

## 5. Other Information

### 5.1 Fair value of assets and liabilities

#### 5.1.1 Fair value hierarchy

In measuring financial assets at fair value Zavarovalnica Triglav applied the following fair value hierarchy:

- Level 1: value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (stock exchange quotations and listings provided by third parties e.g. Bloomberg). The fair value is determined purely on the basis of directly observable data and without using any indirectly observable data, whereby the share of binding listings must be at least 90% and at least three binding listings not older than one day must be available.
- Level 2: value measurement less than entirely based on quoted prices for the asset or liability. Fair value measurements may be based on indirectly observable inputs, i.e. data derived from prices of comparable financial instruments, but only up to a strictly limited percentage (10%).
- Level 3: value measurement based on prices that do not meet the standards for Level 1 or Level 2. The percentage of unobservable inputs used in value measurement models is considerable.

The tables below show financial assets and liabilities carried at fair value, classified according to the fair value hierarchy.

## Triglav Group

					in EUR
<b>As at 31 December 2017</b>	<b>Measurement date</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets - measured at fair value</b>					
Equity securities	31 Dec 2017	197,120,385	0	37,121,010	234,241,394
Debt securities	31 Dec 2017	250,059,051	1,755,009,165	0	2,005,068,216
Derivative financial instruments	31 Dec 2017	0	1,870,633	0	1,870,633
Unit-linked insurance assets	31 Dec 2017	387,546,784	58,353,132	0	445,899,916
Investments in associates	31 Dec 2017	0	0	6,449,324	6,449,324
<b>Assets - fair value disclosed</b>					
Land and buildings for insurance activities	31 Dec 2017	0	0	98,018,275	98,018,275
Land and buildings for investment activities	31 Dec 2017	0	0	96,935,268	96,935,268
Debt securities (HTM)	31 Dec 2017	14,525,495	255,144,404	0	269,669,899
Deposits with banks	31 Dec 2017	0	79,557,101	0	79,557,101
Loans given	31 Dec 2017	0	31,640,230	0	31,640,230
Debt securities (L&R)	31 Dec 2017	0	12,536,687	0	12,536,687
<b>Liabilities - fair value disclosed</b>					
Subordinated bonds	31 Dec 2017	0	17,010,568	0	17,010,568

					in EUR
<b>As at 31 December 2016</b>	<b>Measurement date</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets - measured at fair value</b>					
Equity securities	31 Dec 2016	227,496,286	0	26,569,975	254,066,261
Debt securities	31 Dec 2016	298,016,789	1,580,719,222	0	1,878,736,011
Derivative financial instruments		0	1,423,429	0	1,423,429
Unit-linked insurance assets	31 Dec 2016	368,826,193	84,728,138	0	453,554,331
Investments in associates	31 Dec 2016	0	0	6,826,400	6,826,400
<b>Assets - fair value disclosed</b>					
Land and buildings for insurance activities	31 Dec 2016	0	0	100,936,975	100,936,975
Land and buildings for investment activities		0	0	95,095,996	95,095,996
Debt securities		13,676,111	270,180,097	0	283,856,208
Deposits with banks	31 Dec 2016	0	88,205,953	0	88,205,953
Loans given	31 Dec 2016	0	35,100,132	0	35,100,132
<b>Liabilities - fair value disclosed</b>					
Subordinated bonds	31 Dec 2016	0	19,160,879	0	19,160,879

## Zavarovalnica Triglav

					in EUR
<b>As at 31 December 2017</b>	<b>Measurement date</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets - measured at fair value</b>					
Equity securities	31 Dec 2017	102,967,036	0	32,816,954	135,783,990
Debt securities	31 Dec 2017	203,481,330	1,261,439,801	0	1,464,921,131
Derivative financial instruments	31 Dec 2017	0	1,870,633	0	1,870,633
Unit-linked insurance assets	31 Dec 2017	358,877,558	54,581,098	0	413,458,656
Investments in associates	31 Dec 2017	0	0	10,002,046	10,002,046
<b>Assets - fair value disclosed</b>					
Land and buildings for insurance activities	31 Dec 2017	0	0	61,295,538	61,295,538
Land and buildings for investment activities	31 Dec 2017	0	0	56,108,712	56,108,712
Debt securities (HTM)	31 Dec 2017	14,525,495	195,238,066	0	209,763,561
Deposits with banks	31 Dec 2017	0	39,763,387	0	39,763,387
Loans given	31 Dec 2017	0	47,398,346	0	47,398,346
Debt securities (L&R)	31 Dec 2017	0	6,972,376	0	6,972,376
<b>Liabilities - fair value disclosed</b>					
Subordinated bonds	31 Dec 2017	0	22,676,360	0	22,676,360

					in EUR
<b>As at 31 December 2016</b>	<b>Measurement date</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets - measured at fair value</b>					
Equity securities	31 Dec 2016	130,447,648	0	9,223,701	139,671,350
Debt securities	31 Dec 2016	246,621,546	1,173,402,676	0	1,420,024,222
Derivative financial instruments	31 Dec 2016	0	1,423,429	0	1,423,429
Unit-linked insurance assets	31 Dec 2016	344,987,269	82,804,103	0	427,791,372
Investments in associates	31 Dec 2016	0	0	9,503,046	9,503,046
<b>Assets - fair value disclosed</b>					
Land and buildings for insurance activities	31 Dec 2016	0	0	63,092,680	63,092,680
Land and buildings for investment activities	31 Dec 2016	0	0	50,351,528	50,351,528
Debt securities	31 Dec 2016	9,401,400	205,112,271	0	214,513,671
Deposits with banks	31 Dec 2016	0	45,407,951	0	45,407,951
Loans given	31 Dec 2016	0	45,915,389	0	45,915,389
<b>Liabilities - fair value disclosed</b>					
Subordinated bonds	31 Dec 2016	0	23,970,102	0	23,970,102

### 5.1.2 Fair value assessment techniques

Value assessment techniques and inputs used to the development of these techniques are presented below.

Financial investment type	Value assessment method	Material parameters	Parameter weight applied	Fair value
<b>EXTERNAL APPRAISERS (market operator)</b>				
Debt securities - composite	Stochastic model, HW1f and HW2f network models	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, interest rate volatility, correlation matrix, volatility indices		Level 2
Equity securities – compound with exposure to stock markets	Stochastic model	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, interest rate volatility, volatility indices		Level 2
Derivatives	Black-Scholes model	Index volatility		Level 2
<b>BLOOMBERG BVAL</b>				
Debt securities – companies, financial institutions and government	Cash flow discounting according to amortisation schedule	EUR SWAP interest rate curve, issuer credit spreads, comparable issuer credit spreads, indicative listings		Level 2
<b>INTERNAL APPRAISERS</b>				
Debt securities - government	Cash flow discounting according to amortisation schedule	Republic of Slovenia interest rate yield curve	1y: -0.4699%. 2y: -0.4071%. 3y: -0.2778%. 4y: -0.2281%. 5y: -0.0732%. 6y: 0.0625%. 7y: 0.2752%. 8y: 0.5668%. 9y: 0.8166%. 10y: 0.9534%; credit spreads between 0% and 1.1%	Level 2
Debt securities - companies and financial institutions <sup>121</sup>	Cash flow discounting according to amortisation schedule	Republic of Slovenia interest rate yield curve, issuer credit spreads	1y: -0.4699%. 2y: -0.4071%. 3y: -0.2778%. 4y: -0.2281%. 5y: -0.0732%. 6y: 0.0625%. 7y: 0.2752%. 8y: 0.5668%. 9y: 0.8166%. 10y: 0.9534%; credit spreads between 0.81% and 2.34%	Level 2
Equity securities	Cash flow discounting	g (growth rate during constant growth period)	2%	Level 3
		EBIT margin (constant growth period)	36.00%	
		Discount rate	12.60%	
		Lack of marketability discount	10%-23%	
Equity investment in associates	NAV method	Real property price changes		Level 3
	Cash flow discounting	g (growth rate during constant growth period)	2%	
		Net margin (constant growth period)	3.20% - 3.46%	
		Discount rate	8.8% - 11.80%	
		Lack of marketability discount	3.5% - 30.00%	

<sup>121</sup> Also applied to valuation of subordinated ZT02 bonds.

### 5.1.3 Financial assets classified into Level 3

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
<b>Value as at 1 January</b>	<b>26,569,975</b>	<b>27,715,790</b>	<b>18,726,749</b>	<b>16,882,997</b>
Purchases	9,659,494	884,320	23,755,445	1,047,017
Disposals	-312,926	-551,740	-288,197	-551,740
Revaluation through profit or loss	-210,612	-868,107	-200,000	-989,437
Revaluation in other comprehensive income	896,458	63,240	825,005	2,337,911
Transfers from/to other levels	511,320	-678,694	0	0
Foreign exchange differentials	7,300	5,166	0	0
<b>Value as at 31 December</b>	<b>37,121,010</b>	<b>26,569,975</b>	<b>42,819,002</b>	<b>18,726,749</b>

In 2017, the sale of financial assets classified to valuation level 3 generated:

- an increase due to the acquisition of stakes in Geoplin d.o.o. and Plinhold d.o.o. (acquisition of stakes due to the winding down of Salnal d.o.o.) in the amount of EUR 14.5 million. The said transaction has no effect on the value and movement of assets classified into level 3 in consolidated financial statements. The remaining part of the increase largely relates to the acquisition of stakes in alternative investment funds in the amount of EUR 8.7 million;
- an increase resulting from revaluation in other comprehensive income due to the revaluation of investments in alternative investment funds and investments in Elektro Primorska d.d., Hoteli Bernardin d.d. and Erste d.o.o., družba za upravljanje z obveznimi in prostovoljnimi pokojninskimi skladi;
- a decrease due to the impairment of the stake in Nervteh d.o.o. in the amount of EUR 200 thousand.

#### 5.1.4 Sensitivity analysis of non-marketable equity securities

Sensitivity analysis of financial assets, classified in Level 3 is disclosed below. In analysis Zavarovalnica Triglav includes equity investment in associates. The sensitivity analysis shows the level of increase or decrease in the fair value of Level 3

equity financial assets in case of differently applied assumptions that are not based on available market data. The sensitivity analysis considered a median scenario of value appraisals.

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Non-marketable assets (Level 3)	37,121,010	26,569,975	32,816,954	9,223,701	
Estimated value deviation-/+	-1,716,787/+2,732,808	-900,000/+2,600,000	-1,470,158/+2,444,736	-558,000/+2,320,000	
Equity investment in associates	6,449,324	6,826,400	10,002,047	9,503,047	
Estimated value deviation-/+	-986,755/+241,515	n/a	-798,989/53,749	-1,340,000/+1,350,000	

In the discounted cash flow method, the assumptions of +/-1% of the cost of capital (WACC) and +/-0.5% of growth rate (g) were taken into account. In non-marketable assets, +/-10% of the change in asset value was taken into account in the calculation of deviation.

In appraising the value of the associate Nama d.d., Ljubljana, an estimate of the company's value was made using the discounted cash flow method and the net asset value method under the assumption of regular liquidation of commercial

activity and the continued activity of leasing investment properties. Under the first method, the value of investment amounted to EUR 4,847,786 (current use of financial asset), while under the second method it was valued at EUR 9,464,548 (highest and best use of financial asset). For accounting purposes, the value under the net asset value method was used, which differs from the current use of financial asset; however, the applicable strategy also provides for such use of asset as one of available options.

#### 5.1.5 Reclassification of financial assets between levels

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Reclassification from level 1 to level 2	149,304,417	287,624,469	128,173,380	126,348,358	
Reclassification from level 2 to level 1	104,823,713	149,473,959	92,900,869	136,506,888	

In 2017, the method of measuring fair value did not change. Reclassifications between levels were a result of market factors. At the end of 2017, some financial assets showed greater liquidity and depth of the market than at the end of 2016, thus meeting the requirements for classification to level 1. One part of financial

assets no longer fulfilled the conditions to be classified to level 1 of the fair value hierarchy and was reclassified to level 2. Reclassification between levels has no impact on fair value.

### 5.1.6 Reclassification of financial assets between categories

In 2017, a reclassification of financial assets was carried out from the category »Loans and Receivables« into the category »Available-for-sale Financial Assets«.

	in EUR	
Reclassifications from L&R to AFS	Triglav Group	Zavarovalnica Triglav
Date of reclassification	1 October 2017	-
Amount of reclassified financial assets (in EUR)	31,448,995	-
Effective interest rate at the date of reclassification	6.33%	-
Carrying amount of reclassified assets as at 31 December	33,563,579	-
Fair value of reclassified assets as at 31 December	33,563,579	-
Impact on comprehensive income if not reclassified	-1,930,661	-

The table below shows the effects of reclassifications made in previous years.

	in EUR	
Reclassifications from AFS to HTM	Triglav Group	Zavarovalnica Triglav
Date of reclassification	1 July 2008	1 July 2008
Amount of reclassified financial assets (in EUR)	73,746,981	73,746,981
Effective interest rate at the date of reclassification	5.8%	5.8%

	in EUR			
Reclassifications from AFS to HTM	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Carrying amount of reclassified assets as at 31 December	40,197,738	42,405,675	-	23,473,374
Fair value of reclassified assets as at 31 December	46,674,250	50,312,190	-	29,000,745
Impact on comprehensive income if not reclassified	4,355,278	5,527,372	-	5,527,372
Estimated cash flows	29,162,297	30,784,182	-	29,639,018

## 5.2 Additional notes to the cash flow statement

Cash flows from operating activities are prepared on the basis of the indirect method. Income and expenses in profit or loss are adjusted for the effects of transactions of a non-cash nature (impairments, changes in insurance technical provisions, deferred income and expenses) and for items of income and expenses related to cash flows from investing and financing activities. In the calculation of net cash flows from operating activities, changes in assets and liabilities during the period are taken into account.

Cash flow from financing activities is prepared based on actual payments. The amount of dividend payments in the cash flow statement differs from that disclosed in the statement of changes in equity by the amount of unpaid dividends.

The consolidated cash flow statement is composed of the combined cash flows of all Triglav Group companies, taking into account intercompany eliminations.

