



VIG RE zajišťovna, a.s.

Klímentská 1216/46, 110 02 Praha 1

INFORMATION ON REINSURANCE UNDER § 82, PARAGRAPH 7 OF ACT NO. 277/2009 COLL. ON INSURANCE (INSURANCE CORPORATIONS) IN COMPLIANCE WITH § 29 TO 31 OF DECREE OF CZECH NATIONAL BANK NO. 434/2009 COLL., IMPLEMENTING SOME PROVISIONS OF THE LAW ON INSURANCE (DECREE).

Status to date: 30. 6. 2010
(Decisive day)

Basic data about the reinsurance company

Business Name:	VIG RE zajišťovna, a.s.
Legal form:	Joint-stock company
Address:	Praha 1, Klímentská 1216/46, PSČ 110 02
Identification number:	28445589
Date of incorporation:	18 th August 2008
Last date of registration of changes in the commercial register (including purpose):	8 th December, 2009 (change in function of Mag. Peter Höfínger and Dkfm. Karl Fink in the Supervisory Board)
The amount of capital registered in the Commercial Register:	2 500 000 000,- CZK
The amount of paid-up capital:	100 %
Type, form, and the number of issued shares:	Up to decisive day, the reinsurance company did not acquire any shares, interim certificates or other corporate securities.
Organizational Structure	Is attached to this document as Annex 1.

Data on members of the Supervisory Board

Dkfm. Karl Fink - Chairman of the Supervisory Board

Between 1979 and 1987 he was a Chairman of the Management Board of Interrisk – Internationale Versicherungs Aktiengesellschaft. In 1987 he became a member of the Management Board of Wiener Städtische Allgemeine Versicherungs AG and in July 2004 Deputy Managing Director. In October 2007 he was appointed as a Managing Director of Wiener Städtische Versicherung AG, Vienna Insurance Group. Dkfm. Karl Fink's active career as a member of the Management Board of Wiener Städtische Versicherung AG, Vienna Insurance Group came to an end on 30th September, 2009.

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0



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Mag. Peter Höfinger - Vice-Chairman of the Supervisory Board

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

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Dr. Franz Kosyna – Member of the Supervisory Board

Dr. Kosyna joined Wiener Städtische Versicherung AG, Vienna Insurance Group in 1983. He is also a member of the Supervisory Board of Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, and Chairman and CEO of Donau Versicherung AG, Vienna Insurance Group and from 1st October, 2009 he is a representative member of the Board in Wiener Städtische Versicherung AG, Vienna Insurance Group.

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Ing. Juraj Lelkeš - Member of the Supervisory Board

Ing. Lelkeš is a Chairman of the Board and CEO in Kooperativa poisťovňa, a.s. Vienna Insurance Group, in the Slovak Republic. He has served in leadership positions since its inception in 1990. During his many years of work, he held key management positions in the field of economy and trade. In 1998 he became a member of the Board and since May 2003 became a Chairman and Chief Executive Officer in Kooperativa poisťovňa, a.s. Vienna Insurance Group.

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Dr. Wolfgang Eilers - Member of the Supervisory Board

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

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Dr. Rudolf Ertl - Member of the Supervisory Board

Dr. Rudolf Ertl has been a member of the Board of Wiener Städtische Versicherung AG, Vienna Insurance Group since 2001. He joined the company in 1972. Since 1990, he is a member of the Supervisory Board of Donau Versicherung AG, Vienna Insurance Group. In 1999 he was appointed to the extended Executive Committee of the Wiener Städtische Versicherung AG, Vienna Insurance Group. Dr. Rudolf Ertl is also a chairman of the supervisory board of Wiener Städtische Osiguranje a.d.o. in Belgrade, TU Compensa S.A., Vienna Insurance Group (life and non-life), VIG Polska ps. Z.o.o., and Vice Chairman of the Companies TU InterRisk S.A. Vienna Insurance Group and Wüstenrot Versicherung.

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Data on members of the Board of Directors

Dr. Peter Hagen – Chairman of the Board

Dr. Peter Hagen joined Wiener Städtische Versicherung AG, Vienna Insurance Group in 1989 and was elected to the Management Board effective from July 1st, 2004. Between January 1998 and December 2002, he headed the International Division & the Reinsurance Department and at the same time being the Board Member in Vienna Insurance Group's Czech and Slovak subsidiaries. From November 2007 until December 2009, Dr. Peter Hagen was also Deputy General Manager and Member of the Managing Board of Kooperativa pojišťovna, a.s., Vienna Insurance Group in the Czech Republic. Since 2008 he is General Manager of VIG RE zajišťovna, a.s. In October 2009, Dr. Hagen was appointed as a "Deputy General Manager" of Vienna Insurance Group.

