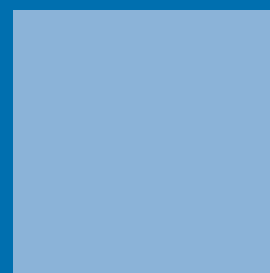
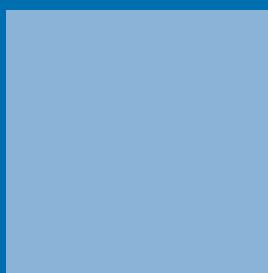
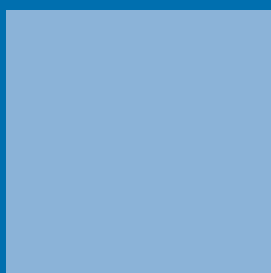
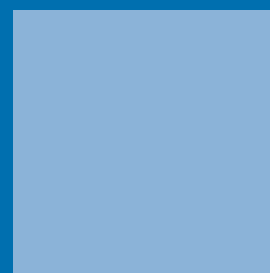
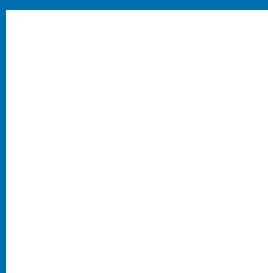
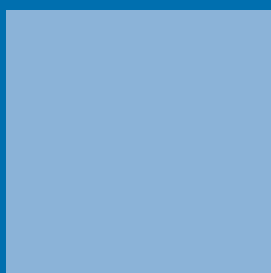
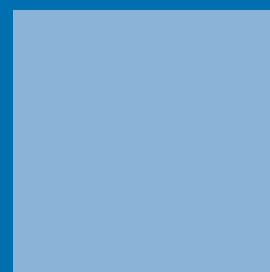
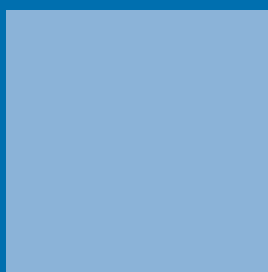
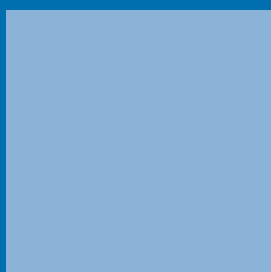


**Six Month Report 2004**  
UNIQA Versicherungen AG



# Key figures for UNIQA Group Austria

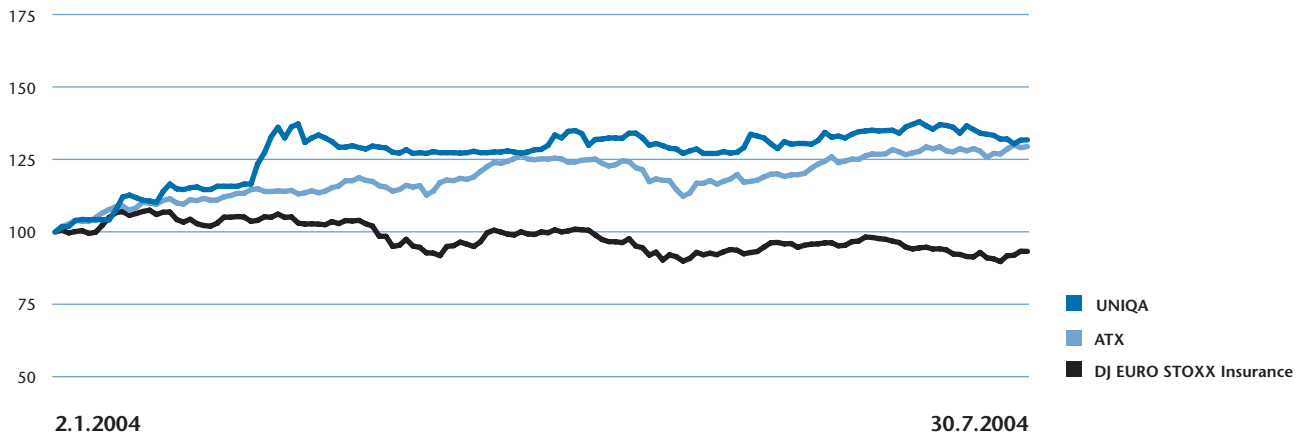
	1.1.–30.6.2004 € mill. <sup>1)</sup>	1.1.–30.6.2003 € mill.	Change in %
<b>Premiums written</b>			
Property and casualty	832.0	634.4	31.2
Life	628.0	505.2	24.3
from recurring premium business	551.1	429.1	28.4
from single premium business	76.9	76.1	1.1
Health	373.6	362.7	3.0
<b>Total</b>	<b>1,833.6</b>	<b>1,502.3</b>	<b>22.1</b>
<b>Benefits and claims</b>			
Property and casualty	403.3	315.6	27.8
Life	639.7	528.4	21.1
Health	332.4	324.6	2.4
<b>Total</b>	<b>1,375.5</b>	<b>1,168.5</b>	<b>17.7</b>
<b>Operating expenses (adjusted)</b>			
Acquisition costs (payments)	255.2	237.1	7.6
Other operating expenses	98.2	105.5	-6.9
<b>Total</b>	<b>353.4</b>	<b>342.5</b>	<b>3.2</b>
Cost ratio in %	22.6	22.8	-0.8
<b>Net investment income</b>	<b>333.4</b>	<b>216.8</b>	<b>53.8</b>
	<b>30.6.2004</b> € mill. <sup>1)</sup>	<b>30.6.2003</b> € mill.	<b>Change</b> in %
<b>Insured capital in life insurance</b>	<b>40,277.4</b>	<b>33,399.6</b>	<b>20.6</b>
<b>Investments</b>			
Land and buildings	980.6	789.8	24.2
Shares in affiliated and associated companies	184.4	137.9	33.7
Loans	1,084.8	732.5	48.1
Other securities			
available for sale	10,519.0	8,123.0	29.5
held for trading	597.7	561.6	6.4
Other investments	767.3	1,216.2	-36.9
Investments held on account and at risk of the life insurance policyholders	524.3	312.4	67.8
<b>Total</b>	<b>14,658.1</b>	<b>11,873.5</b>	<b>23.5</b>

