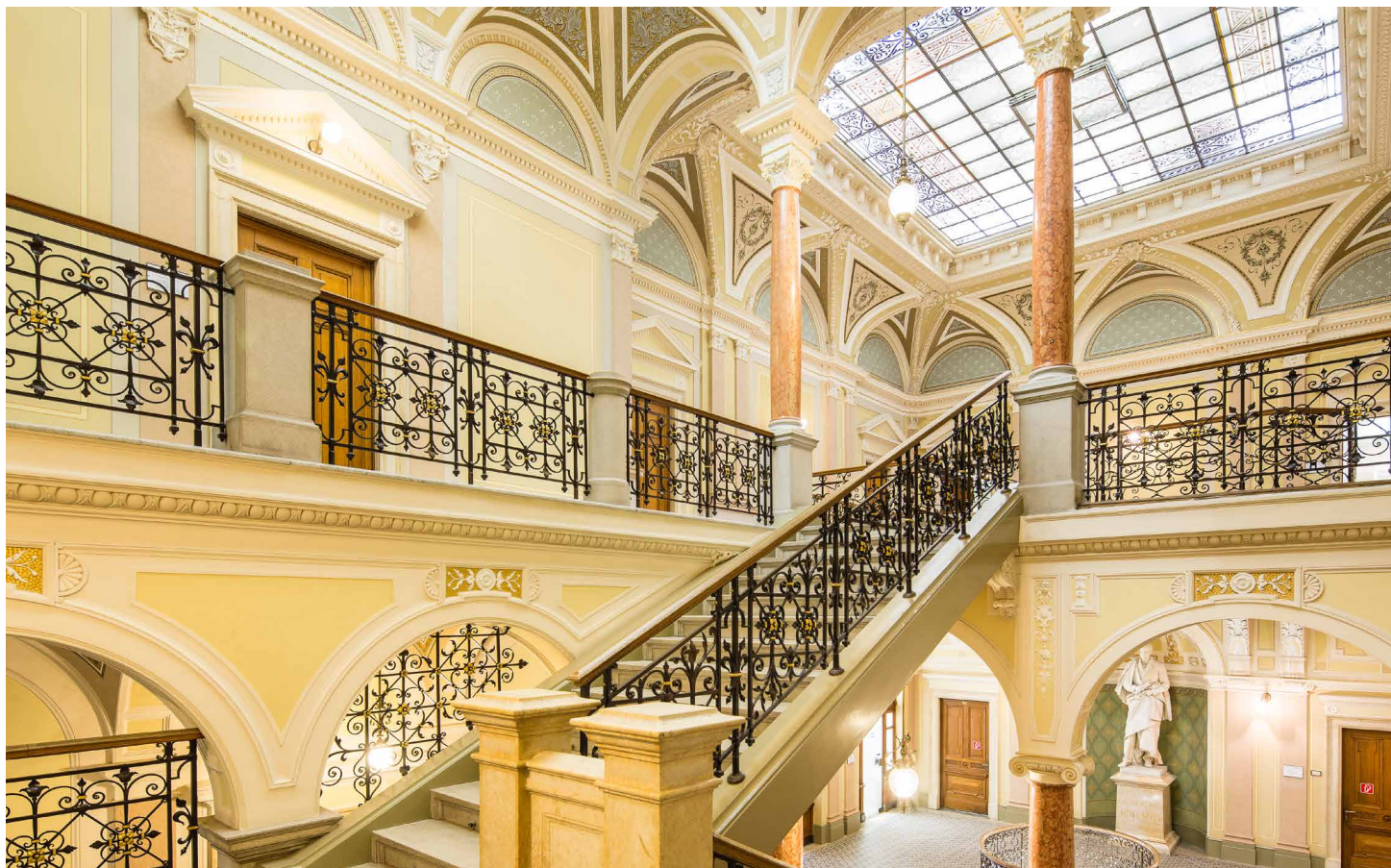


SECURING THE FUTURE. FOR 190 YEARS.





The GRAWE Group – grown strength.

Insurances, financial services and real estate constitute the core competencies of GRAWE. Fifteen Central and Eastern European insurance subsidiaries testify to our international orientation. Over its 190-year success story, the company has been rooted in tradition and characterised by financial stability. With customer-friendly, individual advice and customised products in line with requirements, GRAWE is a guarantor for international quality, coupled with domestic standards of security.

