



Sava Re Group

Investor Presentation
February 2013

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- 2 Sava Re Group Performance & Strategy
- 3 Zavarovalnica Maribor & Acquisition Impacts
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- 5 Capital raising thesis

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The Management Board



Zvonko Ivanušič
Chairman

- Joined Sava Re Co in 2002; in 2004 he became Deputy Chairman of the Board, and in 2008 assumed his current position.
- Previously:
 - 2000 Minister of Finance, Republic of Slovenia
 - 1997–2000 Chairman of the Board of Zav. Slovenica
 - 1994–1997 Chairman of the Board of Kmecka Druzba
 - 1993–1994 Managing Director of Belt Livar
- Zvonko graduated in economics from the University of Maribor and earned a Master's degree in Economics from the University of Ljubljana.



Mateja Treven
Member

- Joined Sava Re Co at the beginning of 2011. Prior to that Mateja served on the Supervisory Board of Sava Re Co and chaired its Audit Committee.
- Previously:
 - 2010 Consultant to the Board (Finance and Accounting), Publikum d.d.
 - 2006 Member of the Management Board, Publikum d.d.
 - 2000–2006 Consultant to the Chairman of the Board, Zavarovalnica Triglav
- Mateja holds a degree in economics from Univ. of Ljubljana and an MBA from City University, London.



Srečko Čebro
Member

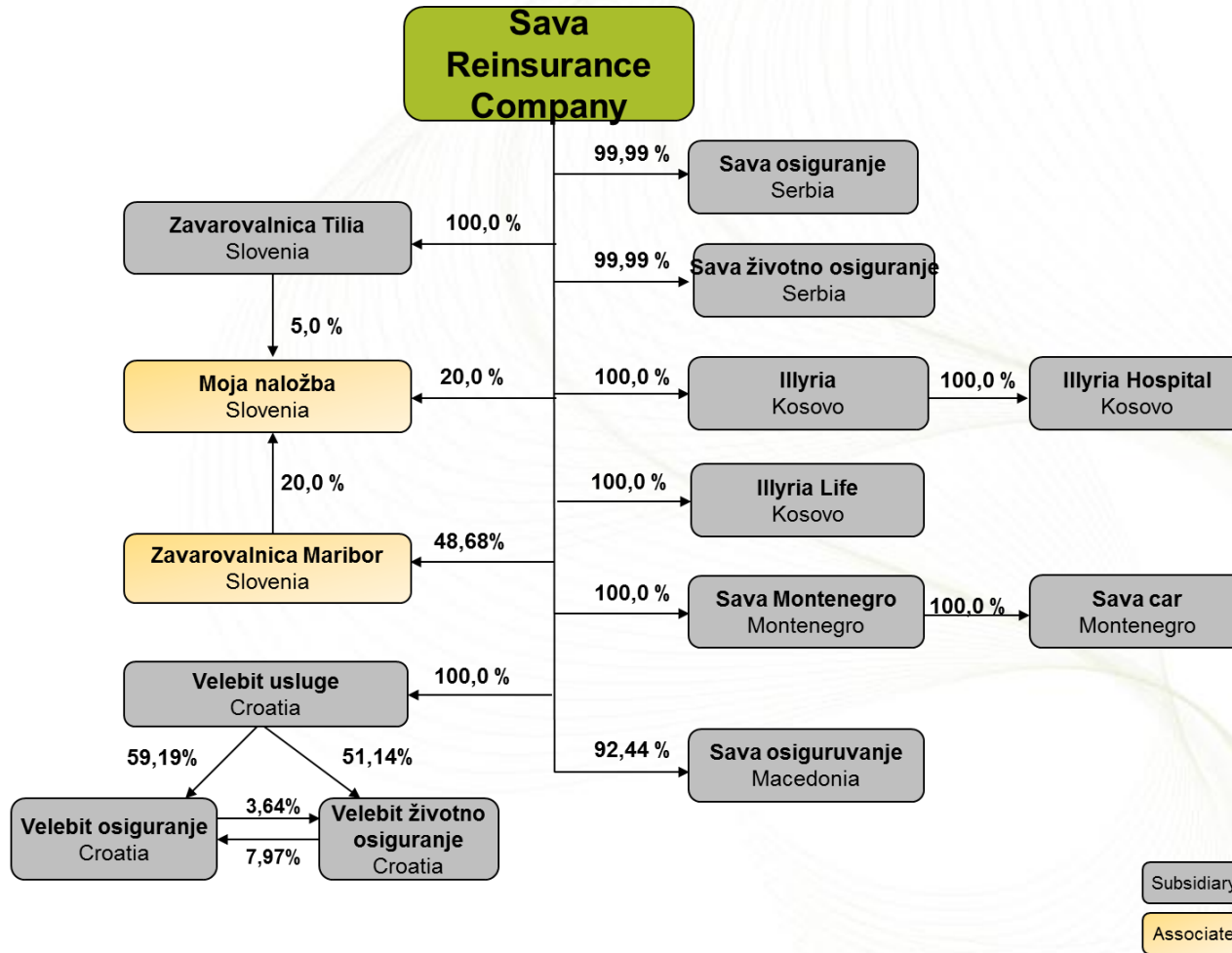
- Srečko has been a Member of the Management Board of Sava Re Co since 2009. Prior to that, he was a Member of the Management Board of Zavarovalnica Maribor since 2001.
- Starting his career with Generali in Trieste, Srečko spent much of his career in the international marketplace from Zavarovalnica Tilia (Slovenia), Unipol (Milano, Bologna and Moscow), to ICMIF (Manchester) and Euresap (Lisbon).



Jošt Dolničar
Member

- Jošt has been with Sava Re Co since 2006 as Senior Executive responsible for the management of subsidiaries and since December 2008 as Member of the Management Board responsible for Group support of primary insurance subsidiaries, risk management, actuarial affairs and processes & IT.
- Before joining Sava Reinsurance Company, Jošt worked for Zavarovalnica Triglav – in his last appointment as Executive Manager of Non-life Business.
- Jošt graduated in law from the University of Ljubljana.

Group Structure at 31 Dec 2012



* After capital increase of Velebit usluge, Sava Re holds the following stakes in the Croatian companies:
 Velebit osiguranje: 75,27%
 Velebit životno osiguranje: 69,58%

Shareholder Structure (at 31 Dec 2012)

Shareholder	No. of shares	Holding
Slovenska odškodninska družba, d.d.	2.340.631	25,00%
Abanka d.d.	655.000	7,00%
Poteza Naložbe d.o.o. – in liquidation	468.125	5,00%
Pišljar Marjan	445.626	4,76%
NFD 1, equity subfund	437.007	4,67%
Nova KBM d.d.	435.925	4,66%
Zavarovalnica Maribor d.d.	416.433	4,45%
SOP Ljubljana	402.661	4,30%
Modra zavarovalnica d.d. – ZVPS	320.346	3,42%
KD Galileo, fleksibilna struktura naložb	250.754	2,68%
Total	6.172.508	65,93%

◀ Slovenian government

Key Info

Overview

- ▶ 10 companies in reinsurance, non-life and life insurance business
- ▶ Reinsurance relations with numerous players worldwide
- ▶ Insurance operations in 6 markets of former Yugoslavia
- ▶ Total consolidated GPW of EUR 271m⁽¹⁾
- ▶ Ratings: S&P BBB+; Am Best A-



Reinsurance (GPW: EUR 131,9m)

- ▶ Largest locally-based non-captive reinsurer in CEE
- ▶ No.1 reinsurer in Slovenia⁽²⁾
- ▶ 40 years of presence in Slovenia and internationally
- ▶ 226 reinsurance clients

Direct insurance (GPW: EUR 139,4m)

- ▶ Mostly non-life exposure, life insurance operated through greenfields
- ▶ Substantial long-term equity investment in 3rd largest Slovenian insurer Maribor with GPW of EUR 263,2m⁽³⁾



Notes: (1) Estimated gross premium written 2012

(2) Measured as split between the two Slovenian reinsurers

(3) Estimated gross premium written 2012

Development & Growth

1973

1991

2003

Beginnings during Yugoslav socialist period

1973 – Starts as reinsurance department of Sava Insurance

1977 – Spin-off from Sava Insurance and incorporation under the name Reinsurance Community Sava

1990 – Reorganises as a joint-stock company under the new Slovenian Companies Act

1991 – Slovenia declares independence from Yugoslavia; transition from socialist system to market economy

Consolidation of Sava Re's position in Slovenia and crystallisation of ownership structure

1991 – 2% of reinsurance premiums coming from international markets; decision to expand in international reinsurance markets

1998 – Acquires **Zavarovalnica Tilia**; entry into Slovenian direct insurance market

1999 – Starts to increase minority stake in **Zavarovalnica Maribor** to 45,79% (2011: 48,68%)

2003 – Unallocated portion of share capital transferred to SOD, who becomes 99,9% owner

KEY STORY BEHIND

DEVELOPING REINSURANCE BUSINESS

INTERNATIONAL INWARDS PREMIUM FROM NIL IN 1973 TO NIL IN TIMES OF YUGOSLAV HYPERINFLATION TO 52,9% IN 2011 OF NON-CONSOLIDATED REINSURANCE PREMIUM INCOME

Development & Growth

2004

Acquisition-driven expansion to insurance markets of former Yugoslavia

2004 – Acquires minority stake in **Osiguranje Helios** in Croatia;
2006 – sells entire stake due to an indirect change in control in the majority shareholder

