

2015

ANNUAL REPORT

2012
2013
2014
2015
2016
2017
2018

Kooperativa 2015 in figures

- ▶ **2.04 million** clients
- ▶ **3.91 million** insurance policies
- ▶ **590 thousand** settled insurance claims
- ▶ **21.19 %** share on the Czech insurance market
- ▶ **Number one on the market**
in motor vehicle and entrepreneurs' insurance

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Introductory note by Chairman of Board of Directors and CEO

When assessing 2015, I must primarily list the factors that had a fundamental impact on Kooperativa and its results. In my opinion the key factors were the overall economic recovery accompanied by the growth of the entrepreneur insurance segment, persisting intensive competitive battle for every client and the situation of life insurance with respect to commissions and quality, as well as the ethics of certain sellers of such products. We can be all the more pleased that in this very demanding environment, Kooperativa managed to defend and strengthen its position as the second biggest insurance company on the Czech market - in 2015 Kooperativa again fundamentally gained ground on the market leader, closing the gap by more than CZK 1 billion in written premiums. Among other things, Kooperativa returned to first place in entrepreneur insurance and also maintained its position as number one in motor vehicle insurance. Overall, our premium recorded solid growth (except for single paid life insurance) that surpassed also the market dynamics. I greatly appreciate this result, as it is of course difficult to show a more substantial growth from a base of two million clients and tens of billions CZK in premiums, especially in comparison with considerably smaller peers. Let us not forget that last year was successful for the whole VIG ČR which reinforced its position as the largest insurance group in the Czech

Republic. Our group's market share amounted to 32.7% at the end of 2015, with Kooperativa accounting for nearly 21.2%.

I can definitely attribute the undeniable success of last year to solid growth in regularly paid life insurance, whereas the market as a whole reported a total year-on-year decline in premiums of more than 2%. Last year we also reached one million insurance policies which we contracted in the area of personal property insurance, and among other things we have proved that we know how to be innovative and how to use interesting new technologies, for instance by successfully introducing personal digital signatures, which fundamentally accelerates contract processing. In my opinion, this unambiguously shows that we are on the right track with our high-quality client care and outstanding services together with comprehensible products; and our clients value that.

In 2016, Kooperativa will have been successfully operating on the Czech insurance market for 25 years. The fact that the company has been on the market for a quarter of a century and has employed numerous people who have faithfully stayed with it for many years is surely a sign of quality, stability and strength.



In the relatively young modern Czech economy, a 25-year history is surely impressive, though it also involves certain inherent risks, namely routine and complacency. I am sure that we will do our best to ensure that in the coming years Kooperativa will not lose sight of its goal to be a high-quality insurer with the best possible care which knows the Czech market and the Czech people very well and understands their needs. I am convinced that the Kooperativa team will strive to make our insurance company just as successful as in previous years and I would like to thank all of our employees for their work and determination. Of course, thanks are also due to our clients, who have long shown their trust in Kooperativa, and to all our business partners and shareholders. Together, we all made sure that last year Kooperativa remained a strong and successful insurer in its 24th year on the market.

Ing. Martin Diviš, MBA

The Most Significant Awards Received in 2015

NON-LIFE INSURANCE

1st place > **KOLUMBUS Travel Insurance**

2nd place > NAMÍRU Comprehensive Motor Vehicle Insurance – MTPL

3rd place > NAMÍRU Comprehensive Motor Vehicle Insurance – CASCO



ENTREPRENEURS INSURANCE

1st place > **TREND Entrepreneurs' Insurance**

2nd place > START PLUS Entrepreneurs' Insurance

3rd place > Entrepreneurs' Insurance – Comprehensive Fleet Insurance

LIFE INSURANCE

2nd place > PERSPEKTIVA Life Insurance

2nd place > Category: The Best Non-Life Insurer

2nd place > Category: Insurance Innovator – Authentic Digital Signature



1st place > **Personal Property Insurance**

2nd place > Industry and Entrepreneurs' Insurance

3rd place > Life Insurance

3rd place > Motor Vehicle Insurance



2nd place > Category: Motor Vehicle Insurance of the Year 2015

Kooperativa – the most valuable brand in the Czech insurance business

Board of Directors – As of March 1, 2016*

Ing. Martin Diviš, MBA Chairman of the Board and CEO

JUDr. Hana Macháčová Member and Deputy CEO

Mgr. Filip Král Member, since July 1, 2015

Gary Mazzotti, B.A. (Hons) A.C.A., Member

Jiří Sýkora Member

RNDr. Petr Zapletal, MBA Member

*Ing. Milan Nidl, MBA Member, until December 31, 2015

Supervisory Board – As of March 1, 2016*

Dkfm. Karl Fink Vice-Chairman

JUDr. Rostislav Dvořák Vice-Chairman

prof. Ing. Eva Ducháčková, CSc. Member

Ing. Roman Brablec Member

Mag. Roland Gröll Member

Mag. Erwin Hammerbacher Member

Ing. Jaroslav Kučera, MBA Member

Dr. Ing. Vratislav Kulháněk Member

Mgr. Martin Laur Member

Jan Růžička Member

Jan Wiesner Member

*Dr. Peter Hagen Chairman, until December 31, 2015

RNDr. Petr Zapletal, MBA
Member



JUDr. Hana Macháčová
Member and Deputy CEO



Jiří Sýkora
Member



Gary Mazzotti, B.A.
Member



Ing. Martin Diviš, MBA
Chairman of the Board
and CEO



Mgr. Filip Král
Member



Board of Directors

Assessment of the year

Last year, the insurance business was again influenced by several legislative changes; mainly the life insurance tax regime became stricter. The change in conditions for tax allowable premium (partial withdrawal ban from policy with tax allowable premium) demonstrated in dropping interest to contract private life insurance mainly in first quarter of 2015. The segment of single paid premium was influenced by dropping market interest rates which reduced its attractiveness and the written premium on the entire market.

The changes in the property insurance impacted heavily mainly the MTPL insurance. The effects of new Civil Code demonstrated fully when the compensation for immaterial damage grew three times and in parallel, the possibility to sanction vehicle owners for failure to contract MTPL insurance was revoked. This legislative change resulted in insurance companies being obliged to pay higher contribution to the guarantee fund.

All this resulted in the Czech market recording a moderate decline in 2015. Insurance companies collected CZK 148.42 billion premiums, i.e. 2.9 percent more in year-on-year comparison. The decline was caused mainly by the life insurance that reported a drop by 8.9 percent; non-life insurance grew by 2.3 percent. In 2015, Kooperativa written premium totalled to CZK 31.45 billion, i.e. 0.9 percent less in year-on-year comparison.

The decline was caused mainly by life insurance; Kooperativa life written premium totalled to CZK 9.06 billion, i.e. 11 percent less in year-on-year comparison. Positive is the persistent growth of non-life insurance. In 2015, the written premium totalled to CZK 22.39 billion, i.e. a growth by 3.65 %. This returned Kooperativa to first place in the entrepreneur insurance and it is the biggest insurance company on the motor vehicle insurance market. Kooperativa experienced a significant milestone in property insurance of private clients, as it contracted millionth policy at the beginning of 2015. At yearend, Kooperativa managed the total of 3.91 million insurance policies for 2.04 million clients. In 2015, our claim handlers settled over 590 thousand claims.

In 2015, Kooperativa distributed the personal digital signature technology (signature with biometric features) to the majority of points of sales. Biometric signature should ideally replace the standard signature and related processes.

TOTAL PREMIUMS WRITTEN (in CZK 000's)

2006	27 427 383
2007	29 107 232
2008	30 730 010
2009	30 996 326
2010	30 894 705
2011	30 502 749
2012	30 616 765
2013	31 319 881
2014	31 737 609
2015	31 447 159

This is crucial change in insurance company processes. The basic benefit is the absence of "paper" insurance policy. An electronic document with data fully matching to those sent to the insurance company is created instead. Clients may print their insurance policies and store them in paper form. During 2015, Kooperativa contracted over 50 thousand policies signed by biometric signature. In 2016, we will further distribute this unique technology to other points of sales incl. partner intermediaries' network.

The quality of products and service offered by Kooperativa was reflected by both clients' interest and numerous awards received. We scored medal positions in all categories of the Insurance Company of the Year Prize awarded by the Association of Czech Insurance Brokers and Kooperativa dominated among insurance companies in the Golden Crown Awards. In parallel, Kooperativa became the most valued insurance brand based on the results of the Bank of the Year Prize awarded by Fincentrum.

Kooperativa has always supported a wide range of projects in the area of sport and social affairs such as Helping Paws (Pomocné Tlapky), Day and Tree for Life (Den a Strom pro lepší život). Moreover, last year Kooperativa launched a big project called Czech Family (Česká rodina žije), which analyses the eating habits, sport activities, difficult situations or values and upbringing of children in Czech families. The survey revealed many critical issues. Hence, Kooperativa is trying to open the discussion about family and offer subsidy from grant programme to projects that may improve the quality of life of Czech families. The survey outcomes will be published online at www.ceskarodinazije.cz in 2016.

MANAGEMENT REPORT

As part of its regular business activities, Kooperativa also focuses on support of research and development mainly of advanced online computer applications for unified data sources, web portals and mobile platforms incl. their connection to information systems as well as the development of comprehensive software applications and systems for purpose of operating insurance companies.

Business

On the Czech insurance market, business service in Kooperativa has a unique structure. It uses a wide range of different types of distribution channels in order to meet the diverse and particular needs of business clients. Especially unique is Kooperativa network of sales agents working for the Company in an employment relationship. At the end of 2015, there were 1,517 such agents working for the Company.

In 2015, an import element of development of exclusive insurance intermediaries network was the "Business Vision" (Podnikatelská Vize) agent network. This type of cooperation allows the participating agents to use a number of benefits associated to this exclusive cooperation with a strong company, including the chance to be self-employed. At the end of 2015, the Company had 978 such agents.

Business development was helped not only by an extensive network of insurance agents but also by an extensive network of points of sales. Kooperativa wants to be as close as possible to its clients and therefore, it has continued to focus on the expansion and improvement of its branch network. At the end of 2015, there were 379 branch offices – both our own and those managed and run by our exclusive insurance intermediaries.

In 2015, Kooperativa strongest sales channel was the internal sales network, made up of the Company's own insurance advisors and its exclusively contracted intermediaries working with the Company through Business Vision program. This network holds over one third of Kooperativa portfolio.

Kooperativa has also focused on the development of business relationships with other types of sales intermediaries – networks – for a long time. We succeeded in strengthening our mutual business relationships also throughout 2015. Sales consultants working for partner networks can contact key account managers located at the Kooperativa central office and in individual regions. This allows the representatives of these different sales

intermediaries to have access to more in-depth knowledge and information to come up with solutions and insurance

KOOPERATIVA MARKET SHARE: TOTAL PREMIUMS WRITTEN



quotes while respecting also the local particularities and specific circumstances. The most important insurance intermediaries – partner networks working with Kooperativa include mainly KAPITOL pojišťovací a finanční poradenství, a.s., ASTORIE a.s., ZFP akademie, a.s., OVB Allfinanz, a.s., Fincentrum a.s., Swiss Life Select Česká republika s.r.o., Broker Consulting, a.s., Partners Financial Services, a.s. and Broker Trust, a.s.

Kooperativa works closely with insurance brokers mainly in the field of industry and entrepreneurs' insurance. In 2015, Kooperativa proceeded with the sales of modified products in order to comply with the requirements set forth under the new Civil Code and it further developed the sales model for comprehensive fleet insurance. The most important insurance brokers working with Kooperativa include RENOMIA, a.s. and its RENOMIA NETWORK, MARSH, s.r.o., RESPECT, a.s., Pojišťovací makléřství INPOL a.s., Aon Central and Eastern Europe a.s., INSIA a.s., GrECo JLT Czech Republic s.r.o., and C.E.B., a.s. The quality of the services and products provided was reflected by the award received by Kooperativa in the "Insurance Company of the Year" survey conducted by the Association of Czech Insurance Brokers.

Česká Spořitelna is a strategic business partner of

Kooperativa and Kooperativa is the most important external supplier of the Česká Spořitelna Financial Group – in particular with respect to loans. As for the production of Česká Spořitelna external supplier, Kooperativa contracted 12% of the loans in 2015. Kooperativa's cooperation with the Česká Spořitelna Financial Group provides to the bank's clients a more comprehensive offer. As insurance intermediaries, Kooperativa's loan specialists are able to provide clients with a comprehensive range of housing-related services. Housing financing is handled through a mortgage from Česká Spořitelna or a building savings loan from Stavební Spořitelna České Spořitelny. The branches of Česká Spořitelna and its alternative distribution channels continue to offer services provided by Kooperativa, especially in the areas of credit card insurance, travel and property insurance.

In 2015, Kooperativa also continued to develop insurance sales tools using the cutting-edge information technologies via internet or phones. This type of sale channel is primarily used by younger and middle-aged clients who prefer a fast and efficient communication. Currently, clients may purchase online a wide range of non-life insurance products (MTPL insurance, motor hull insurance, travel insurance, insurance of doctor's office, and household or real estate insurance). The full range of the non-life insurance products is available to clients when making the purchase via phone. In parallel we are successful in implementing new technology, namely biometric signature for contracting insurance policies. In 2015, the majority of intermediaries received the appliances allowing the use of biometric signature and over 50 thousand new insurance policies were contracted using this technology till the end of 2015.

Motor Vehicle Insurance

2015 was for Kooperativa a significant milestone in terms of motor vehicle insurance as Kooperativa scored 1st place among Czech insurance companies. The written premium amounted to CZK 8.37 billion, i.e. 3% more as compared to 2014.

Kooperativa recorded the biggest growth in motor hull insurance, namely 7% in total. In 2015, the written premium exceeded CZK 4.13 billion as compared to CZK 3.86 billion in 2014. All segments of motor hull insurance contributed to the growth, as their profitability was assessed constantly and products were modified accordingly.

MTPL insurance recorded a moderate year-on-year decrease, by 0.7% in total, in spite of the written premium amounting to CZK 4.25 billion as compared to CZK 4.28 billion in 2014. The year-on-year decrease was caused by the stagnation of new business mainly at the beginning of the year, rearrangement of older insurance policies with higher premiums and transfer of certain paid risks into motor hull additional riders.

In 2015, the clients reacted positively to our "Green Pays Off" campaign that offers the drivers not causing accidents the maximum bonus before reaching the necessary relevant accident-free period. Over 50 thousand of responsible drivers participated in the campaign. Therefore, we decide to proceed with the campaign also in 2016 and moreover, to improve it. In 2015 we enhanced the assistance service for all existing clients without increasing the price.

Furthermore, we decided to appreciate the loyalty of all our clients by increasing the MTPL limits without increasing the premium for our long standing clients. We plan to support the maximum insurance penetration of our clients by our products and to fully implement grading in the new business process, i.e. an assessment of client's benefit for Kooperativa across all lines of business.

We also plan to focus on fleet insurance. We offer to our clients the Comprehensive Fleet Insurance business model. We motivate fleet clients by both the comprehensive insurance and the top quality customer care, individual insurance management and the way of balancing premium, handling and reporting claims, etc. Each business case is maintained by skilled expert who can help also in extreme situations. In order to increase the attractiveness of the fleet insurance we can increase the indemnification limit in MTPL insurance.

As for products, we expect that the premiums for both MTPL and motor hull insurance will still be differentiated clients' riskiness. Insurers will take into account not only the vehicle brand but also the riskiness of the respective regions and client. Kooperativa aims at maintain high level of services related to motor vehicle insurance and in parallel at simplifying and accelerating the vehicle insurance contracting process. This objective is greatly supported by technology of the own hand digital signature launched successfully by Kooperativa on the market last year.

Property and Liability Insurance

As for P&L insurance, Kooperativa was successful – as usual – and the written premium reached CZK 2.76 billion, i.e. a growth by 3.7% as compared to 2014. In parallel, the portfolio in personal insurance exceeded one million insurance policies. Achieved results indicate both the competitiveness of modernised products offer and the quality of the follow-up service provided.

In 2015, we finished the overall indexation of older property insurance policies contracted between 2004 and 2008, which reported positive feedback from clients. A half of the clients used the opportunity to update their sums insured and therefore also the premium. This tool incl. fully automated operational support should limit the risk of underinsurance in property insurance and hence contribute to the full indemnification of clients' respective claims.

The quoting systems for contracting policies covering private persons were enhanced by the function for automated assessment of the potential to grant a higher business discount based on parameters of the particular business case and client's claim history. This new feature was well received and contributed greatly to the reduction of administrative burden and to smooth underwriting of policies.

In spring 2016, Kooperativa will launch a new sport equipment insurance product that will be unique thanks to its client-oriented approach. Existing clients will receive significant price discounts. The existing property insurance products will be improved by the means of supplementary insurance terms and conditions on the occasion of Kooperativa 25th anniversary; this will further support the future sales success.

Insurance of Entrepreneurs

As for standard entrepreneurs' insurance, the strong competition persisted, nevertheless, the written premium totalled to CZK 1.31 billion, i.e. a year-on-year growth by 1.6%. The good results of Kooperativa were helped mainly

by stronger support of business activities, bigger

NON-LIFE INSURANCE PREMIUMS WRITTEN (in thousands of CZK)



individualisation of underwriting for medium enterprises and measures leading to insurance portfolio stabilisation.

In 2015, we launched a new product covering the professional liability for damage inflicted by providing professional service. This product is meant mainly for tax advisors, accountants, auditors, architects, designers, etc. Naturally, our existing bearing products, such as TREND and START PLUS, were a match as we were able to react to the developing market demand by adopting partial changes. We also pay attention to definition of specific conditions for successful insurance programmes that we create in cooperation with our important business partner brokers.

In 2016, we intend to launch the highly innovated START PLUS product. The new product version will offer our clients – entrepreneurs and self-employed persons – complex insurance cover and it will allow setting tailor-made insurance parameters and still remain simple. We are also preparing campaigns supporting the business activities and focusing mainly on the increase of insurance cover of our existing clients and on the acquisition of new ones, which may lead to further growth of written premiums.

Industrial Risk Insurance

The special types of insurance coverage sought by large companies, industrial enterprises and other non-standard types of risks are handled at Kooperativa by its Industrial Risk Insurance Department. The most important insurance clients include Česká spořitelna, a.s., Dopravní podnik hl. m. Prahy, a.s., Metrostav a.s., ČEZ, a.s., MERO ČR, a.s. and České dráhy, a.s. In 2015, the total written premium for commercial risks policies amounted to CZK 3.92 billion.

The insurance programmes for our clients are usually prepared in cooperation with insurance brokers. For each client, a customized insurance program is composed based on his particular needs. The most prominent brokerage offices with highest intermediated premiums and cooperating with Kooperativa comprise RENOMIA, a.s., and RENOMIA NETWORK, MARSH, s.r.o., RESPECT, a.s., Pojišťovací makléřství INPOL a.s., Aon Central and Eastern Europe a.s., INSIA a.s., GrEco JLT Czech Republic s.r.o. or C.E.B., a.s.

As for the industrial and entrepreneurial risk insurance, Kooperativa has been among the top companies in the Czech Republic for many years. An excellent cooperation is the key to the success in this area. The success rate of business negotiations is also increased by high quality software support provided during the pre-contractual phase, when generating quotes and insurance policy drafts. Kooperativa commercial clients also highly appreciate the quality of the customer service delivered by our department and its prompt settlement of any related claims.

As part of the VIG Group, Kooperativa is also active in the group's international business. A new sales model for comprehensive fleet insurance is becoming successful and new product and material features influenced mainly by new Civil Code are applied extensively.

As for insurance claims, the Czech Republic experienced a more favourable year as compared to 2014. However, the trend of more frequent fires resulting often in extremely high property loss continued.

Life Insurance

In Kooperativa, the insurance for regular premium remains the key segment of life insurance.

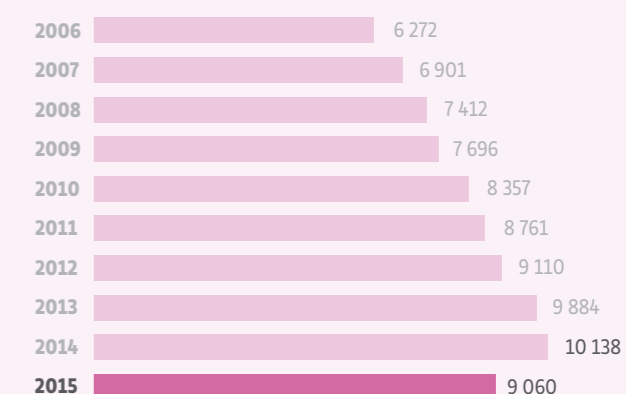
In 2015, we achieved a moderate growth of written premium, namely of 0.9% as compared to 2014, in spite of more strict tax regime stipulated under the Income Tax Act starting from 1 January 2015. The market with life insurance for regular premium stagnated.

The change in conditions for tax allowable premium (partial withdrawal ban from policy with tax allowable premium) demonstrated in dropping interest to contract private life insurance mainly in the first quarter of 2015. The total written regular premium totalled to CZK 6.5 billion.

In 2015, the segment of single paid premium was Last year, the life insurance reflected the spirit of the "Children's Year" campaign. Therefore, we improved our key products for parents and children, PERSPEKTIVA

influenced by dropping market interest rates which reduced its attractiveness and the written premium on the entire market. In Kooperativa, the written single paid life premium totalled to CZK 2.5 billion, i.e. CZK 1 billion less as compared to 2014.

LIFE INSURANCE PREMIUMS WRITTEN (in thousands of CZK)



life insurance. We reduced the prices of less frequently contracted coverages such as caring for sick child, caring for disabled child, serious illness of child, and enhanced the scope covered such as disability of all degrees or bodily injury due to serious accident. We also prepared limited product benefits for families such as double compensation for orphans and pre-school children. All the improvements had one thing in common: they focused on providing really top quality insurance cover to our clients which was also reflected in the successful Children's Autumn campaign.