GRAWE Group

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GRAWE osiguranje a.d.o.

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The GRAWE insurance companies in 2018

1828
Austria



GRAZER WECHSELSEITIGE
Versicherung Aktiengesellschaft

1991
Slovenia



GRAWE
Zavarovalnica d.d.

1993
Croatia



GRAWE HRVATSKA
osiguravajuće d.d.

1997
Hungary



GRAWE
Életbiztosító Zrt.

1997
Beograd



GRAWE
osiguranje a.d.o.

1998
Sarajevo



GRAWE
osiguranje d.d.

1998
Ukraine



ГРАВЕ УКРАЇНА
Страхове АТ

1999
Cyprus



GRAWE
Reinsurance Ltd.

2000
Bulgaria



ГРАВЕ БЪЛГАРИЯ
Застрахователно ЕАД

2000
Romania



GRAWE ROMÂNIA
Asigurare SA

2001
Banja Luka



GRAWE
osiguranje a.d.

2004
Moldova



GRAWE CARAT
Asigurări SA

2004
Podgorica



GRAWE
osiguranje a.d.

2007
Skopje



ГРАВЕ
осигурување ад Скопје

SECURING THE FUTURE. For 190 years.

When a company is active for almost two centuries like GRAWE, it has experienced an incredible number of things: political changes and upheavals, major cultural and economic events, epochal inventions and social developments.

The principles of success at GRAWE have remained the same over all the decades: opt for long-term, stable growth, pay attention to the well-being of the employees and above all never forget that the focus of our activities is always the requirements of our customers.

The goal behind all that has been the same since 1828: to secure the future – for our customers, our partners and all the people who work for us.



Note regarding rounding and figures in this annual report: There may be mathematical differences due to computerised rounding when aggregating amounts and percentages.



Members of the Board
(from left to right):

Mag. Gerald Gröstenberger, MBA
Board director

Dr. Gernot Reiter
Deputy General Director,
Vice Chairman of the Board of Directors

Dr. Philipp Meran
Chairman of the Supervisory Board

Mag. Klaus Scheitegel
General Director,
Chairman of the Board of Directors

MMag. Georg Schneider
Board director

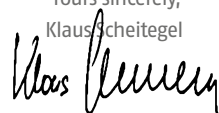
Foreword by the Chairmen of the Board

Dear Readers,

Sustainable growth requires a solid base. Professional expertise, conscientiousness and foresight have formed the key to the success of GRAWE for 190 years. This business model remains dynamic thanks to the courage to transcend borders and the willingness to adapt to changes in the market and to align the company anew.

GRAWE masters the balancing act between a policy of staying true to its roots and a policy of expansion. It has developed from a regional fire insurance company established in 1828 into an international group with 15 subsidiaries in Central, Eastern and South-Eastern Europe. The GRAWE Group is now on hand as a provider and stable partner in the areas of insurance, financial services and real estate. It is also active in other EU countries within the framework of freedom of services and in reinsurance.

In the financial year 2018, the GRAWE Group recorded growth in premiums of 7.40 % in non-life and accident insurance and of 2.84 % in life insurance. This results in an increase in premiums overall of 5.37 % and bears testimony to the success of our growth strategy. In total, insurance payments in non-life and accident insurance and in life insurance increased by 3.40 %. Overall, the GRAWE Group was able to generate a better result in the 2018 financial year than in the previous year. For us, this increase in the annual surplus means that we were able to make successful use of our market opportunities. In light of the rapidly changing business world, strong roots coupled with an openness to new ideas are of decisive importance. GRAWE has had this fundamental orientation for 190 years now and its success speaks for itself. In addition, the wealth of experience of our employees is proving to be a valuable asset. The employees of GRAWE are not only experts in their respective area of expertise, they also actively help to shape the future of the group with their innovative concepts. In spite of difficult boundary conditions in places, they constantly work in a goal and solution-oriented manner and get to the bottom of things. These are the characteristics of our employees and we respect them for it.

