Annual Financial Report 2009 according to Section 82 paragraph 4 of the Austrian Stock Exchange Act

UNIQA Versicherungen AG

UNIQA The insurance of a new generation.

Contents

Group Management Report

Economic environment

The world economy was hit in 2009 by the worst recession since 1945. It was triggered by the collapse of the US investment bank Lehman Brothers in September 2008 and the resulting turbulences on the global financial markets. In total, the real gross domestic product of the euro zone may have fallen by 3.9% in 2009 compared with the previous year. Austria appears to have performed marginally better at a preliminary value of 3.4%. However, a shift in the trend began toward the middle of the year. After consistent declines since the second quarter of 2008, the euro zone exhibited real GDP growth of 0.4% in the 3rd quarter of 2009 (compared to the previous quarter). Comprehensive state stimulus packages as well as the expansive monetary policy of the European Central Bank (ECB) were also key contributors to this development.

CEE also heavily affected

Due to their close economic and financial links with Western Europe, the Central and Eastern European countries were also fully affected by the global economic crisis. In addition to the heavy reliance on exports to the European market, the CEE economies are primarily dependent on capital flows coming from Western Europe, which were reduced considerably over the course of the global financial crisis. Preliminary figures indicate a GDP decline of 3.8% for the eight new EU Member States. The only exception is Poland, which was the only larger economy in Europe to achieve positive economic growth. Practically all other countries in the region suffered sometimes painful GDP declines in 2009; many of them were only able to finance their high budget deficits with support from the IMF and the EU. Alongside Hungary, Romania, Serbia and Bosnia and Herzegovina, the crisis was particularly hard on the Ukraine, where the economy may have shrunk by more than 10% in 2009 after years of high growth.

Insurance industry with stagnating premiums

While the Austrian insurance industry still demonstrated premium growth of 2.1% in 2008, it grew only slightly more slowly in 2009 at 1.5% to reach € 16.5 billion. The primary culprit for this decline was life insurance, which only achieved a growth of 0.7% to reach € 7.4 billion (2008: +2.2%). On the other hand, health insurance experienced continued stable growth of 3.6%, reaching € 1.6 billion.

The segments of property and casualty insurance also continued to grow, although the trend toward less dynamic growth continued. Overall, the premiums in this area grew by 1.8% to € 7.5 billion, falling just short of the previous year's rate (2008: +1.9%). Motor vehicle insurance, however, suffered a significant setback with volume declining by 2.2% as average premiums continued to fall (2008: –1.0%). The remaining areas of property and casualty insurance exhibited overall gains of 3.3%, coming in slightly below the value of the previous year (2008: +3.8%).

Financial markets gradually recovering

The year 2009 also brought significant recovery to the prices on the world's stock markets. The start of the year was still heavily marked by the financial crisis, with share prices falling worldwide, often to reach historic lows. Added to this were regular negative reports on economic data from numerous countries as well as pessimistic predictions by economic research institutes. Nevertheless, the expansion of the stimulus packages and state guarantees started by many countries in 2008, better economic data and low prime rates produced a slight market recovery toward the end of the first quarter, which continued into the second quarter.

Good mid-year results from US companies and the statement by the Chairman of the Federal Reserve that the American economy had probably come through the recession noticeably rejuvenated the stock markets in the third quarter. Higher than expected economic data from many countries as well as the announcement by the ECB that it would provide additional liquidity supplied continued positive momentum. Toward the end of the year, the positive economic news spread, creating still more impulses. This more than compensated for concerns that the central banks would raise interest rates and worries about the growing risks being taken on by national governments.

Prime rates and money market rates at historic lows

The interest rate decreases implemented as part of the economic recovery packages produced historically low interest rates worldwide again in 2009. Already in 2008, the USA had reduced its prime rate de facto to zero in order to secure refinancing of the banks. This level remained unchanged in 2009 as well. The ECB lowered its main refinancing rate – which was already reduced to 2.5% in 2008 – further to 1.0% in four steps. The money market interest rates also fell sharply in the year 2009. For instance, the rate for the three-month EURIBOR at the end of 2009 was just 0.70%, the one-month rate was 0.45%. Both were therefore significantly below the prime rate.

In 2008, bond yields had fallen to their lowest values both in the euro zone and in the USA in the face of interest reductions by the Fed and the ECB as well as the increased risk aversion of investors; however, they recovered somewhat toward the end of 2009. The main factors were the more positive economic data and the associated expectation of rising inflation rates.

The euro gained 3.9% over the US dollar compared with the rate of the previous year, but exhibited significant fluctuations over the course of the year. A decline to just over 1.25 USD in March was followed by a phase of nearly constant gains that reached the area of 1.51 USD. Only toward the end of the year did the rate fall again to close the year at 1.44 USD.

More optimistic forecasts for 2010

The economic recovery that could already be seen in 2009 may continue in the coming months, according to the estimates of economists, and should result in GDP growth for Austria of 1.5% in 2010. A GDP growth of 1.5% is also expected for Germany as well, while the economy in the euro region should grow by 1.1% overall in 2010. However, the recovery is still considered unstable and is subject to a number of risks, and no acceleration is expected in 2011 from the current perspective. According to current forecasts, the USA may even outpace the euro region in 2010 with a gain of 1.7%. China will hold its place as the world's major economic mover with an expected GDP growth of 9.0%. Worldwide, economic output should grow by 3.0% in 2010.

In Central and Eastern Europe, experts currently expect further declines in the Baltic countries, Romania, Bulgaria and Hungary, while the Polish and Czech economies should expand thanks to the more stable consumer demand. In the eight new EU Member States, the economy should remain stable in 2010 at +/–0.0% following the average losses of 3.8% in the preceding year.

The slight economic recovery notwithstanding, forecasts for the Austrian insurance industry in 2010 currently predict premiums to decline by a total of 1.3%. Health insurance is expected to continue growing by 2.5% while premiums in property and casualty may decline by 0.5%. The negative trend in life insurance will continue with an expected drop in premiums of 3.0%. According to current expectations, motor vehicle insurance will also remain in decline (–3.0%).

Financial markets more approachable

Caution is still advised when attempting to predict future developments on the international financial markets. In the area of interest, upward movement is expected for money market rates while the prime rates may remain unchanged in both Europe and the USA until further notice. The stock markets seem much more approachable after the rallying of prices in recent months. Should the economic environment continue to recover, the stock prices should tend to rise further on the basis of improved company results. However, particularly following the strong price gains of recent months, the possibility of setbacks cannot be ruled out. After several successful capital increases at the end of last year, the Vienna Stock Exchange expects more new members in 2010. In the bond markets, experts expect a continuing upward trend for long-term yields both in the USA and in Europe. The main factors for this are the improving economic conditions and the associated prospect of a trend toward streamlining of monetary policy.

The UNIQA Group

With €5,739 million in premiums written, including the savings portion of unit- and index-linked life insurance, UNIQA is one of the leading insurance groups in Central and Eastern Europe. The savings portion of premiums from unit-linked and index-linked life insurance amounting to €728 million is, in accordance with FAS 97 (US-GAAP), balanced out by the changes in the actuarial provision. Premium volume excluding the savings portion from the unit- and index-linked life insurance amounts to €5,012 million.

UNIQA in Europe

The UNIQA Group offers its products and services through all distribution channels (salaried sales force, general agencies, brokers, banks and direct sales). UNIQA is active in all types of insurance and operates its direct insurance business in Austria through UNIQA Personenversicherung AG, UNIQA Sachversicherung AG, Raiffeisen Versicherung AG, FINANCE LIFE Lebensversicherung AG, Salzburger Landes-Versicherung AG and CALL DIRECT Versicherung AG.

The listed Group holding company, UNIQA Versicherungen AG, is responsible for Group management, operates the indirect insurance business and is the central reinsurer for the Group's Austrian operational companies. In addition, it carries out numerous service functions for the Austrian and international insurance subsidiaries in order to take best advantage of synergy effects within all the Group companies and to consistently implement the Group’s long-term corporate strategy. UNIQA Re AG has its headquarters in Zürich and is responsible for reinsuring the Group’s international operational companies. In order to achieve maximum synergy effects, the international activities of the UNIQA Group are managed centrally through Competence Centers as well as the Group’s Central Services, and UNIQA International Versicherungs-Holding GmbH is responsible for ongoing monitoring and analysis of the international target markets for acquisitions as well as for integration of acquisitions into the Group.

UNIQA offers life insurance in Russia

The UNIQA Group expanded its strategic target area to include Russia in 2009 through the founding of a new subsidiary. Raiffeisen Life Versicherung worked with ZAO Raiffeisenbank to develop special life insurance products for the Russian market that are now offered through the partner’s roughly 200 bank branches. UNIQA and Raiffeisen cooperate very successfully in Austria and now in 14 Eastern and South-Eastern European countries as “Preferred Partners” in product development, product portfolio, customer support and in the sale of insurance through banks. The wealth of experience from this cooperation now benefits bank and insurance companies in Russia as well.

UNIQA deepens cooperation with Veneto Banca

At the end of June 2009, the UNIQA Group extended and deepened its cooperation with the Italian Veneto Banca Group in the sale of insurance polices through the bank’s branch offices. In connection with this, UNIQA Previdenza took over 90% of the share capital of UNIQA Life S.p.A., registered in Milan. The new rights for sales cooperation by Veneto Banca with life insurance companies are now exclusively linked to this company. UNIQA Previdenza will continue to maintain the traditional sales channels for life insurance as well as manage the other bank sales while the new subsidiary will focus on sales via Veneto Banca.

Companies included in the IFRS consolidated financial statements

Along with UNIQA Versicherung AG, the 2009 consolidated financial statements of the UNIQA Group include 48 domestic and 84 foreign companies. A total of 34 affiliated companies whose influence on an accurate presentation of the actual financial status of the assets, financial position and profitability was insignificant were not included in the consolidated financial statements. In addition, we included ten domestic and one foreign company as associates according to the equity accounting method. Fourteen associates were of minor importance, and shares held in these companies are recognised at market value.

The scope of fully consolidated companies was expanded as of 1 April 2009 to include PremiaMed Management GmbH (formerly Humanomed Krankenhaus Management Gesellschaft m.b.H.) and the sub-group of PKB Privatkliniken Beteiligungs GmbH. The two companies were previously reported within the UNIQA scope of consolidation as associated companies (“at equity”). Raiffeisen Life Insurance Company LLC in Moscow, which was founded in the first quarter of 2009, began its active business operations and was fully consolidated in the third quarter of 2009. The sub-group of SIGAL Holding Sh.A. in Albania, Kosovo and Macedonia and UNIQA Life S.p.A. in Italy were fully consolidated for the first time as of 31 December 2009. SIGAL Holding Sh.A. was previously reported as an associated company (“at equity”).

Details on the consolidated and associated companies are contained in the corresponding overview in the Group notes. The accounting and valuation methods used as well as the changes in the scope of consolidation are also explained in the Group notes.

Risk report

The comprehensive risk report of the UNIQA Group is in the notes to the consolidated financial statements 2009 (p. 74 f).

UNIQA Group business development

The following comments to the business development are divided into two sections. The section “Group business development” describes the business performance from the perspective of the Group with fully consolidated amounts. Fully consolidated amounts are also used in the Group management report for reporting on the development of the business segments of “property and casualty insurance”, “health insurance” and “life insurance”.

Group business development

The UNIQA Group provides life and health insurance and is active in almost all lines of property and casualty insurance. With over 15.3 million insurance policies being managed at home and abroad, a gross premium volume written (including the savings portion of the unit-linked and index-linked life insurance) of over € 5.7 billion (2008: € 5.8 billion) and capital investments of more than € 22.6 billion (2008: € 21.3 billion), the UNIQA Group is one of the leading insurance groups in Central and Eastern Europe.

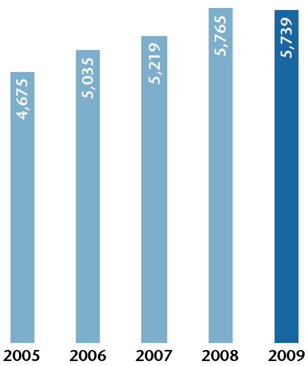
Premium development

Taking into account the savings portion of the unit-linked and index-linked life insurance in the amount of € 728 million (2008: € 823 million), the total premium volume of the UNIQA Group remained nearly stable in 2009 at € 5,739 million (2008: € 5,765 million) despite the difficult economic conditions. The total consolidated premiums written even grew by 1.4% to € 5,012 million (2008: € 4,942 million). Due to the determination that a management contract previously held as an insurance contract poses no significant actuarial risk, the management fee will be reported under other income starting in 2009. The premiums written and retained, the insurance benefits and the operating expenses were therefore also corrected in the comparison figures from previous years. Developments were very positive in the area of insurance policies with recurring premium payments in particular, which grew 2.1% to € 4,885 million (2008: € 4,785 million). The single premium business, on the other hand, declined in 2009 by 12.8% to € 855 million (2008: € 980 million). The Group premiums earned including the savings portion of the unit-linked and index-linked life insurance (after reinsurance) in the amount of € 704 million (2008: € 774 million) rose by 0.2% to € 5,474 million (2008: € 5,464 million). The retained premiums earned (according to IFRS) even increased by 1.7% to € 4,770 million (2008: € 4,690 million).

Premium volume written

incl. the savings portion of premiums from unit- and index-linked life insurance

€ million



In the 2009 financial year, 42.6% (2008: 41.3%) of the premium volume arose in property and casualty insurance, 16.3% (2008: 15.7%) in health insurance and 41.1% (2008: 43.0%) in life insurance.

In Austria, premium volume written including the savings portion from the unit-linked and index-linked life insurance grew better the market average in 2009 at 4.9% to reach € 3,756 million (2008: € 3,579 million). Including the savings portion of the unit- and index-linked life insurance, the premiums earned rose by 6.3% to € 3,674 million (2008: € 3,457 million). The retained premiums earned (according to IFRS) in Austria amounted to € 3,074 million in 2009 (2008: € 2,971 million).

In the regions of Eastern and South Eastern Europe (CEE & EEM), the premium developments in 2009 were influenced by the difficult economic conditions and, in particular, by negative currency effects. The premium volume written including the savings portion from the unit-linked and index-linked life insurance fell in 2009 by 9.9% to € 1,153 million (2008: € 1,279 million). This put the share of Group premiums coming from CEE & EEM at 20.1% (2008: 22.2%). Including the savings portion from the unit-linked and index-linked life insurance, the premiums earned decreased by 9.4% to € 1,077 million (2008: € 1,188 million). The retained premiums earned (according to IFRS) were € 1,002 million (2008: € 1,073 million). Adjusted for the effects of the negative currency developments in 2009, however, the premium volume written in Eastern Europe grew by 4.0%.

In the Western European countries (WEM), the premium volume written including the savings portion from the unit-linked and index-linked life insurance fell in 2009 by 8.4% to € 830 million (2008: € 907 million). Here again, the single premium business was primarily responsible for the decline, falling by 25.1% to € 185 million (2008: € 247 million). Overall, the share in Group premiums therefore fell in 2009 to 14.5% (2008: 15.7%). Including the savings portion from the unit-linked and index-linked life insurance, the premiums earned decreased by 11.8% to € 723 million (2008: € 819 million). The retained premiums earned (according to IFRS), on the other hand, increased by 7.6% to € 695 million (2008: € 646 million).

Developments in insurance benefits

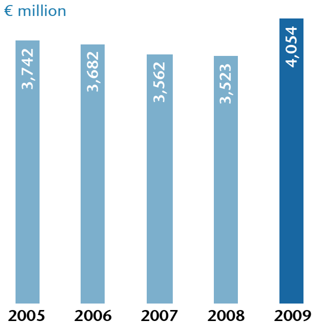
Burdened by an accumulation of major claims, the storms in the third quarter and the change to the deferred profit sharing, the insurance benefits paid by the UNIQA Group (before reinsurance) increased in the 2009 financial year by 17.1% to reach € 4,282 million (2008: € 3,656 million). The consolidated retained insurance benefits also increased last year by 15.1% to € 4,054 million (2008: € 3,523 million).

While the insurance benefits retained increased in Austria in 2009 by 23.4% to € 2,823 million (2008: € 2,287 million) and in the Western European markets by 6.4% to in € 521 million (2008: € 489 million), they fell in the Central and Eastern European regions (CEE & EEM) by 4.8% to € 710 million (2008: € 746 million).

Insurance benefits

retention

€ million



Operating expenses

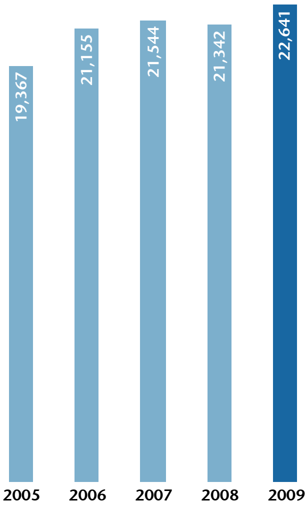
Total consolidated operating expenses (cf. Group notes, no. 37) less reinsurance commissions and profit shares from reinsurance business ceded (cf. Group notes, no. 33) increased only very moderately in the 2009 financial year by 2.7% to € 1,269 million (2008: € 1,236 million). Acquisition expenses even fell by 1.4% to € 854 million (2008: € 866 million). Other operating expenses, less reinsurance commissions received, increased in 2009 to € 415 million (2008: € 370 million) due to additional expenses in the area of social capital reserves in the amount of roughly € 58 million following the lowering of the discount interest rate. In contrast to this, cost savings of roughly € 12 million were realised through the elimination of the holiday reserve.

The cost ratio of the UNIQA Group after reinsurance, i.e. the relation of total operating expenses to the Group premiums earned, including the savings portion from the unit-linked and index-linked life insurance, was 23.2% during the past year (2008: 22.6%) as a result of these developments. The cost ratio before reinsurance was 22.4% (2008: 21.9%). Adjusted for the additional expenses for social capital reserves, the cost share after reinsurance was 22.1%.

Investment results

Total investments including land and buildings used by the Group, real estate held as investments, shares in associates and investments of unit- and index-linked life insurance increased again in 2009 by 6.1%, or € 1,298 million, to reach € 22,641 million (2008: € 21,342 million).

Investments
€ million



The net investment income less financing costs increased by € 528 million to € 717 million (2008: € 189 million) due to the positive developments on the financial markets after a very weak 2008. A detailed description of the investment income can be found in the Group notes (no. 34).

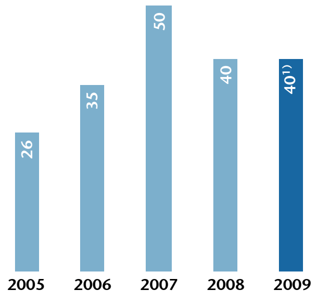
Group pre-tax results at € 82 million

In the 2009 financial year, the profit on ordinary activities of the UNIQA Group fell slightly by 8.7% to reach € 82 million (2008: € 90 million) primarily due to the difficult economic conditions and exceptional strains in the area of property and casualty insurance (storms in the third quarter) and increased burdens on the investment results in the area of participations and credit-sensitive capital investments. At the Annual General Meeting, the Management Board will nevertheless propose to the Supervisory Board a dividend distribution that remains unchanged from the previous year at 40 cents per share.

Own funds and total assets

The total equity of the UNIQA Group also increased in 2009 due to the capital increase, adding € 106 million to reach € 1,565 million (31 Dec. 2008: € 1,459 million). This included shares in other companies to the value of € 232 million (31 Dec. 2008: € 194 million). The pre-tax return on equity – the ratio of profit on ordinary activities to average total equity (without taking into consideration the included net profit for 2009) – amounted to 5.5% (2008: 6.1%) in the past financial year. The total assets of the Group increased in the past financial year by € 1,795 million and totalled € 27,394 million on 31 December 2009 (31 Dec. 2008: € 25,598 million).

Dividend
cent



[1] Proposal to the Annual General Meeting

Cash flow

The cash flow from operating activities in 2009 was € 1,137 million (2008: € 267 million). Cash flow from investing activities of the UNIQA Group amounted to € –913 million (2008: € –484 million). The financing cash flow was € –42 million (2008: € 125 million). A total of € 52 million were spent on the dividends from the 2008 financial year. The amount of liquid funds changed in total by € 183 million (2008: € –92 million). At the end of 2009, funds amounting to € 798 million (2008: € 568 million) were available.

Employees

The average number of employees of the UNIQA Group increased to 15,107 in 2009 (2008: 13,674) due to the inclusion for the first time of the companies of the SIGAL Group in Albania, Kosovo and Macedonia as well as Raiffeisen Life Insurance Company LLC in Moscow and the first full consolidation of PremiaMed Management GmbH and the sub-group of PKB Privatkliniken Beteiligungs GmbH. Of these, 6,345 (2008: 6,269) were in employed in sales and 8,762 (2008: 7,405) in administration. In the Eastern Emerging Markets (EEM), UNIQA employed a staff of 4,048 in the 2009 financial year (2008: 3,718), 3,246 people (2008: 2,954) in Central Eastern Europe (CEE) and 987 (2008: 986) in the Western European markets (WEM). In Austria, 6,826 staff were employed (2008: 6,016). Excluding the 884 employees of PremiaMed Management GmbH and the sub-group of PKB Privatkliniken Beteiligungs GmbH, the number of employees in Austria is reduced to 5,942. Including the employees of the general agencies working exclusively for UNIQA, the total number of people working for the UNIQA Group amounts to just about 22,000.

51% of the administrative staff employed in Austria in 2009 were women, 18.7% (2008: 18.5%) of the employees were part-time. The average age in the past year remained 42 years (2008: 42 years). In total, 11.3% (2008: 11.3%) of the employees participated as managers in UNIQA's result-oriented remuneration system – a variable payment system that is tied both to the success of the company and to personal performance. In addition, the UNIQA apprentice exchange programme offers young people in training the opportunity to get to know foreign cultures and make international contacts.

Business lines

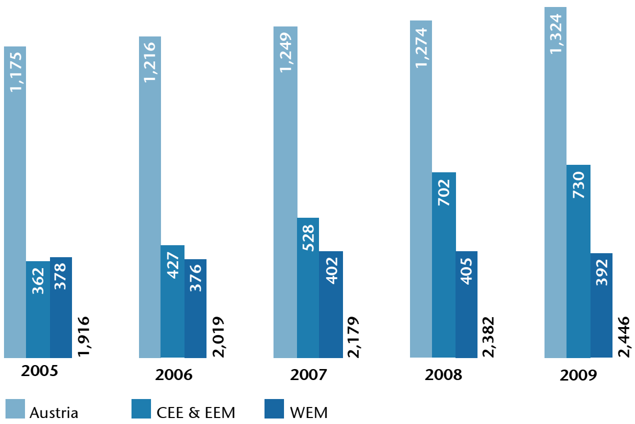
Property and casualty insurance

Premium development

In property and casualty insurance, the UNIQA Group was able to continue the positive developments of the previous year again in 2009, increasing the premiums written by 2.7% to € 2,446 million (2008: € 2,382 million). The premium volume in Austria grew significantly better than the market average at 3.9% to reach € 1,324 million (2008: € 1,274 million). In the Central and Eastern European regions (CEE & EEM), the growth continued in 2009 even despite the negative currency effects. The premiums written grew by 4.1% to € 730 million (2008: € 702 million), thereby contributing 29.9% (2008: 29.5%) to the Group premiums in property and casualty insurance. In the Western European Markets, on the other hand, the premium volume fell in 2009: the premiums written were taken back by 3.3% to € 392 million (2008: € 405 million). Overall, the international share of Group premiums in this segment amounted to 45.9% (2008: 46.5%).

Premium volume written in property and casualty insurance

€ million



Details on premium volume written in the most important risk classes can be found in the Group notes (no. 31).

The retained premiums earned (according to IFRS) in property and casualty insurance totalled € 2,290 million in the reporting year (2008: € 2,214 million) after growth of 3.4%.

Property and casualty insurance	2009 € million	2008 € million	2007 € million	2006 € million	2005 € million
Premiums written	2,446	2,382	2,179	2,019	1,916
Share CEE & EEM	29.9%	29.5%	24.2%	21.1%	18.9%
Share WEM	16.0%	17.0%	18.5%	18.6%	19.8%
International share	45.9%	46.5%	42.7%	39.7%	38.7%
Premiums earned (net)	2,290	2,214	1,858	1,716	1,628
Net investment income	97	42	258	141	131
Insurance benefits (net)	–1,552	–1,412	–1,251	–1,130	–1,106
Net loss ratio (after reinsurance)	67.8%	63.8%	67.3%	65.9%	68.0%
Gross loss ratio (before reinsurance)	69.7%	62.4%	68.1%	63.9%	66.4%
Other operating expenses less reinsurance commissions	–800	–740	–606	–569	–553
Cost ratio (net after reinsurance)	34.9%	33.4%	32.6%	33.2%	34.0%
Net combined ratio (after reinsurance)	102.7%	97.2%	99.9%	99.0%	101.9%
Gross combined ratio (before reinsurance)	103.0%	94.4%	99.0%	95.4%	98.4%
Profit on ordinary activities	–5	113	238	129	81
Net profit	–20	104	193	104	54

Developments in insurance benefits

The total retained insurance benefits increased in 2009 by 9.9% to € 1,552 million (2008: € 1,412 million), weighed down by major claims and, in particular, the storms in the third quarter (gross encumbrance of roughly € 110 million; after reinsurance about € 48 million). In Austria, the insurance benefits increased by 19.7% to € 968 million (2008: € 808 million); in Western Europe (incl. Austria), however, the increase was less pronounced at 7.0% to reach € 1,130 million (2008: € 1,056 million). In the Central and Eastern European regions (CEE & EEM), the insurance benefits increased by 18.6% to € 422 million (2008: € 356 million).

As a result of this development, the net loss ratio (retained insurance benefits relative to premiums earned) rose by 4.0 percentage points to 67.8% (2008: 63.8%). The gross loss ratio (before reinsurance) at the end of 2009 was 69.7% (2008: 62.4%). In Austria, the net loss ratio in the past financial year rose to 74.3% (2008: 65.3%) due to the storms.

Operating expenses, combined ratio

Total operating expenses in property and casualty insurance less reinsurance commissions and profit shares from reinsurance business ceded rose by 8.0% to € 800 million (2008: € 740 million). In the process, acquisition costs rose by 5.1% to € 519 million (2008: € 493 million), other operating expenses increased by 13.8% to € 281 million (2008: € 247 million) due to increased social capital expenditures.

The cost ratio in property and casualty insurance increased in the past financial year to 34.9% (2008: 33.4%) as a result of this development. The net combined ratio increased due to the rise in the loss ratio and was at 102.7% in 2009 (2008: 97.2%). Excluding the claims from the storms in the third quarter, the combined ratio was 100.7%. The combined ratio before reinsurance was 103.0% (2008: 94.4%).

Investment results

Net investment income less financing costs rose in the past year by 129.1% to € 97 million (2008: € 42 million). The capital investments in property and casualty insurance declined by 3.8% to € 3,189 million (2008: € 3,315 million).

Profit on ordinary activities, net profit

The profit on ordinary activities in property and casualty insurance in 2009 was negative due to the exceptional impacts of the third quarter storms and an accumulation of major loses and amounted to € –5 million (2008: € 113 million). Net profit fell to € –20 million (2008: € 104 million).

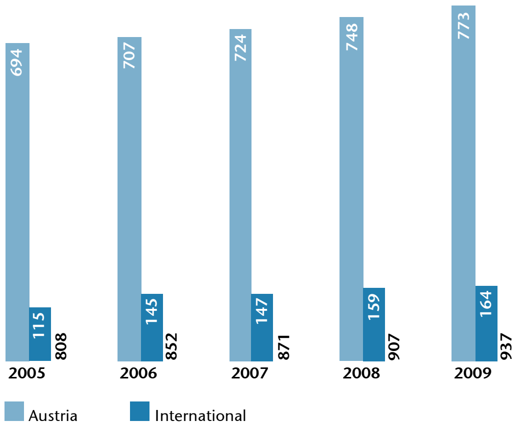
Health insurance

Premium development

In comparison to the previous year, premiums written in health insurance increased by 3.3% to € 937 million (2008: € 907 million). In Austria, where UNIQA claimed market leadership in health insurance again in 2009, the premium volume in grew over the previous year by 3.4% to reach € 773 million (2008: € 748 million). In the WEM region, premiums written remained at the level of the previous year at € 150 million (2008: € 151 million). In the countries of Eastern and South Eastern Europe, the premiums in health insurance grew by 68.3% to already reach € 14 million (2008: € 8 million). Overall, the international share in the total health insurance premiums in 2009 was 17.5% (2008: 17.6%).

Premium volume written in health insurance

€ million



In 2009, the retained premiums earned in health insurance (according to IFRS) rose by 3.1% to reach € 934 million at the end of the year (2008: € 906 million).

Health	2009 € million	2008 € million	2007 € million	2006 € million	2005 € million
Premiums written	937	907	871	852	808
International share	17.5%	17.6%	16.9%	17.0%	14.2%
Premiums earned (net)	934	906	869	849	812
Net investment income	94	14	134	114	101
Insurance benefits (net)	–812	–783	–776	–772	–739
Other operating expenses less reinsurance commissions	–129	–133	–128	–135	–130
Cost ratio (net after reinsurance)	13.8%	14.7%	14.7%	15.9%	16.0%
Profit on ordinary activities	85	3	96	54	41
Net profit	65	–1	72	35	35

Developments in insurance benefits

The retained insurance benefits increased in 2009 by 3.7% to € 812 million (2008: € 783 million). The loss ratio after reinsurance rose slightly to 86.9% (2008: 86.4%). In Austria, insurance benefits grew by 4.0% to € 667 million (2008: € 641 million). The insurance benefits in the international markets increased by just 2.2% in 2009, totalling € 145 million (2008: € 142 million).

Operating expenses

Total operating expenses in health insurance less reinsurance commissions and profit shares from reinsurance business ceded fell in 2009 in by 3.2% to € 129 million (2008: € 133 million). Acquisition expenses declined by 8.9% to € 79 million (2008: € 87 million) despite the increased premium volume. Other operating expenses grew by 7.3% to € 50 million (2008: € 46 million). As a result of this development, the cost ratio in health insurance decreased further in 2008 to 13.8% (2008: 14.7%).

Investment results

The net investment income less financing costs rose in 2009 by € 80 million to € 94 million (2008: € 14 million). In the health insurance segment, capital investments grew by 5.9% to € 2,424 million (2008: € 2,288 million).

Profit on ordinary activities, net profit

Due to good capital market developments, the profit on ordinary activities in health insurance rose steeply in the reporting year by € 82 million to € 85 million (2008: € 3 million). Net profit increased in 2009 to € 65 million (2008: € –1 million).

Life insurance

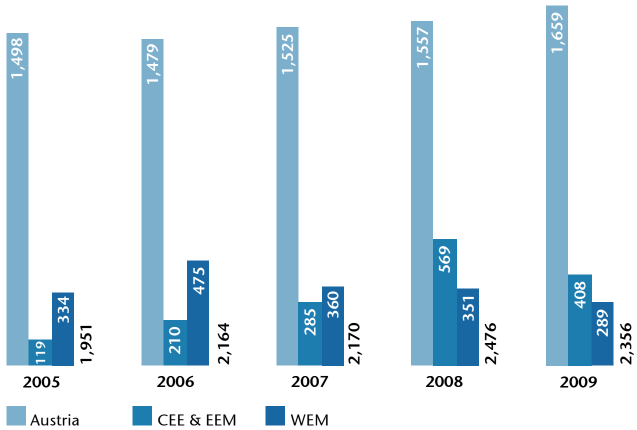
Premium development

The life insurance premiums written including the savings portion from the unit-linked and index-linked life insurance fell in 2009 by 4.9% to € 2,356 million (2008: € 2,476 million), in particular due to the declining single premium business in the area of unit-linked life insurance. Revenues from policies with recurring premium payments rose by 0.3% to € 1,501 million (2008: € 1,496 million). Revenue in the single premium business in the area of unit-linked life insurance fell by 23.5% to € 362 million (2008: € 473 million). Classic single premiums, on the other hand, declined only slightly by 2.7% to € 493 million (2008: € 507 million). Overall, the single premium business declined by 12.8% to € 855 million (2008: € 980 million).

Premium volume written in life insurance

incl. the savings portion of premiums from unit- and index-linked life insurance

€ million



The premium developments in Austria were very satisfactory in 2009 due to the further growth in the area of unit-linked life insurance products. The premium volume grew by 6.5% to € 1,659 million (2008: € 1,557 million). Revenues from policies with recurring premium payments declined slightly by 1.1% to € 1,240 million (2008: € 1,255 million). The single premium business grew by 38.5% to € 418 million (2008: € 302 million). The life insurance business of the Group companies in the Central and Eastern European regions (CEE & EEM) declined in 2009 due to the continued difficult economic conditions. The premium volume written including the savings portion from the unit-linked and index-linked life insurance was taken back by 28.2% to € 408 million (2008: € 569 million). This brought the share of life insurance from these countries to 17.3% in 2009 (2008: 23.0%). In the Western European countries, the premium volume also declined by 17.6% to € 289 million (2008: € 351 million). Overall, the Western European region (WEM) contributed 12.3% (2008: 14.2%) to the total life insurance premiums of the Group.

The risk premium share of unit-linked and index-linked life insurance included in the consolidated financial statements totalled € 105 million in 2009 (2008: € 97 million). The savings portion of the unit-linked and index-linked life insurance lines amounted to € 728 million (2008: € 823 million) and was, in accordance with FAS 97 (US-GAAP), balanced out by the changes in the actuarial provision.

Including the savings portion of the unit-linked and index-linked life insurance (after reinsurance) in the amount of € 704 million (2008: € 774 million), the premiums earned in life insurance declined by 4.0% to € 2,250 million (2008: € 2,344 million). On the other hand, the retained premiums earned (according to IFRS) fell by just 1.5% in 2009 to € 1,546 million (2008: € 1,570 million).

