Hands on.

UNIQA

Group Key Figures

Figures in € million	1–3/2012	1–3/2011	Change
Premiums written	**1,569.0**	**1,653.5**	**– 5.1 %**
Savings portion from unit- and index-linked life insurance	134.5	146.3	– 8.1 %
Premiums written including the savings portion from unit- and index-linked life insurance	**1,703.5**	**1,799.9**	**– 5.4 %**
of which property and casualty insurance	917.3	881.3	+ 4.1 %
of which health insurance	276.6	262.7	+ 5.3 %
of which life insurance	509.5	655.8	– 22.3 %
of which recurring premiums	420.1	429.0	– 2.1 %
of which single-premium business	89.4	226.8	– 60.6 %
Premiums written including the savings portion from unit- and index-linked life insurance	**1,703.5**	**1,799.9**	**– 5.4 %**
of which Austria	1,055.1	1,078.4	– 2.2 %
of which Central Europe	232.5	246.3	– 5.6 %
of which Eastern Europe	37.8	35.9	+ 5.3 %
of which Southeastern Europe	45.5	42.0	+ 8.2 %
of which Russia	7.7	5.4	+ 42.7 %
of which Western Europe	324.9	391.9	– 17.1 %
Premiums earned (retained)	**1,269.9**	**1,379.7**	**– 8.0 %**
of which property and casualty insurance	658.7	638.0	+ 3.2 %
of which health insurance	263.3	250.7	+ 5.0 %
of which life insurance	348.0	491.0	– 29.1 %
Insurance benefits[1]	**– 1,044.0**	**– 1,102.7**	**– 5.3 %**
of which property and casualty insurance	– 438.2	– 425.1	+ 3.1 %
of which health insurance	– 237.9	– 223.6	+ 6.4 %
of which life insurance[2]	– 367.8	– 454.0	– 19.0 %
Operating expenses[3]	**– 353.4**	**– 363.2**	**– 2.7 %**
of which property and casualty insurance	– 224.7	– 218.5	+ 2.8 %
of which health insurance	– 38.9	– 40.0	– 2.9 %
of which life insurance	– 89.8	– 104.7	– 14.2 %
Net investment income	**209.3**	**175.1**	**+ 19.5 %**
Profit/loss on ordinary activities	**54.4**	**45.2**	**+ 20.2 %**
Net profit/loss	40.4	33.7	+ 20.0 %
Consolidated profit/loss	**30.4**	**26.7**	**+ 13.8 %**
Investments[4]	**25,661.4**	**25,005.3**	**+ 2.6 %**
Shareholders´ equity	1,043.7	1,299.5	– 19.7 %
Total equity including minority interests	**1,285.4**	**1,547.8**	**– 17.0 %**
Insured sum in life insurance	**73,555.9**	**71,650.2**	**+ 2.7 %**

[1] Including expenditure for deferred profit participation and premium refunds.
[2] Including expenditure for (deferred) profit participation.
[3] Including reinsurance commissions and profit shares from reinsurance business ceded.
[4] Including self-used land and buildings, land and buildings held as financial investments, shares in associated companies, investments held on account and at risk of life insurance policyholders and liquid funds.

Foreword by the Management Board

Dear shareholders, ladies and gentlemen,

UNIQA has had a good start to the financial year 2012. We increased the earnings before tax (EBT) in the 1st quarter by 20.2 per cent compared with the same period of the previous year. We are on plan. However, the economic environment remains challenging: the economy in the euro zone is still weak and the debt crisis in Europe continues to create considerable uncertainty for the financial sector.

Against this background, we are working systematically on the implementation of our strategy programme UNIQA 2.0, which we announced in May 2011. UNIQA 2.0 is a long-term 10-year strategic repositioning with a clear focus on growth: we plan to double our number of customers from 7.5 million in 2010 to 15 million by 2020 and increase our EBT compared to 2010 by up to €400 million by 2015. We intend to finance this growth via an IPO (Re-IPO), which is planned for 2013 subject to capital markets conditions. This will significantly increase the free float: the existing shareholders – Raiffeisen Zentralbank (RZB) and Austria Privatstiftung und Collegialität – will together hold at least 51 per cent of shares after the transaction. This ensures that a majority of shares will continue to be held by Austrian owners.

The preparations for the Re-IPO are already running. We intend to streamline the structure of the UNIQA Group this year, creating a more market-friendly structure. In addition, we are planning a capital increase for 2012 of €500 million as an intermediate step prior to the Re-IPO. We will thereby strengthen our capital structure and create the basis to exploit current growth opportunities in CEE: we intend to buy out the European Bank for Reconstruction and Development (EBRD)'s minority shares in our subsidiaries in Croatia, Poland and Hungary. At the same time we will drive forward organic growth this year. And we expect increased opportunities for acquisitions, as a number of competitors whose focus is not on CEE are believed to be beginning to withdraw from the region.

Growth doesn't wait: we are determined to exploit the opportunities that arise and, following a disappointing result in the financial year 2011, are working towards achieving a solid profit this year – thereby taking the first step on the path towards our profit goal for 2015.

Vienna, May 2012

Andreas Brandstetter
Chairman of the Management Board

Group Management Report

- **EARNINGS BEFORE TAX IMPROVED BY 20.2 PER CENT TO € 54.4 MILLION**
- **RECURRING PREMIUMS WRITTEN UP 2.6 PER CENT TO € 1,614.1 MILLION**
- **TOTAL PREMIUMS WRITTEN DOWN 5.4 PER CENT TO € 1,703.5 MILLION DUE TO DECLINE IN SINGLE PREMIUMS**
- **BENEFIT AND LOSS RATIO AT 74.8 PER CENT ACROSS ALL BUSINESS LINES**
- **COMBINED RATIO (BEFORE REINSURANCE) DOWN TO 97.2 PER CENT**

Economic environment

As a result of the European debt crisis, the economic environment remained muted in the 1st quarter of 2012. After real GDP in the euro zone had shrunk by 0.3 per cent on a quarterly basis in the 4th quarter of last year, the economy in the euro zone stagnated in the 1st quarter of 2012 according to preliminary estimates. The peripheral European countries are to some extent experiencing severe recessions. The Spanish economy decreased by 0.3 per cent in the 1st quarter compared with the previous quarter. This projection is in line with the official forecasts for full year 2012 (minus 1.7 per cent). Italian GDP, at minus 0.8 per cent, fell for the third quarter in a row. Portugal and Greece have been impacted most severely by recession to date, although the 1st quarter of 2012 proved better than anticipated especially in Portugal with minus 0.1 per cent and Greece with minus 1.5 per cent. The German economy grew more strongly than expected at 0.5 per cent. In Austria, the economic momentum also improved slightly with real GDP growth of 0.2 per cent as against the end of last year.

Inflation in the euro zone slowed to 2.6 per cent in the period under review. Wage pressure was dampened in particular by the rising unemployment rate in the euro zone. While unemployment in Germany and Austria developed moderately compared with the other member countries, Spain recorded the highest unemployment rate in the monetary union at 24.4 per cent. The European Central Bank left base rates unchanged at 1 per cent in the first three months of 2012, but adopted unconventional monetary policy measures. In the course of long-term refinancing operations (LTRO), the European banking sector made total lending available of around €1,000 billion with a term of three years in December 2011 and in March 2012.

In contrast to Europe, the US economy is on a solid growth course. Real annualised GDP growth amounted to 2.2 per cent in the 1st quarter, thereby corresponding to expectations for the full year.

The economic environment in Central and Eastern Europe (CEE) was also impacted by the euro zone crisis. In recent months, the weak development of industrial production in most of the CEE countries indicated a restrained start to 2012. In Hungary (minus 1.3 per cent) and the Czech Republic (minus 1.0 per cent), GDP fell relatively sharply compared with the previous quarter. The preliminary figures for Slovakia point to a 0.8 per cent increase in economic activity. Poland has grown most strongly according to the recent forecasts.

Although the global economy cooled as a whole, the recession remained largely limited to the peripheral European countries. In particular, according to estimates, the emerging countries in Asia and Latin America are likely to drive overall global growth in the current year. Despite isolated progress in terms of structural adjustment processes and public austerity measures in the economies of the peripheral countries, there remain limited growth expectations in the euro zone for the coming months.

Financial accounting principles, scope of consolidation

The quarterly statement of the UNIQA Group was prepared in accordance with the International Financial Reporting Standards (IFRS) as well as the International Accounting Standards (IAS). This interim report has been prepared in accordance with IAS 34. The scope of fully consolidated companies was not extended in the 1st quarter of 2012.

