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Consolidated Key Figures

In € million	1 – 9/2016	1 – 9/2015	Change
Premiums written	4,432.7	4,502.3	- 1.5%
Savings portions from unit-linked and index-linked life insurance (before reinsurance)	320.5	363.8	- 11.9%
Premiums written, including savings portions from unit-linked and index-linked life insurance	4,753.3	4,866.1	- 2.3%
of which property and casualty insurance	2,079.1	2,029.6	+2.4%
of which health insurance	778.8	749.1	+4.0%
of which life insurance	1,895.3	2,087.5	- 9.2%
of which income from regular premiums	1,091.6	1,098.2	- 0.6%
of which single premiums	803.7	989.3	- 18.8%
Premiums written, including savings portions from unit-linked and index-linked life insurance	4,753.3	4,866.1	- 2.3%
of which UNIQA Austria	2,774.7	3,023.6	- 8.2%
of which UNIQA International	1,958.3	1,814.4	+7.9%
of which reinsurance	866.5	854.7	+1.4%
of which consolidation	- 846.3	- 826.5	+2.4%
Premiums earned (net)	4,219.3	4,307.6	- 2.1%
of which property and casualty insurance	1,911.9	1,883.7	+1.5%
of which health insurance	775.2	744.0	+4.2%
of which life insurance	1,532.1	1,679.9	- 8.8%
Savings portions from unit-linked and index-linked life insurance (after reinsurance)	305.1	351.9	- 13.3%
Premiums earned, including savings portions from unit-linked and index-linked life insurance	4,524.4	4,659.6	- 2.9%
Insurance benefits¹⁾	- 3,431.4	- 3,512.5	- 2.3%
of which property and casualty insurance	- 1,284.8	- 1,268.0	+1.3%
of which health insurance	- 654.8	- 607.3	+7.8%
of which life insurance ²⁾	- 1,491.8	- 1,637.3	- 8.9%
Operating expenses³⁾	- 1,015.0	- 998.5	+1.7%
of which property and casualty insurance	- 592.5	- 577.8	+2.5%
of which health insurance	- 132.2	- 115.5	+14.4%
of which life insurance	- 290.4	- 305.2	- 4.8%
Net investment income	490.1	618.0	- 20.7%
Earnings before taxes	172.2	301.9	- 42.9%
Profit/(loss) for the period	149.9	247.8	- 39.5%
Consolidated profit/(loss)	148.8	245.0	- 39.3%
Investments⁴⁾	30,584.9	29,740.6	+2.8%
Shareholders' equity	3,367.9	3,081.9	+9.3%
Equity, including non-controlling interests	3,394.3	3,101.7	+9.4%
Insured sum in life insurance	81,858.8	80,397.7	+1.8%

¹⁾ Including expenditure for deferred profit participation and premium refunds

²⁾ Including expenditure for (deferred) profit participation

³⁾ Less reinsurance commissions and share of profit from reinsurance ceded

⁴⁾ Including investment property, shares in associates, unit-linked and index-linked life insurance investments and current bank balances and cash-in-hand

Foreword of the CEO

Dear Shareholders,

In the first nine months of 2016, UNIQA generated earnings before taxes of €172 million. This result includes extraordinary pre-tax income from the sale of the non-controlling interests in Niederösterreichische Versicherung AG amounting to €37 million, investments amounting to approximately €30 million, and an above-average claim load from major claims exceeding the comparative value in 2015 by around €30 million.

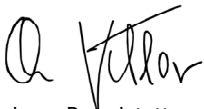
The third quarter of 2016 was characterised by an above-average number of major claims in Austria and on the international markets, causing the combined ratio in property and casualty insurance to increase in the first nine months of 2016 from 98.0 per cent to 98.2 per cent. We are not satisfied with this figure, which is clearly above our expectations. We will accordingly press forward unabated with our efforts to achieve further sustainable improvements in this area. The continuation of the positive trend we have seen in recent years of a steady decline in the combined ratio is a priority for us.

We increased recurring premiums by 1.9 per cent in the first three quarters of 2016. However, premiums written including savings portions fell by 2.3 per cent overall, driven by the decline in the single premium business in life insurance. Moderate growth in property and casualty insurance (+2.4 per cent) and very solid growth in health insurance (+4.0 per cent) were unable to compensate fully for the 9.2 per cent decline in life insurance.

Other operating expenses (administrative costs) rose by 7.8 per cent in the first nine months as a result of initial investments in the new IT core system. However, this includes investments amounting to around €30 million, i.e. costs would have fallen if these investments were not included.

In an environment characterised by negative interest rates and rapid changes in customer expectations, we will continue forcefully pursuing our strategy and, building on our strong capital position, concentrating more than ever on our core business. This means that we are moving away from activities that do not contribute directly to the success of the primary insurance business in Austria and the international markets. Our outlook for the entire year 2016 remains unchanged.

Sincerely,



Andreas Brandstetter
CEO UNIQA Group

Vienna, November 2016

Group Management Report

- **PREMIUMS WRITTEN (INCLUDING SAVINGS PORTIONS) FELL TO €4,753.3 MILLION DUE TO THE DECLINE IN SINGLE PREMIUMS**
- **COMBINED RATIO ROUGHLY STABLE, UP FROM 98.0 PER CENT TO 98.2 PER CENT**
- **EARNINGS BEFORE TAXES OF € 172.2 MILLION IN THE FIRST THREE QUARTERS OF 2016**
- **EARNINGS OUTLOOK FOR 2016 CONFIRMED ONCE AGAIN**

Economic environment

Analysts' fears of a short-term negative impact on the economy and financial markets since the UK's decision to leave the European Union (EU) in June 2016 have not been realised. The UK economy has not suffered a direct slump as originally feared, and a recession is no longer expected for the entire year of 2017. The economic impact appears to be very difficult to assess considering the rare nature of an event of this type, and any negative effects may also only occur following a longer time lag. The situation is a similar one in terms of the results of the presidential election in the USA. Although both the implementation and the impact are highly uncertain as of today, the economic programme includes a major fiscal stimulus for the US economy, triggering a positive response on the financial markets in early November.

The eurozone economy is continuing to demonstrate relative resistance to the headwind from the UK, the relatively modest global economic growth, and the many local internal and geopolitical trouble spots. These include for instance the lengthy efforts to form a government in Spain and the upcoming constitutional referendum and consolidation in the banking sector in Italy. According to the initial flash estimate, growth in GDP of 0.3 per cent was recorded in the third quarter of 2016 and the eurozone is projected to grow by 1.5 per cent over the entire year, thereby corresponding with the growth in GDP from the previous year. This continues to be supported by internal demand. However, the most recent surveys among consumers and companies no longer indicate increased dynamism, and the downward trend in the unemployment rate (10.0 per cent in September 2016) has levelled out somewhat in recent months.

The Austrian economy meanwhile is gaining pace. The growth in quarterly GDP in the third quarter of 2016 (0.5 per cent) was above that of the common currency area as a whole for the first time in a while. Economic growth overall this year will accelerate to around 1.4 per cent (from 0.8 per cent in 2015). Economic analysts state one-off effects from the tax reform and the increased expenditure on refugees as the reason for this. However, unlike the situation in most eurozone countries, the unemployment rate is experiencing negative development and increased to 6.3 per cent in September 2016.

The majority of financial investors expect the European Central Bank (ECB) to continue its high-volume acquisition of bonds (“quantitative easing”) beyond the end originally targeted for this (March 2017). While the rate of inflation has been rising in the eurozone towards the end of the year (0.5 per cent in October), it still remains below the Central Bank’s inflationary target in long-term forecasts. The ECB expects inflation to rise to 1.2 per cent in 2017 and 1.6 per cent in 2018. The core inflation rate (excluding energy and food prices) has not shown any signs of an upward tendency up to now (0.8 per cent in October 2016). The ultra loose monetary policy is driving interest rates to record lows in the eurozone. There is currently no end in sight to the period of low interest rates, and there are increasing indications that, aside from the monetary policy, fundamental trends, such as demographic changes and associated savings surpluses, persistent restraint among private investors and poor overall economic productivity gains, play a role here.

There are hardly any direct negative economic consequences that can be identified in Central and Eastern Europe (CEE) following the Brexit referendum. The growth prospects for the entire region have even improved slightly since the recession in Russia is expected to be more moderate this year than had originally been expected at the start of the year. Excluding Russia, economic growth in those countries where UNIQA is represented is expected to be just under 3 per cent for this year and next. Some labour markets are continuing to provide positive surprises. Unemployment rates are falling more quickly than expected in many countries (including Poland, Romania, Slovakia, the Czech Republic and Hungary) and reaching levels that were last seen prior to the financial crisis in 2008/09.

Domestic demand shows a lively development in Central Europe, primarily as a result of the continuous growth in private consumption. Demand for investment should also increase again over the next few months as funds are expected to be accessed from the EU funds on a greater scale. There have been disruptions recently due to the migration to the new EU budget framework (2014–2020). This has historically represented a significant driver for growth for the EU Member States in CEE. The macroeconomic data available implies that the situation is easing in Ukraine. The recession is also coming to an end in Russia, and the fall in GDP following the severe recession in 2015 (–3.7 per cent) is only expected to amount to 0.5 per cent this year. The boom in Romania also reached a new high with a growth rate of 5.9 per cent in the second quarter of 2016. A cyclical recovery is continuing in Bulgaria and Croatia. In Serbia the economic recovery in the first half of 2016 was better than expected. Economic growth in Southeastern Europe is in general slowly approaching the potential for the region. Major investments in construction in particular are driving the economy in some countries in the Southwestern Balkans (Albania, Macedonia and Montenegro).

UNIQA GROUP

Premium development

Premiums written at the UNIQA Group, including savings portions of unit-linked and index-linked life insurance, fell by 2.3 per cent to €4,753.3 million in the first three quarters of 2016 (1-9/2015: €4,866.1 million) due to the decline in the single premium business in life insurance in Austria. While recurring premiums written rose by 1.9 per cent to €3,949.6 million (1-9/2015: €3,876.8 million), single premiums in life insurance fell by 18.8 per cent to €803.7 million (1-9/2015: €989.3 million).

Premiums earned including the net savings portions of the premiums from unit-linked and index-linked life insurance – amounting to €305.1 million (1-9/2015: €351.9 million) – fell in the first three quarters of 2016 by 2.9 per cent to €4,524.4 million (1-9/2015: €4,659.6 million). Net premiums earned (in accordance with IFRSs) fell by 2.1 per cent to €4,219.3 million (1-9/2015: €4,307.6 million).

Premiums written in property and casualty insurance grew in the first six months of 2016 by 2.4 per cent to €2,079.1 million (1-9/2015: €2,029.6 million). Net premiums earned (in accordance with IFRSs) increased by 1.5 per cent to €1,911.9 million (1-9/2015: €1,883.7 million).

In health insurance, premiums written in the reporting period increased by 4.0 per cent to €778.8 million (1-9/2015: €749.1 million). Net premiums earned (in accordance with IFRSs) also grew by 4.2 per cent to €775.2 million (1-9/2015: €744.0 million).

