



AAS „BTA Baltic Insurance Company“

**Public Report
for the period from 01.01.2017 until
30.09.2017**

This Report is prepared in accordance with the Financial and Capital Market Commission Regulations No. 147 "Regulations on Preparation of Public Quarterly Reports of the Insurers" of 31 August 2016.

The Report includes the summarized information on the Company's activity over the period from **January 1st until September 30th 2017**.

Company information

Name of the Company	„BTA Baltic Insurance Company” AAS
Legal status	Insurance Joint Stock Company
Number, place and date of registration	40103840140, Riga, October 28th 2014
Address	Sporta 11, Riga
Members of the Board and their positions	Janis Lucaus - Chairman of the Board Oskars Hartmanis - Board member Evija Matveja - Board member Wolfgang Kurt Wilhelm Stockmeyer - Board member
Members of the Council and their positions	Franz Fuchs - Chairman of the Council Elisabeth Stadler - Deputy Chairman of the Council Jan Bogutyn - Member of the Council Artur Borowski - Member of the Council Gints Dandzbergs - Member of the Council until 13.01.2017
Reporting Period	01.01.2017 – 30.09.2017

Shareholders

Shareholder	Number of shares	% of the share capital
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	261 000	90%
Balcia Insurance SE	29 000	10%
Total:	290 000	100%

Face value of one share	EUR 100.00
Subscribed share capital	EUR 29 000 000
Paid-up share capital	EUR 29 000 000
Foreign branches	Lithuania, Estonia

Balance Sheet

30.09.2017

Item	Reporting Period	Previous Reporting Year
Tangible assets	1 287 758	767 896
Investments in land lots and buildings	487 499	516 460
Intangible assets	1 680 139	1 642 319
Investments in share capital of related companies	-	-
Investments in share capital of associated companies	-	-
Financial assets held for trading	-	-
Classified as financial assets at fair value through profit and loss	1 755 877	75 687 296
Financial assets available-for-sale	109 379 116	5 026 112
Held-to-maturity investments	3 425 000	1 277 000
Loans granted and debtor debts	28 177 436	20 829 053
Accrued income and deferred expenses	793 143	1 164 222
Tax assets	965 402	548 962
Reinsurance contracts *	23 005 928	8 395 078
Cash on hand and claims on demand on credit institutions	30 893 581	42 479 444
Total assets	201 850 879	158 333 842
Capital and reserves	39 592 380	34 053 052
Insurance liabilities **	143 521 055	108 183 161
Subordinated liabilities	-	-
Classified as financial liabilities at fair value through profit and loss	-	-
Financial liabilities at amortized cost ***	18 188 766	15 574 161
Provisions	-	-
Tax liabilities	538 821	481 189
Accrued expenses and deferred income	9 857	42 279
Total liabilities	162 258 499	124 280 790
Total capital and reserves, and liabilities	201 850 879	158 333 842

* Data for previous reporting year includes EUR 620 247 of unearned reinsurance commission, previously classified as Accrued expenses and deferred income

** Data for previous reporting year includes EUR 5 461 342 of deferred acquisition costs, previously classified as Accrued income and deferred expenses

*** Data for previous reporting year includes EUR 1 615 546 of accrued liabilities, previously classified as Provisions

Income Statement

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Item	For the Reporting Period	For the Respective Period of Previous Reporting Year
Earned premiums *	95 593 813	84 367 930
Other technical income, net	198 814	208 247
Incurred claims, net	(65 222 289)	(57 462 500)
Changes in life insurance technical reserves	-	-
Changes in other technical reserves	-	306 486
Gratuities, net	-	-
Net operating expenses	(24 529 749)	(23 281 360)
Other technical expenses, net	(103 144)	(451 260)
Changes in equalization reserves	-	-
Investment management expenses/income and commission payments	(184 040)	(32 451)
Net interest income and dividend income	607 025	833 014
Net realized profit/loss from financial assets and financial liabilities, which are not recognized at amortized value	-	-
Net realized profit/loss from financial assets available for sale	414 035	-
Net profit/loss from financial assets and financial liabilities held for trading	-	-
Net profit/loss from the financial assets and financial liabilities classified at fair value through profit and loss	73 862	213 952
Revaluation result of foreign currencies	(153 189)	(348 486)
Profit/loss from derecognition of tangible assets, investments in buildings for ensuring own activities, investments in property and intangible assets	-	-
Depreciation	(772 871)	(784 112)
Impairment losses	(1 766)	3 572
Negative goodwill	-	-
Other income/(expenses) that are not recognized in other items, net	-	6 587
Profit/loss for the reporting period before profit tax	5 920 500	3 579 619
Profit tax	-	-
Profit/loss for the reporting period before taxes	5 920 500	3 579 619

* Data for previous reporting year includes EUR 1 208 194 of obligatory deductions of compulsory motor third party liability insurance, previously classified as Other technical expenses, net

Gross Written Premiums, Gross Claims paid and Net operating expenses by type of insurance

