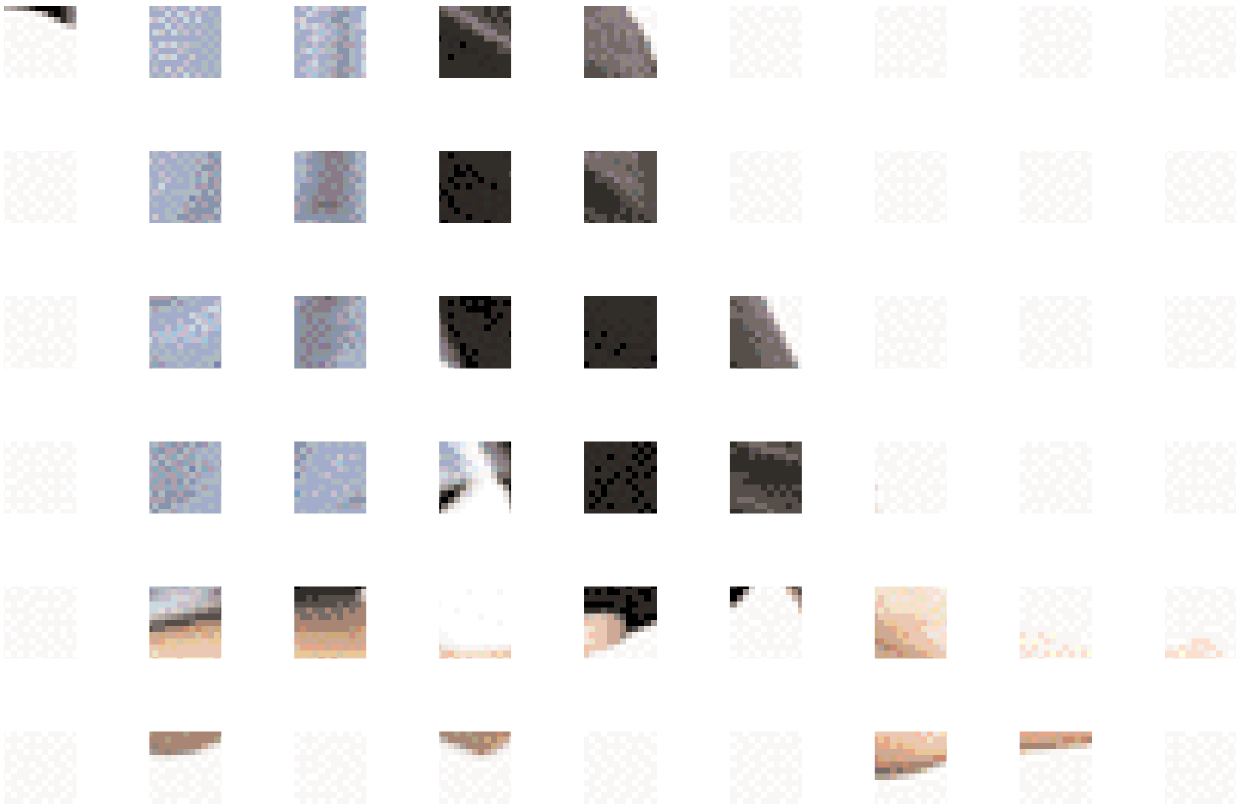
Group Report 2 0 0 1



Group Report 2 0 0 1 UNIQA Versicherungen AG

2 0 0 1

UNIQA Versicherungen AG

UNIQA

Key Figures

	2001 million €	2000 million €	1999 million €
Premiums earned (net) [1]	2,434.8	2,321.0	2,110.8
of which property and casualty insurance	678.5	646.4	619.3
of which health insurance	662.7	633.8	603.5
of which life assurance	1,093.6	1,040.8	888.0
from single premium business and special products [2]	438.1	465.6	269.5
from recurring premium business	655.5	575.2	618.5
Insurance benefits	2,529.3	2,453.8	2,213.7
Operating expenses	503.8	470.2	475.7
Net investment income	660.0	664.7	644.9
Investments	11,188.0	10,415.0	9,815.8
Equity	555.7	595.3	612.1
Profit on ordinary activities	45.3	41.9	45.6
Profit per share (in €)	0.11	0.15	0.11 [3]
Profit before taxes per share (in €)	0.27	0.25	0.27 [3]
Profit per share adjusted for goodwill amortisation (in €)	0.15	0.18	0.14 [3]
Average number of employees	6,718	6,443	6,318
Insurance policies	7,240,498	6,160,470	5,856,732
Number of Group companies			
Fully consolidated	30	26	25
Equity consolidated	14	14	13

[1] Without consideration of consolidation effects in the segments

[2] Direct business

[3] Comparative values after share split

We are on the move...

We always want to be better than all others. Our exceptional creativity has made us the most innovative insurer in Austria. Our top performance in service, competence and product quality sets new standards for all service providers. With pioneering courage and the strength of uniqueness we now enter a new era and conquer the markets of tomorrow.

Foreword by the Chairman of the Supervisory Board

Dear Shareholders,

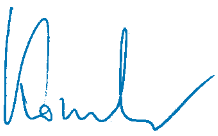
The UNIQA Group Austria successfully mastered the year 2001 in an exceptionally difficult environment compared to its competitors. Besides the high level of 'quality orientation', which UNIQA has declared a fundamental organisational value, the 'increased earnings' programme introduced in 2001 contributed substantially to overcoming the difficult structural conditions.

The ambitious cost reduction programme of the domestic companies, the reorganisation measures of the insurance lines with an unsatisfactory loss history, and the capital market orientated profit sharing models in the life assurance line are the prerequisites for bringing the results on a satisfactory level for all shareholders. The first steps have already been taken, but their consistent pursuance is one of the most important management tasks in the current financial year.

From the shareholder's point of view, there surely is little understanding for the serious disadvantage for the Group and the other Austrian insurance companies, because of fiscal political measures. For UNIQA, the tax burden has reached a level that doubtlessly holds a substantial disadvantage for shareholders, and will clearly make future capital provisions to finance expansion more difficult. It must be the concern of all to appeal to legislators that this encumbrance be eased.

In the past year, a period of consolidation of the price development of our shares has set in. The listing of UNIQA shares in the PRIME MARKET of the Vienna Stock Exchange and the FTSE World Index is encouraging. This, together with both share buyback programmes contributed amongst others to a clear price level recovery of our shares since the beginning of the year, and that UNIQA shares are among the best developing shares on the Viennese Stock Market. The management is encouraged to implement all measure that will allow this development to continue.

At the end of the financial year 2001,changes were made in the management of the Group. The present Chairman of the Management Board, Herbert Schimetschek and Management Board member, Hubert Schatzendorfer have retired. It is my special wish to thank these gentlemen of the Management Board for the their work, which they provided over several decades in different Group companies. I would in particular like to thank Herbert Schimetschek, the "architect" of the UNIQA Group. The UNIQA Group Austria would not have been possible in its present form had it not been for his vision and initiative.



Christian Konrad

Report by the Supervisory Board

During the past financial year, the Supervisory Board was continually kept informed of the business development and the situation of the Group and the company by the Management Board, and supervised the conduct of business of the Management Board. In the five Supervisory Board meetings held in March, May, June, September and November, the Management Board presented extensive quarterly reports, as well as additional verbal and written reports, to the Supervisory Board.

To facilitate the work of the Supervisory Board, and to improve its efficiency, the following committees were set up in addition to the mandatory Financial Audit Committee (Working Committee, Investment Committee, Staff Committee). The Management Board provided comprehensive information timeously on measures requiring the approval of the Supervisory Board or its committees.

The financial statements 2001 prepared by the Management Board and the annual report of the UNIQA Versicherungen AG, as well as the Group's financial statements 2001, were prepared according to the International Accounting Standards (IAS and/or US-GAAP), were audited by KPMG Alpen-Treuhand GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and Deloitte & Touche GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and were awarded the unqualified audit certificate. The auditors confirmed that statutory requirements for the exemption from the prerequisite of preparing Group consolidated financial statements according to Austrian law were met and that the Group annual report is in keeping with the Group consolidated financial statements. The Supervisory Board acknowledged and approved the auditing results and agreed to the Group's financial statements and the Group's annual report.

The Supervisory Board approved the financial statements of UNIQA Versicherungen AG and agreed to the annual report. The financial statements 2001 were thereby adopted in accordance to § 125 of the Stock Corporation Law.

The proposed appropriation of earnings submitted by the Management Board to the Supervisory Board was examined and approved by the Supervisory Board. On this basis, a dividend distribution of 16 cents per share will be proposed at the Shareholder's Meeting on 17 June 2002.

The Supervisory Board thanks the Management Board and all staff members for their commitment and their excellent work.

Vienna, May 2002
On behalf of the Supervisory Board

Christian Konrad

Ladies and Gentlemen

With the Group Report 2001, we present our report on UNIQA Group Austria's course of business for one of the most difficult years for the Austrian insurance industry. The tragic events of 11 September have fundamentally changed the underlying conditions of the insurance industry worldwide. This applies in particular to the international reinsurance market and its further development. The nervous reaction of the stock markets following the terrorist attacks further aggravated an already downward trend of the international stock markets and additionally burdened the economic environment.

Our Group of companies successfully succeeded in coping with the difficult situation in 2001. In spite of the mentioned difficulties, it was possible to increase the Group's ordinary activities results by over 8% to 45.3 million €. This development is however clouded by a decidedly higher tax burden as a result of the finance ministry's austerity package for the Austrian insurance industry. There must be a joint effort from the Austrian insurance companies to bring the tax situation of the domestic insurers on a competitive level. The 'increased earnings' programme introduced in the past financial year played a major role in overcoming the difficult situation in 2001. We have already succeeded in achieving significant improvements in the actuarial results, through consistent reorganisation in the first year of the programme scheduled to run to 2003 in the life, as well as the health insurance lines, in the Austrian companies.

The consistent ongoing pursuit of this 'increased earnings' programme and the further related clear increase of the Group results is our goal with the highest priority for the financial year 2002.

With the restructuring of the responsibility areas in our Group in the form of competence centres, we ensure that all Group company activities are strictly aligned in accordance to our defined company goals. The competence centres (property insurance, health insurance, life and accident insurance, bank distribution and direct sales) are responsible for the implementation of the company goals throughout the Group in their insurance-related responsibility areas.

Through the implementation of the new UNIQA action programme, we will clearly structure and communicate our company strategy and make the realisation of our goals measurable. The implementation of our action plans, which we defined within the framework of our "increased earnings" programme, will clearly increase results. In conjunction with the implemented result-orientated remuneration system with a high-income orientated remuneration, we have created the prerequisites for a comprehensive results orientation of the UNIQA Group Austria.

Within the scope of our continued expansion in Central Europe, the acquisition of the POLONIA companies was concluded in June of the past financial year. We thereby created an essential position in one of the largest markets amongst the expansion candidates of the European Union. The integration of the newly acquired Polish companies is the central responsibility of the international area in the coming financial year, combined with the creation of further 'bridgeheads' in the neighbouring Central European countries.

Vienna, May 2002
The Management Board

From left to right: Hannes Bogner, Karl Unger, Andreas Brandstetter, Gottfried Wanitschek, Konstantin Klien

Konstantin Klien	Hannes Bogner	Gottfried Wanitschek	Andreas Brandstetter	Karl Unger

Executive

Management Board

Chairman of the Management Board:
Konstantin Klien, Vienna
Group Control, Distribution Policy, Personnel, Marketing, Communication, Actuarial and Accounting Control

Members:
Hannes Bogner, Vienna
Group Accounting, Controlling and Statistics, Investor Relations

Gottfried Wanitschek, St. Margarethen
Asset Management, Equity Holdings, Property Management, Legal Affairs, General Administration

Andreas Brandstetter, Vienna
International Business, Direct Sales

Karl Unger, Teesdorf
Information Technology, Customer Services

Supervisory Board

Chairman:
Christian Konrad, Vienna

Vice Chairman:
Klaus Braunegg, Vienna (First Vice Chairman)
Walther Rothensteiner, Vienna (Second Vice Chairman)
Heinz Kessler, Haid bei Ansfelden (Third Vice Chairman)
Georg Doppelhofer, Graz (Fourth Vice Chairman, from 25 June 2001)
Walter Petrak, Neufeld an der Leitha (Fourth Vice Chairman, until 25 June 2001)
Ewald Wetscherek, Vienna (Fifth Vice Chairman)

Members:

Dietrich Blahut, Vienna
Theodor Detter, Vienna
Konrad Fuchs, Maria Enzersdorf
Fritz Hakl, Innsbruck (from 25 June 2001)
Gustav Harmer, Vienna
Gottfried Holzer, Vienna
Manfred Holztrattner, Salzburg (until 25 June 2001)
Michael Hülmbauer, Ferschnitz (until 25 June 2001)
Karl Korinek, Vienna
Julius Marhold, Eisenstadt (from 25 June 2001)
Johannes M. Martinek, Vienna
Klaus Pekarek, Klagenfurt
Peter Püspök, Perchtelsdorf
Ludwig Scharinger, Linz (until 25 June 2001)
Karl Waltle, Bregenz (until 25 June 2001)
Georg Winckler, Vienna
Liselotte Wolf, Pressbaum (from 25 June 2001)

Assigned by the Central Employee Council:

Irmin Gundl, Salzburg
Hans Hahnen, Absam
Ferdinand Hammerer, Wolfurt
Helmut Hanzlik, Vienna
Friedrich Katschnig, St. Kanzian
Franz Michael Koller, Graz
Friedrich Lehner, Gunskirchen
Walter Thurner, Vienna
Franz Wagner, Eisenstadt (until 25 June 2001)
Walter Zwiauer, Vienna

Together
we overcome
the old boundaries
and venture
into new areas

With courage, energy, determination and full of confidence in our own strength, we together risk the step into new business territory of tomorrow's growth markets. As insurance industry pioneers we set new standards, acting today to secure our future with full commitment.

UNIQA's external environment

Global economy in recession

The crippling growth dynamics already present in the global economy in 2000 continued in 2001. More and more industrial countries were drawn into the economic downswing. Companies reduced their investments strongly, especially in the IT area, reduced inventory and eliminated jobs to a considerable extent.

The global production still grew in 2001 by around 2.2%, almost at the same level as in the 1982 and 1991 recession years. World trade even stagnated.

The central banks of the Western industrialised countries consequently eased their monetary policies. The US Federal Reserve Board drastically reduced their interest rate from the beginning of the year by 4.75 percentage points in ten steps, to give the weak economy a positive impetuous.

Signs of a reversal appeared around the middle of the year, not least by a reduction in the oil price. The aftermath of the psychological shock following the 11 September terrorist attacks in the USA however concealed the beginning of the economic recovery. On the international stock exchanges, share prices fell to a year low on 21 September.

The strong exchange gains promoted by further drops in interest rates in the last quarter of 2001, however, were a clear indication for a gradual improvement of the economic climate.

At present all indicators show that global production will rise again in the coming year and the economic recovery will gain in strength.

End of recession in the Euro zone?

The Euro zone was also affected by the weakening global economy in 2001. The total economic output stagnated in real terms in the second half of the past year. However, the bottom of the trough seems to have been passed.

For months, many early indicators moved upwards. The business climate has improved. Supply and production in the industry point upwards. Following the upswing in the US economy, the Euro Zone will also overcome the weak economy of 2001 in the coming months.

There are good reasons for this: The European Central Bank has left the discount rate, lowered by one percentage point after the events of 11 September, unchanged since November 2001. The monetary policy seems expansive and stimulates the economy. The short-term real interest rate is clearly below the long-term average.

During the course of the year, the strengthening upturn may however not show excessive strength in 2002. The growth rate of the real gross domestic product in 2001 will not be much higher than 1.7% to 1.5%.

Growth rate also slowed down in Austria

The worldwide economic downswing last year abruptly decelerated the Austrian economy which still had a very high growth rate from 2000. The gross domestic product showed a real growth of only 1.1% after 3% the previous year – the lowest increase since 1993.

Above all, the construction industry shrunk by 3% in 2001. Consumer prices increased markedly stronger than expected, on average by 2.7%.

The economic programme developed by the federal government in December will promote the economic climate turnaround stimulated by the global economic upturn in 2002. No substantial impulses can be expected from domestic demand. Production in the construction industry may fall slightly by 1%. In the rail and road construction industry, the prospects seem somewhat brighter.

The outlook for foreign trade remains favourable. Exports are expected to increase by about 4.5% and thereby grow stronger than imports. They will grow by about 3%.

Public consumption will decrease in real terms. The low revenue from direct taxes and expenditure on the rising number of unemployed burden the public budget.

A clear price reduction in energy and sinking food prices could dampen the price buoyancy to 1.4%. Unemployment will increase further as it is estimated that the real gross domestic product will increase by 1.2% and thereby will not grow markedly stronger than in 2001.

Robust economy in Central and Eastern Europe

The economic conditions in Central and Eastern Europe proved to be robust in 2001 in spite of the global recession. The real gross domestic product grew by about 3% after growing by 3.8% in 2000.

Export growth suffered because of the declining demand from the EU-countries and thus clearly declined. This further slowed industrial production. Domestic demand remained strong because of a clear increase in real incomes. Investments continued on their upward trend. As a result of decreasing import prices, the price increases remained low. Unemployment continued to remain high.

The Czech economy, which now transacts 80% of its exports with OECD countries, successfully resisted the global economic recession. The real domestic product grew, even stronger in 2001 than in the previous year, by about 3.5%. Foreign trade continued to expand strongly. However, as the imports increased quicker than the exports, the foreign trade deficit clearly increased. Inflation accelerated to 4.7%. Nevertheless, unemployment sank to 8.1%.

The Slovak Republic was also unimpressed by the weak global economy. The total economic production grew by a real 3.2%, noticeably quicker than in 2000. The price increase continued to slow at a high level from 12.2% in 2000 to 7.3%.

In Poland, the increasing national budget deficit continued to burden the economic recovery process. As a result of their tighter monetary policy, inflation almost halved at around 5.5% in 2001. The ongoing high public expenditure increase in conjunction with the delay in structural reforms led to further enormous economic tension. The growth of the gross domestic product by continued high unemployment sank from 4.1% in 2000 to 1.2%.

Strategic orientation of UNIQA

Most innovative insurer in Austria

We have formed our Group of companies into a leading insurance Group in Central Europe with Austrian identity, a new name, and strategy under the UNIQA brand. We resolutely pursued this process in 2001 in a most difficult overall economic environment.

The advantages of our company and marketing strategy are starting to become clearer. UNIQA has in the meantime become the top brand amongst the Austrian insurance companies and is synonymous for first class service and products.

The new UNIQA Group Head Quarters: 75 meters high, 21 floors. Designed by the Austrian architect Heinz Neumann, the building will have space for around 1,200 employees.

The building will express UNIQA's future orientated approach and contain all technical equipment that will do justice to today's and future ecological and economical requirements.

In a ranking of the leading Austrian insurance companies, we achieved the top spot as Austria's most innovative insurer. Our quality of service is always rated as excellent by customers in all surveys: a visible success on the way to our goal, to set new standards for all service organisations in Austria.

We owe the ongoing optimisation of our quality of service, on the basis of outstanding products at fair prices, to a comprehensive quality management programme.

Quality management as permanent function

Top quality in all areas of the company can only be guaranteed through a permanent improvement process.

Our uniqueness is based to a large extent on the ability of our employees to ensure that, in a market characterised by competitive pressure and constant increasing customer demands, the lasting quality is one of the most important company goals.

Profitable growth at home and abroad

Therefore we invest substantially in the qualification and ongoing education of our employees, and in the further development of our partners. We want to use our strength in innovation and creativity, first class service and sophisticated products of the highest quality for increasing success in sales in the coming years. We thereby create the basis for profitable growth in the domestic and foreign target markets.

For us, it is about convincing our existing customers even more of our service strength and to gain new customers in as large numbers as possible.

Fitness training for tomorrow's success

We can only fully seize the opportunities that we are presented with, especially by the European Union member countries of tomorrow, if we are fit in every way for the challenges of the future.

We must still develop more efficient organisational structures to optimise costs and earnings and to finance the profitable expansion into Central Europe.

This includes an efficient product range accurately representing individual customer profiles, the implementation of a secure future IT architecture, as well as the utilisation of all approach and distribution channels, also through the Internet.

Since we laid the foundations of the newly formed UNIQA Group Austria, we are now on the move into a new dimension of our organisational development. This requires courage, commitment and pioneering spirit to conquer the markets of tomorrow, in short: a spirit of change that seizes all employees at all levels.

Scorecard as compass for the organisation's success

For this purpose we developed a UNIQA compass and a scorecard for our long-term strategy and the implementation of the respective goals in the charged field between customers, processes, the organisation and the employees. We introduced this to our managers in intensive workshops at manager meetings.

The UNIQA scorecard is much more than a theoretical instrument for company management. We see it as a practical tool having several functions.

The presentation of the future UNIQA strategy and working, in accordance with the requirements, on a new management and team style, were the emphasis of the manager meetings.

A tool to visualise and communicate the company strategy, to make our progress in realising strategic goals measurable, to test the uniformity of the company strategy, to identify the mutual influence of strategic goals and to optimise all resources in the interpretation of the organisational strategy.

Thanks to these features the scorecard makes a crucial contribution in making the Group's strategy concrete, it provides a measurement scale for strategic goals and thereby makes changes visible, it develops action programmes in the sense of fulfilment of strategic goals, and it tests the efficiency of planned projects in the sense of the Group's strategy.

Within a team, setting out into new territories becomes a calculable risk. He who wants to arrive safely must be well prepared. To that end we concentrate on our common goal and back each other. For the whole is more than the sum of its parts.

Together we set out on new paths towards new horizons

Focus: Customers and Markets

Treating customers like kings

Our long term UNIQA compass is orientated to four central Group goals. The customer and the market are foremost in our thoughts and actions.

We not only call the customer king. We also treat him as such. Only satisfied customers are good customers in the long run. Only products that meet needs and provide added value and a high degree of flexibility secure our competitiveness in the markets of tomorrow.

The campaign idea originated from the self-assertion of UNIQA "not to be an insurer like every other". We do not talk to people about "such and such insurance", but about quality of life and planning one's life.

The customer demands are characterised by various factors: the need for all-around care and high service levels, long relationship based on trust which extends across the whole life cycle, and optimal coverage of the individual needs.

To fulfil the individual expectations of clients, financial service providers must offer the fitting building blocks for a needs-based product architecture instead of standardised complete solutions.

