SAVA RE GROUP
UNAUDITED 2017 RESULTS AND PLAN FOR 2018
9 MARCH 2018
UNAUDITED RESULTS 2017
### 2017 – GOOD PERFORMANCE, BUT HEAVY LOSS BURDEN

<p>| | | | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>GPW</strong></td>
<td><strong>€ 517.2 million</strong></td>
<td>+ 5.5% growth above plan</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit for year</strong></td>
<td><strong>€ 31.1 million</strong></td>
<td>– 5.5% drop within plan</td>
<td></td>
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<tr>
<td><strong>ROE</strong></td>
<td><strong>10.1%</strong></td>
<td>-1.2 p.p. in line with strategy</td>
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<tr>
<td><strong>Investment return</strong></td>
<td><strong>2.0%</strong></td>
<td>-0.2 p.p. above plan</td>
<td></td>
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<tr>
<td><strong>Shareholders’ equity</strong></td>
<td><strong>€ 316.1 million</strong></td>
<td>+ 6.4% growth within plan</td>
<td></td>
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<tr>
<td><strong>Net expense ratio</strong></td>
<td><strong>32.7%</strong></td>
<td>-1.3 p.p. within plan</td>
<td></td>
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<tr>
<td><strong>Net combined ratio</strong></td>
<td><strong>95.5%</strong></td>
<td>+0.9 p.p. 0.5 p.p. above plan</td>
<td></td>
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<tr>
<td><strong>Book value per share</strong></td>
<td><strong>€20.40</strong></td>
<td>+ 8.5% growth</td>
<td></td>
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</tbody>
</table>

Reaffirmed ratings and S&P outlook upgraded to positive:
Standard & Poor’s  A– (positive outlook); July 2017
A.M. Best  A– (stable outlook); October 2017

- The Sava Re Group hit the €500 million GPW mark in 2017.
- In 2017 Sava Re fully repaid its subordinated debt (€24 million).
- Signed acquisition deals for two companies: NLB NPF (Macedonian pension fund) and TBS Team 24 (Slovenian assistance company with international presence).
- Sava Re became the sole owner of Zavarovalnica Sava (squeeze-out of minority shareholders).

*Excluding exchange differences.

Net combined ratio. Ratio of total expenses (other than investment) to total income (other than investment). The ratio is calculated for the reinsurance and non-life insurance operating segments.
2017 – €500 MILLION GPW MARK REACHED

UNAUDITED RESULTS 2017

9 March 2018
2017 – STRONG GROWTH IN GPW IN ALL MARKETS

Insurance and pension companies

- **Slovenia**
  - Insurance company
  - €351.4 million GPW
  - 17/16: +4.9%
- **Croatia**
  - €14.4 million GPW
  - 17/16: +16.6%
- **Macedonia**
  - €12.7 million GPW
  - 17/16: +4.4%
- **Kosovo**
  - €10.0 million GPW
  - 17/16: +13.5%
- **Serbia**
  - €18.2 million GPW
  - 17/16: +13.4%

Reinsurance company

- **Montenegro**
  - €12.4 million GPW
  - 17/16: +6.0%

Global markets

- **Sava Re reinsurance premiums in global markets**
  - €96.2 million extra-group GPW
  - 17/16: +3.8%

Unaudited data.
PLAN FOR 2018
CHIEF DIRECTIONS FOR THE 2017–2019 PERIOD

1. Digitalisation and technological modernisation of operations to place the client at the centre of services and ways of working

2. Growth through acquisitions

3. Seeking opportunities in environmental/sustainable-oriented investment projects

4. Closing the gap between intrinsic value and market price of shares

# NEVER ALONE
WE ARE CREATING A MODERN, DIGITAL, SOCIALLY- AND SUSTAINABLE-ORIENTED INSURANCE GROUP.
# 2018 PLAN – MAIN TARGETS (CONSOLIDATED)

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017 plan</th>
<th>2017**</th>
<th>2018 plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross written premiums</td>
<td>€490.2 million</td>
<td>€494 million</td>
<td>€517.2 million</td>
<td>&gt; €520 million</td>
</tr>
<tr>
<td>Net combined ratio*</td>
<td>94.6%</td>
<td>94.6%</td>
<td>95.5%</td>
<td>94.0%–94.5%</td>
</tr>
<tr>
<td>(reinsurance + non-life)</td>
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<tr>
<td>Net incurred loss ratio*</td>
<td>58.2%</td>
<td>59.4%</td>
<td>60.5%</td>
<td>59.4%–59.9%</td>
</tr>
<tr>
<td>(reinsurance + non-life)</td>
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<tr>
<td>Net expense ratio</td>
<td>34.0%</td>
<td>32.6%</td>
<td>32.7%</td>
<td>31.4%–31.7%</td>
</tr>
<tr>
<td>Return on the investment portfolio*</td>
<td>2.2%</td>
<td>1.8%</td>
<td>2.0%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Profit/loss, net of tax</td>
<td>€32.9 million</td>
<td>between €31 and €33 million</td>
<td>€31.1 million</td>
<td>between €37 and €39 million</td>
</tr>
<tr>
<td>Return on equity</td>
<td>11.3%</td>
<td>10.3%</td>
<td>10.1%</td>
<td>&gt; 11%</td>
</tr>
</tbody>
</table>

*Excl. exchange differences
**Unaudited data.
THANK YOU FOR YOUR ATTENTION!