adidas International Re DAC

Solvency & Financial Condition Report (SFCR)

Reporting period ended 31 December 2017

Contents

Summary 4

A. BUSINESS & PERFORMANCE

A.1 Business 5

A.2 Underwriting Performance 6

A.3 Investment Performance 6

A.4 Performance of Other Activities 6

A.5 Any Other Information 6

B. SYSTEM OF GOVERNANCE

B.1 General Information on the System of Governance 7

B.2 Fit and Proper Requirements 9

B.3 Risk Management System including the own risk and solvency assessment 10

B.4 Internal Control System 12

B.5 Internal Audit Function 13

B.6 Actuarial Function 13

B.7 Outsourcing 15

B.8 Any Other Information 16

C. RISK PROFILE

C.1 Underwriting Risk 16

C.2 Market Risk 16

C.3 Credit Risk 16

C.4 Liquidity Risk 17

C.5 Operational Risk 17

C.6 Other Material Risk 17

C.7 Any Other Information 18

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets 18

D.2 Technical Provisions 18

D.3 Other Liabilities 19

D.4 Alternative Methods of Valuation 19

D.5 Any Other Information 19

E. CAPITAL MANAGEMENT

E.1 Own Funds 20

E.2 Solvency Capital Requirement and Minimum Capital Requirement 22

E3. Use of Duration Based Equity Risk Sub Model in calculation of the SCR 22

E4. Differences between the Standard Model & Any Internal Model 22

E5. Non-Compliance with MCR and SCR 22

E6. Any Other Information 22

SUMMMARY

The report refers to the business of adidas International Re DAC ("AIR" or "the Company"), a reinsurer authorised and supervised by the Central Bank of Ireland. It provides the reader with information on the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management for the reporting period ended 31 December 2017.

The Company has prepared this report in accordance with the regulations set out in Articles 292 – 297 of the Solvency II Delegated Acts together with the Guidelines on reporting and public disclosure issued by EIOPA.

The Company's business strategy is to provide reinsurance coverage for certain risks of adidas. The impact of (re)insurance risk volatility on the Company's capital base is mitigated through the purchase of retrocession cover from appropriate counterparties. Investment of Company funds is in line with the documented investment strategy, reflecting a 'prudent person' approach to the management of counterparty, concentration, interest rate and currency risk.

The Board has identified the key risks to which AIR is exposed and established appropriate corporate governance, risk management and reporting mechanisms to ensure that the identified risks remain relevant, and that they are managed and reported on with appropriate levels of detail and frequency. The Company has established a comprehensive suite of risk policies and implemented a series of internal controls to ensure that AIR can be managed in accordance with its governance and risk management systems. Documented escalation mechanisms are in place to ensure that any breaches in risk limits and tolerances, internal controls and governance requirements can be reported promptly to the appropriate individuals.

Risks to which the Company is exposed are well understood and are used to determine the level of solvency and capital required over a forward looking three year business planning period. The results of this exercise are used to better inform decision making within the Company.

There were no material changes to AIR's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

As at 31 December 2017, the Company had eligible own funds of €22,660k available to meet its Solvency Capital Requirement (SCR) of €8,444k; resulting is a Solvency Ratio of 268% which is in line with the Company's risk appetite. The Board of Directors is satisfied that the Company has adequate and appropriate capital to support its business plans. The Minimum Capital Requirement (MCR) was also satisfactorily met at the period-end. There were no instances of non-compliance with the capital requirements during the period.

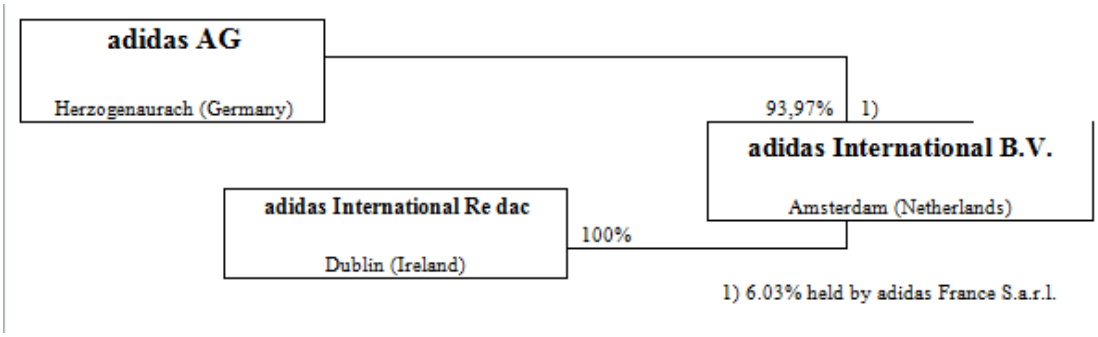
A. BUSINESS & PERFORMAMCE

A.1 Business

AIR is a private company limited by shares. The Company's business address and registered office is 3rd Floor, The Metropolitan Building, James Joyce Street, Dublin 1.

AIR is a 100% subsidiary of adidas International B.V., a company incorporated in the Netherlands. The Company's ultimate parent undertaking is adidas AG, a publicly traded, German domiciled company, listed on the "Deutsche Börse" stock exchange in Frankfurt.

Adidas International Re DAC Ownership Structure



The principal activity of AIR is to accept reinsurance risks arising from various exposures facing adidas. The Company is licensed to accept life and non-life risks on a reinsurance basis.

The operation of the Company is subject to the local regulatory requirements in Ireland within which it operates. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions, for example capital adequacy to minimize the risk of default and insolvency on the part of the Company to meet unforeseen liabilities as they arise.

AIR is incorporated in Ireland and is licensed by the Central Bank of Ireland as a composite reinsurance captive undertaking. The Company conducts all of its significant business activities, including underwriting, premium invoicing & collection, claims reserving & payments, and investing from its offices in Ireland. As such, AIR strives to ensure compliance with all relevant Irish laws and regulations.

KPMG is the appointed external auditor of the Company and is located at 2 Harbourmaster Place, IFSC, Dublin 1, Ireland.

In respect of relevant quantitative information for this report please see the Annual QRT extract in Appendix 1.

A.2 Underwriting Performance

The principal risks and uncertainties that the Company faces are, by the very nature of the business, those for which it provides or has provided reinsurance cover. The Company seeks to ensure that it collects sufficient premium income to meet the cost of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to significant variation in the Company's performance in the short term. Whilst considerable judgment is involved, the Directors adopt an appropriately prudent approach to the provision and valuation of adequate insurance reserves, with annual support and certification being provided by an external actuary who serves as the Head of Actuarial Function.