Automatic rounding differences may result from formatting into € million.

<sup>1)</sup> The figures for the first quarter of 2004 include the data from the former Austrian AXA Group companies in Austria, Hungary and Liechtenstein which were taken over on 1 July 2003 and fully consolidated since that time and the data from the R+V companies in Poland and Slovakia which were fully consolidated for the first time as of 1 April 2004.

# UNIQA Group Austria

UNIQA share 2004 in %



## Historic all-time high of the UNIQA shares

The Austrian stock market continued its positive performance in the second quarter of 2004. The ATX broke through the 2,000-points barrier for the first time on 2 July 2004 and set an all-time high on 28 July 2004 at 2,040.13 points. Over the first seven months of 2004 the ATX gained 29.5% and was found at 2,031.66 points at the end of July. Thus the ATX reflected the status of the Vienna Stock Exchange as one of the world's top-performing stock exchanges in 2004.

The UNIQA shares saw a very satisfying development in the first half of 2004 as well and set an all-time high on 8 July 2004 at €10.84. As of 30 July 2004 the value of UNIQA shares was up by 31.8% since the start of the year to €10.35.

The DJ Insurance Index continued to lose ground in the second quarter of 2004 and was down at 178.72 points on 30 July 2004, which was equal to a loss of 6.7% since the beginning of the year.

## UNIQA issues corporate bond

UNIQA Versicherungen AG issued a publicly available €150 million corporate bond. The bond with a term of five years carries interest coupons of 4%. It has Official Trading permission on the Vienna Stock Exchange and was issued at 100.865%. The subscription period had to be ended ahead of schedule due to the enormous interest by investors.

The proceeds from the issue will be primarily used for acquisitions so as to continue the international expansion of the UNIQA Group Austria. In addition, the existing distribution network will be enlarged, and new distribution methods will be set up. Also, parts of the proceeds will be set aside for optimising the financial structure and as medium-term funding.

### **Mannheimer recapitalisation concept implemented as planned**

On 24 June 2004 at the Mannheim provincial court, Mannheimer AG Holding, supported by UNIQA International Beteiligungs-Verwaltungs GmbH, agreed to settle out of court with those shareholders of Mannheimer AG Holding that had taken action of opposition against the decisions taken in the shareholder meeting of 27 February 2004. The legal dispute was declared settled. The complainants abandoned their action.

The capital measures decided on in February 2004 that aimed to save the distressed Mannheimer Versicherung were implemented according to schedule by 30 June 2004. Thus, UNIQA increased their investment in the Mannheimer AG Holding to slightly less than 90%. The Cartel Office has already given its go-ahead.

