

# ERV Global Report 2011



**ERV**

**customer-oriented**

**competent trustworthy**

**innovative humane**

**international secure**

**experienced reliable**

**leading-edge helpful**

**comprehensive**

**Global Report 2011**

ERV has been writing travel insurance history for over 100 years and is represented in over 20 countries as one of Europe's leading providers. As an innovative service company, we are always very close to customers. With a comprehensive range of products and with our international network, as it is simply one of the great traditions at ERV to optimally serve our customers before, during and after a trip.



### ERV's business activities

As one of the leading international travel insurers, ERV regularly assesses its presence and activities in the markets. In the financial year 2011 too it operated a directly underwritten and reinsurance assumed business in its companies in Denmark, Germany, France, Sweden, Spain and the Czech Republic in almost all branches and types of insurance associated with travel insurance.

ERV has branches in Great Britain, Italy, Poland and Portugal and has a sales agency in Turkey. The company is one of the leading travel insurers in the market in the respective countries. These foreign activities are complemented by representative offices in China, India, Thailand and Mexico as well as co-operations with insurance companies in the Baltics, Australia, New Zealand and in the USA.

Its international orientation is also reflected in the membership of ERV and its European companies of ETIG (European Travel Insurance Group). This organisation of European travel insurers enables ERV to be represented all across Europe.

ERV's companies are market leaders in Denmark, Germany, Portugal, Sweden, Spain, the Czech Republic and the Ukraine.

In line with its international growth strategy ERV wants to be represented not only in the traditionally strong, but already profitable future markets at an early stage. ERV further expanded its international activities in 2011 by founding a new representative office in India.

Development of key indicators		2011	2010	2009
Gross written premiums	T€	543,414.73*	484,041.57*	440,703.77*
Operating result	T€	18,315.73*	5,709.92*	7,514.36*
Administrativ cost ratio gross	%	6.3*	5.5*	10.4*
Claims ratio net	%	55.5*	57.5*	55.9*

\* Travel & Assistance Segment summarised in accordance with IFRS

# Overview

## All about ERV

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# Foreword



A handwritten signature in black ink that reads "Richard Bader". The signature is fluid and cursive.

Richard Bader, CEO

We accompany our customers on their trips and give them the security they need. We also looked after our customers in many different kinds of situations in 2011. We focus on solutions and thereby improve our customers' quality of life.

Of course, we also face continual challenges. At the same time, we benefit from a long-standing wealth of experience within our group, which we deploy day in, day out for our customers. ERV is growing internationally in a harmonious manner, which is reflected in both a uniform brand appearance and in the cross-border cooperation of our employees.

Given these facts, we were able to successfully integrate the subsidiaries acquired at the end of 2010 in Russia and the Ukraine in our group in 2011. In addition, with the foundation of a representative office in India, we will use all our experience to establish customer-oriented products in another market with great growth potential.

With the American Modern Insurance Group, a subsidiary of Munich Re in the USA, ERV has also initiated a co-operation that will be instrumental to extending our cross-border business. Together with our partners from the tourism industry we will develop a further market in travel insurance in the USA.

Besides expanding our international business, the focus was also on diversifying the distribution channels and the product portfolio in the individual countries. By doing so, we can offer solutions that meet the needs of our customers even more effectively.

We would like to thank our employees for their commitment and their passion, our customers and our shareholder for their trust and our business partners for the good cooperation.

Yours, Richard Bader



# ERV

Innovative in every respect

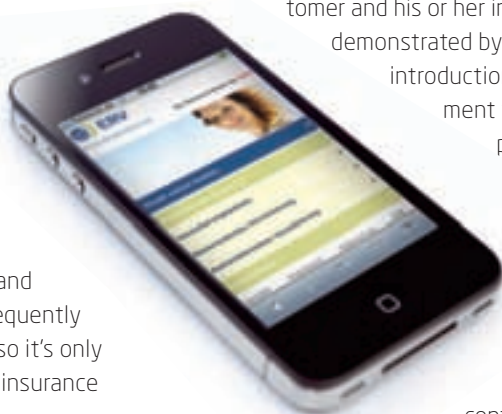


# Innovative products and services

ERV has often been a decisive step ahead of its time. Its success story, starting with the first luggage insurance in 1907, is continued on a day-to-day basis. With innovative product developments and solutions that time after time make travelling more secure in every respect and that allow us to develop new market niches in terms of our strategic diversification.

## Mobile customer proximity in Germany

As a market leader in travel insurance, ERV keeps developing new contemporary approaches in Germany to meet customers' rapidly changing requirements. Thus, travel decisions are increasingly made online nowadays and more and more frequently on the move too, so it's only logical that travel insurance becomes mobile.



claim at any time when you're on the move using a link in the confirmation email.

The extent of the focus on the end customer and his or her individual needs is also demonstrated by direct sales with the introduction of credit card payment for annual insurance policies. In addition, a guide is being developed supported by market research that is binding for all staff who have contact with customers.

