

3. Notes to the Statement of Financial Position

3.1 Intangible assets

Triglav Group	in EUR				
	Deferred acquisition cost	Long-term deferred items	Licences and software	Intangible assets in course of acquisition	Total
COST					
As at 1 January 2017	40,205,132	1,401,626	65,423,078	4,705,350	111,735,186
– transfer in use	0	0	4,340,461	-4,340,461	0
– purchases	0	0	3,776,886	2,937,072	6,713,958
– disposals	0	0	-2,427,072	-7,006	-2,434,078
– increase (net value)	1,711,610	3,063,293	-26,423	0	4,748,480
– exchange rate difference	204,726	0	195,483	1,649	401,858
As at 31 December 2017	42,121,469	4,464,919	71,282,413	3,296,603	121,165,404
– transfer in use	0	0	2,896,144	-2,896,144	0
– purchases	0	0	4,996,291	2,592,996	7,589,287
– disposals	0	0	-2,927,961	-2,987	-2,930,948
– reclassification	1,206,307	0	-1,206,307	0	0
– increase (net value)	5,947,377	-1,475,430	0	0	4,471,947
– exchange rate difference	4,001	0	19,758	-1,250	22,509
As at 31 December 2018	49,279,154	2,989,489	75,060,338	2,989,220	130,318,201
ACCUMULATED AMORTISATION					
As at 1 January 2017	0	0	-37,911,595	0	-37,911,595
– current year amortisation	0	0	-6,419,854	0	-6,419,854
– disposals	0	0	2,106,711	0	2,106,711
– impairment	0	0	26,423	0	26,423
– exchange rate difference	0	0	-126,475	0	-126,475
As at 31 December 2017	0	0	-42,324,789	0	-42,324,789
– current year amortisation	0	0	-6,837,916	0	-6,837,916
– disposals	0	0	2,917,758	0	2,917,758
– impairment	0	0	0	0	0
– exchange rate difference	0	0	-13,199	0	-13,199
As at 31 December 2018	0	0	-46,258,148	0	-46,258,148
CARRYING AMOUNT					
As at 31 December 2017	42,121,469	4,464,919	28,957,622	3,296,603	78,840,612
As at 31 December 2018	49,279,154	2,989,489	28,802,190	2,989,220	84,060,048

The Group did not pledge any intangible assets as collateral. As at 31 December 2018, trade payables for intangible assets amounted to EUR 6,238,145 (vs. EUR 7,942,679 as at 31 December 2017).

The amortisation for the current year is split between several items of the income statement. For details, see expenses by nature and function [→ in Section 4.12].

As at 31 December 2018, intangible assets with an indefinite useful life amounted to EUR 9,368 and remained the same compared to previous year. The amount refers to a licence issued for an indefinite period.

The Group has no individual intangible assets of material value to the consolidated financial statements.

Zavarovalnica Triglav	Deferred acquisition costs	Long-term deferred items	Licenses and software	Intangible assets in course of acquisition	in EUR
					Total
COST					
As at 1 January 2017	29,504,819	1,401,626	46,377,521	3,897,054	81,181,021
– transfer in use	0	0	2,963,410	-2,963,410	0
– purchases	0	0	3,181,716	1,594,706	4,776,422
– disposal	0	0	-2,236,406	0	-2,236,406
– increase (net value)	1,155,153	3,063,293	0	0	4,218,446
As at 31 December 2017	30,659,972	4,464,919	50,286,241	2,528,350	87,939,483
– transfer in use	0	0	1,276,865	-1,276,865	0
– purchases	0	0	4,291,359	132,935	4,424,294
– disposal	0	0	-2,782,408	0	-2,782,408
– increase (net value)	4,476,220	-1,475,430	0	0	3,000,790
As at 31 December 2018	35,136,192	2,989,489	53,072,058	1,384,420	92,582,159
ACCUMULATED AMORTISATION					
As at 1 January 2017	0	0	-25,296,452	0	-25,296,452
– amortisation	0	0	-5,089,004	0	-5,089,004
– disposal	0	0	2,232,258	0	2,232,258
As at 31 December 2017	0	0	-28,153,198	0	-28,153,198
– amortisation	0	0	-5,045,772	0	-5,045,772
– disposal	0	0	2,779,314	0	2,779,314
As at 31 December 2018	0	0	-30,419,656	0	-30,419,656
CARRYING AMOUNT					
As at 31 December 2017	30,659,972	4,464,919	22,133,045	2,528,350	59,786,283
As at 31 December 2018	35,136,192	2,989,489	22,652,403	1,384,420	62,162,502

Zavarovalnica Triglav did not pledge any intangible assets as collateral. As at 31 December 2018, trade payables for intangible assets amounted to EUR 6.113.245 (vs. EUR 7.819.176 as at 31 December 2017).

The amortisation for the current year is split between several items of the income statement. For details, see expenses by nature and function [→ in Section 4.12]. Change in deferred acquisition costs is recognised as a change in unearned premium provision in the income stated, as stated [→ in Section 4.1].

As at 31 December 2018, intangible assets with an indefinite useful life amounted to EUR 9,368, the same as in 2017. The amount refers to a licence issued for an indefinite period.

Zavarovalnica Triglav has no individual intangible assets that are material to the financial statements. Gross amount of fully depreciated intangible assets still in use represents 21.41% of the total gross amount of intangible assets.

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3.2 Property, plant and equipment

Triglav Group						in EUR
	Land	Buildings	Equipment	PP&E in course of acquisition	Total	
COST						
As at 1 January 2017	11,527,165	120,727,400	61,395,068	2,300,526	195,950,160	
– transfer in use	0	1,232,748	1,049,008	-2,281,756	0	
– purchases	0	751,121	5,329,862	3,214,641	9,295,624	
– disposals	-21,827	0	-4,895,991	0	-4,917,818	
– impairment	0	0	-140,362	0	-140,362	
– transfer from investment property	199,335	424,072	42,531	0	665,938	
– exchange rate differences	69,673	446,756	174,410	688	691,527	
As at 31 December 2017	11,774,345	123,582,099	62,954,526	3,234,099	201,545,069	
– transfer in use	0	2,511,143	4,564,476	-7,075,620	0	
– purchases	2,777	206,016	2,931,406	7,826,487	10,966,686	
– disposals	0	-195,820	-8,673,843	-14,135	-8,883,798	
– transfer to investment property	0	-1,597,617	0	0	-1,597,617	
– impairment	0	-18,892	-141,038	0	-159,930	
– exchange rate differences	16,489	59,901	8,080	180	84,650	
As at 31 December 2018	11,793,611	124,546,831	61,643,604	3,971,011	201,955,057	
ACCUMULATED DEPRECIATION						
As at 1 January 2017	0	-35,805,127	-52,211,605	0	-88,016,732	
– depreciation for the current year	0	-2,296,475	-4,320,260	0	-6,616,735	
– disposals	0	0	4,429,546	0	4,429,546	
– impairment	0	0	144,371	0	144,371	
– transfer from investment property	0	-79,108	1,719	0	-77,389	
– exchange rate differences	0	-77,489	-120,209	0	-197,698	
As at 31 December 2017	0	-38,258,199	-52,076,438	0	-90,334,637	
– depreciation for the current year	0	-2,269,813	-5,194,358	0	-7,464,171	
– disposals	0	84,369	8,415,541	0	8,499,910	
– transfer to investment property	0	481,171	0	0	481,171	
– impairment	0	18,892	157,452	0	176,344	
– exchange rate differences	0	-11,274	-6,355	0	-17,629	
As at 31 December 2018	0	-39,954,853	-48,704,159	0	-88,659,012	
CARRYING AMOUNT						
As at 31 December 2017	11,774,345	85,323,900	10,878,088	3,234,099	111,210,437	
As at 31 December 2018	11,793,611	84,591,978	12,939,445	3,971,011	113,296,053	

As at the reporting period, no property, plant and equipment were pledged as collateral by the Group. Companies within the Group have financial leases on equipment totalling EUR 608 thousand.

The depreciation charge for the current year is disclosed in several items of the income statement, as income statement expenses are recorded by functional group, as described [[→ in Section 2.5.27](#)]. For details, see expenses by nature and function [[→ in Section 4.12](#)].

A comparison between the carrying amounts and the fair values of own-account buildings and land is given below.

	in EUR	
	31 Dec. 2018	31 Dec. 2017
Carrying amount	96,385,589	97,098,245
Estimated fair value	95,864,073	96,640,382

Zavarovalnica Triglav	Land	Buildings	Equipment	PP&E in course of acquisition	in EUR	
						Total
COST						
As at 1 January 2017	5,499,662	78,439,561	40,208,628	460,658		124,608,509
– transfer in use	0	952,091	261,763	-1,213,854		0
– purchases	0	156,907	3,455,373	1,110,570		4,722,850
– disposal	0	0	-3,444,724	0		-3,444,724
– transfer from investment property	122,298	421,769	0	0		544,067
As at 31 December 2018	5,621,960	79,970,328	40,481,040	357,374		126,430,702
– transfer in use	0	148,215	3,770,938	-3,919,153		0
– purchases	2,777	58,324	1,920,529	4,472,594		6,454,224
– disposal	0	-171,414	-7,817,509	0		-7,988,923
– transfer to investment property	0	-1,506,337	0	0		-1,506,337
As at 31 December 2018	5,624,737	78,499,116	38,354,998	910,815		123,389,666
ACCUMULATED DEPRECIATION						
As at 1 January 2017	0	-24,040,173	-34,337,879	0		-58,378,052
– depreciation for the current year	0	-1,317,851	-2,445,087	0		-3,762,938
– disposal	0	0	3,237,065	0		3,237,065
As at 31 December 2017	0	-25,358,024	-33,545,901	0		-58,903,925
– depreciation for the current year	0	-1,331,975	-3,312,480	0		-4,644,455
– disposal	0	76,190	7,623,707	0		7,699,897
– transfer to investment property	0	444,920	0	0		444,920
As at 31 December 2018	0	-26,168,889	-29,234,674	0		-55,403,563
CARRYING AMOUNT						
As at 31 December 2017	5,621,960	54,612,304	6,935,139	357,374		67,526,775
As at 31 December 2018	5,624,737	52,330,227	9,120,324	910,815		67,986,100

Zavarovalnica Triglav did not pledge any property, plant and equipment as collateral.

The depreciation for the current year is split between several items of the income statement. For details, see expenses by nature and function [\rightarrow in Section 4.12]. As at 31 December 2018, trade payables for property, plant and equipment amounted to EUR 2.228.906 (vs. EUR 1,933,129 as at 31 December 2017). Gross amount of fully depreciated property, plant and equipment still in use represents 20.92% of the total gross amount of property, plant and equipment.

