



Triglav Group

Investor Presentation for LJSE Webcast 9M 2018 Results

22 November 2018



Highlights

Enter the future

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Highlights 9M 2018

- Annual profit guidance confirmed, taking into account the business conditions anticipated until the end of 2018.

Gross written premium	Profit before tax	Combined ratio non-life
€ 820.2m	€ 69.9m	92.4%
GWP up 6% y-o-y	Increased by 8% y-o-y	Down from 94.5% in 9M 2017
<ul style="list-style-type: none"> ▪ Growth in all markets: <ul style="list-style-type: none"> - Slovenia: +5% - Other markets: +8% ▪ Growth in all insurance segments: <ul style="list-style-type: none"> - Non-life: +6% - Life & Pension: +1% - Health: +10% 	<ul style="list-style-type: none"> ▪ Influence of good performance in insurance business. Growth of net premium income (+6% y-o-y) at a higher rate than growth of net claims incurred (+1% y-o-y). ▪ Lower returns on financial investments, as expected (-19% y-o-y). ▪ 9M 2018 PBT from underwriting +32% y-o-y, from investment activities -26% y-o-y (<i>decrease of life investment result mainly due to lower returns on assets of guarantee fund and additionally formed mathematical reserves</i>) 	<ul style="list-style-type: none"> ▪ Favourable and in line with long term average target value i.e. around 95%

Highlights Q3 2018

CREDIT RATINGS

- **S&P Global** Ratings : **A/ stable outlook**

Business risk profile:	Strong
Financial risk profile:	Very strong
Capital adequacy:	Extremely strong
Adequate reinsurance protection	

EXPANSION ACTIVITIES IN Q3 2018

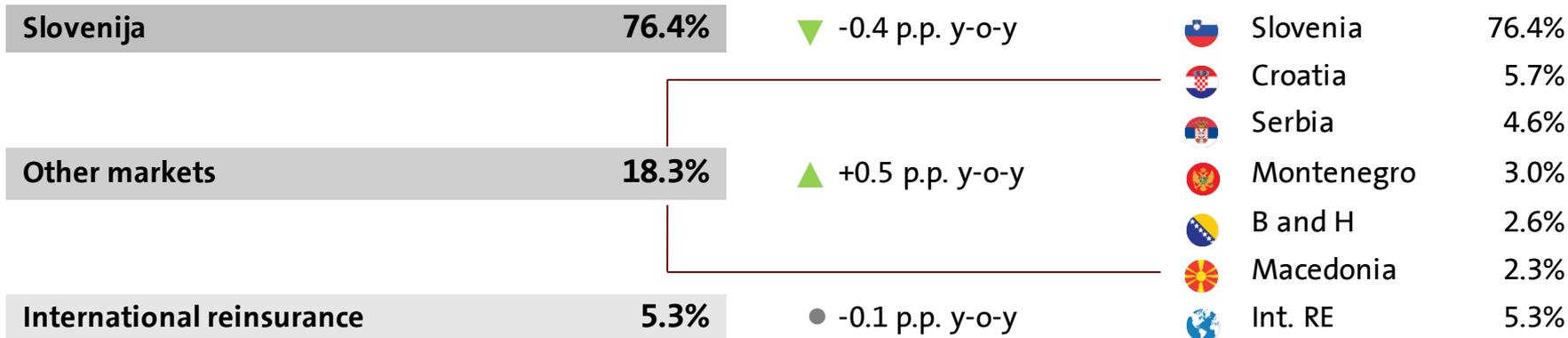
-  **SKUPNA** : Triglav purchased remaining 28.1% equity stake of company SPD, leading provider of **supplementary pension insurance in Slovenia** (acquisition).
- **ALTA** : Triglav signed SPA acquiring Slovenian company ALTA Skladi, **AM company in Slovene mutual funds market**, the fifth largest, with almost 10% market share (takeover).

