

Top-End Concentration

Peruvian Market, at 1.6%, Has Among Lowest levels of Premium Penetration in Region

More than half of Peru's insurance market is controlled by Rimac and Pacifico, which account for 60% of overall premiums on a combined basis. But despite the top-end concentration of funds, other players are making an impact, too.



“Rimac and Pacifico are major players in the Peru insurance market, however their dominance varies by line of business,” Jaime Herrera, chief executive officer of Willis Peru, said.

“In the personal lines sector for example, Rimac and Pacifico are difficult to compete with as they have strong relationships with local banks and financial institutions. In the property & casualty (medium and large account) space, however, the market is more competitive and is not dominated by just these two insurers.”

According to the A.M. Best Special Report “Opportunities Taking Shape in Peru’s Maturing Market,” premiums increased 10% in 2011. The industry’s combined ratio also has been below 100 since 2009.

Despite those positives, it has been nearly five years since a new player — Insur — entered Peru’s market.

“Insur offers capacity for specialist credit and surety business, which was previously unavailable in the local market,” Herrera said. “In other words, they spotted a gap and filled it, which is a good

way for a new company to begin trading in a competitive marketplace.”

Although Peru ranks as one of the easiest countries in Latin America in which to do business, it is not one of the easiest places to sell insurance. It has one of the region’s lowest levels of premium penetration at 1.6%.

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Top-Seven Companies in Peru (Based on Consolidated Data*)

Ranking order of companies is based on total assets.**

(Currency: Peruvian nuevo sol in thousands; \$US 1 = 2.682 Peruvian nuevo sol**)

AMB#	Company	Total assets (PEN 000)		Capital & surplus (PEN 000)		NPW (PEN 000)	
			Rank		Rank		Rank
92279	Rimac - Intil Cia de Seg y Reaseg*	5,341,805	1	1,109,587	1	2,035,623	1
84214	Pacifico Peruano Suiza Cia Seg*	5,092,652	2	978,270	2	1,619,453	2
92277	InVita Seguros de Vida S.A.*	2,866,282	3	295,800	4	495,742	4
77320	Interseguro Compania de Seguros S.A.	2,690,341	4	406,177	3	448,767	5
91886	Positiva Seguros y Reaseguros*	1,930,061	5	259,088	5	817,572	3
84338	Mapfre Peru, Compania de Seg y Reaseg	641,749	6	160,255	6	364,421	6
92278	Mapfre Peru Vida Cia de Seg y Rraseg SA*	602,727	7	77,051	7	158,243	7

* Companies with consolidated data

** As of Dec. 31, 2011

Source: BESTLINK

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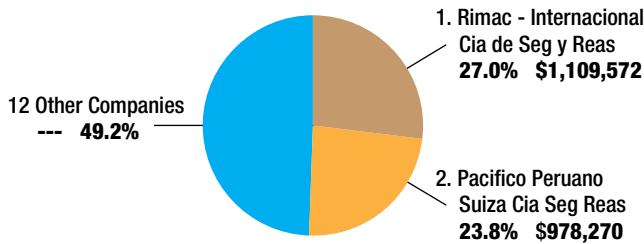
“Premium penetration is driven less by supply factors than by demand factors,” said Andrea Keenan, vice president of research, ratings criteria and relations for A.M. Best. “So, the favorable business climate that is reflected in its ‘doing business rank’ is a positive environment for companies wishing to do business there. Thus, the environment is sufficiently appealing for companies to participate in the market. However, demand is relatively low. GDP per capita is highly correlated with insurance premiums penetration, and Peru’s relatively low insurance penetration coincides with its low level of wealth.”

Peru

(Currency: Peruvian nuevo sol in thousands; US\$1 = 2.682 Peruvian nuevo sol*)

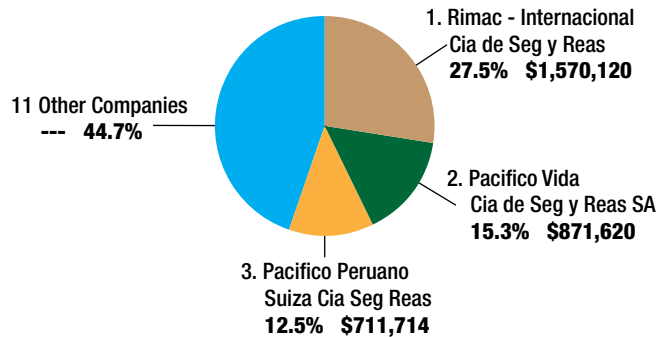
Capital & Surplus

Based on year-end 2011 statistics, the top-two ranked companies accounted for more than half of the market’s capital and surplus.



Net Premiums Written

Based on year-end 2011 statistics, the top-three ranked companies accounted for more than 55% of the market’s net premium.



* As of Dec. 31, 2011
Source:

Companies in Peruvian Market

Ranking order of companies is based on total assets.*
(Currency: Peruvian nuevo sol in thousands; \$US 1 = 2.682 Peruvian nuevo sol*)

AMB#	Company	Total assets (PEN 000)	Rank	Capital & surplus (PEN 000)	Rank	NPW (PEN 000)	Rank
77317	Rimac - Internacional Cia de Seg y Reas	5,226,257	1	1,109,572	1	1,570,120	1
77318	Pacifico Vida Cia de Seg y Reas SA	3,305,361	2	507,178	3	871,620	2
77321	InVita Seguros de Vida S.A.	2,844,230	3	295,800	5	495,742	4
77320	Interseguro Compania de Seguros S.A.	2,690,341	4	406,177	4	448,767	5
78962	Pacifico Peruano Suiza Cia Seg Reas	1,989,221	5	978,270	2	711,714	3
90396	Positiva Vida Seguros y Reaseguros	1,492,838	6	153,096	8	428,956	6
84338	Mapfre Peru, Compania de Seg y Reaseg	641,749	7	160,255	7	364,421	8
84337	Mapfre Peru Vida Cia Seguros Reaseguros	603,986	8	77,051	9	158,243	9
77322	Positiva Seguros y Reaseguros	561,635	9	259,088	6	388,887	7
90399	Protecta Compania de Seguros	149,296	10	40,497	12	97,919	10
90394	Cardif del Peru S.A Cia de Seg y Reaseg	114,222	11	43,307	10	86,965	11
77316	ACE Seguros S.A.	99,523	12	42,509	11	72,196	12
77326	SECREX Cia de Seg de Credito y Garantias	36,686	13	25,221	13	12,350	13
92167	Insur S.A. Compania de Seguros	13,135	14	8,024	14	3,085	14

* As of Dec. 31, 2011
Source: