

# PZU GROUP | Factsheet 1Q 2020

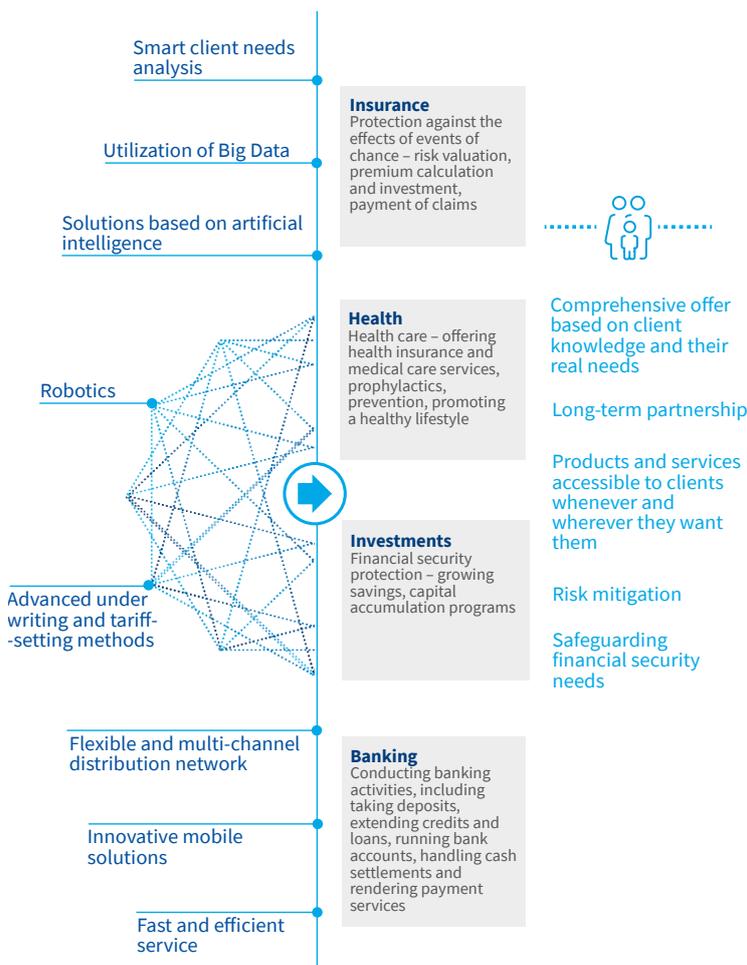


<b>#1</b>	<b>PLN 357 bn</b>	<b>41 thousand</b>	<b>22 million</b>	<b>100%</b>	<b>STRONG BALANCE SHEET</b>
largest insurance and banking group in CEE	assets	employees	clients in five countries	most recognizable brand in Poland	Solvency II ratio above average for insurance groups in Europe

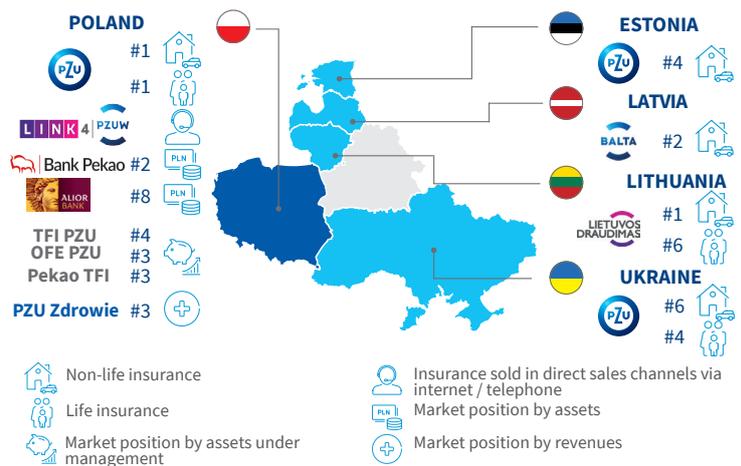
The **PZU Group** is the largest financial group in Poland and Central and Eastern Europe. PZU heads up the group with its traditions dating back to 1803. PZU's stock are listed on the Warsaw Stock Exchange (WSE) being part of the WIG20 index and WIG ESG (sustainability) index. PZU is one of the most highly valued companies and heavily traded stocks on the Polish stock exchange. At the end of March 2020, PZU's market capitalization amounted to PLN 27.1 billion. The State Treasury with a 34.19% equity stake is PZU's largest shareholder.

