

Accounting report

The Triglav Group and
Zavarovalnica Triglav d.d.

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Audited annual report for the year
ended 31 December 2016

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Statement of management's responsibilities

Statement of management's responsibilities

The Management Board herewith confirms the financial statements Zavarovalnica Triglav, d.d. and Triglav Group for the year ended 31 December 2016, and the accompanying accounting policies and notes to the accounting policies.

The Management Board is responsible for preparing the Annual Report so that it is true and fair presentation of the Company's and Group's assets and liabilities, financial position and profit for the year ended 31 December 2016 in accordance with International Financial Reporting Standards as adopted by the EU.

The Management Board additionally confirms that the appropriate accounting policies were consistently used and that the accounting estimates were prepared according to the principles of prudence and good management. The Management Board furthermore confirms that the financial statements, together with the notes are prepared on a going concern basis and that they comply with the applicable legislation and International Financial Reporting Standards as adopted by the EU.

The Management Board confirms that the Business Report includes a fair presentation of the development and financial position of the Company and the Group, including a description of the major risks to which the Company and the Group are exposed to.

The Management Board is also responsible for appropriate accounting practices, for the adoption of appropriate measures for the protection of property, and for the prevention and identification of fraud and other irregularities or illegal acts.

The tax authorities may, at any time within the period of five years since the day the tax become chargeable, review the operations of the Company, which may result in additional tax liabilities, default interest and penalties related to corporate income tax and/or other taxes or levies. The Management Board of the Company is unaware of any circumstances that could potentially result in any such significant liability.

Andrej Slapar,
President of the Management Board

Benjamin Jošar,
Member of the Management Board

Uroš Ivanc,
Member of the Management Board

Tadej Čoroli,
Member of the Management Board

Marica Makoter,
Member of the Management Board

Ljubljana, 14 March 2017

Independent auditor's report



This is a translation of the original report in Slovene language

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Zavarovalnica Triglav, d.d.

Opinion

We have audited the separate financial statements of Zavarovalnica Triglav, d.d. ("Triglav" or "the Company") and the consolidated financial statements of Triglav Group ("Triglav Group" or "the Group"), which comprise the statement of financial position and the consolidated statement of financial position as at 31 December 2016, the income statement and the consolidated income statement, the statement of other comprehensive income and the consolidated statement of other comprehensive income, the statement of changes in equity and the consolidated statement of changes in equity, the statement of cash flows and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements and the consolidated financial statements present fairly, in all material respects, the financial position of the Zavarovalnica Triglav d.d. and Triglav Group as at 31 December 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those rules are further described in the *Auditor's responsibilities for the audit of the separate and consolidated financial statements* section of our report. We are independent of the Company and Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate and consolidated financial statements in Slovenia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the separate and consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying separate and consolidated financial statements.



Estimates used in calculation of insurance liabilities, DAC and Liability Adequacy Test (LAT)

The measurement of insurance contract liabilities involves judgement over uncertain future outcomes, mainly the ultimate total settlement value of long-term liabilities, including any guarantees provided to policyholders. Various economic and non-economic assumptions are being used to estimate these long-term liabilities, both in the insurance contract liabilities as reported in the statement of financial position and in the reserve adequacy test. We determined this to be a significant item for our audit and a key auditing matter.

