BaFin

2013/14

Statistics
Federal Financial Supervisory Authority
(Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin)
– Reinsurance undertakings –

Contents

I Reinsurance Supervision in 2014

The editorial deadline for the reporting year for reinsurance statistics is June in the following year. Subsequent assessments, additional reports and corrections to figures may lead to ex post changes. Any changes to prior-year figures in the following tables are due to subsequent corrections.

1 Authorised reinsurers

Three reinsurers successfully wound up their portfolios in 2014. One primary insurer transferred its entire primary insurance portfolio to a competitor and is now exclusively winding up its remaining reinsurance portfolio as a reinsurer. Overall, BaFin supervised a total of 40 reinsurance undertakings or branch offices of reinsurance undertakings at the end of the year under review (previous year: 42).

Table 1 Number of reinsurers under legal supervision of BaFin

As at 31 December of the relevant year

	2014	2013	2012	2011	2010
Reinsurance undertakings with business activities	27	27	29	33	35
Reinsurance undertakings without business activities	6	8	7	3	3
EEA branches	6	6	6	6	6
Third-country branches	1	1	1	1	1

2 Economic trends

For reinsurers, 2014 was marked by a low level of losses. Total losses worldwide caused by natural disasters were both down on the previous year and below the long-term average (see Table 2 "Natural disasters in 2014 compared with the past ten years", page 6). The hurricane season in particular was very mild. It has been nine years since the last major hurricane struck the US mainland.

In total, natural disasters caused overall economic losses of approximately US$110 billion worldwide in 2014. This is significantly below the average for the last ten years (US$190 billion) and indeed the last thirty years (US$130 billion). At around US$31 billion, insured losses were also noticeably lower than the long-term average of US$58 billion or US$33 billion. This represents a decline of approximately 21 % as against the previous year.

Weather events dominated 2014, accounting for approximately 92 % of all natural disasters. The most loss-intensive single event for the insurance industry was the winter storm and heavy snow in Japan, which caused losses of US$3.1 billion (see Table 3 "The five biggest natural disasters in 2014 measured by insured loss"). Unusually heavy snowfall of up to a metre caused numerous accidents, with many roofs collapsing under the weight of the snow. In the USA and Canada, too, low temperatures and heavy snow led to significant insured losses in the total amount of approximately US$1.7 billion. This also had an impact on the economy: some companies were forced to cease production.

In Europe and Germany, storm Ela was by far the most expensive natural event for the insurance industry. The storm swept across France, Belgium and western Germany at the beginning of June, with high wind speeds and hailstones measuring up to 10cm in places. Insured losses amounted US$890 million in Germany alone, rising to US$2.8 billion in total across Europe. From an international perspective, this made storm Ela the third most expensive catastrophic event in 2014.

Unusually cold winter weather in the USA also featured extensively in the figures for natural catastrophes in the first quarter of 2015. For example, Boston saw its highest snowfall (164.6cm) and second-coldest temperatures for a February since records began. Disruption was reported in transport and manufacturing.[1]

Cyclone Pam brought devastating losses to the small Pacific island state of Vanuatu. Pam was one of the most severe tropical storms ever seen, with wind speeds of almost 250 kilometres per hour at its centre. More than 90 % of buildings and houses in the capital, Port Vila, were destroyed or damaged. It is estimated that 24 people lost their lives.

The below-average level of global claims expenditures in 2014 resulted in more than sufficient capacity on the reinsurance market. This primarily related to natural disaster risk coverage, which was reflected in a significant price decrease. In addition to the lack of market-influencing losses, the continuing inflow of alternative capital put rates under particular pressure.

Hedge funds and pension funds increasingly invested in catastrophe bonds and collateralised reinsurance. The market for catastrophe bonds (insurance-linked securities – ILS) saw issue volumes hit US$9.1 billion in 2014, the highest figure in its history. At US$25.0 billion, the aggregate value of catastrophe bonds currently outstanding also set a new record.[2] The next interest rate hike and the next loss-intensive natural disasters will show how long-term investors' involvement is.

Although capital market investors increasingly also take into account other risks (such as longevity risk) when searching for returns, the alternative reinsurance market continues to be heavily dominated by natural disaster risk, especially US risk. The intensified

1 AON Benfield: February 2015 Global Catastrophe Recap.

2 ARTEMIS: www.artemis.bm: accessed 3 March 2015.

Table 2 Natural disasters in 2014 compared with the past ten years

Year	Number of events	Fatalities	Overall losses (US$m)	Insured losses (US$m)	Notable events
2014	980	7,700	110,000	31,000	Cyclone Hudhud, winter weather damage in Japan, the USA and Canada, floods in India and Pakistan, storm Ela
2013	920	21,000	140,000	39,000	Floods in Central Europe and Canada, hailstorms in Germany, storms Christian and Xaver, tornadoes in the USA
2012	920	10,000	173,000	65,000	Hurricane Sandy, drought in the USA, earthquakes in Italy, severe weather and tornadoes in the USA, Hurricane Isaac
2011	820	27,000	380,000	105,000	Earthquakes in Japan and New Zealand, floods in Thailand, tornadoes in the USA, Hurricane Irene
2010	970	296,000	152,000	60,000	Earthquakes in Haiti, Chile and China, heatwave in Russia, floods in Pakistan, volcanic eruption in Iceland
2009	900	11,000	60,000	22,000	Winter storm Klaus, tornadoes in the USA, hailstorms in Central Europe
2008	750	163,000	200,000	45,000	Hurricanes in the USA and the Caribbean, winter storm Emma
2007	1,025	16,000	83,000	26,000	Winter storm Kyrill, floods in the UK
2006	850	20,000	50,000	15,000	Earthquake in Yogyakarta, Indonesia
2005	670	101,300	227,000	101,000	Hurricanes in the Atlantic, earthquake in Pakistan
2004	640	233,000	150,000	48,000	Hurricanes in the Atlantic, typhoon in Japan, tsunami

Source: Based on Munich Re NatCatSERVICE data

competitive pressure caused by the inflow of alternative capital therefore primarily impacts those reinsurers who, like the alternative reinsurance market, focus on covering natural disaster risk.

In addition, overcapacities on the supply side met with declining demand. Cedants, in particular large insurance groups, increased their retentions further. This was also boosted by improved risk management

Table 3 The five biggest natural disasters in 2014 measured by insured loss

Date	Region	Event	Fatalities	Overall losses (US$m)	Insured losses (US$m)
7 Feb. – 16 Feb. 2014	Japan	Winter damage	37	5,900	3,100
18 May – 23 May 2014	USA	Severe weather	–	3,900	2,900
7 June – 10 June 2014	Western Europe	Severe weather	6	3,500	2,800
5 Jan. – 8 Jan. 2014	USA, Canada	Winter damage	–	2,500	1,700
3 June – 5 June 2014	USA	Severe weather	–	1,600	1,300

Source: Munich Re NatCatSERVICE

and high levels of capitalisation due to the absence of major losses.

Overall, competitive pressure and pressure on profitability in the reinsurance sector increased further in 2014. The softer market was visible in ever more classes of business and regions. The only exceptions were the classes of business impacted by losses, such as aviation insurance.

