

From Product to Business Field: LVM's Next Step in Cyber Risk Protection



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Introduction: A new era of digital risk calls for new insurance solutions

“Cyber is no longer an abstract risk; it has become a strategic frontier for insurers,” remarked Andreas Laukötter, Head of Group Development at LVM Versicherung.

The comment set the tone for a review at the Münster headquarters, where LVM’s management was assessing future business fields. As one of Germany’s leading mutual insurers, LVM had long built its strength in multiple insurance lines, supported by its trusted network of independent agents. Yet the traditional business was maturing, and the search for new fields of relevance had become more urgent. Among the emerging options, one stood out: cyber security insurance, in particular for small and medium-sized enterprises (SMEs).

The case was compelling. SMEs are the backbone of the German economy and face escalating exposure to phishing, ransomware, and data theft. But unlike larger corporations, they operate with lean budgets, outdated infrastructure, and little in-house IT expertise, leaving them both highly vulnerable and sceptical of conventional policies. Competitors such as Allianz, AXA, HDI, and Provinzial had already launched modular cyber products, yet market penetration remained shallow. LVM also offers such insurance on the market. But for LVM, the opportunity may not lie in adding another standard policy but in reframing cyber as a business field: one that combined financial coverage with value-adding services.

As Laukötter’s team framed the issue for the board, it became clear that the decision would not be about launching a single product. It would be about defining a credible path from product to business field. Could cyber evolve from a modest add-on into a genuine business field, one that gave SMEs a practical, low-threshold entry into digital protection? The opportunity was clear: a chance to move from indemnifying losses to actively safeguarding clients, from paying claims to preventing them. What remained uncertain was the ideal scope and strategic approach: how far should LVM go, and in what form should it deliver these new services, to turn this opening into a sustainable business field.

Company Background: LVM’s position, business model and ecosystem

Historical Context & Company Development

Founded in 1896 as the *Haftpflichtversicherungsverein für Landwirte der Provinz Westfalen*, a **liability insurance association created by farmers for farmers**, LVM Versicherung has evolved into one of Germany’s leading mutual insurers. In Germany, a mutual insurer, known as a *Versicherungsverein auf Gegenseitigkeit* (VVG), is a special type of insurance company that is owned and governed by its policyholders, who are its members, rather than by external shareholders.

In the early 20th century, LVM experienced strong growth: by 1902, six years after its founding, the mutual insurer had approximately 8,000 members. In 1905, membership grew to 11,758, just under five percent of Westphalian farms. Before World War I, this

number almost doubled to 21,000. The 1920s marked the beginning of motor insurance, as more Westphalian farmers purchased vehicles and sought liability coverage. In 1924, LVM insured only 83 vehicles; by 1927, the number had risen to 427. By 1930, LVM offered coverage for cars, motorcycles, and trucks. After World War II and during the *Wirtschaftswunder* (“economic miracle”), motorization surged, and motor insurance became a core business. LVM expanded geographically across West Germany and broadened its portfolio to include household, homeowner’s, legal expenses, life, and health insurance. By the 1980s, it had become a full-service group insurer, while retaining its mutual structure.

Over more than 125 years, the company grew from its agricultural roots into a national full-service insurer while retaining its mutual legal form and strong Westphalian identity. By 2024, the LVM group had achieved total contributions of approximately €4.896 billion, a substantial increase of 9.1 percent compared to the previous year and growth well above the market average. **This growth corresponds to a CAGR of 9.3% (2020-2024), compared to an industry average of roughly 4.8-5.0% over the same period.** LVM thus continues to significantly outperform the German insurance market. These numbers place LVM firmly among Germany’s top 20 insurers by volume, underscoring its strong market position. Its strongest segment is property and casualty insurance, particularly motor insurance, where LVM holds the fourth-largest market share nationwide. LVM insured around 3.92 million private individuals and corporate clients in 2024, covering roughly 15.1 million policies.