Date of function: 18th August, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Mag. Dušan Bogdanović – Member of the Board

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

Date of function: 1st October, 2009

The total amount of loans: 0

The total amount of guarantees: 0

Mag. Claudia Stránský - Member of the Board

Mag. Stránský cooperated with insurance company Wiener Städtische Versicherung AG, Vienna Insurance Group since 1986. Since 1998, she worked as a country manager in the same insurance company and in 2007 she became an Advisor to the Board of Kooperativa, pojišťovna, a.s., Vienna Insurance Group. Mag. Stránský is also a member of the Supervisory Board of Kniazha z.a.t., VIG, Ukraine.

Date of function: 6th October, 2008

The total amount of loans: 0

The total amount of guarantees: 0

Dipl. Vw. Denis Pehar - Member of the Board

In 2003-2006 Mr. Pehar worked for Swiss Re Germany AG in Munich and since 2006 was employed at Mapfre Re Compania de Reaseguro SA in branch office in Munich as the Underwriter for Germany and Austria.

Date of function: 1st January, 2009

The total amount of loans: 0

The total amount of guarantees: 0

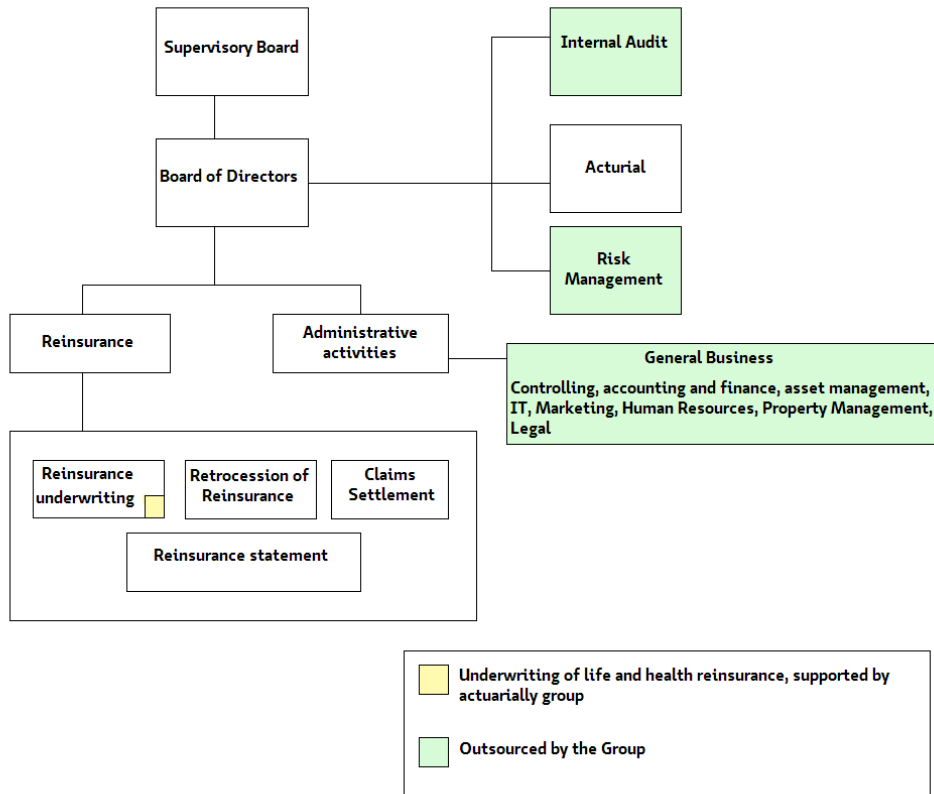
Organizational structure of the reinsurance

Reinsurance has not established any branch.

Up to the above date is the average number of employees 11.

In order to optimize operating costs within the company, VIG provides most of the activities outside of the main course of business through outsourcing (i.e. the exclusion of activities) by other companies of the VIG Group.

Organizational structure of the reinsurance:





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Information on Shareholders of Reinsurance

Business Name	Legal form	Address	Share capital	Share of voting rights
VIENNA INSURANCE GROUP Wiener Städtische Versicherung AG	joint-stock company	Schottenring 30 1010 Wien	70 %	70%
Donau Versicherung AG Vienna Insurance Group	joint-stock company	Schottenring 15 1010 Wien	10 %	10%
Kooperativa pojišťovna, a.s., Vienna Insurance Group	joint-stock company	Templová 747, 110 01 Praha 1	10 %	10%
Kooperativa poisťovňa, a.s. Vienna Insurance Group	joint-stock company	Štefanovičova 4, 816 23 Bratislava	10%	10%

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

Details of group structure

Persons forming the holding

1. Controlled Entity

VIG RE zajišťovna, a.s.

located at Prague 1, Klímentská 1216-1246, Postal Code 110 02

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

VIG RE focuses on reinsurance activities in VIG Group. Furthermore, it begins to develop the activities outside the Group. VIG RE provides as well facultative reinsurance of property and technical risks for the insurers of VIG Group.

The main markets where the company operates as a reinsurer are now mainly the Czech Republic, Slovak Republic, Austria and Germany, but also other countries of Central and Eastern Europe.

