

# 5. Segment Reporting

The management monitors the operations of the Group by business segments (non-life insurance, life insurance, health insurance and non-insurance operations) and by geographical segments (separately for the Slovene and foreign markets).

## Distribution of income and expenses between the segments

### *Income*

Income from insurance premiums is disclosed separately by insurance group and insurance class, as well as by geographical areas (separately for Slovenia and other countries).

Investment income is posted separately by insurance group. Within individual insurance classes and types of insurance technical provisions, investment income is distributed according to the structure of technical provisions. Investment income from assets backing liabilities, long-term business funds and investments not financed by insurance technical provisions is accounted for separately. The latter are accounted for separately by insurance group as well.

Other income from insurance operations and other income is accounted for by insurance group. In order to ensure an appropriate presentation of the insurance-technical result, income from non-insurance operations is disclosed as other income.

Furthermore, all income is accounted for by geographical area – separately for Slovenia and for other countries.

### *Expenses*

Net claims incurred are disclosed separately by insurance group and insurance class. Direct claim handling costs are posted by insurance class. Part of the claim handling costs, primarily accounted for by their natural type within operating costs, is shown by insurance groups and insurance classes directly and by using a matrix which is the same as that used for distributing other operating costs.

Changes in insurance technical provisions (provisions for bonuses and discounts and other insurance technical provisions) are accounted for directly by insurance group and by insurance class.

Investment expenses are posted separately by insurance groups. Investment expenses within individual insurance classes and types of insurance technical provisions are distributed according to the same criteria as investment income. Within individual insurance groups, expenses from investments are disclosed separately for assets backing liabilities, long-term business funds and investments not financed from insurance technical provisions. The latter are also accounted for separately by insurance group.

Other net insurance expenses are accounted for separately by insurance group and by insurance class - partly directly and partly by using a matrix. Other expenses from insurance operations and other expenses are posted separately by insurance group. In order to ensure the appropriate presentation of the insurance-technical result, operating expenses of non-insurance companies are disclosed as other expenses in the income statement. In the Notes to financial statements they are disclosed also by nature.

Furthermore, all expenses are accounted for by geographical area – separately for Slovenia and for other countries.

## Additional disclosures

Depreciation and amortisation charges by business segment are disclosed under operating expenses in Section 7.11.

Values of investments in intangible assets, property, plant and equipment and investment property by business segments are shown in the table below.

in EUR										
	2011					2010				
	Non-life	Life	Health	Non-insurance	TOTAL	Non-life	Life	Health	Non-insurance	TOTAL
Investments in intangible assets	5,078,782	1,390,944	13,460	902,901	7,386,087	4,928,585	332,173	201,407	135,444	5,597,608
Investments in property plant and equipment	4,478,560	131,549	24,689	1,678,530	6,313,328	17,162,194	1,909,969	213,361	3,761,566	23,047,090
Investments in investment property	3,814,365	1,245,658	0	205,737	5,265,760	4,121,135	0	0	3,175,432	7,296,567

## 5.1 Business segments

The consolidated statement of financial position and consolidated income statement by business segment are shown below for the reporting and the previous year.

In the consolidation process intercompany eliminations between segments which had impact on their profit/loss. These included: acquisition costs and acquisition income/benefits, premium income and operating expenses. The above stated eliminations had no impact on consolidated profit/loss. The use of the equity method and the elimination of the impairment of investments in subsidiaries represent the key intercompany eliminations which also had an impact on the profit/loss of sub-sections and consolidated profit/loss. These impacts are disclosed under financial income and financial expenses.

The management monitors the operations of the Group according to the following main segments:

- non-life insurance,
- life insurance,
- health insurance and
- non-insurance operations.

### Consolidated statement of comprehensive income by business segment

in EUR										
	2011					2010				
	Non-life	Life	Health	Non-insurance	TOTAL	Non-life	Life	Health	Non-insurance	TOTAL
I. NET PROFIT/LOSS FOR THE YEAR AFTER TAX	32,608,246	5,374,188	3,433,425	6,081,382	47,497,241	27,797,828	5,847,392	383,925	-7,379,336	26,649,809
II. OTHER COMPREHENSIVE INCOME AFTER TAX	-24,974,852	-16,497,683	-798,620	-1,599,216	-43,870,371	-7,781,809	-2,723,016	-16,545	838,080	-9,683,289
1. Net gains/losses from the remeasurement of available-for-sale financial assets	-39,247,654	-29,273,313	-798,620	-623,177	-69,942,764	-8,844,043	-12,462,554	-3,014	838,080	-20,471,532
2. Net gains/losses related to non-current assets held for sale	0	0	0	-198,746	-198,746	0	0	0	0	0
3. Gains/losses recognised in fair value reserve and net profit/loss brought forward arising from equity in associates and jointly controlled entities recognised using the equity method	-688,350	-401,331	0	-1,074,508	-2,164,189	-220,883	-262,246	0	0	-483,129
4. Liabilities from insurance contracts with a discretionary participating feature (shadow accounting)	0	9,274,697	0	0	9,274,697	0	9,349,361	0	0	9,349,361
5. Currency translation differences	-538,961	-56,488	0	28,588	-566,861	-73,736	-465,024	0	0	-538,760
6. Tax on other comprehensive income	15,500,113	3,958,752	0	268,627	19,727,492	1,356,853	1,117,448	-13,530	0	2,460,771
III. COMPREHENSIVE INCOME/LOSS FOR THE YEAR AFTER TAX	7,633,394	-11,123,495	2,634,805	4,482,166	3,626,870	20,016,019	3,124,376	367,380	-6,541,256	16,966,520
Controlling interests	7,575,824	-11,184,247	2,628,427	4,698,854	3,718,858	19,805,900	3,044,860	375,085	-4,767,144	18,458,701
Non-controlling interests	57,570	60,752	6,378	-216,688	-91,988	210,119	79,516	-7,704	-1,774,112	-1,492,181