Financial Situation and regulatory requirements

As a mutual insurer, LVM is subject to strict solvency and prudential requirements but enjoys independence from capital market pressures. Unlike other corporations, regulations forbid the use of debt financing in general, therefore LVM relies on retained earnings and long-term reserves instead. With LVM’s equity at approximately **€3.5 billion by the end of 2024**, it demonstrates strong capitalization, even amid challenging market conditions. LVM has the financial strength to invest in new business fields when aligned with its strategic priorities. From an ecosystem perspective, LVM positions itself as a trusted partner for SMEs, offering security and reliability in both physical and digital dimensions.

Business Model

The company operates as a **full-service insurer for private households and corporate customers**, combining insurance coverage with service-oriented customer care. LVM’s legal form as a mutual is a key characteristic; profits are reinvested in the company to promote financial stability, rather than being paid out to shareholders. This structure inherently puts its customers in the most important role, fostering a management style shaped by the needs of the policyholders.

The concept of insurance is based on the principle of risk sharing, where **uncertain financial risks are collectively covered** through planned contributions over time. By pooling many individuals with similar exposures, the uncertainty for each individual is reduced, as losses are compensated from a common fund financed by premiums. To deliver this effectively, a well-structured insurance value chain is essential. Clear and up-to-date processes across the value chain enable insurers to operate efficiently, mitigate risks, and enhance customer satisfaction. At the same time, the value chain ensures that all stakeholders involved in the life cycle of an insurance product are adequately served. In

this way, insurers not only secure their competitive position but also provide consistent, high-quality service to their customers.

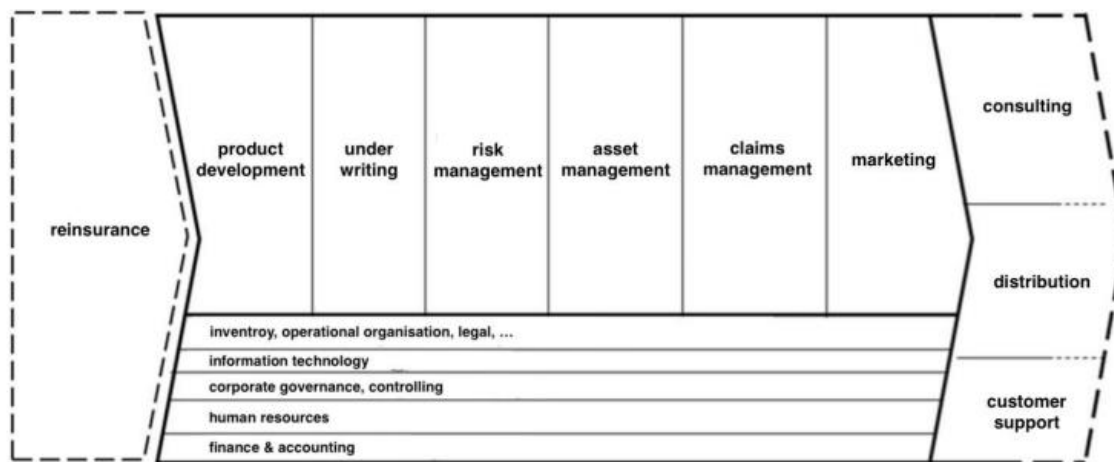


Figure 1: Insurance Value Chain

- 1) **Reinsurance:** Reinsurance is when a primary insurer transfers part of its risk to a reinsurer. This reduces exposure to major or catastrophic losses and strengthens financial stability.
- 2) **Product Development:** Product development focuses on designing insurance products that meet customer needs and market demands. Through product design and pricing, managers drive growth and profitability.
- 3) **Underwriting & Risk Management:** Underwriting and risk management involve evaluating risks to set suitable premiums and coverage terms. This ensures insurers can accurately price and manage customer and policy risks.
- 4) **Asset Management:** Insurers hold large reserves from collected premiums, which they invest strategically. Asset management aims to grow wealth over time by acquiring, holding, and trading value-increasing assets.
- 5) **Claims Management:** Claims management ensures policyholders receive fair compensation according to contract terms. Efficient handling strengthens trust and improves customer satisfaction.
- 6) **Marketing & Advertising:** Marketing and advertising help insurers reach new customers, build brand recognition, and raise awareness of products and services offered.