REAPPOINTMENT OF MEMBERS OF MANAGEMENT BOARD

Supervisory Board of parent company reappointed the President of MB Andrej Slapar for a new five-year term of office and approved his proposal, reappointing Uroš Ivanc and Tadej Čoroli as Members of MB.

Markets & Growth

CONSISTANTLY INCREASING GWP SHARE OUTSIDE SLOVENIA:



LEADING MARKET POSITION BOTH IN SLOVENIA AND ADRIA REGION:

SLOVENIA (9M 2018)

35.6% market share
(-0.4 p.p. y-o-y)

ADRIA REGION (2017)

20.2% market share
(+0.3 p.p. y-o-y)



Financials & Investments

Enter the future.



Triglav Group in 9M 2018

	In € million		
	9M 2018	9M 2017	Index 2018/2017
Gross written premium	820.2	777.1	106
Net premium income	703.8	664.1	106
Gross claims paid	495.4	467.4	106
Net claims incurred	471.6	469.2	101
Insurance business gross operating costs	191.7	181.9	105
Profit before tax	69.9	64.5	108
Net profit for the accounting period	58.8	52.3	112
Gross insurance technical provisions	2,811.9	2,732.2	103
Total equity	736.4	756.6	97
Number of employees	5,140	5,151	100
Expense ratio non-life	28.3%	28.2%	
Net claims ratio non-life	64.1%	66.3%	
Combined ratio non-life	92.4%	94.5%	

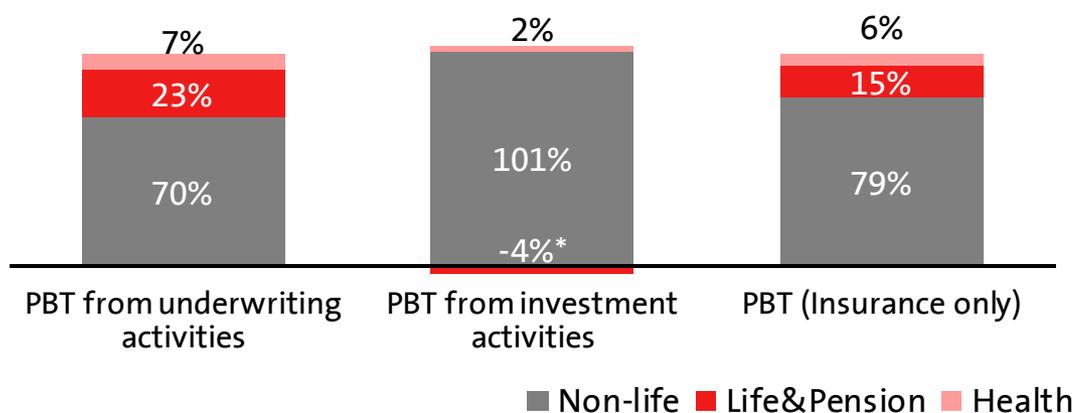


Structure of Profit Before Tax

In € million

	9M 2018				9M 2017			
	Non-life	Life & Pension	Health	Total	Non-life	Life & Pension	Health	Total
PBT from underwriting activities	33.9	11.0	3.6	48.5	19.4	12.5	4.7	36.6
PBT from investment activities	19.8	-0.7*	0.5	19.6	18.4	7.3	0.7	26.4
PBT from insurance operations	53.7	10.3	4.1	68.2	37.8	19.9	5.4	63.0
PBT from non-insurance operations				1.7				1.5
Total PBT				69.9				64.5

Structure of PBT (9M 2018)