We used internal actuarial specialists to assist us in performing our audit procedures. In particular, our audit focused on the models considered material and more complex and/or requiring significant judgement in the setting of assumptions, particularly long-tail business in non-life operations and Liability Adequacy Test (LAT) cash flows in life products. We assessed the design and verified the operating effectiveness of internal controls over the actuarial process including claim reserves calculation, process of setting economic and actuarial assumptions as well as cash flow derivation approach. We assessed the Group's/Company's modelling approach in the areas considered higher risk as a result of complexity and/or magnitude. We also assessed the Group's/Company's approach and methodology for the actuarial analyses including estimated versus actual results and experience studies. We have assessed the experience analyses performed by the Group/Company in their assumption setting processes. Our assessments included assessment, as necessary, of specified economic and actuarial assumptions considering management's rationale for the actuarial judgments applied, along with comparison to applicable industry experiences considering the appropriateness of actuarial judgements used in the models, which may vary depending on the product and/or the specifications of the product. We also assessed the compliance of the models with the applicable accounting standards. Furthermore we performed audit procedures to determine the models and systems were calculating the insurance contracts liabilities accurately and completely, including sample recalculations of the results produced by the models. We tested the validity of management's liability adequacy testing which is a test performed to check that the liabilities are adequate as compared to the expected future contractual obligations. Our work on the liability adequacy tests included assessing the reasonableness of the projected cash flows and assessment of the assumptions adopted in the context of both the Group/Company and industry experience and specific product features.

We assessed the adequacy of the disclosures included in note 3.14 of the separate and consolidated financial statements.



Other information

Other information comprises the information included in the separate and consolidated Annual Report other than the separate and consolidated financial statements and auditor's report thereon. Management is responsible for the other information.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the separate and consolidated financial statements is, in all material respects, consistent with the separate and consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company and the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

Responsibilities of management, supervisory board and the audit committee for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee and supervisory board are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with audit rules, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:




- identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee and supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide the audit committee and supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee and supervisory board, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ljubljana, 14. March 2017


