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# Consolidated Key Figures

In € million	1–3/2018	1–3/2017	Change
<b>Premiums written</b>	<b>1,460.4</b>	<b>1,385.8</b>	<b>+ 5.4%</b>
Savings portions from unit-linked and index-linked life insurance (before reinsurance)	75.0	126.1	- 40.6%
<b>Premiums written, including savings portions from unit-linked and index-linked life insurance</b>	<b>1,535.4</b>	<b>1,511.9</b>	<b>+ 1.6%</b>
of which property and casualty insurance	868.8	815.7	+ 6.5%
of which health insurance	280.1	269.7	+ 3.9%
of which life insurance	386.5	426.5	- 9.4%
of which income from regular premiums	357.4	361.3	- 1.1%
of which single premiums	29.1	65.3	- 55.5%
<b>Premiums written, including savings portions from unit-linked and index-linked life insurance</b>	<b>1,535.4</b>	<b>1,511.9</b>	<b>+ 1.6%</b>
of which UNIQA Austria	1,097.9	1,073.0	+ 2.3%
of which UNIQA International	428.0	426.7	+ 0.3%
of which reinsurance	360.2	364.7	- 1.2%
of which consolidation	- 350.7	- 352.5	- 0.5%
<b>Premiums earned (net)</b>	<b>1,210.6</b>	<b>1,157.6</b>	<b>+ 4.6%</b>
of which property and casualty insurance	642.4	611.1	+ 5.1%
of which health insurance	265.7	254.9	+ 4.2%
of which life insurance	302.5	291.6	+ 3.7%
Savings portions from unit-linked and index-linked life insurance (after reinsurance)	72.0	122.1	- 41.1%
<b>Premiums earned, including savings portions from unit-linked and index-linked life insurance</b>	<b>1,282.6</b>	<b>1,279.7</b>	<b>+ 0.2%</b>
<b>Insurance benefits<sup>1)</sup></b>	<b>- 934.9</b>	<b>- 858.7</b>	<b>+ 8.9%</b>
of which property and casualty insurance	- 425.8	- 402.6	+ 5.7%
of which health insurance	- 226.4	- 212.8	+ 6.3%
of which life insurance <sup>2)</sup>	- 282.8	- 243.2	+ 16.3%
<b>Operating expenses<sup>3)</sup></b>	<b>- 319.9</b>	<b>- 331.0</b>	<b>- 3.4%</b>
of which property and casualty insurance	- 200.2	- 194.3	+ 3.0%
of which health insurance	- 47.6	- 45.1	+ 5.6%
of which life insurance	- 72.0	- 91.6	- 21.4%
<b>Investment income</b>	<b>143.4</b>	<b>75.8</b>	<b>+ 89.3%</b>
<b>Earnings before taxes</b>	<b>73.9</b>	<b>33.1</b>	<b>+ 122.9%</b>
Profit/(loss) for the period	55.3	30.0	+ 84.2%
<b>Consolidated profit/(loss)</b>	<b>54.4</b>	<b>29.1</b>	<b>+ 87.0%</b>
<b>Investments</b>	<b>19,778.8</b>	<b>19,287.0</b>	<b>+ 2.5%</b>
Shareholders' equity	3,191.1	3,156.0	+ 1.1%
<b>Equity, including non-controlling interests</b>	<b>3,207.9</b>	<b>3,184.9</b>	<b>+ 0.7%</b>
<b>Insured sum in life insurance</b>	<b>79,724.4</b>	<b>79,280.8</b>	<b>+ 0.6%</b>

<sup>1)</sup> Including expenditure for profit participation and premium refunds

<sup>2)</sup> Including expenditure for (deferred) profit participation

<sup>3)</sup> Less reinsurance commissions and share of profit from reinsurance ceded

## Foreword by the CEO

Dear shareholders,

In the first three months of 2018 UNIQA achieved satisfactory earnings before taxes of € 74 million, representing an increase of 123 per cent in comparison to the previous year. This includes extraordinary income of € 47 million from the sale of UNIQA's stake in Casinos Austria Aktiengesellschaft.

The sound economic situation in our core markets supported an increase of over 4 per cent in recurring premiums for the first three months of 2018. In property and casualty insurance in particular we are achieving more rapid growth than expected, at over 6 per cent. It is pleasing to note that this growth is being driven not only by the Austrian market, but also in CEE – that is, in both of our core regions. Life insurance premiums in contrast fell, as anticipated, by 9 per cent. A significant factor here was the widespread contraction in newly written single premium policies: these fell by 55 per cent compared to the previous year. The robust health insurance business in Austria continued to develop as expected, consistent with the long-term upward trend of 3 per cent.

In addition to this growth we have also made good progress with improvements to the key indicators of our operating performance. Ongoing firm restraint in costs, particularly in the area of acquisition costs, has enabled us to reduce our cost ratio from 25.9 per cent to 24.9 per cent. Since damage claims due to weather events have so far been minimal, we have taken advantage of the healthy earnings situation to build up provision for possible loss events later in the year. Despite this, we have managed to reduce the combined ratio in property and casualty insurance from 97.7 per cent to 97.4 per cent.

In addition to this report on the first quarter of 2018, today we are also publishing the Solvency and Financial Condition Report (SFCR) for 2017. This presents our capital ratio position in accordance with regulatory requirements, which stands at a very substantial 250 per cent. We are continuing to build dynamically on these strong foundations, aiming to optimise UNIQA's core technical business while also transforming our business model strategically for the future. We are confident that this will ensure our continued long-term growth into the future. The outlook for 2018 remains unchanged.

Sincerely,



Andreas Brandstetter  
CEO UNIQA Group

Vienna, May 2018

# Group Management Report

- **PREMIUMS WRITTEN (INCLUDING SAVINGS PORTIONS) ROSE BY 1.6 PER CENT TO €1,535.4 MILLION**
- **COMBINED RATIO IMPROVED TO 97.4 PER CENT**
- **INCREASE IN NET INVESTMENT INCOME BY 89.3 PER CENT TO €143.4 MILLION**
- **EARNINGS BEFORE TAXES INCREASED BY 122.9 PER CENT TO €73.9 MILLION IN THE FIRST QUARTER OF 2018**
- **EARNINGS OUTLOOK FOR 2018 CONFIRMED**

## Economic environment

The world's economy is still on the upswing. In 2017, global economic growth accelerated to 3.8 per cent, after 3.2 per cent in 2016. A positive environment in the global economy is expected to persist also in the current year and in 2019. The upward trend became increasingly synchronised, as both the industrial countries and the emerging markets contributed positively to economic growth. International trade plays an increasingly important role here. In 2017, global trade volume increased by 4.5 per cent and thus grew faster than the global economy for the first time since 2011. However, the protectionist tendencies of the US and the associated risk of reciprocal trade restrictions represent a potential risk for global economic dynamics.

There was also an acceleration in economic growth in Austria and throughout the eurozone. The economic recovery in the eurozone has proven to be relatively durable and is founded on a broad base of countries and sectors. Over the whole of 2017, gross domestic product (GDP) in the eurozone rose by 2.5 per cent and in Austria by as much as 3.1 per cent. However, economic leading indicators do not suggest that economic growth will continue to accelerate. Nevertheless, the structure is extremely positive as all components of GDP (consumption, investments, net exports) contributed to growth. The situation on the labour market improved significantly but remains heterogeneous in comparison with the other euro countries. In February

2018, the unemployment rate in the eurozone reached the long-term average since the start of European Monetary Union (8.5 per cent), but is still above the low of 2007 (7.5 per cent). In Austria, the unemployment rate fell to 5.2 per cent, only slightly above the 2007 level (4.9 per cent). At the same time, the employment situation improved and the share of those actively participating in the labour market reached an all-time high in the fourth quarter of 2017.

The confidence is also reflected in the monetary policy pursued by the most important central banks. Following three interest rate increases last year, the US Federal Reserve (Fed) continued its cycle of interest rate rises with a further interest rate increase in March 2018. The range for the key interest rate at the end of the first quarter of 2018 is between 1.50 and 1.75 per cent. The gradual normalisation of monetary policy is also becoming apparent in the reduction of the central bank's balance sheets, which began in October 2017. Although the Fed may be one step ahead of the European Central Bank (ECB) in this regard, the latter's monetary policy also now signals a return to normality. The additional monthly bond purchases (quantitative easing) were reduced as of January 2018 to €30 billion and are expected to continue until September 2018. Therefore, a cycle of interest rate increases could begin in 2019.

Central and Eastern Europe (CEE) was a region where the growth was strongest in 2017 worldwide. In UNIQA's core countries in CEE (excluding Russia), the economic growth was 4.4 per cent on average in 2017. For the current year, economic analysts expect the positive dynamic with a growth of 3.8 per cent to continue. The economy is driven primarily by domestic demand. Private household consumption in particular is proving to be a stable growth driver, which is now being supplemented by more dynamic investment activity. Stable employment growth, falling unemployment rates and rising real wages are boosting consumer demand. At 5.6 per cent in 2017, the unemployment rate in CEE was also significantly lower than in the eurozone.

Economic performance in Central Europe expanded by 4.4 per cent in 2017 and the economic upswing was noticeable in Poland (4.6 per cent), the Czech Republic (4.5 per cent), Hungary (4.2 per cent) and Slovakia (3.4 per cent). In Eastern Europe, Ukraine recorded GDP growth of 2.2 per cent in 2017. Russia's economic growth of 1.5 per cent in 2017 was slow but its macroeconomic stability improved nevertheless. In Southeastern Europe, the economic performance continues to catch up. However, some Southeastern European economies continue to suffer from structurally high unemployment rates.

Initially, the positive economic environment led to normalisation of the interest rate landscape in CEE, albeit at varying rates. The Czech Central Bank has already carried out three key rate increases and the Romanian National Bank also started a cycle of interest rate rises at the beginning of 2018. Poland's National Bank is expected to follow in 2019 with a cycle of increases in the key interest rate. Only the Hungarian Central Bank is maintaining a loose monetary policy despite the economic boom. In Russia, the Central Bank succeeded in establishing the inflation target of 4 per cent.

## UNIQA Group

### Premium development

The UNIQA Group's premiums written including savings portions from unit-linked and index-linked life insurance rose by 1.6 per cent to €1,535.4 million (1-3/2017: €1,511.9 million) in the first quarter of 2018. While recurring premiums increased by an encouraging 4.1 per cent to €1,506.3 million (1-3/2017: €1,446.6 million), single premiums in life insurance decreased by 55.5 per cent to €29.1 million (1-3/2017: €65.3 million) in line with Group's strategy.

Premiums earned including net saving portions of the premiums from unit-linked and index-linked life insurance – totalling €72.0 million (1-3/2017: €122.1 million) – remained at the previous year's level of €1,282.6 million (1-3/2017: €1,279.7 million) in the first quarter of 2018. The volume of premiums earned (net, in accordance with IFRSs) rose by 4.6 per cent to €1,210.6 million (1-3/2017: €1,157.6 million).

Premiums written in property and casualty insurance grew by 6.5 per cent to €868.8 million in the first three months of 2018 – especially in CEE (1-3/2017: €815.7 million). The volume of premiums earned

(net, in accordance with IFRSs) rose by 5.1 per cent to €642.4 million (1-3/2017: €611.1 million).

In health insurance, premiums written increased by 3.9 per cent to €280.1 million in the reporting period (1-3/2017: €269.7 million). Premiums earned (net, in accordance with IFRSs) rose by 4.2 per cent to €265.7 million (1-3/2017: €254.9 million).

