

Activity Report



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About Garant

**“The insurer of choice
for credit and political risk insurance”**

Garant AG provides credit and political risk insurance to support international companies in their international trade activities and overseas investments.

Specialized in emerging countries, Garant is the best partner to help you mitigate commercial and political risks arising from your contracts or projects worldwide.

Our risk experts will customize state-of-the-art insurance solutions to your specific needs. They will give you access to our intelligence networks devised with local partners in order to create a risk-controlled-environment. Managing and monitoring risks together will be the key to achieving your business expectations.

Tribute to Vyatcheslav Shcherbakov

Many people have contributed to the accomplishments and success of GARANT since its creation 40 years ago in 1958.

But Vyatcheslav Shcherbakov, as former Chairman of Ingosstrakh, original shareholder of GARANT, provided the vision that has given our credit insurance company international stature.

It was my pleasure to work with Vyatcheslav in my capacity of Chairman of the Managing Board of GARANT since 2003 and earlier, in the nineties, when chairing Unistrat, at the time we put in place the first political risk insurance partnership between Ingosstrakh and Unistrat.

Born in 1942, Vyatcheslav Shcherbakov joined Ingosstrakh Insurance Company in 1968, where he excelled in assignments in the Department of insurance related to Foreigners and their property; the department of insurance for aircraft, ships and technical risks, or the representative office of Ingosstrakh in Iran. Through his dedication to Ingosstrakh's development, he was named a vice-president of the Company in 1980. That was followed by positions as First-Vice President, General Director and President. In 2007, Vyatcheslav Shcherbakov was appointed Chairman of Board of Directors of Ingosstrakh.

Vyatcheslav Shcherbakov articulated an international vision and strategy which resulted in the international growth of the leading Russian insurer. He was also one of the architects of Garant's relaunch, supporting a new strategy focused on political and commercial risk coverage in emerging countries. As the Chairman of the Supervisory Board, he encouraged Garant's equity relationship with the Belgian export credit insurer, ONDD, keeping in mind Garant's ambition to be the leading insurer in the private market of political risk insurance.

His many business accomplishments were enhanced by Vyatcheslav Shcherbakov's pleasant manner. His good judgment, ability to work with people and his visionary mind have contributed to the success of the worldwide development of Russian insurance.

Beyond his international recognition as a prominent Russian Insurer, Vyatcheslav Shcherbakov was a very attaching personality, passionate of the arts and the culture, and a regular sponsor of many Russian talents such as the Helikon Opera in Moscow. He has been a great ambassador of Russian friendship with other countries and cultures.

Garant wishes to express all its gratitude for his achievements and to express its sincere sympathy to his family and all his colleagues and friends!

Chairman's statement

2007, a turning point?



Yves Windelincx, Chairman of the Supervisory Board, CEO of ONDD
Louis Habib-Deloncle, Chairman of the Managing Board

The financial crisis

2007 has been over only a few weeks and the world economy is wondering how intense and damaging will the financial earthquake resulting from the subprime crisis turn out to be.

Will it be only another financial crisis of which many have occurred within the normal process of the "cycle"? Or should the world expect something of a different magnitude, if not of a different nature?

In any crisis context, all the experts and analysts present their predictions with controversial opinions on the consequence of the crisis. But this time there is something different. The world has known since July that the subprime crisis has started, and that it will hit primarily US and international banks and financial institutions but none of them was able to give any indication about the possible losses they would suffer before early in November. And these assumptions have deteriorated week after week since then.

For the first time in eighty years, it seems that the financial world does not know the level of risks it has taken on. The paradox is that never before have the actors been under such pressure from auditors and rating agencies to define extensive business models, so perfect that they are supposed never to fail; never before have the financial institutions been under so many constraints from the regulators and the supervisory authorities to provide constant and detailed reporting, designed to ensure full transparency. And no one has been able to point out the extreme vulnerability not only of many of the players but even more of the financial system as a whole.

A financial crisis only?

Human nature is such that, when a problem has not been properly assessed or predicted, many people will immediately forecast an even worse case scenario, making it appear as if they needed to compensate for their lack of perception in the first place.

Indeed, many observers are convinced that the financial crisis will turn into a severe world economic crisis with a collapse of the rest of the world following the coming US recession.

However, it seems that many of them are thinking according to the traditional approach of the Western world. But the world has changed over the last two decades.

The economy is now truly global and many emerging markets are growing much faster than the traditional developed countries. They have accumulated huge financial reserves – why are sovereign funds now under such suspicion? – and the developing world seems to be much more concerned about a possible scarcity of energy products or construction materials than with the difficulties facing financial institutions.

They have achieved growth rates close to or above two digits over the past ten years and even if, as a result of the possible difficulties in the banking business or speculation in the commodities markets, especially energy and agriculture, they may suffer some negative impact from the crisis, no-one really expects a collapse of the emerging economies – although there may be a reduction of one or two points in the growth rates of the most vulnerable countries – while their fundamentals are still pulling towards more development and improvement of the standards of living of their people.

