

4. Notes to the Income Statement

4.1 Premium income

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
NON-LIFE INSURANCE				
Gross written premium	588,139,280	557,699,965	431,190,372	421,757,150
Assumed re-insurance written premium	62,175,221	50,065,396	16,237,471	-
Assumed co-insurance written premium	2,035,926	1,490,019	1,067,798	1,102,902
Ceded co-insurance written premium	-1,870,838	-1,751,956	-1,339,637	-1,197,786
Reinsurance written premium	-95,625,499	-77,311,182	-91,591,642	-76,901,321
Changes in gross provisions for unearned premiums	-11,291,823	-8,417,240	-6,899,198	-6,561,970
Changes in reinsurers' share of unearned premiums	284,406	1,610,135	493,754	1,709,472
Net premium income on non-life insurance	543,846,673	523,385,137	349,158,918	339,908,447
LIFE INSURANCE				
Gross written premium	218,279,696	212,562,325	173,475,695	170,268,959
Assumed co-insurance written premium	3,008	0	0	0
Reinsurance written premium	-54,396	-17,811	-591,302	-409,291
Changes in gross provisions for unearned premiums	23,933	-20,890	14,041	-2,912
Changes in reinsurers' share of unearned premiums	-113	-127,692	0	0
Net premium income on life insurance	218,252,128	212,395,932	172,898,434	169,856,756
HEALTH INSURANCE				
Gross written premium	129,283,495	114,186,110	0	0
Changes in gross provisions for unearned premiums	-184,927	-373,177	0	0
Net premium income on health insurance	129,098,568	113,812,933	0	0
TOTAL NET PREMIUM INCOME	891,197,369	849,594,001	522,057,353	509,765,203

in EUR

Overview of premium income by insurance class for Triglav Group¹¹⁷

	in EUR				
2017	Gross written premium ¹¹⁸	Co-insurers' share in gross written premium	Ceded co-insurance written premium	Reinsurance written premium	Own share
NON-LIFE INSURANCE					
Accident insurance	41,521,924	40,990	-192,590	-618,677	40,751,647
Health insurance	132,135,186	102,821	0	-265,861	131,972,146
Land motor vehicle insurance	127,257,100	564	-8,196	-8,193,807	119,055,661
Railway insurance	3,293,165	0	0	-853,666	2,439,499
Aircraft insurance	2,026,693	0	0	-1,578,658	448,035
Marine Insurance	4,697,325	0	0	-415,184	4,282,141
Cargo insurance	8,030,434	6,489	-526,388	-1,404,198	6,106,337
Fire and natural forces insurance	93,035,217	1,104,580	-535,013	-33,796,144	59,808,640
Other damage to property insurance	114,543,643	805,658	-369,027	-25,621,392	89,358,882
Motor TPL insurance	158,620,966	0	0	-5,680,208	152,940,758
Aircraft liability insurance	1,468,319	0	0	-826,368	641,951
Marine liability insurance	974,752	0	0	-96,880	877,872
General liability insurance	43,760,894	-25,176	-234,741	-8,629,839	34,871,138
Credit insurance	26,593,398	0	0	-3,836,796	22,756,602
Suretyship insurance	2,323,580	0	0	-441,312	1,882,268
Miscellaneous financial loss insurance	5,654,309	0	-4,883	-3,117,328	2,532,098
Legal expenses insurance	418,048	0	0	-12,737	405,311
Travel assistance insurance	13,243,043	0	0	-236,443	13,006,600
Total non-life insurance	779,597,996	2,035,926	-1,870,838	-95,625,498	684,137,586
LIFE INSURANCE					
Life insurance	94,109,927	3,008	0	-53,561	94,059,374
Wedding insurance or birth insurance	0	0	0	0	0
Unit-linked life insurance	105,851,192	0	0	0	105,851,192
Tontines	0	0	0	0	0
Capital redemption insurance	18,070,394	0	0	0	18,070,394
Loss of income due to illness	248,183	0	0	-836	247,347
Total life insurance	218,279,696	3,008	0	-54,397	218,228,307
TOTAL	997,877,692	2,038,934	-1,870,838	-95,679,895	902,365,893

¹¹⁷ Non-life insurance also includes health insurance.¹¹⁸ Gross written premium also includes written reinsurance premiums accepted.

	in EUR				
2016	Gross written premium	Co-insurers' share in gross written premium	Ceded co-insurance written premium	Reinsurance written premium	Own share
NON-LIFE INSURANCE					
Accident insurance	43,175,682	125,004	-215,826	-607,916	42,476,944
Health insurance	115,849,083	3,333	0	-232,365	115,620,051
Land motor vehicle insurance	117,715,478	3,298	-3,858	-7,599,728	110,115,190
Railway insurance	3,143,814	0	0	-649,481	2,494,333
Aircraft insurance	2,300,932	0	0	-1,326,561	974,371
Marine Insurance	3,527,033	81,693	0	-307,040	3,301,686
Cargo insurance	8,079,185	6,489	-653,928	-1,167,416	6,264,330
Fire and natural forces insurance	88,571,299	962,872	-479,628	-30,630,478	58,424,065
Other damage to property insurance	107,469,250	194,703	-295,595	-16,734,696	90,633,662
Motor TPL insurance	145,633,723	0	0	-4,296,262	141,337,461
Aircraft liability insurance	1,297,844	0	0	-673,349	624,495
Marine liability insurance	729,183	0	0	-56,464	672,719
General liability insurance	41,131,248	111,241	-102,422	-6,638,872	34,501,195
Credit insurance	24,719,096	0	0	-2,903,756	21,815,340
Suretyship insurance	2,055,032	0	-699	-359,345	1,694,988
Miscellaneous financial loss insurance	5,145,672	1,386	0	-2,918,498	2,228,560
Legal expenses insurance	618,697	0	0	-10,228	608,469
Travel assistance insurance	10,789,220	0	0	-198,727	10,590,493
Total non-life insurance	721,951,471	1,490,019	-1,751,956	-77,311,182	644,378,352
LIFE INSURANCE					
Life insurance	93,596,693	0	0	-17,811	93,578,882
Wedding insurance or birth insurance	0	0	0	0	0
Unit-linked life insurance	103,867,238	0	0	0	103,867,238
Tontines	0	0	0	0	0
Capital redemption insurance	15,041,116	0	0	0	15,041,116
Loss of income due to illness	57,278	0	0	0	57,278
Total life insurance	212,562,325	0	0	-17,811	212,544,514
TOTAL	934,513,796	1,490,019	-1,751,956	-77,328,993	856,922,866