In life insurance, premiums written including savings portions from unit-linked and index-linked life insurance decreased by 9.4 per cent to €386.5 million (1-3/2017: €426.5 million) in the first three months of 2018. Due to the planned withdrawal from business in the international area, single premiums declined by 55.5 per cent to €29.1 million (1-3/2017: €65.3 million) in the first quarter of 2018. By comparison, recurring premiums fell only slightly to €357.4 million (1-3/2017: €361.3 million). As a result of this development, Annual Premium Equivalent (APE) in life insurance declined by 2.0 per cent to €360.3 million (1-3/2017: €367.8 million). The APE calculation accounts for 10 per cent of single premiums because the average term of single premiums in Europe is ten years. As a result, annual fluctuations are smoothed out in this calculation. The risk-premium portion accounted for in the premiums in unit-linked and index-linked life insurance was €13.0 million in the first quarter of 2018 (1-3/2017: €9.1 million). The insured capital in life insurance totalled €79,724.4 million as at 31 March 2018 (31 March 2017: €79,280.8 million). Including net savings portions of the premiums from unit-linked and index-linked life insurance, premiums earned in life insurance fell by 9.5 per cent to €374.5 million in the first three months of 2018 (1-3/2017: €413.7 million). Premiums earned (net, in accordance with IFRSs) decreased by 3.7 per cent to €302.5 million (1-3/2017: €291.6 million).

### Insurance benefits

The total amount of net insurance benefits in the UNIQA Group rose by 8.9 per cent to €934.9 million (1–3/2017: €858.7 million) in the first quarter of 2018. Insurance benefits before consideration of reinsurance rose by 7.8 per cent to €951.2 million (1–3/2017: €882.3 million).

Net insurance benefits in property and casualty insurance increased roughly in line with the rise in premiums earned by 5.7 per cent to €425.8 million (1–3/2017: €402.6 million). The claims rate (after reinsurance) thus increased slightly in the first three months of 2018 to 66.3 per cent (1–3/2017: 65.9 per cent). This increase also reflects a provision for expected loss events – especially storms – in the remaining part of the year. The combined ratio after reinsurance nevertheless improved to 97.4 per cent (1–3/2017: 97.7 per cent) due to the improved cost situation. Before consideration of reinsurance, the combined ratio amounted to 94.6 per cent (1–3/2017: 95.5 per cent).

In health insurance, net insurance benefits (including the change in the insurance provision) grew in a seasonal pattern by 6.3 per cent to €226.4 million in the first quarter of 2018 (1–3/2017: €212.8 million).

In life insurance, insurance benefits rose by 16.3 per cent to €282.8 million (1–3/2017: €243.2 million), as they were positively influenced by deferred profit participation in the first quarter of the previous year.

### Operating expenses

Total operating expenses, less reinsurance commission received, fell by 3.4 per cent to €319.9 million in the first three months of 2018 (1–3/2017: €331.0 million). Despite the increase in premiums earned, expenses for the acquisition of insurance fell sharply by 9.4 per cent to €208.9 million (1–3/2017: €230.6 million). This was partly due to a significantly lower amortisation of deferred ac-

quisition costs compared with the same quarter of the previous year. UNIQA was also able to successfully reduce new business commissions in life insurance. The reinsurance commission received amounting to €6.2 million (1–3/2017: €7.2 million) has already been deducted from the acquisition costs. Other operating expenses (administrative costs) rose by 10.5 per cent to €110.9 million in the first quarter of 2018 (1–3/2017: €100.4 million) in connection with higher regulatory expenses. This includes costs under the innovation and investment programme amounting to around €6.0 million (1–3/2017: approx. €9.0 million).

The total cost ratio, i.e. the ratio of total operating expenses to the premiums earned including net savings portions from the premiums from unit-linked and index-linked life insurance, improved to 24.9 per cent (1–3/2017: 25.9 per cent), taking into account the reinsurance commission received.

In property and casualty insurance, operating expenses less reinsurance commissions received rose by 3.0 per cent to €200.2 million in the first quarter of 2018 (1–3/2017: €194.3 million). The cost ratio after reinsurance fell in this business line to 31.2 per cent (1–3/2017: 31.8 per cent).

In health insurance, operating expenses less reinsurance commission received increased by 5.6 per cent to €47.6 million (1–3/2017: €45.1 million). The cost ratio (after reinsurance) amounted to 17.9 per cent (1–3/2017: 17.7 per cent).

In life insurance, operating expenses less reinsurance commission received decreased by 21.4 per cent to €72.0 million (1–3/2017: €91.6 million) due to lower acquisition costs. As a consequence, cost ratio after reinsurance improved to 19.2 per cent (1–3/2017: 22.1 per cent).

## Investments

The UNIQA Group's investment portfolio (including investment property, equity-accounted financial assets and other investments) fell slightly to €19,778.8 million as at 31 March 2018 compared to the last reporting date (31 December 2017: €19,877.7 million).

Net investment income rose by 89.3 per cent to €143.4 million (1-3/2017: €75.8 million) in the first quarter of 2018. The main reason for this increase was the closing of the sale of the indirect holding in Casinos Austria Aktiengesellschaft. The UNIQA Group generated a capital gain of €47.4 million from this transaction. Reduced depreciation, amortisation and impairment losses on fixed-income securities also had a positive effect. Currency effects of around €18 million had a negative impact on the net investment income. The equity method accounting of the 14.3 per cent holding in construction group STRABAG SE resulted in a negative contribution to earnings in the amount of €-18.2 million in the first quarter of 2018 (1-3/2017: €-29.1 million).

## Earnings before taxes

The UNIQA Group's technical result fell by 40.2 per cent to €24.2 million in the first quarter of 2018 (1-3/2017: €40.4 million), despite an improvement in the cost situation, due to the increase in insurance benefits in life and health insurance. By contrast, operating profit increased by 81.6 per cent to €87.2 million (1-3/2017: €48.0 million) due to the rise in net investment income. Accordingly, UNIQA Group's earnings before taxes also increased by 122.9 per cent to €73.9 million (1-3/2017: €33.1 million).

Profit/(loss) for the first three months of 2018 amounted to €55.3 million (1-3/2017: €30.0 million). In the same period of the previous year, this included profit/(loss) from discontinued operations (after tax) of €2.7 million due to the sale of the Italian Group companies. Consolidated profit/(loss) (i.e. proportion of the net profit for the period attributable to the shareholders of UNIQA Insurance Group AG) increased by 87.0 per cent to €54.4 million (1-3/2017: €29.1 million). Earnings per share amounted to €0.18 (1-3/2017: €0.09).

Annualised operating return on equity (earnings before taxes and amortisation of goodwill and impairment losses in relation to average equity including non-controlling interests, and excluding the accumulated gains/losses of the valuation of financial instruments available for sale) increased to 10.5 per cent in the first quarter of 2018 (1-3/2017: 5.4 per cent). The annualised return on equity (after tax and non-controlling interests) for the reporting period was 6.8 per cent (1-3/2017: 3.7 per cent).

## Group equity and total assets

Equity attributable to the shareholders of UNIQA Insurance Group AG increased to €3,191.1 million as at 31 March 2018 (31 December 2017: €3,177.6 million). Non-controlling interests came to €16.8 million (31 December 2017: €15.8 million). The Group's total assets slightly increased to €28,970.1 million as at 31 March 2018 (31 December 2017: €28,743.9 million).

## Cash flow

Net cash flow from operating activities in the first quarter of 2018 amounted to €52.1 million (1-3/2017: €370.9 million). Cash flow from the UNIQA Group's investing activities, in line with investment of the revenues received in the reporting period, amounted to €283.5 million (1-3/2017: €183.8 million); the net cash flow from financing activities amounted to €-0.2 million (1-3/2017: €-0.3 million). Overall, cash and cash equivalents fell by €119.0 million to €985.9 million (1-3/2017: €1,104.9 million).

## Employees

The average number of employees (full-time equivalent) of the UNIQA Group remained relatively stable in the first three months of 2018, amounting to 12,810 (1-3/2017: 12,803). These included 4,351 (1-3/2017: 4,525) field sales employees. The number of administrative employees increased to 8,459 (1-3/2017: 8,278).

## Operating segments

### UNIQA Austria

Premiums written including savings portions from unit-linked and index-linked life insurance at UNIQA Austria increased in the first quarter of 2018 by 2.3 per cent to €1,097.9 million (1-3/2017: €1,073.0 million). Recurring premiums rose by an encouraging 2.3 per cent to €1,088.0 million (1-3/2017: €1,063.8 million). Single premiums also increased to €9.8 million (1-3/2017: €9.2 million).

Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance rose by 1.6 per cent to €764.4 million (1-3/2017: €752.3 million). Premiums earned (net, in accordance with IFRSs) also increased by 2.0 per cent to €715.3 million (1-3/2017: €701.2 million).

Premiums written in property and casualty insurance rose, due to the continuing growth in vehicle and property insurance, by 4.6 per cent to €553.9 million (1-3/2017: €529.8 million); and in health insurance UNIQA Austria also recorded premium growth of 2.6 per cent to €260.4 million (1-3/2017: €253.8 million).

Premiums written in life insurance including savings portions from unit-linked and index-linked life insurance decreased in the UNIQA Austria segment by 2.0 per cent to €283.6 million (1-3/2017: €289.5 million). Recurring premiums fell by 2.3 per cent to €273.8 million (1-3/2017: €280.3 million). Single premiums increased slightly to €9.8 million (1-3/2017: €9.2 million). Premium volume in the area of unit-linked and index-linked life insurance at UNIQA Austria fell by 5.5 per cent to €60.2 million in the first quarter of 2018 (1-3/2017: €63.7 million).

Net insurance benefits rose by 5.1 per cent to €614.2 million in the UNIQA Austria segment in the first three months of 2018 (1-3/2017: €584.7 million). In property and casualty insurance, however, the combined ratio after reinsurance improved sharply to 92.1 per cent (1-3/2017: 97.1 per cent) due to a decline in insurance benefits.

Operating expenses less reinsurance commission fell in the first quarter of 2018 by 8.6 per cent to €136.8 million (1-3/2017: €149.8 million). The cost ratio after reinsurance therefore fell to 17.9 per cent (1-3/2017: 19.9 per cent).

Net investment income increased by 19.5 per cent to €94.4 million in the first three months of 2018 (1-3/2017: €79.0 million) due to lower depreciation, amortisation and impairment losses on fixed-income securities. Earnings before taxes rose in the UNIQA Austria segment in the first quarter of 2018 by 35.3 per cent to €44.8 million (1-3/2017: €33.1 million).

### UNIQA International

In the UNIQA International segment, premiums written including savings portions of unit-linked and index-linked life insurance decreased by 0.3 per cent to €428.0 million in the first three months of 2018 (1-3/2017: €426.7 million). Single premiums fell by 65.7 per cent to €19.2 million (1-3/2017: €56.0 million). By contrast, recurring premiums rose sharply by 10.3 per cent to €408.8 million (1-3/2017: €370.6 million). This meant that the international companies contributed a total of 27.9 per cent to total Group premiums overall in the first quarter of 2018 (1-3/2017: 28.2 per cent).

Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance decreased by 9.2 per cent to €252.9 million (1-3/2017: €278.5 million). On the other hand, the volume of premiums earned (net, in accordance with IFRSs) increased slightly by 10.8 per cent to €230.0 million (1-3/2017: €207.5 million).



In Central Europe (CE) – i.e. Poland, Slovakia, the Czech Republic and Hungary – premiums written including savings portions from unit-linked and index-linked life insurance fell in the first three months of 2018 by 5.0 per cent to €255.4 million (1–3/2017: €268.7 million). In the region of Eastern Europe (EE), comprising Romania and Ukraine, a decrease of 5.9 per cent to €44.2 million was recorded (1–3/2017: €46.9 million). Premiums written including savings portions from unit-linked and index-linked life insurance in Southeastern Europe (SEE) – Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro and Serbia – increased by 6.9 per cent to €79.0 million (1–3/2017: €74.0 million). In Russia (RU), the volume of premiums written grew by 61.7 per cent to €24.0 million (1–3/2017: €14.9 million). In Western Europe (WE) – Liechtenstein and Switzerland – they increased by 14.3 per cent to €25.4 million (1–3/2017: €22.2 million).

Premiums written in the UNIQA International segment in property and casualty insurance rose by 11.3 per cent to €307.4 million as a result of the strong growth in vehicle and property insurance (1–3/2017: €276.1 million). This meant the contribution of Group companies outside Austria to overall premiums in property and casualty insurance amounted to 35.4 per cent (1–3/2017: 33.8 per cent).

