

Think
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longer living.

Think



Consolidated Key Figures

In € million	1 – 9 / 2017	1 – 9 / 2016	Change
Premiums written	3,671.3	3,538.5	+ 3.8 %
Savings portions from unit-linked and index-linked life insurance (before reinsurance)	372.5	273.8	+ 36.1 %
Premiums written, including savings portions from unit-linked and index-linked life insurance	4,043.9	3,812.3	+ 6.1 %
of which property and casualty insurance	2,048.4	1,937.6	+ 5.7 %
of which health insurance	783.5	755.2	+ 3.7 %
of which life insurance	1,211.9	1,119.4	+ 8.3 %
of which income from regular premiums	1,005.3	1,002.6	+ 0.3 %
of which single premiums	206.6	116.8	+ 76.9 %
Premiums written, including savings portions from unit-linked and index-linked life insurance	4,043.9	3,812.3	+ 6.1 %
of which UNIQA Austria	2,793.9	2,774.7	+ 0.7 %
of which UNIQA International	1,217.7	1,017.3	+ 19.7 %
of which reinsurance	856.4	866.5	- 1.2 %
of which consolidation	- 824.2	- 846.3	- 2.6 %
Premiums earned (net)	3,473.0	3,332.4	+ 4.2 %
of which property and casualty insurance	1,883.7	1,765.0	+ 6.7 %
of which health insurance	777.5	749.3	+ 3.8 %
of which life insurance	811.8	818.2	- 0.8 %
Savings portions from unit-linked and index-linked life insurance (after reinsurance)	371.4	258.4	+ 43.7 %
Premiums earned, including savings portions from unit-linked and index-linked life insurance	3,844.4	3,590.8	+ 7.1 %
Insurance benefits¹⁾	- 2,659.0	- 2,585.1	+ 2.9 %
of which property and casualty insurance	- 1,241.3	- 1,181.2	+ 5.1 %
of which health insurance	- 652.5	- 640.1	+ 1.9 %
of which life insurance ²⁾	- 765.3	- 763.8	+ 0.2 %
Operating expenses³⁾	- 942.7	- 934.5	+ 0.9 %
of which property and casualty insurance	- 587.8	- 554.2	+ 6.1 %
of which health insurance	- 118.3	- 124.1	- 4.6 %
of which life insurance	- 236.5	- 256.3	- 7.7 %
Investment income	393.6	419.4	- 6.2 %
Earnings before taxes	181.4	148.9	+ 21.8 %
Profit/(loss) for the period	115.5	149.9	- 23.0 %
Consolidated profit/(loss)	114.4	148.8	- 23.1 %
Investments	19,526.7	20,590.0	- 5.2 %
Shareholders' equity	3,107.6	3,359.7	- 7.5 %
Equity, including non-controlling interests	3,122.0	3,385.8	- 7.8 %
Insured sum in life insurance	75,799.3	72,723.1	+ 4.2 %

¹⁾ Including expenditure for deferred profit participation and premium refunds

²⁾ Including expenditure for (deferred) profit participation

³⁾ Less reinsurance commissions and share of profit from reinsurance ceded

Foreword by the CEO

Dear shareholders,

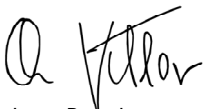
UNIQA performed satisfactorily in the first nine months of 2017, increasing earnings before taxes by 21.8 per cent to €181.4 million. We continued to achieve improvements in our key operating performance parameters.

Premiums written, including savings portions of unit-linked and index-linked life insurance, rose by 6.1 per cent to €4,043.9 million in the first three quarters of 2017, which is attributed to sustained economic growth in Central and Eastern Europe. The growth in this region (19.7 per cent) was driven primarily by property and casualty insurance and by unit-linked and index-linked life insurance. In Austria (up by 0.7 per cent), both the health insurance business and the property and casualty insurance business also performed well. By contrast, the volume of premiums in life insurance contracted in line with the market as a whole, as forecast.

Net investment income was adversely impacted not only by the losses due to a weakened US dollar but also once again by the low interest rates. In total, the figure declined by 6.2 per cent to €393.6 million. Our efforts to improve our operating key performance indicators on a sustainable basis have therefore become all the more important, and we made further progress in this regard in the first nine months of 2017. We managed to increase the technical result by 69.4 per cent to €97.9 million. Critical contributing factors were the reduction in the cost ratio to 24.5 per cent and in the combined ratio to 97.1 per cent.

Some of the benefit from the economic tailwind is currently being offset by the low interest rates and increased weather-related claims. Having already suffered higher levels of claims from weather events in the third quarter of 2017 in our core markets, we will also have to absorb additional expenses in the final account for the year as a whole caused by Cyclone Herwart in the fourth quarter of 2017. The current capital market environment also remains challenging – especially for life insurance. Nevertheless, UNIQA is still expecting a slight year-on-year improvement in earnings before taxes for the financial year 2017 and intends to implement a further modest increase in the dividend per share for 2017.

Sincerely,



Andreas Brandstetter
CEO UNIQA Group

Vienna, November 2017

Group Management Report

- **PREMIUMS WRITTEN INCLUDING SAVINGS PORTIONS ROSE BY 6.1 PER CENT TO €4,043.9 MILLION**
- **COMBINED RATIO IMPROVED TO 97.1 PER CENT**
- **TECHNICAL RESULT INCREASED BY 69.4 PER CENT TO €97.9 MILLION**
- **EARNINGS BEFORE TAXES IN THE FIRST THREE QUARTERS OF 2017 ROSE BY 21.8 PER CENT TO € 181.4 MILLION**
- **EARNINGS OUTLOOK FOR 2017 CONFIRMED**

Economic environment

The uptrend in the global economy reached its highest point to date in 2017. The forecasts for global economic growth lie between 3.5 and 3.7 per cent for the current year. This represents a multi-year high as economic expansion in both the industrialised countries and emerging markets increasingly unfolds in sync. The US economy continues to enjoy robust growth. The only cloud on the horizon is uncertainty caused by possible tax reform and its economic impact. Even Japan is now sharing in the global economic growth. The sole inconsistent performer in terms of economic growth is the United Kingdom, which has fallen back to become one of the stragglers over the last year after being out in front.

Economic expansion also gained traction in Austria and in the eurozone as a whole. The economic recovery in the eurozone is broadly based in terms of countries and sectors, and thus is proving to be relatively durable. Over the whole of 2017, gross domestic product (GDP) is predicted to rise by 2.8 per cent in Austria and by 2.2 per cent in the eurozone. This positive trend is likely to be sustained over the next few quarters. Whereas the situation on the labour market has improved markedly, wage growth has remained modest to date and has varied between countries in the eurozone.

An increasing number of central banks are moving towards normalising monetary policy. In June 2017, the US central bank (Fed) lifted its key interest rates to 1.25 per cent and in October 2017 started to reduce the size of the central bank balance sheet. The Fed's balance sheet had become inflated to more than \$4.5 trillion since the start of the high-volume bond-buying programme (quantitative easing). The Bank of England recently sprang a surprise, announcing a cycle of interest rate hikes. The European Central Bank (ECB) is also proceeding with a gradual normalisation of monetary policy and, from January 2018, will continue its monthly asset-buying programme until September 2018 with a reduced volume of €30 billion. It is therefore conceivable that a cycle of raising interest rates could be initiated in around two years' time. Despite the excellent economic conditions, the wage and cost pressures in businesses remain manageable, as do inflation rates. Consequently, this process of normalisation in monetary policy will continue to be implemented gradually and slowly. The low interest rates will persist in the short term. Other fundamentals underlying the low interest rates – demographic change and low productivity growth – will also remain unchanged in the industrialised countries over the medium term.

The upturn in Central and Eastern Europe (CEE) has been brisk. The region as a whole is projected to enjoy economic growth of 2.9 per cent in 2017. The substantial year-on-year rise (1.3 per cent) is attributable to the fact that a recovery is now also emerging in Russia. The CEE region was badly affected by the financial crisis in 2008–2009 but in the last few years has re-established itself as a strong global growth region. The convergence of disposable per capita incomes will continue over the medium term.

Real GDP growth is forecast to reach 4.0 per cent this year in the countries of Central Europe (Hungary, Poland, Slovakia and the Czech Republic). Strong domestic demand is driving the robust economic trend, and unemployment rates are falling to historic lows. In contrast to the established economies in Western Europe, households are benefiting from significant growth in wages and salaries in some cases; the first central banks are also starting to pursue a tighter monetary policy. In April 2017, the Czech National Bank unpegged the koruna from the euro and initiated a cycle of increasing interest rates. The National Bank of Romania is also preparing for a cycle of interest rate hikes in the near future. The Romanian economy is enjoying the highest level of economic growth in the CEE region at more than 5 per cent. Alongside Russia, an economic recovery is also emerging in Ukraine. The Central Bank of the Russian Federation has brought the recent high inflation under control, establishing an inflation target of 4 per cent. Average economic growth of 3 per cent in the countries of Southeastern Europe completes a positive economic picture overall for the current year.

UNIQA GROUP

Premium development

The premiums written including savings portions from unit-linked and index-linked life insurance rose in the first three quarters of 2017 by 6.1 per cent to €4,043.9 million as a result of solid growth in all lines of business (1-9/2016: €3,812.3 million). While recurring premiums written rose by 3.8 per cent to €3,837.2 million (1-9/2016: €3,695.5 million), single premiums in life insurance increased by 76.9 per cent to €206.6 million driven by strong growth in Poland (1-9/2016: €116.8 million).

Premiums earned, including net savings portions of the premiums from unit-linked and index-linked life insurance – totalling €371.4 million (1-9/2016: €258.4 million) – increased in the first three quarters of 2017 by 7.1 per cent to €3,844.4 million (1-9/2016: €3,590.8 million). The volume of premiums earned (net, in accordance with IFRSs) rose by 4.2 per cent to €3,473.0 million (1-9/2016: €3,332.4 million).

Premiums written in property and casualty insurance – particularly in CEE – grew slightly in the first nine months of 2017 by 5.7 per cent to €2,048.4 million (1-9/2016: €1,937.6 million). The volume of premiums earned (net, in accordance with IFRSs) increased by 6.7 per cent to €1,883.7 million (1-9/2016: €1,765.0 million).

In health insurance, premiums written in the reporting period increased by 3.7 per cent to €783.5 million (1-9/2016: €755.2 million). Premiums earned (net, in accordance with IFRSs) grew by 3.8 per cent to €777.5 million (1-9/2016: €749.3 million).

In life insurance, the premiums written including savings portions from the unit-linked and index-linked life insurance rose overall in the first nine months of 2017 by 8.3 per cent to €1,211.9 million (1-9/2016: €1,119.4 million). The single premium business increased in the first three quarters of 2017 by 76.9 per cent to €206.6 million on account of the very strong growth in Poland (1-9/2016: €116.8 million). Recurring premiums rose by 0.3 per cent to €1,005.3 million (1-9/2016: €1,002.6 million). The Annual Premium Equivalent (APE) in life insurance increased as a result of this development by 1.1 per cent to €1,025.9 million (1-9/2016: €1,014.3 million). The APE calculation accounts for 10 per cent of single premiums, because the average term of single premiums in Europe is ten years. As a result, annual fluctuations are smoothed out in this calculation. The risk-premium portion accounted for in the premiums in unit-linked and index-linked life insurance in the first three quarters of 2017 was €36.4 million (1-9/2016: €26.8 million). The insured capital in life insurance totalled €75,799.3 million as at 30 September 2017 (30 September 2016: €72,723.1 million). Including net savings portions of the premiums from the unit-linked and index-linked life insurance, premiums earned rose in life insurance in the first nine months of 2017 by 9.9 per cent to €1,183.2 million (1-9/2016: €1,076.5 million). In Austria, because of the downward trend, the volume of premiums earned (net, in accordance with IFRSs) fell by 0.8 per cent to €811.8 million (1-9/2016: €818.2 million).

