



Financial results Q1 2024

DFV Deutsche Familienversicherung AG

23 Mai 2024

Welcome

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+2%

Insurance revenue

95%

Combined ratio

€1.5M

Profit before tax



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Robust combined ratio of 95 % and enhanced operating profitability

Statement of comprehensive income

€m	Q1 2023	Q1 2024	Delta
Insurance revenue	30.0	30.5	+0.5 ①
Insurance service expenses	-17.8	-18.3	-0.5
Acquisition cost	-4.4	-4.6	-0.2
Other insurance expenses	-3.6	-4.2	-0.6
Net expenses from reinsurance contracts held	-2.9	-1.9	+1.0
Insurance service result	1.4	1.6	+0.1 ④
<i>Claims ratio</i>	65.3%	63.9%	
<i>Acquisition expense ratio</i>	16.1%	16.0%	
<i>Admin expense ratio</i>	13.3%	14.7%	
<i>Combined ratio</i>	94.7%	94.5%	

- ① **Insurance revenue**, including the unlocking of the CSM which contains future profits of the contracts (Q1 2024: €1.2 million). Dental, DFV's core product line, achieved a revenue growth of 6% y-o-y.
- ② Other insurance expenses grew mainly due to **intensified marketing efforts** (TV spots).
- ③ Partly redesigned **reinsurance contracts** resulted in a reduction of expenses.
- ④ The Q1 2024 **insurance service result** demonstrates DFV's improved operating performance which grew by 9% y-o-y.

Combined ratio looks different under IFRS 17

$$= 1 - \left(\frac{\text{Insurance service result}}{\text{Insurance revenue} - \text{Net expenses from reinsurance contracts held}} \right)$$

CSM: Contractual service margin, an item representing the unearned profit of a group of insurance contracts to be recognised as services are provided to policyholders

Adoption of IFRS 17/9 in both reporting periods; simplified

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2024 profit guidance is confirmed

Statement of comprehensive income

€m	Q1 2023	Q1 2024	Delta
Insurance service result	1.4	1.6	+0.1
Net investment income	0.6	0.5	-0.1
Net insurance finance expenses	0.0	0.6	+0.5
Net financial result	0.7	1.1	+0.4
Net insurance and investment result	2.1	2.6	+0.5
Other result	-0.8	-1.1	-0.3
Profit before tax	1.3	1.5	+0.2

- ① Increased **net financial result** due to effects from changes in estimates (VFA) as well as a positive unwinding of certain reinsurance contracts (GMM).
- ② Increase driven by one-off expenses relating to the **IFRS 17/9 adoption**.
- ③ Based on a robust operating performance and a continued volatile net financial result under IFRS 17/9 – **DFV's full-year profit guidance of €5 to 7 million is confirmed**.

VFA: Variable fee approach, the compulsory measurement model under IFRS 17 for long-term participating business
 GMM: General measurement model, the default measurement model under IFRS 17 for long-term non-participating business
 Adoption of IFRS 17/9 in both reporting periods; simplified

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Key messages

Focus on profitability

- DFV confirms the 2024 profit target
- Implementing DFV's strategy with focus on reaching financial targets

Sustainable growth

- Capitalising on a unique business setup with DFV's attractive products
- Continued growth via established online, direct and broker channels

Technical excellence

- Adequate pricing, underwriting and risk management of exposures
- Robust profitability with operating income up 9% y-o-y

Operational efficiency

- Cost management and cost discipline remain key
- Continued efforts to further professionalise internal capabilities

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Our next investor relations activities in 2024

26 Juni
AGM

12 September
H1 2024 & Capital Markets Day

23 September
Berenberg/Goldman Sachs German Corporate Conference

