

## Statement of profit or loss and other comprehensive income

"31" March 2019

"INGO ARMENIA" insurance closed joint stock company

| In thousand Armenian drams  | Notes  | January- March 2019 | January- March 2019 | January- March 2018 | January- March 2018 |
|---|--------|---------------------|---------------------|---------------------|---------------------|
| Gross premiums written  | 21     | 5,376,116           | 5,376,116           | 3,736,255           | 3,736,255           |
| Change in the gross provision for unearned premiums   | 21     | (2,484,251)         | (2,484,251)         | (1,213,687)         | (1,213,687)         |
| <b>Gross insurance premium revenue</b>  |        | <b>2,891,865</b>    | <b>2,891,865</b>    | <b>2,522,568</b>    | <b>2,522,568</b>    |
| Impairment charge of premiums   | 21, 27 | 8,219               | 8,219               | (20,873)            | (20,873)            |
| <b>Gross insurance premium revenue, after impairment charge</b>                                 |        | <b>2,900,084</b>    | <b>2,900,084</b>    | <b>2,501,695</b>    | <b>2,501,695</b>    |
| Written premiums ceded to reinsurers  | 21     | (1,596,638)         | (1,596,638)         | (505,296)           | (505,296)           |
| Reinsurers' share of change in the gross provision for unearned premiums                        | 21     | 779,734             | 779,734             | (131,636)           | (131,636)           |
| <b>Ceded earned premiums</b>  |        | <b>(816,904)</b>    | <b>(816,904)</b>    | <b>(636,932)</b>    | <b>(636,932)</b>    |
| <b>Net insurance premium revenue</b>  |        | <b>2,083,180</b>    | <b>2,083,180</b>    | <b>1,864,762</b>    | <b>1,864,762</b>    |
| Subrogation income  |        | 41,571              | 41,571              | 24,011              | 24,011              |
| Impairment charge of subrogation  | 27     | (7,124)             | (7,124)             | 3,699               | 3,699               |
| <b>Subrogation income, after impairment charge</b>  |        | <b>34,447</b>       | <b>34,447</b>       | <b>27,710</b>       | <b>27,710</b>       |
| Net reinsurance commission income   | 22     | 61,245              | 61,245              | 65,816              | 65,816              |
| Net income from investments available-for-sale  |        | 5,356               | 5,356               | 34,742              | 34,742              |
| Investment income   | 23     | 173,842             | 173,842             | 135,436             | 135,436             |
| Other income  |        | 16,621              | 16,621              | 1,956               | 1,956               |
| <b>Total income</b>   |        | <b>2,374,692</b>    | <b>2,374,692</b>    | <b>2,130,423</b>    | <b>2,130,423</b>    |
| Gross claims incurred   | 24     | (1,485,568)         | (1,485,568)         | (1,238,077)         | (1,238,077)         |
| Reinsurer's share of gross claims incurred  | 24     | 126,164             | 126,164             | 12,855              | 12,855              |
| <b>Net insurance claims incurred</b>  |        | <b>(1,359,404)</b>  | <b>(1,359,404)</b>  | <b>(1,225,222)</b>  | <b>(1,225,222)</b>  |
| Acquisition costs   | 25     | (279,975)           | (279,975)           | (259,494)           | (259,494)           |
| Financial expenses  | 26     | (34,502)            | (34,502)            | (14,327)            | (14,327)            |
| Impairment charge   | 27     | (565)               | (565)               | 21                  | 21                  |
| Depreciation and amortization   | 6, 7   | (22,240)            | (22,240)            | (26,284)            | (26,284)            |
| Staff costs   | 28     | (313,446)           | (313,446)           | (282,748)           | (282,748)           |
| Other operating and administrative expenses   | 29     | (182,491)           | (182,491)           | (257,657)           | (257,657)           |
| Foreign currency translation net losses of non-trading assets and liabilities                   |        | (2,114)             | (2,114)             | 4,805               | 4,805               |
| Net losses from trading in foreign currency   |        | (1,684)             | (1,684)             | (736)               | (736)               |
| <b>Total expenses</b>   |        | <b>(2,196,421)</b>  | <b>(2,196,421)</b>  | <b>(2,061,642)</b>  | <b>(2,061,642)</b>  |
| <b>Profit/(loss) before income tax</b>  |        | <b>178,271</b>      | <b>178,271</b>      | <b>68,781</b>       | <b>68,781</b>       |
| Income tax expense  | 30     | (40,364)            | (40,364)            | (2,412)             | (2,412)             |
| <b>Profit/(loss) for the year</b>   |        | <b>137,907</b>      | <b>137,907</b>      | <b>66,369</b>       | <b>66,369</b>       |
| <b>Other comprehensive income:</b>  |        |                     |                     |                     |                     |
| <i>Items that will not be reclassified subsequently to profit or loss</i>                       |        |                     |                     |                     |                     |
| Revaluation of PPE  |        |                     |                     |                     |                     |
| Income tax relating to items not reclassified   |        |                     |                     |                     |                     |
| <b>Net income from items that will not be reclassified subsequently to profit or loss</b>       |        | -                   | -                   | -                   | -                   |
| <i>Items that will be reclassified subsequently to profit or loss</i>                           |        |                     |                     |                     |                     |
| Net unrealized gains/(losses) from changes in fair value of available-for-sale financial assets |        | (17,679)            | (17,679)            | 57,336              | 57,336              |
| Net gains realized to net profit or loss on disposal of available-for-sale instruments          |        | (5,356)             | (5,356)             | (34,742)            | (34,742)            |
| Income tax relating to reclassified items   |        | 4,608               | 4,608               | (4,518)             | (4,518)             |
| <b>Net gains/(losses) from items that will be reclassified subsequently to profit or loss</b>   |        | <b>(18,427)</b>     | <b>(18,427)</b>     | <b>18,076</b>       | <b>18,076</b>       |
| <b>Other comprehensive income for the year, net of tax</b>                                      |        | <b>(18,427)</b>     | <b>(18,427)</b>     | <b>18,076</b>       | <b>18,076</b>       |
| <b>Total comprehensive income for the year</b>  |        | <b>119,480</b>      | <b>119,480</b>      | <b>84,445</b>       | <b>84,445</b>       |

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Chief Accountant