Insurance benefits

The total amount of net insurance benefits for the UNIQA Group increased in the first three quarters of 2017 by 2.9 per cent to €2,659.0 million (1-9/2016: €2,585.1 million). Insurance benefits before consideration of reinsurance rose by 1.8 per cent to €2,706.4 million (1-9/2016: €2,658.1 million).

Net insurance benefits earned in property and casualty insurance increased by 5.1 per cent to €1,241.3 million on account of the increase in business volume and the hail and storm events

in the third quarter of 2017 in Austria (1–9/2016: €1,181.2 million). The loss ratio after reinsurance fell in the first nine months of 2017 to 65.9 per cent as a result of successful attempts to adjust the portfolio (1–9/2016: 66.9 per cent). The combined ratio after reinsurance improved therefore to 97.1 per cent (1–9/2016: 98.3 per cent). Before consideration of the reinsurance, the combined ratio amounted to 93.5 per cent (1–9/2016: 96.3 per cent).

In health insurance, net insurance benefits (including the change in insurance provisions) grew less strongly in the first three quarters of 2017 than the volume of premiums earned, by 1.9 per cent to €652.5 million (1–9/2016: €640.1 million).

They remained more or less stable in life insurance at €765.3 million (1–9/2016: €763.8 million).

Operating expenses

Total operating expenses, less reinsurance commission received, rose only slightly in the first nine months of 2017 by 0.9 per cent to €942.7 million (1–9/2016: €934.5 million). At €645.5 million, expenses for the acquisition of insurance remain almost at the same level as in the previous year despite the significant increase in the volume of premiums earned (1–9/2016: €644.4 million). The reinsurance commission received amounting to €14.8 million (1–9/2016: €15.5 million) has already been deducted from the acquisition costs. Other operating expenses (administrative expenses) increased in the first three quarters of 2017 as a result of initial expenses amounting to approximately €25 million in connection with the innovation and investment programme by 2.4 per cent to €297.2 million (1–9/2016: €290.1 million). The total cost ratio, i.e. the ratio of total operating expenses to the premiums earned, including net savings portions from the premiums from unit-linked and index-linked life insurance, fell to 24.5 per cent, taking into account the reinsurance commission received (1–9/2016: 26.0 per cent).

In property and casualty insurance, operating expenses less reinsurance commission received rose in the first three quarters of 2017 by 6.1 per cent to €587.8 million (1–9/2016: €554.2 million). Contributing factors included increased commissions in connection with the growth in premiums written and investments amounting to around €9 million. The cost ratio after reinsurance in this line of business amounted to 31.2 per cent (1–9/2016: 31.4 per cent).

In health insurance, operating expenses less reinsurance commission received fell by 4.6 per cent to €118.3 million (1–9/2016: €124.1 million). The cost ratio after reinsurance improved to 15.2 per cent (1–9/2016: 16.6 per cent).

In life insurance, operating expenses less reinsurance commissions received decreased by 7.7 per cent to €236.5 million (1–9/2016: €256.3 million). The cost ratio after reinsurance fell as a result of this and of the heavy increase in premium revenue in unit-linked and index-linked life insurance to 20.0 per cent (1–9/2016: 23.8 per cent).

Investments

The UNIQA Group's investment portfolio (including investment property, financial assets accounted for using the equity method and other investments) decreased to €19,526.7 million as at 30 September 2017 compared with the last reporting date (31 December 2016: €20,024.8 million).

Investment income fell by 6.2 per cent to €393.6 million in the first three quarters of 2017 for a number of reasons including the persistent low interest environment and negative currency effects of around €56 million (1–9/2016: €419.4 million). Write-downs of fixed-income securities in the reporting period were more than compensated by gains on disposals of securities.

As the 14.3 per cent holding in construction company STRABAG SE was accounted for using the equity method, there was a positive contribution to the results in the amount of €15.0 million in the first three quarters of 2017 (1–9/2016: €3.6 million).

Earnings before taxes

The UNIQA Group's technical result improved by 69.4 per cent to €97.9 million in the first three quarters of 2017 (1–9/2016: €57.8 million). This improvement reflects the lower cost ratio in health insurance and life insurance along with the improved combined ratio in property and casualty insurance. The operating profit increased by 9.9 per cent to €226.3 million (1–9/2016: €205.9 million). This also includes other expenses amounting to €43.6 million (1–9/2016: €39.6 million). The UNIQA Group's earnings before taxes increased by 21.8 per cent to €181.4 million (1–9/2016: €148.9 million).

Net profit/(loss) for the first nine months of 2017 amounted to €115.5 million (1–9/2016: €149.9 million). This includes a loss from discontinued operations (after tax) amounting to €–33.1 million (1–9/2016: €26.0 million) as a result of purchase price adjustments in connection with the sale of the Italian group companies. Consolidated profit/(loss) (i.e. profit or loss for the period attributable to the shareholders of UNIQA Insurance Group AG) thus decreased by 23.1 per cent to €114.4 million (1–9/2016: €148.8 million). Earnings per share amounted to €0.37 (1–9/2016: €0.48).

Annualised operating return on equity (earnings before taxes and amortisation of goodwill and impairment losses in relation to average equity including non-controlling interests, and excluding the accumulated profits of the valuation of financial instruments available for sale) improved in the first three quarters of 2017, after factoring out the Italian group companies, to 9.4 per cent (1–9/2016: 8.4 per cent). The annualised return on equity (after tax and non-controlling interests) for the reporting period was 4.8 per cent (1–9/2016: 6.1 per cent).

Group equity and total assets

Total equity attributable to the shareholders of UNIQA Insurance Group AG amounted to €3,107.6 million as at 30 September 2017 (31 December 2016: €3,186.3 million). The non-controlling interests came to €14.4 million (31 December 2016: €26.5 million). Total assets fell as at 30 September 2017 to €28,679.6 million due to the sale of the Italian group companies (31 December 2016: €33,639.2 million).

Cash flow

Net cash flow from operating activities in the first three quarters of 2017 amounted to €354.5 million (1-9/2016: €558.9 million). Cash flow from the UNIQA Group's investing activities, in line with investment of the revenues received in the reporting period, amounted to €143.6 million (1-9/2016: €-627.4 million), the financing cashflow amounted to €-154.0 million due to dividend payments (1-9/2016: €-147.0 million). Overall, cash and cash equivalents increased by €218.2 million to €893.1 million (1-9/2016: €674.9 million).

Employees

The average number of employees (full-time equivalent) of the UNIQA Group fell in the first nine months of 2017 to 12,797 (1-9/2016: 13,584). These included 4,488 (1-9/2016: 5,390) field sales employees. The number of administrative employees increased to 8,309 (1-9/2016: 8,194).

OPERATING SEGMENTS

UNIQA Austria

The half-year financial report 2016 included an adjustment in the segment reporting of the UNIQA Group. In addition to UNIQA Austria, the UNIQA Austria segment now also includes the figures for the former Raiffeisen Insurance segment.

The premium volume written including savings portions from the unit-linked and index-linked life insurance at UNIQA Austria increased slightly in the first three quarters of 2017 by 0.7 per cent to €2,793.9 million (1-9/2016: €2,774.7 million). Recurring premiums rose by an encouraging 2.0 per cent to €2,772.6 million (1-9/2016: €2,717.5 million). Conversely, single premiums dropped significantly by 62.7 per cent to €21.3 million (1-9/2016: €57.2 million). Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance rose by 1.4 per cent to €2,235.2 million (1-9/2016: €2,203.7 million). The volume of net premiums earned (in accordance with IFRSs) also increased by 1.4 per cent to €2,067.6 million (1-9/2016: €2,040.0 million).

Premiums written in property and casualty insurance rose, due to the continuing growth in vehicle and property insurance, by 3.8 per cent to €1,268.5 million (1-9/2016: €1,222.1 million), and in health insurance also UNIQA Austria recorded premium growth of 2.6 per cent to €737.8 million (1-9/2016: €719.2 million).

Premiums written in life insurance, including savings portions of unit-linked and index-linked life insurance, decreased in the UNIQA Austria segment as a result of the planned contraction in single premium business, falling by 5.5 per cent to €787.7 million (1-9/2016: €833.4 million). Recurring premiums fell by 1.3 per cent to €766.3 million (1-9/2016: €776.2 million). Single premiums fell significantly by 62.7 per cent to €21.3 million (1-9/2016: €57.2 million). Premiums in unit-linked and index-linked life insurance for UNIQA Austria fell in the first three quarters of 2017 by 5.0 per cent to €193.0 million (1-9/2016: €203.2 million).

Net insurance benefits rose slightly in the UNIQA Austria segment in the first nine months of 2017 by 0.3 per cent to €1,761.0 million (1-9/2016: €1,755.5 million). In property and casualty insurance, the combined ratio after reinsurance improved to 92.3 per cent (1-9/2016: 93.3 per cent).

Overall operating expenses, less reinsurance commission received, fell in the first three quarters of 2017 by 5.7 per cent to €400.4 million (1-9/2016: €424.7 million). The cost ratio after reinsurance therefore fell to 17.9 per cent (1-9/2016: 19.3 per cent).

Investment income decreased in the first nine months of 2017 by 4.6 per cent to €339.4 million as a result of lower liquidation proceeds and currency losses (1-9/2016: €355.8 million). Earnings before taxes in the UNIQA Austria segment rose in the first three quarters of 2017 by 17.8 per cent to €193.9 million (1-9/2016: €164.6 million).

UNIQA International

In the UNIQA International segment, premiums written, including savings portions from unit-linked and index-linked life insurance, rose by 19.7 per cent in the first nine months of 2017 to €1,217.7 million, as a result of major contracts in Ukraine and Liechtenstein and strong life insurance growth in Poland (1-9/2016: €1,017.3 million). Single premiums increased significantly to €185.3 million (1-9/2016: €59.6 million). Recurring premiums also rose by 7.8 per cent to €1,032.4 million (1-9/2016: €957.8 million). The international companies thereby contributed a total of 30.1 per cent overall in the first three quarters of 2017 (1-9/2016: 26.7 per cent) to total Group premiums. Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance increased by 24.9 per cent to €864.3 million (1-9/2016: €691.9 million). The volume of premiums earned (net, in accordance with IFRSs) rose by 10.6 per cent to €660.5 million (1-9/2016: €597.3 million).

In Central Europe (CE) – i.e. Hungary, Poland, Slovakia and the Czech Republic – the premium volume written, including savings portions from unit-linked and index-linked life insurance, rose in the first nine months of 2017 by 25.4 per cent to €782.3 million (1-9/2016: €623.9 million). In the region of Eastern Europe (EE), comprising Romania and Ukraine, an increase of 7.0 per cent to €129.2 million was recorded (1-9/2016: €120.8 million). The premium volume written, including savings portions from unit-linked and index-linked life insurance, in Southeastern Europe (SEE) – Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Macedonia, Montenegro and Serbia – increased by 2.9 per cent to €212.0 million (1-9/2016: €205.9 million). In Russia (RU), the volume of premiums written grew by 44.6 per cent to €58.9 million (1-9/2016: €40.8 million). In Western Europe (WE) – Liechtenstein and Switzerland – they increased by 35.9 per cent to €35.3 million (1-9/2016: €26.0 million).

Premiums written in the UNIQA International segment in property and casualty insurance rose by 7.3 per cent to €753.5 million as a result of the strong growth in other property insurance (1-9/2016: €702.5 million). This meant the contribution of Group companies outside Austria to overall premiums in property and casualty insurance amounted to 36.8 per cent (1-9/2016: 36.3 per cent).