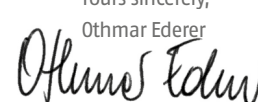
Yours sincerely,
Klaus Scheitegel


However, special thanks also go to our customers as well as our employees. In the past financial year, our customers once again proved their trust in GRAWE. For the 11th time in 12 years, GRAWE was presented with the "Recommender Award", among others for its outstanding customer orientation. As the focus of GRAWE's work is on the interests of its customers, it sets high standards for the quality of its products and services. Increasing attention is also being paid to providing customers with simple and quick solutions.

In addition, GRAWE also takes its obligations towards society seriously. It supports numerous initiatives and events in the areas of education, social issues, culture, sport and environmental protection. In 2018, the association "Libelle" was presented with the annual "GRAWE Award" for its commitment to people with autism.

The future mandate of GRAWE will be to continue to use permanent technological progress and digitalisation. The overriding priority will be the implementation of efficient and user-friendly solutions. We are also working continuously on developing our products further. We have made it our goal to meet the requirements of our customers in the best possible way. In 2018, for instance, GRAWE launched its new product "GRAWE LIFEPROTECT" on the market. This reduces the consequences of incapacity for work and occupational and earnings disability, which in turn means that it has been possible to close a gap. Furthermore, GRAWE intends to grow further. Most recently, it integrated Atos osiguranje with its registered office in Bijeljina (Bosnia and Hercegovina) as a new member in the GRAWE Group.

In summary, GRAWE was also able to continue its course of success in the 2018 financial year. It thus continues to prove itself as a constantly growing group with sustainable activities. This is attributable above all to the know-how and experience of our employees and managers and the loyalty of our customers. That is why they have our special thanks.

Yours sincerely,
Othmar Ederer


GRAWE Group Profit and Loss Account for Financial Year 2018 (summary)

Profit and Loss Account	2018	2017
	EUR	TEUR
General Insurance		
1. Earned premiums	425,160,233.59	395,206
2. Allocated investment return transferred from the technical account	145,766.54	115
3. Other technical income	1,550,287.68	2,158
4. Claims accrued	-279,744,896.72	-274,171
5. Increase in the technical provisions	-297,783.54	-528
6. Rebates	-687,521.53	-587
7. Operating expenses	-132,794,959.63	-119,946
8. Other technical charges	-5,834,233.82	-4,406
9. Change in the volatility reserve	-4,412,717.92	4,031
10. Technical account balance	3,084,174.65	1,873
11. Investment income and interest income	64,637,984.97	62,400
12. Investment charges and interest paid	-26,521,722.34	-22,916
13. Capital income transferred to the technical account	-145,766.54	-115
14. Other non-technical income	742,748.98	2,157
15. Other non-technical charges	-4,266,995.90	-2,727
16. Earnings gross before taxes	37,530,423.82	40,673
Life Insurance		
1. Earned premiums	383,308,216.27	372,216
2. Allocated investment return transferred from the technical account	122,837,320.57	125,290
3. Unrealised gains on investments pursuant to asset item C.	2,438.00	22,034
4. Other technical income	2,830,325.29	2,249
5. Claims accrued	-305,121,826.88	-285,331
6. Increase in the technical provisions	-35,499,925.98	-98,504
7. Decrease in the technical provisions	0.00	0
8. Rebates	-606,056.43	-125
9. Bonuses and/or policyholders' participation in profits	-22,455,334.62	-16,030
10. Operating expenses	-76,608,062.37	-77,696
11. Other unrealised losses on investments pursuant to asset item C.	-20,204,652.80	-515
12. Other technical charges	-898,608.20	-1,151
13. Technical account balance	47,583,832.85	42,438
14. Investment income and interest income	146,270,014.93	149,591
15. Investment charges and interest paid	-22,506,409.27	-25,843
16. Capital income transferred to the technical account	-122,837,320.57	-125,290
17. Other non-technical income	10,281,996.78	18,016
18. Other non-technical charges	-7,977,490.54	-11,898
19. Earnings gross before taxes	50,814,624.18	47,014
Total		
1. Earnings gross before taxes of insurance undertakings		
General insurance business	37,530,423.82	40,673
Life insurance	50,814,624.18	47,014
	88,345,048.00	87,687
2. Earnings gross before taxes of credit institutions	72,770,969.05	72,620
3. Earnings gross before taxes in total	161,116,017.05	160,307
4. Taxes on income and earnings	-18,553,494.32	-12,859
5. Profit / Loss for the financial year	142,562,522.73	147,448

