



**UNAUDITED CONSOLIDATED BUSINESS
REPORT FOR THE FIRST QUARTER OF 2012**

Zagreb, April 2012

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I UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Reporting period: to

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

Tax number (MB)

Company registration number (MBS):

Personal identification number (OIB):

Issuing company:

Postal code and place

Street and house number:

E-mail address:

Internet address

Municipality/city code and name

County code and name Number of employees:
(quarter end)

Consolidated report: NKD code:

Companies of the consolidation subject (according to):

Company name	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:


Telephone: Telefaks:


E-mail address:

Family name and name:
(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


 Glavnica Uprave
 Silvana Ivančić


 Predsjednik Uprave
 Zdravko Zrinušić

(potpis osobe ovlaštene za zastupanje)

**Consolidated report on comprehensive profit
(Profit and loss account)
For the period from 01.01.2012 until 31.03.2012**

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	95.742.555	572.087.618	667.830.172	93.074.513	571.188.209	664.262.722
1. Gross written premiums	125	95.665.527	991.621.814	1.087.287.341	93.581.421	968.239.064	1.061.820.485
2. Coinsurance premium	126		664.116	664.116		914.185	914.185
3. Value adjustment and collected insurance/coinsurance premium value adjustment	127		-26.714.949	-26.714.949		-26.458.701	-26.458.701
4. Premiums ceded to reinsurance	128	-174.751	-145.992.299	-146.167.050	-130.821	-132.632.834	-132.763.654
5. Premiums ceded to coinsurance	129		-3.572.400	-3.572.400		-5.070.411	-5.070.411
6. Change in gross unearned premium provision	130	195.325	-362.838.066	-362.642.741	-441.509	-288.237.836	-288.679.346
7. Change in unearned premium provision, reinsurer's share	131	56.454	118.919.402	118.975.856	65.422	54.434.742	54.500.164
8. Change in unearned premium provision, reinsurer's share	132						
II. Income from investments (AOP 134 + 135 + 139 + 140 + 141 + 145 + 146)	133	29.100.887	62.522.759	91.623.646	34.383.007	51.798.861	86.181.869
1. Income from branch-offices, associated companies and joint ventures	134					398.520	398.520
2. Income from investments into land and buildings (136 to 138)	135	1.135	3.034.232	3.035.368	2.316	5.595.849	5.598.165
2.1. Income from rental fees	136	1.135	1.601.882	1.603.018	2.316	5.595.849	5.598.165
2.2. Income from increased value of land and buildings	137		1.412.350	1.412.350			
2.3. Income from real estate sale	138		20.000	20.000			
3. Interest income	139	26.255.224	37.532.772	63.787.996	28.461.782	36.970.516	65.432.298
4. Unrealized profits from investment at fair value	140	1.731.347	2.998.024	4.729.371	5.270.564	6.083.472	11.354.035
5. Gain on sale (realization) of financial investments (142 to 145)	141	1.111.216	526.375	1.637.591	646.467	900.473	1.546.940
5.1. Investment at fair value through profit and loss account	142	435.743	499.593	935.336	277.217	298.122	575.339
5.2. Investment available for sale	143		26.783	26.783	53.711	602.351	656.063
5.3. Other gains on sale of financial investments	144	675.473		675.473	315.538		315.538
6. Net positive exchange rate differences	145						
7. Other investment income	146	1.964	18.431.356	18.433.320	1.879	1.850.031	1.851.910
III. Income from commissions and fees	147	30.729	12.498.420	12.529.149	7.737	13.563.804	13.571.541
IV. Other insurance-technical income, net of reinsurance	148	70.417	3.202.871	3.273.288	38.617	6.386.561	6.425.178
V. Other income	149	191.485	40.114.179	40.305.664	150.177	55.781.218	55.931.395
VI. Expenses for insured events, net of reinsurance (AOP 151 + 155)	150	-82.013.017	-350.476.192	-432.489.210	-75.557.404	-371.917.638	-447.475.042
1. Paid claims (AOP 152 to 154)	151	-84.062.726	-332.840.744	-416.903.470	-81.426.316	-318.856.634	-400.282.950
1.1. Gross amount	152	-84.062.726	-352.866.772	-436.929.497	-81.426.316	-349.653.842	-431.080.158
1.2. Coinsurer's share	153		-82.527	-82.527		169.491	169.491
1.3. Reinsurer's share	154		20.108.554	20.108.554		30.627.717	30.627.717
2. Change in claims provision (AOP 156 to 158)	155	2.049.708	-17.635.448	-15.585.740	5.868.912	-53.061.004	-47.192.092
2.1. Gross amount	156	2.049.708	-40.467.082	-38.417.374	5.868.912	-61.190.481	-55.321.569
2.2. Coinsurer's share	157						
2.3. Reinsurer's share	158		22.831.634	22.831.634		8.129.477	8.129.477
VII. Change in mathematical reserve and other technical reserves (AOP 160 + 163)	159	-5.669.479	243.392	-5.426.087	-2.306.103	6.000.000	3.693.897
1. Change in mathematical insurance provision (AOP 161 + 162)	160	-5.669.479		-5.669.479	-2.306.103		-2.306.103
1.1. Gross amount	161	-5.744.623		-5.744.623	-2.296.845		-2.296.845
1.2. Reinsurer's share	162	75.144		75.144	-9.258		-9.258
2. Change in other technical provision, net of reinsurance (AOP 164 do 166)	163		243.392	243.392		6.000.000	6.000.000
2.1. Gross amount	164		707.478	707.478			
2.2. Coinsurer's share	165						
2.3. Reinsurer's share	166		-464.086	-464.086			
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	1.466.209		1.466.209	1.342.658		1.342.658
1. Gross amount	168	1.466.209		1.466.209	1.342.658		1.342.658
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		1.799.845	1.799.845		1.154.624	1.154.624
1. Depending on results (bonuses)	172		1.880.000	1.880.000		1.100.000	1.100.000
2. Irrespective of results (discounts)	173		-80.155	-80.155		54.624	54.624