Janez Uranič
Director
Ernst & Young d.o.o.
Dunajska 111, Ljubljana


Revizija, poslovno
svetovanje d.o.o., Ljubljana 1


Primož Kovačič
Certified auditor

1. FINANCIAL STATEMENTS⁹³

1.1 Statement of financial position

		in EUR			
		Triglav Group		Zavarovalnica Triglav	
	Notes	31 December 2016	31 December 2015	31 December 2016	31 December 2015
ASSETS		3,574,885,423	3,493,456,800	2,740,333,045	2,685,432,591
Intangible assets	3.1	73,823,588	70,132,332	55,884,567	53,143,644
Property, plant and equipment	3.2	107,933,428	121,810,360	66,230,456	67,034,994
Deferred tax assets	3.17	15,793,114	15,993,688	0	0
Investment property	3.3	95,842,720	79,475,283	49,611,417	52,870,808
Investments in subsidiaries	3.4	0	0	130,632,438	134,689,036
Investments in associates	3.5	6,826,400	6,939,700	9,503,047	7,259,875
Financial assets	3.6	2,974,303,281	2,873,436,783	2,246,543,870	2,194,440,477
Financial investments		2,514,320,459	2,408,702,860	1,812,500,601	1,747,850,916
– loans and deposits		148,731,638	183,872,219	82,397,894	108,581,747
– held to maturity		231,342,393	242,406,400	168,983,706	178,250,255
– available for sale		1,738,043,072	1,607,681,638	1,365,449,446	1,268,278,321
– recognised at fair value through profit and loss		396,203,356	374,742,603	195,669,555	192,740,593
Unit-linked insurance assets		459,982,822	464,733,923	434,043,269	446,589,561
Reinsurers' share of technical provisions	3.7	77,084,783	68,724,305	76,455,107	69,935,394
Receivables	3.8	152,921,089	166,443,733	75,869,085	95,716,726
– receivables from direct insurance operations		84,059,166	83,249,006	58,491,603	57,959,013
– receivables from reinsurance and coinsurance operations		35,099,850	42,823,668	7,538,096	12,219,198
– current tax receivables		890,276	301,273	0	0
– other receivables		32,871,797	40,069,786	9,839,386	25,538,515
Other assets	3.9	3,622,253	8,134,762	1,949,412	2,791,679
Cash and cash equivalents	3.10	65,714,474	47,928,768	27,653,646	7,549,958
Non-current assets held for sale	3.11	1,020,293	34,437,086	0	0
EQUITY AND LIABILITIES		3,574,885,423	3,493,456,800	2,740,333,045	2,685,432,591
Equity	3.12	744,349,747	704,044,499	563,389,117	530,560,272
Controlling interests		733,955,514	692,925,865	563,389,117	530,560,272
– share capital		73,701,392	73,701,392	73,701,392	73,701,392
– share premium		53,488,690	54,955,912	53,412,884	53,412,884
– reserves from profit		305,535,457	300,945,466	288,962,643	282,666,281
– treasury share reserves		364,680	452,880	0	0
– treasury shares		-364,680	-452,880	0	0
– fair value reserve		87,735,128	77,567,319	64,890,318	55,751,443
– net profit brought forward		173,192,869	104,503,874	44,688,278	7,210,810
– net profit/loss for the year		44,216,477	85,802,552	37,733,602	57,817,462
– currency translation differences		-3,914,499	-4,510,483	0	0
– reserve of disposal group held for sale		0	-40,167	0	0
Non-controlling interests	2.7	10,394,233	11,118,634	0	0
Subordinated liabilities	3.13	16,869,102	18,752,252	21,103,108	21,101,278
Insurance technical provisions	3.14	2,203,105,224	2,143,395,211	1,645,177,811	1,614,944,129
– unearned premiums		263,639,620	252,057,956	188,487,876	180,558,991
– mathematical provisions		1,273,538,608	1,219,737,727	959,268,937	925,402,898
– claims provisions		635,240,895	642,687,051	471,240,775	486,247,722
– other insurance technical provisions		30,686,101	28,912,477	26,180,223	22,734,518
Insurance technical provisions for unit-linked insurance contracts		457,683,091	457,046,912	431,125,308	438,920,157
Employee benefits	3.15	13,550,264	12,225,131	10,547,514	9,189,038
Other provisions	3.16	3,971,217	3,854,844	689,669	381,762
Deferred tax liabilities	3.17	25,400,544	23,188,796	7,065,409	6,268,154
Other financial liabilities	3.18	5,288,693	3,784,282	1,852,710	1,752,990
Operating liabilities	3.19	42,028,195	48,388,725	24,451,951	23,886,713
– liabilities from direct insurance operations		16,020,020	16,617,928	11,202,342	10,985,581
– liabilities from reinsurance and co-insurance operations		23,129,245	28,053,630	11,507,586	10,264,596
– current tax liabilities		2,878,930	3,717,167	1,742,023	2,636,536
Other liabilities	3.20	62,639,346	66,341,975	34,930,448	38,428,098
Non-current liabilities held for sale and discontinued operations		0	12,434,173	0	0