Banding as a symbol of quality

Brands are becoming more and more important with the increasing diversification of distribution channels through the multi-channel concept and the multi-access approach. Brand quality is taking the place of the product image quality. This has led to the development of individual total solutions through new IT-supported customer platforms accessible to all customers and business partners. For UNIQA, as first mover in a quick-changing market environment, this means: we must develop simple product building blocks using a common tool box to quickly market flexible products attuned to local and specific sales conditions on a supra-regional level.

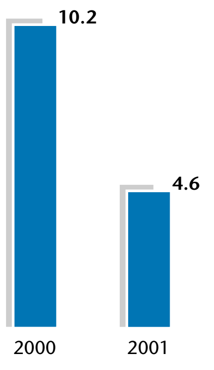
Moreover, we must offer target-orientated products from a common platform incorporating banking and other co-operation products to create an added value for the customer.

From product provider to problem solver

We must ultimately transform ourselves more consistently from being a product-focused insurer to a solution-orientated service provider, to bind customers to us through, for example, service and price advantage, in the long term.

Within the scope of this strategic cornerstone, we concentrate on the profitable customer segments and manage according to the principle ‘profit before growth’ a consistent complete customer policy. The development of the business relationship with our existing customers and gaining new customers, who we want to turn into total customers, is one of our main tasks.

Time taken to process a motor vehicle application
in days



From customers to total customers

Of particular importance to us is to convince new customers of our strengths in solution-orientated service, besides the utilisation of our considerable customer potential, customers who only have one policy with us. In this way we secure the basis for our strategy for long-term expansion at home and abroad.

We acquire profitable new customers in mature markets especially through the expansion of distribution organisations and the opening of new channels, for example through brokers or the Internet.

At the same time, we exhaust all possibilities of the total customer policy by improved customer relationship management, increased service competence, and decentralised administration processing. We thereby make an important contribution to reducing the loss and lapse ratios, the sale and support costs and increasing the customer contribution margin.

We do not, for example, regard complaints as annoying interfering fault-finding customers. For us they are opportunities in a variety of ways. They give us the opportunity to turn dissatisfied customers into satisfied customers, to constantly improve our service and to gain important marketing information.

Collecting points through added value

We want to collect points for our scorecard from the customer but also with our excellent service and a recognisable added value. Concretely this means: creating opportunities through possible cross-selling through the utilisation of co-operation products, so that the customers see greater benefit in our service than what he is used to in the marketplace. In other words, we rely on high quality service instead of pure cutthroat price competition.

We use flexible price design as an instrument of objective segmentation. Thereby we want to recognise the qualitative better or poor risks quicker than the competition and react with more reasonable prices in the attractive segments than the market. In this manner we create added value for high-yield clients or price advantages for distribution partners with high-yield portfolios.

As a decisive factor in the tough fight for customers and markets we want to, at a minimum, expand our first-class brand image and use this for our expansion.

Brand image drives growth

The Austrian top brand, UNIQA, should achieve a high awareness in our defined target countries and support our defined growth targets.

This means a clear strategy in Austria and Central Europe with a uniform appearance. Above that, we want to profile the brand in all areas of our Group and anchor UNIQA as an Austrian insurer with unique service quality, high competence in asset management and as the most important partner even stronger in the customer's awareness.

Austria's insurers continue on the way to success

In the 2001 economic downswing, the insurance industry in Austria was the growth branch par excellence.

The premium income increased almost as strongly as in the year 2000 by 6.6% to 12.48 billion €. This was a clearly stronger increase than the nominal gross domestic product (plus 2.9%) or the consumer prices (plus 2.7%)

The insurance benefits development normalised in the past year. They increased by only 3.7% (previous year 12.7%) to 8.79 billion € after the many natural disasters in the year 2000.

Investments grew by 4.9%. At year-end 2001 they reached around 54.45 billion €.

In Austria, the above average growth in the insurance industry continued in the current year. The premium income may improve by around 6.7% during the course of the economic recovery.

We continually
move our yardstick
higher setting
new records
along the way

Top achievements of yesterday will already be the norm tomorrow. We continually rise to the challenge of more ambitious goals to make sure we are always a step ahead of the competition. Only superior performance ensures ongoing survival at the international level.

Focus: Processes and Products

IT changes financial services industry

Our strategy also focuses on modern information technology (IT) and its possibility to optimise company processes and product development.

IT technology will to a large extent totally change the financial services industry and become its motor for growth. Its application will especially simplify the business processes considerably, speed them up and clearly optimise them through cost reductions.

This refers to, for example, gathering at the point of sale (POS) from the client. Such data can immediately, and without any detours, be transmitted directly to the central administration system and immediately be processed.

With IT it will also be possible to link successful solutions with each other via new intranet applications.

But also the standardisation of the user interface through browser technology and the component orientation of the reusable software functions are among information technology's central goals.

Internet becomes key medium

The future trends are clearly recognisable. The Internet will become the cheapest and most widespread medium in business.

It offers the possibility to integrate the existing company structures into the new business models, to incorporate new partners into the administration and allows the 'virtual' outsourcing of operational tasks.

Moreover, complex offline solutions such as sales information systems have become superfluous through the Internet.

Tying partners into administration procedures

Internet technology offers a multitude of additional options to redesign business processes, for example by transferring to the point of sale. Employees in the sales force, banks, brokers, hospitals, motor vehicle workshops, external adjustors or artisans can be tied into administration systems through web services at will.

Above this, the same software components can be used for different applications with the assistance of IT, for example, for remuneration systems in the sales force.

Virtual meetings at the place of decision

Freely accessible multifunctional networks will however also change regional and supra-regional communication through meetings, telephony or video systems per Internet. This eases the time budgets of employees, substantially reduces the travel and accommodation budget and brings the experts virtually together at the place of decision.

In addition, completely new work models emerge for the internal staff through IT technology. Through optional EDP access or document management systems, the need for companies to maintain their own work places will reduce and promote the development of teleworking.

Sharing the desk with others

Desk sharing is being offered more and more for internal and sales staff. This contributes to a clear reduction of employment costs.

On the basis of these changes, management systems must adapt. Instead of time control, goal control is required.

We are transposing foreseeable trends in the financial services industry because of advancing IT technology, within the scope of our UNIQA compass as first mover in the market, into the necessary changes in our business procedures and processes.

Efficient IT base necessary

Our main goal is to continue to improve the quality and productivity of our service and to decentralise service processes to the point of sale.

To achieve that, we must ensure an efficient IT basis by reorganising Group IT, by integrating the Internet into classic distribution systems, by implementing e-services for customers and business partners such as brokers, workshops or hotels, and by building up know-how in direct sales through the Group subsidiary CALL DIRECT for co-operation partners.

In this way we create the framework to optimally use the synergies and advantages that a Group of companies such as UNIQA offers.

To realise the common core goals of the Group, we have transferred all operative key functions insurance-related and sales aspects to the individual Group companies and all cross-border activities to the Holding and competence centres.

Reduce costs and improve productivity

Our reorganisation of the Group IT strictly according to new technologies and platforms allows us to clearly reduce the direct and indirect costs of the insurance-related administration. At the same time we can improve the productivity in all administrative areas through rationalisation of the processes or decentralisation of tasks.

IT also offers us substantial advantages through the inclusion of customers and partners in processing, administration and service. The customer has, for example, the choice as to whether he wants to communicate with us through personal service, the call centre or the Internet regarding administrative and service issues.

Lower loss expenses, quicker service

With the most up-to-date IT we also combine the possibility to reduce the loss expenses in the interest of stable premiums. For that we utilise all opportunities to optimise expert costs and partner networks with workshops or hospitals.

The modern IT architecture also performs outstanding services in the improvement of the quality of our service performance. It makes it possible to further markedly reduce waiting times on the phone in the service areas or in dealing with a loss report for the internal staff.

Executing customer requests in one work process

It is our goal to execute customer requests in one work process, when possible on the spot, and technically support unbureaucratic solutions, to offer an exceptionally satisfactory service experience.

An indispensable requirement for growing success in the market is an attractive product portfolio. New UNIQA products must fulfil high standards. They must possess a unique advantage, offer at least one clear recognisable advantage, be extraordinarily attractive to the client and ensure earnings for us.

Products to measure from the tool box

The growing demand for needs-based products increasingly requires the capability to tailor insurance design utilising modular building blocks. We therefore want to design products that are easier and target-orientated, to be able to quickly use it as an element of an individual insurance architecture.

Thereby IT helps us market flexible product solutions from a standardised tool box supra-regionally: one important factor in organising the sales force more efficiently and managing individual price risks better.

Identify unused potential

At the same time the customer information provided with support of the IT systems provide us with the possibility to optimise customer relationship management and to support our complete customer strategy.

We can, for example, improve the frequency of contacts to the customer across all channels, identify unutilised business potential by systematically analysing the customer portfolio and specifically investigate the acceptance of products.

Companies who want to compete in the Champions league of financial service providers need a clear positioning in the competitive environment and a convincing earnings-orientated company strategy to finance the necessary expansion in the hotly contested markets of tomorrow.

Leaped courageously and landed securely with both feet on unknown ground

Focus: Group and Profit

Successful types for the Champions League

We have the courage for permanent innovation and thereby push ahead harder with our development. Our Group values of quality and competence, fairness and reliability, mutuality, respect and decency in our relationship with employees and customers serve as our basis for future challenges.

Three different kinds of entrepreneurial types will prevail: international financial services groups, national and European insurers, as well as special providers from the insurance industry.

All require a clear and detailed orientation to their goals, an uncompromising profit orientation and the continual preparedness to constantly reposition yourself in a permanently changing market.

For us this means: we must persistently continue to strengthen the profitability of our Group of companies, focus on profitable customer segments and reduce costs, and at the same time improve service and benefits.

Growing significance of bank sales

We must press ahead with our growth at home and abroad and at the same time push the sale of combined products across the bank counter.

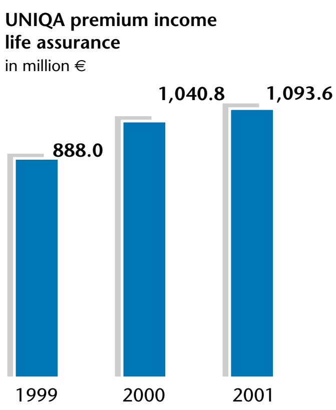
We want to consolidate our leading position in our home market, Austria, especially through gaining new customers, providing new services, expanding our sales organisation and the distribution channels within the framework of our total customer strategy, and strengthening the relation-ship with existing customers.

Thereby we want to change the portfolio structure. We want to increase our market share in property and casualty insurance, secure our market position in life assurance as the largest provider, and redesign our health insurance portfolio to be more yield-orientated.

In mature foreign markets such as Italy, Switzerland, Liechtenstein or Spain, we are strengthening our market positioning as a niche or regional insurer.

Greatest potential in life assurance

As a result of the ongoing great need for private old age provision, life assurance remained the most important growth engine of the Austrian insurance industry in 2001. The premium income improved by 8.4% to 5.88 billion €. With a powerful increase, the income in real terms may even increase by about 9.1% this year.



Around 3.87 billion € were paid in 2001 for life assurance policies due for payment. The above average increase of 22.9% (previous year 7.7%) was attributable to a special development.

For single premium policies with a term of less than 10 years, the insurance tax due was increased from 4% to 11% in 1996. This triggered record sales of new policies with terms less than 10 years, which now mature from year to year.

Not least, because of their tax advantages for terms of at least 10 years, retirement annuities continued to grow in popularity. Their premium volume showed a lively 34.3% growth (previous year 11.5%) to 1.3 billion €.

Around three quarters of the premium, that was 975 million € or 43.2% more than in 2000 – were paid as single premiums. Simultaneously, the private pensions paid by the life insurers increased unusually, as in the previous year, by 46% to over 173 million € in 2001.

The trend towards unit-linked life assurance continued unabated in spite of the massive losses on the stock market. With 724 million €, 11.2% more premiums were paid into unit linked policies. Thereof only 347 million € were however in single premiums – 16.8% less than in the year 2000.

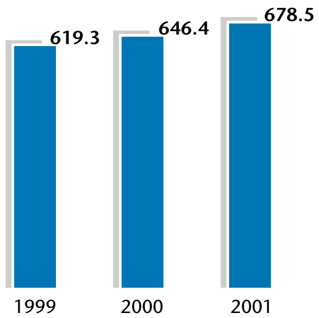
The 'additional pension insurance' benefited from improved government aid in 2001. Its premium income increased by 54.2% to 6.6 million €.

International commitment creates room for expansion

Especially our growing commitment to the quickly developing countries in Central and Eastern Europe created more room for our required expansion and simultaneously reduced our dependence on our difficult home market, Austria, through regional risk diversification.

The insurance markets in Central and Eastern Europe offer exceptional growth opportunities. They have a premium volume of only 15 billion € at present: This is not even one sixth of the contributed revenue alone in Germany.

UNIQA premium income property and casualty insurance
in million €



Normalisation in property and casualty insurance

The property and casualty insurance returned to a normal course after the catastrophic year 2000.

Whilst the premium income increased by 5.2% to 5.4 billion €, the benefits dropped again for the first time since 1992 – and that, by 9.6% to 4 billion €. Austria was spared from hail and storm catastrophes in 2001. Only one major fire was recorded in the last quarter.

The premiums may increase by around 5% in the current year. The reorganisation efforts through the introduction of fair risk premiums in this sector have not yet ended. The high taxation of the provisions continues to be burdening.

The position in motor vehicle insurance continues to remain tense. The premiums did increase by 5.2% to 5.4 billion € in 2001. The continued decline of the average premium was halted. The loss ratio could however not be materially improved. 1.2 billion € or 5.7% more had to be paid for motor vehicle claims.

In total, the motor vehicle insurers suffered a further loss in liability and comprehensive insurance to the amount of 240 million € in the past year, after they recorded minus 440 million € in 2000.

Backlog demand drives insurance growth

The enormous backlog demand for private insurance and provision in Central and Eastern Europe will drive the growth in these markets above average in the future.

In life assurance, the premiums may increase annually on average by up to 12% to 2005. An increase of up to 8% per annum in Central and Eastern Europe can be counted on in property insurance. We want to use this enormous potential to speed up our expansion.

In Central and Eastern Europe we are at present operative in the Czech and Slovak Republic, Croatia and Poland. Hungary and Slovenia are our strategic target countries. There we want to become active through majority shareholdings or by founding new companies.

Best opportunity through life and health insurance

We are well prepared for the extraordinary prospects the market offers in Central and Eastern Europe, especially in the lines of private old age and health provision: with our flexible life and health insurance or unit linked products.

We can cover additional needs in other insurance lines such as company old age provision with pension funds and other offers from our wide service range.

By 2005 we want to increase the foreign business share of total premium income of our Group to 15% and achieve a sustained equity yield of 15%.

Autonomy through ‘regional concept’

Prerequisite for the realisation of these ambitious goals is the consolidation of the administration through the creation of lean structures, through the utilisation of the central service function, and a far-reaching autonomy of our subsidiaries through our ‘regional concept’, which grants management broad local competencies.

We create financial room to manoeuvre to finance our expansion at home and abroad through a sustained improvement of our Group earnings.

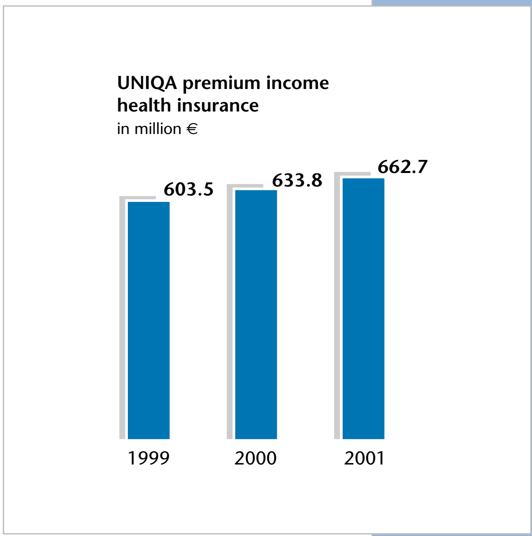
Ensuring independence and increasing corporate value

We want to increase the Group results from year to year. With increased income we ensure our independence and at the same time improve our corporate value. The success of our efforts to optimise the results is measured against a predetermined equity return and percentage return on sales.

The earnings improvement in asset management should make an important contribution to the increased profitability of our Group. We want to improve the returns on our investment by optimising our portfolio structure.

Stabilising loss ratio

We are securing our financial basis for the expansion of tomorrow by also stabilising the loss ratio. We have set target values in indemnity and health insurance that will mean an improvement of the existing loss ratio in the long term.



Health insurance attains cost ratio trend turnaround

Health insurance in Austria finds itself in a continued difficult environment. Medical advances, an oversupply of hospital beds, an offer induced demand and multiple findings drive the costs and put pressure not only on the public health system.

Nevertheless, the trend of an increasing benefits ratio over many years was halted in 2001, even an improvement was achieved.

The premium income in private health insurance increased by 4% to 1.2 billion € in 2001. Against this, the benefits increased on average by only 2.2% to 914 million €, although the increase was stronger in some of the provinces.

Special attention was dedicated to the existing direct settling agreements with the Austrian hospitals and doctors. In the price negotiations for 2001, in many cases increases were totally avoided or the agreed increases were very moderate even below the inflation rate.

In spite of the further slight increase in numbers of hospital cases in the past year, insurance benefits increased at a lower rate than the premium income.

The consistent continuation of this strict cost control orientated strategy should allow a further reduction in the cost ratio in 2002. In the already concluded contract negotiations, for the first time, besides price reducing measures, also structural changes could clearly be pushed through on a large scale.

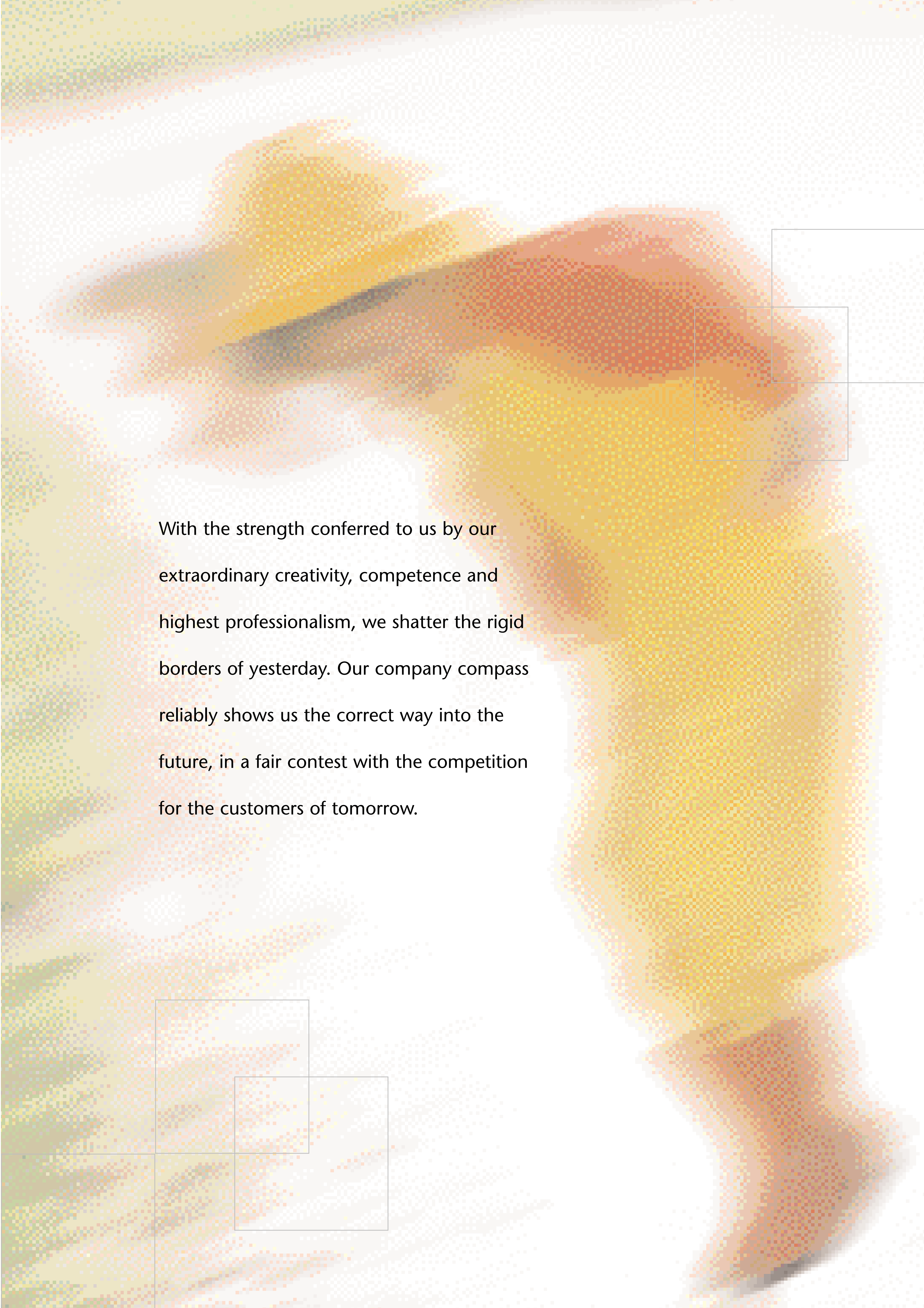
On the one hand, modern treatment methods were taken into consideration, which will continue to provide customers unrestricted access to medicinal advance. On the other hand, routine methods and patient distant 'technical' benefits were re-evaluated and set back.

In the forefront was the endeavour to offer financial incentives to our contracting partners, so that diagnosis and therapy stand in a sound relation to each other and a shortage as well as excess of medical care can be avoided.

Based on the profitability targets agreed with our Group we want to consolidate our position and open up new markets in all our target countries where we have a market share of up to 10%.

To optimise our Group portfolio, we want to secure our leading position in our domestic market, but change the weighting of the different lines to be more profit orientated.

With playful
ease we set
standards in
new territory



With the strength conferred to us by our extraordinary creativity, competence and highest professionalism, we shatter the rigid borders of yesterday. Our company compass reliably shows us the correct way into the future, in a fair contest with the competition for the customers of tomorrow.

Focus: Staff and Partners

Excelling in productivity and customer satisfaction

Our long-term strategy orientated to the sustained improvement of the competitive strength in all areas places new demands on our employees.

The quality and qualification offensive launched with the project “Beweis” (proof) has already led to extraordinary results in the past year. We are proud of all the top achievements in the areas ‘productivity’ and ‘customer satisfaction’, especially from teams.

Continuous success and the necessary improvement for the benefit of the whole organisation will also be hallmarks of team performance in the future.