Fair values of land and buildings are shown in the table below.

	in EUR	
	31 Dec. 2018	31 Dec. 2017
Carrying amount	57,954,964	60,234,264
Estimated fair value	59,002,099	61,295,538

3.3 Investment property

Triglav Group				in EUR
	Land	Buildings	IP in course of acquisition	Total
COST				
As at 1 January 2017	23,359,815	73,536,171	16,307,966	113,203,952
– transfer in use	2,409,440	1,330,563	-3,740,003	0
– purchases	34,291	205,704	3,296,771	3,536,766
– disposals	-340,418	-1,944,949	0	-2,285,367
– impairment	0	-34,018	0	-34,018
– transfer to non-current assets held for sale	-651,645	-1,058,341	0	-1,709,986
– transfer to property, plant and equipment	-186,382	-479,556	0	-665,938
– exchange rate difference	23,338	62,262	0	85,600
As at 31 December 2017	24,648,439	71,617,835	15,864,729	112,131,003
– transfer in use	0	1,370,775	-1,370,775	0
– purchases	0	398,619	3,683,798	4,082,417
– disposals	-834,718	-3,793,583	-3,945,000	-8,573,301
– transfer from property, plant and equipment	64,852	1,532,765	0	1,597,617
– increase	0	13,173	0	13,173
– impairment	0	0	0	0
– transfer to non-current assets held for sale	78,837	139,595	0	218,432
– exchange rate difference	2,766	4,069	0	6,835
As at 31 December 2018	23,960,176	71,283,245	14,232,752	109,476,173
ACCUMULATED DEPRECIATION				
As at 1 January 2017	0	-17,361,232	0	-17,361,232
– depreciation for the current year	0	-1,413,250	0	-1,413,250
– disposals	0	718,278	0	718,278
– impairment	0	-147,152	0	-147,152
– transfer to non-current assets held for sale	0	13,229	0	13,229
– transfer to property, plant and equipment	0	77,389	0	77,389
– exchange rate difference	0	-10,785	0	-10,785
As at 31 December 2017	0	-18,123,526	0	-18,123,526
– depreciation for the current year	0	-1,415,409	0	-1,415,409
– disposals	0	860,652	0	860,652
– transfer from property, plant and equipment	0	-481,171	0	-481,171
– impairment	0	-474,484	0	-474,484
– transfer to non-current assets held for sale	0	-1,745	0	-1,745
– exchange rate difference	0	-42	0	-42
As at 31 December 2018	0	-19,635,725	0	-19,635,725
CARRYING AMOUNT				
As at 31 December 2017	24,648,439	53,494,309	15,864,729	94,007,483
As at 31 December 2018	23,960,176	51,647,520	14,232,752	89,840,456

The Group leases its investment properties, i.e. individual business premises. All leasing agreements, stipulated for an initial period from one to ten years, may be rescinded at any moment. Rents do not include conditional rents.

All investment property income relates exclusively to rents and is shown in the income statement under the item »Other income« [→ see Section 4.7]. All investment property expenses relate to depreciation and maintenance costs arising from the investment property and are shown in the income statement under the item »Other expenses« [→ see Section 4.14].

Fair value is disclosed below.

	in EUR	
	31 Dec. 2018	31 Dec. 2017
Carrying amount	89,840,456	94,007,483
Estimated fair value	99,121,781	101,439,216

Zavarovalnica Triglav	Land	Buildings	IP in course of acquisition	in EUR	
					Total
COST					
As at 1 January 2017	4,803,325	37,999,708	15,248,189		58,051,222
– transfer in use	0	480,059	-480,059		0
– purchases	0	28,311	612,751		641,062
– disposal	-36,186	-1,126,922	0		-1,163,108
– transfer to property, plant and equipment	-109,345	-434,722	0		-544,067
As at 31 January 2017	4,657,794	36,946,434	15,380,881		56,985,109
– transfer in use	0	906,144	-906,144		0
– purchases	0	386,505	3,163,151		3,549,656
– disposal	-488,168	-3,074,765	-3,945,000		-7,507,933
– transfer from property, plant and equipment	0	1,506,337	0		1,506,337
As at 31 December 2018	4,169,626	36,670,655	13,692,888		54,533,169
ACCUMULATED DEPRECIATION					
As at 1 January 2017	0	-8,439,802	0		-8,439,802
– depreciation	0	-858,296	0		-858,296
– disposal	0	527,390	0		527,390
– transfer to property, plant and equipment	0	0	0		0
As at 31 December 2017	0	-8,770,708	0		-8,770,708
– depreciation	0	-851,407	0		-851,407
– disposal	0	804,406	0		804,406
– transfer from property, plant and equipment	0	-444,920	0		-444,920
As at 31 December 2018	0	-9,262,629	0		-9,262,629
CARRYING AMOUNT					
As at 31 December 2017	4,657,794	28,175,726	15,380,881		48,214,401
As at 31 December 2018	4,169,626	27,408,026	13,692,888		45,270,540

Zavarovalnica Triglav leases its investment properties, i.e. individual business premises. All leasing agreements, stipulated for an initial period from one to ten years, may be rescinded at any moment. Rents do not include conditional rents. For additional notes on the rental income [→ see Section 4.7]. All investment property expenses relate to depreciation and maintenance costs arising from the investment property and are shown in the income statement under the item »Other expenses« [→ see Section 4.14].

Fair value of investment property is disclosed below.

	in EUR	
	31 Dec. 2018	31 Dec. 2017
Carrying amount	45,270,540	48,214,401
Estimated fair value	52,936,499	56,108,712

3.4 Investments in subsidiaries

Investments in subsidiaries are included in the consolidated financial statements under the full consolidation method. In stand-alone financial statements of Zavarovalnica Triglav, the subsidiaries directly owned by Zavarovalnica Triglav are disclosed at cost. See the tables below for detail.

NO.	COMPANY	ADDRESS	TAX RATE (in %)	ACTIVITY	EQUITY STAKE (in %)		SHARE OF VOTING RIGHTS (in %)		BOOK VALUE (in EUR)	
					2018	2017	2018	2017	2018	2017
1	Pozavarovalnica Triglav Re d.d.	Miklošičeva 19, Ljubljana, Slovenia	19	Reinsurance	100.00	100.00	100.00	100.00	9,750,752	9,750,752
2	Triglav, Zdravstvena zavarovalnica d.d.	Pristaniška 10, Koper, Slovenia	19	Insurance	100.00	100.00	100.00	100.00	3,735,886	3,735,886
3	Triglav INT d.d.	Dunajska 22, Ljubljana, Slovenia	19	Holding company	100.00	100.00	100.00	100.00	79,770,730	70,600,000
4	Skupna pokojninska družba d.d.	Dunajska 22, Ljubljana, Slovenia	19	Fund management	100.00	71.87	100.00	71.87	11,631,327	7,031,327
5	Triglav Upravljanje nepremičnin d.d.	Dunajska 22, Ljubljana, Slovenia	19	Real estate management	100.00	100.00	100.00	100.00	24,493,300	24,493,300
6	Triglav Skladi d.o.o.	Slovenska 54, Ljubljana, Slovenia	19	Fund management	67.50	67.50	100.00	100.00	2,076,723	2,076,723
7	Salnal d.o.o. ¹¹¹	Slovenska 54, Ljubljana, Slovenia	19	Real estate management	-	-	-	-	-	-
8	Triglav Avtoservis d.o.o.	Verovškova 60b, Ljubljana, Slovenia	19	Maintenance and repair of motor vehicle	100.00	100.00	100.00	100.00	100,214	100,214
9	Triglav Svetovanje d.o.o.	Ljubljanska 86, Domžale, Slovenia	19	Insurance agency	100.00	100.00	100.00	100.00	279,736	279,736
10	Zavod Vse bo v redu	Miklošičeva 19, Ljubljana, Slovenia	19	Institute for corporate social responsibility	100.00	100.00	100.00	100.00	100,000	100,000
TOTAL									131,938,667	118,167,937

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¹¹¹The company Salnal, d.o.o. was wound-up through a fast-track procedure without liquidation. Details can be found [→ in Section 2.7].

3.5 Investments in associates

In the year 2018, four new associates were included in the Triglav Group. Investments in LOMA CENTER, d.o.o., KRDU Building d.o.o. and Ljubljana, d.o.o. were acquired by Triglav, d.o.o. In addition, Zavarovalnica Triglav, d.d. acquired a 50% share in the company ZTSR, d.o.o. Details on the acquisition of shares are described [→ in Chapter 2.7].

The effects of valuation using the equity method are disclosed [→ as items 4.2 and 4.3 in the income statement]. A summary of financial information for the associates and the stakes of the Triglav Group in these companies are shown in the tables below.¹¹²

COMPANY	ADDRESS	TAX RATE (in%)	ACTIVITY
Nama d.d.	Tomšičeva 1, Ljubljana, Slovenia	19	Retail trade
Triglavko, d.o.o.	Ulica XXX. divizije 23, Nova Gorica, Slovenia	19	Insurance agency
ZIF Prof Plus	Veselina Masleše 1, Banja Luka, Republika Srbska, Bosnia and Herzegovina	10	Investment fund
TRIGAL, upravljanje naložb in svetovanje, d.o.o.	Dunajska cesta 22, Ljubljana, Slovenia	19	Management of financial funds
LOMA CENTER, nepremičnine, d.o.o.	Dunajska cesta 22, Ljubljana, Slovenia	19	Real estate management
KRDU Building d.o.o.	Dunajska cesta 22, Ljubljana, Slovenia	19	Real estate management
Ljubljana, d.o.o.	Dunajska cesta 22, Ljubljana, Slovenia	19	Holding company
Društvo za upravljanje EDPF, a.d., Banja Luka	Kralja Petra i Karadorđevića 109 Banja Luka, Republika Srbska, Bosnia and Herzegovina	10	Fund management
ZTSR, raziskovanje trga, d.o.o.	Dunajska cesta 22, Ljubljana, Slovenia	19	Business services

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COMPANY	Triglav Group						Zavarovalnica Triglav					
	SHARE IN CAPITAL (in %)		VOTING RIGHTS (in %)		VALUE OF INVESTMENT (in EUR)		SHARE IN CAPITAL (in %)		VOTING RIGHTS (in %)		VALUE OF INVESTMENT (in EUR)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Nama, d.d.	39.07	39.07	39.07	39.07	3,956,065	4,034,178	39.07	39.07	39.07	39.07	9,464,548	9,464,548
Triglavko, d.o.o.	38.47	38.47	38.47	38.47	16,586	20,002	38.47	38.47	38.47	38.47	38,499	38,499
ZIF Prof Plus	22.09	21.24	22.09	21.24	2,063,504	1,341,278	0	0	0	0	0	0
TRIGAL, upravljanje naložb in svetovanje, d.o.o.	49.90	49.90	49.90	49.90	7,375,491	345,630	49.90	49.90	49.90	49.90	7,331,308	499,000
LOMA CENTER, nepremičnine, d.o.o.	49.90	-	49.90	-	0	-	49.90	-	49.90	-	0	-
KRDU Building d.o.o.	49.90	-	49.90	-	0	-	49.90	-	49.90	-	0	-
Ljubljana, d.o.o.	49.90	-	49.90	-	0	-	49.90	-	49.90	-	0	-
Društvo za upravljanje EDPF, a.d.	34.00	24.44	34.00	24.44	611,768	708,237	0	0	0	0	0	0
ZTSR, raziskovanje trga, d.o.o.	50.00	-	50.00	-	102,560	-	50.00	50.00	50.00	50.00	125,000	-
TOTAL					14,125,974	6,449,324					16,959,355	10,002,047

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COMPANY	ASSETS		LIABILITIES		EQUITY		REVENUES		PROFIT/LOSS		in EUR
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
Nama, d.d.	12,116,134	12,820,157	2,253,231	2,614,789	9,862,903	10,205,368	15,451,981	16,892,981	147,284	214,287	
Triglavko, d.o.o.	168,926	143,967	76,945	43,108	91,981	100,859	457,560	454,810	-8,879	740	
ZIF Prof Plus	18,772,316	18,361,902	54,786	49,873	18,717,530	18,312,023	661,320	545,902	2,554	-244,961	
TRIGAL, upravljanje naložb in svetovanje, d.o.o.	14,860,505	8,186,682	147,625	149,857	14,712,880	8,036,825	370,592	0	334,055	-4,583	
LOMA CENTER, nepremičnine, d.o.o.	8,300,328	-	6,088,658	-	2,211,670	-	897,341	-	71,981	-	
KRDU Building d.o.o.	5,157,346	-	4,997,601	-	159,745	-	600,602	-	-10,141	-	
Ljubljana, d.o.o.	10,000	-	-	-	10,000	-	-	-	-	-	
Društvo za upravljanje EDPF, a.d.	1,815,513	2,102,029	16,647	19,188	1,798,866	2,082,841	35,171	12,124	-284,007	-166,633	
ZTSR, raziskovanje trga, d.o.o.	220,564	-	15,444	-	205,120	-	7	-	-44,880	-	

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¹¹²Financial data for 2018 are unaudited, whilst the data for 2017 were adjusted if the audited data differed from the data published in the 2017 Annual Report.