Premiums written in health insurance rose in the first quarter of 2018 by 23.7 per cent to €19.7 million (1–3/2017: €16.0 million). As such, the segment was responsible for 7.0 per cent (1–3/2017: 5.9 per cent) of health insurance premiums in the UNIQA Group.

In the international life insurance business, premiums written including savings portions from unit-linked and index-linked life insurance fell in the first three months of 2018 by 25.0 per cent to €100.9 million (1–3/2017: €134.6 million), largely driven by the decline in single-premium business in unit-linked and index-linked life insurance in Poland in line with the Group's strategy. Single premiums therefore fell significantly to €19.2 million (1–3/2017: €56.0 million). By contrast, recurring premiums developed well and rose by 4.0 per cent to €81.7 million (1–3/2017: €78.6 million). UNIQA International's share of overall life insurance premiums in the UNIQA Group was 26.1 per cent (1–3/2017: 31.6 per cent). Premiums from unit-linked and index-linked life insurance decreased sharply in the international area by 61.2 per cent to €27.7 million (1–3/2017: €71.5 million).

Net insurance benefits in the UNIQA International segment increased in the first quarter of 2018 by 13.8 per cent to €136.5 million (1–3/2017: €119.9 million). In property and casualty insurance, the combined ratio after reinsurance improved to 96.2 per cent (1–3/2017: 96.7 per cent). In the CE region, benefits rose by 15.1 per cent to €68.7 million (1–3/2017: €59.7 million), and in the EE region they fell by 3.6 per cent to €14.6 million (1–3/2017: €15.1 million). In SEE, they rose by 1.8 per cent to €31.8 million (1–3/2017: €31.3 million). In Russia, benefits amounted to €18.1 million in the first quarter of 2018 (1–3/2017: €11.3 million). In Western Europe, the volume of benefits reached €3.3 million (1–3/2017: €2.4 million).

In the UNIQA International segment, operating expenses less reinsurance commissions received rose by 4.5 per cent to €88.2 million (1–3/2017: €84.4 million). The cost ratio after reinsurance increased due to the decline in single premium business in Poland to 34.9 per cent (1–3/2017: 30.3 per cent). In CE, costs rose by 9.7 per cent to €45.7 million (1–3/2017: €41.7 million), and in EE they rose by 5.1 per cent to €14.2 million (1–3/2017: €13.5 million). In SEE, they increased by 5.0 per cent to €21.5 million (1–3/2017: €20.5 million). Costs in Russia showed a decrease in the first three months of 2018 to €3.1 million (1–3/2017: €3.2 million). In Western Europe, they fell to €0.1 million (1–3/2017: €1.6 million). Costs in administration (UNIQA International AG) decreased by 7.6 per cent to €3.6 million (1–3/2017: €3.9 million).

Net investment income increased in the UNIQA International segment by 96.2 per cent to €15.8 million (1–3/2017: €8.0 million). Earnings before taxes increased by 34.1 per cent to €13.8 million (1–3/2017: €10.3 million).

## Reinsurance

Premiums written in reinsurance amounted to €360.2 million in the first quarter of 2018 (1–3/2017: €364.7 million). Premiums written in property and casualty insurance fell by 1.0 per cent to €348.9 million (1–3/2017: €352.4 million). In health insurance, they amounted to €0.7 million (1–3/2017: €0.5 million) and in life insurance to €10.6 million (1–3/2017: €11.9 million).

Net insurance benefits rose in the reinsurance segment by 5.8 per cent to €186.1 million (1–3/2017: €176.0 million). Operating expenses, less reinsurance commission received, fell by 6.9 per cent to €78.6 million (1–3/2017: €84.4 million). Net investment income declined by

51.2 per cent to €3.9 million (1–3/2017: €8.0 million). Accordingly, earnings before taxes in the reinsurance segment decreased to €1.2 million (1–3/2017: €18.0 million).

## Group functions

In the Group functions segment, operating expenses less reinsurance commission received fell in the first quarter of 2018 by 15.8 per cent to €14.2 million (1–3/2017: €16.8 million). Net investment income increased to €62.8 million due to the sale of the indirect holding in Casinos Austria Aktiengesellschaft (1–3/2017: €5.4 million). As a result, earnings before taxes improved to €36.1 million (1–3/2017: €–17.3 million).

## Capital market

### UNIQA shares – key figures

In €	1–3/2018	1–3/2017	Change
UNIQA share price as at 31 March	9.44	7.28	+29.7%
High	9.94	7.83	–
Low	9.00	7.09	–
Market capitalisation as at 31 March (in € million)	2,897.8	2,234.7	+29.7%
Earnings per share	0.18	0.09	+87.0%
Average number of shares in circulation	306,965,261	306,965,261	–

In the first weeks of 2018, the positive price development on the stock markets continued. However, concerns from the US about accelerated inflation led to a global correction of the stock markets at the beginning of February 2018. The second half of the quarter was dominated by a lateral trend in prices, with general market nervousness increasing.

Favourable economic forecasts and robust corporate profits – together with a positive assessment of the tax reform – were the main drivers of the share price development in the USA at the beginning of the year: in the year to date, both the Dow Jones Industrial (DJI) and the NASDAQ Composite have hit historic highs a number of times. Unexpectedly high employment figures led investors to fear an economic overheating – with corresponding price increases and inevitably associated interest rate increases. The first half of February therefore saw a massive correction in share prices in the US. After a volatile course of the remaining quarter, the DJI closed the quarter 2.5 per cent below its year-end value for 2017, the NASDAQ composite 2.3 per cent above it.

With a decline of 4.1 per cent in the first quarter of 2018, the Euro Stoxx 50 performed weaker than the main US in-

dices. The reason for this was, on the one hand, that international investors generally prefer the US market during more volatile stock market times and, on the other hand, the assessment that Europe is fundamentally more vulnerable as a net exporter in a trade dispute with the USA.

Due to positive economic developments in numerous emerging markets, growing concerns about rising interest rates had surprisingly little impact on share prices in these countries, so that the MSCI Emerging Markets Index event posted a slight increase of 1.1 per cent in the first quarter of 2018. By contrast, the emerging markets in Central and Eastern Europe felt the increased uncertainty of investors. After several quarters of significant growth, the Eastern Europe index CECE lost 5.0 per cent in the first quarter of 2018.

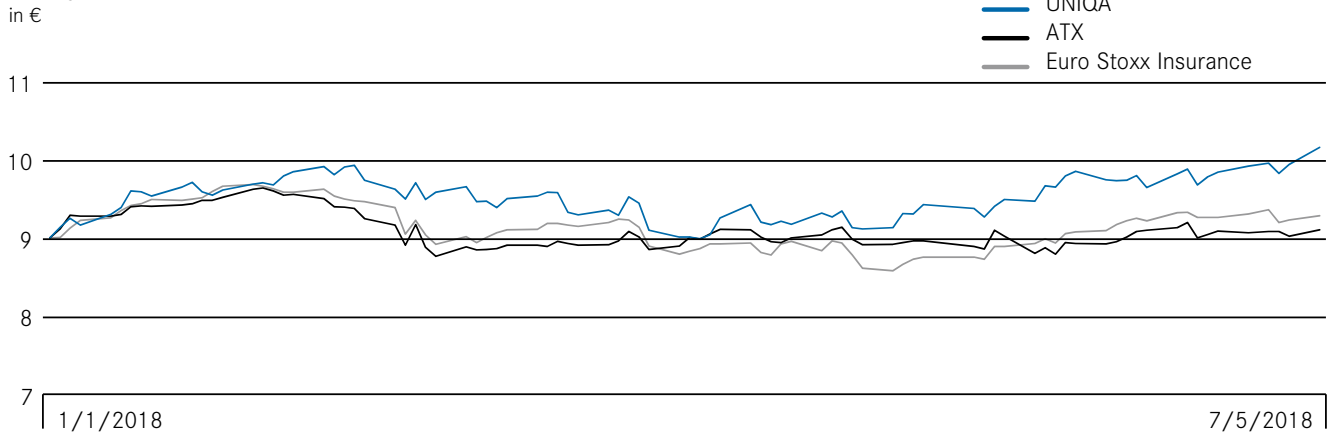
The Vienna Stock Exchange was naturally unable to escape the overall difficult market environment in the first quarter of 2018, but was one of the few international stock exchanges to record a positive price development. The ATX lead index rose by 0.2 per cent compared with the end of 2017 to 3,428.53 points. The comparatively positive price development is supported by the favourable earnings

situation of listed companies and the strong overall growth of the Austrian economy.

The UNIQA share price continued to rise in the first quarter of 2018. On 31 March 2018, the share price amounted to

€9.44. As a result, the upward trend continued and the UNIQA share reached an annual high of €10.17 on 7 May 2018. Compared with the 2017 year-end price (€8.82), this equates to a gain of 15.3 per cent.

### UNIQA share performance



### UNIQA shares – information

Ticker symbol	UQA
Reuters	UNIQ.VI
Bloomberg	UQA AV
ISIN	AT0000821103
Market segment	Vienna Stock Exchange – prime market
Trade segment	Official market
Indices	ATX, ATX FIN, MSCI Europe Small Cap
Number of shares	309,000,000

### Financial calendar

28 May 2018	Annual General Meeting
7 June 2018	Ex-dividend date
8 June 2018	Dividend record date
11 June 2018	Dividend payment date
22 August 2018	Half-Year Financial Report 2018
21 November 2018	First to Third Quarter Report 2018

### Significant events after the reporting date

No events subject to mandatory reporting occurred after the reporting date.

### Outlook

UNIQA expects a moderate fall in total premium volumes of around 1 per cent for 2018. Premium growth of at least 2 per cent is expected in property and casualty insurance in 2018. In line with the long-term trend, UNIQA also anticipates growth of more than 3 per cent in health insurance, driven primarily by business in Austria. In contrast with this a decline is expected in life insurance. The deliberate reduction in single premium business in particular, especially in CEE, along with the persistent decline in classic life insurance in Austria, will result in a fall in premiums of more than 5 per cent in this segment.

In 2016, UNIQA began the largest investment programme in the company's history and is investing around €500 million in redesigning the business model and developing the required staff competencies and necessary IT systems. This significant investment in the future will continue to impact earnings before taxes in the 2018 financial year.

With respect to net investment income, UNIQA expects no further fall for 2018 as compared with 2017, since the effects of the low interest rates are already largely reflected in the fall in capital earnings over recent years.

UNIQA aims to improve the combined ratio (after reinsurance) further in 2018 as compared with 2017. Increased profitability in the core technical business for property and casualty insurance should provide the basis for this.

Overall, UNIQA is expecting an improvement in earnings before taxes once again for the 2018 financial year. UNIQA also intends to continue increasing its annual distribution per share over the next few years as part of a progressive dividend policy.

# Consolidated Interim Financial Statements

## GENERAL DISCLOSURES

### Accounting principles

The consolidated interim financial statements as at 31 March 2018 were prepared in accordance with the requirements of IAS 34 and the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB) recognised by the European Union (EU) as well as the interpretations of the IFRS Interpretations Committee. The additional requirements of Section 245a(1) of the Austrian Commercial Code and Section 138(8) of the Austrian Insurance Supervision Act were met.

The accounting, measurement and consolidation principles correspond to those applied in the consolidated financial statements as at 31 December 2017. The functional currency for UNIQA Insurance Group AG is the euro.

On 7 February 2018, the IASB published amendments to IAS 19 relating to plan amendment, curtailment and settlement. On 29 March 2018, the IASB published the updated framework, which includes revised definitions of an asset and a liability as well as new guidance on measurement and derecognition, presentation and disclosure. IFRS 2 was incorporated into European law on 26 Febru-

ary 2018 and has been applicable since 1 January 2018. The standard includes the classification and measurement of transactions with share-based payment. For IFRS 9 which is applicable since 1 January 2018, UNIQA applies the deferral approach of IFRS 4. Since UNIQA's business is predominantly insurance-related and UNIQA has not applied IFRS 9 in any other version yet, a deferral to apply IFRS 9 for the first time is permitted until 1 January 2021. For associated companies that have been applying IFRS 9 since 1 January 2018, UNIQA has exercised the option of including them in the consolidated interim financial statements without any adjustments. IFRS 15 has been applicable since 1 January 2018 and covers revenue recognition from contracts with customers. The adoption of the new and amended standards has no significant impact on UNIQA's net assets, financial position and results of operations.

