

# SHAPING CHANGE.



# SHAPING CHANGE.

It is in the nature of things that everything is constantly changing. Even our working world is subject to permanent change: Our life appears to become faster and more digital almost on a daily basis. At the same time, however, it is also becoming ever more difficult to plan, not least due to ecological and geopolitical changes that are highly perceptible particularly in the insurance business.

In the best tradition of GRAWE, everything is already being undertaken now to ideally prepare our company for these developments. "Shaping change" is our aspiration. As it has always been in the soon-to-be 190 years of history of GRAWE.

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



## 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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## The GRAWE insurance companies in 2017

1828  
Austria



1999  
Cyprus



1991  
Slovenia



2000  
Bulgaria



1993  
Croatia



2000  
Romania



1997  
Hungary



2001  
Banja Luka



1997  
Beograd



2004  
Moldova



1998  
Sarajevo



2004  
Podgorica



1998  
Ukraine



2007  
Skopje





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,

The GRAWE Group is an independent Austrian group with subsidiaries in thirteen Central and Eastern European countries. Insurances, financial services and real estate constitute the core competencies of the GRAWE Group. Within the framework of the free movement of services, the GRAWE Group is also active in other EU countries and in reinsurance.

Our working world and our everyday life are characterised by permanent change, transition and realignment. It is all the more important to abide by our tradition and our values and at the same time not to close ourselves to new developments and to be open for new things. This fundamental attitude has always been retained in the soon-to-be 190-year history of GRAWE and forms the basis for our success.

Our subsidiaries once again generated very positive results in the three core areas of GRAWE – insurances, banks and real estate – and asserted themselves on the markets despite difficult boundary conditions in places. In the 2017 financial year, the premium income of the GRAWE Group grew by 4.1 %. Premiums in life insurance grew by 1.9 %. Premium income from non-life insurance increased 6.0 %. The GRAWE Group thus proved again in the past financial year that it is a stable and reliable partner.

Special thanks go to all of the 4,600 or so employees who form the basis for the success and the quality of GRAWE. Their know-how and their commitment to tackle impending changes are the greatest capital of GRAWE and facilitated our successful expansion to Eastern and South-Eastern Europe. The diversity of know-how and the cultural differences among our employees help us to respond to changed boundary conditions and also to master the challenges in our markets in the future.

Yours sincerely,  
Klaus Scheitegel

Our customers' trust has the utmost priority for us. In 2017, GRAWE was presented for the 10th time with the renowned "Recommender Award" for the highest recommendation rate by its customers in its respective category. This exceptional proof of trust fills us with pride and motivates us to also ensure in future that the satisfaction of our customers and the quality of our products are the focus of our activities.

In addition, GRAWE also complies with its social responsibility and promotes projects, initiatives and events in the cultural, sporting and social areas. With the "GRAWE Award" presented annually, not only outstanding ideas and work in science and research but also special people and their achievements are honoured. The 2017 "GRAWE Award" was thus presented to the sportswoman and Austrian Special Olympics athlete Sarah Schmörlzer.

Once again in the past financial year, GRAWE has demonstrated its courage to make changes and to grow. In Montenegro, Merkur Montenegro was acquired and in Bosnia and Herzegovina VGT Visoko. Both companies have since been fully integrated. In addition, GRAWE has also grown through its own development: At the start of 2017, GRAWE Romania started offering motor insurance and has already had gratifying results on the market. With the start of DADAT Bank, the GRAWE banking group also impressively demonstrated its innovative strength.

Future trends such as advancing digitalisation will have effects on the life of the individual and on the working world. Digitalisation offers GRAWE the opportunity to develop new products and services and to redesign business processes. GRAWE views future developments in a positive light and aspires to actively help to shape them. We will act in an innovative but also circumspect and above all sustainable manner in order to continue to be successful.