In 2015, life insurance was influenced by the change in the Income tax Act above and by the CNB reduction of technical interest rate effective from 16 July 2015. Given the low interest rate persisting on the Czech financial market, this reduction was no surprise and it had no significant impact on the sales. During the year we were intensively preparing for the amendments of Insurance Business Act and Insurance Intermediaries Act, however, none of them were adopted till the yearend.

In 2016, we want to focus on new product generation that will keep the quality and flexibility of PERSPEKTIVA product and moreover, that will meet the requirements of demanding clients. The goal will be to increase mainly the comprehensibility of our offer for clients. As for legislation, we are waiting for the adoption and implementation of the Insurance Business Act amendment.

Travel Insurance

In 2015, the travel insurance market was greatly affected by terrorist attacks: in Egypt and Tunisia in the summer season and in Paris in the autumn. Summer was also influenced by a massive influx of immigrants into some Greek islands. For those reasons the customers changed their preferences when choosing the target destinations. Hence they most often travelled to Turkey, northern Greece, Italy, Croatia as well as Slovakia for summer vacation and traditionally to the Alpine countries for ski vacations in the winter.

Despite those concerns about travelling, in 2015 we registered year-on-year increase in written premium by 1.3% and approached close to the threshold of CZK 300 million. We contracted more than 300,000 insurance policies both for short-term and repeated travels and settled 7,700 insurance claims amounting to CZK 92 million in total.

For customers who are unexpectedly urged to break their journey abroad, we introduced a novelty and extended the insurance coverage in the second half of 2015. We are newly paying also the costs for air transportation provided by the assistance company – the so-called "aircraft charter" in cases that there is a danger of serious consequences due to delayed return of the insured person back to the Czech Republic. With this extension we try to help customers in a complicated situation to quickly return back to their home country.

2015 was a year of our fight against insurance frauds. At the beginning of the year, we succeeded in revealing an organized group of fraudsters and, in consequence, adopted a series of preventive measures.

Claims Adjustment

During 2015, employees of the claims adjustment centres in Kooperativa handled almost 591,000 insurance claims, which is 9% less than in 2014. Insurance indemnity paid out amounted to CZK 18.6 billion in total. Lower number of claims in property insurance was positively affected by a decrease in natural disaster claims. As for life insurance, we succeeded in detecting the biggest organized insurance fraud hitherto in which insurance intermediaries, physicians as well as providers of rehabilitation care were involved.

The Claims Adjustment Centre for Motor Vehicle Insurance handled 137,000 claims from motor hull insurance and 69,000 claims from motor third party liability insurance in 2015. The centre settled a total of 206,000 claims, which stands for a moderate year-on-year growth.

2015 was significantly affected by the new Civil Code, in particular with regard to compensations for the so-called "non-material damage". Compensations for damage for pain and suffering and aggravated position in society increased markedly, i.e. they more or less tripled. Lump sum compensations for survivors too have been gradually increasing.

Employees of the Claims Adjustment Centre for Motor Vehicle Insurance continued with development of cooperation with branded as well as unbranded garages and windshield garages. Contractual relationships with those entities positively affected the results of the entire Company. Other measures were aimed at penalties and recourses, capitalization of annuities and detecting of purposeful misbehaviour on the part of clients.

The Claims Adjustment Centre for Property and Liability Insurance recorded a total of 151,000 insurance claims in 2015, approx. 10,000 more than in 2014.

In 2015, Kooperativa registered identical development of natural disaster claims as in 2014. Kooperativa's claims

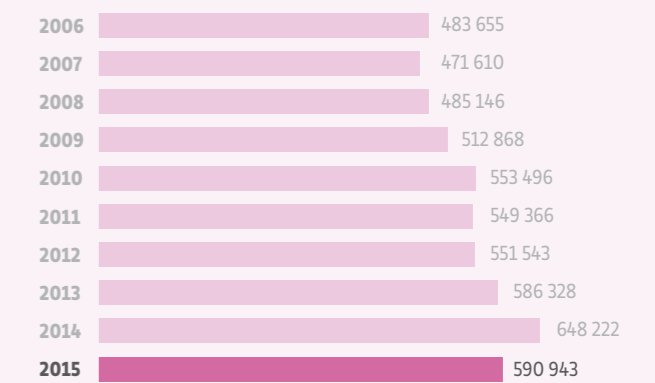
Customer Support

The Customer Support Centre actually experienced a stable and standard past year. On the other hand, in 2015 too there continued the trend from the last 4 to 5 years:

the proportion of electronic customer communication increased at the expense of voice services and physical mail. Also in the last year, the employees of the Customer Support Centre focused on continuous optimization and further development of processes in order to increase the efficiency and to improve the quality of customer services provided by the employees of the centre.

In 2015, the Contact Centre operators handled 841,000 callers and 251,000 requests received from clients via e-mail. Electronic communications grew year on year again by significant 13% and the number of calls decreased by 11% year on year. The structure of calls did not change

NUMBER OF CLAIMS SETTLED (actual number)



adjusters settled almost 21,000 claims related to natural disasters and disbursed indemnity exceeding CZK 1.33 billion.

The greatest damage was generated by fires usually causing total damage to property of our customers. In particular for entrepreneurs and industrial enterprises the damage amounted to hundreds of millions. Damage caused by fire amounted in total to CZK 612 million in 2015, i.e. the volume almost doubled compared to 2014, when fires caused damage amounting to CZK 376 million.

During the summer the claims adjusters had to handle claims related to water pollution in Dejvice: they provided indemnity to more than 6,000 claimants.

KOOPERATIVA – NUMBER OF CLIENTS



significantly compared to the previous year. Product-related calls as well as other inquiries clearly prevailed and made 40% of all incoming calls. Another important part, approx. 31%, were calls reporting an insured event. Inquiries about the status of an insured event amounted to approx. 14% in 2015 and the remaining part, approx. 15%, related to other areas of activity of the insurance company.

Compared to 2014 the service indicator did not change and amounted again to 96%, while the service level indicator for the info line reached the level of (30)_82% in the monitored period, which means that 82% of the calls were answered within 30 seconds. Despite similar volume of calls and increase in electronic communications, we succeeded in maintaining the availability of customer services above the standard KPI values set in the long term.

In the last year, we fully stabilized and continued to optimize the OneMail software implemented in 2014 that helps to sort and process incoming e-mails in a more efficient way and thus to subsequently sort the growing volume of this form of customer communication. Furthermore, this tool made it possible to unify incoming e-mails and calls in one environment, which increased, among others, the efficiency of operators and offered a more detailed overview of what happens in the Contact Centre.

In the area of central registry and mail room, we successfully continued with the Optimization of Registry Services Management project in VIG CR, which started in 2013. Last year we took over additional activities related to registry and mail room services from subsidiary companies within VIG, i.e. in particular VIG ND, Benefita, Global Expert etc. For these companies, we also provide for services related to digitizing of file documents. We were only able to reach all of this by adopting additional optimization measures at the level of processes. We could then enlarge the extent thereof, i.e. without the necessity to increase HR capacities.

Marketing Communication

In 2015, we focused on strengthening of the brand image by means of two media campaigns consisting of the spring communication of the new PARENTAL INSURANCE including TV commercials, outdoor image campaign in the summer and image TV campaign in the autumn, for which we used commercial spots filmed in 2014.

The webpage www.koop.cz was also of key importance for us: with the new supplier, we started to redesign it completely. The project began at the beginning of the year and involved the majority of Kooperativa's departments which are in direct or intermediary contact with the clients. The objective was to create a web for the customers and not for the insurance company only. We therefore totally changed the structure, content and texts that were adapted to customers' needs mainly. The new web was launched in November 2015.

As far as sponsoring activities are concerned, we have actively cooperated with the Kooperativa NBL project, where brand visibility is strengthened not only within the TV environment, but also at match locations. We furthermore introduced a special players' rating called "Kooperativa factor" increasing the match attractiveness of individual teams and players.

Public Relations

Public relations are an important part of communication of each company and they are even doubly important for an insurance company which wants to present and explain its offer to the clients. Daily cooperation with media, in particular responses to their inquiries and preparation of press releases, prevailed in external communication in 2015. The PR Department answered over 300 questions from journalists and issued a total of 26 press releases. As a result of its efforts, Kooperativa was mentioned in the media in more than 4,500 articles and reportages.

The most important topics were legislative changes, namely tax treatment in life insurance and termination of the duty to contribute to the guarantee fund. Another closely monitored topic was the proposed amendment to the Insurance Act, mainly with regard to commissions in life insurance. In the end this amendment was not passed in 2015, thus we expect intensive communication about its impact also in 2016. Apart from responses to inquiries, the PR Department also actively communicated the most important novelties in the company: it was firstly active media support of Personal Digital Signature and secondly the Czech Family project of Kooperativa foundation.

Dominant tools for internal communication in 2015 were corporate intranet and the company magazine Smaragd. Kooperativa's employees are regularly informed about novelties in the company by means of the Weekly Summary they receive every Monday via e-mail. Internal communication furthermore intensively uses TV screens installed in company's headquarters in Prague – Karlín, where the most interesting video spots mapping sports and advertising activities of both the employees and entire Kooperativa are shown. Another important project of internal communication in Kooperativa in 2015 was the Movember challenge that helps to raise funds for cancer treatment. Rooms in the headquarters and agency offices were fitted out with "moustache" decorations and we organized a photo contest for the employees, in which we received 80 photographs. The employees furthermore donated CZK 10,000 that were handed over to Kooperativa foundation. It already became an annual tradition that the PR Department organized several breakfasts with the CEO in 2015 attended by a total of over 50 employees.

Projects

During the year, Kooperativa was preparing for the known changes in legislation. We finalised mainly modifications relating to the new Solvency II regime that planned starting from January 2016.

We also analysed the impacts of the insurance intermediaries bill and the follow-up changes in the provisions of Insurance Business Act regulating the life insurance commission. The Project Management Office used the Legalisation Review Project to coordinate this process within the entire VIG ČR. The proposed amendments were not adopted and the project was closed at the yearend.

In 2015, we successfully closed the three-year Cost and Processes Optimisation Programme. The savings of VIG ČR totalled CZK 800 million. The programme also improved communication and provided the occasion to share professionals' knowledge among all three insurance companies. The programme involved all key areas starting from policy management and claim handling processes over to economy up to central procurement. A special project ran only for strengthening the check mechanisms.

In 2016, there are planned important activities relating to the development of internal insurance model called Golem square.

HR Management Division

2015 was full of changes and innovations for the HR Management Division. We opened already the 9th year of the Trainee Program, which was, for the first time, organized also in VIG Re. As in previous years, we also cooperated with selected Czech universities and promoted good reputation of the company at labour fairs, lectures and conferences.

A number of our employees were also involved in providing professional advice to university students working on graduation and bachelor theses.

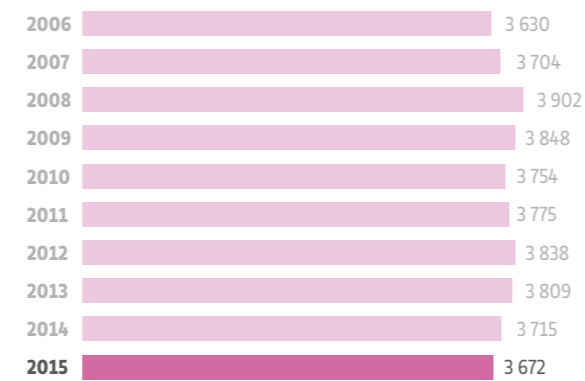
We have organized internships for selected new employees in the Czech Republic within the mobility program, however, our employees have also participated in international exchange programs abroad.

Internal Trade was reorganized in 2015 – leaders of business groups were established, remuneration system for the sales service and timing of working hours were changed. This reorganisation required preparing, creating and entering changes into SAP HR, i.e. approx. 5,000 labour-law related documents.

HR Management Division continued to develop activities in the area of diversity and equal opportunities which started in 2013 by signing the 2013+ Diversity Memorandum. Within the cooperation with the professional platform Business for Society (Byznys pro společnost), we were actively involved in the Diversity (Diverzita) thematic group. We continued to focus in particular on the topic of insufficient representation of persons with disabilities among our employees and unbalanced representation of women and men in the management. A year-on-year comparison shows that we are doing well in employing more and more persons with disabilities. We also participated in a conference dedicated to the topic of Breaking the Glass Ceiling supporting career growth of women, which was held by Gender Studies, o.p.s. In the area of recruitment, we carried out a survey among job applicants in Kooperativa in form of a short on-line questionnaire. The survey lasted for 3 months and involved the entire Czech Republic. The results helped us to understand, who are our job applicants – for example with regard to gender or education – and how they perceive Kooperativa. We gained valuable information that is used as a basis for the recruitment strategy. In 2015, in cooperation with marketing we created Kooperativa's company profile on LinkedIn to support our recruitment activities and to present the company on social networks.

2015 was full of controls from the employment office and safety inspectorate, for which we prepared underlying documents and provided support in regions. One of the

NUMBER OF EMPLOYEES (actual number at year end)



novelties in 2015 is a new infotype in the SAP system for entering of holidays; it had to be tested and subsequently implemented in production.

Since several years HR Management Division has been involved in the Healthy Company (Zdravá firma) project. This year attention was paid to the Days of Health as well as enhancement of the quarterly health programs that are more and more appreciated by our employees with each year. Within the benefit program we prepared a unified Internet platform with all employee benefits divided into a simple and well-arranged chart. The employees can newly find their complete payslip in the HR information system including remuneration, benefits and education provided during the year.

The preparatory stages for adopting Solvency II requirements were also reflected in the area of bonuses.

In 2015, we carried out analyses of the transition to paperless documentation and automation of HR processes, management of remunerations and planning of personal costs. Concerning payroll accounting, during 2015 we managed to successfully finish the implementation of substantial legislative changes from the previous period. Correctness of the new computational methods was confirmed by inspection results of state authorities which did not discover any errors, i.e. neither for social and health insurance, nor for taxes. As for communication with state authorities, HR Management Division keeps trying to use electronic communications to the maximum extent, as it is in line with the efforts of the division to minimize administrative procedures and to introduce paperless HR management.

In employee development we continued with Professional Minimum which takes place always on the second day at work and motivational meeting called My Kooperativa (Moje

Kooperativa) for senior colleagues, which is also used as an opportunity to express our thanks for their work done for Kooperativa. Another important activity with regard to employee development was that we continued with implementation of the Competence Modell, this time with focus on quality of assessments and execution of interviews. Training Department again significantly extended the number of internal courses lead by trainers from the department for example by Time Management, Personal Effectiveness, Coaching Approach, Managerial Skills and other tailored workshops. More than 120 one- and two-day courses took place in 2015. We also enhanced the standard and time-tested offer of team buildings. Best rated was a special team play organized in the premises of Hrůzův mlýn verifying and strengthening team cooperation by means of unconventional tasks, puzzles and ciphers.

Completely new project is Internal Coaching. Its main aim is to offer this modern and very effective method of personal development to the employees. It complies with the strict quality criteria and focuses on individual approach.

After positive experience from the previous year, the internal team of instructors within the Training Department continued in successful outsourcing of its courses within the group. We actively trained colleagues from ČPP, ČPP Servis, PČS, Global Expert, VIG Re and Entrepreneurial Vision (Podnikatelská vize). We also newly educated acquisition agents from external networks in the following main areas: competence model, team cooperation, managerial, business and presentation skills, pro-client approach and SAP.

For already three years we have been organizing meetings for employees of the VIG group with celebrities and other famous people – in 2015 for example with jump jockey Josef Váňa – and about current topics. We have furthermore regularly held the English Club, where our employees can improve their English while discussing interesting topics.

Employees of both Kooperativa and ČPP can also use our library that is quarterly supplemented by current publications and audio books.

In 2015, the HR Management Division achieved great results in outsourcing activities for other companies within the VIG group. Apart from the existing four companies for which we provide for HR and payroll agenda, i.e. VIG Re zajišťovna, a.s., Pojišťovna České spořitelny, a.s., VIG, Obecně prospěšná společnost Kooperativy and Global Expert, s. r. o., in 2015 we took over also the full agenda of two more companies: Benefita, a.s. and VIG ND, a.s. Since these projects were managed with success, for 2016 we intend to prepare for taking over agenda of additional companies within the VIG group and to implement relevant modules in the SAP system.

Reinsurance

The reinsurance program for 2015 continued in the structure from previous year with almost no changes. Extent of coverage as well as capacities of obligatory reinsurance treaties fully corresponded to both requirements of underwriters and demands resulting from the new regulatory rules within Solvency II. The amount of retentions remained at a conservatively low level, thus representing a significant stabilization factor for the company. Closest attention was traditionally paid to modelling of exposure to natural disaster risk that were carried out by analytical teams of reinsurance brokers AonBenfield and Willis Re. The reinsurance strategy was based on the rules applicable to the VIG group; a significant role within optimizing the purchase of reinsurance played again the group reinsurance company of VIG Re, which had the largest share in the entire volume of ceded reinsurance premium. The most important and also traditional external partners were the world's largest reinsurers SCOR, Munich Re and Swiss Re rated AA- by the rating agency Standard & Poor's.

Supervisory Board Report

Kooperativa pojišťovna, a.s., Vienna Insurance Group

The Supervisory Board received the annual financial statement prepared by the Board of Directors, including the proposal for distribution of profit from 2015 and the report on economic results, business activity and company status as of 31 December 2015 and examined and reviewed it thoroughly. As a result of this examination, the Supervisory Board adopted a unanimous resolution that the annual financial statement as well as the proposal for distribution of profit from 2015 can be submitted to the General Meeting for approval.

The Supervisory Board of the Company fulfilled its tasks in the course of the year 2015 pursuant to Company's Articles and effective legal regulations, particularly the Act No. 90/2012 Coll., on Business Corporations, as amended. The Supervisory Board reports that it has taken the opportunity as supervising body to comprehensively monitor the performance of the Board of Directors and the business and economic activities of the Company. One Annual General Meeting and four Supervisory Board meetings were held in 2015.

The Supervisory Board informs the General Meeting that the 2015 annual financial statement was reviewed by the auditor KPMG Česká republika Audit, s. r. o.; the auditor had no reservations and confirmed that the 2015 annual financial statement gives a true and fair view of financial position of the Company and its economic results in line with effective legal regulations. Pursuant to Section 20 of the Act No. 93/2009 Coll., on Auditors, as amended the Auditor will draft a written report on the mandatory audit of the annual report consisting of the annual financial statement; this report will be then submitted to the General Meeting. The Supervisory Board certifies that there are no reservations about the conclusions of the Auditor.

The Supervisory Board further examined the Report on Relationships between Related Parties prepared by the Board of Directors pursuant to Section 82 of the Business Corporations Act. The Supervisory Board certifies that no errors or deficiencies had been identified in this report and the company did not suffer any damage from the agreements or other legal acts performed under the influence of related parties.
Vienna, April 2016



Dkfm. Karl Fink
Deputy Chairman of the Supervisory Board

The Leading Insurance Specialist in Austria and CEE



AUSTRIA WIENER STÄDTISCHE VIENNA INSURANCE GROUP Ionau VIENNA INSURANCE GROUP S-VERSICHERUNG VIENNA INSURANCE GROUP	SLOVAKIA Kooperativa VIENNA INSURANCE GROUP KOMUNÁLNA POIŠŤOVŇA VIENNA INSURANCE GROUP POIŠŤOVŇA SLOVENSKEJ ŠPORTIELNE VIENNA INSURANCE GROUP	BULGARIA BULSTRAD VIENNA INSURANCE GROUP Life BULSTRAD VIENNA INSURANCE GROUP	ESTONIA COMPENSA VIENNA INSURANCE GROUP	TURKEY RAYSIGORTA VIENNA INSURANCE GROUP
ITALY BRANCH WIENER STÄDTISCHE VIENNA INSURANCE GROUP Ionau VIENNA INSURANCE GROUP	POLAND COMPENSA VIENNA INSURANCE GROUP InterRisk VIENNA INSURANCE GROUP POLISA-ŻYCIE VIENNA INSURANCE GROUP skandia VIENNA INSURANCE GROUP	CROATIA WIENER OSIGURANJE VIENNA INSURANCE GROUP ERSTE OSIGURANJE VIENNA INSURANCE GROUP	LATVIA COMPENSA VIENNA INSURANCE GROUP Baltikums VIENNA INSURANCE GROUP	ALBANIA SIGMA INTERBANAN VIENNA INSURANCE GROUP INTERSIG VIENNA INSURANCE GROUP
SLOVENIA BRANCH WIENER STÄDTISCHE VIENNA INSURANCE GROUP	ROMANIA OMNIASIG VIENNA INSURANCE GROUP ASIROM VIENNA INSURANCE GROUP DE VIATA BCR ASIGURARI VIENNA INSURANCE GROUP	HUNGARY UNION BIZTOSÍTÓ VIENNA INSURANCE GROUP ERSTE BIZTOSÍTÓ VIENNA INSURANCE GROUP vienna life VIENNA INSURANCE GROUP	LITHUANIA COMPENSA VIENNA INSURANCE GROUP	MACEDONIA ОСИГУРУВАЊЕ МАКЕДОНИЈА VIENNA INSURANCE GROUP WINNER VIENNA INSURANCE GROUP Life WINNER VIENNA INSURANCE GROUP
CZECH REPUBLIC Kooperativa VIENNA INSURANCE GROUP ČPP VIENNA INSURANCE GROUP POJIŠŤOVNA ČESKÉ ŠPORTIELNY VIENNA INSURANCE GROUP VIG Re	UKRAINE КНЯЖА VIENNA INSURANCE GROUP ГЛОБУС VIENNA INSURANCE GROUP ЮПІТЕР VIENNA INSURANCE GROUP УКРАЇНСЬКА СТРАХОВА ГРУПА VIENNA INSURANCE GROUP	SERBIA WIENER STÄDTISCHE VIENNA INSURANCE GROUP	MOLDOVA DONARIS VIENNA INSURANCE GROUP	BELARUS КУПАЛА VIENNA INSURANCE GROUP
			GEORGIA GPIA VIENNA INSURANCE GROUP IRAO VIENNA INSURANCE GROUP	MONTENEGRO Život WIENER STÄDTISCHE VIENNA INSURANCE GROUP WIENER OSIGURANJE VIENNA INSURANCE GROUP
				BOSNIA HERZEGOVINA WIENER OSIGURANJE VIENNA INSURANCE GROUP
				GERMANY InterRisk VIENNA INSURANCE GROUP
				LIECHTENSTEIN VIENNA-LIFE VIENNA INSURANCE GROUP

January 2016
www.vig.com

Company Profile

Vienna Insurance Group

The Group has operated in Central and Eastern Europe (CEE) for more than 25 years and is one of the leading listed insurance Groups in the region. VIG generated more than EUR 9 billion in premiums in 2015, making it number 1 in its core markets again. With close to 23,000 employees and around 50 Group companies in 25 countries, the Group offers an extensive customer-oriented portfolio of products and services across all lines of business (property and casualty, life and health insurance).

