

SAVA RE GROUP

UNAUDITED 2017 RESULTS

23 MARCH 2018



2017 HIGHLIGHTS

Gross premiums written for the first time exceed **€500 million**.

Net profit and ROE **on target** (at €31,1 million and 10,1%).

Larger claims: storms in Slovenia, and storms in USA, flooded mine in Russia, etc. (international reinsurance portfolio).

Sava Re repays early its entire **subordinated debt** (€24 million).

Contracts are signed for the **acquisition of 3 companies**: NLB NPF (Macedonian pension fund), TBS Team 24 (Slovenian assistance provider with international presence), and Energoprojekt Garant (Serbian insurance undertaking).

Sava Re becomes 100% owner of Zavarovalnica Sava (squeezes out minority shareholders).

Credit rating affirmed, medium-term outlook raised to positive by S&P:

Standard & Poor's **A-** (**positive** outlook); July 2017

AM Best **A-** (stable outlook); October 2017

2017 RESULT – DESPITE LARGE CLAIMS, ABOVE THE 5-YEAR AVERAGE

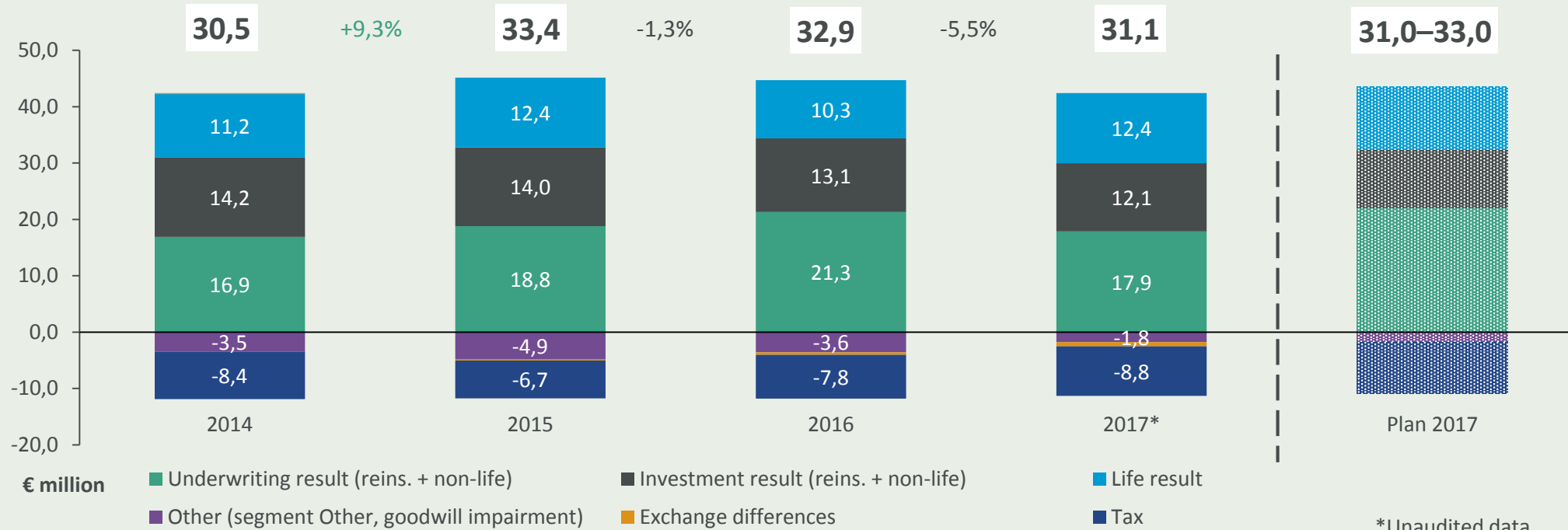
Gross result
€39,9 million

17/16: **-1,9%**

Net result
€31,1 million

17/16: **-5,5%**

Net result structure

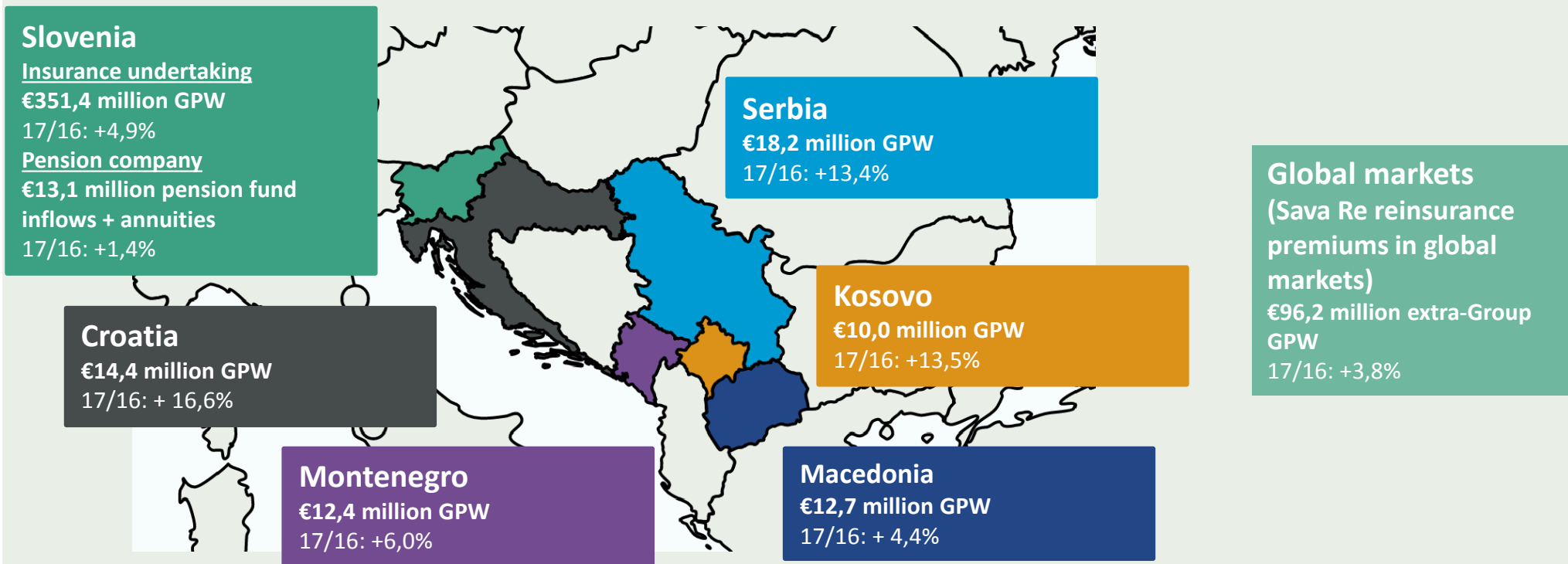


Underwriting result comprises net premiums earned, net claims incurred, operating expenses, change in other technical provisions, other underwriting income and expenses, and other income and expenses of non-life and reinsurance segments. Investment result comprises income and expenses from investments of non-life and reinsurance segments.

2017 – STRONG GROWTH IN GPW IN ALL MARKETS

Insurance and pension companies

Reinsurance undertaking



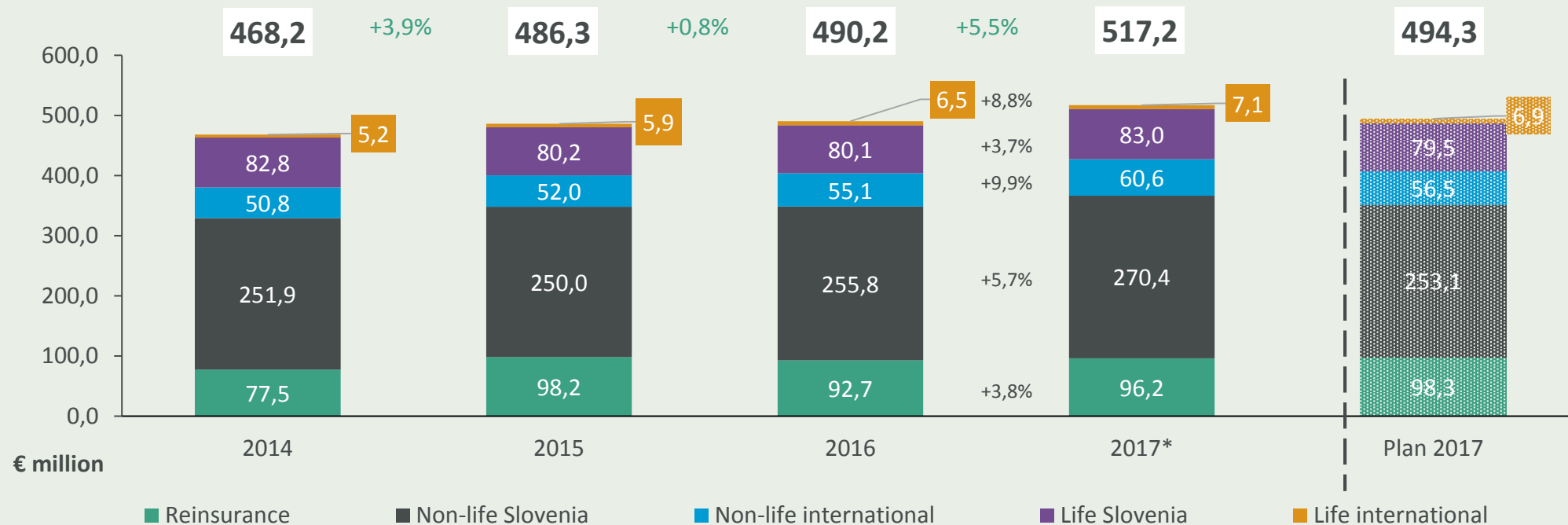
Unaudited data.

