



UNIQA Group

Group Embedded Value 2011

25 May 2012

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- Disclosure of Group Embedded Value (GEV) results:
 - UNIQA discloses this year's results on the basis of the Market Consistent Embedded Value^{©(a)} (MCEV) principles for the first time
 - Includes MCEV using bottom-up, market consistent methodology for main Life and Health businesses
 - Split by the regions Austria and Germany, Italy and CEE
- Adjusted Net Asset Value (ANAV) for Property and Casualty, Life and Health businesses excluded from scope of MCEV on the basis of adjusted IFRS equity
- Independent review of methodology, assumptions and calculations for MCEV and calculations for GEV by B&W Deloitte GmbH

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- MCEV for conventional life businesses in Austria and Italy are based on stochastic cashflow projections using market consistent capital market scenarios. Projections allow for management actions (eg profit participation or asset allocation); single risk free deterministic projection for Austrian, German and Italian unit linked and health business
 - Explicit allowance for cost of guarantees and options
 - Assumed policyholder profit participation allows for local supervisory laws and contractual agreements
 - Explicit allowance for cost of residual non-hedgeable risk
 - Best estimate assumptions based on recent experience for expenses, mortality and lapses
- Single risk free deterministic projection for MCEV calculations in CEE Life businesses
 - Benchmarking to allow for cost of guarantees and options
 - Explicit allowance for cost of residual non-hedgeable risk

- GEV allows for consolidation adjustments and minority interests
- Goodwill and value of business in force (VBI) eliminated in respect of businesses included in the scope of the MCEV calculations
- MCEV defined as:
 - Free Surplus (FS),
 - plus* Required Capital (RC),
 - plus* Value of In-Force (VIF) determined as
 - Present Value of Future Profits (PVFP)
 - less* Time Value of Financial Options and Guarantees (FOG)
 - less* Frictional cost of Required Capital (FCRC)
 - less* Cost of Residual Non-Hedgeable Risks (CRNHR)
- GEV defined as:
 - Adjusted net asset value for Property and Casualty, Life and Health businesses excluded from scope of MCEV calculations
 - Plus MCEV