Premiums written in health insurance increased in the first three quarters of 2017 by 27.3 per cent to €46.0 million (1-9/2016: €36.1 million). As such, the segment was responsible for 5.9 per cent (1-9/2016: 4.8 per cent) of health insurance premiums in the UNIQA Group.

In the international life insurance business, the premiums written including savings portions from the unit-linked and index-linked life insurance rose in the first nine months of 2017 by 50.1 per cent to €418.2 million (1-9/2016: €278.7 million), largely driven by strong growth in single premiums in unit-linked and index-linked life insurance in Poland. Single premiums multiplied to €185.3 million (1-9/2016: €59.6 million) and recurring premiums also rose by 6.3 per cent to €232.9 million (1-9/2016: €219.1 million). UNIQA International's share of overall life insurance premiums in the UNIQA Group was 34.5 per cent (1-9/2016: 24.9 per cent). Premiums from unit-linked and index-linked life insurance increased strongly in the international area by 121.7 per cent to €215.9 million (1-9/2016: €97.4 million).

In the UNIQA International segment, net insurance benefits increased in the first three quarters of 2017 by 12.0 per cent to €396.6 million (1-9/2016: €354.1 million). In property and casualty insurance, the combined ratio after reinsurance improved to 96.3 per cent (1-9/2016: 99.2 per cent). In the CE region, benefits rose by 13.4 per cent to €196.9 million (1-9/2016: €173.71 million), and in the EE region they rose by 20.2 per cent to €44.2 million (1-9/2016: €36.8 million). In SEE, they fell by 2.6 per cent to €99.4 million (1-9/2016: €102.0 million). In Russia, benefits in the first three quarters of 2017 amounted to €47.8 million (1-9/2016: €34.2 million). In Western Europe, the volume of benefits reached €8.3 million (1-9/2016: €7.3 million).

In the UNIQA International segment, operating expenses less reinsurance commissions received rose by 3.2 per cent to €260.2 million (1-9/2016: €252.2 million). The cost ratio after reinsurance fell to 30.1 per cent (1-9/2016: 36.5 per cent). In CE the costs fell by 2.0 per cent to €130.5 million (1-9/2016: €133.1 million), and in EE they rose by 25.8 per cent to €41.5 million (1-9/2016: €33.0 million). In SEE, they increased by 5.0 per cent to €66.8 million (1-9/2016: €63.6 million). Costs in Russia showed an increase in the first nine months of 2017 to €9.2 million (1-9/2016: €8.2 million). They remained stable in Western Europe at €2.7 million (1-9/2016: €2.7 million). Costs in administration (UNIQA International AG) fell by 18.9 per cent to €9.4 million (1-9/2016: €11.6 million).

Investment income increased in the UNIQA International segment by 5.8 per cent to €47.9 million (1-9/2016: €45.2 million). Earnings before taxes increased by 14.6 per cent to €30.3 million (1-9/2016: €26.4 million).

Reinsurance

Premiums written in reinsurance in the first three quarters of 2017 amounted to €856.4 million (1-9/2016: €866.5 million). Premiums written in property and casualty insurance fell by 1.1 per cent to €821.7 million (1-9/2016: €830.7 million). In health insurance, they amounted to €1.7 million (1-9/2016: €0.4 million) and in life insurance to €33.0 million (1-9/2016: €35.3 million).

Net insurance benefits fell in the reinsurance segment by 1.6 per cent to €527.3 million (1-9/2016: €535.9 million). On the other hand, operating expenses less reinsurance commission received increased slightly by 0.2 per cent to €245.6 million (1-9/2016: €245.0 million). Investment income rose by 5.6 per cent to €22.9 million (1-9/2016: €21.7 million). Earnings before taxes in the reinsurance segment improved to €11.3 million (1-9/2016: €3.5 million).

Group functions

In the Group functions segment, operating expenses less reinsurance commission received rose by 50.2 per cent in the first three quarters of 2017 to €39.8 million as a result of the investments from the innovation programme (1–9/2016: €26.5 million). Investment income amounted to €41.1 million (1–9/2016: €40.5 million). Earnings before taxes amounted to €–39.8 million (1–9/2016: €–24.5 million).

CAPITAL MARKET

UNIQA shares – key figures In €	1–9/2017	1–9/2016	Change
UNIQA share price as at 30 September	8.86	5.79	+ 53.0%
High	8.87	7.45	-
Low	7.09	5.04	-
Market capitalisation as at 30 September (in € million)	2,719.7	1,784.4	+ 52.4%
Earnings per share	0.37	0.48	- 22.8%
Average number of shares in circulation	306,965,261	308,180,350	-

The generally benign trend on stock markets continued in the third quarter of 2017 on the back of substantial corporate profits, the favourable economic position and the prospect of a continuation in the protracted period of low interest rates. The MSCI World Index, which measures share price movements in the industrialised countries, rose by 4.4 per cent in the third quarter and was therefore already 14.2 per cent higher than the level at the end of 2016. An even stronger increase was evident in the MSCI Emerging Markets Index, which climbed by 7.0 per cent in the third quarter of 2017, boosting the gain compared with the end of 2016 to 25.5 per cent. Uncertainties in relation to both domestic and foreign policy had barely any impact on the up-trend in US stock markets in the third quarter of 2017, whereas sharp growth in corporate profits and lower inflation expectations fuelled the rise in share prices. In the year to date, both the Dow Jones Industrial (DJI) and the NASDAQ Composite have hit historic highs a number of times. Overall growth in the third quarter of 2017 reached 4.9 per cent for the DJI and 5.8 per cent for the NASDAQ Composite; the total increase for the first three quarters of 2017 amounted to 13.4 per cent and 20.7 per cent respectively.

Share price trends were rather more subdued in Europe, where the rise in the value of the euro and concerns about a tighter ECB monetary policy led to a fall in prices from the middle of the second quarter of 2017. However, favourable macroeconomic data and, primarily, positive business news produced a sharp uptick in share prices from August 2017, as a result of which the Euro Stoxx 50 ended the third quarter up by a respectable 4.4 per cent, taking the increase for the whole of the current year to date to 9.2 per cent.

As a consequence of positive economic trends in key countries and forecasts of low interest rates over the longer term, prices well and truly skyrocketed in many emerging markets. The CECE Eastern Europe index soared with growth rates similar to those in the MSCI Emerging Markets Index: the gain in the third quarter of 2017 came to 5.4 per cent, pushing the overall gain for the year to date to 23.4 per cent. The region benefited from the strong demand in the fast-growing eurozone this year and a stable domestic economy.

Financial calendar

28 February 2018 <i>Preliminary Figures 2017</i>
12 April 2018 <i>Group Report 2017, Embedded Value 2017, Economic Capital Report 2017</i>
18 May 2018 <i>Record Date for the Annual General Meeting</i>
24 May 2018 <i>First Quarter Report 2018, Solvency and Financial Condition Report 2017</i>
28 May 2018 <i>Annual General Meeting</i>
7 June 2018 <i>Ex-Dividend Date</i>
8 June 2018 <i>Dividend Record Date</i>
11 June 2018 <i>Dividend Payment Date</i>
22 August 2018 <i>Half-Year Financial Report 2018</i>
21 November 2018 <i>First to third Quarter Report 2018</i>

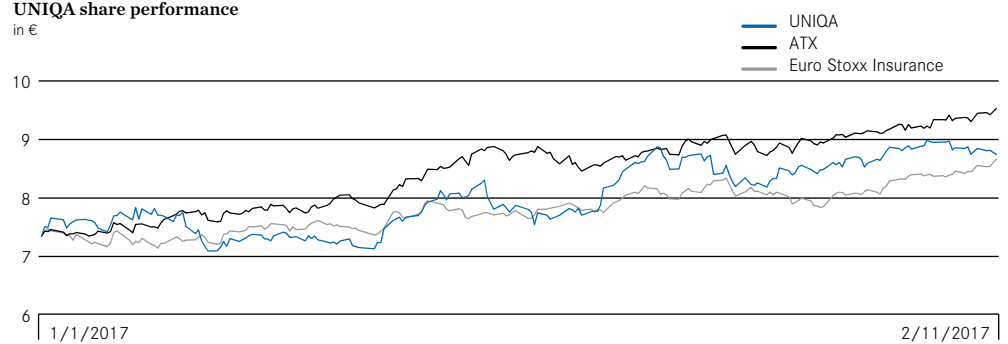
The Austrian ATX index posted gains of 6.7 per cent in the third quarter of 2017, maintaining the impressive upward trend on the Vienna Stock Exchange for the fifth quarter in succession. At the end of September 2017, the index stood at 3,315.97 points, more than 25 per cent higher than the level at the end of 2016. Based on this growth, the Vienna Stock Exchange is one of the most dynamic trading venues in the world. Generally favourable economic data and significant rises in corporate profits are boosting interest in Austrian equities, which is also reflected in corresponding increases in share turnover.

The UNIQA share price remained at a high level in the third quarter of 2017. It reached a high for the year of €8.87 on 17 July 2017. The share price on 30 September 2017 was €8.86. It subsequently held steady within a narrow range and stood at €8.74 on 2 November 2017. Compared with the 2016 year-end price (€7.20), this equates to a gain of 21.4 per cent.

**Information on
UNIQA shares**

Ticker symbol: UQA
Reuters: UNIQVI
Bloomberg: UQA AV
ISIN: AT0000821103
Market segment:
 Vienna Stock Exchange –
 prime market
Trade segment:
 Official market
Indices: ATX, ATX FIN,
 MSCI Europe Small Cap
Number of shares: 309,000,000

UNIQA share performance
in €



EVENTS AFTER THE REPORTING DATE

No events subject to mandatory reporting occurred after the reporting date.

OUTLOOK

As a result of the strong performance in the first three quarters of 2017, UNIQA now expects overall growth in premiums written of around 4 per cent for 2017. More than 4 per cent is expected in property and casualty insurance premiums in 2017, driven by both Austria and CEE. In line with the long-term trend, UNIQA is anticipating an increase of around 3 per cent in health insurance, generated primarily by business in Austria. In contrast, demand is expected to remain sluggish for life insurance in Austria due to the low interest rate environment. For CEE on the other hand, UNIQA expects significant growth in life insurance for 2017, driven by the strength of the single premium business in Poland.

In 2016, UNIQA began the largest investment programme in the company's history, and in the coming years we will be investing around €500 million in redesigning the business model, developing the required staff competencies and necessary IT systems. This significant investment in the future will impact earnings before taxes in the financial year 2017 to a slightly lesser extent than in 2016. In addition, a further decrease in net investment income is to be expected as a consequence of the continuing low interest rate environment. However, capital earnings will not decrease to the same extent as in 2016.

Conversely, UNIQA is striving to improve the combined ratio (after reinsurance) in 2017 to 97.5 per cent. This means increasing profitability for the core business in property and casualty insurance.

Overall, UNIQA is expecting a slight improvement in earnings before taxes for the financial year 2017 – despite the damage caused by bad weather in the third and fourth quarters. Notwithstanding ongoing investments and the challenging low interest rate environment, UNIQA intends to continue increasing its annual distribution per share over the next few years as part of a progressive dividend policy.