## The outfit in Italy

There was quite a lot going on in Italy in 2011. Besides a new management team, new business premises and a new direct sales portal, the emphasis, as in previous years, was entirely on developing new market niches.

In addition to the traditional travel insurance products, admission ticket insurance has been marketed since 2011 in cooperation with the Italian market leader in event bookings and reservations. Moreover skiing insurance in collaboration with one of the leading ski portals is providing new growth opportunities

With mobil.erv.de ERV has been offering smartphone and tablet users everything they need on the move, such as information, service and purchasing options, since the middle of 2011. In each phase of journey planning the right offer can be accessed regardless of time and space. Before embarking on a trip, potential customers can find out about the right travel cover, purchase it online and download a travel checklist. In the event of illness, customers can contact the Medical Cancellation Advisory Team directly. Experienced travel physicians provide support on the difficult question of whether to cancel immediately or wait and see if the person concerned gets better. The currency converter is a useful tool to have when you're travelling and in an emergency you can find all the key information on contacting the emergency hotline. After the journey the online claim form allows you to submit claims conveniently online. And you can track the status of processing of your

## Germany

ERV has been writing travel insurance history for over 100 years and is the market leader for travel insurance in Germany. It belongs to the ERGO Insurance Group, and therefore belongs to Munich Re, one of the world's leading reinsurers and risk carriers.

## Italy

Since its formation in 2008 the Milan-based branch has more than tripled its operating revenue within a very short time. With innovative insurance products geared to local market requirements, ERV has always had our finger on the pulse, despite the difficult economic climate.



The ERV team in Milan

### Once again Sweden sets the tone for new insurance options

This time there is a musical flavour and the potential is huge: ERV Sweden is now providing all-in comprehensive insurance for musical instruments for 4sound, one of the biggest providers of musical instruments in the Nordic region.

ERV Sweden is also extremely successful in other niche markets (e.g. watch and jewellery insurance) and is therefore pursuing the new strategic orientation within ERV in an exemplary fashion.

The successful entry into special insurance alone accounted for a ten percent increase in turnover and the number of direct sales rose hugely, to approximately 30 % more premiums and 20 % more purchased insurance.

Besides the internet, the sale of policies via the medium of mobile phone increasingly produced dynamic customer growth. ERV Czech Republic also managed to increase sales by almost 40 % with the unique flight cancellation insurance, an industry first, and signed long-term cooperation agreements with large air ticket resellers.

### Czech Republic

The ERV Czech Republic subsidiary, based in Prague, is not just the only specialised travel insurer on the home market, but also an innovative pioneer within the industry as a whole. The cooperation with over 430 travel operators and travel agencies is the perfect proof. 8 out of 10 top travel operators in the Czech Republic are now offering ERV insurance with their package holidays.

### Sweden

ERV Sweden, based in Stockholm, was founded in 1921 and is the market leader amongst Swedish insurance companies for private and business travellers.

### Dynamic growth in the Czech Republic

2011 was a very good year for ERV in the Czech Republic. We were able to post double-digit growth after the fall in turnover in the two previous years.



Management from the Czech Republic



# Awards as proof of customer orientation

At ERV the focus is always on the customer, for both products and services. Numerous awards and test certificates in the different countries are the motivation for ERV to always be that little bit better than the rest.

## Best press portal in Sweden again and "Top 100 best Websites"



For the second time in succession ERV Sweden has been voted best portal in the categories Finance and Insurance, with a prize that will be awarded by the news page, MyNewsdesk. MyNewsdesk confers this award on companies that optimise the use of their PR websites by using high quality and easily accessible press material and thereby achieve a particularly high

level of awareness for their press releases. "It is a special honour to receive this award for the second time already. And it shows that receiving the prize last year wasn't a one off. Our efforts with regard to the integration of social media will continue because we know that this form of communication is becoming more and more important in modern PR work", says Christina Karlegran, Head of Communication at ERV in Sweden.



As if that wasn't enough, ERV Sweden was also

represented on the list of the 100 Best Websites in Sweden. A jury chooses the best websites and rates elements such as the design, content, quality, navigation and openness to social media. "To be chosen out of thousands of websites as one of the best in Sweden is already unbelievable, especially considering that the site was only launched recently. We wanted to create a website on which our customers can obtain information quickly and easily and book our insurance products", says Christina Karlegran, commenting on this success.

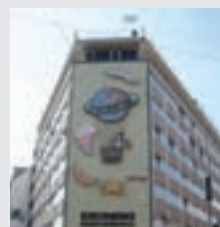
## A very special Danish award

Not only test certificates speak a clear language. ERV in Denmark was again propelled into the public spotlight as a leading provider of first-class travel insurance products. On 6 September 2011, 7 Danish citizens were freed from the hands of Somali kidnappers after 194 days in captivity. During this long period a great deal was reported on the case in the Danish and international media. A ransom of € 2 million was paid and ERV jointly coordinated the repatriation of the freed hostages

with the Danish Security and Intelligence Service, from their return home to the provision of psychological and medical care. Both the parties concerned and their friends, family and the public were very grateful for this operation. Owing to the positive outcome of this kidnapping drama there was a strong positive media echo for ERV in the Danish press. In the course of this ERV's spokesperson was also interviewed several times by both national Danish TV stations.

