

PROUDLY ON TOP

2019 Triglav Group corporate video
available on website

<http://www.triglav.eu/en/investors/>



TRIGLAV GROUP

INVESTOR PRESENTATION

2019 UNAUDITED RESULTS

2019 figures in this document are unaudited. Disclosure of 2019 Annual report is planned on 31 March 2020.

MARCH 2020

2019 UNAUDITED RESULTS

FINANCIALS & INVESTMENTS



2019 KEY FINANCIALS¹

GROSS WRITTEN PREMIUM	PROFIT BEFORE TAX	COMBINED RATIO NON-LIFE
€ 1,184M	€ 100.9M	91.5%
GWP up 11% y-o-y	Increased by 4% y-o-y	91.8% in 2018
Growth on all markets: Slovenia: +10% Other markets: +12%	Primarily attributed to increased volume of business, underwriting discipline and higher returns on investment.	In lower range of its long term average target value i.e. around 95%
Growth in all insurance segments: Non-life: +10% Life & Pensions: +4% Health: +23%	€ 71.8M PBT from underwriting (+0.2% y-o-y). € 29.0M PBT from investment activities (+35% y-o-y).	

¹Unaudited



HIGHLIGHTS IN 2019

SOLID PERFORMANCE

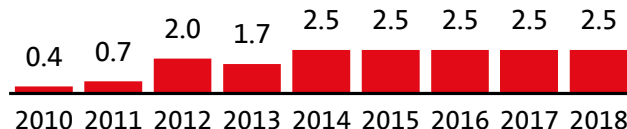
S&P Global
Ratings



PBT up by 4% y-o-y. GWP up by 11% y-o-y. “A” financial strength and credit ratings with a stable medium-term outlook.

70% DIVIDEND PAYOUT
7.5%¹ DIVIDEND YIELD
17.4%¹ TOTAL RETURN

Gross DPS
(in €; for year)



EXPANSION ACTIVITIES, NEW BUSINESS APPROACHES



Takeover of AM company, Triglav with leading position in Slovene mutual fund market.



Establishment of pension company in North Macedonia.

NEW BOND

Issue of 30.5-year subordinated bond (replacement of existing issued subordinated bond with maturity in 2020). *Total issue size € 50M, fixed annual interest rate 4.375% until the first call date in 2029. Traded on Luxembourg SE.*

CORPORATE GOVERNANCE

Appointment of David Benedek as member of MB, responsible for subsidiaries and investments, and 3 members of SB, employee representatives (expiration of term of office of existing members).

IN LINE WITH STRATEGIC GUIDELINES:

LONG-TERM STABLE AND PROFITABLE OPERATIONS & GREATER VALUE OF TRIGLAV GROUP. MAINTAINING „A“ CREDIT RATINGS.

ATTRACTIVE AND SUSTAINABLE DIVIDEND POLICY

LONG-TERM FOCUS ON THE EXISTING MARKETS. ORGANIC GROWTH, TAKEOVERS NOT EXCLUDED. NEW BUSINESS MODELS FOR ENTERING MARKETS OUTSIDE REGION.

CAPITAL MANAGEMENT, AIMED AT ENSURING OPTIMAL CAPITAL STRUCTURE AND ITS COST EFFECTIVENESS

FOCUS ON HIGH LEVEL OF CORPORATE GOVERNANCE

¹As at 31 Dec 2019



2019 PERFORMANCE AT A GLANCE

In € million

	2019	2018	Index
Gross written premium	1,184.2	1,068.4	111
Net premium income	1,027.6	951.8	108
Gross claims paid	716.7	679.6	105
Net claims incurred	684.1	626.6	109
Gross operating costs	305.3	288.8	106
Profit before tax	100.9	97.5	104
Net profit	83.9	80.8	104
Gross insurance technical provisions	2,878.9	2,713.1	106
Total equity	792.0	746.9	106
Number of employees	5,281	5,166	102
Expense ratio non-life	28.3%	29.3%	
Net claims ratio non-life	63.2%	62.5%	
Combined ratio non-life	91.5%	91.8%	

GWP up by 11% y-o-y, growth on all markets (In Slovenia 10%, in markets outside of Slovenia 12%.) and in all segments (Non-life +10%; Life & Pensions +4%; Health +23%).

Net premium income up by +8% y-o-y, net claims incurred up by +9% y-o-y.

PBT up by +4% y-o-y due to volume of business, underwriting discipline and higher returns on investment.

Equity up by 6% y-o-y, gross provisions up by 6 % y-o-y.

CoR in lower range of its long term average target value i.e. around 95% as result of improved expense ratio and relatively stable net claims ratio.



STRUCTURE OF PROFIT BEFORE TAX

In € million

CONSOLIDATED	2019					2018				
PBT FROM:	Non-life	Life & Pen.	Health	Total	In %	Non-life	Life & Pen.	Health	Total	In %
Underwriting activities	52.2	15.3	4.2	71.8	71%	51.2	17.8	2.6	71.6	77%
Investment activities ¹	23.3	4.9	0.8	29.0	29%	24.5	-3.7	0.7	21.6	23%
Insurance	75.5	20.2	5.0	100.8	100%	75.7	14.1	3.4	93.2	100%
Non-insurance ²				0.1					4.3	
Total PBT				100.9					97.5	

In € million

NON-CONSOLIDATED	2019					2018				
PBT FROM:	Non-life	Life & Pen.	Health	Total	In %	Non-life	Life & Pen.	Health	Total	In %
Underwriting activities	52.1	12.8	3.0	67.9	70%	50.6	15.9	1.0	67.5	75%
Investment activities ¹	23.5	5.0	0.6	29.2	30%	25.3	-3.6	0.5	22.3	25%
Insurance	75.7	17.8	3.6	97.1	100%	75.9	12.3	1.6	89.8	100%
Non-insurance ²				3.8					7.7	
Total PBT				100.9					97.5	

2019 CONSOLIDATED PBT:

RESULT FROM UNDERWRITING up by 0.2% y-o-y. Improved result of non-life insurance business (+2% y-o-y) and health insurance business (+60% y-o-y) mainly due to higher growth in net premium earned and lower growth in operating expenses. Result of life & pensions business down by -14% y-o-y due to lower result of subsidiaries (down by € 1.1M y-o-y) and positive one-off events in 2018. Other items of life insurance business are comparable to 2018 figures.

Despite lower interest income strong INVESTMENT RESULT (+35% y-o-y), mainly due to higher realised capital gains (EUR 4.9M) and lower growth of additional provisions (down by € 3.7M y-o-y).

¹ Life investment result net of guarantees and additionally formed mathematical reserves and other investment-related provisions.