Life	2009 € million	2008 € million	2007 € million	2006 € million	2005 € million
Premiums written	1,628	1,653	1,422	1,605	1,591
Savings portion of premiums from unit- and index-linked life insurance	728	823	748	559	360
Premiums written incl. savings portion of premiums from unit- and index-linked life insurance	2,356	2,476	2,170	2,164	1,951
Share CEE & EEM	17.3%	23.0%	13.1%	9.7%	6.1%
Share WEM	12.3%	14.2%	16.6%	22.0%	17.1%
International share	29.6%	37.2%	29.7%	31.7%	23.2%
Premiums earned (net)	1,546	1,570	1,342	1,527	1,523
Savings portion of premiums from unit- and index-linked life insurance (net after reinsurance)	704	774	695	499	311
Premiums earned (net) incl. the savings portion of premiums from unit- and index-linked life insurance	2,250	2,344	2,037	2,027	1,834
Net investment income	525	133	563	610	731
Insurance benefits (net)	–1,690	–1,328	–1,534	–1,780	–1,898
Other operating expenses less reinsurance commissions	–341	–363	–321	–261	–244
Cost ratio (net after reinsurance)	15.1%	15.5%	15.7%	12.9%	13.3%
Profit on ordinary activities	2	–27	5	56	69
Net profit	–2	–37	4	37	44

Developments in insurance benefits
The retained insurance benefits increased in the reporting year by 27.3% to € 1,690 million (2008: € 1,328 million) primarily due to the change in deferred profit sharing as a result of the clear improvement in capital income according to IFRS. The additions increased in 2009 compared to the previous year by about € 382 million. Insurance benefits also increased in Austria by 41.9% to € 1,189 million (2008: € 838 million). In the Western European region (WEM), insurance benefits grew by 110.8% to € 221 million (2008: € 105 million), while they fell in Central and Eastern Europe (CEE & EEM) by 27.1% to € 281 million (2008: € 385 million).

Operating expenses
Total operating expenses in life insurance less reinsurance commissions and profit shares from reinsurance business ceded fell in 2009 by 6.1% to € 341 million (2008: € 363 million). Acquisition expenses decreased by 10.4% to € 257 million (2008: € 286 million). Other operating expenses increased by 9.8% to € 84 million in 2009 (2008: € 76 million). As a result of this development, the cost ratio in life insurance, i.e. the relation of all operating expenses to the Group premiums earned, including the savings portion from the unit-linked and index-linked life insurance (after reinsurance), fell to 15.1% (2008: 15.5%).

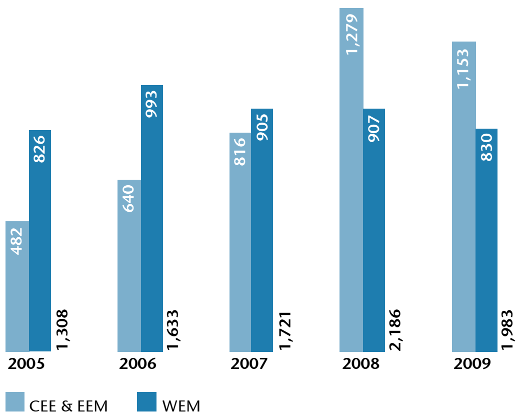
Investment results
Net investment income less financing costs rose in the reporting year by 295.7% to € 525 million (2008: € 133 million). The capital investments including the investments for unit-linked and index-linked life insurance grew in 2009 by 8.2% to € 17,028 million (2008: € 15,739 million).

Profit on ordinary activities, net profit
The profit on ordinary activities in life insurance was once again positive in 2009, rising by € 29 million to € 2 million (2008: € –27 million). Net profit increased was € –2 million (2008: € –37 million).

International markets

The international premium volume of the UNIQA Group (including the savings portion from unit-linked and index-linked life insurance) fell in 2009 by 9.3% to € 1,983 million (2008: € 2,186 million) as a result of the difficult economic conditions and the negative currency developments in Eastern and South Eastern Europe. This brought the international share of Group premiums up to 34.6% (2008: 37.9%).

International premium volume written
€ million



Including the savings portion from the unit-linked and index-linked life insurance (after reinsurance), the premiums earned decreased by 10.4% to € 1,800 million (2008: € 2,008 million). On the other hand, the retained premiums earned (according to IFRS) declined only slightly by 1.3% to € 1,697 million (2008: € 1,719 million).

■ Central and Eastern Europe (CEE & EEM)

In 2009, the countries of Central and Eastern Europe were only able to maintain their dynamic growth to a limited extent due to the difficult economic conditions and negative developments of individual currencies. Overall, the premium volume written fell by 9.9% to € 1,153 million (2008: € 1,279 million). Adjusted for the negative currency effects, however, the premium volume on a local basis grew by 4.0%. In the Eastern Emerging Markets, the premium volume grew by as much as € 164 million to reach € 241 million (+46.7%) due to the inclusion of the companies in Romania for the financial year. Overall, the CEE & EEM regions therefore contributed 20.1% (2008: 22.2%) to the Group premiums.

■ Western Europe (WEM)

The premiums in the markets of Western Europe declined in the past financial year. The premium volume written declined in 2009 by 8.4% to € 830 million (2008: € 907 million). The recurring premium business declined only negligibly by 2.2% to € 645 million (2008: € 659 million). The single premium business, on the other hand, fell significantly to € 185 million (2008: € 247 million). In 2009, the WEM region contributed 14.5% (2008: 15.7%) to the Group premiums.

The premium volume written including the savings portion of the unit- and index-linked life insurance was divided as follows among the various regions in the UNIQA Group:

UNIQA international markets	Premiums written[1]					Share of Group premiums
	2009 € million	2008 € million	2007 € million	2006 € million	2005 € million	2009
Central Eastern Europe (CEE)	912	1,115	735	595	482	15.9%
Eastern Emerging Markets (EEM)	241	164	81	45	0	4.2%
Western European Markets (WEM)	830	907	905	993	826	14.5%
Total international	**1,983**	**2,186**	**1,721**	**1,633**	**1,308**	**34.6%**

[1] Incl. the savings portion of premiums from unit- and index-linked life insurance.

Total insurance benefits in the international group companies fell slightly by 0.3% in 2009 to € 1,231 million (2008: € 1,235 million). The consolidated operating expenses less reinsurance commissions and profit shares from reinsurance business ceded remained at the level of the previous year at € 517 million (2008: € 517 million). Before consolidation based on the geographic segments (cf. segment reports), the profit on ordinary activities generated by the companies in the three regions outside of Austria amounted to € 16 million (2008: € 86 million) in 2009. This decline can be attributed in particular to lower results by the companies in Italy, Bulgaria, Romania and Hungary.

Significant events after the balance sheet date (subsequent report)

No events occurred after the balance sheet date that require reporting.

Outlook for 2010

Development in the current financial year

The premium volume of the UNIQA Group developed in a very satisfactory way in the first two months of 2010. Premium growth in property and casualty insurance was roughly 2.2% and in health insurance 3.0%. In life insurance, the premiums even increased by 11.9%. Overall, the growth in the months of January and February was an extremely positive 5.5%. While the premiums in Austria increased by 0.7%, the growth in the international markets was significantly stronger at 14.4%.

Property and casualty insurance

On the basis of numerous initiatives in product development, customer loyalty and efficiency improvement, UNIQA expects very solid developments in the area of property and casualty insurance once again in 2010.

The growth of the legal expenses insurance line also proved favourable in 2009. The financial crisis had an effect here in terms of increased mass loss claims submitted in the area of asset investment. In view of this development and the current legal situation (free selection of lawyer for mass damages), the risk exclusion policy for the majority of these dangers has proven to be an effective and correct countermeasure.

The goal for the year 2010 in the area of legal expenses insurance is continued high-return growth. Refined scoring models offer new opportunities here to structure the premiums flexibly and in line with risks. Another key area involves a planned increase in the assignment of claims to specialised lawyers in order to achieve a higher success rate and thereby greater customer satisfaction. In the future, claims will be processed more quickly, more simply and with greater legal security thanks to the planned introduction in 2010 of a new, electronically supported communication channel between lawyers and legal expenses insurers that was initiated by the UNIQA Group as an innovative measure. The goal of the new lawyers' portal is improved efficiency in the processing methods and an associated general increase in productivity.

Unfortunately, no relief is in sight for loss ratio in the storm risk segment. Countermeasures, such as rate segmentation by region, have already been introduced, and the Group will continue to follow the course charted already in 2008. We will also continue to expand the HORA system (Austrian Flood Risk Zoning System) in coming years in cooperation with the Insurance Association of Austria and the Ministry of Agriculture, Forestry, Environment and Water Management. The goal of this system is to create and refine a risk map that makes it possible to better assess possible natural dangers. In the area of natural dangers as well as other risk areas, such as burglary, UNIQA relies on various preventive measures to avoid losses. Examples of this can be found in the severe weather warnings offered by UNIQA as an exclusive service within the insurance industry as well as security checks for corporate customers and the pilot project "NummerSicher" for private customers.

The severe weather warnings offered by UNIQA since 2004 in Austria have already been successfully implemented in Poland, Romania, the Czech Republic and Hungary and should be introduced in additional countries in 2010. The trend toward a high number of break-ins throughout Austria predicted again by experts for 2010 is being met by UNQA with a "security offensive" that includes providing comprehensive information to customers about security and prevention.

In other areas, a subdued investment level is expected in property insurance, particularly among commercial customers. In order to continue to support the customers in this difficult phase, the strategy of complexity reduction and efficiency improvement – above all by offering standardised customer-oriented products – will be sustained. Increased productivity in sales, efficiency gains and process streamlining have already been successfully implemented in the private customer business. In 2010, the operational area should become an additional focus in this regard.

Further refinements in the private customer business will be seen in 2010 as well. For instance, additional security features are being integrated into the new private customer product introduced to the market in 2009. The goal of these models is an individual and risk-appropriate premium definition, in which we will naturally continue to pursue the goal of climate protection in accordance with the course already set jointly by Raiffeisen Versicherung and UNIQA. The features already present here in the current product will be carried over and further expanded.

A difficult market environment is expected in 2010 for motor vehicle insurance, as is also the case for the Austrian automobile market. Fewer new car sales compared with 2009 and the continuing trend toward the purchase of smaller, lower-performance models decreases the new customer potential as well as the average insurance premiums.

UNIQA is responding to this with a renewed focus on incomparable, unique products like driver protection and the innovative UNIQA SafeLine package, in particular. The impressive success of this offer in the year 2009 leaves continued dynamic developments to be expected, especially since SafeLine contributes uniquely to improving customer loyalty with its safety features. The CarFinder function of SafeLine, for instance, is the best option for relocating vehicles in today's age of increased car thefts. This was confirmed in 2009 with a success rate of 100%.

Here as well, a focus is being placed on climate protection in the further development of the products. For the first time, UNIQA will offer insurance coverage for electric bicycles and Segways, and the Group will continue to offer premium advantages as incentives for customers who use more public transportation in addition to their cars. SafeLine is also a leader among motor vehicle insurance policies in the area of climate protection with its flexible environmental bonus for people who do little driving.

In 2010, UNIQA intends to honour the slogan "The insurance of a new generation" in the processing of motor vehicle claims as well. It will be possible for customers to easily report motor vehicle damage to UNIQA using an iPhone or BlackBerry. Not only can the correct location be determined by GPS, photos of the damage and the accident site are also easy to submit. This reduces the effort required of the customer while also simplifying and accelerating completion of the process. All of these new developments are also intended for the other Group companies as well. For example, the driver protection has already been put to use in Raiffeisen Versicherung and SafeLine in Hungary.

In the area of company liability insurance, the activities are focused on technical implementation of environmental cleanup costs insurance. Just shortly after the new statutory provisions entered into effect in summer of 2009, UNIQA provided this insurance protection to its customers, once again proving the Group's market leadership in this segment. A supplementary module for eHORA, developed in cooperation with the Austrian Insurance Association and the Austrian Ministry of Agriculture, Forestry, Environment and Water Management has also been available since February 2010 for risk assessment by allowing precise risk assessment for specific locations with regard to the categories of soil/water and biodiversity.

Particular importance continues to be given to providing technical insurance-related support to large, internationally active customers. For this reason, UNIQA has established an international key account management system in order to quickly and efficiently serve customers with cross-border insurance needs within the framework of an international programme.

UNIQA will address the continuing price pressure with targeted product innovations. In addition to continuation of the already familiar risk management measures, such as the Legionella precautions at hospitals or the cableway weather information system, additional product innovations were introduced and developed, like all-risk machine breakdown insurance and all-risk electronics insurance. A combination of multiple insurance lines – liability, technical insurance policies and transport – into a custom-tailored product for installation projects is also being developed.

A new premium package should promote sales in the area of business interruption insurance for freelancers in 2010. One particular highlight is the termination protection with which UNIQA foregoes its right of termination for the entire contract term in exchange for a higher premium. This addresses the security needs of the customers even better than before. Premium reimbursement in the absence of claims is automatically included.

Starting in the second half of 2010, UNIQA will also introduce a new accident rate structure that should make the offered product elements even more customer-friendly. The scope of benefits is being expanded for the key element of casualty insurance, "permanent invalidity". A significantly higher progression than before should offer customers more benefits in event of severe injury consequences. In 2010, it will also be possible for the first time in the UNIQA Group to conclude the purchase of a casualty insurance product online. As of mid-January, the sales partner ÖAMTC will offer a casualty insurance product from CALL DIRECT Versicherung AG, the direct insurer of the UNIQA Group Austria, at www.oeamtc.at.

In Eastern and South Eastern Europe as well, innovative, customer-oriented products were introduced as part of a modular system and premiums were differentiated on a risk-specific basis through scoring.

Health insurance

The annual negotiation of the fees chargeable by hospitals and doctors is and remains one of the central tasks of Austrian private health insurance. Under UNIQA's leadership, these negotiations were concluded successfully with all contract parties once again for the year 2010. In view of the very low inflation rate and the relatively moderate cost of labour developments, it was generally possible to keep the conceded price increases at a very moderate level. In line with this, the premium adjustments for the insured were also lower than in previous years. However, this pleasant fact will naturally lead to somewhat lower growth in health insurance in 2010.

Of course, the development of the health insurance business will also be affected by the general economic situation. In this regard, 2010 so far appears to be a difficult year with continued increases in unemployment. On the other hand, the awareness of the need for private provisions in healthcare is certainly on the rise. For this reason, UNIQA expects demand and cancellations rates to remain stable.

This continuous development should be supported by the introduction of a new product for nursing care insurance in spring of 2010. The demand for serious insurance offers in this area in particular will increase significantly in the coming years. Another area of focus will be promoting the innovative offers in the area of prevention. UNIQA is so far the only insurance company with products that not only support a healthy lifestyle through concrete service benefits like VitalCoaching but also recognise it in the form of premium reimbursements. For corporate customers, the activities of the Business Health Management (BGM) programme are being further intensified and will also be financially supported. All of this is taking place against the background of a deep belief that the cost explosion associated with the increasing number of "diseases of civilisation" can only be counteracted through consistent promotion of health.

The central goal is keeping premiums affordable in the face of rising life expectancy, improved medical possibilities and lifestyle-related cost increases. For this reason, an additional emphasis for this year will be on promoting the product "Future Bonus", which can help significantly reduce premiumsfrom the age of 65 and older.

Under the auspices of the Association of Austrian Insurance Companies, a major project was kicked off at the start of 2010 that UNIQA will be working on during the coming years – presumably over the long term. Specifically, it involves developing quality criteria for medical treatment in cooperation with contract partners and making these criteria transparent to the customers while also using them as the basis for a differentiated fee structure. This should lead overall to a better decision-making basis for customers and incentives for further quality improvements by the medical contract partners.

A look outside the borders of Austria also shows how the activities begun in the area of health insurance during past years are bearing fruit. In Hungary, Poland, Croatia, Bosnia and Herzegovina, the Czech Republic, Albania and Ukraine, UNIQA is achieving attractive growth rates despite a sometimes difficult environment. To further support these activities, a second UNIQA VitalTruck has been ordered and should go into service in autumn of 2010. In many of the countries listed, out-patient medical care is guaranteed by out-patient clinics. The VitalTruck will be a kind of out-patient clinic on wheels – with the advantage that it travels directly to corporate customers, making it possible to offer the care much more efficiently. The truck will also be designed with an attractive and eye-catching appearance to make it a good symbol for "The insurance of a new generation".

Good future prospects exist in Germany for Mannheimer Krankenversicherung, a member of the UNIQA Group. After the change in government, a more sympathetic or at least a more stable regulatory environment can be expected. The small subsidiary in Geneva was able to extend the health insurance management contract with CERN and acquired another important international organisation as a customer in the form of the United Nations.

Life insurance

The UNIQA Group offers a comprehensive range of classic and unit-linked life insurance products. Within the framework of the free movement of services, the unit-linked life insurance products are also offered in Germany and Slovenia in their respective, country-specific versions.

In Austria, the UNIQA Group was able to further strengthen its leadership in the area of unit- and index-linked life insurance in 2009. This can be attributed primarily to "FlexSolution" from UNIQA and "My flexible life insurance" from Raiffeisen Versicherung and the very successful index-linked life insurance products like "Inflation Protection RZB Guarantee". The supplementary risk modules were further expanded in the area of "FlexSolution" in particular. The provision solutions of this nature available so far have enjoyed a positive reception among the customers, reaffirming UNIQA's strategy of offering customers products that they can individually adapt to their current life circumstances.

The state-subsidised pension provisions were also adapted to the current requirements, although this involved legislative changes. With the new "life cycle model", it will be possible to react to a specific stock market environment and optimally structure the stock ratio for the investor based on age. The goal is to offer customers greater yield prospects in their younger years on the basis of a higher stock ratio and to lower the share of stocks in stages toward the end of the term to avoid endangering the accumulated value. Building on this, two guarantee models are being offered for the first time in the form of the option model (1st guarantee date after 10 years) and the CPPI model (1st guarantee date after 15 or 20 years). The successful cooperation with Austria's largest investment company is being continued in its proven form.

Despite the difficult conditions due to the low interest level, innovative solutions that stand out among competing products thanks to their attractive features should once again be brought onto the market in 2010 in the area of index-linked life insurance.

The concept of "security" has taken on a new significance for customers during the last few years. Against this background, both classic and the new capital-oriented life insurance products are enjoying great popularity. For this reason, UNIQA and Raiffeisen Versicherung will make good use of the possibilities of life insurance based on capital investment in 2010 and restructure their offerings in this area. In the area of classic life insurance, the main focus of the sales activities will be on the burial costs insurance successfully started in 2009 as well as on occupational disability insurance. While corresponding awareness-raising has already been successful in the sensitive area of burial costs insurance, work is still required in regards to occupational disability insurance. However, the UNIQA Group not only offers products for the aspects of savings and risk but also strives to stand beside its customers during difficult life phases with appropriate solutions.

The cooperation between UNIQA and the Raiffeisen bank group will be further intensified in the year 2010 in the establishment and expansion of the bank sales in Central and Eastern Europe. The "Preferred Partnership" with Raiffeisen already encompasses the markets of Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Romania, Bulgaria, Ukraine, Kosovo and, since October 2009, also Russia. The sometimes severe declines in the financing volumes have restricted the scope of business in combined banking and insurance products, but it was possible to partially compensate for the losses by introducing new product combinations and bundled offers. The sales activities are now focused more heavily on the sale of "stand-alone" insurance products, particularly capital-forming life insurance products. Over 10,000 new contracts for capital-forming life insurance policies were concluded in 2009 in a total of eight countries. The introduction of additional "stand-alone" products is planned.

Another focus lies on the development of synergies through shared use of the sales channels. Additional impulses, particularly in the area of life insurance, come from the cooperation with the Veneto Banca Gruppe in Italy. The cooperation agreement recently concluded at the end of 2009 lays out a long-term structure for this cooperation.

In the area of money laundering prevention, a precise spot check audit was implemented in 2009 based on an IT-supported, risk-oriented monitoring system in Austria. Since 2009, an internally developed guideline within the UNIQA Group has established international Group standards that should be successively implemented within the entire Group by the end of 2010. The standards encompass internal regulations, pertinent training modules, transaction and customer monitoring as well as intensified auditing and reporting. Other work planned for 2010 includes the creation of risk profiles for all companies of the UNIQA Group, risk-oriented categorisation of the customer base as well as increased use of joint IT solutions.

The cooperation between all Group companies should be further improved in 2010 with an international conference. Among other efforts, this should involve best practice examples that can help to improve synergy effects within the Group.

Group profit

Forecasts for the profit development are marked by a high level of uncertainty due to the continued uncertainties regarding economic developments. If the anticipated economic recovery sets in during 2010, we expect to see a stable trend in the growth of operating profit. Provided that there are no negative surprises on the capital markets or storms comparable to 2009, we consider an increase in the Group profit before taxes by 40% to 50% to be possible for the year 2010.

Information according to Section 243a paragraph 1 of the Austrian Commercial Code

1. The share capital of UNIQA Versicherungen AG ("the company") is € 142,985,217 and is comprised of 142,985,217 individual no par value shares in the name of the bearer. The share capital has been paid in full. All shares have the same rights and obligations.
2. Due to their voting commitments, the shares of Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH, BL Syndikat Beteiligungs Gesellschaft m.b.H., Collegialität Versicherung auf Gegenseitigkeit, UQ Beteiligung GmbH, RZB Versicherungsbeteiligung GmbH and Raiffeisen Centrobank AG are counted together. Reciprocal purchase option rights have been agreed upon between the first three shareholders listed.
3. Austria Versicherungsverein auf Gegenseitigkeit Privatstiftung holds a total of 37.91% of the share capital of the company indirectly via Austria Versicherungsverein Beteiligungs-Verwaltungs GmbH and indirectly (effectively) via BL Syndikat Beteiligungs Gesellschaft m.b.H.; Raiffeisen Zentralbank Österreich Aktiengesellschaft holds 41.65% of the share capital of the Company indirectly via BL Syndikat Beteiligungs Gesellschaft m.b.H. (effectively), UQ Beteiligung GmbH, RZB Versicherungsbeteiligung GmbH and Raiffeisen Centrobank AG (participation ratios according to the voting rights report from 18 December 2009).
4. No shares with special control rights have been issued.
5. No employee capital participation models exist.
6. No provisions of the articles or other provisions exist that go beyond the statutory provisions for appointing Management Board and Supervisory Board members or for modifying the articles with the exception of the rule that when a Supervisory Board member turns 70 years of age, he or she shall be retired from the Supervisory Board at the end of the next Annual General Meeting.
7. The Management Board is authorised to increase the share capital up to and including 30 June 2010 with the approval of the Supervisory Board by a total of no more than € 26,792,591 (Articles as at 16 December 2009). The Management Board is further authorised until 18 November 2010 to buy back up to 11,977,780 own shares through the company and/or through subsidiaries of the company (Section 66 Stock Corporation Act). As at 31 December 2009, the company held 819,650 own shares.
8. With regard to the shareholding in STRABAG SE, corresponding agreements with other shareholders of this company exist.
9. No reimbursement agreements exist for the event of a public takeover offer.

Information according to Section 243a paragraph 2 of the Austrian Commercial Code

The most important features of the internal controlling and risk management system with regard to the financial reporting process are described in the Group Notes (Risk report).

Proposed appropriation of profit

The individual accounts of UNIQA Versicherungen AG, prepared in accordance with the Austrian Commercial Code, report an annual net profit for the 2009 financial year of € 57,257,946.36 (2008: € 53,190,348.20). The Management Board will propose to the Annual General Meeting on 31 May 2010 that this net profit be used for a dividend of 40 cents for each of the 142,985,217 dividend-entitled no-par shares issued as at the reporting date and the remaining amount carried forward onto new account.

Vienna, 6 April 2010

Konstantin Klien Chairman of the Management Board	**Andreas Brandstetter** Vice Chairman of the Management Board	**Hannes Bogner** Member of the Management Board	**Karl Unger** Member of the Management Board	**Gottfried Wanitschek** Member of the Management Board

Corporate Governance Report

The UNIQA Group has committed itself since 2004 to compliance with the Austrian Code of Corporate Governance and publishes this compliance declaration both in the Group annual report and on the Group website under **www.uniqagroup.com → Investor Relations → Corporate Governance**. The Austrian Code of Corporate Governance is also publically available at www.corporate-governance.at.

Implementation and compliance with the individual rules of the code are annually evaluated by Univ.Prof.DDr. Waldemar Jud Corporate Governance Forschung CGF GmbH. Primarily on the basis of a questionnaire, this institution evaluates whether the company complies with the Austrian Code of Corporate Governance, as published by the Austrian Working Group on Corporate Governance. The report on the external evaluation in accordance with rule 62 of the Austrian Code of Corporate Governance can be found on the UNIQA Group website.

UNIQA declares its continued willingness to comply with the Austrian Code of Corporate Governance, as currently amended. In accordance with the code, the "L rules" (legal requirements) are all fully adhered to. However, UNIQA deviates from the provisions of the code in the version applicable for the reporting year with regard to the following "C rules" (comply or explain) and explains as follows:

Rule 31

UNIQA Versicherungen AG does not view individual publishing of the Management Board salaries to be meaningful or useful in consideration of data privacy issues and the right of privacy of the individual Management Board members.

Rule 45

Markus Mair is, in addition to his function as a member of the Supervisory Board of UNIQA Versicherungen AG, also on the Supervisory Board of Grazer Wechselseitige Versicherung Aktiengesellschaft and GRAWE-Vermögensverwaltung.

Rule 49

Due to the growth of UNIQA's shareholder structure and the special nature of the insurance business with regard to the investment of insurance assets, there are a number of contracts with individual members of the Supervisory Boards of related companies. As long as such contracts require approval by the Supervisory Board according to Section 95 paragraph 5 sub-para 12 of the Austrian Stock Corporation Act (rule 48), the details of these contracts cannot be made public for reasons of company policy and competition laws. In any case, all transactions are handled under customary market conditions.

Rule 51

UNIQA Versicherungen AG does not view individual publishing of the Supervisory Board compensation to be meaningful or useful in consideration of data privacy issues and the right of privacy of the individual Supervisory Board members.

Management Board

Chairman

Konstantin Klien
- Born in 1951
- Appointed since 1 October 2000 until 30 September 2013

Responsible for
- Group management
- Sales
- Planning and controlling
- Human resources
- Marketing
- Communication
- Investor relations
- Internal auditing

Country responsibility
- Austria

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the Group financial statements
- Member of the Supervisory Board of Casinos Austria Aktiengesellschaft, Vienna
- Member of the Supervisory Board of CEESEG Aktiengesellschaft, Vienna
- Member of the Supervisory Board of Wiener Börse AG, Vienna
- Member of the Board of Directors of Takaful Emarat Insurance, UAE

Vice Chairman

Andreas Brandstetter
- Born in 1969
- Appointed since 1 January 2002 until 30 September 2013

Responsible for
- New markets
- Mergers & acquisitions
- Bank sales policy

Country responsibility
- Albania
- Bulgaria
- Kosovo
- Macedonia
- Montenegro
- Romania
- Russia
- Serbia
- Slovenia
- Ukraine

Members

Hannes Bogner
- Born in 1959
- Appointed since 1 January 1998 until 30 September 2013

Responsible for
- Group accounting
- Planning and controlling
- Asset management (back office)
- Investor relations
- Industry customers and reinsurance policy

Country responsibility
- Germany
- Italy
- Poland
- Switzerland

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the Group financial statements
- Member of the Board of Directors of Takaful Emarat Insurance, UAE

Karl Unger
- Born in 1953
- Appointed since 1 January 2002 until 30 September 2013

Responsible for
- Private customer business
- IT
- Company organisation
- Customer service
- Group actuarial office
- Risk management

Country responsibility
- Liechtenstein
- Slovakia
- Hungary

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the Group financial statements
- Member of the Supervisory Board of Raiffeisen Informatik GmbH, Vienna

Gottfried Wanitschek
- Born in 1955
- Appointed since 1 January 1997 until 30 September 2013

Responsible for
- Asset management (front office)
- Equity holdings
- Real estate
- Legal affairs
- General administration
- Internal auditing

Country responsibility
- Bosnia and Herzegovina
- Croatia
- Czech Republic

Supervisory Board appointments or comparable functions in other domestic and foreign companies not included in the Group financial statements
- Member of the Supervisory Board of EPAMEDIA – EUROPÄISCHE PLAKAT- UND AUßENMEDIEN GMBH, Vienna
- Vice Chairman of the Supervisory Board of KURIER Beteiligungs-Aktiengesellschaft, Vienna
- 2nd Vice Chairman of the Supervisory Board of KURIER Redaktionsgesellschaft m.b.H., Vienna
- 2nd Vice Chairman of the Supervisory Board of KURIER Zeitungsverlag und Druckerei Gesellschaft m.b.H., Vienna
- Member of the Supervisory Board of LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Vienna
- Member of the Supervisory Board of Mediaprint Zeitungs- und Zeitschriftenverlag Gesellschaft m.b.H., Vienna
- Chairman of the Supervisory Board of Privatklinik Villach Gesellschaft m.b.H., Klagenfurt
- Member of the Supervisory Board of Raiffeisen Zentralbank Österreich Aktiengesellschaft, Vienna

Functions of the Management Board

The rules of procedure regulate the distribution of business and the cooperation of the Management Board. They also describe the notification and reporting obligations of the Management Board with respect to the Supervisory Board and stipulate a catalogue of measures that require approval by the Supervisory Board.

Supervisory Board

Chairman

Christian Konrad
- Born in 1943
- Appointed since 29 June 1990 until the 12th AGM (2011)

Supervisory Board appointments in domestic and foreign listed companies
- Chairman of the Supervisory Board of AGRANA Beteiligungs-Aktiengesellschaft, Vienna
- Member of the Supervisory Board of DO & CO Restaurants & Catering Aktiengesellschaft, Vienna
- Member of the Supervisory Board of BAYWA AG, Munich
- Vice Chairman of the Supervisory Board of Südzucker AG Mannheim/Ochsenfurt, Mannheim

First Vice Chairman

Georg Winckler
- Born in 1943
- Appointed since 17 September 1999 until the 12th AGM (2011)

Supervisory Board appointments in domestic and foreign listed companies
- First Vice Chairman of the Supervisory Board of Erste Group Bank AG, Vienna

Second Vice Chairman

Walter Rothensteiner
- Born in 1953
- Appointed since 3 July 1995 until the 12th AGM (2011)

Supervisory Board appointments in domestic and foreign listed companies
- Chairman of the Supervisory Board of Raiffeisen International Bank-Holding AG, Vienna

Third Vice Chairman

Heinz Kessler
- Born in 1938
- Appointed since 17 September 1999 until 25 May 2009

Supervisory Board appointments in domestic and foreign listed companies
- Chairman of the Supervisory Board of Erste Group Bank AG, Vienna
- Chairman of the Supervisory Board of Rath Aktiengesellschaft, Vienna

Christian Kuhn
- Born in 1954
- Appointed since 15 May 2006 until the 12th AGM (2011)

Fourth Vice Chairman

Günther Reibersdorfer
- Born in 1954
- Appointed since 23 May 2005 until 25 May 2009

Markus Mair
- Born in 1964
- Appointed since 15 May 2006 until the 12th AGM (2011)

Fifth Vice Chairman

Ewald Wetscherek
- Born in 1944
- Appointed since 17 September 1999 until the 12th AGM (2011)

Members

Ernst Burger
- Born in 1948
- Appointed since 25 May 2009 until the 12th AGM (2011)

Konrad Fuchs
- Born in 1938
- Appointed since 17 September 1999 until 25 May 2009

Erwin Hameseder
- Born in 1956
- Appointed since 21 May 2007 until the 12th AGM (2011)

Supervisory Board appointments in domestic and foreign listed companies
- Vice Chairman of the Supervisory Board of AGRANA Beteiligungs-Aktiengesellschaft, Vienna
- Vice Chairman of the Supervisory Board of STRABAG SE, Villach
- Member of the Supervisory Board of Südzucker AG Mannheim/Ochsenfurt, Mannheim

Eduard Lechner
- Born in 1956
- Appointed since 25 May 2009 until the 12th AGM (2011)

Hannes Schmid
- Born in 1953
- Appointed since 25 May 2009 until the 12th AGM (2011)

Assigned by the Central Employee Council

Johann-Anton Auer
- Born in 1954
- Since 18 February 2008

Doris Böhm
- Born in 1957
- Since 7 April 2005

Anna Gruber
- Born in 1959
- Since 15 April 2009

Hans Hahnen
- Born in 1948
- From 1 January 2006 to 21 May 2008 and from 1 September 2008 to 15 April 2009

Franz Michael Koller
- Born in 1956
- Since 17 September 1999

Friedrich Lehner
- Born in 1952
- From 31 May 2000 to 1 September 2008 and since 15 April 2009

Walter Zwiauer
- Born in 1944
- From 3 June 1982 to 15 April 2009

The Supervisory Board of UNIQA Versicherungen AG had five meetings in 2009.

Committees of the Supervisory Board

Committee for Board Affairs

- **Christian Konrad** (Chairman)
- **Georg Winckler**
- **Walter Rothensteiner**
- **Heinz Kessler** (until 25 May 2009)
- **Christian Kuhn** (since 25 May 2009)

Working Committee

- **Christian Konrad** (Chairman)
- **Georg Winckler**
- **Walter Rothensteiner**
- **Heinz Kessler** (until 25 May 2009)
- **Christian Kuhn** (since 25 May 2009)
- **Günther Reibersdorfer** (until 25 May 2009)
- **Markus Mair** (since 25 May 2009)
- **Ewald Wetscherek**

Assigned by the Central Employee Council
- **Johann-Anton Auer** (since 15 April 2009)
- **Doris Böhm**
- **Franz Michael Koller**
- **Walter Zwiauer** (until 15 April 2009)

Audit Committee

- **Christian Konrad** (Chairman)
- **Georg Winckler**
- **Walter Rothensteiner**
- **Heinz Kessler** (until 25 May 2009)
- **Christian Kuhn** (since 25 May 2009)
- **Günther Reibersdorfer** (until 25 May 2009)
- **Markus Mair** (since 25 May 2009)
- **Ewald Wetscherek**

Assigned by the Central Employee Council
- **Johann-Anton Auer** (since 15 April 2009)
- **Doris Böhm**
- **Franz Michael Koller**
- **Walter Zwiauer** (until 15 April 2009)

Investment Committee

- **Erwin Hameseder** (Chairman)
- **Konrad Fuchs** (Vice Chairman until 25 May 2009)
- **Georg Winckler** (Vice Chairman since 25 May 2009)
- **Günther Reibersdorfer** (until 25. May 2009)
- **Eduard Lechner** (since 25 May 2009)
- **Hannes Schmid** (since 25 May 2009)

Assigned by the Central Employee Council
- **Johann-Anton Auer** (since 15 April 2009)
- **Doris Böhm**
- **Walter Zwiauer** (until 15 April 2009)

Functions of the Supervisory Board and its committees

The Supervisory Board advises the Management Board in its strategic planning and projects. It participates in the decisions assigned to it by statute, by the company articles and by its rules of procedure. The Supervisory Board is responsible for supervising the management of the company by the Management Board.

