

CONSOLIDATED BALANCE SHEETS

CONSOLIDATED BALANCE SHEETS

as of 31 December	note	2016	2015
ASSETS			
Cash and cash equivalents		14,463	14,842
Financial assets carried at fair value through income	6	8,333	7,268
Investments	7	536,869	511,257
Loans and advances to banks and customers	8	105,369	117,630
Financial assets for unit-linked contracts		111,325	105,873
Reinsurance assets	9	15,562	14,843
Deferred acquisition costs	10	24,887	25,234
Deferred tax assets	34	1,003	1,394
Other assets	11	38,050	37,050
Non-current assets and assets of disposal groups classified as held for sale	4	14,196	109
Intangible assets	12	13,752	13,443
Total assets		883,809	848,942
LIABILITIES AND EQUITY			
Financial liabilities carried at fair value through income ¹		10,737	9,207
Liabilities to banks and customers	13	13,038	25,531
Unearned premiums	14	21,360	20,660
Reserves for loss and loss adjustment expenses	15	72,373	72,003
Reserves for insurance and investment contracts	16	505,460	486,222
Financial liabilities for unit-linked contracts	17	111,325	105,873
Deferred tax liabilities	34	4,822	4,003
Other liabilities	18	39,867	38,686
Liabilities of disposal groups classified as held for sale	4	13,290	18
Certificated liabilities	19	7,615	8,383
Subordinated liabilities	19	13,530	12,258
Total liabilities		813,417	782,843
Shareholders' equity		67,341	63,144
Non-controlling interests		3,052	2,955
Total equity	20	70,392	66,099
Total liabilities and equity		883,809	848,942

¹ — Include mainly derivative financial instruments.

CONSOLIDATED INCOME STATEMENTS

CONSOLIDATED INCOME STATEMENTS

€ MN			
	note	2016	2015
Gross premiums written		76,331	76,723
Ceded premiums written		(4,901)	(5,536)
Change in unearned premiums (net)		(1,073)	(543)
Premiums earned (net)	21	70,357	70,645
Interest and similar income	22	22,149	22,643
Income from financial assets and liabilities carried at fair value through income (net)	23	(999)	(2,307)
Realized gains/losses (net)	24	8,403	7,937
Fee and commission income	25	10,491	10,945
Other income	26	100	241
Income from fully consolidated private equity investments		–	732
Total income		110,500	110,836
Claims and insurance benefits incurred (gross)		(55,914)	(54,472)
Claims and insurance benefits incurred (ceded)		2,758	2,770
Claims and insurance benefits incurred (net)	27	(53,156)	(51,702)
Change in reserves for insurance and investment contracts (net)	28	(13,173)	(14,065)
Interest expenses	29	(1,207)	(1,224)
Loan loss provisions		(46)	(60)
Impairments of investments (net)	30	(1,940)	(1,526)
Investment expenses	31	(1,306)	(1,215)
Acquisition and administrative expenses (net)	32	(25,301)	(25,718)
Fee and commission expenses	33	(3,734)	(3,777)
Amortization of intangible assets		(154)	(322)
Restructuring charges		(186)	(231)
Other expenses		(5)	(8)
Expenses from fully consolidated private equity investments		–	(792)
Total expenses		(100,208)	(100,640)
Income before income taxes		10,292	10,196
Income taxes	34	(3,042)	(3,209)
Net income		7,250	6,987
Net income attributable to:			
Non-controlling interests		367	371
Shareholders		6,883	6,616
Basic earnings per share (€)	42	15.14	14.56
Diluted earnings per share (€)	42	15.00	14.55

