

SWEDBANK P&C INSURANCE AS

Interim Report

As of 30 September 2014

Swedbank P&C Insurance AS

INTERIM REPORT OF Q3 OF 2014

Business name	Swedbank P&C Insurance AS
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Principal activity	Provision of insurance services
CEO	Margus Liigand
Auditors	AS Deloitte Audit Eesti

SIGNATURES

The Management Board has prepared this interim report of Q3 of 2014 of Swedbank P&C Insurance AS presented on pages 8–25. The interim report has been signed by members of the Management Board Margus Liigand, Ivika Torpel, Peeter Kabbun, Vaida Janušyte. This file is generated in electronic format and does not include any signatures.

Swedbank P&C Insurance AS

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Swedbank P&C Insurance AS

LETTER OF EXPLANATION TO THE INTERIM REPORT OF Q3 OF 2014

The sole shareholder of Swedbank P&C Insurance AS (hereinafter also the Company) is Swedbank AS. The share capital of the Company after fund emission in Q3 2014 is EUR 7,210,000.

The Company operates in Estonia, Latvia and Lithuania. The Company provides motor own damage insurance, motor third party liability insurance, home and apartment building insurance and travel insurance. The Company also renders financial loss and accident insurance as well as travel insurance to credit card customers of Swedbank. The products of Swedbank P&C Insurance are sold through the sales channels of Swedbank. Customers can also enter into contracts by telephone and e-mail and partially via other e-channels.

Results of Business Operations of Q3 of 2014

The financial results of the Company in Q3 were good, however slightly weaker than in previous quarters during this year. The loss ratio in Q3 was 58.0%, year before 55.1%. The loss ratio of 9 months was 54.8% (9 months 2013: 56.8%). The loss ratio improved significantly in vehicle related insurances, however increased in property insurance.

The operating expenses of the Company are still low, however expense ratio during last years has been increasing due to the increase of sales activities, but this trend has slowed down. The expense ratio for Q3 2014 was 13.1%, year before 14.2%. In comparison to previous year the number of employees has increased, which is the cause of increase of personnel expenses. The expense ratio for six months was 14.2%, year before 14.0%.

The combined ratio of Q3 was 71.1% (Q3 2013: 69.3%), technical profit EUR 3.5 million (Q3 2013: EUR 3.5 million) and net profit EUR 3.4 million (Q3 2013: EUR 3.4million). The combined ratio for 9 months was 69.1% (9 months 2013: 70.7%), technical profit EUR 11.1 million (9 months 2013: EUR 9.6 million) and net profit EUR 8.3 million (9 months 2013: EUR 9.3 million).

Swedbank P&C Insurance AS

LETTER OF EXPLANATION TO THE INTERIM REPORT OF Q3 OF 2014

Sales results of Company in Estonia (in thousands of euros)

	Q3 of 2014	Proportion	9 months 2014	Proportion
Motor own damage	4 381	44.9%	12 718	45.0%
Home insurance	3 009	30.9%	8 647	30.6%
Motor third party liability insurance	1 171	12.0%	3 535	12.5%
Loan payment protection insurance	656	6.7%	1 874	6.6%
Travel insurance	443	4.6%	1 264	4.5%
Apartment building insurance	75	0.8%	209	0.7%
Other	8	0.1%	23	0.1%
TOTAL	9 743	100%	28 270	100%

Sales Results of Company in Latvia (in thousands of euros)

	Q3 of 2014	Proportion	9 months 2014	Proportion
Home insurance	974	50.0%	2 836	50.2%
Motor own damage	610	31.3%	1 733	30.7%
Motor third party liability insurance	196	10.1%	613	10.9%
Travel insurance	117	6.0%	334	5.9%
Loan payment protection insurance	22	1.1%	50	0.9%
Other	29	1.5%	80	1.4%
TOTAL	1 948	100%	5 646	100%