Maximum demanded in competence and precision

The markets of tomorrow demand from all – irrespective of the position in the company – a maximum in qualification, commitment, competence, speed and precision. Clinging to the proven hardly suffices to lastingly bind existing customers to us, and not at all to inspire new customers.

Our success originates from the ‘networked thinking’ of the employees. ‘Networked thinking’ means: to take into account that the group derives the maximum benefit from all actions.

The total customer perspective, the increasing internationalisation and the centralisation of synergy effects of areas throughout the Group provide new challenges for our employees and sales partners.

Continuing education must be worthwhile

One decisive factor is the continuous advancement of our employees’ qualifications, a process connected to financial incentives. By providing incentives, we increase motivation while optimising employee appraisals in all areas and regions.

In regular appraisals, the development level and performance potential of the employees are evaluated and improvement possibilities highlighted.

Within the framework of the one-week manager meetings, a combination of management behaviour, income orientation and team spirit are practised, tested and optimised in groups.

In the assessment we not only refer to observable performance, but also behaviour in accordance to the common UNIQA values. The satisfaction of our employees is of utmost importance as a basis to achieve our common goals.

Bonus for excellent performance

In addition it is now more important than ever before to create incentives to optimise quality for example by announcing competitions such as the 'Service Cup', where excellent performance in service or customer care are rewarded with a bonus.

We must also constantly improve the competence of the sales force and distribution partners. Part of this is the continued training to financial planner, the promotion of personal responsible leadership and supervision through premiums for successful qualifications as well as for profit centre thinking.

Sales models with new income opportunities

The new organisational structure demands new, attractive sales models. They should create new income opportunities through the higher profitability of the customer portfolio and through continued decentralisation.

Management gets the opportunity to test their own ideas and to make recommendations in workshops, and to test the implementation of their suggestions internally as well as externally.

In this context, it is necessary to continuously communicate UNIQA's strategic goals and unique company values to employees and partners, to take into account the growth and income of our Group compared to the market and to pay attention to cost and growth efficiencies in the areas of responsibility.

Doing the right thing in the right way

We must improve our working style and management behaviour to fully exhaust our growth potential. This means: to force the proactive management style, to speed up the decision-making process and to support goal-orientated employee leadership.

Our management should not only see to it that our employees understand the necessity for change. They must also convey the feeling to the employees that they can make a substantial contribution towards achieving the agreed goals.

In sales and service it especially hinges on being able make quick and customer-orientated decisions on the spot. Therefore we encourage self-controlling behaviour that contributes to optimising our company results.

New structure also for the Management Board

The challenges, which the UNIQA Group will face with the leap into new dimensions, also needs new management structures. Therefore, with the generation change at the top of the Group leadership at the beginning of 2002, a complete restructuring of the Management Board took place. The most important innovation is the clear split between the Holding and operative companies. This modern organisational form, adapted to European demands, led to a reduction of the Management Board from eight to five members.

Holding as strategic centre and service provider

The responsibility assignments of the Management Board under the new Chairman, Konstantin Klien mirror the concentration of the Holding fulfilling the classic role as strategic centre and service provider.

The several areas placed in the Holding took over a central management and service function for all domestic and foreign subsidiaries, thereby fully utilising synergies.

Competence centres for insurance-related aspects and sales

The insurance-related key competencies are bundled into three cross-regional, line-orientated competence centres – health insurance, life and accident insurance and property insurance. Two sales-orientated competence centres are responsible for bank and direct sales at home and abroad.

All competences fall under the management of one Management Board member of our operative insurance company in Austria.

The regions play a special role within the scope of the new organisation of the UNIQA Group. This holds not only for the foreign subsidiaries in the strategic growth markets in Poland, the Czech and Slovak Republics and Croatia, but also for other foreign subsidiaries and the co-equal Austrian regional offices.

Increased autonomy for more profitability

The regions have been granted far reaching local competencies. With a new kind of autonomy, they will in future carry the full responsibility for the profitability of the operative sales results.

The new organisational structure should contribute towards improving the income situation in Austria, generating increased growth in the future markets of Central Europe and expanding our position as a health insurance niche and regional player in the mature West European markets.

Increasing earnings ensures independence

With the new organisational structure we created the crucial prerequisites for our future success.

We now possess the prerequisites to improve our profitability, continually improve our Group earnings and consolidate our position as Austria's leading insurance group with a European format.

Only the best can win in the international race over the longest distances against keen competition. We therefore train harder than the others and continually improve our physical and mental fitness. For we also want to be in the lead in the future and be first across the finish line.

Full of energy
we jump over
the most difficult
hurdles in the
global marathon

Capital Markets

Global economy slides into recession

The global economy lost more and more drive and slid into a recession during the course of the year. Also the economy in Europe showed a steady decreasing vitality. Especially private consumption suffered because of the loss in real income as a result of the oil price increases.

At the beginning of the year 2001, the capital markets were subject to the discussion about the extent of the weakening economy in the USA and Europe.

The Federal Reserve Board started a round of international interest rate reductions in January, by reducing the discount rate from 6% to 5% in three steps. The goal was to prevent an economic recession and to allow a soft landing.

However, the most important leading indicators on the US stock markets reached new lows in February. In March the downward movement accelerated anew. Not only technology equities were under pressure. Also the previous more robust old economy titles were gripped in the downward pressure.

The Fed attempted to soften the cooling of the American economy, accompanied by a fall in share prices, by reducing the discount rate to 3% in five further steps by the end of August.

After a temporary optimism on the stock markets after relatively positive corporate reports in the first quarter of 2001, the mood was again overshadowed after poor company news in the second quarter. This led to further selling in the third quarter.

Year low after the terrorist attacks

The awakened hopes for the economy because of the ample liquidity and the tax reduction package with a volume of US $ 1.35 billion to 2010, were dashed by the shock of the terrorist attacks of 11 September, and reached a all-year low on the stock exchange on 21 September.

Massive liquidity aid by the US Federal Reserve Board and three new discount rate reductions down to 1.75% had an effect. In the last quarter of 2001 there was a noticeable recovery in the share prices.

In comparison to ultimo 2000, the Dow Jones only lost 6.1% by the end of 2001. The technology index Nasdaq 100 with a minus of 30.7% was admittedly affected significantly harder.

Japanese stock exchange disappoints again

The Japanese stock exchanges opened the year 2001 in a gloomy mood. Declining prices pushed the Nikkei index below the important 13,000 points mark in February.

After a clear easing of the financial policy by the Bank of Japan, the Nikkei rose by leaps and bounds because the hope of a recovery of the Japanese financial system existed.

Furthermore, during the course of the year there were continuous price losses, which pushed the Nikkei to below 11,000 points. This was due in no small part to the disappointment that the government's announced reforms were not followed by any concrete decisions.

The Japanese stock markets were also affected by the terrorist attacks in the USA. They however proved to be more resilient than other stock exchange centres. The numerous interventions by the Bank of Japan against the rise of the yen rate in the run up to the first half-yearly accounts of the Japanese companies influenced the mood.

Careful easing of the monetary policy in the Euro Zone

The European Central Bank only eased their monetary policy in May because of the more robust condition of the European economy compared to the USA. The interest rate for its principle refinancing business was further reduced during the course of the year 2001 – more cautious than the Fed – however in total only by 1.5 percentage points to 3.5%.

As a result of the reduction of the Federal Reserve Board discount rate in the USA, there were sector rotations in the European stock exchanges in the telecommunication, banking and motor vehicle sectors. In February, the European stock markets could not disengage themselves from the international downward trend in spite of more favourable economic prospects. Especially the technology shares came anew under pressure.

Depressed mood once more after upward trend

An upward trend started at the end of March that led to an increase of the price by around 10%. Over the summer the stock markets meanwhile tended to weaken again amid wild fluctuations. Thereby the mood was predominantly dampened by the poor economic prospects and the weak US stock exchanges.

After the terrorist attacks in the USA, the European stock exchanges suffered massive losses in September. The situation stabilised at the end of September. The price increased clearly by year-end from the year's low on 21 September, with support of the interest rate reduction by the European Central Bank.

From the beginning to the end of the year 2001, the European stock exchanges still lost on average about 17%. In Great Britain, standard values lost 15.8% in a year on year comparison, in the Netherlands 19.7%, in Germany 19.8%, in Switzerland 21.1% and in France 22%.

UNIQA increased share ratio after 11 September

The assessed share value of the UNIQA portfolios could not avoid the general trend. Based on a conservative estimation of the share market development in the year 2001, the share ratio was underrepresented compared to the strategic allocation. After the 11 September attacks we however increased the share ratio because of strategic considerations.

Vienna stock exchange climbed to top performer

The Viennese stock exchange proved to be the star on the international stock floor. The ATX increased in the first half of 2001 by around 13.5% to 1,216 points in a globally weak stock market environment and reached its zenith on 23 July with 1,245.77 points.

The ATX could also not avoid the world wide sudden price falls after the terrorist attacks in the USA. It did however end the stock exchange year with 1,140.36 points, still a gain of 6.25% compared to the end of the year 2000. With that the Vienna Stock Exchange was not only the top performer in Europe, but worldwide.

Bond market continues favourable development

In the American bond market the greatest potential in 2001 lay in short-term bonds because of the interest rate deduction by the Fed. A positive effect was the decision to restrict and finally to discontinue the issuance of treasuries with a 30 year term to maturity because of the budget surplus.

The US Federal Reserve Board drastically reduced the central bank discount rate in expectation of an economic slump during the course of the year 2001 to the lowest level since 1961, whilst the long-term interest remained stable. In the last two months, a trend turnaround however emerged. After all the economic indicators signalled a recession, the American bond market began to price induce an economic recovery.

Steeper interest curve in Europe

In Europe the interest curve became clearly steeper in the past year as a result of the interest rate reduction by the European Central Bank. The potential for further falling yields for long terms and thereby for exchange gain was limited.

The increasing crude oil costs at the beginning of the year initially pushed inflation to 3.4%. The price rise fell during the course of the year to the target value of 2% at the end of the year.

The terrorist attacks in the USA also left deep scars behind in the European bond market. The 10-year yields thereby fell from 4.9% to 4.25% within two months. In the expectation of an economic recovery in the year 2002, the interest rates for all terms pulled up again in the last two months. For European government bonds they were at over 5% for a 10-year term.

Bond portfolio further diversified

UNIQA continued to push the diversification of bonds in different asset classes and risk categories.

Our bond portfolio contains federal loans (governments), corporate bonds, high yield bonds and emerging market bonds. Special asset classes such as asset backed securities or structured bonds round off the diversification.

As these asset classes have a different development with different yield and risks, a diversified portfolio offers a more favourable risk-yield relationship than having each portfolio in an individual asset class.

Alternative investments

We continued to invest in the areas of private equity and hedge funds in 2001under the aspect risk diversification and risk minimisation.

As these asset classes are the strongest growing internationally, the development of a new speculation bubble, especially in hedge funds, is feared. In the selection of such investments, market participants therefore focus on internationally well-known names and sensible investment rates with realistic yield expectations and strong emphasis on risk management and risk limitation.

Brighter economic perspective for 2002

According to the view of all the economic experts, the current year 2002 will experience an economic recovery. It remains questionable whether it will be a sustainable recovery or whether possibly a second recession follows, a so-called double dip.

The economic hopes for 2002 are put to a difficult test with the scandals involving some large American organisations, right up front the energy dealer Enron, the Argentinean bankruptcy and the uncertain political situation in the Far East and the Near East.

The introduction of the cash euro in Europe was acclaimed unanimously as an important step to the further development of a European economic area. It did however strengthen inflationary tendencies, which were further fuelled by the Near East crises in March and the increasing oil price.

Only moderate recovery in sight

At present, only a moderate recovery of the global economy is expected in the current year, which should also be manifested in improved company results in the second half of 2002. The economy finds itself at a turning point, with a certain amount of uncertainty amongst analysts and market players. This leaves room for a large deviation range in the future economic development expectation.

Situation justified investment strategy

For this reason we believe that smaller companies offer better opportunities than international groups. The moderate economic growth will bring the first positive development for shares as well as bonds in the development countries.

An increase in inflation or the money supply growth may move the central banks to increase interest rates for short-term refinancing. This will lead to a flattening of the interest curve in the USA and Europe.

For corporate bonds, the economic upturn should make itself felt positively on the credit worthiness of the companies and with that make the rate development of the issued bonds noticeable.

UNIQA share

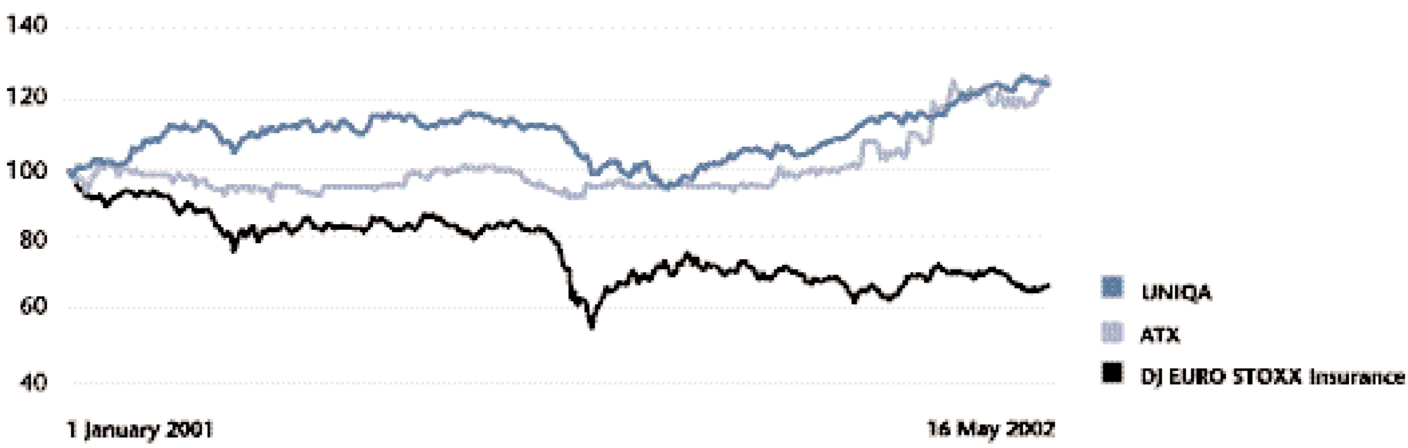
Very good performance for the UNIQA share

The UNIQA share in today's form is listed on the Vienna Stock Exchange, after the new structuring of the Group in 1999, since 18 November 1999. With the introduction of the new segmentation of the Vienna Stock Exchange at the beginning of the year 2002, the UNIQA share was listed in the top segment of the Vienna Stock Exchange, the Prime Market. The UNIQA share is a component of the ATX, the ATX Prime and the Vienna Stock Exchange Index.

The UNIQA share was also listed on the FTSE World Index in March of the current financial year.

A consolidation in the development of the UNIQA share price took place in the year 2001. The UNIQA share could thereby, to a large extent, escape the general downward trend in the stock markets in the past financial year and displays a clearly better performance than the EURO STOXX Insurance Index, which lost more than 28 % in the year 2001.Since the beginning of the current financial year, the share price developed encouragingly, not least because of the listing in the Prime Market FTSE World Index. With a share price increase of over 26% in the first four months of the current financial year, the UNIQA share is one of the best performing shares on the Prime Market.

UNIQA share 2001/02 in %



UNIQA share buyback programme

The authorisation was given within the scope of the first and second annual general meeting of UNIQA Versicherungen AG to buy back up to 10 % of the capital stock of the company, that is 11,977,780 individual share certificates made to bearer. In the course of the buyback programme, 5,157,182 individual share certificates were bought back, equivalent to 31.608 million €. The actual buyback programme is expected to continue until 20 June 2003. In the meeting of the Supervisory Board working committee of 13 May 2002, it was decided to change the buyback price range, so that the maximum price for a share purchase is fixed at 9.50 € (up to now 7.50 €).

Essence for transparency and quality

Transparency and quality are among UNIQA's core values. With the reporting according to IAS, publication of the annual report in the German and English language, connection to an electronic ad hoc system and publication of the reports on the Internet, we have already fulfilled the most important parts of the new rules and regulations of the Prime Markets.

The Prime Market is the essence of the quality criteria that we set ourselves with the claim of being market leaders in quality. Therefore the participation in the Prime Market goes without saying

Technical share details

Security grammalogue:	UQA
Market segment:	Prime Market of the Vienna Stock Exchange
Trade Segment:	Official trading
Security code number:	82110
Component of the following indices:	WBI, ATX, ATX Prime

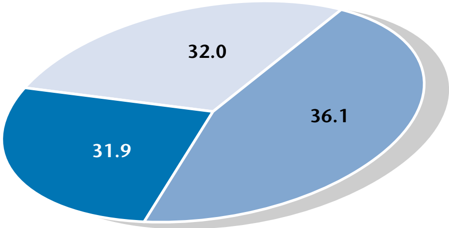
Financial calendar for the year 2002:

Annual General Meeting	17 June 2002
Second quarterly report	30 August 2002
Third quarterly report	27 November 2002

Financial Section

The consolidated financial statements are based on integrated spreadsheets in exact € amounts.
Through the formatting into thousand €, it is possible that automatic rounding differences may result.

Shareholding structure of the UNIQA Group
in %



Austria Versicherungsverein auf Gegenseitigkeit and the Collegialität Versicherung auf Gegenseitigkeit
BL-Syndikat GmbH
Other shareholders

The UNIQA Group

UNIQA is one of the leading insurance Groups in Central Europe with 2,644.6 million € (previous year 2,505.2 million €) gross premiums written and over 6,700 employees.

For their clients, the UNIQA Group Austria is a competent and flexible partner in all questions regarding protection and individual future plans. We know: every person is unique. Therefore, our solution for each client must be unique, but always of the highest quality. We strive to achieve this goal with all products and services of our Group.

Our shareholders

The largest shareholders of the UNIQA Group controlling company are the Austria Versicherungsverein auf Gegenseitigkeit, the Collegialität Versicherung auf Gegenseitigkeit (together around 31.9%) as well as the BL-Syndikat GmbH with 32%. Other shareholders jointly hold about 36.1% of the UNIQA Versicherungen AG.

Share buyback programme

In the reporting year, 5,157,182 own shares were purchased within the scope of the approved share buyback programme. The book value of the own shares amounted to 31,608 thousand € as at 31 December 2001.

The purpose of the buyback programme is to improve the supply and demand of the UNIQA shares on the Vienna Stock Exchange, although trading with own shares for pecuniary reward is excluded. UNIQA reserves the right, if necessary, to use the own shares purchased for the implementation of an employee participation scheme programme.

Standard & Poor's confirm UNIQA's A-rating

UNIQA Versicherungen AG, listed on the stock exchange, was allocated a counterparty credit and insurer financial strength rating of "A" by the international rating agency, Standard and Poor's, thereby confirming the previous year's rating.

The UNIQA Versicherungen AG is the only insurance company in Austria not associated with an international group which has a voluntary rating based on an annual detailed analysis by Standard & Poor's.

As material rating factors, Standard & Poor's cite:

- The central strategic role of the company and its function as reinsurer for the operative Group companies.

- The very strong position of the Group in the Austrian market. With the Raiffeisen Versicherung and the UNIQA Personenversicherung, the UNIQA Group is the clear market leader in life and health insurance, and with the UNIQA Sachversicherung, one of the leading property and casualty insurance companies in Austria. Also, because of the limited expansion possibilities domestically due to the size of the Austrian market, the Group is pursuing an energetic internationalisation strategy in growth markets, primarily in Central and Eastern Europe as well as neighbouring countries. At present, the premium volume share of our foreign insurance companies is around 8.3% which is expected to increase to 15% in the medium term.

- The very strong capitalisation of the UNIQA Group, also taking further growth into consideration.

Companies included in the IAS - consolidated financial statements.

The consolidated financial statements of the UNIQA Group contain – besides the UNIQA Versicherungs AG – 17 domestic and 12 foreign companies. 18 affiliated companies, whose influence on an accurate presentation of the actual financial status of the assets, financial position and profitability is insignificant, were not included in the consolidated financial statements. In addition, we included 13 domestic and one foreign company as associated companies according to the equity accounting method.

Details on the consolidated and associated companies are contained in the corresponding overview in the notes. The accounting methods as well as the methods of valuation used are also described in the notes to the consolidated financial statements.

The consolidated financial statements 2001 of the UNIQA Group were audited by KPMG and Deloitte & Touche, and were awarded the unqualified audit certificate.

The UNIQA Group's domestic companies

Domestically, the UNIQA Group operates its direct insurance business through the UNIQA Personenversicherung AG, the UNIQA Sachversicherung AG, the Raiffeisen Versicherung AG, the CALL DIRECT Versicherung AG as well as the Salzburger Landes-Versicherung AG. In Austria, UNIQA is one of the largest insurance groups. The stock exchange listed Group controlling company – the UNIQA Versicherung AG – is the central reinsurer of the operative Group companies.

Successful bank sales

The unique, in Austria, co-operation of our subsidiary, Raiffeisen Versicherung with 2,500 Raiffeisen banks nationwide contributed substantially to the success of the UNIQA Group Austria. As Austria's leading bank and life assurer, the Raiffeisen Versicherung is one of the fundamental pillars of the Group. With Raiffeisen Versicherung's entry into the property and casualty insurance market, the company also offers insurance protection for 'own home', 'apartment', 'motor vehicle' and 'legal expenses' through the Raiffeisen banks. The increase in gross premium volume written of almost 50% in the property and casualty insurance line testifies to the successful entry into property insurance.

Our insurance companies abroad

The ongoing internationalisation is one of the core goals of the UNIQA group. The international activities of the Group are controlled by our wholly-owned subsidiary, UNIQA International Versicherungs-Holding GmbH, a 100% subsidiary of the listed Group Holding Company, UNIQA Versicherungen AG. The acquisition of the two Polish companies in the past financial year represents our largest foreign investment to date. As at 31 December 2001 we held, directly or in-directly, a majority shareholding in eight and a minority shareholding in two foreign insurance companies:

- UNIQA Pojistovna, a.s., Prague
- UNIQA Poistovna, a.s., Bratislava
- UNIQA Osiguranje d.d., Zagreb
- UNIQA Assurances S.A., Geneva
- AUSTRIA Assicurazioni S.p.A., Milan
- Friuli-Venezia Giulia Assicurazioni "La Carnica" S.p.A., Udine
- Zaklad Ubezpieczeñ i Reasekuracji POLONIA S.A., Lodz
- Zaklad Ubezpieczeñ i Reasekuracji POLONIA-Zycie S.A., Lodz

- Cosalud S.A., Barcelona
- CapitalLeben Versicherung AG, Vaduz

In addition, the Italian subsidiary of UNIQA Personenversicherung AG, "Rappresentanza Generale per l'Italia", Milan, runs the life insurance business in Italy.

