



Sava Re Group

2018 results

4 April 2019



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- 2018 results
- 2019 plan
- Strategic guidelines 2017–2019

Highlights of 2018

Premium growth of **6%**, growth in operating revenues of **10%**

Record profit of €43 million and **13.1%** return on equity (lower end of target range exceeded by 2.1 p.p.)

Benign year in terms of claims – **combined ratio** of **92.9%** at a record low

Improved credit ratings by Standard & Poor's and AM Best from “A-” to “**A**”, outlook stable

Three companies added to the Sava Re Group: TBS Team 24, Sava Penzisko Društvo and Energoprojekt Garant (merged with the Serbian insurer in December 2018)

Signed deals for the acquisition of the Croatian companies **ERGO Osiguranje** and **Ergo Životno Osiguranje**, and Slovenia-based **KBM Infond**

Record profit

Gross result

€55.3 m

18/17: **38.6% growth**

Net result

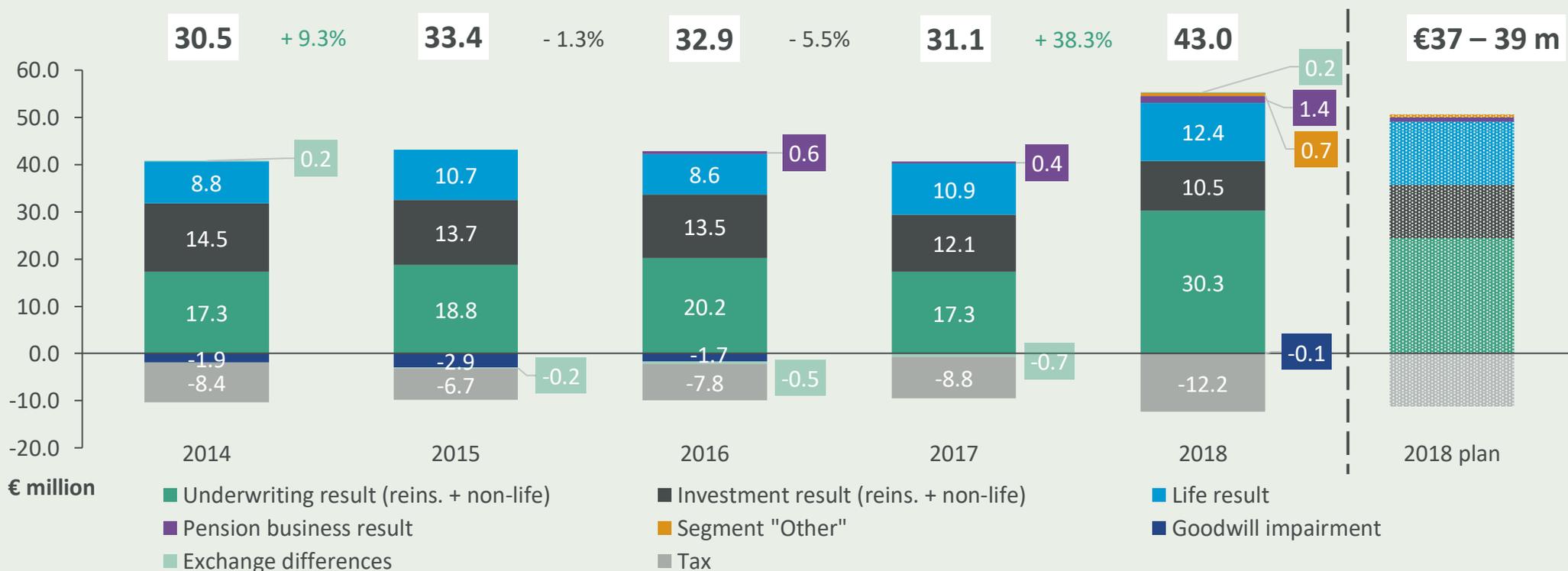
€43.0 m

18/17: **38.3% growth**

Plan achieved



Composition of the net result



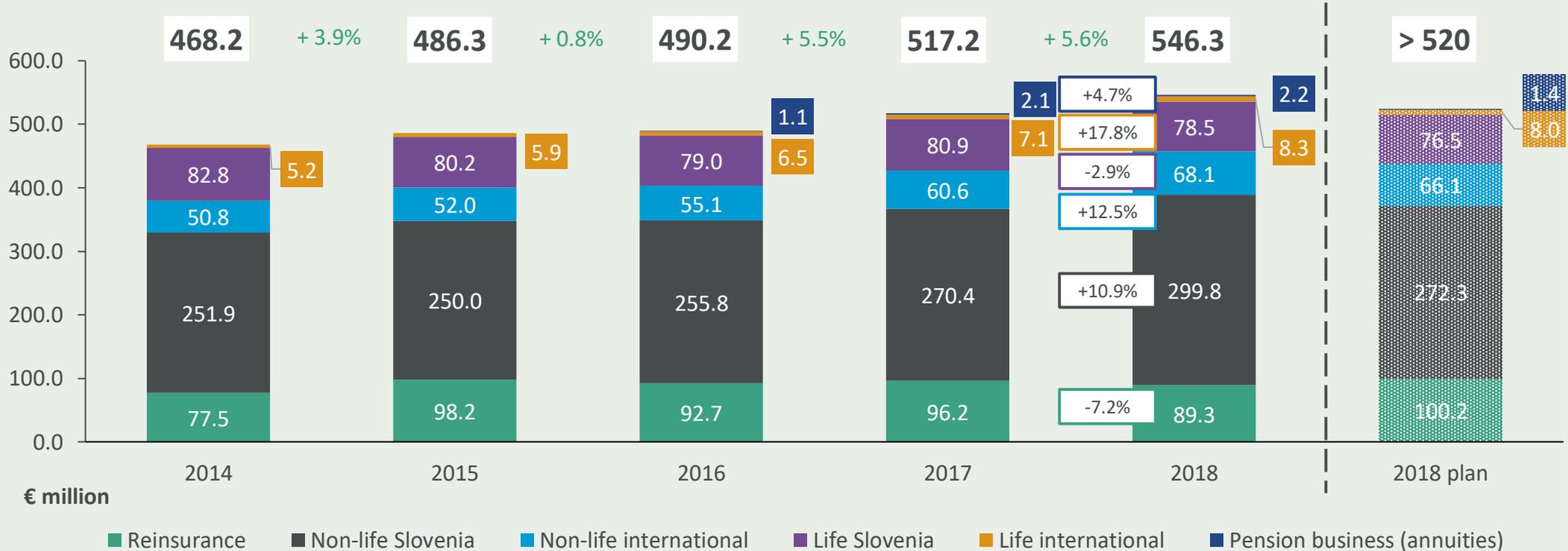
Growth in consolidated gross premiums written

Consolidated gross premiums written

€546.3 m

18/17: **5.6% growth**

Plan achieved



Strong growth in GPW in all insurance markets

Insurance and pension companies

Slovenia

Insurance company

Premiums: €378.4 m

18/17: + 7.7%

Pension company

Pension fund inflows: €11.5 m

18/17: + 4.6%

Croatia

Premiums: €16.7 m

18/17: + 16.4%

Montenegro

Premiums: €12.8 m

18/17: + 3.6%

Serbia

Premiums: €22.5 m

18/17: + 23.4%

Kosovo

Premiums: €11.5 m

18/17: + 14.7%

North Macedonia

Insurance company

Premiums: €13.0 m

18/17: + 2.3%

Pension company

Pension fund inflows: €57.2 m

Reinsurance company



Global markets

(Sava Re reinsurance premiums in global markets)

Non-Group premiums: €89.3 m

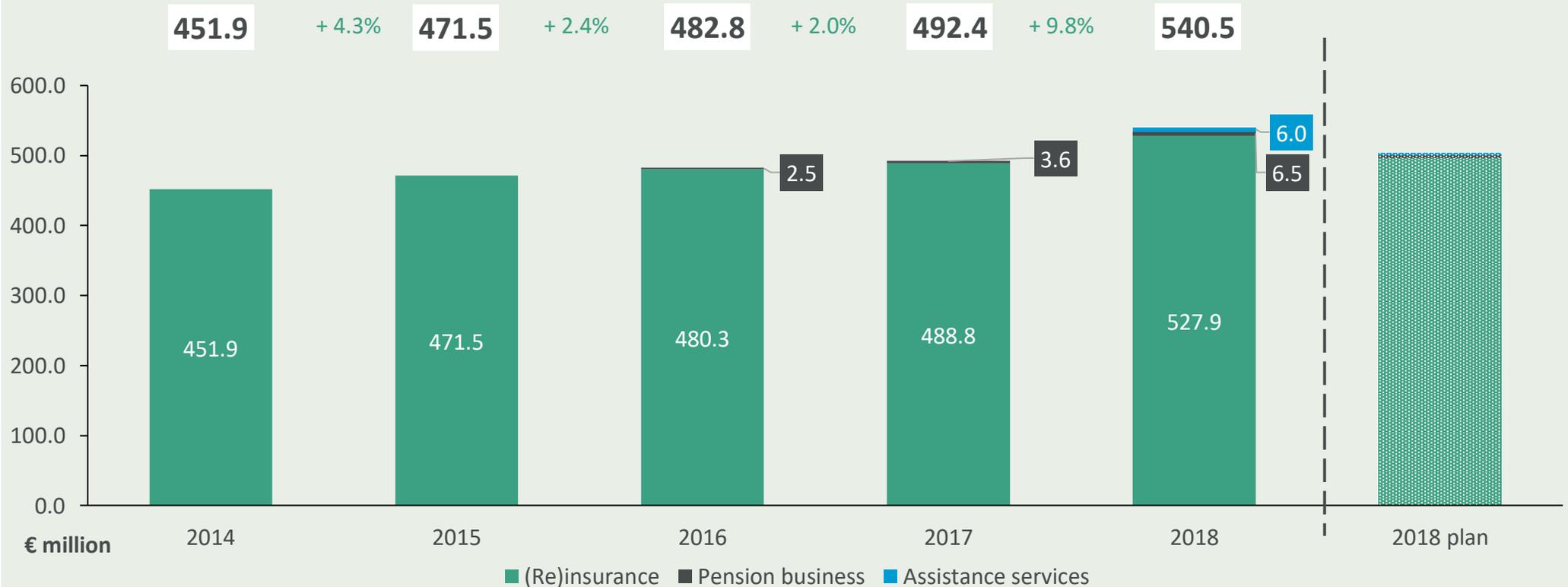
18/17: - 7.2%

Higher operating revenues reflecting expanded non-insurance activities

Operating revenues

€540.5 m

18/17: 9.8% growth



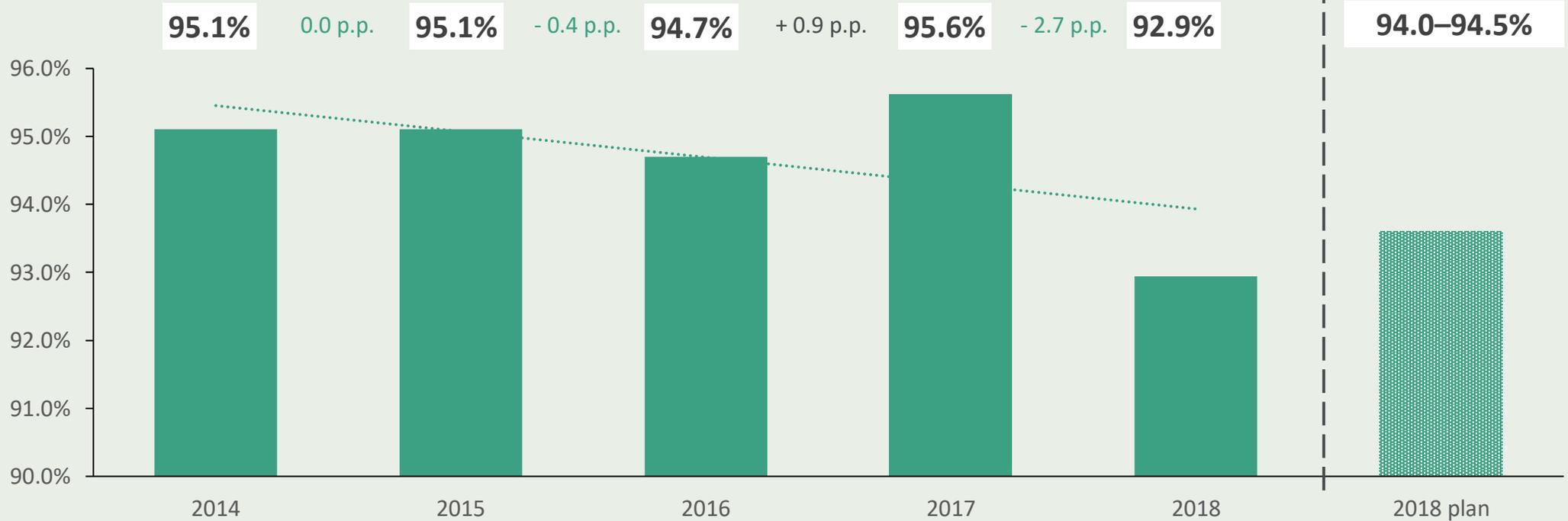
Record low combined ratio

Net combined ratio*

92.9%

18/17: - 2.7 p.p.

Plan achieved



*Excluding the effect of 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 the non-life and reinsurance segments.

Best ROE in 10 years

Equity

€340.2 m

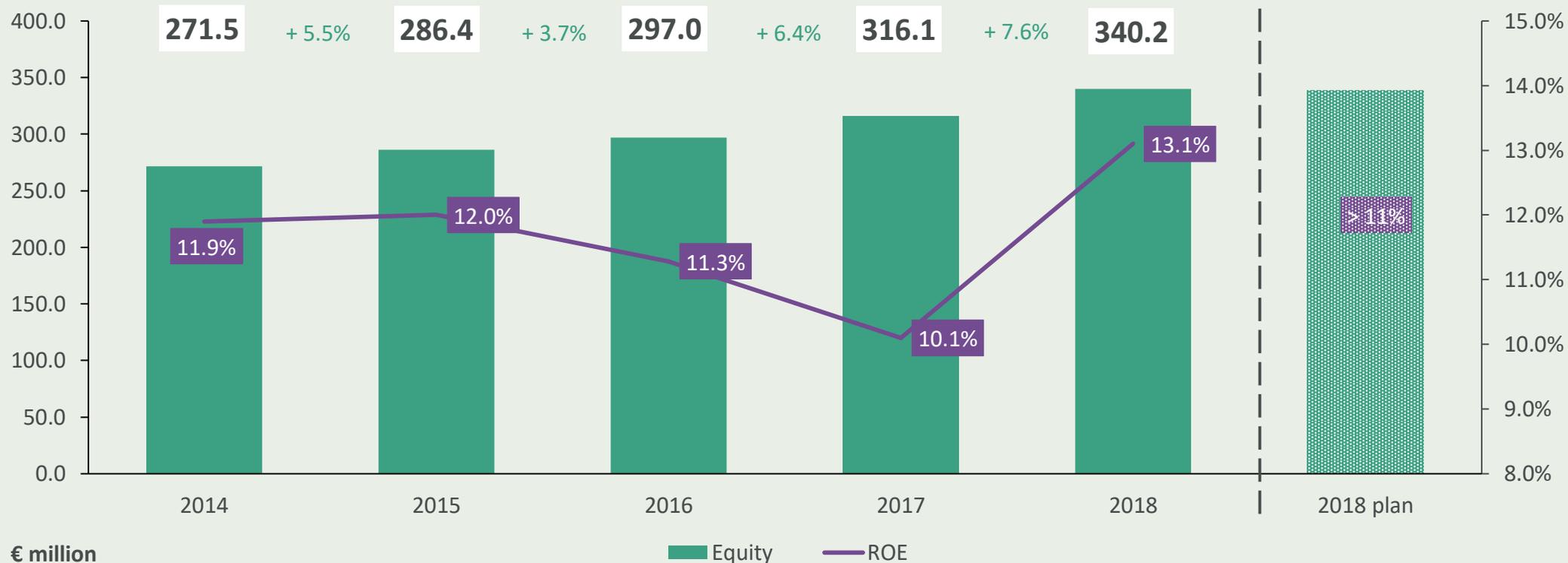
18/17: **7.6% growth**

ROE

13.1%

18/17: **+ 3.0 p.p.**

Plan achieved



Assets structure

Assets
€1,705.9 m
 18/17: - 0.1%

	2017	2018
Financial investments and investment property	1,053.5	1,028.7
Assets of policyholders who bear the inv. risk	227.2	204.8
Other assets	128.8	169.0
Receivables	138.5	140.6
Investment contract assets	129.6	135.6
Reinsurers' share of technical provisions	30.8	27.3
Total assets	1,708.3	1,705.9