Sales Results of Company in Lithuania (in thousands of euros)

	Q3 of 2014	Proportion	9 months 2014	Proportion
Home insurance	767	54.2%	2 027	52.3%
Motor own damage	346	24.4%	1 003	25.9%
Travel insurance	194	13.7%	564	14.6%
Loan payment protection insurance	49	3.5%	113	2.9%
Other	59	4.2%	165	4.3%
TOTAL	1 415	100%	3 872	100%

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LETTER OF EXPLANATION TO THE INTERIM REPORT OF Q3 OF 2014

The volume of net premiums earned by the Company in Q3 was EUR 12.3 million (Q3 2013: EUR 11.3 million) and 9 months net premiums earned were EUR 35.8 million (9 months 2013: 32.7). The volume of net claims in Q3 was EUR 7.2 million (Q3 2013: EUR 6.2 million) and net claims of 9 months was EUR 19.6 million (9 months 2013: EUR 18.6 million).

Insurance premiums have increased compared to Q3 2013 14.1%. The main source of the increase of insurance premiums is still continuing active sales in home insurance, whilst the decrease of motor third party liability insurance premiums turned to increase. Compared to 2013 Q3 the motor own damage insurance payments have increased 6.4%.

Activities and events during Q3 2014

In Estonia, Latvia and Lithuania motor own damage and home insurance campaigns were held and in addition travel insurance campaigns in Estonia and Latvia, which had positive impact to the sales results. Overall insurance introduction campaign was held in Estonia.

Taken into account the approved Annual Report of 2013 of Swedbank P&C Insurance AS, profit distribution decision and Swedbank P&C Insurance AS 26.06.2014 Council proposal to arrange fund emission on the account of capital surplus the Shareholder approved the fund emission in order to increase the share capital by 420 998 shares with nominal value of 10€ All the shares belong to Swedbank AS.

Assets of Company

The assets of the Company formed EUR 47.9 million as of 30. September 2014, which is EUR 4.1 million more compared to previous quarter.

The volume of financial investments formed EUR 36.3 million, which is EUR 7.3 million more than at the end of Q2 2014. The financial investments of the Company exceeded technical liabilities 2.1 times.

Number of Employees and Staff Costs

As of 30 September 2014, the Company employed 101 people – 64 in Estonia, 20 in Latvia and 17 in Lithuania. The number of employees has decreased by 6 employees compared to 30th of June 2014 and increased by 13 employees compared to 30th of September 2013. Labour costs of Q3 were EUR 538.6 thousand (Q3 2013: EUR 484.8 thousand). The significant increase of number of employees and staff costs is caused by concluding an employment contract in Q1 2014 with 11 employees, who acted as the representatives of insurance agent in Swedbank Group.

Swedbank P&C Insurance AS

LETTER OF EXPLANATION TO THE INTERIM REPORT OF Q3 OF 2014

Development of Business Operations and Future Forecasts of Swedbank P&C Insurance AS

In relation to reorganization in Swedbank Baltic Banking operating model Swedbank P&C Insurance is continuing to incorporate changes in its structure and harmonization with Swedbank Baltic Banking operating model. Company is continuing to adapt its product offering to the new channel strategy of Swedbank. Furthermore, we are planning to contribute more in automation of our activities. The purpose of these changes is to increase the Company's and its agents sales capability without increasing the overall cost target.

In relation to adoption of euro in Lithuania, the Company started necessary activities for transformation, which will continue during the year.

In relation to the preparations for implementing the Solvency II regulations, the Company has increased its organisational and technical capacity to ensure that assessment of insurance risks, risk management and the Company's activities comply with legal requirements. This task will remain the focus for the current year.

It will continue to be the main goal of the Company to maintain the level of customer satisfaction at highest degree by offering excellent services, broad insurance cover and competitive prices, whilst retaining the profitability of the Company by keeping operating expenses low.