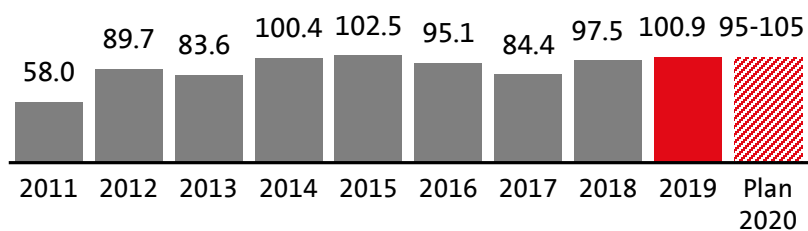
² PBT from non-insurance consists mainly from results of performance of Triglav AM company, Triglav real estate management company and holding company TINT.



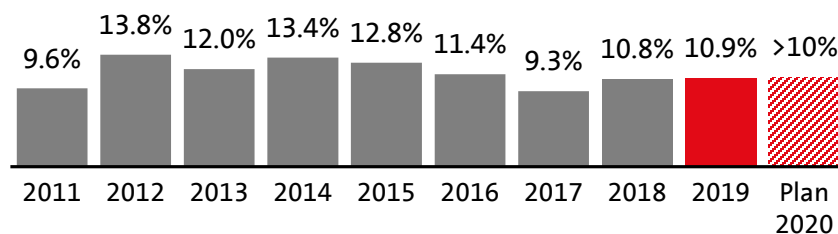
OUTLOOK 2020

Focus on long term profitability and safety of operations.

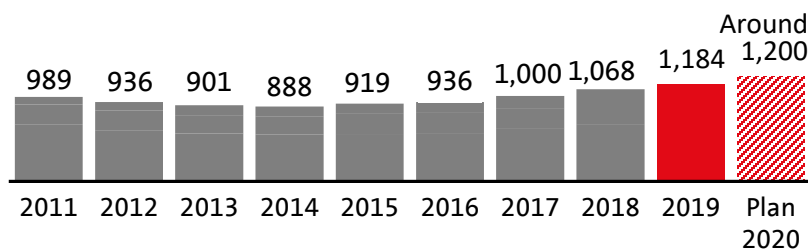
PROFIT BEFORE TAX (IN €M)



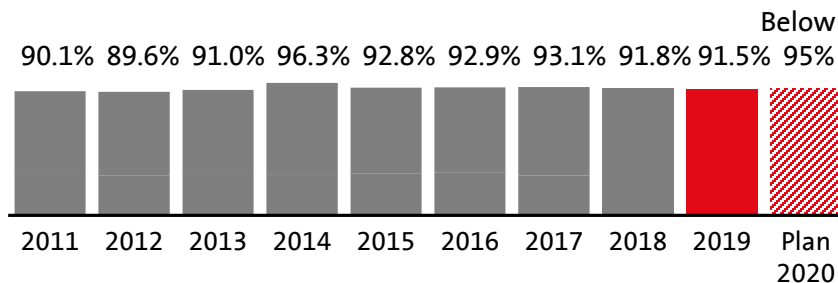
ROE



GROSS WRITTEN PREMIUM (IN €M)

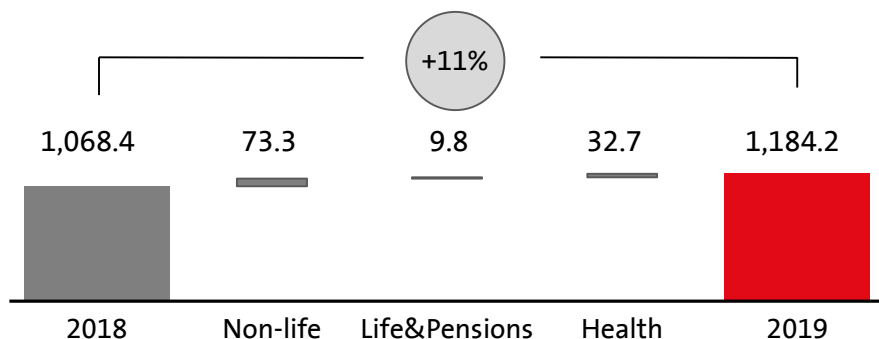


COMBINED RATIO NL



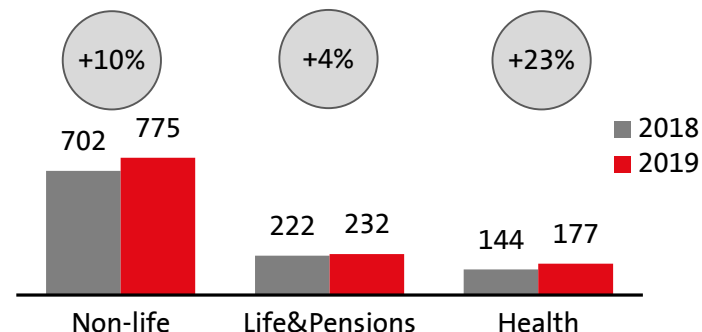
GWP GROWTH OF 11% Y-O-Y

GWP DEVELOPMENT FROM 2018 TO 2019 (in €M)

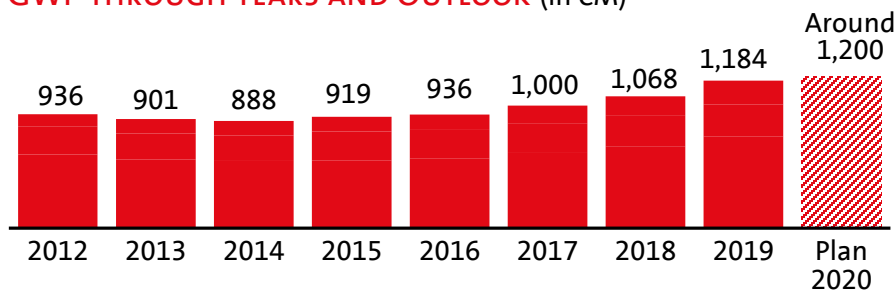


GWP GROWTH BY SEGMENTS

(GWP in €M; GWP growth y-o-y in %)



GWP THROUGH YEARS AND OUTLOOK (in €M)



Non-life: Growth in all insurance classes.

Life & Pensions: Stable topline in a challenging environment. Higher single premium payments, increased sale through bank sales channels.

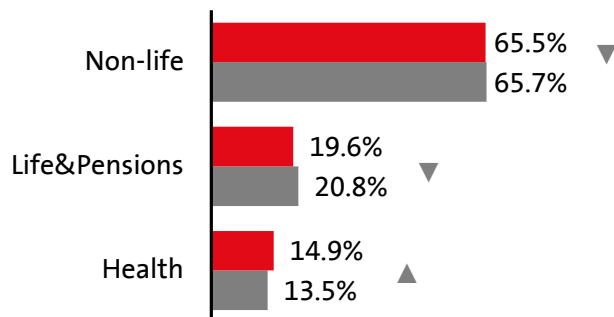
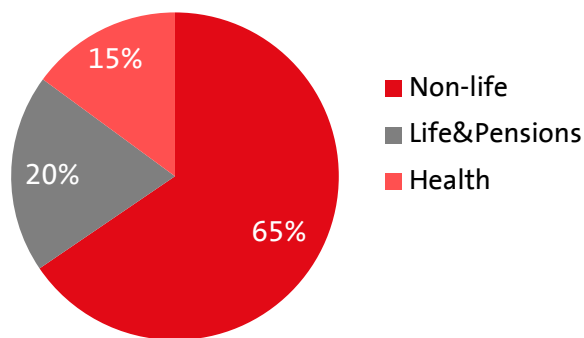
Health: Growth of supplemental health insur. premium (increased number of concluded policies and price increases). Successful marketing of additional health insurance products in and outside Slovenia.



