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## **NEWS RELEASE**

### **Eurohold's 2017 audited cons results - profit soared to BGN 24 million and the main business grew strongly**

- *Revenue rose by 18% to BGN 1.2 billion*
- *Net profit leapt by 140% to BGN 24.4 million*
- *EBITDA went up by 65% to BGN 57.6 million*
- *Expectations for even a better 2018 financial year*

[Eurohold Bulgaria](#) AD, one of the largest Bulgarian public-listed companies, confirmed its successful performance in 2017 after publishing its annual audited consolidated financial report.

The company's consolidated revenue rose by 18% year-on-year to BGN 1.2 billion. The net profit leapt by around 140% to BGN 24.4 million while the operating profit (EBITDA) grew by 65% on an annual basis to approximately BGN 57.6 million. The equity of the company rose by 85% y-o-y reaching BGN 215 million and the total assets increased by 17% surpassing BGN 1.33 billion.

The insurance business of Eurohold, represented in CEE and SEE by [Euroins Insurance Group](#) AD ([EIG](#)), contributed significantly for the results achieved in 2017. The revenue from insurance rose 19% compared to the previous year and exceeded BGN 1 billion for the first time in the history of the company while the recorded net profit from this segment increased more than four times to around BGN 42 million.

The car and leasing business of [Eurohold Bulgaria](#) AD, operating under Avto Union AD and Eurolease Group EAD brands, also recorded remarkable sales and profit growth (in the table below).

On April 17th, 2018, [Euroins Insurance Group](#) agreed on acquiring ERV Ukraine, the travel insurance business of Germany-based ERGO, which is part of Munich-Re and one of the major insurance groups in Europe. In the last couple of years [EIG](#) has acquired: Germany-based Talanx Group's subsidiaries in Bulgaria and Ukraine, operating under HDI brand; Dutch insurer Achmea's insurance business in Bulgaria, known under Interamerican brand; as well as Australian group QBE's operations in Romania and Bulgaria. In 2017 the Bulgaria-based company purchased the non-life insurance portfolio of ATE Insurance Romania, a subsidiary of Greece's Piraeus Bank, and acquired a significant stake in OOO RSO Euroins, a Russian insurer.

**Assen Christov, chairman of Eurohold Bulgaria's supervisory board, commented:** *„Eurohold is more and more a recognizable name among the investors that are interested in Central and Southeastern Europe. Our bond issue lured a strong interest from investors located in all the large financial centers in Europe. We strongly believe we will successfully step again on the European capital market. In 2017 Euroins*

insurance group, Eurohold's insurance subholding, further expanded its portfolio in Central and Eastern Europe. EIG is currently the most fast-developing independent insurance group in the region. We will continue to search for interesting opportunities for acquisitions of insurance companies with growth potential in the region. Our expectations for 2018 are positive. The forecasts for the markets in which we operate are favorable and the forecasted economic growth will boost the further penetration of our insurance products."

### Audited consolidated results of Eurohold Bulgaria in 2017

Segments	Revenue			Operating Profit (EBITDA)			Net Profit		
	2017	2016	Change	2017	2016	Change	2017	2016	Change
	000'BGN	000'BGN	%	000'BGN	000'BGN	%	000'BGN	000'BGN	%
Insurance	1 005 026	843 652	19%	48 435	16 727	190%	41 681	8 944	366%
Automotive business	204 255	166 768	22%	5 605	3 944	42%	258	(842)	-
Leasing services	25 374	21 524	18%	4 289	2 141	100%	112	(481)	-
Asset management and brokerage	3 882	5 032	-23%	282	342	-18%	209	265	-21%
<b>Total subsidiaries</b>	<b>1 238 537</b>	<b>1 036 976</b>	<b>19%</b>	<b>58 611</b>	<b>23 154</b>	<b>153%</b>	<b>42 260</b>	<b>7 886</b>	<b>436%</b>
Parent company	2 179	16 398	-87%	1 522	12 450	-88%	(17 306)	2 309	-850%
<b>Total without eliminations</b>	<b>1 240 716</b>	<b>1 053 374</b>	<b>18%</b>	<b>60 133</b>	<b>35 604</b>	<b>69%</b>	<b>24 954</b>	<b>10 195</b>	<b>145%</b>
<i>Intragroup eliminations</i>	<i>(15 612)</i>	<i>(14 028)</i>	-	<i>(2 540)</i>	<i>(696)</i>	-	<i>(539)</i>	29	-
<b>Total</b>	<b>1 225 104</b>	<b>1 039 346</b>	<b>18%</b>	<b>57 593</b>	<b>34 908</b>	<b>65%</b>	<b>24 415</b>	<b>10 224</b>	<b>139%</b>

Source: Audited consolidated statement for the period ended December 31<sup>st</sup>, 2017

### Eurohold Bulgaria AD

Eurohold Bulgaria is a leading Bulgarian company, listed on the BSE-Sofia and the WSE. The holding company operates across CEE and SEE, focused on non-banking financial services and asset management. Eurohold Bulgaria is a majority shareholder of Euroins Insurance Group (EIG), one of the largest independent insurance groups operating in the CEE and SEE insurance markets. EIG operates in 8 European countries and owns insurance subsidiaries in four of them – Bulgaria, Romania, FYROM and Ukraine. The insurance group has been operating in Greece since 2014. It has over 2.5 million clients and 1600 employees.

[www.eurohold.bg](http://www.eurohold.bg) [www.eig.bg](http://www.eig.bg)