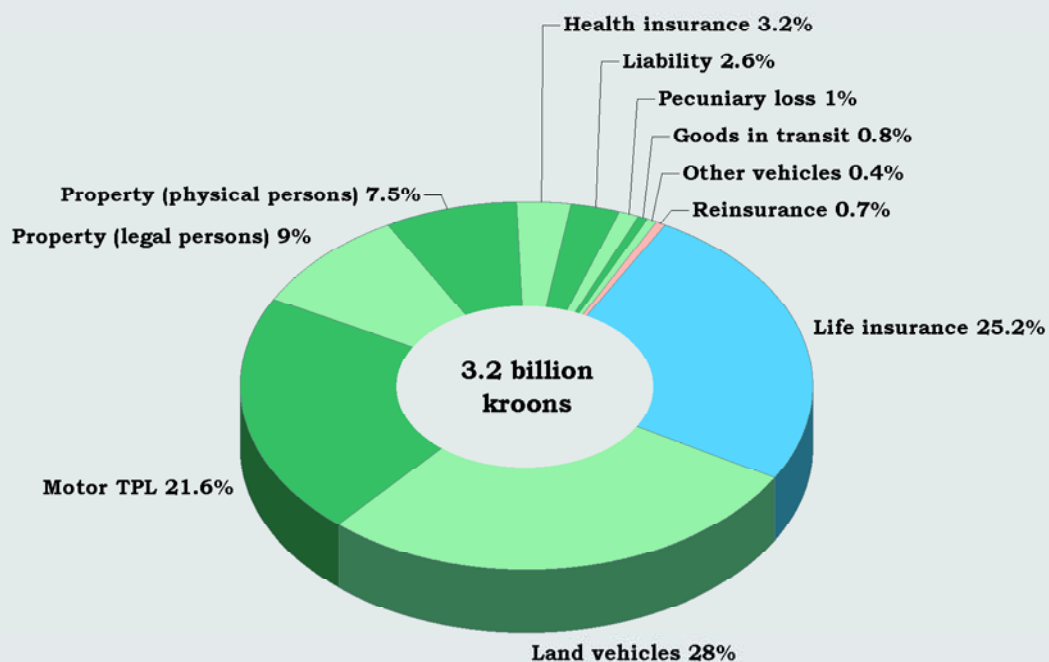


KINDLUSTUSE AASTARAAMAT

INSURANCE YEARBOOK

2004



Finantsinspektsioon

Estonian Financial Supervision Authority

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INTRODUCTION

Dear Reader,

The Insurance Yearbook 2004 is the thirteenth annual survey of the Estonian insurance market.

In 2004, the insurance market evidenced continuing rapid growth, triggered largely by the sale of so-called loan insurance products. The sale of unit-linked life insurance products boomed. Besides the fast growth of market, the year 2004 is characterized by the considerably better profitability of the whole insurance sector and especially the non-life sector as compared to previous years.

Estonia's accession to the European Union on 1 May 2004 had and will have effect on our insurance market, including on the supervisory activities of the Financial Supervision Authority and on the insurance business of our insurers. We have to stress more on international collaboration in future and participate in drafting common pan-European supervisory standards. One of the obligations triggered by the accession has been the transposition of European Union insurance legislation into the Estonian legislation. In 2004, *Riigikogu* adopted the new *Insurance Activities Act*, which became effective on 1 January 2005.

Estonia experienced first cross-border service providers and the first branch in 2004 due to the opening of insurance market. Still, the possibility to underwrite insurance business in the whole European Union market proves to be a new challenge also for Estonian insurance undertakings and a great possibility for them to extend the circle of policyholders.

Andres Kurgpõld

Member of the Management Board

In Tallinn, June 2005

INSURANCE MARKET, 2004

ECONOMY IN 2004¹

Global economic activity decelerated in 2004 and that meant continuously favourable interest rate environment for the Estonian economy. Estonia's corporate and household loans' interest rates fell on the lowest level in 15 years — the average interest rate on long-term non-financial sector loans was 4.6% at the end of the year, approximately 1 percentage point less than at the beginning of the year.

Estonian economic growth remained fairly strong due to higher exports and reached 6.2% in real terms in 2004, change in consumer prices was 3%. The growth rate of goods exports picked up, facilitated by increasing external demand and recovering competitiveness as well as larger IT subcontracting. In 2004, earnings improved in transit trade and also in other areas of the services sector. The contribution of travel services and tourism to economic growth increased significantly. In the positive light of joining the EU companies also have optimistic expectations of future growth. Relatively high sales figures and profits of 2004 provide a good starting point for these outlooks. In 2004, the growth in corporations' profitability remained approximately at the level of 2003. Real estate and other business service companies had on average better results in 2004, as well as in 2003.

According to preliminary estimates, the ratio of domestic saving to GDP recovered slightly in 2004. The ratio recovered due to the private sector — first and foremost to household consumption that decelerated. As domestic saving exceeded the year-ago level, the growing investment demand was not as detrimental to external balance as in 2003 and the need for external funding even contracted slightly. However, in international comparison, the level of investment remained high and that of domestic saving low. Current account deficit stood at 12.6% of GDP. The share of net foreign direct investment declined slightly and therefore borrowing increased. Estonia's gross external debt was 84% of GDP and net external debt (assets less liabilities) was 19% of GDP in the end of 2004.

Despite growing inflation expectations in the second half-year of 2004, household confidence remained high. Positive labour market developments and improved savings contributed to that as well. Accession to the European Union accelerates economic convergence and will definitely have a positive long-term impact on households' income growth. However, there is still a short-term risk that current consumption decisions overestimate future income growth potential.

INSURANCE MARKET

The Estonia's gross domestic product was 139 billion kroons and the average population totaled 1.3 million people in 2004 (Table 1). Insurers' direct gross premiums constituted 2.3% of GDP and this is the sign of continuing growth (Figure 1).

In 2004, the phase of rapid growth of the insurance market continued, the increase being 20.4%. Insurers' gross premiums totaled 3.2 billion kroons; 74.1% thereof were premiums from non-life insurance, 25.2% from life insurance and 0.7% from accepted reinsurance business (Figure 2).

¹ The summary of developments in economy in 2004 has been drafted on the basis of "Eesti Pank Annual Report 2004" and "Eesti Pank, Financial Stability Review, May 2005"

Table 1. Estonian economy and the insurance market, 2000—2004

	2000	2001	2002	2003	2004
GDP at current prices (million kroons)	92 717	104 338	116 869	125 832	139 150
Change in GDP at constant prices (% of previous year)	7.8	6.4	7.2	5.1	6.2
Change in consumer prices (CP) (% of previous year)	4.0	5.8	3.6	1.3	3.0
incl. goods (CP-G)	3.3	4.9	1.9	-0.2	2.9
services (CP-S)	5.4	7.6	6.8	4.3	3.3
Average population (thousand)	1 370	1 364	1 359	1 354	1 349
Gross premiums (GP) (million kroons)	1 659	1 832	2 189	2 650	3 195
incl. non-life insurance	1 290	1 427	1 719	2 056	2 366
life insurance	304	356	446	580	806
reinsurance	65	49	24	14	22
Real change in GP (without CP) (% of previous year)	12.6	4.4	15.3	19.5	17.1
Real change in GP (without CP-S) (% of previous year)	12.6	4.0	13.7	16.8	16.5
Direct gross premiums per capita (kroons)	1 164	1 307	1 593	1 947	2 352
incl. non-life insurance	942	1 046	1 265	1 519	1 754
life insurance	222	261	328	428	598
Insurance penetration (%)	1.7	1.7	1.9	2.1	2.3
incl. non-life insurance	1.4	1.4	1.5	1.6	1.7
life insurance	0.3	0.3	0.4	0.5	0.6

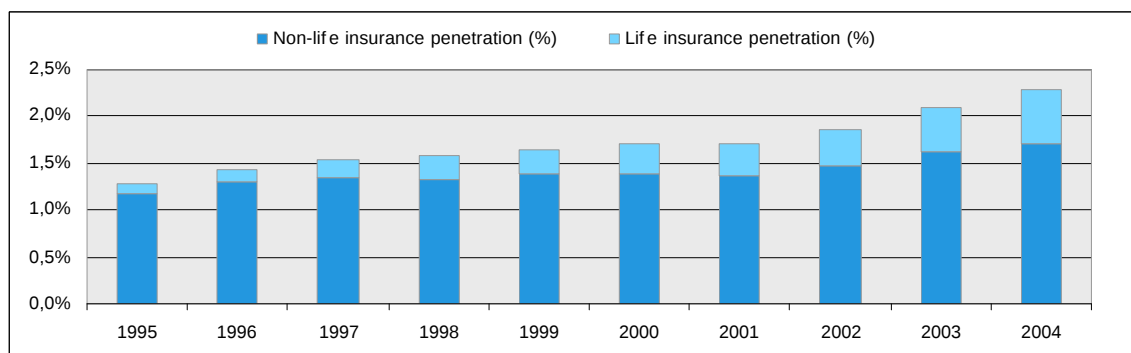


Figure 1. The relative importance of insurers' gross premiums in gross domestic product (GDP), 1995—2004

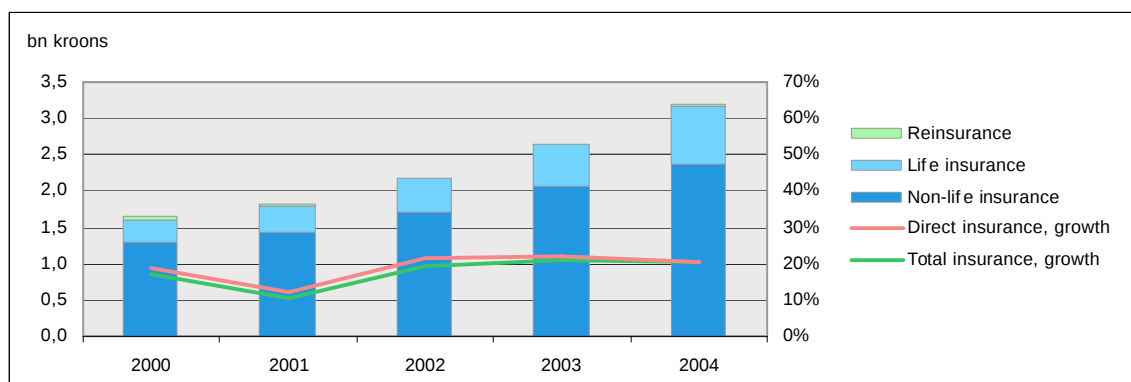


Figure 2. Insurers' gross premiums and the nominal growth in gross premiums, 2000—2004

Direct gross premiums amounted to 3.2 billion kroons (2.6 bn kroons in 2003, the growth being 20.4%) and claims paid 1.3 billion kroons (1.1 bn kroons in 2003, the growth being 16.2%). The volume of life gross premiums indicated an annual growth of 39.1% and that of non-life gross premiums 15.1%. Direct insurance market structure changed by 3.4 percentage points in favour of life insurance. As a result, 25.4%

of the direct insurance market was captured by life insurance and 74.6% by non-life insurance. In 2004 the premium volume of accepted reinsurance business increased by a half, up to 22.4 million kroons.

Land vehicles insurance premiums made up more than a quarter and motor TPL insurance premiums almost another quarter of total gross premiums collected in Estonian insurance market. Also, property insurance and endowment insurance stayed popular in the market (Figure 3).

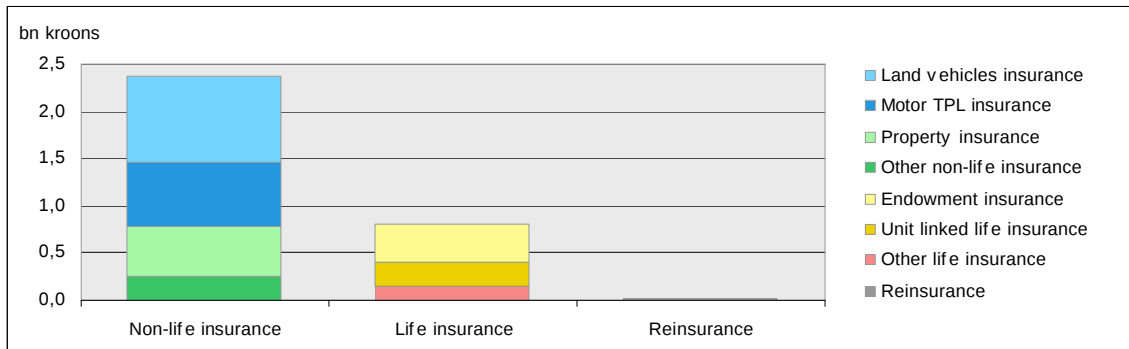


Figure 3. Gross premiums by insurance classes, 2004

Considering the annual growth in consumer price index, the annual actual growth of direct gross premiums was 16.9%, thus being lower than the respective figure in 2003 (20.2%). In 2004, the actual growth of life premiums was 35% and that of non-life premiums 11.7% (Figure 4).

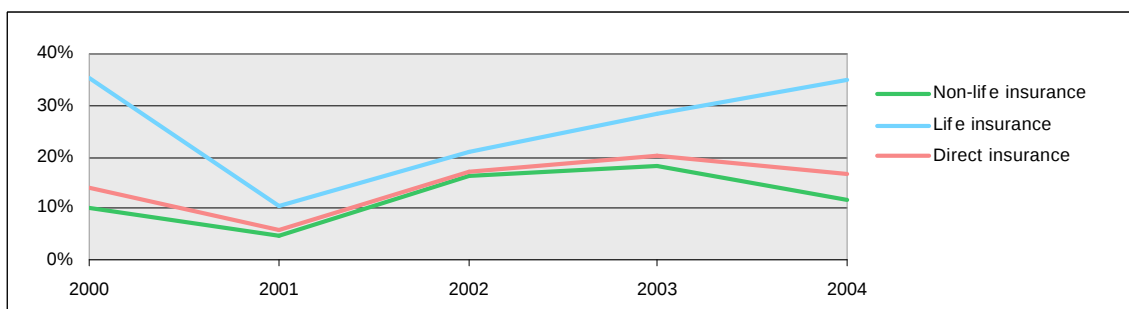


Figure 4. The actual growth of gross premiums, 2000–2004

Despite the deceleration, the growth of insurance market was quick in 2004. In last two years the growth was backed rather by life insurance, especially due to fast growing popularity of unit-linked investment insurance products. As before, the growth of insurance market was enhanced by activeness of loan and lease markets: people often buy a property or motor insurance policy when acquiring a dwelling or a car financed by a loan/lease arrangement. The need to ensure the repayment of long-term loans also promoted the continuing interest in life insurance policies.

In 2004, the direct gross premium volume per person amounted to 2,352 kroons in Estonia (1,947 kroons in 2003), 598 kroons in life insurance (428 kroons in 2003) and 1,754 kroons in non-life insurance (1,519 kroons in 2003). Average monthly gross wages and salaries were 7,287 kroons and the number of employed people 0.6 million in 2004, thus an average person spent 1.5% of his/her gross wage or salary on life insurance (1.2% in 2003) and 0.5% on household insurance (0.4% in 2003).

INSURERS

In 2004, there were seven non-life insurance companies, five life insurance companies, and the Estonian Traffic Insurance Fund² as the provider of border insurance and motor TPL reinsurance, writing business in Estonian insurance market (Figure 5).

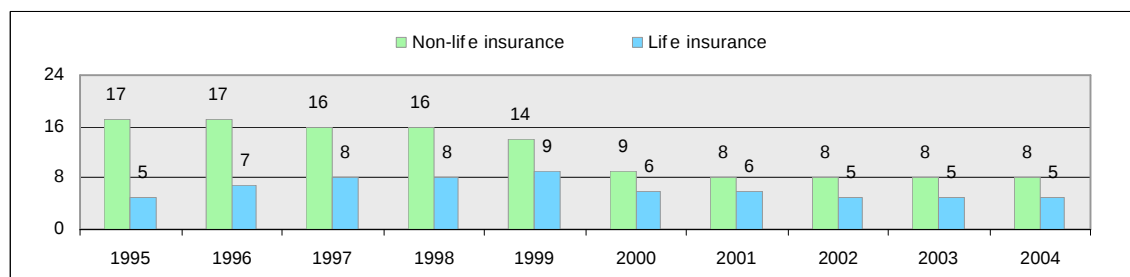


Figure 5. The number of life and non-life insurers (incl. Estonian Traffic Insurance Fund), 1995–2004

One of the non-life insurers, Zürich Kindlustuse Eesti AS, who had not offered new policies since 2003, concluded its insurance activities and transferred its insurance portfolio to AS If Eesti Kindlustus at the end of 2004. 2004 also meant dissolution of the public Estonian Traffic Insurance Foundation whose assets and liabilities went over to its legal successor, a private non-profit organization Estonian Traffic Insurance Fund.

On 1 May 2004 the Estonian insurance market opened to other European Union member states. There were 82 cross-border non-life insurance providers and 12 life insurance providers registered as of 31 December 2004. One Finnish non-life insurance company informed EFSA about the intension to establish a branch in Estonia. The biggest Estonian non-life insurance company informed EFSA about plans to start cross-border activities in Latvia and Lithuania. AS Hansa Elukindlustus made arrangements in order to start cross-border activities in Latvia.

In 2004, the two biggest insurance companies captured more than a half of both life and non-life direct insurance markets based on Estonian insurance companies' gross premiums; still, the market concentration was higher in life insurance (Figure 6). Market concentration increased in life insurance up to 71.7% and in non-life insurance up to 67.1% during the year.

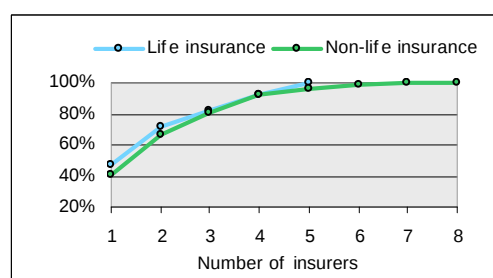


Figure 6. Market concentration, 2004

Insurance company AS If Eesti Kindlustus continuously dominated the market in 2004, and its market share by direct gross premiums grew to 30.7% (Figure 7). Also, remarkable market position belonged to ERGO Kindlustuse AS and AS Hansa Elukindlustus in 2004.

² Guarantee fund of motor TPL insurance

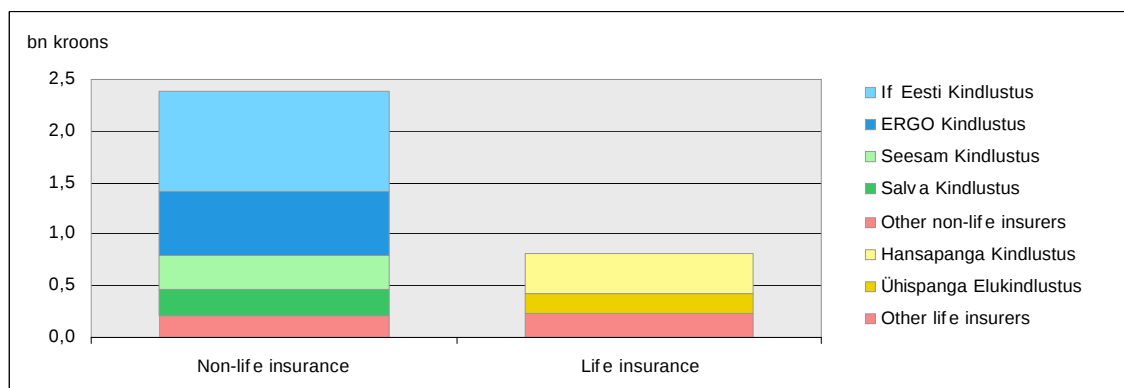


Figure 7. Distribution of insurance market by insurers, based on the volume of gross premiums, 2004

Rapid growth of insurance market, especially the life insurance market, had an effect on increment of assets' volume of insurance companies. The insurers' assets percentage in GDP increased from 2.8% in 2003 to 3.4% in 2004 (Figure 8).

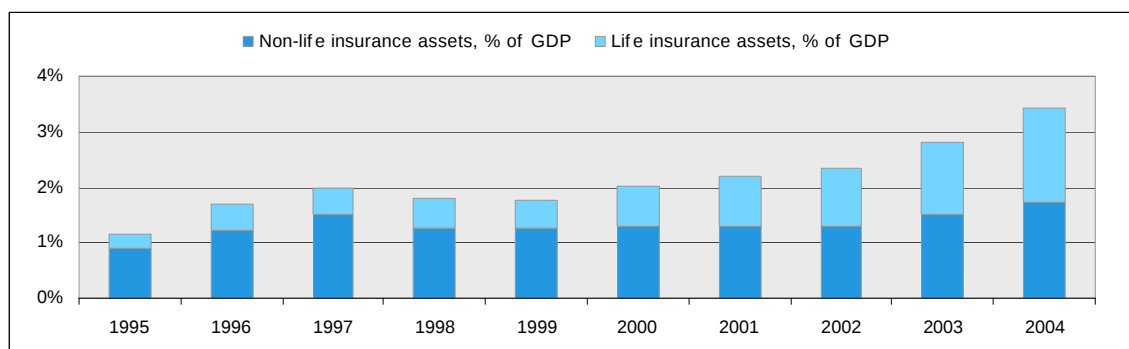


Figure 8. The relative importance of insurers' assets in gross domestic product (GDP), 1995–2004

The reason for the growth of assets' volume of life insurers is also the relative youth of life insurers and the subsequent fast growth in their technical provisions (Figure 9).

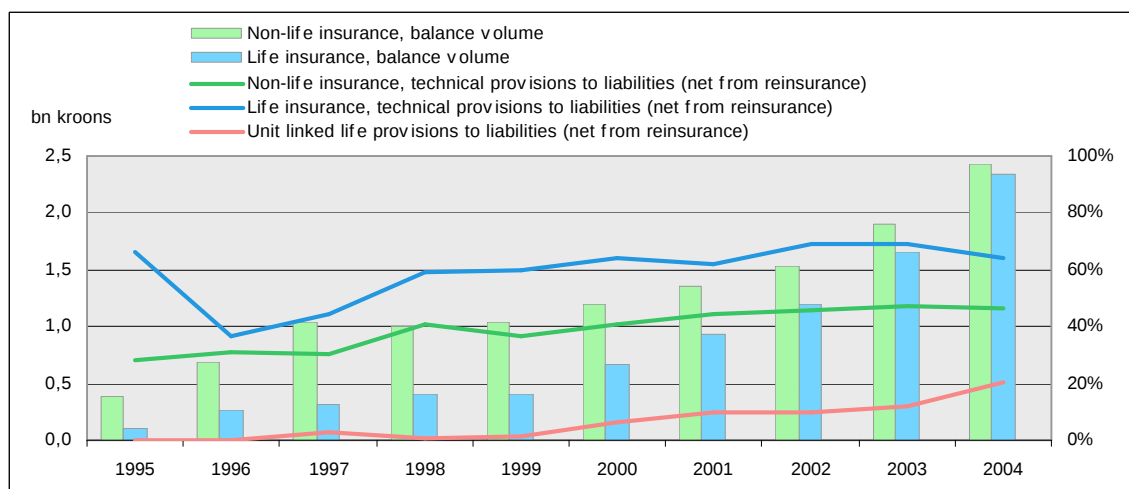


Figure 9. Insurers' consolidated balance volume and the share of technical provisions (net from reinsurance) in the consolidated balance, 1995–2004

At the end of 2004, investment volume of life insurers constituted 76.1% and that of non-life insurers 87.9% of the balance sheet total. The amount of investments of unit-linked life insurance was 0.5 billion kroons (0.2 billion kroons as of 31 December 2003) and the percentage increased up to 20.5% of life insurers' balance sheet volume (11.8% at the end of 2003). As far as own funds and committed assets are concerned, all insurers were in compliance with requirements of the Insurance Activities Act in 2004.

Direct involvement of non-residents in share capital indicated no major changes during the year, being 79.3% at the end of year. The market share directly controlled by foreign owners was 70.7%, being 85.4% in non-life insurance and 28.3% in life insurance (Figure 10). German and Finnish investors made the biggest investments into Estonian insurance companies by the end of 2004.

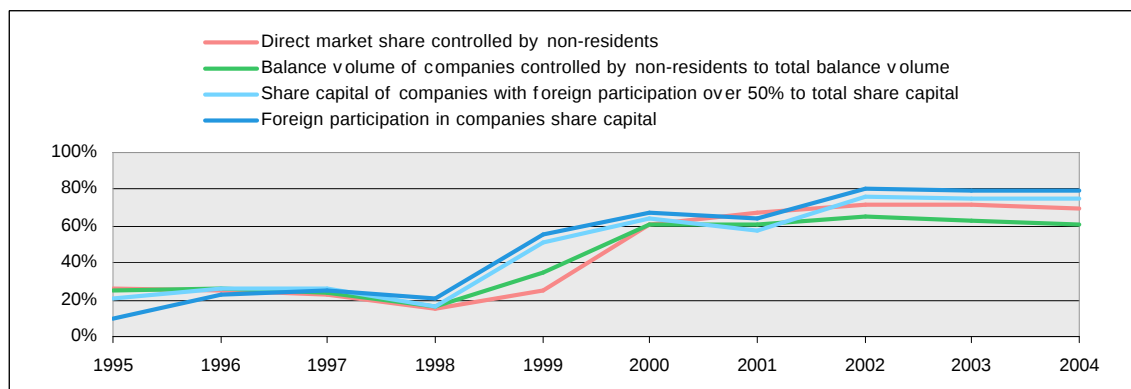


Figure 10. Foreign participation in share capital and the market share controlled by non-residents, 1995—2004

In 2004, there were several changes in the ownership of insurance companies: Pohjola Grupp plc (Finland) increased its holding in Seesam Rahvusvaheline Kindlustuse AS from 50.5% to 100%, Sampo Life Insurance Company Ltd (Finland) acquired AS Sampo Elukindlustus, and Amber Trust S.C.A (Luxembourg) acquired a 45%-holding in Salva Kindlustuse AS. In November 2004, the owners of Nordicum Kindlustuse Eesti AS announced that they will not underwrite new business since the company's parent undertaking Tryg Forsikring AS (Denmark) has a new strategy with a focus to provide direct insurance in Nordic countries. In December, the owners of Nordicum Kindlustuse Eesti AS notified that they will continue their insurance activities due to the agreement to transfer the company's assets to QBE International (Investments) PTY Ltd (Australia).

Several Estonian insurance companies belong to international financial groups. For the purpose to increase the competitiveness on the European Union financial market that opened since 1st May, the groups made rearrangements that affected also the Estonian insurance companies (for example ERGO group formed a united management board for its Baltic insurance companies, in life insurance market the trend of tightening cooperation between banks and insurance companies continued etc.).

With the stabilization of insurance market net profits of insurance companies increased (Figure 11). Compared to previous years, the year 2004 was extra profitable for insurance sector. Twofold aggregate profit compared to 2003 was obtained by non-life insurance companies on the support of recovered indicators of loss ratio, expense ratio and combined ratio.

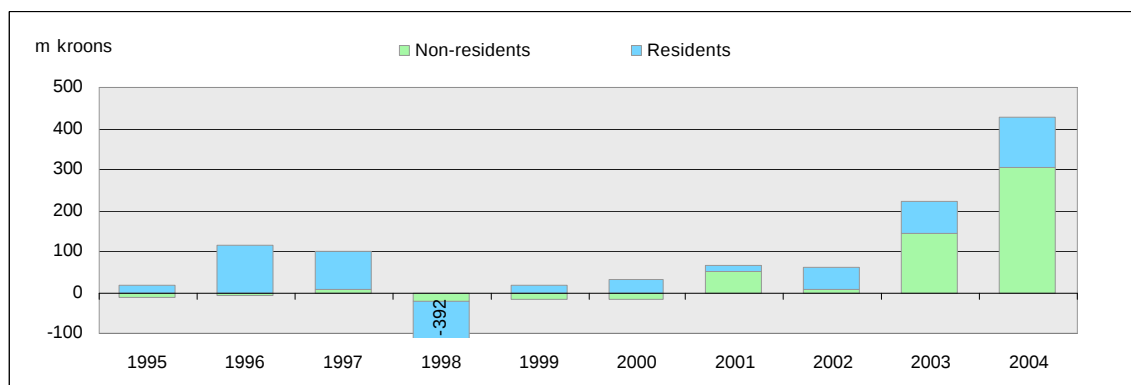


Figure 11. Insurers' net profits from insurance business, 1995—2004

In 2004, the life insurers' audited net profit amounted to 113.9 million kroons and that of non-life insurers 332.3 million kroons. One life insurer paid dividends on its profit carried forward for the total of 41.5 million kroons.

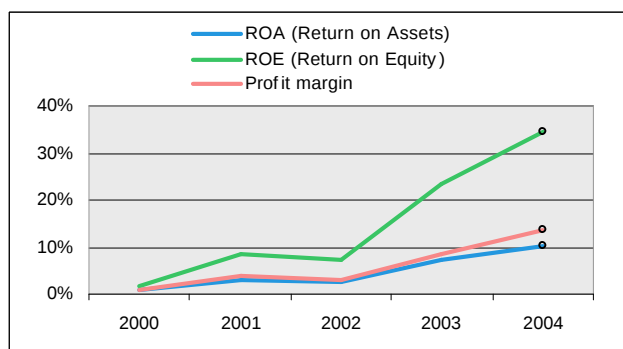


Figure 12. Financial indicators of insurance sector, 2000—2004

Financial indicators illustrating the business — the Profit Margin (net profit to gross premiums), the Return on Equity (net profit to average equity amount during the year) and the Return on Assets (net profit to average assets amount during the year) — improved due to the considerable increase in insurers' profits in 2004 (Figure 12). For insurance sector companies the Profit Margin was 13.6%, the Return on Equity was 34.5% and the Return on Assets 10.3%.

Insurers employed 1,444 people at the end of 2004, constituting 0.2% of the employed population and 0.3% of the population engaged in private sector. Insurers' role in the formation of employment rate has remained unchanged in the past five years. The number of insurers' personnel includes both office and sales personnel (Figure 13).

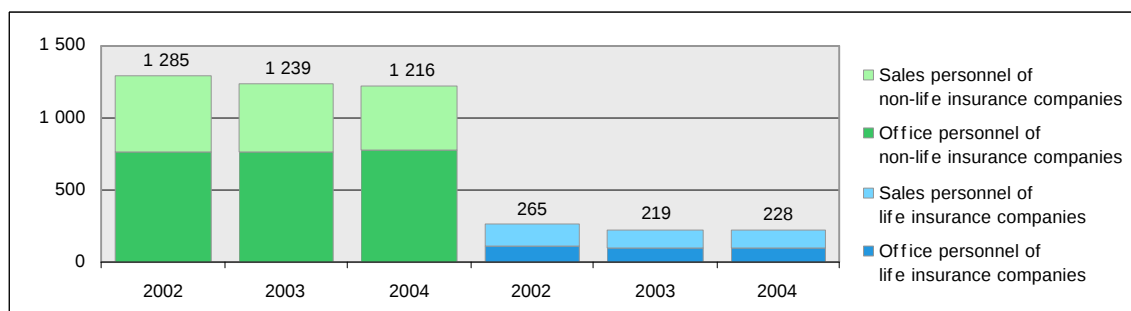


Figure 13. The number of office and sales personnel of insurance companies, 31 December 2002—2004

In addition to sales personnel, also agents (or representatives of insurance companies) and brokers participate in the insurance products' selling process by mediating the purchase-sales insurance transactions.

INSURANCE BROKERS

Insurance mediation is being regulated in Estonia since 1 August 2001. There were 14 insurance brokers³ and 130 representatives of insurance brokers registered at the end of 2003. In 2004, two insurance brokers commenced their insurance mediation business.

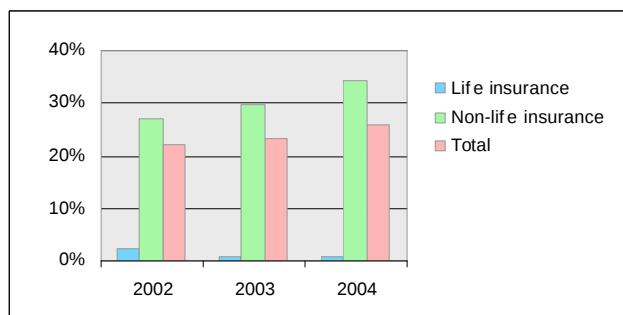


Figure 14. The share of premiums on insurance contracts mediated by brokers in gross premiums collected by Estonian insurance companies, 2002—2004

Insurers collected 25.8% of their gross premiums through insurance brokers (23.4% in 2003). 34.4% of non-life gross premiums (29.7% in 2003) and 0.6% of life gross premiums (1% in 2003) were collected through insurance brokers (Figure 14). Thus, the brokers played a more active role in non-life insurance market.

Land vehicles insurance was the most mediated insurance class, considering the volume of gross premiums. Relative importance of mediation in the volume of gross premiums of a single insurance class was the highest in the general liability insurance — 58.3%. In insurance classes dominating in the insurance market the relative importance was considerable in land vehicles insurance (54.6%) and property insurance (36.1%), (Figure 15).

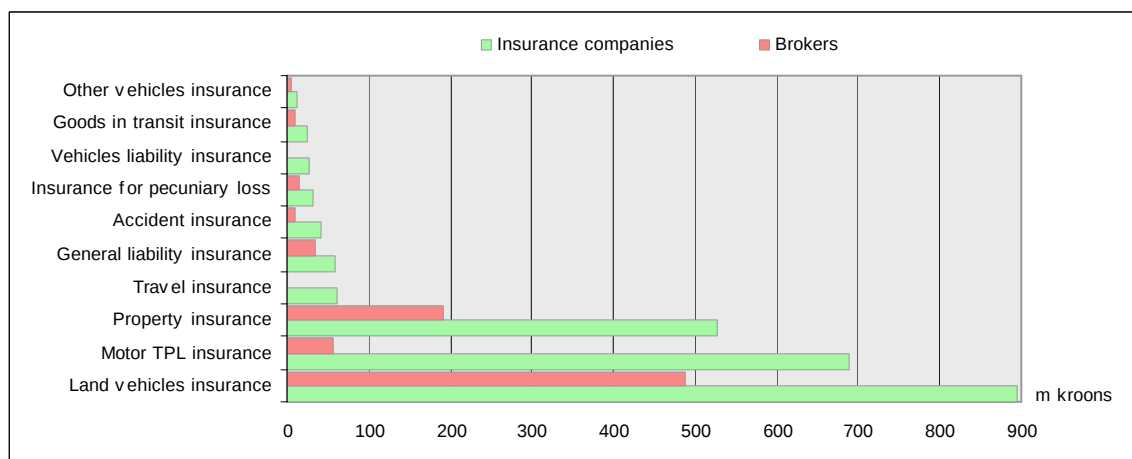


Figure 15. Estonian insurance companies' non-life insurance gross premiums mediated by insurance brokers, 2004

³ Fifteenth insurance broker is in liquidation.

Annuity insurance was the most mediated life insurance class; still, the volume of mediated premiums constituted only 1.1% of annuity gross premiums collected by life insurers (Figure 16).

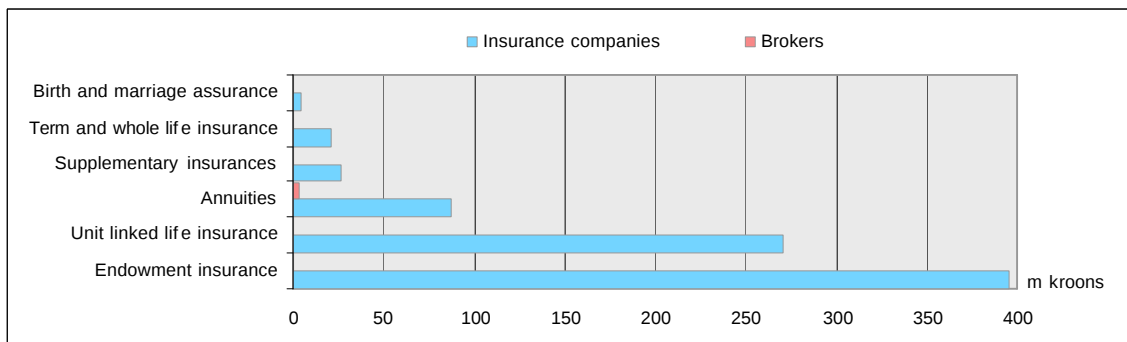


Figure 16. Estonian insurance companies' life insurance gross premiums mediated by insurance brokers, 2004

Besides mediating insurance policies of Estonian insurance companies, the brokers mediated also policies of foreign insurers. The share of foreign insurance companies was 41.4% of premium volume mediated by brokers. Premiums for mediated foreign policies formed 13.3% of mediated non-life gross premiums; in life insurance this rate was 63.4% i.e. more than a half formed premiums for mediated foreign policies (Figure 17).

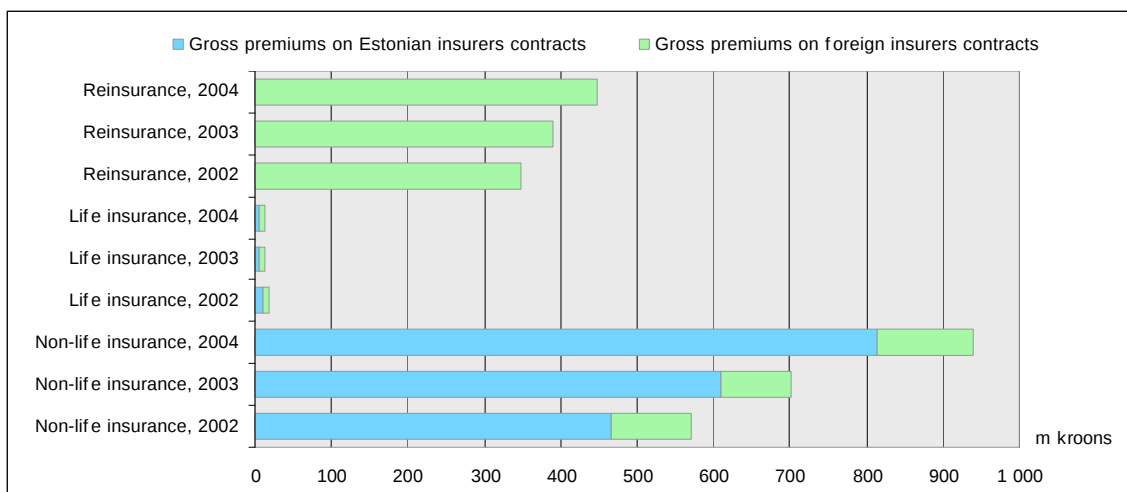


Figure 17. Gross premiums for policies mediated by Estonian insurance brokers, 2002—2004

LIFE INSURANCE

LIFE INSURANCE, 2004

LIFE INSURANCE MARKET

Developments in life insurance market

2004 was a successful and good year for life insurers, supported by the general economic environment.

Financial Supervision Authority can affect the developments in insurance market by introducing new guidelines that can help to protect the interests of policyholders. It is a good practice to follow the guidelines of Financial Supervision Authority, and besides Estonian insurers also the cross-border service providers, branches and insurers from third countries have to follow them. The first guideline for life insurers *Unit-Linked Life Insurance Policies: Components, Underlying Assets and Disclosure for Policyholder* came into force on 1 April 2004. The purpose of this guideline is to set minimum requirements for unit-linked contracts in order to ensure uniform understanding and provision of the respective product by life insurers. This guideline provides the minimum set of information to be disclosed to policyholders in respect of committed assets of a unit-linked contract.

The developments in life insurance market are generally observed and measured by premium volume. Activities of life insurers can equally be characterized by new business as the measure of insurer's ability to provide the service, by business results as the measure of insurer's efficiency, by decrease in lapse rate as the measure of policyholders' satisfaction.

In 2004, the life insurance market increased by 39.1% compared to 2003 premium volume, this rate being 9.1% bigger than in 2003. The rapid growth in gross premium volume was due to effective sale of unit-linked products. There were 155,822 main contract in force at the end of the year, this being 11% more than at the end of 2003 and the biggest in last four years. In addition, life insurers ended the year 2004 with the total profit of 96.7 million kroons, which is 55% higher than the profit in 2003.

In 2004, the market concentration in terms of all relevant figures continued. The winners were AS Hansa Elukindlustus and AS Ühispanga Elukindlustus, whose owners are the two major banks in Estonia (Figure 18).

