

27.08.2014 – 08:01 Uhr

EANS-News: UNIQA Insurance Group AG / UNIQA remains on track with solid result

Corporate news transmitted by euro adhoc. The issuer/originator is solely responsible for the content of this announcement.

6-month report**UNIQA remains on track with solid result**

- Premiums written (including savings portion) increased by 2.0 per cent to EUR 3,130.3 million
- Retained premiums earned according to IFRS (not including savings portion) up 6.0 per cent to EUR 2,643.8 million
- Group cost ratio and combined ratio further improved at 21.9 per cent and 98.3 per cent respectively
- Underwriting result considerably increased (+53.6 per cent)
- Negative effect on EBT due to write-downs of EUR 19 million on Hypo Alpe-Adria-Bank International bonds
- Nonetheless, EBT increased to EUR 181.4 million (+24.7 per cent) on a like-for-like basis (excluding non-recurring effects from the hotel sale in 2013)

In the first half of 2014, UNIQA Insurance Group AG (UNIQA Group) generated a profit on ordinary activities (EBT) of EUR 181.4 million (-7.7 per cent). Adjusted for the one-off effect from the sale of the Austria hotel group in the first half of 2013 in the amount of EUR 51.1 million, EBT was up 24.7 per cent year on year.

The UNIQA Group increased its premiums written - including the savings portion from unit- and index-linked life insurance - by 2.0 per cent to EUR 3,130.3 million (1-6/2013: EUR 3,068.1 million). Retained premiums earned (in accordance with IFRS, not including savings portion) grew by 6.0 per cent to EUR 2,643.8 million (1-6/2013: EUR 2,495.0 million).

UNIQA CEO Andreas Brandstetter: "We remained on track in a tough economic environment in the first half of 2014. We grew once again, reduced costs and further improved the combined ratio. Even recurring investment income increased slightly despite write-downs on the Hypo Alpe-Adria bonds and low interest rates. Overall, this means that our EBT grew significantly on a like-for-like basis. Thanks to the continued gradual implementation of our long-term strategy programme UNIQA 2.0, we thus took another step closer to our goals. We remain on target for again considerably increasing our EBT for 2014 as a whole compared to 2013."

Key Group figures

Premiums written - including the savings portion from unit- and index-linked life insurance - rose by a moderate 2.0 per cent to EUR 3,130.3 million in the first half of 2014 (1-6/2013: EUR 3,068.1 million). Premium growth was curbed primarily by a significant decrease in premiums in unit-linked life insurance. This development was caused mainly by follow-on effects from maturing life insurance policies in connection with the decision to completely withdraw from

the German market and not to conclude any new business, which was adopted back in 2011.

Retained premiums earned (in accordance with IFRS, not including the savings portion from unit- and index-linked life insurance) increased significantly by 6.0 per cent to EUR 2,643.8 million (1-6/2013: EUR 2,495.0 million).

The UNIQA Group's retained insurance benefits rose by 6.6 per cent to EUR 2,142.0 million in the first six months of 2014 (1-6/2013: EUR 2,008.9 million). The increase in benefits was thus slightly higher than the increase in premiums earned.

Operating expenses less reinsurance commissions received improved by 1.7 per cent year on year, falling to EUR 638.4 million (1-6/2013: EUR 649.3 million). There was a significant reduction in administrative expenses, which fell by 13.6 per cent or EUR 28.4 million to EUR 179.6 million (1-6/2013: EUR 207.9 million). This was offset by a moderate 4.0 per cent growth in sales costs to EUR 458.9 million (1-6/2013: EUR 441.3 million).

The Group cost ratio after reinsurance improved from 23.0 per cent to 21.9 per cent, chiefly due to the reduction in administrative expenses. In 2012, the first full financial year after the UNIQA 2.0 strategy programme was launched, the cost ratio was still 25.0 per cent.

Despite the flood damage in Eastern and Southeastern Europe and the slight increase in the loss ratio, the combined ratio (after reinsurance) improved by 1.1 percentage points to 98.3 per cent (1-6/2013: 99.4 per cent); in 2012, the combined ratio was 101.3 per cent.