Swedbank P&C Insurance AS

IMPORTANT FINANCIAL INDICATORS

In euros	<u>01.01.2014 -</u> <u>30.09.2014</u>	<u>01.01.2013 -</u> <u>30.09.2013</u>
Gross premium	37 787 738	33 294 796
Premiums earned net of reinsurance	35 826 657	32 735 055
Claims incurred net of reinsurance	19 643 726	18 592 011
Net operating expenses	5 095 637	4 566 779
Return of insurance activities	11 087 294	9 576 265
Net profit	8 313 847	9 329 141
Net claims ratio	54.8%	56.8%
Net expense ratio	14.2%	14.0%
Combined ratio	69.1%	70.7%
Balance sheet total	47 911 371	102 881 424
Equity	27 113 075	88 031 013

$$\text{Net claims ratio} = \frac{\text{Net claims incurred}}{\text{Premiums earned net of reinsurance}}$$

$$\text{Net expense ratio} = \frac{\text{Net operating expenses}}{\text{Premiums earned net of reinsurance}}$$

$$\text{Combined ratio} = \text{Net claims ratio} + \text{net expense ratio}$$

Swedbank P&C Insurance AS

BALANCE SHEET as of 30 September 2014

	Note	30.09.2014	31.12.2013
		EUR	EUR
ASSETS			
Cash and cash equivalents		3 880 014	1 451 468
Financial investments	2	36 290 557	51 688 548
Bonds		10 952 103	6 812 323
Term deposits		25 338 454	44 876 225
Receivables related to insurance activities		2 807 436	3 225 298
Accrued income and prepaid expenses		2 406 690	200 568
Reinsurance assets	3	2 503 787	550 754
Receivables		559 152	0
Technical provisions		1 944 635	550 754
Deferred tax assets		3 245	3 245
Tangible assets	4	19 642	58 589
Total assets		47 911 371	57 178 470
LIABILITIES AND EQUITY			
Liabilities related to insurance activities	5	17 392 902	14 645 109
Technical provisions		16 167 898	14 362 763
Liabilities related to reinsurance		757 492	0
Mediators		126 794	0
Other		340 718	282 346
Other liabilities	6	3 405 394	12 674 743
Total liabilities		20 798 296	27 319 852
Equity			
Share capital		7 210 000	3 000 020
Share premium		1	4 209 981
Legal reserve		300 002	300 002
Unrealised exchange differences		0	-3 889
Retained earnings		11 289 225	11 289 225
Net profit for current period		8 313 847	1 163 239
Total equity		27 113 075	29 858 618
Total liabilities and equity		47 911 371	57 178 470

Swedbank P&C Insurance AS

STATEMENT OF COMPREHENSIVE INCOME for the Q3 of 2014

	Note	Q3 of 2014 EUR	Q3 of 2013 EUR
Premiums earned, net of reinsurance	7		
Premiums earned		13 112 485	11 502 279
Reinsurance premium		-784 434	-195 509
TOTAL		12 328 051	11 306 770
Claims incurred, net of reinsurance	8		
Claims incurred, gross		7 348 276	5 849 416
Claims handling expenses		493 101	445 190
Share of reinsurance in claims incurred		-638 451	-66 464
TOTAL		7 202 926	6 228 142
Operating expenses			
Acquisition costs, net of reinsurance	10	671 730	760 002
Administrative expenses	11	892 464	799 289
Other operating expenses		49 705	47 127
TOTAL		1 613 899	1 606 418
Return of insurance activities		3 511 226	3 472 210
Investment revenue and expenses, net	12	68 531	111 861
Other income		2 407	2 346
Other expenses		68 467	66 336
Profit before income tax		3 513 697	3 520 081
Income tax		114 470	89 705
Net profit for the period		3 399 227	3 430 376
Unrealised foreign exchange rates differences		0	-2 664
Total comprehensive income for the period		3 399 227	3 427 712

