

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**

2018.06.30

General Manager Dr. Kęstutis Bagdonavičius

Chief accountant Jelena Panfilova

Chief actuary Dr. Gintaras Bakštys

## Balance sheet

No.	Articles	Financial Year	
		1	2
1	INTANGIBLE NON-CURRENT ASSETS	1 286 804,00	1 111 301,00
2	Goodwill	0,00	0,00
3	Software	1 260 894,00	1 039 149,00
4	Other intangible non-current assets	25 910,00	72 152,00
5	INVESTMENTS	250 126 918,00	248 091 638,00
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	6 072 463,00	6 072 463,00
15	Debt securities of subsidiaries and loans granted to subsidiaries	4 677 869,00	4 677 869,00
16	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
17	Shares issued by associated companies	1 394 594,00	1 394 594,00
18	Debt securities issued by associated companies and loans granted to associated companies	0,00	0,00
19	Other financial investments	243 824 610,00	241 789 330,00
20	Shares, other variable interest securities and units of unit trust	25 969 192,00	23 871 766,00
21	Listed	19 209 978,00	19 205 677,00
22	Not listed	6 759 214,00	4 666 089,00
23	Debt and other fixed interest securities	211 748 580,00	211 702 785,00
24	Government, central bank and municipal securities	175 971 263,40	175 823 578,00
25	Securities issued by other business entities	35 777 316,60	35 879 207,00
26	Loans secured in with mortgages	0,00	0,00
27	Other loans	6 106 838,00	6 214 779,00
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	39 109 732,00	36 173 947,00
33	Life insurance investments with investments risk taken by the insured	22 046 789,00	20 460 092,00
34	Investments for unit linked life insurance	17 062 943,00	15 713 855,00
35	Professional pension accumulation investment	0,00	0,00
36	REINSURANCE ASSETS	213 865,00	139 650,00

37	Provision for unearned premiums	0,00	0,00
38	Outstanding claims technical provision	213 865,00	139 650,00
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	8 137 132,00	9 871 958,00
43	Amounts receivable from insurance activities	7 746 170,00	9 607 310,00
44	The insured	7 745 764,00	9 605 801,00
45	Intermediaries	406,00	1 509,00
46	Others	0,00	0,00
47	Accounts receivable from inward and outward reinsurance activities	926,00	60 637,00
48	The reinsured	0,00	0,00
49	Reinsurers	926,00	60 637,00
50	Intermediaries	0,00	0,00
51	Others	0,00	0,00
52	Other accounts receivable	390 036,00	204 011,00
53	OTHER ASSETS	8 377 872,00	9 511 212,00
54	Tangible assets and inventories	478 698,00	491 197,00
55	Motor vehicles	73 713,00	92 477,00
56	Office and other equipment	186 929,00	180 160,00
57	Inventories	11 805,00	28 011,00
58	Prepayments	116 605,00	60 862,00
59	Deferred profit tax assets	89 646,00	129 687,00
60	Prepaid profit tax	0,00	0,00
61	Cash at bank and in hand	7 899 174,00	9 020 015,00
62	Other assets	0,00	0,00
63	ACCRUED INCOME AND DEFERRED COSTS	6 390 997,00	7 114 430,00
64	Accrued interest and rental income	0,00	0,00
65	Deferred acquisition costs	6 148 448,00	6 967 293,00
66	Other accrued income	0,00	0,00
67	Other deferred costs	242 549,00	147 137,00
68	TOTAL ASSETS	<b>313 643 320,00</b>	<b>312 014 136,00</b>
69	CAPITAL AND RESERVES	61 277 668,00	63 787 935,00
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	25 496 316,00	26 225 722,00
74	Intangible assets	0,00	0,00
75	Long term tangible	0,00	0,00
76	Financial assets	25 496 316,00	26 225 722,00
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(+/-)	13 941 280,00	13 595 246,00
81	Retained earnings (losses) of the current year (+/-)	1 590 359,00	3 717 254,00
82	FINANCING (GRANTS AND SUBSIDIES)	0,00	0,00
83	SUBORDINATED LIABILITIES	0,00	0,00
84	TECHNICAL PROVISIONS	246 353 909,00	240 262 830,00
85	For insurance liabilities	229 290 966,00	224 548 975,00
86	Provision for unearned premiums	11 919 261,00	12 196 101,00
87	Outstanding claims technical provision	4 753 821,00	6 319 135,00
88	Life insurance mathematical technical provision	187 605 045,00	182 431 243,00
89	Technical provision for rebates	2 902 645,00	3 099 260,00
90	Other technical provision	63 405,00	43 144,00
91	Technical provision for life insurance with the investment risk borne by the insured	22 046 789,00	20 460 092,00
92	Other technical provision for insurance liabilities	0,00	0,00
93	For financial liabilities	17 062 943,00	15 713 855,00
94	Technical provision for financial liabilities, where the investment risk borne by the insured	17 062 943,00	15 713 855,00
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	6 011 743,00	7 963 371,00
104	Liabilities from insurance activities	3 192 806,00	4 688 056,00
105	Liabilities to the insured	2 403 120,00	3 713 847,00
106	Liabilities to intermediaries	789 686,00	974 209,00
107	Other liabilities from insurance activities	0,00	0,00
108	Liabilities from inward and outward reinsurance activities	231 830,00	157 401,00
109	Liabilities to the reinsured	0,00	0,00
110	Liabilities to the reinsurers	231 830,00	157 401,00
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	2 587 107,00	3 117 914,00
117	Taxes	412 204,00	436 567,00

