



Press release  
April 10, 2019

## 2018 financial position

The CCR group's consolidated premium income was 1,371 million euros, with consolidated net income of 132 million euros.

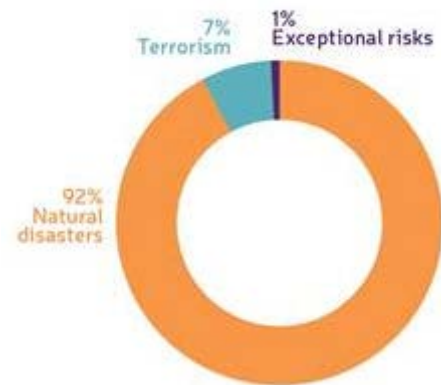
CCR RE contributed 35 million euros to the Group consolidated income, while CCR contributed 147 million euros (restatements required by consolidation rules were -49 million euros, mainly associated with changes in deferred tax).

CCR's Board of Directors adopted the accounts for the 2018 financial year at its meeting on April 9, 2019. The Chairman of the Board, Pierre BLAYAU, said at that meeting:

*"2018's results confirm once again the relevance and solidity of CCR group's business model. The numerous weather events (872 million euros) that affected French territory in 2018 highlighted the importance of CCR's role in providing compensation for natural disasters and ensuring all households and businesses have equal access to insurance for these risks. In addition, CCR RE has also continued its profitable growth and is making an increasingly significant contribution to the Group's results. I am delighted that, as a result of the hard work of all teams, CCR RE has already achieved the strategic objectives set by the board of directors when the company was created."*

## CCR – Public reinsurance

2018 saw a series of natural disaster events, with the whole of France being affected, resulting in CCR recording 872 million euros of claims in its role as public reinsurer.



✓ CCR gross written premiums were 908 million euros in 2018, remaining stable compared to 2017.

✓ Frequency of natural disaster events was high in 2018.

French territory suffered numerous natural disaster events, including the drought that affected a good third of the country in the North-East and the floods following storm Eleanor (January 2018), the floods in the Seine and Marne basins (January-February 2018), those affecting the west of the country (June 2018) and the Languedoc area (October 2018), as well as a very high frequency of smaller events. The total cost of natural disaster events occurring in 2018 is estimated to be 872 million euros.

✓ Net investment income was 122 million euros, corresponding to a return on investment of 1.8%.

CCR's assets were 7.7 billion euros at market value, down almost 770 million euros compared to 31 December 2017. This decrease is due to payments made by CCR as compensation for losses caused by natural disaster events, of which 1.1 billion euros for Hurricane IRMA, and to a lesser extent to the decline in the financial markets over the financial year.

✓ CCR cost ratio was 2.4% (compared to 2.5% in 2017). CCR is continuing its ongoing process of optimising costs, enabling it to control costs while ensuring it has the means to invest in developing R&D work in the area of climate and weather.

✓ CCR benefited from a favourable tax effect in 2018, essentially due to changes during the year in unrealised capital gains and losses on mutual funds. Corporate tax was thus limited to 16M€.

✓ CCR net income was 147 million euros.

✓ In 2018, CCR has strengthened its capital (shareholders' equity and equalization reserve) up to 4.3 billion euros.

✓ CCR can face in 2019 a Nat Cat loss experience of 4.5 billion euros for the market without calling on the State guarantee.

