



CIG Pannónia Life Insurance Plc.

Quarterly report

On the basis of the consolidated financial statements prepared according to the International Financial Reporting Standards adopted by the EU

Q4 2018

19 February 2019, Budapest

I. Summary

CIG Pannónia Life Insurance Plc. (hereinafter: Issuer) publishes its report for the fourth quarter of 2018 on this day. The Issuer publishes in this quarterly report for the fourth quarter of 2018, as required by the legislation, its consolidated, unaudited data in accordance with the International Financial Reporting Standards (hereinafter: EU IFRS) adopted by the EU. The quarterly report has been prepared in accordance with the provisions of IAS 34.

As the Company and its consolidated subsidiary – CIG Pannónia First Hungarian General Insurance Company Ltd. (hereinafter referred to as EMABIT) started to apply EU IFRS on January 1, 2018 for the individual financial reports, too and the MABISZ provision of data ceased, thus the companies no longer prepare and publish the quarterly data compiled in accordance with the Hungarian Accounting Act.

Main results and events of 2018:

- The profit after tax of the CIG Pannónia **Group**¹ (hereinafter: Group) is **HUF 2,106 million** in the year of 2018, the total comprehensive income of the Group is HUF 1,061 million.
- Distracting the effect of one-off events from 2017 result (the acquisition with HUF 3,197 million, the result of assets held for sale amounted to HUF -475 million and the HUF -473 million expenditures of interest bearing shares) the HUF 349 million profit after tax of the four insurers and the portfolio manager increased by HUF 1,757 million. The portfolio cleaning, the increasing sales capacity after the acquisition and the restricted cost control of the Group significantly contributed to the rising profits. For today the Group enhances its market position by the product lines with expected returns and operates at an optimal cost structure.
- The gross written premium is HUF 25,832 million which is 96% of the previous year's gross written premium. The gross written premium of **the non-life segment is 91 percent** of the gross written premium of the comparative period. **The life segment's IFRS premium income is 98 percent of the income of 2017.**
- The gross written premiums in the life segment are increased by HUF 1.704 million as a result of the accounting policy change disclosed in chapter 3.3. The accounting policy change has no effect on the results and the equity.
- In the life segment, the new acquisition is HUF 3,212 million which is 4 percent less than in the previous year. The Company's sales

¹ Group or CIG Pannónia Group is referred as the Issuer and its consolidated companies.

channels continued to expand (through call center sales), the product mix shifted significantly towards to risk and traditional products.

- In the non-life segment, the Group continued to pursue portfolio cleaning and termination of the retail casco portfolio.
- The Issuer's shareholders' equity increased from HUF 9,015 million to HUF 17,442 million, which is 93% growth in 2018. The change in the shareholders' equity was mainly due to the total comprehensive income of the current year (HUF +1,061 million), the payment of dividend (HUF -934 million) and the capital increase by private placement (HUF +8,213 million)
- In October and November 2018, two members of the Board of Directors of the Company and two other non-executive employees were purchased by an OTC deal in the employee stock option program as a total of 390,000 CIG Pannonia ordinary shares of CIG Pannonia Life Insurance Plc. at 210 HUF / pcs. Shares were covered by the Company's own treasury shares, the number of which was reduced to 714,006 as a result of the transaction. As a result of the transaction, the capital reserve increased by HUF 82 million.
- The Company, as a founder, has decided to increase the share capital of EMABIT by HUF 30,000,000 by the private placement of new shares. During the share capital increase, EMABIT issued 30 dematerialized ordinary shares with nominal value of HUF 1 000 000 each, with a value of HUF 50 000 000 per share. Due to the increase of the share capital, the equity of EMABIT increased by HUF 1,500,000,000, which was registered by the Court of Registration on 13 December.
- In addition to the increase of the share capital, the Board of Directors of the Company also decided to amend the EMABIT dividend policy, which decided that, if the equity and liquidity situation allowed it, it would distribute 100% of the after-tax profit available to the parent company as dividend. As a result of the dividend payment, the solvency ratio of EMABIT may not fall below 160%.
- On 28 November 2018 the Company entered into a group life and accident insurance contract with Magyar Közút Nonprofit Zrt with risk taking started on January 1, 2019. The contract was concluded for a fixed term of four years, renewable for a further year after a fixed period. The annual premium for the group life and accident insurance contract is HUF 156,444,204, the initial insured number is 7418.
- On 29 November 2018, the Company's Board of Directors decided to establish an Employee Ownership Program (hereinafter referred to as "MRP"). The establishment of the MRP took place in order to implement the Remuneration Directives adopted by the General Meeting of the Company. The MRP also covers EMABIT employees.
- On 29 November 2018, the Company's Board of Directors decided to establish a subsidiary. CIG Pannónia Financial Intermediary Ltd. starts its insurance and financial intermediation activities as a dependent agent. The purpose of the foundation is to expand the distribution

channels of the Company, thereby increasing the volume of the new acquisition. The equity of CIG Pannónia Finance Ltd. at the time of its foundation is HUF 100 million, of which the Group's share is 95%. The company was registered on 19 December 2018. The intermediary company has 100 registered advisers in January 2019 and started its activities.

- At the end of November 2018, the Board of Directors of the Company made a decision that, if the Solvency and liquidity situation allows, to the General Meeting it recommends that 100% of the after-tax profit available for dividend payment might be paid to the Company's shareholders.
- The Solvency II capital adequacy of the Company as at 31 December 2018 is 346%, while the capital adequacy of EMABIT is 183%, thus both companies fulfill the minimum capital adequacy ratio of 150% expected by the Hungarian National Bank.

Budapest, 19 February 2019.

CIG Pannónia Life Insurance Plc.