The persistently low and further decreasing interest rates also put pressure on reinsurers. On the one hand, returns on investment saw further declines. On the other, the premiums agreed in the past emerged as less suitable. The interest rates priced into premiums are proving too high in the low interest rate environment, causing an increasing problem for long-term classes of business such as liability insurance.

II Statistical evaluation for 2013

The report on the statistics for financial year 2013 and 2012/2013 included the annual financial statements of 33 reinsurers (previous year: 34), plus the annual financial statements of one third-country branch (Transatlantic Re). Most of them are stock corporations, one is a mutual insurance association (*Versicherungsverein auf Gegenseitigkeit*) and two are insurance undertakings under public law.

The data in the tables below, as well in the Table Section 2013, is based on what is known as "industry revenue". This figure, which is calculated for each insurance segment, is the total of the forms and statements submitted by the reinsurance undertakings. This not only allows all the values to be reconstructed at any time, but also enables additional (consistent) data to be retrieved from the data records if needed.

A disadvantage of this approach is that – depending on the forms and statements actually submitted – the number of reporting reinsurance undertakings may differ from table to table. As far as the industry data is concerned, however, this does not have any significant impact, because it is only published after all the relevant undertakings have submitted correct data, thus ensuring completeness.

1 Premiums

Reinsurance coverage is offered not only by reinsurance undertakings, but also by primary insurers engaging in reinsurance business. The breakdown of the total gross inward reinsurance premiums between reinsurers and primary insurers in financial year 2013 is shown in Table 4 ("Gross premiums in the reinsurance business", page 9):

In the year under review, gross premiums written by reinsurers rose for the fifth year in succession. However, the pace of growth slowed

Table 4 Gross premiums in the reinsurance business

Year	Gross premiums written (€m)		
	Reinsurers	Primary insurers (inward reinsurance business)	Total
2013	51,153.7	5,572.0	56,725.7
2012	51,053.4	5,522.3	56,575.8
2011	46,718.8	4,967.1	51,686.0
2010	43,307.0	4,058.9	47,365.9
2009	41,013.4	4,279.8	45,293.1

significantly to 0.2 %, down from 9.3 % for the previous year. Overall, gross premiums written have risen by almost one-third since 2008. Reinsurers last recorded higher premium volumes than in 2013 back in 2003; however, at 43, the number of reinsurers was considerably higher than in 2013 (34 undertakings). This indicates that the reinsurance industry is becoming more concentrated.

The continuing high level of contributions collected in 2013 is likely to have been driven by factors including the continued robust growth in demand on the primary insurance markets in the emerging economies, especially for property and casualty insurance. There was also sustained strong demand for reinsurance as a capital substitute, not least because of the persistently low levels of interest rates.

At approximately 0.9 %, premium income for primary insurers grew at a marginally faster pace than for reinsurers. The proportion of the total inward reinsurance business accounted for by reinsurers remained at 90.2 %. The number of primary insurers engaging in active reinsurance increased slightly from 152 to 153 undertakings in the year under review, of which 37 were life insurers, 13 were health insurers and 103 were property/casualty insurers.

At 1.3 %, reinsurance business accepted from domestic ceding insurers rose only slightly in 2013. Gross premiums written accepted from domestic ceding insurers amounted to €12.2 billion in the year under review (previous year: €12.1 billion); the level of contributions was however significantly higher in 2002, at €21.7 billion.

The opposite was true of the trends in foreign insurance business in the year under review. Reinsurers reported their first decrease in premiums since 2007, albeit only marginal, at 0.1 %. Overall, the share of reinsurance business accepted from foreign ceding insurers was down slightly, declining from 76.3 % in the previous year to 76.1 % in the year under review. Ten years ago, by contrast, the share of reinsurance business accepted from domestic ceding insurers accounted for almost half of all insurance business.

Measured in terms of gross premiums written, insurance business accepted from abroad by all domestic insurance undertakings (primary insurers and reinsurers) in 2013 (€41.4 billion) again significantly exceeded insurance business ceded abroad (€11.4 billion). That means that, as in previous years, domestic insurers made available more capacity to the international reinsurance market than they used themselves. The positive contribution to Germany’s balance of trade in services decreased from €31.5 billion in the prior year to €30.0 billion in the year under review.

Of the gross premiums written by reinsurers, €3.0 billion was attributable to facultative and €48.2 billion to obligatory reinsurance business. At 66.5 % (previous year: 64.9 %), proportional reinsurance in the form of quota share and surplus treaties continued to make up the largest proportion of gross premiums written.

However, there are signs that the importance of proportional reinsurance is diminishing: its share of total reinsurance treaties has dropped by 13 percentage points in the past five years.

Table 5 gives a breakdown of the reinsurers' gross premiums written by class of business.

Premiums in the property/casualty insurance business rose for the first time since 2007, amounting to €29.5 billion in the period under review (previous year: €29.2 billion). The principal beneficiaries of this were other property insurance and motor insurance.

However, at 42.2 %, premium volumes in personal insurance remained at a high level. Ten years ago, life and health insurance only accounted for just over a quarter. Growing life expectancy and medical advances are driving flourishing life and health insurance markets, including and especially in emerging economies. Because of the persistently low interest rates, there is also continued high demand from personal insurance companies for reinsurance as a capital substitute.

Reinsurers ceded €7.7 billion (previous year: €7.3 billion) of their total gross premiums written of €51.2 billion (previous year: €51.1 billion) to retrocessionaires. As a result, the retrocession ratio amounted to 15.1 % (previous year: 14.4 %), which reflects a decrease of approximately 1 % in reinsurers' retentions.

Table 641 of the Table Section (page 24) provides details of reinsurers' gross and net premiums earned by class of business in the year under review.

Table 5 Reinsurers' gross premiums written by class of business

Class of business	Gross premiums written					
	2013	2013	2012	2011	2010	2009
	€m	%				
General accident	1,137.8	2.2	2.3	2.5	3.0	3.2
Liability	4,354.1	8.5	8.5	8.6	8.7	9.2
Motor	5,776.1	11.3	10.8	12.4	11.9	11.9
Aerospace/aviation	391.9	0.8	0.9	0.9	0.9	0.9
Fire	7,053.7	13.8	14.3	13.6	13.4	13.8
Transport	1,198.2	2.3	2.5	2.2	3.6	4.0
Credit and surety	1,732.6	3.4	3.4	3.6	3.8	3.5
Aerospace/aviation liability	554.1	1.1	1.3	1.3	1.7	1.7
Other property insurance	6,156.3	12.0	11.1	11.7	11.9	12.3
Other indemnity insurance	1,162.5	2.3	2.2	2.2	2.5	2.2
Property/casualty insurance	29,517.3	57.7	57.3	59.0	61.5	62.7
Life	16,190.0	31.6	32.6	31.3	29.9	30.3
Health	5,446.4	10.6	10.1	9.7	8.6	6.9
Total insurance business	**51,153.7**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

2 Gross loss ratio

Overall economic losses amounted to US$140 billion in 2013, significantly below the average for the past ten years (US$190 billion). This is also true for insured losses, which declined from US$65 billion in the prior year to US$39 billion in the year under review (ten-year average: US$58 billion).