### 5.3 Amounts spent on auditors

The audit of separate and consolidated financial statements for 2017 was performed by the auditing company Ernst&Young, Revizija, poslovno svetovanje d.o.o., Ljubljana. The audit of financial statements of individual Group members was also performed by Ernst & Young, except for Triglav Osiguranje, a.d.o., Belgrade (KPMG), Triglav Osiguruvanje, a.d., Skopje (PwC) and Triglav Skladi, d.o.o., Ljubljana (BDO). The amounts, paid for auditing services were as follows:

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Auditing of the Annual Report	398,864	384,852	114,680	118,828
Other auditing services	37,020	175,685	0	175,685
Other assurance services	610	62,397	610	610
Other non-auditing services	61,648	9,052	61,648	0
<b>TOTAL</b>	<b>498,142</b>	<b>631,986</b>	<b>176,938</b>	<b>295,123</b>





## Transactions with associates

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
<b>ASSETS</b>				
Stakes and shares	6,449,324	6,826,400	10,002,047	9,503,047
Insurance premium receivables from policyholders	1,485	800	994	364
Other short-term receivables	0	18,100	0	18,100
<b>LIABILITIES</b>				
Liabilities to agents and brokers	18,443	22,008	18,068	20,919
Other liabilities form insurance operations	270,103	0	0	0
Liabilities for re-insurance premiums	42,320	0	0	0
Other short-term liabilities	785	436	0	0
Accrued costs and expenses	331	60	0	0

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
<b>INCOME AND EXPENSES</b>				
Gross written premium	36,405	35,277	31,172	32,866
Income from dividends and stakes	0	0	171,405	62,153
Income from disposal of financial assets	0	0	0	0
Other income	0	0	0	0
<b>TOTAL INCOME</b>	<b>36,405</b>	<b>35,277</b>	<b>202,577</b>	<b>95,019</b>
Gross claims settled	3,811	20,628	3,811	20,628
Acquisition costs	8,227	16,083	0	0
Other operating expenses	35	0	0	0
<b>TOTAL EXPENSES</b>	<b>12,073</b>	<b>36,711</b>	<b>3,811</b>	<b>20,628</b>

## Transactions with shareholders and shareholder-related companies

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
<b>ASSETS</b>				
Stakes and shares	16,208,433	10,829,436	17,873,045	6,020,206
Debt securities	82,710,654	111,600,197	59,960,327	81,917,309
Operating receivables	10,137	428,376	10,137	426,184
Other assets	3,917,302	28,085,644	0	20,760,486
<b>LIABILITIES</b>				
Operating liabilities	1,864,579	2,449,808	1,553,988	1,263,124

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
<b>INCOME</b>				
Gross written premium	22,382,462	24,448,590	23,025,954	24,080,645
Financial income	3,848,427	6,632,202	3,151,014	4,526,623
Other income	183,401	99,605	86,331	92,687
<b>EXPENSES</b>				
Gross claims settled	5,940,492	7,574,150	5,970,809	7,496,524
Financial expenses	354,988	523,276	178,102	261,577
Other expenses	9,304,115	8,782,294	8,023,156	6,785,728

## 5.5 Members of the Management Board and Supervisory Board

In 2017, the Management Board members were paid the following amounts as compensation for their work:

	in EUR						
Management board	Fixed salary (gross)	Other additional payments*	Bonuses	Net pay received	Insurance premiums **	Other benefits***	Reimbursements
Slapar Andrej	161,647	2,802	45,049	78,368	51,219	2,244	1,530
Ivanc Uroš	153,565	2,160	32,629	68,243	35,639	852	1,015
Čoroli Tadej	153,565	1,936	30,828	65,428	35,615	4,198	1,306
Smolnikar Barbara	19,287	0	0	6,960	4,367	513	104
Makoter Marica	153,565	1,936	43,432	71,105	35,601	2,949	723
Jošar Benjamin	141,876	2,013	43,432	67,717	29,144	4,631	951
<b>TOTAL</b>	<b>783,505</b>	<b>10,847</b>	<b>195,370</b>	<b>357,821</b>	<b>191,585</b>	<b>15,387</b>	<b>5,629</b>

\* Other additional payments include holiday allowances and other reimbursements.

\*\* Insurance premiums include premiums for supplementary pension insurance, accident insurance, liability insurance and other types of insurance.

\*\*\* Other benefits include company cars.

As at 31 December 2017, Zavarovalnica Triglav had the following receivables from and liabilities to the Management Board members:

	in EUR	
Management board	Receivables as at 31 December 2017	Liabilities as at 31 December 2017
Slapar Andrej	10	60,258
Ivanc Uroš	16	56,744
Čoroli Tadej	39	56,780
Smolnikar Barbara	24	12,950
Makoter Marica	26	56,756
Jošar Benjamin	0	43,824
<b>TOTAL</b>	<b>115</b>	<b>287,312</b>

In 2017 the Supervisory Board members and members of Committees were paid the following amounts as compensation for their work:

Supervisory board	Compensation	Attendance fee	Reimbursements	Total gross pay	in EUR	
					Total net pay	
Stebernak Igor	28,000	5,863	0	33,863	24,629	
Andoljšek Andrej	11,021	1,595	0	12,616	9,175	
Tomažević Milan	11,219	1,595	171	12,985	9,444	
Škerjanec Žiga	12,208	2,607	0	14,815	10,775	
Damjanovič Nataša	12,208	2,508	0	14,716	10,703	
Gobbo Mario	21,281	4,092	36,141	61,514	40,523	
Celar Peter	18,667	4,235	0	22,902	16,656	
Molan Boštjan	18,667	4,543	627	23,837	17,336	
Sotošek Ivan	18,667	4,367	1,561	24,595	17,888	
Kolenc Simon*	3,125	770	51	3,946	2,870	
Kastelic Gregor	10,738	2,145	3,489	16,372	12,688	
Stankovič Rajko	8,438	1,661	0	10,099	7,345	
Blažič Matija	6,750	1,100	468	8,318	6,050	
Nose Barbara*	3,375	1,320	0	4,695	3,415	
Svoljšak Mitja*	1,565	1,540	0	3,105	2,258	
Pervanje Milena*	1,565	1,540	0	3,105	2,258	
<b>TOTAL</b>	<b>187,494</b>	<b>41,481</b>	<b>42,508</b>	<b>271,483</b>	<b>194,013</b>	

\* External committee members.

All listed remuneration payments made to the members of the Management Board and the Supervisory Board represent remuneration received in Zavarovalnica Triglav. They did not receive any remuneration in the other Group members.

As at 31 December 2017, Zavarovalnica Triglav the outstanding payables to the above stated members of the Supervisory Board, its committees and commission were as follows:

Surname and name	in EUR	
	Receivables as at 31 December 2017	Liabilities as at 31 December 2017
Gobbo Mario	0	448
Štimac Dubravko	449	0
Stankovič Rajko	163	0
<b>TOTAL</b>	<b>612</b>	<b>448</b>

Proposed criteria for the assessment of the performance of Management Board members are proposed by the Appointments and Compensation Committee and approved by the Supervisory Board. The purpose of these criteria is to maximise the objective monitoring of existing goal achievement and to periodically evaluate the performance of Management Board members. The performance criteria are designed to follow the long-term business objectives of the Company, making part of the annual business plans and other strategic documents of the Company. The definition of an individual objective includes the following: its description, expected target value, assigned weight and method for measuring or assessing its achievement. According to this method, a Management Board member is entitled to a bonus in the case of over-performance and a pay deduction in the case of underperformance.

A one-off annual bonus for good performance is paid in two parts: the first half within 30 days of the Supervisory Board approving the annual report and adopting a resolution on the bonus amount, or, in the event the annual report is approved at the General Meeting of Shareholders, within 30 days of the General Meeting of Shareholders approving the annual report and the Supervisory Board adopting a resolution on the bonus amount. The remaining 40% of the bonus is paid after two years, and 10% after three

years; however, both payments must be proportionate to the period of the office being held in any calendar year.

Management Board members are entitled to severance pay equalling six time average monthly salary they received as board members, if they are dismissed on economic and business grounds, and their employment is terminated as a consequence. Severance is paid within one month of dismissal.

## 5.6 Contingent assets and contingent liabilities

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2017	31 Dec. 2016	31 Dec. 2017	31 Dec. 2016
Outstanding subrogated receivables	40,350,638	50,815,616	34,130,145	44,791,232
Derivatives - futures	113,176,000	111,151,895	113,176,000	111,151,895
Alternative investments	25,207,345	19,889,990	25,207,345	19,889,990
Bonds, guarantees and other sureties issued	8,182,682	332,925	39,000	54,000
Contingent assets	6,382,894	3,327,806	1,896,311	1,896,311
Receivables from option agreements	1,363,886	1,363,886	0	0
Receivables from forward contracts	0	0	0	0
Contingent liabilities	0	563,667	0	0
Properties under acquisition	139,456	162,675	0	0
Assets under management	45,560,201	31,335,362	0	0
<b>TOTAL OFF-BALANCE SHEET ITEMS</b>	<b>240,363,102</b>	<b>218,943,822</b>	<b>174,448,801</b>	<b>177,783,428</b>

## 5.7 Employees

The table below shows the number and educational structure of employees in the Group and Zavarovalnica Triglav.

Level of education	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2017	31 Dec. 2016	31 Dec. 2017	31 Dec. 2016
Primary and vocational	1,020	975	121	136
Secondary school	1,423	1,461	823	864
Post-Secondary Education	614	598	373	380
Higher Education and University	1,883	1,815	875	871
Masters and Doctorates	211	197	93	84
<b>TOTAL</b>	<b>5,151</b>	<b>5,046</b>	<b>2,285</b>	<b>2,335</b>
Average number of employees	5,039	5,005	2,302	2,357

## 5.8 Major legal and arbitrary disputes

- Matjaž Rakovec as the plaintiff against Zavarovalnica Triglav for determining the annulment of the resolution of the Supervisory Board dated 22 May 2013 referring to the dismissal of Matjaž Rakovec from the office of President of the Management Board and appointment of Andrej Slapar as temporary President of the Management Board and payment of damages.

On 19 August 2013, Zavarovalnica Triglav received a claim filed by Matjaž Rakovec, in which he requests the annulment of the Supervisory Board's resolution dated 22 May 2013 with respect to the dismissal of Matjaž Rakovec from the office of President of the Management Board and the appointment of Andrej Slapar as temporary President of the Management Board, the annulment of the entry of changes related to the President of the Management Board into the Court Register and the payment of damages amounting to EUR 516,399. Apart from that, the plaintiff requests that the defendant reappoint him President of the Management Board and recognise an uninterrupted performance of function of President of the ZT's Management Board with all the rights arising from the employment contract for the entire duration of the unlawful dismissal from the office of President of the Management Board until his reappointment. The District Court in Ljubljana issued a partial judgement, ruling that the part of the resolution passed by the Supervisory Board on 22 May 2013 referring to the dismissal of Matjaž Rakovec was null and void, since the grounds for the dismissal were not adequately substantiated in line with the mandatory provisions of the Companies Act. At the same time, the Court also dismissed the action seeking the annulment of the Supervisory Board resolution dated 22 May 2013 appointing a temporary President of the Management Board as well as the action seeking the nullity of the change of legal representative (President of the Management Board) entered into the Court Register on 29 May 2013. The Court also dismissed the claim by Matjaž Rakovec for the payment of material damage on the grounds of *lis pendens*. The Court will rule on the claim for the payment of compensation for non-material damage in the amount of EUR 80,000 after the partial judgement has become final. The Higher Court in Ljubljana upheld the partial judgement of the District Court, adopting a decision to annul the part of the judgement referring to the dismissal of the claim by Matjaž Rakovec for the payment of material damage while at the same time referring this part of the claim to the Labour and Social Court in Ljubljana. Zavarovalnica Triglav filed a revision petition against the decision of the Higher Court which was dismissed as inadmissible by the Supreme Court since the value of the contested part of the final ruling did not reach the statutory threshold for revision proceedings. The admissible revision petition filed by Zavarovalnica Triglav in relation to the

nullity of the Supervisory Board resolution as an appropriate sanction when the conditions for dismissal pursuant to the Companies Act are not met was rejected by the Supreme Court.

In the labour law dispute brought against the Company by the plaintiff Matjaž Rakovec, the Labour and Social Court of Ljubljana ruled that the employment agreement remained in force, therefore Zavarovalnica Triglav owed the plaintiff compensation for salaries plus interest in the amount of around EUR 430,000. Zavarovalnica Triglav appealed against this ruling. The Higher Labour and Social Court upheld the appeal and partly modified and partly annulled the contested part of the first instance ruling. The first instance ruling was thus modified in the part relating to the unlawful termination of the employment agreement or the employment relationship, the call to return to work, the recognition of years of service and the entry of insurance period in the central record, in that the Higher Court rejected the plaintiff's claim, as well as set aside the part of the judgement which reads "including all the resulting rights" and referred the parts of the case relating to the claim for compensation for salaries, holiday allowance and legal costs back to the first instance court for fresh consideration. The plaintiff lodged an appeal on points of law against the part in which the Higher Labour and Social Court modified the ruling of the first instance court. In the retrial, the Labour and Social Court delivered a judgement on 8 December 2017 terminating the proceedings referring to the part of item 3 of the claim which reads "including all the resulting rights", to the calculation and payment of compensation for salaries from May 2016 until the return to the workplace and to the calculation and payment of holiday allowance for 2016 and all subsequent years until the return to the workplace due to the withdrawal of the claim. The primary claim for the payment of compensation for salaries for the period from June 2013 to April 2016 including the claim for the payment of holiday allowance for 2015 was rejected. The Court dismissed the part of the primary claim referring to the payment of default interest on individual net monthly salary compensation amounts (for the period from June 2013 to April 2016) while also refusing to modify the claim filed on 11 April 2017 with regard to the plaintiff's alternative claim. The plaintiff has lodged an appeal against the abovementioned judgement.

- Zavarovalnica Triglav d.d. as the plaintiff against Skupna pokojninska družba, d.d., Ljubljana, as the defendant and the countersuit

On 26 February 2013, Zavarovalnica Triglav brought an action against the company Skupna pokojninska družba d.d., Ljubljana for the payment of dividends in the amount of EUR 750,904 that should have been paid in 2012. The defendant contests this claim, stating that the obligation was set-off against

a claim in the amount of EUR 926,170 recorded by Skupna pokojninska družba from Zavarovalnica Triglav and arising from the contract on the payment of supplementary pensions according to the pension plan dating to the year 2000. On 23 April 2013, the defendant responded to the plaintiff's claim and simultaneously filed a counterclaim for the payment of EUR 926,170. Zavarovalnica Triglav responded to the counterclaim, contesting the claim by Skupna pokojninska družba in its entirety.

On 28 January 2014, Zavarovalnica Triglav brought a new action against the company Skupna pokojninska družba d.d., Ljubljana for the payment of dividends in the amount of EUR 360,844 that should have been paid in 2013. The defendant responded to the plaintiff's claim on 24 March 2014 and simultaneously filed a counterclaim against Zavarovalnica Triglav for the payment of EUR 642,473 arising from the contract on the payment of supplementary pensions according to the pension plan dating to the year 2000. Zavarovalnica Triglav responded to the counterclaim, contesting the claim by Skupna pokojninska družba in its entirety.

- Wall Street Systems Sweden AB (hereinafter: WSS) as the plaintiff versus Zavarovalnica Triglav d.d. as the defendant in arbitration proceedings in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC)

On 5 November 2004, Zavarovalnica Triglav d.d. and WSS (previously known as Trema AB, Stockholm) entered into an agreement on the acquisition and use of software licenses, which was used as IT support to the investment process, and an agreement on support and maintenance of that software. In the opinion of Zavarovalnica Triglav d.d., the software support and maintenance agreement expired on 31 December 2010, and therefore WSS provided software support and maintenance based on additional agreements on the extension of support, which the parties concluded on an annual basis for the period of one year. Because WSS has not provided any support and maintenance services since 2015 and because no agreement on the extension of support was concluded for that period, Zavarovalnica Triglav d.d. rejects the payment of any invoices issued based on the software support and maintenance agreement. Moreover, Zavarovalnica Triglav d.d. terminated this agreement in 2015. The payment of invoices issued based on the agreements on the acquisition and use of three additional licenses in the amount of EUR 107 thousand is not disputed, and Zavarovalnica Triglav d.d. has already paid them. Zavarovalnica Triglav d.d. sought to resolve the dispute by agreement. WSS requested arbitration with the ICC, making the claim in the amount of EUR 598,000 including accrued interest. Zavarovalnica Triglav d.d. received the request for arbitration on 8 January 2018. The said claim in the amount of EUR 598,000 with accrued

interest also includes the already paid and undisputed amount of EUR 107 thousand. Zavarovalnica Triglav d.d. submitted a reply to the request for arbitration within the set time limit, in which it contested the validity of the arbitration agreement.

- Triglav Osiguranje, d.d., Sarajevo, and others versus SCT BBM, d.o.o., Sarajevo

After a failed mediation, the company Triglav Osiguranje d.d., Sarajevo continued with the civil action against the defendants SCT BBM d.o.o., Sarajevo and JP Ceste Federacije BiH. The action relates to the payment of compensation in the amount of BAM 6,385,104, of which BAM 2,065,759 refers to Triglav Osiguranje d.d., Sarajevo. The legal basis for the payment is a performance guarantee. Three preparatory hearings have been held in the course of the proceedings, which focused on the appointment of experts. The case is still pending.

