



CROATIA OSIGURANJE
utemeljeno 1884.

**UNAUDITED CONSOLIDATED
BUSINESS REPORT FOR THE THIRD QUARTER 2011**

Zagreb, October 2011

CONTENTS

	<u>Page</u>
Unaudited Consolidated Financial Statements	3
– Consolidated Total gains report (Profit & Loss Account)	4
– Consolidated Report on Company Status (Balance Sheet)	6
– Consolidated Report on Changes in Equity	8
– Consolidated Report on Money Flow	9
Management Board's Report	10
Notes to the Consolidated Unaudited Financial Statements	14
Statement of the Persons Responsible for the Financial Statements' Composing	18

I UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Quarterly financial statement for insurance and reinsurance companies - TFI-OSIG

Tax number(MB)	03276147	
Company registration number (MBS):	080051022	
Personal identification number (OIB):	26187994862	
Issuing company:	CROATIA osiguranje d.d.	
Postal code and place	10000	ZAGREB
Street and house number:	MIRAMARSKA 22	
E-mail address:		
Internet address	www.crosig.hr	
Municipality/city code and name	133	ZAGREB
County code and name	21	GRAD ZAGREB
Consolidated report:	YES	
Number of employees: (quarter end)		3.958
NKD code:		6152
Companies of the consolidation subject (according to):	Seat:	MB:
CROATIA LLOYD D.D.	ZAGREB	03276236
CROATIA OSIGURANJE D.D.	LJUBUŠKI	20097647
PBZ CROATIA OSIGURANJE D.D.	ZAGREB	01583999
CROATIA ZDRAVSTVENO OSIGURANJE D.D.	ZAGREB	01808435
CROATIA TEHNIČKI PREGLEDI D.D.	ZAGREB	01450930
CROATIA LEASING D.O.O.	ZAGREB	01892037
Bookkeeping service:		
Contact person:	Gordana Golub Levanić	
Telephone:	01/6333 108	Telefaks: 01/6332 073
E-mail address:	izdavatelj@crosig.hr	
Family name and name:	SILVANA IVANČIĆ, ZDRAVKO ZRINUŠIĆ (person authorized to represent the company)	

Documents to be published:

1. Financial statements (balance sheet, profit and loss statement, cash flow statement, statement of changes in equity, and notes to financial statements)
2. Statement of persons responsible for the drawing-up of financial statements
3. Report of the Management Board on the Company Status

M.P.

Članica Uprave
Silvana Ivančić
Silvana Ivančić

Predsjednik Uprave
Zdravko Zrinušić
Zdravko Zrinušić

(potpis osobe ovlaštene za zastupanje)

**CONSOLIDATED REPORT ON TOTAL GAINS
(PROFIT & LOSS ACCOUNT)
for the period from 01/01/2011 until 30/09/2011**

in HRK

Position	AOP	Previous period			Current period		
		Life	Non-life	Total	Life	Non-life	Total
1	2	3	4	5(3+4)	6	7	8(6+7)
I. Earned premiums (AOP 125 to 132)	124	274.899.619	1.957.721.268	2.232.620.887	280.154.225	1.823.130.623	2.103.284.849
1. Gross written premiums	125	274.101.027	2.391.645.621	2.665.746.648	279.727.745	2.334.569.699	2.614.297.443
2. Coinsurance premium	126		3.944.799	3.944.799		664.116	664.116
3. Value adjustment and collected insurance/coinsurance premium value adjustment	127		-42.611.108	-42.611.108		-58.419.998	-58.419.998
4. Premiums ceded to reinsurance	128	-5.194	-289.999.738	-290.004.932	-211.736	-277.267.879	-277.479.615
5. Premiums ceded to coinsurance	129		-8.484.377	-8.484.377		-3.992.481	-3.992.481
6. Change in gross unearned premium provision	130	803.786	-138.668.911	-137.865.125	619.212	-210.449.176	-209.829.964
7. Change in unearned premium provision, reinsurer's share	131		18.712.373	18.712.373	19.005	38.026.342	38.045.347
8. Change in unearned premium provision, coinsurer's share	132		23.182.610	23.182.610			
II. Income from investments (AOP 134 + 135 + 139 + 140 + 141 + 145 + 146)	133	90.585.569	153.885.567	244.471.136	99.794.812	189.505.548	289.300.360
1. Income from branch-offices, associated companies and joint ventures	134		2.446.991	2.446.991		799.423	799.423
2. Income from investments into land and buildings (136 to 138)	135	14.482	5.776.090	5.790.572	3.035	9.101.006	9.104.041
2.1. Income from rental fees	136	14.482	4.906.904	4.921.386	3.035	5.176.688	5.179.723
2.2. Income from increased value of land and buildings	137		437.268	437.268		3.924.318	3.924.318
2.3. Income from real estate sale	138		431.918	431.918			
3. Interest income	139	93.267.599	137.765.348	231.032.947	80.438.200	123.406.640	203.844.840
4. Unrealized profits from investment at fair value	140	2.854.766	5.379.332	8.234.098	2.335.629	7.664.882	10.000.511
5. Gain on sale (realization) of financial investments (142 to 145)	141	2.223.175	4.964.774	7.187.950	2.748.428	4.567.998	7.316.426
5.1. Investment at fair value through profit and loss account	142	2.223.175	3.417.327	5.640.502	2.072.432	3.239.473	5.311.905
5.2. Investment available for sale	143		1.547.448	1.547.448		1.328.525	1.328.525
5.3. Other gains on sale of financial investments	144				675.996		675.996
6. Net positive exchange rate differences	145				14.074.844	2.422.228	16.497.072
7. Other investment income	146	-7.774.453	-2.446.968	-10.221.421	194.676	41.543.372	41.738.048
III. Income from commissions and fees	147	59.978	35.633.289	35.693.267	68.438	34.633.324	34.701.762
IV. Other insurance-technical income, net of reinsurance	148	690.416	33.013.135	33.703.551	86.242	9.258.055	9.344.296
V. Other income	149	238.084	198.232.142	198.470.226	163.061	144.066.349	144.229.410
VI. Expenses for insured events, net of reinsurance (AOP 151 + 155)	150	-171.609.041	-1.171.177.811	-1.342.786.852	-244.855.335	-1.101.886.282	-1.346.741.616
1. Paid claims (AOP 152 to 154)	151	-154.153.994	-1.097.828.910	-1.251.982.904	-220.037.494	-1.006.210.007	-1.226.247.501
1.1. Gross amount	152	-154.153.994	-1.166.769.386	-1.320.923.380	-220.037.494	-1.068.916.105	-1.288.953.599
1.2. Coinsurer's share	153		-486.202	-486.202		121	121
1.3. Reinsurer's share	154		69.426.678	69.426.678		62.705.977	62.705.977
2. Change in claims provision (AOP 156 to 158)	155	-17.455.047	-73.348.900	-90.803.947	-24.817.841	-95.676.275	-120.494.116
2.1. Gross amount	156	-17.455.047	-74.759.792	-92.214.839	-24.817.841	-248.175.011	-272.992.851
2.2. Coinsurer's share	157						
2.3. Reinsurer's share	158		1.410.892	1.410.892		152.498.735	152.498.735
VII. Change in mathematical reserve and other technical reserves (AOP 160 + 163)	159	-89.489.836		-89.489.836	-43.581.245	3.500.000	-40.081.245
1. Change in mathematical insurance provision (AOP 161 + 162)	160	-89.489.836		-89.489.836	-43.581.245		-43.581.245
1.1. Gross amount	161	-89.487.489		-89.487.489	-43.648.668		-43.648.668
1.2. Reinsurer's share	162	-2.348		-2.348	67.423		67.423
2. Change in other technical provision, net of reinsurance (AOP 164 do 166)	163					3.500.000	3.500.000
2.1. Gross amount	164					3.500.000	3.500.000
2.2. Coinsurer's share	165						
2.3. Reinsurer's share	166						
VIII. Changes in special reserves for insurance concerning the life insurance group where the policyholder assumes the investment risk, net of reinsurance (AOP 168 to 170)	167		742.759	742.759	3.468.687		3.468.687
1. Gross amount	168		742.759	742.759	3.468.687		3.468.687
2. Coinsurer's share	169						
3. Reinsurer's share	170						
IX. Outlays for premium returns (bonuses and discounts), net of reinsurance (AOP 172 + 173)	171		3.160.091	3.160.091		-406.969	-406.969
1. Depending on results (bonuses)	172		1.044.617	1.044.617		-200.544	-200.544
2. Irrespective of results (discounts)	173		2.115.474	2.115.474		-206.425	-206.425