2. Financial statements

Consolidated Statement of Comprehensive Income- cumulated data (data in HUF millions)

	2018 Q1-Q4 (A)	2017 Q1-Q4 ² (B)	Change (A)-(B)
Gross written premium	25 832	26 992	-1 160
Changes in unearned premiums reserve	115	- 960	1 075
Earned premiums, gross	25 947	26 032	-85
Ceded reinsurance premiums	- 6 319	- 6 752	433
Earned premiums, net	19 628	19 280	348
Premium and commission income from investment contracts	143	205	-62
Commission and profit sharing due from reinsurers	2 460	2 278	182
Investment income	774	8 722	-7 948
Yield on investment accounted for using equity method (profit)	367	303	64
Other operating income	956	1 044	-88
Other income	4 700	12 552	-7 852
Total income	24 328	31 832	- 7 504
Claim payments and benefits, claim settlement costs	- 17 067	- 15 821	-1 246
Recoveries, reinsurer's share	3 015	3 025	-10
Net changes in value of the life technical reserves and unit-linked life insurance reserves	2 158	- 4 547	6 705
Investment expenses	- 1 155	- 1 140	-15
Change in the fair value of liabilities relating to investment contracts	53	- 219	272
Changes in fair value of assets and liabilities relating to embedded derivatives	-	- 269	269
Investment expenses, changes in reserves and benefits, net	- 12 996	- 18 971	5 975
Fees, commissions and other acquisition costs	- 6 114	- 5 821	-293
Other operating costs	- 2 202	- 3 298	1 096
Other expenses	- 624	- 585	-39
Operating costs	- 8 940	- 9 704	764
Result of assets held for sale	-	- 475	475
Profit/Loss before taxation	2 392	2 682	- 290
Tax income/expenses	- 267	- 258	-9
Deferred tax income/expenses	- 19	174	- 193
Profit/Loss after taxation	2 106	2 598	- 492
Comprehensive income, wouldn't be reclassified to profit or loss in the future	-	-	0
Comprehensive income, would be reclassified to profit or loss in the future	- 1 045	261	-1 306
Other comprehensive income	- 1 045	261	-1 306
Total comprehensive income	508	2 859	- 1 829

² Restated figures due to error and accounting policy change disclosed in 3.3

Consolidated Statement of Comprehensive Income- cumulated data continuation
 (data in HUF millions)

	2018Q1-Q4 (A)	2017 Q1-Q4 (B)	Change (A)-(B)
Profit/loss after taxation attributable to the Company's shareholders	2 106	2 610	-504
Profit/loss after taxation attributable to NCI	-	- 12	12
Profit/Loss after taxation	2 106	2 598	- 492
Total comprehensive income attributable to the Company's shareholders	1 061	2 871	-1 810
Total comprehensive income to NCI	-	- 12	12
Total comprehensive income	1 061	2 859	- 1 798
Earnings per share of the Company's shareholders			
Basic earnings per share (HUF)	24,8	40,6	-16
Diluted earnings per share (HUF)	24,8	40,6	-16
Earnings per share of NCI's			
Basic earnings per share (HUF)	-	-	-
Diluted earnings per share (HUF)	-	-	-

Number of average shares used to calculate earnings per share

Date	issued ordinary shares (db)	treasury shares (db)	ordinary shares in volume (db)	days	weighted average number of shares
2017.12.31	71 295 573	- 1 437 339	69 858 234	11	2 105 317
2018.01.11	70 962 240	- 1 104 006	69 858 234	119	22 775 698
2018.05.10	94 428 260	- 1 104 006	93 324 254	158	40 397 896
2018.10.15	94 428 260	- 874 006	93 554 254	23	5 895 200
2018.11.07	94 428 260	- 714 006	93 714 254	54	13 864 575
2018.12.31	94 428 260	- 714 006	93 714 254	365	85 038 685

Consolidated Statement of Comprehensive Income - quarterly data
 (data in HUF millions)

	2018Q4 ³ (A)	2018Q3 (C)	2018Q2 (D)	2018Q1 (E)	2017Q4 ³ (B)	Change (A)-(B)
Gross written premium	8 784	5 580	5 878	5 590	8 403	381
Changes in unearned premiums reserve	-66	264	91	-174	-480	414
Earned premiums, gross	8 718	5 844	5 969	5 416	7 923	795
Ceded reinsurance premiums	-1 575	-1 602	-1 538	-1 604	-1 645	70
Earned premiums, net	7 143	4 242	4 431	3 812	6 278	865
Premium and commission income from investment contracts	-13	38	59	59	93	-106
Commission and profit sharing due from reinsurers	556	555	725	624	702	-146
Investment income	-1 608	1 030	1 160	192	1 879	-3 487
Yield on investment accounted for using equity method(profit)	86	88	103	90	146	-60
Other operating income	270	191	-4	499	341	-71
Other income	-709	1 902	2 043	1 464	3 161	-3 870
Total income	6 434	6 144	6 474	5 276	9 439	- 3 005
Claim payments and benefits, claim settlement costs	-4 389	-3 613	-4 313	-4 752	-5 637	1 248
Recoveries, reinsurer's share	771	742	641	861	908	-137
Net changes in value of the life technical reserves and unit-linked life insurance reserves	1 053	-601	-795	2 501	-2 014	3 067
Investment expenses	-1 024	-57	1 063	-1 137	-241	-783
Change in the fair value of liabilities relating to investment contracts	117	-70	-57	63	-73	190
Changes in fair value of assets and liabilities relating to embedded derivatives	0	0	0	0	0	0
Investment expenses, changes in reserves and benefits, net	-3 472	-3 599	-3 461	-2 464	-7 057	3 585
Fees, commissions and other acquisition costs	-1 606	-1 471	-1 543	-1 494	-1 675	69
Other operating costs	-534	-498	-663	-507	-593	59
Other expenses	-204	-104	-189	-127	-530	326
Operating costs	-2 344	-2 073	-2 395	-2 128	-2 798	454
Result of assets held for sale	0	0	0	0	24	-24
Profit/Loss before taxation	618	472	618	684	- 392	1 010
Tax income/expenses	-54	-66	-78	-69	-108	54
Deferred tax income/expenses	-19	0	0	0	174	-193
Profit/Loss after taxation	545	406	540	615	- 326	871
Comprehensive income, wouldn't be reclassified to profit or loss in the future	0	0	0	0	0	0
Comprehensive income, would be reclassified to profit or loss in the future	8	-540	-428	-85	192	-184
Other comprehensive income	8	-540	-428	-85	192	-184
Total comprehensive income	553	- 134	112	530	- 134	687

³ 2018Q4 and 2017Q4 are restated figures due to error and accounting policy change disclosed in 3.3

Consolidated Statement of Comprehensive Income- quarterly data continuation
 (data in HUF millions)

	2018Q4 (A)	2018Q3 (C)	2018Q2 (D)	2018Q1 (E)	2017Q4 (B)	Change (A)-(B)
Profit/loss after taxation attributable to the Company's shareholders	545	406	540	615	330	215
Profit/loss after taxation attributable to NCI	0	0	0	0	0	0
Profit/Loss after taxation	545	406	540	615	330	215
Total comprehensive income attributable to the Company's shareholders	553	-134	112	530	522	31
Total comprehensive income to NCI	0	0	0	0	0	0
Total comprehensive income	553	- 134	112	530	522	31