## Consolidated statement of financial position by segment as at 31 December 2011

in EUR

	Non-life	Life	Health	Other	TOTAL (before eliminations)	Eliminations	TOTAL (after eliminations)
<b>ASSETS</b>	1,727,489,315	1,352,282,081	22,952,603	288,845,146	3,391,569,145	-429,569,041	2,962,000,104
Intangible assets	58,347,323	2,091,664	503,270	1,242,965	62,185,222	1,148,243	63,333,465
Property, plant and equipment	95,093,620	11,165,759	2,638,647	19,910,656	128,808,682	0	128,808,682
Deferred tax receivables	31,530,559	5,156,245	586,802	3,387,637	40,661,243	0	40,661,243
Investment property	36,017,082	3,236,659	0	46,552,001	85,805,742	10,979,148	96,784,890
Investments in associates	227,046,559	9,188,006	0	107,678,422	343,912,987	-323,408,424	20,504,563
Financial assets	943,491,451	1,307,690,817	15,312,405	59,529,147	2,326,023,820	0	2,326,023,820
Financial investments:	943,491,451	943,006,443	15,312,405	59,529,147	1,961,339,446	0	1,961,339,446
- loans and deposits	241,728,764	185,861,724	7,410,950	4,710,809	439,712,247	0	439,712,247
- held to maturity	4,420,046	240,798,235	0	0	245,218,281	0	245,218,281
- available for sale	664,130,314	467,455,530	7,901,455	53,378,426	1,192,865,725	0	1,192,865,725
- investments recognised at fair value	33,212,325	48,890,954	0	1,439,912	83,543,191	0	83,543,191
Unit-linked insurance assets	0	364,684,374	0	0	364,684,374	0	364,684,374
Reinsurers' share of technical provisions	100,568,860	17,461	0	0	100,586,321	-56,603,238	43,983,083
Receivables	215,274,084	8,797,084	3,862,792	38,651,204	266,585,164	-61,535,894	205,049,270
- receivables from direct insurance operations	115,165,850	1,969,843	3,641,378	0	120,777,071	-2,217,748	118,559,323
- receivables from reinsurance and co-insurance operations	69,524,867	8,192	0	0	69,533,059	-28,793,585	40,739,474
- current tax receivables	392,857	154	0	66,498	459,509	0	459,509
- other receivables	30,190,510	6,818,895	221,414	38,584,706	75,815,525	-30,524,561	45,290,964
Other assets	8,457,864	244,655	28,757	4,014,806	12,746,082	-148,876	12,597,206
Cash and cash equivalents	11,661,913	4,693,731	19,930	6,396,093	22,771,667	0	22,771,667
Non-current assets held for sale	0	0	0	1,482,215	1,482,215	0	1,482,215
<b>EQUITY AND LIABILITIES</b>	1,727,489,315	1,352,282,081	22,952,603	288,845,146	3,391,569,145	-429,569,040	2,962,000,104
Equity	460,317,468	80,010,670	6,808,987	223,023,290	770,160,415	-280,690,577	489,469,838
Controlling interests	460,317,468	80,010,670	6,808,987	223,023,290	770,160,415	-304,895,482	465,264,933
- share capital	115,916,612	31,119,897	25,822,144	159,361,215	332,219,868	-258,518,466	73,701,402
- share premium	43,254,651	13,067,907	0	17,558,739	73,881,297	-20,677,221	53,204,076
- reserves from profit	199,910,474	32,091,323	0	2,950,511	234,952,308	-4,125,488	230,826,820
- fair value reserve	9,768,055	-8,964,301	-744,499	19,297,694	19,356,949	-16,569,974	2,786,975
- net profit brought forward	53,276,018	6,727,413	-20,368,943	21,058,080	60,692,568	442,652	61,135,220
- net profit/loss for the year	39,808,441	6,704,672	2,100,285	3,147,653	51,761,051	-5,585,319	46,175,732
- currency translation differences	-1,616,783	-736,241	0	-350,602	-2,703,626	138,334	-2,565,292
Non-controlling interests	0	0	0	0	0	24,204,905	24,204,905
Subordinated liabilities	28,623,604	13,672,424	1,500,000	0	43,796,028	-2,863,938	40,932,090
Insurance technical provisions	1,051,421,356	866,517,668	8,466,282	0	1,926,405,306	-56,758,425	1,869,646,881
- unearned premium	307,369,081	427,347	2,025,805	0	309,822,233	-18,081,835	291,740,398
- mathematical provisions	0	845,464,934	0	0	845,464,934	0	845,464,934
- claims provisions	718,208,945	20,625,387	5,306,508	0	744,140,840	-38,676,590	705,464,250
- other insurance technical provisions	25,843,330	0	1,133,969	0	26,977,299	0	26,977,299
Insurance technical provisions for unit-linked insurance contracts	0	364,495,891	0	0	364,495,891	0	364,495,891
Employee benefits	8,194,705	1,488,470	159,001	549,989	10,392,165	0	10,392,165
Other provisions	8,136,557	333,893	399,522	10,270,250	19,140,222	0	19,140,222
Deferred tax liabilities	1,905,791	-307,328	0	8,015,124	9,613,587	0	9,613,587
Other financial liabilities	51,698,726	5,498,322	0	28,310,568	85,507,616	-46,016,496	39,491,120
Operating liabilities	77,207,270	8,211,610	2,405,045	26,693	87,850,618	-29,989,876	57,860,742
- liabilities from direct insurance operations	11,009,638	8,139,667	2,405,045	0	21,554,350	-626,289	20,928,061
- liabilities from reinsurance and co-insurance operations	65,421,610	48,006	0	0	65,469,616	-29,363,587	36,106,029
- current tax liabilities	776,022	23,937	0	26,693	826,652	0	826,652
Other liabilities	39,983,838	12,360,461	3,213,766	18,649,232	74,207,297	-13,249,728	60,957,569