In life insurance, the premiums written including savings portions from the unit-linked and index-linked life insurance fell overall in the first nine months of 2016 by 9.2 per cent to €1,895.3 million (1-9/2015: €2,087.5 million). The general lack of single premiums in the UNIQA Austria segment was the reason for this. The single premium business decreased in the first three quarters of 2016 by 18.8 per cent to €803.7 million (1-9/2015: €989.3 million). Recurring premiums fell by 0.6 per cent to €1,091.6 million (1-9/2015: €1,098.2 million). The Annual Premium Equivalent (APE) in life insurance decreased by 2.1 per cent to €1,172.0 million as a result of this development (1-9/2015: €1,197.1 million). The APE calculation accounts for 10 per cent of single premiums, because the average term of single premiums in Europe is ten years. Annual fluctuations are smoothed out as a result in this calculation. The risk-premium portion accounted for in the premiums in unit-linked and index-linked life insurance in the first three quarters of 2016 was €26.8 million (1-9/2015: €36.3 million). The insured capital in life insurance totalled €81,858.8 million as at 30 September 2016 (30 September 2015: €80,397.7 million). Including the net savings portions of the premiums from the unit-linked and index-linked life insurance, premiums earned fell in life insurance in the first nine months of 2016 by 9.6 per cent to €1,837.3 million (1-9/2015: €2,031.8 million). Net premiums earned (in accordance with IFRSs) decreased by 8.8 per cent to €1,532.1 million (1-9/2015: €1,679.9 million).

Insurance benefits

The total amount of (net) insurance benefits for the UNIQA Group fell in the first three quarters of 2016 as a result of the significant decrease in premiums in life insurance by 2.3 per cent to €3,431.4 million (1-9/2015: €3,512.5 million). Insurance benefits before consideration of reinsurance decreased by 2.4 per cent to €3,520.2 million (1-9/2015: €3,607.6 million).

Net insurance benefits earned in property and casualty insurance increased slightly less than premiums by 1.3 per cent to €1,284.8 million (1-9/2015: €1,268.0 million). The loss ratio after reinsurance fell in the first nine months of 2016 to 67.2 per cent (1-9/2015: 67.3 per cent). The combined ratio after reinsurance remained at around the same level as the previous year at 98.2 per cent (1-9/2015: 98.0 per cent). Before consideration of the reinsurance, the combined ratio amounted to 96.3 per cent (1-9/2015: 96.3 per cent).

In health insurance, net insurance benefits (including the change in insurance provisions) grew in the first three quarters of 2016 by 7.8 per cent to €654.8 million (1-9/2015: €607.3 million).

Net insurance benefits decreased by 8.9 per cent in life insurance to €1,491.8 million due to the declining premiums in the single premium business (1-9/2015: €1,637.3 million).

Operating expenses

Total operating expenses, less reinsurance commission received, rose in the first nine months of 2016 by 1.7 per cent to €1,015.0 million (1-9/2015: €998.5 million). Expenses for the acquisition of insurance fell by 0.8 per cent to €702.7 million (1-9/2015: €708.5 million). The reinsurance commission received amounting to €18.8 million (1-/2015: €17.8 million) has already been deducted from the acquisition costs. Other operating expenses (administrative expenses) increased in the first three quarters of 2016 as a result of initial expenses amounting to approximately €30 million in connection with the innovation and investment programme by 7.8 per cent to €312.4 million (1-9/2015: €289.9 million). The overall cost ratio, i.e. the ratio of total operating expenses to premiums earned, including the net savings portions of premiums from unit-linked and index-linked life insurance, therefore increased to 22.4 per cent, taking into account the reinsurance commissions received (1-9/2015: 21.4 per cent).

In property and casualty insurance, operating expenses less reinsurance commission received rose in the first three quarters of 2016 by 2.5 per cent to €592.5 million (1-9/2015: €577.8 million). The cost ratio after reinsurance in this line of business amounted to 31.0 per cent (1-9/2015: 30.7 per cent).

In health insurance, operating expenses less reinsurance commission received rose by 14.4 per cent to €132.2 million (1-9/2015: €115.5 million). The cost ratio after reinsurance amounted to 17.0 per cent (1-9/2015: 15.5 per cent).

In life insurance, operating expenses less reinsurance commissions received decreased by 4.8 per cent to €290.4 million (1-9/2015: €305.2 million). Nevertheless, the cost ratio after reinsurance increased to 15.8 per cent due to the declining premium development in the single premium business (1-9/2015: 15.0 per cent).

Investments

The UNIQA Group's investment portfolio (including investment property, financial assets accounted for using the equity method, investments in unit-linked and index-linked life insurance and cash and cash equivalents) increased to €30,584.9 million as at 30 September 2016, compared to the last reporting date (31 December 2015: €29,416.1 million).

Net investment income fell by 20.7 per cent to €490.1 million in the first three quarters of 2016 among other reasons due to negative currency effects (1-9/2015: €618.0 million). Furthermore, the prior-year amount was influenced by positive measurement results and the restructuring of the strategic investment policy carried out in 2015. As the 14.3 per cent holding in STRABAG SE was accounted for according to the equity method, there was a positive contribution to the results in the amount of €3.6 million (1-9/2015: €4.9 million) in the first three quarters of 2016. The sale of the stake in Niederösterreichische Versicherung AG resulted in a capital profit (before taxes) amounting to €37.2 million.

Earnings before taxes

The UNIQA Group's technical result fell by 50.7 per cent to €74.4 million in the first three quarters of 2016 (1-9/2015: €151.0 million). Operating profit also decreased by 32.3 per cent to €230.6 million primarily due to less investment income (1-9/2015: €340.4 million). The UNIQA Group's earnings before taxes amounted to €172.2 million (1-9/2015: €301.9 million).

Net profit for the first nine months of 2016 amounted to €149.9 million (1-9/2015: €247.8 million). This includes profit from discontinued operations (after tax) amounting to €7.5 million. Consolidated profit/(loss), i.e. profit/(loss) for the year attributable to the shareholders of UNIQA Insurance Group AG, decreased by 39.3 per cent to €148.8 million (1-9/2015: €245.0 million). Earnings per share amounted to €0.48 (1-9/2015: €0.79). 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 profits of the valuation of financial instruments available for sale) decreased in the first three quarters of 2016 to 8.7 per cent (1-9/2015: 15.2 per cent).

Group equity and total assets

Total equity attributable to the shareholders of UNIQA Insurance Group AG amounted to €3,367.9 million as at 30 September 2016 (31 December 2015: €3,152.7 million). The non-controlling interests came to €26.4 million (31 December 2015: €22.1 million). The Group's total assets rose overall as at 30 September 2016 to €34,240.2 million (31 December 2015: €33,078.4 million).

Cash flow

Net cash flows from operating activities in the first three quarters of 2016 amounted to €558.9 million (1-9/2015: €-42.9 million). Cash flows from the UNIQA Group's investing activities amounted to €-628.2 million (1-9/2015: €56.6 million) in line with investment of the revenues received in the reporting period; the financing cash flow amounted to €-147.0 million as a result of dividend payments (1-9/2015: €354.4 million). Overall, cash and cash equivalents fell by €669.4 million to €674.9 million (1-9/2015: €1,344.3 million).

Employees

The average number of employees of the UNIQA Group fell in the first nine months of 2016 to 13,908 (1-9/2015: 14,038). These included 5,418 field sales employees (1-9/2015: 5,423). The number of administrative employees fell to 8,490 (1-9/2015: 8,615).

OPERATING SEGMENTS

UNIQA Austria

The Half-Year Financial Report 2016 included an adjustment in the segment reporting of the UNIQA Group. In addition to UNIQA Austria, the UNIQA Austria segment now also includes the figures for the former Raiffeisen Insurance Austria segment.

The premium volume written including savings portions from unit-linked and index-linked life insurance at UNIQA Austria fell in the first three quarters of 2016 by 8.2 per cent to €2,774.7 million as a result of the heavy decline in single premiums in life insurance (1-9/2015: €3,023.6 million). Recurring premiums rose on the other hand by 1.0 per cent to €2,717.5 million (1-9/2015: €2,689.8 million). Single premiums decreased considerably by 82.9 per cent to €57.2 million (1-9/2015: €333.8 million). Premiums earned, including the net savings portions of the premiums from unit-linked and index-linked life insurance, decreased by 10.2 per cent to €2,203.7 million (1-9/2015: €2,453.6 million). The volume of premiums earned (net, according to IFRS) fell by 10.1 per cent to €2,040.0 million (1-9/2015: €2,269.6 million).

Premiums written in property and casualty insurance rose by 1.4 per cent to €1,222.1 million (1-9/2015: €1,205.1 million), and UNIQA Austria also recorded premium growth of 3.9 per cent to €719.2 million in health insurance (1-9/2015: €692.0 million).

Premiums written in life insurance, including savings portions of unit-linked and index-linked life insurance, decreased in the UNIQA Austria segment by 26.0 per cent to €833.4 million as a result of the contraction in single premium business (1-9/2015: €1,126.4 million). Recurring premiums decreased by 2.1 per cent to €776.2 million (1-9/2015: €792.6 million), and single premiums also decreased considerably by 82.9 per cent to €57.2 million (1-9/2015: €333.8 million). Premiums in unit-linked and index-linked life insurance for UNIQA Austria fell in the first three quarters of 2016 by 8.3 per cent to €203.2 million (1-9/2015: €221.6 million).

Insurance benefits (net) fell by 10.6 per cent to €1,755.5 million in the UNIQA Austria segment in the first nine months of 2016 as a result of the decline in single premiums (1-9/2015: €1,964.0 million). In property and casualty insurance, the combined ratio after reinsurance amounted to 93.3 per cent (1-9/2015: 92.6 per cent).

Overall operating expenses, less reinsurance commission received, fell in the first three quarters of 2016 by 0.8 per cent to €424.7 million (1-9/2015: €428.1 million). The cost ratio (after reinsurance) amounted to 19.3 per cent (1-9/2015: 17.4 per cent).

Net investment income fell in the first nine months of 2016 by 22.3 per cent to €355.8 million (1-9/2015: €458.0 million). Earnings before taxes in the UNIQA Austria segment fell in the first three quarters of 2016 by 40.2 per cent to €164.6 million (1-9/2015: €275.1 million).

UNIQA International

For UNIQA International, premiums written including savings portions from unit-linked and index-linked life insurance rose overall in the first nine months of 2016 by 7.9 per cent to €1,958.3 million (1-9/2015: €1,814.4 million). Single premiums rose by 13.9 per cent to €746.5 million (1-9/2015: €655.5 million). Recurring premiums also rose by 4.6 per cent to €1,211.8 million (1-9/2015: €1,158.8 million). The international companies thereby contributed a total of 41.2 per cent overall in the first three quarters of 2016 (1-9/2015: 37.3 per cent) to total Group premiums. Premiums earned, including the net savings portions of the premiums from unit-linked and index-linked life insurance, increased by 7.8 per cent to €1,547.0 million (1-9/2015: €1,435.5 million). The volume of premiums earned (net, according to IFRS) even increased by 10.9 per cent to €1,405.6 million (1-9/2015: €1,267.6 million).