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STATEMENT OF COMPREHENSIVE INCOME for 01.01.-30.09.2014

	Note	01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013
		EUR	EUR
Premiums earned, net of reinsurance	7		
Premiums earned		37 853 215	33 430 683
Reinsurance premium		-2 026 558	-695 628
TOTAL		35 826 657	32 735 055
Claims incurred, net of reinsurance	8		
Claims incurred, gross		19 493 994	17 595 737
Claims handling expenses		1 449 437	1 251 972
Share of reinsurance in claims incurred		-1 299 705	-255 698
TOTAL		19 643 726	18 592 011
Operating expenses			
Acquisition costs, net of reinsurance	10	2 098 619	2 004 413
Administrative expenses	11	2 846 672	2 422 583
Other operating expenses		150 346	139 783
TOTAL		5 095 637	4 566 779
Return of insurance activities		11 087 294	9 576 265
Investment revenue and expenses, net	12	57 769	266 648
Other income		6 468	6 311
Other expenses		209 655	201 934
Profit before income tax		10 941 876	9 647 290
Income tax		2 628 029	318 149
Net profit for the period		8 313 847	9 329 141
Unrealised foreign exchange rates differences		3 889	-40 047
Fair value adjustment of share based payment at the settlement date		-63 278	0
Total comprehensive income for the period		8 254 458	9 289 094

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STATEMENT OF CASH FLOWS for 01.01.-30.09.2014

	01.01.2014 - 30.09.2014 EUR	01.01.2013 - 30.09.2013 EUR
Cash flow from operating activities	-1 951 806	10 988 318
Insurance premiums received	38 644 589	34 123 739
Claims, recourses and handling expenses paid	-18 698 491	-16 750 122
Settlements with reinsurers	-1 411 617	-597 226
Operating expenses paid	-20 518 179	-5 822 699
Other income and expenses	31 892	34 626
Cash flow from investing activities	15 386 980	-8 576 630
Paid for tangible assets	-2 533	-9 246
Interest received	708 526	291 297
Disposal of debt fund units	0	1 378 613
Acquisition of bonds	-12 506 102	-13 876 924
Disposal of bonds	3 404 372	11 200 000
Placed in term deposits	-43 695 950	-61 452 731
Proceeds from expired term deposits	67 566 860	54 080 000
Investment expenses paid	-88 193	-187 639
Cash flow from financing activities	-11 001 984	-5 000
Dividends paid	-11 000 000	0
Finance lease principal repayments	-1 530	-4 566
Interest paid	-454	-434
TOTAL CASH FLOW	2 433 190	2 406 688
Cash and cash equivalents at beginning of the period	1 451 468	2 373 270
Change in cash and cash equivalents	2 433 190	2 406 688
Effect of exchange rate changes	-4 644	1 751
Cash and cash equivalents at end of the period	3 880 014	4 781 709

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STATEMENT OF CHANGES IN EQUITY for 01.01 – 30.09.2014

	Share capital	Share premium	Legal reserve	Unrealised foreign exchange rates differences	Retained earnings	Total equity
	EUR	EUR	EUR	EUR	EUR	EUR
As at 31.12.2012	3 000 020	4 209 981	300 002	42 651	71 189 265	78 741 919
Net profit for the year	0	0	0	0	9 329 141	9 329 141
Unrealised exchange differences	0	0	0	-40 047	0	-40 047
As at 30.09.2013	3 000 020	4 209 981	300 002	2 604	80 518 406	88 031 013
As at 31.12.2013	3 000 020	4 209 981	300 002	-3 889	22 352 504	29 858 618
Net profit for the year	0	0	0	0	8 313 847	8 313 847
Fundemission	4 209 980	-4 209 980	0	0	0	0
Dividends paid	0	0	0	0	-11 000 000	-11 000 000
Fair value adjustment of share based payment at the settlement date	0	0	0	0	-63 279	-63 279
Unrealised exchange differences	0	0	0	3 889	0	3 889
As at 30.09.2014	7 210 000	1 300 002	300 002	0	19 603 072	27 113 075

