EUROHOLD

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The Romanian regulator approved the plan for measures of EUROINS Romania

The Romanian financial regulator (ASF) approved the plan for improvement of financial performance of EUROINS Romania, a subsidiary of EUROINS Insurance Group (EIG), part of Eurohold Bulgaria.

The plan provides for a capital increase of EUR 45 million (RON 200 million), the decision was already voted by shareholders of EUROINS Romania on October 8th and published in the Official Gazette on October 12th. If necessary and depending on the financial results, shareholders of the company also undertake to provide additional capital in the second half of 2016 to meet all requirements within the one-year period.

Along with the measures for EUROINS Romania, on November 19th the general meeting of shareholders of the parent company EUROINS INSURANCE GROUP approved the proposal of the Board of Directors to increase the capital of the holding company by EUR 100 million, which will be used for the needs of subsidiaries.

In addition to the decision for capital increase of EIG, Eurohold Bulgaria convenes an extraordinary general meeting of shareholders on December 28th, at which will be proposed approval of the Eurobond issuance as the parameters of the issue were announced in the invitation for the GMS.

The plan for the measures at EUROINS Romania was requested by the Romanian regulator in mid-October in relation to the review of the balance sheets and conducted stress tests of the largest insurance companies in the country, which showed the need for additional equity capital in part of the companies. The stress tests were made in preparation for the adoption of the Directive Solvency II, which enter into force on 1st of January, 2016, and aims to improve the liquidity and equity capital of insurers in the EU. Romania was the first member state which carried out stress tests in the insurance sector.

Euroins Romania registered a significant increase of its financial results. Only in October the company registered 28.6% growth in premium income to EUR 12.8 mln. For the first ten months of 2015 the company reported 52.6% increase in premiums to above EUR 130 mln.

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Euroins Insurance Group is one of the largest independent groups operating in the region. The company has appr. 7% market share in Bulgaria, Romania and Macedonia and employs 1,200 people. Euroins is a subsidiary of Eurohold – leading company with operations across the CEE region, focused on non-banking financial services and asset management. The headquarter of EIG is based in Sofia. www.eurohold.bg