2017 – €500 MILLION GPW MARK REACHED

Consolidate gross premiums written

€517,2 million

17/16: **+5,5%**



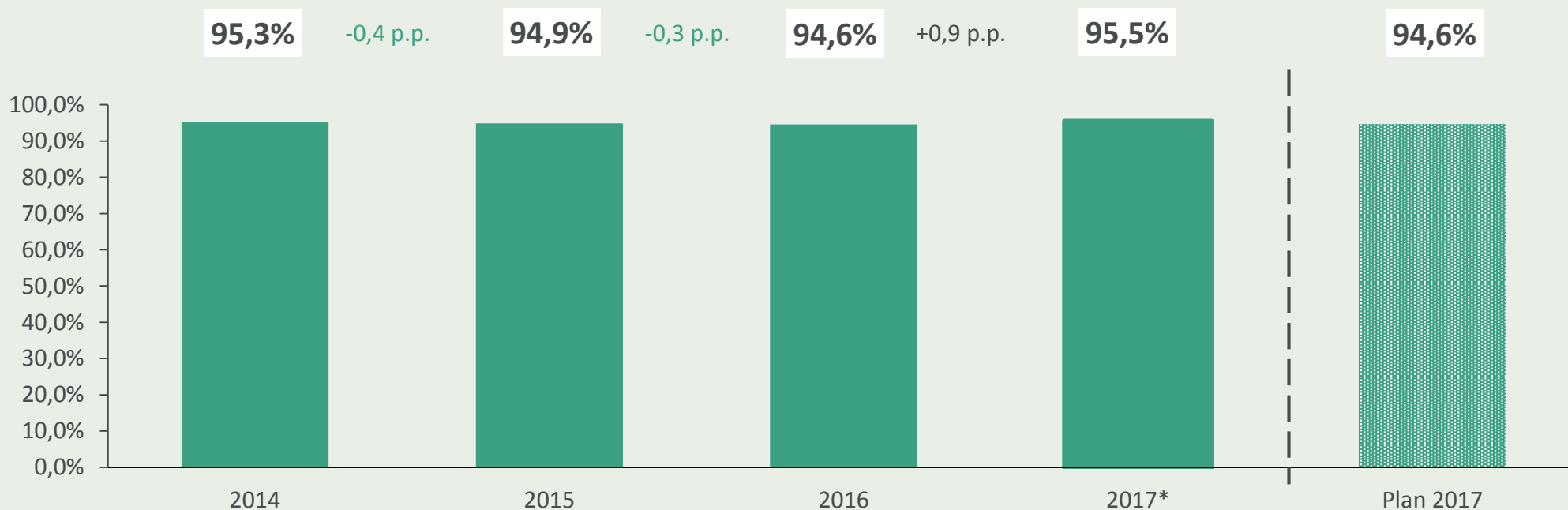
*Unaudited data.

2017 – COMBINED RATIO AFFECTED BY LARGE CLAIMS

Net combined ratio**

95,5%

17/16: **+0,9 p.p.**



*Unaudited data.

** Excluding exchange differences.

Net combined ratio: all expenses (other than from investments) as percentage of total income (other than from investments). The ratio is calculated for non-life and reinsurance segments.