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 1. ACCOUNTING POLICIES AND PROCEDURES USED

The interim report of Q3 of 2014 of Swedbank P&C Insurance AS has been prepared in compliance with requirements of International Accounting Standard IAS 34 “Interim Financial Reporting” for abbreviated interim reports. This interim report makes use of the same accounting methods as the annual accounts of Swedbank P&C Insurance AS prepared for the financial year that ended on 31 December 2013. The comparative data of this interim report are figures of Q3 of 2013.

The presentation currency of Swedbank P&C Insurance AS is the euro. All of the amounts in this report have been recorded with an accuracy of one euro, unless indicated otherwise. The accounting currency of the Lithuanian branch is the Lithuanian litas. All other currencies, except the local accounting currency, are considered foreign currencies.

The preparation of the report in compliance with International Financial Reporting Standards presumes assumptions and judgments of the management having an impact on balances of reported assets and liabilities and revenue and expenses of the reporting period. The judgments and assumptions have been made in accordance with the best knowledge of the management and taking into account the factors that are considered reasonable under the given circumstances. The judgments and assumptions are consistently reviewed.

NOTE 2. FINANCIAL INVESTMENTS

The contents of the investment portfolio managed by Swedbank Investeerimisfondid AS:

	30.09.2014		31.12.2013	
	EUR	proportion	EUR	proportion
Bonds	10 952 103	30.1%	6 812 323	14.8%
Term deposits	25 338 454	69.8%	39 139 245	85.2%
Cash in investment portfolio	31 960	0.1%	4 723	0.0%
TOTAL	36 322 517	100.0%	45 956 291	100.0%

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 3. REINSURANCE ASSETS

	30.09.2014	31.12.2013
	EUR	EUR
Provisions	1 944 635	550 754
Reinsurer's share in provision for unearned premium	666 732	0
Reinsurer's share in provision for outstanding claims	1 277 903	550 754
Receivables	559 152	0
Reinsurance commission	192 481	0
Share of reinsurance in claims	337 867	0
Refundable reinsurance premium	28 805	0
TOTAL	2 503 787	550 754

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 4. TANGIBLE FIXED ASSETS

	Vehicles	Other tangible fixed assets	Total
	EUR	EUR	EUR
Residual value 31.12.2013	32 963	25 626	58 589
Fixed assets acquired	0	0	0
Depreciation during the period	-1 233	-2 745	-3 978
Fixed assets at the acquisition cost	35 018	32 938	67 956
Accumulated depreciation	-3 288	-10 057	-13 345
Residual value 31.03.2014	31 730	22 881	54 611
Disposal of fixed assets	-35 018	0	-35 018
Depreciation of disposed fixed assets	4 110	0	4 110
Fixed assets acquired	0	1 534	1 534
Depreciation during the period	-822	-2 843	-3 665
Fixed assets at the acquisition cost	0	34 472	34 472
Accumulated depreciation	0	-12 900	-12 900
Residual value 30.06.2014	0	21 572	21 572
Fixed assets acquired	0	999	999
Depreciation during the period	0	-2 929	-2 929
Fixed assets at the acquisition cost	0	35 471	35 471
Accumulated depreciation	0	-15 829	-15 829
Residual value 30.09.2014	0	19 642	19 642

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NOTES TO INTERIM REPORT OF Q3 OF 2014