## Consolidated statement of financial position by segment as at 31 December 2010

v EUR

	Non-life	Life	Health	Other	TOTAL (before eliminations)	Eliminations	TOTAL (after eliminations)
<b>ASSETS</b>	1,733,483,813	1,371,773,621	21,030,161	181,209,126	3,307,496,721	-283,100,913	3,024,395,808
Intangible assets	55,600,363	2,040,489	666,119	575,777	58,882,748	2,335,360	61,218,108
Property, plant and equipment	104,983,948	11,854,573	2,768,874	22,943,265	142,550,660	1	142,550,661
Deferred tax receivables	23,602,204	1,954,592	337,510	1,650,722	27,545,028	0	27,545,028
Investment property	30,365,502	2,868,430	0	40,043,178	73,277,109	10,979,150	84,256,259
Investments in subsidiaries	165,472,911	3,163,877	0	6,195,163	174,831,951	-174,831,951	0
Investments in associates	41,350,577	9,961,715	0	46,284,875	97,597,167	19,470,572	117,067,739
Financial assets	929,961,154	1,325,171,811	13,931,086	38,675,433	2,307,739,484	-25,289,974	2,282,449,510
Financial investments:	929,961,154	947,279,551	13,931,086	38,675,433	1,929,847,223	-25,289,974	1,904,557,249
- loans and deposits	232,609,747	146,269,065	6,503,259	4,852,503	390,234,575	-25,289,973	364,944,602
- held to maturity	6,835,249	246,648,512	0	94,820	253,578,582	0	253,578,582
- available for sale	652,732,775	502,586,871	7,427,827	32,273,562	1,195,021,035	0	1,195,021,035
- investments recognised at fair value	37,783,382	51,775,101	0	1,454,548	91,013,031	0	91,013,031
Unit-linked insurance assets	0	377,892,261	0	0	377,892,261	0	377,892,261
Reinsurers' share of technical provisions	102,234,428	3,502	0	0	102,237,930	-58,016,614	44,221,316
Receivables	245,413,319	12,838,418	3,254,315	12,726,224	274,232,276	-57,588,316	216,643,960
- receivables from direct insurance operations	120,866,434	2,753,839	3,184,477	3,520	126,808,269	1,184,679	127,992,948
- receivables from reinsurance and co-insurance operations	80,291,715	19,927	0	0	80,311,642	-34,879,635	45,432,007
- current tax receivables	0	0	0	2,427	2,427	0	2,427
- other receivables	44,255,170	10,064,652	69,839	12,720,277	67,109,938	-23,893,360	43,216,578
Other assets	8,156,237	419,626	64,685	4,468,290	13,108,838	-159,142	12,949,696
Cash and cash equivalents	26,343,171	1,496,588	7,573	6,260,758	34,108,090	0	34,108,090
Non-current assets held for sale	0	0	0	1,385,441	1,385,441	0	1,385,441
<b>EQUITY AND LIABILITIES</b>	1,733,483,813	1,371,773,621	21,030,161	181,209,126	3,307,496,721	-283,100,913	3,024,395,808
Equity	456,070,219	85,510,921	5,507,322	104,709,965	651,798,427	-152,820,619	498,977,808
Controlling interests	456,070,219	85,510,921	5,507,322	103,073,988	650,162,450	-179,397,414	470,765,036
- share capital	81,203,605	14,692,690	25,822,144	59,696,057	181,414,496	-157,713,105	23,701,391
- share premium	43,693,036	13,067,907	0	12,779,808	69,540,752	-15,885,236	53,655,516
- reserves from profit	68,587,824	1,984,281	0	2,901,227	73,473,332	-4,055,351	69,417,981
- fair value reserve	40,693,061	6,218,252	54,121	4,973,948	51,939,382	-6,418,537	45,520,845
- net profit brought forward	218,340,970	45,505,597	-18,813,110	30,392,434	275,425,891	-6,272,220	269,153,671
- net profit/loss for the year	4,656,203	4,721,947	-1,555,833	-7,286,860	535,458	10,777,835	11,313,293
- currency translation differences	-1,104,480	-679,753	0	-382,627	-2,166,860	169,199	-1,997,661
Non-controlling interests	0	0	0	1,635,978	1,635,978	26,576,794	28,212,772
Subordinated liabilities	27,259,666	15,037,956	1,500,000	0	43,797,622	-2,865,532	40,932,090
Insurance technical provisions	1,073,402,775	871,682,869	7,763,797	0	1,952,849,441	-58,016,615	1,894,832,826
- unearned premium	308,530,961	363,380	1,938,553	0	310,832,894	-14,465,443	296,367,451
- mathematical provisions	0	849,847,775	0	0	849,847,775	0	849,847,775
- claims provisions	728,892,703	21,471,714	4,915,071	0	755,279,488	-43,551,171	711,728,317
- other insurance technical provisions	35,979,111	0	910,173	0	36,889,284	-1	36,889,283
Insurance technical provisions for unit-linked insurance contracts	0	376,083,063	0	0	376,083,063	0	376,083,063
Employee benefits	7,797,879	1,659,139	160,819	660,240	10,278,077	0	10,278,077
Other provisions	8,227,411	0	122,113	9,447,872	17,797,395	0	17,797,395
Deferred tax liabilities	9,914,983	1,628,056	13,530	5,255,150	16,811,719	-2,700,880	14,110,839
Other financial liabilities	10,471,471	12,401	1,101,811	45,759,891	57,345,574	-22,475,149	34,870,425
Operating liabilities	90,670,795	10,429,236	2,530,578	32,113	103,662,723	-35,613,312	68,049,411
- liabilities from direct insurance operations	10,689,403	10,413,892	2,530,578	0	23,633,873	-390,769	23,243,104
- liabilities from reinsurance and co-insurance operations	63,136,010	15,345	0	0	63,151,355	-35,222,543	27,928,812
- current tax liabilities	16,845,382	0	0	32,113	16,877,495	0	16,877,495
Other liabilities	49,668,614	9,729,979	2,330,192	15,343,894	77,072,680	-8,608,806	68,463,874