GWP DIVERSIFICATION BY PRODUCTS

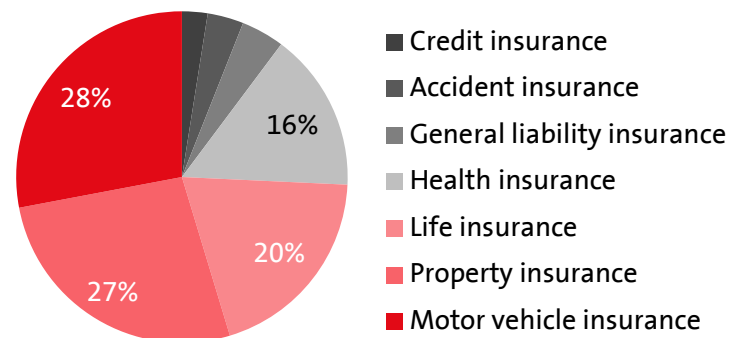
GWP BY MAIN INSURANCE SEGMENTS

Total (2019): € 1,184M



WELL BALANCED STRUCTURE OF GWP

Total (2019): € 1,184M



2019:

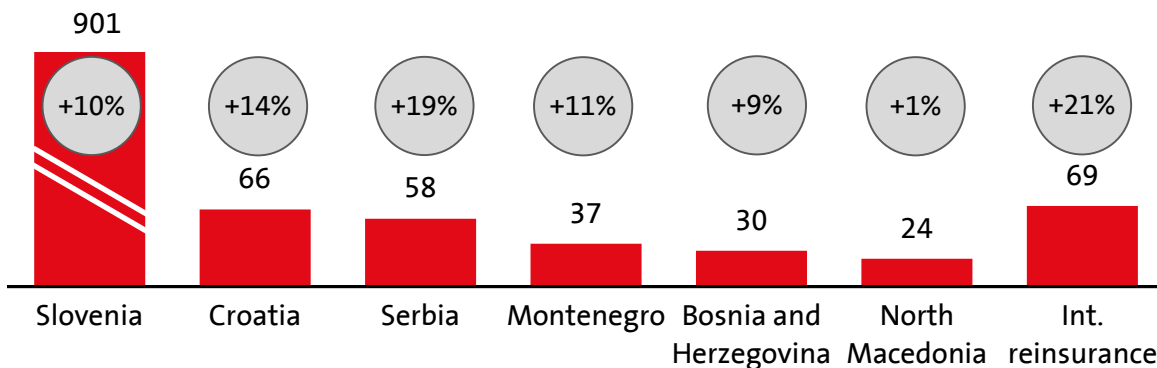
Upgrading product/service mix (i.e. cyber insurance for businesses), to be more flexible and understandable. Any identified risks (i.e. those related to climate change) is prudently managed in the processes.

Efficient and intensive sales activities. By using **omni-channel sales approach**, Triglav's efficient external sales network is complemented by external network, online sales and other external sales channels, particularly partnerships with banks and companies selling cars and providing telecommunication services.



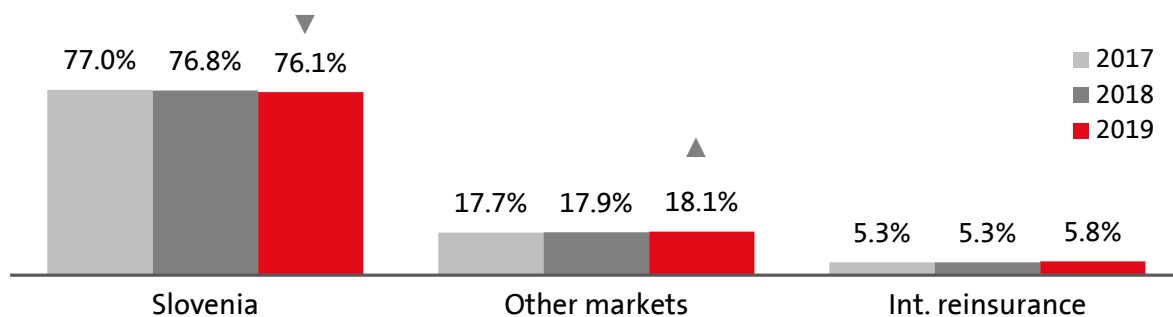
GWP DIVERSIFICATION BY MARKETS

2019 GWP BY MARKETS (GWP in €M; GWP growth y-o-y in %)



The average premium growth:
Slovene market +10% (market growth 8%)
Markets outside Slovenia +12%

GWP SHARE FROM OUTSIDE SLOVENIA CONSISTENTLY INCREASING (% GWP)



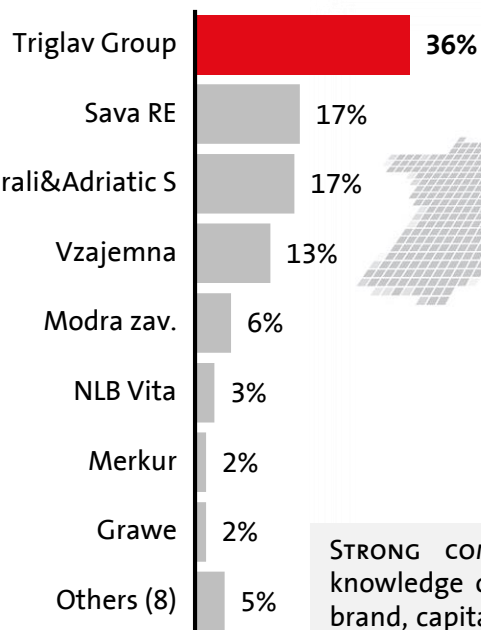
Increase of share of total GWP on markets outside Slovenia in line with strategic guidelines.



