

DFA1 form approved
By Board of the Bank of Lithuania
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ERGO Life Insurance SE

110707135, Geležinio Vilko 6A, 8 5 2683000, info@ergo.lt

**FINANCIAL STATEMENTS OF INSURANCE AND REINSURANCE
ACTIVITY**

2019.09.30

General Manager Bogdan Benczak

Chief accountant Jelena Panfilova

Chief actuary Dr. Gintaras Bakštys

Balance sheet

No.	Articles	Financial Year	
		1	2
1	INTANGIBLE NON-CURRENT ASSETS	908 914,00	869 214,00
2	Goodwill	0,00	0,00
3	Software	851 059,00	851 963,00
4	Other intangible non-current assets	57 855,00	17 251,00
5	INVESTMENTS	278 097 753,00	251 852 312,00
6	Land, buildings and other real estate	1 243 005,00	154 935,00
7	Occupied by insurance company for its own activities	1 088 070,00	0,00
8	Land	0,00	0,00
9	Buildings	0,00	0,00
10	Other	1 088 070,00	0,00
11	Investment property	154 935,00	154 935,00
12	Land	18 935,00	18 935,00
13	Buildings	136 000,00	136 000,00
14	Investments in subsidiaries and associates	5 300 151,00	4 677 870,00
15	Debt securities of subsidiaries and loans granted to subsidiaries	5 300 151,00	4 677 870,00
16	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
17	Shares issued by associated companies	0,00	0,00
18	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
19	Other financial investments	271 554 597,00	247 019 507,00
20	Shares, other variable interest securities and units of unit trust	26 188 800,00	27 229 327,00
21	Listed	19 544 393,00	20 576 040,00
22	Not listed	6 644 407,00	6 653 287,00
23	Debt and other fixed interest securities	239 210 215,00	213 138 002,00
24	Government, central bank and municipal securities	195 269 189,00	174 607 845,00
25	Securities issued by other business entities	43 941 026,00	38 530 157,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	6 155 582,00	6 002 247,00
28	Deposits in credit institution	0,00	0,00
29	Financial instruments derivatives	0,00	0,00
30	Other investments into real estate	0,00	649 931,00
31	Deposits at the reinsured	0,00	0,00
32	OTHER LIFE INSURANCE INVESTMENTS	49 176 152,00	40 500 617,00
33	Life insurance investments with investments risk taken by the insured	29 426 790,00	23 210 828,00
34	Investments for unit linked life insurance	19 749 362,00	17 289 789,00
35	Professional pension accumulation investment	0,00	
36	REINSURANCE ASSETS	150 973,00	149 133,00

37	Provision for unearned premiums	0,00	0,00
38	Outstanding claims technical provision	150 973,00	149 133,00
39	Life insurance mathematical technical provision	0,00	0,00
40	Technical provision for rebates	0,00	0,00
41	Other technical provision	0,00	0,00
42	ACCOUNTS RECEIVABLE	8 681 854,00	10 035 148,00
43	Amounts receivable from insurance activities	8 399 375,00	9 414 015,00
44	The insured	8 399 378,00	9 413 983,00
45	Intermediaries	(3,00)	32,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	1 444,00	66 872,00
48	The reinsured	0,00	0,00
49	Reinsurers	1 444,00	66 872,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	281 035,00	554 261,00
53	OTHER ASSETS	9 179 114,00	7 058 036,00
54	Tangible assets and inventories	504 453,00	304 037,00
55	Motor vehicles	113 337,00	51 771,00
56	Office and other equipment	189 501,00	92 381,00
57	Inventories	844,00	2 000,00
58	Prepayments	112 184,00	57 127,00
59	Deferred profit tax assets	88 587,00	100 758,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	8 674 661,00	6 753 999,00
62	Other assets	0,00	0,00
63	ACCRUED INCOME AND DEFERRED COSTS	5 653 287,00	5 838 189,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	5 414 362,00	5 646 084,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	238 925,00	192 105,00
68	TOTAL ASSETS	351 848 047,00	316 302 649,00
69	CAPITAL AND RESERVES	83 020 754,00	60 366 490,00
70	Share capital	4 380 213,00	4 380 213,00
71	Share premium (surplus of nominal value)	15 129 289,00	15 129 289,00
72	Own shares (-)	0,00	0,00
73	Revaluation reserve	45 182 738,00	23 603 596,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	45 182 738,00	23 603 596,00
77	Reserves	740 211,00	740 211,00