The PZU Group companies are active in life, non-life and health insurance as well as in investment, pension, health care and banking products. Moreover, they render assistance services to retail clients and businesses through strategic partnerships. The PZU Group business model integrates all operating areas with the client at the focal point. This makes it possible to deliver products and services that are well-matched to client needs at the appropriate time and place and respond to other client needs on a comprehensive basis. High potential, over 200 years of trust, experience, efficiency and innovation create value for the PZU Group's customers.

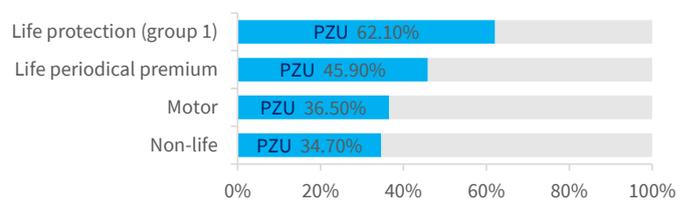
## BUSINESS MODEL



## MARKET POSITION



## MARKET SHARE in Poland (4Q 2019)



## STRATEGIC KPI'S

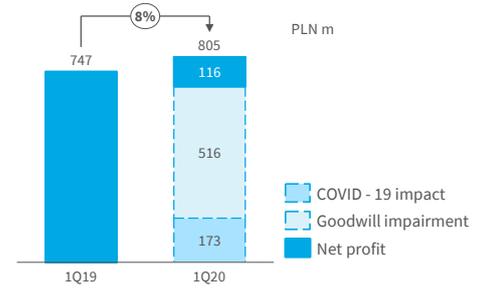


<sup>1)</sup> Please refer to the page 3 for comment on dividend

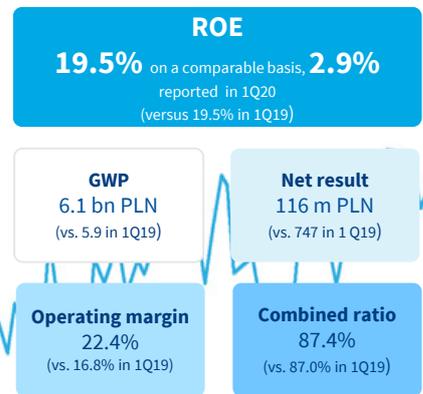
## FINANCIAL HIGHLIGHTS

PLN million	2017	2018	2019
<b>PZU GROUP NET OF ALIOR BANK AND BANK PEKAO</b>			
Gross written premiums	24,191	5,901	6,097
Net result on investing activity including interest expenses	1,995	627	(276)
Net insurance claims and benefits paid	(15,695)	(3,958)	(3,281)
Acquisition expenses	(3,363)	(793)	(835)
Administrative expenses	(1,739)	(406)	(448)
Operating profit	3,606	869	758
Net profit attributable to equity holders of the parent company	2,780	666	577
Goodwill impairment (Alior Bank)	-	-	(516)
<b>BANKS: ALIOR BANK AND BANK PEKAO</b>			
Net profit attributable to equity holders of the parent company	515	81	55
<b>NET PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	<b>3,295</b>	<b>747</b>	<b>116</b>
Total assets	343,340	337,625	357,215
Equity attributable to the owners of the parent company	16,169	15,798	16,169

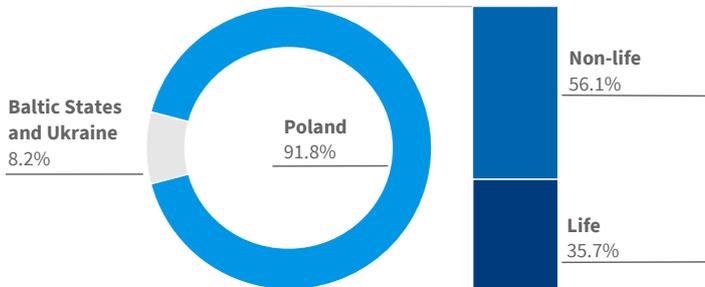
✓ Comparable **net result** excluding the impact exerted by COVID-19 and the goodwill impairment **up 8% y/y** – PLN 805 m