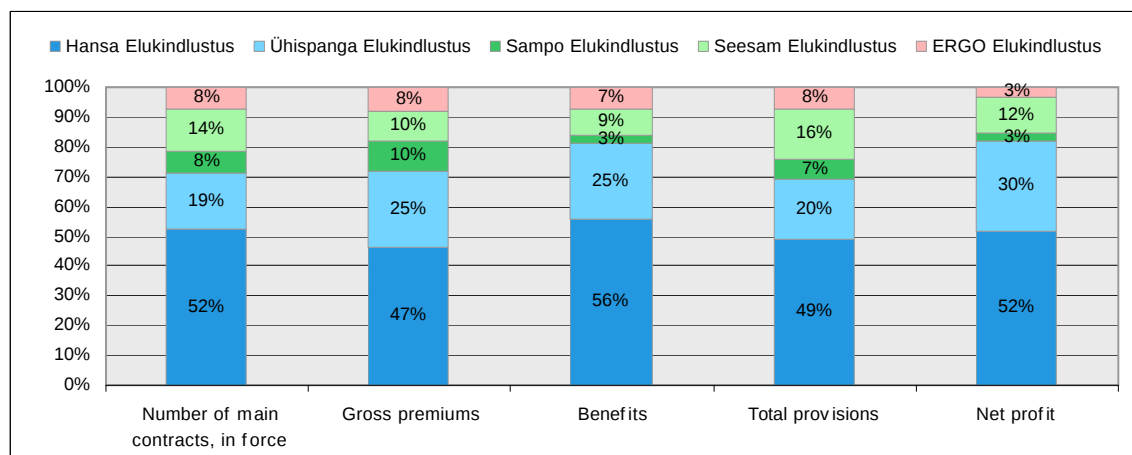


Figure 18. Concentration of life insurance market by contracts in force, gross premiums, benefits, technical provisions and net profit, 31 December 2004

Gross premiums

In 2004, gross premiums of life insurers totaled 806.4 million kroons (increase of 39.1%), incl. gross premiums from main contracts 780 million kroons and gross premiums from supplementary contracts 26 million kroons.

In 2004, 33.5% of life insurance premiums were received from new business (in 2003, 30.6%) and 42.1% from contracts with tax benefit (in 2003, 53%). The increase in the volume of gross premiums from new business was due to premiums received from new unit-linked life insurance. Reinsurance has a minor impact in life insurance because of the nature of risks taken by life insurers. The total of ceded premiums has ranged from 2.7% to 2% of gross premium volume (in 2004, 2.2%) in the last five years.

Gross premium volume exceeded the sum of benefits (112 millions kroons), operating expenses (99.1 million kroons) and investment expenses (13 million kroons) by 72.2%. In 2003, this figure was 68.8% (Figure 19). 2004 volume of outgo mentioned above increased less than the gross premium volume due to the decrease in expenses.

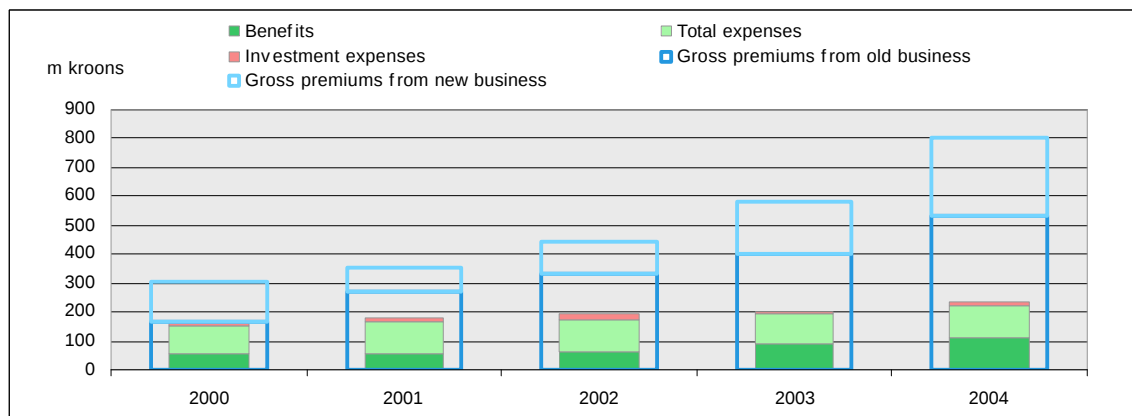


Figure 19. Life insurers' benefits, operating expenses, investment expenses and gross premiums from old and new business, 2000—2004

Insurance classes and premiums

In 2004, life insurance products were mainly changed in technical terms. The guideline of Financial Supervision Authority sets the minimum guaranteed sum assured in case of death for unit-linked contracts. The guaranteed sum assured must never be lower than 102% of the value of committed assets.

Life insurers prefer to sell so-called products with limited guarantees, for example products where the guaranteed interest rate is set only for a limited period, products with undetermined bonus rate or products where the investment risk lies with policyholders. The products of insurers associated with banks become more similar to other financial products. They offer composite financial services in the sale process, which gives the best opportunity to consider client's needs and interests.

The rapid increase in the volume of gross premiums from unit-linked life insurance increased also the share of this insurance class in total gross premiums. In 2004, the first place was still taken by endowment assurance with 49.1% (in 2003, 64%), followed by unit-linked life insurance with 33.6% (in 2003, 14%),

and annuities with 10.8% (in 2003, 14%). Thus the total premium volume from these three classes constituted 93.6% of the total volume of life insurance gross premiums (Figure 20).

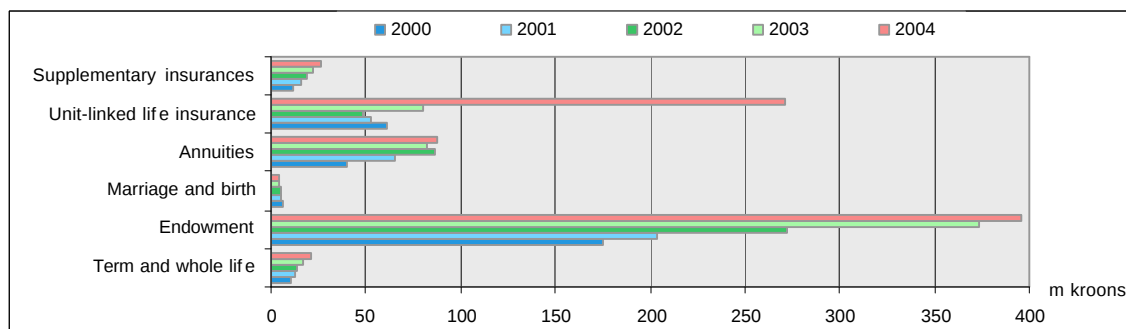


Figure 20. Gross premiums by insurance classes, 2000—2004

In 2004, the first place based on the total volume of gross premiums from new business was taken by unit-linked life insurance, being 73% (in 2003, 30%), (Figure 21). The main driving force behind the success of unit-linked life insurance was the future tax benefit after holding the contract for 12 years. The volume of gross premiums from new endowment and annuity business was 24% of the total volume of gross premiums from all new business (in 2003, 66%).

The increase in the volume of gross premiums from new unit-linked life insurance affected strongly the decrease in the share of gross premiums from new business with tax benefit. In 2004, the share of premiums from new business with tax benefit in total premiums from new business was only 18% (in 2003, 46%).

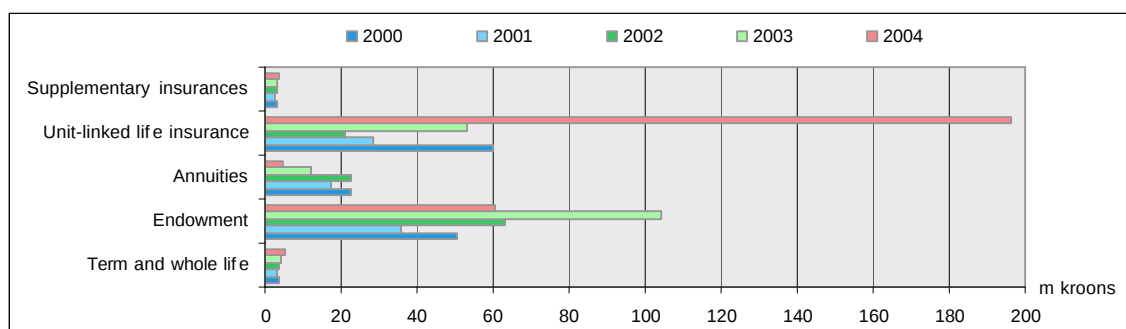


Figure 21. Volume of gross premiums from new business by insurance classes, 2000—2004

Products of endowment assurance, annuities and unit-linked life insurance can be bought with tax benefit, i.e. the state will pay back a part of income tax on premiums paid in a calendar year for collecting the funds for retirement, if the first regular payment (annuity payment) is made after the 55th birthday and if these payments are perpetual. The premiums from policies with tax benefit decreased in 2004, constituting 42% of the total volume of gross premiums (in 2003, 53%).

Number of insurance contracts and premiums

At the end of 2004, there were 155,822 main contracts in force, which is 9.9% more than a year before. Together with supplementary insurance contracts, there were 267,618 contract in force, whereas

the total number of supplementary insurance contracts increased by 8.5%. It is possible to buy a supplementary insurance contract only together with the main contract, but the respective period does not depend on the period of the main contract.

The discrepancy between the increase of premium volume and that of the number of contracts was bigger than last year due to the increase in the share of gross premiums from unit-linked life insurance.

At the end of 2004, the share of new main contracts in the total number of main contracts was 17.3% (the share of premiums from new business in the total volume of gross premiums was 34%) and there were 4.2% more new contracts in force than a year before (Figure 22).

The biggest increase in the number of insurance contracts was in unit-linked life insurance (increase of 95.5%) and in term and whole life assurance (increase of 35.4%). The number of new contracts as well as the decreasing trend in lapse rate affects the increase in the number of main contracts.

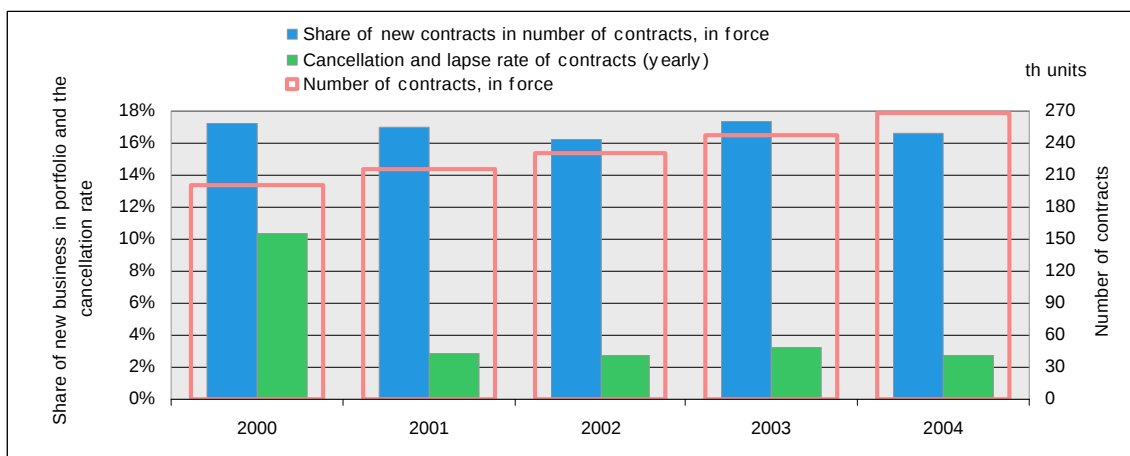


Figure 22. Share of new business in the total number of insurance contracts (31 December), number of insurance contracts (31 December) and average cancellation and lapse rate, 2000—2004

The nature of a specific class determines the composition of premiums and contracts' number. E.g., unit-linked life insurance is characterized by a relatively big share of premiums in gross premiums vis-à-vis to the share of its contracts in the total number of contracts; in term and whole life assurance this is vice versa (Figure 23).

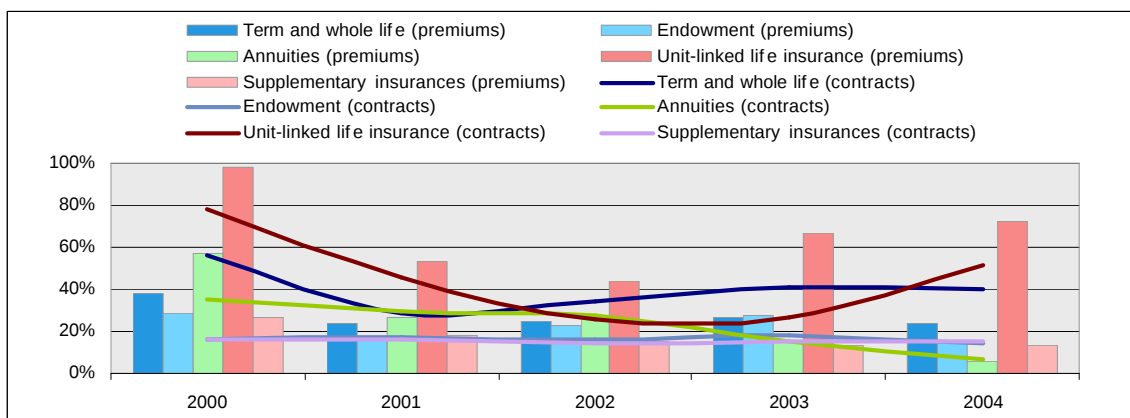


Figure 23. Share of new business in the total number of insurance contracts, share of premiums from new business in the total volume of gross premiums by insurance classes, 2000—2004

Average annual premium from a main contract (excluding unit-linked life insurance) was 3,583 kroons, which was 2% less than in 2003, and average premium per a unit-linked contract was 43 thousand kroons (for a new contract — 72 thousand kroons).

Benefits, lapses and cancellations

In 2004, the number of reported claims was 10,891 (occurrence of insured event, maturity of policy, cancellation or lapse) and that of paid claims was 10,473 (in 2003 – 10,964 and 10,864 respectively). Within the number of claims paid in 2004 there were claims that had been reported before 2004, and the number of claims reported in 2004 includes the claims that have to be paid out in 2005 or later. 43.3% of total paid claims were surrenders, i.e. contracts cancelled or lapsed before maturity.

There were 4,090 main contracts cancelled or lapsed in 2004 and the cancellation and lapse rate was 2.4%. The rate has been decreasing from year to year. In 2004, five new contracts were sold per one cancelled or lapsed contract on an average (the same in 2003). The cancellation and lapse rate is the highest in the first year of insurance policy (Figure 24).

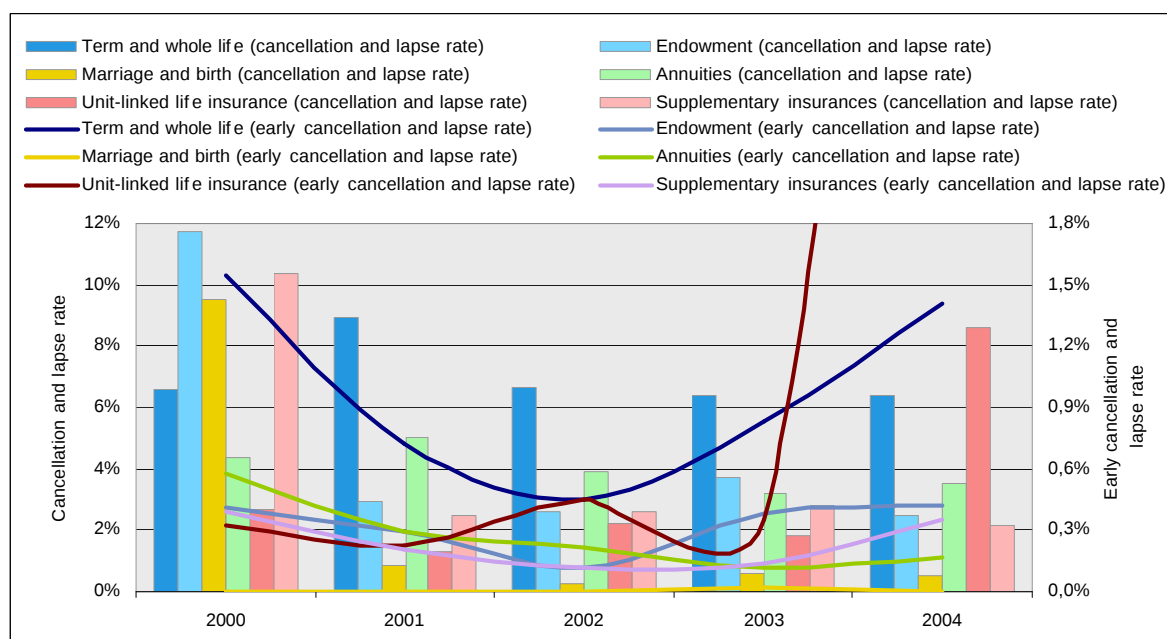
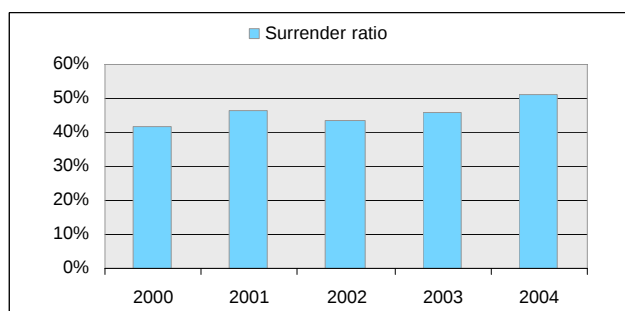


Figure 24. Cancellation and lapse rate and early cancellation and lapse rate, 2000—2004

Early cancellation and lapse rate was 1.1% in 2004 (in 2003, 0.5%). The increase in the rate was caused by the higher cancellation and lapse rate in unit-linked life insurance.

Unit-linked contracts affect also the distribution of benefits. As the premiums in this insurance class are usually higher than in other classes, also the benefits are higher. In 2004, benefits totaled 112 million kroons, incl. 57.3 million kroons for surrenders, i.e. for cancellation and lapses. Surrender ratio shows the share of benefits that is used for covering the liabilities caused by the cancellation and lapse.

Surrender ratio depends on the class and age of contracts. In terms of surrenders, the first place in benefits was taken by unit-linked life insurance and endowment assurance.



In 2004, the surrender ratio was 51% (Figure 25).

Excluding the unit-linked life insurance, the surrender ratio has been 37% for the last three consecutive years.

Figure 25. Surrender ratio, 2000—2004

Life insurers' expenses

In 2004, the life insurers' business was more cost-effective than in the previous year. The volume of operating expenses decreased by 1.7% compared to 2003 (in 2003, 0.3%); concurrently, the volume of gross premiums increased by 39.1% and thus the share of operating expenses in the total gross premiums decreased to 13% (in 2003, 19%).

Expense ratio varied greatly and the ratio of smaller life insurers was above the market average (Figure 26).

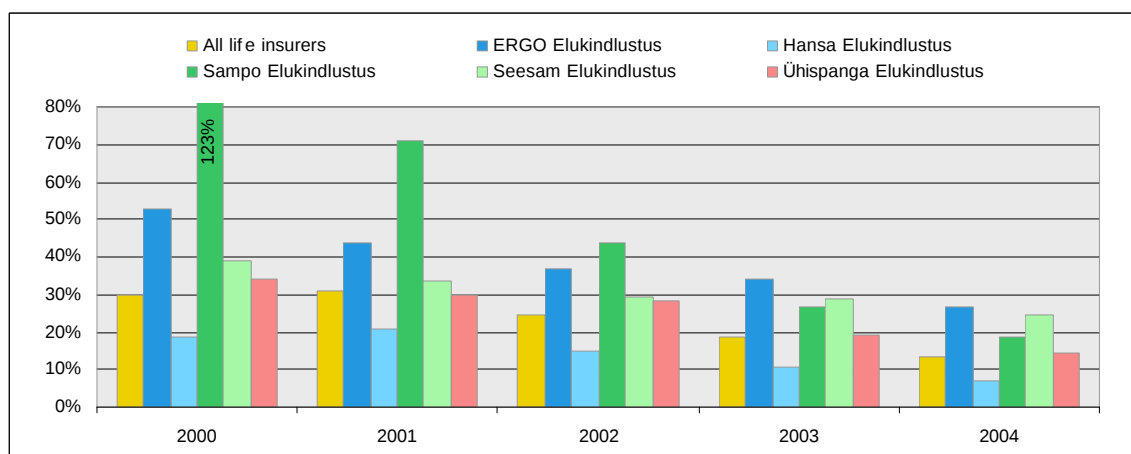


Figure 26. Ratio of operating expenses to gross premiums by life insurers, 2000—2004

Operating expenses of life insurers were 107.4 million kroons in 2004, of which 59% were acquisition costs, 32% were administrative expenses, 1% were claims handling expenses and 8% were investment expenses.

There were no big changes in the composition of expenses (Figure 27). In operating expenses, acquisition costs and administrative expenses decreased and investment expenses and claims handling expenses increased.

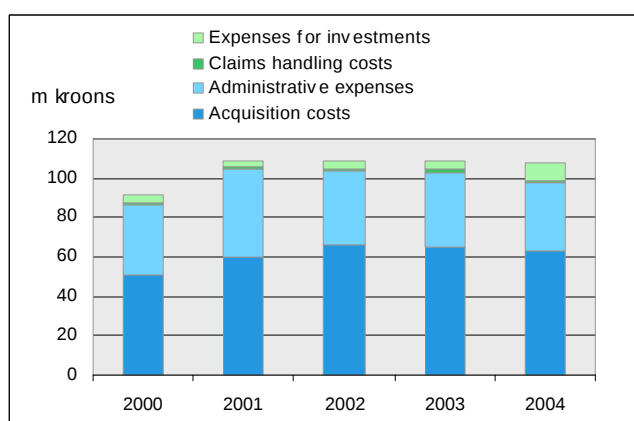


Figure 27. Operating expenses of life insurers by expense classes, 2000—2004

The increase in the last two expense classes had no significant effect on the result of life insurance business, as the share of these expenses in total volume of expenses is not very big. Investment expenses increased because the volume of investments increased and thus also investment activities rallied.

Acquisitions costs per new policy were 1,424 kroons, which is 6.1% less than in 2003. Administrative expenses per policy in force were 129 kroons, which is 17% less than in 2003. Operating expenses per insured were 400 kroons, which is 9% less than in 2003 (Figure 28).

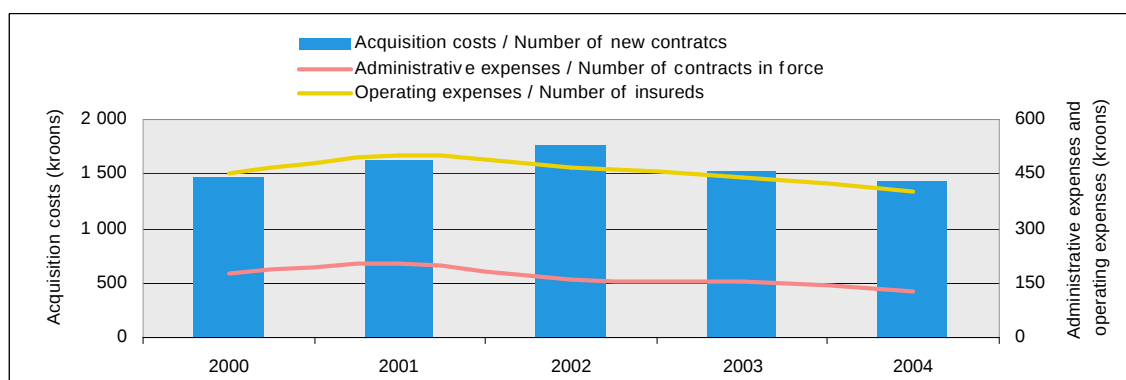


Figure 28. Acquisition costs per new policy, administrative expenses per policy in force and operating expenses per insured, 2000—2004

Technical provisions

Liabilities from insurance contracts, i.e. technical provisions totaled 1.5 billion kroons at the end of 2004, of which life insurance provisions formed 96.9%, outstanding claim provisions 1.9% and provisions for bonuses 1.2%. The increase in technical provisions was 30.1% compared to 2003.

The stability of life insurance market has guaranteed the steady increasing trend of life insurance provisions. The technical provisions of life insurers increase as long as the portfolio of life insurers' contracts consists mainly of contracts still collecting. In 2004, technical provisions formed 64.2%, provisions for unit-linked contracts 20.5% and owners' equity 14.1% of the total balance sheet volume (Figure 29). At the end of the year, the volume of technical provisions was 4.5 times higher than that of owners' equity.

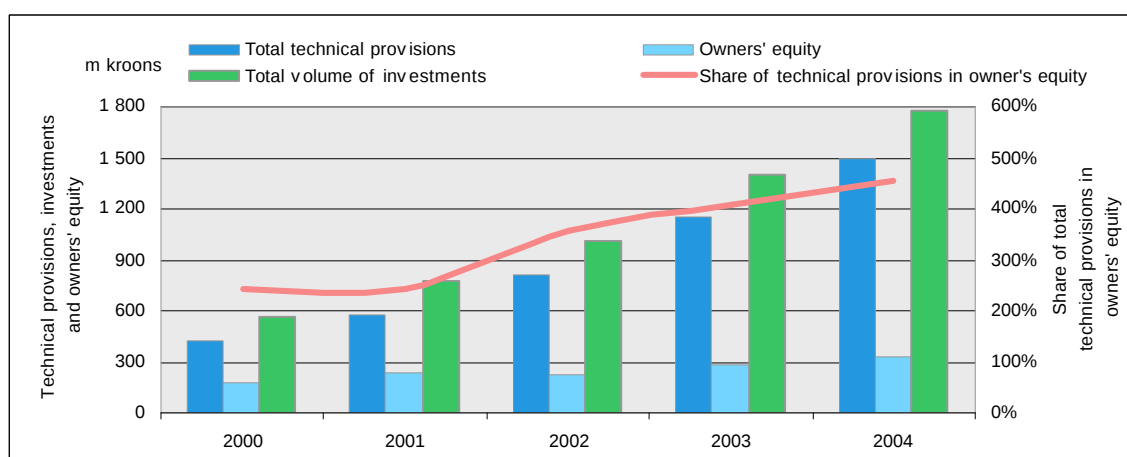


Figure 29. Technical provisions, owners' equity, investments and ratio of technical provisions to owners' equity, 31 December 2000—2004

As technical provisions increase, the share of owners' equity in liabilities decreases. The owners' equity increases mainly due to the profit of life insurers.

Investments

At the end of 2004, investments of life insurers totaled 1.8 billion kroons, being 76.1% of the total balance sheet volume. The growth of investments was slower than that of technical provisions, and it was 27.6% compared to investments of 2003.

Technical provisions formed 84% of investments (in 2003, 82%), but not all investments are suitable for covering technical provisions, i.e. for being classified as committed assets. Article 77 of the Insurance Activities Act provides requirements for such assets and Article 78 sets reservations for investing them. Technical provisions formed 85% of investments that were suitable for being classified as committed assets.

Life insurers had no problems with liquidity in 2004 when considering the volume of benefits, amount of outstanding claims provisions and nature of assets. Liabilities from life insurance contracts are covered with so-called long-term investments (i.e. where the financial instrument is disposed no sooner than after a year from the purchase) for four to seven years. The duration of investments does not match with the duration of long-term liabilities. In general, life insurers' investment activities are characterized by constant reallocation of investments because of difficulties in finding suitable investments (especially in terms of duration). Also, insurers hope to earn higher investment yield by reallocating the investments.

The general structure of investments was similar for all life insurers. Life insurers' risk appetite increased due to the increase in investment volume, and the share of investments in floating rate securities (shares and other holdings) grew as the share of deposits fell. Due to the nature of technical provisions, the first place (61.1%) was taken by bonds and other fixed rate securities, followed by shares and other securities (22.6%) and deposits with credit institutions (12.5%), (Figure 30).

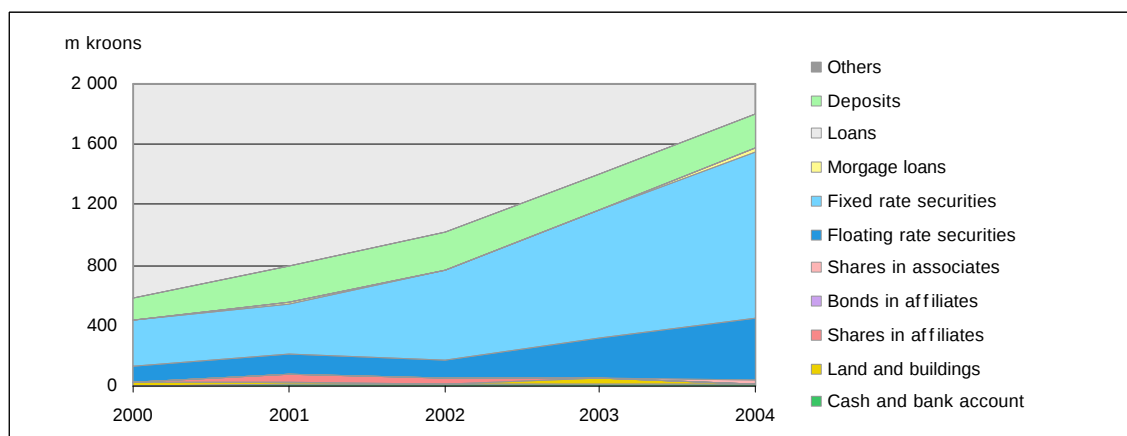
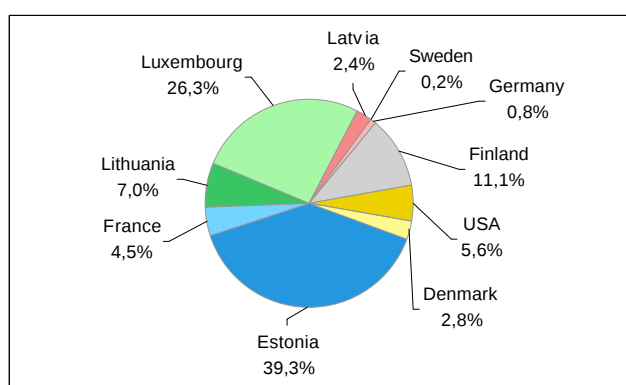


Figure 30. Structure of assets (investments and cash and bank account), 31 December 2000—2004



Investments are mainly based in Europe. The share of floating rate securities issued in Estonia decreased. More than one third of floating rate securities was issued in Estonia (39.3%, in 2003 this was 57%); these were followed by securities issued in Luxembourg (26.3%) and in Finland (11.1%), (Figure 31).

Figure 31. Floating rate securities by jurisdictions, 31 December 2004

The volume of fixed rate securities (incl. bonds) was in 2004 bigger than the volume of investments to other securities and therefore also more jurisdictions are presented in these investments. The share of fixed rate securities issued in Estonia decreased. 13.6% of fixed rate securities were issued in Estonia; these were followed by securities issued in the Netherlands (8.3%) and in Denmark (6.5%), (Figure 32).

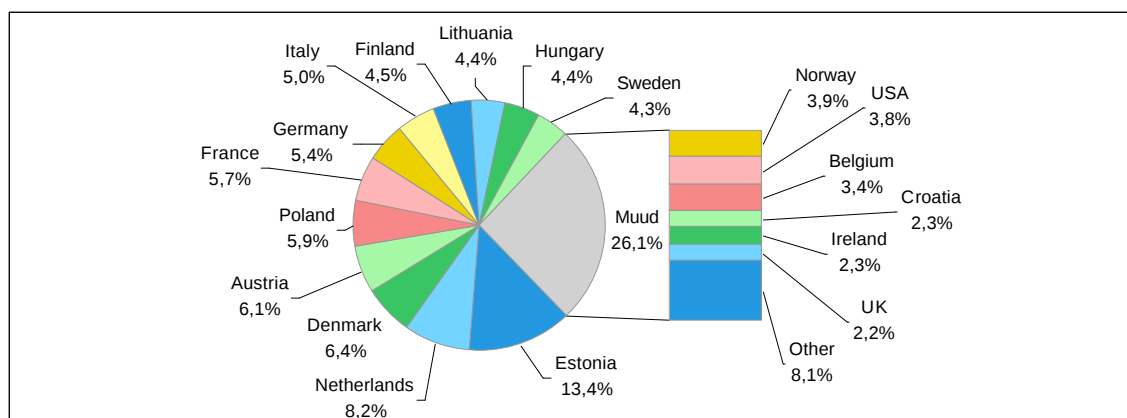
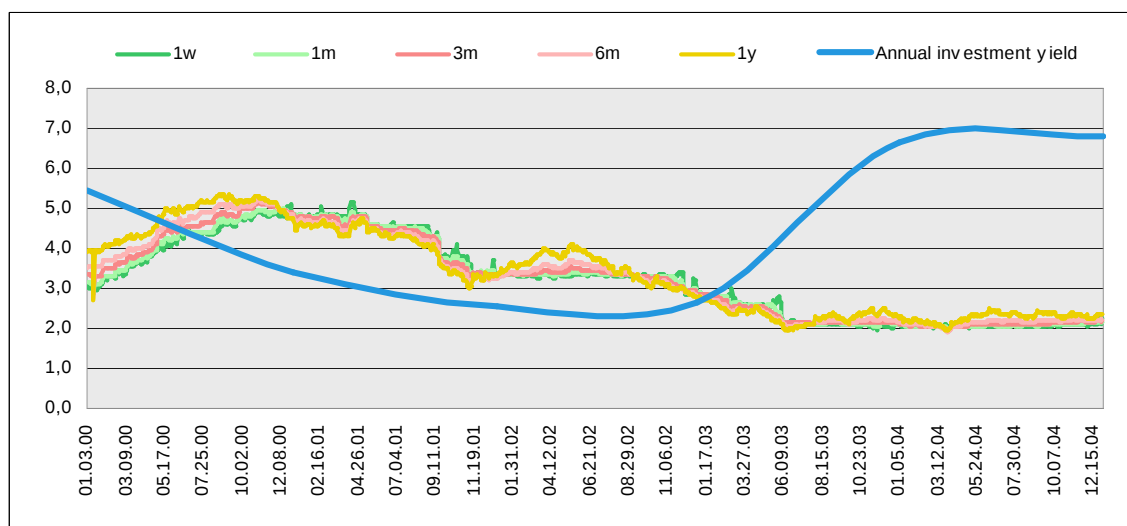


Figure 32. Fixed rate securities by jurisdiction, 31 December 2004

Year 2004 was an extremely successful year for life insurers in investment business; the investment income exceeded the expenses 9 times (in 2003, 10 times). The average investment yield was 6.6%, exceeding thus the average guaranteed technical interest rate and being also higher than EURIBOR (Figure 33).



Figures 33. Investment yield and EURIBOR, 2000—2004

Owners' equity, business result

At the end of 2004, owners' equity of life insurers totaled 331.9 million kroons, the increase being 17.1% in a year. The owners' equity increased due to profit and increase in reserves.

Technical profit of life insurers was 114.3 million kroons, thus exceeding 1.5 times the 2003 profit. All life insurers ended the year 2004 with net profit and the total net profit was 96.7 million kroons (in 2003, 62 million kroons). The profitability grew as a result of decrease in operating expenses and due to investment income. As a result of increase in net profit, also the profitability of owners' equity increased to 29% (in 2003, 22%), (Figure 34).

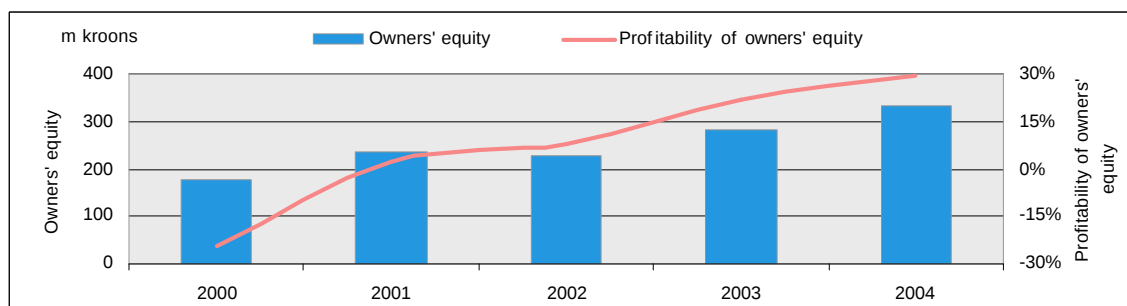


Figure 34. Owners' equity and profitability of owners' equity, 31 December 2000—2004

At the end of 2004, the Solvency Margin was 87.7 million kroons and own funds exceeded the Solvency Margin 2.4 times (Figure 35).

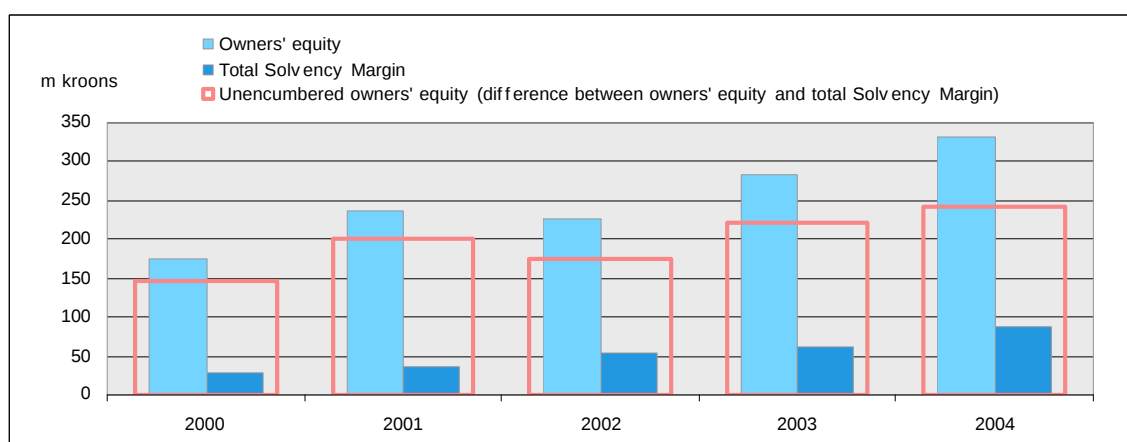


Figure 35. Owners' equity, Solvency Margin and unencumbered owners' equity, 31 December 2000—2004

Comparing the investments into floating rate securities (22.6% of investments) and investments into fixed rate securities (60.2% of investments) with unencumbered owners' equity, we can find allowable fall in value of these investments that does not affect the life insurers' solvency margin. Due to increase of floating rate securities in total investments, the fall in the value of these securities can also affect the solvency requirements of life insurers since 2003, i.e. the life insurer can be affected by the fall in the value of floating rate securities (Figure 36).

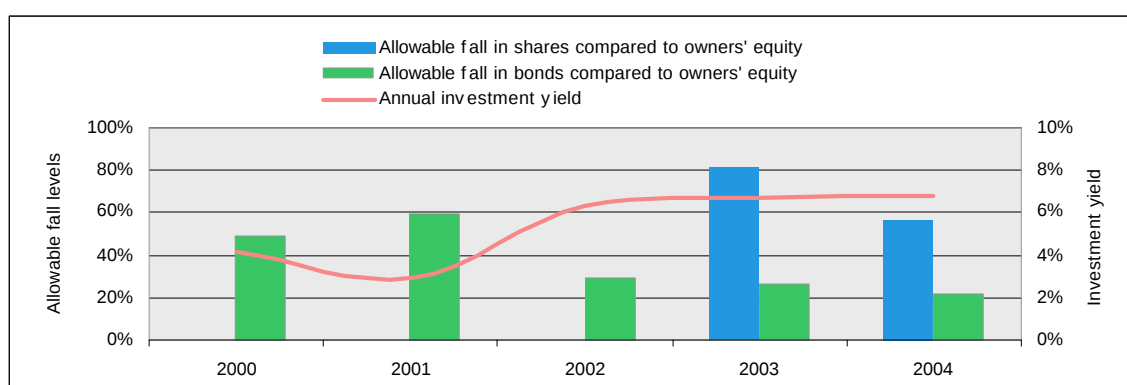


Figure 36. Allowable fall in the value of floating (shares) and fixed rate (bonds) securities based on unencumbered owners' funds, investment yield, 2000—2004

At the end of 2004, the fall in the value of floating rate securities by 60% would have affected the solvency of life insurers.

The ratio of acquisition costs to owners' equity shows the volume of funds necessary for the insurer for underwriting new business (seeing this as the investment in the future). In the last few years, this ratio has decreased as a result of decrease in acquisition costs and increase in owners' equity.

Profit Margin is determined as a ratio of net profit to gross premium volume and this ratio shows the efficiency of inflow (premiums). In the last few years the insurance business has become more efficient for insurers (Figure 37).

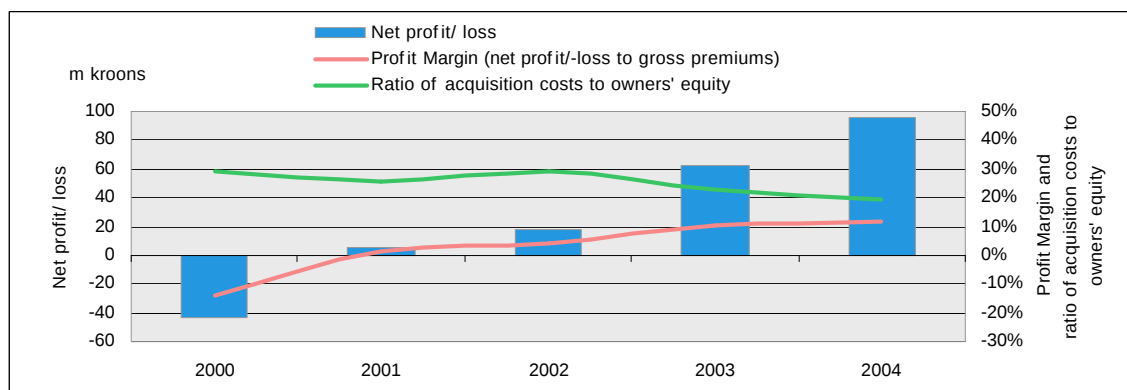


Figure 37. Net profit, Profit Margin and ratio of acquisition costs to owners' equity, 2000–2004

PORTFOLIO OF LIFE INSURANCE CONTRACTS

Average life insurance contract

An average insurance policy in the portfolio of life insurance contracts presents a very general picture of policy because the values of different components (premium, sum assured, insurance period and other figures) vary greatly among insurance classes. The difference arises due to different objectives when underwriting the policy or different insured risks.