However, the extent to which German reinsurers benefited from the global decline in claims expenditures in 2013 was extremely mixed. This is because in Europe, reinsurers were confronted with an unusual string of loss-intensive events. Almost 30 % of insured losses worldwide were attributable to Europe, nearly double the long-term average. Hailstorms, floods and severe weather in the autumn and winter caused at times record losses for reinsurers. This had a particular effect on those reinsurers with a high proportion of business in regions and classes of business particularly affected by natural events (especially residential building insurance).

As a result, the reinsurers' gross loss ratio before settlement increased from 59.2 % to 62.9 % of gross premiums earned in the year under review, despite the decrease in worldwide claims expenditures. Similarly, total claims expenditures – including settlement results – increased from 67.6 % to 71.0 %.

The gross expense ratio also rose slightly and amounted to 26.8 % (previous year: 26.0 %).

Overall, the reinsurers' combined loss-expense ratio after settlement rose from 93.6 % in the previous year to 97.8 % in the year under review. On a net basis, the combined ratio deteriorated to 97.6 % (previous year: 96.1 %).

3 Technical provisions

Gross technical provisions increased for the fifth year in succession, rising by € 0.7 billion to € 135.9 billion (+0.5 %). In terms of gross premiums earned, this translated into a higher provision rate of 266.0 % for the business as a whole (previous year: 264.1 %). The slight increase in the rate is likely to be an expression of the higher claims expenditures in Europe juxtaposed with the decline in worldwide claims.

As in previous years, provisions for claims outstanding were by far the most significant single item, accounting for € 76.2 billion. These provisions increased slightly by 0.2 % (€ 0.1 billion) year-on-year, which led to a provision rate of 149.3 % (previous year: 148.7 %).

These figures reflect firstly the slight overall increase in claims expenditures from the year under review compared with 2012 and secondly the ongoing settlement of catastrophe losses from previous years.

As in the previous year, the largest share of gross technical provisions for claims outstanding was attributable to the following classes of business: liability insurance at € 26.6 billion (34.2 % of reinsurers' total gross provisions for claims outstanding), motor insurance at € 16.6 billion (21.3 %) and fire insurance at € 9.9 billion (12.7 %). Overall, gross technical provisions increased by approximately € 2.0 billion (14.0 %) to € 16.4 billion in the year under review, probably due to the high claims expenditures in Europe. This can primarily be seen in other property insurance, which includes among other things comprehensive residential building insurance – an area particularly impacted by natural catastrophes. Gross provisions in other property insurance increased by € 1.2 billion or 74.7 % in the financial year.

Alongside the provision for claims outstanding, the premium reserve is the most significant technical provision for reinsurers. At € 36.7 billion, this declined slightly in the year under review (previous year: € 37.1 billion).

Trends in the equalisation provision (including similar provisions) were very mixed in the year under review. Reinsurers had to withdraw significant amounts from the equalisation provision in some classes of business, for example in other property insurance (–10.2 %) due to natural catastrophes.

By contrast, appropriations had to be made in other classes of business, for example in fire insurance (36.8 %). This class had recorded particularly high claims expenditures in 2011. As a consequence, the considerably lower levels of claims expenditures in 2012 and 2013 led to significant allocations to the equalisation provision. In fire insurance, this provision increased from € 2.2 billion in 2011 to € 5.2 billion in 2013.

These high allocations for fire insurance also affected the overall equalisation provision. In total, the provision rose by a significant 9.4 % as a result of the allocations and amounted to € 15.2 billion at the end of the year under review (previous year: € 13.9 billion). This corresponds to 34.9 % of net premiums earned (previous year: 31.7 %) or 11.4 % of total gross technical provisions (previous year: 10.3 %).

Further details can be found in Tables 630 and 631 of the Table Section (pages 21–22).

4 Overall underwriting result

The reinsurers' underwriting result is shown in Table 6 ("Underwriting result by class of business", page 13), broken down by class of business.

Gross underwriting profit fell sharply, declining by 56.3 % year-on-year to € 1.2 billion. It is probable that this was primarily due to the high natural catastrophe losses in Central Europe (floods, hail, storms). In relation to the gross premiums earned, the reinsurers generated a return on sales of 2.4 % (previous year: 5.4 %).

Natural catastrophe losses were significant in other property insurance, which also includes comprehensive residential building insurance. This segment reported a gross underwriting loss of € 355.2 million in the year under review, compared with a gross profit of € 334.3 million in the prior year.

By contrast, the positive trend in fire insurance continued. At € 1.8 billion, profit remained almost unchanged as against the prior-year figure of € 1.9 billion. In 2011, fire insurance recorded a loss of € 4.6 billion as a result of record claims (including Fukushima and the floods in Thailand).

Overall, half of the reinsurers (17 of 34) posted a gross underwriting loss (previous year: 7 of 35 reinsurers). This was specifically applicable to those reinsurers with a high proportion of business in regions and classes of business particularly affected by natural events (especially residential building insurance).

In 2013, the primary insurers also posted a significant decline in earnings from insurance business accepted. Their gross profit decreased from € 0.9 billion in the previous year to € 0.6 billion in the year under review, representing 11.0 % of gross premiums earned (previous year: 17.2 %).

A look at the business accepted from domestic ceding insurers reveals the extent of the natural catastrophe losses in Germany. A gross underwriting loss of € 1.6 billion was recorded in

Table 6 Underwriting result by class of business

Class of business	2013	2013	2012	2011	2010	2009
	€m	as % of premiums earned				
General accident	164.4	14.6	19.3	21.8	10.2	-2.3
Liability	-773.3	-17.9	-16.1	0.0	-21.3	-28.2
Motor	-623.9	-11.0	-7.6	-2.2	-3.5	-1.2
Aerospace/aviation	145.1	37.1	31.1	39.4	21.2	30.8
Fire	1,846.9	26.2	26.5	-72.7	3.3	37.1
Transport	236.2	19.5	4.9	7.2	0.5	7.1
Credit and surety	-123.2	-7.0	1.3	37.8	7.3	-38.2
Aerospace/aviation liability	158.8	27.1	45.4	28.9	16.0	7.0
Other property insurance	-355.2	-5.8	5.8	3.6	10.3	15.0
Other indemnity insurance	-166.5	-14.7	10.6	-7.3	9.6	13.0
Property/casualty insurance	509.3	1.7	6.8	-12.0	1.2	6.3
Life	677.9	4.2	3.9	5.6	6.3	7.6
Health	26.9	0.5	2.2	1.3	0.6	-1.4
Total insurance business, gross result	**1,214.2**	**2.4**	**5.4**	**-5.2**	**2.7**	**6.2**
Retrocession result	-218.5	-2.9	-20.7	12.3	-11.0	-21.4
Net result 1	**995.7**	**2.3**	**2.9**	**-4.1**	**1.2**	**3.5**
Change in provision for unexpired risks	0.0	0.0	0.0	0.0	0.0	0.0
Change in equalisation reserve[1]	-1,317.7	-3.0	-2.7	3.4	-0.2	2.5
Net result 2	**-322.0**	**-0.7**	**0.2**	**-0.6**	**1.0**	**6.0**

1 Includes similar provisions.

the year under review, down sharply from the gross underwriting profit of €0.5 billion for the prior year. As a result, the return on sales amounted to –13.0% (previous year: 4.1% of gross domestic premiums earned). As in the previous year, insurance business accepted from foreign ceding insurers made a positive contribution to earnings. Gross underwriting profit rose from €2.3 billion in the previous year to €2.8 billion in the year under review.