- Triglav Osiguranje, a.d.o., Beograd versus Dunav Re

On 14 April 2014, the company Triglav Osiguranje, a.d.o., Beograd filed a motion for enforcement on the basis of an authentic instrument for the payment of EUR 1,934,707. The enforcement debtor lodged an appeal and the court referred the parties to litigation. At the hearing on 25 February 2015, the defendant filed a counterclaim for the annulment of the reinsurance contract. At the hearing on 29 June 2015, witnesses were heard and a financial analysis was presented. At subsequent hearings on 13 January 2016 and 15 March 2016, witnesses were heard. Based on the financial analysis received by the Court on 5 May 2016, Triglav Osiguranje a.d.o. Beograd set the amount of the payment claim at RSD 236,690,436 plus default interest as of 17 March 2013 and requested that the counterclaim for the annulment of the reinsurance contract be rejected. Dunav RE challenged the appointment of a financial expert, but the Court rejected the challenge as unfounded on 6 October 2016. Dunav RE filed a new challenge against the financial expert. On 8 September 2017, the court delivered a non-final judgement upholding the claim of Triglav Osiguranje, a.d.o., Beograd and ordering the defendant to pay RSD 236,690,436 plus default interest as of 17 December 2013. The defendant lodged an appeal on 27 October 2017 and the appeal proceedings are still pending.

- Small shareholders of Triglav Osiguranje, a.d., Skopje versus Zavarovalnica Triglav and Triglav Osiguranje, a.d., Skopje

In May 2013, small shareholders of Triglav Osiguranje, a.d., Skopje brought an action for compensation of losses arising from violations of a contract establishing a call or put option in the amount of just under EUR 2.5 million. Triglav Osiguranje, a.d., Skopje filed a statement of defence in



October 2013, whereas Zavarovalnica Triglav was only notified of the action in January 2016. Zavarovalnica Triglav filed a statement of defence in due time, contesting the claim in its entirety. The Court upheld the objection of Zavarovalnica Triglav relating to the lack of jurisdiction of the Macedonian court and rejected the plaintiff's appeal, whereby the decision became final. The proceedings against Triglav Osiguruvanje, a.d., Skopje are pending. Both parties produced their evidence. The next hearing will be held in May 2018.

- **Stojan Klopčevski versus Triglav Osiguruvanje a.d., Skopje**

In April 2012, the former general manager of Triglav Osiguruvanje a.d., Skopje, lodged a claim against the company for damages in the amount of EUR 2.6 million. The claim was based on an unlawful decision on the termination of employment and the resulting loss of the possibility to exercise the put and call options arising from the agreement establishing a call or put option concluded with Zavarovalnica Triglav. The Court dismissed the claim as insufficient on 5 March 2013. The Court upheld the appeal and the case was referred back to the court of first instance for fresh consideration. The Court issued a decision rejecting the objection to jurisdiction *ratione materiae* of the Macedonian court. The plaintiff appealed and the Higher Court rejected the appeal on 4 October 2017. Proceedings on the substance of the case are still pending.

- **Triglav osiguranje a.d., Banja Luka, versus Republic of Srpska Public Corporation "Business Premises" and the Republic of Srpska**

In 2001, Triglav osiguranje a.d., Banja Luka, lodged a claim against the Republic of Srpska Public Corporation "Business Premises" and the Republic of Srpska seeking the payment of outstanding insurance premium of EUR 612,727 plus cost and interest on late payment which as at 31.12.2015 totalled EUR 31,888. The part of the claim referring to the Republic of Srpska was rejected, while the part referring to the Public Corporation was granted. However the Public Corporation has no assets from which the claim of Triglav osiguranje could be recovered.

## 5.9 Reviews by supervisory bodies

- **Insurance Supervision Agency Order relating to two Supervisory Board Members – Employee Representatives**

On 11 February 2016, Zavarovalnica Triglav received an Order of the Insurance Supervision Agency (hereinafter: ISA) declaring that Ivan Sotošek and Boštjan Molan as Supervisory Board members – Employee Representatives do not meet the legal requirements to serve on an insurer's Supervisory Board as set

out in Article 67(1)(1) of the Insurance Act (ZZavar-1). This provision stipulates that a person with adequate professional qualifications and knowledge and experience required to supervise the insurance business operations shall be appointed Supervisory Board Member of an insurance company. In line with the Worker Participation in Management Act, both above-mentioned members were elected into the Supervisory Board by the Works Council of Zavarovalnica Triglav in 2015. On 19 February 2016, Zavarovalnica Triglav appealed against the ISA Order (the operative part of the order was partly unenforceable). Based on the appeal, the ISA issued an Order on the objection against the order and upheld the appeal, modifying the contested part of the Order. In accordance with the Order, the Management Board of Zavarovalnica Triglav proposed that the Works Council convene a session and submitted a proposal for the discharge of Supervisory Board Members Ivan Sotošek and Boštjan Molan. The Works Council discussed the proposal of the Management Board on 18 May 2016 and decided not to adopt the proposed resolution on the discharge of Supervisory Board Members Ivan Sotošek and Boštjan Molan. Zavarovalnica Triglav submitted a report on the implementation of the Order to the ISA in accordance with the Order within the set time limit.

On 12 April 2017, Zavarovalnica Triglav received the judgement in the case of Ivan Sotošek vs. the ISA for information from the Administrative Court. According to the judgement, the Court finds that the contested decision of the ISA is correct in terms of the content (i.e. with regard to the assessment of qualifications and suitability of Ivan Sotošek), but it refers to the wrong legal basis, therefore, the Court partially upheld the action and annulled the contested decision in the part referring to the wrong legal basis and replaced it with the correct legal basis (by taking into account the act in force during the appointment of Ivan Sotošek as a Supervisory Board member, i.e. the ZZavar and not ZZavar-1). On the basis of the judgement, the Management Board addressed a letter to the President of the Works Council, in which it proposed to convene a meeting of the Works Council of Zavarovalnica Triglav and to discharge Ivan Sotošek as a member of the Supervisory Board of Zavarovalnica Triglav – employee representative. The Works Council discussed the proposal but it will form an opinion concerning the Management Board's draft decision to recall Ivan Sotošek once all legal remedies available to Ivan Sotošek and the request for a constitutional review of the Insurance Act will have been ruled upon, since the Works Council considers Ivan Sotošek's appointment on 8 April 2015 legal. The handling in relation to the ruling of the Administrative Court in the case Boštjan Molan vs. ISA, which Zavarovalnica Triglav received on 21 June 2017, was, *mutatis mutandis*, the same. The action filed by Boštjan Molan against the ISA was rejected. Upon request of the ISA, the Management Board informed the ISA about the abovementioned measures.



settled its obligation in full. The company lodged an appeal against the decision on 14 July 2017 which is still pending.

- Triglav Osiguranje, d.d., Zagreb

In 2017, the Croatian Financial Services Supervisory Agency (hereinafter: HANFA) filed an indictment with the Misdemeanour Court in Zagreb because the company in the period from 17 February 2016 until 16 March 2016 failed to provide clients with surrender value tables and paid-up value tables per year of duration of insurance prior to the conclusion of insurance contracts. The company lodged an appeal and the case is still pending.

- Triglav Osiguranje, a.d., Banja Luka

In 2017, the company received a decision of the Insurance Supervision Agency of the Republic of Srpska ordering the company to consistently comply with the Regulation on the minimum content of databases for mandatory insurance in transport and the Instruction on the design of databases for mandatory insurance in transport. The company acted in full compliance with the decision of the regulator.

An extraordinary review of the application of the Decision on the common premium tariff and price list for motor vehicle insurance and the handling and payment of claims relating to this decision in accordance with the Act on mandatory insurance in transport is underway. The company has not yet received a report on the review.

## 5.10 Subsequent events

In the period from the end of the reporting period and the date of approval of the financial statements, no adjusting events occurred that would affect the prepared consolidated and separate financial statements of the guarantee fund of Zavarovalnica Triglav for 2017, as well as no material non-adjusting events. Business events in the said period do not have any impact on tax liabilities for 2017.

No events occurred after the reporting date that are important for the operations in 2018.

## 5.11 New and amended standards with interpretations

The accounting policies used in the preparation of the consolidated and separate financial statements are consistent with those of the consolidated and separate financial statements of Zavarovalnica Triglav for the year ended 31 December 2016, except for the new and amended standards effective as of 1 January 2017 or later and presented below.

### *Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses*

The purpose of the amendments to the standard is to clarify the requirements in relation to the recognition of deferred tax assets for unrealised losses and in this way to address diverse practices in the application of “IAS 12 Income Taxes” in practice. In practice, entities use different approaches in the calculation of deductible temporary differences related to the reduction in fair value at asset recovery over its carrying amount in conjunction with the probable availability of future taxable profits and the joint or separate estimation of deferred tax assets for unrealised losses. The amendments do not have an impact on consolidated and separate financial statements.

### *Amendments to IAS 7: Disclosure Initiative*

The amendments to IAS 7 require an entity to provide disclosures that shall enable users of financial statements to evaluate changes in liabilities arising from financing activities, including those which are the result of the changes which have or do not have an impact on cash flows. According to the amendments, to fulfil the disclosure requirement an entity may prepare a reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities also in a table, including changes from financing cash flows, changes arising from obtaining or losing control of subsidiaries or other businesses, the effect of changes in foreign exchange rates, changes in fair values and other changes. The amendments do not have an impact on consolidated and separate financial statements.

### **Annual Improvements to IFRS Standards 2014–2016 Cycle**

The International Accounting Standards Board (IASB) issued the annual improvements to IFRS 2014–2016 cycle. The improvements presented below have not yet been endorsed by the EU. The improvement does not have an impact on consolidated and separate financial statements.

*Amendments to IAS 12: Disclosure of Interests in Other Entities*

The amendments clarify that the disclosures required in IFRS 12 (with the exception of those summarised in the financial statements of subsidiaries, joint arrangements and associates) apply to an entity's interest in subsidiaries, joint arrangements or associates, which is classified as assets held for sale, distribution or discontinued operations in accordance with IFRS 5.

**New standards and interpretations endorsed by the EU but not yet effective**

Presented below are the standards and interpretations which have been endorsed by the EU, but have not yet become effective by the date of consolidated and separate financial statements. The Company intends to use these standards and interpretations in the preparation of financial statements when they become effective. The Company did not apply any of the standards listed below before their effective date. The Company intends to use these standards and interpretations in the preparation of financial statements when they become effective. The Company did not apply any of the standards listed below before their effective date.

*IFRS 9 Financial Instruments: Classification and Measurement*

The standard is effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The final version of "IFRS 9 Financial Instruments" includes all individual phases of the project to revise IFRS 9 and replaces "IAS 39 Financial Instruments: Recognition and Measurement" as well as all previous versions of IFRS 9. The standard introduces new requirements for classification, measurement and impairment of financial assets and general hedge accounting.

Due to the adoption of the new standard for insurance contracts – IFRS 17, the insurance entities may begin to apply the standard as of 1 January 2021. The condition for the deferral is that the carrying amount of liabilities connected with insurance relative to the total carrying amount of all its liabilities is at least 90%. Compliance with the conditions for the deferral is checked at the Group level and at the level of an individual subsidiary.

Zavarovalnica Triglav meets these requirements even at the Group level, therefore it will start to apply this standard as of 1 January 2021. The management is still performing the impact assessment of the new standard.

*IFRS 15 Revenue from Contracts with Customers*

The standard is effective for annual periods beginning on or after 1 January 2018. IFRS 15 provides a five-step model to be applied to income recognition from contracts with customers (with limited exceptions), irrespective of the nature of transactions generating income or the industry. The requirements of the standard also apply to the recognition and measurement of gains and losses on the sale of certain non-financial assets that are not an output of an entity's ordinary activities (e.g. sale of property, plant and equipment or intangible assets). The standard requires extensive disclosures, including disaggregation of total income, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The Company is still assessing the impact of the new standard, which will be applied from its effective date..

*IFRS 15 Revenue from Contracts with Customers (Clarifications)*

The clarifications of the standard are effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The purpose of clarifications is to clarify what the IASB aimed to achieve in adopting the requirements of "IFRS 15 Revenue from Contracts with Customers", particularly in terms of accounting for liabilities from contracts with customers, which modify the identification of separate performance obligations, principal versus agent considerations, including an assessment whether an entity acts as a principal or as an agent, and the application of the principle of control and licensing, which provides additional guidance on accounting for intellectual property and royalties. Furthermore, the clarifications introduce additional practical expedients for the entities electing to apply IFRS 15 to prior periods either by using a full retrospective approach or a modified retrospective approach. The management is still examining the impact of clarifications on consolidated and separate financial statements.

*IFRS 16 Leases*

The new standard is effective for annual periods beginning on or after 1 January 2019. IFRS 16 provides the guidelines for the recognition, measurement, presentation and disclosure of leases of both contracting parties: the lessee and the lessor. The new standard provides a single lessee accounting model, requiring lessees to recognise most leases in their financial statements, with a few exceptions. Lessor accounting is substantially unchanged. The new standard is not expected to have a material impact on consolidated and separate financial statements.

*IFRS 17 Insurance Contracts*

The standard is effective for annual periods beginning on or after 1 January 2021 or later, with earlier application permitted provided that an entity also reports in accordance with “IFRS 15 Revenue from Contracts with Customers” and “IFRS 9 Financial Instruments”. IFRS 17 provides the guidelines for the recognition, measurement, presentation and disclosure of insurance contracts concluded by an insurance entity. Furthermore, the standard requires that similar principles be applied to reinsurance contracts and investment contracts with discretionary participation features. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity’s financial position, financial performance and cash flows. The standard has not yet been endorsed by the EU. The management is still assessing the impact of the new standard on consolidated and separate financial statements.

*Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments address the conflict identified between the requirements of IFRS 10 and IAS 28 in the treatment of the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that an entity recognises in full any gains or losses arising from the transaction in which the investor obtains the control of one or more businesses (or meets the conditions for being classified as a business). In December 2015, the IASB indefinitely deferred the effective date of the standard, pending the outcome of its research project on the equity method of accounting. The amendments to the standard have not yet been endorsed by the EU. The management is still assessing the impact of the amendments on consolidated financial statements.

*Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions*

The amendments are effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The amendments introduce the requirements regarding the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments, share-based payment transactions with a net settlement feature for withholding tax obligations and a modification to the terms and conditions of a share-based payment

that changes the classification of the transaction from cash-settled to equity-settled. The amendments to the standard have not yet been endorsed by the EU. The management is still assessing the impact of the amendments on consolidated and separate financial statements.

*Amendments to IFRS 4 Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts*

The amendments are effective for annual periods beginning on or after 1 January 2018. The amendments address the concerns arising from the application of the new “IFRS 9 Financial Instruments” before implementing the new standard, which is currently under preparation and which deals with insurance contracts; the new standard will replace IFRS 4. The amendments allow insurance entities to use two approaches in insurance contracts accounting: a temporary exemption from IFRS 9 and the overlay approach, which allows the entities issuing insurance contracts falling within the scope of IFRS 4 to reclassify certain income or expenses arising from certain financial assets from profit or loss to other comprehensive income. The management is still assessing the impact of the amendments on consolidated and separate financial statements. The Company decided for a temporary exemption from applying IFRS 9.

*Amendments to IAS 40 Transfers of Investment Property*

The amendments are effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The amendments clarify when an entity is required to reclassify a property, including a property under construction or development, to, or from, investment property. Moreover, the amendments clarify that a change in use occurs when a property meets or ceases to meet the definition of investment property and there is evidence of a change in use. A change in the management’s intentions for the use of a property by itself does not constitute evidence of a change in use. The amendments to the standard have not yet been endorsed by the EU. The management is still assessing the impact of the amendments on consolidated and separate financial statements.

