

Rising to the challenge.

Think



Consolidated Key Figures

In € million	1 – 6/2020	1 – 6/2019	Change
Premiums written	2,674.9	2,662.0	+0.5%
Savings portions from unit-linked and index-linked life insurance (before reinsurance)	152.9	153.0	-0.0%
Premiums written, including savings portions from unit-linked and index-linked life insurance	2,827.8	2,814.9	+0.5%
of which property and casualty insurance	1,565.4	1,535.0	+2.0%
of which health insurance	585.8	568.1	+3.1%
of which life insurance	676.7	711.8	-4.9%
of which income from regular premiums	633.7	656.7	-3.5%
of which single premiums	43.0	55.1	-22.0%
Premiums written, including savings portions from unit-linked and index-linked life insurance	2,827.8	2,814.9	+0.5%
of which UNIQA Austria	2,033.6	1,992.9	+2.0%
of which UNIQA International	778.9	808.0	-3.6%
of which reinsurance	630.7	616.8	+2.3%
of which consolidation	-615.4	-602.7	+2.1%
Premiums earned (net)	2,439.8	2,425.1	+0.6%
of which property and casualty insurance	1,351.5	1,324.5	+2.0%
of which health insurance	576.4	553.7	+4.1%
of which life insurance	511.8	546.9	-6.4%
Savings portions from unit-linked and index-linked life insurance (after reinsurance)	152.9	153.0	-0.0%
Premiums earned, including savings portions from unit-linked and index-linked life insurance	2,592.7	2,578.1	+0.6%
Insurance benefits¹⁾	-1,840.0	-1,857.4	-0.9%
of which property and casualty insurance	-869.2	-861.4	+0.9%
of which health insurance	-494.1	-481.4	+2.6%
of which life insurance ²⁾	-476.7	-514.6	-7.4%
Operating expenses³⁾	-714.4	-696.8	+2.5%
of which property and casualty insurance	-437.5	-427.7	+2.3%
of which health insurance	-102.3	-95.5	+7.2%
of which life insurance	-174.6	-173.6	+0.6%
Net investment income	215.1	303.1	-29.0%
Earnings before taxes	55.4	135.9	-59.2%
Profit/(loss) for the period	44.3	107.7	-58.9%
Consolidated profit/(loss)	40.5	105.6	-61.7%
Investments	20,661.3	20,506.8	+0.8%
Shareholders' equity	3,285.3	3,224.8	+1.9%
Equity, including non-controlling interests	3,307.6	3,239.6	+2.1%
Insured sum in life insurance	83,091.2	83,885.0	-0.9%

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,

With earnings before taxes amounting to €55 million for the first half of 2020, we achieved sound results in spite of the challenging circumstances. The second quarter, with earnings before taxes of €69 million, was significantly stronger and more in line with the profits we can achieve over the long term than the first-quarter result with a loss of €14 million.

Premiums written (including savings portions) increased by 0.5 per cent in the first six months of 2020. Health insurance in particular saw growth (+3.1 per cent) in April and May despite a dramatic decline in new business in some areas, as did property and casualty insurance (+2.0 per cent). In contrast, life insurance fell by 4.9 per cent.

The technical result showed positive development in the first half of 2020. Although we had to absorb expenses of around €90 million in connection with Covid-19, the combined ratio improved to a gratifying 96.7 per cent. Contributing factors here were mobility, which at times was greatly reduced because of Covid-19, and the associated reduction in accidents, as well as a favourable trend in basic losses.

Costs were higher than in the first half of 2019, rising by 2.5 per cent to €714 million. This was largely due to increased investments in our strategic IT project, the UNIQA Insurance Platform (UIP), and the preparations for IFRS 9 and IFRS 17.

Net investment income stood at €215 million, approximately 29 per cent less than the comparative figure for the previous year. During the first half of 2020 we sold no property, whereas in the same period of last year we received income of around €45 million from the sale of real estate. In addition, impairments of approximately €36 million on shares and fixed-income securities had an impact on net investment income for the first half of 2020.

Despite the robust performance of our core business, it is not possible at present to make a profit forecast – primarily due to the uncertainty caused by the Covid-19 pandemic and the ongoing development of the UNIQA 3.0 strategic programme. UNIQA therefore projects that earnings before taxes may be negative for 2020 as a whole.

Sincerely,



Andreas Brandstetter
CEO UNIQA Group

Vienna, August 2019

Group Management Report

- **PREMIUMS WRITTEN (INCLUDING SAVINGS PORTIONS) OF €2,827.8 MILLION IN THE FIRST HALF OF 2020**
- **IMPROVEMENT IN COMBINED RATIO FROM 97.3 PER CENT TO 96.7 PER CENT**
- **NET INVESTMENT INCOME FELL BY 29.0 PER CENT TO €215.1 MILLION**
- **EARNINGS BEFORE TAXES DECREASED BY 59.2 PER CENT TO €55.4 MILLION**
- **EARNINGS OUTLOOK FOR 2020 CONFIRMED**

UNIQA Group

Changes in premiums

The UNIQA Group's premiums written including savings portions from unit-linked and index-linked life insurance increased slightly by 0.5 per cent to €2,827.8 million in the first half of 2020 (1-6/2019: €2,814.9 million) despite the limited sales opportunities due to the Covid-19 pandemic. While recurring premiums grew by 0.9 per cent to €2,784.8 million (1-6/2019: €2,759.8 million), single premiums in life insurance decreased in line with the Group strategy by 22.0 per cent to €43.0 million (1-6/2019: €55.1 million).

Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance totalling €152.9 million (1-6/2019: €153.0 million) rose by 0.6 per cent to €2,592.7 million in the first half of 2020 (1-6/2019: €2,578.1 million). Premiums earned (net, in accordance with IFRSs) likewise increased by 0.6 per cent to €2,439.8 million (1-6/2019: €2,425.1 million).

Premiums written in property and casualty insurance grew by 2.0 per cent to €1,565.4 million in the first six months of 2020 (1-6/2019: €1,535.0 million). Premiums earned (net, in accordance with IFRSs) increased by 2.0 per cent to €1,351.5 million (1-6/2019: €1,324.5 million).

In health insurance, premiums written in the reporting period rose by 3.1 per cent to €585.8 million (1-6/2019: €568.1 million). The volume of premiums earned (net, in accordance with IFRSs) increased by 4.1 per cent to €576.4 million (1-6/2019: €553.7 million).

In life insurance, premiums written including savings portions from unit-linked and index-linked life insurance declined by a total of 4.9 per cent to €676.7 million in the first six months of 2020 (1-6/2019: €711.8 million). The main driver of this trend remains the decrease in demand caused by persistently low interest rates. The single premium business declined in the first half of 2020 by 22.0 per cent to €43.0 million (1-6/2019: €55.1 million). Recurring premiums also decreased by 3.5 per cent to €633.7 million (1-6/2019: €656.7 million). As a result of this development, annual premium equivalent (APE) in life insurance declined by 3.7 per cent to €638.0 million (1-6/2019: €662.2 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 of this, 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 was €12.5 million in the first half of 2020 (1-6/2019: €14.8 million). The insured capital in life insurance totalled €83,091.2 million as at 30 June 2020 (30 June 2019: €83,885.0 million). Including net savings portions of the premiums from unit-linked and index-linked life insurance, premiums earned in life insurance fell by 5.0 per cent to €664.8 million in the first six months of 2020 (1-6/2019: €699.9 million). Premiums earned (net, in accordance with IFRSs) decreased by 6.4 per cent to €511.8 million (1-6/2019: €546.9 million).

Insurance benefits

The total amount of net insurance benefits in the UNIQA Group decreased by 0.9 per cent to €1,840.0 million in the first half of 2020 (1–6/2019: €1,857.4 million). Insurance benefits before consideration of reinsurance fell by 4.1 per cent to €1,863.7 million (1–6/2019: €1,942.8 million).

Net insurance benefits in property and casualty insurance increased only slightly by 0.9 per cent to €869.2 million (1–6/2019: €861.4 million) compared to the increase in premiums earned, despite the expenses incurred in connection with the Covid-19 pandemic in the amount of approximately €90 million. Especially in the area of motor vehicle insurance, the benefits decreased in the second quarter of 2020 due to limited mobility. The loss ratio after reinsurance therefore decreased in the first six months of 2020 to 64.3 per cent (1–6/2019: 65.0 per cent). The combined ratio after reinsurance declined to 96.7 per cent (1–6/2019: 97.3 per cent). Before consideration of reinsurance, the combined ratio amounted to 93.3 per cent (1–6/2019: 98.4 per cent).

In health insurance, the (net) insurance benefits (including the change in insurance provision) grew in the first half of 2020 by 2.6 per cent to €494.1 million (1–6/2019: €481.4 million).

In contrast, insurance benefits in life insurance fell slightly by 7.4 per cent to €476.7 million (1–6/2019: €514.6 million), which was slightly more than the volume of premiums earned.

Operating expenses

Total operating expenses, less reinsurance commission received, rose in the first six months of 2020 by 2.5 per cent to €714.4 million (1–6/2019: €696.8 million).

Expenses for the acquisition of insurance fell by 0.1 per cent to €448.6 million (1–6/2019: €449.0 million). The reinsurance commission received amounting to €8.0 million (1–6/2019: €8.8 million) has already been deducted from the acquisition costs. Other operating expenses (administrative expenses) rose by 7.3 per cent to €265.8 million in the first half of 2020 (1–6/2019: €247.8 million) due to higher investments and additional resource and personnel requirements for strategic projects. This line item includes costs under the innovation and investment programme amounting to around €34 million (1–6/2019: approx. €27 million).

The total cost ratio, i.e. the ratio of total operating expenses to the premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance, increased to 27.6 per cent, taking into account the reinsurance commission received (1–6/2019: 27.0 per cent).