In 2013, retrocessionaires accounted for a somewhat disproportionately small share of the losses of ceding insurers. For the reinsurers, this resulted in a negative balance of €0.2 billion to the advantage of the retrocessionaires, corresponding to 2.9% of the amounts attributable to retrocessionaires (previous year: €–1.5 billion; –20.7%). As a consequence, the reinsurers' gross underwriting profit declined to approximately €1.0 billion (net result 1), equivalent to 2.3% of net premiums earned (previous year: €1.3 billion; 2.9%).

In the year under review, reinsurers allocated €1.3 billion (3.0% of net premiums earned) to the equalisation provision and similar provisions that enable risks to be balanced over time. The provision for unexpired risks was virtually unchanged.

The net result 2 – which includes contributions from retrocessionaires and changes due to allocations to and withdrawals from the equalisation provision and the provision for unexpired risks – declined from €0.1 billion in the previous year to €–0.3 billion in the year under review (0.7% of net premiums earned).

Table 641 of the Table Section (page 24) shows the net underwriting results by class of business in the year under review – in each case before and after the change in the equalisation provision and similar provisions.

5 Net result

The breakdown of reinsurers' net results in relation to net premiums earned is shown in Table 7 ("Breakdown of net result", page 15).

Reinsurers' investment volume (including deposits retained) remained virtually unchanged in the year under review, at €256.0 billion (previous year: €256.1 billion). Current investment income[3] rose by a negligible 0.8 % to €10.6 billion (24.4 % of net premiums earned). Consequently, as a proportion of the average investment portfolio (including deposits retained), the current yield remained almost unchanged year-on-year at 4.1 % (previous year: 4.2 %).

As in the previous years, the largest portion of current investment income was attributable to income from affiliates and equity investments, i. e. to interest on loans and profit distributions, accounting for 52.3 % (previous year: 51.8 %). This type of income played such a major role mainly because some reinsurers also exercise a holding company function parallel to their reinsurance activities.

Another 10.1 % of current investment income was attributable to interest received on deposits retained. Income from bearer bonds and other fixed-income securities were also significant and accounted for 16.5 %. In addition, income from shares, investment units and other variable-rate securities accounted for 15.7 %. As a result, the ratio of shares, investment units and other variable-rate securities to total current investment income has doubled over the space of two years and is now almost as high as that of bearer bonds and other fixed-income securities. The turnaround suggests that the insurers' economic position has improved and also reflects the persistently low interest rates.

Current investment expense, i. e. depreciation/amortisation and administrative expenses, declined by 8.1 % to €1.8 billion (previous year: €2.0 billion), mainly due to lower administrative costs.

Overall, reinsurers generated current net investment income[4] of €8.8 billion (20.3 % of net premiums earned) in 2013, corresponding to a year-on-year increase of 2.9 %. The current return in relation to the average investment portfolio, including deposits retained, remained unchanged at 3.4 % (previous year: 3.4 %).

The reinsurers' investment result amounted to €9.7 billion (previous year: €10.2 billion). This figure includes both other investment income, such as disposal gains, write-ups and income from the reversal of the special tax-allowable reserves totalling €3.9 billion (previous year: €4.0 billion), as well as other expenses such as disposal losses, write-downs and loss absorption amounting to a total of €3.0 billion (previous year: €2.3 billion).

The decrease is primarily due to a significant rise in write-downs, which increased by 219.3 % year-on-year to €1.7 billion (previous year: €0.8 billion). Overall, the net return – measured as a proportion of the average portfolio of investments, including deposits retained – declined slightly to 3.8 % (previous year: 4.1 %).

3 Includes the technical interest to be recognised in the underwriting account, but excludes gains on the disposal of investments as well as write-ups and reversals of the special tax-allowable reserves.

4 Current investment income less current investment expenses including technical interest.

Table 7 Breakdown of net result

Item	2013	2013	2012	2011	2010	2009
	€m	as % of net premiums earned				
Net underwriting result 1	999.1	2.3	2.9	-4.1	1.2	3.5
Special allocation to claims provision	0.0	0.0	0.0	0.0	0.0	0.0
Change in equalisation provision, etc.	-1,317.7	-3.0	-2.7	3.4	-0.2	2.5
Net underwriting result 1a	-322.0	-0.7	0.2	-0.6	1.0	6.0
Current investment income[1]	9,419.0	21.7	21.0	25.6	25.8	19.5
Current investment expenses	-1,804.7	-4.1	-4.5	-5.3	-4.9	-5.2
Current net investment income[1]	7,614.3	17.5	16.5	20.3	20.9	14.4
Other result from ordinary activities	-1,337.8	-3.1	-2.9	-3.7	-4.5	-3.3
Operating result	5,954.5	13.7	13.8	16.1	17.4	17.0
Non-periodic result (incl. provisions for unexpired risks)	708.0	1.6	2.8	-2.7	1.0	6.5
Profit for the year before tax	**6,662.4**	**15.3**	**16.7**	**13.3**	**18.3**	**23.5**
Taxes	-901.9	-2.1	-2.1	-1.7	-3.0	-4.2
Profit for the year after tax	**5,760.5**	**13.2**	**14.6**	**11.6**	**15.3**	**19.3**
Profit/loss brought forward	462.5	1.1	0.5	0.5	0.3	1.4
Change in reserves	-503.2	-1.2	-3.2	-0.8	-2.2	-5.7
Net result	**5,719.8**	**13.2**	**11.8**	**11.4**	**13.4**	**15.1**

1 Excludes investment return allocated from the non-technical account (2013: €1.2 billion).

Table 610 of the Table Section (page 19) provides a summary of the performance of each investment type.

The other result from ordinary activities in the general section of the profit and loss account remained level at €–1.3 billion (–3.1 % of net premiums earned) in the year under review. The balance of exchange rate gains and losses contained in this figure amounted to €0.4 billion (previous year: €0.2 billion).

The operating result[5] decreased slightly year-on-year to €6.0 billion (13.7 % of net premiums earned; previous year: €6.1 billion; 13.8 %). This decline was due in particular to a significant drop in the underwriting result, which is probably attributable to the high claims expenditures caused by the natural catastrophes in Central Europe. The improvement in current investment income was insufficient to fully offset this effect.

With a gain of €0.7 billion (1.6 % of net premiums earned), the non-periodic result[6] declined significantly (previous year: €1.3 billion; 2.8 %). This was mainly attributable to the considerable growth in write-downs on investments. Together with the operating result, this led to a 9.0 % year-on-year decrease in profit for the year before tax to €6.7 billion (15.3 % of net premiums earned; previous year: €7.3 billion; 16.7 % of net premiums earned).

