

GROUPE  
CAISSE CENTRALE DE RÉASSURANCE



Press release  
29 March 2023

## 2022 ANNUAL RESULTS

**CCR faced with claims and exceptional inflation  
which reduces its ability to cover  
natural disasters**

**CCR Re continued its sound development  
and produced robust results  
in a turbulent market**

\*\*\*

On 29 March 2023, the Board of Directors of CCR approved the Group's 2022 financial statements. On this occasion, the chairman of the Board, Jacques Le Pape, declared:

*"In 2022, CCR faced the impacts of inflation and the most expensive drought in history. Victims were or will be compensated thanks to the mobilization of CCR's reserves. The board of Directors observed that these reserves are no longer necessarily sufficient to cover both the improvement in compensation already decided over the past two years and the impacts of climate change on the claims ratio. The issue of the scheme's resources and the level of the additional premium, currently at 12%, becomes therefore a concern from this year."*

Bertrand Labilloy, Chairman & CEO of CCR Re, commented:

*"In 2022, the targets of the development plan were once again achieved. This strong dynamic justifies the contemplated €200m capital increase that would be subscribed by SMABTP and MACSF and would enable CCR Re to take advantage of the current buoyant market."*

\*\*\*

CCR Group's consolidated revenue in 2022 came to €2,066 m (€1,893 m in 2021) and the net consolidated income came out at €164 m (€196m in 2021).

## CCR - Public reinsurance

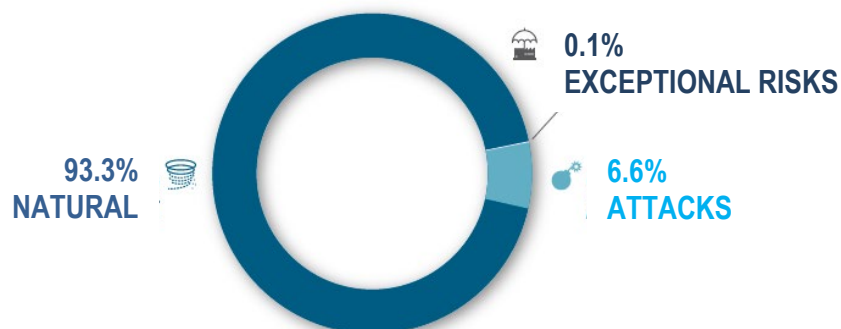
### Highlights:

- The national territory suffered an exceptional drought in 2022. The national area impacted was more extensive than in both 1976 and 2003. The cost of the event is estimated for the market at €2.9 bn, i.e. to date the most expensive market event since the creation of the Natural Disaster scheme.
- The inflationary backdrop led to an increase in the cost of reconstruction and therefore claims for CCR, which strengthened its provisions to tackle these extra costs, relating both to claims for the current year as well as open claims from previous years.
- The work carried out in 2022 within the framework of the 3DS law, relative to differentiation, deconcentration and various measures to simplify public action at the same time enabled optimized processing of the drought-related claims for the insured. Certain points will be clarified in 2023 by decrees from the Council of State.
- In 2022, CCR rolled out new public guarantees in terms of Civil Liability of Nuclear Operators, enabling the State to intervene in areas where the private insurance market does not provide a solution.

### Results:

CCR's total premium income amounted to €1,080m in 2022, up 2.5% compared with 2021.

The breakdown by business line is as follows:



- The Natural Disaster claims ratio in 2022 was impacted by the exceptional drought event. No other significant event occurred, and attritional claims were lower than in 2021. All told, the cost for CCR of the events recorded in 2022 is estimated at €1,768m compared with €323 million in 2021.
- Unfavorable liquidation from previous years (-€455m for Natural Disasters) can mainly be attributed to the revaluation of CCR's commitments to factor in inflation.
- To tackle these exceptional claims levels, CCR reversed a €1,183m equalization reserve for Natural Disasters.
- Yield on investment assets came to 1.1%. CCR's assets amounted to €8.7 bn at market value, including €486m unrealized capital gains, down €641m compared with end-December 2021 (this decline amounts to €140m excluding interest assets and investments in affiliated companies).
- CCR's cost ratio stood at 2.1%.
- CCR's net income on a stand-alone basis came to €67m, down by half compared with the €134m reported in 2021.
- In 2023, CCR could face claims of €2 billion on a standalone basis, or €3.8 billion at the market level, without drawing on the State guarantee. In 2022, its absorption capacities were respectively €3 billion and €4.9 billion.