Premiums written relate to business incepted during the year together with any difference between premiums for prior years and those previously accrued, and includes estimates of premiums due but not yet received or notified to the Company, less an allowance for cancellations. Premiums are accounted for gross of commission payable to fronting insurers.

Provision is made for notified losses on all underwriting years. Provisions are calculated gross of any retrocession recoveries, with a separate estimate being made of amounts recoverable from the retrocessionaire.

Profit after tax for the year ended 31 December 2017 amounted to €1.9m (2016: Profit €1.5m).

Gross premiums written relate to the following lines of business; Global Insurance Programme (General Liability, Marine Transit and Property/BI), Employee Benefits and Supplier Failure. All premiums resulted from contracts of reinsurance concluded in the Republic of Ireland. Gross premium written for the year ended 31 December 2017 amounted to €38.3m (2016: €29.4m).

Gross claims paid during the financial year ended 31 December 2017 totalled €24.3m (2016: €25.2m). As at 31 December 2017, the Company held gross claims provisions of €35.3m (2016: €34.3m). Net operating expenses for the year amounted to €5.6m (2016: €4.2m).

A.3 Investment Performance

The Company allocates its investment portfolio as described below;

Cash and cash equivalents - Comprise cash in hand and demand deposits, and other short term highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value. Investments in money market funds are held at market value.

Interest income for the year ended 31 December 2017 amounted to €72k (2016: €22k)

A.4 Performance of other activities

Other than underwriting and Investment activities, the Company has no other material activities.

A5. Any Other Information

None.

B. SYSTEM OF GOVERNANCE

B.1 General Information on the System of Governance

In aiming to meet the requirements for sound corporate governance, ensuring efficient conduct of business and to protect the interests of the Company's stakeholders, the Company has a comprehensive Governance and Risk Management system in place.

It is the responsibility of the Board of Directors to ensure that risks are fully understood and appropriately managed in accordance with this framework. Risk management, reporting and auditing processes reflect the requirements set out in the Governance Manual.

The Governance and Risk Management System of the Company may be described as relying on four cornerstones:

1) Governance Framework, aligned with the Company's strategic objectives, providing top level oversight by the Board, clear ownership and accountability for risks, as well as clear escalating and reporting channels.

2) Risk Management System which details the Company's strategic objectives in documented Risk Policies. For each risk, limits and operational checkpoints as well as functional identification, mitigation and monitoring processes are documented.

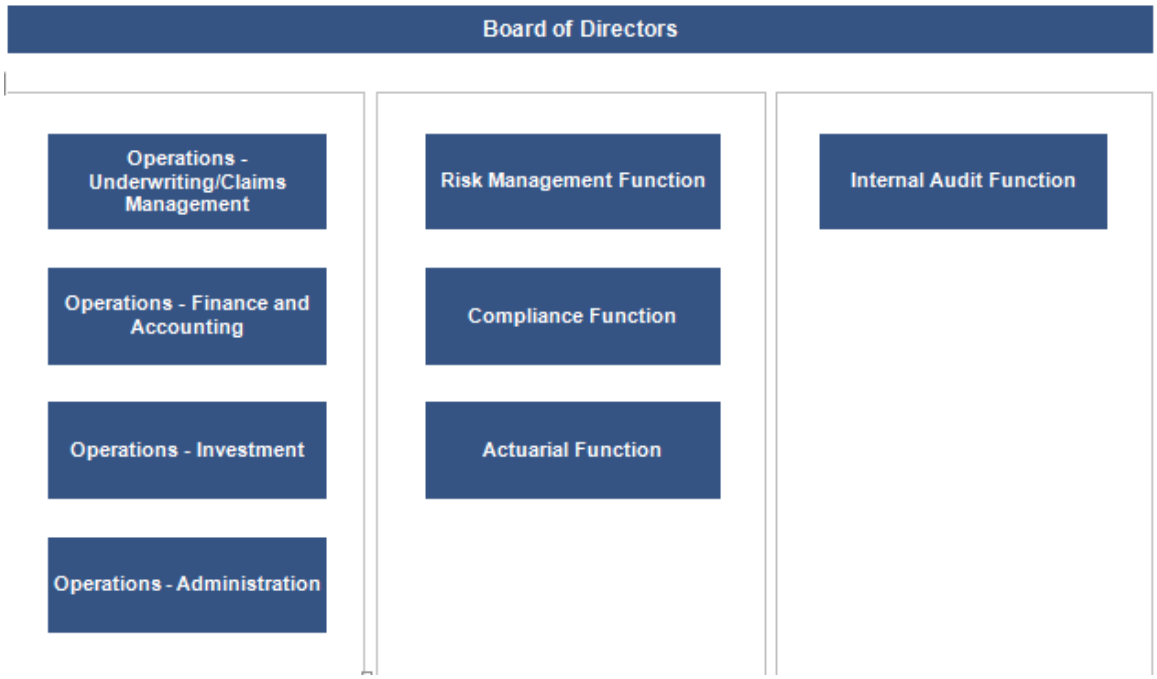
3) A series of Internal Controls, defining the architecture of processes required to manage the Company in accordance with its Governance and risk management framework.

4) A Risk Register combining operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's global strategy objectives.

In order to achieve the Company’s Governance Objectives, the Company has set up a Corporate Governance Framework with the following core components:

- the Board of Directors is the focal point of the governance system and is ultimately accountable and responsible for the performance and conduct of the Company and, as such, must have at its disposal all required capabilities to achieve its duties;
- an embedded Compliance Function aiming to ensure the continuous compliance of the Company with all legal, regulatory and administrative requirements, i.e. essentially the Solvency II Directive and the relevant local legislation;
- an appropriate segregation of duties in order to enable the Risk Management, Internal Audit, Actuarial and Compliance Function to perform independent risk and business control, mitigation, monitoring and reporting tasks;
- a meaningful and practical approach in documenting policies and strategies to formalise all processes and ensure efficiency, fit and proper and best-in-class criteria;
- structured reporting processes to enable an appropriate escalation of risks issues to the Board of Directors in order to ensure a clear and comprehensive information process allowing the Board to conduct business in an efficient and prudent manner in line with the strategic objectives.

According to these principles, the chosen governance model is the "three lines of defence" one which leads to the following general governance framework throughout the Company.