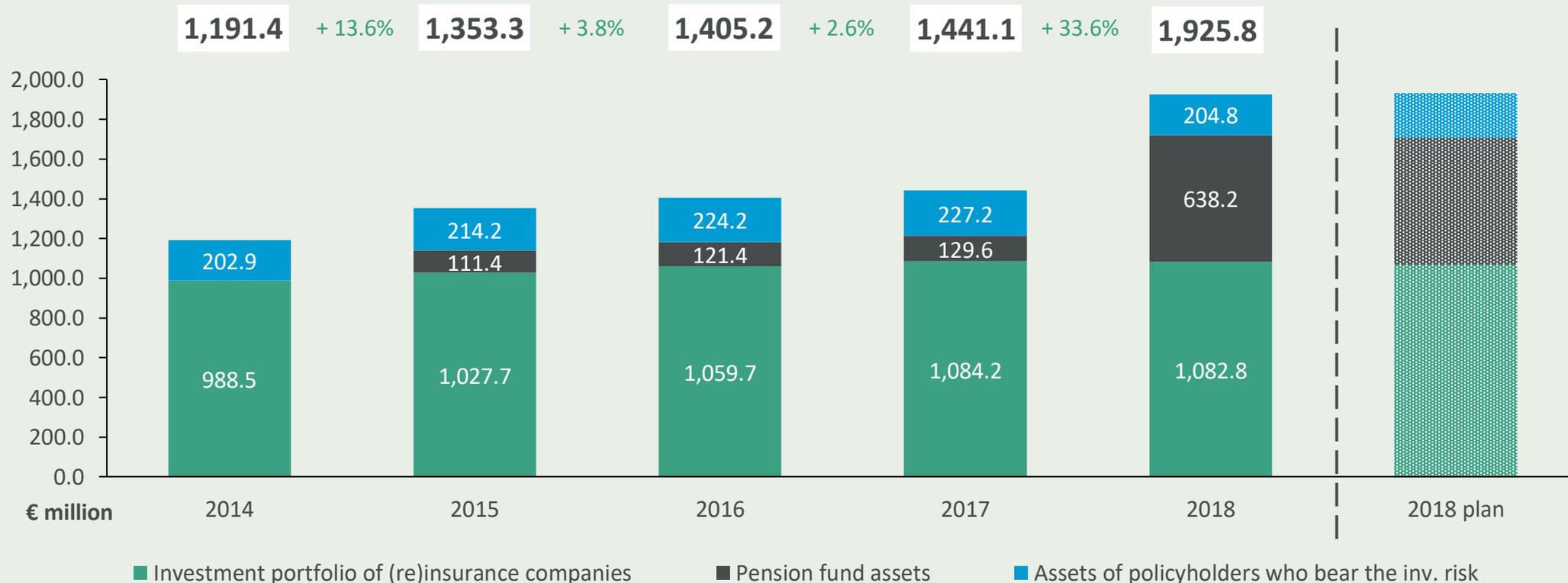


Growth in assets under management

Assets under management

€1,925.8 m

18/17: + **33.6%**



Changes in investment portfolio structure

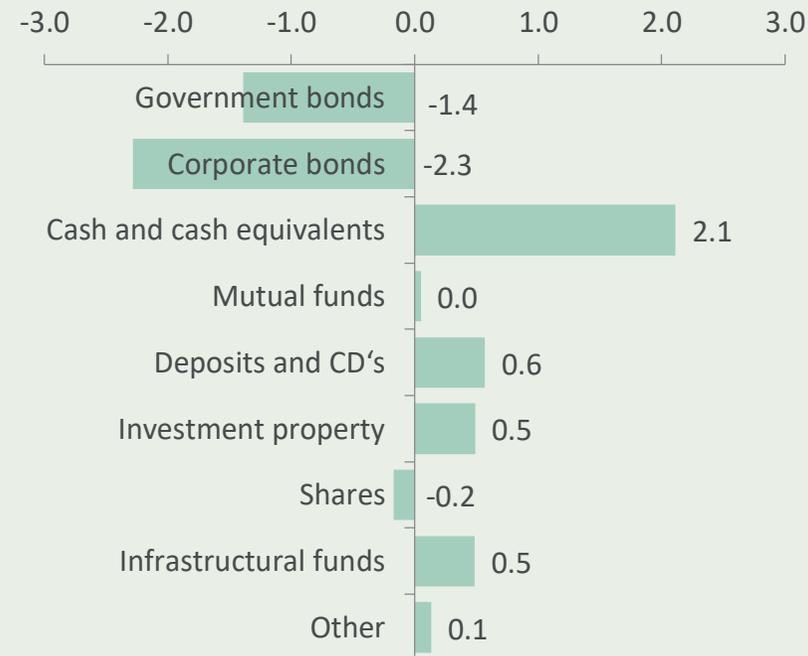
Investment portfolio

€1,082.8 m

18/17: - 0.1%

	2017	2018
Investment portfolio (€ million)	1,084.2	1,082.8
Government bonds	52.3%	50.9%
Corporate bonds	36.4%	34.1%
Cash and cash equivalents	2.8%	4.9%
Mutual funds	2.9%	3.0%
Deposits and CD's	2.0%	2.6%
Investment property	1.4%	1.9%
Shares	1.6%	1.4%
Infrastructural funds	0.0%	0.5%
Other	0.6%	0.7%
Total investment portfolio structure	100.0%	100.0%

Structural shift 2018/2017 in p.p.



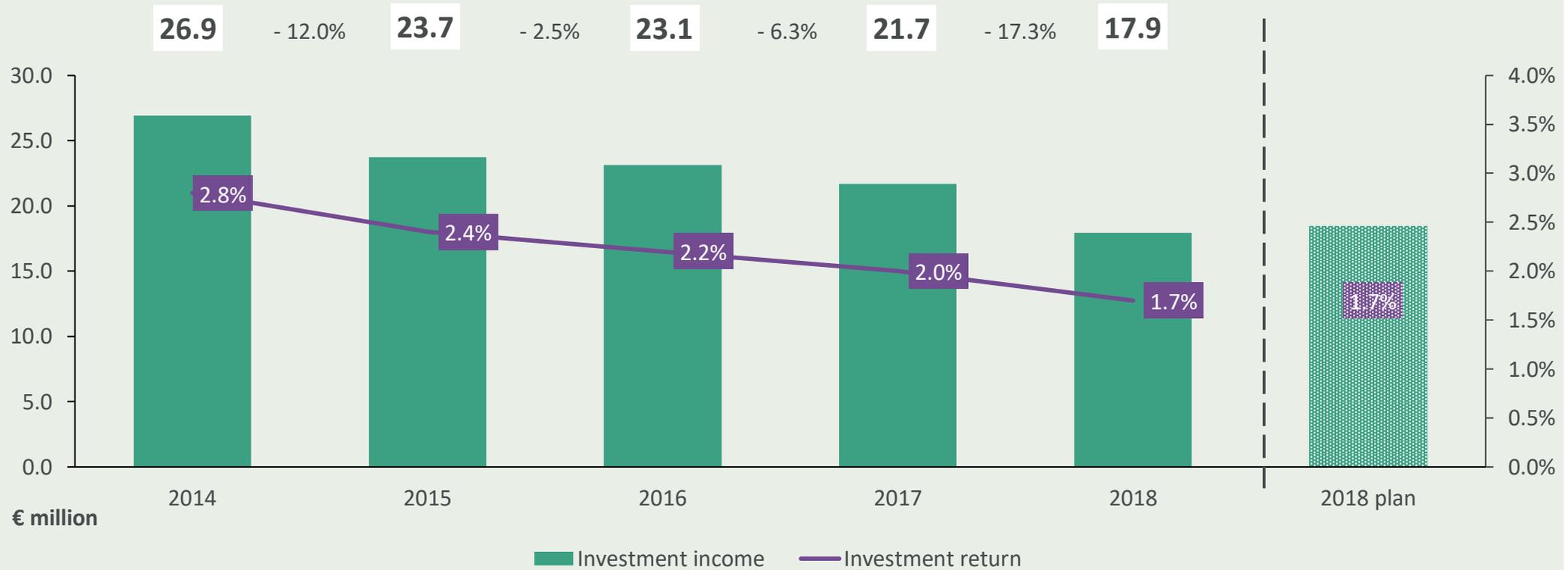
Investment portfolio return impacted by low interest rates

Investment portfolio return*

1.7%

18/17: - 0.3 p.p.

Plan achieved

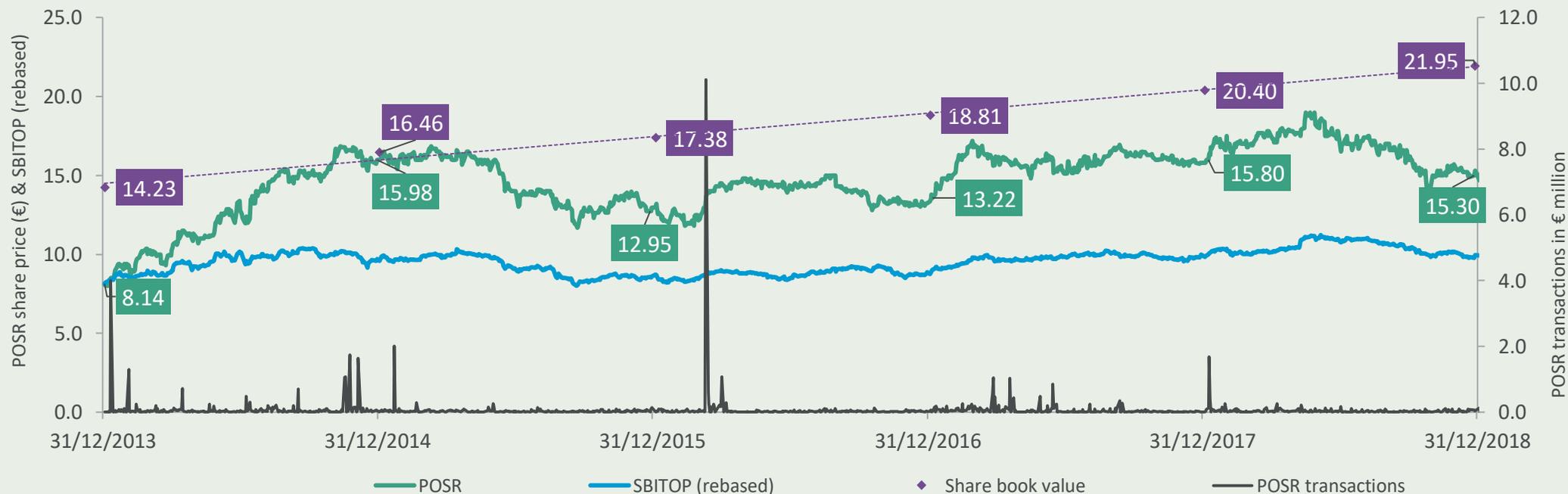


*Excluding the effect of exchange differences.

Growth in book value of share

Book value of share
€21.95
 18/17: **7.6% growth**

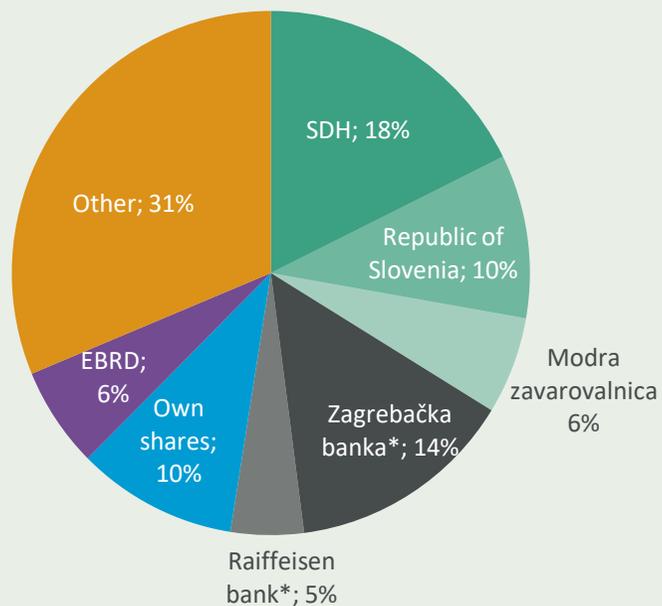
Movement in POSR share price and book value



€ = share price at year end
 € = share book price at year end

Ownership structure

Ownership structure as at 31/12/2018



* 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)	31/12/2018
Share capital	71.9
Market capitalisation	263.5
Trading symbol	POSR
No. of shares	17,219,662
No. of own shares	1,721,966
No. of shareholders	4,073

Investor type	Local investor	Foreign investor
Insurance undertakings and pension companies	19.2%	0.0%
Other financial institutions	17.9%	0.4%
Government	10.1%	0.0%
Individuals	9.3%	0.1%
Banks	3.9%	29.3%
Investment companies and mutual funds	2.9%	3.5%
Other non-financial corporations	2.2%	1.2%
Total	65.5%	34.5%

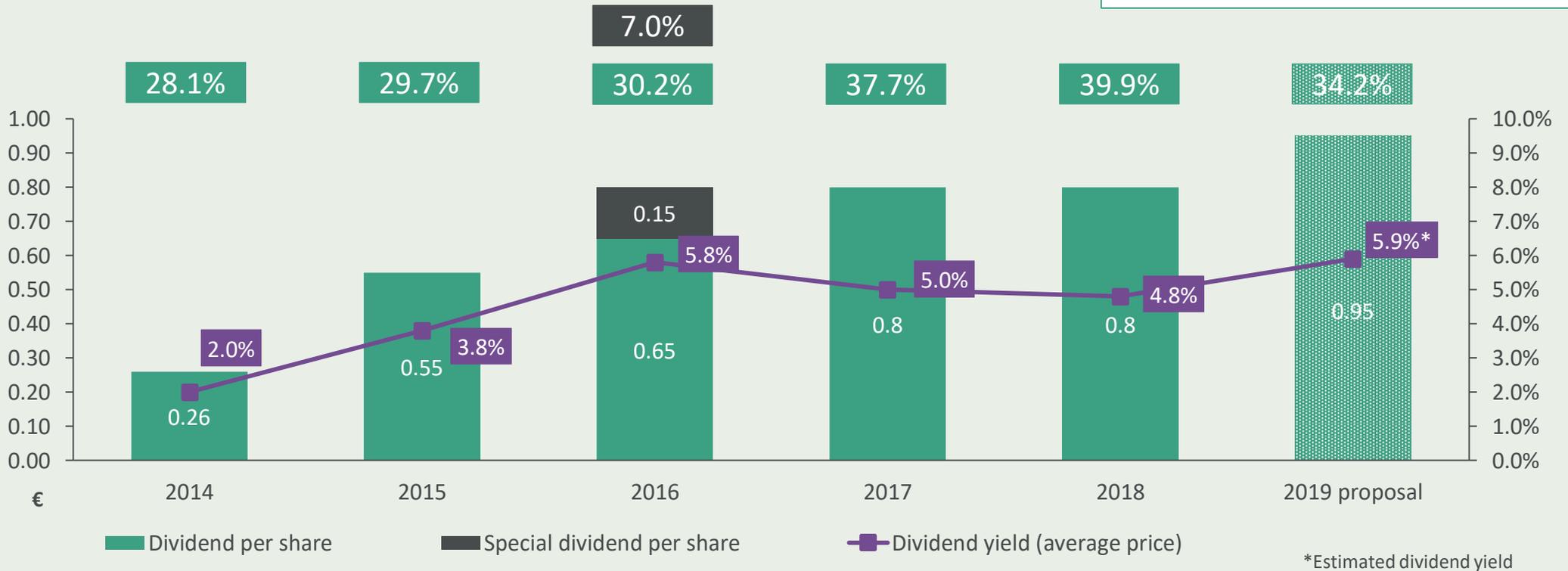
Dividend policy

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.

