

# Factsheet Q1 2015



The Capital Group of Powszechny Zakład Ubezpieczeń SA (PZU Group) is one of the largest financial institutions in Poland and in Central and Eastern Europe. It is headed by a Polish insurance company, PZU SA (PZU).

PZU's strategic investor is the State Treasury, which, at the end of 2014, held a 35.2% share of PZU share capital.

The event, which became an additional catalyst for change and PZU's offensive turn towards modernity, was its IPO in 2010. The value of the public offer was almost 8.1 billion PLN and was the largest IPO not only in the history of the Polish capital market, but also in Central and Eastern Europe since the beginning of the economic transformations, as well as throughout the whole of Europe since 2007. PZU's shares have ended up on the accounts of 250 thousand individual investors. PZU Group is the leader in both non-life and life insurance on the Polish market. Innovativeness, ethics in operation and adaptation to the increasingly demanding market conditions constitute the basis for PZU's rapid expansion. The year 2014 saw a clear growing trend of PZU in the non-life insurance sector thanks to the changes made to customer service and the implementation of new solutions. Furthermore, PZU is planning on reaching a wider scope of clients thanks to its acquisition of the leader of the direct insurance market, i.e. Link4 – thus through the use of two brands.

PZU Group satisfies the fundamental needs of 16 million customers in Poland in the area of security and stability, including 12 million customers in the area of group and individually continued life insu-

rance. PZU's customers have access to the largest sales and postsale service system among Polish insurers. It includes 414 branches, 9.1 thousand exclusive agents, 3 thousand multiagencies and electronic distribution channels (call centre, the Internet).

PZU Group is also an important player on other segments of the Polish financial market, such as investment fund companies, open pension funds, and employee pension plans.

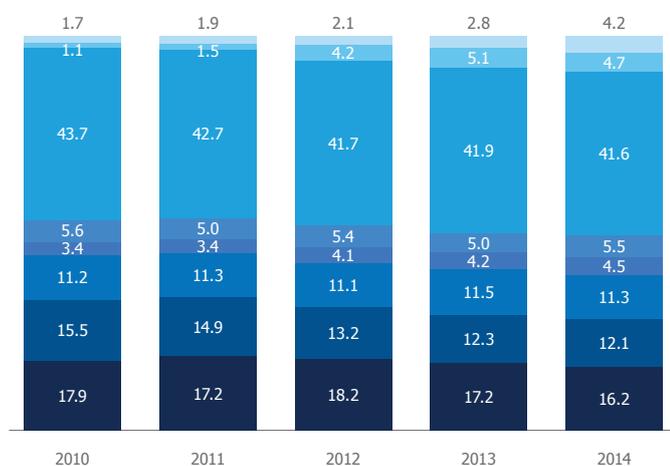
PZU Group is also expanding its operations in health care. Other than the health insurance offer, the clients can also take advantage of PZU Group's own health care centres and a chain of partner centres (approximately 1,380 in total).

From year to year, PZU Group is expanding its operations in Central and Eastern Europe. In 2014, the Group became the leader of the non-life insurance market in Lithuania and Latvia thanks to the acquisition of large local insurance companies. The organic development also strengthened its position on the fragmented Ukrainian insurance market.

In January 2015, PZU passed the new PZU Business Strategy – PZU 3.0. It assumes further expansion of PZU Group until the year 2020 based on the following three strong pillars: insurance, asset management, health care.