Beyond distribution, LVM's business model is structured into distinct service lines that reflect its historical strengths. **Motor insurance** is the single largest contributor and historically the core line, accounting for a dominant share of contributions and brand visibility. **Property insurance** and **liability insurance** extend this base by protecting households and SMEs against physical damages and third-party claims, while **accident insurance** serves as a natural complement. In addition, **life and health insurance** play a

stabilizing role, offering long-term contracts and predictable cash flows that balance the cyclicity of motor and property lines. Together, these service lines create a diversified portfolio, but their integration also opens cross-selling opportunities, especially toward SME clients who **often require bundled coverage** across several categories.

In recent years, LVM has started to enrich these traditional service lines with value-added elements that go beyond pure financial protection. Examples include preventive consultation in liability and accident insurance, digital tools that support healthier lifestyles in health insurance, and mobility-related services in motor coverage. These steps reflect an early form of **“Value Added Insurance”**, where insurers combine risk transfer with proactive services to reduce risks and increase customer loyalty.

Sales Model - “double exclusivity”

One of LVM unique strengths is there and central part of their distribution strategy is their distinctive **“double exclusivity”** model: more than 2,100 self-employed Vertrauensleute (independent agents) and their agency staff totalling around 5,000 employees deliver personalized, face-to-face service across Germany and solely sell LVM products of all kinds. Meanwhile, corporate headquarters and internal personnel number approximately **4,000** as of 2025. This independent agent-based sales model focuses on LVM core values personal proximity and trust, giving LVM a competitive advantage in consulting-intensive products such as insurance. Every individual contract is allocated to a local agency chosen by the customer, fostering continuity and direct communication. On average, each agency manages around 1,900 customers, with the average customer relationship lasting nearly 15 years.

Supporting this setup are two complementary IT layers: one serves as the central backbone for local agencies, enabling policy management, claims handling, and real-time coordination with headquarters. The other provides digital front-end solutions such as customer portals, mobile apps, and partner integrations. The **“Meine LVM” platform** has become a key pillar of this ecosystem, now used by over **one million customers** with more than 200,000 new registrations in 2024 alone. This milestone reflects the growing importance of digital accessibility alongside personal service. The app functions not only as a self-service tool for managing contracts and claims but increasingly as a channel for preventive services, direct interaction with independent agents, and cross-selling of additional products. For younger customers, it bridges the gap between LVM’s trusted personal approach and the convenience of digital engagement, positioning the company as a hybrid insurer that combines long-term customer relationships with scalable digital reach.

Cyber Security offering

In recent years, LVM has expanded its product portfolio by relaunching its cyber insurance policy, aiming to strengthen competitiveness in a growing risk area and to provide corporate customers with a relevant solution. The LVM Cyber Insurance offering was first introduced in 2018 as an add-on linked to business contents and liability insurance but has since been repositioned as a stand-alone product. Its current structure consists of two product lines, **“MeineKlassik”** (*MyClassic*) and **“MeinPremium”** (*MyPremium*). *“MyClassic”*

is a streamlined entry-level product for businesses **up to €1 million in revenue**, with predefined daily compensation options that simplify claims handling, which is particular to this product. “MyPremium,” on the other hand, provides broader coverage without a **general revenue cap**. Customers with a turnover of more than €20 million are subject to individual underwriting. For smaller companies, premiums are calculated automatically. This structure ensures accessibility for SMEs while offering flexibility for larger clients, with both product lines enhanced through the full integration of Perseus Technologies’ awareness platform. Perseus is a partner of LVM’s initial cyber security offering, providing prevention, detection, and incident-response services such as phishing simulations, awareness trainings, and real-time alerts, ensuring that customers receive not only financial coverage but also active support in reducing their vulnerability to cyber risks.

With both MyClassic and MyPremium, the customer completes a **cyber risk questionnaire**. This is decisive for the acceptance or rejection of the application. In cases of doubt, the contract department can initiate an **outside-in scan by Cysmo** if the answers to the questionnaire do not allow a clear decision on acceptance or rejection. This tool analyses the company's digital footprint and detects potential attack surfaces such as outdated software, exposed services, or weak configurations. MyPremium may offer more use cases for Cysmo technology. This flexible, layered approach allows LVM to create a holistic and reliable risk profile where appropriate, supporting more accurate underwriting decisions while aligning preventive measures and coverage terms with the actual cyber maturity of the insured company. By combining simplified product design, embedded preventive services, and the situational use of advanced tools such as Cysmo, LVM positions its cyber insurance as a competitive and scalable solution for SMEs and larger enterprises.

