European Reliance Group of Companies Profile
European Reliance General Insurance Co. S.A. is a comprehensive insurance company which is engaged in the provision of all kinds of insurance and reinsurance services in individuals and companies, except for credit and guarantee insurance sectors.

The company’s sales network comprises of more than 5,300 insurance agents who support more than 620,000 insurance policies in December 31, 2018.

Presence in Greece
Headquarters in Athens, Kifisias Aven. 274, Chalandri

Presence in Greece with 110 retail offices

- 104 retail offices in 2017
- 6 new offices

- 41 retail offices in Attica
- 69 retail offices in the rest of Greece

Offices in all major cities and islands of Greece:

- 8 retail offices in Thessaloniki
- 6 retail offices in Heraklion
- 4 retail offices in Serres and in Larisa
Insurance Products / Services
Insurance Products / Services

- **Education**
- **Property Protection**
- **Private Health Insurance System**
- **Income Protection**
- **Private Pension System**
- **Family Care**
- **Quality of Life System**
- **Home Protection**
2018 Greek Insurance Market
Data collected by 53 insurance companies established in Greece that represent 96.7% of the Total Written Premiums in the Greek Insurance Market

Source: Hellenic Association of Insurance Companies and Annual Company’s Estimations

2018 Greek Insurance Market Overview (1/3)

- Strong competition along with marginal growth,
- Reduction of the number of insurance companies by 4,
- Many Insurance Companies operating under the state of Freedom to Provide Services (FPS),
- Limited consumer’s power,
- Pressure for decrease of premiums,
- High Taxation.

Change % - Total Gross Written Premiums

<table>
<thead>
<tr>
<th>Written Premiums (mil. €)</th>
<th>2018 (est.)</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Insurance</td>
<td>1,863.6</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Non-Life Insurance</td>
<td>2,055.3</td>
<td>+4.0%</td>
</tr>
<tr>
<td>- Motor Third Party Liability</td>
<td>768.2</td>
<td>-1.7%</td>
</tr>
<tr>
<td>- Other Non-Life Sectors</td>
<td>1,287.1</td>
<td>+7.7%</td>
</tr>
<tr>
<td>Total</td>
<td>3,918.9</td>
<td>+1.8%</td>
</tr>
</tbody>
</table>
### 2018 Greek Insurance Market Overview (2/3)

#### Change % - Total Life Gross Written Premiums

<table>
<thead>
<tr>
<th>Year</th>
<th>Greek Insurance Market</th>
<th>European Reliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>-7.6%</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>-6.4%</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>-13.3%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>-3.9%</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>6.1%</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>-0.5%</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>33.0%</td>
<td></td>
</tr>
</tbody>
</table>

Data collected by 53 insurance companies established in Greece that represent 96.7% of the Total Written Premiums in the Greek Insurance Market

Source: Hellenic Association of Insurance Companies and Annual Company’s Estimations

<table>
<thead>
<tr>
<th>Section</th>
<th>2018</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Insurance (mil. €)</td>
<td>1,276.7</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Life Insurance related to Investments</td>
<td>322.4</td>
<td>+7.9%</td>
</tr>
<tr>
<td>Management of collective</td>
<td>264.5</td>
<td>+26.9%</td>
</tr>
<tr>
<td>Pension funds</td>
<td>264.5</td>
<td>+26.9%</td>
</tr>
<tr>
<td>Total</td>
<td>1,863.6</td>
<td>-0.5%</td>
</tr>
</tbody>
</table>

### Events that affected the Insurance Sector:

- Natural disasters (Mati – Kineta)
- Large amount of insurance claims paid, for a catastrophic fire in a Company in Northern Greece
- Increase of fatal road accidents
- Extreme natural disasters (earthquakes and floods)
- Implementation of new regulations (PRIIPS - GDPR - IDD)
- Implementation of the new accounting standards IFRS 17 and IFRS 9 effective as of 01/01/2022
- New Law 4548/2018 in replacement of Law 2190/1920
European Reliance has a steady growth over the recent years. Since 2008, European Reliance has doubled its Market share.