In property and casualty insurance, operating expenses less reinsurance commissions received rose in the first half of 2020 by 2.3 per cent to €437.5 million (1–6/2019: €427.7 million). The cost ratio after reinsurance increased slightly in this business line to 32.4 per cent (1–6/2019: 32.3 per cent).

In health insurance, operating expenses less reinsurance commission received increased by 7.2 per cent to €102.3 million (1–6/2019: €95.5 million). The cost ratio (after reinsurance) rose to 17.8 per cent (1–6/2019: 17.2 per cent).

In life insurance, operating expenses less reinsurance commission received increased by 0.6 per cent to €174.6 million (1–6/2019: €173.6 million). The cost ratio (after reinsurance) rose to 26.3 per cent (1–6/2019: 24.8 per cent).

Investments

The UNIQA Group's investment portfolio (including investment property, financial assets accounted for using the equity method and other investments) rose only slightly to €20,661.3 million at 30 June 2020 compared with the last reporting date (31 December 2019: €20,624.8 million).

Net investment income fell by 29.0 per cent to €215.1 million in the first half of 2020 (1–6/2019: €303.1 million). This was mainly due to impairments on shares and fixed-income securities. In addition, gains of around €45 million from the sale of real estate had had a positive effect in the first half of 2019. In the first half of 2020, no gains from the sale of properties were recorded. Currency effects of around €9 million had a negative impact on the net investment income. The application of the equity method of accounting for the 14.3 per cent holding in construction group STRABAG SE resulted in a positive contribution to earnings in the amount of €7.0 million in the first half of 2020 (1–6/2019: €6.6 million).

Earnings before taxes

The technical result of the UNIQA Group rose by 75.0 per cent to €37.8 million in the first half of 2020 (1–6/2019: €21.6 million), mainly due to the improved loss ratio in property and casualty insurance. However, operating profit decreased by 48.0 per cent to €85.4 million due to lower net investment income (1–6/2019: €164.1 million). The UNIQA Group's earnings before taxes dropped accordingly by 59.2 per cent to €55.4 million (1–6/2019: €135.9 million).

Profit/(loss) for the first six months of 2020 amounted to €44.3 million (1–6/2019: €107.7 million). Consolidated profit/(loss) (i.e. proportion of the net profit for the period attributable to the shareholders of UNIQA Insurance Group AG) decreased by 61.7 per cent to €40.5 million (1–6/2019: €105.6 million). Earnings per share amounted to €0.13 (1–6/2019: €0.34).

The 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 profit or loss of the measurement of financial instruments available for sale) fell in the first half of 2020 to 4.0 per cent (1–6/2019: 9.9 per cent). The annualised return on equity (after tax and non-controlling interests) for the reporting period was 2.4 per cent (1–6/2019: 6.8 per cent).

Group equity and total assets

Equity attributable to the shareholders of UNIQA Insurance Group AG fell to €3,285.3 million as at 30 June 2020 (31 December 2019: €3,401.0 million). The main reason for this development was the decrease in the measurement of financial instruments available for sale and the dividend payment for the 2019 financial year. Non-controlling interests amounted to €22.3 million (31 December 2019: €19.4 million). The Group's total assets decreased slightly to €28,566 million as at 30 June 2020 (31 December 2019: €28,728.4 million).

Cash flow

Net cash flow from operating activities in the first half of 2020 amounted to €-109.7 million (1-6/2019: €324.4 million). Cash flow from the UNIQA Group's investing activities, in line with investment of the revenues received in the reporting period, amounted to €260.2 million (1-6/2019: €-309.0 million); net cash flow from financing activities totalled €-61.9 million (1-6/2019: €-948.1 million). Overall, cash and cash equivalents increased by €52.5 million to €564.9 million (1-6/2019: €512.4 million).

Employees

The average number of employees (full-time equivalents or FTEs) of the UNIQA Group rose slightly in the first six months of 2020 to 12,777 (1-6/2019: 12,731). These included 4,137 (1-6/2019: 4,194) field sales employees. The number of administrative employees increased to 8,640 (1-6/2019: 8,537).

Operating segments

UNIQA Austria

Premiums written including savings portions from unit-linked and index-linked life insurance at UNIQA Austria increased by 2.0 per cent to €2,033.6 million in the first half of 2020 (1-6/2019: €1,992.9 million). Recurring premiums rose by 2.1 per cent to €2,021.1 million (1-6/2019: €1,979.4 million). Single premiums fell on the other hand by 7.1 per cent to €12.5 million (1-6/2019: €13.5 million).

Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance rose by 1.3 per cent to €1,538.8 million (1-6/2019: €1,519.6 million). The volume of premiums earned (net, in accordance with IFRSs) increased by 1.5 per cent to €1,436.8 million (1-6/2019: €1,415.1 million).

Premiums written in property and casualty insurance rose by 3.3 per cent to €997.8 million (1-6/2019: €966.1 million) due to the continuing growth in casualty and industrial insurance, despite the limited sales opportunities due to the Covid-19 pandemic, and in health insurance UNIQA Austria recorded premium growth of 5.3 per cent to €546.0 million (1-6/2019: €518.6 million).

Premiums written in life insurance including savings portions from unit-linked and index-linked life insurance decreased in the UNIQA Austria segment by 3.6 per cent to €489.8 million (1-6/2019: €508.2 million). The main driver of this trend was the decrease in demand caused by persistently low interest rates. Recurring premiums fell by 3.5 per cent to €477.3 million (1-6/2019: €494.7 million). Single premiums declined by 7.1 per cent to €12.5 million (1-6/2019: €13.5 million). Premium volume in the area of unit-linked and index-linked life insurance at UNIQA Austria decreased by 4.1 per cent to €111.8 million in the first half of 2020 (1-6/2019: €116.7 million).

Net insurance benefits rose by 2.0 per cent to €1,237.6 million in the UNIQA Austria segment in the first six months of 2020 (1 – 6/2019: €1,213.2 million). In property and casualty insurance the combined ratio after reinsurance worsened to 97.6 per cent (1 – 6/2019: 94.2 per cent) due to expenses in the area of epidemic-related business interruption caused by the Covid-19 pandemic.

Operating expenses less reinsurance commission received increased by 1.8 per cent to €329.9 million in the first half of 2020 (1 – 6/2019: €324.0 million) due to higher investments and additional resource and personnel requirements for strategic projects. The cost ratio after reinsurance therefore rose slightly to 21.4 per cent (1 – 6/2019: 21.3 per cent).

Net investment income decreased by 38.1 per cent to €144.8 million in the first six months of 2020 (1 – 6/2019: €233.9 million). As a result, earnings before taxes fell in the UNIQA Austria segment in the first half of 2020 to €–8.6 million (1 – 6/2019: €86.4 million).

UNIQA International

In the UNIQA International segment, premiums written including savings portions from unit-linked and index-linked life insurance fell by 3.6 per cent to €778.9 million in the first six months of 2020 (1 – 6/2019: €808.0 million). Single premiums fell by 26.8 per cent to €30.5 million (1 – 6/2019: €41.7 million). Recurring premiums declined by 2.3 per cent to €748.4 million (1 – 6/2019: €766.3 million). This meant that the international companies contributed a total of 27.5 per cent to total Group premiums overall in the first half of 2020 (1 – 6/2019: 28.7 per cent).

Premiums earned including net savings portions of the premiums from unit-linked and index-linked life insurance decreased by 2.7 per cent to €519.8 million (1 – 6/2019: €534.2 million). The volume of premiums earned (net, in accordance with IFRSs) fell by 3.5 per cent to €468.8 million (1 – 6/2019: €485.8 million).

In Central Europe (CE) – i.e. Poland, Slovakia, the Czech Republic and Hungary – premiums written including savings portions from unit-linked and index-linked life insurance rose by 1.0 per cent to €489.2 million in the first six months of 2020 (1 – 6/2019: €484.5 million). In the region of Eastern Europe (EE) – Romania and Ukraine – an increase of 0.4 per cent to €99.3 million was recorded (1 – 6/2019: €98.8 million). In Southeastern Europe (SEE), comprising Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Montenegro, North Macedonia and Serbia, premiums written including savings portions from unit-linked and index-linked life insurance declined by 9.9 per cent to €149.1 million (1 – 6/2019: €165.5 million). In Russia (RU) the volume of premiums written fell by 16.7 per cent to €35.5 million (1 – 6/2019: €42.6 million). In Western Europe (WE) they decreased by 65.4 per cent to €5.7 million (1 – 6/2019: €16.5 million).

Premiums written in the UNIQA International segment in property and casualty insurance remained at the level of the previous year with a decline of 0.5 per cent to €552.8 million (1 – 6/2019: €555.6 million). This meant the contribution of Group companies outside Austria to overall premiums in property and casualty insurance amounted to 35.3 per cent (1 – 6/2019: 36.2 per cent).

Premiums written in health insurance fell by 19.6 per cent to €39.8 million in the first half of 2020 (1 – 6/2019: €49.5 million). As such, the segment was responsible for 6.8 per cent (1 – 6/2019: 8.7 per cent) of health insurance premiums in the UNIQA Group.

In the international life insurance business, premiums written including savings portions from unit-linked and index-linked life insurance dropped by 8.2 per cent to €186.3 million in the first six months of 2020 (1-6/2019: €202.9 million), driven primarily by the decline in premiums in Southeastern Europe and Russia. In particular, business carried out through bank sales declined in the course of the Covid-19 pandemic. Single premiums fell to €30.5 million (1-6/2019: €41.7 million). Recurring premiums decreased by 3.4 per cent to €155.8 million (1-6/2019: €161.2 million). UNIQA International's share of overall life insurance premiums in the UNIQA Group amounted to 27.5 per cent (1-6/2019: 28.5 per cent). Premiums from unit-linked and index-linked life insurance rose in the international area by 4.7 per cent to €53.5 million (1-6/2019: €51.1 million).