3.6 Financial assets¹¹³

Triglav Group	in EUR			
	Carrying value		Fair value	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Held to maturity	196,773,185	221,390,576	236,599,916	269,669,899
At fair value through profit and loss	450,704,373	425,884,741	450,704,373	425,884,741
– designated	207,266,117	424,014,108	208,659,381	424,014,108
– held for trading	243,438,256	1,870,633	242,044,992	1,870,633
Available for sale	1,802,568,767	1,815,323,900	1,802,568,767	1,815,323,900
Loans and deposits	138,857,972	125,251,487	138,681,009	127,658,663
Unit-linked insurance assets	402,515,770	450,236,044	402,856,839	450,806,041
– at fair value through profit and loss	398,291,798	445,899,916	398,291,798	445,899,916
– loans and deposits	4,223,972	4,336,128	4,565,041	4,906,125
– available for sale	0	0	0	0
TOTAL	2,991,420,067	3,038,086,748	3,031,410,904	3,089,343,244

The table above shows the carrying amount of financial assets (without operating receivables and cash or cash equivalents). The measuring of fair value of other financial assets is shown [[→ in Section 5.1.2](#)].

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¹¹³ For presentational ease, abbreviations of individual categories of financial assets are used in the disclosures:

- HTM - financial assets held to maturity
- FVTPL - financial assets at fair value through profit and loss
- AFS - financial assets available for sale
- L&R - loans and deposits
- ULI - financial assets of long-term business fund backing unit-linked insurance

An overview of financial assets by type is disclosed below.

						in EUR
31 December 2018	HTM	FVTPL – Held for trading	FVTPL - Classified upon acquisition	AFS	L&R	TOTAL
Debt and other fixed-return securities	196,773,185	196,323,245	237,931,576	1,669,947,422	6,400,208	2,307,375,636
Investments in shares, other floating-rate securities and fund coupons	0	45,721,747	349,024,577	132,191,892	0	526,938,212
Financial derivatives	0	19,995,025	0	0	0	19,995,025
Loans and deposits	0	0	0	429,453	130,400,460	130,829,913
– deposits with banks	0	0	0	0	90,589,490	90,589,490
– loans given	0	0	0	0	36,931,220	36,931,220
– other financial investments	0	0	0	429,453	2,879,751	3,309,204
Financial investments of reinsurance companies in reinsurance contracts	0	0	0	0	6,281,276	6,281,276
TOTAL	196,773,185	262,040,017	586,956,153	1,802,568,767	143,081,944	2,991,420,067

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						in EUR
31 December 2017	HTM	FVTPL – Held for trading	FVTPL - Classified upon acquisition	AFS	L&R	TOTAL
Debt and other fixed-return securities	221,390,576	0	416,477,753	1,646,350,504	12,796,620	2,297,015,453
Investments in shares, other floating-rate securities and fund coupons	0	0	452,706,247	168,341,950	0	621,048,197
Financial derivatives	0	2,600,657	0	0	0	2,600,657
Loans and deposits	0	0	0	631,446	111,123,382	111,754,828
– deposits with banks	0	0	0	0	78,143,598	78,143,598
– loans given	0	0	0	0	30,119,792	30,119,792
– other financial investments	0	0	0	631,446	2,859,992	3,491,438
Financial investments of reinsurance companies in reinsurance contracts	0	0	0	0	5,667,613	5,667,613
TOTAL	221,390,576	2,600,657	869,184,000	1,815,323,900	129,587,615	3,038,086,748

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The table below shows the movements of financial assets of Triglav Group in 2017 and 2018.

FINANCIAL ASSETS	in EUR					
	HTM	FVTPL	AFS	L&R	ULI	TOTAL
As at 1 January 2017	231,342,393	396,203,356	1,738,043,072	148,731,640	459,982,822	2,974,303,281
Purchases	0	258,793,123	526,389,635	464,521,592	61,171,097	1,310,875,447
Disposals	0	-191,487,377	-418,156,874	-40,886,598	-72,282,273	-722,813,122
Maturities	-20,768,353	-47,946,339	-114,453,320	-420,891,374	-30,961,642	-635,021,028
Amount removed from equity at disposal	0	0	-17,743,591	0	0	-17,743,591
Realized gains or losses on disposal	0	0	15,249,695	0	0	15,249,695
Valuation trough profit and loss	0	767,045	0	70,253	31,320,216	32,157,514
Valuation trough equity	0	0	26,609,929	0	0	26,609,929
Impairments	0	0	-174,755	0	0	-174,755
Premiums and discounts	4,253,493	0	-5,126,288	311,341	202,338	-359,116
Interest income	6,364,512	9,844,352	36,235,780	3,855,759	662,099	56,962,502
Change in Group	0	0	30,744,255	-30,744,255	0	0
Exchange rate difference	198,532	-289,419	-2,293,638	283,132	141,387	-1,960,006
As at 31 December 2017	221,390,576	425,884,741	1,815,323,900	125,251,487	450,236,044	3,038,086,748
Purchases	0	186,743,567	461,384,166	344,100,205	43,435,175	1,035,663,113
Disposals	0	-103,328,464	-341,190,416	-56,078,096	-52,290,251	-552,887,227
Maturities	-34,257,758	-52,660,947	-124,202,363	-278,449,915	-5,587,254	-495,158,237
Amount removed from equity at disposal	0	0	-1,716,243	0	0	-1,716,243
Valuation trough profit and loss	0	-15,786,757	-3,966,036	-306,143	-34,105,474	-54,164,410
Valuation trough equity	0	0	-32,213,748	0	0	-32,213,748
Impairments	0	0	-1,269,225	0	0	-1,269,225
Premiums and discounts	4,329,426	0	-4,726,425	785,401	198,739	587,141
Interest income	5,486,508	9,638,473	35,218,161	3,567,405	756,035	54,666,582
Exchange rate difference	-175,567	213,760	-73,004	-12,372	-127,244	-174,427
As at 31 December 2018	196,773,185	450,704,373	1,802,568,767	138,857,972	402,515,770	2,991,420,067

The proportion of financial assets classified as subordinated instruments by the issuer was 2.9% as at the reporting date.

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Zavarovalnica Triglav	in EUR			
	Carrying value		Fair value	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Loans and deposits	92,670,309	91,428,595	91,151,215	91,118,948
Held to maturity	159,463,950	166,993,807	195,583,229	209,763,561
Available for sale	1,383,855,505	1,400,652,988	1,383,855,505	1,400,652,988
At fair value through profit and loss:	204,047,186	201,922,766	204,047,186	201,922,766
– designated	202,653,923	200,052,133	202,653,923	200,052,133
– held for trading	1,393,263	1,870,633	1,393,263	1,870,633
Unit-linked insurance assets:	366,664,078	417,607,959	366,989,905	418,154,032
– at fair value through profit and loss	362,634,086	413,458,656	362,634,086	413,458,656
– receivables	4,029,992	4,149,303	4,355,819	4,695,376
TOTAL	2,206,701,028	2,278,606,115	2,241,627,040	2,321,612,295

An overview of financial assets of Zavarovalnica Triglav by type is disclosed below.

31 December 2018	in EUR					
	HTM	FVTPL - Classified upon acquisition	FVTPL - Held for trading	AFS	L&R	TOTAL
Debt and other fixed-return securities	159,463,950	237,809,118	0	1,308,515,680	6,400,208	1,712,188,956
Investments in shares, other floating-rate securities and fund coupons	0	326,954,722	0	75,339,825	0	402,294,547
Financial derivatives	0	0	1,917,432	0	0	1,917,432
Loans and deposits:	0	0	0	0	90,300,093	90,300,093
– deposits with banks and certificates of deposits	0	0	0	0	42,511,546	42,511,546
– loans given	0	0	0	0	46,099,990	46,099,990
– other financial investments	0	0	0	0	1,688,557	1,688,557
TOTAL	159,463,950	564,763,840	1,917,432	1,383,855,505	96,700,301	2,206,701,028

31 December 2017	in EUR					
	HTM	FVTPL - Classified upon acquisition	FVTPL - Held for trading	AFS	L&R	TOTAL
Debt and other fixed-return securities	166,993,807	241,648,097	0	1,277,150,369	6,992,719	1,692,784,992
Investments in shares, other floating-rate securities and fund coupons	0	371,158,929	0	123,502,619	0	494,661,549
Financial derivatives	0	0	2,574,396	0	0	2,574,396
Loans and deposits:	0	0	0	0	88,585,179	88,585,179
– deposits with banks and certificates of deposits	0	0	0	0	38,123,843	38,123,843
– loans given	0	0	0	0	48,781,121	48,781,121
– other financial investments	0	0	0	0	1,680,215	1,680,215
TOTAL	166,993,807	612,807,026	2,574,396	1,400,652,988	95,577,898	2,278,606,115

The table below shows the movements of financial assets of Zavarovalnica Triglav in 2017 and 2018.