2017 – FINANCIAL STRENGTH AND STABILITY

Equity

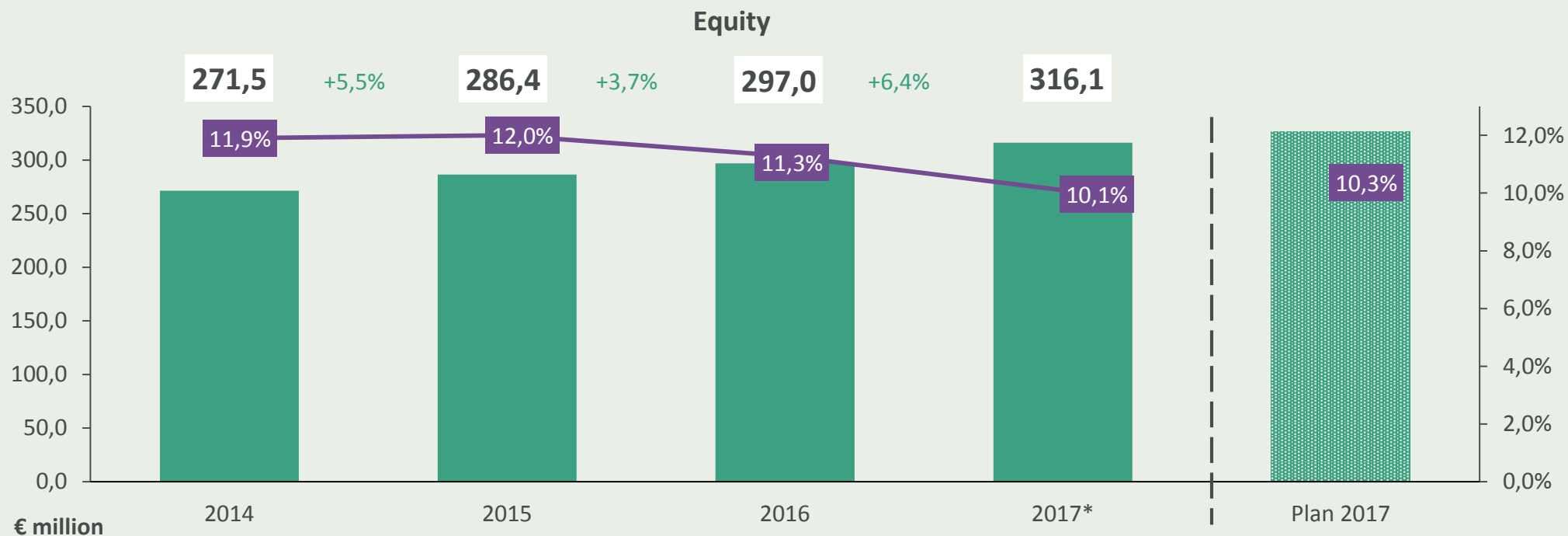
€316,1 million

17/16: +6,4%

ROE

10,1%

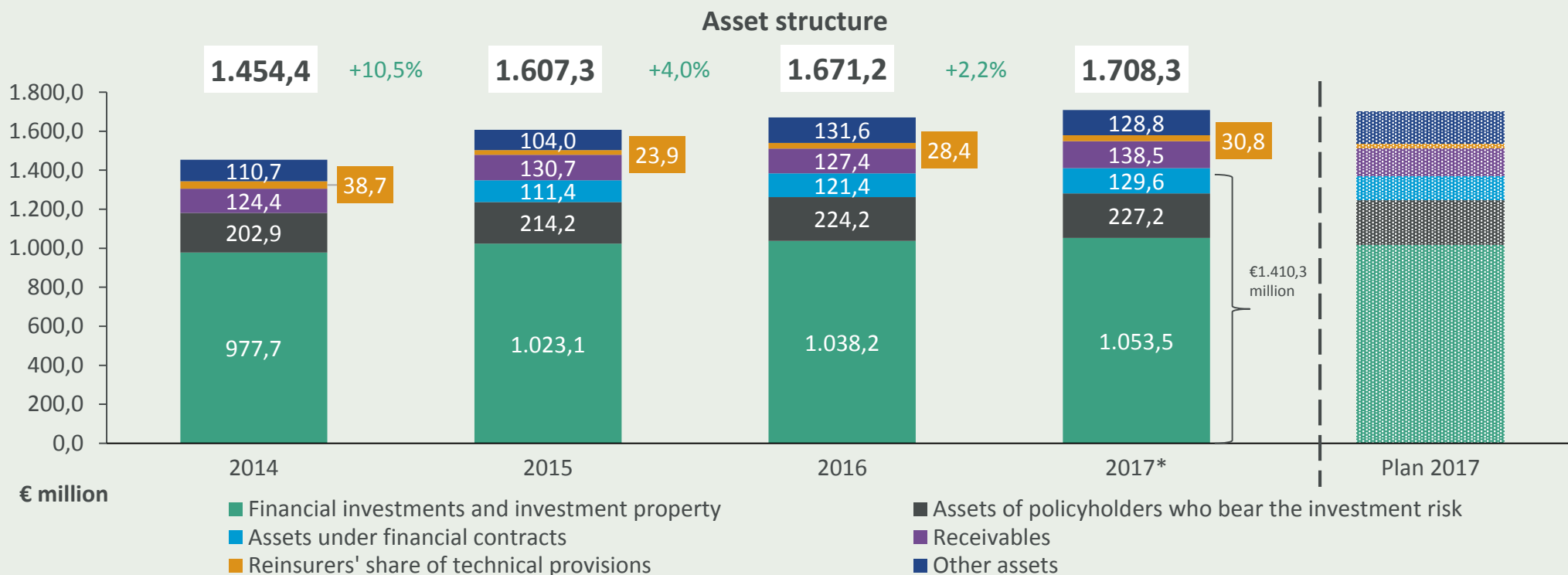
17/16: -1,2 p.p.



*Unaudited data.