Overview of premium income by insurance class for Zavarovalnica Triglav

	in EUR				
2017	Gross written premium	Co-insurers' share in gross written premium	Ceded co-insurance written premium	Reinsurance written premium	Own share
NON-LIFE INSURANCE					
Accident insurance	27,032,366	0	0	-1,113,944	25,918,422
Health insurance	486,414	0	-282,754	0	203,661
Land motor vehicle insurance	106,632,936	0	0	-8,947,981	97,684,954
Railway insurance	3,142,650	0	0	-653,914	2,488,736
Aircraft insurance	970,750	0	0	-842,888	127,862
Marine Insurance	345,918	0	0	-57,235	288,683
Cargo insurance	5,324,046	0	-526,375	-2,085,500	2,712,170
Fire and natural forces insurance	53,754,842	1,006,231	-174,701	-21,927,034	32,659,338
Other damage to property insurance	84,122,714	0	-248,030	-31,225,699	52,648,985
Motor TPL insurance	87,528,335	0	0	-6,509,296	81,019,038
Aircraft liability insurance	994,150	0	0	-980,308	13,842
Marine liability insurance	335,514	0	0	-38,793	296,721
General liability insurance	35,112,942	61,567	-107,321	-10,829,655	24,237,533
Credit insurance	26,094,676	0	0	-3,615,555	22,479,121
Suretyship insurance	1,601,544	0	0	-382,619	1,218,926
Miscellaneous financial loss insurance	2,821,601	0	-456	-1,764,644	1,056,502
Legal expenses insurance	393,897	0	0	-33,473	360,423
Travel assistance insurance	10,732,548	0	0	-583,105	10,149,444
Total non-life insurance	447,427,843	1,067,798	-1,339,637	-91,591,642	355,564,362
LIFE INSURANCE					
Life insurance	82,276,487	0	0	-591,302	81,685,185
Wedding insurance or birth insurance	0	0	0	0	0
Unit-linked life insurance	73,128,814	0	0	0	73,128,814
Tontines	0	0	0	0	0
Capital redemption insurance	18,070,394	0	0	0	18,070,394
Loss of income due to illness	0	0	0	0	0
Total life insurance	173,475,695	0	0	-591,302	172,884,393
TOTAL	620,903,538	1,067,798	-1,339,637	-92,182,944	528,448,755

	in EUR				
2016	Gross written premium	Co-insurers' share in gross written premium	Ceded co-insurance written premium	Reinsurance written premium	Own share
NON-LIFE INSURANCE					
Accident insurance	28,798,922	0	0	-1,184,559	27,614,362
Health insurance	422,483	0	-295,776	0	126,707
Land motor vehicle insurance	97,776,203	7,521	0	-8,711,553	89,072,172
Railway insurance	3,000,826	0	0	-545,948	2,454,878
Aircraft insurance	1,039,498	0	0	-902,665	136,833
Marine Insurance	316,659	81,693	0	-75,373	322,979
Cargo insurance	5,066,567	0	-653,920	-1,929,788	2,482,860
Fire and natural forces insurance	54,364,203	940,270	-135,547	-22,409,607	32,759,319
Other damage to property insurance	71,229,040	0	-14,610	-18,506,122	52,708,309
Motor TPL insurance	87,328,336	0	0	-6,219,151	81,109,185
Aircraft liability insurance	810,377	0	0	-737,414	72,963
Marine liability insurance	343,659	0	0	-43,890	299,769
General liability insurance	33,122,833	73,417	-97,934	-9,704,421	23,393,895
Credit insurance	24,622,038	0	0	-3,288,452	21,333,587
Suretyship insurance	1,453,625	0	0	-376,273	1,077,352
Miscellaneous financial loss insurance	2,653,327	0	0	-1,732,988	920,339
Legal expenses insurance	568,538	0	0	-41,343	527,196
Travel assistance insurance	8,840,017	0	0	-491,776	8,348,241
Total non-life insurance	421,757,150	1,102,902	-1,197,786	-76,901,321	344,760,945
LIFE INSURANCE					
Life insurance	83,319,257	0	0	-409,291	82,909,966
Wedding insurance or birth insurance	0	0	0	0	0
Unit-linked life insurance	71,908,586	0	0	0	71,908,586
Tontines	0	0	0	0	0
Capital redemption insurance	15,041,116	0	0	0	15,041,116
Loss of income due to illness	0	0	0	0	0
Total life insurance	170,268,959	0	0	-409,291	169,859,668
TOTAL	592,026,109	1,102,902	-1,197,786	-77,310,612	514,620,613

4.2 Income from financial assets

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
INTEREST INCOME FROM FINANCIAL ASSETS				
– available for sale	34,029,261	34,697,056	23,885,897	26,174,739
– loans and deposits	2,792,409	4,478,712	2,865,277	2,559,498
– held to maturity	10,618,005	11,215,102	7,836,163	8,181,640
– at fair value through profit and loss	10,430,950	11,897,418	5,120,346	6,146,594
– derivate financial instruments	0	0	0	0
– cash or cash equivalents	11,403	18,956	716	787
– interest on late payments of insurance receivables	944,142	987,499	861,029	884,453
– interest income from subrogated receivables	4,997,841	5,061,087	4,896,912	4,935,164
– other interest income from insurance operations	166,550	479,744	35,324	330,842
Total interest income	63,990,562	68,835,574	45,501,665	49,213,716
DIVIDENDS FROM				
– available-for-sale financial assets	5,011,305	3,194,521	2,695,236	2,359,012
– financial assets at fair value through profit and loss	335,146	162,248	92,338	8,633
– subsidiaries and associates	0	0	6,172,954	62,153
TOTAL DIVIDENDS	5,346,451	3,356,769	8,960,528	2,429,798
Fair value gains	36,619,731	31,268,041	30,527,723	24,784,329
Realised gains on disposals	29,790,480	33,979,089	25,453,585	38,164,304
Profits from disposals of subsidiaries	0	2,928,469	0	0
Profit on investments accounted for using the equity method	224,605	188,105	0	0
Other financial income	3,865,613	5,461,438	1,701,209	1,404,969
TOTAL INVESTMENT INCOME	139,837,442	146,017,485	112,144,711	115,997,114

Fair value gains are described in detail in [→ Section 4.4], and realised gains on disposals in [→ Section 4.5].

