



VIG RE zajišťovna, a.s.

Templová 747/5, 110 01 Praha 1

INFORMATION ON REINSURANCE UNDER ACT NO. 277/2009 COLL. ON INSURANCE (INSURANCE CORPORATIONS) IN COMPLIANCE WITH DECREE OF CZECH NATIONAL BANK NO. 306/2016 COLL., IMPLEMENTING SOME PROVISIONS OF THE LAW ON INSURANCE (DECREE).

Status to date: 30. September 2016
(Decisive day)

Basic data about the reinsurance company

Business Name:	VIG RE zajišťovna, a.s.
Legal form:	Joint-stock company
Address:	Templová 747/5, Praha 1, PSČ 110 01
Identification number:	28445589
Date of incorporation:	18 August 2008
Last date of registration of changes in the commercial register (including purpose):	1. 9. 2016 – Appointment of Ing. Ivana Jurčíková to the Board of Directors
The amount of capital registered in the Commercial Register:	2 500 000 000,- CZK
The amount of paid-up capital:	100 %
Type, form, and the number of issued shares:	25 000 ordinary shares in dematerialized form with a nominal value of 100 000, - CZK

Data on members of the Supervisory Board

Dkfm. Karl Fink - Chairman of the Supervisory Board

Between 1979 and 1987 he was a Chairman of the Management Board of Interrisk – Internationale Versicherungs Aktiengesellschaft. In 1987 he became a member of the Management Board of Wiener Städtische Allgemeine Versicherungs AG and in July 2004 Deputy Managing Director. In October 2007 he was appointed as a Managing Director of Wiener Städtische Versicherung AG, Vienna Insurance Group and later, in 2009, he became member of the Management Board of Wiener Städtische Versicherung AG, Vienna Insurance Group.

Date of function: 15 August, 2013 I Date of membership: 1 July 2013

The total amount of guarantees/loans: 0

Dr. Wolfgang Eilers – Vice-Chairman of the Supervisory Board

Dr. Wolfgang Eilers was since 1990 a Member of the Board of Management of Hamburger Internationale Rückversicherung AG (HIR) and since 2004 he became a Chairman of the Board. By today, he is a Chief Executive officer of Chiltington Internationale Group and Director of some subsidiaries. He is also a member of the Supervisory Board of agens Consulting GmbH Co. KGaA and agent Management GmbH, Ellerau, President of the Conseil d'Administration of Pavant International Re, Paris, and a Chairman of the Supervisory Board of Komrowski Group, Hamburg.

Date of function: 1 January 2016

The total amount of guarantees/loans: 0

Prof. Elisabeth Stadler - Vice-Chairwoman of the Supervisory Board

Prof. Elisabeth Stadler studied insurance mathematics at the Technical University in Vienna. Since September 2014, she worked as Managing Director of Donau Versicherung and since 2016 became a CEO of VIG group.

Date of membership: 1 April 2016 I Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Mag. Peter Höfinger - Member of the Supervisory Board

In 2007, Mag. Peter Höfinger was appointed as a member of the Management Board of Wiener Städtische Versicherung AG, Vienna Insurance Group. Before that, he was Member of the Managing Board of Donau Versicherung AG, Vienna Insurance Group.

Date of function: 18 August 2014

The total amount of guarantees/loans: 0

Gary Wheatley Mazzotti - Member of the Supervisory Board

Education: University degree in economics. Mr. Mazzotti is in the insurance business since 2012.

Date of membership: 1 April 2016

Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Ing. Vladimír Bakaš - Member of the Supervisory Board

Ing. Vladimír Bakaš, a graduate of the Slovak Technical University in Bratislava, began his career in the Czech VIG group in 2000 as a Business Director of the Bratislava's Agency. In 2001 he became the director of the Agency, in 2003 he became a director of trade for the whole Slovakia. In 2004 he was appointed to the Supervisory Board of Kooperativa and since February 2008 he became also a member of the Supervisory Board in Komunální pojišťovna. In October 2009, he resigned from the Supervisory Board of Kooperativa and assumed the position of CEO in Komunální pojišťovna.