5 Total of current net investment income, other result from ordinary activities and net underwriting result 1a (after special allocation to provisions for claims outstanding, after equalisation provisions, but before provisions for unexpired risks).

6 Essentially: change in provisions for unexpired risks, balance from the disposal of investments, write-downs and write-ups of investments, and changes in special tax-allowable reserves.

The profit for the year after tax amounted to €5.8 billion (previous year: €6.4 billion). This corresponds to 13.2% of net premiums earned. Ultimately, after allocations to reserves of €0.5 billion (1.2% of net premiums earned) and profits brought forward of €0.5 billion, net retained profits for all reinsurers rose by 10.0% year-on-year to €5.7 billion, or 13.2% of net premiums earned (previous year: €5.2 billion; 11.8% of net premiums earned). In the previous year, €1.4 billion was allocated to reserves.

Of all reinsurers examined, four undertakings reported a net loss for the year under review (previous year: five) and four reported net accumulated losses (previous year: four).

6 Fair values of investments

Under section 54 of the Regulation on Insurance Accounting (*Verordnung über die Rechnungslegung von Versicherungs-unternehmen* – RechVersV), insurers are required to disclose in the notes to the annual financial statements the fair values of investments recognised at cost or nominal value. The fair values of investments by primary insurers are reported in Tables 14 to 18 of the narrative section of the BaFin statistics "Primary insurance undertakings and pension funds". The figures for reinsurers are now also available for that financial year. The picture for reinsurers is as follows:

Reinsurers' investment volume remained practically unchanged in 2013, at €256.0 billion (previous year: €256.1 billion, see Table 8 "Fair values of reinsurers"). This was primarily achieved at the expense of other investments, which decreased by approximately €1.2 billion. By contrast, the share portfolio rose by around a quarter to €3.2 billion, corresponding to 1.3% of total investments.

About 86.0% of the valuation reserves as at 31 December 2013 amounting to €36.3 billion (previous year: €39.7 billion) were attributable to land, land rights and buildings, as well as to investments in affiliates and equity investments. These investments are either not marketable at all or very restricted in their marketability, because most of them are

Table 8 Fair values of reinsurers

As at 31 December 2013

	Carrying amounts		Fair values		Hidden reserves	
	Absolute €m	Share in %	Absolute €m	Share in %	Absolute €m	Share as % of carrying amount
Land, land rights and buildings	1,507	0.6	3,562	1.2	2,055	136.3
Investments in affiliates and equity investments	111,947	43.7	141,089	48.3	29,142	26.0
Shares	3,225	1.3	4,289	1.5	1,064	33.0
Investment units	24,844	9.7	26,982	9.2	2,138	8.6
Bearer bonds and other fixed-income securities	60,765	23.7	62,187	21.3	1,423	2.3
Other investments	53,694	21.0	54,136	18.5	442	0.8
Total investments	**255,981**	**100.0**	**292,244**	**100.0**	**36,263**	**14.2**

commercial land used for the companies' own purposes or intra-group equity investments. The hidden reserves in shares and investment units (about 8.8 %) are heavily dependent on the performance of the capital markets. At 3.9 % (previous year: 7.7 %), bearer bonds and other fixed-income securities accounted for a significantly lower share of hidden reserves. This constitutes a 53.7 % decrease, the first since 2009.

The time lag between the year under review and the publication of BaFin's reinsurance statistics limits the informative value of this snapshot analysis and does not permit any conclusions to be drawn about the current situation. Given the vulnerability of insurance undertakings to unforeseeable (extreme) developments on the capital markets – particularly declines in the prices of shares and investment units accompanied by simultaneous low interest-rate levels – BaFin is keeping a particularly close watch on the trend in insurance undertakings' hidden reserves, the impact on their results of operations as well as their economic situation overall.

7 Equity and own funds

Reinsurers' available equity, excluding outstanding contributions to subscribed capital, increased by € 1.0 billion (1.4 %) to € 75.5 billion. Equity decreased – including as a ratio to gross or net premiums written – for the first time since 2008 due to the almost flat premium volumes. Equity increased from 145.9 % of gross premiums written in the previous year to 147.6 % in the year under review; on a net basis, it rose to 173.8 % (previous year: 170.4 % of net premiums written).

At the end of 2013, the reinsurers supervised in Germany had own funds amounting to € 73.3 billion (previous year: € 72.2 billion). The solvency margin as at the same date was € 7.7 billion (previous year: € 7.4 billion). As a result, the solvency margin ratio again declined slightly to 954 % (previous year: 972 %). Four years ago, this figure was 1,146 %.

As before, the reason for the high level of own fund components is the unusual feature of the German insurance industry that certain large German reinsurers also assume the function of holding company for an insurance group or financial conglomerate. A considerable proportion of these undertakings' own funds is required to finance their holding company function, rather than backing their reinsurance activities with capital.

Eliminating the figures relating to the holding company function produced an average solvency margin ratio of 260 % (previous year: 269 %) for reinsurers supervised in Germany in financial year 2013, which is thus well above the required target ratio.

Table section 2013

To provide a better understanding of the tables, BaFin would like to point out the following: "–" in a table means that the value is zero. A "0" indicates that the value is smaller than the unit specified, while "***" means that the value is outside the displayable range.

Table 600 Aggregated balance sheets of reinsurance undertakings for direct business in 2013

Balance sheet items	2013		2012		2011	
	in € 000's	in %[1]	in € 000's	in %[1]	in € 000's	in %[1]
Assets						
1. Outstanding contributions to subscribed capital	7,070	0	7,110	0	7,052	0
2. Intangible assets	147,774	0.05	383,160	0.14	522,007	0.2
3. Investments, if not reported under no. 4	216,465,988	79	214,324,958	78.66	202,192,612	77.59
4. Deposits retained from the reinsurance business accepted	39,522,323	14.42	41,780,295	15.33	39,926,160	15.32
5. Receivables (direct business) from policyholders	–	–	–	–	–	–
6. Receivables (direct business) from intermediaries	–	–	–	–	–	–
7. Accrued interest and rent	1,144,952	0.42	1,209,479	0.44	1,061,852	0.41
8. Other assets	16,705,574	6.1	14,751,132	5.41	16,878,523	6.48
Equity and liabilities						
1. Equity	75,490,891	27.55	74,491,804	27.34	71,394,335	27.4
2. Profit-sharing capital and subordinated liabilities	17,888,172	6.53	18,991,603	6.97	15,407,828	5.91
3. Special tax-allowable reserves	–	–	–	–	2,231	0
4. Net technical provisions	118,788,383	43.35	118,963,557	43.66	117,081,764	44.93
5. Deposits received from reinsurers	7,434,311	2.71	7,612,143	2.79	6,150,556	2.36
6. Liabilities (direct business) to policyholders	7	0	8	0	0	0
7. Other liabilities	54,391,918	19.85	52,397,019	19.23	50,551,492	19.4
Total assets	273,993,681	100	272,456,134	100	260,588,206	100
Number of undertakings	34		35		35	

1 as % of total assets.