Key Functions

The key functions of Risk Management, Internal Audit, Actuarial, Compliance and Operations have clear and defined lines of reporting directly to the Board. This is facilitated by the straightforward nature of the Company's structure and fit-for-purpose documented policies and procedures which are clearly communicated and well understood by all relevant parties. The Board has ensured that the key functions are appropriately resourced and have the necessary authority and operational independence to perform their roles.

The Company has no employees and outsources the management functions to Aon Insurance Managers (Dublin) Ltd., a specialised management company under an outsourcing agreement in line with the Company's outsourcing policy.

The Company complies with the obligations and standards contained in the Corporate Governance Requirements for Captive Insurance and Captive Reinsurance Undertakings 2015 and in line with Central Bank expectations.

The Board are satisfied that the system of governance in place is adequate for the nature, scale and complexity of the risks of the Company.

The Company paid fees to the Independent Non-Executive Directors in respect of their services provided. The Company did not pay any fees to the other Directors in 2017 in respect of their services provided.

A management fee is paid by the Company to the appointed management company, Aon Insurance Managers (Dublin) Ltd. for the provision of outsourced management services under an outsourced service agreement.

B.2 Fit & Proper Requirements

The 'Fit and Proper' requirement is the standard required by the Central Bank of Ireland when appointing pre-approved controlled function holders. AIR is satisfied that appointed individuals performing controlled functions meet all relevant regulatory requirements and have a suitable level of training and qualification in order to enable them to carry out their respective duties.

The Compliance function adopts appropriate controls in the registration of individuals across the Group ensuring that identified individuals meet the regulator's fit and proper criteria at the point of registration.

Roles and Responsibilities Detail

Key Roles	Outsourcing	Responsible
Board of Directors	No	Dieter Schmitt (Chairman) Harm Ohlmeyer Garry Cullen Tanguy Gaidoni
Risk Management Function	Yes (External)	Aon Insurance Managers (Dublin) Limited. Brian Bourke (Chief Risk Officer)
Compliance Function	Yes (External)	Aon Insurance Managers (Dublin) Limited. John McNamara, Head of Compliance Function
Operations - Underwriting/Claims Management	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations - Finance and Accounting	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations – Investment	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations – Administration	Yes (External)	Aon Insurance Managers (Dublin) Limited
Internal Audit Function	Yes (External)	Aon Commercial Services Ireland Limited. The Board, Acting Head of Internal Audit Function
Actuarial Function	Yes (External)	Aon Global Risk Consulting. Jean-Michel Briot, Head of Actuarial Function

B.3 Risk management system including the own risk and solvency assessment

Risk Management System

The overriding goal of the Company's risk management strategy is to reduce, as much as possible, the Company's risk exposure as a means of minimizing the impact of unexpected events, in order to increase the likelihood of achieving the Company's strategic and business objectives.

The key risk categories for which the Company has set up specific control and monitoring mechanisms are:

- Underwriting/Reserving
- Asset Liability Management ("ALM")
- Investment
- Liquidity and Concentration
- Operational Risks
- Reinsurance and Other Risk Mitigation Techniques

In order to achieve these objectives, the Risk Management System of the Company has been clearly documented and specified through risk management policies for each key risk category.

In addition to these policies, an outsourcing policy defining the key rules and criteria to be followed by each service provider has been determined.

Own Risk and Solvency Assessment (“ORSA”)

The Company regularly performs an Own Risk and Solvency Assessment (“ORSA”) Report. The approach may be summarized as follows:

Define the Stress Scenarios

Stress testing and scenario analysis are used to assess whether the available and future capital are sufficient in expected and stressed situations.

As part of Own Risk Solvency Assessment process the Company selected the appropriate stress and scenario tests as determined by the Board to be appropriate for the Company.

Stress the Financial Plan

Stress test scenarios are embedded into the projected financial plan under Solvency II. Related SCR/MCR and solvency ratios are then calculated for each year, resulting in the Stressed Financial Plan and the solvency impact of adverse loss scenarios. The tasks of this process are conducted by the Actuarial Function and validated by the Risk Management Function.

Assess prospective solvency needs on the basis of the Stressed Financial Plan

The Risk Management Function identifies potential additional mitigation actions to reduce the potential impact of the stress scenarios. Any remaining solvency gap will be covered through a relevant capital plan, i.e. defining the measures to restore the Company's solvency margin should the assumed scenario(s) occur.

Produce the ORSA Report

The ORSA report brings clarity over projected risk assessments and solvency needs to 3 different stakeholders

Stakeholder	Expectation	ORSA Report
Board of Directors	Matching projected risks vs the Risk Appetite framework.	Provides a clear and prospective understanding of critical risk exposures and their relationship with Risk Appetite boundaries.
Shareholders	Detailed and prospective understanding about the risk of bankruptcy and potential need for future additional capital.	Provides a plan for capital needs on the time horizon of the financial planning.
Supervisory Authority	Detailed and prospective understanding of potential ORSA deviations compared to the SCR under Pillar I.	Gathers information about: projected Solvency ratios; - explanations about deviations due to specific critical risks exposures.

The ORSA process described above ensures that the ORSA is integrated in the decision-making and business planning process. Furthermore monitoring procedures, as set out in the risk management policies, ensure that risk exposures are measured on a regular basis triggering exception reports for the Board.

In line with CBI requirements, the Head of Actuarial Function provides an Actuarial Opinion to the Board of Directors in respect of the ORSA at the same time that the results of the ORSA process are presented to the Board.

The capital risk appetite for AIR is to sustain its capital at a level sufficient to meet the Regulatory Solvency Capital Requirement at all times.

AIR has investment guidelines in place as documented in the Risk Appetite Framework. The Company invests in high quality rated financial institutions and Aon monitors credit ratings to ensure that all credit institutions meet a minimum long-term rating of BBB+ as defined by Standard and Poor's or a comparable rating from another leading rating agency in line with the Company's Risk Appetite Statement. The Company also endeavours to maintain a diversified investment portfolio so that in the event of a downgrade or collapse of any one financial institution, the Company's SCR will not be materially impacted.

B.4 Internal Control System

The Internal Control System embedded in the Company's operations is a mix of processes undertaken by all stakeholders within the Company to provide reasonable assurance that the strategic objectives will be achieved.

In order to achieve the aforementioned objectives, the Internal Control framework of the Company is structured around five complementary components.