*Amendments to IFRS 9: Prepayment Features with Negative Compensation*

The amendments are effective for annual periods beginning on or after 1 January 2019. Earlier application is permitted. The amendments allow financial assets with prepayment features that permit or require a party to a contract either to pay or receive reasonable compensation for the early termination of the contract (so that, from the perspective of the holder of the asset there may be “negative compensation”), to be measured at amortised cost or at fair value through other

comprehensive income. The amendments to the standard have not yet been endorsed by the EU. The management is still assessing the impact of the amendments on consolidated and separate financial statements.

*Amendments to IAS 28:*

*Long-term Interests in Associates and Joint Ventures*

The amendments are effective for annual periods beginning on or after 1 January 2019. Earlier application is permitted. The amendments address the issue whether the measurement of long-term interests (particularly in terms of impairment requirements regarding long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture) falls within the scope of IFRS 9, IAS 28 or a combination of both. Furthermore, the amendments clarify that an entity is required to apply “IFRS 9 Financial Instruments» in the recognition of long-term interests not measured using the equity method before applying IAS 28. When applying IFRS 9, the entity shall not take into account any adjustments to the carrying amount of long-term interests under IAS 28. The amendments have not yet been endorsed by the EU. The management is still assessing the impact of the amendments on consolidated and separate financial statements.

*IFRIC 22: Foreign Currency Transactions and Advance Consideration*

The interpretations are effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. The interpretation covers foreign currency transactions when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt. The interpretation has not yet been endorsed by the EU. The management is still assessing the impact of interpretations on consolidated and separate financial statements.

**Annual Improvements to IFRS Standards 2014–2016 Cycle**

The International Accounting Standards Board (IASB) issued the annual improvements to IFRS 2014–2016 cycle. The amendments to “IFRS 1 First-time Adoption of International Financial Reporting Standards” and “IAS 28 Investments in Associates and Joint Ventures” are effective for annual periods beginning on or after 1 January 2018. Earlier application of the amendments to IAS 28 is permitted. The improvements have not yet been endorsed by the EU. The management is still assessing the impact of the improvements on consolidated and separate financial statements.

- IFRS 1 First-time Adoption of International Financial Reporting Standards: The amendment removes the short-term exemptions for disclosures relating to financial instruments, employee benefits and investment entities, which otherwise apply to the first-time adoption of IFRS.
- IAS 28 Investments in Associates and Joint Ventures: The amendments clarify that each investment in an associate or joint venture held by a venture capital organisation or other qualified entity may be measured at fair value through profit or loss at initial recognition.

*Interpretation of IFRIC 23 Uncertainty over Income Tax Treatments*

The interpretation is effective for annual periods beginning on or after 1 January 2019. Earlier application is permitted. The interpretation addresses accounting for income taxes when tax treatments involve uncertainty that affects the application of “IAS 12 Income Taxes”. The interpretation provides guidance on considering uncertain tax treatments separately or together, examination by tax authorities, the appropriate method to reflect uncertainty and accounting for changes in facts and circumstances. The interpretation has not yet been endorsed by the EU. The management is still assessing the impact of the interpretation on consolidated and separate financial statements.

## 5.12 Segment reporting

Zavarovalnica Triglav is a composite insurance company, providing non-life and life insurance services. As these are integral economic units, separate accounting records and books of account are kept. Distribution of income and expenses between non-life and life insurance is described below. Assets and their sources, including equity, are also disclosed separately.

The management monitors the operations of the Group based by business segments (non-life insurance, life insurance, health insurance and non-insurance operations) and by geographical segments (separately for the Slovene market and foreign markets).

The distribution of income and expenses between segments for reporting purposes is described below.

### Reconciliation of total assets

Assets and liabilities items in the statement of financial position by business segment have not been offset. Mutual receivables and liabilities arising from non-life and life insurance operations and deferred tax assets and liabilities have been offset in the consolidated statement of financial position, as shown in the following table:

	in EUR	
	31 Dec 2017	31 Dec 2016
Balance sheet total (without offsetting)	2,805,312,446	2,761,482,778
Mutual receivables and liabilities	-5,859,532	-6,410,518
Deferred tax assets and liabilities	-12,963,374	-14,739,215
<b>Offset balance</b>	<b>2,786,489,540</b>	<b>2,740,333,045</b>

Mutual receivables and liabilities arise from cost sharing, as explained below.

Distribution of income and expenses between business segments is described below.

### Income

Income from insurance premiums is disclosed separately by insurance group and insurance class, as well as by geographical areas (separately for Slovenia and other countries).

Investment income is posted separately by insurance group. Income from investments of assets backing liabilities, guarantee funds and investments not financed from insurance technical provisions are posted separately. The latter are also accounted for separately by insurance group.

Other income from insurance operations and other income is accounted for by insurance groups. In order to ensure an appropriate presentation of the insurance-technical result, income from non-insurance operations is disclosed as other income. Other net income from insurance operations is accounted for separately by insurance group.

All income is also accounted for separately according to geographical segmentation – for Slovenia and for other countries.

### Expenses

Net claims incurred are disclosed separately by insurance group and insurance class. Direct claim handling costs are posted by insurance class. Part of the claim handling costs, primarily accounted for by their natural type within operating costs, is shown by insurance groups and insurance classes directly and by using a matrix that is the same as that used for distributing other operating costs.

Changes in insurance technical provisions (provisions for bonuses and discounts and other insurance technical provisions) are accounted for directly by insurance group and by insurance class.

Investment expenses are posted separately by insurance groups. Within individual insurance groups, expenses from investments are disclosed separately for assets backing liabilities, long-term business funds and investments not financed by insurance technical provisions. The latter are also accounted for separately by insurance group.

Other net insurance expenses are accounted for separately by insurance group, the same as other expenses from insurance operations and other expenses. In order to ensure the appropriate presentation of the insurance-technical result, operating expenses of non-insurance companies are disclosed as other expenses in the income statement. In the Notes to financial statements they are disclosed also by nature.

Furthermore, all expenses are accounted for by geographical area – separately for Slovenia and for other countries.

**Additional disclosures of Triglav Group and Zavarovalnica Triglav**

Depreciation and amortisation charges by business segment are disclosed under operating expenses in [[→ Section 4.12](#)].

Values of investments in intangible assets, property, plant and equipment and investment property by business segments are shown in the table below:

**Triglav Group**

in EUR

<b>2017</b>	<b>Non-life</b>	<b>Life</b>	<b>Health</b>	<b>Non-insurance</b>	<b>TOTAL</b>
Investments in intangible assets	7,448,583	1,603,363	612,802	112,503	<b>9,777,251</b>
Investments in property plant and equipment	7,822,535	288,238	241,349	943,502	<b>9,295,624</b>
Investments in investment property	884,535	0	0	2,652,231	<b>3,536,766</b>

<b>2016</b>	<b>Non-life</b>	<b>Life</b>	<b>Health</b>	<b>Non-insurance</b>	<b>TOTAL</b>
Investments in intangible assets	5,882,534	1,926,445	319,432	39,275	<b>8,167,686</b>
Investments in property plant and equipment	5,096,370	236,929	201,677	604,424	<b>6,139,400</b>
Investments in investment property	597,478	0	0	18,423,463	<b>19,020,941</b>

The highest exposure of Triglav Group to individual financial institutions is:

- in non-life insurance, exposure to Abanka, d.d. of EUR 13,132,013;
- in life insurance, exposure to AGATE ASSETS SA of EUR 30,582,157;
- in health insurance, exposure to N.V.Bank Nederlandse Gemeenten of EUR 812,937;
- in non-insurance, exposure to Abanka, d.d. of EUR 6,180,183.



## Zavarovalnica Triglav

in EUR

2017	Non-life	Life	TOTAL
<b>ADDITIONAL DISCLOSURES FROM THE STATEMENT OF FINANCIAL POSITION</b>			
Investments in intangible assets	6,340,660	1,499,055	7,839,715
Investments in property, plant and equipment	4,622,596	100,254	4,722,850
Investments in investment property	641,062	0	641,062
<b>ADDITIONAL DISCLOSURES FROM THE INCOME STATEMENT</b>			
Depreciation charge for the current year	-8,010,844	-1,699,393	-9,710,237
Expenses from the impairment of premium and subrogation receivables	-10,278,414	0	-10,278,414
Income from reversal of impairment of receivables	11,714,391	25,982	11,740,373
Expenses from impairment of investment property	0	0	0
Expenses from impairment of other receivables	-343,143	-14,029	-357,173
Income from reversal of impairment of other receivables	84,886	15,974	100,860

in EUR

2016	Non-life	Life	TOTAL
<b>ADDITIONAL DISCLOSURES FROM THE STATEMENT OF FINANCIAL POSITION</b>			
Investments in intangible assets	4,163,365	1,805,265	5,968,630
Investments in property, plant and equipment	2,943,570	193,806	3,137,376
Investments in investment property	269,987	0	269,987
<b>ADDITIONAL DISCLOSURES FROM THE INCOME STATEMENT</b>			
Depreciation charge for the current year	-7,572,502	-1,617,712	-9,190,214
Expenses from the impairment of premium and subrogation receivables	-14,181,138	0	-14,181,138
Income from reversal of impairment of receivables	12,581,923	1,727	12,583,650
Expenses from impairment of property, plant and equipment	0	0	0
Expenses from impairment of other receivables	-120,089	-10,724	-130,812
Income from reversal of impairment of other receivables	67,000	14,757	81,756

Maximum individual exposure of Zavarovalnica Triglav to financial institutions is:

- for non-life insurance: Abanka, d.d.: EUR 13,132,013 and
- for life insurance: AGATE ASSETS SA: EUR 30,582,157.

in EUR

Triglav Group	2017					2016				
	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL
<b>Comprehensive income by business segments</b>										
<b>NET PROFIT FOR THE YEAR AFTER TAX</b>	<b>52,559,577</b>	<b>15,189,798</b>	<b>3,181,924</b>	<b>-1,223,348</b>	<b>69,707,951</b>	<b>63,293,520</b>	<b>15,587,538</b>	<b>3,303,538</b>	<b>147,178</b>	<b>82,331,774</b>
<b>OTHER COMPREHENSIVE INCOME AFTER TAX</b>	<b>6,633,580</b>	<b>-79,867</b>	<b>136,246</b>	<b>2,328,053</b>	<b>9,018,012</b>	<b>5,079,234</b>	<b>3,929,216</b>	<b>432,159</b>	<b>1,149,402</b>	<b>10,590,011</b>
Items which will not be transferred in P&L in future periods	288,286	55,133	32,279	15,899	391,597	-413,840	-82,783	-18,680	-17,326	-532,629
Net actuarial gains/losses for pension plans	288,286	55,133	32,279	15,899	391,597	-338,072	-66,960	-18,680	-17,326	-441,038
Tax on items which will not be transferred in P&L	0	0	0	0	0	-75,768	-15,823	0	0	-91,591
Items which could be transferred into P&L in future periods	6,345,294	-135,000	103,967	2,312,154	8,626,415	5,493,074	4,011,999	450,839	1,166,728	11,122,640
Fair value gains/losses on available-for-sale financial assets	7,700,015	-1,957,041	128,354	2,111,049	7,982,377	7,664,391	14,080,157	587,841	1,436,565	23,768,954
– net gains/losses recognized directly in equity	15,130,886	14,565,468	263,548	2,063,180	32,023,082	11,550,817	19,433,955	766,785	1,436,565	33,188,122
– transfers from equity to income statement	-7,430,871	-16,522,509	-135,194	47,869	-24,040,705	-3,886,426	-5,353,798	-178,944	0	-9,419,168
Fair value gains/losses on non-current assets held for sale	33,622	171,171	0	0	204,793	89	0	0	0	89
Share of OCI of entities accounted for using the equity method	-513	0	0	603,768	603,255	0	0	0	402,548	402,548
Liabilities from insurance contracts with DPF	0	-487,190	0	0	-487,190	0	-6,554,570	0	0	-6,554,570
Currency translation differences	610,001	435,032	0	35,772	1,080,805	634,614	51,805	0	-101,311	585,108
Tax on other comprehensive income	-1,997,831	1,703,028	-24,387	-438,435	-757,625	-2,806,020	-3,565,393	-137,002	-571,074	-7,079,489
<b>COMPREHENSIVE INCOME OR LOSS FOR THE YEAR AFTER TAX</b>	<b>59,193,157</b>	<b>15,109,931</b>	<b>3,318,170</b>	<b>1,104,705</b>	<b>78,725,963</b>	<b>68,372,754</b>	<b>19,516,754</b>	<b>3,735,697</b>	<b>1,296,580</b>	<b>92,921,785</b>
Controlling interest	58,852,131	14,899,208	3,318,170	1,104,244	78,173,753	67,790,842	19,814,000	3,735,697	1,348,648	92,689,187
Non-controlling interest	341,026	210,723	0	461	552,210	581,912	-297,246	0	-52,068	232,598

In EUR

Zavarovalnica Triglav	2017			2016		
	NON-LIFE	LIFE	TOTAL	NON-LIFE	LIFE	TOTAL
<b>Comprehensive income by business segments</b>						
<b>NET PROFIT FOR THE YEAR AFTER TAX</b>	<b>51,329,746</b>	<b>11,192,204</b>	<b>62,521,950</b>	<b>61,127,344</b>	<b>14,206,258</b>	<b>75,333,602</b>
<b>OTHER COMPREHENSIVE INCOME AFTER TAX</b>	<b>9,571,762</b>	<b>-7,232,656</b>	<b>2,339,106</b>	<b>4,517,734</b>	<b>4,610,781</b>	<b>9,128,515</b>
Items which will not be transferred in P&L in future periods	295,584	55,133	350,717	-410,006	-82,783	-492,789
Actuarial gains and losses related to post-employment benefits on retirement	295,584	55,133	350,717	-334,238	-66,960	-401,198
Tax on items which will not be transferred in P&L	0	0	0	-75,768	-15,823	-91,591
Items which could be transferred into P&L in future periods	9,276,178	-7,287,789	1,988,389	4,927,740	4,693,564	9,621,304
Fair value gains/losses on available-for-sale financial assets	11,452,072	-8,516,690	2,935,382	7,387,066	14,802,889	22,189,955
– net gains/losses recognized directly in equity	16,512,410	7,893,172	24,405,582	8,940,230	19,640,087	28,580,317
– transfers from equity to income statement	-5,060,338	-16,409,862	-21,470,200	-1,553,164	-4,837,198	-6,390,362
Liabilities from insurance contracts with DPF	0	-487,190	-487,190	0	-6,554,570	-6,554,570
Tax on other comprehensive income	-2,175,894	1,716,091	-459,803	-2,459,326	-3,554,755	-6,014,081
<b>COMPREHENSIVE INCOME OR LOSS FOR THE YEAR AFTER TAX</b>	<b>60,901,508</b>	<b>3,959,548</b>	<b>64,861,056</b>	<b>65,645,078</b>	<b>18,817,039</b>	<b>84,462,117</b>

### 5.12.1 Reporting by business segment for Triglav Group

The statement of financial position and income statement by business segment are shown below for the reporting and the previous year.

In the consolidation process, the key inter-company eliminations between segments which influenced their profit/loss were the following: acquisition costs and acquisition income, premium income and operating expenses. The aforementioned eliminations had no impact on the consolidated profit/loss. The key inter-company eliminations, which did impact both the profit/loss of individual segments and the consolidated profit/loss, were the effects of the capital, business combinations, the disposal of controlling interests in subsidiaries and the elimination of investment impairments in subsidiaries. These effects are disclosed under financial income and financial expenses.

The management monitors the operations of the Group according to the following main segments:

- non-life insurance,
- life insurance,
- health insurance and
- non-insurance operations.

