

# COSMOS INSURANCE PUBLIC COMPANY LTD

## FIRST INTERIM MANAGEMENT STATEMENT FOR 2016

The Company presents to investors the First Interim Management Statement for 2016 in accordance with Article 11 of Law 190(I) of 2007.

### **Main activities of the Group**

Throughout the current period from 1 January 2016 to date, the main activities of the Group have remained the same as in 2015. The main activity of the parent company consists in insurance operations in the General Branch. The main activities of the dependent company consist in the provision of insurance mediation operations in the Life Branch.

### **Non-recurring or extraordinary activities**

There have been no non-recurring or extraordinary activities during the period under review.

### **General overview of the financial situation of the Group**

#### **Results – 1<sup>st</sup> quarter 2016**

The Group's results for the 1<sup>st</sup> quarter of 2016 record losses compared to profits in the corresponding quarter of 2015.

The loss attributable to the shareholders for the 1<sup>st</sup> quarter of 2016 stood at (€563) thousand compared to a profit of €71 thousand in the corresponding quarter of 2015.

The loss is mainly due to:

- The increase in compensations
- The non-collection of the shares from the reinsurers

The total gross earned premiums for the 1<sup>st</sup> quarter of 2016 remained at the same levels as in the corresponding quarter of 2015.

The total net insurance income for the 1<sup>st</sup> quarter of 2016 stood at €3.27m compared to €3.00m (9% increase) while the total net insurance costs rose to €3.87m compared to €2.88 εκ. (34% increase) compared to the corresponding quarter of 2015.

Provisions for doubtful debts as well as provisions for decrease in the current value of investment property continue to apply in 2016.

### **Other material events**

Beyond the ordinary business of the Group, during the period under review there have been no other material events and transactions affecting the financial situation of the Group.

### **Main risks**

The main risks faced by the Group remain as described in the Annual Report for 2015.

### **Prospects for the remainder of 2016**

Under the current circumstances, the Group expects that results from insurance operations will improve in the coming months. The Group continues to focus on increasing its client base through quality assessment of risk acceptance, on the further containment of costs and the provision of better service to its clients and associates.

Nicosia, 17 May 2016

Andreas Tyllis  
Managing Director