Net insurance benefits in the UNIQA International segment fell by 11.6 per cent to €245.3 million in the first half of 2020 (1-6/2019: €277.4 million). In property and casualty insurance, the combined ratio after reinsurance therefore improved to 92.1 per cent (1-6/2019: 94.5 per cent). In the Central Europe region, benefits rose by 1.9 per cent to €136.5 million (1-6/2019: €134.0 million), while in the Eastern Europe region they dropped by 21.5 per cent to €26.6 million (1-6/2019: €33.9 million). In Southeastern Europe, they likewise fell by 22.0 per cent to €54.3 million (1-6/2019: €69.6 million). In Russia, benefits amounted to €27.8 million in the first half of 2020 (1-6/2019: €33.0 million). In Western Europe, the volume of benefits was €0.1 million (1-6/2019: €6.9 million).

In the UNIQA International segment, operating expenses less reinsurance commissions received rose by 4.6 per cent to €202.5 million (1-6/2019: €193.6 million). The cost ratio (after reinsurance) therefore increased to 39.0 per cent (1-6/2019: 36.2 per cent). In Central Europe, costs declined by 2.9 per cent to €91.1 million (1-6/2019: €93.8 million), but in Eastern Europe they rose by 18.3 per cent to €39.0 million (1-6/2019: €32.9 million). In Southeastern Europe, they decreased by 0.3 per cent to €48.1 million (1-6/2019: €48.3 million). Costs in Russia showed a slight decrease to €7.5 million in the first six months of 2020 (1-6/2019: €7.8 million). In Western Europe they also fell to €0.8 million (1-6/2019: €2.7 million). Conversely, costs in administration (UNIQA International AG) rose to €16.1 million (1-6/2019: €8.1 million).

Net investment income increased in the UNIQA International segment by 142.6 per cent to €56.9 million (1-6/2019: €23.4 million), primarily due to positive currency effects. Earnings before taxes rose by 33.8 per cent to €46.1 million (1-6/2019: €34.4 million).

Reinsurance

Premiums written in the reinsurance segment amounted to €630.7 million in the first half of 2020 (1–6/2019: €616.8 million). Premiums written in property and casualty insurance rose by 2.4 per cent to €611.8 million (1–6/2019: €597.4 million). In health insurance, they amounted to €3.3 million (1–6/2019: €2.7 million) and in life insurance to €15.7 million (1–6/2019: €16.7 million).

Net insurance benefits fell in the reinsurance segment by 3.5 per cent to €356.1 million (1–6/2019: €369.1 million). Operating expenses, less reinsurance commission received, rose by 4.9 per cent to €158.8 million (1–6/2019: €151.4 million). Net investment income amounted to €–2.1 million (1–6/2019: €16.1 million). Earnings before taxes increased to €29.2 million (1–6/2019: €4.7 million).

Group functions

In the Group Functions segment, operating expenses less reinsurance commission received decreased by 7.5 per cent to €23.9 million in the first half of 2020 (1–6/2019: €25.9 million). Net investment income fell to €28.7 million (1–6/2019: €63.1 million). As a result, earnings before taxes declined to €–27.1 million (1–6/2019: €14.7 million).

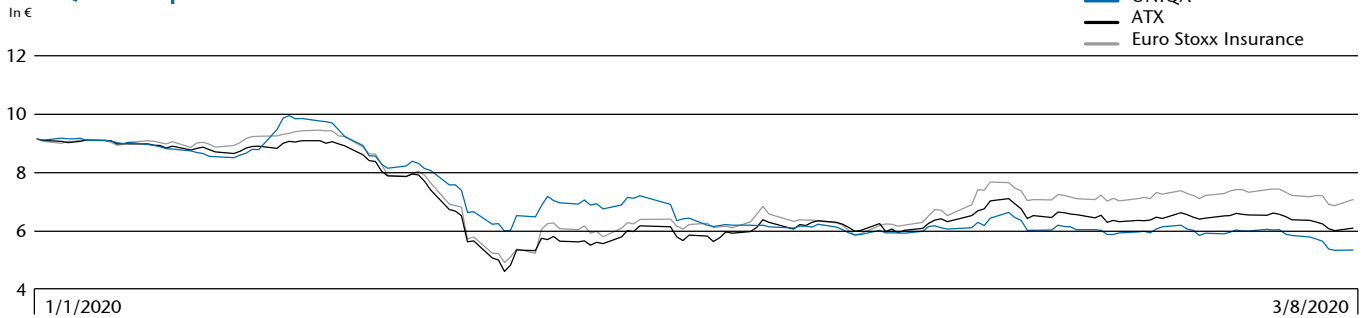
Capital market

UNIQA shares – key figures

In €	1 – 6/2020	1 – 6/2019	Change
UNIQA share price as at 30 June	5.99	8.20	–27.0%
High	9.95	9.56	–
Low	5.86	7.84	–
Market capitalisation as at 30 June (in € million)	1,838.7	2,517.1	–27.0%
Earnings per share	0.13	0.34	–61.7%
Average number of shares in circulation	306,965,261	306,965,261	–

UNIQA shares initially trended upwards in the first half of 2020 and reached a high of €9.95 on 12 February 2020. Subsequently, however, the share price fell sharply due to the outbreak of the coronavirus pandemic, and UNIQA shares reached €5.99 on 30 June 2020. Compared with the 2019 year-end price (€9.10), this equates to a fall of 34.2 per cent.

UNIQA share performance



UNIQA shares – information

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

Financial calendar

19 November 2020	First to Third Quarter Results 2020
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Significant events after the reporting date

Issuance of two bonds

On 2 July 2020, UNIQA placed a senior bond to the value of €600 million and a subordinated bond (Tier 2 bond) to the value of €200 million with institutional investors both in and outside Austria.

The senior bond is scheduled for repayment after a period of 10 years. The Tier 2 bond is scheduled for repayment after a period of 15.25 years and subject to certain conditions, and can only be cancelled by UNIQA after 5.25 years have elapsed and under certain conditions. The Tier 2 bond will be eligible at least in part as Tier 2 original own funds in accordance with the regulatory requirements.

The admission of both bonds to the Official Market on the Vienna Stock Exchange was applied for and granted.

Acquisition of the AXA companies approved by the European Commission

The European Commission approved the planned acquisition of shares in AXA subsidiaries and branches in Poland, the Czech Republic and Slovakia unconditionally on 29 July 2020.

Regulatory approvals in the respective countries are still outstanding before the transaction can be finalised. The closing is scheduled for the fourth quarter of 2020.

Outlook

At the beginning of 2020, the coronavirus (Covid-19) spread rapidly throughout Europe. The impact on public health systems, public life, macroeconomic development and the global capital markets is enormous. The consequences for the insurance industry cannot be estimated at the present time. Owing to the high level of uncertainty regarding the macroeconomic and financial effects of Covid-19 during the latter half of the year and the ongoing development of the UNIQA 3.0 strategic programme, UNIQA projects that earnings before taxes may be negative for 2020 as a whole. UNIQA is not planning to pay a dividend for the 2020 financial year. Bonus payments (STI) for the Management Board will also not be paid for the 2020 financial year.

Consolidated Interim Financial Statements

GENERAL DISCLOSURES

Accounting principles

The consolidated interim financial statements as at 30 June 2020 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 2019. The functional currency for UNIQA Insurance Group AG is the euro.

In preparing the consolidated interim financial statements, estimates and planning have been used to a greater extent 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.

Adoption of new and revised standards

Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest Rate Benchmark Reform

The amendments are aimed at ensuring that hedge accounting relationships can continue to exist or still be designated despite any expected replacement of different reference interest rates. The amendments have no material impact on UNIQA.

Amendments to IFRS 3 – Definition of a Business

The IASB has provided for a simplification known as a concentration test for the purposes of assessing whether a business exists. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the criteria are met, then the object of the acquisition is not a business combination and IFRS 3 is therefore not applicable. This amendment has no material impact on UNIQA.

Amendments to IAS 1 and IAS 8 with respect to the Definition of Material

According to the IASB, the revision of the Definition of Material does not change the substance of the materiality concept. Instead, the IASB states that its intention is to create a better understanding of materiality. In order to avoid duplicate regulation of the concept of what is considered “material” (in IAS 1 and IAS 8), this is now included in IAS 1. IAS 8 only includes a reference to this. This amendment has no material impact on UNIQA.

Amendments to References to the Conceptual Framework

The revised Conceptual Framework contains some new concepts, updated definitions and recognition criteria for assets and liabilities, as well as clarifications on some key concepts. In most cases, the references in the standards are updated and the references to the revised Conceptual Framework are amended. This amendment has no material impact on UNIQA.