In accordance with IAS 34.41, estimates and planning have been used to a greater extent in preparing the quarterly financial statements than for annual reporting.

The consolidated interim financial statements were prepared in millions of euros (rounded based on commercial rounding methods). Rounding differences may occur when totalling rounded amounts and percentages.

# Consolidated Statement of Financial Position

<b>Assets</b> In € million	Notes	31/3/2018	31/12/2017
Property, plant and equipment		309.3	310.6
Intangible assets		1,586.4	1,529.5
<b>Investments</b>			
Investment property		1,226.3	1,233.9
Financial assets accounted for using the equity method		544.5	560.9
Other investments	1	18,008.0	18,082.8
Unit-linked and index-linked life insurance investments		4,883.0	5,034.5
Reinsurers' share of technical provisions		334.7	316.1
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance		295.7	292.0
Receivables, including insurance receivables		743.1	675.9
Income tax receivables		47.6	43.3
Deferred tax assets		5.7	4.7
Cash and cash equivalents		985.9	650.3
Assets in disposal groups held for sale	6	0.0	9.3
<b>Total assets</b>		<b>28,970.1</b>	<b>28,743.9</b>

<b>Equity and liabilities</b> In € million	Notes	31/3/2018	31/12/2017
<b>Total equity</b>			
<b>Portion attributable to shareholders of UNIQA Insurance Group AG</b>			
Subscribed capital and capital reserves		1,789.9	1,789.9
Treasury shares		- 16.6	- 16.6
Accumulated results		1,417.8	1,404.3
		<b>3,191.1</b>	<b>3,177.6</b>
<b>Non-controlling interests</b>		<b>16.8</b>	<b>15.8</b>
		<b>3,207.9</b>	<b>3,193.4</b>
<b>Liabilities</b>			
Subordinated liabilities	1	846.4	846.4
Technical provisions		17,503.8	17,346.3
Technical provisions for unit-linked and index-linked life insurance		4,861.6	5,019.3
Financial liabilities	1	48.4	38.6
Other provisions		770.2	809.8
Liabilities and other items classified as liabilities		1,366.4	1,127.3
Income tax liabilities		54.8	54.4
Deferred tax liabilities		310.4	308.2
		<b>25,762.2</b>	<b>25,550.5</b>
<b>Total equity and liabilities</b>		<b>28,970.1</b>	<b>28,743.9</b>

# Consolidated Income Statement

In € million

	Notes	1–3/2018	1–3/2017
Premiums earned (net)	3	1,210.6	1,157.6
Technical interest income		79.8	79.0
Other insurance income		4.5	6.0
Insurance benefits	4	- 934.9	- 858.7
Operating expenses	5	- 319.9	- 331.0
Other technical expenses		- 15.9	- 12.5
<b>Technical result</b>		<b>24.2</b>	<b>40.4</b>
Net investment income	2	143.4	75.8
Income from investments		215.9	241.8
Expenses from investments		- 103.9	- 139.4
Financial assets accounted for using the equity method		31.5	- 26.6
Other income		11.2	30.8
Reclassification of technical interest income		- 79.8	- 79.0
Other expenses		- 11.9	- 20.0
<b>Non-technical result</b>		<b>63.1</b>	<b>7.6</b>
<b>Operating profit/(loss)</b>		<b>87.2</b>	<b>48.0</b>
Amortisation of goodwill and impairment losses		- 0.6	- 1.4
Finance costs		- 12.7	- 13.5
<b>Earnings before taxes</b>		<b>73.9</b>	<b>33.1</b>
Income taxes		- 18.5	- 5.8
<b>Profit/(loss) for the period from continuing operations</b>		<b>55.3</b>	<b>27.3</b>
<b>Profit/(loss) from discontinued operations (after tax)</b>	7	<b>0.0</b>	<b>2.7</b>
<b>Profit/(loss) for the period</b>		<b>55.3</b>	<b>30.0</b>
of which attributable to shareholders of UNIQA Insurance Group AG		54.4	29.1
of which attributable to non-controlling interests		0.9	0.9
<b>Earnings per share (in €)<sup>1)</sup></b>		<b>0.18</b>	<b>0.09</b>
Earnings per share from continuing operations		0.18	0.09
Earnings per share from discontinued operations		0.00	0.01
<b>Average number of shares in circulation</b>		<b>306,965,261</b>	<b>306,965,261</b>

<sup>1)</sup> Diluted earnings per share equate to undiluted earnings per share. This is calculated on the basis of the consolidated profit/(loss).

# Consolidated Statement of Comprehensive Income

In € million

1–3/2018

1–3/2017

	1–3/2018	1–3/2017
<b>Profit/(loss) for the period</b>	<b>55.3</b>	<b>30.0</b>
<b>Items not reclassified to profit or loss in subsequent periods</b>		
Revaluations of defined benefit obligations		
Gains (losses) recognised in equity	5.1	- 2.2
Gains (losses) recognised in equity – deferred tax	- 1.1	0.5
Gains (losses) recognised in equity – deferred profit participation	- 0.6	0.3
	<b>3.4</b>	<b>- 1.5</b>
<b>Items reclassified to profit or loss in subsequent periods</b>		
Currency translation		
Gains (losses) recognised in equity	- 0.6	5.4
Recognised in the consolidated income statement	0.0	- 0.5
Valuation of financial instruments available for sale		
Gains (losses) recognised in equity	- 76.0	- 245.6
Gains (losses) recognised in equity – deferred tax	10.1	15.4
Gains (losses) recognised in equity – deferred profit participation	41.6	179.9
Recognised in the consolidated income statement	- 29.5	- 35.9
Recognised in the consolidated income statement – deferred tax	5.8	4.1
Recognised in the consolidated income statement – deferred profit participation	5.1	21.6
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	- 0.5	- 0.3
Recognised in the consolidated income statement	0.1	0.0
	<b>- 43.9</b>	<b>- 55.9</b>
of which from discontinued operations	0.0	- 16.9
<b>Other comprehensive income</b>	<b>- 40.5</b>	<b>- 57.3</b>
<b>Total comprehensive income</b>	<b>14.8</b>	<b>- 27.3</b>
of which attributable to shareholders of UNIQA Insurance Group AG	13.8	- 29.6
of which attributable to non-controlling interests	1.1	2.3



# Consolidated Statement of Cash Flows

In € million

	1–3/2018	1–3/2017
Profit/(loss) for the period	55.3	30.0
Impairment losses, amortisation of goodwill and other intangible assets, and depreciation of property, plant and equipment	8.3	9.8
Impairment losses/reversal of impairment losses on other investments	25.8	64.5
Gain/loss on the disposal of investments	- 49.7	26.4
Change in deferred acquisition costs	- 46.6	- 4.1
Change in securities at fair value through profit or loss	- 123.0	- 16.0
Change in direct insurance receivables	- 78.0	- 67.0
Change in other receivables	15.8	- 119.1
Change in direct insurance liabilities	- 17.8	19.7
Change in other liabilities	261.2	237.4
Change in technical provisions	23.5	322.7
Change in defined benefit obligations	2.0	- 0.9
Change in deferred tax assets and deferred tax liabilities	15.9	- 6.3
Change in other statement of financial position items	- 40.8	- 126.2
<b>Net cash flow from operating activities</b>	<b>52.1</b>	<b>370.9</b>
of which from discontinued operations	0.0	257.1
Proceeds from disposal of intangible assets and property, plant and equipment	2.2	1.0
Payments for acquisition of intangible assets and property, plant and equipment	- 18.6	- 13.5
Proceeds from disposal of consolidated companies	56.9	0.0
Proceeds from disposal and maturity of other investments	1,397.3	1,765.1
Payments for acquisition of other investments	- 1,305.8	- 1,554.4
Change in unit-linked and index-linked life insurance investments	151.5	- 14.5
<b>Net cash flow from investing activities</b>	<b>283.5</b>	<b>183.8</b>
of which from discontinued operations	0.0	- 257.7
Payments from other financing activities	- 0.2	- 0.3
<b>Net cash flow from financing activities</b>	<b>- 0.2</b>	<b>- 0.3</b>
of which from discontinued operations	0.0	0.0
<b>Change in cash and cash equivalents</b>	<b>335.4</b>	<b>554.4</b>
of which from discontinued operations	0.0	- 0.6
Change in cash and cash equivalents due to movements in exchange rates	0.2	0.6
Cash and cash equivalents at beginning of year	650.3	549.9
<b>Cash and cash equivalents at end of period</b>	<b>985.9</b>	<b>1,104.9</b>
Income taxes paid (Net cash flow from operating activities)	- 6.9	- 2.9
Interest paid (Net cash flow from operating activities)	- 0.7	- 7.3
Interest received (Net cash flow from operating activities)	91.6	137.5
Dividends received (Net cash flow from operating activities)	7.9	5.6

# Consolidated Statement of Changes in Equity

In € million				Accumulated
	Subscribed capital and capital reserves	Treasury shares	Valuation of financial instruments available for sale	Revaluations of defined benefit obligations
<b>At 1 January 2017</b>	<b>1,789.9</b>	<b>- 16.6</b>	<b>453.7</b>	<b>- 187.0</b>
Change in basis of consolidation		0.0		
<b>Total comprehensive income</b>			<b>- 61.5</b>	<b>- 1.4</b>
Profit/(loss) for the period				
Other comprehensive income			- 61.5	- 1.4
<b>At 31 March 2017</b>	<b>1,789.9</b>	<b>- 16.6</b>	<b>392.1</b>	<b>- 188.5</b>
<b>At 1 January 2018</b>	<b>1,789.9</b>	<b>- 16.6</b>	<b>377.4</b>	<b>- 184.1</b>
Change in basis of consolidation		0.0	0.0	
<b>Total comprehensive income</b>			<b>- 43.2</b>	<b>3.4</b>
Profit/(loss) for the period				
Other comprehensive income			- 43.2	3.4
<b>At 31 March 2018</b>	<b>1,789.9</b>	<b>- 16.6</b>	<b>334.2</b>	<b>- 180.7</b>

results

	Differences from currency translation	Other accumulated results	Portion attributable to shareholders of UNIQA Insurance Group AG	Non-controlling interests	Total equity
	- 174.0	1,320.3	3,186.3	26.5	3,212.8
		- 0.6	- 0.6	0.0	- 0.6
	4.5	28.8	- 29.6	2.3	- 27.3
		29.1	29.1	0.9	30.0
	4.5	- 0.3	- 58.7	1.4	- 57.3
	- 169.4	1,348.5	3,156.0	28.8	3,184.9
	- 173.2	1,384.2	3,177.6	15.8	3,193.4
		- 0.3	- 0.3	0.0	- 0.3
	- 0.5	54.1	13.8	1.1	14.8
		54.4	54.4	0.9	55.3
	- 0.5	- 0.3	- 40.7	0.1	- 40.5
	- 173.8	1,438.0	3,191.1	16.8	3,207.9