4.3 Expenses from financial assets and liabilities

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Interest expense from derivative financial instruments held for trading	0	0	0	0	
Interest expense from current debt	563,843	187,293	315,841	123,266	
– on bank loans	20,394	20,158	0	0	
– other loans	2,128	28,932	0	0	
– other interest expense	541,321	138,203	315,841	123,266	
Interest expense from noncurrent debt	17,239	24,043	0	0	
– bank loans	0	0	0	0	
– other loans	17,041	9,329	0	0	
– other interest expense	198	14,714	0	0	
Interest expense from bonds issued	1,049,940	1,103,168	1,233,226	1,259,798	
Total interest expense	1,631,023	1,314,504	1,549,066	1,383,064	
Fair value losses	4,528,102	8,394,274	1,757,407	3,243,799	
Realised loss on disposals	11,083,596	19,450,943	10,588,356	18,702,950	
Loss on disposals of subsidiaries	1,145,000	2,926,458	0	0	
Loss on equity investments in associates accounted for using the equity method	1,981,853	247,812	0	0	
Loss on impairment of financial assets	335,255	3,197,025	200,000	3,097,058	
Other finance costs	12,906,883	7,002,861	7,897,651	3,736,523	
TOTAL EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES	33,611,711	42,533,879	21,992,479	30,163,394	

In other financial expenses, foreign exchange losses account for EUR 9.1 million (in Zavarovalnica Triglav: EUR 5.0 million), while the remaining EUR 3.8 million is accounted for by asset management costs (in Zavarovalnica Triglav: EUR 2.9 million). The increase is primarily the result of higher foreign exchange losses.

Fair value losses are described in detail in [[→ Section 4.4](#)], and realised loss on disposals of financial assets in [[→ Section 4.5](#)].

4.4 Fair value gains and losses

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
	Financial assets recognised at fair value through profit/loss	31,402,827	23,352,184	28,081,514	22,018,926
– gains	35,930,929	31,268,041	29,838,921	24,784,329	
– losses	-4,528,102	-7,915,857	-1,757,407	-2,765,403	
Derivative financial instruments	688,802	-478,417	688,802	-478,397	
– gains	688,802	0	688,802	0	
– losses	0	-478,417	0	-478,397	
NET GAINS FROM CHANGES IN FAIR VALUE	32,091,629	22,873,767	28,770,316	21,540,529	

Net income from changes in fair value of financial assets includes net unrealised gains on unit-linked life insurance assets. Net expenses from changes in fair value of financial assets include net unrealised losses on unit-linked life insurance assets.

4.5 Realised gains and losses

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Financial assets recognised at fair value through profit/loss	2,155,198	3,257,037	2,109,274	3,144,057	
– realised gains on disposals	3,493,012	4,516,429	3,375,768	4,223,909	
– realised losses on disposals	-1,337,814	-1,259,392	-1,266,495	-1,079,852	
Available-for-sale financial assets	18,028,216	17,634,647	14,232,486	22,771,547	
– realised gains on disposals	20,278,752	20,603,704	16,059,101	25,172,150	
– realised losses on disposals	-2,250,536	-2,969,057	-1,826,615	-2,400,603	
Loans and deposits	0	90,712	0	0	
– realised gains on disposals	0	90,712	0	0	
– realised losses on disposals	0	0	0	0	
Derivative financial instruments	-1,409,793	-6,454,250	-1,409,796	-6,454,249	
– realised gains on disposals	6,018,716	8,768,244	6,018,716	8,768,245	
– realised losses on disposals	-7,428,509	-15,222,494	-7,428,510	-15,222,494	
Held-to-maturity financial assets	0	0	0	0	
– realised gains on disposals	0	0	0	0	
– realised losses on disposals	0	0	0	0	
Financial liabilities	-66,736	0	-66,736	0	
– realised gains on disposals	0	0	0	0	
– realised losses on disposals	-66,736	0	-66,736	0	
TOTAL REALISED GAINS AND LOSSES	18,706,885	14,528,146	14,865,230	19,461,355	

4.6 Other insurance income

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Fees and commission income	16,487,470	252,793	18,011,730	15,201,866
– reinsurance commission income	16,399,287	187,584	17,923,547	15,136,657
– investment management services	88,183	65,209	88,182	65,209
Other income from insurance operations	6,081,365	5,139,379	3,926,874	3,958,283
– income from sale of green cards for motor vehicles	2,365,643	2,180,042	970,789	983,282
– income from claims settled for other insurance companies	763,106	759,927	448,300	454,200
– income from assistance services	28,214	9,944	11,817	3,842
– other income from insurance operations	2,924,402	2,189,466	2,495,970	2,516,959
OTHER INSURANCE INCOME	22,568,835	5,392,172	21,938,604	19,160,149

Other insurance income refers mostly to the reimbursement of costs arising from subrogations and the settlement of claims.

4.7 Other income

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Income from investment property	6,637,396	5,261,684	5,205,856	5,265,158
Income from disposal of investment property	325,860	5,251,702	77,514	327,402
Income from disposal of intangible assets	39,798	29,726	0	0
Income from disposal of property, plant and equipment	103,381	207,893	431	153,374
Income from other services	1,821,079	3,060,247	5,499,648	6,845,988
Income from non-insurance companies in the Group	24,506,898	39,419,625	0	0
Fair value gains	409,651	150,557	134,548	0
Claims refund	189,053	155,741	33,426	53,693
TOTAL OTHER INCOME	34,033,116	53,537,175	10,951,423	12,645,615

4.8 Claims

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
in EUR				
NON-LIFE INSURANCE				
Gross claims settled	332,902,222	315,523,785	250,056,103	240,650,286
Gross claims paid from inward reinsurance	29,745,087	30,020,167	2,751,897	-
Income from gross subrogated receivables	-15,335,223	-16,002,594	-12,387,832	-13,029,123
Reinsurers' share of gross claims settled	-24,825,626	-21,263,732	-24,830,340	-20,784,547
Co-insurers' share of gross claims settled	252,466	-420,150	465,802	264,852
Change in gross claims provisions	1,497,691	-7,128,123	-2,587,374	-13,655,518
Change in gross claims provisions for re/co-insurer's share	-6,801,652	-5,594,782	-8,385,490	-4,789,667
Net claims incurred on non-life insurance	317,434,965	295,134,571	205,082,765	188,656,283
LIFE INSURANCE				
Gross claims settled	189,454,483	182,237,935	170,885,356	163,615,157
Reinsurers' share in gross claims	-450	-8,138	-259,497	-159,671
Change in gross claims provisions	553,739	-1,188,573	577,500	-1,351,430
Change in reinsurers' share in gross claims provisions	6,706	-20,573	6,706	-20,573
Net claims incurred on life insurance	190,014,478	181,020,651	171,210,065	162,083,483
HEALTH INSURANCE				
Gross claims settled	105,440,900	94,251,423	0	0
Income from gross exercised subrogation receivables	-44,900	-11,147	0	0
Change in gross claims provisions	797,446	-243,149	0	0
Change in claims provisions for reinsurers' share	30,106	0	0	0
Equalisation scheme expenses	6,285,786	6,950,069	0	0
TOTAL NET CLAIMS INCURRED on health insurance	112,509,338	100,947,196	0	0
NET CLAIMS INCURRED TOTAL	619,958,781	577,102,418	376,292,830	350,739,765