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

2. Controlling Person

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



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

3. Related Entities

List of subsidiaries of the VIENNA INSURANCE GROUP Wiener Städtische Versicherung AG and VIG RE zajišťovna, a.s., according to the share capital are set out in the Annual Report of VIG RE zajišťovna a.s.

For a complete list, click: [here](#)

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

<i>Company</i>	<i>Country of origin</i>	<i>Capital share</i>	<i>Share of voting rights</i>
VIG RE zajišťovna, a.s.	Czech Republic	Mother company	Mother company
*MuVi Re S.A.	Luxemburg	100.00%	100.00%

* As at June 30, 2010 VIG RE zajišťovna, a.s. has a receivable to MuVi Re of € 60 616.40.

Information on the activities of reinsurance company

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

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

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

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

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

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

Reinsurance ratios as at 30th June 2010

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

Reinsurance company does not own any negotiated derivatives for the purpose of providing either for trading or speculation.

In Euros

Return on average assets (ROAA)	100% * Profit or loss for the period / Total Assets	2,8%
Return on average equity (ROAE)	100% * Profit or loss for the period / Equity	12,6%
Combined ratio in non-life insurance	100% * (cost of claims, including changes in reserves for claims, net of reinsurance + Net operating expenses) / earned premiums, net of	92,2%

Solvency	Non-life insurance
Available solvency margin	2 801 270 000
Required solvency margin	667 466 000
Guarantee fund	90 000 000
The ratio of the actual and required solvency margin	420%
The ratio of the GF and the sum of items according to § 18	3%

The adjusted solvency margin (+ calculation)	
Related reinsurance	MuVi Re, S.A.
The available solvency margin of reinsurance holding	2 801 270 000
Proportional share of the insurance holding company in the capital of a related reinsurance	1
Available solvency margin of related reinsurance	105 860 000
The book value of the share of a related reinsurance	105 860 000
Required solvency margin for reinsurance holding	84 688 000
Required solvency margin for a related reinsurance	667 466 000
The adjusted solvency margin	2 049 116 000

Attachments:

Annex 1 - Balance Sheet

Annex 2 - Profit and Loss Account

Non-Consolidated Balance Sheet – 30th June 2010

ASSETS	note	30.6.2010	31.12.2009
In thousands of Euros			
Intangible assets		1 333	1 410
Property, plant and equipment		150	164
Financial investments		387 392	376 866
Financial assets held to maturity		136 498	126 973
Financially viable asset		9 204	7 233
Loans - Term deposits		22 351	26 279
Deposits in active ensuring		219 339	216 382
Claims		24 012	45 001
Referral to share the commitment of ensuring		78 272	59 460
Other assets		3	3
Deferred acquisition costs		1 494	989
Cash and cash equivalents		1 732	315
Total assets		494 390	484 209
LIABILITIES			
Equity			
Share capital		101 958	101 958
Other components of equity		650	154
Retained earnings		4 142	3 737
Equalization reserve		313	384
Total Equity		107 063	106 232
Liabilities from reinsurance		352 724	307 120
Unearned premiums		13 459	15 067
Provision for outstanding claims		127 106	87 670
Reserve life insurance premiums		129 159	123 986

Annex 1 - Balance Sheet

Other	83 000	80 398
Other payables from debt securities	170	166
Commitments	33 216	67 640
Deferred tax liabilities	76	98
Commitment from income tax	890	2 641
Other payables from debt securities	250	312
Total Commitments	387 327	377 977
Total Liabilities	494 390	484 209

Non-Consolidated Profit and Loss Account - 30th June 2010

Non-Consolidated Income Statement	note	2010	2009
In thousands of Euros			
Premium			
Gross premiums - gross		109 911	127 946
Premiums written - outward		46 230	45 013
Premiums written - own expense			
Change in reserves for unearned premiums - gross		-2 199	5 245
Change in reserves for unearned premiums - outward		1 290	96
Earned premiums - net of reinsurance		67 170	77 783
Profit from investing activities			
Income from investments and interest income		6 167	4 449
Costs of investment and interest costs		72	8
Result from investment activities, total		6 095	4 441
Other income		5	549
Cost of claims			
Costs for claims - gross		47 641	30 120
Cost of claims - outward		23 182	268
Cost of claims – own expense		0	0
Change in provision for claims and other liabilities of security - on a gross basis		47 524	51 488
Change in provision for claims and other liabilities of reinsurance - outward		17 605	23 516
Claims expenses total		54 378	57 824
Acquisition costs			
Costs of commission		15 305	19 935
Other costs		190	256
Change in deferred acquisition costs		1 494	-719
Income from commissions		3 221	1 841
Acquisition costs - Total		10 780	17 631
Other operating expenses		695	853
Other expenses		136	275
Profit before tax		7 281	6 190
Income tax		887	1 294
Net profit for the period		6 394	4 897