

Sound Performance in 2018, Proposed Dividend of EUR 2.50

At its session on 28 March 2019, the Supervisory Board of Zavarovalnica Triglav approved the Audited Annual Report of Triglav Group and the parent company for 2018. The operations of Triglav Group were consistent with its strategic guidelines as the Group generated a profit before tax of EUR 97.5 million (index 115) and increased return on equity to 10.8% (vs. 9.3% in 2017). Both the Supervisory Board and the Management Board will propose to the General Meeting of Shareholders the dividend payment of EUR 56,837,870.00 or EUR 2.50 gross per share, accounting for 70.3% of consolidated net profit for 2018.

PREMIUM GROWTH IN ALL MARKETS AND INSURANCE SEGMENTS. Triglav Group performed well in 2018, exceeding the budgeted results, mainly thanks to the high premium growth, favourable claim ratio and several one-off events, which mostly occurred in Q4 2018. Gross premium written of EUR 1,068 million was higher by 7% over the 2017 year-end, whilst the Group recorded growth in all insurance segments and in all markets. The combined ratio of the Group was 91.8%. Returns on investment (excluding return on unit-linked life insurance) declined by 29% compared with 2017 as a result of persisting low interest rates on the financial markets.

FINANCIAL STABILITY AND PROPOSED DIVIDEND. The Group has been assigned the high, “A” credit rating, which confirms its profitable operations, the leading market position in the region and systematic implementation of numerous strategic activities aimed at achieving development and growth of the Group. The Group is financially sound which can also be attributed to a very conservative and stable reinsurance protection and prudent management of provisions. In line with estimates, its capital adequacy as at the 2018 year-end was within the target range set in the capital management policy of the Group in accordance with the Solvency II methodology. **Andrej Slapar**, President of the Management Board of Zavarovalnica Triglav: *“The proposed dividend is in line with our dividend policy, which is both sustainable and attractive. In a balanced manner, it ensures the long-term financial stability of the Group, its growth and development, as well as the payment of attractive dividends to the shareholders.”* In accordance with the financial calendar, the planned date of the regular General Meeting of Shareholders of Zavarovalnica Triglav, which will decide on the distribution of accumulated profit, is 28 May 2019.

CHANGES TO THE MANAGEMENT BOARD. The Supervisory Board agreed with the proposal of the President of the Management Board and appointed **David Benedek** a member of the Management Board of Zavarovalnica Triglav for a five-year term of office. In order to perform the function of a member of the Management Board of Zavarovalnica Triglav he is required to obtain an authorisation from the Insurance Supervision Agency. David Benedek graduated at the Faculty of Economics in Ljubljana (1997), after which he went to the Indiana University, Kelly School of Business in the USA, where he obtained a master’s degree (2000). He has extensive international experience in the insurance and banking sectors, where he has held senior positions since 2001. Currently, he is the Authorised Officer of the Management Board of Zavarovalnica Triglav, while as a Management Board member he will be responsible for the management and development of subsidiaries in line with the strategic objectives of the Group. *“We are the leading insurance/financial group, which combines 40 companies in six countries in our region. Their effective management, development and growth are of key importance to achieve our strategic objectives, and I believe that the new Management Board member will significantly contribute to this thanks to his expertise and many years of experience,”* said **Andrej Slapar**, President of the Management Board of Zavarovalnica Triglav.

GROWTH AND DEVELOPMENT ACTIVITIES OF TRIGLAV GROUP. In line with its strategic objectives, in 2018 the Group continued to expand both its insurance business and its asset management business, in addition to organic growth. In 2018, the Group signed agreements to acquire the Croatian pension insurance company Raiffeisen mirovinsko osiguravajuće društvo and the Slovene asset management company ALTA Skladi. Moreover, the Group acquired a 100% equity stake in the Slovene pension insurance company Skupna pokojninska družba. In 2019, the Group has continued with its growth activities. Zavarovalnica Triglav has established Triglav penzisko društvo AD Skopje, a company for the management of compulsory and voluntary pension funds, with which it will enter the Macedonian pension market as one of the three companies active on the said market. Triglav Group, the leading regional insurance/financial group, is already operating in the Macedonian non-life and life insurance market, being the market leader with a 14.5% market share in the Macedonian insurance market as a whole. In line with its strategy, the Group is expanding its business to include the supplemental pension insurance segment, which has been assessed as promising according to the demographic trends. The Macedonian pension system consists of three pillars: the first pillar includes compulsory pension saving managed by the National Fund, while the other two include supplemental compulsory and supplemental voluntary pension saving. Triglav Group will enter the latter two, thereby further improving its top services to cater for its clients in the Macedonian market

The Annual Report of Triglav Group and Zavarovalnica Triglav for 2018 is available at the website www.triglav.eu.