Special dividend as % of profit

Regular dividend as % of profit

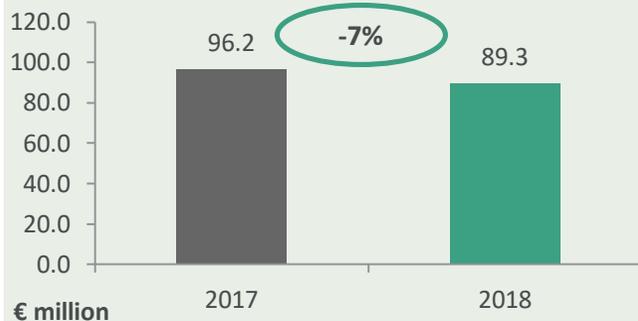
Proposed dividend growth
19/18: + 19%



Segment reporting

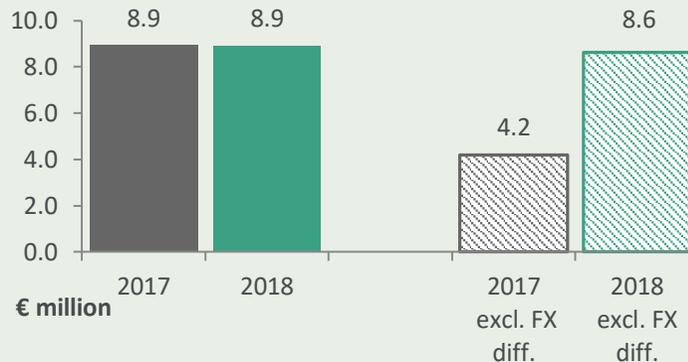
Results by operating segment – reinsurance

Gross premiums written



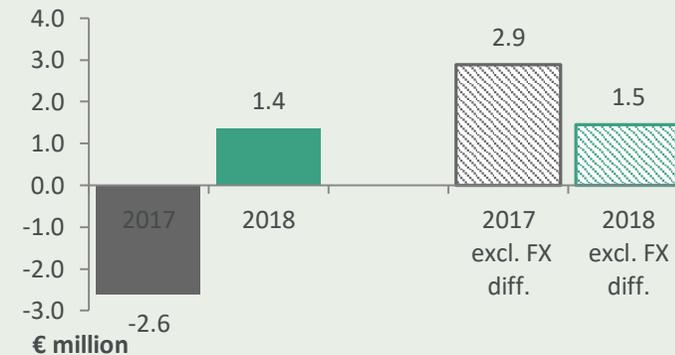
- Decline due to planned restriction of growth and declining of less profitable business
- Negative impact from stronger US dollar compared to euro

Underwriting result



- Lower claims incurred
- One-off effects from proceeds relating to disputes settled in court (+€1.5 m)
- Acquisition costs increased despite premium decline as a result of focusing on more profitable business with higher commissions. This is reflected in the higher expense ratio and lower incurred loss and combined ratios.

Investment result

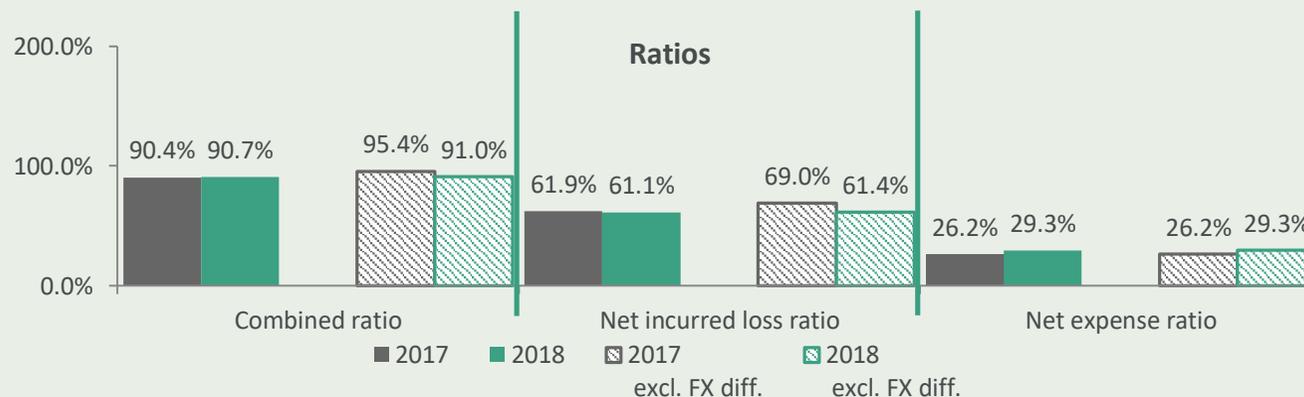


- Impairment losses (€1.9 m)
- Increased income from investment property as the result of starting a large investment property lease
- Lower interest expenses (-€0.7 m) relating to the subordinated debt held by the Company in 2017 (until full repayment in June 2017)

Profit before tax



Ratios



Results by operating segment – non-life Slovenia

Gross premiums written



Underwriting result



Investment result



- Larger volume of motor business; increased number of policies and higher average premium with individuals; broader coverages and new clients in commercial business

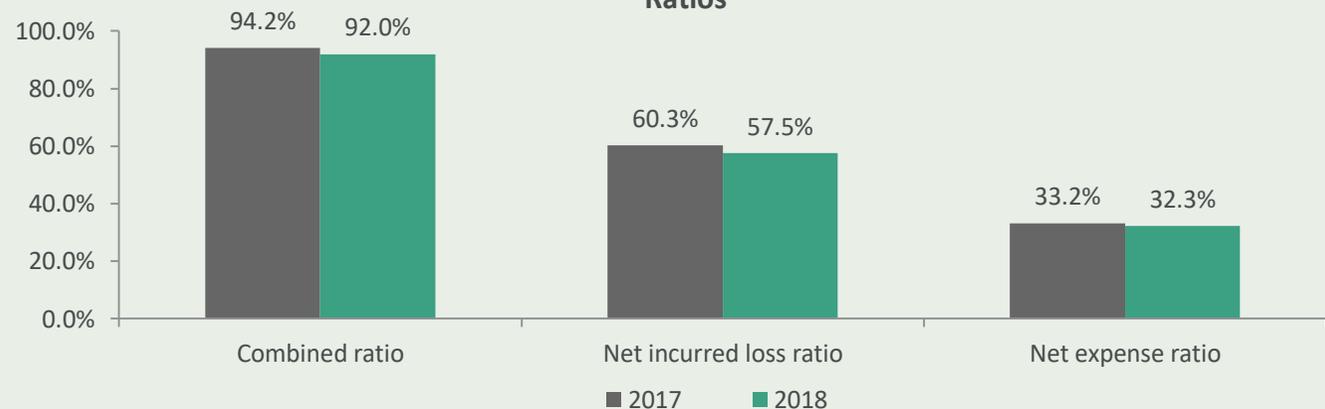
- Increased premiums earned
- Improved result for property business; higher income from bad debt already written off (other technical income)

- Lower interest income due to lower interest rates in capital markets

Profit before tax



Ratios



Results by operating segment – non-life international

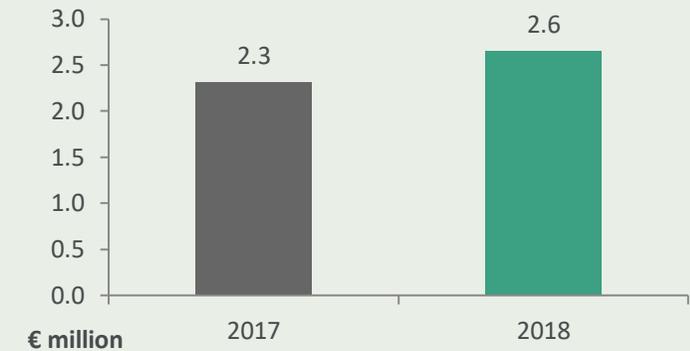
Gross premiums written



Underwriting result



Investment result

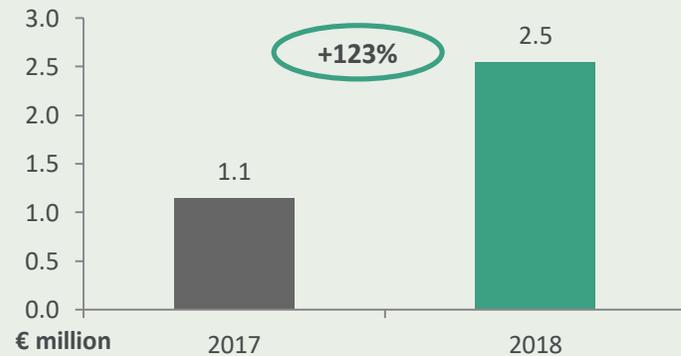


- Increase in all non-Slovenian non-life insurers
- Largest growth seen in Serbian insurer due to inclusion of premium income from Energoprojekt Garant (€0.9 m) and increased premium volume in health and motor liability business

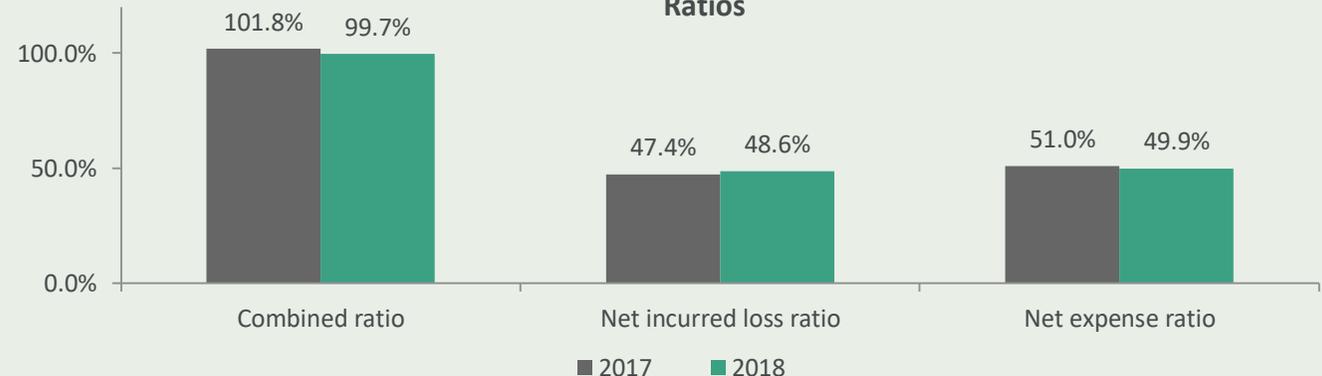
- Improvement due to increased premium income
- Improved technical performance in most companies, especially in the Croatian and Montenegrin subsidiaries

- Higher gains on disposal of investments and lower investment expenses

Profit before tax



Ratios



Results by operating segment – life Slovenia

Gross premiums written



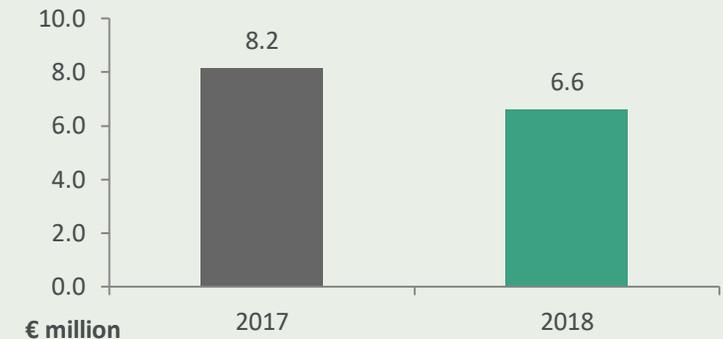
- Higher payments relating to maturing life policies, with premiums from new business insufficient to fully compensate for lost premiums (lost premiums: maturing traditional life policies: €36.1 m, unit-linked life €25.2 m)
- 1% increase in new production year on year

Net expense ratio



- Higher expense ratio as a result of premium growth
- Other operating costs increased by 2%, while acquisition costs grew by 9%, reflecting growth in new production; however, commission payouts do not move in parallel with sales of new policies, which is why this is not directly comparable.

Investment result



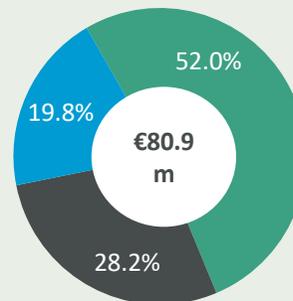
- Lower interest income due to lower interest rates in capital markets

Profit before tax



Gross premiums written by class of insurance

2017

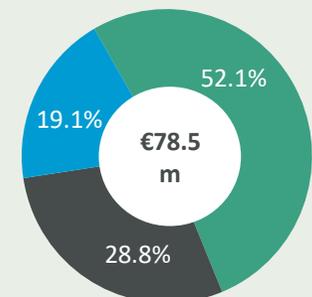


■ Unit-linked life

■ Traditional life

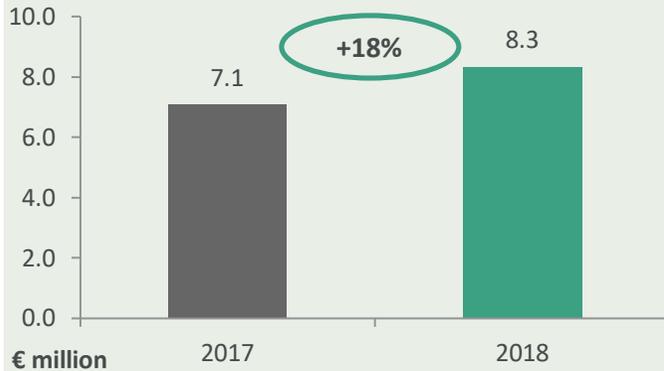
■ Additional personal accident

2018



Results by operating segment – life international

Gross premiums written



- Premium growth posted in all insurers; double digit growth in the Kosovan and Serbian life insurers
- Premiums of the Croatian branch of Zavarovalnica Sava affected by maturity pay-outs

Net expense ratio



- Improved expense ratio as a result of high premium growth

Investment result

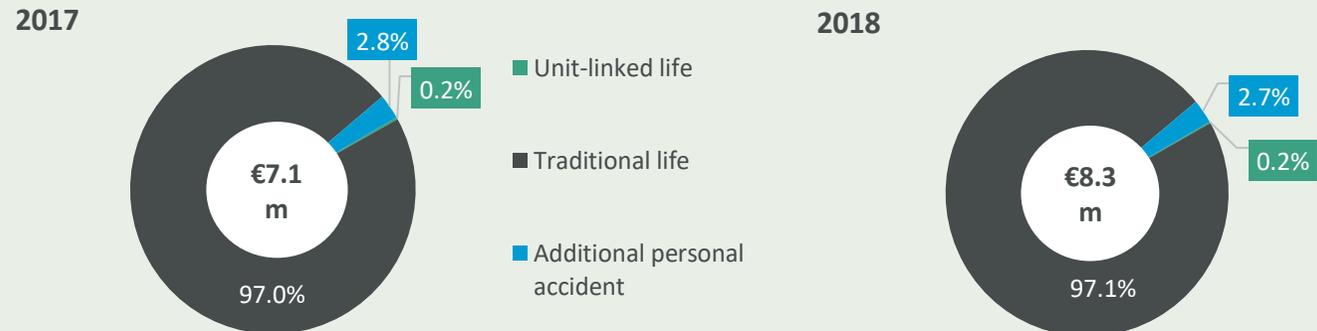


- Impairment losses recognised in property of Serbian insurer in 2017
- Increased interest income for the Kosovan company in 2018 due to investments in government bonds

Profit or loss before tax



Gross premiums written by class of insurance



Results by operating segment – pension business

Gross premiums written (annuities)



- More policyholders opting for pension annuities upon retirement

Other (insurance) income



- Inclusion of company based in North Macedonia into the consolidated accounts
- Other (technical) income depends on the movement of assets under management presented below.

