

# Bajaj Allianz General Insurance Q1 2007-08 (April-June 07)

# Market figures Jun 07

<i>Rs Mn</i>	GWP Apr-Jun 07	GWP Apr-Jun 06	Mkt Share Jun 07	Share of Private	Growth YOY
ICICI lombard	8,866	8,137	11.9%	30.7%	9.0%
<b>Bajaj Allianz</b>	<b>5,737</b>	<b>4,497</b>	<b>7.7%</b>	<b>19.8%</b>	<b>27.6%</b>
Reliance General	5,290	1,642	7.1%	18.3%	222.2%
IFFCO Tokio	3,101	3,645	4.2%	10.7%	-14.9%
Tata AIG	2,253	2,222	3.0%	7.8%	1.4%
Royal Sundaram	1,678	1,553	2.3%	5.8%	8.1%
Cholamandalam	1,479	798	2.0%	5.1%	85.4%
HDFC CHUBB	520	444	0.7%	1.8%	17.2%
<b>Private Total</b>	<b>28,925</b>	<b>22,937</b>	<b>38.9%</b>		<b>26.1%</b>
<b>New India</b>	<b>14,364</b>	<b>13,586</b>	<b>19.3%</b>		<b>5.7%</b>
<b>Oriental</b>	<b>10,499</b>	<b>10,369</b>	<b>14.1%</b>		<b>1.3%</b>
<b>National</b>	<b>10,487</b>	<b>9,701</b>	<b>14.1%</b>		<b>8.1%</b>
<b>United India</b>	<b>10,010</b>	<b>9,713</b>	<b>13.5%</b>		<b>3.1%</b>
<b>Public Total</b>	<b>45,359</b>	<b>43,368</b>	<b>61.1%</b>		<b>4.6%</b>
<b>Grand Total</b>	<b>74,285</b>	<b>66,305</b>	<b>100.0%</b>		<b>12.0%</b>

Source IRDA website excluding specialised institutions

**Our growth rate further improved to 27.5% as at 30 June 2007. Market share improved from 7.2% at 31 March to 7.5% at 30 June**

# Business mix Q1 07-08

Line Of Business	2007-08 Q1	2006-07	2005-06
Corporate ex-health	34%	39%	39%
Motor (Retail)	48%	45%	41%
Health & Travel	11%	9%	8%
Other (mainly retail)	7%	7%	7%

- Retail business has increased in line with our strategy of consolidating our position in retail.
- Greater focus on Motor own damage and health businesses.
- QOQ growth of 52% in online/direct motor business.
- Reduced exposure to corporate business which is highly discounted.
- Growth in NWP in corporate business of 25% despite price discounting.

# Financial Performance

# Q1 profitability (Rs Mn.)

	2007-08 Q1	2006-07 Q1	YOY change
Gross written premium	5,737	4,501	27.5%
Net written premium	3,783	2,479	52.6%
Net earned premium	2,838	1,889	50.2%
Underwriting profit	31	137	
Recurring Investment Income	299	155	
Capital gains	24	6	
Profit before tax	354	305	16.1%
Loss ratio	69.9%	69.7%	
Combined ratio	98.9%	92.8%	
Combined ratio (economic)	91.7%	87.3%	

- Strong growth – more than twice the market
- Strong retention – over 50% growth in net premiums.
- Underwriting profit
- PBT growth of 16%
- Only 7% of PBT from capital gains

*Economic combined ratio = Net claims/NEP plus net commission/NWP plus expenses/NWP.*

# Balance sheet 30 June

Rs Mn

	30-Jun-07	31-Mar-07
<b>Cash and investments</b>	<b>15,649</b>	<b>14,754</b>
<b>Other assets</b>	<b>1,936</b>	<b>1,716</b>
<b>Insurance reserves</b>	<b>11,496</b>	<b>9,764</b>
<b>Other liabilities</b>	<b>3,063</b>	<b>3,081</b>
<b>Net worth</b>	<b>4,253</b>	<b>4,034</b>
<b>Free cash flow</b>	<b>895</b>	<b>5,736</b>

•Focus on cash flows, growth in invested surplus.

*Free cash flow = increase in invested surplus net of financing cash flows*

# Indicators

<i>Nos unless stated otherwise</i>	<b>2007-08 Q1</b>	<b>2006-07</b>
<b>Operational Offices (period end)</b>	<b>144</b>	<b>124</b>
<b>Policies issued ('000s)</b>	<b>1,551</b>	<b>4,863</b>
<b>Claims registered ('000s)</b>	<b>111</b>	<b>310</b>
<b>Claims paid Rs bn.</b>	<b>2.03</b>	<b>7.23</b>

**Scale up of retail continues – offices opened in late 2006-07 started producing business. 11 offices expected to become operational in July.**

# Thank you

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