

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

**ERGO Life Insurance SE**

110707135, Geležinio Vilko 6A, 8 5 2683000, [info@ergo.lt](mailto:info@ergo.lt)

**FINANCIAL STATEMENTS OF INSURANCE AND REINSURANCE  
ACTIVITY**

2016.09.30

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	1 277 097,00	1 416 122,00
2	Goodwill	0,00	0,00
3	Software	1 071 982,00	1 145 719,00
4	Other intangible non-current assets	205 115,00	270 403,00
5	INVESTMENTS	263 697 469,00	239 085 219,00
6	Land, buildings and other real estate	229 845,00	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	229 845,00	229 844,00
12	Land	18 935,00	18 935,00
13	Buildings	210 910,00	210 909,00
14	Investments in subsidiaries and associates	6 273 441,00	2 190 372,00
15	Debt securities of subsidiaries and loans granted to subsidiaries	4 677 870,00	927 870,00
16	Debt securities issued by associated companies and loans granted to associated companies	665 502,00	650 959,00
17	Shares issued by associated companies	930 069,00	611 543,00
18	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
19	Other financial investments	257 194 183,00	236 665 003,00
20	Shares, other variable interest securities and units of unit trust	22 413 390,00	25 514 988,00
21	Listed	18 248 559,00	24 629 535,00
22	Not listed	4 164 831,00	885 453,00
23	Debt and other fixed interest securities	234 756 953,00	211 069 163,00
24	Government, central bank and municipal securities	195 772 327,00	184 690 014,00
25	Securities issued by other business entities	38 984 626,00	26 379 149,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	23 840,00	0,00
28	Deposits in credit institution	0,00	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	23 411 039,00	20 099 895,00
33	Life insurance investments with investments risk taken by the insured	23 411 039,00	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	153 601,00	191 452,00

37	Provision for unearned premiums	3 033,00	1 163,00
38	Outstanding claims technical provision	149 139,00	188 892,00
39	Life insurance mathematical technical provision	1 069,00	1 045,00
40	Technical provision for rebates	360,00	352,00
41	Other technical provision	0,00	0,00
42	ACCOUNTS RECEIVABLE	8 498 222,00	9 527 155,00
43	Amounts receivable from insurance activities	7 786 445,00	8 778 471,00
44	The insured	7 785 936,00	8 778 361,00
45	Intermediaries	509,00	110,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	1 718,00	279 141,00
48	The reinsured	0,00	0,00
49	Reinsurers	1 718,00	279 141,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	710 059,00	469 543,00
53	OTHER ASSETS	8 114 579,00	6 610 925,00
54	Tangible assets and inventories	943 259,00	664 395,00
55	Motor vehicles	144 720,00	168 075,00
56	Office and other equipment	214 012,00	198 027,00
57	Inventories	19 819,00	12 196,00
58	Prepayments	107 777,00	40 988,00
59	Deferred profit tax assets	456 931,00	245 109,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	7 171 320,00	5 946 530,00
62	Other assets	0,00	0,00
63	ACCRUED INCOME AND DEFERRED COSTS	7 535 003,00	8 239 791,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	7 469 603,00	8 128 828,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	65 400,00	110 963,00
68	TOTAL ASSETS	312 687 010,00	285 170 559,00
69	CAPITAL AND RESERVES	76 209 245,00	60 201 993,00
70	Share capital	4 380 213,00	4 380 213,00
71	Share premium (surplus of nominal value)	15 129 289,00	15 129 290,00
72	Own shares (-)	0,00	0,00
73	Revaluation reserve	41 845 199,00	26 783 496,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	41 845 199,00	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(+/-)	12 618 783,00	16 547 003,00
81	Retained earnings (losses) of the current year (+/-)	1 495 550,00	(3 378 220,00)
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	230 645 189,00	218 021 065,00
85	For insurance liabilities	230 645 189,00	218 021 065,00
86	Provision for unearned premiums	9 972 229,00	10 782 451,00
87	Outstanding claims technical provision	3 125 360,00	4 741 600,00
88	Life insurance mathematical technical provision	190 392 388,00	178 455 996,00
89	Technical provision for rebates	3 744 173,00	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	23 411 039,00	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	5 832 576,00	6 947 501,00
104	Liabilities from insurance activities	3 321 449,00	4 011 787,00
105	Liabilities to the insured	2 584 572,00	3 260 882,00
106	Liabilities to intermediaries	736 877,00	750 905,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	433 943,00	4 785,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	433 943,00	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	2 077 184,00	2 930 929,00
117	Taxes	138 729,00	561 417,00

