

Factsheet H1 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.

With each year, PZU Group expands its operations in Central and Eastern Europe. PZU Group also ranks first in terms of written premiums in the non-life insurance market in Lithuania and Latvia. PZU Group satisfies the fundamental needs of ca. 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 insurance. PZU's customers have access to the largest sales and postsale service system among Polish insurers. It includes 413 branches, 9.2 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.

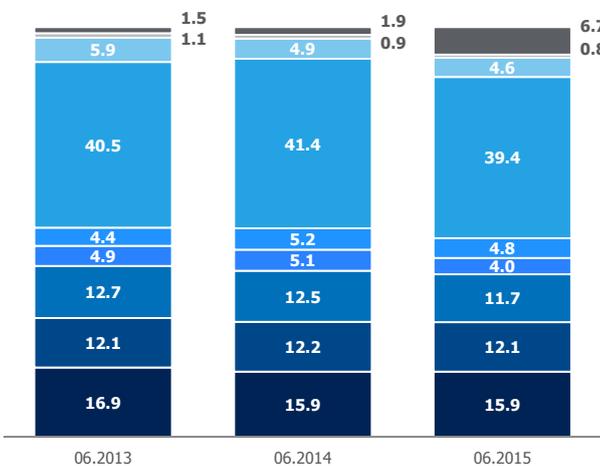
PZU Group is also expanding its operations in health care. Other than the health insurance offer, the clients can also take advantage of PZU Group's own health care centres and a chain of partner centres (approximately 1,500 in total).

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.

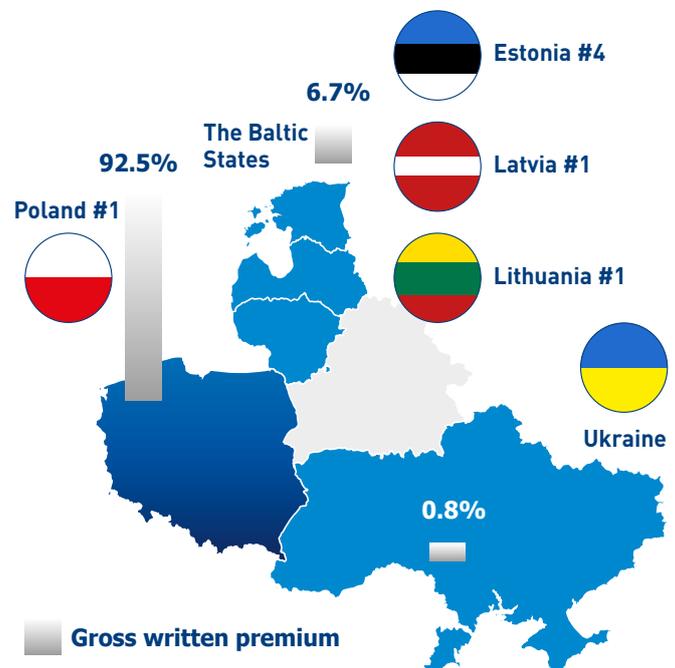
The high operating effectiveness will increase the value for the stockholders. Despite operating under the conditions of low interest rates with an unfavourable effect on investment activity, the 2020 rate of return on equity will be 20%.

Structure of PZU Group gross written premium in H1 2015



- The Baltic States
- Ukraine
- 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 (with Link4), market share **32.8%**

Number one on the life insurance market in Poland – market share in regular premiums **42.7%**

Number one in the ranking of mutual fund companies, share of funds' assets **12.3%**

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 **30.3%** and in Latvia **25.3%**

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



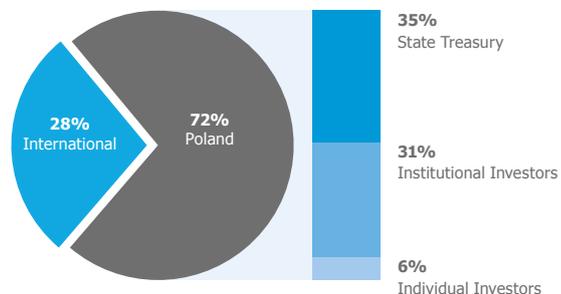
Book value per share and gross accumulated dividend per share (PLN)



* Dividend payment from surplus capital in the amount of PLN 20.00 per share in 2013 year.

