



PANNÓNIA
ÁLTALÁNOS BIZTOSÍTÓ

**CIG PANNÓNIA FIRST HUNGARIAN
GENERAL INSURANCE COMPANY LTD.**

QUARTERLY INFORMATION

Q1 2012

21 May 2012

I. Summary

CIG Pannónia First Hungarian General Insurance Company Ltd. (hereinafter: EMABIT) publishes this report, simultaneously with the quarterly report to the stock exchange of its parent company, CIG Pannónia Life Insurance Plc. with the data disclosed, on a voluntary basis, to the Association of Hungarian Insurance Companies (MABISZ). Data provided to MABISZ are in Annex I to the present information.

The main results and events of the first quarter of 2012 were the following:

- In the first quarter of 2012, EMABIT realized a gross written premium of HUF 783 million, the majority thereof relating to the Casco sector and the compulsory motor third party liability sector. Total costs of the insurance company amount to HUF 220 million, of which HUF 115 million is administration cost, HUF 91 million is acquisition cost and the remaining HUF 14 million is claim settlement cost. The claim settlement expenditure is approximately HUF 379 million in the quarter. The financial position of the Insurer is stable, on 31st March 2012 its loss amounted to HUF 239 million, which is in line with the plans; its equity was HUF 1,101 million, providing financing for the operations.
- EMABIT, having started its active operation, receives a more and more significant role in the operation of the CIG Group. EMABIT successfully made its entry into the target market segment through its comprehensive services offered mainly through brokers and to some extent through exclusive sub-agents and associated sales channels. In the traditional Q4 2011 campaign - focusing mostly on automobile insurance - policies worth nearly HUF 1.9 billion in annualized premium were signed. The automobile liability and Casco insurance segments have achieved twice the gross written premium planned for the year 2012, while the number of transactions with property insurance corresponds to the time-proportionate plan.
- Until the end of the first quarter of 2012 880 fleets, or nearly 26 thousand vehicles were covered by the automobile liability insurance. Of these fleets, 80% were of smaller-sized fleets from the premium target market. The others were larger-sized fleets, including numerous international corporate clients, while the institutional and municipal sectors were also well-represented. As for Casco insurance, EMABIT insures 260 fleets, made up of nearly 13 thousand vehicles. In this case as well, policies are distributed similarly to the automobile insurance mentioned above. In addition to motor insurance policies, though often in connection with them, EMABIT signed nearly 200 property and liability insurances and 362 group accident insurance with its corporate / institutional clients.
- The above increase of the portfolio is HUF 2.111 billion, of which HUF 783 million gross written premium was produced in the first quarter, of which compulsory motor third party liability insurances amounted to HUF 285 million and CASCO income amounted to HUF 350 million. In addition to the mobilization of the existing channels, EMABIT plans to sell further products in 2012, including the launching of household insurance and, among other things, the realization of the freight insurance, the retail motor insurance and the Polish professional liability insurance projects, in order to further increase its portfolio.
- EMABIT establishes a common service center with its parent company, CIG Pannónia Life Insurance Plc., in order to integrate the individual services of their identical organizational units and create a synergy, which is suitable for utilizing mutual advantages and for sharing costs reasonably. The service center will primarily carry out administration, claim settlement and IT activities and the performance of customer service tasks will also fall within its sphere of activities so that it can increase the satisfaction of its customers by coordinated work and a smoother and more efficient service and it will also realize cost savings.
- EMABIT has started to prepare for selling travel insurance and professional liability insurance planned to be realized in the form of cross-border services in Poland.

Budapest, 21 May 2012

CIG Pannónia First Hungarian General Insurance Company Ltd.

Annex I

**Presentation of the stock of the non-life business line of the Issuer at the end of the period in question
(number)**

Description	Opening stock on 01.01.2012	New business/Acquired stock	Closing stock on 31.03.2012
Accident	4	11	14
Total Casco	19	12,815	12,459
Damage through fire or disaster	6	63	67
Other damage to assets	3	30	30
Total automobile liability	259	26,161	25,534
Of this compulsory motor third party liability insurance	0	26,133	25,290
General liability	2,284	109	2,033
Total regular-premium policies	2,575	39,189	40,137
Accident	0	362	0
Total one-time premium policies	0	362	0
Total	2,575	39,551	40,137

**Presentation of the stock of the non-life business line of the Issuer at the end of the period in question
thousand HUF**

Description	Opening stock on 01.01.2012	New business/Acquire d stock	Closing stock on 31.03.2011
Accident	17,928	1,885	19,624
Total Casco	2,226	1,124,358	1,100,967
Damage through fire or disaster	2,286	84,841	85,910
Other damage to assets	2,706	17,831	20,396
Total automobile liability	47,002	851,043	861,718
Of this compulsory motor third party liability insurance	0	847,977	816,506
General liability	102,619	30,891	122,691
Total non-life business line	174,767	2,110,849	2,211,306

The Insurer's gross written premium at the end of the period in question, broken down by insurance sectors

thousand HUF

Description	Total gross written premium	Gross written premium from single premium products	Premiums earned
Accident	6,877	324	5,809
Illness	3,883	3,883	3,806
Total Casco	349,518	0	228,988
Freight	142	0	116
Damage through fire or disaster	22,724	0	8,185
Other damage to assets	15,957	1,941	5,877
Total automobile liability	299,421	0	91,508
Of this compulsory motor third party liability insurance	284,703	0	87,931
General liability	83,930	0	25,539
Assistance	324	324	317
Total non-life business line:	782,776	6,472	370,145

The Insurer's costs at the end of the period in question

thousand HUF

Description	Acquisition costs	Administration costs	Claim settlement costs	Investment costs	Total
Total non-life business line	91,006	115,071	13,961	0	220,038
Of this compulsory motor third party liability insurance	31,007	42,814	4,022	0	77,843