Component	Contents
1) Control environment	A strong "risk and control" culture is embedded within the Company's operations through the continuous oversight of the Board of Directors and the communication to all internal stakeholders of all governance and risk principles through the governance manual.
2) Risk assessment	Procedures and policies are detailed and formalized in order to disclose the way of identifying, managing, controlling, mitigating and reporting issues relating to each risk category.
3) Reporting channels	Clear and structured reporting processes are in place enabling the Board of Directors to have access to relevant, complete, reliable, correct and timely communication related to internal as well as external events.
4) Monitoring process	The appropriate escalation of significant issues to the Board of Directors, the ongoing involvement of all internal stakeholders as well as the Internal Audit process enables the Company to continuously monitor and adapt when necessary its Internal Control System.
5) Control activities	The Company has developed a comprehensive set of preventive, detective or corrective control actions embedded in its daily operations.

Detailed Processes and Embedded Control Activities

In order to set out how the Internal Control System is implemented the Company's processes and related control activities are documented, monitored and reviewed on a regular basis.

These items are approved by the Board of Directors and evaluated by the Internal Audit Function. They are reviewed as often as necessary.

Tasks and actions are shared between the key functions of the Company and clarify related roles, responsibilities and embedded control activities.

The Compliance Function is an integral component part of the Company’s governance system. The Company has a dedicated Head of Compliance reporting to the Board of Directors, supported by a Compliance Officer who coordinates the activities of the Compliance Function.

The mission of the Compliance Function is:

Assisting in ensuring the long term sustainability of the Company through the effective identification, qualification and management of compliance risks faced by the business.

- The Compliance Function is an integral component part of the internal control system of the Company and is responsible for compliance with the internal control system. The elements of the internal control system are laid out in the Corporate Governance Framework document.
- The Compliance Function identifies and communicates throughout the Company the laws, regulations and codes of conduct to which the Company is subject. The Compliance Function seeks to embed compliance with these laws, regulations and codes of conduct in the way the Company does business.

- The Compliance Function maintains a comprehensive compliance risk management control and reporting system in conjunction with the Risk Management Function to assist in managing the compliance risk faced by the Company.
- Any violation of relevant law by the Company is investigated and followed up by the Compliance Function and reported to the Board, and in certain circumstances to outside bodies such as the Central Bank of Ireland.
- The Compliance Function considers possible future changes in the legal environment and their potential effect on the Company.
- The Compliance Function presents an annual Compliance Plan, outlining specific areas which it will focus on during a particular year.
- Finally, the Compliance Function promotes a culture of compliance throughout the Company.

B.5 Internal Audit Function

Purpose & Objectives

The purpose of the Internal Audit Function is to serve as an independent Function that objectively evaluates and recommends improvements to the Company's Internal Control System by facilitating an objective and independent assessment.

It assists the Company to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, control, and governance processes employed by the Company.

The Board is keen to develop effective policies and practices and take appropriate corrective action in response to weaknesses identified by internal and external auditors.

Independence and Impartiality

The Company's Internal Audit Function must be independent of the activities audited and must also be independent from the operational Functions and the Board of Directors.

The Internal Audit Function is free to report its findings and appraisals and to disclose them to the Board as required. This principle of independence of the Internal Audit Function entails that the Internal Audit Function operates under the direct control of the Board of the Company.

B.6 Actuarial Function

The Company has established an effective Actuarial Function, including a nominated Head of Actuarial Function ("HoAF") approved by the Central Bank of Ireland, which carries out the following key tasks:

- coordination of the calculation of technical provisions;
- identify any inconsistency with the requirements set out in Articles 76 to 85 of the Solvency II Directive for the calculation of technical provisions and propose corrections as appropriate;

- explain any material effect of change of data, methodologies or assumptions between valuation dates on the amount of technical provisions if already calculated on a Solvency II basis;
- assess the consistency of the internal and external data used in the calculation of technical provisions against the data quality standards as set out in Article 82 of the Solvency II Directive. Where relevant, the Actuarial Function should provide recommendations on internal procedures to improve data quality so as to ensure that the undertaking is in a position to comply with the related Solvency II requirements when implemented;
- take into consideration the interrelations between the Underwriting Policy, reinsurance arrangements and technical provisions when providing its opinion should;
- report in writing at least annually to the Board of Directors. The reporting should document all material tasks that have been undertaken by the Actuarial Function, and include:
    i. Details of the Technical Provisions
    ii. Methodologies & assumptions
    iii. Data sufficiency & quality
    iv. Experience analysis
    v. Report to the Board on reliability & adequacy
    vi. Opinion on Underwriting policy
    vii. Opinion on Reinsurance arrangements.

  Their report should include any deficiencies identified and give recommendations as to how such deficiencies could be remedied
- Contribute to the effective implementation of the Risk Management System in particular:
    i. with regard to risk modelling underlying the calculation of the Solvency Capital Requirement (SCR) and MCR; and,
    ii. the ORSA process.

- think critically and organize the execution of actuarial approaches
- provide an actuarial opinion to the Board of Directors in respect of the ORSA

The HoAF reports to the Board of Directors and issues a report in writing at least annually documenting all of the material tasks that have been undertaken by the Actuarial Function during the reporting period.

In establishing the Company's Actuarial Function, the Board of Directors has ensured that the persons involved have the requisite qualifications and demonstrable experience in the area of non-life reserving and are fully conversant with the Solvency II requirements for the calculation of Technical Provisions.

B.7 Outsourcing

All functions and activities of the Company are eligible to be outsourced provided that specific criteria are satisfied in each instance. Sub-outsourcing is allowable only in exceptional circumstances, on the condition that the sub-outsourced service provider satisfies the specific criteria and subject to approval from the Board of Directors.

The Board is responsible for the approval of and termination of all outsourcing arrangements of critical or important functions or activities. Critical or important functions or activities include key functions of the Company's System of Governance and all functions within the Company that are fundamental to carry out its core business.

The Board is responsible for ensuring notification to the supervisory authorities is made in a timely manner prior to the outsourcing of critical or important functions or activities, and thereafter where there have been material developments in relation to the service provider.

The Board is responsible for assessing the risks associated with the outsourcing of critical or important functions or activities. The Board is responsible for reviewing the performance of outsourced service providers against agreed Service Level Agreements (SLA).

The objectives of AIR's Outsourcing Policy are to ensure that the outsourcing of critical or important operational functions or activities does not lead to:

- Reduction in the Board's responsibility for, or influence over key Functions of the Company;
- Material impairment of the quality of the Company's System of Governance;
- Any impairment of the Company's ability to meet its regulatory requirements;
- Non adherence to the Company's approved policies and procedures;
- Undue increases in operational risk or cost;
- Material impairment of the Company's ability to fulfil its obligations to stakeholders, nor impede effective supervision by regulators;
- Conflicts of Interest;
- Breach of the Company's data protection obligations.