In Central Europe (CE) – i.e. Poland, Slovakia, the Czech Republic and Hungary – the premium volume written, including savings portions from unit-linked and index-linked life insurance, rose in the first nine months of 2016 by 5.0 per cent to €623.9 million (1-9/2015: €594.2 million). In the region of Eastern Europe (EE), comprising Romania and Ukraine, an increase of 11.5 per cent to €120.8 million (1-9/2015: €108.3 million) was recorded. The volume of premiums written in Southeastern Europe (SEE), i.e. Albania, Bosnia-Herzegovina, Bulgaria, Kosovo, Croatia, Macedonia, Montenegro and Serbia, including savings portions from unit-linked and index-linked life insurance, continued to fall slightly to €205.9 million (1-9/2015: €210.9 million). In Russia (RU), the volume of premiums written grew by 13.2 per cent to €40.8 million (1-9/2015: €36.0 million). In Western Europe (WE), i.e. Italy, Liechtenstein and Switzerland, they increased by 11.8 per cent to €967.0 million (1-9/2015: €865.0 million).

Premiums written in the UNIQA International segment in property and casualty insurance increased by 4.9 per cent to €844.0 million (1-9/2015: €804.4 million). As such, the proportion of group companies outside of Austria in overall premiums in property and casualty insurance amounted to 40.6 per cent (1-9/2015: 39.6 per cent).

Premiums written in health insurance increased in the first three quarters of 2016 by 4.7 per cent to €59.7 million (1-9/2015: €57.0 million). As such, the segment was responsible for 7.7 per cent (1-9/2015: 7.6 per cent) of health insurance premiums in the UNIQA Group.

In international life insurance, premiums written, including savings portions from unit-linked and index-linked life insurance, grew in the first nine months of 2016 by 10.7 per cent to €1,054.6 million (1-9/2015: €952.9 million), driven primarily by the positive course of business in Italy. Single premiums grew by 13.9 per cent to €746.5 million (1-9/2015: €655.5 million), and recurring premiums also rose by 3.6 per cent to €308.1 million (1-9/2015: €297.4 million). UNIQA International's share of overall life insurance premiums in the UNIQA Group was 55.6 per cent (1-9/2015: 45.6 per cent). Premiums of unit-linked and index-linked life insurance decreased by 19.2 per cent to €144.1 million in the international segment (1-9/2015: €178.5 million).

In the UNIQA International segment, net insurance benefits increased in the first three quarters of 2016 by 15.1 per cent to €1,145.7 million (1-9/2015: €995.5 million) based on an increase in major claims in Italy, Poland and Slovakia. In property and casualty insurance, the combined ratio after reinsurance increased therefore to 99.2 per cent (1-9/2015: 97.1 per cent). In the CE region, benefits fell by 2.0 per cent to €173.7 million (1-9/2015: €177.2 million); in the EE region, however, they increased by 20.1 per cent to €36.8 million (1-9/2015: €30.6 million). In SEE, they fell by 5.4 per cent to €102.0 million (1-9/2015: €107.8 million). In Russia, benefits in the first three quarters of 2016 amounted to €34.2 million (1-9/2015: €18.8 million). In Western Europe, the volume of benefits rose by 20.9 per cent to €798.9 million (1-9/2015: €661.1 million) on account of the positive business performance in Italy.

The operating expenses, less reinsurance commission received, remained stable in the UNIQA International segment at €313.5 million (1-9/2015: €312.5 million). The cost ratio (after reinsurance) improved therefore to 20.3 per cent (1-9/2015: 21.8 per cent). In CE, costs increased by 7.0 per cent to €133.1 million (1-9/2015: €124.3 million), while in EE they fell by 14.5 per cent to €33.0 million (1-9/2015: €38.6 million). In SEE, they decreased by 5.7 per cent to €63.6 million (1-9/2015: €67.5 million). Costs in Russia increased to €8.2 million in the first nine months of 2016 (1-9/2015: €7.7 million), and in Western Europe they also increased by 6.2 per cent to €63.9 million (1-9/2015: €60.2 million). In administration (UNIQA International AG), costs were reduced by 18.3 per cent to €11.6 million (1-9/2015: €14.2 million).

Net investment income decreased by 14.2 per cent to €114.9 million in the UNIQA International segment (1-9/2015: €134.0 million). Earnings before taxes fell by 17.2 per cent to €43.5 million (1-9/2015: €52.5 million).

Reinsurance

Premiums written in reinsurance in the first three quarters of 2016 amounted to €866.5 million (1-9/2015: €854.7 million). Premiums written in property and casualty insurance rose by 1.5 per cent to €830.7 million (1-9/2015: €818.9 million). In health insurance, they amounted to €0.4 million (1-9/2015: €0.4 million) and in life insurance to €35.3 million (1-9/2015: €35.5 million).

Insurance benefits (net) fell in the reinsurance segment by 2.6 per cent to €535.9 million (1-9/2015: €550.5 million). Operating expenses, less reinsurance commission received, increased by 1.2 per cent to €245.0 million (1-9/2015: €242.0 million). Investment income fell slightly to €21.7 million (1-9/2015: €22.0 million). Earnings before taxes in the reinsurance segment improved to €3.5 million (1-9/2015: €-6.6 million).

Group functions

In the Group functions segment, operating expenses less reinsurance commission received rose by 53.1 per cent in the first three quarters of 2016 to €26.5 million as a result of the investments from the innovation programme (1-9/2015: €17.3 million). Investment income amounted to €40.5 million. (1-9/2015: €22.8 million). Finance costs increased in the reporting period by 51.9 per cent to €50.5 million (1-9/2015: €33.3 million). Earnings before taxes amounted to €-24.5 million (1-9/2015: €-12.2 million).

Consolidation

In the Consolidation segment, the premiums written in the first three quarters of 2016 amounted to €-846.3 million (1-9/2015: €-826.5 million). Investment income amounted to €-42.9 million (1-9/2015: €-18.7 million) and the earnings before taxes to €-14.8 million (1-9/2015: €-7.0 million).

Financial calendar

9 March 2017
Preliminary Figures 2016

21 April 2017
Group Report 2016,
Embedded Value 2016,
Economic Capital Report 2016

19 May 2017
Record Date for the Annual
General Meeting

24 May 2017
1st Quarter Report 2017

29 May 2017
Annual General Meeting

8 June 2017
Ex-Dividend Date

9 June 2017
Dividend Record Date

12 June 2017
Dividend Payment Date

23 August 2017
Half-Year Financial
Report 2017

16 November 2017
1st to 3rd Quarter Report 2017

CAPITAL MARKET

UNIQA shares – key figures In €	1 – 9/2016	1 – 9/2015	Change
UNIQA share price as at 30 September	5.79	7.75	- 25.3%
High	7.45	9.41	-
Low	5.04	7.04	-
Market capitalisation as at 30 September (in € million)	1,784.4	2,388.4	- 25.3%
Earnings per share	0.48	0.79	- 39.3%
Average number of shares in circulation	308,180,350	308,180,350	-

The third quarter of 2016 has remained largely spared from the economic and political uncertainties that had put pressure on the mood at the international stock exchanges in the first half of 2016. As a result, the fundamentally positive situation on the stock markets – characterised by a positive trend towards profits overall and high appeal as compared with alternative forms of investment – came to the fore and led to rising prices on the markets around the world. The relatively cautious upturn and the somewhat low sales volumes on many stock exchanges are, however, indications of sustained caution of the part of investors.

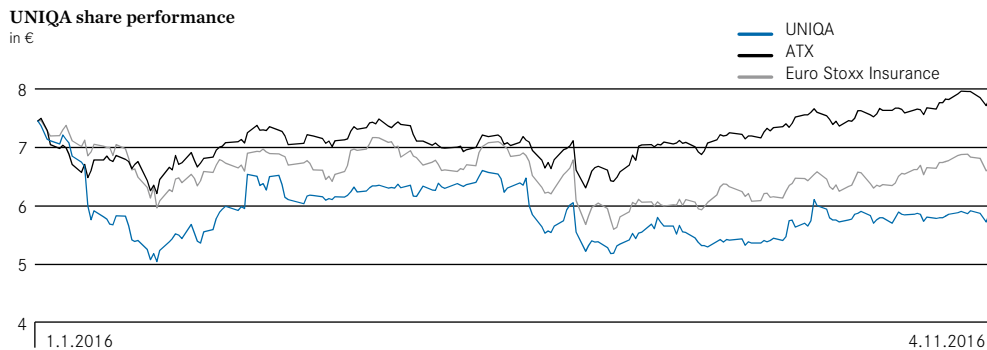
Market development remains supported by policies implemented by the central banks. The expected tightening of interest rate policy in the US has so far led to one single interest rate increase in December 2015. Thus, weaker US economic data is also accompanied by a continuation of extraordinarily low interest rates. The US stock markets performed well in this environment: the Dow Jones Industrial (DJI), S&P 500 Index and NASDAQ Technology Sector Index reached their respective historical highs over the course of the third quarter of 2016, and also ended the quarter close to these highs. Growth rates are less spectacular compared with the price levels reached; for instance, the DJI grew by 2.1 per cent in the third quarter of 2016 and by 5.1 per cent overall for the first three quarters.

The pan-European stock market index Euro Stoxx 50 also recorded growth of 4.8 per cent in the third quarter of 2016. The crucial reasons for this included a stabilisation in economic expectations, as well as a technical response to the more favourable price levels, following the significant falls in prices during the previous half year. However, looking at the Euro Stoxx 50 over the course of the year thus far, it is in a negative range at -8.1 per cent.

The emerging markets were able to expand further on their price gains in the first half of 2016, supported by the continued low levels of interest rates and the prospect of an improvement of the economic situation in 2017: the MSCI Emerging Markets Index rose by 8.3 per cent in the third quarter of 2016 (+14.1 per cent since the start of the year). Emerging markets in Central and Eastern Europe also performed well in the third quarter of 2016: the Eastern European index CECE rose by 5.0 per cent.

The Vienna Stock Exchange has recorded an excessively volatile performance over the course of the year so far. Overreactions in the market to global economic concerns and the result of the Brexit vote pushed the ATX leading index below the 2,000 point mark twice during the year. A strong upward trend in the third quarter of 2016 (+14.8 per cent) made up for the setbacks in the first half of 2016 and even managed to drive the index level as at 3 September 2016 (2,405.28 points) above the level at the end of 2015. As such, the ATX was able to outperform the existing annual performance of the European benchmark Euro Stoxx 50 clearly thanks to an excellent third quarter in 2016.

The UNIQA share price rose slightly in the third quarter of 2016. It reached a quarterly high of €6.10 on 8 September 2016. The share price subsequently lost some of its value and was quoted at €5.79 as at 30 September 2016. UNIQA shares experienced a sideways movement after this and reached €5.75 on 4 November 2016. This represents a 23.6 per cent fall compared to the 2015 year-end value (€7.53).



Information on UNIQA shares

Ticker symbol: UQA
Reuters: UNIQVI
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

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

There are no events after the reporting date that are subject to mandatory reporting.

OUTLOOK

At the beginning of 2016, UNIQA launched the largest innovation programme in its corporate history and will be investing around €500 million over the next few years in “re-designing” its business model and developing the necessary staff expertise and the requisite IT systems. Most of these significant future investments will take effect in 2016. Combined with ongoing, difficult structural conditions, such as sustained low interest rates, declining investment income and political uncertainties in certain markets, UNIQA expects earnings before taxes to decrease by up to 50 per cent for the 2016 financial year, compared with the very good results for 2015.

Despite the investments and challenging economic environment, UNIQA intends to continue increasing its annual distribution per share over the next few years as part of a progressive dividend policy.