Millions of euros	2017	2018R
Gross written premiums	905	908
Cost ratio	2.5%	2.4%
Net combined ratio	88.6%	95.1%
Return on investment	1.6%	1.8%
Net income	33	147
Shareholders' equity <sup>(1)</sup> + Equalization reserve <sup>(2)</sup>	4,220 <sup>(1)</sup>	4,301

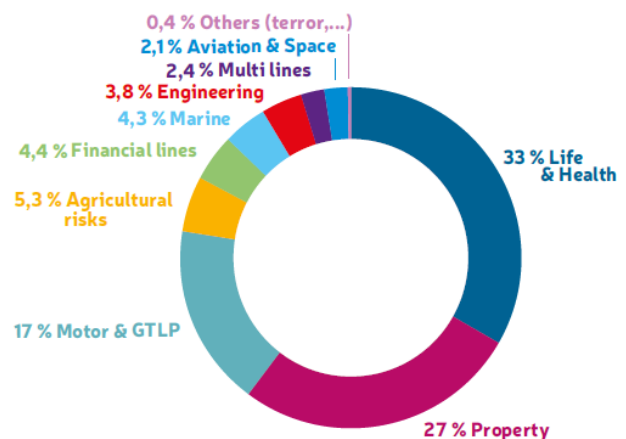
(1) Shareholders' equity before appropriation of the income

(2) Equalization reserves pursuant to articles R343-8 and R431-27 of the French Insurance Code

## CCR RE

CCR RE continued to grow profitably, with premium income up 17%, decrease in combined ratio to 99,4%, and net income of 35 million euros (twice the 2017 figure).

✓ CCR RE gross written premiums were 464 million euros in 2018, up by 17% compared to the previous year (at both current and constant exchange rates).



The business mix was as follows:

✓ The profitability of the portfolio continued to improve in 2018. CCR RE combined ratio for non-life business was 99.4% in line with the market average, sharply lower than in 2017 despite a higher natural disaster loss experience in 2018, particularly in Japan. Life technical margin was stable at 6.9%.

✓ The return on investment of CCR RE was 2.2% in 2018.

✓ CCR RE cost ratio was significantly lower compared to 2017, at 5.9%.

✓ Current income before equalization reserve was 46 million euros (compared to 32 million euros in 2017), accounting for 10% of gross written premiums.

- ✓ CCR RE chose to transfer 11 million euros to the equalization reserve, helping to increase its financial strength and limit the volatility of its accounting profit.
- ✓ CCR RE net income was 35 million euros, i.e. twice 2017 net income.
- ✓ CCR RE's solvency ratio was 189% as at 2018/12/31, within the optimal range of [180-220] established by the risk appetite framework.

Millions of euros	2017	2018R
Gross written premiums	396	464
<i>Change N/N-1 (%)</i>	-11%	+17%
Cost ratio	7.2%	5.9%
Life technical margin	6.7%	6.9%
Net combined ratio	104.9%	99.4%
Return on investment	2.2%	2.2%
Current income before equalization reserve	32	46
Net income	17	35

<b>Solvency 2 ratio</b>	<b>190%</b>	<b>189%</b>
-------------------------	-------------	-------------

Cost ratio: ratio of management expenses net of investment expenses and net of taxes on the one hand, and written premiums gross of retrocession on the other.

Life technical margin: ratio, for life business, of the sum of technical result and interest on cash deposits on the one hand, and the total earned premiums net of retrocession on the other.

Net combined ratio (CCR RE): ratio, for non-life business, between the net claims expense excluding variation in the equalization reserve and expenses incurred net of investment expense (including commissions) on the one hand, and net earned premiums on the other.

Net combined ratio (CCR): ratio between the net claims expense including variation in the equalization reserve and expenses incurred net of investment expense (including commissions) on the one hand, and net earned premiums on the other.

Current income before equalization reserve: current income before variation in the equalization reserve.

## Financial Information

CCR Group's board of directors met on April 9, 2019 to consider and approve the accounts. The accounts were audited by CCR group's statutory auditors.

## Press contacts:

Isabelle Delval – Head of Communications + 33 (0)6 37 76 90 71 - [idelval@ccr.fr](mailto:idelval@ccr.fr)  
 Sophie Bodin - DGM Conseil + 33 (0)6 08 81 77 57 – [s.bodin@dgm-conseil.fr](mailto:s.bodin@dgm-conseil.fr)



@CCR\_Reassurance