Premium development

The UNIQA Group's premiums written, including the savings portion of unit- and index-linked life insurance, fell by 5.4 per cent to €1,703.5 million in the first three months of 2012 (1–3/2011: €1,799.9 million) due to a significant decline in single premiums in the life insurance business. In contrast, premiums in the product areas with recurring premiums increased during the period by 2.6 per cent to €1,614.1 million (1–3/2011: €1,573.1 million). However, single premiums in the life insurance business sank due to the below mentioned developments primarily in Austria, Poland and Italy by 60.6 per cent to €89.4 million (1–3/2011: €226.8 million). The annual premium equivalent (APE) increased by 1.7 per cent in the 1st quarter of 2012 to €1,623.0 million (1–3/2011: €1,595.7 million). Ten per cent of the single premiums were taken into consideration in the APE calculation since the average term of the single premiums in Europe is ten years. Annual fluctuations are evened out in this calculation.

Premiums earned, including the net savings portion of premiums from unit- and index-linked life insurance to the value of €125.7 million (1–3/2011: €132.3 million), sank by 7.7 per cent to €1,395.6 million in the 1st quarter of 2012 (1–3/2011: €1,512.1 million). The retained premiums earned (according to IFRS) declined by 8.0 per cent to €1,269.9 million (1–3/2011: €1,379.7 million).

In Austria, premiums written decreased due to the drop in single premiums in life insurance by 2.2 per cent to €1,055.1 million (1–3/2011: €1,078.4 million) Recurring premiums in Austria also recorded a slight decline of 1.2 per cent to €1,040.5 million in the first three months of 2012 (1–3/2011: €1,053.3 million). Single premiums declined by 42.0 per cent to €14.6 million (1–3/2011: €25.1 million) due to the extension of minimum term with tax privileges implemented during 2011.

In Austria, the retained premiums earned (according to IFRS) declined by 1.2 per cent to €803.0 million (1–3/2011: €812.5 million).

In Central and Eastern Europe, premiums written including the savings portion of unit- and index-linked life insurance decreased slightly by 1.8 per cent to €323.5 million in the first three months of 2012 (1–3/2011: €329.6 million). The main reason for this development was the continuing sharp decline in Polish short-term single premium life insurance policies. The decline in single premiums in Poland is part of a strategy to focus on life insurance products that are more profitable in the long term and are at the same time optimised from a risk and capital perspective. In contrast, recurring premiums increased very strongly by 11.0 per cent to €306.6 million (1–3/2011: €276.1 million). However, single premiums declined by 68.4 per cent to €16.9 million (1–3/2011: €53.5 million). The Central and Eastern Europe businesses contributed a total of 19.0 per cent (1–3/2011: 18.3 per cent) of Group premiums in the 1st quarter of 2012.

The retained premiums earned (according to IFRS) of the CEE businesses fell by 7.1 per cent to €251.1 million (1–3/2011: €270.2 million).

The business volume in Western Europe also shrank by 17.1 per cent to €324.9 million (1–3/2011: €391.9 million) in the 1st quarter of 2012 due to a sharp decline in the Italian life insurance business. However, recurring premiums increased strongly in this region and rose by 9.6 per cent to €267.0 million (1–3/2011: €243.7 million). In contrast, single premiums declined by 60.9 per cent to €57.9 million (1–3/2011: €148.2 million) due to the generally difficult economic situation in Italy and the associated customer uncertainty as well as seasonal fluctuations. The premium share of Western Europe of total Group premiums thus came to 19.1 per cent (1–3/2011: 21.8 per cent). The international portion of the business came to a total of 38.1 per cent in the 1st quarter of 2012 (1–3/2011: 40.1 per cent).

The retained premiums earned (according to IFRS) of the companies in Western Europe decreased by 27.4 per cent to €215.8 million (1–3/2011: €297.1 million).

Property and casualty insurance

The premium volume written in property and casualty insurance grew in the 1st quarter of 2012 by 4.1 per cent to €917.3 million (1–3/2011: €881.3 million). While the premiums in Austria increased by 1.5 per cent to €498.8 million (1–3/2011: €491.3 million), the premium volume in CEE grew substantially more strongly by 6.4 per cent to €237.6 million (1–3/2011: €223.4 million). The Central and Eastern European region thus contributed 25.9 per cent (1–3/2011: 25.4 per cent) to total Group premiums in property and casualty insurance.

In Western Europe, premium revenue written rose by 8.6 per cent to €180.9 million (1–3/2011: €166.6 million) due to the very strong growth in Italy. The premium share in Western Europe thus amounted to 19.7 per cent after the 1st quarter of 2012 (1–3/2011: 18.9 per cent). In total, the international share rose to 45.6 per cent (1–3/2011: 44.3 per cent).

The retained premiums earned (according to IFRS) in property and casualty insurance increased in the first three months of 2012 by 3.2 per cent to €658.7 million (1–3/2011: €638.0 million).

Health insurance

The premium volume written in health insurance increased in the reporting period by 5.3 per cent to € 276.6 million (1 – 3/2011: € 262.7 million). In Austria, the premium volume grew by 2.8 per cent to € 216.1 million (1 – 3/2011: € 210.2 million).

Internationally, premiums grew by 15.1 per cent to € 60.5 million (1 – 3/2011: € 52.6 million), thus contributing 21.9 per cent (1 – 3/2011: 20.0 per cent) to the health insurance premiums of the Group. In CEE, premium volume in health insurance amounted to € 6.4 million for the first three months of 2012 (1 – 3/2011: € 4.1 million), a growth of 55.8 per cent. In Western Europe, premiums also increased by 11.7 per cent to € 54.1 million (1 – 3/2011: € 48.5 million).

The retained premiums earned (according to IFRS) in health insurance rose by 5.0 per cent to € 263.3 million in the 1st quarter of 2012 (1 – 3/2011: € 250.7 million).

Life insurance

In the life insurance segment, the premium volume written including the savings portion of unit- and index-linked life insurance decreased in the 1st quarter of 2012 by 22.3 per cent to € 509.5 million (1 – 3/2011: € 655.8 million). The main reason for this was a sharp decline in single premiums (mainly in Austria, Poland and Italy) of 60.6 per cent to € 89.4 million (1 – 3/2011: € 226.8 million). The recurring premium volume showed a more positive trend, although recurring premiums also fell slightly by 2.1 per cent to € 420.1 million (1 – 3/2011: € 429.0 million). The risk premium share of unit- and index-linked life insurance included in the premiums amounted to € 21.2 million in the 1st quarter of 2012 (1 – 3/2011: € 32.2 million). The insured sum in life insurance as at 31 March 2012 came to a total of € 73,555.9 million (31 March 2011: € 71,650.2 million).

In Austria, the premium volume written in the life insurance line declined by 9.8 per cent to € 340.2 million (1 – 3/2011: € 377.0 million) due to the decrease in the demand for life insurance products. Recurring premiums declined by 7.4 per cent to € 325.6 million (1 – 3/2011: € 351.8 million). Single premiums declined by 42.0 per cent to € 14.6 million (1 – 3/2011: € 25.1 million). The premium volume written in unit- and index-linked life insurance in Austria came to € 111.8 million in the 1st quarter of 2012 (1 – 3/2011: € 143.7 million).

In CEE, the life insurance business recorded a sharp premium decline in the first three months of 2012. Premium volume written decreased by 22.1 per cent to € 79.4 million (1 – 3/2011: € 102.0 million), due primarily to the decline in single premium business in Poland. Single premiums dropped by 68.4 per cent to € 16.9 million (1 – 3/2011: € 53.5 million). However, recurring premiums showed very strong growth, rising by 28.8 per cent to € 62.5 million (1 – 3/2011: € 48.5 million). Central and Eastern Europe's share of the Group's total life insurance premiums remained stable after three months at 15.6 per cent (1 – 3/2011: 15.6 per cent).

In the Western European region, the life insurance business also declined in the 1st quarter of 2012. In total, due to the decrease in the single premiums in Italy, premiums written fell by 49.2 per cent to €89.9 million (1–3/2011: €176.9 million). Overall, the single premium business shrank by 60.9 per cent to €57.9 million (1–3/2011: €148.2 million). However, recurring premium business developed extremely positively in Western Europe due to the improvements in Italy with growth of 11.8 per cent to €32.0 million (1–3/2011: €28.6 million). Western Europe's share of the Group's life insurance premiums amounted to 17.6 per cent (1–3/2011: 27.0 per cent). Thus, the international portion contributed a total of 33.2 per cent (1–3/2011: 42.5 per cent).

The premiums in unit- and index-linked life insurance increased in the international region in the first three months of 2012 by 26.1 per cent to €43.9 million (1–3/2011: €34.8 million).