X. Business expenditures (AOP 175+179)	174	-29.701.754	-223.969.354	-253.671.108	-36.365.411	-222.744.891	-259.110.302
1. Sales expenses (AOP 176 to 178)	175	-7.992.756	-58.028.407	-66.021.163	-7.113.173	-66.017.838	-73.131.010
1.1. Commision	176	-6.308.599	-33.682.264	-39.990.863	-5.428.809	-38.925.742	-44.354.551
1.2. Other sales expenses	177	-1.684.157	-24.073.570	-25.757.727	-1.684.364	-26.065.997	-27.750.361
1.3. Change in split sales expenses	178		-272.573	-272.573		-1.026.098	-1.026.098
2. Management expenses (AOP 180 to 182)	179	-21.708.998	-165.940.947	-187.649.945	-29.252.238	-156.727.054	-185.979.292
2.1. Depreciation of tangible assets	180	-478.430	-13.410.530	-13.888.959	-559.741	-14.241.611	-14.801.352
2.2. Salaries, taxes and salary contributions (from and on salary)	181	-10.792.862	-93.952.666	-104.745.528	-11.221.710	-93.624.165	-104.845.875
2.3. Other management expenses	182	-10.437.706	-58.577.751	-69.015.457	-17.470.788	-48.861.277	-66.332.065
XI. Investment expenses (AOP 184 to 189)	183	-581.575	-17.493.089	-18.074.663	-3.847.736	-16.992.587	-20.840.324
1. Depreciation (buildings not intended for business activities of the company)	184		-171.532	-171.532			
2. Interest	185		-664	-664	-6.957		-6.957
3. Investment impairments	186					-124.731	-124.731
4. Losses from sale (realizations) of investment	187		-1.672.919	-1.672.919	-1.000	-8.499	-9.499
5. Adjustment of financial assets at fair value through P&L	188	-123.350	-77.930	-201.280	-264.334	-321.135	-585.469
6. Net foreign exchange losses	189	-329.580	-6.386.187	-6.715.767	-3.346.209	-479.182	-3.825.390
7. Other investment costs	190	-128.645	-9.183.857	-9.312.502	-229.237	-16.059.041	-16.288.278
XII. Other tehcnical expenses, net of reinsurance (AOP 192 + 193)	191	-5.737	-19.507.411	-19.513.148	-86.719	-23.411.670	-23.498.389
1. Prevention activities expenses	192		-967.340	-967.340		-1.236.118	-1.236.118
2. Other technical expenses	193	-5.737	-18.540.072	-18.545.809	-86.719	-22.175.551	-22.262.270
XIII. Other expenses, including value adjustment	194	-5.588	-31.765.529	-31.771.117		-32.010.257	-32.010.257
XIV. Profit or loss before taxes (124+133+147+148+149+150+159+167+171+174+183+191+194)	195	8.625.132	49.257.508	57.882.640	10.833.337	38.796.234	49.629.570
XV. Taxation (AOP 197+198)	196	-1.281.244	-6.188.846	-7.470.090	-1.791.648	-6.347.796	-8.139.444
1. Current tax expenses	197	-1.281.244	-6.188.845	-7.470.089	-1.791.648	-6.347.796	-8.139.444
2. Deferred tax expenses	198		-1	-1			
XVI. Net profit or loss for the period (AOP 195-196)	199	7.343.888	43.068.662	50.412.550	9.041.688	32.448.438	41.490.126
1. Attributable to majority owners	200	6.959.181	41.677.581	48.636.762	8.846.777	31.440.265	40.287.042
2. Attributable to minority interests	201	384.707	1.391.081	1.775.788	194.912	1.008.174	1.203.085
XVII. TOTAL INCOME	202	125.136.072	690.425.846	815.561.919	127.654.052	698.718.653	826.372.705
XVIII. TOTAL EXPENSES	203	-117.792.184	-647.357.185	-765.149.369	-118.612.363	-666.270.215	-784.882.578
IX. Other comprehensive profit (205 to 211 - 212)	204	1.916.759	4.563.377	6.480.136	4.227.115	2.652.078	6.879.193
1. Profit / loss from translation of financial statements	205					10.785	10.785
2. Profit / loss from revaluation of financial assets available for sale	206	1.916.759	6.165.199	8.081.958	4.227.115	3.969.569	8.196.684
3. Profit / loss from revaluation of operational land and buildings	207		-1.694.081	-1.694.081		-1.328.276	-1.328.276
4. Profit / loss from revaluation of other tangible (except land and buildings) and intangible assets	208		92.259	92.259			
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	9.260.647	47.632.039	56.892.686	13.268.803	35.100.516	48.369.319
1. Attributable to majority owners	214	8.875.940	46.252.404	55.128.344	13.073.892	38.564.096	51.637.988
2. Attributable to minority interests	215	384.707	1.379.634	1.764.341	194.912	-3.463.581	-3.268.669
XXI. Reclassification adjustments	216						