Table 610 Changes in investments (excluding deposits retained) 2013 Reinsurance undertakings

Type of investment	Balance at beginning of period[1]		Additions			Write-ups	Reclassi-fications	Dis-posals	Write-downs	Balance at end of period		
	in €m	in %[2]	in €m	in %[2]	in %[3]	in €m	in €m	in €m	in €m	in €m	in %[2]	in %[4]
Land, land rights and buildings	1,485	0.7	122	0.2	8.2	7	–	73	34	1,507	0.7	1.5
Interests in affiliated companies	105,477	49.6	3,453	4.6	3.3	603	22	6,639	180	102,737	47.5	-2.6
Loans to affiliated companies	4,401	2.1	6,852	9.1	155.7	–	–	3,416	43	7,794	3.6	77.1
Equity investments	1,403	0.7	51	0.1	3.6	5	-22	122	38	1,277	0.6	-9
Loans to other long-term investees and investors	593	0.3	128	0.2	21.6	–	-542	8	33	138	0.1	-76.7
Shares	2,515	1.2	1,144	1.5	45.5	8	–	384	58	3,225	1.5	28.2
Investment units	24,780	11.7	7,290	9.7	29.4	19	–	6,652	592	24,844	11.5	0.3
Other variable-rate securities	44	0	58	0.1	131.5	5	–	49	42	17	0	-62.5
Bearer notes and other fixed-income securities	58,821	27.7	39,355	52.5	66.9	10	–	36,755	666	60,765	28.1	3.3
Loans secured by mortgages, land charges and annuity charges	73	0	42	0.1	57.2	–	–	21	–	94	0	28.9
Registered bonds	5,119	2.4	1,977	2.6	38.6	58	542	2,845	0	4,850	2.2	-5.2
Notes and loans receivable	4,501	2.1	2,282	3	50.7	–	–	1,348	3	5,432	2.5	20.7
Loans and advances against policies	–	–	–	–	–	–	–	–	–	–	–	–
Other loans	119	0.1	18	0	15.4	–	–	25	–	112	0.1	-5.9
Deposits with credit institutions	2,778	1.3	4,444	5.9	160	–	–	4,737	–	2,485	1.1	-10.5
Other investments	379	0.2	7,720	10.3	2.039.10	1	-1	6,807	109	1,181	0.5	212
Total investments	**212,489**	**100.0**	**74,935**	**100.0**	**35.3**	**716**	**-1**	**69,881**	**1,798**	**216,459**	**100.0**	**1.9**
Number of undertakings	33											

1 At the exchange rate value at the end of the financial year.
2 As % of total investments.
3 As % of balance at beginning of period.
4 Change (balance at end of period less balance at beginning of period) as % of balance at beginning of period.

Table 620 Equity, profit-sharing capital and subordinated liabilities of reinsurance undertakings (figures in 000's)

Balance sheet items	Total 2013	Total 2012
1. Subscribed capital[1]	4,346,558	4,379,065
2. Capital reserves	43,879,557	43,706,536
of which pursuant to section 5 (5) no. 3 of the VAG	–	–
3. Revenue reserves: a) Legal reserves[2]	18,477	21,452
b) Reserve for shares in a controlling undertaking or one with a majority interest	6,251	2,335
c) Reserves provided for by the articles of association	283,409	279,470
d) Reserve pursuant to section 58 (2a) of the AktG	–	–
e) Other revenue reserves	21,160,585	20,819,854
4. Retained earnings brought forward[3]	2,257	1,875
Accumulated losses brought forward[3]	2,361	2,282
5. Profit for the year after tax[3]	439,460	347,154
Loss for the year after tax[3]	18,116	818
6. Net retained profits[3]	5,386,179	4,945,423
Net accumulated losses[3]	4,296	1,150
Total equity	75,497,961	74,498,915
less outstanding contributions	7,070	7,110
Available equity	**75,490,891**	**74,491,804**
Equity as % of gross premiums written	147.6	145.9
Equity as % of net premiums written	173.8	170.4
Profit-sharing capital	**20,000**	**20,000**
Subordinated liabilities	**17,868,172**	**18,971,603**
Number of undertakings	34	35

1 Initial fund for mutual insurance associations.
2 Loss reserve pursuant to section 37 of the VAG for mutual insurance associations.
3 Pursuant to section 268 (1) of the HGB, items 4 and 5 are replaced by item 6 if the principle of *teilweise Verwendung des Jahresergebnisses* (partial appropriation of profit/loss for the year) is applied.
4 Excl. aggregate equalisation item.

Table 630 Technical provisions
Reinsurance undertakings

Balance sheet items	2013 Gross in € 000`s	2013 Net in € 000`s	2012 Gross in € 000`s	2012 Net in € 000`s	2011 Gross in € 000`s	2011 Net in € 000`s
1. Unearned premiums	6,982,381	5,851,508	7,276,817	6,220,957	7,405,800	6,453,074
2. Premium reserve	36,715,393	31,086,105	37,061,769	31,834,895	35,459,731	30,598,354
3. Provision for claims outstanding, surrenders, refunds and sums granted upon withdrawal	76,231,530	65,981,686	76,083,418	66,249,818	76,732,110	66,506,488
4. Provision for bonuses and rebates	32,548	30,158	131,755	129,996	117,076	115,548
5. Equalisation provision and similar provisions	15,197,343	15,197,343	13,909,893	13,909,893	12,710,179	12,710,179
6. Other technical provisions	697,051	641,589	670,237	618,004	744,430	698,128
Total	135,856,246	118,788,389	135,133,889	118,963,563	133,169,327	117,081,771
Number of undertakings	34		35		35	

Table 631 Technical provisions by class of business Reinsurance undertakings 2013

Class of business	No.	Gross provisions for unearned premiums		Gross provision for claims outstanding[1]				Equalisation provision and similar provisions	
				FY		PY			
		in €m	in %[2]	in €m	in %[2]	in €m	in %[2]	in €m	in %[3]
Life	16	1,319.70	8.1	1,681.40	10.4	2,334.70	14.4	12.3	0.1
Health	15	408.8	7.6	468.4	8.7	214.5	4.0	6.4	0.1
General accident	18	143.2	12.7	405.4	35.9	3,357.00	297.3	647.6	69.7
Liability	24	767.8	17.8	2,919.40	67.5	23,704.60	548.5	1,728.80	46.5
Motor	17	1,012.50	17.8	2,657.80	46.8	13,913.80	245.2	1,899.20	36.9
Aerospace/aviation	11	102.6	26.2	171.5	43.9	502.3	128.5	84	26.6
Fire	24	1,131.20	16.0	3,124.40	44.3	6,733.50	95.4	5,238.00	90.6
Transport	20	121.1	10.0	568	46.8	2,029.50	167.1	809	81.9
Credit and surety	18	417.9	23.7	790.8	44.9	1,688.50	95.9	1,843.80	114.0
Aerospace/ aviation liability	11	233.3	39.8	261.3	44.6	1,742.80	297.5	1,134.00	235.0
Other property insurance	25	1,188.30	19.3	2,766.70	45.0	3,979.60	64.7	1,156.30	23.9
Other indemnity insurance	28	345.7	30.5	540.5	47.6	1,250.00	110.1	605.6	66.1
Total	**34**	**7,192.20**	**14.1**	**16,355.60**	**32.0**	**61,450.60**	**120.3**	**15,165.00**	**34.9**

1 Including premium reserve for pension and gross provision for surrenders, refunds and withdrawals outstanding.
2 As % of gross premiums earned.
3 As % of net premiums earned.