Date of membership: 1 April 2016 I Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Dr. Peter Thirring - Member of the Supervisory Board

Dr. Peter Thirring studied law at Vienna University. He has over 30 years of experience in the insurance business within the Generali Insurance Group in various positions in Germany and abroad. He most recently served as CEO of Generali Holding Vienna AG and Generali Versicherung AG.

Date of membership: 1 April 2016 I Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Data on members of the Board of Directors

Dkfm. Johannes Martin Hartmann - Chairman of the Board

Dkfm. Johannes Martin Hartmann worked since 2001 in various areas within Swiss Re. Since 2004 he was responsible for the Polish market, since 2009 he controlled the areas of life and non-life insurance in Poland, Hungary, Romania and Bulgaria. Since 2011, as a Head of Market Underwriting CEE he was responsible for the underwriting of non-life insurance and Account Management on all markets of Central and Eastern Europe.

Date of function: 1 July 2013 I Date of membership: 1 October 2012

The total amount of guarantees/loans: 0

Mag. Dušan Bogdanović – Member of the Board

Since 2001, Mag. Bogdanović worked as an IT manager in insurance company Osiguranje Europe in Belgrade. In 2002, he joined the Wiener Städtische Versicherung AG, Vienna Insurance Group as a member of the founding team Wiener Städtische Osiguranje a.d.o., in which he worked in Belgrade until 2007. Mag. Bogdanović was also a representative of Vienna Insurance Group in Russia, deputy of the CEO and a member of the Board of Directors in insurance company MSK-Life in Moscow.

Date of function: 1 September 2011

The total amount of guarantees/loans: 0

Ing. Ivana Jurčíková – Member of the Board

Ing. Ivana Jurčíková has extensive experience in finance from large international companies providing financial and consulting services. She graduated at the University of Economics in Prague and began her career in 1995 in KPMG Czech Republic. Subsequently, she worked during years 1998-2009 at Citibank at various managerial positions, including CFO position in 2004-2005. In 2010 she joined AXA Bank Europe as a CFO responsible for Czech Republic and Slovakia. Since 2014 Ms. Jurčíková worked as a Financial Controller in Provident Financial.

Date of function: 1 September 2016

The total amount of guarantees/loans: 0

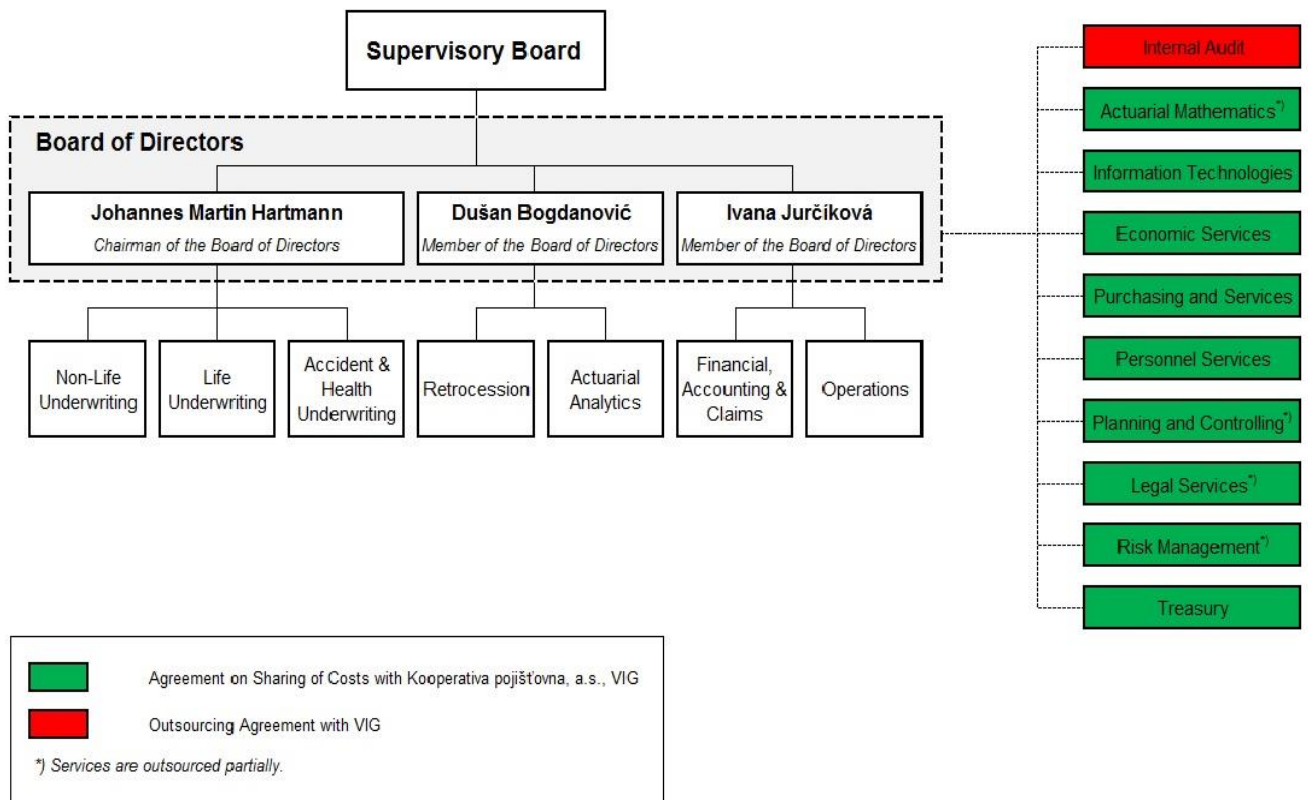
Organizational structure of the reinsurance