CONSOLIDATED REPORT ON FINANCIAL POSITION (BALANCE SHEET) AS AT 31.03.2012

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)
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	59.932	63.309.339	63.369.271	94.092	64.020.784	64.114.876
1. Goodwill	005		42.263.906	42.263.906		43.050.902	43.050.902
2. Other intangible assets	006	59.932	21.045.433	21.105.365	94.092	20.969.882	21.063.974
C. TANGIBLE ASSETS (008 to 010)	007	4.305.464	1.484.861.407	1.489.166.870	4.801.287	1.513.668.899	1.518.470.185
1. Land and buildings used for insurance activities	008	3.679.148	1.347.814.385	1.351.493.534	3.655.402	1.333.929.728	1.337.585.130
2. Equipment	009	491.763	98.488.524	98.980.287	1.011.752	88.397.938	89.409.690
3. Other tangible assets and reserves	010	134.553	38.558.497	38.693.050	134.133	91.341.233	91.475.366
D. INVESTMENTS (012+013+017+036)	011	2.106.295.797	3.947.245.974	6.053.541.771	2.138.880.769	3.950.000.495	6.088.881.264
I. Investments in land and buildings not intended for business activities of the company	012	437.198	968.976.989	969.414.187	435.833	973.108.354	973.544.188
II. Investments in branch-offices, associated companies and participating in joint investments (014 to 016)	013		17.607.576	17.607.576		17.687.199	17.687.199
1. Shares and stakes in branch-offices	014						
2. Shares and stakes in associate companies	015		16.295.014	16.295.014		16.382.962	16.382.962
3. Participating in joint investments	016		1.312.562	1.312.562		1.304.237	1.304.237
III. Other financial investments (018 + 021 + 026 + 032)	017	2.105.858.599	2.960.661.409	5.066.520.008	2.138.444.936	2.959.204.942	5.097.649.878
1. Investments kept till maturity date (019 + 020)	018	1.312.794.201	918.652.533	2.231.446.734	1.344.262.180	977.016.382	2.321.278.562
1.1. Debt securities and other securities with fixed income	019	1.312.794.201	904.550.884	2.217.345.085	1.344.262.180	961.050.117	2.305.312.297
1.2. Other investments kept till maturity date	020		14.101.649	14.101.649		15.966.265	15.966.265
2. Investments available for sale (022 to 025)	021	60.422.034	198.835.404	259.257.438	63.201.860	203.108.719	266.310.579
2.1. Stocks, shares and other securities with variable income	022	24.314.237	118.648.920	142.963.157	27.279.714	124.462.251	151.741.964
2.2. Debt securities and other securities with fixed income	023		1.267.500	1.267.500		1.344.005	1.344.005
2.3. Stakes in investment funds	024	36.107.797	78.918.984	115.026.780	35.922.147	77.302.463	113.224.610
2.4. Other investments available for sale	025						
3. Investments at fair value through the profit and loss account (027 to 031)	026	200.501.903	383.929.268	584.431.170	187.131.344	363.188.490	550.319.834
3.1. Stocks, shares and other securities with variable income	027		8.213.904	8.213.904		9.097.293	9.097.293
3.2. Debt securities and other securities with fixed income	028	83.590.987	110.355.342	193.946.328	87.602.594	112.205.928	199.808.521
3.3. Derivative financial instruments	029						
3.4. Stakes in investment funds	030	116.910.916	265.360.022	382.270.938	99.528.750	241.885.269	341.414.019
3.5. Other investments	031						
4. Deposits, loans and receivables (033 to 035)	032	532.140.461	1.459.244.205	1.991.384.666	543.849.552	1.415.891.352	1.959.740.903
4.1. Bank deposits	033	474.809.212	1.073.025.807	1.547.835.019	482.953.566	1.044.246.904	1.527.200.470
