

**DUNAV**

**INSURANCE COMPANY**

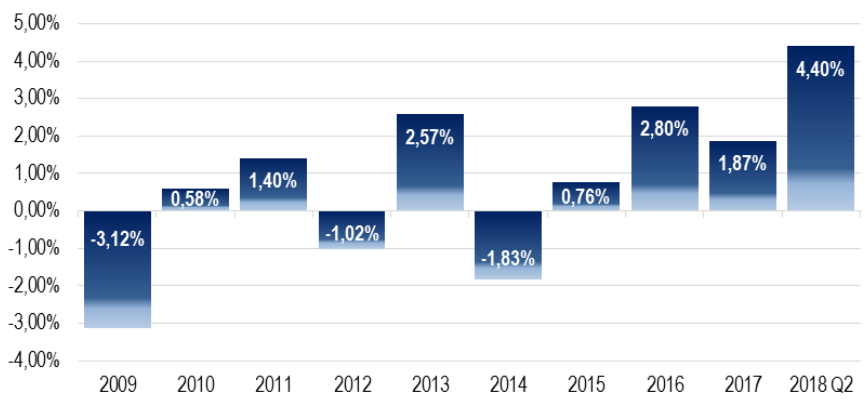
**SERBIAN**

**INSURANCE LEADER**

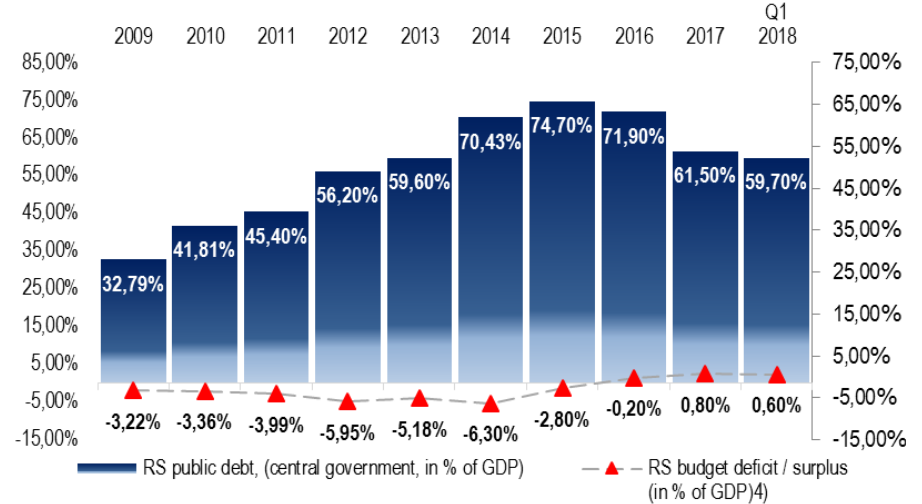
# Key Macroeconomic Indicators of the Republic of Serbia

- **KEY MACROECONOMIC**
- **INSURANCE MARKET**
- **DUNAV INSURANCE – HISTORY, ORGANIZATION, SHAREHOLDERS**
- **DUNAV INSURANCE – PERFORMANCE**

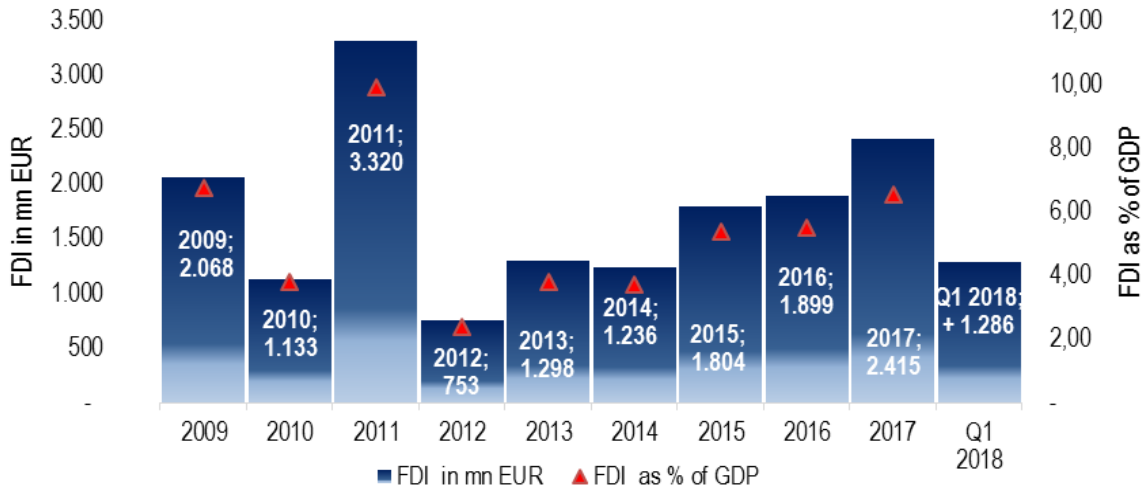
Real GDP growth (in %)



RS public debt and budget deficit



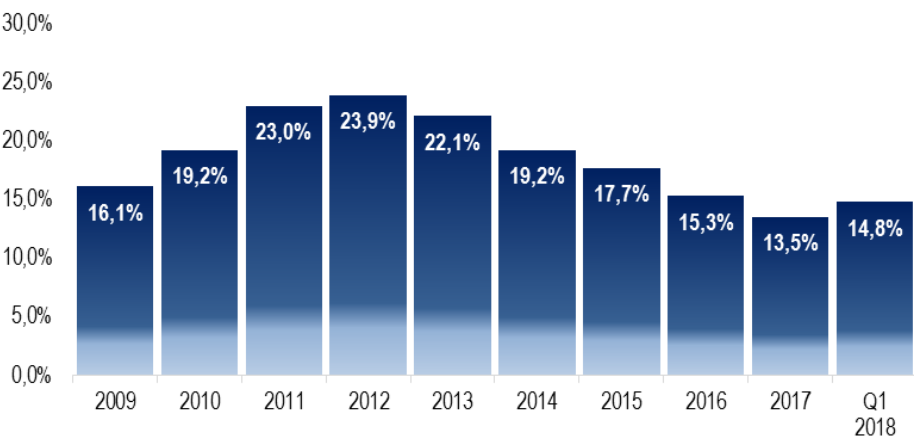
FDI in RS



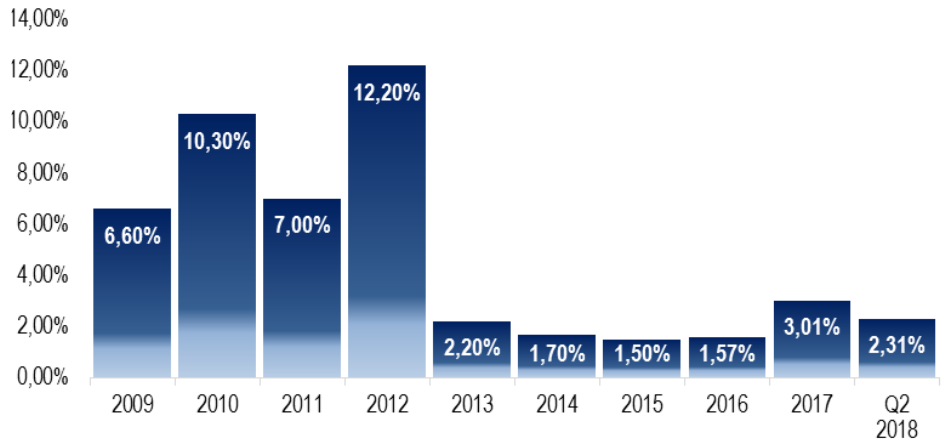
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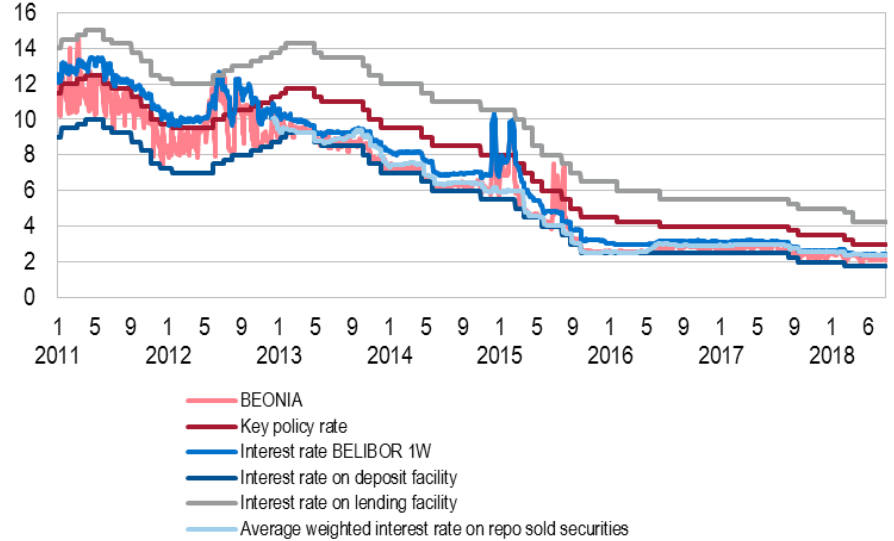
Unemployment rate %