## Denmark

ERV's subsidiary has been operating on the Danish market for over 80 years and is the market leader in the travel insurance sector. The main business lines of ERV Denmark are travel insurance and interna-



Premises of ERV in Denmark.

tional health insurance, which are offered through direct sales or in cooperation with insurance companies and brokers.

# E-commerce and social media

The new medias are not just a thing of the future, they have long been part and parcel of day-to-day business for ERV companies. As the continuous expansion of e-commerce, the range of mobile services and the increasing activities in the field of social media impressively prove.

## New online product range and ground-breaking social media in Spain

With the successful launch of the new TRAVEL product range, ERV Spain now has an additional turnover driver for online sales besides SELECT. The five new types of insurance (TRAVEL Cancellation, TRAVEL Cancellation Star, TRAVEL, TRAVEL Star and the annual product TRAVEL 365) are offered at favourable rates and mainly cover travel cancellation, luggage loss and assistance services. Since its launch in August 2011 TRAVEL has upped the sales of ERV Spain by 35 % and increased the number of policies sold by 300 %. This is a good sign that a large number of new customers can still be reached via the internet. Precisely for this reason ERV Spain is also working with the insurance comparison portal “Rastreator”, via which customers can calculate the tariff for travel insurance and file an insurance application online.

ERV in Spain is also developing the website “MI VIAJE SEGURO” with flight and travel information, advance announcements and experience reports by travellers. In Spain too, social networks are playing an increasingly strong role in improving customer services and increasing brand awareness.

Spain

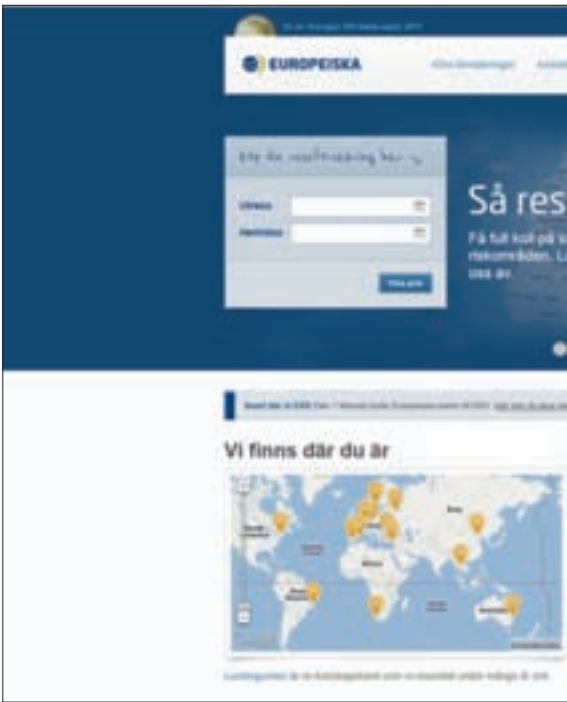
ERV Spain is the only company on the Spanish market specialising in travel insurance. With a market share of 35 %, the company offers a broad product portfolio and an outstanding medical assistance service.

## New product range in Spain

• Select	• Travel Cancellation
• Travel Cancellation Star	• Travel
• Travel Star	• Travel 365

## Sweden unites the internet and social media

ERV Sweden has been doing pioneering work in the field of social media for years. A good example is the “Volcanic Ash Blog”, which brought the communications department into being when the cloud of volcanic ash caused chaos for weeks in 2010. Since then social media has been used much more intensively in Sweden. Thus, for example, between October and November 2011 updates on the flood disaster in Thailand were regularly provided in the blog and on Facebook and Twitter. Social media is the main mode of communication of ERV Sweden, primarily in the area of



The new website of ERV Sweden

crisis communication, but also for everyday business.

ERV Sweden's new website also shows that social media can be a natural part of the homepage.

Here these communication channels are clearly emphasised, so customers can always read the latest important information directly on the home page. Another new feature is the database with safety information for all travel destinations worldwide, called "country guides". The guide also contains travel warnings from the Swedish Foreign Ministry and VIP information online.



## Successful e-commerce strategy in China

Since 2010 ERV China has been concentrating on the fast-growing e-commerce sector in China. In 2010 and 2011 it successfully sponsored the China Airline Ancillary Revenue Summit and was able to establish ERV's international brand names in the Chinese airline industry.

As a result of the new strategic emphasis ERV China acquired two new large airlines as customers in 2011, namely Air China and China Eastern Airlines. Air China, a member of Star Alliance, is China's national airline and is in 15th place (by capacity) in the list of the world's largest airlines. It offers the most international flights out of the Chinese airlines. It is planned to promote the project with Air China internationally, kicking off with the British website.