Insured risk determines the sum assured and the amount of premium. Therefore, the average sum assured in endowment assurance was 73,093 kroons and the average annual premium 3,795 kroons, but in term and whole life assurance the respective figures were 210,854 kroons and 1,385 kroons in 2004. Besides the risk covered by term and whole life assurance, the endowment assurance covers also the survival component, which in general is more expensive.

An average new policy differs from an old policy by its sum assured and the amount of premium. In general, new policies have bigger risk coverage and thus also their premiums are higher (Figure 38, Figure 39).

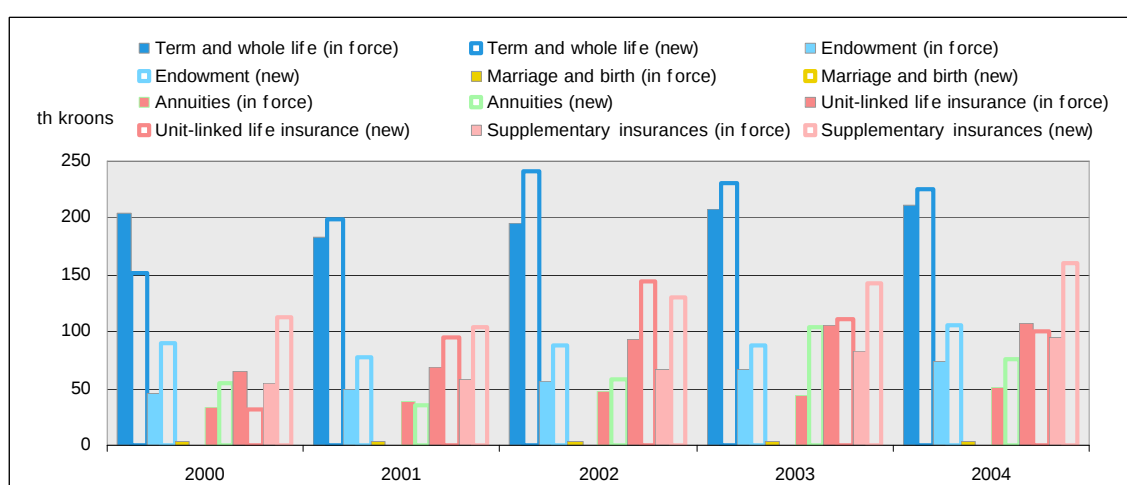


Figure 38. Average sum assured for in force and new policies by insurance classes, 2000–2004

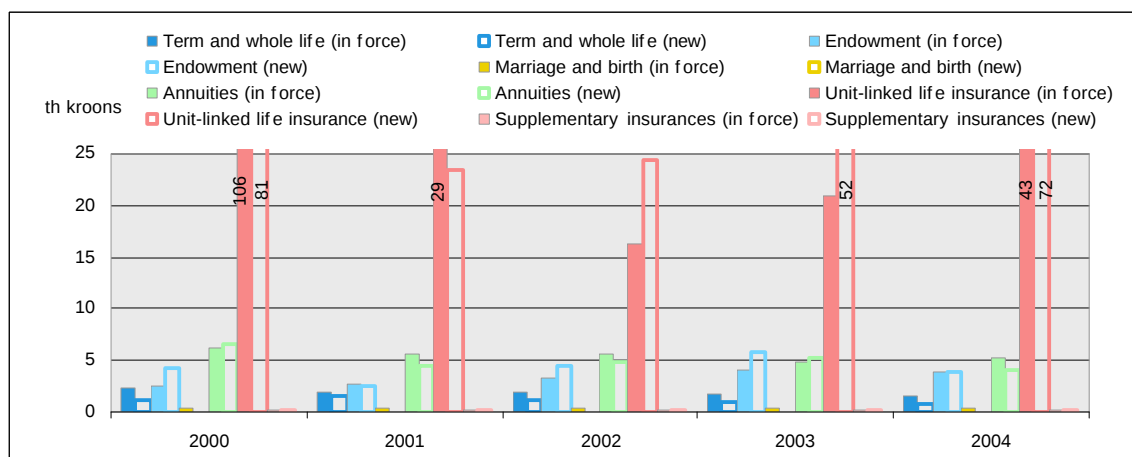


Figure 39. Average premium of in force and new policies by insurance classes, 2000–2004

At the end of 2004, the average age of an insured when concluding the contract was approximately 35 years and the average insurance period was 11 years. The average age is higher in annuities and lower in term and whole life assurance because of the nature of these classes (Figure 40, Figure 41).

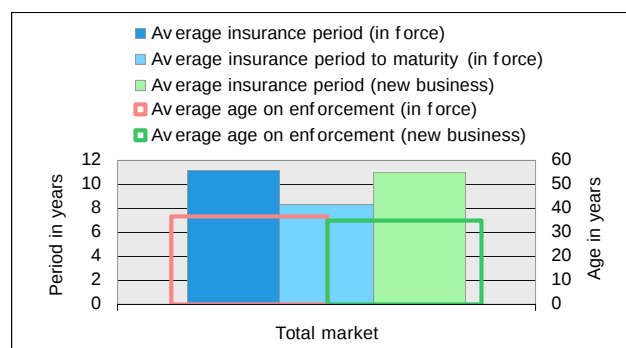


Figure 40. Average insurance period and age on conclusion of contract, 2004

People buy insurance policies mainly when they are between the ages of 27 and 40. In case of endowment assurance, there is also endowment assurance for children where the average age of an insured on conclusion of contract is

10 years lower than in other insurance classes, and we can also see a hump between the ages of 0 and 16, which is characteristic to endowment assurance (Figure 41).

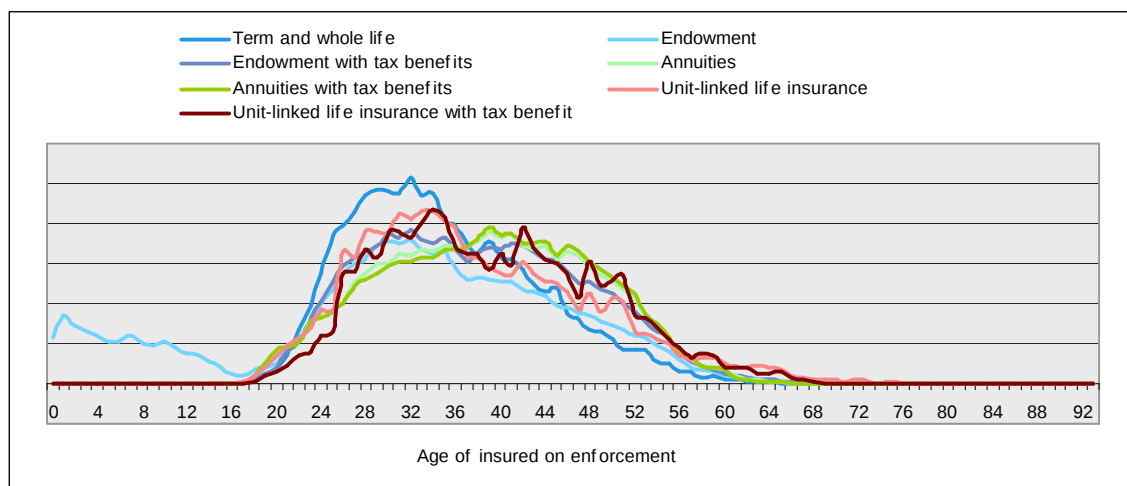


Figure 41. Distribution of age of insured at enforcement by insurance classes, 2004

Unlike the distribution of age, the distribution of period at enforcement is much more dispersed, i.e. it varies considerably within an insurance class, and the only exception being unit-linked policies where the tax benefit is possible only if the insurance period is equal to or over 12 years. In case of term and whole life assurance there are two bigger humps — for 5 and 10 years of insurance period and two smaller humps for 15 and 20 years of insurance period. As term and whole life assurance policies are frequently written together with a loan contract, the period of term and whole life assurance tends to be related to the period of loan contract. In endowment assurance there are also two distinguishable humps due to the endowment assurance for children (Figure 42).

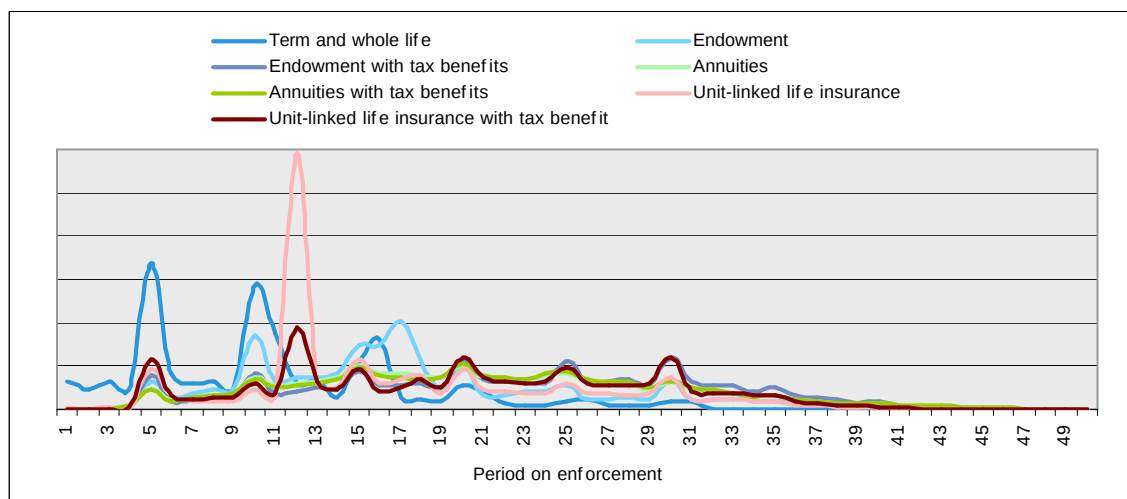
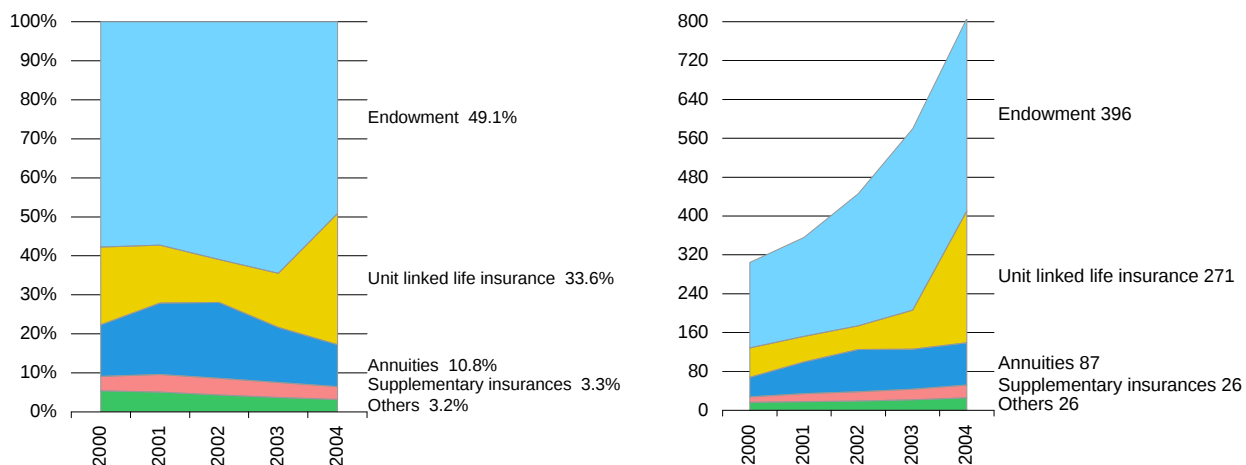


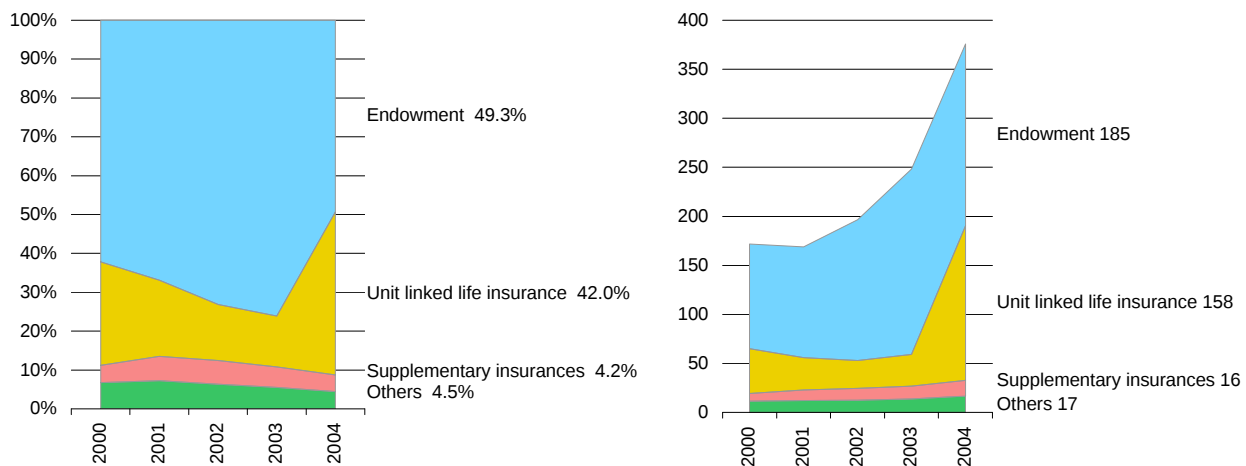
Figure 42. Distribution of period on enforcement by insurance classes, 2004

Insurance portfolio structure of life insurers (1)

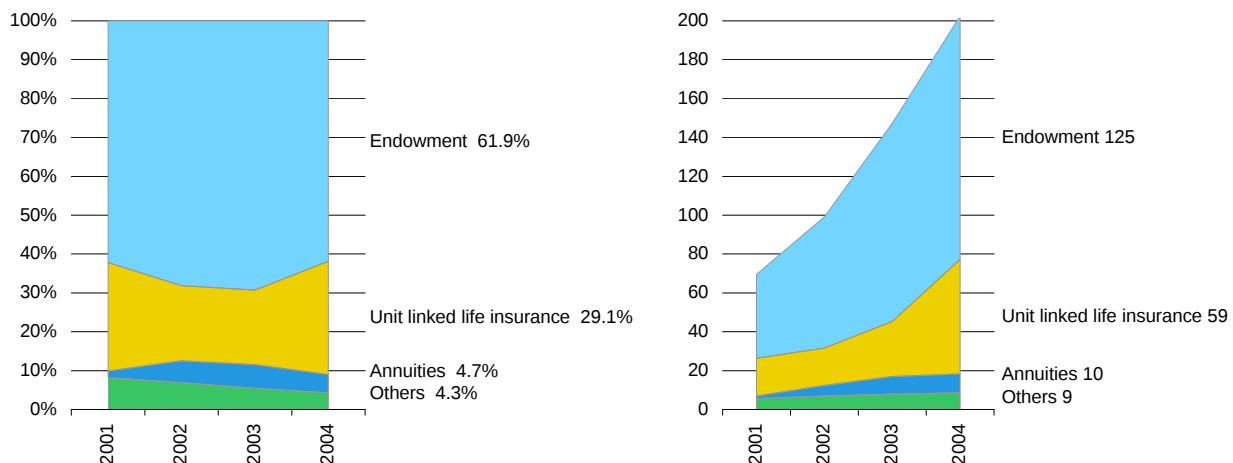
Total gross premiums of life insurers (806 million kroons)



AS Hansa Elukindlustus (376 million kroons)

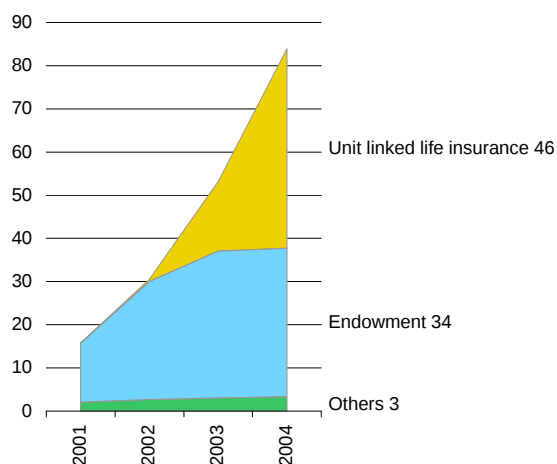
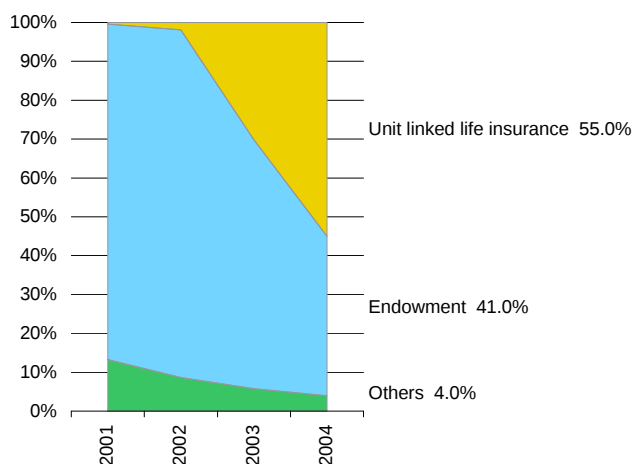


AS Ühispanga Elukindlustus (202 million kroons)

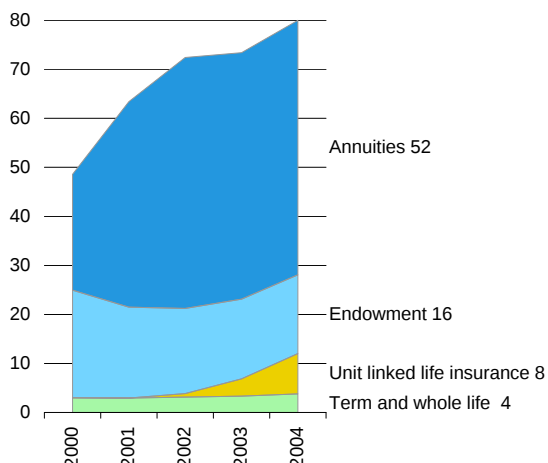
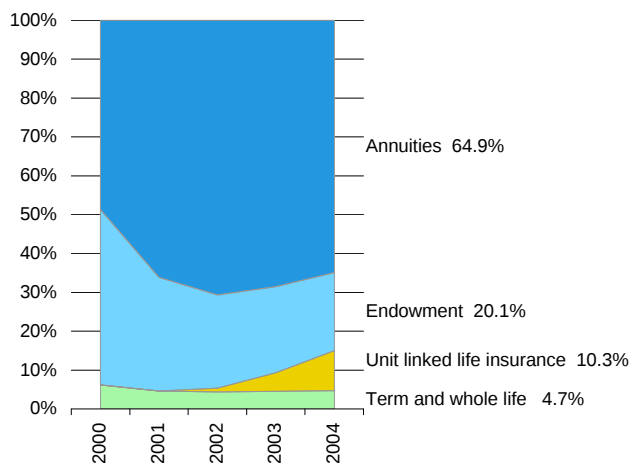


Insurance portfolio structure of life insurers (2)

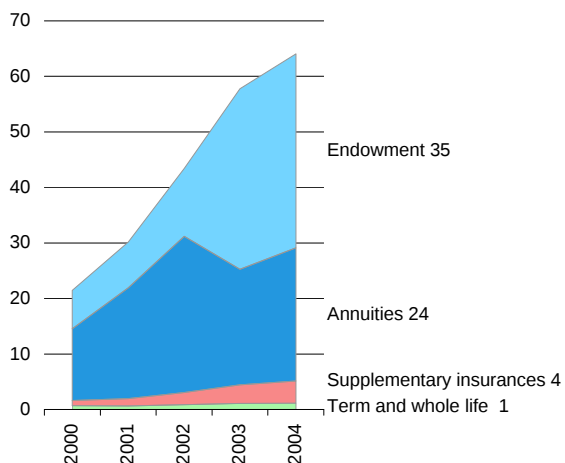
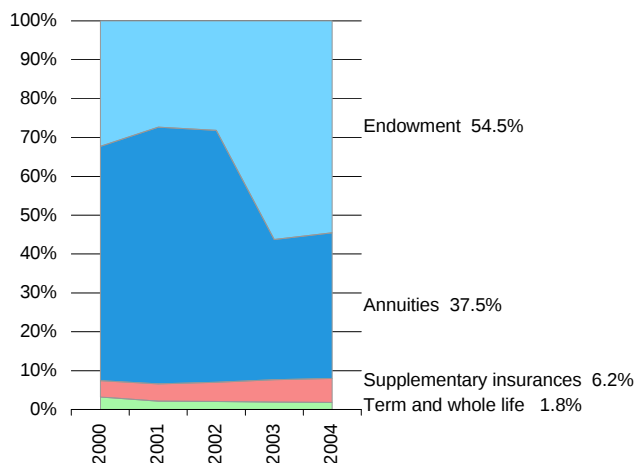
AS Sampo Elukindlustus (84 million kroons)



Seesam Elukindlustuse AS (80 million kroons)

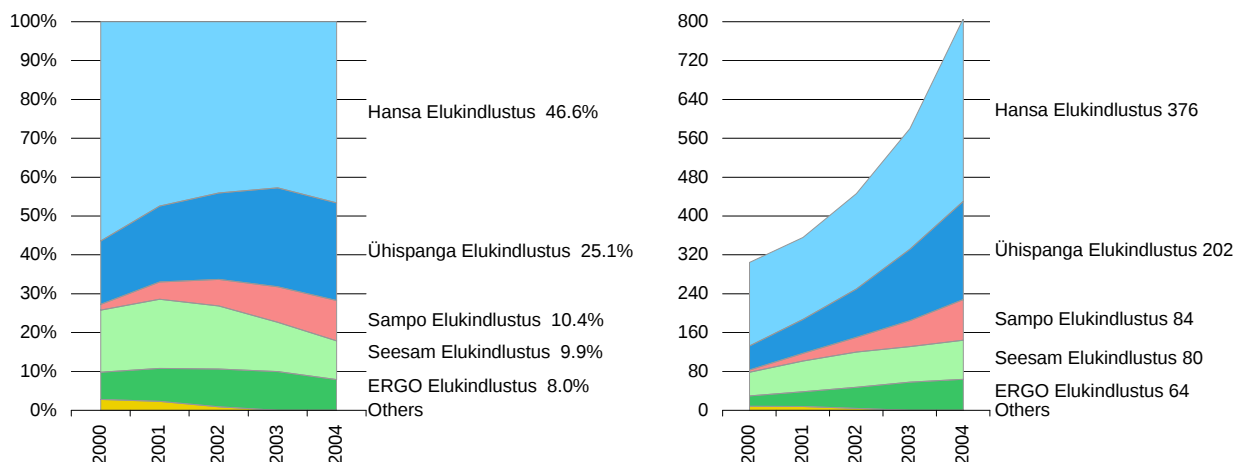


ERGO Elukindlustuse AS (64 million kroons)

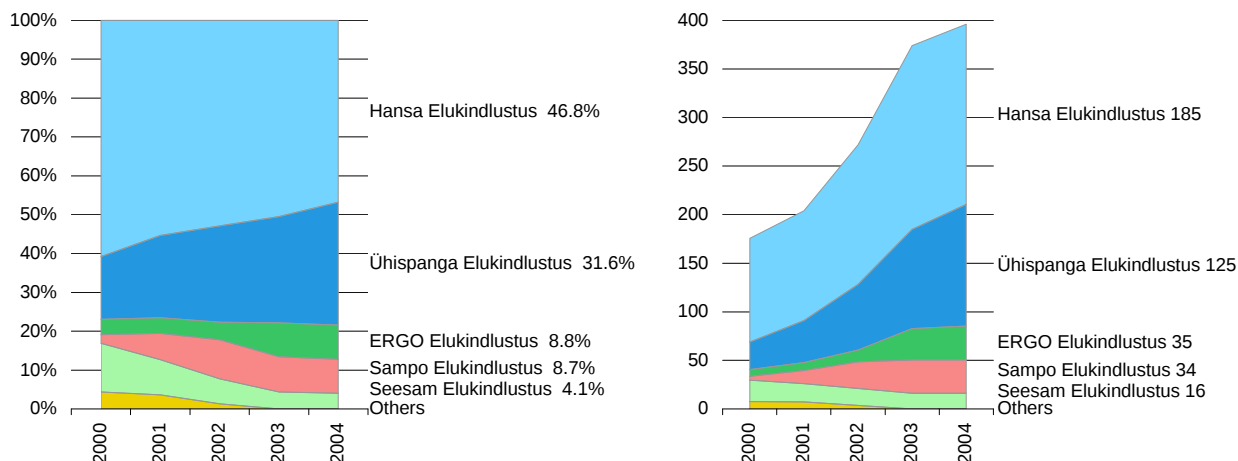


Market shares of insurers by classes of life insurance (1)

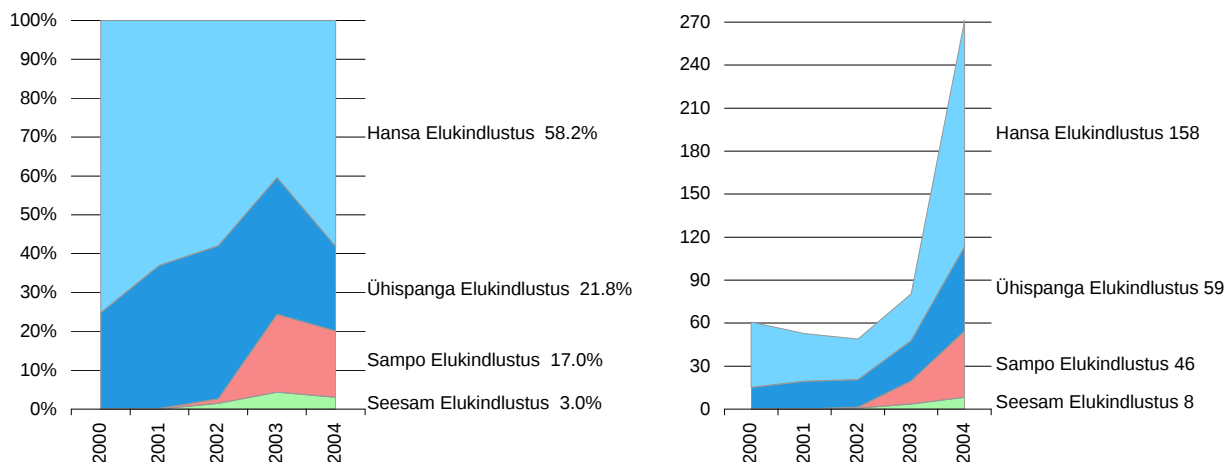
Total gross premiums of life insurance lines (806 million kroons)



Endowment insurance (396 million kroons)

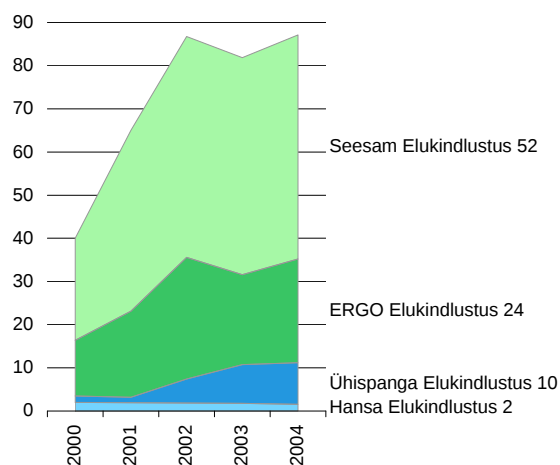
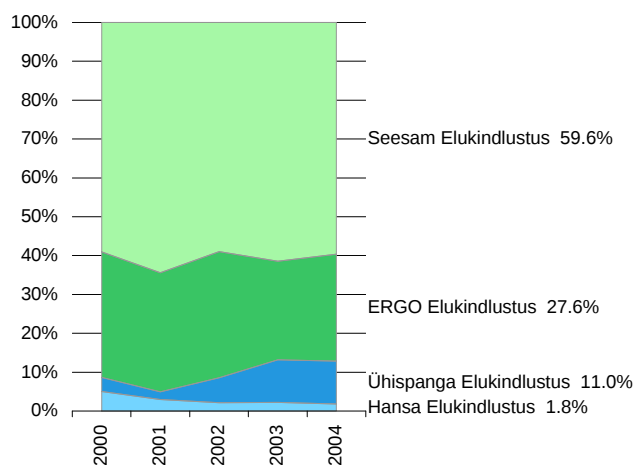


Unit linked life insurance (271 million kroons)

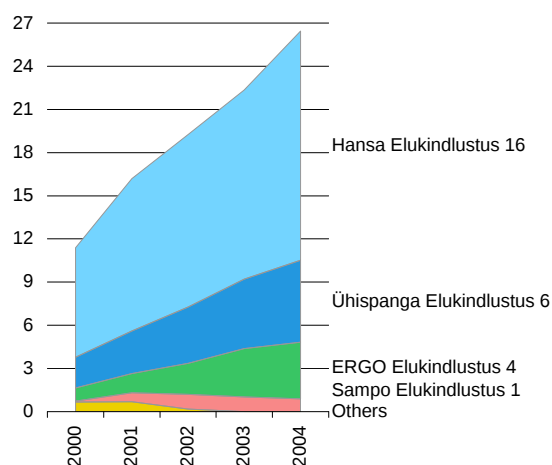
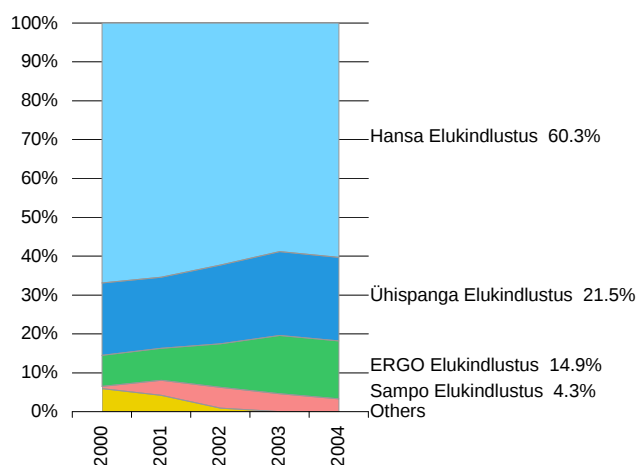


Market shares of insurers by classes of life insurance (2)

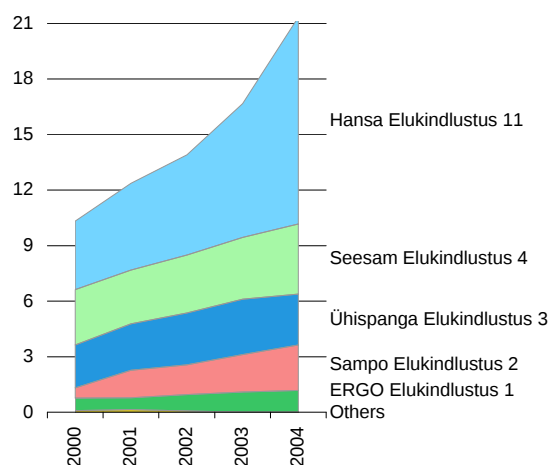
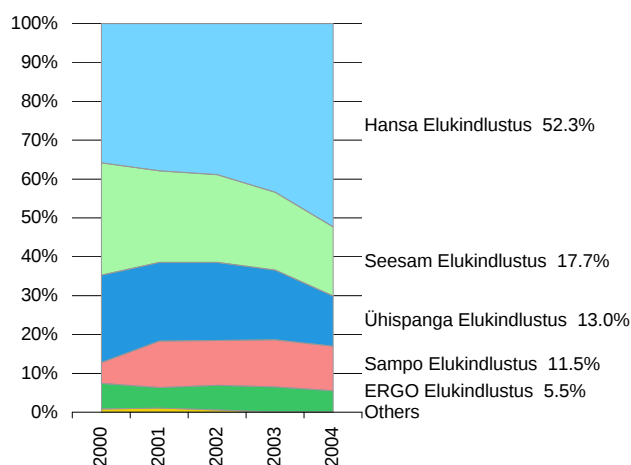
Annuities (87 million kroons)



Supplementary insurances (26 million kroons)

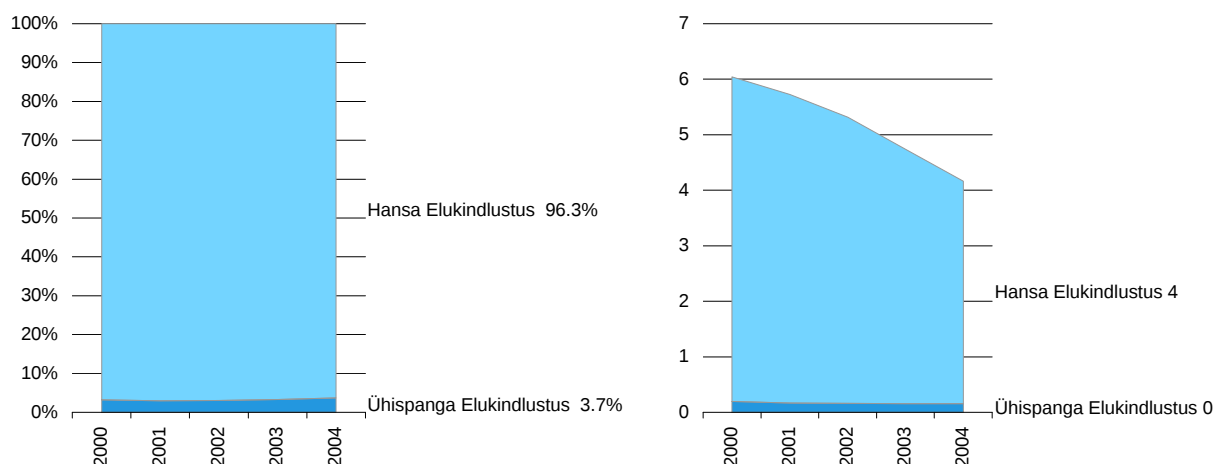


Term and whole life assurance (21 million kroons)



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

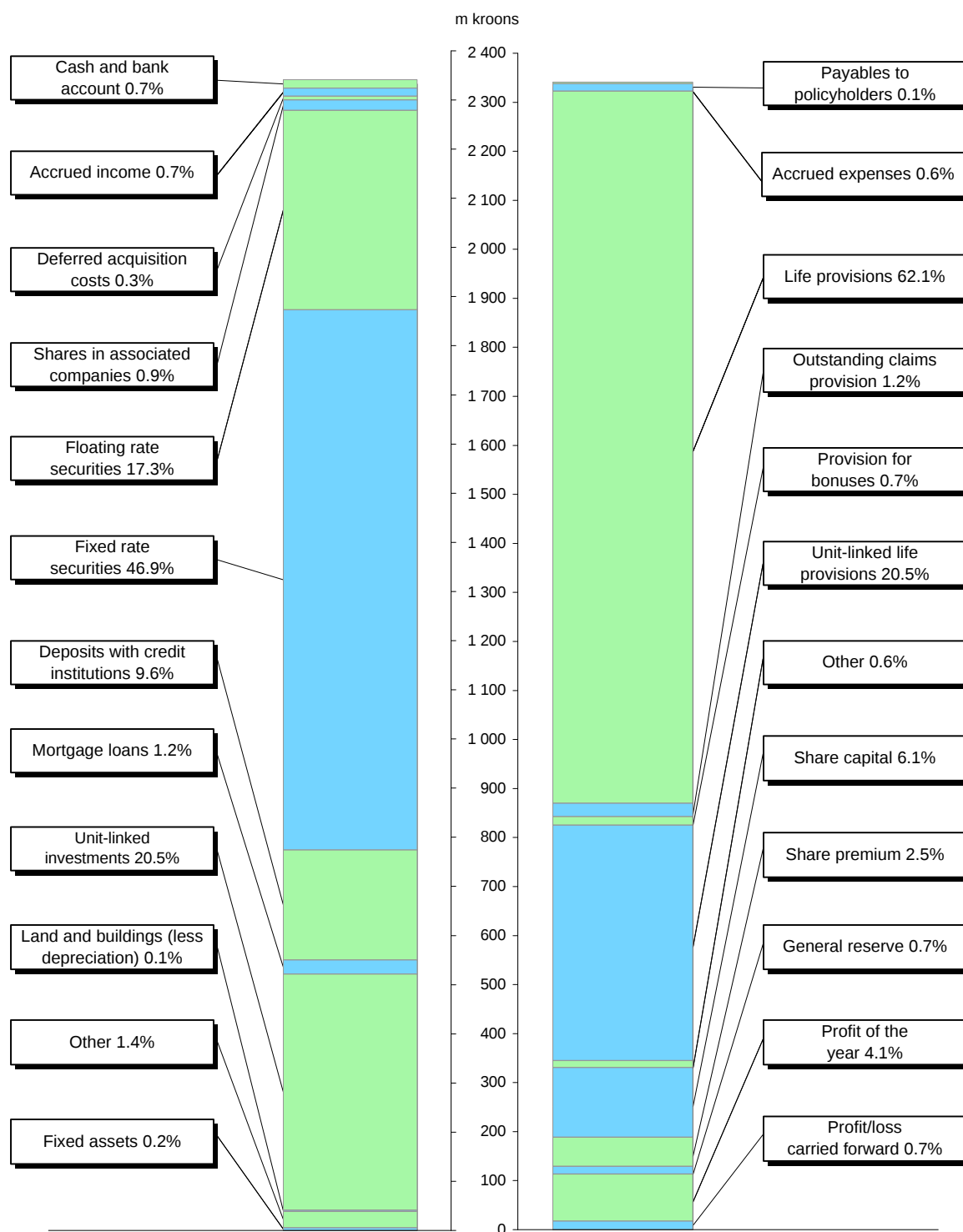
Birth and marriage assurance (4 million kroons)



Ratios of life insurers, 2004

	ERGO Elukindlustus	Hansa Elukindlustus	Sampo Elukindlustus	Seesam Elukindlustus	Ühispanga Elukindlustus	TOTAL
Gross premiums to owners' equity	186.5%	326.1%	271.4%	106.5%	269.4%	243.7%
Operating expenses to gross premiums	26.2%	6.0%	17.7%	22.6%	13.3%	12.3%
Operating expenses to annual average technical provisions	10.7%	5.6%	4.6%	10.0%	10.3%	11.9%
Investments profitability of life insurers	3.8%	7.4%	9.3%	8.4%	8.7%	7.6%
Surrender ratio	45.2%	40.3%	84.4%	40.2%	76.1%	51.1%

Structure of assets and liabilities of life insurers, 31 December 2004 (Balance volume — 2.3 billion kroons)

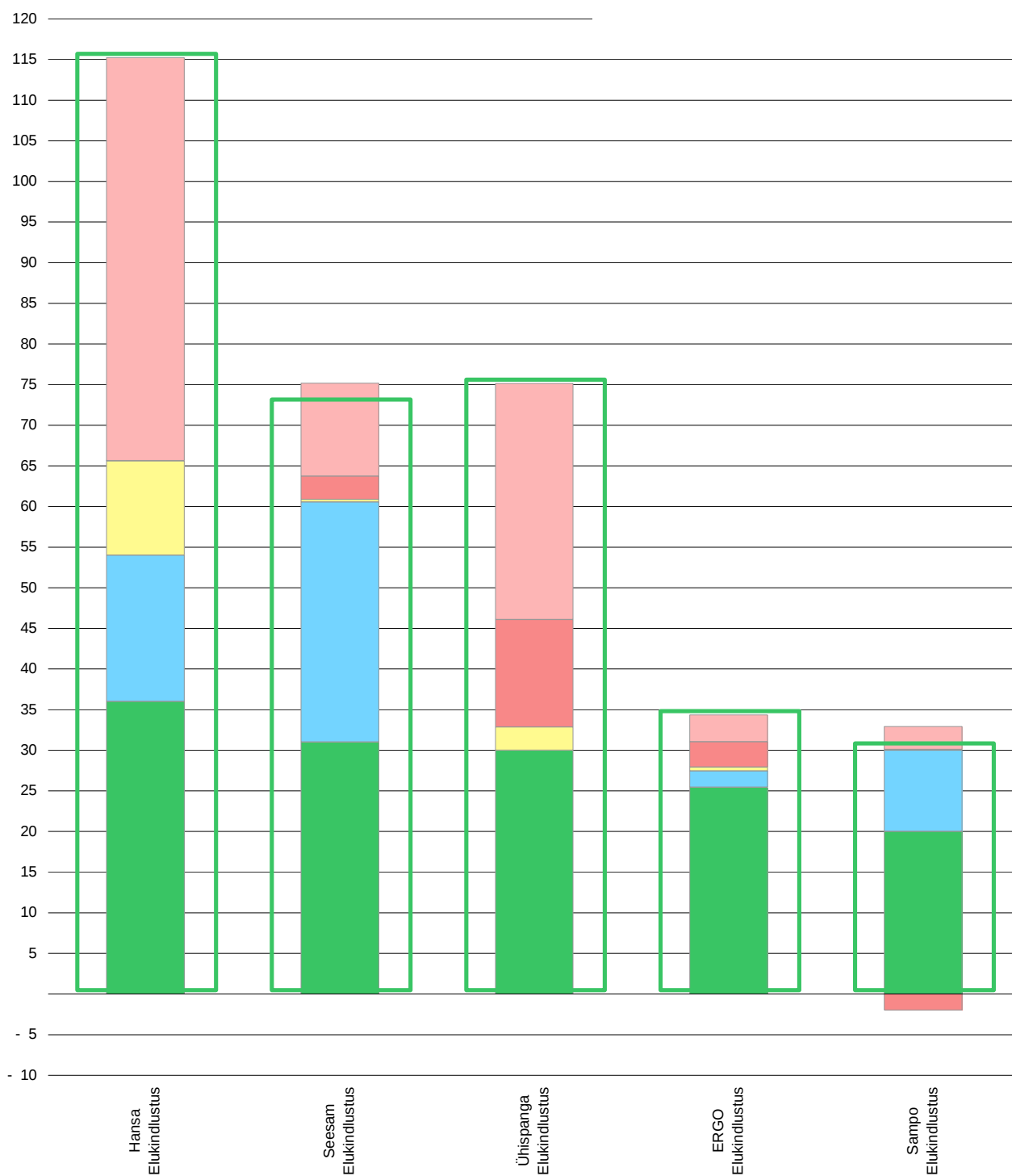


Components of owners' equity in life insurance, 31 December 2004 (million kroons)

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

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

Hansa Elukindlustus	115 245 590
Seesam Elukindlustus	72 695 410
Ühispanga Elukindlustus	75 141 087
ERGO Elukindlustus	34 358 278
Sampo Elukindlustus	30 373 596



NON-LIFE INSURANCE

NON-LIFE INSURANCE, 2004

NON-LIFE INSURANCE MARKET

Market developments

At the end of 2004, six insurance companies¹ were writing non-life insurance business and the Estonian Traffic Insurance Fund (ETIF) was writing border insurance and motor TPL reinsurance business in the Estonian market. As a whole, the non-life insurance sector comprised 74.6% of Estonian insurance market, thus the share decreasing by 3.4% in a year due to the rapid growth of life insurance.

