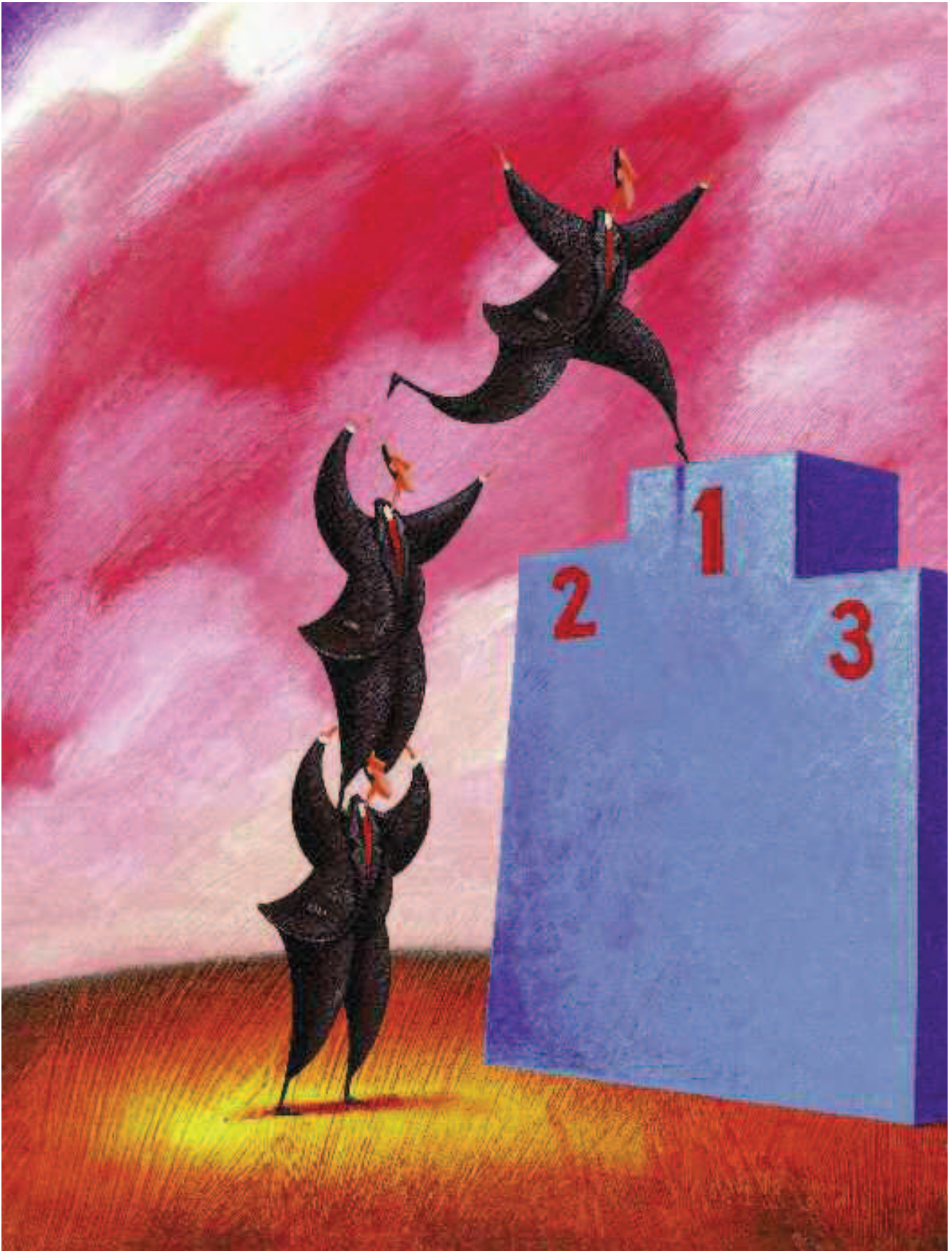


European Non-Life Insurance Groups' RANKING 2009



For the sixth consecutive year, FUNDACIÓN MAPFRE issues its report «European Non-Life Insurance Groups' Ranking», this time for 2009. It is based on the premium volume that each group reached in 2009 in this line of business in all of the countries where they operate. The data come from yearly reports published by the companies themselves.

