# TABLE OF CONTENTS (1/3)

| Slide 1: Executive summary
<table>
<thead>
<tr>
<th>1. Macroeconomic overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slide 2: Poland - General overview</td>
</tr>
<tr>
<td>Slide 3: Key macroeconomic indicators, 2007-2013</td>
</tr>
<tr>
<td>Slide 4: Foreign trade statistics, C/A, FDI, 2007-2013</td>
</tr>
<tr>
<td>Slide 5: Unemployment and wages, 2007-2013</td>
</tr>
<tr>
<td>Slide 7: Consumer confidence index evolution, 2009-Mar. 2014</td>
</tr>
<tr>
<td>Slide 8: Warsaw Stock Exchange - Turnover, Market cap. and indexes, 2007-2013</td>
</tr>
<tr>
<td>Slide 9: Top 12 foreign investors in banking sector and their subsidiaries, 2013</td>
</tr>
<tr>
<td>Slide 10: Banking assets evolution, 2007-2013</td>
</tr>
<tr>
<td>Slide 14: Insurance gross premiums - Local insurers (life/non-life, in PLN), 2009-2013</td>
</tr>
<tr>
<td>Slide 15: Total premiums collected in Poland (Local + foreign insurers), 2008-2010</td>
</tr>
<tr>
<td>Slide 16: Number of locally registered insurance companies, foreign insurers, 2003-2013</td>
</tr>
<tr>
<td>Slide 17: Top 12 insurance groups in Poland by total premium written, 2013</td>
</tr>
<tr>
<td>Slide 18: Insurance market concentration and Herfindahl-Hirschman Index (life/non-life), 2013-2012</td>
</tr>
<tr>
<td>Slide 19: Solvency margin and margin coverage with own funds, 2009-2013</td>
</tr>
<tr>
<td>Slide 20: Number of agents and insurance sales personnel, 2008-2012</td>
</tr>
<tr>
<td>Slide 22: Private health Insurance – Opportunity for insurers</td>
</tr>
</tbody>
</table>
TABLE OF CONTENTS (2/3)

3. Non-life insurance
Slide 23: Non-life insurance markets in CEE – Size vs. growth matrix, 2011-2013
Slide 25: Non-life insurance gross and net premium evolution, 2009-2013
Slide 26: Top 10 non-life insurance players in Poland, 2013
Slide 27: Market shares of top non-life players evolution, 2011-2013
Slide 28: Number of policies and premiums evolution by segment (retail vs. corporate), 2009-2013
Slide 29: Non-life premium by risk class, 2011-2013
Slide 30: Sales channels of non-life insurance, 2010-2012
Slide 31: Direct insurance – key players overview, 2009-2013
Slide 32: Link4 – Leader in direct sales in Poland - company profile, 2003-2013
Slide 33: Liberty Direct – a “premium” direct player
Slide 34: Non-life insurers results, technical and P&L accounts, 2013
Slide 35: Non-life insurance - profitability tree, 2009-2013
Slide 36: Non-life insurance - claims and expense ratio evolution, 2009-2013
Slide 37: Non-life insurance - combined ratio and its elements, 2009-2013
Slide 39: Car insurance - premiums and no. policies evolution, MTPL, Casco, 2009-2013
Slide 40: Car insurance - top players in MTPL and in Casco, 2011-2013
Slide 41: Car insurance - combined ratio and its elements, MTPL and in Casco, 2011-2013
Slide 42: Car insurance – average premium per policy: retail vs. corporate, 4Q2010-4Q2013
Slide 43: Channels/product innovations: ERGO Hestia “You can drive”

4. Life insurance
Slide 44: Life insurance markets in CEE – Size vs. growth matrix, 2011-2013
Slide 45: Life premiums per capita & premiums/GDP penetration – CEE comparison, 2013
Slide 46: Life insurance gross and net premiums evolution, 2009-2013
Slide 47: Top 10 life insurance players in Poland, 2013
Slide 48: Market shares of top life players evolution, 2011-2013
Slide 49: Life premium by risk class evolution, 2011-2013
TABLE OF CONTENTS (3/3)

