

## Country Analysis Report - Spain

Country	Premium Development	Claims Development	Underwriting Profitability	Business Outlook
<p><b>SPAIN 2011</b></p>	<p>Gross written premiums in 2011 for the engineering branch totalled 335.99 millions € which entails a reduction of 21.38 % over the previous year.</p> <p>The situation is in line with the trend initiated in 2007.</p> <p>It is to be noted that the decrease in CAR, and in Decennial line of business are due to the dramatic halt of the house construction business.</p>	<p>During the year 2011, the engineering insurance segment has had a worse result (loss ratio of 94.65 %) than in 2010 (77.80 %), in 2009 51.30 %. All lines had a higher loss ratio than in 2010, with the exception of CAR with 130.86 % (2010: 134.81 %) and EAR with 145.56 % (2010: 156.22 %).</p> <p>It is to be noted that IBNR figures have not been considered.</p>	<p>Insurance companies are doing special efforts in order to reduce the administration costs and to improve their risk management.</p> <p>This tendency is expected to continue in the next years.</p>	<p>The situation in 2012 is similar to previous years and is expected to continue in the following years although it seems the decrease is slower than in the past</p> <p>Government investment in Public Civil Works has decreased, but the Housing Sector has slowed down very much its decrease and can it be expected that it might begin to grow by 2014.</p>