

# Highlights

- Pulled through the crisis well
- Premium volume exceeds €6 billion for the first time
- Premium trend in Austria corresponds to the overall market
- Group premiums rose by 8.4% and profit increased by 52.8%
- Greatest growth evident in life insurance with a rise in premiums of 13.1%

- Clear increases in every region and segment
- Innovative UNIQA assistance services remain on a course of success
- Opening of the Hotel Tower by star architect Jean Nouvel with innovative energy-saving features
- Dividend: still stable at 40 cents/share

# 2010

04  
06  
12  
18  
26  
30  
36  
40  
44

## Forewords

## Strategy

*The concept of internationalisation stands the test of time*

## Customers & Markets

*A partnership with quality*

## Processes & Products

*Success through consistent product and process innovation*

## Group & Profit

*Significant premium growth in all regions and segments*

## Staff & Partners

*Active throughout Europe for customers*

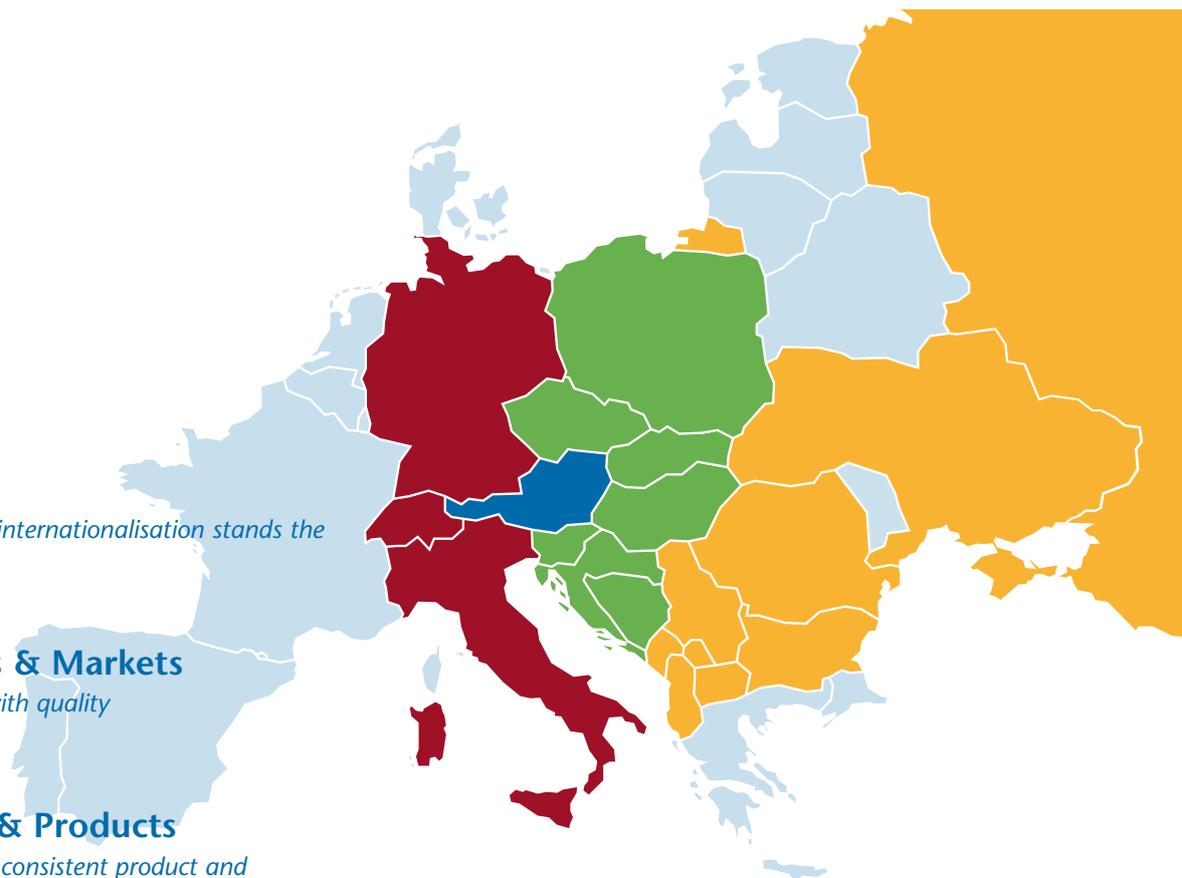
## Corporate Citizenship

*A responsible partner for the future*

## UNIQA Shares

*UNIQA on the capital market*

## Financial Section



## Diversification and integration – from Austria to Europe

The UNIQA Group Austria is one of the leading insurance groups in Central Europe. The success of the UNIQA brand introduced in 1999 was mainly due to the fact that it was possible to **integrate** its Austrian identity with a strong presence in the markets of Europe. UNIQA focuses on individuality: The strategy of the Group is a response to the diverse conditions in its markets and accommodates the regional differences of the various locales. Today, UNIQA enjoys success in 21 markets: Between 1999 and 2010, the Group was able to tap 15 new markets, thereby increasing its percentage of international involvement from approximately 6% to a current 38.5%. Approximately 20,000 employees and sales partners serve more than 7.5 million customers with over 16.5 million contracts throughout the Group.

UNIQA's corporate philosophy is characterised by equality, respect, community and flexibility. These fundamental values establish a reliable foundation for trust and loyalty. Another factor in Group's on-going economic and ecological success is its commitment to innovative leadership and added value to the customer.