Table 640 Selected items in the profit and loss account Reinsurance undertakings

Item	2013		2012		2011	
	in € 000's	in %[1]	in € 000's	in %[1]	in € 000's	in %[1]
1. Gross premiums written	51,153,659		51,053,434		46,718,842	
of which accepted from foreign ceding insurers	38,913,518	76.2	38,970,841	76.2	35,154,346	75.5
2. Gross premiums earned	51,069,428	100.0	51,164,723	100.0	46,564,380	100.0
3. Net premiums earned	43,489,941	85.2	43,943,765	85.9	40,352,092	86.7
4. a) Gross expenses for claims during the financial year	32,121,126	62.9	30,308,264	59.2	33,978,780	73.0
b) Net expenses for claims during the financial year	27,051,513	62.2	26,910,258	61.2	28,966,229	71.8
5. a) Gross expenses for claims during the financial year[2]	36,246,474	71.0	34,586,161	67.6	35,883,613	77.1
b) Net expenses for claims during the financial year[2]	30,375,784	69.8	30,475,350	69.4	30,213,273	74.9
6. a) Gross operating expenses	13,669,373	26.8	13,313,081	26.0	12,497,232	26.8
b) Net operating expenses	12,110,586	27.8	11,717,113	26.7	11,220,548	27.8
7. a) Gross underwriting result[3]	1,214,189	2.4	2,781,514	5.4	-2,401,044	-5.2
b) Net underwriting result[4]	995,656	2.3	1,289,401	2.9	-1,636,042	-4.1
8. Investment income	14,488,235	33.3	14,535,008	33.1	15,014,979	37.2
of which: current income[5]	10,620,245	24.4	10,533,841	24.0	11,598,304	28.7
9. Investment expense	4,811,378	11.1	4,310,904	9.8	6,310,881	15.6
of which: current expense[5]	1,804,678	4.1	1,962,714	4.5	2,142,694	5.3
10. Profit/loss for the year after tax[6]	5,760,547	13.2	6,398,230	14.6	4,697,764	11.6
Number of undertakings	34		35		35	

1 As % of gross premiums earned; of which item 1. a) and 1. b) as % of total gross premiums written; items 4. b), 5. b), 6. b), 7. b), 8, 9 and 10 as % of net premiums earned.
2 Including result from gross claims provisions (CP) carried forward from previous year and used for settlement of insurance claims outstanding.
3 Before gross expenses for bonuses.
4 Before change in the equalisation provision and similar provisions; corresponds to item I. 9 Form 2 of the RechVersV.
5 In accordance with allocation in Statement 201 of the BerVersV.
6 Corresponds to item II. 14 Form 2 of the RechVersV.

Table 641 Summary of individual classes of business Reinsurance undertakings 2013

Class of business	No.	Gross premiums earned		Net premiums earned		Claims expenses				Operating expenses		Underwriting result		
						FY		in FY[1]						
		in € 000's	in %[2]	in € 000's	in %[3]	Gross in %[3]	Net in %[4]	Gross in %[3]	Net in %[4]	Gross in %[3]	Net in %[4]	Gross in %[3]	Net[4] in %[5]	in %[6]
Life	16	16,245,055	31.8	13,725,160	84.5	43.5	51.5	67.0	67.6	28.6	29.7	4.2	1.9	1.9
Health	15	5,400,371	10.6	5,019,055	92.9	73.3	78.8	80.8	81.8	21.1	20.6	0.5	0.1	0.1
General accident	18	1,129,119	2.2	929,428	82.3	49.7	60.4	46.5	48.2	39.9	39.3	14.6	13.6	0.7
Liability	24	4,322,004	8.5	3,721,059	86.1	73.9	85.8	90.3	89.9	27.7	29.2	-17.9	-19.1	-16.3
Motor	17	5,673,588	11.1	5,150,211	90.8	86.8	95.6	83.7	79.3	27.5	28.4	-11.0	-7.6	-9.7
Aerospace/aviation	11	390,939	0.8	315,847	80.8	62.3	77.1	44.2	46.8	18.5	18.9	37.1	34.2	30.9
Fire	24	7,057,981	13.8	5,779,971	81.9	60.2	73.5	51.6	52.3	21.8	24.0	26.2	23.3	-1.1
Transport	20	1,214,481	2.4	987,699	81.3	57.1	70.2	56.3	47.2	24.2	26.0	19.5	26.8	18.7
Credit and surety	18	1,760,906	3.4	1,617,844	91.9	62.3	67.8	69.2	69.6	37.7	37.9	-7.0	-7.6	-7.3
Aerospace/ aviation liability	11	585,760	1.1	482,583	82.4	51.2	62.2	46.6	47.4	26.2	28.1	27.1	24.4	54.8
Other property insurance	25	6,154,042	12.1	4,845,342	78.7	80.1	101.8	80.7	72.7	24.7	26.4	-5.8	0.6	3.3
Other indemnity insurance	28	1,135,181	2.2	915,742	80.7	79.5	98.6	76.7	66.0	38.2	38.4	-14.7	-4.1	-1.2
Total	**34**	**51,069,428**	**100.0**	**43,489,941**	**85.2**	**62.9**	**73.9**	**71.0**	**69.8**	**26.8**	**27.8**	**2.4**	**2.3**	**-0.7**

1 Including result from gross claims provisions (CP) carried forward from previous year and used for settlement of insurance claims outstanding.
2 As % of total gross premiums earned.
3 As % of gross premiums earned.
4 As % of net premiums earned.
5 Before change in the equalisation provision and similar provisions; corresponds to item I. 9 Form 2 of the RechVersV.
6 After change in the equalisation provision and similar provisions; corresponds to item I. 11 Form 2 of the RechVersV.