Consolidated Statement of Financial Position (data in million HUF)

ASSETS	31 Dec 2018. (A)	31 Dec 2017. (B)	Change (A)-(B)	Change % (A)-(B)/(B)
Intangible Assets	802	896	-94	-10%
Property, plant and equipment	81	76	5	7%
Deferred tax asset	496	514	-18	-4%
Deferred acquisition costs	2 603	2 296	307	13%
Reinsurer's share of technical reserves	4 827	4 647	180	4%
Investments accounted for using the equity method	465	352	113	32%
Available-for-sale financial assets	27 501	16 518	10 983	66%
Investments for policyholders of unit-linked life insurance policies	65 277	68 795	-3 518	-5%
Financial assets – investment contracts	3 681	3 926	-245	-6%
Receivables from insurance policy holders	2 520	2 388	132	6%
Receivables from insurance intermediaries	479	598	-119	-20%
Receivables from reinsurance	102	191	-89	-47%
Other assets and prepayments	268	224	44	20%
Other receivables	271	326	-55	-17%
Cash and cash equivalents	1 300	3 883	-2 583	-67%
Total Assets	110 673	105 630	5 043	5%
LIABILITIES				
Technical reserves	18 071	17 170	901	5%
Technical reserves for policyholders of unit-linked life insurance policies	65 277	68 795	-3 518	-5%
Investment contracts	3 681	3 926	-245	-6%
Financial liabilities-forwards	8	4	4	100%
Liabilities from the issue of interest-bearing shares	0	0	0	-
Loans and financial reinsurance	968	1 186	-218	-18%
Liabilities from reinsurance	1 599	1 601	-2	0%
Liabilities to insurance policy holders	673	785	-112	-14%
Liabilities to insurance intermediaries	656	579	77	13%
Other liabilities and provisions	2 290	2 569	-279	-11%
Liabilities to shareholders	8	0	8	-
Total Liabilities	93 231	96 615	- 3 384	-4%
Net Assets	17 442	9 015	8 427	93%
SHAREHOLDERS' EQUITY				
Share capital	3 777	2 852	925	32%
Capital reserve	9 599	2 479	7 120	287%
Treasury shares	0	-250	250	-100%
Other reserves	-711	334	-1 045	-313%
Retained earnings	4 772	3 600	1 172	33%
Equity attributable to the Company's Shareholders	17 437	9 015	8 422	93%
Non-controlling interest	5	0	5	-
Total Shareholder's Equity	17 442	9 015	8 427	93%

Consolidated Changes in Equity Q1-Q4 2018 (data in million HUF)

	Registered capital	Capital reserve	Treasury shares	Other reserves	Retained earnings	Equity of the shareholders of the Company	Non-controlling interests	Equity in total
Balance on 31 December 2017	2 852	2 479	-250	334	3 600	9 015	0	9 015
Total comprehensive income								
Other comprehensive income	0	0	0	-1 045	0	-1 045	0	-1 045
Profit in reporting year	0	0	0	0	2 106	2 106	0	2 106
Transactions with equity holders recognized directly in Equity								
Withdrawal of treasury shares	-14	-236	250	0	0	0	0	0
Capital increase	939	7 274	0	0	0	8 213	0	8 213
Dividend payment	0	0	0	0	-934	-934	0	-934
Sales of treasury shares		82				82	0	82
Transactions with non-controlling interests								
Equity quoted by non-controlling interests in a subsidiary						0	5	5
Balance on 31 December 2018	3 777	9 599	-	-711	4 772	17 437	5	17 442

Consolidated Changes in Equity Q1-Q4 2017 (data in million HUF)

	Registered capital	Capital reserve	Treasury shares	Other reserves	Retained earnings	Equity of the shareholders of the Company	Non-controlling interests	Equity in total
Balance on 31 December 2016	2 531	1 144	0	73	223	3 971	0	3 971
Total comprehensive income								
Other comprehensive income	0	0	0	261	0	261	0	261
Profit in reporting year	0	0	0	0	2 610	2 610	-12	2 598
NCI (acquisition)	0	0	0	0	-41	-41	41	0
NCI withdrawal	0	0	0	0	29	29	-29	0
Transactions with equity holders, recognized in equity								
Repurchase of treasury shares	0		-250	0	0	-250	0	-250
Conversion of interest bearing shares	75	1 335	0	0	779	2 189	0	2 189
Capital increase resulting from the conversion of interest-bearing shares	246	0	0	0	0	246	0	246
Balance on 31 December 2017	2 852	2 479	- 250	334	3 600	9 015	-	9 015

Consolidated Statement of Cash Flows (data in HUF millions)

	2018 Q1-Q4	2017 Q1-Q4
Profit/loss after taxation	2 106	2 598
Modifying items		
Depreciation and amortization	329	930
Extraordinary depreciation, assets written off	14	47
Booked impairment and reversal of booked impairment, waiver of claim	0	20
Result of assets sales	136	-73
Share based payments	-103	149
Exchange rate changes	-3	6
Share of the profit or loss of associates	-366	-303
Changes of assets and liabilities relating to embedded derivatives, net	0	269
Deferred tax	19	-174
Income taxes	267	258
Interest received	-572	-291
Result of derivatives	4	4
Provisions	66	346
Results of minority interests	0	-12
Results of assets held for sale	0	660
Gain from a bargain purchase and revaluation of contingent purchase price	0	-3 197
Interest cost	45	254
Change of active capital items:		
Increase / decrease of deferred acquisition costs (-/+)	-307	-535
Increase / decrease of investments for policyholders of unitlinked life insurance policies (-/+)	3 483	-3 492
Increase / decrease of financial assets – investment contracts (/+)	280	-681
Increase / decrease of receivables from insurance contracts and other receivables (-/+)	108	2 541
Increase / decrease of reinsurer's share from technical reserves (-/+)	-179	-914
Increase /decrease of other assets and active accrued and deferred items (-/+)	-44	-64
Increase / decrease of technical reserves (+/-)	1 363	361
Increase / decrease of liabilities from insurance (-/+)	-36	1 271
Increase / decrease of investment contracts (+/-)	-280	681
Increase / decrease of technical reserves due to unit-linked life insurance (+/-)	-3 483	3 492
Increase / decrease of other liabilities (+/-)	-244	-169
Paid income taxes	-220	-328
Net cash flow from operating activities	2 383	3 654

Consolidated Statement of Cash Flows continuation (data in HUF millions)

