



WHY DELVAG?

We are specialists – in meeting your needs. Being the insurer within the Lufthansa Group, we offer an almost unique combination of a one-stop direct insurance and reinsurance provider. Our business activities focus on aviation insurance, transport insurance and reinsurance.

With more than 90 years of experience, specific and industry-relevant know-how combined with a first-rate personalised service we are your primary point of contact for insurance and risk management. Whether you require standardised coverage or tailored insurance solutions – you can trust our profound expertise.

Today, we help more than 50 airlines, various small aviation businesses and private pilots to fly safely. More than 500,000 private and business customers rely on us when it comes to protect what's close to their heart or business. When will you join them?



**MORE THAN 90 YEARS
OF EXPERIENCE**



CUSTOMER-DRIVEN



PERSONALLY IN SERVICE



SPECIALISED



100 % LUFTHANSA



A.M. BEST SINCE 2012

Delvag is rated A (excellent, stable outlook) by A.M. Best Company (Insurer Financial Strength Rating as of August 2018; for the latest rating please access www.ambest.com).

A profit and loss absorption agreement between Delvag and Lufthansa protects the balance sheet of Delvag.

DELVAG AT A GLANCE

Key figures 2018

103.3

Gross premium written in m €

70.7

Net premium written in m €

106.8

Underwriting reserves in m €

160.0

Guarantee funds in m €

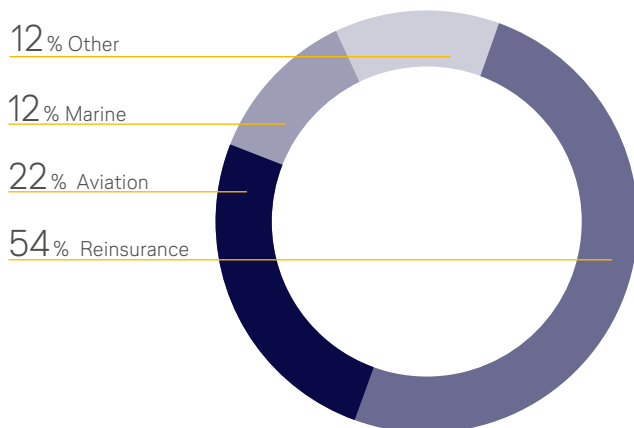
53.2

Shareholders' equity in m €

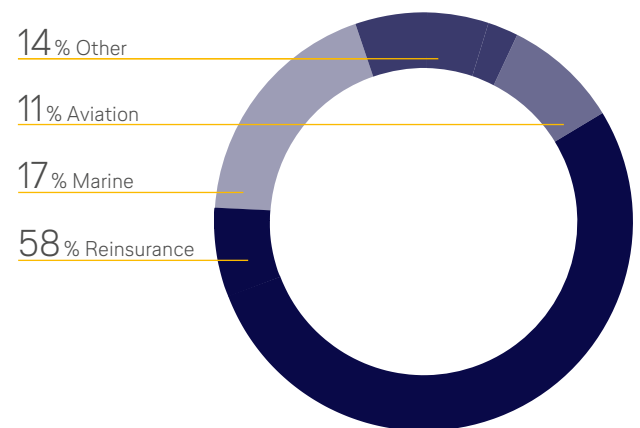
212

Solvency II ratio in %

Gross premium written

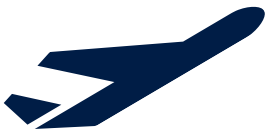


Net premium written



AVIATION AND MARINE INSURANCE

For more than 90 years, our insurance solutions have ensured the success of the aviation and transport industry – and we keep fine-tuning them as we go. Around 2,000 customers worldwide rely on our expertise and know that we have the right insurance solution for every situation. This know-how is not only the basis for our successful support of the Lufthansa Group, but also a decisive argument for large and small airlines, companies and private customers.



Fly safely

Benefit from an extensive product and services package with innovative concepts. Whether you require standardised coverage or tailored insurance solutions – you can trust our profound expertise. Good to know: First-class advice is always included in our service package – from products to risk management and loss prevention.

Choose smart insurance solutions for

- Planes, motorised aircraft, (motorised) gliders, business jets, helicopters, balloons, drones, UAV
- Airlines (National, International, Business and Private)
- Companies of the aviation industry (e.g. manufacturers, ground services)
- Aviation clubs, private aircraft owners/operators



You move it – we insure it

Why Delvag can offer you perfect products in the field of transport insurance? Quite simply: because we combine most modern logistic know-how with international insurance expertise.

- Rely on an experienced partner of the aviation and transport industry.
- Benefit from our close cooperation with Lufthansa Cargo and from our worldwide presence and flexibility,
- and of course from our competence as the specialist insurer of the Lufthansa Group.