#### Statement of financial position

in EUR

	31 December 2017						
	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL (before eliminations)	ELIMINATIONS	TOTAL (after eliminations)
<b>ASSETS</b>	<b>1,771,644,611</b>	<b>2,003,539,158</b>	<b>56,434,979</b>	<b>185,413,134</b>	<b>4,017,031,882</b>	<b>-342,355,689</b>	<b>3,674,676,193</b>
Intangible assets	71,318,618	3,025,618	1,288,099	3,208,277	78,840,612	0	78,840,612
Property, plant and equipment	90,742,267	10,567,978	1,427,685	8,472,507	111,210,437	0	111,210,437
Deferred tax assets	12,994,783	380,255	64,932	329,145	13,769,115	0	13,769,115
Investment property	51,244,024	2,401,488	0	34,998,000	88,643,512	5,363,971	94,007,483
Investments in subsidiaries	116,711,634	10,504,174	0	75,677,210	202,893,018	-202,893,018	0
Investments in associates	4,399,809	708,237	0	1,341,278	6,449,324	0	6,449,324
Financial assets	1,058,188,425	1,923,532,925	47,398,481	41,536,723	3,070,656,554	-32,569,806	3,038,086,748
Financial investments	1,058,188,425	1,473,296,881	47,398,481	41,536,723	2,620,420,510	-32,569,806	2,587,850,704
– loans and deposits	74,294,351	68,428,166	389,713	9,560,016	152,672,246	-27,420,759	125,251,487
– held to maturity	0	221,390,576	0	0	221,390,576	0	221,390,576
– available for sale	978,443,512	762,544,440	47,008,768	31,976,707	1,819,973,427	-4,649,527	1,815,323,900
– recognised at fair value through profit and loss	5,450,562	420,933,699	0	0	426,384,261	-499,520	425,884,741
Unit-linked insurance assets	0	450,236,044	0	0	450,236,044	0	450,236,044
Reinsurers' share of technical provisions	164,982,800	33,246	86,064	0	165,102,110	-81,286,534	83,815,576
Receivables	175,081,175	6,250,245	4,630,440	8,765,717	194,727,577	-30,849,223	163,878,354
– receivables from direct insurance operations	80,936,921	526,028	4,384,052	25,485	85,872,486	-149,994	85,722,492
– receivables from reinsurance and coinsurance operations	70,564,407	107,320	44,261	0	70,715,988	-25,776,286	44,939,702
– current tax receivables	21,706	154	0	10,351	32,211	0	32,211
– other receivables	23,558,141	5,616,743	202,127	8,729,881	38,106,892	-4,922,943	33,183,949
Other assets	3,258,596	72,269	93,026	619,445	4,043,336	-121,079	3,922,257
Cash and cash equivalents	22,722,480	46,062,723	1,446,252	8,186,392	78,417,847	0	78,417,847
Non-current assets held for sale	0	0	0	2,278,440	2,278,440	0	2,278,440
<b>EQUITY AND LIABILITIES</b>	<b>1,771,644,611</b>	<b>2,003,539,158</b>	<b>56,434,979</b>	<b>185,413,134</b>	<b>4,017,031,882</b>	<b>-342,355,689</b>	<b>3,674,676,193</b>
Equity	610,210,587	159,335,731	30,986,326	154,611,642	955,144,286	-198,498,603	756,645,683
Controlling interests	610,210,587	159,335,731	30,986,326	154,611,642	955,144,286	-205,306,042	749,838,244
– share capital	114,718,513	47,691,579	25,822,144	92,083,600	280,315,836	-206,614,444	73,701,392
– share premium	43,048,225	13,658,827	0	20,762,996	77,470,048	-27,066,392	50,403,656
– reserves from profit	283,095,556	47,156,595	344,643	1,709,241	332,306,035	1,101,038	333,407,073
– fair value reserve	65,931,902	14,646,079	1,629,381	14,853,773	97,061,135	-1,662,899	95,398,236
– net profit brought forward	76,985,684	22,765,346	2,055,271	23,281,671	125,087,972	35,560,020	160,647,992
– net profit/loss for the year	28,420,908	14,075,019	1,134,887	1,956,845	45,587,659	-6,453,704	39,133,955
– currency translation differences	-1,990,201	-657,714	0	-36,484	-2,684,399	-169,661	-2,854,060
Non-controlling interests	0	0	0	0	0	6,807,439	6,807,439
Subordinated liabilities	10,775,525	9,832,655	1,500,000	0	22,108,180	-6,649,048	15,459,132
Insurance technical provisions	990,706,110	1,356,384,332	14,831,179	0	2,361,921,621	-79,220,595	2,282,701,026
– unearned premiums	289,866,512	439,263	2,630,206	0	292,935,981	-14,823,262	278,112,719
– mathematical provisions	0	1,331,198,408	0	0	1,331,198,408	1,856,981	1,333,055,389
– claims provisions	675,322,350	19,476,640	9,929,037	0	704,728,027	-66,254,314	638,473,713
– other insurance technical provisions	25,517,248	5,270,021	2,271,936	0	33,059,205	0	33,059,205
Insurance technical provisions for unit-linked insurance contracts	0	449,544,564	0	0	449,544,564	0	449,544,564
Employee benefits	10,860,025	2,022,147	486,037	611,634	13,979,843	0	13,979,843
Other provisions	1,869,081	1,372,200	161,611	391,755	3,794,647	0	3,794,647
Deferred tax liabilities	15,511,778	7,331,797	0	3,553,004	26,396,579	0	26,396,579
Other financial liabilities	5,549,056	1,112,471	98,854	8,664,123	15,424,504	-9,835,123	5,589,381
Operating liabilities	63,014,034	8,501,117	4,126,075	301,889	75,943,115	-26,561,513	49,381,602
– liabilities from direct insurance operations	7,156,311	8,336,100	4,003,137	0	19,495,548	-620,225	18,875,323
– liabilities from reinsurance and co-insurance operations	54,516,389	146,850	36,207	0	54,699,446	-25,941,288	28,758,158
– current tax liabilities	1,341,334	18,167	86,731	301,889	1,748,121	0	1,748,121
Other liabilities	63,148,415	8,102,144	4,244,897	17,279,087	92,774,543	-21,590,808	71,183,735
Non-current liabilities held for sale and discontinued operations	0	0	0	0	0	0	0

## Statement of financial position

in EUR

	31 December 2016						
	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL (before eliminations)	ELIMINATIONS	TOTAL (after eliminations)
<b>ASSETS</b>	<b>1,710,431,404</b>	<b>1,950,198,994</b>	<b>50,565,069</b>	<b>189,872,226</b>	<b>3,901,067,693</b>	<b>-326,182,270</b>	<b>3,574,885,423</b>
Intangible assets	66,610,433	2,543,966	957,696	3,711,493	73,823,588	0	73,823,588
Property, plant and equipment	87,241,429	11,088,587	1,430,541	8,172,871	107,933,428	0	107,933,428
Deferred tax assets	13,900,553	1,336,641	270,553	285,367	15,793,114	0	15,793,114
Investment property	53,171,613	2,286,948	0	35,020,188	90,478,749	5,363,971	95,842,720
Investments in subsidiaries	128,224,747	10,578,066	0	66,439,368	205,242,181	-205,242,181	0
Investments in associates	0	4,144,637	0	2,681,763	6,826,400	0	6,826,400
Financial assets	1,027,520,871	1,881,153,435	43,172,848	47,480,986	2,999,328,140	-25,024,859	2,974,303,281
Financial investments	1,027,520,871	1,421,170,613	43,172,848	47,480,986	2,539,345,318	-25,024,859	2,514,320,459
– loans and deposits	99,799,691	65,243,436	94,678	4,384,687	169,522,492	-20,790,854	148,731,638
– held to maturity	0	231,342,393	0	0	231,342,393	0	231,342,393
– available for sale	915,935,021	739,668,176	43,078,170	43,096,299	1,741,777,666	-3,734,594	1,738,043,072
– recognised at fair value through profit and loss	11,786,159	384,916,608	0	0	396,702,767	-499,411	396,203,356
Unit-linked insurance assets	0	459,982,822	0	0	459,982,822	0	459,982,822
Reinsurers' share of technical provisions	146,560,701	45,965	65,090	0	146,671,756	-69,586,973	77,084,783
Receivables	164,484,623	5,305,518	4,490,337	10,191,907	184,472,385	-31,551,296	152,921,089
– receivables from direct insurance operations	82,083,004	613,437	4,077,473	0	86,773,914	-2,714,748	84,059,166
– receivables from reinsurance and coinsurance operations	59,119,683	9,485	36,998	0	59,166,166	-24,066,316	35,099,850
– current tax receivables	747,686	154	0	142,436	890,276	0	890,276
– other receivables	22,534,250	4,682,442	375,866	10,049,471	37,642,029	-4,770,232	32,871,797
Other assets	2,766,763	46,341	18,490	931,591	3,763,185	-140,932	3,622,253
Cash and cash equivalents	19,949,671	31,668,890	159,514	13,936,399	65,714,474	0	65,714,474
Non-current assets held for sale	0	0	0	1,020,293	1,020,293	0	1,020,293
<b>EQUITY AND LIABILITIES</b>	<b>1,710,431,404</b>	<b>1,950,198,994</b>	<b>50,565,069</b>	<b>189,872,226</b>	<b>3,901,067,693</b>	<b>-326,182,270</b>	<b>3,574,885,423</b>
Equity	591,821,655	157,208,258	29,592,588	166,050,727	944,673,228	-200,323,481	744,349,747
Controlling interests	591,821,655	157,208,258	29,592,588	166,050,727	944,673,228	-210,717,714	733,955,514
– share capital	115,729,153	42,885,603	25,822,144	92,230,534	276,667,434	-202,966,042	73,701,392
– share premium	42,947,231	13,658,827	0	25,088,124	81,694,182	-28,205,492	53,488,690
– reserves from profit	253,088,684	46,665,650	222,038	1,956,708	301,933,080	3,602,377	305,535,457
– fair value reserve	59,890,604	15,157,857	1,493,135	22,201,532	98,743,128	-11,008,000	87,735,128
– net profit brought forward	91,831,887	22,941,388	951,202	13,663,954	129,388,431	43,804,438	173,192,869
– net profit/loss for the year	31,031,308	17,001,668	1,104,069	10,995,776	60,132,821	-15,916,344	44,216,477
– currency translation differences	-2,697,212	-1,102,735	0	-85,901	-3,885,848	-28,651	-3,914,499
Non-controlling interests	0	0	0	0	0	10,394,233	10,394,233
Subordinated liabilities	11,073,221	10,029,887	1,500,000	0	22,603,108	-5,734,006	16,869,102
Insurance technical provisions	963,579,734	1,295,414,018	12,364,372	0	2,271,358,124	-68,252,900	2,203,105,224
– unearned premiums	275,336,728	462,864	2,463,639	0	278,263,231	-14,623,611	263,639,620
– mathematical provisions	0	1,272,092,349	0	0	1,272,092,349	1,446,259	1,273,538,608
– claims provisions	662,116,426	18,911,900	9,105,769	0	690,134,095	-54,893,200	635,240,895
– other insurance technical provisions	26,126,580	3,946,905	794,964	0	30,868,449	-182,348	30,686,101
Insurance technical provisions for unit-linked insurance contracts	0	457,683,091	0	0	457,683,091	0	457,683,091
Employee benefits	10,490,082	1,981,637	477,216	601,329	13,550,264	0	13,550,264
Other provisions	1,623,462	1,714,200	258,023	375,532	3,971,217	0	3,971,217
Deferred tax liabilities	13,424,776	8,868,633	0	3,107,135	25,400,544	0	25,400,544
Other financial liabilities	5,088,991	1,112,067	99,125	1,164,440	7,464,623	-2,175,930	5,288,693
Operating liabilities	57,976,553	7,925,969	2,416,732	991,817	69,311,071	-27,282,876	42,028,195
– liabilities from direct insurance operations	6,837,341	7,912,022	2,386,126	0	17,135,489	-1,115,469	16,020,020
– liabilities from reinsurance and co-insurance operations	49,252,099	13,947	30,606	0	49,296,652	-26,167,407	23,129,245
– current tax liabilities	1,887,113	0	0	991,817	2,878,930	0	2,878,930
Other liabilities	55,352,930	8,261,234	3,857,013	17,581,246	85,052,423	-22,413,077	62,639,346
Non-current liabilities held for sale and discontinued operations	0	0	0	0	0	0	0

## Income statement

in EUR

	2017					2016				
	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL
<b>Net premium income</b>	<b>543,846,673</b>	<b>218,252,128</b>	<b>129,098,568</b>	<b>0</b>	<b>891,197,369</b>	<b>523,385,136</b>	<b>212,395,932</b>	<b>113,812,933</b>	<b>0</b>	<b>849,594,001</b>
– gross written premium	652,350,427	218,282,704	129,283,495	0	999,916,626	609,255,380	212,562,325	114,186,110	0	936,003,815
– ceded written premium	-97,496,337	-54,396	0	0	-97,550,733	-79,063,138	-17,811	0	0	-79,080,949
– change in unearned premiums	-11,007,417	23,820	-184,927	0	-11,168,524	-6,807,106	-148,582	-373,177	0	-7,328,865
<b>Total income from financial assets</b>	<b>45,905,503</b>	<b>92,278,523</b>	<b>951,172</b>	<b>702,244</b>	<b>139,837,442</b>	<b>51,491,182</b>	<b>92,331,909</b>	<b>1,084,435</b>	<b>1,109,959</b>	<b>146,017,485</b>
Income from financial assets in associates	78,249	0	0	146,356	224,605	2,928,469	297	0	187,808	3,116,574
– profit on equity investments accounted for using the equity method	78,249	0	0	146,356	224,605	0	297	0	187,808	188,105
– interest income	0	0	0	0	0	0	0	0	0	0
– dividends	0	0	0	0	0	0	0	0	0	0
– fair value gains	0	0	0	0	0	0	0	0	0	0
– realised gains on disposals	0	0	0	0	0	2,928,469	0	0	0	2,928,469
– other financial income	0	0	0	0	0	0	0	0	0	0
Income from other financial assets	45,827,254	63,831,057	951,172	555,888	111,165,371	48,562,713	68,877,335	1,084,435	922,151	119,446,634
– interest income	25,219,214	38,056,349	689,859	25,140	63,990,562	27,343,518	40,731,024	737,088	23,944	68,835,574
– dividends	4,154,882	676,964	0	514,605	5,346,451	1,929,416	778,555	0	648,798	3,356,769
– fair value gains	665,461	7,506,804	0	0	8,172,265	208,040	7,605,724	0	0	7,813,764
– realised gains on disposals	12,669,570	16,849,824	260,910	10,176	29,790,480	16,002,196	17,426,228	347,231	203,434	33,979,089
– other financial income	3,118,127	741,116	403	5,967	3,865,613	3,079,543	2,335,804	116	45,975	5,461,438
Net unrealised gains on unit-linked life insurance assets	0	28,447,466	0	0	28,447,466	0	23,454,277	0	0	23,454,277
<b>Other income from insurance operations</b>	<b>22,405,395</b>	<b>120,340</b>	<b>43,100</b>	<b>0</b>	<b>22,568,835</b>	<b>5,280,492</b>	<b>70,982</b>	<b>40,698</b>	<b>0</b>	<b>5,392,172</b>
– fees and commission income	16,382,533	104,937	0	0	16,487,470	191,692	61,101	0	0	252,793
– other income from insurance operations	6,022,862	15,403	43,100	0	6,081,365	5,088,800	9,881	40,698	0	5,139,379
<b>Other income</b>	<b>6,672,954</b>	<b>108,231</b>	<b>141,144</b>	<b>27,110,787</b>	<b>34,033,116</b>	<b>8,745,715</b>	<b>96,490</b>	<b>70,929</b>	<b>44,624,041</b>	<b>53,537,175</b>
<b>Net claims incurred</b>	<b>317,434,965</b>	<b>190,014,478</b>	<b>112,509,338</b>	<b>0</b>	<b>619,958,781</b>	<b>295,134,571</b>	<b>181,020,651</b>	<b>100,947,196</b>	<b>0</b>	<b>577,102,418</b>
– gross claims settled	347,312,086	189,454,483	105,396,000	0	642,162,569	329,541,358	182,237,935	94,240,276	0	606,019,569
– reinsurers' and co-insurers' share	-24,573,160	-450	0	0	-24,573,610	-21,683,882	-8,138	0	0	-21,692,020
– changes in claims provisions	-5,303,961	560,445	827,552	0	-3,915,964	-12,722,905	-1,209,146	-243,149	0	-14,175,200
– equalisation scheme expenses for supplementary health insurance	0	0	6,285,786	0	6,285,786	0	0	6,950,069	0	6,950,069
<b>Change in other insurance technical provisions</b>	<b>-547,945</b>	<b>59,352,163</b>	<b>1,476,972</b>	<b>0</b>	<b>60,281,190</b>	<b>-575,645</b>	<b>48,482,291</b>	<b>-695,321</b>	<b>0</b>	<b>47,211,325</b>
<b>Change in insurance technical provisions for unit-linked insurance contracts</b>	<b>0</b>	<b>-8,250,712</b>	<b>0</b>	<b>0</b>	<b>-8,250,712</b>	<b>0</b>	<b>776,648</b>	<b>0</b>	<b>0</b>	<b>776,648</b>
<b>Expenses for bonuses and discounts</b>	<b>9,327,585</b>	<b>15,306</b>	<b>0</b>	<b>0</b>	<b>9,342,891</b>	<b>11,322,695</b>	<b>8,935</b>	<b>0</b>	<b>0</b>	<b>11,331,630</b>
<b>Operating expenses</b>	<b>175,190,559</b>	<b>33,380,150</b>	<b>12,191,924</b>	<b>0</b>	<b>220,762,633</b>	<b>165,281,584</b>	<b>32,633,456</b>	<b>10,760,668</b>	<b>0</b>	<b>208,675,708</b>
– costs of insurance contract acquisition	124,928,446	19,450,872	3,563,094	0	147,942,412	118,898,565	18,935,819	3,168,629	0	141,003,013
– other operating costs	50,262,113	13,929,278	8,628,830	0	72,820,221	46,383,019	13,697,637	7,592,039	0	67,672,695