Consolidated Statement of Financial Position

Assets

In € million

	Notes	30/6/2020	31/12/2019
Property, plant and equipment		341.4	351.8
Intangible assets		1,644.0	1,641.1
Investments			
Investment property		1,240.8	1,137.4
Financial assets accounted for using the equity method		648.8	642.4
Other investments	1	18,771.6	18,844.9
Unit-linked and index-linked life insurance investments		4,263.8	4,680.4
Reinsurers' share of technical provisions		336.5	350.0
Reinsurers' share of technical provisions for unit-linked and index-linked life insurance		0.1	0.1
Receivables, including insurance receivables		698.5	546.7
Income tax receivables		51.3	48.7
Deferred tax assets		4.3	5.2
Cash and cash equivalents		564.9	479.6
Total assets		28,566.0	28,728.4

Equity and liabilities

In € million

	Notes	30/6/2020	31/12/2019
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		1,511.9	1,627.7
		3,285.3	3,401.0
Non-controlling interests		22.3	19.4
		3,307.6	3,420.4
Liabilities			
Subordinated liabilities	1	897.2	870.1
Technical provisions		18,060.2	17,791.0
Technical provisions for unit-linked and index-linked life insurance		4,241.8	4,646.2
Financial liabilities	1	80.5	75.5
Other provisions		650.4	685.7
Liabilities and other items classified as liabilities		911.3	803.1
Income tax liabilities		71.4	60.7
Deferred tax liabilities		345.8	375.7
		25,258.5	25,308.0
Total equity and liabilities		28,566.0	28,728.4

Consolidated Income Statement

In € million	Notes	1–6/2020	1–6/2019 adjusted	4–6/2020	4–6/2019 adjusted
Premiums earned (net)	3	2,439.8	2,425.1	1,183.2	1,194.0
Technical interest income		163.0	164.5	81.3	82.2
Other insurance income		12.7	11.6	9.2	6.5
Insurance benefits	4	–1,840.0	–1,857.4	–889.4	–927.6
Operating expenses	5	–714.4	–696.8	–335.4	–350.2
Other technical expenses		–23.4	–25.5	–10.2	–14.5
Technical result		37.8	21.6	38.7	–9.6
Net investment income	2	215.1	303.1	125.4	201.5
Income from investments		399.9	416.3	171.9	241.1
Expenses from investments		–197.8	–122.8	–76.0	–68.1
Financial assets accounted for using the equity method		13.0	9.6	29.5	28.5
Other income		105.4	115.0	32.8	49.6
Reclassification of technical interest income		–163.0	–164.5	–81.3	–82.2
Other expenses		–109.8	–111.0	–31.8	–51.3
Non-technical result		47.6	142.6	45.1	117.7
Operating profit/(loss)		85.4	164.1	83.8	108.1
Amortisation of goodwill and impairment losses		–1.3	–1.3	–0.6	–0.6
Finance cost		–28.7	–27.0	–13.8	–13.9
Earnings before taxes		55.4	135.9	69.4	93.6
Income taxes		–11.1	–28.2	–14.0	–19.2
Profit/(loss) for the period		44.3	107.7	55.4	74.4
of which attributable to shareholders of UNIQA Insurance Group AG		40.5	105.6	53.7	73.5
of which attributable to non-controlling interests		3.8	2.1	1.7	0.9
Earnings per share (in €)¹⁾		0.13	0.34	0.17	0.24
Average number of shares in circulation		306,965,261	306,965,261	306,965,261	306,965,261

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 – 6/2020	1 – 6/2019
Profit/(loss) for the period	44.3	107.7
Items not reclassified to profit or loss in subsequent periods		
Revaluations of defined benefit obligations		
Gains (losses) recognised in equity	–2.8	–49.6
Gains (losses) recognised in equity – deferred tax	0.7	12.4
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	–5.2	0.5
	–7.3	–36.8
Items reclassified to profit or loss in subsequent periods		
Currency translation		
Gains (losses) recognised in equity	–39.0	6.4
Measurement of financial instruments available for sale		
Gains (losses) recognised in equity	58.2	914.9
Gains (losses) recognised in equity – deferred tax	16.1	–117.0
Gains (losses) recognised in equity – deferred profit participation	–117.1	–458.8
Recognised in the consolidated income statement	–32.9	–6.9
Recognised in the consolidated income statement – deferred tax	2.3	11.0
Recognised in the consolidated income statement – deferred profit participation	21.6	1.3
Other income from financial assets accounted for using the equity method		
Gains (losses) recognised in equity	–1.1	1.3
	–92.0	352.1
Other comprehensive income	–99.2	315.3
Total comprehensive income	–55.0	423.0
of which attributable to shareholders of UNIQA Insurance Group AG	–58.2	417.6
of which attributable to non-controlling interests	3.3	5.4

Consolidated Statement of Cash Flows

In € million	1–6/2020	1–6/2019
Profit/(loss) for the period	44.3	107.7
Impairment losses, amortisation of goodwill and other intangible assets, and depreciation of property, plant and equipment	32.2	21.7
Impairment losses/reversal of impairment losses on other investments	67.7	41.4
Gain/loss on the disposal of investments	–14.6	–76.3
Change in deferred acquisition costs	18.8	–10.2
Change in securities at fair value through profit or loss	41.6	13.8
Change in direct insurance receivables	–77.3	–73.3
Change in other receivables	–76.0	–55.9
Change in direct insurance liabilities	–11.3	–24.1
Change in other liabilities	130.4	49.9
Change in technical provisions	–217.2	322.2
Change in defined benefit obligations	–1.5	–20.7
Change in deferred tax assets and deferred tax liabilities	–10.0	17.5
Change in other statement of financial position items	–36.6	10.6
Net cash flow from operating activities	–109.7	324.4
Proceeds from disposal of intangible assets and property, plant and equipment	5.3	4.7
Payments for acquisition of intangible assets and property, plant and equipment	–58.2	–31.6
Payments for acquisition of consolidated companies	0.0	–4.5
Proceeds from disposal and maturity of other investments	3,147.7	2,393.7
Payments for acquisition of other investments	–3,251.2	–2,617.5
Change in unit-linked and index-linked life insurance investments	416.6	–53.8
Net cash flow from investing activities	260.2	–309.0
Dividend payments	–55.4	–164.8
Transactions between owners	–0.1	–0.1
Payments from other financing activities	–6.4	–783.2
Net cash flow from financing activities	–61.9	–948.1
Change in cash and cash equivalents	88.7	–932.7
of which due to acquisitions or disposals of consolidated subsidiaries	0.0	0.1
Change in cash and cash equivalents due to movements in exchange rates	–3.4	0.7
Cash and cash equivalents at beginning of year	479.6	1,444.4
Cash and cash equivalents at end of period	564.9	512.4
Income taxes paid (Net cash flow from operating activities)	–14.1	–26.9
Interest paid (Net cash flow from operating activities)	–3.4	–3.3
Interest received (Net cash flow from operating activities)	158.5	184.0
Dividends received (Net cash flow from operating activities)	12.3	20.3

Consolidated Statement of Changes in Equity

In € million				Accumulated
	Subscribed capital and capital reserves	Treasury shares	Measurement of financial instruments available for sale	Revaluations of defined benefit obligations
At 1 January 2019	1,789.9	-16.6	169.9	-264.9
Change in basis of consolidation				
Dividends to shareholders				
Total comprehensive income			341.7	-37.2
Profit/(loss) for the period				
Other comprehensive income			341.7	-37.2
At 30 June 2019	1,789.9	-16.6	511.7	-302.1
At 1 January 2020	1,789.9	-16.6	568.0	-314.9
Change in basis of consolidation				
Dividends to shareholders				
Total comprehensive income			-53.1	-2.1
Profit/(loss) for the period				
Other comprehensive income			-53.1	-2.1
At 30 June 2020	1,789.9	-16.6	514.9	-316.9

results

	Differences from currency translation	Other accumulated results	Portion attributable to shareholders of UNIQA Insurance Group AG	Non-controlling interests	Total equity
	-179.7	1,473.5	2,972.1	14.4	2,986.6
		-2.3	-2.3	-2.9	-5.1
		-162.7	-162.7	-2.1	-164.8
	5.8	107.4	417.6	5.4	423.0
		105.6	105.6	2.1	107.7
	5.8	1.7	312.0	3.3	315.3
	-174.0	1,415.9	3,224.8	14.8	3,239.6
	-170.3	1,544.9	3,401.0	19.4	3,420.4
		-2.3	-2.3	-0.2	-2.5
		-55.3	-55.3	-0.2	-55.4
	-37.3	34.2	-58.2	3.3	-55.0
		40.5	40.5	3.8	44.3
	-37.3	-6.3	-98.7	-0.5	-99.2
	-207.6	1,521.6	3,285.3	22.3	3,307.6

Segment Reporting

OPERATING SEGMENTS – CONSOLIDATED INCOME STATEMENT

In € million	UNIQA Austria		UNIQA International	
	1–6/2020	1–6/2019	1–6/2020	1–6/2019
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	2,033.6	1,992.9	778.9	808.0
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	1,538.8	1,519.6	519.8	534.2
Savings portions from unit-linked and index-linked life insurance (gross)	101.9	104.5	51.0	48.4
Savings portions from unit-linked and index-linked life insurance (net)	101.9	104.5	51.0	48.4
Premiums written (gross)	1,931.7	1,888.3	727.9	759.6
Premiums earned (net)	1,436.8	1,415.1	468.8	485.8
Premiums earned (net) – intragroup	–359.4	–346.6	–187.1	–193.4
Premiums earned (net) – external	1,796.2	1,761.7	655.9	679.1
Technical interest income	148.1	150.5	14.9	14.0
Other insurance income	2.0	2.1	4.4	11.5
Insurance benefits	–1,237.6	–1,213.2	–245.3	–277.4
Operating expenses	–329.9	–324.0	–202.5	–193.6
Other technical expenses	–6.7	–9.2	–18.0	–21.0
Technical result	12.7	21.2	22.3	19.3
Net investment income	144.8	233.9	56.9	23.4
Income from investments	234.9	331.7	72.9	41.9
Expenses from investments	–90.1	–97.9	–16.2	–18.4
Financial assets accounted for using the equity method	0.0	0.0	0.3	0.0
Other income	1.3	1.2	12.5	15.3
Reclassification of technical interest income	–148.1	–150.5	–14.9	–14.0
Other expenses	–4.8	–6.0	–27.9	–7.1
Non-technical result	–6.8	78.6	26.7	17.7
Operating profit/(loss)	5.9	99.7	48.9	37.0
Amortisation of goodwill and impairment losses	–0.9	–0.9	–0.4	–0.4
Finance cost	–13.6	–12.4	–2.5	–2.2
Earnings before taxes	–8.6	86.4	46.1	34.4
Combined ratio (property and casualty insurance, after reinsurance)	97.6%	94.2%	92.1%	94.5%
Cost ratio (after reinsurance)	21.4%	21.3%	39.0%	36.2%

