

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**

2017.03.31

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	1 583 021,00	1 384 631,00
2	Goodwill	0,00	0,00
3	Software	1 427 306,00	1 200 875,00
4	Other intangible non-current assets	155 715,00	183 756,00
5	INVESTMENTS	250 710 169,00	257 752 691,00
6	Land, buildings and other real estate	229 845,00	229 845,00
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	229 845,00
12	Land	18 935,00	18 935,00
13	Buildings	210 910,00	210 910,00
14	Investments in subsidiaries and associates	6 576 655,00	6 108 631,00
15	Debt securities of subsidiaries and loans granted to subsidiaries	4 677 869,00	4 677 870,00
16	Debt securities issued by associated companies and loans granted to associated companies	504 192,00	500 692,00
17	Shares issued by associated companies	1 394 594,00	930 069,00
18	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
19	Other financial investments	243 903 669,00	251 414 215,00
20	Shares, other variable interest securities and units of unit trust	23 728 782,00	23 485 546,00
21	Listed	19 129 209,00	19 132 651,00
22	Not listed	4 599 573,00	4 352 895,00
23	Debt and other fixed interest securities	214 101 224,00	221 903 491,00
24	Government, central bank and municipal securities	176 765 118,00	179 282 701,00
25	Securities issued by other business entities	37 336 106,00	42 620 790,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	6 073 663,00	6 025 178,00
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	0,00
31	Deposits at the reinsured	0,00	0,00
32	OTHER LIFE INSURANCE INVESTMENTS	28 487 598,00	26 533 947,00
33	Life insurance investments with investments risk taken by the insured	17 121 310,00	16 129 655,00
34	Investments for unit linked life insurance	11 366 288,00	10 404 292,00
35	Professional pension accumulation investment	0,00	0,00
36	REINSURANCE ASSETS	149 259,00	175 674,00

37	Provision for unearned premiums	0,00	0,00
38	Outstanding claims technical provision	147 817,00	174 239,00
39	Life insurance mathematical technical provision	1 077,00	1 073,00
40	Technical provision for rebates	365,00	362,00
41	Other technical provision	0,00	0,00
42	ACCOUNTS RECEIVABLE	10 915 454,00	10 463 450,00
43	Amounts receivable from insurance activities	10 613 406,00	9 806 476,00
44	The insured	10 608 894,00	9 801 780,00
45	Intermediaries	4 512,00	4 696,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	10 409,00	4 531,00
48	The reinsured	0,00	0,00
49	Reinsurers	10 409,00	4 531,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	291 639,00	652 443,00
53	OTHER ASSETS	12 054 163,00	6 609 446,00
54	Tangible assets and inventories	920 620,00	842 931,00
55	Motor vehicles	116 609,00	130 129,00
56	Office and other equipment	211 322,00	211 063,00
57	Inventories	29 425,00	25 858,00
58	Prepayments	129 819,00	55 365,00
59	Deferred profit tax assets	433 445,00	420 516,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	11 133 543,00	5 766 515,00
62	Other assets	0,00	0,00
63	ACCRUED INCOME AND DEFERRED COSTS	8 199 702,00	8 012 207,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	8 077 755,00	7 911 214,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	121 947,00	100 993,00
68	TOTAL ASSETS	312 099 366,00	310 932 046,00
69	CAPITAL AND RESERVES	60 926 355,00	65 444 649,00
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	25 297 741,00	30 599 690,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	25 297 741,00	30 599 690,00
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(+/-)	13 595 246,00	12 552 030,00
81	Retained earnings (losses) of the current year (+/-)	1 783 655,00	2 043 216,00
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	243 995 071,00	237 713 037,00
85	For insurance liabilities	232 628 783,00	227 308 745,00
86	Provision for unearned premiums	15 059 129,00	11 946 603,00
87	Outstanding claims technical provision	3 988 213,00	3 866 832,00
88	Life insurance mathematical technical provision	192 975 215,00	191 791 558,00
89	Technical provision for rebates	3 484 915,00	3 574 097,00
90	Other technical provision	0,00	0,00
91	Technical provision for life insurance with the investment risk borne by the insured	17 121 311,00	16 129 655,00
92	Other technical provision for insurance liabilities	0,00	0,00
93	For financial liabilities	11 366 288,00	10 404 292,00
94	Technical provision for financial liabilities, where the investment risk borne by the insured	11 366 288,00	10 404 292,00
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	7 177 940,00	7 774 360,00
104	Liabilities from insurance activities	3 361 747,00	4 486 386,00
105	Liabilities to the insured	2 438 896,00	3 696 266,00
106	Liabilities to intermediaries	922 851,00	790 120,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	102 602,00	352 711,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	102 602,00	352 711,00
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	3 713 591,00	2 935 263,00
117	Taxes	310 989,00	323 881,00

