

# Statement of profit or loss and other comprehensive income

In thousand Armenian drams

	Notes	2019	2018
Gross premiums written	20	13,366,884	10,153,610
Change in the gross provision for unearned premiums	20	(779,779)	114,535
Gross insurance premium revenue		12,587,105	10,268,145
Insurance premiums impairment charge	26	(8,151)	(38,188)
Gross insurance premium revenue, after impairment		12,578,954	10,229,957
Written premiums ceded to reinsurers	20	(4,140,772)	(2,540,870)
Reinsurers' share of change in the gross provision for unearned premiums	20	640,636	(110,230)
Ceded earned premiums		(3,500,136)	(2,651,100)
Net insurance premium revenue		9,078,818	7,578,857
Subrogation income		165,840	86,255
Subrogation impairment charge	26	(57,892)	(6,270)
Subrogation income, after impairment		107,948	79,985
Net reinsurance commission income	21	246,575	262,508
Net income from investments available-for-sale		223,877	145,021
Investment income	22	684,239	584,027
Other income		185,484	60,161
Total income		10,526,941	8,710,559
Gross claims incurred	23	(6,923,662)	(5,436,617)
Reinsurer's share of gross claims incurred	23	379,194	145,734
Net insurance claims incurred		(6,544,468)	(5,290,883)
Acquisition costs	24	(1,294,005)	(959,378)
Financial expenses	25	(109,053)	(89,425)
Depreciation and amortization	6,7	(126,879)	(96,115)
Staff costs	27	(1,300,589)	(1,103,044)
Other operating and administrative expenses	28	(712,748)	(886,409)
Impairment of other assets and receivables	26	(50,895)	(1,275)
Foreign currency translation net gains of non-trading assets and liabilities		14,100	5,568
Net losses from trading in foreign currency		(4,459)	(2,913)
Total expenses		(10,128,996)	(8,423,874)
Profit before income tax		397,945	286,685
Income tax expense	29	(128,104)	(81,092)
Profit for the year		269,841	205,593

# Statement of profit or loss and other comprehensive income (continued)

In thousand Armenian drams

	Notes	2019	2018
Other comprehensive income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Revaluation of property and equipment	6	40,258	62,561
Income tax relating to items not reclassified	29	(3,608)	(12,512)
Net gains from items that will not be reclassified subsequently to profit or loss		36,650	50,049
<i>Items that will be reclassified subsequently to profit or loss</i>			
Net gains unrealized from changes in fair value of available-for-sale financial assets		359,638	88,052
Net gains realized to profit or loss on disposal of available-for-sale instruments		(223,877)	(166,367)
Income tax relating to reclassified items	29	(24,320)	15,663
Net gains/(losses) from items that will be reclassified subsequently to profit or loss		111,441	(62,652)
Other comprehensive income for the year, net of tax		148,091	(12,603)
Total comprehensive income for the year		417,932	192,990

The accompanying notes on pages 10 to 58 are an integral part of these financial statements.