Protect your valuables

We take our role as a specialist insurer seriously. That is why you can also rely on well thought-out transport insurance concepts in the segments Jewellers' Block, cash and valuables transport.

Benefit from more than 20 years of insurance experience in international diamond/jewellery trade and in transporting valuable cargo. Armour might fail – we will not.

REINSURANCE

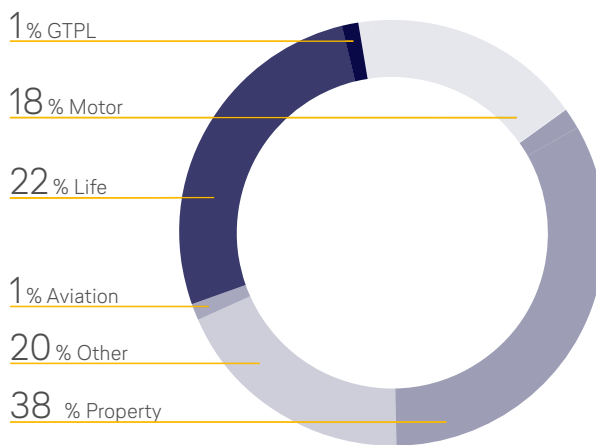
Delvag Re is Delvag Versicherungs-AG's reinsurance business. Our commercial activities focus on underwriting reinsurance deals in a wide range of sectors and on managing and handling Delvag's reinsurance needs.

We are your competent, reliable and trustworthy partner for classic or non-traditional reinsurance solutions. We are approachable and listen to your needs. This provides the basis for developing your solutions – from classic reinsurance contracts to complex risk management.

Our consistent underwriting policy and conservative investment strategy are the foundations for our joint success.

Delvag Re underwrites property, general liability, personal accident, motor insurance and special sectors. Our focus is on traditional short- and mid-tail business in Europe.

Treaty Reinsurance Portfolio Structure 2018



Appetite for risk – Europe in focus

LoB	proportional	non-proportional
Property	desired	desired
Natural Perils	with Event Limit*	exceptions*
Marine	desired	desired
Engineering	desired	desired
Casualty	desired	limited*
Motor	desired	limited*
Personel Accident	desired	limited*
Aviation	contemporary appointed	contemporary appointed
Life Insurance	contemporary appointed	contemporary appointed
Health Insurance	exceptions*	exceptions*

* or within bouquets

ALBATROS INSURANCE BROKERS

Key figures 2018

Number of policies
without investments/mortgage

More than

340,000

Gross premium brokered

More than

500 m

Business areas

- Personal Line Insurance, including Pension Plans
 - Employee Benefits
 - Aviation Insurance
 - Corporate Insurance
 - Insurances for credit and customer card programmes
 - Financing
 - Funds
-

Our clients (excerpt)

LUFTHANSA GROUP



MERCK

UNTERNEHMENSGRUPPE
STADTWERKE
FRANKFURT AM MAIN

 **FREUDENBERG**
INNOVATING TOGETHER

Coca-Cola
EUROPEAN PARTNERS

Deutsche Post DHL
Group



2018 at a glance

1.206

Subscribed capital in m €

9.573

Shareholders' equity in m €

38.213

Balance sheet total in m €

35.844

Revenue in m €

3.196

Investments in m €

25.237

Fixed assets in m €

10.654

Current assets in m €

763

Number of aircraft

142.3

Passengers in m

10.9

Revenue cargo/mail
in m tonnes-kilometres

More than

134,330

Annual average number of employees

Standard & Poor's Rating BBB stable
("Investment Grade" rating, as of April 2019;
for the latest rating, access www.lufthansagroup.com)