Cash flow from investing activities	2018 Q1-Q4	2017 Q1-Q4
Purchase of debt instruments (-)	-16 307	-10 682
Sales of debt instruments (+)	7 594	9 715
Purchase of capital instruments (-)	-4 107	0
Purchase of tangible and intangible assets (-)	-264	-352
Sales of tangible and intangible assets (-)	10	11
MKB acquisition (net of cash)	0	-541
Cash flow from ceased activity	0	300
Decrease of shares	0	27
Interest received	5	0
Dividend received	759	291
Cash flow from investing activities	- 12 057	- 1 009
Cash flow from financing activities		
Securing loans	609	735
Income from the capital increase related to interest bearing shares	0	245
Treasury share purchase	0	-250
Repayment of loans and their interests	-918	-865
Interest payment on interest-bearing shares	0	-229
Capital increase	82	0
Dividend paid	8 213	0
Cash flow from financing activities	7 061	- 364
Impacts of exchange rate changes	30	- 4
Net increase / decrease of cash and cash equivalents (+/-)	- 2583	2277
Cash and cash equivalents at the beginning of the period		
	3 883	1 606
Cash and cash equivalents at the end of the period		
	1 300	3 883

3. Changes in accounting policies

For financial year beginning on 1 January 2018, the following new, mandatory standards shall be applied, their influence on the Financial Statements – if it is significant - are described below:

- IFRS 4 Completion of Insurance contracts regarding to IFRS 9
- IFRS 15 Revenue from Contracts with Customers,
- IFRS 9 Financial Instruments
 - Classification and measurement
 - Impairment
 - Hedge accounting
- IFRS 2 Share-based Payments-classification and measurement completion

3.1 Introduction of IFRS 9

IFRS 4 provides for the granting of temporary exemption for the insurer that complies with the criteria in paragraph 20B, and this allows to the insurer to apply IAS 39 Financial Instruments: Recognition and Measurement Standard instead of IFRS 9 for annual periods beginning before January 1, 2021.

An Insurer with a temporary exemption from IFRS 9 is obliged to:

- a) comply with IFRS 9 requirements that are required for disclosures required by 39B-39J of this Standard; and
- b) apply all other standards relating to financial instruments except those in paragraphs 20A-20Q, 39B-39J and 46-47 of this Standard.

An insurer can if and only benefit from the temporary exemption from IFRS 9, if:

- a) did not apply any previously published IFRS 9 except for the recognition of gain and losses on financial liabilities designated at fair value through profit or loss that is consistent with IFRS 9 standard 5.7.1 (c), 5.7.7-5.7.9, 7.2.14 and B5.7.5 to B5.7.20;
- b) as described in section 20D, its activity is predominantly insurance related to the date of its annual report before 1 April 2016 or the date of its subsequent annual report, as provided for in paragraph 20G.

The activity of the insurer is primarily and exclusively related to insurance if and only if:

- a) the carrying amount of its liabilities arising from contracts falling within the scope of IFRS 4, as compared with the total carrying amount of all its liabilities, including the provisions of this Standard 7-12. as well as embedded derivative products separated by insurance contracts, are significant; and
- b) the percentage of the total book value of insurance liabilities (see paragraph 20E) relative to the total book value of all its liabilities:
 - i. higher than 90%, or

- ii. less than or equal to 90% but higher than 80% and the insurer does not carry out significant activities not related to insurance (see paragraph 20E)

These criteria are met by the Insurer because it has not previously applied any of the IFRS 9 releases and more than 90% (92%) of all its liabilities are related to the insurance business and therefore decided to postpone the introduction of IFRS 9 until 1 January 2021.

3.2 IFRS 15 revenue from contracts with customers

IFRS 15 excludes insurance contracts from its scope, so its introduction may have a lower impact on the Group's earnings on other non-insurance activities. (eg.: re-invoicing of services, sale of assets, etc.)

Contracts that do not comply with the terms of the insurance contract and describe some service contract are within the scope of IFRS 15. The Group should review its contracts that do not comply with the terms of the insurance contract from 2018, but comply with the concept of contract under IFRS 15 and apply the new 5-step model of IFRS15 from the identification of the contract until booking the revenue to the income statement.

According to the accounting policy, a vendor can count on revenue when it supplies the goods or services to the buyer and in the amount they are entitled to for the goods or services concerned.

The five-step model is as follows:

Step 1: Identify contracts with buyers

Contracts concluded by the Group may be verbal or written agreements with business content, but standard business practices may also create a contract. It is also a prerequisite for the contract to create enforceable rights and obligations that can not be cancelled without consequences.

Under the Standard, a contract is concluded when the following conditions are met:

- The parties have accepted the contract and are committed to fulfilling it;
- The parties' rights can be clearly defined on the basis thereof;
- The contract has economic benefits;
- It is likely that the seller will receive the consideration of the delivered goods / services performed, even if they use legal means to collect it.

In the case of a change in a contract, the way its content changed to be tested because there is a possibility that the amendment should be interpreted as a separate contract.

Step 2: Determining the separate obligations relating to the performance of the contract

In this step, it is necessary to determine which promised goods or services, or a combination thereof, can be treated as a separate performance obligation on the basis of the contract. In connection with the performance of the contract, the supplier may specify different incentives. A contract may

include multiple obligations. All segregated, detachable goods, services or combinations thereof are considered as separate performance obligations. If a performance obligation can not be determined from the contract, revenue can not be booked.

Step 3: Determining the price of the transaction

The transaction price is the amount that the supplier will be entitled to pay for the goods delivered to the buyer or the service provided as expected. The goal is to make the revenue accrued evenly. In order to account for sales, various factors, such as performance incentives, must be taken into account at a sell-off price over a certain period of time. The amount of these sums should be deducted as sales revenue during the incentive period. The turnover of a transaction (which may differ from the invoiced amount) must be determined by estimation.

Step 4: Assigning the transaction price to the individual obligations

The seller must divide the transaction price between each obligation. If individual prices can not be ordered for each commitment, an estimate of the share should be used.

Step 5: Revenue recognition at fulfilment

Revenue can be recognized when the control over the purchased asset or service passes from the seller to the buyer. This can happen over a specific time period or at a specific time. Control is passed if the receiver is able to control the use of the device and is entitled to take advantage of the device.

For example:

- the asset can produce or provide services through the use of the provided service,
- the cost of the asset and the service provided can be reduced and the obligations can be sorted,
- the asset can be used as a security.

For a period of time, revenue can be recognized when:

- the buyer is always entitled to receive the benefits,
- the buyer acquires control over the asset only to the extent that the seller supplies it over the period,
- the supplier does not provide the customer with an immediately controlled asset or service, but has the right to collect timely part deliveries.