2007 has confirmed the dynamics of this development with very positive consequences for the credit insurance business. Demand remains high, capacities are still scarce for several destinations and pricing terms have stopped declining, with even an expectation of some increases as a consequence of the banking crisis.

2007, a good year for the credit insurance market?

The evolution of activity in 2007 clearly demonstrates the diversity of the credit insurance market.

On one hand, the traditional credit insurers, who are primarily exposed in the OECD countries, may fear a deterioration of the economic context with a substantial increase in corporate bankruptcies.

On the other hand, those who are more involved in cross-border business with the developing world have seen hardly any significant deterioration of their global technical results. A few potential losses have been reported in the market but they look more like isolated cases within a micro-economic context than the first signs of a wider series of claims worldwide.

And for Garant!

Garant has achieved very encouraging results in 2007 with a growth of its premium volume by 70% to 13.5M EUR, a technical result improved by 86% (- 384T vs -2676T EUR in 2006) and a final result positive by 600T EUR before equalization reserve (-291T EUR after equalization reserve according to Austrian GAAP).

With a total outstanding exposure around 700M EUR, Garant has participated in the coverage of transactions amounting to over 4 billion Euros and maintains a very good spread of its portfolio in terms of countries of location of the risk (over 150), of tenor (from 30 days to 7 years with an average period of 26 months) and of industrial sectors.

Meanwhile, Garant intends to keep its growth well under control. Adding to the three preceding years, 2007 provides further evidences that a niche, highly specialized company may play a useful role in the market, even if it is relatively small.

Garant belongs to the handful of credit and political risks insurers who may claim to have accumulated wide expertise and many years of experience, mainly in the field of single risks.

As demand for ever-greater amounts of cover grows, there are very few cases where a single insurer may offer to carry the whole risk on its own.

Risk-sharing is essential in this sector and Garant keeps building up synergies with other market players, primarily ONDD and Ingosstrakh, its shareholders, as well other external insurers in the Continental market and beyond.

Policyholders do support this strategy and can see the increasing number of prestigious exporters, investors or banks now recorded in the list of Garant's customers.

They acknowledge that credit insurance is not only a matter of size but, even more, of professionalism and reliability. They know that Garant makes great efforts to constantly improve its understanding and knowledge of its clients' needs and behaviour in the long term. This is the way Garant defines sustainable development.

Despite today's turmoil in the financial and, to a different degree, the political arena, Garant expects to maintain steady growth in 2008, based on the assumption that its underwriting criteria will continue to concentrate on the core activities in the economies of each and every emerging or developing country. The continuous increase in energy and commodities prices will require larger financial amounts to be protected and banks will probably look for more insurance protection to better protect their portfolios in the aftermath of the crisis.

As the Chinese say, crisis means both risks and opportunities! As an insurer, Garant is ready to carry the risks and to seize the opportunities!

Louis Habib-Deloncle

2007 Key figures



Capital & surplus:

25 million Euros

Premium income:

13.5 million Euros

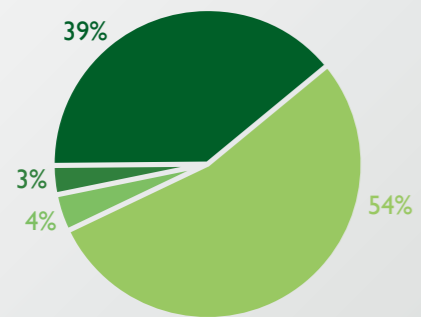
Insured amounts:

over 770 billion Euros

150 countries covered

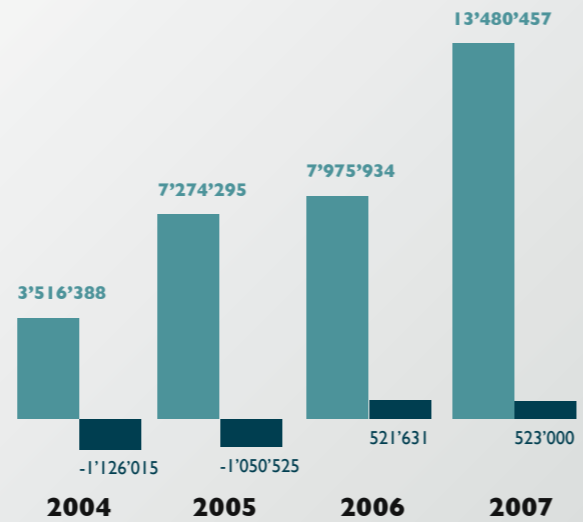
Positive result for the second consecutive year (IFRS accounting)