Summary of 2011 results before minority interest

GEV negatively affected by financial market developments

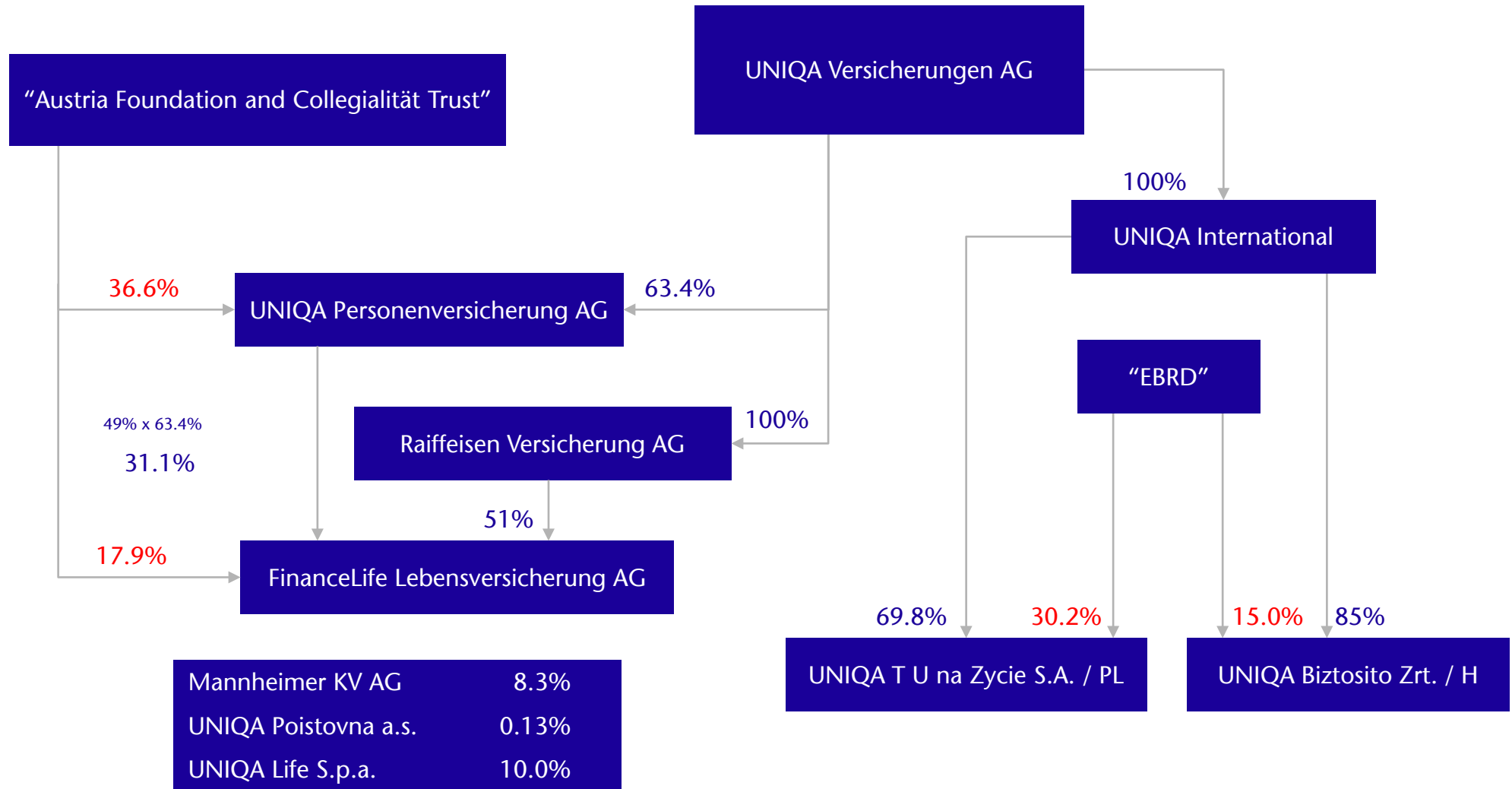
- GEV decreased (before minority interest) by 28% to €1,995m
- Strong decrease in reference rates and increasing volatilities negatively impacted the 2011 results and decreased the VIF to €944m
- Increase of FOG to €456m

Group Embedded Value (before minorities, in € millions)

	Life & Health		Prop. and Casualty		Total		Change over period
	2011	2010	2011	2010	2011	2010	
Free surplus	194	396					
Required capital	509	504					
Adjusted net asset value	703	900	348	655	1,051	1,555	(32)%
Present value of future profits	1,601	1,674	na	na	1,601	1,674	(4)%
Cost of options and guarantees	(456)	(262)	na	na	(456)	(262)	74%
Frictional cost of required capital	(94)	(92)	na	na	(94)	(92)	1%
Cost of residual non-hedgeable risk	(107)	(116)	na	na	(107)	(116)	(7)%
Value of in-force business	944	1,204	na	na	944	1,204	(22)%
GEV/MCEV	1,647	2,104	348	655	1,995	2,759	(28)%

Minority interest

Disclosure shows results before and after minority interest



Summary of 2011 results (after minority interest)

GEV influenced by economic variance



- GEV decreased (after minority interest) by 32% to €1,467m
- Strong decrease in reference rates and increasing volatilities negatively impacted the 2011 results and decreased the VIF to €600m
- Increase of FOG to €382m

Group embedded value (after minorities, in € millions)

	Life & Health		Prop. And Casualty		Total		Change over period
	2011	2010	2011	2010	2011	2010	
Free surplus	184	375					
Required capital	411	405					
Adjusted net asset value	595	780	273	536	867	1,316	(34)%
Present value of future profits	1,133	1,221	na	na	1,133	1,221	(7)%
Cost of options and guarantees	(382)	(222)	na	na	(382)	(222)	72%
Frictional cost of required capital	(74)	(73)	na	na	(74)	(73)	2%
Cost of residual non-hedgeable risk	(78)	(83)	na	na	(78)	(83)	(7)%
Value of in-force business	600	843	na	na	600	843	(29)%
GEV/MCEV	1,194	1,623	273	536	1,467	2,159	(32)%

