	107.55
13	other risks	number	190,249	193,227	200,127	98.46	96.55

G. Costs of claims incurred

Line	Indicator	in	2007	2006	2005	07/06	06/05
1	Total claims incurred, of which:	CZK thousand	60,665,780	56,448,179	53,733,427	107.47	105.05
2	total settlement costs	CZK thousand	1,941,585	1,901,169	1,789,608	102.13	106.23
3	total claims paid, of which:	CZK thousand	58,724,195	54,547,010	51,943,819	107.66	105.01
4	natural hazards	CZK thousand	4,404,520	5,907,359	3,155,360	74.56	187.22
5	theft	CZK thousand	754,855	732,234	835,399	103.09	87.65
6	motor damage other than rolling stock (businesses and individuals)	CZK thousand	9,480,337	9,706,240	9,251,558	97.67	104.91
7	crops, forests, livestock incl. epidemic	CZK thousand	656,269	603,004	437,530	108.83	137.82
8	accident total	CZK thousand	916,994	874,666	869,299	104.84	100.62
9	life	CZK thousand	19,009,847	15,256,885	16,337,098	124.60	93.39
10	pension (annuity)	CZK thousand	1,972,622	1,890,953	2,295,072	104.32	82.39
11	medical expenses abroad	CZK thousand	373,509	370,003	385,741	100.95	95.92
12	workmen's compensation insurance	CZK thousand	3,098,801	2,973,255	2,713,900	104.22	109.56
13	motor third-party liability insurance (net of ex lege)	CZK thousand	9,770,461	10,215,055	9,562,270	95.65	106.83
14	general liability	CZK thousand	1,408,967	1,479,918	1,327,701	95.21	111.46
15	other risks	CZK thousand	6,877,013	4,537,438	4,772,891	151.56	95.07

H. Premiums written and market shares

TOTAL (CZK thousand, %)

	2007	%	2006	%	2005	%	2004	%	2003	%
ČP	39,804,939	29.95	39,667,243	32.48	41,545,707	35.46	40,969,977	36.39	37,875,096	35.75
KOOP	29,107,232	21.90	27,427,383	22.46	26,527,552	22.64	24,166,937	21.47	20,023,849	18.90
ALLIANZ	9,597,536	7.22	9,373,216	7.68	9,235,853	7.88	8,951,292	7.95	8,747,269	8.26
ČSOBP	9,055,953	6.81	7,674,006	6.28	6,875,382	5.87	6,056,908	5.38	6,027,381	5.69
GP	7,601,020	5.72	6,388,077	5.23	5,553,888	4.74	5,021,191	4.46	4,625,490	4.37
ING	7,266,522	5.47	5,938,648	4.86	5,598,661	4.78	5,325,236	4.73	5,030,076	4.75
PČS	6,453,589	4.86	4,427,575	3.63	2,450,997	2.09	3,893,364	3.46	6,937,473	6.55
ČPP	4,751,559	3.58	4,345,158	3.56	4,010,548	3.42	3,705,850	3.29	3,035,875	2.87
UNIQA	3,783,261	2.85	3,147,661	2.58	2,861,070	2.44	2,811,446	2.50	2,454,191	2.32
KP	2,211,229	1.66	2,655,737	2.17	2,633,776	2.25	2,977,221	2.64	3,232,526	3.05
AMCICO	2,075,585	1.56	1,972,863	1.62	1,955,722	1.67	1,877,087	1.67	1,722,736	1.63
AXA	1,962,787	1.48	1,527,640	1.25	1,551,312	1.32	1,212,944	1.08	1,255,910	1.19
EGAP	1,381,288	1.04	910,850	0.75	454,222	0.39	551,504	0.49	405,631	0.38
CARDIF	1,252,840	0.94	1,020,814	0.84	813,245	0.69	629,178	0.56	380,374	0.36
AIG*	989,706	0.74	981,312	0.80	1,098,653	0.94	1,064,217	0.95	841,842	0.79
AVIVA	788,492	0.59	724,903	0.59	745,328	0.64	552,433	0.49	383,239	0.36
PVZP	345,766	0.26	367,650	0.30	339,847	0.29	242,745	0.22	–	–
HVP	335,407	0.25	337,916	0.28	335,282	0.29	353,449	0.31	296,837	0.28
HDI	322,783	0.24	269,296	0.22	236,977	0.20	179,163	0.16	211,093	0.20
VICTORIA	294,993	0.22	243,199	0.20	224,731	0.19	206,617	0.18	198,722	0.19
ECP	253,058	0.19	207,396	0.17	179,960	0.15	148,210	0.13	141,471	0.13
D.A.S.	243,572	0.18	218,624	0.18	195,050	0.17	182,156	0.16	160,745	0.15
AEGON	233,246	0.18	99,901	0.08	37,020	0.03	–	–	–	–
WÜST – ŽP	229,707	0.17	212,151	0.17	190,819	0.16	208,204	0.18	240,255	0.23
ČP ZDRAVÍ	205,982	0.15	190,146	0.16	187,108	0.16	270,153	0.24	190,708	0.18
WÜST – branch	135,158	0.10	17,034	0.01	–	–	–	–	–	–
SLAVIA	97,038	0.07	64,466	0.05	62,640	0.05	61,128	0.05	54,635	0.05
ČKP	707	0.00	758	0.00	2,709	0.00	11,731	0.01	2,916	0.00
Total ČAP	130,780,955	98.40	120,411,623	98.60	115,904,059	98.92	111,630,341	99.16	104,476,340	98.61
TRIGLAV**	544,915	0.41	433,028	0.35	295,883	0.25	143,200	0.13	97,980	0.09
Total ČAP 2007***	130,336,164	98.81	119,863,339	98.95	115,101,289	99.17	110,709,324	99.29	103,732,478	98.71
Total Czech Republic	132,900,945	100.00	122,123,137	100.00	117,174,213	100.00	112,575,425	100.00	105,945,872	100.00