## Consolidated income statement by segment as at 31 December 2011

in EUR

	2011				
	TOTAL	Non-life	Life	Health	Other
NET PREMIUM INCOME	916,278,896	622,224,753	213,951,694	80,102,449	0
- gross written premium	989,398,804	695,184,863	214,024,239	80,189,702	0
- ceded written premium	-80,087,864	-80,073,669	-14,195	0	0
- change in unearned premiums	6,967,956	7,113,559	-58,350	-87,253	0
TOTAL INCOME FROM FINANCIAL ASSETS	148,981,933	57,673,229	79,089,050	538,870	11,680,784
INCOME FROM FINANCIAL ASSETS IN ASSOCIATES	4,269,157	482	904,067	0	3,364,608
- profit on equity investments accounted for using the equity method	4,265,615	0	904,067	0	3,361,548
- other income from financial assets in associated companies	3,542	482	0	0	3,060
INCOME FROM OTHER FINANCIAL ASSETS	118,961,870	57,672,747	52,434,077	538,870	8,316,176
NET UNREALISED GAINS ON UNIT-LINKED LIFE INSURANCE ASSETS	25,750,906	0	25,750,906	0	0
OTHER INCOME FROM INSURANCE OPERATIONS	26,441,506	11,086,941	15,340,479	14,086	0
- fees and commission income	17,402,868	2,538,224	14,864,644	0	0
- other income from insurance operations	9,038,638	8,548,717	475,835	14,086	0
OTHER INCOME	57,156,897	4,784,876	232,321	36,224	52,103,476
NET CLAIMS INCURRED	576,117,033	366,936,881	139,655,048	69,525,104	0
- gross claims settled	593,872,215	390,913,095	140,482,689	62,476,431	0
- reinsurers' and co-insurers' share	-22,450,576	-22,450,576	0	0	0
- changes in claims provisions	-1,961,843	-1,525,638	-827,641	391,436	0
- equalisation scheme expenses for supplementary health insurance	6,657,237	0	0	6,657,237	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS	-2,909,572	-8,608,879	5,475,511	223,796	0
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	-11,402,162	0	-11,402,162	0	0
EXPENSES FOR BONUSES AND DISCOUNTS	6,458,995	6,457,203	1,792	0	0
OPERATING EXPENSES	203,308,320	163,016,584	33,696,548	6,595,188	0
- costs of insurance contract acquisition	130,633,390	109,739,851	19,736,401	1,157,138	0
- other operating costs	72,674,930	53,276,733	13,960,147	5,438,050	0
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES	202,010,429	77,700,867	117,623,920	87,969	6,597,673
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES IN ASSOCIATES	19,175,570	13,714,642	2,559,602	0	2,901,326
- loss on investments accounted for using the equity method	16,977,661	11,938,620	2,538,220	0	2,500,821
- other expenses from financial assets and liabilities in associates	2,197,909	1,776,022	21,382	0	400,505
EXPENSES FROM OTHER FINANCIAL ASSETS AND LIABILITIES	107,035,830	63,986,225	39,265,289	87,969	3,696,347
- permanent impairments	62,861,127	44,887,428	15,964,595	66,624	1,942,480
- other expenses from financial assets and liabilities	33,971,434	11,865,487	20,822,381	0	1,283,566
NET UNREALISED LOSSES ON UNIT-LINKED LIFE INSURANCE ASSETS	75,799,029	0	75,799,029	0	0
OTHER INSURANCE EXPENSES	55,953,030	39,675,068	15,920,559	357,403	0
OTHER EXPENSES	61,323,544	7,281,704	1,011,311	531,912	52,498,617
PROFIT/ LOSS BEFORE TAX	57,999,615	43,310,371	6,631,017	3,370,257	4,687,970
Income tax expense	-10,502,374	-10,702,125	-1,256,829	63,168	1,393,412
NET PROFIT/LOSS	47,497,241	32,608,246	5,374,188	3,433,425	6,081,382