Overview of net claims incurred by insurance class

Triglav Group				in EUR
2017	Gross claims ¹¹⁹	Income from subrogated receivables	Reinsurers' share	Net claims incurred
NON-LIFE INSURANCE				
Accident insurance	23,728,233	-29,754	-221,688	23,476,791
Health insurance	106,578,530	-44,900	-106,415	106,427,215
Land motor vehicle insurance	91,410,178	-3,195,556	-2,347,464	85,867,158
Railway insurance	1,502,312	0	0	1,502,312
Aircraft insurance	343,520	0	-73,018	270,502
Marine Insurance	5,074,829	-67,228	-2,340,979	2,666,622
Cargo insurance	2,279,920	-125,676	-174,013	1,980,231
Fire and natural forces insurance	39,713,867	-393,224	-3,720,669	35,599,974
Other damage to property insurance	65,293,836	-351,141	-11,287,461	53,655,234
Motor TPL insurance	93,228,583	-3,049,463	-2,550,038	87,629,082
Aircraft liability insurance	320,341	-1,005	-56,195	263,141
Marine liability insurance	346,883	0	-6,113	340,770
General liability insurance	15,508,421	-450,292	-726,044	14,332,085
Credit insurance	10,305,007	-7,436,476	-568,355	2,300,176
Suretyship insurance	741,141	-195,003	-59,595	486,543
Miscellaneous financial loss insurance	1,645,767	-30	-497,277	1,148,460
Legal expenses insurance	56,928	0	0	56,928
Travel assistance insurance	10,009,913	-40,375	-90,302	9,879,236
Total non-life insurance	468,088,209	-15,380,123	-24,825,626	427,882,460
LIFE INSURANCE				
Life insurance	91,029,628	0	-450	91,029,178
Wedding insurance or birth insurance	0	0	0	0
Unit-linked life insurance	92,969,964	0	0	92,969,964
Tontines	0	0	0	0
Capital redemption insurance	5,365,889	0	0	5,365,889
Loss of income due to illness	89,002	0	0	89,002
Total life insurance	189,454,483	0	-450	189,454,033
TOTAL	657,542,692	-15,380,123	-24,826,076	617,336,493

¹¹⁹ Gross claims paid also include gross claims paid from inward reinsurance.

Triglav Group					in EUR
2016	Gross claims	Income from subrogated receivables	Reinsurers' share	Net claims incurred	
NON-LIFE INSURANCE					
Accident insurance	24,272,679	-17,118	-165,970	24,089,591	
Health insurance	94,657,195	-11,147	-66,500	94,579,548	
Land motor vehicle insurance	88,117,253	-2,880,615	-2,185,260	83,051,378	
Railway insurance	2,308,401	-6,820	0	2,301,581	
Aircraft insurance	2,939,214	0	-1,375,244	1,563,970	
Marine Insurance	2,638,514	-38,260	-81,216	2,519,038	
Cargo insurance	2,670,505	-165,623	-192,032	2,312,850	
Fire and natural forces insurance	34,579,973	-165,438	-5,352,886	29,061,649	
Other damage to property insurance	62,059,455	-312,354	-8,236,065	53,511,036	
Motor TPL insurance	84,680,405	-3,514,631	-1,210,771	79,955,003	
Aircraft liability insurance	659,349	0	-481,477	177,872	
Marine liability insurance	99,058	0	-2,660	96,398	
General liability insurance	15,284,816	-286,103	-266,153	14,732,560	
Credit insurance	12,113,255	-8,467,276	-583,551	3,062,428	
Suretyship insurance	1,176,978	-108,903	-35,404	1,032,671	
Miscellaneous financial loss insurance	2,114,641	0	-917,209	1,197,432	
Legal expenses insurance	66,682	0	-264	66,418	
Travel assistance insurance	9,357,004	-39,453	-111,071	9,206,480	
Total non-life insurance	439,795,377	-16,013,741	-21,263,733	402,517,903	
LIFE INSURANCE					
Life insurance	92,921,775	0	-8,138	92,913,637	
Wedding insurance or birth insurance	0	0	0	0	
Unit-linked life insurance	81,232,937	0	0	81,232,937	
Tontines	0	0	0	0	
Capital redemption insurance	8,059,245	0	0	8,059,245	
Loss of income due to illness	23,976	0	0	23,976	
Total life insurance	182,237,933	0	-8,138	182,229,795	
TOTAL	622,033,310	-16,013,741	-21,271,871	584,747,698	

Zavarovalnica Triglav					in EUR
2017	Gross claims	Income from subrogated receivables	Reinsurers' share	Net claims incurred	
NON-LIFE INSURANCE					
Accident insurance	13,065,186	-29,470	-343,233	12,692,483	
Health insurance	20,465	0	-2,952	17,513	
Land motor vehicle insurance	75,282,043	-2,113,481	-3,584,895	69,583,667	
Railway insurance	1,502,245	0	0	1,502,245	
Aircraft insurance	115,129	0	-65,530	49,599	
Marine Insurance	241,063	-66,074	-6,452	168,537	
Cargo insurance	1,341,420	-97,872	-351,243	892,305	
Fire and natural forces insurance	22,973,913	-378,671	-2,992,205	19,603,037	
Other damage to property insurance	45,645,793	-332,758	-10,453,568	34,859,468	
Motor TPL insurance	58,673,179	-1,669,518	-4,647,902	52,355,759	
Aircraft liability insurance	58,780	-1,005	-22,718	35,057	
Marine liability insurance	78,018	0	-2,323	75,695	
General liability insurance	13,592,447	-397,618	-1,158,944	12,035,885	
Credit insurance	9,780,693	-7,119,944	-341,993	2,318,755	
Suretyship insurance	111,947	-141,097	-1,810	-30,960	
Miscellaneous financial loss insurance	950,583	-30	-440,713	509,841	
Legal expenses insurance	55,256	0	12	55,268	
Travel assistance insurance	9,319,837	-40,293	-413,871	8,865,673	
Total non-life insurance	252,808,000	-12,387,832	-24,830,340	215,589,827	
LIFE INSURANCE					
Life insurance	82,932,298	0	-259,497	82,672,802	
Wedding insurance or birth insurance	0	0	0	0	
Unit-linked life insurance	82,587,169	0	0	82,587,169	
Tontines	0	0	0	0	
Capital redemption insurance	5,365,889	0	0	5,365,889	
Loss of income due to illness	0	0	0	0	
Total life insurance	170,885,356	0	-259,497	170,625,860	
TOTAL	423,693,356	-12,387,832	-25,089,837	386,215,687	