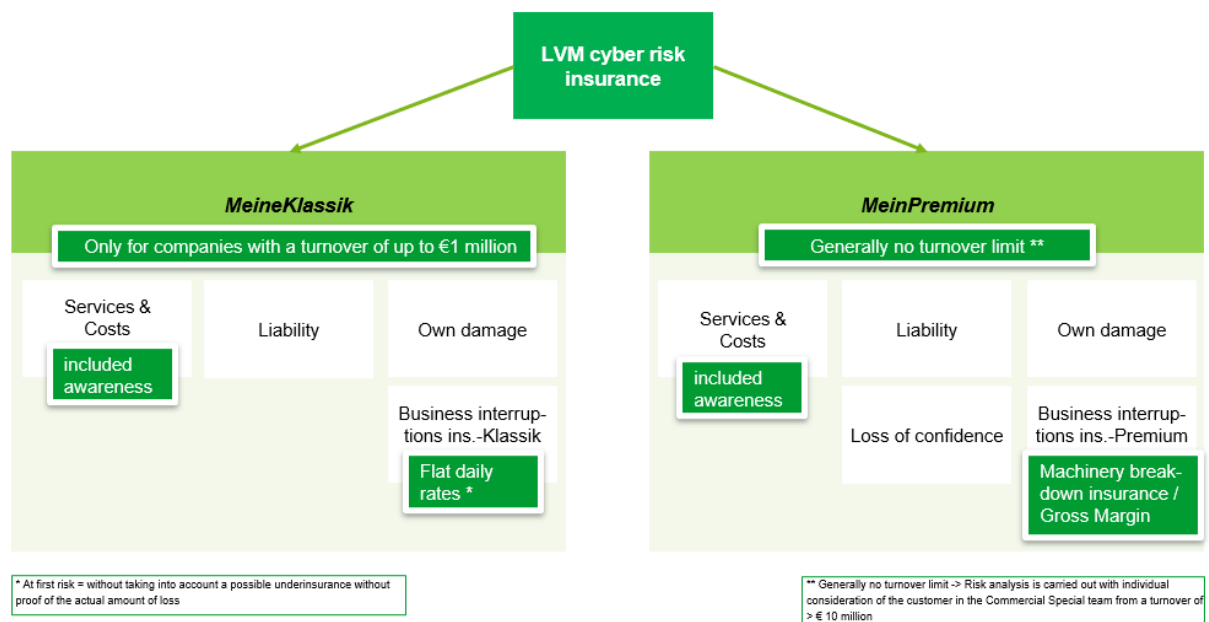


Figure 2: Current Cyber Insurance offering of LVM

How leading players address SME cyber risks

Development of the risk of cyberattacks

In recent years, the threat of cyberattacks has steadily increased for companies of all sizes. Professional hacker groups now target businesses to extort ransom payments or steal sensitive data and technologies. The total damage caused by cybercrime to German companies amounted to **€267 billion in 2024**. The damage per attack was around €16,000, although the amount of damage varies greatly from case to case and can also run into millions. These attacks are a major problem for SMEs, as they are often inadequately protected against attacks due to their smaller IT departments. For small businesses that are already in crisis, such cyberattacks can spell the end, as they are unable to cover the costs of business interruptions, for example.

SMEs are very important in Germany. There are **2.6 million SMEs**, representing nearly 60% of employment.

The specific risks posed to SMEs by cyberattacks are very diverse and not limited to business interruptions caused by IT system failures. **Phishing attacks** are often used to extract information from employees by sending deceptively genuine emails. Professional hacker groups often use **ransomware attacks**. These involve encrypting the systems of the attacked company and only releasing them again after a ransom has been paid. **Data theft** is also a risk in hacker attacks, which can involve customer data as well as technological details. All these attacks also carry the risk of **damaging the reputation** of the affected company. Consequently, SMEs are consistently demanding products that can prevent, detect, respond to and recover from cyber incidents.

