



VÍS Insurance Ltd. publishes a profit forecast for 2018

VÍS Insurance Ltd (VÍS) has decided to publish forecast reports for the next four quarters. Updated quarterly, the forecasts will be published in earnings reports and presented at investor meetings.

- ➔ The forecast for 2018 anticipates a 95% combined ratio and the company's profit before taxes to be 2.6 billion ISK.
- ➔ The forecast anticipates continued growth in premiums. The claims and reinsurance ratio is expected to be 74% and to increase between years.
- ➔ It is anticipated that the company's cost ratio will be 21% and that the introduction of a new insurance IT system will be completed in the year. A 7.2% nominal rate on return on investment assets is anticipated.

VÍS's investment policy aims at maximizing returns on assets, considering the company's established risk appetite. VÍS has defined the company's risk appetite based on a solvency ratio of 1.35 - 1.70.

The company's dividend policy is to pay up to 100% of each year's profit after tax on dividends. However, the dividend payment amount must never result in a lower solvency ratio after payment of dividend, than the company's risk appetite stipulates.

Forecast 2018 || **VÍS Insurance + Lífis**

	1F 2018	2F 2018	3F 2018	4F 2018	Spá 2018
Claims and reinsurance ratio	81,6%	69,4%	71,4%	74,4%	74,5%
Cost ratio	21%	21%	21%	21%	21%
Combined ratio	103%	91%	92%	95%	95%
Return on investments	1,3%	2,4%	1,3%	2,4%	7,2%
Pre tax profit	147	996	654	804	2.600

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