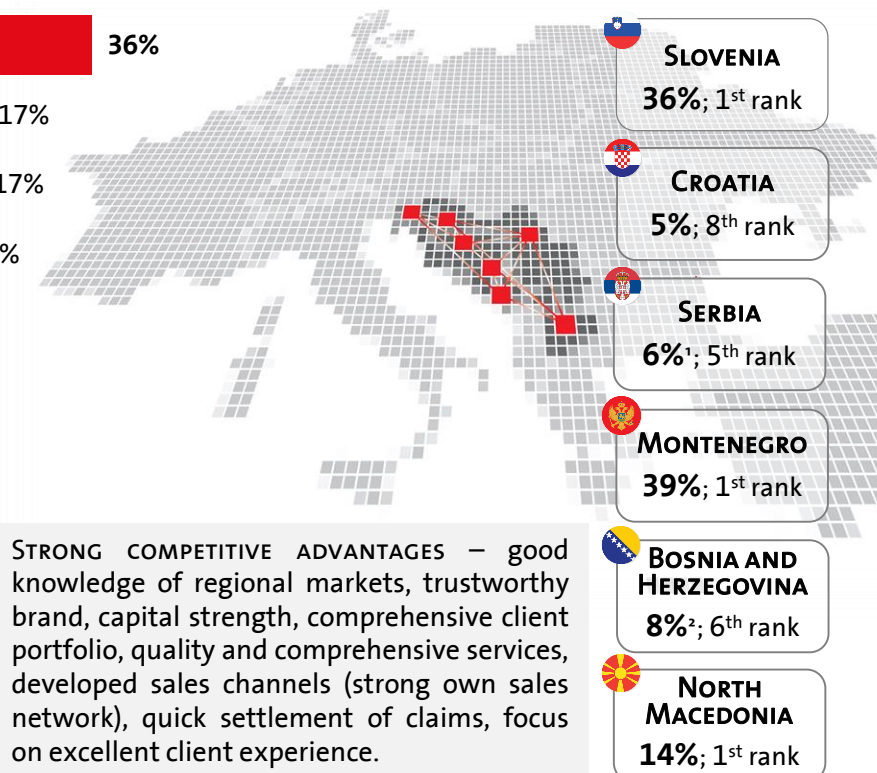
LEADING INSURANCE /FINANCIAL GROUP IN ADRIA REGION

Triglav Group with its 11 insurance companies further strengthened its market position by 0.2 percentage point to 20.2% (2018).

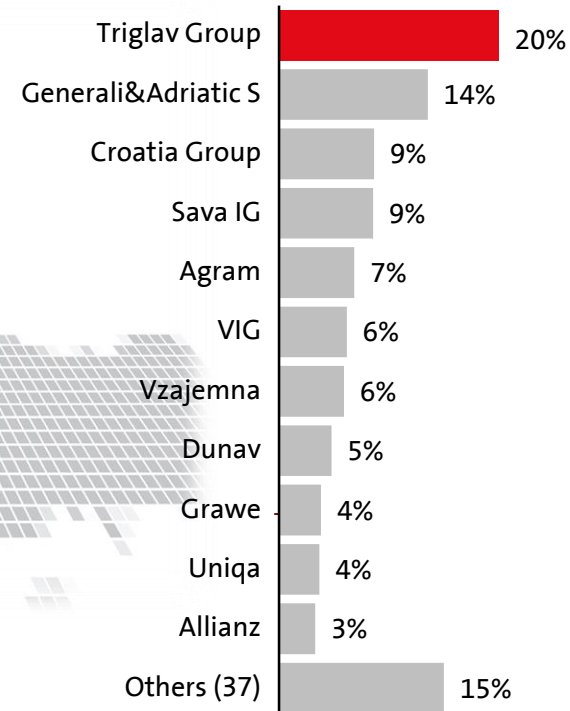
SLOVENIA (% market share; 2019)



POSITIONS ON MARKETS (% market share; 2019)



ADRIA REGION (% market share; 2018)



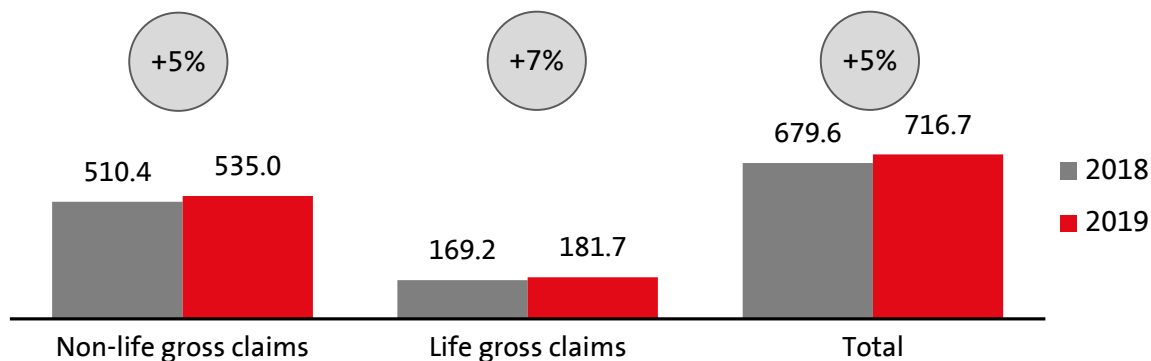
¹Q3 2019 ²H12019

Source: Calculation based on the data of regional regulators and insurance associations



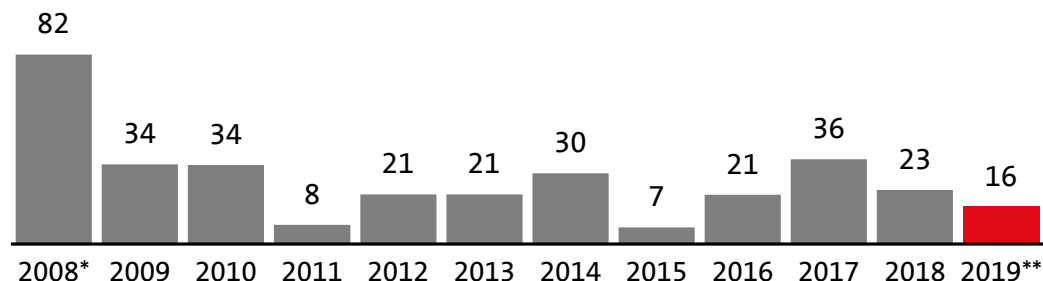
CLAIMS EXPERIENCE WITHIN EXPECTATIONS

GROSS CLAIMS PAID (IN €M, CHANGE IN %)



Gross claims paid up by +5% y-o-y due to increased business volume in past few years.

CAT LOSSES SINCE 2008¹ (IN €M; TRIGLAV RE'S NON-GROUP CAT LOSSES INCLUDED)



Most frequent CAT loss events are **flood, storm, hail and frost**. 2019 major CAT events (*estimated value*):

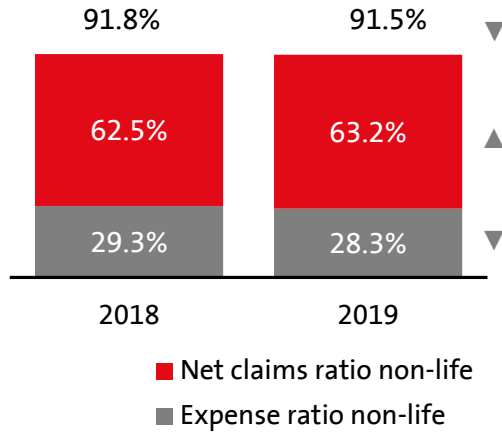
Hail storms in Slovenia in June and July (€ 8.3M); Triglav Re's claims due to hurricane in Bahamas and typhoons Faxai and Hagibis in Japan (€ 7.5M); February storm in Montenegro (€ 0.3M); June hail in North Macedonia (€ 0.2M).