## Consolidated income statement by segment as at 31 December 2010

in EUR

	2010				
	TOTAL	Non-life	Life	Health	Other
NET PREMIUM INCOME	946,170,224	652,006,405	221,741,724	72,422,095	0
- gross written premium	1,013,560,225	719,738,383	221,373,955	72,447,887	0
- ceded written premium	-74,371,737	-74,355,937	-15,800	0	0
- change in unearned premiums	6,981,736	6,623,959	383,569	-25,792	0
TOTAL INCOME FROM FINANCIAL ASSETS	181,533,362	69,946,117	106,722,516	444,963	4,419,766
INCOME FROM FINANCIAL ASSETS IN ASSOCIATES	6,332,162	2,640,068	1,568,394	0	2,123,700
- profit on equity investments accounted for using the equity method	3,525,434	634,933	829,158	0	2,061,343
- other income from financial assets in associated companies	2,806,728	2,005,135	739,236	0	62,357
INCOME FROM OTHER FINANCIAL ASSETS	132,682,857	67,306,049	62,635,779	444,963	2,296,066
NET UNREALISED GAINS ON UNIT-LINKED LIFE INSURANCE ASSETS	42,518,343	0	42,518,343	0	0
OTHER INCOME FROM INSURANCE OPERATIONS	22,433,024	4,944,278	17,477,620	11,126	0
- fees and commission income	14,633,234	-1,567,510	16,200,744	0	0
- other income from insurance operations	7,799,790	6,511,788	1,276,876	11,126	0
OTHER INCOME	61,561,494	9,305,290	472,491	13,579	51,770,134
NET CLAIMS INCURRED	557,704,906	387,106,040	107,005,609	63,593,257	0
- gross claims settled	588,325,459	423,739,664	107,291,185	57,294,610	0
- reinsurers' and co-insurers' share	-30,148,316	-30,148,316	0	0	0
- changes in claims provisions	-6,334,129	-6,485,308	-285,576	436,755	0
- equalisation scheme expenses for supplementary health insurance	5,861,892	0	0	5,861,892	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS	62,450,614	-2,973,409	64,796,824	627,199	0
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	66,351,880	0	66,351,880	0	0
EXPENSES FOR BONUSES AND DISCOUNTS	5,735,228	5,734,492	736	0	0
OPERATING EXPENSES	208,135,976	166,180,092	34,133,099	7,822,785	0
- costs of insurance contract acquisition	132,463,862	111,067,397	19,997,235	1,399,230	0
- other operating costs	75,672,114	55,112,695	14,135,864	6,423,555	0
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES	121,554,254	66,032,626	47,172,551	104,298	8,244,779
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES IN ASSOCIATES	4,683,649	65,544	2,556,881	1,196	2,060,028
- loss on investments accounted for using the equity method	1,504,027	7	11,121	0	1,492,899
- other expenses from financial assets and liabilities in associates	3,179,622	65,537	2,545,760	1,196	567,129
EXPENSES FROM OTHER FINANCIAL ASSETS AND LIABILITIES	88,273,022	65,967,082	16,018,087	103,102	6,184,751
- permanent impairments	48,664,399	42,008,125	2,330,252	83,941	4,242,081
- other expenses from financial assets and liabilities	39,608,623	23,958,957	13,687,835	19,161	1,942,670
NET UNREALISED LOSSES ON UNIT-LINKED LIFE INSURANCE ASSETS	28,597,583	0	28,597,583	0	0
OTHER INSURANCE EXPENSES	61,439,998	43,065,739	17,981,071	393,188	0
OTHER EXPENSES	85,074,981	28,819,673	1,361,800	39,560	54,853,948
PROFIT/ LOSS BEFORE TAX	43,250,267	42,236,837	7,610,781	311,476	-6,908,827
Income tax expense	-16,600,458	-14,439,009	-1,763,389	72,449	-470,509
NET PROFIT/LOSS	26,649,809	27,797,828	5,847,392	383,925	-7,379,336