Expansion into Central and Eastern Europe

VIG's roots in Austria reach back to 1824. Since that time, the Company has developed from a locally based insurer to a leading international insurance Group. Wiener Städtische set the course for the international expansion. In 1990, it became one of the first Western European insurance companies to recognise the growth potential of Central and Eastern Europe and to take a chance on entering the market in the former Czechoslovakia. The past 25 years saw a series of further expansions, including Hungary (1996), Poland (1998), Croatia (1999) and Romania (2001). After entering the market in Moldova in 2014, VIG now operates in a total of 25 countries.

Number 1 in its core markets

VIG's core markets are Austria, the Czech Republic, Slovakia, Poland, Romania, Bulgaria, Croatia, Hungary, Serbia and Ukraine. A market share of more than 18 % makes VIG the clear number 1 insurer in this group of countries. The strategic decision that was made in 1990 to expand into Central and Eastern Europe has proven to be very successful. In 2015, more than half of VIG's total premiums of more than EUR 9 billion were generated in CEE markets. VIG is convinced that the economic growth of the region as well as the demand for insurance there will continue to rise. The CEE region's importance as a growth market for VIG is also shown by the decision to locate the registered office of its reinsurance company VIG Re (established in 2008) in the Czech Republic.

Customer proximity is VIG's trump card in 25 markets

VIG's success is primarily based on local entrepreneurship and customer proximity. This is reflected in the regional ties, multi-brand strategy and wide variety of distribution channels used. The Group made a conscious decision to rely on regionally established brands united under the Vienna Insurance Group umbrella. VIG's success as a corporate Group is also due to the individual strengths of these brands and local expertise of around 50 Group companies.

Its core business is the key of VIG's success

VIG's activities are clearly focused on its core business, the insurance business. It operates as a progressive and highly risk-conscious insurer. Reliability, trustworthiness and solidarity are qualities that benefit the Group not only in its relationships with customers, but also with business partners, employees and shareholders. Values such as honesty, integrity, diversity, equal opportunity and customer-orientation form the basis for business decisions at VIG. The effects of this fundamental approach are shown in its strategy of continuous sustainable growth, as well as its excellent creditworthiness. VIG's development is confirmed by the international rating agency Standard & Poor's which has awarded the Group a rating of A+ with a stable outlook for years. As a result, VIG has the best rating of all companies in the ATX, the leading index of the Vienna Stock Exchange.

VIG and Erste Group: a strong team

Erste Group has strong ties to Austria and is one of the leading banking Groups in Central and Eastern Europe. VIG and Erste Group entered into a strategic partnership in 2008 that benefits both of them in the region: Erste Group branches distribute VIG insurance products, and in return VIG Group companies offer Erste Group bank products.

Stable dividend policy of the Group

VIG has been listed since October 1994 and is now one of the top companies in the "Prime Market" segment of the Vienna Stock Exchange. The company has an attractive dividend policy that offers shareholders a dividend of at least 30 % of Group profit (after taxes and non-controlling interests).

Its listing on the Prague Stock Exchange in February 2008 also emphasises the great importance of the Central and Eastern European economic area for VIG. As in Vienna, VIG is also one of the top companies in the Prague stock market. Around 70 % of VIG's shares are held by its principal shareholder Wiener Städtische Versicherungsverein. The remaining shares are in free float.

An attractive employer in Austria and Central and Eastern Europe

In addition to being number 1 for insurance products, VIG also wants to be the number 1 choice as an employer and attract the most talented and the smartest employees. Identifying and developing individual employee skills are a central priority in the Company's modern human resources management. Diversity is seen as an opportunity and is part of the day-to-day life at VIG. The Group also places great importance on creating an environment that promotes the development of its employees. This is because Vienna Insurance Group is aware that its success is based on the dedication of its around 23,000 employees.

This document is an English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report to the Shareholders of Kooperativa pojišťovna, a.s., Vienna Insurance Group

We have audited the accompanying financial statements of Kooperativa pojišťovna, a.s., Vienna Insurance Group prepared in accordance with Czech accounting legislation, which comprise the balance sheet as of 31 December 2015, and the income statement and the statement of changes in equity for the year then ended, and the notes to these financial statements, including a summary of significant accounting policies and other explanatory notes. Information about Kooperativa pojišťovna, a.s., Vienna Insurance Group is set out in Note 1 to these financial statements.

Statutory Body's Responsibility for the Financial Statements

The statutory body of Kooperativa pojišťovna, a.s., Vienna Insurance Group is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting legislation and for such internal controls as the statutory body determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors, International Standards on Auditing and the relevant guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the 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 entity's internal controls. 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 financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Kooperativa pojišťovna, a.s., Vienna Insurance Group as of 31 December 2015, and of its financial performance for the year then ended in accordance with Czech accounting legislation.


Other Information

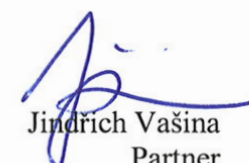
Other information is defined as information (other than the financial statements and our auditor's report) included in the annual report. The statutory body is responsible for the other information.

Our opinion on the financial statements of Kooperativa pojišťovna, a.s., Vienna Insurance Group as of 31 December 2015 does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information included in the annual report is not materially inconsistent with the financial statements or our knowledge obtained in the audit, whether the annual report is prepared in accordance with applicable legislation and whether such information otherwise does not appear to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Prague
4 April 2016


KPMG Česká republika Audit, s.r.o.
Registration number 71


Jindřich Vašina
Partner
Registration number 2059



FINANCIAL SECTION

Independent Auditor's Report
and the Financial Statement
for the year ending
31 December 2015

Balance sheet as at 31 December 2015 – ASSETS

(In thousands of Czech crowns TCZK)

Description	2015 Gross	2015 Adjustment	2015 Net	2014 Net
I. ASSETS				
A. Receivables for subscribed registered capital				
B. Intangible fixed assets, thereof	4 123 802	4 017 803	105 999	99 151
a) Incorporation expenses				
b) Goodwill	3 068 798	3 068 798		
C. Financial placements (investments)	57 456 004		57 456 004	55 899 720
I. Land and buildings (real estate), thereof	1 794 254		1 794 254	1 807 983
a) Land and buildings – self-occupied	1 685 907		1 685 907	1 688 875
II. Investments in affiliated undertakings and participating interests	8 072 947		8 072 947	8 100 041
1. Participating interests with controlling influence	7 998 686		7 998 686	8 025 780
2. Debt securities issued by, and loans to, undertakings – controlling influence				
3. Participating interests with significant influence	74 261		74 261	74 261
4. Debt securities issued by, and loans to, undertakings – significant influence				
III. Other financial placements	47 588 803		47 588 803	45 991 696
1. Shares and other variable-yield securities, other participating interests	5 137 359		5 137 359	4 758 922
2. Bonds and other fixed-income securities	39 236 958		39 236 958	40 299 013
a) bonds and other fixed-income securities valued at fair value through profit and loss	1 992 286		1 992 286	3 345 492
b) „OECD“ bonds held to maturity	33 695 933		33 695 933	32 984 825
c) other bonds and other fixed-income securities held to maturity	3 548 739		3 548 739	3 968 696
3. Financial placements in investment associations				
4. Other loans	7 200		7 200	12 000
5. Deposits with financial institutions	3 030 100		3 030 100	846 100
6. Other financial placements	177 186		177 186	75 661
IV. Deposits with ceding undertakings				
D. Financial placements for the benefit of life assurance policyholders who bear the investment risk	3 761 643		3 761 643	3 556 286
E. Debtors	2 309 002	514 379	1 794 623	2 023 801
I. Receivables arising from direct insurance operations	1 864 510	510 784	1 353 726	1 378 825
1. Receivables due from the policyholders, thereof	1 829 134	488 181	1 340 953	1 368 171
a) Receivables due from entities in which the Company has a controlling influence				
b) Receivables due from entities in which the Company has a significant influence				
2. Receivables due from intermediaries, thereof	35 377	22 603	12 774	10 654
a) Receivables due from entities in which the Company has a controlling influence				
b) Receivables due from entities in which the Company has a significant influence				

Description	2015 Gross	2015 Adjustment	2015 Net	2014 Net
ASSETS				
II. Receivables arising from reinsurance operations, thereof	11 564		11 564	39 935
a) Receivables due from entities in which the Company has a controlling influence				
b) Receivables due from entities in which the Company has a significant influence				
III. Other receivables, thereof	432 927	3 595	429 332	605 041
a) Receivables due from entities in which the Company has a controlling influence	19 510		19 510	21 137
b) Receivables due from entities in which the Company has a significant influence				
F. Other assets	1 313 969	467 940	846 029	1 967 500
I. Tangible fixed assets other than land and buildings (real estate), and inventories	772 556	467 940	304 616	278 266
II. Cash on accounts in financial institutions and cash in hand	541 413		541 413	1 689 234
III. Other assets				
G. Temporary asset accounts	5 990 523		5 990 523	5 839 911
I. Accrued interest and rent				2 447
II. Deferred acquisition costs	3 240 585		3 240 585	3 364 682
a) in life-assurance business	2 558 819		2 558 819	2 671 608
b) in non-life insurance	681 766		681 766	693 074
III. Other temporary asset accounts, thereof	2 749 939		2 749 939	2 472 782
a) Estimated receivables	411 835		411 835	401 851
TOTAL ASSETS	74 954 943	5 000 122	69 954 821	69 386 369

Balance sheet as at 31 December 2015 – LIABILITIES

(In thousands of Czech crowns TCZK)

Description	2015	2014
II. LIABILITIES		
A. Equity	13 390 158	13 795 286
I. Registered capital, thereof	3 000 000	3 000 000
a) Changes in registered capital		
II. Share premium	37 875	37 875
III. Revaluation fund		
IV. Other capital funds	922 304	1 076 800
V. Statutory reserve fund and other funds from profit	47 221	649 669
VI. Profit or loss brought forward	6 564 855	6 366 275
VII. Profit or loss for the financial year	2 817 903	2 664 667
B. Subordinated liabilities	557 001	557 001
C. Technical provisions	43 686 843	43 104 166
1. Provision for unearned premiums		
a) gross amount	5 160 006	5 040 550
b) reinsurance share (-)	914 939	921 161
2. Life assurance provision		
a) gross amount	27 189 632	26 610 674
b) reinsurance share (-)	27 189 632	26 610 674
3. Provision for outstanding claims		
a) gross amount	15 176 733	15 916 425
b) reinsurance share (-)	6 231 003	6 825 740
4. Provision for bonuses and rebates		
a) gross amount	534 713	516 092
b) reinsurance share (-)	14 339	15 501
5. Equalization provision		
a) gross amount		
b) reinsurance share (-)		
6. Other technical provisions		
a) gross amount		
b) reinsurance share (-)		
7. Provision for liabilities from the technical interest rate applied		
a) gross amount	2 216 555	2 099 930
b) reinsurance share (-)	2 216 555	2 099 930
8. Non-life insurance provision		
a) gross amount	2 161	2 488
b) reinsurance share (-)	2 161	2 488
9. Provisions for liabilities of the Bureau		
a) gross amount	567 324	680 409
b) reinsurance share (-)	567 324	680 409

Description	2015	2014
II. LIABILITIES		
D. Life assurance technical provision where the investment risk is borne by the policyholders		
a) gross amount	3 761 643	3 556 286
b) reinsurance share (-)	3 761 643	3 556 286
E. Provisions	94 248	84 983
1. Provisions for pensions and similar obligations		
2. Provisions for taxation		
3. Other provisions	94 248	84 983
F. Deposits received from reinsurers	3 623 637	3 537 674
G. Creditors	3 130 265	2 997 733
I. Payables arising from direct insurance operations, thereof	2 494 931	2 136 213
a) Payables to entities in which the Company has a controlling influence	2 654	3 639
b) Payables to entities in which the Company has a significant influence		
II. Payables arising from reinsurance operations, thereof	17 350	15 081
a) Payables to entities in which the Company has a controlling influence		
b) Payables to entities in which the Company has a significant influence		
III. Debenture loans		
a) Payables to entities in which the Company has a controlling influence, thereof		
aa) Convertible loans		
b) Payables to entities in which the Company has a significant influence, thereof		
ba) Convertible loans		
IV. Amounts owed to credit institutions, thereof	236	319
a) Payables to entities in which the Company has a controlling influence		
b) Payables to entities in which the Company has a significant influence		
V. Other payables, thereof	617 748	846 120
a) Tax liabilities and payables due to social security and health insurance institutions	142 960	199 174
b) Payables to entities in which the Company has a controlling influence	60 294	81 943
c) Payables to entities in which the Company has a significant influence		
VI. Guarantee Fund of the Bureau		
H. Temporary liability accounts	1 711 026	1 753 240
I. Accrued expenses and deferred revenues	433 087	496 523
II. Other temporary liability accounts, thereof	1 277 939	1 256 717
a) Estimated payables	1 277 939	1 256 717
TOTAL LIABILITIES	69 954 821	69 386 369

Profit and loss account for the year 2015

(In thousands of Czech crowns TCZK)

Description	2015 Base	2015 Subtotal	2015 Result	2014 Result
I. TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE	x	x	x	x
1. Earned premiums, net of reinsurance:	x	x	x	x
a) gross premiums written	22 386 860	x	x	x
b) outward reinsurance premiums (-)	4 840 828	17 546 032	x	x
c) change in the gross provision for unearned premiums (+/-)	142 915	x	x	x
d) change in the provision for unearned premiums, reinsurers' share (+/-)	-6 222	149 137	17 396 894	16 699 836
2. Allocated investment return transferred from the non-technical account	x	x	950 154	1 376 602
3. Other technical income, net of reinsurance	x	x	285 581	96 188
4. Claims incurred, net of reinsurance:	x	x	x	x
a) claims paid:	x	x	x	x
aa) gross amount	12 544 877	x	x	x
bb) reinsurers' share (-)	2 339 045	10 205 832	x	x
b) change in the provision for outstanding claims:	x	x	x	x
aa) gross amount	-720 898	x	x	x
bb) reinsurers' share (-)	-586 902	-133 997	10 071 836	9 004 279
5. Changes in other technical provisions, net of reinsurance (+/-)	x	x	-113 411	-125 211
6. Bonuses and rebates, net of reinsurance	x	x	436 291	429 187
7. Net operating expenses:	x	x	x	x
a) acquisition costs	x	2 970 750	x	x
b) change in deferred acquisition costs (+/-)	x	11 308	x	x
c) administrative expenses	x	1 958 418	x	x
d) reinsurance commissions and profit participation (-)	x	1 288 056	3 652 420	3 831 220
8. Other technical expenses, net of reinsurance	x	x	2 404 517	1 798 621
9. Change in the equalisation provision (+/-)	x	x		
10. Sub-total on the technical account for non-life insurance	x	x	2 180 976	3 234 530
II. TECHNICAL ACCOUNT FOR LIFE ASSURANCE	x	x	x	x
1. Earned premiums, net of reinsurance:	x	x	x	x
a) gross premiums written	x	9 060 299	x	x
b) outward reinsurance premiums (-)	x	826 941	x	x
c) change in the provision for unearned premiums, net of reinsurance (+/-)	x	-23 459	8 256 817	9 420 708
2. Income from financial placements (investments):	x	x	x	x
a) income from participating interests, with a separate indication of that derived from controlling influence	x	38 006	x	x
b) income from other investments, with a separate indication of that derived from controlling influence	x	x	x	x
aa) income from land and buildings (real estate)	2 930	x	x	x
bb) income from other financial placements (investments)	1 245 644	1 248 574	x	x
c) value adjustments on financial placements	x	25 239	x	x
d) income from disposal of financial placements	x	1 539 196	2 851 016	2 274 884

Description	2015 Base	2015 Subtotal	2015 Result	2014 Result
3. Unrealised gains on financial placements	x	x	35 836	268 548
4. Other technical income, net of reinsurance	x	x	535 288	661 411
5. Other technical income, net of reinsurance	x	x	x	x
a) claims paid:	x	x	x	x
aa) gross amount	6 014 444	x	x	x
bb) reinsurers' share (-)	355 604	5 658 840	x	x
b) change in the provision for outstanding claims:	x	x	x	x
aa) gross amount	-18 793	x	x	x
bb) reinsurers' share (-)	-7 833	-10 960	5 647 880	7 614 961
6. Changes in other technical provisions, net of reinsurance (+/-):	x	x	x	x
a) life assurance provisions:	x	x	x	x
aa) gross amount	578 957	x	x	x
bb) reinsurers' share (-)		578 957	x	x
b) other technical provisions, net of reinsurance	x	321 982	900 938	1 571 522
7. Bonuses and rebates, net of reinsurance	x	x	-940	-10 184
8. Net operating expenses:	x	x	x	x
a) acquisition costs	x	2 122 838	x	x
b) change in deferred acquisition costs (+/-)	x	112 789	x	x
c) administrative expenses	x	236 086	x	x
d) reinsurance commissions and profit participation (-)	x	446 876	2 024 837	2 406 122
9. Expenses connected with financial placements (investments):	x	x	x	x
a) investment management charges, including interest	x	60 391	x	x
b) value adjustments on financial placements	x	13 636	x	x
c) book value of disposed financial placements	x	1 535 275	1 609 301	925 627
10. Unrealised losses on financial placements (investments)	x	x	105 229	1 074
11. Other technical expenses, net of reinsurance	x	x	187 027	292 406
12. Allocated investment return transferred to the non-technical account (-)	x	x		
13. Sub-total on the technical account for life assurance	x	x	1 204 683	-175 977
III. NON-TECHNICAL ACCOUNT	x	x	x	x
1. Result of the technical account for non-life insurance	x	x	2 180 976	3 234 530
2. Result of the technical account for life assurance	x	x	1 204 683	-175 977

Profit and loss account for the year 2015

(In thousands of Czech crowns TCZK)

Description	2 015 Base	2 015 Subtotal	2 015 Result	2 014 Result
3. Income from financial placements:	x	x	x	x
a) income from participating interests, with a separate indication of that derived from controlling influence	x	703 982	x	x
b) income from other investments, with a separate indication of that derived from controlling influence	x	x	x	x
aa) income from land and buildings	87 224	x	x	x
bb) income from other financial placements (investments)	483 981	571 205	x	x
c) value adjustments on financial placements	x	90 817	x	x
d) income from disposal of financial placements	x	4 652 126	6 018 130	4 819 675
4. Allocated investment return transferred from the technical account for life-assurance	x	x		
5. Expenses connected with financial placements:	x	x	x	x
a) investment management charges, including interest	x	125 230	x	x
b) value adjustments on financial placements	x	165 189	x	x
c) book value of disposed financial placements	x	4 777 558	5 067 976	3 443 073
6. Allocated investment return transferred to the technical account for non-life-insurance	x	x	950 154	1 376 602
7. Other income	x	x	18 620	113 340
8. Other expenses	x	x	74 170	98 435
9. Income tax on ordinary activities	x	x	510 378	406 900
10. Profit or loss on ordinary activities after tax	x	x	2 819 732	2 666 558
11. Extraordinary income	x	x		
12. Extraordinary expenses	x	x		
13. Extraordinary profit or loss	x	x		
14. Income tax on extraordinary activities	x	x		
15. Other taxes not shown under the preceding items	x	x	1 829	1 891
16. Profit or loss for the financial year	x	x	2 817 903	2 664 667

Statement of changes in equity for the year 2015

(In thousands of Czech crowns TCZK)

	Registered capital	Own shares	Share premium	Reserve funds	Social and other funds	Capital funds	Changes in valuation	Profit (loss)	Total
Balance at 1. 1. 2014	3 000 000		37 875	600 000	54 762	790 903	449 177	9 381 923	14 314 640
Correction of fundamental errors									
FX gains (losses) and changes in valuation not included in the profit and loss statement							-163 280		-163 280
Net profit/loss for accounting period*)								2 664 667	2 664 667
Dividends								-2 966 063	-2 966 063
Transfers to funds					49 585			-49 585	
Reduction of funds					-54 678				-54 678
Shares issued									
Reduction in registered capital									
Own shares purchased									
Other changes									
BALANCE AT 31. 12. 2014	3 000 000		37 875	600 000	49 669	790 903	285 897	9 030 942	13 795 286
BALANCE AT 1. 1. 2015	3 000 000		37 875	600 000	49 669	790 903	285 897	9 030 942	13 795 286
Correction of significant errors									
FX gains (losses) and changes in valuation not included in the profit and loss statement							-154 496		-154 496
Net profit/loss for accounting period								2 817 903	2 817 903
Dividends								-3 015 522	-3 015 522
Addition to funds				-600 000	50 565			549 435	
Reduction of funds					-53 013				-53 013
Shares issued									
Reduction in registered capital									
Own shares purchased									
Other changes									
BALANCE AT 31. 12. 2015	3 000 000		37 875		47 221	790 903	131 401	9 382 758	13 390 158

General information

I. General contents

I. 1. Description and principal activities

Kooperativa pojišťovna, a.s. Vienna Insurance Group ("the Company") was incorporated into the Commercial Register on 1 March 1993, Identification number: 471 16 617.

The Company's shareholders as at 31 December 2015 are:

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	96.32 %
VLTAVA majetkoprávní a podílová spol. s r. o., Prague	2.07 %
Svaz českých a moravských výrobních družstev, Prague	1.61 %

The Company received a license to carry on insurance activities on 1 March 1993.