1.2 Income statement

	Notes	Triglav Group		Zavarovalnica Triglav	
		2016	2015	2016	2015
				in EUR	
Net premium income	4.1	849,594,001	839,167,224	509,765,204	517,040,236
- gross written premium		936,003,815	919,116,265	593,129,011	586,260,945
- ceded written premium		-79,080,949	-77,045,634	-78,508,398	-72,460,618
- change in unearned premiums		-7,328,865	-2,903,407	-4,855,409	3,239,909
Income from financial assets	4.2	146,017,485	300,908,574	115,997,114	274,883,169
Income from financial assets in subsidiaries and associates		3,116,574	5,454,600	9,836,781	31,688,139
- profit on equity investments accounted for using the equity method		188,105	1,024,797	0	0
- interest income		0	0	857,579	1,985,141
- dividends		0	0	62,153	29,318,186
- fair value gains	4.4	0	0	0	0
- realised gains on disposals	4.5	2,928,469	4,429,803	8,911,599	376,413
- other financial income		0	0	5,450	8,399
Income from other financial assets		119,446,634	202,577,180	83,084,119	151,322,413
- interest income		68,835,574	71,242,548	48,356,136	48,917,584
- dividends		3,356,769	3,218,520	2,367,645	2,484,054
- fair value gains	4.4	7,813,764	39,290,809	1,708,114	26,253,436
- realised gains on disposals	4.5	33,979,089	77,477,505	29,252,705	68,541,989
- other financial income		5,461,438	11,347,798	1,399,519	5,125,350
Net unrealised gains on unitlinked life insurance assets	4.4	23,454,277	92,876,794	23,076,214	91,872,617
Other income from insurance operations	4.6	5,392,172	7,430,958	19,160,149	17,683,831
- fees and commission income		252,793	2,494,636	15,201,866	12,996,626
- other income from insurance operations		5,139,379	4,936,322	3,958,283	4,687,205
Other income	4.7	53,537,175	77,260,256	12,645,615	9,258,952
Net claims incurred	4.8	577,102,418	570,343,294	350,739,765	349,598,310
- gross claims settled		606,019,569	594,840,516	391,236,320	390,567,557
- reinsurers' share		-21,692,020	-23,535,397	-20,679,367	-24,918,956
- changes in claims provisions		-14,175,200	-8,430,995	-19,817,188	-16,050,291
- equalisation scheme expenses for supplementary health insurance		6,950,069	7,469,170	0	0
Change in other insurance technical provisions	4.10	47,211,325	60,340,392	28,758,525	39,257,225
Change in insurance technical provisions for unit-linked insurance contracts		776,648	-1,882,145	-7,469,473	-4,032,292
Expenses for bonuses and discounts	4.11	11,331,630	10,202,959	9,108,703	8,265,040
Change in liabilities from financial contracts		0	0	0	0
Operating expenses	4.12	208,675,708	201,796,133	142,229,598	137,861,969
- acquisition costs		141,003,013	136,158,419	102,587,533	99,608,988
- other operating costs		67,672,695	65,637,714	39,642,065	38,252,981
Expenses from financial assets and liabilities	4.3	42,533,879	180,367,256	30,163,394	200,067,115
Expenses from financial assets and liabilities in subsidiaries and associates		3,174,191	1,160,415	551,754	47,292,586
- loss on investments accounted for using the equity method		247,812	295,258	0	0
- interest expense		0	0	0	0
- fair value losses	4.4	0	0	0	0
- realised loss on disposals	4.5	2,926,379	865,153	544,414	882,000
- loss on impairment of financial assets		0	4	0	46,351,490
- other expenses from financial assets and liabilities		0	0	7,340	59,096
Expenses from other financial assets and liabilities		37,853,884	95,773,879	28,252,856	69,341,567
- interest expense		1,314,505	2,177,446	1,383,064	1,900,242
- fair value losses	4.4	6,888,471	49,537,301	1,885,016	34,068,361
- realised loss on disposals	4.5	19,451,022	21,803,897	18,158,535	20,502,755
- loss on impairment of financial assets		3,197,025	3,827,445	3,097,058	231,310
- other expenses from financial assets and liabilities		7,002,861	18,427,790	3,729,183	12,638,899
Net unrealised losses on unit-linked life insurance assets	4.4	1,505,804	83,432,962	1,358,784	83,432,962
Other insurance expenses	4.13	17,038,345	18,212,146	8,476,079	7,835,999
Other expenses	4.14	54,732,790	82,909,300	12,143,689	11,579,325
Profit before tax		95,138,090	102,477,677	83,417,802	68,433,497
Income tax expense	4.15	12,806,316	13,616,483	8,084,200	9,927,679
NET PROFIT FOR THE ACCOUNTING PERIOD		82,331,774	88,861,194	75,333,602	58,505,818
Earnings per share (basic and diluted)		3.62	3.91	-	-
Net profit attributable to the controlling company		81,935,753	88,825,435	-	-
Net profit attributable to non-controlling interest holders	2.7	396,021	35,759	-	-