A Committee for Board Affairs of the Supervisory Board has been formed for handling the relationships between the company and the members of its Management Board relating to employment and salary (Section 92 paragraph 4 last clause of the Austrian Stock Corporation Act).

The appointed Working Committee of the Supervisory Board shall be called upon for decisions only if the urgency of the issue will not allow the decision to wait until the next meeting of the Supervisory Board. The evaluation of the urgency is the responsibility of the chairman. The decisions passed must be reported in the next meeting of the Supervisory Board. The Working Committee decides in principle on all issues that are the responsibility of the Supervisory Board; issues of particular important or stipulated by law are excepted, however.

The Audit Committee (Section 92 paragraph 4a Austrian Stock Corporation Act) performs the duties assigned to it by law. The Audit Committee of the Supervisory Board has the same membership as the Working Committee. The duties assigned to the Audit Committee by law are in some cases also handled by the Working Committee.

Finally, the Investment Committee advises the Management Board with regard to its investment policy; it has no decision-making authority.

In 2009, the Working Committee mainly discussed the profit developments of the Group, assessed the company strategy and made a series of decisions regarding measures to be taken. Alongside the Audit Committee, the Working Committee was also concerned with the reports of Internal Auditing regarding audit regions and significant audit discoveries based on executed audits. It also performed other duties assigned to the Audit Committee by law. The committee held five meetings in 2009 and made four decisions by circulating them in writing. In its meeting, the Committee for Board Affairs dealt with the legal employment formalities of the members of the Management Board. The Investment Committee had four meetings about the capital investment strategy and questions of the capital structure. In its meeting, the Audit Committee concentrated on all audit documents and the Management Board's proposed appropriation of profit and reported to the Supervisory Board. The various chairmen of the committees informed the members of the Supervisory Board about the meetings and their committee's work.

Independence of the Supervisory Board

All selected members of the Supervisory Board have declared their independence under rule 53 of the Austrian Code of Corporate Governance.

A Supervisory Board member is considered independent if he or she is not in any business or personal relationship with the company or its Management Board that represents a material conflict of interests and is therefore capable of influencing the behaviour of the member.

UNIQA has established the following points as additional criteria for the independence of a Supervisory Board member:

- The Supervisory Board member should not have been a member of the Management Board or a managing employee of the company or a subsidiary of the company in the past five years.
- The Supervisory Board member should not maintain or have maintained within the last year any business relationships significant for said Supervisory Board member with the company or a subsidiary of the company. This also applies to business relationships with companies in which the Supervisory Board member has a significant economic interest but not for the performance of executive functions in the Group.
- The Supervisory Board member should not have been auditor of the partners or a shareholder or employee of the auditing company within the last three years.
- The Supervisory Board member should not be a Management Board member of another company in which a Management Board member of the company is a Supervisory Board member unless one of the companies is a member of the other company's Group or holds a business interest in the company.
- The Supervisory Board member should not be a member of the Supervisory Board for longer than 15 years. This does not apply to Supervisory Board members who are shareholders with an entrepreneurial stake or who are representing the interests of a party with such a stake.
- The Supervisory Board member should not be a close family relative (direct descendent, spouse, life companion, parent, uncle, aunt, sibling, niece, nephew) of a Management Board member or of persons who are in one of the positions described in the above points.

The rules of procedure regulate the distribution of business and the cooperation of the Management Board. They also describe the notification and reporting obligations of the Management Board with respect to the Supervisory Board and stipulate a catalogue of measures that require approval by the Supervisory Board.

Remuneration report

Earnings of the Management Board and Supervisory Board

Members of the Management Board receive remunerations exclusively from UNIQA Versicherungen AG.

	2009 € 000	2008 € 000
The expenses for renumeration of Management Board members attributable to the reporting year amounted to:		
Regular payments	2,895	2,370
Performance-related remunerations	0	0
Total	**2,895**	**2,370**
of which charged to operational subsidiaries	2,750	2,252
Former members of the Mangement Board and their surviving dependants were paid:	2,522	2,624
Because of pension commitments to these persons, the following provision was set up on 31 Dec.	21,746	20,513

The remuneration to members of the Supervisory Board amounted to:

	2009 € 000	2008 € 000
For the current financial year (provision)	323	391
Meeting attendance fee	35	44
Total	**358**	**435**

Former members of the Supervisory Board did not receive any remuneration.

The information according to Section 239 paragraph 1 of the Austrian Business Code in connection with Section 80b of the Insurance Supervisory Act, which must be included in the Notes as mandatory information for financial statements according to IFRS to release the company from the requirement to prepare financial statements in accordance with the Austrian Commercial Code, is defined for the individual financial statements according to the provisions of the Austrian Commercial Code, with expanded scope. In addition to the executive functions (Management Board) of UNIQA Versicherungen AG, the individual financial statements also include the earnings of the Management Boards of the subsidiaries, insofar as a legally binding basis exists with UNIQA Versicherungen AG.

Principles for profit participation by the Management Board

A variable income component was made available to the members of the Management Board in the form of bonus agreements if they meet certain defined prerequisites for entitlement. This bonus will be provided as a one-time payment based on the earnings situation. The basis for determining the size of the bonus is the return on equity based on the IFRS consolidated financial statements of UNIQA Versicherungen AG. The Management Board reports to the Staff Committee on the balance sheet work involving the development of the Group's reserves. The Staff Committee can appropriately take changes to the reserves into account in determining the size of the bonus payments and establish an adjusted Group return on equity. No changes with respect to the previous year were made to the principles of the profit participation.

Principles for the pension scheme provided in the company for the Management Board and its requirements

Retirement pensions, a pension for occupational invalidity as well as a widow's and orphan's pension have been established, whereby the pension entitlements are managed by ÖPAG Pensionskassen AG. The retirement pension is due in principle upon meeting the requirements for the old-age pension according to the General Social Security Act. In event of an earlier retirement, the pension claim is reduced. For the occupational invalidity pension and the pension for surviving dependants, flat rates are provided as a minimum pension.

Principles for vested rights and claims of the Management Board of the company in the event of termination of their position

Severance payments have been agreed upon based partially on the provisions of the Salaried Employee Act. The benefits are fundamentally retained in the event of termination of membership in the Management Board; however, a reduction rule applies.

Supervisory Board remuneration scheme

Remunerations to the Supervisory Board are decided at the Annual General Meeting as a total amount for the work in the past financial year. The remuneration amount applicable to the individual Supervisory Board members is based on the position within the Supervisory Board and the number of committee positions.

D&O insurance

Such insurance exists, and the relevant costs are paid by UNIQA.

Risk report, directors' dealings

A comprehensive risk report (rule 67) is included in the Group notes beginning on p. 74. A description of the announcements made about the directors' dealings (rule 70) can also be found in the Corporate Governance area of the Group website.

Vienna, 6 April 2010

Konstantin Klien Chairman of the Management Board	**Andreas Brandstetter** Vice Chairman of the Management Board	**Hannes Bogner** Member of the Management Board	**Karl Unger** Member of the Management Board	**Gottfried Wanitschek** Member of the Management Board

Consolidated Balance Sheet

as at 31 December 2009

Assets	Notes	31 Dec. 2009 € 000	31 Dec. 2008 € 000	1 Jan. 2008 € 000
A. Tangible assets				
I. Self-used land and buildings	1	230,077	220,565	227,187
II. other tangible assets	2	132,447	113,412	138,030
		362,524	333,977	365,218
B. Land and buildings held as financial investments	3	**1,433,091**	**1,147,634**	**1,014,259**
C. Intangible assets				
I. Deferred acquisition costs	4	877,394	872,003	873,462
II. Goodwill	5	607,191	500,969	293,458
III. Other intangible assets	6	31,875	34,424	39,273
		1,516,459	1,407,396	1,206,193
D. Shares in associated companies	7	**717,163**	**851,382**	**506,654**
E. Investments				
I. Variable-yield securities				
1. Available for sale	9	1,321,142	1,397,749	2,909,384
2. At fair value through profit or loss		706,219	948,998	975,953
		2,027,361	2,346,747	3,885,337
II. Fixed interest securities				
1. Held to maturity	8	340,000	448,957	0
2. Available for sale	9	9,879,620	8,605,679	11,132,745
3. At fair value through profit or loss		246,936	271,468	496,638
		10,466,556	9,326,105	11,629,383
III. Loans and other investments				
1. Loans	11	2,943,107	3,201,817	982,480
2. Cash at credit institutions	12	1,201,925	1,457,298	649,313
3. Deposits with ceding companies	12	136,149	129,405	118,908
		4,281,180	4,788,519	1,750,700
IV. Derivative financial instruments				
1. Variable-yield	10	3,606	15,898	17,977
2. Fixed interest	10	8,252	3,179	42,252
		11,858	19,077	60,228
		16,786,955	16,480,448	17,325,648
F. Investments held on account and at risk of life insurance policyholders	24	**3,473,553**	**2,642,462**	**2,470,340**
G. Share of reinsurance in technical provisions				
I. Provision for unearned premiums	19	20,341	26,853	6,168
II. Actuarial provision	20	448,599	431,387	408,653
III. Provision for outstanding claims	21	293,762	265,344	321,507
IV. Provision for profit-unrelated premium refunds	22	99	225	365
V. Provision for profit-related premium refunds, i.e. policyholder profit sharing	22	0	0	0
VI. Other technical provisions		3,649	5,529	3,029
	23	766,450	729,338	739,722
H. Share of reinsurance in technical provisions held on account and at risk of life insurance policyholders	24	**382,338**	**382,480**	**346,868**
I. Receivables including receivables under insurance business	13			
I. Reinsurance receivables		52,558	46,766	67,795
II. Other receivables		916,653	835,119	695,198
III. Other assets		50,690	50,432	43,383
		1,019,902	932,317	806,377
J. Receivables from income tax	14	**40,348**	**54,077**	**51,253**
K. Deferred tax assets	15	**96,295**	**69,096**	**77,055**
L. Liquid funds		**797,658**	**567,853**	**647,133**
Total assets		27,392,735	25,598,461	25,556,720

Equity and liabilities			Notes	31 Dec. 2009 € 000	31 Dec. 2008 € 000	1 Jan. 2008 € 000
A.	Total equity					
	I.	Shareholders' equity	16			
		1. Subscribed capital and capital reserves		540,681	390,681	206,305
		2. Revenue reserves		724,523	809,227	885,532
		3. Revaluation reserves		10,600	11,570	184,506
		4. Group total profit		57,258	53,190	60,037
				1,333,063	1,264,668	1,336,380
	II.	Minority interests in shareholders' equity	17	231,720	194,108	195,843
				1,564,782	**1,458,776**	**1,532,223**
B.	**Subordinated liabilities**		18	**575,000**	**580,544**	**575,000**
C.	**Technical provisions**					
	I.	Provision for unearned premiums	19	552,569	521,637	428,251
	II.	Actuarial provision	20	16,055,368	15,601,625	15,166,700
	III.	Provision for outstanding claims	21	2,299,943	2,175,342	2,161,560
	IV.	Provision for profit-unrelated premium refunds	22	47,588	46,135	48,231
	V.	Provision for profit-related premium refunds, i.e. policyholder profit sharing	22	196,565	–5,229	389,696
	VI.	Other technical provisions		47,677	49,452	38,492
			23	**19,199,710**	**18,388,962**	**18,232,930**
D.	**Technical provisions for life insurance policies held on account and at risk of life insurance policyholders**		24	**3,416,231**	**2,579,997**	**2,412,937**
E.	**Financial liabilities**					
	I.	Liabilities from loans	25	55,356	189,053	185,900
	II.	Derivatives	10	26,939	7,087	12,342
				82,295	**196,140**	**198,242**
F.	**Other provisions**					
	I.	Pensions and similar provisions	26	466,837	436,478	509,541
	II.	Other provisions	27	192,327	207,919	194,272
				659,164	**644,397**	**703,813**
G.	**Payables and other liabilities**		28			
	I.	Reinsurance liabilities		872,587	869,258	796,780
	II.	Other payables		650,881	567,129	720,778
	III.	Other liabilities		10,854	11,122	9,483
				1,534,321	**1,447,509**	**1,527,041**
H.	**Liabilities from income tax**		29	**48,732**	**57,294**	**41,618**
I.	**Deferred tax liabilities**		30	**312,499**	**244,841**	**332,916**
Total equity and liabilities				**27,392,735**	**25,598,461**	**25,556,720**

In the year 2009, the following changes were made in the allocation and adjusted in the values as at 31 December 2008, as at 1 January 2008 and in the consolidated income statement:

Supplementary capital bonds were reclassified from item E.I.1. Variable yield securities available for sale to item E.II.2. Fixed interest securities available for sale (€ 845,407,000).

In accordance with the regulation of the financial market supervisory authority, the reporting of the hidden co-insurance (IWD) was adjusted, which resulted in movements between the items of the overall accounting and the reinsurance.

Based on the determination by the Swiss supervisory authority that a management contract previously held as an insurance contract poses no significant actuarial risk, the management fee for this transaction will now only be reported under other income (€ 14,000) starting in 2009. The premiums written and earned (€ 40,238,000), the insurance benefits (€ 38,929,000) as well as the operating expenses (€ 1,324,000) were therefore also adjusted by the specified amounts in the comparison numbers for 2008.

Consolidated Income Statement

from 1 January to 31 December 2009

	Notes	2009 € 000	2008 € 000
1. Premiums written (retained)	31		
a) Gross		5,011,651	4,942,220
b) Reinsurer's share		–217,254	–211,048
		4,794,398	4,731,172
2. Change due to premiums earned (retained)			
a) Gross		–17,445	–41,006
b) Reinsurer's share		–6,796	–32
		–24,240	–41,038
3. Premiums earned (retained)	32		
a) Gross		4,994,207	4,901,214
b) Reinsurer's share		–224,049	–211,080
		4,770,158	4,690,134
4. Income from fees and commissions	33		
Reinsurance commissions and profit shares from reinsurance business ceded		14,821	16,127
5. Net investment income	34	**751,603**	**227,596**
of which profit from associated companies		–62,295	143,142
6. Other income	35	**60,624**	**80,008**
Total income		**5,597,207**	**5,013,864**
7. Insurance benefits	36		
a) Gross		–4,282,394	–3,655,707
b) Reinsurer's share		227,953	133,013
		–4,054,442	–3,522,693
8. Operating expenses	37		
a) Acquisition costs		–854,353	–866,431
b) Other operating expenses		–429,396	–385,778
		–1,283,750	–1,252,210
9. Other expenses	38	**–123,052**	**–99,430**
10. Amortisation of goodwill		**–18,543**	**–10,530**
Total expenses		**–5,479,787**	**–4,884,863**
11. Operating profit		**117,420**	**129,002**
12. Financing costs		**–35,091**	**–38,785**
13. Profit on ordinary activities		**82,328**	**90,217**
14. Income taxes	39	**–39,596**	**–23,470**
15. Net profit		**42,732**	**66,748**
of which consolidated profit		14,115	53,308
of which minority interests		28,618	13,440
Earnings per share in[1] €	16	**0.11**	**0.44**
Average number of shares in circulation		**131,723,521**	**121,064,534**

[1] The diluted earnings per share is equal to the undiluted earnings per share. Calculated on the basis of the consolidated profit.

Consolidated Comprehensive Income Statement

from 1 January to 31 December 2009

	2009 € 000	2008 € 000
Net profit	**42,732**	**66,748**
Foreign currency translation		
Gains (losses) recognised in equity	–22,096	–57,907
Included in the income statement	0	54
Unrealised gains and losses on investments		
Gains (losses) recognised in equity	231,601	–338,010
Gains (losses) recognised in equity - Deferred tax	–21,962	90,846
Gains (losses) recognised in equity - Deferred profit participation	–170,142	–31,516
Included in the income statement	–10,533	121,172
Included in the income statement - Deferred tax	7,576	–39,476
Included in the income statement - Deferred profit participation	–16,362	8,555
Change resulting from valuation at equity		
Gains (losses) recognised in equity	–22,427	–3,237
Included in the income statement	0	0
Other changes[1]	2,113	–125
Income and expense recognised directly in equity	**–22,232**	**–249,644**
Total recognised income and expense	**20,500**	**–182,896**
Of which		
Attributable to UNIQA Versicherungen AG equity holders	–29,264	–181,551
Attributable to minority interests	49,764	–1,346
Changes in accordance with IAS 8	0	0

[1] The other changes result primarily from currency fluctuations.

Consolidated Cash Flow Statement

from 1 January to 31 December 2009

	2009 € 000	2008 € 000
Net profit including minority interests		
Net profit	42,732	66,748
of which interest and dividend payments	–8,518	37,602
Minority interests	–28,618	–13,440
Change in technical provisions (net)	1,588,280	188,581
Change in deferred acquisition costs	–5,390	1,459
Change in amounts receivable and payable from direct insurance	41,632	–26,021
Change in other amounts receivable and payable	–92,788	–156,183
Change in securities at fair value through profit or loss	274,531	293,276
Realised gains/losses on the disposal of investments	–930,298	–446,831
Depreciation/appreciation of other investments	262,637	522,715
Change in provisions for pensions and severance payments	30,359	–73,063
Change in deferred tax assets/liabilities	30,539	–80,115
Change in other balance sheet items	–12,166	60,063
Change in goodwill and intangible assets	–21,962	–1,778
Other non-cash income and expenses as well as accounting period adjustments	–42,410	–68,448
Net cash flow from operating activities	**1,137,078**	**266,962**
of which cash flow from income tax	–23,385	–43,177
Receipts due to disposal of consolidated companies and other business units	254,983	449,309
Payments due to acquisition of consolidated companies and other business units	–273,129	–928,619
Receipts due to disposal and maturity of other investments	10,878,155	9,854,721
Payments due to acquisition of other investments	–10,941,012	–9,687,349
Change in investments held on account and at risk of life insurance policyholders	–831,090	–172,123
Net cash flow used in investing activities	**–912,094**	**–484,061**
Change in investments in own shares	0	–8,296
Share capital increase	150,000	184,375
Dividend payments	–52,341	–59,714
Receipts and payments from other financing activities	–139,242	8,698
Net cash flow used in financing activities	**–41,583**	**125,063**
Change in cash and cash equivalents	183,401	–92,036
Change in cash and cash equivalents due to foreign currency translation	–2,132	–215
Change in cash and cash equivalents due to acquisition/disposal of consolidated companies	48,535	12,971
Cash and cash equivalents at beginning of period	567,853	647,133
Cash and cash equivalents at end of period	**797,658**	**567,853**
of which cash flow from income tax	–23,385	–43,177

The cash and cash equivalents correspond to item L. of the assets: Liquid funds.

Development of Group Equity

	Subscribed capital and capital reserves € 000	Revaluation reserve € 000	Revenue reserves including reserves for own shares € 000	
As at 31 Dec. 2007	**206,305**	**184,506**	**888,093**	
Changes due to:				
Capital increase	184,375			
Change in consolidation scope			–6,527	
Dividends to shareholders				
Income and expenses according to the statement of income		–172,937	–61,481	
As at 31 Dec. 2008	**390,681**	**11,570**	**820,085**	
Changes due to:				
Capital increase	150,000			
Change in consolidation scope				
Dividends to shareholders				
Own shares				
Income and expenses according to the statement of income		–969	–84,704	
As at 31 Dec. 2009	**540,681**	**10,600**	**735,381**	

Holding of own shares € 000	Profits carried forward and net profit for the year € 000	Equity € 000	Minority interests € 000	Total equity € 000
–2,561	**60,037**	**1,336,380**	**195,843**	**1,532,223**
		184,375		184,375
		–6,527	8,524	1,997
	–59,714	–59,714	–8,913	–68,627
	52,867	–181,551	–1,346	–182,896
–10,857	**53,190**	**1,264,668**	**194,108**	**1,458,776**
		150,000		150,000
			–3,717	–3,717
	–52,341	–52,341	–8,436	–60,777
	56,409	–29,264	49,764	20,500
–10,857	57,258	1,333,063	231,720	1,564,782

Segment Balance Sheet

Classified by segment

		Property and casualty		Health	
		31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Assets					
A.	Tangible assets	189,425	203,023	29,693	13,344
B.	Land and buildings held as financial investments	377,011	354,144	285,541	186,666
C.	Intangible assets	595,092	486,122	233,387	225,299
D.	Shares in associated companies	120,188	191,928	0	103,781
E.	Investments	2,683,346	2,731,826	2,170,268	2,026,471
F.	Investments held on account and at risk of life insurance policyholders	0	0	0	0
G.	Share of reinsurance in technical provisions	305,285	285,418	2,709	2,268
H.	Share of reinsurance in technical provisions held on account and at risk of life insurance policyholders	0	0	0	0
I.	Receivables including receivables under insurance business	625,437	615,940	213,443	162,596
J.	Receivables from income tax	28,899	25,341	1,258	3,397
K.	Deferred tax assets	80,958	63,663	527	–429
L.	Liquid funds	232,910	196,726	181,642	121,614
Total segment assets		5,238,551	5,154,132	3,118,468	2,845,008
Equity and Liabilities					
B.	Subordinated liabilities	335,000	340,544	0	0
C.	Technical provisions	2,658,848	2,521,257	2,622,190	2,464,667
D.	Technical provisions for life insurance policies held on account and at risk of life insurance policyholders	0	0	0	0
E.	Financial liabilities	35,116	183,788	34,107	3,300
F.	Other provisions	611,441	602,801	20,197	8,030
G.	Payables and other liabilities	1,041,905	904,225	69,479	47,958
H.	Liabilities from income tax	42,880	47,919	2,162	8,824
I.	Deferred tax liabilities	198,246	196,759	73,449	43,747
Total segment liabilities		4,923,436	4,797,293	2,821,584	2,576,526

Life		Consolidation		Group	
31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
143,406	117,609	0	0	362,524	333,977
770,539	606,823	0	0	1,433,091	1,147,634
687,980	695,975	0	0	1,516,459	1,407,396
596,975	555,673	0	0	717,163	851,382
12,293,992	12,146,838	–360,651	–424,687	16,786,955	16,480,448
3,473,553	2,642,462	0	0	3,473,553	2,642,462
458,456	441,652	0	0	766,450	729,338
382,338	382,480	0	0	382,338	382,480
901,783	762,981	–720,762	–609,200	1,019,902	932,317
10,191	25,339	0	0	40,348	54,077
14,810	5,862	0	0	96,295	69,096
383,106	249,513	0	0	797,658	567,853
20,117,129	**18,633,208**	**–1,081,413**	**–1,033,887**	**27,392,735**	**25,598,461**
270,000	270,000	–30,000	–30,000	575,000	580,544
13,918,159	13,399,359	512	3,678	19,199,710	18,388,962
3,416,231	2,579,997	0	0	3,416,231	2,579,997
218,788	215,966	–205,716	–206,913	82,295	196,140
27,526	33,567	0	0	659,164	644,397
1,265,080	1,290,935	–842,143	–795,609	1,534,321	1,447,509
3,691	551	0	0	48,732	57,294
40,804	4,335	0	0	312,499	244,841
19,160,280	**17,794,709**	**–1,077,347**	**–1,028,844**	**25,827,952**	**24,139,685**
			Shareholders' equity and minority interests	1,564,782	1,458,776
			Total equity and liabilities	**27,392,735**	**25,598,461**

The amounts indicated have been adjusted to eliminate amounts resulting from segment-internal transactions. Therefore the balance of segment assets and segment liabilities does not allow conclusions to be drawn with regard to the equity allocated to the respective segment.

Segment Income Statement

Classified by segment

	Property and casualty		Health	
	2009 € 000	2008 € 000	2009 € 000	2008 € 000
1. a) Gross premium written	2,470,840	2,418,190	937,467	907,319
1. Premiums written (retained)	2,325,158	2,282,537	935,120	905,939
2. Change due to premiums earned (retained)	–26,007	–32,827	–1,241	315
3. Premiums earned (retained)	2,299,151	2,249,710	933,879	906,254
4. Income from fees and commissions	13,697	12,304	113	103
5. Net investment income	117,329	60,597	96,852	17,475
6. Other income	62,590	74,573	2,711	1,204
7. Insurance benefits	–1,562,407	–1,443,949	–811,779	–770,755
8. Operating expenses	–811,264	–759,557	–128,629	–132,949
9. Other expenses	–93,067	–71,353	–5,250	–1,822
10. Amortisation of goodwill	–12,837	0	0	0
11. Operating profit	13,193	122,325	87,898	19,511
12. Financing costs	–21,013	–24,220	–549	0
13. Profit on ordinary activities	**–7,820**	**98,106**	**87,349**	**19,511**
14. Income taxes	–15,174	–8,982	–20,146	–4,400
15. Net profit	–22,994	89,124	67,203	15,110
of which consolidated profit	–21,977	68,836	52,212	9,574
of which minority interests	–1,017	20,287	14,990	5,536

Impairment by segment

	Property and casualty		Health	
	2009 € 000	2008 € 000	2009 € 000	2008 € 000
Goodwill				
Change in impairment for current year	0	0	0	0
of which reallocation affecting income	0	0	0	0
Investments				
Change in impairment for current year	–22,173	–51,830	–15,505	–43,099
of which reallocation/reinstatement of original values affecting income	–22,173	–51,830	–15,505	–43,099

Life 2009 € 000	Life 2008 € 000	Consolidation 2009 € 000	Consolidation 2008 € 000	Group 2009 € 000	Group 2008 € 000
1,628,017	1,653,325	–24,672	–36,615	5,011,651	4,942,220
1,547,040	1,573,420	–12,921	–30,724	4,794,398	4,731,172
–1,046	–3,254	4,053	–5,272	–24,240	–41,038
1,545,995	1,570,166	–8,868	–35,996	4,770,158	4,690,134
5,407	6,377	–4,395	–2,657	14,821	16,127
538,758	150,925	–1,336	–1,401	751,603	227,596
17,875	14,548	–22,552	–10,317	60,624	80,008
–1,690,380	–1,328,260	10,125	20,270	–4,054,442	–3,522,693
–346,064	–369,739	2,207	10,035	–1,283,750	–1,252,210
–50,462	–43,408	25,726	17,153	–123,052	–99,430
–5,707	–10,530	0	0	–18,543	–10,530
15,421	–9,921	908	–2,913	117,420	129,002
–13,529	–14,565	0	0	–35,091	–38,785
1,892	**–24,486**	**908**	**–2,913**	**82,328**	**90,217**
–4,276	–10,087	0	0	–39,596	–23,470
–2,384	–34,573	908	–2,913	42,732	66,748
–17,028	–22,189	908	–2,913	14,115	53,308
14,644	–12,383	0	0	28,618	13,440

Life 2009 € 000	Life 2008 € 000	Consolidation 2009 € 000	Consolidation 2008 € 000	Group 2009 € 000	Group 2008 € 000
–7,418	0	0	0	–7,418	0
–7,418	0	0	0	–7,418	0
–203,349	–387,373	0	0	–241,027	–482,302
–203,349	–387,373	0	0	–241,027	–482,302

Classified by region

	Premiums earned (retained)		Net investment income	
	2009 € 000	2008 € 000	2009 € 000	2008 € 000
Western Europe (incl. Austria)	4,038,185	3,879,222	705,164	173,326
Austria	**3,028,391**	**2,957,792**	**617,943**	**97,602**
Other Europe	**1,750,634**	**1,768,338**	**142,627**	**138,569**
Western Europe	**1,009,793**	**921,430**	**87,221**	**75,724**
Italy	291,411	214,251	48,980	37,045
Germany	323,454	298,865	28,626	43,390
Switzerland	392,286	404,912	12,225	–6,761
Liechtenstein	2,642	3,402	–95	2,049
The Netherlands	0	0	–2,516	2
Eastern Europe	**740,841**	**846,908**	**55,406**	**62,846**
Poland	325,161	464,871	12,187	16,832
Hungary	67,723	87,916	13,494	31,526
Czech Republic	99,097	104,562	6,868	–557
Bulgaria	27,152	42,995	–304	1,076
Slovakia	51,939	46,226	3,728	3,293
Ukraine	30,487	29,674	1,495	1,160
Romania	76,605	20,234	9,896	2,159
Serbia	26,027	19,953	5,483	4,493
Croatia	20,544	16,341	1,553	1,678
Bosnia and Herzegovina	13,802	13,464	1,142	1,737
other	2,304	674	–135	–551
Total before consolidation	**4,779,025**	**4,726,130**	**760,570**	**236,172**
Consolidation (based on geographic segments)	–8,868	–35,996	–8,967	–8,576
In the consolidated financial statements	4,770,158	4,690,134	751,603	227,596

The investment income and profit on ordinary activity by region are presented adjusted for the capital consolidation effects contained in the investment income. The consolidation item includes the expenditure and income consolidation from operational business relations between Group companies on the basis of geographic segments.

Insurance benefits (net)		Operating expenses		Profit on ordinary activities	
2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
–3,526,615	–2,932,527	–1,087,438	–1,061,547	74,876	42,758
–2,736,831	**–2,273,314**	**–749,534**	**–716,589**	**74,115**	**–5,250**
–1,327,736	**–1,269,649**	**–661,664**	**–670,255**	**15,877**	**86,347**
–789,784	**–659,212**	**–337,904**	**–344,959**	**762**	**48,007**
–271,854	–156,123	–68,876	–77,010	4,393	18,182
–229,517	–239,792	–137,003	–128,981	9,547	14,859
–287,361	–258,674	–128,799	–134,772	–10,413	18,764
–1,052	–4,623	–3,226	–4,195	–249	–3,799
0	0	0	0	–2,516	2
–537,951	**–610,437**	**–323,760**	**–325,296**	**15,115**	**38,339**
–288,695	–409,869	–64,574	–74,519	–431	6,473
–26,323	–30,953	–60,928	–74,339	8,586	25,525
–59,754	–51,680	–53,776	–55,399	13,062	13,504
–15,753	–23,402	–20,077	–26,725	–4,505	1,484
–28,887	–26,990	–33,437	–30,825	7,737	4,600
–13,840	–11,776	–18,493	–19,720	–1,584	–9,381
–62,346	–21,573	–36,134	–9,732	–4,585	–231
–17,344	–12,899	–13,810	–15,301	339	–3,062
–14,897	–12,887	–11,891	–10,981	225	–175
–8,739	–8,003	–6,305	–6,233	168	1,433
–1,374	–405	–4,335	–1,523	–3,895	–1,831
–4,064,566	**–3,542,964**	**–1,411,198**	**–1,386,843**	**89,991**	**81,097**
10,125	20,270	127,449	134,634	–7,663	9,120
–4,054,442	–3,522,693	–1,283,750	–1,252,210	82,328	90,217

Notes to the Group Financial Statements

Accounting Regulations

As a publicly listed company, UNIQA is obligated to prepare its consolidated financial statements according to internationally accepted accounting principles. In accordance with Section 245a of the Austrian Commercial Code, the company has prepared the consolidated financial statements exclusively in agreement with the International Financial Reporting Standards (IFRS) as applied within the European Union. These consolidated financial statements and group management report therefore do not follow the accounting principles according to the Insurance Supervisory Act, rather the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS) in the versions applicable to this reporting period. IFRS 8 "Operating Segments" as issued in November 2006 was applied for the first time in the 1st quarter of 2008. This means that the main business fields described in the primary segment reporting – property and casualty insurance, health insurance and life insurance – were used for reporting according to IFRS 8. No early application of other modified standards was performed.

Since 2005, UNIQA Versicherungen AG has applied IFRS 4 published in 2004 for insurance policies. This standard demands that the methods of accounting and valuation be largely unaltered with regard to the technical items.

The present Group financial statements were therefore prepared, as in previous years, in compliance with IFRS 4 and in accordance with the regulations of the US Generally Accepted Accounting Principles (US-GAAP). For balancing the accounts and evaluation of the insurance-specific entries of the life insurer with profit participation, FAS 120 was observed; FAS 60 was applied for specific items in the health, property and casualty insurance and FAS 113 in the area of reinsurance. The unit-linked life insurance, where the policyholder bears the investment risk, is stated according to FAS 97.

The financial instruments were balanced in accordance with IAS 39 including the information required by IFRS 7, as most recently amended in November 2009. Aside from recording the securities under "Held to maturity", "Available for sale", "At fair value through profit or loss" and "Derivative financial instruments (held for trading)", additional disclosures for securities available for sale are reported in the following investment categories, which were utilised for the internal risk reports:

- Shares in affiliated companies
- Shares
- Equity funds
- Debenture bonds not capital guaranteed
- Other variable yield securities
- Participating interests and other investments
- Fixed interest securities

The UNIQA Group implemented the changes of IAS 1 and IFRS 7 on 1 January 2009. IAS 1 requires listing of a full income statement, which must contain the net profit and the income and expenditures recorded directly in the equity. The full income statement is shown as a separate table under the consolidated income statement. The changes to IFRS 7 introduce a three-level hierarchy for reporting valuations at current market value. The required information is reported in item 9 (Securities available for sale).

Consolidation

Scope of consolidation

In addition to the annual financial statement of UNIQA Versicherungen AG, the Group financial statements include the financial statements of all subsidiaries at home and abroad. Thirty-four affiliated companies did not form part of the consolidated Group. They were only of minor significance, 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 UNIQA Versicherungen AG – 47 domestic and 84 foreign subsidiaries in which UNIQA Versicherungen AG held the majority of voting rights.