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	Gross Premiums Written			Gross Claims Paid			Net operating expenses
	Total	for agreements signed in Latvia		Total	for agreements signed in Latvia		
		incl. agreements signed with private persons			incl. agreements signed with private persons		
Non-life insurance	119 732 356	41 154 687	13 153 288	59 337 588	22 618 677	7 225 344	25 302 620
Accident insurance	2 928 429	1 242 115	677 659	1 234 017	470 992	270 220	699 091
Health Insurance	13 074 423	11 456 480	20 944	8 097 607	7 011 608	20 523	2 005 954
Motor vehicle insurance (other than railway)	28 144 362	9 053 514	4 564 999	15 618 910	5 997 852	2 970 161	7 583 432
Railway transport insurance	246 639	36 322	-	15 215	-	-	46 585
Aircraft insurance	88 672	31 725	315	55	-	-	16 333
Vessel insurance	1 497 458	1 168 204	11 653	249 842	232 880	4 690	(59 669)
Cargo insurance	1 189 715	873 152	-	169 269	100 298	-	315 963
Property insurance against fire and natural disaster damages and other risks	14 001 407	5 846 776	2 705 748	5 130 597	2 363 785	657 919	3 375 325
Civil liability insurance of motor vehicle owners	37 231 611	12 938	-	19 843 687	991	-	6 288 986
Civil liability insurance of aircraft owners	125 386	(1 056)	3 634	-	-	-	15 522
Civil liability insurance of vessel owners	77 465	13 173	2 658	15 770	1 692	-	(11 693)
General civil liability insurance	4 815 732	1 227 362	259 117	1 171 274	174 881	25 474	1 210 699
Loan insurance	190 742	190 742	-	219 365	219 365	-	30 782
Guarantee insurance	4 167 881	1 372 150	345	836 523	220 967	-	650 942
Insurance of various financial losses	176 556	109 767	70	2 197	2 197	-	40 803
Insurance of legal expenses	21 201	21 201	9 313	-	-	-	4 678
Assistance insurance	4 509 109	1 254 554	988 147	1 234 249	322 158	178 415	1 787 961
Compulsory civil liability insurance of motor vehicle owners	7 245 568	7 245 568	3 908 687	5 499 011	5 499 011	3 097 943	1 300 926

Ratio by Type of Insurance

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Item	Type of Insurance																		
	Total in reporting period	Accident insurance	Health Insurance	Motor vehicle insurance (other than railway)	Railway transport insurance	Aircraft insurance	Vessel insurance	Cargo insurance	Property insurance against fire and natural disaster damages and other risks	Civil liability insurance of motor vehicle owners	Civil liability insurance of aircraft owners	Civil liability insurance of vessel owners	General civil liability insurance	Loan insurance	Guarantee insurance	Insurance of various financial losses	Insurance of legal expenses	Assistance insurance	Compulsory civil liability insurance of motor vehicle owners
Loss Indicator (%)	68.23	48.18	76.19	66.32	33.13	(0.21)	33.52	48.52	58.03	76.90	(17.62)	161.11	26.76	285.60	52.08	3.69	9.92	39.53	112.01
Expense Indicator (%)	26.58	27.21	18.84	29.88	22.90	32.30	(48.57)	39.54	30.72	22.66	18.25	(149.49)	29.87	19.78	23.12	39.31	25.40	42.64	24.76
Combined Indicator (%)	94.81	75.39	95.03	96.20	56.03	32.09	(15.05)	88.06	88.75	99.56	0.63	11.62	56.63	305.38	75.20	43.00	35.32	82.17	136.77

Insurer's Own Funds and Solvency Capital Requirement calculation

30.09.2017

No.	Item	In reporting period
1	Basic own funds before deduction	40 306 141
2	Deductions for participations in financial and credit institutions	-
3	Total basic own funds after deductions (1.-2.)	40 306 141
4	Total ancillary own funds	-
5	Available and eligible own funds	
5.1.	Total available own funds to meet the Solvency Capital requirements	40 306 141
5.2.	Total available own funds to meet the Minimum Capital requirements	38 834 918
5.3.	Total eligible own funds to meet the Solvency Capital requirements	40 306 141
5.4.	Total eligible own funds to meet the Minimum Capital requirements	38 834 918
6	Solvency Capital requirements	33 872 031
7	Minimum Capital requirements	15 242 414
8	Ratio of Eligible own funds to Solvency Capital requirements	119%
9	Ratio of Eligible own funds to Minimum Capital requirements	255%

Key Cooperation Partners:

Reinsurers

Reinsurer	Reinsurer's Rating	Rating Agency	Place (Country) of Registration of the Reinsurer
VIG RE ZAJISTOVNA, A.S.	A+	Standard & Poor's	Czech Republic
SWISS RE EUROPE S.A.	AA-	Standard & Poor's	Luxembourg
R+V VERSICHERUNG AG	AA-	Standard & Poor's	Germany
SCOR GLOBAL P&C SE	AA-	Standard & Poor's	France
HANNOVER RÜCK SE	AA-	Standard & Poor's	Germany

Insurance and Reinsurance Brokerage Companies

Brokerage Company	Service	Place (Country) of Registration
AON Benfield	Reinsurance mediation	Germany
Guy Carpenter	Reinsurance mediation	Great Britain

Operational Strategy and Objectives

The BTA operational strategy and objectives aim to make the Company the leading insurance company in the Baltic market – a dynamic and professional company that satisfies the desires of its customers to receive high quality insurance products in any manner and at any place convenient to the customer.

In order for BTA to become more available to current and potential customers, we continue to open client service centres abroad as well as in Latvia. The main tool BTA uses to achieve its set objectives is an individual approach toward each customer – in each particular situation BTA employees offer the best insurance solution to each customer. The entire Company has adopted high customer service standards that are applicable to each and every employee.

Departments and Branches of the Company

Customer service locations that offer BTA insurance services.
<https://www.bta.lv/en/contacts/customer-service-centres>

Foreign branches:

Estonia - <https://www.bta.ee/>

Lithuania - <https://www.bta.lt/>