Yours sincerely,  
Othmar Ederer

# GRAWE Group Profit and Loss Account for Financial Year 2017 (summary)

Profit and Loss Account	2017	2016
	EUR	TEUR
<b>General Insurance</b>		
1. Earned premiums	395,206,151.85	371,454
2. Allocated investment return transferred from the technical account	114,678.50	143
3. Other technical income	2,157,848.15	1,684
4. Claims accrued	-274,171,134.94	-247,504
5. Increase in the technical provisions	-527,755.91	-126
6. Rebates	-586,644.07	-580
7. Operating expenses	-119,945,797.03	-116,733
8. Other technical charges	-4,405,593.76	-3,933
9. Change in the volatility reserve	4,031,295.00	10,691
<b>10. Technical account balance</b>	<b>1,873,047.79</b>	<b>15,096</b>
11. Investment income and interest income	62,399,841.45	63,536
12. Investment charges and interest paid	-22,915,551.98	-21,020
13. Capital income transferred to the technical account	-114,678.50	-143
14. Other non-technical income	2,157,423.57	2,349
15. Other non-technical charges	-2,727,180.41	-3,316
<b>16. Earnings gross before taxes</b>	<b>40,672,901.92</b>	<b>56,503</b>
<b>Life Insurance</b>		
1. Earned premiums	372,215,941.97	367,855
2. Allocated investment return transferred from the technical account	125,290,210.19	160,325
3. Unrealised gains on investments pursuant to asset item C.	22,033,869.22	4,369
4. Other technical income	2,249,491.00	1,653
5. Claims accrued	-285,330,633.87	-277,972
6. Increase in the technical provisions	-98,503,695.00	-120,178
7. Decrease in the technical provisions	0.00	0
8. Rebates	-124,851.92	-818
9. Bonuses and/or policyholders' participation in profits	-16,030,340.16	-12,343
10. Operating expenses	-77,695,669.34	-77,976
11. Other unrealised losses on investments pursuant to asset item C.	-515,081.65	-393
12. Other technical charges	-1,151,460.70	-134
<b>13. Technical account balance</b>	<b>42,437,779.74</b>	<b>44,388</b>
14. Investment income and interest income	149,590,944.27	179,931
15. Investment charges and interest paid	-25,842,692.21	-19,698
16. Capital income transferred to the technical account	-125,290,210.19	-160,325
17. Other non-technical income	18,015,935.52	10,859
18. Other non-technical charges	-11,897,729.38	-15,062
<b>19. Earnings gross before taxes</b>	<b>47,014,027.75</b>	<b>40,094</b>
<b>Total</b>		
<b>1. Earnings gross before taxes of insurance undertakings</b>		
General insurance business	40,672,901.92	56,503
Life insurance	47,014,027.75	40,094
	<b>87,686,929.67</b>	<b>96,597</b>
<b>2. Earnings gross before taxes of credit institutions</b>	<b>72,619,647.11</b>	<b>60,591</b>
<b>3. Earnings gross before taxes in total</b>	<b>160,306,576.78</b>	<b>157,187</b>
4. Taxes on income and earnings	-12,859,053.37	-4,157
<b>5. Profit / Loss for the financial year</b>	<b>147,447,523.41</b>	<b>153,030</b>

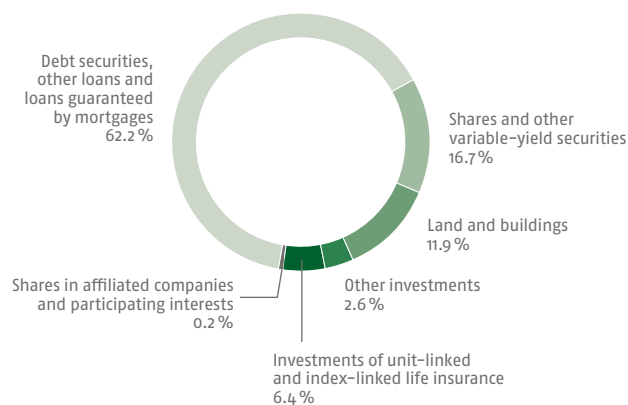
# GRAWE Group Balance Sheet on 31 December 2017 (summary)

Assets	31.12.2017	31.12.2016
	EUR	TEUR
<b>A. Intangible assets</b>	14.528.510,19	2.343
<b>B. Investments</b>		
I. Land and buildings	582.885.534,81	517.190
II. Investments in affiliated undertakings and participating interests	22.366.333,69	21.585
III. Other investments	3.899.953.616,53	3.826.017
IV. Deposits with ceding undertakings	31.671,55	40
<b>C. Investments of unit-linked and index-linked life insurance</b>	312.916.630,28	286.704
<b>D. Receivables</b>	69.734.149,69	74.105
<b>E. Accrued interest and rent</b>	58.861.279,75	60.432
<b>F. Other assets</b>	91.776.630,34	81.484
<b>G. Prepaid expenses</b>	2.520.257,24	2.182
<b>H. Deferred taxes on the assets side</b>	20.754.313,02	11.682
<b>I. Assets which derive from credit institutions</b>	4.764.429.898,18	4.571.707
	<b>9.840.758.825,27</b>	<b>9.455.471</b>

Liabilities	31.12.2017	31.12.2016
	EUR	TEUR
<b>A. Equity</b>	1.239.896.653,86	1.097.653
<b>B. Technical provisions, net of reinsurance</b>		
I. Provision for unearned premiums	160.218.704,97	152.698
II. Life insurance provision	2.655.651.144,39	2.593.111
III. Provision for claims outstanding	815.570.485,15	791.682
IV. Provision for rebates	2.666.043,13	2.497
V. Provision for bonuses and/or policyholders' participation in profits	100.792.160,17	96.518
VI. Volatility reserve	66.028.165,02	70.062
VII. Other technical provisions	10.252.462,92	18.457
<b>C. Technical provisions of unit-linked and index-linked life insurance</b>	305.487.951,24	293.444
<b>D. Non-technical provisions</b>	100.984.371,25	96.377
<b>E. Deposits received from reinsurers</b>	3.912.951,59	4.307
<b>F. Other liabilities</b>	133.362.684,85	131.174
<b>G. Deferred income</b>	72.015.525,02	73.348
<b>H. Provisions, liabilities and deferred income, which derive from credit institutions</b>	4.173.919.521,71	4.034.142
	<b>9.840.758.825,27</b>	<b>9.455.471</b>