*In 2008: Summer storms in Slovenia (over 35,000 claims) ** Estimated value

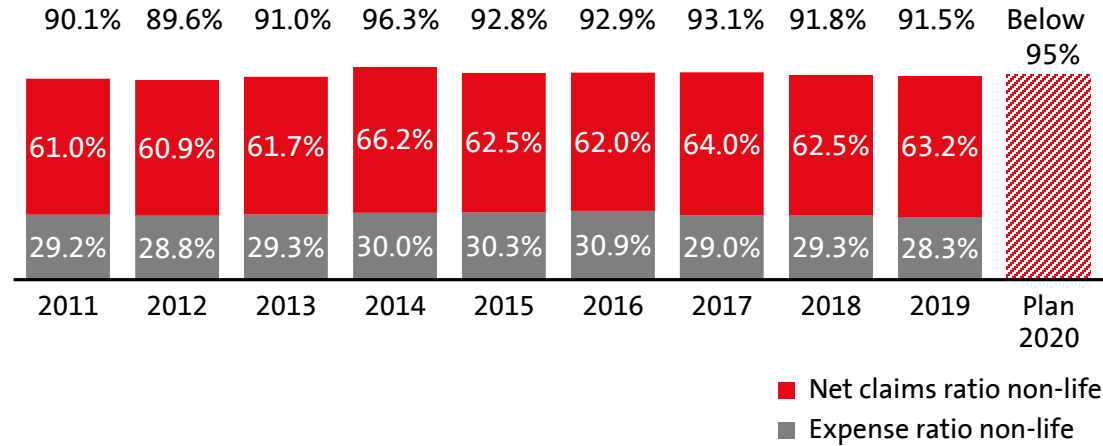


CONTINUED UNDERWRITING DISCIPLINE

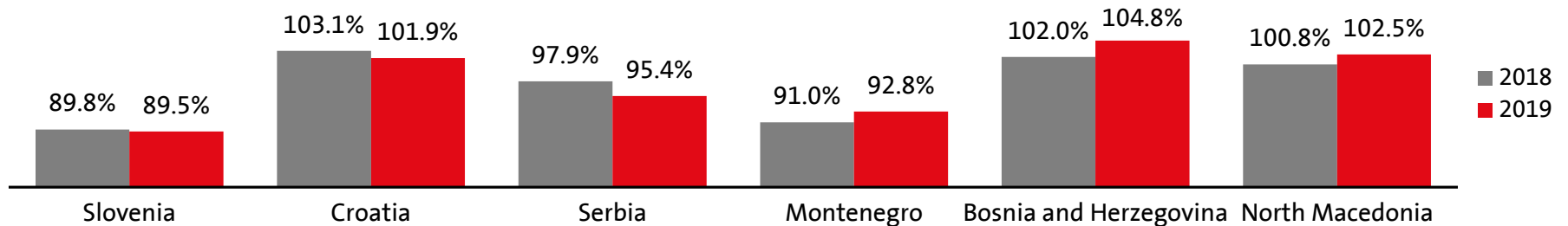
TRIGLAV GROUP COMBINED RATIO NL



STRATEGY: Average target combined ratio NL at around 95%

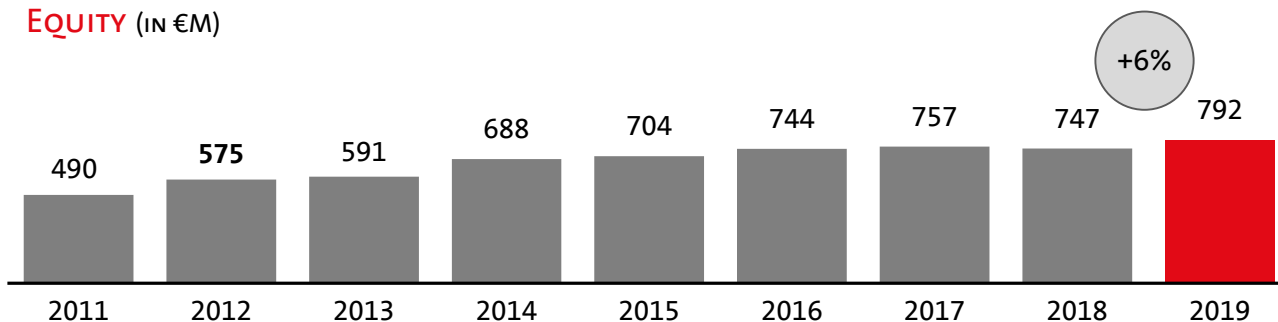


TRIGLAV GROUP COMBINED RATIO NL BY MARKETS

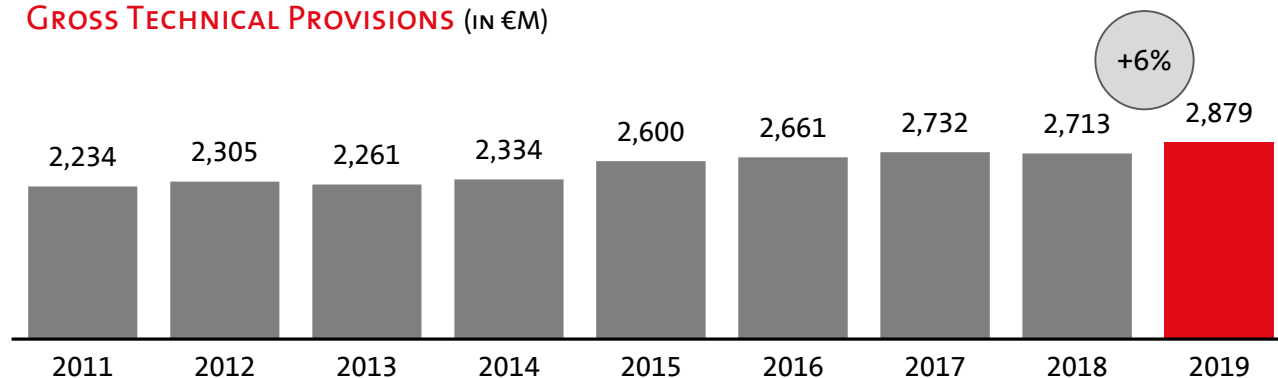


FINANCIAL STRENGTH, PRUDENT MANAGEMENT OF PROVISIONS

EQUITY (IN €M)



GROSS TECHNICAL PROVISIONS (IN €M)



High level of financial stability is reflected in total equity (up by +6% y-o-y) and gross insurance technical provisions (up by +6% y-o-o), both are firm guarantee for balanced operations and long-term safety of Triglav Group's clients.