118	Compulsory social security contributions	81 586,00	119 288,00
119	Salaries	136 338,00	105 722,00
120	Other liabilities	1 956 979,00	2 456 337,00
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	<b>313 643 320,00</b>	<b>312 014 136,00</b>

## Income statement and statement of comprehensive income

No.	Articles	Financial Year	
		1	2
1	EARNED PREMIUMS NET OF REINSURERS' SHARE	33 332 259,63	32 578 697,00
2	Gross premium written	33 582 360,63	33 270 004,00
3	Outward premiums (-)	-526 941,00	-423 050,00
4	Change in technical provision for premiums unearned (-/+)	276 840,00	-268 257,00
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)	1 407 560,73	2 125 323,00
7	INSURANCE CLAIM, NET OF REINSURERS' SHARE EXPENSES (-)	(20 068 112,00)	(22 942 003,00)
8	Claim paid (-)	-18 901 244,00	-19 653 248,00
9	Redeemable amounts (-)	-2 063 532,00	-2 214 573,00
10	Claims settlement expenses (-)	-793 679,00	-756 694,00
11	Amounts recovered (+)	3 138,00	2 386,00
12	Reinsurers' share (+)	47 676,00	35 529,00
13	Change in the technical provision for claims outstanding (-/+)	1 565 314,00	-463 093,00
14	Reinsurers' share (+)	74 215,00	107 690,00
15	RETURNED (PAYABLE) INSURANCE PREMIUMS (PROFIT PARTICIPATION), NET OF REINSURERS' SHARE (-)	196 615,00	151 748,00
16	Change in life insurance mathematical technical provision, net of reinsurers share +/-	-5 173 802,00	-1 603 125,00
17	Change in technical provision for rebates (-/+)	-20 261,00	-20 594,00
18	Reinsurers' share (+)	-1 646 247,76	-1 448 753,00
19	Change in technical provision for life insurance with the investment risk borne by the insured (+/-)	-1 369 881,60	-1 816 330,00
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 (-)	(7 887 375,00)	(7 348 393,00)
23	Acquisition costs (-)	-5 175 092,00	-5 318 838,00
24	Change in deferred acquisition costs (-/+)	-818 845,00	-252 103,00
25	Administrative expenses (-)	-1 932 312,00	-1 829 921,00
26	Reinsurance commissions and reinsurers' profit share (+)	38 874,00	52 469,00

27	INVESTING INCOME	3 519 237,00	3 410 492,00
28	Income from participating in other companies	400 000,00	160 000,00
29	Income from land and buildings	6 591,00	6 486,00
30	Income from other investments	2 764 556,00	2 832 968,00
31	Reverse of impairment	0,00	0,00
32	Profit from transfer of investments	348 090,00	411 038,00
33	INVESTMENTS EXPENSES (-)	(483 734,00)	(489 907,00)
34	Investment management expenses including interest (-)	-246 385,00	-234 595,00
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 (-)	-237 349,00	-255 312,00
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	139 026,00	446 805,00
42	Income from pension accumulation activity	0,00	0,00
43	Finance income (+)	115 313,00	196 672,00
44	Other income (+)	23 713,00	250 133,00
45	OTHER EXPENSES (-)	(328 210,00)	(376 943,00)
46	Expenses from pension accumulation activity (-)	0,00	0,00
47	Finance expenses (-)	-155 612,00	-324 711,00
48	Other expenses (-)	-172 598,00	-52 232,00
49	CURRENT YEAR RESULT - PROFIT (LOSS) BEFORE TAXATION	1 617 075,00	2 667 017,00
50	PROFIT TAX (-)	(26 716,00)	12 929,00
51	Income tax expense for the reporting year	13 325,00	0,00
52	Deferred income tax expense (income)	-40 041,00	12 929,00
53	CURRENT YEAR RESULT - PROFIT (LOSS)	<b>1 590 359,00</b>	<b>2 679 946,00</b>
54	Statement of comprehensive income	387 474,00	9 416 751,00
55	Change in the value of available-for-sale financial assets	387 474,00	9 416 751,00
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	387 474,00	9 416 751,00
62	CURRENT YEAR RESULT - PROFIT (LOSS) AND OTHER COMPREHENSIVE INCOME	<b>1 977 833,00</b>	<b>12 096 697,00</b>