2006 – Acquires majority stakes in **Dukagjini** (now **Illyria**) and **Sava osiguranje**; enters Kosovan and Serbian non-life insurance markets

2007 – Acquires majority stakes in **Sava Tabak** (now **Sava osiguruvanje**) and **Sava Montenegro**, enters Macedonian and Montenegrin non-life insurance markets

2008

Expansion to life insurance business and return to Croatia

2008 – Establishes life insurer **Sava životno osiguranje** in Serbia

2008 – Establishes joint venture life insurer **Dukagjini Life** (now **Illyria Life**) in Kosovo; now wholly owned by Sava Re Group
- IPO (SOD reduces it's share to 25%)

2009 – Acquires majority stakes in **Velebit osiguranje** and **Velebit životno osiguranje**; return to the Croatian non-life and life insurance market

KEY STORY BEHIND

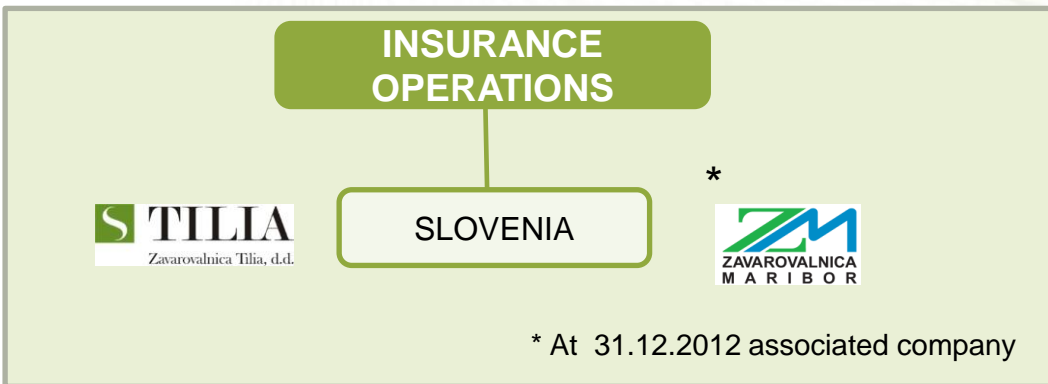
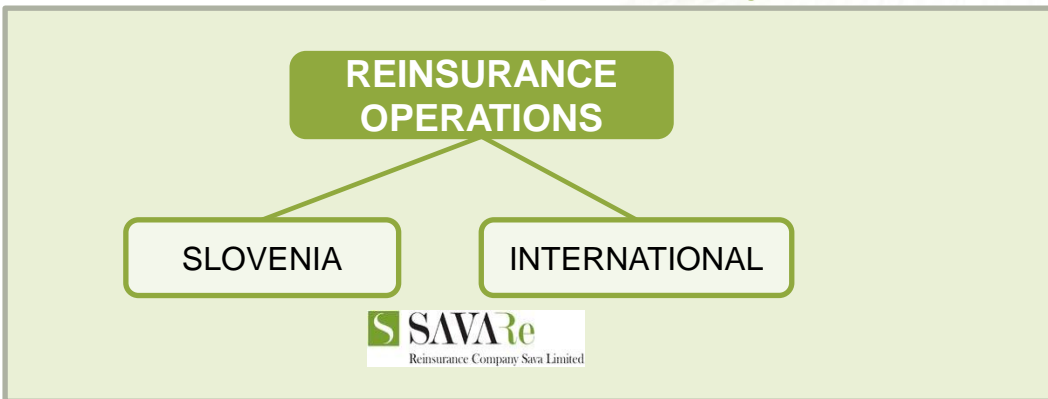
DEVELOPING INSURANCE BUSINESS

FROM REINSURANCE COMPANY TO MAJOR REGIONAL INSURANCE GROUP

2011 PREMIUM⁽¹⁾ STRUCTURE:

- **46% REINSURANCE**
- **49% NON-LIFE INSURANCE**
- **5% LIFE INSURANCE**

Sava Re Group today – three key segments



**V
A
L
U
E**







Strategic guideline:
profitable moderate
growth on foreign
markets

Strategic guideline:
improving
profitability

**G
R
O
W
T
H**


Strategic guideline:
growth


Strong Market Position in Western Balkans

SAVA RE GROUP	REINSURANCE OPERATIONS	NON-LIFE OPERATIONS	LIFE OPERATIONS	GPW E2012* (EUR MILLION)	CHANGE 2012/2011	MARKET SHARE 3Q2012
SLOVENIA 	Sava Re	Tilia Insurance Company (Composite Insurer) Sava Re share: 100,0%	Tilia Insurance Company (Composite Insurer)	P: 131,9 PR: 72,8 Ž: 10,0 S: 214,7	+10,6 % +5,7 % -2,9 % +8,2 %	PR: 5,1 % Ž: 1,7 % S: 4,2 %
CROATIA 		Velebit osiguranje Sava Re share: 59,19%	Velebit životno osiguranje Sava Re share: 51,14%	PR: 8,6 Ž: 1,5 S: 10,1	-2,8 % +38,9 % +1,7 %	PR: 1,0 % Ž: 0,3 % S: 0,5 %
SERBIA 		Sava osiguranje Sava Re share: 99,99%	Sava životno osiguranje Sava Re share: 99,99%	PR: 11,1 Ž: 0,8 S: 11,9	-2,1 % +48,3 % +0,1 %	PR: 2,4 % Ž: 0,7 % S: 2,1 %
KOSOVO 		Illyria Sava Re share: 100%	Illyria Life Sava Re share: 100%	PR: 11,3 Ž: 1,2 S: 12,4	-19,6 % +19,4 % -17,0 %	PR: 14,8 % Ž: 100,0 % S: 14,8 %
MONTENEGRO 		Sava Montenegro Sava Re share: 100%		PR: 10,9 S: 10,9	+5,2 %	PR: 19,0 % S: 16,6 %
MACEDONIA 		Sava osiguranje Sava Re share: 92,44%		PR: 11,3 S: 11,3	-9,8 %	PR: 8,7 % S: 10,4 %

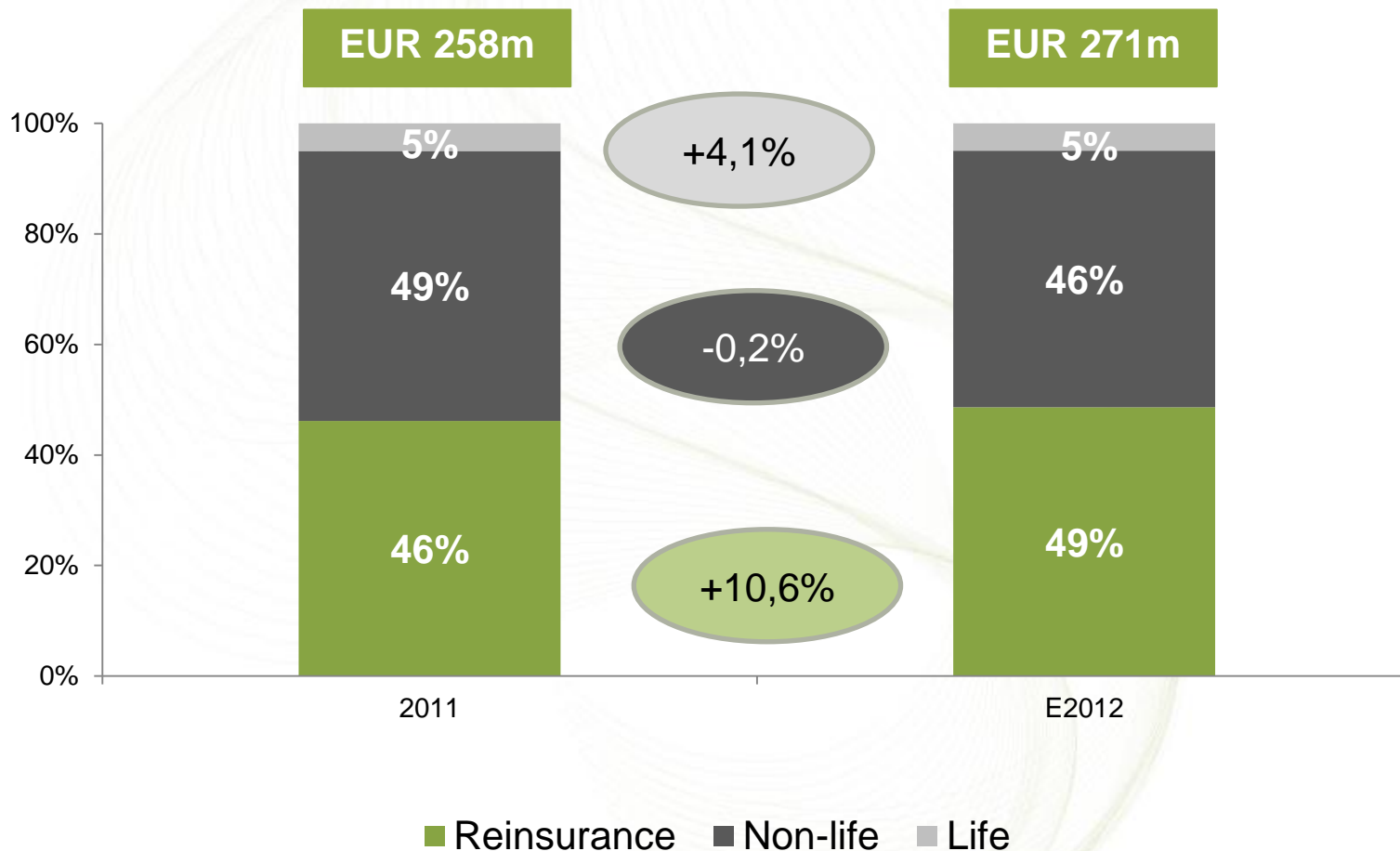
* Preliminary data on GWP for 2012, growth based on local rates