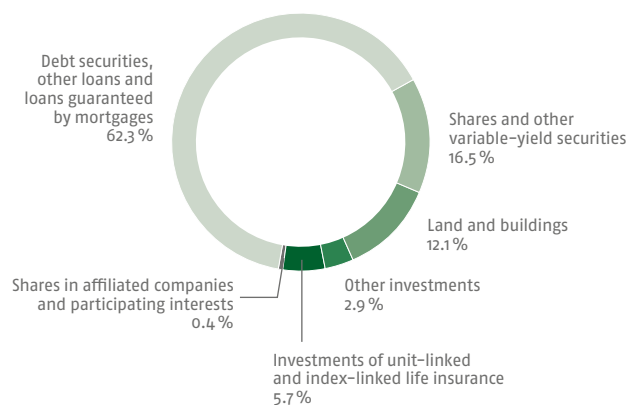
GRAWE Group Balance Sheet on 31 December 2018 (summary)

Assets	31.12.2018	31.12.2017
	EUR	TEUR
A. Intangible assets	13,669,613.62	14,529
B. Investments		
I. Land and buildings	618,526,860.95	582,886
II. Investments in affiliated undertakings and participating interests	30,955,150.88	22,366
III. Other investments	4,037,935,065.65	3,899,954
IV. Deposits with ceding undertakings	72,914.23	32
C. Investments of unit-linked and index-linked life insurance	291,028,209.55	312,917
D. Receivables	66,474,552.80	69,734
E. Accrued interest and rent	57,859,505.44	58,861
F. Other assets	122,439,739.44	91,777
G. Prepaid expenses	3,228,704.70	2,520
H. Deferred taxes on the assets side	27,958,132.46	20,754
I. Assets which derive from credit institutions	5,390,711,668.64	4,764,430
	10,660,860,118.36	9,840,759

Liabilities	31.12.2018	31.12.2017
	EUR	TEUR
A. Equity	1,363,625,377.95	1,239,897
B. Technical provisions, net of reinsurance		
I. Provision for unearned premiums	165,971,160.81	160,219
II. Life insurance provision	2,716,100,402.27	2,655,651
III. Provision for claims outstanding	832,425,868.72	815,570
IV. Provision for rebates	3,765,429.12	2,666
V. Provision for bonuses and/or policyholders' participation in profits	113,468,545.05	100,792
VI. Volatility reserve	70,430,797.17	66,028
VII. Other technical provisions	10,950,527.56	10,252
C. Technical provisions of unit-linked and index-linked life insurance	298,048,819.83	305,488
D. Non-technical provisions	107,445,682.21	100,984
E. Deposits received from reinsurers	3,747,103.11	3,913
F. Other liabilities	137,404,403.87	133,363
G. Deferred income	65,248,219.36	72,016
H. Provisions, liabilities and deferred income, which derive from credit institutions	4,772,227,781.33	4,173,920
	10,660,860,118.36	9,840,759

GRAWE Group Investments – a Reliable Basis

At 31 December 2018 the Group's total investments amounted to EUR 4.978 million (2017: EUR 4.818 million), corresponding to a 3.3 % rise with respect to the previous year.



Auditor's Opinion

We have audited the consolidated financial statements of

**GRAWE – Vermögensverwaltung,
Graz, Austria,**

and its subsidiaries (the Group), which comprise the Consolidated Balance Sheet as at 31 December 2018, and the Consolidated Income Statement, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 31 December 2018, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with, Austrian Generally Accepted Accounting Principles as well as legal or regulatory requirements.

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements.

Vienna, 20 March 2019

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag. Thomas Smrekar
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This report is a shortened translation of the original report in German, which is solely valid.



Član Izvršnog odbora
Andrej Marinković

Predsednik Izvršnog odbora
mr Christoph Czettel

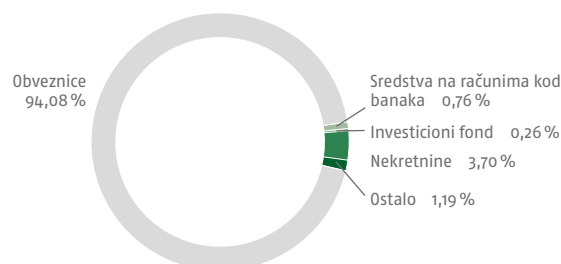
Za godišnji izveštaj 2018.

