

Sjóvá-Almennar tryggingar hf. - Forecast 2025-2034 and valuation as of 1 Jan 2025

Amounts are in million ISK / % Consolidated basis	Actual 31/12/2020	Actual 31/12/2021	Actual 1) 31/12/2022	Actual 31/12/2023	Actual 31/12/2024	Forecast 31/12/2025	Forecast 31/12/2026	Forecast 31/12/2027	Forecast 31/12/2028	Forecast 31/12/2029	Forecast 31/12/2030	Forecast 31/12/2031	Forecast 31/12/2032	Forecast 31/12/2033	Forecast 31/12/2034	
Statement of Comprehensive Income																
Insurance revenue	20,831	23,953	28,011	31,273	33,597	35,781	37,749	39,825	42,015	44,326	46,764	49,336	52,050	54,912	57,932	
Insurance service expenses	-18,955	-21,281	-26,000	-29,548	-31,720	-33,001	-34,816	-36,731	-38,752	-40,883	-44,067	-46,490	-49,047	-51,745	-54,591	
Net expenses from reinsurance contracts	-518	-776	-489	-30	-594	-633	-667	-704	-743	-784	-827	-872	-920	-971	-1,024	
Insurance service results	1,358	1,896	1,522	1,695	1,283	2,147	2,265	2,389	2,521	2,660	1,871	1,973	2,082	2,196	2,317	
Net financial income	475	497	1,586	931	671	476	509	537	567	600	631	664	700	738	778	
Fair value change of financial assets	4,799	7,887	88	3,869	4,803	5,876	5,222	5,282	5,587	5,914	6,229	6,552	6,913	7,294	7,695	
Operating expenses of investment	-210	-235	-291	-300	-394	-402	-424	-448	-474	-502	-526	-555	-586	-618	-652	
Net finance exp. from insurance contracts	-678	99	143	-894	-1,645	-1,808	-1,509	-1,592	-1,679	-1,772	-1,869	-1,972	-2,080	-2,195	-2,315	
Investment results after financial items	4,386	8,248	1,526	3,606	3,435	4,143	3,798	3,779	4,001	4,240	4,465	4,689	4,947	5,219	5,506	
Other income	218	241	138	157	170	177	182	188	193	199	205	211	217	224	231	
Operating expenses	-34	-38	-49	-46	-53	-55	-57	-58	-60	-62	-64	-66	-68	-70	-72	
Other interest expenses	0	0	-67	-68	-67	-104	-93	-98	-103	-109	-115	-121	-128	-135	-142	
Income tax expenses	-608	-778	-420	-719	-527	-787	-701	-694	-732	-774	-628	-659	-695	-732	-772	
Total comprehensive income	5,320	9,569	2,650	4,625	4,241	5,521	5,394	5,507	5,819	6,154	5,734	6,027	6,355	6,702	7,068	
Insurance revenue, chg. in %	1.0%	15.0%	16.9%	11.6%	7.4%	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
Claims and reinsurance ratio	73.2%	72.4%	74.0%	75.0%	76.5%	74.0%	74.0%	74.0%	74.0%	74.0%	75.0%	74.0%	75.0%	75.0%	75.0%	
Insurance expense ratio	20.3%	19.7%	20.6%	19.6%	19.7%	20.0%	20.0%	20.0%	20.0%	20.0%	21.0%	21.0%	21.0%	21.0%	21.0%	
Combined ratio	93.5%	92.1%	94.6%	94.6%	96.2%	94.0%	94.0%	94.0%	94.0%	94.0%	96.0%	96.0%	96.0%	96.0%	96.0%	
Return on investment assets and cash	12.8%	17.3%	3.2%	8.7%	9.0%	9.8%	8.5%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	8.2%	
Return on equity (ROE) 2)	32.9%	55.1%	12.9%	23.7%	19.7%	24.5%	22.2%	21.2%	21.1%	20.9%	18.3%	18.3%	18.2%	18.2%	18.2%	
Financial Position																
Cash and cash equivalents	1,160	1,095	1,189	3,600	1,568	1,892	1,987	2,086	2,191	2,300	2,415	2,536	2,663	2,796	2,936	
Securities	43,783	50,836	51,254	54,267	62,576	63,603	67,100	70,906	75,058	79,446	83,305	87,884	92,725	97,832	103,216	