FINANCIAL ASSETS	in EUR					
	HTM	FVTPL	AFS	L&R	ULI	TOTAL
As at 1 January 2017	168,983,706	195,669,555	1,365,449,446	82,397,894	434,043,269	2,246,543,870
Purchases	0	142,569,245	430,223,298	380,474,529	53,885,958	1,007,153,030
Maturities	-9,826,062	-26,065,768	-83,026,658	-374,002,831	-30,227,173	-523,148,492
Disposal	0	-113,862,880	-350,133,518	-20,022	-70,909,782	-534,926,202
Amount removed from equity	0	0	-15,182,733	0	0	-15,182,733
Realized gains or losses on disposal	0	0	0	0	0	0
Valuation trough profit and loss	0	-614,576	13,951,238	0	30,055,217	43,391,879
Valuation trough equity	0	0	18,118,116	0	0	18,118,116
Premiums and discounts	4,253,493	0	-4,906,821	387,101	202,338	-63,889
Interest income	3,582,670	4,612,072	28,792,718	2,189,718	558,132	39,735,311
Exchange rate difference	0	-384,882	-2,632,098	2,206	0	-3,014,774
As at 31 December 2017	166,993,807	201,922,766	1,400,652,988	91,428,595	417,607,959	2,278,606,115
Purchases	0	112,625,649	362,425,412	252,437,627	33,385,275	760,873,963
Maturities	-15,187,047	-17,884,432	-76,408,064	-254,071,333	-5,368,316	-368,919,192
Disposal	0	-88,806,086	-297,109,630	0	-49,236,954	-435,152,670
Amount removed from equity	0	0	-14,952,222	0	0	-14,952,222
Realized gains or losses on disposal	0	0	0	0	0	0
Valuation trough profit and loss	0	-7,883,265	10,884,732	0	-30,535,596	-27,534,129
Valuation trough equity	0	0	-24,562,665	0	0	-24,562,665
Premiums and discounts	4,329,426	0	-4,579,345	432,356	198,739	381,176
Interest income	3,327,764	3,877,334	26,932,000	2,428,575	612,971	37,178,648
Exchange rate difference	0	195,220	572,299	14,485	0	782,004
As at 31 December 2018	159,463,950	204,047,186	1,383,855,505	92,670,309	366,664,078	2,206,701,028

As at the reporting date, the portfolio of Zavarovalnica Triglav included neither received securities as collateral for loans given, nor any securities pledged as collateral for its liabilities. The proportion of financial assets classified as subordinated instruments by the issuer was 3.4% as at the reporting date.

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3.7 Reinsurers' share of technical provisions

	Triglav Group		Zavarovalnica Triglav		in EUR
	31 December 2018	31 December 2017	31 December 2018	31 December 2017	
NON-LIFE INSURANCE					
Reinsurers' share of unearned premiums	26,263,889	19,815,862	23,516,562	17,573,786	
Reinsurers' share of claims	59,632,915	63,894,091	64,366,704	67,721,499	
Reinsurers' share of other technical provisions	22,976	104,737	0	0	
Total non-life insurance	85,919,780	83,814,690	87,883,266	85,295,285	
LIFE INSURANCE					
Reinsurers' share of unearned premiums	719	886	302	0	
Reinsurers' share of claims	0	0	9,738	32,360	
Reinsurers' share of other mathematical provisions	0	0	0	0	
Total life insurance	719	886	10,040	32,360	
TOTAL ASSETS FROM REINSURANCE CONTRACTS	85,920,499	83,815,576	87,893,306	85,327,645	

3.8 Receivables

Triglav Group										in EUR
31 December 2018	NOT DUE			OVERDUE UP TO 180 DAYS			OVERDUE OVER 180 DAYS			TOTAL NET VALUE
	Gross value	Impairment	Net value	Gross value	Impairment	Net value	Gross value	Impairment	Net value	
Receivables from direct insurance operations	69,249,681	-64,726	69,184,955	25,667,259	-3,048,090	22,619,169	55,526,564	-50,729,360	4,797,204	96,601,328
Receivables from insurers	68,674,946	-55,477	68,619,469	23,513,403	-2,513,520	20,999,883	44,600,293	-42,493,965	2,106,328	91,725,680
Receivables from insurance brokers	209,124	0	209,124	538,874	-450,888	87,986	402,774	-384,423	18,351	315,461
Other receivables from direct insurance operations	365,611	-9,249	356,362	1,614,982	-83,682	1,531,300	10,523,497	-7,850,972	2,672,525	4,560,187
Receivables from co-insurance and reinsurance operations	38,981,896	0	38,981,896	10,211,742	0	10,211,742	4,237,343	-2,131,078	2,106,265	51,299,903
Premium receivable from co-insurance	785,474	0	785,474	79,540	0	79,540	41,678	-3,228	38,450	903,464
Premium receivable from reinsurance	27,716,272	0	27,716,272	6,181,686	0	6,181,686	1,199,329	-96,070	1,103,259	35,001,217
Receivables from co-insurers' share in claims	107,098	0	107,098	10,705	0	10,705	687	0	687	118,490
Receivables from reinsurers' share in claims	8,068,238	0	8,068,238	3,449,419	0	3,449,419	2,986,671	-2,031,780	954,891	12,472,548
Other receivables from co-insurance and reinsurance operation	2,304,814	0	2,304,814	490,392	0	490,392	8,978	0	8,978	2,804,184
Receivables for income tax refund	579,645	0	579,645	0	0	0	0	0	0	579,645
Other receivables	22,136,002	-1,118,907	21,017,095	6,725,779	-950,333	5,775,446	76,883,223	-73,501,762	3,381,461	30,174,002
Other short-term receivables from insurance operations*	7,383,225	0	7,383,225	3,078,825	-850,708	2,228,117	69,982,715	-68,856,084	1,126,631	10,737,973
Short-term receivables from financing	1,701,982	0	1,701,982	813,260	-6,062	807,198	437,200	-420,604	16,596	2,525,776
Other short-term receivables	12,450,935	-1,118,907	11,332,028	2,772,839	-90,239	2,682,600	4,587,942	-4,181,769	406,173	14,420,801
Long-term receivables	599,860	0	599,860	60,855	-3,324	57,531	1,875,366	-43,305	1,832,061	2,489,452
TOTAL	130,947,224	-1,183,633	129,763,591	42,604,780	-3,998,423	38,606,357	136,647,130	-126,362,200	10,284,930	178,654,878

* Note: Subrogated receivables are included in other short-term receivables from insurance operations.

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	Gross value	Impairment	Net value	Gross value	Impairment	Net value	Gross value	Impairment	Net value	
Receivables from direct insurance operations	63,627,483	-5,524	63,621,959	22,432,390	-2,561,023	19,871,367	58,487,386	-56,258,220	2,229,166	85,722,492
Receivables from insurers	61,529,238	-5,524	61,523,714	21,370,747	-2,540,136	18,830,611	48,817,404	-46,919,199	1,898,205	82,252,530
Receivables from insurance brokers	229,627	0	229,627	441,605	-11,956	429,649	825,711	-819,302	6,409	665,685
Other receivables from direct insurance operations	1,868,618	0	1,868,618	620,038	-8,931	611,107	8,844,271	-8,519,719	324,552	2,804,277
Receivables from co-insurance and reinsurance operations	34,571,388	0	34,571,388	7,236,810	0	7,236,810	5,226,245	-2,094,740	3,131,505	44,939,702
Premium receivable from co-insurance	536,403	0	536,403	596,305	0	596,305	14,274	-3,222	11,052	1,143,760
Premium receivable from reinsurance	25,017,631	0	25,017,631	4,436,288	0	4,436,288	1,828,524	-96,070	1,732,454	31,186,373
Receivables from co-insurers' share in claims	106,521	0	106,521	11,344	0	11,344	404	0	404	118,269
Receivables from reinsurers' share in claims	6,542,919	0	6,542,919	2,179,606	0	2,179,606	3,374,445	-1,995,448	1,378,997	10,101,522
Other receivables from co-insurance and reinsurance operation	2,367,914	0	2,367,914	13,267	0	13,267	8,598	0	8,598	2,389,779
Receivables for income tax refund	32,211	0	32,211	0	0	0	0	0	0	32,211
Other receivables	24,270,916	80,089	24,351,005	8,223,383	-1,036,955	7,186,428	82,487,239	-80,840,723	1,646,516	33,183,949
Other short-term receivables from insurance operations *	9,263,057	-656	9,262,401	2,779,072	-875,816	1,903,256	76,964,069	-75,710,329	1,253,740	12,419,397
Short-term receivables from financing	5,197,728	32,889	5,230,617	81,846	-14,145	67,701	639,002	-600,229	38,773	5,337,091
Other short-term receivables	8,820,449	47,856	8,868,305	3,852,230	-146,994	3,705,236	4,838,335	-4,484,332	354,003	12,927,544
Long-term receivables	989,682	0	989,682	1,510,235	0	1,510,235	45,833	-45,833	0	2,499,917
TOTAL	122,501,998	74,565	122,576,563	37,892,583	-3,597,978	34,294,605	146,200,870	-139,193,683	7,007,187	163,878,354

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31 December 2018	NOT DUE			OVERDUE UP TO 180 DAYS			OVERDUE OVER 180 DAYS			TOTAL NET VALUE	
	Gross value	Impairment	Net value	Gross value	Impairment	Net value	Gross value	Impairment	Net value		
Receivables from direct insurance operations	50,709,180	-26,653	50,682,527	10,663,711	-1,548,755	9,114,956	24,270,711	-21,432,857	2,837,854	62,635,337	
Receivables from insurers	50,646,861	-26,653	50,620,208	9,460,997	-1,505,104	7,955,893	21,447,079	-21,269,602	177,477	58,753,578	
Receivables from insurance brokers	0	0	0	0	0	0	0	0	0	0	
Other receivables from direct insurance operations	62,319	0	62,319	1,202,714	-43,651	1,159,063	2,823,632	-163,255	2,660,377	3,881,759	
Receivables from co-insurance and reinsurance operations	14,910,769	0	14,910,769	2,040,182	0	2,040,182	1,206,660	0	1,206,660	18,157,611	
Premium receivable from co-insurance	522,401	0	522,401	0	0	0	1,058	0	1,058	523,459	
Premium receivable from reinsurance	4,319,906	0	4,319,906	1,580,680	0	1,580,680	683,510	0	683,510	6,584,096	
Receivables from co-insurers' share in claims	94,169	0	94,169	0	0	0	0	0	0	94,169	
Receivables from reinsurers' share in claims	9,974,293	0	9,974,293	459,502	0	459,502	522,092	0	522,092	10,955,887	
Other receivables from co-insurance and reinsurance operation	0	0	0	0	0	0	0	0	0	0	
Other receivables	5,867,006	0	5,867,006	3,460,357	-856,911	2,603,446	68,360,379	-67,642,828	717,551	9,188,003	
Other short-term receivables from insurance operations*	1,602,831	0	1,602,831	3,020,677	-850,708	2,169,969	68,105,377	-67,430,648	674,729	4,447,529	
Short-term receivables from financing	2,455,403	0	2,455,403	71,599	-6,063	65,536	117,783	-104,313	13,470	2,534,409	
Other short-term receivables	1,517,565	0	1,517,565	368,081	-140	367,941	137,219	-107,867	29,352	1,914,858	
Long-term receivables	291,207	0	291,207	0	0	0	0	0	0	291,207	
TOTAL	71,486,955	-26,653	71,460,302	16,164,250	-2,405,666	13,758,584	93,837,750	-89,075,685	4,762,065	89,980,951	