Data collected by 53 insurance companies established in Greece that represent 96.7% of the Total Written Premiums in the Greek Insurance Market
Source: Hellenic Association of Insurance Companies and Annual Company’s Estimations
European Reliance Group of Companies
2018 Financial Results
### 2018 Consolidated Key Financial Figures (1/2)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Written Premiums and related income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>€ 191,008 thous.</td>
<td>Increase 4.1%</td>
</tr>
<tr>
<td>2017</td>
<td>€ 183,555 thous.</td>
<td></td>
</tr>
</tbody>
</table>

| **Consolidated Pre tax Profits:** | | |
| 2018 | € 15,387 thous. | Decrease 32.08% |
| 2017 | € 22,798 thous. |                  |

| **Earnings Per Share:** | | |
| 2018 | € 0.3895 | Decrease 32.91% |
| 2017 | € 0.5806 |                  |

| **Dividend per Share:** | | |
| 2018 | € 0.13 | Increase 8.33% |
| 2017 | € 0.12 |                  |

| **Gross Insurance Sector results:** | | |
| 2018 | € 35,263 thous. | Decrease 18.2% |
| 2017 | € 43,105 thous. |                  |

- 9.4% Life Insurance premiums increase and 9.0% Other Non-Life Insurance premiums increase
- 1.9% Motor Third Party Liability premiums decrease

- Increase of Insurance Claims vs 2017: +8.9%
- Increase of Insurance Provisions vs 2017: +184.9%
- Dividend to be distributed: € 3.6 mil.
## 2018 Consolidated Key Financial Figures (2/2)

<table>
<thead>
<tr>
<th>(mil. €)</th>
<th>2018</th>
<th>2017</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance Profit</td>
<td>35.3</td>
<td>43.1</td>
<td>- 18.2%</td>
</tr>
<tr>
<td>Insurance Profit Margin</td>
<td>18.5%</td>
<td>23.5%</td>
<td>-5.0 p.p.</td>
</tr>
<tr>
<td>Pre Tax Profit</td>
<td>15.4</td>
<td>22.8</td>
<td>-32.5%</td>
</tr>
<tr>
<td>Pre Tax Profit Margin</td>
<td>8.1%</td>
<td>12.4%</td>
<td>-4.3 p.p.</td>
</tr>
<tr>
<td>Net Profit</td>
<td>10.7</td>
<td>16.0</td>
<td>-33.1%</td>
</tr>
<tr>
<td>Net Profit Margin</td>
<td>5.6%</td>
<td>8.7%</td>
<td>-3.1 p.p.</td>
</tr>
</tbody>
</table>

**Total Insurance Provisions:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>€ 285,704 thous.</td>
</tr>
<tr>
<td>2017</td>
<td>€ 273,142 thous.</td>
</tr>
</tbody>
</table>

**Consolidated Total Equity:**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>€ 115.9 mil. or 27.0% of Liabilities</td>
</tr>
<tr>
<td>2017</td>
<td>€ 115.4 mil. or 27.6% of Liabilities</td>
</tr>
</tbody>
</table>
Total Gross Written Premiums per Sector (mil. €)

- 9.0% Other Non-Life sector increase
- 9.4% Life sector increase
- 1.9% Motor Third Party Liability marginal decrease

4.1% increase vs 2017, vs 1.8% increase in the Greek insurance market
Insurance Policies

Total Insurance Policies per Sector

- **586,667** policies in 2016
- **616,956** policies in 2017
- **620,990** policies in 2018

Claims per Sector (mil. €)

- **74.1** mil. € in 2016
- **85.9** mil. € in 2017
- **93.6** mil. € in 2018

- **8.0%** increase in Motor Third Party Liability Claims,
- **3.2%** increase in Life Sector Claims and
- **25.3%** increase in Other Non-Life Sector Claims
10 years ago, the Company’s total Market Share was 2.1%
Investment Portfolio Allocation (mil. €)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Equivalents</td>
<td>15.9</td>
<td>15.8</td>
</tr>
<tr>
<td>Greek Listed Shares</td>
<td>41.3</td>
<td>54.9</td>
</tr>
<tr>
<td>Greek Mutual Funds</td>
<td>40.7</td>
<td>42.6</td>
</tr>
<tr>
<td>Government Bonds</td>
<td>225.4</td>
<td>201.2</td>
</tr>
<tr>
<td>Corporate Bonds</td>
<td>333.8</td>
<td>325.7</td>
</tr>
<tr>
<td>Real Estate Investments</td>
<td>7.0</td>
<td>7.2</td>
</tr>
</tbody>
</table>

Corporate Bonds per credit rating (2018)

- AAA: 1%
- AA: 2%
- A: 20%
- BBB: 67%
- BB: 9%
- B: 1%
- NR: 1%

Government Bonds per credit rating (2018)