Consolidated Statement of Financial Position

Assets	Notes	30/9/2016	31/12/2015
<small>In € million</small>			
Property, plant and equipment		339.5	307.7
Investment property	3	1,317.3	1,392.6
Intangible assets	2	1,471.5	1,472.5
Financial assets accounted for using the equity method		490.1	514.2
Investments	3	22,914.7	21,392.5
Unit-linked and index-linked life insurance investments		5,187.8	5,226.7
Reinsurers' share of technical provisions		547.0	549.0
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance		322.9	315.6
Receivables, including insurance receivables		855.0	911.5
Income tax receivables		84.9	87.3
Deferred tax assets		9.5	9.4
Cash and cash equivalents		674.9	890.1
Assets in disposal groups held for sale		25.1	9.3
Total assets		34,240.2	33,078.4

Equity and liabilities	Notes	30/9/2016	31/12/2015
<small>In € million</small>			
Total equity			
Portion attributable to shareholders of UNIQA Insurance Group AG			
Subscribed capital and capital reserves		1,789.9	1,789.9
Treasury shares		- 10.9	- 10.9
Accumulated results		1,588.8	1,373.7
		3,367.9	3,152.7
Non-controlling interests		26.4	22.1
		3,394.3	3,174.8
Liabilities			
Subordinated liabilities	3	1,096.0	1,095.7
Technical provisions		21,983.4	21,100.1
Technical provisions for unit-linked and index-linked life insurance		5,151.3	5,175.4
Financial liabilities	3	37.0	33.6
Other provisions		832.2	796.4
Liabilities and other items classified as equity and liabilities		1,267.5	1,271.6
Income tax liabilities		102.4	96.0
Deferred tax liabilities		376.3	334.7
		30,846.0	29,903.5
Total equity and liabilities		34,240.2	33,078.4

Consolidated Income Statement

In € million	Notes	1-9/2016	1-9/2015	7-9/2016	7-9/2015
Premiums earned (net)		4,219.3	4,307.6	1,377.9	1,226.6
Technical interest income		330.1	410.9	117.2	151.1
Other insurance income		19.9	16.7	8.0	1.0
Insurance benefits	6	-3,431.4	-3,512.5	-1,139.8	-957.4
Operating expenses	5	-1,015.0	-998.5	-330.4	-313.2
Other technical expenses		-48.4	-73.1	-16.2	-24.5
Technical result		74.4	151.0	16.7	83.6
Net investment income	7	490.1	618.0	188.7	212.7
of which profit from financial assets accounted for using the equity method		-9.1	-12.8	5.6	8.5
Other income		38.3	26.1	0.6	4.1
Reclassification of technical interest income		-330.1	-410.9	-117.2	-151.1
Other operating expenses		-42.2	-43.9	-4.1	-22.2
Non-technical result		156.2	189.4	68.0	43.5
Operating profit/(loss)		230.6	340.4	84.8	127.1
Amortisation of goodwill and impairment losses		-7.8	-5.2	-1.8	-1.2
Finance costs		-50.5	-33.3	-17.0	-14.8
Earnings before taxes		172.2	301.9	66.0	111.1
Income taxes		-29.8	-54.1	-7.4	-22.0
Result from discontinued operations (after taxes)		7.5	0.0	0.0	0.0
Profit/(loss) for the year		149.9	247.8	58.7	89.1
of which attributable to shareholders of UNIQA Insurance Group AG		148.8	245.0	58.5	88.7
of which attributable to non-controlling interests		1.1	2.8	0.2	0.5
Earnings per share (in €)¹⁾		0.48	0.79	0.19	0.29
Average number of shares in circulation		308,180,350	308,180,350	308,180,350	308,180,350

¹⁾ 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 – 9/2016	1 – 9/2015
Profit/(loss) for the year	149.9	247.8
Items not to be reclassified to profit or loss in subsequent periods		
Revaluations of defined benefit obligations		
Gains (losses) recognised in equity	- 61.0	- 62.3
Gains (losses) recognised in equity – deferred taxes	13.7	13.8
Gains (losses) recognised in equity – deferred profit participation	6.4	7.6
	-40.8	-40.9
Items to be reclassified to profit or loss in subsequent periods		
Currency translation		
Gains (losses) recognised in equity	1.5	- 6.3
Recognised in the consolidated income statement	- 0.5	- 1.2
Valuation of financial instruments available for sale		
Gains (losses) recognised in equity	1,008.4	- 231.1
Gains (losses) recognised in equity – deferred taxes	- 98.1	25.5
Gains (losses) recognised in equity – deferred profit participation	- 641.3	134.7
Recognised in the consolidated income statement	- 56.1	90.9
Recognised in the consolidated income statement – deferred tax	1.5	- 11.9
Recognised in the consolidated income statement – deferred profit participation	51.9	- 62.5
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	- 9.6	- 6.3
	257.6	- 68.3
Other comprehensive income	216.8	- 109.3
Total comprehensive income	366.7	138.5
of which attributable to shareholders of UNIQA Insurance Group AG	362.2	134.3
of which attributable to non-controlling interests	4.6	4.2

Consolidated Statement of Cash Flows

In € million	Notes	1 – 9/2016	1 – 9/2015 adjusted
Profit/(loss) for the year		149.9	247.8
Amortisation of goodwill and other intangible assets, impairment losses and other depreciation of property, plant and equipment		33.0	35.7
Impairment losses/reversal of impairment losses on other investments		95.4	- 25.7
Gain/loss on the disposal of investments	1	- 65.9	- 173.0
Change in deferred acquisition costs		0.0	26.1
Change in securities at fair value through profit or loss		137.7	- 128.8
Change in direct insurance receivables		28.0	- 6.1
Change in other receivables	1	43.5	75.1
Change in direct insurance liabilities		- 61.5	- 53.4
Change in other liabilities		59.9	70.1
Change in technical provisions	1	270.8	- 77.5
Change in pension and termination benefit provision	1	- 6.7	- 6.8
Change in deferred tax assets and deferred tax liabilities	1	- 41.3	23.1
Change in other statement of financial position items	1	- 84.0	- 49.7
Cash flows from operating activities		558.9	- 42.9
Proceeds from disposal of intangible assets and property, plant and equipment		2.1	7.4
Payments for acquisition of intangible assets and property, plant and equipment		- 17.7	- 15.6
Proceeds from disposal of consolidated companies		2.0	2.2
Payments for acquisition of consolidated companies		- 4.1	- 1.2
Proceeds from disposal and maturity of other investments	1	3,249.4	3,741.9
Payments for acquisition of other investments		- 3,898.7	- 3,881.0
Change in unit-linked and index-linked life insurance investments		38.9	202.9
Net cash flow from investing activities		- 628.2	56.6
Dividend payments	8	- 145.9	- 129.7
Transactions between owners		- 0.6	- 10.7
Proceeds from other financing activities		0.0	495.6
Payments for other financing activities		- 0.5	- 0.8
Net cash flows from financing activities		- 147.0	354.4
Change in cash and cash equivalents		- 216.3	368.0
Change in cash and cash equivalents due to movements in exchange rates		0.4	0.5
Change in cash and cash equivalents due to acquisitions or disposals of consolidated subsidiaries		0.8	0.0
Cash and cash equivalents at beginning of the year		890.1	975.8
Cash and cash equivalents at end of period		674.9	1,344.3
Income taxes paid		- 54.9	- 26.2
Interest paid		- 72.8	- 46.2
Interest received		381.8	407.1
Dividends received		44.8	37.5

Cash and cash equivalents correspond to the item with the same title.

Consolidated Statement of Changes in Equity

	Notes	Subscribed capital and capital reserves	Treasury shares	Accumulated	
				Valuation of financial instruments available for sale	Revaluations of defined benefit obligations
In € million					
As at 1 January 2015		1,789.9	- 10.9	443.7	- 143.5
Change in basis of consolidation					
Dividends to shareholders	8				
Total comprehensive income				- 57.0	- 40.3
Profit/(loss) for the year					
Other comprehensive income				- 57.0	- 40.3
As at 30 September 2015		1,789.9	- 10.9	386.7	- 183.8
As at 1 January 2016		1,789.9	- 10.9	391.8	- 180.6
Change in basis of consolidation					
Dividends to shareholders	8				
Total comprehensive income				263.5	- 40.8
Profit/(loss) for the year					
Other comprehensive income				263.5	- 40.8
As at 30 September 2016		1,789.9	- 10.9	655.2	- 221.4

results	Differences from currency translation	Other accumulated results	Portion attributable to shareholders of UNIQA Insurance Group AG	Non-controlling interests	Total equity
	- 155.5	1,158.4	3,082.2	20.2	3,102.4
		- 5.2	- 5.2	- 4.3	- 9.5
		- 129.5	- 129.5	- 0.3	- 129.8
	- 7.0	238.5	134.3	4.2	138.5
		245.0	245.0	2.8	247.8
	- 7.0	- 6.4	- 110.7	1.4	- 109.3
	- 162.5	1,262.3	3,081.9	19.8	3,101.7
	- 172.5	1,334.9	3,152.7	22.1	3,174.8
		- 2.1	- 2.1	0.8	- 1.3
		- 144.8	- 144.8	- 1.1	- 146.0
	0.4	139.2	362.2	4.6	366.7
		148.8	148.8	1.1	149.9
	0.4	- 9.6	213.4	3.4	216.8
	- 172.1	1,327.1	3,367.9	26.4	3,394.3

Segment reporting

OPERATING SEGMENTS – CONSOLIDATED INCOME STATEMENT

In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	2,774.7	3,023.6	1,958.3	1,814.4	866.5	854.7
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	2,203.7	2,453.6	1,547.0	1,435.5	770.2	771.8
Savings portions in unit-linked and index-linked life insurance (gross)	179.2	195.9	141.4	167.9	0.0	0.0
Savings portions in unit-linked and index-linked life insurance (net)	163.7	184.0	141.4	167.9	0.0	0.0
Premiums written (gross)	2,595.6	2,827.7	1,816.9	1,646.5	866.5	854.7
Premiums earned (net)	2,040.0	2,269.6	1,405.6	1,267.6	770.2	771.8
Premiums earned (net) - intragroup	-476.1	-478.8	-321.2	-307.9	793.9	788.1
Premiums earned (net) - external	2,516.1	2,748.3	1,726.8	1,575.5	-23.6	-16.3
Technical interest income	249.0	330.0	81.0	80.6	0.0	0.0
Other insurance income	2.5	2.4	15.1	12.4	0.4	0.5
Insurance benefits	-1,755.5	-1,964.0	-1,145.7	-995.5	-535.9	-550.5
Operating expenses	-424.7	-428.1	-313.5	-312.5	-245.0	-242.0
Other technical expenses	-19.9	-42.1	-32.2	-34.7	-7.0	-7.8
Technical result	91.3	167.8	10.4	18.0	-17.3	-28.0
Net investment income	355.8	458.0	114.9	134.0	21.7	22.0
Other income	4.9	2.5	19.6	13.9	1.6	1.7
Reclassification of technical interest income	-249.0	-330.0	-81.0	-80.6	0.0	0.0
Other operating expenses	-17.4	-6.7	-13.6	-28.4	-2.4	-2.3
Non-technical result	94.2	123.7	39.9	38.9	20.9	21.4
Operating profit/(loss)	185.5	291.5	50.3	56.9	3.5	-6.6
Amortisation of goodwill and impairment losses	-1.5	-0.8	-6.3	-4.4	0.0	0.0
Finance costs	-19.5	-15.5	-0.5	0.0	0.0	0.0
Earnings before taxes	164.6	275.1	43.5	52.5	3.5	-6.6
Combined ratio (property and casualty insurance, after reinsurance)	93.3%	92.6%	99.2%	97.1%	101.2%	102.2%
Cost ratio (after reinsurance)	19.3%	17.4%	20.3%	21.8%	31.8%	31.4%