Consolidated Statement of Financial Position

Assets In € million	Notes	30/9/2017	31/12/2016
Property, plant and equipment		314.0	265.2
Intangible assets	1	1,510.2	1,492.4
Investments			
Investment property	2	1,261.6	1,350.0
Financial assets accounted for using the equity method		532.3	521.3
Other investments	2	17,732.8	18,153.5
Unit-linked and index-linked life insurance investments		4,951.7	4,879.9
Reinsurers' share of technical provisions		324.1	324.4
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance		306.4	318.6
Receivables, including insurance receivables		783.4	638.7
Income tax receivables		54.7	65.9
Deferred tax assets		6.0	5.6
Cash and cash equivalents		893.1	549.9
Assets in disposal groups held for sale	3	9.3	5,073.7
Total assets		28,679.6	33,639.2

Equity and liabilities In € million	Notes	30/9/2017	31/12/2016
Total equity			
Portion attributable to shareholders of UNIQA Insurance Group AG			
Subscribed capital and capital reserves		1,789.9	1,789.9
Treasury shares		- 16.6	- 16.6
Accumulated results		1,334.3	1,413.0
		3,107.6	3,186.3
Non-controlling interests		14.4	26.5
		3,122.0	3,212.8
Liabilities			
Subordinated liabilities	2	846.3	846.0
Technical provisions		17,455.7	17,609.2
Technical provisions for unit-linked and index-linked life insurance		4,943.7	4,846.6
Financial liabilities	2	39.9	45.5
Other provisions		795.4	798.7
Liabilities and other items classified as liabilities		1,112.4	1,042.2
Income tax liabilities		66.0	79.1
Deferred tax liabilities		298.3	296.7
Liabilities in disposal groups held for sale	3	0.0	4,862.2
		25,557.6	30,426.4
Total equity and liabilities		28,679.6	33,639.2

Consolidated Income Statement

In € million	Notes	1-9/2017	1-9/2016	7-9/2017	7-9/2016
Premiums earned (net)		3,473.0	3,332.4	1,158.1	1,102.8
Technical interest income		256.6	266.2	90.8	95.4
Other insurance income		13.3	19.7	3.9	8.1
Insurance benefits	6	-2,659.0	-2,585.1	-910.0	-876.7
Operating expenses	5	-942.7	-934.5	-296.9	-303.8
Other technical expenses		-43.3	-40.9	-19.6	-13.7
Technical result		97.9	57.8	26.2	12.2
Investment income	7	393.6	419.4	160.1	167.0
Net investment income		746.7	659.4	237.7	259.5
Expenses from investments		-374.4	-251.0	-103.7	-112.7
Financial assets accounted for using the equity method		21.3	11.0	26.1	20.1
Other income		35.0	34.5	6.1	0.5
Reclassification of technical interest income		-256.6	-266.2	-90.8	-95.4
Other expenses		-43.6	-39.6	-0.6	-3.6
Non-technical result		128.4	148.1	74.8	68.4
Operating profit/(loss)		226.3	205.9	101.0	80.6
Amortisation of goodwill and impairment losses		-4.2	-6.5	-1.4	-1.4
Finance costs		-40.7	-50.5	-13.6	-17.0
Earnings before taxes		181.4	148.9	85.9	62.2
Income taxes		-32.8	-24.9	-13.1	-5.9
Profit/(loss) for the period from continuing operations		148.5	124.0	72.8	56.4
Profit/(loss) from discontinued operations (after tax)		-33.1	26.0	0.3	2.3
Profit/(loss) for the period		115.5	149.9	73.2	58.7
of which attributable to shareholders of UNIQA Insurance Group AG		114.4	148.8	73.1	58.5
of which attributable to non-controlling interests		1.1	1.1	0.1	0.2
Earnings per share (in €)¹⁾		0.37	0.48	0.24	0.19
Earnings per share from continuing operations		0.48	0.40	0.24	0.18
Earnings per share from discontinued operations		-0.11	0.08	0.00	0.01
Average number of shares in circulation		306,965,261	308,180,350	306,965,261	308,180,350

¹⁾ Diluted earnings per share equate to undiluted earnings per share. This is calculated on the basis of the consolidated profit/(loss).

Consolidated Statement of Comprehensive Income

In € million	1 – 9/2017	1 – 9/2016
Profit/(loss) for the period	115.5	149.9
Items not reclassified to profit or loss in subsequent periods		
Revaluations of defined benefit obligations		
Gains (losses) recognised in equity	0.1	– 61.0
Gains (losses) recognised in equity – deferred tax	0.0	13.7
Gains (losses) recognised in equity – deferred profit participation	0.0	6.4
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	2.2	– 1.3
	2.3	– 42.1
Items reclassified to profit or loss in subsequent periods		
Currency translation		
Gains (losses) recognised in equity	– 1.8	1.5
Recognised in the consolidated income statement	0.0	– 0.5
Valuation of financial instruments available for sale		
Gains (losses) recognised in equity	– 115.3	1,008.4
Gains (losses) recognised in equity – deferred tax	3.9	– 98.1
Gains (losses) recognised in equity – deferred profit participation	130.4	– 641.3
Recognised in the consolidated income statement	– 193.6	– 56.1
Recognised in the consolidated income statement – deferred tax	26.4	1.5
Recognised in the consolidated income statement – deferred profit participation	99.2	51.9
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	4.03	– 8.3
	– 46.7	258.9
of which from discontinued operations	– 16.9	42.6
Other comprehensive income	– 44.4	216.8
Total comprehensive income	71.1	366.7
of which attributable to shareholders of UNIQA Insurance Group AG	72.0	362.2
of which attributable to non-controlling interests	– 0.9	4.6

Consolidated Statement of Cash Flows

In € million	1-9/2017	1-9/2016
Profit/(loss) for the period	115.5	149.9
Impairment losses, amortisation of goodwill and other intangible assets, and depreciation of property, plant and equipment	32.2	33.0
Impairment losses/reversal of impairment losses on other investments	126.6	95.4
Gain/loss on the disposal of investments	-40.1	-65.9
Change in deferred acquisition costs	-2.8	0.0
Change in securities at fair value through profit or loss	-60.4	137.7
Change in direct insurance receivables	-51.5	28.0
Change in other receivables	-92.1	43.5
Change in direct insurance liabilities	7.8	-61.5
Change in other liabilities	58.1	59.9
Change in technical provisions	124.6	270.8
Change in defined benefit obligation	-6.1	-6.7
Change in deferred tax assets and deferred tax liabilities	20.7	-41.3
Change in other statement of financial position items	121.9	-84.0
Net cash flow from operating activities	354.5	558.9
of which from discontinued operations	258.2	441.4
Proceeds from disposal of intangible assets and property, plant and equipment	2.1	2.1
Payments for acquisition of intangible assets and property, plant and equipment	-47.2	-17.7
Proceeds from disposal of consolidated companies	294.0	2.0
Proceeds from disposal and maturity of other investments	3,956.6	3,249.4
Payments for acquisition of other investments	-3,990.3	-3,898.7
Change in unit-linked and index-linked life insurance investments	-71.8	38.9
Net cash flow from investing activities	143.6	-627.4
of which from discontinued operations	35.3	-429.0
Dividend payments	-153.0	-145.9
Payments from other financing activities	-0.9	-0.5
Net cash flow from financing activities	-154.0	-147.0
of which from discontinued operations	0.0	0.0
Change in cash and cash equivalents	344.1	-215.5
of which from discontinued operations	293.5	12.3
Change in cash and cash equivalents due to movements in exchange rates	-0.9	0.4
Cash and cash equivalents at beginning of year	549.9	890.1
Cash and cash equivalents at end of period	893.1	674.9
Income taxes paid (Net cash flow from operating activities)	-9.9	-54.9
Interest paid (Net cash flow from operating activities)	-73.5	-72.8
Interest received (Net cash flow from operating activities)	333.5	381.8
Dividends received (Net cash flow from operating activities)	17.9	44.8

Consolidated Statement of Changes in Equity

	Subscribed capital and capital reserves	Treasury shares	Accumulated	
			Valuation of financial instruments available for sale	Revaluations of defined benefit obligations
In € million				
At 1 January 2016	1,789.9	- 10.9	391.8	- 180.6
Change in basis of consolidation				
Dividends to shareholders				
Total comprehensive income			263.5	- 40.8
Profit/(loss) for the period				
Other comprehensive income			263.5	- 40.8
At 30 September 2016	1,789.9	- 10.9	655.2	- 221.4
At 1 January 2017	1,789.9	- 16.6	453.7	- 187.0
Change in basis of consolidation		0.0	- 45.5	
Dividends to shareholders				
Total comprehensive income			- 47.4	0.0
Profit/(loss) for the period				
Other comprehensive income			- 47.4	0.0
At 30 September 2017	1,789.9	- 16.6	360.8	- 187.0

results	Differences from currency translation	Other accumulated results	Portion attributable to shareholders of UNIQA Insurance Group AG	Non-controlling interests	Total equity
	- 172.5	1,326.7	3,144.5	21.9	3,166.4
		- 2.1	- 2.1	0.8	- 1.3
		- 144.8	- 144.8	- 1.1	- 146.0
	0.4	139.2	362.2	4.6	366.7
		148.8	148.8	1.1	149.9
	0.4	- 9.6	213.4	3.4	216.8
	- 172.1	1,318.9	3,359.7	26.1	3,385.8
	- 174.0	1,320.3	3,186.3	26.5	3,212.8
		45.3	- 0.2	- 8.7	- 8.9
		- 150.4	- 150.4	- 2.6	- 153.0
	- 1.3	120.6	72.0	- 0.9	71.1
		114.4	114.4	1.1	115.5
	- 1.3	6.2	- 42.4	- 2.0	- 44.4
	- 175.2	1,335.7	3,107.6	14.4	3,122.0

Segment Reporting

OPERATING SEGMENTS – CONSOLIDATED INCOME STATEMENT

In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	2,793.9	2,774.7	1,217.7	1,017.3	856.4	866.5
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	2,235.2	2,203.7	864.3	691.9	773.1	770.2
Savings portions in unit-linked and index-linked life insurance (gross)	168.7	179.2	203.8	94.6	0.0	0.0
Savings portions in unit-linked and index-linked life insurance (net)	167.6	163.7	203.8	94.6	0.0	0.0
Premiums written (gross)	2,625.2	2,595.6	1,013.9	922.7	856.4	866.5
Premiums earned (net)	2,067.6	2,040.0	660.5	597.3	773.1	770.2
Premiums earned (net) – intragroup	- 473.8	- 476.1	- 271.8	- 242.6	774.0	793.9
Premiums earned (net) – external	2,541.4	2,516.1	932.4	839.9	- 0.8	- 23.6
Technical interest income	236.8	249.0	19.8	17.2	0.0	0.0
Other insurance income	2.3	2.5	12.5	14.9	0.4	0.4
Insurance benefits	- 1,761.0	- 1,755.5	- 396.6	- 354.1	- 527.3	- 535.9
Operating expenses	- 400.4	- 424.7	- 260.2	- 252.2	- 245.6	- 245.0
Other technical expenses	- 22.0	- 19.9	- 24.4	- 24.7	- 8.9	- 7.0
Technical result	123.3	91.3	11.6	- 1.5	- 8.3	- 17.3
Investment income	339.4	355.8	47.9	45.2	22.9	21.7
Net investment income	611.7	518.6	74.7	63.9	32.4	26.8
Expenses from investments	- 285.9	- 174.3	- 27.1	- 18.7	- 9.5	- 5.0
Financial assets accounted for using the equity method	13.6	11.5	0.2	0.0	0.0	0.0
Other income	5.6	4.9	10.0	15.8	3.0	1.6
Reclassification of technical interest income	- 236.8	- 249.0	- 19.8	- 17.2	0.0	0.0
Other expenses	- 17.0	- 17.4	- 13.2	- 10.2	- 4.1	- 2.4
Non-technical result	91.2	94.2	24.9	33.5	21.8	20.9
Operating profit/(loss)	214.5	185.5	36.5	32.0	13.5	3.5
Amortisation of goodwill and impairment losses	- 1.8	- 1.5	- 2.4	- 5.1	0.0	0.0
Finance costs	- 18.8	- 19.5	- 3.8	- 0.5	- 2.2	0.0
Profit/(loss) for the period from continuing operations	193.9	164.6	30.3	26.4	11.3	3.5
Combined ratio (property and casualty insurance, after reinsurance)	92.3%	93.3%	96.3%	99.2%	99.7%	101.2%
Cost ratio (after reinsurance)	17.9%	19.3%	30.1%	36.5%	31.8%	31.8%