Zavarovalnica Triglav					in EUR
2016	Gross claims	Income from subrogated receivables	Reinsurers' share	Net claims incurred	
NON-LIFE INSURANCE					
Accident insurance	13,080,658	-15,498	-352,295	12,712,865	
Health insurance	1,679	0	-670	1,008	
Land motor vehicle insurance	73,601,927	-1,814,095	-3,637,197	68,150,635	
Railway insurance	2,220,015	-6,820	0	2,213,194	
Aircraft insurance	377,187	0	-19,635	357,552	
Marine Insurance	249,316	-6,913	-7,529	234,874	
Cargo insurance	1,858,470	-114,060	-937,916	806,495	
Fire and natural forces insurance	18,002,931	-140,014	-3,350,262	14,512,654	
Other damage to property insurance	40,736,552	-288,925	-7,175,342	33,272,285	
Motor TPL insurance	54,834,398	-2,161,120	-2,656,594	50,016,684	
Aircraft liability insurance	225,233	0	-183,607	41,626	
Marine liability insurance	47,900	0	-692	47,208	
General liability insurance	12,987,418	-273,327	-637,568	12,076,523	
Credit insurance	11,699,939	-8,076,250	-596,485	3,027,204	
Suretyship insurance	559,595	-93,509	-11,934	454,152	
Miscellaneous financial loss insurance	1,426,092	0	-826,344	599,748	
Legal expenses insurance	66,358	0	-171	66,187	
Travel assistance insurance	8,674,620	-38,593	-390,306	8,245,721	
Total non-life insurance	240,650,285	-13,029,123	-20,784,547	206,836,616	
LIFE INSURANCE					
Life insurance	86,948,253	0	-159,671	86,788,582	
Wedding insurance or birth insurance	0	0	0	0	
Unit-linked life insurance	68,607,658	0	0	68,607,658	
Tontines	0	0	0	0	
Capital redemption insurance	8,059,245	0	0	8,059,245	
Loss of income due to illness	0	0	0	0	
Total life insurance	163,615,158	0	-159,671	163,455,486	
TOTAL	404,265,443	-13,029,123	-20,944,218	370,292,102	

4.9 Reinsurance result

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Reinsurance premiums	-95,679,895	-77,328,993	-93,522,581	-78,508,398
Changes in reinsurers' share of unearned premiums	284,293	1,482,442	493,754	1,709,472
Reinsurers' share of claims	24,826,076	21,271,871	25,089,837	20,944,218
Changes in claims provisions for reinsurers' shares	6,764,840	5,615,355	8,378,784	4,810,240
Net result from reinsurance operations	-63,804,686	-48,959,325	-59,560,206	-51,044,468
Reinsurance commission	16,382,965	138,614	17,923,547	15,136,657
GROSS REINSURANCE RESULT	-47,421,721	-48,820,711	-41,636,659	-35,907,811

4.10 Change in other insurance-technical provisions

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Change in other insurance technical provisions	60,281,190	47,211,326	35,366,975	28,758,525
– changes in gross provisions for cancellations	53,070	-570,865	67,747	127,186
– changes in gross provisions for unexpired risks	875,957	-703,744	-818,663	423,190
– changes in gross provisions for other catastrophic risks	0	3,644	0	0
– changes in gross provisions for life insurance	57,909,518	46,216,048	34,675,246	25,941,906
– changes in gross provisions for bonuses from with-profits life insurance	1,442,645	2,266,243	1,442,645	2,266,243
Change in gross provisions for unit-linked insurance contracts	-8,250,712	776,648	-14,678,837	-7,469,473
TOTAL CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS	52,030,478	47,987,974	20,688,138	21,289,052

4.11 Expenses for bonuses and discounts

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Settled bonuses and discounts	9,190,486	7,888,170	8,218,663	7,430,852
Changes in gross provisions for bonuses and discounts	152,405	3,443,461	-145,575	1,677,851
TOTAL EXPENSES FOR BONUSES AND DISCOUNTS	9,342,891	11,331,630	8,073,088	9,108,703

4.12 Acquisition costs and other operating expenses

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Acquisition costs	147,942,412	141,003,013	105,301,136	102,587,533	
Other operating costs	72,820,221	67,672,695	40,621,773	39,642,065	
Claim handling costs*	25,322,704	25,775,074	19,982,533	20,254,278	
Costs of asset management**	2,314,673	2,592,444	1,839,313	2,063,343	
Operating expenses from non-insurance operations***	25,645,287	40,014,814	0	0	
TOTAL	274,045,297	277,058,040	167,744,757	164,547,219	

* Claim handling costs are disclosed as a part of gross claims incurred.

** Costs of asset management are disclosed as financial expenses

*** Operating expenses from non-insurance operations are disclosed as other expenses.

4.12.1 Gross operating expenses by nature and business segment

Triglav Group	in EUR					
2017	Non-life insurance	Life insurance	Health insurance	Total costs of insurance operations	Costs of non-insurance operations	TOTAL
Acquisition costs	29,143,920	4,776,143	1,934,970	35,855,033	0	35,855,033
Cost of goods sold	0	0	0	0	230,774	230,774
Depreciation of operating assets	9,471,082	1,958,532	523,766	11,953,380	1,268,876	13,222,256
Labour costs	105,154,889	18,419,295	4,446,763	128,020,947	13,772,241	141,793,188
Wages and salaries	73,250,152	12,846,200	3,377,661	89,474,013	9,406,974	98,880,987
Social security and pension insurance costs	16,894,384	2,674,702	572,606	20,141,692	2,519,614	22,661,306
Other labour costs	15,010,353	2,898,393	496,496	18,405,242	1,845,653	20,250,895
Costs of services provided by natural persons other than SPs, including related taxes	800,448	73,156	146,211	1,019,815	0	1,019,815
Other operating costs	55,060,559	10,946,451	5,543,825	71,550,835	10,373,396	81,924,231
Costs of entertainment, advertising, trade shows	16,991,352	2,502,394	663,419	20,157,165	693,732	20,850,897
Costs of material and energy	4,767,179	951,018	261,796	5,979,993	1,552,051	7,532,044
Maintenance costs	8,357,123	2,116,448	2,045,539	12,519,110	778,405	13,297,515
Reimbursement of labour-related costs	4,068,779	516,836	162,845	4,748,460	645,034	5,393,494
Costs of intellectual and personal services	3,484,199	708,542	473,628	4,666,369	669,591	5,335,960
Membership fees and charges	1,936,144	389,527	85,976	2,411,647	710,368	3,122,015
Costs of services - transport and communications	3,231,418	916,719	853,080	5,001,217	172,918	5,174,135
Costs for insurance premiums	1,152,043	155,051	16,865	1,323,959	56,554	1,380,513
Payment transaction costs and banking services	1,334,870	639,757	313,842	2,288,469	1,029,697	3,318,166
Rents	4,253,550	716,164	11,621	4,981,335	905,088	5,886,423
Costs of professional training services	543,106	115,189	71,124	729,419	149,366	878,785
Other costs of services	4,940,796	1,218,806	584,090	6,743,692	3,010,592	9,754,284
TOTAL OPERATING EXPENSES	199,630,898	36,173,577	12,595,535	248,400,010	25,645,287	274,045,297