The Company entered into an outsourcing agreement with Aon which covers the majority of the critical or important operational functions and activities.

The following critical or important Functions / activities are outsourced

Critical or important Function	Outsourced Service Provider
Underwriting and Claims administration	Aon Insurance Managers – Ireland
Finance and Accounting	Aon Insurance Managers – Ireland
Risk Management Function Including Head of Function	Aon Insurance Managers – Ireland
Compliance Function including Head of Function	Aon Insurance Managers – Ireland
Actuarial Function including Head of Function	Aon Global Risk Consulting – Luxembourg
Internal Audit Function excluding Head of Function	Aon Commercial Services Ireland Limited

B.8 Any other Information

There are no other material items to report in this section.

C. RISK PROFILE

The key risks to which the Company is exposed and has also thus set up specific risk mitigation and monitoring for are:

C.1 Underwriting Risk

The Company underwrites contracts that transfer insurance risk. The risk under any (re)insurance contract is the possibility that the (re)insured event occurs and the uncertainty that the Company will have sufficient assets to satisfy the amounts payable under the contract. The Company seeks to ensure that it collects sufficient premium income to meet the cost of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to significant variation in the Company's performance in the short term. Whilst considerable judgment is involved, the directors ensure that suitable processes are in place to ensure the reliability, sufficiency and adequacy of both the statistical and accounting data to be considered in the loss reserve estimation and recording process and to detail the Company's approach to the calculation of technical provisions.

Annual support and certification is provided by the Actuarial Function. The Company additionally manages its reinsurance risk exposures through the purchase of retrocession cover.

C.2 Market Risk

The risk of future changes in market prices, which would result in devaluation of investable assets, may result from several factors including, but not limited to, value, liquidity, duration, composition, interest rates, foreign exchange rates and market fluctuations. Management diversifies its portfolio to reduce the exposure to market.

C.3 Credit Risk

Credit risk is the risk that one party to a financial instrument or financial arrangement will fail to discharge an obligation and cause the other party to incur a financial loss. The assets that are exposed to credit risk are:

- Cash and cash equivalents
- Investments and deposits with credit institutions
- (Re)insurers' share of insurance liabilities
- Amounts due from (re)insurers

The Company utilises custodians deemed to be of high credit quality to hold its cash and cash equivalents and deposits with credit institutions.

The Company cedes a portion of risk to retrocessionaires in the normal course of business. The

purchase of retrocession cover does not relieve the Company of its obligation to its policyholders and accordingly a credit risk exists to the extent that any reinsurer is unable to meet the obligations assumed under such reinsurance agreements.

C.4 Liquidity Risk

The Company is exposed, if proceeds from financial assets are not sufficient to fund obligations arising from its reinsurance contracts. The Company can be exposed to daily calls on its available investment assets, principally from reinsurance claims. Liquidity risk is the risk that cash may not be available to pay obligations when they are due without incurring an unreasonable cost.

C.5 Operational Risk

Operational risk is the risk of loss arising from system failure, human error, fraud, or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications, or can lead to financial loss. The Company have a rigorous control framework and monitoring process in place to manage operational risk. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education, and assessment processes. Outsourced activities are monitored and managed in the same manner in line with the Outsourcing policy.

The Company cannot expect to eliminate all operational risk, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risk.

In addition, AIR is subject to Internal and External Audit review.

C.6 Other Material Risk

Strategic Risk

Strategic risk is the risk of loss arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes i.e. the risk associated with implementing the wrong strategy or failing to correctly implement the chosen strategy.

The control and monitoring actions/principles underlying the strategic risk management of the Company are:

- Review, at least annually, the appropriateness of the high level overall objectives for the Company; the major risks facing the Company; the Risk Appetite for each of these major risks identified.

- Ensure the Company Strategy is implemented correctly including approval, review and monitoring of agreed Key Performance Indicators for the Company.

- Ensure all plans are regularly reviewed to ensure that Risk Tolerances are not exceeded individually or in total.

No other material risks have been identified.

C7. Any other information

There are no other material items to report in this section

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

AIR prepares its financial statements on a going concern basis in accordance with the Financial Reporting Council of the UK, including financial reporting standard applicable in UK and Republic of Ireland (FRS 102 & FRS 103), the provisions of the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. There are a number of differences between the financial statement basis and the Solvency II valuation rules. Most of these differences are driven by the requirement for all assets and liabilities to be valued on a market consistent fair value basis under Solvency II.

Cash and cash equivalents comprise cash at banks and money market funds. Carrying amounts approximate fair value due to the short-term nature and high liquidity of the instruments.

Prudent person principle has been applied in assessing investment in the Company's assets.

The Board have prepared an ORSA Report outlining the ORSA process which supports the Board in achieving its strategic objectives by taking a structured and combined approach of strategy, risk management and capital management.

D.2 Technical Provisions

Provision is made for notified losses on all underwriting years. Provisions are calculated gross of any reinsurance recoveries with a separate estimate being made of amounts recoverable from reinsurers. The Company has regard to the gross and net loss positions as indicated by the claim circumstances reported to date and loss projections carried out under the direction of the Head of Actuarial Function using actuarial techniques.

Reserves for insurance contract liabilities and reinsurance assets are based upon management's best estimate of the ultimate liabilities and are determined with the assistance of, and based on, the results of the analysis performed by the Actuarial Function. The reserves include estimates for both case reserves and losses incurred but not reported ("IBNR").

Solvency II Technical Provisions

The Solvency II Technical Provision is comprised of a Best Estimate of Liabilities ("BEL") and a Risk Margin ("RM").

The Solvency II BEL is comprised of a provision for claims outstanding ("PCO") and a premium provision ("PP"). The PCO represents the provision for the unpaid liabilities on claims that have been incurred as of the valuation date. The PP represents the expected profit underlying the unearned portion of policies that have already incepted and any policies that have been bound but not incepted ("BBNI"). The PCO is derived from actuarial estimate of AIR's unpaid claim liabilities. The actuary utilises the basic RFR (risk-free rate) curves with no volatility adjustment as of 31 December 2017 as published by EIOPA to discount the cash flows underlying the PCO. These interest rates are utilized to discount all cash flows underlying the calculation of the Solvency II TPs. A provision for expenses related to the runoff of these liabilities is then added, as required by Solvency II, as the IFRS estimate of unpaid claim liabilities does not include a provision for the expenses that will be incurred in running off the liabilities.