Slide 50: Life premiums and number of policies by client segment and policy type, 2011-2013
Slide 51: Life insurance technical reserves evolution and structure, 2009-2013
Slide 52: Sales channels of life insurance, separately for individual life and group life, 2011-2012
Slide 53: Life insurers results, Technical and P&L accounts, 2013
Slide 54: Life insurance - profitability tree, 2009-2013

5. Bancassurance & alternative sales channels
Slide 56: Bancassurance: Premium written by bank channel (life/non-life), 2010-2012/2013
Slide 57: Bancassurance: Product/class split in bank channel (life/non-life), 2013
Slide 58: Bancassurance: Investment type life products other than unit-linked, 2010-2013
Slide 59: Banking (own) sales platform: „mBank, SUS - Centrum Ubezpieczeń”
Slide 60: Banking (operated by 3rd party) sales platform: „eurobank ubezpieczenia”
Slide 61: Business-to-business sales platforms: „Butik inwestycyjny” operated by TU Europa
Slide 62: Bancassurance: Comparison websites and online sales sites operated - overview
Slide 63: Comparison websites: „ipolisa”

6. Top players' profiles
Slide 64: Non-life insurance: PZU, 2011-2013
Slide 65: Non-life insurance: Warta, 2011-2013
Slide 66: Non-life insurance: Ergo Hestia, 2011-2013

7. Forecast
Slide 70: Non-life insurance premiums forecast, 2014-2016
Slide 71: Life Insurance premiums forecast, 2014-2016
Slide 72: Notes on Methodology
POLAND HAS THE LARGEST INSURANCE MARKET IN CEE14*

CEE14* insurance markets - Size vs. growth matrix, 2011-2013

Total 2013 premium (in billion EUR)

Poland

Average annual premium growth (in EUR terms), 2011-2013, percent

*Major 14 CEE countries. Russia, Ukraine, Belarus and FYR Macedonia not included
Source: National supervision authorities, IMF, Inteliace Research

Inteliace Research
PRESSURE ON CAR INSURANCE TARIFFS RESUMED AGAIN IN 2012/2013

Average premium per policy* by class and by type of client, 4Q2010-4Q2013 in PLN

* Premium collected within last four consecutive quarters divided by the average number of outstanding insurance policies in the same period.
Source: KNF, Inteliace Research
NON-LIFE INSURANCE PLAYERS - PZU

Background
- PZU is the largest traditional local insurer in Poland with very high brand awareness (93%).
- PZU’s previously dominant position is consistently eroding in favor of smaller competitors. However, it is still over 3 times bigger than its closest competitor.

History
- 1999: Partial privatization of PZU holding – 30% share in the mother company PZU SA sold to Eureko & Big Bank Gdański.
- 2003: Claims handling centralization.
- 2009: Restructuring.
- 2010: IPO on the WSE.
- 2010/2011 Cost /employment restructuring
- 2012/2013 Entry into new markets: Latvia, Estonia; eyeing Croatia.
- 2014 Acquisition of insurance businesses of RSA in Baltics and in Poland (Link4).

Shareholders, 1Q 2014 (share in %)

Products
- PZU offers ~80 various products in the non-life retail business. Products offered cover all 18 non-life insurance classes.
- Car insurance (MTPL+Casco) is dominating within non-life business with >60% share in the total GWP.
- „PZU Pomoc“ – proprietary assistance service company is rounding up the traditional product offer.

Channels
- Own network: In total 412 branches
- Exclusive agents: 8.4 thousand of which 5.6 thousand in non-life.
- Multi-agents: 2178 agents (all business lines)
- Brokers: >850 brokers
- Employees: 800 employees dedicated to sales mainly in the corporate segment.
- Bancassurance: cooperation with 9 banks and 4 strategic partners including telecoms and airlines.
- Cooperation with ~1.4 thousand repair shops.