R – reinsurance; NL – non-life; L – life; T – total

 – greenfield

 – acquired company

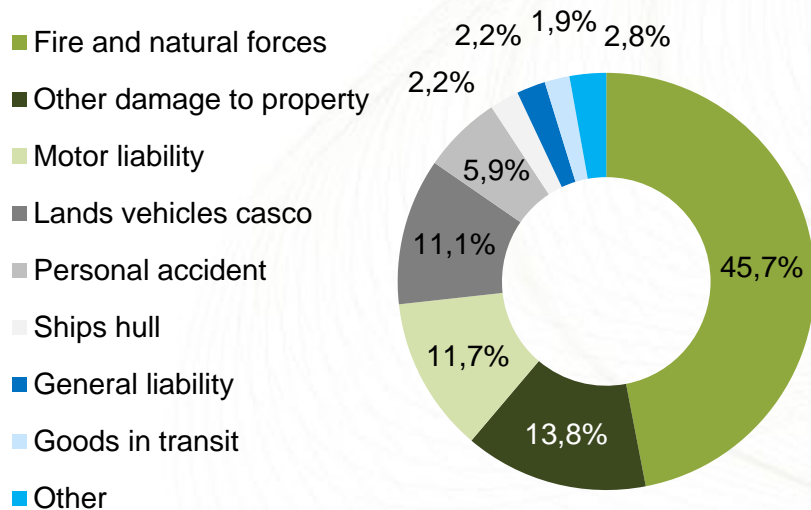
GWP by Operating Segment



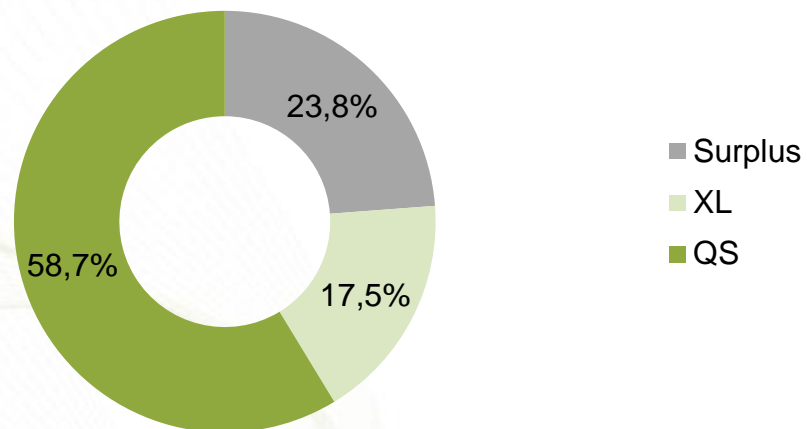
*Estimated consolidated GWP 2012 based on unaudited data

Reinsurance Premium Split

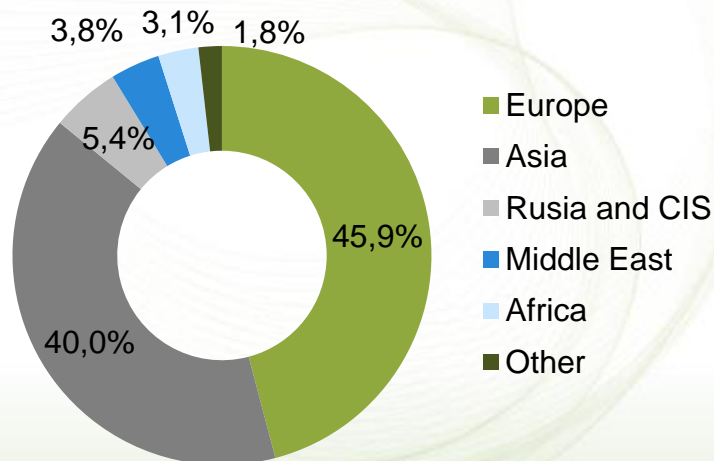
Premiums by class of business



Premiums by type of reinsurance

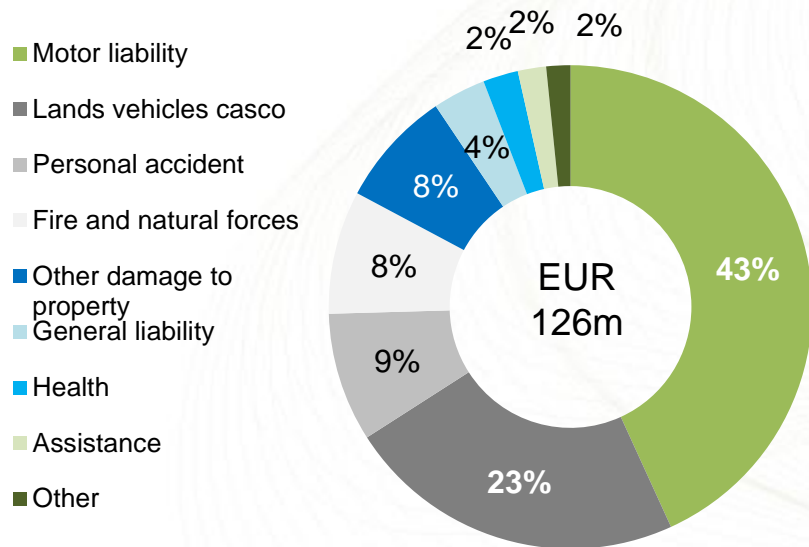


Premiums by region

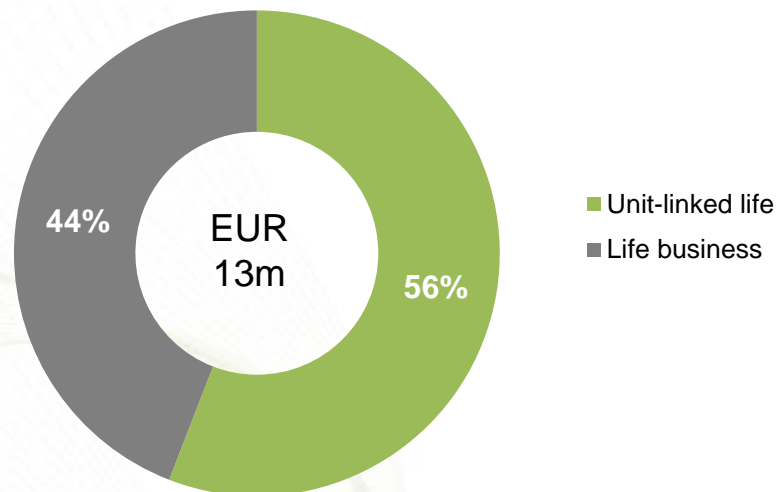


Insurance Premium Split

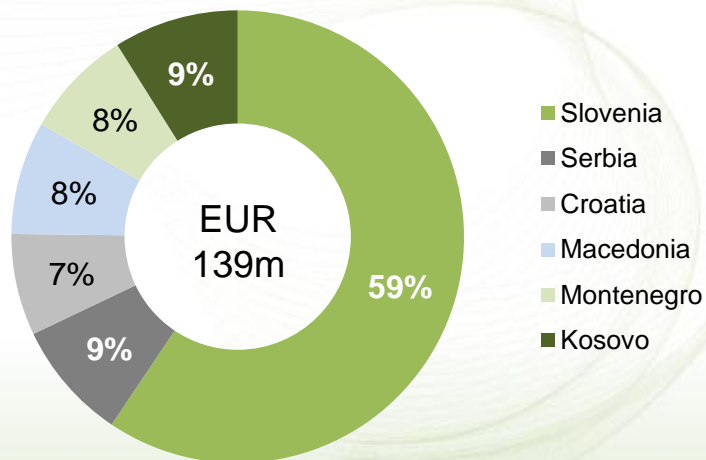
Non-life premium by class (2012)