Non-life gross premiums totaled 2.4 billion kroons (in 2003, 2.1 billion kroons). The increase in premiums slowed down to 15.1% (in 2003, 19.7%). The 2004 loss payments totaled 1.2 billion kroons (in 2003, 1 billion kroons), the increase being 15.1% (in 2003, 12.1%).

The two insurance classes prevailing in the non-life market were again motor third party liability insurance and land vehicles insurance. Their shares in gross premiums showed no significant changes (combined share being 66.9%). The 2004 market share of land vehicles insurance was 37.8% of gross premiums and that of motor third party liability insurance 29.1%. The third major insurance class was again property insurance, the share being 22.3% of gross premiums. The shares of other insurance classes remained below 3% (Figure 43).

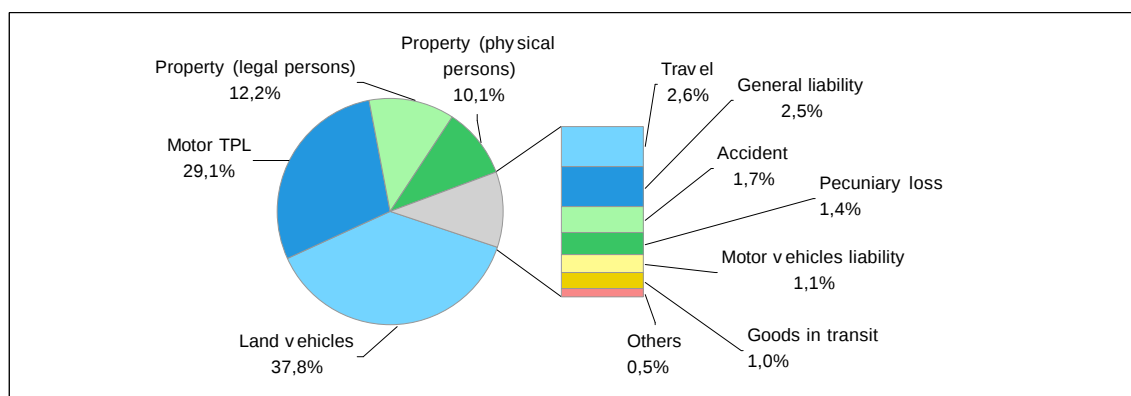


Figure 43. Market shares of non-life insurance classes, 2004

The overall proportion of non-life insurance classes remained stable also in 2004, the biggest changes being the growth of the share of land vehicles insurance by 1.4% and the drop in the share of motor third party liability insurance by 1%. The shares of other insurance classes remained virtually the same as in 2003. The growth in gross premiums of all three major insurance classes slowed down in 2004, whereas the biggest slowdown was experienced by motor third party insurance, which gross premiums increased 11.2% (in 2003, 20%). The slowdown in land vehicles insurance was smaller, the increase being 19.6% (in 2003, 24.6%). Property insurance maintained the previous pace, the increase being 15.7% (in 2003, 16.1%). Developments in the last two insurance classes were supported by the so-called loan insurance.

Although the 2004 volume of gross premiums grew as fast as the loss payments' volume, the respective figures vary greatly among insurance classes. Of major insurance classes, the volume of loss payments

¹ Excluding Zürich Kindlustuse Eesti AS

increased faster than that of gross premiums only in motor third party insurance — gross premiums increased 11.2%, whereas loss payments increased 21.7%. Gross premiums experienced faster growth than loss payments in land vehicles insurance and property insurance. The significantly faster growth of loss payments compared to gross premiums increased the 2004 gross payout ratio of motor third party liability insurance to 65.4% (in 2003, 59.8%), (Figure 44). Major increase of gross payout ratios of goods in transit insurance and miscellaneous financial loss insurance had no significant effect on summary figures of non-life insurance market for their shares in gross premiums were 1% and 1.4%, respectively. The total payout ratio of all insurance classes remained virtually on the same level as in 2003 — 49.7%.

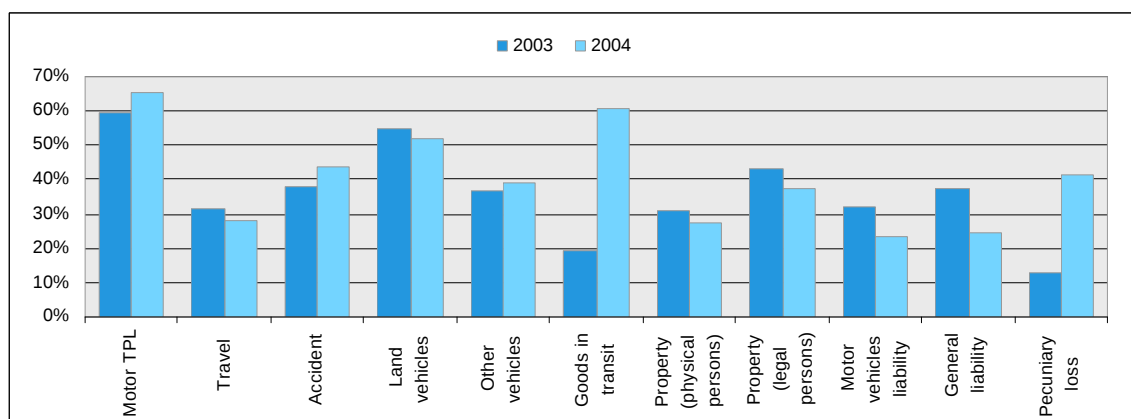


Figure 44. Gross payout ratio by non-life insurance classes, 2003—2004

The share of the Estonian Traffic Insurance Fund in direct gross premiums and loss payments was extremely small, 1.1% and 0.2% respectively. Therefore also the gross payout ratio of non-life insurers (excluding the Estonian Traffic Insurance Fund) remained on the 2003 level (in 2004, 50.2%; in 2003, 50.3%).

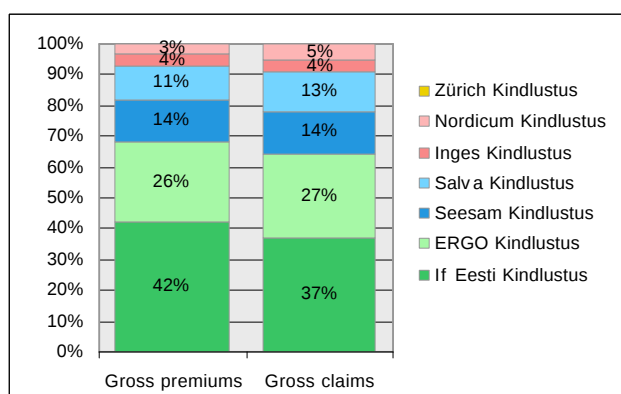


Figure 45. Market shares of non-life insurance companies, 2004

In 2004, the relatively high concentration of premium income in insurance market increased even more. The two biggest insurers writing business in the market (ERGO Kindlustuse AS and AS If Eesti Kindlustus) acquired 67.8% of the total premium income collected by non-life insurers. Total market share of the two biggest companies increased by 2.5% during the year (Figure 45).

AS If Eesti Kindlustus, the market leader among non-life insurers², reinforced its market position to 41.2% of 2004 gross premiums (in 2003, 37.1%). Market shares of other insurers either fell or remained on the same level. AS If Eesti Kindlustus was followed by ERGO Kindlustuse AS (25.9%),

² Including Estonian Traffic Insurance Fund

Seesam Rahvusvaheline Kindlustuse AS (14.1%) and Salva Kindlustuse AS (10.7%). Market shares of other non-life insurers and the Estonian Traffic Insurance Fund remained between 1%-4%.

Reinsurance

In 2004, non-life insurance premiums ceded amounted to 629.6 million kroons (in 2003, 684.6 m kroons), the annual decrease being 8.7%.

Reinsurers' loss ratio decreased significantly in 2004 (41.6% in 2004 and 62.4% in 2003), first of all caused by negative result in property insurance of legal persons (-5.7% in 2004 and 84.6% in 2003). Negative result of loss ratio is caused presumably by claims (also included in outstanding claims provision) related to events from previous periods where, as appeared in the claims handling process, there was no obligation to pay the indemnity in 2004. In addition, the reinsurers' loss ratio decreased in property insurance of physical persons (14.1% in 2004 and 30.5% in 2003) and motor TPL insurance (66.5% in 2004 and 75.7% in 2003).

In 2004, non-life reinsurance premiums captured the share of 26.7% of the total non-life premium income (Figure 46). The proportion of ceded premiums fell by 7% in comparison to 2003.

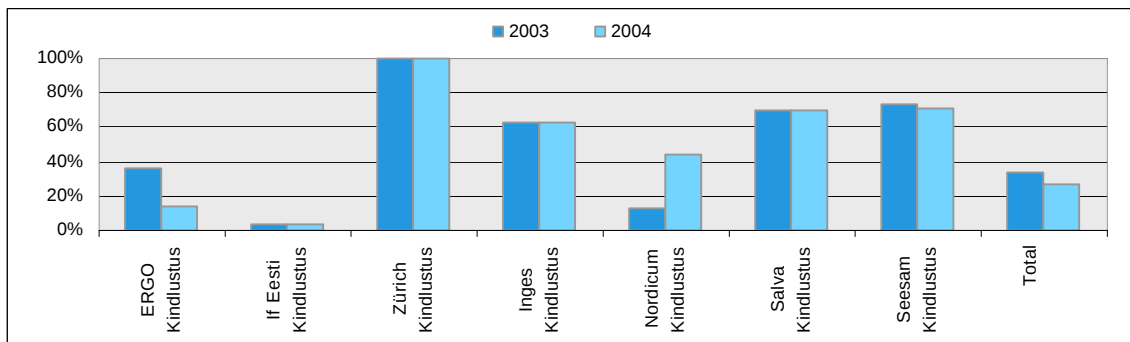


Figure 46. Reinsurance share in gross premiums by non-life insurance companies, 2003–2004

In 2004, the share of ceded premiums fell in most insurance classes. The rate of cession increased only in goods in transit insurance by 43%. Among major insurance classes, the rate of cession was the highest in property insurance of legal persons (35.1%), despite its annual decrease of almost 10 per cent (Figure 47). As to smaller insurance classes, the rate of cession was the highest in pecuniary loss insurance (50%).

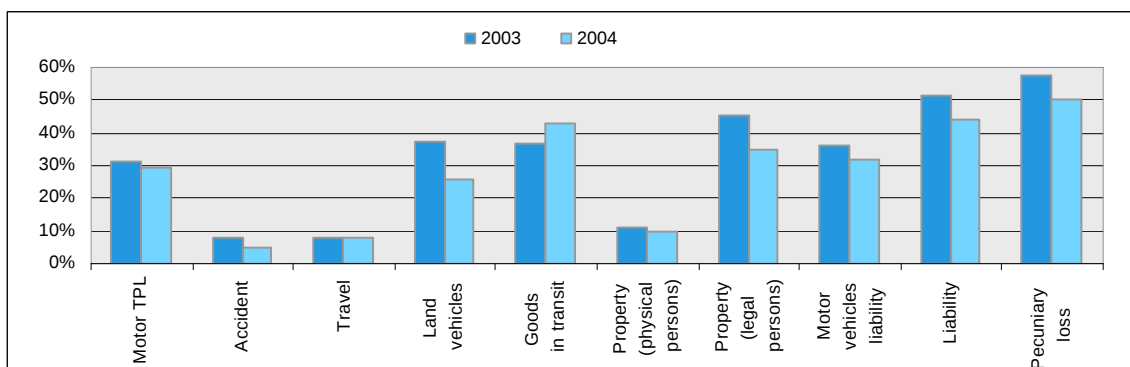


Figure 47. Reinsurance share in gross premiums by non-life insurance classes, 2003–2004

ASSETS, LIABILITIES AND TECHNICAL PARAMETERS

Assets and liabilities

The balance sheet volume of non-life insurers totaled 2.4 billion kroons at the end of 2004. Investments and cash and bank accounts amounted to 2.2 billion kroons, i.e. 91% of balance sheet volume. Investments and cash and bank accounts increased 32.2%, the increase being bigger than the growth in technical provisions.

Technical provisions (net of reinsurance) constituted 51% of investments and cash and bank accounts (in 2003, 54%). Article 77 of the Insurance Activities Act provides reservations to the investment of committed assets. In 2004, committed assets of non-life insurers outbalanced technical provisions by 11%.

The overall asset structure varies among insurers. Smaller insurers hold significant part of their assets in term deposits and cash and bank accounts. Major insurers invest mainly into fixed rate securities.

The share of fixed rate securities grew 57%. The share of term deposits remained on the same level, though their volume increased 37%). The share of floating rate securities decreased 8% (Figure 48).

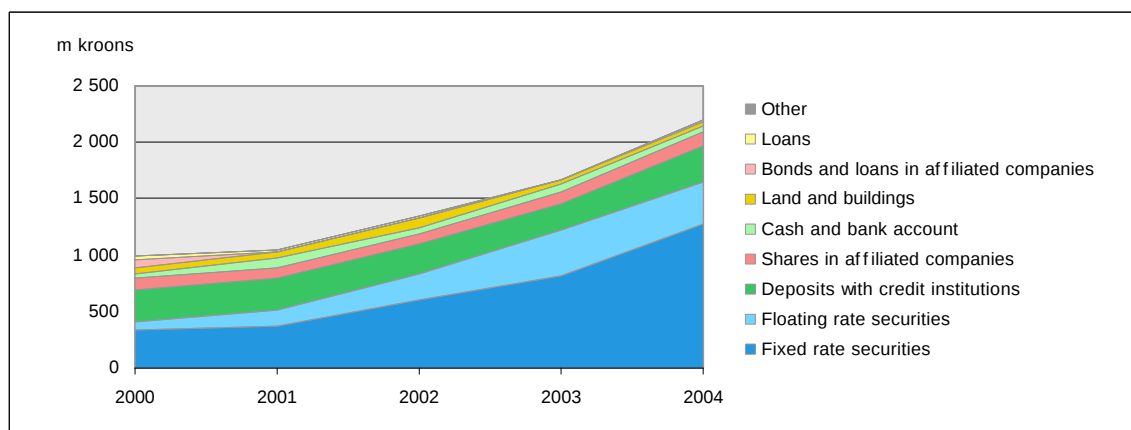
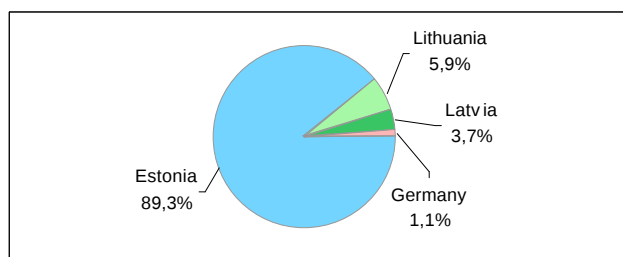


Figure 48. Assets (investments and cash and bank account) structure, 31 December 2000—2004



Investments are mainly based in Europe.

At the end of 2004, shares and other floating rate securities formed 17.1% of investments, whereas 89.3% thereof were issued in Estonia (Figure 49).

Figure 49. Floating rate financial instruments by countries, 31 December 2004

The volume of fixed rate securities outbalances the volumes of other financial instruments and therefore also more jurisdictions are presented in these investments. At the end of 2004, fixed rate securities constituted 58.1% of investments. 13.7% of fixed rate securities were securities issued in Estonia; these were followed by securities issued in Germany (12.8%) and in Finland (10.7%), (Figure 50).

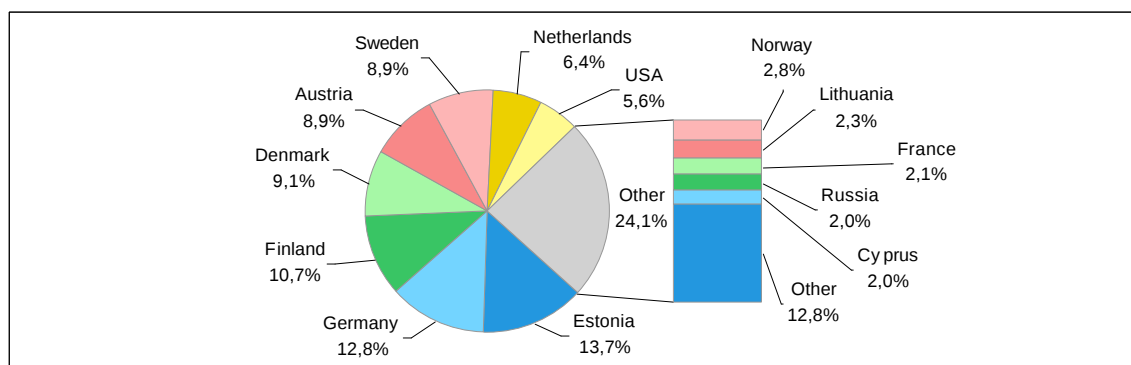


Figure 50. Fixed rate financial instruments by countries, 31 December 2004

The average investment yield was 3.7%, exceeding thus the rate of EURIBOR (Figure 51) and remaining virtually on the 2003 level (3.8%). Investment incomes outbalanced investment expenses 3.6 times (in 2003, 3.3 times).

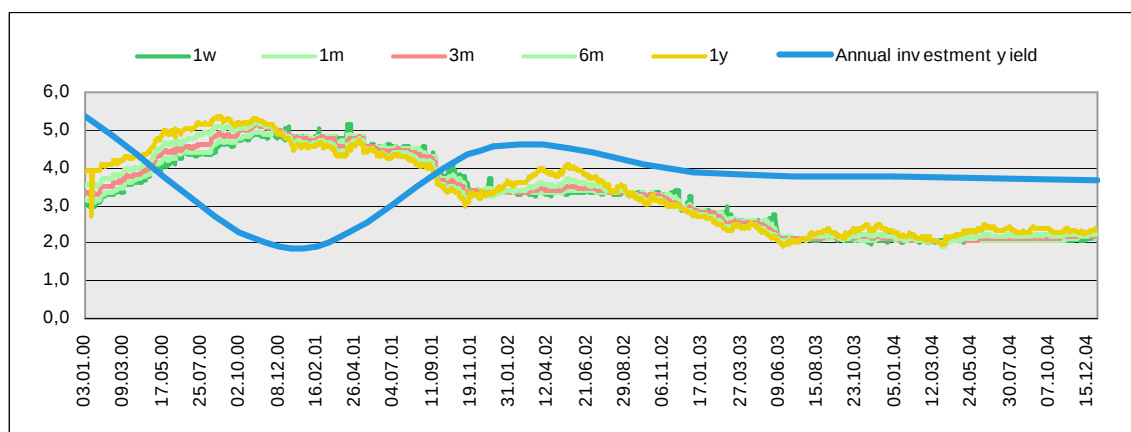


Figure 51. Investments profit and EURIBOR, 2000—2004

Technical result

Technical profit of non-life insurers amounted to 267.6 million kroons in 2004. Two trends continued — seasonality in quarterly loss ratios and the growth of profitability in 2004 compared to previous years. While the profitability was mainly caused by the situation where fixed expenses stayed stable when the premium volume increased, the significant growth in 2004 was caused by low loss ratio. The decrease of loss ratio was influenced by good results in motor vehicle insurance and property insurance.

In 2004, the gross loss ratio decreased by 10 per cent to 53.2% (in 2003, 63.2%). However, the net loss ratio decreased less but still significantly by 5.7% (58% in 2004 and 63.7% in 2003). Due to the decrease in bigger losses, the reinsurers' loss ratio fell by 20% to the all-time result of 41.6% in 2004. The loss ratio in motor TPL insurance improved also in 2004 (79.8% in net terms and 80.7% in 2003). Decrease in combined ratio to 83.2%, which reflects the profitability of non-life insurance companies, was supported by fell in expense ratio (in net terms 25.2% in 2004 and 26.8% in 2003).

Total profit of non-life insurers, including the result from investment activities, amounted to 332.5 million kroons. In 2004, five non-life insurers earned both technical and net profit.

Owners' equity of non-life insurers amounted to 1 107.5 million kroons at the end of 2004, the growth being 44.6% compared to 2003. Due to the increase of technical profit, also the profitability of owners' equity (return on equity) rose to 30% (in 2003, 21%).

Loss development

Growth in prudence was the feature characterizing the calculation of outstanding claims provision in 2004. The total gross outstanding claims provision of non-life insurers was 932 million kroons at the beginning of 2004. Re-evaluation performed at the end of 2004 proved this sum to be decreased to the level of 86% of the initially calculated amount. Thus, the initially calculated amount had been over-estimated by 131 million kroons. The respective figures for 2003 had been 94% and 45 million kroons in gross terms. The total net outstanding claims provision had also been over-estimated by 77.5 million kroons, and decreased to the level of 84% of the initially calculated amount (Table 2).

Table 2. Development of the outstanding claims provision by insurance classes (percent of the initial assessment from the beginning of 2004)

		Motor TPL	Land vechicles	Property (legal persons)	Property (physical persons)	Liability	TOTAL
Estimation of outstanding claims provision at the end of 2004	GROSS	90%	81%	81%	81%	106%	86%
	NET	84%	84%	90%	83%	89%	84%

In most insurance classes (except liability insurance) the re-evaluation of outstanding claims provision downwards is similar. In addition, there is no difference between gross and net results. Variance in liability insurance is caused by individual large IBNR losses, which are typical for this class of insurance.

Solvency

At the end of 2004, all non-life insurers were in compliance with requirements in respect of the volume of own funds (Solvency Margin). The total of insurers' required Solvency Margin (excl. Zürich Kindlustuse Eesti AS) was 324.1 million kroons. The available Solvency Margin (own funds) exceeded the required Solvency Margin 2.2 times, thus amounting to 714.5 million kroons (2.2 times in 2003).

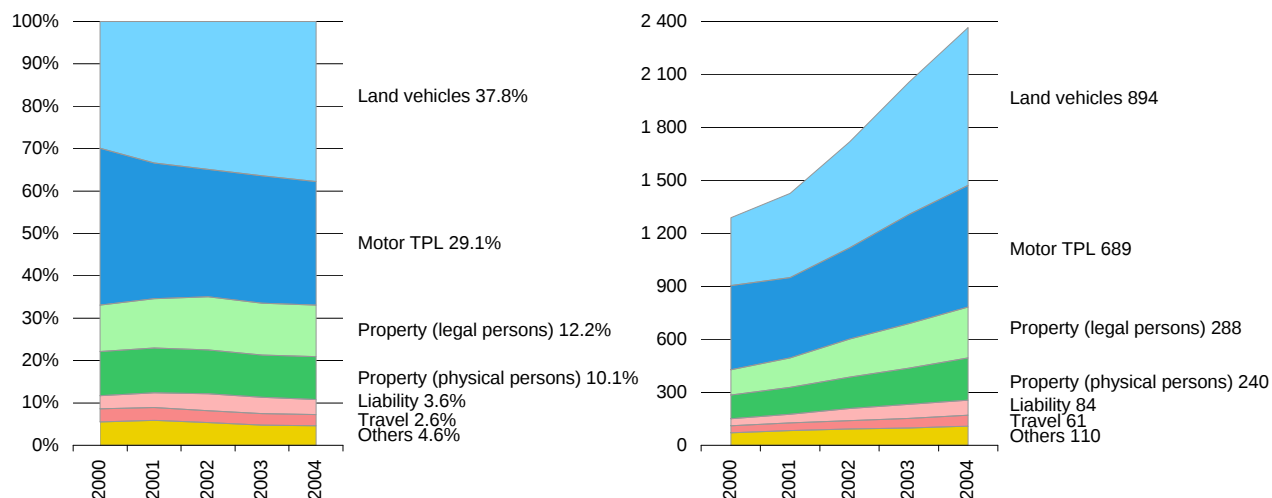
Technical provisions

Non-life insurers' technical provision totaled 1.6 billion kroons at the end of 2004 (reinsurers' share being 466.1 m kroons); thereof the provision for unearned premiums comprised 641.3 million kroons (reinsurers' share being 116.9 m kroons) and the outstanding claims provision 955.9 million kroons (reinsurers' share being 349.2 m kroons).

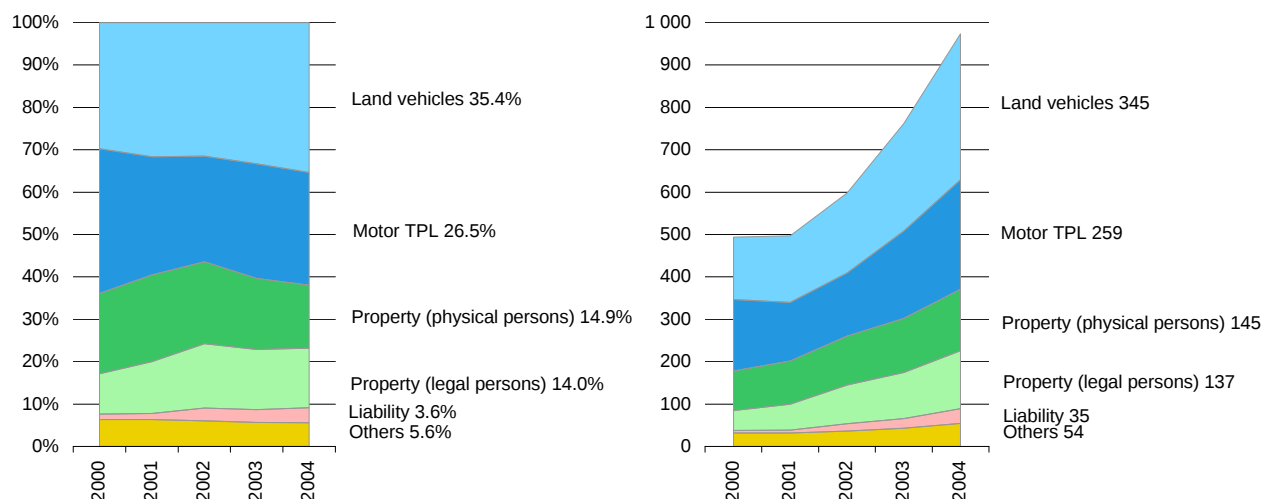
The total of committed assets (1.1 billion kroons in net from reinsurance) was 1.2 billion kroons at the end of 2004, thus the coverage of technical provisions was 111.4%.

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

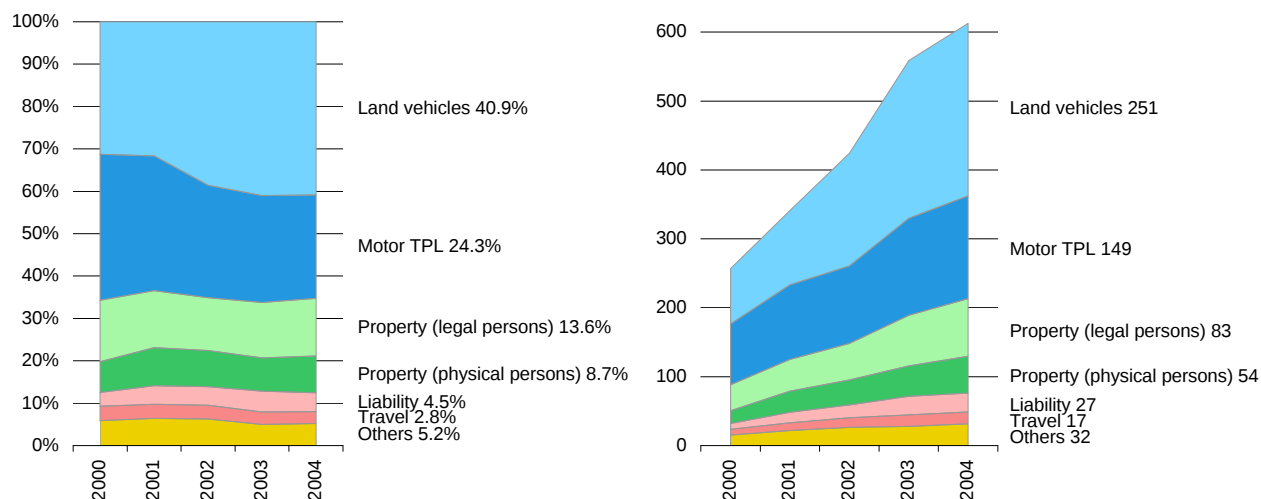
Total gross premiums of non-life insurers (2.4 billion kroons)



AS If Eesti Kindlustus (974 million kroons)



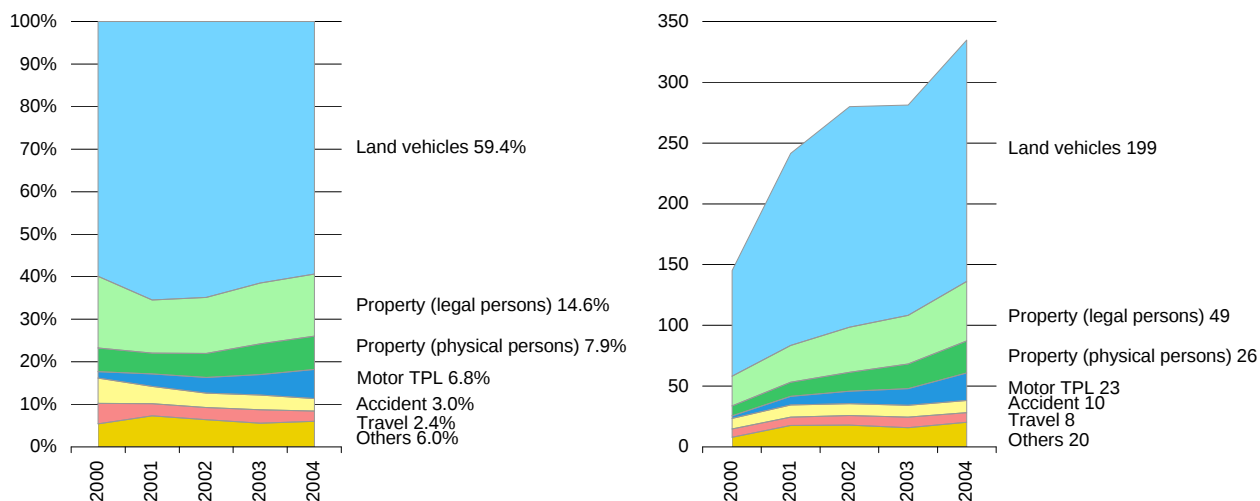
ERGO Kindlustuse AS (613 million kroons)



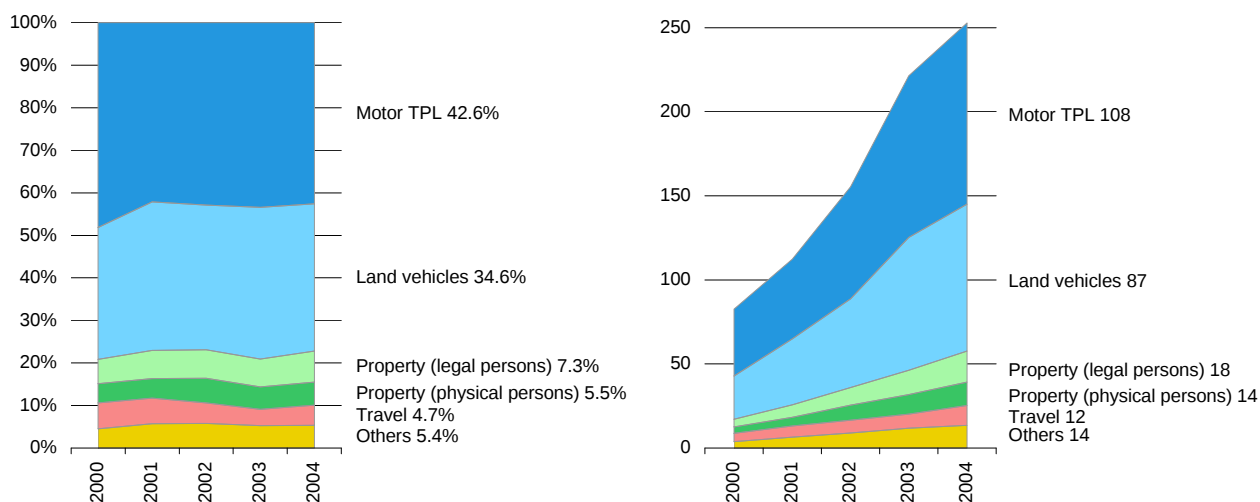
* Only direct insurance

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

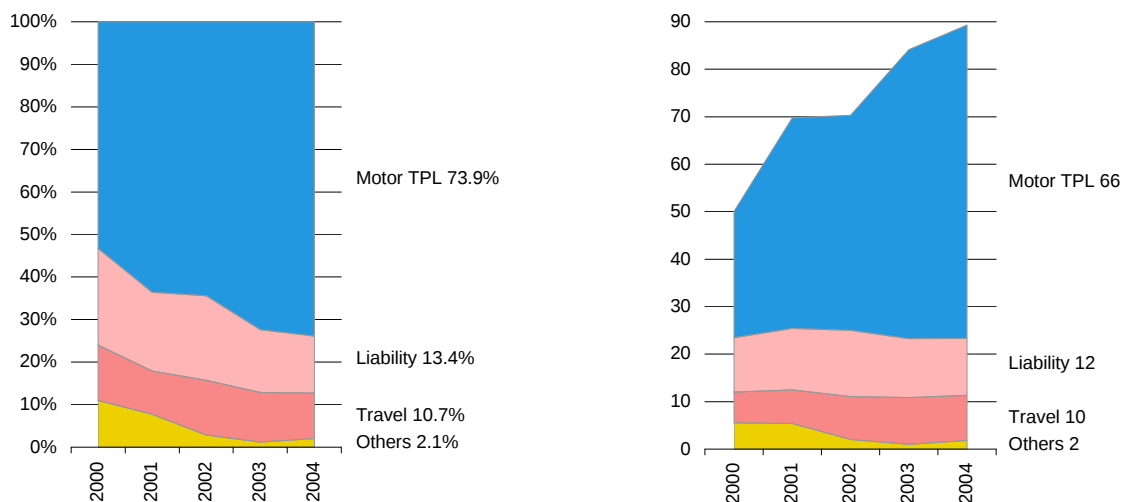
Seesam Rahvusvaheline Kindlustuse AS (335 million kroons)



Salva Kindlustuse AS (253 million kroons)



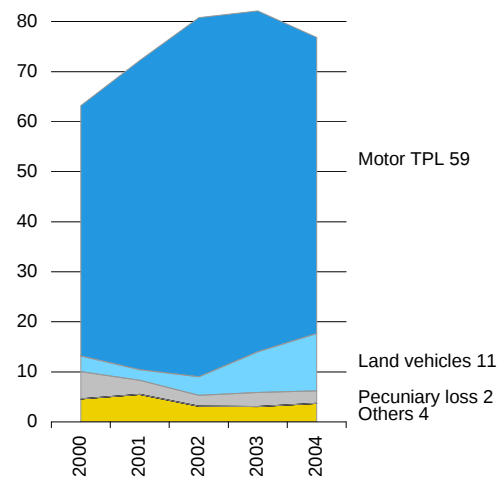
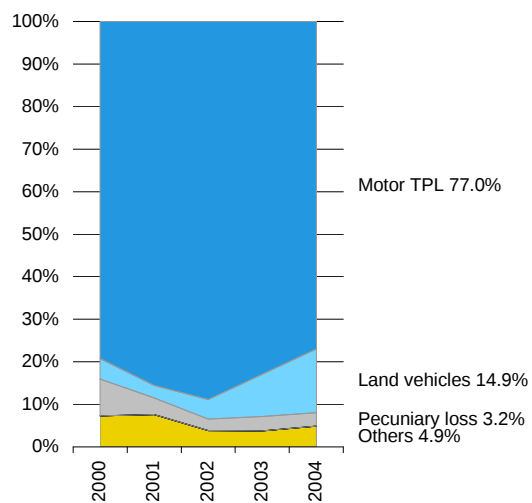
AS Inges Kindlustus (89 million kroons)



* Only direct insurance

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

Nordicum Kindlustuse Eesti AS** (77 million kroons)

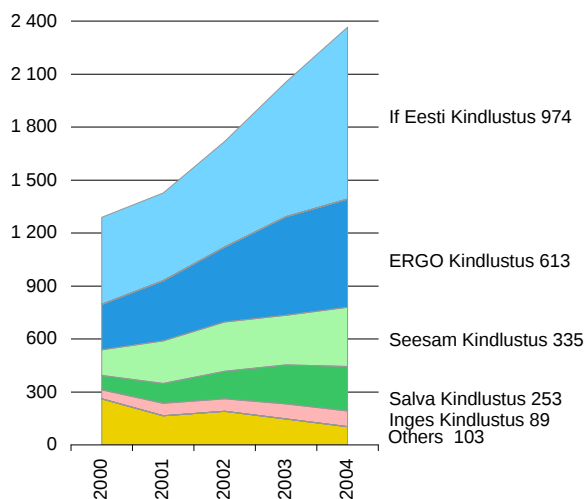
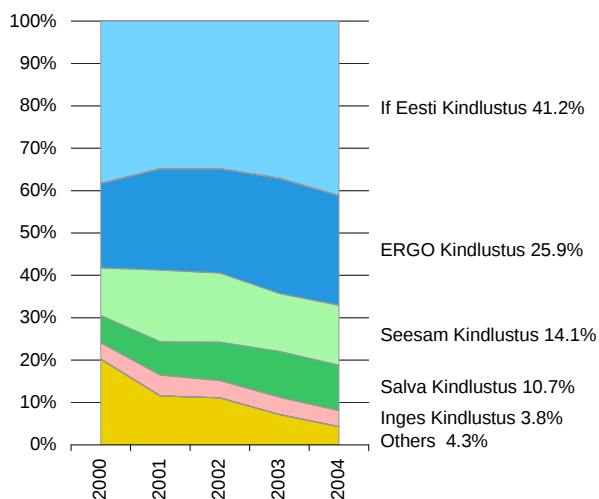


* Only direct insurance

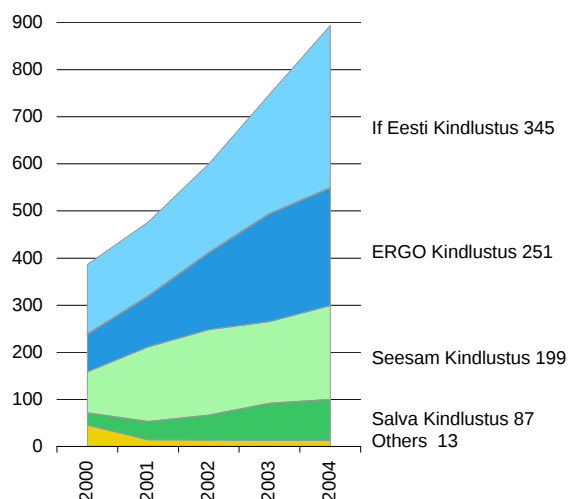
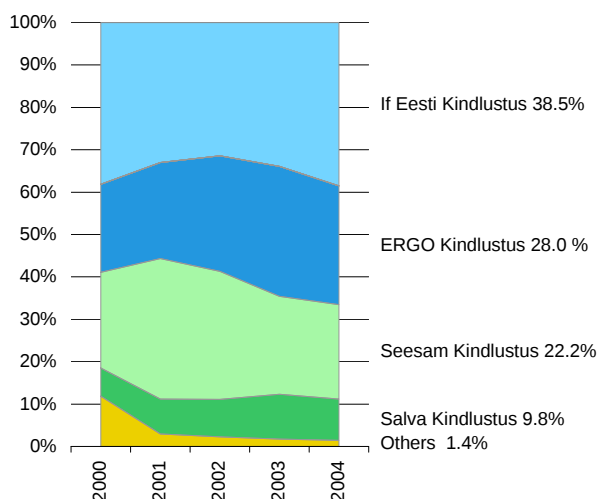
* Until 2001 data of Nordika Kindlustuse AS (transferred its insurance portfolio to Nordinum Kindlustuse Eesti AS)