## China

In 2008 ERV obtained a branch licence for China and founded its representative office there as a coordination office for its Chinese cooperation partners.

China Eastern Airlines is a member of Star Team and is in 18th place (by capacity) in the list of the world's largest airlines. Marketing of the CEA website was commenced in August 2011 and at the same time represents the first online-integrated insurance in the Chinese airline industry. So far the sales and conversion rates have been satisfactory, especially considering that most air tickets in China are still sold via channels outside the internet.

# Corporate business and credit card business

In the business travel sector 2011 again saw increased corporate travel activity, from which ERV was able to benefit. The existing products are turning out to be right for the corresponding target groups, but the prognosis for this business sector is uncertain due to the current financial crisis. The credit card business is and will remain a special focus of ERV. This segment is constantly growing in momentum and product requirements and ERV is reacting to it with continuous product development.

## Important pillars of ERV

### Germany is well positioned

The credit card business in Germany is still a highly competitive market with strong sales potential and ERV is still the first port of call for banks and brokers. ERV's range of products remains attractive for our sales partners due to the continuous development of the product range, also in association with the other ERGO companies. The modular product components have proved themselves in the market. In the business travel sector the conclusion rate in the direct business is still at a high level. Some major customers have also been acquired in addition. The orientation towards products that can be purchased easily and quickly as well as the possibility of an individual modular product choice takes account of customers' wishes.

### Contract renewal in Sweden

ERV Sweden has renewed its contract with its largest customer, Nordea Bank, as a credit card insurer for 3 years. ERV Sweden provides approximately 2.5 million credit card holders with comprehensive travel and other supplementary insurance.

### Poland: participation in World Youth Day

Corporate business in Poland is growing. The health and safety of personnel is taken very seriously, especially for trips to dangerous areas. The high level of expertise of ERV Poland is also trusted on safe

terrain, though, and in 2011 it was the exclusive insurer for 15,000 Polish participants in the World Youth Day in Madrid.

### Poland

ERV has been represented on the Polish market with its branch office since 2004. It established itself on the Polish travel insurance market as a respected partner and first-class provider of travel insurance products within a very short time after it was founded.

### Corporate business is growing in Spain

Although corporate customer business is on the decline due to the current crisis amongst Spanish companies, ERV Spain has increased its corporate customer business by 5.32 % compared to 2010.

### Growth in the Czech Republic despite price depression

Corporate business in the Czech Republic is suffering from price depression and is still slightly in decline. In spite of this, ERV achieved growth, with more than 2,800 companies and institutions taking out travel insurance for their employees by the end of the year. The resumption of co-operations with some of the largest international corporate customers such as **Siemens** and **Telefonica** bodes well for the future.

### Turkey grows via bank sales

At ERV Turkey the credit card business has only a very small share of the travel insurance segment. However, there is a large portfolio of support and emergency service products which are offered by banks in addition to credit card benefits.

### Important partner for ERV Ukraine

ERV Ukraine has been able to celebrate the acquisition of one large new corporate customer. The "Slavutitsch" brewery, part of the **Carlsberg Group**, has sought an ideal partner for business travel insurance via a tender. ERV already has a very important partner in the credit card business with **UnicreditBank**.

### Ukraine

ERV started its activities in the Ukraine in 2007. Over the last few years the company has established itself as a market leader in the area of travel insurance.



# ERV International



## **"One ERV" - on the way to an international brand**

2011 was dominated by the joint "One ERV" vision in terms of the ERV brand, as a standard corporate identity for all ERV companies is a basic requirement for being accepted as a strong international brand. The introduction of a joint brand name had already been decided by the management boards of the individual countries in 2010. The "Brand" project team, which is controlled by the brand team in Munich, started imple-

menting it in 2011 commensurate with the strategic orientation.

The marketing managers from the individual countries worked together very closely when working out the joint international positioning, the strategies for transferring the existing brands to the standard ERV brand as well as other brand issues. The goal was and is to assign all the countries the same corporate identity by the end of 2012. This means not only the brand name, but also the visual world, the colours, the typefaces, i.e. the entire look and feel, will be stan-

dardised. The challenges for the transfer scenarios and the brand managers are very heterogeneous, that is the changeover for some countries will be relatively quick and straightforward, whereas the relaunch for others, such as the Scandinavian countries, will have to be approached with special care. In this case the high awareness level of the existing brands must be taken into consideration and the end customers and partners will also have to be carried over. Thus, 2012 will especially be associated with "One ERV" for the Brand project team.



# International marketing

Increasing awareness of the brand and setting the right accents for customers at exactly the right time can be very diverse tasks. The companies are constantly adding new elements to our standard brand with campaigns and activities that rekindle the enthusiasm of the specific target groups in the individual countries.

## Game, set and match in Denmark

Nothing goes better with the number one travel insurer in Denmark than the number one in sport, especially when this person travels a great deal worldwide.