# Segment Reporting

## OPERATING SEGMENTS – CONSOLIDATED INCOME STATEMENT

In € million	UNIQA Austria		UNIQA International	
	1–3/2018	1–3/2017	1–3/2018	1–3/2017
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	1,097.9	1,073.0	428.0	426.7
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	764.4	752.3	252.9	278.5
Savings portions in unit-linked and index-linked life insurance (gross)	52.0	55.1	22.9	71.0
Savings portions in unit-linked and index-linked life insurance (net)	49.1	51.1	22.9	71.0
<b>Premiums written (gross)</b>	<b>1,045.8</b>	<b>1,017.9</b>	<b>405.1</b>	<b>355.7</b>
<b>Premiums earned (net)</b>	<b>715.3</b>	<b>701.2</b>	<b>230.0</b>	<b>207.5</b>
Premiums earned (net) – intragroup	- 170.2	- 160.7	- 96.2	- 89.8
Premiums earned (net) – external	885.6	861.9	326.1	297.3
Technical interest income	74.7	75.2	5.0	3.8
Other insurance income	0.6	1.4	4.8	5.2
Insurance benefits	- 614.2	- 584.7	- 136.5	- 119.9
Operating expenses	- 136.8	- 149.8	- 88.2	- 84.4
Other technical expenses	- 7.4	- 4.5	- 8.8	- 9.1
<b>Technical result</b>	<b>32.1</b>	<b>38.9</b>	<b>6.4</b>	<b>3.2</b>
<b>Net investment income</b>	<b>94.4</b>	<b>79.0</b>	<b>15.8</b>	<b>8.0</b>
Income from investments	167.3	186.2	23.7	28.8
Expenses from investments	- 72.9	- 107.3	- 7.9	- 20.8
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	2.8	3.4	2.3	7.2
Reclassification of technical interest income	- 74.7	- 75.2	- 5.0	- 3.8
Other expenses	- 3.2	- 6.2	- 4.6	- 3.2
<b>Non-technical result</b>	<b>19.3</b>	<b>1.0</b>	<b>8.4</b>	<b>8.3</b>
<b>Operating profit/(loss)</b>	<b>51.4</b>	<b>39.9</b>	<b>14.8</b>	<b>11.5</b>
Amortisation of goodwill and impairment losses	- 0.4	- 0.6	- 0.2	- 0.8
Finance costs	- 6.2	- 6.2	- 0.8	- 0.4
<b>Earnings before taxes from continuing operations</b>	<b>44.8</b>	<b>33.1</b>	<b>13.8</b>	<b>10.3</b>
<b>Combined ratio (property and casualty insurance, after reinsurance)</b>	<b>92.1 %</b>	<b>97.1 %</b>	<b>96.2 %</b>	<b>96.7 %</b>
<b>Cost ratio (after reinsurance)</b>	<b>17.9 %</b>	<b>19.9 %</b>	<b>34.9 %</b>	<b>30.3 %</b>

Reinsurance		Group function		Consolidation		Group	
1–3/2018	1–3/2017	1–3/2018	1–3/2017	1–3/2018	1–3/2017	1–3/2018	1–3/2017
360.2	364.7	0.0	0.0	-350.7	-352.5	1,535.4	1,511.9
263.6	275.0	0.0	0.0	1.7	-26.1	1,282.6	1,279.7
0.0	0.0	0.0	0.0	0.0	0.0	75.0	126.1
0.0	0.0	0.0	0.0	0.0	0.0	72.0	122.1
360.2	364.7	0.0	0.0	-350.7	-352.5	1,460.4	1,385.8
263.6	275.0	0.0	0.0	1.7	-26.1	1,210.6	1,157.6
264.7	276.6	0.0	0.0	1.7	-26.1	0.0	0.0
-1.1	-1.6	0.0	0.0	0.0	0.0	1,210.6	1,157.6
0.0	0.0	0.0	0.0	0.0	0.0	79.8	79.0
0.2	0.2	0.1	0.2	-1.2	-1.1	4.5	6.0
-186.1	-176.0	3.1	3.5	-1.2	18.4	-934.9	-858.7
-78.6	-84.4	-14.2	-16.8	-2.1	4.4	-319.9	-331.0
-3.6	-3.5	-0.3	-0.3	4.1	4.8	-15.9	-12.5
-4.4	11.4	-11.2	-13.5	1.3	0.3	24.2	40.4
3.9	8.0	62.8	5.4	-33.5	-24.7	143.4	75.8
8.6	11.1	36.5	30.9	-20.2	-15.2	215.9	241.8
-4.7	-3.1	-21.1	-25.4	2.6	17.1	-103.9	-139.4
0.0	0.0	47.4	0.0	-15.9	-26.6	31.5	-26.6
3.2	1.0	4.1	12.3	-1.1	6.8	11.2	30.8
0.0	0.0	0.0	0.0	0.0	0.0	-79.8	-79.0
-0.7	-1.8	-4.0	-8.2	0.7	-0.6	-11.9	-20.0
6.4	7.2	62.9	9.6	-33.8	-18.5	63.1	7.6
2.0	18.7	51.7	-3.8	-32.5	-18.2	87.2	48.0
0.0	0.0	0.0	0.0	0.0	0.0	-0.6	-1.4
-0.7	-0.7	-15.5	-13.4	10.5	7.3	-12.7	-13.5
1.2	18.0	36.1	-17.3	-22.0	-10.9	73.9	33.1
100.5 %	94.4 %	n/a	n/a	n/a	n/a	97.4 %	97.7 %
29.8 %	30.7 %	n/a	n/a	n/a	n/a	24.9 %	25.9 %

## OPERATING SEGMENTS – CLASSIFIED BY BUSINESS LINE

## Property and casualty insurance

In € million	UNIQA Austria		UNIQA International	
	1 – 3/2018	1 – 3/2017	1 – 3/2018	1 – 3/2017
Premiums written (gross)	553.9	529.8	307.4	276.1
Premiums earned (net)	243.5	234.4	139.1	133.2
Other insurance income	0.4	1.0	3.5	3.0
Insurance benefits	- 160.4	- 170.7	- 83.5	- 79.3
Operating expenses	- 63.9	- 56.9	- 50.3	- 49.5
Other technical expenses	- 2.5	- 0.5	- 8.0	- 8.5
<b>Technical result</b>	<b>17.0</b>	<b>7.4</b>	<b>0.7</b>	<b>- 1.2</b>
Net investment income	9.8	4.8	7.2	6.0
Income from investments	35.8	34.0	10.0	12.2
Expenses from investments	- 26.1	- 29.2	- 2.8	- 6.1
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	2.7	2.7	1.2	2.3
Other expenses	- 2.4	- 3.9	- 2.6	- 2.3
<b>Non-technical result</b>	<b>10.1</b>	<b>3.6</b>	<b>5.9</b>	<b>6.0</b>
<b>Operating profit/(loss)</b>	<b>27.2</b>	<b>11.0</b>	<b>6.6</b>	<b>4.8</b>
Amortisation of goodwill and impairment losses	0.0	0.0	- 0.1	- 0.7
Finance costs	0.0	0.0	- 0.8	- 0.4
<b>Earnings before taxes from continuing operations</b>	<b>27.2</b>	<b>11.0</b>	<b>5.7</b>	<b>3.7</b>

## Health insurance

In € million	UNIQA Austria		UNIQA International	
	1 – 3/2018	1 – 3/2017	1 – 3/2018	1 – 3/2017
Premiums written (gross)	260.4	253.8	19.7	16.0
Premiums earned (net)	249.5	242.4	15.6	12.2
Technical interest income	20.9	20.0	0.0	0.0
Other insurance income	0.0	0.2	0.0	0.4
Insurance benefits	- 218.7	- 208.3	- 10.6	- 8.1
Operating expenses	- 38.2	- 35.8	- 5.2	- 5.1
Other technical expenses	- 0.3	0.5	- 0.1	- 0.1
<b>Technical result</b>	<b>13.2</b>	<b>19.1</b>	<b>- 0.3</b>	<b>- 0.6</b>
Net investment income	20.2	11.0	0.0	0.0
Income from investments	54.5	52.9	0.2	0.1
Expenses from investments	- 34.3	- 41.9	- 0.1	- 0.1
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	0.0	0.3	0.8	0.5
Reclassification of technical interest income	- 20.9	- 20.0	0.0	0.0
Other expenses	- 0.5	- 1.2	- 0.7	- 0.4
<b>Non-technical result</b>	<b>- 1.1</b>	<b>- 9.8</b>	<b>0.1</b>	<b>0.1</b>
<b>Operating profit/(loss)</b>	<b>12.0</b>	<b>9.2</b>	<b>- 0.1</b>	<b>- 0.5</b>
<b>Earnings before taxes from continuing operations</b>	<b>12.0</b>	<b>9.2</b>	<b>- 0.1</b>	<b>- 0.5</b>

Reinsurance		Group function		Consolidation			Group
1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017
348.9	352.4	0.0	0.0	-341.3	-342.5	868.8	815.7
258.4	269.1	0.0	0.0	1.5	-25.6	642.4	611.1
0.2	0.2	0.1	0.2	-1.0	-0.8	3.1	3.5
-181.8	-171.0	0.1	0.0	-0.2	18.4	-425.8	-402.6
-77.9	-83.1	-6.8	-9.2	-1.3	4.4	-200.2	-194.3
-2.7	-2.5	-0.1	-0.1	2.6	3.3	-10.7	-8.4
-3.8	12.6	-6.7	-9.2	1.6	-0.4	8.9	9.2
1.6	5.6	60.9	5.5	-8.3	4.3	71.3	26.2
6.3	8.7	25.8	20.3	-10.6	-10.7	67.3	64.5
-4.7	-3.1	-12.3	-14.8	0.4	13.0	-45.5	-40.3
0.0	0.0	47.4	0.0	2.0	2.0	49.4	2.0
3.2	1.0	3.0	11.6	-0.7	4.1	9.3	21.7
-0.7	-1.8	-3.0	-7.6	0.5	-0.3	-8.1	-15.9
4.1	4.8	60.9	9.5	-8.5	8.1	72.5	32.0
0.3	17.5	54.2	0.3	-6.9	7.6	81.4	41.2
0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.7
-0.7	-0.7	-13.9	-13.4	2.7	1.1	-12.7	-13.4
-0.4	16.7	40.3	-13.1	-4.2	8.7	68.6	27.1

Reinsurance		Group function		Consolidation			Group
1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017
0.7	0.5	0.0	0.0	-0.7	-0.5	280.1	269.7
0.6	0.4	0.0	0.0	0.0	-0.1	265.7	254.9
0.0	0.0	0.0	0.0	0.0	0.0	20.9	20.0
0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.6
-0.1	0.0	3.0	3.5	0.1	0.0	-226.4	-212.8
-0.3	-0.2	-4.0	-4.1	0.1	0.0	-47.6	-45.1
0.0	0.0	-0.1	-0.1	0.0	0.0	-0.4	0.3
0.3	0.3	-1.1	-0.7	0.1	-0.1	12.2	18.0
0.0	0.0	-1.3	-1.0	-7.1	-11.1	11.9	-1.1
0.0	0.0	0.1	0.3	-0.4	-0.3	54.4	53.1
0.0	0.0	-1.4	-1.4	0.2	0.2	-35.6	-43.2
0.0	0.0	0.0	0.0	-6.9	-11.1	-6.9	-11.1
0.0	0.0	1.1	0.6	-0.3	2.5	1.6	4.0
0.0	0.0	0.0	0.0	0.0	0.0	-20.9	-20.0
0.0	0.0	-0.7	-0.3	0.1	0.0	-1.8	-1.8
0.0	0.0	-0.9	-0.7	-7.3	-8.6	-9.2	-19.0
0.3	0.3	-2.0	-1.3	-7.2	-8.7	3.0	-1.0
0.3	0.3	-2.0	-1.4	-7.2	-8.7	3.0	-1.1