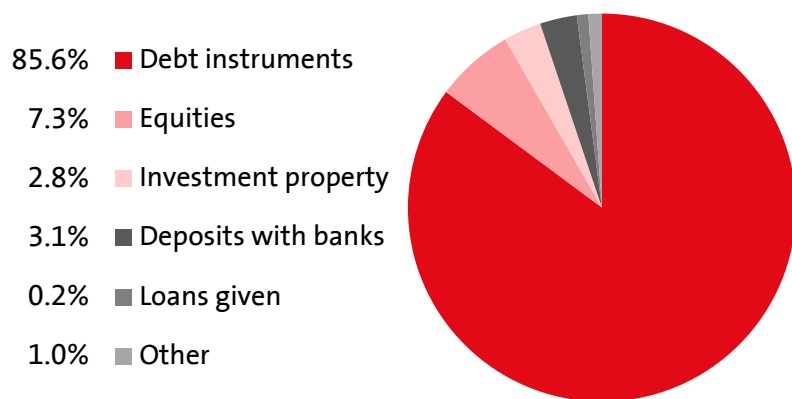


HIGH-QUALITY INVESTMENT PORTFOLIO

Asset allocation subject to ALM on portfolio basis and ERM principles (relatively conservative investment policy, focusing on investment security and liquidity governed by adequate profitability; key objective is to maintain a high overall rating of the whole investment portfolio).

ASSET ALLOCATION (2019)¹

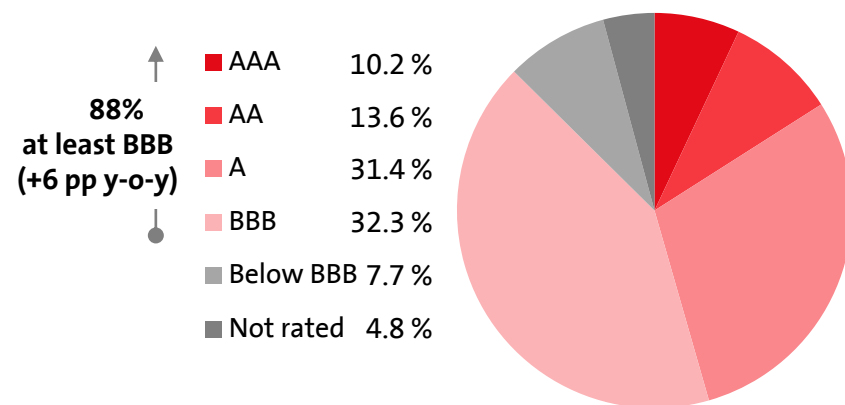
TOTAL: € 2,833M (+5% Y-O-Y)



¹ Unit-linked insurance contract investments excluded

DEBT INSTRUMENTS BY RATING (2019)

TOTAL: € 2,424M (+6% Y-O-Y)



55% with credit rating A or higher (+11 pp y-o-y) and 88% with credit rating at least BBB (+6 pp y-o-y), invested primarily in developed markets, which ensures adequate liquidity for Triglav Group.



TRIGLAV GROUP ASSET ALLOCATION

31Dec 2019	NON-LIFE & HEALTH ¹		LIFE & PENSIONS ¹		TOTAL	
	In €M	In %	In €M	In %	In €M	In %
Investment property	78.1	6%	1.9	0%	79.9	3%
Investments in associates ²	12.6	1%	0.5	0%	13.2	0%
Shares and other floating rate securities	119.1	10%	88.1	6%	207.2	7%
Debt and other fixed return securities	964.0	77%	1,460.0	93%	2,423.9	86%
Loans given	1.8	0%	3.4	0%	5.2	0%
Bank deposits	68.1	5%	20.3	1%	88.4	3%
Other financial investments	6.4	1%	0.3	0%	6.7	0%
Investments	1,250.0	100%	1,574.5	100%	2,824.5	100%
Financial investments of reinsurance companies in reinsurance contracts with cedents	8.6		0.0		8.6	
Unit-linked insurance contract investments	0.0		482.0		482.0	
Group financial investments	1,258.6		2,056.6		3,315.1	

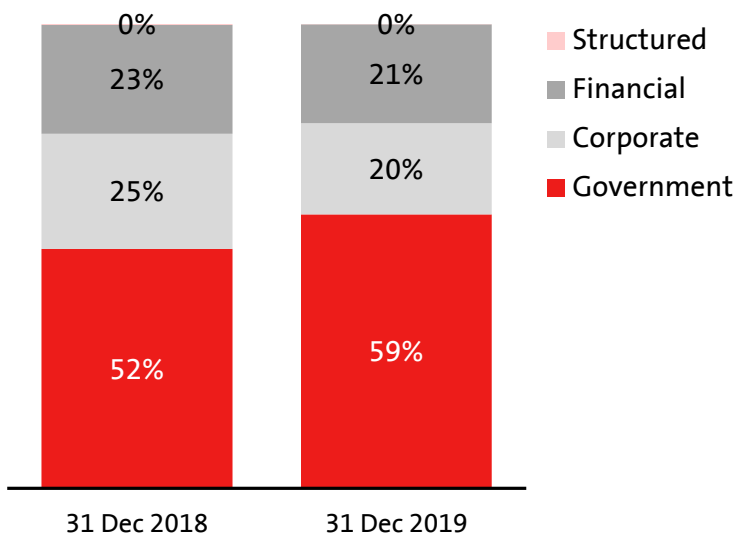
¹ Includes investments of own funds of the Group ² Investment in associates are mainly additional real estate exposure