118	Compulsory social security contributions	94 010,00	89 960,00
119	Salaries	102 544,00	84 132,00
120	Other liabilities	3 206 048,00	2 437 290,00
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	312 099 366,00	310 932 046,00

Income statement and statement of comprehensive income

No.	Articles	Financial Year	
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	16 026 459,00	14 233 582,00
2	Gross premium written	19 354 885,00	15 103 140,00
3	Outward premiums (-)	-215 900,00	-201 882,00
4	Change in technical provision for premiums unearned (-/+)	-3 112 526,00	-667 379,00
5	Change in the reinsurers' share in technical provision for premiums unearned (-/+)	0,00	-297,00
6	Income of contract management (fee and commission income)	1 031 592,00	763 705,00
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	-10 693 330,00	-8 694 452,00
8	Claim paid (-)	-9 116 179,00	-8 507 752,00
9	Redeemable amounts (-)	-1 082 307,00	-855 415,00
10	Claims settlement expenses (-)	-359 740,00	-301 021,00
11	Amounts recovered (+)	-13 346,00	131,00
12	Reinsurers' share (+)	26 045,00	28 632,00
13	Change in the technical provision for claims outstanding (-/+)	-121 381,00	980 572,00
14	Reinsurers' share (+)	-26 422,00	-39 599,00
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	89 182,00	142 101,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-1 183 649,00	-4 144 409,00
17	Change in technical provision for rebates (-/+)	0,00	0,00
18	Reinsurers' share (+)	-991 656,00	232 891,00
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-961 996,00	-644 217,00
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 (-)	-3 611 512,00	-3 163 469,00
23	Acquisition costs (-)	-2 918 668,00	-2 657 389,00
24	Change in deferred acquisition costs (-/+)	166 541,00	201 107,00
25	Administrative expenses (-)	-888 607,00	-731 512,00
26	Reinsurance commissions and reinsurers' profit share (+)	29 222,00	24 325,00

27	INVESTING INCOME	1 839 283,00	1 655 685,00
28	Income from participating in other companies	160 000,00	0,00
29	Income from land and buildings	3 882,00	3 549,00
30	Income from other investments	1 350 388,00	1 596 863,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	325 013,00	55 273,00
33	INVESTMENTS EXPENSES (-)	-347 783,00	-1 247 375,00
34	Investment management expenses including interest (-)	-119 334,00	-110 888,00
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 (-)	-228 449,00	-1 136 487,00
38	LOSS FROM OTHER INVESTMENT OF LIFE INSURANCE (-)	0,00	0,00
39	Profit from investment when the investment risk borne by the insured	0,00	0,00
40	Profit from professional pension accumulation investment	0,00	0,00
41	OTHER INCOME	671 634,00	332 092,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	92 976,00	44 593,00
44	Other income (+)	578 658,00	287 499,00
45	OTHER EXPENSES (-)	-97 498,00	35 773,00
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-65 721,00	8 877,00
48	Other expenses (-)	-31 777,00	26 896,00
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	1 770 726,00	-498 093,00
50	PROFIT TAX (-)	12 929,00	467 967,00
51	Income tax expense for the reporting year	0,00	256 144,00
52	Deferred income tax expense (income)	12 929,00	211 823,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	1 783 655,00	-30 126,00
54	Statement of comprehensive income	9 416 751,00	7 831 034,00
55	Change in the value of available-for-sale financial assets	9 416 751,00	7 831 034,00
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	9 416 751,00	7 831 034,00
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	11 200 406,00	7 800 908,00