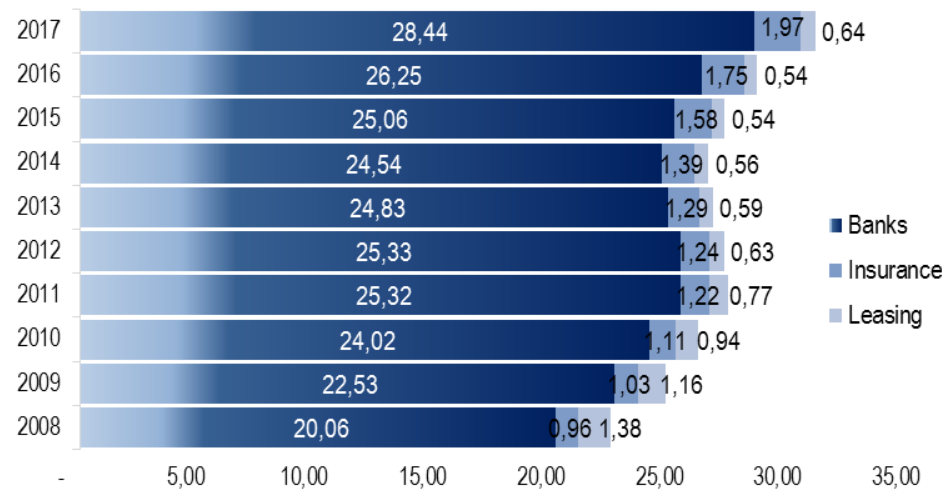
Consumer prices (in %, relative to the same month a year earlier)



Interest rate movements

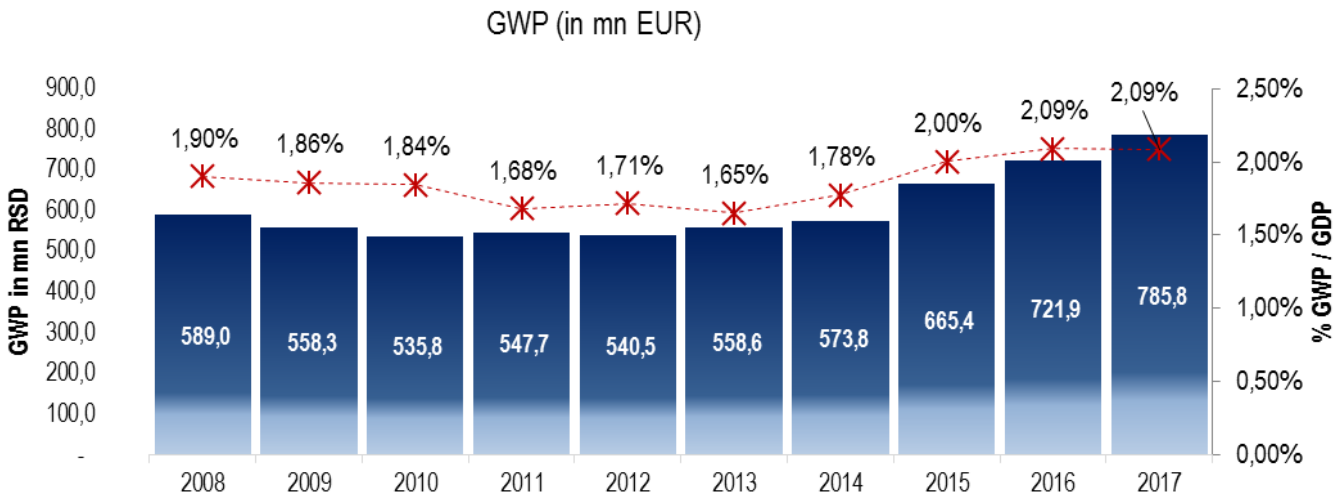


Financial Sector in the Republic of Serbia (in billion EUR)



# Insurance Market of the Republic of Serbia

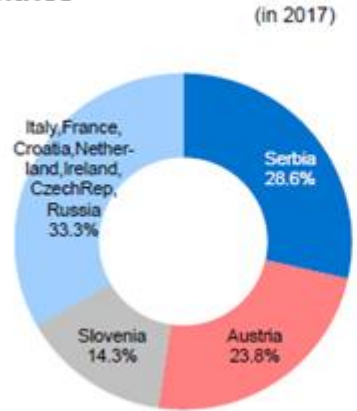
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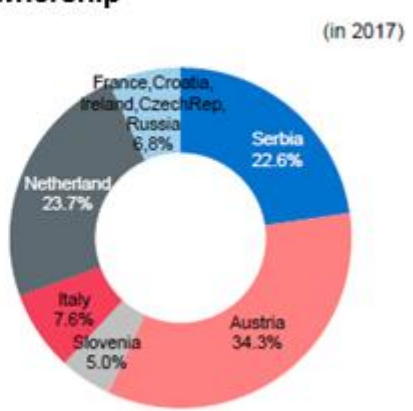
The Serbian insurance sector is still below the average for the EU member states. This is corroborated by the insurance market development indicators – the ratio of total premium to GDP and total premium per capita.

There is a significant potential for the growth of the domestic insurance industry.

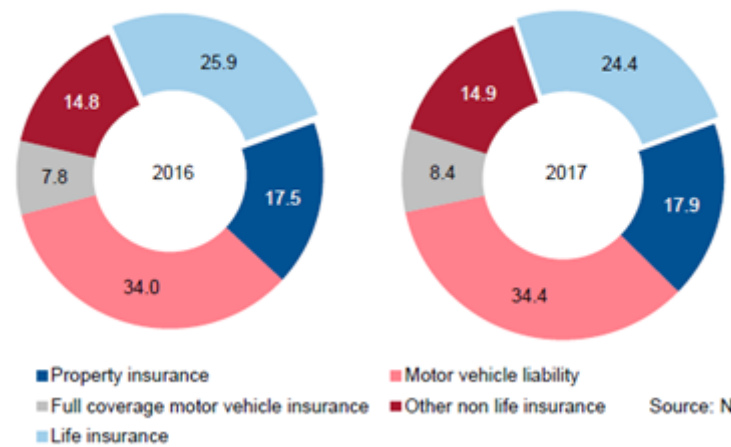
Owners of insurance companies by countries



Asset value of insurance companies by ownership



Total premium according to the types of insurance (in 2016 and 2017, in %)



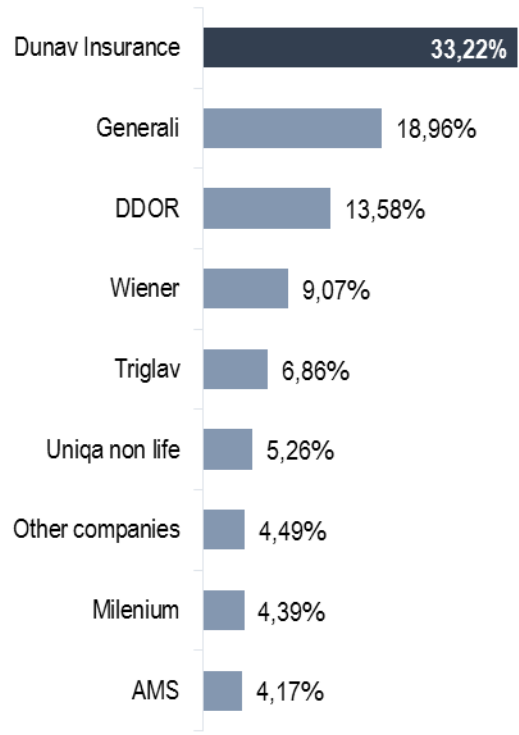
Source: NBS.

