

NACIONAL Re - YEAR 2020

Growth and leadership in Spain

Nacional Re grew by the 3% in 2020, up to a volume of 608.5 million EUR, and 378 cedents in the portfolio, from which 113 are in Spain.

While the Multirisk branch was stable in the 2019 volumes, the Life business line grew by near a 17%, Accidents and Health by a 6.4% and Motor and TPL registered a positive evolution of the 4.2%.

In the Spanish market Nacional Re reached 400.7 million EUR of premiums and grew by the 2.9%. In all the international markets where the Company operates, the increase was of 3.2% with a total registered premium of 207.8 million EUR. In the international portfolio of Nacional Re, France represents 27.1% of premium written out of Spain; the territory made up of Germany, Austria and Switzerland concentrates the 21.5% followed by Italy (14.6%) and Portugal (10.5%).

The Company reports that "these accounts represent the combination of a leading position in the Spanish reinsurance market and the development in the main European markets, resulting in a portfolio with a solid base and geographic diversification".

28.9 million Eur net results

Nacional Re closed year 2020 with a net combined ratio of 94.6%, 3.1 percentage points above 2019. The variation of the Technical result is mainly due to two events whose impact is largely concentrated in the Multirisk branch: Gloria Storm and the financial consequences in the reinsurance covers of COVID-19. Results from the others business lines improve with respect to year 2019, where the contribution of Life, Motor and TPL, and the sum of Accidents and Health must be highlighted.

Financial yielding resulted in 18 million EUR, which represents an accounting profit, including reinsurance deposits, of 1.5% of the investment assets, which as at year end can be quantified in 1,260 million EUR, which represents 4.2% over those of the precedent year.

Despite the difficult environment of year 2020, Nacional Re obtained 28.9 million EUR profit after tax, 28% below that of the former of 2019. This result is valued very positively by the Company, in view of the economic and sectorial environment, and represents a ROE of 7.7%.

Solvency and Rating

The performance achieved in year 2020 has allowed the traditional growing trend of the own resources, which increased by the 4.3% and reached the 393.6 million EUR, with a Solvency II ratio which grew to the 226% as at year end.

Meanwhile, during autumn 2020 the agencies S&P Global Ratings and AMBest established Nacional Re's "A" rating, with outlook stable, which confirms the strength the of the Company in such difficult moment, when most industry's ratings have faced a downward revision.