## Life insurance

In € million	UNIQA Austria		UNIQA International	
	1–3/2018	1–3/2017	1–3/2018	1–3/2017
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	283.6	289.5	100.9	134.6
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	271.5	275.5	98.2	133.1
Savings portions in unit-linked and index-linked life insurance (gross)	52.0	55.1	22.9	71.0
Savings portions in unit-linked and index-linked life insurance (net)	49.1	51.1	22.9	71.0
Premiums written (gross)	231.6	234.4	78.0	63.6
Premiums earned (net)	222.4	224.3	75.3	62.1
Technical interest income	53.8	55.2	5.0	3.8
Other insurance income	0.1	0.3	1.3	1.8
Insurance benefits	- 235.1	- 205.7	- 42.4	- 32.5
Operating expenses	- 34.7	- 57.2	- 32.7	- 29.8
Other technical expenses	- 4.6	- 4.4	- 0.6	- 0.5
<b>Technical result</b>	<b>1.9</b>	<b>12.5</b>	<b>5.9</b>	<b>4.9</b>
Net investment income	64.4	63.2	8.5	2.0
Income from investments	77.0	99.4	13.5	16.5
Expenses from investments	- 12.6	- 36.2	- 5.0	- 14.5
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	0.0	0.3	0.2	4.5
Reclassification of technical interest income	- 53.8	- 55.2	- 5.0	- 3.8
Other expenses	- 0.4	- 1.2	- 1.3	- 0.5
<b>Non-technical result</b>	<b>10.2</b>	<b>7.2</b>	<b>2.4</b>	<b>2.3</b>
<b>Operating profit/(loss)</b>	<b>12.2</b>	<b>19.7</b>	<b>8.3</b>	<b>7.2</b>
Amortisation of goodwill and impairment losses	- 0.4	- 0.6	- 0.1	- 0.1
Finance costs	- 6.2	- 6.2	0.0	0.0
<b>Earnings before taxes from continuing operations</b>	<b>5.5</b>	<b>12.9</b>	<b>8.2</b>	<b>7.1</b>

## UNIQA INTERNATIONAL – REGIONS

In € million	Premiums earned (net)		Net investment income		Insurance benefits		Operating expenses		Earnings before taxes from continuing operations	
	1–3/2018	1–3/2017	1–3/2018	1–3/2017	1–3/2018	1–3/2017	1–3/2018	1–3/2017	1–3/2018	1–3/2017
Western Europe (WE)	3.8	4.0	- 0.1	0.0	- 3.3	- 2.4	- 0.1	- 1.6	0.3	0.5
Central Europe (CE)	122.0	106.7	7.9	9.1	- 68.7	- 59.7	- 45.7	- 41.7	11.5	10.7
Eastern Europe (EE)	26.3	27.3	0.2	2.1	- 14.6	- 15.1	- 14.2	- 13.5	- 2.9	- 0.4
Southeastern Europe (SEE)	55.0	55.0	4.6	1.8	- 31.8	- 31.3	- 21.5	- 20.5	4.6	4.1
Russia (RU)	22.9	14.4	4.1	- 1.6	- 18.1	- 11.3	- 3.1	- 3.2	5.1	2.8
Administration	0.0	0.0	- 0.9	- 3.5	0.0	0.0	- 3.6	- 3.9	- 4.8	- 7.4
<b>Total</b>	<b>230.0</b>	<b>207.5</b>	<b>15.8</b>	<b>8.0</b>	<b>- 136.5</b>	<b>- 119.9</b>	<b>- 88.2</b>	<b>- 84.4</b>	<b>13.8</b>	<b>10.3</b>



Reinsurance		Group function		Consolidation		Group	
1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017
10.6	11.9						
		0.0	0.0	- 8.6	- 9.4	386.5	426.5
4.6	5.5	0.0	0.0	0.2	- 0.4	374.5	413.7
0.0	0.0	0.0	0.0	0.0	0.0	75.0	126.1
0.0	0.0	0.0	0.0	0.0	0.0	72.0	122.1
10.6	11.9	0.0	0.0	- 8.6	- 9.4	311.5	300.4
4.6	5.5	0.0	0.0	0.2	- 0.4	302.5	291.6
0.0	0.0	0.0	0.0	0.0	0.0	58.9	59.0
0.0	0.1	0.0	0.0	- 0.2	- 0.3	1.3	1.9
- 4.2	- 5.0	0.0	0.0	- 1.1	0.0	- 282.8	- 243.2
- 0.4	- 1.1	- 3.3	- 3.5	- 0.8	0.0	- 72.0	- 91.6
- 0.9	- 0.9	- 0.1	- 0.1	1.4	1.5	- 4.8	- 4.4
- 0.9	- 1.5	- 3.4	- 3.6	- 0.4	0.9	3.1	13.2
2.3	2.4	3.1	1.0	- 18.1	- 17.8	60.3	50.7
2.3	2.4	10.5	10.2	- 9.2	- 4.2	94.1	124.3
0.0	0.0	- 7.4	- 9.3	2.1	3.9	- 22.8	- 56.0
0.0	0.0	0.0	0.0	- 11.0	- 17.5	- 11.0	- 17.5
0.0	0.0	0.0	0.1	0.0	0.2	0.3	5.2
0.0	0.0	0.0	0.0	0.0	0.0	- 58.9	- 59.0
0.0	0.0	- 0.3	- 0.3	0.1	- 0.4	- 1.9	- 2.3
2.3	2.4	2.9	0.8	- 18.0	- 18.0	- 0.2	- 5.4
1.4	0.9	- 0.5	- 2.8	- 18.4	- 17.1	2.8	7.8
0.0	0.0	0.0	0.0	0.0	0.0	- 0.5	- 0.7
0.0	0.0	- 1.6	0.0	7.8	6.2	0.0	0.0
1.4	0.9	- 2.1	- 2.8	- 10.6	- 11.0	2.3	7.1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CLASSIFIED BY BUSINESS LINE

In € million	Property and casualty insurance		Health insurance	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>Assets</b>				
Property, plant and equipment	160.6	162.5	36.2	35.3
Intangible assets	579.1	525.3	256.9	255.5
<b>Investments</b>				
Investment property	253.3	254.5	235.3	237.2
Financial assets accounted for using the equity method	61.1	59.6	186.7	193.6
Other investments	4,891.6	4,797.7	2,925.9	2,976.5
Unit-linked and index-linked life insurance investments	0.0	0.0	0.0	0.0
Reinsurers' share of technical provisions	200.2	183.5	2.4	1.6
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Receivables, including insurance receivables	378.9	249.7	317.2	312.3
Income tax receivables	43.0	38.8	0.3	0.3
Deferred tax assets	2.0	1.3	0.0	0.0
Cash and cash equivalents	467.3	278.3	260.8	182.9
Assets in disposal groups held for sale	0.0	9.3	0.0	0.0
<b>Total assets by business line</b>	<b>7,037.0</b>	<b>6,560.5</b>	<b>4,221.6</b>	<b>4,195.1</b>
<b>Liabilities</b>				
Subordinated liabilities	852.5	852.1	0.0	0.0
Technical provisions	3,314.7	3,136.0	3,089.4	3,039.2
Technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Financial liabilities	16.2	5.8	28.1	27.9
Other provisions	505.6	526.6	291.8	296.6
Liabilities and other items classified as liabilities	741.3	472.6	53.1	57.6
Income tax liabilities	50.6	50.6	2.6	2.6
Deferred tax liabilities	72.5	59.1	127.5	135.6
<b>Total liabilities by business line</b>	<b>5,553.3</b>	<b>5,102.8</b>	<b>3,592.5</b>	<b>3,559.5</b>

Life insurance		Consolidation			Group
31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
112.5	112.9	0.0	0.0	309.3	310.6
806.7	786.5	- 56.2	- 37.8	1,586.4	1,529.5
737.7	742.2	0.0	0.0	1,226.3	1,233.9
296.8	307.8	0.0	0.0	544.5	560.9
10,822.4	10,941.9	- 631.8	- 633.2	18,008.0	18,082.8
4,883.0	5,034.5	0.0	0.0	4,883.0	5,034.5
143.2	142.3	- 11.0	- 11.3	334.7	316.1
295.7	292.0	0.0	0.0	295.7	292.0
113.4	173.0	- 66.4	- 59.1	743.1	675.9
4.2	4.1	0.0	0.0	47.6	43.3
3.7	3.4	0.0	0.0	5.7	4.7
257.9	189.2	0.0	0.0	985.9	650.3
0.0	0.0	0.0	0.0	0.0	9.3
18,476.9	18,729.7	- 765.5	- 741.4	28,970.1	28,743.9
410.8	410.7	- 416.8	- 416.5	846.4	846.4
11,123.8	11,194.7	- 24.1	- 23.6	17,503.8	17,346.3
4,861.6	5,019.3	0.0	0.0	4,861.6	5,019.3
186.9	187.5	- 182.7	- 182.6	48.4	38.6
18.8	27.0	- 46.0	- 40.4	770.2	809.8
667.7	675.0	- 95.7	- 77.9	1,366.4	1,127.3
1.6	1.3	0.0	0.0	54.8	54.4
110.5	113.6	0.0	0.0	310.4	308.2
17,381.8	17,629.2	- 765.3	- 741.0	25,762.2	25,550.5
Consolidated equity and non-controlling interests				3,207.9	3,193.4
Total equity and liabilities by business line				28,970.1	28,743.9

The amounts indicated for each business line have been adjusted to eliminate amounts resulting from internal transactions. Therefore, the balance of segment assets and

segment equity and liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective business line.

# Notes to the Condensed Consolidated Interim Financial Statements

## 1. Investments plus valuation hierarchies for fair value measurements

Other investments are broken down into the following classes and categories of financial instruments:

### At 31 March 2018

In € million

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets recognised at fair value through profit or loss	25.4	453.3	0.0	163.7	58.9	701.2
Available-for-sale financial assets	776.9	15,786.8	0.0	0.0	0.0	16,563.7
Loans and receivables	0.0	201.8	541.3	0.0	0.0	743.1
<b>Total</b>	<b>802.4</b>	<b>16,441.8</b>	<b>541.3</b>	<b>163.7</b>	<b>58.9</b>	<b>18,008.0</b>
of which fair value option	25.4	453.3	0.0	0.0	0.0	478.7

### At 31 December 2017

In € million

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets recognised at fair value through profit or loss	29.4	314.9	0.0	165.0	60.4	569.8
Available-for-sale financial assets	856.1	15,973.6	0.0	0.0	0.0	16,829.7
Loans and receivables	0.0	212.4	471.0	0.0	0.0	683.4
<b>Total</b>	<b>885.5</b>	<b>16,500.9</b>	<b>471.0</b>	<b>165.0</b>	<b>60.4</b>	<b>18,082.8</b>
of which fair value option	29.4	314.9	0.0	0.0	0.0	344.3

## Determination of fair value

A range of accounting policies and disclosures requires the determination of the fair value of financial and non-financial assets and liabilities. UNIQA has defined a control framework with regard to the determination of fair value. This includes a measurement team, which bears general responsibility for monitoring all major measurements of fair value, including Level 3 fair values, and reports directly to the Group Management Board.

A regular review is carried out of the major unobservable inputs and the measurement adjustments. If information from third parties, such as quoted prices from brokers or price information services, is used to determine fair values, evidence obtained from third parties is reviewed to determine that such measurements meet the requirements of IFRSs, including the level in the fair value hierarchy in which these measurements are attributable.

Major items in the measurement are reported to the Audit Committee.

As far as possible, UNIQA uses data that are observable on the market when determining the fair value of an asset or a liability. On the basis of the inputs used in the valuation techniques, the fair values are assigned to different levels in the fair value hierarchy:

- Level 1: quoted prices (unadjusted) on active markets for identical assets and liabilities. At UNIQA these primarily involve quoted shares, quoted bonds and quoted investment funds.
- Level 2: valuation parameters that are not quoted prices included in Level 1 but which can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices), or are based on prices on markets that have been classified as inactive. The parameters that can be observed here include, for example, exchange

rates, yield curves and volatilities. At UNIQA, these include in particular quoted bonds that do not fulfil the conditions under Level 1, along with structured products.

- Level 3: valuation parameters for assets or liabilities that are not based or are only partly based on observable market data. The valuations here primarily involve application of the discounted cash flow method, comparative procedures with instruments for which there are observable prices and other procedures. As there are no observable parameters here in many cases, the estimates used can have a significant impact on the result of the valuation. At UNIQA, it is primarily other equity investments, private equity and hedge funds, ABS and structured products which do not fulfil the conditions under Level 2 that are assigned to Level 3.