Residual value 31.12.2012	10 257	7 268	17 525
Fixed assets acquired	0	5 949	5 949
Depreciation during the period	-1 579	-1 047	-2 626
Fixed assets at the acquisition cost	16 892	14 919	31 811
Accumulated depreciation	-8 215	-2 748	-10 963
Residual value 31.03.2013	8 677	12 171	20 848
Fixed assets acquired	0	575	575
Depreciation during the period	-1 578	-1 260	-2 838
Fixed assets at the acquisition cost	16 892	15 494	32 386
Accumulated depreciation	-9 793	-4 008	-13 801
Residual value 30.06.2013	7 099	11 486	18 585
Fixed assets acquired	35 018	2 722	37 740
Disposal of fixed assets	-16 892	0	-16 892
Depreciation of disposed fixed assets	10 754	0	10 754
Depreciation during the period	-1 783	-1 367	-3 150
Fixed assets at the acquisition cost	35 018	18 216	53 234
Accumulated depreciation	-822	-5 375	-6 197
Residual value 30.09.2013	34 196	12 841	47 037

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 5. LIABILITIES RELATED TO INSURANCE ACTIVITIES

	30.09.2014	31.12.2013
	EUR	EUR
Technical provisions	16 167 898	14 362 763
Provision for unearned premium	4 266 791	4 332 267
Provision for outstanding claims	11 849 151	9 997 880
Unexpired risk reserve	51 956	32 616
Liabilities related to reinsurance	757 492	0
Reinsurance premium	727 965	0
Reinsurance share in recoveries	21 895	0
Refundable commissions	7 632	0
Mediaries	126 794	0
Other liabilities	340 718	282 346
Policyholders	46 660	24 352
Other	294 058	257 994
TOTAL	17 392 902	14 645 109

NOTE 6. OTHER LIABILITIES

	30.09.2014	31.12.2013
	EUR	EUR
Finance lease payable (see Note 13)	0	32 760
Accounts payable	191 755	73 478
Accrued expenses	1 151 616	12 523 364
Other liabilities	2 062 023	45 141
TOTAL	3 405 394	12 674 743

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 7. PREMIUMS EARNED NET OF REINSURANCE

	Q3 of 2014	Q3 of 2013
	EUR	EUR
Gross premium (see Note 9)	13 106 085	11 484 419
Change in provisions for unearned premium	6 400	17 860
Premiums earned	13 112 485	11 502 279
Reinsurance premium	-854 396	-195 509
Reinsurance share in change of provisions for unearned premium	69 962	0
Reinsurance premium	-784 434	-195 509
TOTAL	12 328 051	11 306 770

	01.01.2014- 30.09.2014	01.01.2013- 30.09.2013
	EUR	EUR
Gross premium (see Note 9)	37 787 738	33 294 796
Change in provisions for unearned premium	65 477	135 887
Premiums earned	37 853 215	33 430 683
Reinsurance premium	-2 693 290	-695 628
Reinsurance share in change of provisions for unearned premium	666 732	0
Reinsurance premium	-2 026 558	-695 628
TOTAL	35 826 657	32 735 055

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 8. CLAIMS INCURRED, NET OF REINSURANCE

	Q3 of 2014	Q3 of 2013
Claims incurred, gross amount	7 348 276	5 849 416
Claims paid (see Note 9)	6 366 347	5 618 741
Change in the claims provision	1 459 513	567 766
Amounts recovered from salvage and recourses	-477 584	-337 091
Claims handling expenses	493 101	445 190
Direct claims handling expenses	236 180	225 107
Indirect claims handling expenses	256 921	220 083
Staff costs	163 439	158 410
Depreciation of fixed assets	925	217
Other	92 557	61 456
Reinsurers` share of claims incurred	-638 451	-66 464
Reinsurers` share in claims paid	-319 004	-31 029
Reinsurers` share in change of claims provisions	-319 447	-35 435
TOTAL	7 202 926	6 228 142

