

Report on Marine Insurance Premium 2003 and 2004

IUMI 2005 Amsterdam Facts & Figures Committee

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**The Central Union of Marine Underwriters,
Oslo, Norway**

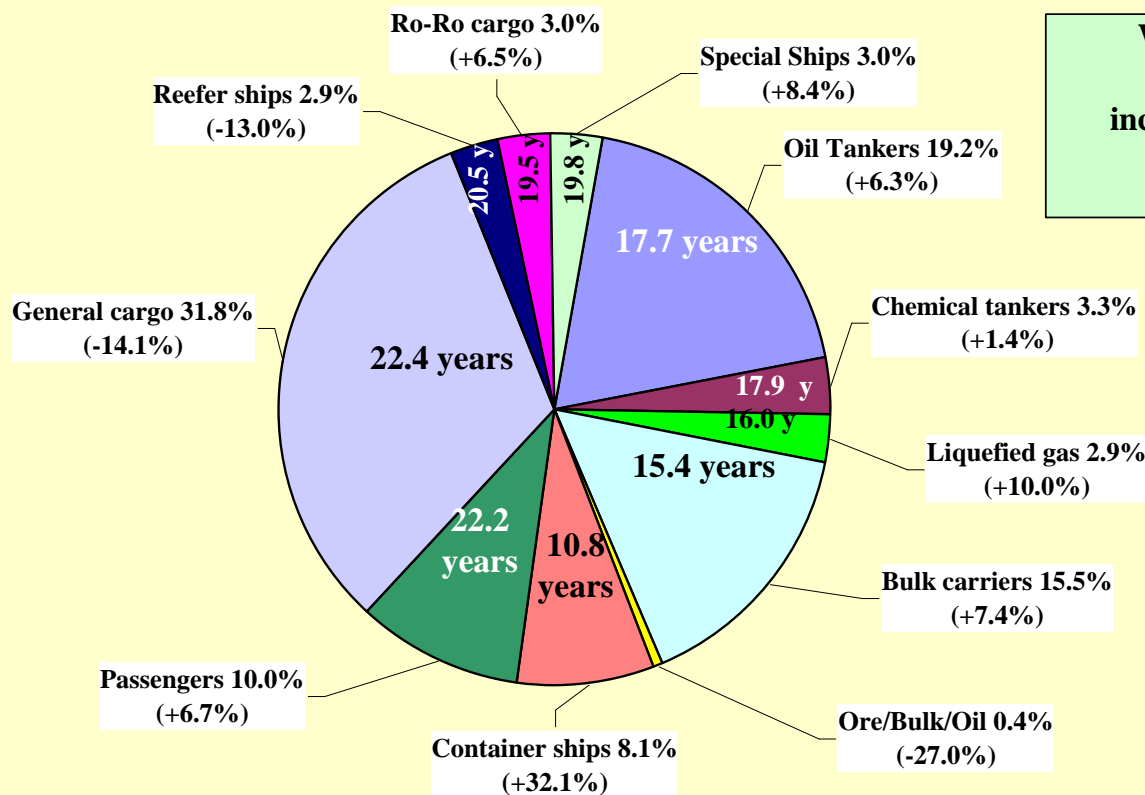
Thanks also to
**Fédération Française des Sociétés d'Assurances (FFSA) and the
International Underwriting Association of London (IUA)**



World Merchant Fleet

by type of ship of 300gt and over

As at January 1st 2005 – number of ships in share of the World Reported Fleet, growth rate 2000-2005(%) and average age

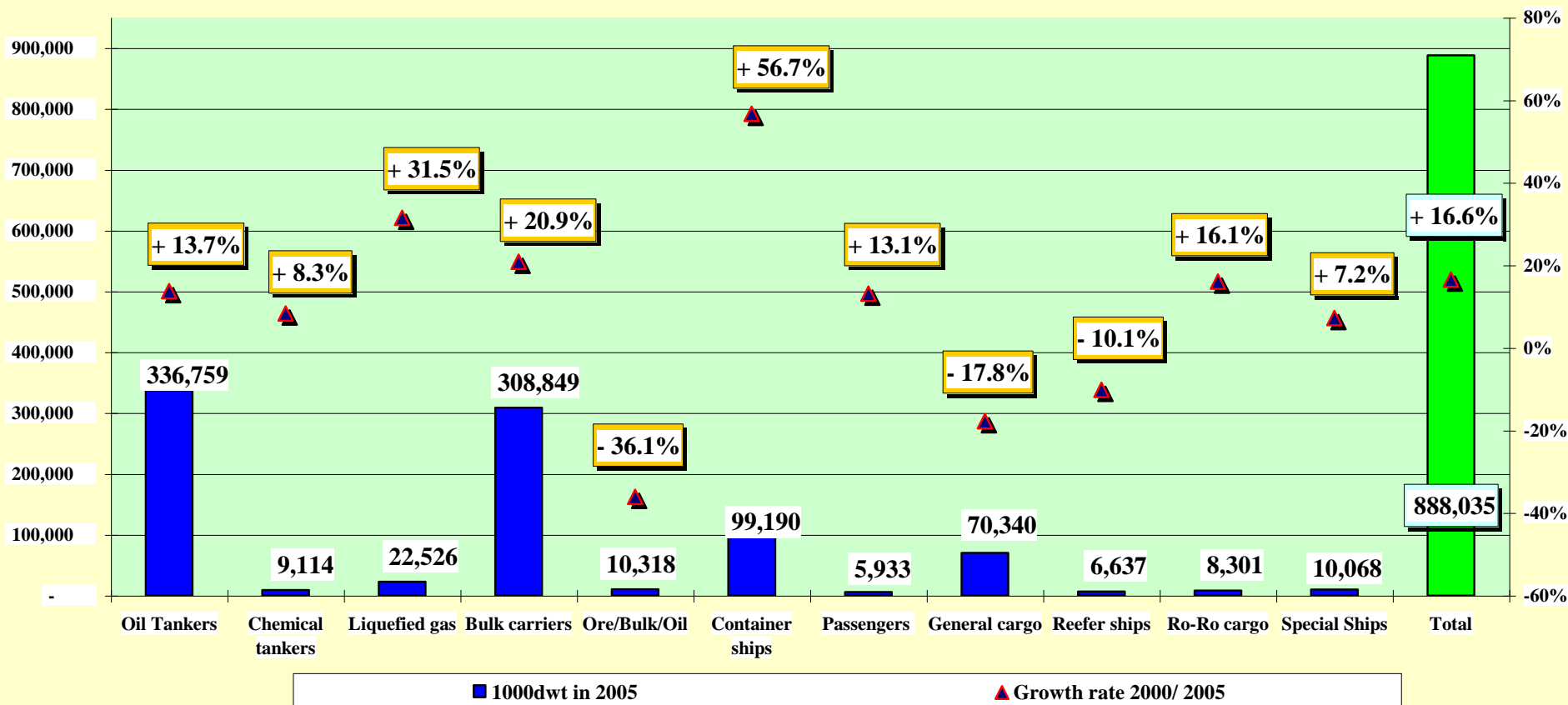


WORLD REPORTED FLEET
Total number : 39,932 ships
increased by + 2.6 % on the period
Average age : 19.1 years

World Merchant Reported Fleet

by type of ships 300gt and over

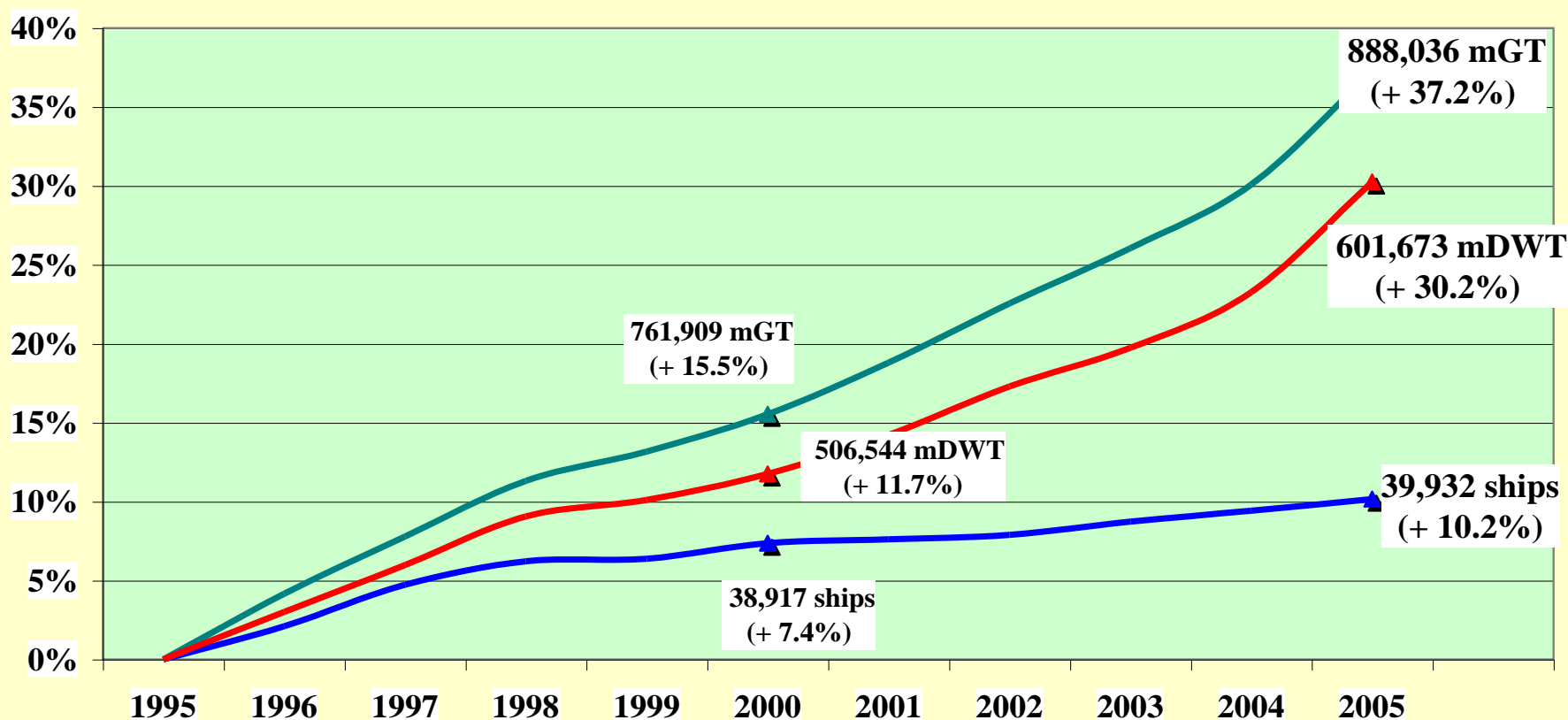
As at January 1st, 2005 – Deadweight and growth rate 2000-2005



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

World Merchant Fleet of ships of 300gt and over

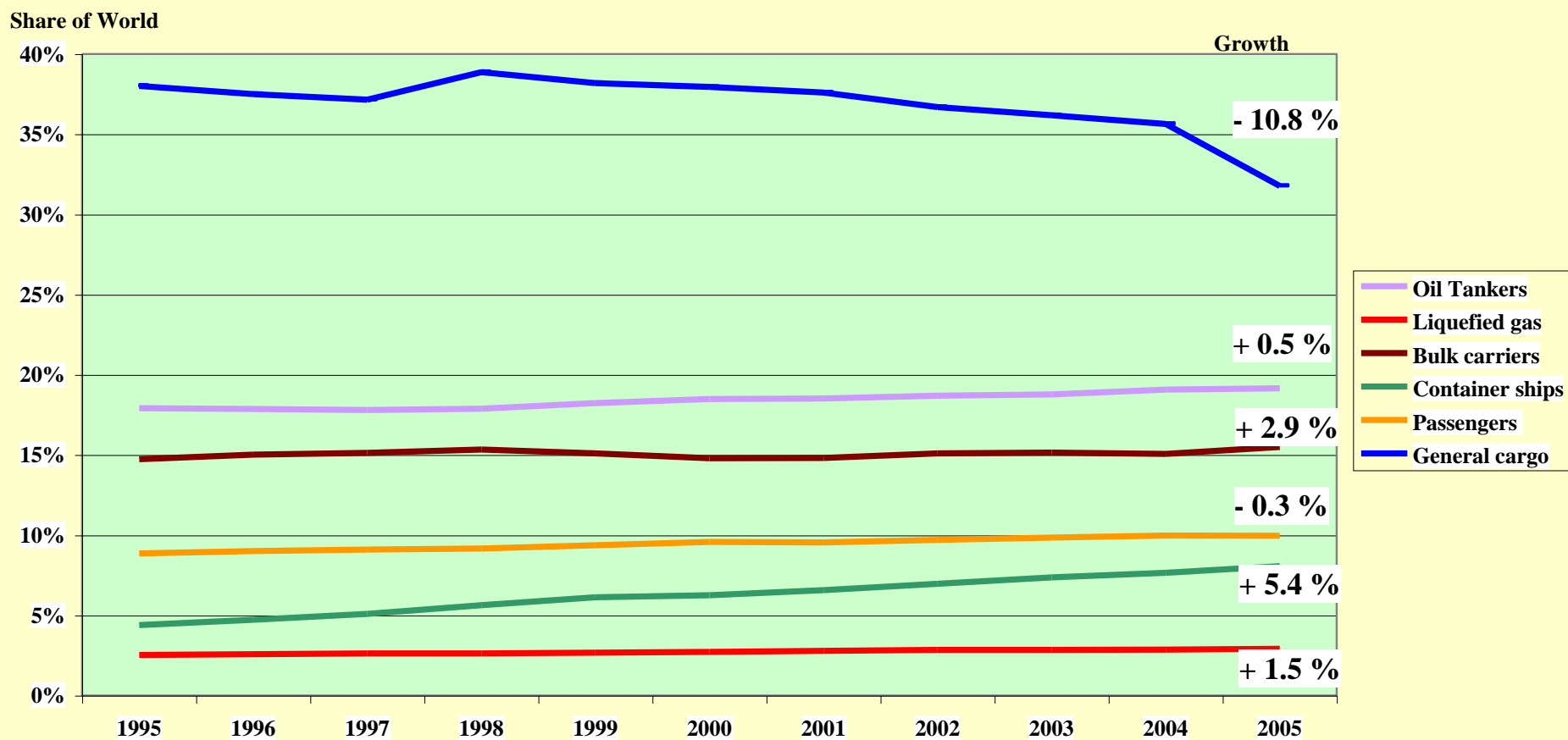
**Evolution of the growth rates (GT, DWT, and Number of ships)
between 1995 and 2005**