Other assets	14,318	9,717	9,240	11,438	11,548	12,166	12,822	13,514	14,244	15,014	15,826	16,683	17,587	18,541	19,548	
Total assets	59,261	61,648	61,683	69,305	75,692	77,662	81,909	86,506	91,493	96,760	101,546	107,103	112,976	119,169	125,700	
Equity	21,364	24,237	21,332	23,321	25,128	27,249	28,778	30,509	32,473	34,554	35,980	37,994	40,130	42,383	44,759	
Insurance contract liabilities	29,866	28,055	32,059	36,749	41,713	41,148	43,411	45,799	48,318	50,975	53,779	56,737	59,857	63,149	66,622	
Other liabilities	8,031	9,356	8,292	9,235	8,851	9,266	9,720	10,199	10,702	11,231	11,787	12,373	12,989	13,636	14,318	
Total equity and liabilities	59,261	61,648	61,683	69,305	75,692	77,662	81,909	86,506	91,493	96,760	101,546	107,103	112,976	119,169	125,700	
Shares-to-securities ratio	31.1%	35.0%	35.3%	33.8%	29.7%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	
Insurance liabilities / revenues	143.4%	117.1%	114.5%	117.5%	124.2%	115.0%	115.0%	115.0%	115.0%	115.0%	115.0%	115.0%	115.0%	115.0%	115.0%	
Dividend paid	0	2,652	3,802	1,893	2,452	3,400	3,864	3,776	3,855	4,073	4,308	4,014	4,219	4,449	4,691	
Dividend / prior-year total comp. income	0.0%	49.8%	39.7%	71.4%	53.0%	80.2%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	
Solvency capital requirement (SRC)	11,424	14,398	13,902	15,290	15,806	16,833	17,759	18,736	19,766	20,854	22,001	23,211	24,487	25,834	27,255	
Solvency ratio (goal 1,4 - 1,7)	1.67	1.40	1.41	1.40	1.42	1.43	1.45	1.46	1.48	1.49	1.49	1.49	1.49	1.49	1.50	
Valuation - ISK																
Wtd. avg. shares (m)	1,337	1,303	1,192	1,166	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	1,157	
Total comp. income (million ISK)	5,320	9,569	2,650	4,625	4,241	5,521	5,394	5,507	5,819	6,154	5,734	6,027	6,355	6,702	7,068	
EPS	4.0	7.3	2.2	4.0	3.7	4.8	4.7	4.8	5.0	5.3	5.0	5.2	5.5	5.8	6.1	
DPS	0.0	2.0	3.2	1.6	2.1	2.9	3.3	3.3	3.3	3.5	3.7	3.5	3.6	3.8	4.1	
BPS	16.0	19.7	18.1	20.2	21.7	23.6	24.9	26.4	28.1	29.9	31.1	32.8	34.7	36.6	38.7	
Sensitivity analysis																
Insurance expense ratio 2025-2034		Residual earnings ...		2.6	2.3	2.3	2.4	2.5	2.0	2.1	2.2	2.3	2.4			
		22.0%	20.5%	19.0%	Discount rate	10.0%	1.1	1.2	1.3	1.5	1.6	1.8	1.9	2.1	2.4	
Return on shares 2025-2034		10.0%	40.1%	46.4%	52.7%	Present value of RE	2.4	1.9	1.7	1.6	1.1	1.1	1.0	1.0	0.9	
		12.0%	46.0%	52.4%	58.8%	Total PV of RE	14.3									
		14.0%	52.1%	58.6%	65.1%	PV of CV	16.3									
						BV per share 1.1.2025	21.7									
						PV per share	52.4	Value per share on 1.1.2025 in ISK								
Key figures		2020-2024	2025-2034		Outstanding shares	1,157	million									
InsRev chg.		10.2%	5.6%		Equity value	60,602	Equity value on 1.1.2025 (ISK million)									
C&R ratio		74.2%	74.5%													
Exp ratio		20.0%	20.5%													
ROI		10.2%	8.4%													
Avg. ROE		28.9%	20.1%													
1) The income statement for 2022 has been restated in accordance with revised accounting standards, as have the prior years by the analyst.																
2) ROE = Total comprehensive income ÷ [Equity at 1 Jan - (9/12 × Dividends) ± (6/12 × Other changes)]																