The Company has not established any branch office.

As of the reporting date the number of employees is 44.

The Company secures the majority of its activities beyond the performance of the major reinsurance activity in the form of outsourcing, securing the non reinsurance-related back office by using resources from VIG.

ORGANIZATIONAL STRUCTURE OF REINSURANCE 2016



Information on Shareholders of the Company

Business Name	Legal form	Address	Share capital	Share of voting rights
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	joint-stock company	Schottenring 30 1010 Wien	70 %	70%
Donau Versicherung AG Vienna Insurance Group	joint-stock company	Schottenring 15 1010 Wien	10 %	10%
Kooperativa pojišťovna, a.s., Vienna Insurance Group	joint-stock company	Pobřežní 665/21 186 00 Praha 8	10 %	10%
Kooperativa poisťovňa, a.s. Vienna Insurance Group	joint-stock company	Štefanovičova 4, 816 23 Bratislava	10%	10%

Up to the above stated date, the Company does not have any liabilities or receivables to the shareholders. The Company also up to that date has no assets in securities issued by shareholders and no obligations of these securities. The Company did not issue any guarantee for the shareholders and did not accept any guarantees from the shareholders.

Details of group structure

Persons forming the holding

1. Controlled Entity

VIG RE zajišťovna, a.s.

located at Templová 747/5, 110 01 Praha 1

IR: 28445589, registered in the Commercial Register kept by Municipal Court in Prague, section B, insert 14560

The Czech National Bank granted VIG RE zajišťovna, a.s. a license to carry out reinsurance activities, valid from 8 August 2008. This made VIG RE zajišťovna, a.s. the first reinsurance company with a Czech license and in the beginning of September 2008 the Company commenced its business activities in Prague.

VIG Re focuses on reinsurance activities on the CEE market, provides services in property and casualty, life and health, and also offers facultative reinsurance

Scope of business is specified in the company's Articles of Association and Trade Register.

2. Controlling Person

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe located at Schottenring 30, Wien 1010, Republik Österreich, registered in the Commercial Register kept by the Commercial Court Vienna, FN Section, File 75 687 F.

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe is a joint stock company, which runs the insurance business. Vienna Insurance Group owns shares of VIG RE zajišťovna, a.s., the total nominal value is 70% of the capital and represents 70% of the voting rights.

3. Related Entities

List of subsidiaries of the VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe and VIG RE zajišťovna, a.s., according to the share capital are set out in the Report on Related Parties which is published in the Annual Report of VIG RE zajišťovna a.s.