UNIQA Group business development

We have divided the comments following on the business development into two areas. Under the section 'Group business development', we describe the business development by means of consolidated figures from the Group's point of view. In the framework of segment reporting we portray the development of the business lines life, health, as well as property and casualty insurance.

Group business development

Business activity

The UNIQA Group conducts, as direct insurer, life, retirement, and health insurance as well as most lines of property and casualty insurance. Domestically, the following companies are active as direct insurers:

- UNIQA Personenversicherung AG
  Health, life and accident insurance

- UNIQA Sachversicherung AG
  Property/casualty insurance

- Raiffeisen Versicherung AG
  Life and property/casualty insurance for the Raiffeisen banking operations

- CALL DIRECT Versicherung AG
  Property/casualty, life and health insurance

- Salzburger Landes-Versicherung AG
  Property/casualty and life insurance

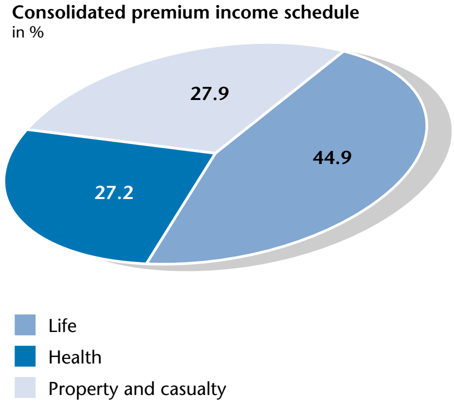
UNIQA Versicherungen AG, the only Group company listed on the stock exchange, is at the head of the Group and runs the reinsurance business for the whole Group.

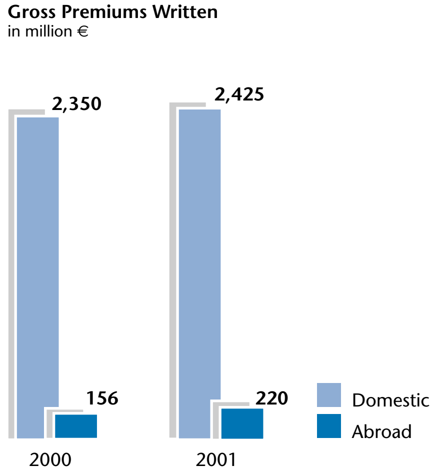
The interests held in foreign Group insurance companies have been combined in an intermediate holding company owned by UNIQA Versicherungen AG.

With over 7.2 million administered policies at home and abroad, a gross premium written volume of 2.6 billion € (previous year 2.5 billion €) and 11.2 billion € (previous year 10.4 billion €) of capital investment, the UNIQA Group is the leading insurance group in the Austrian insurance market.

Annual net profit increases by 8%

In 2001, a very difficult year for the whole Austrian insurance industry, the UNIQA Group generated a profit on ordinary activities of 45.3 million € (previous year 41.9 million €). This was 3.4 million € or 8.1% more than in 2000. This positive effect and the falling away of extraordinary expenditure in comparison to the previous year, was counterbalanced by a massive increase in tax expenses, as a result of the limitation of the actuarial provisions for tax purposes. The Group profit for the financial year increased by 7.3% to 13.0 million € (previous year 12.1 million €).





As a result of increased tax expenses, the profit per share reduced to 0.11 € (previous year 0.15 €). The profit per share before tax increased to 0.27 € per share (previous year 0.25 €).

Total premium of the companies incorporated in the consolidated financial statements increased by 5.6%

The gross premiums written during the financial year increased by 139.4 million € or 5.6% to 2,644.6 million € (previous year 2,505.2 million €). Of this, 219.8 million € (previous year 155.6 million €) or 8.3% of the total Group premium came from our subsidiaries abroad. The retained Group premium earned increased by 4.9% to 2,435.4 million € (year 2000: 2,321.0 million €).

The premium developed as follows in the individual segments:

The earned premium income in the life assurance line increased by 5.1% to 1,093.6 million € (previous year 1,040.8 million €). The trend towards private provision is having an ongoing influence on the demand for life assurance. In addition, our single premium campaign had a high acceptance rate amongst our customers. However, the volume of single premiums and special product business (e.g. policies with limited premium payment period) has already been gradually reduced in 2001 because of risk and profitability considerations. The premium income in direct business from single premium and special products reduced accordingly by 5.9% to 438.1 million € (previous year 465.6 million €). On the other hand, recurring premium life assurance business developed encouragingly. The earned premium income from recurring life assurance business increased by 14.0% to 655.5 million € (previous year 575.2 million €).

The earned premium income increased by 4.6% to 662.7 million € (previous year 633.8 million €) for health insurance. Thereby UNIQA again succeeded in maintaining its leading position in Austria with a market share of around 50%.

The property and casualty insurance had earned premiums of 678.5 million € (previous year 646.4 million €) in the past financial year. This was 5.0% more than in the previous year. This is even more encouraging, more than compensated for the cessation of the German business of the Salzburger Landes-Versicherung as this.

Increased benefits

The consolidated retained insurance benefits increased in total by 75.5 million € or 3.1% to 2,529.3 million € (previous year 2,453.8 million €).

In the individual segments the insurance benefits developed as follows:

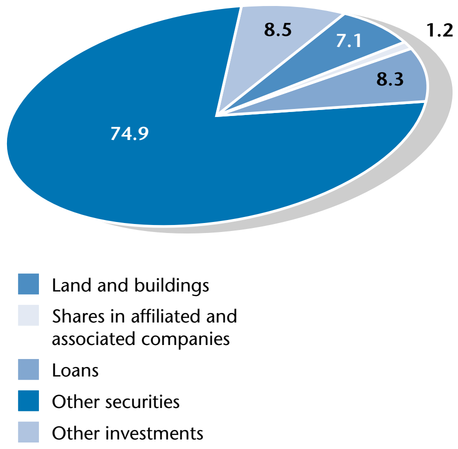
In the property and casualty insurance segment a marked improvement was recorded in the loss experience in the motor vehicle insurance as well as property insurance lines. The trend reversal of improved results in the motor vehicle insurance line, which was started in the preceding year, was continued. The reduction of retained insurance benefits in the property and casualty insurance amounted to 2.9% of 495.2 million € (previous year 509.9 million €).

In the health insurance segment the retained insurance benefits increased below proportion to premium development by 2.8% to 600.7 million € (584.4 million €). A similar development was observed in the retained insurance benefits in the life assurance segment, with an increase of 5.5% to 1,433.8 million € (1,359.4 million €).

Only slight increase in cost ratio despite investments in business abroad

Total operating expenses increased by 7.2% to 503.8 million € (previous year 470.2 million €). The expenses for underwriting, including changes in the capitalised acquisition costs and net of reinsurance commission, increased correspondingly to the course of business by 6.6% to 290.8 million € (previous year 272.7 million €). Whilst these expenses only increased slightly by 2.7% domestically, the expenses abroad increased correspondingly to the business volume development. They were influenced by the lower reinsurance commission as a result of the changed reinsurance structure at the Italian companies and because of the first time inclusion of the POLONIA S.A. by 84.5% to 24.2 million €. The other operating expenses increased by 7.9% to 213.0 million € (previous year 197.5 million €). The increase for the domestic companies was 4.36% to 181.4 million €. Adjusted for the adaptation effect in the area of social capital costs,

Investment structure 2001
in %



Development of the Net Investment Income
in million €

which were relieved by the once-off pension indemnity programme in the IAS results in the previous year, the other operating expenses sank domestically by around 1.7%. For our foreign companies the other operating expenses increased by 33.5%.

The total cost ratio increased slightly during this reporting period to 20.7 (previous year 20.3) %.

Increased investment income

Total investments increased by 773.0 million € or 7.4% to 11,188.0 million € in 2001 (previous year 10,415.0 million €). The net investment income decreased by 4.7 million € or 0.7% to 660.0 million € (previous year 664.7 million €).

The ordinary (net) income from investments increased by 11.4% during the past financial year to 665.6 million € (previous year 597.7 million €).

The ongoing poor development of the stock markets, which continued in the first half of 2001 and was further aggravated by the terrorist attacks in September of the reporting year, also led to a significant decrease in value of the UNIQA Group's share portfolio. Realised price losses were offset by capital gains in fixed-interest securities and loans. A detailed description of the investment income can be found in the notes to the financial statements. (Compare notes to the financial statements no. 26.)

The Business Segments of the UNIQA Group

Life assurance

Clear premium growth amongst UNIQA life insurers

The premiums earned by the life insurers belonging to the UNIQA Group increased by 5.1% to 1,093.6 million € (previous year 1,040.8 million €). Based on this figure, the UNIQA Group also remained the largest Austrian life insurer during the past financial year. The Group life insurers operating abroad had an earned premium income of 16.1 million € (previous year 9.6 million €) and could thereby almost double their premium revenue. The unit-linked life assurance is exclusively sold through the not fully consolidated MLP-Lebensversicherung Aktiengesellschaft in Austria.

The encouraging premium growth in our life assurance segment was, besides our offer of exceedingly innovative insurance solutions, mainly due to the increased awareness of our customers regarding the necessity for private old age provision.

Single premium and special product business has been gradually reduced because of risk and profitability considerations during the reporting year. The premium volume in direct single-premium and special-product business reduced domestically by 5.9% to 438.1 million € (previous year 465.6 million €). This decrease was however more than compensated for by the marked high growth of recurring premium business (increase by 14.0% to 655.5 million €).

As a result of the development on the capital markets, the profit sharing – as in the entire industry – had to be reduced. We are, however, convinced that with the yield-orientated products introduced during the financial year – both “Lebensaktie” and “Zukunftsplan” – we will succeed in offering attractive yields to our customers in life assurance at the current profit-sharing level.

Business segment Life assurance	2001 million €	2000 million €
Gross premiums written	1,107.4	1,057.5
Net premiums earned	1,093.6	1,040.8
Net investment income	536.3	495.4
Net insurance benefits	1,433.8	1,359.4
Net acquisition costs	82.6	82.6
Other operating expenses	50.4	51.0
Net profit for the year	**40.8**	**26.3**

Increase in benefits

With the large business volume, the retained insurance benefits (claims incurred, expenditure for the increased actuarial provision as well as provisions for premium refunds) increased by 5.5% to 1,433.8 million € (previous year 1,359.4 million €).

Slight cost reduction

The total operating expenses for life assurance were reduced by 0.5% to 133.0 million € (previous year 133.6 million €) during this reporting period. Whilst the other operating expenses were reduced by 1.2% to 50.4 million € (previous year 51.0 million €), the underwriting expenses remained at the previous year's level. Adjusted for the adaptation effect in the area of social capital costs, which were relieved by the once-off pension indemnity programme in the previous year, the other operating expenses sank by around 8.3%.

The cost ratio (operating expenses in relation to earned premiums) for life assurance reduced to 12.2 (previous year 12.8) %.

Below proportion increase in net investment income

The net investment income increased during the reporting year by 8.3% to 536.3 million € (previous year 495.4 million €).

The life assurance investment portfolio of the UNIQA Group increased by 8.7% to 8,448.6 million € in 2001 (previous year 7,775.2 million €).

Marked increase in net profit for the year

The ordinary business activity results increased by 56.7% to 61.5 million € (previous year 39.3 million €).

The net profit for the year in life assurance increased clearly by 54.8% to 40.8 million € (previous year 26.3 million €). It should be noted that the income tax expenses in the life assurance segment nearly tripled as a result of the tax limitation of the actuarial provisions and the lower tax realisation of available accumulated losses.

Health Insurance

Market leadership consolidated

The UNIQA Group maintained its position as market leader in health insurance in Austria in the 2001 financial year.

In comparison to the previous year, the earned premiums in health insurance increased by 4.6% to 662.7 million € (previous year 633.8 million €). This was the highest increase in several years. Our foreign companies had an earned premium volume of 61.5 million € (previous year: 55.8 million €).

Business segment Health insurance	2001 million €	2000 million €
Gross premiums written	666.3	644.9
Net premiums earned	662.7	633.8
Net investment income	87.6	90.8
Net insurance benefits	600.7	584.4
Net acquisition costs	69.2	66.5
Other operating expenses	46.7	42.7
Net profit for the year	**19.5**	**19.7**

Benefit ratio improved compared to the previous year

The retained insurance benefits grew by 2.8% to 600.7 million € (previous year 584.4 million €). Included were the costs for claims incurred, the provision for premium refunds as well as the change in actuarial provision. The claims incurred came to 538.5 million € (previous year 519.8 million €) or 3.6% more than in the previous year.

The increase in benefits has been continuing for a number of years and is closely connected to the increase in hospital stays. For the first time in many years, the benefits increased below proportion in relation to premium development during the reporting year. The benefits ratio (insurance benefits in relation to earned premiums) sank from 92.2% to 90.6% in the past financial year. In this connection a focal point is the reorganisation of the group insurance policies with an ongoing poor loss experience. In addition, we are continuing to pay increased attention to negotiations with our contractual partners in the health care system. Our goal is to stem the growth in numbers and to get the costs of medical specialisation under control.

Cost ratio

The operating expenses increased, influenced by special factors, by 6.1% to 115.9 million € (previous year 109.2 million €).

In general, this can be attributed to increased amortisation of the deferred acquisition costs (+3.6 million €) and to the discontinuation of the reinsurance commission because of the reorganisation of the reinsurance structure of our Italian subsidiaries (–2.4 million €). Adjusted for these special factors, the operating expenses increased by 0.7%.

The other operating costs increased by 9.4% to 46.7 million € (previous year 42.7 million €). Adjusted for the adaptation effect in the area of social capital costs which were relieved by the once-off pension indemnity programme in the previous year, the other operating expenses sank by around 1.5%. The underwriting expense development corresponded to the course of business and increased by 4.1% to 69.2 million € (previous year 66.5 million €).

The cost ratio (operating expenses in relation to earned premiums) in health insurance in the past year was 17.5 (previous year 17.2) %.

Decrease in investment results

The investment income reduced by 3.6% to 87.6 million € (90.8 million €) in the financial year 2001, conditioned by the missing capital gains from the shareholdings compared to the previous year.

In the health insurance line, the capital investments grew by 7.0% to 1,407.7 million € (previous year 1,316.1 million €).

Net profit for the year at last year's level

The profit on ordinary activities in the health insurance line improved by 11.9% to 32.7 million € (previous year 29.3 million €). Because of a massive increase in tax expenditure of 38.4% as a result of the tax limitation of the actuarial provisions, the net profit for the year reduced by 0.9% to 19.5 million € (previous year 19.7 million €).

Property and casualty insurance

Premiums earned 5.0% higher

In the property and casualty insurance segment we improved the premiums earned by 5.0% to 678.5 million € (previous year 646.4 million €). One reason for the strong premium volume increase is, amongst others, the first-time inclusion of the POLONIA S.A. from the second half of 2001. This more than compensated for the cessation of the German business of the Salzburger Landes-Versicherung. After several difficult years in the property and casualty insurance, a satisfactory increase in earned gross premium of 3.2% was also achieved domestically in the financial year 2001. This holds especially true for the motor vehicle lines which, adjusted for the cessation of the German motor vehicle business, show an increase in the gross premiums earned income by 11.6% to 273.8 million € (previous year 252.4 million €). The strong growth in property insurance within the bank sales segment contributed substantially to this development.

After the sale of our shareholding in the BV-ARAG, we have been exclusively offering UNIQA legal expenses insurance products since June 2000. Fortunately, legal expenses insurance is showing signs of dynamic development.

Business segment Property and casualty insurance	2001 million €	2000 million €
Gross premiums written	872.1	819.1
Net premiums earned	678.5	646.4
Net investment income	38.2	79.7
Net insurance benefits	495.2	509.9
Net acquisition costs	138.9	123.5
Other operating expenses	115.9	103.8
Net loss for the year	**–34.1**	**–21.7**

Decrease in insurance benefits

The retained insurance benefits in the property and casualty insurance reduced contrary to the premium development by 2.9% to 495.2 million € (previous year 509.9 million €). This improvement is influenced in no small way by the 'earnings/yield enhancement programme' started in 2001 and the related reorganisation of the domestic property insurance business. The loss ratio (insurance benefits in relation to premiums earned) increased by 6% to 73%.

Increase in cost ratio because of special effects

The total operating expenses in the property and casualty insurance increased by 12.1% to 254.8 million € (previous year 227.3 million €).

With an increase of 12.5% to 138.9 million € (previous year 123.5 million €), the underwriting cost development corresponded to the course of business in this segment. The share of the newly included POLONIA S.A. amounted to 3.1 million €. The other operating expenses increased by 11.7% to 115.9 million € (previous year 103.8 million €). This can be attributed to the first-time inclusion of POLONIA S.A. (4.4 million €), as well as the once off costs of our subsidiaries in the Czech and Slovak Republics in connection with the change to the UNIQA brand in the amount of around 3.5 million €. Without taking these effects into account, and adjusted for the adaptation effect in the area of social capital costs, that were relieved by the once-off pension indemnity programme in the previous year, the other operating expenses increased by 2.0%.

The cost ratio (operating expenses in relation to premiums earned) increased to 37.6 (previous year 35.2) % in the financial year 2001.

Investment results influenced strongly by the negative capital market development

The investment results in the property and casualty insurance were most strongly affected by the drop in the stock markets because of the highest relative equity share of all segments. The net investment income sank in the past financial year by 52.0% to 38.2 million € (previous year 79.7 million €). Capital investments reduced by 3.6% to 1,390.6 million € (previous year 1,443.2 million €).

Low investment yields burden annual results

The significant improvement in actuarial results could not be portrayed in improved results for the year because of the strong drop in investment income. Although the combined ratio improved from 114% to 110.5%, the results of the normal business activity reduced to –49.0 million € (previous year –26.6 million €) during the reporting year. Allowance for deferred taxes resulted in a net loss of –34.1 million € (previous year –21.7 million €) for the year.

Acquisition of POLONIA a further step towards becoming a Central European insurer

In June 2001, the acquisition of the Polish property insurer Zaklad Ubezpieczeñ i Reasekuracji POLONIA S.A. (POLONIA Property) and the Polish life insurer Zaklad Ubezpieczeñ i Reasekuracji POLONIA-Zycie S.A., (POLONIA Life) was legally executed. The UNIQA Group owns more than 90% of the shares of these companies.

POLONIA, established in 1990, was the first private Polish insurance company. The premium volume written by POLONIA, included in the consolidated financial statements, amounted to about 42.9 million € in the second half of 2001. With a market share of 2.5%, POLONIA is one of the top six property insurers in Poland. POLONIA Property's core business is – corresponding to the dominance of this line in the total market – in the motor vehicle line.

Sales of the insurance products are organised through 58 independent representative offices, to which 570 agencies with about 2,700 independent agents belong. 'POLONIA Property' and 'POLONIA Life' are the only Polish insurers to date with this distribution channel.

With the majority acquisition of POLONIA, the UNIQA Group Austria is clearly accelerating the internationalisation of its core business. The commitment to the significant and promising Polish market is UNIQA's biggest foreign commitment to date. In the medium term, the foreign companies' share of Group premium income should grow to 15%.

Strong growth in foreign premium volume
The foreign premium volume grew strongly due in no small part to the acquisition of POLONIA in 2001. The share of the foreign business of the total Group premium income increased to 7.1% in the reporting year.

The year 2001 was on the whole a success for the foreign insurance participations.

UNIQA Foreign markets	Premiums earned net 2001 million €	Premiums earned net 2000 million €	Share of UNIQA business (premiums earned)
Italy	55.8	37.9	2.3%
Switzerland	35.3	40.9	1.5%
Czech Republic	38.1	31.2	1.6%
Slovak Republic	20.7	19.0	0.8%
Poland	20.4	0.0	0.8%
Croatia	3.3	0.3	0.1%
Total	**173.6**	**129.3**	**7.1%**

In the reporting year the change of our Czech and Slovak subsidiaries to the UNIQA brand was undertaken.

Outlook 2002
The goal for the current financial year is to persistently pursue the 'increased earnings' program introduced in 2001. This means:
- continued improvement of the actuarial results through qualitative growth and continued restructuring efforts of poor risks
- consistent implementation of the defined action plans for an additional cost reduction for the domestic companies

The consistent earnings-orientated approach in our Group has also worked its way down in the implementation of a success-orientated remuneration system, on a voluntary basis, for employees on a management level. It is especially pleasing for us that the vast majority of qualifying employees are participating in this success-related system. This is proof of the strong identification our employees have with UNIQA and the wide acceptance of the company's earnings-oriented goals.

To support our employees in achieving their goals, we introduced a national management training programme for the Group’s TOP 400 managers. The programme started under the motto ‘Grow with your company’, to promote first-class human resources for our development in Central Europe. The encouragement of cross-border mobility and promotion of committed employees from all our companies is the focal point of this initiative. The ongoing communication and the reciprocal review of mutual goals is the subject of the employee reviews which are conducted at the beginning of the year, and which are one of the most important prerequisites for achieving our productivity and profitability goals.

With the introduction of the long-term orientated ‘quality partnership’, we want to strengthen our customer relationships by further improving the quality of our service and creating added value for our customers. Customer retention through first-class service, and the creation of added value in our customer relationships are the basis for achieving our growth goals. Within the scope of a flexible business policy we will respond to individual client wishes and their different circumstances with a view to obtaining profitable customer segments.

Our continued growth in the international markets, within the scope of our defined company strategy, will be pursued on the one hand by the development of optimum distribution channels, and on the other, by the creation of “bridgeheads” in those countries which belong to our target groups. However, this does not exclude strategically meaningful acquisitions insofar as they are consistent with our company strategy and philosophy. Our medium-term priority is the finalisation of our entry into the Hungarian and Slovenian markets.

For the current financial year, we have resolved to take further measures to optimise the Group’s real-estate portfolio. This follows a detailed portfolio analysis of the current portfolio and the strength and weakness profiles derived from them. The goal is to define an ideal portfolio in terms of an optimisation of regional considerations and, from the viewpoint of an optimal property category structure in Central Europe, in the best locations.

New structure in UNIQA’s management board team

In September of the reporting year the new structure of the management board team was decide upon by the supervisory board of the UNIQA Versicherungen AG.

Dr. Klien took over the position as the head of Austria’s largest insurance Group from Herbert Schimetschek as at 1 January 2002. Schimetschek – the “architect” of today’s UNIQA Group – retired from active service as a member of the management board of the Group insurance companies, as did his long-time management board colleague, Hubert Schatzdorfer.