Cybersecurity insurance as protection against the new threat

The cybersecurity insurance market has grown significantly, fuelled by both the rising number of attacks and stricter regulatory requirements. Among other things, the EU has issued a cyber security directive that affects 29,500 companies in Germany.

In 2023 the market for cyber insurances increased to more than **€ 400 million** and analysts predict strong growth rates for the next years. In **2035** the market size should be **€ 1.6 billion**. Already today, 45% of SMEs say they have taken out cyber insurance.

Competition in this segment is intensifying rapidly. Major insurers such as **Allianz**, **Provinzial**, and **HDI**, which share characteristics with LVM, have already entered the market with cyber insurance products that cover a wide range of incidents and are supplemented by additional service components.

Allianz offers three types of cyber insurance. A standard solution for companies with revenues of up to €10 million, individual underwriting for companies with revenues of €10 million or more, and individual solutions for companies with revenues of €150 million or more. These individual insurance policies can cover cyber theft and damage caused by business interruptions, among other things. With these offerings, Allianz targets small, medium-sized, and large companies and does not exclude any industry.

Provinzial's insurance offer is available to companies with a turnover up to €20 million. This offer can also be customised and is aimed at SMEs, although it is not known whether individual sectors are excluded.

HDI also offers cyber insurance for companies with a turnover of up to €20 million. Companies with a turnover of up to €10 million can take out this insurance online. Companies with a turnover of between €10 million and €20 million are subject to individual underwriting.

As already mentioned, LVM also has cyber insurance on the market. This is structured as a modular system including cover for fidelity losses. For companies with a turnover higher than €10 million, there is an individual underwriting process. The target group are SMEs. Hospitals, critical infrastructure, reputation risks, and municipal risks are excluded.

Framing the Opportunity

With LVM's internal setup and the external market dynamics, Andreas underlined that a significant opportunity was emerging. One that required careful framing before it could be pursued. The SME segment shows **rising demand for accessible cyber solutions** that go beyond financial compensation after an attack. What these businesses seek is a low-threshold entry point into digital protection: specialized coverage paired with preventive support, monitoring, and recovery assistance. For Andreas and his team, this gap represents a strategic opening, therefore the challenge ahead is to define how LVM can translate this mismatch into a structured opportunity moving from a single product toward a coherent business field in SME cyber resilience.

LVM Xplore

To give structure to this ambition, Andreas referred to LVM's internal Xplore framework, the method the company uses to turn emerging opportunities into strategic options. Rather than prescribing a fixed path, the framework provides orientation: it encourages broad exploration before narrowing down to feasible directions. The process typically begins by defining overarching "**search fields**", areas of potential growth that align with LVM's strategic priorities and external market dynamics. These fields are then explored through a mix of internal insights and external perspectives, capturing ideas, trends, and potential business models. Only after this wide exploration are ideas filtered and prioritized based on their commercial relevance, feasibility, and strategic fit. The goal is not to determine solutions too early, but to create a structured space in which ideas can mature and be tested against multiple dimensions before moving toward concrete recommendations.

At its essence, a strategic search field is less about identifying a specific product and more about clarifying where and why LVM could credibly expand its role. It defines the underlying "**why**", "**who**", and "**what**" of a potential business field why it matters, who it serves, and what problem it addresses. In this sense, the Xplore logic is meant to guide thinking, not to limit it. It helps balance openness and focus, ensuring that new opportunities are examined from multiple angles and that stakeholders across the organization can align a shared understanding of which directions hold the greatest promise for LVM's long-term relevance. Andreas made clear that while the framework offers a useful orientation for structuring new business opportunities, it should be understood as a reference point rather than a prescription.

Paths to Capability

Furthermore, Andreas introduces the three steps that he needs, in order to give an informed recommendation to the board. He stresses the importance of thinking at a macro level and reminds the team that the objective is not to design a detailed product but to define a strategic direction.