World Merchant Fleet

by main types of ship of 300gt and over

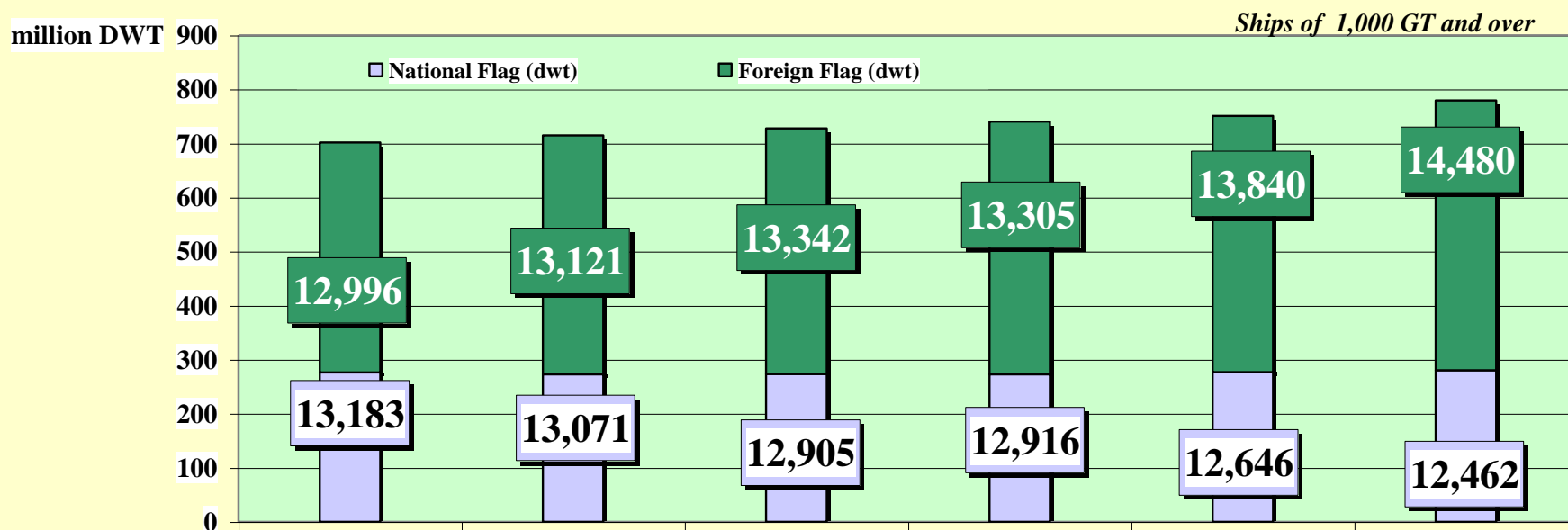
**Evolution of the number of ships in shares (%) of the world fleet 1995 – 2005,
Growth rate in 2005**



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

World Merchant Reported Fleet by National and Foreign Flag

As at January 1st, 2005 – million DWT and number of ships



| <i>Total Units in the :</i> | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--|--------|--------|--------|--------|--------|--------|
| <i>Reported Fleet</i> | 26,179 | 26,192 | 26,247 | 26,221 | 26,486 | 26,942 |
| <i>Not Reported Fleet</i> | 3,371 | 3,524 | 3,686 | 4,174 | 4,117 | 3,909 |
| <i>Total World Fleet (1000gt and over)</i> | 29,550 | 29,716 | 29,933 | 30,395 | 30,603 | 30,851 |

World Merchant Fleet – Top Ten Countries

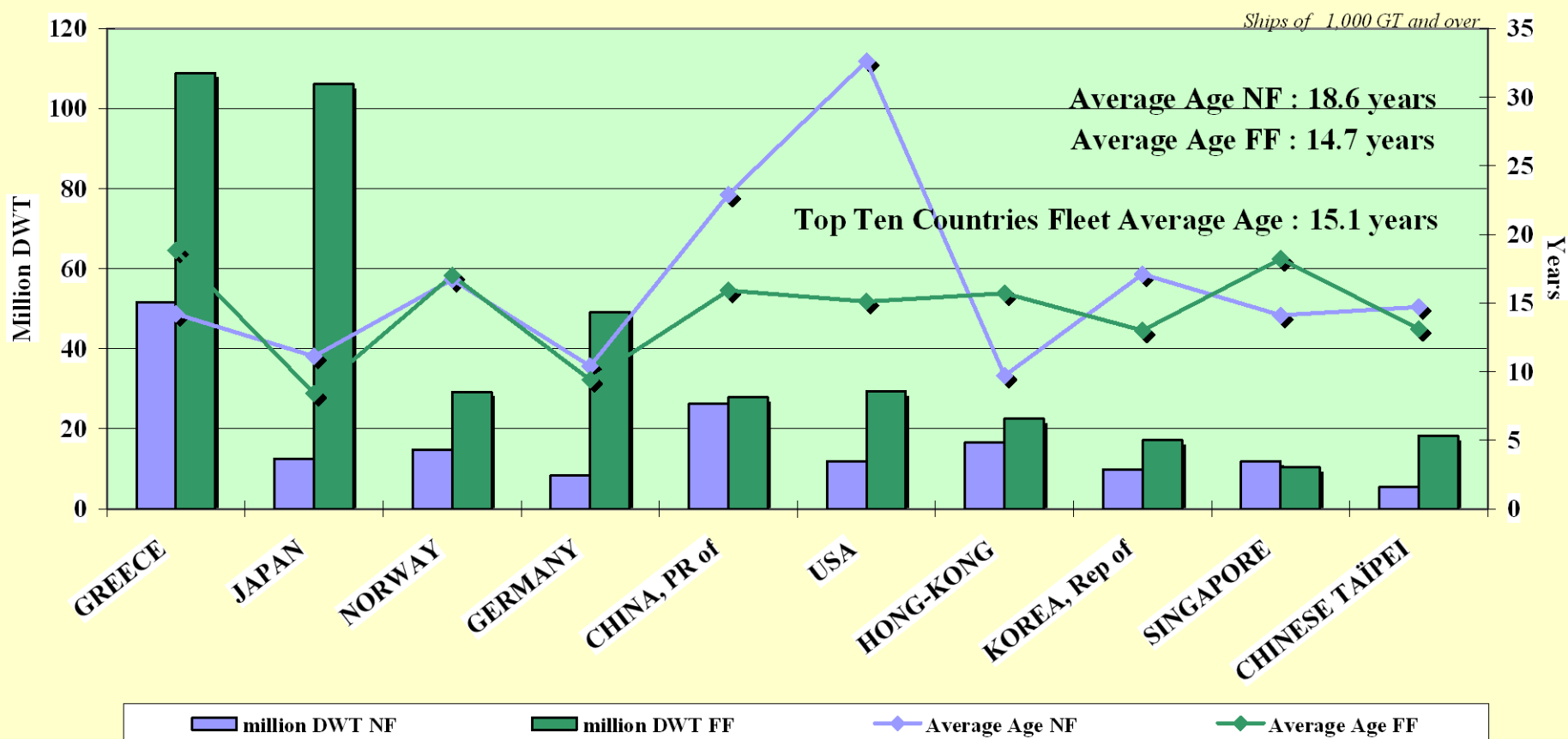
| WORLD MERCHANT FLEET - THE TOP TEN COUNTRIES OF MANAGEMENT | | | | | |
|---|------------------------------|---|--|----------------------------------|----------------------------------|
| As at January 1st, 2005 – Rank in 2005 (in 2004) and million DWT (Ships of 1000gt and over) | | | | | |
| DWT-rank 2005 (2004) | Country of Management | Total fleet - million DWT 2005 | % share on the Total World Fleet Reported in 2005 | Growth rate 2004/2005 | Growth rate 1996/2005 |
| 1(1) | GREECE | 160.6 | 19.4% | + 2.7% | + 36.1% |
| 2(2) | JAPAN | 118.6 | 14.3% | + 8.3% | + 36.3% |
| 3(4) | GERMANY | 57.5 | 7.0% | + 13.2% | + 238.2% |
| 4(5) | CHINA, PR of | 54.1 | 6.5% | + 12.0% | + 59.1% |
| 5(3) | NORWAY | 44.0 | 5.3% | - 3.5% | - 8.3% |
| 6(6) | USA | 41.2 | 5.0% | - 9.1% | - 13.3% |
| 7(7) | HONG-KONG | 39.0 | 4.7% | + 24.2% | + 27.9% |
| 8(8) | KOREA, Rep.of | 26.8 | 3.2% | + 5.5% | + 34.0% |
| 9(11) | UK | 25.6 | 3.1% | + 11.3% | + 21.9% |
| 10(10) | CHINESE TAÏPEI | 23.7 | 2.9% | + 4.4% | + 69.3% |
| Total Top Ten Countries of Management | | 591.1 | 71.5% | + 5.9% | + 34.6% |
| | Others countries | 236.1 | 28.5% | + 6.7% | + 21.6% |
| Total World Merchant Fleet by Country of Management | | 827.2 | | + 6.1% | + 30.6% |
| Total World Merchant Fleet (including fleets for which the Country of Management is unknown) | | 879.9 | <i>3,909 ships for 52.7 million dwt not reported</i> | | |

Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

World Merchant Fleet – Top Ten Countries

by National (NF) and Foreign Flags (FF)