1.3 Comprehensive income

	in EUR				
	Notes	Triglav Group		Zavarovalnica Triglav	
		2016	2015	2016	2015
Net profit for the year after tax	3.12	82,331,774	88,861,194	75,333,602	58,505,818
Other comprehensive income after tax		10,590,011	-18,806,369	9,128,515	-17,495,126
Items which will not be transferred in income statement in future periods		-532,629	115,148	-492,789	214,905
Actuarial gains/losses on defined benefit pension plans	3.15	-441,038	143,337	-401,198	239,577
Tax on items which will not be transferred in income statement		-91,591	-28,189	-91,591	-24,672
Items which could be transferred into income statement in future periods		11,122,640	-18,921,517	9,621,304	-17,710,031
Fair value gains/losses on available-for-sale financial assets	3.12	23,768,954	-43,465,908	22,189,955	-42,441,799
- net gains/losses recognized directly in equity		33,188,122	-11,439,191	28,580,317	-10,976,857
- transfers from equity to income statement		-9,419,168	-32,026,717	-6,390,362	-31,464,942
Fair value gains/losses on non-current assets held for sale		89	-381,226	0	0
Fair value gains/losses on cashflow hedges		0	0	0	0
Share of OCI of entities accounted for using the equity method		402,548	-312,985	0	0
Liabilities from insurance contracts with DPF		-6,554,570	17,740,272	-6,554,570	17,740,272
Currency translation differences		585,108	50,969	0	0
Tax on other comprehensive income	4.15	-7,079,489	7,447,361	-6,014,081	6,991,496
COMPREHENSIVE INCOME OR LOSS FOR THE YEAR AFTER TAX		92,921,785	70,054,825	84,462,117	41,010,692
Controlling interest		92,689,187	70,221,035		
Non-controlling interest		232,598	-166,210		

1.4 Statement of changes in equity

Triglav Group	Reserves from profit												TOTAL EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY		Non- controlling interests		TOTAL	in EUR
	Share capital	Share premium	Contingency reserves	Legal and statutory reserves	Treasury share reserves	Treasury shares	Credit risk reserves	Other reserves from profit	Fair value reserve	Reserve of disposal group held for sale	Net profit brought forward	Net profit/loss	Currency translation differences					
As at 1 January 2015	73,701,392	56,908,216	584,478	20,014,860	452,880	-452,880	32,431,700	246,700,000	94,940,028	1,214,258	96,705,983	62,769,801	-4,558,557	681,412,162	6,728,610	688,140,772		
Comprehensive income for the year after tax	0	0	0	0	0	0	0	0	-17,412,876	-1,214,258	-25,340	88,825,435	48,074	70,221,035	-166,211	70,054,825		
Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0	64,840,213	-64,840,213	0	0	0	0		
Dividend payment	0	0	0	0	0	0	0	0	0	0	-56,755,040	0	0	-56,755,040	0	-56,755,040		
Allocation to credit risk reserves and catastrophe insurance	0	0	0	0	0	0	849,711	0	0	0	0	-849,711	0	0	0	0		
Transfer of net profit to reserves from profit	0	0	7,791	356,923	0	0	0	0	0	0	-261,942	-102,761	0	11	-11	0		
Change in methods and consolidation	0	-2,166,719	0	0	0	0	0	0	0	0	0	0	0	-2,166,719	326,640	-1,840,076		
Change in Group	0	214,415	0	0	0	0	0	0	0	0	0	0	0	214,415	-50,403	164,012		
Other	0	0	0	0	0	0	0	0	40,167	-40,167	0	0	0	0	0	0		
Exteranl acquisition	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4,280,009	4,280,009		
As at 31 December 2015	73,701,392	54,955,912	592,269	20,371,784	452,880	-452,880	33,281,412	246,700,000	77,567,319	-40,167	104,503,874	85,802,552	-4,510,483	692,925,865	11,118,634	704,044,499		
Comprehensive income for the year after tax	0	0	0	0	0	0	0	0	10,167,809	0	-10,359	81,935,753	595,984	92,689,187	232,598	92,921,785		
New paid-in capital	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,403	5,403		
Transfer to retained earnings	0	0	0	0	0	0	0	0	0	0	85,802,552	-85,802,552	0	0	0	0		
Dividend payment	0	0	0	0	0	0	0	0	0	0	-56,776,976	0	0	-56,776,976	0	-56,776,976		
Release of Credit risk provisions	0	0	0	0	0	0	-33,280,648	0	0	0	33,280,648	0	0	0	0	0		
Transfer of net profit to reserves from profit	0	0	0	270,638	0	0	0	37,600,000	0	0	-151,362	-37,719,276	0	0	0	0		
Offset of loss from previous years	0	-1,339,895	0	0	0	0	0	0	0	0	1,339,895	0	0	0	0	0		
Change in Group	0	-127,327	0	0	-88,200	88,200	0	0	0	0	0	0	0	-127,327	-959,404	-1,086,731		
Other	0	0	0	0	0	0	0	0	0	40,167	5,204,598	0	0	5,244,765	-2,998	5,241,767		
As at 31 December 2016	73,701,392	53,488,690	592,269	20,642,424	364,680	-364,680	764	284,300,000	87,735,128	0	173,192,869	44,216,477	-3,914,499	733,955,514	10,394,233	744,349,747		