Group function		Consolidation		Group	
1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
0.0	0.0	-824.2	-846.3	4,043.9	3,812.3
0.0	0.0	-28.3	-75.1	3,844.4	3,590.8
0.0	0.0	0.0	0.0	372.5	273.8
0.0	0.0	0.0	0.0	371.4	258.4
0.0	0.0	-824.2	-846.3	3,671.3	3,538.5
0.0	0.0	-28.3	-75.1	3,473.0	3,332.4
0.0	0.0	-28.3	-75.1	0.0	0.0
0.0	0.0	0.0	0.0	3,473.0	3,332.4
0.0	0.0	0.0	0.0	256.6	266.2
0.4	3.6	-2.3	-1.8	13.3	19.7
7.6	5.8	18.3	54.6	-2,659.0	-2,585.1
-39.8	-26.5	3.3	13.9	-942.7	-934.5
-1.0	-0.3	13.1	11.1	-43.3	-40.9
-32.8	-17.4	4.1	2.7	97.9	57.8
41.1	40.5	-57.7	-43.8	393.6	419.4
106.9	122.7	-79.0	-72.6	746.7	659.4
-68.8	-83.6	16.8	30.7	-374.4	-251.0
3.1	1.4	4.5	-1.9	21.3	11.0
13.1	9.4	3.3	2.9	35.0	34.5
0.0	0.0	0.0	0.0	-256.6	-266.2
-11.6	-6.5	2.2	-2.9	-43.6	-39.6
42.6	43.4	-52.2	-43.9	128.4	148.1
9.8	26.0	-48.0	-41.1	226.3	205.9
0.0	0.0	0.0	0.0	-4.2	-6.5
-49.6	-50.5	33.6	20.0	-40.7	-50.5
-39.8	-24.5	-14.4	-21.2	181.4	148.9
n/a	n/a	n/a	n/a	97.1%	98.3%
n/a	n/a	n/a	n/a	24.5%	26.0%

OPERATING SEGMENTS – CLASSIFIED BY BUSINESS LINE

Property and casualty insurance	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
In € million						
Premiums written (gross)	1,268.5	1,222.1	753.5	702.5	821.7	830.7
Premiums earned (net)	743.2	700.1	411.1	385.9	757.0	753.9
Other insurance income	1.6	1.8	8.5	11.3	0.2	0.2
Insurance benefits	-507.4	-484.1	-240.3	-231.6	-512.8	-520.6
Operating expenses	-178.8	-168.9	-155.4	-151.3	-242.1	-242.5
Other technical expenses	-5.4	-4.7	-22.6	-22.9	-6.2	-4.2
Technical result	53.1	44.3	1.3	-8.6	-4.0	-13.3
Investment income	24.4	34.7	20.4	24.5	15.6	14.3
Net investment income	107.8	57.1	31.9	27.7	25.1	19.3
Expenses from investments	-83.6	-22.6	-11.6	-3.1	-9.5	-5.0
Financial assets accounted for using the equity method	0.2	0.1	0.2	0.0	0.0	0.0
Other income	4.5	3.6	4.9	5.4	3.0	1.6
Other expenses	-12.9	-13.7	-9.4	-7.5	-4.1	-2.4
Non-technical result	16.0	24.6	15.9	22.4	14.6	13.4
Operating profit/(loss)	69.2	68.9	17.2	13.8	10.6	0.1
Amortisation of goodwill and impairment losses	0.0	0.0	-2.2	-2.2	0.0	0.0
Finance costs	0.0	0.0	-3.8	-0.5	-2.2	0.0
Profit/(loss) for the period from continuing operations	69.2	68.9	11.3	11.0	8.4	0.1

Health insurance	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
In € million						
Premiums written (gross)	737.8	719.2	46.0	36.1	1.7	0.4
Premiums earned (net)	734.7	716.0	41.2	32.9	1.6	0.5
Technical interest income	60.7	58.0	0.0	0.0	0.0	0.0
Other insurance income	0.2	0.3	0.1	1.2	0.0	0.0
Insurance benefits	-634.0	-624.7	-25.6	-21.0	-0.3	-0.1
Operating expenses	-92.4	-102.9	-14.7	-14.2	-0.8	0.0
Other technical expenses	-0.1	-0.4	-0.2	0.0	0.0	0.0
Technical result	69.2	46.2	0.8	-1.1	0.6	0.3
Investment income	91.7	72.6	0.1	0.3	0.0	0.0
Net investment income	212.6	118.9	0.5	0.4	0.0	0.0
Expenses from investments	-126.5	-50.2	-0.4	-0.1	0.0	0.0
Financial assets accounted for using the equity method	5.7	3.9	0.0	0.0	0.0	0.0
Other income	0.5	0.8	2.4	1.3	0.0	0.0
Reclassification of technical interest income	-60.7	-58.0	0.0	0.0	0.0	0.0
Other expenses	-2.0	-2.0	-2.1	-1.1	0.0	0.0
Non-technical result	29.4	13.4	0.3	0.4	0.0	0.0
Operating profit/(loss)	98.6	59.6	1.1	-0.6	0.6	0.3
Finance costs	0.0	0.0	0.0	0.0	0.0	0.0
Profit/(loss) for the period from continuing operations	98.6	59.6	1.1	-0.6	0.6	0.3

Group function		Consolidation		Group	
1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
0.0	0.0	-795.2	-817.7	2,048.4	1,937.6
0.0	0.0	-27.5	-74.9	1,883.7	1,765.0
0.4	3.6	-2.1	-1.5	8.6	15.5
0.1	0.2	19.0	55.0	-1,241.3	-1,181.2
-15.1	-5.3	3.6	13.8	-587.8	-554.2
-0.4	-0.2	8.7	6.6	-26.0	-25.4
-15.0	-1.6	1.7	-1.0	37.1	19.7
34.3	54.3	-18.4	-19.2	76.4	108.6
69.2	95.2	-33.7	-28.8	200.3	170.5
-36.3	-41.5	10.6	5.1	-130.5	-67.1
1.5	0.5	4.7	4.5	6.5	5.2
11.4	7.7	1.5	2.9	25.4	21.1
-9.3	-4.8	2.3	-2.4	-33.5	-30.8
36.4	57.1	-14.7	-18.8	68.3	98.8
21.4	55.5	-13.0	-19.8	105.4	118.5
0.0	0.0	0.0	0.0	-2.2	-2.2
-44.4	-50.4	9.7	0.5	-40.6	-50.4
-22.9	5.1	-3.3	-19.3	62.6	65.8

Group function		Consolidation		Group	
1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
0.0	0.0	-2.0	-0.6	783.5	755.2
0.0	0.0	0.0	-0.1	777.5	749.3
0.0	0.0	0.0	0.0	60.7	58.0
0.0	0.0	0.0	0.0	0.4	1.5
7.4	5.6	-0.1	0.1	-652.5	-640.1
-10.9	-7.0	0.4	0.0	-118.3	-124.1
-0.3	-0.1	0.0	0.0	-0.6	-0.5
-3.7	-1.5	0.3	0.0	67.2	44.0
-3.1	-2.9	-8.1	-6.4	80.6	63.6
0.7	1.8	-8.3	-4.6	205.5	116.5
-4.2	-4.6	0.5	0.7	-130.6	-54.3
0.3	0.0	-0.3	-2.5	5.7	1.4
1.6	1.4	1.5	0.0	5.9	3.5
0.0	0.0	0.0	0.0	-60.7	-58.0
-1.5	-1.1	0.5	0.0	-5.2	-4.3
-3.1	-2.6	-6.1	-6.4	20.5	4.8
-6.7	-4.1	-5.8	-6.5	87.7	48.7
-0.1	-0.1	0.0	0.0	-0.1	-0.1
-6.8	-4.2	-5.8	-6.5	87.7	48.6

Life insurance In € million	UNIQA Austria		UNIQA International		Reinsurance	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	787.7	833.4	418.2	278.7	33.0	35.3
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	757.3	787.6	412.1	273.1	14.6	15.9
Savings portions in unit-linked and index-linked life insurance (gross)	168.7	179.2	203.8	94.6	0.0	0.0
Savings portions in unit-linked and index-linked life insurance (net)	167.6	163.7	203.8	94.6	0.0	0.0
Premiums written (gross)	618.9	654.2	214.4	184.1	33.0	35.3
Premiums earned (net)	589.7	623.9	208.3	178.5	14.6	15.9
Technical interest income	176.1	191.1	19.8	17.2	0.0	0.0
Other insurance income	0.5	0.4	3.9	2.4	0.2	0.2
Insurance benefits	-619.6	-646.7	-130.7	-101.5	-14.3	-15.2
Operating expenses	-129.2	-153.0	-90.1	-86.7	-2.7	-2.5
Other technical expenses	-16.5	-14.8	-1.6	-1.8	-2.7	-2.8
Technical result	1.0	0.8	9.4	8.2	-5.0	-4.3
Investment income	223.3	248.5	27.3	20.4	7.3	7.4
Net investment income	291.3	342.6	42.3	35.9	7.3	7.4
Expenses from investments	-75.7	-101.6	-15.0	-15.5	0.0	0.0
Financial assets accounted for using the equity method	7.7	7.5	0.0	0.0	0.0	0.0
Other income	0.6	0.5	2.8	9.1	0.0	0.0
Reclassification of technical interest income	-176.1	-191.1	-19.8	-17.2	0.0	0.0
Other expenses	-2.0	-1.7	-1.6	-1.6	0.0	0.0
Non-technical result	45.7	56.2	8.7	10.7	7.3	7.4
Operating profit/(loss)	46.8	57.0	18.1	18.8	2.3	3.1
Amortisation of goodwill and impairment losses	-1.8	-1.5	-0.2	-2.8	0.0	0.0
Finance costs	-18.8	-19.5	0.0	0.0	0.0	0.0
Profit/(loss) for the period from continuing operations	26.2	36.0	17.9	16.0	2.3	3.1

UNIQA INTERNATIONAL – REGIONS

In € million	Premiums earned (net)		Investment income		Insurance benefits		Operating expenses		Profit/(loss) for the period from continuing operations	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
Western Europe (WE)	11.3	10.1	-0.6	0.2	-8.3	-7.3	-2.7	-2.7	0.2	1.3
Central Europe (CE)	344.5	306.3	21.1	22.6	-196.9	-173.7	-130.5	-133.1	25.8	19.1
Eastern Europe (EE)	84.1	73.8	6.2	8.2	-44.2	-36.8	-41.5	-33.0	1.2	3.3
Southeastern Europe (SEE)	164.9	167.3	14.7	16.4	-99.4	-102.0	-66.8	-63.6	9.2	10.7
Russia (RU)	55.7	39.8	8.5	-1.9	-47.8	-34.2	-9.2	-8.2	7.2	3.9
Administration	0.0	0.0	-2.0	-0.2	0.0	0.0	-9.4	-11.6	-13.3	-11.8
Total	660.5	597.3	47.9	45.2	-396.6	-354.1	-260.2	-252.2	30.3	26.4