## Cash flows statement

No.	Articles	Financial Year	Previous financial Year
		1	2
1	CASH FLOWS FROM OPERATING ACTIVITIES +/-	5 173 478,00	3 963 170,00
2	Insurance and inward reinsurance premiums received	37 156 202,00	36 269 416,00
3	Insurance premiums	37 156 202,00	36 099 442,00
4	Inward reinsurance premiums	0,00	169 974,00
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	-130 414,00
12	Proportional outward reinsurance premiums (-)	0,00	0,00
13	Non-proportional outward reinsurance premiums (-)	0,00	-130 414,00
14	Amounts paid under insurance and reinsurance contracts (-)	-21 914 498,00	-22 576 206,00
15	Rebates upon cancellation of contracts (-)	-10 239,00	-16 078,00
16	Insurance (-)	-10 239,00	-16 078,00
17	Reinsurance (-)	0,00	0,00
18	Claims paid (-)	-14 612 145,00	-14 121 166,00
19	Insurance (-)	-14 659 821,00	-14 127 787,00
20	Reinsurance (-)	47 676,00	6 621,00
21	Amounts recovered by way of subrogation and salvage (+)	3 006,00	2 345,00
22	Insurance (+)	3 006,00	2 345,00
23	Reinsurance (+)	0,00	0,00
24	Surrender values paid (-)	-7 281 997,00	-8 423 994,00
25	Insurance (-)	-7 281 997,00	-8 423 994,00
26	Reinsurance (+)	0,00	0,00
27	Claim handling expenses paid (-)	-1 996,00	-4 500,00
28	Insurance (-)	-1 996,00	-4 500,00
29	Reinsurance (-)	0,00	0,00
30	Amounts paid for life insurance with the investment risk borne by the insured (-)	-11 127,00	-13 955,00
31	Amounts paid for other financial liabilities (-)	0,00	1 142,00
32	Other amounts transferred to reinsurers (-)	-476 428,00	-330 069,00
33	Other amounts received from reinsurers	40 720,00	33 637,00
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 (-)	-8 771 128,00	-8 091 057,00
37	Taxes on ordinary activities paid (-)	-1 171 355,00	-1 229 790,00
38	Amounts received from other operating activities	335 288,00	17 653,00
39	Amounts paid on other operating activities (-)	-25 324,00	0,00
40	CASH FLOWS FROM INVESTING ACTIVITIES +/(-)	-2 794 434,00	-1 675 361,00
41	Amounts received from investing activities	4 302 051,00	4 199 072,00
42	Subsidiaries and associated companies	0,00	160 000,00
43	Shares, other variable-yield securities and income units in unit trusts	703 217,00	313 859,00
44	Debt and other fixed-interest securities	3 385 634,00	3 716 137,00
45	Land	0,00	0,00
46	Buildings	7 967,00	8 422,00
47	Loans secured with mortgages	0,00	0,00
48	Other secured loans	0,00	0,00
49	Unsecured loans	205 050,00	519,00
50	Deposits with credit institutions	183,00	135,00
51	Other investments	0,00	0,00
52	Amounts received on maturity or realization of investments	8 488 619,00	10 484 282,00
53	Subsidiaries and associates	0,00	0,00
54	Shares, other variable-yield securities and units in unit trusts	4 493 030,00	26 187,00
55	Debt securities and other fixed-interest securities	3 994 463,00	10 453 727,00
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	1 126,00	4 368,00
61	Deposits with credit institutions	0,00	0,00
62	Other investments	0,00	0,00
63	Amounts paid on investment (-)	-15 501 216,00	-16 284 421,00
64	Subsidiaries and associates (-)	0,00	0,00
65	Shares, other variable-yield securities and units in unit trusts (-)	-13 015 673,00	-11 175 041,00
66	Debt securities and other fixed-interest securities (-)	-2 443 047,00	-5 034 815,00
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 (-)	-42 496,00	-74 565,00
74	Taxes paid on investing activities (-)	-83 889,00	-35 299,00
75	Amounts generated from other investing activities	0,00	0,00
76	Amounts paid on other investing activities (-)	0,00	-38 995,00



77	CASH FLOWS FROM FINANCING ACTIVITIES +/-	-3 499 883,00	-1 155 701,00
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	-1 000 000,00
85	Taxes paid on financing activities (-)	0,00	0,00
86	Amounts generated from other financing activities	117,00	0,00
87	Amounts paid on other financing activities (-)	0,00	-155 701,00
88	CURRENCY EXCHANGE IMPACT	0,00	0,00
89	INCREASE (DECREASE) IN CASH	-1 120 839,00	1 132 108,00
90	CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD	9 020 013,00	5 766 515,00
91	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7 899 174,00	6 898 623,00