

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**

2017.09.30

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	1 589 810,00	1 384 631,00
2	Goodwill	0,00	0,00
3	Software	1 489 995,00	1 200 875,00
4	Other intangible non-current assets	99 815,00	183 756,00
5	INVESTMENTS	254 008 215,00	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	6 583 693,00	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	511 230,00	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	247 194 677,00	251 414 215,00
20	Shares, other variable interest securities and units of unit trust	24 114 014,00	23 485 546,00
21	Listed	19 253 545,00	19 132 651,00
22	Not listed	4 860 469,00	4 352 895,00
23	Debt and other fixed interest securities	216 908 936,00	221 903 491,00
24	Government, central bank and municipal securities	176 632 656,00	179 282 701,00
25	Securities issued by other business entities	40 276 280,00	42 620 790,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	6 171 727,00	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	31 940 324,00	26 533 947,00
33	Life insurance investments with investments risk taken by the insured	18 661 276,00	16 129 655,00
34	Investments for unit linked life insurance	13 279 048,00	10 404 292,00
35	Professional pension accumulation investment	0,00	0,00
36	REINSURANCE ASSETS	139 888,00	175 674,00

37	Provision for unearned premiums	0,00	0,00
38	Outstanding claims technical provision	138 433,00	174 239,00
39	Life insurance mathematical technical provision	1 085,00	1 073,00
40	Technical provision for rebates	370,00	362,00
41	Other technical provision	0,00	0,00
42	ACCOUNTS RECEIVABLE	7 855 839,00	10 463 450,00
43	Amounts receivable from insurance activities	7 718 963,00	9 806 476,00
44	The insured	7 717 580,00	9 801 780,00
45	Intermediaries	1 383,00	4 696,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	5 548,00	4 531,00
48	The reinsured	0,00	0,00
49	Reinsurers	5 548,00	4 531,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	131 328,00	652 443,00
53	OTHER ASSETS	11 715 286,00	6 609 446,00
54	Tangible assets and inventories	840 741,00	842 931,00
55	Motor vehicles	103 908,00	130 129,00
56	Office and other equipment	187 514,00	211 063,00
57	Inventories	20 964,00	25 858,00
58	Prepayments	107 761,00	55 365,00
59	Deferred profit tax assets	420 594,00	420 516,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	10 874 545,00	5 766 515,00
62	Other assets	0,00	0,00
63	ACCRUED INCOME AND DEFERRED COSTS	7 136 685,00	8 012 207,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	7 040 158,00	7 911 214,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	96 527,00	100 993,00
68	TOTAL ASSETS	314 386 047,00	310 932 046,00
69	CAPITAL AND RESERVES	63 048 251,00	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	25 732 078,00	30 599 690,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	25 732 078,00	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 (+/-)	3 471 214,00	2 043 216,00
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	244 756 187,00	237 713 037,00
85	For insurance liabilities	231 477 139,00	227 308 745,00
86	Provision for unearned premiums	11 162 950,00	11 946 603,00
87	Outstanding claims technical provision	3 933 465,00	3 866 832,00
88	Life insurance mathematical technical provision	194 356 705,00	191 791 558,00
89	Technical provision for rebates	3 362 743,00	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	18 661 276,00	16 129 655,00
92	Other technical provision for insurance liabilities	0,00	0,00
93	For financial liabilities	13 279 048,00	10 404 292,00
94	Technical provision for financial liabilities, where the investment risk borne by the insured	13 279 048,00	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	6 581 609,00	7 774 360,00
104	Liabilities from insurance activities	3 785 611,00	4 486 386,00
105	Liabilities to the insured	3 026 878,00	3 696 266,00
106	Liabilities to intermediaries	758 733,00	790 120,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	373 825,00	352 711,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	373 825,00	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	2 422 173,00	2 935 263,00
117	Taxes	385 332,00	323 881,00

118	Compulsory social security contributions	98 163,00	89 960,00
119	Salaries	97 280,00	84 132,00
120	Other liabilities	1 841 398,00	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	314 386 047,00	310 932 046,00

Income statement and statement of comprehensive income

No.	Articles	Financial Year	Previous financial Year
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	49 214 720,00	45 107 921,00
2	Gross premium written	49 082 665,00	44 805 395,00
3	Outward premiums (-)	-651 598,00	-509 567,00
4	Change in technical provision for premiums unearned (-/+)	783 653,00	810 222,00
5	Change in the reinsurers' share in technical provision for premiums unearned (-/+)	0,00	1 871,00
6	Income of contract management (fee and commission income)	3 286 936,00	2 384 410,00
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	(33 972 854,00)	(25 591 506,00)
8	Claim paid (-)	-28 835 559,00	-23 590 861,00
9	Redeemable amounts (-)	-3 950 526,00	-2 498 041,00
10	Claims settlement expenses (-)	-1 123 598,00	-1 004 163,00
11	Amounts recovered (+)	3 739,00	2 873,00
12	Reinsurers' share (+)	35 529,00	37 981,00
13	Change in the technical provision for claims outstanding (-/+)	-66 633,00	1 500 459,00
14	Reinsurers' share (+)	-35 806,00	-39 754,00
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	211 354,00	196 950,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-2 565 135,00	-11 936 368,00
17	Change in technical provision for rebates (-/+)	0,00	0,00
18	Reinsurers' share (+)	-2 531 620,00	-1 023 280,00
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-2 874 756,00	-2 278 010,00
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 (-)	(11 397 753,00)	(10 477 208,00)
23	Acquisition costs (-)	-7 921 845,00	-7 625 314,00
24	Change in deferred acquisition costs (-/+)	-871 056,00	-659 223,00
25	Administrative expenses (-)	-2 681 340,00	-2 255 923,00
26	Reinsurance commissions and reinsurers' profit share (+)	76 488,00	63 252,00