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

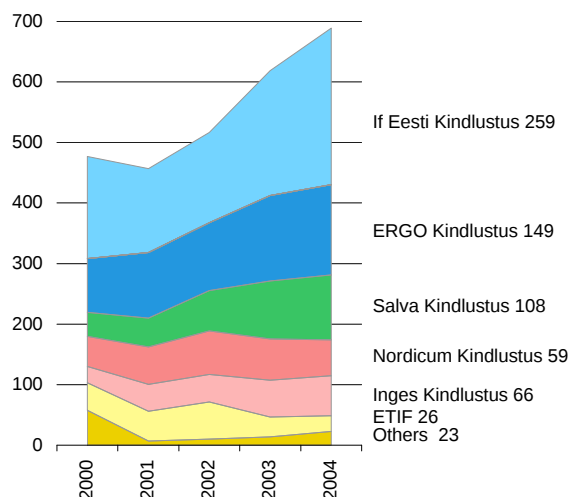
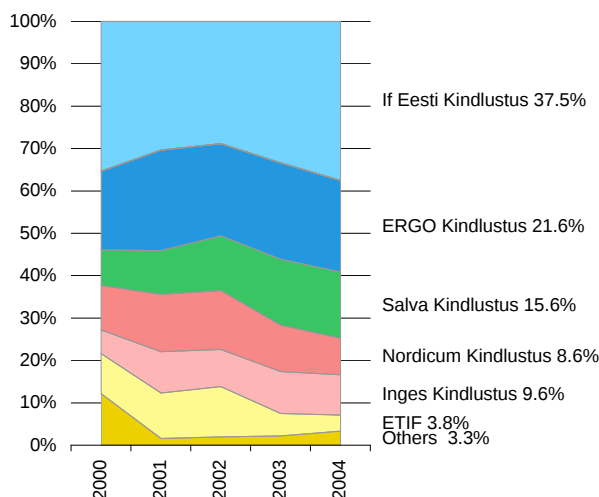
Total gross premiums of non-life insurance classes* (2.4 billion kroons)



Land vehicles insurance (894 million kroons)



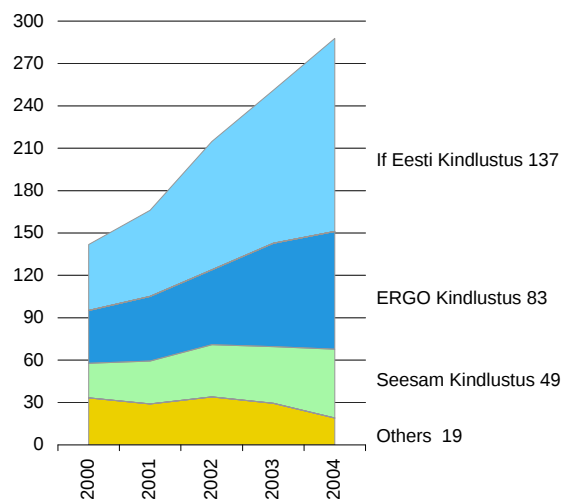
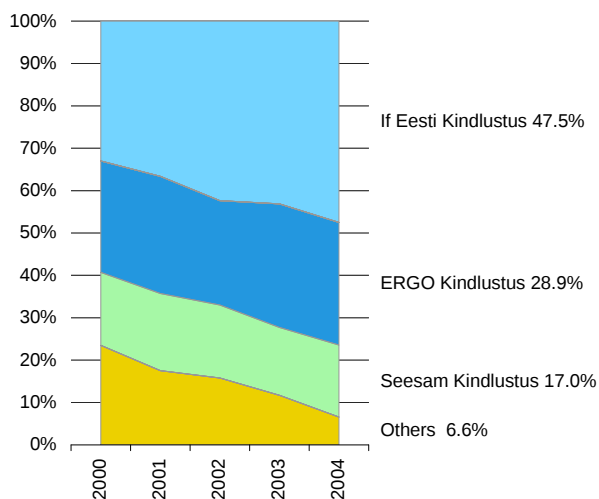
Motor TPL insurance (689 million kroons)



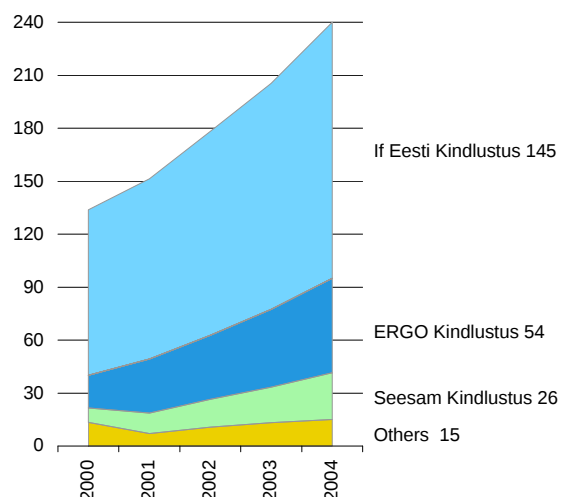
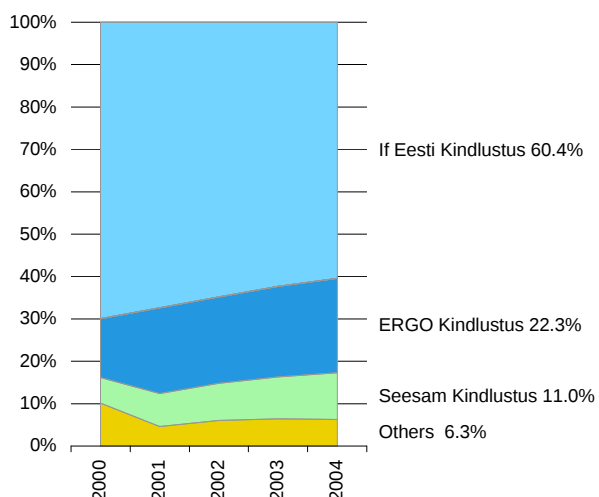
* Only direct insurance

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

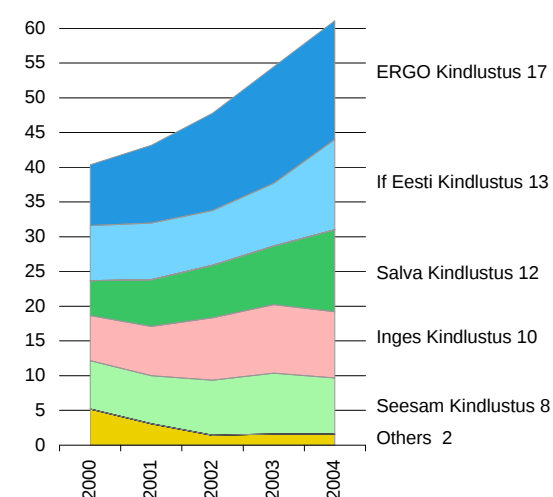
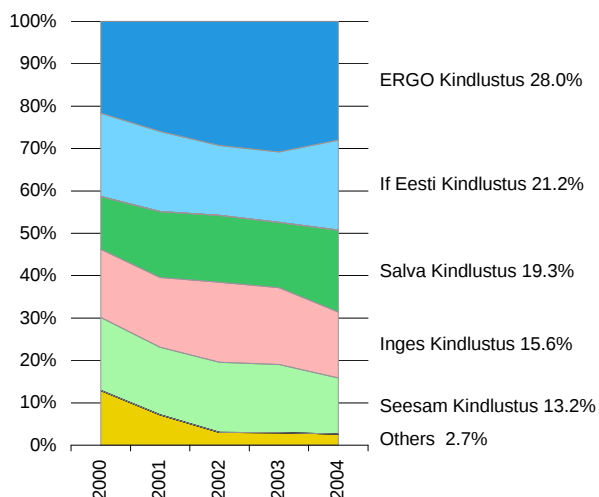
Property insurance (legal persons) (288 million kroons)



Property insurance (physical persons) (240 million kroons)

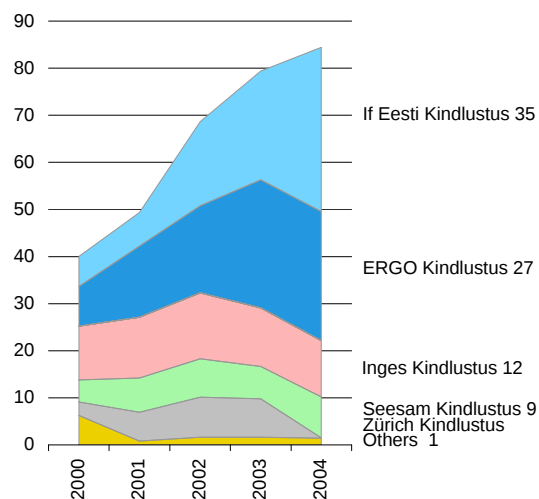
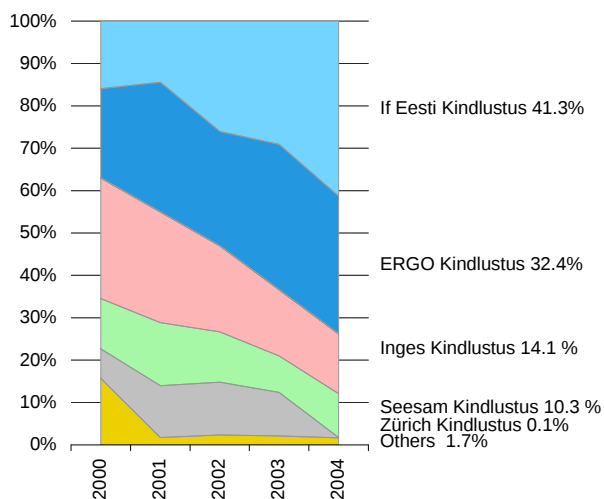


Travel insurance (61 million kroons)

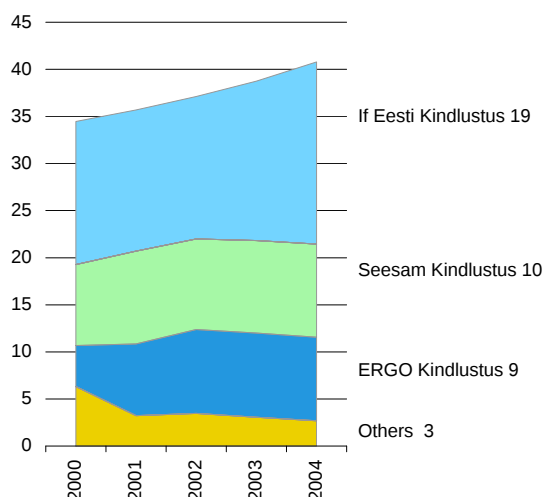
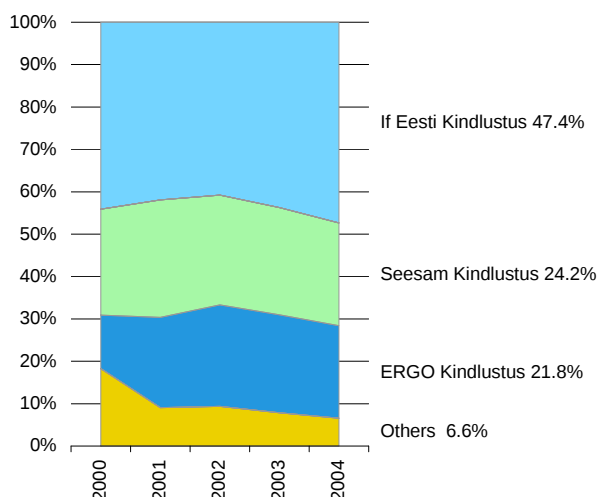


Market shares of insurers by classes of non-life insurance (3)

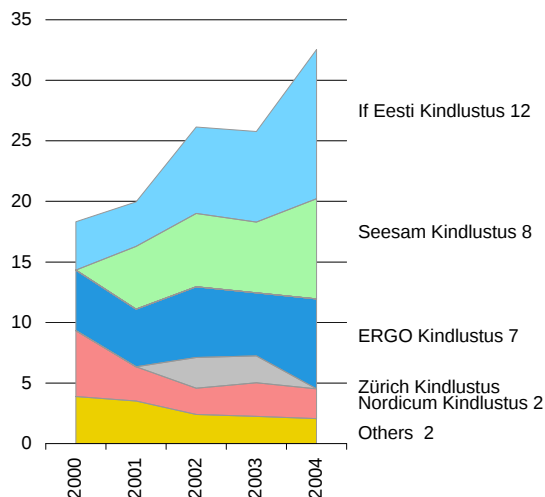
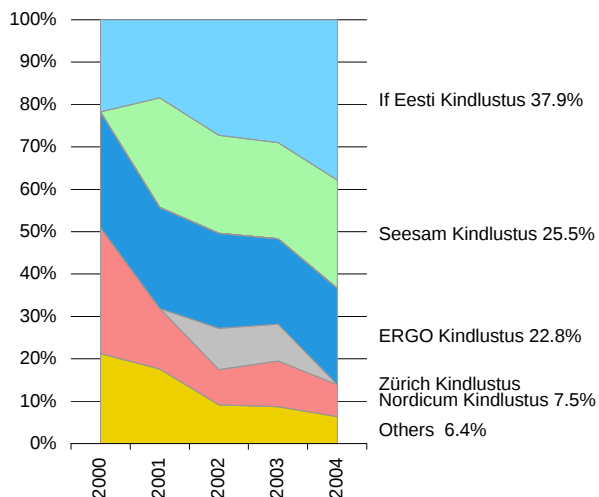
Liability insurance (84 million kroons)



Accident insurance (41 million kroons)

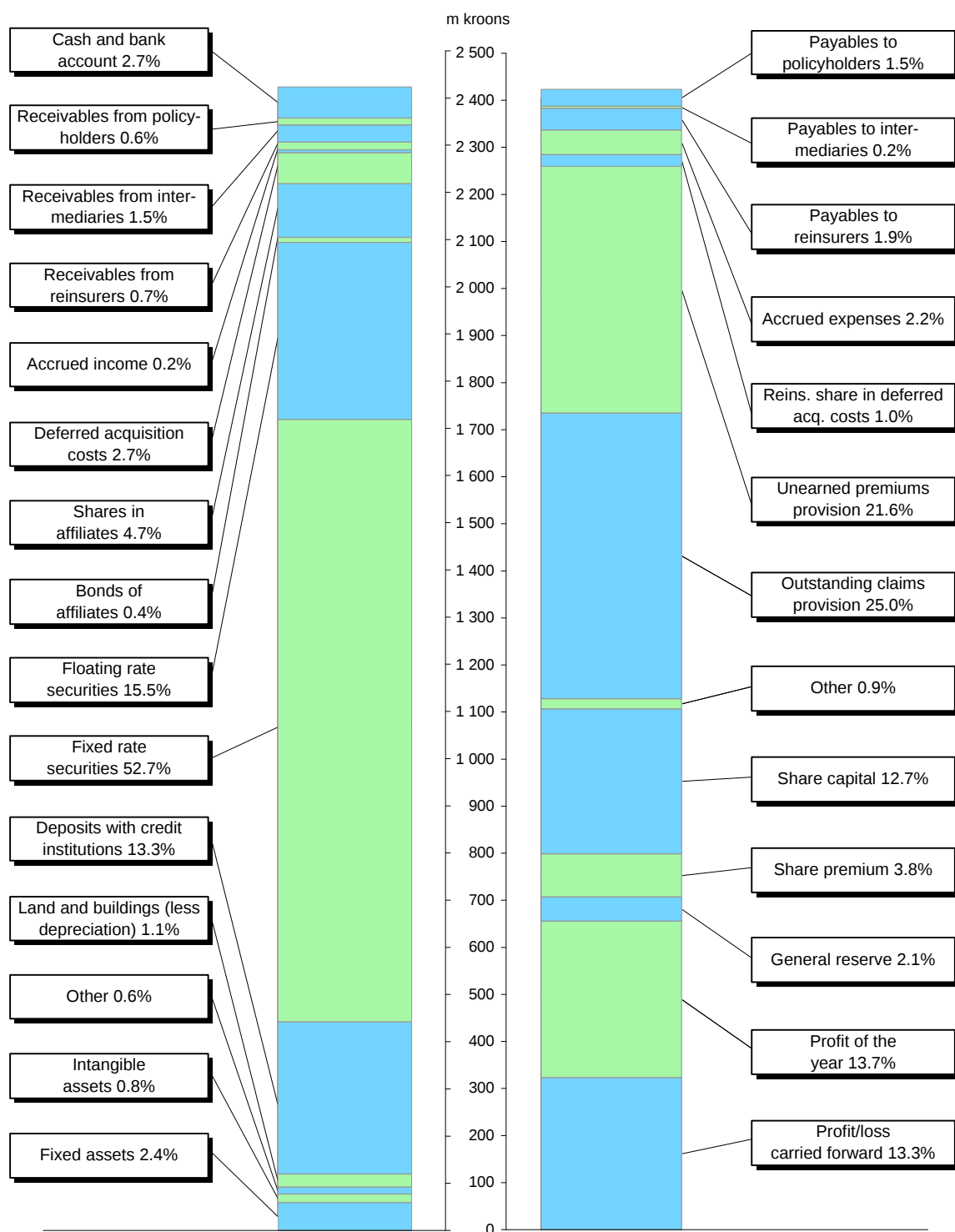


Insurance for pecuniary loss (33 million kroons)

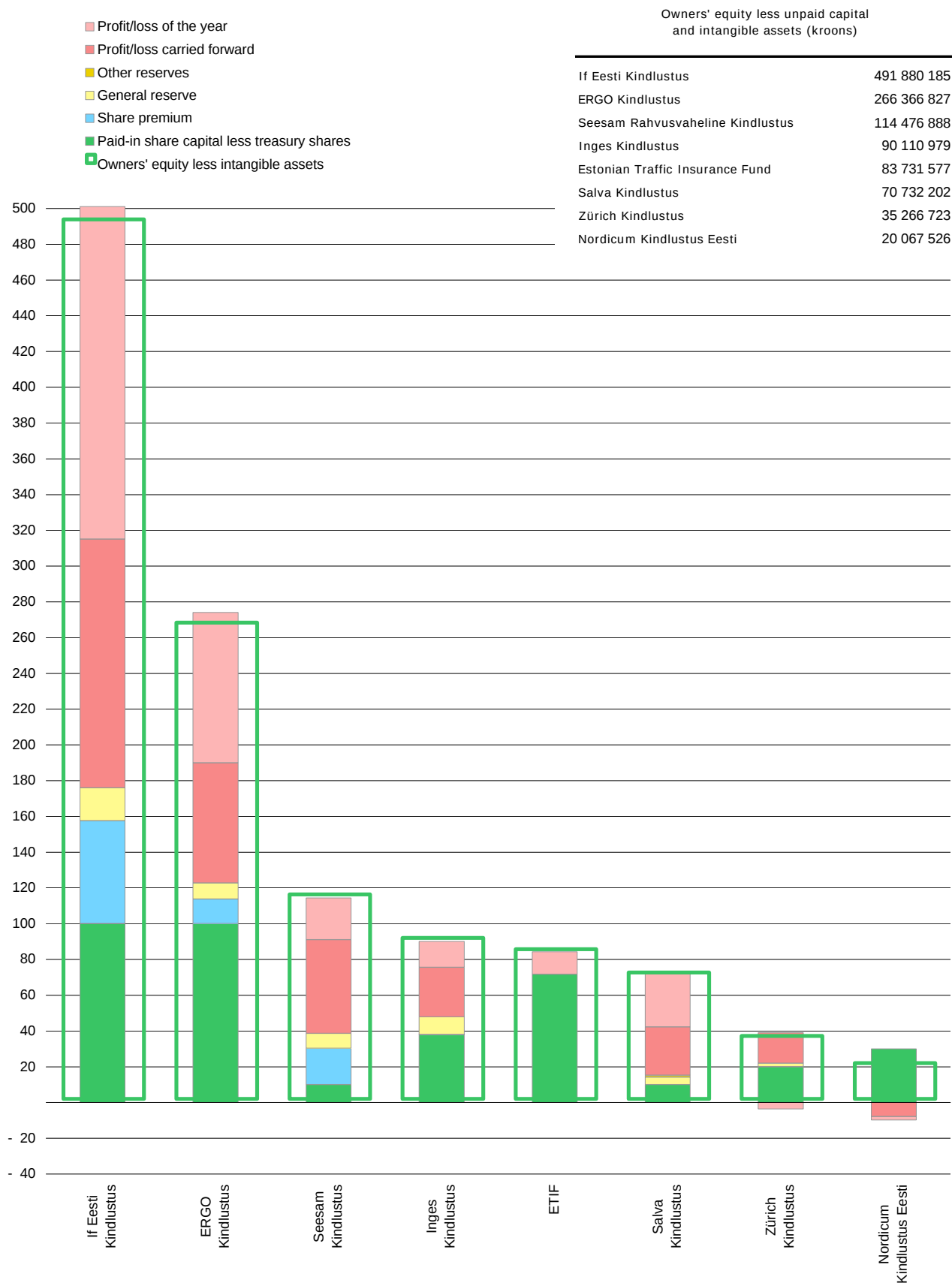


Structure of assets and liabilities of non-life insurance companies, 31 December 2004

(Balance volume — 2.4 billion kroons)



Components of owners' equity in non-life insurance, 31 December 2004 **(million kroons)**



COMMENTS TO RATIOS OF NON-LIFE INSURANCE

In all ratios the premiums have been decreased by mandatory transfers to Estonian Traffic Insurance Fund (2,4%¹ of motor TPL premiums, included in "Other technical charges" in profit/loss account) since these transfers do not participate directly in indemnification of losses arising from contracts concluded by insurers concerned.

Changes in other technical provisions have been added to denominator due to their essence - changes in unexpired risk provisions (URP).

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

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

OCP and UPP stand for outstanding claims provision (incl. changes in motor TPL pension provision) and unearned premiums provision, respectively.

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

The following ratios are used:

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

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

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

$$\text{Reinsurers' loss ratio} =$$

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

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

¹ In 2004

Reinsurers' combined ratio = reinsurers' loss ratio + reinsurers' expense ratio

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

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

Net combined ratio = net loss ratio + net expense ratio

$$\text{Gross payout ratio} = \frac{\text{claims paid (indemnities} + \text{claim handling expenses} - \text{subrogation and salvage)}}{\text{gross premiums}}$$

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

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

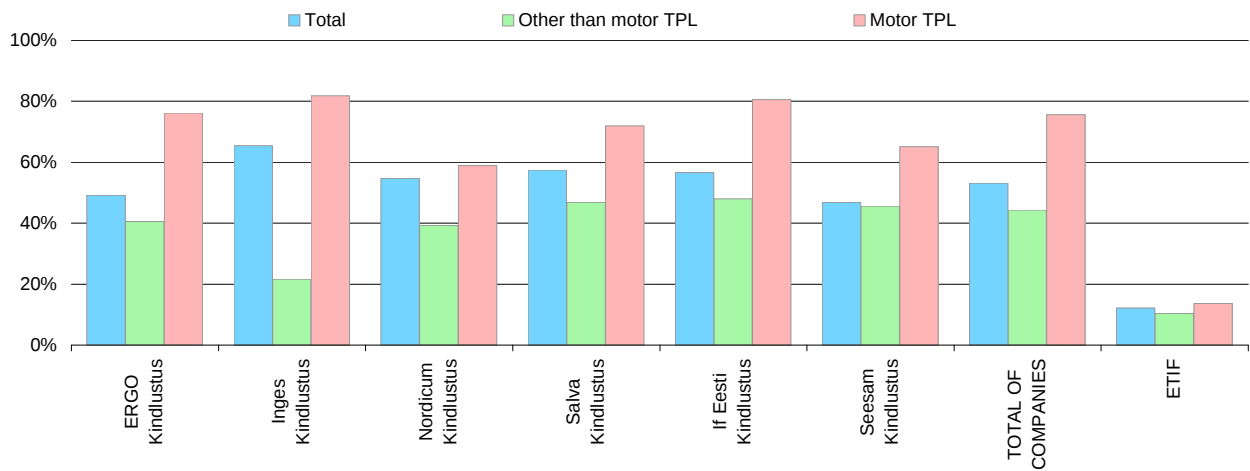
$$\text{Gross expense ratio (not adjusted by changes in DAC and UPP)} = \frac{\text{operating expenses} + \text{administrative expenses}}{\text{gross premiums}}$$

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

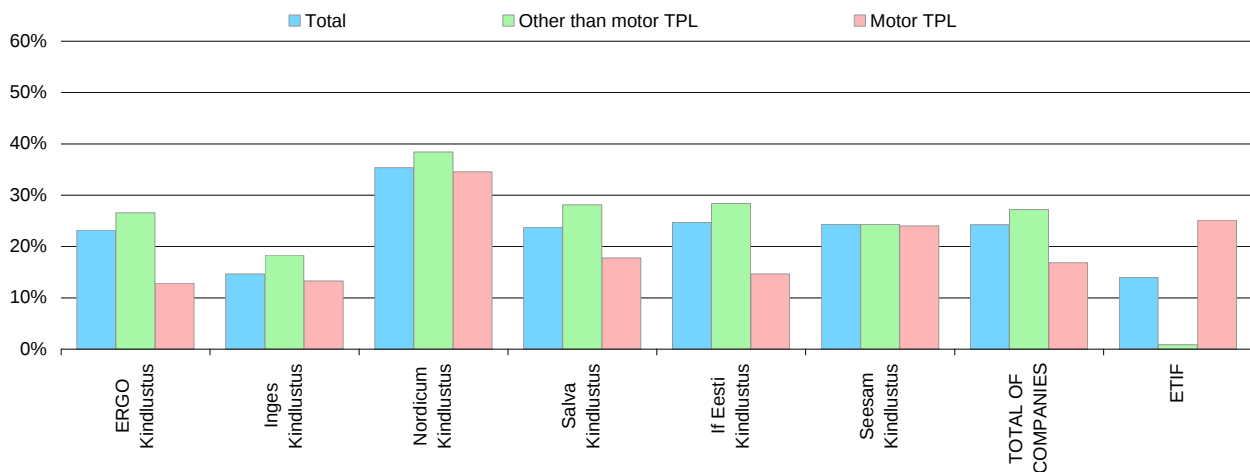
$$\text{Reinsurers' expense ratio (not adjusted by changes in DAC and UPP)} = \frac{\text{reinsurance commissions}}{\text{premiums ceded}}$$

Main ratios of non-life insurers, 2004 (1)

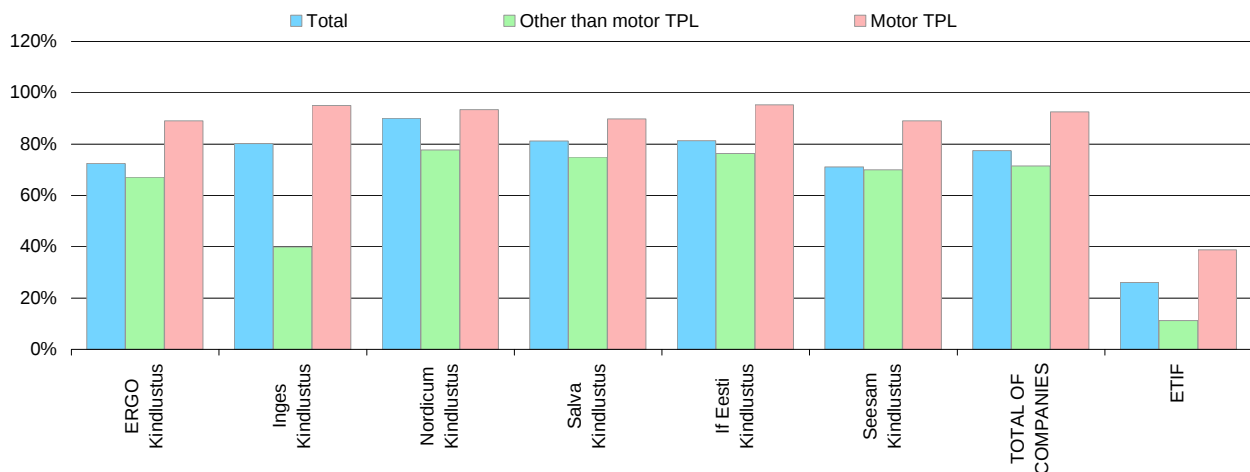
Gross loss ratio



Gross expense ratio

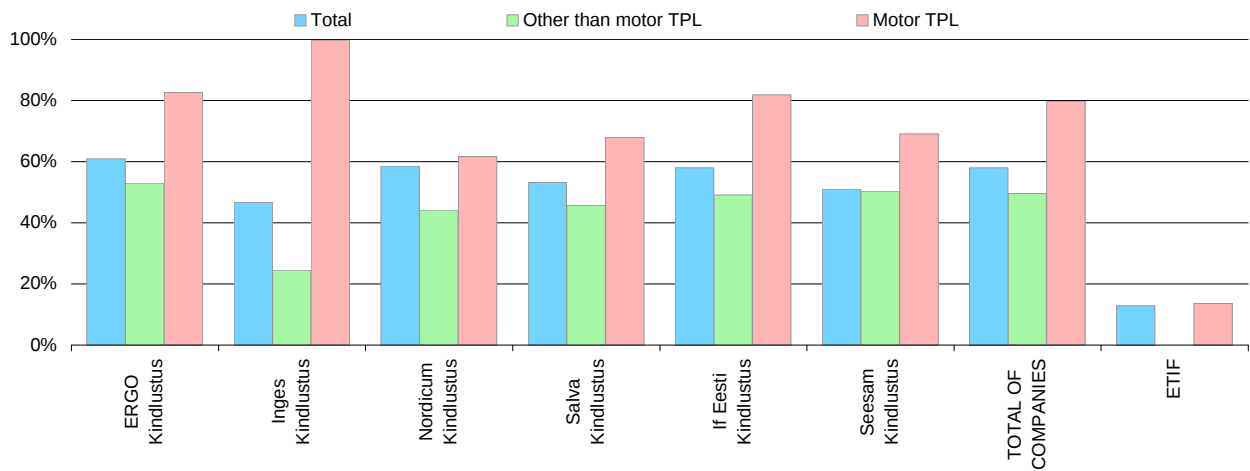


Gross combined ratio

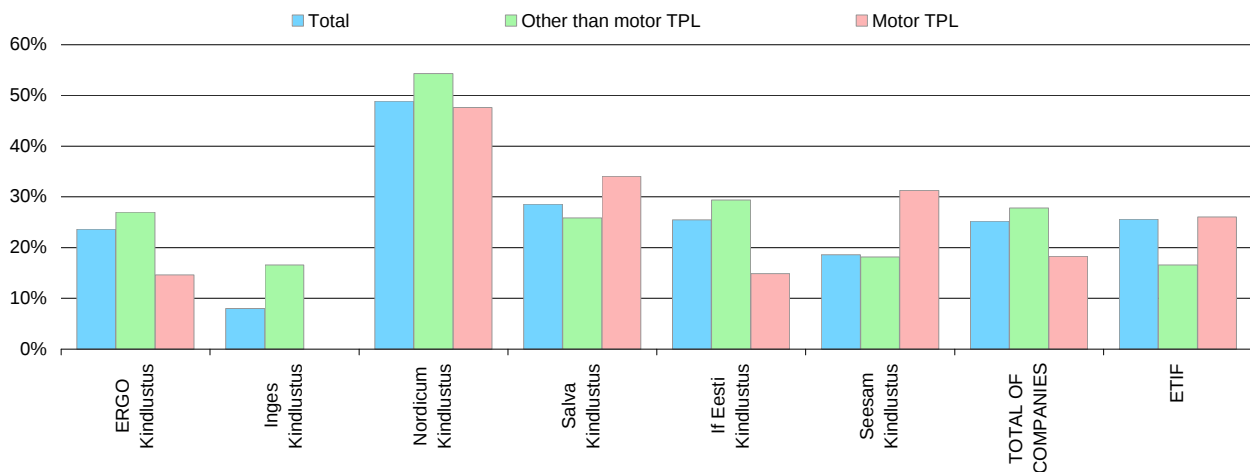


Main ratios of non-life insurers, 2004 (2)

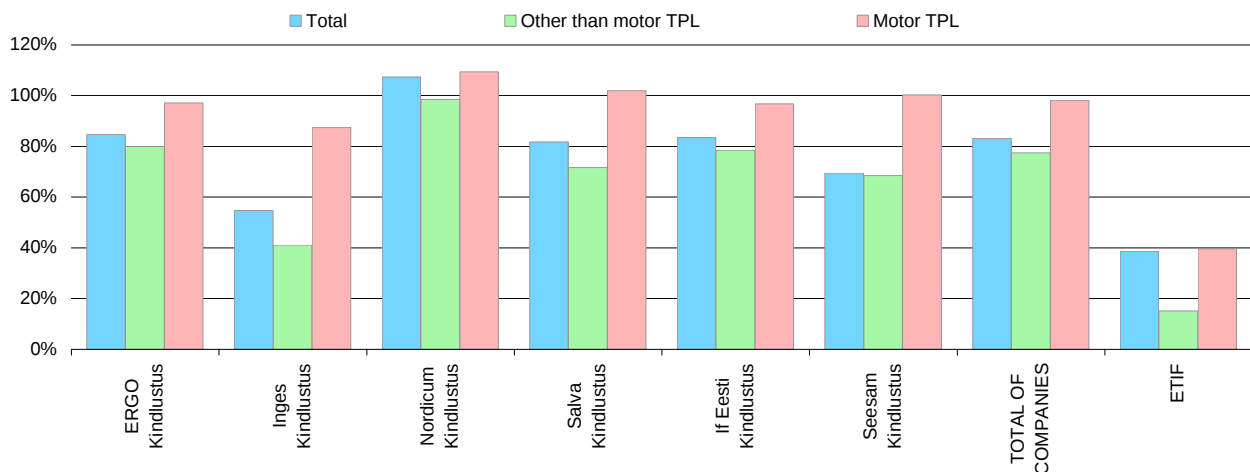
Net loss ratio



Net expense ratio

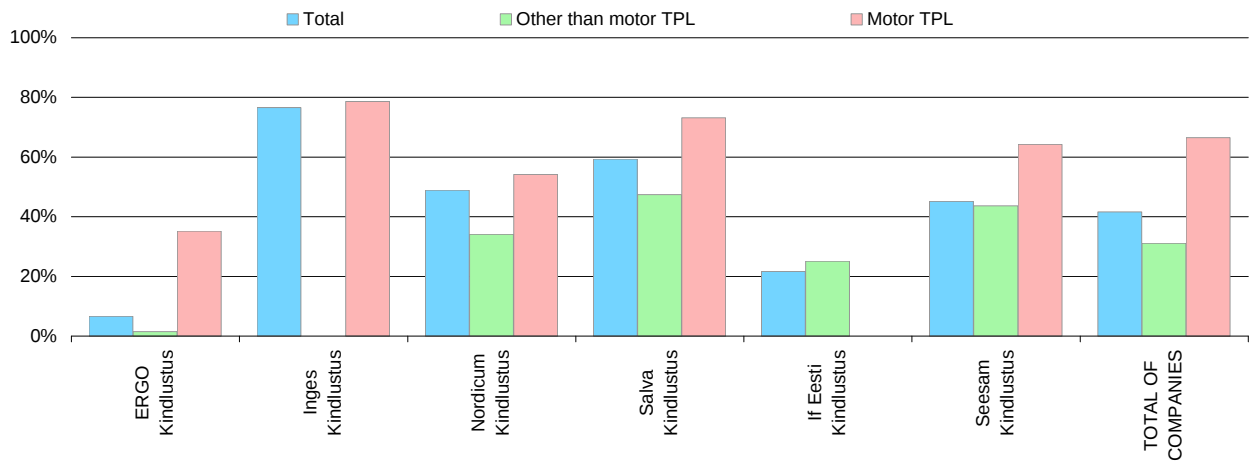


Net combined ratio

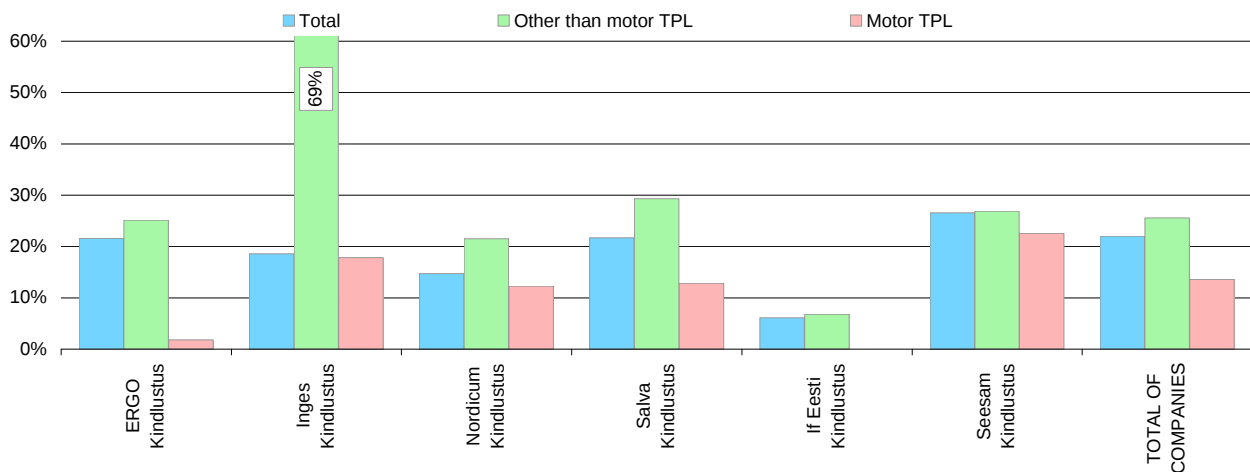


Main ratios of non-life insurers, 2004 (3)