## Income statement

in EUR

	2017					2016				
	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL	NON-LIFE	LIFE	HEALTH	OTHER	TOTAL
<b>Expenses from financial assets and liabilities</b>	<b>16,542,021</b>	<b>15,078,771</b>	<b>98,109</b>	<b>1,892,810</b>	<b>33,611,711</b>	<b>19,444,975</b>	<b>20,577,551</b>	<b>44,482</b>	<b>2,466,871</b>	<b>42,533,879</b>
Expenses from financial assets and liabilities in associates	1,298,370	56,656	0	1,771,827	3,126,853	738,755	0	0	2,435,436	3,174,191
– loss on investments accounted for using the equity method	153,370	56,656	0	1,771,827	1,981,853	0	0	0	247,812	247,812
– interest expense	0	0	0	0	0	0	0	0	0	0
– fair value losses	0	0	0	0	0	0	0	0	0	0
– izgube pri prodaji finančnih sredstev	1.145.000	0	0	0	1.145.000	738.755	0	0	2.187.624	2.926.379
– trajne oslabitve	0	0	0	0	0	0	0	0	0	0
– drugi finančni odhodki	0	0	0	0	0	0	0	0	0	0
Odhodki od drugih finančnih sredstev in obveznosti	15.243.651	14.711.232	98.109	120.983	30.173.975	18.706.220	19.071.747	44.482	31.435	37.853.884
– obresti	1.030.266	597.776	0	2.981	1.631.023	683.523	590.025	0	40.957	1.314.505
– sprememba poštene vrednosti	2.208	4.214.030	0	980	4.217.218	385.818	6.502.259	0	394	6.888.471
– izgube pri prodaji finančnih sredstev	4.731.298	6.179.208	65.616	107.474	11.083.596	9.348.133	10.116.648	9.685	-23.444	19.451.022
– trajne oslabitve	310.527	24.728	0	0	335.255	3.162.126	34.899	0	0	3.197.025
– drugi finančni odhodki	9.169.352	3.695.490	32.493	9.548	12.906.883	5.126.620	1.827.916	34.797	13.528	7.002.861
Čiste neiztržene izgube življenjskih zavarovancev, ki prevzemajo naložbeno tveganje	0	310.883	0	0	310.883	0	1.505.804	0	0	1.505.804
<b>Drugi zavarovalni odhodki</b>	<b>26.116.536</b>	<b>324.489</b>	<b>414.264</b>	<b>0</b>	<b>26.855.289</b>	<b>14.764.900</b>	<b>1.870.761</b>	<b>402.684</b>	<b>0</b>	<b>17.038.345</b>
<b>Drugi odhodki</b>	<b>12.596.642</b>	<b>1.944.417</b>	<b>82.669</b>	<b>26.006.169</b>	<b>40.629.897</b>	<b>12.639.440</b>	<b>1.811.607</b>	<b>82.068</b>	<b>40.199.675</b>	<b>54.732.790</b>
<b>Poslovni izid pred obdavčitvijo</b>	<b>62.170.162</b>	<b>18.900.160</b>	<b>3.460.708</b>	<b>-85.948</b>	<b>84.445.082</b>	<b>70.890.005</b>	<b>17.713.413</b>	<b>3.467.218</b>	<b>3.067.454</b>	<b>95.138.090</b>
Odhodek za davek	9.610.584	3.710.362	278.784	1.137.400	14.737.130	7.596.485	2.125.875	163.680	2.920.276	12.806.316
<b>ČISTI POSLOVNI IZID</b>	<b>52.559.578</b>	<b>15.189.798</b>	<b>3.181.924</b>	<b>-1.223.348</b>	<b>69.707.952</b>	<b>63.293.520</b>	<b>15.587.538</b>	<b>3.303.538</b>	<b>147.178</b>	<b>82.331.774</b>
Čisti poslovni izid lastnikov obvladujoče družbe	52.253.418	15.045.034	3.181.924	-1.223.816	69.256.560	62.831.756	15.601.233	3.303.538	199.226	81.935.753
Čisti poslovni izid neobvladujočih deležev	306.159	144.764	0	468	451.391	461.764	-13.695	0	-52.048	396.021

## 5.12.2 Reporting by business segment for Zavarovalnica Triglav

## Statement of financial position

	in EUR					
	31 December 2017			31 December 2016		
	NON - LIFE	LIFE	TOTAL	NON - LIFE	LIFE	TOTAL
<b>ASSETS</b>	<b>1,234,239,636</b>	<b>1,571,072,810</b>	<b>2,805,312,446</b>	<b>1,197,481,419</b>	<b>1,564,001,358</b>	<b>2,761,482,778</b>
Intangible assets	56,888,236	2,898,047	59,786,283	53,370,950	2,513,617	55,884,567
Property, plant and equipment	58,868,140	8,658,635	67,526,775	57,112,392	9,118,064	66,230,456
Deferred tax assets	12,623,125	340,249	12,963,374	13,442,264	1,296,951	14,739,215
Investment property	46,974,353	1,240,048	48,214,401	48,345,052	1,266,365	49,611,417
Investments in subsidiaries	109,621,939	8,545,998	118,167,937	122,086,439	8,545,999	130,632,438
Investments in associates	10,002,047	0	10,002,047	0	9,503,047	9,503,047
Financial assets	754,881,568	1,523,724,547	2,278,606,115	733,241,225	1,513,302,645	2,246,543,870
Financial investments:	754,881,568	1,106,116,588	1,860,998,156	733,241,225	1,079,259,376	1,812,500,601
– loans and deposits	39,631,423	51,797,172	91,428,595	38,389,616	44,008,278	82,397,894
– held to maturity	0	166,993,807	166,993,807	0	168,983,706	168,983,706
– available for sale	713,379,512	687,273,476	1,400,652,988	687,302,729	678,146,717	1,365,449,446
– investments recognised at fair value	1,870,633	200,052,133	201,922,766	7,548,880	188,120,675	195,669,555
Unit-linked insurance assets	0	417,607,959	417,607,959	0	434,043,269	434,043,269
Reinsurers' share of technical provisions	85,295,285	32,360	85,327,645	76,416,041	39,066	76,455,107
Receivables	84,107,305	3,102,644	87,209,949	79,220,347	3,059,256	82,279,603
– receivables from direct insurance operations	54,345,318	386,535	54,731,853	58,026,869	464,734	58,491,603
– receivables from reinsurance and co-insurance operations	13,786,820	102,972	13,889,792	7,536,781	1,315	7,538,096
– current tax receivables	0	0	0	0	0	0
– other receivables	15,975,167	2,613,137	18,588,304	13,656,697	2,593,207	16,249,904
Other assets	1,990,130	3,044	1,993,174	1,946,367	3,044	1,949,412
Cash and cash equivalents	12,987,508	22,527,238	35,514,746	12,300,342	15,353,304	27,653,646
<b>EQUITY AND LIABILITIES</b>	<b>1,234,239,636</b>	<b>1,571,072,810</b>	<b>2,805,312,446</b>	<b>1,197,481,419</b>	<b>1,564,001,358</b>	<b>2,761,482,778</b>
Equity	469,422,357	101,989,948	571,412,305	448,114,222	115,274,895	563,389,117
– share capital	51,340,540	22,360,852	73,701,392	51,340,540	22,360,852	73,701,392
– share premium	40,344,978	13,067,907	53,412,884	40,344,978	13,067,907	53,412,884
– reserves from profit	273,448,752	45,513,891	318,962,643	243,448,752	45,513,891	288,962,643
– fair value reserve	57,662,938	9,587,325	67,250,264	48,073,456	16,816,861	64,890,318
– net profit brought forward	25,295,403	267,769	25,563,172	41,379,152	3,309,126	44,688,278
– net profit/loss for the year	21,329,746	11,192,204	32,521,950	23,527,344	14,206,258	37,733,602
Subordinated liabilities	10,775,525	9,832,655	20,608,180	11,073,221	10,029,887	21,103,108
Insurance technical provisions	668,287,155	1,018,822,112	1,687,109,267	663,716,670	981,461,141	1,645,177,811
– unearned premiums	196,121,894	406,291	196,528,185	188,067,543	420,333	188,487,876
– mathematical provisions	0	994,737,498	994,737,498	0	959,268,937	959,268,937
– claims provisions	450,789,937	18,440,963	469,230,900	453,377,312	17,863,463	471,240,775
– other insurance technical provisions	21,375,324	5,237,360	26,612,684	22,271,815	3,908,408	26,180,223
Insurance technical provisions for unit-linked insurance contracts	0	416,250,767	416,250,767	0	431,125,308	431,125,308
Employee benefits	8,819,152	1,881,311	10,700,463	8,690,246	1,857,268	10,547,514
Other provisions	613,261	111,700	724,961	577,969	111,700	689,669
Deferred tax liabilities	13,609,999	8,654,428	22,264,427	11,434,105	10,370,519	21,804,624
Other financial liabilities	1,845,184	0	1,845,184	1,852,710	0	1,852,710
Operating liabilities	21,083,190	6,656,860	27,740,050	18,179,880	6,272,070	24,451,951
– liabilities from direct insurance operations	4,821,731	6,532,534	11,354,265	4,930,272	6,272,070	11,202,342
– liabilities from reinsurance and co-insurance operations	15,125,471	124,326	15,249,797	11,507,585	0	11,507,586
– current tax liabilities	1,135,988	0	1,135,988	1,742,023	0	1,742,023
Other liabilities	39,783,813	6,873,029	46,656,842	33,842,396	7,498,570	41,340,966

## Income statement

	in EUR					
	2017			2016		
	NON - LIFE	LIFE	TOTAL	NON - LIFE	LIFE	TOTAL
<b>Net premium income</b>	<b>349,158,918</b>	<b>172,898,435</b>	<b>522,057,353</b>	<b>339,908,447</b>	<b>169,856,757</b>	<b>509,765,204</b>
– gross written premium	448,495,641	173,475,695	621,971,336	422,860,052	170,268,959	593,129,011
– ceded written premium	-92,931,279	-591,302	-93,522,581	-78,099,107	-409,291	-78,508,398
– change in unearned premiums	-6,405,444	14,042	-6,391,402	-4,852,498	-2,911	-4,855,409
<b>Total income from financial assets</b>	<b>38,443,004</b>	<b>73,701,707</b>	<b>112,144,711</b>	<b>43,583,122</b>	<b>72,413,992</b>	<b>115,997,114</b>
Income from financial assets in associates	7,106,829	0	7,106,829	9,774,628	62,153	9,836,781
– interest income	845,981	0	845,981	857,579	0	857,579
– dividends	6,172,954	0	6,172,954	0	62,153	62,153
– realised gains on disposals	83,290	0	83,290	8,911,599	0	8,911,599
– other financial income	4,604	0	4,604	5,450	0	5,450
Income from other financial assets	31,336,175	45,941,271	77,277,446	33,808,494	49,275,625	83,084,119
– interest income	17,097,125	27,558,560	44,655,685	18,803,992	29,552,144	48,356,136
– dividends	2,381,837	405,737	2,787,574	1,770,834	596,811	2,367,645
– fair value gains	500,505	2,266,783	2,767,288	20,948	1,687,166	1,708,114
– realised gains on disposals	9,760,162	15,610,133	25,370,295	12,285,124	16,967,581	29,252,705
– other financial income	1,596,546	100,058	1,696,604	927,596	471,923	1,399,519
Net unrealised gains on unit-linked life insurance assets	0	27,760,436	27,760,436	0	23,076,214	23,076,214
<b>Other income from insurance operations</b>	<b>21,814,630</b>	<b>123,974</b>	<b>21,938,604</b>	<b>19,074,180</b>	<b>85,969</b>	<b>19,160,149</b>
– fees and commission income	17,888,694	123,036	18,011,730	15,115,964	85,902	15,201,866
– other income from insurance operations	3,925,936	938	3,926,874	3,958,216	67	3,958,283
<b>Other income</b>	<b>6,876,459</b>	<b>4,074,964</b>	<b>10,951,423</b>	<b>8,987,440</b>	<b>3,658,175</b>	<b>12,645,615</b>
<b>Net claims incurred</b>	<b>205,082,765</b>	<b>171,210,065</b>	<b>376,292,830</b>	<b>188,656,282</b>	<b>162,083,483</b>	<b>350,739,765</b>
– gross claims settled	240,420,167	170,885,357	411,305,524	227,621,163	163,615,157	391,236,320
– reinsurers' share	-24,364,538	-259,497	-24,624,035	-20,519,696	-159,671	-20,679,367
– changes in claims provisions	-10,972,864	584,205	-10,388,659	-18,445,185	-1,372,003	-19,817,188
<b>Change in other insurance technical provisions</b>	<b>-750,916</b>	<b>36,117,891</b>	<b>35,366,975</b>	<b>550,376</b>	<b>28,208,149</b>	<b>28,758,525</b>
<b>Change in insurance technical provisions for unit-linked insurance contracts</b>	<b>0</b>	<b>-14,678,837</b>	<b>-14,678,837</b>	<b>0</b>	<b>-7,469,473</b>	<b>-7,469,473</b>
<b>Expenses for bonuses and discounts</b>	<b>8,073,088</b>	<b>0</b>	<b>8,073,088</b>	<b>9,108,703</b>	<b>0</b>	<b>9,108,703</b>
<b>Operating expenses</b>	<b>115,408,436</b>	<b>30,514,473</b>	<b>145,922,909</b>	<b>111,447,026</b>	<b>30,782,572</b>	<b>142,229,598</b>
– costs of insurance contract acquisition	84,391,272	20,909,864	105,301,136	81,862,364	20,725,169	102,587,533
– other operating costs	31,017,164	9,604,609	40,621,773	29,584,662	10,057,403	39,642,065
Expenses from financial assets and liabilities	11,265,458	10,727,021	21,992,479	16,003,185	14,160,209	30,163,394
Expenses from financial assets and liabilities in associates	4,435	0	4,435	551,754	0	551,754
– realised loss on disposals	0	0	0	544,414	0	544,414
– loss on impairment of financial assets	0	0	0	0	0	0
– other expenses from financial assets and liabilities	4,435	0	4,435	7,340	0	7,340
Expenses from other financial assets and liabilities	11,261,023	10,584,128	21,845,151	15,451,431	12,801,425	28,252,856
– interest expense	939,714	609,352	1,549,066	764,078	618,986	1,383,064
– fair value losses	0	1,614,514	1,614,514	309,525	1,575,491	1,885,016
– realised loss on disposals	4,564,995	6,023,360	10,588,355	8,547,686	9,610,849	18,158,535
– loss on impairment of financial assets	200,000	0	200,000	3,097,058	0	3,097,058
– other expenses from financial assets and liabilities	5,556,314	2,336,902	7,893,216	2,733,084	996,099	3,729,183
Net unrealised losses on unit-linked life insurance assets	0	142,893	142,893	0	1,358,784	1,358,784
<b>Other insurance expenses</b>	<b>6,724,795</b>	<b>255,956</b>	<b>6,980,751</b>	<b>8,229,970</b>	<b>246,109</b>	<b>8,476,079</b>
<b>Other expenses</b>	<b>11,546,633</b>	<b>1,772,947</b>	<b>13,319,580</b>	<b>10,463,310</b>	<b>1,680,379</b>	<b>12,143,689</b>
<b>Profit before tax</b>	<b>58,942,752</b>	<b>14,879,564</b>	<b>73,822,316</b>	<b>67,094,337</b>	<b>16,323,465</b>	<b>83,417,802</b>
<b>Income tax expense</b>	<b>7,613,006</b>	<b>3,687,360</b>	<b>11,300,366</b>	<b>5,966,993</b>	<b>2,117,207</b>	<b>8,084,200</b>
<b>Net profit for the accounting period</b>	<b>51,329,746</b>	<b>11,192,204</b>	<b>62,521,950</b>	<b>61,127,344</b>	<b>14,206,258</b>	<b>75,333,602</b>