Customers
- PZU traditionally serves mass-market clients in retail business (mostly car and property) and all segments in corporate business.
- Total number of clients in the whole PZU Group (life + nonlife) exceeds 16 million or half of the whole adult population in Poland.

Results

<table>
<thead>
<tr>
<th>Gross Premium Written</th>
<th>PLN billion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8.25</td>
</tr>
<tr>
<td></td>
<td>8.45</td>
</tr>
<tr>
<td></td>
<td>8.27</td>
</tr>
<tr>
<td>Market share* (percent)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>32.6</td>
</tr>
<tr>
<td></td>
<td>32.2</td>
</tr>
<tr>
<td></td>
<td>31.1</td>
</tr>
<tr>
<td>Net profit ***</td>
<td>PLN million</td>
</tr>
<tr>
<td></td>
<td>709</td>
</tr>
<tr>
<td></td>
<td>1403</td>
</tr>
<tr>
<td></td>
<td>1205</td>
</tr>
<tr>
<td>Return on Average Equity (ROAE)*** Percent</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.0</td>
</tr>
<tr>
<td></td>
<td>11.1</td>
</tr>
<tr>
<td></td>
<td>9.4</td>
</tr>
</tbody>
</table>

* Non-life insurance share by gross premium written
** Compound Annual Growth Rate
*** Net profit excluding dividend payments received from PZU Życie (life subsidiary)
Source: Company, Press, Inteliace Research
About this report

This report has been prepared using Inteliace Research proprietary research and publicly available sources, including: financial reports, press publications, industry magazines, directories, financial databases and expert opinions.

Views presented in this report reflect solely the independent and unbiased opinion of Inteliace Research and authors.

All due care has been taken in the production of this report. However, Inteliace Research does not accept any responsibility or liability for any omissions or inaccuracies of the information contained in this publication.

This report is copyrighted. Any distribution, storage, replication and usage is restricted to Inteliace Research clients only. In case of any doubt please contact us at: info@Inteliace.com

About Inteliace Research

Inteliace Research is an independent and privately owned research firm based in the heart of Eastern Europe in Warsaw / Poland.

Our company specializes in value-added research services and tailored business intelligence solutions.

Through our customized research services we help our clients to better understand their customers, competitors and overall market dynamics.

The lead researcher and founder of Inteliace Research is Marcin Mazurek.

Our contact details:
Inteliace Research
Foksal 17B / 31,
00-372 Warszawa, Poland

Tel. +48 22 408 66 20, Tel. +48 502 512 178
Fax. +48 22 349 21 40

mail: info@Inteliace.com
GE MONEY BANK – OVERVIEW

Recent Reports:

2013
- February - Mortgage Lending in Poland ’13
- May - Banking Market in Poland ’13
- May - Bank outlets database ’13
- June - Insurance Market in Poland ’13
- September - Top 200 CEE banks ’13
- November - Investment Funds and Asset Mgmt. ’13

2014
- February - Mortgage Lending in Poland ’14
- May - Bank outlets database ’14
- May - Insurance agent commission survey ’14
- May - Banking Market in Poland ’14
- June - Insurance Market in Poland ’14

upcoming...
- September - Top 200 CEE banks ’14
- November - Investment Funds and Asset Mgmt. ’14

and many other ...

