

Country Analysis Report - Spain

| Country | Premium Development | Claims Development | Underwriting Profitability | Business Outlook |
|-----------------------|---|---|--|--|
| SPAIN 2014 | <p>Premiums booked in 2014 for the entire engineering line of business totalled EUR 512.21 million, which entails a reduction of -5.22% over the previous year.</p> <p>The situation is in line with the tendency initiated in 2007.</p> <p>It is remarkable the increase in electronic equipment (+118.95%) and EAR (+24.12%).</p> | <p>During the year 2014, the engineering insurance segment has had a slightly worse result (loss ratio of 34.31%) than in 2013 (34.01%). Most of the lines had a higher loss ratio compared to 2013, except electronic equipment and decennial insurance. The loss ratio for EAR has increased considerably compared to 2013 (84.06% vs 69.54%).</p> <p>To be pointed out that the 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 risks management. This tendency is expected to continue in the next years.</p> | <p>The situation in 2015 for the engineering insurance is to expect better results. The situation of economic growth allows some optimism in the engineering insurance sector. However, this year there are elections for the regional and national governments and depending on the results, the spending on public civil works may be significantly different.</p> |