Operating expenses

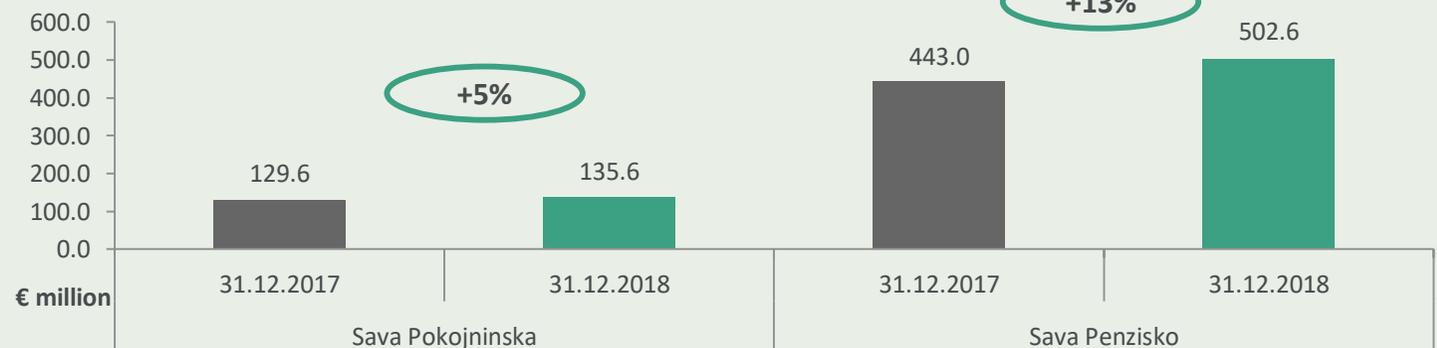


- Inclusion of company based in North Macedonia into the consolidated accounts
- Operating expenses of the Slovenian pension company declined by 9.8%

Profit before tax



Assets in pension savings funds



Results by operating segment – other

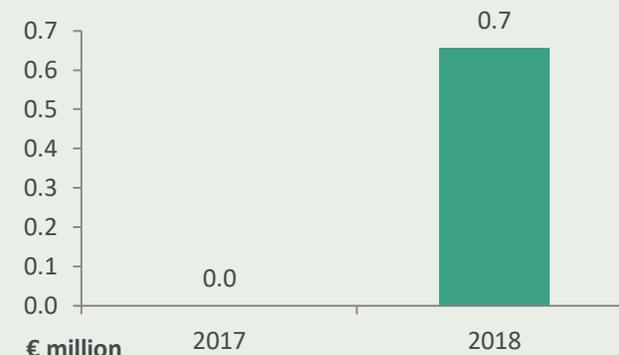
Other income



Operating expenses

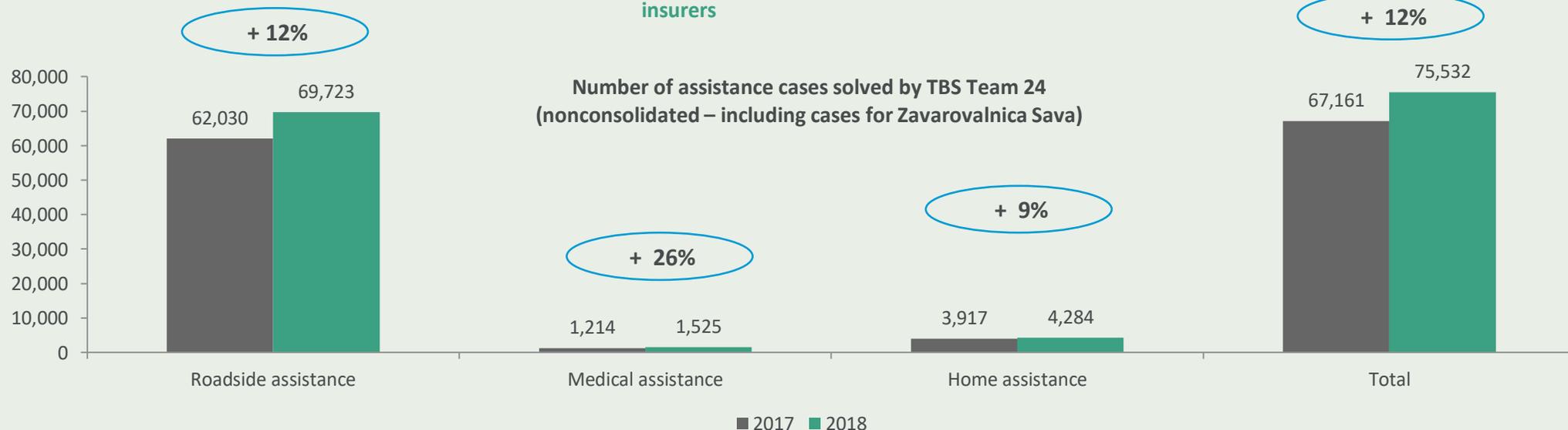


Profit before tax



- Income from resolved assistance cases

- Includes the costs of the company and handling assistance cases re-invoiced to insurers



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- 2018 results
- 2019 plan
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Key targets of the 2019 plan

Insurance business

Client focus, digitisation of operations, development of innovative services and insurance products, assistance services in connection with insurance products, preparing for implementation of IFRS 9 and 17

Reinsurance business

Growth especially in Latin American markets, preparing for implementation of IFRS 9 and 17

Pensions

Active approach to the marketing and promotion of increasing individuals' contributions to pension funds

Ancillary services

Development of the assistance segment in Slovenia as well as in other markets; health and home assistance in addition to motor assistance

Capital growth and utilisation

Exploring new growth opportunities (in line with the strategy) in insurance markets and ancillary business viewed by clients as additional services

Key performance indicators of the Sava Re Group plan

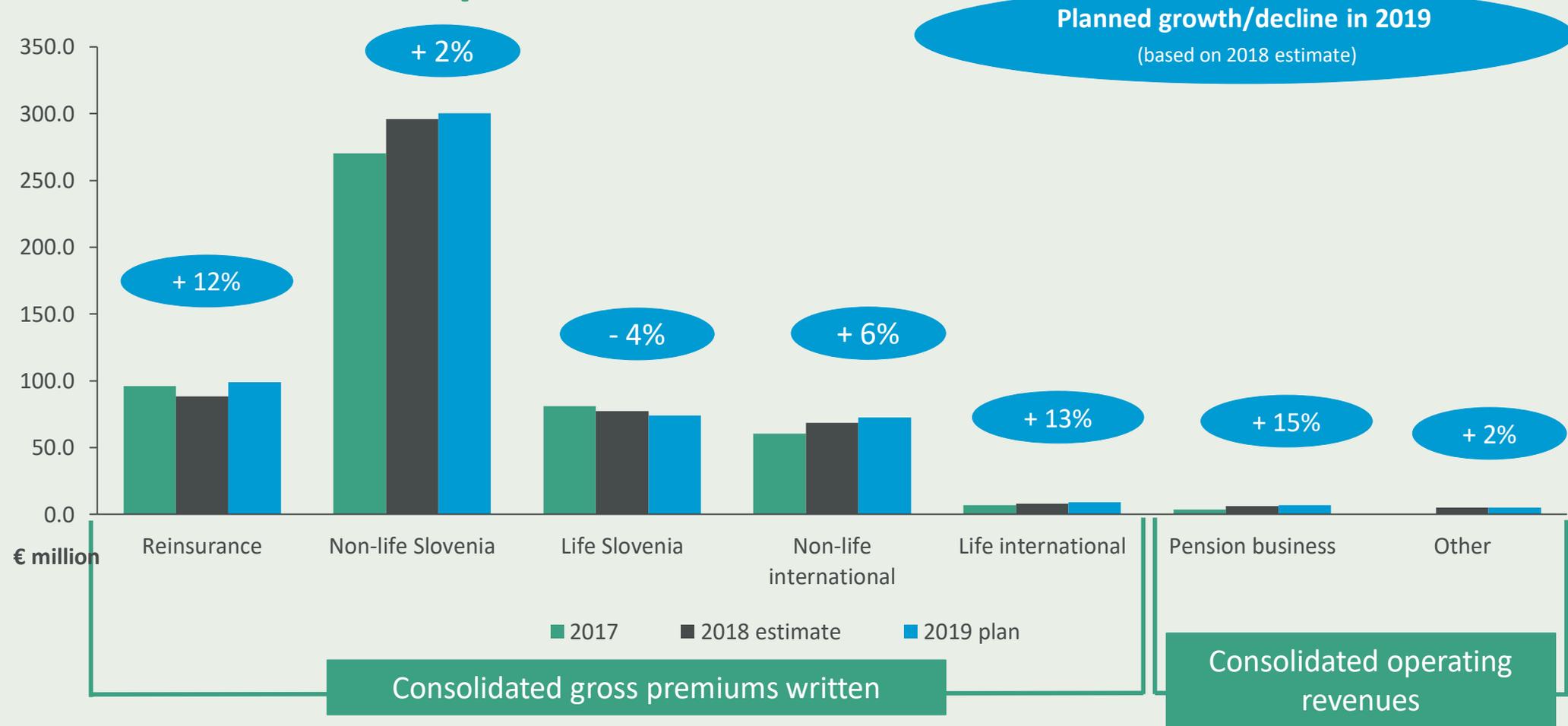
- Return on equity > 12.0%
- Growth in Group income > 4.5%
- Solvency ratio between 170% and 200%

Key performance indicators of the 2019 Group plan

€ million	2017	2018	2019 plan
Group			
Operating revenues	492.4	540.5	> 4.5% growth
Profit or loss, net of tax	31.1	43.0	> €43 m; > 10% growth based on 2018 estimate
Return on equity	10.1%	13.1%	> 12%
Return on investments*	2.0%	1.7%	1.7%
Re/insurance part (+ annuities)			
Gross premiums written	517.2	546.3	> €555 m
Net premiums earned	470.9	504.7	> €515 m
Net expense ratio (reins. + non-life + life)	32.6%	33.1%	32.4–33.0%
Net incurred loss ratio* (reins. + non-life)	60.5%	57.0%	59.2–59.7%
Net combined ratio* (reins. + non-life)	95.6%	92.9%	93.6–94.1%

* Excluding the effect of FX differences.

Consolidated gross premiums written and revenue of non-insurance companies



The 2019 plan does not include the companies KBM Infond, ERGO Osiguranje and ERGO Životno Osiguranje.

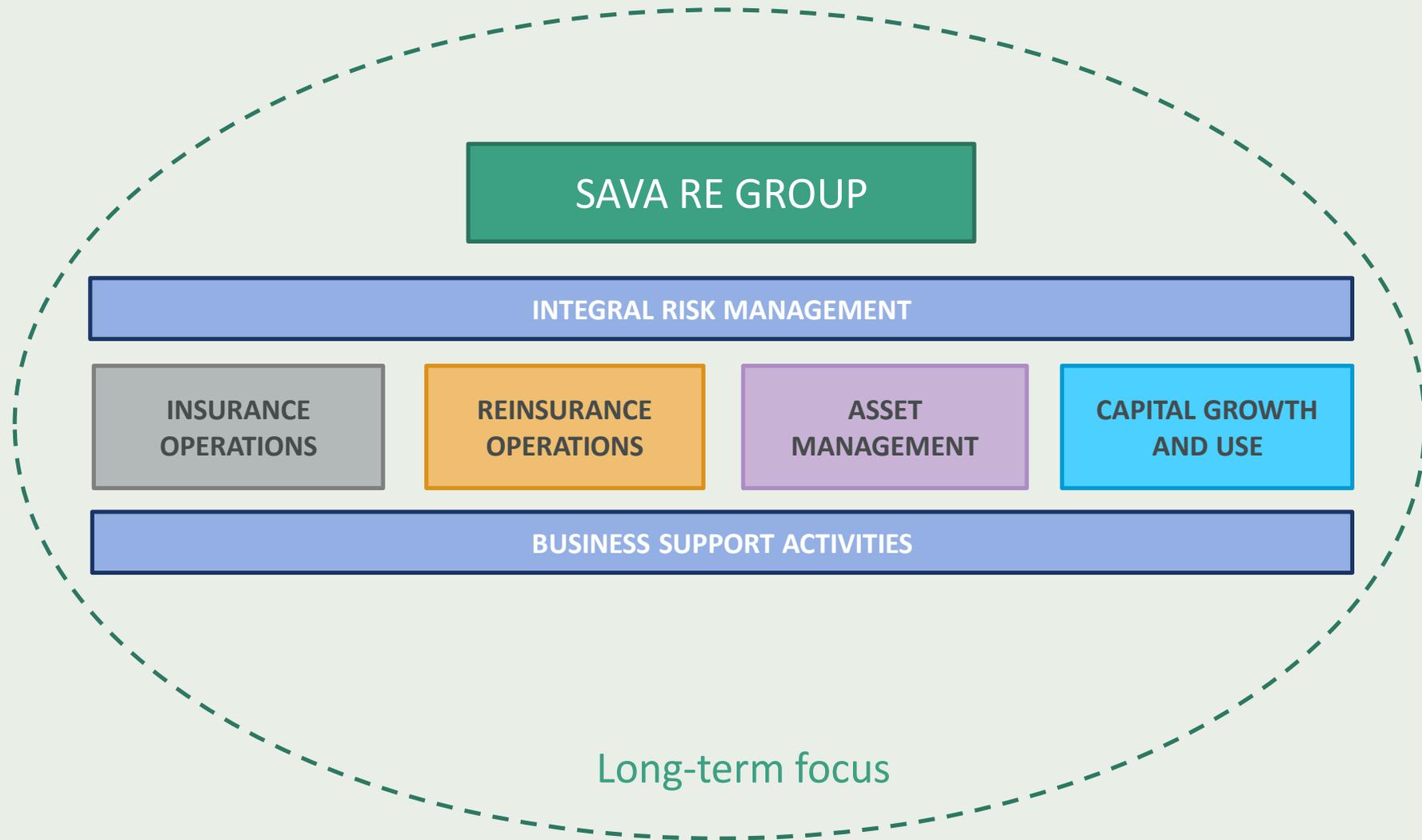
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NEVER ALONE

We are creating a modern, digital,
people-focused and sustainable
insurance group.