Return on restated and adjusted GEV

Return on GEV (after minorities, € in millions)

	2011	2010
EEV as at 31 December	1,467	2,168
EEV as at 31 December previous year, reported	2,168	2,358
EEV as at 31 December previous year, restated	2,159	2,390
EEV as at 31 December previous year, restated and adjusted	1,962	2,336
Dividends	57	57
Return on EEV	(494)	(169)
As a %	(25.2)%	(7.2)%

- Return on GEV is shown after minority interest and calculated on basis of the restated and adjusted GEV as at 31 December 2010
- Lower reference rates and increased interest volatilities negatively affected the development of the VIF, weak equity markets and one-off effects decreased the ANAV in 2011 significantly. All this resulted in a return on GEV of €(494)m or (25.2)%

New business value

New business value influenced by decreasing volumes



New business value (€ in millions)

	Before minorities			After minorities		
	2011	2010 ^(a)	Change	2011	2010 ^(a)	Change
Value of new business	46	52	(12.7)%	37	44	(16.8)%
Annual premium equivalent (APE)	264	333		227	280	
New business margin (as % APE)	17.3%	15.7%		16.2%	15.8%	
Present value of new business premiums (PVNBP)	2,534	2,944		2,138	2,440	
New business margin (% of PVNBP)	1.8%	1.8%		1.7%	1.8%	