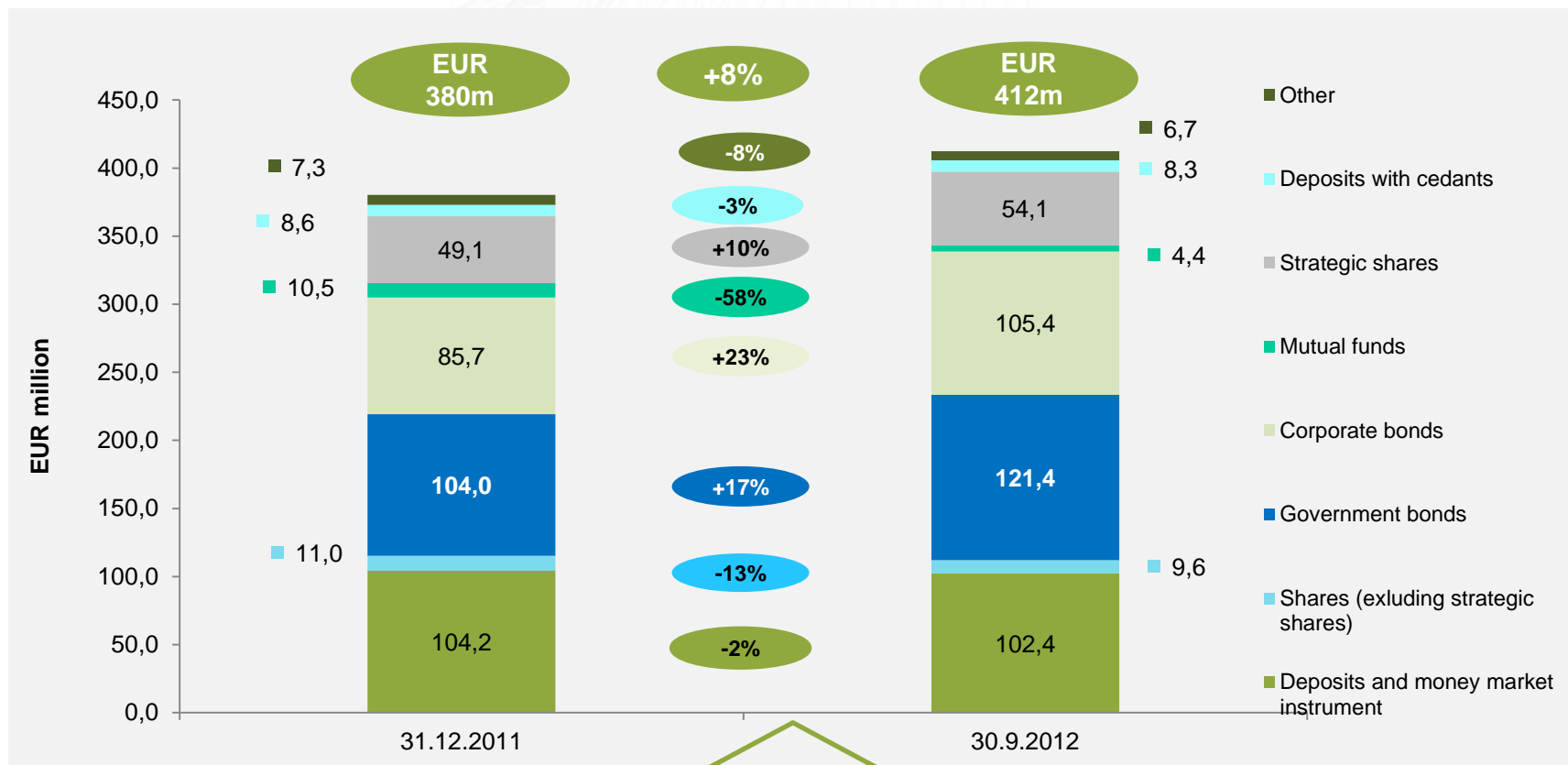
Life premiums by type (2012)



Premiums by region (2012)



Investments by Asset Class at 30 Sep 2012



- The increase in the investment portfolio is a result of positive cash flow from insurance business and gains on fair value revaluations of investments.
- Conservative investment policy (increased share of covered bonds, government guaranteed bonds and government bonds).
- Increase in call deposits – 30 Sep 2012: EUR 16m against 31 Dec 2011: EUR 8m.
- Decrease in share of equities and mutual funds. This is a combined result of risk aversion, impairment losses and the disposal of equity investments.

- The "Other" item comprises loans, land and buildings, and other asset classes..
- Investments do not include investments for the benefit of life-insurance policyholders who bear the investment risk.

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Key Figures – Estimate of 2012 Results

(EUR million)	2011	Plan 2012	Estimate 2012*	Estimate 2012 / Plan 2012
GWP	258	>270	271	100,4
Net profit for the year	4	>10	11	110,0
	31.12.2011		31.12.2012	
Equity	148	>165	164	99,4
ROE	3%	>6%	>7%	+ 1 o.t.

* Preliminary unaudited results for 2012

Impacts on 2012 results:

- S** Unfavourable claims environment (Thai floods, superstorm Sandy, floods in Slovenia)
- S** Improved investment result (less impairment losses)
- S** Contraction of insurance markets in the region
- S** Greater selectivity in underwriting for improved loss results

Key Performance Indicators – Plan 2013

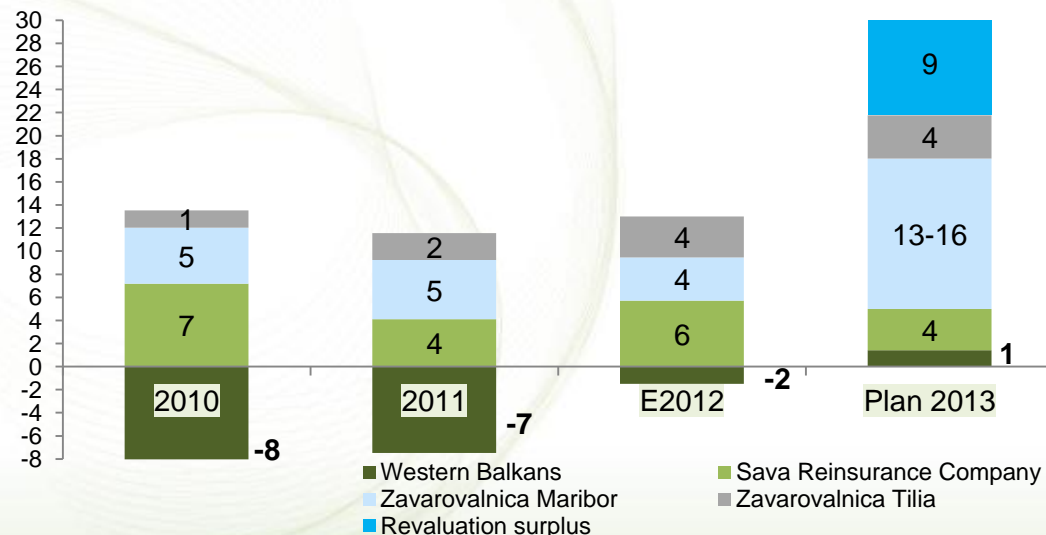
(EUR million)	Estimate 2012*	Plan 2013	Plan 2013 / estimate 2012
GWP	271	>418	151,3
Net profit for the year	11	30-33	272,7
	31.12.2012	31.12.2013	
Equity	164	>240	146,3
ROE	>7%	15%-16%	+ 8 o.t.

* Preliminary unaudited results for 2012

As of Q2, Zavarovalnico Maribor will be a fully consolidated subsidiary of the Sava Re Group

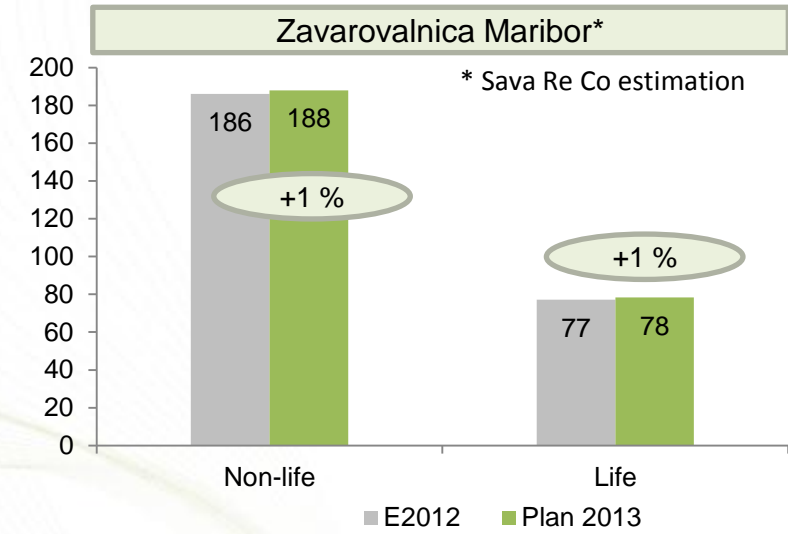
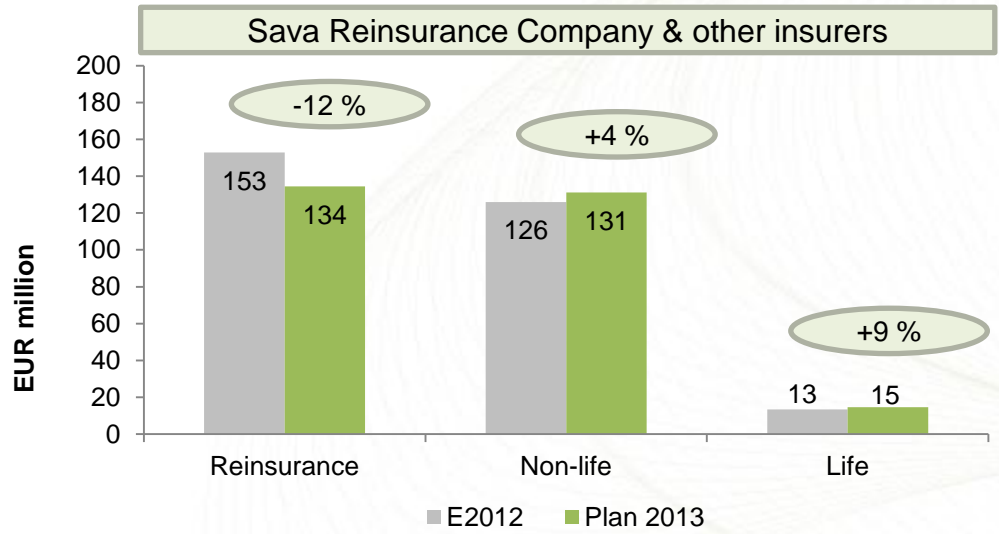
Key assumptions for the 2013 plan:

- Acquisition of Zavarovalnica Maribor and recapitalisation of Sava Reinsurance Company
- Unchanged credit ratings of Sava Reinsurance Company: S&P BBB+, AM Best A-
- Improved return on the investment portfolio
- Improved expense ratio
- Impact of fair value revaluation of existing 48,68% share of ZM (EUR 9m)

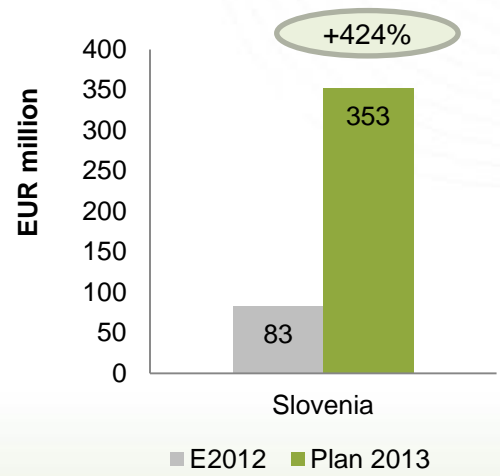


GWP – Planned Premium Growth

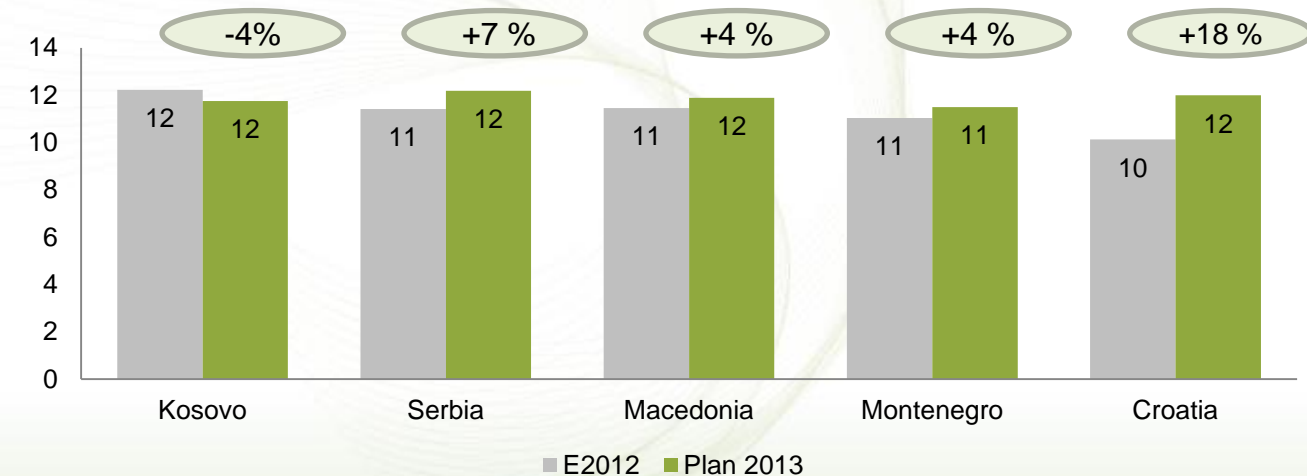
By segment



Premium growth



By region



Reinsurance operations

- Profitable growth in international markets
- Lowering of business volume from Slovenia

Slovenian insurance operations

- Capital increase in order to acquire remaining share of Zavarovalnica Maribor (ZM)
- Integration of ZM into Group – 3 years to full sinergetic effects
- Adjustment of business models in both ZM and Zavarovalnica Tilia to new Group structure
- Multi-brand strategy (strengthening of two brands, each with regional and product focus – (life, health, etc)

Non-life insurers in the Western Balkans

- Premium growth, cost optimisation and enhanced recognition in the region
- Unification of IT systems (supporting insurance products as well as accounting)
- Improved premium collection and prevention of insurance fraud

Life insurers in the Western Balkans

- At least 30% average annual premium growth rate
- Expansion of own sales network and improved productivity of tied agents
- Focus on low-cost life products and products with larger risk component
- Co-operation and strategic partnerships with banks and other distributions channels

Strategic goals (until 2017)	
Consolidated gross written premiums	> EUR 570m
<i>Average growth rate 2014-2017*</i>	> 5%
Net combined ratio**	< 95%
Net expense ratio	< 30%
Net incurred loss ratio	< 62%
Return on investments	> 3%
Total assets	> EUR 1.700m
ROE	> 11%

* 2013 excluded due to addition of ZM premium

** Net combined ratio includes all items except investment items

- Organic growth (in the period 2013-2015 with no new acquisitions; integration)
- Lowering of expense ratio and improved premium collection
- Expected stable net investment income

DIVIDEND POLICY

Sava Reinsurance Company is planning to start paying out dividends in 2014 in the amount of 30% of net profit for 2013. From 2014, the share of profits intended for dividend payout will be gradually increased to 40%. With regard to dividend payout, Sava Reinsurance Company uses the criterion of target capital adequacy of 200% under applicable regulations (Solvency I) including requirements under the S&P capital model for an A level insurer financial strength rating.

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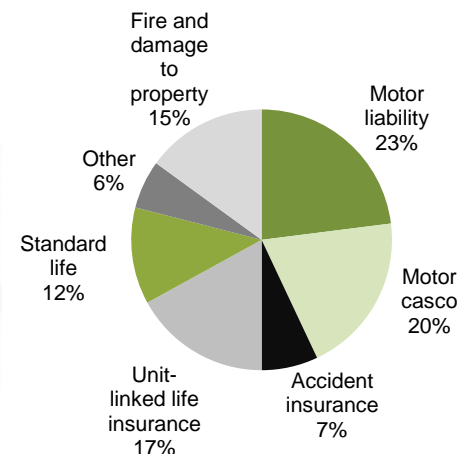
Company Name:	Zavarovalnica Maribor d.d.
Registered office:	Cankarjeva ulica 3, 2507 Maribor, Slovenia
Website:	www.zav-mb.si
Company ID:	5063400
Tax number:	44814631

EURm	Net profit	Equity	GWP	ROE in %	Employees
2007	4,155	51,123	234,348	6,02%	889
2008	2,792	51,378	251,845	4,50%	899
2009	-0,555	67,314	266,041	-0,91%	907
2010	10,595	77,867	259,599	14,60%	897
2011	10,557	87,540	263,244	12,76%	879

Shareholder	Number of shares	Stake
Nova KBM d.d.	6.350.988	51,0%
Sava RE d.d.	6.062.316	48,7%
Other investors	40.527	0,3%

Source: Zavarovalnica Maribor

Gross Written Premium



- 12.6% market share in Slovenia
- 10 branch offices and 56 representative offices, mainly in Eastern Slovenia
- ZM reinsurance premiums account for 26% of Sava Re reinsurance GWP