The Company carries on the following classes/groups of insurance:

LIFE ASSURANCE

- ▶ assurance on death, assurance on survival to a certain age, and assurance on survival to a certain age or death
- ▶ marriage insurance and savings insurance to provide funds to raise children
- ▶ pension insurance
- ▶ insurance connected with an investment fund / unit-linked insurance
- ▶ accident or sickness insurance as a supplement to the above types of insurance

NON-LIFE INSURANCE

- ▶ accident and sickness insurance
- ▶ motor insurance – motor third-party liability insurance
- ▶ motor insurance – other types
- ▶ property insurance against fire and other damage
- ▶ insurance for aviation, and marine and transportation insurance
- ▶ liability insurance
- ▶ credit and surety insurance
- ▶ insurance for other losses

Registered office of the Company

Kooperativa pojišťovna, a.s., Vienna Insurance Group, Pobřežní 665/21, 186 00 Praha 8

Members of the Board of Directors and Supervisory Board as at 31 December 2015:

MEMBERS OF THE BOARD OF DIRECTORS

CHAIRMAN: **Ing. Martin Diviš, MBA**, Praha 6, Divoká Šárka 39, Czech Republic

MEMBER: **JUDr. Hana Macháčová**, Praha 4, Šeberov, Pod Vší 312, Česká republika

Ing. Milan Nidl², MBA, Praha 4, Písnice, Výletní 357/20, Česká republika

RNDr. Petr Zapletal, MBA, Praha 4, Na Zahrádkách 307, Česká republika

Jiří Sýkora, Hudlice, Jáchymovská 261, Česká republika

Gary Wheatley Mazzotti, Statenice, Statenická 365, Česká republika

Mgr. Filip Král, Praha 4, Krč, Hurbanova 2052/25, Česká republika

Two members of the board of directors must always act together in the name of the Company. In order to sign on behalf of the Company, the signatures of the necessary number of authorised persons and their functions are required alongside

¹ The percentage represents the share of registered capital including preference shares without voting rights. The share of individual shareholders in the ordinary shares of the Company is as follows: VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Austria - 92.64%; VLTAVA majetkoprávní a podílová spol. s r.o., Prague – 4.13%; Svaz českých a moravských výrobních družstev, Prague – 3.23%.

² The membership in the Board of Directors of Mr Milan Nidl lapsed by 31 December 2015.

the printed or written name of the Company. Pursuant to the provisions under Section 164 par. 3 of Act no. 89/2012 Sb., the Civil Code, the person authorised to make all legal transactions towards Company employees is Ing. Martin Diviš, MBA, Chairman of the Board of Directors.

MEMBERS OF THE SUPERVISORY BOARD

CHAIRMAN: **Dr. Peter Hagen³**, Wien, Laudon Gasse 20/10, Austria

VICE-CHAIRMAN: **Dkfm. Karl Fink**, Wien, Kurzbauergasse 5, Austria

JUDr. Rostislav Dvořák, Jihlava, Leoše Janáčka 746/10, Czech Republic

MEMBERS: **Jaroslav Kučera**, Kohoutovice, Prokofjevova 846/25, Czech Republic

Ing. Roman Brablec, Praha 6, Řepy, Španielova 1313/21, Czech Republic

Jan Wiesner, Praha 4, Michle, Podle Kačerova 1330/15, Czech Republic

Ing. Vratislav Kulháněk, Praha 2, Vínohrady, Jana Masaryka 708/12, Czech Republic

Mgr. Martin Laur, Kralupy nad Vltavou, Ladova 587, Czech Republic

Mag. Roland Gröll, Vídeň, Neuwaldegger Str. 37/1, Austria

Jan Růžička, Praha 5, nám. Pod lípou 6, Czech Republic

Mag. Erwin Hammerbacher, Seyring, Helmaweg 29, Austria

prof. Ing. Eva Ducháčková, CSc., Praha 9, Vinoř, Dubanská 296, Czech Republic

Organisational structure and major changes to the organisational structure during the financial year

The Company has the following statutory bodies: general assembly of the shareholders, board of directors, advisory committee to the board of directors, supervisory board and audit committee. It also comprises organisational units on the level of the headquarter, centres and agencies.

I. 2. Compliance with legislation

At the balance sheet date the Company fully complied with Act No. 277/2009 Coll., on Insurance, as amended ("the Insurance Act"), Act No. 89/2012 Coll., Civil Code, Act No. 38/2004 Coll., on Insurance Intermediaries and Independent Loss Adjusters, as amended, Act No. 168/1999 Coll., on Liability Insurance for Losses Caused by the Operation of a Motor Vehicle, as amended ("the Act on Motor Third-Party Liability Insurance"), including the applicable implementing regulations, and with other legislation in force.

I. 3. Basis of preparation of the financial statements

The accounting records of the Company are maintained and the financial statements of the Company have been prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended, with Regulation No. 502/2002 Coll., which implements certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for accounting units, which are insurance companies, as amended ("Regulation No. 502/2002 Coll."), and with the Czech Accounting Standards for accounting units that maintain their accounting records in compliance with Regulation No. 502/2002 Coll. and other relevant legislation. The accounting records of the Company are maintained in such a manner that the financial statements prepared based on these records present a true and fair picture of the accounting and financial position of the Company.

I. 4. Significant accounting policies

(a) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at acquisition cost.

Tangible fixed assets costing less than TCZK 40, also known as minor tangible fixed assets are subject to write-offs for 3 years. Intangible fixed assets costing less than TCZK 60 are charged to the profit and loss account in the year in which they are acquired. The annual depreciation rate reflects the assets' expected useful lives.

The following depreciation rates are used for the individual asset classes:

Fixed Assets	Method	Depreciation rate in %
Goodwill	Linear	20.0
Software	Linear	25.0
Other intangible fixed assets	Linear	16.7 - 100.0
Tangible operational fixed assets class I and II	Linear	16.7 - 25.0
Tangible operational fixed assets class III	Linear	16.7

(grouped according to material subclasses with the same depreciation rate)

(b) Investments

Land and buildings

Land and buildings are initially recorded at their acquisition cost and are not subsequently depreciated.

At the balance sheet date land and buildings are valued at their fair value. Fair value means the market value, which is the price for which such land and buildings could be sold on the date of valuation.

The fair value is determined through a separate valuation of each item of land and buildings, carried out at least once every five years, based on a qualified estimate or a qualified external valuer's opinion. In the intervening years the Board of Directors assesses whether the carrying amount of land and buildings corresponds to their fair value.

Where on the balance sheet date land and buildings have been sold or are to be sold within 3 months, the fair value is reduced by the actual disposal costs.

Any change in the fair value of land and buildings is recognized in equity and are transferred to the income statement as at the date of disposal of land and buildings.

Participating interests

Participating interests in controlled persons are participations in another enterprise in which the Company holds a controlling influence. In addition, other cases where the insurance Company is a controlling person are reported under this item. This includes investments in equity and loans or other amounts due from subsidiaries and associates.

At the acquisition date, participating interests are stated at their acquisition cost. The acquisition cost is the amount for which the participating interests were acquired and includes all expenses directly associated with the acquisition.

At the balance sheet date, participating interests are revalued at their fair value. Changes in fair value are recognised in equity. The fair value of the participation in subsidiaries or associates is defined by the market price, if participation is represented by securities tradable on the public market. Should the participation not be tradable on the public market, the fair value is estimated based on the share on own capital. If in reasonable cases the acquisition cost represents a truer and fairer value of the participation on subsidiaries or associates, the acquisition cost is used for valuation.

Loans granted to subsidiaries or associates and other long-term receivables are stated at fair value as at the balance sheet date, which usually approximates the amortised cost (nominal value including any accrued interest). Changes in the fair value are recognised in equity.

Debt securities

At the acquisition date debt securities are stated at acquisition cost.

Acquisition cost is the amount for which a debt security has been acquired and includes a proportionate part of any accrued interest and expenses directly associated with the acquisition.

The Company amortises premiums and discounts on all debt securities. Premiums and discounts are amortised to the profit and loss account on the basis of the effective interest rate method from the date of acquisition to their maturity. Amortised debt securities are revalued at their fair value as at the balance sheet date with the exception of bonds held

to maturity that have been issued by a member state of the Organisation for Economic Co-operation and Development and awarded a rating at the level of the Czech Republic or higher by at least two reputable rating agencies ("OECD bonds held to maturity").

The Company recognises the OECD bonds held to maturity at their amortised cost as at the balance sheet date.

Fair value means the market value derived from quoted market mid prices declared on the domestic or foreign stock market or on any other public (organised) market. The Company applies the most recent published market price as at the date of the financial statements (balance sheet date) or as close as possible to this day. If there is no available price or if it does not sufficiently represent the fair value, the fair value is determined on the basis of a qualified estimate. In its models for defining the securities fair value, the Company uses only the available market data. Valuation models take into account the common market conditions as of the valuation day, which may not reflect the market situation before or after this day.

Amortised cost means the price used when first recognised (the acquisition cost), which is gradually increased by accrued interest income, adjusted by amortisation of the discount/premium and decreased by the amount of adjustments. Debt securities are classified as securities valued at fair value through profit and loss or securities available for sale, OECD bonds held to maturity and other securities held to maturity.

A change in the fair value of debt securities valued through profit and loss or available for sale is recognised in the profit and loss account. A change in the fair value of debt securities held to maturity that are revalued at fair value is recognised in equity.

Where debt securities are denominated in a foreign currency, their value is translated based on the current exchange rate published by the Czech National Bank ("CNB"). The appropriate exchange rate difference is included in the fair value.

If, due to legislative amendments, the accounting policy has been changed during the possession of debt securities, resulting in changes in fair value being recognised in the profit and loss account rather than in equity, the cumulative revaluation differences previously recognised in equity are derecognised and recognised in the profit and loss account only at the moment of sale or maturity of the relevant security.

Shares and other variable-yield securities

At the acquisition date, shares and other variable-yield securities are accounted for at acquisition cost.

Acquisition cost is the amount for which the shares or other variable-yield securities were acquired and includes all expenses directly associated with the acquisition.

At the balance sheet date, shares and other variable-yield securities are revalued at their fair value.

Fair value means the market value derived from quoted market mid prices declared on the domestic or foreign stock market or on any other public (organised) market. The Company applies the most recent published market price as at the date of the financial statements (balance sheet date) or as close as possible to this day. If there is no available price or if it does not sufficiently represent the fair value, the fair value is determined on the basis of a qualified estimate. In its models for defining the securities fair value, the Company uses only the available market data. Valuation models take into account the common market conditions as of the valuation day, which may not reflect the market situation before or after this day.

The change in fair value of shares or other variable-yield securities is recognised in the profit and loss account.

Where shares and other variable-yield securities are denominated in a foreign currency, their value is translated based on the current exchange rate published by CNB. The appropriate exchange rate difference is included in the fair value.

Deposits with financial institutions

Deposits with financial institutions are initially recognised at nominal value. At the balance sheet date, these assets are revalued at their fair value. The fair value of short-term deposits with financial institutions is determined as their nominal value including accrued interest.

Deposits denominated in foreign currency are translated based on the current exchange rate published by CNB and the appropriate exchange rate difference is included in the fair value. Changes in fair value are reflected in the Company's profit and loss account.

Derivatives

Derivatives are valued at fair value. Fair values are obtained from quoted market mid prices, discounted cash-flow models and options pricing models using only observable market data as appropriate. The valuation models reflect current market conditions as at the measurement date which may not fully represent market conditions either before or after the measurement date. As at the balance sheet date, management reviewed its models to ensure that they appropriately reflect current market conditions, including the relative liquidity of the market and credit spreads.

All derivatives are presented under "other financial placement".

Changes in the fair value of derivatives held for trading are included within the revaluation gains/losses on investments in the income statement.

Works of art

Works of art are initially recorded at their acquisition cost and they are classified as fixed assets that are not subject to write-offs. During the accounting period, the selected works of art are used for financial placement and presented as other financial placement. These reclassified assets are revalued to their fair value based on expert's opinion.

(c) Financial placements for the benefit of life assurance policyholders who bear the investment risk

Financial placements for the benefit of life assurance policyholders who bear the investment risk are accounted for separately from other financial placements.

At the balance sheet date, financial placements for the benefit of life assurance policyholders who bear the investment risk are revalued at their fair value. In order to preserve the true and fair view of the Company's result for the year, all changes resulting from revaluation at fair value have been reflected in the Company's profit and loss account.

(d) Adjustments

The Company creates adjustments to receivables and other assets except for financial placements reported at fair value. Adjustments represent a temporary decrease in value of individual assets. The amount of the decrease is determined on the basis of a professional risk assessment carried out by the management of the Company.

Adjustments to receivables from policyholders are calculated based on an analysis of their recoverability. The analysis includes an ageing analysis of the receivables and assessment of the risk of non-payment of specific receivables.

Adjustments to OECD bonds held to maturity are accounted for only if there is a risk that the notional principal amount of the bond or the bond yield or both the value and the yield would not be repaid.

(e) Impairment of assets

At the balance sheet date the Company assesses whether those assets, which are not carried at fair value or for which changes in fair value are recognised in equity, are impaired. Impairment of an asset is recognised in the profit and loss account.

(f) Deferred costs

Deferred acquisition costs represent the proportion of the acquisition costs incurred during the current financial year that relates to the revenues of subsequent financial years. At the end of each financial year the Company assesses the adequacy of deferred acquisition costs based on a liability adequacy test for both non-life insurance and life assurance by determining the provision for liabilities arising from the applied technical interest rate and other calculation parameters.

Non-life insurance

In respect of non-life insurance, deferred acquisition costs are based on total acquisition costs incurred in the current period and the ratio of the gross provision for unearned premiums at the balance sheet date to the total gross premiums written for the financial year. Deferred acquisition costs are determined for all individual classes of non-life insurance. Renewal commission for insurance policies presented in the overheads are deferred as well. The calculation of the deferral amount is identical with the calculation of the deferral of acquisition costs.

Life assurance (traditional products)

In life assurance the Company determines deferred acquisition costs using the zillmerisation method, which is the method used to calculate the life assurance provision, see point I.4.(j).

Unit-linked assurance (life assurance where the investment risk is borne by the policyholder)

Acquisition costs for unit linked life insurance policies are deferred via the direct calculation of present value of future fees to cover initial costs and costs associated with insurance policy acquisition, which are reimbursed from the account of the policyholder in the first years of insurance in the monthly fee. Costs associated with an increase in premiums for existing insurance policies are included in these costs as well. The resulting value is recognised within deferred acquisition costs.

(g) Accumulated debt

Accumulated debt arises from the unit-linked assurance contracts. This receivable due from the policyholders represents an aggregate of costs incurred by the Company in connection with unit-linked assurance contracts which have not been settled by policyholders yet. A change of the accumulated debt from unit-linked assurance is recognised through the profit and loss accounts.

At the end of the accounting period, the Company assesses the adequacy of the amount of the accumulated debt by determining the provision for liabilities arising from the applied technical interest rate and other calculation parameters. The life assurance provision is reduced by a respective share of outstanding acquisition costs as well as a respective share of intangible assets and also includes a reduction by accumulated debt.

(h) Income tax

Income tax on the profit for the year comprises current income tax and the change in deferred tax. Current income tax comprises the tax liability calculated from the tax base using the effective tax rate and any additional payments or refunds of tax for previous years.

Deferred tax is provided on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and other temporary differences (tax losses carried forward, if any) multiplied by the income tax rates expected to be valid for the periods in which the tax asset/liability is expected to be utilized.

A deferred tax asset is recognized only to the extent that there is no doubt that future taxable profits will be available, against which this asset can be utilized.

(i) Provision for unearned premiums

The provision for unearned premiums comprises that part of gross premiums written of individual life, and non-life insurance contracts, which is to be allocated to subsequent accounting periods. The Company uses a "pro rata temporis" method to estimate the provision.

(j) Life assurance provision

The Company accounts for the provision using the zillmerisation method. The zillmerisation method results in the deferral of acquisition costs for life assurance policies. These costs are included within the life assurance provision through actuarial methods after eliminating temporary negative balances, which are capitalised and presented as deferred acquisition costs. The acquisition costs are capitalised and deferred in accordance with the prudence principle and taking into account the risk of lapses and cancellations.

The provision is created with reference to individual life insurance policies. The life assurance provision represents future liabilities calculated with the use of actuarial methods including profit shares declared and allocated and a provision for expenses, related to the administration of contracts, after deducting the value of future premiums.

(k) Provision for outstanding claims

The provision for outstanding claims is not discounted to reflect the fair value of money (with the exception of the

provision for annuities) and covers the following:

- ▶ insurance claims incurred and reported in the accounting period but not yet settled (RBNS);
- ▶ insurance claims incurred in the accounting period but not yet reported (IBNR).

The amount of RBNS provision represents the sum of all amounts calculated for individual claims. The provision for outstanding claims is reduced by an estimate of the value of salvage and subrogation and similar recoveries. In case of litigation, the Company creates a provision in the full amount involved in the suit.

The fair value of the IBNR provision is determined using actuarial methods.

The Company uses the Chain Ladder method based on the amount of claims paid or on the amount of incurred claims for all insurance types, except for motor third party liability insurance, for which the provision is determined using the Monte Carlo simulation. The Monte Carlo simulation provides the opportunity to estimate the probability distribution of a liability, especially to predict the different security levels also in form of a split to the risk commencement and underwriting years.

The provision for outstanding claims includes an estimate of all related external and internal claims handling cost.

On an annual basis, the Board of Directors reassesses the adequacy of the reliability level of estimated provision for outstanding claims in respect of individual groups of insurance in accordance with the accounting rules of the Company and upon the recommendation of the appointed actuary.

(l) Provision for bonuses and rebates

The provision for bonuses and rebates is created in accordance with insurance policies.

Changes in the provision for bonuses and rebates are presented in the profit and loss account under bonuses and rebates.

(m) Provision for liabilities arising from the applied technical interest rate and other calculation parameters

As at the balance sheet date, the Company calculates the value of the provision for liabilities arising from the applied technical interest rate and other calculation parameters to be able to determine a sufficient amount of life assurance provision so that the Company is able to meet its liabilities following from concluded insurance contracts while simultaneously taking into account current estimates of the parameters when assessing the amount of liabilities accepted.

In determining the provision for liabilities arising from the applied technical interest rate and other calculation parameters, the minimum value of insurance liabilities is calculated (using the best estimate of the future development of input assumptions adjusted by a risk margin). In order to improve the financial basis and to mitigate any accounting discrepancies in the determination of the minimum value of liabilities for all life assurance products other than any unit-linked products, the not yet recorded revenues on held-to-maturity assets to cover life assurance provisions are taken into account. The Company compares the minimum value of insurance liabilities with the total sum of life assurance provisions, provisions for unearned premiums, life assurance provisions where the investment risk is borne by the policyholder, provisions for outstanding claims, non-life insurance provisions if established by the life assurance section of the Company, and provisions for bonuses and rebates (the total sum of the above provisions is below referred to as the „life assurance provisions“) reduced by the respective unamortised deferred acquisition costs and by the respective intangible assets recorded in the event of a business combination or portfolio transfer. Where the minimum value of insurance liabilities exceeds the amount of life assurance provision reduced by the respective outstanding acquisition costs and by the respective intangible assets, the provision for liabilities arising from the applied technical interest rate and other calculation parameters established by the Company will amount to the difference between the minimum value of insurance liabilities and the life assurance provision reduced by the respective outstanding acquisition costs and by the respective intangible assets.

The change in this provision is presented in item II.6.b) in the profit and loss account.

(n) Provision for liabilities of the Bureau

This provision represents an additional motor third party liability (“MTPL”) provision created by the Company to cover a proportion of the liabilities of the Czech Insurers’ Bureau (the “Bureau”) resulting mainly from a deficit of assets to cover the liabilities of the Bureau and to contribute to the Bureau’s guarantee fund and it is created using information known

as at the balance sheet date. The provision changes proportionally based upon the Company’s share of the MTPL market and the estimated deficit of the Bureau.

(o) Life assurance provision where the investment risk is borne by the policyholders

The life assurance provision where the investment risk is borne by the policyholders is intended to cover the liabilities of the Company due to policyholders and insured persons in those classes of life assurance where, based on an insurance policy, the investment risk is borne by the policyholders.

The amount of the provision is determined as the sum of liabilities due to insured persons in the amount of their shares of invested premiums from individual life assurance contracts in accordance with the principles included in the insurance contracts.

When life assurance where the investment risk is borne by the policyholders also includes payment of a guaranteed amount, this liability is included within the life assurance provision.

(p) Reinsurers’ share of technical provisions

Technical provisions are presented as a net liability, i.e. after deduction of the reinsurers’ share. The amount of this share is calculated based on the terms of the related reinsurance contracts, the method of settlement with reinsurers and in consideration of the prudence principle.

The Company presents the reinsurers’ share of the provision for unearned premiums, the provision for outstanding claims and the provision for bonuses and rebates. The reinsurer does not participate in the other technical provisions.

(q) Provisions

Provisions are intended to cover risks, losses and other respective payables, which are clearly defined and the occurrence of which is either probable or certain but whose amount or timing are uncertain.

Provision for taxes

The provision for taxes is established at the balance sheet date and amounts to the estimated corporate income tax liability due. The utilisation (release) of the provision is accounted for when the tax return is filed.

Employee Benefits Reserve

At the balance sheet date the provision includes the earned part of employee benefits, which are due to employees because of their leaving and retirement. The applied actuarial methods include valorisation according to the expected increase in wages and the probability of survival and leaving a function. A risk-free interest rate adjusted by market value margins is used for.

(r) Gross premiums written

Gross premiums written comprise all amounts written for the insurance period at the date when the insurance coverage starts (also already paid in the case of unit-linked insurance) during the financial year in respect of insurance contracts regardless of the fact that such amounts may relate in whole or in part to future financial years.

The Company carries out the legal insurance of an employer’s liability in compliance with Act No. 125/1993 Coll. Any collected premium from this type of insurance is classified as gross premiums written.