The methodology adopted implicitly assumes that AIR will continue to write business into the future and that a portion of the expenses in future years will be attributable to new business, consistent with the required derivation of the expense reserve as per the current Solvency II regulations. The BEL is calculated as the sum of the PCO and the PP.

Risk Margin

The Solvency II risk margin is intended to represent an amount that AIR would be required to pay, in excess of the Best Estimate of the Liabilities, for a third party to assume the risk of running of the existing liabilities. The actuarial calculation of the Solvency II risk margin is consistent with the Solvency II regulations, which applies a 6% cost of capital to the amount of capital required at the beginning of each year to support the runoff of the insurance obligations.

D.3 Other Liabilities

Aside from Technical provisions, AIR have no other material liabilities;

D.4 Alternative Methods of Valuation

No alternative methods were used.

D5. Any Other Information

No other information to report.

E. CAPITAL MANAGEMENT

E.1 Own Funds

The Solvency II Directive and the Delegated Acts identify the criteria own funds items must possess in order to be classified in one of the three Tiers (Tier 1, Tier 2 and Tier 3) of eligible capital. The Delegated Acts provide lists of items that fall into each of the three Tiers.

The Company assesses material risks that may threaten the accomplishment of the Company's strategic objectives or might have a substantial impact on the available qualifying own funds. These risks could result from either internal or external events.

Management has identified Underwriting Risk, Reserve Risk, and Investment Risk as the material risks to which the Company is exposed. Management has investigated the magnitude of each of these risks, as well as sought to determine any potential correlations that may exist within, or between, these risk categories based on review of historical experience.

In relation to Investment Risk, a clear strategy has been developed to manage risk in a manner which limits exposure to investment volatility.

All other risks are managed through a framework of internal controls supported by monitoring by management, internal audit, governance groups and the various functions of the board.

AIR's capital structure is composed of ordinary share capital and retained earnings, as below.

Authorised	**2017**	**2016**
10,000,000 ordinary shares of €1 each	10,000,000	10,000,000
Allotted, called-up and fully paid		
635,000 ordinary shares of €1 each	635,000	635,000
Retained earnings		
Opening and closing balance	21,236,828	19,337,644

Profit after tax for the year ended 31 December 2017 amounted to €1,899,184.

Share Capital has been received from adidas International B.V.

The Share Capital was received having calculated the capitalisation required when drafting the business plan. The Share Capital and an unconditional capital contribution were received by the Company in January 2003. Additional unconditional capital contributions were received in June 2004 and March 2013.

By resolution, in order to become eligible as Tier 1 capital under Solvency II, the Board, following legal and tax advice, agreed to transfer the capital contribution into retained earnings during the year ended 31 December 2014.

Solvency II own funds

Under Solvency II valuation principals, the eligible own funds available to meet the SCR and MCR is €22.66m.

This is comprised solely of Tier 1 capital.

AIR has no material ancillary own funds.

Capital management

The total capital of the Company as at 31 December 2017 consists of shareholder's equity of €21.87m.

Management reviews capital on an ongoing basis with a view to maintaining a level of capital sufficient to cover significant statement of financial position risks and regulatory requirements. As at 31 December 2017 the Company has adequate capital to meet these objectives.

E.2 Solvency Capital Requirement & Minimum Capital Requirement

AIR's Solvency Capital Requirement ("SCR") as at December 31, 2017 totals €8.44m. AIR's Solvency II recognized own funds totalling €22.66m is sufficient to meet its SCR and results in a Solvency Ratio of 268%. AIR's Minimum Capital Requirement ("MCR") as at December 31, 2017 totals €3.8m.

In EUR '000

Risk Item		31/12/2017	31/12/2016	Change
	Interest Rate Risk	268	19	248
Market Risk	Spread Risk	115	347	(233)
	Concentration Risk	56	2,082	(2,025)
Default Risk		1,868	1,414	454
Health Risk		4,239	4,635	(396)
Non-Life Risk	Premium-Reserve Risk	4,318	4,138	180
	Lapse Risk	1,089	120	969
BSCR		7,450	8,060	(610)
MCR		3,800	3,793	7
SCR		**8,444**	**8,947**	**(503)**
Solvency Ratio		**268%**	**235%**	**14%**

E.3 Use of Duration Based Equity Risk Sub Model in calculation of the SCR

There was no use of duration based equity risk sub model in the calculation of the SCR

E.4 Differences between the Standard Model & Any Internal Model

AIR used the Standard Model in determining the SCR and MCR and did not rely on any internal model.

E.5 Non-Compliance with MCR and SCR

There are no issues with non-compliance with the MCR and SCR

E6. Any Other Information

No other information to report.

Note: Tables within this report contain minor rounding differences in certain instances due to amounts being displayed as whole numbers or in thousands while the source workings underlying the annual reporting templates are calculated to two decimal places. These differences are immaterial.

ANNEX I - QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 - Balance Sheet

S.05.01.02 - Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 - Non Life technical provisions

S.19.01.21 - Claim development triangles

S.23.01.01 - Own funds

S.25.01.21 - SCR using standard formula

S.28.01.01 - MCR

S.02.01.02 - Balance Sheet (In thousands of EUR)

		C0010
		Solvency II value
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	9,354
R0080	Property (other than for own use)	
R0090	Holdings in related undertakings, including participations	
R0100	Equities	0
R0110	Equities - listed	
R0120	Equities - unlisted	
R0130	Bonds	0
R0140	Government Bonds	
R0150	Corporate Bonds	
R0160	Structured notes	
R0170	Collateralised securities	
R0180	Collective Investments Undertakings	9,354
R0190	Derivatives	
R0200	Deposits other than cash equivalents	
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	23,668
R0280	Non-life and health similar to non-life	23,668
R0290	Non-life excluding health	9,565
R0300	Health similar to non-life	14,103
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	
R0330	Life excluding health and index-linked and unit-linked	
R0340	Life index-linked and unit-linked	
R0350	Deposits to cedants	
R0360	Insurance and intermediaries receivables	9,345
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	40
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	
R0410	Cash and cash equivalents	12,059
R0420	Any other assets, not elsewhere shown	7,097
R0500	**Total assets**	61,563

S.02.01.02 - Balance Sheet (In thousands of EUR)