X. Business expenditures(AOP 175+179)	174	-84.868.652	-807.542.924	-892.411.576	-80.660.214	-731.093.723	-811.753.937
1. Sales expenses (AOP 176 to 178)	175	-29.663.408	-224.197.671	-253.861.078	-24.410.019	-202.092.945	-226.502.964
1.1. Commision	176	-19.814.261	-111.738.481	-131.552.742	-18.768.194	-120.212.061	-138.980.255
1.2. Other sales expenses	177	-9.849.147	-108.025.924	-117.875.071	-5.641.825	-87.927.125	-93.568.950
1.3. Change in split sales expenses	178		-4.433.265	-4.433.265		6.046.241	6.046.241
2. Management expenses (AOP 180 to 182)	179	-55.205.244	-583.345.253	-638.550.497	-56.250.194	-529.000.778	-585.250.973
2.1. Depreciation of tangible assets	180	-1.533.527	-41.263.105	-42.796.632	-1.410.903	-40.332.140	-41.743.044
2.2. Salaries, taxes and salary contributions (from and on salary)	181	-32.100.901	-296.523.283	-328.624.184	-32.965.472	-286.215.068	-319.180.539
2.3. Other management expenses	182	-21.570.816	-245.558.865	-267.129.681	-21.873.820	-202.453.570	-224.327.390
XI. Investment expenses(AOP 184 to 189)	183	-11.602.371	-48.416.096	-60.018.467	-7.577.888	-52.431.191	-60.009.079
1. Depreciation (buildings not intended for business activities of the company)	184		-1.146.263	-1.146.263			
2. Interest	185		-457.967	-457.967		-1.351	-1.351
3. Investment impairments	186					-1.483.200	-1.483.200
4. Losses from sale (realizations) of investment	187	-9.944.211	-10.921.802	-20.866.013	-2.546.242	-12.899.326	-15.445.568
5. Adjustment of financial assets at fair value through P&L	188	-644.828	-5.419.659	-6.064.487	-4.649.984	-4.570.836	-9.220.820
6. Net foreign exchange losses	189	-430.635	-279.378	-710.013			
7. Other investment costs	190	-582.697	-30.191.027	-30.773.724	-381.662	-33.476.478	-33.858.140
XII. Other tehncial expenses, net of reinsurance (AOP 192 + 193)	191	-3.727.263	-58.194.047	-61.921.309	-74.054	-62.998.142	-63.072.195
1. Prevention activities expenses	192	-3.715.160	-1.938.514	-5.653.674		-4.011.945	-4.011.945
2. Other technical expenses	193	-12.102	-56.255.533	-56.267.635	-74.054	-58.986.196	-59.060.250
XIII. Other expenses, including value adjustment	194	-62.832	-202.692.019	-202.754.851	-101	-151.565.218	-151.565.319
XIV. Profit or loss before taxes (124+133+147+148+149+150+159+167+171+174+183+191+194)	195	5.856.431	93.622.595	99.479.026	6.986.629	103.712.374	110.699.003
XV. Taxation (AOP 197+198)	196	-710.426	-21.762.687	-22.473.113	-1.023.743	-24.043.985	-25.067.728
1. Current tax expenses	197	-710.426	-21.762.687	-22.473.113	-1.023.743	-24.043.985	-25.067.728
2. Deferred tax expenses	198						
XVI. Net profit or loss for the period(AOP 195-196)	199	5.146.005	71.859.908	77.005.913	5.962.886	79.668.390	85.631.275
1. Attributable to majority owners	200	4.727.416	69.486.974	74.214.390	5.648.858	76.858.163	82.507.021
2. Attributable to minority interests	201	418.589	2.372.934	2.791.523	314.028	2.810.227	3.124.254
XVII. TOTAL INCOME	202	366.473.666	2.378.485.401	2.744.959.067	380.266.777	2.200.593.900	2.580.860.677
XVIII. TOTAL EXPENSES	203	-361.327.662	-2.306.625.493	-2.667.953.154	-374.303.892	-2.120.925.510	-2.486.229.402
IX. Other comprehensive profit (205 to 211 - 212)	204	-2.603.642	21.769.524	19.165.882	-26.679.871	-58.598.246	-85.278.117
1. Profit / loss from translation of financial statements	205		-2.158	-2.158		40.085	40.085
2. Profit / loss from revaluation of financial assets available for sale	206	-2.603.642	23.789.704	21.186.062	-26.679.871	-51.254.229	-77.934.100
3. Profit / loss from revaluation of operational land and buildings	207		-2.018.022	-2.018.022		-7.384.102	-7.384.102
4. Profit / loss from revaluation of other tangible (except land and buildings) and intangible assets	208						
5. Effects of cash flow hedging instruments	209						
6. Actuarial profit / loss on pension plans with defined pensions	210						
7. Share of other comprehensive profit of associates	211						
8. Profit tax on other comprehensive profit	212						
XX. Total comprehensive profit (199+204)	213	2.542.363	93.629.432	96.171.795	-20.716.985	21.070.144	353.158
1. Attributable to majority owners	214	2.123.774	90.998.798	93.122.572	-21.031.013	17.908.559	-3.122.454
2. Attributable to minority interests	215	418.589	2.630.634	3.049.223	314.028	3.161.585	3.475.613