## 5.2 Reporting by geographical area

### Consolidated statement of financial position by geographical area for the year 2011

in EUR

	Slovenia	Other	TOTAL (before eliminations)	Eliminations	TOTAL (after eliminations)
<b>ASSETS</b>	3,015,049,209	376,519,936	3,391,569,145	-429,569,041	2,962,000,104
Intangible assets	50,731,242	11,453,980	62,185,222	1,148,243	63,333,465
Property, plant and equipment	86,280,649	42,528,033	128,808,682	0	128,808,682
Deferred tax receivables	38,475,326	2,185,917	40,661,243	0	40,661,243
Investment property	64,166,737	21,639,005	85,805,742	10,979,148	96,784,890
Investments in subsidiaries	336,061,478	7,851,509	343,912,987	-323,408,424	20,504,563
Investments in associates	2,125,551,370	200,472,450	2,326,023,820	0	2,326,023,820
Financial assets	1,770,552,792	190,786,654	1,961,339,446	0	1,961,339,446
Financial investments:	370,997,749	68,714,498	439,712,247	0	439,712,247
- loans and deposits	211,599,458	33,618,823	245,218,281	0	245,218,281
- held to maturity	1,117,989,900	74,875,825	1,192,865,725	0	1,192,865,725
- available for sale	69,965,684	13,577,507	83,543,191	0	83,543,191
- investments recognised at fair value	354,998,578	9,685,796	364,684,374	0	364,684,374
Unit-linked insurance assets	81,923,035	18,663,286	100,586,321	-56,603,238	43,983,083
Reinsurers' share of technical provisions	213,401,379	53,183,785	266,585,164	-61,535,894	205,049,270
Receivables	84,628,155	36,148,916	120,777,071	-2,217,748	118,559,323
- receivables from direct insurance operations	64,234,278	5,298,781	69,533,059	-28,793,585	40,739,474
- receivables from reinsurance and co-insurance operations	435,240	24,269	459,509	0	459,509
- current tax receivables	64,103,706	11,711,819	75,815,525	-30,524,561	45,290,964
- other receivables	6,665,824	6,080,258	12,746,082	-148,876	12,597,206
Other assets	10,309,954	12,461,713	22,771,667	0	22,771,667
Cash and cash equivalents	1,482,215	0	1,482,215	0	1,482,215
Non-current assets held for sale	50,731,242	11,453,980	62,185,222	1,148,243	63,333,465
<b>EQUITY AND LIABILITIES</b>	3,015,049,209	376,519,936	3,391,569,145	-429,569,040	2,962,000,104
Equity	690,276,727	79,883,688	770,160,415	-280,690,577	489,469,838
Controlling interests	690,276,727	79,883,688	770,160,415	-304,895,482	465,264,933
- share capital	250,215,863	82,004,005	332,219,868	-258,518,466	73,701,402
- share premium	72,118,328	1,762,969	73,881,297	-20,677,221	53,204,076
- reserves from profit	216,767,136	18,185,172	234,952,308	-4,125,488	230,826,820
- fair value reserve	21,168,811	-1,811,862	19,356,949	-16,569,974	2,786,975
- net profit brought forward	76,434,327	-15,741,759	60,692,568	442,652	61,135,220
- net profit/loss for the year	53,572,262	-1,811,211	51,761,051	-5,585,319	46,175,732
- currency translation differences	0	-2,703,626	-2,703,626	138,334	-2,565,292
Non-controlling interests	0	0	0	24,204,905	24,204,905
Subordinated liabilities	42,432,090	1,363,938	43,796,028	-2,863,938	40,932,090
Insurance technical provisions	1,705,835,686	220,569,620	1,926,405,306	-56,758,425	1,869,646,881
- unearned premium	246,082,775	63,739,458	309,822,233	-18,081,835	291,740,398
- mathematical provisions	806,053,274	39,411,660	845,464,934	0	845,464,934
- claims provisions	629,969,034	114,171,806	744,140,840	-38,676,590	705,464,250
- other insurance technical provisions	23,730,603	3,246,696	26,977,299	0	26,977,299
Insurance technical provisions for unit-linked insurance contracts	354,900,127	9,595,764	364,495,891	0	364,495,891
Employee benefits	9,037,774	1,354,391	10,392,165	0	10,392,165
Other provisions	11,314,516	7,825,706	19,140,222	0	19,140,222
Deferred tax liabilities	9,447,240	166,347	9,613,587	0	9,613,587
Other financial liabilities	54,801,866	30,705,750	85,507,616	-46,016,496	39,491,120
Operating liabilities	74,957,364	12,893,254	87,850,618	-29,989,876	57,860,742
- liabilities from direct insurance operations	15,803,708	5,750,642	21,554,350	-626,289	20,928,061
- liabilities from reinsurance and co-insurance operations	58,628,262	6,841,354	65,469,616	-29,363,587	36,106,029
- current tax liabilities	525,394	301,258	826,652	0	826,652
Other liabilities	62,045,819	12,161,478	74,207,297	-13,249,728	60,957,569

