

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 2017
(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):	4. 9. 2017 – Appointment of Mag. Gerhard Lahner to the Supervisory Board 4. 9. 2017 – Increase of capital registered in the Commercial Register
The amount of capital registered in the Commercial Register:	3 150 000 000,- CZK
The amount of paid-up capital:	100 %
Type, form, and the number of issued shares:	31 500 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 | Date of membership: 1 July 2013

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 | 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

Alain Flandrin - Member of the Supervisory Board

Mr. Alain Flandrin has more than 25 years of experience in the insurance industry within GAN, Simcoe Erie and others. Mr. Flandrin has also 15 years of experience in the reinsurance industry in various managerial positions within the Partner Re in France and Singapore. He most recently served as CEO of Partner Re Asia. Alain Flandrin studied economics at the Université Paris Dauphine in France.

Date of membership: 1 May 2017

The total amount of guarantees/loans: 0

Ing. Vladimír Bakeš - Member of the Supervisory Board

Ing. Vladimír Bakeš, 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 | 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 | Date of function: 1 April 2016

The total amount of guarantees/loans: 0

Mag. Gerhard Lahner - Member of the Supervisory Board

Mag. Gerhard Lahner has more than 15 years of experience in the insurance industry. Mag. Lahner has been with VIG since 2002. Mag. Lahner has held a variety of managerial positions in VIG from 2006 to 2014, primarily in the Czech Group companies. Mag. Lahner served in the past as a Member of Managing Board at Kooperativa pojišťovna, a.s., Vienna Insurance Group (2006-2008; 2010-2014; since 2017), Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group (2007-2008; 2010-2013; since 2017), DONAU Versicherung AG Vienna Insurance Group (2014) and WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group (2017). Mag. Lahner has been appointed as a Chief Financial Officer of Kooperativa pojišťovna, a.s., Vienna Insurance Group since July 1, 2017. Mag. Lahner studied economics at the Wirtschaftsuniversität Wien.

Date of membership: 4 September 2017

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 | 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

Mag. Tomasz Rowicki – Member of the Board

Mag. Tomasz Rowicki has more than 15 years of experience in the reinsurance and insurance industry. He graduated at the University of Economics in Poznań and began his career in 2000 in Generali in Poland. Mr. Rowicki joined Vienna Insurance Group in 2003. From 2006, he has been managing the reinsurance departments of Compensa and PZM. In 2012, Mr. Rowicki moved to Lithuania, where he has been pivotal in setting up VIG's Baltic Non-life undertakings. Afterwards Mr. Rowicki was Member of the Managing Board of Compensa Non-Life Lithuania, responsible for underwriting, reinsurance, claims and IT.