That is precisely why ERV Denmark signed another sponsoring contract with the official women's world number one tennis player, Caroline Wozniacki. In January and June/July 2011 advertising spots with Caroline were broadcast in Denmark to give the strong Europæiske Rejseforsikring brand more charisma.

## Sweden advertises where the journey starts

However, it is always good to be present in exactly the right place, especially when it has to do with external advertising. ERV Sweden also thought this in 2011 and made Arlanda airport into an European showroom. Full of anticipation for their holiday destination, air travellers were shown in the blink of an eye what they can expect with the large-scale motif "There were fish in the sea there – insurance claim# 6729" and with other motifs from the national advertising campaign on the luggage trolleys. Integrated QR codes continued the story via mobile phone.

## End customer campaign in Germany

ERV Germany launched an extensive end customer campaign in 2011. This included a co-operation with the publishing house, Travel House Media, for example; ERV appeared in all 100 issues of the travel guide series, Merian live! with a well-placed ad. There was also a joint promotion with book stores and a competition.

In addition ERV Germany advertised in several large cities at airports, in the underground and on the urban railway and on public transport information screens.



At Arlanda airport in Stockholm



Luggage trolley Arlanda airport



Image film on info screen in Munich



Large-screen display at Frankfurt airport



Book shop in Munich as part of the Merian cooperation



Give-aways in a book store

# With ERGO and ERGO International on the world's key markets

ERV is constantly expanding its presence on the world's key markets. In 2011 we concentrated even more on selected markets with high growth potential in the area of travel insurance. Since its integration in the ERGO Group in 2009 ERV has aligned its international growth strategy with the strategy of ERGO International, with the aim of consolidating its markets in various parts of Asia, Central and Eastern Europe and in other selected regions.

## Good partnerships for global markets

Compared to its business volume in the core European markets ERV's business in the key global markets is still rather small, but its business share in these markets is growing.

High earning prospects make it an attractive goal for further expansion in the future. ERV is focusing on fronting partnerships with other insurers, principally from the ERGO/Munich Re Group and is therefore building on market presences in Australia, China, India, Mexico, New Zealand, Thailand, Turkey and the USA. ERV's constant objective is to further increase the efficiency of this business model in order to utilise market growth as lucratively as possible.

## New representative offices and loads of new opportunities

China and Turkey generate the biggest business share. ERV has set up its own representative offices here that take care of service, sales and marketing tasks independently. New sales partnerships in the Chinese e-commerce sector proved in 2011 how successful this concept is. ERV and ERGO work with the majority of the travel operators represented on the Turkish market and are in the top 3 travel insurance companies in Turkey.

ERV and Munich Re underwrite risks for the biggest insurers in Australia and New Zealand and generate a premium volume of € 180 million.

In 2011 ERV managed to enter two new markets, namely since 2011 ERV has been supporting the American Modern Insurance Group, a company belonging to the Munich Re Group, and also offers travel insurance in the USA. Various sales channels are used for this, such as the traditional tourism industry, the e-commerce industry or the bank insurance and credit card business. Very promising results were already achieved in the first few months.

In India ERV cooperates with the HDFC ERGO group company. The foundations were laid for the future success in 2011, which led to the establishment of its own market presence. ERV India now has its own office in Mumbai and as the insurance agent of HDFC, ERGO will also help the company to gain a foothold in the tourism industry of one of the fastest growing macroeconomies in the world.

These activities attest to the development of ERV, which is establishing itself more and more as a global player in the travel insurance industry. Moreover, ERV's international commitment offers the chance to support its key international partners in their expansion into the markets of the future.



# International orientation of ERV

The increasingly international orientation of ERV is allowing it not only to acquire new business partners in the local markets, but also to make its products and services accessible to large international players on a cross-border basis.

## International business on the up

**Unister**, the leading German internet portal for travel bookings, has extended its operational radius to various European markets and is using an international booking platform to offer and sell travel insurance.

These markets include Germany, France, Spain, Italy, United Kingdom, the Netherlands, Switzerland and the USA. The portals, which are mainly geared to the sale of plane tickets, are hugely successful on their respective markets and therefore advertise ERV's local brands as an insurance provider. Entry into further markets is planned in 2012.

The biggest German airlines **Airberlin**, **Lufthansa** and **Condor** have extended their range of ERV insurance products to other countries.

The airline **Ukraine International Airlines (UIA)** has chosen ERV as the online insurer for its customers. Under the current contract, ERV offers travel insurance on the nine biggest European markets online and both companies are looking forward to servicing the large number of football fans travelling from all over Europe to the forthcoming UEFA European Football Championships taking place in the Ukraine and Poland.

## Triple IP – ERV's international e-commerce platform

2011 was a successful year in terms of new business and the use of Triple IP (IIIP) by new customers. This also applies to the launch of products on new markets. The first and most important market that was developed was China. In this case, an agreement was concluded with **China Eastern Airlines**. IIIP is the first non-Chinese insurance system that has been integrated in the TravelSky system to offer Chinese air travellers insurance and therefore enable insurance to already be purchased when booking the flight.