Scope of strategy on the Group level



Chief directions for the period 2017–2019

1. **Digitalisation and technological modernisation of operations to put the customer at the centre of our work**
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**

Key targets *as per the Group's risk strategy*

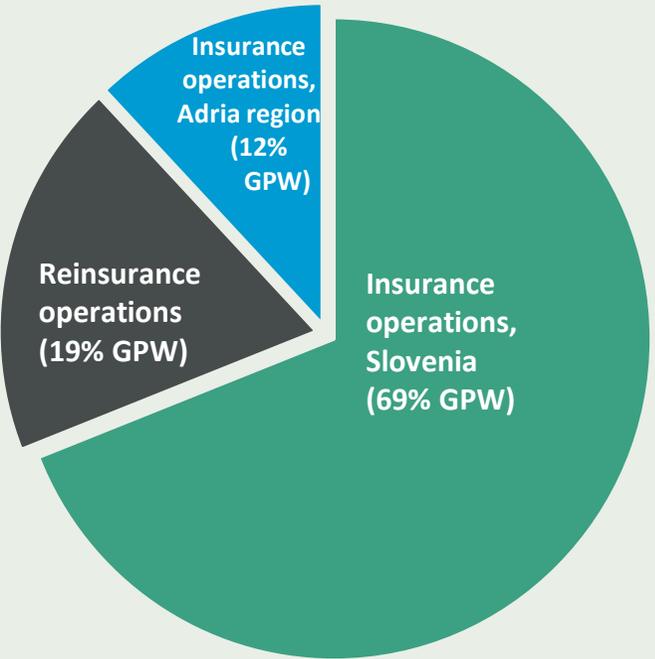
- S** Return on equity: 10.4% (+/-0.5 p.p.)
- S** Solvency ratio: between 170% and 230% (between the lower end of the optimal range and the upper end of the adequate range of capital)
- S** Combined ratio, non-life: < 95%
Combined ratio, reinsurance: < 93%
- S** Profitability of new life policies:
 - > 5% Slovenia
 - > 2.5% other markets

Gross premiums written by operating segment

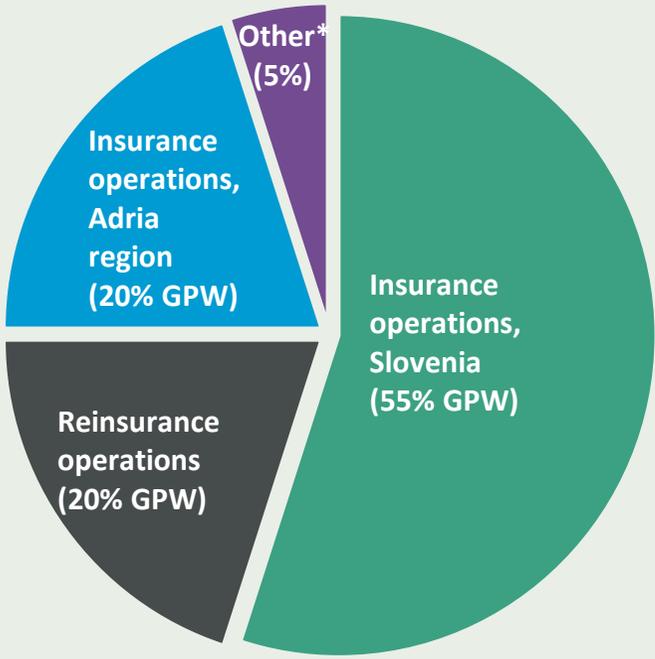
STRUCTURE

GOALS

2016



Long-term focus



*The "other" item includes health, assistance and pension business

Capital growth and use

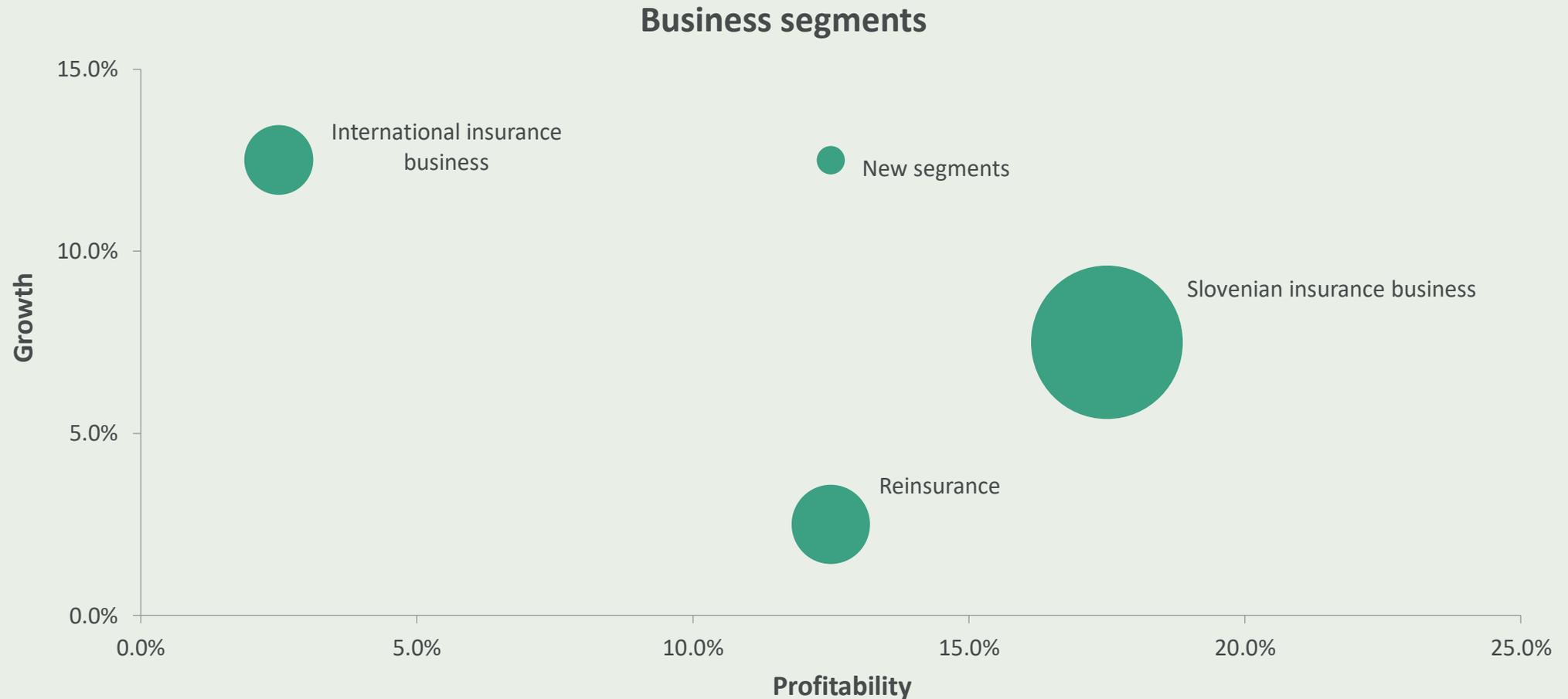
USE OF CAPITAL	GOALS
Region	Strengthening the position in Adria region markets (Serbia, Croatia, other countries in the region)
Pensions	Strengthening the position in Slovenia; entering foreign markets
Ancillary services	Companies that could take the client-insurer relation to a higher level
Health business	Companies associated with the provision of health services, health insurers, medical centres
Start-ups	Looking for growth opportunities through newly established companies that offer innovative solutions / customer service
Other EU markets	Entering other emerging EU insurance markets

Thank you for your attention.

Appendices

Presentation of unconsolidated data

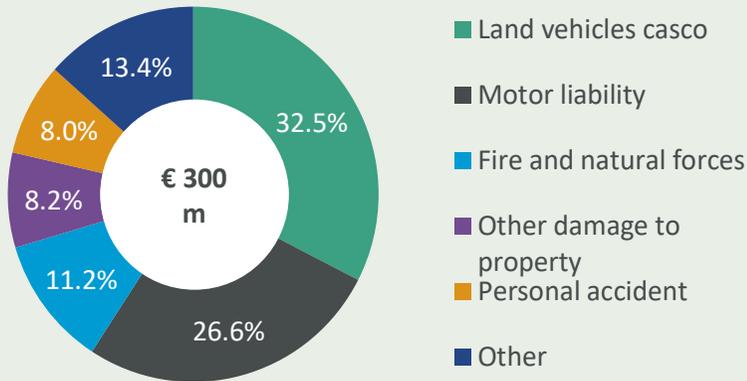
Business segments – balance between value & growth



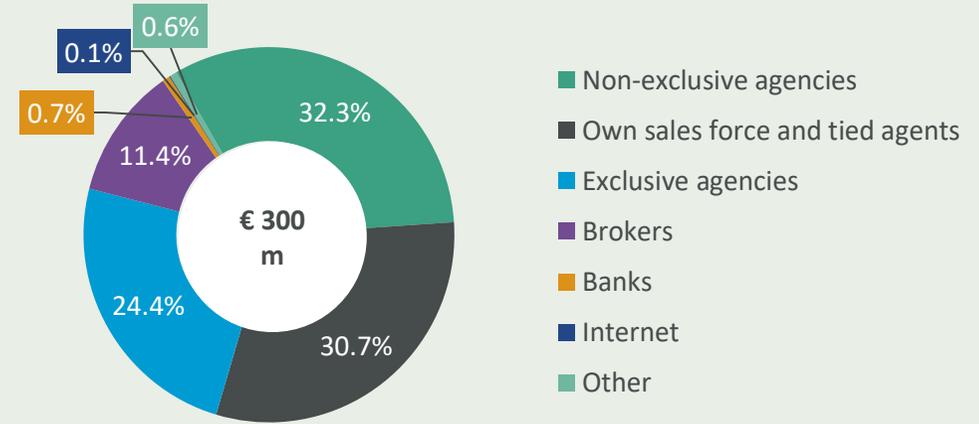
Sava Re Group has diversification benefits coming from four segments: Non-Life, Reinsurance, Life, other businesses and from the geographical spread: Slovenia, Adria region, global reinsurance market

Slovenian insurance business – non-life (non-consolidated)

Split of GPW 2018 by class of insurance



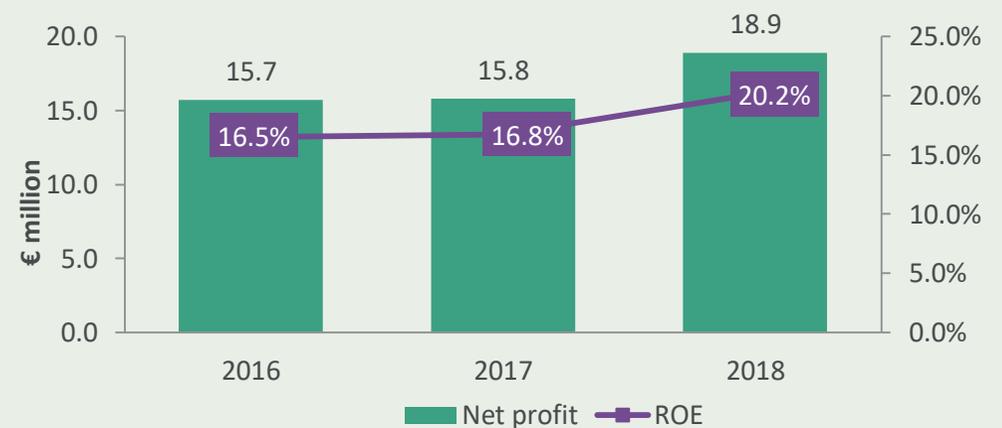
Split of GPW 2018 by sales channel



Combined ratio (non-life)

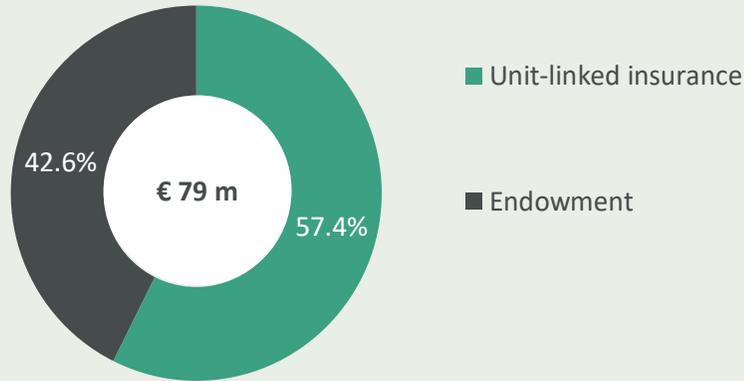


Net profit and ROE

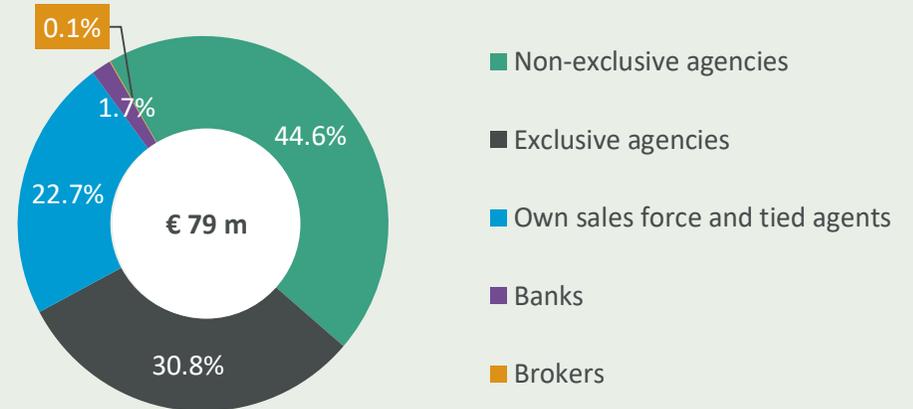


Slovenian insurance business – life (non-consolidated)

Split of GPW 2018 by class of insurance



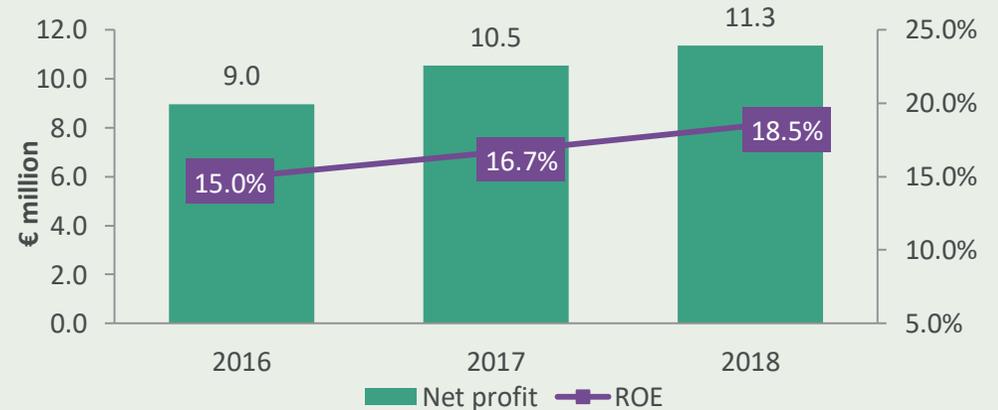
Split of GPW 2018 by sales channel



Gross premiums written by year

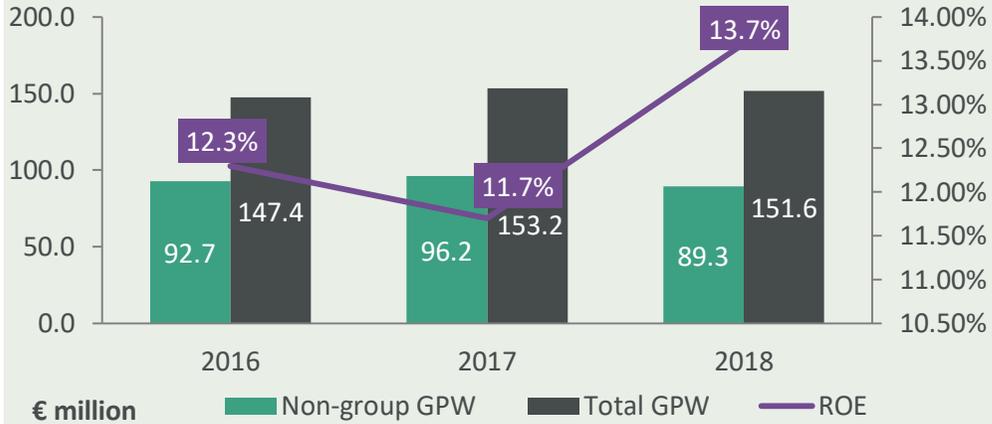


Net profit and ROE



Sava Re (non-consolidated)