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31 December 2017	NOT DUE			OVERDUE UP TO 180 DAYS			OVERDUE OVER 180 DAYS			TOTAL NET VALUE	
	Gross value	Impairment	Net value	Gross value	Impairment	Net value	Gross value	Impairment	Net value		
Receivables from direct insurance operations	46,724,432	-4,483	46,719,949	8,931,348	-1,426,027	7,505,321	24,781,996	-24,275,413	506,583	54,731,853	
Receivables from insurers	45,151,521	-4,483	45,147,038	8,923,418	-1,425,380	7,498,038	23,780,187	-23,600,066	180,121	52,825,197	
Receivables from insurance brokers	0	0	0	0	0	0	0	0	0	0	
Other receivables from direct insurance operations	1,572,911	0	1,572,911	7,930	-647	7,283	1,001,809	-675,347	326,462	1,906,656	
Receivables from co-insurance and reinsurance operations	10,457,342	0	10,457,342	1,308,057	0	1,308,057	2,124,393	0	2,124,393	13,889,792	
Premium receivable from co-insurance	553,693	0	553,693	0	0	0	11,052	0	11,052	564,745	
Premium receivable from reinsurance	2,401,344	0	2,401,344	929,887	0	929,887	1,240,240	0	1,240,240	4,571,471	
Receivables from co-insurers' share in claims	98,775	0	98,775	0	0	0	404	0	404	99,179	
Receivables from reinsurers' share in claims	7,403,530	0	7,403,530	378,170	0	378,170	872,697	0	872,697	8,654,397	
Other receivables from co-insurance and reinsurance operation	0	0	0	0	0	0	0	0	0	0	
Other receivables	10,225,782	0	10,225,782	2,685,342	-864,309	1,821,033	74,930,369	-74,248,412	681,957	12,728,772	
Other short-term receivables from insurance operations*	1,839,938	0	1,839,938	2,619,932	-853,109	1,766,823	74,594,069	-73,946,402	647,667	4,254,428	
Short-term receivables from financing	5,981,909	0	5,981,909	64,731	-11,018	53,713	231,976	-198,088	33,888	6,069,510	
Other short-term receivables	2,101,196	0	2,101,196	679	-182	497	104,324	-103,922	402	2,102,095	
Long-term receivables	302,739	0	302,739	0	0	0	0	0	0	302,739	
TOTAL	67,407,556	-4,483	67,403,073	12,924,747	-2,290,336	10,634,411	101,836,758	-98,523,825	3,312,933	81,350,417	

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The table below shows changes in impairment allowance for receivables separately for Triglav Group and Zavarovalnica Triglav.

	Triglav Group		Zavarovalnica Triglav		in EUR
	2018	2017	2018	2017	
VALUE ADJUSTMENT OF RECEIVABLES FROM POLICYHOLDERS					
Impairment allowance for receivables as at 1 January	49,464,861	55,489,511	25,029,929	29,057,796	
– Increase of impairment allowance for receivables	4,669,542	4,704,741	2,648,004	2,624,043	
– Decrease in impairment allowance for receivables	-4,000,989	-4,823,090	-2,399,878	-3,739,489	
– Receivables write-off	-5,062,602	-5,829,142	-2,476,696	-2,912,421	
– Acquisition	0	-359,338	0	0	
– Exchange rate difference	-7,849	282,179	0	0	
Impairment allowance for receivables as at 31 December	45,062,962	49,464,861	22,801,359	25,029,929	
IMPAIRMENT ALLOWANCE FOR OTHER SHORT-TERM RECEIVABLES					
Impairment allowance for receivables as at 1 January	76,586,808	85,726,679	74,799,511	84,119,015	
– Increase of impairment allowance for receivables	8,787,035	8,016,656	8,564,636	7,670,259	
– Decrease in impairment allowance for receivables	-7,824,492	-8,194,953	-7,479,700	-8,028,402	
– Receivables write-off	-7,841,513	-8,988,118	-7,603,091	-8,961,361	
– Changes in Group	0	-15,566	0	0	
– Exchange rate difference	-1,046	42,110	0	0	
Impairment allowance for receivables as at 31 December	69,706,792	76,586,808	68,281,356	74,799,511	
VALUE ADJUSTMENT OF OTHER RECEIVABLES					
Impairment allowance for receivables as at 1 January	16,665,427	17,388,843	989,204	1,000,142	
– Increase of impairment allowance for receivables	3,103,663	1,323,017	268,705	94,072	
– Decrease in impairment allowance for receivables	-1,462,895	-501,341	-712,744	-73,342	
– Receivables write-off	-1,559,641	-1,212,283	-119,876	-31,668	
– Transfer on deferred income	0	0	0	0	
– Exchange rate difference	27,559	221,421	0	0	
– Changes in Group	388	-557,742	0	0	
– Merger	0	3,512	0	0	
– Transfer on disposal group held for sale	0	0	0	0	
Impairment allowance for receivables as at 31 December	16,774,502	16,665,427	425,289	989,204	
TOTAL VALUE ADJUSTMENT OF RECEIVABLES					
As at 1 January	142,717,096	158,605,033	100,818,644	114,176,953	
As at 31 December	131,544,256	142,717,096	91,508,004	100,818,644	

3.9 Other assets

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Inventories	567,740	577,560	228,244	225,271
Deferred costs	4,315,270	2,851,316	2,666,792	1,401,535
Investments into computer software for the Group	401,553	366,368	401,553	366,368
Other assets	112,159	127,013	0	0
TOTAL	5,396,722	3,922,257	3,296,589	1,993,174

3.10 Cash and cash equivalents

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Cash in bank accounts	53,527,430	62,249,749	17,981,629	35,492,579
Deposits redeemable at notice	13,509,500	15,781,500	0	0
Cash on hand and cheques	564,730	386,598	16,858	22,166
Other	0	0	0	0
TOTAL	67,601,660	78,417,847	17,998,487	35,514,746

3.11 Non-current assets held for sale

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Land and property of company Triglav Upravljanje nekretninama, Zagreb	1,310,626	1,521,667	0	0
Land and property of company Triglav Upravljanje Nepremičnin, d.d.	756,773	756,773	0	0
TOTAL	2,067,399	2,278,440	0	0

3.12 Equity

As at 31 December 2018, the share capital amounted to EUR 73,701,392. The share capital was divided into 22,735,148 no-par value shares. Each share represents the same stake and a corresponding amount in the share capital. The portion of each no-par value share in the share capital is determined on the basis of the number of no-par value shares issued. All of the shares have been paid up in full.

Shareholders of Zavarovalnica Triglav

Shareholders	Number of shares		Percentage of ownership	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Zavod za pokojninsko in invalidsko zavarovanje Slovenije, Ljubljana	7,836,628	7,836,628	34.47	34.47
SDH, d.d., Ljubljana	6,386,644	6,386,644	28.09	28.09
Addiko Bank d.d., Pension fund 1 - fiduciary account, Zagreb, Croatia	1,488,809	1,453,894	6.55	6.39
Unicredit Bank Austria - fiduciary account, Vienna, Austria	703,410	634,792	3.09	2.79
Citibank - fiduciary account, London, Great Britain	289,498	36,687	1.27	0.16
Hrvatska poštanska banka d.d. - fiduciary account, Zagreb, Croatia	232,189	322,004	1.02	1.42
East Capital - East Capital Balkans, Luxembourg, Luxembourg	188,100	221,700	0.83	0.98
Kuwait Investment Authority, Safat, Kuwait	187,827	193,827	0.83	0.85
Pozavarovalnica Sava Re d.d., Ljubljana	166,678	166,678	0.73	0.73
The Bank of New York Mellon - fiduciary account, New York, USA	109,855	128,576	0.48	0.57
Other shareholders (less than 1%)	5,145,510	5,353,718	22.64	23.55
TOTAL	22,735,148	22,735,148	100.00	100.00

Share price

	in EUR	
	31 December 2018	31 December 2017
Quoted price of the share on the regulated securities market	30.30	28.90
Book value of equity per share	24.64	25.13

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Distribution of accumulated profits of Zavarovalnica Triglav	in EUR	
	2018	2017
Net profit/loss for the year	65,543,864	62,521,950
Net profit brought forward	1,247,252	25,584,011
Increase in retained income	-7,488	-20,839
Reduction in retained net profit to increase share capital	0	0
Decrease in retained income of deferred tax	0	0
Reduction in net profit or loss to create credit risk provisions	0	0
Increase of other reserves from profit based on the decision by the Management and Supervisory Boards	0	-30,000,000
ACCUMULATED PROFITS	66,783,628	58,085,122
Distribution of accumulated profits		
– to shareholders		56,837,870
– allocation to other reserves from profit		0
– transfer to the following year		1,247,252

The distribution of the accumulated profit for 2018 will be proposed by the Management and Supervisory Board and submitted for decision to the General Meeting of Shareholders of Zavarovalnica Triglav.

Dividends	in EUR	
	2018	2017
Dividends to be distributed to shareholders	Not published	56,837,870
Dividend per share	–	2.50

Authorised capital

In accordance with the Company's Articles of Association, the Management Board is authorised to increase the share capital of Zavarovalnica Triglav by up to EUR 14,740,278.36 by issuing new shares against contributions in cash within five years as of 2 June 2016. The Management Board decides on new share issues, the amount of capital increases, the rights attached to new shares and the conditions of new share issues subject to the approval of the Supervisory Board.

To date, Zavarovalnica Triglav has not yet exercised the right to increase its share capital from said authorisation.

Reserves from profit

In addition to legal and treasury share reserves, reserves from profit also comprise other profit reserves.

According to the ZGD-1, the Management Board of Zavarovalnica Triglav may allocate net profit for the year to other profit reserves, i.e. up to one half of the net profit remaining after statutory allocations. In addition to prudent risk management, strategic capital needs are considered when forming these profit reserves.

Reserves from treasury shares and treasury shares (as a deductible item)

The treasury shares include the shares of Zavarovalnica Triglav held by other companies of the Triglav Group, whose financial statements are included in the consolidated financial statements of the Triglav Group. Triglav, Upravljanje nepremičnin d.d. holds 24,312 shares of Zavarovalnica Triglav in the amount of EUR 364,680.

In the consolidated financial statements, treasury shares are measured at their historical cost and are recognized as a deductible item within equity. For these shares, reserves for treasury shares are formed in the same amount, and they are formed from the retained earnings.

Fair value reserve

The fair value reserve represents changes in the fair value of available-for-sale financial assets. The fair value reserve is reduced by the deferred tax liabilities. Changes in the fair value reserve are specified in more detail in the statement of comprehensive income [[→ in Section 1.3](#)].

Currency translation adjustment

Currency translation differences arise from foreign exchange differences in consolidation procedures. In 2018, the currency translation adjustment totalled EUR 136.360 (vs. EUR 1,060,439 in 2017).¹¹⁴ The translation differences mostly refer to the change in the value of the Croatian kuna exchange rate.

Notes to the statement of changes in equity

The following changes are shown in the statement of changes in equity for 2018:

- Based on the resolution passed by the General Meeting of Shareholders of Zavarovalnica Triglav on 29 May 2018 on the distribution of the accumulated profit for 2017, EUR 56,837,870 were allocated to dividend payments. In the preparation of consolidated financial statements, the dividends in the amount of EUR 60,780 paid to the company Triglav, Upravljanje nepremičnin, d.d. were excluded.
- Share premium decreased by EUR 197,116 as a result of purchase of minority stakes in Skupna pokojninska družba d.d., Triglav Osiguranje a.d, Skopje, and Golf Arboretum, d.o.o. For a detailed explanation [[→ see Section 2.7](#)].
- Legal and statutory reserves increased by EUR 707,572. The reserves were formed from the retained profit brought forward or net profit for the year.
- As a result of the acquisition of shares of non-controlling interests, equity of non-controlling interests decreased by EUR 4,467,802.
- Due to decrease of share capital of group entity Sarajevostan, d.o.o., the non-controlling interests decreased by EUR 133,062. For a detailed explanation [[→ see Section 2.7](#)].