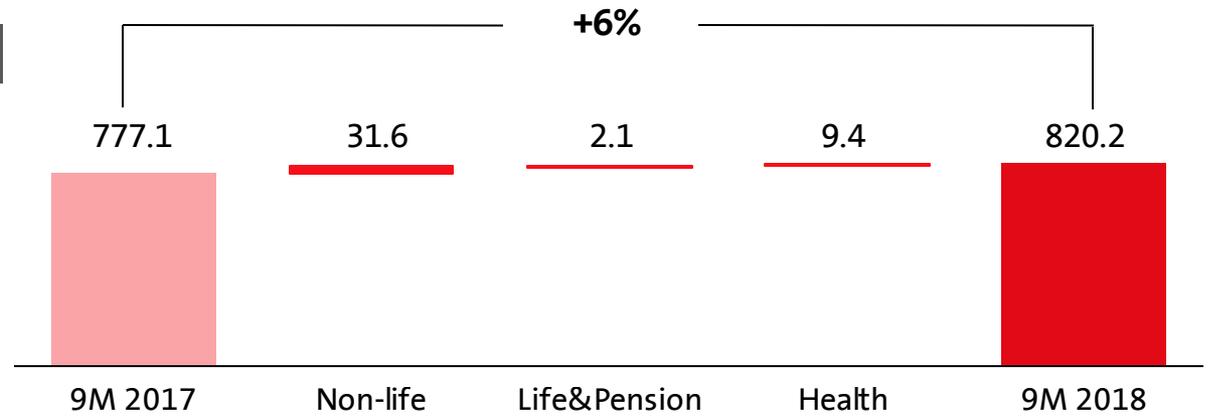
***Life investment result net of guarantees and additionally formed mathematical reserves.**

The decrease in 9M 2018 life investment result mainly the result of:

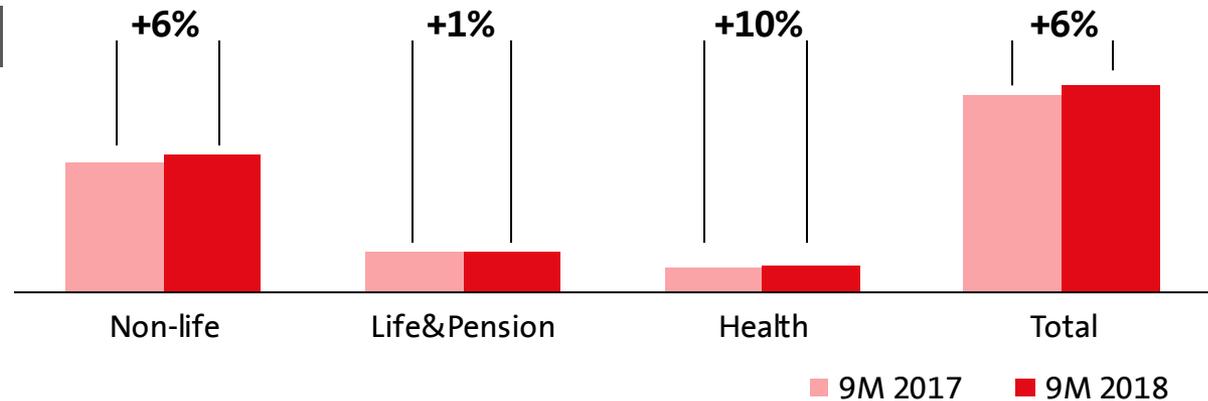
- lower returns on assets of the guarantee fund (€ 4.1 million),
- additional provisions made due to the reduction in the reserving interest rate (€ 2.9 million).

Gross Written Premium

GWP development (in € M)



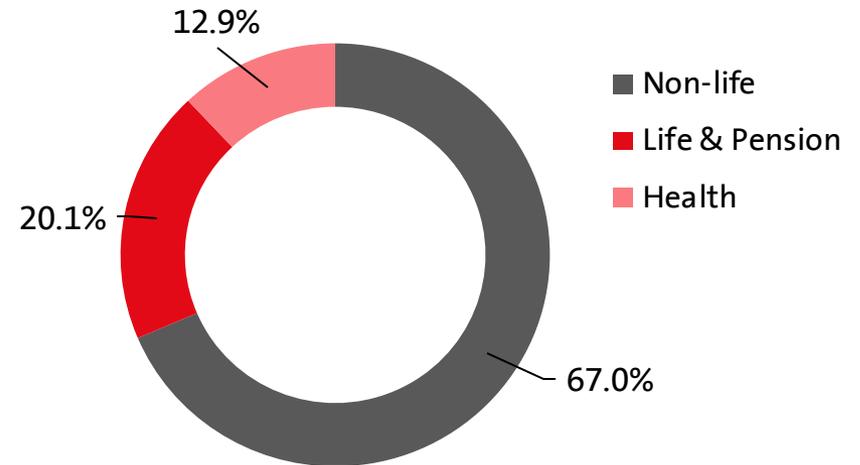
GWP growth by segments (in € M)