Source: NBS.

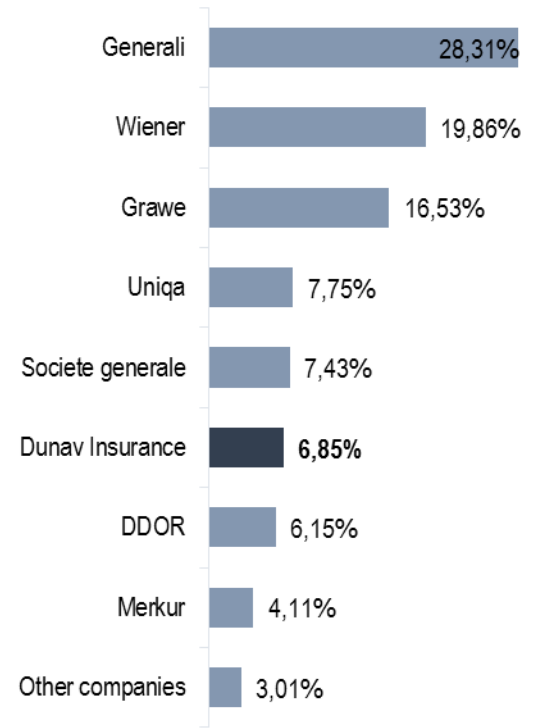
# Dunav Insurance Company - Market Share 2017 (by GWP)

- KEY MACROECONOMIC
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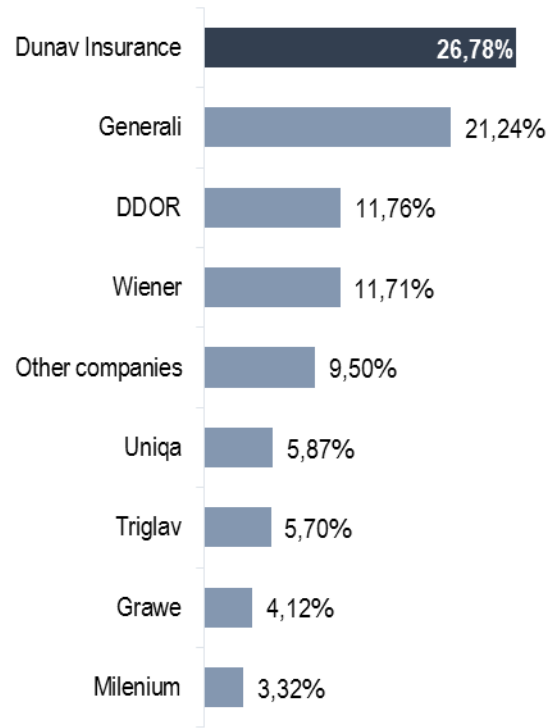
## NON LIFE INSURANCE



## LIFE INSURANCE



## TOTAL INSURANCE



# Dunav Insurance Company - History

- KEY MACROECONOMIC
- INSURANCE MARKET
- DUNAV INSURANCE – HISTORY,
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- DUNAV INSURANCE - PERFORMANCE

1897

- ✓ The first Serbian insurance Company, Belgrade Cooperative, was founded in 1897.

1945

- ✓ In 1945, the National Insurance and Reinsurance Company was established by a merger of pre-war insurance companies Dunav, Elementar and Winerstadtische

1968

- ✓ In 1968, 128 companies and 7 insurance associations were integrated into 11 insurance associations

1974

- ✓ In 1974, two associations Beograd and Yugoslavia were integrated into ZOIL Dunav

1990

- ✓ In 1990, the Company changed its name into Dunav Joint Stock Insurance Company a.d.

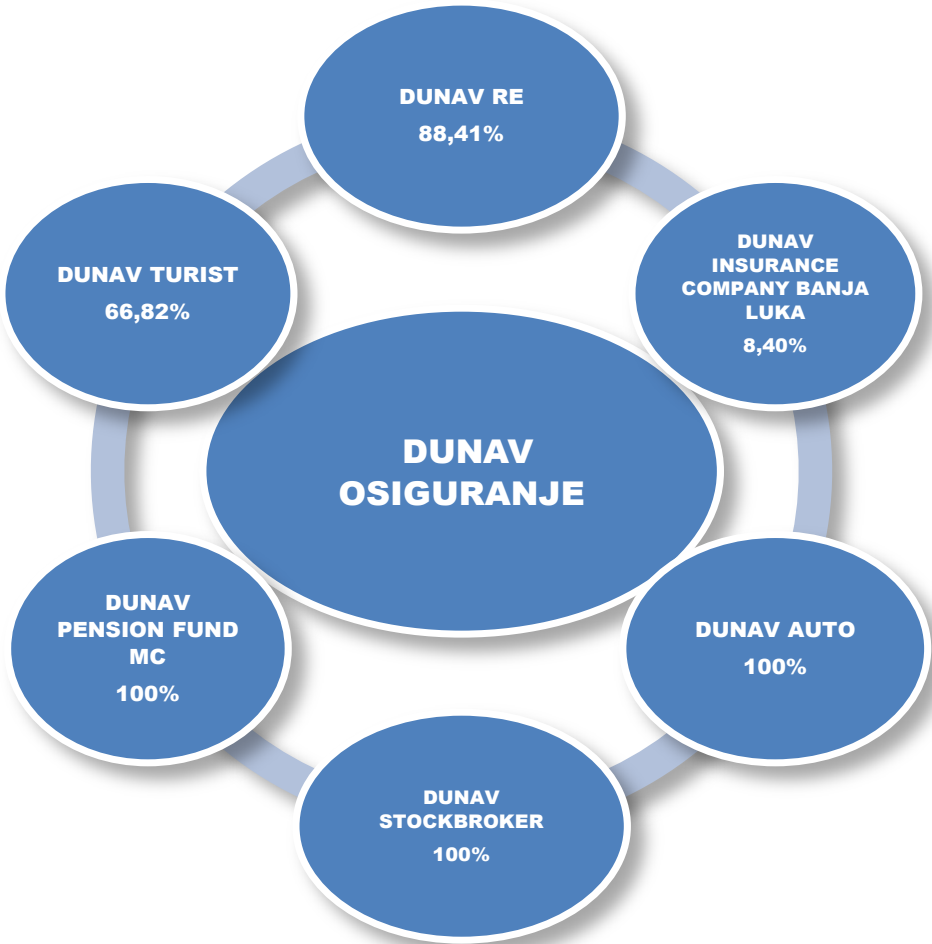
Today

- ✓ Today, this is a modern company and the leader in the Serbian insurance market

# Dunav Insurance Company – Subsidiaries

- KEY MACROECONOMIC
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The Company, as a parent entity, together with its subsidiaries, provides to citizens and legal persons the services of insurance, coinsurance and reinsurance of property and persons, as well as other insurance services and services within the area of other business activities for which it is registered. The group comprises of the following subsidiaries:

