

DFA1 form approved
By Board of the Bank of Lithuania
2015 November 12 Resolution No. 03-174

ERGO Life Insurance SE

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**FINANCIAL STATEMENTS OF INSURANCE AND REINSURANCE
ACTIVITY**

2016.06.30

General Manager Dr. Kęstutis Bagdonavičius

Chief accountant Jūratė Muckienė

Chief actuary Dr. Gintaras Bakštys

Balance sheet

No.	Articles	Financial Year	
		1	2
1	INTANGIBLE NON-CURRENT ASSETS	1 310 276,00	1 416 122,00
2	Goodwill	0,00	0,00
3	Software	1 075 659,00	1 145 719,00
4	Other intangible non-current assets	234 617,00	270 403,00
5	INVESTMENTS	254 838 342,00	239 085 219,00
6	Land, buildings and other real estate	229 844,00	229 844,00
7	Occupied by insurance company for its own activities	0,00	0,00
8	Land	0,00	0,00
9	Buildings	0,00	0,00
10	Other	0,00	0,00
11	Investment property	229 844,00	229 844,00
12	Land	18 934,00	18 935,00
13	Buildings	210 910,00	210 909,00
14	Investments in subsidiaries and associates	6 268 540,00	2 190 372,00
15	Debt securities of subsidiaries and loans granted to subsidiaries	927 870,00	927 870,00
16	Debt securities issued by associated companies and loans granted to associated companies	660 601,00	650 959,00
17	Shares issued by associated companies	4 680 069,00	611 543,00
18	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
19	Other financial investments	248 339 958,00	236 665 003,00
20	Shares, other variable interest securities and units of unit trust	19 140 001,00	25 514 988,00
21	Listed	18 201 607,00	24 629 535,00
22	Not listed	938 394,00	885 453,00
23	Debt and other fixed interest securities	229 172 655,00	211 069 163,00
24	Government, central bank and municipal securities	189 768 950,00	184 690 014,00
25	Securities issued by other business entities	39 403 705,00	26 379 149,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	0,00	0,00
28	Deposits in credit institution	27 302,00	32 398,00
29	Financial instruments derivatives	0,00	0,00
30	Other investments into real estate	0,00	48 454,00
31	Deposits at the reinsured	0,00	0,00
32	OTHER LIFE INSURANCE INVESTMENTS	21 597 157,00	20 099 895,00
33	Life insurance investments with investments risk taken by the insured	21 597 157,00	20 099 895,00
34	Investments for unit linked life insurance	0,00	0,00
35	Professional pension accumulation investment	0,00	0,00
36	REINSURANCE ASSETS	156 115,00	191 452,00

37	Provision for unearned premiums	1 748,00	1 163,00
38	Outstanding claims technical provision	151 250,00	188 892,00
39	Life insurance mathematical technical provision	2 760,00	1 045,00
40	Technical provision for rebates	357,00	352,00
41	Other technical provision	0,00	0,00
42	ACCOUNTS RECEIVABLE	8 475 259,00	9 527 155,00
43	Amounts receivable from insurance activities	7 753 357,00	8 778 471,00
44	The insured	7 732 194,00	8 778 361,00
45	Intermediaries	21 163,00	110,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	1 447,00	279 141,00
48	The reinsured	0,00	0,00
49	Reinsurers	1 447,00	279 141,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	720 455,00	469 543,00
53	OTHER ASSETS	9 098 797,00	6 610 925,00
54	Tangible assets and inventories	424 351,00	419 286,00
55	Motor vehicles	139 882,00	168 075,00
56	Office and other equipment	167 165,00	198 027,00
57	Inventories	20 093,00	12 196,00
58	Prepayments	97 211,00	40 988,00
59	Deferred profit tax assets	0,00	0,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	8 217 515,00	5 946 530,00
62	Other assets	456 931,00	245 109,00
63	ACCRUED INCOME AND DEFERRED COSTS	8 419 114,00	8 239 791,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	8 357 401,00	8 128 828,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	61 713,00	110 963,00
68	TOTAL ASSETS	303 895 060,00	285 170 559,00
69	CAPITAL AND RESERVES	73 833 722,00	60 073 537,00
70	Share capital	4 380 213,00	4 380 213,00
71	Share premium (surplus of nominal value)	15 129 290,00	15 129 290,00
72	Own shares (-)	0,00	0,00
73	Revaluation reserve	38 900 827,00	26 783 496,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	38 900 827,00	26 783 496,00
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(+/-)	13 040 327,00	16 418 547,00
81	Retained earnings (losses) of the current year (+/-)	1 642 854,00	(3 378 220,00)
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	224 665 458,00	218 021 065,00
85	For insurance liabilities	224 665 458,00	218 021 065,00
86	Provision for unearned premiums	9 832 600,00	10 782 451,00
87	Outstanding claims technical provision	3 036 277,00	4 741 600,00
88	Life insurance mathematical technical provision	186 467 575,00	178 455 996,00
89	Technical provision for rebates	3 731 849,00	3 941 123,00
90	Other technical provision	0,00	0,00
91	Technical provision for life insurance with the investment risk borne by the insured	21 597 157,00	20 099 895,00
92	Other technical provision for insurance liabilities	0,00	0,00
93	For financial liabilities	0,00	0,00
94	Technical provision for financial liabilities, where the investment risk borne by the insured	0,00	0,00
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	5 395 880,00	7 075 957,00
104	Liabilities from insurance activities	3 134 127,00	4 011 787,00
105	Liabilities to the insured	2 500 668,00	3 260 882,00
106	Liabilities to intermediaries	633 459,00	750 905,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	281 976,00	4 785,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	281 976,00	4 785,00
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	1 979 777,00	3 059 385,00
117	Taxes	211 835,00	689 873,00