Under the umbrella of the publicly listed company UNIQA Versicherungen AG, the Group is active in all segments of the insurance business through all sales channels. UNIQA's strategy springs from a common, central goal: UNIQA is pursuing a strategy of consistent yield-oriented growth through expansion and internationalisation. In the area of bank assurance, UNIQA and the Raiffeisen Bank Group are pursuing new paths in the context of their Preferred Partnership: The joint expansion into Eastern and South Eastern Europe offers rewarding prospects.

1999  
UNIQA founded  
with a premium  
volume of about  
€ 2.3 billion in  
6 countries

2000  
Expansion Italy  
and Poland

2003  
Takeover of  
AXA Austria,  
Hungary and  
Liechtenstein

2003  
UNIQA Quality-  
Partnership  
launched

2004  
Initiation of Preferred  
Partnership with  
Raiffeisen

2007  
Cooperation with  
Sigal (Albania,  
Macedonia,  
Kosovo)

2007  
Introduction of the  
innovative products  
FlexSolution and  
SafeLine

*Dear shareholders,  
customers and business partners,*

In 2010, the global economy showed signs of a general recovery after years of recession. This growth, however, fuelled as it is by a strong increase in exports, is not on a secure foundation yet. In addition to weak domestic demand, mainly rising government debts are responsible for this uncertainty. Public debt has exploded due to economic stimulus packages, and the eurozone has fallen into one of the most severe crises since the introduction of the euro, leading to a massive crisis of confidence in the entire currency. Overcoming and containing public debt is at present the greatest challenge facing European states and the USA. Successfully coping with these problems is the first step towards sustainable, broad economic growth.

For the UNIQA Group, 2010 was an ambivalent year. The encouraging growth in nearly all markets and the significant improvement in Group profits are the positive side of the picture. On the other hand, the Group profits were reduced by large increases in claims, as well as the continuing high volatility of profit depending on extraordinary claim events, such as storms or floods. This is due not least to sub-optimal market shares in a series of Central and Eastern European markets, as well as premiums that have become insufficient due to risk profiles changing because of natural occurrences.

The development of earnings is encouraging in Austria, where the stabilisation of financial profits and the absence of storm claims contributed to a significant increase in profits. This is even more important because stable positive development in our home market provides the foundation for the further expansion of our market shares in foreign markets.