Zavarovalnica Triglav	Reserves from profit						Fair value reserve	Net profit brought forward	Net profit/loss	TOTAL	in EUR
	Share capital	Share premium	Legal and statutory reserves	Credit risk reserves	Other reserves form profit						
As at 1 January 2015	73,701,392	53,412,884	4,662,643	30,615,282	246,700,000	73,221,229	38,565,461	23,121,576	544,000,467		
Comprehensive income for the year after tax	0	0	0	0	0	-17,469,786	-25,340	58,505,818	41,010,692		
Dividend payment	0	0	0	0	0	0	-56,837,870	0	-56,837,870		
Net profit allocations to reserves from profit	0	0	0	0	0	0	0	0	0		
Distribution of net profit / loss	0	0	0	0	0	0	23,121,576	-23,121,576	0		
Allocation of net profit to credit risk reserve and catastrophe insurance	0	0	0	688,356	0	0	0	-688,356	0		
Other	0	0	0	0	0	0	2,386,983	0	2,386,983		
As at 31 December 2015	73,701,392	53,412,884	4,662,643	31,303,638	246,700,000	55,751,443	7,210,810	57,817,462	530,560,272		
Comprehensive income for the year after tax	0	0	0	0	0	9,138,875	-10,360	75,333,602	84,462,117		
Dividend payment	0	0	0	0	0	0	-56,837,870	0	-56,837,870		
Net profit allocations to reserves from profit	0	0	0	0	37,600,000	0	0	-37,600,000	0		
Distribution of net profit / loss	0	0	0	0	0	0	57,817,462	-57,817,462	0		
Release of Credit risk provisions	0	0	0	-31,303,638	0	0	31,303,638	0	0		
Other	0	0	0	0	0	0	5,204,598	0	5,204,598		
As at 31 December 2016	73,701,392	53,412,884	4,662,643	0	284,300,000	64,890,318	44,688,278	37,733,602	563,389,117		