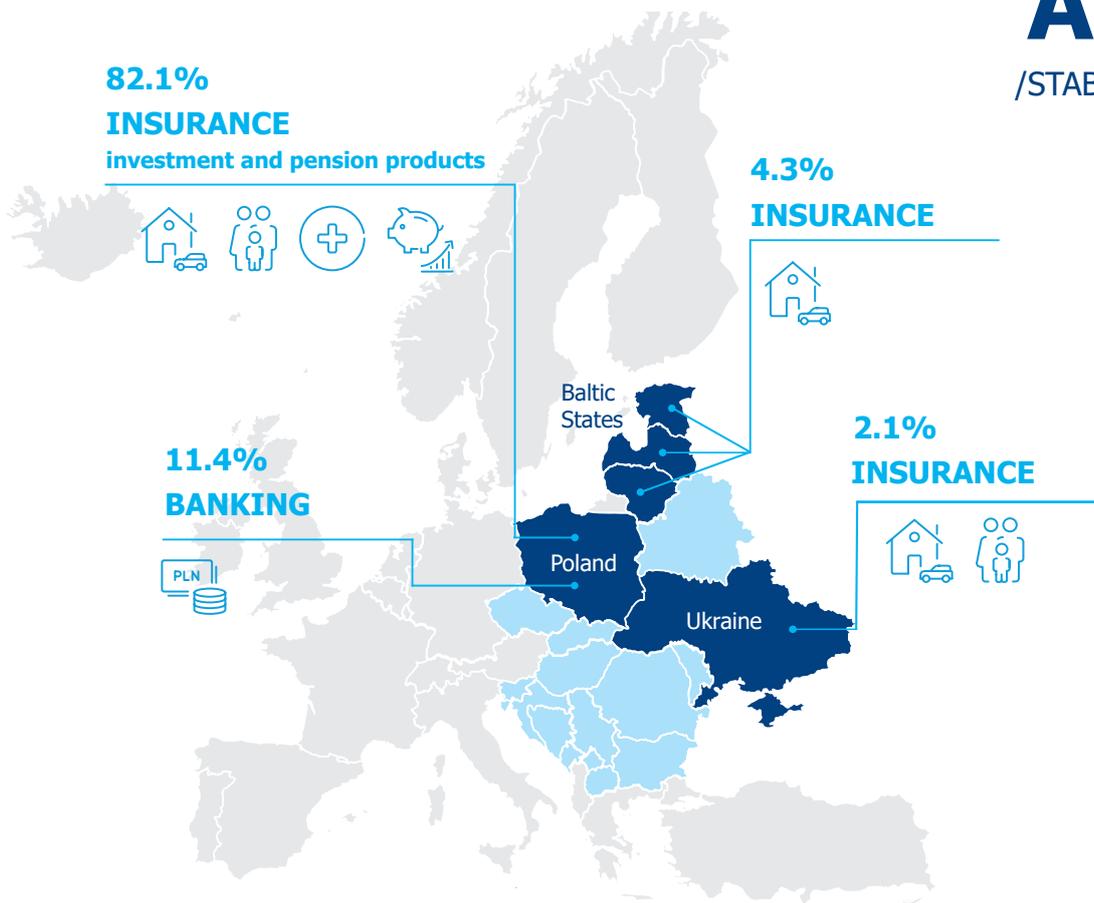
✓ **One of the highest ROE** (excluding non-recurring events) among European insurers