Premium split by type of business as of 31 Dec. 2007



- Turnover
- Single Risk Export
- CEND
- Single Risk Import

Gross premium written and profit loss In EUR

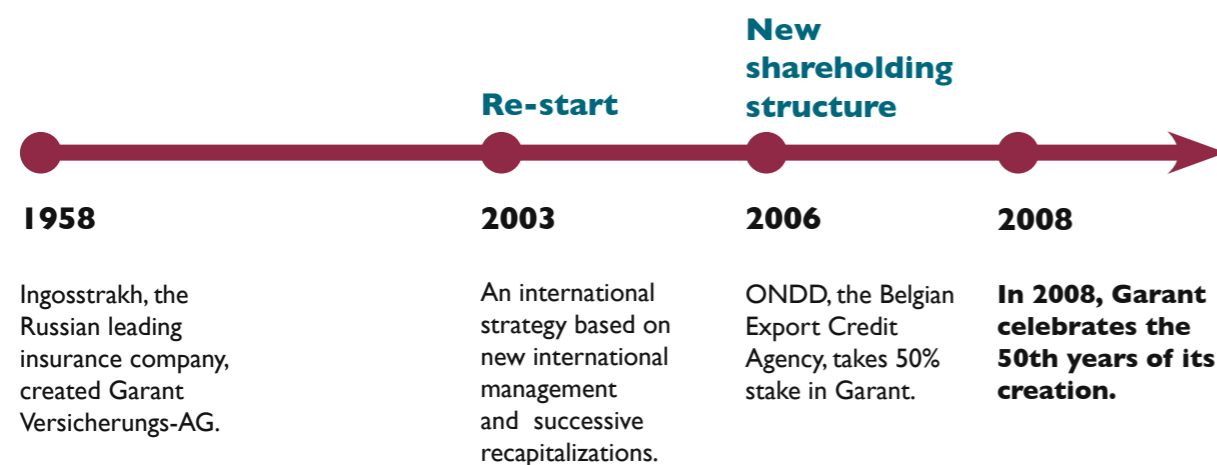




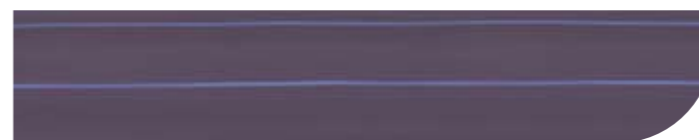
Milestones



The past 50 years of Garant reveal an unprecedented story in the credit and political insurance industry with a continuous involvement in the emerging countries and the coverage of trade exchanges.



Notable events in 2007



Changes to the Managing Board

In July 2007, **Walter Blom** was appointed **Member of the Managing Board** after the departure of Alexey Khomyakov. Formerly Secretary-General at Office national du Ducroire (ONDD), Walter Blom has managed the Medium and Long Term Department for 20 years.

Walter Blom brings more than 30 years of extensive experience in underwriting credit and political risks. Garant also benefits from his international network of market players, including insurers, banks and ECAs, to further develop our single risk business.

Performance of the premium result

Premiums grew 70% over 2007 to EUR 13.5 million, benefiting from the positive conditions in the single risk business and the shareholders' support.

Garant's underwriting policy has proved its accuracy with greater diversification in the portfolio and a very positive loss record.

Enlarged geographical presence

As a result of its comprehensive strategy, Garant has expanded and strengthened its market presence by providing coverage in 150 countries, especially developing countries.

This constructive development has allowed us to accelerate our strategy to become a lead capacity in the market, addressing increased demand for political risk coverage and pooling our capacities with other specialized providers.

Cooperation with SACE extended

Under the cooperation agreements with SACE, GARANT AG and its branch based in Switzerland GARANT CH, have successfully increased their commercial and technical cooperation with the Italian credit insurer for mutual benefits.

This fruitful partnership illustrates the positive impact of effective synergies between ECAs and the private market arising from their complementary natures.

Premiums grew 70% over 2007 to EUR 13.5 million.



Risk-community



Underwriting Art

Garant made underwriting science an art: an art in which abilities and know-how make the difference. The management and staff of Garant have many years of experience in risk underwriting and management and have developed a rare combination of expertise, knowledge and tailor-made decisions. At Garant, there is no standardisation model applied to the decision-making process because of the variety of qualitative and subjective features of each transaction.

In underwriting, our experts add a continuous reassessment of the country of risk based on the latest economic indicators, political environment and social data to a focused performance analysis of your contract and/or project. Then, Garant's experience and network in the region concerned is added to the expertise of the underwriting teams ensure better risk identification and management.

Covering trade risks over the past 50 years in emerging countries has undoubtedly brought Garant a competitive advantage in underwriting excellence.

Underwriting discipline

Over the years, the company has gained recognition and respect as one of the most reliable partners in the credit and political private insurance market.

The underwriting discipline fixed at Garant is the key of our success.

Despite market pressure on prices and capacities, our underwriters have maintained a strict discipline of not giving way to ill-considered risks and competition. They always identify the common interests between all parties involved in a transaction to craft a win-win solution in which the outcomes are better than expected for both sides.

Underwriting performance

2007 showed a positive development in all the performance indicators with gross premiums of EUR 13.5 million, net premium income increased by 82% and an outstanding loss track-record remaining at its lowest level for the fourth consecutive year. Across the years, the combined gross ratio amounted to 18% at the end of 2007.