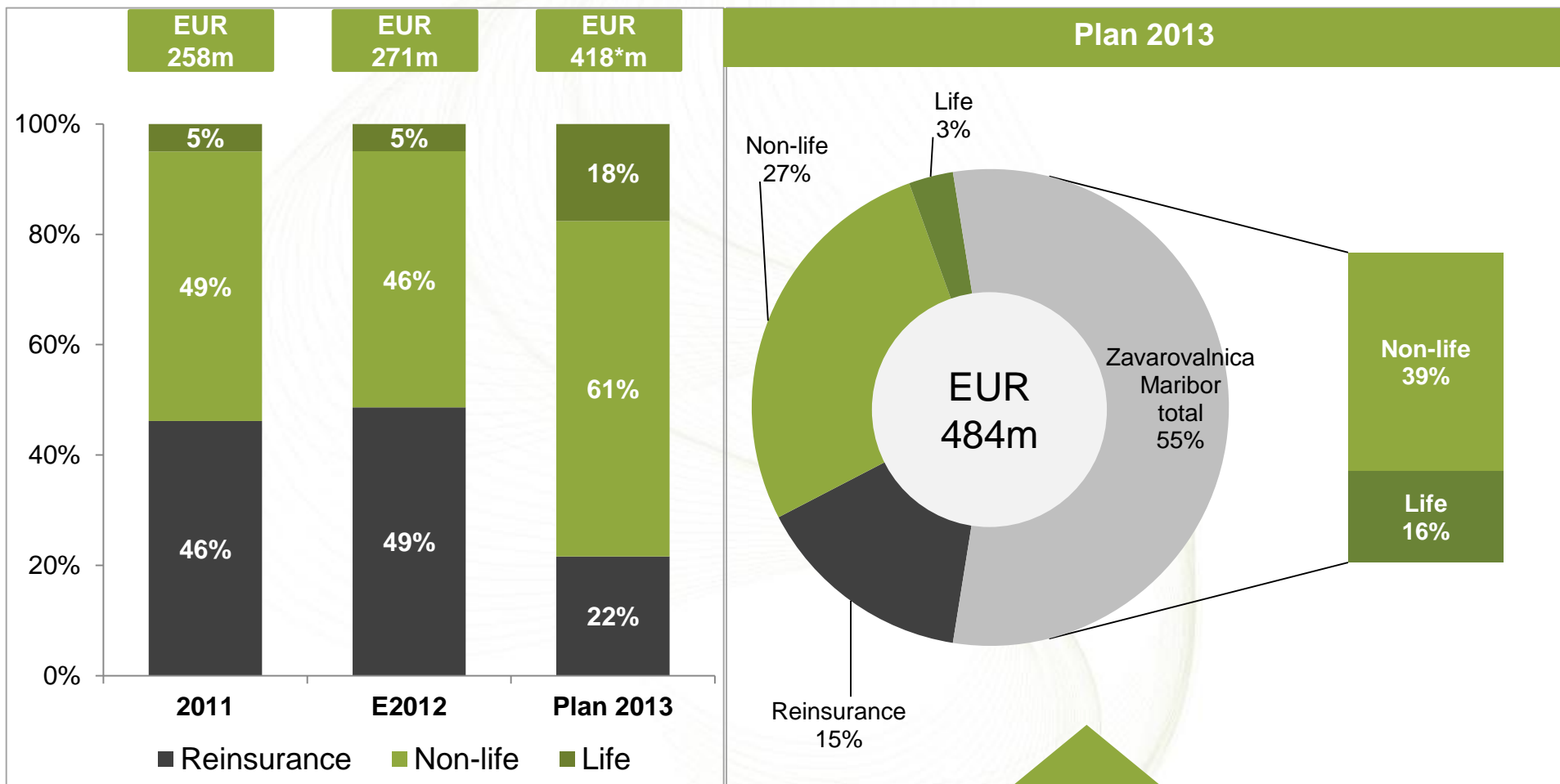
Ranking of Insurance Companies

Rank 2011	Rank 2010	Company name	Country	GWP 2011	YoY change	P/L 2011
1	1	Zavarovalnica Triglav	Slovenia	696.7	-3.4%	43.8
2	2	Croatia Osiguranje	Croatia	370.3	-3.7%	10.4
3	3	Adriatic Slovenica	Slovenia	265.6	1.6%	17.7
4	4	Zavarovalnica Maribor	Slovenia	263.2	1.4%	10.6
5	5	Astra	Romania	233.5	-6.9%	18.8
6	7	Allianz - Tiriac Asigurari	Romania	208.0	-12.0%	5.7
7	8	Omniasig Vienna Insurance Group	Romania	176.3	-16.9%	-42.0
8	9	Groupama Asigurari	Romania	164.0	-9.2%	-23.7
9	10	Dunav Osiguranje	Serbia	147.9	5.3%	2.6
10	14	Asigurarea Romaneasca - Asirom VIG	Romania	145.4	18.3%	1.7
23	25	Zavarovalnica Tilia	Slovenia	79.2	7.2%	2.3
3	3	Tilia + Zav. Maribor	Slovenia	342.4	3.0%	12.9
2012F		Sava RE Group + Zav. Maribor	Slovenia	497.0	n.a.	29.8

Becoming the second biggest insurance group in Western Balkans.

Clear no. 2 position on the Slovenian insurance market.

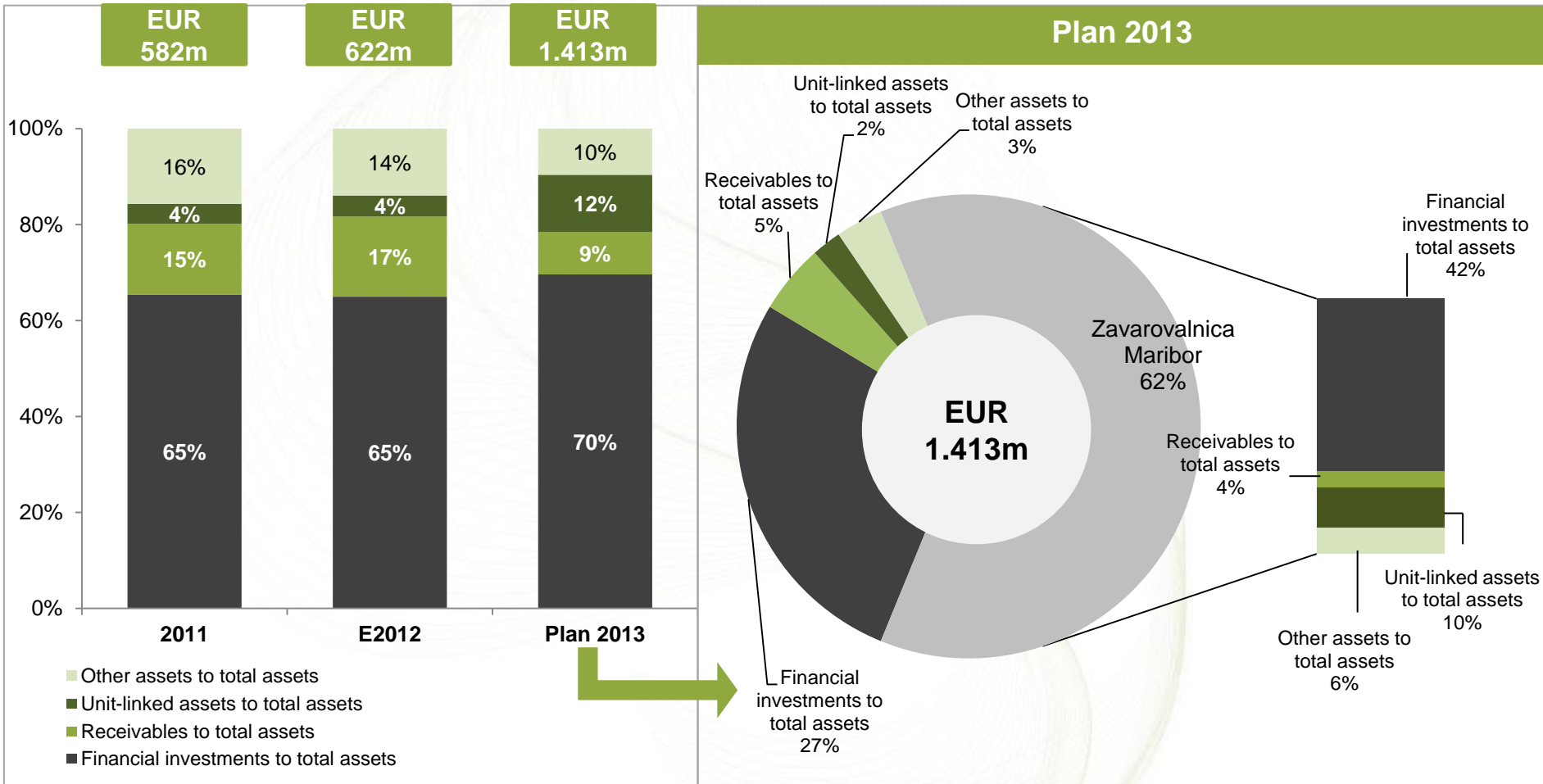
Consolidated GWP by operating segment



Structure as if ZM consolidated all year

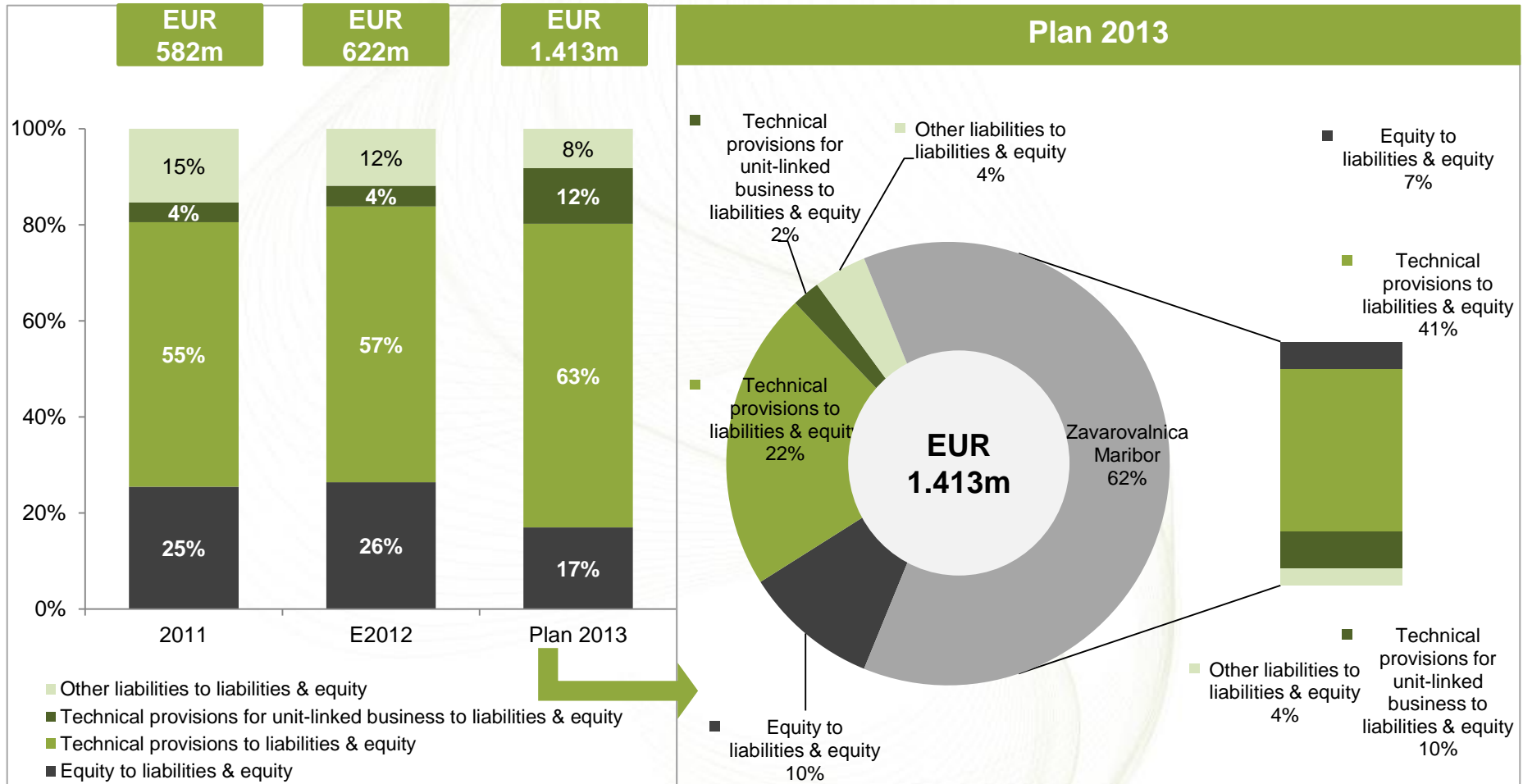
*The consolidated GWP Plan 2013 includes ZM premiums as from 2Q onwards; ZM premiums estimated by Sava Reinsurance Company.