The scope of consolidation was extended in the reporting period by the following companies:

	Date of initial inclusion	Net profit € million	Acquired shares %	Acquisition costs € million	Goodwill 31 Dec. 2009 € million
Raiffeisen Life IC LLC, Moscow	1.1.2009	–1.6	100.0	1.5	0.1
EZL Entwicklung Zone Lassallestraße GmbH & Co. KG, Vienna	1.1.2009	2.2	99.9	51.8	0.0
BSIC Holding GmbH, Kiev	1.4.2009	0.0	100.0	0.0	0.0
Privatklinik Wehrle GmbH, Salzburg	1.4.2009	0.0	100.0	0.0	0.0
PKM Handels- und Beteiligungsgesellschaft m.b.H., Vienna	1.4.2009	–0.7	100.0	0.0	0.0
Privatklinik Döbling GmbH, Vienna	1.4.2009	0.0	100.0	0.0	0.0
Privatklinik Josefstadt GmbH, Vienna	1.4.2009	0.1	100.0	0.0	0.0
Privatklinik Graz Ragnitz GmbH, Vienna	1.4.2009	1.5	100.0	0.0	0.0
Ambulatorien Betriebsgesellschaft m.b.H., Vienna	1.4.2009	0.2	100.0	0.0	0.0
RVCM GmbH, Vienna	1.4.2009	0.0	50.0	0.0	0.0
PKB Privatkliniken Beteiligungs-GmbH[1]	1.4.2009	–8.1	75.0	47.3	0.0
PremiaMed Management GmbH[1]	1.4.2009	0.6	75.0	2.5	1.8
Syntegra S.R.L., Cluj-Napoca	1.10.2009	0.0	60.0	0.0	0.0
Insdata spol s.r.o., Nitra	1.10.2009	0.3	98.0	0.0	0.0
UNIQA Life SpA, Milan	31.12.2009	0.0	90.0	78.5	73.4
Fleischmarkt Inzersdorf Vermietungs GmbH, Vienna	31.12.2009	–0.1	100.0	4.9	0.0
Praterstraße Eins Hotelbetriebs GmbH, Vienna	31.12.2009	0.0	100.0	0.0	0.0
SIGAL UNIQA Group AUSTRIA Sh.A., Tirana	31.12.2009	0.0	100.0	0.0	0.0
UNIQA A.D. Skopje, Skopje	31.12.2009	0.0	100.0	0.0	0.0
SIGAL LIFE UNIQA Group AUSTRIA Sh.A., Tirana	31.12.2009	0.0	100.0	0.0	0.0
SIGAL UNIQA GROUP AUSTRIA SH.A., Pristina	31.12.2009	0.0	100.0	0.0	0.0
SIGAL Holding Sh.A., Tirana[1]	31.12.2009	0.0	68.6	28.8	17.4

[1] From at equity to full consolidation.

The life insurance company Raiffeisen Life IC LLC with headquarters in Moscow was founded in the 1st quarter.

The scope of fully consolidated companies was expanded as of 1 April 2009 to include PremiaMed Management GmbH (formerly Humanomed Krankenhaus Management Gesellschaft m.b.H.) and the sub-group of PKB Privatkliniken Beteiligungs GmbH. The two companies were previously reported within the UNIQA scope of consolidation as associated companies ("at equity").

In the 3rd quarter, roughly 4.9 million shares of Leipnik-Lundenburger Invest Beteiligungs AG were sold, and the remaining shares held were transferred from associated companies to other shareholdings.

The sub-group of SIGAL Holding Sh.A. in Albania, Kosovo and Macedonia (previously valued "at equity" as an associated company in the UNIQA scope of consolidation) and UNIQA Life S.p.A. in Italy were fully consolidated for the first time as of 31 December 2009.

The effects of the change to the scope of consolidation on the main asset and debt positions can be seen under no. 5 of the notes to the consolidated financial statements.

The associated companies refer to eleven domestic and one foreign company consolidated at equity; of these, thirteen companies were of minor significance and were listed at current market value.

In applying IAS 39 and in terms of the present interpretation of this statement by the IASB (SIC 12), fully controlled investment funds will be included in the consolidation insofar as their fund volumes were not of minor importance when viewed singularly and in total.

Changes in the 1st quarter of 2010

There have been no significant changes to the scope of consolidation.

Consolidation principles

Capital consolidation follows the acquisition method. The costs of acquiring shares in the subsidiaries are written as the proportional equity of the subsidiary that was first revalued. The conditions at the time of acquiring the shares in the consolidated subsidiary are taken into consideration for the initial consolidation. 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.

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

Negative differences from mergers consummated after 31 March 2004 must be credited with an effect on income immediately after re-appraisal.

In compliance with IFRS 3, the goodwill is not subject to any scheduled depreciation. The value of existing goodwill resultant from the acquisition of holdings is appraised in an annual impairment test. A fall in value is written off where necessary.

Impairment test

The goodwill arises from company mergers and acquisitions. It represents the difference between the acquisition costs and the proportional and current corresponding net market value of identifiable assets, debts and specific contingent liabilities. In accordance with IAS 36, the goodwill is not subject to scheduled depreciation but listed as the acquisition costs less any accrued impairments. In the year 2009, UNIQA undertook a purchase price allocation for 2008 (within the one-year period allowed by IFRS 3) in which €33,439,000 from the takeover of UNITA Asigurari S.A. were allocated to non-tangible economic goods that will be depreciated using the straight-line method as well as valued and tested within the framework of the impairment test as separate intangible units.

For the purpose of the impairment test, the UNIQA Group has apportioned the goodwill into "cash-generating units" (CGU). These CGUs represent the lowest possible level of the company at which goodwill is observed for internal management purposes and in accordance with the strategy.

The impairment test implies a comparison between the realisable value of each CGU and its book valuation, consisting of goodwill and the proportional net assets. If this book valuation of the CGU exceeds the realisable value of the unit based on the earning power method, an impairment is performed.

The UNIQA Group has apportioned the goodwill into the following CGUs:

- Albania/Kosovo/Macedonia as sub-group
- Austria
- Bosnia and Herzegovina
- Bulgaria
- Croatia
- Czech Republic
- Germany as sub-group
- Hungary
- Italy as sub-group
- Liechtenstein
- Poland as sub-group
- Romania excl. purchase price allocation
- Russia
- Serbia/Montenegro as sub-group
- Slovakia
- Switzerland
- Ukraine

Breakdown of goodwill

Region	31 Dec. 2009 € 000
Austria	40,562
WEM	146,890
CEE	61,250
EEM	278,583
Total	**527,284**

The utility value is determined by the UNIQA Group according to the earning power method and through application of generally accepted valuation principles. The budget projections (detailed planning phase) of the CGUs, the estimate of the long-term results achievable by the CGUs (perpetuity) are used as the starting point for determination of the earning power.

The earning power is determined through discounting of the future profits with a suitable capitalisation interest rate. The earning power values here are separated by balance sheet segments, which are then totalled to yield the value for the entire company. As a basis for the valuation, the earning power of each individual CGU is calculated using a discounted cash flow model based on the planned future results.

Taxes on profit were set at the effective tax rate of the past three years.

The assumptions with regard to risk-free interest rate, market risk premium and segment betas made for determination of the capitalisation interest rate are consistent with the parameters used in the UNIQA planning and controlling process and are based on the capital asset pricing model.

In order to depict the economic situation and the financial crisis in the income values as accurately as possible in consideration of the volatility on the markets, the following changes were made in 2009 compared to 2008:

- The interest rate of a ten-year government bond was not used as the base interest rate as in the past; instead, a uniform, risk-free interest rate according to the Svennson method was used (term 30 years).
- The beta factor was not figured based on the US beta according to Damodaran (ř insurance + insurance life) as in previous years but rather based on the levered betas of European + emerging markets, also according to Damodaran, whereby a differentiation was made between betas for life and health insurance and betas for property insurance.
- The market risk premium continued to be figured based on countries with AAA ratings according to Damodaran.
- The national risk premium was also figured again based on the country ratings; however, the values according to Damodaran (annual average values) were not applied but rather the ratings of Standard & Poor's as at 15 February 2010, and the calculation was performed as follows: starting with the rating of the respective country, the yield spread of corporate bonds with the same rating to risk-free government bonds (AAA rating) is determined and adjusted by the volatility difference between the stock and bond markets. In addition, a rating improvement by one level within four to five years is assumed.

The capitalisation interest rate is listed below for all significant CGUs:

Cash-Generating Unit	Discount factor		Discount factor perpetuity	
	Property and casualty	Life & Health	Property and casualty	Life & Health
Albania	12.9%	14.8%	9.5%	10.6%
Bosnia and Herzegovina	14.0%	16.1%	11.4%	12.9%
Bulgaria	10.1%	11.3%	9.0%	10.0%
Germany	7.6%	8.3%	7.6%	8.3%
Italy	9.0%	10.0%	7.6%	8.3%
Kosovo	13.0%	14.9%	9.7%	10.8%
Croatia	10.1%	11.3%	9.0%	10.0%
Liechtenstein	7.6%	8.3%	7.6%	8.3%
Macedonia	13.0%	14.9%	9.7%	10.8%
Montenegro	12.9%	14.8%	9.5%	10.6%
Austria	7.6%	8.3%	7.6%	8.3%
Poland	9.5%	10.6%	8.7%	9.6%
Romania	12.9%	14.8%	9.5%	10.6%
Russia	10.1%	11.3%	9.0%	10.0%
Switzerland	7.6%	8.3%	7.6%	8.3%
Serbia	13.4%	15.4%	10.1%	11.3%
Slovakia	9.0%	10.0%	7.6%	8.3%
Czech Republic	9.1%	10.2%	8.7%	9.6%
Ukraine	16.1%	18.6%	13.2%	15.1%
Hungary	11.4%	12.9%	9.2%	10.3%

Source: Damodaran and derived factors

Cash flow forecast (multi-phase model)
Phase 1: Five-year company planning
The detailed company planning generally encompasses a period of five years. The company plans used for the calculation are the result of a structured and standardised management dialogue between the UNIQA headquarters in Vienna and the operational units in combination with the reporting and documentation process integrated into this dialogue. If necessary to determine the perpetuity, the planned results are adapted to correspond to the results that can be realistically achieved and sustained over the long term.

Phase 2: Extended seven-year planning phase
The phases of the earning power model with no operational or strategic planning were extended to a seven-year period in order to avoid giving too much weight and influence to the perpetuity. The higher uncertainty associated with extending the planning period is taken into account in the perpetuity by not subtracting a growth deduction.

Phase 3: Perpetuity
The cash flows determined at the end of phase 2 were used as the basis for the perpetuity and therefore correspond to results that can be realistically achieved and sustained over the long term.

Scenarios
The earning power of the individual CGUs is determined by a weighted probability scenario. Three scenarios were calculated, whereby scenario 1 depicts the base case according to the current and strategic planning, scenario 2 the best case for expected market and company development and scenario 3 the worst case.

Scenarios 1 and 2 assume that the credit spreads as of 2013 will return to an average level as before the crisis and that a rating improvement will take place after four years and then regularly every four to five years. Due to the current economic situation, the cash values were not calculated with any growth deduction in the perpetuity. According to expert opinions, applying a growth deduction in the amount of 1% to 2% is currently seen as adequate. The effect of applying a growth deduction in the UNIQA Group would be a volatility for the earning power values on the order of about 6% of the current earning power. Should the economic situation improve, we will take this into account again in future calculations. In this way, the UNIQA Group consciously takes a traditional and cautious approach within the framework of the best estimates according to IFRS. Portions of a growth deduction are taken into account indirectly via the rating improvement in the determination of the discount interest rate. It is assumed in the third scenario that the credit spreads also remain at the same level in the future and no rating improvement takes place relative to the current situation. A growth deduction of 1.5% was also applied here in the perpetuity in order to appropriately counteract the decline in growth in the purely negatively oriented scenario.

Expected value
The company value was calculated individually based on the probability of occurrence weighting for the various scenarios and with a focus on the business development of the individual CGUs.

Uncertainty and sensitivity
Various studies and statistical analyses were used as sources to provide a basis for determining the growth rates in order to consistently and realistically reflect the market situation and macroeconomic development.

The following studies and materials served as reference sources:
- SwissRe – Insurance density CEE
- Sigma – 3/2008 Insurance density CEE
- Raiffeisen Research – Inflation rate trends
- Eurostat – GDP growth, interest rate trends
- WIIW (The Vienna Institute for International Economic Studies) – Purchasing power parities, GDP growth CEE
- Damodaran – Country risks, growth rate estimates, multiples
- Thomson Reuters, Business Climate Index, Central and Eastern Europe, III/2009
- IRZ, volume 4/2009, "Consequences of the Financial Market Crisis on Company Valuation"
- IMF, "World Economic Outlook", April 2009
- Arthur D Little, "Global CEO Survey", 2009
- Arthur D Little, "Global Insight, World Market Passenger Cars, February 2009,
- money.at, "Eastern Europe is, has been and will remain a region of the future"
- handelsblatt.de, Oct 2009 "Institutional investors see upward spirals"

Sensitivity analyses with regard to the capitalisation interest rate and the main value drivers are performed in order to verify the results of the calculation and estimation of the utility value.

These analyses show that sustained surpluses on the part of the individual CGUs are highly dependent on the actual development of these assumptions within the individual national economies (GDP, insurance density, purchasing power parities, particularly in the CEE markets), as well as the associated implementation of the individual profit goals. These forecasts and the actual situation that will develop in future in the markets, which are in some cases still receding, under the influence of the continuing financial crisis are the largest uncertainties in connection with the valuation results.

The exchange rates as at 31 December 2009 were carried forward into the long-term.

For the event that the intensity and duration of the economic crisis turn out to be much greater than assumed in the business plans and fundamental forecasts, unscheduled depreciations may result for the individual CGUs. At this time, the current developments and the cautiously, slowly growing improvement estimates of the individual CGUs and the markets give no cause for applying unscheduled depreciations. Very tight coverage is currently being achieved in the difficult market environment in Bulgaria. Corresponding measures for stabilisation and to promote the required upward trend in company development have already been initiated by the Group.

The table below shows the historical GDP development in the relevant markets since 2007. Viewed in conjunction with this forecast for 2010 and the subsequent years, these figures give reason to expect a sustained upward trend again in the CEE markets and make the crisis of 2008 and 2009 appear as a real but only temporary slowdown to economic growth. As such, no loss of these core markets for UNIQA is expected over the long term.

	2007	2008	2009e	2010f	2011f
Poland					
GDP (% annual comparison)	6.8	5.0	1.4	1.9	2.6
Hungary					
GDP (% annual comparison)	1.2	0.6	–6.5	0.0	2.5
Czech Republic					
GDP (% annual comparison)	6.1	2.3	–4.5	1.0	2.5
Slovakia					
GDP (% annual comparison)	10.6	6.2	–4.8	1.5	4.5
Slovenia					
GDP (% annual comparison)	6.8	3.5	–8.0	0.5	2.5
Croatia					
GDP (% annual comparison)	5.5	2.4	–6.0	–0.9	2.6
Bosnia and Herzegovina					
GDP (% annual comparison)	6.8	5.4	–4.0	1.0	3.5
Serbia					
GDP (% annual comparison)	6.9	5.4	–3.5	1.5	2.5
Bulgaria					
GDP (% annual comparison)	6.2	6.0	–5.0	0.0	3.0
Romania					
GDP (% annual comparison)	6.3	6.2	–7.0	1.0	3.5
Ukraine					
GDP (% annual comparison)	7.9	2.1	–13.0	3.5	4.0
Albania					
GDP (% annual comparison)	6.3	6.0	0.4	2.0	4.0
Russia					
GDP (% annual comparison)	8.1	5.6	–8.5	3.5	5.5

Source: Raiffeisen Research March 2010.

The expected global development graph of the CEE-17 countries also exhibits a prospective future trend in comparison with the USA and the EU.

In consideration of the data and statistical sources on which these calculations were based and trend scenarios such as GDP forecasts per CGU and insurance density development per CGU, no situations of insufficient coverage were identified in 2009 within the impairment test.

The general economic situation as well as the developments of the national economies continue to call for constant observation and the implementation of measures to achieve a balanced mix of stability, growth and profitability. With its ongoing profit improvement programme and with the sales focus on the profitable retail business in Eastern Europe, UNIQA took the necessary steps for accomplishing this even before the crisis years.

The purchase price allocation of the acquisition price for the subgroup of SIGAL Holding Sh.A. according to IFRS 3 was not yet completed at the time this Group Report was created.

As a general rule, shares in associated companies are valued according to the equity method using the equity held by the Group. Differences are determined according to the principles of capital consolidation, and the amounts are recorded under shares in associated companies. The updating of the development of the associated companies is based on the most recent financial statements available.

In establishing the value of shares in associated companies, an IFRS report is generally required. Where no IFRS reports are presented, the adjustment of the entries for these companies to the uniform Group valuation benchmarks must be dispensed with due to a lack of available documentation; however, this does not have any significant impact on the present Group consolidated financial statements.

For debt consolidation, the receivables from Group companies are set off against the payables to Group companies. As a rule, any differences have an effect on income. Group-internal results from supplies and services are eliminated if they are 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 expenditures.

Presentation of balance sheet and income statement

The International Financial Reporting Standards (IFRS) allow a shortened version of the balance sheet and income statement. Summarising many individual items into units enhances the informative quality of the financial statements. Explanatory notes to these items are contained in the notes to the consolidated financial statements. Rounding differences may result from the formatting to euro thousands.

Segment reports

The primary segment reports depict the main business segments of property and casualty insurance, life insurance and health insurance. The consolidation principles are applied here to transactions within a segment. In addition, the main items of the income statement are also broken down by regional perspectives.

Foreign currency translation

The reporting currency of UNIQA Versicherungen AG is the euro. All annual financial statements of foreign subsidiaries which are not reported in euro 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 average exchange rate for the year
- Equity capital (except for annual net profit/deficit) at the historic exchange rate

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

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

Closing date rate in €	2009	2008
Swiss franc CHF	1.4836	1.4850
Slovakian koruna SKK (euro since 1.1.2009)	–	30.1260
Czech koruna CZK	26.4730	26.8750
Hungarian forint HUF	270.4200	266.7000
Croatian kuna HRK	7.3000	7.3555
Polish złoty PLN	4.1045	4.1535
Bosnia and Herzegovina convertible mark BAM	1.9533	1.9687
Romanian leu (new) RON	4.2360	4.0230
Bulgarian lev (new) BGN	1.9558	1.9558
Ukrainian hryvnja UAH	11.5281	10.9199
Serbian dinar RSD	96.2300	89.7909
Russian ruble RUB	43.1540	–

Estimates

For creation of the Group consolidated financial statements according to IFRS, it is necessary to make assumptions for the future within various items. These estimates can have a considerable influence on the valuation of assets and debts on the balance sheet closing date as well as the amount of expenses and income in the financial year. The items below carry a not insignificant level of risk that considerable adjustments to asset or debt values may be necessary in the following year:

- Deferred acquisition costs
- Goodwill
- Shares in associated companies / investments – insofar as the valuation does not take place based on stock exchange prices or other market prices
- Technical provisions
- Pensions and similar provisions

Methods of accounting and valuation

The annual financial statements of the companies in Austria and abroad included in the consolidated financial statements were predominantly prepared up to the reporting date of UNIQA Versicherungen AG, i.e. 31 December. For recording in the consolidated financial statements, the annual financial statements of UNIQA Versicherungen AG and its included subsidiaries are unified to conform to the accounting and valuation principles of IFRS/IAS and, as far as actuarial provisions, acquisition costs and actuarial expenses and income are concerned, according to the provisions of US GAAP.

Securities transactions are recorded using the settlement date. As a rule, the fair values are derived from an active market.

Intangible assets

Intangible assets include goodwill, deferred acquisition costs, the current value of life, property and casualty insurance contracts and other items.

Goodwill is the difference 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.

Capitalised acquisition costs for insurance activities that are directly related to new business and/or to extensions of existing policies and that 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 insurance, the acquisition costs are amortised over the duration of the policy in the same proportion as the expected 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. The changes in capitalised acquisition costs are shown as operating expenses.

With regard to life insurance business acquired, the updating of the current value follows the progression of the estimated gross margins.

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 two to five years.

Land and buildings, including buildings on third-party land

Land and buildings that are held as long-term investments are recognised according to IAS 40 at acquisition or construction costs, reduced by the amounts of scheduled amortisations and depreciation. Owner-used land and buildings are shown at book value (IAS 16 – benchmarking method). The scheduled depreciation term generally corresponds to the useful life, up to a maximum of 80 years. Real estate is depreciated on a straight-line basis over time.

The list of fair values can be found in the Notes under No. 1 and 3.

Shares in affiliated and associated companies

To the extent that 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 valued as available for sale in accordance with IAS 39.

Investments

With the exception of securities held to maturity, mortgage loans and other loans, the investments are listed at the current fair value, which is established by determining a market value or stock market price. In the case of investments for which no market value can be determined, the fair value is determined through internal valuation models, external reports or on the basis of estimates of what amounts could be achieved under the current market conditions in event of proper liquidation.

Securities held to maturity, mortgage loans and other loans

These are recognised as amortised costs in the balance sheet. This means that the difference between the acquisition costs and the repayment amount changes the book value with an effect on income in proportion to time and/or equity. The items included under other loans are recognised at their nominal amount less any redemptions made in the interim. On 1 July 2008, securities previously available for sale were reclassified according to IAS 39/50E as other loans. Overall, fixed-interest securities with a book value of € 2,130 million were reclassified. The corresponding revaluation reserve as at 30 June 2008 was € –98 million.

Securities available for sale

These are recognised in the financial statements at their fair value on the reporting date. Differences between the fair value and historical acquisition costs are dealt with under equity with a neutral effect on income, after deduction of the provisions for latent profit sharing in life insurance and deferred taxes. Depreciation that affects income (impairment) is undertaken only where we anticipate a lasting fall in value. This uses the fluctuations in fair value over the last nine months as well as the absolute difference between acquisition costs and the fair value on the reporting date as the basis for assessing a necessary impairment. For variable yield securities we assume a sustained impairment when the highest quoted price within the last nine months lies below the acquisition cost or the difference between the cost of acquisition and the market value is greater than 20%. These same selection criteria are also applied for fixed interest securities in order to perform a precise credit-related evaluation of a sustained impairment per security for the items in question. In addition, foreign exchange differentials resulting from fixed-income securities are recognised with an effect on income. Foreign exchange differentials resulting from variable yield securities are recognised as equity with no effect on income to the extent that these are not securities which are written off as the result of impairment. The fair value of other investments is based in part on external and internal company ratings.

Investments held for trade (trading portfolio)

Derivatives are used within the limits permitted by the Austrian Insurance Supervisory Act for hedging investments and for increasing earnings. All fluctuations in value are recognised in the income statement.

Investments at fair value through profit or loss (fair value option)

Structured products are not split between the underlying transaction and derivative, but are accounted for as a unit. All the structured products can therefore be found in the "Financial instruments at fair value through profit or loss" item of the balance sheet. Unrealised profits and losses are dealt with in the income statement. In accordance with IAS 39 (11A), ABS bonds, structured bonds, hedge funds and a special annuity fund with a high share of derivatives are also dealt with under the items for securities at fair value through profit or loss.

Valuation methods and assumptions on which the current market valuation was based

The current market value of assets traded on the active markets is determined with respect to the listed market prices (includes government bonds, corporate bonds, listed shares).

The current market value of other financial assets (excluding derivative instruments) is determined in accordance with generally accepted valuation models, based on discounted cash flow analyses and using prices of observable current market transactions and trader listings for similar instruments.

The current market value of derivative instruments is calculated using listed prices. If such prices are not available, discounted cash flow analyses are performed with application of the corresponding interest yield curves for the term of the instruments in the case of derivatives without optional components as well as option price models in the case of derivatives with optional components. Currency futures are valued based on listed forward rates and interest yield curves that are derived from listed market interest rates in consideration of the contact maturity dates. Interest swaps are valued with the cash value of the estimated future payment flows. The discounting took place using the pertinent interest yield curves, which were derived from listed interest rates.

Deposits with credit institutions and other investments

These are recognised at their fair value.

Investments held for unit-linked and index-linked life insurance policyholders

These investments concern life insurance policies whose value or profit is determined by investments for which the policyholder carries the risk, i.e. the unit-linked or index-linked life insurance policies. The investments in question are collected in asset pools, balanced at their current market value and managed separately from the remaining investments of the companies. The policyholders are entitled to all income from these investments. The amount of the balanced investments strictly corresponds to the actuarial provisions (before reinsurance business ceded) for life insurance, to the extent that the investment risk is borne by the policyholders. The unrealised profits and losses from fluctuations in the current market values of the investment pools are thus counterbalanced by the corresponding changes in these provisions.

Shares of reinsurers in the technical provisions

These are recognised on the assets side of the balance sheet, taking the reinsurance contracts into consideration.

Receivables

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

Liquid funds

These are valued at their nominal amounts.

Other tangible assets

The tangible assets and inventories included on the balance sheet under other assets are recognised at acquisition and production costs, net of depreciation. Tangible assets are depreciated on a straight-line basis over their useful life (up to a maximum of ten years).

Equity

The **subscribed capital** corresponds to the calculated nominal value per share that was achieved upon issuing of the shares.

The **capital reserves** represent the amount earned over and above the calculated nominal value upon issue of the shares.

The **revaluation reserve** contains unrealised profits and losses from market valuations of securities available for sale.

The **revenue reserves** include the withheld profit of the UNIQA Group and proceeds from transactions with UNIQA shares.

The **portfolio of UNIQA shares** is deducted from the equity (revenue reserves).

The **minority interests** in shareholders' equity represent the proportional minority shares in equity.

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 insurance, they are included in the actuarial provision.

Actuarial provision
Actuarial provisions are established in the property, life and health insurance lines. Their recognition value on 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 the life insurer is calculated by taking into account prudent and contractually agreed bases of calculation.

For policies of a mainly investment character (e.g. unit-linked life insurance), the regulations in the Statement of Financial Accounting Standards No. 97 (FAS 97) are used to value the actuarial provision. The actuarial provision is arrived at by combining the invested amounts, the change in value of the underlying investments and the withdrawals under the policy.

For unit-linked insurance policies, where the policyholder carries the sole risk of the value of the investment rising or falling, the actuarial provision is listed as a separate liability entry under "Technical provisions for life insurance where the investment risk is carried by policyholders".

The actuarial provisions for health insurance are determined on a calculation basis of "best estimate", taking into account safety margins. Once the calculation bases have been determined, these have to be applied to the corresponding partial portfolio for the whole term (locked-in principle).

Provision for outstanding claims
The provision for outstanding claims in property insurance consists of the future payment obligations determined by realistic estimation using recognised statistical methods taking into account current or expected volumes, including the related expense of loss adjustment. This applies to claims already reported 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 insurance is calculated on an individual loss basis with the exception of the provision for unreported claims.

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 refunds and profit sharing
The provision for premium refunds includes, on the one hand, the amounts for profit-related and profit-unrelated profit sharing 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 amount of the provision for latent profit sharing amounts to generally 85% of the valuation differentials before tax. These valuation differences can also give rise to net positive items, which are also listed here.

Other technical provisions
This item primarily contains the provision for contingent losses for acquired reinsurance portfolios as well as a provision for expected cancellations and premium losses.

Technical provisions for life insurance policies held on account and at risk of policyholders
This item concerns the actuarial provisions and the remaining technical provisions for obligations from life insurance policies whose value or income is determined by investments for which the policyholder bears the risk or for which the benefit is index-linked. As a general rule, the valuation corresponds with the investments of the unit-linked and index-linked life insurance written at current market values.

Other provisions for pensions and similar obligations

For the performance-orientated old age provision systems of the UNIQA Group, pension provisions are calculated in accordance with IAS 19 using the projected unit credit method. Future obligations are spread over the whole employment duration of the employees. All actuarial profits and losses due to changed parameters are recognised as having an effect on income. The calculation is based on current mortality, disability and fluctuation probabilities, expected increases in 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 long-term, high-quality industrial or government bonds.

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 amount to be repaid.

Deferred taxes

Deferred tax assets and liabilities are to be created according to IAS 12 for temporary differences arising from the comparison of a stated asset or an obligation using the respective taxable value. This results in probable tax burdens affecting future cash-flow. These are to be accounted for independently 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.

Value adjustments (impairments)

In principle, the carrying amounts of assets on the balance sheet are checked at least once a year with regard to possible impairment. Securities with an expected lasting decrease in value are depreciated with an effect on income. The entire real estate inventory is subject to recurrent valuation through external reports prepared by legally sworn experts. If there is a foreseeable lasting reduction in the value of assets, their carrying amount is reduced.

Premiums

Of the premiums written in the area of unit and index-linked life insurance, only those parts calculated to cover the risk and costs are allocated as premiums.

Classes of insurance

(direct business and partly accepted reinsurance business)

- Life insurance
- Unit-linked and index-linked life insurance
- Health insurance
- Casualty insurance
- General liability insurance
- Motor TPL insurance, vehicle and passenger 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
- Machinery and business interruption insurance
- Construction insurance
- Credit insurance
- Other forms of insurance

Major differences between IFRS/IAS and Austrian accounting regulations

Goodwill

In the case of sustained impairment, the entire goodwill is written off at its fair value. The valuation is performed at least once a year by applying a valuation model (impairment test). No ordinary amortisation of goodwill is performed.

Intangible assets

According to IFRS, self-developed intangible assets have to be capitalised, whereas they cannot be capitalised under the Austrian Commercial Code.

Land and buildings

Land and buildings, including buildings on third-party land, are valued according to IAS 16 and also, if so chosen, according to IAS 40 at book value minus scheduled amortisation. These are based on the actual duration of use; in accordance with Austrian Commercial Code, they are mostly also influenced by tax regulations.

Shares in affiliated and associated companies

Affiliated and associated companies that are not consolidated fully or at equity due to their minor significance are recognised at fair value.

As a general rule, participating interests are valued at equity insofar as the company has the opportunity to exercise 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. It classifies other securities into the following categories: held to maturity, available for sale, fair value through profit or loss (FVTPL) and trading portfolio (derivative financial instruments). The main valuation difference that applies to the other securities available for sale, which account for the majority of financial assets, as well as the other securities recorded with effect on income is that these are stated at fair 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 fair value is treated within the shareholders' funds without affecting income, whereas in the case of the other securities at fair value through profit or loss, the difference fully affects income. In contrast, when applying the strict lower-of-cost-or-market principle in statements according to the Austrian Business Code, depreciation always affects income even in the case of a temporary reduction in value and appreciation in line with the requirement to reinstate original values. In the case of the mitigated lower-of-cost-or-market principle, the impairment is not obligatory if the depreciation is only temporary. Expected permanent impairments, posted as depreciation, affect income according to both the IFRS and the Austrian Commercial Code.

Reinsurance

The shares of reinsurers in actuarial provisions are shown on the assets side of the balance sheet in accordance with IFRS 4.

Acquisition costs

Commissions as well as other variable costs that 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 Insurance Supervisory Act for premiums brought forward in property and casualty insurance.

Actuarial provision

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. In particular, this 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 insurance line.

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 refunds and profit sharing

Due to the difference in valuation of the assets and liabilities in the area of life insurance, a provision has to be made for deferred profit sharing 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 refunds compensates to a large extent for the effects of revaluation on the income statement and thus on the results for the year.

Provisions for outstanding claims

In accordance with US-GAAP, provisions for outstanding claims in the property insurance line are basically no longer established using the principle of caution and on a single-loss basis but rather using mathematical procedures based on probable future compliance amounts.

Provisions for claims equalisation and catastrophes

The establishment of provisions for claims equalisation and catastrophes is not permitted under IFRS or US-GAAP regulations as it does not represent any current obligations to third parties on the balance sheet date. Accordingly, transfers or releases do not influence the results for the year.

Pension commitments

The accounting principles used to calculate the pension provision under IFRS are different from those of the Austrian Commercial Code. These are listed in detail in IAS 19. Overall, the individual differences result in greater detail than under the Austrian Commercial Code. This is most notably the result of the use of the project-unit-credit method and of the anticipation of future demographic and economic developments.

Deferred taxes

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

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.

Risk report

The nature of an insurance company is to take on risks in return for premium payments. However, these risks arising from the insurance business are only part of the risks which can arise within an insurance company. In additional to general technical risks, there are also financial, operational and management risks. The term external risks refers to those risks that cannot be influenced by the insurance business.

In order to identify, measure, aggregate and control all risks, a UNIQA risk management system was created which is in use in all operating companies of the UNIQA Group in Austria. All Group companies in which UNIQA has a participating interest of more than 50% have been integrated into this risk management process since the end of 2007.

The risk management process of the UNIQA Group is centrally controlled.

Each subsidiary has a responsible risk manager who operates the risk management process and reports to the Group risk management team.

The company's risk situation in terms of market risks, technical risks and operational risks is evaluated and reported on in the half-yearly report. Measures to minimise risks are developed on this basis of the report.

The Group's actuarial office/risk management team consolidates the results of the half-yearly risk assessment in a Group Risk Report, which is made available to the Group management for the purpose of controlling risk.

The UNIQA Group places particular emphasis on the topic of risk management and is preparing the Group for Solvency II. Within the framework of these activities, the Group takes part in all quantitative impact studies. The results of the already performed quantitative impact studies enter into the corresponding projects that prepare the Group for Solvency II.

Management of actuarial and financial risks

1 Actuarial and financial risks

The risk of an insurance contract is the occurrence of the insured event. By definition the occurrence of this risk takes place by chance and is therefore unpredictable. Using the law of large numbers, the risk can be calculated for a sufficiently large insurance portfolio. The larger the portfolio consisting of similar insurance policies, the more accurately the result (loss) can be estimated. For this reason, insurance companies strive for growth.

Premiums earned (gross)	€ 000
2009	4,994,207
2008	4,901,214
2007	4,432,436
2006	4,444,802
2005	4,299,227
2004	3,560,558
2003	2,967,476
2002	2,600,994

The principle of insurance is built on the law of large numbers: only a few of those at risk will actually suffer a loss. For the individual, the occurrence of loss is uncertain; for the collective, however, it is largely determined. The loss-bearing and loss-free risks theoretically cancel each other out. The actuarial risk now exists in the danger that the actual claims for a certain period deviate from those expected. This risk can be divided into the chance risk, the change risk and the error risk.