Including the net savings portion of the premiums from unit- and index-linked life insurance, the premium volume earned in life insurance in the first three months of 2012 declined by 24.0 per cent to €473.7 million (1–3/2011: €623.4 million). The retained premiums earned (according to IFRS) fell by 29.1 per cent to €348.0 million (1–3/2011: €491.0 million).

Insurance claims and benefits

Due to the ongoing good claims history in the area of property and casualty insurance and the reduced payments for benefits incurred in life insurance, the total amount of retained insurance benefits of the UNIQA Group in the 1st quarter of 2012 decreased by 5.3 per cent to € 1,044.0 million (1 – 3/2011: € 1,102.7 million). The insurance benefits before reinsurance also dropped by 6.5 per cent to € 1,065.8 million (1 – 3/2011: € 1,139.4 million). However, due to the decline in single premiums in the life insurance business and despite the decrease in insurance benefits, the overall benefit and loss ratio increased by 1.9 percentage points to 74.8 per cent (1 – 3/2011: 72.9 per cent).

Property and casualty insurance

The loss ratio after reinsurance in property and casualty insurance fell slightly in the first three months of 2012 to 66.5 per cent (1 – 3/2011: 66.6 per cent). Net insurance claims after reinsurance rose in the reporting period by 3.1 per cent to € 438.2 million (1 – 3/2011: € 425.1 million). In contrast, gross claims before reinsurance decreased slightly by 0.3 per cent to € 440.1 million (1 – 3/2011: € 441.4 million).

The net combined ratio after reinsurance improved slightly in the 1st quarter of 2012 to 100.7 per cent (1 – 3/2011: 100.9 per cent). Before taking reinsurance into consideration, the gross combined ratio was still below the 100 per cent mark, decreasing to 97.2 per cent (1 – 3/2011: 99.5 per cent).

Health insurance

The retained insurance benefits (including the change in the actuarial provision) in health insurance increased in the first three months of 2012 by 6.4 per cent to € 237.9 million (1 – 3/2011: € 223.6 million). Therefore, the loss ratio increased slightly to 90.4 per cent (1 – 3/2011: 89.2 per cent), although it must be taken into account that the loss ratio in health insurance in the 1st quarter is always disproportionately high due to certain procedures used by hospitals.

Life insurance

In life insurance, retained insurance benefits (including the change in actuarial provisions) decreased by 19.0 per cent to € 367.8 million (1 – 3/2011: € 454.0 million) due to the reduced payments for claims incurred. However, the benefit and loss ratio in life insurance rose due to the strong decline in single premiums to 77.7 per cent (1 – 3/2011: 72.8 per cent).

Operating expenses

Total operating expenses for the insurance business less reinsurance commissions received decreased in the first three months of 2012 by 2.7 per cent to € 353.4 million (1 – 3/2011: € 363.2 million). Acquisition expenses rose in accordance with new business volumes by 4.2 per cent to € 258.8 million (1 – 3/2011: € 248.3 million). Other operating expenses (administration costs) less reinsurance commissions received amounting to € 12.8 million (1 – 3/2011: € 7.8 million declined by 17.7 per cent to € 94.6 million (1 – 3/2011: € 114.9 million). However, due to the decline in single premiums, the cost ratio – the relationship of all operating expenses less reinsurance commissions received to the Group premiums earned including the net savings portion of the premiums from unit- and index-linked life insurance – amounted to 25.3 per cent (1 – 3/2011: 24.0 per cent). Based on APE the cost ratio decreased to 26.9 per cent (1 – 3/2011: 27.8 per cent).

Property and casualty insurance

Total operating expenses in property and casualty insurance increased in the reporting period by 2.8 per cent to € 224.7 million (1 – 3/2011: € 218.5 million). Acquisition costs rose in accordance with new business volumes by 9.1 per cent to € 153.8 million (1 – 3/2011: € 141.0 million). Other operating expenses declined by 8.5 per cent to € 70.9 million (1 – 3/2011: € 77.5 million). The cost ratio in property and casualty insurance (including the reinsurance commissions received) amounted to 34.1 per cent after the first three months of 2012 (1 – 3/2011: 34.2 per cent).

Health insurance

Total operating expenses in health insurance decreased in the 1st quarter of 2012 by 2.9 per cent to € 38.9 million (1 – 3/2011: € 40.0 million). Acquisition costs rose in accordance with new business volumes by 13.7 per cent to € 26.8 million (1 – 3/2011: € 23.6 million). However, other operating expenses (including reinsurance commissions received) declined by 26.6 per cent to € 12.1 million (1 – 3/2011: € 16.4 million). The cost ratio in health insurance (including reinsurance commissions received) thus fell to 14.8 per cent (1 – 3/2011: 16.0 per cent)

Life insurance

In life insurance, total operating expenses decreased in the first three months of 2012 by 14.2 per cent to € 89.8 million (1 – 3/2011: € 104.7 million). Acquisition costs declined by 6.6 per cent to € 78.2 million (1 – 3/2011: € 83.8 million); other operating expenses fell by 44.6 per cent to € 11.6 million (1 – 3/2011: € 20.9 million). Due to the decline in single premiums and despite the cost reduction, the cost ratio in life insurance (including reinsurance commissions received) amounted to 19.0 per cent in the 1st quarter of 2012 (1 – 3/2011: 16.8 per cent). Based on APE the cost ratio declined to 22.8 per cent (1 – 3/2011: 25.0 per cent).

Investments

The investment portfolio of the UNIQA Group (including self-used land and buildings, land and buildings held as financial investments, shares in associated companies, investments held on account and at risk of life insurance policyholders and liquid funds) increased as at 31 March 2012 compared to the value on the last balance sheet date by 4.3 per cent to € 25,661.4 million (31 December 2011: € 24,601.1 million).

Due to positive developments on the capital markets, and despite losses in the amount of € 76.7 million from the sales of investments as part of the reduction of investment in the PIIGS countries, net investment income increased in the 1st quarter of 2012 by 19.5 per cent to € 209.3 million (1 – 3/2011: € 175.1 million). In property and casualty insurance, however, the investment result fell to € 13.1 million (1 – 3/2011: € 32.3 million) due to a decline in Swiss investment income. In health insurance, the result rose by 162.6 per cent to € 19.8 million (1 – 3/2011: € 7.5 million) and in life insurance it increased by 30.4 per cent to € 176.4 million (1 – 3/2011: € 135.3 million).

Earnings before taxes in 1st quarter 2012 improved to € 54.4 million

The UNIQA Group's profit on ordinary activities increased in the 1st quarter of 2012 by 20.2 per cent to € 54.4 million (1 – 3/2011: € 45.2 million). In property and casualty insurance, profit/loss before taxes after three months of 2012 came to minus € 1.2 million (1 – 3/2011: € 0.4 million) due to the decline in the investment result. Profit/loss on ordinary activities rose in the health insurance business to € 6.0 million (1 – 3/2011: minus € 5.4 million), thus improving noticeably year-on-year. In life insurance, pre-tax profit remained comparable with the previous year at € 49.5 million (1 – 3/2011: € 50.2 million).

The net profit came to € 40.4 million in the 1st quarter of 2012 (1 – 3/2011: € 33.7 million), thus increasing by 20.0 per cent. Consolidated profit also increased by 13.8 per cent to € 30.4 million (1 – 3/2011: € 26.7 million). Earnings per share amounted to € 0.21 (1 – 3/2011: € 0.19).

International markets

The premium volume written including the savings portion of unit- and index-linked life insurance decreased in the international business in the 1st quarter of 2012 by 10.1 per cent to € 648.4 million (1 – 3/2011: € 721.4 million). However, recurring premiums also showed very positive development internationally and increased by 10.4 per cent to € 573.6 million (1 – 3/2011: € 519.8 million). In contrast, single premiums fell by 62.9 per cent to € 74.8 million (1 – 3/2011: € 201.7 million).

The premiums in CEE decreased slightly by 1.8 per cent to € 323.5 million (1 – 3/2011: € 329.6 million). In Central Europe (CE) – Poland, Slovakia, the Czech Republic and Hungary – premiums dropped in the first three months by 5.6 per cent to € 232.5 million (1 – 3/2011: € 246.3 million). In Eastern Europe (EE) – comprising Romania and the Ukraine – the premium volume written increased by 5.3 per cent to € 37.8 million (1 – 3/2011: € 35.9 million). In South Eastern Europe (SEE) – Albania, Bosnia and Herzegovina, Bulgaria, Kosovo, Croatia, Macedonia, Montenegro and Serbia – premiums grew by 8.2 per cent to € 45.5 million (1 – 3/2011: € 42.0 million). In Russia (RU), premiums rose by 42.7 per cent to € 7.7 million (1 – 3/2011: € 5.4 million). Central and Eastern Europe's share of Group premiums thus amounted to 19.0 per cent after the first three months of 2012 (1 – 3/2011: 18.3 per cent).