The underwriting result also developed positively, improving by 53.6 % from EUR 59.8 million to EUR 91.8 million.

Net investment income of the UNIQA Group fell by 11.8 per cent from EUR 408.9 million to EUR 360.7 million in the first half of 2014. However, the comparative figure for the previous year included the book profit on the disposal of the Austria Hotels International Group, which amounted to EUR 51.1 million. Adjusted for this one-off effect in the previous year, net investment income rose by 0.8 per cent despite write-downs of EUR 19 million on Hypo Alpe-Adria-Bank International bonds and the persistently low interest rates.

The investment portfolio of the UNIQA Group (including unit- and index-linked life insurance investments) increased by EUR 1,455.1 million as against the end of the previous year to EUR 28,838.7 million (31 December 2013: EUR 27,383.6 million).

The UNIQA Group's profit on ordinary activities amounted to EUR 181.4 million in the first half of the year. On a like-for-like basis (excluding the one-off effect from the sale of the hotel group in the first half of 2013 in the amount of EUR 51.1 million), this corresponds to an increase of 24.7 per cent. If this one-off effect in the first half of 2013 is included, EBT in the first six months of 2014 was 7.7 per cent lower than the previous year's figure (1-6/2013: EUR 196.6 million). The net profit for the period amounted to EUR 125.7 million (1-6/2013: EUR 152.9 million), while the consolidated profit (after taxes and minority interests) fell by 18.5 per cent to EUR 122.8 million (1-6/2013: EUR 150.6 million). In both cases, the decline is also attributable to the one-off effect from the sale of the hotel group in the first half of 2013.

In the first six months of 2014, the UNIQA Group's total equity increased by 9.0 per cent to EUR 3,041.7 million (31 December 2013: EUR 2,789.9 million).

The solvency ratio (Solvency I) remained very strong in the first half of 2014 and improved by 14.7 percentage points as against the end of the previous year to 301.8 per cent (31 December 2013: 287.1 per cent).

The number of employees increased from 14,353 to 14,620 (+1.9 per cent) due to the acquisition of insurance companies in Croatia and Serbia. 5,960 of these employees were employed in sales and 8,660 in administration.

Outlook

The UNIQA Group has set itself the target of significantly increasing its profit on ordinary activities again in 2014 in comparison to 2013. This assumes that the capital market environment will be stable, that economic development will improve moderately and that losses caused by natural disasters will remain within a normal range.

Forward-looking statements

This press release contains statements concerning UNIQA's future development. These statements present estimates which were reached on the basis of all of the information available to us at the present time. If the assumptions on which they are based do not occur, the actual results may deviate from the results currently expected. As a result, no liability is accepted for this information.

UNIQA 2.0

UNIQA 2.0 is a long-term strategy programme that the company has been implementing since May 2011. UNIQA has set itself the target of increasing its customer base to 15 million by 2020 and improving its EBT by up to EUR 350 million between 2012 and 2015. In doing this, the company is focusing on its core business as a primary insurer in its core markets of Austria and Central and Eastern Europe (CEE). The business model is geared towards profitable growth and long-term value added in these markets. UNIQA intends to boost profitability at UNIQA Österreich, increase productivity at Raiffeisen Versicherung in Austria and leverage the growth potential in the CEE region and is implementing a systematic risk/return approach.

Further inquiry note:

UNIQA Insurance Group AG
Norbert Heller
Tel.: +43 (01) 211 75-3414
mailto:norbert.heller@uniqa.at

end of announcement euro adhoc

company: UNIQA Insurance Group AG
Untere Donaustraße 21
A-1029 Wien
phone: 01/211 75-0
mail: investor.relations@uniqa.at
WWW: <http://www.uniqagroup.com>
sector: Insurance
ISIN: AT0000821103
indexes: WBI, ATX Prime, ATX
stockmarkets: official market: Wien
language: English

Original content of: UNIQA Insurance Group AG, transmitted by news aktuell
Diese Meldung kann unter <https://www.presseportal.de/en/pm/110342/2816338> abgerufen werden.