	01.01.2014- 30.09.2014	01.01.2013- 30.09.2013
Claims incurred, gross amount	19 493 994	17 595 737
Claims paid (see Note 9)	19 123 639	17 029 932
Change in the claims provision	1 870 611	1 748 109
Amounts recovered from salvage and recourses	-1 500 256	-1 182 304
Claims handling expenses	1 449 437	1 251 972
Direct claims handling expenses	684 158	615 976
Indirect claims handling expenses	765 279	635 996
Staff costs	537 974	486 743
Depreciation of fixed assets	2 729	502
Other	224 576	148 751
Reinsurers` share of claims incurred	-1 299 705	-255 698
Reinsurers` share in claims paid	-572 557	-33 001
Reinsurers` share in change of claims provisions	-727 148	-222 697
TOTAL	19 643 726	18 592 011

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NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 9. GROSS PREMIUM AND CLAIMS PAID BY PRODUCTS

	Gross premium	Claims paid
Q3 of 2014	EUR	EUR
Motor own damage	5 337 362	3 226 058
Home insurance	4 750 207	1 625 225
Motor third party liability insurance	1 367 202	828 765
Travel insurance	753 956	473 108
Loan payment protection insurance	726 282	94 107
Apartment building insurance	75 409	113 302
Other	95 667	5 782
TOTAL	13 106 085	6 366 347

Q3 of 2013		
Motor own damage	5 015 688	3 328 048
Home insurance	3 771 851	1 193 650
Motor third party liability insurance	1 311 157	669 611
Travel insurance	660 725	328 833
Loan payment protection insurance	583 258	70 412
Apartment building insurance	67 494	25 363
Other	74 246	2 824
TOTAL	11 484 419	5 618 741

	Gross premium	Claims paid
01.01.2014 - 30.09.2014	EUR	EUR
Motor own damage	15 454 139	10 844 894
Home insurance	13 509 645	4 041 202
Motor third party liability insurance	4 147 852	2 360 017
Travel insurance	2 162 450	1 457 746
Loan payment protection insurance	2 037 295	261 689
Apartment building insurance	208 908	141 612
Other	267 449	16 479
TOTAL	37 787 738	19 123 639

01.01.2013 - 30.09.2013		
Motor own damage	14 649 366	9 905 706
Home insurance	10 940 842	3 328 073
Motor third party liability insurance	3 823 995	2 187 396
Travel insurance	1 810 244	1 352 856
Loan payment protection insurance	1 681 098	204 866
Apartment building insurance	186 301	39 517
Other	202 950	11 518
TOTAL	33 294 796	17 029 932

Swedbank P&C Insurance AS

NOTES TO INTERIM REPORT OF Q3 OF 2014

NOTE 10. ACQUISITION COSTS NET OF REINSURANCE

	Q3 of 2014	Q3 of 2013
	EUR	EUR
Outsourced services	600 716	517 273
Staff costs	85 328	75 838
Other operating expenses	148 053	166 671
Depreciation and impairment on fixed assets	467	220
Reinsurance commission	-181 374	0
Change of accrued reinsurance commissions	18 540	0
TOTAL	671 730	760 002

	01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013
	EUR	EUR
Outsourced services	1 637 105	1 490 210
Staff costs	337 052	239 066
Other operating expenses	501 540	382 062
Depreciation and impairment on fixed assets	1 472	521
Reinsurance commission	-555 234	-107 446
Change of accrued reinsurance commissions	176 684	0
TOTAL	2 098 619	2 004 413

Swedbank P&C Insurance AS

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NOTE 11. ADMINISTRATIVE EXPENSES

	Q3 of 2014	Q3 of 2013
	EUR	EUR
Staff costs	289 836	250 514
Other operating expenses	477 461	369 342
Depreciation and impairment on fixed assets	1 536	2 713
Outsourced services	123 631	176 720
TOTAL	892 464	799 289

	01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013
	EUR	EUR
Staff costs	908 757	805 332
Other operating expenses	1 540 488	1 129 472
Depreciation and impairment on fixed assets	6 370	7 591
Outsourced services	391 057	480 188
TOTAL	2 846 672	2 422 583

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NOTE 12. INVESTMENT REVENUE AND EXPENSES