In Western Europe (WE) – Germany, Italy, Liechtenstein and Switzerland – the premium volume decreased by 17.1 per cent to € 324.9 million (1 – 3/2011: € 391.9 million) due to the decline in the life insurance business in Italy. Western Europe's share of premium volume came to 19.1 per cent (1 – 3/2011: 21.8 per cent). This put the overall share of international business of the UNIQA Group at 38.1 per cent in the 1st quarter of 2012 (1 – 3/2011: 40.1 per cent).

Total retained insurance benefits of the international Group companies decreased by 22.4 per cent to € 349.6 million in the first three months of 2012 (1 – 3/2011: € 450.4 million). In the CE region, benefits fell by 21.3 per cent to € 101.3 million (1 – 3/2011: € 128.6 million) due primarily to the declining single premium business in life insurance in Poland. In the EE region, benefits also dropped by 34.3 per cent to € 25.4 million (1 – 3/2011: € 38.7 million). In SEE, however, benefits climbed slightly by 4.4 per cent to € 26.9 million (1 – 3/2011: € 25.8 million). In Russia, benefits amounted to € 3.6 million in the 1st quarter of 2012 (1 – 3/2011: € 2.6 million). In Western Europe, benefits declined by 24.4 per cent to € 192.4 million (1 – 3/2011: € 254.6 million).

Operating expenses less reinsurance commissions received increased in the international business by 8.3 per cent to € 155.7 million (1 – 3/2011: € 143.7 million). In CE, costs rose by 8.9 per cent to € 58.7 million (1 – 3/2011: € 53.9 million). In Eastern Europe, costs grew by 21.1 per cent to €18.2 million (1 – 3/2011: €15.0 million). In South Eastern Europe, operating expenses climbed by 9.0 per cent to €19.0 million (1 – 3/2011: €17.4 million). In Russia, costs came to € 3.8 million in the first three months of 2012 (1 – 3/2011: € 2.8 million), while in Western Europe they increased marginally by 2.7 per cent to € 56.1 million (1 – 3/2011: € 54.6 million).

The net investment income in the international companies decreased in the 1st quarter of 2012 by 7.0 per cent to € 44.4 million (1 – 3/2011: € 47.7 million). While the investment result in Western Europe fell by 25.6 per cent to € 26.1 million (1 – 3/2011: € 35.1 million) due to the decline of the investment result in Switzerland, it increased in CEE by 44.5 per cent to € 18.3 million (1 – 3/2011: € 12.6 million).

Profit on ordinary activities (before consolidation on the basis of geographical segments) improved in CEE by 51.1 per cent to € 4.9 million (1 – 3/2011: € 3.2 million). In contrast, pre-tax profit/loss in Western Europe declined in the 1st quarter of 2012 due to the developments mentioned above to minus € 5.5 million (1 – 3/2011: € 1.9 million).

Own funds and total assets

The total equity of the UNIQA Group rose in the first three months of 2012 by 17.3 per cent to €1,285.4 million compared with the last balance sheet date (31 December 2011: €1,095.6 million), due to positive developments in capital markets. The figure included minority interests in the value of €241.7 million (31 December 2011: €219.7 million). The Group's total assets as at 31 March 2012 were €29,672.8 million (31 December 2011: €28,567.7 million).

Cash flow

Cash flow from operating activities increased in the 1st quarter of 2012 to €595.4 million (1–3/2011: €414.1 million). Cash flow from investing activities of the UNIQA Group, corresponding to the investment of revenue inflow during the reporting period, amounted to minus €425.7 million (1–3/2011: minus €350.1 million). The financing cash flow was minus €1.6 million (1–3/2011: minus €0.2 million). In total, the amount of liquid funds increased by €251.0 million to €852.4 million (1–3/2011: €601.4 million).

Employees

The average number of employees in the UNIQA Group increased in the 1st quarter of 2012 to 15,153 (1–3/2011: 15,025). Of this figure, 6,192 (1–3/2011: 5,840) were employed in sales. In contrast, the number of employees in administration fell to 8,961 (1–3/2011: 9,185).

Capital marktets

Key figures UNIQA shares Figures in €	1–3/2012	1–3/2011	Change
Share price as at 31 March	12.75	15.98	–20.2%
High	13.35	16.50	–
Low	9.22	14.53	–
Market capitalisation as at 31 March (in € million)	1,823.1	2,284.9	–20.2%
Earnings per share	0.21	0.19	+13.8%

Financial calendar

29 May 2012
Annual General Meeting

29 August 2012
Half-Year Financial Report 2012

28 November 2012
1st to 3rd Quarter Report 2012

The 1st quarter of 2012 was marked by significant share price increases on all major stock markets. These share price gains and the reduced market volatility were signs of an easing of the euro crisis, of the ongoing expansive policy of central banks alongside only moderate fear of inflation, of satisfactory corporate results overall, as well as of a stabilisation of the economic outlook in the 1st quarter. However, fears about the economy increased again in the 2nd quarter.

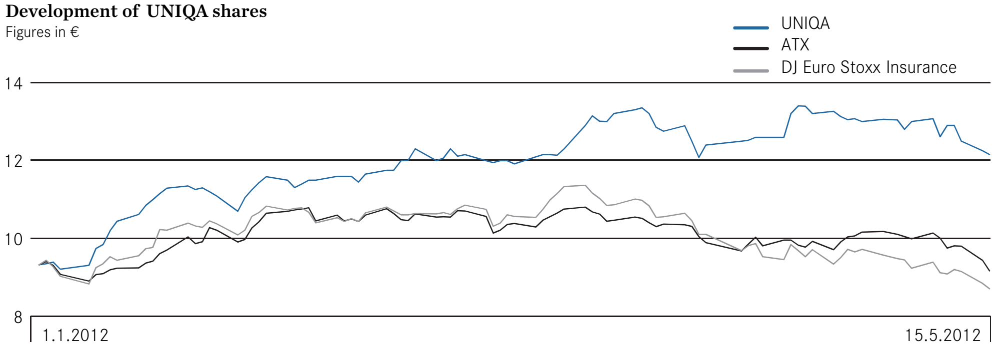
By the end of 2011, the low points on many markets had been reached. The improvements thereafter continued at an accelerated pace in the first weeks of the reporting period. For many markets – emerging markets in particular – the quarterly high point was reached in the first half of February, followed by a relatively stable sideways movement. In contrast, the key indices reached their high point in mid-March or even later, which meant that the markets' upwards trends remained intact as at the end of the quarter.

The DJ Euro Stoxx 50 European market index performed very positively with an increase of 6.9 per cent to 2,477.28 points. However, the share price performance in Europe varied considerably: while the key German index DAX rose in the 1st quarter by 17.8 per cent, the share price performance on the stock markets in less export-oriented economies and in countries with continuing huge budget imbalances was considerably more muted. The key indices in the emerging markets also achieved double-digit growth rates in the 1st quarter of 2012. The Central and Eastern European index CECE, for example, climbed by 13.5 per cent to 1,701.63 points.

The Vienna Stock Exchange has gained considerably since the low points of the previous year and recorded a share price level of over 2,000 points by January 2012. The significant share price gains in the first weeks of the year were succeeded by a period of relatively low fluctuation. The main index ATX achieved the high to date in 2012 of 2,248.81 points on 19 March 2012. By the end of the quarter, however, a small share of the gains was ceded again. The closing price on 31 March, at 2,159.06 points, was 14.1 per cent above the price as at the end of 2011.

UNIQA shares also performed well in the 1st quarter and were priced at €12.75 on 31 March 2012. This corresponds to an increase of 35.4 per cent compared with the end of 2011. Following this, the share price increased to around €13, but declined somewhat during mid-May and was at €12.15 on 15 May. The shares thus achieved an increase of 29.0 per cent since the end of December 2011. The European insurance index DJ Euro Stoxx Insurance declined by 3.6 per cent in the same period.

Development of UNIQA shares
Figures in €



Information UNIQA shares

Securities abbreviation: *UQA*
Reuters: *UNIQ.VI*
Bloomberg: *UQA.AV*
ISIN: *AT0000821103*
Market segment: *prime market, Vienna Stock Exchange*
Trading segment: *Official market*
Indices: *ATX Prime, ATX FIN, WBI, VÖNIX*
Number of shares: *142,985,217*

Significant events subsequent to the balance sheet date

The UNIQA Group secured the sale of its majority holding in the listed company Mannheimer AG Holding on 16 April 2012 with the signing of the share purchase agreement with Continentale Group. The legal implementation of the transaction is expected by the end of the 2nd quarter, pending regulatory approval. This sale is a further measure in the context of the strategic repositioning of the UNIQA Group.