At the beginning of 2013, Solvency II will pose new challenges to the UNIQA Group. This refers not only to the question of a sufficient supply of solvency capital, but also the creation of efficient corporate structures from the perspective of the new regulatory requirements, and the further development of the risk management process. We initiated comprehensive preparatory work on this topic years ago. These measures focus on implementing efficient organisational structures and processes as well as evaluating the business model and product policy. One of the most important challenges we have to deal with now is to create optimal conditions in terms of Solvency II by the end of 2012. We view Solvency II as an opportunity and as an optimal preparation for further successful development and strengthening the Group in our markets. At the same time, our focus will remain on profitable business and the continued improvement of our income situation, to bring UNIQA to the level of our international peers in this area as well.

CEO Konstantin Klien has shaped the successful development of the UNIQA Group over the last ten years. With a policy of expansion guided by his sound judgement, UNIQA has spread from its Austrian roots to become an insurance group of European character. As of 30 June, Konstantin Klien will step down to a well-deserved retirement and hand over the company leadership to Andreas Brandstetter. On behalf of the Supervisory Board, I would like to thank him for his tremendous commitment and the company's success.



**Christian Konrad**  
Chairman of the Supervisory Board

Furthermore, I would like to thank all of our employees and business partners for their high level of commitment and their indispensable contribution to a successful 2010.

Vienna, April 2011

A handwritten signature in blue ink, appearing to read 'Konrad', written in a cursive style.

Christian Konrad

## Dear ladies and gentlemen,

Three years after the worst recession since 1945, our annual report for 2010 covers a year defined by global economic recovery. However, there are still significant economic imbalances, and they have caused the worldwide recovery phase to proceed in divergent ways in the various markets and economic regions. Austria was able to profit from Germany's powerhouse economy and the strong increase in export, recording comparatively strong economic growth. The same applied to most of the Central and Eastern European countries, which were also supported by strong export demand and were able to record significant improvement of the economic environment.

However, there are still many uncertainties in this economic recovery scenario. First, domestic demand remains weak in many countries, and this is one of the essential prerequisites of self-sustaining growth. Second, fiscal political measures aimed at reviving economic growth are burdening the public purse to an unprecedented extent. The uncertainty about governments' ability to noticeably reduce their budget deficits – this applies particularly to states on the periphery of the eurozone – still conceals significant risks, especially for the finance sector and the capital markets.

In the past financial year, the UNIQA Group was able to record a distinct increase in earnings with a profit on ordinary activities before taxes of around €153 million. The most important basis for this was positive growth in nearly all markets and business segments. With an increase in premiums written by 8.4%, for the first time we were able to achieve a premium volume of over €6 billion. The life insurance line deserves special mention; due to the very successful cooperation with the Veneto Banca in Italy and continued strong growth in Central and Eastern Europe, it was able to post just over 13% growth compared to the previous year. With 5.9% growth in premium volume in property and casualty insurance, and 3.5% in health insurance, we were able to attain growth significantly above the market average in both other business segments as well. This development underlines once more UNIQA's good position in our core markets.

The stable development of capital investment results, with a 17.3% increase in net investment income to €841 million, also contributed to this positive trend in profit. Profit on ordinary activities in 2010 was dampened by a massive increase in claims due to natural disasters, especially in Germany, Poland, and other markets in Central and Eastern Europe. In recent years, there has been a general increase in the number of smaller claim events, which will lead to an adjustment of premiums due to the changing risk situation.

The overall significant improvement of the business performance allows us, in agreement with the Annual General Meeting, to continue our sustainable dividend policy by proposing a dividend of 40 cents per share.

In the area of legal regulations, the new capital adequacy requirements in Solvency II pose a special challenge for the entire European insurance industry. In addition to significant costs associated with the introduction of the new regulatory framework, there are a series of weak spots in the parameters and details that need to be dealt with before the system goes into effect on 1 January 2013. The insurance industry has shown in the past that it can overcome global crises, even under the existing regulatory framework. The regulations contained in Solvency II seem in a few areas to be unfitting and excessive, calling into question the successful business model of the European insurance industry in essential segments, such as classic life insurance. Our commitment and our effort should therefore be directed at working together with the relevant European institutions on the necessary final touches for a successful solvency model.