*) ČAP member until 31 December 2007

***) Data for ČAP members as at 31 May 2008

***) ČAP member from 26 March 2008

NON-LIFE INSURANCE (CZK thousand, %)

	2007	%	2006	%	2005	%	2004	%	2003	%
ČP	26,241,205	33.32	26,459,685	35.33	26,531,304	36.79	25,077,836	36.68	23,581,313	36.38
KOOP	22,205,952	28.19	21,155,008	28.25	20,490,822	28.41	18,705,877	27.36	15,518,072	23.94
ALLIANZ	6,990,344	8.88	7,230,796	9.66	7,322,202	10.15	7,242,027	10.59	7,344,389	11.33
GP	5,234,779	6.65	4,423,383	5.91	3,997,816	5.54	3,797,761	5.55	3,591,368	5.54
ČSOBP	3,635,146	4.62	3,241,691	4.33	2,916,780	4.04	2,668,108	3.90	2,810,087	4.34
ČPP	3,536,294	4.49	3,262,339	4.36	3,121,784	4.33	2,903,181	4.25	2,249,822	3.47
UNIQA	2,675,098	3.40	2,302,844	3.07	2,220,900	3.08	2,280,005	3.33	1,980,044	3.05
EGAP	1,381,288	1.75	910,850	1.22	454,222	0.63	551,504	0.81	405,631	0.63
CARDIF	1,049,445	1.33	851,000	1.14	686,024	0.95	532,918	0.78	296,751	0.46
AIG	989,706	1.26	981,312	1.31	1,098,653	1.52	1,064,217	1.56	841,842	1.30
PVZP	345,766	0.44	367,650	0.49	339,847	0.47	242,745	0.36	–	–
HVP	327,098	0.42	322,844	0.43	319,086	0.44	336,858	0.49	280,183	0.43
KP	324,359	0.41	283,378	0.38	202,756	0.28	172,584	0.25	217,744	0.34
HDI	322,783	0.41	269,296	0.36	236,977	0.33	179,163	0.26	211,093	0.33
AMCICO	278,420	0.35	256,997	0.34	246,081	0.34	220,797	0.32	187,187	0.29
ECP	253,058	0.32	207,396	0.28	179,960	0.25	148,210	0.22	141,471	0.22
D.A.S.	243,572	0.31	218,624	0.29	195,050	0.27	182,156	0.27	160,745	0.25
ČP ZDRAVÍ	205,982	0.26	190,146	0.25	187,108	0.26	270,153	0.40	190,708	0.29
WÜST – branch	132,266	0.17	17,034	0.02	–	–	–	–	–	–
SLAVIA	97,038	0.12	64,466	0.09	62,640	0.09	61,128	0.09	54,635	0.08
VICTORIA	77,315	0.10	80,078	0.11	63,926	0.09	68,569	0.10	74,569	0.12
AXA	58,657	0.07	57,325	0.08	62,532	0.09	84,059	0.12	90,437	0.14
PČS	52,713	0.07	23,891	0.03	10,657	0.01	627,790	0.92	3,120,646	4.81
ČKP	707	0.00	758	0.00	2,709	0.00	11,731	0.02	2,916	0.00
Total ČAP	76,658,991	97.33	73,178,791	97.72	70,949,836	98.37	67,429,377	98.62	63,351,653	97.74
TRIGLAV	544,915	0.69	433,028	0.58	433,028	0.60	143,200	0.21	97,980	0.15
Total Czech Republic	78,760,113	100.00	74,889,748	100.00	72,125,154	100.00	68,374,416	100.00	64,817,070	100.00