Outlook

We remain confident that we will improve our profit on ordinary activities in 2012 compared with 2010 (€141.8 million). However, this assumes that there are no serious setbacks on the capital markets, that the economic environment develops positively, and that claims due to natural disasters remain within a normal range.

Consolidated Balance Sheet

Assets Figures in € million	31.3.2012	31.12.2011
A. Tangible assets		
I. Self-used land and buildings	252.9	252.3
II. Other tangible assets	128.2	131.3
	381.1	**383.5**
B. Land and buildings held as financial investments	**1,564.0**	**1,567.0**
C. Intangible assets		
I. Deferred acquisition costs	933.8	899.7
II. Goodwill	567.2	570.0
III. Other intangible assets	30.3	30.6
	1,531.3	**1,500.3**
D. Shares in associated companies	**510.3**	**530.5**
E. Investments		
I. Variable-yield securities		
1. Available for sale	1,659.2	1,636.1
2. At fair value through profit or loss	568.8	549.3
	2,228.0	**2,185.4**
II. Fixed interest securities		
1. Held to maturity	0.0	0.0
2. Available for sale	11,359.6	11,215.4
3. At fair value through profit or loss	408.5	389.6
	11,768.1	**11,605.1**
III. Loans and other investments		
1. Loans	2,163.4	2,189.4
2. Cash at credit institutions/cash at banks	1,530.1	1,023.1
3. Deposits with ceding companies	140.1	140.7
	3,833.6	**3,353.2**
IV. Derivative financial instruments	81.0	28.5
	17,910.6	**17,172.2**
F. Investments held on account and at risk of life insurance policyholders	**4,571.2**	**4,396.0**
G. Share of reinsurance in technical provisions	**681.8**	**684.1**
H. Share of reinsurance in technical provisions held on account and at risk of life insurance policyholders	**402.1**	**405.5**
I. Receivables including receivables under insurance business	**1,001.6**	**988.0**
J. Receivables from income tax	**52.7**	**51.2**
K. Deferred tax assets	**213.7**	**206.2**
L. Liquid funds	**852.4**	**683.1**
Total assets	**29,672.8**	**28,567.7**

Equity and liabilities Figures in € million	31.3.2012	31.12.2011
A. Total equity		
I. Shareholders' equity		
1. Subscribed capital and capital reserves	540.7	540.7
2. Revenue reserves	424.8	414.4
3. Revaluation reserves	110.7	– 44.7
4. Actuarial gains and losses on defined benefit plans	– 64.5	– 36.1
5. Group total profit/loss	32.0	1.6
	1,043.7	**875.9**
II. Minority interests in shareholders' equity	241.7	219.7
	1,285.4	**1,095.6**
B. Subordinated liabilities	**575.0**	**575.0**
C. Technical provisions		
I. Provision for unearned premiums	867.1	616.0
II. Actuarial provision	16,758.9	16,706.2
III. Provision for outstanding claims	2,487.1	2,456.5
IV. Provision for profit-unrelated premium refunds	34.4	51.5
V. Provision for profit-related premium refunds, i.e. policyholder profit sharing	235.7	7.8
VI. Other technical provisions	51.4	50.0
	20,434.6	**19,888.1**
D. Technical provisions held on account and at risk of life insurance policyholders	**4,528.6**	**4,318.3**
E. Financial liabilities	**92.3**	**73.7**
F. Other provisions	**810.5**	**788.1**
G. Payables and other liabilities	**1,556.4**	**1,517.9**
H. Liabilities from income tax	**29.1**	**19.2**
I. Deferred tax liabilities	**361.1**	**291.7**
Total equity and liabilities	**29,672.8**	**28,567.7**

Development of Group Equity

	Shareholders' equity		Minority interests		Total equity	
Figures in € million	1–3/2012	1–3/2011	1–3/2012	1–3/2011	1–3/2012	1–3/2011
As at 1.1.	**875.9**	**1,277.2**	**219.7**	**244.3**	**1,095.6**	**1,521.5**
Change in consolidation scope	0.0	0.0	– 0.1	0.0	– 0.1	0.0
Dividends	0.0	0.0	– 0.2	0.0	– 0.2	0.0
Own shares	0.0	0.0	0.0	0.0	0.0	0.0
Income and expenses according to the consolidated comprehensive income statement	**167.8**	**7.9**	**22.3**	**3.3**	**190.1**	**11.2**
Foreign currency translation	14.1	5.9	0.0	0.0	14.1	5.9
Net profit/loss	30.4	26.7	10.0	7.0	40.4	33.7
Unrealised capital gains and losses from investments and other changes	123.3	– 24.7	12.2	– 3.7	135.6	– 28.4
As at 31.3.	**1,043.7**	**1,285.0**	**241.7**	**247.6**	**1,285.4**	**1,532.6**

Consolidated Income Statement

Figures in € million	1–3/2012	1–3/2011
Gross premiums written	1,569.0	1,653.5
Premiums earned (retained)	1,269.9	1,379.7
Income from fees and commissions	12.8	7.8
Net investment income	209.3	175.1
Other income	20.0	19.2
Total income	**1,512.0**	**1,581.9**
Insurance benefits (net)	– 1,044.0	– 1,102.7
Operating expenses	– 366.2	– 371.0
Other expenses	– 36.6	– 52.9
Amortisation of goodwill	– 3.1	– 2.0
Total expenses	**– 1,449.9**	**– 1,528.7**
Operating profit	62.2	53.2
Financing costs	– 7.8	– 8.0
Profit on ordinary activities	**54.4**	**45.2**
Income taxes	– 13.9	– 11.5
Net profit/loss	**40.4**	**33.7**
of which consolidated profit	30.4	26.7
of which minority interests	10.0	7.0
Earnings per share (in €)	**0.21**	**0.19**
Average number of shares in circulation	**142,165,567**	**142,165,567**

The diluted earnings per share are equal to the undiluted earnings per share. Calculated on the basis of the consolidated profit/loss.

Consolidated Comprehensive Income Statement

Figures in € million	1–3/2012	1–3/2011
Net profit/loss	**40.4**	**33.7**
Foreign currency translation		
Gains (losses) recognised in equity	14.1	5.9
Included in the income statement	0.0	0.0
Unrealised gains and losses on investments		
Gains (losses) recognised in equity	400.4	– 71.1
Gains (losses) recognised in equity – deferred tax	– 65.0	11.6
Gains (losses) recognised in equity – deferred profit participation	– 192.0	34.0
Included in the income statement	67.4	– 28.9
Included in the income statement – deferred tax	– 5.6	2.5
Included in the income statement – deferred profit participation	– 33.4	18.5
Change resulting from valuation at equity		
Gains (losses) recognised in equity	– 5.0	3.3
Included in the income statement	0.0	0.0
Actuarial gains and losses on defined benefit plans		
Gains (losses) recognised in equity	– 50.7	1.6
Gains (losses) recognised in equity – deferred tax	11.6	– 0.2
Gains (losses) recognised in equity – deferred profit participation	6.5	– 0.3
Other changes	1.3	0.5
Income and expense recognised directly in equity	**149.7**	**– 22.5**
Total recognised income and expense	**190.1**	**11.2**
of which attributable to UNIQA Versicherungen AG shareholders	167.8	7.9
of which minority interests	22.3	3.3

Consolidated Cash Flow Statement

Figures in € million	1–3/2012	1–3/2011
Net profit/loss including minority interests		
Net profit/loss	40.4	33.7
of which interest and dividend payments	4.3	3.4
Minority interests	–10.0	–7.0
Change in technical provisions (net)	762.4	226.3
Change in deferred acquisition costs	–34.1	–32.5
Change in amounts receivable and payable from direct insurance	–84.0	–98.3
Change in other amounts receivable and payable	133.5	156.6
Change in securities at fair value through profit or loss	–90.8	33.0
Realised gains/losses on the disposal of investments	–249.8	11.3
Depreciation/appreciation of other investments	51.6	111.4
Change in provisions for pensions and severance payments	42.4	1.0
Change in deferred tax assets/liabilities	61.8	–9.3
Change in other balance sheet items	–13.1	–25.2
Change in goodwill and intangible assets	3.1	2.5
Other non-cash income and expenses as well as accounting period adjustments	–18.0	10.7
Net cash flow from operating activities	**595.4**	**414.1**
of which cash flow from income tax	–2.9	–6.6
Receipts due to disposal of consolidated companies	0.0	–0.4
Payments due to acquisition of consolidated companies	–0.1	–4.8
Receipts due to disposal and maturity of other investments	2,651.7	1,564.1
Payments due to acquisition of other investments	–2,902.1	–1,896.5
Change in investments held on account and at risk of life insurance policyholders	–175.2	–12.6
Net cash flow used in investing activities	**–425.7**	**–350.1**
Change in investments on own shares	0.0	0.0
Share capital increase	0.0	0.0
Dividend payments	0.0	0.0
Receipts and payments from other financing activities	–1.6	–0.2
Net cash flow used in financing activities	**–1.6**	**–0.2**
Change in cash and cash equivalents	**168.2**	**63.8**
Change in cash and cash equivalents due to foreign currency translation	1.1	0.8
Change in cash and cash equivalents due to acquisition/disposal of consolidated companies	0.0	3.8
Cash and cash equivalents at beginning of period	683.1	532.9
Cash and cash equivalents at end of period	**852.4**	**601.4**
of which cash flow from income tax	–2.9	–6.6

The cash and cash equivalents correspond to item L. of the assets: Liquid funds.