Group function		Consolidation		Group	
1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
0.0	0.0	-846.3	-826.5	4,753.3	4,866.1
0.0	0.0	3.5	-1.4	4,524.4	4,659.6
0.0	0.0	0.0	0.0	320.5	363.8
0.0	0.0	0.0	0.0	305.1	351.9
0.0	0.0	-846.3	-826.5	4,432.7	4,502.3
0.0	0.0	3.5	-1.4	4,219.3	4,307.6
0.0	0.0	3.5	-1.4	0.0	0.0
0.0	0.0	0.0	0.0	4,219.3	4,307.6
0.0	0.0	0.0	0.2	330.1	410.9
3.6	2.8	-1.8	-1.4	19.9	16.7
5.8	9.1	0.0	-11.7	-3,431.4	-3,512.5
-26.5	-17.3	-5.3	1.5	-1,015.0	-998.5
-0.3	-1.1	11.1	12.5	-48.4	-73.1
-17.4	-6.4	7.4	-0.3	74.4	151.0
40.5	22.8	-42.9	-18.7	490.1	618.0
9.4	8.0	2.9	0.0	38.3	26.1
0.0	0.0	0.0	-0.2	-330.1	-410.9
-6.5	-3.3	-2.2	-3.2	-42.2	-43.9
43.4	27.5	-42.2	-22.2	156.2	189.4
26.0	21.1	-34.8	-22.5	230.6	340.4
0.0	0.0	0.0	0.0	-7.8	-5.2
-50.5	-33.3	20.0	15.5	-50.5	-33.3
-24.5	-12.2	-14.8	-7.0	172.2	301.9
n/a	n/a	n/a	n/a	98.2%	98.0%
n/a	n/a	n/a	n/a	22.4%	21.4%

OPERATING SEGMENTS – CLASSIFIED BY BUSINESS LINE

Property and casualty insurance In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Premiums written (gross)	1,222.1	1,205.1	844.0	804.4	830.7	818.9
Premiums earned (net)	700.1	681.2	454.8	447.8	753.9	755.8
Technical interest income	0.0	0.0	0.0	0.0	0.0	0.0
Other insurance income	1.8	1.1	11.3	9.0	0.2	0.2
Insurance benefits	-484.1	-464.1	-280.9	-269.3	-520.6	-533.8
Operating expenses	-168.9	-167.0	-170.4	-165.2	-242.5	-238.9
Other technical expenses	-4.7	-17.4	-24.4	-23.9	-4.2	-3.8
Technical result	44.3	33.8	-9.6	-1.8	-13.3	-20.5
Net investment income	34.7	35.4	26.9	32.9	14.3	13.5
Other income	3.6	1.6	7.8	8.3	1.6	1.6
Reclassification of technical interest income	0.0	0.0	0.0	0.0	0.0	0.0
Other operating expenses	-13.7	-5.9	-9.2	-10.6	-2.4	-2.2
Non-technical result	24.6	31.1	25.4	30.5	13.4	12.9
Operating profit/(loss)	68.9	64.9	15.8	28.8	0.1	-7.6
Amortisation of goodwill and impairment losses	0.0	0.0	-2.2	-2.2	0.0	0.0
Finance costs	0.0	0.0	-0.5	0.0	0.0	0.0
Earnings before taxes	68.9	64.9	13.1	26.5	0.1	-7.6

Health insurance In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Premiums written (gross)	719.2	692.0	59.7	57.0	0.4	0.4
Premiums earned (net)	716.0	687.7	58.8	56.2	0.5	0.2
Technical interest income	58.0	55.1	0.0	0.0	0.0	0.0
Other insurance income	0.3	0.2	1.2	1.1	0.0	0.0
Insurance benefits	-624.7	-579.2	-35.5	-36.8	-0.1	-0.3
Operating expenses	-102.9	-89.7	-22.2	-22.8	0.0	0.0
Other technical expenses	-0.4	-4.3	-0.1	-0.4	0.0	-0.3
Technical result	46.2	69.8	2.1	-2.7	0.3	-0.5
Net investment income	72.6	111.4	0.7	0.8	0.0	0.0
Other income	0.8	0.4	1.3	1.3	0.0	0.0
Reclassification of technical interest income	-58.0	-55.1	0.0	0.0	0.0	0.0
Other operating expenses	-2.0	-0.3	-1.1	-1.2	0.0	0.0
Non-technical result	13.4	56.4	0.9	0.9	0.0	0.0
Operating profit/(loss)	59.6	126.1	3.0	-1.7	0.3	-0.5
Amortisation of goodwill and impairment losses	0.0	0.0	0.0	0.0	0.0	0.0
Finance costs	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	59.6	126.1	3.0	-1.7	0.3	-0.5

Group function		Consolidation		Group	
1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
0.0	0.0	-817.7	-798.8	2,079.1	2,029.6
0.0	0.0	3.1	-1.1	1,911.9	1,883.7
0.0	0.0	0.0	0.0	0.0	0.0
3.6	2.8	-1.5	-1.2	15.5	11.9
0.2	0.1	0.7	-0.8	-1,284.8	-1,268.0
-5.3	-7.3	-5.4	0.6	-592.5	-577.8
-0.2	-1.1	6.6	7.0	-26.9	-39.2
-1.6	-5.5	3.5	4.6	23.2	10.6
54.3	14.7	-19.0	-8.4	111.1	88.1
7.7	5.4	2.9	0.0	23.4	16.9
0.0	0.0	0.0	0.0	0.0	0.0
-4.8	-1.9	-1.9	-3.6	-32.0	-24.3
57.1	18.2	-18.1	-12.0	102.6	80.7
55.5	12.8	-14.6	-7.4	125.7	91.3
0.0	0.0	0.0	0.0	-2.2	-2.2
-50.4	-33.1	0.5	0.0	-50.4	-33.2
5.1	-20.4	-14.1	-7.4	73.1	55.9

Group function		Consolidation		Group	
1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
0.0	0.0	-0.6	-0.4	778.8	749.1
0.0	0.0	0.0	0.0	775.2	744.0
0.0	0.0	0.0	0.0	58.0	55.1
0.0	0.0	0.0	0.0	1.5	1.3
5.6	9.0	-0.1	0.0	-654.8	-607.3
-7.0	-3.0	0.0	0.0	-132.2	-115.5
-0.1	0.0	0.0	0.0	-0.6	-5.0
-1.5	6.1	0.0	0.0	47.1	72.7
-2.9	-4.1	-6.4	-15.4	64.0	92.7
1.4	1.8	0.0	0.0	3.5	3.5
0.0	0.0	0.0	0.0	-58.0	-55.1
-1.1	-0.5	0.0	0.0	-4.3	-1.9
-2.6	-2.7	-6.4	-15.4	5.2	39.2
-4.1	3.4	-6.5	-15.4	52.4	111.9
0.0	0.0	0.0	0.0	0.0	0.0
-0.1	-0.1	0.0	0.0	-0.1	-0.1
-4.2	3.3	-6.5	-15.4	52.3	111.8

Life insurance In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	833.4	1,126.4	1,054.6	952.9	35.3	35.5
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	787.6	1,084.7	1,033.4	931.6	15.9	15.8
Savings portions in unit-linked and index-linked life insurance (gross)	179.2	195.9	141.4	167.9	0.0	0.0
Savings portions in unit-linked and index-linked life insurance (net)	163.7	184.0	141.4	167.9	0.0	0.0
Premiums written (gross)	654.2	930.5	913.2	785.0	35.3	35.5
Premiums earned (net)	623.9	900.7	892.0	763.7	15.9	15.8
Technical interest income	191.1	274.9	81.0	80.6	0.0	0.0
Other insurance income	0.4	1.1	2.6	2.3	0.2	0.3
Insurance benefits	-646.7	-920.7	-829.3	-689.3	-15.2	-16.4
Operating expenses	-153.0	-171.4	-120.8	-124.5	-2.5	-3.1
Other technical expenses	-14.8	-20.4	-7.7	-10.4	-2.8	-3.7
Technical result	0.8	64.2	17.9	22.5	-4.3	-7.0
Net investment income	248.5	311.2	87.3	100.3	7.4	8.5
Other income	0.5	0.4	10.6	4.4	0.0	0.0
Reclassification of technical interest income	-191.1	-274.9	-81.0	-80.6	0.0	0.0
Other operating expenses	-1.7	-0.5	-3.2	-16.6	0.0	-0.1
Non-technical result	56.2	36.2	13.6	7.5	7.4	8.5
Operating profit/(loss)	57.0	100.5	31.5	29.9	3.1	1.5
Amortisation of goodwill and impairment losses	-1.5	-0.8	-4.1	-2.1	0.0	0.0
Finance costs	-19.5	-15.5	0.0	0.0	0.0	0.0
Earnings before taxes	36.0	84.2	27.4	27.8	3.1	1.5

UNIQA INTERNATIONAL – REGIONS

In € million	Premiums earned (net)		Net investment income		Insurance benefits		Operating expenses		Earnings before taxes	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Western Europe (WE)	818.4	679.5	69.9	68.5	-798.9	-661.1	-63.9	-60.2	18.4	16.5
Central Europe (CE)	306.3	313.3	22.6	23.1	-173.7	-177.2	-133.1	-124.3	19.1	27.3
Eastern Europe (EE)	73.8	70.6	8.2	12.3	-36.8	-30.6	-33.0	-38.6	3.3	7.4
Southeastern Europe (SEE)	167.3	168.8	16.4	19.3	-102.0	-107.8	-63.6	-67.5	10.7	9.2
Russia (RU)	39.8	35.4	-1.9	10.2	-34.2	-18.8	-8.2	-7.7	3.9	5.6
Administration	0.0	0.0	-0.2	0.6	0.0	0.0	-11.6	-14.2	-11.8	-13.4
In the consolidated financial statements	1,405.6	1,267.6	114.9	134.0	-1,145.7	-995.5	-313.5	-312.5	43.5	52.5

Group function		Consolidation		Group	
1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
0.0	0.0	-28.0	-27.3	1,895.3	2,087.5
0.0	0.0	0.3	-0.3	1,837.3	2,031.8
0.0	0.0	0.0	0.0	320.5	363.8
0.0	0.0	0.0	0.0	305.1	351.9
0.0		0.0		0.0	
0.0	0.0	-28.0	-27.3	1,574.8	1,723.7
0.0	0.0	0.3	-0.3	1,532.1	1,679.9
0.0	0.0	0.0	0.2	272.1	355.7
0.0	0.0	-0.3	-0.3	2.8	3.5
0.0	0.0	-0.7	-10.9	-1,491.8	-1,637.3
-14.2	-7.0	0.1	0.8	-290.4	-305.2
0.0	0.0	4.5	5.5	-20.9	-29.0
-14.3	-7.0	3.9	-4.9	4.1	67.7
-10.9	12.1	-17.4	5.1	315.0	437.2
0.4	0.8	0.0	0.0	11.4	5.7
0.0	0.0	0.0	-0.2	-272.1	-355.7
-0.6	-0.9	-0.3	0.4	-5.9	-17.7
-11.1	12.0	-17.7	5.3	48.4	69.5
-25.4	5.0	-13.7	0.3	52.5	137.2
0.0	0.0	0.0	0.0	-5.6	-3.0
0.0	0.0	19.5	15.5	0.0	0.0
-25.4	5.0	5.7	15.8	46.9	134.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CLASSIFIED BY BUSINESS LINE