IIIP has been tested extensively and is now ready to offer travel products of Chinese insurers. As a result, standards are being set on the local travel market in terms of technical development. IIIP therefore meets all the legal requirements for the sale of policies.

Apart from in China IIIP now also offers products in Slovenia and is therefore increasing the number of **countries**, in which IIIP is available to **27** worldwide.

At present the Russian market is being developed. IIIP will be available here at the beginning of 2012. ERV and IIIP regard China and Russia as key growth markets and are therefore investing in these countries.

Annual products can now also be booked via the IIIP platform in addition to short-term insurance. Thus, the entire product spectrum is covered for customers and the sale of these products has already started very successful in Spain and France.



## New business partners

### Lots of new partners in Spain

In tourism sales, ERV Spain extended its customer base to include travel agents, wholesale companies such as **NAUTALIA**



**VIAJES** or **VIAJES A MEDIDA**, international providers from the area of business travel management such as **TRAVEL EXPERIENCE** and public institutions, such as the Ministry for Education or the Autonomous University of **Madrid**. A contract was also concluded with the shipping company **BALEARIA** and a cooperation agreement with **SECURE WRAP**.

### New international customers in the UK

ERV Great Britain got on board at **BMI**, the second-biggest airline in the country, and at **Skyscanner**, an internet provider for flights, hotels and car rentals, with its travel insurance products. Moreover, a new customer was acquired for new products in the shape of **Atomic Snow**, one of the world's leading manufacturers of winter sports equipment.

## United Kingdom

The British branch of ERV, based in Horsham/London, has been selling holiday and business travel insurance and travellers' third-party insurance products in Great Britain and Ireland since 2005.

### Turkey: partnership with large travel operator

In the financial year 2011 ERV Turkey sealed a further elementary partnership with **PRONTO**, the second-largest travel

operator for foreign travel. In addition, the e-commerce business of the already previously acquired customer **SunExpress** was tackled.

## Turkey

With the three-man-strong sales representative office in Turkey, ERV has managed together with ERGO to work its way up to fourth place in premium revenue in the travel insurance segment within a few years.

### New partner and co-operations in Russia

2011 was a particularly successful year for ERV Russia. Ten large and medium-sized travel operators and over 200 travel agents were acquired for a co-operation and a co-operation agreement with ERGO Russ was concluded. ERV Russia will promote the Greencard Insurance from ERGO Russ and in return ERGO Russ will distribute ERV travel insurance.

## Russia

ERV Russia started its activities in 2006. The company is assuming a leading role in the area of travel insurance on the Russian market.



# A new ERV representative office

ERV India was founded in November 2011. This new representative office is to establish travel insurance on a market that has the second highest population in the world and still offers huge growth potential.

## Interview with Bhavin Parekh, Managing Director of ERV India

### Mr Parekh, why is India so interesting for ERV?

India's travel and tourism sector is developing at a lightning pace. Positive factors such as increasing liberalisation, cheaper air fares, attractive all-inclusive travel products, improved flight connections, rising income and a constantly increasing population offer ideal prospects for the future. Although the realisation that travel insurance is necessary is slowly taking hold in India, market penetration in relation to the amount of travel undertaken is still relatively small.

### Who are you collaborating with to conquer this new market?

ERV India will work closely with HDFC ERGO General Insurance Company Ltd., a leading Indian insurance company and also a risk carrier. It is a joint venture in a ratio of 74:26 between HDFC Limited and ERGO International AG. HDFC is one of the leading financial conglomerates in India and operates in all the financial services sectors, including banking, insurance, asset management and real estate activities with risk capital. ERGO is the direct insurance company of the Munich Re Group.

ERV India wants to establish new partnerships through a tailored and first-class

service. The sale of the risk carrier's travel insurance products to medium-sized to large e-commerce companies, travel operators, travel agents and ERV partners who offer their services on the Indian market will play a crucial role. ERV India will support the risk carrier with special know-how when developing insurance products, make its claim settlement and assistance service available and enable the use of modern IT solutions.

### How is the Indian travel market looking in figures and how will it develop in the future?

At the moment the prospects on the Indian market are good. The independent local market for foreign travel insurance and assistance services posted booked gross premium revenue of approximately € 109.4 million in 2010 and will reach a volume of € 221.7 million by 2014, according to estimates. This corresponds to average growth of approximately 14.8 % p.a. between 2010 and 2014. The number of foreign travel insurance policies taken out by Indian customers rose from 6.7 million in 2006 to 9.6 million in 2010.

The number of concluded insurance policies is estimated to rise to 16 million by 2014. The considerable potential of the insurance market for domestic travel is not insignificant. Interesting business opportunities are awaiting us at ERV India!