- AAA: 12%
- AA: 22%
- A: 31%
- BBB: 34%
- BB: 12%
- B: 1%
Gross Insurance Sectors Results (mil. €)

**Motor Third Party Liability**

Total 53.9% decrease
- 184.2% Insurance provisions increase
- 8.0% Paid Claims increase
- 1.9% Net accrued premiums and other related income decrease

**Life Sector**

Total 865.5% increase
- 9.4% Net accrued premiums and other related income increase
- 238.2% Net Life Investments Income increase

**Other Non-Life Sector**

Total 15.2% increase
- 6.4% Net accrued premiums and other related income increase
- 25.3% Paid Claims increase
Group's After Tax Profit (mil. €)

- 2014: 10.2
- 2015: 11.2
- 2016: 14.7
- 2017: 16.0
- 2018: 10.7

Group has never received bank loans.

Group’s Total Assets amounted to €429.4 mil., presenting 2.8% increase, vs 2017.

Group’s Total Equity (mil. €)

- 2014: 70.1
- 2015: 79.8
- 2016: 95.3
- 2017: 115.4
- 2018: 115.9

The Total Liabilities of the Parent Company amounted to €116.5 mil., presenting 0.3% increase, vs 2017.

Representing 27.0% of Total Liabilities.
Company’s Solvency ratios (with transitional measures)

The Company’s Total Equity outweigh the Minimum Capital Requirement (MCR) and the Solvency Capital Requirement (SCR)

- SCR ratio increased by 14.1 percentage points vs 2017.
- MCR ratio increased by 54.2 percentage points vs 2017.
## Key Performance Indicators

<table>
<thead>
<tr>
<th>Metric</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments / Total Assets</td>
<td>77.7%</td>
<td>78.4%</td>
</tr>
<tr>
<td>Gross Written Premiums (annual change %)</td>
<td>4.1%</td>
<td>6.6%</td>
</tr>
<tr>
<td>Acquisition Cost / Written Premiums</td>
<td>17.9%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Premium Debtors Rate / Gross Premiums</td>
<td>7.5%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Own Retention of Net Written Premiums and related income</td>
<td>91.1%</td>
<td>92.1%</td>
</tr>
<tr>
<td>Insurance Provisions / Written Premiums</td>
<td>149.6%</td>
<td>148.8%</td>
</tr>
<tr>
<td>Return on Equity (pre tax) (ROE)</td>
<td>13.3%</td>
<td>19.8%</td>
</tr>
<tr>
<td>Return on Assets (pre tax) (ROA)</td>
<td>3.6%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Pre Tax Profit Margin</td>
<td>8.1%</td>
<td>12.4%</td>
</tr>
<tr>
<td>After Tax Profit / Share Capital</td>
<td>61.8%</td>
<td>92.2%</td>
</tr>
</tbody>
</table>

*Key Performance Indicators refer to the Group*
Ownership Structure
Progress of Company’s Share Price
Ownership Structure – Progress of Company’s Share Price

Dividends per share (€)

- 2015: €0.06
- 2016: €0.10
- 2017: €0.12
- 2018: €0.13

Ownership Structure 31/12/2018

- Individuals: 2,975 shareholders
- Legal Entities: 66 shareholders
- Common Shares: 158 shareholders
- Institutional Investors: 6.92%
- E.B.R.D.: 15.00%
- Other Shareholders: 51.70%
- Employees/Agents: 26.38%

EYPIC Share compared to Athens S.E. General Index

- € 3.6 mil. paid in dividends to shareholders in 2018
- Over the last 4 years, the Company has paid € 11.3 mil. in dividends to its shareholders

The Shareholders’ distribution in 31.12.2018 was:

- Individuals: 2,975 shareholders
- Legal Entities: 66 shareholders
- Common Shares: 158 shareholders
Employees – Sales Network
**Employees – Sales Network**

**Total hours of staff training**

- 2018: 8,526
- 2017: 7,809

**Average training hours per employee**

- 2014: 21.06
- 2015: 22.35
- 2016: 25.27
- 2017: 28.71
- 2018: 28.80

**Total number of Group’s Staff**

- 2014: 721
- 2015: 901
- 2016: 1,035
- 2017: 1,121
- 2018: 1,175

**Total number of Insurance Agents**

- 2015: 5,082
- 2016: 5,249
- 2017: 5,433
- 2018: 5,379

**Company’s voluntary employee leaving ratio is 0.19%**

- Group’s staff increased by 54 persons in 2018, in an environment of unemployment and job insecurity