Triglav Group						in EUR
2016	Non-life insurance	Life insurance	Health insurance	Total costs of insurance operations	Costs of non-insurance operations	TOTAL
Acquisition costs	27,621,831	4,651,136	2,019,051	34,292,018	0	34,292,018
Cost of goods sold	0	0	0	0	10,273,611	10,273,611
Depreciation of operating assets	9,219,532	1,770,927	293,430	11,283,889	1,731,247	13,015,136
Labour costs	102,015,990	18,490,657	4,127,199	124,633,846	15,357,446	139,991,292
Wages and salaries	70,862,296	13,036,225	3,133,303	87,031,824	10,822,990	97,854,814
Social security and pension insurance costs	16,488,840	2,656,289	530,049	19,675,178	2,731,763	22,406,941
Other labour costs	14,664,854	2,798,143	463,847	17,926,844	1,802,693	19,729,537
Costs of services provided by natural persons other than SPs, including related taxes	777,557	212,058	151,978	1,141,593	0	1,141,593
Other operating costs	50,702,832	10,462,828	4,526,219	65,691,879	12,652,510	78,344,389
Costs of entertainment, advertising, trade shows	14,557,161	2,016,981	635,555	17,209,697	1,104,969	18,314,666
Costs of material and energy	5,015,828	981,571	253,293	6,250,692	2,102,702	8,353,394
Maintenance costs	7,480,474	2,065,626	1,667,497	11,213,597	990,228	12,203,825
Reimbursement of labour-related costs	3,978,665	508,630	144,458	4,631,753	761,927	5,393,680
Costs of intellectual and personal services	2,882,266	725,949	340,285	3,948,500	921,826	4,870,326
Membership fees and charges	1,942,954	382,547	72,065	2,397,566	870,371	3,267,937
Costs of services - transport and communications	3,226,932	886,497	590,281	4,703,710	294,715	4,998,425
Costs for insurance premiums	1,238,562	178,448	1,348	1,418,358	78,505	1,496,863
Payment transaction costs and banking services	1,470,397	698,199	287,283	2,455,879	659,691	3,115,570
Rents	3,926,522	800,724	11,700	4,738,946	951,078	5,690,024
Costs of professional training services	466,194	134,444	64,121	664,759	118,165	782,924
Other costs of services	4,516,877	1,083,212	458,333	6,058,422	3,798,330	9,856,752
TOTAL OPERATING EXPENSES	190,337,743	35,587,606	11,117,877	237,043,226	40,014,814	277,058,040

Zavarovalnica Triglav	in EUR					
	2017			2016		
	Non-life insurance	Life insurance	TOTAL	Non-life insurance	Life insurance	TOTAL
Acquisition costs	16,013,168	8,309,539	24,322,707	16,362,427	7,811,501	24,173,928
Depreciation of operating assets	7,089,004	1,670,764	8,759,768	6,624,998	1,587,730	8,212,728
Labour costs	79,699,395	14,874,389	94,573,784	77,675,812	15,547,791	93,223,603
Wages and salaries	56,833,223	10,513,000	67,346,222	55,643,417	11,112,886	66,756,303
Social security and pension insurance costs	9,669,567	1,807,379	11,476,946	9,398,745	1,890,776	11,289,521
Other labour costs	13,196,605	2,554,010	15,750,615	12,633,650	2,544,129	15,177,779
Costs of services provided by natural persons other than SPs, including related taxes	227,587	50,068	277,655	51,679	149,589	201,268
Other operating costs	31,577,741	8,233,101	39,810,842	30,305,182	8,430,510	38,735,692
Costs of entertainment, advertising, trade shows	7,171,165	1,645,523	8,816,687	6,721,469	1,795,030	8,516,499
Costs of material and energy	2,497,926	739,288	3,237,214	2,829,042	766,538	3,595,580
Maintenance costs	7,330,919	2,027,333	9,358,251	6,856,479	1,977,211	8,833,689
Reimbursement of labour-related costs	2,918,310	433,124	3,351,434	2,787,172	402,271	3,189,444
Costs of intellectual and personal services	1,815,967	464,000	2,279,967	1,395,159	533,680	1,928,839
Membership fees and charges	1,183,708	326,478	1,510,185	1,256,106	342,986	1,599,091
Costs of services - transport and communications	2,093,070	802,099	2,895,170	2,118,959	750,607	2,869,566
Costs for insurance premiums	752,862	134,007	886,868	779,799	144,371	924,170
Payment transaction costs and banking services	1,000,570	540,022	1,540,592	1,149,860	601,404	1,751,264
Rents	2,298,994	500,538	2,799,533	2,073,718	511,858	2,585,576
Costs of professional training services	351,086	96,655	447,741	346,865	100,675	447,540
Other costs of services	2,163,163	524,037	2,687,200	1,990,556	503,880	2,494,436
TOTAL OPERATING EXPENSES	134,606,895	33,137,861	167,744,757	131,020,099	33,527,120	164,547,219

In addition to the above-stated amount of EUR 67,346,222 (vs. EUR 66,756,303 in 2016), total wages and salaries include employee bonuses based on performance results in 2017 in the total amount of EUR 6,828,596 (vs. EUR 6,087,855 in 2016). Total costs for wages and salaries in 2017 thus amount to EUR 74,174,818 (vs. EUR 72,844,158 in 2016).

Total costs of Zavarovalnica Triglav for the above-mentioned item, including taxes and other contributions chargeable to the employer, amount to EUR 7,928,000 and are disclosed as other expenses.

4.12.2 Gross operating expenses by nature and function

Triglav Group						in EUR
2017	Cost of contract acquisition	Claim handling costs	Costs of asset management	Other operating expenses	Costs of non-insurance operations	TOTAL
Acquisition costs	35,855,033	0	0	0	0	35,855,033
Cost of goods sold	0	0	0	0	230,774	230,774
Depreciation of operating assets	5,793,389	1,614,801	116,427	4,428,763	1,268,876	13,222,256
Labour costs	66,487,559	18,097,039	1,373,183	42,063,166	13,772,241	141,793,188
Wages and salaries	47,437,322	12,230,065	1,012,937	28,793,689	9,406,974	98,880,987
Social security and pension insurance costs	10,188,254	2,804,962	202,837	6,945,639	2,519,614	22,661,306
Other labour costs	8,861,983	3,062,012	157,409	6,323,838	1,845,653	20,250,895
Costs of services provided by natural persons other than SPs, including related taxes	300,074	396,993	2,078	320,670	0	1,019,815
Other operating costs	39,506,357	5,213,871	822,985	26,007,622	10,373,396	81,924,231
Costs of entertainment, advertising, trade shows	17,872,787	54,433	8,127	2,221,818	693,732	20,850,897
Costs of material and energy	3,046,893	830,052	41,089	2,061,959	1,552,051	7,532,044
Maintenance costs	4,689,729	1,401,831	213,386	6,214,164	778,405	13,297,515
Reimbursement of labour-related costs	3,734,075	147,210	19,582	847,593	645,034	5,393,494
Costs of intellectual and personal services	895,448	420,456	245,270	3,105,195	669,591	5,335,960
Membership fees and charges	1,023,827	251,496	20,771	1,115,553	710,368	3,122,015
Costs of services - transport and communications	2,513,101	489,169	18,971	1,979,976	172,918	5,174,135
Costs for insurance premiums	658,769	170,899	8,130	486,161	56,554	1,380,513
Payment transaction costs and banking services	789,283	9,319	56,017	1,433,850	1,029,697	3,318,166
Rents	2,153,194	534,123	31,647	2,262,371	905,088	5,886,423
Costs of professional training services	237,040	83,598	7,207	401,574	149,366	878,785
Other costs of services	1,892,211	821,285	152,788	3,877,408	3,010,592	9,754,284
TOTAL OPERATING EXPENSES	147,942,412	25,322,704	2,314,673	72,820,221	25,645,287	274,045,297
Drugi stroški storitev	1.892.211	821.285	152.788	3.877.408	3.010.592	9.754.284
TOTAL OPERATING EXPENSES	147.942.412	25.322.704	2.314.673	72.820.221	25.645.287	274.045.297

