

## NEWS RELEASE

### **Bulgaria's Euroins acquires Germany's ERGO subsidiaries in Romania, the Czech Republic and Belarus**

*Bulgarian insurance group takes over 4 new companies as part of its expansion in CEE*

**Sofia, 7<sup>th</sup> March 2019** - Bulgaria-based [Euroins Insurance Group](#) AD ([EIG](#)), a leading insurance group in the CEE/SEE/CIS region, owned by [Eurohold](#) Bulgaria, has agreed to take over four insurance companies in three European countries - Romania, the Czech Republic and Belarus. All the companies to be acquired are subsidiaries of Germany-based ERGO, one of the major insurance groups in Europe and part of Munich Re, one of the world's leading reinsurers and risk carriers.

#### **The new acquisitions - facts & figures**

EIG will acquire ERGO's life and non-life subsidiaries in Romania and the Czech Republic and a non-life company in Belarus. The two sides have already signed purchase agreements and the deal is expected to be finalised after obtaining regulatory approvals.

Under the terms of the agreement, [EIG](#) will acquire all shares in the companies held by ERGO, including employment contracts, the client portfolio and IT systems. Premium income across all four ERGO companies that are being acquired by [EIG](#), totalled EUR 72 million (GWP) in 2017.

Less than a year ago [EIG](#) bought ERV Ukraine, the travel insurance business of ERGO in Ukraine. The two sides agreed on cooperation including the transfer of know-how and the opportunity to offer common branded products.

After the completion of the current deal [EIG](#) will operate in eleven European countries, including its own subsidiaries in seven of them - Bulgaria, Romania, North Macedonia, Ukraine, Georgia, the Czech Republic and Belarus.

*„The acquisition of ERGO's subsidiaries in Romania, the Czech Republic and Belarus perfectly suits our strategy to expand our presence in the CEE and CIS markets, which provide huge potential for growth, and at the same time to diversify our product portfolio. [EIG](#), in turn, will bring in its new subsidiaries the best practices from the operations across its own network and will provide its new clients with a wide range of reliable insurance products that will contribute to the further development of the local markets”, says Jeroen van Leeuwen, Chief Operating Officer of [EIG](#). “With this acquisition we are also building up our partnership with ERGO that gives us the opportunity not only to acquire portfolios of an industry leader but also gain valuable know-how and experience”, EIG's Chief Operating Officer added.*

*“We are delighted that we have found a suitable buyer for all four ERGO subsidiaries in the CEE region in [EIG](#). This agreement is a further important step that contributes to the optimisation of our international business, which we defined as a strategic goal in 2016”, says Alexander Ankel, Chief Operating Officer of ERGO International AG.*

### **EIG’s M&A track record**

In the last couple of years [EIG](#) acquired directly or through its subsidiaries: 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 (including its life insurance operations); Australian group QBE’s operations in Romania and Bulgaria; the non-life insurance portfolio of ATE Insurance Romania, a subsidiary of Greece’s Piraeus Bank; IC Group, one of the leading insurers in Georgia; ERV Ukraine, the travel insurance business of Germany-based ERGO, part of Munich-Re, one of the major reinsurance groups on the global market; and a significant stake in OOO RSO Euroins, a Russian insurer.

With reference to its development strategy to become one of the leading insurance groups in the CEE/SEE/CIS region, [EIG](#) plans to remain focused on expanding its presence in this region through acquisitions and organic growth while diversifying its product portfolio and distribution channels and maintaining high liquid and capital position.

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#### **Euroins Insurance Group AD**

*Euroins Insurance Group (EIG) AD is one of the largest independent insurance groups operating in the CEE/SEE/CIS markets. The company is focused on providing a full range of insurance products in the areas of general, health and life insurance. Bulgaria-based group operates in 9 European countries and owns insurance subsidiaries in Bulgaria, Romania, North Macedonia, Ukraine and Georgia. EIG also operates in Greece and Russia, and has niche insurance operations in Spain and Italy. Currently the insurance group has over 2.5 million clients and over 3000 employees. In 2017, the international credit rating agency Fitch assigned Euroins Romania, the largest company within EIG, an insurer financial strength (IFS) rating of 'BB-' with stable outlook. EIG is a subsidiary of Eurohold Bulgaria, a leading independent business group operating in the CEE/SEE/CIS region, listed on the BSE and WSE. Eurohold Bulgaria operates in insurance, leasing, car sales, asset management and investment.*

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