(s) Claims paid

Claims paid (including claims in compliance with Act No. 125/1993 Coll.) are recognised when an insured loss is agreed and after the amount of claims settlement is assessed. These costs also include the Company’s costs related to handling claims arising from insured events. Gross claims expenses are reduced by recourse claims and other claims of the Company.

(t) Acquisition costs

Acquisition costs comprise all direct and indirect costs arising from the conclusion of insurance contracts.

(u) Staff costs, pensions and social fund

The Company makes contributions on behalf of its employees to a defined contribution pension plan and a capital life insurance scheme. These contributions are accounted for directly as an expense. The Company creates a social fund to finance the social needs of its employees and employee programmes. In compliance with Czech accounting requirements, the allocation to the social fund is not recognised in the income statement but as a profit distribution. Similarly, the usage of the social fund is not recognised in the income statement but as a decrease of the fund. The social fund forms a component of equity and is not shown as a liability.

(v) Allocation of items between life assurance and non-life insurance

In order to account for items common to both life assurance and non-life insurance, the Company uses a method in compliance with Regulation No. 502/2002 Coll. Under this method, individual items are grouped according to the class of insurance to which they relate. For items that cannot be allocated directly, the Company uses a method based on an internal analysis of labour absorption and other internally determined allocation keys.

Expenses and income from financial placements

Expenses and income from financial placements which are directly related to life assurance activities are recorded in the technical account for life assurance.

Other expenses and income from financial placements which are not related to life assurance activities are recorded initially in the non-technical account and subsequently transferred to the technical account for non-life insurance.

Other expenses and income

During the accounting period clearly attributable expenses and income are accounted for directly in the relevant technical account for life assurance or non-life insurance or the non-technical account. Expenses and income that cannot be directly attributed are recorded primarily in the non-technical account and subsequently allocated to the technical account for life assurance or non-life insurance and also the relevant technical account of acquisition costs, claim handling costs and financial placement costs – when applicable.

The allocation is not applied to taxes, fees, or other expenses incurred outside insurance or reinsurance activities.

(w) Foreign currency translation

Transactions during the year are recorded at the CNB exchange rate effective as at the transaction date or at the rate at which the transaction was realised.

At the balance sheet date, foreign currency assets and liabilities are translated at the CNB official rate on that date.

Unless stated otherwise, foreign currency gains and losses are recorded in Company's profit and loss account.

(x) Consolidation

Pursuant to Section 38a of the Regulation No. 502/2002 Coll., the financial statements of the Company have been included in the consolidated financial statements of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe with its registered office in Austria, prepared in compliance with International Financial Reporting Standards. The consolidated financial statements of the parent Company will be published in accordance with Section 38a (2c) of the Regulation No. 502/2002 Coll. and in accordance with Section 21a of the Act on Accounting.

I. 5. Other material events

Apart from events stated in Financial statements there were no other material and relevant events during the year 2015.

I. 6. Risk management

The financial condition and operating results of the Company are affected by a number of key risks, namely, market risk, credit risk, currency risk, interest rate risk, liquidity risk, insurance risk, compliance risk, fiscal risk, regulation risk and solvency. The Company's policies and procedures in respect of managing these risks are set out below.

(a) Strategy in using financial instruments

The nature of the operations of the Company involves the managed acceptance of risk arising from the underwriting of policies, which incorporate financial guarantees and commitments. To mitigate the risk that these guarantees and commitments are not met the Company purchases financial instruments which in their nature and term broadly match the expected policy benefits payable.

The composition of the portfolio of investments is governed by the nature of the insurance liabilities, the expected rate of return applicable to each class of asset and the capital available to meet the price fluctuations of each asset class.

In addition to the insurance risk arising from the underwriting of policies, the Company is exposed to a number of risk factors including market risk, credit risk, foreign currency risk, interest rate risk and liquidity risk. These are discussed in more detail below. The Company also utilises various financial instruments to mitigate foreign currency and interest rate risk or, conversely, to maximise the return from investments

(b) Market risk

The Company is exposed to market risks. Market risks arise from trading positions in interest rates, currency and equity instruments and properties, all of which are exposed to common and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

The board of directors sets the strategy for the portfolio characteristics and the limits on the level of risk that may be accepted, monitored on a daily basis. Financial investments are diversified in accordance with currently valid Czech insurance legislation. Limits are set on financial investments in any one Company or industry.

However, this approach does not prevent losses outside of these limits due to more significant market movements. In the case of unit-linked products the market risk is fully borne by the policyholder.

(c) Credit risk

The Company is exposed to credit risk which arises from the counterparty failing to pay the amounts due in full.

Commercial and personal insurance is written primarily through intermediaries who are subject to rigorous annual checks of financial and other information, to mitigate the associated credit risk of dealing with these intermediaries.

The Company uses reinsurance in managing insurance risk. However, this does not discharge the Company from its liability as primary insurer, as if a reinsurer fails to pay a claim for whatever reason, the Company remains liable for the payment to the policyholder. The Company periodically monitors the creditworthiness of reinsurers. Reinsurers are selected from an internal list, which is issued and regularly updated by a special working group on VIG level. The Company determines the maximum acceptable cession limits for individual reinsurers based on the type of business and type of reinsurance policy.

Reinsurers are split into two general groups by the type of business. For each of the groups there is a mandatory condition to be included in a valuation list by reputable rating agencies with at least a minimal required rating level. Participation by reinsurers not included in the list can be exceptionally approved by the above-mentioned working group or by the management of the Company, based on the importance of the relevant situation.

When deciding on the structure of financial investments, the Company assesses the creditworthiness of counterparties or issuers, which is also subject to a subsequent regular review. The Company sets maximum limits for individual types of financial instruments and counterparties.

(d) Currency risk

Company assets and liabilities are denominated primarily in domestic currency. The company ensures that its net exposure against currency risk is kept at acceptable level. Currency risk is also limited by using financial derivatives.

(e) Interest rate risk

The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Such changes may result in both growth and decrease of the financial investment return. As a part of its investment strategy, the Company insulates itself from possible losses by controlling its rate of return which cannot decrease below the level of a technical interest rate. Based on a cash-flow-based analysis and analysis of income, the Company creates a portfolio of securities whose value is in line with the value of liabilities, upon a change in the interest rate.

(f) Liquidity risk

The Company is exposed to daily calls on its available cash resources from insurance claims, maturing policies and policy surrenders. Liquidity risk means the risk that payment of obligations may not be met on time and at a reasonable cost. In compliance with the valid legislation, the Company maintains a sufficient portion of its financial investments in liquid and secure financial instruments, which are used to cover insurance claims, maturities and surrenders. The Company monitors regularly, i.e. on a monthly basis, the level of premium receivables and the credit rating of its borrowers. The Company evaluates its cash flows on a daily basis and performs an analysis at regular weekly meetings. Liquid financial instruments are held to meet the cash requirements for claims, maturities and surrenders payments.

(g) Insurance risk

Insurance risk is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. Insurance risk includes the following risks:

- ▶ occurrence risk – the possibility that the number of insured events will differ from the expected number;
- ▶ severity risk – the possibility that the costs of the events will differ from the expected costs;
- ▶ provision risk – the possibility that changes may occur in the amount of an insurer's obligation at the end of a policy period.

The Company manages insurance risk through the following:

- ▶ the use of reinsurance to limit the Company's exposure to large single claims and catastrophes;
- ▶ maintenance of a surplus of readily available assets above the expected pattern of claim payments;
- ▶ the maintenance and use of sophisticated management information systems that provide up to date, reliable data on the risks to which the business is exposed at any point in time;
- ▶ the use of prudent underwriting contracts.

The nature of the insurance business is such that a number of assumptions have been made when compiling the financial statements. These include assumptions on investment returns, lapse rates, mortality rates and expenses in connection with in force policies.

The Company reinsurance programme consists mainly of proportionate reinsurance (quota/ surplus reinsurance) combined with excess of loss reinsurance.

(h) Compliance and fiscal risk, regulation and solvency

Adherence to regulatory requirements is monitored by internal compliance managers. Regular reports are also submitted to the board of directors.

Compliance risk includes the possibility that transactions may not be enforceable under applicable law or regulations. In addition, it includes the cost of the rectification and fines, and the possibility that changes in law or regulations could adversely affect the Company's position. The Company seeks to minimise compliance risk by ensuring that transactions are properly authorised and by submitting new or unusual transactions to legal advisers for review.

Fiscal risks arise from changes in tax laws and enforcement contracts and in reviews by authorities of tax positions the Company has taken. This risk and risks associated with changes in other legislation and regulations are managed through the ongoing review of proposed changes to tax legislation by relevant departments and by membership in relevant trade and professional committees which comment on drafted proposals.

Solvency margin requirements established by the regulator are in force for insurers. These are set to reinforce safeguards for the interests of policyholders, which primarily concern the ability to meet future claims payments to policyholders.

The actual solvency margin measures the excess of the value of the insurer's assets over the value of its liabilities, each element being determined in accordance with the applicable valuation rules. This margin must be higher than the required level throughout the year.

II. Additional disclosures with respect to the balance sheet

II. 1. Intangible fixed assets

Intangible fixed assets of the Company as at 31 December 2015 comprise the following items:

	Software	Goodwill	Other intangible fixed assets	Total
Acquisition cost at 1/1/2015	586 416	3 068 798	381 802	4 037 016
Additions	75 349		11 437	86 786
Disposals	0	0	0	0
Acquisition cost at 31/12/2015	661 765	3 068 798	393 239	4 123 802
Accumulated depreciation at 1/1/2015	488 425	3 068 798	380 642	3 937 865
Depreciation	79 929	0	9	79 938
Disposals	0	0	0	0
Accumulated depreciation at 31/12/2015	568 354	3 068 798	380 651	4 017 803
Net book value at 1/1/2015	97 991	0	1 160	99 151
Net book value at 31/12/2015	93 411	0	12 588	105 999

II. 2. Investment**(a) Land and buildings (real estate)**

Operating	2015	2014
Land	220 644	220 761
Valuation differences	27 896	29 864
Buildings	1 871 779	1 841 352
Valuation differences	-434 412	-403 102
Total operating land and buildings at fair value	1 685 907	1 688 875

Non-operating	2015	2014
Land	28 904	28 905
Valuation differences	-1 505	-2 731
Buildings	82 711	120 406
Valuation differences	-1 763	27 472
Total non-operating land and buildings at fair value	108 347	119 108
Total land and buildings at fair value	1 794 254	1 807 983

(b) Participating interests**Participating interests with controlling influence**

2015	Share of registered capital in %	Acquisition cost	Fair value	Total registered capital	Total equity	Profit or loss for the financial year	Dividend income/profit share
KIP, a.s.	100	182 219	240 069	179 877	240 069	14 826	12 000
SURPMO, a.s.	100	1 358	2 381	2 079	2 381	-514	0
S – budovy, a.s.	100	45 710	76 731	70 000	76 731	1 298	1 000
S – správa nemovitostí, a.s.	100	1 306	13 485	2 000	13 485	3 339	12 000
Benefita, a.s.	100	17 000	12 761	12 665	12 761	1 460	0
Global Expert, s.r.o.	100	200	10 754	200	10 754	3 733	1 000
Česká podnikatelská pojišťovna, a.s., VIG*	100	3 696 340	3 696 340	1 000 000	2 470 885	4 019 255	399 000
KAPITOL pojišť. a fin. poradenství, a.s.*	70	203 745	203 745	20 000	80 293	4 336	20 020
AIS Servis, s.r.o.*	70	108 175	108 175	7 400	56 257	20 524	27 090
VIG ND, a. s.**	79,03	2 430 899	2 099 940	2 671 000	2 657 006	12 915	46 482
VIG RE zajišťovna, a.s.**	10	250 000	370 553	2 500 000	3 642 761	511 301	38 676
Pojišťovna České spořitelny, a.s., Vienna Insurance Group*	5	501 296	501 296	1 900 100	3 621 322	790 038	29 156
VIG FUND uzavřený investiční fond, a.s.**	17,09	669 047	662 456	3 425	3 680 160	40 362	0
Celkem	N/A	8 107 295	7 998 686	N/A	N/A	N/A	586 424

* fair value cannot be defined objectively, therefore the participations are reported in the acquisition costs

** data are based on the unaudited final accounts as at 31 December 2015

VIG ND, a.s. was established by the transformation of V.I.G. ND, uzavřený investiční fond a.s. to a business corporation without the statute of an investment fund. The transformation became fully effective and came into force as at 1 January 2015. The companies above where the Company's share in registered capital does not exceed 20% are considered parties controlled by concerted practises between other VIG companies.

2014	Share of registered capital in %	Acquisition cost	Fair value	Total registered capital	Total equity	Profit or loss for the financial year	Dividend income/profit share
KIP, a.s.	100	182 219	237 244	179 877	237 244	9 096	0
SURPMO, a.s.	100	1 358	2 899	2 079	2 899	63	0
S – budovy, a.s.	100	45 710	76 432	70 000	76 432	1 093	1 000
S – správa nemovitostí, a.s.	100	1 306	22 346	2 000	22 346	3 579	1 000
UNIGEO a.s.							82 555
Benefita, a.s.	100	17 000	11 301	12 665	11 301	-3 432	0
Global Expert, s.r.o.	100	200	9 965	200	9 965	2 667	1 500
Česká podnikatelská pojišťovna, a.s., VIG*	100	3 696 340	3 696 340	1 000 000	2 517 960	513 623	356 850
KAPITOL poj. a fin. poradenství, a.s.*	70	203 745	203 745	20 000	105 068	6 081	4 620
AIS Servis, s.r.o.*	70	108 175	108 175	7 400	74 907	40 138	11 900
V.I.G. ND, uzavřený investiční fond a.s.	79,03	2 430 899	2 136 215	2 671 000	2 702 904	58 812	45 648
VIG RE zajišťovna, a.s.	10	250 000	340 208	2 500 000	3 705 535	460 833	31 452
Pojišťovna České spořitelny, a.s., VIG	5	501 296	501 296	1 900 100	3 543 822	855 121	27 066
VIG FUND uzavřený investiční fond, a. s.	17,09	669 047	679 614	3 425	3 733 975	-473 959	17 815
Celkem	N/A	8 107 295	8 025 780	N/A	N/A	N/A	581 406

* fair value cannot be defined objectively, therefore the participations are reported in the acquisition costs

** On 14 October 2014, the sale of 100% of the participation on UNIGEO, a.s. was incorporated into the Commercial Register.

Participating interests with significant influence

2015	Share of registered capital in %	Acquisition cost	Fair value	Total registered capital	Total equity	Profit or loss for the financial year	Dividend income/profit share
GLOBAL ASSISTANCE a.s.	40	74 261	74 261*	10 000	104 571	64 246	25 277
Total	N/A	74 261	74 261	N/A	N/A	N/A	25 277

* fair value cannot be defined objectively, therefore the participations are reported in the acquisition costs

2014	Share of registered capital in %	Acquisition cost	Fair value	Total registered capital	Total equity	Profit or loss for the financial year	Dividend income/profit share
GLOBAL ASSISTANCE a.s.	40	74 261	74 261*	10 000	103 525	74 345	68 600
Total	N/A	74 261	74 261	N/A	N/A	N/A	68 600

* fair value cannot be defined objectively, therefore the participations are reported in the acquisition costs

(c) Shares and other variable-yield securities, other participating interests

		Fair value		Acquisition cost	
		2015	2014	2015	2014
Other	- Listed on a recognized CR exchange	35 997	32 460	32 209	32 209
	- Listed elsewhere	1 917 768	2 295 694	1 916 197	2 050 698
	- Unlisted	3 185 594	2 430 768	3 382 861	2 553 417
Total		5 137 359	4 758 922	5 331 267	4 636 324

(d) Debt securities valued at fair value through profit-and-loss and available-for-sale securities

		Fair value		Acquisition cost	
		2015	2014	2015	2014
Issued by financial institution	- Listed on a recognized CR exchange	363 312	360 650	294 241	294 241
	- Listed elsewhere	178 334	608 607	173 882	546 523
	- Unlisted	0	0	0	0
Issued by non-financial institutions	- Listed on a recognized CR exchange	30 610	30 713	29 875	29 875
	- Listed elsewhere	83 395	82 868	79 395	79 395
	- Unlisted	0	0	0	0
Issued by government sector	- Listed on a recognized CR exchange	125 060	271 517	123 861	271 019
	- Listed elsewhere	285 528	1 248 857	213 239	1 020 536
	- Unlisted	0	0	0	0
Other	- Listed on a recognized CR exchange	513 106	166 628	512 211	164 512
	- Listed elsewhere	412 941	575 652	401 775	566 896
	- Unlisted	0	0	0	0
Total		1 992 286	3 345 492	1 828 479	2 972 997

(e) OECD debt securities held to maturity

	Reálná hodnota		Amortizovaná hodnota		Pořizovací cena	
	2015	2014	2015	2014	2015	2014
- Listed on a recognized CR exchange	42 684 882	41 564 717	33 695 933	32 984 825	32 215 630	32 458 747
Total OECD debt securities held to maturity	42 684 882	41 564 717	33 695 933	32 984 825	32 215 630	32 458 747

(f) Other debt securities held to maturity

	Fair value		Acquisition cost	
	2015	2014	2015	2014
	Reálná hodnota		Pořizovací cena	
Issued by financial institutions				
- Listed on a recognized CR exchange	0	0	0	0
- Listed elsewhere	342 567	356 975	269 907	269 907
- Unlisted	0	0	0	0
Issued by non-financial institutions				
- Listed on a recognized CR exchange	0	0	0	0
- Listed elsewhere	95 752	99 343	83 850	83 850
- Unlisted	0	0	0	0
Other				
- Listed on a recognized CR exchange	2 821 585	3 210 529	2 657 036	3 024 754
- Listed elsewhere	0	0	0	0
- Unlisted	288 835	301 849	286 578	286 578
Total	3 548 739	3 968 696	3 297 371	3 665 089

(g) Deposits with financial institutions

	Fair value		Acquisition cost	
	2015	2014	2015	2014
Deposits	3 030 100	846 100	3 030 100	846 100
Total	3 030 100	846 100	3 030 100	846 100

(h) Other financial placements

	Nominal value/ Acquisition value		Fair value	
	2015	2014	2015	2014
Forwards	1 228 790	2 573 271	26 986	-74 539
Works of art	71 060	71 060	150 200	150 200
Total	N/A	N/A	177 186	75 661

All derivatives used in the Company are foreign currency derivatives. Their fair value changes are based on the development of foreign exchange rates of USD and EUR to CZK from currency hedge to revaluation at the end of the accounting period.

II. 3 Financial placements for the benefit of life assurance policyholders who bear the investment risk

Description	Fair value	
	2015	2014
Shares and other variable-yield securities	3 761 643	3 556 286
Total	3 761 643	3 556 286

II. 4. Currency structure of the financial placement

Currency	Variable-yield securities	Fixed-income securities	Deposits and another financial placements	Securities where the investment risk is borne by the policyholders
	2015	2015	2015	2015
CZK	2 484 177	38 791 541	13 081 687	2 601 326
EUR	1 435 255	416 589	0	1 160 317
GBP	41 502	0	0	0
USD	1 176 425	0	0	0
PLN	0	28 828	0	0
Total	5 137 359	39 236 958	13 081 687	3 761 643

Currency	Variable-yield securities	Fixed-income securities	Deposits and another financial placements	Securities where the investment risk is borne by the policyholders
	2014	2014	2014	2014
CZK	1 906 099	38 365 159	10 841 785	2 505 879
EUR	1 722 290	587 768	0	1 050 407
GBP	0	55 186	0	0
USD	1 130 533	1 241 844	0	0
PLN	0	49 056	0	0
Total	4 758 922	40 299 013	10 841 785	3 556 286

II. 5. Receivables

As at 31 December 2015	Receivables from policy holders	Receivables from insurance intermediaries	Receivables from reinsurance operations	Other receivables	Total
Due	177 108	3 314	11 564	429 332	621 318
Overdue	1 652 026	32 063	0	3 595	1 687 684
Total	1 829 134	35 377	11 564	432 927	2 309 002
Adjustment	-488 181	-22 603	0	-3 595	-514 379
Total net	1 340 953	12 774	11 564	429 332	1 794 623

As at 31 December 2014	Receivables from policyholders	Receivables from insurance intermediaries	Receivables from reinsurance operations	Other receivables	Total
Due	351 841	3 029	39 935	605 041	999 846
Overdue	1 682 444	106 140	0	3 218	1 791 802
Total	2 034 285	109 169	39 935	608 259	2 791 648
Adjustment	-666 114	-98 515	0	-3 218	-767 847
Total net	1 368 171	10 654	39 935	605 041	2 023 801

(a) Other receivables

	2015	2014
Inter-company receivables	19 510	21 137
Deferred tax assets	46 792	125 263
Income tax prepayments	59 841	196 697
Other provided prepayments	268 496	220 814
Other receivables	34 693	41 130
Total other receivables	429 332	605 041

II. 6. Other assets

(a) Tangible fixed assets

	Total
Acquisition cost at 1/1/2015	743 756
Additions	107 942
Disposals	79 142
Acquisition cost at 31/12/2015	772 556
Accumulated depreciation at 1/1/2015	465 490
Depreciation expense	66 770
Disposals	64 320
Accumulated depreciation at 31/12/2015	467 940
Net book value at 1/1/2015	278 266
Net book value at 31/12/2015	304 616

II. 7. Temporary asset accounts

Deferred acquisition costs for life insurance policies	2015	2014
Classic life insurance	4 888	7 188
Unit-linked life insurance	2 553 931	2 664 420
Total	2 558 819	2 671 608

Other temporary assets accounts	2015	2014
Reinsurance estimated receivables	358 927	374 863
Other estimated receivables	52 908	26 988
Accumulated debt	1 979 962	1 616 446
Deferred maintenance commission	214 754	327 996
Other	143 388	126 489
Total	2 749 939	2 472 782

Estimated receivables arising from reinsurance operations

The Company discloses under estimated receivables arising from reinsurance operations an estimate of the appropriate profit commission from the reinsurers' share in the estimated written premiums disclosed above and the not-yet-agreed receivables due from reinsurers for the fourth quarter.