**Women: 66%**

**Men: 34%**
C.S.R. - Distinctions
Social Contribution

- Regeneration of the beach in front of Rehabilitation Center for Children with Disabilities in Voula, ex PIKPA along with the contribution of the Group’s employees
- Financial support and donations through the Hellenic Association of Insurance Companies to the victims of the fire in Mati
- Supporting the actions of the Scientific Mammalogical Society of IASIS
- 70 additional actions for Social Contribution

Training and Education

- European Reliance has actively demonstrated support for education as well as for culture. Over the last three years in cooperation with the IT Department, the Company helped out 43 schools-clubs both financially and by donating IT equipment.
- 6 additional actions for Education
Distinctions - Important Events 2018

- **“True Leader”** company for the 8th consecutive year
- **Platinum Award** for Business Ethics and Corporate Governance by the Greek Business Ethics Institute (EBEN) for 5th consecutive year
- **Silver Award** for “Asfalistikos Goneas” insurance program in Loyalty Awards 2018
- **Silver Award** for the application of “Asfalistikos Goneas” in the context of Mobile Excellence Awards
- Socially Responsible Organization and Employer in ICAP’s business edition “Leading Employers in Greece”

- **Re-certification with ISO 9001: 2015** and ISO 27001:2013 for the total of the Group’s services
- **Strengthening the Brand Name** through innovative modern marketing methods
- **Strengthening the Sales Network**
- Presentation of a new integrated family protection system “Family Care”
- **Significant increase** in insurance policies, which exceeded 620 thousands in 2018
- Opening of 6 new retail offices in Greece
Success Factors
Success Factors

Well Known Brand since 1977

Steady Orientation, according to the Company's Vision ("The Dream")

Total corporate cohesion among shareholders and employees

Core values

Stable Principles (Integrity - Consistency – Hard Work – Righteous Administration)

Agreement in Fundamental values

Strong and Experienced Management Team - Shareholders' Unanimity

Strong Corporate Governance and Transparency Practices

Dedicated and highly trained Sales Network
Private Insurance in Greece
2019 Growth Prospects
Private Insurance in Greece – 2019 Growth Prospects

Premiums as a percentage of GDP

<table>
<thead>
<tr>
<th>Country</th>
<th>Life</th>
<th>Non-Life</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>3.1%</td>
<td>4.6%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Germany</td>
<td>3.5%</td>
<td>3.3%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Portugal</td>
<td>2.3%</td>
<td>5.6%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Spain</td>
<td>2.9%</td>
<td>2.5%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Greece</td>
<td>1.2%</td>
<td>0.9%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

In Europe included 28 EU counties, Switzerland, Norway, Iceland and Turkey

Life insurance premiums representing **0.9%** of Greece’s GDP compared to 4.6% average in Europe.

Payments for pension contributions

- **95%** Public
- **1%** Professional
- **4%** Private

Source: Insurance Europe, OPF, HAIC

In 2017, Greece’s per capita public health expenditure was **€ 845** compared to **€ 2,822** in the European Union.
2019 Business Goals
2019 Business Goals

- **Ensuring smooth operation** in accordance with the new Solvency II environment,
- **Immediate implementation of the Insurance Product Distribution Directives (IDD), PRIIP’s and the GDPR (Personal Data Processing),**
- **Preparation and analysis of the deviations for the new IFRSs 17 & 9 as effective by 01/01/2022,**
- **Finding new distribution channels,**
- **Designing and development of innovative insurance products,**
- **Training of staff / Sales Network in the new regulations / legislation,**
- **Finding and managing talents,**
- **Improving Liquidity and Equity,** and
- **Development of new software applications and digitization of services.**
**2019 Financial Goals**

- **Decrease of Total costs as a percentage of the Net Written premiums**: 0.6%
- **Increase of Total Assets**: 5.4%
- **Decrease of Loss Ratio**: 3.0%
- **Decrease of Lapse Ratio**: 0.5%
- **Decrease of Acquisition Costs in the Motor Sector**: 1.0%

**Increase of Net Written Premiums**: 9.8%

- **Increase of Investment Revenues** over € 5.5 mil.
- **Maintain the reinsurance costs and policy terms** at 2018 levels
- **Maintain the Operational Costs** (<15.3%) as a percentage of the Net Written premiums