If the inputs used to determine the fair value of an asset or a liability can be assigned to different levels of the fair value hierarchy, the entire fair value measurement is assigned to the respective level of the fair value hierarchy that corresponds to the lowest input significant for the measurement overall.

UNIQA recognises reclassifications between different levels of the fair value hierarchy at the end of the reporting period in which the adjustment occurred.

### Valuation process and methods

#### Financial instruments measured at fair value

For the valuation of capital investments, techniques best suited to the determination of value are applied. The following standard valuation procedures are applied for financial instruments which come under Levels 2 and 3:

- Market approach:  
The valuation method in the market approach is based on prices or other applicable information from market transactions which involve identical or comparable assets and liabilities.
- Income approach:  
The income approach corresponds to the method whereby the future (expected) payment flows or earnings are inferred on a current amount.
- Cost approach:  
The cost approach generally corresponds to the value which would have to be applied in order to procure the asset once again.

#### Non-financial assets and loans

The fair value of investment property is determined within the scope of the impairment test.

Loans are accounted for at amortised cost. Any required impairment is determined with due regard to the collateral and the debtor's creditworthiness.

#### Financial liabilities

The fair value of financial liabilities and subordinated liabilities is determined using the discounted cash flow method. Yield curves and CDS spreads are used as inputs.

## Valuation techniques and inputs in the determination of fair values

Assets	Price method	Input factors	Price model
<b>Fixed-income securities</b>			
Listed bonds	Listed price	-	-
Unlisted bonds	Theoretical price	CDS spread, yield curves	Present value method
Unquoted asset backed securities	Theoretical price	-	Discounted cash flow, single deal review, peer
<b>Variable-income securities</b>			
Listed shares/investment funds	Listed price	-	-
Private equities	Theoretical price	Certified net asset values	Net asset value method
Hedge funds	Theoretical price	Certified net asset values	Net asset value method
Other shares	Theoretical value	WACC, (long-term) revenue growth rate, (long-term) profit margins, control premium	Expert opinion
<b>Derivative financial instruments</b>			
Equity basket certificate	Theoretical price	CDS spread, yield curves	Black-Scholes Monte Carlo N-DIM
CMS floating rate note	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	LIBOR market model, Hull-White-Garman-Kohlhagen Monte Carlo
CMS spread certificate	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Contract specific model
Fund basket certificate	Theoretical price	Deduction of fund prices	Contract specific model
FX (Binary) option	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM
Option (Inflation, OTC, OTC FX options)	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes Monte Carlo N-DIM, contract specific model, inflation market model NKIS
Structured bonds	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, LMM
Swap, cross currency swap	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, Black-76-model, LIBOR market model, contract specific model
Swaption, total return swaption	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black - basis point volatility, contract specific model
Variance, volatility, correlation swap	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Contract specific model, Heston - Monte Carlo optimal strategy
<b>Investments from investment contracts</b>			
Listed shares/investment funds	Listed price	-	-
Unlisted investment funds	Theoretical price	CDS spread, yield curves	Present value method

## Valuation hierarchy

## Assets and liabilities measured at fair value

	Level 1		Level 2		Level 3		Total	
In € million	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>Available-for-sale financial assets</b>								
Variable-income securities	647.7	727.8	3.2	0.1	126.1	128.2	776.9	856.1
Fixed-income securities	13,300.7	13,145.7	2,186.1	2,520.8	299.9	307.1	15,786.8	15,973.6
<b>Total</b>	<b>13,948.3</b>	<b>13,873.5</b>	<b>2,189.3</b>	<b>2,520.9</b>	<b>426.0</b>	<b>435.3</b>	<b>16,563.7</b>	<b>16,829.7</b>
<b>Financial assets recognised at fair value through profit or loss</b>								
Variable-income securities	0.0	0.0	16.4	17.7	9.0	11.7	25.4	29.4
Fixed-income securities	323.4	174.8	69.2	79.1	60.7	60.9	453.3	314.9
Derivative financial instruments	0.7	0.0	87.6	84.2	75.4	80.8	163.7	165.0
Investments from investment contracts	54.4	56.6	1.0	1.0	3.5	2.8	58.9	60.4
<b>Total</b>	<b>378.5</b>	<b>231.5</b>	<b>174.1</b>	<b>182.0</b>	<b>148.6</b>	<b>156.2</b>	<b>701.2</b>	<b>569.8</b>

	Level 1		Level 2		Level 3		Total	
In € million	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>Financial liabilities</b>								
Derivative financial instruments	0.9	0.0	24.9	22.5	9.1	2.3	34.8	24.8
<b>Total</b>	<b>0.9</b>	<b>0.0</b>	<b>24.9</b>	<b>22.5</b>	<b>9.1</b>	<b>2.3</b>	<b>34.8</b>	<b>24.8</b>

## Fair values of assets and liabilities measured at amortised cost

	Level 1		Level 2		Level 3		Total	
In € million	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>Investment property</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2,220.4</b>	<b>2,217.6</b>	<b>2,220.4</b>	<b>2,217.6</b>
<b>Loans and receivables</b>								
Loans and other investments	0.0	0.0	394.6	327.6	146.8	143.4	541.3	471.0
Fixed-income securities	56.4	50.4	134.2	153.0	32.1	32.4	222.7	235.7
<b>Total</b>	<b>56.4</b>	<b>50.4</b>	<b>528.7</b>	<b>480.6</b>	<b>178.8</b>	<b>175.7</b>	<b>764.0</b>	<b>706.7</b>

	Level 1		Level 2		Level 3		Total	
In € million	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>Financial liabilities</b>								
Liabilities from loans	0.0	0.0	0.0	0.0	13.6	13.8	13.6	13.8
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>13.6</b>	<b>13.8</b>	<b>13.6</b>	<b>13.8</b>
<b>Subordinated liabilities</b>	<b>1,025.7</b>	<b>1,065.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,025.7</b>	<b>1,065.2</b>

### Transfers between Levels 1 and 2

Transfers were made in the reporting period from Level 1 to Level 2 amounting to €114.5 million and from Level 2 to Level 1 amounting to €369.2 million. These are attributable primarily to changes in trading frequency and trading activity.

### Level 3 financial instruments

In accordance with the hierarchy set forth in IFRS 13, Level 3 primarily includes fixed-income securities and other

equity investments that come under the category “available for sale”.

The following table shows the changes in the fair values of financial instruments whose valuation techniques are not based on observable inputs.

In € million	RZB shares		Fixed-income securities		Other		Total	
	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017	31/3/2018	31/12/2017
<b>At 1 January</b>	<b>0.0</b>	<b>126.1</b>	<b>307.1</b>	<b>426.6</b>	<b>282.1</b>	<b>286.0</b>	<b>589.2</b>	<b>838.6</b>
Transfers from Level 3 to Level 1	0.0	- 126.1	0.0	0.0	0.0	0.0	0.0	- 126.1
Transfers to Level 3	0.0	0.0	0.0	107.3	0.0	1.7	0.0	109.0
Gains and losses recognised in profit or loss	0.0	0.0	- 0.1	- 24.7	- 6.0	9.6	- 6.0	- 15.1
Gains and losses recognised in other comprehensive income	0.0	0.0	- 2.7	- 1.6	1.4	2.2	- 1.3	0.6
Additions	0.0	0.0	0.0	99.8	- 0.7	11.3	- 0.7	111.0
Disposals	0.0	0.0	- 4.4	- 300.3	- 11.3	- 24.5	- 15.7	- 324.7
Change in basis of consolidation	0.0	0.0	0.0	0.0	0.0	- 4.2	0.0	- 4.2
<b>At 31 March and/or 31 December</b>	<b>0.0</b>	<b>0.0</b>	<b>299.9</b>	<b>307.1</b>	<b>265.6</b>	<b>282.1</b>	<b>565.5</b>	<b>589.2</b>

The transfers between Levels 2 and 3 were completed as a result of changes in the observability of the relevant inputs.

### Sensitivities

For the most important financial instruments in Level 3, an increase in the discount rate by 100 basis points results in a 6.1 per cent reduction in the value. A reduction in the discount rate by 100 basis points results in a 5.7 per cent increase in value.



## 2. Net investment income

### Classified by business line

	Property and casualty insurance		Health insurance		Life insurance		Group	
	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017
In € million								
Investment property	1.6	-1.5	1.3	1.6	9.6	7.6	12.6	7.7
Financial assets accounted for using the equity method	49.4	2.0	-6.9	-11.1	-11.0	-17.5	31.5	-26.6
Variable-income securities	4.4	1.2	3.2	1.2	5.5	0.0	13.1	2.4
Available for sale	4.4	1.2	3.4	1.4	6.6	4.6	14.4	7.2
At fair value through profit or loss	0.0	0.0	-0.2	-0.1	-1.1	-4.6	-1.3	-4.8
Fixed-income securities	18.1	21.4	16.2	8.9	55.0	54.6	89.4	85.0
Available for sale	18.3	21.5	16.4	8.7	55.1	52.9	89.8	83.1
At fair value through profit or loss	-0.2	-0.1	-0.2	0.2	0.0	1.7	-0.4	1.8
Loans and other investments	-0.1	1.5	0.4	0.4	5.3	11.1	5.6	13.0
Loans	0.2	1.1	0.5	0.9	2.0	3.9	2.6	5.8
Other investments	-0.3	0.4	0.0	-0.5	3.4	7.3	3.0	7.2
Derivative financial instruments	-2.1	2.2	-0.3	0.2	-0.7	-1.3	-3.0	1.1
Investment administration expenses, interest paid and other investment expenses	-0.1	-0.7	-2.1	-2.4	-3.5	-3.7	-5.7	-6.8
<b>Total</b>	<b>71.3</b>	<b>26.2</b>	<b>11.9</b>	<b>-1.1</b>	<b>60.3</b>	<b>50.7</b>	<b>143.4</b>	<b>75.8</b>

### Classified by type of income

	Current income/expenses		Gains/losses from disposals and changes in value		Total		of which impairment	
	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017	1-3/2018	1-3/2017
In € million								
Financial assets recognised at fair value through profit or loss	1.1	0.7	-5.8	-2.6	-4.7	-1.8	0.0	0.0
Variable-income securities (within the framework of fair value option)	0.2	0.4	-1.5	-5.1	-1.3	-4.8	0.0	0.0
Fixed-income securities (within the framework of fair value option)	0.6	1.1	-0.9	0.7	-0.4	1.8	0.0	0.0
Derivative financial instruments	0.3	-0.8	-3.4	1.9	-3.0	1.1	0.0	0.0
Investments under investment contracts <sup>1)</sup>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Available-for-sale financial assets	96.1	95.4	8.1	-5.1	104.1	90.3	-3.7	-21.0
Variable-income securities	8.0	6.4	6.4	0.8	14.4	7.2	-3.3	-0.7
Fixed-income securities	88.1	89.0	1.7	-5.8	89.8	83.1	-0.5	-20.2
Loans and receivables	5.9	12.6	-0.3	0.4	5.6	13.0	0.0	0.0
Fixed-income securities	1.8	3.5	0.1	0.8	1.9	4.4	0.0	0.0
Loans and other investments	4.1	9.0	-0.4	-0.4	3.7	8.6	0.0	0.0
Investment property	21.8	20.6	-9.3	-12.9	12.6	7.7	0.0	0.0
Financial assets accounted for using the equity method	-16.0	-26.6	47.5	0.0	31.5	-26.6	0.0	0.0
Investment administration expenses, interest paid and other investment expenses	-5.7	-6.8	0.0	0.0	-5.7	-6.8	0.0	0.0
<b>Total</b>	<b>103.2</b>	<b>95.9</b>	<b>40.2</b>	<b>-20.1</b>	<b>143.4</b>	<b>75.8</b>	<b>-3.7</b>	<b>-21.0</b>

<sup>1)</sup> Income from investments under investment contracts is not stated due to its transitory character.