	Group function		Consolidation		Group	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
	0.0	0.0	-27.0	-28.0	1,211.9	1,119.4
	0.0	0.0	-0.8	0.0	1,183.2	1,076.5
	0.0	0.0	0.0	0.0	372.5	273.8
	0.0	0.0	0.0	0.0	371.4	258.4
	0.0	0.0	-27.0	-28.0	839.4	845.6
	0.0	0.0	-0.8	0.0	811.8	818.2
	0.0	0.0	0.0	0.0	195.9	208.3
	0.0	0.0	-0.2	-0.3	4.3	2.7
	0.0	0.0	-0.6	-0.5	-765.3	-763.8
	-13.8	-14.2	-0.6	0.1	-236.5	-256.3
	-0.3	0.0	4.5	4.5	-16.7	-14.9
	-14.1	-14.3	2.2	3.7	-6.4	-5.9
	9.9	-10.9	-31.2	-18.2	236.6	247.3
	37.0	25.8	-37.0	-39.2	340.9	372.4
	-28.3	-37.5	5.8	25.0	-113.3	-129.6
	1.3	0.9	0.1	-3.9	9.1	4.5
	0.1	0.4	0.4	0.0	3.8	10.0
	0.0	0.0	0.0	0.0	-195.9	-208.3
	-0.8	-0.6	-0.6	-0.5	-5.0	-4.4
	9.3	-11.1	-31.4	-18.6	39.6	44.5
	-4.9	-25.4	-29.2	-14.9	33.1	38.7
	0.0	0.0	0.0	0.0	-2.1	-4.3
	-5.2	0.0	24.0	19.5	0.0	0.0
	-10.1	-25.4	-5.2	4.6	31.1	34.4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CLASSIFIED BY BUSINESS LINE

In € million	Property and casualty insurance		Health insurance	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016
Assets				
Property, plant and equipment	160.5	151.1	39.6	30.6
Intangible assets	487.7	451.3	248.8	242.3
Investments				
Investment property	262.9	285.9	237.3	275.3
Financial assets accounted for using the equity method	56.7	52.1	183.3	180.8
Other investments	4,676.2	4,510.0	2,785.8	2,825.9
Unit-linked and index-linked life insurance investments	0.0	0.0	0.0	0.0
Reinsurers' share of technical provisions	186.9	188.1	1.5	1.9
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Receivables, including insurance receivables	344.8	651.5	367.5	44.7
Income tax receivables	51.7	64.4	0.6	0.1
Deferred tax assets	1.0	1.1	0.3	0.4
Cash and cash equivalents	455.7	288.6	206.8	78.9
Assets in disposal groups held for sale	0.0	219.3	0.0	33.7
Total assets by business line	6,684.1	6,863.5	4,071.5	3,714.5
Liabilities				
Subordinated liabilities	851.4	851.2	0.0	0.0
Technical provisions	3,205.2	2,908.3	2,989.1	2,882.1
Technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Financial liabilities	7.3	16.0	28.8	29.2
Other provisions	495.8	749.6	294.9	22.3
Liabilities and other items classified as liabilities	570.8	644.9	38.3	15.4
Income tax liabilities	64.2	75.8	1.0	2.9
Deferred tax liabilities	49.4	37.4	136.9	147.5
Liabilities in disposal groups held for sale	0.0	332.3	0.0	55.0
Total liabilities by business line	5,244.1	5,615.5	3,489.1	3,154.4

Life insurance		Consolidation		Group	
30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016
113.9	83.6	0.0	0.0	314.0	265.2
791.4	810.0	- 17.7	- 11.2	1,510.2	1,492.4
761.4	788.8	0.0	0.0	1,261.6	1,350.0
292.4	288.4	0.0	0.0	532.3	521.3
10,904.1	11,467.4	- 633.2	- 649.8	17,732.8	18,153.5
4,951.7	4,879.9	0.0	0.0	4,951.7	4,879.9
146.1	146.5	- 10.3	- 12.0	324.1	324.4
306.4	318.6	0.0	0.0	306.4	318.6
213.3	235.2	- 142.2	- 292.7	783.4	638.7
2.4	1.3	0.0	0.0	54.7	65.9
4.6	4.0	0.0	0.0	6.0	5.6
230.6	182.4	0.0	0.0	893.1	549.9
9.3	4,820.7	0.0	0.0	9.3	5,073.7
18,727.5	24,026.9	- 803.4	- 965.7	28,679.6	33,639.2
410.8	410.7	- 415.9	- 415.9	846.3	846.0
11,284.2	11,842.7	- 22.8	- 23.9	17,455.7	17,609.2
4,943.7	4,846.6	0.0	0.0	4,943.7	4,846.6
188.7	198.1	- 184.9	- 197.8	39.9	45.5
21.0	37.4	- 16.3	- 10.6	795.4	798.7
667.4	695.0	- 164.1	- 313.1	1,112.4	1,042.2
0.7	0.5	0.0	0.0	66.0	79.1
112.0	111.7	0.0	0.0	298.3	296.7
0.0	4,474.9	0.0	0.0	0.0	4,862.2
17,628.6	22,617.7	- 804.1	- 961.2	25,557.6	30,426.4
Consolidated equity and non-controlling interests				3,122.0	3,212.8
Total equity and liabilities by business line				28,679.6	33,639.2

The amounts indicated for each business line have been adjusted to eliminate amounts resulting from internal transactions. Therefore, the balance of segment assets and segment equity and liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective business line.

Notes to the Condensed Consolidated Interim Financial Statements

ACCOUNTING REGULATIONS

The consolidated interim financial statements as at 30 September 2017 were prepared in accordance with the requirements of IAS 34 and the International Financial Reporting Standards (IFRSs) of the International Accounting Standards Board (IASB) recognised by the European Union (EU) as well as the interpretations of the IFRS Interpretations Committee. The additional requirements of Section 245a(1) of the Austrian Commercial Code and Section 138(8) of the Austrian Insurance Supervision Act were met.

The accounting, measurement and consolidation principles correspond to those applied in the consolidated financial statements as at 31 December 2016. The functional currency for UNIQA Insurance Group AG is the euro.

On 1 July 2008, securities previously available for sale were reclassified according to IAS 39/50E as other loans. Overall, fixed-income securities with a carrying amount of €2,129.6 million were reclassified. The corresponding revaluation reserve amounted to €-98.2 million as at 30 June 2008. The fair value as at 30 September 2017 amounted to €242.8 million (31 December 2016: €487.3 million). The carrying amount of the reclassified securities as at 30 September 2017 was €219.4 million (31 December 2016: €462.5 million).

In accordance with IAS 34.41, estimates and planning have been used to a greater extent in preparing the quarterly financial statements than for annual reporting.

The consolidated interim financial statements were prepared in millions of euros (rounded based on commercial rounding methods). Rounding differences may occur when totalling rounded amounts and percentages.

BASIS OF CONSOLIDATION

The basis of consolidation – including UNIQA Insurance Group AG – included 98 consolidated companies (31 December 2016: 116) and 7 associates (31 December 2016: 7) accounted for using the equity method.

By way of a resolution dated 27 July 2015, UNIQA decided to divest its 29 per cent holding in Medial Beteiligungs-Gesellschaft mbH (Vienna). This is therefore reported under assets in disposal groups held for sale (Group functions segment). Medial Beteiligungs-Gesellschaft m.b.H. has an equity investment of around 38 per cent in Casinos Austria Aktiengesellschaft (Vienna); correspondingly, UNIQA holds an interest of around 11 per cent in Casinos Austria Aktiengesellschaft. By means of a transfer agreement dated 3 January 2017, UNIQA sold its 29 per cent holding in Medial Beteiligungs-Gesellschaft mbH to CAME Holding GmbH (Vienna). The sale to CAME Holding GmbH is subject to a condition precedent. The conditions precedent are essentially approvals required under public law. Closing is expected in the first half of 2018.

The sale of the 99.7 per cent holding in UNIQA Assicurazioni S.p.A. (Milan, Italy) to Società Reale Mutua di Assicurazioni (Turin, Italy), as decided by the Supervisory Board on 2 December 2016, was closed on 16 May 2017. This also included the company's subsidiaries operating in Italy: UNIQA Previdenza S.p.A. (Milan, Italy) and UNIQA Life S.p.A. (Milan, Italy).

Further changes in the basis of consolidation relate to mergers in the period between 27 May 2017 and 9 September 2017 of a total of 15 companies (14 real estate companies and a domestic group service company) into the companies UNIQA Real Estate Property Holding GmbH (Vienna), UNIQA Retail Property GmbH (Vienna) (previously: Raiffeisen-Fachmarktzentrum VIER GmbH) and R-FMZ Immobilienholding GmbH (Vienna).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. Intangible assets

In € million	30/9/2017	31/12/2016
Deferred acquisition costs	1,137.6	1,134.9
Insurance contract portfolio	14.1	18.3
Goodwill	295.7	295.4
Other intangible assets	62.8	43.8
Total	1,510.2	1,492.4

2. Investments plus valuation hierarchies for fair value measurements

Other investments are broken down into the following classes and categories of financial instruments:

At 30 September 2017	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
In € million						
Financial assets recognised at fair value through profit or loss	32.2	274.1	0.0	159.8	59.6	525.7
Available-for-sale financial assets	820.8	15,587.1	0.0	0.0	0.0	16,407.9
Loans and receivables	0.0	219.4	579.8	0.0	0.0	799.3
Total	853.0	16,080.6	579.8	159.8	59.6	17,732.8
of which fair value option	32.2	274.1	0.0	0.0	0.0	306.3

At 31 December 2016	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
In € million						
Financial assets recognised at fair value through profit or loss	44.3	231.0	0.0	135.1	59.9	470.3
Available-for-sale financial assets	671.7	15,818.9	0.0	0.0	0.0	16,490.6
Loans and receivables	0.0	462.5	730.1	0.0	0.0	1,192.6
Total	716.0	16,512.4	730.1	135.1	59.9	18,153.5
of which fair value option	44.3	231.0	0.0	0.0	0.0	275.3

Fair value hierarchy

A range of Group accounting policies and disclosures require the determination of the fair value of financial and non-financial assets and liabilities. The Group has defined a control framework with regard to the calculation of fair value. This includes a measurement team, which bears general responsibility for monitoring all major measurements of fair value, including Level 3 fair values, and reports to the Group Management Board.

The measurement team carries out a regular review of the major unobservable inputs and the measurement adjustments. If information from third parties (e.g. price quotations from brokers or price information services) is used to determine fair values, the measurement team examines the evidence obtained from the third parties for the conclusion that such measurements meet the requirements of IFRSs, including the level in the fair value hierarchy to which these measurements are attributable. Major items in the measurement are reported to the Audit Committee.

As far as possible, the Group uses data that are observable on the market when determining the fair value of an asset or a liability. On the basis of the inputs used in the valuation techniques, the fair values are assigned to different levels in the fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities. At UNIQA these primarily involve quoted shares, quoted bonds and quoted investment funds.
- Level 2: valuation parameters that are not quoted prices included in Level 1 but which can be observed for the asset or liability either directly (i.e. as a price) or indirectly (i.e. derived from prices), or are based on prices on markets that have been classified as inactive. The parameters that can be observed here include, for example, exchange rates, yield curves and volatilities. At UNIQA these include in particular quoted bonds that do not fulfil the conditions under Level 1, along with structured products.
- Level 3: valuation parameters for assets or liabilities that are not based or are only partly based on observable market data. The valuations here primarily involve application of the discounted cash flow method, comparative procedures with instruments for which there are observable prices and other procedures. As there are no observable parameters here in many cases, the estimates used can have a significant impact on the result of the valuation. At UNIQA it is primarily other equity investments, private equity and hedge funds, ABS and structured products that do not fulfil the conditions under Level 2 that come under Level 3.