Date of function: 1 March 2017

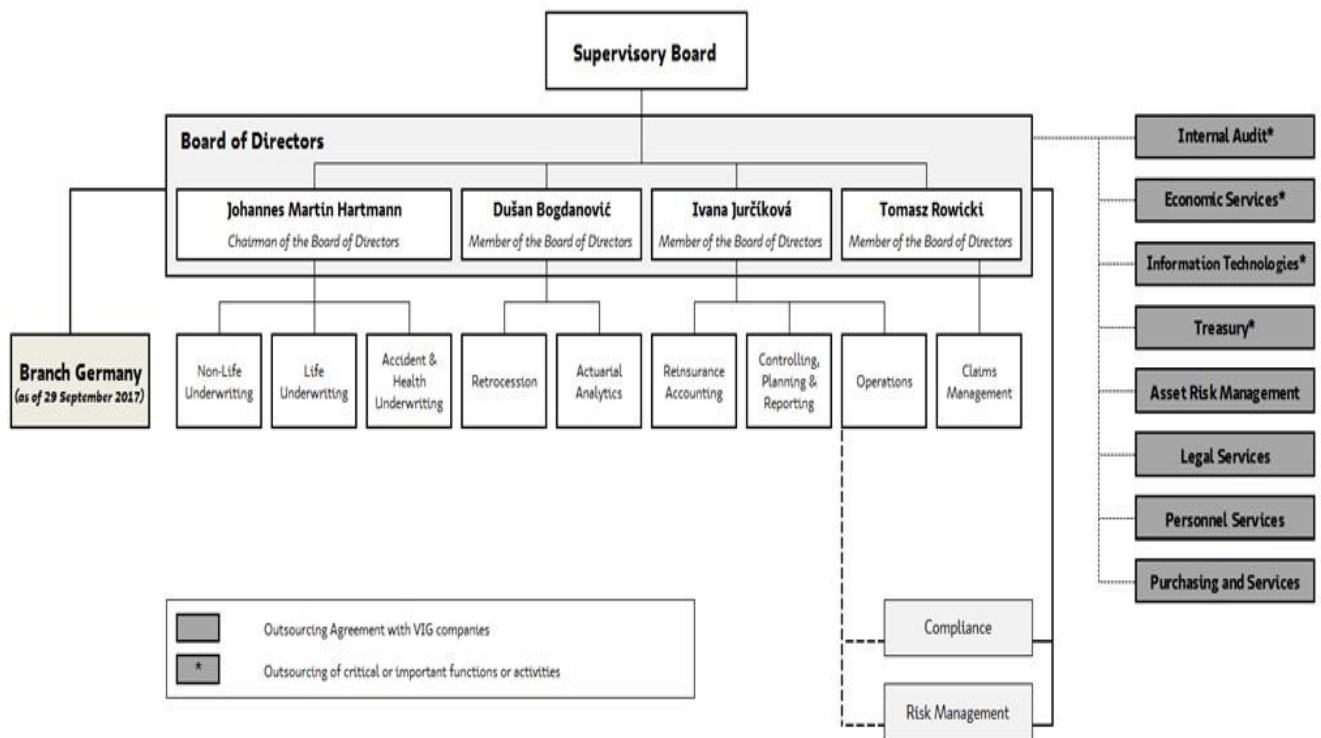
The total amount of guarantees/loans: 0

Organizational structure of the reinsurance

The Company has established Branch Germany in Frankfurt am Main as of 29 September 2017.

As of the reporting date the number of employees is 54.

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



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>
VIG RE zajišťovna, a.s.	Czech Republic	Mother company	Mother company
*Wiener Re Akcionarsko Društvo za Reosiguranje	Serbia	100%	100%

*As of September 30, 2017, VIG RE zajišťovna, a.s. has a receivable to Wiener Re of € 1 256 591,18

Information on the activities of Reinsurance Company

- ▶ The Reinsurance activity under § 3 paragraph 1, lett. (l) of Act No. 277/2009 Coll. Insurance Act, as amended (the Insurance Act), within all branches of life insurance listed in Appendix 1 of the Insurance Act, Part A and all non-life insurance listed in Appendix 1 of the Insurance Act, Part B.

Activities related to reinsurance activities under 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 2017

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	3,0%
Return on average equity (ROAE)	100% * Profit or loss for the period / Equity	16,0%
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	94,5%

Attachments:

Annex 1 – BALANCE SHEET
 Annex 2 – INCOME STATEMENT

In Prague on 10 November 2017

NON-CONSOLIDATED BALANCE SHEET AS OF 30 September 2017

ASSETS	Notes	30.9.2017
In EUR '000		
Intangible assets		1 923
Property, plant and equipment		614
Investment in subsidiary		6 758
Financial investments		447 641
Financial assets held to maturity		120 098
Financial assets available for sale		217 128
Loans - Term deposits		242
Deposits due from cedants		110 173
Receivables		78 745
Ceded share of reinsurance liabilities		233 546
Deferred tax assets		95
Current tax assets		350
Other assets		335
Deferred acquisition costs		5 330
Cash and cash equivalents		26 696
Total ASSETS		802 033
EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital		126 850
Other components of equity		4 547
Retained earnings		31 058
Total EQUITY		162 455
Reinsurance liabilities		529 519
Unearned premiums		32 127
Outstanding claims		406 216
Life reinsurance provision		91 176
Liabilities		108 767
Other liabilities		1 292
Total LIABILITIES		639 578
Total EQUITY AND LIABILITIES		802 033

NON-CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 September 2017		
Income Statement	Notes	2017
in EUR '000		
Premiums		
Premiums written – Gross		316 443
Premiums written – Ceded		127 608
Premiums written - Retention		
Change due to provision for premiums – Gross		6 362
Change due to provision for premiums – Ceded		4 232
Net earned premiums		186 705
Investment Result		
Investment and interest income		12 434
Investment and interest expenses		2 584
Total investment result		9 850
Other income		49
Claims and insurance benefits		
Expenses for claims and insurance benefits – Gross		149 216
Expenses for claims and insurance benefits – Ceded		41 276
Claims and insurance benefits – retention		
Change in claims and other reinsurance liabilities – Gross		49 114
Change in claims and other reinsurance liabilities – Ceded		19 733
Total expenses for claims and insurance benefits		137 321
Acquisition expenses		
Commission expenses		60 668
Other acquisition expenses		2 285
Change in deferred acquisition expenses		984
Commission income from retrocessionaries		23 299
Reimbursement of administrative cost		687
Total acquisition expenses		37 983
Other operating expenses		3 196
Other expenses		775
Profit before taxes		17 329
Tax expense		3 268
Profit for the period		14 061