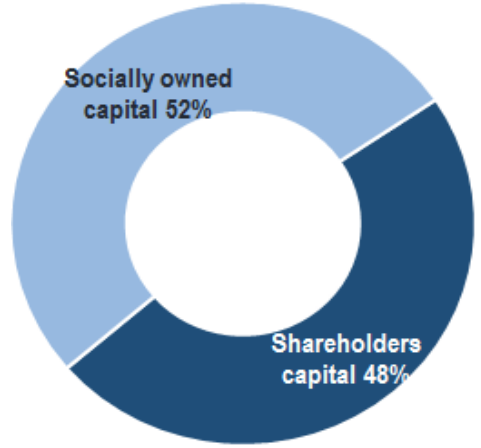


GROUP STRUCTURE WITH PERCENT OF OWNERSHIP

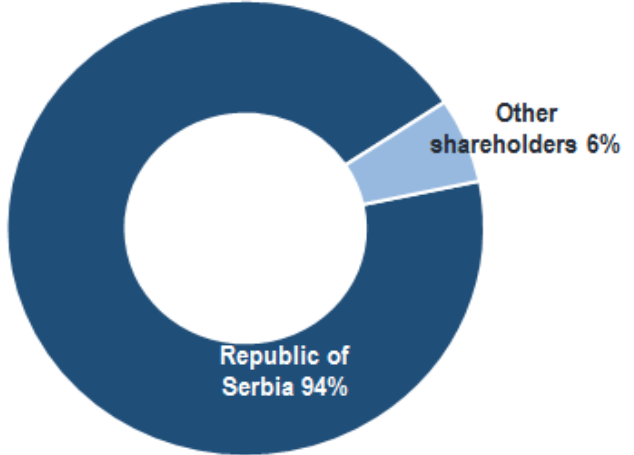
# Dunav Insurance Company – Shareholders structure & Dividends per Share

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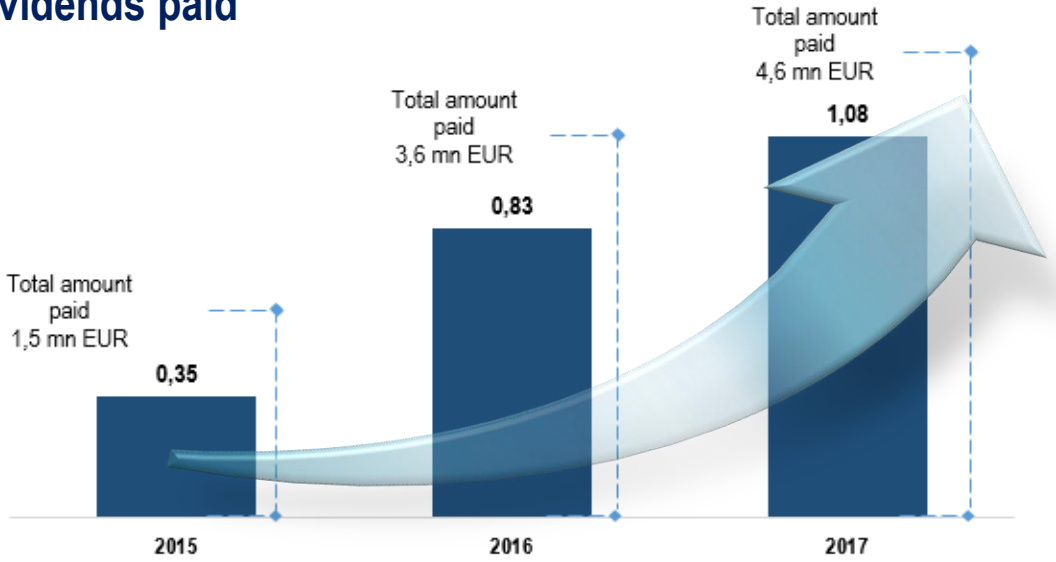
### Capital structure



### Shareholders capital structure



### Dividends paid

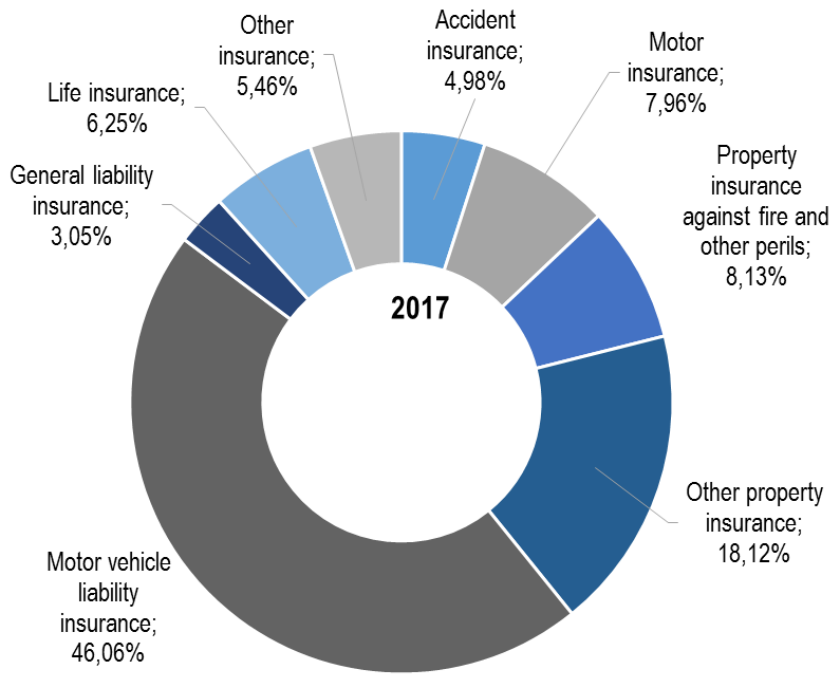
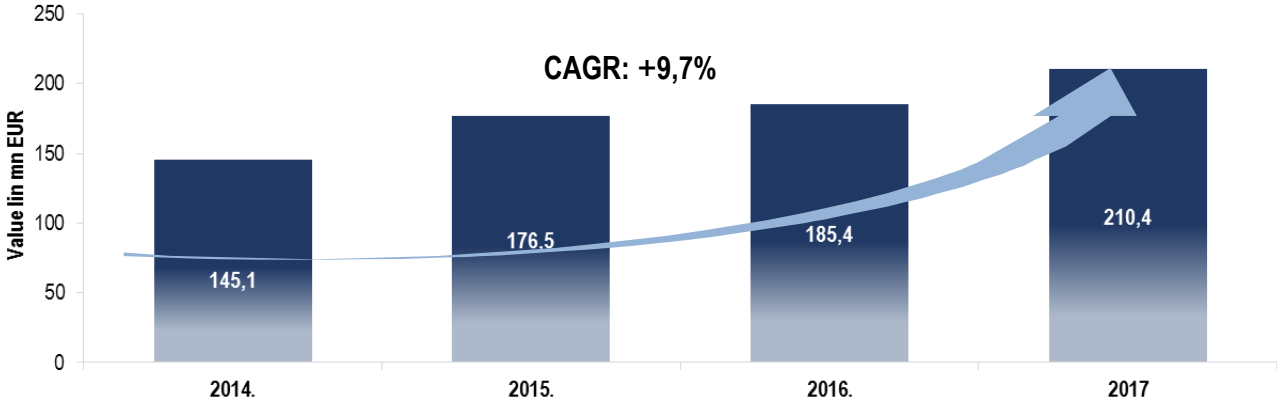




# Dunav Insurance Company – GWP

- KEY MACROECONOMIC
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## Gross written premium



**Property insurance premium** (property against fire and other property insurance) accounted for total of 55.3 million EUR, which is 26.28% of total written premium;

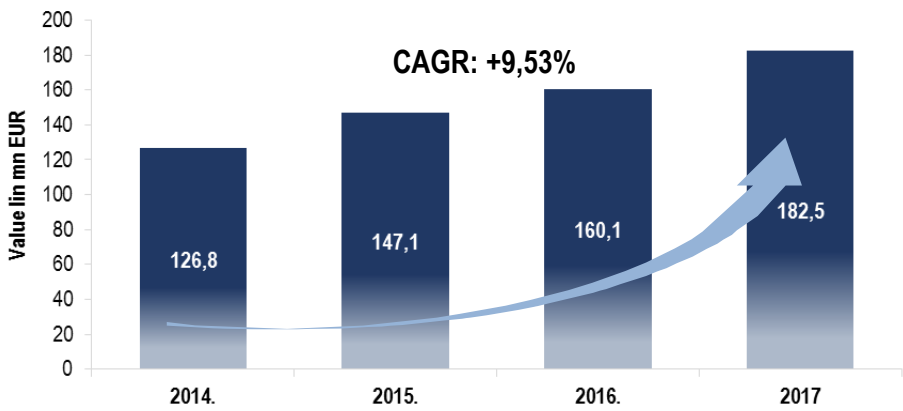
In the end of 2017, **motor third-party liability insurance (MTPL)** accounted for the biggest share in the structure of total gross premium with 96.98 million EUR, i.e. 46.06% of the total portfolio value;

**Motor vehicle insurance – casco** recorded the premium of 16.7 million EUR, i.e. 7.97%, while **accident insurance** premium amounted to 10.46 million EUR, i.e. 4.98% of total earned premium.