Triglav Group						in EUR
2016	Cost of contract acquisition	Claim handling costs	Costs of asset management	Other operating expenses	Costs of non-insurance operations	TOTAL
Acquisition costs	34,292,018	0	0	0	0	34,292,018
Cost of goods sold	0	0	0	0	10,273,611	10,273,611
Depreciation of operating assets	5,623,405	1,605,088	124,999	3,930,397	1,731,247	13,015,136
Labour costs	64,606,914	18,604,767	1,465,218	39,956,947	15,357,446	139,991,292
Wages and salaries	45,714,098	12,659,305	1,083,542	27,574,879	10,822,990	97,854,814
Social security and pension insurance costs	9,991,972	2,904,785	216,197	6,562,224	2,731,763	22,406,941
Other labour costs	8,900,844	3,040,677	165,479	5,819,844	1,802,693	19,729,537
Costs of services provided by natural persons other than SPs, including related taxes	558,434	191,522	5,526	386,111	0	1,141,593
Other operating costs	35,922,241	5,373,697	996,701	23,399,240	12,652,510	78,344,389
Costs of entertainment, advertising, trade shows	14,908,543	62,952	9,634	2,228,568	1,104,969	18,314,666
Costs of material and energy	3,252,081	984,049	55,632	1,958,930	2,102,702	8,353,394
Maintenance costs	4,258,523	1,383,675	209,419	5,361,980	990,228	12,203,825
Reimbursement of labour-related costs	3,779,735	141,331	25,975	684,712	761,927	5,393,680
Costs of intellectual and personal services	861,249	311,931	255,226	2,520,094	921,826	4,870,326
Membership fees and charges	1,038,945	259,061	16,662	1,082,898	870,371	3,267,937
Costs of services - transport and communications	2,398,792	518,495	22,156	1,764,267	294,715	4,998,425
Costs for insurance premiums	697,587	179,886	15,534	525,351	78,505	1,496,863
Payment transaction costs and banking services	646,925	13,553	120,835	1,674,566	659,691	3,115,570
Rents	2,145,340	568,186	42,440	1,982,980	951,078	5,690,024
Costs of professional training services	223,151	83,187	13,154	345,267	118,165	782,924
Other costs of services	1,711,370	867,391	210,034	3,269,627	3,798,330	9,856,752
TOTAL OPERATING EXPENSES	141,003,013	25,775,074	2,592,444	67,672,695	40,014,814	277,058,040

Zavarovalnica Triglav	in EUR				
2017	Cost of contract acquisition	Claim handling costs	Costs of asset management	Other operating expenses	TOTAL
Acquisition costs	24,322,707	0	0	0	24,322,707
Depreciation of operating assets	4,834,281	1,433,949	103,499	2,388,038	8,759,768
Labour costs	52,988,762	14,679,708	1,072,860	25,832,454	94,573,784
Wages and salaries	38,472,290	10,129,717	803,345	17,940,870	67,346,222
Social security and pension insurance costs	6,528,896	1,742,737	135,446	3,069,869	11,476,946
Other labour costs	7,987,576	2,807,254	134,069	4,821,716	15,750,615
Costs of services provided by natural persons other than SPs, including related taxes	23,995	234,576	1,527	17,557	277,655
Other operating costs	23,131,391	3,634,301	661,427	12,383,724	39,810,842
Costs of entertainment, advertising, trade shows	8,533,127	38,892	4,304	240,365	8,816,687
Costs of material and energy	1,604,998	590,670	24,605	1,016,940	3,237,214
Maintenance costs	3,948,459	1,273,710	203,745	3,932,337	9,358,251
Reimbursement of labour-related costs	2,880,088	73,546	12,499	385,301	3,351,434
Costs of intellectual and personal services	544,400	53,369	227,940	1,454,258	2,279,967
Membership fees and charges	891,620	241,321	17,568	359,677	1,510,185
Costs of services - transport and communications	1,675,184	388,710	14,816	816,460	2,895,170
Costs for insurance premiums	417,795	131,996	5,054	332,024	886,868
Payment transaction costs and banking services	644,841	830	43,266	851,655	1,540,592
Rents	1,095,476	339,543	19,006	1,345,508	2,799,533
Costs of professional training services	162,444	66,529	5,494	213,274	447,741
Other costs of services	732,960	435,187	83,128	1,435,925	2,687,200
TOTAL OPERATING EXPENSES	105,301,136	19,982,533	1,839,313	40,621,774	167,744,757

Zavarovalnica Triglav	in EUR				
2016	Cost of contract acquisition	Claim handling costs	Costs of asset management	Other operating expenses	TOTAL
Acquisition costs	24,173,928	0	0	0	24,173,928
Depreciation of operating assets	4,532,394	1,344,558	111,088	2,224,687	8,212,728
Labour costs	51,408,845	15,082,117	1,140,576	25,592,065	93,223,603
Wages and salaries	37,113,384	10,496,760	857,268	18,288,891	66,756,303
Social security and pension insurance costs	6,301,422	1,791,562	144,362	3,052,175	11,289,521
Other labour costs	7,994,038	2,793,796	138,946	4,250,999	15,177,779
Costs of services provided by natural persons other than SPs, including related taxes	120,867	26,027	3,283	51,092	201,268
Other operating costs	22,351,499	3,801,576	808,396	11,774,221	38,735,692
Costs of entertainment, advertising, trade shows	8,225,078	32,517	4,305	254,599	8,516,499
Costs of material and energy	1,789,829	721,890	33,770	1,050,090	3,595,580
Maintenance costs	3,424,260	1,244,737	201,994	3,962,698	8,833,689
Reimbursement of labour-related costs	2,878,013	71,408	11,963	228,060	3,189,444
Costs of intellectual and personal services	502,144	73,605	240,201	1,112,889	1,928,839
Membership fees and charges	858,372	244,033	13,402	483,284	1,599,091
Costs of services - transport and communications	1,676,703	407,636	16,416	768,811	2,869,566
Costs for insurance premiums	446,168	141,212	7,026	329,763	924,170
Payment transaction costs and banking services	538,852	4,286	108,225	1,099,901	1,751,264
Rents	1,080,642	373,508	30,314	1,101,112	2,585,576
Costs of professional training services	160,972	68,999	12,451	205,117	447,540
Other costs of services	770,466	417,744	128,331	1,177,895	2,494,436
TOTAL OPERATING EXPENSES	102,587,533	20,254,278	2,063,343	39,642,065	164,547,219

