

## **Euler Hermes has repurchased 4.9% of its own shares under the share placement completed by Allianz Vie of its 8.6% stake in Euler Hermes**

**PARIS – 19 MAY 2016**

- Allianz Vie has successfully completed today a share placement of its entire stake in Euler Hermes representing 8.6% of the share capital of the company
- Euler Hermes repurchased 4.9% of its own shares under the share placement
- The repurchase price is equal to the price of the share placement, i.e. EUR 75.94 per share representing a discount of 7.5% to the last closing price
- The repurchase enables Euler Hermes to efficiently use its excess capital through an accretive transaction benefiting all shareholders
- Proposed dividend for 2015 increased by 6.3% to EUR 4.68

Allianz Vie today announced that it has successfully completed the sale of 3,879,818 shares of Euler Hermes Group ("Euler Hermes" or the "Company") representing its entire stake, i.e., 8.56%, of the share capital of the Company, through a private placement to institutional investors via an accelerated bookbuilt offer (the "Share Placement"). The price of the Share Placement is EUR 75.94 per share, representing a discount of 7.5% to the last closing price.

As part of the Share Placement, Euler Hermes repurchased 2,200,000 shares representing 4.9% of the share capital of the Company, at a price equal to the price of the Share Placement (the "Repurchase").

The Repurchase is being completed pursuant to the share buyback program approved by the shareholders' meeting of 27 May 2015. Following completion of the Share Placement and the Repurchase scheduled to take place on 23 May 2016, the Company intends to cancel the 2,200,000 shares so repurchased, together with 500,542 treasury shares it already holds, i.e., 2,700,542 shares in aggregate, representing 6.33% of the share capital of the Company. Further to the disposal of Allianz Vie's shares and cancellation by the Company of its own shares, the Allianz group's aggregate shareholding will be reduced from 67.80% to 63% of the share capital and theoretical voting rights of the Company.

This transaction enables Euler Hermes to efficiently use its excess capital<sup>1</sup> through an accretive transaction benefiting all shareholders. To finance the Repurchase, the Company will use its available cash, enabling it to eliminate 87% of the amount of such excess capital. The Repurchase and the subsequent cancellation of shares will improve the return on equity while being accretive on the earnings per share (about 5.6%) and on the dividend per share (about 6.3%), as the proposed dividend would be increased to EUR 4.68 per share, subject to the vote of shareholders at the annual general meeting to take place on 25 May 2016, since the number of shares composing the share capital of the Company will be reduced to 42,641,635.

An amendment will be submitted to the shareholders during the annual general meeting to be held on 25 May 2016 to reflect the modification of the dividend per share.

Commenting this transaction, Mr. Wilfried Verstraete, Chairman of the Board of Management, said: « This is a very positive transaction for our shareholders, which eliminates a substantial portion of our excess capital while being accretive. Combined with a pay-out ratio of 66%, the highest of the sector, it reflects our willingness to create value for all our shareholders. »

BNP Paribas acts as financial advisor to Euler Hermes in connection with this transaction.

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<sup>1</sup> The excess capital is determined by reference to a target Solvency II margin of 160%, based on financial data as of 31 December 2015.



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Financial and regulated information are available on Euler Hermes' website  
<http://www.eulerhermes.com/finance/>

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**Euler Hermes** is the global leader in trade credit insurance and a recognized specialist in the areas of bonding, guarantees and collections. With more than 100 years of experience, the company offers business-to-business (B2B) clients financial services to support cash and trade receivables management. Its proprietary intelligence network tracks and analyzes daily changes in corporate solvency among small, medium and multinational companies active in markets representing 92% of global GDP. Headquartered in Paris, the company is present in over 50 countries with 6,400+ employees. Euler Hermes is a subsidiary of Allianz, listed on Euronext Paris (ELE.PA) and rated AA- by Standard & Poor's and Dagong Europe. The company posted a consolidated turnover of over €2.6 billion in 2015 and insured global business transactions for €890 billion in exposure at the end of 2015.

Further information: [www.eulerhermes.com](http://www.eulerhermes.com), [LinkedIn](#) or Twitter [@eulerhermes](#).

Cautionary note regarding forward-looking statements: The statements contained herein may include statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) general economic conditions, including in particular economic conditions in the Euler Hermes Group's core business and core markets, (ii) performance of financial markets, including emerging markets, and including market volatility, liquidity and credit events (iii) the frequency and severity of insured loss events, including from natural catastrophes and including the development of loss expenses, (iv) persistency levels, (v) the extent of credit defaults, (vi) interest rate levels, (vii) currency exchange rates including the Euro/U.S. Dollar exchange rate, (viii) changing levels of competition, (ix) changes in laws and regulations, including monetary convergence and the European Monetary Union, (x) changes in the policies of central banks and/or foreign governments, (xi) the impact of acquisitions, including related integration issues, (xii) reorganization measures, and (xiii) general competitive factors, in each case on a local, regional, national and/or global basis. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. The company assumes no obligation to update any forward-looking statement.