CONSOLIDATED STATEMENTS OF CASH FLOWS

CONSOLIDATED STATEMENTS OF CASH FLOWS

€ MN

	2016	2015
SUMMARY		
Net cash flow provided by operating activities	21,461	23,663
Net cash flow used in investing activities	(19,765)	(20,394)
Net cash flow used in financing activities	(1,732)	(2,837)
Effect of exchange rate changes on cash and cash equivalents	52	548
Change in cash and cash equivalents	16	979
Cash and cash equivalents at beginning of period	14,842	13,863
Cash and cash equivalents reclassified to assets of disposal groups held for sale	(395)	–
Cash and cash equivalents at end of period	14,463	14,842
CASH FLOW FROM OPERATING ACTIVITIES		
Net income	7,250	6,987
Adjustments to reconcile net income to net cash flow provided by operating activities		
Share of earnings from investments in associates and joint ventures	(288)	(290)
Realized gains/losses (net) and impairments of investments (net) of:		
Available-for-sale and held-to-maturity investments, investments in associates and joint ventures, real estate held for investment, loans and advances to banks and customers, non-current assets and disposal groups classified as held for sale	(6,540)	(6,407)
Other investments, mainly financial assets held for trading and designated at fair value through income	2,710	3,460
Depreciation and amortization	1,345	1,359
Loan loss provisions	46	60
Interest credited to policyholder accounts	4,535	5,319
Net change in:		
Financial assets and liabilities held for trading	(2,877)	(3,250)
Reverse repurchase agreements and collateral paid for securities borrowing transactions	(696)	(61)
Repurchase agreements and collateral received from securities lending transactions	(1,278)	2,365
Reinsurance assets	(587)	(806)
Deferred acquisition costs	(588)	202
Unearned premiums	909	775
Reserves for loss and loss adjustment expenses	622	2,040
Reserves for insurance and investment contracts	16,569	14,031
Deferred tax assets/liabilities	361	262
Other (net)	(33)	(2,383)
Subtotal	14,211	16,676
Net cash flow provided by operating activities	21,461	23,663
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from the sale, maturity or repayment of:		
Financial assets designated at fair value through income	2,224	1,529
Available-for-sale investments	156,085	151,470
Held-to-maturity investments	466	3,218
Investments in associates and joint ventures	850	513
Non-current assets and disposal groups classified as held for sale	156	187
Real estate held for investment	407	522
Fixed assets of renewable energy investments	3	2
Loans and advances to banks and customers (purchased loans)	8,409	11,465
Property and equipment	128	126
Subtotal	168,728	169,032

CONSOLIDATED STATEMENTS OF CASH FLOWS – CONTINUED

CONSOLIDATED STATEMENTS OF CASH FLOWS

€ MN	2016	2015
Payments for the purchase or origination of:		
Financial assets designated at fair value through income	(2,193)	(2,300)
Available-for-sale investments	(174,302)	(170,170)
Held-to-maturity investments	(151)	(2,474)
Investments in associates and joint ventures	(1,557)	(884)
Non-current assets and disposal groups classified as held for sale	(1)	–
Real estate held for investment	(409)	(1,273)
Fixed assets of renewable energy investments	(720)	(622)
Loans and advances to banks and customers (purchased loans)	(3,007)	(5,461)
Property and equipment	(1,335)	(1,411)
Subtotal	(183,676)	(184,595)
Business combinations (note 4):		
Proceeds from sale of subsidiaries, net of cash disposed	(8)	19
Acquisitions of subsidiaries, net of cash acquired	–	–
Change in other loans and advances to banks and customers (originated loans)	(4,848)	(4,142)
Other (net)	38	(708)
Net cash flow used in investing activities	(19,765)	(20,394)
CASH FLOW FROM FINANCING ACTIVITIES		
Net change in liabilities to banks and customers	911	365
Proceeds from the issuance of certificated liabilities and subordinated liabilities	7,059	5,217
Repayments of certificated liabilities and subordinated liabilities	(6,155)	(5,044)
Cash inflow from capital increases	–	–
Transactions between equity holders	52	99
Dividends paid to shareholders	(3,646)	(3,382)
Net cash from sale or purchase of treasury shares	44	64
Other (net)	4	(157)
Net cash flow used in financing activities	(1,732)	(2,837)
SUPPLEMENTARY INFORMATION ON THE CONSOLIDATED STATEMENTS OF CASH FLOWS		
Income taxes paid	(2,933)	(2,609)
Dividends received	1,809	1,878
Interest received	19,263	19,412
Interest paid	(1,185)	(1,265)
SIGNIFICANT NON-CASH TRANSACTIONS		
Transfer of profit participating notes		
Investments in associates and joint ventures	815	–
Loans and advances to banks and customers	(815)	–

CASH AND CASH EQUIVALENTS

€ MN	2016	2015
as of 31 December		
Balances with banks payable on demand	6,855	7,764
Balances with central banks	1,273	388
Cash on hand	94	225
Treasury bills, discounted treasury notes, similar treasury securities, bills of exchange and checks	6,241	6,465
Total	14,463	14,842