Risk management

Garant considers a sound risk management strategy as a key element of its profitability. For a private insurer, risk management is about defining what portfolio of risks should be built up in order to match simultaneously its profitability and solvency targets. Thanks to our multi-faceted risk management model, Garant meets the challenge and operates under a well controlled and conservative approach.

The underwriting discipline fixed at Garant is the key of our success.

Garant's Group



“Unprecedented expertise in emerging countries”

The Group GARANT represents a unique partnership in the European credit insurance market. Backed by fifty years of experience, Garant has specialized in credit and political risks with a strong focus on political risk coverage in emerging countries.

Our team of international specialists, both in Vienna and Geneva, provides customized, state-of-the-art solutions to our clients' insurance needs everywhere.

They come to us because of our integrity in risk taking, our financial solidity and our long-term support.



■ Our shareholders



MOSCOW
INGOSSTRAX has been operating in the international and domestic insurance market since 1947. A leading company in Russia, Ingosstrakh has branches in 182 Russian cities and over 15 offices and subsidiaries worldwide.



BRUSSELS
ONDD The Belgian Export Credit Agency is an autonomous public body whose mission is to promote international economic relations by covering risks related to exports of goods and services, imports, direct investments abroad and short, medium and long-term credits. The insurance primarily covers non-OECD markets.

■ Our companies

GENEVA
GARANT CH

Since 2006, the new Branch based in Switzerland offers the Garant's policies to the Swiss companies.

GENEVA
GLOBAL TRADE SECURITY (GTS)

Created in 2003, the subsidiary GTS provides its expertise in risk assessment and management for commercial and political risk business.

Corporate Governance



Sound corporate governance of Garant, encompassing rigorous supervisory and operational management bodies, enhances our capacity to build value and deploy adequate resources in pursuit of Garant's objectives. The Supervisory Board and the Managing Board are the two-top decisions bodies of the Garant Group.

The Supervisory Board

Chairman *

Mr Yves WINDELINCX
CEO of Office national du Ducroire (ONDD)

Deputy Chairman

Mr Viatcheslav SHCHERBAKOV
Former President of Ingosstrakh

Members

Mrs Tatyana KAYGORODOVA
Head of the Direct Investments
Department, Ingosstrakh

Mr Viktor KLIMOV
Head of the Credit Department, Ingosstrakh

Mr Alain FLABAT
Head of Finance and Reinsurance,
Office national du Ducroire (ONDD)

Mr Dirk TERWEDUWE
Director, Office national du Ducroire (ONDD)

* Following our rotative chairmanship, Yves Windelincx was appointed Chairman of the Supervisory Board in May 2007 for one year duration.

Auditors

KPMG Wirtschaftsprüfungs-und Steuerberatungs GmbH
Mag. Michael SCHLENK
Mag. Ludwig SCHUMICH

The Management Board and executive management



**Louis
Habib-Deloncle**
Chairman of
the Managing Board



**Dmitri
Lokshin**
Member of
the Managing Board



**Walter
Blom**
Member of
the Managing Board



**Valérie
Talbot**
Chief Risk Officer,
At Global Trade Security



**Christian
Torché**
Head of reinsurance,
Manager of the Swiss market



**Birgitta
Ayasch**
Head of Accounting
Department

Smart Growth



2007 year of the return

Continual geopolitical uncertainty, the credit crunch, discrepancies between demand and supply in the production of commodities and equipment materials, the upward pressure on oil prices, the revival of economic patriotism worldwide, political unrest such as in the Niger Delta and the Sudan crisis, greater economic volatility in Latin America, the Middle East and Iran crisis and new corporate giants emerging in China, India, Brazil and Russia – the year 2007 presents a highly contrasted picture.

In this challenging context, Garant has maintained a sustainable pace of expansion with acceleration of the pace of its premium volume. But management has not given up its conservative stance when it comes to risk underwriting and management practices.

“Faced with competitive pressure in the credit insurance market, we continue to maintain a sound strategy. It is aimed at our clientele and shareholders who prefer reliability and financial solidity to higher returns from random risks” says Louis Habib-Deloncle, Chairman of the Managing Board.

Insurance operations

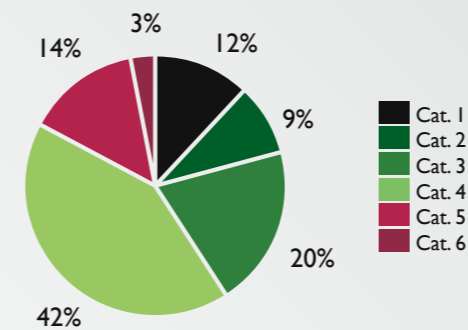
Gross premiums in 2007 total EUR 13.4 million. The demand for export credit and political risk coverage is still growing but is also evolving towards larger deals and longer tenors. In 2007, the whole portfolio shows a high quality structure with respect to our three “golden rules”: diversification, dilution and good spread.