		C0010
		Solvency II value
Liabilities		
R0510	Technical provisions – non-life	37,867
R0520	Technical provisions – non-life (excluding health)	19,874
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	19,244
R0550	Risk margin	630
R0560	Technical provisions - health (similar to non-life)	17,993
R0570	Technical provisions calculated as a whole	
R0580	Best Estimate	17,413
R0590	Risk margin	580
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	Technical provisions calculated as a whole	
R0630	Best Estimate	
R0640	Risk margin	
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	Technical provisions calculated as a whole	
R0670	Best Estimate	
R0680	Risk margin	
R0690	Technical provisions – index-linked and unit-linked	0
R0700	Technical provisions calculated as a whole	
R0710	Best Estimate	
R0720	Risk margin	
R0730	Other technical provisions	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	113
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	677
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	63
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	
R0870	Subordinated liabilities in Basic Own Funds	
R0880	Any other liabilities, not elsewhere shown	185
R0900	Total liabilities	38,905
R1000	**Excess of assets over liabilities**	22,658

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090
Premiums written										
Gross - Direct Business	R0110									
Gross - Prop reinsurance accepted	R0120		24,070				6,072	4,124	1,341	
Gross - Non-Prop reinsurance accepted	R0130									
Reinsurers' share	R0140		3,329				795	540	176	
Net	R0200	0	20,741	0	0	0	5,277	3,584	1,165	0
Premiums earned										
Gross - Direct Business	R0210									
Gross - Prop reinsurance accepted	R0220		24,070				6,072	4,124	1,341	
Gross - Non-Prop reinsurance accepted	R0230									
Reinsurers' share	R0240		3,329				795	540	176	
Net	R0300	0	20,741	0	0	0	5,277	3,584	1,165	0
Claims incurred										
Gross - Direct Business	R0310									
Gross - Prop reinsurance accepted	R0320		14,231				4,667	4,960	1,251	
Gross - Non-Prop reinsurance accepted	R0330									
Reinsurers' share	R0340		421				722	159	396	
Net	R0400	0	13,810	0	0	0	3,945	4,801	855	0
Changes in other technical provisions										
Gross - Direct Business	R0410									
Gross - Prop reinsurance accepted	R0420									
Gross - Non-Prop reinsurance accepted	R0430									
Reinsurers' share	R0440									
Net	R0500	0	0	0	0	0	0	0	0	0
Expenses incurred	R0550		4,944				427	365	216	
Other expenses	R1200									
Total expenses	R1300									

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Line of business for: accepted non-proportional reinsurance				TOTAL
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written									
Gross - Direct Business	R0110								0
Gross - Prop reinsurance accepted	R0120			2,700					38,307
Gross - Non-Prop reinsurance accepted	R0130								0
Reinsurers' share	R0140			118					4,958
Net	R0200	0	0	2,582	0	0	0	0	33,349
Premiums earned									
Gross - Direct Business	R0210								0
Gross - Prop reinsurance accepted	R0220			900					36,507
Gross - Non-Prop reinsurance accepted	R0230								0
Reinsurers' share	R0240			118					4,958
Net	R0300	0	0	782	0	0	0	0	31,549
Claims incurred									
Gross - Direct Business	R0310								0
Gross - Prop reinsurance accepted	R0320			137					25,246
Gross - Non-Prop reinsurance accepted	R0330								0
Reinsurers' share	R0340			95					1,793
Net	R0400	0	0	42	0	0	0	0	23,453
Changes in other technical provisions									
Gross - Direct Business	R0410								0
Gross - Prop reinsurance accepted	R0420								0
Gross - Non-Prop reinsurance accepted	R0430								0
Reinsurers' share	R0440								0
Net	R0500	0	0	0	0	0	0	0	0
Expenses incurred	R0550			47					5,999
Other expenses	R1200								
Total expenses	R1300								5,999

S.05.01.02 - Premiums, claims and expenses (In thousands of EUR)

		Line of Business for: life insurance obligations						Life reinsurance obligations		TOTAL
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0300
Premiums written										
Gross	R1410									0
Reinsurers' share	R1420									0
Net	R1500	0	0	0	0	0	0	0	0	0
Premiums earned										
Gross	R1510									0
Reinsurers' share	R1520									0
Net	R1600	0	0	0	0	0	0	0	0	0
Claims incurred										
Gross	R1610									0
Reinsurers' share	R1620									0
Net	R1700	0	0	0	0	0	0	0	0	0
Changes in other technical provisions										
Gross	R1710									0
Reinsurers' share	R1720									0
Net	R1800	0	0	0	0	0	0	0	0	0
Expenses incurred	R1900									0
Other expenses	R2500									
Total expenses	R2600									0

S.05.02.01 - Premiums, claims and expenses by country (In thousands of EUR)

		Home country	Country (by amount of GWP)						Total for top 5 countries and home country
			IT	BM	US	DE	LI		
		C0080	C0090	C0090	C0090	C0090	C0090		C0140
Premiums written									
Gross - Direct Business	R0110								0
Gross - Proportional reinsurance accepted	R0120		24,070	6,072	4,124	1,341	2,700	#	38,307
Gross - Non-proportional reinsurance accepted	R0130								0
Reinsurers' share	R0140		3,329	795	540	175	118	#	4,957
Net	R0200	0	20,741	5,277	3,584	1,166	2,582	#	33,350
Premiums earned									
Gross - Direct Business	R0210								0
Gross - Proportional reinsurance accepted	R0220		24,070	6,072	4,124	1,341	900	#	36,507
Gross - Non-proportional reinsurance accepted	R0230								0
Reinsurers' share	R0240		3,329	795	540	175	118	#	4,957
Net	R0300	0	20,741	5,277	3,584	1,166	782	#	31,550
Claims incurred									
Gross - Direct Business	R0310								0
Gross - Proportional reinsurance accepted	R0320		14,231	4,667	4,960	1,251	137	#	25,246
Gross - Non-proportional reinsurance accepted	R0330								0
Reinsurers' share	R0340		421	722	159	396	95	#	1,793
Net	R0400	0	13,810	3,945	4,801	855	42	#	23,453
Changes in other technical provisions									
Gross - Direct Business	R0410								0
Gross - Proportional reinsurance accepted	R0420								0
Gross - Non-proportional reinsurance accepted	R0430								0
Reinsurers' share	R0440								0
Net	R0500	0	0	0	0	0	0		0
Expenses incurred	R0550		4,944	427	365	216	47	#	5,999
Other expenses	R1200								
Total expenses	R1300								5,999

S.17.01.02 - Non Life technical provisions (In thousands of EUR)