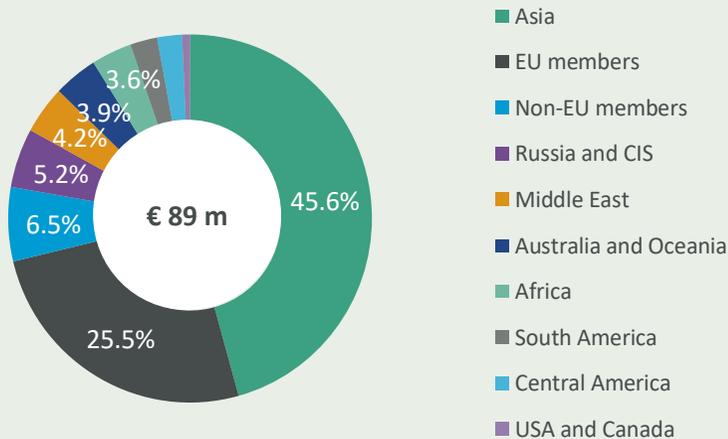
Gross premium written and ROE



Combined ratio (excluding the effect of FX differences)



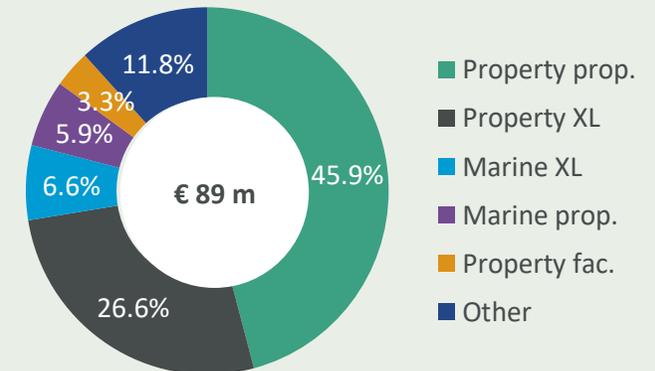
Geographical split of non-group GPW 2018



Split of GPW 2018 by sales channel

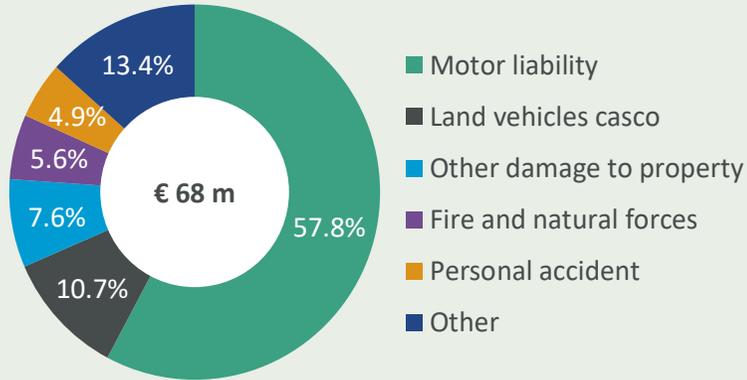


Split of GPW 2018 by line and type

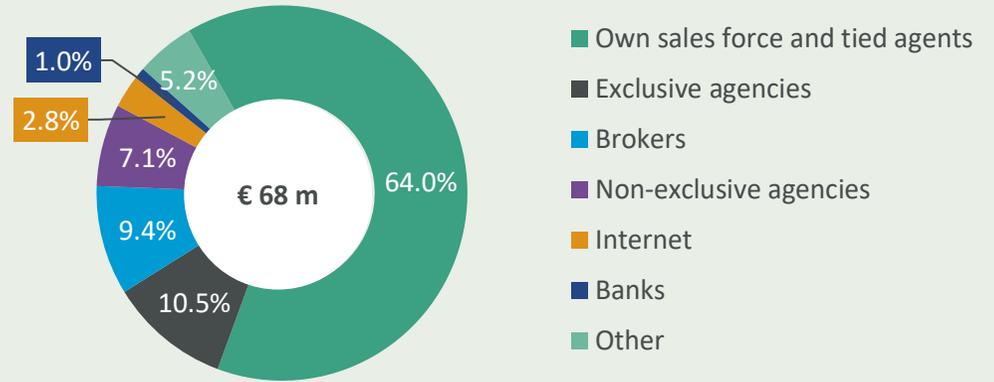


Adria region insurance business – non-life (non-consolidated)

Split of GPW 2018 by class of insurance



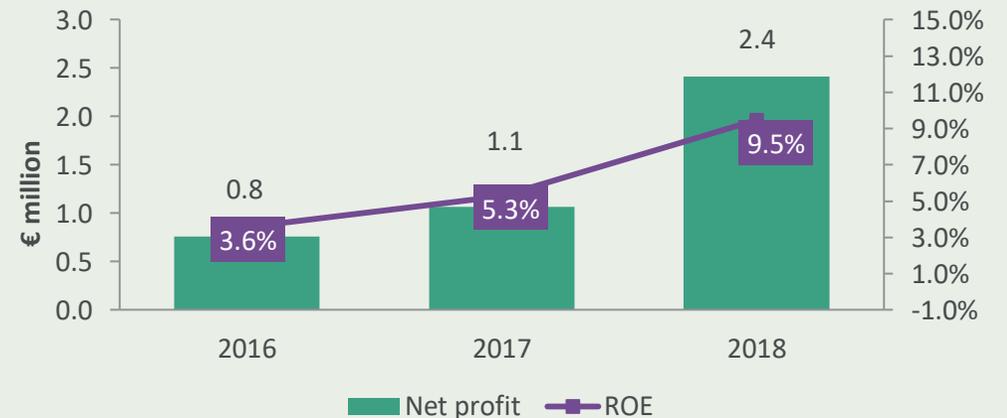
Split of GPW 2018 by sales channel



Combined ratio (non-life)

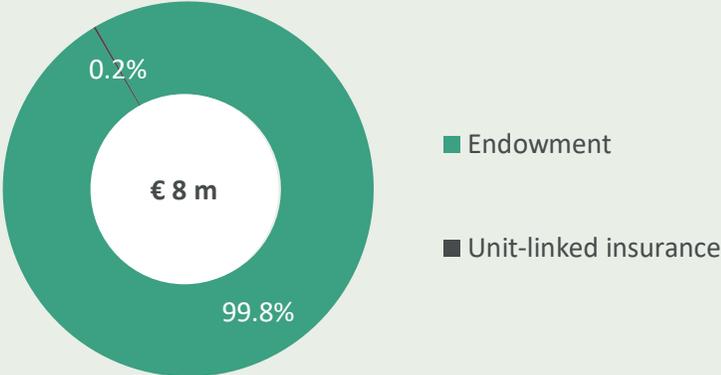


Net profit and ROE

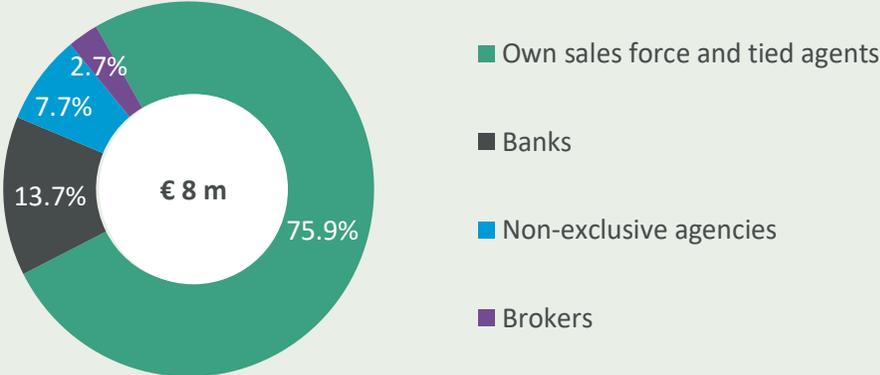


Adria region insurance business – life (non-consolidated)

Split of GPW 2018 by class of insurance



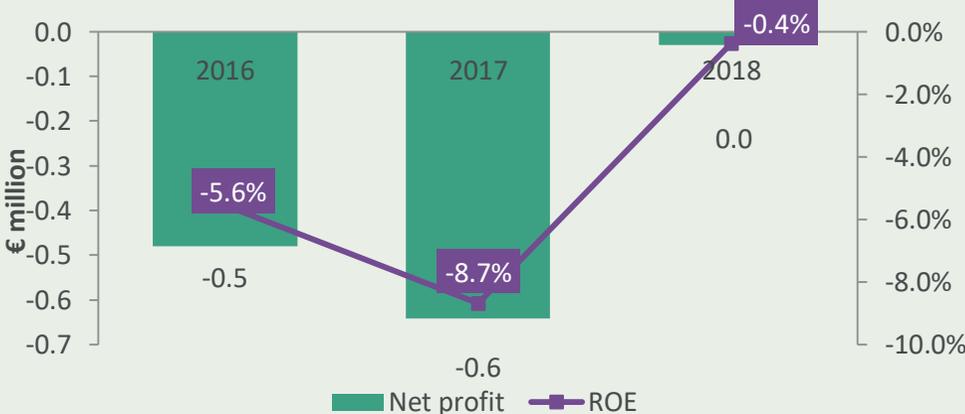
Split of GPW 2018 by sales channel



Gross premiums written by year

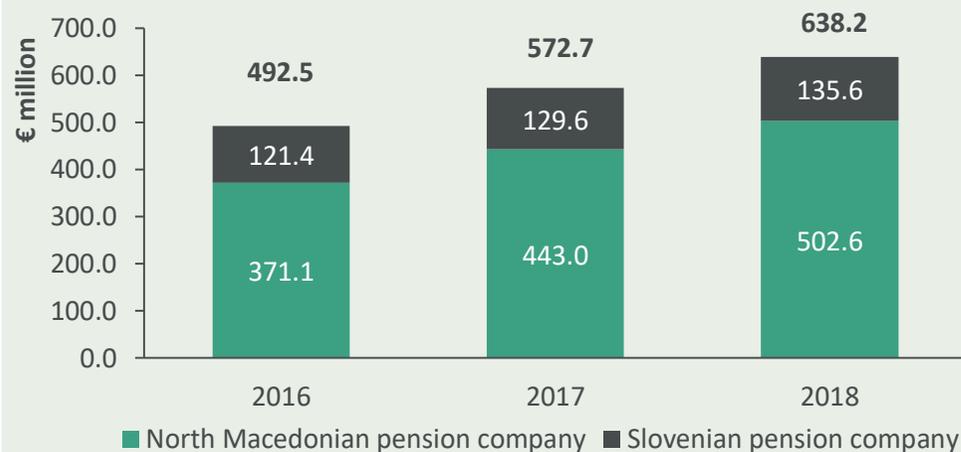


Net profit and ROE

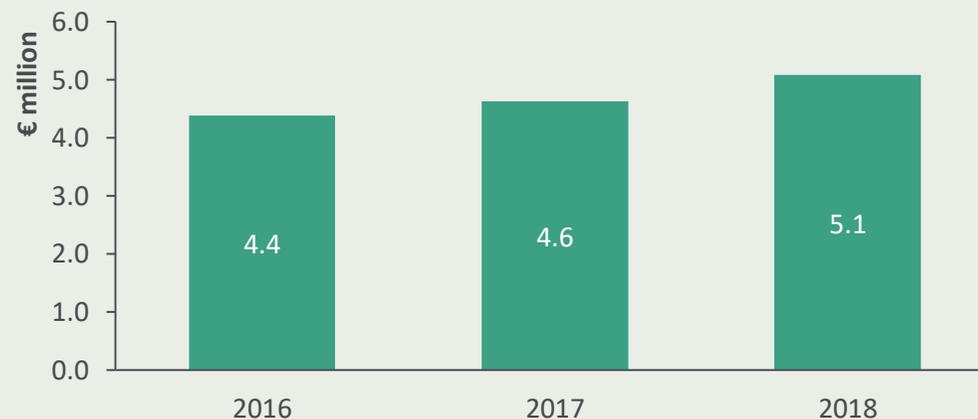


Pension business (non-consolidated)

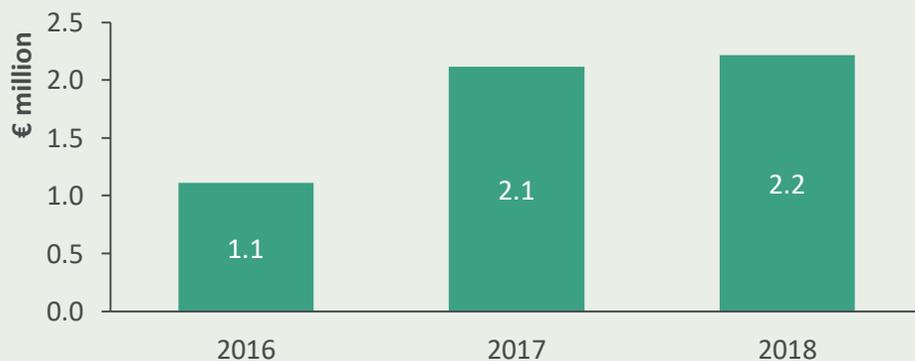
Assets of pension funds



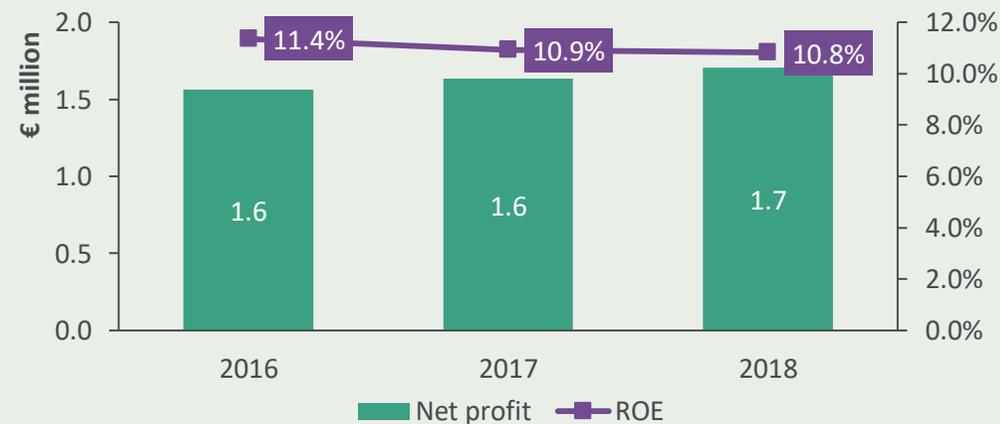
Income from fund management



Gross premiums written by year (annuities of Slovenian pension company)



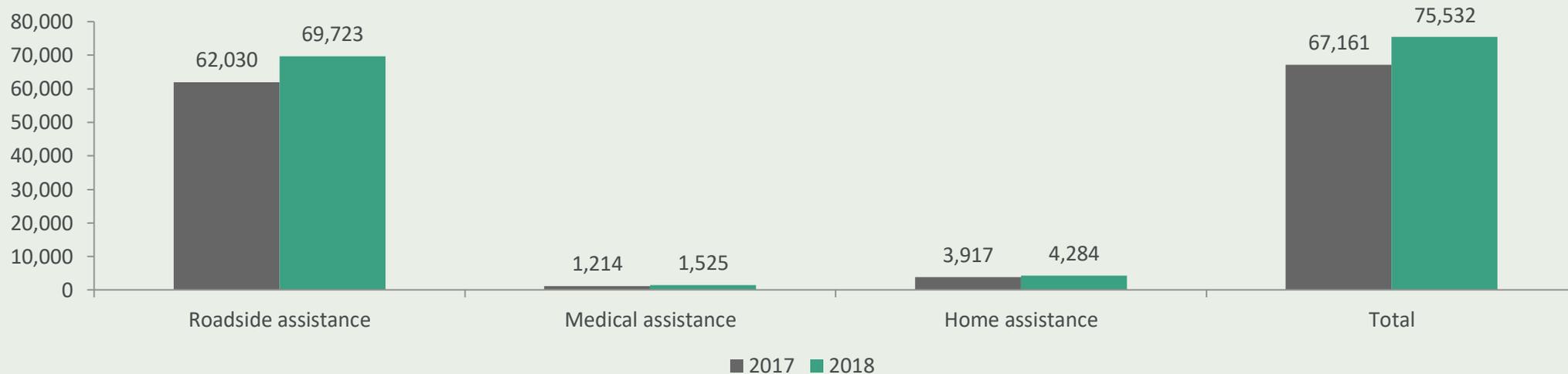
Net profit and ROE



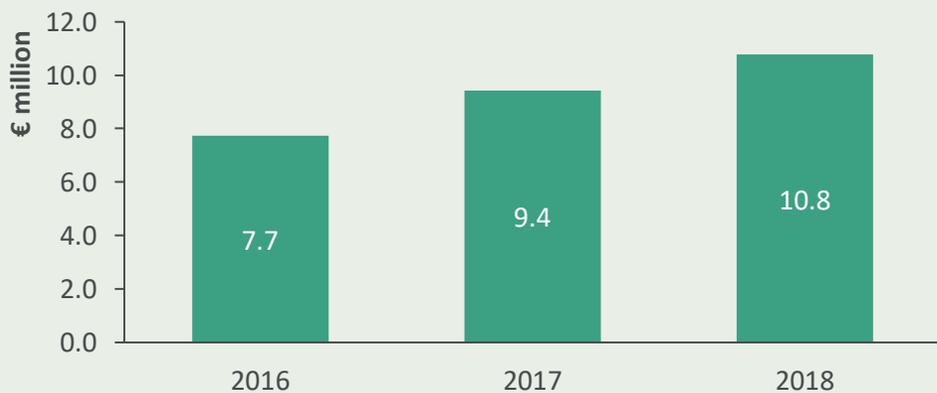
*Sava Penzisko Društvo from North Macedonia is included in all years although first consolidated in 2018.