ČAP MEMBERS RESULTS

LIFE INSURANCE (CZK thousand, %)

	2007	%	2006	%	2005	%	2004	%	2003	%
ČP	13,563,734	25.05	13,207,558	27.96	15,014,403	33.40	15,892,141	35.95	14,293,783	34.75
ING	7,266,522	13.42	5,938,648	12.57	5,598,661	12.45	5,325,236	12.05	5,030,076	12.23
KOOP	6,901,280	12.75	6,272,375	13.28	6,036,730	13.43	5,461,060	12.36	4,505,777	10.96
PČS	6,400,876	11.82	4,403,684	9.32	2,440,340	5.43	3,265,574	7.39	3,816,827	9.28
ČSOBP	5,420,807	10.01	4,432,315	9.38	3,958,602	8.81	3,388,800	7.67	3,217,294	7.82
ALLIANZ	2,607,192	4.82	2,142,420	4.54	1,913,651	4.26	1,709,265	3.87	1,402,880	3.41
GP	2,366,241	4.37	1,964,694	4.16	1,556,072	3.46	1,223,430	2.77	1,034,122	2.51
AXA	1,904,130	3.52	1,470,315	3.11	1,488,780	3.31	1,128,885	2.54	1,165,473	2.83
KP	1,886,870	3.49	2,372,359	5.02	2,431,020	5.41	2,804,637	6.35	3,014,782	7.33
AMCICO	1,797,165	3.32	1,715,866	3.63	1,709,641	3.80	1,656,290	3.74	1,535,549	3.73
ČPP	1,215,265	2.24	1,082,819	2.29	888,764	1.98	802,669	1.82	786,053	1.91
UNIQA	1,108,163	2.05	844,817	1.79	640,170	1.42	531,441	1.20	474,147	1.15
AVIVA	788,492	1.46	724,903	1.53	745,328	1.66	552,433	1.24	383,239	0.93
AEGON	233,246	0.43	99,901	0.21	37,020	0.08	–	–	–	–
WÜST – ŽP	229,707	0.42	212,151	0.45	190,819	0.42	208,204	0.47	240,255	0.58
VICTORIA	217,678	0.40	163,121	0.35	160,805	0.36	138,048	0.31	122,853	0.30
CARDIF	203,395	0.38	169,814	0.36	127,221	0.28	96,260	0.22	83,623	0.20
HVP	8,309	0.02	15,072	0.03	16,196	0.04	16,591	0.04	16,654	0.04
WÜST – branch	2,892	0.01	–	–	–	–	–	–	–	–
Total ČAP	54,121,964	99.97	47,232,832	99.99	44,954,223	99.99	44,200,964	99.99	41,123,387	99.96
Total Czech Republic	54,140,832	100.00	47,233,389	100.00	44,954,269	100.00	44,201,009	100.00	41,128,802	100.00