118	Compulsory social security contributions	86 200,00	90 765,00
119	Salaries	84 103,00	75 387,00
120	Other liabilities	1 597 639,00	2 203 360,00
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	303 895 060,00	285 170 559,00

Income statement and statement of comprehensive income

No.	Articles	Financial Year	
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	29 508 065,00	30 220 055,00
2	Gross premium written	28 892 195,00	29 966 033,00
3	Outward premiums (-)	-334 566,00	(551 548,00)
4	Change in technical provision for premiums unearned (-/+)	949 851,00	838 922,00
5	Change in the reinsurers' share in technical provision for premiums unearned (-/+)	585,00	(33 352,00)
6	Income of contract management (fee and commission income)	1 559 947,00	0,00
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	(17 369 790,00)	(17 464 880,00)
8	Claim paid (-)	-16 752 775,00	(14 043 361,00)
9	Redeemable amounts (-)	-1 661 986,00	(2 448 286,00)
10	Claims settlement expenses (-)	-670 155,00	(614 438,00)
11	Amounts recovered (+)	12 573,00	191,00
12	Reinsurers' share (+)	35 873,00	238 398,00
13	Change in the technical provision for claims outstanding (-/+)	1 704 322,00	(554 799,00)
14	Reinsurers' share (+)	-37 642,00	(42 585,00)
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	209 269,00	333 246,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-8 009 864,00	(597 384,00)
17	Change in technical provision for rebates (-/+)	0,00	0,00
18	Reinsurers' share (+)	-125 661,00	(13 700 871,00)
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-1 371 600,00	0,00
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 (-)	(6 315 201,00)	(6 835 753,00)
23	Acquisition costs (-)	-5 084 709,00	(5 231 843,00)
24	Change in deferred acquisition costs (-/+)	228 573,00	(54 070,00)
25	Administrative expenses (-)	-1 501 121,00	(1 637 150,00)
26	Reinsurance commissions and reinsurers' profit share (+)	42 056,00	87 310,00

27	INVESTING INCOME	5 084 898,00	5 088 086,00
28	Income from participating in other companies	86 800,00	0,00
29	Income from land and buildings	6 305,00	6 346,00
30	Income from other investments	3 114 442,00	4 442 577,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	1 877 351,00	639 163,00
33	INVESTMENTS EXPENSES (-)	(1 419 997,00)	(287 168,00)
34	Investment management expenses including interest (-)	-222 303,00	(196 141,00)
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 (-)	-1 197 694,00	(91 027,00)
38	LOSS FROM OTHER INVESTMENT OF LIFE INSURANCE (-)	0,00	1 151 046,00
39	Profit from investment when the investment risk borne by the insured	0,00	1 151 046,00
40	Profit from professional pension accumulation investment	0,00	0,00
41	OTHER INCOME	84 458,00	544 714,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	78 124,00	176 613,00
44	Other income (+)	6 334,00	368 101,00
45	OTHER EXPENSES (-)	(403 493,00)	(131 230,00)
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-156 399,00	(75 677,00)
48	Other expenses (-)	-247 094,00	(55 553,00)
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	1 431 031,00	(1 680 139,00)
50	PROFIT TAX (-)	211 823,00	73 092,00
51	Income tax expense for the reporting year	0,00	(40 454,00)
52	Deferred income tax expense (income)	211 823,00	113 546,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	1 642 854,00	(1 566 593,00)
54	Statement of comprehensive income	12 686 688,00	0,00
55	Change in the value of available-for-sale financial assets	12 686 688,00	0,00
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	12 686 688,00	0,00
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	14 329 542,00	-1 566 593,00