# Dunav Insurance Company – Key Performance Indicators

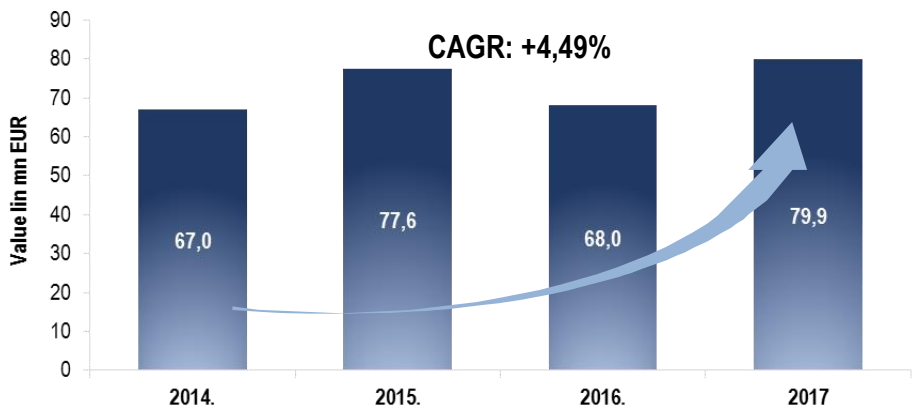
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## Premium earned



- ✓ Premium income is the key generator of profitability of the company.
- ✓ Compared to 2014 Company achieved total growth of almost 44%.

## Settled claims

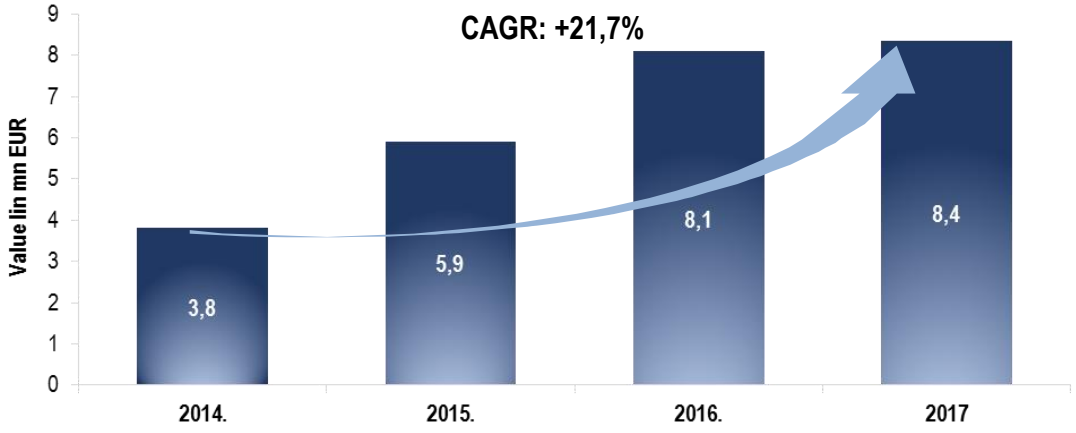


- ✓ In 2015 the Company paid the claim to the Telekom at the value of almost 11 million EUR which was the biggest claim paid in the Republic of Serbia over the last 10 years.

# Dunav Insurance Company – Restructured investment portfolio

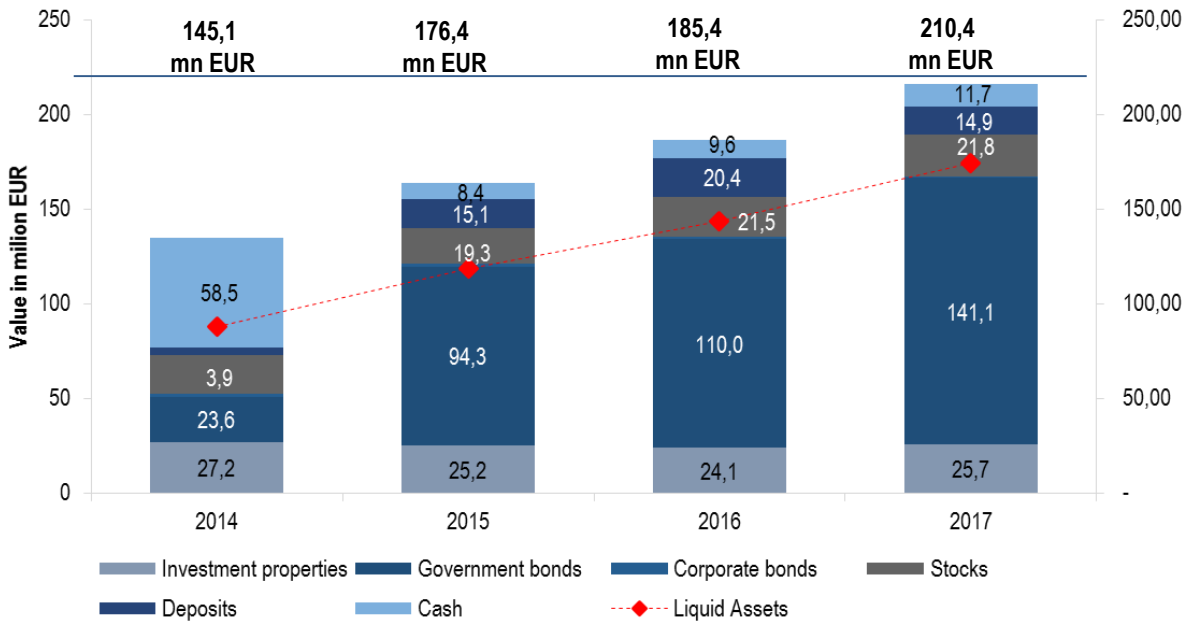
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**Investment result**



✓ The value of liquid investment assets at the end of 2017 amounted to 174.2 million EUR and consisted of liquid stocks, government securities and money market instruments.

**Investment assets**



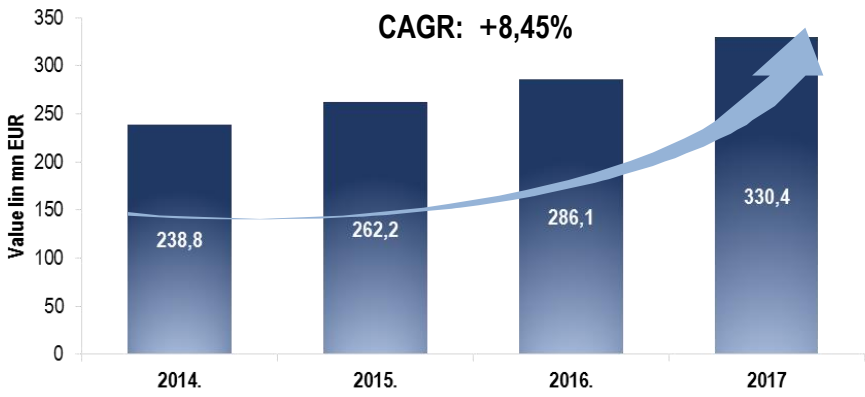
✓ During the period from 2014 to 2017, the Company increased share of liquid investment asset in total investment assets, from 65.3% to 80.65%