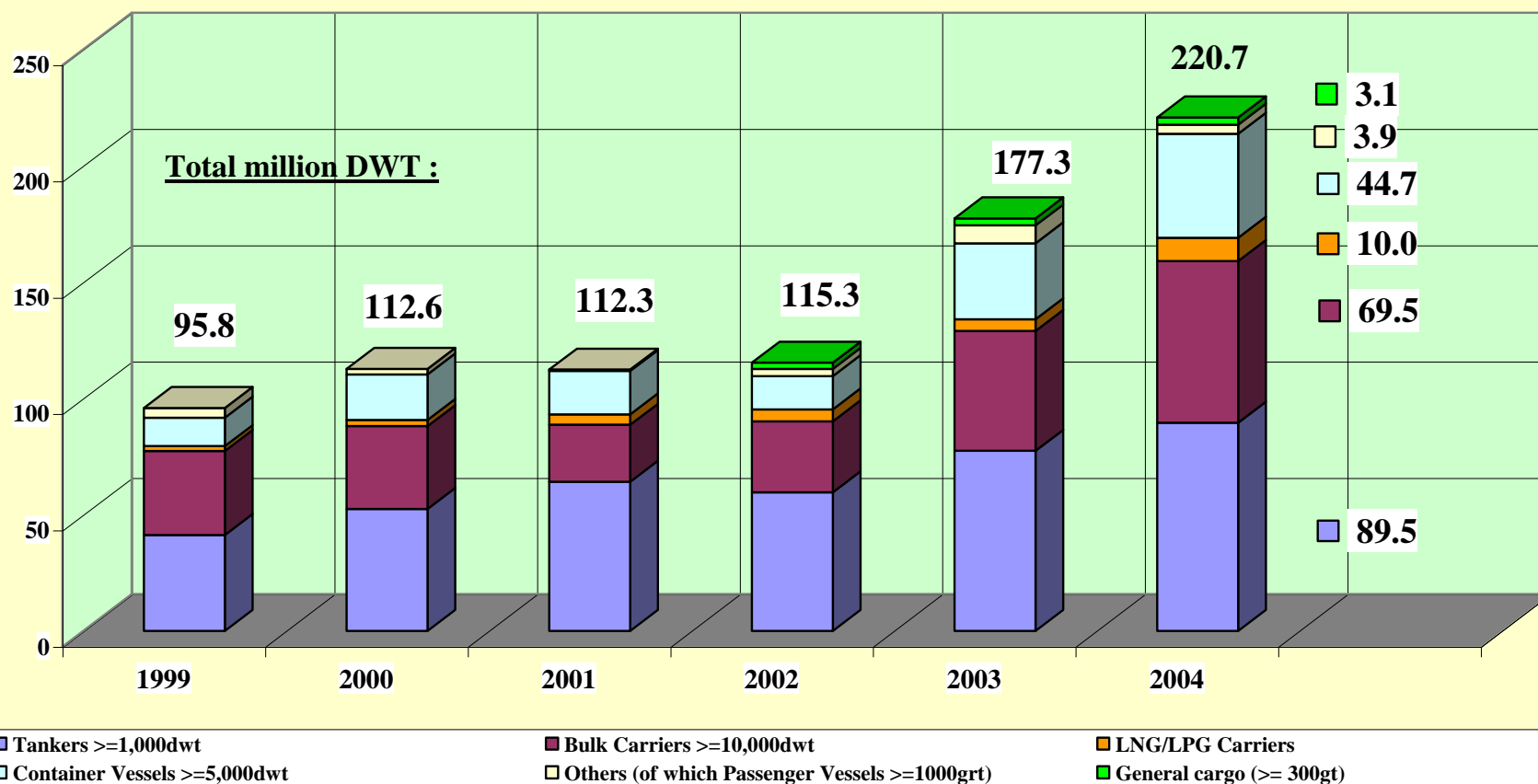
As at January 1st, 2005



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

Orderbook

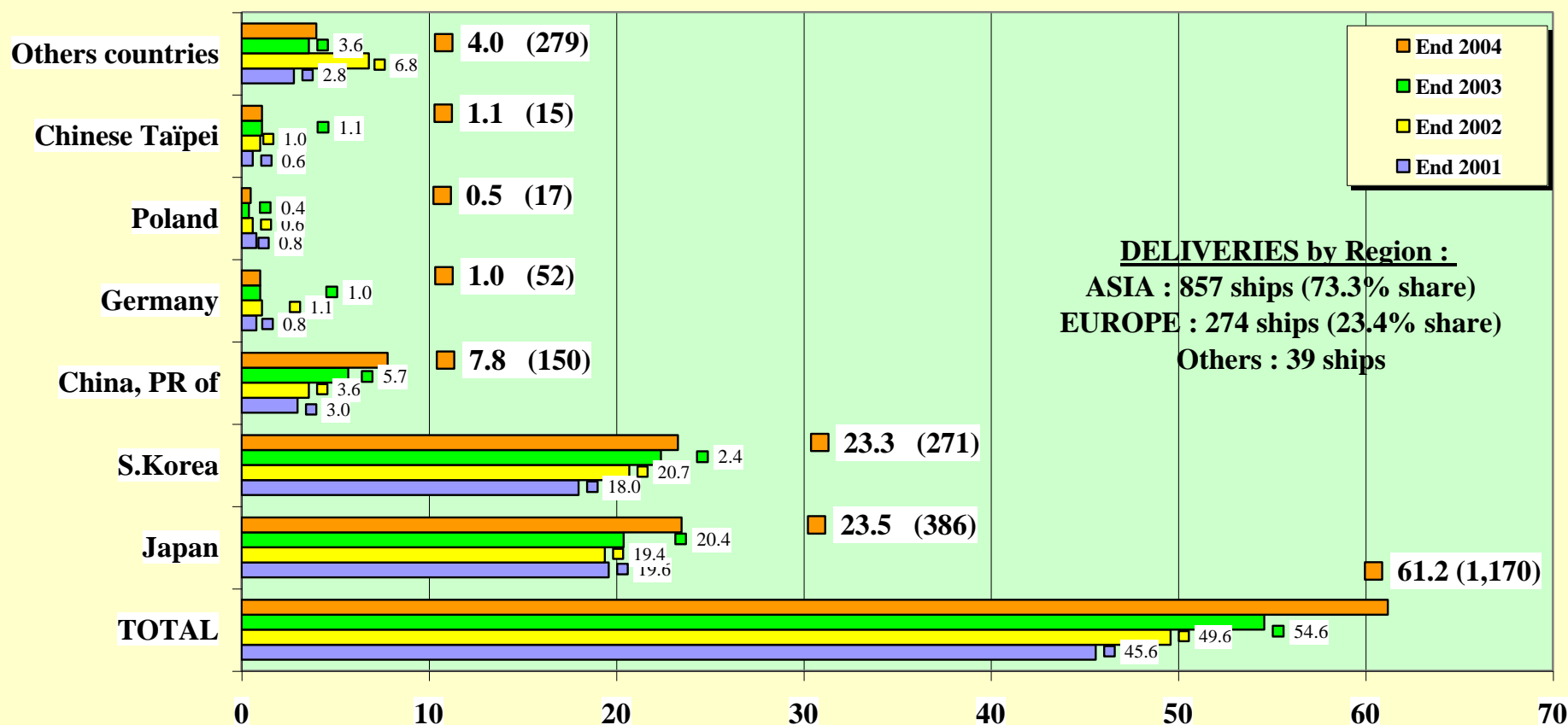
Evolution by type of ship



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

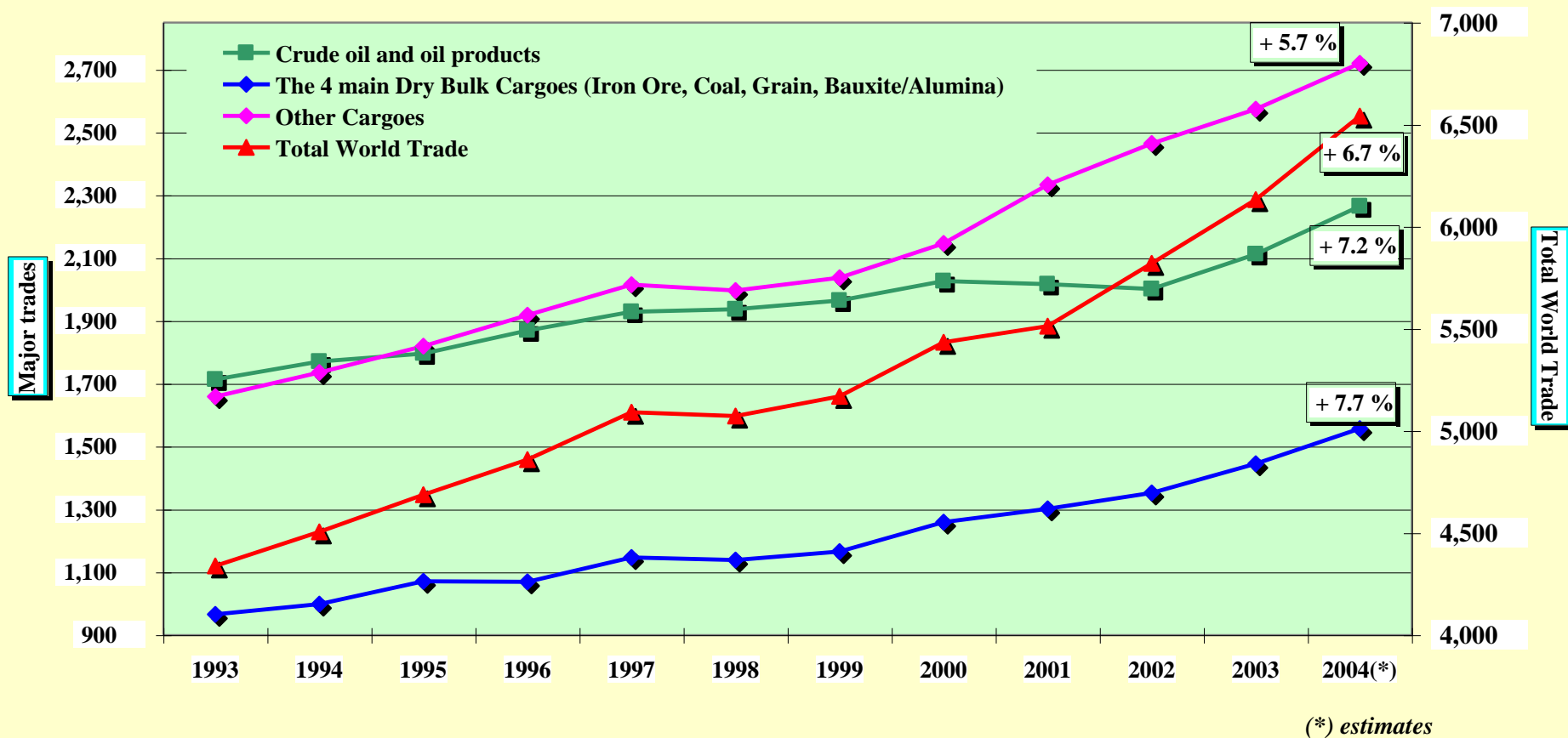
Deliveries in 2004 by Country of Shipbuilder