DELVAG – BALANCE SHEET

AS AT DECEMBER 31, 2018

Assets	€	€	€	State as 2018-12-31 €	State as 2017-12-31 €
A. Intangible assets					
I. Investments in affiliated companies and participations					
Shares in affiliated companies			283 124.13		293 067.56
				283 124.13	293 067.56
B. Investments					
I. Investments in affiliated companies and participations					
Shares in affiliated companies			30 000.00		30 000.00
II. Other Investments					
1. Shares, investment certificates and other non-fixed-income securities			29 543 863.92		20 114 796.02
2. Bearer bonds and other fixed-income securities			84 095 698.13		84 333 367.58
3. Other lendings					
a) Registered bonds	14 378 035.97				12 903 948.49
b) Notes and loans	6 252 517.66				10 346 619.23
		20 630 553.63			23 250 567.72
4. Bank deposits		8 879 430.13			14 789 880.03
			143 149 545.81		142 488 612.35
III. Deposits retained on assumed reinsurance business			4 878 198.79		120 088 280.65
				148 057 744.60	262 606 893.00
C. Receivables					
I. Receivables on direct insurance business from:					
1. Policy holders			3 336 055.14		1 150 860.09
of which from affiliated companies:					
350 282.98 €; 2017: 137 649.12 €					
2. Insurance agents and brokers			15 613 094.32		16 036 928.60
of which from affiliated companies:					
795 612.49 €; 2017: 690 735.92 €					
			18 949 149.46		17 187 788.69
II. Reinsurance accounts receivable of which from affiliated companies:			11 212 374.40		15 651 317.91
III. Other receivables			26 421 737.94		24 387 244.97
of which from affiliated companies:					
25 288 788.13 €; 2017: 22 335 287.99 €					
				56 583 261.80	57 226 351.57
D. Other assets					
I. Tangible assets and inventories			346 873.00		483 804.00
II. Current accounts with banks, cheques and cash			644 901.54		547 906.33
				991 774.54	1 031 710.33
E. Deferred items					
I. Deferred interest and rent receivable			733 182.38		605 302.93
II. Other deferred items			331 085.70		268 164.61
				1 064 268.08	873 467.54
F. Total assets				206 980 173.15	322 031 490.00

Liabilities			State as	State as
	€	€	2018-12-31	2017-12-31
			€	€
A. Shareholders' equity				
I. Share capital		25 000 000.00		25 000 000.00
II. Capital reserve		1 000 000.00		1 000 000.00
III. Retained earnings				
1. legal reserve	2 500 000.00			2 500 000.00
2. other retained earnings	24 736 312.97			23 236 312.97
		27 236 312.97		25 736 312.97
			53 236 312.97	51 736 312.97
B. Underwriting reserves				
I. Unearned premiums				
1. Gross amount	10 202 976.55			13 870 760.28
2. from that: share of reinsurance business ceded	6 152 676.57			8 916 991.01
		4 050 299.98		4 953 769.27
II. Reserve for outstanding claims				
Gross amount	3 100 793.00			123 370 780.95
III. Provision for outstanding claims				
1. Gross amount	178 721 939.22			170 654 640.26
2. from that: share of reinsurance business ceded	100 711 331.88			93 017 066.91
		78 010 607.34		77 637 573.35
IV. Provision for profit-related and not profit-related premium refunds				
Gross amount		223 113.11		181 726.76
V. Claims equalization provision and similar provisions		21 158 220.00		22 470 100.00
VI. Other underwriting provisions				
1. Gross amount	60 013.00			59 558.00
2. from that: share of reinsurance business ceded	./ 173 741.12			./ 168 459.00
		233 754.12		228 017.00
			106 776 787.55	228 841 967.33
C. Other reserves				
I. Reserves for pensions and similar obligations		11 315 487.76		5 816 002.39
II. Other provisions		6 370 564.58		7 311 257.23
			17 686 052.34	13 127 259.62
D. Deposits retained on assumed reinsurance business			415 290,02	398 974,56
E. Other liabilities				
I. Payables on direct insurance business to				
1. Policy holders	235 182.87			1 241 939.93
of which to affiliated companies: 659 969.96 €; 2017: 659 969.96 €				
2. Insurance agents and brokers	183 542.91			208 084.24
		418 725.78		1 450 024.17
II. Reinsurance accounts payable			19 740 866.23	20 485 067.25
of which to affiliated companies: 0,-- €; 2017: 1 021 543.15 €				
III. Other liabilities		8 706 138.26		5 975 909.40
of which taxes: 391 386.60 €; 2017: 331 823.24 €				
of which to affiliated companies: 7 732 519.04 €; 2017: 5 629 924.60 €				
			28 865 730.27	27 911 000.82
F. Deferred income			0.00	15 974.70
Total assets			206 980 173.15	322 031 490.00

Aviation liability insurance

It is confirmed that the amounts shown in the balance sheet under item B. III. of the liabilities has been calculated in accordance with § 341f and § 341g of the German Commercial Code (HGB) and the statutory order issued on the basis of § 88 (3) of the Insurance Supervision Act (VAG).