Structure of Gross Written Premium

Structure of GWP (9M 2018)

		9M 2018	9M 2017
Non-life	▲	67.0%	66.6%
Life & Pension	▼	20.1%	21.0%
Health	▲	12.9%	12.4%



- **FOCUS ON OUR CLIENTS, who are monitored INDIVIDUALLY and THROUGHOUT their LIFECYCLES.**



- **INNOVATIVE AND SIMPLE PRODUCTS: Upgrade of existing products & Developing new ones & Assistance services**

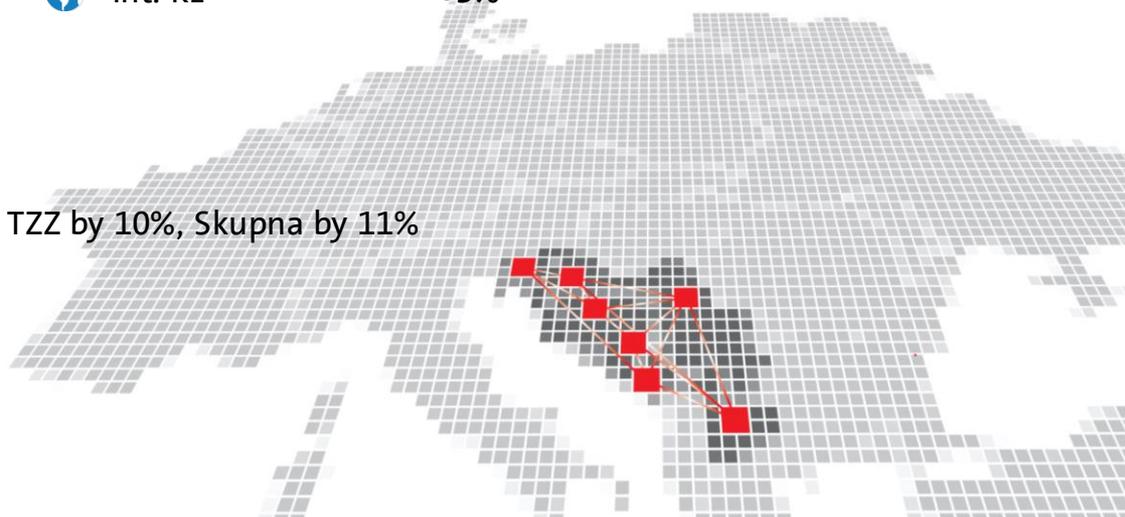
Performance by Markets

- GDP growth and low insurance density key growth drivers.

	Average GWP growth		Markets	GWP growth y-o-y	Market share	Market position
Slovenija¹	+5%	▲	 Slovenia	+5%	35.6%	1
		▲	 Croatia	+8%	4.6%	8
		▲	 Serbia	+13%	6.0%*	5*
Other markets	+8%	▲	 Montenegro	+4%	38.2%	1
		▲	 B and H	+3%	8.0%*	6*
		▲	 Macedonia	+12%	15.7%*	1*
International reinsurance	+3%	▲	 Int. RE	+3%	-	-