Visit http://www.inteliace.com for more details
INSURANCE FIRMS AND RELATED COMPANIES MENTIONED IN THE REPORT

PZU ŻYCIE S.A.
AVIVA - Tunż S.A.
AEGON TU na ŻYCIE S.A.
METLIFE AMPILICO LIFE S.A.
TU ALLIANZ ŻYCIE POLSKA S.A.
ING Tunż S.A.
Tunż EUROPA S.A.
SKANDIA ŻYCIE TU S.A.
NORDEA POLSKA TU na ŻYCIE S.A.
Tunż WARTA S.A.
GENERALI ŻYCIE TU S.A.
AXA ŻYCIE TU S.A.
COMPENSA Tunż S.A. Vienna Insurance Group
BENEFIA Tunż S.A. Vienna Insurance Group
UNIQA TU na ŻYCIE S.A.
STunż ERGO HESTIA S.A.
LINK4 TU S.A.
TU ALLIANZ POLSKA S.A.
AXA TU S.A., AVANSSUR SA Oddział w Polsce
BENEFIA TU S.A. Vienna Insurance Group
BRE UBEZPIECZENIA TU S.A.
TU COMPENSA S.A.
STU ERGO HESTIA S.A.
TU EULER HERMES S.A.
TU EUROPA S.A.
GENERALI TU S.A.
HDI ASEKURACJA TU S.A
MTU Moje Towarzystwo Ubezpieczeń S.A
PZU S.A.
UNIQA TU S.A.
TUİR WARTA S.A.
Liberty Direct – Liberty Seguros
iPolisa, Inseco, wygodnie.pl, iPKO, muBzpieczenia, rankomat
**ORDER FORM / ZAMÓWIENIE**

*We order following report: / Zamawiamy następujący raport:*

**Insurance Market in Poland, 2013-2015 – CEE insurance series**

**Order Details/Szczegóły dotyczące przedmiotu zamówienia / :**

- *Publication date / Data publikacji :* June 2014
- *Number of pages / Liczba stron :* 87 (72 slides)
- *Language / Język:/* Angielski / English
- *Delivery / Sposób dostarczenia:/* (.pdf file by email or recorded on a CD-R)

**Price/Cena: (please mark the appropriate box)**

- [ ] **2200 EUR** [customers from outside Poland]*
- [ ] **8800 PLN + 23% VAT***

**Client Details / Dane Zamawiającego na potrzeby wystawienia faktury/**

<table>
<thead>
<tr>
<th>Company name / Nazwa firmy/</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Name / Osoba zamawiająca</td>
<td></td>
</tr>
<tr>
<td>Address / Adres</td>
<td></td>
</tr>
<tr>
<td>Address 2 / Adres c.d.</td>
<td></td>
</tr>
<tr>
<td>City &amp; ZIP / Mieasto i Kod pocztowy</td>
<td></td>
</tr>
<tr>
<td>Country / Państwo</td>
<td></td>
</tr>
<tr>
<td>Phone /Telefon kontaktowy</td>
<td></td>
</tr>
<tr>
<td>Email / Adres email</td>
<td></td>
</tr>
<tr>
<td>VAT TAX Id number / Numer NIP</td>
<td></td>
</tr>
</tbody>
</table>

**Inteliace address:**

Inteliace Research  
Pod Lipa 6/3  
02-798 Warszawa, POLAND  
Tel./Fax. / +48 22 408 66 20  
Tel. /kom. / +48 502 512 178  
Fax: +48 22 349 21 40  
email: info@inteliance.com  
website: www.inteliance.com  
NIP: 1230807095  
REGON: 140235909  
Bank: BRE Bank, Miekiewicza 10, 90-050 Łódź POLAND  
Acct# / Numer konta (IBAN)  
PLN: PL94 1140 2004 0000 3102 3953 4011  
EUR: PL96 1140 2004 0000 3102 0001 4977  
BIC/SWIFT: BREXPLPWMBK

* VAT (23%) is not charged to clients from outside Poland, if VAT tax Id has been provided. / Podatek VAT (23%) może nie być naliczany w przypadku klientów posiadających siedzibę poza terytorium Polski.

**Date and place / Data i Miejsce**

Please return signed form to fax or email to: FAX: +48 22 349 2140 or EMAIL: info@inteliance.com  
Prosimy odesłać wypełniony formularz na nasz numer fax lub email: 022 349 21 40: info@inteliance.com