At the end of the year, 21% of aggregate exposures are oriented towards the low risk country category, 62% to medium risks and 17% to the category representing higher risk. Despite the trend toward long-term tenors, our portfolio continues to demonstrate good diversification with a predominance of short and

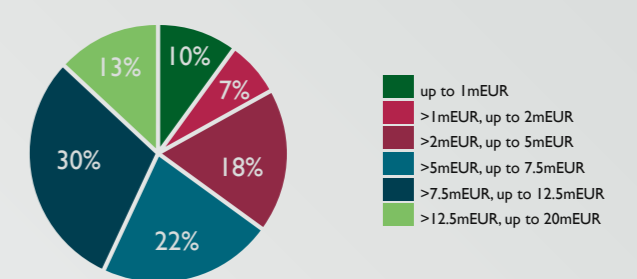
medium-term tenors. Garant also benefits from a well-balanced industry spread. Main exposures still come from metal (12.1%), pharmaceuticals (11.4%) and energy industry (10.2%).

Premium Income up by 70% over Previous Year

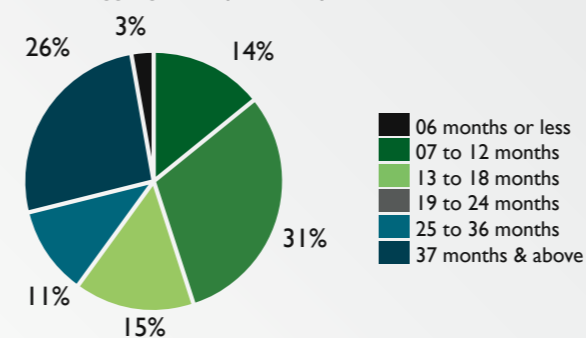
2007 Aggregate Exposure on Country Category



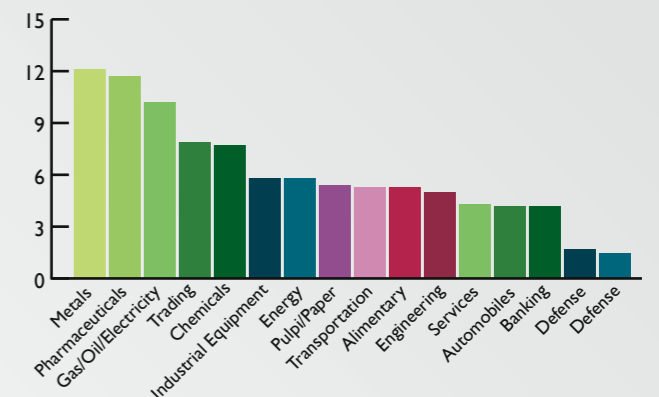
2007 Aggregate Exposure by Limit Range



2007 Aggregate Exposure by Tenor

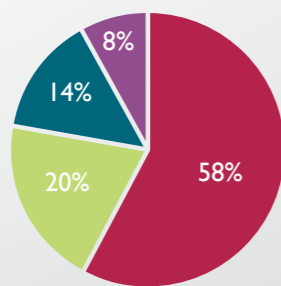


2007 Aggregate exposure by economic sector of Debtor (in %)



Our market leadership in single risk is being confirmed. With increasing needs for political risk insurance products – global leaders find that political risk becomes a much greater threat than in the recent past – Garant successfully addresses the growing demand for PRI coverage. Leadership is a matter of trust, not a matter of size. Nowadays, the company is widely recognized for its professional expertise and its ability to design appropriate protection schemes in all country contexts, even the most difficult ones.

2007 Exposure by type of business



■ Single Risk Export
■ Turnover
■ CEND
■ Single Risk Export

In 2007, Garant recorded high demand for Eastern Europe and CIS countries, mainly Russia. Thanks to our acknowledged past expertise, Garant remains the first choice when targeting this area, but the company has managed to avoid a shortage of capacities there.

Some key demand in terms of region has changed over the past year, such as a slight decline in Asian demand although India and China meet the majority of the coverage needs.

In Africa, four countries concentrate the largest portion of the demand: Nigeria, Sudan, Ethiopia and Ivory Coast. In the Middle East, Iran and Turkey still account for a large percentage of demand. In Latin America, the global demand was boosted during the year by the Cuban market.

Thus, Garant's portfolio remains clearly exposed in so-called "emerging countries". In 2007, our portfolio expanded geographically, covering risks across 150 countries, compared to 70 countries last year.

■ Garant CH

This is the first year that the technical result of the branch office based in Geneva, Switzerland has been included in Garant's financial statements. The development of the Swiss portfolio targeting a new clientele helps to increase diversification of the global portfolio.

Garant has also developed some interest in participating in the bond market by offering specific products with the support of two of its partners, ONDD and SACE.

■ Reinsurance operations

The assumed reinsurance business and the facultative reinsurance business both contribute to improving Garant's portfolio diversification. At the end of 2007 new facultative business policies increased by 353.4%, compared to previous year, thus representing 46% of total premiums.

As far as retention is concerned, the decision of management to add to the priority of EUR 1.25 million at the gross self-retention, four XL-layers on top of XL-cover with a total capacity of EUR 7.25 million, reflects the objective of protecting the good profitability of Garant's portfolio.

