



Press release  
March 17, 2022

## 2021 ANNUAL RESULTS

**CCR significantly increases its income and its capacity to cover natural disasters**

**CCR Re steps up its growth and profitability momentum with net income more than doubling from 2020**

The 2021 financial statements of CCR (CCR standalone and Group consolidated) were approved for publication by CCR's Board of Directors. In particular, these statements reflect the solid profitability of public reinsurance and competitive businesses with consolidated net income of €196m, up 117% on 2020.

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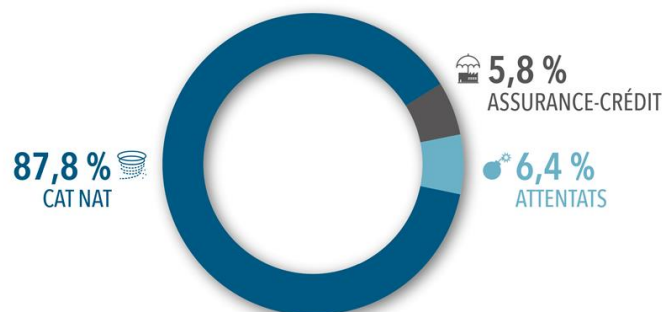
### CCR – Public reinsurance

#### Highlights:

- The public support measures for credit insurance established as part of the recovery plan were extended in 2021 to cover up to €1.5bn of outstanding trade receivables under the Cap and Cap+ guarantees.
- CCR advised French government services during parliamentary work on reforming the compensation scheme for natural disasters. The company also acted as advisor to the French government on reforming crop insurance which is aimed at supporting French agriculture in its ecological transition.
- CCR has structured the new State guarantees for nuclear operator liability insurance and tourism operator bond insurance for deployment in 2022.

- CCR signed a service agreement with France's Ministry of Ecological Transition with a view to strengthening its support for knowledge of natural risks and analysis of prevention mechanisms.
- **Results:**  
CCR's core business reported an increase in premium income of 3.2% faster than in previous years.
- CCR's total premium income for 2021 came to €1,054m, down 13% versus 2020 due to the gradual phasing out of credit insurance support schemes.

For 2021, the amount breaks down as follows by business line:



- Natural disaster claims were down compared with the high number of claims – particularly drought-related – reported over the last four years with natural disaster losses in 2021 amounting to €323m. In particular, no major flooding was reported, whilst the drought affected only a few departments in Southern and Western France.
- In addition to stabilising outstanding credit insurance, the Cap, Cap+ and Cap Relais guarantees made it possible to manage the impact of the health crisis on payment defaults for trade receivables.
- Return on invested assets was 1.1%. The market value of CCR investments at December 31, 2021 totaled €9.1bn (an increase of €455m year-on-year), including €1.1bn of unrealized capital gains.
- The company's cost ratio continued to decline, ending at 2.0%.
- CCR's net income on a stand-alone basis for 2021 thus stood at €134m, allocating €297m to the equalization reserve of the Natural disaster scheme. At its meeting on March 16, 2022, CCR's Board of Directors recommended that the shareholder fully capitalizes this income.
- Against this backdrop, CCR's ability to fulfill its responsibilities is significantly strengthened. CCR now has the capital to absorb natural disaster losses of up to €4.9bn on a market-wide basis, without drawing on the State guarantee.

€m	2020	2021
Gross written premium	1,215	1,054
Cost ratio	2.1%	2.0%
Net combined ratio	97.4%	86.5%
Return on investment	1.3%	1.1%
Net income for the year	61	134
Shareholders' equity <sup>(1)</sup> and equalization reserve <sup>(2)</sup>	4,269	4,765

(1) Shareholders' equity before appropriation of income

(2) Equalization reserve pursuant to Articles R.343-8 and R.431-27 of the French Insurance Code

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## CCR Re

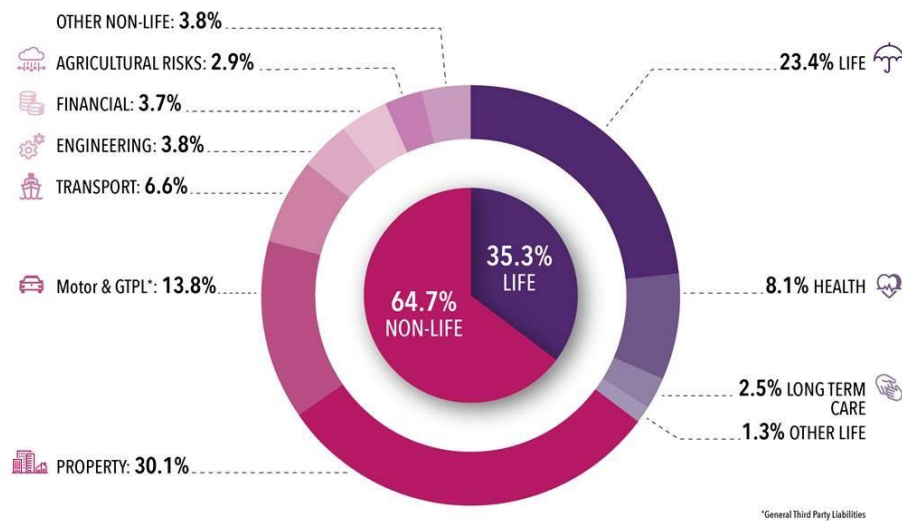
### Highlights:

- From an operations standpoint, CCR Re was unaffected by the current health restrictions and continued to serve its international clients. From an accounting perspective, the provisions reported in 2020 to cover Covid claims were favorably settled, offsetting the cost of the pandemic for 2021.
- Sidecar 157 Re, which was expanded with a third compartment, whose capacity increased significantly.
- S&P and AM Best confirmed CCR Re's financial strength rating as "A Excellent" with a stable outlook.

### Results:

- CCR Re posted total premium income of €843m, up 30% year-on-year. Net of currency effects and prior-years adjustments, growth came out at 21%, in line with the momentum of previous fiscal years.

The business mix was as follows:



- CCR Re's combined ratio stood at 96.6%, representing a significant decrease versus 2020. Against a background of high natural disaster claims, particularly in Germany and Belgium, CCR Re benefited from the protection provided by the retrocession programme (reducing the cost of natural disasters from €79m gross to €43m, net of retrocession).
- In Life, profitability improved with a technical margin of 3.1% while remaining impacted by the cost of Covid-related claims.
- CCR Re's return on invested assets was 1.9%. As of December 31, 2021, the portfolio had a market value of €3.0bn (an increase of €100m compared to the previous year-end), which included €431m in unrealized capital gains.
- The cost ratio continued its decline to 4.3%.
- EBITER (Earnings Before Interests, Taxes and Equalization Reserve) amounted to €62m. All told, CCR Re's net income for the year was €41m, up considerably on the €18m posted in 2020.
- At its meeting on March 16, 2022, CCR Re's Board of Directors recommended a dividend payout to shareholders of €12.3m.
- At end-2021, CCR Re's solvency ratio stood at 192%, in the optimal [180%-220%] range defined by the risk appetite framework.
- The occurrence of the war in Ukraine, after the close of the fiscal year, is not expected to adversely affect CCR Re.

CCR Re's reinsurance portfolio is not directly exposed to Ukraine or Russia. The indirect exposure of its Specialty lines is likely to remain limited.

CCR Re's asset portfolio has no direct exposure and does not hold any assets denominated in rubles or hryvnia. The portfolio is resilient to the market upheaval caused by this event.

€m	2020	2021
Gross written premium	649	843
Year-on-year change (%)	+16%	+30%
Cost ratio	4.9%	4.3%
Life technical margin	2.2%	3.1%
Net combined ratio	103.2%	96.6%
Return on investment	2.5%	1.9%
EBITER	39	62
Net income for the year	18	41
<b>Solvency coverage ratio (Solvency II)</b>	<b>199%</b>	<b>192%</b>

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At the end of the CCR Board of Directors meeting, its Chairman, Jacques Le Pape, commented:

*“In 2021, CCR fulfilled its missions in serving the French government and the French people. The natural disaster compensation scheme was strengthened, both financially through positive results and structurally through legislative reform to which CCR contributed its technical expertise. CCR also effectively managed the exit from crisis schemes (CAP), enabling market operators to re-establish their positioning. We also provided technical support to the French government in deciding on new schemes (tourism operators) and agricultural insurance. I would like to thank our teams for their responsiveness and collective spirit, which have helped to achieve these good results.”*

Chairman and Chief Executive Officer of CCR Re, Bertrand Labilloy, also commented:

*“In its market reinsurance activities, CCR Re delivered an excellent performance, forging ahead in the rollout of its Streamline 2020-2022 strategic plan. As such, CCR Re can look to the future with confidence.”*

## Glossary:

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 (and, for CCR, excluding credit reinsurance premiums).

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 for Non-Life business (CCR Re): ratio 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.

Constant exchange rates: changes at constant exchange rates are obtained by comparing 2021 data converted at the exchange rate of December 31, 2020 with 2020 data.

Return on investment: ratio between net investment income on the one hand, and outstanding investments at cost price on the other hand, excluding cash deposits, real estate for one use, and subsidiaries.

EBITER: Earnings Before Interests, Taxes and Equalization Reserve. EBITER also excludes non-recurring items.

## NB:

This press release contains both historical information and forward-looking statements with respect to CCR and CCR Re. Forward-looking statements contain information about future events, expectations, objectives and performance, and are based on assumptions currently adopted by CCR and CCR Re management. Although CCR and CCR Re believe that these forward looking statements are based on reasonable assumptions, they are not a guarantee of the future performance of CCR or CCR Re. Actual results may differ materially from the forward-looking statements as a result of risks and uncertainties. CCR and CCR Re undertake no obligation to publish updates or revisions of these forward-looking statements.

This 2021 annual results press release and the presentation can be accessed from the [www.ccr.fr](http://www.ccr.fr) and [www.ccr-re.com](http://www.ccr-re.com) websites



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