1.5 Cash flow statement

		Triglav Group		Zavarovalnica Triglav		
		2016	2015	2016	2015	
		Notes				
A.	OPERATING CASH FLOW					
	Income statement items		35,691,434	42,999,877	12,967,999	16,107,815
	Net written premium for the period	4.1	882,520,102	864,087,543	514,620,613	513,800,327
	Investment income (excluding financial income) arising from:	4.3	20,342,436	23,128,875	11,735,662	10,324,541
	- insurance technical provisions		17,982,634	18,790,181	10,954,540	9,049,652
	- other sources		2,359,802	4,338,694	781,122	1,274,889
	Other operating income (excluding revaluation and provisions reductions) operating revenues and financial income from operating receivables		46,483,550	87,244,476	11,428,031	10,821,508
	Net claims paid	4.8	-592,586,186	-579,929,702	-370,556,953	-365,648,601
	Bonuses and rebates paid	4.11	-9,655,595	-8,755,172	-7,430,852	-6,827,769
	Net operating expenses excluding depreciation charge and changes in the accrued acquisition expenses	4.12	-212,539,933	-206,757,504	-117,604,669	-117,067,400
	Investment expenses (excluding financial expenses) arising from:	4.13	-8,550,474	-11,315,678	-5,246,499	-5,105,506
	- technical sources		-6,770,985	-9,686,605	-3,532,493	-3,771,413
	- other sources		-1,779,489	-1,629,073	-1,714,006	-1,334,094
	Other operating expenses excluding depreciation charge (except for revaluations and without increasing provisions)	4.14	-76,933,187	-111,551,659	-14,894,803	-14,998,771
	Corporate income tax and other taxes excluded from operating expenses		-13,389,279	-13,151,302	-9,082,531	-9,190,515
	Changes in net current assets-operating balance sheet items		6,094,910	803,846	4,049,554	-363,333
	Movements in receivables from insurance operations	3.8	-1,284,824	3,541,796	-821,906	2,939,770
	Movements in receivables from reinsurance operations		14,254,438	-7,536,232	4,681,101	-5,529,573
	Movements in other receivables from (re)insurance operations		-228,375	1,565,734	-308,923	1,027,606
	Movements in other receivables and assets		3,970,832	-224,162	2,473,307	4,069,321
	Movements in deferred tax assets		-206,566	-804,674	0	0
	Movements in inventories		54,976	84,183	22,093	-12,408
	Movements in debts from direct insurance operations	3.19	-1,039,716	625,323	216,761	353,782
	Movements in debts from reinsurance operations		-10,862,237	-1,376,254	1,242,990	-141,916
	Movements in operating debts		2,240,426	1,885,269	-42,549	-5,534
	Movements in other liabilities (excluding unearned premiums)	3.20	-901,051	2,741,879	-3,413,320	-3,064,382
	Movements in deferred tax liabilities		97,007	300,984	0	0
	Operating cash flow		41,786,344	43,803,723	17,017,553	15,744,482
B.	CASH FLOWS FROM INVESTING ACTIVITIES					
	Cash inflows from investing activities		1,363,785,772	2,302,278,368	1,065,220,751	1,805,247,899
	Cash inflows from interest from investing activities and from:	3.6	58,759,633	67,151,983	41,148,157	50,165,758
	- investment financed by insurance technical provisions		55,236,944	61,537,414	38,966,380	45,768,746
	- other investment		3,522,689	5,614,569	2,181,777	4,397,012
	Cash inflows from dividends received and profit sharing, arising from:	3.6	4,848,278	3,135,771	12,410,440	21,602,500
	- investment financed by insurance technical provisions		2,295,868	2,408,062	2,119,518	2,259,877
	- other investment		2,552,410	727,709	10,290,922	19,342,622
	Cash inflows from the disposal of intangible assets financed by:	3.1	100,000	10,359	0	79
	- insurance technical provisions		100,000	12	0	0
	- other sources		0	10,347	0	79
	Cash inflows from the disposal of property, plant and equipment financed by:	3.2	20,761,444	1,803,944	3,100,205	669,421
	- insurance technical provisions		3,037,322	219,801	2,995,244	0
	- other sources		17,724,122	1,584,143	104,961	669,421
	Cash inflows from the disposal of non-current investments financed by:	3.6	713,288,655	1,152,378,631	618,052,575	1,018,084,174
	- insurance technical provisions		662,736,984	1,038,404,051	576,489,033	930,141,531
	- other sources		50,551,671	113,974,580	41,563,542	87,942,642

