PRESS RELEASE

The insurance industry is on the verge of seeing a surge in efficiency

End-to-end digital processes, innovative cloud strategies and digital ecosystems were the topics that dominated this year's inscom event (international insurance conference munich), an event hosted by IT company msg.

Munich, September 27, 2018 – Following a motto of "Beyond Insurance – How to Survive in a Digital World?", msg hosted its ninth biennial industry event in Munich on September 24 and 25, 2018. In his keynote, msg CEO Hans Zehetmaier ventured an exciting look at the future of the insurance industry, which included new cloud strategies, as well as the development of digital platforms and ecosystems, all of which will play an important role in the competition of tomorrow.

Amazon, Airbnb, Facebook and Uber – many of today's business models are already shaped by platforms and ecosystems. Even insurers need to take a close look at their existing business models, many of which are still based on manual processes, and develop new services as quickly as possible. Such was the tone at this year's inscom. Experts agree: insurance companies need to transition from being product providers to being service providers and need to adopt a much more networked way of thinking, one which integrates partners from within and outside the industry. After all, platforms and ecosystems will be playing a growing role for insurers as well.

msg introduces new iRe and CleverDrive cloud solutions
That is why industry specialist msg is focusing on cloud strategies as a driver for new architectures and IT processes. "The future is in the cloud. That is on account of networked and automated infrastructures being a key requirement for optimizing processes and resources, as well as bringing new, innovative products to market. Because ultimately, the digital customer will not consider an ecosystem to be relevant and want to use it until they see how it benefits them," explains msg CEO Hans Zehetmaier in his keynote.

That is also why the IT company has worked with SAP to develop a new solution for managing reinsurance. The iRe cloud platform is designed for primary insurers and can adjust processes through self-learning. As soon as the reinsurance program and contract parameters have been defined and the data prestructured, the system can independently process risks, premiums, claims and losses in real time and display them transparently. Reports, quarterly financial statements and

account statements can be automatically generated based on that data. In addition, reliable predictions about future risks and loss incidents can be made based on existing data.

Another new solution is the CleverDrive auto insurance product, which the company developed in collaboration with Swiss insurance company Mobiliar. This solution allows insurance rates to be individually adjusted based on driving behavior. A driving data recorder collects data on speed, acceleration or street type and enriches it with localization data. The customer can view their personal driving behavior in the app and can save up to 25% on their insurance premium by improving how they drive. The product is based on msg.IoTA, an Internet of Things analyzer, which compiles data from different Internet-capable devices and analyzes it.

"Digitalization has changed the framework of the insurance industry and forged new rules. Major players like Amazon and Google are looking at getting into the insurance market, while already benefiting from their existing ecosystems, thus challenging the entire insurance industry. The market power of the platform provider is growing. As a result, those who wish to continue shaping competition should focus on digital efficiency and digital excellence going forward," adds Hans Zehetmaier.

More information on the inscom industry event can be found on the inscom website at https://inscom.msg.group.

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msg is an independent, international group of companies with more than 7,000 employees around the world. The group of companies offers a holistic service spectrum of creative, strategic consulting and intelligent, sustainable and value-added IT solutions for the following industries: automotive, financial services, food, insurance, life science & healthcare, public sector, telecommunications, travel & logistics, as well as utilities, and has acquired an excellent reputation as an industry specialist during its more than 35 years in business. Within the group, independent companies cover the wide variety of industry and issue-based competence: msg systems ag forms the core of the company group and works in close cooperation with the subsidiaries, both on a business and organizational level. This allows the competence, experience and know-how of all the members to be bundled into a holistic solution portfolio with measurable added value for its customers.

msg holds seventh place in the ranking of IT consulting and system integration companies in Germany.

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