Cash flows statement

No.	Articles	Financial Year	
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-	4 238 618,00	5 381 720,00
2	Insurance and inward reinsurance premiums received	31 343 501,00	29 005 666,00
3	Insurance premiums	31 343 501,00	29 067 468,00
4	Inward reinsurance premiums	0,00	-61 802,00
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	-808,00
12	Proportional outward reinsurance premiums (-)	0,00	0,00
13	Non-proportional outward reinsurance premiums (-)	0,00	-808,00
14	Amounts paid under insurance and reinsurance contracts (-)	-18 854 464,00	-15 874 862,00
15	Rebates upon cancellation of contracts (-)	-15 087,00	-7 197,00
16	Insurance (-)	-15 087,00	-7 197,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-12 156 097,00	-10 328 586,00
19	Insurance (-)	-12 175 012,00	-10 393 435,00
20	Reinsurance (-)	18 915,00	64 849,00
21	Amounts recovered by way of subrogation and salvage (+)	11 017,00	191,00
22	Insurance (+)	11 017,00	191,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-6 665 550,00	-5 505 564,00
25	Insurance (-)	-6 665 550,00	-5 505 564,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-9 571,00	-5 295,00
28	Insurance (-)	-9 571,00	-5 295,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-20 814,00	-41 922,00
31	Amounts paid for other financial liabilities (-)	1 638,00	13 511,00
32	Other amounts transferred to reinsurers (-)	0,00	-80 355,00
33	Other amounts received from reinsurers	239 052,00	12 317,00
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 (-)	-7 508 319,00	-6 826 097,00
37	Taxes on ordinary activities paid (-)	-1 111 875,00	-1 017 159,00
38	Amounts received from other operating activities	141 700,00	163 056,00
39	Amounts paid on other operating activities (-)	-10 977,00	-38,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	-1 418 709,00	-5 493 771,00
41	Amounts received from investing activities	5 966 390,00	5 295 965,00
42	Subsidiaries and associated companies	86 800,00	811 727,00
43	Shares, other variable-yield securities and income units in unit trusts	2 416 039,00	1 033 024,00
44	Debt and other fixed-interest securities	3 459 099,00	3 323 582,00
45	Land	0,00	0,00
46	Buildings	2 161,00	3 613,00
47	Loans secured with mortgages	0,00	0,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	1 116,00	8 261,00
50	Deposits with credit institutions	202,00	110,00
51	Other investments	973,00	115 648,00
52	Amounts received on maturity or realization of investments	42 744 546,00	8 763 031,00
53	Subsidiaries and associates	-493 974,00	0,00
54	Shares, other variable-yield securities and units in unit trusts	4 446 339,00	2 508 273,00
55	Debt securities and other fixed-interest securities	38 781 287,00	6 238 213,00
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	10 894,00	12 945,00
61	Deposits with credit institutions	0,00	3 600,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-50 059 368,00	-19 636 383,00
64	Subsidiaries and associates (-)	-4 039 067,00	0,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-11 551 262,00	-8 219 575,00
66	Debt securities and other fixed-interest securities (-)	-34 412 359,00	-11 251 890,00
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 (-)	-5 760,00	-6 356,00
72	Deposits with credit institutions (-)	0,00	0,00
73	Other investments (-)	-50 920,00	-158 562,00
74	Taxes paid on investing activities (-)	-35 299,00	62 473,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	-34 978,00	21 143,00

77	CASH FLOWS FROM FINANCING ACTIVITIES +/-	-548 926,00	-1 396 261,00
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 (-)	-550 000,00	-1 400 000,00
85	Taxes paid on financing activities (-)	0,00	0,00
86	Amounts generated from other financing activities	0,00	3 739,00
87	Amounts paid on other financing activities (-)	1 074,00	0,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	2 270 983,00	-1 508 312,00
90	CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD	5 946 532,00	6 252 917,00
91	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	8 217 515,00	4 744 605,00