Total Group Assets



* Consolidated total assets of the Group incl. ZM for 2012 and 2013 have been estimated by Sava Reinsurance Company (are not based on actual consolidated financial statements).

Total Group Liabilities



* Consolidated liabilities for the Group and ZM for 2012 and 2013 have been estimated by Sava Reinsurance Company (are not based on actual consolidated financial statements).

Pre-tax synergies (EURm)	Area	2013	2014	2015	2015+
Cost reductions	Employee synergies	2.66	3.46	3.46	4.36
	IT savings	0.10	0.30	0.50	0.50
	Rent optimization	0.10	0.10	0.10	0.10
	Office savings	0.09	0.09	0.09	0.09
Quality optimization	Products	1.00	2.00	5.00	5.00
	Underwriting				
	IT/Processes				
Bancassurance	Bancassurance with NKBM	0.10	0.30	0.50	0.50
One-offs	Capital release	0.00	2.00	0.00	0.00
	Total	4.05	8.25	9.65	10.55
One-off costs	Severance payments	1.38	0.26	0.30	
	IT integration	0.10	0.30		
	FPO and M&A costs	1.00			
Tax	Tax rate	17%	16%	15%	15%
Effect on 51%		0.80	3.92	4.77	5.38
Effect on 100%		1.57	7.69	9.35	10.55
After tax		1.30	6.46	7.95	8.97

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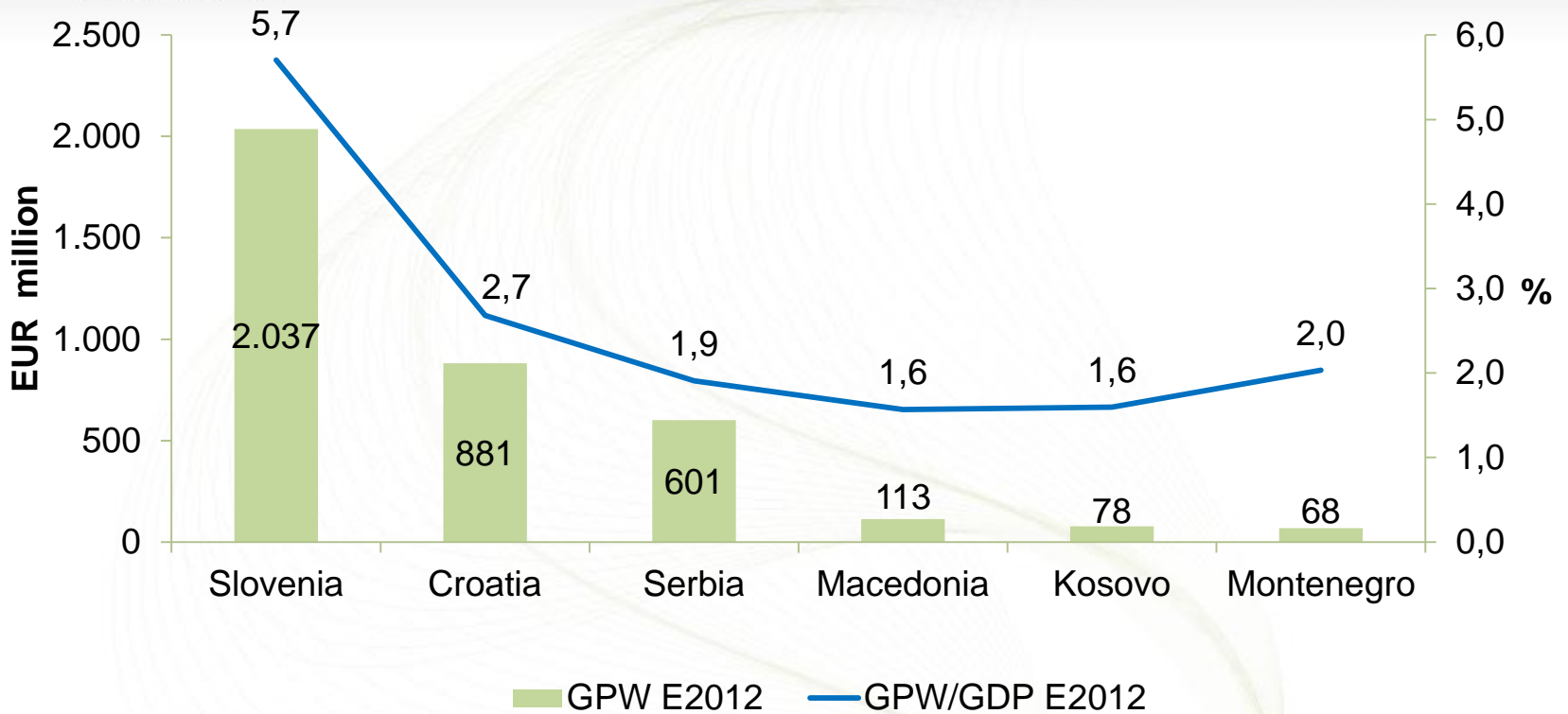
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(EUR million)	GPW E2012	GPW P2013	GPW growth E2012/2011 (%)	GPW growth P2013/2012 (%)	GDP growth P2013/E2012 (%)
Slovenia total	2.036,8	1.986,1	-2,7%	-2,5%	-0,6%
NON-LIFE	1.459,1	1.451,8	0,3%	-0,5%	* Source: UMAR
LIFE	577,6	534,3	-9,5%	-7,5%	
Croatia total	1.209,0	1.207,8	-1,7%	-0,1%	5,8%
NON-LIFE	880,9	863,3	-2,4%	-2,0%	* Source: Ministarstvo financija, july2012
LIFE	328,1	344,5	0,4%	5,0%	
Serbia total	601,4	643,1	6,9%	6,9%	9,4%
NON-LIFE	484,7	509,0	4,4%	5,0%	* Source: EMIS, 7.1.2013
LIFE	116,6	134,1	18,9%	15,0%	
Montenegro total	67,6	70,9	4,3%	5,0%	5,1%
NON-LIFE	58,1	61,0	4,3%	5,0%	* Source: Ministarstvo financija Crne gore, october 2012
LIFE	9,4	9,9	4,0%	5,0%	
Kosovo total	77,5	79,9	-1,9%	3,1%	6,6%
NON-LIFE	76,5	78,4	-2,0%	2,5%	* Source: Statistical Agency of Kosovo and the Ministry of Finance
LIFE	1,1	1,5	2,0%	45,0%	
Macedonia total	113,5	117,6	0,6%	3,6%	0,6%
NON-LIFE	103,6	106,2	1,4%	2,5%	* Source: EMIS, 7.1.2013
LIFE	9,9	11,4	20,6%	15,0%	

* GPW growth is estimated by Sava RE

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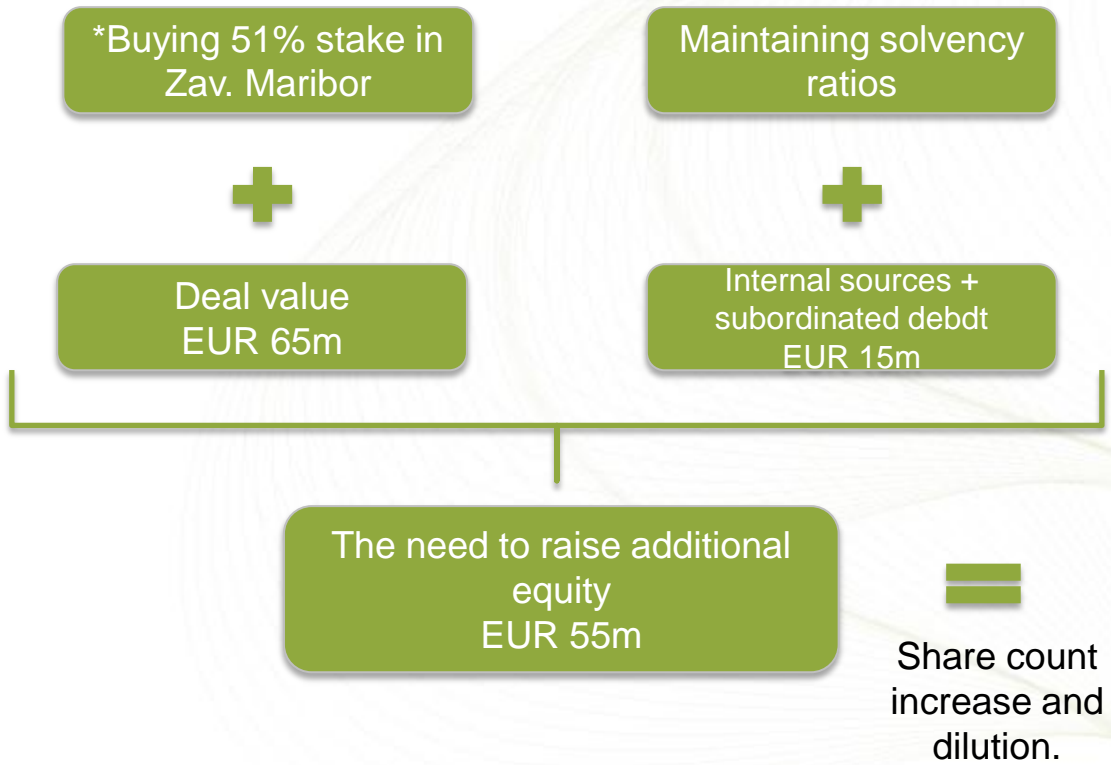
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* The 51 % stake was initially bought by SOD and Sava Re, of which SOD contributed EUR 50m and Sava Re EUR 15m. SOD then issued a call option to Sava Re for its entire EUR 55m ZM stake exercisable during 2013.