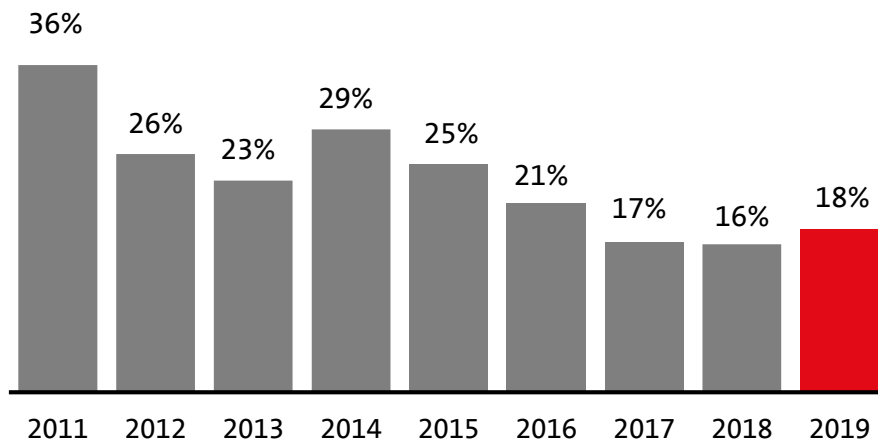
BOND PORTFOLIOS

BOND PORTFOLIO STRUCTURE BY TYPE OF ISSUERS

TOTAL: € 2,424M

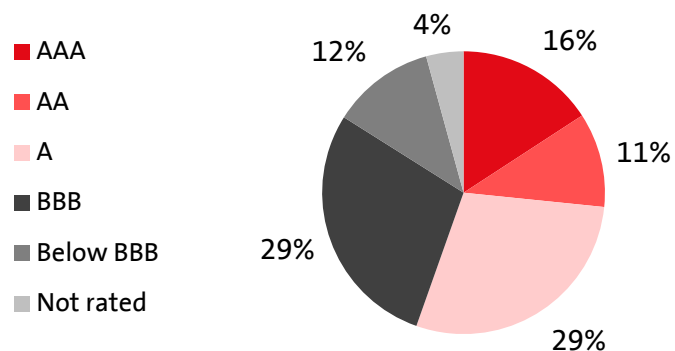


EXPOSURE TO SLOVENIAN BONDS IN TOTAL BONDS

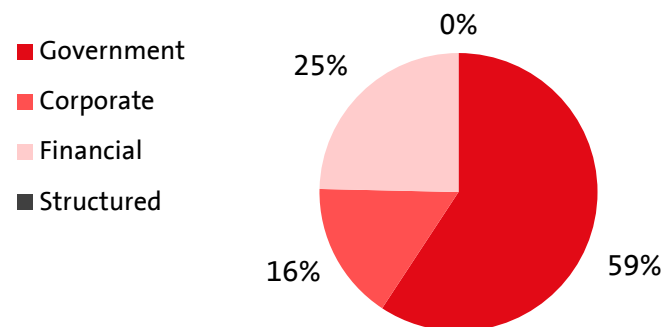


NON-LIFE AND HEALTH INVESTMENT PORTFOLIOS

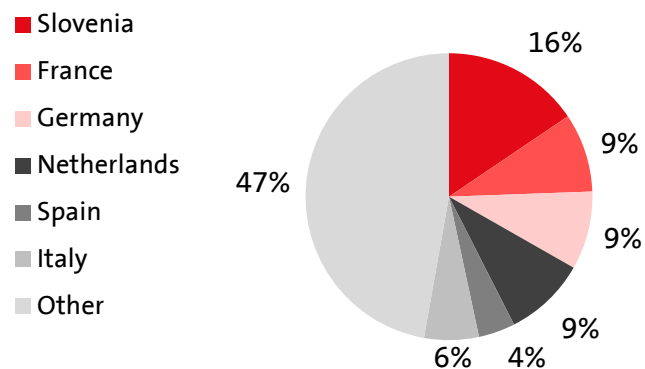
BONDS BY RATING



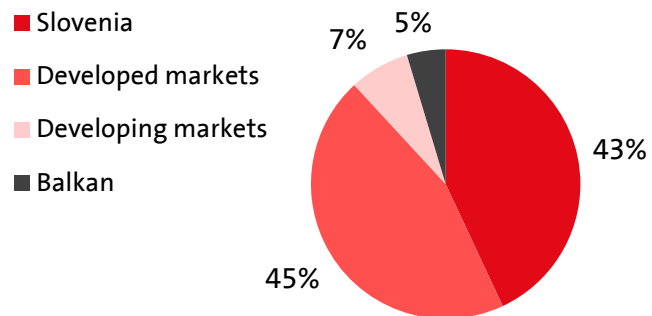
BONDS BY TYPE OF ISSUER



TOP BOND EXPOSURES BY COUNTRY

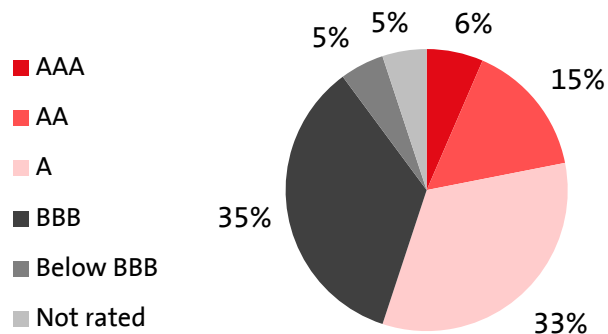


EQUITY EXPOSURES BY REGION

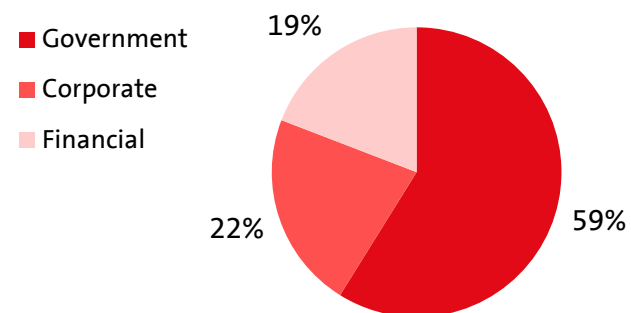


LIFE AND PENSIONS¹ INVESTMENT PORTFOLIOS

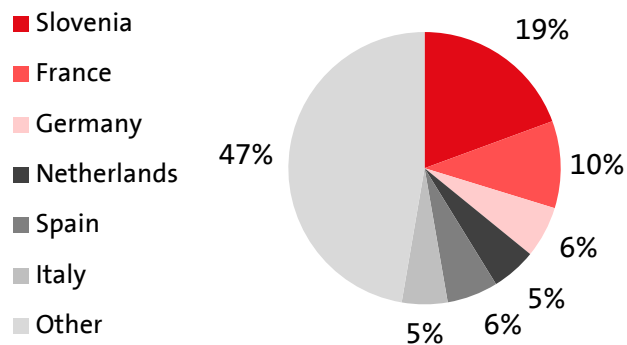
BONDS BY RATING



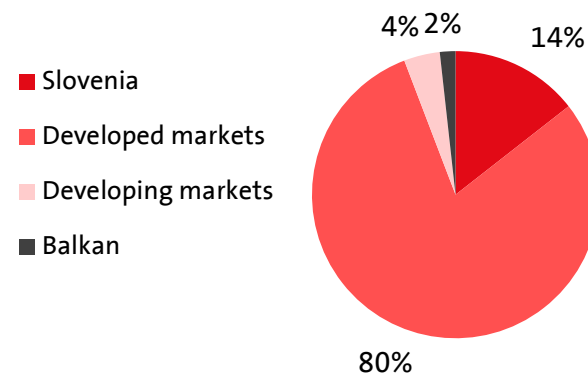
BONDS BY TYPE OF ISSUER



TOP BOND EXPOSURES BY COUNTRY



EQUITY EXPOSURES BY REGION



'Unit-linked investments excluded



MARKETS OF TRIGLAV GROUP



Triglav is the highest mountain in Slovenia and the highest peak of the Julian Alps (2,864 meters/9,396 ft).