Assistance business (non-consolidated)

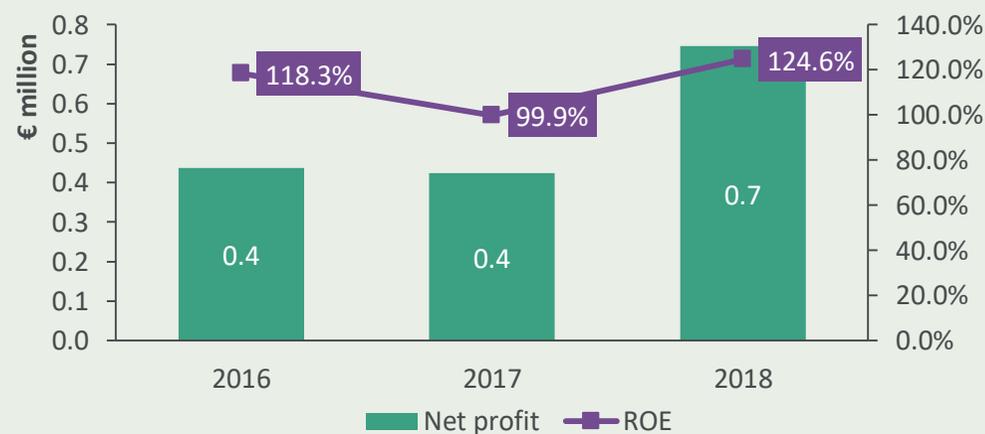
Number of resolved cases by type of assistance



Income from resolved assistance cases



Net profit and ROE

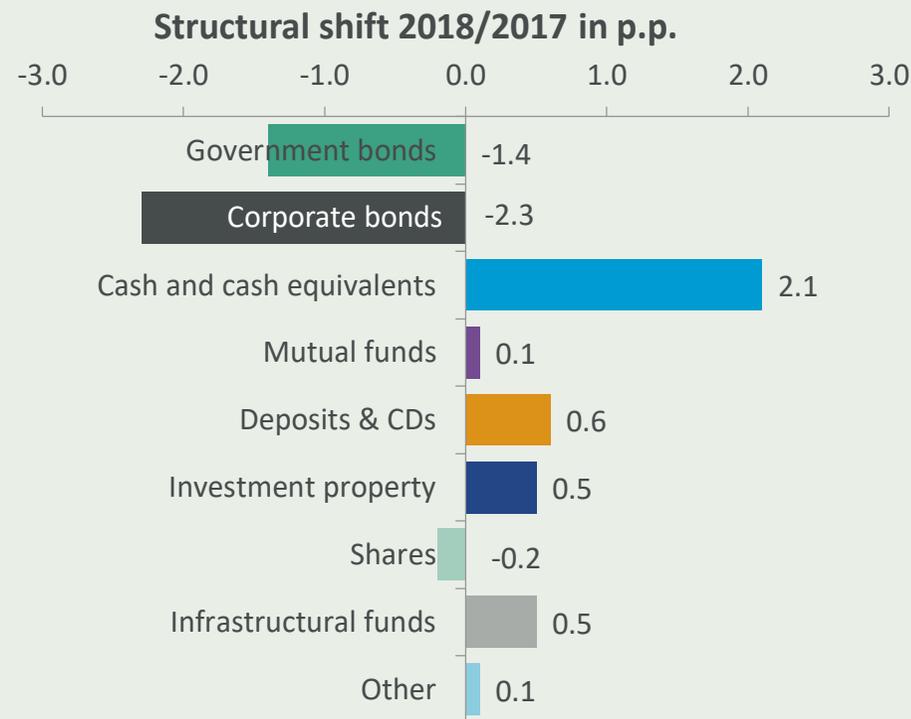


*TBS Team 24 is included in all years although first consolidated in 2018.

Financial investments

Structure of the investment portfolio

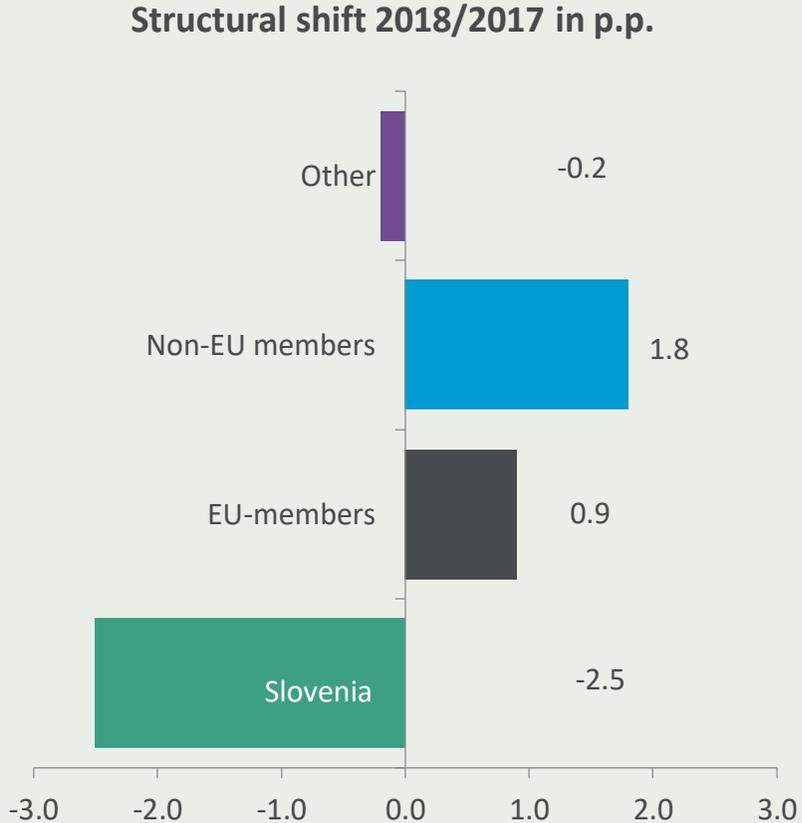
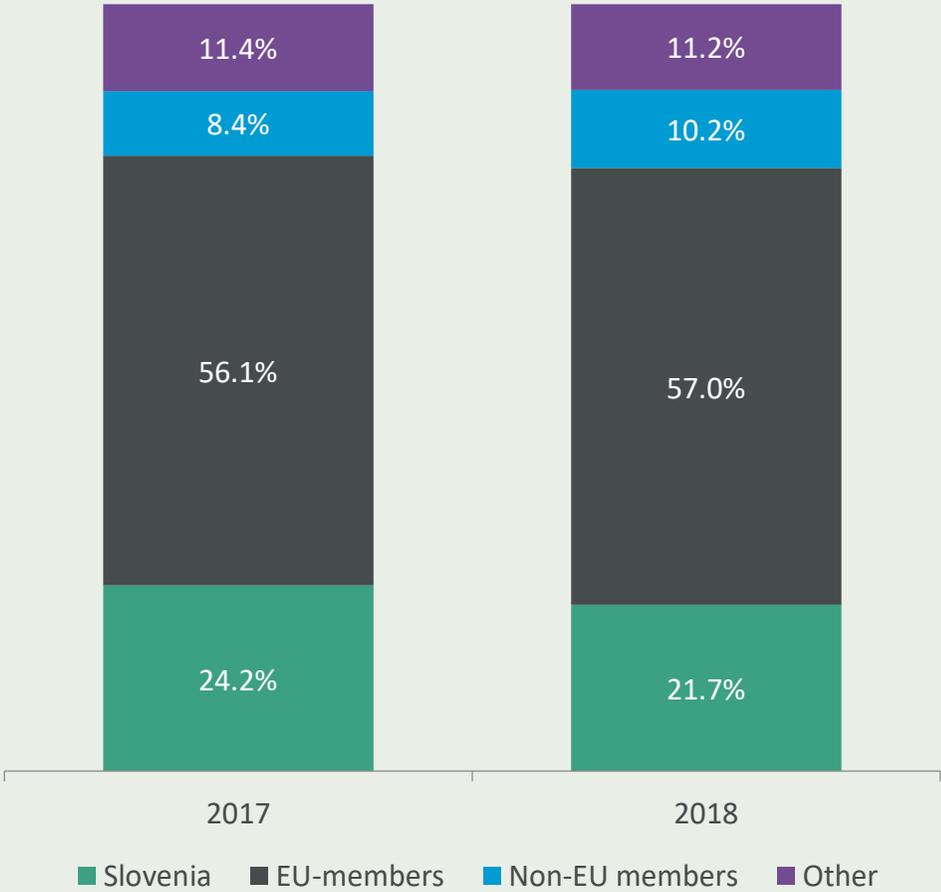
	2017	2018
Investment fund (€ million)	1,084.2	1,082.8
Government bonds	52.3%	50.9%
Corporate bonds	36.4%	34.1%
Cash and cash equivalents	2.8%	4.9%
Mutual funds	2.9%	3.0%
Deposits & CDs	2.0%	2.6%
Investment property	1.4%	1.9%
Shares	1.6%	1.4%
Infrastructural funds	0.0%	0.5%
Other	0.6%	0.7%
Total investment portfolio	100.0%	100.0%



- **Decrease in the percentage of mutual fund investments of 1.4 p.p.:** decrease as a result of maturing and sales of A-rated government bonds.
- **Decrease in the percentage of investments in corporate bonds of 2.3 p.p.:** decline as a result of maturities and sales of regular and covered bonds
- **Increased proportion of investments in infrastructure funds by 0.5 p.p. and in investment property by 0.5 p.p.**
- **Increased allocation to cash and cash equivalents:** increase due to expected increase in interest rates and expected payments relating to life policy maturities at Zavarovalnica Sava in January 2019.
- **Increase of 0.6 p.p. in the percentage of deposits and CDs:** increase due to larger exposure to the banking sector in North Macedonia.
- **Decrease of 0.2 p.p. in the percentage of shares:** decrease due to impairment of investments in unlisted shares.

Sava Re Group exposure by region

Lower exposure to Slovenia in 2018; larger exposure to EU member states and non-EU member states.



Sava Re Group exposure to Slovenia

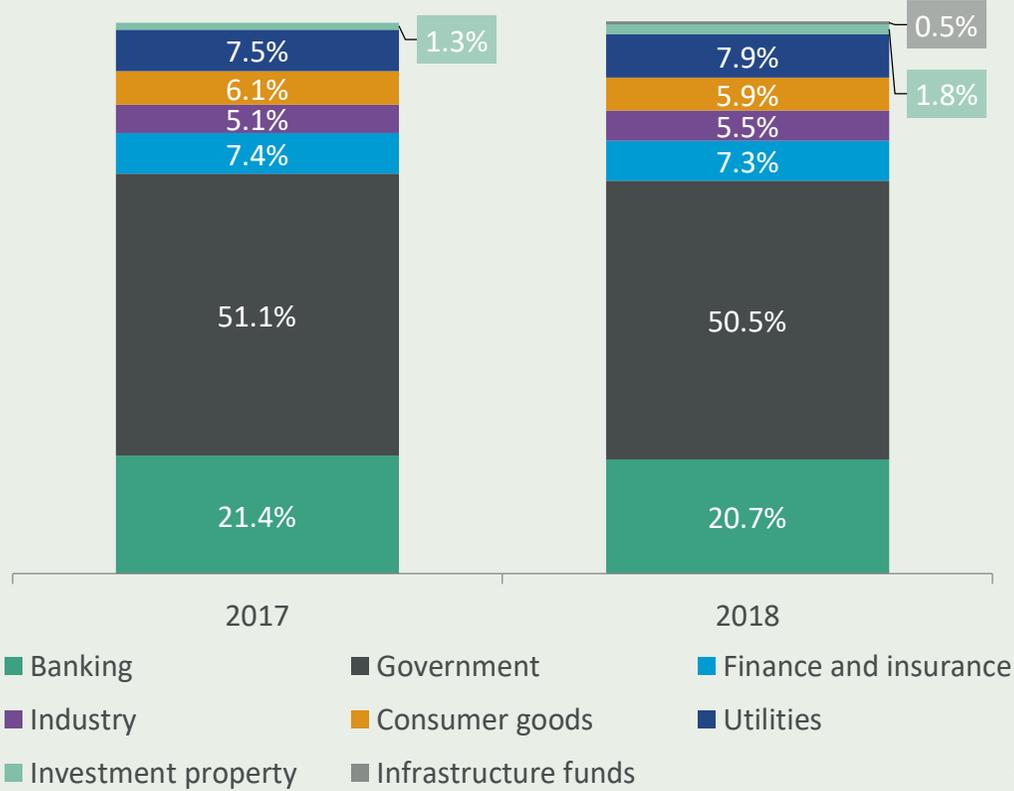
(€ million)	31/12/2017		31/12/2018		Change
	Amount	Structure	Amount	Structure	
Deposits	14.4	1.2%	0.9	0.1%	-1.2 p.p.
Government bonds	193.0	16.4%	155.3	13.3%	-3.1 p.p.
Corporate bonds	25.6	2.2%	23.4	2.0%	-0.2 p.p.
Shares	17.0	1.4%	15.1	1.3%	-0.2 p.p.
Mutual funds	1.3	0.1%	0.7	0.1%	0.0 p.p.
Cash and cash equivalents	21.1	1.8%	40.6	3.5%	1.7 p.p.
Other	11.7	1.0%	16.5	1.4%	0.4 p.p.
Sum total	284.1	24.2%	252.5	21.7%	-2.5 p.p.

Exposure to Slovenia decreased by 2.5 percentage points compared to the end of 2017.