The first step is a careful market analysis. The SME cyber risk market is expanding rapidly, driven by rising attack frequency, stricter regulation, and heightened awareness of reputational harm. The crucial question is not the overall market size, but what the new business field must adapt to in these conditions and what realistic share LVM could capture. Many of LVM's commercial customers remain underserved: they lack affordable, bundled solutions that combine coverage with practical support, and most cannot evaluate highly technical offers. The gap is clear: SMEs are asking for solutions that cover the full risk cycle: **preventive services** such as awareness training and vulnerability scans, **detection measures** to identify attacks early, **response support** through immediate expert intervention, and **recovery assistance** to restore systems and business continuity. Yet many competitors continue to offer complex, high-cost products that address only parts of this cycle. For LVM, the task is to identify which integrated bundle, combining financial coverage with value-adding services, would resonate most strongly with the SME market, align best with its existing customer base, and strengthen its competitive position by either separation or outperformance.

The second step requires analysing **dependencies and synergies**. LVM cannot enter this field without mobilising its network of independent agents, the backbone of its model. Yet independent agents are trained in traditional lines rather than cyber resilience and risk diluting their credibility if asked to promote overly technical solutions. In parallel, the IT architecture provides a digital distribution layer that could extend reach but may create channel conflicts if not aligned with independent agents. A dependency analysis must therefore determine whether LVM's existing sales structure can credibly sell and support such offerings and what training, tools, and organizational adjustments would be required to enable its agents to do so effectively. From there, attention turns to synergies, a decisive factor for evaluating the long-term potential of any chosen path. Strengthening customer retention within the existing SME base is a primary objective: by linking cyber offerings with current policies, LVM could deepen client relationships and increase policy density per customer. At the same time, the integration of cyber protection into established insurance lines such as liability, property, or accident could enhance the competitiveness of these products and drive overall portfolio growth. Beyond pure insurance, adding preventive and monitoring services would extend LVM's value chain, opening new sources of revenue and innovative business mechanisms that support the company's broader diversification strategy. In essence, the impact on customer loyalty, product growth, and value-chain expansion will be central to assessing how cyber can evolve from a product into a strategic business field.

The final step is to determine how capabilities should be built. LVM has three paths: to Make, Partner, or Buy. Each path carries distinct implications, and the board expects a reasoned evaluation across speed, integration with independent agents, credibility with SMEs, and long-term independence.

- **Make:** Building internally would maximise control and ensure brand ownership, but in this context, the question for LVM is not only whether it could build such competencies, but also which capabilities would be essential and under what organisational construct this could succeed. One possible direction, therefore, could be corporate venture building.
- **Partner:** Partnerships with existing cybersecurity firms allow fast entry and tested technology. White-label solutions or revenue-sharing models could deliver services such as awareness training or monitoring almost immediately. Yet dependency risks are high, as partners control essential parts of the customer journey, potentially diluting LVM's role. The success of this route depends on carefully structured agreements that preserve LVM's visibility.
- **Buy:** Acquiring or investing in a smaller cybersecurity player offers the fastest route to capability, securing in-house expertise, tools, and intellectual property. It would allow LVM to scale quickly and position itself credibly as a cyber provider. The risks are integration challenges, cultural mismatch, and financial exposure, especially given LVM's mutual structure and reliance on retained earnings. Still, the speed and credibility of this approach make it the most compelling in the current market environment.

As he closes, Andreas underscores the order of priorities. While each step builds on the previous one, the emphasis and thus the prioritization should rest on the final decision around capability building, since this will ultimately determine whether cyber remains a marginal add-on or evolves into a true business field. The analysis of dependencies and synergies provides essential context for this choice, while the market assessment offers only the scaffolding needed to ground the discussion. Although LVM has historically leaned toward acquisitions as a means of accelerating capability building, Andreas is careful to stress that this preference should not predetermine the outcome. Make and Partner remain viable elements of any solution, and the task is to examine them with the same discipline before drawing conclusions. What the board expects is not a fixed answer, but a structured and well-founded recommendation that demonstrates how LVM could realistically get from a product to a business field.