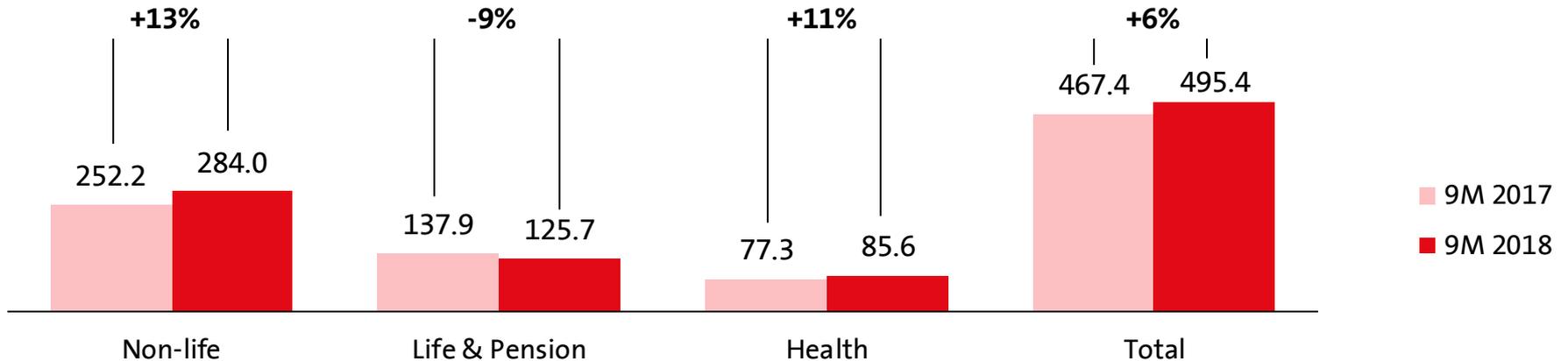
*H1 2018

¹ GWP of Zavarovalnica Triglav increased by 4%, TZZ by 10%, Skupna by 11%



Gross Claims Paid

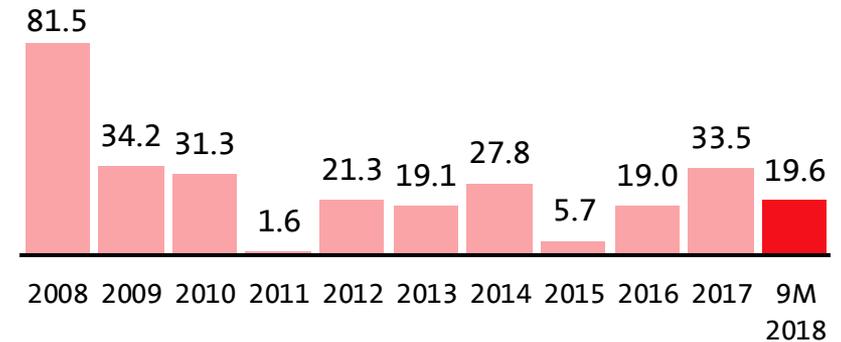
Gross claims paid (in € M)