Bhavin Parekh, Managing Director of ERV India

## India

ERV has been represented in Mumbai with our own sales company since autumn 2011. ERV wants to play a leading role in this important future market in future with its partner company, HDFC ERGO.



# Worldwide assistance

## In every situation



# ERV's assistance network

## Euro Centers

Euro Center helps companies to operate successfully worldwide, with the medical treatment of their customers on the ground and with the management and reduction of treatment costs.



- Euro Centers
- Other assistance companies

He succeeded in making a profit centre out of EAP. He held this post from 2002 to 2006 and then he worked for International SOS as Regional Global Assistance Network Director EMEA and Global Assistance Network Director for Europe. In April he was asked to support the Euro-Center Group with its restructuring project and to supervise this as CEO.

### Assistance from one source

The Euro Centers and ERV's assistance companies in Madrid and Prague will work together even more closely in future. Assistance and network management will consequently be more strongly connected in order to offer all the standard services in the travel insurance business, claim processing, local cost management and medical care from one source.

The euro centers are our gate to a global service for our products in the travel insurance and assistance business, in order to offer optimum medical treatments.

### New headquarter. New perspectives.

To optimally exploit the synergies, the headquarters of Euro-Center Holding will be

moved from Copenhagen to Prague. Thanks to this move the focus can be directly further globally from a central office in Europe. Under the leadership of the new CEO of Euro-Center Holding, Mads Fischer, attention will also turn to the East, in order to exploit promising new business opportunities.

### New company. New CEO.

Mads Fischer can look back on a long history as an employee of the Euro-Center Group. The Dane initially moved to Prague to complete a traineeship with ERV. He decided to stay and received an offer to take on the post of General Manager of Euro Alarm Assistance Prague. During his time in this post, Mads Fischer was in charge of developing EAP Assistance Services both within the ERV Group and amongst other customers.



Mads Fischer, CEO of the Euro-Center Group

# Outlook

ERV has planned further measures for the coming years to strengthen its position as one of the leading international travel insurers. With innovative products, booking technologies and distribution channels, ERV wants to continue convincing its customers of its high quality standards and a first-class range of services. However, the focus is also on profit-yielding growth, by expanding and strengthening all its distribution channels as well as the international portfolio. Stability and sustainability are the prime basic pillars.

However, structural changes have been needed to expand international activities over the last few years. To be able to efficiently control its growing presence in more than 20 countries, ERV will be setting up an Executive Committee as of 1 January 2012. Under the chairmanship of Richard Bader, five regions will be represented by: Torsten Haase (Western Europe), David Hernandez (Southern Europe), Johannes von Hülsen (Northern Europe), Vladimir Krajicek (Eastern Europe) and Ulrike Timmer (Asia/Pacific/Americas).

ERV wants to align itself even more closely with the market and its customers by giving more consideration to the regional conditions. The international presence offers numerous possibilities for tackling the needs of travellers all over the world with transnational product know-how. Owing to customers' keener awareness of the importance of all-year-round protection, the focus is on expanding the sales of annual insurance policies. The share of annual

insurance policies will also be increased significantly in the product portfolio.

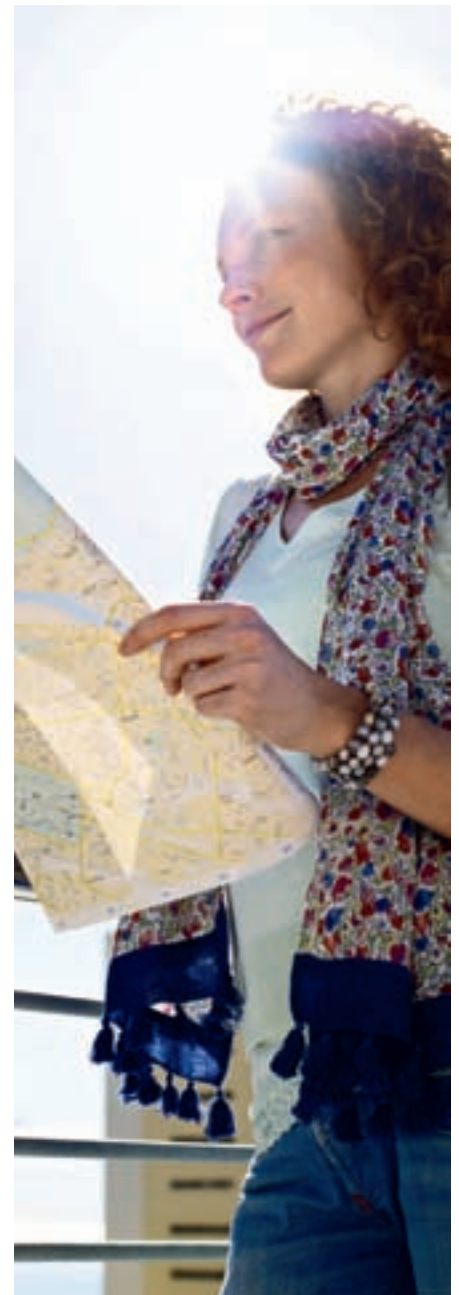
The internet is playing an ever more important role for ERV, so it is hardly surprising that the e-commerce sector is growing. With the constant improvement in and extension of e-commerce products ERV recognises early on the needs and requirements of its customers. There is also potential in the areas of the corporate customer and credit card business as well as in the marketing of special niche products and, last but not least, in excellent cost and claim management, which will form the basis for profitable growth for ERV. In doing so, ERV stands out from the competition due to its innovative insurance services and customer service.