II. 8 Equity

(a) Registered capital

Issue	Nominal value	Number of securities	Total volume
Ordinary shares fully paid	100	14 998	1 499 800
Ordinary shares	94.1	1	94
Ordinary shares of CZK 29 500 fully paid	29.5	1	30
Ordinary shares of CZK 76 400 fully paid	76.4	1	76
Preference shares of CZK 100 000 fully paid	100	15 000	1 500 000
Total		30 001	3 000 000

The amount of registered capital complies with the requirements of the Insurance Act, with regard to the insurance classes in which the Company is authorized to carry on insurance activities.

(b) Other capital accounts

Other capital funds comprise the revaluation of assets and liabilities at fair value.

	2015	2014
Balance as at 1/1	1 076 800	1 240 080
Change in fair value of financial placement	-128 415	-66 982
De-posting the balance of valuation difference arising from revaluation of financial placement in P&L report upon revaluation, permanent value reduction or upon maturity.	-30 666	-99 849
Change in deferred tax	4 585	3 551
Balance as at 31/12	922 304	1 076 800

(c) Planned distribution of current-period profit

Profit from the current period	2 817 903
Transfer to social fund	51 129
Transfer from retained earnings	344 991
Dividends	2 421 783
Total	2 817 903

II. 9. Technical provisions

(a) Provision for unearned premiums (gross)

	2015	2014
Non-life insurance	4 943 007	4 800 091
Life assurance	216 999	240 459
Total	5 160 006	5 040 550

(b) Provision for outstanding claims

The provision for outstanding claims at the end of the financial year is created as follows:

	2015	2014
RBNS	12 563 543	12 496 065
IBNR	2 613 190	3 420 360
Total	15 176 733	15 916 425

Claims run-off result

The claims run-off result is the difference between the provision for outstanding claims as at 31 December 2014, the claims payments during 2015 (with respect to claims included within this provision) and the residual amount of this provision as at 31 December 2015.

The gross amount of the result is disclosed in the following overview:

Class of insurance	2015	2014
Motor third-party liability insurance *	1 627 699	753 296
Motor insurance – other classes	115 152	397 510
Insurance for fire and other damage to property	155 480	560 109
Liability insurance	214 235	1 921 944
Other	11 006	323 485
Total	2 123 572	3 956 345

* The Company reassessed the level of mean value of small claims in respect of the motor third party liability insurance. The mean value is newly based on the amount of incurred claims. In previous years the mean value was based primarily on the amount of claims reported.

(c) Overview of provisions for meeting obligations arising from technical interest rate and other calculation parameters for all risks split up according to the product groups

Overview	2015	2014
Marriage insurance	0	9 053
Annuities	2 113 917	1 979 094
Deposit	102 638	111 783
Total	2 216 555	2 099 930

(d) Provision for bonuses and rebates (gross)

Class of insurance	2015	2014
Non-life insurance	290 893	271 332
Life assurance	243 820	244 760
Total	534 713	516 092

II. 10. Provisions

Type of provision	2015	2014
Provision for pensions and similar liabilities	90 483	81 218
Other provisions	3 765	3 765
Total	94 248	84 983

II. 11. Payables

(a) Subordinated liabilities

The subordinated debt that is specified as a policy for an indefinite period with a 5-year cancellation period. Principal of the subordinated debt as at 31 December 2015 was TCZK 550 000 (2014: TCZK 550 000) and the amount of related interest was TCZK 7 001 (2014: TCZK 7 001).

(b) Creditors

As at 31 December 2014	Payables to policy holders	Payables to insurance intermediaries	Payables from reinsurance operations	Other payables	Total
Total	2 404 573	90 358	17 350	617 984	3 130 265

As at 31 December 2014	Payables to policy holders	Payables to insurance intermediaries	Payables from reinsurance operations	Other payables	Total
Total	2 013 706	122 507	15 081	846 439	2 997 733

All liabilities are short-term.

(c) Social security and health insurance liabilities

Liabilities in respect of social security and health insurance total TCZK 65 452 (2014: TCZK 62 390) of which TCZK 41 277 (2014: TCZK 41 161) relates to social security and TCZK 24 175 (2014: TCZK 21 229) relates to health insurance. None of these liabilities are overdue.

(d) Tax liabilities

Tax liabilities amount to TCZK 77 508 (2014: TCZK 136 784). None of these liabilities are overdue.

(e) Payables and receivables due to, or from, the reinsurer

The Company has a net liabilities from reinsurers of TCZK -5 786 (2014: TCZK 24 854).

II. 12. Temporary liability accounts

	2015	2014
Prepaid premium	282 309	294 429
Accrual of reinsurance premium	150 400	153 643
Commissions estimated payables	121 720	198 194
Reinsurance estimated payables	187 861	265 340
Administration costs estimated payables	959 568	784 143
Estimated payables to Loss Prevention Fund	8 791	9 041
Other	377	48 450
Total	1 711 026	1 753 240

II. 13. Inter-company receivables and payables

The following related party balances were outstanding:

Receivables	2015	2014
Receivables from reinsurance	4 937 440	4 946 709
Other receivables	116 706	92 195
Total receivables	5 054 146	5 038 904
Payables	2015	2014
Payables from reinsurance	3 840 863	3 726 206
Subordinated debt	557 001	557 001
Other payables	655 251	686 497
Total payables	5 053 115	4 969 704

Reinsurance receivables include reinsurance assets in the amount of TCZK 4 723 987 (2014: TCZK 4 705 005). Payables from reinsurance include reinsurance deposits in the amount of TCZK 3 623 367 (2014: TCZK 3 537 674).

III. Additional disclosures with respect to the profit and loss account

III. 1. Non-life insurance

Non-life insurance for 2015 and 2014 divided by classes of insurance:

	Insurance class	Year	Gross premiums written	Gross premiums earned	Gross claims paid	Gross operating expenses	Reinsurance balance	
Direct insurance	Accident and sickness	2015	207 090	210 836	53 431	57 542	25 194	
		2014	220 521	225 693	51 282	58 660	45 542	
	Motor – third-party liability insurance	2015	4 314 227	4 321 826	1 951 480	1 198 753	417 886	
		2014	4 339 499	4 251 876	3 075 000	1 154 331	695 843	
	Motor insurance – other classes	2015	3 912 637	3 859 242	2 818 250	1 087 167	28 505	
		2014	3 769 153	3 768 295	2 597 270	1 002 616	274 035	
	Insurance against fire and other damage to property	7, 8, 9	2015	5 496 661	5 463 239	1 761 348	1 527 305	1 376 202
			2014	5 321 457	5 329 005	1 892 354	1 415 538	57 937
	Liability insurance	11–18	2015	2 550 205	2 486 731	1 906 040	708 601	-191 125
			2014	2 299 932	2 274 807	802 866	611 795	-149 130
Employer's liability insurance		2015	5 381 086	5 381 086	3 188 105	215 243	0	
		2014	5 162 261	5 162 261	3 105 326	464 604	0	
Reinsurance accepted		2015	524 953	520 983	145 326	145 864	151 351	
		2014	487 274	494 209	240 637	129 616	113 984	
Total		2015	22 386 860	22 243 944	11 823 979	4 940 476	1 808 013	
		2014	21 600 097	21 506 146	11 764 735	4 837 160	1 038 211	

III. 2. Life assurance

Gross premiums written in life assurance:

	2015	2014
Individual premium	9 039 688	10 119 262
Premiums under group contracts	20 611	18 250
Total	9 060 299	10 137 512
Regular premium	6 513 778	6 454 426
Single premium	2 546 521	3 683 086
Total	9 060 299	10 137 512
Premiums from non-profit-sharing contracts	39 975	40 849
Premiums from profit-sharing contracts	2 804 854	3 935 541
Premiums from policies where the investment risk is borne by policyholders	6 215 470	6 161 122
Total	9 060 299	10 137 512
Reinsurance balance	-32 294	31 520

III. 3. Total amount of Gross premiums written by country

All gross written premiums arise from insurance policies concluded in the Czech Republic.

III. 4. Bonuses and rebates

The Company granted the following bonuses and rebates based on policy conditions and insurance policies:

	2015	2014
Gross		
Non-life insurance	435 129	430 891
Life assurance	- 940	-10 184
Total gross amount	434 189	420 707
Reinsurers' share (non-life insurance)	1 162	-1 704
Total net amount	435 351	419 003

III. 5. Commissions and other acquisition costs for insurance contracts

	2015			2014		
	Non-life insurance	2014 Life assurance	Total	Non-life insurance	Life assurance	Total
Commissions						
Initial	1 355 653	1 552 924	2 908 577	1 296 742	1 482 758	2 779 499
Subsequent	1 169 396	0	1 169 396	1 168 525	0	1 168 525
Total commissions	2 525 049	1 552 924	4 077 973	2 465 267	1 482 758	3 948 024
Other acquisition costs	1 615 097	569 914	2 185 011	1 765 585	666 636	2 432 221
Change in deferred acquisition costs	11 308	112 789	124 097	-49 917	282 376	232 459
Change in the deferred overheads	113 242	0	113 242	-29 068	0	-29 068
Total commissions and other acquisition costs	2 982 057	2 235 627	5 217 684	3 012 410	2 431 770	5 444 179

The Company discloses subsequent commissions in overheads (see also I.5). Other acquisition costs primarily comprise costs for wages and salaries, promotion, advertising and other administrative expenses associated with the conclusion of insurance contracts.

III. 6. Administrative expenses

	2015	2014
Personnel costs (payroll, social security, health ins.)	981 585	947 706
IT costs incl. IT assets write-offs	494 047	591 931
Costs related to building operation	219 417	225 110
Communication (phone + postage)	56 109	66 546
Other service	29 682	57 690
Costs of Company vehicles incl. write-offs	17 675	20 920
Material	11 884	14 795
Insurance	26 465	24 853
Bank fees	23 796	23 417
Consultancy	21 300	66 345
Representation and gifts	33 069	25 936
Write-offs of other assets	3 034	1 738
Education	9 992	12 295
Travel costs	10 667	14 974
Outsourcing	-146 998	-131 224
Other financial costs	31 171	49 032
Following commission	1 169 396	1 168 525
Deferred following commissions	113 242	-29 068
Total administrative expenses	3 105 532	3 151 521
Reallocation to acquisition costs	- 377 245	-500 740
Reallocation to claims handling costs	- 451 626	- 474 948
Reallocation to costs of financial placement	- 82 156	-94 960
Total administrative expenses	2 194 504	2 080 873

III. 7. Other technical expenses and income

	2015	2014
Non-life insurance		
Other technical expenses	2 404 517	1 798 621
Other technical income	285 581	96 188
Balance – non-life insurance	2 118 936	1 702 433
Life assurance		
Other technical expenses	187 027	292 406
Other technical income	535 288	661 411
Balance – life assurance	-348 261	-369 005

The balance of other technical expenses and income in non-life insurance comprises the following items:

	2015	2014
Addition (+)/Utilisation (-) of adjustments for receivables	-151 186	67 323
Write-offs (+)/payments after write-offs (-) to receivables	187 695	-6 614
Mandatory liability insurance – contribution to national budget	1 977 738	1 592 332
Exchange rate loss (+)/profit (-)	-25 246	-25 395
Contribution to Loss Prevention Fund	127 397	128 310
Delegated claims	-20 094	-22 058
Other	22 631	-31 465
Balance of other expenses and income	2 118 936	1 702 433

The balance of other technical expenses and income in life insurance comprises the following items:

	2015	2014
Addition (+)/Utilisation (-) of adjustments for receivables	-102 658	-40 604
Write-offs (+)/payments after write-offs (-) to receivables	139 744	83 563
Accumulated debt	-363 517	-385 456
Other	-21 830	-26 508
Balance of other expenses and income	-348 261	-369 005

III. 8. Other expenses and income

	2015	2014
Non-technical account		
Other expenses	74 170	98 435
Other income	18 620	113 340
Balance of other expenses and income (- expenses/ + income)	-55 550	14 905

The development of other expenses and income has been primarily influenced by the change of the volume of provided financial intermediation services. Furthermore, there is also visible the creation/release of provisions for employees' benefits; which depends on the regular update of the assumptions.

III. 9. Employees and executives

The average number of employees and executives and remuneration for 2015 and 2014 are as follows:

2015	Average number of employees	Payroll expense	Social and health insurance	Other expenses
Employees	3 621	1 937 313	612 280	18 570
Executives	29	143 358	22 605	0
Total	3 650	2 080 671	634 885	18 570

2014	Average number of employees	Payroll expense	Social and health insurance	Other expenses
Employees	3 677	1 949 515	608 938	18 440
Executives	30	132 972	18 833	0
Total	3 707	2 082 307	627 771	18 440

- ▶ Personnel expenses (payroll, social security and health insurance, other expenses) for administrative employees are disclosed in administrative expenses.
- ▶ Personnel expenses of employees concluding insurance are disclosed in acquisition costs, totalling TCZK 1 747 282 in 2015 (2014: TCZK 1 889 981).
- ▶ Personnel expenses of employees responsible for claims handling are disclosed in claims paid, totalling TCZK 278 364 in 2015 (2014: TCZK 269 482).
- ▶ Personnel expenses of employees responsible for investment management are disclosed in investment management charges, totalling TCZK 25 733 in 2015 (2014: TCZK 24 243).

(a) Statutory, Executive and Supervisory Board members' remuneration

The Company has provided the following monetary and non-monetary remuneration to the statutory, executive and supervisory board members for the financial years 2015 and 2014:

	2015	2014
Members of the Board of Directors	67 187	39 970
Members of the Supervisory Board	6 787	6 859
Total remuneration paid	73 974	46 829

(b) Statutory, Executive and Supervisory Board members' loans, other receivables and advances

As at 31 December 2015 and 2014, the Company has no receivables from the Board of Directors or the Supervisory Board related to provided loans and advances.

(c) Information on remuneration for statutory auditors

The information relating to the fees paid and payable for services performed by the audit company is included in the consolidated financial statements of the parent company VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe.

III. 10. Expense transfer between technical accounts and non-technical account

As at the balance sheet date the total amount of expenses allocated between the technical accounts for life assurance, non-life insurance and the non-technical account by means of the method stated in point I.4.(x) amounted to TCZK 950 154 (2014: TCZK 1 376 602).

III. 11. Result of non-technical account

The result of the non-technical account before tax as at 31 December 2015 amounted to TCZK -55 550 (2014: TCZK 14 905).

III. 12. Profit before tax

The result before tax as at 31 December 2015 amounted to TCZK 3 330 110 (2014: TCZK 3 073 458).

III. 13. Taxation

(a) Income tax in the profit and loss account

	2015	2014
Current tax expense	433 761	382 193
Deferred tax expense	83 055	28 031
Other	- 6 438	-3 324
Total income tax charge	510 378	406 900

(b) Deferred tax assets and liabilities

Deferred tax assets and liabilities are as follows:

	2015	2014
Goodwill and other temporary differences from intangible assets	119 854	158 725
Adjustments and provisions	87 095	118 995
Depreciation of property	-158 531	-146 249
Revaluation differences in equity	-1 626	-6 210
Deferred tax asset/liability	46 792	125 263

The change in the net deferred tax asset can be analysed as follows:

	2015	2014
Net deferred tax asset as at 1 January	125 263	149 743
Deferred tax income recognised on temporary differences	-83 055	-28 031
Change in revaluation differences in equity (Note 11.2)	4 585	3 551
Net deferred tax asset as at 31 December	46 792	125 263

IV. Other disclosures

IV. 1. Contingent liabilities

(a) Co-insurance

The Company is the leading co-insurer in several coinsurance contracts in respect of which a claim of a material amount has been reported as at the end of the accounting period.

The Company considers it improbable that the beneficiary will file a claim against the Company as the leading co-insurer, and has therefore established a provision for outstanding claims only in the amount of its share.

(b) Membership in the Czech Bureau of Insurers (the Bureau)

As a member of the Bureau, the Company is obliged to guarantee the liabilities of the Bureau pursuant to the Act on Motor Third Party Liability Insurance. The Company contributes to the guarantee fund and creates the provision for liabilities of the Bureau. The amount of the contribution and the provision for liabilities of the Bureau is determined by actuarial methods.

If any of the members of the Bureau would be unable to meet their obligations arising from the statutory motor third-party liability insurance due to insolvency, the Company may become liable to make additional contributions to the guarantee fund.

(c) Membership in the Czech Nuclear Pool

As a member of the Czech Nuclear Pool, the Company, under a Joint and Several Liability agreement, has assumed a liability, in proportion to the Company's net retention for the given policy, should one or more members of the Czech Nuclear Pool be unable to fulfil their obligation. The total contingent liability of the Company including joint and several liability is contractually limited to double the retention for the specific insured risk.

(d) Office building

The Company has signed a lease agreement with the company of V.I.G. ND, a.s., letting offices at the building of Main Point Karlín for 20 years, starting with 1 January 2012.

(e) Contingent liabilities

As at the date of preparation of financial statements, the management of the Company has not been aware of any other significant commitments and potential future liabilities.

IV. 2. Subsequent events

The Company's management is not aware of any material subsequent events that have occurred since the balance sheet date that would have a material impact on these financial statements.

In Prague, April 4th 2016



Ing. Martin Diviš, MBA,
Chairman of Board of Directors



Gary Mazzotti, B.A. (Hons) A.C.A.,
Member of Board of Directors

ORGANISATIONAL CHART



Organisational chart – As of March 1, 2016

Board of Directors

Ing. Martin Diviš, MBA
Chairman of the Board
and CEO

Gary Mazzotti, B.A. (Hons) A.C.A.
Member, since April 1, 2014

Jiří Sýkora
Member

JUDr. Hana Macháčová
Member,
Deputy Chairwoman

Mgr. Filip Král
Member

RNDr. Petr Zapletal, MBA
Member

Supervisory Board*

Dkfm. Karl Fink
Vice-Chairman

Mag. Roland Gröll
Member

Mgr. Martin Laur
Member

JUDr. Rostislav Dvořák
Vice-Chairman

Mag. Erwin Hammerbacher
Member

Jan Růžička
Member

prof. Ing. Eva Ducháčková, CSc.
Member

Ing. Jaroslav Kučera, MBA
Member

Jan Wiesner
Member

Ing. Roman Brablec
Member

Dr. Ing. Vratislav Kulhánek
Member

Agencies

Prague Agency
Ing. Ivo Sebera, MBA

West Bohemia Agency
Arnošt Bergmann

South Moravia Agency
Ing. Jaroslav Kučera, MBA

Central Bohemia Agency
PhDr. Roman Leština, MBA

North Bohemia Agency
Ing. Roman Kracík, MBA

North Moravia Agency
Ing. Zbyněk Dostál

South Bohemia and Vysočina Agency
Jiří Vančura

East Bohemia Agency
Bc. Roman Hojný, MBA

***Dr. Peter Hagen**

Chairman of the Supervisory Board
until December 31, 2015

Centres

Claims Settlement Centre – Property,
Liability
Ing. Miroslav Novák

Claims Settlement Centre – Motor
Vehicles
Ing. Milan Gregor

Workmen's Compensation
Insurance Centre
JUDr. Ladislav Žák

Contract (Policy) Administration Centre
Ing. Radmila Dočekalová

Customer Services Centre
Ing. Tomáš Szewieczek

Sections

General Secretariat
Ing. Jaroslav Suk

Legal Section
Mgr. Martin Laur

Property and Liability Insurance
Section
Ing. Radek Starosta

Human Resources Section
Mgr. Jan Března

Car Insurance Section
Ing. Michal Němec

Management of External Business
Relationships Section
Ing. Richard Procházka

Insurance of Economic Risks Section
JUDr. Petr Suchánek, Ph.D.
(responsible for the management)

Internal Business Relationships Section
Ing. Radek Burian

Personal Insurance Section
Mgr. Filip Král

Procurement and Services Section
Ing. Jaroslav Suk

Economics Section
Mgr. Ing. Judita Říhiová

Actuary and Risk
Management Services
Mgr. Jan Šváb, Ph.D.

Information Technology Section
Ing. Karel Pavlík

Business Operations Support Section
Ing. Michal Dlhopolček

Internal Audit Section
JUDr. Karel Hromada

Treasury Section
Ing. Luděk Marek

Planning and Controlling Section
Ing. Evžen Heřman

Reinsurance Section
Ing. Roman Brablec

Marketing and Product Development
Section
Ing. Milan Medek

Addresses of the Organisation's Units

The Company's business network is managed through eight regional agencies. Kooperativa provides its services to clients from more than three hundred offices and retail locations located throughout the country. Insurance from Kooperativa can also be purchased through the branch offices of the Česká Spořitelna bank.

As of March 1, 2016

Head Office

Pobřežní 665/21
186 00 Praha 8
☎ 956 421 111

Commercial Risk

Insurance Department

Pobřežní 665/21
186 00 Praha 8
☎ 956 421 111

Property and Liability

Insurance Department

Pobřežní 665/21
186 00 Praha 8
☎ 956 421 111

Motor Vehicle Insurance

Department

Pobřežní 665/21
186 00 Praha 8
☎ 956 421 111

Personal Line Insurance

Department

Pobřežní 665/21
186 00 Praha 8
☎ 956 421 111

Centre of Occupational Injury Liability Insurance

Rašínova 692/4
602 00 Brno
☎ 545 556 241

Customer Support Centre

Brněnská 634
664 42 Modřice
☎ 545 434 002

Claims Adjustment Centre – Property and Liability

Rumunská 655/9
460 01 Liberec 4
☎ 485 218 801

Claims Adjustment Centre – Motor Vehicles

Sámova 664/8
101 00 Praha 10
☎ 272 112 111

Centre of Insurance Contract Administration

Brněnská 634
664 42 Modřice
☎ 545 434 004

Prague Agency

Vinohradská 1425/72
130 00 Praha 3
☎ 251 016 103

Central Bohemia Agency

Celetná 590/25
110 00 Praha 1
☎ 956 426 070

North Bohemia Agency

nám. Dr. E. Beneše 25
460 01 Liberec 1
☎ 485 258 111

South Bohemia and Vysočina Agency

Zátkovo nábřeží 441/3
370 21 České Budějovice
☎ 386 791 111

West Bohemia Agency

Zahradní 2574/3
326 00 Plzeň
☎ 377 417 111

East Bohemia Agency

tř. Míru 94
530 02 Pardubice
☎ 466 890 111

North Moravia Agency

Zámecká 1240/19
702 00 Ostrava
☎ 596 279 811

South Moravia Agency

Nádražní 163/14
602 00 Brno
☎ 543 534 111

Report of the Board of Directors

on relationships between related parties under the provisions of Section 82 Business Corporations Act No.90/2012 Coll.

