

2022 – Loss triangles

Development of claims provisions

The development of claims provisions shows how claims provisions have progressed over the last decade.

The following triangle shows the development of the ultimate loss ratios and sets out, for a given line N, the outlook for each of the subsequent year-ends (N+1, N+2, etc.). The estimated final loss ratio varies according to the increasing reliability of information relating to claims still pending. The discrepancy between the initial loss ratio and the final loss ratio measures the excess or insufficiency of the provisions originally recorded.

TRIANGLE OF DEVELOPMENT OF ULTIMATE LOSS RATIOS (BEFORE REINSURANCE AND EXCLUDING CLAIMS HANDLING EXPENSES)

| YEAR OF OCCURRENCE (N) / YEAR OF DEVELOPMENT (as a%) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|------------------------------------------------------------|------|------|------|------|------|------|------|------|------|------|
| 2013 | 71.7 | 56.6 | 50.8 | 49.0 | 49.1 | 48.1 | 47.3 | 46.7 | 46.2 | 45.7 |
| 2014 | 71.5 | 61.6 | 62.8 | 59.6 | 57.2 | 55.9 | 55.6 | 55.0 | 54.6 | |
| 2015 | 69.5 | 65.3 | 55.5 | 51.6 | 50.3 | 48.9 | 48.9 | 48.3 | | |
| 2016 | 69.5 | 64.8 | 54.7 | 52.9 | 52.1 | 52.8 | 51.6 | | | |
| 2017 | 73.4 | 61.3 | 50.5 | 46.0 | 44.7 | 43.9 | | | | |
| 2018 | 75.7 | 61.3 | 49.1 | 45.4 | 44.0 | | | | | |
| 2019 | 73.1 | 67.3 | 53.8 | 52.2 | | | | | | |
| 2020 | 78.4 | 41.7 | 26.6 | | | | | | | |
| 2021 | 66.3 | 36.1 | | | | | | | | |
| 2022 | 80.2 | | | | | | | | | |

The loss experience in 2022 began at a higher level than 2021 due to the economic uncertainty and Russia and Latin America large losses. The prior year releases remain at very high levels driven by lower claims than expected.

The second table entitled "Triangle of development of cumulative claims paid, net of recourse (before reinsurance)", sets out, for each year of occurrence, the cumulative amount of payments relating to years of occurrence N and previously which have been made since December 31 N. The process of declaring claims, indemnifying them and any recourse extends over several years. This requires the claims per insurance period to be tracked.

TRIANGLE OF DEVELOPMENT OF CUMULATIVE CLAIMS PAID, NET OF RECOURSE (BEFORE REINSURANCE)

| YEAR OF OCCURRENCE (N) / YEAR OF DEVELOPMENT (in millions of euros) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---------------------------------------------------------------------------|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| 2013 | 86 | 407 | 500 | 531 | 535 | 530 | 524 | 523 | 519 | 516 |
| 2014 | 76 | 426 | 582 | 623 | 626 | 621 | 615 | 618 | 616 | |
| 2015 | 64 | 377 | 481 | 494 | 486 | 483 | 490 | 521 | | |
| 2016 | 56 | 353 | 472 | 504 | 511 | 515 | 547 | | | |
| 2017 | 61 | 317 | 419 | 445 | 451 | 447 | | | | |
| 2018 | 70 | 350 | 451 | 470 | 468 | | | | | |
| 2019 | 75 | 423 | 520 | 518 | | | | | | |
| 2020 | 68 | 206 | 242 | | | | | | | |
| 2021 | 21 | 198 | | | | | | | | |
| 2022 | 44 | | | | | | | | | |

The increase in claims is explained by a gradual normalization of the loss experience compared to 2021, which recorded a particularly low loss experience.

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FINANCIAL CALENDAR 2023

(subject to change)

H1-2023 results: 10 August 2023 (after market close)

9M-2023 results: 14 November 2023 (after market close)

FINANCIAL INFORMATION

This press release, as well as COFACE SA's integral regulatory information, can be found on the Group's website:

<http://www.coface.com/Investors>

For regulated information on Alternative Performance Measures (APM), please refer to our Interim Financial Report for H1-2022 and our [2022 Universal Registration Document](#) (see part 3.7 "Key financial performance indicators").



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