CONSOLIDATED REPORT ON COMPANY STATUS (BALANCE SHEET)
as at 30/09/2011

in HRK

Position 1	AOP 2	Previous period			Current period		
		Life 3	Non-life 4	Total 5(3+4)	Life 6	Non-life 7	Total 8(6+7)
ASSETS							
A. RECEIVABLE FOR SUBSCRIBED NOT PAID CAPITAL (002+003)	001						
1. Capital invited to be paid	002						
2. Capital that is not invited to be paid	003						
B. INTANGIBLE ASSETS (005+006)	004	35.779	68.571.950	68.607.729	60.758	59.107.594	59.168.352
1. Goodwill	005		43.154.776	43.154.776		38.551.498	38.551.498
2. Other intangible assets	006	35.779	25.417.174	25.452.953	60.758	20.556.096	20.616.854
C. TANGIBLE ASSETS (008 to 010)	007	4.868.441	1.551.699.463	1.556.567.904	4.841.669	1.544.889.326	1.549.730.995
1. Land and buildings used for insurance activities	008	4.185.330	1.372.329.198	1.376.514.528	4.203.517	1.322.786.565	1.326.990.082
2. Equipment	009	521.068	140.887.166	141.408.234	388.184	106.939.672	107.327.856
3. Other tangible assets and reserves	010	162.043	38.483.099	38.645.142	249.968	115.163.089	115.413.057
D. INVESTMENTS (012+013+017+036)	011	2.083.905.096	3.845.786.189	5.929.691.285	2.136.511.380	4.042.596.140	6.179.107.520
I. Investments in land and buildings not intended for business activities of the company	012		816.718.189	816.718.189		949.472.848	949.472.848
II. Investments in branch-offices, associated companies and participating in joint investments (014 to 016)	013		19.140.405	19.140.405		17.247.982	17.247.982
1. Shares and stakes in branch-offices	014		429.012	429.012			
2. Shares and stakes in associate companies	015		17.891.495	17.891.495		16.409.934	16.409.934
3. Participating in joint investments	016		819.898	819.898		838.048	838.048
III. Other financial investments (018 + 021 + 026 + 032)	017	2.083.905.096	3.009.927.595	5.093.832.691	2.136.511.380	3.075.875.310	5.212.386.690
1. Investments kept till maturity date (019 + 020)	018	1.229.341.654	793.103.148	2.022.444.802	1.278.490.831	858.267.856	2.136.758.687
1.1. Debt securities and other securities with fixed income	019	1.229.341.654	776.802.637	2.006.144.291	1.220.013.350	845.345.524	2.065.358.874
1.2. Other investments kept till maturity date	020		16.300.511	16.300.511	58.477.481	12.922.332	71.399.813
2. Investments available for sale (022 to 025)	021	115.155.930	324.509.104	439.665.034	70.193.418	243.004.002	313.197.420
2.1. Stocks, shares and other securities with variable income	022	54.417.013	205.911.348	260.328.361	32.462.251	157.968.852	190.431.103
2.2. Debt securities and other securities with fixed income	023					1.287.000	1.287.000
2.3. Stakes in investment funds	024	60.738.917	118.597.756	179.336.673	37.731.167	83.748.150	121.479.317
2.4. Other investments available for sale	025						
3. Investments at fair value through the profit and loss account (027 to 031)	026	180.044.882	312.854.885	492.899.767	228.291.804	442.777.509	671.069.313
3.1. Stocks, shares and other securities with variable income	027		2.279.958	2.279.958		8.081.134	8.081.134
3.2. Debt securities and other securities with fixed income	028	9.879.000	42.510.883	52.389.883	83.772.752	115.542.222	199.314.974
3.3. Derivative financial instruments	029						
3.4. Stakes in investment funds	030	170.165.882	268.064.044	438.229.926	144.519.052	319.154.153	463.673.205
3.5. Other investments	031						
4. Deposits, loans and receivables (033 to 035)	032	559.362.630	1.579.460.458	2.138.823.088	559.535.327	1.531.825.943	2.091.361.270
4.1. Bank deposits	033	488.990.842	1.162.729.771	1.651.720.613	499.318.736	1.085.222.477	1.584.541.213
4.2. Loans	034	69.709.704	391.404.689	461.114.393	60.216.591	440.600.528	500.817.119
4.3. Other loans and receivables	035	662.084	25.325.998	25.988.082		6.002.938	6.002.938
IV. Deposits at insurance activities ceded to reinsurance (deposits with cedent)	036						
E. INVESTMENTS FOR THE ACCOUNT AND OWN RISK OF LIFE INSURANCE POLICYHOLDER	037	22.374.967		22.374.967	17.733.255		17.733.255
F. REINSURANCE PORTION IN TECHNICAL RESERVES (039 to 045)	038	11.607	170.577.663	170.589.270	98.035	360.287.051	360.385.086
1. Unearned premiums, reinsurance share	039		77.653.096	77.653.096	19.005	115.353.222	115.372.227
2. Mathematical insurance provision, reinsurance share	040	11.607		11.607	79.030		79.030
3. Claims provision, reinsurance share	041		92.306.696	92.306.696		244.541.747	244.541.747
4. Provision for premium returns depending and not depending on result (bonuses and discounts), reinsurance share	042		617.871	617.871		392.082	392.082
5. Provision for claims fluctuation, reinsurance share	043						
6. Other technical insurance provision, reinsurance share	044						
7. Special provision for insurance concerning life insurance group where the policyholder assumes the investment risk, reinsurance share	045						
G. DEFERRED AND CURRENT TAX ASSETS (047+048)	046	3.365.941	8.089.287	11.455.228	3.343.472	4.601.531	7.945.003
1. Deferred tax assets	047	3.343.472	4.192.043	7.535.515	3.343.472	4.023.565	7.367.037
2. Current tax assets	048	22.469	3.897.244	3.919.713		577.966	577.966
H. RECEIVABLES (050 + 053 + 054)	049	47.579.928	1.044.599.437	1.092.179.365	44.845.902	1.174.915.722	1.219.761.624
1. Receivables from direct insurance activities (051 + 052)	050	41.306.800	689.902.212	731.209.012	38.597.926	909.146.106	947.744.032
1.1. Receivables from policyholders	051	41.239.595	681.607.349	722.846.944	38.534.203	901.043.991	939.578.194
1.2. Receivables from insurance agents	052	67.205	8.294.863	8.362.068	63.723	8.102.115	8.165.838
2. Receivables from coinsurance and reinsurance activities	053		29.146.633	29.146.633		54.532.085	54.532.085
3. Other receivables (055 to 057)	054	6.273.128	325.550.592	331.823.720	6.247.976	211.237.531	217.485.507
3.1. Receivables for other insurance activities	055		39.441.426	39.441.426		30.165.498	30.165.498
3.2. Receivables for returns on investments	056	1.774.148	15.395.682	17.169.830	3.626.142	13.834.412	17.460.554
3.3. Other receivables	057	4.498.980	270.713.484	275.212.464	2.621.834	167.237.621	169.859.455
I. OTHER ASSETS (059 + 063 + 064)	058	7.480.660	77.732.314	85.212.974	6.152.011	96.993.032	103.145.043
1. Money in bank and in cash (060 to 062)	059	7.387.138	58.049.720	65.436.858	6.104.978	80.908.040	87.013.018
1.1. Money on business account	060	1.172.350	57.713.155	58.885.505	1.854.679	79.803.916	81.658.595
1.2. Money on mathematical provision account	061	6.205.208		6.205.208	4.247.204		4.247.204
1.3. Cash money	062	9.580	336.565	346.145	3.095	1.104.124	1.107.219
2. Long-term assets intended for sale and business termination	063						
3. Other	064	93.522	19.682.594	19.776.116	47.033	16.084.992	16.132.025
J. PREPAID EXPENSES OF THE FUTURE PERIOD AND UNDUO COLLECTION OF INCOME (066 to 068)	065	18.055.825	49.340.791	67.396.616	18.887.904	59.933.134	78.821.038
1. Split interest and rental fees	066	18.012.109	19.367.411	37.379.520	18.876.324	15.228.452	34.104.776
2. Split sales costs	067		13.408.769	13.408.769		23.639.657	23.639.657
3. Other paid expenses of the future period and undue income collection	068	43.716	16.564.611	16.608.327	11.580	21.065.025	21.076.605
K. TOTAL ASSETS (001+004+007+011+037+038+046+049+058+065)	069	2.187.678.244	6.816.397.094	9.004.075.338	2.232.474.386	7.343.323.530	9.575.797.916
L. NON-BALANCE SHEET RECORDS	070		704.570.820	704.570.820		648.303.057	648.303.057