CENTRO DE ESTUDIOS
FUNDACIÓN MAPFRE



EUROPE'S LARGEST NON-LIFE GROUPS IN 2009

Ranking by gross premium volume

N°	Group	Country	Non-life premiums		% ▲	Combined ratio ¹ %		RANK 2008
			2008	2009		2008	2009	
1	ALLIANZ	Germany	43.387	42.523	-2,0	95,4	97,4	1
2	AXA	France	28.851	29.015	0,6	95,5	99,0	2
3	ZURICH	Switzerland	25.369	24.534	-3,3	98,1	96,8	3
4	GENERALI	Italy	21.990	21.636	-1,6	96,4	98,3	4
5	EUREKO	Netherlands	15.075	14.647	-2,8	95,6	96,8	5
6	MAPFRE	Spain	10.891	11.900	9,3	93,9	95,7	8
7	TALANX	Germany	10.893	11.600	6,5	95,2	96,6	9
8	AVIVA	United Kingdom	15.033	11.207	-25,5	98,0	99,0	6
9	ERGO	Germany	10.562	11.182	5,9	90,9	93,1	10
10	GROUPAMA	France	9.988	10.331	3,4	98,7	105,9	7

Total first 5	134.672	132.354	-1,7
Total first 10	192.039	188.574	-1,8

Source: done by FUNDACIÓN MAPFRE with data from consolidated financial reports (under NIF criteria).

¹The Combined Ratio is the one provided by each company in its earnings report. In those cases where the Non-life ratio and the Health ratio are given separately, we have used the Non-Life ratio.

METHODOLOGY

1. The ranking was prepared using gross premium volumes (direct insurance plus accepted reinsurance) in Non-Life branches. It should be noted that the ranking does not include Health insurance premiums that are assigned to the Life¹ branch, but it does feature those which are classified as part of Non-Life or explicitly differentiated.
2. Due to application of IFRS 8, some groups have varied the operating segments about which they provide separate information,

causing difficulty in obtaining part of the figures analyzed in earlier editions of this ranking. However, whenever possible the criterion used in previous years has been retained. In the case of Groupama, which has stopped publishing information on the Life and Non-Life segments, premiums from the Property-Casualty segment have been added to

¹In general, in those cases in which Health insurance generates mathematical provisions, this branch is classified as part of Life.



²The premium volume published was 10,964 million euros, and the modified one is 9,988 million.

those of Health insurance. For comparative purposes, the premium volume for 2008 that was included in the last ranking² has changed, but not the position held by this group.

3. Groups whose main line of business is reinsurance are not included in the ranking. The criterion is to include accepted reinsurance premiums from groups that have reinsurance units but do not rely on them as their main line of business. However, note the special case of Talanx, whose Non-Life Reinsurance premiums practically equaled its direct insurance premiums in 2009.

4. The earnings figures refer to the Non-Life sector, before taxes and minority interests.

5. The report uses the term «operating result» to refer to earnings from insurance activities, including revenue from investments linked to this line of business. Losses or gains from other investments are included under the heading «non-operating result».

6. The information on solvency levels that appears in the annexes refers to all of the operations carried out by each group. The figure refers to the number of times the group has met the mandatory solvency requirement.

7. For comparative purposes, we have updated revenue and earnings figures for 2008 that were published by the groups in their annual reports for 2009.

8. For the euro conversions of figures expressed in other currencies, we have used the

average exchange rates in 2008 and 2009, as per the following table.

EURO/1 UNIT	2008	2009
Pound sterling (GB)	1.260	1.124
US Dollar	0,683	0,718

GENERAL COMMENTS

Some highlights of the 2009 ranking:

- As economic difficulties and fierce competition in markets continued, increases in premium volumes were due in general to rate increases in some lines of insurance, higher revenues from international business and, to a lesser extent, acquisitions. Automobile insurance remained the branch hardest hit by fierce competition and the effects of the economic crisis, with a significant decline in new registrations and purchase of less coverage.



AUTOMOBILE INSURANCE REMAINED THE BRANCH HARDEST HIT BY FIERCE COMPETITION AND THE EFFECTS OF THE ECONOMIC CRISIS, WITH A SIGNIFICANT DECLINE IN NEW REGISTRATIONS AND PURCHASE OF LESS COVERAGE

- Except for Zurich, all groups saw their combined ratios go up as a result of an increase in claims. Several factors help explain the increase: natural disasters in Europe; lower release of technical reserves; and a decline in premiums in some branches.

- As for natural disasters, the most significant one was Hurricane Klaus, which affected France and Spain in January. The earthquake in L'Aquila in Italy (April), flooding in central and eastern Europe in June and bad weather in general late in the year also pushed claims higher.

- In Italy, the Automobile segment continues to be affected by the so-called Bersani Law, which significantly trims the discretionary power of the «Bonus Malus» system. The Bersani decree states that a driver of an insured vehicle has the right to request that the same discount level be applied to any additional third party liability policy he or she takes out. Even more importantly, the decree establishes that the discount must be applied to vehicles bought by other members of the insured's family. The «Malus» is applied only if the driver is the «main» responsible party in an accident.