### **UNIQA Tower opened**

On 25 June 2004 UNIQA opened its new Group headquarters at the Vienna Donaukanal. A glass structure 75 metres high, the UNIQA Tower will be the corporate home of more than 1,000 employees.

The UNIQA Tower bundles the central responsibilities at one location and thus becomes the centre for UNIQA Knowledge Management. This bundling generates synergies in various fields. Synergies which will more than offset the ongoing financing costs of the Tower.

### **Group of consolidated companies expanded**

Because of the purchase of the insurance companies Filar S.A. and Filar Zycie in Poland and the Slovakian R+V poisťovňa – both acquisitions were completed in May 2004 – the UNIQA Group of consolidated companies was expanded in the second quarter of 2004 to include these companies.

### **Programme for the repurchase and resale of shares**

On 6 May 2004 the share repurchase programme was discontinued until further notice because the resale programme took effect. In the second quarter of 2004 no UNIQA shares were resold.

### **Encouraging development of gross premiums written**

The UNIQA Group Austria managed to boost gross premiums written in the first two quarters of 2004 by 22.1% to €1,833.6 million. The written premium volumes for recurring premium business increased by 23.2% to a total of €1,756.7 million. Along with the positive organic growth, the first-time inclusion of the former AXA companies in the scope of consolidation on 1 July 2003 was a decisive factor in the growth of the premium volumes.

## Premiums written

<b>Direct business</b>	<b>1.1.–30.6.2004</b> <b>Group total</b> <b>€ 000</b>	<b>1.1.–30.6.2003</b> <b>Group total</b> <b>€ 000</b>
1. Property and casualty	798,409	578,645
2. Life insurance	614,178	493,156
3. Health insurance	372,138	361,552
	<b>1,784,725</b>	<b>1,433,354</b>

<b>Indirect business</b>	<b>1.1.–30.6.2004</b> <b>Group total</b> <b>€ 000</b>	<b>1.1.–30.6.2003</b> <b>Group total</b> <b>€ 000</b>
1. Property and casualty	33,605	55,751
2. Life insurance	13,832	12,024
3. Health insurance	1,440	1,180
	<b>48,877</b>	<b>68,955</b>

	<b>1.1.–30.6.2004</b> <b>Group total</b> <b>€ 000</b>	<b>1.1.–30.6.2003</b> <b>Group total</b> <b>€ 000</b>
Total (consolidated figures)	<b>1,833,602</b>	<b>1,502,309</b>

The premiums in property and casualty insurance increased in the first half of 2004 by 31.2% to €832.0 million. This growth was primarily due to the increase in premiums in the motor insurance lines (+38.2%). In the accident insurance business line premium revenue rose by 33.1%, in legal expenses insurance by 79.8% in a year-on-year comparison. The R+V companies in Poland and Slovakia, which were consolidated for the first time in the second quarter of 2004, accounted for premiums in property and casualty insurance of €12.4 million.

The recurring premiums from life insurance increased by 28.4% to €551.1 million. Due to the re-assignment of premium revenues from certain special products policies to the recurring premiums, life insurance from single premium revenues increased only slightly by 1.1% to €76.9 million.

Health insurance premiums increased by 3.0% to €373.6 million in the first half of 2004.

### Loss expenses and benefits paid

Loss expenses and benefits paid increased in the first half of 2004 by 17.7% to €1,375.5 million, which was low in proportion to premium development. The increase in property and casualty and life insurance premiums was mainly founded on the initial consolidation of the former AXA companies on 1 July 2003.

### Continued increase in capital investments

The total capital investments of the UNIQA Group Austria increased in the first two quarters of 2004 by €2,784.6 million, i.e. 23.5%, to €14,658.1 million. The investments held on account and at risk of the life insurance policyholders continued to develop very positively and were up 67.8% at €524.3 million.

	Group		Property/Casualty		Health		Life		Consolidation	
	30.6.04	30.6.03	30.6.04	30.6.03	30.6.04	30.6.03	30.6.04	30.6.03	30.6.04	30.6.03
	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.	€ mill.
Land and buildings	980.6	789.8	489.9	393.4	180.3	180.0	310.3	216.4	0.0	0.0
Shares in affiliated and associated companies	184.4	137.9	139.9	135.2	24.5	2.7	20.0	0.0	0.0	0.0
Loans	1,084.8	732.5	384.2	69.2	160.3	185.2	637.6	478.2	-97.4	0.0
Other securities										
available for sale	10,519.0	8,123.0	1,275.3	662.6	1,104.1	984.5	8,139.6	6,475.9	0.0	0.0
held for trading	597.7	561.6	10.1	2.2	25.9	28.4	561.7	531.1	0.0	0.0
Other investments	767.3	1,216.2	244.3	215.7	59.4	121.4	467.2	880.0	-3.6	-0.9
Investments held on account and at risk of the life insurance policyholders	524.3	312.4	0.0	0.0	0.0	0.0	524.3	312.4	0.0	0.0
<b>Total</b>	<b>14,658.1</b>	<b>11,873.5</b>	<b>2,543.8</b>	<b>1,478.2</b>	<b>1,554.6</b>	<b>1,502.2</b>	<b>10,660.7</b>	<b>8,894.0</b>	<b>-100.9</b>	<b>-0.9</b>