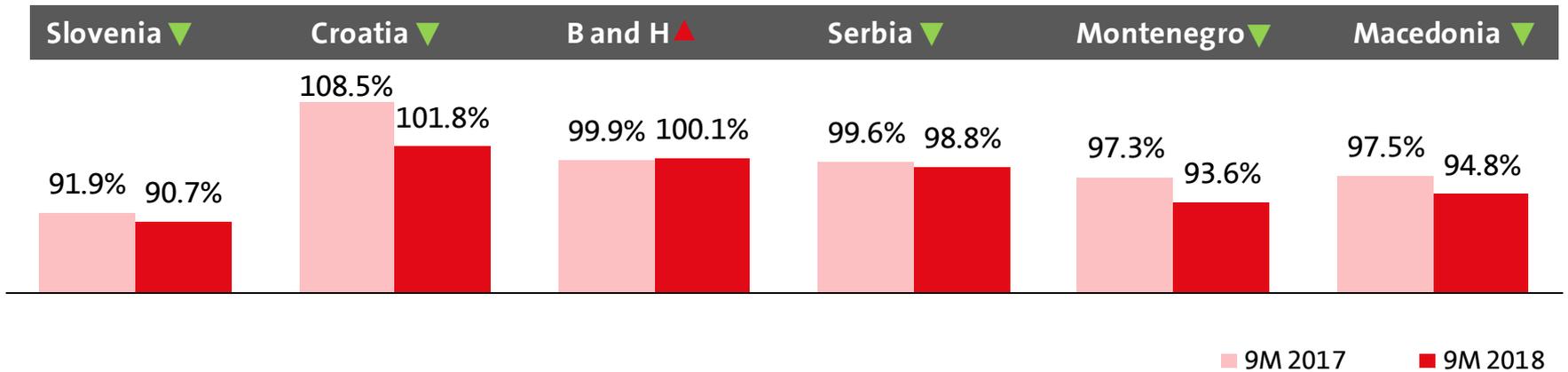
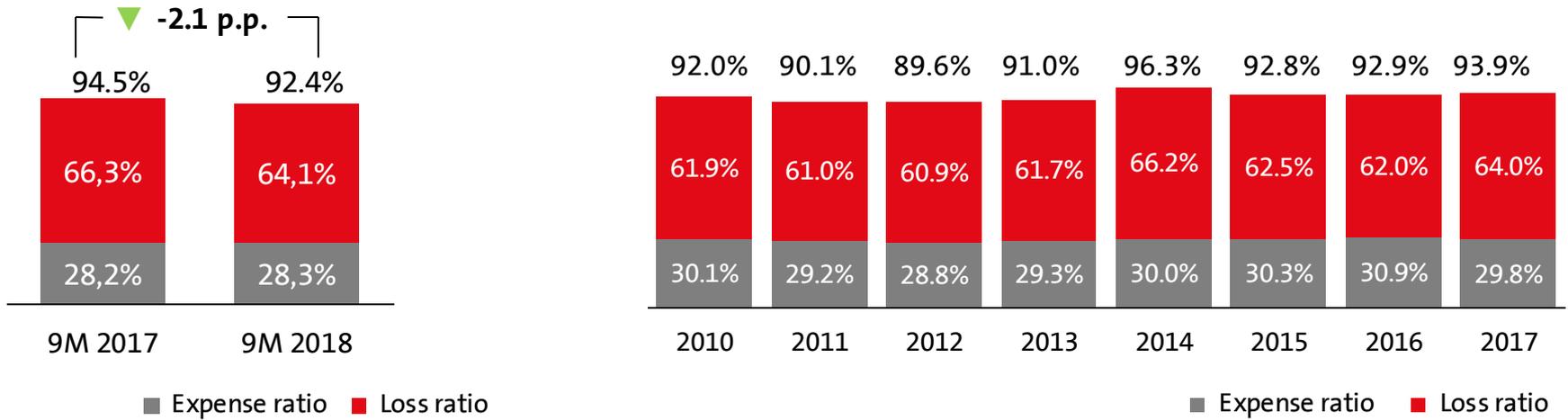
€ 19.6 million CAT loss events in 9M 2018 (all occurred in Q2 2018)

- € 3.3 m - May hail and floods in Eastern Slovenia
- € 2.3 m - Early June storms with hail in North-Eastern Slovenia
- € 11.5 m - June hail in North-East Slovenia and Bela Krajina
- € 1.5 m - Mid-June hail in Zasavje region (Slovenia)
- € 1.0 m - April frost, May and June floods in Macedonia

CAT losses in last 10 years (in € M)



Non-Life Combined Ratio



Triglav Group Asset Allocation

	Non-life & Health ¹		Life & Pensions ¹		Total	
	In € M	In %	In € M	In %	In € M	In %
Investment property	88.2	8%	2.4	0%	90.5	3%
Investments in associates ²	13.3	1%	0.6	0%	13.8	1%
Shares and other floating rate securities	104.9	9%	76.6	5%	181.5	7%
Debt and other fixed return securities	874.6	76%	1,320.7	89%	2,195.3	84%
Loans given	5.7	0%	32.5	2%	38.2	1%
Bank deposits	55.1	5%	42.2	3%	97.3	4%
Other financial investments	6.2	1%	4.7	0%	10.9	0%
Investments	1,147.9	100%	1,479.7	100%	2,627.6	100%
Financial investments of reinsurance companies in reinsurance contracts with cedents	6.1		0.0		6.1	
Unit-linked insurance contract investments	0.0		448.1		448.1	
Group financial investments	1,154.0		1,927.8		3,081.8	