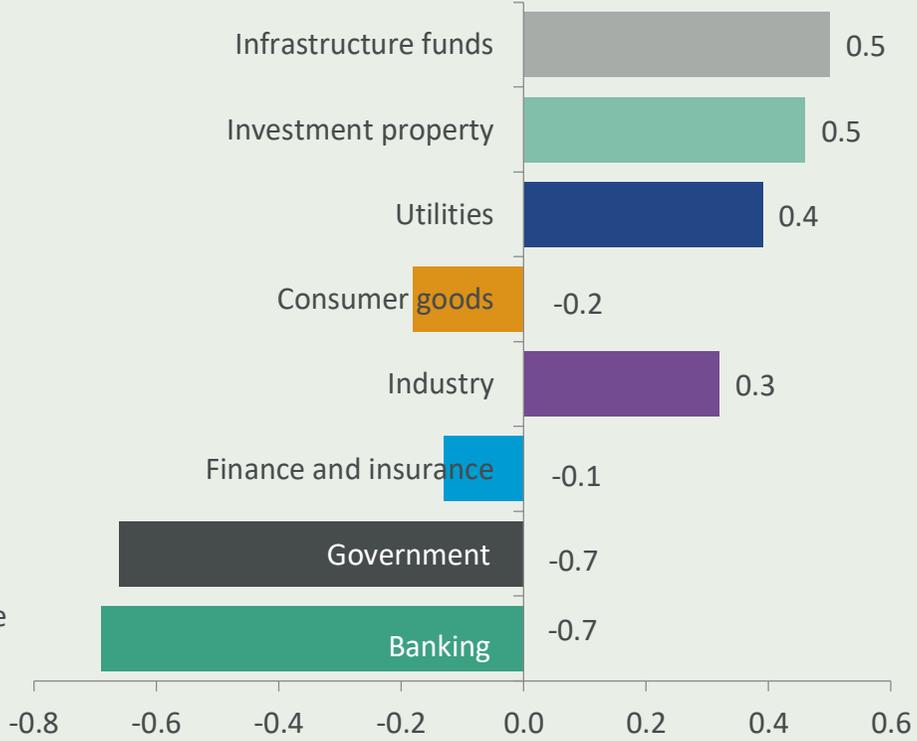
The largest contribution to reduced exposure to Slovenia was a decline in the value of government bonds owing to maturities in the reporting period.

Sava Re Group exposure by industry

- Lower exposure to government securities resulting from the disposal and maturity of government securities.
- Lower exposure to the banking sector due to disposal of covered bonds and their maturities.
- Larger exposure to real estate.
- Larger exposure to infrastructure projects – investment in infrastructure funds.



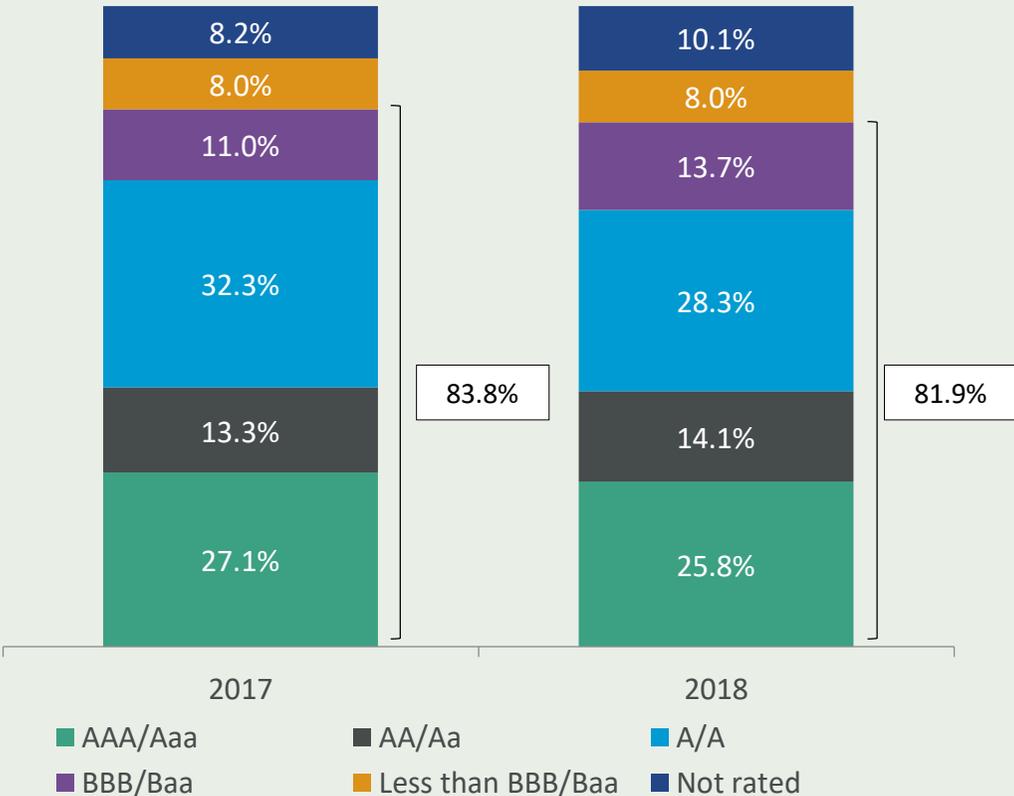
Structural shift 2018/2017 in p.p.



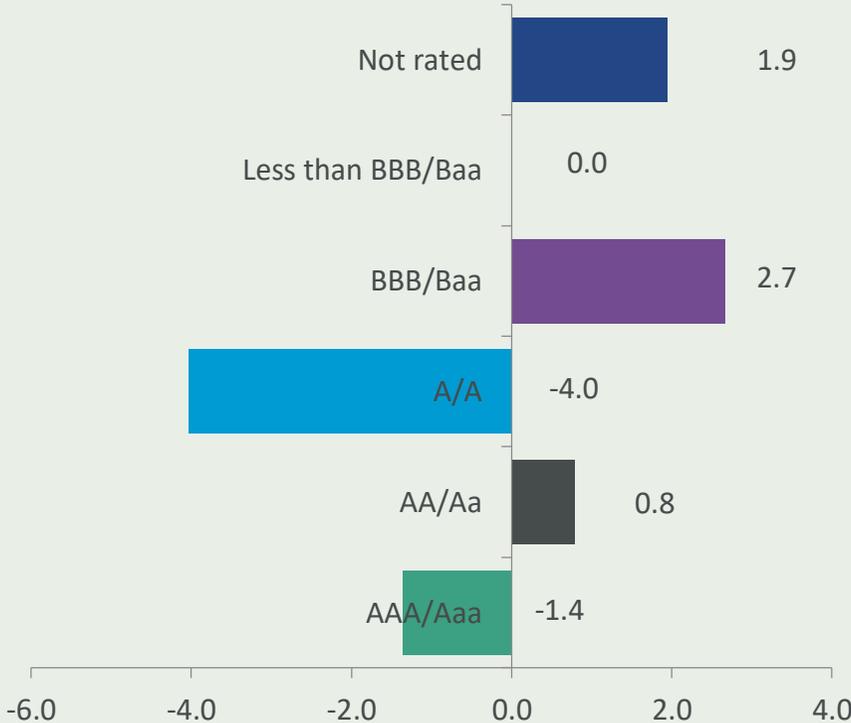
Sava Re Group rating profile

Increase in the percentage of non-rated investments is a result of:

- larger balance of cash and cash equivalents,
- inclusion of investments of Sava Penzisko and Energoprojekt Garant,
- alternative investments (infrastructure funds and infrastructure loans granted).



Structural shift 2018/2017 in p.p.



Investment income by type

(€ million)	2017	2018	Absolute change 2018 – 2017
Income			
Interest income	18.6	16.5	-2.1
Change in fair value and losses on disposal of FVPL assets	0.2	0.2	0.0
Gains on disposal of other IFRS asset categories	3.1	2.3	-0.9
Income from dividends of other investments	1.1	1.4	0.2
Exchange gains	4.2	6.4	2.2
Other income	0.7	1.3	0.7
Total income	28.0	28.0	0.1
Total income, excluding exchange differences	23.8	21.6	-2.1

Interest income

Interest income declined by €2.1 million year on year because of the low-interest-rate environment and maturing debt securities with higher yields.

Exchange gains

The foreign exchange rates that the liabilities and investments of Sava Re are denominated in moved in the other direction than one year earlier, resulting in a €2.2 million rise in income; still there was only a minor effect on the result (€0.2 million) owing to asset and liability matching measures.

Income from investment property is shown under other income.

The income relating to the investment portfolio, excluding the effect of exchange differences, fell by €2.1 million year on year.

Investment expenses by type

(€ million)	2017	2018	Absolute change 2018 – 2017
Expenses			
Interest expenses	0.7	0.0	-0.7
Change in fair value and losses on disposal of FVPL assets	0.1	0.6	0.6
Losses on disposal of other IFRS asset categories	0.6	0.3	-0.3
Goodwill impairment and loss from investments in associates	0.0	0.2	0.2
Impairment losses on investments	0.3	1.9	1.6
Exchange losses	10.1	6.6	-3.6
Other	0.4	0.6	0.2
Total expenses	12.2	10.3	-2.0
Total expenses, excluding exchange differences	2.1	3.7	1.6

- **Interest expenses**

Interest expenses are lower by €0.7 million (interest expenses in 2017 relate to Sava Re's subordinated debt fully repaid in the first half of 2017).

- **Impairment losses on investments**

Increase of €1.6 million in impairment losses relating to financial instruments in portfolio equity securities (impairments on Sava Re investment portfolio)

- **Exchange losses**

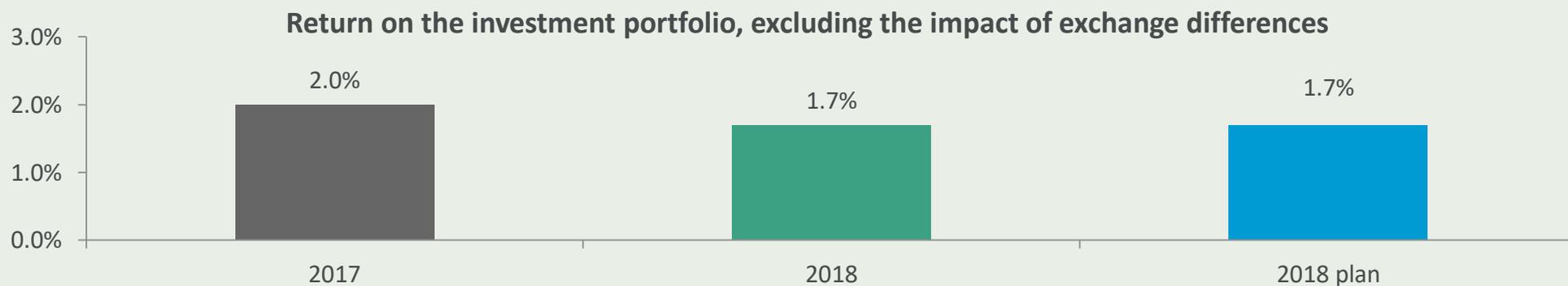
The foreign exchange rates that the liabilities and investments of Sava Re are denominated in moved in the other direction than in 2017, resulting in €3.6 million decline in expenses in this regard; still there was only a minor effect on the result (€0.2 million) owing to asset and liability matching measures.

- **Other**

Higher other expenses relating to depreciation of investment property

Net investment income of and return on the investment portfolio

(€ million)	2017	2018	Absolute difference 2018 – 2017
Net investment income relating to the investment portfolio	15.7	17.8	2.0
Net investment income of the investment portfolio, excluding exchange differences	21.7	17.9	-3.7
Return on the investment portfolio, excluding exchange differences	2.0%	1.7%	



In 2018, the Group's net investment income from its investment portfolio, excluding exchange differences, totalled €17.9 million, down €3.7 million year on year. Net investment income of the investment portfolio before impairment was €19.9 million.

The net investment income of investment property increased by €0.5 million year on year.

The realised investment return, excluding the effect of exchange differences, was 1.7% (2017: 2.0%). Investment return before impairment was 1.8%

Financial statements

Consolidated statement of financial position

(€)	31/12/2017	31/12/2018
Assets	1,708,348,067	1,705,947,263
Intangible assets	22,712,944	37,121,118
Property and equipment	45,438,014	42,893,432
Deferred tax assets	2,107,564	1,950,245
Investment property	15,364,184	20,643,019
Financial investments in associates	0	462,974
Financial investments	1,038,125,019	1,008,097,470
Funds for the benefit of policyholders who bear the investment risk	227,228,053	204,818,504
Reinsurers' share of technical provisions	30,787,241	27,292,750
Assets under investment contracts	129,622,131	135,586,965
Receivables	138,455,525	140,550,011
Deferred acquisition costs	18,507,194	19,759,234
Other assets	2,043,395	2,064,220
Cash and cash equivalents	37,956,119	64,657,431
Non-current assets held for sale	684	49,890
Equity and liabilities	1,708,348,067	1,705,947,263
Equity	316,116,895	340,175,455
Technical provisions	931,398,362	920,491,487
Technical provision for the benefit of life insurance policyholders who bear the investment risk	226,527,893	210,032,637
Other provisions	7,600,613	7,730,247
Deferred tax liabilities	5,781,494	3,529,235
Liabilities under investment contracts	129,483,034	135,441,508
Other financial liabilities	245,205	243,095
Liabilities from operating activities	60,598,188	54,736,601
Other liabilities	30,596,383	33,566,998

Consolidated income statement

(€)	2017	2018
Net earned premiums	470,865,993	504,669,701
Income from investments in associates	0	0
Investment income	27,446,915	26,802,161
Net unrealised gains on investments of life insurance policyholders who bear the investment risk	16,849,384	16,867,324
Other technical income	15,429,720	21,238,357
Other income	6,058,000	14,549,676
Net claims incurred	-296,103,320	-320,760,586
Change in other technical provisions	-2,179,849	13,207,584
Change in technical provisions for policyholders who bear the investment risk	-1,121,327	15,962,680
Expenses for bonuses and rebates	5,848	288,628
Operating expenses	-156,962,328	-178,131,437
Expenses for investments in associates and impairment losses on goodwill	0	-151,130
Expenses for financial assets and liabilities	-11,891,544	-9,604,451
Net unrealised losses on investments of life insurance policyholders who bear the investment risk	-8,256,416	-23,498,245
Other technical expenses	-17,486,080	-23,305,829
Other expenses	-2,774,013	-2,873,861
Profit/loss before tax	39,880,984	55,260,572
Income tax expense	-8,786,075	-12,248,723
Net profit/loss for the period	31,094,909	43,011,849

Statement of financial position – Sava Re d.d.

(€)	31/12/2017	31/12/2018
Assets	580,886,180	606,331,055
Intangible assets	807,011	892,724
Property and equipment	2,485,645	2,654,540
Deferred tax assets	1,238,826	1,867,370
Investment property	8,230,878	8,285,733
Financial investments in subsidiaries and associates	193,409,578	220,219,086
Financial investments	250,781,685	244,291,434
Reinsurers' share of technical provisions	20,073,571	21,437,221
Receivables	88,602,395	87,830,299
Deferred acquisition costs	7,778,499	7,821,932
Other assets	799,634	379,264
Cash and cash equivalents	6,678,458	10,651,452
Equity and liabilities	580,886,180	606,331,055
Equity	290,966,155	319,355,361
Technical provisions	232,639,163	234,173,078
Other provisions	351,250	376,521
Other financial liabilities	91,182	87,504
Liabilities from operating activities	54,404,921	49,185,680
Other liabilities	2,433,509	3,152,911

Income statement – Sava Re d.d.

(€)	2017	2018
Net earned premiums	130,864,620	133,740,178
Income from investments in subsidiaries and associates	26,136,830	33,558,455
Investment income	9,652,630	10,953,196
Other technical income	6,098,385	8,964,961
Other income	444,136	701,331
Net claims incurred	-78,583,967	-76,604,633
Change in other technical provisions	-158,608	-268,920
Expenses for bonuses and rebates	85,678	-811
Operating expenses	-43,113,125	-47,563,317
Expenses for investments in subsidiaries and associates	0	-4,020,539
Expenses for financial assets and liabilities	-10,551,329	-8,496,351
Other technical expenses	-5,876,562	-5,662,287
Other expenses	-234,824	-279,399
Profit/loss before tax	34,763,865	45,021,864
Income tax expense	-1,789,672	-3,154,368
Net profit/loss for the period	32,974,193	41,867,497

Disclaimer

Forward-looking statements

This document may contain forward-looking statements relating to Sava Re's expectations, plans or goals, which are based on assumptions made by Sava Re management. By their nature, forward-looking statements involve risk and uncertainty. As a result, actual developments, in particular performance, may differ materially from the expectations, plans and goals set out in this document; therefore, persons should not rely on forward-looking statements.

Duty to update

Sava Re assumes no obligation to adjust any forward-looking statements or other information contained in this document to future events or developments.