In 2007 Garant expanded its reinsurance coverage with additional aggregate portfolio XL agreements (Stop Loss on retention) and country XL agreements in which our shareholders, Ingosstrakh and ONDD, participate in association with SACE.

In 2007 as before, the management continued to place high priority on maintaining good relationships with our reinsurance partners.

■ Claims

For the fourth consecutive year, Garant recorded a low loss track record in line with the management forecast. This positive development proves the business underwriters' day-to-day acumen in risk selection and ability in risk mitigation, especially in this period of uncertainties.

■ Operating costs

In 2007, acquisition costs increased in volume but not in percentage, as a consequence of the growth of the premium volume. This is explained by the diversification of business sources and the increasing portion of inward facultative business. In addition to that, operating costs decreased by 12.7% compared to previous year thanks to strict cost control.

As regards operations, more efforts were made towards IT system improvement and human resources development and growth.

As a result of all these factors the technical result amounted to EUR 509.4 thousand before equalization reserve, increasing by 205% compared to the end of 2006, and to EUR 384.6 thousand after equalization reserve.

Financial operations

As a result of the evolution of international financial markets demonstrating greater volatility, the results for 2007 are below the expected return on financial investments. Consequently, the management decided at the end of the year to reduce exposure to financial risks.

In defense of its conservative policy, management decided to shift massively into investments in time deposits and to hold the minimum required level of government bonds.

Only the shares in equity funds, corporate bonds funds or real estate funds which were showing a truly negative position at December 31st have been kept with expectation of total – or at least partial - recovery in 2008.

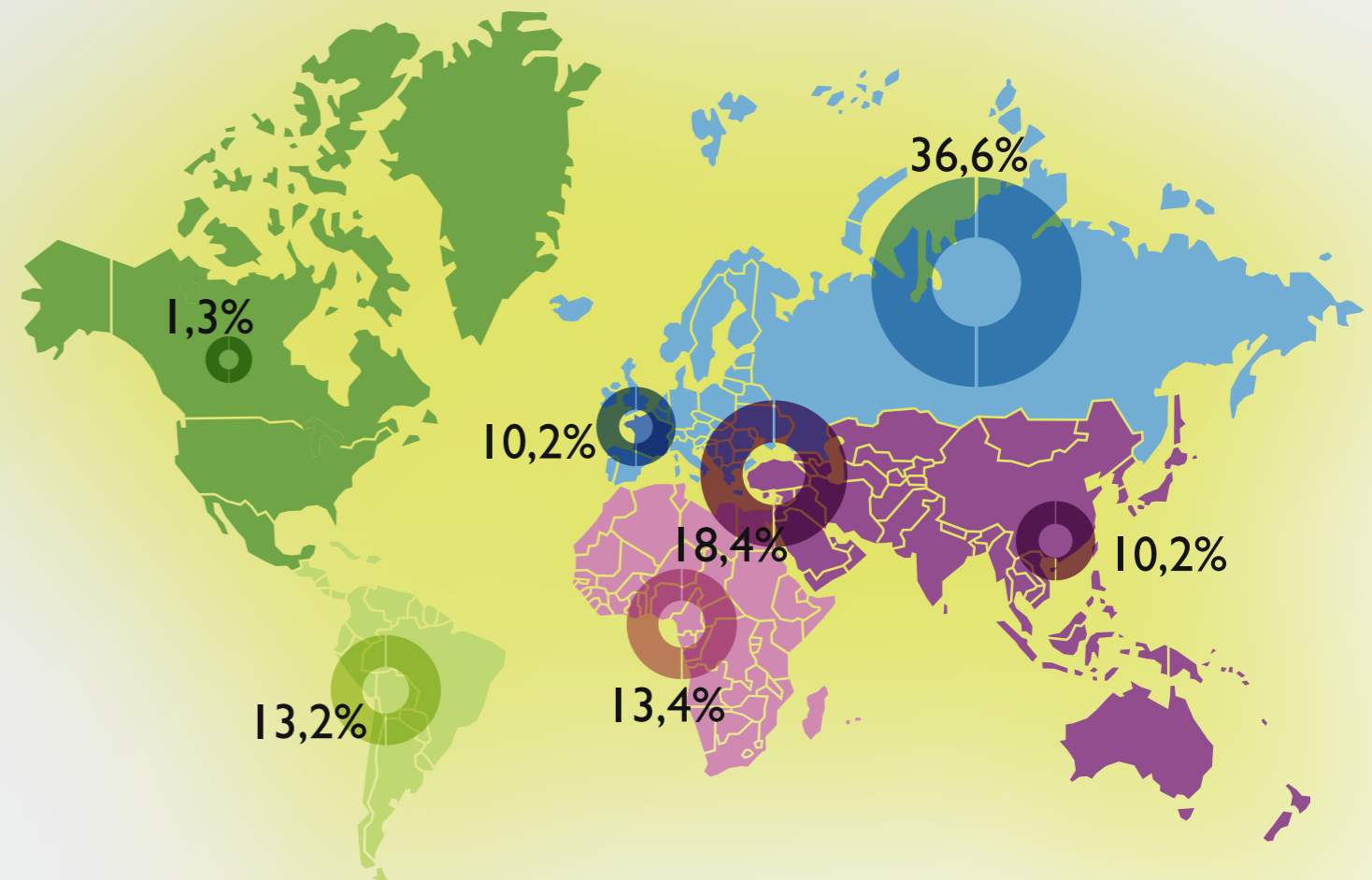
In doing so, management expects to attain the investment income target for 2008, despite the uncertainties in financial markets.