LIABILITIES								
A. CAPITAL AND RESERVES (072 + 076 + 077 + 081 + 085 + 088)	071	141.697.572	1.793.597.369	1.935.294.941	117.596.468	1.792.648.301	1.910.244.769	
1. Subscribed capital (073 to 075)	072	44.288.720	398.598.480	442.887.200	44.288.720	398.598.480	442.887.200	
1.1. Subscribed capital - common shares	073	44.288.720	386.348.480	430.637.200	44.288.720	386.348.480	430.637.200	
1.2. Subscribed capital - preferred shares	074		12.250.000	12.250.000		12.250.000	12.250.000	
1.3. Capital invited to be paid	075							
2. Capital reserves	076							
3. Revaluation reserves (078 to 080)	077	8.753.985	562.018.411	560.772.396	-17.925.886	493.420.165	475.494.279	
3.1. Revaluation of land and buildings	078		518.667.184	518.667.184		512.571.495	512.571.495	
3.2. Revaluation of investments in financial assets	079	8.753.985	26.530.844	35.284.829	-17.925.886	-27.544.017	-45.469.903	
3.3. Other revaluation reserves	080		6.820.383	6.820.383		8.392.687	8.392.687	
4. Reserves (082 to 084)	081	77.013.268	366.917.393	443.930.661	78.314.936	378.151.842	456.466.778	
4.1. Legal provision	082	263.177	17.198.799	17.461.976	489.554	19.152.616	19.642.170	
4.2. Statutory provision	083	1.250.091	83.007.767	84.257.858	2.325.382	92.288.399	94.613.781	
4.3. Other reserves	084	75.500.000	266.710.827	342.210.827	75.500.000	266.710.827	342.210.827	
5. Retained profit or loss (086 + 087)	085	5.033.861	397.721.058	402.754.919	7.269.840	445.619.651	452.889.491	
5.1. Retained profit	086	5.033.861	397.721.058	402.754.919	7.269.840	445.619.651	452.889.491	
5.2. Retained loss (-)	087							
6. Profit or loss for the period (089 + 090)	088	6.607.738	78.342.027	84.949.765	5.648.858	76.858.163	82.507.021	
6.1. Profit for the period	089	6.607.738	78.342.027	84.949.765	5.648.858	76.858.163	82.507.021	
6.2. Loss for the period (-)	090							
B. MINORITY INTEREST	091	9.606.916	58.991.088	68.598.004	9.688.670	60.358.225	70.046.895	
C. TECHNICAL PROVISION (093 to 098)	092	1.924.060.577	4.309.035.501	6.233.096.078	1.993.964.411	4.770.303.013	6.764.267.424	
1. Unearned premiums, gross amount	093	3.986.675	1.173.196.945	1.177.183.620	3.377.620	1.387.231.743	1.390.609.363	
2. Mathematical insurance provision, gross amount	094	1.877.152.130		1.877.152.130	1.922.831.920	1.922.831.920	1.922.831.920	
3. Claims provision, gross amount	095	42.921.772	3.074.104.217	3.117.025.989	67.754.871	3.325.046.873	3.392.801.744	
4. Provision for premium returns dependent upon or independent of result (bonuses and discounts), gross amount	096		5.977.339	5.977.339		5.767.397	5.767.397	
5. Provision for claims fluctuation, gross amount	097							
6. Other technical insurance provision, gross amount	098		55.757.000	55.757.000		52.257.000	52.257.000	
D. SPECIAL PROVISION FOR THE GROUP LIFE INSURANCE WHERE THE POLICYHOLDER ASSUMES THE INVESTMENT RISK, gross amount	099	22.374.967		22.374.967	17.733.255		17.733.255	
E. OTHER PROVISION (101 + 102)	100	2.647.001	85.216.786	87.863.787	6.299.919	141.558.381	147.858.300	
1. Provision for pensions	101	2.647.001	78.382.881	81.029.882	6.299.919	101.267.663	107.567.582	
2. Other provision	102		6.833.905	6.833.905		40.290.718	40.290.718	
F. DEFERED AND CURRENT TAX LIABILITY (104 + 105)	103		129.438.669	129.438.669	1.023.858	136.776.969	137.800.827	
1. Deferred tax liability	104		123.685.469	123.685.469		122.729.885	122.729.885	
2. Current tax liability	105		5.753.200	5.753.200	1.023.858	14.047.084	15.070.942	
G. DEPOSITS RETAINED FROM BUSINESS CEDED TO REINSURANCE	106							
H. FINANCIAL LIABILITIES (108 to 110)	107	144.963	161.061.626	161.206.589	70.407	97.187.913	97.258.320	
1. Loan liabilities	108		146.314.014	146.314.014		94.215.934	94.215.934	
2. Outstanding securities	109							
3. Other financial liabilities	110	144.963	14.747.612	14.892.575	70.407	2.971.979	3.042.386	
I. OTHER LIABILITIES (112 to 115)	111	45.013.731	258.456.232	303.469.963	47.616.267	311.941.547	359.557.814	
1. Liabilities derived from direct insurance activities	112	974.033	109.025.151	109.999.184	2.330.755	124.383.798	126.714.553	
2. Liabilities derived from coinsurance and reinsurance activities	113	1.665	38.334.150	38.335.815	546	70.752.472	70.753.018	
3. Liabilities for misappropriation and discontinued operations	114							
4. Other liabilities	115	44.038.033	111.096.931	155.134.964	45.284.966	116.805.277	162.090.243	
J. DEFERRED PAYMENT OF EXPENSES AND INCOME OF THE FUTURE PERIOD (117+118)	116	42.132.517	20.599.823	62.732.340	38.481.131	32.549.181	71.030.312	
1. Reinsurance commission split	117							
2. Other deferred costs payment and future income	118	42.132.517	20.599.823	62.732.340	38.481.131	32.549.181	71.030.312	
K. TOTAL LIABILITIES (071+091+092+099+100+103+106+107+111+116)	119	2.187.678.244	6.816.397.094	9.004.075.338	2.232.474.386	7.343.323.530	9.575.797.916	
L. NON-BALANCE SHEET RECORDS	120		704.570.820	704.570.820		648.303.057	648.303.057	
ADDITION TO BALANCE SHEET (only for consolidated financial statements)								
M. CAPITAL AND RESERVES (122+123)	121	151.304.488	1.852.588.457	2.003.892.945	127.285.138	1.853.006.526	1.980.291.664	
1. Attributable to majority owners	122	141.697.572	1.793.597.369	1.935.294.941	117.596.468	1.792.648.301	1.910.244.769	
2. Attributable to minority interests	123	9.606.916	58.991.088	68.598.004	9.688.670	60.358.225	70.046.895	