In € million	Property and casualty insurance		Health insurance	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Assets				
Property, plant and equipment	207.0	165.2	29.7	28.9
Investment property	250.4	216.9	275.2	280.7
Intangible assets	501.5	480.9	239.1	232.8
Financial assets accounted for using the equity method	50.1	45.1	169.5	175.9
Investments	4,909.9	4,629.6	2,884.2	2,558.9
Unit-linked and index-linked life insurance investments	0.0	0.0	0.0	0.0
Reinsurers' share of technical provisions	201.0	179.6	0.8	0.9
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	856.5	986.6	50.6	149.2
Income tax receivables	68.9	69.5	1.1	0.0
Deferred tax assets	7.2	7.4	0.0	0.0
Cash and cash equivalents	305.3	304.4	37.5	159.2
Assets in disposal groups held for sale	0.0	0.0	0.0	0.0
Total assets by business line	7,358.0	7,085.3	3,687.8	3,586.6
Equity and liabilities				
Subordinated liabilities	1,100.8	1,100.1	0.0	0.0
Technical provisions	3,270.4	3,059.9	2,896.6	2,780.1
Technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Financial liabilities	10.3	10.6	27.1	24.0
Other provisions	784.8	739.5	22.4	21.7
Liabilities and other items classified as equity and liabilities	692.0	707.8	26.9	89.4
Income tax liabilities	92.5	88.1	1.8	2.5
Deferred tax liabilities	47.5	62.9	160.9	144.9
Total liabilities by business line	5,998.3	5,768.8	3,135.7	3,062.6

	Life insurance		Consolidation		Group	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015
	102.8	113.6	0.0	0.0	339.5	307.7
	791.6	895.0	0.0	0.0	1,317.3	1,392.6
	746.3	769.1	- 18.4	- 10.4	1,471.5	1,472.5
	270.3	293.1	0.0	0.0	490.1	514.2
	15,768.8	14,681.5	- 648.2	- 477.6	22,914.7	21,392.5
	5,187.8	5,226.7	0.0	0.0	5,187.8	5,226.7
	357.6	373.2	- 12.5	- 4.7	547.0	549.0
	322.9	315.6	0.0	0.0	322.9	315.6
	294.1	534.5	- 346.2	- 758.8	855.0	911.5
	14.9	17.7	0.0	0.0	84.9	87.3
	2.2	2.0	0.0	0.0	9.5	9.4
	332.1	426.5	0.0	0.0	674.9	890.1
	25.1	9.3	0.0	0.0	25.1	9.3
	24,216.6	23,657.9	- 1,025.4	- 1,251.5	34,240.2	33,078.4
	410.0	410.0	- 414.8	- 414.3	1,096.0	1,095.7
	15,841.5	15,275.3	- 25.1	- 15.2	21,983.4	21,100.1
	5,151.3	5,175.4	0.0	0.0	5,151.3	5,175.4
	200.7	73.7	- 201.1	- 74.7	37.0	33.6
	36.0	48.2	- 11.0	- 13.0	832.2	796.4
	921.8	1,206.0	- 373.2	- 731.6	1,267.5	1,271.6
	8.1	5.3	0.0	0.0	102.4	96.0
	167.8	126.9	0.0	0.0	376.3	334.7
	22,737.1	22,320.8	- 1,025.2	- 1,248.7	30,846.0	29,903.5
					3,394.3	3,174.8
					34,240.2	33,078.4

The amounts indicated for each business line have been adjusted to eliminate amounts resulting from segment-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 segment.

Notes to the Condensed Consolidated Interim Financial Statements

ACCOUNTING REGULATIONS

The consolidated interim financial statements as at 30 September 2016 were prepared in accordance with the requirements of IAS 34 and the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) recognised by the European Union (EU) as well as the interpretations of the IFRS Interpretations Committee.

The accounting and consolidation policies correspond to those applied in the consolidated financial statements as at 31 December 2015, with the exceptions described below.

In May 2014, the IASB issued Clarifications of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38). In connection with its annual improvement projects, the IASB also issued Annual Improvements to IFRSs 2012–2014 Cycle in September 2014. The amendments specify the approach to and measurement and statement of transactions, harmonise terminology and can essentially be seen as editorial amendments to the existing standards. Furthermore, as part of its disclosure initiative, the IASB published changes to IAS 1 in December 2014 with the goal of eliminating hurdles perceived by preparers with respect to measurement bases used in the presentation of financial statements. They are applicable to financial periods beginning on or after 1 January 2016. There are no material changes to the accounting, valuation and consolidation principles arising from application of the new or modified standards associated with this.

As early as December 2014, the International Accounting Standards Board (IASB) published its announcement “Investment entities: applying the consolidation exception”. On 23 September 2016, amendments were published in the Official Journal of the European Union concerning IFRS 10, IFRS 12 and IAS 28 clarifying the application of consolidation exceptions in investment entities in European law. Because UNIQA does not apply these exceptions there are no effects of the clarifications to mention here.

On 12 September 2016, the IASB published amendments to IFRS 4 “Insurance contracts”. With these amendments the IASB addresses concerns about the different effective dates of IFRS 9, the financial instruments standard, and the forthcoming new insurance contracts standard (expected as IFRS 17 within the next six months). During the transition phase, the different effective dates may lead to greater volatility in profit or loss, accounting mismatches and a doubling of costs and efforts required to cope with the changes. For entities whose main business is issuing insurance contracts, the amendments introduce two optional approaches to the application of IFRS 9 “Financial instruments”. On the one hand, there is the overlay approach which gives entities applying IFRS 9 at the first-time adoption date, 1 January 2018, the option to recognise, during the transition phase, some of the expenses and income from the profit and loss statement in other comprehensive income. On the other hand, there is the deferral approach which allows a company to apply IAS 39 for financial instruments instead of IFRS 9 for reporting periods that begin prior to 1 January 2021. Based on initial calculations,

UNIQA fulfils the criteria to apply one of the two optional approaches. UNIQA has decided to apply the deferral approach.

A decision was made to streamline the group structure in the first quarter of 2016 as part of consistent efforts to implement the UNIQA 2.0 strategic programme that has been ongoing since 2011. Adjustments have been made to the reporting lines in the Group Management Board as a result of the decrease in the size of the Board as part of the strategic programme. The segment reporting was, therefore, subject to a strategic review and was adapted to the organisational structure as at 1 July 2016. The values for the previous year were adjusted accordingly in order to ensure comparability with the previous year's third quarter report.

The accounting and valuation methods of the segments that are subject to mandatory reporting correspond to the consolidated accounting and valuation methods described above. The earnings before taxes for the segments were determined taking the following components into consideration: summation of the IFRS earnings in the individual companies, taking the elimination of investment income in the various segments and amortisation of goodwill into consideration. All other consolidation effects (profit/(loss) at associates, elimination of interim results, and other overall effects) are included in "Consolidation". The segment profit/(loss) obtained in this manner is reported to the Management Board of the UNIQA Insurance Group AG to manage the Group in the following operating segments:

- UNIQA Austria – this segment includes UNIQA Österreich Versicherungen AG, Raiffeisen Insurance Austria, Salzburger Landes-Versicherung AG and FINANCE LIFE Lebensversicherung AG.
- UNIQA International – includes the Austrian holding companies UNIQA International AG and UNIQA Internationale Beteiligungs-Verwaltungs GmbH in addition to all foreign insurance companies (with the exception of UNIQA Re AG).
- Reinsurance – includes UNIQA Re AG (Switzerland) and the reinsurance business of UNIQA Insurance Group AG
- Group functions – this segment includes the remaining items for UNIQA Insurance Group AG (investment income and administrative costs) as well as all other remaining Austrian and foreign service companies.

On 1 July 2008, securities previously available for sale were reclassified according to IAS 39/50E as other loans. In total, fixed-income securities with a carrying amount of €2,129.6 million were reclassified. The corresponding revaluation reserve amounted to €-98.2 million as at 30 June 2008. The fair value as at 31 December 2015 was €534.5 million; as at 30 September 2016 it amounted to €509.6 million. The carrying amount of the reclassified securities as at 30 September 2016 was €480.9 million (31 December 2015: €510.1 million). Amortisation expenses of €0.8 million were charged to profit or loss.

In accordance with IAS 34.41, estimates and planning have been used to a greater extent in preparing the interim 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 through the use of automated calculation tools when totalling rounded amounts and percentages.

1. IAS 8.42 restatements

Consolidated statement of cash flows

With the objective of enabling a clearer presentation of cash flows, reclassifications have been made compared to the presentation in the previous years. Prior-year amounts have been adjusted accordingly.

SCOPE OF CONSOLIDATION

The scope of consolidation – including UNIQA Insurance Group AG – also included 120 subsidiaries (31 December 2015: 123) and nine associates (31 December 2015: 9) using equity method accounting.

UNIQA Real Estate Inlandsholding GmbH (Vienna) was included within the scope of consolidation for the first time effective 14 June 2016. Sedmi element d.o.o. (Zagreb, Croatia) and Deveti element d.o.o. (Zagreb, Croatia) were merged with UNIQA osiguranje d.d. (Zagreb, Croatia) in January 2016. Furthermore, BSIC Holding LLC (Kiev, Ukraine) was liquidated. Dr. E. Hackhofer EDV-Softwareberatung Gesellschaft m.b.H. (Vienna), which was entered into the Company Register on 1 July 2016 retroactively from 31 December 2015, was merged as transferor company with UNIQA IT Services GmbH (Vienna). Following approval by the Austrian Supreme Court sitting as a competition high court, on 7 July 2016 the acquisition of a 75 per cent stake in Vienna-based Privatklinik Goldenes Kreuz Privatklinik BetriebsGmbH was finalised. Moreover, UNIQA Real II, spol. s r.o. was sold effective 12 August 2016.

As part of the UNIQA 2.0 strategic programme focussing on the core insurance business in the key markets of Austria as well as Central and Eastern Europe, UNIQA also sold its 29 per cent interest in Medial Beteiligungs-Gesellschaft m.b.H. (Vienna) to NOVOMATIC AG (Gumpoldskirchen) in a transfer agreement dated 28 July 2015. Medial Beteiligungs-Gesellschaft m.b.H. has an equity investment of around 38 per cent in Casinos Austria Aktiengesellschaft (Vienna); correspondingly, UNIQA holds an interest of around 11 per cent in Casinos Austria Aktiengesellschaft. The disposal to NOVOMATIC AG is subject to a condition precedent – Medial Beteiligungs-Gesellschaft m.b.H. has therefore been reported under assets in disposal groups held for sale. The conditions precedent are essentially mandatory approvals still required under merger law and public law approvals. In a decision dated 26 August 2016, the Higher Regional Court Vienna in its function as anti-trust authority prohibited the takeover of shares by NOVOMATIC AG. NOVOMATIC AG filed an appeal with the Austrian Supreme Court. Because the decision concerning this appeal is still out UNIQA is investigating alternative options for selling the shares in Medial, in the event that the Supreme Court upholds the decision. The sale of the stake in Medial is expected to take place in 2017.