Outlook

And what is the business outlook for the coming years? Garant forecasts that demand for commercial and political risk coverage will continue to increase, despite the pressure on energy and raw material prices impacting the expansion of global companies. The strategy focused both on political risk coverage and emerging countries still continues to meet the challenges of international trade and world market developments.

Garant does not expect a significant global economic slowdown. The company will continue to serve its clientele best by offering appropriate insurance products to assist them to protect their operations in foreign countries.

Global Presence



the technical result increased
by 205% compared to the end
of 2006...

Trade Security Products

■ Credit risks Products

Commercial Risk Coverage

- Insolvency
- Protracted Default (at least 180 days waiting)

■ Political risks products

Imports risks

- Non delivery of pre-financed goods and non reimbursement of advance payment;
- The confiscation of products belonging to the insured in countries of risk or in transit;
- The cancellation or non-respect of a contract by a government debtor;
- The cancellation or non-respect of a contract by a private sector debtor in the wake of government decisions or wars;
- Non honouring of arbitration awards.

Exports risks

- The contract repudiation by a public debtor;
- Contract Frustration due to an act or decision emanating from a public authority;
- Withdrawal of export approval and licenses;
- Inconvertibility and/or non transfer;
- The non-repatriation of goods;
- The confiscation or embargo of goods;
- Non honouring of arbitration awards;
- Change of law and/or regulations.

Investment risks

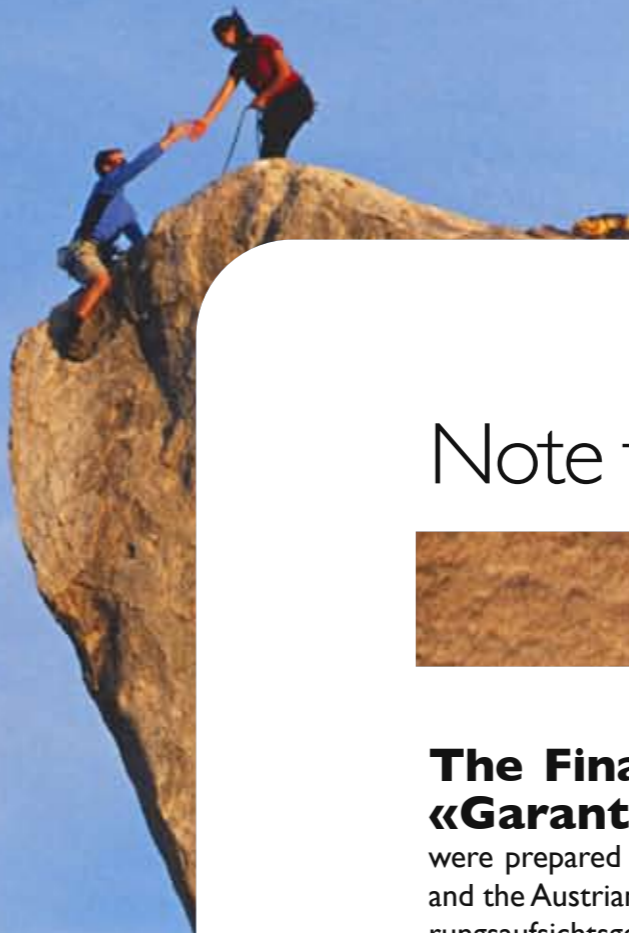
- The confiscation, expropriation, nationalisation, requisition or destruction of the company's assets;
- Non-repossession of assets by the insured company following government restriction measures,
- privatisation or halting operations; forced abandonment
- Non honouring of arbitration awards;
- Non-repatriation of dividends.

Unfair calling bonds

- Unfair calling of bonds by the government beneficiary;
- Non honouring of arbitration awards.



Financial Results



Note to the accounts



The Financial Statements of «Garant Versicherungs-AG»

were prepared on the basis of Austrian business law and the Austrian Insurance Supervision Act (Versicherungsaufsichtsgesetz) in the respectively valid version; in this procedure, the principles of fair accounting and the generally accepted accounting standard of genuine representation of a company's financial position, were adhered to.

The Financial Statements have been audited and approved by KPMG on April 20, 2008 (detailed version available on www.garantinsurance.com).

In 2007 the technical result of the branch office in Switzerland is included in the financial statements for the first time.

The company is operating non-life and accident insurance in the insurance lines credit insurance and other financial losses both in direct and indirect business.