in EUR					
	Notes	Triglav Group		Zavarovalnica Triglav	
		2016	2015	2016	2015
Cash inflows from the disposal of current investments financed by:	3.6	550,546,686	1,071,335,380	376,319,659	711,419,432
- insurance technical provisions		476,832,796	930,195,544	351,015,928	657,111,528
- other sources		73,713,890	141,139,836	25,303,731	54,307,904
Cash inflows from the disposal of investments in subsidiaries and associates financed by:	3.4,3.5	15,481,076	6,462,300	14,189,715	3,306,536
- insurance technical provisions		0	0	0	0
- other sources		15,481,076	6,462,300	14,189,715	3,306,536
Cash outflows from investing activities		-1,329,853,353	-2,267,948,841	-1,004,173,370	-1,751,691,675
Cash outflows for the purchase of intangible assets	3.1	-6,990,545	-6,042,661	-5,968,630	-4,806,757
Cash outflows for the purchase of property, plant and equipment financed by:	3.2	-6,137,586	-11,541,075	-3,407,363	-23,055,493
- insurance technical provisions		-393,401	-1,281,534	-269,987	-18,512,765
- other sources		-5,744,185	-10,259,541	-3,137,376	-4,542,728
Cash outflows for the purchase of non-current investments financed by:	3.6	-795,967,056	-1,125,556,743	-647,718,808	-935,430,625
- insurance technical provisions		-733,030,004	-990,071,559	-608,173,574	-842,029,501
- other sources		-62,937,052	-135,485,184	-39,545,234	-93,401,124
Cash outflows for the purchase of current investments financed by:	3.6	-519,870,559	-1,116,339,376	-345,313,637	-726,413,425
- insurance technical provisions		-436,792,496	-978,941,458	-312,013,637	-681,413,195
- other sources		-83,078,063	-137,397,918	-33,300,000	-45,000,230
Cash outflows for the purchase of investments in subsidiaries and associates financed by:	3.4, 3.5	-887,607	-8,468,986	-1,764,932	-61,985,375
- insurance technical provisions		0	0	0	-2,410,514
- other sources		-887,607	-8,468,986	-1,764,932	-59,574,861
Total cash flow from investing activities		33,932,419	34,329,527	61,047,381	53,556,224
C. CASH FLOWS FROM FINANCING ACTIVITIES					
Cash inflows from financing activities		0	1,736,108	0	0
Cash inflows from paid-in capital		0	0	0	0
Cash inflows from long-term loans received		0	1,347,445	0	0
Cash inflows from short-term loans received		0	388,663	0	0
Cash outflows from financing activities		-57,900,352	-68,356,145	-57,961,246	-67,401,961
Cash outflows for paid interest		-1,257,116	-2,020,351	-1,257,116	-1,785,000
Cash outflows for repayments of principal		0	0	0	0
Cash outflows for payments of long-term financial liabilities	3.18	0	-9,658,925	0	-8,857,262
Cash outflows for payments of short-term financial liabilities	3.18	0	0	0	0
Cash outflows from dividends paid and profit sharing	3.12	-56,643,236	-56,676,869	-56,704,130	-56,759,699
Total cash flow from financing activities		-57,900,352	-66,620,037	-57,961,246	-67,401,961
D. Opening balance of cash and cash equivalents		47,928,768	22,858,388	7,549,958	5,650,669
E. Opening balance of cash and cash equivalents arising from merger with Triglav Nepremičnine		0	0	0	544
F1. Net cash flow for the period		17,818,411	11,513,213	20,103,688	1,898,745
F2. Foreign exchange differences		-32,705	-5,421	0	0
F3. Cash transferred to non-current assets held for sale		0	-1,893,950	0	0
F4. External acquisition		0	15,456,538	0	0
G. Closing balance of cash and cash equivalents		65,714,474	47,928,768	27,653,646	7,549,958