BASIC DATA ON MEMBERS

ČAP Members	Registered capital (CZK million)	Registered number of employees	Profit/loss (CZK million)	Premiums written (CZK million)
AEGON	380	58	-165.5	233.2
ALLIANZ	600	702	824.5	9,597.5
AVIVA	305	93	-43.4	788.5
AXA	374	122	-269.8	1,962.8
ČPP	1,000	908	152.3	4,751.6
ČP *	4,000	4,924	6,675	39,805.0
ČP ZDRAVÍ	100	40	36.6	206.0
ČSOBP	1,536	719	947.4	9 056.0
D.A.S.	46	79	0.2	243.6
ECP	74	36	28.9	253.1
EGAP	1,300	93	905.9	1,381.3
GP	500	704	484.6	7,601.0
HDI	branch	12	-2.5	322.8
HVP	248	134	3.1	335.4
ING	branch	337	876.8	7,266.5
KP	603	147	385.6	2,211.2
KOOP	3,000	3,532	1 087	29,110.0
CARDIF	239	33	91.9	1,252.8
PČS	1,117	140	369.2	6,453.6
SLAVIA	225	38	0.5	97.0
PVZP	100	103	22.2	345.8
AMCICO	106	120	332.0	2,075.6
TRIGLAV	235	78	-61.6	544.9
UNIQA	480	746	141.9	3,783.3
VICTORIA	216	41	0.8	295.0
WÜST – branch	branch	15	-22.2	135.2
WÜST – ŽP	100	32	17.6	229.7
Members with a special status				
AIDA	–	–	–	–
ČKP	–	55	-3.3	0.7

*) premiums recalculated to allow comparability

SUPPLEMENTARY TABLES

YEAR-ON-YEAR GROWTH RATE OF REAL GDP (page 8)

Country (%)	2000	2001	2002	2003	2004	2005	2006	2007
EU (27)	3.9	2.0	1.2	1.3	2.5	1.9	3.1	2.9
Bulgaria	5.4	4.1	4.5	5.0	6.6	6.2	6.3	6.2
Czech Republic	3.6	2.5	1.9	3.6	4.5	6.3	6.8	6.5
Denmark	3.5	0.7	0.5	0.4	2.3	2.5	3.9	1.8
Ireland	9.4	6.1	6.6	4.5	4.4	6.0	5.7	5.3
Cyprus	5.0	4.0	2.1	1.9	4.2	3.9	4.1	4.4
Hungary	5.2	4.1	4.4	4.2	4.8	4.1	3.9	1.3
Germany	3.2	1.2	0.0	-0.2	1.1	0.8	2.9	2.5
Portugal	3.9	2.0	0.8	-0.8	1.5	0.9	1.4	1.7
Austria	3.7	0.5	1.6	0.5	2.5	2.9	3.4	3.1
Slovakia	1.4	3.4	4.8	4.8	5.2	6.6	8.5	10.4
Slovenia	4.1	3.1	3.7	2.8	4.4	4.1	5.7	6.1
United Kingdom	3.8	2.4	2.1	2.8	3.3	1.8	2.9	3.1

Source: Eurostat

SHARE OF PREMIUMS WRITTEN IN GDP (page 9)

%	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Share in GDP – total premiums	2.3	2.4	2.6	2.8	3.0	3.2	3.4	3.7	4.1	4.0	3.9	3.8	3.7
Share in GDP – Life insurance	1.7	1.8	1.9	2.0	2.1	2.2	2.2	2.3	2.5	2.4	2.4	2.3	2.2
Share in GDP – Non-life insurance	0.6	0.6	0.7	0.8	1.0	1.0	1.2	1.4	1.6	1.6	1.5	1.5	1.5