CONSOLIDATED REPORT ON CHANGES IN EQUITY
for the period from 01/01/2011 until 30/09/2011

in HRK

Position	AOP	Attributable to the owners of the parent company							Attributable to non-controlling interests	Total capital and reserves (9+10)
		Subscribed capital	Share premium	Revaluation reserves	Reserves (legal, statutory, other)	Retained profit or transferred loss	Current year profit/loss	Total capital and reserves (3 to 8)		
1	2	3	4	5	6	7	8	9	10	11
I. Balance at 1 January - previous year	001	442.887.200		492.570.679	423.894.652	274.246.101	152.504.002	1.786.102.634	62.855.107	1.848.957.741
1. Change in accounting policy	002					906.944		906.944	1.746.368	2.653.312
2. Correction of previous period errors	003			-7.526.061		-6.134.196		-13.660.257	835.504	-12.824.753
II. Balance at 1 January - previous year (corrected) (AOP 001 to 003)	004	442.887.200		485.044.618	423.894.652	269.018.849	152.504.002	1.773.349.321	65.436.979	1.838.786.300
III. Comprehensive profit or loss - previous year (AOP 006+007)	005			75.727.778		4.166.959	84.949.765	164.844.502	4.147.754	168.992.256
1. Profit/loss of the previous period	006						84.949.765	84.949.765	3.349.219	88.298.984
2. Other comprehensive profit/loss of the previous year (AOP 008 do 011)	007			75.727.778		4.166.959		79.894.737	798.535	80.693.272
2.1. Unrealized profit/loss from tangible assets (land and buildings)	008			-3.244.589		5.356.680		2.112.091		2.112.091
2.2. Unrealized profit/loss from financial assets available for sale	009			-7.746.521				-7.746.521	245.624	-7.500.897
2.3. Realized profit/loss from financial assets available for sale	010			85.933.880				85.933.880		85.933.880
2.4. Other non-ownership changes in capital	011			785.008		-1.189.721		-404.713	552.911	148.198
IV. Transactions with owners (previous period) (AOP 013 to 016)	012				20.036.009	129.569.111	-152.504.002	-2.898.882	-986.729	-3.885.611
1. Increase/decrease of share capital	013									
2. Other payments by the owners	014									
3. Payment of shares in profit/dividends	015						-2.898.882	-2.898.882	-986.729	-3.885.611
4. Other distribution to the owners	016				20.036.009	129.569.111	-149.605.120			
V. Balance at 31 December - previous period (AOP 004+005+012)	017	442.887.200		560.772.396	443.930.661	402.754.919	84.949.765	1.935.294.941	68.598.004	2.003.892.945
VI. Balance at 1 January - current year	018	442.887.200		560.772.396	443.930.661	402.754.919	84.949.765	1.935.294.941	68.598.004	2.003.892.945
1. Change in accounting policy	019									
2. Correction of previous period errors	020			-3.392.067		3.331.694		-60.373	74.453	14.080
VII. Balance at 1 January - current period (corrected) (AOP 018 to 020)	021	442.887.200		557.380.329	443.930.661	406.086.613	84.949.765	1.935.234.568	68.672.457	2.003.907.025
VIII. Comprehensive profit or loss - current period (AOP 023+024)	022			-81.886.050		3.053.050	82.507.021	3.674.021	3.475.611	7.149.632
1. Profit/loss of the previous period	023						82.507.021	82.507.021	3.124.254	85.631.275
2. Other comprehensive profit/loss of the current year (AOP 025 to 028)	024			-81.886.050		3.053.050		-78.833.000	351.357	-78.481.643
2.1. Unrealized profit/loss from tangible assets (land and buildings)	025			-3.992.035		4.990.046		998.011		998.011
2.2. Unrealized profit/loss from financial assets available for sale	026			-68.487.351				-68.487.351	-46.896	-68.534.247
2.3. Realized profit/loss from financial assets available for sale	027			-9.446.749				-9.446.749		-9.446.749
2.4. Other non-ownership changes in capital	028			40.085		-1.936.996		-1.896.911	398.253	-1.498.658
IX. Transactions with owners (current period) (AOP 030 to 033)	029				12.536.117	43.749.828	-84.949.765	-28.663.820	-2.101.173	-30.764.993
1. Increase/decrease of share capital	030									
2. Other payments by the owners	031									
3. Payment of shares in profit/dividends	032						-28.663.820	-28.663.820	-2.101.173	-30.764.993
4. Other distribution to the owners	033				12.536.117	43.749.828	-56.285.945			
X. Balance at 31 December - current period (AOP 021+022+029)	034	442.887.200		475.494.279	456.466.778	452.889.491	82.507.021	1.910.244.769	70.046.895	1.980.291.664