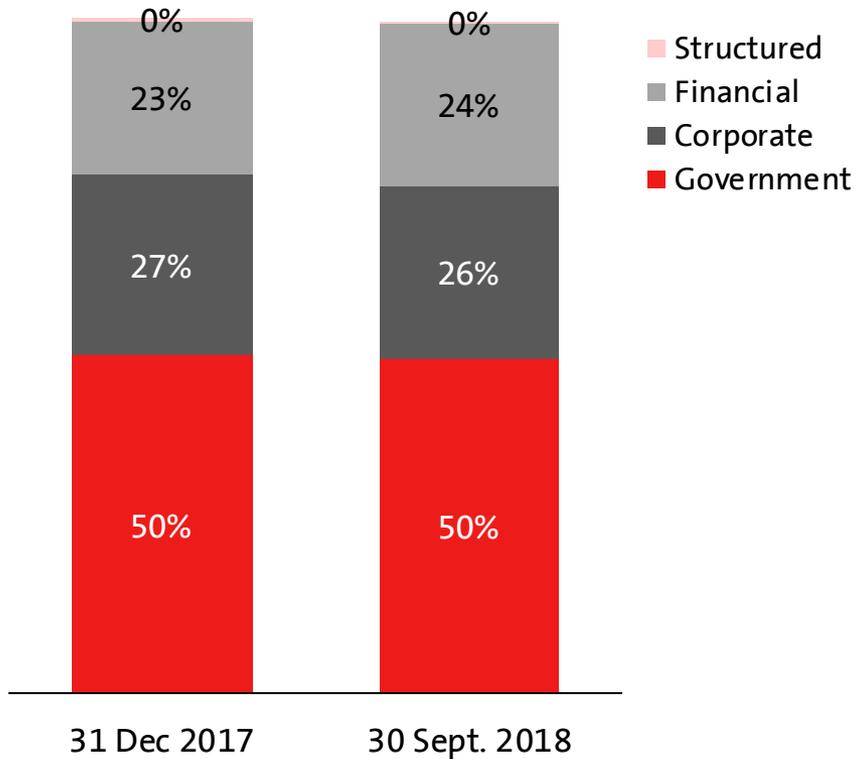
1 Includes investments of own funds of the Group