Following the approval by the Supervisory Board dated 7 September 2016, on 13 September 2016 the Group Management Board decided to sell 20 per cent of the shares in Raiffeisen evolution project development GmbH (Vienna). The transfer agreement is currently being prepared. The associate is reported as at 30 September 2016 under the item assets in disposal groups held for sale, with a carrying amount of €15.8 million.

CURRENCY TRANSLATION

The reporting currency for UNIQA Insurance Group AG is the euro. All financial statements from international subsidiaries, which do not report in euros, are converted at the exchange rate applicable at the reporting date in accordance with the following guidelines:

- Assets, equity and liabilities, and reconciliation of the profit for the period at the average rate as at the reporting date
- Consolidated income statement at the average rate for the period
- Equity (excluding profit for the period) at the historical rate

The resulting currency translation differences are recognised directly in equity. The exchange rates essential to the Group are summarised in the following table:

	EUR closing rates 30/9/2016	EUR closing rates 30/9/2015	EUR average rates 1-9/2016	EUR average rates 1-9/2015
Swiss franc (CHF)	1.0876	1.0915	1.0938	1.0714
Czech koruna (CZK)	27.0210	27.1870	27.0426	27.3888
Hungarian forint (HUF)	309.7900	313.4500	312.9110	309.2870
Croatian kuna (HRK)	7.5220	7.6445	7.5466	7.6227
Polish zloty (PLN)	4.3192	4.2448	4.3570	4.1681
Bosnia and Herzegovina convertible mark (BAM)	1.9558	1.9558	1.9558	1.9558
Romanian leu (RON)	4.4537	4.4176	4.4895	4.4363
Bulgarian lev (BGN)	1.9558	1.9558	1.9558	1.9558
Ukrainian hryvnia (UAH)	29.1548	23.6950	28.3428	24.3699
Serbian dinar (RSD)	123.5525	119.7204	122.9331	120.6504
Russian rouble (RUB)	70.5140	73.2416	75.8412	67.5991
Albanian lek (ALL)	137.2300	139.5000	137.7100	140.0710
Macedonian denar (MKD)	61.5884	61.4470	61.6885	61.5105
US dollar (USD)	1.1161	1.1330	1.1115	1.1260

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2. Intangible assets

In € million	30/9/2016	31/12/2015
Deferred acquisition costs	980.2	980.2
Insurance contract portfolio	22.5	30.1
Goodwill	433.0	429.3
Other intangible assets	35.9	32.9
Total	1,471.5	1,472.5

3. Financial instruments plus valuation hierarchies for fair value measurements

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

As at 30 September 2016	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
<i>in € million</i>						
Financial assets recognised at fair value through profit or loss	49.8	256.9	0.0	115.9	59.6	482.2
Available-for-sale financial assets	695.6	20,350.3	0.0	0.0	0.0	21,046.0
Loans and receivables	0.0	480.9	905.7	0.0	0.0	1,386.5
Total	745.4	21,088.1	905.7	115.9	59.6	22,914.7
of which fair value option	49.8	256.9	0.0	0.0	0.0	306.7

As at 31 December 2015	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
<i>in € million</i>						
Financial assets recognised at fair value through profit or loss	76.9	354.6	0.0	126.5	58.5	616.5
Available-for-sale financial assets	659.5	18,495.1	0.0	0.0	0.0	19,154.6
Loans and receivables	0.0	510.1	1,111.3	0.0	0.0	1,621.4
Total	736.4	19,359.8	1,111.3	126.5	58.5	21,392.5
of which fair value option	76.9	354.6	0.0	0.0	0.0	431.5

Fair value hierarchy

A range of Group accounting policies and disclosures require the determination of the fair value of financial and non-financial assets and liabilities. The Group 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.

The measurement team carries out a regular review of the major unobservable input factors and the measurement adjustments. If information from third parties (e.g. price quotations from brokers or price information services) is used to determine fair values, the measurement team examines the evidence obtained from the third parties for the conclusion that such measurements meet the requirements of IFRS, including the level in the fair value hierarchy to which these measurements are attributable. Major items in the measurement are reported to the Audit Committee.

As far as possible, the Group uses data that are observable on the market when determining the fair value of an asset or a liability. Based on the input factors 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 e.g. 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 procedure, 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 that do not fulfil the conditions under stage 2 that come under Level 3.

If the input factors 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 factor significant for the measurement overall.

The Group recognises reclassifications between different levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

Valuation process and methods

Financial instruments measured at fair value

For the valuation of capital investments, procedures that are best suited for appropriate ascertainment of the value are applied primarily in the Group. The following standard valuation procedures are applied for financial instruments which come under Levels 2 and 3:

Market-value-oriented approach

The valuation method in the market-value-oriented approach is based on prices or other material information from market transactions which involve identical or comparable assets and liabilities.

Net present value approach

The net present value approach corresponds with the method whereby the future (expected) payment flows or earnings are inferred on a current amount.

Cost-oriented approach

The cost-oriented approach generally corresponds with 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 within the scope of the impairment test in accordance with IAS 36, as well as for the disclosures according to IFRS 13, is determined based on expert reports.

The loans are accounted for in accordance with the valuation method in the “Loans and receivables” category 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 input factors.

Valuation methods and inputs in the determination of fair values:

Assets	Price method	Input factors	Price model
Fixed-income securities			
Listed bonds	Listed price	-	-
Not listed bonds	Theoretical price	CDS spread, interest curve	Present value method
Unquoted asset backed securities	Theoretical price	-	Discounted cash flow, single deal review, peer
Variable-income securities			
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
Derivative financial instruments			
Equity basket certificate	Theoretical price	CDS spread, interest curve	Black-Scholes Monte Carlo N-DIM
CMS floating rate note	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Libor market model, Hull-White-Garman-Kohlhagen Monte Carlo
CMS spread certificate	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Contract specific model
Fund basket certificate	Theoretical price	Deduction of fund prices	Contract specific model
FX (Binary) option	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM
Option (Inflation, OTC, OTC FX options)	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Black-Scholes Monte Carlo N-DIM, contract specific model, inflation market model NKIS
Structured bonds	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, LMM
Swap, cross currency swap	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	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, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Black - basis point volatility, contract specific model
Variance, volatility, correlation swap	Theoretical price	CDS spread, volatilities (FX, cap/floor, swaption, constant maturity swap, shares), interest rate curves	Contract specific model, Heston - Monte Carlo optimal strategy
Investments from investment contracts			
Listed shares/investment funds	Listed price	-	-
Not listed investment funds	Theoretical price	CDS spread, interest curve	Present value method
Loans and receivables			
Loans	Theoretical value	Collateral, creditworthiness	Discounted cash flow
Others			
Land and buildings	Theoretical value	Construction and property value, location, useable area, usage category, condition, current contractual rent rates and current vacancies including rental forecasts	Income value method, asset value method, income value and net asset value weighted

*Valuation hierarchy**Assets and liabilities measured at fair value*

As at 30 September 2016 in € million	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Variable-income securities	396.4	4.7	294.5	695.6
Fixed-income securities	16,800.0	3,056.8	493.5	20,350.3
Total	17,196.5	3,061.5	788.0	21,046.0
Financial assets recognised at fair value through profit or loss				
Variable-income securities	5.4	22.7	21.7	49.8
Fixed-income securities	104.9	88.0	64.1	256.9
Derivative financial instruments	0.7	59.5	55.7	115.9
Investments from investment contracts	59.6	0.0	0.0	59.6
Total	170.6	170.1	141.5	482.2

As at 30 September 2016 in € million	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative financial instruments	0.2	20.0	0.0	20.2
Total	0.2	20.0	0.0	20.2

Fair values of assets and liabilities measured at amortised cost

As at 30 September 2016 in € million	Level 1	Level 2	Level 3	Total
Investment property				
	0.0	0.0	2,201.6	2,201.6
Loans and receivables				
Loans and other investments	0.0	0.0	54.9	54.9
Fixed-income securities	149.2	265.1	95.2	509.6
Total	149.2	265.1	150.1	564.5

As at 30 September 2016 in € million	Level 1	Level 2	Level 3	Total
Financial liabilities				
Liabilities from loans	0.0	0.0	16.7	16.7
Total	0.0	0.0	16.7	16.7
Subordinated liabilities				
	929.8	252.2	0.0	1,182.0

Assets and liabilities measured at fair value as at the previous year's reporting date

As at 31 December 2015 in € million	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Variable-income securities	283.0	175.3	201.2	659.5
Fixed-income securities	14,608.3	3,886.8	0.0	18,495.1
Total	14,891.3	4,062.1	201.2	19,154.6
Financial assets recognised at fair value through profit or loss				
Variable-income securities	6.1	70.8	0.0	76.9
Fixed-income securities	152.4	202.3	0.0	354.6
Derivative financial instruments	0.0	126.5	0.0	126.5
Investments from investment contracts	42.1	16.3	0.0	58.5
Total	200.6	415.9	0.0	616.5

As at 31 December 2015 in € million	Level 1	Level 2	Level 3	Total
Financial liabilities				
Derivative financial instruments	0.0	17.9	0.0	17.9
Total	0.0	17.9	0.0	17.9

Fair values of assets and liabilities measured at amortised cost as at the previous year's reporting date

As at 31 December 2015 in € million	Level 1	Level 2	Level 3	Total
Investment property				
	0.0	0.0	2,185.4	2,185.4
Loans and receivables				
Loans and other investments	0.0	0.0	59.1	59.1
Fixed-income securities	120.2	414.3	0.0	534.5
Total	120.2	414.3	59.1	593.6

As at 31 December 2015 in € million	Level 1	Level 2	Level 3	Total
Financial liabilities				
Liabilities from loans	0.0	0.0	15.7	15.7
Total	0.0	0.0	15.7	15.7
Subordinated liabilities				
	903.8	255.9	0.0	1,159.7

Transfers between Levels 1 and 2

Transfers were made in the reporting period from Level 1 to Level 2 amounting to €816.1 million and from Level 2 to Level 1 amounting to €1,116.4 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 other equity investments include the shares in Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB shares) as their most crucial individual item.

The following table shows the changes to the fair values of financial instruments whose valuation procedures are not based on observable input factors.

In € million	RZB shares	Fixed-income securities	Other	Total
As at 1 January 2016	135.8	0.0	65.4	201.2
Transfers into level 2	0.0	-43.2	-3.9	-47.2
Transfers into level 3	0.0	376.2	249.4	625.5
Gains and losses recognised in the income statement	0.0	0.4	8.4	8.8
Gains and losses recognised in other comprehensive income	0.0	3.3	3.1	6.4
Purchases	0.0	182.0	11.3	193.3
Sales/redemptions	0.0	-25.1	-33.5	-58.6
As at 30 September 2016	135.8	493.5	300.1	929.5

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

Sensitivities

For the RZB shares the sensitivity analysis was determined as part of a valuation report and relates to a change in the discount rate and the increase or decrease in the growth rate. An increase in the discount rate by 100 basis points results in a 15 per cent reduction in the value of the RZB shares. A reduction in the discount rate by 100 basis points results in a 12 per cent reduction in the value. An adjustment to the growth rate by 100 basis points results in virtually no adjustment in value.