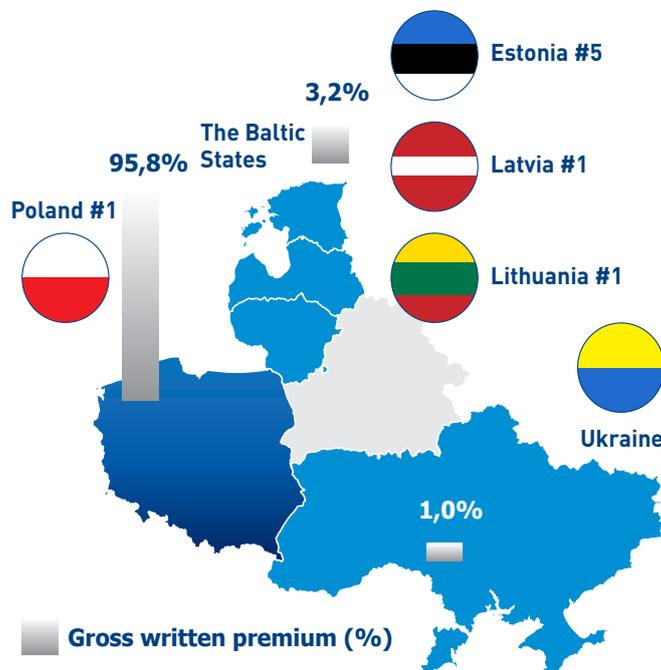
The high operating effectiveness will increase the value for the stockholders. Despite operating under the conditions of low interest rates with an unfavourable effect on investment activity, the 2020 rate of return on equity will be 20%.

## Structure of PZU Group gross written premium for 2014



- Ukraine and Baltics
- Life insurance – single premium in Poland
- Life insurance – regular premium in Poland
- Accident and other insurance in Poland
- TPL and other insurance in Poland
- Fire and property loss insurance in Poland
- Motor Own Damage insurance in Poland
- TPL motor insurance in Poland

## PZU Group activity in Poland and abroad



Number one on the non-life insurance market in Poland, market share **33.1%**

Number one on the life insurance market in Poland – market share in regular premiums **42.8%**

Number one in the ranking of mutual fund companies, share of funds' assets **12.8%**

Third place on the open-ended pension fund, market share of net asset value **13.2%**

Number one on the non-life insurance market in Lithuania **28.5%** and in Latvia **24.3%**

Listed	Segment	Symbol	ISIN	Sector	Initial listing	Offering price	Bloomberg Stock Code	Reuters Stock Code
WSE	main 250 PLUS	PZU	PLPZU0000011	Insurance	12/05/2010	312.50 zł	PZU PW	PZU.WA

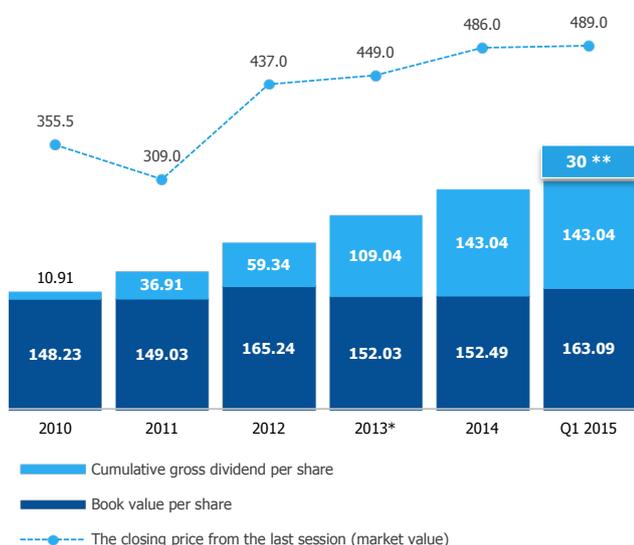
### PZU in Stock Indices

WIG20	WIG30	WIG	WIGdiv	WIG-Poland	WIG20TR	Respect	CEERIUS
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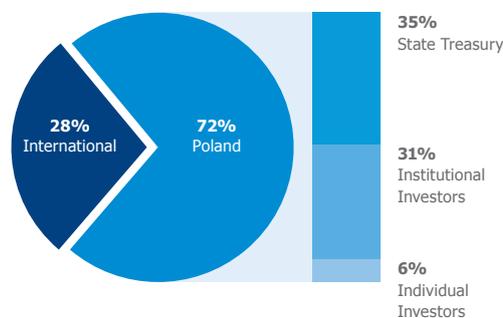
## Evolution of PZU's share price compared to selected indices