CONSOLIDATED REPORT ON MONEY FLOW – INDIRECT METHOD

for the period from 01/01/2011 until 30/09/2011

in HRK

Position 1	AOP 2	Previous period 3	Current period 4
I. CASH FLOWS FROM OPERATING ACTIVITIES (002+013+031)	001	139.777.395	306.320.502
1. Cash flow before change in business property and liabilities (AOP 003+004)	002	222.370.701	-110.097.397
1.1. Profit before tax	003	99.479.023	110.699.003
1.2. Adjustment: (AOP 005 to 012)	004	122.891.678	-220.796.400
1.2.1. Depreciation and amortization of immovables and equipment	005	71.271.558	58.958.402
1.2.2. Depreciation and amortization of intangible property	006	4.847.137	4.492.242
1.2.3. Impairment and profits/losses from adjustment to fair value	007	234.994.542	4.139.159
1.2.4. Interest expenses	008	-963.892	
1.2.5. Interest income	009	-179.491.719	-171.119.253
1.2.6. Share in profit of associated companies	010		-34.558.009
1.2.7. Profits/losses from sale of tangible property (including real estate)	011	1.572	4.983.339
1.2.8. Other adjustments	012	-7.767.520	-87.692.280
2. Increase/decrease in business property and liabilities (AOP 014 to 030)	013	-42.975.397	441.539.044
2.1. Increase /decrease in investments available for sale	014	9.208.316	126.467.615
2.2. Increase /decrease in investment estimated at fair value	015	-172.308.395	-178.169.545
2.3. Increase / decrease in deposits, loans and receivables	016	29.874.442	47.461.818
2.4. Increase/decrease of deposits at insurance activities ceded to reinsurance	017		
2.5. Increase / decrease in investment for the account and own risk of life insurance policyholders	018	-430.438	4.641.712
2.6. Increase /decrease of reinsurance stakes in tehcnical provision	019	-54.391.647	-189.795.816
2.7. Increase/decrease of taxable property	020	4.364.253	3.510.225
2.8. Increase/decrease in receivables	021	-50.807.515	43.523.599
2.9. Increase/decrease in other assets	022	251.757	
2.10. Increase/decrease in prepaid expenses of the future period and undue collection of income	023	-14.468.042	-11.424.421
2.11. Increase/decrease in tehcnical provision	024	320.360.375	531.171.347
2.12. Increase/decrease in life insurance tehcnical provision when the policyholder bears investment risk	025	430.438	-4.641.712
2.13. Increase/decrease in tax liabilities	026	-10.093.095	8.362.157
2.14. Increase/decrease in deposits held from activities ceded to reinsurance	027		
2.15. Increase/decrease in financial liabilities	028	-58.027.305	-63.948.268
2.16. Increase/decrease in other liabilities	029	-41.573.703	116.082.363
2.17. Increase/decrease in deferred payment of expenses and income of the future period	030	-5.364.838	8.297.970
3. Income tax paid	031	-39.617.909	-25.121.145
II. CASH FLOW FROM INVESTMENT ACTIVITIES (AOP 033 to 046)	032	-55.817.100	-225.486.410
1. Receipts from sale of tangible assets	033	7.164.970	13.262.673
2. Expenditures for the purchase of tangible assets	034	-34.385.410	-25.768.384
3. Receipts from sale of intangible assets	035		24.026
4. Expenditures for the purchase of intangible assets	036	-3.378.056	-4.706.925
5. Receipts from sale of land and buildings not intended for business activities of the company	037	21.647.337	
6. Expenditures for the purchase of land and buildings not intended for business activities of the company	038	-33.012.667	-99.854.360
7. Increase/decrease of investments in branch-offices, associated companies and participation in joint investments	039	-592.704	34.842.182
8. Receipts from investments kept till maturity	040	173.892.981	33.693.594
9. Expenditures for investments kept till maturity	041	-184.019.929	-118.979.330
10. Receipts from sale of securities and stakes	042		
11. Expenditures for investments in securities and stakes	043	-6.793.837	
12. Receipts from dividends and profit share	044	1.531.715	1.725.996
13. Receipts from long term and short term loans	045	4.830.801	179.228.385
14. Expenses for long term and short term loans	046	-2.702.301	-238.954.267
III. CASH FLOW FROM FINANCIAL ACTIVITIES (AOP 050 to 054)	047	-84.212.052	-40.665.814
1. Receipts from capital stock increase	048	-249.265	
2. Receipts from short-term and long-term loans	049	141.694	27.447
3. Expenditures for short-term and long-term loans	050	-81.073.413	-605.513
4. Expenditures for purchase of treasury shares	051	-132.185	
5. Expenditures for payment of profit share (dividends)	052	-2.898.883	-40.087.748
NET CASH FLOW (AOP 001 + 032 + 049)	053	-251.757	40.168.278
IV. EFFECTS OF CHANGES IN RATES OF FOREIGN CURRENCIES	054		-22.236.209
V. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (055+056)	055	-251.757	17.932.069
Cash and cash equivalents at the beginning of the period	056	88.487.953	85.212.974
Cash and cash equivalents at the end of the period (AOP 057 + 058)	057	88.236.196	103.145.043

II MANAGEMENT BOARD'S REPORT

Following unfavourable economic movements caused by the economic crisis, the insurance market records the decrease in business operations more than two years. The results for the third quarter still record the economic crisis influence on the insurance industry. It is expected that such trend will continue until the end of the current year.

During the third quarter of 2011 the Croatia osiguranje Group realized income that amounted to HRK 2,580,9 mil. that represents the decrease by 6.0% compared to the realized income during the same period of the previous year. Net profit after taxation and minority shareholders' stake in the net profit amounted to HRK 82.5 mil. that represents an increase of 11.2% compared to the same period of the previous year.

During the third quarter of 2011 the gross written premium for the Group amounted to HRK 2,614,3 mil. that is a decrease of 1.9%. Thus the non-life insurance gross written premium amounted to HRK 2,334,6 mil. that is a decrease of 2.4%, while the life insurance gross written premium amounted to HRK 279.7 mil. that is an increase of 2.1%.

The Group recorded investment income from non-life and life insurance investments amounting to HRK 289.3 mil.

The total expenditure of the Group amounted to HRK 2,470,2 mil. that is a decrease of 6.6%. The decrease in business expenditure by 9.0%, that makes 32.9% of the total expenditure of the Group is the result of further saving measures and the decrease in unproductive costs of the Group.

On 30/09/2011 the total assets of the Group amounted to HRK 9,575,8 mil. that represents an increase of 6.3% compared to the balance sheet on 31/12/2010.

During the reporting period the calculated technical provision amounted to HRK 6,764,3 mil. that is an increase of 8.5% compared to the calculated technical provision on 31/12/2010.