## 5.12.3 Reporting by geographical area for Triglav Group

## Statement of financial position

in EUR

	31 December 2017				
	SLOVENIA	OTHER	TOTAL (before eliminations)	ELIMINATIONS	TOTAL (after eliminations)
<b>ASSETS</b>	<b>3,614,478,901</b>	<b>402,552,981</b>	<b>4,017,031,882</b>	<b>-342,355,689</b>	<b>3,674,676,193</b>
Intangible assets	64,429,076	14,411,536	78,840,612	0	78,840,612
Property, plant and equipment	73,583,739	37,626,698	111,210,437	0	111,210,437
Deferred tax assets	13,357,451	411,664	13,769,115	0	13,769,115
Investment property	76,402,270	12,241,242	88,643,512	5,363,971	94,007,483
Investments in subsidiaries	195,617,238	7,275,780	202,893,018	-202,893,018	0
Investments in associates	6,449,324	0	6,449,324	0	6,449,324
Financial assets	2,830,737,860	239,918,694	3,070,656,554	-32,569,806	3,038,086,748
Financial investments	2,399,932,370	220,488,140	2,620,420,510	-32,569,806	2,587,850,704
– loans and deposits	111,821,768	40,850,478	152,672,246	-27,420,759	125,251,487
– held to maturity	203,560,517	17,830,059	221,390,576	0	221,390,576
– available for sale	1,663,292,719	156,680,708	1,819,973,427	-4,649,527	1,815,323,900
– recognised at fair value through profit and loss	421,257,366	5,126,895	426,384,261	-499,520	425,884,741
Unit-linked insurance assets	430,805,490	19,430,554	450,236,044	0	450,236,044
Reinsurers' share of technical provisions	141,119,147	23,982,963	165,102,110	-81,286,534	83,815,576
Receivables	145,898,870	48,828,707	194,727,577	-30,849,223	163,878,354
– receivables from direct insurance operations	59,122,562	26,749,924	85,872,486	-149,994	85,722,492
– receivables from reinsurance and coinsurance operations	62,936,521	7,779,467	70,715,988	-25,776,286	44,939,702
– current tax receivables	4,457	27,754	32,211	0	32,211
– other receivables	23,835,330	14,271,562	38,106,892	-4,922,943	33,183,949
Other assets	2,245,426	1,797,910	4,043,336	-121,079	3,922,257
Cash and cash equivalents	63,881,727	14,536,120	78,417,847	0	78,417,847
Non-current assets held for sale	756,773	1,521,667	2,278,440	0	2,278,440
<b>EQUITY AND LIABILITIES</b>	<b>3,614,478,901</b>	<b>402,552,981</b>	<b>4,017,031,882</b>	<b>-342,355,689</b>	<b>3,674,676,193</b>
Equity	842,431,956	112,712,330	955,144,286	-198,498,603	756,645,683
Controlling interests	842,431,956	112,712,330	955,144,286	-205,306,042	749,838,244
– share capital	183,918,127	96,397,709	280,315,836	-206,614,444	73,701,392
– share premium	75,913,505	1,556,543	77,470,048	-27,066,392	50,403,656
– reserves from profit	322,949,553	9,356,482	332,306,035	1,101,038	333,407,073
– fair value reserve	88,222,900	8,838,235	97,061,135	-1,662,899	95,398,236
– net profit brought forward	128,992,839	-3,904,867	125,087,972	35,560,020	160,647,992
– net profit/loss for the year	42,435,032	3,152,627	45,587,659	-6,453,704	39,133,955
– currency translation differences	0	-2,684,399	-2,684,399	-169,661	-2,854,060
Non-controlling interests	0	0	0	6,807,439	6,807,439
Subordinated liabilities	22,108,180	0	22,108,180	-6,649,048	15,459,132
Insurance technical provisions	2,139,794,923	222,126,698	2,361,921,621	-79,220,595	2,282,701,026
– unearned premiums	223,888,442	69,047,539	292,935,981	-14,823,262	278,112,719
– mathematical provisions	1,269,100,045	62,098,363	1,331,198,408	1,856,981	1,333,055,389
– claims provisions	617,489,746	87,238,281	704,728,027	-66,254,314	638,473,713
– other insurance technical provisions	29,316,690	3,742,515	33,059,205	0	33,059,205
Insurance technical provisions for unit-linked insurance contracts	430,052,242	19,492,322	449,544,564	0	449,544,565
Employee benefits	11,920,963	2,058,880	13,979,843	0	13,979,843
Other provisions	2,351,028	1,443,619	3,794,647	0	3,794,647
Deferred tax liabilities	24,957,195	1,439,384	26,396,579	0	26,396,579
Other financial liabilities	10,009,188	5,415,316	15,424,504	-9,835,123	5,589,381
Operating liabilities	64,669,856	11,273,259	75,943,115	-26,561,513	49,381,602
– liabilities from direct insurance operations	15,840,323	3,655,225	19,495,548	-620,225	18,875,323
– liabilities from reinsurance and co-insurance operations	47,201,500	7,497,946	54,699,446	-25,941,288	28,758,158
– current tax liabilities	1,628,033	120,088	1,748,121	0	1,748,121
Other liabilities	66,183,370	26,591,173	92,774,543	-21,590,808	71,183,735
Non-current liabilities held for sale and discontinued operations	0	0	0	0	0

## Statement of financial position

in EUR

	31 December 2016				
	SLOVENIA	OTHER	TOTAL (before eliminations)	ELIMINATIONS	TOTAL (after eliminations)
<b>ASSETS</b>	<b>3,530,198,569</b>	<b>370,869,124</b>	<b>3,901,067,693</b>	<b>-326,182,270</b>	<b>3,574,885,423</b>
Intangible assets	60,636,141	13,187,447	73,823,588	0	73,823,588
Property, plant and equipment	72,319,690	35,613,738	107,933,428	0	107,933,428
Deferred tax r assets	15,295,135	497,979	15,793,114	0	15,793,114
Investment property	76,022,350	14,456,399	90,478,749	5,363,971	95,842,720
Investments in subsidiaries	198,843,920	6,398,261	205,242,181	-205,242,181	0
Investments in associates	6,826,400	0	6,826,400	0	6,826,400
Financial assets	2,776,715,851	222,612,289	2,999,328,140	-25,024,859	2,974,303,281
Financial investments	2,335,975,934	203,369,384	2,539,345,318	-25,024,859	2,514,320,459
– loans and deposits	104,567,347	64,955,145	169,522,492	-20,790,854	148,731,638
– held to maturity	212,410,092	18,932,301	231,342,393	0	231,342,393
– available for sale	1,628,468,878	113,308,788	1,741,777,666	-3,734,594	1,738,043,072
– recognised at fair value through profit and loss	390,529,617	6,173,150	396,702,767	-499,411	396,203,356
Unit-linked insurance assets	440,739,917	19,242,905	459,982,822	0	459,982,822
Reinsurers' share of technical provisions	126,409,373	20,262,383	146,671,756	-69,586,973	77,084,783
Receivables	139,051,920	45,420,465	184,472,385	-31,551,296	152,921,089
– receivables from direct insurance operations	62,579,234	24,194,680	86,773,914	-2,714,748	84,059,166
– receivables from reinsurance and coinsurance operations	52,836,852	6,329,314	59,166,166	-24,066,316	35,099,850
– current tax receivables	687,497	202,779	890,276	0	890,276
– other receivables	22,948,337	14,693,692	37,642,029	-4,770,232	32,871,797
Other assets	2,153,552	1,609,633	3,763,185	-140,932	3,622,253
Cash and cash equivalents	54,903,944	10,810,530	65,714,474	0	65,714,474
Non-current assets held for sale	1,020,293	0	1,020,293	0	1,020,293
<b>EQUITY AND LIABILITIES</b>	<b>3,530,198,569</b>	<b>370,869,124</b>	<b>3,901,067,693</b>	<b>-326,182,270</b>	<b>3,574,885,423</b>
Equity	843,069,531	101,603,697	944,673,228	-200,323,481	744,349,747
Controlling interests	843,069,531	101,603,697	944,673,228	-210,717,714	733,955,514
– share capital	183,946,127	92,721,307	276,667,434	-202,966,042	73,701,392
– share premium	80,238,633	1,455,549	81,694,182	-28,205,492	53,488,690
– reserves from profit	292,830,748	9,102,332	301,933,080	3,602,377	305,535,457
– fair value reserve	93,773,260	4,969,868	98,743,128	-11,008,000	87,735,128
– net profit brought forward	133,115,418	-3,726,987	129,388,431	43,804,438	173,192,869
– net profit/loss for the year	59,165,345	967,476	60,132,821	-15,916,344	44,216,477
– currency translation differences	0	-3,885,848	-3,885,848	-28,651	-3,914,499
Non-controlling interests	0	0	0	10,394,233	10,394,233
Subordinated liabilities	22,603,108	0	22,603,108	-5,734,006	16,869,102
Insurance technical provisions	2,064,922,488	206,435,636	2,271,358,124	-68,252,900	2,203,105,224
– unearned premiums	214,691,367	63,571,864	278,263,231	-14,623,611	263,639,620
– mathematical provisions	1,215,423,328	56,669,021	1,272,092,349	1,446,259	1,273,538,608
– claims provisions	607,358,659	82,775,436	690,134,095	-54,893,200	635,240,895
– other insurance technical provisions	27,449,134	3,419,315	30,868,449	-182,348	30,686,101
Insurance technical provisions for unit-linked insurance contracts	438,557,715	19,125,376	457,683,091	0	457,683,091
Employee benefits	11,734,153	1,816,111	13,550,264	0	13,550,264
Other provisions	2,817,708	1,153,509	3,971,217	0	3,971,217
Deferred tax liabilities	24,295,651	1,104,893	25,400,544	0	25,400,544
Other financial liabilities	3,262,821	4,201,802	7,464,623	-2,175,930	5,288,693
Operating liabilities	59,136,359	10,174,712	69,311,071	-27,282,876	42,028,195
– liabilities from direct insurance operations	14,216,505	2,918,984	17,135,489	-1,115,469	16,020,020
– liabilities from reinsurance and co-insurance operations	42,225,370	7,071,282	49,296,652	-26,167,407	23,129,245
– current tax liabilities	2,694,484	184,446	2,878,930	0	2,878,930
Other liabilities	59,799,035	25,253,388	85,052,423	-22,413,077	62,639,346
Non-current liabilities held for sale and discontinued operations	0	0	0	0	0

## Income statement

in EUR

	2017			2016		
	SLOVENIA	OTHER	TOTAL	SLOVENIA	OTHER	TOTAL
<b>Net premium income</b>	<b>734,661,208</b>	<b>156,536,161</b>	<b>891,197,369</b>	<b>703,239,403</b>	<b>146,354,598</b>	<b>849,594,001</b>
– gross written premium	822,832,394	177,084,232	999,916,626	774,450,456	161,553,359	936,003,815
– ceded written premium	-80,612,495	-16,938,238	-97,550,733	-66,045,977	-13,034,972	-79,080,949
– change in unearned premiums	-7,558,691	-3,609,833	-11,168,524	-5,165,076	-2,163,789	-7,328,865
<b>Total income from financial assets</b>	<b>128,449,729</b>	<b>11,387,713</b>	<b>139,837,442</b>	<b>136,077,184</b>	<b>9,940,301</b>	<b>146,017,485</b>
Income from financial assets in associates	224,605	0	224,605	3,116,574	0	3,116,574
– profit on equity investments accounted for using the equity method	224,605	0	224,605	188,105	0	188,105
– interest income	0	0	0	0	0	0
– dividends	0	0	0	0	0	0
– fair value gains	0	0	0	0	0	0
– realised gains on disposals	0	0	0	2,928,469	0	2,928,469
– other financial income	0	0	0	0	0	0
Income from other financial assets	100,464,688	10,700,683	111,165,371	109,884,396	9,562,238	119,446,634
– interest income	55,728,482	8,262,080	63,990,562	60,768,780	8,066,794	68,835,574
– dividends	5,085,737	260,714	5,346,451	3,224,538	132,231	3,356,769
– fair value gains	7,970,031	202,234	8,172,265	7,536,482	277,282	7,813,764
– realised gains on disposals	28,739,643	1,050,837	29,790,480	33,567,044	412,045	33,979,089
– other financial income	2,940,795	924,818	3,865,613	4,787,552	673,886	5,461,438
Net unrealised gains on unit-linked life insurance assets	27,760,436	687,030	28,447,466	23,076,214	378,063	23,454,277
<b>Other income from insurance operations</b>	<b>17,101,154</b>	<b>5,467,681</b>	<b>22,568,835</b>	<b>1,470,316</b>	<b>3,921,856</b>	<b>5,392,172</b>
– fees and commission income	14,910,284	1,577,186	16,487,470	-736,231	989,024	252,793
– other income from insurance operations	2,190,870	3,890,495	6,081,365	2,206,547	2,932,832	5,139,379
<b>Other income</b>	<b>26,925,437</b>	<b>7,107,679</b>	<b>34,033,116</b>	<b>47,121,790</b>	<b>6,415,385</b>	<b>53,537,175</b>
<b>Net claims incurred</b>	<b>529,190,451</b>	<b>90,768,330</b>	<b>619,958,781</b>	<b>502,368,127</b>	<b>74,734,291</b>	<b>577,102,418</b>
– gross claims settled	551,469,877	90,692,692	642,162,569	525,445,004	80,574,565	606,019,569
– reinsurers' and co-insurers' share	-18,968,468	-5,605,142	-24,573,610	-15,942,335	-5,749,685	-21,692,020
– changes in claims provisions	-9,596,744	5,680,780	-3,915,964	-14,084,611	-90,589	-14,175,200
– equalisation scheme expenses for supplementary health insurance	6,285,786	0	6,285,786	6,950,069	0	6,950,069
<b>Change in other insurance technical provisions</b>	<b>55,383,283</b>	<b>4,897,907</b>	<b>60,281,190</b>	<b>43,783,805</b>	<b>3,427,520</b>	<b>47,211,325</b>
<b>Change in insurance technical provisions for unit-linked insurance contracts</b>	<b>-8,309,768</b>	<b>59,056</b>	<b>-8,250,712</b>	<b>-37,067</b>	<b>813,715</b>	<b>776,648</b>
<b>Expenses for bonuses and discounts</b>	<b>8,287,867</b>	<b>1,055,024</b>	<b>9,342,891</b>	<b>9,106,886</b>	<b>2,224,744</b>	<b>11,331,630</b>
<b>Operating expenses</b>	<b>158,814,013</b>	<b>61,948,620</b>	<b>220,762,633</b>	<b>152,430,778</b>	<b>56,244,930</b>	<b>208,675,708</b>
– costs of insurance contract acquisition	106,001,753	41,940,659	147,942,412	102,328,037	38,674,976	141,003,013
– other operating costs	52,812,260	20,007,961	72,820,221	50,102,741	17,569,954	67,672,695