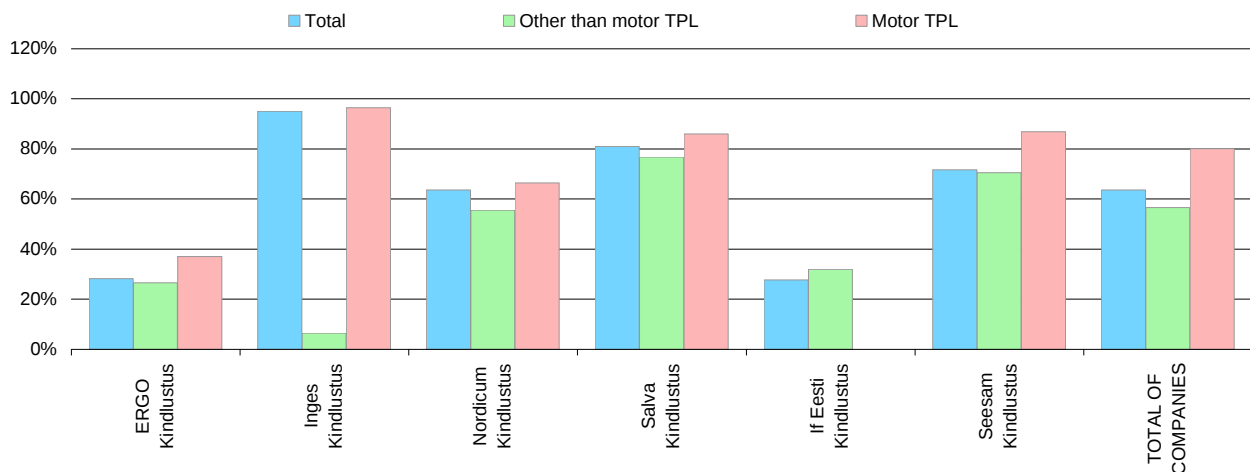
Reinsurers' loss ratio



Reinsurers' expense ratio

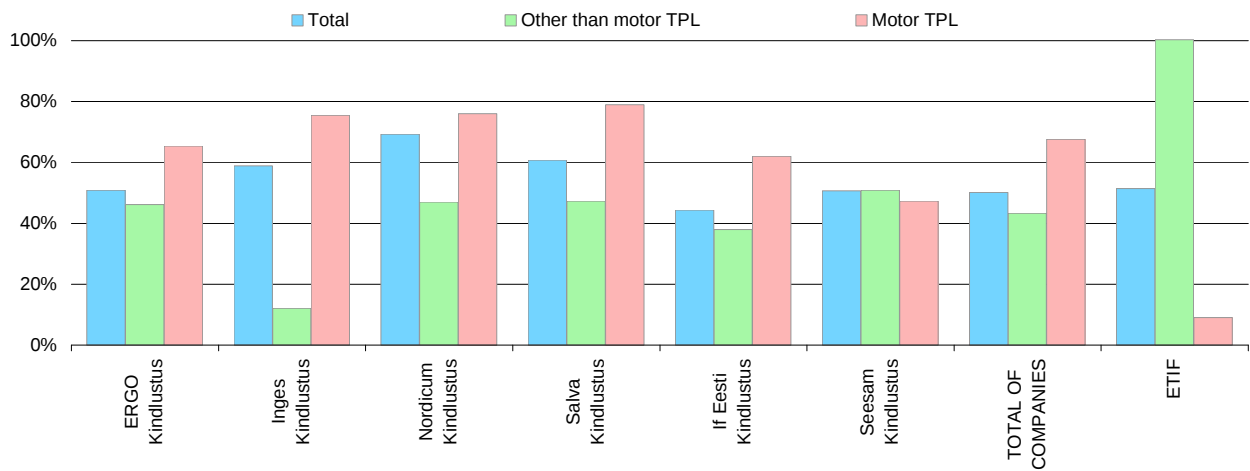


Reinsurers' combined ratio

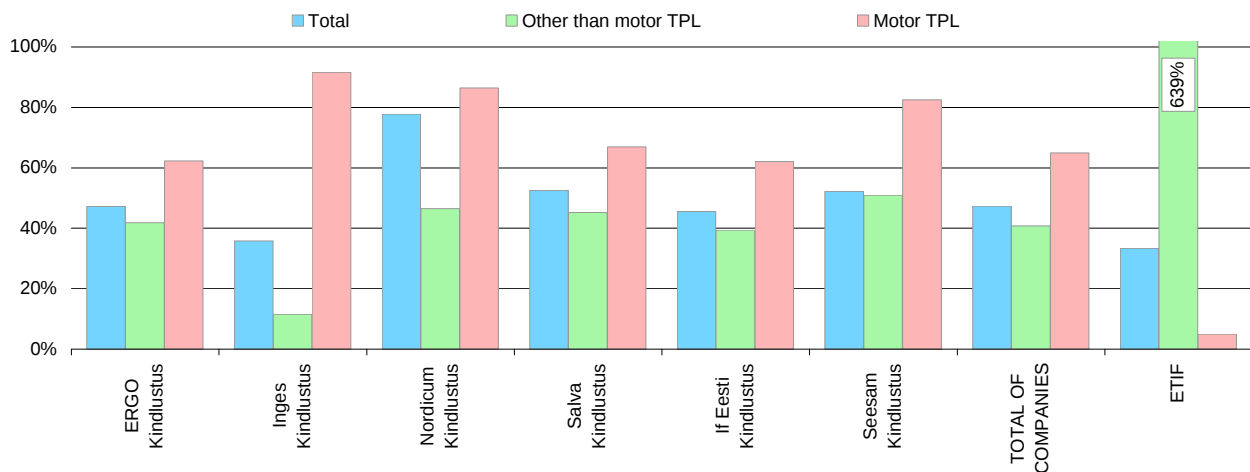


Main ratios of non-life insurers, 2004 (4)

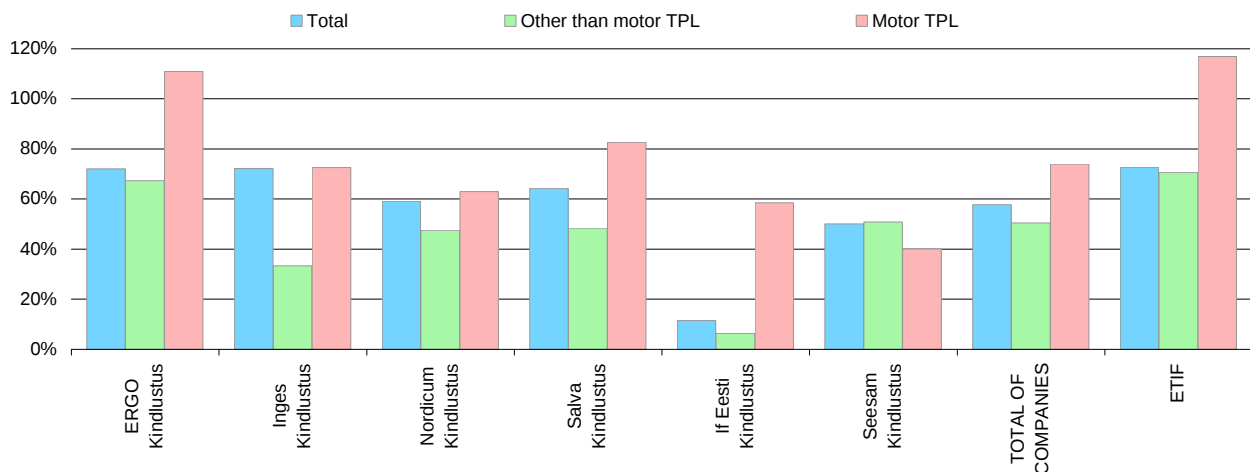
Gross payout ratio



Net payout ratio

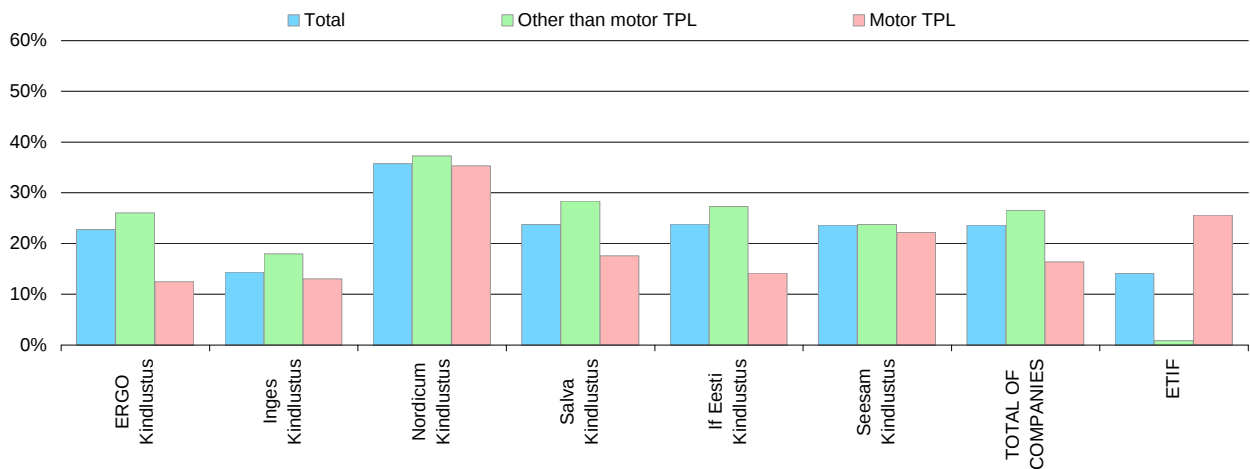


Reinsurers' payout ratio

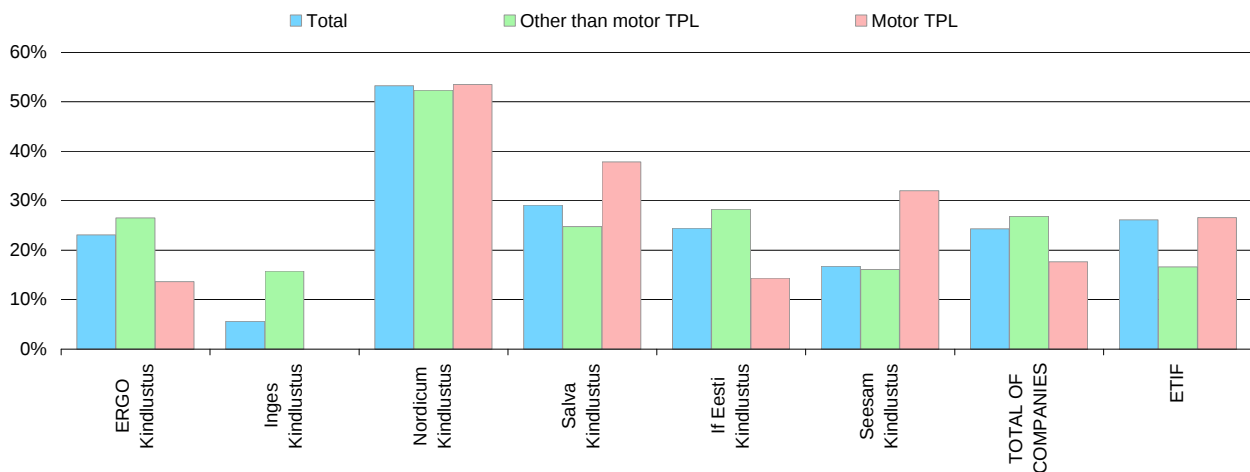


Main ratios of non-life insurers, 2004 (5)

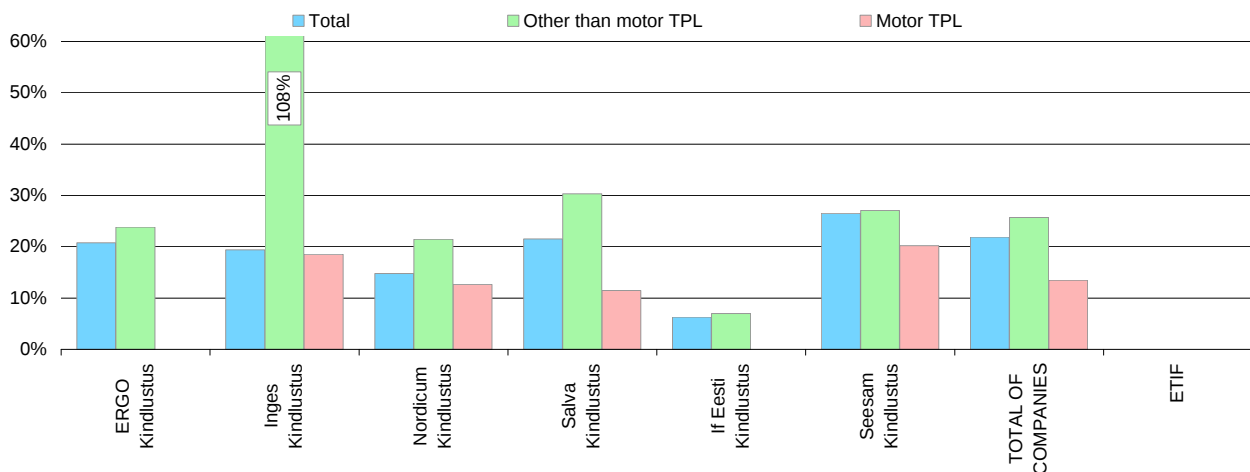
Gross expense ratio (not adjusted by change in DAC and UPP)



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

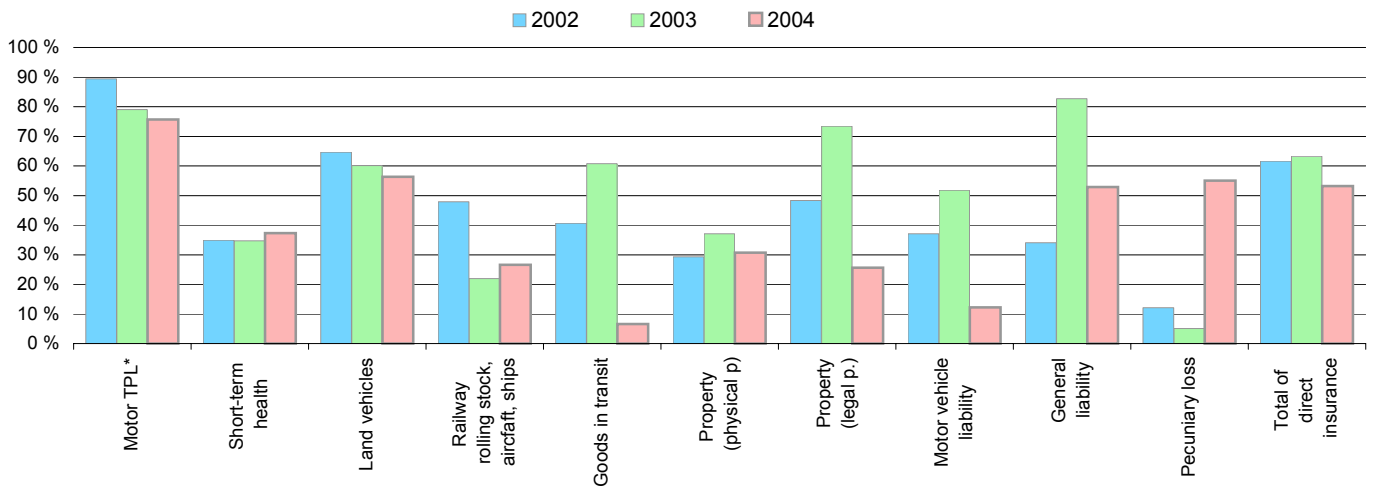


Reinsurers' expense ratio (not adjusted by change in DAC and UPP)

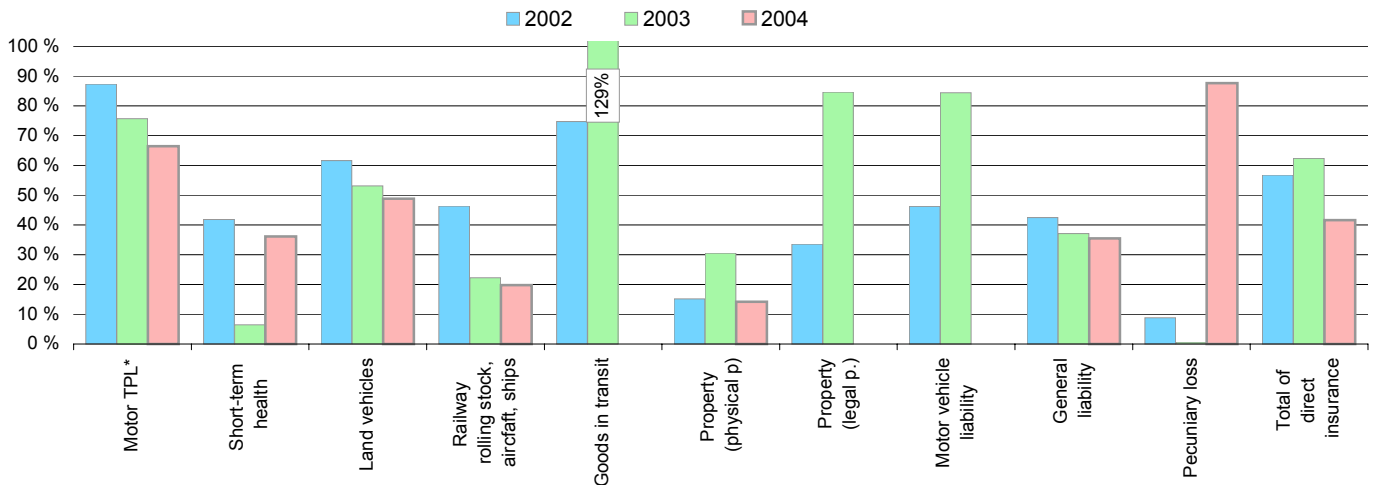


Loss ratios of classes of business, 2002—2004

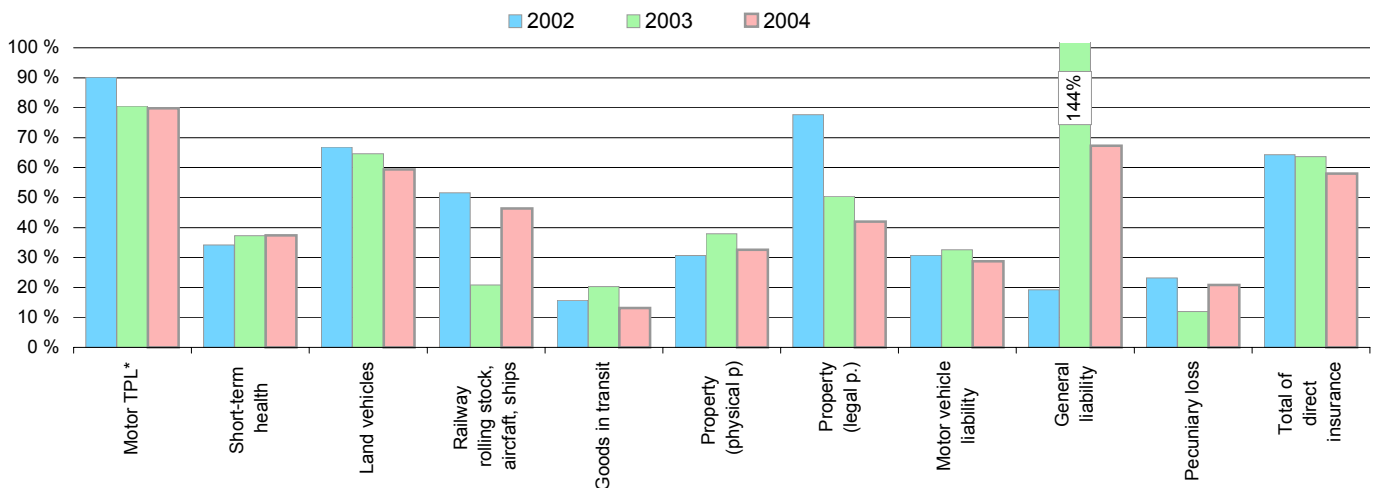
Gross loss ratio



Reinsurance loss ratio



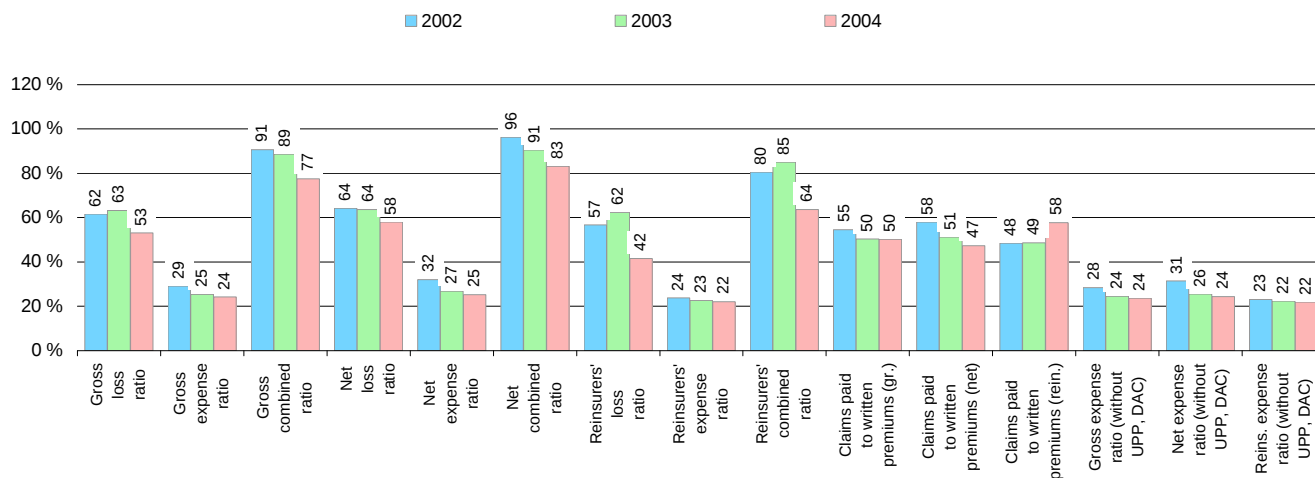
Net loss ratio



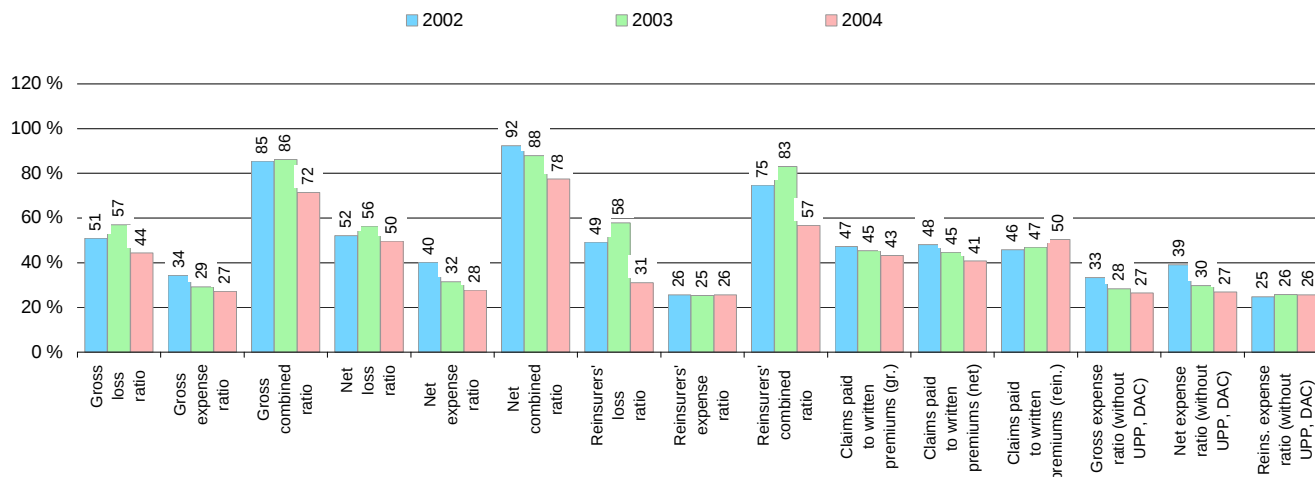
* does not include data of Estonian Traffic Insurance Fund (ETIF)

Non-life insurance ratios, 2002—2004*

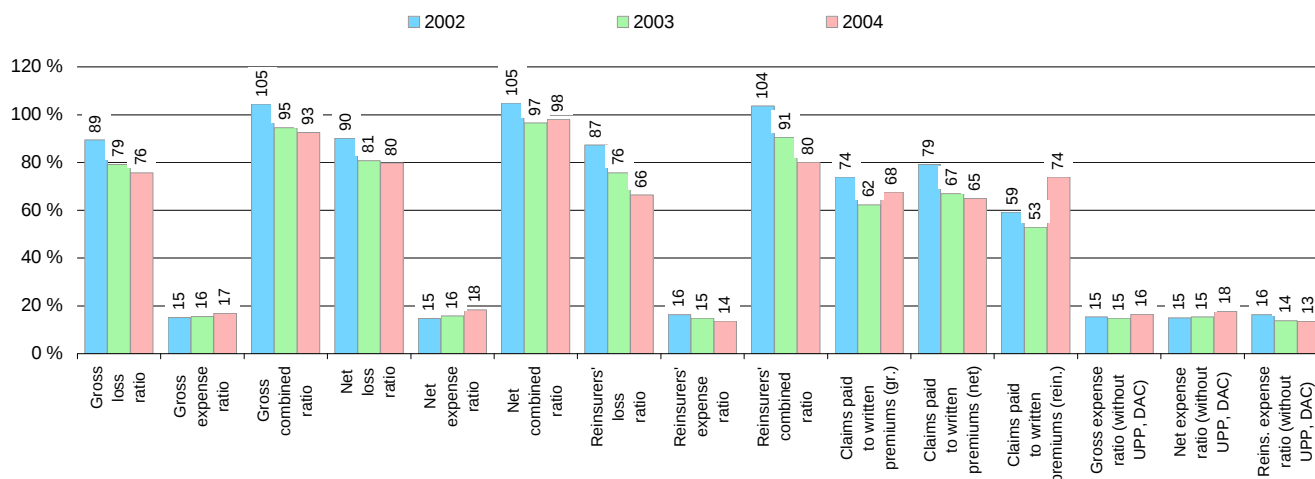
Total



Other than motor TPL



Motor TPL



* The ratios do not include data of Estonian Traffic Insurance Fund (ETIF)

MOTOR THIRD PARTY LIABILITY INSURANCE, 2004

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

Six insurance companies wrote the motor TPL insurance in 2004. In addition, the Estonian Traffic Insurance Fund (ETIF) acted as the sole insurer in border insurance, the Estonian National Bureau in an international motor TPL insurance business and also the guarantee fund. ETIF's functions included also the general guidance of motor TPL insurance in Estonia, the indemnification of motor accident damages caused by illegally uninsured vehicles, and acting as the reinsurer in motor TPL insurance.

The total volume of motor TPL premiums in 2004 was 689 million kroons (in 2003, 619.6 m kroons). There were 405,461 annual policies (i.e. policies of different lengths are annualized) sold for vehicles registered in Estonia in 2004. According to data from state registers, there were 667,000 vehicles subject to motor TPL insurance.

The difference (1.4 times; compared highest and lowest average cost by companies) between average cost for client of an annualized domestic policy (i.e. excluding border insurance) wasn't caused to such a degree by difference between tariffs rather than structure of insurance portfolio. It should be noted that this depends on the average duration of policies and the predominant types of vehicles.

Motor TPL insurance cover in all member states in single premium basis came into force after joining the EU in 1 May 2004. Due to this the companies raised tariffs. The tariff of cars increased therefore about 10%, for lorries about 2 times and for trucks about 3 times due to the relatively high importance previously in Green Card for these classes (Table 2). In addition, since 2004 non-life insurers can change their motor TPL insurance tariffs without coordinating this with the Financial Supervision Authority, which enables to react more flexible to changes.

Table 2. Cost of daily insurance cover in domestic insurance by classes of vehicle (kroons), 2000—2004

	Buses	Motorcycles	Cars	Trucks	Lorries	Vans	TOTAL
2000	5.67	0.32	3.20	7.19	3.40	3.58	2.98
2001	4.41	0.84	2.93	8.17	4.43	3.85	2.83
2002	5.20	1.19	3.43	7.55	4.66	4.19	3.24
2003	6.05	1.38	3.94	10.08	5.68	4.41	3.72
2004	10.25	1.89	4.31	29.75	9.66	5.16	4.49

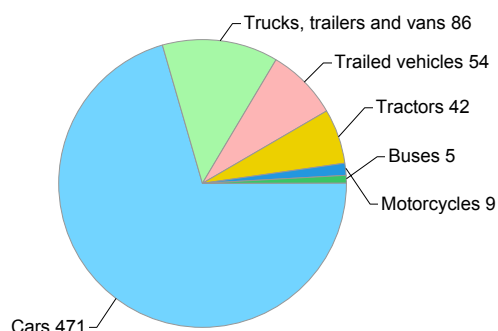
Companies adjusted their tariffs adequately and in correlation with the expansion of cover, since the total profit of motor TPL insurance was 8.1 million kroons in 2004.

The total volume of technical provision in motor TPL insurance was 631 million kroons at the end of 2004 (reinsurers' share being 210.2 m kroons), thereof the unearned premiums comprised 184.7 million kroons (reinsurers' share being 44.4 m kroons), the outstanding claims provision 446.3 million kroons (reinsurers' share being 165.8 m kroons), thereof motor TPL insurance pension provisions 55.3 million kroons (reinsurers' share being 23.8 m kroons).

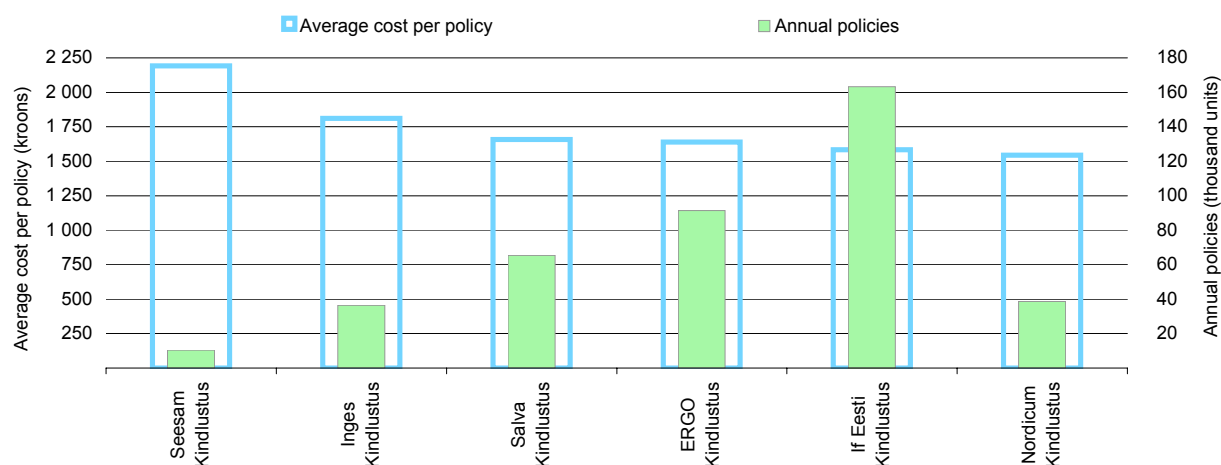
Insurance market and its breakdown, 2000—2004

	Motor-cycles	Cars	Trucks, trailers and vans	Tractors	Trailed vehicles	Buses	TOTAL
Number of vehicles (31 December, thousand units)							
2000	7	464	82	51	52	6	662
2001	7	407	81	52	52	6	605
2002	7	401	80	40	49	5	582
2003	8	434	83	41	52	5	623
2004	9	471	86	42	54	5	667
Annual policies (units)							
2000	1 417	238 607	39 279	10 140	21 496	3 223	314 162
2001	1 381	267 492	40 339	11 376	23 829	3 592	348 009
2002	1 717	276 366	43 723	13 362	28 302	3 478	366 948
2003	1 876	290 705	46 240	14 086	31 616	3 418	387 941
2004	2 217	307 606	45 318	15 136	31 786	3 398	405 461
Percentage of insurance (%)							
2000	20	51	48	20	41	54	47
2001	20	66	50	22	46	60	58
2002	25	69	55	33	58	70	63
2003	23	67	56	34	61	68	62
2004	25	65	53	36	59	68	61

The structure of insured vehicles, 2004



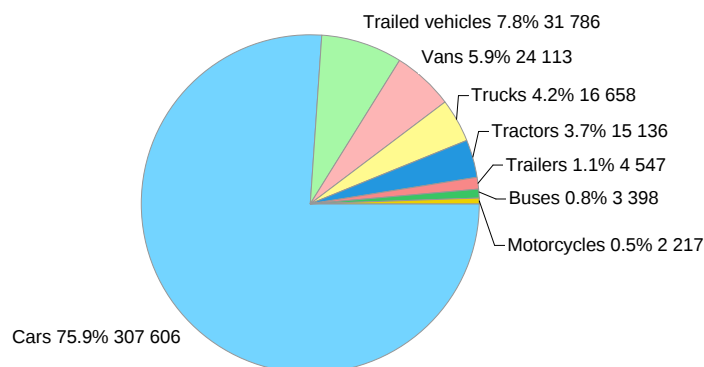
Number of domestic annual policies concluded and their average cost, 2004



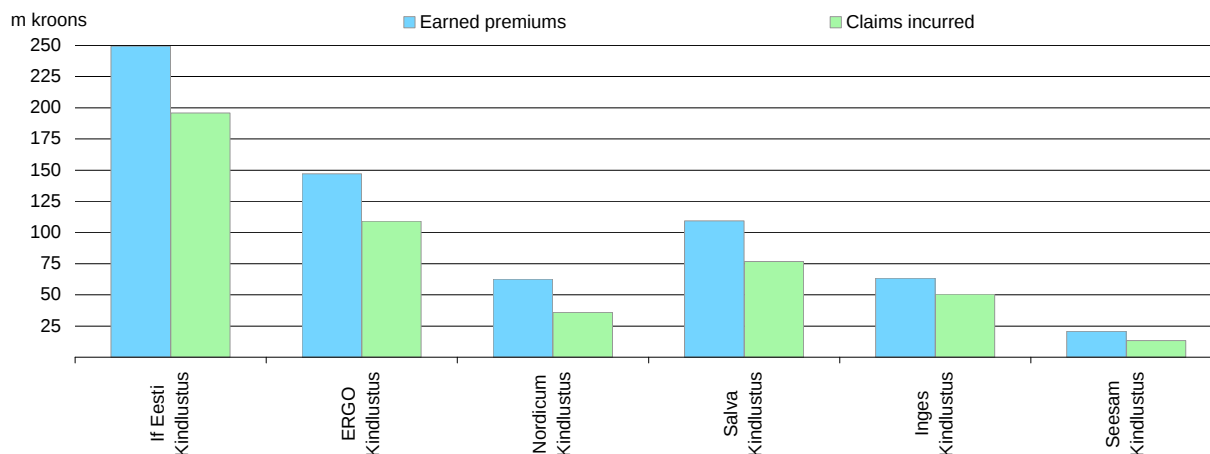
The structure of insured vehicles by the duration of policy in domestic insurance industry, 2004

Type of vehicle	Duration of policy					TOTAL
	Up to 5 days	6 - 15 days	from 16 days to 1 month	from 1 month to 3 months	from 3 months to 1 year	
Buses	0%	0%	0.0%	0.2%	0.5%	0.8%
Trailed vehicles	0%	0%	0.2%	0.4%	3.8%	4.7%
Motorcycles	0%	0%	0%	0.2%	0.4%	0.6%
Cars	1.2%	3.1%	9.2%	30.1%	37.3%	81.0%
Tractors	0%	0%	0%	0.1%	1.6%	1.8%
Trailers	0%	0%	0.2%	0.4%	0.4%	1.1%
Trucks	0.3%	0.4%	0.6%	1.6%	2.6%	5.6%
Vans	0%	0.1%	0.4%	1.4%	2.6%	4.5%
TOTAL	1.8%	3.9%	10.8%	34.3%	49.2%	100%

Number and structure of annual policies in domestic insurance by type of vehicles, 2004 (Total — 405 461 annual policies)



Earned premiums and claims incurred of motor TPL insurance by insurance companies, 2004



Earned premiums = motor TPL gross premiums - 2,4% to Estonian Traffic Insurance Foundation - change in unearned premiums provision
 Claims incurred = claims paid + change in outstanding claims provision + change in other tech. provisions

Policies, premiums and claims paid of motor TPL insurance per insurer, 2004

	ERGO Kindlustus	Inges Kindlustus	Nordicum Kindlustus Eesti	Salva Kindlustus	If Eesti Kindlustus	Seesam Rahvus- vaheline Kindlustus	TOTAL insurance companies	Estonian Traffic Insurance Fund	TOTAL
Structure of premiums by policy types:									
TOTAL	22%	10%	9%	17%	38%	3%	99%	1%	100%
- Domestic insurance	21%	10%	9%	16%	37%	3%	96%		96%
- International policies (Green Card)	1%	0%	0%	1%	1%	0%	3%		3%
- Border insurance								1%	1%
Gross premiums (thousand kroons)	149 075	66 010	59 138	107 683	258 503	22 789	663 198	25 874	689 072
Reinsurers' share in gross premiums (thousand kroons)	9 463	56 106	26 301	82 481	3 465	18 954	196 771	943	197 714
Structure of paid indemnities:									
TOTAL	21%	11%	10%	18%	36%	2%	98%	2%	100%
- Personal loss	1%	1%	1%	4%	3%	0%	10%	0%	10%
incl medical expenses	1%	1%	1%	1%	2%	0%	6%	0%	6%
temporary disability	0%	0%	0%	0%	1%	0%	1%	0%	1%
permanent disability	0%	0%	0%	3%	0%	0%	3%	0%	3%
funeral expenses	0%	0%	0%	0%	0%		0%	0%	0%
other	0%	0%	0%	0%	0%	0%	0%	0%	0%
- Property loss	20%	10%	9%	14%	33%	2%	88%	2%	90%
incl vehicles	19%	9%	9%	13%	32%	2%	84%	1%	85%
personal articles	0%	0%	0%	0%	0%	0%	0%	0%	0%
road, road constructions	0%	1%	0%	0%	0%	0%	1%	1%	2%
cargo	0%	0%	0%	0%	0%	0%	0%	0%	0%
other	1%	0%	0%	1%	1%	0%	3%	0%	3%
legal assistance and expertise	0%	0%	0%	0%	0%	0%	0%	0%	0%
Claims paid (thousand kroons)	97 450	49 812	44 949	85 025	160 436	10 782	448 455	2 346	450 803
(claims paid = indemnities + handling costs - subrogations)									
- Paid indemnities	91 359	49 464	45 794	76 227	161 271	9 922	434 036	4 803	438 838
- Handling costs	14 549	2 688	3 298	11 854	10 988	1 104	44 481	2 695	47 175
- Subrogations	8 458	2 340	4 142	3 055	11 823	244	30 061	5 151	35 212
Reinsurers' share in paid claims (thousand kroons)	10 502	40 740	16 574	68 149	2 027	7 616	145 609	1 103	146 712

Balance sheet of insurance companies, 31 December 2004
(kroons)

ASSETS	NON-LIFE	LIFE	TOTAL
Cash and bank account	65 898 082	17 189 595	83 087 677
Receivables	70 738 306	27 496 469	98 234 775
Direct insurance	51 391 681	3 553 925	54 945 606
Policyholders	15 157 713	3 553 925	18 711 638
Intermediaries	35 904 092		35 904 092
Other	329 876		329 876
Reinsurance	16 713 838	5 966 986	22 680 824
Other receivables	2 632 787	17 975 558	20 608 344
Unpaid share capital			
Accrued income, prepayments	78 570 958	25 433 200	104 004 158
Accrued income	5 777 206	16 414 021	22 191 228
Deferred acquisition costs	66 053 011	7 548 317	73 601 328
Other prepaid expenses	6 740 740	1 470 862	8 211 602
Investments	2 131 117 322	1 782 105 421	3 913 222 743
Land and buildings	27 701 754	2 264 213	29 965 967
Affiliated companies	124 202 233	389 112	124 591 345
Shares	113 466 196	256 386	113 722 582
Bonds, loans	10 736 038	132 726	10 868 764
Investments in associated companies		21 052 928	21 052 928
Shares		21 052 928	21 052 928
Bonds, loans			
Other financial investments	1 979 213 334	1 758 399 168	3 737 612 502
Shares and other securities	375 054 929	405 729 047	780 783 975
Bonds, fixed interest securities	1 276 806 879	1 099 150 843	2 375 957 722
Mortgage loans	2 310 223	28 586 431	30 896 654
Other loans	2 272 064	336 176	2 608 240
Deposits with credit institutions	322 560 418	224 007 313	546 567 731
Other	208 821	589 358	798 179
Unit-linked life ins. investments		480 395 675	480 395 675
Intangible assets	18 566 169	3 042 548	21 608 717
Fixed assets	58 605 764	5 457 399	64 063 163
TOTAL ASSETS	2 423 496 602	2 341 120 307	4 764 616 909
LIABILITIES			
Payables	107 568 860	11 576 478	119 145 337
Direct insurance	42 047 071	6 651 330	48 698 401
Policyholders	36 190 640	3 452 873	39 643 513
Intermediaries	4 961 536	3 198 457	8 159 993
Other	894 895		894 895
Reinsurance	45 823 826	2 341 663	48 165 489
Other payables	19 697 963	2 583 485	22 281 447
Accrued expenses, prepayments	77 345 562	14 811 178	92 156 740
Accrued expenses	52 235 334	14 792 909	67 028 243
Deferred acq. costs, reinsurers' share	24 958 879		24 958 879
Other prepaid income	151 349	18 269	169 618
Technical provisions	1 131 114 681	1 503 481 961	2 634 596 642
Unearned premiums provisions (net)	524 444 094		524 444 094
(Reinsurers' share)	116 868 681		116 868 681
Life provisions (net)		1 452 785 047	1 452 785 047
(Reinsurers' share)		295 474	295 474
Outstanding claims provisions (net)	606 670 587	27 365 175	634 035 762
(Reinsurers' share)	349 211 548	1 116 946	350 328 494
Provision for bonuses (net)		17 291 323	17 291 323
Other technical provisions (net)		6 040 416	6 040 416
(Reinsurers' share)			
Unit-linked life ins. provisions (net)		480 394 182	480 394 182
(Reinsurers' share)		1 492	1 492
Owners' equity	1 107 467 499	330 856 509	1 438 324 008
Share capital	308 001 160	142 460 000	450 461 160
Share premium	91 688 632	59 552 509	151 241 141
General reserve	51 689 791	15 309 599	66 999 390
Other reserves	1 008 085		1 008 085
Profit/loss carried forward	322 614 000	17 241 775	339 855 775
Profit/loss of the year	332 471 081	96 292 626	428 763 707
Treasury shares (-)	- 5 250		- 5 250
TOTAL LIABILITIES	2 423 496 602	2 341 120 307	4 764 616 909

Balance sheets of life insurers, 31 December 2004

(kroons)