# Dunav Insurance Company – Key Performance Indicators

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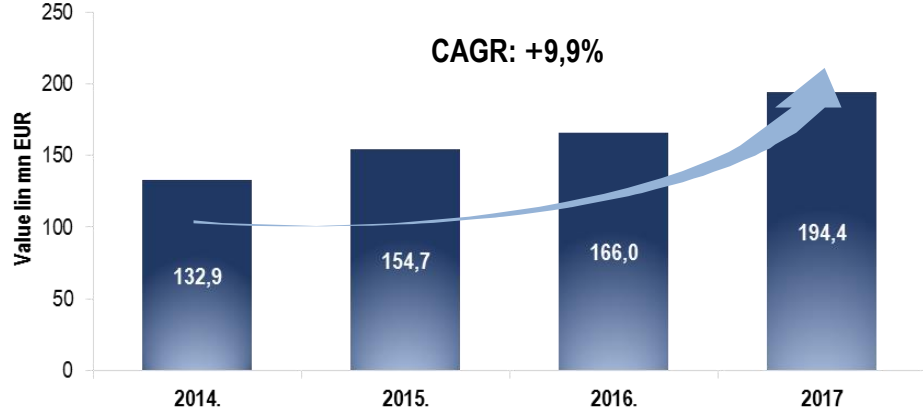
### Total assets

CAGR: +8,45%



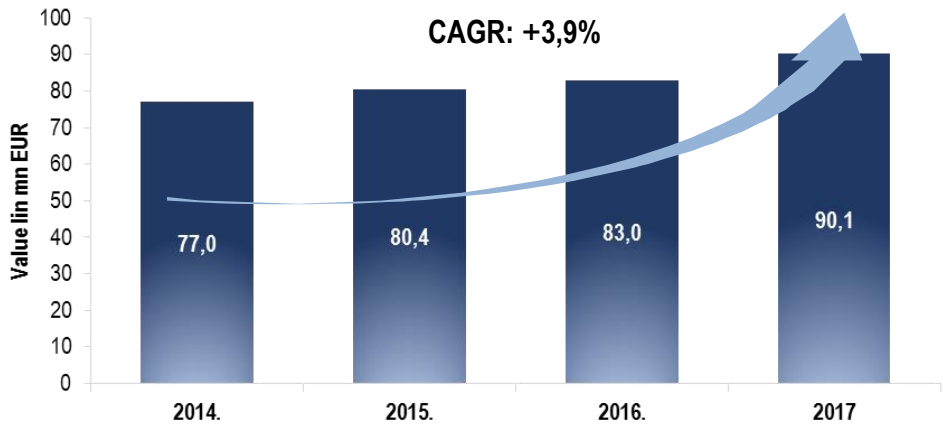
### Technical reserves

CAGR: +9,9%

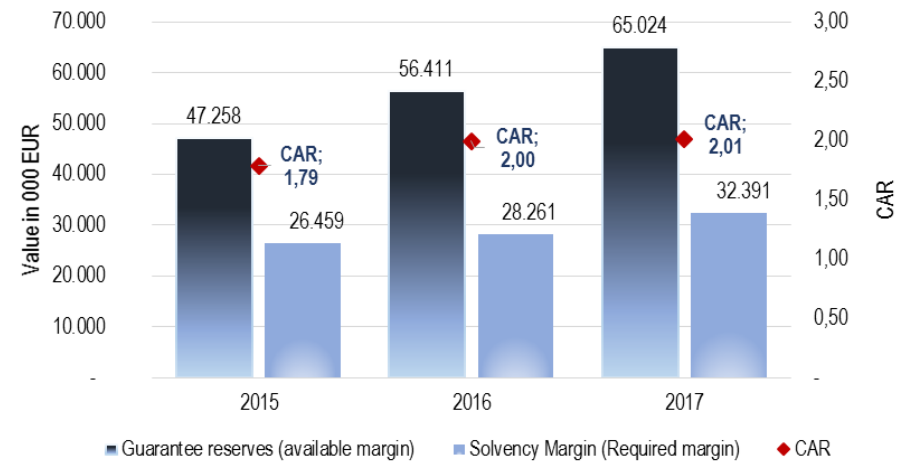


### Equity & Reserves

CAGR: +3,9%

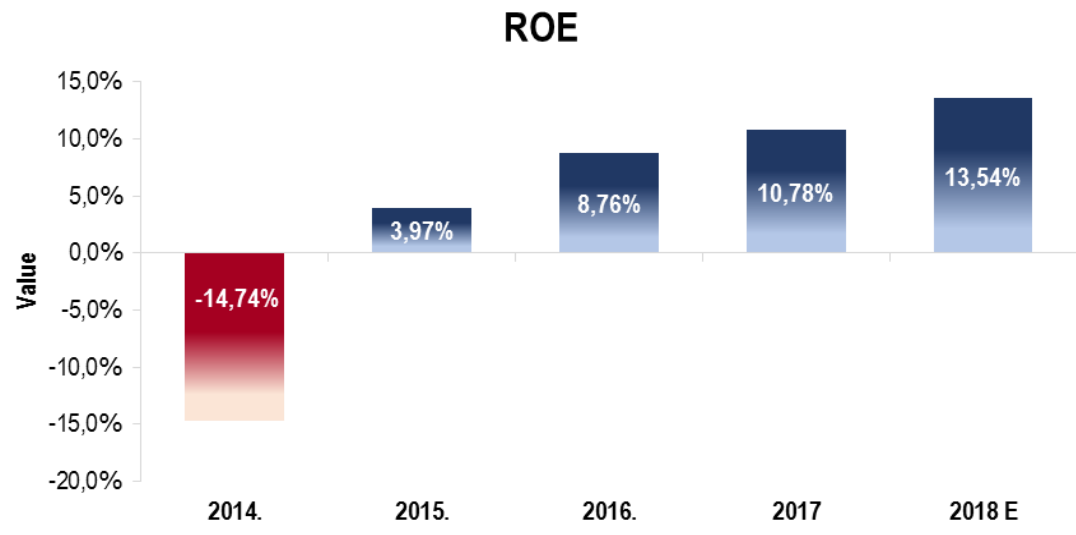
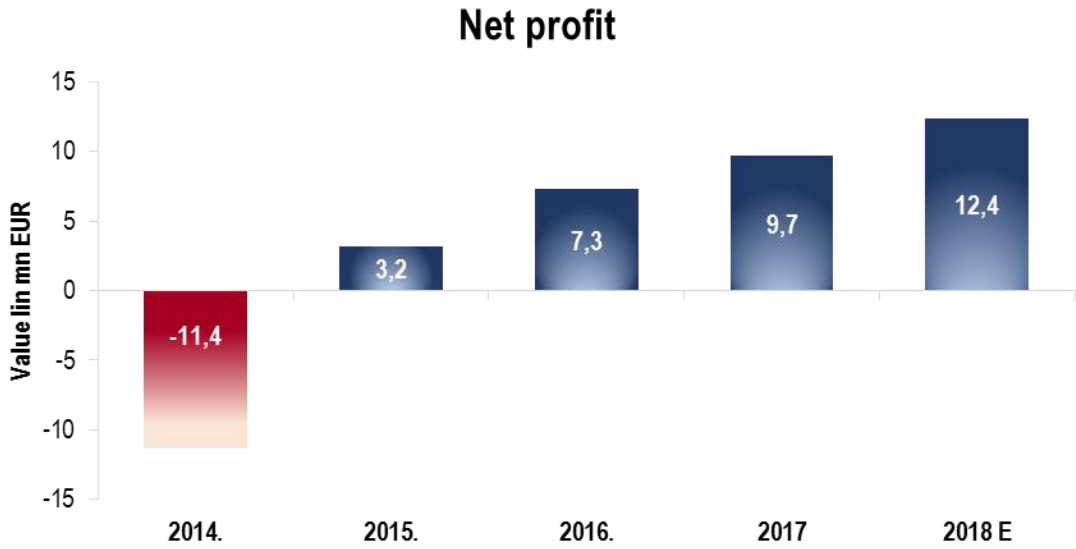