## Gross Written Premium structure



**Percentage share in the operating result** (adjusted for PZU's shares in banks and goodwill impairment on Alior Bank)



**Financial strength rating and credit rating awarded to PZU by S&P**

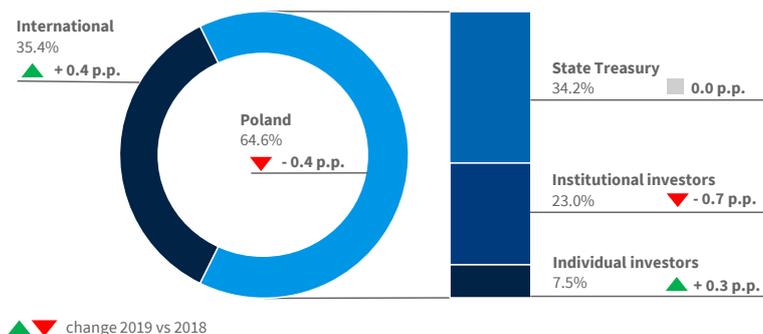
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## PZU's STOCK

Number of shares	863,523,000	P/E	10.2x	Average trading value per session	PLN 83 m
Free float (%)	65.81 %	P/BV	1.7x	Average number of trades per session	5,876
Market capitalization	PLN 27.1 bn	D/Y	0% <sup>2)</sup>	Average trading volume per session	2,335,066 shares

<sup>2)</sup> Historical dividend yield: 6.4% (2019); 5.9% (2018); 4.2% (2017)

### Shareholder structure (31 December 2019)



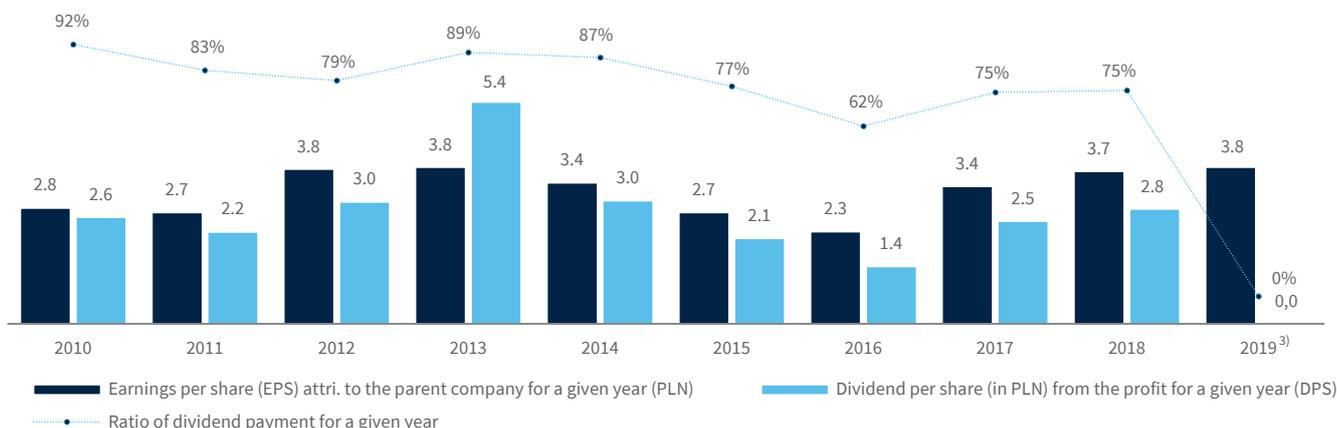
### Recommendations statistics (31 March 2020)

RECOMMENDATIONS	Count	Overall Recommendation
Buy, Outperform	7	Buy, Outperform
Neutral, Hold	5	
Underperform, Reduce	0	
Total Recommendations		12
Highest target price	PLN 54.0	
Average target price	PLN 44.4	
Lowest target price	PLN 38.0	

### PZU's share performance - min/max share price at session closing



### PZU's earnings per share and dividend per share



<sup>3)</sup> Compliant with the stance of the KNF expressed in its letter of 26 March 2020 sent to insurance and reinsurance undertakings in which KNF indicates that having regard for the current situation involving the epidemic announced in Poland and its possible further adverse economic consequences as well as their expected adverse impact on the insurance sector, the regulatory authority expects that insurance undertakings retain the entirety of profit earned in previous years.



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