2 Investment in associates are mainly additional Real Estate exposure

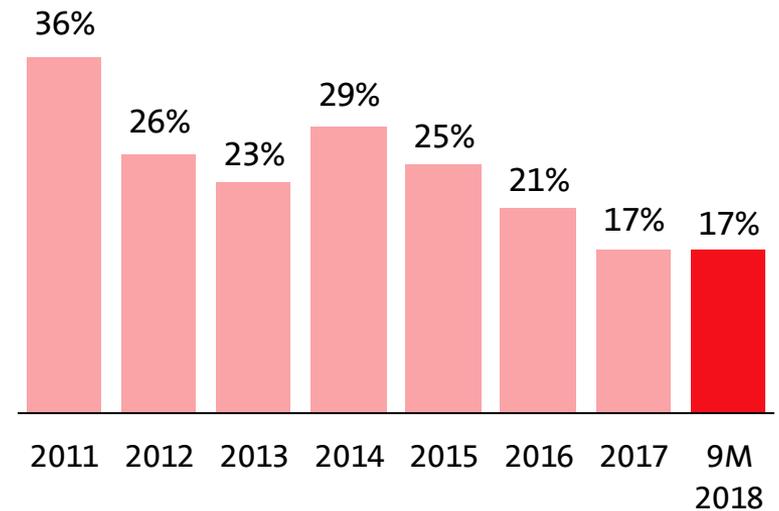


Structure of Bond Portfolio

Bond Portfolio Structure by Type of Issuers



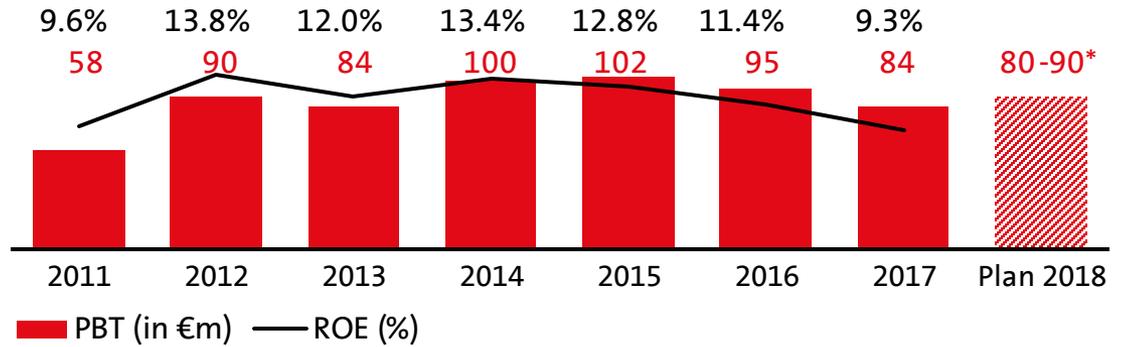
Exposure to Slovenian Bonds in Total Bonds



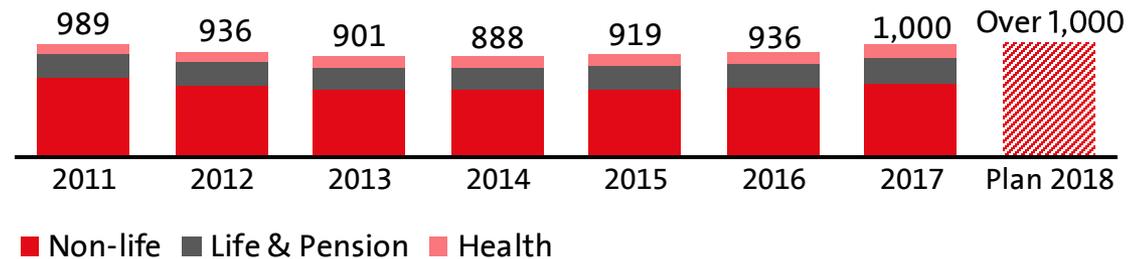
Outlook 2018

Profit before tax and ROE

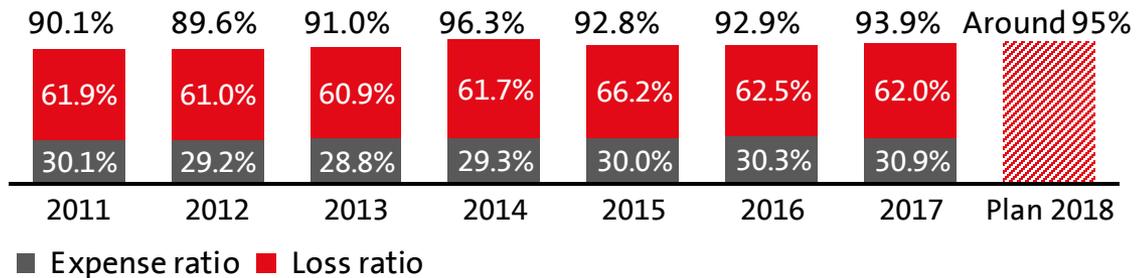
*Annual profit guidance confirmed at the end of Q3 2018.



Gross written premium (in €m)



Combined ratio





Our vision

Triglav Group, modern, innovative and dynamic insurance - financial group, firmly remaining the leader both in Slovenia and Adria region.



Our mission

BUILDING A SAFER FUTURE
for all our stakeholders,
while being committed to
responsible and sustainable
development.

Next investor conference: 29 Nov 2018 / Ljubljana, Slovenia/ LJSE Conference