## Book value per share and gross accumulated dividend per share (PLN)



## PZU shareholding structure



11.33%  
PZU

-2.70%  
WIG20

-12.45%  
WIG Banki

5.13%  
WIG-DIV

3.28%  
WIG

# FINANCIAL DATA

## Consolidated financial data highlights

PLN mln, IFRS	2014	2013	Change YoY	Q1 2015	Q1 2014	Change Q1 2015 / Q1 2014
<b>Profit and loss statement</b>						
Gross written premium	16 885	16 480	2.5%	4 681	4 354	7.5%
Premium earned	16 429	16 249	1.1%	4 307	3 990	8.0%
Investment result	2 734	2 515	8.7%	951	543	75.3%
Operating profit	3 913	4 181	(6.4)%	1 094	1 012	8.1%
Net profit	2 968	3 295	(9.9)%	941	760	23.8%
<b>Balance sheet</b>						
Equity	13 168	13 128	0.3%	14 084	13 888	1.4%
Total assets	67 573	62 362	7.6%	71 742	65 045	10.3%
<b>Principal financial ratios</b>						
ROE	22.6%	24.1%	(1.5) p.p.	27.6%	22.5%	5.1 p.p.
Combined ratio (COR)	95.7%	87.8%	7.9 p.p.	85.6%	81.8%	3.8 p.p.

## Operating performance of the main segments

PLN mln, local GAAP		2014	2013	Change YoY	Q1 2015	Q1 2014	Change Q1 2015 / Q1 2014
<b>Non-life insurance - Poland</b>							
Gross written premium	mass insurance	6 569	6 534	0.5%	1 949	1 796	8.6%
	corporate insurance	1 831	1 740	5.2%	412	486	(15.2)%
Operating result	mass insurance	756	1 067	(29.1)%	258	369	(30.0)%
	corporate insurance	217	391	(44.5)%	146	101	44.0%
COR	mass insurance	95.2%	88.7%	6.5 p.p.	87.2%	81.3%	5.9 p.p.
	corporate insurance	94.3%	81.1%	13.2 p.p.	64.4%	79.1%	(14.7 p.p.)
<b>Life insurance – Poland</b>							
Gross written premium	group and continued	6 539	6 415	1.9%	1 661	1 631	1.9%
	individual insurance	1 269	1 330	(4.6)%	339	326	4.0%
Operating result	group and continued	1 692	1 476	14.6%	244	356	(31.5)%
	individual insurance	163	140	16.4%	43	38	15.4%
Operating profit ratio	group and continued	25.9%	23.0%	2.9 p.p.	14.7%	21.8%	(7.1) p.p.
	individual insurance	12.8%	10.5%	2.3 p.p.	12.8%	11.5%	1.3 p.p.
<b>Pension insurance – Poland</b>							
Income		271	218	24.3%	26	43	(39.2)%
Operating result		203	137	48.2%	17	8	123.5%
<b>Foreign companies</b>							
Gross written premium	Ukraine	174	204	(14.7)%	35	39	(10.2)%
	Baltics countries	536	262	104.6%	290	77	277.8%
Operating result	Ukraine	2	15	(86.7)%	(2)	(11)	-
	Baltics countries	(16)	1	-	3	0	-

**PLN 4.68 bn**  
gross written premium

**PLN 941 mln**  
consolidated net result

**27.6%**  
Return on Equity  
(ROE)

**315.2%**  
Solvency I,  
PZU Group solvency  
ratio

**A / stable**  
PZU Rating higher  
Rating of Poland  
– for debt in foreign  
currency

## MANAGEMENT

### Roles and responsibilities:



## THE IR CALENDAR

- 15<sup>th</sup> January 2015 – Payment of the second tranche of the dividend for 2013 PLN 17 per share
- 28<sup>th</sup> January 2015 – PZU 3.0 Strategy for 2015-2020
- 17<sup>th</sup> March 2015 – Annual report 2014
- 13<sup>th</sup> May 2015 – Report for the first quarter of 2015
- 29<sup>th</sup>-31<sup>st</sup> May 2015 – 19<sup>th</sup> WallStreet Conference for individual investors
- 26<sup>th</sup> August 2015 – Report for the first half of 2015
- 30 September 2015 - Record date proposed by the the Management Board
- 21 October 2015 - Dividend payout proposed by the the Management Board
- 10<sup>th</sup> November 2015 – Report for the third quarter of 2015

## IR CONTACT



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