Segment Balance Sheet

CLASSIFIED BY SEGMENT

	Property and casualty		Health	
Figures in € million	31.3.2012	31.12.2011	31.3.2012	31.12.2011
Assets				
A. Tangible assets	165.7	165.7	29.8	29.5
B. Land and buildings held as financial investments	282.6	282.8	293.2	294.7
C. Intangible assets	580.7	545.6	245.4	243.4
D. Shares in associated companies	14.0	14.7	185.9	193.4
E. Investments	3,081.1	2,895.3	2,451.6	2,230.9
F. Investments held on account and at risk of life insurance policyholders	0.0	0.0	0.0	0.0
G. Share of reinsurance in technical provisions	212.7	212.1	2.9	4.4
H. Share of reinsurance in technical provisions held on account and at risk of life insurance policyholders	0.0	0.0	0.0	0.0
I. Receivables including receivables under insurance business	882.5	1,050.3	303.5	295.6
J. Receivables from income tax	45.4	43.9	0.2	0.2
K. Deferred tax assets	142.1	132.5	4.2	4.6
L. Liquid funds	230.1	196.4	178.6	276.3
Total segment assets	**5,637.0**	**5,539.2**	**3,695.2**	**3,573.0**
Equity and liabilities				
B. Subordinated liabilities	339.0	339.0	0.0	0.0
C. Technical provisions	3,105.5	2,858.1	3,042.0	2,960.7
D. Technical provisions held on account and at risk of life insurance policyholders	0.0	0.0	0.0	0.0
E. Financial liabilities	274.1	263.8	30.0	32.0
F. Other provisions	748.6	738.9	24.0	18.7
G. Payables and other liabilities	848.5	1,042.0	95.1	107.9
H. Liabilities from income tax	23.6	16.5	1.9	1.4
I. Deferred tax liabilities	204.7	189.3	87.1	75.7
Total segment liabilities	**5,544.1**	**5,447.5**	**3,280.0**	**3,196.4**

	Life		Consolidation		Group
31.3.2012	31.12.2011	31.3.2012	31.12.2011	31.3.2012	31.12.2011
185.7	188.4	0.0	0.0	381.1	383.5
988.1	989.4	0.0	0.0	1,564.0	1,567.0
705.2	711.3	0.0	0.0	1,531.3	1,500.3
310.4	322.4	0.0	0.0	510.3	530.5
12,961.4	12,620.0	– 583.4	– 573.9	17,910.6	17,172.2
4,571.2	4,396.0	0.0	0.0	4,571.2	4,396.0
466.2	467.6	0.0	0.0	681.8	684.1
402.1	405.5	0.0	0.0	402.1	405.5
512.4	583.3	– 696.8	– 941.2	1,001.6	988.0
7.1	7.1	0.0	0.0	52.7	51.2
67.4	69.1	0.0	0.0	213.7	206.2
443.7	210.4	0.0	0.0	852.4	683.1
21,620.9	**20,970.5**	**– 1,280.2**	**– 1,515.1**	**29,672.8**	**28,567.7**
270.0	270.0	– 34.0	– 34.0	575.0	575.0
14,298.2	14,079.1	– 11.1	– 9.8	20,434.6	19,888.1
4,528.6	4,318.3	0.0	0.0	4,528.6	4,318.3
297.9	276.1	– 509.6	– 498.2	92.3	73.7
37.9	30.5	0.0	0.0	810.5	788.1
1,338.0	1,337.4	– 725.3	– 969.3	1,556.4	1,517.9
3.5	1.3	0.0	0.0	29.1	19.2
69.3	26.7	0.0	0.0	361.1	291.7
20,843.3	**20,339.4**	**– 1,280.0**	**– 1,511.2**	**28,387.4**	**27,472.1**
			Shareholders' equity and minority interests	1,285.4	1,095.6
			Total equity and liabilities	**29,672.8**	**28,567.7**

The amounts indicated have been adjusted to eliminate amounts resulting from inter-segment transactions. Therefore, the balance of segment assets and segment liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective segment.

Figures in € million	Property and casualty 1–3/2012	Property and casualty 1–3/2011	Health 1–3/2012	Health 1–3/2011	Life 1–3/2012	Life 1–3/2011	Consolidation 1–3/2012	Consolidation 1–3/2011	Group 1–3/2012	Group 1–3/2011
Gross premiums written	920.8	881.9	276.6	262.7	375.2	509.5	–3.7	–0.6	1,569.0	1,653.5
Premiums earned (retained)	662.3	639.3	263.3	250.7	348.2	491.1	–4.0	–1.3	1,269.9	1,379.7
Income from fees and commissions	2.8	2.2	0.0	0.0	8.7	4.4	1.3	1.1	12.8	7.8
Net investment income	10.5	32.5	20.5	7.5	178.9	134.8	–0.5	0.3	209.3	175.1
Other income	18.5	17.4	2.5	2.4	2.4	4.8	–3.5	–5.3	20.0	19.2
Insurance benefits (net)	–439.6	–425.3	–237.9	–223.6	–367.9	–454.0	1.4	0.2	–1,044.0	–1,102.7
Operating expenses	–231.3	–221.9	–38.9	–40.1	–98.6	–109.1	2.5	0.1	–366.2	–371.0
Other expenses	–26.3	–37.8	–2.6	–2.0	–13.9	–17.6	6.3	4.6	–36.6	–52.9
Amortisation of goodwill	–0.7	–0.7	0.0	0.0	–2.4	–1.3	0.0	0.0	–3.1	–2.0
Operating profit	–3.6	5.7	6.8	–5.0	55.3	53.0	3.6	–0.4	62.2	53.2
Financing costs	–4.4	–4.4	–0.1	–0.4	–3.3	–3.3	0.0	0.0	–7.8	–8.0
Profit on ordinary activities	**–8.0**	**1.3**	**6.7**	**–5.4**	**52.0**	**49.7**	**3.6**	**–0.4**	**54.4**	**45.2**
Income taxes	–4.6	–1.0	–4.6	–2.4	–4.7	–8.1	0.0	0.0	–13.9	–11.5
Net profit/loss	**–12.6**	**0.3**	**2.1**	**–7.8**	**47.3**	**41.6**	**3.6**	**–0.4**	**40.4**	**33.7**
of which consolidated profit	–14.4	–0.7	–0.6	–8.1	41.7	35.9	3.6	–0.4	30.4	26.7
of which minority interests	1.8	1.0	2.7	0.3	5.5	5.7	0.0	0.0	10.0	7.0

CLASSIFIED BY REGION

Figures in € million	Premiums earned (retained) 1–3/2012	Premiums earned (retained) 1–3/2011	Net investment income 1–3/2012	Net investment income 1–3/2011	Insurance benefits (net) 1–3/2012	Insurance benefits (net) 1–3/2011	Operating expenses 1–3/2012	Operating expenses 1–3/2011	Profit on ordinary activities 1–3/2012	Profit on ordinary activities 1–3/2011
Austria	**777.4**	**802.6**	**169.0**	**130.4**	**–680.3**	**–654.5**	**–205.2**	**–222.5**	**51.6**	**41.0**
Other Europe	**496.5**	**578.5**	**43.8**	**47.0**	**–365.2**	**–448.4**	**–212.6**	**–188.7**	**–0.6**	**5.1**
Western Europe	324.5	388.6	26.9	35.4	–259.4	–318.4	–109.8	–96.8	–5.5	1.9
Central and Eastern Europe	172.1	189.9	16.8	11.6	–105.8	–130.1	–102.9	–91.9	4.9	3.2
Total before consolidation	**1,273.9**	**1,381.1**	**212.8**	**177.3**	**–1,045.4**	**–1,102.9**	**–417.9**	**–411.2**	**51.0**	**46.1**
Consolidation (based on geographic segments)	–4.0	–1.3	–3.5	–2.2	1.4	0.2	51.7	40.2	3.3	–0.8
In the consolidated financial statements	**1,269.9**	**1,379.7**	**209.3**	**175.1**	**–1,044.0**	**–1,102.7**	**–366.2**	**–371.0**	**54.4**	**45.2**

The investment income and profit/loss on ordinary activities by region are presented adjusted for the capital consolidation effects contained in the investment income. The consolidation item includes the expenditure and income consolidation from operational business relations between Group companies on the basis of geographic segments.