3.3 IFRS 4 – Classification of insurance contracts

At the end of 2018, the Group decided to change its accounting policy regarding the classification of insurance contracts.

According to the accounting policies in force so far to establish the significance of an insurance risk the Company determines for each policy the extent to which the initial insurance risk (i.e. the difference between the amount payable upon the occurrence of a risk event after the policy is signed and the amount paid in at the time of the termination of the policy) exceeds the initial annual premium and the initial top-up payments. The Company considers risks that exceed 5 percent to be significant. Policies with significant insurance risks are accounted as insurance policies; for policies not meeting this condition, and if there is a top-up premium payment at the start, the components related to regular and top-up premium payments are initially separated; the latter are accounted as investment contracts. The Company carries out again the test outlined above for components related to regular premium payments. If the test reveals that the insurance risk is significant, the component is accounted as an insurance policy, otherwise as an investment contract.

In the case of a single unit-linked insurance product sold by the Group from 2017, the above insurance risk is exactly 5 percent of the single premium (up to HUF 1 million), ie according to the interpretation of the previous accounting policy most of the contracts of the given product would have been considered as investment contracts. In the consolidated financial statements for 2017, the Group did not interpret the rule properly because it considered contracts with a precise 5 percent risk for the product as an insurance contract. As a result, the consolidated financial statements for 2017 did not comply with the accounting policies in force, and the corresponding consolidated comprehensive income statement and consolidated financial statements are restated in these financial statements.

In order to make the Insurer's premium income more comparable with those of its competitors, which prepare their financial statements in accordance with the Hungarian Accounting Act, the Group decided at the end of 2018 to amend its accounting policies. According to the decision of the Insurer, from the end of 2018 the term "exceeded the 5 percent" in the above accounting policy is amended to "reaches the 5 percent rate". As a result of a change in accounting policy, the restated financial statement lines include the effects of the amendment, with the effect of the error described above.



4. Presentation of the Issuer's financial position – consolidated and unaudited data for 2018, on the basis of the international financial reporting standards (IAS 34) adopted by the EU

The Issuer and its consolidated companies, representing together the CIG Group, deal with the sale of unit-linked life insurance, term life insurance, endowment insurance, health insurance, pension insurance, rider accident insurance and general insurance, within that mainly casco, business property- and liability insurance, freight liability and suretyship insurance.

In the year of 2018, the Group's gross written premium was HUF 25,832 million, which is 96 percent of the revenues generated in the previous year. Of this HUF 13,508 million are the gross written premium of unit-linked life insurance (of this HUF 4,327 million of pension insurance policies), HUF 2,662 million are traditional life products (of this HUF 999 million from pension insurance policies), HUF 375 million are health insurance policies, and HUF 9,287 million are gross written premium of non-life insurances.

The non-life insurance segment generated a gross written premium of HUF 9,287 million in 2018 according to IFRSs decreased by 9% compared to the previous year (HUF 10,154 million). In the life segment the gross written premium from the first annual premiums of policies sold was HUF 2,258 million, which is a 2% increase compared to the previous year (HUF 2,222 million). The gross written premium income from renewals was HUF 10,893 million in 2018 in contrast to HUF 11,474 million in the same period of the previous year, so the renewal premiums decreased by 5%. Top-up and single premiums (HUF 3,394 million) were 8% increased as the premiums in the previous year, mainly relating to unit-linked life insurance policies. Within the total life insurance premium income- according to IFRS - of HUF 16,545 million, the rate of top-up and single premiums is 21 percent.

The change in unearned premium reserve in 2018 was HUF 115 million (expenditure), while the amount of ceded reinsurance premiums was HUF 6,319 million. The ceded premium to reinsurer declined by 6% as compared to the same period of the previous year.

Unit-linked life insurance policies sold by the Group that do not qualify as insurance policies under EU IFRSs are classified as investment contracts. In connection with the investment contracts, the Issuer generated a premium and commission income of HUF 143 million in total during the reporting period.

HUF 2,460 million was recognized as reinsurers' commissions in 2018 that is 8% higher than in the previous year, mainly due to the favorable changes in claims of the non-life segment.

The other operating income (HUF 956 million) mainly includes the Issuer's income from fund management (HUF 792 million), which decreased by 8%

compared to 2017. Another major item is the release of a provision (HUF 76 million), which was not paid in 2018.

The most important item among expenses are claim payments and benefits and claim settlement costs (together HUF 17,067 million), this expenditure is decreased by the recoveries from reinsurers (HUF 3,015 million). The net claim expenditure increased by 9% as compared to 2017, mainly due to the increase in the surrender of the unit-linked insurances.

The amount of net change in reserves is HUF 2,158 million, which is made up of mainly the following changes in reserves. The unit-linked life insurance reserve amount decreased by HUF 3,519 million. The actuarial reserves increased by HUF +1,017 million, the technical reserves for the bonus payment of the life insurance clients increased by HUF +186 million, the result depending premium refund reserves increased by HUF +12 million and the other technical reserve decreased by HUF -2 million. There was HUF 17 million decrease in the result independent premium refund reserves, the outstanding net claim reserves decreased by HUF 31 million, while the cancellation reserves decreased by HUF 195 million concurrently with the decrease of the premium receivables.

The total operating cost of the Issuer was HUF 8,940 million in 2018, of which HUF 6,114 million is related to the fees, commissions and other acquisition costs, and HUF 2,202 million is related to other operating costs and HUF 624 million to other expenses. Acquisition costs show increasing tendency, despite that gross premiums earned slightly decreased. The primary reason for this is that in life segment the new sales decreased by 4% as compared to the previous year while in the non-life segment the change of the product mix has been shifted towards the products with higher acquisition cost ratio. The other operating costs decreased significantly by HUF 1,096 million (33%) compared to the same period of the previous year (in 2017 HUF 3,298 million). This decrease is mainly related to the other operating costs incurred at the former Pannónia Insurance Companies incurs not any more after finishing the successful operational and IT migration. The volume of the other expenses (HUF 624 million) is 7% higher as in the same period of the previous year (HUF 585 million). In total the higher acquisition costs are compensated by the other operating costs in 2018.

The investment result in 2018 is HUF 381 million loss, which is due to the aggregated effect of the following issues.

The unit-linked yield was HUF 858 million loss during the year of 2018. Last year's last quarter ended with negative market performance haven't seen for many years.

