

## Statement of profit or loss and other comprehensive income

"31" December 2015

"INGO ARMENIA" insurance closed joint stock company

In thousand Armenian drams	Notes	October - December 2015	January - December 2015	October - December 2014	January - December 2014
Gross premiums written	22	1,628,621	8,141,486	1,777,840	7,247,048
Change in the gross provision for unearned premiums	22	447,464	(313,123)	31,715	(135,079)
<b>Gross insurance premium revenue</b>		<b>2,076,085</b>	<b>7,828,363</b>	<b>1,809,555</b>	<b>7,111,969</b>
Impairment charge of premiums		(117,733)	(117,733)	(350,762)	(350,762)
<b>Gross insurance premium revenue, after impairment charge</b>		<b>1,958,351</b>	<b>7,710,630</b>	<b>1,458,792</b>	<b>6,761,207</b>
Written premiums ceded to reinsurers	22	(306,102)	(1,682,185)	(371,165)	(1,096,035)
Reinsurers' share of change in the gross provision for unearned premiums	22	(149,922)	255,497	96,491	(17,796)
<b>Ceded earned premiums</b>		<b>(456,024)</b>	<b>(1,426,688)</b>	<b>(274,674)</b>	<b>(1,113,831)</b>
<b>Net insurance premium revenue</b>		<b>1,502,327</b>	<b>6,283,942</b>	<b>1,184,118</b>	<b>5,647,376</b>
Net reinsurance commission income	23	56,856	199,300	42,702	170,666
Subrogation income		83,739	234,286	45,565	256,871
Impairment charge of subrogation		(107,939)	(107,939)	(41,466)	(41,466)
<b>Subrogation income, after impairment charge</b>		<b>(24,200)</b>	<b>126,347</b>	<b>4,100</b>	<b>215,405</b>
Net income from investments available-for-sale		(1,345)	(89,596)	9,023	337,191
Investment income	24	144,219	720,643	202,747	781,609
Other income		1,215	6,166	29,057	78,307
<b>Total income</b>		<b>1,679,072</b>	<b>7,246,802</b>	<b>1,471,747</b>	<b>7,230,553</b>
Gross claims incurred	25	(1,115,150)	(3,623,365)	(952,452)	(3,531,480)
Reinsurer's share of gross claims incurred	25	167,911	269,950	33,903	310,764
<b>Net insurance claims incurred</b>		<b>(947,239)</b>	<b>(3,353,415)</b>	<b>(918,549)</b>	<b>(3,220,716)</b>
Acquisition costs	26	(257,811)	(1,243,177)	(307,716)	(1,252,596)
Other commission expenses		-	-	-	(2,607)
Financial expenses	27	(40,235)	(379,873)	(136,604)	(434,676)
Impairment charge	28	187,048	(534)	129,630	(13,961)
Depreciation and amortization	6,7	(34,622)	(144,643)	(36,695)	(146,267)
Staff costs	29	(370,177)	(979,462)	(220,996)	(830,670)
Other operating and administrative expenses	30	(165,337)	(524,203)	(232,413)	(738,604)
Foreign currency translation net losses of non-trading assets and liabilities		(3,448)	817	(2,226)	(1,747)
Net losses from trading in foreign currency		(3,337)	(5,556)	(1,073)	(2,802)
<b>Total expenses</b>		<b>(1,635,158)</b>	<b>(6,630,046)</b>	<b>(1,726,643)</b>	<b>(6,644,645)</b>
<b>Profit/(loss) before income tax</b>		<b>43,914</b>	<b>616,756</b>	<b>(254,896)</b>	<b>585,908</b>
Income tax expense	31	(15,296)	(131,694)	35,260	(135,064)
<b>Profit/(loss) for the year</b>		<b>28,617</b>	<b>485,062</b>	<b>(219,636)</b>	<b>450,844</b>
<b>Other comprehensive income:</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		5,359	(1,871)	(629,296)	(539,521)
Net gains realized to net profit or loss on disposal of available-for-sale instruments		1,345	89,596	(9,023)	(337,191)
Income tax relating to reclassified items		(1,341)	(17,545)	127,664	175,342
<b>Net gains/(losses) from items that will be reclassified subsequently to profit or loss</b>		<b>5,363</b>	<b>70,180</b>	<b>(510,655)</b>	<b>(701,370)</b>
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Revaluation of PPE		16,938	16,938	-	-
Income tax relating to items not reclassified		(3,388)	(3,388)	-	-
<b>Net income from items that will not be reclassified subsequently to profit or loss</b>		<b>13,550</b>	<b>13,550</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>18,914</b>	<b>83,730</b>	<b>(510,655)</b>	<b>(701,370)</b>
<b>Total comprehensive income for the year</b>		<b>47,531</b>	<b>568,792</b>	<b>(730,291)</b>	<b>(250,526)</b>