# GRAWE Group Investments – a Reliable Basis

At 31 December 2017 the Group's total investments amounted to EUR 4,818 million (2016: EUR 4,652 million), corresponding to a 3.6 % 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 2017, 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 2017, 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, 23 March 2018

**KPMG Austria GmbH**  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Mag. Thomas Smrekar  
Auditor

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





Član Izvršnog odbora  
Andrej Marinković

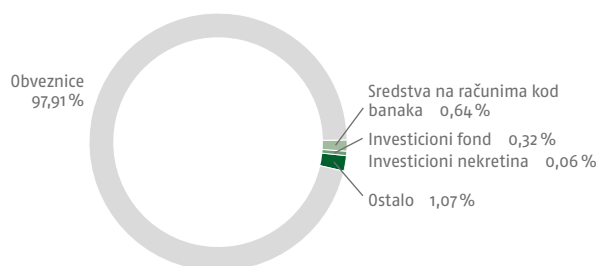
Predsednik Izvršnog odbora  
mr Christoph Czettel

## Za godišnji izveštaj 2017.

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 Wechelseitige Versicherung AG, austrijsko osiguravajuće društvo sa tradicijom dugom 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 2017. godini iznosi 475 miliona dinara (više od 4 miliona evra). Prihodi od premije osiguranja dostigli su u 2017. godini nivo od 3,742 milijarde dinara, a bilansna suma premašila 25 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 kod GRAWE osiguranja dostigao je 60.000. Ukupna ulaganja na dan 31.12.2017. godine iznose 210.630.823 evra. U strukturi ulaganja kompanije GRAWE osiguranja na kraju 2017. godine dominirale su hartije od vrednosti izdate od strane države sa 97,9 odsto, dok nekretnine i drugi oblici ulaganja čine preostalih 2,1 odsto ukupnih ulaganja. Osnovni kapital GRAWE osiguranja u Srbiji u 2017. godini iznosi više od milijardu dinara, dok ukupni kapital premašuje iznos od 5 milijardi dinara.

## Ukupna ulaganja na dan 31.12.2017. 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 pokazuju, ne samo rezultati poslovanja GRAWE osiguranja u Beogradu proteklih 20 godina, 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 31.12.2017

	2016	2017
	RSD	RSD
<b>A POSLOVNI PRIHODI I RASHODI</b>		
<b>I Poslovni prihodi</b>	<b>3.542.424.146,34</b>	<b>3.748.286.666,90</b>
1 prihodi od premije osiguranja i saosigur.	3.536.787.868,42	3.742.448.672,47
3 Prih od neposredno povezanih poslova sa o.	5.636.277,92	5.837.994,43
<b>II Poslovni rashodi</b>	<b>-3.210.559.507,88</b>	<b>-3.352.403.928,22</b>
1 Rashodi za dugoročna rezervisanja i dop.	-1.990.550.096,11	-1.527.328.234,77
2 Rashodi naknada šteta i ugovornih iznosa	-1.252.860.816,24	-1.811.441.437,82
3 Rezervisane štete - promene	-38.858.976,84	-62.111.986,73
6 Smanjenje ostalih tehničkih rezervi	71.710.381,31	48.477.731,10
<b>III BRUTO POSLOVNI REZULTAT</b>	<b>331.864.638,46</b>	<b>395.882.738,68</b>
1 Prihodi od investiranja sred.osiguranja	1.530.105.740,85	2.000.898.282,83
2 Rashodi od investiranja sred.osiguranja	-248.369.790,26	-930.369.828,50
<b>III (IV) Rezultat iz investicione aktivnosti</b>	<b>1.281.735.950,59</b>	<b>1.070.528.454,33</b>
<b>B TROŠKOVI SPROVOĐENJA OSIGURANJA</b>	<b>-766.972.994,95</b>	<b>-814.068.090,02</b>
<b>I (II) Neto poslovni rezultat</b>	<b>846.627.594,10</b>	<b>652.343.102,99</b>
<b>FINANSIJSKI PRIHODI I RASHODI</b>		
III Finansijski prihodi	2.762.541,76	2.005.456,18
IV Finansijski rashodi	-867.612,87	-1.540.911,51
V Prihodi od usklađivanja vrednosti imovine	1.676.486,42	1.059.841,38
VI Rashodi od obezvređenja vrednosti imovine	-1.175.639,29	-1.672.188,64
VII Ostali prihodi	410.634,33	121.079,46
VIII Ostali rashodi	-181.633.690,62	-176.787.554,31
<b>G (D) REZULTAT PRE OPOREZIVANJA</b>	<b>667.800.313,83</b>	<b>475.528.825,55</b>
<b>(E) NETO DOBITAK/GUBITAK</b>	<b>667.800.313,83</b>	<b>475.528.825,55</b>

# 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

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
2006	907.197



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 2017. 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 zahtevima 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 2017. 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 sprovode 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, 8. mart 2018. godine



KPMG d.o.o. Beograd

Dušan Tomić  
Ovlašćeni revizor