The net investment income increased by 53.8% to €333.4 million. The positive trend on the stock markets in the first half of 2004 was an important reason for this development.

## Positive development of the cost ratio

	<b>1.1.–30.6.2004</b>	<b>1.1.–30.6.2003</b>
	<b>Group total</b>	<b>Group total</b>
	<b>€ 000</b>	<b>€ 000</b>
a) Acquisition costs	282,256	237,053
– less non-recurring effects	–27,081	–
Adjusted acquisition costs	255,175	237,053
b) Other operating expenses	132,405	105,486
– less non-recurring effects	–34,228	–
Adjusted other operating expenses	98,177	105,486
	<b>353,352</b>	<b>342,539</b>

The cost developments of the UNIQA Group in the first half of 2004 were affected by special effects resulting from the inclusion of the former AXA Group Austria and the former R+V companies in Poland and Slovakia in the scope of consolidation. Therefore, the appropriate adjustments have been made in the presentation. Acquisition costs increased at the disproportionately low rate of 7.6% to €255.2 million due to the aforementioned special effects. Other operating expenses decreased by 6.9% to €98.2 million. The cost ratio edged lower to 22.6% in the first half of 2004 (2003: 22.8%).

	<b>1.1.–30.6.2004</b>	<b>1.1.–30.6.2003</b>
	<b>Group total</b>	<b>Group total</b>
	<b>€ 000</b>	<b>€ 000</b>
<b>Property and casualty insurance</b>		
a) Acquisition costs	161,627	127,975
– less non-recurring effects	–21,496	–
Adjusted acquisition costs	140,131	127,975
b) Other operating expenses	78,606	59,499
– less non-recurring effects	–25,066	–
Adjusted other operating expenses	53,540	59,499
	<b>193,672</b>	<b>187,474</b>

Acquisition costs in property and casualty insurance increased at a rate lower than overall business performance would suggest, i.e. by 9.5% to €140.1 million. Other operating costs fell by 10.0% to €53.5 million. The cost ratio in property and casualty insurance decreased to 28.9% (2003: 29.6%) over the first six months of the financial year. The combined ratio dropped to 101.3% in the first half of 2004.

	1.1.–30.6.2004 Group total € 000	1.1.–30.6.2003 Group total € 000
<b>Life insurance</b>		
a) Acquisition costs	87,783	75,962
– less non-recurring effects	–5,585	–
Adjusted acquisition costs	82,198	75,962
b) Other operating expenses	32,658	25,750
– less non-recurring effects	–9,162	–
Adjusted other operating expenses	23,496	25,750
	<b>105,694</b>	<b>101,712</b>

Acquisition costs in life insurance increased, corrected for the one-time effects mentioned, by 8.2% to €82.2 million in the first half of 2004. Other operating expenses decreased by 8.8% to €23.5 million. The cost ratio in life insurance went down to 19.2% (2003: 20.1%) in the first two quarters of 2004.

	1.1.–30.6.2004 Group total € 000	1.1.–30.6.2003 Group total € 000
<b>Health insurance</b>		
a) Acquisition costs	32,846	33,116
b) Other operating expenses	21,141	20,237
	<b>53,987</b>	<b>53,353</b>

Acquisition costs in health insurance decreased by 0.8% to €32.8 million in the first two quarters of 2004. Other operating expenses increased slightly by 4.5% to €21.1 million. The cost ratio in health insurance was at 14.5% (2003: 14.7%) in the first half of 2004.

### **Strong growth in premiums in property insurance lines**

Premium volume written in property and casualty insurance increased in the first half of 2004 by 31.2% to €832.0 million.

Loss expenses and benefits paid in property and casualty insurance developed positively and increased at the disproportionately low rate of 27.8% to a total of €403.3 million.



### Growth in premiums in life insurance

Business continued to flourish in life insurance. Premium volume written increased by 24.3% to €628.0 million in the first half of 2004.