## Income statement

	in EUR					
	2017			2016		
	SLOVENIA	OTHER	TOTAL	SLOVENIA	OTHER	TOTAL
<b>Expenses from financial assets and liabilities</b>	<b>31,754,337</b>	<b>1,857,374</b>	<b>33,611,711</b>	<b>41,041,678</b>	<b>1,492,201</b>	<b>42,533,879</b>
Expenses from financial assets and liabilities in associates	3,126,853	0	3,126,853	3,406,619	-232,428	3,174,191
– loss on investments accounted for using the equity method	1,981,853	0	1,981,853	247,812	0	247,812
– interest expense	0	0	0	0	0	0
– fair value losses	0	0	0	0	0	0
– realised loss on disposals	1,145,000	0	1,145,000	3,158,807	-232,428	2,926,379
– impairments	0	0	0	0	0	0
– other financial expenses	0	0	0	0	0	0
Expenses from other financial assets and liabilities	28,484,591	1,689,384	30,173,975	36,276,275	1,577,609	37,853,884
– interest expense	1,368,553	262,470	1,631,023	1,259,386	55,119	1,314,505
– fair value losses	4,204,398	12,820	4,217,218	6,787,412	101,059	6,888,471
– realised loss on disposals	11,083,421	175	11,083,596	19,375,586	75,436	19,451,022
– impairments	200,000	135,255	335,255	3,098,169	98,856	3,197,025
– other financial expenses	11,628,219	1,278,664	12,906,883	5,755,722	1,247,139	7,002,861
Net unrealised losses on unit-linked life insurance assets	142,893	167,990	310,883	1,358,784	147,020	1,505,804
<b>Other insurance expenses</b>	<b>20,887,324</b>	<b>5,967,965</b>	<b>26,855,289</b>	<b>10,633,917</b>	<b>6,404,428</b>	<b>17,038,345</b>
<b>Other expenses</b>	<b>30,698,657</b>	<b>9,931,240</b>	<b>40,629,897</b>	<b>44,067,794</b>	<b>10,664,996</b>	<b>54,732,790</b>
<b>Profit before tax</b>	<b>80,431,364</b>	<b>4,013,718</b>	<b>84,445,082</b>	<b>84,512,775</b>	<b>10,625,315</b>	<b>95,138,090</b>
Income tax expense	14,146,726	590,404	14,737,130	12,286,560	519,756	12,806,316
<b>Net profit</b>	<b>66,284,638</b>	<b>3,423,314</b>	<b>69,707,952</b>	<b>72,226,215</b>	<b>10,105,559</b>	<b>82,331,774</b>
Net profit attributable to the controlling company	66,155,032	3,101,528	69,256,560	72,303,030	9,632,723	81,935,753
Net profit attributable to non-controlling interest holders	129,606	321,785	451,391	-76,815	472,836	396,021

## 5.12.4 Reporting by geographical area for Zavarovalnica Triglav

Zavarovalnica Triglav operates mainly in the territory of the Republic of Slovenia. As more than 94% of premium income is generated by the sale of insurance to the domestic insureds, the Company does not report by geographical area.



## 5.13.2 Statement of financial position for funds posted separately

Statement of financial position for funds posted separately				
	31 December 2017		31 December 2016	
	Renta 1	Renta 2	Renta 1	Renta 2
	in EUR			
<b>ASSETS</b>	<b>35,867,987</b>	<b>6,593,743</b>	<b>33,100,330</b>	<b>2,838,057</b>
Investment property and financial investments	35,043,153	5,820,774	31,567,245	2,398,489
Investment property	0	0	0	0
Financial investments in subsidiaries and associates	0	0	0	0
Investments in subsidiaries	0	0	0	0
Investments in associates	0	0	0	0
Other financial investments	35,043,153	5,820,774	31,567,245	2,398,489
Shares and other floating rate securities and fund coupons	0	0	0	0
Debt and other fixed return securities	35,043,153	5,820,774	31,567,245	2,398,489
Investment fund shares	0	0	0	0
Mortgage loans	0	0	0	0
Other loans	0	0	0	0
Deposits with banks	0	0	0	0
Other financial investments	0	0	0	0
Reinsurers' share of technical provisions	0	0	0	0
- from unearned premium	0	0	0	0
- from mathematical provision	0	0	0	0
- from outstanding claims	0	0	0	0
- from bonuses and discounts	0	0	0	0
- from technical provisions for life insurance policy holders who bear investment risk	0	0	0	0
Receivables	340,396	72,319	51	40,685
Receivables from direct insurance	0	0	0	0
- receivables from insurers	0	0	0	0
- receivables from insurance brokers	0	0	0	0
- other receivables from direct insurance operations	0	0	0	0
Receivables from re-insurance operations	0	0	0	0
Other receivables	340,396	72,319	51	40,685
Other assets	484,438	700,650	1,533,034	398,883
Cash and cash equivalents	484,438	700,650	1,533,034	398,883
Other assets	0	0	0	0
Short-term deferred assets	0	0	0	0
Accrued income from interest and rent	0	0	0	0
Short-term deferred expenses	0	0	0	0
Other short-term deferred items	0	0	0	0

## Statement of financial position for funds posted separately

	in EUR			
	31 December 2017		31 December 2016	
	Renta 1	Renta 2	Renta 1	Renta 2
<b>LIABILITIES</b>	<b>35,867,987</b>	<b>6,593,743</b>	<b>33,100,330</b>	<b>2,838,057</b>
Fair value reserves	0	0	0	0
Gross insurance technical provisions	35,740,183	6,079,150	32,918,953	2,486,347
- gross provisions for unearned premiums	0	0	0	0
- gross mathematical provisions	35,740,183	6,079,150	32,918,953	2,486,347
- gross claim provisions	0	0	0	0
- gross provisions for bonuses and discounts	0	0	0	0
Gross insurance technical provisions for unit-linked insurance contracts	0	0	0	0
Liabilities from reinsurers' investments in reinsurance contracts	0	0	0	0
Other liabilities	127,804	514,593	181,377	351,710
Liabilities from direct insurance operations	87,815	498,454	142,530	339,718
- liabilities to policy holders	5,718	0	1,517	0
- liabilities to agents and brokers	0	0	0	0
- other liabilities from direct insurance operations	82,097	498,454	141,013	339,718
Liabilities from co-insurance and re-insurance operations	0	0	0	0
Other liabilities	39,989	16,139	38,847	11,992
Accruals	0	0	0	0

## Statement of financial position for guarantee fund backing unit-linked life insurance

	in EUR	
	31 December 2017	31 December 2016
<b>ASSETS</b>	<b>425,759,811</b>	<b>436,669,627</b>
Investment property and financial investments	417,607,959	434,043,269
Investment property	0	0
Financial investments in subsidiaries and associates	0	0
Investments in subsidiaries	0	0
Investments in associates	0	0
Other financial investments	417,607,959	434,043,269
Shares and other floating rate securities and fund coupons	358,877,558	344,987,269
Debt and other fixed return securities	54,581,098	82,804,103
Investment fund shares	0	0
Mortgage loans	0	0
Other loans	0	0
Deposits with banks	4,149,303	6,251,897
Other financial investments	0	0
Reinsurers' share of technical provisions	0	0
- from unearned premium	0	0
- from mathematical provision	0	0
- from outstanding claims	0	0
- from bonuses and discounts	0	0
- from technical provisions for life insurance policy holders who bear investment risk	0	0
Receivables	7,345	7,127
Receivables from direct insurance	1,499	4,006
- receivables from insurers	0	0
- receivables from insurance brokers	0	0
- other receivables from direct insurance operations	1,499	4,006
Receivables from re-insurance operations	0	0
Other receivables	5,846	3,121
Other assets	8,144,507	2,619,231
Cash and cash equivalents	8,144,507	2,619,231
Other assets	0	0
Short-term deferred assets	0	0
Accrued income from interest and rent	0	0
Short-term deferred expenses	0	0
Other short-term deferred items	0	0



## Statement of financial position for guarantee fund backing unit-linked life insurance

	in EUR	
	31 December 2017	31 December 2016
<b>LIABILITIES</b>	<b>425,759,811</b>	<b>436,669,627</b>
Fair value reserves	0	0
Gross insurance technical provisions	0	0
- gross provisions for unearned premiums	0	0
- gross mathematical provisions	0	0
- gross claim provisions	0	0
- gross provisions for bonuses and discounts	0	0
Gross insurance technical provisions for unit-linked insurance contracts	416,250,767	431,125,308
Liabilities from reinsurers' investments in reinsurance contracts	0	0
Other liabilities	9,509,044	5,544,319
Liabilities from direct insurance operations	13,719	1,199
- liabilities to policy holders	0	0
- liabilities to agents and brokers	0	0
- other liabilities from direct insurance operations	13,719	1,199
Liabilities from co-insurance and re-insurance operations	0	0
Other liabilities	9,495,325	5,543,120
Accruals	0	0



## 5.13.4 Income statement for funds posted separately

## Income statement of the guarantee fund backing additional pension insurance during the annuity payout period

	in EUR			
	2017		2016	
	Renta 1	Renta 2	Renta 1	Renta 2
<b>Transfer of funds from the pension scheme of additional pension insurance</b>	<b>4,071,895</b>	<b>4,170,609</b>	4,756,449	2,696,756
This legal entity	3,394,676	824,595	3,176,997	522,358
Other insurance company	0	0	0	0
Other pension companies	677,219	3,346,014	1,579,452	2,174,398
Mutual pension fund	0	0	0	0
<b>Income from investments</b>	<b>1,085,859</b>	<b>100,770</b>	1,622,716	40,832
Income from dividends	0	0	0	0
Income from other investments	950,608	98,013	664,679	38,408
Income from land and buildings	0	0	0	0
Interest income	610,263	25,694	664,679	6,755
Other investment income	340,345	72,319	0	31,653
Income from asset value adjustments	0	0	0	0
Profit on disposal of investments	135,251	2,757	958,037	2,424
<b>Claims incurred</b>	<b>3,590,566</b>	<b>590,950</b>	3,553,310	160,468
Obračunani zneski škod Gross claims settled	3,590,566	590,950	3,553,310	160,468
Sprememba škodnih rezervacij Change in gross provisions for claims outstanding	0	0	0	0
<b>Change in other net technical provisions (+/-)</b>	<b>1,085,521</b>	<b>3,525,984</b>	2,243,412	2,486,347
Change of mathematical provisions (+/-)	1,085,521	3,525,984	2,243,412	2,486,347
Change of other net technical provisions (+/-)	0	0	0	0
<b>Expenses included in policies</b>	<b>481,571</b>	<b>148,819</b>	493,231	87,368
Initial expenses	20,317	125,118	54,103	80,903
Collection, administrative expenses	347,982	0	327,473	0
Costs of claim settlement	113,272	23,701	111,655	6,465
<b>Net operating expenses</b>	<b>91,949</b>	<b>67,656</b>	91,061	36,559
Acquisition costs	0	51,315	495	28,987
Change of deferred acquisition costs (+/-)	0	0	0	0
Other operating expenses	91,949	16,341	90,566	7,572
Depreciation of assets used in insurance business	5,387	962	5,016	424
Labour costs	53,180	9,500	51,025	4,316
- wages and salaries	37,504	6,700	36,849	3,117
- social security and pension insurance costs	6,462	1,154	6,220	526
- other labour costs	9,214	1,646	7,956	673
Costs of services provided by outsourced natural persons other than Sole Traders together with pertaining taxes	33	6	105	9
Other operating expenses	33,349	5,873	34,420	2,823
Income from reinsurance commissions and from participation in the positive technical result from reinsurance contract (-)	0	0	0	0
<b>Expenses from investments</b>	<b>96</b>	<b>5,626</b>	89,212	3,405
Depreciation and amortization of assets not used in operations	0	0	0	0
Expenses arising from asset management, interest expenses and other financial expenses	0	5,626	0	3,405
Revaluation financial expenses	0	0	0	0
Loss on disposal of investments	96	0	89,212	0
<b>Profit or loss of the guarantee fund, taking into account expenses included in policies</b>	<b>0</b>	<b>0</b>	0	0
<b>Profit or loss of the guarantee fund, taking into account net operating expenses</b>	<b>389,622</b>	<b>81,163</b>	402,170	50,809

## Income statement for guarantee fund backing unit-linked life insurance

	v EUR	
	2017	2016
<b>Obračunane kosmate zavarovalne premije</b>	<b>44,005,246</b>	<b>43,737,748</b>
<b>Income from investments</b>	<b>31,113,126</b>	<b>25,662,509</b>
Income from dividends	94	0
Income from other investments	28,520,955	24,145,759
Income from land and buildings	0	0
Interest income	760,518	1,069,545
Other investment income	27,760,437	23,076,214
- financial income from revaluation	27,760,437	23,076,214
- other financial income	0	0
Income from asset value adjustments	0	0
Profit on disposal of investments	2,592,077	1,516,750
<b>Expenses from cash surrender value</b>	<b>81,504,295</b>	<b>67,535,885</b>
Ordinary termination	63,983,459	48,264,053
Extraordinary termination	17,520,836	19,271,832
- withdrawal from insurance contract	16,323,264	18,138,381
- cancellation of insurance contract	0	0
- death of the insured person	1,197,572	1,133,451
<b>Change in other net technical provisions (+/-)</b>	<b>-14,678,837</b>	<b>-7,469,473</b>
Change of mathematical provisions (+/-)	-14,678,837	-7,469,473
Change of other net technical provisions (+/-)	0	0
<b>Fund management costs</b>	<b>7,995,618</b>	<b>7,549,690</b>
Entry fees	1,867,083	1,833,227
Exit costs	0	0
Management commission	6,128,535	5,716,463
<b>Expenses from investments</b>	<b>297,296</b>	<b>1,784,155</b>
Depreciation and amortization of assets not used in operations	0	0
Expenses arising from asset management, interest expenses and other financial expenses	73	10
Revaluation financial expenses	142,893	1,358,784
Loss on disposal of investments	154,330	425,361
<b>Net profit for the period</b>	<b>0</b>	<b>0</b>