4.2. Loans	034	56.645.349	381.059.384	437.704.732	60.895.986	367.214.749	428.110.735
4.3. Other loans and receivables	035	685.901	5.159.014	5.844.914		4.429.698	4.429.698
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	16.320.627		16.320.627	15.681.784		15.681.784
F. REINSURANCE PORTION IN TECHNICAL RESERVES (039 to 045)	038	164.628	236.107.174	236.271.802	220.793	297.227.812	297.448.605
1. Unearned premiums, reinsurance share	039	138	19.806.023	19.806.161	65.560	73.296.931	73.362.491
2. Mathematical insurance provision, reinsurance share	040	164.490		164.490	155.232		155.232
3. Claims provision, reinsurance share	041		215.781.823	215.781.823		223.771.403	223.771.403
4. Provision for premium returns depending and not depending on result (bonuses and discounts), reinsurance share	042		519.328	519.328		159.479	159.479
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	2.451.330	3.588.575	6.039.905	2.408.707	3.585.363	5.994.070
1. Deferred tax assets	047	2.408.707	3.588.575	5.997.282	2.408.707	3.585.363	5.994.070
2. Current tax assets	048	42.623		42.623			
H. RECEIVABLES (050 + 053 + 054)	049	10.292.727	1.001.153.666	1.011.446.393	7.891.271	1.220.819.396	1.228.710.668
1. Receivables from direct insurance activities (051 + 052)	050	162.077	681.383.908	681.545.985	160.665	966.179.678	966.340.342
1.1. Receivables from policyholders	051	118.331	673.981.679	674.100.010	115.459	958.525.982	958.641.441
1.2. Receivables from insurance agents	052	43.746	7.402.229	7.445.975	45.205	7.653.696	7.698.901
2. Receivables from coinsurance and reinsurance activities	053		61.234.875	61.234.875		70.751.206	70.751.206
3. Other receivables (055 to 057)	054	10.130.650	258.534.883	268.665.533	7.730.607	183.888.512	191.619.119
3.1. Receivables for other insurance activities	055		29.563.633	29.563.633		31.981.466	31.981.466
3.2. Receivables for returns on investments	056	3.943.028	13.160.606	17.103.634	4.460.825	11.475.456	15.936.281
3.3. Other receivables	057	6.187.622	215.810.644	221.998.266	3.269.781	140.431.590	143.701.371
I. OTHER ASSETS (059 + 063 + 064)	058	6.117.246	88.539.542	94.656.787	7.462.057	105.827.272	113.289.328
1. Money in bank and in cash (060 to 062)	059	6.052.921	75.750.040	81.802.961	7.404.543	88.600.063	96.004.606
1.1. Money on business account	060	3.918.390	75.407.245	79.325.635	5.082.872	87.918.301	93.001.173
1.2. Money on mathematical provision account	061	2.127.973		2.127.973	2.317.516		2.317.516
1.3. Cash money	062	6.558	342.795	349.353	4.154	681.762	685.917
2. Long-term assets intended for sale and business termination	063						
3. Other	064	64.325	12.789.502	12.853.826	57.514	17.227.209	17.284.723
J. PREPAID EXPENSES OF THE FUTURE PERIOD AND UNDUE COLLECTION OF INCOME (066 to 068)	065	22.259.902	59.037.498	81.297.400	21.072.372	59.536.867	80.609.238
1. Split interest and rental fees	066	22.185.161	16.024.052	38.209.213	20.725.189	15.198.803	35.923.991
2. Split sales costs	067		20.454.677	20.454.677		18.312.213	18.312.213
3. Other paid expenses of the future period and undue income collection	068	74.741	22.558.770	22.633.510	347.183	26.025.851	26.373.034
K. TOTAL ASSETS (001+004+007+011+037+038+046+049+058+065)	069	2.168.267.651	6.883.843.174	9.052.110.826	2.198.513.132	7.214.686.899	9.413.200.020
L. NON-BALANCE SHEET RECORDS	070		734.133.071	734.133.071		685.067.676	685.067.676