GROUP KEY PERFORMANCE INDICATORS:

DESCRIPTION	GROUP		
1	2	3	4
PROFIT&LOSS ACCOUNT	I-IX 2010	I-IX 2011	INDEX 6/5
Total income	2,744,959	2,580,861	94.0
Total expenditure	2,645,480	2,470,162	93.4
Written gross premium	2,665,747	2,614,297	98.1
- non-life	2,391,646	2,334,569	97.6
- life	274,101	279,728	102.1
Paid claims (gross)	1,320,923	1,288,954	97.6
- non-life	1,166,769	1,068,916	91.6
- life	154,154	220,038	142.7
Profit before taxation	99,479	110,699	111.3
Profit after taxation	77,006	85,631	111.2
Profit after minority interest	74,214	82,507	111.2
BALANCE	31.12.2010	30.9.2011	INDEX 6/5
Total assets	9,004,075	9,575,798	106.3
Equity and provision	1,935,295	1,910,245	98.7
- subscribed capital	442,887	442,887	100.0
- revaluation provision	560,772	475,494	84.8
- legal provision	17,462	19,642	112.5
- statutory provision	84,258	94,614	112.3
- other provision	342,211	342,211	100.0
- retained profit	402,755	452,890	112.4
- current period profit	84,950	82,507	97.1
Technical provision	6,233,096	6,764,267	108.5
- unearned premium, gross	1,177,184	1,390,609	118.1
- LIMP	1,877,152	1,922,832	102.4
- claim provision	3,117,026	3,392,802	108.8
- provision for premium returns dependent and independent on the result (bonus & discount), gross	5,977	5,767	96.5
- other technical insurance provision, gross	55,757	52,257	93.7
Life insurance special provision-policyholder's investment risk, gross	22,375	17,733	79.3
Investment	5,929,691	6,179,108	104.2
KEY BUSINESS INDICATORS	I-IX 2010	I-IX 2011	INDEX 6/5
ROA (%) (net profit / assets)	0.8	0.9	107.7
ROE (%) (net profit / equity and provision)	4.0	4.3	108.0
Gross profit margin (%) (gross profit / total income)	3.6	4.3	119.1

The Group takes measures and activities to reduce negative influence of unfavourable economic movements on business operations in turbulent market conditions. The aim is the enhancement of market share in the region, larger presence of CROATIA osiguranje, sales network widening as well as establishing the new subsidiaries and enhancement of the sales conditions & services' scope and quality.

On 20 June the company Croatia - Tehnički pregledi d.o.o., the member of the Croatia osiguranje Group, opened the new MOT test station in Virovitica equipped to the highest contemporary standard in the region. It is the two-line MOT test station with 8 employees providing the highest contemporary and quality service in the town.

Apart from the MOT test station in Vitovitica, on 15 July the new MOT test station in Kaštel Sućurac opened. It is the two-line MOT test station equipped to the highest contemporary standard and is the first MOT test station in Kaštel Sućurac.

In addition to that, on 14 October the new MOT test station „Croatia tehnički pregledi“ in Samobor was opened. The MOT test station in Samobor was the third one opened during year and makes the total of 43 MOT test stations owned by Croatia osiguranje Group.

Until the end of the year one more MOT test station is planned to open - in Bjelovar.

The unaudited consolidated financial statements for the third quarter 2011 shall be available on Croatia osiguranje d.d.'s, the Zagreb Stock Exchange's, the Register of Prescribed Information's web pages as well as publicly disclosed by HINA.

Key Business Events

On July 08, 35th General Assembly of CROATIA osiguranje d.d. was held

The General Assembly discussed Annual Report of CROATIA osiguranje d.d. as well as Consolidated Annual Report of CROATIA osiguranje d.d. The Supervisory Board's Report as well as Annual Financial Statements of CROATIA osiguranje d.d. for the year 2010 and Consolidated Annual Financial Statements of CROATIA osiguranje d.d. for the year 2010, approved by the Management Board and the Supervisory Board of CROATIA osiguranje d.d together.

All decisions submitted were adopted by the major votes of the present shareholders as follows:

1. a) Decision on Allocation of Profit for the year 2010
b) Decision on Relieving of Duty of the Management Board of CROATIA osiguranje d.d.
c) Decision on Relieving of Duty of the Supervisory Board of CROATIA osiguranje d.d.
2. Decision on Appointment of Auditor of CROATIA osiguranje d.d. for the year 2011

The realized net profit of CROATIA osiguranje d.d. amounting to HRK 43,603,886.45 will be allocated as follows:

1. Legal provision	2,180,194.32	HRK
2. Statutory provision	10,355,923.03	HRK
3. Preferred share dividend	980,000.00	HRK
4. Ordinary share dividend	27,683,820.00	HRK
5. Retained profit	2,403,949.10	HRK

The preferred share dividend amounted to HRK 112.00, while the ordinary share dividend amounted to HRK 90.00 per each share.

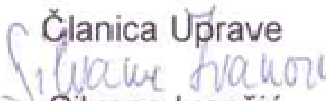
Description of Main Risks and Uncertainties

The basic target of the Group during financial and insurance risk management is the maintenance of the equity level adequate to the scope and types of business as well as to the risk exposure. The Management Board acknowledges the significance of the existence of the efficient and the effective risk management system. During this period the Group introduces the centralized risk management system.

The regulatory bodies supervise the Group solvency to secure the cover of liabilities arisen out of possible economic changes or natural disasters. The Group manages its assets actively using the approach of harmonized relation between quality, diversification, compliance between assets and liabilities, solvency as well as investment proceeds. The Management Board reviews and approves the targeted portfolios periodically, determines the investment directives as well as limits and supervises the assets' and liabilities' process management. The due attention is paid to the compliance with the provisions of the Law on Insurance.

During the transactions with financial instruments the Group takes over the financial risks. These risks include market risk, credit risk and solvency risk. Each of these risks is described in the Annual Report 2010.

Zagreb, 28/10/2011

Članica Uprave

Silvana Ivančić

Member of the Board

Predsjednik Uprave

Zdravko Zrinušić

President of the Board



CROATIA OSIGURANJE

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III NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THIRD QUARTER OF THE YEAR 2011

1. GENERAL

The CROATIA OSIGURANJE GROUP("Group") consists of the parent company Croatia osiguranje d.d. Zagreb and 24 daughter companies:

Daughter companies	Activity	State
Croatia Lloyd d.d., Zagreb	Reinsurance	Croatia
- Croatia mirovni dom d.o.o., Zagreb	Construction	Croatia
- Plančić d.o.o., Vrbanj	Viticulture	Croatia
Croatia Leasing d.o.o., Zagreb	Leasing	Croatia
Croatia-Tehnički pregledi d.o.o., Zagreb	MOT tests	Croatia
- STP Pitomača, Pitomača	MOT tests	Croatia
Herz d.d., Požega	MOT tests	Croatia
Croatia osiguranje mirovinsko društvo d.o.o., Zagreb	Pension fund management	Croatia
Croatia zdravstveno osiguranje d.d., Zagreb	Insurance	Croatia
- Poliklinika Ars Medica, Pula	Health services	Croatia
- Poliklinika Croatia zdravstveno osiguranje, Zagreb	Health services	Croatia
PBZ Croatia osiguranje d.d., Zagreb	Pension fund management	Croatia
Slavonijatrans-Tehnički pregledi d.o.o., Sl. Brod	MOT tests	Croatia
Croatia Sigurimi sh.a., Priština	Insurance	Kosovo
Milenijum osiguranje a.d., Beograd	Insurance	Serbia
Croatia osiguranje d.d., Ljubuški	Insurance	Bosnia& Herzegovina
- Crotehna d.o.o., Ljubuški	MOT tests	Bosnia& Herzegovina
- Croatia remont d.d., Čapljina	MOT tests	Bosnia& Herzegovina
- Croauto d.o.o., Mostar	MOT tests	Bosnia& Herzegovina
- Croatia Vitez d.o.o., Vitez	MOT tests	Bosnia& Herzegovina
- Hotel Hum d.o.o. , Ljubuški	Hotel-and catering services	Bosnia& Herzegovina
- Ponte d.o.o., Mostar	Zastupanje u osiguranju	Bosna i Hercegovina
Croatia osiguranje a.d., društvo za osiguranje života, Skopje	Insurance representation	Macedonia
Croatia osiguranje a.d. društvo za osiguranje neživota, Skopje	Insurance	Macedonia