Source: Czech Statistical Office, Czech National Bank

YEAR-ON-YEAR GROWTH IN PREMIUMS AND GDP (page 10)

%	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Life insurance	24.4	17.1	16.0	18.9	31.2	15.0	24.2	20.3	20.8	7.5	1.7	5.1	14.6
Non-life insurance	13.1	23.4	16.9	14.9	6.0	11.2	9.7	7.9	14.5	5.5	5.5	3.8	5.2
Total	16.0	21.7	16.7	15.9	12.8	12.4	14.4	12.3	16.9	6.3	4.0	4.3	8.8
GDP	24.0	14.8	7.6	10.2	4.2	5.2	7.4	4.8	4.6	9.2	6.1	8.2	10.1

Source: Czech Statistical Office, Czech National Bank

INSURANCE COMPANIES BY TYPE OF INSURANCE (page 11)

	2000	2001	2002	2003	2004	2005	2006	2007
Total number of insurance companies, of which:*	41	43	42	42	40	45	49	52
life insurance	3	3	3	3	3	5	6	6
non-life insurance	20	23	22	23	21	23	27	29
composite insurance	18	17	17	16	16	17	16	17

*) without Czech Insurers' Bureau

Source: ČNB

INSURANCE COMPANIES BY CAPITAL (page 11)

	2000	2001	2002	2003	2004	2005	2006	2007
Czech insurance companies, of which:	35	35	35	34	33	33	33	34
with prevailing foreign capital	16	19	18	19	19	20	20	21
with prevailing Czech capital	19	16	17	15	14	13	13	13
Branches of insurance companies from the EU and third countries	6	8	7	8	7	12	16	18

Source: Czech National Bank

SHARE OF PREMIUMS WRITTEN IN THE CZECH REPUBLIC – LIFE INSURANCE (page 12)

%	2004	2005	2006	2007
Insurance on survival or death/survival	60.2	57.5	50.9	43.6
Insurance linked to investment funds	13.7	16.8	24.0	34
Supplementary insurance	10.8	11.4	11.4	10.5
Pension insurance	7.3	6.2	5.9	4.8
Marriage insurance, birth insurance	5.6	5.5	5.2	4.5
Insurance on death	1.4	1.7	2.1	2.3
Capital operations	1.0	0.9	0.5	0.4

Source: Czech National Bank, Czech Insurance Association

SUPPLEMENTARY TABLES

SHARE OF PREMIUMS WRITTEN IN THE CZECH REPUBLIC – NON-LIFE INSURANCE (page 12)

%	2004	2005	2006	2007
Motor third-party liability insurance	30.9	30.5	30.0	29.9
Property insurance	24.8	24.4	23.9	22.2
Motor damage other than rolling stock	21.0	21.2	20.7	20.9
General liability insurance	12.3	12.9	13.0	13.5
Other	11.0	11.0	12.4	13.5

Source: Czech National Bank

SHARE OF PREMIUMS IN GDP IN THE CZECH REPUBLIC AND THE EU (25) (page 13)

%	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Czech Republic – total insurance	2.3	2.4	2.6	2.8	3.0	3.2	3.4	3.7	4.1	4.0	3.9	3.8	3.7
Czech Republic – life insurance	0.6	0.6	0.7	0.8	1.0	1.0	1.2	1.4	1.6	1.6	1.5	1.5	1.5
Czech Republic – non-life insurance	1.7	1.8	1.9	2	2.1	2.2	2.2	2.3	2.5	2.4	2.4	2.3	2.2
EU (25) – total	6.6	6.7	7.0	7.1	7.7	8.5	8.1	8.2	8.2	8.3	8.7	8.8	7.8
EU (25) – life insurance	3.3	3.6	4.0	4.2	4.8	5.6	5.3	5.0	4.9	5.0	5.4	5.5	5.5
EU (25) – non-life insurance	3.2	3.1	3.0	2.3	2.9	2.9	2.3	3.1	3.3	3.3	3.3	3.3	3.3