LIABILITIES								
A. CAPITAL AND RESERVES (072 + 076 + 077 + 081 + 085 + 088)	071	121.188.229	1.837.865.705	1.959.053.933	134.132.734	1.872.732.494	2.006.865.228	
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	-15.718.730	512.712.440	496.993.709	-11.491.414	515.364.316	503.872.902	
3.1. Revaluation of land and buildings	078	-64.994	520.883.395	520.818.401	-64.792	519.296.523	519.231.731	
3.2. Revaluation of investments in financial assets	079	-15.653.736	-15.000.350	-30.654.086	-11.426.621	-6.914.874	-18.341.495	
3.3. Other revaluation reserves	080		6.829.395	6.829.395		2.982.666	2.982.666	
4. Reserves (082 to 084)	081	78.314.936	378.151.843	456.466.779	78.314.936	378.151.843	456.466.779	
4.1. Legal provision	082	489.554	19.152.617	19.642.171	489.554	19.152.617	19.642.170	
4.2. Statutory provision	083	2.325.382	92.288.398	94.613.780	2.325.382	92.288.399	94.613.781	
4.3. Other reserves	084	75.500.000	266.710.828	342.210.828	75.500.000	266.710.827	342.210.827	
5. Retained profit or loss (086 + 087)	085	7.517.828	448.141.312	455.659.140	14.173.715	549.177.591	563.351.306	
5.1. Retained profit	086	7.517.828	448.141.312	455.659.140	14.173.715	549.177.591	563.351.306	
5.2. Retained loss (-)	087							
6. Profit or loss for the period (089 + 090)	088	6.785.475	100.261.630	107.047.104	8.846.777	31.440.265	40.287.042	
6.1. Profit for the period	089	6.785.475	100.261.630	107.047.104	8.846.777	31.440.265	40.287.042	
6.2. Loss for the period (-)	090							
B. MINORITY INTEREST	091	7.791.231	67.654.463	75.445.694	7.960.727	57.854.283	65.815.010	
C. TECHNICAL PROVISION (093 to 098)	092	1.986.686.474	4.320.732.309	6.307.418.783	1.982.965.922	4.656.438.832	6.639.404.754	
1. Unearned premiums, gross amount	093	3.929.192	1.114.848.550	1.118.777.742	4.367.266	1.397.355.514	1.401.722.780	
2. Mathematical insurance provision, gross amount	094	1.945.987.781		1.945.987.781	1.947.702.074		1.947.702.074	
3. Claims provision, gross amount	095	36.769.501	3.133.643.782	3.170.413.284	30.896.582	3.194.464.882	3.225.361.464	
4. Provision for premium returns dependent upon or independent of result (bonuses and discounts), gross amount	096		5.812.976	5.812.976		4.191.436	4.191.436	
5. Provision for claims fluctuation, gross amount	097							
6. Other technical insurance provision, gross amount	098		66.427.000	66.427.000		60.427.000	60.427.000	
D. SPECIAL PROVISION FOR THE GROUP LIFE INSURANCE WHERE THE POLICYHOLDER ASSUMES THE INVESTMENT RISK, gross amount	099	16.320.627		16.320.627	15.681.784		15.681.784	