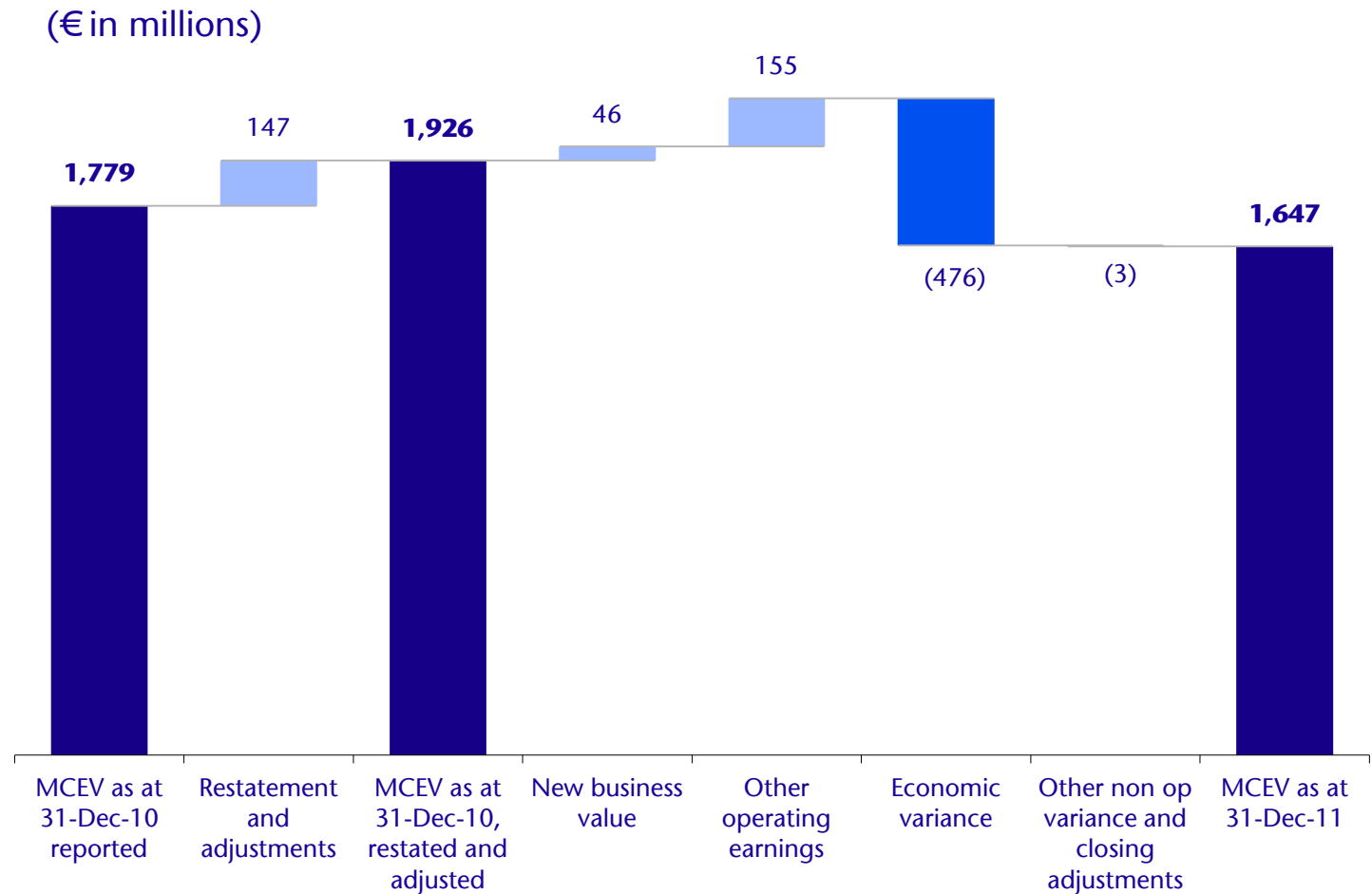
(a) Restated results for 2010

- UNIQA Group's NBV was negatively affected in 2011 and decreased by 12.7% as at year-end to €46m
- New business volumes developed negatively, due to strong impacts on decreasing single premium business
- New business margins vary by region and depend on the underlying business mix. Overall margins are at a stable level, and especially the development in CEE is very strong due to very positive developments in Poland and Hungary (change in product strategy)

Analysis of change

Life and health before minority interest

- Changes to the allocation of participations to covered and non-covered business are the main driver for the restatement
- Ongoing positive development of operating earnings resulted in an increase of €201m
- Ongoing decrease in reference rates and rising volatilities affected the GEV negatively by €476m



Economic assumptions 2011

- MCEV calculations use reference rates based on swap rates as at 31 December 2011 including a liquidity spread. The illiquidity premium is derived from observable market data and based on the approach used for internal risk capital calculations
- The 2011 calibration of the economic scenarios is based on implied volatilities

Reference rates ^(a)	EUR		CZK		HUF		PLN	
	2011	2010	2011	2010	2011	2010	2011	2010
1 year	1.31%	1.31%	0.93%	1.45%	7.81%	6.43%	4.77%	4.46%
5 years	1.63%	2.60%	1.59%	2.61%	7.65%	7.01%	4.70%	5.50%
10 years	2.33%	3.42%	2.13%	3.11%	7.84%	7.23%	4.86%	5.67%
15 years	2.64%	3.79%	2.45%	3.64%	7.51%	6.81%	4.59%	5.43%
20 years	2.65%	3.83%	2.56%	3.77%	6.99%	6.26%	4.26%	5.07%
25 years	2.70%	3.67%	2.58%	3.57%	6.52%	5.68%	4.07%	4.63%

(a) Excluding liquidity premium

	Exchange rate		Tax rate	
	2011	2010	2011	2010
UNIQA Austria	–	–	25.00%	25.00%
UNIQA Germany	–	–	30.50%	30.50%
UNIQA Italy	–	–	34.40%	32.40%
UNIQA CZ	25.79	25.06	19.00%	19.00%
UNIQA HU	314.58	277.95	19,00% + 2,3% ^(b)	19,00% + 2,3% ^(b)
UNIQA SK	–	–	19.00%	19.00%
UNIQA PL	4.46	3.98	19.00%	19.00%