The challenges and goals for the next steps in Central Europe require new structures – without losing sight of the essential significance of the UNIQA brand for economic success.

To ensure the continued success and to achieve the set income and growth goals, UNIQA has given itself a new modern organisational structure adapted to European demands.

The implemented clear division between the Holding and the operative companies resulted in a distinct reduction of the Holding management board from eight to five members. The concentration of the classic Holding role of service provider and being responsible for strategy is mirrored in the responsibility assignments of the five management board members.

The regions play a special role within the scope of the new organisation of the UNIQA Group. This holds not only for the foreign subsidiaries in the strategic growth markets of Central Europe (Poland, the Czech and Slovak Republics and Croatia), but also for the other foreign subsidiaries and the co-equal Austrian regional offices. These have now taken over broad local competencies and are being managed in a new kind of autonomy in which they also carry the full responsibility for the profitability of the operative sales results.

With the new organisational structure we are increasingly focusing on the key corporate goals. These are: to improve the income situation in Austria, to generate increased growth in the strategic Central European target market, and to consolidate our position as a health insurance niche and regional player in the mature European market.

Property insurance

A trend reversal was introduced in the motor vehicle and property insurance lines by the restructuring measures of the past two years. In spite of continued strong competition to squeeze out (competitors), our express goal is to hold the course of result improvement.

Legal expenses insurance, increasingly sold since mid 2000, will also grow dynamically this year. With the emphasis on art insurance and the new product "Kunst&Leidenschaft" (i.e. Art & Passion), we present ourselves as a consulting and risk-coverage partner to all art institutions and private art collectors.

Based on the tougher conditions of the reinsurers and the general market conditions, the significant premium adjustments for large trade and industry business must be continued this year.

Health insurance

The required premium adjustment for the health insurance line for individual insurances was carried out in the first quarter. The corresponding negotiations are being held continuously with the group insurance partners, the restructuring of permanent loss making agreements continues to be a focal point. Based on these activities, as well as the recently set ambitious sales targets, a premium increase similar to 2001 can be expected.

The increase in benefits may remain lower than the increase in premiums this year and result in a further – necessary – improvement in benefit ratio. This can be attributed in large part to the successful price negotiations concluded with hospitals and doctors for this year. Further negotiations on new improvements in the area of direct settlement contracts, which will be cost reducing, while staying abreast of medical advances is the focal point of our activities this financial year.

The securing and evaluation of the medical quality of the service providers is becoming an increasingly important subject. Customers can rightly expect that their health insurer will provide reliable information on the quality of their contractual partner. UNIQA will – together with other sponsors – take the responsibility and already initiate appropriate projects in the current financial year.

Life assurance

In life assurance, the focus for the current financial year is on the development of target-group orientated products. The basis of these products are building blocks which are even better attuned to the individual than was previously the case. In addition, we will develop solutions which will increase the earnings potential of our clients, to jointly do justice to the different investment profiles by means of the existing product range.

Also in commercial personal insurance, a focal point of marketing activity was set with the commerce forum, whereby the preparation for the "Abfertigung Neu" (new severance payments) is being intensified. Making a special severance product available to our commercial customers is also an important aspect of product renewal in 2002.

In the first quarter of 2002, the tried and tested sales promotion activities were again carried out and presented in the form of "Aktivbanken". This time the focus was on the "Lebens-Aktie" introduced in mid-2001, which have been selling very last year and in 2002, and the new "Elementarversicherung".

We will institutionalise the concept of competence centres for all Central European life assurance activities in 2002. Besides the international exchange of products, our expectations in this regard include the development of basic modules which can be combined according to the respective local needs. With the new organisation and concentration of all operative business processes in one competence area, the efficient work process should also be intensified in the administration area.

A particular focal point for the current financial year is the ongoing technical servicing of our sales partners, whereby the Internet will be used as a major communication platform.

The development of direct business premium income in the Group was very satisfactory during the first few months of 2002. Recurring premium business increased by 14.2% to 584.0 million € (previous year 511.5 million €). The strongest growth was again in the recurring premium life assurance business with an increase of 15.7%. The single premium and special product life assurance business was further withdrawn in the first quarter and reduced to 71.8 million € (261.9 million €).

The property insurance premium volume increased by 22%, whereby it must be taken into account that the premium income of POLONIA had not yet materialised in the first quarter 2001. Growth of the motor vehicle insurance line was clearly above last year's level with a premium increase of 10.1%.

The premiums earned in the health insurance line increased by 3.5% in the first quarter 2002.

The international companies' share of the total premium volume in the first quarter was 68.0 million €, which is equivalent to 10.4% of the Group premium.

Results and proposed appropriation of profit of the UNIQA Versicherungen AG

The individual accounts of the UNIQA Versicherungen AG, prepared in accordance with the Commercial Code, shows an annual net profit to the amount of 24.2 million € (previous year 21.2 million €) for the financial year 2001. After consideration of the retained profits brought forward and the change in the reserves, it resulted in a total profit for the year of 19.2 million € (previous year 19.2 million €).

The management board recommends to the Annual General Meeting to utilise the net profit for the year 2001 of 19,226,204.94 € (previous year 19,164,449.28 €) for a dividend of 16 cents on each of the 119,777,808 individual share certificates issued by due date, and to carry forward the remaining amount to the new account.

Vienna, May 2002

The Management Board

Consolidated balance sheet

as at 31 December 2001

Assets

	Notes to the consolidated annual accounts	31 Dec. 2001 € '000	31 Dec. 2000 € '000
A. Intangible assets	1		
I. Goodwill		68,597	48,932
II. Other intangible assets		7,231	20,378
		75,828	**69,310**
B. Investments			
I. Land and buildings	2	796,208	797,506
II. Shares in affiliated and associated companies	3	131,086	98,203
III. Loans	4	930,097	2,369,424
IV. Other securities			
1. Held to maturity		0	0
2. Available for sale	5	7,584,920	6,214,370
3. Held for trading	6	795,742	830,573
		8,380,662	*7,044,942*
V. Other investments	7	949,935	104,876
		11,187,988	**10,414,951**
C. Receivables	8	**372,759**	**411,936**
D. Liquid funds		**140,504**	**118,202**
E. Deferred acquisition costs	9	**525,635**	**486,379**
F. Deferred tax assets	10	**83,355**	**65,229**
G. Other assets	11	**66,013**	**62,135**
Total assets		**12,452,082**	**11,628,142**

Liabilities

	Notes to the consolidated annual accounts	31 Dec. 2001 € '000	31 Dec. 2000 € '000
A. Shareholders' funds	12		
I. Subscribed capital and capital reserves		199,202	206,305
II. Revenue reserves		332,697	361,276
III. Revaluation reserves		4,566	8,552
IV. Group total profit		19,226	19,200
		555,691	**595,333**
B. Minority interests in shareholders' funds	13	**130,273**	**126,962**
C. Technical provisions (net)			
I. Provision for unearned premiums	14	167,476	122,365
II. Actuarial provision	15	9,218,385	8,538,946
III. Provision for outstanding claims	16	885,257	831,476
IV. Provision for profit-unrelated premium refund	17	11,367	9,300
V. Provision for profit-related premium	17		
refund, i.e. policyholders' profit participation		571,347	556,959
VI. Other technical provisions		16,373	16,067
		10,870,204	**10,075,112**
D. Other provisions			
I. Pension and similar provisions	18	296,977	287,022
II. Provisions for taxation		34,368	22,809
III. Other provisions	19	89,543	78,204
		420,887	**388,035**
E. Liabilities	20	**269,402**	**233,589**
F. Deferred tax liabilities	21	**195,844**	**202,949**
G. Other liabilities	22	**9,780**	**6,160**
Total liabilities		**12,452,082**	**11,628,142**

Consolidated profit and loss account

for the period from 1 January to 31 December 2001

		Notes to the consolidated annual accounts	2001 € '000	2000 € '000
1.	Gross premiums written	23	2,644,605	2,505,185
2.	Premiums earned	24	2,435,363	2,320,975
3.	Net investment income	26		
	a) Income from affiliated and associated companies		5,914	4,669
	b) Other investment income		654,076	660,060
			659,989	***664,729***
4.	Other income	25	29,639	7,402
	Total income		**3,124,991**	**2,993,106**
5.	Insurance benefits (net)	27	–2,529,281	–2,453,765
6.	Operating expenses	28	–503,773	–470,183
7.	Other expenses	29	–42,070	–23,459
8.	Depreciation of goodwill		–4,520	–3,755
	Total expenses		**–3,079,644**	**–2,951,163**
9.	**Profit on ordinary activities**		**45,347**	**41,943**
10.	**Extraordinary result**	19	**0**	**–5,373**
11.	**Taxes on income**	30	**–19,029**	**–12,241**
12.	**Net profit for the financial year**		**26,317**	**24,328**
13.	**Year-end results apportionable to minority interests**		**–13,305**	**–12,201**
14.	**Consolidated net profit for the financial year**		**13,013**	**12,127**

Cash flow statement

for the period from 1 January to 31 December 2001

	2001 € '000	2000 € '000
Net profit for the financial year including minority interests		
Net profit for the financial year IAS	26,317	24,328
Year-end results apportionable to minority interests	–13,305	–12,201
Change of technical provisions	795,092	823,249
Change of deferred acquisition costs	–39,256	–20,850
Change of reinsurance deposits receivable and payable as well as current accounts receivable and payable	19,731	–23,268
Change of other amounts receivable and payable	53,030	–36,913
Change of trading securities	34,831	–255,207
Realised capital gains/losses from the disposal of investments	–97,118	–25,398
Depreciation/appreciation of other investments	33,113	23,477
Change of provisions for pension and severance payment	9,955	–63,602
Change of deferred tax assets/liabilities	–25,231	12,737
Change of other balance sheet items	22,639	–15,554
Change of goodwill and intangible assets	–6,518	–4,555
Other income and expenses without impact on cash-flow as well as accounting period adjustments	1,227	19,609
Change of extraordinary items	0	5,373
Cash flow from operating activities	**814,508**	**451,227**
Receipts due to the disposal of consolidated companies and other business units	95	81,662
Payments due to the acquisition of consolidated companies and other business units	–65,548	–41,746
Receipts due to the disposal and maturity of other investments	5,185,960	3,877,192
Payments due to the acquisition of other investments	–5,862,142	–4,361,789
Cash flow from investing activities	**–741,635**	**–444,680**
Payments to participation certificate holders	0	–921
Acquisition of own shares	–31,608	0
Dividend payments	–18,963	–17,428
Cash flow from financing activities	**–50,571**	**–18,349**
Change of cash position	**22,302**	**–11,802**
Cash position at the beginning of the financial year	**118,202**	**130,004**
Cash position at the end of the financial year	**140,504**	**118,202**

Segment balance sheet

	Property and casualty		Life	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000
ASSETS				
A. Intangible assets	58,391	50,942	17,394	18,285
B. Investments	1,390,618	1,443,160	8,448,565	7,775,201
C. Receivables	149,808	157,687	223,665	226,331
D. Liquid funds	55,668	41,720	62,044	63,863
E. Deferred acquisition costs	36,997	26,809	294,897	254,181
F. Deferred tax assets	81,283	66,342	1,561	–94
G. Other assets	27.233	80,649	19,733	–29,632
Total segment assets	**1,799,998**	**1,867,310**	**9,067,859**	**8,308,134**
LIABILITIES				
C. Technical provisions (net)	842,888	803,732	8,575,458	7,905,929
D. Other provisions	389,060	361,355	27,852	24,440
E. Payables	259,385	295,010	108,420	109,144
F. Deferred tax liabilities	134,810	143,409	19,615	18,170
G. Other liabilities	8,498	5,174	962	650
Total segment liabilities	**1,634,642**	**1,608,679**	**8,732,307**	**8,058,334**

	Health		Consolidation		Group	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000	2001 € '000	2000 € '000
	43	83	0	0	75,828	69,310
	1,407,683	1,316,127	–58,876	–119,537	11,187,988	10,414,951
	70,370	125,828	–71,085	–97,910	372,759	411,936
	22,793	12,619	0	0	140,504	118,202
	193,741	205,389	0	0	525,635	486,379
	511	–1,019	0	0	83,355	65,229
	19,047	11,117	0	0	66,013	62,135
	1,714,187	**1,670,145**	**–129,961**	**–217,447**	**12,452,082**	**11,628,142**
	1,451,858	1,406,789	0	–41,336	10,870,204	10,075,112
	4,011	2,240	–36	0	420,887	388,035
	31,284	46,729	–129,687	–217,293	269,402	233,589
	41,419	41,370	0	0	195,844	202,949
	320	336	0	0	9,780	6,160
	1,528,892	**1,497,463**	**–129,723**	**–258,630**	**11,766,119**	**10,905,847**
				Group equity and minority interests	685,964	722,295
				Total liabilities	**12,452,082**	**11,628,142**

The amounts indicated have been adjusted for eliminating the amounts resulting from segment internal transactions.

Therefore the balance between segment assets and segment liabilities does not allow conclusions with regard to the segment allocated equity.

Segment profit and loss account

	Property and casualty		Life	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000
1. Gross premiums written	872,104	819,148	1,107,423	1,057,505
2. Premiums earned	678,469	646,389	1,093,559	1,040,795
3. Net investment income	38,208	79,658	536,267	495,358
4. Other income	26,362	5,879	2,561	1,569
5. Insurance benefits	–495,178	–509,905	–1,433,765	–1,359,434
6. Operating expenses	–254,802	–227,329	–132,993	–133,612
7. Other expenses	–37,929	–19,439	–3,764	–3,482
8. Depreciation on goodwill	–4,154	–1,813	–366	–1,942
9. Profit on ordinary activities	–49,024	–26,560	61,500	39,251
10. Extraordinary result	0	0	0	–5,373
11. Taxes on income	14,949	4,877	–20,737	–7,547
12. Net profit for the financial year	–34,075	–21,683	40,763	26,331
13. Year-end results apportionable to minority interests	–7,257	–2,141	–3,746	–4,753

Health		Consolidation		Group	
2001 € '000	2000 € '000	2001 € '000	2000 € '000	2001 € '000	2000 € '000
666,259	644,944	–1,180	–16,411	2,644,605	2,505,185
662,720	633,791	615	0	2,435,363	2,320,975
87,554	90,843	–2,040	–1,131	659,989	664,729
626	294	89	–340	29,639	7,402
–600,698	–584,426	360	0	–2,529,281	–2,453,765
–115,884	–109,242	–95	0	–503,773	–470,183
–1,580	–2,009	1,202	1,470	–42,070	–23,459
0	0	0	0	–4,520	–3,755
32,738	29,252	132	0	45,347	41,943
0	0	0	0	0	–5,373
–13,241	–9,571	0	0	–19,029	–12,241
19,498	19,680	132	0	26,317	24,328
–2,302	–5,306	0	0	–13,305	–12,201

Regional structure

	Gross premiums written		Net investment income	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000
Austria	**2,424,813**	**2,349,620**	**647,503**	**653,901**
Other Europe	**219,792**	**155,565**	**12,487**	**10,828**
Italy	71,196	60,082	3,698	4,300
Poland	42,851	0	1,477	0
The Czech Republic	42,523	35,304	2,559	1,239
Switzerland	37,358	40,571	3,064	3,187
The Slovak Republic	22,358	19,082	1,516	2,055
Croatia	3,507	525	276	222
Others	0	0	–104	–175
Group total	**2,644,605**	**2,505,185**	**659,989**	**664,729**

Insurance benefits		Operating expenses		Profit on ordinary activities	
2001 € ’000	2000 € ’000	2001 € ’000	2000 € ’000	2001 € ’000	2000 € ’000
–2,413,762	**–2,361,692**	**–447,932**	**–433,365**	**30,224**	**31,724**
–115,519	**–92,073**	**–55,841**	**–36,819**	**15,123**	**10,219**
–33,556	–26,361	–14,457	–10,032	10,898	4,940
–11,694	0	–9,009	0	1,122	0
–24,690	–19,072	–15,330	–11,826	675	1,488
–32,366	–34,268	–2,927	–6,508	3,112	3,105
–11,611	–12,225	–9,432	–6,376	1,112	2,551
–1,602	–147	–4,686	–2,076	–1,755	–1,722
0	0	0	0	–41	–144
–2,529,281	**–2,453,765**	**–503,773**	**–470,183**	**45,347**	**41,943**

Notes to the Group financial statements for the financial year 2001

Accounting regulations

For the financial year 2001, as in the previous year, the Group consolidated financial statements and the Group management report were prepared in compliance with the International Accounting Standards (IAS), and not according to the regulations of the Insurance Supervisory Act. It is in accordance with the Insurance Accounting Directive RL 91/674/EWG as well as the 7th EU Directive on the basis of the interpretation of this directive by the Accounting Directives Committee of the European Commission. Its informative quality is equivalent to consolidated financial statements prepared according to the commercial code. In preparing these Group financial statements, all standards for which application was obligatory in this financial year have been applied. The recommendations of the IASB were observed, and therefore recommended standards were applied. To this extent, the previous year's figures have been restated for comparison.

The IAS do not yet include provisions regarding the representation of insurance-specific elements for the annual financial statements. Therefore the provisions of the US American Generally Accepted Accounting Principles (US-GAAP) have been applied in line with the IAS-framework. For balancing the accounts and evaluation of the insurance-specific entries of the life insurer, SFAS 120 was observed; for specific items in the health, property and casualty insurance SFAS 60 and SFAS 113 for reinsurance were applied.

Consolidation

Scope of consolidation

Included in the Group financial statements are – besides the annual financial statement of the UNIQA Versicherungen AG – the financial statements of all subsidiaries at home and abroad. 18 affiliated companies did not form part of the consolidated Group. They were not material, even if taken together, for the presentation of a true and fair view of the Group's assets, financial position and income. Therefore the scope of consolidation contains – in addition to the UNIQA Versicherungen AG – 17 domestic and 12 foreign subsidiaries in which the UNIQA Versicherungen AG has the majority voting rights.

Following the acquisition or the foundation in the reporting period the scope of consolidation was extended by:

Zaklad Ubezpieczeñ I Reasekuracji POLONIA S.A., Poland
Zaklad Ubezpieczeñ I Reasekuracji POLONIA-Zycie S.A., Poland
POLONIA-Zycie Holding sp.z.oo., Poland
UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.
UNIQA Immobilien Projekterrichtungs GmbH

The associated companies refer to 13 domestic and 1 foreign company consolidated at equity, and there were 3 companies of minor significance, whose shares we showed at acquisition costs. Amongst the associated companies there is a joint venture (50% participation in the MLP-Lebensversicherung AG) which was also consolidated according to the equity method.

In applying IAS 39 and in terms of the present interpretation to this statement of the IASC (SIC 12), fully controlled investment funds were included in the consolidation, insofar as their fund volume viewed singularly and in total was not of minor importance.

Consolidation principles

Capital consolidation principally follows the acquisition method. The acquisition costs of the shareholding in the subsidiaries are set off against the parent company's share in the revalued equity of the company concerned. For initial consolidation, the situation taken into account was in principle that existing at the moment of the acquisition of the shares in the consolidated subsidiary. To the extent other (non-Group) shareholders hold shares in the subsidiary's equity at the reporting date, these are dealt with under "minority interests". Any positive differences resulting from initial consolidation are split amongst hidden reserves and encumbrances attributable to the assets and liabilities as well as goodwill. The goodwill is capitalised and written off against the anticipated useful economic life.

If the shareholding was acquired before 1 January 1995, the differences are set off against profits carried forward in line with the applicable transitory provisions.

Deviating from the basic principle, the merger of the "AUSTRIA-COLLEGIALITÄT ÖSTERREICHISCHE Versicherung AG" and the "Versicherungsanstalt der österreichischen Bundesländer, Versicherungs Aktiengesellschaft" in 1997 was balanced according to the pooling of interests method. Accordingly, the financial statements of the above-mentioned Group companies were merged without any additional consolidation measures.

Shares in associated companies are as a general rule measured according to the equity method (benchmark treatment) for the interest held by the Group. Any difference amounts are determined in line with the principles for capital consolidation. The updating of the associated companies takes place annually in arrears.

For determining the value of interests in associated companies, we decided not to adjust the line items of the annual financial statements of these companies to the uniform valuation yardsticks applied in the Group.

For debt consolidation, the receivables from group companies are set off against the payables to Group companies. As a rule, any difference amounts have an effect on income. Group internal results from supplies and services are eliminated if they are not of minor significance for giving a true and fair view of the Group's assets, financial position and income. Proceeds and other income from supplies and services within the Group are set off against the corresponding expenditure.

Presentation of balance sheet and income statement

IAS/US-GAAP allow a shortened pattern of balance sheet and income statement. Aggregating many individual items into units enhances the informative quality of the financial statements. Supplementary information on these items is included in the Notes to the Consolidated Financial Statements. The technical provisions are stated in net amounts ceded in reinsurance. Likewise, the amounts in the income statement are shown on a net basis.

Currency conversion

The reporting currency of the UNIQA Versicherungen AG is the euro. All subsidiary annual financial statements that are not reported in euros are converted at the rate on the balance sheet closing date according to the following guidelines:

- Assets, liabilities and transition of the annual net profit/deficit at the middle rate on the balance sheet closing date
- Income statement at the annual average exchange rate
- Equity capital (excluding annual net profit/deficit) at the historical rate

Resulting exchange rate differences are set off without impact on income against the shareholders' equity.

The most important exchange rates are summarised in the following table:

Currencies	Closing date rate 2001	2000
Swiss Francs CHF	1.4829	1.5232
Slovak Koruna SKK	42.7800	43.9330
Czech Koruna CZK	31.9620	35.0470
Hungarian Forint HUF	245.1800	264.9780
Croatian Kuna HRK	7.1416	7.6260
Polish Zloty PLN	3.4953	

Methods of accounting and measurement

Basically the annual financial statements of the companies in Austria and abroad included in the Consolidated Financial Statements were prepared according to the reporting date of the UNIQA Versicherungen AG, 31 December. For recognition in the Consolidated Financial Statements, the annual financial statements of UNIQA Versicherungen AG and of the subsidiaries included, are modified on a uniform basis in conformity with the accounting and measurement principles of IAS and, as far as technical provisions, acquisition costs and technical expenses and income are concerned, according to the provisions of US-GAAP.

Intangible assets

concern goodwill and other items. Goodwill is the difference amount between the purchase price for the stake in the subsidiary and the Group's share in the equity after the disclosure of hidden reserves at the time of acquisition.