E. OTHER PROVISION (101 + 102)	100	2.557.348	87.913.892	90.471.240	13.556.543	75.576.653	89.133.196	
1. Provision for pensions	101	2.557.348	82.502.608	85.059.956	13.556.543	70.965.368	84.521.911	
2. Other provision	102		5.411.285	5.411.285		4.611.285	4.611.285	
F. DEFERRED AND CURRENT TAX LIABILITY (104 + 105)	103	55.052	134.844.757	134.899.809	1.791.569	131.640.317	133.431.887	
1. Deferred tax liability	104		122.317.431	122.317.431		121.982.979	121.982.979	
2. Current tax liability	105	55.052	12.527.327	12.582.379	1.791.569	9.657.339	11.448.908	
G. DEPOSITS RETAINED FROM BUSINESS CEDED TO REINSURANCE	106							
H. FINANCIAL LIABILITIES (108 to 110)	107	100.067	88.400.064	88.500.131	461.338	76.641.010	77.102.348	
1. Loan liabilities	108		84.079.870	84.079.870		75.738.503	75.738.503	
2. Outstanding securities	109							
3. Other financial liabilities	110	100.067	4.320.194	4.420.261	461.338	902.507	1.363.844	
I. OTHER LIABILITIES (112 to 115)	111	33.390.208	305.054.135	338.444.342	41.793.870	318.629.204	360.423.075	
1. Liabilities derived from direct insurance activities	112	2.025.459	110.716.980	112.742.439	2.559.656	127.312.446	129.872.103	
2. Liabilities derived from coinsurance and reinsurance activities	113	1.693	67.958.283	67.959.976	364	85.475.104	85.475.467	
3. Liabilities for misappropriation and discontinued operations	114							
4. Other liabilities	115	31.363.056	126.378.871	157.741.927	39.233.850	105.841.654	145.075.505	
J. DEFERRED PAYMENT OF EXPENSES AND INCOME OF THE FUTURE PERIOD (117+118)	116	178.417	41.377.850	41.556.267	168.643	25.174.096	25.342.739	
1. Reinsurance commission split	117					41.163	41.163	
2. Other deferred costs payment and future income	118	178.417	41.377.850	41.556.267	168.643	25.132.933	25.301.576	
K. TOTAL LIABILITIES (071+091+092+099+100+103+106+107+111+116)	119	2.168.267.652	6.883.843.174	9.052.110.826	2.198.513.131	7.214.686.888	9.413.200.020	
L. NON-BALANCE SHEET RECORDS	120		734.133.072	734.133.072		685.067.676	685.067.676	
ADDITION TO BALANCE SHEET (only for consolidated financial statements)								
M. CAPITAL AND RESERVES (122+123)	121	128.979.460	1.905.520.168	2.034.499.627	142.093.461	1.930.586.777	2.072.680.238	
1. Attributable to majority owners	122	121.188.229	1.837.865.705	1.959.053.933	134.132.734	1.872.732.494	2.006.865.228	
2. Attributable to minority interests	123	7.791.231	67.654.463	75.445.694	7.960.727	57.854.283	65.815.010	