Reinsurance		Group functions		Consolidation		Group	
1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted	1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted
630.7	616.8	0.0	0.0	-615.4	-602.7	2,827.8	2,814.9
531.9	521.1	0.0	0.0	2.3	3.2	2,592.7	2,578.1
0.0	0.0	0.0	0.0	0.0	0.0	152.9	153.0
0.0	0.0	0.0	0.0	0.0	0.0	152.9	153.0
630.7	616.8	0.0	0.0	-615.4	-602.7	2,674.9	2,662.0
531.9	521.1	0.0	0.0	2.3	3.2	2,439.8	2,425.1
544.2	536.8	0.0	0.0	2.3	3.2	0.0	0.0
-12.3	-15.7	0.0	0.0	0.0	0.0	2,439.8	2,425.1
0.0	0.0	0.0	0.0	0.0	0.0	163.0	164.5
7.5	0.2	0.3	0.4	-1.6	-2.5	12.7	11.6
-356.1	-369.1	1.1	1.6	-1.9	0.7	-1,840.0	-1,857.4
-158.8	-151.4	-23.9	-25.9	0.8	-2.0	-714.4	-696.8
-7.9	-8.3	0.3	3.5	9.0	9.6	-23.4	-25.5
16.5	-7.5	-22.2	-20.5	8.5	9.0	37.8	21.6
-2.1	16.1	28.7	63.1	-13.3	-33.4	215.1	303.1
21.1	20.8	136.4	116.2	-65.4	-94.4	399.9	416.3
-23.2	-4.8	-107.6	-55.6	39.4	53.9	-197.8	-122.8
0.0	0.0	0.0	2.5	12.7	7.1	13.0	9.6
16.3	0.9	90.2	100.3	-15.0	-2.7	105.4	115.0
0.0	0.0	0.0	0.0	0.0	0.0	-163.0	-164.5
-0.1	-3.3	-90.5	-95.0	13.4	0.4	-109.8	-111.0
14.2	13.6	28.5	68.4	-14.9	-35.8	47.6	142.6
30.6	6.2	6.3	48.0	-6.4	-26.7	85.4	164.1
0.0	0.0	0.0	0.0	0.0	0.0	-1.3	-1.3
-1.4	-1.4	-33.3	-33.3	22.2	22.4	-28.7	-27.0
29.2	4.7	-27.1	14.7	15.8	-4.3	55.4	135.9
96.8%	100.2%	n/a	n/a	n/a	n/a	96.7%	97.3%
29.9%	29.0%	n/a	n/a	n/a	n/a	27.6%	27.0%

OPERATING SEGMENTS – CLASSIFIED BY BUSINESS LINE

Property and casualty insurance

In € million	UNIQA Austria		UNIQA International	
	1–6/2020	1–6/2019	1–6/2020	1–6/2019
Premiums written (gross)	997.8	966.1	552.8	555.6
Premiums earned (net)	525.6	513.5	300.0	295.5
Technical interest income	0.0	0.0	0.7	–0.9
Other insurance income	1.7	1.4	3.7	10.1
Insurance benefits	–356.0	–334.3	–162.6	–167.0
Operating expenses	–156.8	–149.7	–113.6	–112.3
Other technical expenses	–4.1	–4.9	–16.4	–19.8
Technical result	10.3	26.0	11.7	5.6
Net investment income	–30.9	18.8	15.1	10.8
Income from investments	22.4	48.9	23.7	15.3
Expenses from investments	–53.3	–30.1	–8.9	–4.6
Financial assets accounted for using the equity method	0.0	0.0	0.3	0.0
Other income	1.1	0.8	8.1	2.9
Reclassification of technical interest income	0.0	0.0	–0.7	0.9
Other expenses	–4.2	–5.1	–6.5	–5.3
Non-technical result	–34.0	14.5	16.0	9.2
Operating profit/(loss)	–23.6	40.5	27.7	14.9
Amortisation of goodwill and impairment losses	0.0	0.0	–0.2	–0.2
Finance cost	–1.2	0.0	–2.4	–1.9
Earnings before taxes	–24.8	40.5	25.1	12.7

Health insurance

In € million	UNIQA Austria		UNIQA International	
	1–6/2020	1–6/2019	1–6/2020	1–6/2019
Premiums written (gross)	546.0	518.6	39.8	49.5
Premiums earned (net)	535.7	511.9	37.5	39.2
Technical interest income	44.4	42.9	0.0	0.0
Other insurance income	0.3	0.2	0.1	0.0
Insurance benefits	–472.9	–455.2	–19.7	–25.2
Operating expenses	–79.5	–76.9	–16.5	–12.7
Other technical expenses	–0.2	–0.9	–0.3	–0.2
Technical result	27.9	21.9	1.1	1.2
Net investment income	41.4	53.7	0.2	0.2
Income from investments	63.8	76.1	0.3	0.5
Expenses from investments	–22.5	–22.4	–0.1	–0.3
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	0.1	0.1	1.7	1.6
Reclassification of technical interest income	–44.4	–42.9	0.0	0.0
Other expenses	–0.3	–0.5	–1.6	–1.4
Non-technical result	–3.4	10.4	0.2	0.4
Operating profit/(loss)	24.6	32.2	1.4	1.6
Earnings before taxes	24.6	32.2	1.4	1.6

Reinsurance		Group functions		Consolidation		Group	
1-6/2020	1-6/2019	1-6/2020	1-6/2019	1-6/2020	1-6/2019	1-6/2020	1-6/2019
611.8	597.4	0.0	0.0	-597.0	-584.0	1,565.4	1,535.0
523.7	512.5	0.0	0.0	2.2	3.0	1,351.5	1,324.5
0.0	0.0	0.0	0.0	0.0	0.0	0.7	-0.9
7.4	0.2	0.3	0.3	-1.6	-2.4	11.6	9.6
-348.9	-362.7	0.0	0.0	-1.7	2.6	-869.2	-861.4
-158.0	-150.9	-12.2	-14.2	3.1	-0.7	-437.5	-427.7
-6.3	-6.7	0.0	1.4	6.3	6.7	-20.6	-23.3
17.9	-7.5	-11.8	-12.5	8.4	9.2	36.6	20.8
-5.1	12.9	19.7	46.7	8.5	-21.1	7.3	68.1
18.1	17.7	76.2	70.1	-29.4	-36.6	111.0	115.4
-23.2	-4.8	-56.5	-25.6	32.1	15.0	-109.8	-50.0
0.0	0.0	0.0	2.2	5.9	0.6	6.1	2.8
16.1	0.8	4.6	5.7	-1.5	-2.0	28.5	8.2
0.0	0.0	0.0	0.0	0.0	0.0	-0.7	0.9
0.0	-3.3	-4.7	-6.5	-1.3	0.5	-16.7	-19.7
11.0	10.5	19.7	46.0	5.8	-22.6	18.4	57.6
28.9	2.9	7.9	33.5	14.1	-13.5	55.0	78.4
0.0	0.0	0.0	0.0	0.0	0.0	-0.2	-0.2
-1.4	-1.4	-29.8	-29.4	6.3	5.8	-28.6	-26.9
27.5	1.5	-21.9	4.1	20.4	-7.6	26.2	51.2

Reinsurance		Group functions		Consolidation		Group	
1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted	1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted
3.3	2.7	0.0	0.0	-3.3	-2.7	585.8	568.1
3.1	2.6	0.0	0.0	0.1	0.0	576.4	553.7
0.0	0.0	0.0	0.0	0.0	0.0	44.4	42.9
0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.2
-2.8	-2.5	1.0	1.5	0.3	0.0	-494.1	-481.4
-0.1	-0.1	-6.3	-6.4	0.0	0.6	-102.3	-95.5
0.0	0.0	0.2	1.1	0.0	0.0	-0.3	0.1
0.3	0.0	-5.1	-3.8	0.3	0.7	24.6	19.9
0.0	0.0	-0.3	13.0	-17.4	-5.7	23.8	61.2
0.0	0.0	39.5	23.5	-21.5	-21.4	82.2	78.6
0.0	0.0	-39.8	-10.8	1.4	13.3	-61.0	-20.2
0.0	0.0	0.0	0.3	2.6	2.5	2.6	2.8
0.0	0.0	82.7	93.6	-13.4	-0.6	71.0	94.7
0.0	0.0	0.0	0.0	0.0	0.0	-44.4	-42.9
0.0	0.0	-84.3	-87.7	13.8	0.2	-72.5	-89.4
0.0	0.0	-1.9	18.9	-17.1	-6.0	-22.2	23.6
0.2	-0.1	-7.0	15.1	-16.8	-5.4	2.4	43.5
0.2	-0.1	-7.0	15.1	-16.8	-5.4	2.4	43.5

Life insurance

In € million	UNIQA Austria		UNIQA International	
	1–6/2020	1–6/2019	1–6/2020	1–6/2019
Premiums written (gross), including savings portions from unit-linked and index-linked life insurance	489.8	508.2	186.3	202.9
Premiums earned (net), including savings portions from unit-linked and index-linked life insurance	477.4	494.2	182.2	199.5
Savings portions from unit-linked and index-linked life insurance (gross)	101.9	104.5	51.0	48.4
Savings portions from unit-linked and index-linked life insurance (net)	101.9	104.5	51.0	48.4
Premiums written (gross)	387.9	403.6	135.3	154.5
Premiums earned (net)	375.5	389.7	131.2	151.1
Technical interest income	103.7	107.6	14.2	14.9
Other insurance income	0.0	0.6	0.6	1.3
Insurance benefits	–408.7	–423.7	–63.0	–85.2
Operating expenses	–93.6	–97.4	–72.4	–68.6
Other technical expenses	–2.4	–3.4	–1.3	–1.0
Technical result	–25.6	–26.7	9.4	12.5
Net investment income	134.3	161.4	41.6	12.5
Income from investments	148.7	206.8	48.8	26.0
Expenses from investments	–14.4	–45.4	–7.2	–13.6
Financial assets accounted for using the equity method	0.0	0.0	0.0	0.0
Other income	0.1	0.3	2.8	10.9
Reclassification of technical interest income	–103.7	–107.6	–14.2	–14.9
Other expenses	–0.2	–0.3	–19.8	–0.4
Non-technical result	30.5	53.7	10.5	8.0
Operating profit/(loss)	5.0	27.0	19.9	20.5
Amortisation of goodwill and impairment losses	–0.9	–0.9	–0.2	–0.2
Finance cost	–12.4	–12.4	–0.1	–0.2
Earnings before taxes	–8.4	13.7	19.6	20.1