Part I. Parties Forming the Holding

1. Controlled party

Company of **Kooperativa pojišťovna, a.s., Vienna Insurance Group**

Registered office at **Pobřežní 665/21, 186 00 Praha 8**

Company ID: **47116617**

Incorporated in the Commercial Register administrated by the Municipal Court in Prague, File No. B 1897 (hereinafter referred to as Kooperativa)

Kooperativa is a business company which is active in the field of insurance business pursuant to the Insurance Act No. 277/2009 Coll., as amended. The line of business is specified in the Company's Articles and recorded in the Commercial Register.

2. Controlling party

Company of **VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe**

Registered office at **Schottenring 30, Vienna 1010, Austria**

Incorporated in the Commercial Register administrated by the Trade Court in Vienna, File No. FN 75687 F (hereinafter referred to as VIG AG)

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, registered office at Schottenring 30, A-1010 Vienna, Austria (hereinafter referred to as VIG AG) is a joint-stock company and its line of business is specified in the Company's Articles.

3. Related parties

The list of affiliated companies of VIG AG including the share in the authorized capital constitutes an annex hereto.

Part II. Relationship Between the Holding Parties

1. Manner of Controlling

VIG AG owns shares of Kooperativa with a total nominal value amounting to 96.32% of the authorized capital.

2. Relationship Structure

The share of VIG AG in other affiliated companies in percentages of the authorized capital is given in an annex hereof.

Part III. Relevant Period

This report is compiled for the last accounting period, i.e. from 1 January 2015 to 31 December 2015.

Part IV. Contracts and Agreements Concluded Between Holding Parties

1. Contracts and agreements concluded between VIG AG and Kooperativa in 2015

- ▶ Reinsurance treaties between Kooperativa and VIG AG
- ▶ Contracts between Kooperativa and Vienna Insurance Group AG for Protection and Processing of Data and Personal Data
- ▶ Contract between Kooperativa and Vienna Insurance Group AG for Providing Licences for HP Project and Portfolio Management Center software
- ▶ Wide Area Network Contract between Kooperativa and Vienna Insurance Group AG
- ▶ Contract between Kooperativa and Vienna Insurance Group AG for Usage of SAP Insurance Modules Provided to VIG
- ▶ SAP Licence Agreement between Kooperativa and Vienna Insurance Group AG
- ▶ Contract between Kooperativa and Vienna Insurance Group AG for Providing Data Centre Services
- ▶ Contract between Kooperativa and Vienna Insurance Group AG for licence and maintenance
- ▶ Contracts between Kooperativa and Vienna Insurance Group AG for Providing Reinsurance Cover for Insurance of Property and Liability Perils

2. Contracts and agreements concluded between Kooperativa and other controlled parties in 2015, where the controlling party is VIG AG

- ▶ Reinsurance Treaty between Kooperativa and VIG Re.
- ▶ Reinsurance Treaty between Kooperativa and DONAU Versicherung AG Vienna Insurance Group, Vienna
- ▶ Reinsurance Treaty between Kooperativa and Compensa Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Insurance Group, Warsaw
- ▶ Insurance Contract between Kooperativa and AIS Servis, s.r.o. for insurance of property and liability perils
- ▶ Insurance Contract between Kooperativa and Anděl Investment Praha s.r.o. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and GLOBAL ASSISTANCE a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and Global Expert, s.r.o. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and HOTELY SRNÍ, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and KAPITOL, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and Mělnická zdravotní, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and Pojišťovna České spořitelny, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and S - správa nemovitostí, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and Sanatorium Astoria a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and SURPMO, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and VIG ND, a.s. for insurance of property and liability perils
- ▶ Insurance contracts between Kooperativa and VIG FUND uzavřený investiční fond for insurance of property and liability perils
- ▶ Contracts between Kooperativa and Česká podnikatelská pojišťovna, a.s., for providing reinsurance cover for insurance of property and liability perils
- ▶ Contracts between Kooperativa and DONARIS Vienna Insurance Group for providing reinsurance cover for insurance of property and liability perils
- ▶ Contracts between Kooperativa and WIENER RE Beograd for providing reinsurance cover for insurance of property and liability perils
- ▶ Contracts between Kooperativa and Wiener Städtische Versicherung for providing reinsurance cover for insurance of property and liability perils
- ▶ Contract between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group for coinsurance for insurance of property and liability perils
- ▶ Contract between Kooperativa and Wiener Städtische Versicherung for coinsurance for insurance of property and liability perils

- ▶ Contract between Kooperativa and Sopockie Towarzystwo Ubezpiecz for providing reinsurance cover for insurance of property and liability perils
- ▶ Contract on Facility Management of the North Moravia Branch Office between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Contract for Exclusive Commercial Representation No. 4116-9930001756/01-2014-ACS between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Agreement on Extraordinary Commission for Financial Products of Česká spořitelna No. 4600-9930001756/03-2015-MP between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract for Commercial Representation No. 4116-400500/10-2015-A between Kooperativa and Pojišťovna České spořitelny, a.s., Vienna Insurance Group
- ▶ Contract for Commercial Representation No. 4600-109017/01-2014-ACS between Kooperativa and KAPITOL pojišťovací a finanční poradenství, a.s.
- ▶ Agreements on Extraordinary Commission for Financial Products between Kooperativa and KAPITOL pojišťovací a finanční poradenství, a.s.
- ▶ Insurance Contract between Kooperativa and VIG RE zajišťovna, a.s. for risk insurance of persons with supplementary insurances and possibility of additional insurance No. 4950050683
- ▶ Insurance Contract between Kooperativa and Global Expert s.r.o. for risk insurance of persons with supplementary insurances and possibility of additional insurance No. 5810842646
- ▶ Insurance contracts between Kooperativa and KAPITOL, a.s. for life insurance
- ▶ Insurance contracts between Kooperativa and AIS Servis, s.r.o. for life insurance
- ▶ Insurance contracts between Kooperativa and HOTELY SRNÍ for life insurance
- ▶ Insurance contracts between Kooperativa and Global Expert s.r.o. for accidental insurance of children for single premium
- ▶ Maintenance contract between Kooperativa and AIS Servis, s.r.o.
- ▶ Contracts for Services between Kooperativa and AIS Servis, s.r.o.
- ▶ Contract of Sublease of Premises at Koliště 1856/1, Brno between Kooperativa and AIS Servis, s.r.o.
- ▶ General Agreement on Consultancy Services between Kooperativa and AIS Servis, s.r.o.
- ▶ Lease Contract for Non-Residential Premises at Templová 747, Praha 1 between Kooperativa and Benefita, a.s.
- ▶ Contract for Cost Sharing between Kooperativa and Benefita, a.s.
- ▶ Contracts of lease and sublease of non-residential premises between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Agreement on Intercompany Cooperation between Kooperativa nad Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract Granting Authorisation for Usage and Other Matters Related to SAP Software between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ General agreements on marketing research between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group for making "DATA FROM THE REGISTER OF TERRITORIAL IDENTIFICATION, ADDRESSES AND REAL ESTATES" accessible in electronic form
- ▶ Contract for Cost Sharing between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract for Carriage of Goods between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Partial Contract for Delivery of the Central Supervision System between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract for Delivery of Hardware, Software and Services between Kooperativa and Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group
- ▶ Contract of Lease of Non-Residential Premises and Office Equipment between Kooperativa and Global Expert, s.r.o.
- ▶ Contract of Sublease of Non-Residential Premises and Office Equipment between Kooperativa and Global Expert, s.r.o.
- ▶ Mutual Cooperation Agreement between Kooperativa and Global Expert, s.r.o.
- ▶ Contract between Kooperativa and Global Expert, s.r.o. for car hire
- ▶ Contract for Cost Sharing between Kooperativa and Global Expert, s.r.o.
- ▶ Contract of Sublease of Premises Used for Business Purposes between Kooperativa and Global Expert, s.r.o.

- ▶ Advertising Contract between Kooperativa and HOTELY SRNÍ, a.s.
- ▶ Contract between Kooperativa and HOTELY SRNÍ, a.s. for Providing Hotel Stays and Other Services
- ▶ Distribution Contract on National Level between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Contract for Cost Sharing between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Sublease Agreement for Non-Residential Premises at Pardubice, Náměstí republiky 1400 between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Intercompany Cooperation Agreement between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Contract between Kooperativa and Pojišťovna České spořitelny, a.s. for Cooperation when Using Non-Residential Premises of Buildings with House No. 115 and 1400 in Pardubice
- ▶ Lease Contract for Non-Residential Premises at Praha 1, Opletalova 1626 between Kooperativa and S - Budovy, a.s
- ▶ Contract between Kooperativa and Sanatorium Astoria, a.s. for Renting of Advertising Hoarding
- ▶ Cooperation Agreement between Kooperativa and Slovexperta, s.r.o.
- ▶ Contract between Kooperativa and S-správa nemovitostí, a.s. for Facility Management of a Building and Non-Residential Premises at Staroměstské náměstí 16, Mladá Boleslav,
- ▶ Contract between Kooperativa and S-správa nemovitostí, a.s. for Facility Management of a building at Národní tř. 67, Hodonín,
- ▶ Contract for Facility Management of the Training Centre at Hřůzův Mlýn between Kooperativa and S - správa nemovitostí, a.s.
- ▶ Contract for Facility Management between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Contract for Facility Management of Residential Property and Related Non-Residential Premises between Kooperativa and S-správa nemovitostí, a.s.
- ▶ General agreement No. 1/2010 between Kooperativa and S-správa nemovitostí, a.s. on Cooperation when Performing Activities Related to Arrangement of Subsidiaries
- ▶ Sublease Agreement for Parts of the Objects "Stodola" and "Špejchar" and Equipment of the Kitchen in the Training Centre Hřůzův Mlýn at Zhoř 84 between Kooperativa and S - správa nemovitostí, a.s.
- ▶ Sublease Agreement for Premises Used for Business Activities between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Agreement on Termination of Facility management of the Central Storehouse for Printed Matters at Chomutov, Kosmonautů between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Contract for Services related to the ARCHIBUS program between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Contract for Borrowing of Movable Property at Místecká 329/258, Ostrava – Hrabová between Kooperativa and S-správa nemovitostí, a.s.
- ▶ Contract between Kooperativa and SURPMO, a.s. for Facility Management of a Building and Non-Residential Premises at Staroměstské náměstí 16, Mladá Boleslav
- ▶ Lease Contract for the main building ("Stodola") in the Training Centre Hřůzův Mlýn at Zhoř 84 between Kooperativa and SURPMO, a.s.
- ▶ Contracts for facility management between Kooperativa and SURPMO, a.s.
- ▶ Contracts for facility management of the Training Centre Hřůzův Mlýn between Kooperativa and SURPMO, a.s.
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and SURPMO, a.s.
- ▶ Contracts for facility management of residential property and related non-residential premises between Kooperativa and SURPMO, a.s.
- ▶ Data Protection Agreement between Kooperativa and SURPMO, a.s.
- ▶ Contract of Mandate between Kooperativa and SURPMO, a.s
- ▶ Lease Contract for Non-Residential Premises at Opletalova 36, Praha between Kooperativa and SURPMO, a.s.
- ▶ Contract on Facility Management between Kooperativa and SURPMO, a.s.
- ▶ Contract between Kooperativa and URS PRAHA, a.s. for providing licences for program equipment and data files and rendering of other services
- ▶ Contract for Cost Sharing between Kooperativa and VIG ND, a.s.
- ▶ Purchase Agreement on Sale of Movable Objects at Areál Modřice – Brněnská 634 between Kooperativa and VIG ND, a.s.
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and VIG Asset Management, a.s.
- ▶ Contract for Cost Sharing between Kooperativa and VIG Asset Management, a.s.

- ▶ Contract for Cost Sharing between Kooperativa and VIG RE zajišťovna, a.s.
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and VIG RE zajišťovna, a.s.
- ▶ Contract Regulating Transfer of Rights and Duties from AIS Software to AIS Servis between Kooperativa and AIS Servis, s.r.o.
- ▶ Contract for Technical Maintenance and SW Development between Kooperativa and AIS Servis, s.r.o.
- ▶ Contract for Services between Kooperativa and AIS Servis, s.r.o. – trainings in Golem and SAP system
- ▶ Agreement on Providing Services during Integration of SAP and Golem Operations System between Kooperativa and AIS Servis, s.r.o.
- ▶ General Contract for Consultancy Services between Kooperativa and AIS Servis, s.r.o.
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and AIS Servis, s.r.o.
- ▶ Contract for Exclusive Commercial Representation when Intermediating Insurance between Kooperativa and Benefita, a.s.
- ▶ Cooperation Agreement between Kooperativa and Benefita, a.s. – mutual rights and duties of insurance company and employer
- ▶ Contract between Kooperativa and Benefita, a.s. – providing for sales support of insurance products of Kooperativa pojišťovna, a.s., Vienna Insurance Group
- ▶ Agreements between Kooperativa and Benefita, a.s. on change of the contract on commercial representation – business activity
- ▶ Agreements between Kooperativa and Benefita, a.s. on extraordinary commission for non-life insurance
- ▶ Agreements between Kooperativa and Benefita, a.s. on extraordinary commission for providing credits and loans from saving for building purposes
- ▶ Sublease Agreement for Parking Lots between Kooperativa and Benefita, a.s.
- ▶ Agreement on Commission for Private Life Insurance between Kooperativa and Benefita, a.s.
- ▶ Sublease Agreement for Offices between Kooperativa and Benefita, a.s.
- ▶ Lease Contract for IT equipment between Kooperativa and Benefita, a.s.
- ▶ Contract for Rental for Performed Investments in 2015 between Kooperativa and Benefita, a.s.
- ▶ Contract on Portfolio Transfer and Assumption of Other Rights and Duties between Kooperativa and Benefita, a.s.
- ▶ Agreements on extraordinary commission for motor vehicle insurance between Kooperativa and Benefita, a.s.
- ▶ Contract of Mandate for Insurance Agent between Kooperativa and ČPP
- ▶ Lease contracts for non-residential premises between Kooperativa and Česká podnikatelská pojišťovna, a.s., VIG
- ▶ Sublease agreements for part of the headquarters of VIG ND between Kooperativa and Česká podnikatelská pojišťovna, a.s., VIG
- ▶ Contract between Kooperativa and GLOBAL ASSISTANCE a.s. for providing assistance services in terms of insurance of medical expenses abroad
- ▶ Data and Personal Data Protection Agreement between Kooperativa and GLOBAL ASSISTANCE a.s
- ▶ Contract of Cooperation in the field of providing medical assistance services between Kooperativa and GLOBAL ASSISTANCE, a.s.
- ▶ Contract between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services in terms of travel insurance
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services for vehicles
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services – house line assistance
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services – medical expenses abroad
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services – technical assistance
- ▶ Contracts between Kooperativa and GLOBAL ASSISTANCE a.s. for personalisation and distribution of assistance cards
- ▶ General Agreement between Kooperativa and GLOBAL ASSISTANCE a.s. on Legal protection Insurance for Accounts of ČS
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE a.s. – Legal Protection Insurance for Accounts of ČS – additional contract

- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE a.s - salvage
- ▶ Triple Agreement between Kooperativa and GLOBAL ASSISTANCE a.s and ALIMEX on Commercial Cooperation - renting of passenger cars
- ▶ Triple Agreement between Kooperativa and GLOBAL ASSISTANCE a.s and Czech Rent a CAR on Commercial Cooperation – renting of passenger cars to insured persons
- ▶ Contract of Cooperation Related to Legal Protection Insurance between Kooperativa and GLOBAL ASSISTANCE a.s.
- ▶ Contract between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services (property insurance for natural entities incl. apartment houses)
- ▶ Contract of Cooperation between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services (house line for Svaz českých a moravských bytových družstev)
- ▶ Contract between Kooperativa and GLOBAL ASSISTANCE, a.s. for providing assistance services (assistance via phone for clients of Česká spořitelna in case of lost or stolen payment card)
- ▶ Outsourcing Contract between Kooperativa and Global Expert, s.r.o. – claims adjustment from property and liability insurance
- ▶ Contract for Cost Sharing between Kooperativa and Global Expert, s.r.o. – providing for payroll, HR management and economic activities of the customer support centre
- ▶ Lease contracts for non-residential premises between Kooperativa and Global Expert, s.r.o.
- ▶ Contract for Outsourcing between Kooperativa and Global Expert, s.r.o. – inspections prior acceptance of vehicles for insurance
- ▶ Contract between Kooperativa and HOTELY SRNÍ, a.s. for Providing Hotel Stays for VIP
- ▶ Contract between Kooperativa and KAPITOL pojišťovací a finanční poradenství for Protection of Commercial Interests – Rules for Relationships with Acquisition agents
- ▶ Contract between Kooperativa and KAPITOL pojišťovací a finanční poradenství for Consultancy Services on Providing Accesses to Golem
- ▶ Agreement between Kooperativa and KAPITOL pojišťovací a finanční poradenství on Commissions for Private Life Insurance
- ▶ Agreement on Extraordinary Commission between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Agreement on Commissions for Pension Insurance with Benefit from the Government between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Authorisation to Intermediate Financial Products of ČS between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Lease and sublease agreements for non-residential premises between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Contracts for commercial representation between Kooperativa and KAPITOL pojišťovací a finanční poradenství – business activity
- ▶ Contract for Consultancy Services Related to Portfolio Transfer between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ General Agreement on Conditions for Taking Out Insurance of Opticians and Optometrists between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Contract between Kooperativa and KAPITOL pojišťovací a finanční poradenství – borrowing of electronic signature pads
- ▶ Agreement on Extraordinary Commission for Financial Products of ČS between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Agreement on Extraordinary Commission for Financial Products of SSČS between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Agreement on Extraordinary Commission for Life Insurance between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Agreements on Extraordinary Commission for Motor Vehicle Insurance between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Agreement on Extraordinary Commission for Life and Non-Life Insurance between Kooperativa and KAPITOL pojišťovací a finanční poradenství

- ▶ Purchase Agreement for Škoda Passenger Car between Kooperativa and KAPITOL pojišťovací a finanční poradenství
- ▶ Contracts between Kooperativa and KAPITOL pojišťovací a finanční poradenství – borrowing of bar code readers
- ▶ Agreement on Regulation of Rights and Duties between Kooperativa and KAPITOL pojišťovací a finanční poradenství and S-správanemovitostí, a.s.
- ▶ Contract between Kooperativa and KAPITOL pojišťovací a finanční poradenství for Purchase of Movable Property – DELL computers
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and KIP, a.s.
- ▶ Agreement on Regulation of Rights and Duties between Kooperativa and KIP, a.s.
- ▶ Sublease agreements for non-residential premises between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Cooperation Agreement for Usage of Non-Residential Premises between Kooperativa and Pojišťovna České spořitelny, a.s.
- ▶ Contract between Kooperativa and Sanatorium Astoria, a.s. for renting of advertising hoarding LD Wolker
- ▶ Data Protection Agreement between Kooperativa and S - budovy, a. s.
- ▶ Contract for Intermediating Sublease of Non-Residential Premises and Apartment between Kooperativa and S – správa nemovitosti, a. s.
- ▶ Contracts between Kooperativa and S – správa nemovitosti, a. s. - borrowing of artwork
- ▶ Data Protection Agreement between Kooperativa and S – správa nemovitosti, a. s.
- ▶ Agreement on Regulation of Rights and Duties between Kooperativa and S-správa nemovitostí, a.s. and KIP a.s.
- ▶ Agreement on Regulation of Rights and Duties between Kooperativa and S-správa nemovitostí, a.s. and Kapitol
- ▶ Agreement on Regulation of Rights and Duties between Kooperativa and VIG Asset Management
- ▶ Contract for Services between Kooperativa and S – správa nemovitosti, a. s. – gradual transfer of documentation to the Archibus module
- ▶ Lease Contract for Non-Residential Premises between Kooperativa and VIG ND, a.s.
- ▶ Bill of Exchange Agreement between Kooperativa and VIG ND, a.s.
- ▶ Contracts between Kooperativa and VIG ND, a.s. for renting of advertising hoarding and for termination of contract for renting of advertising hoarding
- ▶ Contracts on property management between Kooperativa and VIG ND, a.s.
- ▶ Contracts between Kooperativa and VIG ND, a.s. regulating mutual relationships related to lease of non-residential premises
- ▶ Lease contracts for VIG headquarters between Kooperativa and VIG ND, a.s.
- ▶ Maintenance contracts between Kooperativa and VIG ND, a.s. regulating invoicing of maintenance activities in VIG headquarters
- ▶ Contract for Cost Sharing between Kooperativa and VIG ND, a.s.
- ▶ Purchase Contract on Sale of Movable Objects between Kooperativa and VIG ND, a.s.

Kooperativa suffered no damage from the contracts and agreements above.

Part V.

Other legal acts and other measures taken in the interest, or on the initiative of related parties

Kooperativa trades funds administered by Ringturm Kapitalanlagegesellschaft m.b.H.

Kooperativa suffered no damage from the measures above.

Part VI. Confidentiality of information

- Information and facts that constitute part of the business secret of VIIG AG, Kooperativa or other related parties as well as information declared confidential by any party that is part of the holding shall be deemed confidential. Furthermore, any information from a business relationship that could be, by itself or in relation to other information or facts, to the detriment of any of the parties forming the holding shall be also deemed confidential.
- In order not to cause detriment to the controlled party with respect to paragraph 1 of this part, the report of the statutory body shall not comprise financial information on services provided and offsets received from contracts and agreements entered into.

