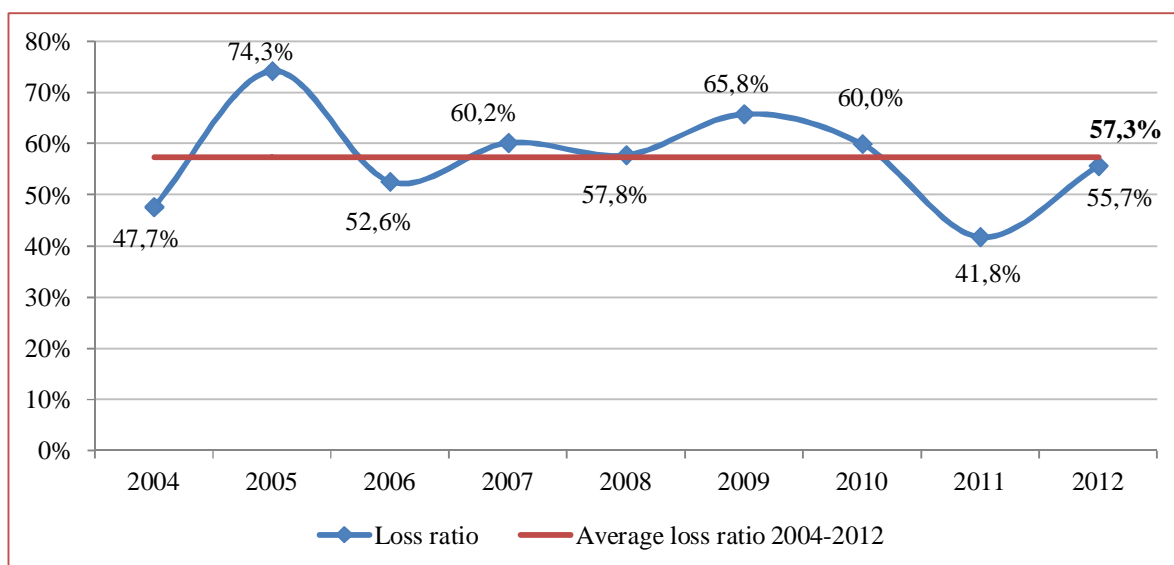


Executive Summary

After HAIC's research in the yacht insurance branch, in which 18 insurance enterprises participated, written premium amounted at 11.4 million €, 3.7 million € of which covered the yachts' third party liability and policy fees amounted at 1.6 million €. Unearned premium reserve decreased to 4.7 million € from 4.9 million € while outstanding claims (end of the year) increased to 10.9 million € from 10.8 million €.

The estimated loss ratio, on a calendar year basis, was 55.7% (41.8% in 2010) and the acquisition cost was 18.2% (from 17.7% in 2011). The percentage of the policy fee upon written premium averaged at 13.9%, from 12.2% in 2011.



Most insured yachts are privately used, but the ones that are professionally used are overrepresented in the number of claims and the paid claims. When the yachts are divided according to the propulsion (sail or motor), it is found that the vast majority of them are motor propelled and are insured at a higher average value.

The main causes of claim payments are those of fire/explosion, machinery breakdown and collision. Average claim filed was increased from 8.0 thousand € to 12.2 thousand €. Highest average claim payments were identified in the cases of fire/explosion, third party liability (sea pollution) and machine breakdown.

When the data of the claims payments are studied, it is deduced that the yacht insurance loss ratio is estimated at an average of 43.3% for the last four years (2009-2012).