ASSETS	ERGO Elukindlustus	Hansa Elukindlustus	Sampo Elukindlustus	Seesam Elukindlustus	Ühispanga Elukindlustus	Total of life insurers
Cash and bank account	986 616	12 245 397	315 123	1 488 375	2 154 084	17 189 595
Receivables	2 184 810	2 525 769	118 302	18 174 995	4 492 593	27 496 469
Direct insurance	2 184 810		81 989		1 287 126	3 553 925
Policyholders	2 184 810		81 989		1 287 126	3 553 925
Intermediaries						
Reinsurance		2 522 364		258 410	3 186 212	5 966 986
Other receivables		3 405	36 313	17 916 585	19 255	17 975 558
Accrued income, prepayments	4 385 373	16 632 596	1 454 569	277 463	2 683 199	25 433 200
Accrued income	962 463	14 139 207	1 289 526	17 078	5 747	16 414 021
Deferred acquisition costs	3 324 202	1 965 260			2 258 855	7 548 317
Other prepaid expenses	98 708	528 129	165 043	260 385	418 597	1 470 862
Investments	180 350 278	782 318 541	106 154 970	367 077 902	346 203 730	1 782 105 421
Land and buildings	2 264 213					2 264 213
Affiliated companies	389 112					389 112
Shares	256 386					256 386
Bonds, loans	132 726					132 726
Investments in associated companies				21 052 928		21 052 928
Shares				21 052 928		21 052 928
Bonds, loans						
Other financial investments	177 696 953	782 318 541	106 154 970	346 024 974	346 203 730	1 758 399 168
Shares and other securities	7 770 012	174 387 053	32 466 317	87 594 097	103 511 568	405 729 047
Bonds, fixed interest securities	161 681 367	384 845 057	64 223 653	246 297 962	242 102 804	1 099 150 843
Mortgage loans		28 586 431				28 586 431
Other loans	336 176					336 176
Deposits with credit institutions	7 909 398	194 500 000	9 465 000	12 132 915		224 007 313
Other					589 358	589 358
Unit-linked life ins. investments		281 128 178	61 478 995	8 976 152	128 812 350	480 395 675
Intangible assets			562 269	2 480 279		3 042 548
Fixed assets	2 797 571	647 651	170 197	184 766	1 657 214	5 457 399
TOTAL ASSETS	190 704 648	1 095 498 132	170 254 425	398 659 932	486 003 170	2 341 120 307
LIABILITIES						
Payables	2 534 731	3 840 582	843 458	768 021	3 589 686	11 576 478
Direct insurance	2 297 273	1 278 315	495 458	383 542	2 196 742	6 651 330
Policyholders	1 960 168	108 934	362 390		1 021 381	3 452 873
Intermediaries	337 105	1 169 381	133 068	383 542	1 175 361	3 198 457
Other						
Reinsurance	79 047	1 914 616	348 000			2 341 663
Other payables	158 411	647 651		384 479	1 392 944	2 583 485
Accrued expenses, prepayments	2 447 716	3 275 423	2 282 215	1 620 725	5 185 099	14 811 178
Accrued expenses	2 447 716	3 257 154	2 282 215	1 620 725	5 185 099	14 792 909
Deferred acq. costs, reinsurers' share						
Other prepaid income		18 269				18 269
Technical provisions	151 363 923	692 008 359	74 713 892	312 120 838	273 274 949	1 503 481 961
Life provisions (net)	148 564 003	653 192 503	74 001 173	311 170 698	265 856 670	1 452 785 047
(Reinsurers' share)	207 444			88 030		295 474
Outstanding claims provisions (net)	1 586 335	23 032 959	102 462	950 140	1 693 279	27 365 175
(Reinsurers' share)		268 412		4 034	844 500	1 116 946
Provision for bonuses (net)	1 213 585	9 742 481	610 257		5 725 000	17 291 323
(Reinsurer's share)						
Other technical provisions (net)		6 040 416				6 040 416
(Reinsurers' share)						
Unit-linked life ins. provisions (net)		281 128 178	61 478 995	8 974 659	128 812 350	480 394 182
(Reinsurers' share)				1 492		1 492
Subordinated loans						
Owners' equity	34 358 278	115 245 590	30 935 865	75 175 689	75 141 087	330 856 509
Share capital	25 460 000	36 000 000	20 000 000	31 000 000	30 000 000	142 460 000
Share premium	2 003 370	18 000 000	10 000 000	29 549 139		59 552 509
General reserve	462 149	11 600 000	80 071	316 785	2 850 594	15 309 599
Profit/loss carried forward	3 115 255	27 119	- 1 993 661	2 851 066	13 241 996	17 241 775
Profit/loss of the year	3 317 504	49 618 471	2 849 455	11 458 699	29 048 497	96 292 626
TOTAL LIABILITIES	190 704 648	1 095 498 132	170 254 425	398 659 932	486 003 170	2 341 120 307

Balance sheets of non-life insurers, 31 December 2004 (1)
(kroons)

ASSETS	ERGO Kindlustus	If Eesti Kindlustus	Inges Kindlustus	Nordicum Kindlustus Eesti	Salva Kindlustus
Cash and bank account	2 386 748	6 302 648	10 749 638	4 453 088	10 139 638
Receivables	17 470 917	15 708 751	9 604 705	2 237 146	13 488 757
Direct insurance	14 191 905	11 375 681	3 327 432	1 930 390	10 870 757
Policyholders	7 291 986	645 337	822 407	755 322	3 556 740
Intermediaries	6 758 892	10 730 344	2 505 025	1 158 806	7 141 430
Other	141 027			16 262	172 587
Reinsurance	2 602 218	3 775 604	5 954 551	26 398	2 617 000
Other receivables	676 794	557 466	322 722	280 358	1 000
Unpaid share capital					
Accrued income, prepayments	24 079 406	32 588 271	2 229 605	2 739 292	9 132 221
Accrued income	2 627 404	515 870	404 081	1 003 662	118 046
Deferred acquisition costs	19 101 990	29 449 697	1 609 525	1 472 110	8 263 372
Other prepaid expenses	2 350 012	2 622 703	215 999	263 520	750 803
Investments	590 395 598	1 109 255 361	93 313 247	51 962 228	113 593 069
Land and buildings	24 325 464				
Affiliated companies		91 292 281			32 909 952
Shares		86 556 244			26 909 952
Bonds, loans		4 736 038			6 000 000
Other financial investments	566 070 134	1 017 963 079	93 313 247	51 962 228	80 683 117
Shares and other securities	12 961 681	231 774 072	12 769 773		67 308 414
Bonds, fixed interest securities	488 387 738	707 854 610	3 080 860		2 013 131
Mortgage loans	163 223				2 147 000
Other loans	57 492				2 214 572
Deposits with credit institutions	64 500 000	78 125 576	77 462 614	51 962 228	7 000 000
Other		208 821			
Intangible assets	7 724 974	9 206 106			1 635 089
Fixed assets	33 622 393	12 843 073	4 219 784	268 662	799 065
TOTAL ASSETS	675 680 036	1 185 904 211	120 116 979	61 660 416	148 787 839
LIABILITIES					
Payables	24 441 291	30 371 465	7 066 562	4 028 696	20 039 579
Direct insurance	13 969 006	16 569 643	1 929 634	1 858 861	5 529 187
Policyholders	10 798 330	15 674 772	1 793 600	1 781 687	4 974 614
Intermediaries	2 846 685	690 031	19 182	40 547	341 988
Other	323 991	204 840	116 852	36 627	212 585
Reinsurance	8 011 477	6 083 984	1 412 735	1 044 741	11 832 746
Other payables	2 460 808	7 717 838	3 724 193	1 125 094	2 677 646
Accrued expenses, prepayments	18 656 951	20 496 880	4 072 332	4 231 542	14 851 437
Accrued expenses	17 004 901	20 351 252	2 080 654	3 098 228	4 827 957
Deferred acq. costs, reinsurers' share	1 652 050	145 628	1 991 678	981 965	10 023 480
Other prepaid income				151 349	
Technical provisions	358 489 993	633 949 575	18 867 106	33 332 652	41 529 532
Unearned premiums provisions (net)	174 342 625	289 931 379	5 750 583	8 605 331	20 814 078
(Reinsurers' share)	7 018 904	2 515 816	10 273 497	6 253 706	48 654 828
Outstanding claims provisions (net)	184 147 368	344 018 196	13 116 523	24 727 321	20 715 454
(Reinsurers' share)	109 654 315	61 694 548	40 332 643	29 311 520	56 969 387
Other technical provisions (net)					
(Reinsurers' share)					
Owners' equity	274 091 801	501 086 291	90 110 979	20 067 526	72 367 291
Share capital	100 000 160	100 000 000	38 000 000	30 001 000	10 000 000
Share premium	13 721 195	57 559 617	25 333		
General reserve	9 030 882	18 361 209	9 870 606		4 185 041
Other reserves					1 008 085
Profit/loss carried forward	67 196 595	139 155 747	27 653 866	- 7 856 598	27 032 694
Profit/loss of the year	84 148 219	186 009 718	14 561 174	- 2 076 876	30 141 471
Treasury shares (-)	- 5 250				
Balance of owner's equity not transferred					
TOTAL LIABILITIES	675 680 036	1 185 904 211	120 116 979	61 660 416	148 787 839

Balance sheets of non-life insurers, 31 December 2004 (2)
(kroons)

ASSETS	Seesam Kindlustus	Zürich Kindlustus Eesti	Total of non- life insurers	Estonian Traffic Insurance Fund
Cash and bank account	22 421 515	9 444 807	65 898 082	509 960
Receivables	12 214 548	13 482	70 738 306	6 177 830
Direct insurance	9 695 516		51 391 681	806 818
Policyholders	2 085 921		15 157 713	
Intermediaries	7 609 595		35 904 092	806 818
Other			329 876	
Reinsurance	1 724 585	13 482	16 713 838	4 099 236
Other receivables	794 447		2 632 787	4 926
Unpaid share capital				1 266 850
Accrued income, prepayments	7 759 168	42 995	78 570 958	1 333 906
Accrued income	1 065 148	42 995	5 777 206	1 292 142
Deferred acquisition costs	6 156 317		66 053 011	
Other prepaid expenses	537 703		6 740 740	41 764
Investments	145 191 301	27 406 518	2 131 117 322	183 323 595
Land and buildings	3 376 290		27 701 754	
Affiliated companies			124 202 233	
Shares			113 466 196	
Bonds, loans			10 736 038	
Other financial investments	141 815 011	27 406 518	1 979 213 334	183 323 595
Shares and other securities	30 584 471	19 656 518	375 054 929	16 196 102
Bonds, fixed interest securities	75 470 540		1 276 806 879	
Mortgage loans			2 310 223	
Other loans			2 272 064	
Deposits with credit institutions	35 760 000	7 750 000	322 560 418	167 127 493
Other			208 821	
Intangible assets			18 566 169	531 764
Fixed assets	6 609 787	243 000	58 605 764	432 499
TOTAL ASSETS	194 196 319	37 150 802	2 423 496 602	192 309 554
LIABILITIES				
Payables	21 589 172	32 095	107 568 860	3 114 494
Direct insurance	2 158 645	32 095	42 047 071	42 711
Policyholders	1 140 300	27 337	36 190 640	
Intermediaries	1 018 345	4 758	4 961 536	42 711
Other			894 895	
Reinsurance	17 438 143		45 823 826	2 659 577
Other payables	1 992 384		19 697 963	412 206
Accrued expenses, prepayments	13 184 436	1 851 984	77 345 562	3 148 188
Accrued expenses	3 020 358	1 851 984	52 235 334	3 148 188
Deferred acq. costs, reinsurers' share	10 164 078		24 958 879	
Other prepaid income			151 349	
Technical provisions	44 945 823		1 131 114 681	103 783 531
Unearned premiums provisions (net)	25 000 098		524 444 094	112 293
(Reinsurers' share)	42 151 930		116 868 681	
Outstanding claims provisions (net)	19 945 725		606 670 587	103 671 238
(Reinsurers' share)	51 249 135		349 211 548	37 816 214
Other technical provisions (net)				
(Reinsurers' share)				
Owners' equity	114 476 888	35 266 723	1 107 467 499	82 263 341
Share capital	10 000 000	20 000 000	308 001 160	71 734 930
Share premium	20 324 472	58 015	91 688 632	
General reserve	8 310 959	1 931 094	51 689 791	
Other reserves			1 008 085	
Profit/loss carried forward	52 425 788	17 005 908	322 614 000	
Profit/loss of the year	23 415 669	- 3 728 294	332 471 081	12 528 411
Treasury shares (-)			- 5 250	
Balance of owner's equity not transferred				- 2 000 000
TOTAL LIABILITIES	194 196 319	37 150 802	2 423 496 602	192 309 554

Profit/loss account of non-life insurers, 2004 (1)
(kroons)

	ERGO Kindlustus	If Eesti Kindlustus	Inges Kindlustus	Nordicum Kindlustus Eesti	Salva Kindlustus
(A1) Gross premiums ¹	616 401 390	980 319 761	90 942 244	78 260 106	255 449 008
(A2) Ceded premiums	87 834 523	35 084 146	56 647 734	34 925 145	177 363 376
(A) Net premiums (A1-A2)	528 566 867	945 235 616	34 294 510	43 334 961	78 085 632
(B1) Change in UPP (incr. -)	-21 238 602	-57 490 699	-4 592 385	1 095 165	- 558 497
(B2) Change in reinsurers' UPP (incr. -)	-40 098 092	452 984	3 359 224	4 124 423	- 96 340
(B) Net change in UPP (B1+B2; incr.-)	-61 336 694	-57 037 715	-1 233 161	5 219 588	- 654 837
(C) Earned net premiums (A+B)	467 230 173	888 197 901	33 061 349	48 554 549	77 430 795
(D) Other technical income	60 635	2 586		1 984	353 161
(E1) Indemnities	307 693 306	430 326 667	52 190 057	54 243 841	136 019 195
(E2) Claim handling expenses	26 563 005	26 682 528	2 782 136	3 906 139	22 697 466
(E3) Subrogations	-22 715 546	-25 074 056	-2 339 617	-4 898 156	-4 982 826
(E4) Reinsurers' share in claims paid	63 304 605	4 042 269	40 920 439	20 672 336	114 110 092
(E) Net claims paid (E1+E2+E3-E4)	248 236 160	427 892 870	11 712 137	32 579 488	39 623 743
(F1) Change in OCP (incr. -) ²	20 589 784	-87 179 096	-2 852 206	10 630 921	8 724 830
(F2) Change in reinsurer's OCP (incr. +)	-54 824 198	3 448 437	- 121 434	-5 607 583	-8 848 430
(F) Net change in OCP (F1+F2; incr.-)	-34 234 414	-83 730 659	-2 973 640	5 023 338	- 123 600
(G) Net claims incurred (E-F)	282 470 574	511 623 529	14 685 777	27 556 150	39 747 343
(H) Change in other tech. prov. (incr.-)					
(I1) Acquisition costs	114 213 317	195 634 657	9 445 447	14 991 248	47 497 806
(I2) Change in deferred acquisition costs (incr. +)	2 000 441	5 517 251	401 849	- 55 791	230 087
(I3) Administrative expenses	25 207 219	36 503 121	3 379 853	12 501 884	12 696 926
(I4) Reinsurance commissions, profit participation	18 238 885	2 204 008	10 982 051	5 173 238	38 214 776
(I5) Reinsurers' share in def. acq. costs (incr.-)	9 387 517	- 85 821	-1 084 343	- 643 715	353 704
(I) Net operating expenses (I1-I2+I3-I4-I5)	109 793 693	224 502 340	2 525 743	23 019 400	21 396 165
(J) Other technical charges	3 663 561	6 411 018	1 625 667	1 729 393	2 764 926
(K) Profit/loss from portfolios accepted					
(L) TECHN. RESULT (C+D-G+H-I-J+K)	71 362 980	145 663 599	14 224 162	-3 748 410	13 875 522
(M1) Income from affil. and associated companies		4 197 899			9 941 220
(M2) Income from land and buildings	248 064				
(M3) Income from other investments	12 500 057	26 000 069	1 586 032	1 744 852	502 319
(M4) Change in investments' value	1 805 807	23 339 775	604 084		4 088 758
(M5) Profit from investment disposal	1 663 891	3 217 259	13 199		277 245
(M) Investment income (M1+...+M5)	16 217 819	56 755 002	2 203 315	1 744 852	14 809 542
(N1) Managing expenses	2 163 677	2 361 879			698 402
(N2) Expenses from affil. and associated companies:					
(N3) Change in investments' value	120 564	8 760 481	361 298	- 10 172	427 624
(N4) Loss from investment disposal	9 561	1 067 775			
(N) Investment expenses (N1+...+N4)	2 293 802	12 190 134	361 298	- 10 172	1 126 026
(O) Net investment income (M-N)	13 924 017	44 564 868	1 842 017	1 755 024	13 683 516
(P) Net other income	-1 138 778	-4 218 749	-1 505 005	- 83 490	2 582 433
(Q) NET PROFIT/LOSS (L+O+P)	84 148 219	186 009 719	14 561 174	-2 076 876	30 141 471

Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

¹ Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (2,4% of motor TPL premiums); the expense is included in "Other technical charges" (J)

² Includes change in motor TPL pension provision (included in "Change in other technical provisions" until 2003)

Profit/loss account of non-life insurers, 2004 (2)

(kroons)

	Seesam Kindlustus	Zürich Kindlustus Eesti	Total of non- life insurers	Estonian Traffic Insurance Fund
(A1) Gross premiums ¹	335 349 041	51 019	2 356 772 569	31 002 206
(A2) Ceded premiums	237 673 616	51 019	629 579 559	22 217 828
(A) Net premiums (A1-A2)	97 675 425		1 727 193 011	8 784 378
(B1) Change in UPP (incr. -)	-4 523 788	1 367 317	-85 941 489	514 487
(B2) Change in reinsurers' UPP (incr. -)	651 211	-1 363 247	-32 969 837	
(B) Net change in UPP (B1+B2; incr.-)	-3 872 577	4 070	-118 911 326	514 487
(C) Earned net premiums (A+B)	93 802 848	4 070	1 608 281 685	9 298 865
(D) Other technical income	67 765	42 767	528 898	17 315 174
(E1) Indemnities	166 758 388	1 915 396	1149 146 850	27 123 427
(E2) Claim handling expenses	9 028 004	111 641	91 770 919	2 997 009
(E3) Subrogations	-6 103 579	- 103 680	-66 217 460	-5 261 079
(E4) Reinsurers' share in claims paid	118 953 549	1 808 832	363 812 122	16 145 464
(E) Net claims paid (E1+E2+E3-E4)	50 729 264	114 525	810 888 187	8 713 893
(F1) Change in OCP (incr. -) ²	15 077 849	10 979 297	-24 028 621	18 920 063
(F2) Change in reinsurer's OCP (incr. +)	-11 882 457	-10 295 359	-88 131 024	-13 645 543
(F) Net change in OCP (F1+F2; incr.-)	3 195 392	683 938	-112 159 645	5 274 520
(G) Net claims incurred (E-F)	47 533 872	- 569 413	923 047 833	3 439 373
(H) Change in other tech. prov. (incr.-)				
(I1) Acquisition costs	54 568 811	- 25 352	436 325 934	903 080
(I2) Change in deferred acquisition costs (incr. +)	-1 000 167	- 118 705	6 974 965	
(I3) Administrative expenses	24 737 550	2 869 337	117 895 890	5 918 609
(I4) Reinsurance commissions, profit participation	63 037 276	- 137 417	137 712 817	
(I5) Reinsurers' share in def. acq. costs (incr.-)	- 77 960	323 045	8 172 427	
(I) Net operating expenses (I1-I2+I3-I4-I5)	17 347 212	2 777 062	401 361 615	6 821 689
(J) Other technical charges	581 867	5 992	16 782 424	7 034 274
(K) Profit/loss from portfolios accepted				
(L) TECHN. RESULT (C+D-G+H-I-J+K)	28 407 662	-2 166 804	267 618 711	9 318 703
(M1) Income from affil. and associated companies			14 139 119	
(M2) Income from land and buildings	146 400		394 464	
(M3) Income from other investments	3 609 596	1 023 195	46 966 120	4 050 145
(M4) Change in investments' value	2 214 555	285 407	32 338 386	132 733
(M5) Profit from investment disposal	264 620	74 068	5 510 282	
(M) Investment income (M1+...+M5)	6 235 171	1 382 670	99 348 371	4 182 878
(N1) Managing expenses	617 442	3 498	5 844 898	7 383
(N2) Expenses from affil. and associated companies				
(N3) Change in investments' value	10 939 485	274 845	20 874 125	
(N4) Loss from investment disposal	119 628		1 196 964	
(N) Investment expenses (N1+...+N4)	11 676 555	278 343	27 915 986	7 383
(O) Net investment income (M-N)	-5 441 384	1 104 327	71 432 385	4 175 495
(P) Net other income	449 391	-2 665 817	-6 580 015	- 965 787
(Q) NET PROFIT/LOSS (L+O+P)	23 415 669	-3 728 294	332 471 081	12 528 411

Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

¹ Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (2,4% of motor TPL premiums); the expense is included in "Other technical charges" (J)

² Includes change in motor TPL pension provision (included in "Change in other technical provisions" until 2003)

Profit/loss account of motor TPL insurance, 2004
(kroons)

	ERGO Kindlustus	If Eesti Kindlustus	Inges Kindlustus	Nordicum Kindlustus Eesti	Salva Kindlustus	Seesam Kindlustus	Total of non- life insurers	Estonian Traffic Insurance Fund
(A1) Gross premiums ¹	152 739 008	264 907 302	67 635 560	60 589 878	110 331 933	23 350 307	679 553 988	8 559 066
(A2) Ceded premiums	9 463 745	3 464 745	56 105 938	26 300 895	82 481 154	18 954 285	196 770 762	943 026
(A) Net premiums (A1-A2)	143 275 263	261 442 557	11 529 622	34 288 983	27 850 779	4 396 022	482 783 226	7 616 040
(B1) Change in UPP (incr. -)	-5 671 328	-15 307 084	-4 222 672	1 964 416	-1 070 105	-2 457 994	-26 764 767	514 487
(B2) Change in reinsurers' UPP (incr. -)	-10 022 103		3 589 271	3 641 717	802 577	1 922 540	- 65 998	
(B) Net change in UPP (B1+B2; incr.-)	-15 693 431	-15 307 084	- 633 401	5 606 133	- 267 528	- 535 454	-26 830 765	514 487
(C) Earned net premiums (A+B)	127 581 832	246 135 473	10 896 221	39 895 116	27 583 251	3 860 568	455 952 461	8 130 527
(D) Other technical income	57 472				43 817		101 289	17 315 174
(E1) Indemnities	91 358 938	161 270 597	49 463 801	45 794 074	76 226 676	9 921 969	434 036 055	4 803 009
(E2) Claim handling expenses	14 548 814	10 988 125	2 688 058	3 298 170	11 852 774	1 103 625	44 479 566	2 694 761
(E3) Subrogations	-8 457 951	-11 822 768	-2 339 617	-4 141 774	-3 054 652	- 243 746	-30 060 508	-5 151 326
(E4) Reinsurers' share in claims paid	10 502 704	2 027 497	40 739 708	16 573 744	68 149 135	7 615 919	145 608 707	1 102 987
(E) Net claims paid (E1+E2+E3-E4)	86 947 097	158 408 457	9 072 534	28 376 726	16 875 663	3 165 929	302 846 406	1 243 457
(F1) Change in OCP (incr. -) ²	-11 752 221	-35 501 277	- 720 970	8 937 974	8 277 852	-2 451 423	-33 210 065	-1 261 153
(F2) Change in reinsurer's OCP (incr. +)	-3 637 170	-2 359 204	539 240	-4 288 884	-8 348 198	3 337 655	-14 756 561	- 952 481
(F) Net change in OCP (F1+F2; incr.-)	-15 389 391	-37 860 481	- 181 730	4 649 090	- 70 346	886 232	-47 966 626	-2 213 634
(G) Net claims incurred (E-F)	102 336 488	196 268 938	9 254 264	23 727 636	16 946 009	2 279 697	350 813 032	3 457 091
(H) Change in other tech. prov. (incr.-)								
(I1) Acquisition costs	14 817 168	29 849 015	6 663 929	11 217 225	14 979 519	2 935 034	80 461 890	899 180
(I2) Change in deferred acquisition costs (incr. +)	144 829	984 820	425 750	- 186 744	23 322	183 073	1 575 050	
(I3) Administrative expenses	3 784 223	6 838 093	1 976 609	9 691 658	4 004 266	2 124 031	28 418 880	5 728 474
(I4) Reinsurance commissions, profit participation	- 455 948		10 399 234	3 324 980	9 444 487	3 829 540	26 542 293	
(I5) Reinsurers' share in def. acq. costs (incr.-)	810 014		-1 032 203	- 546 257	1 028 544	14 816	274 914	
(I) Net operating expenses (I1-I2+I3-I4-I5)	18 102 496	35 702 288	-1 152 243	18 316 904	8 487 432	1 031 636	80 488 513	6 627 654
(J) Other technical charges	3 663 561	6 404 457	1 625 667	1 712 614	2 709 332	565 384	16 681 015	7 034 273
(K) TECHN. RESULT (C+D-G+H-I-J)	3 536 759	7 759 790	1 168 533	-3 862 038	- 515 705	- 16 149	8 071 190	8 326 683

Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

¹ Gross premiums of non-life companies are not off-set against mandatory transfers to ETIF (2,4% of motor TPL premiums); the expense is included in "Other technical charges" (J)

² Includes change in motor TPL pension provision (included in "Change in other technical provisions" until 2003)

Profit/loss account of non-life business excluding motor TPL, 2004
(kroons)

	ERGO Kindlustus	If Eesti Kindlustus	Inges Kindlustus	Nordicum Kindlustus Eesti	Salva Kindlustus	Seesam Kindlustus	Zürich Kindlustus	Total of non- life insurers	Estonian Traffic Insurance Fund
(A1) Gross premiums	463 662 382	715 412 459	23 306 684	17 670 228	145 117 075	311 998 734	51 019	1 677 218 581	22 443 140
(A2) Ceded premiums	78 370 778	31 619 401	541 796	8 624 250	94 882 222	218 719 331	51 019	432 808 797	21 274 802
(A) Net premiums (A1-A2)	385 291 604	683 793 059	22 764 888	9 045 978	50 234 853	93 279 403		1244 409 785	1 168 338
(B1) Change in UPP (incr. -)	-15 567 274	-42 183 615	- 369 713	- 869 251	511 608	-2 065 794	1 367 317	-59 176 722	
(B2) Change in reinsurers' UPP (incr. -)	-30 075 989	452 984	- 230 047	482 706	- 898 917	-1 271 329	-1 363 247	-32 903 839	
(B) Net change in UPP (B1+B2; incr.-)	-45 643 263	-41 730 631	- 599 760	- 386 545	- 387 309	-3 337 123	4 070	-92 080 561	
(C) Earned net premiums (A+B)	339 648 341	642 062 428	22 165 128	8 659 433	49 847 544	89 942 280	4 070	1152 329 224	1 168 338
(D) Other technical income	3 163	2 586		1 984	309 344	67 765	42 767	427 609	
(E1) Indemnities	216 334 368	269 056 070	2 726 256	8 449 767	59 792 519	156 836 419	1 915 396	715 110 795	22 320 418
(E2) Claim handling expenses	12 014 191	15 694 403	94 078	607 969	10 844 692	7 924 379	111 641	47 291 353	302 248
(E3) Subrogations	-14 257 595	-13 251 288		- 756 382	-1 928 174	-5 859 833	- 103 680	-36 156 952	- 109 753
(E4) Reinsurers' share in claims paid	52 801 901	2 014 772	180 731	4 098 592	45 960 957	111 337 630	1 808 832	218 203 415	15 042 477
(E) Net claims paid (E1+E2+E3-E4)	161 289 063	269 484 413	2 639 603	4 202 762	22 748 080	47 563 335	114 525	508 041 781	7 470 436
(F1) Change in OCP (incr. -)	32 342 005	-51 677 819	-2 131 236	1 692 947	446 978	17 529 272	10 979 297	9 181 444	20 181 216
(F2) Change in reinsurer's OCP (incr. +)	-51 187 028	5 807 641	- 660 674	-1 318 699	- 500 233	-15 220 112	-10 295 359	-73 374 464	-12 693 062
(F) Net change in OCP (F1+F2; incr.-)	-18 845 023	-45 870 178	-2 791 910	374 248	- 53 255	2 309 160	683 938	-64 193 019	7 488 154
(G) Net claims incurred (E-F)	180 134 086	315 354 591	5 431 513	3 828 514	22 801 335	45 254 175	- 569 413	572 234 801	- 17 718
(H) Change in other tech. prov. (incr.-)									
(I1) Acquisition costs	99 396 149	165 785 642	2 781 518	3 774 023	32 518 287	51 633 777	- 25 352	355 864 044	3 900
(I2) Change in deferred acquisition costs (incr. +)	1 855 612	4 532 431	- 23 901	130 953	206 765	-1 183 240	- 118 705	5 399 915	
(I3) Administrative expenses	21 422 996	29 665 028	1 403 244	2 810 226	8 692 660	22 613 519	2 869 337	89 477 010	190 135
(I4) Reinsurance commissions, profit participation	18 694 833	2 204 008	582 817	1 848 258	28 770 289	59 207 736	- 137 417	111 170 524	
(I5) Reinsurers' share in def. acq. costs (incr.-)	8 577 503	- 85 821	- 52 140	- 97 458	- 674 840	- 92 776	323 045	7 897 513	
(I) Net operating expenses (I1-I2+I3-I4-I5)	91 691 197	188 800 052	3 677 986	4 702 496	12 908 733	16 315 576	2 777 062	320 873 102	194 035
(J) Other technical charges		6 561		16 779	55 594	16 483	5 992	101 409	
(K) Profit/loss from portfolios accepted									
(L) TECHN. RESULT (C+D-G+H-I-J+K)	67 826 221	137 903 809	13 055 629	113 628	14 391 226	28 423 811	-2 166 804	259 547 521	992 021

Abbreviations:

UPP - Unearned premiums provision

OCP - Outstanding claims provision

Profit/loss account of life insurers, 2004

(kroons)

	ERGO Elukindlustus	Hansa Elukindlustus	Sampo Elukindlustus	Seesam Elukindlustus	Ühispana Elukindlustus	Total of life insurers
(A1) Gross premiums	64 073 757	375 835 561	83 950 484	80 026 351	202 417 154	806 303 307
(A2) Ceded premiums	1 334 043	6 893 589	1 432 421	3 709 868	4 447 073	17 816 994
(A) Net premiums written (A1-A2)	62 739 714	368 941 972	82 518 063	76 316 483	197 970 081	788 486 313
(B1) Investm. income from affil. and assoc. co	80 963			1 400 508		1 481 471
(B2) Income from land and buildings	249 607					249 607
(B3) Income from other investments	3 832 513	29 695 589	2 720 601	13 316 561	9 619 222	59 184 486
(B4) Change in investments' value	326 953	18 821 954	3 125 660	10 417 223	15 022 584	47 714 374
(B5) Profit from investment disposal	1 554 700	4 582 976	2 610 521	3 322 862	385 989	12 457 048
(B) Investment income (B1+...+B5)	6 044 736	53 100 519	8 456 782	28 457 154	25 027 796	121 086 987
(C1) Managing expenses	271 216	3 189 314	849 422	1 671 302	2 334 319	8 315 573
(C2) Investm. expenses from affil. and assoc. co	378 673			1 827 372		2 206 045
(C3) Change in investm. value	55 493		920 684	233 811		1 209 988
(C4) Loss from investment disposal	9 040		212 090	764 566	277 527	1 263 223
(C) Investment expenses (C1+...+C4)	714 422	3 189 314	1 982 196	4 497 051	2 611 846	12 994 829
(D) Net investment income (B-C)	5 330 314	49 911 205	6 474 586	23 960 103	22 415 950	108 092 158
(E) Unrealized gains/losses from inv.		34 422 774	2 943 234	618 242	15 225 997	53 210 247
(F1) Sums insured	4 280 075	36 769 172	467 004	5 629 487	6 471 212	53 616 950
(F2) Surrenders	3 626 214	25 212 272	3 027 759	3 898 735	21 490 910	57 255 890
(F2) Claim handling expenses	121 700	517 199	91 698	162 817	265 701	1 159 115
(F3) Reinsurers' share in claims paid	623 453	217 784	169 316	240 000	246 423	1 496 976
(F) Net claims paid (F1+F2+F3-F4)	7 404 536	62 280 859	3 417 145	9 451 039	27 981 400	110 534 979
(G1) Change in OCP (incr. -)	426 790	-2 671 823	1 572	- 147 997	-1 782 555	-4 174 013
(G2) Change in reinsurers' OCP (incr. +)	- 909 978	- 113 559	- 24 116	- 1 176	844 500	- 204 329
(G) Net change in OCP (G1+G2; incr.-)	- 483 188	-2 785 382	- 22 544	- 149 173	- 938 055	-4 378 342
(H) Net claims incurred (F-G)	7 887 724	65 066 241	3 439 689	9 600 212	28 919 455	114 913 321
(I1) Change in LP (incr. -)	-37 788 160	-113 875 789	-25 661 107	-59 283 563	-89 203 113	-325 811 732
(I2) Change in reinsurers' LP (incr. +)	46 836			- 309 723		- 262 887
(I) Net change in LP (I1+I2; incr.-)	-37 741 324	-113 875 789	-25 661 107	-59 593 286	-89 203 113	-326 074 619
(J) Bonuses	1 213 585	9 742 481	290 286		5 725 000	16 971 352
(J) Net change in other tech. prov. (incr. -)		-180 041 703	-45 442 587	-5 581 598	-57 601 025	-288 666 913
(L1) Acquisition costs	10 215 894	13 373 167	8 389 530	11 436 508	20 022 689	63 437 788
(L2) Change in deferred acq. costs (incr.+)	-1 513 668	- 178 864			- 663 757	-2 356 289
(L3) Administrative expenses	6 472 345	8 474 496	6 378 955	6 486 660	6 720 905	34 533 361
(L4) Reinsurance commissions, profit participation	694 017	2 954 160	702 301	563 291	3 091 469	8 005 238
(L5) Reinsurers' share in def. acq. costs (incr.-)						
(L) Net operating expenses (L1-L2+L3-L4-L5)	17 507 890	19 072 367	14 066 184	17 359 877	24 315 882	92 322 200
(M) Net other technical income				- 27 335	- 4 196	- 31 531
(N) Profit/loss from portfolios accepted				3 136 464		3 136 464
(O) TECHN. RESULT (A+D+E-H+I+J+K-L+M-N)	3 719 505	65 477 370	3 036 030	11 868 984	29 843 357	113 945 246
(P) Net other income	- 402 001	-15 858 899	- 186 575	- 410 285	- 794 859	-17 652 619
(Q) NET PROFIT/LOSS (O+P)	3 317 504	49 618 471	2 849 455	11 458 699	29 048 497	96 292 626

Abbreviations:

LP - Life insurance provisions

OCP - Outstanding claims provision

Insurance premiums and claims, 2000—2004

	LIFE INSURANCE	Changes compared to previous year	NON-LIFE INSURANCE	Changes compared to previous year	TOTAL OF DIRECT INSURANCE	Changes compared to previous year	REINSURANCE	Changes compared to previous year	TOTAL	Changes compared to previous year
Gross premiums (thousand kroons)										
2000	304 325	40.6%	1 289 686	14.5%	1 594 011	18.7%	64 798	-12.7%	1 658 809	17.1%
2001	355 900	16.9%	1 427 197	10.7%	1 783 097	11.9%	49 145	-24.2%	1 832 242	10.5%
2002	446 044	25.3%	1 718 337	20.4%	2 164 381	21.4%	24 278	-50.6%	2 188 659	19.5%
2003	579 765	30.0%	2 055 958	19.6%	2 635 723	21.8%	13 801	-43.2%	2 649 524	21.1%
2004	806 303	39.1%	2 366 290	15.1%	3 172 593	20.4%	22 443	62.6%	3 195 036	20.6%
Reinsurance (thousand kroons)										
2000	8 123	36.3%	387 741	9.6%	395 864	10.0%	6 371	41.5%	402 235	10.4%
2001	7 749	-4.6%	472 904	22.0%	480 653	21.4%	7 736	21.4%	488 389	21.4%
2002	9 666	24.7%	595 315	25.9%	604 981	25.9%	15 863	2.1 times	620 844	27.1%
2003	11 742	21.5%	685 530	15.2%	697 272	15.3%	11 787	-25.7%	709 059	14.2%
2004	17 817	51.7%	630 523	-8.0%	648 340	-7.0%	21 275	80.5%	669 615	-5.6%
Net premiums (thousand kroons)										
2000	296 202	40.7%	901 945	16.8%	1 198 147	21.9%	58 427	-16.2%	1 256 574	19.4%
2001	348 151	17.5%	954 293	5.8%	1 302 444	8.7%	41 409	-29.1%	1 343 853	6.9%
2002	436 378	25.3%	1 123 022	17.7%	1 559 400	19.7%	8 415	-79.7%	1 567 815	16.7%
2003	568 023	30.2%	1 370 428	22.0%	1 938 451	24.3%	2 014	-76.1%	1 940 465	23.8%
2004	788 486	38.8%	1 735 767	26.7%	2 524 253	30.2%	1 168	-42.0%	2 525 421	30.1%
Claims reported (in units)										
2000	14 661	-47.3%	44 979	6.7%			2 872	1.0%		
2001	10 946	-25.3%	53 550	19.1%			2 440	-15.0%		
2002	10 523	-3.9%	61 179	14.2%			1 151	-52.8%		
2003	10 964	4.2%	64 206	4.9%			267	-76.8%		
2004	10 891	-0.7%	67 423	5.0%			135	-49.4%		
Claims settled (in units)										
2000	14 537	-46.9%	42 886	13.0%			2 858	1.0%		
2001	10 719	-26.3%	46 890	9.3%			2 436	-14.8%		
2002	10 217	-4.7%	55 772	18.9%			996	-59.1%		
2003	10 864	6.3%	61 878	10.9%			245	-75.4%		
2004	10 473	-3.6%	64 449	4.2%			128	-47.8%		
Claims paid (thousand kroons)										
2000	58 415	-14.9%	616 950	6.2%	675 365	4.0%	32 753	-4.6%	708 118	3.6%
2001	54 483	-6.7%	712 842	15.5%	767 325	13.6%	30 004	-8.4%	797 329	12.6%
2002	61 195	12.3%	912 436	28.0%	973 631	26.9%	20 443	-31.9%	994 074	24.7%
2003	86 674	41.6%	1 023 034	12.1%	1 109 708	14.0%	11 816	-42.2%	1 121 524	12.8%
2004	112 032	29.3%	1 177 047	15.1%	1 289 079	16.2%	22 513	90.5%	1 311 592	16.9%
Reinsurance (thousand kroons)										
2000	860	-65.5%	193 312	12.1%	194 172	11.0%	-154		194 018	10.9%
2001	186	-78.4%	231 178	19.6%	231 364	19.2%			231 364	19.2%
2002	1 049	5.6 times	288 873	25.0%	289 922	25.3%	1 252		291 174	25.9%
2003	642	-38.8%	332 678	15.2%	333 320	15.0%			333 320	14.5%
2004	1 497	2.3 times	364 915	9.7%	366 412	9.9%	16 695		383 107	14.9%
Net claims paid (thousand kroons)										
2000	57 555	-12.9%	423 638	3.8%	481 193	1.5%	32 907	-4.1%	514 100	1.1%
2001	54 297	-5.7%	481 664	13.7%	535 961	11.4%	30 004	-8.8%	565 965	10.1%
2002	60 146	10.8%	623 563	29.5%	683 709	27.6%	19 191	-36.0%	702 900	24.2%
2003	86 032	43.0%	690 356	10.7%	776 388	13.6%	11 816	-38.4%	788 204	12.1%
2004	110 535	28.5%	812 132	17.6%	922 667	18.8%	5 818	-50.8%	928 485	17.8%

Life insurance policies, premiums and claims by insurers, 2000—2004 (1)

	AB Elukindlustus	ERGO Elukindlustus	Hansa Elukindlustus ¹	Nordika Elukindlustus	Sampo Elukindlustus	Seesam Elukindlustus	Ühispanga Elukindlustus	TOTAL OF COMPANIES
Policies in force (in units), 31 December								
2000	-	4 114	72 554	3 878	1 941	16 202	9 269	107 958
2001	-	4 950	74 228	3 667	4 328	18 247	12 622	118 042
2002	-	9 959	74 251	-	7 207	18 737	18 007	128 161
2003	-	11 094	77 156	-	9 547	19 524	23 488	140 809
2004	-	11 926	81 425	-	12 168	21 247	29 054	155 820
Sums insured (thousand kroons)								
2000	-	798 827	6 338 323	601 228	241 778	624 065	1 646 643	10 250 864
2001	-	1 066 713	6 176 962	786 378	638 773	638 822	2 315 217	11 622 865
2002	-	2 015 074	7 767 877	-	860 179	701 180	3 177 921	14 522 231
2003	-	2 883 936	10 151 731	-	999 721	871 182	3 950 103	18 856 673
2004	-	2 369 530	13 745 318	-	1 209 526	1 109 387	4 878 306	23 312 067
New policies (in units)								
2000	-	1 663	7 674	1 116	2 096	13 251	8 764	34 564
2001	-	1 467	9 216	395	2 814	3 170	4 460	21 522
2002	-	3 084	9 154	...	3 444	1 591	6 697	23 970
2003	-	3 854	11 898	-	3 259	1 840	6 449	27 300
2004	-	2 441	13 163	-	3 885	2 845	6 802	29 136
Gross premiums (thousand kroons)								
2000	469	21 444	171 669	8 020	4 549	48 583	49 591	304 325
2001	-	30 162	168 837	8 211	15 801	63 399	69 490	355 900
2002	-	43 431	196 476	3 907	30 561	72 429	99 240	446 044
2003	-	57 762	248 089	-	53 136	73 433	147 345	579 765
2004	-	64 074	375 836	-	83 950	80 026	202 417	806 303
Reinsurance (thousand kroons)								
2000	-	881	3 578	149	91	1 640	1 784	8 123
2001	-	766	2 681	143	424	1 351	2 384	7 749
2002	-	977	3 274	71	1 045	1 435	2 864	9 666
2003	-	1 056	4 584	-	1 236	1 071	3 795	11 742
2004	-	1 334	6 894	-	1 432	3 710	4 447	17 817
Net premiums (thousand kroons)								
2000	469	20 563	168 091	7 871	4 458	46 943	47 807	296 202
2001	-	29 396	166 156	8 068	15 377	62 048	67 106	348 151
2002	-	42 454	193 202	3 836	29 516	70 994	96 376	436 378
2003	-	56 706	243 505	-	51 900	72 362	143 550	568 023
2004	-	62 740	368 942	-	82 518	76 316	197 970	788 486
Claims reported (in units)								
2000	-	292	12 549	289	2	1 047	482	14 661
2001	-	281	8 669	481	59	634	822	10 946
2002	-	671	8 351	...	148	704	649	10 523
2003	-	1 075	8 030	-	242	797	820	10 964
2004	-	1 249	7 290	-	421	923	1 008	10 891
of which surrenders (in units)								
2000	-	227	5 830	214		812	287	7 370
2001	-	163	3 703	373	26	421	590	5 276
2002	-	384	3 207	...	88	438	327	4 444
2003	-	596	3 319	-	179	465	430	4 989
2004	-	515	2 993	-	367	476	521	4 872