Goodwill is depreciated over its useful life. In general, this is 10 or 20 years. With regard to life insurance business acquired, the depreciation of the goodwill follows the progression of the estimated gross margins. Negative goodwill is set off against the positive difference amounts resulting from the initial consolidation. The other intangible assets include both purchased and self-developed software which is depreciated on a straight-line basis over its useful economic life of 4 to 10 years.

Land and buildings, including buildings on third-party land

are recognised at their acquisition or construction costs, reduced by the amounts of scheduled and non-scheduled depreciation. The depreciation term corresponds to the useful life, maximised with 50 years.

Shares in affiliated and associated companies

To the extent the annual financial statements of affiliated and associated companies are not consolidated for being of minor significance and/or included "at equity", these companies are recognised at acquisition costs. Market values are not taken into account for recognition in the balance sheet because these do not appear to be material for the informative quality of the Consolidated Financial Statements.

Mortgage loans and other loans

These are recognised at amortised costs in the balance sheet. This means that the difference between acquisition costs and the redemption amount changes the carrying amount with an effect on income for the corresponding pro rata term or capital share. The items included under other loans are recognised at their nominal amount, while loans are shown at their nominal amount less any redemptions made in the meantime.

Securities available for sale

are recognised in the financial statements at their market value at the reporting date. Difference amounts between the market value and historical acquisition costs are dealt with under equity with a neutral effect on income, after deductions of the provisions and deferred taxes.

Trading portfolios

Derivatives

are used within the limits permitted by the Austrian Insurance Supervisory Act, for hedging investments and for increasing earnings.

Structured products

are not split between the underlying transaction and derivative because of their minor significance, but are accounted for as a unity. All the structured products can be found in the "trading" line item of the balance sheet. Unrealised gains and losses are dealt with in the income statement.

Deposits with credit institutions and other investments

are recognised at their nominal amounts.

The reinsurers' shares

in the technical provisions are deducted taking into account the reinsurance contracts.

Receivables

These are recognised at their nominal value, taking into account redemptions made and adequate value adjustments.

Liquid funds

are recognised at their nominal amounts.

Deferred acquisition costs

Acquisition costs for insurance activities, which are directly related to new business and/or to extensions of existing policies and vary in line with that business, are capitalised and written off over the term of the insurance contracts they refer to. If they are attributable to property and casualty insurance, they are written off over the probable policy term, with a maximum of five years. For life assurance, the acquisition costs are amortised over the duration of the policy at the same proportion as the actuarial profit margin of each individual year is realised in comparison to the total margin to be expected from the policies. For long term health insurance policies, the depreciation of acquisition costs is measured in line with the proportionate share of earned premiums in the present value of expected future premium income. All amounts resulting from changes of the acquisition costs capitalised in the opening and closing balance sheets of the business year are shown as operating expenses.

Other assets

The tangible assets and inventories included under other assets in the balance sheet are recognised at acquisition and production costs, net of depreciation. Tangible assets are written off over their useful life (up to a maximum of 10 years).

Technical provisions

Unearned premiums

Unearned premiums are in principle calculated for each individual policy and exactly to the day. If they are attributable to life assurance, they are included in the actuarial provision.

Actuarial provision

Actuarial provisions are established in the life and health insurance lines. Their recognition value in the balance sheet is determined according to actuarial principles on the basis of the present value of future benefits to be paid by the insurer less the present value of future net premiums the insurer expects to receive. The actuarial provision of life insurers is calculated by taking into account prudent and contractually agreed calculation bases.

The actuarial provisions for health insurance are determined on calculation basis at best estimate and taking into account safety margins. Once a calculation basis has been determined, these basically have to be applied to the corresponding part portfolio for the whole duration (locked-in principle).

Provision for outstanding claims

The provision for outstanding claims in the property insurance contains the actual and the expected amounts of future financial obligations including the claims settlement expenses appertaining thereto, based on accepted statistical procedures. This holds for already reported claims as well as for claims incurred, but not yet reported. In insurance lines where past experience does not allow the application of statistical procedures, individual loss provisions are made.

Life assurance is calculated on an individual loss basis with the exception of the provision for unreported claims.

As for health insurance, the provisions for outstanding claims are estimated on the basis of past experience, taking into consideration the known arrears in claim payments.

The provision for the assumed reinsurance business generally complies with the figures of the cedents.

Provision for premium refund and profit participation

The provision for premium refund includes on the one hand the amounts for profit-related and profit-unrelated participation to which the policyholders are entitled on the basis of statutory or contractual regulations and on the other hand the amount resulting from the valuation of assets and obligations of life insurers deviating from valuation under commercial law. The allocation to the provision for deferred premium refund is 85% of the valuation difference before taxes.

Other technical provisions

This item basically contains the provision for contingent losses for acquired reinsurance portfolios as well as the provision for cancellations and premium losses.

Pension and similar provisions

For the performance-orientated old age provision systems of the UNIQA Group, pension provisions are calculated according to IAS 19 according to the Projected Unit Credit Method. Future obligations are valued according to actuarial procedures with a conservative assessment of the relevant impacting factors and spread over the whole employment duration of the employees. The calculations are based on current mortality, disability and fluctuation probabilities, expected increases of salaries, pension entitlements and pension payments as well as a realistic technical interest rate. The technical interest rate, which is determined in conformity with the market and on the basis of the reporting date, is in line with the market yield of industrial or government bonds having a high quality on a long-term basis.

Deferred taxes

Deferred tax assets and liabilities are to be created according to IAS 12 for temporary differences from the comparison of the balanced asset or of a commitment with the respective taxable amount. This results in a probable tax burden affecting cash-flow in the future. These are to be accounted for independent of the date of their release. Moreover, according to IAS, deferred taxes for accumulated losses brought forward and not yet used, are to be capitalised to the extent that they can be used in the future with adequate probability.

Other provisions

The amount of other provisions is determined by the extent to which the provisions will probably be made use of.

Payables and other liabilities

are shown at the amounts to be paid.

Value adjustments (impairments)

In principle, the carrying amounts of assets in the balance sheet are checked with regard to possible impairment at least once a year. Securities with an expected lasting decrease in value were depreciated affecting net income. On the basis of a drawn-up schedule, the whole property portfolio will be valued over the next five years by external expert opinion through court-sworn appraisers. If there is a foreseeable durable impairment of assets, their carrying amount is reduced.

Classes of insurance

(direct business and partly accepted reinsurance business)

- Life assurance
- Health insurance
- Accident insurance
- Liability insurance
- Motor TPL insurance
- Marine, aviation and transport insurance
- Legal expenses insurance
- Fire and business interruption insurance
- Housebreaking, burglary and robbery insurance
- Water damage insurance
- Glass insurance
- Storm insurance
- Household insurance
- Hail insurance
- Livestock insurance
- Machine business interruption insurance
- Transport insurance
- Credit insurance
- Other insurance

Major differences between IAS and Austrian accounting rules

Classification

The IAS do not provide any mandatory classification scheme. The balance sheet and profit and loss account are therefore presented in an abridged form in accordance with common international practice. Detailed explanation of the individual items are provided in the respective notes to the Group financial statements.

Goodwill

Goodwill is capitalised and depreciated over the expected useful life. According to the Austrian Commercial Code, it was to set off against the revenue reserve with a neutral effect on income. According to IAS, no setting off against the revenue reserves is permissible for additions after 1 January 1995.

Real property

Land and buildings, including buildings on third-party land, are valued according to IAS 16, and by exercising the respective choice, also according to IAS 40 at amortised cost minus regular depreciation. These are geared towards the actual useful life. In accordance with the Austrian Commercial Code they are influenced by regulations pertaining to tax laws.

Shares in affiliated and associated companies

Basically, affiliated companies that are not consolidated are valued at fair value instead of purchase prices or the lower values.

Related companies, which are subject to the VAG's (Insurance Supervisory Act) consolidation prohibition and for which no provision for an evaluation "at equity" is provided under IAS are valued at their acquisition costs.

As a general rule participating interests are valued at equity insofar as the company has the opportunity to exercise a considerable influence. This is assumed, as a matter of principle, for shares between 20% and 50%. The actual exercising of considerable influence has no bearing on these figures.

Financial assets

According to IAS 39, a different classification system is applicable to financial assets. The main valuation difference which applies to the other securities – available for sale, which account for the majority of financial assets, and the other securities – held for trading is, namely, that these are stated at market value on the balance sheet date. According to the Austrian Commercial Code the acquisition costs constitute the maximum valuation limit.

With regard to the other securities – available for sale, the difference between book value and market value is treated within the shareholders' funds without affecting operating results, whereas in the case of the other securities – held for trading the difference regularly affects income. In contrast, according to the Austrian Commercial Code, also the depreciation as stipulated by the strict lower-of-cost-or-market-principle because of a temporary reduction in value and the appreciation in value in line with the requirement to reinstate original values, always affects operating results. Expected permanent value reduction, posted as depreciation, affects income in both the IAS and the Austrian Commercial Code (e.g. value adjustment because of worsening debtor credit standing).

Reinsurance

The reinsurer's share in technical provisions is deducted directly from the technical provisions. The statement on the assets side of the balance sheet is also permitted under the IAS.

Acquisition costs

Commission as well as other variable costs, which are directly related to the acquisition or extension of existing policies, are capitalised and distributed over the insurance contract terms and/or the premium payment period. The capitalised acquisition costs also replace the administrative expense deductions allowed under the Commercial Code for premiums brought forward in property and casualty insurance.

Actuarial provisions

For the calculation of the actuarial provisions in life and health insurance, regulations deviating from Austrian law apply, which affect valuation variances as well as the allocation between actuarial provisions and provisions for premium refund. This especially refers to the non-application of the zillmerisation of acquisition costs as well as the integration of the revalued unearned premiums and real final bonus in the life assurance.

Health insurance is mainly affected by the deviating interest rate as well as the application of the most recent parameters including safety margins.

Provision for premium refund and profit participation

Because of the difference in valuation of the assets and liabilities in the area of life assurance, a provision has to be made for deferred profit participation which complies with the national legal or contractually regulated profit sharing and is assessed in favour of the policyholder. The change of the provision for deferred premium refund compensates to a large extent for the revaluation effects in the profit and loss account and thus in the profits for the year.

Claims provisions

Provisions for outstanding claims in the property insurance line are no longer established with the principle of caution and on single-loss basis, but, in line with the US-GAAP, on mathematical procedures on the basis of probability of future compliance amounts.

Provision for claims equalisation and major risks

The establishment of a provision for claims equalisation and major risks is not permitted under IAS or US-GAAP, as it does not represent any current obligations to third parties at the balance sheet date. Accordingly, transfers or releases do not influence the profits for the year.

Pension commitments

For the calculation of the pension provision, other accounting principles are used for IAS than for the Austrian Commercial Code. These are listed in detail in IAS 19. The respective differences in total lead to a higher valuation than under the Austrian Commercial Code. This is most notably the result of more realistic actuarial assumptions such as, for example, the use of a market-related assumed rate of interest and anticipation of future demographic and economical developments.

Deferred taxes

Deferred tax assets and liabilities are to be created according to IAS 12 for temporary differences from the comparison of a stated asset or an obligation with the respective taxable value. This results in an anticipated future tax burden or relief on taxes on income (temporary differences), which are to be reported regardless of the day of the revaluation. According to Austrian Commercial Law, deferred taxation is only permissible as a result of a temporary differences between the commercial balance sheet profit and the income calculated according to the tax regulations.

In addition, deferred taxes are to be capitalised from taxable, still unused accumulated losses brought forward according to IAS, as long as they can be used with adequate probability in the future.

The annual financial statements according to IAS are not influenced by tax regulations.

Details on personnel

Management Board

Chairman:

Konstantin Klien, Vienna (from 1 January 2002)

Herbert Schimetschek, Vienna (until 31 December 2001)

Vice Chairman:

Konstantin Klien, Vienna (until 31 December 2001)

Members:

Hannes Bogner, Vienna

Peter Eichler, Vienna (until 31 December 2001)

Johannes Hajek, Vienna (until 31 December 2001)

Hubert Schatzdorfer, Klosterneuburg (until 31 December 2001)

Christian Sedlnitzky, Vienna (until 31 December 2001)

Gottfried Wanitschek, St. Margarethen

Andreas Brandstetter, Vienna (from 1 January 2002, deputy board member)

Karl Unger, Teesdorf (from 1 January 2002, deputy board member)

Supervisory Board

Chairman:

Christian Konrad, Vienna

Vice Chairmen:

Klaus Braunegg, Vienna (First Vice Chairman)

Walther Rothensteiner, Vienna (Second Vice Chairman)

Heinz Kessler, Haid bei Ansfelden (Third Vice Chairman)

Georg Doppelhofer, Graz (Fourth Vice Chairman, from 25 June 2001)

Walter Petrak, Neufeld an der Leitha (Fourth Vice Chairman, until 25 June 2001)

Ewald Wetscherek, Vienna (Fifth Vice Chairman)

Members:

Dietrich Blahut, Vienna

Theodor Detter, Vienna

Konrad Fuchs, Maria Enzersdorf

Fritz Hakl, Innsbruck (from 25 June 2001)

Gustav Harmer, Vienna (until 25 June 2001)

Gottfried Holzer, Vienna

Manfred Holztrattner, Salzburg (until 25 June 2001)

Michael Hülmbauer, Ferschnitz (until 25 June 2001)

Karl Korinek, Vienna

Julius Marhold, Eisenstadt (from 25 June 2001)

Johannes M. Martinek, Vienna

Klaus Pekarek, Klagenfurt

Peter Püspök, Perchtoldsdorf

Ludwig Scharinger, Linz (until 25 June 2001)

Karl Waltle, Bregenz (until 25 June 2001)

Georg Winckler, Vienna

Liselotte Wolf, Preßbaum (from 25 June 2001)

Assigned by the Central Employee Council:

Irmin Gundl, Salzburg

Hans Hahnen, Absam

Ferdinand Hammerer, Wolfurt

Helmut Hanzlik, Vienna

Friedrich Katschnig, St. Kanzian

Franz Michael Koller, Graz

Friedrich Lehner, Gunskirchen

Walter Thurner, Vienna

Franz Wagner, Eisenstadt (until 25 June 2001)

Walter Zwiauer, Vienna

Supplementary information on the consolidated balance sheet 2001

Development of asset items

	Balance sheet values Preceding year € '000	Currency differences € '000	Additions € '000	Unrealised capital gains and losses € '000
A. Intangible assets				
I. Positive goodwill	**48,932**	**0**	**44,144**	**0**
II. Other intangible assets				
Self-developed software	9,956	0	0	0
Purchased intangible assets	10,422	27	3,819	0
Total A.	**69,310**	**27**	**47,963**	**0**
B. I. Land and buildings including buildings on third-party land	**797,506**	**1,533**	**28,350**	**0**
B. II. Shares in affiliated companies and associated companies				
1. Shares in affiliated companies	46,782	208	0	0
2. Shares in associated companies	51,421	0	20,876	0
Total B. II.	**98,203**	**208**	**20,876**	**0**
B. III. Loans				
1. Debt securities issued by and loans to affiliated companies	18,642	245	1,626	0
2. Debt securities issued by and loans to participating interests	866	0	0	0
3. Mortgage loans	17,488	15	630	0
4. Loans and advance payments on policies	11,146	0	3,562	0
5. Other loans	2,321,282	0	24,220	0
Total B. III.	**2,369,424**	**261**	**30,038**	**0**
B. IV. Other securities				
1. Shares, fund units and other variable yields securities, including participating interests	1,154,179	155	592,285	–119,733
2. Debt securities and other fixed interest securities	5,060,191	2,605	3,763,035	45,430
Total B. IV. 1–2/Securities – available for sale	**6,214,370**	**2,760**	**4,355,319**	**–74,303**
3. Trading	830,573	0	112,161	0
Total B. IV.	**7,044,942**	**2,760**	**4,467,481**	**–74,303**
B. V. Other investments				
1. Cash at banks	64,009	1,362	1,480,645	0
2. Deposits with ceding companies	40,867	233	10,805	0
Total B. V.	**104,876**	**1,595**	**1,491,451**	**0**
Aggregate total	**10,484,261**	**6,384**	**6,086,158**	**–74,303**

Amortisation € '000	Transfers € '000	Disposals € '000	Write-ups € '000	Depreciation € '000	Balance sheet values Business year € '000
0	**–21,320**	**0**	**0**	**3,159**	**68,597**
0	0	0	0	9,114	842
0	20	5,256	0	2,644	6,388
0	**–21,300**	**5,256**	**0**	**14,917**	**75,828**
0	**0**	**9,126**	**1,831**	**23,885**	**796,208**
0	–9,553	0	0	1,261	36,176
0	21,596	0	2,372	1,354	94,910
0	**12,043**	**0**	**2,372**	**2,616**	**131,086**
0	0	453	0	30	20,031
0	0	95	0	0	771
0	0	3,478	0	211	14,443
0	0	3,381	0	0	11,327
0	0	1,456,464	0	5,513	883,525
0	**0**	**1,463,871**	**0**	**5,754**	**930,097**
–30	182,834	341,714	0	82,197	1,385,779
–3,576	–183,110	2,485,432	0	0	6,199,141
–3,606	**–276**	**2,827,146**	**0**	**82,197**	**7,584,920**
–239	0	155,349	8,595	0	795,742
–3,845	**–276**	**2,982,495**	**8,595**	**82,197**	**8,380,662**
0	0	639,177	0	0	906,840
0	0	8,809	0	0	43,096
0	**0**	**647,986**	**0**	**0**	**949,935**
–3,845	**–9,533**	**5,108,734**	**12,798**	**129,369**	**11,263,816**

1 Intangible assets

	Other intangible assets Consolidated total € '000	Positive goodwill Consolidated total € '000
Acquisition value as at 1 Jan. 2001	73,086	89,141
Accumulated depreciation by 1 Jan. 2001	–52,708	–40,209
Book values as at 1 Jan. 2001	**20,378**	**48,932**
Acquisition value as at 31 Dec. 2001	71,296	111,011
Accumulated depreciation by 31 Dec. 2001	–64,065	–42,414
Book value as at 31 Dec. 2001	**7,231**	**68,597**

In addition to goodwill, the intangible assets also included the purchase price for an insurance portfolio taken over, purchased and self-developed data processing software and licences. The depreciation of the other intangible assets is shown in the profit and loss account after cost allocation. Goodwill amortisation is shown separately.

Goodwill from associated companies was reclassified from intangible assets to shares in associated companies (21,320 thousand €) during the financial year.

2 Land and buildings, including buildings on third-party land

	31 Dec. 2001 Consolidated total € '000	31 Dec. 2000 Consolidated total € '000
Book value in the segment of		
Property and casualty insurance	401,448	404,567
Life assurance	201,101	205,988
Health insurance	193,659	186,951
	796,208	**797,506**
Market values in the segment of		
Property and casualty insurance	458,724	445,352
Life assurance	319,365	324,976
Health insurance	400,218	402,477
	1,178,308	**1,172,804**
Acquisition value	1,026,440	1,011,992
Accumulated depreciation	230,233	214,486
Book value	**796,208**	**797,506**
The balance sheet value of self-used land and buildings, including buildings on third-party land, was:	**135,930**	**72,862**

3 Shares in affiliated companies and companies valued at equity

	31 Dec. 2001 € '000	31 Dec. 2000 € '000
The book value for		
Shares in affiliated companies of minor significance was:	36,176	46,782
Shares in associated companies was:	94,910	51,421

Overview of the scope of consolidation 2001

Company	Type	Registered office	Percentage share in equity
Domestic insurance companies			
UNIQA Versicherungen AG (Group holding company)	full	1020 Vienna	
UNIQA Sachversicherung AG	full	1020 Vienna	100.0
UNIQA Personenversicherung AG	full	1021 Vienna	63.4
Salzburger Landes-Versicherung Aktiengesellschaft	full	5020 Salzburg	100.0
Raiffeisen Versicherung Aktiengesellschaft	full	1020 Vienna	100.0
CALL DIRECT Versicherung AG	full	1020 Vienna	100.0
SK Versicherung Aktiengesellschaft	equity	1020 Vienna	25.0
MLP-Lebensversicherung Aktiengesellschaft	equity	1020 Vienna	50.0
Foreign insurance companies			
UNIQA Assurances S.A.	full	Switzerland, Geneva	100.0
Austria Assicurazioni S.p.A.	full	Italy, Milan	100.0
UNIQA Poistovna a.s.	full	The Slovak Republic, Bratislava	99.7
UNIQA Pojistovna, a.s.	full	The Czech Republic, Prague	83.3
UNIQA Osiguranje d.d.	full	Croatia, Zagreb	80.0
Friuli-Venezia Giulia Assicurazioni "La Carnica" S.p.A.	full	Italy, Udine	85.3
Zaklad Ubezpieczeñ i Reasekuracji POLONIA S.A.	full	Poland, Lodz	98.9
Zaklad Ubezpieczeñ i Reasekuracji POLONIA-Zycie S.A.	full	Poland, Lodz	98.2
COSALUD, S.A. de Seguros	equity	Spain, Barcelona	45.0

Overview of the consolidated entity 2001

Company	Type	Registered office	Percentage share in equity
Group domestic service companies			
UNIQA Immobilien-Service GmbH	full	1020 Vienna	100.0
Versicherungsmarkt-Servicegesellschaft m.b.H.	full	1060 Vienna	100.0
VERGES Verwaltung von Versicherungsverträgen für die Abfertigungsvorsorge im Bereich der Wirtschaft Gesellschaft m.b.H.	*)	1020 Vienna	61.8
Agenta Risiko- und Finanzierungsberatung Gesellschaft m.b.H.	full	1010 Vienna	100.0
Risikodienst und Schadensberatung Gesellschaft m.b.H.	*)	1020 Vienna	100.0
Dr. E. Hackhofer EDV-Softwareberatung Gesellschaft m.b.H.	full	1070 Vienna	51.0
UNIQA Software-Service GmbH	full	1020 Vienna	100.0
SYNTEGRA Softwarevertrieb und Beratung G. m.b.H.	full	1020 Vienna	100.0
UNIQA Küchen-Service GmbH	*)	1020 Vienna	100.0
TA-BE Taxibetriebsgesellschaft m.b.H.	*)	7001 Eisenstadt	100.0
UNIQA Finanz-Service GmbH	full	1020 Vienna	100.0
ÖBW Bildungsmanagement für Wirtschaftsunternehmen GmbH	*)	1030 Vienna	80.0
UNIQA International Versicherungs-Holding GmbH	full	1020 Vienna	100.0
Polonia Anteilsverwaltungs GmbH	full	1020 Vienna	100.0
Alopex Organisation von Geschäftskontakten GmbH	*)	1010 Vienna	100.0
DCS Data Center Services GmbH	*)	1020 Vienna	40.0
Group foreign service companies			
Syntegra Szolgaltato es Tanacsado KFT	full	Hungary, Budapest	75.0
Insdata spol s.r.o.	*)	The Slovak Republic, Nitra	96.6
Asshold S.A.	full	Switzerland, Lausanne	100.0
Grand Hotel Bohemia s.r.o.	*)	The Czech Republic, Prague	90.0
Racio s.r.o.	*)	The Czech Republic, Prague	83.3
InsService s.r.o.	*)	The Slovak Republic, Bratislava	99.7