The chance risk means that higher than expected losses can occur by pure chance. Amongst other things, the change risk means that unforeseen changes to the risk factors have an impact on the actual loss payments. The error risk comes about from deviations arising through incorrect assessment of the risk factors.

1.1 Property insurance

A great deal of attention is paid to the profitability of the insurance portfolio. In order to ensure this, the product premiums are appropriately calculated and the profitability is continuously evaluated throughout the entire Group with the help of monitoring systems. In this regard, the discounts offered outside of normal rates are adapted to the risk situation in the segments of household/home, legal expenses protection, casualty, motor vehicle liability and motor vehicle comprehensive.

Reinsurance policies reduce the retained earnings of the initial insurer and lead to a smoothing of results. On the one hand, they can lead to a reduction of the claim ratio in retained earnings in the event of extraordinary events; on the other, a good level of claims can worsen the claim ratio in retained earnings. The aim of an optimal reinsurance strategy is to find a structure that takes both of these points into consideration.

Claims ratio (gross)	%
2009	69.9%
2008	61.6%
2007	68.1%
2006	64.3%
2005	66.7%
2004	64.1%
2003	68.9%
2002	77.3%

With regard to unexpected claims, risk management makes assessments on elemental, major and cumulative losses in the areas of storms, floods and earthquakes that are based on accepted scenarios. Reinsurance contracts also considerably reduce the level at which any losses occur. Due to the possibility of the failure of reinsurers, the reinsurance structure of the UNIQA Group is described below.

For the exact determination of the reserve risk and premium risk, an internal model is implemented that indicates the risk based on the fundamental portfolio structure, the current reinsurance program and future developments. Detailed information regarding the future development of mass, major and catastrophic damages calculated on the basis of historic data are used as the basis for this. This makes it possible to identify developments at an early point and take direct measures (structuring of premiums and scopes of coverage, adaptation of reinsurance structures) to minimise the risk and control financial results.

Excursus: Reinsurance

The total obligatory reinsurance requirement of operating UNIQA companies and of UNIQA Versicherungen AG is covered with reinsurance policies at UNIQA Re AG.

Between 50% and 60% of the entire portfolio are covered by these reinsurance policies, depending on the risk situation of the assigning company. Ratio figures, which reach to between 25% and 90% depending upon the volatility of the respective insurance branch, are supplemented with excess loss policies. Two cumulative excess loss policies also exist which should cover major losses across the insurance branch (“umbrella”) incurred through natural disasters (earthquakes, flooding, high water, storm, etc.).

UNIQA Re AG pools the business acquired by the Group companies according to insurance segments and passes gross excess loss policies, which are supplemented by net ratios, on to international reinsurers as a “bouquet”.

The effect of the reinsurance programme on the claim ratio in retained earnings can be seen in the following table:

Claims ratio (retained earnings)	%
2009	68.0%
2008	64.2%
2007	67.6%
2006	66.0%
2005	68.0%
2004	65.6%
2003	69.8%
2002	76.0%

The table below shows the reinsurance requirements for outstanding claims and incurred but not reported claims arranged according to ratings. This concerns the reinsurance business ceded from the property insurance lines to companies outside the Group. The cessions of the international Group subsidiaries are not included.

Rating	31 Dec. 2009 € 000	31 Dec. 2008 € 000
AAA	0	8,485
AA	72,653	105,188
A	122,485	78,918
BBB	23	72
Not rated	6,747	2,503

The creditworthiness of reinsurers is also very important, not least because of the long duration of claim settlement in the area of general liability insurance and motor vehicle liability insurance.

Systematic analyses, supported by actuarial methods, are used to assess the appropriateness of the actuarial provisions.

The Group’s central actuarial office supports the operational domestic and foreign UNIQA companies on a quarterly basis with the introduction of adequate processes and by checking the results of the analyses.

In addition to the elemental lines, the commercial property business also includes liability and technical insurance. In the UNIQA Group, this is divided into three areas:

- Standardised bundled policies for small commercial businesses.
- Customised policies for medium-sized companies; however, the scope of coverage and exposure of these policies are such that they can be accepted decentrally in the Austrian regions and international subsidiaries.
- Large policies, or policies with a complicated scope of coverage, are decided on and arranged centrally both in Austria and for the international subsidiaries; these policies are selected according to quantitative criteria (e.g. € 2 million insured sum in property insurance) as well as by content-based, qualitative criteria, such as asset damage coverage in liability insurance.

In the property segment, major risks are evaluated for risk prior to acceptance and subsequently at regular intervals and documented in survey reports. In the liability insurance line, the portfolio for risks with high hazards is subject to permanent monitoring (e.g. planning risks and liability insurance in the medical segment).

The industry holdings of the international companies are regularly analysed Group-wide for their exposure and composition (risk mix), and survey reports on the exposed risks are prepared.

The most important decisions are made here on a central basis in coordination with the experts at the Group headquarters (International Desk).

1.2 Life insurance

The risk of an individual insurance contract lies in the occurrence of the insured event. The occurrence is considered random and therefore unpredictable. The risk in life insurance outside of Austria is of minor importance due to the low volume and the business model. Various risks exist in Austria, particularly in classic life insurance. The insurance company takes on this risk for a corresponding premium paid by the policyholder. When calculating the premium, the actuary refers to the following carefully selected bases of calculation:

- Interest: The actuarial interest is set so low that it can be produced with certainty in each year.
- Mortality: The probabilities of dying are deliberately and carefully calculated for each type of insurance.
- Costs: These are calculated in such a way that the costs incurred by the policy can be permanently covered by the premium.

Carefully selecting the bases of calculation gives rise to scheduled profits, an appropriate amount of which is credited to the policyholders as part of profit sharing.

The calculation of the premium is also based on the acceptance of a large, homogenous inventory of independent risks, so that the randomness inherent in an individual insurance policy is balanced out by the law of large numbers.

The following risks exist for a life insurance company:

- The bases of calculation prove to be insufficient despite careful selection.
- Random fluctuations prove disadvantageous for the insurer.
- The policyholder exercises certain implicit options to his advantage.

The risks of the insurer can be roughly divided into actuarial and financial risks.

Capital and risk insurance

UNIQA's portfolio consists primarily of long-term insurance policies. Short-term assurances payable at death play a minor role.

In the following table, the number of insurance policies is divided by rate groups and insured sum categories; included here are the policies of the companies UNIQA Personenversicherung, Raiffeisen Versicherung, Salzburger Landes-Versicherung and CALL DIRECT Versicherung AG.

Number of insurance policies as at 31 Dec. 2009 Category[1]	Capital insurance	Retirement annuity	Risk insurance
€ 0 to € 20,000	771,021	105,215	151,817
€ 20,000 to € 40,000	172,253	41,449	38,836
€ 40,000 to € 100,000	70,404	24,961	130,502
€ 100,000 to € 200,000	8,065	5,348	69,351
More than € 200,000	1,957	1,783	9,369

[1] For capital assurance and risk insurance, the insurance total is used as basis; for deferred retirement annuities, the redemption capital at the start of the pension payment phase is used. For liquid pension annuities, the category refers to ten times the annuity.

Mortality

Insurance policies with an assurance character implicitly include a safety surcharge on the risk premium in that the premium calculation is based on an accounting table (the Austrian Mortality Table for 1990/92 or for 2000/02).

Using risk selection (health examinations) means that the mortality probabilities of the portfolio are consistently smaller than those of the overall population; in addition, the gradual advancement of mortality means that the real mortality probabilities are consistently smaller than the values shown in the accounting table.

Homogeneity and independence of insurance risks

An insurance company takes great pains to compose a portfolio of the most homogenous, independent risks possible, in accordance with the classic, deterministic approach to calculating premiums. Because this is virtually impossible in practice, a considerable risk arises for the insurer due to random fluctuations, in particular from the outbreak of epidemic illnesses, as not only could the calculated mortality probabilities prove to be too low, the independence of the risks can also no longer be assumed.

Cumulative risks contained in the portfolio can be reduced by using reinsurance contracts. As the first reinsurer, UNIQA Holding operates with a retained risk of € 200,000 per insured life; the excesses are mostly reinsured with Swiss Re, Munich Re and Gen Re. A catastrophic excess (CAT-XL) contract is also held with Swiss Re, although it excludes losses resulting from epidemics.

Antiselection

The portfolios of Raiffeisen Versicherung AG and UNIQA Personenversicherung AG contain large inventories of risk insurance policies with a premium adjustment clause. This allows the insurer to raise the premiums in case of a (less probable) worsening of the mortality behaviour. However, this presents the danger of possible antiselection behaviour, meaning that policies for good risks tend to be terminated while worse ones remain in the portfolio.

Retirement annuities

Mortality

The reduction of mortality probabilities represents a large uncertainty for retirement annuities. The gradual advancement of mortality as a result of medical progress and changed lifestyles is virtually impossible to extrapolate.

Attempts to predict this effect were made when producing the generation tables. However, such tables only exist for the Austrian population, and this data cannot be applied to other countries. Moreover, the past shows that the effect of these changes was seriously underestimated so that subsequent reservations had to be made for retirement annuity contracts.

Antiselection

The right to choose annuity pensions for deferred retirement annuities also results in antiselection. Only those policyholders who feel very healthy choose the annuity payment; all others choose partial or full capital payment. In this way, the pension portfolio tends to consist of mostly healthier people, i.e. worse risks than the population average.

This phenomenon is countered by corresponding modifications to the retirement mortality tables. A further possibility exists in the requirement that the intention to exercise the right to choose annuity payments must be announced no later than one year in advance of the expiration.

Financial risks

The actuarial interest that may be used in the calculation for writing new business is based on the maximum interest rate ordinance and currently amounts to 1.75% per annum ("Lebensaktie", "Zukunftsplan") or 2.25% per annum (other life insurance policies). However, the portfolio also contains older contracts with actuarial interest of up to 4.0% per annum, while the average rate for the portfolio is 2.75% (2008: 2.81%).

As these interest rates are guaranteed by the insurance company, the financial risk lies in not being able to generate these returns. As classic life insurance predominantly invests in interest bearing titles (bonds, loans etc.), the unpredictability of long-term interest rate trends is the most significant financial risk for a life insurance company. The interest risk weighs especially heavily on retirement annuities, as these are extremely long-term policies.

The interest risk functions in the following ways:

Investment and reinvestment risk

Premiums received in the future must be invested at an interest rate guaranteed at the time the policy was taken out. However, it is entirely possible that no corresponding titles are available at the time the premium is received. In the same way, future income must be reinvested at the actuarial interest rate.

Ratio of assets to liabilities

For practical reasons, the goal of duration matching cannot be fully achieved on the assets and liability side. The duration of the assets is 4.9 years (2008: 3.9), while for liabilities it is considerably longer. This creates a duration gap, which means that the ratio of assets to liabilities reduces as interest rates fall.

Value of implicit options

Life insurance policies contain implicit options that can be exercised by the policyholder. While the possibilities of partial or full buy-back or the partial or full release of premiums in fact represent financing options, these options are not necessarily exercised as a consequence of correct, financially rational decisions. However, in the case of a mass buy-back, e.g. due to an economic crisis, this represents a considerable risk to the insurance company.

The question of whether a capital or annuity option should be exercised is, in addition to subjective motives of the policyholder, also characterised by financially rational considerations; depending on the final interest level, a policyholder will opt for the capital or the annuity, so that these options represent a considerable (cash) value for the policyholder, and therefore a corresponding risk for the insurer.

The guarantee of an annuitising factor represents another financial risk. Here, the insurance company guarantees to annuitise a sum unknown in advance (namely the value of the fund shares at maturity or for classic life insurance the value of the insured sum including profit-sharing) in accordance with a mortality table (the risk involved is not exclusively financial) and an interest rate set at the time the policy is taken out.

Besides these actuarial and financial risks, the cost risk must also be specified. The insurer guarantees that it will deduct only the calculated costs for the entire term of the policy. The business risk here is that the cost premiums are insufficient (e.g. due to cost increases resulting from inflation).

1.3 Health insurance

The health insurance business is operated primarily in Austria (83% domestic and 17% international). As a result, the focus lies on risk management in Austria.

Health insurance is a loss insurance which is calculated under consideration of biometric risks and is operated in Austria "depending on the type of life insurance". Terminations by the insurer are not possible except in the case of obligation violations by the insured. Premiums must therefore be calculated in such a way that the premiums are sufficient to cover the insurance benefits that generally increase with age, assuming probabilities that remain constant. The probabilities and cost structures can change frequently over time. For this reason, it is possible to adjust the premiums for health insurance as necessary to the changed bases of calculation.

When taking on risks, the existing risk of the individual is also evaluated. If it is established that an illness already exists for which the cost risk is expected to be higher than for the calculated portfolio, then either this illness is excluded from the policy, an adequate risk surcharge is demanded or the risk is not underwritten.

In health insurance, assurance cover ("ageing provision") is built up through calculation according to the "type of life insurance" and reduced again in later years because this is used to finance an ever larger part of the benefits that increase with age.

The actuarial interest rate for this actuarial provision is a prudent 3%, so that the investment risk of health insurance in Austria is relatively low. If it were expected, for instance, that 3% could no longer be obtained in future, this fact would have to be taken into account for future benefits and included in the premium adjustment.

The operational risks are extensively determined by the IT architecture and by errors that can arise from the business processes (policy formulation, risk assessment and benefit calculation). These risks should be kept to a minimum by using risk management.

The legal risks arise primarily from the effects that changes to legislation have on the existing private health insurance business model. This includes, in particular, changes to the legal framework that make it harder or impossible to adapt to changed circumstances or that sharply reduce the income opportunities. Developments in this area will be observed by the insurance association, and an attempt will be made where necessary to react to negative developments from the perspective of the private health insurer.

The EU Directive on the equal treatment of men and women in insurance, which is implemented in Austria by the Insurance Amendment Act 2006 (VersRÄG 2006), was also taken into account in the calculation of premiums in the last quarter of 2007. As the differences between men and women can be proven, only the childbirth costs had to be shared between men and women; these costs were explicitly defined in the EU Directive and VersRÄG as an exception to the risk-based calculation. No negative effects have been observed on business results to date.

The risk of the health insurance business outside Austria is dominated primarily by Mannheimer Krankenversicherung (approx. € 115.6 million in annual premiums) as well as UNIQA Assicurazioni in Milan (approx. € 31.7 million in annual premiums). The remaining premiums (approx. € 16.7 million) are divided among multiple companies and are of only minor importance there. Life-long health insurance policies without termination options by the insurer rarely exist outside of Austria, meaning that the risk can be considered low for this reason as well.

Mannheimer Krankenversicherung has the highest risk exposure because of the statutory situation in Germany. Due to the future inclusion of ageing provisions in some cases, there could be a danger that good risks might leave Mannheimer KV. However, it should be possible to avert the majority of this risk through rate adjustments.

2 Financial risks

For numerous insurance products, a calculatory interest rate is taken into consideration for the investment period between expected deposit and expected payout. The risk therefore lies in a deviation between the expected or calculated interest and the return on capital actually achieved on the capital market. The main components of these capital market risks are:

- Interest rate change risk: Possible losses caused by a change in the level and term-based structure of interest rates
- The share risk: Possible losses due to price performance on the stock markets caused by macroeconomic and company-related changes
- The credit risk: Possible losses caused by the inability to pay or the worsening creditworthiness of debtors or contractual partners
- The currency risk: Possible losses caused by changes in exchange rates
- The liquidity risk: The danger of not having sufficient liquid funds on the date of scheduled payout

Model risks also exist with regard to the valuation of ABS securities ("Asset-Backed Securities") and the valuation of the participating interest in STRABAG SE; these are presented as an excursus to the risk report.

The financial risks have different weightings and various degrees of seriousness, depending on the investment structure. However, the effects of the financial risks on the value of the investments also influence the level of technical liabilities to some extent. There is therefore a partial dependence between the growth of assets and debts from insurance policies. UNIQA monitors the income expectations and risks of assets and liabilities arising from insurance policies as part of an Asset-Liability Management (ALM) process. The aim is to achieve a return on capital that is sustainably higher than the updating of the technical liabilities while retaining the greatest possible security. Here, assets and debts are allocated to different accounting groups. The following table shows the main accounting groups generated by the various product categories.

Investments	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Long-term life insurance policies with guaranteed interest and profit sharing	13,937,185	13,346,319
Long-term unit-linked and index-linked life insurance policies	3,473,553	2,642,462
Long-term health insurance policies	2,605,618	2,409,993
Short-term property and casualty insurance policies	3,422,140	3,511,571
Total	23,438,496	21,910,345

These values refer to the following balance sheet items:

A.I. Self-used land and buildings
B. Land and buildings held as financial investments
D. Shares in associated companies
E. Investments
F. Investments in unit-linked and index-linked life insurance policies
L. Liquid funds

Technical provisions and liabilities (retained)	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Long-term life insurance policies with guaranteed interest and profit sharing	13,893,689	13,377,737
Long-term unit-linked and index-linked life insurance policies	3,416,231	2,579,997
Long-term health insurance policies	2,620,930	2,463,975
Short-term property and casualty insurance policies	2,370,291	2,252,755
Total	22,301,142	20,674,464

These values refer to the following balance sheet items:
C. Technical provisions
D. Technical provisions for unit-linked and index-linked life insurance
G. I. Reinsurance liabilities (only deposit liabilities held under reinsurance business ceded)
G. Share of reinsurance in the technical provisions
H. Share of reinsurance in technical provisions for unit-linked and index-linked life insurance

2.1 Interest change risk

Due to the investment structure and the high proportion of interest bearing titles, the interest rate risk forms a very important component of the financial risks. The following table shows the interest-bearing securities and the average interest coupons arranged by the most important investment categories and their average coupon interest rate on the reporting date.

Average interest coupon	€		USD		Other	
%	2009	2008	2009	2008	2009	2008
Fixed interest securities						
High-grade bonds	4.23	4.30	3.92	5.31	5.64	5.22
Bank/company bonds	3.82	5.16	8.63	8.51	4.36	3.87
Emerging markets bonds	5.97	6.82	12.88	13.33	9.70	13.59
High-yield bonds	8.27	7.10	11.29	12.97	4.30	7.98
Other investments	4.44	3.27	-	-	1.63	3.40
Fixed interest liabilities						
Subordinated liabilities	5.34	5.34				
Guaranteed interest life insurance	2.75	2.81				
Issued debenture bonds		4.00				

Long-term policies and life insurance policies with guaranteed interest and profit sharing

Insurance policies with guaranteed interest and additional profit sharing contain the risk that the guaranteed interest rate will not be achieved over a sustained period of time. Capital income produced over and above the guaranteed interest rate will be shared between the policyholder and the insurance company, with the policyholder receiving an appropriate share of the profit. The following table shows the comparison of assets and debts for such insurance policies.

Investments for long-term life insurance policies with guaranteed interest and profit sharing	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Annuities	8,220,882	7,557,839
Shares	392,346	313,784
Alternatives	674,353	805,285
Holdings	680,592	577,484
Loans	1,728,081	2,129,470
Real estate	946,261	762,866
Liquidity	1,172,910	1,083,197
Deposits receivable	121,760	116,394
Total	13,937,185	13,346,319
Difference between book value and market value		
Real estate	361,773	394,791
Loans	38,695	–193,171

Provisions and liabilities from long-term life insurance policies with guaranteed interest and profit sharing	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Actuarial provision	13,193,063	12,902,136
Provision for profit-unrelated premium refunds	226	731
Provision for profit-related premium refunds, i.e. policyholder profit sharing	146,659	–59,558
Other technical provisions	23,451	24,532
Provision for outstanding claims	92,365	86,899
Deposits payable	437,925	422,997
Total	13,893,689	13,377,737

The following table shows the structure of the remaining terms of interest bearing securities and loans.

Remaining term	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Up to 1 year	660,875	832,864
More than 1 year up to 3 years	1,125,700	1,809,756
More than 3 years up to 5 years	1,069,452	1,100,915
More than 5 years up to 7 years	1,672,212	1,273,377
More than 7 years up to 10 years	1,889,945	2,013,252
More than 10 years up to 15 years	1,644,980	1,089,007
More than 15 years	1,696,312	1,568,138
Total	9,759,476	9,687,309

The capital-weighted average remaining term of technical liabilities is around 7.9 years (2008: 8.2 years).

Long-term unit-linked and index-linked life insurance policies

In the segment of unit-linked and index-linked life insurance, the interest income and all fluctuations in value of the dedicated investments are reflected in the technical provisions. There is therefore no financial risk from the point of view of the insurer. The following table shows the investment structure of financial investments that are used to cover the technical provisions arising from unit-linked and index-linked life insurance policies.

Investments in unit-linked and index-linked life insurance policies	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Share-based funds	805,713	555,066
Bond funds	2,536,917	1,970,756
Liquidity	86,935	101,294
Other investments	43,987	15,347
Total	3,473,553	2,642,462

Long-term health insurance policies

The actuarial interest rate for the actuarial provision in health insurance lines, which is selected depending on the type of life insurance, is 3%. However, this interest rate is not guaranteed and can, upon presentation of proof to the insurance supervisory authority, be reduced to any lower capital income that may be expected. The following table shows the investment structure available to cover insurance liabilities.

Investments for long-term health insurance policies	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Annuities	1,203,938	1,055,277
Shares	58,105	58,456
Alternatives	64,839	109,241
Holdings	8,666	110,545
Loans	693,555	555,465
Real estate	301,341	199,048
Liquidity	275,175	321,961
Total	2,605,618	2,409,993
Difference between book value and market value		
Real estate	116,426	111,941
Loans	–54,466	–19,156

Provisions and liabilities from long-term health insurance policies	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Actuarial provision	2,373,869	2,225,819
Provision for profit-unrelated premium refunds	20,252	19,477
Provision for profit-related premium refunds, i.e. policyholder profit sharing	42,224	46,529
Other technical provisions	596	564
Provision for unearned premiums	15,629	13,614
Provision for outstanding claims	166,913	156,396
Deposits payable	1,447	1,576
Total	2,620,930	2,463,975

Property and casualty insurance policies

Most property and casualty insurance policies are short-term. The technical provisions are not discounted, meaning that no interest is calculated for the short-term investment. The average terms of interest bearing securities and loans invested to cover technical provisions are shown in the following table.

Remaining term	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Up to 1 year	169,807	184,216
More than 1 year up to 3 years	232,867	299,698
More than 3 years up to 5 years	270,080	373,621
More than 5 years up to 7 years	273,275	334,836
More than 7 years up to 10 years	507,728	367,359
More than 10 years up to 15 years	293,120	111,648
More than 15 years	335,114	162,944
Total	2,081,993	1,834,322

The investment structure in the property and casualty insurance is as follows.

Investments for short-term property and casualty insurance policies	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Annuities	1,451,018	1,317,379
Shares	140,508	237,170
Alternatives	64,162	60,720
Holdings	215,805	289,335
Loans	521,471	516,882
Real estate	463,290	457,081
Liquidity	551,497	619,993
Deposits receivable	14,389	13,011
Total	3,422,140	3,511,571
Difference between book value and market value		
Real estate	197,569	214,617
Loans	–35,805	–604

Provisions and liabilities from short-term property and casualty insurance policies	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Provision for unearned premiums	516,599	481,171
Actuarial provision	39,837	42,283
Provision for outstanding claims	1,746,904	1,666,703
Provision for profit-unrelated premium refunds	27,011	25,702
Provision for profit-related premium refunds, i.e. policyholder profit sharing	7,682	7,800
Other technical provisions	19,980	18,827
Deposits payable	12,278	10,270
Total	2,370,291	2,252,755

The average policy term in property and casualty insurance is between three and five years.

2.2 Share risk

When investing in stock markets, the risk is diversified by using various management styles (total return, benchmark-oriented or value growth approach, fundamental or industry-/region-specific title selection). For the purpose of securing the investment, the effective investment ratio is controlled through the use of derivative financial instruments. The following table shows the investment structure of the share portfolios by asset classes:

Share portfolio composition	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Shares in Europe	268,481	186,693
Shares in America	11,275	9,049
Shares in Asia	6,049	3,890
Shares international[1)]	623	1,457
Shares in emerging markets	10,805	6,708
Shares total return[2)]	156,531	171,959
Other shares	199,247	229,592
Total	653,010	609,348

1) Share-based funds with globally diversified investments.
2) Share-based funds with the management goal of achieving an absolute return by including less risky investments (liquidity, bonds) in difficult market phases.

2.3 Credit risk

When investing in securities, we invest in debt securities of varying quality, taking into consideration the yield prospects and risks. The following table shows the quality structure of fixed-interest investments.

Rating	31 Dec. 2009 € 000	31 Dec. 2008 € 000
AAA	3,037,727	3,447,058
AA	3,490,318	2,942,667
A	3,351,431	2,908,069
BBB	1,834,494	1,762,681
BB	437,410	793,953
B	352,635	76,110
CCC	127,070	20,645
Not rated	50,534	82,077
Total	12,681,619	12,033,260

The values as at 31 December 2009 also include the securities reclassified to the category of loans in the 3rd quarter of 2008 with a value of € 1,796,941,000 (2008: € 2,102,704,000).

2.4 Currency risk

The UNIQA Group invests in securities in a wide range of currencies. Although the insurance business is operated in different countries, the foreign currency risks of the investments do not always correspond to the currency risks of the technical provisions and liabilities. The most significant currency risk is in USD. The following table shows a breakdown of assets and debts by currency.

31 Dec. 2009 € 000	€	USD	Other	Total
Assets				
Investments	21,400,489	336,507	1,701,499	23,438,496
Other tangible assets	112,148		20,299	132,447
Intangible assets	1,413,610		102,850	1,516,459
Share of reinsurance in the technical provisions	1,040,996		107,793	1,148,788
Other assets	893,386		264,229	1,157,615
Total	**24,860,628**	**336,507**	**2,196,670**	**27,393,805**
Provisions and liabilities				
Subordinated liabilities	575,000		0	575,000
Technical provisions	21,230,666		1,385,275	22,615,941
Other provisions	629,390		29,773	659,164
Liabilities	1,812,348		166,570	1,978,918
Total	**24,247,404**	**0**	**1,581,618**	**25,829,023**

31 Dec. 2008 € 000	€	USD	Other	Total
Assets				
Investments	19,862,084	442,885	1,605,376	21,910,345
Other tangible assets	97,421		15,991	113,412
Intangible assets	1,326,277		81,119	1,407,396
Share of reinsurance in the technical provisions	1,043,733		99,717	1,143,450
Other assets	806,685		248,781	1,055,466
Total	**23,136,200**	**442,885**	**2,050,984**	**25,630,069**
Provisions and liabilities				
Subordinated liabilities	575,000		5,544	580,544
Technical provisions	19,627,159		1,373,432	21,000,591
Other provisions	608,255		36,142	644,397
Liabilities	1,773,051		172,709	1,945,760
Total	**22,583,465**	**0**	**1,587,827**	**24,171,292**

The fair value of securities investments in USD amounted to € 1,444 million as at 31 December 2009 (2008: € 1,347 million). The exchange rate risk was reduced using derivative financial instruments to € 337 million (2008: € 443 million), while the safeguard ratio was 75.0% (2008: 67.1%). The safeguard was maintained in a range of between 67% and 96% during the financial year (2008: 63% and 93%).

2.5 Liquidity risk

The UNIQA Group must satisfy its payment obligations on a daily basis. For this reason, a precise liquidity schedule for the immediately following months is used, and a minimum liquidity holding is defined by the Management Board and is available as a cash reserve on a daily basis. In addition, a majority of the securities portfolio is listed on liquid stock exchanges and can be sold quickly in the case of liquidity burdens.

Additional underwriting obligations exist for private equity investments in the amount of € 168 million (2008: € 206.7 million). No obligations result from multitranche loans (2008: € 30.0 million).

2.6 Sensitivities

The risk management for investments is done in a structured investment process in which the various market risks are controlled at the level of the strategic asset allocation with tactical weighting of the individual asset classes based on market opinion and in the form of timing and selection decisions. In particular, stress tests and sensitivity analyses are used as key figures for measuring, observing and actively controlling the risk.

The table below shows the most important market risks in the form of key sensitivity figures; the information is presented as available on the reporting date, meaning that only rough figures can be offered for future losses of fair value. The key figures are calculated theoretically on the basis of actuarial principles and do not take into consideration any diversification effects between the individual market risks or counter-controlled measures taken in the various market scenarios.

Interest rate risk	31 Dec. 2009		31 Dec. 2008	
€ 000	+100 basis points	–100 basis points	+100 basis points	–100 basis points
High-grade bonds	–407,638	429,092	–253,473	266,831
Bank/company bonds	–55,555	58,479	–78,404	82,531
Emerging markets bonds	–49,408	52,008	–22,902	24,108
High-yield bonds	–1,745	1,837	–1,174	1,236
Total	**–514,345**	**541,416**	**–355,953**	**374,706**

Equity risk	31 Dec. 2009		31 Dec. 2008	
€ 000	+10%	–10%	+10%	–10%
Shares in Europe	23,331	–23,331	17,607	–17,607
Shares in America	1,714	–1,714	651	–651
Shares in Asia	389	–389	1,518	–1,518
Shares international	1,950	–1,950	1,117	–1,117
Shares in emerging markets	1,320	–1,320	920	–920
Shares total return	15,646	–15,646	15,897	–15,897
Derivative financial instruments and other shares	4,615	–4,615	4,386	–4,581
Total	**48,965**	**–48,965**	**42,096**	**–42,291**

Currency risk	31 Dec. 2009		31 Dec. 2008	
€ 000	+10%	–10%	+10%	–10%
€	0	0	0	0
USD	32,817	–32,817	46,670	–46,670
Other	140,959	–140,959	138,833	–138,833
Total	**173,775**	**–173,775**	**185,503**	**–185,503**

Credit risk		31 Dec. 2009		31 Dec. 2008	
€ 000		+	-	+	-
AAA	0 basis points	0	0	0	0
AA	25 basis points	–49,296	49,296	–21,193	21,193
A	50 basis points	–69,170	69,170	–64,090	64,090
BAA	75 basis points	–43,105	43,105	–54,524	54,524
BA	100 basis points	–14,196	14,196	–37,323	37,323
B	125 basis points	–16,588	16,588	–2,102	2,102
CAA	150 basis points	–5,901	5,901	–805	805
Not rated	100 basis points	–6,756	6,756	–4,331	4,331
Total		**–205,011**	**205,011**	**–184,368**	**184,368**

2.7 Value at Risk (VaR)

The overall market risk of the investment portfolio is determined on the basis of the value-at-risk approach. The key figure is calculated for a confidence interval of 95% and a holding term of one year. The basic data is in the form of historical figures from the last calendar year with a balancing of the individual values (decay factor of 1).

The following table shows the key value-at-risk figures for the last financial year as reporting date values, annual average and maxima/minima for the year.

Value at Risk	Total value at risk € 000	Equity risk € 000	Currency risk € 000	Interest rate risk € 000	Diversification € 000
31 Dec. 2009	819,743	315,354	93,564	860,208	–449,382
31 Dec. 2008	799,466	408,289	110,635	802,303	–521,760
Lowest	819,743	271,617	92,984	806,934	–380,203
Average	917,010	366,141	151,506	921,974	–471,731
Highest	1,002,630	419,107	215,573	1,070,587	–594,384

Evaluation of the stock of Asset-Backed Securities

The UNIQA Group has placed a portion of its investments in asset-backed securities (ABS).

The securities held in the direct portfolio and in the fund portfolio have been valued using a mark-to-model method. The proportion of investments valued under this model corresponds to 3.3% of total investments.

The individual transactions vary with regard to structure, risk profile, interest claims, rating and other parameters.

UNIQA is of the view that it will not be possible to ascertain a fair value for these securities on the basis of market prices or market transactions for the year 2009 due to low liquidity and the crisis on the financial markets. So-called market prices, insofar as these can even be identified in individual cases, pertain only in the rarest of cases to securities that are held directly in the portfolio, or even to securities from the same issuer, but rather generally to another paper that is similar in terms of rating and securitisation category. Direct transfer of such prices does not appropriately take into account either the complexity or the heterogeneity of the different structures. Moreover, the available prices regularly originate from distress sales, in which an investor is forced to sell larger quantities of similar securities under time pressure, mostly due to tight liquidity. For both reasons, UNIQA has decided to set the fair value of the specified papers by means of a model approach.

ABS papers are noted for being highly complex and are therefore extensively documented. Due to its longstanding activity in the area of securitisation, UNIQA has developed various models on its own or with others that permit analyses of high quality at acceptable expense.

The main parameters of the model for assessing the estimate of the future development of the (financial) economic environment are the speed of repayment, the failure frequency, the failure severity and the discount rate.

All parameters refer to the assets used to collateralise the transaction, i.e. to the corporate credits, bonds, preferential shares, etc. UNIQA uses two objectively defined parameters to portray the failure risk when ascertaining the fair value. The future payments are calculated using external forecasts for failure rates.

The modelling system of Intex Solutions, Inc., which represents a widely accepted market standard, serves as the basis for the analysis. With regard to the choice of scenario, especially for the frequency of failure, the model approach taken last year was departed from this year. For forecasting the failure rates of companies, UNIQA now uses the forecasts of Moody's Investors Service. These forecasts encompass a period of five years each and are directed toward the future, in contrast to the previously used averages.

To this extent, the losses expected by an investor on a transaction are already taken into consideration when generating the payment streams. In order to take account of the current economic crisis, a risk premium was additionally added to the applied discount rate. This premium corresponds to the surcharge originally applied on execution of the individual transaction.

The sensitivity analysis of the ABS portfolio with regard to a rise or a fall in the failure rates in the investments underlying the ABS structures is also based on the forecast values from Moody's Investors Service.

The sensitivities for these securities subjected to model-based analysis are also determined using Moody's failure scenarios. According to Moody's, these failure scenarios correspond to the 10% quantile or the 90% quantile of the distribution function of the failures.

Sensitivity analysis (in € million)	Upside	Downside
Total profit/loss	33,8	–77,4
on P&L	14,8	–45,5
on equity	18,9	–31,9

Valuation of STRABAG SE

UNIQA has a participating interest in STRABAG SE of 21.91% as at the reporting date of 31 December 2009 (31 Dec. 2008: 13.74%). Even following the entry of a new major investor, UNIQA retained a significant influence over the business activity of STRABAG SE. UNIQA is therefore continuing the participating interest in STRABAG SE as an associated share. In the 2nd quarter of 2009, an additional roughly 9.3 million shares of STRABAG SE were purchased by a strategic investor. The major investor was granted a purchase option that can only be exercised in mid-December 2010.