### Capital Adequacy



# Dunav Insurance Company – Key Performance Indicators

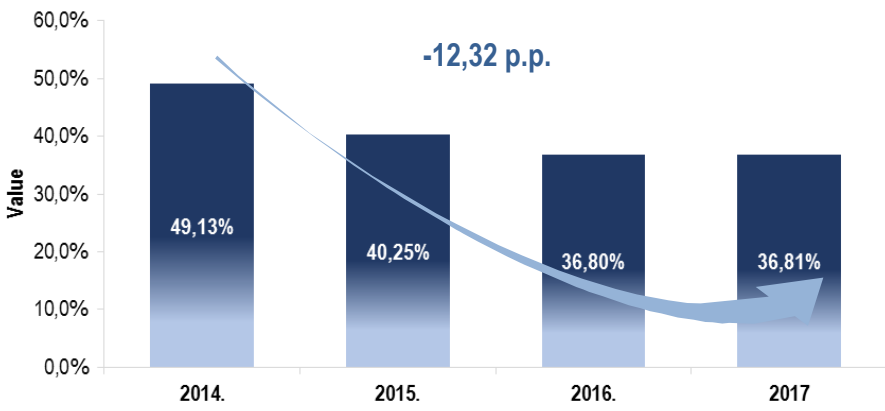
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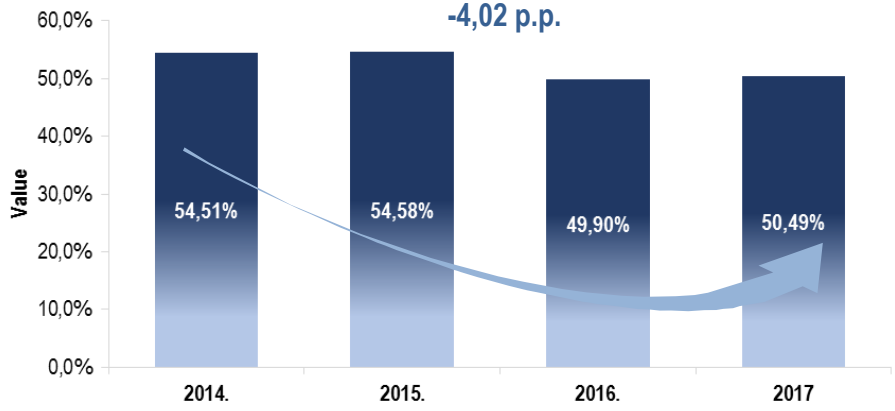
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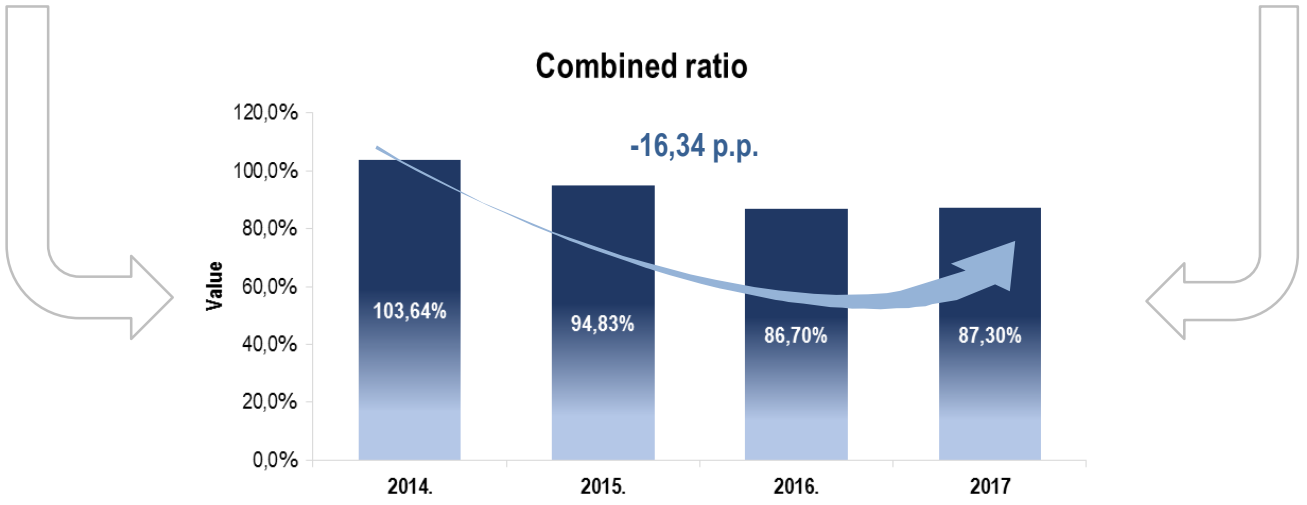
### Expenses ratio



### Claims ratio



### Combined ratio



# Dunav Insurance Company – Following period - main challenges and opportunities

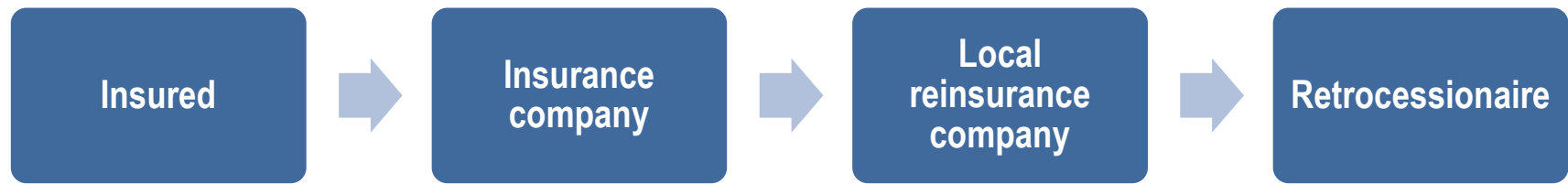
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**Local insurance companies are not allowed to cede risks directly to foreign reinsurance companies**



1977

- ✓ In year 1977 the Community of Reinsurance "Dunav Re" - Belgrade was founded. The Community was based on legal obligations referring to allocation of reinsurance from insurance Business, through special Communités.

1990

- ✓ In year 1990, Joint Stock Reinsurance Company "Dunav Re" was founded due to the new Insurance Law stipulating all organizations in the field of insurance and reinsurance business as a joint stock company.

1997

- ✓ In year 1997, Shareholding Reinsurance Company „Dunav Re“ was registered, in accordance with the new Insurance Law.

2006

- ✓ In year 2006 the company had harmonized the organization statute, general acts and other acts of business policy with the provisions of the new Insurance Law.

2016

- ✓ In year 2016, Reinsurance Company "Dunav Re" had complied its business, assets, equity, liabilities, authorities, organization and acts with the provisions of the new Insurance Law.

# Dunav RE – Business overview

1

"Dunav Re" is one of the leading reinsurers in the Serbian market, with more than 40 years of experience in the reinsurance business.

**NWP**

DUNAV RE; 48,96

OTHER ; 51,04

2

The Company reinsures all of the major insurance companies from the Serbian market and is actively operating with insurance companies in the region.

- |                         |                           |
|-------------------------|---------------------------|
| ✓ Dunav Insurance Co.   | ✓ Uniqa Insurance C       |
| ✓ Triglav Insurance Co. | ✓ Merkur Insuranc Co.     |
| ✓ Sogaz Insurance Co.   | ✓ Grawe Insurance Co.     |
| ✓ Sava Insurance Co.    | ✓ Milenijum Insurance Co. |

3

The largest risks of the Serbian market are reinsured with "Dunav Re"

- |                      |                             |
|----------------------|-----------------------------|
| ✓ Electric Power Co. | ✓ Serbian Railway companies |
| ✓ Air Serbia         | ✓ HBIS Steelmill            |
|                      | ✓ Belgrade Waterfront       |

4

Retrocession is done with the largest reinsurers in the world reinsurance market

- |               |             |                      |
|---------------|-------------|----------------------|
| ✓ Swiss Re    | ✓ XL Catlin | ✓ Lloyd's syndicates |
| ✓ SCOR        | ✓ Sirius    |                      |
| ✓ Hannover Re | ✓ Allianz   |                      |