2017 GROWTH IN ASSETS

Assets
€1.708,3 million
 17/16: **+2,2%**

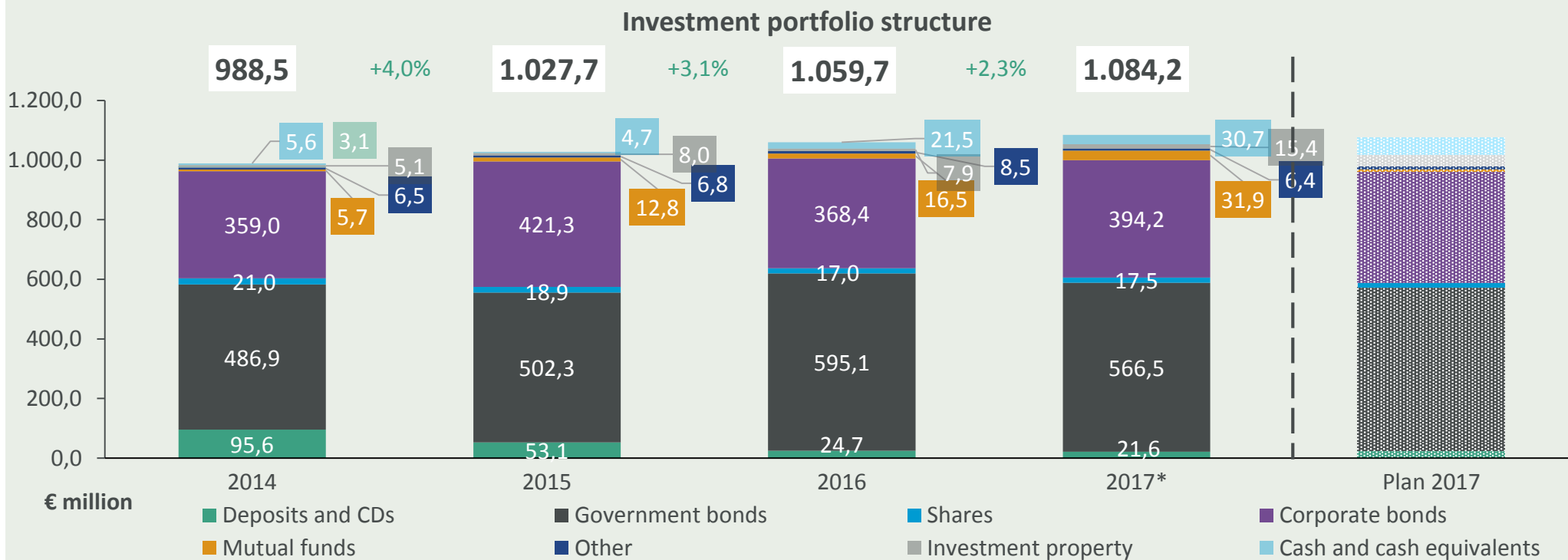


*Unaudited data.

2017 – INVESTMENT PORTFOLIO STRUCTURE

Investment portfolio
€1.084,2 million

17/16: **+2,3%**



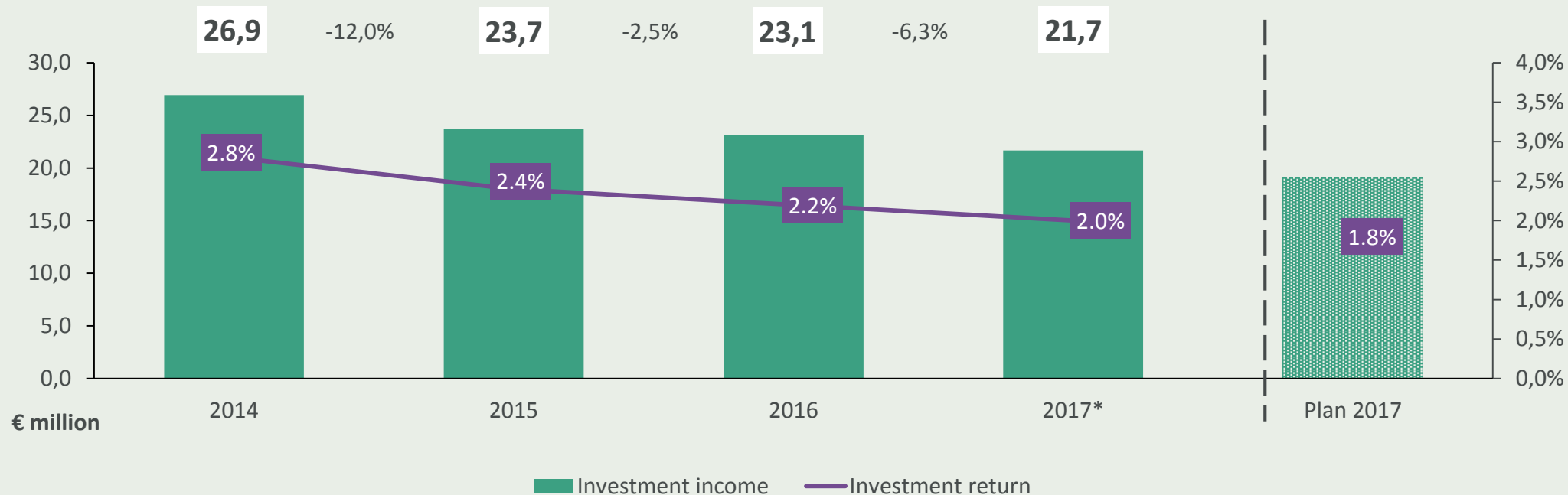
*Unaudited data.

2017 – INVESTMENT PORTFOLIO INCOME AND RETURN

Investment portfolio return**

2,0%

17/16: **-0,2 p.p.**



*Unaudited data.