## Net profit/(loss) by measurement category

In € million	1–3/2018	1–3/2017
<b>Financial assets recognised at fair value through profit or loss</b>		
Recognised in profit/(loss) for the period	- 4.7	- 1.8
<b>Available-for-sale financial assets</b>		
Recognised in profit/(loss) for the period	104.1	90.3
of which reclassified from equity to consolidated income statement	- 29.5	- 35.7
Recognised in other comprehensive income	- 105.5	- 203.3
<b>Net income</b>	<b>- 1.3</b>	<b>- 113.0</b>
<b>Loans and receivables</b>		
Recognised in profit/(loss) for the period	5.6	13.0
<b>Financial liabilities measured at amortised cost</b>		
Recognised in profit/(loss) for the period	- 12.7	- 13.5

Net investment income of €143.4 million (1–3/2017: €75.8 million) includes realised and unrealised gains and losses of €40.2 million (1–3/2017: €–20.1 million), which include currency losses of € 18.2 million (1–3/2017: currency losses of €20.4 million).

Furthermore, positive currency effects amounting to €2.8 million (1–3/2017: negative currency effects of €2.8 million) were recognised directly in equity.

## 3. Premiums

### Premiums earned

In € million	1–3/2018	1–3/2017
<b>Property and casualty insurance</b>	<b>642.4</b>	<b>611.1</b>
Gross	675.2	646.0
Reinsurers' share	- 32.7	- 34.9
<b>Health insurance</b>	<b>265.7</b>	<b>254.9</b>
Gross	266.2	255.1
Reinsurers' share	- 0.6	- 0.2
<b>Life insurance</b>	<b>302.5</b>	<b>291.6</b>
Gross	311.4	300.8
Reinsurers' share	- 8.9	- 9.2
<b>Total</b>	<b>1,210.6</b>	<b>1,157.6</b>

### Property and casualty insurance premiums written

In € million	1–3/2018	1–3/2017
<b>Direct insurance</b>		
Fire and business interruption insurance	98.3	94.9
Liability insurance	101.1	95.7
Household insurance	50.1	47.9
Motor TPL insurance	174.3	158.9
Legal expense insurance	24.8	24.0
Marine, aviation and transport insurance	21.1	17.0
Other motor insurance	151.7	137.6
Other property insurance	98.2	91.3
Other forms of insurance	19.5	18.8
Casualty insurance	100.0	94.8
<b>Total</b>	<b>839.1</b>	<b>780.9</b>
<b>Indirect insurance</b>		
Fire and business interruption insurance	19.5	21.5
Motor TPL insurance	1.9	6.1
Other forms of insurance	8.5	7.2
<b>Total</b>	<b>29.8</b>	<b>34.8</b>
<b>Total direct and indirect insurance (amount consolidated)</b>	<b>868.8</b>	<b>815.7</b>

## 4. Insurance benefits

In € million	Gross		Reinsurers' share		Net	
	1 – 3/2018	1 – 3/2017	1 – 3/2018	1 – 3/2017	1 – 3/2018	1 – 3/2017
<b>Property and casualty insurance</b>						
Claims expenses						
Claims paid	423.2	382.1	- 8.5	- 9.6	414.8	372.5
Change in provision for unsettled claims	0.7	26.6	0.1	- 5.3	0.8	21.3
<b>Total</b>	<b>423.9</b>	<b>408.7</b>	<b>- 8.3</b>	<b>- 14.9</b>	<b>415.6</b>	<b>393.7</b>
Change in insurance provision	- 0.2	0.0	0.0	0.0	- 0.2	0.0
Change in other technical provisions	0.0	- 0.1	0.0	0.0	0.0	- 0.1
Non-profit related and profit-related premium refund expenses	10.3	8.9	0.0	0.0	10.3	8.9
<b>Total benefits</b>	<b>434.1</b>	<b>417.6</b>	<b>- 8.3</b>	<b>- 14.9</b>	<b>425.8</b>	<b>402.6</b>
<b>Health insurance</b>						
Claims expenses						
Claims paid	189.7	175.1	0.0	- 1.2	189.7	173.9
Change in provision for unsettled claims	- 3.7	2.4	- 0.1	0.6	- 3.7	3.0
<b>Total</b>	<b>186.0</b>	<b>177.6</b>	<b>- 0.1</b>	<b>- 0.7</b>	<b>185.9</b>	<b>176.9</b>
Change in insurance provision	37.3	35.7	0.0	0.0	37.3	35.7
Non-profit related and profit-related premium refund expenses	3.1	0.2	0.0	0.0	3.1	0.2
<b>Total benefits</b>	<b>226.4</b>	<b>213.5</b>	<b>- 0.1</b>	<b>- 0.6</b>	<b>226.4</b>	<b>212.8</b>
<b>Life insurance</b>						
Claims expenses						
Claims paid	335.7	388.4	- 5.0	- 5.3	330.8	383.1
Change in provision for unsettled claims	- 10.2	- 19.5	- 0.4	0.0	- 10.7	- 19.4
<b>Total</b>	<b>325.5</b>	<b>369.0</b>	<b>- 5.4</b>	<b>- 5.3</b>	<b>320.1</b>	<b>363.7</b>
Change in insurance provision	- 41.6	- 119.7	- 2.6	- 2.8	- 44.1	- 122.5
Non-profit related and profit-related premium refund expenses and/or (deferred) benefit participation expenses	6.8	2.0	0.0	0.0	6.8	2.0
<b>Total benefits</b>	<b>290.7</b>	<b>251.3</b>	<b>- 7.9</b>	<b>- 8.1</b>	<b>282.8</b>	<b>243.2</b>
<b>Total</b>	<b>951.2</b>	<b>882.3</b>	<b>- 16.3</b>	<b>- 23.6</b>	<b>934.9</b>	<b>858.7</b>

## 5. Operating expenses

In € million	1–3/2018	1–3/2017
<b>Property and casualty insurance</b>		
Acquisition costs		
Payments	167.5	162.8
Change in deferred acquisition costs	- 23.9	- 22.5
Other operating expenses	60.8	58.8
Reinsurance commission and share of profit from reinsurance ceded	- 4.3	- 4.7
	<b>200.2</b>	<b>194.3</b>
<b>Health insurance</b>		
Acquisition costs		
Payments	29.4	26.9
Change in deferred acquisition costs	- 1.5	0.8
Other operating expenses	19.9	17.5
Reinsurance commission and share of profit from reinsurance ceded	- 0.2	- 0.1
	<b>47.6</b>	<b>45.1</b>
<b>Life insurance</b>		
Acquisition costs		
Payments	41.0	49.7
Change in deferred acquisition costs	2.6	20.3
Other operating expenses	30.2	24.1
Reinsurance commission and share of profit from reinsurance ceded	- 1.8	- 2.4
	<b>72.0</b>	<b>91.6</b>
<b>Total</b>	<b>319.9</b>	<b>331.0</b>

## 6. Assets and liabilities in disposal groups held for sale

Following the closing of the sale of Medial Beteiligungs-Gesellschaft m.b.H on 15 January 2018, the items previously reported under assets in disposal groups held for sale were derecognised. As at 31 December 2017 the carrying amount was €9.3 million.

## 7. Discontinued operations

In € million	1–3/2018	1–3/2017
Premiums earned (net)	0.0	349.4
Technical interest income	0.0	23.4
Other insurance income	0.0	0.4
Insurance benefits	0.0	- 337.6
Operating expenses	0.0	- 28.7
Other technical expenses	0.0	- 2.0
<b>Technical result</b>	<b>0.0</b>	<b>4.9</b>
Net investment income	0.0	20.3
Other income	0.0	2.2
Reclassification of technical interest income	0.0	- 23.4
Other expenses	0.0	- 0.7
<b>Non-technical result</b>	<b>0.0</b>	<b>- 1.6</b>
<b>Operating profit/(loss)</b>	<b>0.0</b>	<b>3.3</b>
Impairment losses	0.0	- 0.2
<b>Earnings before taxes</b>	<b>0.0</b>	<b>3.1</b>
Income taxes	0.0	- 0.4
<b>Profit/(loss) from discontinued operations (after tax)</b>	<b>0.0</b>	<b>2.7</b>
of which attributable to shareholders of UNIQA Insurance Group AG	0.0	2.8
of which attributable to non-controlling interests	0.0	- 0.1

## 8. Employees

Average number of employees	1–3/2018	1–3/2017
<b>Total</b>	<b>12,810</b>	<b>12,803</b>
of which sales	4,351	4,525
of which administration	8,459	8,278

## 9. Related companies and persons

Entities in the UNIQA Group maintain various relationships with related companies and persons.

Related companies are identified as those companies which exercise either a controlling or a significant influence on UNIQA. This group of companies also includes the non-consolidated subsidiaries, associates and joint ventures of UNIQA.

Related individuals include the members of management holding key positions along with their close family members. This also covers in particular the members of management in key positions at those companies which exercise either a controlling or a significant influence on the UNIQA Group, along with their close family members.

## Transactions and balances with related companies

In € million

	Companies with significant influence on UNIQA Group	Affiliated but not consolidated companies	Associated companies of UNIQA Group	Other related parties	Total
<b>Transactions in 2018</b>					
Premiums written (gross)	0.8	0.1	0.3	15.4	16.6
Income from investments	0.6	0.0	0.1	1.0	1.7
Expenses from investments	- 0.2	0.0	0.0	0.0	- 0.2
Other income	0.1	1.7	0.0	0.1	1.9
Other expenses	- 0.2	- 0.5	0.0	- 1.8	- 2.5
<b>At 31 March 2018</b>					
Investments	235.2	5.5	543.9	39.5	824.1
Cash and cash equivalents	431.7	11.1	0.0	132.0	574.7
Receivables, including insurance receivables	0.2	2.1	0.0	5.3	7.6

## Transactions with related persons

In € million

1 – 3/2018

Premiums written (gross)	0.1
Salaries and short term benefits <sup>1)</sup>	- 1.0
Pension expenses	- 0.2
Compensation on termination of employment contract	- 0.1
Expenditures for share-based payments	- 0.4

<sup>1)</sup> This item includes fixed and variable Management Board remuneration paid from the beginning of the financial year to the reporting date, as well as the Supervisory Board remuneration.

## 10. Basis of consolidation

The basis of consolidation – including UNIQA Insurance Group AG – consisted of 94 consolidated companies (31 December 2017: 94) and 6 associates (31 December 2017: 7) accounted for using the equity method.

In July 2015, UNIQA decided to divest its 29 per cent participation in Medial Beteiligungs-Gesellschaft m.b.H. (Vienna). Since then, this has been reported under “Assets in disposal groups held for sale” (Group functions segment). The sale of Medial Beteiligungs-Gesellschaft m.b.H. to CAME Holding GmbH was finally completed on 15 January 2018 following receipt of the approvals and authorisations required for the transfer under public and merger law and following the decision of the general assembly of Casinos Austria Aktiengesellschaft.

**Declaration of the legal representatives**

The Management Board of UNIQA Insurance Group AG hereby confirms that, to the best of its knowledge, the condensed consolidated interim financial statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim Group Management Report gives a true and fair view of the Group's financial position with respect to significant events that occurred during the first three

months of the financial year and the impact on the condensed consolidated interim financial statements of the significant risks and uncertainties for the remaining nine months of the financial year and of the material transactions with related companies or persons that are subject to disclosure.

These consolidated interim financial statements were neither audited in full nor reviewed by an auditor.

Vienna May 2018



Andreas Brandstetter  
Chairman of the  
Management Board



Erik Leyers  
Member of the  
Management Board



Kurt Svoboda  
Member of the  
Management Board

**IMPRINT****Owner and Publisher**

UNIQA Insurance Group AG  
Commercial registry no.: 92933t  
DVR: 0055506

**Typesetting**

Produced in-house using firesys

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**Clause regarding predictions about the future**

This report contains statements which refer to the future development of the UNIQA Group. These statements present estimations which were reached on the basis of all of the information available to the Group at the present time. If the assumptions on which they are based do not occur, the actual events may vary from the results currently expected. As a result, no guarantee can be provided for the information given.

This is a translation of the German Interim Report of UNIQA Group. In case of any divergences, the German original is legally binding.