¹¹⁴The amount does not include translation differences relating to non-controlling interests.

3.13 Subordinated liabilities

in EUR

	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Amortised cost	15,462,711	15,459,132	20,612,951	20,608,180
Fair value	16,369,802	17,010,568	21,822,171	22,676,360

As at the balance sheet date the principal of the ZT02 bonds - issued in 2009 as euro-dominated subordinated registered bonds in a dematerialised form - was recognised as a subordinated liability. A total of 30,000 bonds worth EUR 1,000 each were issued. All the bonds were sold. The fixed interest rate of the bond is 250 basis points above the 10-year mid-swap rate as at 15 December 2009 and equals 5.95% p.a. The last coupon and the principal will fall due on 21 March 2020.

Issued bonds are disclosed at amortised cost. The value of ZT02 bonds held by the companies of the Triglav Group (5,154 lots) was excluded from the consolidated financial statements. In the separate financial statements of the Company, subordinated debt was reduced by purchased bonds outside the Group (9,372 lots). For the calculation of fair values, the last known price on the Ljubljana Stock Exchange is taken into account. As at 31 December 2018, ZT02 price stood at 105.789% (109.93% as at 31 December 2017).

In the event of winding-up or liquidation, liabilities arising from the above-mentioned bond issue are subordinated to net debt instruments and payable only after the satisfaction of all non-subordinated liabilities to ordinary creditors. These bonds may not be cashed before the maturity set by the amortisation schedule, and likewise Zavarovalnica Triglav has no right to redeem them before maturity. The bonds are not convertible into capital or any other form of debt. ZT02 bonds were listed on the Ljubljana Stock Exchange in 2010.

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3.14 Insurance technical provisions and insurance technical provisions for unit-linked insurance contracts

	Triglav Group		Zavarovalnica Triglav		in EUR
	31 December 2018	31 December 2017	31 December 2018	31 December 2017	
NON-LIFE INSURANCE					
GROSS PROVISIONS FOR UNEARNED PREMIUMS	296,924,690	275,166,193	213,519,363	196,121,893	
Gross provision for unearned premiums	296,804,667	275,049,051	213,399,340	196,004,752	
Gross provisions for unearned premiums from coinsurance	120,023	117,142	120,023	117,142	
GROSS CLAIMS PROVISIONS	584,519,134	609,068,598	423,416,968	450,789,937	
Gross claims provisions for IBNR and IBNER	302,755,513	309,084,685	213,040,229	226,634,456	
Gross provisions for incurred and reported claims	254,056,778	264,481,317	187,205,588	193,212,385	
Gross claims provisions for co-insurance	911,138	1,125,741	911,138	1,125,741	
Expected subrogation	-9,135,984	-10,525,322	-9,135,984	-10,525,322	
Provisions for claim handling costs	35,931,689	44,902,177	31,395,997	40,342,677	
GROSS PROVISIONS FOR BONUSES AND DISCOUNTS	19,833,253	18,943,606	19,547,002	18,349,804	
OTHER GROSS INSURANCE TECHNICAL PROVISIONS	5,445,662	6,573,642	2,201,357	3,025,520	
TOTAL NON-LIFE INSURANCE TECHNICAL PROVISIONS	906,722,739	909,752,037	658,684,690	668,287,155	
LIFE INSURANCE					
GROSS UNEARNED PREMIUM PROVISIONS	414,329	426,149	400,574	406,292	
GROSS MATHEMATICAL PROVISIONS	1,357,233,017	1,333,055,389	1,009,712,605	994,737,498	
Gross mathematical provisions covering life insurance	820,799,524	812,582,423	756,226,453	750,484,060	
Gross mathematical provisions covering SVPI	489,469,402	478,653,633	206,522,061	202,434,105	
Gross mathematical provisions covering SVPI during the annuity pay-out period	46,964,091	41,819,333	46,964,091	41,819,333	
GROSS CLAIMS PROVISIONS	20,555,708	19,476,640	19,143,220	18,440,962	
Gross claims provisions for IBNR and IBNER	16,811,783	15,331,280	16,112,014	14,820,072	
Gross provisions for incurred and reported claims	3,379,774	3,854,666	2,724,176	3,373,458	
Gross claims provisions for co-insurance	0	0	0	0	
Expected subrogation	0	0	0	0	
Provisions for claim handling costs	364,151	290,693	307,030	247,432	
OTHER INSURANCE TECHNICAL PROVISIONS	9,605,442	5,270,021	8,202,386	5,237,360	
TOTAL LIFE INSURANCE TECHNICAL PROVISIONS	1,387,808,496	1,358,228,199	1,037,458,785	1,018,822,112	
HEALTH INSURANCE					
GROSS PROVISIONS FOR UNEARNED PREMIUMS	2,827,927	2,520,377	0	0	
Gross provision for unearned premiums	2,827,927	2,520,377	0	0	
Gross provisions for unearned premiums from coinsurance	0	0	0	0	
GROSS CLAIMS PROVISIONS	9,869,071	9,928,477	0	0	
Gross claims provisions for IBNR and IBNER	9,012,635	8,763,014	0	0	
Gross provisions for incurred and reported claims	621,457	864,765	0	0	
Gross claims provisions for co-insurance	41,520	30,106	0	0	
Expected subrogation	0	0	0	0	
Provisions for claim handling costs	193,459	270,592	0	0	
OTHER INSURANCE TECHNICAL PROVISIONS	3,274,826	2,271,936	0	0	
TOTAL HEALTH INSURANCE TECHNICAL PROVISIONS	15,971,824	14,720,790	0	0	
TOTAL INSURANCE TECHNICAL PROVISIONS	2,310,503,061	2,282,701,026	1,696,143,475	1,687,109,267	
GROSS MATHEMATICAL PROVISIONS COVERING ULI	402,598,039	449,544,565	365,238,075	416,250,767	

The gross insurance technical provisions, which include gross mathematical provisions for the guarantee fund backing unit-linked insurance, are disclosed in the financial statements under the separate item »Insurance technical provisions for unit-linked insurance«.

Other insurance technical provisions for non-life insurance include provisions for cancellations and provisions for unexpired risks, while other insurance technical provisions for life insurance include additional provisions for credit risks.

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Breakdown of gross and net claims provisions	Triglav Group		Zavarovalnica Triglav		in EUR
	31 December 2018	31 December 2017	31 December 2018	31 December 2017	
NON-LIFE INSURANCE					
Gross provisions for incurred and unreported claims	291,544,973	293,151,970	201,853,532	213,303,915	
Gross claims provisions	302,755,513	309,084,685	213,040,229	226,634,456	
Reinsurers' share	-11,210,540	-15,932,715	-11,186,697	-13,330,541	
Gross provisions for incurred and reported claims	205,018,987	215,886,669	133,410,165	138,188,156	
Gross claims provisions	254,056,778	264,481,317	187,205,589	193,212,385	
Reinsurers' and co-insurers' share	-49,037,791	-48,594,648	-53,795,424	-55,024,229	
Gross claims provisions for co-insurance	911,138	1,125,741	911,138	1,125,741	
Gross claims provisions	911,138	1,125,741	911,138	1,125,741	
Reinsurers' share	0	0	0	0	
Expected subrogation	-8,520,568	-9,892,051	-8,520,568	-9,892,051	
Gross claims provisions	-9,135,984	-10,525,322	-9,135,984	-10,525,322	
Reinsurers' share	615,416	633,271	615,416	633,271	
Provisions for claim handling costs	35,931,689	44,902,177	31,395,997	40,342,677	
Gross claims provisions	35,931,689	44,902,177	31,395,997	40,342,677	
Reinsurers' share	0	0	0	0	
TOTAL LIFE INSURANCE GROSS CLAIMS PROVISIONS	524,886,219	545,174,506	359,050,264	383,068,438	
TOTAL GROSS CLAIMS PROVISIONS	584,519,134	609,068,596	423,416,968	450,789,937	
TOTAL REINSURERS' SHARE	-59,632,915	-63,894,091	-64,366,704	-67,721,499	
LIFE INSURANCE					
Gross provisions for incurred and unreported claims	16,821,521	15,331,280	16,112,014	14,820,072	
Gross claims provisions	16,811,783	15,331,280	16,112,014	14,820,072	
Reinsurers' share	9,738	0	0	0	
Gross provisions for incurred and reported claims	3,370,036	3,854,666	2,714,438	3,341,098	
Gross claims provisions	3,379,774	3,854,666	2,724,176	3,373,458	
Reinsurers' share	-9,738	0	-9,738	-32,360	
Gross claims provisions for co-insurance	0	0	0	0	
Gross claims provisions	0	0	0	0	
Reinsurers' share	0	0	0	0	
Expected subrogation	0	0	0	0	
Gross claims provisions	0	0	0	0	
Reinsurers' share	0	0	0	0	
Provisions for claim handling costs	364,151	290,693	307,030	247,432	
Gross claims provisions	364,151	290,693	307,030	247,432	
Reinsurers' share	0	0	0	0	
TOTAL LIFE INSURANCE GROSS CLAIMS PROVISIONS	20,555,708	19,476,640	19,133,482	18,408,602	
TOTAL GROSS CLAIMS PROVISIONS	20,555,708	19,476,639	19,143,220	18,440,962	
TOTAL REINSURERS' SHARE	0	0	-9,738	-32,360	
HEALTH INSURANCE					
Gross provisions for incurred and unreported claims	9,012,635	8,763,014	0	0	
Gross claims provisions	9,012,635	8,763,014	0	0	
Reinsurers' share	0	0	0	0	
Gross provisions for incurred and reported claims	621,457	864,765	0	0	
Gross claims provisions	621,457	864,765	0	0	
Reinsurers' and co-insurers' share	0	0	0	0	
Gross claims provisions for co-insurance	41,520	30,106	0	0	
Gross claims provisions	41,520	30,106	0	0	
Reinsurers' share	0	0	0	0	
Expected subrogation	0	0	0	0	
Gross claims provisions	0	0	0	0	
Reinsurers' share	0	0	0	0	
Provisions for claim handling costs	193,459	270,592	0	0	
Gross claims provisions	193,459	270,592	0	0	
Reinsurers' share	0	0	0	0	
TOTAL HEALTH INSURANCE GROSS CLAIMS PROVISIONS	9,869,071	9,928,477	0	0	
TOTAL GROSS CLAIMS PROVISIONS	9,869,071	9,928,477	0	0	
TOTAL REINSURERS' SHARE	0	0	0	0	

