

Press release

Allianz expands Entertainment insurance to Asia with Singapore launch

- Allianz Global Corporate & Specialty SE has over 100 years of market leading experience in the entertainment insurance industry globally
- Entertainment insurance covers movie productions, television, cast injuries, concert tours and live events, amongst others
- Strong demand in Singapore driven by live events and concerts

Singapore - March 15, 2018 – Allianz Global Corporate & Specialty SE (AGCS) is rolling out the red carpet for its Entertainment insurance division in Asia with a launch in Singapore. With nearly half of the world’s movie production taking place in Asia and large-scale live events and music tours on the rise, Entertainment is an important growth sector in Asia as more organizers look for insurance solutions to protect their events and productions. Since integrating Allianz’s US subsidiary Fireman’s Fund in 2015, AGCS has been expanding its Entertainment division to support customers in new markets beyond North America. In Asia, the first phase of expansion includes Singapore, Hong Kong and China.

The Entertainment product line is the latest addition to a growing AGCS Asia book that contributed 6% to overall global premium volume of EUR 7.4 billion in 2017. Damian Kerin, Head of Entertainment Asia Pacific, will oversee this new division.

Mark Mitchell, Regional CEO AGCS Asia, said: “The film production and event industry is a thriving and fascinating business in Asia. Allianz has offered Entertainment solutions for decades in the US market and successfully expanded to Europe recently. Now we are targeting Asian markets with our expertise and market-leading solutions for film and events insurance. The Entertainment line is a good fit for our portfolio of offerings to clients, as we already offer complementary solutions which support the film and events industry such as cargo insurance for touring acts. We also see an increase in clients organizing events, commercials and advertising so our Entertainment product allows us to offer them a full set of solutions all under the AGCS brand, providing them with wide coverage, global reach and financial stability.”

A global leader in Entertainment insurance

As the leading player in the global [Entertainment insurance](#) sector with over 100 years’ experience, AGCS covers production and live event risks such as commercials and TV series, as well as international productions and cinema blockbusters, against loss of property damage to props, additional costs or liability claims. Almost every other major Hollywood blockbuster is insured by AGCS, including all 24 James Bond movies to date.

In the area of events, AGCS insures concerts, festivals, tours and sporting events, taking over the financial consequences of an event failure or liability claims. AGCS can also insure the cancellation of events due to emerging risks such as pandemics and terrorism. In addition to the reimbursement of damages, AGCS also advises event organizers on film and event risk management.

Growth opportunities in Asia

According to PWC, the Media and Entertainment sector is estimated to grow by an average of 5% per year globally till 2019¹. In particular, AGCS sees significant opportunities in Asia, which is estimated to beat the global average and grow by an average of 6% per year in the same period.

UNESCO² statistics see Asia dominating the film industry, accounting for nearly half of the world's movie production with 44% of movies produced in 2015. The 47 stage Ramoji Film City in Hyderabad, India, spans 1,666 acres and holds the Guinness World Record for being the largest film studio in the world. The live music segment is also thriving, as global brands like US dance festivals Ultra Music Festival and Electric Daisy Carnival, and UK festival Creamfields have expanded and made their debuts in Asia in recent years.

Increasing Chinese investment in Hollywood, a rise in the number of co-productions and local productions will raise demand for Entertainment insurance in the world's second largest movie market behind the US, accounting for 8% of movies produced. From 2005 to 2015, China's film production more than tripled, rising from 260 to 686 movies. On an international scale in 2017, China has invested over USD 5 billion in Hollywood. Dalian Wanda Group acquired US studio Legendary Pictures in 2016, making it the first Chinese firm to own a Hollywood studio. In the same year, Alibaba announced a partnership with Hollywood's top grossing director Steven Spielberg to produce, distribute and finance films both in China and globally.

Michael Furtschegger, Head of Entertainment International AGCS, commented: "We have seen a greater demand for Entertainment coverage from the region in recent years, with the increasing number of live events both locally and across Asia, as well as Chinese investment in Hollywood. AGCS will be looking to leverage on our strong reputation as a global player providing first class Entertainment insurance products and services to capitalize on these opportunities and gain a leading market share in Asia in the next three to five years."

AGCS has already seen early success for its Entertainment line in the region, having insured the production of "Bleeding Steel", a Jackie Chan film that was produced across various locations.

Live events fuel local demand

Demand for Entertainment insurance in Singapore is likely to be driven mainly by the live events sector. AGCS insures six of the top 10 North America music tours and five of the top 10 North America festivals, and will look to translate this expertise and experience to the local market.

The rising popularity of live music acts in Singapore presents opportunities for AGCS to grow its Entertainment division, having seen risk inquiries locally from as early as 2015. According to PWC³, total live music revenue in Singapore rose from USD 46 million in 2012 to USD 51 million in 2016, and is expected to reach USD 61 million in 2021, increasing at a rate of 3.4% CAGR over the period. The popularity of local music festivals in Singapore has seen global brands like Australia's St Jerome's Laneway Festival and Ultra Music Festival expand into Singapore.

¹ Global Entertainment and Media Outlook 2017 - 2021

² UNESCO Institute for Statistics, statistics on feature films, updated April 2017, <http://data.uis.unesco.org/>

³ PWC Global Entertainment and Media Outlook 2017 - 2021

Larger crowds are also prompting more organizers to seek coverage for their events. Not only are there more live events being held in Singapore, but a greater number of people are attending such events, leading to more complex and bigger risks. Notable local festivals like Zoukout, Baybeats and the Singapore leg of the Rugby Sevens World Series have seen crowd attendance between 40,000 and 60,000 participants.

Damian Kerin said: “Live events today can resemble movie sets with the amount of props and pyrotechnics utilized, and this is where the expertise we have in insuring films can translate to the live sector. Many of these artists, whether as part of their own tour, or as part of a festival, are also going to several locations all around the world, leading to greater risk exposure considerations as they vary from country to country. This complements AGCS’ core competency in international insurance programs, where our global office network, risk consulting expertise and large scale capacity differentiates us from our competitors.”

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About Allianz Global Corporate & Specialty SE

Allianz Global Corporate & Specialty SE (AGCS) is the Allianz Group's dedicated carrier for corporate and specialty insurance business. AGCS provides insurance and risk consultancy across the whole spectrum of specialty, alternative risk transfer and corporate business: Marine, Aviation (incl. Space), Energy, Engineering, Entertainment, Financial Lines (incl. D&O), Liability, Mid-Corporate and Property insurance (incl. International Insurance Programs).

Worldwide, AGCS operates with its own teams in 34 countries and through the Allianz Group network and partners in over 210 countries and territories, employing almost 4,700 people of 70 nationalities. AGCS provides insurance solutions to more than three quarters of the Fortune Global 500 companies, writing a total of €7.4 billion gross premium worldwide in 2017.

AGCS SE is rated AA by Standard & Poor's and A+ by A.M. Best.

For more information please visit www.agcs.allianz.com or follow us on Twitter [@AGCS Insurance](https://twitter.com/AGCS_Insurance) [LinkedIn](#) and [Google+](#). [#AllianzEnsuretainment](#)

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