€M	2021	2022
Gross written premiums	1,054	1,080
Cost ratio	2.0%	2.1%
Combined ratio	86.5%	101.6%
Return on investment	1.1%	1.1%
Net income for the year	134	67
Shareholders' equity(1) & Equalization reserve(2)	4,765	3,719

(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

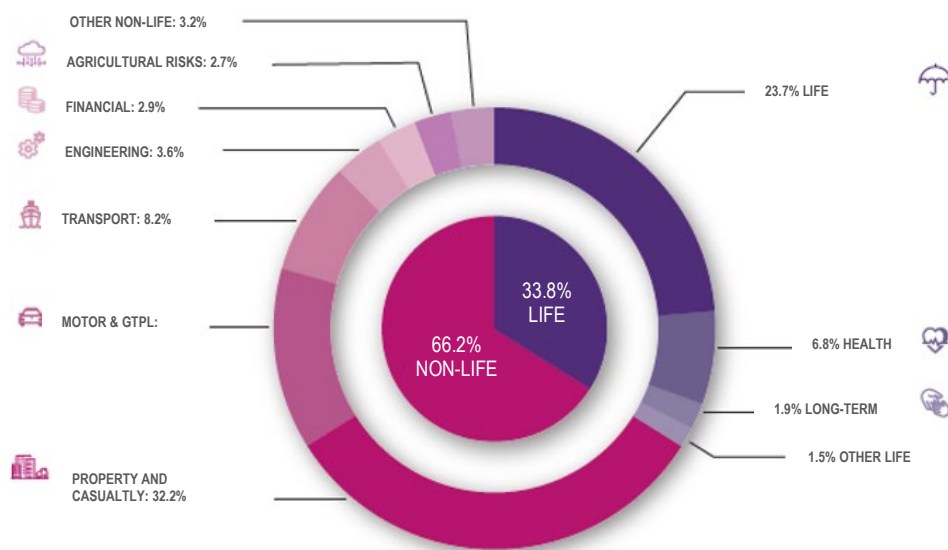
## CCR Re

### Highlights:

- CCR Re continued to pursue the profitable growth trajectory defined by the board of directors, in a market hit by a combination of major shocks.
- CCR Re does not have direct exposure to Ukraine nor Russia, neither in its reinsurance portfolio, nor in its asset portfolio, and therefore the direct consequences of the war in Ukraine were limited.
- The inflationary backdrop was taken into account, the excess inflation on the cost of claims being assessed prudently, leading to an impact of +564 bp on the Non-Life combined ratio and of -123 bp on the Life technical margin.

### Results:

- Total premium income amounted to €987m in 2022, up 17% compared with 2021 (at constant and current exchange rates).
- The business mix was as follows:



- The combined ratio came to 98.7% (96.6% in 2021). The costs related to natural disasters (gross €62m and €35m net of retrocession) was lower than in 2021 (gross €79m and €43m net), offset by the increase in man-made claims. In Life, the profitability of the portfolio improved despite the consequences of inflation, with a technical margin of 3.6%.

- The yield on CCR Re's investment assets came to 2.3%. The assets of CCR Re stood at €3.0 billion at market value, stable compared with 2021, including €207m in unrealized capital gains (down €224m compared with December 31, 2021).
- The cost ratio of CCR Re stood at 4.1%, down compared with 2021.
- EBITER amounted to €64m.
- CCR Re's net income for the year was €42m, stable compared with 2021 (€41m).
- CCR Re's solvency ratio stood at December 31, 2022 was 205%, in the optimal [180%-220%] range defined by the risk appetite framework.

The Board of Directors of CCR Re, meeting on March 15, 2023, decided to propose to the General Meeting of Shareholders the payment of a dividend of €16.8m, in line with the Streamline 2020-2023 business plan.

€M	2021	2022
Gross written premiums	843	987
Change Y/Y-1 (%)	+30%	+17%
Cost ratio	4.3%	4.1%
Life technical margin	3.1%	3.6%
Net Combined Ratio	96.6%	98.7%
Return on investment	1.9%	2.3%
EBITER	62	64
Net income	41	42
Solvency 2 ratio	192%	205%

**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):** for Non-Life business, 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 2022 data converted at the exchange rate of December 31, 2021 with 2021 data at the exchange rate of December 31, 2021.

**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 own 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 2022 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.

---

Media contacts:

**Vincent Gros** – General Counsel + 33 (0)1 44 35 38 36 - [vgros@ccr.fr](mailto:vgros@ccr.fr)  
**Agathe Le Bars** – Taddeo - + 33 (0)1 80 05 27 21 – [agathe.lebars@taddeo.fr](mailto:agathe.lebars@taddeo.fr)