Analysis of changes in gross insurance technical provisions for Triglav Group							in EUR
NON-LIFE INSURANCE	Gross unearned premium	Gross claims provisions	Gross provisions for bonuses and discounts	Other gross insurance technical provisions	Unit-linked insurance-technical provisions	Total gross insurance technical provisions	
1 January 2017	260,854,523	607,228,071	19,105,924	6,838,308	0	894,026,826	
Increase	203,388,154	185,463,017	12,163,924	4,856,386	0	405,871,481	
Use	-190,083,460	-184,741,977	-12,332,044	-5,175,327	0	-392,332,808	
Exchange rate difference	1,006,976	1,119,485	5,802	54,275	0	2,186,538	
31 December 2017	275,166,193	609,068,596	18,943,606	6,573,642	0	909,752,037	
Increase	228,480,533	188,034,474	12,777,715	3,837,937	0	433,130,659	
Use	-206,778,357	-212,655,908	-11,886,556	-4,969,307	0	-436,290,128	
Exchange rate difference	56,321	71,972	-1,512	3,390	0	130,171	
31 December 2018	296,924,690	584,519,134	19,833,253	5,445,662	0	906,722,739	

Analysis of changes in gross insurance technical provisions for Triglav Group							in EUR
LIFE INSURANCE	Gross unearned premium	Gross mathematical provisions	Gross claims provisions	Other gross insurance technical provisions	Unit-linked insurance-technical provisions	Total gross insurance technical provisions	
1 January 2017	449,648	1,273,538,608	18,911,899	3,946,905	457,683,091	1,754,530,151	
Increase	425,045	155,870,564	11,716,886	1,475,628	76,910,295	246,398,418	
Use	-448,869	-97,114,082	-11,164,116	-152,511	-85,356,523	-194,236,101	
Exchange rate difference	325	760,299	11,970	0	307,702	1,080,295	
31 December 2017	426,149	1,333,055,389	19,476,640	5,270,021	449,544,565	1,807,772,763	
Increase	403,589	129,645,897	14,165,394	4,509,651	18,291,860	167,016,391	
Use	-415,465	-105,632,762	-13,088,128	-174,230	-65,310,701	-184,621,286	
Exchange rate difference	56	164,493	1,804	0	72,315	238,668	
31 December 2018	414,329	1,357,233,017	20,555,710	9,605,442	402,598,038	1,790,406,536	

Analysis of changes in gross insurance technical provisions for Triglav Group							in EUR
HEALTH INSURANCE	Gross unearned premium	Gross mathematical provisions	Gross claims provisions	Other gross insurance technical provisions	Unit-linked insurance-technical provisions	Total gross insurance technical provisions	
1 January 2017	2,335,449	0	9,100,925	794,964	0	12,231,338	
Increase	2,630,206	0	9,361,685	1,537,245	0	13,529,136	
Use	-2,445,278	0	-8,534,132	-60,273	0	-11,039,683	
Exchange rate difference	0	0	0	0	0	0	
31 December 2017	2,520,377	0	9,928,477	2,271,936	0	14,720,790	
Increase	2,917,168	0	9,491,994	1,008,309	0	13,417,471	
Use	-2,609,617	0	-9,551,399	-5,420	0	-12,166,436	
Exchange rate difference	0	0	0	0	0	0	
31 December 2018	2,827,927	0	9,869,071	3,274,826	0	15,971,824	

Analysis of changes in gross insurance technical provisions for Zavarovalnica Triglav							in EUR
NON-LIFE INSURANCE	Gross unearned premium	Gross claims provisions	Gross provisions for bonuses and discounts	Other gross insurance technical provisions	Unit-linked insurance-technical provisions	Total gross insurance technical provisions	
1 January 2017	188,067,543	453,377,312	18,495,379	3,776,436	0	663,716,669	
Increase	165,641,630	160,485,906	11,678,477	3,025,520	0	340,831,533	
Use	-157,587,280	-163,073,281	-11,824,052	-3,776,436	0	-336,261,049	
31 December 2017	196,121,893	450,789,937	18,349,804	3,025,520	0	668,287,154	
Increase	179,517,437	149,611,662	12,580,404	2,201,357	0	343,910,860	
Use	-162,119,967	-176,984,631	-11,383,206	-3,025,520	0	-353,513,324	
31 December 2018	213,519,363	423,416,968	19,547,002	2,201,357	0	658,684,690	

Analysis of changes in gross insurance technical provisions for Zavarovalnica Triglav							in EUR
LIFE INSURANCE	Gross unearned premium	Gross mathematical provisions	Gross claims provisions	Other gross insurance technical provisions	Unit-linked insurance-technical provisions	Total gross insurance technical provisions	
1 January 2017	420,333	959,268,937	17,863,463	3,908,408	431,125,308	1,412,586,450	
Increase	406,292	110,521,211	11,325,346	1,468,328	67,221,946	190,943,123	
Use	-420,333	-75,052,651	-10,747,847	-139,375	-82,096,487	-168,456,693	
31 December 2017	406,292	994,737,498	18,440,962	5,237,360	416,250,767	1,435,072,879	
Increase	400,574	90,568,446	11,600,287	3,113,895	8,944,966	114,628,168	
Use	-406,292	-75,593,339	-10,898,029	-148,869	-59,957,658	-147,004,187	
31 December 2018	400,574	1,009,712,605	19,143,220	8,202,386	365,238,075	1,402,696,860	

Analysis of the decrease in gross mathematical provisions						in EUR
	Triglav Group		Zavarovalnica Triglav			
	2018	2017	2018	2017		
Surrenders	25,845,426	23,006,551	11,156,773	11,894,678		
Endowments	56,390,693	56,353,099	51,210,505	53,092,261		
Deaths	3,081,525	2,727,012	2,367,665	2,157,612		
Other	20,315,118	15,027,422	10,858,396	7,908,100		
TOTAL	105,632,762	97,114,084	75,593,339	75,052,651		

Other releases refer to the payment of annuities, upon cancellation of insurance and releases of additional valuation provisions upon termination of insurance.

Analysis of changes in loss events for non-life insurance for Triglav Group

in EUR

	Before 2009	2009	2010	2011	2012	Year of occurrence						TOTAL
						2013	2014	2015	2016	2017	2018	
Cumulative loss assessment												
– at the end of year of occurrence		560,952,881	535,615,958	509,028,152	537,773,397	540,980,548	523,335,884	494,721,974	497,610,909	523,078,938	559,765,704	
– 1 year after year of occurrence		502,868,739	492,902,084	461,311,067	539,573,012	447,917,990	481,304,284	477,337,992	463,199,516	513,384,536		
– 2 years after year of occurrence		492,609,753	473,335,579	474,755,005	500,921,267	463,342,293	466,027,510	463,910,257	456,287,534			
– 3 years after year of occurrence		484,758,847	479,637,277	455,085,444	496,641,454	439,583,068	458,436,319	460,400,102				
– 4 years after year of occurrence		484,136,193	467,602,633	458,416,153	487,381,079	433,339,855	453,418,013					
– 5 years after year of occurrence		479,931,802	467,642,819	450,071,089	481,306,074	431,734,293						
– 6 years after year of occurrence		477,637,233	459,856,973	448,004,684	476,606,548							
– 7 years after year of occurrence		471,160,939	457,000,191	445,950,087								
– 8 years after year of occurrence		468,531,214	455,357,549									
– 9 years after year of occurrence		466,477,224										
– 10 years after year of occurrence	82,360,768											
Cumulative loss assessment		466,477,224	455,357,549	445,950,087	476,606,548	431,734,293	453,418,013	460,400,102	456,287,534	513,384,536	559,765,704	
Cumulative payments until balance sheet date	5,871,296	456,974,441	442,481,004	427,118,689	449,224,429	409,204,748	428,719,399	425,912,722	407,973,970	433,441,486	348,373,790	
Claims provisions balance at the beginning of the period	84,705,507	12,376,119	16,457,670	22,858,222	34,670,418	26,905,387	36,614,276	47,565,736	80,416,662	210,996,005		573,566,002
Settled during the period	5,873,475	819,651	1,939,204	1,972,959	2,589,734	2,771,308	6,899,917	9,571,754	25,200,467	121,403,603	348,503,112	527,545,185
Claim provisions balance	76,489,472	9,502,783	12,876,545	18,831,398	27,382,119	22,529,545	24,757,609	34,569,756	48,428,966	80,134,002	211,896,845	567,399,041

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Analysis of changes in loss events for non-life insurance for Zavarovalnica Triglav

in EUR

	Before 2009	2009	2010	2011	2012	Year of occurrence						TOTAL
						2013	2014	2015	2016	2017	2018	
Cumulative loss assessment												
– at the end of year of occurrence		428,334,819	397,894,156	344,766,188	357,523,991	317,835,549	320,473,605	288,017,455	287,798,336	303,002,462	300,438,023	
– 1 year after year of occurrence		379,229,569	349,567,530	303,201,976	304,864,538	266,546,400	276,286,823	244,620,306	248,557,097	279,993,010		
– 2 years after year of occurrence		365,975,020	333,049,538	288,324,957	296,542,971	256,384,328	265,047,929	236,877,342	244,240,955			
– 3 years after year of occurrence		356,293,810	326,228,216	282,155,740	289,326,478	249,972,030	260,339,640	233,832,537				
– 4 years after year of occurrence		352,427,627	320,837,129	281,692,146	283,750,168	245,898,744	255,549,812					
– 5 years after year of occurrence		347,853,432	317,082,345	278,889,676	279,036,814	243,246,940						
– 6 years after year of occurrence		344,803,291	313,090,207	277,885,732	273,848,769							
– 7 years after year of occurrence		341,842,194	311,355,522	276,372,349								
– 8 years after year of occurrence		340,231,520	309,920,962									
– 9 years after year of occurrence		338,086,207										
– 10 years after year of occurrence	72,500,536											
Cumulative loss assessment		338,086,207	309,920,962	276,372,349	273,848,769	243,246,940	255,549,812	233,832,537	244,240,955	279,993,010	300,438,023	
Cumulative payments until balance sheet date		329,884,739	299,769,193	260,276,139	250,616,288	226,173,273	236,723,934	210,000,132	211,727,752	228,401,268	169,740,249	
Claims provisions balance at the beginning of the period	76,285,634	10,752,149	12,985,166	19,096,284	30,256,104	21,490,896	27,999,658	31,962,075	48,410,195	140,608,680		419,846,841
Settled during the period	3,560,178	405,369	1,398,838	1,486,690	1,835,577	1,765,426	4,383,952	5,084,864	11,580,850	66,007,485	169,740,249	267,249,479
Claim provisions balance	68,940,358	8,201,468	10,151,769	16,096,210	23,232,480	17,073,667	18,825,878	23,832,405	32,513,203	51,591,743	130,697,774	401,156,955

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3.15 Provisions for employee benefits

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Provisions for unused leave	4,280,949	4,393,109	3,500,312	3,782,886
Provisions for retirement benefits	8,602,839	7,886,897	6,287,047	5,744,460
Provisions for jubilee payments	1,920,785	1,699,836	1,379,797	1,173,117
TOTAL	14,804,574	13,979,843	11,167,156	10,700,463

The calculation of provisions for pensions and severance pays upon retirement included:

- the expected mortality on the basis of crude mortality tables for the population of Slovenia from 2017 (Statistical Office of the Republic of Slovenia), taking into account a 20% lower mortality than given in those tables; in the subsidiaries outside of Slovenia, mortality tables from individual countries were taken into account;
- the expected annual employee fluctuation depending on age which, on average, stands at 2.9% in Slovenia and 3.2%, on average, in other countries;
- the expected growth of average salaries in Slovenia is 2.2% annually, while in other countries it is 3.0% on average;
- the yield curve of the Slovene government debt securities denominated in EUR as at 31 December 2018. The benchmark for a 10-year period is 1.04%. In the subsidiaries outside of Slovenia, the yield curves of government debt securities between 2.5% and 5.0% were taken into account.