		Direct business and accepted proportional reinsurance											
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130
Technical provisions calculated as a whole	R0010												
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050												
Technical provisions calculated as a sum of BE and RM													
Best estimate													
Premium provisions													
Gross	R0060		4,796				-1,325	-87	525				749
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140		1,823				190	219	175				-151
Net Best Estimate of Premium Provisions	R0150	0	2,973	0	0	0	-1,515	-306	350	0	0	0	900
Claims provisions													
Gross	R0160		12,617				6,068	6,684	6,389				242
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240		12,281				2,235	2,047	4,740				109
Net Best Estimate of Claims Provisions	R0250	0	336	0	0	0	3,833	4,637	1,649	0	0	0	133
Total Best estimate - gross	R0260	0	17,413	0	0	0	4,743	6,597	6,914	0	0	0	991
Total Best estimate - net	R0270	0	3,309	0	0	0	2,318	4,331	1,999	0	0	0	1,033
Risk margin	R0280		580				278	228	78				47
Amount of the transitional on Technical Provisions													
Technical Provisions calculated as a whole	R0290												
Best estimate	R0300												
Risk margin	R0310												
Technical provisions - total													
Technical provisions - total	R0320	0	17,993	0	0	0	5,021	6,825	6,992	0	0	0	1,038
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	14,104	0	0	0	2,425	2,266	4,915	0	0	0	-42
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	3,889	0	0	0	2,596	4,559	2,077	0	0	0	1,080

S.17.01.02 - Non Life technical provisions (In thousands of EUR)

		Accepted non-proportional reinsurance				TOTAL
		Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010					0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050					0
Technical provisions calculated as a sum of BE and RM						
Best estimate						
Premium provisions						
Gross	R0060					4,658
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140					2,256
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	2,402
Claims provisions						
Gross	R0160					32,000
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240					21,412
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	10,588
Total Best estimate - gross	R0260	0	0	0	0	36,658
Total Best estimate - net	R0270	0	0	0	0	12,990
Risk margin	R0280					1,211
Amount of the transitional on Technical Provisions						
Technical Provisions calculated as a whole	R0290					0
Best estimate	R0300					0
Risk margin	R0310					0
Technical provisions - total						
Technical provisions - total	R0320	0	0	0	0	37,869
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	23,668
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	14,201

S.19.01.21 - Claim development triangles (In thousands of EUR)

Gross Claims Paid (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10+	Current year	All years
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
Prior	R0100											-25	-25	0
N-9	R0160	1,110	6,297	111	273	31	-108	-86	86	-1,800	3		3	5,917
N-8	R0170	4,370	6,297	-177	414	250	143	-55	-360	31			31	10,913
N-7	R0180	5,965	7,396	1,657	1,180	-26	29	1,356	68				68	17,625
N-6	R0190	4,894	8,889	4,782	721	-24	108	22					22	19,392
N-5	R0200	6,194	7,654	1,709	296	-23	103						103	15,933
N-4	R0210	7,097	8,527	1,509	2,444	233							233	19,810
N-3	R0220	8,600	8,418	-160	263								263	17,121
N-2	R0230	9,212	10,231	2,698									2,698	22,141
N-1	R0240	12,189	9,449										9,449	21,638
N	R0250	11,438											11,438	11,438
												Total	24,283	161,928

Gross undiscounted Best Estimate Claims Provisions - Development year (non cumulative absolute amount)

		0	1	2	3	4	5	6	7	8	9	10	Year End (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
Prior	R0100											38	37
N-9	R0160									11	8		7
N-8	R0170								602	558			554
N-7	R0180							268	77				76
N-6	R0190						763	718					713
N-5	R0200					290	169						168
N-4	R0210				1,759	537							533
N-3	R0220			2,947	1,161								1,154
N-2	R0230		6,118	2,836									2,810
N-1	R0240	17,128	7,113										7,072
N	R0250	18,921											18,875
												Total	31,999

S.23.01.01 - Own funds (In thousands of EUR)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	635	635			
Share premium account related to ordinary share capital	R0030	0				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	0				
Subordinated mutual member accounts	R0050	0				
Surplus funds	R0070	0				
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	22,025	22,025			
Subordinated liabilities	R0140	0				
An amount equal to the value of net deferred tax assets	R0160	0				
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0				
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230	0				
Total basic own funds after deductions	R0290	22,660	22,660	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0				
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0				
Unpaid and uncalled preference shares callable on demand	R0320	0				
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0				
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0				
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0				
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0				
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0				
Other ancillary own funds	R0390	0				
Total ancillary own funds	R0400	0			0	0

S.23.01.01 - Own funds (In thousands of EUR)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	22,660	22,660	0	0	0
Total available own funds to meet the MCR	R0510	22,660	22,660	0	0	
Total eligible own funds to meet the SCR	R0540	22,660	22,660	0	0	0
Total eligible own funds to meet the MCR	R0550	22,660	22,660	0	0	
SCR	R0580	8,444				
MCR	R0600	3,800				
Ratio of Eligible own funds to SCR	R0620	2.6835623				
Ratio of Eligible own funds to MCR	R0640	5.9631579				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	22,660
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	635
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	22,025
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	0

S.25.01.21 - SCR using standard formula (In thousands of EUR)

Basic Solvency Capital Requirement

		Gross solvency capital requirement	USP	Simplifications
		C0040	C0090	C0100
Market risk	R0010	345		
Counterparty default risk	R0020	1,868		
Life underwriting risk	R0030			
Health underwriting risk	R0040	4,239		
Non-life underwriting risk	R0050	4,453		
Diversification	R0060	-3,455		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	7,450		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	1,107
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	-113
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	8,444
Capital add-on already set	R0210	
Solvency capital requirement	R0220	8,444
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

S.28.01.01 - MCR (In thousands of EUR)

Linear formula component for non-life insurance and reinsurance obligations		MCR components
		C0010
MCRNL Result	R0010	4,716

Background information		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		
Income protection insurance and proportional reinsurance	R0030	3,309	20,742
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070	2,318	5,277
Fire and other damage to property insurance and proportional reinsurance	R0080	4,330	3,584
General liability insurance and proportional reinsurance	R0090	1,999	1,166
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130	1,032	2,582
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Linear formula component for life insurance and reinsurance obligations		C0040
MCRL Result	R0200	0

Total capital at risk for all life (re)insurance obligations		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation		C0070
Linear MCR	R0300	4,716
SCR	R0310	8,444
MCR cap	R0320	3,800
MCR floor	R0330	2,111
Combined MCR	R0340	3,800
Absolute floor of the MCR	R0350	3,600
Minimum Capital Requirement	R0400	3,800