(a) Municipal tax and innovation fee

(b) Including additional crisis tax

	Liquidity premium	
	EUR	CZ/HU/PL
Base premium – 100%	118bp	41bp
Participating life business – 75%	88bp	31bp
Unit and index linked business – 50%	59bp	21bp
Health business – 50%	59bp	21bp

	Other economic assumptions	
	2011	2010
Interest rate volatility ^(a)	25.47%	17.60%
Equity volatility	29.16%	24.39%
Expense/medical inflation	2%/2% – 5%	2%/2% – 5%

(a) 5 to 5 implied swaption volatility

Sensitivities

Life and health before minority interests



(€ in millions)	Change in market consistent embedded value		Change in new business value	
Base value	1,647	100%	46	100%
EV change by economic factors				
Risk free yield curve -100bp	(745)	(45)%	(38)	(83)%
Risk free yield curve +100bp	439	27%	36	78%
Equity and property market values -10%	(202)	(12)%	0	0%
Equity and property implied volatilities +25%	(20)	(1)%	(2)	(5)%
Swaption implied volatilities +25%	(179)	(11)%	(12)	(26)%
EV change by non-economic factors				
Maintenance expenses -10%	205	12%	12	25%
Lapse rates -10%	27	2%	6	12%
Mortality for assurances -5%	20	1%	4	9%
Mortality for annuities -5%	(2)	0%	0	0%
Required capital equal to local solvency capital	16	1%	1	1%
Additional sensitivity				
Removal of liquidity premium	(813)	(49)%	(41)	(89)%
Profit sharing (for Austrian Life business) +5%	(56)	(3)%	(4)	(8)%
Governmental Spread Premium	756	46%	29	64%

ANAV

Reconciliation of IRFS equity to ANAV



(€ in millions)	2011	2010 restated	2010
Consolidated IFRS equity	1,095.6	1,536.6	1,536.6
Goodwill and value of business in force for MCEV companies	(180.3)	(184.9)	(175.1)
Differences in valuation of assets and liabilities	(163.8)	(159.2)	(159.2)
Other differences	366.0	357.2	347.3
Additional value from non-quoted equity holdings	(66.0)	5.3	23.6
Adjusted net asset value before minority interest	1,051.4	1,555.1	1,573.2
Minority interests	(184.0)	(239.0)	(239.0)
Adjusted net asset value after minority interest	867.4	1,316.0	1,334.2

- Goodwill and VBI are deducted in respect of the Life and Health businesses included in the scope of the MCEV calculations
- Other differences include the unrealised gains on property assets that are not shown at market values under IRFS rules

Regional analysis

Results split by regions Austria, Italy and CEE



- Economic developments have negative impacts, PVFP rather stable across all regions
- Significant increase in FOG in Austrian and Italian business
- CEE development neg affected by increased surrender rates in 2011

Embedded value 2011 by region (before minorities, € in millions)

	2011				2010 ^(a)			
	Austria	Italy	CEE	Total	Austria	Italy	CEE	Total
Free surplus	164	15	15	194	348	28	20	396
Required capital	429	52	29	509	432	43	29	504
Adjusted net asset value	593	66	44	703	781	71	48	900
Present value of future profits	1,471	16	113	1,601	1,473	73	129	1,674
Cost of options and guarantees	(411)	(40)	(5)	(456)	(234)	(23)	(5)	(262)
Frictional cost of required capital	(88)	(4)	(2)	(94)	(87)	(4)	(2)	(92)
Cost of residual non-hedgeable risk	(99)	(4)	(5)	(107)	(107)	(3)	(5)	(116)
Value of business in-force	874	(32)	102	944	1,046	43	116	1,204
Life and health MCEV	1,466	34	146	1,647	1,826	114	164	2,104
As a % of total Life MCEV	89.0%	2.1%	8.9%	100.0%	86.8%	5.4%	7.8%	100.0%

(a) Restated

Disclaimer

Cautionary statement regarding forward looking statements



- This presentation contains forward-looking statements
- Forward-looking statements involve inherent risks and uncertainties, and it might not be possible to achieve the predictions, forecasts, projections and other outcomes described or implied in forward-looking statements
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