Changes in provisions for unused annual leave and jubilee payments are fully recognised as operating expenses in the income statement. The same applies to changes in provisions for retirement benefits, excluding actuarial gains and losses. The latter are recognised in comprehensive income.

	in EUR			TOTAL
	Provisions for unused leave	Provisions for retirement benefits	Provisions for jubilee payments	
As at 1 January 2017	4,265,313	7,544,294	1,740,657	13,550,264
Use of provisions in the year	-3,963,993	-242,747	-183,873	-4,390,613
Release of provisions in the year	-65,787	-3,145	-8,098	-77,030
Creation of provisions in the year	4,155,404	576,861	148,394	4,880,659
Exchange rate difference	2,174	11,632	2,755	16,561
As at 31 December 2017	4,393,109	7,886,897	1,699,836	13,979,843
Use of provisions in the year	-3,776,470	-139,454	-166,166	-4,082,090
Release of provisions in the year	-3,422	-228,635	-10,755	-242,812
Creation of provisions in the year	3,667,331	1,081,777	397,902	5,147,010
Exchange rate difference	404	2,258	-32	2,630
As at 31 December 2018	4,280,949	8,602,839	1,920,785	14,804,574

	in EUR			TOTAL
	Provisions for unused leave	Provisions for retirement benefits	Provisions for jubilee payments	
As at 1 January 2017	3,553,625	5,753,856	1,240,033	10,547,514
Use of provisions in the year	-3,553,625	-152,800	-156,403	-3,862,828
Creation of provisions in the year	3,782,886	143,404	89,487	4,015,777
As at 31 December 2017	3,782,886	5,744,460	1,173,117	10,700,463
Use of provisions in the year	-3,782,886	-98,149	-139,950	-4,020,985
Creation of provisions in the year	3,500,312	640,736	346,630	4,487,678
As at 31 December 2018	3,500,312	6,287,047	1,379,797	11,167,156

Development of provisions for retirement benefits and jubilee payments in Triglav Group			in EUR
	Provisions for retirement benefits	Provisions for jubilee payments	TOTAL
As at 1 January 2017	7,544,294	1,740,657	9,284,950
Current service cost	870,378	157,156	1,027,534
Interest cost	36,874	2,917	39,791
Actuarial gains/losses due to:			
- changes in demographic assumptions	-563,091	-91,181	-654,272
- changes in financial assumptions	-135,686	-11,738	-147,424
- experience adjustments	306,913	35,891	342,804
Past service cost	-3,959	763	-3,196
Benefits paid during the year	-196,462	-179,075	-375,537
Gains/losses upon payment	16,002	41,690	57,692
Exchange rate difference	11,632	2,755	14,387
As at 31 December 2017	7,886,897	1,699,836	9,586,733
Current service cost	716,419	122,747	839,166
Interest cost	56,817	3,519	60,336
Actuarial gains/losses due to:			
- changes in demographic assumptions	124,664	20,219	144,883
- changes in financial assumptions	-71,359	-37,396	-108,755
- experience adjustments	250,264	269,271	519,535
Past service cost	-220,077	-6,635	-226,712
Benefits paid during the year	-110,779	-162,421	-273,200
Gains/losses upon payment	-32,261	11,677	-20,584
Exchange rate difference	2,258	-32	2,226
As at 31 December 2018	8,602,839	1,920,785	10,523,624

Sensitivity analysis of parameter changes for Triglav Group			in EUR
Parameter	Parameter change	2018	2017
Interest rate	shift in the discount curve by +0.25%	-209,526	-216,759
	shift in the discount curve by -0.25%	218,244	225,834
Wage growth	change in annual wage growth by +0.5%	419,885	388,668
	change in annual wage growth by -0.5%	-365,008	-347,888
Mortality rate	constant increase in mortality by +20%	-100,306	-140,409
	constant increase in mortality by -20%	102,302	146,118
Early employment termination	shift in the expense curve by +20%	-233,519	-292,364
	shift in the expense curve by -20%	250,590	308,076

Development of provisions for retirement benefits and jubilee payments in Zavarovalnica Triglav			in EUR
	Provisions for retirement benefits	Provisions for jubilee payments	TOTAL
As at 1 January 2017	5,753,856	1,240,033	6,993,889
Current service cost	472,863	134,082	606,945
Interest expenses	21,258	2,410	23,668
Actuarial gains/loss due to:			
- change in demographic assumptions	-569,745	-91,181	-660,926
- change in financial assumptions	-80,375	-27,368	-107,743
- experience adjustments	299,403	38,746	338,149
Profit/loss upon payment	0	32,799	32,799
Termination payments during the year	-152,800	-156,403	-309,203
As at 31 December 2017	5,744,460	1,173,117	6,917,578
Current service cost	335,242	96,665	431,907
Interest expenses	39,341	3,016	42,357
Actuarial gains/loss due to:			
- change in demographic assumptions	132,185	20,396	152,581
- change in financial assumptions	-105,958	-71,936	-177,894
- experience adjustments	239,926	267,668	507,594
Profit/loss upon payment	0	30,821	30,821
Termination payments during the year	-98,149	-139,950	-238,099
As at 31 December 2018	6,287,047	1,379,797	7,666,844

Sensitivity analysis of parameter changes for Zavarovalnica Triglav			in EUR
Parameter	Parameter change	2018	2017
Interest rate	shift in the discount curve by +0.25%	-154,287	-148,801
	shift in the discount curve by -0.25%	160,474	154,844
Wage growth	change in annual wage growth by +0.5%	304,322	276,279
	change in annual wage growth by -0.5%	-270,534	-244,965
Mortality rate	constant increase in mortality by +20%	-67,316	-84,594
	constant increase in mortality by -20%	68,292	86,318
Early employment termination	shift in the expense curve by +20%	-164,873	-160,776
	shift in the expense curve by -20%	172,926	168,839

3.16 Other provisions

	in EUR	
	Triglav Group	Zavarovalnica Triglav
As at 1 January 2017	3,971,217	689,669
Increase	1,076,646	35,292
Decrease	-758,877	0
Release	-509,734	0
Exchange rate difference	15,395	0
As at 31 December 2017	3,794,647	724,961
Increase	28,040	247,442
Decrease	-260,821	-213,968
Release	-1,643,699	0
Exchange rate difference	1,385	0
As at 31 December 2018	1,919,555	758,435

The maturity of over 90% of other provisions is above 12 months. The largest portion of total provisions is accounted for provisions for legal disputes. The increase in other provisions is shown as »Other income« in the income statement.

3.17 Deferred tax assets and liabilities

	in EUR	
	Triglav Group	Zavarovalnica Triglav
DEFERRED TAX ASSETS		
As at 1 January 2017	15,793,114	14,739,215
– increase	46,303	3,034,123
– decrease	-2,070,302	-4,809,964
– increase due to change in tax rate	0	0
As at 31 December 2017	13,769,115	12,963,374
– increase	2,595,553	2,485,412
– decrease	-3,470,936	-3,271,195
– increase due to change in tax rate	0	0
As at 31 December 2018	12,893,732	12,177,591
DEFERRED TAX LIABILITIES		
As at 1 January 2017	25,400,544	21,804,624
– increase	1,249,870	459,803
– decrease	-253,835	0
– increase due to change in tax rate	0	0
As at 31 December 2017	26,396,579	22,264,427
– increase	81,536	0
– decrease	-9,274,539	-7,273,099
– increase due to change in tax rate	0	0
As at 31 December 2018	17,203,576	14,991,327
NET DEFERRED TAX ASSETS		
As at 31 December 2017	-12,627,464	-9,301,053
As at 31 December 2018	-4,309,844	-2,813,736

Deferred tax assets are recognised for temporary differences arising from the impairment of receivables, financial assets and investment property, formation of post-employment benefits, jubilee benefits, actuarial losses and unused tax losses. Deferred tax assets are not recognized from impairments of investments in subsidiaries and associates disclosed in the stand-alone financial statements.

Deferred tax liabilities are recognised due to the valuation of available-for-sale financial assets.

The change in deferred tax assets is recognised in the income statement, increasing and/or decreasing income tax expense. The change in deferred tax liabilities is recognised in other comprehensive income. The impact of changes on the income statement and the comprehensive income is shown [→ in Section 4.15].

3.18 Other financial liabilities

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Long-term liabilities for a finance lease	284,056	513,126	0	0
Loans from banks	517,260	455,120	0	0
Financial liabilities for acquired securities	917,137	1,161,877	917,137	1,161,877
Liabilities for dividends	657,846	678,873	657,846	678,873
Other financial liabilities	3,244,605	2,780,384	12,460	4,434
TOTAL	5,620,904	5,589,381	1,587,443	1,845,184

The long-term financial liabilities of the Triglav Group and Zavarovalnica Triglav amount to EUR 329,518 and EUR 7,765 respectively.

3.19 Operating liabilities

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
DIRECT INSURANCE LIABILITIES	19,717,929	18,875,323	11,306,835	11,354,265
Liabilities to policyholders	11,408,191	11,854,935	8,345,773	8,351,426
Liabilities to insurance brokers	1,540,170	1,067,486	1,170,587	828,106
Other liabilities from direct insurance operations	6,769,568	5,952,902	1,428,595	1,819,604
Liabilities from direct insurance operations to Group companies	0	0	361,880	355,129
LIABILITIES FROM CO-INSURANCE AND REINSURANCE OPERATIONS	30,465,655	28,758,158	13,819,946	15,249,797
Liabilities for re/co-insurance premiums	18,293,707	17,031,209	12,655,925	13,015,790
Liabilities for co-insurers' share of claims	4,363,764	4,425,693	1,164,021	2,234,007
Other re/co-insurance liabilities	7,808,184	7,301,256	0	0
CURRENT TAX LIABILITIES	4,608,471	1,748,121	3,396,791	1,135,988
TOTAL LIABILITIES FROM INSURANCE OPERATIONS	54,792,055	49,381,602	28,523,572	27,740,050

All operating liabilities are short-term and are to be settled within 12 months.

3.20 Other liabilities

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	31 Dec. 2018	31 Dec. 2017	31 Dec. 2018	31 Dec. 2017
Short-term liabilities to employees	22,256,505	19,115,336	18,470,071	15,391,703
Trade payables	8,218,320	13,274,496	8,218,320	13,274,496
Other short-term liabilities from insurance operations	13,919,849	13,830,528	5,243,624	5,147,981
Other short-term liabilities	11,882,026	9,792,369	2,389,528	2,055,530
Other long-term liabilities	4,292,179	2,993,063	4,076,309	2,246,976
Accrued interest on issued bonds	958,354	958,354	958,354	958,354
Short-term deferred income from charged interest on arrears	2,154,573	1,010,281	2,154,573	1,010,281
Other accruals	11,828,405	10,209,308	1,711,168	711,989
TOTAL OTHER LIABILITIES	75,510,207	71,183,735	43,221,946	40,797,310

Of the disclosed other liabilities, the long-term liabilities of the Triglav Group and Zavarovalnica Triglav account for EUR 7,937,231 and EUR 4,076,309 respectively.