2010 brought along a number of challenges that we met with high commitment and great creativity, paving the way for our good profit performance. We would like to thank all our employees and partners for this. And finally I would like to thank you, our shareholders, for your trust in our company. UNIQA is well-equipped to handle the coming challenges, and I am convinced that my successor, Andreas Brandstetter, will continue to lead UNIQA successfully down its path as a European insurer with Austrian roots.

Vienna, April 2011



Konstantin Klien



**Konstantin Klien**  
Chairman of the Management Board



**Gottfried Wanitschek**  
Member of the  
Management Board

**Andreas Brandstetter**  
Vice Chairman of the  
Management Board

**Hannes Bogner**  
Member of the  
Management Board

**Konstantin Klien**  
Chairman of the  
Management Board

**Karl Unger**  
Member of the  
Management Board

**Gottfried Wanitschek**  
Member of the Management Board

- Born 1955
- Academic background: Law

Dr. Wanitschek started working in the insurance business back in the eighties and was first head of the legal office and later secretary general of Raiffeisen Versicherung AG. From 1991 until he was appointed to the Management Board of UNIQA Versicherungen AG in 1997, he was director of the holding company Leipnik-Lundenburger Industrie AG, managing director of Kurier GmbH, member of the executive management at Media-print and director of Zeitschriften-Verlagsbeteiligungs-AG.

- Responsible for:** Asset management (front office), equity holdings, property management, legal affairs, general administration, internal auditing
- Country responsibility:** Bosnia and Herzegovina, Croatia, Czech Republic

**Konstantin Klien**  
Chairman of the Management Board

- Born 1951
- Academic background: Economics

Dr. Klien joined the UNIQA Group in October 2000 as Vice Chairman of the Management Board. Since 1 January 2002, he has been Chairman of the Management Board and CEO of UNIQA Versicherungen AG. Dr. Klien began his professional career at Arthur Andersen and transferred to Nordstern Versicherung in 1978, where he was appointed to the Management Board in 1986. In 1991, he became Chairman of the Board of the holding company AXA Austria and also exercised executive functions for the AXA companies in Central Europe since 1995.

- Responsible for:** Group management, sales, planning and controlling, human resources, marketing, communications, investor relations, internal auditing
- Country responsibility:** Austria

**Andreas Brandstetter**  
Vice Chairman of the Management Board

- Born 1969
- Academic background: Political science, business administration

Dr. Brandstetter joined the Group in 1997 and was responsible for the restructuring of UNIQA Versicherungen AG in 1999; he was appointed to the Management Board in 2002. Before that, he was head of the EU office of the Austrian Raiffeisenverband in Brussels and completed an MBA programme at the California State University.

- Responsible for:** New markets, mergers & acquisitions, bank sales policy
- Country responsibility:** Albania, Bulgaria, Kosovo, Macedonia, Montenegro, Romania, Russia, Serbia, Slovenia, Ukraine

**Karl Unger**  
Member of the Management Board

- Born 1953
- Academic background: Actuarial mathematics

Karl Unger began his professional career in 1979 as an actuary at Volksfürsorge Versicherung. He later transferred to Nordstern Versicherung, where he was appointed to the Management Board in 1994 and took over the life insurance department. In 1999, Karl Unger took on responsibility for Central Europe within the AXA Group. He switched to UNIQA in 2001 as head of the administrative department for corporate planning and joined the Management Board of UNIQA Versicherungen AG in 2002.