Group Notes

ACCOUNTING REGULATIONS

As a publicly listed company, UNIQA Versicherungen AG is obliged to prepare its consolidated financial statements according to internationally accepted accounting principles. These consolidated interim financial statements for the period ending 31 March 2012 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS), in the versions applicable to this reporting period. The accounting and valuation principles and consolidation methods are the same as those applied in the preparation of the consolidated financial statements for the 2011 business year.

On 1 July 2008, securities previously available for sale were reclassified according to IAS 39/50E as other loans. Overall, fixed-interest securities with a book value of €2,130.2 million were reclassified. The corresponding revaluation reserve as at 30 June 2008 was minus €98.2 million. The market value as at 31 December 2011 was €981.4 million; the current market value as at 31 March 2012 amounted to €1,028.4 million, which corresponded to a change in market value of plus €82.4 million in the 1st quarter of 2012. The book value of the reclassified securities amounted to €1,053.6 million as at 31 March 2012 (31 December 2011: 1,089.1 million). In addition, an amortisation gain of €308,942 was posted in the income statement.

For creation of these consolidated interim financial statements, according to IAS 34.41, estimates are used to a greater extent than as in the annual consolidated financial statements.

SCOPE OF CONSOLIDATION

In addition to the interim financial statement of UNIQA Versicherungen AG, the consolidated interim financial statements include the interim financial statements of all Austrian and international subsidiaries. A total of 41 affiliated companies did not form part of the scope of consolidation. They were of only minor significance, even if taken together, for the presentation of a true and fair view of the Group's assets, financial position and income. The scope of consolidation, therefore, contains – in addition to UNIQA Versicherungen AG – 134 subsidiaries in which the UNIQA Group held the majority voting rights.

The scope of consolidation was not extended in the reporting period. In April 2012, the UNIQA Group concluded agreements to sell Mannheimer AG Holding including its subsidiaries and the associated real estate holdings. These transactions will be implemented in the 2nd quarter of 2012 and are part of the repositioning of the UNIQA Group. The agreements concern the holding of 91.68 per cent in Mannheimer AG Holding, its subsidiaries Mannheimer Versicherung AG, Mannheimer Krankenversicherung AG and mamax Lebensversicherung AG, as well as the real estate companies MV Augustaanlage Verwaltungs-GmbH and MV Augustaanlage GmbH & Co. KG, and are subject to approval by the German Federal Financial Supervisory Authority (BaFin).

The companies for sale mentioned above are included in the quarterly balance sheet as at 31 March 2012 at the following values:

Figures in € million	Property and casualty	Health	Life	Group
Assets				
A. Tangible assets	1.2	0.7	20.8	22.7
B. Land and buildings held as financial investments	0.2	0.0	0.0	0.2
C. Intangible assets	57.0	18.8	0.0	75.8
D. Shares in associated companies	0.0	0.0	0.0	0.0
E. Investments	480.3	658.6	74.3	1,213.2
F. Investments held on account and at risk of life insurance policyholders	0.0	0.0	0.1	0.1
G. Share of reinsurance in technical provisions	33.3	0.0	10.7	44.0
I. Receivables including receivables under insurance business	72.3	14.2	3.2	89.8
J. Receivables from income tax	3.8	0.0	0.0	3.8
K. Deferred tax assets	18.2	1.1	0.6	19.9
L. Liquid funds	5.8	0.5	0.9	7.2
Total assets	**672.2**	**694.0**	**110.6**	**1,476.7**
Equity and liabilities				
C. Technical provisions	341.4	654.4	62.4	1,058.2
D. Technical provisions held on account and at risk of life insurance policyholders	0.0	0.0	0.1	0.1
E. Financial liabilities	0.0	0.0	15.5	15.5
F. Other provisions	120.5	6.9	2.5	129.9
G. Payables and other liabilities	70.7	15.1	1.2	87.0
H. Liabilities from income tax	14.4	0.4	0.0	14.8
I. Deferred tax liabilities	24.3	1.1	0.4	25.7
Total equity and liabilities	**571.1**	**677.8**	**82.2**	**1,331.1**

FOREIGN CURRENCY TRANSLATION

The reporting currency of UNIQA Versicherungen AG is the euro. All financial statements of international subsidiaries which are not reported in euros are converted, at the rate on the balance sheet closing date, according to the following guidelines:

- Assets, liabilities and transition of the net profit/loss for the period at the middle rate on the balance sheet closing date
- Income statement at the average exchange rate for the period
- Group equity (except for net profit/loss for the period) at the historic exchange rate

Resulting exchange rate differences are set off against the shareholders' equity without affecting income.

The most important exchange rates are summarised in the following table:

€ rates on balance sheet closing date	31.3.2012	31.12.2011
Swiss franc CHF	1.2045	1.2156
Czech koruna CZK	24.7300	25.7870
Hungarian forint HUF	294.9200	314.5800
Croatian kuna HRK	7.5125	7.5370
Polish złoty PLN	4.1522	4.4580
Bosnia and Herzegovina convertible mark BAM	1.9558	1.9558
Romanian leu (new) RON	4.3820	4.3233
Bulgarian lev (new) BGN	1.9558	1.9558
Ukrainian hrywnja UAH	10.7180	10.3708
Serbian dinar RSD	111.3824	107.0795
Russian ruble RUB	39.2950	41.7650
Albanian lek ALL	140.6600	138.5500
Macedonian denar MKD	61.5042	61.7613

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Premiums written in property and casualty insurance

Figures in € million	1–3/2012	1–3/2011	Change
Direct business			
Fire and business interruption insurance	90.6	85.0	+ 6.6 %
Household insurance	78.6	74.8	+ 5.1 %
Other property insurance	93.3	91.5	+ 2.0 %
Motor TPL insurance	208.4	194.2	+ 7.3 %
Other motor insurance	151.5	149.9	+ 1.1 %
Casualty insurance	83.3	77.8	+ 7.1 %
Liability insurance	104.5	105.3	– 0.7 %
Legal expenses insurance	18.8	17.5	+ 7.5 %
Marine, aviation and transport insurance	40.8	37.7	+ 8.4 %
Other insurance	25.1	24.3	+ 3.2 %
Total	**895.0**	**858.0**	**+ 4.3 %**
Indirect business			
Marine, aviation and transport insurance	0.4	1.8	– 79.2 %
Other insurance	22.0	21.5	+ 2.0 %
Total	**22.3**	**23.3**	**– 4.3 %**
Total direct and indirect business (fully consolidated values)	**917.3**	**881.3**	**+ 4.1 %**

Operating expenses

Figures in € million	1–3/2012	1–3/2011
Property and casualty		
a) Acquisition costs		
Payments	186.8	173.0
Change in deferred acquisition costs	– 33.0	– 32.0
b) Other operating expenses	75.0	80.9
	228.8	**221.9**
Health		
a) Acquisition costs		
Payments	28.7	24.9
Change in deferred acquisition costs	– 1.9	– 1.3
b) Other operating expenses	12.1	16.5
	38.9	**40.1**
Life		
a) Acquisition costs		
Payments	74.0	82.5
Change in deferred acquisition costs	4.2	1.3
b) Other operating expenses	20.3	25.4
	98.5	**109.1**
Total (fully consolidated values)	**366.2**	**371.0**

Reinsurance commissions and profit shares from reinsurance business ceded

Figures in € million	1–3/2012	1–3/2011
Property and casualty	4.1	3.4
Health	0.0	0.0
Life	8.7	4.4
Total (fully consolidated values)	**12.8**	**7.8**