Developed equity markets fell by 13.3% while their emerging counterparts devaluated by 7.6%. Bond yields declined somewhat as a result of global risk aversion, while global commodity markets fell by 23%. Global trade war fears eased somewhat after the G20 summit in late November, and the tightening of the US central bank's monetary policy was slowing down, but it was not

enough to support the markets. As an investor, the best return in this quarter was achieved in the Indian and domestic equity markets. Accordingly, the Ganges Indian and Hungarian Equity Funds were the best. The forint strengthened slightly against the euro and did not change significantly against the dollar during the quarter.

The investment results were negatively influenced by the interest costs of financial reinsurance, which amounted to HUF -41 million. The Issuer's return on its investments was a profit of HUF 518 million in 2018.

The exceptionally large amount of investment income in the comparative period (HUF 7,581 million) can be explained by the gain on a bargain purchase on the 2017 acquisition and the revaluation of the contingent consideration, that was a HUF 3,197 million. Besides the yield for policyholders of unit-linked life insurance policies was a HUF 4,120 million profit in 2017 contrary to the HUF 858 million loss in 2018.

The Issuer realized in 2018 a HUF 367 million profit (21% higher than in the previous year) as a result from the MKB-Pannónia Fund Manager Ltd. that appears in the "investments accounted for using the equity method".

As a result of all of the above, the profit before tax amounted to HUF 2,392 million profit, which is 290 million HUF lower than in 2017 (HUF 2,682 million profit). Distracting the effect of the acquisition in 2017 (HUF 3,197 million), the result of the assets held for sale (HUF - 475 million) and the expenditure of interest bearing shares (HUF - 473 million) from the 2017 result, the increase of the profit before tax would be HUF 1,959 million.

The profit after tax is HUF 2,106 million that is HUF 492 million lower than the profit after tax in 2017 due to the one-off effects above. The other comprehensive income contains the decrease in the fair value of available-for-sale financial assets amounting to HUF -1.045 million, that consist of the unrealized gains from the KONZUM shares (HUF 725 million) and the HUF 320 million unrealized losses of Hungarian state bonds. Thus the total comprehensive income represents a profit of HUF 1,061 million in 2018.

The Issuer's balance sheet total was HUF 110,673 million; its financial position is stable; the company has met its liabilities in full. On 31 December 2018, the shareholders' equity was HUF 17,442 million.

5. Executive summary

In 2018, the annualized premium of the new sales of insurance policies in life segment sold by the Company is HUF 3,212 million that is 4 percent higher than in the same period of the previous year. Of this HUF 2,517 million is from unit-linked life insurance, HUF 695 million is from traditional and group life insurance policies. In the same period of the previous year the annualized premium of the new sales was HUF 3,348 million, of which HUF 2,893 million related to unit-linked life insurance, HUF 455 million was derived from traditional and group life insurance policies. In case of the non-life segment the portfolio cleaning and termination of the retail casco portfolio resulted a HUF 263 million decrease, while in 2017 the EMABIT reached a HUF 1,001 million increase, not including the acquired portfolio due to the acquisition and the MTPL and home insurance portfolio transferred.

New sales and portfolio development⁴

Annualized premium of new sales - Life segment (million HUF)	2018.12.31 (A)	2017.12.31 (B)	Change (A-B)	Change % (A - B) / B
Unit-linked life insurances	2 517	2 892	-375	-13%
Traditional and group life insurances	695	455	240	53%
Total annualized premium of new sales - Life	3 212	3 347	- 135	-4%

Net portfolio development Non-life segment (million HUF)	2018.12.31 (A)	2017.12.31 (B)	Change (A-B)	Change % (A - B) / B
Net portfolio development of general insurances	-263	1 001	-1 264	-126%

As for life insurance policies sold in 2018 the share of the tied agent network is 29 percent, the independent broker channel was 39 percent and the bank channel was 21 percent, while the other business development's share was 11 percent from the new sales. In the life segment, diversification of sales channels continued. Following the development of the banking channel, the Group also started with the call center sales line with a significant sales partner. In addition, in the fourth quarter, the Company established a new insurance brokerage subsidiary.

Most of the sales of general insurance are produced by the brokerage channel. The net portfolio development of general insurances contains only the regular premium insurance policies.

The quarterly data publication by MABISZ ceased, data on market share of the Group were not available.

⁴ The Group presents hereinafter the net portfolio development of the non-life segment instead of the new sales data, because net development represents more accurately the change of the portfolio.

6. Operating segments

Segment information Q1 –Q4 2018 (data in HUF millions)

ASSETS	Life insurance segment	Non-life insurance segment	Other	Adjusting entries for calculations in the financial statements (consolidation)	Total
Intangible assets	707	95	0	0	802
Property, plant and equipment	66	14	2	-1	81
Deferred tax assets	361	135	0	0	496
Deferred acquisition costs	1 007	1 596	0	0	2 603
Reinsurer's share of technical reserves	120	4 707	0	0	4 827
Subsidiaries	5 384	0	0	-5 384	0
Investments by equity method	52	0	0	413	465
Available-for-sale financial assets	19 485	8 016	0	0	27 501
Investments for policyholders of unit-linked life insurance policies	65 277	0	0	0	65 277
Financial assets - investment contracts	3 681	0	0	0	3 681
Financial assets - embedded derivatives	-	-	-	-	-
Financial assets - forwards	-	-	-	-	-
Receivables from insurance policyholders	2 232	288	0	0	2 520
Receivables from intermediaries	50	429	0	0	479
Reinsurance receivables	11	91	0	0	102
Other assets and prepayments	33	244	0	-9	268
Other receivables	155	113	1	2	271
Cash and cash equivalents	800	395	105	0	1 300
Intercompany receivables	46	0	0	-46	0
Total assets	99 467	16 123	108	-5 025	110 673

LIABILITIES	Life insurance segment	Non-life insurance segment	Other	Adjusting entries for calculations in the financial statements (consolidation)	Total
Technical reserves	10 754	7 317	0	0	18 071
Technical reserves for policyholders of unit-linked insurance	65 277	0	0	0	65 277
Investment contracts	3681	0	0	0	3681
Liabilities from the issue of interest-bearing shares	8	0	0	0	8
Loans and financial reinsurance	968	0	0	0	968
Liabilities from reinsurance	95	1 504	0	0	1 599
Liabilities from insurance policyholders	393	280	0	0	673
Liabilities from intermediaries	254	402	0	0	656
Intercompany liabilities	0	44	2	-46	0
Other liabilities and provisions	783	1 489	2	16	2 290
Liabilities from equity owners	8	0	0	0	8
Total liabilities	82 221	11 036	4	-30	93 231
NET ASSETS	17 246	5 087	104	-4 995	17 442
SHAREHOLDERS' EQUITY					
Registered capital	3 777	1 060	23	-1 083	3 777
Capital reserve	12 465	2 839	81	-5 786	9 599
Other reserves	-721	11	0	-1	-711
Profit reserve	1 725	1 177	0	1 870	4 772
Total shareholders' equity	17 246	5 087	104	-4 995	17 442