The valuation on the reporting date takes place in consideration of the option agreement and the expected proportional equity on the reporting date. The current market value of this option was determined as the difference between the current book value and the price for exercising the option.

	2009 € 000
As at 1 Jan.	531,664
Addition	149,900
Updating affecting income	–46,116
Updating not affecting income[1)]	–20,232
Dividends	–13,572
As at 31 Dec.	601,644
Value in € per share	24.09

1) In addition to the continued carrying forward of the proportional group results of the last four quarters published, the estimate for the as-yet-unpublished 4th quarter of 2009 was also worked on during the financial year. Furthermore, the acquisition costs exceeding the proportional equity were written off.

Description of the most important features of the internal controlling and risk management system (RMS) with regard to the accounting process according to Section 243a paragraph 2 of the Austrian Commercial Code

The RMS of UNIQA Versicherungen AG is a well documented system covering all company activities that includes a systematic and permanent process based on the defined risk strategy with the following elements: identification, analysis, evaluation, controlling, documentation and communication of risks and monitoring of these activities. The scope and orientation of the established systems were designed based on the company-specific requirements. Despite the creation of appropriate frameworks, a certain residual risk always remains since even appropriately and functionally erected systems cannot guarantee absolute certainty in the identification and management of risks.

The goals in connection with the RMS are

- Identification and evaluation of risks that could oppose the goal of Group financial statements that conform to the rules
- Limitation of known risks, e.g. by procuring the assistance of external specialists
- Evaluation of identified risks with regard to their influence on the Group financial statements and the corresponding depiction of these risks

The goal of the accounting process internal control system is to implement controls to ensure that a proper report can be reliably produced despite the identified risks. In addition to the risks described in the risk report, the RMS also deals with additional risks as well as those in operational processes, compliance, internal reporting, etc.

Organisational structure and controlling scope

The accounting process of the UNIQA Group is standardised throughout the Group. Compliance guidelines, operational organisation manuals, balance sheet and consolidation manuals exist to ensure a reliable process. The processing is largely centralised for domestic affiliated companies. For international Group companies, the accounting process is largely decentralised.

Identification and controlling of risks

An inventory of the existing risks was taken and appropriate monitoring measures were defined for the identification of existing risks. The most important checks were defined in guidelines and instructions and coupled with an authorisation concept. The checks cover both manual coordination and reconciliation routines as well as acceptance inspections of system configurations for connected IT systems. Identified risks and weak points in monitoring the accounting process are reported quickly to management in order for corrective measures to be taken. The procedure for identification and monitoring of the risks is regularly evaluated by an independent, external consultant.

Information and communication

Deviations from expected results and analyses are monitored in monthly reports and figures and are the basis for the continuing supply of information to management.

Supplementary information on the Consolidated Balance Sheet

Development of asset items

	Balance sheet values previous year € 000	Currency differences € 000	Additions € 000	Unrealised capital gains and losses € 000
A. Tangible assets				
I. Self-used land and buildings	220,565	–817	8,502	0
II. other tangible assets				
1. Tangible assets	42,900	–217	43,646	0
2. Inventories	4,296		915	
3. Other assets	66,216		0	
Total A. II.	**113,412**	**–217**	**44,561**	**0**
Total A.	**333,977**	**–1,034**	**53,062**	**0**
B. Land and buildings held as financial investments	**1,147,634**	**–2,912**	**420,705**	**0**
C. Intangible assets				
I. Deferred acquisition costs	872,003	–567	236,026	0
II. Goodwill				
1. Purchased positive goodwill	4,696	–65	798	0
2. Positive goodwill	439,977	–11,194	106,665	0
3. Value of insurance policies	56,296	0	29,532	0
Total C. II.	**500,969**	**–11,258**	**136,995**	**0**
III. Other intangible assets				
1. Self-developed software	1,088	0	1,688	0
2. Acquired intangible assets	33,336	–52	10,483	0
Total C. III.	**34,424**	**–52**	**12,171**	**0**
Total C.	**1,407,396**	**–11,878**	**385,192**	**0**
D. Shares in associated companies	**851,382**	**0**	**271,728**	**–22,427**
E. Investments				
I. Variable-yield securities				
1. Shares, investment shares and other variable-yield securities, including holdings and shares in associated companies	1,397,749	144	548,631	–28,655
2. At fair value through profit or loss	948,998	0	227,064	0
Total E. I.	**2,346,747**	**144**	**775,695**	**–28,655**
II. Fixed interest securities				
1. Fixed interest securities, held to maturity	448,957	0	0	0
2. Debt securities and other fixed interest securities	8,605,679	–241	9,775,520	250,816
3. At fair value through profit or loss	271,468	0	24,193	0
Total E. II.	**9,326,105**	**–241**	**9,799,713**	**250,816**
III. Loans and other investments				
1. Loans				
a) Debt securities issued by and loans to associated companies	491	0	15	0
b) Debt securities issued by and loans to participating interests	552	0	0	0
c) Mortgage loans	140,563	0	386	0
d) Loans and advance payments on policies	13,670	–3	8,640	0
e) Other loan receivables and registered bonds	3,046,540	–13	400,467	9,440
Total E. III. 1.	**3,201,817**	**–15**	**409,508**	**9,440**
2. Cash at credit institutions	1,457,298	–2,040	25,729	0
3. Deposits with ceding companies				
	129,405	0	11,291	0
Total E. III.	**4,788,519**	**–2,056**	**446,528**	**9,440**
IV. Derivative financial instruments	19,077	–46	47,965	0
Total E.	**16,480,448**	**–2,199**	**11,069,902**	**231,601**
F. Investments held on account and at risk of life insurance policyholders	**2,642,462**	**–1,560**	**1,446,121**	**67,444**
Aggregate total	22,863,300	–19,583	13,646,711	276,618

Amortisation € 000	Transfers € 000	Disposals € 000	Appreciation € 000	Depreciation € 000	Book value financial year € 000
0	28,009	17,605	0	8,577	230,077
0	–5,922	3,001	0	16,351	61,054
		0			5,211
		34			66,182
0	–5,922	3,034	0	16,351	132,447
0	22,087	20,640	0	24,928	362,524
0	–22,178	68,796	0	41,362	1,433,091
0	0	0	0	230,068	877,394
0	0	0	0	1,797	3,632
0	0	746	0	7,418	527,284
0	0	0	0	9,553	76,274
0	**0**	**746**	**0**	**18,769**	**607,191**
0	0	0	0	1,088	1,688
0	91	1,632	0	12,039	30,187
0	**91**	**1,632**	**0**	**13,127**	**31,875**
0	**91**	**2,378**	**0**	**261,964**	**1,516,459**
0	**–66,784**	**249,189**	**41,053**	**108,600**	**717,163**
–24	64,187	607,854	57,526	110,562	1,321,142
0	0	440,816	88,378	117,405	706,219
–24	**64,187**	**1,048,670**	**145,904**	**227,967**	**2,027,361**
213	0	109,170	0	0	340,000
10,420	189	8,576,417	3,241	189,586	9,879,620
–394	251	66,667	35,130	17,046	246,936
10,239	**440**	**8,752,255**	**38,371**	**206,632**	**10,466,556**
0	0	34	0	0	472
0	0	0	0	0	552
0	–327	15,394	0	6,012	119,216
0	0	3,216	0	0	19,091
5,917	327	657,248	1,043	2,699	2,803,776
5,917	**0**	**675,891**	**1,043**	**8,711**	**2,943,107**
0	0	284,005	9,288	4,345	1,201,925
0	0	4,548	0	0	136,149
5,917	**0**	**964,445**	**10,331**	**13,056**	**4,281,180**
0	0	24,279	53,764	84,623	11,858
16,132	**64,627**	**10,789,648**	**248,370**	**532,278**	**16,786,955**
69	**2,157**	**941,487**	**270,693**	**12,348**	**3,473,553**
16,201	0	12,072,138	560,116	981,480	24,289,744

1. Self-used land and buildings

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Book values for		
Property and casualty	86,265	102,560
Life	128,012	105,744
Health	15,800	12,261
	230,077	**220,565**
Market values for		
Property and casualty	109,015	129,237
Life	156,861	122,391
Health	17,979	13,913
	283,855	**265,542**
Acquisition values	324,749	318,820
Cumulative depreciation	–94,673	–98,255
Book values	**230,077**	**220,565**
Useful life for land and buildings	10–80 years	10–80 years

Additions from company acquisition	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Self-used land and buildings	5,624	14,444

The market values are derived from expert reports.

2. Other tangible assets

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Tangible assets	61,054	42,900
Inventories	5,211	4,296
Other assets	66,182	66,216
Total	**132,447**	**113,412**

Tangible assets Development in financial year	€ 000
Acquisition values as at 31 Dec. 2008	158,956
Cumulative depreciation up to 31 Dec. 2008	–116,057
Book values as at 31 Dec. 2008	**42,900**
Currency translation changes	–217
Additions	43,646
Disposals	–3,001
Transfers	–5,922
Appreciation and depreciation	–16,351
Book values as at 31 Dec. 2009	**61,054**
Acquisition values as at 31 Dec. 2009	215,388
Cumulative depreciation up to 31 Dec. 2009	–154,334
Book values as at 31 Dec. 2009	**61,054**

Tangible assets refer mainly to office equipment. They are depreciated over a useful life of four to ten years. The amounts of depreciation are recognised in the income statement on the basis of allocated operating expenses under the items insurance benefits, operating expenses and net investment income.

Additions from company acquisition	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Other tangible assets	18,322	12,735

3. Land and buildings held as financial investments

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Book values for		
Property and casualty	377,011	354,144
Health	285,541	186,666
Life	770,539	606,823
	1,433,091	**1,147,634**
Market values for		
Property and casualty	551,830	542,084
Health	399,788	296,955
Life	1,103,463	984,967
	2,055,081	**1,824,006**
Acquisition values	1,884,787	1,543,413
Cumulative depreciation	–451,696	–395,779
Book values	**1,433,091**	**1,147,634**
Useful life for land and buildings	10–80 years	10–80 years

Additions from company acquisition	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Land and buildings held as financial investments	165,546	66,474

The market values are derived from expert reports.

	31 Dec. 2009 € 000
Change in impairment for current year	2,325
of which reallocation	2,325

4. Deferred acquisition costs

	2009 € 000	2008 € 000
Property and casualty		
As at 1 Jan.	135,129	121,671
Currency translation changes	–451	–1,602
Changes to scope of consolidation	258	5,854
Capitalisation	91,273	68,044
Depreciation	–79,843	–58,837
As at 31 Dec.	**146,366**	**135,129**
Health		
As at 1 Jan.	**215,855**	**214,665**
Currency translation changes	–8	–26
Capitalisation	17,883	13,582
Interest surcharge	9,476	9,237
Depreciation	–18,793	–21,602
As at 31 Dec.	**224,414**	**215,855**
Life		
As at 1 Jan.	**521,019**	**537,126**
Currency translation changes	–108	–500
Changes to scope of consolidation	474	0
Capitalisation	102,066	113,082
Interest surcharge	14,595	15,159
Depreciation	–131,432	–143,848
As at 31 Dec.	**506,614**	**521,019**
In the consolidated financial statements		
As at 1 Jan.	**872,003**	**873,462**
Currency translation changes	–567	–2,129
Changes to scope of consolidation	732	5,854
Capitalisation	211,223	194,708
Interest surcharge	24,071	24,396
Depreciation	–230,068	–224,288
As at 31 Dec.	**877,394**	**872,003**

5. Goodwill

	€ 000
Acquisition values as at 31 Dec. 2008	633,479
Cumulative depreciation up to 31 Dec. 2008	–132,510
Book values as at 31 Dec. 2008	**500,969**
Acquisition values as at 31 Dec. 2009	759,240
Cumulative depreciation up to 31 Dec. 2009	–152,049
Book values as at 31 Dec. 2009	**607,191**

Main additions: UNIQA Life S.p.A. and SIGAL Holding Sh.A. – see also the information on the scope of consolidation beginning on page 66.

	€ 000
Cumulative depreciation up to 31 Dec. 2009	152,049
of which relating to impairment	28,755
of which current depreciation	123,294

	31 Dec. 2009 € 000
Change in impairment for current year	7,418
of which reallocation	7,418

The above values include the goodwill as well as the purchase price paid for the total insurance policies acquired.

Company acquisitions 2009	Amounts placed at the time of acquisition € 000	Book values of the acquired companies € 000
Assets	**378,459**	**378,459**
Tangible assets	23,946	23,946
Land and buildings held as financial investments	165,546	165,546
Intangible assets	1,756	1,756
Shares in associated companies	0	0
Investments	81,294	81,294
Investments held on account and at risk of life insurance policyholders	0	0
Share of reinsurance in technical provisions	1,063	1,063
Receivables including receivables under insurance business	54,956	54,956
Receivables from income tax	324	324
Deferred tax assets	1,039	1,039
Liquid funds	48,535	48,535
Equity and Liabilities	**378,459**	**378,459**
Total equity	228,793	228,793
Subordinated liabilities	0	0
Technical provisions	22,794	22,794
Technical provisions held on account and at risk of life insurance policyholders	0	0
Financial liabilities	0	0
Other provisions	11,298	11,298
Payables and other liabilities	104,435	104,435
Liabilities from income tax	179	179
Deferred tax liabilities	10,959	10,959
Currency differences	0	0

6. Other intangible assets

	Self-developed software € 000	Acquired intangible assets € 000
Acquisition values as at 31 Dec. 2008	35,536	161,916
Cumulative depreciation up to 31 Dec. 2008	–34,448	–128,580
Book values as at 31 Dec. 2008	**1,088**	**33,336**
Acquisition values as at 31 Dec. 2009	37,224	171,757
Cumulative depreciation up to 31 Dec. 2009	–35,536	–141,571
Book values as at 31 Dec. 2009	**1,688**	**30,187**

The other intangible assets are composed of:

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Computer software	27,652	30,129
Copyrights	0	0
Licences	764	1,271
Other intangible assets	3,459	3,024
	31,875	34,424

Useful life		
Self-produced software	2–5 years	2–5 years
Acquired intangible assets	2–5 years	2–5 years

The intangible assets include paid-for and self-produced computer software as well as licences and copyrights.

The depreciation of the other intangible assets was recognised in the income statement on the basis of allocated operating expenses under the items of insurance benefits, operating expenses and net investment income.

The intangible assets are depreciated using the straight-line method.

Additions from company acquisition	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Self-produced software	0	0
Acquired intangible assets	1,024	906

	2009 € 000
Research and development expenditure recorded as an expense during the period under review	7,354

7. Shares in affiliated companies valued at equity

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Current market values for		
Shares in affiliated companies of minor importance [1]	19,820	20,480
Shares in associated companies of minor importance	2,049	3,474
Book values for		
Shares in associated companies valued at equity	715,113	847,908
Equity for		
Shares in affiliated companies of minor importance	20,197	10,093
Annual net profit/loss for the year		
Shares in affiliated companies of minor importance	–5,315	909

[1] The shares in affiliated companies of minor importance are shown on the balance sheet as available for disposal at any time under variable-yield securities (Assets E. I. 1.).

The decline in the shares in associated companies resulted mainly due to the disposal and transfer of the shares held in Leipnik-Lundenburger Invest Beteiligungs AG.

Shares in associated companies	31 Dec. 2009 € 000
Current market value of associated companies listed on a public stock exchange	604,938
Profits/losses for the period	39,672
Unrecorded, proportional loss, ongoing, if shares of loss are no longer recorded	41
Unrecorded, proportional loss, cumulative, if shares of loss are no longer recorded	114

8. Fixed interest securities, held to maturity

	Book values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Corporate bonds of domestic financial institutions	340,000	340,000
other securities	0	108,957
Total	340,000	448,957

	Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Corporate bonds of domestic financial institutions	340,000	340,000
other securities	0	110,000
Total	340,000	450,000

Contractual remaining term	Book values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Up to 1 year	0	108,957
More than 1 year up to 5 years	340,000	340,000
Total	340,000	448,957

Contractual remaining term	Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Up to 1 year	0	110,000
More than 1 year up to 5 years	340,000	340,000
Total	340,000	450,000

9. Securities available for sale

Type of investment	Acquisition costs		Fluctuation in value not affecting income		Accumulated value adjustments		Foreign currency differences affecting income		Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Shares in affiliated companies	19,820	20,480	0	0	0	0	0	0	19,820	20,480
Shares	628,161	643,486	107,072	170,795	–145,979	–185,297	0	0	589,254	628,984
Equity funds	240,373	232,785	13,260	–15,611	–29,945	–28,767	0	0	223,688	188,408
Debenture bonds not capital-guaranteed	244,448	381,800	–4,823	6,011	–14,326	–67,964	–4,109	–11,529	221,190	308,318
Other variable-yield securities	41,870	79,895	–359	–413	–3,400	0	0	0	38,110	79,482
Participating interests and other investments	240,534	170,857	25,125	21,944	–36,579	–20,724	0	0	229,079	172,078
Fixed interest securities	10,615,617	9,437,909	–117,183	–324,100	–501,477	–372,951	–117,338	–135,178	9,879,620	8,605,679
Total	**12,030,821**	**10,967,213**	**23,092**	**–141,374**	**–731,705**	**–675,702**	**–121,446**	**–146,708**	**11,200,762**	**10,003,428**

Valuations based on internal calculations are included in the market values of shares. The effect of the internal valuation results in a value reduction not affecting income in the amount of € 113,938,000 in 2009 (2008: € 133,311,000).

Type of investment	Accumulated value adjustments		Of which accumulated from previous years		Of which from current year	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Shares in affiliated companies	0	0	0	0	0	0
Shares	–145,979	–185,297	–80,437	30,019	–65,542	–215,316
Equity funds	–29,945	–28,767	–18,855	7,486	–11,091	–36,252
Debenture bonds not capital-guaranteed	–14,326	–67,964	–65,900	0	51,574	–67,964
Other variable-yield securities	–3,400	0	0	0	–3,400	0
Participating interests and other investments	–36,579	–20,724	–20,229	–16,483	–16,350	–4,241
Fixed interest securities	–501,477	–372,951	–307,869	–215,425	–193,608	–157,526
Total	**–731,705**	**–675,702**	**–493,290**	**–194,404**	**–238,415**	**–481,298**

Type of investment	Change in value adjustment current year	of which write-down/write-up affecting income	of which changes due to disposal	Write-up of equity
	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000
Shares in affiliated companies	0	0	0	0
Shares	39,318	–65,542	104,860	0
Equity funds	–1,179	–11,091	9,912	0
Debenture bonds not capital-guaranteed	53,638	51,574	2,064	0
Other variable-yield securities	–3,400	–3,400	0	0
Participating interests and other investments	–15,855	–16,350	494	0
Fixed interest securities	–128,526	–193,608	65,082	0
Total	**–56,003**	**–238,415**	**182,412**	**0**

Change in equity	Allocation not affecting income		Withdrawal[1] due to disposals affecting income		Change in unrealised gains/losses	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Other securities - available for sale[2]						
Gross	231,601	–329,202	–10,533	121,172	221,068	–208,030
Deferred tax	–21,962	90,846	7,576	–39,476	–14,386	51,371
Deferred profit participation	–170,142	–31,516	–16,362	8,555	–186,504	–22,961
Minority interests	–14,362	5,298	–6,784	1,386	–21,147	6,684
Net	**25,134**	**–264,575**	**–26,103**	**91,638**	**–969**	**–172,937**

[1] Withdrawals affecting the income statement due to disposals and impairments.
[2] Incl. reclassified securities.

Hierarchy for instruments that are reported in the balance sheet at current market value

The table below depicts the financial instruments for which subsequent valuation is performed at the current market value. These are divided into levels 1 to 3, depending on the extent to which the current market value can be observed.

Level 1 valuations at current market value are ones that result from listed prices (unadjusted) on the active markets for identical financial assets and liabilities.

Level 2 valuations at current market value are those based on parameters that do not correspond to listed prices for assets and liabilities as in level 1 (data) and are derived either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 valuations at current market value are those arising from models using parameters for the valuation of assets and liabilities that are not based on observable market data (unobservable prices, assumptions).

Investments at fair value	Level 1	Level 2	Level 3	Group total
	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000
Securities-available for sale	**8,363,598**	**2,244,979**	**592,185**	**11,200,762**
Shares in affiliated companies	0	19,820	0	19,820
Shares	239,988	349,121	145	589,254
Equity funds	151,863	71,823	1	223,688
Debenture bonds not capital-guaranteed	32,815	188,376	0	221,190
Other variable-yield securities	0	38,110	0	38,110
Participating interests and other investments	0	229,079	0	229,079
Fixed-interest securities	7,938,932	1,348,649	592,039	9,879,620
At fair value through profit and loss	**112,055**	**820,926**	**20,174**	**953,155**
Derivative financial instruments	**450**	**–15,531**	**0**	**–15,081**
Total	8,476,103	3,050,374	612,359	12,138,836

No transfers between levels 1 and 2 took place during the reporting period. The entire portfolio of asset-backed securities was classified as level 3. No other level 3 assets existed as at 31 December 2009.

Transition of the level 3 valuations at current market value of financial assets:

Level 3 Investments at fair value	Securities – available for sale	At fair value through profit and loss	Derivative financial instruments	Total
	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000	31 Dec. 2009 € 000
As at 1 Jan. 2009	813,122	51,310	0	864,432
Total gains or losses for the period recognised in profit or loss	–152,473	–27,272	0	–179,745
Total gains or losses for the period recognised in other comprehensive income (revaluation reserve)	–32,155	0	0	–32,155
Purchase	86,750	0	0	86,750
Sales	–81,192	0	0	–81,192
Issues	0	0	0	0
Settlements	–41,867	–3,864	0	–45,731
Transfers	0	0	0	0
As at 31 Dec. 2009	592,185	20,174	0	612,359

Contractual remaining term	Acquisition costs		Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Infinite	57,667	33,595	58,489	31,819
Up to 1 year	1,984,978	1,720,797	1,709,230	1,492,853
More than 1 year up to 5 years	2,518,608	3,277,055	2,454,377	3,110,079
More than 5 years up to 10 years	3,182,603	3,102,648	3,074,097	2,857,533
More than 10 years	3,158,079	1,765,507	2,842,728	1,501,195
Total	10,901,934	9,899,603	10,138,921	8,993,478

The remaining maturities stipulated by contract refer to fixed-interest securities, other variable yield securities and bonds without capital guarantee.

Risk of default rating	31 Dec. 2009 € 000
Fixed-interest securities	
Rating AAA	2,721,405
Rating AA	2,316,581
Rating A	2,844,232
Rating BBB	1,273,366
Rating < BBB	750,632
Not assigned	232,705
Rating total of fixed-interest securities	10,138,921
Issuer countries	
Share securities	
IE, NL, UK, US	238,604
AT, BE, CH, DE, DK, FR, IT	465,790
ES, FI, NO, SE	20,501
Remaining EU	63,961
other countries	116,594
Total issuer countries of share securities	**905,451**
Other shareholdings	136,570
Total variable-yield securities	1,042,021

10. Derivative financial instruments

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Market values		
Equity risk	–11,528	8,428
Interest rate risk	1,348	1,083
Currency risk	–10,928	–23,134
Structured risk	6,026	25,613
Total	–15,081	11,990
Structured risk – of which:		
Equity risk	2,750	–13,552
Interest rate risk	–2,653	16,808
Currency risk	5,929	22,357
Credit risk	0	0
Balance sheet values		
Investments	11,858	19,077
Financial liabilities	–26,939	–7,087

11. Loans

	Book values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Loans to affiliated companies	472	491
Loans to participating interests	552	552
Mortgage loans	119,216	140,563
Loans and advance payments on policies	19,091	13,670
Other loans	684,926	641,551
Registered bonds	321,909	302,285
Reclassified bonds	1,796,941	2,102,704
Total	2,943,107	3,201,817

On 1 July 2008, securities previously available for sale were reclassified according to IAS 39/50E as other loans. Overall, fixed-interest securities with a book value of € 2,129,552,000 were reclassified. The corresponding revaluation reserve as at 30 June 2008 was € –98,208,000. The current fair value as at 31 December 2009 was € 1,732,644,000 (2008: € 1,889,108,000), which corresponds to a change in current market value in the year 2009 of € 149,299,000 (2008: € 213,596,000). In addition, an amortisation income of € 5,917,000 was posted in the income statement (2008: € 61,000 expense).

Contractual remaining term	Book values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Infinite	1,361	1,474
Up to 1 year	1,102,383	1,110,926
More than 1 year up to 5 years	632,270	740,557
More than 5 years up to 10 years	958,837	1,015,364
More than 10 years	248,256	333,495
Total	2,943,107	3,201,817

	Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Loans to affiliated companies	472	491
Loans to participating interests	552	552
Mortgage loans	119,216	140,563
Loans and advance payments on policies	19,091	13,670
Other loans	697,647	642,216
Registered bonds	321,909	302,285
Reclassified bonds	1,732,644	1,889,108
Total	2,891,530	2,988,886

Contractual remaining term	Market values	
	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Infinite	1,361	1,474
Up to 1 year	1,023,561	979,700
More than 1 year up to 5 years	658,445	744,552
More than 5 years up to 10 years	963,145	933,883
More than 10 years	245,019	329,277
Total	2,891,530	2,988,886

12. Other investments

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Deposits with credit institutions	1,201,925	1,457,298
Deposits with ceding companies	136,149	129,405
Total	1,338,073	1,586,702

13. Receivables incl. receivables under insurance business

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
I. Reinsurance receivables		
1. Accounts receivables under reinsurance operations	52,558	46,766
	52,558	**46,766**
II. Other receivables		
Receivables under the insurance business		
1. from policyholders	296,340	277,514
2. from intermediaries	71,292	72,864
3. from insurance companies	9,368	4,985
	377,000	**355,363**
Other receivables		
Accrued interest and rent	220,754	239,538
Other tax refund claims	49,900	41,551
Receivables due from employees	3,507	3,552
Other receivables	265,492	195,117
	539,653	**479,756**
Total other receivables	**916,653**	**835,119**
Subtotal	**969,211**	**881,885**
of which receivables with a remaining term of		
up to 1 year	942,005	862,509
more than 1 year	27,206	19,376
	969,211	**881,885**
of which receivables with values not yet adjusted		
up to 3 months overdue	67,350	57,021
more than 3 months overdue	12,068	9,692
III. Other assets		
Accruals	50,690	50,432
	50,690	**50,432**
Total receivables incl. receivables under insurance business	**1,019,902**	**932,317**

14. Receivables from income tax

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Receivables from income tax	40,348	54,077
of which receivables with a remaining term of		
up to 1 year	38,341	41,113
more than 1 year	2,007	12,964

15. Deferred tax assets

Cause of origin	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Actuarial items	213	2,986
Social capital	37,268	32,228
Investments	9,254	1,276
Loss carried forward	20,694	6,986
other	28,866	25,621
Total	96,295	69,096

For losses carried forward in the amount of € 60,274,000, the deferred tax of € 14,730,000 was not capitalised because utilisation will not be possible in the foreseeable future.

16. Subscribed capital

	31 Dec. 2009	31 Dec. 2008
Number of authorised and issued no-par shares	142,985,217	131,673,000
of which fully paid up	142,985,217	131,673,000

The subscribed capital and capital reserves correspond to values from the individual financial statements of UNIQA Versicherungen AG.

Unrealised capital gains and losses from the revaluation of investments available for sale affected the revaluation reserve, with deferred participation in profits (for life insurance) and deferred taxes taken into consideration.

In addition to the subscribed capital, UNIQA Versicherungen AG has at its disposal an authorised capital in the amount of € 50 million. The Annual General Meeting of 23 May 2005 extended the authorisation of the Management Board of UNIQA Versicherungen AG to increase the share capital, with the approval of the Supervisory Board, up to and including 30 June 2010.

The share capital was increased in the financial year in partial use of this authorisation by € 11,312,217 to € 142,985,217 (2008: by € 11,895,192 to € 131,673,000).

Furthermore, the Management Board made use of its authorisation to buy back shares in accordance with the resolution of the 9th Annual General Meeting of 19 May 2008 and resolved on 19 May 2008 that UNIQA would buy back its own shares. The Supervisory Board of the company confirmed the decision of the Management Board in its meeting on 19 May 2008. In this regard, the ongoing resale programme was ended. The programme for the repurchase of shares entered into effect on 22 May 2008. During the financial year 2009 no own shares (2008: 469,650 shares) were acquired through the stock exchange.

Capital requirement

The business development due to organic growth and acquisitions influences the capital requirement of the UNIQA Group. In the context of Group controlling, the appropriate coverage of the solvency requirement on a consolidated basis is constantly monitored.

As at 31 December 2009, the adjusted equity amounted to € 1,600,580,000 (2008: € 1,694,998,000). In ascertaining the adjusted equity, non-tangible economic goods (especially goodwill) and participating interests in banks and insurance companies are deducted from the equity and various forms of hybrid capital (especially supplemental capital) and latent reserves in investments (especially in real estate) are added. With a statutory requirement for adjusted equity of € 1,058,638,000 (2008: € 1,028,992,000), the statutory requirements were exceeded by € 541,942,000 (2008: € 666,006,000), resulting in a coverage rate of 151.2% (2008: 164.7%). With the change to Section 81h Paragraph 2 of the Insurance Supervisory Act, the volatility reserve was added as part of the available capital as of the third quarter of 2008. This increased the adjusted equity by € 218,668,000 (2008: € 203,473,000).

The adjusted equity base is ascertained on the basis of the available consolidated financial statements (produced in accordance with Section 80b of the Insurance Supervisory Act).

	2009 € 000	2008 € 000
Adjusted equity without deduction acc. to Section 86h paragraph 5 of the Insurance Supervision Act	1,600,580	1,694,998
Adjusted equity with deduction acc. to Section 86h paragraph 5 of the Insurance Supervision Act	1,381,912	1,491,525

At the reporting date, own shares are accounted for as follows:

	31 Dec. 2009	31 Dec. 2008
Shares held by:		
UNIQA Versicherungen AG		
Acquisition costs in € millions	10,857	10,857
Number of shares	819,650	819,650
Share of subscribed capital in %	0.62	0.68

In the performance figure "earnings per share", the consolidated profit is set against the average number of ordinary shares in circulation.

Earnings per share	2009	2008
Consolidated profit (in € 000)	14,115	53,308
of which accounts for ordinary shares (in € 000)	14,115	53,308
Own shares as at 31st. Dec.	819,650	819,650
Average number of shares in circulation	131,723,521	121,064,534
Earnings per share (in €)[1]	0.11	0.44
Earnings before taxes per share (in €)[1]	0.41	0.63
Earnings per share[1], adjusted for goodwill amortisation (in €)	0.25	0.53
Profit from ordinary activities per share, adjusted for goodwill amortisation (in €)	0.77	0.83
Dividend per share[2]	0.40	0.40
Dividend payment (€ 000)[2]	56,866	52,341

[1] Calculated on the basis of the consolidated profit of the year.
[2] Subject to the decision to be taken in the AGM.

The diluted earnings per share is equal to the undiluted earnings per share in the reporting year and in the previous year.

Change in the tax amounts included in the equity without affecting income	31 Dec. 2009 € 000
Effective tax	0
Deferred tax	–8,580
Total	**–8,580**

17. Minority interests

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
In revaluation reserve	–9,142	–30,288
In net income for the year	28,618	13,440
In other equity	212,244	210,956
Total	**231,720**	**194,108**

18. Subordinated liabilities

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Supplementary capital	575,000	580,544

Partial debentures with a nominal value of € 325 million for paid up supplementary capital were issued by Raiffeisen Versicherung AG in December 2002 and by UNIQA Versicherungen AG, UNIQA Personenversicherung AG and UNIQA Sachversicherung AG in July 2003 according to Section 73c paragraph 2 of the Austrian Insurance Supervision Act. The partial debentures are valid for an unlimited time period. An ordinary or extraordinary notice of redemption to the issuer is not possible for at least five years. Subject to coverage in the annual net profit before the issuer's movements in reserves, the interest to July 2013 will be 5.36%, except in the case of Raiffeisen Versicherung AG, where the interest to December 2012 will be 5.7%, plus a bonus interest payment of between 0.2% and 0.4% depending on sales profitability and the increase in premiums in comparison to the whole market.

In December 2006 UNIQA Versicherungen AG issued bearer debentures with a face value of € 150 million for deposited supplementary capital according to Section 73c paragraph 2 of the Austrian Insurance Supervision Act. According to the conditions of the bearer debentures, the deposited capital of UNIQA Versicherungen AG is agreed to remain at the company's disposal for at least five years, with no ordinary or extraordinary cancellation possible. Interest is applied only insofar as this is covered in the net profit for the year of the issuer. The interest rate up to December 2016 is 5.079%.

In January 2007, UNIQA Versicherungen AG issued additional bearer debentures with a face value of € 100 million for deposited supplementary capital according to Section 73c paragraph 2 of the Austrian Insurance Supervisory Act. According to the conditions of the bearer debentures, the deposited capital of UNIQA Versicherungen AG is agreed to remain at the company's disposal for at least five years, with no ordinary or extraordinary cancellation possible. Interest is applied only insofar as this is covered in the net profit for the year of the issuer. The interest rate up to December 2016 is 5.342%.