For the most important fixed-income securities, an increase in the discount rate of 100 basis points results in a 2.2 per cent reduction in the value. A reduction in the discount rate by 100 basis points results in a 2.2 per cent increase in value.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

4. Property and casualty insurance premiums written

In € million	1 – 9/2016	1 – 9/2015
Direct insurance		
Fire and business interruption insurance	199.8	218.9
Household insurance	134.3	131.5
Other property insurance	188.2	165.7
Motor TPL insurance	517.6	487.1
Other motor insurance	374.1	347.8
Casualty insurance	272.2	260.3
Liability insurance	200.2	197.6
Legal expense insurance	65.1	62.1
Marine, aviation and transport insurance	45.5	56.5
Other forms of insurance	48.9	49.8
Total	2,046.0	1,977.3
Indirect insurance		
Marine, aviation and transport insurance	1.8	1.2
Other forms of insurance	31.3	51.1
Total	33.1	52.3
Total direct and indirect insurance (amount consolidated)	2,079.1	2,029.6

5. Operating expenses

In € million	1 – 9/2016	1 – 9/2015
Property and casualty insurance		
a) Acquisition costs		
Payments	441.3	429.4
Change in deferred acquisition costs	- 12.1	- 7.5
b) Other operating expenses	173.1	164.8
c) Reinsurance commission and share of profit from reinsurance ceded	- 9.8	- 8.9
	592.5	577.8
Health insurance		
a) Acquisition costs		
Payments	85.8	71.5
Change in deferred acquisition costs	- 6.3	- 4.8
b) Other operating expenses	53.0	49.2
c) Reinsurance commission and share of profit from reinsurance ceded	- 0.3	- 0.4
	132.2	115.5
Life insurance		
a) Acquisition costs		
Payments	193.1	201.7
Change in deferred acquisition costs	19.7	36.2
b) Other operating expenses	86.3	75.9
c) Reinsurance commission and share of profit from reinsurance ceded	- 8.7	- 8.6
	290.4	305.2
Total	1,015.0	998.5

6. Insurance benefits

In € million	Gross		Reinsurers' share		Net	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
Property and casualty insurance						
Claims expenses						
Claims paid	1,163.8	1,189.2	-37.7	-43.4	1,126.1	1,145.8
Change in provision for unsettled claims	143.0	104.1	-9.8	-7.0	133.2	97.1
Total	1,306.8	1,293.3	-47.5	-50.4	1,259.3	1,242.9
Change in insurance provision	-0.2	-0.1	0.0	0.1	-0.2	0.0
Change in other technical provisions	-0.1	-0.7	0.0	0.0	-0.2	-0.7
Non-profit related and profit-related premium refund expenses	25.9	25.8	0.0	0.0	25.9	25.8
Total benefits	1,332.3	1,318.3	-47.5	-50.3	1,284.8	1,268.0
Health insurance						
Claims expenses						
Claims paid	522.0	508.2	0.0	0.0	522.0	508.2
Change in provision for unsettled claims	2.3	-6.1	0.0	0.0	2.3	-6.1
Total	524.3	502.2	0.0	0.0	524.3	502.1
Change in insurance provision	96.5	89.5	0.1	0.0	96.5	89.5
Change in other technical provisions	-0.6	0.2	0.0	0.0	-0.6	0.2
Non-profit related and profit-related premium refund expenses	34.5	15.5	0.0	0.0	34.5	15.5
Total benefits	654.7	607.3	0.0	0.0	654.8	607.3
Life insurance						
Claims expenses						
Claims paid	1,632.4	1,820.5	-48.8	-80.9	1,583.5	1,739.5
Change in provision for unsettled claims	-38.2	-62.9	1.3	-0.6	-36.8	-63.5
Total	1,594.2	1,757.6	-47.5	-81.5	1,546.7	1,676.0
Change in insurance provision	-88.6	-116.2	6.2	36.8	-82.4	-79.4
Change in other technical provisions	4.5	0.7	0.0	0.0	4.5	0.7
Non-profit related and profit-related premium refund expenses and/or (deferred) benefit participation expenses	23.0	39.9	0.0	0.0	23.0	39.9
Total benefits	1,533.1	1,682.0	-41.3	-44.7	1,491.8	1,637.3
Total	3,520.2	3,607.6	-88.8	-95.0	3,431.4	3,512.5

7. Net investment income

Classified by business line	Property and casualty insurance		Health insurance		Life insurance		Group	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
In € million								
Investment property	3.0	3.6	2.9	14.7	38.1	71.9	44.0	90.2
Financial assets accounted for using the equity method	5.2	1.0	1.4	1.9	4.5	5.9	11.0	8.9
Variable-income securities	41.8	11.4	1.9	4.4	-8.5	20.3	35.2	36.2
Available for sale	41.3	11.2	0.0	4.1	-4.8	16.5	36.5	31.8
At fair value through profit or loss	0.5	0.3	1.9	0.4	-3.7	3.8	-1.2	4.4
Fixed-income securities	69.6	75.1	57.1	79.2	268.7	359.4	395.4	513.7
Available for sale	69.9	75.1	56.3	79.2	260.4	347.5	386.7	501.7
At fair value through profit or loss	-0.4	0.1	0.8	0.1	8.3	11.9	8.7	12.0
Loans and other investments	3.8	6.9	3.4	6.8	35.4	40.5	42.7	54.1
Loans	1.2	2.4	2.7	5.0	9.1	15.1	13.0	22.5
Other investments	2.6	4.5	0.7	1.7	26.3	25.4	29.7	31.6
Derivative financial instruments	2.9	-0.6	2.5	-9.3	-11.2	-43.1	-5.8	-53.1
Investment administration expenses, interest paid and other investment expenses	-15.1	-9.3	-5.2	-5.0	-12.1	-17.7	-32.4	-32.0
Total	111.1	88.1	64.0	92.7	315.0	437.2	490.1	618.0

Classified by type of income	Current income		Gains/losses from disposals and changes in value		Total		of which impairment	
	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015	1-9/2016	1-9/2015
In € million								
Financial assets recognised at fair value through profit or loss								
Variable-income securities (within the framework of fair value option)	2.7	6.6	-4.0	-2.2	-1.2	4.4	0.0	0.0
Fixed-income securities (within the framework of fair value option)	0.9	6.0	7.9	6.1	8.7	12.0	0.0	0.0
Derivative financial instruments	-5.5	0.9	-0.3	-53.9	-5.8	-53.1	0.0	0.0
Investments under investment contracts ¹⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	-1.9	13.5	3.6	-50.0	1.7	-36.6	0.0	0.0
Available-for-sale financial assets								
Variable-income securities	31.1	22.1	5.4	9.6	36.5	31.8	-36.8	-5.4
Fixed-income securities	338.1	361.6	48.6	140.1	386.7	501.7	-7.7	-23.2
Subtotal	369.2	383.8	53.9	149.7	423.1	533.5	-44.5	-28.7
Loans and receivables								
Fixed-income securities	10.5	14.4	0.2	3.9	10.7	18.2	0.0	0.0
Loans and other investments	32.1	31.8	-0.1	4.0	32.0	35.8	-0.3	-0.2
Subtotal	42.6	46.2	0.1	7.9	42.7	54.1	-0.3	-0.2
Investment property	59.9	67.8	-15.9	22.4	44.0	90.2	0.0	0.0
Financial assets accounted for using the equity method	11.0	8.9	0.0	0.0	11.0	8.9	0.0	0.0
Investment administration expenses, interest paid and other investment expenses	-32.4	-32.0	0.0	0.0	-32.4	-32.0	0.0	0.0
Total	448.4	488.1	41.7	130.0	490.1	618.0	-44.8	-28.9

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

Net profit by measurement category

In € million	1-9/2016	1-9/2015
Financial assets recognised at fair value through profit or loss		
Recognised in profit/(loss) for the year	1.7	- 36.6
Available-for-sale financial assets		
Recognised in profit/(loss) for the year	423.1	533.5
of which reclassified from equity to consolidated income statement	- 56.1	90.9
Recognised in other comprehensive income	952.3	- 140.2
Net income	1,375.4	393.2
Loans and receivables		
Recognised in profit/(loss) for the year	42.7	54.1
Financial liabilities measured at amortised cost		
Recognised in profit/(loss) for the year	- 50.5	- 33.3

The net investment income of €490.1 million (1-9/2015: 618.0 million) includes realised and unrealised profits and losses of €41.7 million (1-9/2015: 130.0 million), which included currency losses of €19.3 million (1-9/2015: currency profits of €25.8 million). These amounts are essentially the result of investments in US dollars.

Positive currency effects amounting to €0.5 million (1-9/2015: 5.6 million) were also recorded directly in the equity.

OTHER DISCLOSURES**8. Dividends paid**

A dividend of €0.47 per share was paid on 13 June 2016 (previous year: €0.42). This corresponds with a distribution amounting to €144.8 million (previous year: €129.5 million).

9. Employees

Average number of employees	1-9/2016	1-9/2015
Total	13,908	14,038
of which sales	5,418	5,423
of which administration	8,490	8,615

10. Goldenes Kreuz Privatlinik BetriebsGmbH

UNIQA was awarded the right to acquire a 75 per cent stake in Vienna-based Privatlinik Goldenes Kreuz Privatlinik BetriebsGmbH ("Goldenes Kreuz") via the PremiQaMed Group in July 2015. The acquisition was subject to review under competition law. The deal was finally closed on 7 July 2016 following confirmation by the Austrian Supreme Court sitting as a competition high court.

If the acquisition had taken place on 1 January 2016, according to estimates of the Group Management Board the non-insurance result would have amounted to €156.9 million and net profit would have been €150.6 million. In determining these amounts, the Management assumed that the provisional fair value adjustments at the time of the acquisition would also have been valid in the event of an acquisition on 1 January 2016.

The consideration paid for the acquisition comprises exclusively cash and cash equivalents amounting to €4.0 million. The incidental costs incurred for this acquisition in 2016 amounting to €0.0 million (1–9/2015: €0.2 million) are recognised under other operating expenses.

Assets and liabilities at the time of acquisition

In € million	Provisional value
Non-current assets	5.1
Current assets	6.2
Non-current provisions and liabilities	- 1.5
Current provisions and liabilities	- 4.5
Net assets	5.4

At the time of the preparation of the interim report, the necessary market assessments and other calculations had not yet been completed. They were determined based on the best estimate of the foreseeable values carries out by Management.

Receivables (receivables and other assets) acquired in the course of the acquisition have a fair value of €4.9 million. Based on the best possible estimate, there were no uncollectible receivables at the time of the acquisition.

Preliminary calculations based on the estimates made show that no goodwill was generated with the acquisition of the “Goldenes Kreuz” private clinic in Vienna.

Non-controlling interests of 25 per cent were recognised at the time of acquisition and measured at a fair value of €1.3 million.

The consideration paid is offset by an acquired cash position of €0.8 million.

Declaration of the Legal Representatives

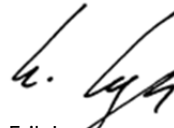
The Management Board of UNIQA Insurance Group AG hereby confirms that, to the best of its knowledge, the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the interim Group Management Report gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the major related party transactions to be disclosed.

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

Vienna, November 2016



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 number: 92933t
Data processing register: 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 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.

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