If the inputs used to determine the fair value of an asset or a liability can be assigned to different levels of the fair value hierarchy, the entire fair value measurement is assigned to the respective level of the fair value hierarchy that corresponds to the lowest input significant for the measurement overall.

The Group recognises reclassifications between different levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

Valuation process and methods

Financial instruments measured at fair value

For the valuation of capital investments, procedures that are best suited for appropriate ascertainment of the value are applied primarily in the Group. The following standard valuation procedures are applied for financial instruments which come under Levels 2 and 3:

Market value-oriented approach

The valuation method in the market value-oriented approach is based on prices or other material information from market transactions which involve identical or comparable assets and liabilities.

Net present value approach

The net present value approach corresponds to the method whereby the future (expected) payment flows or earnings are inferred on a current amount.

Cost-oriented approach

The cost-oriented approach generally corresponds to the value which would have to be applied in order to procure the asset once again.

Non-financial assets and loans

The fair value of investment property within the scope of the impairment test in accordance with IAS 36, as well as for the disclosures according to IFRS 13, is determined based on expert reports.

The loans are accounted for at amortised cost in accordance with the valuation method in the “Loans and receivables” category. Any required impairment is determined with due regard to the collateral and the debtor’s creditworthiness.

Financial liabilities

The fair value of financial liabilities and subordinated liabilities is determined using the discounted cash flow method. Yield curves and CDS spreads are used as inputs.

Valuation methods and inputs in the determination of fair values

Assets	Price method	Input factors	Price model
Fixed-income securities			
Listed bonds	Listed price	-	-
Not listed bonds	Theoretical price	CDS spread, yield curves	Present value method
Unquoted asset backed securities	Theoretical price	-	Discounted cash flow, single deal review, peer
Variable-income securities			
Listed shares/investment funds	Listed price	-	-
Private equities	Theoretical price	Certified net asset values	Net asset value method
Hedge funds	Theoretical price	Certified net asset values	Net asset value method
Other shares	Theoretical value	WACC, (long-term) revenue growth rate, (long-term) profit margins, control premium	Expert opinion
Derivative financial instruments			
Equity basket certificate	Theoretical price	CDS spread, yield curves	Black-Scholes Monte Carlo N-DIM
CMS floating rate note	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Libor market model, Hull-White-Garman-Kohlhagen Monte Carlo
CMS spread certificate	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Contract specific model
Fund basket certificate	Theoretical price	Deduction of fund prices	Contract specific model
FX (Binary) option	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM
Option (Inflation, OTC, OTC FX options)	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes Monte Carlo N-DIM, contract specific model, inflation market model NKIS
Structured bonds	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, LMM
Swap, cross currency swap	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black-Scholes-Garman-Kohlhagen Monte Carlo N-DIM, Black 76 model, Libor market model, contract specific model
Swaption, total return swaption	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Black - basis point volatility, contract specific model
Variance, volatility, correlation swap	Theoretical price	CDS spread, yield curves, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	Contract specific model, Heston - Monte Carlo optimal strategy
Investments from investment contracts			
Listed shares/investment funds	Listed price	-	-
Not listed investment funds	Theoretical price	CDS spread, yield curves	Present value method
Loans and receivables			
Loans	Theoretical value	Collateral, creditworthiness	Discounted cash flow
Others			
Land and buildings	Theoretical value	Construction and property value, location, useable area, usage category, condition, current contractual rent rates and current vacancies including rental forecasts	Income value method, asset value method, income value and net asset value weighted

Valuation hierarchy**Assets and liabilities measured at fair value**

In € million	Level 1		Level 2		Level 3		Total	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016
Available-for-sale financial assets								
Variable-income securities	685.4	394.3	0.2	6.8	135.3	270.7	820.8	671.7
Fixed-income securities	12,155.4	11,501.7	3,152.2	3,890.6	279.5	426.6	15,587.1	15,818.9
Total	12,840.8	11,896.0	3,152.3	3,897.3	414.8	697.3	16,407.9	16,490.6
Financial assets recognised at fair value through profit or loss								
Variable-income securities	0.0	0.0	19.1	25.1	13.1	19.2	32.2	44.3
Fixed-income securities	144.5	92.7	68.5	77.5	61.0	60.8	274.1	231.0
Derivative financial instruments	0.1	0.0	82.0	73.7	77.8	61.4	159.8	135.1
Investments from investment contracts	56.8	58.3	1.0	1.6	1.8	0.0	59.6	59.9
Total	201.4	151.0	170.5	177.9	153.8	141.4	525.7	470.3
Assets in disposal groups held for sale	0.0	3,764.0	0.0	357.6	0.0	32.2	0.0	4,153.8

In € million	Level 1		Level 2		Level 3		Total	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016
Financial liabilities								
Derivative financial instruments	0.1	0.0	22.7	30.6	3.1	0.0	25.8	30.6
Total	0.1	0.0	22.7	30.6	3.1	0.0	25.8	30.6

Fair values of assets and liabilities measured at amortised cost

In € million	Level 1		Level 2		Level 3		Total	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016
Investment property	0.0	0.0	0.0	0.0	2,141.2	2,248.3	2,141.2	2,248.3
Loans and receivables								
Loans and other investments	0.0	0.0	0.0	0.0	34.7	40.0	34.7	40.0
Fixed-income securities	59.8	51.5	150.3	341.0	32.7	94.8	242.8	487.3
Total	59.8	51.5	150.3	341.0	67.4	134.8	277.4	527.3
Assets in disposal groups held for sale	0.0	0.0	0.0	0.0	0.0	5.9	0.0	5.9

In € million	Level 1		Level 2		Level 3		Total	
	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016	30/9/2017	31/12/2016
Financial liabilities								
Liabilities from loans	0.0	0.0	0.0	0.0	14.1	15.0	14.1	15.0
Total	0.0	0.0	0.0	0.0	14.1	15.0	14.1	15.0
Subordinated liabilities	1,041.7	927.2	0.0	0.0	0.0	0.0	1,041.7	927.2

Transfers between levels 1 and 2

Transfers were made in the reporting period from Level 1 to Level 2 amounting to €434.2 million and from Level 2 to Level 1 amounting to €1,040.9 million. These are attributable primarily to changes in trading frequency and trading activity.

Level 3 financial instruments

In accordance with the hierarchy set forth in IFRS 13, Level 3 primarily includes fixed-income securities and other equity investments that come under the category “Available for sale”.

The following table shows the changes in the fair values of financial instruments whose valuation procedures are not based on observable inputs.

In € million	RZB shares	Fixed-income securities	Other	Total
At 1 January 2017	126.1	426.6	286.0	838.6
Transfers from Level 3 to Level 1	- 126.1	0.0	0.0	- 126.1
Transfers into Level 3	0.0	105.2	0.9	106.1
Gains and losses recognised in the income statement	0.0	- 24.6	4.1	- 20.5
Gains and losses recognised in other comprehensive income	0.0	- 2.9	2.3	- 0.6
Purchases	0.0	74.9	8.5	83.4
Sales/redemptions	0.0	- 299.7	- 11.7	- 311.4
Change in basis of consolidation	0.0	0.0	- 4.2	- 4.2
At 30 September 2017	0.0	279.5	285.9	565.4

The transfers between levels 2 and 3 were made as a result of changes in the observability of the relevant inputs. Due to the merger of Raiffeisen Zentralbank Österreich Aktiengesellschaft, Vienna (RZB), with Raiffeisen Bank International AG, Vienna (RBI), UNIQA now holds shares in RBI. Following the market listing of RBI these now have Level 1 input parameters, resulting in a transfer of the former RZB shares to Level 1.

Sensitivities

For the most important financial instruments in Level 3, an increase in the discount rate by 100 basis points results in a 1.7 per cent reduction in the value. A reduction in the discount rate by 100 basis points results in a 2.2 per cent increase in value.

3. Assets and liabilities in disposal groups held for sale

Due to the contract of assignment dated 28 July 2015, the 29 per cent holding in Medial Beteiligungs-Gesellschaft m.b.H. (Vienna) (Medial) is recorded under this item.

On 16 May 2017, the sale of the 99.7 per cent holding in the Group company UNIQA Assicurazioni S.p.A. (Italian Group) was closed. Assets and liabilities that were recorded under the item "Assets and liabilities in disposal groups held for sale" up until the closing were derecognised accordingly.

Assets and liabilities in disposal groups held for sale are as follows:

In € million	30/9/2017	31/12/2016
Assets		
Property, plant and equipment	0.0	21.7
Intangible assets	0.0	112.0
Investments		
Investment property	0.0	1.4
Financial assets accounted for using the equity method	9.3	9.3
Other investments	0.0	4,156.7
Unit-linked and index-linked life insurance investments	0.0	354.2
Reinsurers' share of technical provisions	0.0	206.9
Receivables, including insurance receivables	0.0	163.1
Income tax receivables	0.0	16.7
Deferred tax assets	0.0	19.0
Cash and cash equivalents	0.0	12.7
Assets in disposal groups held for sale	9.3	5,073.7

In € million	30/9/2017	31/12/2016
Liabilities		
Technical provisions	0.0	4,213.5
Technical provisions for unit-linked and index-linked life insurance	0.0	354.2
Other provisions	0.0	11.0
Liabilities and other items classified as liabilities	0.0	231.1
Income tax liabilities	0.0	7.6
Deferred tax liabilities	0.0	44.8
Liabilities in disposal groups held for sale	0.0	4,862.2

In the course of the sale of the Italian Group, UNIQA provided a contractual guarantee to Società Reale Mutua di Assicurazioni in the amount of maximum €40 million from the sales partnership with Veneto Banca S.p.A. (Montebelluna, Italy), which remains in place until 2019.

According to the current status of the insolvency proceedings regarding Veneto Banca S.p.A. that began in June 2017, Banca Intesa Sanpaolo (Turin, Italy) will be taking over part of Veneto Banca's business. However, the sales partnership with the UNIQA Italian Group will probably not be taken over as part of this process. As a result, UNIQA is likely to be liable for payment of the full amount based on the contractual guarantee. A corresponding provision of €40 million has been formed for this purpose.