Million DWT and number of ships



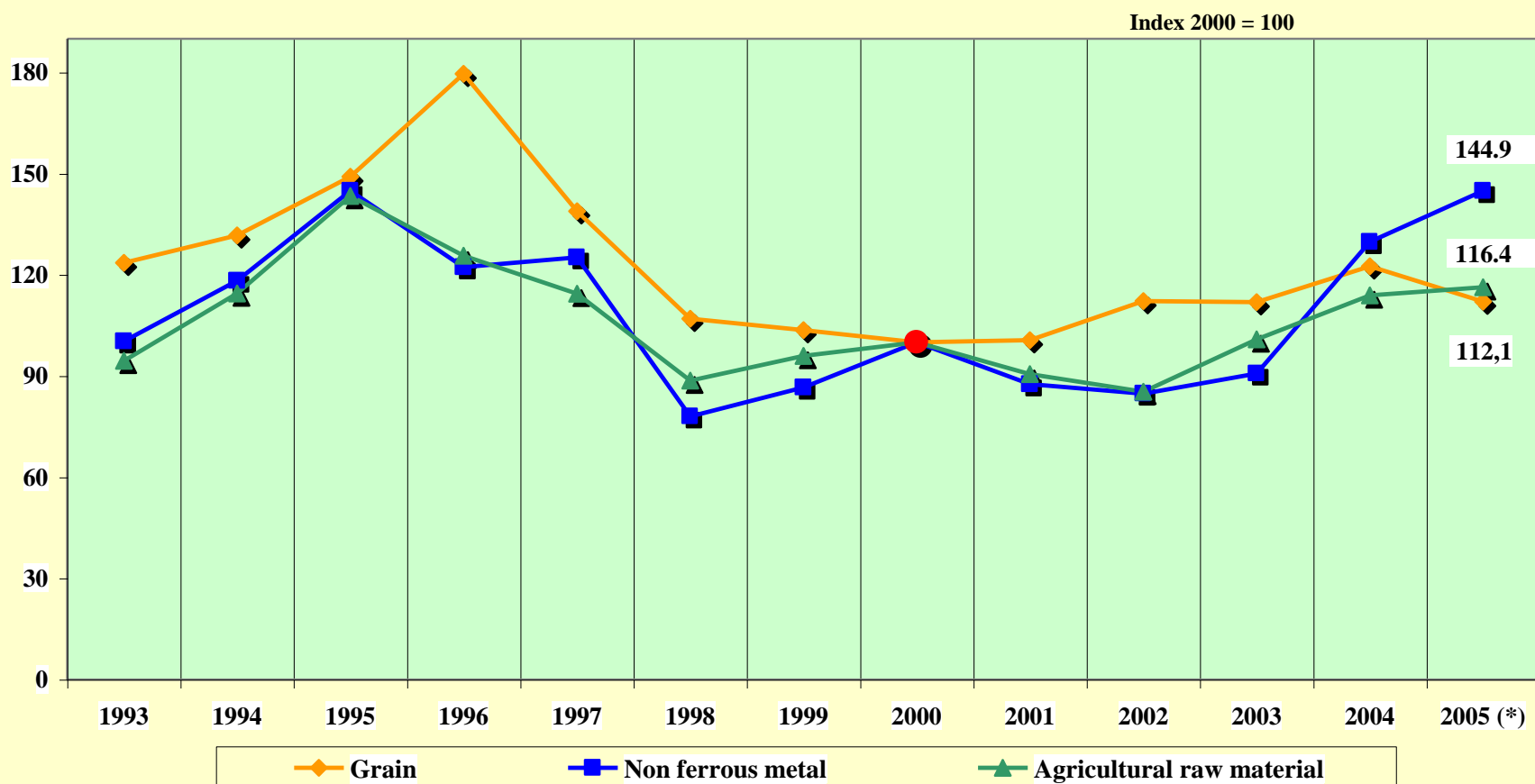
World Seaborne Trade Volume

Development 1993-2004 (*in million tonnes*) - Growth rate in 2004



World Market Price Indices for Selected Commodities

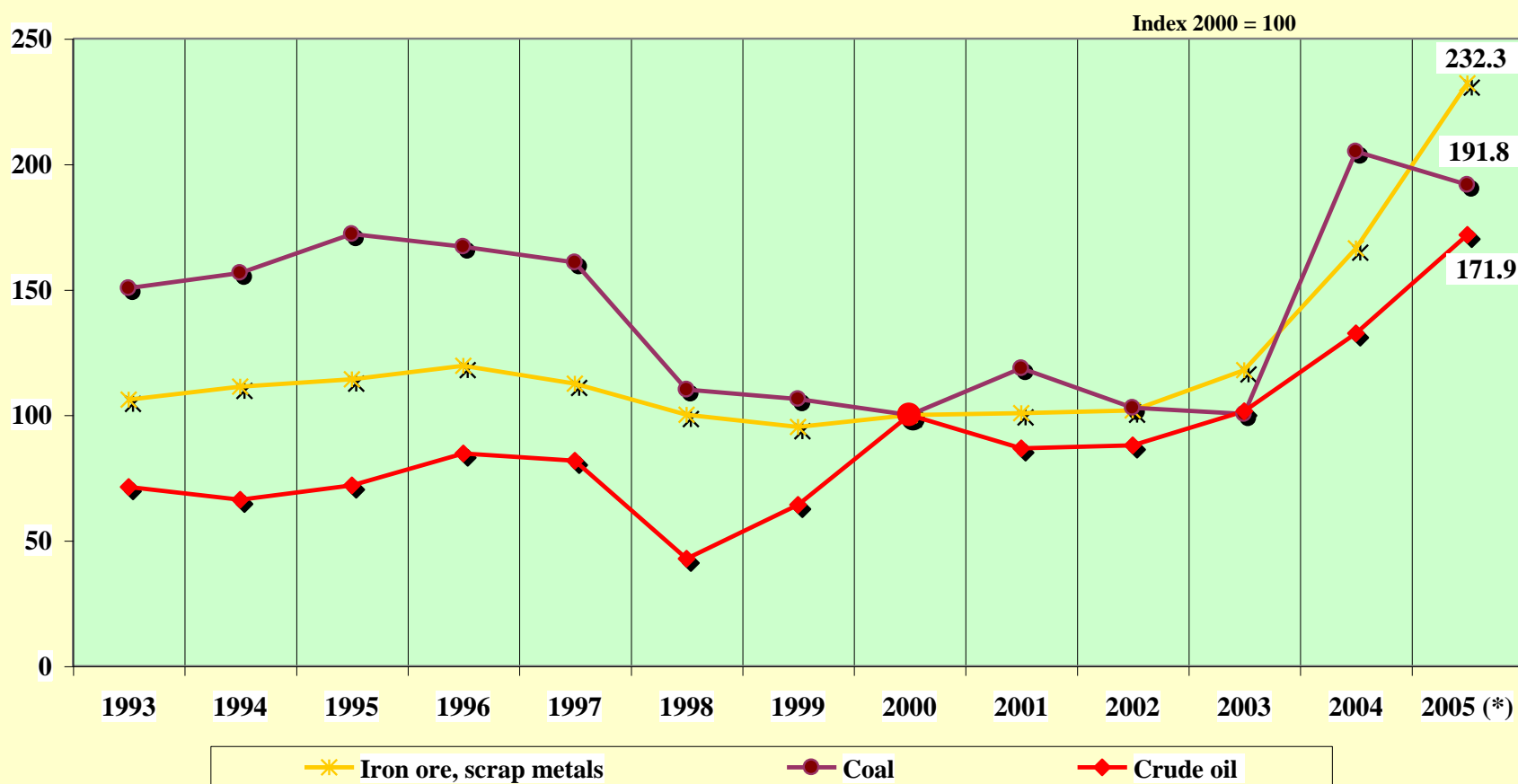
Annual Average (1993-2004) – Average in 2005 as at end of June (*)



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

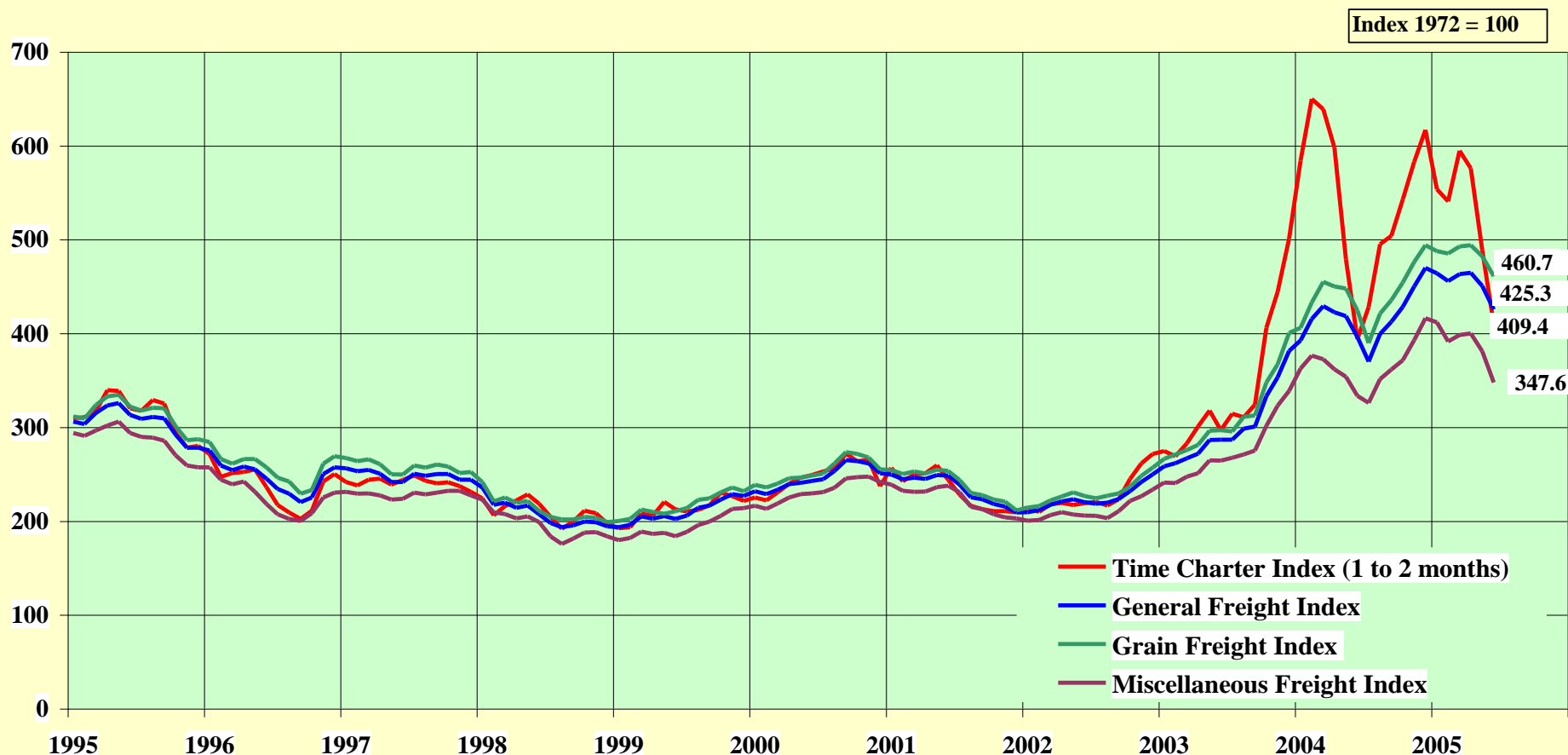
World Market Price Indices for Selected Commodities

Annual Average (1993-2004) – Average in 2005 as at end of June (*)



Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

FREIGHT MARKET (indices) – YEARS 1995 to 2005 (January to June)



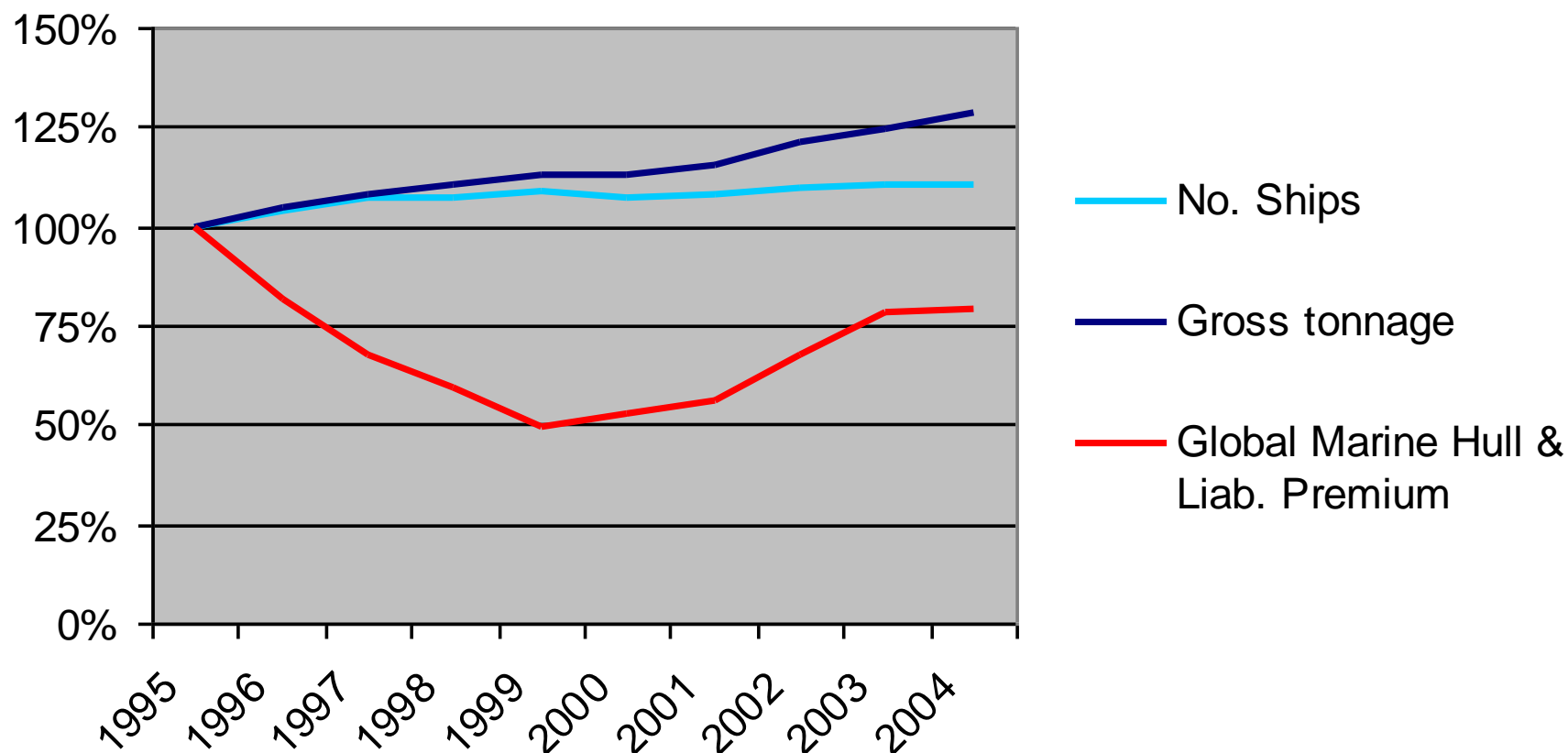
Source: Indicators issued from various sources such as ISL Bremen for World fleet and trading figures (as at June 2005) and Clarkson Research Studies for shipbuilding and scrapped vessels (as at June 2005).

Report on marine insurance premiums 2003 and 2004

- By end of August 2004, 47 of 54 members reported their country's marine premium figures for accounting years 2003 and 2004.
- Reported figures represent approx. 97% of the total marine premium written by all IUMI members in 2003 and 2004.
- Total premium for 2003 is therefore estimated to reach approx. USD 16.6 billion and for 2004 approx. USD 16.4 billion (excluding P&I from mutual P&I Clubs).