Part VII. Conclusion

- This report was prepared by the Board of Directors of the controlled party Kooperativa pojišťovna, a.s., Vienna Insurance Group and will be submitted for revision by the Supervisory Board. Since the controlled party is legally obliged to draft the Annual Report, this report shall be attached to the Annual Report as its integral part. The Annual Report will be submitted for revision to the auditing company KPMG Česká republika Audit, s.r.o.

Dated at Prague, the 4th day of April 2016

Signatures of the Chairman of the Board of Directors and a member of the Board of Directors of the controlled party, Kooperativa pojišťovna, a.s., Vienna Insurance Group:

Ing. Martin Diviš, MBA,
Chairman of Board of Directors

Gary Mazzotti, B.A. (Hons) A.C.A.
Member of Board of Directors

Related parties and equity interests of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

As of December 31, 2015

Company	Country	Existing capital share in %
Fully consolidated companies		
"BULSTRAD LIFE VIENNA INSURANCE GROUP" JOINT STOCK COMPANY, Sofia	Bulgaria	100,00
"Baltikums Vienna Insurance Group" AAS, Riga	Latvia	100,00
"Grüner Baum" Errichtungs- und Verwaltungsges.m.b.H., Vienna	Austria	100,00
"POLISA-ZYCIE" Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw	Poland	99,43
"WIENER RE" akcionarsko društvo za reosiguranje, Belgrad	Serbia	100,00
Anděl Investment Prague s.r.o., Prague	Czech Republic	100,00
Anif-Residenz GmbH & Co KG, Anif	Austria	100,00
Arithmetica Versicherungs- und Finanzmathematische Beratungs-Gesellschaft m.b.H., Vienna	Austria	100,00
ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A., Bucharest	Romania	99,57
BCR Asigurari de Viata Vienna Insurance Group S.A., Bucharest	Romania	93,98
Blizzard Real Sp. z o.o., Warsaw	Poland	100,00
BML Versicherungsmakler GmbH, Vienna	Austria	100,00
Bulgarski Imoti Asistans EOOD, Sofia	Bulgaria	100,00
Business Insurance Application Consulting GmbH, Vienna	Austria	100,00
Businesspark Brunn Entwicklungs GmbH, Vienna	Austria	100,00
CAL ICAL "Globus", Kiev	Ukraine	99,60
CAPITOL, akciová spoločnosť, Bratislava	Slovakia	100,00
CENTER Hotelbetriebs GmbH, Vienna	Austria	80,00
Central Point Insurance IT-Solutions GmbH, Vienna	Austria	100,00
Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, Prague	Czech Republic	100,00
Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni, Kishinev	Moldova	99,99
COMPENSA Holding GmbH, Wiesbaden	Germany	100,00
Compensa Life Vienna Insurance Group SE, Tallinn	Estonia	100,00
Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group, Warsaw	Poland	100,00
Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group, Warsaw	Poland	99,94
Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group, Vilnius	Lithuania	100,00
DBLV Immobesitz GmbH & Co KG, Vienna	Austria	100,00
DBLV Immobesitz GmbH, Vienna	Austria	100,00
DBR-Liegenschaften GmbH & Co KG, Stuttgart	Germany	100,00
DBR-Liegenschaften Verwaltungs GmbH, Stuttgart	Germany	100,00
Deutschmeisterplatz 2 Objektverwaltung GmbH, Vienna	Austria	100,00
Donau Brokerline Versicherungs-Service GmbH, Vienna	Austria	100,00
DONAU Versicherung AG Vienna Insurance Group, Vienna	Austria	99,24
DVIB GmbH, Vienna	Austria	100,00
ELVP Beteiligungen GmbH, Vienna	Austria	100,00
Erste osiguranje Vienna Insurance Group d.d., Zagreb	Croatia	95,00

Company	Country	Existing capital share in %
Fully consolidated companies		
ERSTE Vienna Insurance Group Biztosító Zrt., Budapest	Hungary	95,00
Gesundheitspark Wien -Oberlaa Gesellschaft m.b.H., Vienna	Austria	100,00
GPIH B.V., Amsterdam	The Netherlands	91,11
INSURANCE JOINT-STOCK COMPANY "BULSTRAD VIENNA INSURANCE GROUP", Sofia	Bulgaria	99,38
International Insurance Company "IRAO" LTD, Tbilisi	Georgia	100,00
InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden	Germany	100,00
InterRisk Towarzystwo Ubezpieczeń S.A. Vienna Insurance Group, Warsaw	Poland	99,98
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	Germany	100,00
INTERSIG VIENNA INSURANCE GROUP Sh.A., Tirana	Albania	89,98
Joint Stock Company for Insurance and Reinsurance Makedonija Skopje - Vienna Insurance Group, Skopje	Macedonia	94,25
Joint Stock Company Insurance Company GPI Holding, Tbilisi	Georgia	90,00
Joint Stock Insurance Company WINNER-Vienna Insurance Group, Skopje	Macedonia	100,00
Kaiserstraße 113 GmbH, Vienna	Austria	100,00
KÁLVIN TOWER Immobilienentwicklungs- und Investitionsgesellschaft m.b.H., Budapest	Hungary	100,00
KAPITOL pojišť'ovaci a finanční poradenství, a.s., Brno	Czech Republic	100,00
KOMUNÁLNA poisťovňa, a.s. Vienna Insurance Group, Bratislava	Slovakia	100,00
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group, Bratislava	Slovakia	100,00
Kooperativa pojišť'ovňa, a.s., Vienna Insurance Group, Prague	Czech Republic	98,39
LVP Holding GmbH, Vienna	Austria	100,00
MAP Bürodienstleistung Gesellschaft m.b.H., Vienna	Austria	100,00
MH 54 Immobilienanlage GmbH, Vienna	Austria	100,00
Neue Heimat Oberösterreich Holding GmbH, Vienna	Austria	87,07
OMNIASIG VIENNA INSURANCE GROUP S.A., Bucharest	Romania	99,49
Palais Hansen Immobilienentwicklung GmbH, Vienna	Austria	56,55
Passat Real Sp. z o.o., Warsaw	Poland	100,00
Pension Insurance Company Doverie AD, Sofia	Bulgaria	92,58
PFG Holding GmbH, Vienna	Austria	89,23
PFG Liegenschaftsbewirtschaftungs GmbH & Co KG, Vienna	Austria	92,88
Poisťovňa Slovenskej sporiteľ'ne, a.s. Vienna Insurance Group, Bratislava	Slovakia	95,00
Pojišť'ovňa České spořitelny, a.s., Vienna Insurance Group, Pardubice	Czech Republic	95,00
Private Joint-Stock Company "Insurance company" Ukrainian insurance group", Kiev	Ukraine	100,00
Private Joint-Stock Company "JUPITER LIFE INSURANCE VIENNA INSURANCE GROUP", Kiev	Ukraine	97,80
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNIASHA VIENNA INSURANCE GROUP", Kiev	Ukraine	99,99
PROGRESS Beteiligungs-ges.m.b.H., Vienna	Austria	60,00
Projektbau GesmbH, Vienna	Austria	100,00
Projektbau Holding GmbH, Vienna	Austria	90,00
Rathstraße 8 Liegenschaftsverwertungs GmbH, Vienna	Austria	100,00
Ray Sigorta Anonim Sirketi, Istanbul	Turkey	94,96
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH, Vienna	Austria	100,00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH & Co KG, Vienna	Austria	100,00
SECURIA majetkovsprávna a podielová s.r.o., Bratislava	Slovakia	100,00

Company	Country	Existing capital share in %
Fully consolidated companies		
Senioren Residenz Veldidenapark Errichtungs- und Verwaltungs GmbH, Innsbruck	Austria	100,00
Senioren Residenz Fultererpark Errichtungs- und Verwaltungs GmbH, Innsbruck	Austria	66,70
Sigma Interbanian Vienna Insurance Group Sh.a, Tirana	Albania	89,05
Skandia Zycie Towarzystwo Ubezpieczen Spolka Akcyjna, Warsaw	Poland	100,00
Sparkassen Versicherung AG Vienna Insurance Group, Vienna	Austria	95,00
SVZ GmbH, Vienna	Austria	100,00
SVZI GmbH, Vienna	Austria	100,00
T 125 GmbH, Vienna	Austria	100,00
TBI BULGARIA EAD, Sofia	Bulgaria	100,00
TBIH Financial Services Group N.V., Amsterdam	The Netherlands	100,00
UNION Vienna Insurance Group Biztosító Zrt., Budapest	Hungary	100,00
Untere Donaulände 40 GmbH & Co KG, Vienna	Austria	100,00
V.I.G. ND, Prague	Czech Republic	100,00
Vienibas Gatve Investments OÜ, Tallinn	Estonia	100,00
Vienibas Gatve Properties SIA, Riga	Latvia	100,00
Vienna Life Vienna Insurance Group Biztosító Zártkörűen Működő Részvénytársaság, Budapest	Hungary	100,00
Vienna-Life Lebensversicherung AG Vienna Insurance Group, Bendorf	Liechtenstein	100,00
VIG FUND uzavřený investiční fond, a.s., Prague (group financial statements)	Czech Republic	100,00
VIG Properties Bulgaria AD, Sofia	Bulgaria	99,97
VIG RE zajišť'ovňa, a.s., Prague	Czech Republic	100,00
VIG REAL ESTATE DOO, Belgrad	Serbia	100,00
VIG Real Estate GmbH, Vienna	Austria	100,00
VIG-CZ Real Estate GmbH, Vienna	Austria	100,00
VLTAVA majetkovsprávní a podílová spol. s r.o., Prague	Czech Republic	100,00
WGPV Holding GmbH, Vienna	Austria	100,00
Wiener Osiguranje Vienna Insurance Group ad, Banja Luka	Bosnia and Herzegovina	100,00
Wiener osiguranje Vienna Insurance Group dioničko društvo za osiguranje, Zagreb	Croatia	99,47
WIENER STÄDTISCHE Beteiligungs GmbH, Vienna	Austria	100,00
WIENER STÄDTISCHE Finanzierungsdienstleistungs GmbH, Vienna	Austria	100,00
WIENER STÄDTISCHE OSIGURANJE akcionarsko društvo za osiguranje, Belgrad	Serbia	100,00
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group, Vienna	Austria	99,90
WIENER VEREIN BESTATTUNGS- UND VERSICHERUNGSSERVICE-GESELLSCHAFT M.B.H., Vienna	Austria	100,00
WILA GmbH, Vienna	Austria	100,00
WSBV Beteiligungsverwaltung GmbH & Co KG, Vienna	Austria	100,00
WSV ImmoHolding GmbH, Vienna	Austria	100,00
Companies consolidated by equivalent method		
"Schwarzatal" Gemeinnützige Wohnungs- und Siedlungsanlagen-GmbH, Vienna	Austria	55,00
AIS Servis, s.r.o., Brno	Czech Republic	100,00
Alpenländische Heimstätte, gemeinnützige Wohnungsbau- und Siedlungsgesellschaft m.b.H., Innsbruck	Austria	94,84
Benefita, a.s., Prague	Czech Republic	100,00
Beteiligungs- und Immobilien GmbH, Linz	Austria	25,00

Company	Country	Existing capital share in %
Companies consolidated by equivalent method		
Beteiligungs- und Wohnungsanlagen GmbH, Linz	Austria	25,00
ČPP Servis, s.r.o., Prague	Czech Republic	100,00
CROWN-WSF spol. s.r.o., Prague	Czech Republic	30,00
Erste gemeinnützige Wohnungsgesellschaft Heimstätte Gesellschaft m.b.H., Vienna	Austria	99,77
Gemeinnützige Industrie-Wohnungsaktiengesellschaft, Leonding	Austria	55,00
Gemeinnützige Mürz-Ybbs Stedlungsanlagen-GmbH, Kapfenberg	Austria	55,00
Gewista-Werbegesellschaft m.b.H., Vienna	Austria	33,00
GLOBAL ASSISTANCE a.s., Prague	Czech Republic	100,00
Global Expert, s.r.o., Pardubice	Czech Republic	100,00
HOTELY SRNÍ, a.s., Prague	Czech Republic	100,00
KIP, a.s., Prague	Czech Republic	100,00
NEUE HEIMAT Oberösterreich Gemeinnützige Wohnungs- und StedlungsgesmbH, Linz	Austria	99,82
Neuland gemeinnützige Wohnbau-Gesellschaft m.b.H., Vienna	Austria	54,17
Österreichisches Verkehrsbüro Aktiengesellschaft, Vienna (group financial statements)	Austria	36,58
S - budovy, a.s., Prague	Czech Republic	100,00
S IMMO AG, Vienna (group financial statements)	Austria	10,25
Sanatorium Astoria a.s., Carlsbad	Czech Republic	92,71
SOZIALBAU gemeinnützige Wohnungsaktiengesellschaft, Vienna	Austria	54,17
S - správa nemovitostí, a.s., Prague	Czech Republic	100,00
SURPMO, a.s., Prague	Czech Republic	100,00
TECH GATE VIENNA Wissenschafts- und Technologiepark GmbH, Vienna	Austria	60,00
Urbanbau Gemeinnützige Bau-, Wohnungs- und Stadterneuerungsgesellschaft m.b.H., Vienna	Austria	54,17
VBV - Betriebliche Altersvorsorge AG, Vienna (group financial statements)	Austria	23,56
WNH Liegenschaftsbesitz GmbH, Vienna	Austria	100,00
Non-consolidated companies		
"Assistance Company "Ukrainian Assistance Service" LLC, Kiev	Ukraine	100,00
"Compensa Services" SIA, Riga	Latvia	100,00
"DUNAJ - Finanse" - Spolka z ograniczona adpowiedzialnoscia, Warsaw	Poland	50,00
"Medical Clinic "DIYA" LLC, Kiev	Ukraine	100,00
AISMP Meditzinski Tsentar Bulstrad Zdrave EOOD, Sofia	Bulgaria	100,00
Akcionarsko drustvo za zivotno osiguranje Wiener Städtische Podgorica, Vienna Insurance Group, Podgorica	Černá Hora	100,00
Alpenlachs Soravia GmbH, Vienna	Austria	33,30
Amadi GmbH, Wiesbaden	Germany	100,00
Anif-Residenz GmbH & Co KG, Anif	Austria	100,00
AQUILA Hausmanagement GmbH, Vienna	Austria	100,00
AREALIS Liegenschaftsmanagement GmbH, Vienna	Austria	50,00
Autosig SRL, Bucharest	Romania	100,00
B&A Insurance Consulting s.r.o., Moravská Ostrava	Czech Republic	49,00
BENEFIA Dystrybucja Spolka z ograniczona odpowiedzialnoscia, Warsaw	Poland	100,00
Brunn N68 Sanierungs GmbH, Vienna	Austria	50,00
Bulstrad Trudova Meditzina EOOD, Sofia	Bulgaria	100,00
CAPITOL BROKER DE PENSII PRIVATE S.R.L., Bucharest	Romania	100,00

Company	Country	Existing capital share in %
Non-consolidated companies		
CAPITOL INTERMEDIAR DE PRODUSE BANCARE S.R.L., Bucharest	Romania	100,00
CAPITOL INTERMEDIAR DE PRODUSE DE LEASING S.R.L., Bucharest	Romania	100,00
CAPITOL Sp. z o.o., Warsaw	Poland	100,00
CARPLUS Versicherungsvermittlungsagentur GmbH, Vienna	Austria	100,00
CCA EDV für Versicherungswirtschaft GmbH, Vienna	Austria	24,28
Compensa Dystrybucja Spolka z ograniczona odpowiedzialnoscia, Warsaw	Poland	100,00
Compensa Life Distribution, UAB, Vilnius	Lithuania	100,00
DIRECT-LINE Direktvertriebs-GmbH, Vienna	Austria	100,00
DV CONSULTING EOOD, Sofia	Bulgaria	100,00
DV Invest EAD, Sofia	Bulgaria	100,00
DV Asset Management EAD, Sofia	Bulgaria	100,00
DVS Donau-Versicherung Vermittlungs- und Service-Gesellschaft m.b.H., Vienna	Austria	100,00
EBS Wohnungsgesellschaft mbH Linz, Linz	Austria	25,00
EBV-Leasing Gesellschaft m.b.H., Vienna	Austria	100,00
EGW Wohnbau gemeinnützige Ges.m.b.H., Vienna	Austria	100,00
Erste Bank und Sparkassen Leasing GmbH, Vienna	Austria	49,00
ERSTE d.o.o. - za upravljanje obveznim i dobrovoljnim mirovinskim fondovima, Zagreb	Croatia	25,30
Erste S Biztositasi Alkusz Kft, Budapest	Hungary	100,00
European Insurance & Reinsurance Brokers Ltd., London	United Kingdom	85,00
EXPERTA Schadenregulierungs-Gesellschaft mbH, Vienna	Austria	100,00
Finanzpartner GmbH, Vienna	Austria	50,00
Foreign limited liability company "InterInvestUchastie", Minsk	Belarus	100,00
Gain Capital SA, SICAV-FIS Real Estate Car Parks I, Luxembourg City	Luxembourg	40,01
GELUP GmbH, Vienna	Austria	33,33
GEO HOSPITALS LLC, Tbilisi	Georgia	100,00
GGVier Projekt-GmbH, Vienna	Austria	55,00
Glamas Beteiligungsverwaltungs GmbH, Vienna	Austria	23,33
Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG, Vienna	Austria	23,33
GLOBAL ASSISTANCE SERVICES s.r.o., Prague	Czech Republic	100,00
GLOBAL ASSISTANCE SLOVAKIA s.r.o., Bratislava	Slovakia	100,00
Global Services Bulgaria JSC, Sofia	Bulgaria	100,00
Henderson Global Investors Immobilien Austria GmbH, Vienna	Austria	35,00
HORIZONT Personal-, Team- und Organisationsentwicklung GmbH, Vienna	Austria	100,00
InterRisk Informatik GmbH, Wiesbaden	Germany	100,00
Jahorina auto d.o.o., Brcko	Bosnia and Herzegovina	100,00
Jahorina Konseko Progres a.d., Pale	Bosnia and Herzegovina	28,00
Joint Stock Company "Curatio", Tbilisi	Georgia	100,00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group Skopje	Macedonia	100,00
KUPALA Belarusian-Austrian Closed Joint Stock Insurance Company, Minsk	Belarus	98,26
KWC Campus Errichtungsgesellschaft m.b.H., Klagenfurt	Austria	50,00
Lead Equities II Auslandsbeteiligungs AG, Vienna	Austria	21,59
Lead Equities II.Private Equity Mittelstandsfinanzierungs AG, Vienna	Austria	21,59

Company	Country	Existing capital share in %
Non-consolidated companies		
LiScIV Muthgasse GmbH & Co KG, Vienna	Austria	23,33
MC EINS Investment GmbH, Vienna	Austria	50,00
Money & More Pénzügyi Tanácsadó Zártkörűen Működő Részvénytársaság, Budapest	Hungary	100,00
People's Pharmacy LLC, Tbilisi	Georgia	50,00
PFG Liegenschaftsbewirtschaftungs GmbH, Vienna	Austria	83,57
Privat Joint-Stock Company OWN SERVICE, Kiev	Ukraine	100,00
Renaissance Hotel Realbesitz GmbH, Vienna	Austria	40,00
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H., Vienna	Austria	51,00
S.C. CLUB A.RO S.R.L., Bucharest	Romania	100,00
S.O.S.- EXPERT d.o.o. za poslovanje nekretninama, Zagreb	Croatia	100,00
Senioren Residenzen gemeinnützige Betriebsgesellschaft mbH, Vienna	Austria	100,00
Slovexperta, s.r.o., Žilina	Slovakia	100,00
Soleta Beteiligungsverwaltungs GmbH, Vienna	Austria	23,33
Soravia Food Market GmbH, Vienna	Austria	33,30
Sparkassen-Versicherungsservice Gesellschaft m.b.H., Vienna	Austria	100,00
Spoldzielnia Usługowa VIG EKSPERT W WARSZAWIE, Warsaw	Poland	100,00
Spoldzielnia Vienna Insurance Group IT Polska, Warsaw	Poland	100,00
SVZ Immoholding GmbH & Co KG, Vienna	Austria	100,00
SVZ Immoholding GmbH, Vienna	Austria	100,00
TBI Info EOOD, Sofia	Bulgaria	100,00
Thermenland Congress Center Loipersdorf GmbH & Co KG, Loipersdorf	Austria	32,26
TOGETHER Internet Services GmbH, Vienna	Austria	24,99
LIAB "Compensa Services", Vilnius	Lithuania	100,00
UNION-Informatikai Szolgáltató Kft., Budapest	Hungary	100,00
Untere Donaulände 40 GmbH, Vienna	Austria	100,00
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H., Vienna	Austria	33,33
Vienna Insurance Group Polska Spolka z ograniczona odpowiedzialnoscia, Warsaw	Poland	100,00
Vienna International Underwriters GmbH, Vienna	Austria	100,00
VIG AM Services GmbH, Wien	Austria	100,00
VIG Asset Management investiční společnost, a.s., Prague	Czech Republic	100,00
VIG Management Service SRL, Bucharest	Romania	100,00
VIG Services Bulgaria EOOD, Sofia	Bulgaria	100,00
VIG Services Shqiperi Sh.p.K., Tirana	Albania	100,00
VIG Services Ukraine, LLC, Kiev	Ukraine	100,00
VILE BARELINE d.o.o., Zagreb	Croatia	30,00
VÖB Direkt Versicherungsagentur GmbH, Graz	Austria	50,00
VVTH GmbH, Vienna	Austria	33,33
WAG Wohnungsanlagen Gesellschaft m.b.H., Linz	Austria	25,00
Wien 3420 Aspern Development AG, Vienna	Austria	33,33
Wiener Städtische Donau Leasing GmbH, Vienna	Austria	100,00
WSBV Beteiligungsverwaltung GmbH, Vienna	Austria	100,00
WSV Vermögensverwaltung GmbH, Vienna	Austria	100,00
WSV Beta Immoholding GmbH, Vienna	Austria	100,00



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