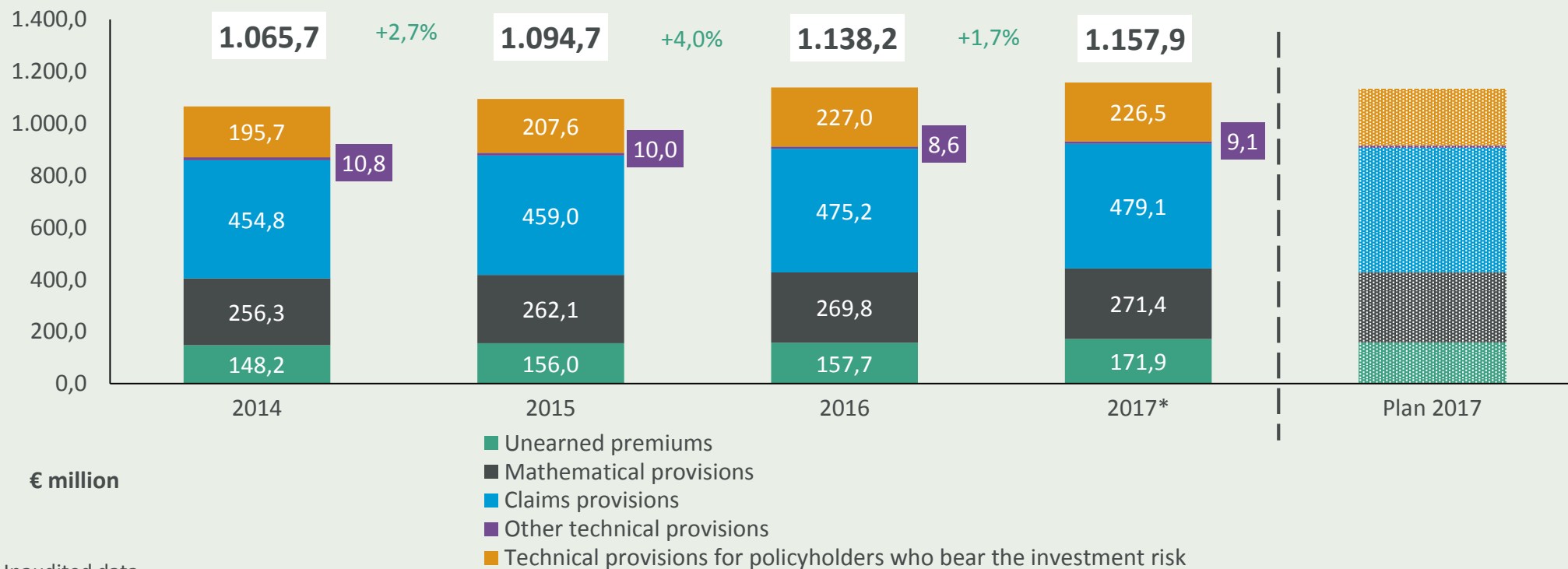
** Excluding exchange differences.