CONSOLIDATED REPORT ON CHANGES IN EQUITY FOR THE PERIOD FROM 01.01.2012 UNTIL 31.03.2012

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		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	002									
2. Correction of previous period errors	003			74.365		-39.842		34.523		34.523
II. Balance at 1 January - previous year (corrected) (AOP 001 to 003)	004	442.887.200		560.846.761	443.930.661	402.715.077	84.949.765	1.935.329.464	68.598.004	2.003.927.468
III. Comprehensive profit or loss - previous year (AOP 006+007)	005			-63.853.052		9.194.235	107.047.105	52.388.288	8.948.863	61.337.151
1. Profit/loss of the previous period	006						107.047.105	107.047.105	2.645.353	109.692.457
2. Other comprehensive profit/loss of the previous year (AOP 008 do 011)	007			-63.853.052		9.194.235		-54.658.816	6.303.511	-48.355.306
2.1. Unrealized profit/loss from tangible assets (land and buildings)	008			2.320.408		6.835.588		9.155.996	8.144.812	17.300.807
2.2. Unrealized profit/loss from financial assets available for sale	009			-48.173.323				-48.173.323	-1.494.807	-49.668.130
2.3. Realized profit/loss from financial assets available for sale	010			-18.064.979				-18.064.979		-18.064.979
2.4. Other non-ownership changes in capital	011			64.842		2.358.648		2.423.490	-346.494	2.076.996
IV. Transactions with owners (previous period) (AOP 013 to 016)	012				12.536.118	43.749.827	-84.949.765	-28.663.820	-2.101.173	-30.764.993
1. Increase/decrease of share capital	013									
2. Other payments by the owners	014									
3. Payment of shares in profit/dividends	015						-28.663.820	-28.663.820	-2.101.173	-30.764.993
4. Other distribution to the owners	016				12.536.118	43.749.827	-56.285.945			
V. Balance at 31 December - previous period (AOP 004+005+012)	017	442.887.200		496.993.709	456.466.779	455.659.139	107.047.105	1.959.053.932	75.445.694	2.034.499.626
VI. Balance at 1 January - current year	018	442.887.200		496.993.709	456.466.779	455.659.139	107.047.105	1.959.053.932	75.445.694	2.034.499.626
1. Change in accounting policy	019									
2. Correction of previous period errors	020						-108.523	-108.523		-108.523
VII. Balance at 1 January - current period (corrected) (AOP 018 to 020)	021	442.887.200		496.993.709	456.466.779	455.550.616	107.047.105	1.958.945.409	75.445.694	2.034.391.103
VIII. Comprehensive profit or loss - current period (AOP 023+024)	022			6.879.193		753.584	40.287.042	47.919.819	-3.268.669	44.651.150
1. Profit/loss of the previous period	023						40.287.042	40.287.042	1.203.085	41.490.127
2. Other comprehensive profit/loss of the current year (AOP 025 to 028)	024			6.879.193		753.584		7.632.777	-4.471.754	3.161.023
2.1. Unrealized profit/loss from tangible assets (land and buildings)	025			-1.328.276		1.672.246		343.970	21	343.991
2.2. Unrealized profit/loss from financial assets available for sale	026			7.550.120				7.550.120	-229.173	7.320.947
2.3. Realized profit/loss from financial assets available for sale	027			646.564				646.564		646.564
2.4. Other non-ownership changes in capital	028			10.785			-918.662	-907.877	-4.242.602	-5.150.479
IX. Transactions with owners (current period) (AOP 030 to 033)	029						107.047.105	-107.047.105	-6.362.015	-6.362.015
1. Increase/decrease of share capital	030									
2. Other payments by the owners	031									
3. Payment of shares in profit/dividends	032								-176.045	-176.045
4. Other distribution to the owners	033						107.047.105	-107.047.105	-6.185.970	-6.185.970
X. Balance at 31 December - current period (AOP 021+022+029)	034	442.887.200		503.872.902	456.466.779	563.351.305	40.287.042	2.006.865.228	65.815.010	2.072.680.238