## Consolidated statement of financial position by geographical area for the year 2010

in EUR

	Slovenia	Other	TOTAL (before eliminations)	Eliminations	TOTAL (after eliminations)
<b>ASSETS</b>	2,959,464,036	342,770,403	3,302,234,439	-277,838,631	3,024,395,808
Intangible assets	48,473,062	10,409,686	58,882,748	2,335,360	61,218,108
Property, plant and equipment	95,927,127	46,623,532	142,550,660	1	142,550,661
Deferred tax receivables	25,660,183	1,884,845	27,545,028	0	27,545,028
Investment property	56,600,108	16,677,001	73,277,109	10,979,150	84,256,259
Investments in subsidiaries	174,663,984	167,967	174,831,951	-174,831,951	0
Investments in associates	97,597,167	0	97,597,167	19,470,572	117,067,739
Financial assets	2,135,353,233	172,386,251	2,307,739,484	-25,289,974	2,282,449,510
Financial investments:	1,765,043,238	164,803,985	1,929,847,223	-25,289,974	1,904,557,249
- loans and deposits	324,231,220	66,003,356	390,234,576	-25,289,973	364,944,602
- held to maturity	234,345,596	19,232,985	253,578,582	0	253,578,582
- available for sale	1,130,200,741	64,820,293	1,195,021,035	0	1,195,021,035
- investments recognised at fair value	76,265,680	14,747,351	91,013,031	0	91,013,031
Unit-linked insurance assets	370,309,995	7,582,266	377,892,261	0	377,892,261
Reinsurers' share of technical provisions	83,619,943	18,617,986	102,237,930	-58,016,614	44,221,316
Receivables	217,103,390	51,866,604	268,969,994	-52,326,034	216,643,960
- receivables from direct insurance operations	85,179,544	41,628,726	126,808,269	1,184,679	127,992,948
- receivables from reinsurance and co-insurance operations	78,462,393	1,849,249	80,311,642	-34,879,635	45,432,007
- current tax receivables	0	2,427	2,427	0	2,427
- other receivables	53,461,454	8,386,203	61,847,656	-18,631,078	43,216,578
Other assets	7,598,631	5,510,207	13,108,838	-159,142	12,949,696
Cash and cash equivalents	15,481,766	18,626,324	34,108,090	0	34,108,090
Non-current assets held for sale	1,385,441	0	1,385,441	0	1,385,441
<b>EQUITY AND LIABILITIES</b>	2,959,464,036	342,770,403	3,302,234,439	-277,838,631	3,024,395,808
Equity	584,220,336	67,578,091	651,798,427	-152,820,619	498,977,808
Controlling interests	584,220,336	65,942,113	650,162,450	-179,397,414	470,765,036
- share capital	111,594,955	69,819,541	181,414,496	-157,713,105	23,701,391
- share premium	67,339,398	2,201,354	69,540,752	-15,885,236	53,655,516
- reserves from profit	56,634,268	16,839,063	73,473,332	-4,055,351	69,417,981
- fair value reserve	51,449,286	490,096	51,939,382	-6,418,537	45,520,845
- net profit brought forward	285,920,585	-10,494,693	275,425,891	-6,272,220	269,153,671
- net profit/loss for the year	11,281,845	-10,746,388	535,458	10,777,835	11,313,293
- currency translation differences	0	-2,166,860	-2,166,860	169,199	-1,997,661
Non-controlling interests	0	1,635,978	1,635,978	26,576,794	28,212,772
Subordinated liabilities	42,432,090	1,365,532	43,797,622	-2,865,532	40,932,090
Insurance technical provisions	1,727,856,225	224,993,216	1,952,849,441	-58,016,615	1,894,832,826
- unearned premium	244,595,553	66,237,342	310,832,894	-14,465,443	296,367,451
- mathematical provisions	814,805,488	35,042,287	849,847,775	0	849,847,775
- claims provisions	634,829,595	120,449,893	755,279,488	-43,551,171	711,728,317
- other insurance technical provisions	33,625,589	3,263,694	36,889,284	-1	36,889,283
Insurance technical provisions for unit-linked insurance contracts	368,298,956	7,784,107	376,083,063	0	376,083,063
Employee benefits	8,620,626	1,657,451	10,278,077	0	10,278,077
Other provisions	10,600,148	7,197,248	17,797,395	0	17,797,395
Deferred tax liabilities	16,632,751	178,968	16,811,719	-2,700,880	14,110,839
Other financial liabilities	47,624,635	9,720,939	57,345,574	-22,475,149	34,870,425
Operating liabilities	93,842,632	9,820,090	103,662,723	-35,613,312	68,049,411
- liabilities from direct insurance operations	18,087,071	5,546,802	23,633,873	-390,769	23,243,104
- liabilities from reinsurance and co-insurance operations	59,092,497	4,058,858	63,151,355	-35,222,543	27,928,812
- current tax liabilities	16,663,064	214,431	16,877,495	0	16,877,495
Other liabilities	59,335,638	12,474,760	71,810,398	-3,346,524	68,463,874