4.13 Other expenses from insurance operations

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Fee and commission expenses	15,688,547	0	2,211,487	0
Expenses from impairment of insurance receivables and write-offs	-439,219	2,832,838	-1,114,709	1,921,303
Fire tax	4,298,380	4,209,023	3,909,295	3,929,798
Expenses of preventive activity	1,934,354	2,852,487	1,218,704	1,342,749
Contributions for claims from uninsured or unidentified vehicles	1,544,342	1,980,495	-276,721	184,035
Supervisory authority fees	1,605,036	1,442,358	780,468	769,318
Other net insurance expenses	2,223,846	3,721,145	252,228	328,875
OTHER EXPENSES FROM INSURANCE OPERATIONS	26,855,289	17,038,345	6,980,751	8,476,079

4.14 Other expenses

	in EUR			
	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
Depreciation of investment property	1,413,250	1,465,078	950,469	977,485
Expenses from impairment of investment property	181,170	213,450	0	0
Loss from investment property disposal	60,266	230,655	60,147	215,570
Other investment property expenses	2,158,172	2,552,983	3,077,799	2,850,054
Expenses from disposal of property, plant and equipment	56,842	77,398	12,484	28,816
Expenses from disposal of intangible assets	518,063	0	517,839	0
Expenses from reversal of impairment of other receivables	544,930	300,793	256,312	49,056
Operating expenses of non-insurance companies	25,294,105	39,618,810	0	0
Other expenses	10,403,102	10,273,620	8,444,529	8,022,707
TOTAL OTHER EXPENSES	40,629,897	54,732,790	13,319,580	12,143,689

Other expenses relate to bonuses for employees based on business results for 2017 in total amount of EUR 8.7 million (in Zavarovalnica Triglav EUR 7.9 million).

4.15 Income tax expense

4.15.1 Tax expense in the income statement

	Triglav Group		Zavarovalnica Triglav		in EUR
	2017	2016	2017	2016	
Current tax expense	12,746,346	11,599,273	9,524,525	8,188,018	
Deferred tax expense	1,990,784	1,207,043	1,775,841	-103,818	
- of which: formation and reversal of the deductible temporary differences	1,990,784	-510,779	1,775,841	1,447,678	
- of which: a change due to the restatement according to the new tax rates	0	1,717,822	0	-1,551,496	
TOTAL TAX EXPENSE IN THE INCOME STATEMENT	14,737,130	12,806,316	11,300,366	8,084,200	

4.15.2 Tax expense in other comprehensive income

	2017			2016			in EUR
	Before tax	Tax	After tax	Before tax	Tax	After tax	
Triglav Group							
Profit from increase in fair value of available for sale financial assets	8,279,736	-735,573	7,544,163	23,769,043	-8,248,373	15,520,670	
Liabilities from insurance contracts with a discretionary participating feature (shadow accounting)	-579,756	92,566	-487,190	-6,554,570	1,245,368	-5,309,202	
Gains/losses recognised in fair value reserve and net profit/loss brought forward arising from equity in associates and jointly controlled entities recognised using the equity method	603,255	-114,618	488,637	402,548	-76,484	326,064	
Actuarial gains/losses	391,597	0	391,597	-441,038	-91,591	-532,629	
Translation differences	1,080,805	0	1,080,805	585,108	0	585,108	
TOTAL OTHER COMPREHENSIVE INCOME	9,775,637	-757,625	9,018,012	17,761,091	-7,171,080	10,590,011	

	2017			2016			in EUR
	Before tax	Tax	After tax	Before tax	Tax	After tax	
Zavarovalnica Triglav							
Profit from increase in fair value of available-for-sale financial assets	3,027,949	-552,369	2,475,580	22,189,955	-7,259,450	14,930,505	
Liabilities from insurance contracts with a discretionary participating feature (shadow accounting)	-579,756	92,566	-487,190	-6,554,570	1,245,368	-5,309,202	
Actuarial gains /losses	350,717	0	350,717	-401,199	-91,590	-492,789	
TOTAL OTHER COMPREHENSIVE INCOME	2,798,909	-459,803	2,339,106	15,234,187	-6,105,672	9,128,515	

4.15.3 Reconciliation between tax expense and accounting profit

	Triglav Group		Zavarovalnica Triglav	
	2017	2016	2017	2016
ACCOUNTING PROFIT	84,445,082	95,138,089	73,822,316	83,417,802
Income tax rate - tax rate average of several countries	20.49%	20.13%	19 %	17 %
Accounting profit multiplied by tax rate	17,298,592	19,151,297	14,026,240	14,181,026
Tax effect of income deductible for tax purposes	-3,687,114	-6,629,980	-3,651,737	-5,066,532
Tax effect of income added for tax purposes	1,043,386	1,125,790	0	0
Tax effect on the reduction in expenses not deductible for tax purposes	-15,356	-734,004	390,302	51,177
Tax relief, tax losses	-1,796,243	-1,279,728	-1,240,280	-943,551
Changes in temporary differences	1,889,829	1,207,043	1,775,841	-103,818
Changes due to a new accounting method	4,036	-34,102	0	-34,102
TOTAL TAX EXPENSE	14,737,130	12,806,316	11,300,366	8,084,200
Effective tax rate ¹²⁰	17.45%	13.46%	15.31 %	9.69%
Final liabilities for corporate income tax	12,746,346	11,599,273	9,524,525	8,188,018

In accordance with the Corporate Income Tax Act (ZDDPO–2), the applicable tax rate in Slovenia was 19% in 2017, whereas in 2016 it was 17%.

In subsidiaries operating outside the Republic of Slovenia, tax rates were used as applicable in the country of operation and in compliance with the local legislation. For the applied tax rates see [→ Section 2.7].

Unused tax losses of the Group amounted to EUR 21.8 million as at 31 December 2017 (EUR 34.3 million as at 31 December 2016).

¹²⁰ In the data of the Triglav Group, the average of all countries was taken into account in the corporate income tax rate.