Statement of comprehensive income	Life insurance segment	Non-life insurance segment	Other	Adjusting entries for calculations in the financial statements (consolidation)	Total
Gross written premium	16 545	9 287	0	0	25 832
Changes in unearned premiums reserve	-106	221	0	0	115
Earned premiums, gross	16 439	9 508	0	0	25 947
Ceded reinsurance premiums	-214	-6 105	0	0	-6 319
Earned premiums, net	16 225	3 403	0	0	19 628
Premium and commission income from investment contracts	143	0	0	0	143
Investment income	625	149	0	0	774
Share of the profit of associates and joint ventures accounted for using the equity method	253	0	0	114	367
Other operating income	938	128	21	-131	956
Commission and profit sharing from reinsurance	7	2 453	0	0	2 460
Other income	1 966	2 730	21	-17	4 700
Total income	18 191	6 133	21	-17	24 328
Claim payments and benefits, and claim settlement costs	-13 573	-3 505	0	11	-17 067
Recoveries from reinsurance	40	2 968	0	7	3 015
Net change in the value of life technical reserves and unit-linked life insurance reserves	2 143	15	0	0	2 158
Investment expenditure	-1 102	-53	0	0	-1 155
Change in the fair value of liabilities relating to investment contracts	53	0	0	0	53
Change in the fair value of assets and liabilities relating to embedded derivatives	0	0	0	0	0
Investment expenses, changes in reserves and benefits, net	-12 439	-575	0	18	-12 996
Fees, commissions and other acquisition costs	-2 711	-3 403	0	0	-6 114
Other operating costs	-1 446	-736	-22	2	-2 202
Other expenses	-198	-535	0	109	-624
Operating costs	-4 355	-4 674	-22	111	-8 940
Result of assets held for sale	0	0	0	0	0
Profit/loss before taxation	1 397	884	-1	112	2 392
Tax income / (expenses)	-162	-105	0	0	-267
Deferred tax income / (expenses)	6	-25	0	0	-19
Profit/loss after taxation	1 241	754	-1	112	2 106
Other comprehensive income	-912	-132	0	-1	-1 045
Comprehensive income	329	622	-1	111	1 061

Segment information Q1 –Q4 2017 (data in million HUF)

ASSETS	CIG Life insurance segment	CIG Non-life insurance	Other	Adjusting entries for calculations in the financial statements (IFRS - HAL)	Adjusting entries for calculations in the financial statements (consolidation)	Total
Intangible assets	792	104	0	0	0	104
Property, plant and equipment	47	29	0	0	0	29
Deferred tax assets	0	0	0	514	0	0
Deferred acquisition costs	611	1 685	0	0	0	1 685
Reinsurer's share of technical reserves	186	4 461	0	0	0	4 461
Subsidiaries	3 789	0	0	0	-3 789	0
Investments in jointly controlled companies	52	0	0	300	0	0
Available-for-sale financial assets	10 809	4 289	0	1 420	0	4 289
Investments for policyholders of unit-linked life insurance policies	72 721	0	0	-3 926	0	0
Financial assets - investment contracts	0	0	0	3 926	0	0
Receivables from insurance policyholders	2 127	401	0	-140	0	401
Receivables from intermediaries	48	550	0	0	0	550
Reinsurance receivables	4	187	0	0	0	187
Own shares	487	0	0	-487	0	0
Other assets and prepayments	175	286	0	-228	-9	286
Other receivables	198	127	1	0	0	127
Receivables from shareholders	109	0	0	-109	0	0
Cash and cash equivalents	2 634	1 244	5	0	0	1 244
Financial assets held for sale	0	0	0	0	0	0
Intercompany receivables	115	24	0	0	-139	24
Total assets	94 904	13 387	6	1 270	-3 937	105 630

LIABILITIES	Pannónia Life insurance segment	Pannónia Non-life insurance segment	Other	Adjusting entries for calculations in the financial statements (IFRS - HAL)	Adjusting entries for calculations in the financial statements (consolidation)	Total
Technical reserves	9 042	7 349	0	779	0	17 170
Technical reserves for policyholders of unit-linked insurance	72 721	0	0	-3 926	0	68 795
Investment contracts	0	0	0	3 926	0	3 926
Financial liabilities - embedded derivatives	0	0	0	4	0	4
Liabilities arising from the issue of interest-bearing shares	0	0	0	0	0	0
Loans and financial reinsurance	1 186	0	0	0	0	1 186
Liabilities from reinsurance	78	1 523	0	0	0	1 601
Liabilities from insurance policyholders	454	331	0	0	0	785
Liabilities from intermediaries	321	258	0	0	0	579
Intercompany liabilities	31	108	0	0	-139	0
Other liabilities and provisions	1 685	1 148	1	-281	16	2 569
Total liabilities	85 518	10 717	1	502	-123	96 615
NET ASSETS	9 386	2 670	5	768	-3 814	9 015
SHAREHOLDERS' EQUITY						
Registered capital	2 852	1 030	3	0	-1 033	2 852
Capital reserve	4 877	1 369	0	468	-4 235	2 479
value of own shares	0	0	0	-250	0	-250
Other reserves	486	0	1	-153	0	334
Profit reserve	1 171	271	1	703	1 454	3 600
Total shareholders' equity	9 386	2 670	5	768	-3 814	9 015