78	Mandatory reserve	450 591,00	450 591,00
79	Other reserves	289 620,00	289 620,00
80	Profit (loss) to be carried forward from previous year(+/-)	13 013 792,00	13 812 500,00
81	Retained earnings (losses) of the current year (+/-)	4 574 511,00	2 700 681,00
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	260 066 704,00	248 558 479,00
85	For insurance liabilities	240 317 342,00	231 268 690,00
86	Provision for unearned premiums	11 918 767,00	12 468 671,00
87	Outstanding claims technical provision	6 428 292,00	5 626 986,00
88	Life insurance mathematical technical provision	189 959 504,00	187 311 156,00
89	Technical provision for rebates	2 494 804,00	2 651 049,00
90	Other technical provision	89 185,00	0,00
91	Technical provision for life insurance with the investment risk borne by the insured	29 426 790,00	23 210 828,00
92	Other technical provision for insurance liabilities	0,00	0,00
93	For financial liabilities	19 749 362,00	17 289 789,00
94	Technical provision for financial liabilities, where the investment risk borne by the insured	19 749 362,00	17 289 789,00
95	Technical provision for professional pension accumulation activities	0,00	0,00
96	Technical provision for pension accumulation activities	0,00	0,00
97	Technical provision for other financial liabilities	0,00	0,00
98	PROVISIONS	0,00	0,00
99	Provision for pensions and similar liabilities	0,00	0,00
100	Provision for taxation	0,00	0,00
101	Other provision	0,00	0,00
102	DEPOSITS OF REINSURERS	0,00	0,00
103	LIABILITIES	8 760 589,00	7 377 680,00
104	Liabilities from insurance activities	3 885 704,00	4 148 569,00
105	Liabilities to the insured	3 076 683,00	3 209 526,00
106	Liabilities to intermediaries	809 021,00	939 043,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	378 050,00	286 159,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	378 050,00	286 159,00
111	Liabilities to intermediaries	0,00	0,00
112	Other liabilities from inward and outward reinsurance activities	0,00	0,00
113	Issued debt securities converted debts to be specified separately	0,00	0,00
114	Debts to credit institutions	0,00	0,00
115	Financial instruments derivatives	0,00	0,00
116	Taxes, social security and other liabilities	4 496 835,00	2 942 952,00
117	Taxes	535 961,00	498 663,00

118	Compulsory social security contributions	69 427,00	15 424,00
119	Salaries	155 305,00	53 914,00
120	Other liabilities	3 736 142,00	2 374 951,00
121	ACCRUED COSTS AND DEFERRED INCOME	0,00	0,00
122	Accrued costs	0,00	0,00
123	Deferred income	0,00	0,00
124	TOTAL EQUITY AND LIABILITIES	351 848 047,00	316 302 649,00

Income statement and statement of comprehensive income

No.	Articles	Financial Year	Previous financial Year
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	52 758 242,61	47 713 607,02
2	Gross premium written	52 881 476,61	48 216 993,02
3	Outward premiums (-)	-673 138,00	-788 552,00
4	Change in technical provision for premiums unearned (-/+)	549 904,00	285 166,00
5	Change in the reinsurers' share in technical provision for premiums unearned (-/+)	0,00	0,00
6	Income of contract management (fee and commission income)	415 968,00	1 424 191,65
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	-37 304 795,61	-29 940 950,00
8	Claim paid (-)	-30 216 935,61	-27 018 564,00
9	Redeemable amounts (-)	-5 005 506,00	-3 277 708,00
10	Claims settlement expenses (-)	-1 364 692,00	-1 192 046,00
11	Amounts recovered (+)	2 948,00	297,00
12	Reinsurers' share (+)	78 856,00	66 953,00
13	Change in the technical provision for claims outstanding (-/+)	-801 306,00	1 480 635,00
14	Reinsurers' share (+)	1 840,00	-517,00
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	156 245,00	266 560,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-2 648 348,00	-5 595 952,00
17	Change in technical provision for rebates (-/+)	-89 185,00	30 630,00
18	Reinsurers' share (+)	-6 215 962,00	-1 142 180,61
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-2 366 592,00	-850 368,06
20	Change in technical provision for financial liabilities, where the investment risk borne by the insured (+/-)	0,00	0,00
21	Change in other technical provision for insurance liabilities (+/-)	0,00	0,00
22	NET OPERATING EXPENSES (-)	-11 371 034,00	-11 722 704,00
23	Acquisition costs (-)	-7 793 525,00	-7 752 208,00
24	Change in deferred acquisition costs (-/+)	-231 722,00	-1 045 183,00
25	Administrative expenses (-)	-3 405 172,00	-2 988 425,00
26	Reinsurance commissions and reinsurers' profit share (+)	59 385,00	63 112,00