Table 660 Selected financial ratios of reinsurance undertakings 2013[1] ranked by gross premiums earned

Rank	R. no.	Name of insurance undertaking	Gross premiums earned	Net premiums earned	Loss ratio[2]		CP ratio[3]		Expense ratio[4]		Net underwriting result		Investments[7]			Net result FY[10]
			in €m	in €m	Gross in %[11]	Net in %[12]	Gross in %[11]	Net in %[12]	Gross in %[11]	Net in %[12]	before eq. prov.[5] in %[12]	after eq. prov.[6] in %[12]	Balance at end of FY in €m	Current return[8] in %	Net return[9] in %	in %[12]
		Industry	**51,069**	**43,490**	**73.1**	**71.8**	**149.3**	**151.7**	**26.8**	**27.8**	**2.3**	**-0.7**	**255.981**	**4.2**	**3.8**	**13.2**
1	6921	MÜNCHEN. RÜCK	24,755	23,033	68.2	69.5	134.5	136.5	26.7	27.5	4.7	-0.4	71,534	4.8	4.1	7.1
2	6941	HANNOVER RÜCK SE	10,904	8,210	75.5	76.2	154.1	163.8	25.6	26.5	-0.1	-3.3	33,203	4.1	3.5	4.5
3	6949	ALLIANZ SE	3,570	3,012	67.7	66.9	166.5	157.2	28.1	31.4	4.2	4.6	96,843	3.3	3.4	92.8
4	6908	E+S RÜCK	2,711	2,134	89.1	90.5	202.2	217.1	23.2	23.4	-2.7	-2.7	10,329	2.8	2.6	3.4
5	6918	GENERAL REINSURANCE	2,193	2,160	74.9	76.0	238.2	238.6	29.7	29.8	-3.0	2.2	9,963	2.9	2.8	8.7
6	6971	GENERALI DEUTSCHL.	1,752	1,531	68.0	56.8	70.8	59.9	32.8	35.9	0.2	0.4	11,031	5.6	5.3	20.0
7	6960	R+V VERS.	1,523	1,486	88.8	73.0	149.7	137.5	24.8	24.8	2.1	-2.7	4,863	5.8	5.5	–
8	6907	DT. RÜCKVERSICHERUNG	750	413	81.5	88.2	109.0	140.6	32.0	30.6	-21.6	-7.4	1,079	3.7	3.6	0.7
9	6988	HDI-GERLING WELT	635	0	96.2	–	138.1	***	12.6	***	***	***	120	6.6	6.5	–
10	6970	VERSK. BAYERN K.-RÜCK	524	345	89.2	66.2	147.5	93.2	25.9	28.3	1.7	0.5	618	3.4	2.6	3.6
11	6930	VERBAND ÖFFENTL. VERS.	354	271	75.8	73.9	412.5	459.8	46.3	43.2	-16.1	-10.4	1,402	3.5	3.5	0.6
12	6973	DEVK RÜCKVERSICHER.	346	217	71.3	72.6	73.4	75.9	24.9	26.5	0.3	-1.9	1,854	8.6	8.2	23.6
13	6958	WÜSTENROT & WÜRTTEMB.	300	227	144.5	77.8	185.4	155.0	28.8	30.8	-8.3	-5.6	2,988	6.3	5.9	31.5
14	6985	PROV.NORDWEST HOLD.	276	84	84.8	59.7	76.5	91.8	28.7	37.2	1.3	1.5	1,978	8.6	8.3	108.7
15	6807	AEGIDIUS RÜCK	115	110	60.6	62.3	4.1	4.3	31.8	33.2	5.0	5.0	72	5.4	4.6	3.6
16	6946	RISICOM RÜCK	87	84	99.3	89.6	368.0	327.5	4.4	4.5	5.8	2.1	352	2.1	2.1	7.5
17	6806	TRANSATLANTIC RE (US)	69	69	91.8	92.7	173.2	174.9	27.3	27.6	-20.2	-27.9	150	1.7	0.9	-26.4
18	6986	PROV.RHEINL.HOLDING	58	6	27.3	27.0	31.2	27.8	74.9	61.4	12.3	12.3	792	12.2	11.8	755.3
19	6964	SV SPARKASSENVERSICH.	50	27	89.5	70.5	66.2	93.3	39.5	46.7	-5.1	9.7	1,163	3.3	3.2	36.2
20	6925	KIELER RÜCK	29	7	161.1	65.1	105.9	16.3	34.2	35.0	-0.1	1.7	10	3.4	1.1	0.1
21	6950	DELVAG RÜCK	26	24	70.9	77.3	118.0	113.7	18.6	20.5	0.2	2.6	151	3.0	2.8	–

Rank	R. no.	Name of insurance undertaking	Gross premiums earned	Net premiums earned	Loss ratio[2]		CP ratio[3]		Expense ratio[4]		Net underwriting result		Investments[7]			Net result FY[10]
			in €m	in €m	Gross in %[11]	Net in %[12]	Gross in %[11]	Net in %[12]	Gross in %[11]	Net in %[12]	before eq. prov.[5] in %[12]	after eq. prov.[6] in %[12]	Balance at end of FY in €m	Current return[8] in %	Net return[9] in %	in %[12]
22	6993	INCURA AG	13	13	15.5	15.5	35.5	35.5	13.0	13.0	71.5	25.9	124	2.7	2.0	31.3
23	6984	FREUDENBERG RÜCKVERS.	7	7	15.3	15.4	20.4	20.4	10.4	10.4	74.2	25.8	13	1.0	0.0	16.5
24	6982	HUK-COBURG HOLDING	6	4	50.0	65.9	20.0	25.9	28.9	38.5	-4.3	-4.3	2,563	4.7	1.2	566.8
25	6998	REVIUM	4	4	39.2	39.2	183.6	183.6	7.8	7.8	53.1	46.4	16	1.9	0.5	41.6
26	6978	DIEHL ASSEKUR. RÜCK.	3	1	36.4	5.6	187.2	64.0	19.7	19.9	72.3	72.3	4	3.6	2.0	0.0
27	6992	HOCHRHEIN INTERNAT.	1	0	-478.2	-518.6	***	***	232.7	271.0	338.0	338.0	37	2.1	1.6	494.0
28	6917	HAMB.INTERNATION.RÜCK	0	0	***	***	***	***	***	***	***	***	43	2.4	-5.8	***

1 Includes annual financial statements as at the September and December balance sheet dates of the year under review and as at the June balance sheet date of the subsequent year.
2 Includes expenses for surrenders, refunds and sums granted upon withdrawal (claims ratio in the financial year including result from gross claims provisions (CP) carried forward from previous year and used for settlement of insurance claims outstanding).
3 Provisions for claims outstanding, including surrenders, refunds and sums granted upon withdrawal (item E. III under liabilities of Form 1 of the RechVersV).
4 Total operating expenses.
5 Before changes in the equalisation provision and similar provisions (item I. 9 under liabilities of Form 2 of the RechVersV).
6 After changes in the equalisation provision and similar provisions (item I. 11 under liabilities of Form 2 of the RechVersV).
7 Includes deposits retained from the reinsurance business accepted.
8 Items II. 1. a), b) and e) of Form 2 of the RechVersV as % of the arithmetic mean of the investments at the beginning and end of the year under review.
9 Item II. 1. less item II. 2. of Form 2 of the RechVersV as % of the arithmetic mean of the investments at the beginning and end of the year under review.
10 Profit/loss for the year after tax (item II. 14 of Form 2 of the RechVersV).
11 As % of gross premiums earned.
12 As % of net premiums earned.

Publisher
Federal Financial Supervisory Authority
Press and Public Relations Department
— Graurheindorfer Str. 108 | 53117 Bonn
— Dreizehnmorgenweg 13–15 u. 44–48 | 53175 Bonn
— Marie-Curie-Straße 24–28 | 60439 Frankfurt am Main

Phone: +49(0)228 41 08-0
Internet: www.bafin.de
E-Mail: poststelle@bafin.de

Bonn and Frankfurt am Main | September 2015

Copy deadline
19 June 2015

Concept, layout and typesetting
Da-TeX Gerd Blumenstein, Leipzig

Photos