

PRESS RELEASE

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EIG to expand organically and open a branch in Greece

The insurance holding expects 15 million euro in premium income for 2016

With reference to the decision of the Greek central bank not to approve proposed acquisition of the local life insurer Credit Agricole Life, Bulgaria-based Euroins Insurance Group (EIG), a subsidiary of Eurohold Bulgaria, intends further organic expansion in Greece and plans to set up a branch in the neighboring country. Regarding the funds that were to be paid for the purchase of Credit Agricole Life, EIG would invest them in other potential acquisition deals in Central and Southeastern Europe as part of its strategy to become a leading insurer in Southeastern Europe.

The Greek central bank argued its decision on the proposed acquisition of Credit Agricole Life with:

- 1. The program for EIG's Romanian unit, that had been approved by Romanian's financial supervision authority ASF, has still been ongoing and has not finished.*
- 2. Credit Agricole Life is a larger company compared with the size of EIG*
- 3. The scope for investment of Credit Agricole France, Credit Agricole Life parent, is larger in comparison with the one of EIG*

In relation with the Greek central bank's arguments, EIG is announcing the following statement:

- 1. The procedure for EIG's Romanian unit has been ongoing according to the plan approved by Romanian's financial supervision authority ASF and is to be finished by the end of November 2016.*
- 2. For 2015 Euroins Insurance Group's income from insurance premiums was **250 million euro**. For 2015 Crédit Agricole Life's income from insurance premiums was **21 million euro**. EIG's capital amounted to **250 million euro** in April 2016 while at the same period Crédit Agricole Life's capital was **40 million euro**. In 2015 Euroins Insurance Group employed **1400 people** and Crédit Agricole Life employed about **30 people**.*

Euroins Insurance Group has been present in Greece since August 2014 through its Greek partner Global Insurance. It generated 6 million euro of revenue in Greece in the first half of 2016 and for the whole year the company's income from insurance premiums is expected to reach 15 million euro. EIG employed about 20 people at the end of June 2016. "The current decision of Greece's central bank will not affect EIG's

intentions for further expansion in the country. The company is well capitalized to expand its footprint in the Greek insurance market and to grow organically. We would consider other strategic options to buy local insurers that could drive our growth.", Kiril Boshov, EIG CEO said.

Regarding the expected regulatory approval about the proposed acquisition of Ukraine-based insurer HDI Strakhuvannya, the Ukrainian regulator has asked Euroins Insurance Group two additional small questions - information about the CV of one of the members of EIG's Board of Directors as well as data about one of the group's minority shareholders. Euroins Insurance Group has already answered these questions and expects to obtain a regulatory approval on HDI Strakhuvannya deal in the short term. According to the legislative system in Ukraine, any regulator's requirement about additional information on a proposed acquisition is accompanied by its temporary decision not to approve the deal.

EIG raised its capital by 100 million euro at the beginning of April 2016 amounted to almost 250 million euro. The goal of the capital increase was to finance the group expansion, as well as to support its subsidiaries in the region. In February 2015, EIG purchased the business of Germany-based Talanx Group in Bulgaria. In 2013, it acquired the businesses of QBE in Bulgaria and Romania, as well as the operations of Interamerican in Bulgaria.

About EUROINS INSURANCE GROUP

EUROINS INSURANCE GROUP is one of the largest independent groups operating in the CEE and SEE insurance markets. The company is focused in providing a full range of insurance products in the areas of general, health and life insurance. Sofia-based group operates in seven European countries, has more than 7% market share in Bulgaria, Romania and FYROM, and in 2014 initiated operations in Greece. The group has over 2 million clients, 1400 employees and annual revenues of over EUR 250 million. EUROINS INSURANCE GROUP is a subsidiary of EUROHOLD BULGARIA – leading Bulgarian company, listed on BSE-Sofia and WSE. EUROHOLD BULGARIA operates across the CEE and SEE, focused on non-banking financial services and asset management.

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