Financial Results

Balance Sheet



Assets	31.12.2007 EUR	31.12.2006 TEUR
A. Intangible assets		
Other intangible assets	519.415,43	235
B. Investments		
1. Assets in affiliated companies and participating interests	32.647,73	33
2. Other financial investments		
a. Other Shares and Funds	21.780.408,21	22.328
b. Debt securities and other fixed income securities	2.537.235,17	2.537
c. Deposits with credit institutions	3.166.157,99	1.104
3. Deposited reserves with ceding companies	276.078,21	278
C. Debtors		
1. Debtors arising from direct insurance operations		
a. to policyholders	2.794.442,55	3.386
b. to intermediaries	9.741,17	11
c. to insurance companies	3.759,89	3
2. Debtors arising from reinsurance operations	3.666.935,65	841
3. Other debtors	211.902,57	672
D. Accrued interest	92.328,12	72
E. Other assets		
1. Tangible assets and stocks (without land and buildings)	108.885,76	142
2. Cash with credit institutions and cash in hand	1.014.570,79	378
3. Other	177.861,75	5
F. Prepayments and accrued income	54.513,49	64
Total assets	36.446.884,48	32.537

Financial Results

Liabilities



Liabilities	31.12.2007 EUR	31.12.2006 TEUR
A. Capital		
1. Share capital		
Nominal amount	25.000.248,00	25.000
2. Total loss		
derived from loss brought forward: EUR 2.250.709,05;	-2.538.372,57	-2.251
B. Technical provisions, net of reinsurance		
1. Provision for claims outstanding		
a. Gross	11.266.378,43	9.161
b. Reinsurers' share	-7.358.897,64	-6.564
2. Provision for Premium refund		
a. Gross	155.250,00	92
b. Reinsurers' share	-107.875,00	-39
3. Equalisation reserve	2.394.000,00	1.500
4. Other technical provisions		
a. Gross	136.308,00	200
b. Reinsurers' share	-53.541,00	-130
C. Non-technical provisions		
1. Provision for termination or severance payments	278.512,00	254
2. Provision for pensions	1.375.563,00	1.309
3. Provision for taxation	21.250,00	20
4. Other provisions	266.424,00	188
D. Deposits retained from reinsurers	1.007.937,51	991
E. Creditors		
1. Creditors arising from direct insurance operations		
a. Policyholders	239,20	5
b. Intermediaries	433.530,39	637
c. Insurance companies	7.965,64	2
2. Creditors arising from reinsurance operations	3.743.122,45	1.768
3. Amounts owed to credit institutions	19.411,71	0
3. Other creditors	399.430,36	361
F. Deferred Items	0,00	32
	36.446.884,48	32.537
Contingent liabilities	78.894,00	118



Financial Results

Profit & Loss Statement 2007



Technical Account	2007 EUR	2006 TEUR
A. Earned premiums		
1. Premiums written		
a. Gross	13.480.457,70	7.946
b. Reinsurers' share	-8.111.228,94	-4.998
Total	5.369.228,76	2.948
2. Change in unearned premiums		
a. Gross	63.692,00	-50
b. Reinsurers' share	-64.555,56	-13
Total	-863,56	-63
B. Claims incurred		
1. Claims paid		
a. Gross	-513.655,23	-767
b. Reinsurers' share	557.782,83	589
Total	44.127,60	-178
2. Change in the provision for claims outstanding		
a. Gross	-2.121.962,71	422
b. Reinsurers' share	791.787,26	-535
Total	-1.330.175,45	-113
C. Expenses for the premium refund		
a. Gross	-126.864,30	-113
b. Reinsurers' share	98.283,23	47
Total	-28.581,07	-66
D. Operating expenses		
1. Commissions and other acquisition costs	-3.050.627,94	-2.207
2. Administrative expenses	-2.203.161,89	-2.605
3. Reinsurance commissions and profit participation	1.828.651,31	891
Total	-3.425.138,52	-3.922
F. Other technical expenses	-119.179,73	-126
G. Transfer to the equalisation reserve	-894.000,00	-1.157
H. Technical result	-384.581,97	-2.676

Financial Results

Profit & Loss Statement 2007



Non-technical Account	2007 EUR	2006 TEUR
A. Technical result	-384.581,97	-2.676
B. Investment income and interest income		
1. Income from participating interests	0,00	37
2. Income from other investments	505.461,77	571
3. Gains from the realization of investments	282.585,74	321
4. Other income from investments, interest yield	94.765,82	102
Total	882.813,33	1.031
C. Investment charges / Interest charges		
1. Investment management charges	-27.975,07	-44
2. Value adjustments on investments	-445.140,95	-172
3. Interest expenses	-20.071,00	-23
4. Losses from the realization of investments	-110.253,45	-9
5. Other charges for investments	-260.251,19	-201
Total	-863.691,66	-449
D. Other non-technical income	103.181,40	1.525
E. Other non-technical charges	-24.228,17	-55
F. Profit on ordinary activities	-286.507,07	-625
G. Tax on profit	-5.131,84	-10
H. Loss brought forward	-2.246.733,66	-1.615
I. Total loss	-2.538.372,57	-2.251



The GARANT Teams, Vienna, 2008

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