Appendix

Number of customers with insurance contracts by service line							
customer type	automobile insurance	property insurance	liability insurance	legal expenses insurance	accident insurance	aviation insurance	credit insurance
private customer	2.086.970	1.258.716	1.277.941	803.004	540.548	526.540	616.247
commercial customers	317.857	226.365	246.269	143.337	87.247	74.346	57.206
Total	2.404.827	1.485.081	1.524.210	946.341	627.795	600.886	673.453

Figure 3: Customer Distribution per Service Line of LVM

Overview market shares of the most important insurance companies (in €k)							
	motor insurance	property insurance	Accident insurance	Legal exp. Insurance	transport insurance	credit insurance	property & casualty
ALLIANZ VERS.-AG	4,930,166.00	4,162,072.00	1,169,679.00	609,000.00	199,928.00	-	12,462,991.00
ARAG SE	-	-	-	549,351.00	-	-	549,351.00
ROLAND RS VERS.-AG	-	-	-	517,265.00	-	-	517,265.00
ÖRAG RS	-	-	-	447,851.00	-	-	447,851.00
ERGO VERS. AG	867,750.00	1,168,749.00	559,493.00	428,269.00	184,410.00	13,194.00	3,736,896.00
ADVOCARD RS	-	-	-	305,950.00	-	-	305,950.00
HUK-COBURG RS	-	-	-	288,418.00	-	-	288,418.00
LVM SACH	1,691,195.00	1,018,270.00	242,690.00	221,439.00	16,980.00	291.00	3,493,281.00
DEVK RS	-	-	-	217,165.00	-	-	217,165.00
R+V ALLG.	1,307,266.00	2,033,552.00	445,976.00	207,263.00	4,810.00	110,685.00	5,441,797.00
ADAC VERSICHERUNG AG	-	-	53,768.00	195,885.00	151,965.00	-	748,575.00
WÜRTTEMBERG. VERS. AG	1,041,296.00	1,012,640.00	161,300.00	159,318.00	39,378.00	8,575.00	2,757,698.00
DEBEKA ALLG. VERS.	277,416.00	354,295.00	440,601.00	110,489.00	10,451.00	-	1,313,870.00
ZÜRICH INSURANCE EUROPE AG NL	496,131.00	1,001,070.00	165,070.00	81,262.00	51,959.00	26,166.00	2,350,917.00
GENERALI DEUT. VERS. AG	1,205,630.00	1,030,780.00	431,116.00	-	36,725.00	0.00	3,185,346.00
SIGNAL IDUNA ALLGEME	404,166.00	596,222.00	288,765.00	-	15,068.00	-	1,449,866.00
AXA VERS. AG	1,328,020.00	1,874,010.00	199,347.00	-	154,489.00	18,841.00	4,352,823.00
PROV. VERS. AG	929,916.00	1,946,705.00	175,144.00	-	21,318.00	6,093.00	3,407,961.00
KRAVAG-LOGISTIC	821,108.00	22.00	-	-	242,162.00	-	1,063,976.00
XL INSURANCE COMP.	-	-	-	-	152,318.00	-	524,872.00
HANSEMERKUR REISE	-	4,299.00	1,490.00	-	144,022.00	3,533.00	146,275.00
GOTHAER ALLG. VERS. AG	490,500.00	1,079,044.00	135,489.00	-	136,319.00	2,331.00	2,313,712.00
MANNHEIMER	94,950.00	206,759.00	14,390.00	-	104,673.00	-	459,261.00
EULER HERMES DEUT. NIEDERL.	-	-	-	-	-	95,432.00	613,314.00
ATRADIUS KREDITVERS.	-	-	-	-	-	50,975.00	290,454.00
COFACE NIEDERL. DEUTL.	-	-	-	-	-	48,469.00	148,338.00
VHV ALLG. VERS. AG	1,725,872.00	291,031.00	56,551.00	-	358.00	39,930.00	2,718,949.00
SWISS RE INTERN. SE NIEDERL.	-	255,672.00	-	-	69,187.00	27,556.00	428,798.00
VERS. KAMMER BAYERN	61,704.00	-	-	-	-	19,261.00	255,376.00
AIG EUROPE S.A. DIR DEUT.	29,322.00	263,292.00	10,385.00	-	67,250.00	19,086.00	652,262.00
HUK-COBURG ALLG.	2,534,649.00	294,359.00	37,144.00	-	-	-	2,972,999.00
SV SPARK. VERS. GEBÄU.	301,085.00	1,573,751.00	93,321.00	-	21,336.00	567.00	2,201,853.00
HUK-COBURG A.G.	1,517,984.00	482,100.00	43,197.00	-	-	-	2,132,897.00
HUK24 AG	1,354,642.00	98,031.00	6,529.00	20,405.00	-	-	1,516,091.00