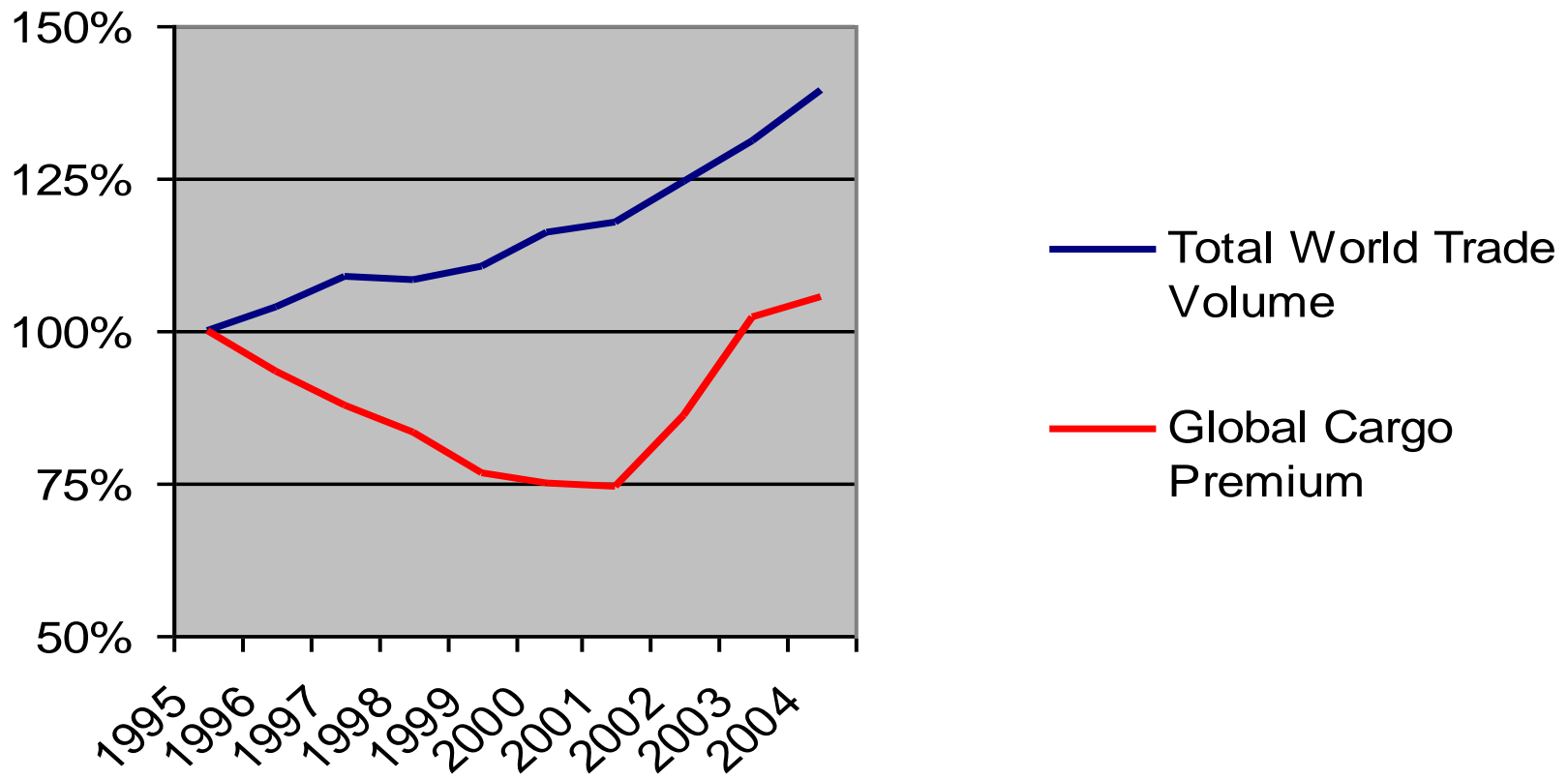
World Merchant Fleet and Global Marine Hull & Liability Premium

Index of evolution, vessels > 100 GT, 1995 = 100%

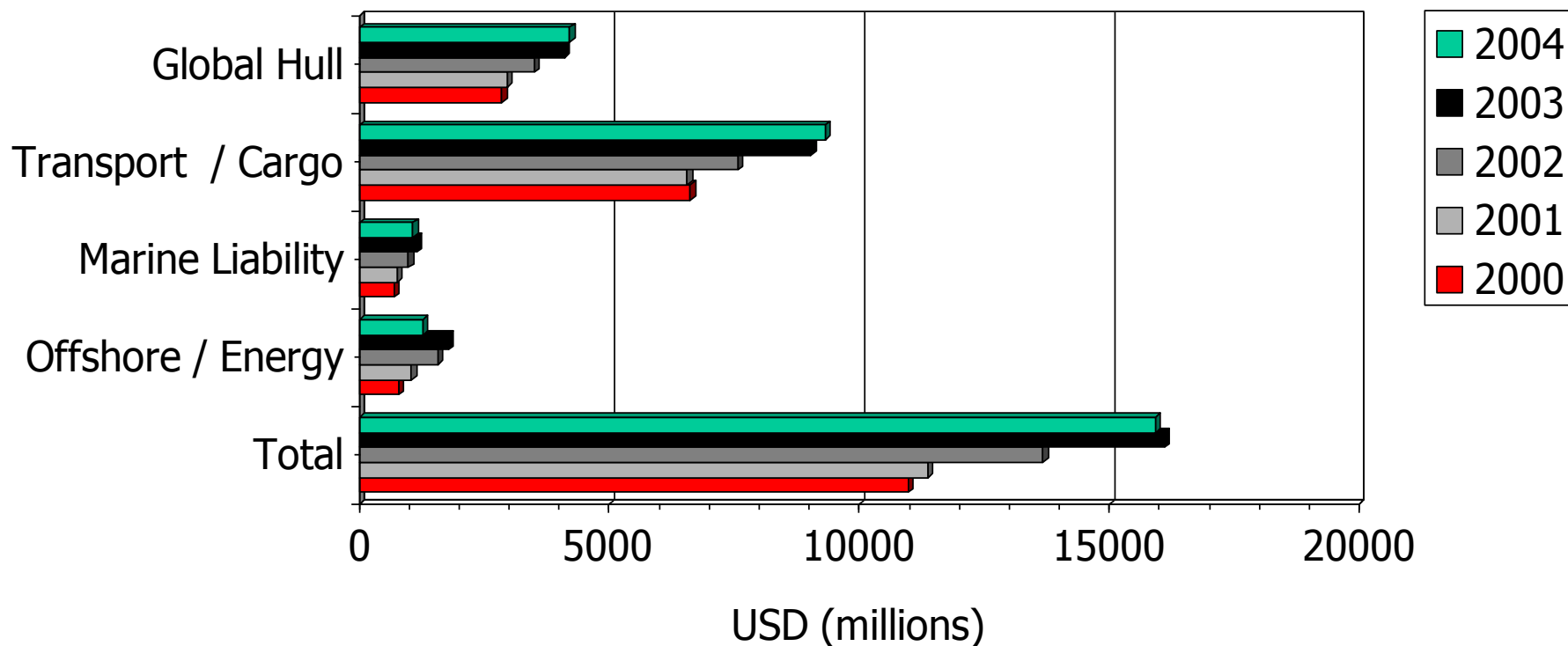


World Seaborne Trade Volume and Global Cargo Premium

Index of evolution, 1995 = 100%



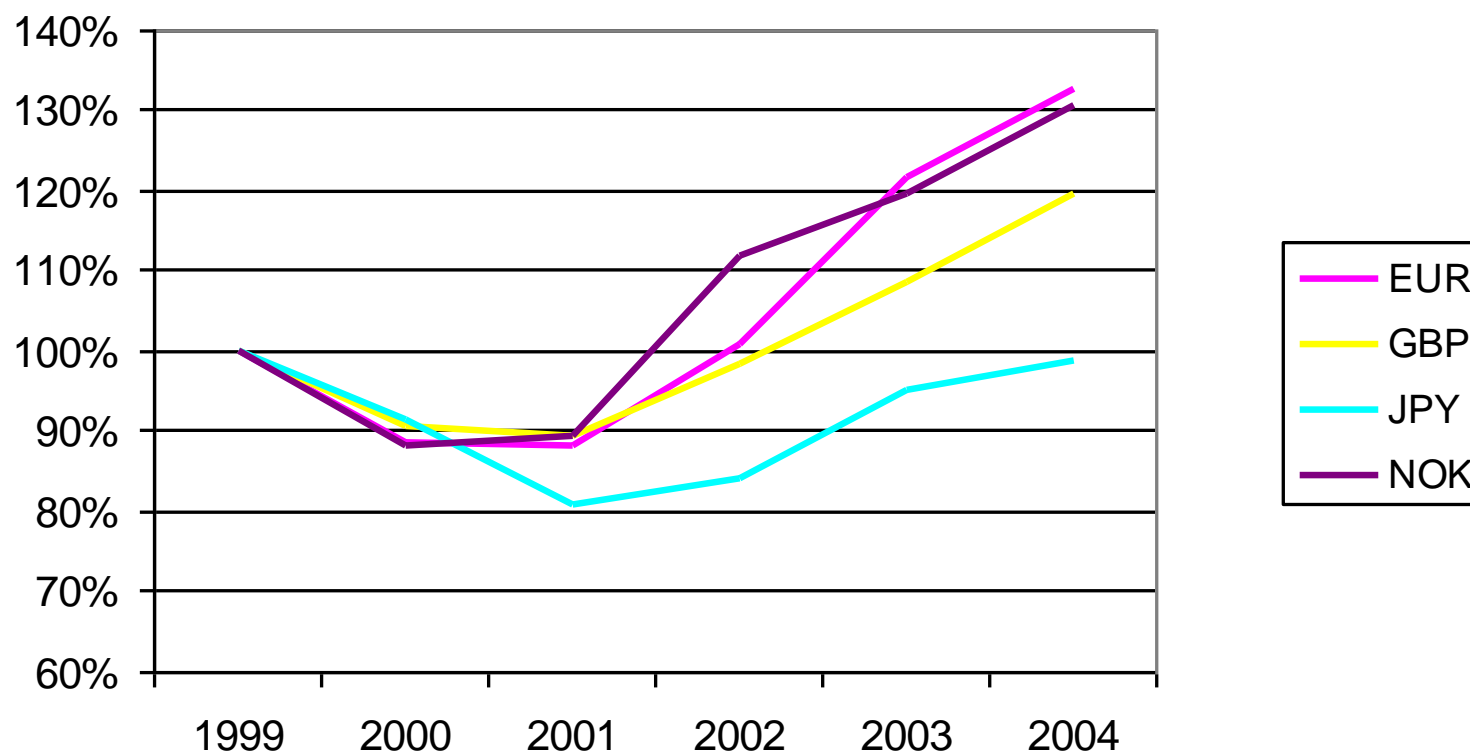
Global premiums reported 2000 to 2004 (accounting years)



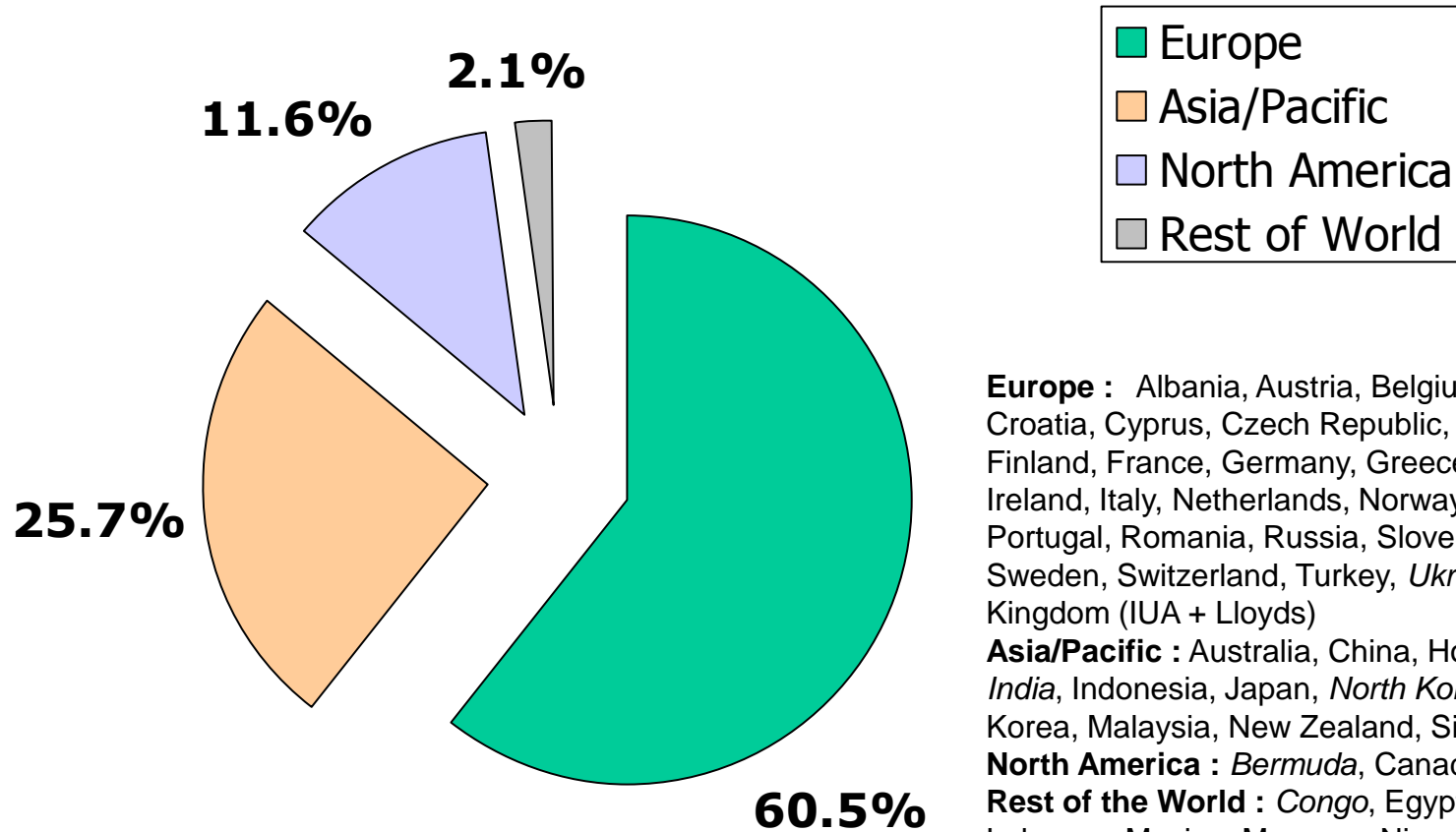
A major part of the volume increase from 2002 to 2003 was due to a weakening of US\$ against major European and Asian currencies and thus not a real global volume increase!