- Responsible for:** Private customer business, IT, company organisation, customer service, Group actuarial office, risk management
- Country responsibility:** Hungary, Liechtenstein, Slovakia

**Hannes Bogner**  
Member of the Management Board

- Born 1959
- Academic background: Business administration

Hannes Bogner has been with the UNIQA Group since 1994 and was appointed to the Management Board in 1998. Prior to this, he worked at THS Treuhand Wirtschaftsprüfungsgesellschaft in Salzburg and at PwC PricewaterhouseCoopers in Vienna. Mr. Bogner became a tax consultant in 1988 and a chartered accountant in 1993.

- Responsible for:** Group accounting, planning and controlling, asset management (back office), investor relations, industry customers and reinsurance policy
- Country responsibility:** Germany, Italy, Poland, Switzerland

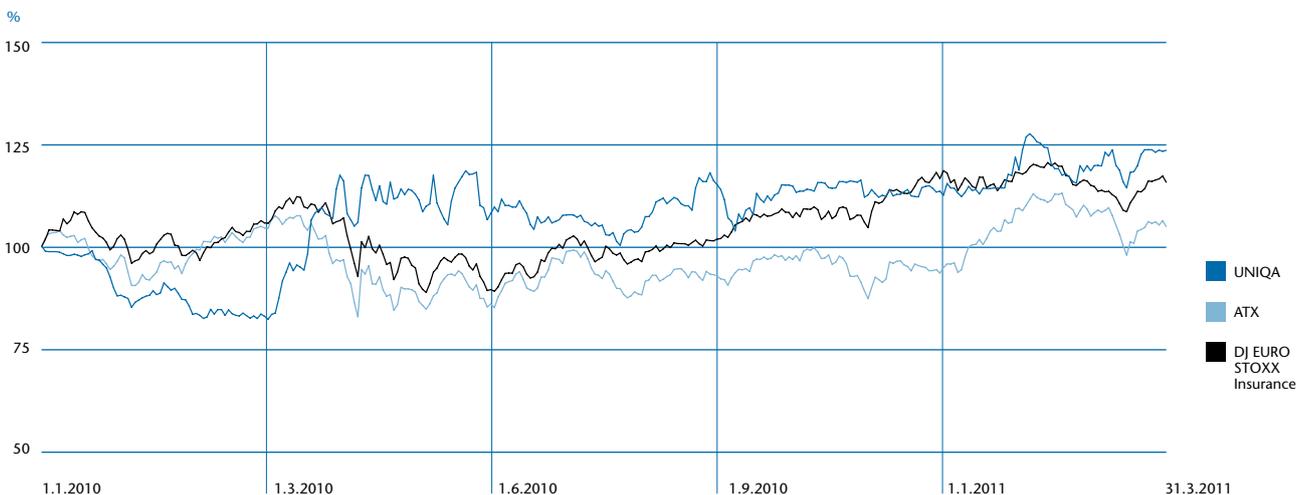
### ■ Share repurchasing programme prolonged

The Management Board of UNIQA Versicherungen AG resolved on 21 September 2010 to take advantage of the authorisation to repurchase shares through the Vienna Stock Exchange granted by the 2010 Annual General Meeting. This authorisation is for up to 14,298,521 notional no-par shares made out to the bearer, which corresponds to a maximum of 10% of the company's share capital. The Supervisory Board agreed to the Management Board's decision on the same day. The fifth buy-back programme started on 19 November 2010 and will provisionally extend to 18 May 2013.

The purpose of the repurchase is to improve the supply and demand for UNIQA's shares on the Vienna Stock Exchange, whereby the trade in own shares as a pecuniary reward is excluded. UNIQA reserves the right, if desired, to use its own

purchased shares to implement an employee shareholding scheme. The countervalue of each repurchased share may not be less than €8.00 and not more than €25.00. By the end of 2010, however, UNIQA had not repurchased any shares in the context of this buy back programme.