2017 – TECHNICAL PROVISIONS

Technical provisions
€1.157,9 million

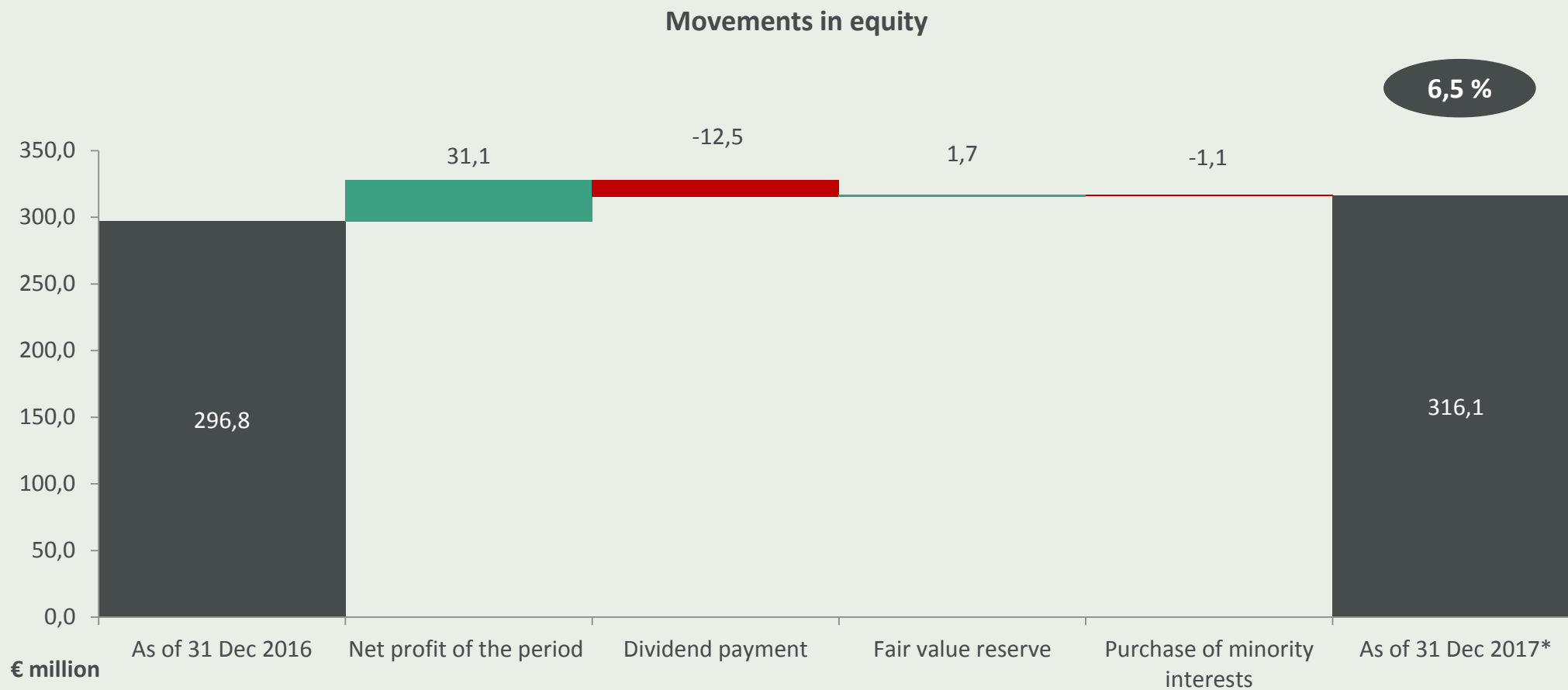
17/16: **+1,7%**

Technical provisions structure



*Unaudited data.

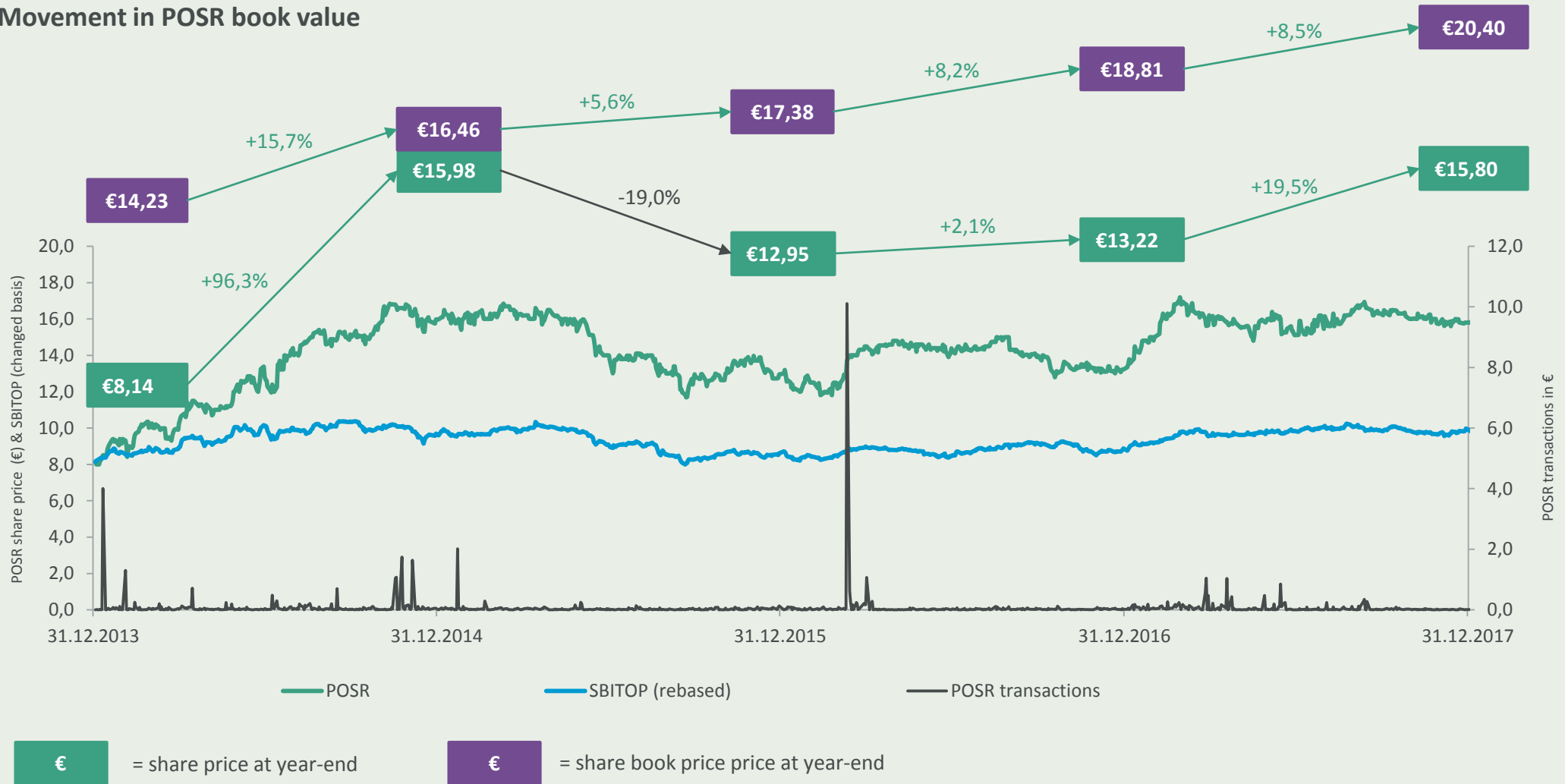
2017 – MOVEMENTS IN EQUITY



*Unaudited data.