UNIQA INTERNATIONAL – REGIONS

In € million	Premiums earned (net)		Net investment income		Insurance benefits		Operating expenses		Earnings before taxes	
	1–6/2020	1–6/2019	1–6/2020	1–6/2019	1–6/2020	1–6/2019	1–6/2020	1–6/2019	1–6/2020	1–6/2019
Central Europe (CE)	255.3	250.3	11.9	11.2	–136.5	–134.0	–91.1	–93.8	27.2	22.5
Eastern Europe (EE)	71.5	69.2	8.8	3.2	–26.6	–33.9	–39.0	–32.9	14.7	4.6
Russia (RU)	35.1	41.8	22.3	–0.5	–27.8	–33.0	–7.5	–7.8	10.7	9.1
Southeastern Europe (SEE)	106.3	116.7	14.1	11.4	–54.3	–69.6	–48.1	–48.3	10.5	10.5
Western Europe (WE)	0.6	7.8	0.1	0.1	–0.1	–6.9	–0.8	–2.7	0.0	–1.5
Administration	0.0	0.0	–0.2	–2.0	0.0	0.0	–16.1	–8.1	–17.0	–10.8
Total	468.8	485.8	56.9	23.4	–245.3	–277.4	–202.5	–193.6	46.1	34.4

Reinsurance		Group functions		Consolidation			Group
1–6/2020	1–6/2019	1–6/2020	1–6/2019	1–6/2020	1–6/2019	1–6/2020	1–6/2019
15.7	16.7	0.0	0.0	-15.1	-15.9	676.7	711.8
5.1	5.9	0.0	0.0	0.0	0.2	664.8	699.9
0.0	0.0	0.0	0.0	0.0	0.0	152.9	153.0
0.0	0.0	0.0	0.0	0.0	0.0	152.9	153.0
15.7	16.7	0.0	0.0	-15.1	-15.9	523.7	558.8
5.1	5.9	0.0	0.0	0.0	0.2	511.8	546.9
0.0	0.0	0.0	0.0	0.0	0.0	117.8	122.6
0.0	0.0	0.0	0.1	0.0	-0.1	0.7	1.9
-4.5	-3.8	0.0	0.0	-0.5	-1.8	-476.7	-514.6
-0.7	-0.3	-5.5	-5.2	-2.3	-1.9	-174.6	-173.6
-1.6	-1.7	0.1	1.0	2.7	2.9	-2.5	-2.2
-1.7	0.1	-5.4	-4.2	-0.2	-0.8	-23.4	-19.1
3.0	3.2	9.4	3.4	-4.4	-6.7	184.0	173.8
3.0	3.2	20.7	22.7	-14.5	-36.4	206.8	222.3
0.0	0.0	-11.3	-19.3	5.9	25.7	-27.0	-52.5
0.0	0.0	0.0	0.0	4.2	4.0	4.2	4.0
0.2	0.0	2.9	1.0	0.0	0.0	5.8	12.1
0.0	0.0	0.0	0.0	0.0	0.0	-117.8	-122.6
0.0	0.0	-1.5	-0.9	0.8	-0.3	-20.6	-1.9
3.2	3.2	10.7	3.5	-3.6	-7.1	51.4	61.4
1.5	3.3	5.4	-0.7	-3.7	-7.9	28.0	42.3
0.0	0.0	0.0	0.0	0.0	0.0	-1.0	-1.0
0.0	0.0	-3.5	-3.9	15.9	16.5	-0.1	-0.1
1.5	3.3	1.9	-4.6	12.2	8.7	26.9	41.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CLASSIFIED BY BUSINESS LINE

In € million	Property and casualty insurance		Health insurance	
	30/6/2020	31/12/2019	30/6/2020	31/12/2019
Assets				
Property, plant and equipment	195.0	192.5	36.1	37.9
Intangible assets	683.3	682.0	286.2	281.4
Investments				
Investment property	210.0	214.7	239.1	242.1
Financial assets accounted for using the equity method	77.8	72.4	220.5	220.1
Other investments	4,747.4	4,864.2	3,676.0	3,554.8
Unit-linked and index-linked life insurance investments	0.0	0.0	0.0	0.0
Reinsurers' share of technical provisions	208.9	219.7	1.4	1.6
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	476.8	238.2	278.5	357.7
Income tax receivables	45.8	42.8	2.0	1.6
Deferred tax assets	1.2	1.8	0.0	0.0
Cash and cash equivalents	327.3	280.7	98.3	71.1
Total assets by business line	6,973.6	6,809.0	4,838.0	4,768.3
Liabilities				
Subordinated liabilities	897.2	870.1	0.0	0.0
Technical provisions	3,392.7	3,295.4	3,480.2	3,360.7
Technical provisions for unit-linked and index-linked life insurance	0.0	0.0	0.0	0.0
Financial liabilities	96.0	94.0	31.0	31.7
Other provisions	329.0	356.2	311.3	313.9
Liabilities and other items classified as liabilities	800.8	655.0	114.8	101.6
Income tax liabilities	65.1	55.3	3.6	3.6
Deferred tax liabilities	46.4	74.5	142.7	152.4
Total liabilities by business line	5,627.2	5,400.7	4,083.7	3,963.9

Life insurance		Consolidation			Group
30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019
110.3	121.4	0.0	0.0	341.4	351.8
684.3	722.8	-9.8	-45.1	1,644.0	1,641.1
791.7	680.7	0.0	0.0	1,240.8	1,137.4
350.5	349.9	0.0	0.0	648.8	642.4
10,954.9	10,976.4	-606.7	-550.5	18,771.6	18,844.9
4,263.8	4,680.4	0.0	0.0	4,263.8	4,680.4
126.2	128.6	0.0	0.0	336.5	350.0
0.1	0.1	0.0	0.0	0.1	0.1
187.4	161.0	-244.3	-210.2	698.5	546.7
3.6	4.3	0.0	0.0	51.3	48.7
3.1	3.4	0.0	0.0	4.3	5.2
139.3	127.7	0.0	0.0	564.9	479.6
17,615.3	17,956.8	-860.9	-805.7	28,566.0	28,728.4
431.7	410.7	-431.7	-410.7	897.2	870.1
11,188.5	11,149.3	-1.2	-14.4	18,060.2	17,791.0
4,241.8	4,646.2	0.0	0.0	4,241.8	4,646.2
105.5	49.4	-152.0	-99.5	80.5	75.5
12.3	17.1	-2.3	-1.5	650.4	685.7
269.1	325.8	-273.3	-279.3	911.3	803.1
2.7	1.7	0.0	0.0	71.4	60.7
156.7	148.8	0.0	0.0	345.8	375.7
16,408.1	16,749.0	-860.5	-805.5	25,258.5	25,308.0
Consolidated equity and non-controlling interests				3,307.6	3,420.4
Total equity and liabilities				28,566.0	28,728.4

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

1. Investments plus valuation hierarchies for fair value measurements

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

At 30 June 2020

In € million

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets at fair value through profit or loss	6.1	167.5	0.0	15.7	52.8	242.2
Available-for-sale financial assets	840.7	16,974.8	0.0	0.0	0.0	17,815.5
Loans and receivables	0.0	108.6	605.3	0.0	0.0	713.9
Total	846.9	17,250.8	605.3	15.7	52.8	18,771.6
of which fair value option	6.1	167.5	0.0	0.0	0.0	173.6

At 31 December 2019

In € million

	Variable-income securities	Fixed-income securities	Loans and other investments	Derivative financial instruments	Investments under investment contracts	Total
Financial assets at fair value through profit or loss	7.3	201.2	0.0	22.0	58.5	289.1
Available-for-sale financial assets	909.8	16,992.2	0.0	0.0	0.0	17,901.9
Loans and receivables	0.0	114.0	539.8	0.0	0.0	653.9
Total	917.1	17,307.5	539.8	22.0	58.5	18,844.9
of which fair value option	7.3	201.2	0.0	0.0	0.0	208.6

Determination of fair value

A range of accounting policies and disclosures requires the determination of the fair value of financial and non-financial assets and liabilities. UNIQA has defined a control framework with regard to the determination 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 directly to the respective Member of the Management Board.

A review of the major unobservable inputs and the measurement adjustments is carried out regularly. If information from third parties (e.g. price quotations from brokers or price information services) is used to determine fair values, the evidence obtained from third parties is examined in order to see whether 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, UNIQA uses data that are observable on the market when determining the fair value of an asset or a liability. Based on the inputs used in the measurement 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: measurement 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 from 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: measurement parameters for assets or liabilities that are not based or are only partly based on observable market data. The measurement here primarily involves 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 measurement. 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 are assigned to 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.

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

Measurement process and methods

Financial instruments measured at fair value

For the measurement of capital investments, techniques best suited to the determination of value are applied. The following standard measurement techniques are applied for financial instruments which come under levels 2 and 3:

- Market approach

The measurement method in the market approach is based on prices or other applicable information from market transactions which involve identical or comparable assets and liabilities.

- Income approach

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

- Cost approach

The cost 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 is determined within the scope of the impairment test.

The loans are accounted for at amortised cost. 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.