The risk premium share of unit-linked and index-linked life insurance included in the report on the first half of 2004 totalled €19.2 million (2003: €11.7 million). The savings portion of the premiums not included in the consolidated premium revenue of the unit-linked and index-linked life insurance in accordance with international accounting principles totalled €63.4 million (2003: €37.1 million) in the first two quarters of 2004.

The development of claims including the change in actuarial provision was below the increase of premium volume written over the same period of the previous year, with an increase of 21.1% to €639.7 million.

### Positive development in health insurance

Health insurance contributed to the overall result of the UNIQA Group with a premium growth of 3.0% to €373.6 million. The increase in health insurance benefits including the change in actuarial provision of 2.4% to €332.4 million was below the increase in premium volume.

### Foreign Group companies

The premium volume written by the Group companies in the Central and Eastern European markets increased by €93.1 million, i.e. 56.4%, to €258.2 million in the first half of 2004. Thus they accounted for 14.1% of the total Group premium volume written. The share of foreign operations rose to 23.0% if the premium volume generated by Mannheimer AG Holding is included. Loss expenses and benefits paid increased disproportionately less than the development in premiums, by 35.1% to €120.8 million.

	Premiums written			Benefits and claims (before Group reinsurance)		
	30.6.2004 € 000	30.6.2003 € 000	Change in %	30.6.2004 € 000	30.6.2003 € 000	Change in %
<b>Total</b>	<b>258,159</b>	<b>165,067</b>	<b>56.4</b>	<b>120,771</b>	<b>89,392</b>	<b>35.1</b>
Italy*	54,504	48,665	12.0	35,728	29,606	20.7
Switzerland	18,555	18,622	-0.4	5,478	15,971	-65.7
Liechtenstein	10,369	-	-	765	-	-
Poland**	48,437	38,429	26.0	26,195	11,868	120.7
Slovakia**	21,756	18,750	16.0	10,402	9,559	8.8
Czech Republic	41,252	36,566	12.8	15,552	21,429	-27.4
Croatia	4,554	3,529	29.0	862	795	8.4
Hungary	58,732	506	11,507.1	25,789	164	15,625.0

\* The increase in loss expenses and benefits paid by the Italian Group companies is due to subsequent reserving for outstanding claims in the property insurance business.

\*\* The increase in premium volume of the Polish and Slovakian Group companies was mainly due to the first-time inclusion of the former R+V companies in the scope of consolidation. The increase in loss expenses and benefits paid in Poland is due to changes in the reinsurance model.

## Outlook

### UNIQA takes over the Italian life insurer Claris Vita

At the end of June 2004 UNIQA agreed with the Italian cooperative bank Veneto Banca to take over 80% of the share capital of the Italian life insurer Claris Vita from the Italian bank. This will give a substantial boost to Group activities in the core market of Italy, and it will broaden the range of lines offered as well as the distribution network. In terms of premium volume, this is the second largest transaction of the UNIQA Group outside Austria. The transaction will increase the total premium volume of the UNIQA Group to around €4 billion; premiums generated outside Austria will double to more than €1 billion.

Milan-based Claris Vita produced a premium volume of around €260 in 2003 and offers traditional forms of life insurance as well as unit and index-linked ones. The company uses the branches of the Veneto Banca Group, exclusive and non-exclusive agents and insurance brokers as a distribution network. UNIQA has signed a long-term contract of cooperation and distribution with the former owner Veneto Banca.

With the acquisition of the majority of Claris Vita shares and the signing of the contract of cooperation UNIQA creates synergies for all new and existing distribution partners and positions itself as an insurer with an integrated portfolio in the strong northern Italian market.

The transfer of the share capital is subject to the approval of the Italian insurance supervisory body and the EU Cartel Office.

### Preview 2004

In the first half of 2004 the UNIQA Group achieved earnings before taxes of around €52 million, which was equal to more than 75% of the figure posted in the whole of 2003 (around €68 million). In the absence of a negative development of losses or adverse effects on the capital markets we envisage the continuation of the positive performance of our results for the second half of 2004.

# Financial calendar for the year 2004/2005

3rd Quarterly Report 2004	30 November 2004
Publication of 2004 Group Annual Report	29 April 2005
Annual General Meeting	23 May 2005
1st Quarterly Report 2005	31 May 2005
Ex-dividend day	06 June 2005
2nd Quarterly Report 2005	31 August 2005
3rd Quarterly Report 2005	30 November 2005

## Imprint

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