The Italian Group was finally deconsolidated effective 30 June 2017. The net assets sold and the net profit from the deconsolidation are composed of the following:

In € million	Italian Group	Intragroup balances	Total
Property, plant and equipment	22.6	0.0	22.6
Intangible assets	112.1	0.0	112.1
Investments			
Investment property	1.4	0.0	1.4
Other investments	4,327.3	0.0	4,327.3
Unit-linked and index-linked life insurance investments	361.2	0.0	361.2
Reinsurers' share of technical provisions	201.5	153.3	354.8
Receivables, including insurance receivables	135.8	7.1	143.0
Income tax receivables	16.6	0.0	16.6
Deferred tax assets	22.1	0.0	22.1
Cash and cash equivalents	12.1	0.0	12.1
Assets in disposal groups held for sale	5,212.8	160.4	5,373.2
Technical provisions	4,378.8	0.0	4,378.8
Technical provisions for unit-linked and index-linked life insurance	361.2	0.0	361.2
Financial liabilities	0.0	37.7	37.7
Other provisions	11.5	0.0	11.5
Liabilities and other items classified as liabilities	234.2	20.0	254.2
Income tax liabilities	8.1	0.0	8.1
Deferred tax liabilities	40.2	0.0	40.2
Liabilities in disposal groups held for sale	5,034.0	57.7	5,091.7
Net assets sold			281.5

In € million	
Consideration received in cash	294.1
Adjustments to the sale price	
Obligation connected with the Veneto Banca sales partnership	- 40.0
Other purchase price adjustments	- 17.6
Less net assets sold (including non-controlling interests)	- 281.5
Less the portion of net assets held by non-controlling interests	10.2
Profit/(loss) from the deconsolidation as at 30 September 2017	- 34.9

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

4. Premiums

Premiums earned In € million	1 – 9/2017	1 – 9/2016
Property and casualty insurance	1,883.7	1,765.0
Gross	1,987.2	1,858.7
Reinsurers' share	- 103.5	- 93.7
Health insurance	777.5	749.3
Gross	778.2	749.8
Reinsurers' share	- 0.7	- 0.5
Life insurance	811.8	818.2
Gross	839.3	846.1
Reinsurers' share	- 27.5	- 28.0
Total	3,473.0	3,332.4

Property and casualty insurance premiums written In € million	1 – 9/2017	1 – 9/2016
Direct insurance		
Fire and business interruption insurance	192.6	178.3
Household insurance	140.7	134.3
Other property insurance	193.5	182.6
Motor TPL insurance	451.2	441.9
Other motor insurance	388.3	361.7
Casualty insurance	270.6	261.2
Liability insurance	191.7	185.9
Legal expense insurance	67.0	64.5
Marine, aviation and transport insurance	44.0	45.5
Other forms of insurance	52.2	48.5
Total	1,991.6	1,904.5
Indirect insurance		
Marine, aviation and transport insurance	0.8	1.8
Other forms of insurance	56.0	31.3
Total	56.8	33.1
Total direct and indirect insurance (amount consolidated)	2,048.4	1,937.6

5. Operating expenses

In € million	1 - 9/2017	1 - 9/2016
Property and casualty insurance		
Acquisition costs		
Payments	431.4	413.6
Change in deferred acquisition costs	1.2	- 13.7
Other operating expenses	163.8	162.2
Reinsurance commission and share of profit from reinsurance ceded	- 8.5	- 8.0
	587.8	554.2
Health insurance		
Acquisition costs		
Payments	73.9	79.7
Change in deferred acquisition costs	- 6.9	- 6.5
Other operating expenses	51.6	51.2
Reinsurance commission and share of profit from reinsurance ceded	- 0.3	- 0.3
	118.3	124.1
Life insurance		
Acquisition costs		
Payments	144.5	165.8
Change in deferred acquisition costs	16.1	21.0
Other operating expenses	81.8	76.7
Reinsurance commission and share of profit from reinsurance ceded	- 5.9	- 7.2
	236.5	256.3
Total	942.7	934.5

6. Insurance benefits

In € million	Gross		Reinsurers' share		Net	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
Property and casualty insurance						
Claims expenses						
Claims paid	1,124.6	1,065.5	-25.5	-37.0	1,099.0	1,028.5
Change in provision for unsettled claims	109.1	136.6	5.8	-9.5	114.9	127.1
Total	1,233.7	1,202.2	-19.7	-46.5	1,213.9	1,155.7
Change in insurance provision	-0.1	-0.2	0.0	0.0	-0.1	-0.2
Change in other technical provisions	-0.7	-0.1	0.0	0.0	-0.7	-0.2
Non-profit related and profit-related premium refund expenses	28.1	25.9	0.0	0.0	28.1	25.9
Total benefits	1,261.0	1,227.7	-19.7	-46.5	1,241.3	1,181.2
Health insurance						
Claims expenses						
Claims paid	535.1	509.0	-1.4	0.0	533.7	509.0
Change in provision for unsettled claims	-2.2	3.0	0.6	0.0	-1.6	3.0
Total	532.9	512.1	-0.9	0.0	532.1	512.0
Change in insurance provision	103.6	94.1	-0.2	0.1	103.4	94.1
Change in other technical provisions	0.0	-0.6	0.0	0.0	0.0	-0.6
Non-profit related and profit-related premium refund expenses	17.0	34.5	0.0	0.0	17.0	34.5
Total benefits	653.5	640.1	-1.1	0.0	652.5	640.1
Life insurance						
Claims expenses						
Claims paid	1,218.2	1,330.1	-18.3	-18.5	1,199.9	1,311.6
Change in provision for unsettled claims	-11.8	-33.6	-0.6	0.4	-12.4	-33.2
Total	1,206.3	1,296.4	-18.8	-18.1	1,187.5	1,278.4
Change in insurance provision	-449.7	-534.3	-7.5	-8.4	-457.3	-542.6
Change in other technical provisions	0.0	5.1	-0.2	0.0	-0.2	5.1
Non-profit related and profit-related premium refund expenses and/or (deferred) benefit participation expenses	35.2	23.0	0.0	0.0	35.2	23.0
Total benefits	791.8	790.3	-26.6	-26.5	765.3	763.8
Total	2,706.4	2,658.1	-47.4	-72.9	2,659.0	2,585.1

7. Investment income

Classified by business line	Property and casualty insurance		Health insurance		Life insurance		Group	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
In € million								
Investment property	1.9	3.1	10.7	2.9	32.0	38.1	44.5	44.1
Financial assets accounted for using the equity method	6.5	5.2	5.7	1.4	9.1	4.5	21.3	11.0
Variable-income securities	16.5	41.8	14.6	1.9	8.1	-8.5	39.2	35.2
Available for sale	16.5	41.3	13.5	0.0	15.5	-4.7	45.5	36.6
At fair value through profit or loss	0.0	0.5	1.1	1.9	-7.4	-3.8	-6.3	-1.4
Fixed-income securities	51.0	66.6	37.8	56.6	163.2	198.7	252.0	321.9
Available for sale	51.3	67.1	38.6	55.8	159.2	190.5	249.1	313.4
At fair value through profit or loss	-0.2	-0.5	-0.9	0.8	3.9	8.3	2.9	8.6
Loans and other investments	2.5	3.8	0.9	3.4	30.9	35.4	34.3	42.7
Loans	2.0	1.2	2.3	2.7	5.9	9.1	10.2	13.0
Other investments	0.5	2.6	-1.3	0.7	24.9	26.3	24.1	29.7
Derivative financial instruments	11.0	2.9	17.7	2.5	4.2	-11.2	32.8	-5.8
Investment administration expenses, interest paid and other investment expenses	-13.0	-14.8	-6.7	-5.2	-10.8	-9.7	-30.5	-29.7
Total	76.4	108.6	80.6	63.6	236.6	247.3	393.6	419.4

Classified by type of income	Current income/expenses		Gains/losses from disposals and changes in value		Total		of which impairment	
	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016	1-9/2017	1-9/2016
In € million								
Financial assets recognised at fair value through profit or loss	8.1	-2.0	21.3	3.4	29.4	1.4	0.0	0.0
Variable-income securities (within the framework of fair value option)	1.7	2.6	-8.0	-4.0	-6.3	-1.4	0.0	0.0
Fixed-income securities (within the framework of fair value option)	5.7	0.9	-2.8	7.7	2.9	8.6	0.0	0.0
Derivative financial instruments	0.7	-5.5	32.1	-0.3	32.8	-5.8	0.0	0.0
Investments under investment contracts ¹⁾	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Available-for-sale financial assets	279.3	309.4	15.3	40.5	294.6	349.9	-37.0	-44.5
Variable-income securities	16.1	31.1	29.4	5.5	45.5	36.6	-1.6	-36.8
Fixed-income securities	263.2	278.3	-14.1	35.1	249.1	313.4	-35.3	-7.7
Loans and receivables	36.3	42.6	-2.0	0.1	34.3	42.7	0.0	-0.3
Fixed-income securities	6.5	10.5	0.8	0.2	7.3	10.7	0.0	0.0
Loans and other investments	29.8	32.1	-2.8	-0.1	27.0	32.0	0.0	-0.3
Investment property	63.2	59.9	-18.7	-15.9	44.5	44.1	0.0	0.0
Financial assets accounted for using the equity method	21.3	11.0	0.0	0.0	21.3	11.0	0.0	0.0
Investment administration expenses, interest paid and other investment expenses	-30.5	-29.7	0.0	0.0	-30.5	-29.7	0.0	0.0
Total	377.7	391.3	15.9	28.2	393.6	419.4	-37.0	-44.8

¹⁾ Income from investments under investment contracts is not stated due to its transitory character.

Net profit/(loss) by measurement category

In € million	1-9/2017	1-9/2016
Financial assets recognised at fair value through profit or loss		
Recognised in profit/(loss) for the period	29.4	1.4
Available-for-sale financial assets		
Recognised in profit/(loss) for the period	294.6	349.9
of which reclassified from equity to consolidated income statement	-95.7	-42.9
Recognised in other comprehensive income	-211.0	796.2
Net income	83.6	1,146.1
Loans and receivables		
Recognised in profit/(loss) for the period	34.3	42.7
Financial liabilities measured at amortised cost		
Recognised in profit/(loss) for the period	-40.7	-50.5

The net investment income of €393.6 million (1-9/2016: €419.4 million) includes realised and unrealised profits and losses of €15.9 million (1-9/2016: €28.2 million), which included currency losses of €55.8 million (1-9/2016: currency losses amounting to €19.2 million). These amounts are essentially the result of investments in US dollars.

Currency effects amounting to €-21.2 million (1-9/2016: €0.5 million) were also recorded directly in equity.

8. Discontinued operations

In € million	1-9/2017 ¹⁾	1-9/2016
Premiums earned (net)	349.4	886.9
Technical interest income	23.4	63.8
Other insurance income	0.4	0.2
Insurance benefits	-337.6	-846.2
Operating expenses	-28.7	-80.5
Other technical expenses	-2.0	-7.5
Technical result	4.9	16.6
Investment income	20.3	70.7
Other income	2.2	3.8
Reclassification of technical interest income	-23.4	-63.8
Other expenses	-0.7	-2.6
Non-technical result	-1.6	8.1
Operating profit/(loss)	3.3	24.7
Impairment losses	-0.2	-1.3
Earnings before taxes	3.1	23.4
Income taxes	-0.4	-4.9
Current profit/(loss) from discontinued operations (after tax)	2.7	18.5
Profit/(loss) from deconsolidation	-34.9	7.5
Disposal costs	-0.9	0.0
Profit/(loss) from discontinued operations (after tax)	-33.1	26.0
of which attributable to shareholders of UNIQA Insurance Group AG	-33.0	25.3
of which attributable to non-controlling interests	-0.1	0.7

¹⁾ Due to contractual arrangements with the seller, UNIQA only has a right to the profit of the first quarter of 2017.

OTHER DISCLOSURES

9. Dividends paid

A dividend of €0.49 per share was paid on 12 June 2017 (previous year: €0.47). This corresponds to a distribution amounting to €150.4 million (previous year: €144.8 million).

10. Employees


Average number of employees	1-9/2017	1-9/2016
Total	12,797	13,584
of which sales	4,488	5,390
of which administration	8,309	8,194

Declaration of the Legal Representatives

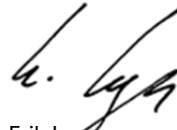
The Management Board of UNIQA Insurance Group AG hereby confirms that, to the best of its knowledge, the condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the interim Group Management Report gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the condensed consolidated interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the material transactions with related parties to be disclosed.

These consolidated interim financial statements were neither audited in full nor reviewed by an auditor.

Vienna, November 2017



Andreas Brandstetter
Chairman of the Group
Management Board



Erik Leyers
Member of the Group
Management Board



Kurt Svoboda
Member of the Group
Management Board

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Clause regarding predictions about the future

This report contains statements which refer to the future development of the UNIQA Group. These statements present estimations which were reached upon the basis of all of the information available to the Group at the present time. If the assumptions on which they are based do not occur, the actual events may vary from the results currently expected. As a result, no guarantee can be provided for the information given.

This is a translation of the German Interim Report of UNIQA Group.
In case of any divergences, the German original is legally binding.