Overview of the consolidated entity 2001 Company	Type	Registered office	Percentage share in equity
Financial and strategic domestic shareholdings			
Medial Beteiligungs-Gesellschaft m.b.H.	equity	1010 Vienna	29.6
MEDICUR-Holding Gesellschaft m.b.H.	equity	1020 Vienna	25.0
PKB Privatkliniken Beteiligungs-GmbH	equity	1010 Vienna	50.0
BIBAG Bauindustrie-, Beteiligungs- und Verwaltungs-Aktiengesellschaft	equity	1220 Vienna	25.0
Humanomed Krankenhaus Management Gesellschaft m.b.H.	equity	1040 Vienna	44.0
Privatklinik Villach Gesellschaft m.b.H. & Co. KG	equity	9020 Klagenfurt	34.9
ÖPAG Pensionskassen Aktiengesellschaft	equity	1203 Vienna	40.1
call us Assistance International GmbH	equity	1090 Vienna	31.0
EBV Leasing Gesellschaft m.b.H.	equity	1061 Vienna	50.0
UNIQA Beteiligungs-Holding GmbH	full	1020 Vienna	100.0
UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.	full	1020 Vienna	100.0
Allrisk-SCS-Versicherungsdienst Gesellschaft m.b.H.	equity	2334 Voesendorf-Sued	37.5
Privatklinik Wehrle Gesellschaft mbH	*)	5020 Salzburg	50.0
Financial and strategic shareholdings abroad			
POLONIA-Zycie Holding sp.z.oo.	full	Poland, Lodz	98.9
Real-estate companies			
UNIQA Immobilien-Projekterrichtungs GmbH	full	1020 Vienna	100.0
Fundus Praha s.r.o.	*)	The Czech Republic, Prague	63.4
UNIQA Reality s.r.o.	*)	The Slovak Republic, Bratislava	83.3
UNIQA Real s.r.o.	*)	The Slovak Republic, Bratislava	99.7
UNIQA Real II s.r.o.	*)	The Slovak Republic, Bratislava	99.7
Steigengraben-Gut Gesellschaft m.b.H.	*)	1020 Vienna	100.0
DIANA-BAD Errichtungs- und Betriebs GmbH	equity	1020 Vienna	33.0
Obertauern Liegenschaftsverwaltungs-, Betriebs- und Verwertungsgesellschaft m.b.H.	*)	5020 Salzburg	100.0
Austria Österreichische Hotelbetriebs-Aktiengesellschaft	*)	1010 Vienna	99.5
Austria Österreichische Hotel-Betriebs-Beteiligungs GmbH	*)	1010 Vienna	99.95
"Wohnungseigentum", Tiroler gemeinnützige Wohnbaugesellschaft m.b.H.	*)	6020 Innsbruck	19.55
Bellevue Plaza Bürohaus und Liegenschaftsverwaltungs GmbH	full	Hungary, Budapest	100.0

*) Non-consolidated company

4 Loans

	Acquisition costs	
	31 Dec. 2001 € '000	31 Dec. 2000 € '000
1. Loans to affiliated companies	20,031	18,642
2. Loans to participating interests	771	866
3. Mortgage loans	14,443	17,488
4. Loans and advance payments on policies	11,327	11,146
5. Other loans	883,525	2,321,282
	930,097	**2,369,424**

The market values correspond to the acquisition costs.

	Acquisition costs	
Remaining contractual term	31 Dec. 2001 € '000	31 Dec. 2000 € '000
indefinite	0	105
up to 1 year	69,286	6,363
of more than 1 year up to 5 years	457,816	30,675
of more than 5 years up to 10 years	311,465	58,129
more than 10 years	91,530	2,274,152
	930,097	**2,369,424**

5 Other securities – available for sale

Type of investment	Acquisition costs 31 Dec. 2001 € '000	Acquisition costs 31 Dec. 2000 € '000	Unrealised gains/losses resp. accumulated depreciation 31 Dec. 2001 € '000	Unrealised gains/losses resp. accumulated depreciation 31 Dec. 2000 € '000	Market values 31 Dec. 2001 € '000	Market values 31 Dec. 2000 € '000
Shares	102,461	415,407	2,419	26,002	104,880	441,408
Equity funds	1,202,420	498,951	–167,399	–25,943	1,035,021	473,008
Other variable yield securities	34,301	153,606	545	324	34,847	153,930
Participating interests and other investments	210,529	85,459	502	373	211,032	85,833
Fixed-interest securities and annuity funds	6,198,727	5,068,422	414	–8,232	6,199,141	5,060,190
	7,748,439	**6,221,845**	**–163,519**	**–7,476**	**7,584,920**	**6,214,370**

Change of equity	Allocation without effect on income 31 Dec. 2001 € '000	Allocation without effect on income 31 Dec. 2000 € '000	Withdrawal due to disposals recognised in income 31 Dec. 2001 € '000	Withdrawal due to disposals recognised in income 31 Dec. 2000 € '000	Change of unrealised gains/losses 31 Dec. 2001 € '000	Change of unrealised gains/losses 31 Dec. 2000 € '000
Other securities						
- available for sale	–23,048	–16,068	19,062	7,205	–3,986	–8,863

Remaining contractual term	Acquisition costs 31 Dec. 2001 € '000	Acquisition costs 31 Dec. 2000 € '000	Market values 31 Dec. 2001 € '000	Market values 31 Dec. 2000 € '000
up to 1 year	195,765	99,937	198,752	101,418
of more than 1 year up to 5 years	1,413,485	878,983	1,443,809	905,232
of more than 5 years up to 10 years	3,641,048	3,338,323	3,585,024	3,296,105
more than 10 years	948,430	751,179	971,556	757,436
	6,198,727	**5,068,422**	**6,199,141**	**5,060,190**

The remaining contractual terms referred to fixed-interest securities.

6 Other securities, trading

Derivatives

including structured products regarding investments were of minor significance in relation to the total investments of the UNIQA Group, but of importance in relation to the yields.

Interest derivatives (EUREX) listed on the stock exchange were mainly used for duration control and hedge for the cash portfolio. On a smaller scale, derivatives were used to prepare for acquisitions or for synthetic long positions.

The following types of derivatives were found in the trading portfolio: options, futures, swaps (fixed/floating, asset swaps, total return swaps), swaptions, caps and floors, forwards.

The basis point risk of the whole bond portfolio (including funds and derivatives) amounted to 4 million € on average.

There was no additional build-up of credit risk in the portfolio of structured products.

Volumes of structured products	Remaining term		Total	
	up to 5 years € '000	more than 5 years € '000	2001 € '000	2000 € '000
Structures involving an interest risk	111,738	400,695	512,433	498,423
Structures involving a share exposure	104,994	143	105,137	114,801
Structures involving a currency risk	351	177,821	178,172	195,856
Structures involving a credit risk	0	0	0	21,494
	217,083	**578,658**	**795,742**	**830,573**

The risks of the structures with interest risks refer to the EUR Swap-curve and to a lesser extent to the GBP Swap-curve and EUR-interest volatility.

The structures with share exposure represent exclusively reverse convertibles on the Euro-STOXX-50, NASDAQ-Indices and Nikkei-225-Indices.

Volumes of structured swaps	Remaining term up to 5 years € '000	 5–10 years € '000	 more than 10 years € '000	Total 2001 € '000
Market values:				
Asset swaps	0	50,360	0	50,360
Interest swaps	9,761	20,000	52,490	82,251
	9,761	**70,360**	**52,490**	**132,611**
Balance of provision:				
Asset swaps	0	110	0	110
Interest swaps	–400	0	–3,000	–3,400
	–400	**110**	**–3,000**	**–3,290**

The structures with currency risks refer to the exchange rate development of the USD/JPY, EUR/JPY and CHF/EUR.

There was no substantial concentration of default risks. As a general rule, with the exception of hedging transactions, we were in the position of the option seller, whereby our counterpart-risks were minimal. In addition, derivatives were only traded with credit institutions and banks with a minimum rating of A3/A- (in accordance with our internal investment guidelines) and on the basis of basic agreements for financial futures trading or ISDA Master Agreements.

There were no positions in raw materials or similar commodity futures or spot transactions.

The market risk of the individual portfolios as well as of the total portfolio is calculated on the basis of the internationally applied "value at risk" method (20 days, 95% confidence interval, Monte Carlo simulation, stress tests).

For an efficient risk surveillance, adequate valuation tools – in accordance to the complexity of the assessed instruments – are deployed and a reporting developed. "KMV" is used as the risk controlling instrument for credit risk assessment so that the failure probability of debtors can be promptly assessed using this quantitative approach.

7 Other investments

	31 Dec. 2001 € '000	31 Dec. 2000 € '000
The other investments included:		
deposits with credit institutions	906,840	64,009
deposits with ceding companies	43,096	40,867
	949,935	**104,876**

8 Receivables

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
I. Receivables under insurance business		
1. from policy holders	83,107	70,367
2. from intermediaries	16,085	10,947
3. from insurance companies	6,054	4,359
4. accounts receivable under reinsurance operations	40,255	44,804
	145,500	**130,477**
II. Other receivables		
Accrued interest and rent	176,346	204,769
Tax refund claims	13,252	17,029
Receivables due from employees	4,661	4,437
Other receivables	32,999	55,224
	227,259	**281,459**
Total receivables	**372,759**	**411,936**
of which receivables with a remaining term of		
up to 1 year	368,518	411,936
more than 1 year	4,241	0
	372,759	**411,936**

9 Deferred acquisition costs

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Property and casualty insurance		
As at 1 Jan.	26,809	22,042
Amount capitalised	29,766	20,817
Interest charge	0	0
Write-off	–19,579	–16,050
As at 31 Dec.	**36,997**	**26,809**
Life assurance		
As at 1 Jan.	254,181	230,015
Amount capitalised	82,278	73,729
Interest charge	9,433	9,496
Write-off	–50,994	–59,059
As at 31 Dec.	**294,897**	**254,181**
Health insurance		
As at 1 Jan.	205,389	213,472
Amount capitalised	7,795	9,766
Interest charge	10,688	11,259
Write-off	–30,131	–29,108
As at 31 Dec.	**193,741**	**205,389**

10 Deferred tax asset

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Cause of origin		
Technical items	9,352	8,560
Social capital	27,258	26,538
Other	46,745	30,131
	83,355	**65,229**
Of which without effect on income	0	0

11 Other assets

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Tangible assets	34,504	30,280
Inventories	4,033	3,761
Other	11,498	11,827
Accruals	15,978	16,266
	66,013	**62,135**

Tangible assets
Development during the financial year

	Total consolidated € '000
Acquisition values as at 31 Dec. 2000	65,397
Accumulated depreciation up to 31 Dec. 2000	–35,117
Book values as at 31 Dec. 2000	**30,280**
Changes due to foreign currency translations	125
Additions	17,593
Disposals	–801
Depreciation	–12,693
Book values as at 31 Dec. 2001	**34,504**
Accumulated depreciation up to 31 Dec. 2001	**46,118**
Acquisition values as at 31 Dec. 2001	**80,621**

The tangible assets refer mainly to furniture and equipment. A useful life of between 4 and 10 years was taken for their depreciation. The amounts of depreciation were reported in the profit and loss account after allocation of operating expenses.

LIABILITIES

12 Group equity

	Subscribed capital and capital reserves € '000	Revaluation reserves € '000	Revenue reserves € '000	Profit brought forward and net profit for the year € '000	Equity € '000
Situation as at 31 Dec. 1999	**195,453**	**17,415**	**381,772**	**17,459**	**612,099**
Changes for:					
Foreign currency translation			2,509		2,509
Change of consolidation scope			169		169
Dividends to shareholders				–17,428	–17,428
Capital increase (share split, euro-conversion)	10,970		–10,970		0
Participation certificates disbursement	–118		–802		–921
Unrealised capital gains and losses		–8,863			–8,863
Net profit for the year				12,127	12,127
Changes in revenue reserves			–11,401	11,401	0
Other				–4,360	–4,360
Situation as at 31 Dec. 2000	**206,305**	**8,552**	**361,276**	**19,200**	**595,333**
Changes for:					
Foreign currency translation			–920		–920
Change of consolidation scope			3,468		3,468
Dividends to shareholders				–18,963	–18,963
Own shares			–31,608		–31,608
Unrealised capital gains and losses		–3,986			–3,986
Net profit for the year				13,013	13,013
Changes in revenue reserves			210	–814	–603
Changes in capital reserves	–7,137			7,137	0
Other	33		272	–347	–43
Situation as at 31 Dec. 2001	**199,202**	**4,566**	**332,697**	**19,226**	**555,691**

The subscribed capital corresponded to the share capital of the UNIQA Versicherungen AG. The profit carried forward contains the retained earnings of the Group companies included in the Group financial statements and the allocation of the consolidated net profit for the year. The difference amounts resulting from initial consolidation before 1 January 1995, were set off against the profit carried forward. Unrealised capital gains and losses from the revaluation of investments available for sale affected the revaluation reserves.

By resolution at the first annual general meeting of 20 June 2000, the share capital was converted to euros and subsequently converted to individual shares. This amounted to 119,777,808 € as at 31 December 2000. In 2000, the conversion right was exercised to change the participation certificates into ordinary shares for a nominal value of 109 thousand €. The remaining participation certificates to a nominal value of 118 thousand € were called in according to § 73 d Paragraph 6 of the VAG by resolution of the shareholders at the Annual General Meeting of 20 June against cash compensation. In addition to the subscribed capital, the UNIQA Versicherungen AG has at its disposal an approved capital to the value of 50,000 thousand €. The Management Board of the UNIQA Versicherungen AG was authorised by resolution at the Annual General Meeting of 20 June 2000 to increase the share capital with approval of the Supervisory Board up to and including 30 June 2005.

Moreover the Management Board was authorised at the Annual General Meeting of 20 June 2000 to purchase own shares according to § 65 Paragraph 1, Ziffer 9 and Paragraph 1 a of the Stock Corporation Act on approval of the Supervisory Board. Up to 31 December 2001 5,157,182 own shares were purchased. The book value amounted to 31,608 thousand €.

In the code number "profit per share," the Group net profit is set against the average number of ordinary shares in circulation. Since 2000, as a result of the share split in the ratio of 1:8 and the conversion of the share capital to individual shares, the profit is shown per individual share. The Group net profit for the prior business year has thereby been adjusted by the extraordinary result.

Earnings per share	2001	2000
Group net profit (in thousand €)	13,013	17,500
of which shares (in thousand €)	13,013	17,500
Own shares as of 31 Dec. 2001	5,157,182	–
Average number of shares in circulation	117,199,217	119,777,808
Profit per share (in €)	**0.11**	**0.15**
Profit before taxes per share (in €)	**0.27**	**0.25**

Adjusted for the goodwill amortisation, the profit per share in 2001 amounts to **0.15 €** (2000: **0.18 €**).

13 Minority interests

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
in the revaluation reserve	631	3,870
in the net income for the year	13,305	12,201
in the other equity	116,337	110,891
	130,273	**126,962**

14 Unearned premiums

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Property and casualty insurance		
Gross	171,797	134,724
Reinsurers' share	–18,986	–24,749
	152,811	**109,975**
Health insurance		
Gross	15,027	16,668
Reinsurers' share	–362	–4,278
	14,665	**12,390**
In the consolidated financial statements		
Gross	186,824	151,393
Reinsurers' share	–19,349	–29,027
(fully consolidated figures)	**167,476**	**122,365**

15 Actuarial provision

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Property and casualty insurance		
Gross	934	22,943
Reinsurers' share	–210	–19,017
	724	**3,926**
Life assurance		
Gross	8,001,072	7,329,952
Reinsurers' share	–42,798	–12,546
	7,958,274	**7,317,406**
Health insurance		
Gross	1,261,135	1,219,405
Reinsurers' share	–1,749	–1,792
	1,259,387	**1,217,614**
In the consolidated financial statements		
Gross	9,263,141	8,572,300
Reinsurers' share	–44,756	–33,355
(fully consolidated figures)	**9,218,385**	**8,538,946**

The interest rates used as an accounting basis were as follows:

for according to	Life assurance SFAS 120 %	Health insurance SFAS 60 %
2001		
for the actuarial provision	2.3–4.0	5.5
for the deferred acquisition costs	5.6–5.8	5.5
2000		
for the actuarial provision	3.0–4.0	5.5
for the deferred acquisition costs	6.8–6.9	5.5

16 Provision for outstanding claims

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Property and casualty insurance		
Gross	876,524	805,367
Reinsurers' share	–199,689	–170,313
	676,835	**635,053**
Life assurance		
Gross	100,148	80,063
Reinsurers' share	–6,469	–3,614
	93,678	**76,449**
Health insurance		
Gross	114,950	123,953
Reinsurers' share	–206	–3,979
	114,744	**119,974**
In the consolidated financial statements		
Gross	1,091,622	1,009,382
Reinsurers' share	–206,365	–177,906
(fully consolidated figures)	**885,257**	**831,476**

The provision for outstanding claims (loss reserve) developed in the property and casualty insurance as follows:

	31 Dec. 2001 Total consolidated € '000
1. Provision for outstanding claims, as at 1 Jan.	
a. Gross	805,367
b. Reinsurers' share	–170,313
c. Retention	**635,053**
2. Plus retained claims expenditures	
a. Losses of the current year	592,242
b. Losses of the previous year	–18,474
c. Total	**573,768**
3. Less retained losses paid	
a. Losses of the current year	–360,180
b. Losses of the previous year	–196,603
c. Total	**–556,783**
4. Foreign currency translation	**599**
5. Change of consolidation scope	**23,707**
6. Other changes	**490**
7. Provision for outstanding claims, as at 31 Dec.	
a. Gross	876,524
b. Reinsurers' share	–199,689
c. Retention	**676,835**

17 Provision for premium refunds

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Property and casualty insurance		
Gross	2,162	1,684
Reinsurers' share	–27	–2
	2,134	**1,682**
Life assurance		
Gross	522,446	510,036
Reinsurers' share	–100	–36
	522,346	**509,999**
Health insurance		
Gross	58,234	54,578
Reinsurers' share	0	0
	58,234	**54,578**
In the consolidated financial statements		
Gross	582,841	566,297
Reinsurers' share	–127	–39
(fully consolidated figures)	**582,714**	**566,259**
of which profit-unrelated	**11,367**	**9,300**
of which profit-related	**571,347**	**556,959**

Gross	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
a) Provision for profit-unrelated premium refunds	11,394	9,302
profit-related premium refunds and policy holder profit participation	365,431	368,666
b) deferred profit participation	206,016	188,329
	582,841	**566,297**

Gross	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
a) Provision for profit-unrelated premium refunds, profit-related premium refunds and policy holder profit participation		
As at 1 Jan.	377,968	390,698
Other changes:	–1,143	–12,730
As at 31 Dec.	**376,825**	**377,968**
b) Deferred profit participation		
As at 1 Jan.	188,329	216,457
Changes for: Market value fluctuations	–85,146	–73,731
Revaluation with an effect on income	102,833	45,604
As at 31 Dec.	**206,016**	**188,329**

18 Provisions for pensions and similar commitments

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Provision for pensions	211,482	205,138
Provision for severance payments	85,495	81,884
	296,977	**287,022**

The different pension commitments have been transferred to UNIQA Versicherungen AG within the context of earlier restructuring steps. These commitments have been allowed for by creating provisions for pensions, also taking into account the decisive future claims development to beneficiaries and whose capitalised present value corresponds to the expected rate of interest.

	2001 Total consolidated € '000
As at 1 Jan.	**287,022**
Change of consolidation scope	86
Withdrawal for pension payments	–16,265
Expenditure of the business year	26,134
As at 31 Dec.	**296,977**

Calculation factors applied

Technical rate of interest	5.75%
Valorisation of earnings	3.00%
Valorisation of pensions	2.00%
Employee turnover deduction	0% resp. age dependant
Accounting principles	AVÖ 1999P – Pagler & Pagler/employee

Specification of pension expenditure included in the income statement

	2001 Total consolidated € '000
Current service cost	8,717
Interest cost	16,487
Amortisation of profits/losses	930
Income/expenses of plan curtailments or settlements	0
	26,134

19 Other provisions

	Balance sheet values preceding year € '000	Currency translation changes € '000	Amounts used € '000	Amounts wound-up € '000	Transfers € '000	Change of consol-idation scope € '000	Amounts allocated € '000	Balance sheet values business year € '000
Provision for holiday entitlements	21,526	0	–237	–26	417	0	1,314	22,994
Provisions for anniversary payments	14,290	0	0	–4	0	0	–510	13,776
Other personnel provisions	3,238	15	–1,487	–917	–125	0	5,397	6,121
Provisions for customer relations and marketing	18,913	0	–16,690	–1,048	257	0	17,825	19,257
Other provisions*)	20,237	163	–9,518	–2,161	–548	13	19,209	27,395
	78,204	**178**	**–27,931**	**–4,156**	**0**	**13**	**43,235**	**89,543**

*) This item also includes a provision for the compensation of the victims of the Nazi era to the value of 5 million USD (5,373 thousand €) that were charged to extraordinary result.

20 Liabilities

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Liabilities under insurance business		
Deposits held under reinsurance business ceded	70,453	49,574
Liabilities under direct insurance business		
- to policy holders	73,428	65,145
- to intermediaries	47,701	35,924
- to insurance companies	5,056	4,464
Accounts payable under reinsurance business	10,459	8,395
Liabilities to credit institutions	1,388	0
Other liabilities	60,918	70,088
of which for taxes	28,040	23,200
of which for social security	6,167	6,344
	269,402	**233,589**
of which with a remaining term of		
up to 1 year	247,297	233,589
1–5 years	22,060	0
more than 5 years	46	0
	269,402	**233,589**

21 Deferred tax liabilities

	31 Dec. 2001 Total consolidated € '000	31 Dec. 2000 Total consolidated € '000
Cause of origin		
Technical items	84,779	76,801
Untaxed reserves	49,527	53,649
Shares in affiliated companies	39,019	37,397
Investments	20,196	32,991
Other	2,324	2,111
	195,844	**202,949**
of which without effect on income	893	32,283

22 Other liabilities

The other liabilities item basically comprises the balance of the deferred income recording of the indirect business settlement.