19. Unearned premiums

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Property and casualty insurance		
Gross	536,212	507,953
Reinsurers' share	–19,613	–26,782
	516,599	**481,171**
Health		
Gross	16,357	13,685
Reinsurers' share	–728	–71
	15,629	**13,614**
In the consolidated financial statements		
Gross	552,569	521,637
Reinsurers' share	–20,341	–26,853
Total (fully consolidated values)	**532,228**	**494,785**

20. Actuarial provision

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Property and casualty insurance		
Gross	40,280	42,501
Reinsurers' share	–443	–218
	39,837	**42,283**
Health		
Gross	2,375,317	2,227,395
Reinsurers' share	–1,447	–1,576
	2,373,869	**2,225,819**
Life		
Gross	13,639,771	13,331,729
Reinsurers' share	–446,708	–429,593
	13,193,063	**12,902,136**
In the consolidated financial statements		
Gross	16,055,368	15,601,625
Reinsurers' share	–448,599	–431,387
Total (fully consolidated values)	**15,606,769**	**15,170,238**

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

For	Health insurance acc. to SFAS 60 %	Life insurance acc. to SFAS 120 %
2009		
For actuarial provision	4.50 or 5.50	1.75–4.00
For deferred acquisition costs	4.50 or 5.50	4.63
2008		
For actuarial provision	4.50 or 5.50	1.75–4.00
For deferred acquisition costs	4.50 or 5.50	4.70

21. Provision for outstanding claims

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Property and casualty insurance		
Gross	2,028,238	1,919,387
Reinsurers' share	–281,334	–252,684
	1,746,904	**1,666,703**
Health		
Gross	167,447	157,017
Reinsurers' share	–534	–621
	166,913	**156,396**
Life		
Gross	104,259	98,937
Reinsurers' share	–11,894	–12,038
	92,365	**86,899**
In the consolidated financial statements		
Gross	2,299,943	2,175,342
Reinsurers' share	–293,762	–265,344
Total (fully consolidated values)	**2,006,182**	**1,909,998**

The provision for outstanding claims developed in the property and casualty insurance as follows:

	2009 € 000	2008 € 000
1. Provisions for outstanding claims as at 1 Jan.		
a) Gross	1,919,387	1,891,263
b) Reinsurers' share	–252,684	–309,051
c) Retention	**1,666,703**	**1,582,211**
2. Plus (retained) claims expenditures		
a) Losses of the current year	1,582,095	1,519,780
b) Losses of the previous year	–88,493	–130,572
c) Total	**1,493,601**	**1,389,208**
3. Less (retained) losses paid		
a) Losses of the current year	–845,587	–801,099
b) Losses of the previous year	–576,343	–520,701
c) Total	**–1,421,930**	**–1,321,800**
4. Foreign currency translation	**–1,814**	**–14,216**
5. Change in consolidation scope	**10,343**	**35,604**
6. Other changes	**0**	**–4,305**
7. Provisions for outstanding claims as at 31 Dec.		
a) Gross	2,028,238	1,919,387
b) Reinsurers' share	–281,334	–252,684
c) Retention	**1,746,904**	**1,666,703**

Claims payments	2004 € 000	2005 € 000	2006 € 000	2007 € 000	2008 € 000	2009 € 000	Total € 000
Financial year	543,309	589,722	638,910	697,899	774,427	854,196	
1 year later	846,117	916,883	973,152	1,082,815	1,179,346		
2 years later	921,472	996,701	1,064,099	1,176,117			
3 years later	954,538	1,034,585	1,104,721				
4 years later	973,497	1,051,810					
5 years later	985,994						
Accumulated payments	985,994	1,051,810	1,104,721	1,176,117	1,179,346	854,196	
Estimated final claims payments	1,054,789	1,144,483	1,229,585	1,353,425	1,450,491	1,581,460	
Current balance sheet reserve	68,794	92,673	124,864	177,309	271,145	727,264	1,462,048
Balance sheet reserve for the claims years 2003 and before							423,572
							1,885,619
Plus other reserve components (internal claims regulation costs, etc.)							142,618
Provisions for outstanding claims (gross) as at 31 Dec. 2009							**2,028,238**

22. Provision for premium refunds

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Property and casualty insurance		
Gross	34,792	33,568
Reinsurers' share	–99	–65
	34,693	**33,502**
Health		
Gross	62,476	66,006
Reinsurers' share	0	0
	62,476	**66,006**
Life		
Gross	146,885	–58,668
Reinsurers' share	0	–159
	146,885	**–58,827**
In the consolidated financial statements		
Gross	244,153	40,906
Reinsurers' share	–99	–225
Total (fully consolidated values)	**244,054**	**40,681**
of which profit-unrelated (retention)	47,489	45,911
of which profit-related (retention)	196,565	–5,229

Gross		31 Dec. 2009 € 000	31 Dec. 2008 € 000
a)	**Provision for profit-unrelated premium refunds**	**47,588**	**46,135**
	of which property and casualty insurance	27,110	25,768
	of which health insurance	20,252	19,477
	of which life insurance	226	890
b)	**Provision for profit-related premium refunds and /or policyholder profit participation**	**187,277**	**211,445**
	of which property and casualty insurance	7,682	7,800
	of which health insurance	42,224	46,529
	of which life insurance	137,372	157,116
	Deferred profit participation	**9,287**	**–216,675**
Total (fully consolidated values)		**244,153**	**40,906**

Gross		2009 € 000	2008 € 000
a)	Provision for profit-unrelated premium refunds, profit-related premium refunds and policyholder profit participation		
	As at 1 Jan.	**257,580**	**319,819**
	Changes due to:		
	Other changes	–22,715	–62,239
As at 31 Dec.		**234,866**	**257,580**
b)	Deferred profit participation		
	As at 1 Jan.	**–216,675**	**118,208**
	Changes due to:		
	Fluctuation in value, securities available for sale	186,504	22,961
	Revaluations affecting income	39,457	–357,844
As at 31 Dec.		**9,287**	**–216,675**

The latent profit sharing was changed to an asset item in the financial year 2008. On the basis of the business model used in life insurance and the management rules applied in the Group, this asset item will be reduced against the technical liabilities over the term of the policy. The appropriateness of the entire technical liability will also be regularly checked under a discounted cash-flow model ("liability adequacy test").

23. Actuarial provisions

Gross	Unearned premiums € 000	Actuarial provisions € 000	Provision for outstanding claims € 000	Provision for profit-unrelated premium refunds € 000	Provision for profit-related premium refunds and/or policyholder profit participation € 000	Other actuarial provisions € 000	Group total € 000
Property and casualty insurance							
As at 31 Dec. 2008	**507,953**	**42,501**	**1,919,387**	**25,768**	**7,800**	**24,494**	**2,527,903**
Exchange rate differences	–1,871	–84	–1,990	–12	3	–264	–4,219
Change in consolidation scope	10,402		10,443				20,845
Portfolio changes	911					2,349	3,259
Additions		704		1,629	260	20,940	23,534
Disposals		–2,840		–275	–381	–23,744	–27,239
Premiums written	1,718,140						1,718,140
Premiums earned	–1,699,323						–1,699,323
Claims in reporting year			1,728,340				1,728,340
Claims payments in reporting year			–905,211				–905,211
Change in claims from previous years			–94,887				–94,887
Claims payments in previous years			–627,845				–627,845
As at 31 Dec. 2009	536,212	40,280	2,028,238	27,110	7,682	23,775	2,663,298
Health insurance							
As at 31 Dec. 2008	13,685	2,227,395	157,017	19,477	46,529	564	2,464,667
Exchange rate differences	–51	8	–24	–2		–1	–70
Change in consolidation scope							0
Portfolio changes	177					–6	171
Additions		161,912		2,574	1,514	39	166,038
Disposals		–13,998		–1,797	–5,819		–21,615
Premiums written	780,870						780,870
Premiums earned	–778,323						–778,323
Claims in reporting year			634,380				634,380
Claims payments in reporting year			–488,888				–488,888
Change in claims from previous years			32,628				32,628
Claims payments in previous years			–167,667				–167,667
As at 31 Dec. 2009	16,357	2,375,317	167,447	20,252	42,224	596	2,622,192
Life insurance							
As at 31 Dec. 2008	**0**	**13,331,729**	**98,937**	**890**	**–59,558**	**24,393**	**13,396,392**
Exchange rate differences		2,365	21	4	53	2	2,445
Change in consolidation scope		1,845	104				1,949
Portfolio changes		63,550	263		6	–2,366	61,453
Additions		491,916		69	300,611	7,318	799,914
Disposals		–251,634		–737	–94,453	–6,043	–352,866
Premiums written							0
Premiums earned							0
Claims in reporting year			1,466,538				1,466,538
Claims payments in reporting year			–1,395,774				–1,395,774
Change in claims from previous years			40,953				40,953
Claims payments in previous years			–106,783				–106,783
As at 31 Dec. 2009	0	13,639,771	104,259	226	146,659	23,305	13,914,220
Group total							
As at 31 Dec. 2008	**521,637**	**15,601,625**	**2,175,341**	**46,135**	**–5,229**	**49,452**	**18,388,962**
Exchange rate differences	–1,922	2,289	–1,993	–11	56	–262	–1,844
Change in consolidation scope	10,402	1,845	10,547				22,794
Portfolio changes	1,087	63,550	263		6	–23	64,883
Additions		654,531		4,272	302,385	28,297	989,485
Disposals		–268,472		–2,808	–100,653	–29,787	–401,720
Premiums written	2,499,010						2,499,010
Premiums earned	–2,477,646						–2,477,646
Claims in reporting year			3,829,258				3,829,258
Claims payments in reporting year			–2,789,872				–2,789,872
Change in claims from previous years			–21,306				–21,306
Claims payments in previous years			–902,295				–902,295
As at 31 Dec. 2009	552,569	16,055,368	2,299,943	47,588	196,565	47,677	19,199,710

Reinsurers' share	Unearned premiums € 000	Actuarial provisions € 000	Provision for outstanding claims € 000	Provision for profit-unrelated premium refunds € 000	Provision for profit-related premium refunds and/or policyholder profit participation € 000	Other actuarial provisions € 000	Group total € 000
Property and casualty insurance							
As at 31 Dec. 2008	**26,782**	**218**	**252,684**	**65**	**0**	**5,668**	**285,418**
Exchange rate differences	–1,046	–3	–176			–129	–1,354
Change in consolidation scope	873		100				973
Portfolio changes	2,156		3,247				5,404
Additions		268		34		1,121	1,422
Disposals		–40				–2,865	–2,905
Premiums written	96,880						96,880
Premiums earned	–106,032						–106,032
Claims in reporting year			142,998				142,998
Claims payments in reporting year			–59,624				–59,624
Change in claims from previous years			–6,394				–6,394
Claims payments in previous years			–51,502				–51,502
As at 31 Dec. 2009	**19,613**	**443**	**281,334**	**99**	**0**	**3,795**	**305,285**
Health insurance							
As at 31 Dec. 2008	**71**	**1,576**	**621**	**0**	**0**	**0**	**2,268**
Exchange rate differences			–1				–1
Change in consolidation scope							0
Portfolio changes							0
Additions							0
Disposals		–129					–129
Premiums written	1,536						1,536
Premiums earned	–879						–879
Claims in reporting year			80				80
Claims payments in reporting year			–147				–147
Change in claims from previous years			17				17
Claims payments in previous years			–37				–37
As at 31 Dec. 2009	**728**	**1,447**	**534**	**0**	**0**	**0**	**2,709**
Life insurance							
As at 31 Dec. 2008	**0**	**429,593**	**12,038**	**159**	**0**	**–139**	**441,652**
Exchange rate differences		10	2	–2			10
Change in consolidation scope		90					90
Portfolio changes		–846	1,287				442
Additions		18,743				4	18,748
Disposals		–883		–157		–11	–1,051
Premiums written							0
Premiums earned							0
Claims in reporting year			23,790				23,790
Claims payments in reporting year			–18,835				–18,835
Change in claims from previous years			–3,166				–3,166
Claims payments in previous years			–3,224				–3,224
As at 31 Dec. 2009	**0**	**446,708**	**11,894**	**0**	**0**	**–146**	**458,456**
Group total							
As at 31 Dec. 2008	**26,853**	**431,387**	**265,344**	**225**	**0**	**5,529**	**729,338**
Exchange rate differences	–1,046	7	–175	–2		–129	–1,345
Change in consolidation scope	873	90	100				1,063
Portfolio changes	2,156	–846	4,535				5,845
Additions		19,011		34		1,125	20,170
Disposals		–1,052		–157		–2,876	–4,085
Premiums written	98,416						98,416
Premiums earned	–106,910						–106,910
Claims in reporting year			166,869				166,869
Claims payments in reporting year			–78,606				–78,606
Change in claims from previous years			–9,542				–9,542
Claims payments in previous years			–54,763				–54,763
As at 31 Dec. 2009	**20,341**	**448,598**	**293,761**	**99**	**0**	**3,649**	**766,450**

Retention	Unearned premiums € 000	Actuarial provisions € 000	Provision for outstanding claims € 000	Provision for profit-unrelated premium refunds € 000	Provision for profit-related premium refunds and/or policyholder profit participation € 000	Other actuarial provisions € 000	Group total € 000
Property and casualty insurance							
As at 31 Dec. 2008	**481,171**	**42,283**	**1,666,703**	**25,702**	**7,800**	**18,827**	**2,242,485**
Exchange rate differences	–824	–81	–1,814	–12	3	–135	–2,863
Change in consolidation scope	9,529		10,343				19,872
Portfolio changes	–1,246		–3,247			2,349	–2,144
Additions		436		1,596	260	19,820	22,112
Disposals		–2,800		–275	–381	–20,880	–24,335
Premiums written	1,621,260						1,621,260
Premiums earned	–1,593,291						–1,593,291
Claims in reporting year			1,585,342				1,585,342
Claims payments in reporting year			–845,587				–845,587
Change in claims from previous years			–88,493				–88,493
Claims payments in previous years			–576,343				–576,343
As at 31 Dec. 2009	**516,600**	**39,837**	**1,746,903**	**27,011**	**7,682**	**19,980**	**2,358,014**
Health insurance							
As at 31 Dec. 2008	**13,614**	**2,225,819**	**156,396**	**19,477**	**46,529**	**564**	**2,462,399**
Exchange rate differences	–51	8	–23	–2		–1	–69
Change in consolidation scope							0
Portfolio changes	177					–6	171
Additions		161,912		2,574	1,514	39	166,038
Disposals		–13,869		–1,797	–5,819		–21,486
Premiums written	779,334						779,334
Premiums earned	–777,445						–777,445
Claims in reporting year			634,299				634,299
Claims payments in reporting year			–488,741				–488,741
Change in claims from previous years			32,611				32,611
Claims payments in previous years			–167,629				–167,629
As at 31 Dec. 2009	**15,629**	**2,373,869**	**166,913**	**20,252**	**42,224**	**596**	**2,619,483**
Life insurance							
As at 31 Dec. 2008	**0**	**12,902,136**	**86,899**	**731**	**–59,558**	**24,532**	**12,954,740**
Exchange rate differences		2,355	18	6	53	2	2,435
Change in consolidation scope		1,755	104				1,859
Portfolio changes		64,395	–1,024		6	–2,366	61,011
Additions		473,172		69	300,611	7,314	781,166
Disposals		–250,750		–579	–94,453	–6,032	–351,814
Premiums written							0
Premiums earned							0
Claims in reporting year			1,442,748				1,442,748
Claims payments in reporting year			–1,376,939				–1,376,939
Change in claims from previous years			44,119				44,119
Claims payments in previous years			–103,559				–103,559
As at 31 Dec. 2009	**0**	**13,193,063**	**92,365**	**226**	**146,659**	**23,451**	**13,455,764**
Group total							
As at 31 Dec. 2008	**494,785**	**15,170,238**	**1,909,998**	**45,911**	**–5,229**	**43,923**	**17,659,624**
Exchange rate differences	–875	2,282	–1,818	–8	56	–134	–497
Change in consolidation scope	9,529	1,755	10,447				21,731
Portfolio changes	–1,069	64,395	–4,271		6	–23	59,038
Additions		635,520		4,238	302,385	27,172	969,315
Disposals		–267,420		–2,651	–100,653	–26,911	–397,635
Premiums written	2,400,594						2,400,594
Premiums earned	–2,370,736						–2,370,736
Claims in reporting year			3,662,389				3,662,389
Claims payments in reporting year			–2,711,266				–2,711,266
Change in claims from previous years			–11,763				–11,763
Claims payments in previous years			–847,532				–847,532
As at 31 Dec. 2009	**532,228**	**15,606,770**	**2,006,182**	**47,490**	**196,565**	**44,028**	**18,433,260**

24. Technical provisions held on account and at risk of life insurance policyholders

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Gross	3,416,231	2,579,997
Reinsurers' share	–382,338	–382,480
Total	3,033,893	2,197,518

As a general rule, the valuation of the technical provisions for unit- and index-linked life insurance policies corresponds to the investments in unitand index-linked life insurance policies reported at current market values. The reinsurers' share is offset by deposits payable in the same amount.

25. Liabilities from loans

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Liabilities under issued debenture bonds		
UNIQA Versicherungen AG, Vienna		
4.00%, € 150 million, bond 2004/2009	0	150,000
Loan liabilities	**55,356**	**39,053**
up to 1 year	1,608	27
more than 1 year up to 5 years	9,213	10,483
more than 5 years	44,535	28,543
Total	55,356	189,053

26. Provisions for pensions and similar commitments

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Provisions for pension	344,468	316,784
Provision for severance payments	122,369	119,693
Total	466,837	436,478

	2009 € 000	2008 € 000
As at 1 Jan.	**436,478**	**509,541**
Change of the consolidation scope	5,364	0
Currency translation changes	4	–246
Withdrawals for pension payments	–36,207	–60,867
Expenditure in the financial year	61,198	–11,950
As at 31 Dec.	466,837	436,478

Active employees with direct assurances to pension benefits, including members of the Management Board and leading executives in accordance with Section 80 paragraph 1 of the Stock Corporation Act, as well as active employees with direct assurances to pension benefits according to the "trade association recommendation for in-house and field sales staff" who approved the offer to transfer existing vested pension rights to ÖPAG Pensionskassen AG on the basis of concluded works agreements, are included in a contribution-based pension fund. The corresponding transfer amounts (the assurance cover) were paid to the ÖPAG Pensionskassen AG in 2008 in accordance with Section 48 of the Pension Fund Act. For the purpose of guaranteeing the level of the pension fund pension according to the previous direct assurances to pension benefits, those entitled to vested rights have a claim to payment of a (one-time) final pension fund contribution at the time of pension eligibility. No contributions are made for the benefit phase.

Calculation factors applied	
2009	
Technical rate of interest	5.50%
Valorisation of wages and salaries	3.00%
Valorisation of pensions	2.00%
Employee turnover rate	dependent on years of service
Accounting principles	AVÖ 2008 P – Pagler & Pagler/employees
2008	
Technical rate of interest	6.00%
Valorisation of wages and salaries	3.00%
Valorisation of pensions	2.00%
Employee turnover rate	dependent on years of service
Accounting principles	AVÖ 2008 P – Pagler & Pagler/employees

Specification of pension expenditures for pensions and similar commitments included in the income statement	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Current service cost	14,244	14,371
Interest cost	27,282	25,447
Actuarial profit and loss	19,701	–51,738
Income and expenditures due to budget changes	–30	–29
Total	61,198	–11,950

Under the contribution-orientated company pension scheme, the employer pays the fixed amounts into company pension funds. The employer has satisfied its obligation by making these contributions.

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Contributions to company pension funds	1,564	1,318

27. Other provisions

	Balance sheet figures previous year € 000	Currency translation changes € 000	Change of the consolidation scope € 000	Utilisation € 000	Reversals € 000	Reclassifications € 000	Additions € 000	Balalnce sheet figures financial year € 000
Provision for unconsumed holidays	36,980	–15	2,287	–2,816	–12,033	85	2,824	27,310
Provision for anniversary payments	14,769	0	637	–72	–1,064	–18	631	14,882
	51,748	–15	2,924	–2,888	–13,098	67	3,454	42,192
Other personnel provisions	15,534	28	0	–5,496	–2,519	–67	9,322	16,803
Provision for customer relations and marketing	32,106	–29	0	–29,152	–947	0	35,270	37,248
Provision for variable components of remuneration	16,073	0	0	–11,998	–4,074	0	14,444	14,444
Provision for legal and consulting expenses	4,332	0	185	–2,679	–759	0	3,413	4,491
Provision for premium adjustment of insurance contracts	16,998	53	0	–9,444	0	0	12,561	20,167
Provision for portfolio maintenance commission	3,824	15	0	–2,702	–138	0	4,107	5,106
Other provisions	67,304	–148	2,906	–29,150	–22,153	0	33,117	51,876
	156,171	**–81**	**3,090**	**–90,621**	**–30,591**	**–67**	**112,234**	**150,135**
Total	**207,919**	**–96**	**6,014**	**–93,509**	**–43,689**	**0**	**115,688**	**192,327**

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Other provisions[1] with a high probability of utilisation (more than 90%)		
up to 1 year	70,027	73,701
more than 1 year up to 5 years	4,311	4,532
more than 5 years	4,854	9,310
	79,192	**87,543**
Other provisions[1] with a lower probability of consumption (less than 90%)		
up to 1year	66,745	64,736
more than 1 year up to 5 years	763	3,618
more than 5 years	3,435	274
	70,943	**68,628**
Total	**150,135**	**156,171**

[1] Excl. unconsumed holidays and anniversary benefits.

28. Payables and other liabilities

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
I. Reinsurance liabilities		
1. Deposits held under reinsurance business ceded	833,989	817,323
2. Accounts payable under reinsurance operations	38,598	51,934
	872,587	**869,258**
II. Other payables		
Liabilities under insurance business		
Liabilities under direct insurance business		
to policyholders	145,887	128,245
to intermediaries	92,873	93,026
to insurance companies	8,546	8,515
	247,306	**229,786**
Liabilities to credit institutions	**5,378**	**4,071**
Other liabilities	**398,197**	**333,272**
of which for taxes	57,734	48,821
of which for social security	11,134	10,370
of which from fund consolidation	174,585	142,560
Total other liabilities	**650,881**	**567,129**
Subtotal	**1,523,468**	**1,436,387**
of which liabilities with the remaining term of		
up to 1 year	846,241	766,578
more than 1 year up to 5 years	8,512	6,997
more than 5 years	668,715	662,812
	1,523,468	**1,436,387**
III. Other liabilities		
Deferred income	**10,854**	**11,122**
Total payables and other liabilities	**1,534,321**	**1,447,509**

The item "Deferred income" comprises the balance of the deferred income regarding the indirect business settlement.

29. Liabilities from income tax

	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Liabilities from income tax	**48,732**	**57,294**
of which liabilities with the remaining term of		
up to 1 year	5,192	2,423
more than 1 year up to 5 years	43,540	54,871
more than 5 years	0	0

30. Deferred tax liabilities

Cause of origin	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Actuarial items	192,846	172,747
Untaxed reserves	26,062	25,895
Shares in affiliated companies	28,431	28,425
Investments	38,059	2,702
other	27,102	15,072
Total	**312,499**	**244,841**
of which not affecting income	15,471	6,891

Notes to the Consolidated Income Statement

31. Premiums written

Direct business	2009 € 000	2008 € 000
Property and casualty insurance	2,417,138	2,350,188
Health insurance	937,417	907,226
Life insurance	1,602,929	1,626,456
Total (fully consolidated values)	**4,957,485**	**4,883,870**
Of which written in:		
Austria	3,083,846	2,992,849
other member states of the EU and other signatory states of the Treaty on the European Economic Area	1,743,680	1,779,473
other countries	129,959	111,548
Total (fully consolidated values)	4,957,485	4,883,870

Indirect business	2009 € 000	2008 € 000
Property and casualty insurance	29,080	31,472
Health insurance	15	21
Life insurance	25,072	26,856
Total (fully consolidated values)	54,167	58,350

	2009 € 000	2008 € 000
Total (fully consolidated values)	5,011,651	4,942,220

Premiums written in property and casualty insurance	2009 € 000	2008 € 000
Direct business		
Fire and business interruption insurance	204,989	195,600
Household insurance	183,968	177,957
Other property insurance	229,600	221,679
Motor TPL insurance	590,316	591,863
Other motor insurance	480,211	447,588
Casualty insurance	265,765	259,375
Liability insurance	231,979	225,007
Legal expenses insurance	58,698	54,066
Marine, aviation and transport insurance	103,134	107,020
Other insurance	68,478	70,034
Total	**2,417,138**	**2,350,188**
Indirect business		
Marine, aviation and transport insurance	3,070	2,625
Other insurance	26,010	28,846
Total	**29,080**	**31,472**
Total direct and indirect business (fully consolidated values)	2,446,218	2,381,660

Reinsurance premiums ceded	2009 € 000	2008 € 000
Property and casualty insurance	134,184	129,841
Health insurance	2,344	1,375
Life insurance	80,726	79,832
Total (fully consolidated values)	217,254	211,048

32. Premiums earned

	2009 € 000	2008 € 000
Property and casualty insurance	**2,290,120**	**2,213,783**
Gross	2,431,782	2,343,696
Reinsurers' share	–141,662	–129,913
Health insurance	**933,867**	**906,181**
Gross	935,521	907,558
Reinsurers' share	–1,655	–1,377
Life insurance	**1,546,171**	**1,570,170**
Gross	1,626,904	1,649,960
Reinsurers' share	–80,733	–79,790
Total (fully consolidated values)	4,770,158	4,690,134

Premiums earned in indirect business	2009 € 000	2008 € 000
Posted immediately	3,389	3,299
Posted after up to 1 year	25,699	28,022
Posted after more than 1 year	0	0
Property and casualty insurance	**29,088**	**31,321**
Posted immediately	15	21
Posted after up to 1 year	0	0
Posted after more than 1 year	0	0
Health insurance	**15**	**21**
Posted immediately	3,960	3,571
Posted after up to 1 year	21,112	23,285
Posted after more than 1 year	0	0
Life insurance	**25,072**	**26,856**
Total (fully consolidated values)	54,175	58,199

Earnings from indirect business	2009 € 000	2008 € 000
Property and casualty insurance	3,425	–464
Health insurance	19	–5
Life insurance	4,262	4,659
Total (fully consolidated values)	7,706	4,190

33. Income from fees and commissions

Reinsurance commission and profit shares from reinsurance business ceded	2009 € 000	2008 € 000
Property and casualty insurance	9,656	10,367
Health insurance	90	103
Life insurance	5,076	5,657
Total (fully consolidated values)	14,821	16,127

34. Net investment income

By segment		Property and casualty insurance		Health insurance	
		2009 € 000	2008 € 000	2009 € 000	2008 € 000
I.	**Properties held as investments**	**16,952**	**5,547**	**5,571**	**21,922**
II.	**Shares in associated companies**	**5,140**	**4,605**	**227**	**2,054**
III.	**Variable-yield securities**	**8,352**	**–27,589**	**5,534**	**–49,532**
	1. Available for sale	6,990	–20,571	4,590	–26,884
	2. At fair value through profit or loss	1,361	–7,017	944	–22,648
IV.	**Fixed interest securities**	**80,024**	**19,481**	**57,117**	**14,692**
	1. Held to maturity	1,575	494	3,269	1,129
	2. Available for sale	76,664	20,823	49,781	19,500
	3. At fair value through profit and loss	1,785	–1,836	4,066	–5,937
V.	**Loans and other investments**	**34,353**	**69,468**	**27,053**	**28,515**
	1. Loans	17,441	13,952	25,700	18,753
	2. Other investments	16,911	55,516	1,353	9,762
VI.	**Derivative financial instruments (held for trading)**	**–2,602**	**335**	**2,790**	**–1,068**
VII.	**Expenditure for asset management, interest charges and other expenses**	**–24,508**	**–5,416**	**–3,375**	**–2,783**
Total (fully consolidated values)		117,711	66,432	94,917	13,799

The expenditures for shares in associated companies in the financial year result from depreciations of STRABAG SE and Medicur-Holding Gesellschaft m.b.H. The exceptionally high value of the income in the previous year originated from capital gains from the sale of STRABAG SE (€ 115,140,000).

By income type		Ordinary income		Write-ups and unrealised capital gains		Realised capital gains	
		2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
I.	**Properties held as investments**	**62,046**	**51,546**	**0**	**0**	**75,838**	**35,539**
II.	**Shares in associated companies**	**39,672**	**29,488**	**0**	**0**	**2,391**	**115,140**
III.	**Variable-yield securities**	**91,323**	**84,656**	**145,904**	**151,210**	**91,641**	**182,138**
	1. Available for sale	30,617	54,200	57,526	26,708	55,693	83,626
	2. At fair value through profit or loss	60,706	30,457	88,378	124,501	35,948	98,512
IV.	**Fixed interest securities**	**477,922**	**549,711**	**38,467**	**87,226**	**204,415**	**5,999**
	1. Held to maturity	25,170	9,343	0	0	1,257	0
	2. Available for sale	438,533	522,755	3,337	73,703	200,954	5,505
	3. At fair value through profit and loss	14,220	17,612	35,130	13,523	2,204	494
V.	**Loans and other investments**	**175,724**	**195,952**	**10,976**	**4,518**	**19,826**	**295**
	1. Loans	137,536	79,092	1,043	1,662	19,826	279
	2. Other investments	38,188	116,860	9,933	2,855	0	17
VI.	**Derivative financial instruments (held for trading)**	**1,128**	**–22,600**	**57,262**	**157,681**	**146,763**	**19,798**
VII.	**Expenditure for asset management, interest charges and other expenses**	**–37,314**	**–18,289**	**0**	**0**	**0**	**0**
Total (fully consolidated values)		810,501	870,464	252,609	400,635	540,874	358,909

The updating of the value adjustment concerns both appreciation and depreciation of financial assets, excluding assets held for trading and financial assets at fair value through profit or loss. Interest income from impaired assets amounts to € 33,583,000 (2008: € 55,097,000). The net investment income of € 751,603,000 includes realised and unrealised profits and losses amounting to € –58,898,000, which includes currency profits of € 40,421,000. In addition, negative currency effects amounting to € 6,474,000 were recorded directly under equity. The effects are mainly the result of investments in USD and GBP.

The current income from properties held as financial investments includes rental income of € 83,649,000 (2008: € 76,315,000) and direct operational expenses of € 21,602,000 (2008: € 24,769,000).

Of which securities, available for sale type of investment		Ordinary income		Write-ups and unrealised capital gains		Realised capital gains	
		2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
III.	**Variable-yield securities**						
	1. Available for sale	30,617	54,200	57,526	26,708	55,693	83,626
	Shares in associated companies	–1,127	3,398	0	0	2,503	29,123
	Shares	16,490	13,688	33	317	38,902	4,671
	Equity funds	2,950	8,628	88	1,144	10,221	43
	Debenture bonds, not capital guaranteed	9,829	17,519	57,331	25,248	3,051	31,583
	Other variable-yield securities	1,822	297	0	0	0	0
	Participating interests and other investments	653	10,670	74	0	1,015	18,206
IV.	**Fixed interest securities**						
	2. Available for sale						
	Fixed interest securities	438,533	522,755	3,337	73,703	200,954	5,505

Life insurance		Group	
2009 € 000	2008 € 000	2009 € 000	2008 € 000
73,917	**25,597**	**96,440**	**53,065**
–67,662	**136,483**	**–62,295**	**143,142**
57,469	**–322,701**	**71,355**	**–399,821**
10,836	–241,628	22,417	–289,083
46,633	–81,072	48,938	–110,738
345,431	**208,038**	**482,571**	**242,210**
21,583	7,721	26,427	9,343
296,961	219,140	423,407	259,462
26,887	–18,823	32,738	–26,595
121,063	**84,036**	**182,469**	**182,018**
96,163	30,817	139,305	63,522
24,900	53,219	43,164	118,496
18,188	**26,003**	**18,376**	**25,270**
–9,431	**–10,090**	**–37,314**	**–18,289**
538,976	147,364	751,603	227,596

Write-offs and unrealised capital losses		Realised capital losses		Group		of which value adjustment	
2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
–41,382	**–31,352**	**–62**	**–2,668**	**96,440**	**53,065**	**–2,612**	**–1,004**
–104,253	**–1,000**	**–105**	**–485**	**–62,295**	**143,142**	**0**	**0**
–227,757	**–643,919**	**–29,755**	**–173,907**	**71,355**	**–399,821**	**–44,807**	**–323,773**
–110,352	–336,330	–11,067	–117,287	22,417	–289,083	–44,807	–323,773
–117,405	–307,589	–18,688	–56,620	48,938	–110,738	0	0
–206,712	**–323,731**	**–31,520**	**–76,995**	**482,571**	**242,210**	**–193,608**	**–157,526**
0	0	0	0	26,427	9,343	0	0
–189,649	–270,701	–29,767	–71,800	423,407	259,462	–193,608	–157,526
–17,063	–53,030	–1,753	–5,195	32,738	–26,595	0	0
–13,669	**–16,871**	**–10,388**	**–1,876**	**182,469**	**182,018**	**0**	**0**
–8,711	–15,648	–10,388	–1,863	139,305	63,522	0	0
–4,958	–1,223	0	–13	43,164	118,496	0	0
–84,509	**–118,508**	**–102,267**	**–11,102**	**18,376**	**25,270**	**0**	**0**
0	**0**	**0**	**0**	**–37,314**	**–18,289**	**0**	**0**
–678,283	–1,135,380	–174,098	–267,032	751,603	227,596	–241,027	–482,302

Write-offs and unrealised capital losses		Realised capital losses		Group		of which value adjustment	
2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
–110,352	–336,330	–11,067	–117,287	22,417	–289,083	–44,807	–323,773
–154	0	–226	–10	997	32,511	0	0
–77,973	–224,615	–4,372	–38,165	–26,921	–244,104	–65,542	–215,316
–10,980	–27,123	–3,337	–73,298	–1,057	–90,605	–11,091	–36,252
–10,801	–80,773	–23	–4,910	59,388	–11,334	51,574	–67,964
–3,400	0	–3,035	0	–4,613	297	–3,400	0
–7,044	–3,820	–75	–905	–5,377	24,152	–16,350	–4,241
–189,649	–270,701	–29,767	–71,800	423,407	259,462	–193,608	–157,526

35. Other income

		2009 € 000	2008 € 000
a)	**Other actuarial income**	**16,175**	**19,585**
	Property and casualty insurance	12,666	14,849
	Health insurance	466	448
	Life insurance	3,043	4,288
b)	**Other non-actuarial income**	**40,755**	**43,518**
	Property and casualty insurance	23,963	32,818
	Health insurance	2,217	737
	Life insurance	14,575	9,963
	of which		
	Services rendered	12,068	13,009
	Changes in exchange rates	7,047	22,586
	Other	21,639	7,924
c)	**Other income**	**3,695**	**16,905**
	From foreign currency conversion	1,621	1,211
	From other[1]	2,073	15,693
Total (fully consolidated values)		60,624	80,008

[1] This item contains an income of € 5,010,000 from the derecognition of the deferred difference due to the initial consolidation of Asena CJSC in the business year 2008.