STATEMENT OF COMPREHENSIVE INCOME	Pannónia Life insurance segment	Pannónia Non-life insurance segment	Other	Adjusting entries for calculations in the financial statements (IFRS - HAL)	Adjusting entries for calculations in the financial statements (consolidation)	Total
Gross written premium	18 553	11 347	0	-2 880	-28	26 992
Changes in unearned premiums reserve	27	-767	0	-220	0	-960
Earned premiums, gross	18 580	10 580	0	-3 100	-28	26 032
Ceded reinsurance premiums	-212	-8 742	0	2 174	28	-6 752
Earned premiums, net	18 368	1 838	0	-926	0	19 280
Premium and commission income from investment contracts	0	0	0	205	0	205
Investment income	6 403	307	0	-223	2 235	8 722
Share of the profit of associates and joint ventures accounted for using the equity method	0	0	0	303	0	303
Other operating income	1 296	419	15	-425	-261	1 044
Commission and profit sharing from reinsurance	1	2 799	0	-521	-1	2 278
Other income	7 700	3 525	15	-661	1 973	12 552
Total income	26 068	5 363	15	-1 587	1 973	31 832
Claim payments and benefits, and claim settlement costs	-13 455	-4 366	0	1 979	21	-15 821
Recoveries from reinsurance	52	3 684	0	-704	-7	3 025
Net change in the value of life technical reserves and unit-linked life insurance reserves	-5 531	1 182	0	-198	0	-4 547
Investment expenditure	-600	-133	0	-412	5	-1 140
Change in the fair value of liabilities relating to investment contracts	0	0	0	-219	0	-219
Change in the fair value of assets and liabilities relating to embedded derivatives	0	0	0	-269	0	-269
Investment expenses, changes in reserves and benefits, net	-19 534	367	0	177	19	-18 971
Fees, commissions and other acquisition costs	-2 612	-3 452	0	242	1	-5 821
Other operating costs	-1 562	-970	-15	-754	3	-3 298
Other expenses	-338	-1 090	0	600	243	-585
Operating costs	-4 512	-5 512	-15	88	247	-9 704
Result of assets held for sale	0	0	0	-475	0	-475
Profit/loss before taxation	2 022	218	0	-1 797	2 239	2 682
Tax income / (expenses)	-153	-105	0	0	0	-258
Deferred tax income / (expenses)	0	0	0	174	0	174
Profit/loss after taxation	1 869	113	0	-1 623	2 239	2 598
Other comprehensive income	0	0	0	261	0	261
Comprehensive income	1 869	113	0	-1 362	2 239	2 859

7. Number of employees, ownership structure

The number of employees at the members of the Group was 138 on 31 December 2018.

Composition of the Issuer's share capital (31 December 2018)

Series of shares	Nominal value (HUF/each)	Issued number of shares	Total nominal value (HUF)
Series „A”	40	94 428 260	3 777 130 400
of this treasury share	40	714 006	28 560 240
Amount of share capital	-	-	3 777 130 400

Number of voting rights connected to the shares (31 December 2018)

Series of shares	Number of shares issued	Number of voting shares	Voting rights per share	Total voting rights	Number of treasury shares
Series „A”	94 428 260	93 714 254	1	93 714 254	714 006

The Issuer's ownership structure (31 December 2018)

Owners	Number of shares	Ownership stake	Voting rights
Domestic private individual	41 563 315	44,02%	44,02%
Domestic institution	49 949 530	52,90%	52,90%
Foreign private individual	257 862	0,27%	0,27%
Foreign institution	891 339	0,94%	0,94%
Nominee, domestic private individual	1 158 838	1,23%	1,23%
Nominee, foreign private individual	329 550	0,35%	0,35%
Nominee, foreign institution	257 577	0,27%	0,27%
Unidentified item	20 249	0,02%	0,02%
Total	94 428 260	100%	100%

The Issuer engaged KELER Ltd. with keeping the shareholders' register. If, during the ownership verification, an account manager with clients holding CIGPANNONIA shares does not provide data regarding the shareholders, the owners of the unidentified shares are recorded as "unidentified item" in the shareholders' register.

The Issuer's investments on 31 December 2018:

Name	Registered seat	The Issuer's share
CIG Pannónia First Hungarian General Insurance Company Ltd.	1033 Budapest, Flórián tér 1.	100,0%
Pannónia PI-ETA Funeral Service Limited Liability Company	1033 Budapest, Flórián tér 1.	100,0%
MKB-Pannónia Fund Manager Ltd.	1072 Budapest, Nyár utca 12.	16,0%
CIG Pannónia Financial Intermediary Ltd.	1033 Budapest, Flórián tér 1.	95,0%
KONZUM Investment and Asset Management Plc.	1062 Budapest, Andrássy út 59.	4,1%

8. Information published in the period

Date	Subject, short summary
October 3, 2018	Number of voting rights and the amount of registered capital at CIG Pannonia Life Insurance Plc.
October 10, 2018	Extraordinary announcement on the transaction of person discharging managerial responsibilities
October 15, 2018	Extraordinary announcement on the transaction of person discharging managerial responsibilities
October 31, 2018	Number of voting rights and the amount of registered capital at CIG Pannonia Life Insurance Plc.
November 5, 2018	Extraordinary announcement on the decrease in the number of own shares of CIG Pannónia Life Insurance Plc.
November 7, 2018	Extraordinary announcement on the decrease in the number of own shares of CIG Pannónia Life Insurance Plc.
November 20, 2018	Quarterly report, Q3 2018
November 28, 2018	Extraordinary announcement regarding the contract concluded between CIG Pannonia Life Insurance Plc. and Hungarian Public Road Nonprofit Pte Ltd Co.
November 29, 2018	Extraordinary announcement on the establishment of CIG Pannonia Financial intermediary cPlc.
November 29, 2018	Extraordinary announcement on the establishment of ESOP
November 29, 2018	Extraordinary announcement of the dividend policy of CIG pannonia life Insurance Plc.
November 29, 2018	Increase of the share capital and amendment of the dividend policy at CIG Pannonia First Hungarian G eneral Insurance cPlc.
November 30, 2018	Number of voting rights and the amount of registered capital at CIG Pannonia Life Insurance Plc.
December 3, 2018	Extraordinary announcement on the transaction of person discharging managerial responsibilities
December 14, 2018	Extraordinary announcement on the registration of the increase of the subscribed capital of at CIG Pannonia First Hungarian general insurance cPlc.
January 2, 2019	CIG Pannonia Life Insurance Plc. publishes its corporate events calendar for business year 2019
January 2, 2019	Number of voting rights and the amount of registered capital at CIG Pannonia Life Insurance Plc.
January 31, 2019	Number of voting rights and the amount of registered capital at CIG Pannonia Life Insurance Plc.

These announcements can be found on the websites of the Issuer (www.cigpannonia.hu) and the Budapest Stock Exchange Ltd. (www.bet.hu), as well as on the website of the Hungarian National Bank (www.kozzetetelek.hu).



9. Disclaimer

The Issuer declares that the report for the fourth quarter of 2018 was not reviewed by an auditor, the report for the third quarter of 2018 presents a true and fair view of the assets, liabilities and financial position, as well as the profit and loss of the Issuer and the enterprises consolidated in the financial statements. The consolidated management report provides a reliable presentation of the position, development and performance of the Issuer and the companies consolidated in its accounts.

19 February 2019, Budapest

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