The activities in selected markets in Europe, Australia, Asia and North and South America are opening up opportunities for ERV, while it looks forward to a stable and secure future with its customers.

**ERV CEO: Richard Bader**

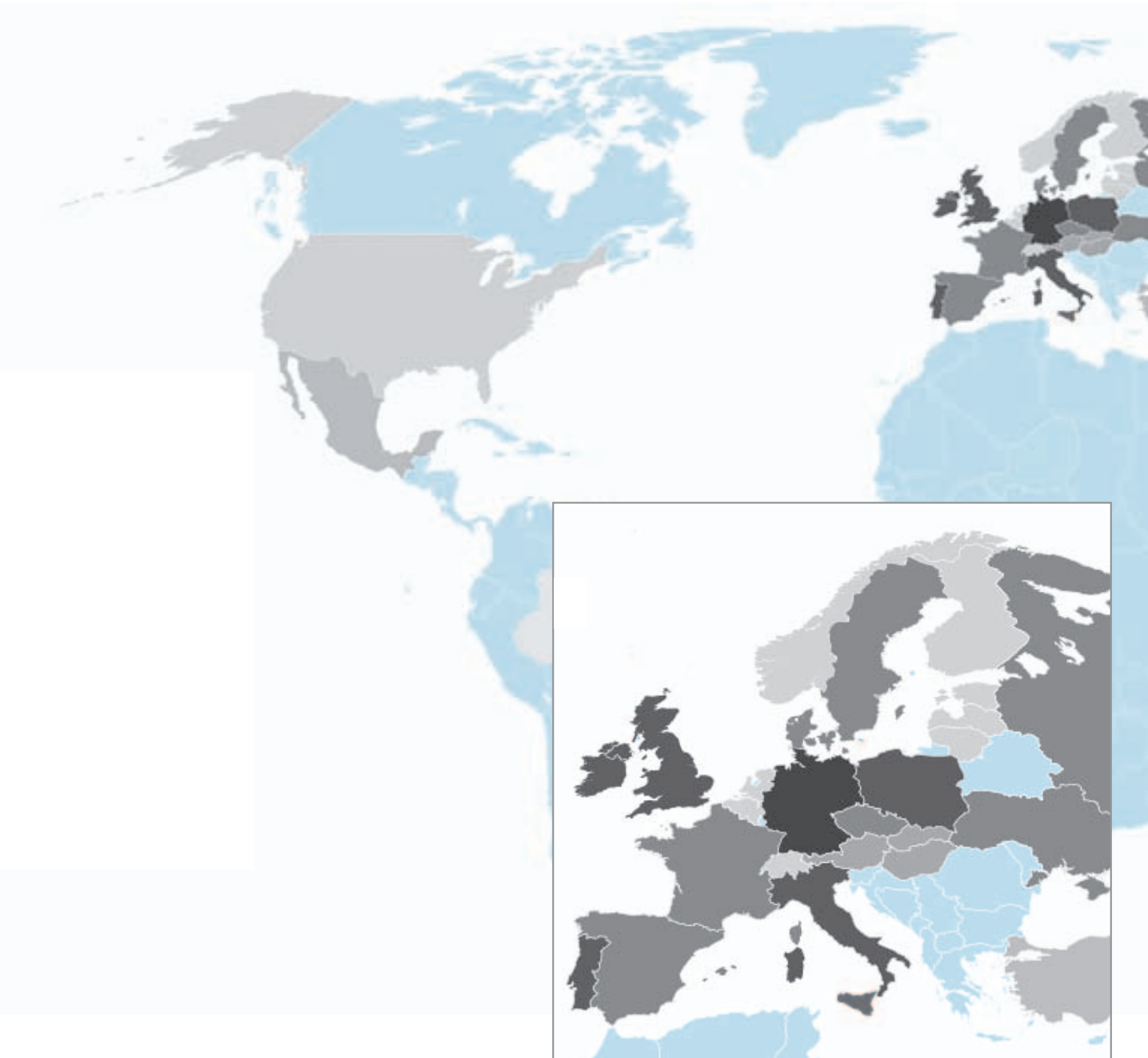
## ERV Executive Committee

Torsten Haase	Johannes von Hülsen	Vladimir Krajicek	David Hernández	Ulrike Timmer
Western Europe	Northern Europe	Eastern Europe	Southern Europe	Asia, Pacific, Americas, New Non-European Markets



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