Source: CEA – European Insurance in Figures 2007, Eurostat

PROPORTION OF LIFE AND NON-LIFE INSURANCE IN THE CZECH REPUBLIC AND THE EU (25) (page 14)

%	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Czech Republic – life insurance	27.6	26.6	26.5	27.1	31.5	32.3	35.0	37.5	38.8	39.3	38.4	38.7	40.7
Czech Republic – non-life insurance	72.4	73.4	73.5	72.9	68.5	67.7	65.0	62.5	61.2	60.7	61.6	61.3	59.3
EU (25) – life insurance	50.9	54.1	56.7	58.3	62.1	65.4	62.9	61.4	59.8	60.6	62.5	62.3	62.4
EU (25) – non-life insurance	49.1	45.9	43.3	41.7	37.9	34.6	37.1	38.6	40.2	39.4	37.5	37.7	37.6

Source: CEA – European Insurance in Figures 2007

AVERAGE PREMIUMS PER INHABITANT (page 14)

EUR	1995	2000	2005	2006	2007
Romania	–	–	41	59	94
Bulgaria	–	24	71	74	100
Lithuania	8	34	88	123	124
Latvia	–	72	98	128	129
Estonia	25	74	189	176	323
Poland	44	134	202	252	304
Slovakia	51	119	243	268	318
Hungary	69	235	274	312	368
Czech Republic	94	193	382	413	465
Malta	216	446	632	716	855
Cyprus	384	822	787	820	893
Slovenia	332	471	774	862	942
EU (25)	1,026	1,652	2,047	2,174	2,258

Source: CEA – European Insurance in Figures 2007, Eurostat

TECHNICAL PROVISIONS – ČAP (PAGE 22)

in CZK thousand	1999	2000	2001	2002	2003
Total	109,629,384	117,100,238	134,928,861	157,473,421	176,285,187
Life insurance, of which:	76,185,693	86,330,280	97,768,694	110,849,306	125,421,357
Technical provision in life insurance if the investment risk is borne by the policyholder	700,464	1,650,465	2,547,689	3,628,059	5,002,209
Non-life insurance	33,443,691	30,769,958	37,160,167	46,624,115	50,863,830
(continued)		2004	2005	2006	2007
Total		198,574,817	221,470,090	245,083,295	265,472,119
Life insurance, of which:		139,253,358	162,964,889	182,887,012	197,386,818
Technical provision in life insurance if the investment risk is borne by the policyholder		7,543,783	12,053,208	18,545,544	26,902,536
Non-life insurance		59,321,459	58,505,201	62,196,283	68,085,301

SUPPLEMENTARY TABLES

TRENDS IN ASSETS AND FINANCIAL PLACEMENTS – ČAP (page 23)

in CZK thousand	1997	1998	1999	2000	2001	2002
Total assets	125,148,004	133,001,151	155,344,254	176,557,416	201,700,327	229,542,497
Total financial placements	93,410,310	108,821,940	124,885,569	141,471,186	165,503,583	194,372,667
Debt securities	23,958,648	39,161,712	56,431,972	93,393,223	108,953,174	133,536,699
Shares and other variable yield securities, other participating interests	7,841,404	4,269,548	4,397,819	7,576,262	5,299,803	13,417,989
Financial placements in third-party companies	13,061,510	13,773,708	10,341,794	9,442,257	13,743,294	13,098,161
Deposits with financial institutions	29,728,436	36,449,850	38,062,051	16,680,824	20,859,186	20,037,292
(continued)	2003	2004	2005	2006	2007	
Total assets	258,893,288	291,796,604	316,932,626	328,760,845	350,390,795	
Total financial placements	215,720,136	249,737,526	267,908,036	273,739,679	284,987,216	
Debt securities	145,298,820	154,893,816	167,439,795	194,493,076	205,426,865	
Shares and other variable yield securities, other participating interests	12,579,437	26,771,463	32,784,437	30,395,751	28,994,861	
Financial placements in third-party companies	18,557,250	24,475,565	25,787,352	11,110,957	11,381,815	
Deposits with financial institutions	23,162,065	26,884,226	27,408,245	25,987,419	26,150,072	