## Consolidated income statement by geographical area for the year 2011 and 2010

in EUR

	2011			2010		
	TOTAL	Slovenia	Other	TOTAL	Slovenia	Other
NET PREMIUM INCOME	916,278,896	758,449,927	157,828,969	946,170,224	785,497,019	160,673,205
- gross written premium	989,398,804	816,330,978	173,067,826	1,013,560,225	836,565,987	176,994,238
- ceded written premium	-80,087,864	-62,575,390	-17,512,474	-74,371,737	-57,207,348	-17,164,389
- change in unearned premiums	6,967,956	4,694,339	2,273,617	6,981,736	6,138,380	843,356
TOTAL INCOME FROM FINANCIAL ASSETS	148,981,933	134,165,135	14,816,798	181,533,362	166,793,188	14,740,174
INCOME FROM FINANCIAL ASSETS IN ASSOCIATES	4,269,157	4,269,157	0	6,332,162	6,332,155	7
- profit on equity investments accounted for using the equity method	4,265,615	4,265,615	0	3,525,434	3,525,434	0
- other income from financial assets in associated companies	3,542	3,542	0	2,806,728	2,806,721	7
INCOME FROM OTHER FINANCIAL ASSETS	118,961,870	105,047,057	13,914,813	132,682,857	118,472,214	14,210,643
NET UNREALISED GAINS ON UNIT-LINKED LIFE INSURANCE ASSETS	25,750,906	24,848,921	901,985	42,518,343	41,988,819	529,524
OTHER INCOME FROM INSURANCE OPERATIONS	26,441,506	19,216,379	7,225,127	22,433,024	16,944,604	5,488,420
- fees and commission income	17,402,868	15,839,413	1,563,455	14,633,234	12,866,874	1,766,360
- other income from insurance operations	9,038,638	3,376,966	5,661,672	7,799,790	4,077,730	3,722,060
OTHER INCOME	57,156,897	49,512,450	7,644,447	61,561,494	54,304,621	7,256,873
NET CLAIMS INCURRED	576,117,033	492,922,581	83,194,452	557,704,906	459,480,752	98,224,154
- gross claims settled	593,872,215	500,889,938	92,982,277	588,325,459	495,735,070	92,590,389
- reinsurers' and co-insurers' share	-22,450,576	-18,400,675	-4,049,901	-30,148,316	-26,622,790	-3,525,526
- changes in claims provisions	-1,961,843	3,776,081	-5,737,924	-6,334,129	-15,493,421	9,159,292
- equalisation scheme expenses for supplementary health insurance	6,657,237	6,657,237	0	5,861,892	5,861,892	0
CHANGE IN OTHER INSURANCE TECHNICAL PROVISIONS	-2,909,572	-8,078,044	5,168,472	62,450,614	58,197,454	4,253,160
CHANGE IN INSURANCE TECHNICAL PROVISIONS FOR UNIT-LINKED INSURANCE CONTRACTS	-11,402,162	-13,398,829	1,996,667	66,351,880	63,677,795	2,674,085
EXPENSES FOR BONUSES AND DISCOUNTS	6,458,995	5,319,138	1,139,857	5,735,228	5,309,382	425,846
OPERATING EXPENSES	203,308,320	145,854,419	57,453,901	208,135,976	152,806,242	55,329,734
- costs of insurance contract acquisition	130,633,390	97,374,714	33,258,676	132,463,862	100,277,835	32,186,027
- other operating costs	72,674,930	48,479,705	24,195,225	75,672,114	52,528,407	23,143,707
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES	202,010,429	196,935,445	5,074,984	121,554,254	116,899,414	4,654,840
EXPENSES FROM FINANCIAL ASSETS AND LIABILITIES IN ASSOCIATES	19,175,570	19,175,570	0	4,683,649	4,678,078	5,571
- loss on investments accounted for using the equity method	16,977,661	16,977,661	0	1,504,027	1,504,027	0
- other expenses from financial assets and liabilities in associates	2,197,909	2,197,909	0	3,179,622	3,174,051	5,571
EXPENSES FROM OTHER FINANCIAL ASSETS AND LIABILITIES	107,035,830	103,170,143	3,865,687	88,273,022	83,976,746	4,296,276
- permanent impairments	62,861,127	61,938,686	922,441	48,664,399	47,587,135	1,077,264
- other expenses from financial assets and liabilities	33,971,434	32,969,318	1,002,116	39,608,623	36,389,610	3,219,013
NET UNREALISED LOSSES ON UNIT-LINKED LIFE INSURANCE ASSETS	75,799,029	74,589,732	1,209,297	28,597,583	28,244,590	352,993
OTHER INSURANCE EXPENSES	55,953,030	36,125,402	19,827,628	61,439,998	42,168,579	19,271,419
OTHER EXPENSES	61,323,544	52,924,727	8,398,817	85,074,981	76,744,996	8,329,985
PROFIT/ LOSS BEFORE TAX	57,999,615	52,739,052	5,260,563	43,250,267	48,254,818	-5,004,551
Income tax expense	-10,502,374	-9,914,476	-587,898	-16,600,458	-16,531,576	-68,882
NET PROFIT/LOSS	47,497,241	42,824,576	4,672,665	26,649,809	31,723,242	-5,073,433