Cash flows statement

No.	Articles	Financial Year	
		1	2
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-	2 932 440,00	2 414 781,00
2	Insurance and inward reinsurance premiums received	18 457 854,00	16 153 537,00
3	Insurance premiums	18 341 489,00	16 153 537,00
4	Inward reinsurance premiums	116 365,00	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 (-)	-59 660,00	0,00
12	Proportional outward reinsurance premiums (-)	-59 660,00	0,00
13	Non-proportional outward reinsurance premiums (-)	0,00	0,00
14	Amounts paid under insurance and reinsurance contracts (-)	-10 731 646,00	-5 747 084,00
15	Rebates upon cancellation of contracts (-)	-5 730,00	-3 867,00
16	Insurance (-)	-5 730,00	-3 867,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-6 735 501,00	-5 743 217,00
19	Insurance (-)	-6 740 504,00	-5 762 132,00
20	Reinsurance (-)	5 003,00	18 915,00
21	Amounts recovered by way of subrogation and salvage (+)	2 153,00	5 394,00
22	Insurance (+)	2 153,00	5 394,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-3 980 491,00	-3 617 619,00
25	Insurance (-)	-3 980 491,00	-3 617 619,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-2 400,00	-1 350,00
28	Insurance (-)	-2 400,00	-1 350,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-10 553,00	-14 762,00
31	Amounts paid for other financial liabilities (-)	876,00	1 638,00
32	Other amounts transferred to reinsurers (-)	-274 578,00	0,00
33	Other amounts received from reinsurers	0,00	239 052,00
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 (-)	-3 990 656,00	-3 984 256,00
37	Taxes on ordinary activities paid (-)	-479 329,00	-506 953,00
38	Amounts received from other operating activities	10 455,00	-112 816,00
39	Amounts paid on other operating activities (-)	0,00	0,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	2 446 867,00	-2 937 959,00
41	Amounts received from investing activities	2 331 596,00	3 785 656,00
42	Subsidiaries and associated companies	160 000,00	0,00
43	Shares, other variable-yield securities and income units in unit trusts	115 584,00	1 872 524,00
44	Debt and other fixed-interest securities	2 050 421,00	1 761 669,00
45	Land	0,00	0,00
46	Buildings	5 278,00	0,00
47	Loans secured with mortgages	0,00	150 000,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	135,00	328,00
50	Deposits with credit institutions	178,00	162,00
51	Other investments	0,00	973,00
52	Amounts received on maturity or realization of investments	7 154 888,00	11 873 235,00
53	Subsidiaries and associates	0,00	0,00
54	Shares, other variable-yield securities and units in unit trusts	0,00	4 446 339,00
55	Debt securities and other fixed-interest securities	7 152 189,00	7 421 435,00
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	2 699,00	5 461,00
61	Deposits with credit institutions	0,00	0,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-7 039 617,00	-18 480 648,00
64	Subsidiaries and associates (-)	0,00	-318 526,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-5 375 282,00	-8 761 884,00
66	Debt securities and other fixed-interest securities (-)	-1 664 335,00	-9 369 225,00
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	-3 074,00
72	Deposits with credit institutions (-)	0,00	0,00
73	Other investments (-)	-30 113,00	-27 939,00
74	Taxes paid on investing activities (-)	-109 101,00	-109 104,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	-29 073,00	-7 098,00

77	CASH FLOWS FROM FINANCING ACTIVITIES +/-	-12 279,00	-1 827,00
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 (-)	0,00	0,00
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 (-)	-12 279,00	-1 827,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	5 367 028,00	-525 005,00
90	CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD	5 766 515,00	5 946 532,00
91	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11 133 543,00	5 421 527,00