Insurance benefits

	Gross		Reinsurers' share		Retention	
Figures in € million	1–3/2012	1–3/2011	1–3/2012	1–3/2011	1–3/2012	1–3/2011
Property and casualty						
Expenditure for claims						
Claims paid	423.0	428.2	–10.2	–12.5	412.8	415.7
Change in provision for outstanding claims	7.8	4.0	8.3	–3.8	16.1	0.3
Total	**430.8**	**432.2**	**–1.9**	**–16.2**	**429.0**	**416.0**
Change in actuarial provisions	–0.8	–1.0	0.0	0.0	–0.8	–1.0
Change in other actuarial provisions	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure for profit-unrelated and profit-related premium refunds	10.0	10.1	0.0	0.0	10.0	10.1
Total amount of benefits	**440.1**	**441.4**	**–1.9**	**–16.2**	**438.2**	**425.1**
Health						
Expenditure for claims						
Claims paid	177.6	172.5	–0.1	–0.1	177.4	172.3
Change in provision for outstanding claims	8.6	6.5	0.0	0.0	8.6	6.6
Total	**186.2**	**179.0**	**–0.1**	**–0.1**	**186.0**	**178.9**
Change in actuarial provisions	46.0	40.5	0.0	0.0	46.0	40.5
Change in other actuarial provisions	0.0	0.0	0.0	0.0	0.0	0.0
Expenditure for profit-related and profit-unrelated premium refunds	5.9	4.2	0.0	0.0	5.9	4.2
Total amount of benefits	**238.0**	**223.7**	**–0.1**	**–0.1**	**237.9**	**223.6**
Life						
Expenditure for claims						
Claims paid	396.0	490.2	–31.1	–32.7	364.9	457.5
Change in provision for outstanding claims	–2.4	–11.3	1.7	4.3	–0.7	–7.1
Total	**393.6**	**478.9**	**–29.3**	**–28.5**	**364.3**	**450.4**
Change in actuarial provisions	–39.9	1.5	9.5	8.2	–30.4	9.7
Change in other actuarial provisions	0.4	0.5	0.0	0.0	0.4	0.5
Expenditure for profit-unrelated and profit-related premium refunds and/or (deferred) profit participation	33.6	–6.6	0.0	0.0	33.6	–6.6
Total amount of benefits	**387.7**	**474.3**	**–19.9**	**–20.3**	**367.8**	**454.0**
Total (fully consolidated values)	**1,065.8**	**1,139.4**	**–21.8**	**–36.7**	**1,044.0**	**1,102.7**

Net investment income

By segment Figures in € million	Property and casualty 1–3/2012	1–3/2011	Health 1–3/2012	1–3/2011	Life 1–3/2012	1–3/2011	Group 1–3/2012	1–3/2011
I. Properties held as investments	**2.1**	**2.1**	**0.8**	**1.1**	**6.1**	**3.8**	**8.9**	**7.0**
II. Shares in associated companies	**–0.5**	**–0.1**	**–6.4**	**–5.9**	**–7.6**	**–6.8**	**–14.4**	**–12.8**
III. Variable-yield securities	**4.4**	**4.7**	**4.9**	**–0.9**	**44.0**	**15.7**	**53.3**	**19.5**
1. Available for sale	3.7	4.3	3.0	–0.2	27.9	16.9	34.6	20.9
2. At fair value through profit or loss	0.7	0.5	1.9	–0.7	16.2	–1.1	18.8	–1.4
IV. Fixed interest securities	**5.4**	**17.4**	**13.1**	**1.2**	**107.0**	**53.5**	**125.5**	**72.2**
1. Held to maturity	0.0	0.3	0.0	0.7	0.0	4.3	0.0	5.3
2. Available for sale	4.6	16.7	11.6	–0.4	91.6	43.3	107.8	59.5
3. At fair value through profit or loss	0.8	0.5	1.5	0.9	15.4	6.0	17.8	7.3
V. Loans and other investments	**6.5**	**6.8**	**7.5**	**5.7**	**10.6**	**13.5**	**24.6**	**26.0**
1. Loans	4.1	3.5	7.3	5.8	6.4	5.6	17.8	14.9
2. Other investments	2.4	3.3	0.2	–0.1	4.2	7.9	6.8	11.1
VI. Derivative financial instruments (held for trading)	**2.3**	**4.3**	**1.9**	**8.2**	**26.1**	**64.9**	**30.3**	**77.5**
VII. Expenditure for asset management, interest charges and other expenses	**–7.1**	**–3.0**	**–2.0**	**–1.7**	**–9.8**	**–9.4**	**–19.0**	**–14.1**
Total (fully consolidated values)	**13.1**	**32.3**	**19.8**	**7.5**	**176.4**	**135.3**	**209.3**	**175.1**

By segment and income type Figures in € million	Property and casualty 1–3/2012	1–3/2011	Health 1–3/2012	1–3/2011	Life 1–3/2012	1–3/2011	Group 1–3/2012	1–3/2011
Ordinary income	25.4	26.7	19.2	16.0	154.8	125.6	199.3	168.3
Write-ups and unrealised capital gains	5.3	11.9	4.9	5.9	86.4	87.5	96.5	105.4
Realised capital gains	9.3	10.3	6.9	8.9	66.2	78.3	82.4	97.5
Write-offs and unrealised capital losses	–6.8	–14.2	–7.4	–20.1	–78.0	–147.5	–92.2	–181.8
Realised capital losses	–20.0	–2.4	–3.8	–3.2	–52.9	–8.7	–76.7	–14.2
Total (fully consolidated values)	**13.1**	**32.3**	**19.8**	**7.5**	**176.4**	**135.3**	**209.3**	**175.1**

The net investment income of €209.3 million included realised and unrealised gains and losses amounting to plus €10.0 million, which included currency gains of €10.3 million. The effects mainly resulted from investments in US dollars. The currency losses in the underlying US dollar securities amounted to approximately €23.7 million. These losses were compensated by earnings from derivative financial instruments in the amount of €29.0 million in connection with hedging transactions. In addition, negative currency effects amounting to €11.9 million were recorded directly under equity.

The realised capital losses amounting to €76.7 million were due to the sales of investments in the PIIGS countries – in particular Portuguese government bonds (€21.0 million) and Italian government bonds (€15.8 million) – as well as losses from hedging transactions in US dollars in the amount of €9.8 million.

Disclosures on investments in the PIIGS countries

Issuer Figures in € million	Remaining term of 1– 10 years	Remaining term of 11– 20 years	Remaining term of more than 20 years	Current market value 31.3.2012
Spain	21.9	14.0	80.7	116.7
Greece	0.0	0.8	0.8	1.6
Ireland	164.4	133.9	0.0	298.3
Italy	391.5	32.5	178.2	602.3
Portugal	33.3	0.0	0.0	33.3
Total	**611.2**	**181.2**	**259.7**	**1,052.2**

Effects of the national debt of Greece, Ireland and Portugal, which were supported by way of rescue packages

In Greece, Ireland and Portugal, there was a significant increase in national debt due to the economic and financial crisis. As a result of the financial crisis, government bonds and other public-sector bonds of these countries were valued lower by the markets. These countries were therefore not able to raise sufficient funds to balance the deficit.

In these circumstances, the European solidarity guidelines prompted the member countries of the euro zone to implement support measures together with the International Monetary Fund (IMF). These formed a basis for the planning and implementation of various rescue plans for Greece, and subsequently also for Ireland and Portugal.

In May 2010, the governments of the euro countries and the IMF committed to supporting Greece with a €110 billion rescue package. In return, Greece was obliged to reduce its budget deficit. In the 1st half of 2011, the European authorities renewed their declaration of support for Greece, and a second rescue package was prepared with the participation of the private sector. During the 3rd quarter of 2011, several variations and support plans were developed to avoid national bankruptcy in Greece. In the 4th quarter of 2011, private sector participation of at least 50 per cent was secured, which was then implemented in the 1st quarter of 2012. This debt relief for Greece was carried out in the context of a bond exchange, whereby investors received new bonds with a nominal value of €46.50 in exchange for €100 nominal value.

The rescue package for Ireland was passed in November 2010 and amounts to €85 billion, while measures for Portugal amounting to €78 billion were resolved in May 2011. Both rescue packages were financed by the public sector and are accompanied by strict measures to reduce national debt.

Recognition and measurement of the government bonds of Greece, Ireland and Portugal as at 31 March 2012

Based on a negative assessment of the chances of Greece's financial restructuring and the associated possible consequences for Portugal, the UNIQA Group sold the majority of its holding in Greek debt instruments. The holding of Portuguese debt instruments was also reduced to around 51 per cent of the nominal value. The remaining holding in Portuguese government bonds was sold at the beginning of the 2nd quarter.

The difference between the amortised cost and the market value of the Irish and Portuguese debt instruments – reduced by the deferred profit participation (in life insurance) and deferred taxes – predominantly affects the revaluation reserves. After taking into account the different aspects of the European rescue packages, there is currently no evidence that the return of future cash flows in connection with these debt instruments will be jeopardised over the long term.

OTHER DISCLOSURES

Employees

Average number of employees	1–3/2012	1–3/2011
Total	**15,153**	**15,025**
of which sales	6,192	5,840
of which administration	8,961	9,185

Review

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

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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 upon 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.

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