TRENDS IN PREMIUMS WRITTEN – ČAP (page 23)

in CZK thousand	1995	1996	1997	1998	1999	2000	2001
Total premiums written	33,541,778	39,992,888	47,616,431	55,126,596	62,441,883	69,284,554	79,197,369
Premiums written – life insurance	9,224,540	10,988,867	12,690,134	15,089,242	19,917,397	22,770,132	28,281,966
Premiums written – non-life insurance	24,317,238	29,004,021	34,926,297	40,037,354	42,524,486	46,514,422	50,915,403
(continued)	2002	2003	2004	2005	2006	2007	
Total premiums written	88,472,777	104,635,906	111,585,544	115,904,059	120,411,623	130,780,955	
Premiums written – life insurance	34,160,586	41,123,386	44,200,964	44,954,223	47,232,832	54,121,964	
Premiums written – non-life insurance	54,312,191	63,512,520	67,384,580	70,949,836	73,178,791	76,658,991	

LIFE INSURANCE – ČAP (page 24)

in CZK thousand	1998	1999	2000	2001	2002
Total life insurance	14,965,171	19,917,397	22,770,132	28,281,966	34,160,586
Insurance on survival or death/survival	8,806,457	10,896,480	11,185,877	15,395,836	19,570,669
Insurance linked to investment funds	316,821	659,654	1,521,980	2,452,837	3,136,672
Supplementary insurance	741,611	1,010,682	1,075,602	1,211,272	4,408,184

(continued)	2003	2004	2005	2006	2007
Total life insurance	41,123,386	44,200,964	44,954,223	47,232,832	54,121,964
Insurance on survival or death/survival	24,422,779	26,607,673	25,859,804	24,044,706	23,575,964
Insurance linked to investment funds	4,877,722	6,051,612	7,550,391	11,336,077	18,389,585
Supplementary insurance	4,463,047	4,766,050	5,127,462	5,407,632	5,661,778

CLAIMS SETTLED – ČAP (page 25)

number	1995	1996	1997	1998	1999	2000	2001
Total claims settled	1,856,420	1,902,400	2,121,434	2,115,255	2,240,469	2,000,625	2,079,560
Claims settled – life insurance	448,783	448,602	527,738	598,922	591,894	599,420	664,501
Claims settled – non-life insurance	1,407,637	1,453,798	1,593,696	1,516,333	1,648,575	1,401,205	1,415,059

(continued)	2002	2003	2004	2005	2006	2007
Total claims settled	2,157,471	2,193,006	2,457,887	2,331,565	2,292,094	2,261,715
Claims settled – life insurance	885,024	860,036	1,191,452	921,523	792,624	785,365
Claims settled – non-life insurance	1,272,447	1,332,970	1,266,435	1,410,042	1,499,470	1,476,350

SUPPLEMENTARY TABLES

CLAIMS PAID – ČAP (page 26)

in CZK thousand	1995	1996	1997	1998	1999	2000	2001
Total claims paid	18,634,173	21,405,949	32,231,130	32,477,857	34,260,919	37,159,491	39,597,056
Life insurance	6,412,692	6,936,032	7,988,841	8,805,102	9,805,974	10,335,455	12,372,735
Non-life insurance	12,221,481	14,469,917	24,242,289	23,672,755	24,454,945	26,824,036	27,224,321

(continued)	2002	2003	2004	2005	2006	2007
Total claims paid	56,143,529	58,338,482	57,046,540	51,943,819	54,547,010	58,724,195
Life insurance	12,404,787	14,913,460	23,132,796	18,632,170	17,147,838	20,982,469
Non-life insurance	43,738,742	43,425,022	33,913,744	33,311,649	37,399,172	37,741,726

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