Measurement techniques and inputs in the determination of fair values

Assets	Price method	Input factors	Price model
Fixed-income securities			
Listed bonds	Listed price	-	-
Unlisted bonds	Theoretical price	CDS spread, yield curves	Discounted cash flow
Unquoted asset-backed securities	Theoretical price	-	Discounted cash flow, single deal review, peer
Infrastructure financing	Theoretical price	-	Discounted cash flow
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, volatilities (FX, cap/floor, swaption, constant maturity swap, shares)	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
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
Investments under investment contracts			
Listed shares/investment funds	Listed price	-	-
Unlisted investment funds	Theoretical price	Certified net asset values	Net asset value method

Valuation hierarchy

Assets and liabilities measured at fair value

	Level 1		Level 2		Level 3		Total	
In € million	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019
Available-for-sale financial assets								
Variable-income securities	639.1	729.8	0.1	20.3	201.6	159.6	840.7	909.8
Fixed-income securities	13,108.6	13,170.8	2,902.8	2,941.6	963.3	879.8	16,974.8	16,992.2
Total	13,747.7	13,900.7	2,902.9	2,961.9	1,164.9	1,039.4	17,815.5	17,901.9
Financial assets at fair value through profit or loss								
Variable-income securities	0.0	0.0	2.1	2.1	4.0	5.3	6.1	7.3
Fixed-income securities	107.9	108.3	40.4	51.1	19.1	41.9	167.5	201.2
Derivative financial instruments	0.0	0.3	6.5	3.7	9.3	18.0	15.7	22.0
Investments under investment contracts	44.4	50.0	3.6	3.7	4.8	4.8	52.8	58.5
Total	152.3	158.5	52.6	60.6	37.3	70.0	242.2	289.1

	Level 1		Level 2		Level 3		Total	
In € million	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019
Financial liabilities								
Derivative financial instruments	0.0	0.0	1.0	0.7	0.0	0.0	1.0	0.7
Total	0.0	0.0	1.0	0.7	0.0	0.0	1.0	0.7

Fair values of assets and liabilities measured at amortised cost

	Level 1		Level 2		Level 3		Total	
In € million	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019
Investment property	0.0	0.0	0.0	0.0	2,409.1	2,258.9	2,409.1	2,258.9
Loans and receivables								
Loans and other investments	0.0	0.0	453.8	384.3	151.6	155.5	605.3	539.8
Fixed-income securities	15.5	16.3	49.1	113.0	59.0	0.0	123.5	129.2
Total	15.5	16.3	502.8	497.3	210.5	155.5	728.8	669.1

	Level 1		Level 2		Level 3		Total	
In € million	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019	30/6/2020	31/12/2019
Financial liabilities								
Liabilities from loans	0.0	0.0	0.0	0.0	79.4	74.8	79.4	74.8
Total	0.0	0.0	0.0	0.0	79.4	74.8	79.4	74.8
Subordinated liabilities	969.1	1,051.4	0.0	0.0	0.0	0.0	969.1	1,051.4

Transfers between levels 1 and 2

Transfers were made in the reporting period from Level 1 to Level 2 amounting to €324.9 million (2019: €492.5 million) and from Level 2 to Level 1 amounting to €636.2 million (2019: €144.5 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 to the fair values of financial instruments whose measurement techniques are not based on observable inputs.

In € million	Fixed-income securities		Other		Total	
	2020	2019	2020	2019	2020	2019
At 1 January	879.8	501.5	229.6	239.4	1,109.4	740.8
Transfers from Level 3 to Level 2	0.0	0.0	0.0	-4.2	0.0	-4.2
Transfers to Level 3	31.3	0.0	0.0	0.0	31.3	0.0
Gains and losses recognised in profit or loss	3.8	-2.4	-1.2	-1.5	2.7	-4.0
Gains and losses recognised in other comprehensive income	-20.7	46.0	-2.8	-1.5	-23.5	44.5
Additions	73.9	343.9	103.5	32.6	177.4	376.6
Disposals	-4.5	-9.2	-89.9	-35.1	-94.4	-44.3
Changes from currency translation	-0.3	0.0	-0.4	0.0	-0.7	0.0
At 30 June and/or 31 December	963.3	879.8	238.9	229.6	1,202.2	1,109.4

The transfers between Levels 2 and 3 were completed as a result of changes in the observability of the relevant input factors.

Sensitivities

For the most important financial instruments in Level 3, an increase in the discount rate by 100 basis points results in a reduction in value of 6.1 per cent (2019: 6.2 per cent). A reduction in the discount rate by 100 basis points results in an 8.5 per cent increase in value (2019: 7.5 per cent).

2. Net investment income

Classified by business line

In € million	Property and casualty insurance		Health insurance		Life insurance		Group	
	1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted	1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted
Investment property	2.3	10.9	4.5	14.2	18.3	39.8	25.1	64.9
Financial assets accounted for using the equity method	6.1	2.8	2.6	2.8	4.2	4.0	13.0	9.6
Variable-income securities	-1.8	1.8	-14.8	2.8	2.0	0.1	-14.6	4.7
Available for sale	-1.8	3.3	-15.1	1.9	2.0	0.1	-14.9	5.3
At fair value through profit or loss	0.0	-1.5	0.2	0.9	0.0	0.1	0.3	-0.5
Fixed-income securities	15.3	64.4	36.0	41.6	155.5	116.0	206.8	222.1
Available for sale	14.8	58.7	35.3	34.6	155.4	115.8	205.5	209.1
At fair value through profit or loss	0.5	5.8	0.7	7.1	0.1	0.1	1.2	13.0
Loans and other investments	1.4	2.3	1.2	3.0	11.7	19.9	14.3	25.1
Loans	-0.6	0.4	0.7	0.9	2.4	3.9	2.5	5.1
Other investments	1.9	1.9	0.5	2.1	9.3	16.0	11.8	20.1
Derivative financial instruments	-3.3	-2.4	0.0	-0.1	-0.7	0.2	-4.0	-2.3
Investment administration expenses, interest paid and other investment expenses	-12.6	-11.7	-5.7	-3.1	-7.0	-6.1	-25.3	-20.9
Total	7.3	68.1	23.8	61.2	184.0	173.8	215.1	303.1

Classified by type of income

In € million	Current income/expenses		Gains/losses from disposals and changes in value		Total		of which impairment	
	1-6/2020	1-6/2019	1-6/2020	1-6/2019 adjusted	1-6/2020	1-6/2019 adjusted	1-6/2020	1-6/2019
Financial assets at fair value through profit or loss	5.4	0.8	-7.9	9.3	-2.5	10.1	0.0	0.0
Variable-income securities (within the framework of fair value option)	0.2	0.5	0.1	-1.0	0.3	-0.5	0.0	0.0
Fixed-income securities (within the framework of fair value option)	0.6	1.3	0.7	11.6	1.2	13.0	0.0	0.0
Derivative financial instruments	4.7	-1.0	-8.7	-1.3	-4.0	-2.3	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	184.5	193.9	6.1	20.5	190.6	214.3	-36.6	-11.8
Variable-income securities	12.0	17.6	-26.9	-12.4	-14.9	5.3	-21.6	-11.0
Fixed-income securities	172.6	176.3	33.0	32.8	205.5	209.1	-15.0	-0.8
Loans and receivables	17.2	25.9	-2.9	-0.7	14.3	25.1	-0.5	0.0
Fixed-income securities	1.9	3.7	0.0	-0.3	1.8	3.3	0.0	0.0
Loans and other investments	15.3	22.2	-2.9	-0.4	12.4	21.8	-0.5	0.0
Investment property	40.9	42.1	-15.9	22.7	25.1	64.9	0.0	-6.5
Financial assets accounted for using the equity method	13.0	9.6	0.0	0.0	13.0	9.6	0.0	0.0
Investment administration expenses, interest paid and other investment expenses	-25.3	-20.9	0.0	0.0	-25.3	-20.9	0.0	0.0
Total	235.8	251.3	-20.7	51.8	215.1	303.1	-37.1	-18.3

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

Net profit/(loss) by measurement category

In € million

	1–6/2020	1–6/2019
Financial assets at fair value through profit or loss		
Recognised in profit/(loss) for the period	-2.5	10.1
Available-for-sale financial assets		
Recognised in profit/(loss) for the period	190.6	214.3
of which reclassified from equity to consolidated income statement	-32.9	-6.9
Recognised in other comprehensive income	25.3	908.0
Net income	215.9	1,122.3
Loans and receivables		
Recognised in profit/(loss) for the period	14.3	25.1
Financial liabilities measured at amortised cost		
Recognised in profit/(loss) for the period	-28.7	-27.0

The currency losses in net investment income amount to €9.0 million (1–6/2019: currency losses in the amount of €5.5 million). Furthermore, negative currency effects amounting to €0.6 million were recognised directly in equity (1–6/2019: positive currency effects amounting to €0.4 million).

Net investment income fell overall compared with the previous year due to negative capital market developments caused by Covid-19 in the first half of 2020. However, an upward trend was recorded in developments on the capital markets in the second quarter of 2020. Expenses from investments increased on the previous year primarily as a result of impairments.

3. Premiums

Premiums earned

In € million

	1–6/2020	1–6/2019
Property and casualty insurance	1,351.5	1,324.5
Gross	1,424.4	1,395.4
Reinsurers' share	-72.8	-70.9
Health insurance	576.4	553.7
Gross	577.7	555.3
Reinsurers' share	-1.3	-1.6
Life insurance	511.8	546.9
Gross	523.8	559.6
Reinsurers' share	-12.0	-12.7
Total	2,439.8	2,425.1

Property and casualty insurance premiums written

In € million

	1–6/2020	1–6/2019
Direct insurance		
Fire and business interruption insurance	163.1	148.6
Liability insurance	166.6	152.8
Household insurance	103.3	97.9
Motor TPL insurance	309.0	320.3
Legal expense insurance	51.7	49.6
Marine, aviation and transport insurance	33.0	34.4
Other motor insurance	300.1	299.1
Other property insurance	167.1	162.3
Other forms of insurance	35.1	41.6
Casualty insurance	200.3	197.7
Total	1,529.2	1,504.4
Indirect insurance		
Fire and business interruption insurance	15.0	14.2
Motor TPL insurance	6.2	5.6
Other forms of insurance	15.0	10.8
Total	36.2	30.6
Total direct and indirect insurance (amount consolidated)	1,565.4	1,535.0

Premium volumes rose slightly overall compared with the previous year despite Covid-19. While premium volumes fell slightly in the UNIQA International segment, this was more than compensated in the UNIQA Austria segment. In property and casualty insurance, only the motor vehicle liability insurance, marine, aviation and transport insurance business lines as well as other insurance lines recorded a slight decline in premiums as a result of Covid-19.