36. Insurance benefits

	Gross		Reinsurers' share		Retention	
	2009 € 000	2008 € 000	2009 € 000	2008 € 000	2009 € 000	2008 € 000
Property and casualty insurance						
Expenditure for claims						
Claims paid	1,563,552	1,444,360	–117,552	–109,798	1,446,000	1,334,562
Change in provision for outstanding claims	99,616	–10,608	–25,608	60,873	74,008	50,265
Total	**1,663,167**	**1,433,752**	**–143,160**	**–48,924**	**1,520,008**	**1,384,827**
Change in actuarial provisions	–2,514	–1,890	38	15	–2,475	–1,874
Change in other actuarial provisions	310	–460	15	–401	325	–862
Expenditure for profit-unrelated and profit-related premium refunds	34,620	29,968	–159	–82	34,461	29,886
Total amount of benefits	**1,695,583**	**1,461,370**	**–143,265**	**–49,392**	**1,552,318**	**1,411,977**
Health insurance						
Expenditure for claims						
Claims paid	628,850	632,903	–880	–1,037	627,970	631,867
Change in provision for outstanding claims	10,632	4,719	83	57	10,715	4,776
Total	**639,482**	**637,623**	**–797**	**–980**	**638,685**	**636,643**
Change in actuarial provisions	147,911	126,686	129	132	148,039	126,818
Change in other actuarial provisions	–6	–4	0	0	–6	–4
Expenditure for profit-related and profit-unrelated premium refunds	25,046	19,619	0	0	25,046	19,619
Total amount of benefits	**812,433**	**783,924**	**–668**	**–848**	**811,765**	**783,076**
Life insurance						
Expenditure for claims						
Claims paid	1,440,216	1,506,417	–80,300	–69,963	1,359,916	1,436,454
Change in provision for outstanding claims	4,851	–18,692	149	–296	5,001	–18,987
Total	**1,445,067**	**1,487,726**	**–80,151**	**–70,259**	**1,364,917**	**1,417,467**
Change in actuarial provisions	147,371	120,080	–4,020	–11,786	143,351	108,294
Change in other actuarial provisions	602	3,193	0	–558	602	2,635
Expenditure for profit-unrelated and profit-related premium refunds and/or (deferred) profit participation	181,338	–200,586	151	–170	181,489	–200,756
Total amount of benefits	**1,774,378**	**1,410,413**	**–84,020**	**–82,773**	**1,690,359**	**1,327,640**
Total (fully consolidated values)	4,282,394	3,655,707	–227,953	–133,013	4,054,442	3,522,693

37. Operating expenses

	2009 € 000	2008 € 000
Property and casualty insurance		
a) Acquisition costs		
Payments	521,664	504,458
Change in deferred acquisition costs	–2,975	–11,145
b) Other operating expenses	290,720	257,395
	809,410	750,708
Health insurance		
a) Acquisition costs		
Payments	87,624	87,867
Change in deferred acquisition costs	–8,670	–1,232
b) Other operating expenses	49,664	46,290
	128,619	132,925
Life insurance		
a) Acquisition costs		
Payments	242,272	270,769
Change in deferred acquisition costs	14,438	15,715
b) Other operating expenses	89,012	82,094
	345,721	368,577
Total (fully consolidated values)	1,283,750	1,252,210

38. Other expenses

	2009 € 000	2008 € 000
a) Other actuarial expenses	**88,339**	**59,121**
Property and casualty insurance	39,585	21,016
Health insurance	4,914	1,440
Life insurance	43,840	36,665
b) Other non-actuarial expenses	**32,874**	**28,262**
Property and casualty insurance	26,046	21,757
Health insurance	297	368
Life insurance	6,531	6,136
of which		
Services rendered	3,278	3,882
Exchange rate losses	4,315	4,416
Mortor vehicle registration	9,871	7,445
Other	15,410	12,518
c) Other expenses	**1,839**	**12,048**
For foreign currency translation	129	7,991
For other	1,710	4,056
Total (fully consolidated values)	123,052	99,430

39. Tax expenditure

Income tax	2009 € 000	2008 € 000
Actual tax in reporting year	32,580	61,735
Actual tax in previous year	–6,241	–5,586
Deferred tax	13,257	–32,680
Total (fully consolidated values)	39,596	23,470

Reconciliation statement	2009 € 000	2008 € 000
A. Profit from ordinary activities	**82,328**	**90,217**
B. Anticipated tax expenditure (A.*Group tax rate)	**20,355**	**23,283**
Adjusted by tax effects from		
1. Tax-free investment income	4,369	–8,222
2. Other	14,872	8,409
Amortisation of goodwill	1,945	91
Non-deductible expenses/other tax-exempt income	697	2,559
Changes in tax rates	0	0
Deviations in tax rates	23,423	11,194
Taxes previous years	–6,241	–5,586
Lapse of loss carried forward and other	–4,952	151
C. Income tax expenditure	**39,596**	**23,470**
Average effective tax burden in %	**48.1**	**26.0**

The corporate income tax rate applicable to all Group segments was 25%, as expected. To the extent that the minimum taxation is applied in life insurance at an assumed profit participation of 85%, this leads to a different corporate tax rate.

Other disclosures

Employees

Personnel expenses[1]	2009 € 000	2008 € 000
Salaries and wages	351,141	333,008
Expenses for severance payments	15,727	9,149
Expenses for employee pensions	50,052	–17,539
Expenditure on mandatory social security contributions as well as income-based charges and compulsory contributions	100,397	90,158
Other social expenditures	10,237	9,411
Total	**527,553**	**424,188**
of which business development	147,566	131,952
of which administration	356,488	272,329

[1] The data are based on an IFRS valuation.

Average number of employees	2009	2008
Total	**15,107**	**13,674**
of which business development	6,345	6,269
of which administration	8,762	7,405

	2009 € 000	2008 € 000
Expenses for severance payments and employee pensions amounted to:		
Members of the Management Board and executive employees, in accordance with Section 80 paragraph 1 of the Stock Corporation Act	4,224	3,076
Other employees	30,052	44,027

Both figures include the expenditure for pensioners and surviving dependants (basis: Austrian Business Code valuation). The indicated expenses were charged to the Group companies based on defined company processes.

Group holding company

The parent company of the UNIQA Group is UNIQA Versicherungen AG. This company is registered in the company register of the Commercial Court of Vienna under FN 92933 t. In addition to its duties as Group holding company, this company also performs the duties of a Group reinsurer.

Related companies and persons	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Receivables and liabilities with affiliated and associated companies, as well as related persons		
Receivables	**10,719**	**13,027**
Other receivables	10,719	13,027
Affiliated companies	10,430	11,420
Associated companies	289	1,608
Liabilities	**5,742**	**7,595**
Other liabilities	5,742	7,595
Affiliated companies	5,677	7,595
Associated companies	65	0

Income and expenses of affiliated companies as well as related persons	2009 € 000	2008 € 000
Income	**1,949**	**23,401**
Investment income	1,941	23,348
Affiliated companies	0	0
Related companies	1,941	23,348
Other income	8	53
Affiliated companies	8	53
Expenses	**8**	**53**
Other expenses	8	53
Affiliated companies	8	53

In July 2009, Raiffeisen Versicherung AG and UNIQA Personenversicherung AG each sold roughly 2.4 million shares in Leipnik-Lundenburger Invest Beteiligungs AG to Raiffeisen-Invest-Gesellschaft m.b.H., which is an associated company of Raiffeisen Zentralbank AG. As UNIQA Versicherungen AG is included in the Group consolidated financial statements of Raiffeisen Zentralbank as an associated company, this concerns a business with associated companies in accordance with IAS 24. Raiffeisen Versicherung AG and UNIQA Personenversicherung AG realised capital gains of of € 1,941,000 from this transaction. In December 2008, UNIQA Beteiligungs-Holding GmbH sold roughly 3.1 million shares in Leipnik-Lundenburger Invest Beteiligungs AG to Raiffeisen-Invest-Gesellschaft m.b.H. UNIQA Beteiligungs-Holding GmbH realised capital gains of € 23,348,000 from this transaction. Also in December 2008, Raiffeisen Versicherung AG and UNIQA Personenversicherung AG acquired roughly 5.0 million and 3.1 million shares respectively in Leipnik-Lundenburger Invest Beteiligungs AG from Raiffeisen-Invest-Gesellschaft m.b.H. There are no outstanding balances from these transactions as at 31 December 2009.

Other financial commitments and contingent liabilities	31 Dec. 2009 € 000	31 Dec. 2008 € 000
Contingent liabilities from risks of litigation	**19,704**	**5,175**
Austria	0	0
Foreign	19,704	5,175
Other contingent liabilities	**1,390**	**1,389**
Austria	0	0
Foreign	1,390	1,389
Total	**21,094**	**6,565**

The companies of the UNIQA Group are involved in court proceedings in Austria and other countries in connection with their ordinary business operations as insurance companies. The result of the pending or threatened proceedings is often impossible to determine or predict.

In consideration of the provisions set aside for these proceedings, the management is of the opinion that these proceedings have no significant effects on the financial situation and the operating earnings of the UNIQA Group.

	2009 € 000	2008 € 000
Current leasing expenses	1,017	251
Future leasing payments due to the financing of the new UNIQA Headquarters in Vienna		
up to 1 year	5,287	6,509
more than 1 year up to 5 years	21,034	25,226
more than 5 years	52,362	62,934
Total	**78,683**	**94,668**
Income from subleasing	508	479

UNIQA moved into the new headquarters – the UNIQA Tower – in 2004. The aforementioned leasing obligations are based on the investment expenditures in connection with a specific calculatory rate of interest yield.

The expenses for the auditor during the financial year were € 1,484,000, of which € 265,000 can be attributed to expenses for the audit, € 1,146,000 to other confirmation services and € 72,000 to other services.

Affiliated and associated companies in 2009

Company	Type	Location	Equity € million[1]	Share in equity %[1]
Domestic insurance companies				
UNIQA Versicherungen AG (Group Holding Company)		1029 Vienna		
UNIQA Sachversicherung AG	Full	1029 Vienna	125.4	100.0
UNIQA Personenversicherung AG	Full	1029 Vienna	398.4	63.4
Salzburger Landes-Versicherung AG	Full	5020 Salzburg	21.5	100.0
Raiffeisen Versicherung AG	Full	1029 Vienna	1350.3	100.0
CALL DIRECT Versicherung AG	Full	1029 Vienna	12.2	100.0
FINANCE LIFE Lebensversicherung AG	Full	1029 Vienna	23.7	100.0
SK Versicherung Aktiengesellschaft	Equity	1050 Vienna	6.8	25.0
Foreign insurance companies				
UNIQA Assurances S.A.	Full	Switzerland, Geneva	10.4	100.0
UNIQA Re AG	Full	Switzerland, Zurich	98.5	100.0
UNIQA Assicurazioni S.p.A.	Full	Italy, Milan	213.8	100.0
UNIQA poistovńa a.s.	Full	Slovakia, Bratislava	30.3	99.9
UNIQA pojištovna, a.s.	Full	Czech Republic, Prague	43.8	100.0
UNIQA osiguranje d.d.	Full	Croatia, Zagreb	8.9	80.0
UNIQA Protezione S.p.A	Full	Italy, Udine	17.5	89.6
UNIQA Towarzystwo Ubezpieczen S.A.	Full	Poland, Lodz	76.2	68.5
UNIQA Towarzystwo Ubezpieczen na Zycie S.A.	Full	Poland, Lodz	12.0	69.8
UNIQA Biztosító Zrt.	Full	Hungary, Budapest	48.6	85.0
UNIQA Lebensversicherung AG	Full	Liechtenstein, Vaduz	5.0	100.0
UNIQA Versicherung AG	Full	Liechtenstein, Vaduz	4.3	100.0
Mannheimer AG Holding	Full	Germany, Mannheim	67.0	91.4
Mannheimer Versicherung AG	Full	Germany, Mannheim	49.1	100.0
mamax Lebensversicherung AG	Full	Germany, Mannheim	8.6	100.0
Mannheimer Krankenversicherung AG	Full	Germany, Mannheim	15.0	100.0
UNIQA Previdenza S.p.A.	Full	Italy, Milan	121.7	100.0
UNIQA Osiguranje d.d.	Full	Bosnia and Herzegovina, Sarajevo	6.2	99.8
ASTRA S.A.	Equity	Romania, Bucharest	31.8	27.0
UNIQA Insurance plc	Full	Bulgaria, Sofia	7.9	99.9
UNIQA Life Insurance plc	Full	Bulgaria, Sofia	4.5	99.7
UNIQA životno osiguranje a.d.	Full	Serbia, Belgrade	7.7	91.4
Credo-Classic (seit 18.02.2010: Insurance company "UNIQA")	Full	Ukraine, Kiev	6.7	80.3
UNIQA LIFE	Full	Ukraine, Kiev	1.5	100.0
UNIQA životno osiguranje a.d.	Full	Montenegro, Podgorica	1.3	100.0
UNIQA neživotno osiguranje a.d.	Full	Serbia, Belgrade	7.4	100.0
UNIQA neživotno osiguranje a.d.	Full	Montenegro, Podgorica	2.4	100.0
UNIQA Asigurari de Viata S.A.	Full	Romania, Bucharest	4.7	100.0
UNIQA Asigurari S.A.	Full	Romania, Bucharest	39.2	100.0
AGRAS Asigurari S.A.	Full	Romania, Bucharest	4.2	100.0
UNIQA Health Insurance AD	Full	Sofia, Bulgaria	0.4	100.0
Raiffeisen Life Insurance Company LLC	Full	Russia, Moscow	3.3	100.0
UNIQA Life SpA	Full	Italy, Milan	22.3	90.0
SIGAL Holding Sh.A.	Full	Albania, Tirana	9.1	68.6
SIGAL UNIQA Group AUSTRIA Sh.A.	Full	Albania, Tirana	10.0	100.0
UNIQA A.D. Skopje	Full	Macedonia, Skopje	4.1	100.0
SIGAL LIFE UNIQA Group AUSTRIA Sh.A.	Full	Albania, Tirana	3.8	100.0
SIGAL UNIQA GROUP AUSTRIA SH.A.	Full	Kosovo, Pristina	3.7	100.0

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Company	Type	Location	Equity € million[1]	Share in equity %[1]
Group domestic service companies				
UNIQA Immobilien-Service GmbH	Full	1029 Vienna	0.3	100.0
Versicherungsmarkt-Servicegesellschaft m.b.H.	Full	1010 Vienna	0.2	100.0
Agenta Risiko- und Finanzierungsberatung Gesellschaft m.b.H.	Full	1010 Vienna	1.2	100.0
Raiffeisen Versicherungsmakler GmbH	Equity	6900 Bregenz	0.2	50.0
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H.	[4]	1010 Vienna		33.3
RSG – Risiko Service und Sachverständigen GmbH	[3]	1029 Vienna		100.0
Dr. E. Hackhofer EDV-Softwareberatung Gesellschaft m.b.H.	Full	1070 Vienna	1.0	51.0
UNIQA Software-Service GmbH	Full	1029 Vienna	0.7	100.0
SYNTEGRA Softwarevertrieb und Beratung GmbH	Full	3820 Raabs	0.3	100.0
UNIQA Finanz-Service GmbH	Full	1020 Vienna	0.3	100.0
UNIQA Alternative Investments GmbH	Full	1020 Vienna	1.8	100.0
UNIQA International Versicherungs-Holding GmbH	Full	1029 Vienna	124.1	100.0
UNIQA International Beteiligungs-Verwaltungs GmbH	Full	1029 Vienna	684.0	100.0
Alopex Organisation von Geschäftskontakten GmbH	[3]	1020 Vienna		100.0
RC RISK-CONCEPT Versicherungsmakler GmbH	[3]	1029 Vienna		100.0
Allfinanz Versicherungs- und Finanzservice GmbH	Full	1010 Vienna	0.2	100.0
Direct Versicherungsvertriebs-GesmbH	[3]	1020 Vienna		100.0
Assistance Beteiligungs-GmbH	Full	1010 Vienna	0.2	64.0
Real Versicherungs-Makler GmbH	[3]	1220 Vienna		100.0
Together Internet Services GmbH	[4]	1030 Vienna		22.6
FL-Vertriebs- und Service GmbH	[3]	5020 Salzburg		75.0
UNIQA HealthService – Services im Gesundheitswesen GmbH	[3]	1029 Vienna		100.0
UNIQA Real Estate Beteiligungsverwaltung GmbH	Full	1029 Vienna	15.3	100.0
Privatklinik Grinzing GmbH	[3]	1190 Vienna		100.0
Wohnen mit Service Pflegedienstleistungs GmbH	[4]	1029 Vienna		50.0
Versicherungsagentur Wilhelm Steiner GmbH	[3]	1029 Vienna		51.0
CEE Hotel Development AG	[4]	1010 Vienna		50.0
CEE Hotel Management und Beteiligungs GmbH	[4]	1010 Vienna		50.0
RHU Beteiligungsverwaltung GmbH & Co OG	[4]	1010 Vienna		50.0
UNIQA Real Estate Finanzierungs GmbH	Full	1029 Vienna	7.0	100.0
UNIQA Group Audit GmbH	Full	1029 Vienna	0.0	100.0
Vorsorge Holding AG (since 1.3.2010: Valida Holding AG)	Equity	1020 Vienna	26.2	40.1
RVCM GmbH	[4]	1010 Vienna	0.0	50.0
Group foreign service companies				
Syntegra Tanácsadó és Szolgáltató KFT	Full	Hungary, Budapest	0.4	60.0
Insdata spol s.r.o.	Full	Slovakia, Nitra	1.3	98.0
Racio s.r.o. (ab 4.1.2010: ProUNIQA s.r.o.)	[3]	Czech Republic, Prague		100.0
UNIPARTNER s.r.o.	Full	Slovakia, Bratislava	0.0	100.0
UNIQA InsService s.r.o.	Full	Slovakia, Bratislava	0.2	100.0
UNIQA Ingatlanhasznosító Kft	Full	Hungary, Budapest	9.9	100.0
Dekra Expert Muszaki Szakertöi Kft	Full	Hungary, Budapest	0.9	74.9
UNIQA Szolgaltato Kft	Full	Hungary, Budapest	4.5	100.0
Profit-Pro Kft.	[3]	Hungary, Budapest		100.0
RC Risk Concept Vaduz	[3]	Liechtenstein, Vaduz		100.0
Elsö Közszolgalati Penzügyi Tanacsado Kft	[3]	Hungary, Budapest		92.4
Millennium Oktatási és Tréning Kft	Full	Hungary, Budapest	0.0	100.0
verscon GmbH Versicherungs- und Finanzmakler	[3]	Germany, Mannheim		100.0
IMD Gesellschaft für Informatik und Datenverarbeitung GmbH	[3]	Germany, Mannheim		100.0
Mannheimer Service und Vermögensverwaltungs GmbH	[3]	Germany, Mannheim		100.0
Carl C. Peiner GmbH	[3]	Germany, Hamburg		100.0
Wehring & Wolfes GmbH	[3]	Germany, Hamburg		100.0
Hans L. Grauerholz GmbH	[3]	Germany, Hamburg		100.0
GSM Gesellschaft für Service Management mbH	[3]	Germany, Hamburg		100.0
Skola Hotelnictivi A Gastronom	[3]	Czech Republic, Prague		100.0

Company	Type	Location	Equity € million[1)]	Share in equity %[1)]
Group foreign service companies				
ITM Praha s.r.o.	[4)]	Czech Republic, Prague		29.1
ML Sicherheitszentrale GmbH	[4)]	Germany, Mannheim		30.0
Mannheimer ALLFINANZ Versicherungsvermittlung AG	[3)]	Germany, Mannheim		100.0
Claris Previdenza	[3)]	Italy, Milan		100.0
UNIQA Software Service d.o.o.	[3)]	Croatia, Zagreb		100.0
Vitosha Auto OOD	Full	Bulgaria, Sofia	0.1	100.0
Syntegra S.R.L.	Full	Romania, Cluj-Napoca	0.1	60.0
Agenta-Consulting Kft.	[3)]	Hungary, Budapest		100.0
UNIQA Software Service-Polska Sp.z o.o	[3)]	Poland, Lodz		100.0
AGENTA consulting s.r.o.	[3)]	Czech Republic, Prague		100.0
AGENTA Consulting Sp z oo w organizacji	[3)]	Poland, Lodz		100.0
UNIQA Software Service Bulgaria OOD	[3)]	Bulgaria, Plovdiv		99.0
UNIQA Software Service Ukraine GmbH	[3)]	Ukraine, Kiev		99.0
Financial and strategic domestic shareholdings				
Medial Beteiligungs-Gesellschaft m.b.H.	Equity	1010 Vienna	31.8	29.6
Medicur-Holding Gesellschaft m.b.H.[*)]	Equity	1020 Vienna	94.0	25.0
PKB Privatkliniken Beteiligungs-GmbH [*)]	Full	1010 Vienna	53.8	75.0
Privatklinik Wehrle GmbH	Full	5020 Salzburg	1.4	100.0
PKM Handels- und Beteiligungsgesellschaft m.b.H.	Full	1010 Vienna	14.4	100.0
Privatklinik Döbling GmbH	Full	1190 Vienna	1.9	100.0
Privatklinik Josefstadt GmbH	Full	1080 Vienna	1.1	100.0
Privatklinik Graz Ragnitz GmbH	Full	1010 Vienna	0.8	100.0
Ambulatorien Betriebsgesellschaft m.b.H.	Full	1190 Vienna	0.4	100.0
STRABAG SE[*)]	Equity	9500 Villach	2868.8	21.9
PremiaMed Management GmbH (formerly Humanomed)	Full	1190 Vienna	1.0	75.0
GENIA CONSULT Unternehmensberatungs Gesellschaft mbH	[3)]	1190 Vienna		74.0
R-SKA Baden Betriebs-GmbH	[4)]	2500 Baden		49.0
Privatklinik Villach Gesellschaft m.b.H. & Co. KG	[4)]	9020 Klagenfurt		34.9
call us Assistance International GmbH	Equity	1090 Vienna	0.5	61.0
UNIQA Leasing GmbH	[4)]	1061 Vienna		25.0
UNIQA Human Resources-Service GmbH	Full	1020 Vienna	0.3	100.0
UNIQA Beteiligungs-Holding GmbH	Full	1029 Vienna	188.4	100.0
UNIQA Erwerb von Beteiligungen Gesellschaft m.b.H.	Full	1029 Vienna	11.3	100.0
Austria Hotels Betriebs-GmbH	Full	1010 Vienna	8.2	100.0
Wiener Kongresszentrum Hofburg Betriebsgesellschaft m.b.H.	[4)]	1010 Vienna		25.0
JALPAK International (Austria) Ges.m.b.H.	[4)]	1010 Vienna		25.0
Allrisk-SCS-Versicherungsdienst Gesellschaft m.b.H.	Equity	2334 Vösendorf-Süd	0.0	37.5
Real-estate companies				
UNIQA Real Estate CZ, s.r.o.	Full	Czech Republic, Prague	14.4	100.0
UNIQA Real s.r.o.	Full	Slovakia, Bratislava	1.2	100.0
UNIQA Real II s.r.o.	Full	Slovakia, Bratislava	1.1	100.0
Steigengraben-Gut Gesellschaft m.b.H.	[3)]	1020 Vienna		100.0
Raiffeisen evolution project development GmbH	Equity	1030 Vienna	183.9	20.0
DIANA-BAD Errichtungs- und Betriebs GmbH	Equity	1020 Vienna	0.7	33.0
UNIQA Real Estate AG	Full	1029 Vienna	134.7	100.0
UNIQA Real Estate Zweite Beteiligungsverwaltung GmbH	Full	1020 Vienna	26.4	100.0
UNIQA Praterstraße Projekterrichtungs GmbH	Full	1029 Vienna	92.1	100.0
Aspernbrückengasse Errichtungs- und Betriebs GmbH	Full	1029 Vienna	8.8	99.0
UNIQA Real Estate Holding GmbH	Full	1029 Vienna	72.6	100.0
UNIQA Real Estate Dritte Beteiligungsverwaltung GmbH	Full	1029 Vienna	11.2	100.0
UNIQA Real Estate Vierte Beteiligungsverwaltung GmbH	Full	1029 Vienna	4.7	100.0
"Hotel am Bahnhof" Errichtungs GmbH & Co KG	Full	1020 Vienna	10.1	100.0
GLM Errichtungs GmbH	Full	1010 Vienna	–0.8	100.0
EZL Entwicklung Zone Lassallestraße GmbH & Co. KG	Full	1029 Vienna	39.1	100.0
Fleischmarkt Inzersdorf Vermietungs GmbH	Full	1230 Vienna	2.9	100.0
Praterstraße Eins Hotelbetriebs GmbH	Full	1020 Vienna	0.0	100.0
UNIQA Plaza Irohadaz es Ingatlankezelö Kft	Full	Hungary, Budapest	5.2	100.0
MV Augustaanlage GmbH & Co. KG	Full	Germany, Mannheim	16.0	100.0
MV Augustaanlage Verwaltungs-GmbH	Full	Germany, Mannheim	0.0	100.0
AUSTRIA Hotels Liegenschaftsbesitz AG[5)]	Full	1010 Vienna	33.2	99.5
Passauerhof Betriebs-Ges.m.b.H.[5)]	Full	1010 Vienna	1.3	100.0
Austria Hotels Liegenschaftsbesitz CZ s.r.o.[5)]	Full	Czech Republic, Prague	19.8	100.0
Grupo Borona Advisors, S.L. Ad	[3)]	Spain, Madrid		74.6

Company	Type	Location	Equity € million[1]	Share in equity %[1]
Real-estate companies				
MV Grundstücks GmbH & Co. Erste KG	Full	Germany, Mannheim	4.0	100.0
MV Grundstücks GmbH & Co. Zweite KG	Full	Germany, Mannheim	6.0	100.0
MV Grundstücks GmbH & Co. Dritte KG	Full	Germany, Mannheim	5.2	100.0
HKM Immobilien GmbH	[3]	Germany, Mannheim		100.0
CROSS POINT, a.s.	Full	Slovakia, Bratislava	2.1	100.0
Floreasca Tower SRL	Full	Romania, Bucharest	2.2	100.0
Pretium Ingatlan Kft.	Full	Hungary, Budapest	8.4	100.0
UNIQA poslovni centar Korzo d.o.o.	Full	Croatia, Rijeka	0.3	100.0
UNIQA-Invest Kft	Full	Hungary, Budapest	14.3	100.0
Knesebeckstraße 8–9 Grundstücksgesellschaft mbH	Full	Germany, Berlin	0.9	100.0
UNIQA Real Estate Bulgaria EOOD	Full	Bulgaria, Sofia	1.5	100.0
UNIQA Real Estate BH nekretnine, d.o.o	Full	Bosnia and Herzegovina, Sarajevo	3.4	100.0
UNIQA Real Estate d.o.o	Full	Serbia, Belgrade	2.7	100.0
Renaissance Plaza d.o.o.	Full	Serbia, Belgrade	0.9	100.0
IPM International Property Management Kft	Full	Hungary, Budapest	1.9	100.0
UNIQA Real Estate Polska Sp. z o.o.	Full	Poland, Warsaw	2.4	100.0
Black Sea Investment Capital	Full	Ukraine, Kiev	0.8	100.0
LEGIWATON INVESTMENTS LIMITED	Full	Cyprus, Limassol	0.0	100.0
UNIQA Real III, spol. s.r.o.	Full	Slovakia, Bratislava	5.3	100.0
UNIQA Real Estate BV	Full	Netherlands, Hoofddorp	12.6	100.0
UNIQA Real Estate Bulgaria Alpha EOOD	Full	Bulgaria, Sofia	0.0	100.0
UNIQA Real Estate P. Volfova	Full	Slovenia, Ljubljana	0.0	100.0
UNIQA Real Estate Ukraine	Full	Ukraine, Kiev	0.0	100.0
Reytarske	Full	Ukraine, Kiev	–4.3	100.0
Austria Hotels Betriebs CZ	Full	Czech Republic, Prague	3.2	100.0
UNIQA Real Estate Albania Shpk.	Full	Albania, Tirana	–0.1	100.0
ALBARAMA LIMITED	Full	Cyprus, Nikosia	–0.6	100.0
AVE-PLAZA LLC	Full	Ukraine, Kharkiv	11.3	50.0
Asena CJSC	Full	Ukraine, Nikolaew	0.1	100.0
UNIQA Real Estate Poland Sp.z.o.o.	Full	Poland, Warsaw	0.0	100.0
BSIC Holding GmbH	Full	Ukraine, Kiev	10.2	100.0

[1] In the case of fully consolidated companies, the value of the stated equity equals the local annual accounts, while in the case of companies valued at equity, it equals the latest annual accounts published or, with companies marked with *), the latest Group accounts published.
[2] The share in equity equals the share in voting rights before minorities, if any.
[3] Unconsolidated company.
[4] Associated not at equity valued company.
[5] Consolidated on the basis of a non-calendar financial year (balance sheet date 30 September).

Approval for publication

These Group consolidated financial statements were compiled by the Management Board as of the date of signing and approved for publication.

Statement by the Legal Representatives

Pursuant to Section 82 paragraph 4 of the Austrian Stock Exchange Act the Management Board of UNIQA Versicherungen AG confirms, that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the busi-ness and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

Vienna, 6 April 2010

Konstantin Klien Chairman of the Management Board	**Andreas Brandstetter** Vice Chairman of the Management Board	**Hannes Bogner** Member of the Management Board	**Karl Unger** Member of the Management Board	**Gottfried Wanitschek** Member of the Management Board

Auditor's Opinion

(report of the independent auditor)

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of UNIQA Versicherungen AG, Vienna, for the year from 1 January 2009 to 31 December 2009. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2009, the consolidated income statement, consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 31 December 2009 and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the consolidated financial statements and for the accounting system

The company's management is responsible for the Group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and description of type and scope of the statutory audit

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and as in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2009 and of its financial performance and its cash flows for the year from 1 January to 31 December 2009 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on the management report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Business Code) are appropriate.

Vienna, 6 April 2010

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Georg Weinberger
Chartered Accountant

p.p. Alexander Knott
Chartered Accountant

Report of the Supervisory Board

During the past financial year, the Supervisory Board was regularly informed of the business development and the situation of the Group and the company by the Management Board. It also supervised the Man-agement Board's conduct of business and fulfilled all the tasks assigned to the Supervisory Board by legis-lation and the company articles. In the Supervisory Board meetings held in 2009, the Management Board presented detailed quarterly reports and provided additional oral and written reports to the Supervisory Board. The Supervisory Board was given timely and comprehensive information about those measures re-quiring its approval.

Focus of the meetings

The meetings focused on the Group's earnings situation and its further strategic development. The Supervi-sory Board had five meetings in 2009. In the meeting on 26 March, the Supervisory Board mainly discussed the preliminary Group results for 2008. The Supervisory Board meeting on 29 April focused on the annual financial statements and consolidated financial statement as at 31 December 2008 as well as the reporting of the Management Board regarding Group developments during the 1st quarter of 2009 and the extension of the cooperation agreement with Veneto Banca in Italy. The reconstitution of the Supervisory Board made necessary by changes to the Supervisory Board that took place at the Annual General Meeting took place on 25 May. In the meeting on 15 September, the Supervisory Board primarily addressed the development of the company in the 1st half of 2009. In addition to the reporting on the Group results during the first three quarters of 2009 and planning for the 2010 fiscal year, the Supervisory Board passed a resolution in its meeting on 24 November to increase the share capital using the approved capital and discussed the results of the self-evaluation.

Committees of the Supervisory Board

To facilitate the work of the Supervisory Board and to improve its efficiency, other committees were set up in addition to the mandatory Audit Committee. The Working Committee primarily discussed the profit developments of the Group, examined the company strategy, made a series of decisions on specific measures and handled a number of tasks assigned to the Audit Committee since both committees share the same mem-bers. The committee held five meetings in 2009 and made four decisions by circulating them in writing. The Committee for Board Affairs met three times to deal with the legal employment formalities of the members of the Management Board and the extension of the Management Board appointments. The Investment Com-mittee had four meetings about the capital investment strategy and questions of the capital structure. In its meeting, the Audit Committee concentrated on all audit documents and the Management Board's proposed appropriation of profit, and reported to the Supervisory Board. The various chairmen of the committees in-formed the members of the Supervisory Board about the meetings and their committee's work.

Financial statements and consolidated financial statements

The financial statements prepared by the Management Board and the management report of UNIQA Versi-cherungen AG, as well as the consolidated financial statements prepared according to the International Fi-nancial Reporting Standards (IFRS) and the Group management report for the year 2009, were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and given an unqualified audit opinion. The Supervisory Board noted the results of the audit with approval.

The consistency check of the Corporate Governance Report according to Section 243b of the Austrian Commercial Code was performed by Univ. Prof. DDr. Waldemar Jud Corporate Governance Forschung CGF GmbH, and the final results yielded no significant grounds for objections.

The Supervisory Board consented to the consolidated financial statements and the financial statements of UNIQA Versicherungen AG, and agreed to the Group management report and the management report. The 2009 financial statements were thereby adopted in accordance with Section 96 paragraph 4 of the Stock Corporation Law.

The proposed appropriation of profit submitted by the Management Board to the Supervisory Board was examined and approved by the Supervisory Board. On this basis, a dividend distribution of 40 cents per share will be proposed at the Annual General Meeting on 31 May 2010.

The Supervisory Board thanks the Management Board and all staff members for their commitment and the work they have done.

Vienna, April 2010

On behalf of the Supervisory Board

Christian Konrad

Statement by the Legal Representatives

Pursuant to Section 82 paragraph 4 of the Austrian Stock Exchange Act the Management Board of UNIQA Versicherungen AG confirms,

that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces;

that, to the best of our knowledge. the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Vienna, 6 April 2010

Konstantin Klien Chairman of the Management Board	**Andreas Brandstetter** Vice Chairman of the Management Board	**Hannes Bogner** Member of the Management Board	**Karl Unger** Member of the Management Board	**Gottfried Wanitschek** Member of the Management Board

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