



## **“A” Credit Rating with a Stable Medium-Term Outlook for Triglav Group Affirmed by AM Best**

*In accordance with the Ljubljana Stock Exchange Rules and the applicable legislation, ZAVAROVALNICA TRIGLAV d.d., hereby publishes the following notice:*

**Following its regular annual revision, the AM Best credit rating agency re-affirmed the Financial Strength Rating of “A” (Excellent) and the Long-Term Issuer Credit Ratings of “a” of both Zavarovalnica Triglav and Pozavarovalnica Triglav Re. The ratings of both companies have a stable medium-term outlook, which reflects the rating agency’s expectations that Triglav Group will maintain very strong balance sheet strength, strong operating performance and the dominant market position both in Slovenia and the region where the Group operates.**

According to AM Best, Triglav Group’s balance sheet strength is very strong and its operating performance strong, while the impact of both the business profile and the majority shareholding on the credit rating is neutral. It further points out that Triglav Group’s enterprise risk management is developed and appropriate for its risk profile and operational scope and complexity.

The assessment of a very strong balance sheet is based on Triglav Group’s risk-adjusted capitalisation, which is at its strongest level. According to the rating agency, the Group has a prudent reserving approach and good financial flexibility with access to equity and bond markets, which was also reflected in the subordinated bond issued this year.

Its strong operating performance over the recent years has been driven by the excellent non-life insurance technical earnings in the domestic market and healthy investment income, even though it continues to be impacted by the low interest rate environment, the situation in the life insurance segment and very intense competitive conditions on the markets of the region. AM Best pointed out the advantages of the Group’s dominant position both in the Slovene market and the region. Triglav Group has a well-diversified portfolio by both product and geography. Moreover, outside of Slovenia Triglav continues to demonstrate improvement in earnings on the basis of additional scale and actively seeking alternative lower cost distribution channels.

By affirming the high credit rating of the subsidiary Pozavarovalnica Triglav Re, AM Best confirmed its strategically important role as the reinsurer of all Triglav Group members.

*This information will be published on the website of Zavarovalnica Triglav d.d. at [www.triglav.eu](http://www.triglav.eu) as of 20 November 2019 and will remain available on the Company's public website for a period of at least five years.*

Management Board of Zavarovalnica Triglav d.d.