4. Insurance benefits

In € million	Gross		Reinsurers' share		Net	
	1–6/2020	1–6/2019 adjusted	1–6/2020	1–6/2019	1–6/2020	1–6/2019 adjusted
Property and casualty insurance						
Claims expenses						
Claims paid	815.4	841.4	-36.7	-56.6	778.7	784.7
Change in provision for unsettled claims	46.6	71.9	20.9	-18.0	67.5	53.8
Total	861.9	913.2	-15.8	-74.7	846.2	838.5
Change in insurance provision	0.4	1.5	0.0	0.0	0.4	1.5
Change in other technical provisions	0.0	-0.1	0.0	-1.5	0.0	-1.5
Non-profit-related and profit-related premium refund expenses	22.6	22.9	0.0	0.0	22.6	22.9
Total benefits	884.9	937.5	-15.8	-76.2	869.2	861.4
Health insurance						
Claims expenses						
Claims paid	360.9	391.5	-0.3	-0.3	360.6	391.2
Change in provision for unsettled claims	37.6	3.8	0.1	0.1	37.7	3.9
Total	398.5	395.3	-0.2	-0.2	398.3	395.1
Change in insurance provision	76.5	70.0	0.0	0.0	76.6	70.1
Non-profit-related and profit-related premium refund expenses	19.0	16.3	0.0	0.0	19.0	16.3
Total benefits	494.3	481.6	-0.2	-0.2	494.1	481.4
Life insurance						
Claims expenses						
Claims paid	520.6	560.2	-9.6	-12.1	511.0	548.1
Change in provision for unsettled claims	2.2	16.4	-0.9	0.3	1.3	16.8
Total	522.8	576.6	-10.5	-11.7	512.3	564.9
Change in insurance provision	-66.8	-76.8	2.6	2.8	-64.2	-74.1
Non-profit-related and/or profit-related premium refund expenses and/or (deferred) benefit participation expenses	28.5	23.8	0.0	0.0	28.5	23.8
Total benefits	484.5	523.6	-7.9	-9.0	476.7	514.6
Total	1,863.7	1,942.8	-23.8	-85.3	1,840.0	1,857.4

Covid-19 had differing effects on insurance benefits.

In property and casualty insurance, there was a slight increase in insurance benefits in the UNIQA Austria segment, primarily due to benefits from business interruption insurance and benefits as a result of the cancellation of events. By comparison, insurance benefits decreased in the remaining segments of UNIQA.

In absolute terms, there was an increase in benefits within health insurance, although it was small in relation to the rise in premiums. This is primarily due to the lower utilisation of medical services.

No significant impact was identified on insurance benefits in life insurance as a result of Covid-19.

5. Operating expenses

In € million	1–6/2020	1–6/2019
Property and casualty insurance		
Acquisition costs		
Payments	320.5	324.4
Change in deferred acquisition costs	-16.1	-22.3
Other operating expenses	139.4	132.7
Reinsurance commission and share of profit from reinsurance ceded	-6.4	-7.1
	437.5	427.7
Health insurance		
Acquisition costs		
Payments	51.6	56.5
Change in deferred acquisition costs	-5.6	-9.3
Other operating expenses	56.5	48.6
Reinsurance commission and share of profit from reinsurance ceded	-0.2	-0.2
	102.3	95.5
Life insurance		
Acquisition costs		
Payments	77.0	84.7
Change in deferred acquisition costs	29.2	23.8
Other operating expenses	69.9	66.5
Reinsurance commission and share of profit from reinsurance ceded	-1.5	-1.4
	174.6	173.6
Total	714.4	696.8

6. Employees

Average number of employees	1–6/2020	1–6/2019
Total	12,777	12,731
of which sales	4,137	4,194
of which administration	8,640	8,537

7. Dividends paid

A dividend of €0.18 per share (previous year: €0.53) was paid on 8 June 2020. This corresponds to a distribution amounting to €55.3 million (previous year: €162.7 million).

8. Basis of consolidation

The basis of consolidation – including UNIQA Insurance Group AG – includes 101 fully consolidated companies (31 December 2019: 100) and 6 associates (31 December 2019: 6) accounted for using the equity method.

UNIQA Ventures GmbH (Vienna), Sanus X GmbH (Vienna) and City One Park Sp. z o.o. (Warsaw, Poland) were consolidated for the first time in the first quarter of 2020.

A total of 85 per cent of the shares in Treimorfa Project Sp. z o.o. (Krakow, Poland) were acquired in the second quarter of 2020.

The initial consolidation of these companies has no material impact on UNIQA.

9. Relationships with related companies and persons

Companies in the UNIQA Group maintain various relationships with related companies and persons.

Related companies refer to companies which exercise either a controlling or a significant influence on UNIQA. The group of related companies also includes the non-consolidated subsidiaries, associates and joint ventures of UNIQA.

Related persons include the members of management holding key positions along with their close family members. This covers in particular the members of management in key positions at those companies which exercise either a controlling or a significant influence on the UNIQA Group, along with their close family members.

Transactions and balances with related companies

In € million

	Companies with significant influence on UNIQA Group	Affiliated but not consolidated companies	Associated companies of UNIQA Group	Other related parties	Total
Transactions in 1 – 6/2020					
Premiums written (gross)	0.4	0.0	0.7	14.6	15.7
Income from investments	0.9	0.0	13.0	2.5	16.4
Expenses from investments	-0.6	0.0	0.0	-0.2	-0.8
Other income	0.1	3.6	1.7	0.2	5.6
Other expenses	-1.3	-4.2	-1.0	-12.5	-18.9
At 30 June 2020					
Investments	208.0	4.8	648.8	38.2	899.8
Cash and cash equivalents	223.6	0.0	0.0	198.3	421.8
Receivables, including insurance receivables	0.0	5.6	0.1	3.5	9.2
Liabilities and other items classified as liabilities	0.0	0.9	0.2	5.2	6.3

Transactions and balances with related companies

In € million

	Companies with significant influence on UNIQA Group	Affiliated but not consolidated companies	Associated companies of UNIQA Group	Other related parties	Total
Transactions in 1 – 6/2019					
Premiums written (gross)	1.0	0.0	0.8	23.7	25.5
Income from investments	7.5	0.3	9.6	2.5	19.9
Expenses from investments	-0.4	0.0	0.0	-1.8	-2.2
Other income	0.1	3.7	1.9	0.2	6.0
Other expenses	0.0	-4.0	-1.4	-12.9	-18.3
At 31 December 2019					
Investments	242.1	16.8	607.9	46.7	913.5
Cash and cash equivalents	265.7	0.0	0.0	231.2	496.8
Receivables, including insurance receivables	0.0	5.9	0.1	4.8	10.9
Liabilities and other items classified as liabilities	0.0	1.2	0.2	4.8	6.3

Transactions with related persons

In € million

1 – 6/2020 1 – 6/2019

Premiums written (gross)	0.3	0.3
Salaries and short-term benefits ¹⁾	-2.8	-2.5
Pension expenses	-0.7	-0.5
Compensation on termination of employment contract	-0.1	-0.1
Expenditures for share-based payments	-0.6	-0.6
Other income	0.1	0.1

¹⁾ This item includes fixed and variable Management Board remuneration paid from the beginning of the financial year to the reporting date, as well as the Supervisory Board remuneration.

10. Significant events after the reporting date

Issuance of two bonds

On 2 July 2020, UNIQA placed a senior bond to the value of €600 million and a subordinated bond (Tier 2 bond) to the value of €200 million with institutional investors both in and outside Austria.

The senior bond is scheduled for repayment after a period of 10 years. The Tier 2 bond is scheduled for repayment after a period of 15.25 years and subject to certain conditions, and can only be cancelled by UNIQA after 5.25 years have elapsed and under certain conditions. The Tier 2 bond will be eligible at least in part as Tier 2 original own funds in accordance with the regulatory requirements.

The admission of both bonds to the Official Market on the Vienna Stock Exchange was applied for and granted.

Acquisition of the AXA companies approved by the European Commission

The European Commission approved the planned acquisition of shares in AXA subsidiaries and branches in Poland, the Czech Republic and Slovakia unconditionally on 29 July 2020.

Regulatory approvals in the respective countries are still outstanding before the transaction can be finalised. The closing is scheduled for the fourth quarter of 2020.

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, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim Group Management Report gives a true and fair view of the Group's financial position with respect to significant events that occurred during the first six

months of the financial year and the impact on the condensed consolidated interim financial statements with respect to the significant risks and uncertainties for the remaining six months of the financial year, and with respect to the material transactions with related companies or persons that are subject to disclosure.

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

Vienna, August 2020



Andreas Brandstetter
Chairman of the Management Board



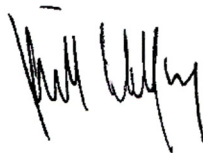
Peter Eichler
Member of the Management Board



Wolf-Christoph Gerlach
Member of the Management Board



Peter Humer
Member of the Management Board



Wolfgang Kindl
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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 on 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 Group Report of UNIQA Group.
In case of any divergences, the German original is legally binding.