GRAWE osiguranje a.d.o. Beograd posluje u Srbiji od 1997. godine, kao prvo osiguravajuće društvo na tržištu sa inostranim kapitalom. Svojim rezultatima GRAWE osiguranje a.d.o. zauzima poziciju među liderima u oblasti osiguranja života na tržištu Republike Srbije. Vlasnik 100 % akcija je Grazer Wechselseitige Versicherung AG, austrijsko osiguravajuće društvo sa tradicijom dugom više od 190 godina i velikim iskustvom u poslovanju na tržištima jugoistočne Evrope.

Poverenje koje GRAWE osiguranju a.d.o. poklanja više od 60.000 porodica, gradi se godinama svakodnevnim zalaganjem i trudom svih zaposlenih. Rast i razvoj Društva rezultat je stručnosti mladog i perspektivnog kadra. Napredna znanja zaposlenih i znanje koje preuzimamo od koncerna čine da GRAWE na tržištu bude finansijski stabilno društvo sa reputacijom pouzdane osiguravajuće kuće. Godišnji bilans je najbolji pokazatelj zadovoljstva klijenata proizvodima i uslugama GRAWE osiguranja. Ostvarena neto dobit GRAWE osiguranja a.d.o. u 2018. godini iznosi 623 miliona dinara (više od 5 miliona evra). Prihodi od premije osiguranja dostigli su u 2018. godini nivo od 3,780 milijarde dinara, a bilansna suma premašila 28 milijardi dinara. To jasno pokazuje da je GRAWE u Srbiji učvrstilo poziciju i istaklo među liderima na tržištu osiguranja života u Srbiji.

Broj aktivnih ugovora o osiguranju života kod GRAWE osiguranja dostigao je 60.000. Ukupna ulaganja na dan 31.12.2018. godine iznose 237.670.050 evra. U strukturi ulaganja kompanije GRAWE osiguranja na kraju 2018. godine dominirale su hartije od vrednosti izdate od strane države sa 94,1 odsto, dok nekretnine i drugi oblici ulaganja čine preostalih 5,9 odsto ukupnih ulaganja. Osnovni kapital GRAWE osiguranja u Srbiji u 2018. godini iznosi više od milijardu dinara, dok ukupni kapital premašuje iznos od 6 milijardi dinara.

Ukupna ulaganja na dan 31.12.2018. godine



GRAWE osiguranje a.d.o. Beograd ističe se kao tradicionalna kompanija koja istovremeno može da se izdvoji na tržištu kao dobar primer za savremeno korporativno upravljanje sa savremenim načinom poslovanja. Napredak Društva je rezultat stručnosti i precizno planiranih poslovnih aktivnosti u skladu sa perspektivom dugoročnog poslovanja. Društveno odgovornim poslovanjem Društvo postiže ravnotežu između ekonomskih i socijalnih interesa, otvoreno ka građanima Srbije uz visoku svest i posvećenost u nastupu na tržištu. Od početka poslovanja u Srbiji, fokusirano na podizanje svesti društva u Srbiji o značaju osiguranja za svakog pojedinca, GRAWE realizuje aktivnosti koje imaju za cilj da vrate kulturu osiguranja među građane ove zemlje. Rezultati zalaganja su već vidljivi što pokazuje, ne samo rezultati poslovanja GRAWE osiguranja u Beogradu protekle 22 godine, već i interesovanje građana i javnosti. Sedište Društva se nalazi u GRAWE Poslovnom centru na Novom Beogradu, jednoj od najvećih investicija koncerna vrednoj preko 32 miliona evra. Kao i u svim zemljama jugoistočne Evrope u kojima GRAWE posluje, sinonimi za uspešno poslovanje su poverenje, stabilnost i tradicija sa dalekim pogledom u budućnost. Dobro postavljena organizacija, kvalitetni razvojni planovi, dobre strategije poslovanja i stručni kadar u koji stalno ulaže garantuju napredak i efikasnost!