5

The company has established a strong cooperation with reinsurers in the region

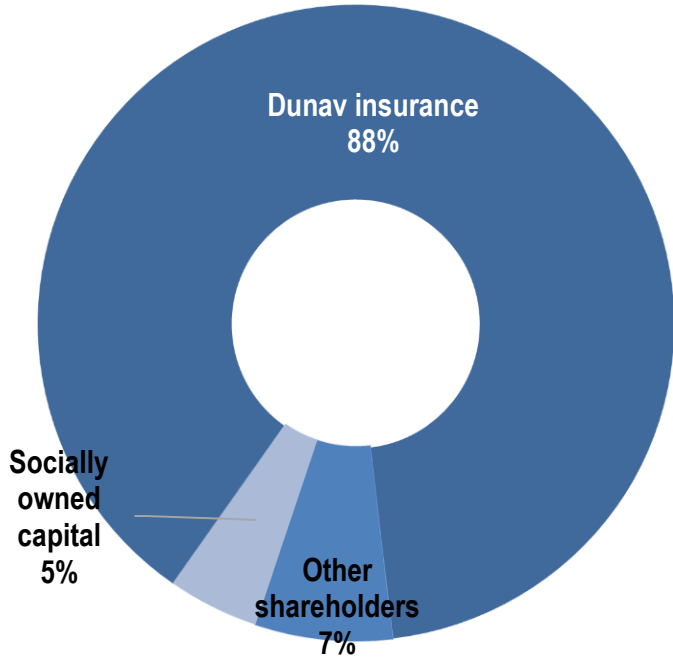
- |            |                         |
|------------|-------------------------|
| ✓ Sava Re  | ✓ Croatia insurance Co. |
| ✓ Bosna Re | ✓ Triglav Re            |

6

All types of non-life and life insurance are reinsured

- |             |            |        |       |
|-------------|------------|--------|-------|
| ✓ PROPERTY  | ✓ MARINE   | ✓ MTPL | ✓ CAR |
| ✓ LIABILITY | ✓ AVIATION | ✓ LIFE | ✓ EAR |

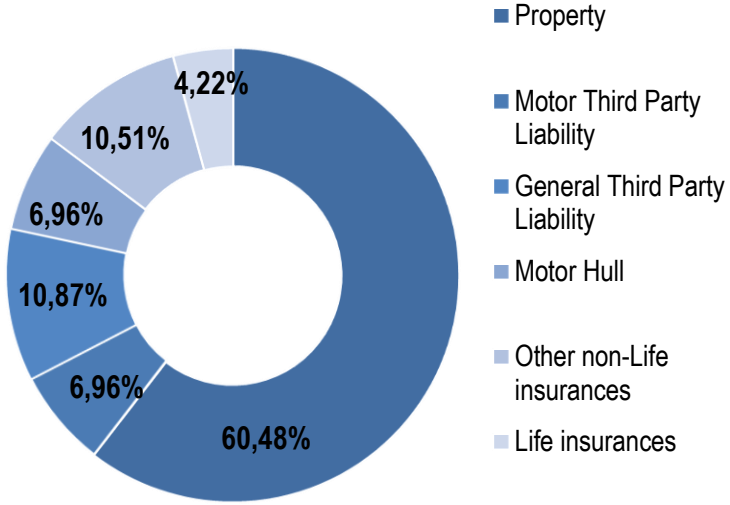
## SHAREHOLDERS CAPITAL STRUCTURE



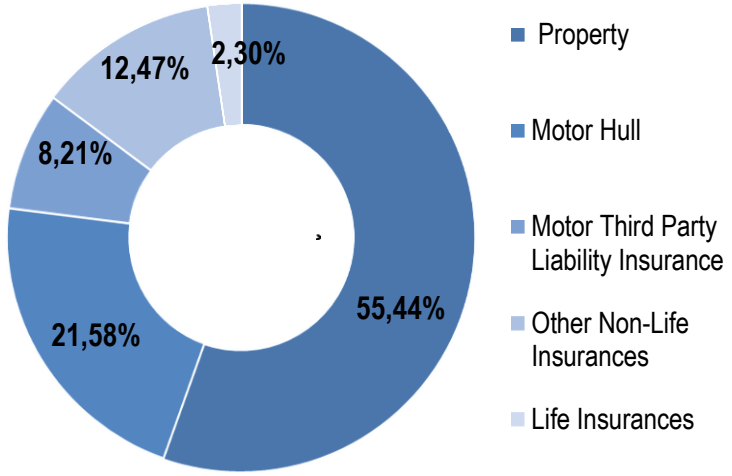
# Dunav RE – Performance

- DUNAV RE
- DUNAV RE- HISTORY
- DUNAV RE – BUSINESS OVERVIEW
- DUNAV RE - PERFORMANCE

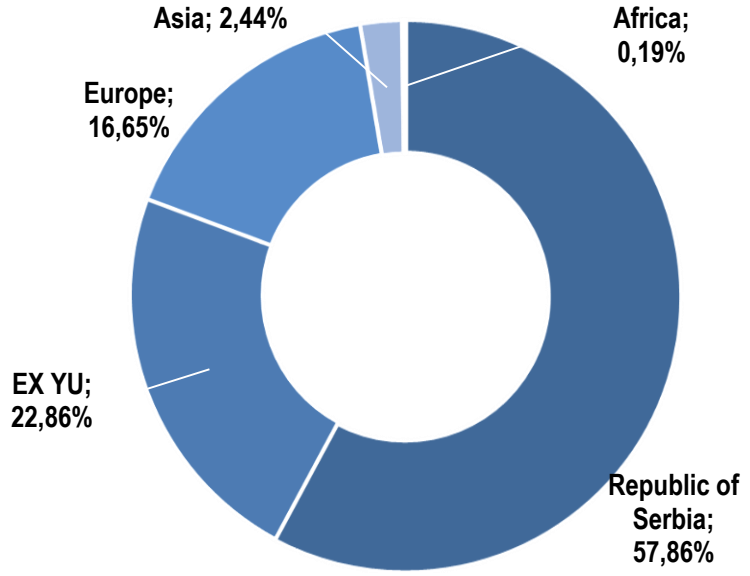
**GWP PER LINE OF BUSINESS IN 2017.**



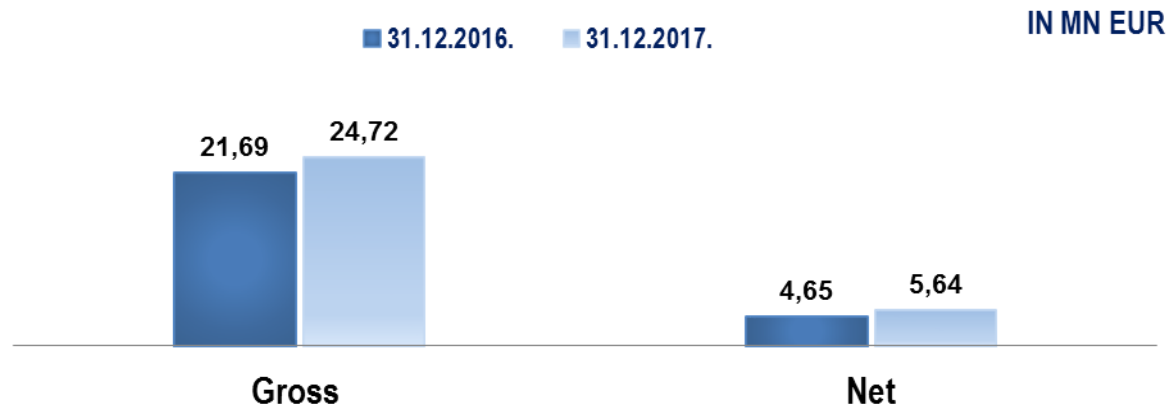
**NWP PER LINE OF BUSINESS IN 2017.**



**NWP PER TERRITORY**



## REINSURANCE PREMIUM IN 2017. COMPARED TO 2016.



	2016	2017	1H2018
GROSS PREMIUM WRITTEN	21,69	24,72	16,49
GROSS CLAIMS PAID	4,68	4,07	2,69
NET INVESTMENT INCOME	0,82	- 0,11	0,16
PROFIT/LOSS	1,49	1,11	1,36
TOTAL ASSETS	36,53	42,11	50,43
FINANCIAL INVESTMENTS	17,55	19,56	20,34
CAPITAL AND RESERVES	12,67	13,11	13,56
LOSS RATIO	57,55%	49,68%	47,27%
COMBINED RATIO	85,09%	72,03%	66,89%
RETURN ON EQUITY	23,95%	17,17%	20,96%