Cologne, March 22, 2019

The Responsible Actuary
Dr. Dieter Köhnlein
Actuary DAV

DELVAG – PROFIT AND LOSS ACCOUNT

FOR THE 2018 BUSINESS YEAR

	€	€	2018 €	2017 €
I. Underwriting account				
1. Earned premiums net of reinsurance				
a) Gross premiums	103 262 239.82			97 308 913.12
b) Reinsurance premiums ceded	./ 32 600 881.73			./ 36 969 404.69
		79 661 358.09		60 339 508.43
c) Change in unearned premiums	4 151 294.12			./ 884 952.23
d) Change in the reinsurers' share of the unearned premiums	./ 3 105 570.70			1 274 273.88
		1 045 723.42		389 321.65
2. Interest income on underwriting provisions for own account			71 707 081.51	60 728 830.08
			4 431 457.22	4 38 900.31
3. Claims expenditure for own account				
a) Claims payments				
aa) Gross amount	./ 77 915 332.87			./ 66 988 104.94
bb) Reinsurers' share	31 633 534.48			32 102 361.93
		./ 46 281 798.39		./ 34 885 743.01
b) Change in the provision for outstanding claims				
aa) Gross amount	./ 4 528 410.74			./ 2 471 892.34
bb) Reinsurers' share	4 712 454.39			./ 4 074 103.70
		148 043.65		./ 6 545 996.04
			./ 46 097 754.74	./ 41 431 739.05
4. Change in the other net underwriting reserves				
a) Net premium reserve	./ 2 928 116.14			./ 4 042 111.71
b) Other technical net provisions	185 389.88			./ 189 551.00
			./ 2 742 726.26	./ 4 231 662.71
5. Expenditure relating to profit-related and non-profit-related premium refunds net of reinsurance			./ 389 514.29	./ 389 492.59
6. Insurance business expenditure net of reinsurance				
a) Gross expenses for insurance business	./ 17 763 580.18			./ 16 100 773.94
b) Less: commission and profit commission from reinsured business	4 676 253.35			5 207 881.14
			./ 13 087 326.83	./ 10 892 892.80
7. Other underwriting expenses for own account			./ 270 706.69	./ 164 762.58
8. Subtotal			13 541 509.92	7 857 180.66
9. Change in the equalization and similar reserves			1 311 880.00	./ 85 000.00
10. Underwriting result for own account			14 853 389.92	7 772 180.66
II. Investment and general account				
1. Investment income				
a) Income from other investments	5 930 878.81			5 802 877.56
b) Income from appreciation in value	15 959.12			32 670.46
c) Income from the disposal of investments	33 896.76			168 250.77
d) Income from profit pools or profit (total or partial) transfer agreements	7 219 645.82			10 898 939.49
			13 200 380.51	16 902 738.28
2. Investment expenses				
a) Expenses for the administration of investments, interest expenditure and other expenditure on investments	./ 316 027.53			./ 543 432.40
b) Depreciation on investments	./ 933 490.51			./ 198 040.60
c) Losses from the disposal of investments	./ 94 717.66			./ 132 162.54
			./ 1 344 235.70	./ 873 635.54
			11 856 144.81	16 029 102.74
3. Interest on technical provisions for own account			./ 4 433 791.97	./ 4 238 900.31
			7 422 352.84	11 790 202.43
4. Other income			12 198 906.59	14 165 002.17
arising from currency conversions: 744 006.12 €; 2017: 4 790.30 €				
5. Other expenditure			./ 20 642 167.76	./ 20 534 161.44
arising from currency conversions: ./ 84 725.02 €; 2017: ./ 3 739 111.98 €				
			./ 8 443 261.17	./ 6 369 159.27
6. Normal business result			13 832 481.59	13 193 223.82
7. Taxes on income and profits			4 273 152.97	./ 5 720 600.15
arising from group tax levy: ./ 4 265 492.48 €; 2017: ./ 5 644 137.74 €				
8. Other taxes			./ 326 809.58	./ 389 563.34
arising from group tax levy: ./ 319 724.53 €; 2017: ./ 356 200.61 €				
			./ 4 599 962.55	./ 6 083 428.61
9. Taxes on income and profits			./ 7 732 519.04	./ 5 609 795.21
10. Net income			1 500 000.00	1 500 000.00
11. Profit transferred in accordance with profit pool or profit transfer agreements	./ 1 500 000.00	./		./ 1 500 000.00
12. Retained profit			00.00	00.00

Delvag – Competence in Aviation Insurance, Transport Insurance and Reinsurance

For more than 90 years, Delvag's risk management has ensured the success of the aviation and transport industries.



In the field of aviation insurance, Delvag offers commercial and private drone users the opportunity to insure drones directly online. The insurance solution is a liability insurance specially developed by Delvag.

More than 50 airlines worldwide benefit from the know-how and extensive product range of the Lufthansa Group's insurance specialists. After all, a particular industry requires special insurance concepts. Also Delvag's reinsurance division is part of this.

In the area of marine insurance, Delvag also offers professional loss prevention programmes in addition to client-orientated insurance concepts.

Contact us.
We will be happy to
answer your question
in person.

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