27	INVESTING INCOME	4 893 665,00	6 423 141,00
28	Income from participating in other companies	160 000,00	86 800,00
29	Income from land and buildings	9 097,00	8 618,00
30	Income from other investments	4 207 210,00	4 412 774,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	517 358,00	1 914 949,00
33	INVESTMENTS EXPENSES (-)	(694 934,00)	(1 678 140,00)
34	Investment management expenses including interest (-)	-356 193,00	-337 690,00
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 (-)	-338 741,00	-1 340 450,00
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	392 584,00	260 373,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	238 181,00	92 639,00
44	Other income (+)	154 403,00	167 734,00
45	OTHER EXPENSES (-)	(456 333,00)	(232 244,00)
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-378 800,00	-85 061,00
48	Other expenses (-)	-77 533,00	-147 183,00
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	3 505 874,00	1 156 039,00
50	PROFIT TAX (-)	(34 660,00)	339 511,00
51	Income tax expense for the reporting year	-34 738,00	127 688,00
52	Deferred income tax expense (income)	78,00	211 823,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	3 471 214,00	1 495 550,00
54	Statement of comprehensive income	16 113 029,00	14 960 238,00
55	Change in the value of available-for-sale financial assets	16 113 029,00	14 960 238,00
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	16 113 029,00	12 686 688,00
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	19 584 243,00	14 329 542,00

Cash flows statement

No.	Articles	Financial Year	Previous financial Year
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-(-)	5 063 596,00	9 490 528,00
2	Insurance and inward reinsurance premiums received	54 012 511,00	45 953 478,00
3	Insurance premiums	53 806 471,00	45 953 478,00
4	Inward reinsurance premiums	206 040,00	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 (-)	-217 240,00	0,00
12	Proportional outward reinsurance premiums (-)	0,00	0,00
13	Non-proportional outward reinsurance premiums (-)	-217 240,00	0,00
14	Amounts paid under insurance and reinsurance contracts (-)	-33 760 162,00	-24 413 846,00
15	Rebates upon cancellation of contracts (-)	-18 822,00	-18 408,00
16	Insurance (-)	-18 822,00	-18 408,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-20 662 357,00	-16 738 373,00
19	Insurance (-)	-20 668 978,00	-16 757 528,00
20	Reinsurance (-)	6 621,00	19 155,00
21	Amounts recovered by way of subrogation and salvage (+)	3 648,00	11 490,00
22	Insurance (+)	3 648,00	11 490,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-13 058 501,00	-7 632 565,00
25	Insurance (-)	-13 058 501,00	-7 632 565,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-6 600,00	-12 271,00
28	Insurance (-)	-6 600,00	-12 271,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-18 672,00	-25 388,00
31	Amounts paid for other financial liabilities (-)	1 142,00	1 669,00
32	Other amounts transferred to reinsurers (-)	-380 308,00	0,00
33	Other amounts received from reinsurers	34 837,00	238 783,00
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 (-)	-13 298 793,00	-11 138 150,00
37	Taxes on ordinary activities paid (-)	-1 590 744,00	-1 290 731,00
38	Amounts received from other operating activities	264 035,00	151 970,00
39	Amounts paid on other operating activities (-)	-540,00	-10 976,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	-355 816,00	-7 715 854,00
41	Amounts received from investing activities	5 707 781,00	7 374 611,00
42	Subsidiaries and associated companies	160 000,00	86 800,00
43	Shares, other variable-yield securities and income units in unit trusts	373 798,00	2 751 331,00
44	Debt and other fixed-interest securities	5 161 572,00	4 531 275,00
45	Land	0,00	0,00
46	Buildings	11 576,00	2 161,00
47	Loans secured with mortgages	0,00	0,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	652,00	1 800,00
50	Deposits with credit institutions	183,00	271,00
51	Other investments	0,00	973,00
52	Amounts received on maturity or realization of investments	13 005 661,00	42 925 191,00
53	Subsidiaries and associates	0,00	-493 974,00
54	Shares, other variable-yield securities and units in unit trusts	26 187,00	4 467 235,00
55	Debt securities and other fixed-interest securities	12 972 879,00	38 934 653,00
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	6 595,00	17 277,00
61	Deposits with credit institutions	0,00	0,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-19 018 262,00	-57 892 256,00
64	Subsidiaries and associates (-)	0,00	-4 039 067,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-12 861 861,00	-17 564 354,00
66	Debt securities and other fixed-interest securities (-)	-6 036 979,00	-36 191 215,00
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	-8 853,00
72	Deposits with credit institutions (-)	0,00	0,00
73	Other investments (-)	-119 422,00	-88 767,00
74	Taxes paid on investing activities (-)	-1 813,00	-52 950,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	-49 183,00	-70 450,00

77	CASH FLOWS FROM FINANCING ACTIVITIES +/-(-)	400 250,00	-549 886,00
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	-550 000,00
85	Taxes paid on financing activities (-)	0,00	0,00
86	Amounts generated from other financing activities	0,00	114,00
87	Amounts paid on other financing activities (-)	-149 750,00	0,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	5 108 030,00	1 224 788,00
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	10 874 545,00	7 171 320,00