** Approved by the the Management Board dividend payout (per share) from 2014 profit.

PZU shareholding structure



(2.5)%
PZU

(3.8)%
WIG20

(9.0)%
WIG Banki

3.0%
WIG-DIV

(2.7)%
WIG

FINANCIAL DATA

Consolidated financial data highlights

PLN mln, IFRS	H1 2015	H1 2014	Change YoY	Q2 2015	Q2 2014	Change YoY
Profit and loss statement						
Gross written premium	9,126	8,438	8.2%	4,446	4,084	8.9%
Premium earned	8,744	8,033	8.9%	4,437	4,043	9.7%
Investment result	1,058	1,370	(22.8)%	107	823	(87.0)%
Operating profit	1,637	2,236	(26.8)%	543	1,224	(55.6)%
Net profit	1,322	1,720	(23.2)%	380	960	(60.4)%
Balance sheet						
Equity	11,853	11,917	(0.5)%	11,853	11,917	(0.5)%
Total assets	66,080	63,822	3.5%	66,080	63,822	3.5%
Principal financial ratios						
ROE	21.1%	27.5%	(6.4) p.p.	11.7%	29.8%	(18.1) p.p.
Combined ratio (COR)	90.7%	86.1%	4.6 p.p.	95.5%	90.2%	5.3 p.p.

Operating performance of the main segments

PLN mln, local GAAP		H1 2015	H1 2014	Change YoY	Q2 2015	Q2 2014	Change YoY
Non-life insurance - Poland							
Gross written premium	mass insurance	3,689	3,330	10.8%	1,740	1,535	13.4%
	corporate insurance	804	964	(16.6)%	392	478	82.0%
Operating result	mass insurance	509	654	(22.1)%	251	285	(11.9)%
	corporate insurance	138	167	(17.4)%	(8)	(66)	-
COR	mass insurance	89.8%	85.7%	(4.1) p.p.	92.2%	90.1%	2.1 p.p.
	corporate insurance	87.9%	84.1%	(3.8) p.p.	110.4%	89.0%	21.4 p.p.
Life insurance – Poland							
Gross written premium	group and continued	3,338	3,266	2.2%	1,677	1,635	2.6%
	individual insurance	680	643	5.7%	341	318	7.2%
Operating result	group and continued*	680	795	(14.5)%	436	439	(0.7)%
	individual insurance	86	87	(0.7)%	43	49	(12.2)%
Operating profit ratio	group and continued*	20.4%	24.4%	(4.0) p.p.	27.4%	-	-
	individual insurance	12.7%	13.5%	(0.8) p.p.	12.6%	-	-
Pension insurance – Poland							
Income		57	77	(26.0)%	30	33	(9.1)%
Operating result		39	29	34.5%	22	21	4.8%
Foreign companies							
Gross written premium	Ukraine	74	77	(3.9)%	39	38	2.6%
	Baltics countries	608	159	282.4%	318	82	287.8%
Operating result	Ukraine	0	(4)	-	2	(18)	-
	Baltics countries	17	4	325.0%	14	(40)	-

* Operating profit and operating profit margin net of conversion effects.

PLN 9.1 bn
gross written premium

PLN 1.3 bn
consolidated net result

21.1%
Return on Equity
(ROE)

251.6%
Solvency I,
PZU Group solvency
ratio

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

MANAGEMENT

Roles and responsibilities:



IR CALENDAR

- 15th January 2015 – payment of the second tranche of the dividend for 2013 PLN 17 per share
- 28th January 2015 – PZU 3.0 Strategy for 2015-2020
- 30th June 2015 – resolution of the Ordinary General Meeting of Shareholders on dividend payment for 2014
- 26th August 2015 – report for the first half of 2015
- 30^h September 2015 – record date set by the the OGM
- 21^h October 2015 – dividend payout date set by the OGM
- 10th November 2015 – report for the third quarter of 2015

IR CONTACT



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