SLOVENIA



ZAVAROVALNICA TRIGLAV

TRIGLAV, ZDRAVSTVENA
ZAVAROVALNICA

TRIGLAV, POKOJNINSKA DRUŽBA



Key figures (2019 Unaudited)

Gross written premium	▲	+10%	€ 912,9 M
Gross operating costs	▲	+5%	€ 204.2 M
Gross claims paid	▲	+5%	€ 577.9 M
Combined ratio	▼	-0.3 p.p.	89.5%
Market share*	▲	+0.3 p.p.	35.5%
Market position	●		1

Market development

Insurance penetration (2018)	5.1%
GWP (2019)	€ 2,570 M (+8.2%)
Insurance density (2018)	€ 1,133 per capita

Comment

GWP growth above the market.

Upward pressure on the acquisition costs.

**Market share by segments: 43% in non-life, 28% in life and 29% in health insurance.*

CROATIA



TRIGLAV OSIGURANJE, ZAGREB



Key figures (2019 Unaudited)

Gross written premium	▲	+14%	€ 65.8 M
Gross operating costs	▲	+12%	€ 23.7 M
Gross claims paid	▼	-5%	€ 42.1 M
Combined ratio	▼	-1.2 p.p.	101.9%
Market share	▲	+0.3 p.p.	4.6%
Market position	▲		8

Market development

Insurance penetration (2018)	2.6%
GWP (2019)	€ 1.422 M (+7.0%)
Insurance density (2018)	€ 324 per capita

Comment

Strong GWP growth above the market, in life insurance due to bancassurance.

Increased market share, improved combined ratio.

Focus on increasing profitability through improved underwriting and cost optimization initiatives (one time negative effects in 2019).

SERBIA



TRIGLAV OSIGURANJE, BELGRADE



Key figures (2019 Unaudited)

Gross written premium	▲	+19%	€ 58.1 M
Gross operating costs	●	0%	€ 21.1 M
Gross claims paid	▲	+24%	€ 22.6 M
Combined ratio	▼	-2.5 p.p.	95.4%
Market share (Q3 2019)	▲	+0.4 p.p.	6.4%
Market position (Q3 2019)	●		5

Market development

Insurance penetration (2018)	1.9%
GWP (Q3 2019)	€ 669 M (+5.9%)
Insurance density (2018)	€ 119 per capita

Comment

GWP growth above the market.

Increased market share, improved combined ratio.

Improved structure of GWP (share of motor vehicle insurance down by 4.7 pp y-o-y to 40.2%).

MONTENEGRO



LOVĆEN OSIGURANJE

LOVĆEN ŽIVOTNA OSIGURANJA



Key figures (2019 Unaudited)

Gross premium written	▲	+11%	€ 36.6 M
Gross operating costs	▼	-5%	€ 12.9 M
Gross claims paid	▼	-24%	€ 17.5 M
Combined ratio	▲	+1.8 p.p.	92.8%
Market share	▲	+0.8 p.p.	38.7%
Market position	●		1

Market development

Insurance penetration (2018)	1.9%
GWP (2019)	€ 95 M (+9.1%)
Insurance density (2018)	€ 140 per capita

Comment

Strong GWP growth in life insurance segment (bancassurance).
Focus on improving core operating profitability and cost efficiency.
Rebranding by using logo of Triglav.

BOSNIA AND HERZEGOVINA



TRIGLAV OSIGURANJE, SARAJEVO

TRIGLAV OSIGURANJE, BANJA LUKA



Key figures (2019 Unaudited)

Gross written premium	▲	+9%	€ 30.5 M
Gross operating costs	▲	+6%	€ 12.2 M
Gross claims paid	▲	+15%	€ 14.6 M
Combined ratio	▲	+2.8 p.p.	104.8%
Market share (H1 2019)	▼	-0.3 p.p.	7.7%
Market position (H1 2019)	●		6

Market development

Insurance penetration (2018)	2.2%
GWP (H1 2019)	€ 196 M (+6.7%)
Insurance density (2018)	€ 103 per capita

Comment

Solid growth of GWP, in life insurance due to bancassurance.

Decrease of market share due to new market participants.

Focus on profitability in a very challenging market environment, especially in Republika Srpska.

NORTH MACEDONIA



TRIGLAV OSIGURUVANJE, SKOPJE

TRIGLAV OSIGURUVANJE ŽIVOT,
SKOPJE



Key figures (2019 Unaudited)

Gross written premium	▲	+1%	€ 23.7 M
Gross operating costs	▼	-1%	€ 8.0 M
Gross claims paid	▼	-12%	€ 10.4 M
Combined ratio	▲	+1.7 p.p.	102.5%
Market share	▼	-0.7 p.p.	13.8%
Market position	●		1

Market development

Insurance penetration (2018)	1.5%
GWP (2019)	€ 172 M (+6.6%)
Insurance density (2018)	€ 78 per capita

Comment

Introduction of life insurance products through newly established life insurance company Triglav Osiguruvanje Život.

Focus on health insurance, where the company recorded high GWP growth and marketing of new insurance products.

Decrease of total GWP due to intentional termination of some insurance contracts.

Establishment of pension insurance company Triglav penzisko društvo Skopje.

DISCLAIMER

THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN HAS BEEN PREPARED BY TRIGLAV CORPORATE OFFICERS. ZAVAROVALNICA TRIGLAV, D.D., OR ANY MEMBER OF TRIGLAV GROUP, OR ANY ZAVAROVALNICA TRIGLAV EMPLOYEE OR REPRESENTATIVE ACCEPTS NO RESPONSIBILITY FOR THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN OR OMITTED HERE FROM, AND WILL NOT BE LIABLE TO ANY THIRD PARTY FOR ANY REASON WHATSOEVER RELATING TO THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN OR OMITTED HERE FROM. SUCH INFORMATION, STATEMENTS OR DATA MAY NOT BE PREPARED ACCORDING TO THE SAME STANDARDS AND REQUIREMENTS THAN THE INFORMATION, STATEMENTS OR DATA INCLUDED IN TRIGLAV'S OWN REPORTS AND PRESS RELEASES ARE PREPARED TO, AND ACCORDINGLY THE LEVEL OF INFORMATION AND MATERIALITY AND NATURE OF THE DISCLOSURES MAY BE DIFFERENT. UNDUE RELIANCE SHOULD NOT BE PLACED ON THE INFORMATION, STATEMENTS OR DATA CONTAINED HEREIN BECAUSE THEY ARE SUBJECT TO KNOWN AND UNKNOWN RISKS AND UNCERTAINTIES AND CAN BE AFFECTED BY OTHER FACTORS THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR IMPLIED IN SUCH INFORMATION, STATEMENTS OR DATA. MOREOVER, THE INFORMATION, STATEMENTS AND DATA CONTAINED HEREIN HAVE NOT BEEN, AND WILL NOT BE, UPDATED OR SUPPLEMENTED WITH NEW OR ADDITIONAL INFORMATION, STATEMENTS OR DATA.