Croatia osiguranje d.d. (parent company) with the seat in Zagreb, Miramarska 22, is registered at the Commercial Court Register in Zagreb under subject registration number MBS: 080051022. The principal activity of the Company is non-life and life insurance

Management Board and Supervisory Board

In accordance with Law on Commercial Companies, Insurance Law and the Statute of the Company, bodies of the Company are: Management Board, Supervisory Board and General Assembly. Responsibilities of the members of these bodies are regulated by the above mentioned acts.

Members of the Supervisory Board of the Company:

Nikola Mijatović, D.Sc. Chairman
Nataša Duspara, Deputy chair-woman
Gzim Redžepi, D.Sc. Member
Josip Zaher, Member
Ante Obuljen, Member
Miroslav Hrašćanec

Members of the Management Board:

Zdravko Zrinušić, President
Silvana Ivančić, Member

During the period from 1 January to 30 September 2011, 33 meetings of the Management Board were held, discussing and making decisions in accordance with Laws and the Statute of the Company.

Capital stock and shares

On 30/09/2011 the capital stock is determined in the nominal amount of HRK 442,887,200.00 and consists of 316,348 shares in the nominal value of HRK 1,400.00. All shares are initial public offering shares and are marked as follows:

- 307,598 shares are ordinary shares marked as CROS-R-A
- 8,750 shares are preferred shares marked as CROS-P-A.

Each share, ordinary and preferred, relates to 1 (one) vote at the General Assembly. All shares are entirely paid, issued in non-material form, are free for transfer and are recorded in depository of the central Depository and Clearing Company.

The Group has no own shares in its ownership.

Ownership structure on 30/09/2011:

Shareholder	Number of Shares	30/09/2011	
		Amount HRK	% Share
1. AUDIO / Republic of Croatia	253.807	355.329.800,00	80,23
2. Raiffeisenbank Austria d.d.- custody account	19.695	27.573.000,00	6,23
3. Hrvatska poštanska banka d.d.- basic and custody account	6.802	9.522.800,00	2,15
4. Societe Generale- Splitska banka d.d.- custody account	6.321	8.849.400,00	2,00
5. PBZ d.d.- custody account	2.797	3.915.800,00	0,88
6. Zvon ena holding d.d.	2.122	2.970.800,00	0,67
7. Kraš d.d.	1.400	1.960.000,00	0,44
8. Erste&Steiermärkische Bank d.d. - basic and custody account	1.297	1.815.800,00	0,41
9. Hypo alpe-adria-bank d.d.- custody account	1.177	1.647.800,00	0,37
10. Auto Hrvatska d.d.	1.004	1.405.600,00	0,32
11. Zagrebačka banka d.d.- custody account	729	1.020.600,00	0,23
12. Komercijalna banka d.d. in liquidation	700	980.000,00	0,22
13. Bahovec Srećko	566	792.400,00	0,18
14. Adriacommerce	500	700.000,00	0,16
15. Radić Antun	408	571.200,00	0,13
16. Tankerska plovdba	400	560.000,00	0,13
17. Škaro Miroslav	380	532.000,00	0,12
18. Fran Mihaljević - klinika za infekt. bolesti	330	462.000,00	0,10
19. Cemex Hrvatska d.d.	249	348.600,00	0,08
20. Končar-elektroindustrija d.d.	230	322.000,00	0,07
21. Other shareholders	15.434	21.607.600,00	4,88
UKUPNO:	316.348	442.887.200,00	100,00

2. BASIS FOR COMPOSING AND CONSOLIDATION OF FINANCIAL STATEMENTS

Financial statements are made in accordance with the Law on Equity Market provisions (NN 88/08), the Zagreb Stock Exchange Rules and the Decision on Form and Contents of the Financial Statements' Issuer for the periods during the year (NN 132/10), which has been brought by Croatian Financial Services' Supervisory Agency (HANFA).

The financial statements are made by the appliance of the basic accounting assumption of the occurrence of business event whose effects are recognized at the moment of the occurrence and recorded in the financial statement for the related period, as well as under the accounting assumption of unlimitedness of business operations.

The consolidated financial statements include the parent company Croatia osiguranje d.d. and its subsidiaries. The control is apparent in the case when the Company owns, either directly or indirectly, over 50% of votes in the company, consequently it is able to manage financial and business policy of the company with the aim to realize benefit from its activities. All significant transactions and amounts in the Group are eliminated.

Reporting Currency

The financial statements are presented in Croatian kuna (HRK). On 30 September 2011 the official exchange rate of the Croatian kuna was HRK 7.49 to 1 Euro and HRK 5.49 to 1 USD.

Use of Estimate

The making of the financial statements in accordance with IFRS requires the making of judgments, estimates and assumptions influencing the appliance of policies as well as presented amounts of assets, liabilities, income and expenditure. The estimates and assumptions are based on experience and other various factors considered rational in given circumstances accompanied by information available at the time of making financial statements, the result of which makes the basis for book value of assets and liabilities assessment which is not easy to determine on the basis of other sources. Actual results may differ from these estimates. The estimates and assumptions are continually examined. The changes in accounting assessments are recognized for the period for which they have been changed as well as for future periods if the changes influence them.

Accounting Policies

The accounting policies used during making the financial statements for the third quarter of 2011 correspond to the accounting policies used during making of the audited financial statements 2010.



On the basis of the Article 20 of the Statute of CROATIA osiguranje d.d. of 30 April 2008 and Article 410 of the Law on Equity Market (NN 88/08) the Management Board of the Company gives the

STATEMENT

To the best of its knowledge:

- The unaudited consolidated financial statements of the issuer for the third quarter 2011, made by applying relevant FRS, gives the whole and true presentation of assets and liabilities, losses and gains, financial position and business operation of the issuer as well as companies included in consolidation as a whole,
- The Management Board's report consists of true presentation of the development and results of business operations as well as the position of the issuer and companies included in consolidation, accompanied by the description of major risks and uncertainties the issuer as well as companies are exposed to.

Zagreb, 28/10/2011

Članica Uprave
Silvana Ivančić
Silvana Ivančić

Predsjednik Uprave
Zdravko Zrinušić
Zdravko Zrinušić

Member of the Board

President of the Board