... N/A

¹ Hansapanga Kindlustuse AS was altered to AS Hansa Elukindlustus on 6 February 2004

Life insurance policies, premiums and claims by insurers, 2000—2004 (2)

	AB Elukindlustus	ERGO Elukindlustus	Hansa Elukindlustus ¹	Nordika Elukindlustus	Sampo Elukindlustus	Seesam Elukindlustus	Ühispanga Elukindlustus	TOTAL OF COMPANIES
Claims settled (in units)								
2000	-	271	12 460	315		1 034	457	14 537
2001	-	221	8 669	499	39	643	648	10 719
2002	-	644	8 035	...	132	695	711	10 217
2003	-	1 082	7 577	-	219	789	1 197	10 864
2004	-	1 255	6 865	-	398	870	1 085	10 473
of which surrenders (in units)								
2000	-	207	5 811	217		808	270	7 313
2001	-	133	3 703	376	20	425	309	4 966
2002	-	358	2 898	...	90	438	328	4 112
2003	-	595	2 892	-	179	465	695	4 826
2004	-	521	2 589	-	367	476	578	4 531
Claims paid (thousand kroons)								
2000	-	1 196	49 499	885		3 199	3 636	58 415
2001	-	1 785	37 843	1 409	322	4 044	9 080	54 483
2002	-	3 976	42 240	434	587	5 633	8 325	61 195
2003	-	6 380	56 108	-	1 090	7 838	15 258	86 674
2004	-	8 028	62 499	-	3 586	9 691	28 228	112 032
of which sums insured (thousand kroons)								
2000	-	397	29 004	365		1 554	1 798	33 118
2001	-	721	21 210	256	121	1 864	3 439	27 611
2002	-	1 453	24 053	...	221	3 158	4 187	33 072
2003	-	2 636	34 444	...	178	3 879	4 702	45 839
2004	-	4 280	36 769	...	467	5 630	6 471	53 617
surrenders (thousand kroons)								
2000	-	799	20 148	477		1 556	1 380	24 360
2001	-	1 012	16 211	1 106	32	1 926	5 069	25 356
2002	-	2 448	17 572	...	286	2 195	3 996	26 497
2003	-	3 644	21 237	-	832	3 734	10 319	39 766
2004	-	3 626	25 212	-	3 028	3 899	21 491	57 256
Reinsurance (thousand kroons)								
2000	-		306	29		100	425	860
2001	-		55	3			128	186
2002	-		320			150	579	1 049
2003	-	158	74	-	11		399	642
2004	-	624	218	-	169	240	246	1 497
Net claims paid (thousand kroons)								
2000	-	1 196	49 193	856		3 099	3 211	57 555
2001	-	1 785	37 788	1 406	322	4 044	8 952	54 297
2002	-	3 976	41 920	434	587	5 483	7 746	60 146
2003	-	6 222	56 034	-	1 079	7 838	14 859	86 032
2004	-	7 404	62 281	-	3 417	9 451	27 982	110 535

... N/A

¹ Hansapanga Kindlustuse AS was altered to AS Hansa Elukindlustus on 6 February 2004

Life insurance policies, premiums and claims by classes of business, 2000—2004 (1)

	Term and whole life assurance	Endowment insurance	Annuities	Birth and marriage assurance	Unit linked life insurance	TOTAL OF BASIC INSURANCE	Supplementary insurances	TOTAL WITH SUPPLEMENTARY INSURANCES	Incl. insurances with tax benefit
Policies in force (in units), 31 December									
2000	5 897	73 778	9 951	17 391	941	107 958	93 512	201 470	24 430
2001	6 618	79 672	13 156	15 936	2 660	118 042	98 481	216 523	34 883
2002	8 258	85 005	17 323	14 226	3 349	128 161	102 640	230 801	46 732
2003	11 385	96 467	16 077	12 577	4 303	140 809	105 918	246 727	58 317
2004	15 413	104 350	16 644	11 003	8 410	155 820	111 798	267 618	68 469
Sums insured (thousand kroons)									
2000	1 209 264	3 414 167	332 681	50 113	61 189	5 067 414	5 183 450	10 250 864	2 123 489
2001	1 207 636	3 986 990	499 685	50 801	182 424	5 927 536	5 695 329	11 622 865	2 658 894
2002	1 621 002	4 799 650	812 450	48 894	313 594	7 595 590	6 926 641	14 522 231	3 685 700
2003	2 355 347	6 501 562	721 559	45 947	454 053	10 078 468	8 778 205	18 856 673	4 935 758
2004	3 249 886	7 627 229	835 428	42 666	908 243	12 663 452	10 648 615	23 312 067	6 244 133
New policies (in units)									
2000	3 957	22 327	7 248	137	895	34 564	15 438	52 969	15 036
2001	2 001	14 322	3 958		1 241	21 522	16 659	38 181	11 976
2002	3 016	14 801	5 249		904	23 970	15 546	39 516	13 963
2003	5 140	18 528	2 436		1 196	27 300	17 215	44 515	13 762
2004	6 745	16 200	1 322		4 869	29 136	19 255	48 391	12 764
Gross premiums (thousand kroons)									
2000	10 331	175 676	40 035	6 045	60 845	292 932	11 393	304 325	111 281
2001	12 372	203 923	65 048	5 723	52 648	339 714	16 186	355 900	166 385
2002	13 907	271 932	86 768	5 318	48 860	426 785	19 259	446 044	235 723
2003	16 683	373 808	4 737	4 737	80 325	557 407	22 358	579 765	307 528
2004	21 348	396 017	87 135	4 163	271 190	779 853	26 450	806 303	339 265
Reinsurance (thousand kroons)									
2000	3 017	3 108		3	1	6 129	1 994	8 123	404
2001	2 643	3 034		4	12	5 693	2 056	7 749	841
2002	3 410	4 432	5	1	33	7 881	1 785	9 666	2 626
2003	3 412	5 707	10	1	27	9 157	2 585	11 742	3 188
2004	6 685	7 361	8	1	828	14 883	2 934	17 817	4 995
Net premiums (thousand kroons)									
2000	7 314	172 568	40 035	6 042	60 844	286 803	9 399	296 202	110 877
2001	9 729	200 889	65 048	5 719	52 636	334 021	14 130	348 151	165 544
2002	10 497	267 500	86 763	5 317	48 827	418 904	17 474	436 378	233 097
2003	13 271	368 101	81 844	4 736	80 298	548 250	19 773	568 023	304 340
2004	14 663	388 656	87 127	4 162	270 362	764 970	23 516	788 486	334 270
Claims reported (in units)									
2000	140	10 752	255	1 866	37	13 050	1 611	14 661	506
2001	188	7 589	361	1 073	113	9 324	1 622	10 946	893
2002	332	6 926	452	1 059	171	8 940	1 583	10 523	976
2003	529	7 172	546	895	182	9 324	1 640	10 964	1 398
2004	510	6 772	805	754	226	9 067	1 824	10 891	1 925
of which surrenders (in units)									
2000	125	5 755	181	1 279	30	7 370		7 370	478
2001	172	3 838	272	886	108	5 276		5 276	802
2002	310	2 810	312	850	162	4 444		4 444	820
2003	511	3 282	279	749	165	4 986	3	4 989	1 087
2004	483	3 202	387	574	216	4 862	10	4 872	1 473

Life insurance policies, premiums and claims by classes of business, 2000—2004 (2)

	Term and whole life assurance	Endowment insurance	Annuities	Birth and marriage assurance	Unit linked life insurance	TOTAL OF BASIC INSURANCE	Supplementary insurances	TOTAL WITH SUPPLEMENTARY INSURANCES	Incl. insurances with tax benefit
Claims settled (in units)									
2000	130	10 659	252	1 866	34	12 941	1 596	14 537	494
2001	184	7 399	356	1 064	139	9 142	1 577	10 719	715
2002	188	6 772	459	1 056	215	8 690	1 527	10 217	913
2003	266	7 342	545	911	239	9 303	1 561	10 864	1 419
2004	223	6 748	795	754	273	8 793	1 680	10 473	1 881
of which surrenders (in units)									
2000	118	5 709	179	1 279	28	7 313		7 313	471
2001	172	3 540	254	877	123	4 966		4 966	639
2002	162	2 603	295	847	205	4 112		4 112	730
2003	245	3 307	281	765	225	4 823	3	4 826	1 094
2004	195	3 103	386	574	263	4 521	10	4 531	1 423
Claims paid (thousand kroons)									
2000	202	51 000	723	2 165	662	54 752	3 663	58 415	2 130
2001	721	38 370	1 735	2 158	8 083	51 067	3 416	54 483	6 735
2002	1 238	44 145	2 602	2 531	6 988	57 504	3 691	61 195	7 390
2003	1 317	61 848	3 761	2 888	12 843	82 657	4 017	86 674	12 692
2004	2 150	70 457	5 113	3 476	25 262	106 458	5 574	112 032	17 625
of which sums insured (thousand kroons)									
2000	175	28 915	252	421	206	29 969	3 149	33 118	638
2001	463	22 911	676	154	297	24 501	3 110	27 611	1 820
2002	1 017	27 271	908	168	197	29 561	3 511	33 072	2 556
2003	995	39 165	1 332	203	285	41 980	3 859	45 839	4 386
2004	1 798	43 836	1 945	459	290	48 328	5 289	53 617	5 984
surrenders (thousand kroons)									
2000	21	21 686	458	1 739	456	24 360		24 360	1 430
2001	249	14 590	944	1 981	7 592	25 356		25 356	4 632
2002	200	15 712	1 570	2 325	6 690	26 497		26 497	4 636
2003	301	22 027	2 352	2 662	12 411	39 753	13	39 766	8 108
2004	293	26 025	3 099	3 014	24 796	57 227	29	57 256	11 410
Reinsurance (thousand kroons)									
2000		391				391	469	860	
2001		174				174	12	186	97
2002	70	779				849	200	1 049	191
2003	98	436				534	108	642	251
2004	240	627				867	630	1 497	361
Net claims paid (thousand kroons)									
2000	202	50 609	723	2 165	662	54 361	3 194	57 555	2 130
2001	721	38 196	1 735	2 158	8 083	50 893	3 404	54 297	6 638
2002	1 168	43 366	2 602	2 531	6 988	56 655	3 491	60 146	7 199
2003	1 219	61 412	3 761	2 888	12 843	82 123	3 909	86 032	12 441
2004	1 910	69 830	5 113	3 476	25 262	105 591	4 944	110 535	17 264

Non-life insurance premiums and claims by insurers, 2000—2004 (1)*

	ERGO Kindlustus	If Eesti Kindlustus	Inges Kindlustus	Leks Kindlustus	Nordicum Kindlustus Eesti ¹	Nordika Kindlustus
Gross premiums (thousand kroons)						
2000	257 055	494 045	50 115	118 522	-	63 202
2001	341 146	497 267	69 775	-	-	72 235
2002	424 107	597 869	70 314	-	80 805	-
2003	558 995	762 003	84 039	-	82 138	-
2004	612 738	973 915	89 316	-	76 808	-
Reinsurance (thousand kroons)						
2000	74 987	90 149	24 227	26 734	-	7 474
2001	102 518	50 396	40 832	-	-	10 621
2002	133 140	51 684	45 569	-	7 789	-
2003	200 259	26 240	53 911	-	10 988	-
2004	87 835	35 084	56 648	-	34 925	-
Net premiums (thousand kroons)						
2000	182 068	403 896	25 888	91 788	-	55 728
2001	238 628	446 871	28 943	-	-	61 614
2002	290 967	546 185	24 745	-	73 016	-
2003	358 736	735 763	30 128	-	71 150	-
2004	524 903	938 831	32 668	-	41 883	-
Claims reported (in units)						
2000	9 867	17 576	1 059	4 256	-	2 438
2001	15 055	18 794	2 440	-	-	2 840
2002	16 130	19 731	2 720	-	4 132	-
2003	19 495	21 413	3 297	-	3 207	-
2004	18 477	26 438	3 274	-	2 937	-
Claims settled (in units)						
2000	8 348	17 795	578	4 301	-	2 426
2001	12 185	16 740	2 306	-	-	2 781
2002	14 237	19 183	2 429	-	4 516	-
2003	16 787	21 945	3 373	-	3 817	-
2004	15 906	27 158	3 109	-	2 938	-
Claims paid (thousand kroons)						
2000	134 267	240 649	14 111	53 634	-	32 105
2001	188 097	251 128	33 297	-	-	41 120
2002	225 405	304 367	38 016	-	72 985	-
2003	302 656	352 213	49 954	-	57 837	-
2004	311 541	431 935	52 633	-	53 252	-
Reinsurance (thousand kroons)						
2000	38 110	60 976	10 122	11 785	-	10 953
2001	45 081	31 006	26 293	-	-	6 720
2002	56 042	11 167	29 925	-	5 611	-
2003	96 631	12 279	38 470	-	4 603	-
2004	63 305	4 042	40 920	-	20 672	-
Net claims paid (thousand kroons)						
2000	96 157	179 673	3 989	41 849	-	21 152
2001	143 016	220 122	7 004	-	-	34 400
2002	169 363	293 200	8 091	-	67 374	-
2003	206 025	339 934	11 484	-	53 234	-
2004	248 236	427 893	11 713	-	32 580	-

* Only direct insurance

¹ Nordea Kindlustuse Eesti AS was altered to Nordicum Kindlustuse Eesti AS on 16 January 2004

- Data of Estonian Traffic Insurance Fund include the membership fee (extractions) from companies, and this fee is not included in the data of companies;
Membership fee was 2.4% in 2004

Non-life insurance premiums and claims by insurers, 2000—2004 (2)*

	Salva Kindlustus	Seesam Rahvusvaheline Kindlustus	Zürich Kindlustus Eesti	TOTAL OF COMPANIES	Estonian Traffic Insurance Fund	TOTAL
Gross premiums (thousand kroons)						
2000	82 561	145 144	33 784	1 244 428	45 258	1 289 686
2001	112 302	241 494	43 814	1 378 033	49 164	1 427 197
2002	155 383	280 034	48 579	1 657 091	61 246	1 718 337
2003	221 311	281 254	32 377	2 022 117	33 841	2 055 958
2004	252 800	334 788	51	2 340 416	25 874	2 366 290
Reinsurance (thousand kroons)						
2000	48 938	90 877	24 286	387 672	69	387 741
2001	68 033	161 305	39 124	472 829	75	472 904
2002	110 289	198 967	47 472	594 910	405	595 315
2003	156 239	204 641	32 279	684 557	973	685 530
2004	177 363	237 674	51	629 580	943	630 523
Net premiums (thousand kroons)						
2000	33 623	54 267	9 498	856 756	45 189	901 945
2001	44 269	80 189	4 690	905 204	49 089	954 293
2002	45 094	81 067	1 107	1 062 181	60 841	1 123 022
2003	65 072	76 613	98	1 337 560	32 868	1 370 428
2004	75 437	97 114		1 710 836	24 931	1 735 767
Claims reported (in units)						
2000	2 962	4 765	556	43 479	1 500	44 979
2001	4 061	8 130	640	51 960	1 590	53 550
2002	7 389	9 650	431	60 183	996	61 179
2003	6 995	8 754	301	63 462	744	64 206
2004	8 190	7 460	19	66 795	628	67 423
Claims settled (in units)						
2000	2 509	4 205	391	40 553	2 333	42 886
2001	3 409	7 685	495	45 601	1 289	46 890
2002	4 911	9 264	417	54 957	815	55 772
2003	6 279	8 753	291	61 245	633	61 878
2004	7 507	7 295	40	63 953	496	64 449
Claims paid (thousand kroons)						
2000	40 539	57 018	7 380	579 703	37 247	616 950
2001	55 793	116 699	9 556	695 690	17 152	712 842
2002	91 747	156 725	15 017	904 262	8 174	912 436
2003	108 026	139 845	7 211	1 017 742	5 292	1 023 034
2004	153 734	169 683	1 923	1 174 701	2 346	1 177 047
Reinsurance (thousand kroons)						
2000	24 842	30 711	5 464	192 963	349	193 312
2001	35 477	79 109	6 966	230 652	526	231 178
2002	62 305	109 820	13 723	288 593	280	288 873
2003	76 752	97 046	6 897	332 678		332 678
2004	114 110	118 954	1 809	363 812	1 103	364 915
Net claims paid (thousand kroons)						
2000	15 697	26 307	1 916	386 740	36 898	423 638
2001	20 316	37 590	2 590	465 038	16 626	481 664
2002	29 442	46 905	1 294	615 669	7 894	623 563
2003	31 274	42 799	314	685 064	5 292	690 356
2004	39 624	50 729	114	810 889	1 243	812 132

* Only direct insurance

- Data of Estonian Traffic Insurance Fund include the membership fee (extractions) from companies, and this fee is not included in the data of companies;

Membership fee was 2.4% in 2004

Non-life insurance premiums and claims by classes of business, 2000—2004 (1)*

	Motor TPL insurance	Short-term health insurance			Land vehicles insurance (KASKO)	Railway rolling stock insurance	Aircraft insurance	Insurance for ships	Goods in transit insurance	Property insurance		
		Accident insurance	Sickness insurance	Travel insurance						Legal persons	Physical persons	Total
Gross premiums (thousand kroons)												
2000	476 978	34 480		40 375	385 773	823	86	3 018	14 211	141 926	133 694	275 620
2001	456 616	35 675		43 187	476 606	2 852	161	4 429	21 069	166 042	151 280	317 322
2002	516 556	37 105		47 755	600 138	3 766	57	4 836	20 257	214 795	178 252	393 047
2003	619 648	38 744		54 436	747 724	6 356	230	4 428	22 935	251 132	205 301	456 433
2004	689 072	40 783		61 104	894 115	7 925		4 624	23 762	287 858	240 041	527 899
Reinsurance (thousand kroons)												
2000	63 484	2 410		6 249	186 602	811	59	1 932	5 532	84 536	10 396	94 932
2001	90 631	3 082		5 965	213 076	2 733	40	2 921	10 223	94 543	13 833	108 376
2002	118 072	3 341		5 735	256 728	3 087	55	2 956	8 411	121 304	16 473	137 777
2003	195 035	2 992		4 483	277 507	5 232	223	2 998	8 367	114 517	22 148	136 665
2004	197 714	2 030		4 677	230 977	6 319		3 123	10 206	100 926	24 201	125 127
Net premiums (thousand kroons)												
2000	413 494	32 070		34 126	199 171	12	27	1 086	8 679	57 390	123 298	180 688
2001	365 985	32 593		37 222	263 530	119	121	1 508	10 846	71 499	137 447	208 946
2002	398 484	33 764		42 020	343 410	679	2	1 880	11 846	93 491	161 779	255 270
2003	424 613	35 752		49 953	470 217	1 124	7	1 430	14 568	136 615	183 153	319 768
2004	491 358	38 753		56 427	663 138	1 606		1 501	13 556	186 932	215 840	402 772
Claims reported (in units)												
2000	19 280	3 575		1 716	16 142			11	169	1 984	1 848	3 832
2001	21 504	3 770		1 889	21 155			29	261	2 582	2 053	4 635
2002	25 594	4 116		2 395	24 031	1		28	99	2 353	2 206	4 559
2003	25 207	3 599		2 653	27 712			29	72	2 153	2 341	4 494
2004	28 075	3 596		3 139	27 873	2		19	50	1 984	2 274	4 258
Claims settled (in units)												
2000	18 721	3 331		1 572	15 402			13	143	1 727	1 734	3 461
2001	19 556	3 188		1 628	18 070		1	27	225	2 124	1 892	4 016
2002	23 100	3 674		2 051	22 510	1		30	71	2 028	2 131	4 159
2003	25 438	3 372		2 563	26 267			24	44	1 749	2 171	3 920
2004	27 634	3 299		2 905	26 502	3		15	38	1 653	2 173	3 826
Claims paid (thousand kroons)												
2000	244 963	14 236		9 214	209 635			2 011	2 409	69 930	33 503	103 433
2001	263 975	15 961		11 037	276 972		382	2 856	3 454	77 980	41 769	119 749
2002	344 953	16 942		11 386	370 496	1 035		2 270	7 081	99 396	42 577	141 973
2003	370 413	14 615		17 177	409 033	-49		4 105	4 359	108 557	63 714	172 271
2004	450 802	17 825		17 125	463 563	427		4 463	14 459	108 158	66 409	174 567
Reinsurance (thousand kroons)												
2000	31 999	1 225		2 047	99 329			997	602	38 623	4 797	43 420
2001	49 439	1 046		1 507	129 197			1 651	1 288	35 420	6 481	41 901
2002	69 914	780		1 261	158 665	962		1 295	5 286	40 245	3 294	43 539
2003	102 633	939		1 394	147 572			2 630	2 708	53 514	3 696	57 210
2004	146 712	1 722		591	132 784	419		2 824	10 666	43 621	4 570	48 191
Net claims paid (thousand kroons)												
2000	212 964	13 011		7 167	110 306			1 014	1 807	31 307	28 706	60 013
2001	214 536	14 915		9 530	147 775		382	1 205	2 166	42 560	35 288	77 848
2002	275 039	16 162		10 125	211 831	73		975	1 795	59 151	39 283	98 434
2003	267 780	13 676		15 783	261 461	-49		1 475	1 651	55 043	60 018	115 061
2004	304 090	16 103		16 534	330 779	8		1 639	3 793	64 537	61 839	126 376

* Only direct insurance

Non-life insurance premiums and claims by classes of business, 2000—2004 (2)*

	Motor vehicle liability insurance	Aircraft liability insurance	Liability insurance for ships	General liability insurance					Insurance for pecuniary loss			TOTAL
				Employers liability insurance	Public liability insurance	Professional liability insurance		Product liability	Credit insurance	Suretyship insurance	Misc. financial loss insurance	
						Total	incl. obligatory insurances					
Gross premiums (thousand kroons)												
2000	19 832	122	38	6 016	9 335	4 277	1 366	384	375	14 403	3 540	1 289 686
2001	21 933	262	63	6 370	14 974	5 579	2 317	154	375	11 264	8 306	1 427 197
2002	23 986	323	193	6 034	20 112	17 579	2 743	453		10 531	15 609	1 718 337
2003	24 542	614	321	2 191	23 815	11 847	3 588	15 900		10 358	15 436	2 055 958
2004	25 622		299	3 049	18 344	11 682	4 066	25 455	219	8 684	23 652	2 366 290
Reinsurance (thousand kroons)												
2000	9 801	109		1 406	4 044	2 686	610	328	375	5 484	1 497	387 741
2001	8 866	248	13	1 780	9 459	3 050	1 134	91	375	5 395	6 580	472 904
2002	10 005	305	82	703	15 413	12 425	1 232	119		5 767	14 334	595 315
2003	8 839	593	232		16 922	5 096	1 836	5 469		6 308	8 569	685 530
2004	8 198		229	107	7 749	5 542	2 098	12 254		4 446	11 825	630 523
Net premiums (thousand kroons)												
2000	10 031	13	38	4 610	5 291	1 591	756	56		8 919	2 043	901 945
2001	13 067	14	50	4 590	5 515	2 529	1 183	63		5 869	1 726	954 293
2002	13 981	18	111	5 331	4 699	5 154	1 511	334		4 764	1 275	1 123 022
2003	15 703	21	89	2 191	6 893	6 751	1 752	10 431		4 050	6 867	1 370 428
2004	17 424		70	2 942	10 595	6 140	1 968	13 201	219	4 238	11 827	1 735 767
Claims reported (in units)												
2000	154			25	39	16	9		3	14	3	44 979
2001	196			27	41	25	15			17	1	53 550
2002	213			8	80	43	10	1		6	5	61 179
2003	261			30	79	48	13	7		12	3	64 206
2004	215			40	91	45	14	3		16	1	67 423
Claims settled (in units)												
2000	131			29	44	14	5		2	21	2	42 886
2001	95			18	33	10	1		1	17	5	46 890
2002	80			7	54	23		1		7	4	55 772
2003	160			21	38	7	1	9		13	2	61 878
2004	129			15	42	12	1	9		17	3	64 449
Claims paid (thousand kroons)												
2000	5 229			756	6 658	1 100	121		1 196	13 906	2 204	616 950
2001	5 596			2 404	1 520	927	304		747	6 975	287	712 842
2002	4 286			48	1 283	3 336	1 473	17		4 980	2 350	912 436
2003	7 829			1 103	8 727	2 073	1 801	8 033		1 957	1 388	1 023 034
2004	5 930			290	8 846	1 664	1 066	3 634		1 165	12 287	1 177 047
Reinsurance (thousand kroons)												
2000	2 579			308	3 727	665	77		1 195	3 806	1 413	193 312
2001	2 757			15	594	430	152		747	537	69	231 178
2002	2 360				490	2 113	789			196	2 012	288 873
2003	4 291				6 960	1 336	1 252	4 877		-21	149	332 678
2004	2 536				6 947	827	686			278	10 418	364 915
Net claims paid (thousand kroons)												
2000	2 650			448	2 931	435	44		1	10 100	791	423 638
2001	2 839			2 389	926	497	152			6 438	218	481 664
2002	1 926			48	793	1 223	684	17		4 784	338	623 563
2003	3 538			1 103	1 767	737	549	3 156		1 978	1 239	690 356
2004	3 394			290	1 899	837	380	3 634		887	1 869	812 132

* Only direct insurance

Insurance Institutions, 31 December 2004

Estonian Financial Supervision Authority

Supervisory Board

Chairman: Mr Taavi Veskimägi

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

Management Board

Chairman: Mr Andres Trink

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

Estonian Traffic Insurance Fund (ETIF)

General Director Mr Mart Jesse

Non-life insurance companies:

1. ERGO

Kindlustuse AS
Ms Olga Reznik

2. AS If Eesti Kindlustus

Mr Olavi Laido

3. AS Inges Kindlustus

Mr Voldemar Vaino

4. Nordicum Kindlustuse Eesti AS

Mr Mikko Sakari Saario

5. Salva Kindlustuse AS

Mr Tiit Pahapill

6. Seesam Rahvusvaheline Kindlustuse AS

Mr Margus Luhi

7. Zürich Kindlustuse Eesti AS (in dissolution)

Mr Aivar Vähi

Life insurance companies:

1. ERGO Elukindlustuse AS

Ms Olga Reznik

2. AS Hansa Elukindlustus

Mr Paavo Põld

3. AS Sampo Elukindlustus

Mr Imre Madisson

4. Seesam Elukindlustuse AS

Mr Erki Kilu

5. AS Ühispana Elukindlustus

Mr Indrek Holst

Estonian Insurance Brokers Association

Chairman of the Board
Mr Ain Habicht

Association of Estonian Insurers

Chairman of the Board
Mr Indrek Holst
Managing Director Ms Malle Aleksius

Estonian Actuarial Society

Chairman of the Board
Mr Tarmo Koll

Insurance brokers:

1. OÜ Aadel Kindlustusmaaklerid

Ms Rea Tänav

2. OÜ ABC Kindlustusmaaklerid

Mr Harri Kahl

3. OÜ ADVICE S.E. Kindlustusmaakler

Mr Ain Niineste

4. AS Aon Eesti Kindlustusmaakler

Mr Ülo Kallas

5. Balti Kindlustusmaakleri OÜ

Mr Kaido Tõnisson

6. CMR Kindlustusmaakler OÜ

Mr Renee Mahl

7. AS E-Kindlustus Kindlustusmaakler

Mr Risto Rossar

8. Heath Lambert Baltic Kindlustusmaakler AS

Mr Heiki Nurmeots

9. AS In Bro & Partners Kindlustusmaakler

Mr Tõnu Nael

10. OÜ MAI Estonia IBP Kindlustusmaakler (on liquidation)

Mr Raul Suup (Chairman of Liquidation Commission)

11. Majesteedi Elukindlustusmaakleri OÜ

Mr Raul Siimut

12. OÜ Marks ja Partnerid Kindlustusmaaklerid

Mr Jaan Marks

13. Marsh Kindlustusmaakler AS

Mr Valdeko Allik

14. Vagneri Kindlustusmaakler AS

Mr Roman Illarionov

15. AS Vandeni Kindlustusmaaklerid

Mr Raul Källo

AS IF EESTI KINDLUSTUS (non-life insurance)

ERGO KINDLUSTUSE AS (non-life insurance)

¹ Previously RAS Eesti Kindlustus, founded in 1940 and privatized in 1996

SEESAM RAHVUSVAHELINE KINDLUSTUSE AS (non-life insurance)

Address: Vambola 6 Tallinn
Comments: founded in 1991
Owners: Pohjola Group Plc, Finland (100%)
Auditor: AS PricewaterhouseCoopers
Management board: Chairman Margus Luih
Member Andri Püvi
Supervisory board: Chairman Tomi Yli-Kyyny
Members Toomas Abner
Hannu Linnoinen
Licenses: RM-1006, 07.11.1996 non-life insurance (accident, fire and natural forces, other property, goods in transit, land vehicles, misc. financial loss)
RM-1047, 30.01.1997 non-life insurance (general liability)
RM-1164, 10.12.1997 non-life insurance (ships, liability for ships)
RM-1404, 24.04.2000 motor TPL insurance
Nr 40-9, 01.09.2004 non-life insurance (railway rolling stock)

AS INGES KINDLUSTUS (non-life insurance)

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

SALVA KINDLUSTUSE AS (non-life insurance)

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

SEESAM ELUKINDLUSTUSE AS (life insurance)

Address:	Roosikrantsi 11 Tallinn		
Comments:	founded in 1993		
Owners:	Suomi Mutual Life Assurance Company, Finland (99%) Seesam Rahvusvaheline Kindlustuse AS (1%)		
Auditor:	AS PricewaterhouseCoopers		
Management board:	Chairman	Erki Kilu	
	Members	Marika Guralnik	
Supervisory board:	Chairman	Seppo Kullervo Ilvessalo	
	Members	Markku Juhani Vesterinen	
		Timo Antero Hukka	
Licenses:	RM-1097,	30.04.1997	life insurance (term and whole life assurance, endowment)
	RM-1165,	10.12.1997	life insurance (annuities)
	RM-1218,	30.09.1998	life insurance (annuities with tax benefit)
	RM-1527,	14.12.2001	life insurance (unit-linked life insurance, supplementary insurances)

AS HANSA ELUKINDLUSTUS (life insurance)

Address: Liivalaia 12 Tallinn
Comments: founded in 1995; merged with Eesti Elukindlustuse AS² in 1999
Owner: AS Hansapank (100%)
Auditor: AS Deloitte & Touche Audit
Management board: Chairman Paavo Põld
Members Jürgen Pelt
Liia Elo-Kirnmann
Supervisory board: Chairman Priit Põldoja
Members Erkki Raasuke
Helo Meigas
License: RM-1405, 24.04.2000 life insurance (term and whole life assurance, endowment, annuities, birth and marriage, unit linked life insurance, supplementary insurances, annuities with tax benefit)

ERGO ELUKINDLUSTUSE AS (life insurance)

Address:	A. Lauteri 5 Tallinn
Comments:	founded in 1995
Owners:	ERGO International Aktiengesel, Germany (100%)
Auditor:	AS KPMG Estonia
Managing Director:	Georg Männik
Supervisory board:	Chairman Olga Reznik
	Members Georg Männik
	Kaido Kepp
	Ivar-Heldur Petersen
	Maris Lukins
	Ivars Prieditis
	Valdas Cicenäs
	Saulius Jokubaitis
	Darius Kremensas
Supervisory board:	Chairman Kestutis Bagdonavicius
	Members Thomas Robert Scütze
	Siegmar Karl Theodor Krüger
	Klaus Allerdissen
	Aivars Bertulis
	Achim Naumann
	Savelij Semjonov
License:	RM-1493, 12.10.2001life insurance (term and whole life assurance, endowment, annuities, incl annuities with tax benefit, supplementary insurances)

² founded in 1996 as an affiliated company of RAS Eesti Kindlustus (founded in 1940); took over the life insurance portfolio of RAS Eesti Kindlustus

AS ÜHISPANGA ELUKINDLUSTUS (life insurance)

Address: Tornimäe 2 Tallinn
Comments: founded in 1998
AS Ühispanga Elukindlustus was altered to AS SEB Ühispanga Elukindlustus on 4 April 2005
Owner: SEB Eesti Ühispank (100%)
Auditor: AS PricewaterhouseCoopers
Management board: Chairman Indrek Holst
Members Jaanus Sibul
Aira Tammemäe
Supervisory board: Chairman Ain Hanschmidt
Members Lembit Kitter
Ülo Suurkask
Ain Rasva
Rein Rätsep
Licenses: RM-1255, 21.12.1998 life insurance (term and whole life assurance)
RM-1256, 21.12.1998 life insurance (endowment)
RM-1257, 21.12.1998 life insurance (annuities)
RM-1258, 21.12.1998 life insurance (supplementary insurances)
RM-1259, 21.12.1998 life insurance (annuities with tax benefit)
RM-1430, 20.11.2000 life insurance (unit linked life insurance)

AS SAMPO ELUKINDLUSTUS (life insurance)

Address: Narva mnt 11 Tallinn
Comments: founded in 1999
Owner: Sampo Life Insurance Company Ltd, Finland (100%)
Auditor: Ernst & Young Baltic AS
Management board: Chairman Imre Madison
Members Airi Viitart
Terje Otstavel
Supervisory board: Chairman Minna Kaarina Kohmo
Members Timo Pursiala
Margus Žuravljov
Licenses: RM-1314, 29.04.1999 life insurance (term and whole life assurance, endowment, annuities)
RM-1388, 10.01.2000 life insurance (annuities with tax benefit)
RM-1420, 10.08.2000 life insurance (supplementary insurances)
RM-1476, 09.07.2001 life insurance (unit linked life insurance)

NORDICUM KINDLUSTUSE EESTI AS (non-life insurance)

Address: Liivalaia 13/15 Tallinn
Comments: founded in 2001
Nordicum Kindlustuse Eesti AS was altered to QBE Kindlustuse Eesti AS on 20 April 2005
Owners: Tryg Forsikring Ltd, Denmark (100%)
Auditor: AS KPMG Estonia
Management board: Members Mikko Sakari Saario
Ilona Kuber
Supervisory board: Chairman Peter Falkenham
Members Kaupo Luhaäär
Kalle Pedak
License: F2-/0003, 13.02.2002 non-life insurance (accident (incl injury to passengers), land vehicles, goods in transit, fire and natural forces, other property, motor TPL insurance, general liability, suretyship)

MAJOR EVENTS, 2004

- 16.01 The name of Nordea Kindlustuse Eesti AS was changed to Nordicum Kindlustuse Eesti AS. Since 20 April 2005 the new name is QBE Kindlustuse Eesti AS.
- 19.01 The Financial Supervision Authority deleted the OÜ MAI Estonia IBP Kindlustusmaakler from the register of insurance intermediaries.
- 06.02 The name of Hansapanga Kindlustuse AS was changed to AS Hansa Elukindlustus.
- 18.02 The Financial Supervision Authority entered the Aadel Kindlustusmaaklerid OÜ to the register of insurance intermediaries as the insurance broker.
- 18.02 *Riigikogu* adopted the *Motor Third Party Liability Insurance Act* and the *Insurance Activities Act Amendment Act* (became effective on 25 March and partly upon the accession of Estonia to the European Union).
- 01.04 The Financial Supervision Authority Guideline *Unit linked life assurance policies - components, underlying assets and disclosure to policyholders* became effective.
- 18.04 Minister of Finance Regulation No 43 *The Amendment of the Minister of Finance Regulation No 75 of 9 August 2000 'Preparation and Submission of Insurer's Financial Statements, Interim Reports and Consolidated Account'* and No 44 *The Amendment of the Minister of Finance Regulation No 116 of 18 December 2001 'Procedures and Terms for Submission of Life Insurer's Actuarial'* (adopted on 1 April 2004).
- 21.04 The Financial Supervision Authority authorized the Sampo OY (Finland) to acquire the qualifying holding in AS If Eesti Kindlustus.
- 26.04 The participation of Pohjola Grupp Plc (Finland) in the Seesam Rahvusvaheline Kindlustuse AS grew from 50.5% to 100%.
- 01.05 Estonia accessed to the European Union and amendments triggered by the accession became effective in Insurance legislation (licensing, establishment of branch and provision of cross-border service).
- 12.05 The Financial Supervision Authority authorized the Sampo Life Insurance Company Ltd (Finland) to acquire 100% of the AS Sampo Elukindlustus.
- 26.05 The Financial Supervision Authority approved the Charter of the non-profit association Estonian Traffic Insurance Fund (ETIF). ETIF was founded on 20 May 2004 and entered in the commercial register on 29 June 2004. This private ETIF is the legal successor of the public law Estonian Traffic Insurance Foundation.
- 09.06 The Financial Supervision Authority authorized the Amber Trust S.C.A. (Luxembourg) to acquire 45% of the Salva Kindlustuse AS.
- 11.08 The Financial Supervision Authority granted the supplementary license to the AS If Eesti Kindlustus for underwriting sickness insurance and legal expenses insurance.

- 01.09 The Financial Supervision Authority granted the supplementary license to the Seesam Rahvusvahelise Kindlustuse AS for underwriting railway rolling stock insurance.
- 16.09 The Financial Supervision Authority approved the agreement for the transfer of assets, rights and commitments concluded between the public law Estonian Traffic Insurance Foundation and the non-profit association Estonian Traffic Insurance Fund.
- 16.09 The Financial Supervision Authority entered the CMR Kindlustusmaakler OÜ to the register of insurance intermediaries as the insurance broker.
- 29.09 The Financial Supervision Authority approved the Guideline *Unit-Linked Life Insurance Policies: Components, Underlying Assets and Disclosure for Policyholder*. The Guideline became effective for contracts, which are concluded and in force as of 1 April 2005.
- 29.09 The Financial Supervision Authority authorized the Marsh Kindlustusmaakler AS to provide cross-border insurance mediation services in the Republic of Latvia.
- 29.09 The Financial Supervision Authority approved the acquisition of qualifying holding by the Seesam Elukindlustuse AS in AS LHV Varahaldus and the acquisition of qualifying holding by the AS LHV Varahaldus in the AS Seesam Varahaldus.
- 20.10 The Financial Supervision Authority authorized the Marsh Kindlustusmaakler AS to provide cross-border insurance mediation services in the Republic of Lithuania.
- 20.10 The Financial Supervision Authority authorized the AS If Eesti Kindlustus to provide the following cross-border non-life insurance services in the Republics of Lithuania and Latvia: land vehicles insurance, fire and natural forces insurance, other property insurance.
- 04.11 The Financial Supervision Authority acknowledged the establishment of the Estonian branch of the Finnish non-life insurer Fennia Mutual Insurance Company.
- 17.11 The Financial Supervision Authority authorized the dissolution of the public law Estonian Traffic Insurance Foundation.
- 30.11 Nordicum Kindlustuse Eesti AS stopped underwriting new business. Pursuant to the new strategy of insurer's parent company, the insurer will focus on underwriting direct insurance in Northern countries and the insurance business in Estonia will therefore be limited.
- 08.12 *Riigikogu* adopted the new *Insurance Activities Act*. It became effective on 1 January 2005.
- 10.12 The Financial Supervision Authority published the booklet *Non-Life Insurance* in order to provide information for policyholders.
- 17.12 Nordicum Kindlustuse Eesti AS notified of the continuation of insurance business and of starting to underwrite new business and renew existing insurance contracts, for the QBE Insurance Group (Australia) signed the contract with Tryg Forsikring AS (Denmark) for the acquisition of the Nordicum Kindlustuse Eesti AS.
- 22.12 The license of Zürich Kindlustuse Eesti AS ended. The Financial Supervision Authority approved the contract for transferring the insurance portfolio that was concluded between the insurer and the AS If Eesti Kindlustus on 9 December 2004. The Financial Supervision Authority authorized the voluntary dissolution of Zürich Kindlustuse Eesti AS on 26 January 2005.