118	Compulsory social security contributions	83 041,00	90 765,00
119	Salaries	88 841,00	75 387,00
120	Other liabilities	1 766 573,00	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	312 687 010,00	285 170 559,00

## Income statement and statement of comprehensive income

No.	Articles	Financial Year	
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	45 107 921,00	45 120 882,00
2	Gross premium written	44 805 395,00	44 857 894,00
3	Outward premiums (-)	-509 567,00	-857 832,00
4	Change in technical provision for premiums unearned (-/+)	810 222,00	1 172 897,00
5	Change in the reinsurers' share in technical provision for premiums unearned (-/+)	1 871,00	-52 077,00
6	Income of contract management (fee and commission income)	2 384 410,00	0,00
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	(25 591 506,00)	(25 675 668,00)
8	Claim paid (-)	-23 590 861,00	-20 793 249,00
9	Redeemable amounts (-)	-2 498 041,00	-3 535 239,00
10	Claims settlement expenses (-)	-1 004 163,00	-912 951,00
11	Amounts recovered (+)	2 873,00	295,00
12	Reinsurers' share (+)	37 981,00	75 897,00
13	Change in the technical provision for claims outstanding (-/+)	1 500 459,00	-488 113,00
14	Reinsurers' share (+)	-39 754,00	-22 308,00
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	196 950,00	192 690,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-11 936 368,00	-16 266 069,00
17	Change in technical provision for rebates (-/+)	0,00	0,00
18	Reinsurers' share (+)	-1 023 280,00	-1 817 255,00
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-2 278 010,00	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 (-)	(10 477 208,00)	(10 331 739,00)
23	Acquisition costs (-)	-7 625 314,00	-7 839 154,00
24	Change in deferred acquisition costs (-/+)	-659 223,00	-240 128,00
25	Administrative expenses (-)	-2 255 923,00	-2 388 654,00
26	Reinsurance commissions and reinsurers' profit share (+)	63 252,00	136 197,00

27	INVESTING INCOME	6 423 141,00	6 590 354,00
28	Income from participating in other companies	86 800,00	1 410 806,00
29	Income from land and buildings	8 618,00	8 779,00
30	Income from other investments	4 412 774,00	4 524 367,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	1 914 949,00	646 402,00
33	INVESTMENTS EXPENSES (-)	(1 678 140,00)	(456 421,00)
34	Investment management expenses including interest (-)	-337 690,00	-287 295,00
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 (-)	-1 340 450,00	-169 126,00
38	LOSS FROM OTHER INVESTMENT OF LIFE INSURANCE (-)	0,00	(120 846,00)
39	Profit from investment when the investment risk borne by the insured	0,00	-120 846,00
40	Profit from professional pension accumulation investment	0,00	0,00
41	OTHER INCOME	260 373,00	404 822,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	92 639,00	193 127,00
44	Other income (+)	167 734,00	211 695,00
45	OTHER EXPENSES (-)	(232 244,00)	(281 025,00)
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-85 061,00	-122 565,00
48	Other expenses (-)	-147 183,00	-158 460,00
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	1 156 039,00	(2 640 275,00)
50	PROFIT TAX (-)	339 511,00	84 023,00
51	Income tax expense for the reporting year	127 688,00	-154 000,00
52	Deferred income tax expense (income)	211 823,00	238 023,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	1 495 550,00	(2 556 252,00)
54	Statement of comprehensive income	14 960 238,00	(3 818 537,00)
55	Change in the value of available-for-sale financial assets	14 960 238,00	-3 818 537,00
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	(3 818 537,00)
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	14 329 542,00	-6 374 789,00