Bilans uspeha na dan 31.12.2018

	2017	2018
	RSD	RSD
A POSLOVNI PRIHODI I RASHODI		
I Poslovni prihodi	3.748.286.666,90	3.786.057.458,32
1 prihodi od premije osiguranja i saosigur.	3.742.448.672,47	3.780.354.634,06
3 Prih od neposredno povezanih poslova sa o.	5.837.994,43	5.702.824,26
II Poslovni rashodi	-3.352.403.928,22	-3.326.588.011,76
1 Rashodi za dugoročna rezervisanja i dop.	-1.527.328.234,77	-2.002.200.867,09
2 Rashodi naknada šteta i ugovornih iznosa	-1.811.441.437,82	-1.415.395.434,94
3 Rezervisane štete - promene	-62.111.986,73	27.467.484,38
6 Smanjenje ostalih tehničkih rezervi	48.477.731,10	63.540.805,89
III BRUTO POSLOVNI REZULTAT	395.882.738,68	459.469.446,56
1 Prihodi od investiranja sred.osiguranja	2.000.898.282,83	1.232.675.675,25
2 Rashodi od investiranja sred.osiguranja	-930.369.828,50	-63.388.080,70
III (IV) Rezultat iz investicione aktivnosti	1.070.528.454,33	1.169.287.594,55
B TROŠKOVI SPROVOĐENJA OSIGURANJA	-814.068.090,02	-826.645.834,94
I (II) Neto poslovni rezultat	652.343.102,99	802.111.206,17
FINANSIJSKI PRIHODI I RASHODI		
III Finansijski prihodi	2.005.456,18	649.203,38
IV Finansijski rashodi	-1.540.911,51	-1.008.613,39
V Prihodi od usklađivanja vrednosti imovine	1.059.841,38	1.840.409,02
VI Rashodi od obezvređenja vrednosti imovine	-1.672.188,64	-1.662.602,75
VII Ostali prihodi	121.079,46	1.937.177,20
VIII Ostali rashodi	-176.787.554,31	-180.479.639,55
G (D) REZULTAT PRE OPOREZIVANJA	475.528.825,55	623.387.140,08
(E) NETO DOBITAK/GUBITAK	475.528.825,55	623.387.140,08

Razvoj premija osiguranja

Pokazatelji poslovanja govore da je GRAWE osiguranje a.d.o. sa uspehom završilo poslovnu godinu, da je poboljšana efikasnost i potvrđen profesionalizam celog tima. Visina fakturisane premije, od početka poslovanja GRAWE osiguranja a.d.o. pa sve do danas, ima tendenciju kontinuiranog rasta. Pozitivan trend rezultata

svedoči o realizovanim planovima, poboljšanju kvaliteta usluga i načina rada i dostignutim postavljenim ciljevima u godini koja je bila teška sa aspekta celokupne ekonomije. Pozitivan trend razvoja premija osiguranja karakterističan za prethodne godine očekuje se i u budućnosti.

Razvoj premije osiguranja

(u hiljadama dinara)

-.000 RSD

2018	3.780.354
2017	3.742.448
2016	3.536.787
2015	3.197.618
2014	2.854.043
2013	2.268.662
2012	2.136.031
2011	1.931.030
2010	1.955.211
2009	1.627.622
2008	1.517.443
2007	1.296.544



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Izveštaj nezavisnog revizora

AKCIONARIMA

GRAWE OSIGURANJE A.D.O. BEOGRAD

Izveštaj o finansijskim izveštajima

Izvršili smo reviziju priloženih finansijskih izveštaja Grawe osiguranja a.d.o. Beograd (u daljem tekstu: „Društvo“) koji se sastoje od bilansa stanja na dan 31. decembra 2018. godine, bilansa uspeha, izveštaja o ostalom rezultatu, izveštaja o promenama na kapitalu i izveštaja o tokovima gotovine za godinu koja se završava na taj dan, kao i napomene, koje sadrže pregled osnovnih računovodstvenih politika i druge napomene.

Odgovornost rukovodstva za finansijske izveštaje

Rukovodstvo je odgovorno za istinito i pošteno prikazivanje priloženih finansijskih izveštaja u skladu sa Zakonom o računovodstvu Republike Srbije i ostalim relevantnim zakonskim i podzakonskim aktima koji regulišu finansijsko izveštavanje društava za osiguranje u Republici Srbiji, i za uspostavljanje takvih internih kontrola za koje rukovodstvo utvrdi da su neophodne za pripremu finansijskih izveštaja, koji ne sadrže materijalno značajne greške, nastale bilo zbog pronevere ili zbog grešaka u radu.

