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VIG Group company Bulstrad awarded “Insurer of the Year” Top award on the Bulgarian insurance market

Bulgarian non-life insurer Bulstrad, a member of the Vienna Insurance Group (VIG), has been elected the country’s “Insurer of the Year”. The highest accolade in the Bulgarian insurance sector was presented by VUZF University in cooperation with various partners, including the Bulgarian Insurance Association. Bulstrad Non-Life managing board chairman Nedyalko Chandarov accepted the award on 30 May 2018 at a ceremony attended by representatives of the European Commission and the European Insurance and Occupational Pensions Authority (EIOPA), the EU’s insurance regulator.

New market leader in Bulgaria

The ranking is based on a number of criteria, such as market share, underwriting profit, solvency ratio, premium income, cost development and the number of claims processed. The award is the high point of what has already been a successful financial year for Bulstrad Non-Life. Premium growth in 2017 was around 8 percent, which enabled the company to take over market leadership in the non-life segment, and become the overall number one on the Bulgarian insurance market, with a share of 9.4 percent.

“From the Vienna Insurance Group’s point of view, this award is a well-deserved tribute to Bulstrad’s excellent performance last year. It also comes in recognition of the successful and extremely forward-looking path we have followed over the past few years. The award will also certainly give Bulstrad’s employees added motivation to achieve the company’s targets, which has been reflected in the results for the first quarter of 2018. On the whole, we’re very satisfied with our performance in Bulgaria,” commented Peter Höfinger, Vienna Insurance Group Managing Board member responsible for the country.

VIG represented by four companies

The Vienna Insurance Group entered the Bulgarian market in 2002 and is now represented by four Group companies: Bulstrad Non-Life, Bulstrad Life and Nova, as well as the country’s biggest pension fund Doverie. The three insurance companies generated combined premium income of just over EUR 150 million in 2017, a year-on-year increase of about 10 percent. VIG’s overall market share in Bulgaria is 13.5 percent. Pre-tax profit jumped by 28.5 percent last year, to around EUR 7 million. The Group recorded a further increase in premiums, of 3.7 percent, in the first quarter of 2018, and a 28 percent rise in profit compared with the same period a year earlier.

Significant growth potential

The performance of the Bulgarian insurance market reflects the strong growth in the country’s economy as a whole. The EU Commission is forecasting average annual GDP growth of over 3.5 percent in the coming years. On average, Bulgarians spend EUR 147 on insurance each year, and this low insurance density means there is still substantial growth potential.

VIG is aiming to expand its assistance service portfolio in Bulgaria, and in particular the health insurance business, in which it is already the market leader. There will also be a focus on optimising claims management. Corresponding measures form part of the “Agenda 2020” management programme.

Vienna Insurance Group (VIG) is the leading insurance specialist in Austria as well as in Central and Eastern Europe. About 50 companies in 25 countries form a Group with a long-standing tradition, strong brands and close customer relations. VIG has close to 200 years of experience in the insurance business. With more than 25,000 employees, Vienna Insurance Group is the clear market leader in its Austrian and CEE markets. It is therefore excellently positioned to take advantage of the long-term growth opportunities in a region with 180 million people. The listed Vienna Insurance Group is the best-rated company of ATX, the leading index of Vienna Stock Exchange; its share is also listed on the Prague Stock Exchange.

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