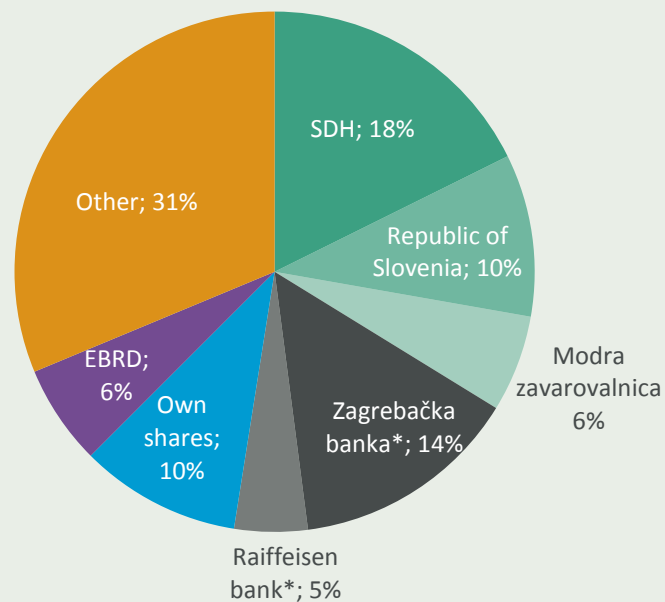
2017 – SHARE BOOK VALUE €20,4

Movement in POSR book value



2017 – OWNERSHIP STRUCTURE

Ownership structure at 31/12/2017



*Fiduciary account.

** Sava Re was informed on 02/06/2016 that Adris grupa, together with its subsidiaries, holds 19.04% of shares of Sava Re's share capital (21.15% of all shares with voting rights) in fiduciary accounts.

(€ million)	31/12/2017
Share capital	71,9
Market capitalisation	272,1
Trading symbol	POSR
No. of shares	17.219.662
No. of treasury shares	1.721.966
No. of shareholders	4.061

Investor type	Local investor	Foreign investor
Other financial institutions	17,9%	0,2%
Insurance undertakings and pension companies	19,2%	0,0%
Individuals	9,0%	0,1%
Banks	4,0%	28,8%
Investment companies and mutual funds	3,1%	4,4%
Other non-financial corporations	2,1%	1,2%
Government	10,1%	0,0%
Total	65,3%	34,7%

2017 – DIVIDEND POLICY

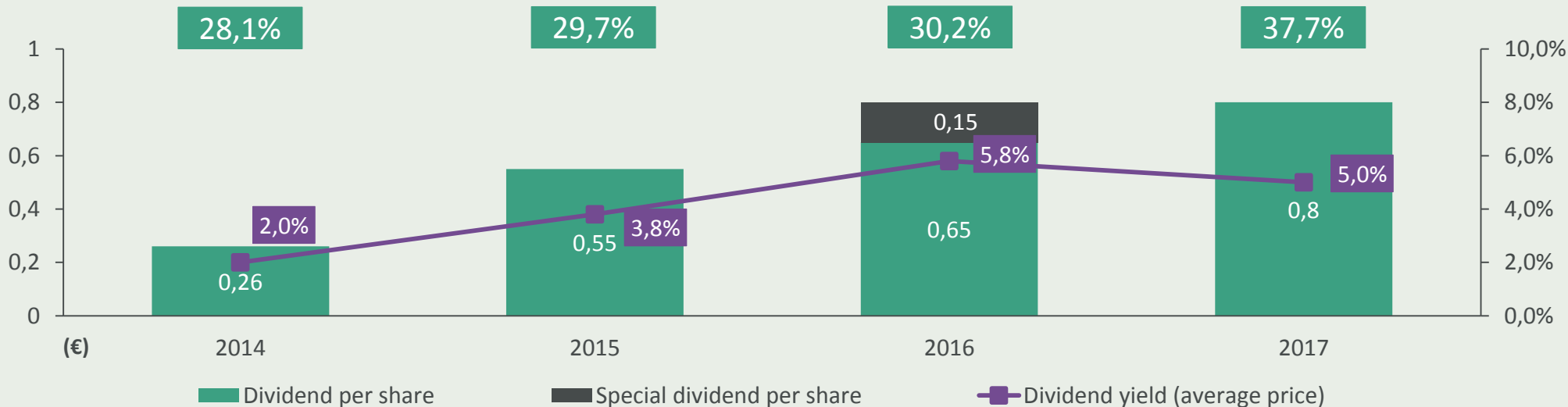
The objective of Sava Re is to ensure that its shareholders see a 10% growth in dividends but do not get more than 40% of the Group's net profit in the period 2017–2019.

When designing any dividend proposal, the company will take into account:

1. the estimated excess of eligible own funds over solvency capital requirement under Solvency II;
2. the Group's own risk and solvency assessment;
3. capital models of rating agencies Standard & Poor's and A.M. Best;
4. approved annual and strategic plans of the Group and the company;
5. new development projects that would engage additional capital;
6. other relevant factors affecting the financial condition of the company.

Special dividend as % of profit

Regular dividend as % of profit



THANK YOU FOR YOUR ATTENTION!