#### Development of UNIQA shares



**UNIQA**  
Versicherungen  
AG

**Domestic Insurance Companies**

UNIQA Personenversicherung AG 63.4%	UNIQA Sachversicherung AG 100%	Raiffeisen Versicherungen AG 100%
FINANCE LIFE Lebensversicherung AG 100%	Salzburger Landesversicherung AG 100%	CALL DIRECT Versicherung AG 100%

**Service Companies**

UNIQA Finanz-Service GmbH 100%	UNIQA Immobilien-Service GmbH 100%	UNIQA Beteiligungs-Holding GmbH 100%
UNIQA Leasing GmbH 25%	UNIQA Human Resources-Service GmbH 100%	UNIQA HealthService GmbH 100%
UNIQA Real Estate AG 100%	UNIQA Software-Service GmbH 100%	UNIQA Group Audit GmbH 100%

UNIQA International Versicherungs-Holding GmbH  
100%

**International Insurance Companies**

UNIQA TU S.A. Łódz (PL) 68.5%	UNIQA TU na Życie S.A. Łódz (PL) 69.8%	UNIQA pojišťovna a.s. Prague (CZ) 100%	UNIQA pojišťovna a.s. Bratislava (SK) 99.9%
UNIQA Biztosító Zrt. Budapest (HU) 85%	UNIQA osiguranje d.d. Zagreb (HR) 80%	UNIQA Osiguranje d.d. Sarajevo (BiH) 99.8%	Insurance company "UNIQA" Kiev (UA) 80.3%
UNIQA LIFE Kiev (UA) 100%	UNIQA Asigurari S.A. Bucharest (RO) 100%	UNIQA Life S.A. Bucharest (RO) 100%	UNIQA Insurance plc Sofia (BG) 99.9%
UNIQA Life Insurance plc Sofia (BG) 99.7%	UNIQA Health Insurance AD Sofia (BG) 100%	UNIQA neživotno osiguranje a.d.o. Belgrade (SRB) 100%	UNIQA životno osiguranje a.d.o. Belgrade (SRB) 91.4%
UNIQA Neživotno osiguranje AD Podgorica (MNE) 100%	UNIQA Životno osiguranje AD Podgorica (MNE) 100%	UNIQA A.D. Skopje (MK) 100%	SIGAL UNIQA Group AUSTRIA Sh.A. Tirana (AL) 68.6%
SIGAL LIFE UNIQA Group AUSTRIA Sh.A. Tirana (AL) 100%	SIGAL UNIQA GROUP AUSTRIA Sh.A. Priština (KS) 100%	mamax Lebensversicherung AG Mannheim (D) 100%	Mannheimer AG Holding Mannheim (D) 91.4%
Mannheimer Versicherung AG Mannheim (D) 100%	Mannheimer Krankenversicherung AG Mannheim (D) 100%	UNIQA Lebensversicherung AG Vaduz (FL) 100%	UNIQA Assurances S.A. Geneva (CH) 100%
UNIQA Re AG Zurich (CH) 100%	UNIQA Versicherung AG Vaduz (FL) 100%	UNIQA Life S.p.A. Milan (I) 90%	UNIQA Protezione S.p.A. Udine (I) 89.8%
UNIQA Previdenza S.p.A. Milan (I) 100%	UNIQA Assicurazioni S.p.A. Milan (I) 100%	Raiffeisen Life Insurance Company LLC Moscow (RUS) 75%	

**Other Holdings**

AUSTRIA Hotels Liegenschaftsbesitz AG 99.5%	Valida Holding AG 40.1%	VBV-Betriebliche Altersvorsorge AG 5.9%
SK Versicherung AG 25%	Niederösterreichische Versicherung AG 13.2%	Medial Beteiligungs-GmbH 29.6%
Medicur Holding-GmbH 25%	PremiaMed Management GmbH 75%	PKB-Privatkliniken Beteiligungs-GmbH 75%
call us Assistance International GmbH 61%	Raiffeisen evolution project development GmbH 20%	UNIQA Praterstraße Projekt-errichtungs GmbH 100%
STRABAG SE 15%	LEIPNIK-LUN-DENBURGER INVEST Beteiligungs AG 10%	CEESEG AG 6%