

3 - Insurance provisions

Direct insurance provisions
 Insurance provisions
 Provisions for outstanding claims
 Provisions for policies where the investment risk is borne by the policyholders and provisions for pension funds
 Deferred policyholder liabilities

After the elimination of intra-group transactions between segments.

The decrease in non-life insurance provisions (-0.5% compared to 2011) was entirely attributable to the development in the life segment insurance provisions increased by 4.0%; this trend is determined by the improving of financial results. The overall total of the other life insurance provisions included both the provision for profit sharing and premium

Provisions for outstanding claims

Life segment insurance

Life segment insurance

Life segment includes health insurance with life features

The 43.3% of the gross direct claims provisions referred to the motor business that was in line with last year (43.3%). Insurance provisions and financial liabilities related to policies of the life segment

Insurance contracts with discretionary participation feature

Financial liabilities at amortised cost

Total insurance provisions include the following items: mathematical provisions and provisions for policies where the investment risk is borne by the policyholders and for pension funds. The policies with significant insurance risk accounted for 64.9% of the total life portfolio (68.4% in 2011), while the policies without significant insurance risk accounted for 35.1% (31.6% in 2011). The investment contracts within the scope of IAS 39 accounted for 5.9% compared to 5.2% in 2011. They are

Mathematical provisions and ageing for life segment

Carrying amount as at 31 December previous year

Exchange and currency translation effects

Carrying amount as at 31 December current year

Interest and bonuses credited to policyholders include the attribution of financial returns.

The impact of acquisitions, disinvestments and other movements include the disposal of Migdal Group.

Provisions for policies where the investment risk is borne by policyholders and for pension funds

Carrying amount as at 31st December previous year

Exchange and currency translation effects

Carrying amount as at 31st December current year

The impact of acquisitions, disinvestments and other movements include the disposal of Migdal Group. Net of tax

Deferred policyholders liabilities

Carrying amount as at 31 December previous year

Exchange and currency translation effects

Carrying amount as at 31 December current year

The development of the period was mainly due to the significant recovery in value recorded mainly in the Group