Odgovornost revizora

Naša odgovornost je da na osnovu izvršene revizije izrazimo mišljenje o priloženim finansijskim izveštajima. Reviziju smo izvršili u skladu sa Zakonom o reviziji Republike Srbije, Odlukom o sadržini izveštaja o obavljenoj reviziji finansijskih izveštaja društva za osiguranje i standardima revizije primenljivim u Republici Srbiji. Ovi standardi zahtevaju da se pridržavamo etičkih zahteva i da reviziju planiramo i obavimo na način koji nam omogućuje da steknemo razumni nivo uveravanja da finansijski izveštaji ne sadrže materijalno značajne greške.

Revizija obuhvata obavljanje procedura u cilju prikupljanja revizorskih dokaza o iznosima i obelodanjivanjima u finansijskim izveštajima. Izbor procedura zavisi od naše procene, uključujući i procenu rizika od materijalno značajnih grešaka u finansijskim izveštajima, nastalih bilo zbog pronevere ili zbog grešaka u radu. U proceni rizika uzimamo u obzir interne kontrole, koje su relevantne za istinito i pošteno prikazivanje finansijskih izveštaja, sa ciljem kreiranja odgovarajućih revizorskih procedura, ali ne i za svrhe izražavanja mišljenja o efektivnosti primenjenih internih kontrola. Takođe, revizija obuhvata i ocenu adekvatnosti primenjenih računovodstvenih politika i opravdanosti značajnih procenjenja, koje je rukovodstvo izvršilo, kao i ocenu opšte prezentacije finansijskih izveštaja.

KPMG d.o.o. Beograd, etičko društvo s ograničenom odgovornošću, član
KPMG mreže nezavisnih članova povezanih sa KPMG International
Cooperative („KPMG International“), avajanskim pravnim form. Sva prava
zadržana.

Matrni broj: 17149956
PIB: 100006669
Račun: 265-110011000019061



Smatramo da su revizorski dokazi koje smo pribavili dovoljni i odgovarajući i pružaju osnov za izražavanje našeg mišljenja.

Mišljenje

Po našem mišljenju, finansijski izveštaji daju istinit i pošten pregled finansijskog položaja Društva na dan 31. decembra 2018. godine, rezultata njegovog poslovanja i tokova gotovine za godinu koja se završava na taj dan u skladu sa Zakonom o računovodstvu Republike Srbije i ostalim relevantnim zakonskim i podzakonskim aktima koji regulišu finansijsko izveštavanje društava za osiguranje u Republici Srbiji.

Izveštaj o drugim zakonskim i regulatornim zahtevima

Društvo je odgovorno za sastavljanje priloženog godišnjeg izveštaja o poslovanju, u skladu sa zahtevom Zakona o računovodstvu Republike Srbije i relevantnim podzakonskim aktima Narodne banke Srbije. Naša je odgovornost da izrazimo mišljenje o usklađenosti godišnjeg izveštaja o poslovanju sa finansijskim izveštajima za poslovnu 2018. godinu u skladu sa Zakonom o reviziji Republike Srbije, kao i da damo iskaz o tome da li izveštaj o poslovanju Društva sadrži dodatne elemente utvrđene relevantnim podzakonskim aktima Narodne banke Srbije, u skladu sa Odlukom o sadržini izveštaja o obavljenoj reviziji finansijskih izveštaja društva za osiguranje. U vezi sa tim, naši postupci se sprovedu u skladu sa primenljivim revizorskim standardom – *Odgovornost revizora u vezi sa ostalim informacijama u dokumentima koji sadrže finansijske izveštaje koji su bili predmet revizije*, koji su ograničeni samo na ocenu usklađenosti godišnjeg izveštaja o poslovanju sa finansijskim izveštajima i davanje iskaza o tome da li izveštaj o poslovanju Društva sadrži dodatne elemente utvrđene relevantnim podzakonskim aktima Narodne banke Srbije.

Po našem mišljenju, godišnji izveštaj o poslovanju je usklađen sa finansijskim izveštajima koji su bili predmet revizije i sadrži dodatne elemente utvrđene relevantnim podzakonskim aktima Narodne banke Srbije.

Beograd, 28. februar 2019. godine



KPMG d.o.o. Beograd

Nikola Denić
Ovlašćeni revizor

