

IMIA 2007 Country Analysis				
Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
Austria	<p>In the year 2007 the premium income for the Engineering Insurance in AUSTRIA increased by 6.28% from € 142,988,000 in 2006 to € 151,972,000 in 2007.</p> <p>2007 the Austrian Gross National Product went up to 5.45 % (nominal) and the unemployment rate went down to 6.26 % *).</p> <p>The share of Engineering Insurance in the Austrian property and casualty market changed from 4.23 % in 2006 slightly up to 4.26 % in 2007.</p>	<p>Comparing the year 2007 with 2006 the claims increased by 10%.</p> <p>Most significant was the increase for Erection all Risks where the losses paid were three times that of past years. This was due to three large losses exceeding US\$ 1 m.</p>	<p>The loss ratio changed only slightly in the last three years. The comparison between 2006 and 2007 shows an increase of 1.64 % from 53.36 % (2006) to 55.27 % (2007).</p> <p>Combined ratio for the Austrian Engineering Insurers is estimated to be approx. 85 % of premium income. The combined ratio is an estimate since the costs may vary from company to company and are furthermore not reported from the companies per line of business.</p> <p>The Austrian Engineering Lines were still profitable in 2007.</p>	<p>A slight downturn is forecast for the economical situation in Austria for 2008, but there should be a stabilisation at the end of the year and a slight rebound at the beginning of 2009. At the moment the forecasts for 2008 predict an increase of the Gross National Product by + 4.44 % (nominal) and the unemployment rate should still be low at 6.19 % in 2008 *).</p> <p>For 2008 the prognoses for premium income in the line of business of Industrial Insurance in general is not too bad. The premium income within Engineering Insurances is estimated to go up by 2.6% **).</p>

*) Source: IHS, December 2007

**) source: WIFO, January 2008