Figure 4: Overview market shares insurance industry

Balance Sheet	
Assets	Amount 2024 (€) Mio. €
Intangible Assets	8,50
Investments	22.892,00
Assets at the risk and for the account of employees and employers	969,30
Investments at the risk and for the account of life insurance policy holders	580,50
Receivables from the insurance business	410,20
Other Receivables	25,80
Other Assets	425,00
TOTAL ASSETS	25.311,30
Liabilities	
Equity	3.545,20
insurance reserves	19.250,10
Pension fund provisions corresponding to assets at the risk and for the account of employees and employers	969,30
Technical provisions for unit-linked life insurance, where the investment risk is borne by the policy holders	580,50
Other Provisions	186,10
Deposits received from reinsurers	22,60
Liabilities from the insurance business	440,40
Other liabilities	317,00
TOTAL LIABILITIES AND EQUITY	25.311,30
Equity ratio:	
Equity in % of the earned contributions	76,2

Figure 5: Consolidated Balance Sheet of LVM

Cash Flow Statement	
	Amount 2024 (€)
	Mio. €
Net income for the period	241,20
Increase/decrease in technical provisions – net	745,17
Increase/decrease in deposit and clearing receivables	-24,03
Increase/decrease in deposit and clearing payables	5,61
Increase/decrease in other receivables	11,12
Increase/decrease in other liabilities	74,87
Changes in balance sheet items not attributable to investing or financing act	-844,71
Other non-cash expenses and income as well as adjustments to net income	41,50
Gains/losses from disposal of capital investments, tangible and intangible a	-17,42
Income tax expense/(income)	40,99
Income taxes paid	-135,13
Cash flow from operating activities	139,16
Proceeds from disposal of consolidated entities	-
Proceeds from disposal of tangible assets	2,96
Proceeds from disposal of intangible assets	-
Payments for acquisition of consolidated entities	-41,99
Payments for acquisition of tangible assets	-12,04
Payments for acquisition of intangible assets	-2,19
Proceeds from disposal of investments related to unit-linked life insurance	98,69
Payments for acquisition of investments related to unit-linked life insurance	-186,68
Cash flow from investing activities	-142,06
Cash flow from financing activities	-
Consolidation-related changes in the financial investment funds	-2,90
Consolidation-related changes in cash and cash equivalents	1,41
Cash and cash equivalents at beginning of period	14,46
Cash and cash equivalents at end of period	12,97

Figure 6: Consolidated Cash Flow Statement of LVM

Profit & Loss Statement		
	Amount 2024 (€)	
	Mio. €	
	Property and Casualty Insurance	Life and Health Insurance
Gross premiums written	3.493,69	1.401,84
Reinsurance premiums ceded	190,34	11,79
Change in unearned premiums	-39,21	-0,28
Contributions from provisions for premium	0,00	50,31
Income from interest/investments	8,36	422,15
Unrealised gains from investments	0,00	140,39
Other income	3,86	12,50
Expenses for insurance claims	2.243,37	1.068,12
Change in other provisions	-7,02	489,75
Expenses for premium refunds	1,72	148,75
Expenses for insurance operations	803,11	139,72
Expenses for investments	0,00	105,57
Unrealised losses from investments	0,00	6,17
Other underwriting expenses	20,24	6,83
Change in other provisions	-81,55	0,00
Underwriting result	133,40	50,22
Income from investments		329,16
Expenses for investments		168,98
Technical interest income		-8,36
Result from other financial services		0,63
Other income (non-underwriting)		40,49
Other expenses		94,41
Result from ordinary activities		290,94
Taxes		49,74
Group net profit for the year		241,20
Minority interests		-0,71
Allocations to revenue reserves		241,20
Retained earnings		0,00

Figure 7: Consolidated Profit & Loss Statement of LVM