## Cash flows statement

No.	Articles	Financial Year	Previous financial Year
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-	9 490 528,00	8 638 874,00
2	Insurance and inward reinsurance premiums received	45 953 478,00	38 310 319,00
3	Insurance premiums	45 953 478,00	38 416 329,00
4	Inward reinsurance premiums	0,00	-106 010,00
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 (-)	-24 413 846,00	-20 009 347,00
15	Rebates upon cancellation of contracts (-)	-18 408,00	-8 873,00
16	Insurance (-)	-18 408,00	-8 873,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-16 738 373,00	-13 788 973,00
19	Insurance (-)	-16 757 528,00	-14 004 440,00
20	Reinsurance (-)	19 155,00	215 467,00
21	Amounts recovered by way of subrogation and salvage (+)	11 490,00	1 525,00
22	Insurance (+)	11 490,00	1 525,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-7 632 565,00	-6 170 610,00
25	Insurance (-)	-7 632 565,00	-6 170 610,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-12 271,00	-8 445,00
28	Insurance (-)	-12 271,00	-8 445,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-25 388,00	-52 838,00
31	Amounts paid for other financial liabilities (-)	1 669,00	18 867,00
32	Other amounts transferred to reinsurers (-)	0,00	-169 666,00
33	Other amounts received from reinsurers	238 783,00	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 (-)	-11 138 150,00	-8 580 056,00
37	Taxes on ordinary activities paid (-)	-1 290 731,00	-1 210 647,00
38	Amounts received from other operating activities	151 970,00	286 801,00
39	Amounts paid on other operating activities (-)	-10 976,00	-39,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	-7 715 854,00	-5 454 924,00
41	Amounts received from investing activities	7 374 611,00	6 489 751,00
42	Subsidiaries and associated companies	86 800,00	74 400,00
43	Shares, other variable-yield securities and income units in unit trusts	2 751 331,00	1 306 186,00
44	Debt and other fixed-interest securities	4 531 275,00	4 975 794,00
45	Land	0,00	0,00
46	Buildings	2 161,00	5 462,00
47	Loans secured with mortgages	0,00	0,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	1 800,00	12 101,00
50	Deposits with credit institutions	271,00	160,00
51	Other investments	973,00	115 648,00
52	Amounts received on maturity or realization of investments	42 925 191,00	16 570 255,00
53	Subsidiaries and associates	-493 974,00	0,00
54	Shares, other variable-yield securities and units in unit trusts	4 467 235,00	2 508 273,00
55	Debt securities and other fixed-interest securities	38 934 653,00	14 041 365,00
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	17 277,00	17 017,00
61	Deposits with credit institutions	0,00	3 600,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-57 892 256,00	-28 530 752,00
64	Subsidiaries and associates (-)	-4 039 067,00	0,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-17 564 354,00	-10 686 017,00
66	Debt securities and other fixed-interest securities (-)	-36 191 215,00	-17 616 071,00
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 (-)	-8 853,00	-6 356,00
72	Deposits with credit institutions (-)	0,00	0,00
73	Other investments (-)	-88 767,00	-222 308,00
74	Taxes paid on investing activities (-)	-52 950,00	85 541,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	-70 450,00	-69 719,00



77	CASH FLOWS FROM FINANCING ACTIVITIES +/-	-549 886,00	3 418,00
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	0,00
85	Taxes paid on financing activities (-)	0,00	0,00
86	Amounts generated from other financing activities	114,00	3 418,00
87	Amounts paid on other financing activities (-)	0,00	0,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	1 224 788,00	3 187 368,00
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	7 171 320,00	9 440 285,00