Supplementary information on the consolidated profit and loss account 2001

23 Premiums written

Direct business	2001 Total consolidated € '000	2000 Total consolidated € '000
1. Property and casualty insurance	832,474	746,748
2. Life assurance	1,086,519	1,053,423
3. Health insurance	663,225	633,109
	2,582,218	**2,433,280**
of which written in:		
1. Austria	2,363,214	2,297,313
2. Other member states of the EC and other signatory states of the Treaty on the European Economic Area	71,196	60,082
3. Other countries	147,808	75,885
	2,582,218	**2,433,280**

Indirect business	2001 Total consolidated € '000	2000 Total consolidated € '000
1. Property and casualty insurance	38,737	56,317
2. Life assurance	20,616	3,754
3. Health insurance	3,034	11,835
	62,387	**71,906**

	2001 Total consolidated € '000	2000 Total consolidated € '000
Total (fully consolidated figures)	**2,644,605**	**2,505,185**

Premiums written Property and casualty insurance	2001 Total consolidated € '000	2000 Total consolidated € '000
Direct business		
Fire and business interruption insurance	71,731	67,459
Household insurance	55,421	52,420
Other property insurance	91,121	83,897
Motor TPL insurance	232,155	201,442
Other motor insurance	130,084	113,822
Accident insurance	118,644	110,757
Liability insurance	86,270	80,204
Legal expenses insurance	12,043	8,107
Marine, aviation and transport insurance	16,503	12,342
Other insurance	18,500	16,297
Total	**832,474**	**746,748**
Indirect business		
Marine, aviation and transport insurance	1,462	7,028
Other insurance	37,275	49,289
Total	**38,737**	**56,317**
Total direct and indirect business (fully consolidated figures)	**871,211**	**803,064**

Reinsurance premiums ceded	2001 Total consolidated € '000	2000 Total consolidated € '000
1. Property and casualty insurance	186,301	166,246
2. Life assurance	14,551	1,887
3. Health insurance	1,225	11,766
	202,078	**179,899**

24 Premiums earned (net)

	2001 Total consolidated € '000	2000 Total consolidated € '000
1. Property and casualty insurance	**679,087**	**631,783**
Gross	864,712	796,742
Reinsurers' share	–185,625	–164,959
2. Life assurance	**1,093,045**	**1,055,161**
Gross	1,107,596	1,057,047
Reinsurers' share	–14,551	–1,887
3. Health insurance	**663,231**	**634,031**
Gross	664,469	645,491
Reinsurers' share	–1,238	–11,460
(fully consolidated figures)	**2,435,363**	**2,320,975**

25 Other income

	2001 Total consolidated € '000	2000 Total consolidated € '000
a) Other technical income	**7,156**	**2,245**
Property and casualty insurance	5,157	1,766
Life assurance	1,638	289
Health insurance	361	190
b) Other non-technical income	**4,888**	**5,106**
Property and casualty insurance	3,202	3,799
Life assurance	1,421	1,204
Health insurance	265	103
of which		
Services rendered	2,011	1,199
Foreign-exchange profit	162	120
Other	2,716	3,787
c) Other income	**17,595**	**51**
Currency translation	13,525	51
Other	4,070	0
(fully consolidated figures)	**29,639**	**7,402**

26 Net investment income

	Property and casualty	
	2001 € '000	2000 € '000
I. Land and buildings, including buildings on third-party land	12,626	10,759
II. Shares in affiliated and associated companies	6,451	4,459
III. Loans	16,397	16,991
IV. Other securities		
1. Held to maturity	0	0
2. Available for sale		
a) variable yield	–13,213	32,149
b) fixed interest	20,378	15,468
3. Trading	1,491	2,072
V. Other investments	6,710	6,217
VI. Expenditure for the management of investments, interest expenditure and other investment expenditure	–8,375	–5,174
(fully consolidated figures)	**42,464**	**82,941**

	In the consolidated financial statements	
	2001 € '000	2000 € '000
Income from associated companies	**5,784**	**3,029**

	Life		Health		In the consolidated financial statements	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000	2001 € '000	2000 € '000
	4,341	310	6,158	6,755	23,125	17,824
	23	12	–560	198	5,914	4,669
	163,220	158,849	49,143	31,073	228,760	206,913
	0	0	0	0	0	0
	–50,975	101,031	–7,688	25,539	–71,876	158,719
	318,190	154,233	33,846	18,664	372,413	188,366
	86,509	78,918	3,148	5,033	91,147	86,023
	16,802	5,967	2,290	3,351	25,802	15,535
	–7,635	–7,781	715	–365	–15,295	–13,320
	530,474	**491,540**	**87,052**	**90,248**	**659,989**	**664,729**

	Ordinary income		Write-ups and unrealised capital gains	
	2001 € '000	2000 € '000	2001 € '000	2000 € '000
I. Land and buildings, including buildings on third-party land	42,865	38,597	1,831	0
II. Shares in affiliated and associated companies	7,080	4,669	0	0
III. Loans	137,944	156,871	0	0
IV. Other securities				
1. Held to maturity	0	0	0	0
2. Available for sale				
a) variable yield	59,222	35,854	0	268
b) fixed interest	333,415	270,195	64	25
3. Trading	75,376	89,320	8,563	0
V. Other investments	24,955	15,535	0	0
VI. Expenditure for the management of investments, interest expenditure and other investment expenditure	–15,295	–13,320	0	0
(fully consolidated figures)	**665,561**	**597,722**	**10,459**	**293**

Realised capital gains		Depreciation and unrealised capital losses		Realised capital losses		In the consolidated financial statements	
2001 € '000	2000 € '000	2001 € '000	2000 € '000	2001 € '000	2000 € '000	2001 € '000	2000 € '000
2,321	3,246	–22,067	–23,947	–1,825	–72	23,125	17,824
95	0	–1,261	0	0	0	5,914	4,669
96,540	50,042	–5,724	0	0	0	228,760	206,913
0	0	0	0	0	0	0	0
13,132	122,609	–82,534	–12	–61,696	0	–71,876	158,719
41,219	1,559	–546	–2,402	–1,739	–81,012	372,413	188,366
7,218	0	0	–1,050	–9	–2,247	91,147	86,023
933	0	–87	0	0	0	25,802	15,535
0	0	0	0	0	0	–15,295	–13,320
161,458	**177,456**	**–112,219**	**–27,411**	**–65,269**	**–83,331**	**659,989**	**664,729**

27 Insurance benefits

	Gross 2001 Total consolidated Group € '000	Reinsurers' share 2001 Total consolidated Group € '000	Net 2001 Total consolidated Group € '000	Gross 2000 Total consolidated Group € '000	Reinsurers' share 2000 Total consolidated Group € '000	Net 2000 Total consolidated Group € '000
Property and casualty insurance						
Expenditure for claims						
- claims paid	610,171	–129,882	480,289	595,189	–121,265	473,924
- change of the provision for outstanding claims	27,128	–10,692	16,436	60,714	–38,802	21,912
Total	**637,299**	**–140,574**	**496,725**	**655,902**	**–160,066**	**495,836**
Change of the actuarial provision	0	0	0	4,414	–4,974	–560
Change of the other technical provisions	–4,360	293	–4,067	433	–317	116
Expenditure for profit-unrelated premium refunds	2,279	–290	1,990	1,284	64	1,349
Total benefits amount	**635,219**	**–140,571**	**494,647**	**662,033**	**–165,293**	**496,741**
Life assurance						
Expenditure for claims						
- claims paid	724,447	–4,617	719,829	643,417	–1,671	641,745
- change of the provision for outstanding claims	19,415	–945	18,470	6,084	209	6,293
Total	**743,861**	**–5,562**	**738,300**	**649,501**	**–1,463**	**648,038**
Change of the actuarial provision	412,118	–8,309	403,809	457,125	–315	456,810
Change of the other technical provisions	145	0	145	0	–254	–254
Expenditure for profit-unrelated and related premium refunds, respectively deferred profit participation	291,320	0	291,320	267,916	0	267,916
Total benefits amount	**1,447,444**	**–13,871**	**1,433,573**	**1,374,542**	**–2,032**	**1,372,510**
Health insurance						
Expenditure for claims						
- claims paid	539,115	–358	538,756	529,304	–8,672	520,632
- change of the provision for outstanding claims	84	51	136	–4,083	3,332	–751
Total	**539,199**	**–307**	**538,892**	**525,221**	**–5,340**	**519,881**
Change of the actuarial provision	39,993	0	39,993	54,396	–4,675	49,721
Change of the other technical provisions	884	–8	875	0	0	0
Expenditure for profit-related and unrelated premium refunds	21,301	–2	21,300	14,912	0	14,912
Total benefits amount	**601,377**	**–317**	**601,060**	**594,529**	**–10,015**	**584,514**
(fully consolidated figures)	**2,684,040**	**–154,759**	**2,529,281**	**2,631,105**	**–177,340**	**2,453,765**

28 Operating expenses

	2001 Total consolidated € '000	2000 Total consolidated € '000
Property and casualty insurance		
a) Acquisition costs		
- Payments	195,678	180,694
- Change of deferred acquisition costs	–5,080	–4,767
b) Other operating expenses	115,944	103,796
c) less		
reinsurance commission and profit shares		
received from reinsurance business ceded	52,182	54,242
	254,360	**225,481**
Life assurance		
a) Acquisition costs		
- Payments	122,923	108,697
- Change of deferred acquisition costs	–40,569	–24,166
b) Other operating expenses	50,407	50,963
c) less		
reinsurance commission and profit shares		
received from reinsurance business ceded	–636	126
	133,398	**135,368**
Health insurance		
a) Acquisition costs		
- Payments	58,195	61,353
- Change of deferred acquisition costs	11,622	8,083
b) Other operating expenses	46,668	42,737
c) less		
reinsurance commission and profit shares		
received from reinsurance business ceded	470	2,840
	116,015	**109,334**
(fully consolidated figures)	**503,773**	**470,183**

29 Other expenses

	2001 Total consolidated € '000	2000 Total consolidated € '000
a) Other technical expenses	**15,950**	**16,979**
Property and casualty insurance	11,649	12,800
Life assurance	2,950	2,231
Health insurance	1,351	1,948
b) Other non-technical expenses	**8,189**	**6,290**
Property and casualty insurance	7,939	6,229
Life assurance	27	0
Health insurance	223	61
of which		
Services rendered	0	1,297
Foreign-exchange losses	1,128	1,781
Other	7,061	3,212
c) Other expenses	**17,931**	**190**
- Foreign-exchange translation	14,008	124
- Other	3,923	66
(fully consolidated figures)	**42,070**	**23,459**

30 Tax expenditure

	2001 Total consolidated € '000	2000 Total consolidated € '000
Income tax		
Actual tax	33,228	15,499
Deferred tax	–14,199	–3,258
(fully consolidated figures)	**19,029**	**12,241**

Reconciliation statement

	2001 Total consolidated € '000	2000 Total consolidated € '000
A. Profit on ordinary activities	**45,347**	**41,943**
- Extraordinary result	0	5,373
B. Anticipated tax expenditure (A*Group tax rate)	**22,343**	**16,908**
Corrected for tax effects for		
1) tax-free income from investments	–2,523	–3,497
2) Other	–790	–1,170
- non-deductible expenses	–1,398	–5
- other	607	–1,165
C. Income tax expenditure	**19,029**	**12,241**

The basic applicable corporate income tax rate was 34%, for life assurance, the implications of the minimum taxation were considered at a tax rate of 45.4% under the assumption of a profit participation to the amount of 85%.

OTHER DISCLOSURES

Employees

Personnel expenses	2001 Total consolidated € '000	2000 Total consolidated € '000
Salaries and wages	180,449	175,925
Expenses for severance payments	18,390	9,643
Expenses for employee pensions	15,457	15,253
Expenditure on mandatory social security contributions as well as income-based charges and compulsory contributions	59,934	58,214
Other social expenditure	1,564	3,839
	275,793	**262,873**
of which sales	101,928	94,230
of which administration	163,281	158,302

Average number of employees	2001	2000
Total	**6,718**	**6,443**
of which sales	3,066	3,051
of which administration	3,652	3,392

Of the expenses for severance payments and employee pensions, 4,872 thousand € (previous year 2,258 thousand €) went to severance payments and employee pensions for members of the Management Board and executive employees according to § 80 Paragraph 1 of the Stock Corporation Law as well as 28,976 thousand € (previous year 22,638 thousand €) for the other employees.

Both values include the expenditure for pensioners and surviving dependants (basis: Commercial Code – valuation).

Earnings of the Management and Supervisory Boards

The members of the Management Board receive payment exclusively from the holding company of the Group, the UNIQA Versicherungen AG.

The Management Board member's remuneration amounted to 2,355 thousand € (previous year 2,533 thousand €). Of this, 2,234 thousand € were charged to the operating subsidiaries (previous year 2,405 thousand €).

The remuneration of the members of the Supervisory Board amounted to 331 thousand € (previous year 438 thousand €). Former members of the Supervisory Board did not receive any remuneration.

Former members of the Management board and their surviving dependants were paid 2,560 thousand € (previous year 2,494 thousand €).

Because of pension commitments to these persons, a provision of 24,603 thousand € (previous year 25,221 thousand €) was set up on 31 December 2001.

Group holding company

The parent company of the UNIQA Group is the UNIQA Versicherungen AG. It is registered under the company number FN 92933 t in the Company Register of the Vienna Commercial Court. In addition to its functions as a holding company for the Group, it also serves as the Group's reinsurer.

Related companies

Receivables and liabilities with affiliated and associated companies	2001 Total consolidated € '000	2000 Total consolidated € '000
B. III. Mortgage loans and other loans	5,990	19,508
C. Receivables		
Receivables under insurance business	0	0
Other receivables	4,876	12,580
E. Liabilities		
Liabilities under insurance business	7	0
Other liabilities	6,463	2,863

Other financial commitments and contingent liabilities

The contingent liabilities amounted to 1,125 thousand € (previous year 3 thousand €).

Profit and loss transfer agreements exist with the following companies:
UNIQA Sachversicherung AG, Raiffeisen Versicherung AG, CALL DIRECT Versicherung AG, Agenta Risiko- und Finanzierungsberatung Gesellschaft m.b.H., Versicherungsmarkt-Servicegesellschaft m.b.H., UNIQA Küchen-Service GmbH, UNIQA Finanz-Service GmbH.

Vienna, May 2002
The Management Board

Konstantin Klien

Hannes Bogner

Gottfried Wanitschek

Andreas Brandstetter

Karl Unger

Auditor's Certificate

We have audited the German version of the attached Group Consolidated Financial Statements of the UNIQA Versicherungen AG and its subsidiaries for the financial year ending 31 December 2001. The company's board of management is responsible for establishing the Group Consolidated Financial Statements. It is our task to give an opinion to the Group Consolidated Financial Statements on the basis of our audit.

Our audit was carried out according to the International Standards on Auditing. These standards require the audit to be planned and executed to allow a judgement to be made with reasonable assurance as to whether the Consolidated Financial statements are free from any fundamental false statements. The audit includes spot checks to verify the valuations and disclosures contained in the Consolidated Financial Statements.

It also contains an evaluation of the applied accounting rules and the major estimates by Group Management as well as an appreciation of the overall presentation of the Group Consolidated Financial Statements. We believe that our audit provides a sufficiently certain basis for our audit opinion.

We are convinced that the Group Consolidated Accounts give a true and fair view of the assets and financial position of the Group as at 31 December 2001 as well as of the earnings position and cash-flows in the year under report and that they comply with the requirements of the International Accounting Standards (IAS), taken over from the International Accounting Standards Board.

We confirm that the statutory requirements for the exemption from the prerequisite of preparing Group Consolidated Financial Statements and Group Management Report according to Austrian law were met and that the Group Management Report is in keeping with the Group Consolidated Financial statements.

Vienna, 23 May 2002

KPMG Alpen-Treuhand GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

Walter Knirsch
Austrian Chartered Accountant
and Tax Consultant

Michael Schlenk
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Nikolaus Schaffer
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Bernhard Gröhs
Austrian Chartered Accountant
and Tax Consultant

Glossary

Actuarial provisions
Provision at the amount of the existing obligation to pay insurance claims and premium refunds, mainly in life and health insurance. The provision is calculated in line with actuarial methods as the balance of the cash value of future obligations less the cash value of future premiums.

Affiliated companies
Affiliated companies are the parent and its subsidiaries. Subsidiaries are companies in which the parent may exercise a controlling influence on business policy. This is the case, for instance, if the parent directly or indirectly holds more than half of the voting rights, if control agreements have been concluded or if the parent is in a position to nominate the majority of the members of the managing board or of other controlling bodies of the subsidiary.

Amortised acquisition costs
The original acquisition costs net of depreciation for durable impairment.

Associated companies
These are participating interests consolidated at equity, i.e. by including them in the consolidated financial statements with the corresponding share in the equity. The major prerequisite for doing so is the possibility of the Group exercising a decisive influence on the operation and financial policy of the associated company, independent of the Group actually making use of that influence.

Benefits
Expenditure (net of reinsurers' shares) for insurance benefits, for premium refunds and for the change of actuarial and/or technical provisions.

Cash flow
Cash surplus from operating, investing and financing activities created by the company during a specific period (source and application of funds).

Composite insurance
Term comprising property and casualty insurance. Due to the obligatory separation of insurance lines, it is necessary to have legally separate companies for operating composite, life and health insurance. For credit and fidelity insurance as well as legal expenses insurance there is no obligatory separation of insurance lines and therefore the latter can also be operated by property and casualty companies.

Contingent liabilities
Liabilities that do not have to be recognised in the balance sheet and where the probability of materialisation appears to be uncertain (e.g. contingent liabilities under guarantee commitments).

Counterparty risks
Risk of an obligation not being fulfilled by the counterparty, e.g. failure to pay or deliver the securities involved.

Deferred acquisition costs

These comprise the expenses incurred by an insurance company for concluding new insurance policies or renewing existing policies. Among other costs they include acquisition commissions and expenses for handling the proposal form and risk underwriting.

Deposits receivable/payable under reinsurance business

Amount receivable by the reinsurance company from the ceding company on the basis of the reinsurance business accepted by the reinsurer and which for the latter is similar to an investment. The amount equals the amount the ceding company provides as a collateral. Analogously: deposits payable

Derivatives

Financial contracts whose value depends on the price development of an underlying asset. Examples are: options, futures, forwards, interest and currency swaps.

Direct insurance business

Insurance contract taken out by a direct (primary) insurance company with a private person or company as opposed to reinsurance business accepted (indirect business) which refers to the business accepted from another direct (primary) insurer or reinsurance company.

Earned premiums

The premiums referring to the business year which determine the income for the business year. For calculating the amount of earned premiums, beside gross premiums written, the change of unearned premiums in the business year, the provision for expected cancellations and other receivables from unwritten premiums are considered.

Equity method

Method used for recognising the interests in affiliated companies not consolidated, joint ventures and associated companies. They are in principle valued at the Group's share in the equity of these companies. In the case of interests in companies which also establish consolidated financial statements, the valuation is based on the share in the Group equity. Under current valuation, this measurement is to be adjusted for the interest in equity changes, with the interest in the net income for the year being allocated to the consolidated result.

Futures

A future transaction is the commitment to sell or purchase a specific underlying item at a specific date and at an agreed price.

Goodwill

Excess over the purchase price for the a subsidiary and the share in its equity after winding up the hidden reserves attributable to the purchaser at the date of acquisition. The goodwill is amortised over its useful life.

Gross figures

Recognition of balance sheet items before deduction of the amounts referring to reinsurance business ceded.

IAS
International Accounting Standards

Management approach
Under the management approach the internal organisational and controlling structure and the internal reporting of a company determine the definition and identification of individual segments with regard to segment reporting.

Market value
The amount that can be obtained in an active market by selling a financial investment.

Multi tranches
Bonds involving a put option under which the seller can sell additional bonds (with an identical or shorter term) to the buyer. The buyer receives a premium which increases the yield on the security in comparison to a "normal" security having the same term and yield.

Operating expenses
This item includes the expenses for premium collection, the handling of the policy portfolio and reinsurance expenses. After deduction of commissions and profit participations received under reinsurance business ceded, the remaining expenses are the net operating expenses.

Options
By acquiring an option, the buyer acquires the right, but not the obligation to buy or sell an underlying asset during a specific term or at a specific date at an agreed price.

Premiums
Gross premiums written. All premiums received in the business year under direct (primary) insurance business and reinsurance business accepted.

Provisions for outstanding claims
This provision includes the obligations for payment of insurance claims which have already occurred on the reporting date, but which are not yet completely settled.

Provisions for premium refunds and profit participation
The part of the profit to be distributed to the policyholders is appropriated to a provision for premium refunds, and/or profit participation. The provision also includes deferred amounts.

Reinsurance
The acceptance of a risk written by another insurance company

Reinsurance premiums ceded
Share of the premiums paid to the reinsurer as a consideration for insuring certain risks.

Result per share

Key figure determined by dividing the consolidated net profit for the year by the average number of shares issued and outstanding. The diluted result per share includes options exercised or to be exercised in the number of shares and in the net profit. Options are created by the issue of convertible bonds or by subscription rights for shares.

Retrocession

Retrocession is the ceding of reinsurance business accepted to a retrocessionaire. Professional reinsurance companies and also other insurance companies, under their inwards reinsurance business, use retrocession as an instrument for spreading and controlling risks.

Revaluation reserves

Unrealised profits and losses resulting from the difference in the present market value and acquisition value and/or the amortised acquisition costs for fixed interest securities are allocated to this reserve without affecting income after the deduction of deferred taxes and – for life insurance – provisions for deferred profit participation.

SFAS

Statement of Financial Accounting Standards – regulations defining details with regard to US-GAAP.

Share premium

The amount by which the price to be paid for a security exceeds its nominal value. As a general rule, the share premium is expressed as a percentage of the nominal value.

Swaps

Exchange transactions such as exchanging a fixed coupon for a variable one and vice versa.

Underlyings

Basic item, item of reference.

Unearned premiums

That part of the premium income of the year which refers to periods of insurance that lie after the reporting date, i.e. which have not yet been earned at reporting date. In the balance sheet unearned premiums have to be shown as a separate line item under the technical provisions with the exception of life insurance.

US-GAAP

US – Generally Accepted Accounting Principles

Value at risk

A method for measuring market risks in order to calculate the expected value of a loss that might occur in an unfavourable market situation with a determined probability within a defined period of time.

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Information
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The annual reports for the individual UNIQA Group companies can be downloaded from the Internet at **www.uniqa.at.**


www.uniqa.at