27	INVESTING INCOME	6 841 938,00	4 870 695,00
28	Income from participating in other companies	2 000 000,00	400 000,00
29	Income from land and buildings	9 406,00	9 220,00
30	Income from other investments	4 144 880,00	4 086 190,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	687 652,00	375 285,00
33	INVESTMENTS EXPENSES (-)	-1 024 007,00	-715 949,00
34	Investment management expenses including interest (-)	-335 565,00	-370 487,00
35	Costs related to participation in other companies activity and other investments (-)	0,00	0,00
36	Loss due to decrease in value (-)	0,00	0,00
37	Loss on transfer of investments (-)	-688 442,00	-345 462,00
38	LOSS FROM OTHER INVESTMENT OF LIFE INSURANCE (-)	5 226 459,00	0,00
39	Profit from investment when the investment risk borne by the insured	5 226 459,00	0,00
40	Profit from professional pension accumulation investment	0,00	0,00
41	OTHER INCOME	505 176,00	379 016,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	99 110,00	124 668,00
44	Other income (+)	406 066,00	254 348,00
45	OTHER EXPENSES (-)	-272 756,00	-313 188,00
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-104 706,00	-165 512,00
48	Other expenses (-)	-168 050,00	-147 676,00
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	4 611 349,00	4 403 408,00
50	PROFIT TAX (-)	-36 838,00	-75 901,00
51	Income tax expense for the reporting year	-24 667,00	-33 241,00
52	Deferred income tax expense (income)	-12 171,00	-42 660,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	4 574 511,00	4 327 507,00
54	Statement of comprehensive income	22 173 162,00	-2 722 594,00
55	Change in the value of available-for-sale financial assets	22 173 162,00	-2 722 594,00
56	From cash flow hedges	0,00	0,00
57	Revaluation of assets	0,00	0,00
58	Actuarial gains (losses) of defined benefit pension plans	0,00	0,00
59	Other comprehensive income	0,00	0,00
60	PROFIT TAX FROM OTHER COMPREHENSIVE INCOME (-)	0,00	0,00
61	OTHER COMPREHENSIVE INCOME, MINUS PROFIT TAX	22 173 162,00	-2 722 594,00
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	26 747 673,00	1 604 913,00

Cash flows statement

No.	Articles	Financial Year	
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-	5 580 491,00	8 655 445,00
2	Insurance and inward reinsurance premiums received	56 664 127,00	55 025 342,00
3	Insurance premiums	56 664 127,00	55 025 342,00
4	Inward reinsurance premiums	0,00	0,00
5	Component of deposit	0,00	0,00
6	Coinsurance premiums	0,00	0,00
7	Share of insurance undertakings in coinsurance premiums received	0,00	0,00
8	Share in coinsurance premiums received of other insurance undertakings involved in coinsurance operations	0,00	0,00
9	Amounts paid to other insurance undertakings involved in coinsurance operations (-)	0,00	0,00
10	Amounts received from other insurance undertakings involved in coinsurance operations	0,00	0,00
11	Outward reinsurance premiums (-)	0,00	0,00
12	Proportional outward reinsurance premiums (-)	0,00	0,00
13	Non-proportional outward reinsurance premiums (-)	0,00	0,00
14	Amounts paid under insurance and reinsurance contracts (-)	-36 350 964,00	-31 858 073,00
15	Rebates upon cancellation of contracts (-)	-9 149,00	-16 399,00
16	Insurance (-)	-9 149,00	-16 399,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-26 081 398,00	-21 144 970,00
19	Insurance (-)	-26 159 912,00	-21 194 490,00
20	Reinsurance (-)	78 514,00	49 520,00
21	Amounts recovered by way of subrogation and salvage (+)	2 948,00	3 806,00
22	Insurance (+)	2 948,00	3 806,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-10 228 096,00	-10 678 683,00
25	Insurance (-)	-10 228 096,00	-10 678 683,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-12 394,00	-9 894,00
28	Insurance (-)	-12 394,00	-9 894,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-23 217,00	-11 934,00
31	Amounts paid for other financial liabilities (-)	342,00	0,00
32	Other amounts transferred to reinsurers (-)	-507 843,00	-577 119,00
33	Other amounts received from reinsurers	97 946,00	40 720,00
34	Other amounts transferred to the reinsured (-)	0,00	0,00
35	Other amounts received from the reinsured	0,00	0,00