Ownership Structure of VIG RE zajišťovna, a.s.:

<i>Company</i>	<i>Country of origin</i>	<i>Capital share</i>	<i>Share of voting rights</i>
<i>VIG RE zajišťovna, a.s.</i>	<i>Czech Republic</i>	<i>Mother company</i>	<i>Mother company</i>
<i>*Wiener Re Akcionarsko Društvo za Reosiguranje</i>	<i>Serbia</i>	<i>99.3%</i>	<i>99.3%</i>

*As of September 30, 2016, VIG RE zajišťovna, a.s. has a receivable to Wiener Re of € 37,372.74

Information on the activities of Reinsurance Company

- ▶ Reinsurance activity under § 7 paragraph 3 of Act No. 363/1999 Coll. Insurance and amending certain related Acts, as amended (the Insurance Act), within all branches of life insurance listed in Appendix 1 of the Insurance, Part A and all non-life insurance listed in Schedule 1 of the Insurance Act, Part B.

Activities related to reinsurance activities under § 7 paragraph 3 of the Law on Insurance in conjunction with § 3, paragraph 4 and § 2, paragraph 1. h) of the Insurance Act:

- ▶ investigation of reinsurance events;
- ▶ mediation activities undertaken in connection with reinsurance activities;
- ▶ consulting services related to reinsurance;
- ▶ educational activities for reinsurance intermediaries and independent assessors of reinsurance events.

Reinsurance activities referred to the decisive date are of actual exercise. Performance of these activities was not limited or suspended by the Czech National Bank.

Balance Sheet: The report is Annex 1 of this document.

Profit and Loss Account: The report is Annex 2 of this document.

Reinsurance ratios as at 30 September 2016

Real and nominal (notional) value of the derivatives as derivatives collectively agreed to the provision and agreed collectively as derivatives for trading or speculation:

EUR	Fair value	Nominal value
Derivatives agreed to ensure	0	0
Negotiated derivatives for trading or speculation	0	0

Return on average assets (ROAA)	100% * Profit or loss for the period / Total Assets	2,7%
Return on average equity (ROAE)	100% * Profit or loss for the period / Equity	14,7%
Combined ratio in non-life insurance	100% * (cost of claims, including changes in reserves for claims, net of reinsurance + Net operating expenses) / earned premiums, net of reinsurance	93,0%

Attachments:

Annex 1 – BALANCE SHEET
 Annex 2 – INCOME STATEMENT

In Prague on 10 November 2016

NON-CONSOLIDATED BALANCE SHEET AS OF 30 September 2016

ASSETS	Notes	30.9.2016
In EUR '000		
Intangible assets		1 344
Property, plant and equipment		279
Investment in subsidiary		6 722
Financial investments		451 127
Financial assets held to maturity		134 428
Financial assets available for sale		173 872
Loans - Term deposits		589
Deposits due from cedants		142 238
Receivables		71 587
Ceded share of reinsurance liabilities		234 319
Other assets		307
Deferred acquisition costs		4 259
Cash and cash equivalents		6 968
Total ASSETS		776 912
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital		101 958
Other components of equity		6 964
Retained earnings		28 182
Total EQUITY		137 104
Reinsurance liabilities		548 989
Unearned premiums		25 555
Outstanding claims		393 743
Life reinsurance provision		129 691
Liabilities		89 411
Deferred tax liabilities		30
Current tax liabilities		404
Other liabilities		974
Total LIABILITIES		639 808
Total EQUITY AND LIABILITIES		776 912

NON-CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 September 2016

Income Statement	Notes	2016
in EUR '000		
Premiums		
Premiums written – Gross		288 851
Premiums written – Ceded		115 787
Premiums written - Retention		
Change due to provision for premiums – Gross		4 845
Change due to provision for premiums – Ceded		6 148
Net earned premiums		174 367
Investment Result		
Investment and interest income		10 660
Investment and interest expenses		2 952
Total investment result		7 708
Other income		200
Claims and insurance benefits		
Expenses for claims and insurance benefits – Gross		137 604
Expenses for claims and insurance benefits – Ceded		47 412
Claims and insurance benefits – retention		
Change in claims and other reinsurance liabilities – Gross		43 417
Change in claims and other reinsurance liabilities – Ceded		19 001
Total expenses for claims and insurance benefits		114 608
Acquisition expenses		
Commission expenses		66 370
Other acquisition expenses		751
Change in deferred acquisition expenses		98
Commission income from retrocessionaries		18 437
Total acquisition expenses		48 586
Other operating expenses		1 930
Other expenses		310
Profit before taxes		16 841
Tax expense		3 101
Profit for the period		13 740