- After hefty accounting adjustments made in 2008 because of declines in asset values and losses from divestments –attributable to the

³See section on Methodology.



crisis on financial markets— in 2009 the changes were considerably smaller and in some cases the decline in assets was reversed.

The top five spots in the ranking remained unchanged, with the first change coming in the sixth, taken over by MAPFRE after it rose by two. It was followed by the German group Talanx, which also rose two rungs, and Aviva, which fell by two because of a 25.5% fall in premiums (-16.5% in local currency). The French group Groupama slipped three spots to 10th place³. The Ergo group rose from 10th to ninth position.

Premium revenues for the top 10 European Non-Life insurance groups fell 1.8% in 2009 compared to the previous year and came in at 188,574 million euros. Half of the groups registered premiums decline, and the other half revenue increase. MAPFRE showed the biggest increase (9.3%) and Aviva the largest drop (-25.5%). In the



MAPFRE'S GROWTH WAS DRIVEN BY INTERNATIONAL BUSINESS AND REINSURANCE, ALONG WITH HOMEOWNER'S AND HEALTH INSURANCE IN SPAIN

case of MAPFRE, growth was driven by international business and reinsurance, along with Homeowner's and Health insurance in Spain. The decline showed by Aviva (-16.5% in local currency) was due mainly to the fact that early in the year the group sold a minority stake in its Dutch unit, Delta Lloyd.

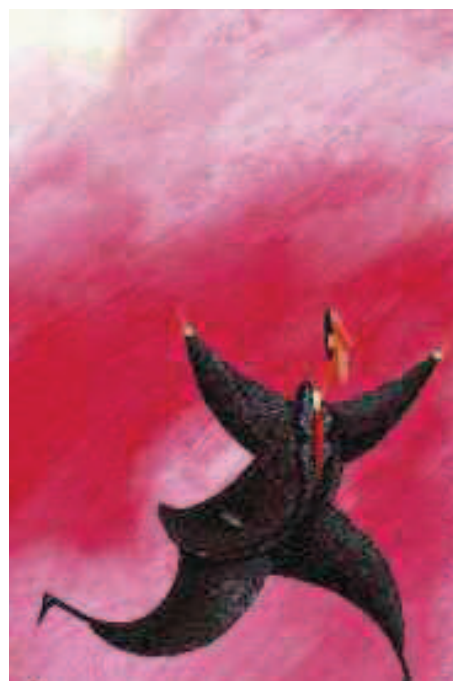
Zurich is the only group that improved its combined ratio in 2009, to 96.8%. This stemmed from a 1.6 percentage point improvement in the claims ratio, thanks to higher rates and an improvement in large loss events as a result of the group's risk selection strategy and the absence of major natural disasters. Ergo continued to have the best combined ratio at 93.1%⁴, thanks to the fact that its business in Germany still posts a ratio below 90%. MAPFRE has the second best combined ratio at 95.7%, despite a rise in claims in the Spanish market as a result of a contraction in net earned premiums.

The almost across-the-board worsening of the combined ratio was caused by an increase in the claims ratio as a result of natural disasters and bad

⁴Figure drawn from Annual Report of Munich Re and referring to the entire Property-Casualty segment.

weather in Europe late in the year. In general, the evolution of claims corresponding to previous years was better than that stemming from claims during 2009 itself.

The net result was favored by smaller accounting adjustments of asset values, which in some cases offset the worsening of the operating result. The following table shows the results from the last three years, so as to illustrate how they have evolved since the financial crisis began. The new segmentation of the Ergo group does not feature separate information on Non-Life branches, so this group was not included in the table. An analysis of these data leads to the conclusion that, although results rose 12% in 2009, they are far below those of 2007. Three of the nine groups surpassed the profit levels posted in 2007: MAPFRE, Aviva and Eureko. ■



Millions of euros

NON-LIFE RESULTS ¹ 2007-2009				
GROUP	2007	2008	2009	% Var. 2008 / 2009
ALLIANZ	7.261	5.936	4.142	-30,2
AXA	3.336	1.419	2.692	89,7
ZURICH	3.022	1.472	1.878	27,5
MAPFRE	1.105	1.199	1.149	-4,1
AVIVA	1.033	-134	1.078	-
GENERALI	2.461	1.531	841	-45,1
TALANX	1.006	379	992	161,7
EUREKO	437	-123	601	-
GROUPAMA ²	656	334	88	-
TOTAL	20.317	12.014	13.461	12,0

Source: Done by FUNDACIÓN MAPFRE with yearly reports.

¹Result before taxes and minority interests.

²Property Casualty segment result.