	Q3 of 2014	Q3 of 2013
	EUR	EUR
Interest income	94 945	304 541
Change in value of financial assets at fair value with changes through income statement	52 002	-114 864
Losses from financial investments	-54 302	-9 225
Realised gains/losses from changes in currency rates	-1 497	-942
Other investment management expenses	-22 617	-67 649
TOTAL	68 531	111 861

	01.01.2014 - 30.09.2014	01.01.2013 - 30.09.2013
	EUR	EUR
Interest income	316 824	609 969
Change in value of financial assets at fair value with changes through income statement	28 447	-156 979
Losses from financial investments	-207 580	4 957
Realised gains/losses from changes in currency rates	-3 173	-1 666
Other investment management expenses	-76 749	-189 633
TOTAL	57 769	266 648

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NOTE 13. RELATED PARTIES

Transactions with related parties are transactions with the parent company and other Group companies, members of the supervisory board and management board, persons close to them and companies in which they have a considerable holding. The parent company of the Company is Swedbank AS, which holds 100% of the voting rights. The parent company of the Swedbank Group is Swedbank AB (publ). Sweden.

The Company purchases a significant amount of services from Swedbank Group companies. Transactions and balances with related parties have been reported as follows:

	Swedbank AS	Other Group companies	TOTAL
	EUR	EUR	EUR
Receivables and liabilities as of 30.09.2014			
Cash and deposits	19 883 693	2 532 271	22 415 964
Receivables from insurance activities	97 672	108 390	206 062
Accrued interest	29 934	914	30 848
TOTAL	20 011 299	2 641 575	22 652 874
Receivables and liabilities as of 31.12.2013			
Cash and deposits	26 263 113	6 375 215	32 638 328
Receivables from insurance activities	87 132	96 548	183 680
Accrued interest	150 864	15 120	165 984
Other assets	70 608	22 058	92 666
TOTAL	26 571 717	6 508 941	33 080 658
Finance lease payable	0	32 760	32 760
Other liabilities	0	50 927	50 927
TOTAL	0	83 687	83 687

Swedbank P&C Insurance AS

NOTES TO INTERIM REPORT OF Q3 OF 2014

	Swedbank AS	Other Group companies	TOTAL
	EUR	EUR	EUR
Revenue and expenses Q3 of 2014			
Intermediary fee	-323 079	-256 258	-579 337
Revenue from insurance premium	289 095	479 290	768 385
Interest revenue	15 792	2 804	18 596
Expenses related to investments	-2 470	-16 050	-18 520
Other expenses	-239 549	-456 212	-695 761
Other revenue	0	1 793	1 793
Revenue and expenses Q3 of 2013			
Intermediary fee	-260 560	-221 732	-482 292
Revenue from insurance premium	245 904	513 589	759 493
Interest revenue	71 999	14 218	86 217
Expenses related to investments	-4 595	-51 503	-56 098
Other expenses	-213 142	-194 298	-407 440
Other revenue	0	215	215

	Swedbank AS	Other Group companies	TOTAL
	EUR	EUR	EUR
Revenue and expenses 01.01. - 30.09.2014			
Intermediary fee	-916 326	-658 739	-1 575 065
Revenue from insurance premium	835 207	1 446 047	2 281 254
Interest revenue	37 314	14 129	51 443
Expenses related to investments	-6 319	-56 790	-63 109
Other expenses	-770 438	-910 459	-1 680 897
Other revenue	0	4 624	4 624
Revenue and expenses 01.01. - 30.09.2014			
Intermediary fee	-789 768	-597 728	-1 387 496
Revenue from insurance premium	621 464	1 525 331	2 146 795
Interest revenue	207 159	43 666	250 825
Expenses related to investments	-12 177	-145 096	-157 273
Other expenses	-649 656	-563 510	-1 213 166
Other revenue	0	4 994	4 994