Price at increase	No. of shares in mio	Total count after increase
7,0	7,86	17,22
7,2	7,64	17,00
7,4	7,43	16,79
7,6	7,24	16,60
7,8	7,05	16,41
8,0	6,88	16,24
8,2	6,71	16,07
8,4	6,55	15,91
8,6	6,40	15,76
8,8	6,25	15,61
9,0	6,11	15,47

Capital increase process will most likely entail more steps:

1. Preemptive right of existing shareholders
2. Offer to all interested investors and shareholders

Time: May

Name	Ticker	M Cap (EURm)	Revenue T12M	Comb. ratio NL	Tot Assets (EURm)	NI / Profit T12M	P/E	P/B
Swiss Re	SREN VX	21,651	25,701	89.8	174,596	3,398	6.2	0.88
Muenchener Rueckver	MUV2 GR	24,310	66,138	110.5	258,636	3,345	7.5	0.89
Hannover Rueckver	HNR1 GR	6,897	13,374	104.3	54,559	895	7.8	1.17
Talanx AG	TLX GR	5,804	N.A.	102.2	128,559	N.A.	N.A.	0.74
Everest Re Group	RE US	4,632	3,806	93.8	15,275	626	8.9	0.92
SCOR SE	SCR FP	4,196	8,524	103.8	32,128	496	8.0	0.91
Partnerre LTD	PRE US	3,959	4,368	90.4	18,360	775	8.4	0.86
Axis Capital Holdings	AXS US	3,665	3,005	96.2	14,677	498	11.9	0.90
Renaissancere Holdings	RNR US	3,039	978	57.8	6,829	494	10.8	1.31
Reins.E Group of America	RGA US	3,240	7,300	N.A.	31,007	438	8.5	0.63
Validus Holdings	VR US	2,961	1,603	85.3	6,573	406	11.4	0.98
<i>Median</i>		<i>4,196</i>	<i>5,834</i>	<i>95.0</i>	<i>31,007</i>	<i>562</i>	<i>8.4</i>	<i>0.90</i>
SAVA RE	POSR SV	73.9	249.9	80.8	634.1	15.1	4.9	0.45

Source: Bloomberg

SAVA RE 2012 (EUR 8 price)			SAVA RE + ZM 2013 (EUR 8 price)			2014
P/E	P/B	P/GWP	P/E*	P/B	P/GWP	D/P
11.81	0.79	0.48	6.19	0.54	0.31	3.13

Newly issued shares included in the calculation. Adjusted estimated net profit (EUR 21m) included.

Source: ALTA Invest, Bloomberg

Source: Alta

Name	Ticker	M Cap (EURm)	Revenue T12M	Comb. ratio NL	Tot Assets (EURm)	NI / Profit T12M	P/E	P/B
Lancashire Holdings LTD	LRE LN	1,589	475	51.3	2,171	171	9.4	1.41
Arch Capital Group LTD	ACGL US	4,888	2,520	96.6	14,671	553	15.6	1.32
Flagstone Reinsurance	FSR US	1,025	610	75.0	3,145	215	9.9	0.93
Montpelier Re Holdings	MRH US	675	489	103.8	2,219	112	6.4	1.03
Greenlight Capital Re LTD	GLRE US	1,244	579	67.0	3,489	164	7.0	0.89
Platinum Underwriters	PTP US	1,393	1,689	102.3	7,576	129	36.6	0.84
Endurance Specialty	ENH US	2,211	1,274	103.3	8,336	175	27.0	1.05
Alterra Capital Holdings	ALTE US	1,887	1,722	94.3	7,951	225	10.6	0.85
<i>Median</i>		<i>1,491</i>	<i>942</i>	<i>95.5</i>	<i>5,532</i>	<i>173</i>	<i>10.3</i>	<i>0.98</i>
SAVA RE	POSR SV	73.9	249.9	80.8	634.1	15.1	4.9	0.45

Source: Bloomberg

SAVA RE 2012 (EUR 8 price)			SAVA RE + ZM 2013 (EUR 8 price)			2014
P/E	P/B	P/GWP	P/E*	P/B	P/GWP	D/P
11.81	0.79	0.48	6.19	0.54	0.31	3.13

Newly issued shares included in the calculation. Adjusted estimated net profit (EUR 21m) included.

Source: ALTA Invest, Bloomberg

Source: Alta

Ime	Oznaka	M Cap (EURm)	Revenue T12M	Comb. ratio NL	Tot Assets (EURm)	NI / Profit T12M	P/E	P/B
Zav. Triglav	ZVTG SV	386	986	76.6	3,118	50	7.7	0.71
PZU	PZU PW	8,472	4,500	94.8	13,808	781	10.5	2.55
FBD Holdings PLC	FBD ID	393	316	90.8	1,055	53	8.9	1.81
Vittoria Assicurazioni SPA	VAS IM	363	1,002	95.6	2,804	45	8.0	0.98
Vienna Insurance Group	VIG AV	4,822	10,045	93.9	41,775	435	3.1	0.93
Uniqa AG	UQA AV	2,380	6,152	105.5	29,853	-33	N.A.	1.42
Assicurazioni Generali	G IM	20,691	81,512	96.8	449,432	1,164	17.2	1.07
Mapfre SA	MAP SM	7,009	17,908	95.8	56,892	853	10.8	0.94
AXA SA	CS FP	32,240	101,472	99.4	756,105	2,910	11.7	0.74
Aegon NV	AGN NA	9,614	42,389	N.A.	369,274	1,227	9.1	0.39
Aviva PLC	AV/ LN	12,600	43,654	100.2	387,506	-764	N.A.	0.91
<i>Median</i>		<i>7,009</i>	<i>10,045</i>	<i>95.7</i>	<i>41,775</i>	<i>435</i>	<i>9.1</i>	<i>0.94</i>
SAVA RE	POSR SV	73.9	249.9	80.8	634.1	15.1	4.9	0.45

Source: Bloomberg

SAVA RE 2012 (EUR 8 price)			SAVA RE + ZM 2013 (EUR 8 price)			2014
P/E	P/B	P/GWP	P/E*	P/B	P/GWP	D/P
11.81	0.79	0.48	6.19	0.54	0.31	3.13

Newly issued shares included in the calculation. Adjusted estimated net profit (EUR 21m) included.

Source: ALTA Invest, Bloomberg

Source: Alta

What?

- Capital increase for EUR 55m in order to...
- ... acquire the rest of Zavarovalnica Maribor for EUR 65m.

Why Zav. Maribor?

- Because valuation of Zavarovalnica Maribor is reasonable and opportunity came up.
- To increase long term shareholder value (ROE > Cost of capital).
- To realize positive synergy effects of acquisition (EUR 6.5m after tax in 2014, EUR 8m in 2015 and EUR 9m per year after 2015).
- To become the second biggest insurance group in Slovenia and SEE region, which could increase interest of investors.
- To unlock the value of existing stake in Zav. Maribor.

Why Sava Re?

- Reinsurance business is supposed to grow by 3-5% per year according to management.
- Significant growth potential is seen in SEE markets.
- Better profitability in SEE operations (from loss in previous years).
- Portfolios mostly cleaned so there will be less impairments and other negative effects.
- Management is focused on improving profitability.

Dilution?

- There will be an increase of shares (max 7.9m) and short term dilution effect.
- But the alternatives are worse in terms of shareholder value.
- There will be an preemptive right for current shareholders.

Valuation?

- Valuations are attractive after the merger and synergies.
- P/E is at only 6.2 given 2013 management guidance.
- Forward P/E is lower than peer's and lower than current Sava Re multiples.

Exit strategy?

- In 2014 Sava Re will initiate dividends.
- Higher share count and bigger free float should increase liquidity.
- Listing on second (international) stock exchange in 3 years time in case of successful capital raising.
- Lower government stake and more international shareholder structure.



Sava Re Group

Thank you for your attention

DISCLAIMER

This document is a presentation that includes projections (predictions) for the future. Details, statements and expectations presented in this document involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the plans, expectations and estimates presented in this document. The Company published its preliminary results prior to the completion of auditing; therefore, audited results may differ from those presented in this document. Future performance is impacted by many factors that the Company cannot influence. Key risks relating to performance are presented in the annual report of the Company in its website: www.sava-re.si. The Company has prepared the planned results with all due care; however, it cannot give any assurance as to the actual achievement of such planned results. Therefore, we issue this cautionary note that the Company does not assume any liability for the accuracy of (planned) estimated data, statements and expectations presented in this document.

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