Index of evolution of Exchange rates between US\$ and selected currencies

(as of December each year)



Market Shares 2004



Europe : Albania, Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Romania, Russia, Slovenia, Spain, Sweden, Switzerland, Turkey, *Ukraine*, United Kingdom (IUA + Lloyds)

Asia/Pacific : Australia, China, Hong Kong, *India*, Indonesia, Japan, *North Korea*, South Korea, Malaysia, New Zealand, Singapore

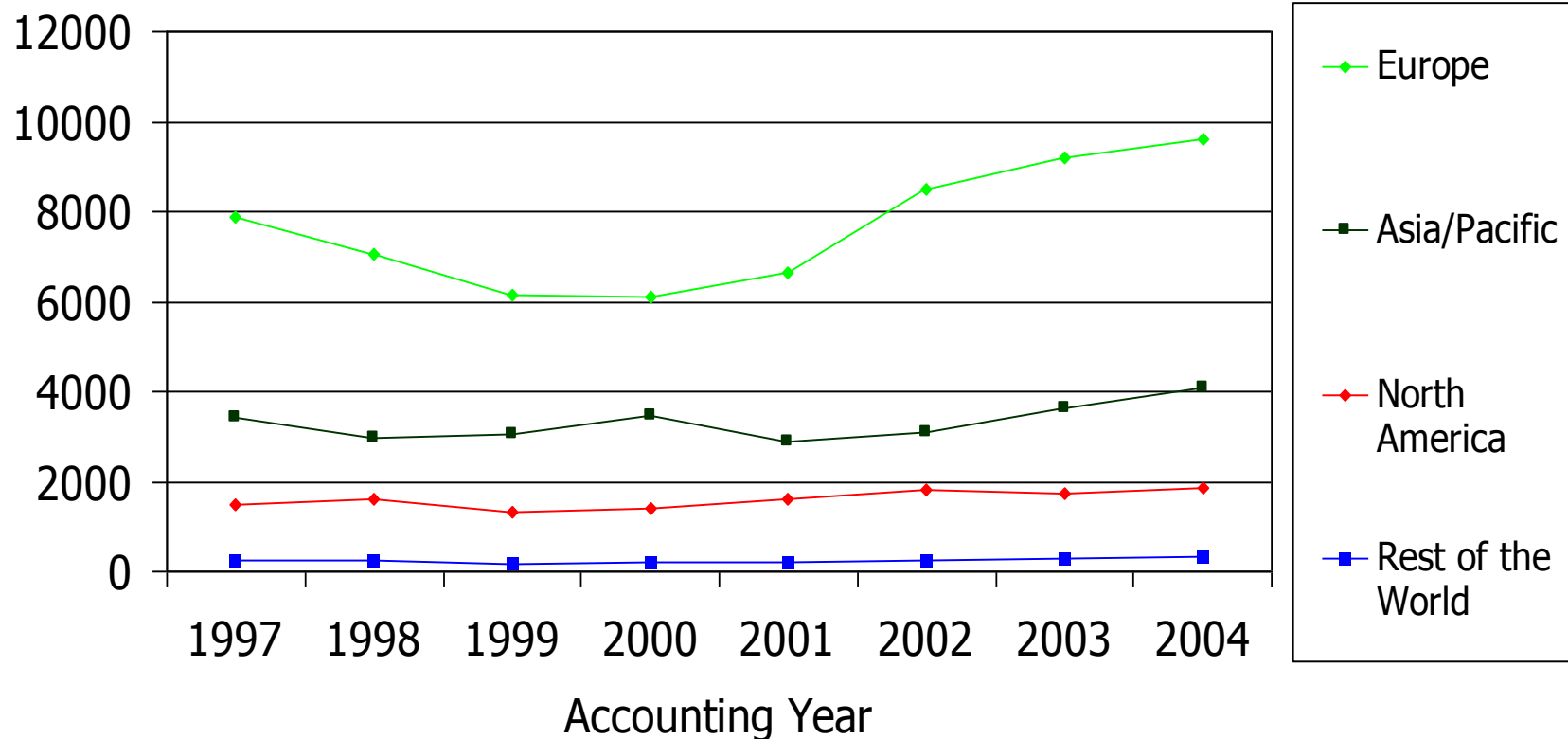
North America : *Bermuda*, Canada, USA

Rest of the World : *Congo*, Egypt, Israel, *Kenya*, Lebanon, Mexico, Morocco, Nigeria, South Africa, *Tunisia*, *United Arab Emirates*

Countries in italics did not report in 2005

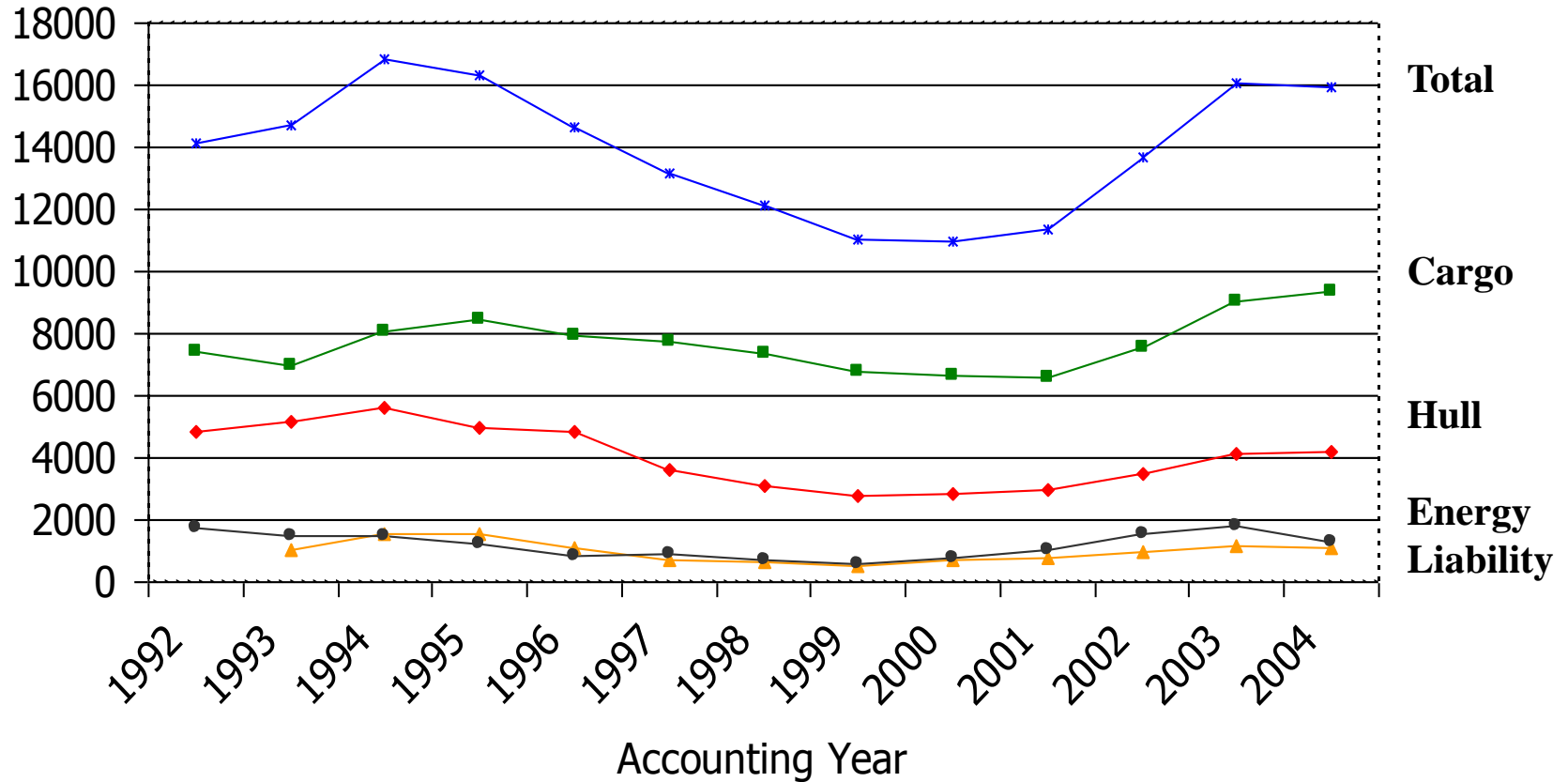
Report on marine insurance premiums – by economic areas

(USD Millions)



Global Marine Premium 1992 - 2004

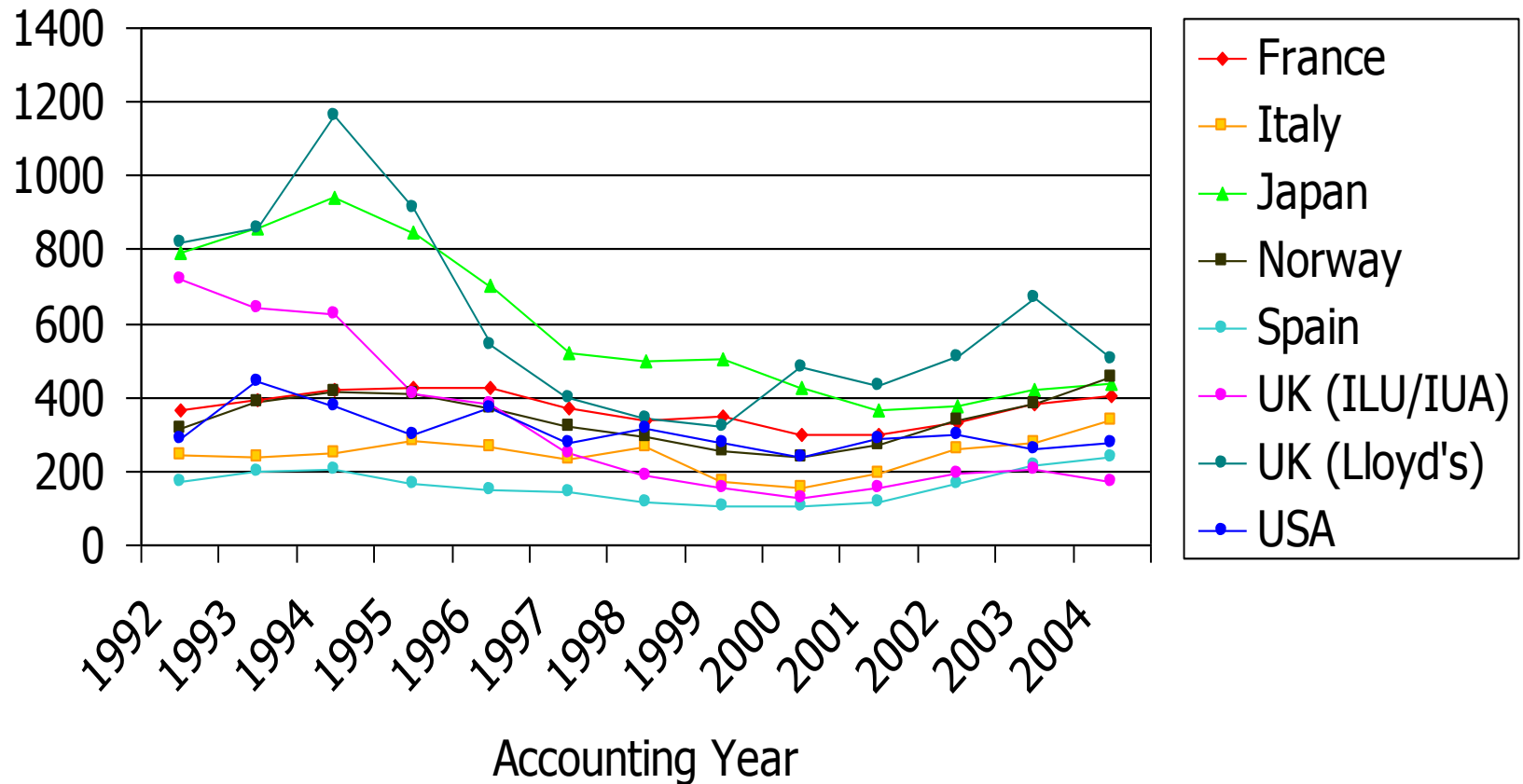
(USD Million), as reported



A substantial part of the volume increase since 2001 is due to a weakening of the US\$ against other currencies.