36	Operating expenses paid (-)	-11 459 852,00	-12 532 056,00
37	Taxes on ordinary activities paid (-)	-3 403 889,00	-1 812 799,00
38	Amounts received from other operating activities	545 137,00	394 505,00
39	Amounts paid on other operating activities (-)	-4 171,00	-25 074,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	-158 070,00	-6 319 038,00
41	Amounts received from investing activities	6 941 618,00	5 846 229,00
42	Subsidiaries and associated companies	2 026 451,00	0,00
43	Shares, other variable-yield securities and income units in unit trusts	416 909,00	730 259,00
44	Debt and other fixed-interest securities	4 487 476,00	4 900 182,00
45	Land	0,00	0,00
46	Buildings	10 584,00	10 479,00
47	Loans secured with mortgages	0,00	0,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	0,00	205 051,00
50	Deposits with credit institutions	198,00	258,00
51	Other investments	0,00	0,00
52	Amounts received on maturity or realization of investments	15 951 908,00	9 926 514,00
53	Subsidiaries and associates	0,00	0,00
54	Shares, other variable-yield securities and units in unit trusts	6 698 900,00	4 553 291,00
55	Debt securities and other fixed-interest securities	9 253 008,00	5 371 974,00
56	Land	0,00	0,00
57	Buildings	0,00	0,00
58	Loans secured with mortgages	0,00	0,00
59	Other secured loans	0,00	0,00
60	Unsecured loans	0,00	1 248,00
61	Deposits with credit institutions	0,00	0,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-22 916 904,00	-21 963 673,00
64	Subsidiaries and associates (-)	-181 453,00	-399 865,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-16 274 024,00	-17 091 558,00
66	Debt securities and other fixed-interest securities (-)	-6 235 929,00	-4 388 543,00
67	Land (-)	0,00	0,00
68	Buildings (-)	0,00	0,00
69	Loans secured with mortgages (-)	0,00	0,00
70	Other secured loans (-)	0,00	0,00
71	Unsecured loans (-)	0,00	0,00
72	Deposits with credit institutions (-)	0,00	0,00
73	Other investments (-)	-225 498,00	-83 707,00
74	Taxes paid on investing activities (-)	-117 968,00	-124 247,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	-16 724,00	-3 861,00

77	CASH FLOWS FROM FINANCING ACTIVITIES +/-(-)	-3 501 759,00	-3 501 238,00
78	Amounts received on issue of ordinary and preference shares	0,00	0,00
79	Amounts paid on purchase of own shares (-)	0,00	0,00
80	Amounts received on issue of debt securities	0,00	0,00
81	Amounts paid on redemption of debt securities (-)	0,00	0,00
82	Loans received	0,00	0,00
83	Loans repaid (-)	0,00	0,00
84	Dividends paid (-)	-3 500 000,00	-3 500 000,00
85	Taxes paid on financing activities (-)	0,00	0,00
86	Amounts generated from other financing activities	0,00	0,00
87	Amounts paid on other financing activities (-)	-1 759,00	-1 238,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	1 920 662,00	-1 164 831,00
90	CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD	6 753 999,00	9 020 013,00
91	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8 674 661,00	7 855 182,00