



Non-Life Underwriting

some aspects of portfolio management

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CONTENTS

- UW Result
- COR
- COR Adjustments



UW RESULT

- + Net Premiums Earned
- – Net Claims Incurred
- – Commissions Written
 - + Δ DAC
 - + RE Commissions Earned
- - Expenses on accrued basis



COR

- $\text{COR} = \text{Net Claims Ratio} + \text{Net Expense Ratio}$
- $\text{Net Claims Ratio} = \frac{\text{Net Claims Incurred}}{\text{Net Premiums Earned}}$
- $\text{Net Expense Ratio} = \frac{\text{Net Expenses Written}}{\text{Net Premiums Written}}$



COR ADJUSTMENTS

- What is underlying profitability of the business?
 - Large losses
 - PY impact
 - CY prudence
 - Expense one-offs
 - Accounting adjustments
 - Reinstatement premiums



QUIZ

- We had no large claims. What do we take?
- We succeeded to handle prior year claims cheaper. Any comments?
- We are prudent in MTPL reserving. What impact does it have?
- We will be implementing some exceptional project. So what?
- Is anyone planning reinstatement premium? Please make a comment.