Global Hull Premium - Major Markets

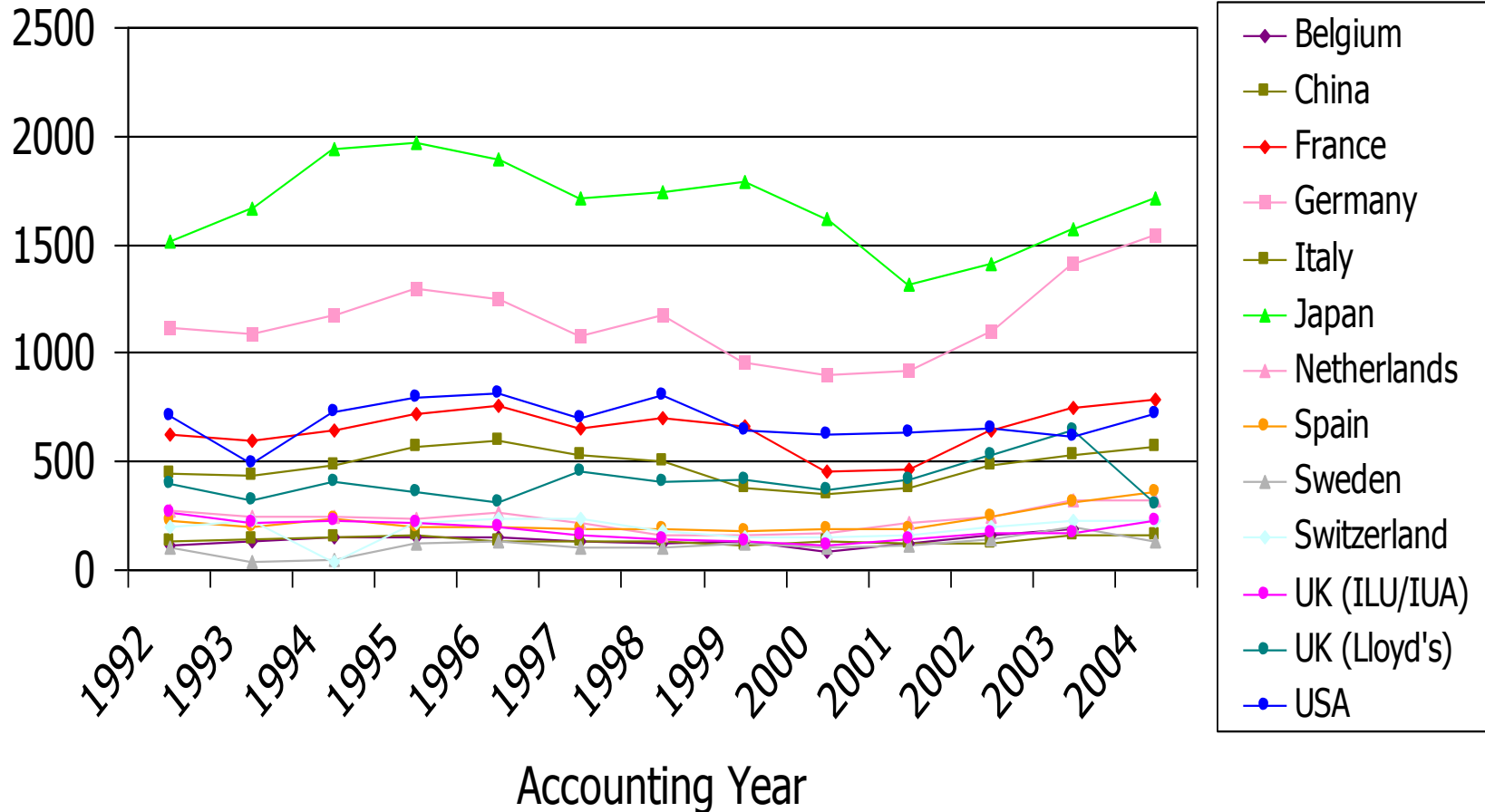
1992 - 2004 (USD Million)



UK Lloyd's reports underwriting year premium such that 2004 volume is likely to increase.

Global Cargo Premium - Major Markets

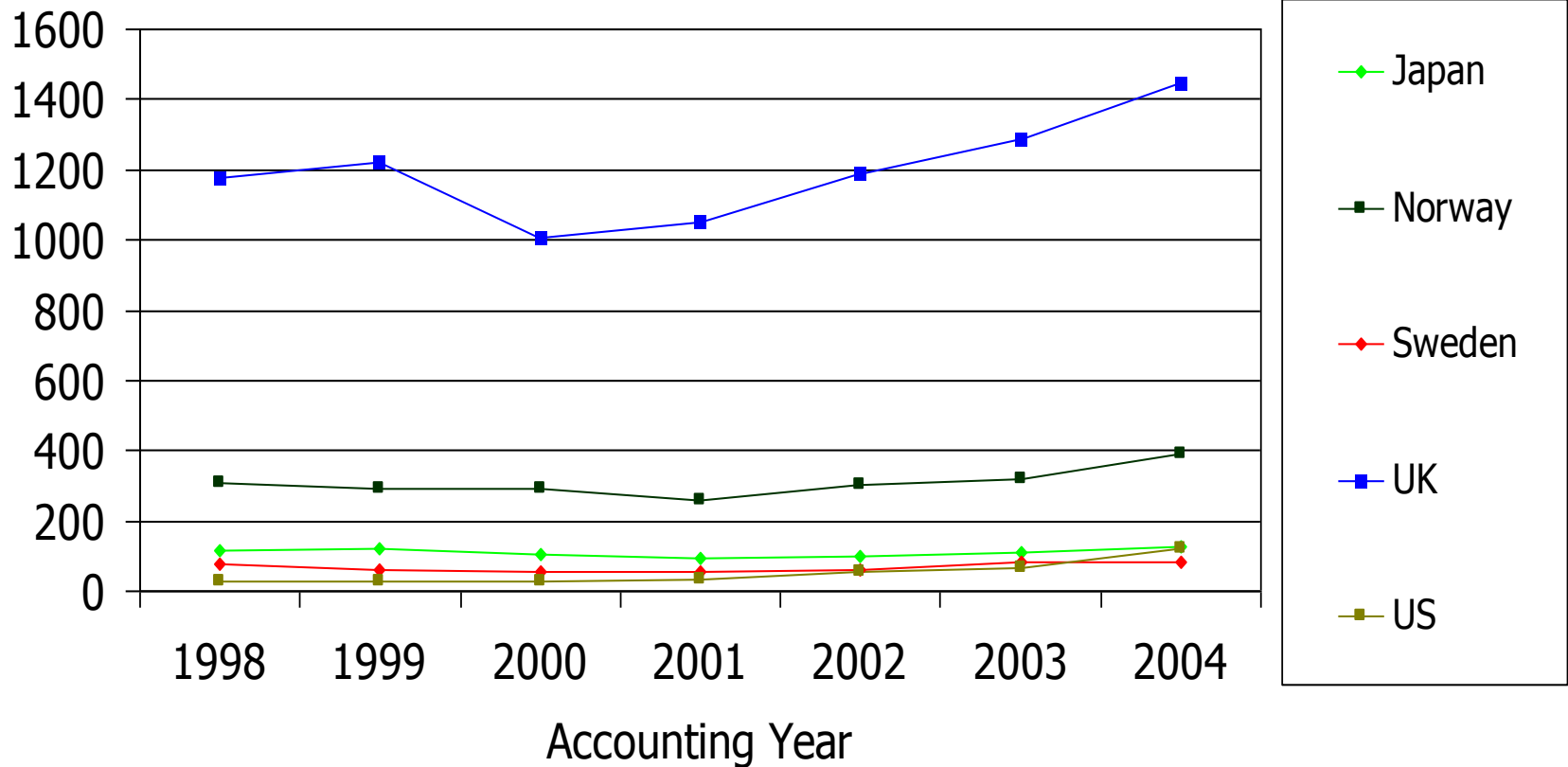
1992 - 2004 (USD Million)



MARINE MUTUAL MARKET SECTOR

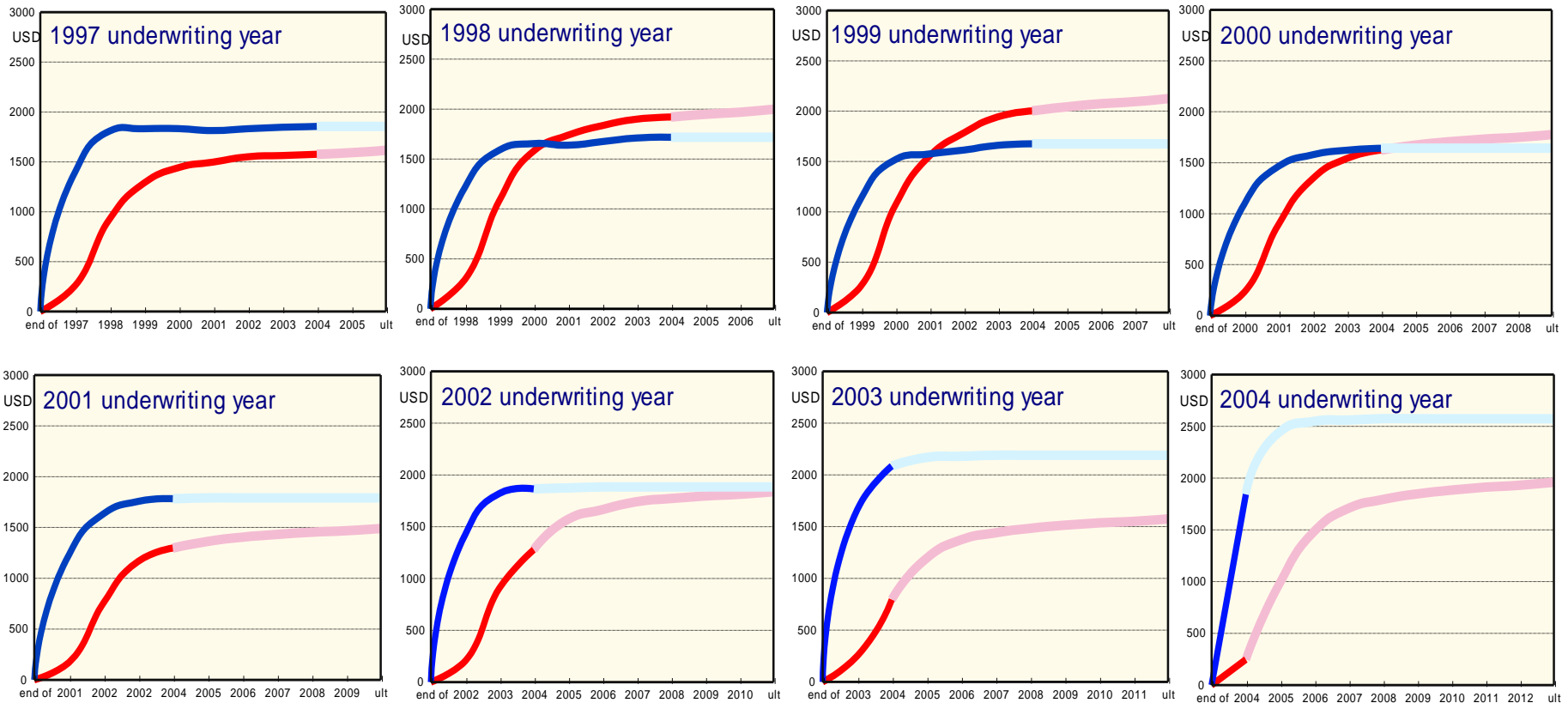
Gross Calls (Premium) – Operational location

Per accounting year – USD Million



Marine Hull – Evolution of Gross Premium and Paid Claims

Actual and estimated towards ultimate, U/W Year 1997 to 2004 (USD)

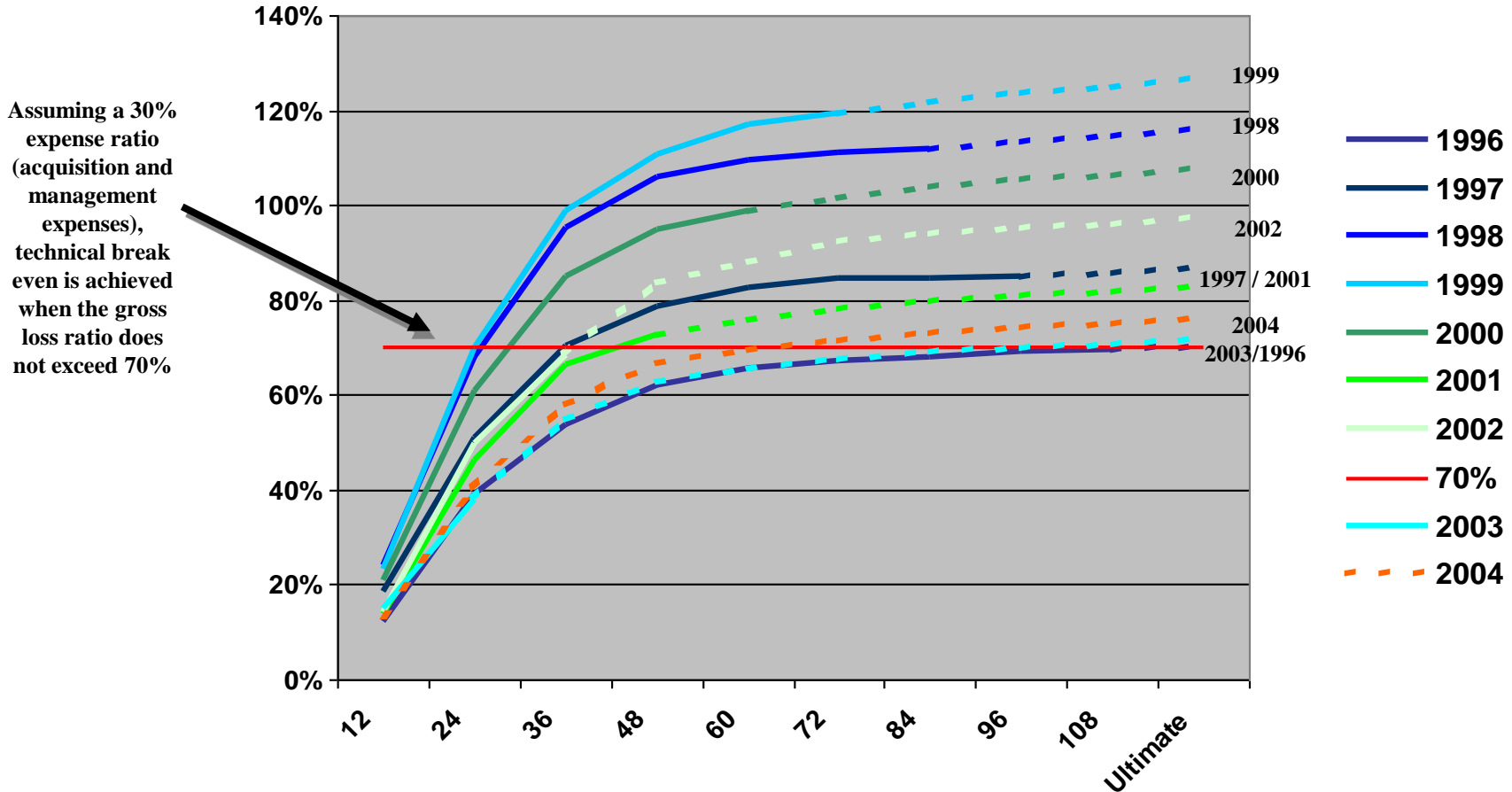


Blue line = Gross Premium; Red line = Paid Claims

Ultimate calculation based on figures of 6 Member Organisations –
France, Germany, Italy, Norway, UK Lloyds, UK IUA

Marine Hull – Evolution of Gross Loss Ratio, actual and estimated towards ultimate

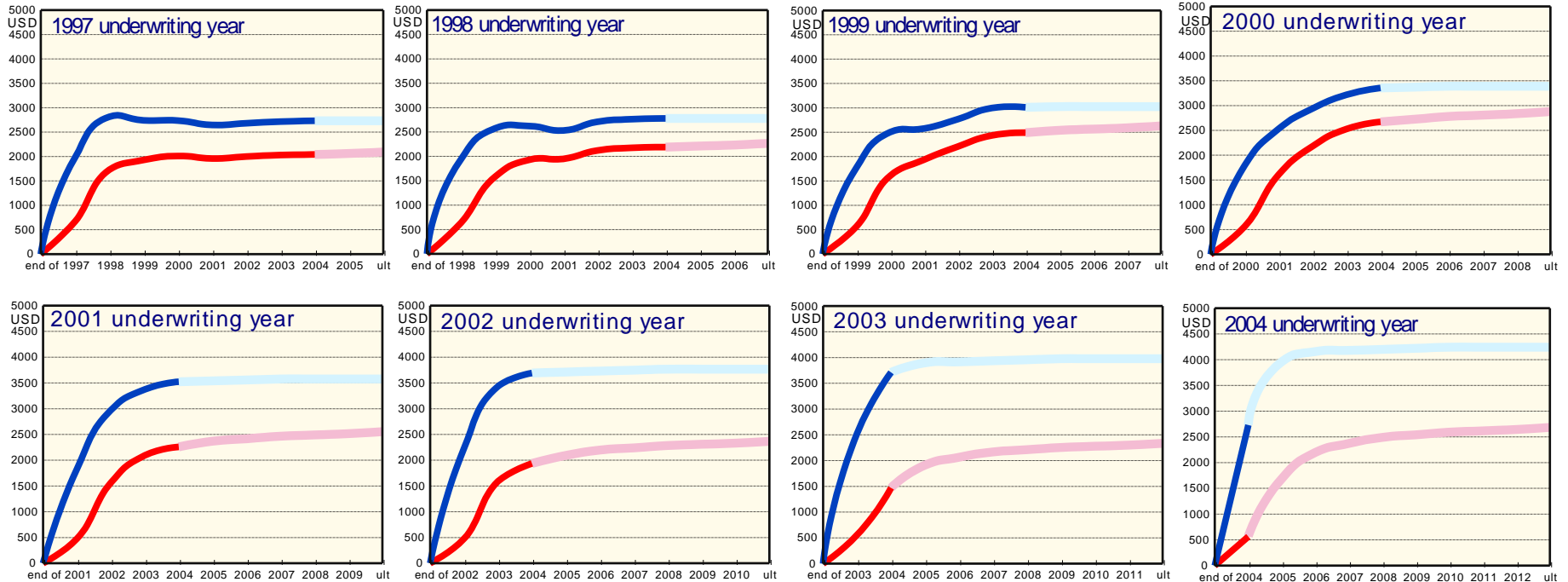
U/W Year 1996 to 2004



Ultimate calculation based on figures of 6 Member Organisations:
France, Germany, Italy, Norway, UK Lloyds, UK IUA (5 for 1996 – No Germany)

Evolution of Gross Premium and Paid Claims

Actual and estimated towards ultimate, U/W Year 1997 to 2004 (USD)

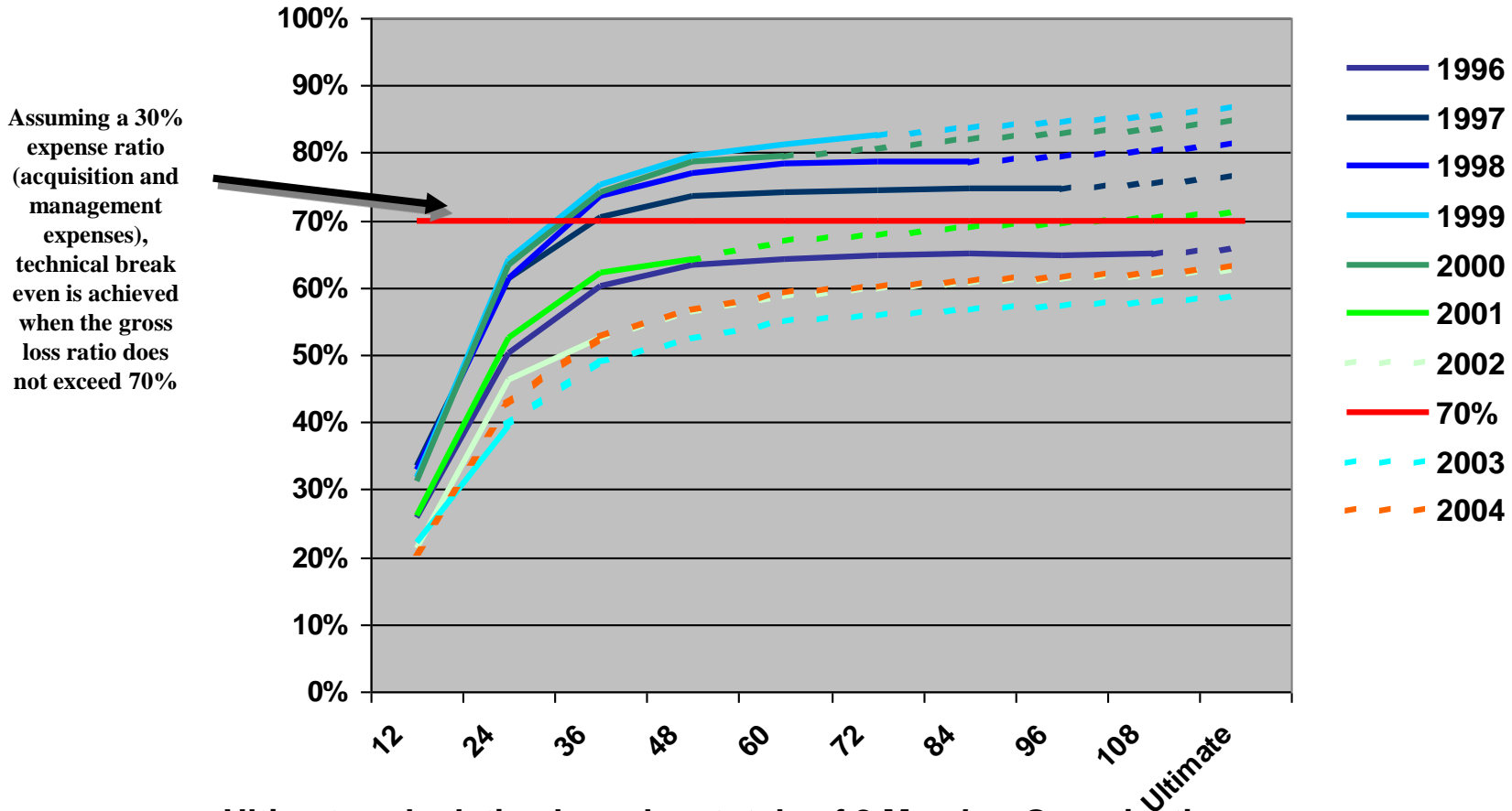


Blue line = Gross Premium; Red line = Paid Claims

Totals of 8 Member Organisations – Belgium, Chinese Taipei, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA

Transport/Cargo – Evolution of Gross Loss Ratio, actual and estimated towards ultimate

U/W Year 1996 to 2004

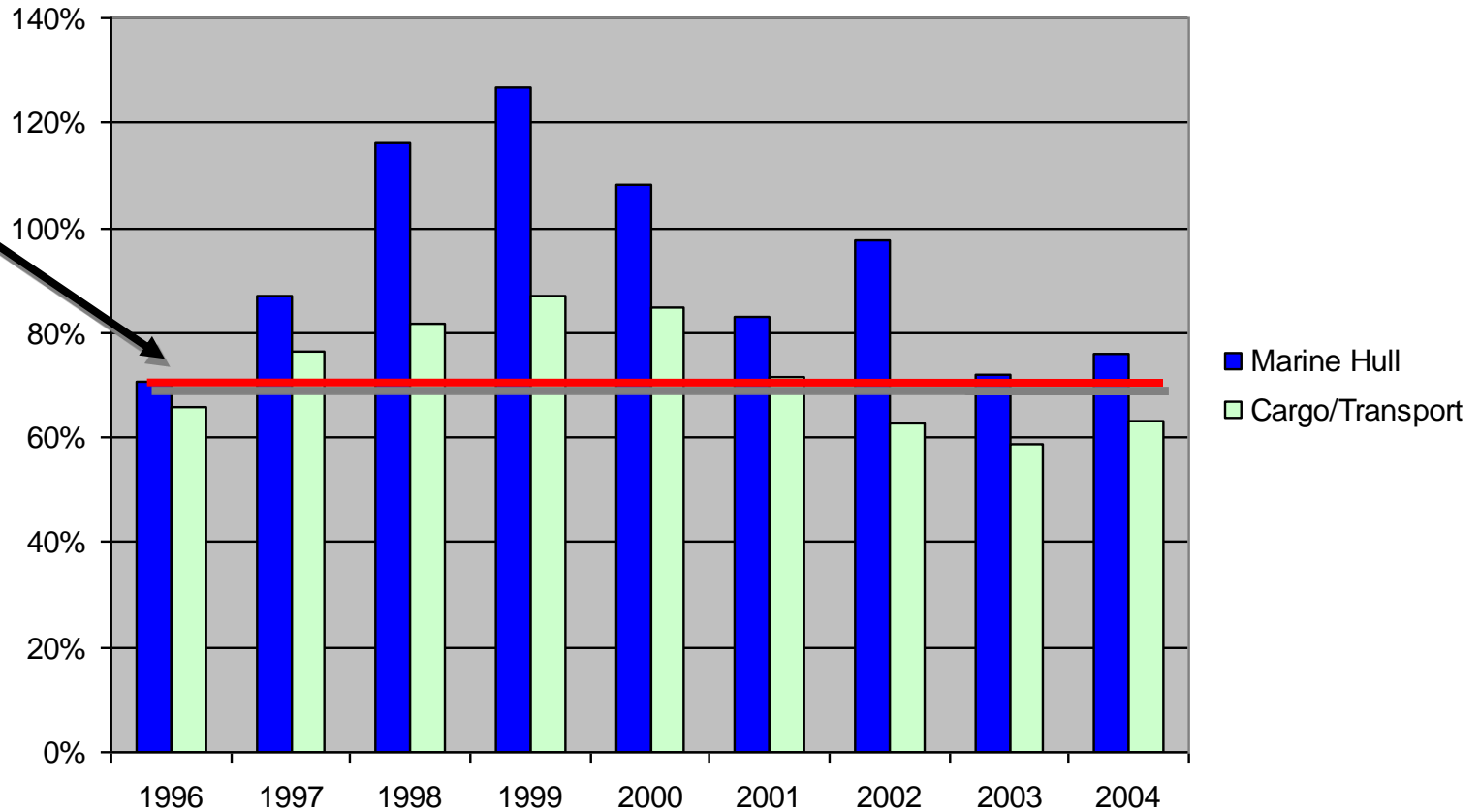


Ultimate calculation based on totals of 8 Member Organisations – Belgium, Chinese Taipei, France, Germany, Italy, Netherlands, UK Lloyds, UK IUA (7 for 1996 – no Germany)

Marine Hull and Cargo/Transport Gross Ultimate Loss Ratio

U/W Year 1996 to 2004

Assuming a 30%
expense ratio
(acquisition and
management
expenses),
technical break
even is achieved
when the gross
loss ratio does
not exceed 70%



Facts & Figures Open Forum

- **“World Trade – The Political Environment and the Key Economic Drivers”**
 - Dale Andrew, Head of Trade Policy, OECD
- **“Shipping Capital Providers - Managing Financial Risk - Threats and Challenges”**
 - Michael Parker, Managing Director, Global Industry Head, Shipping & Logistics, Citigroup
- **“Managing Insurance Risk for the International Shipping Market “**
 - Rolf Tolle, Franchise Performance Director, Lloyd’s