CONSOLIDATED REPORT ON CASH FLOWS - INDIRECT METHOD

For the period from 01.01.2012 until 31.03.2012

in HRK

Position	AOP	Previous period	Current period
1	2	3	4
I. CASH FLOWS FROM OPERATING ACTIVITIES (002+013+031)	001	2.620.816	99.472.240
1. Cash flow before change in business property and liabilities (AOP 003+004)	002	100.958.965	10.322.168
1.1. Profit before tax	003	57.882.640	49.629.570
1.2. Adjustment: (AOP 005 to 012)	004	43.076.325	-39.307.402
1.2.1. Depreciation and amortization of immovables and equipment	005	18.692.442	18.709.279
1.2.2. Depreciation and amortization of intangible property	006	1.662.577	1.901.360
1.2.3. Impairment and profits/losses from adjustment to fair value	007	18.138.910	-9.209.686
1.2.4. Interest expenses	008	28.654	
1.2.5. Interest income	009	1.953.020	-55.967.559
1.2.6. Share in profit of associated companies	010		-2.626.468
1.2.7. Profits/losses from sale of tangible property (including real estate)	011	541	-1.153.392
1.2.8. Other adjustments	012	2.600.181	9.039.064
2. Increase/decrease in business property and liabilities (AOP 014 to 030)	013	-89.117.375	98.098.928
2.1. Increase /decrease in investments available for sale	014	340.209	-7.053.141
2.2. Increase /decrease in investmentst estimated at fair value	015	-126.593.408	38.582.396
2.3. Increase / decrease in deposits, loans and receivables	016	-66.165.388	20.729.334
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	415.060	638.843
2.6. Increase /decrease of reinsurance stakes in tehcnical provision	019	-113.611.023	-61.176.803
2.7. Increase/decrease of taxable property	020	1.667.562	45.835
2.8. Increase/decrease in receivables	021	-200.126.152	-217.264.275
2.9. Increase/decrease in other assets	022	9.945.043	
2.10. Increase/decrease in prepaid expenses of the future period and undue collection of income	023	-5.050.092	688.161
2.11. Increase/decrease in tehcnical provision	024	375.130.660	331.985.971
2.12. Increase/decrease in life insurance tehcnical provision when the policyholder bears investment risk	025	-415.060	-638.843
2.13. Increase/decrease in tax liabilities	026	886.283	-1.467.923
2.14. Increase/decrease in deposits held from activities ceded to reinsurance	027		
2.15. Increase/decrease in financial liabilities	028	-23.278.724	-11.397.783
2.16. Increase/decrease in other liabilities	029	55.759.125	20.640.688
2.17. Increase/decrease in deferred payment of expenses and income of the future period	030	1.978.530	-16.213.532
3. Income tax paid	031	-9.220.774	-8.948.856
II. CASH FLOW FROM INVESTMENT ACTIVITIES (AOP 033 to 046)	032	4.664.742	-87.049.953
1. Receipts from sale of tangible assets	033	9.047.112	1.468.802
2. Expenditures for the purchase of tangible assets	034	-24.764.691	-5.276.504
3. Receipts from sale of intangible assets	035		
4. Expenditures for the purchase of intangible assets	036	-736.983	-1.418.351
5. Receipts from sale of land and buildings not intended for business activities of the company	037	324.462	
6. Expenditures for the purchase of land and buildings not intended for business activities of the company	038	-30.597.949	-5.542.312
7. Increase/decrease of investments in branch-offices, associated companies and participation in joint investements	039	461.263	10.762.298
8. Receipts from investments kept till maturity	040	97.345.973	18.701.748
9. Expenditures for investments kept till maturity	041	-38.576.207	-102.491.610
10. Receipts from sale of securities and stakes	042	22.901	
11. Expenditures for investments in securities and stakes	043	-8.809.796	
12. Receipts from dividends and profit share	044	90.324	211.289
13. Receipts from long term and short term loans	045	1.844.407	69.924.056
14. Expenses for long term and short term loans	046	-986.074	-73.389.369
III. CASH FLOW FROM FINANCIAL ACTIVITIES (AOP 050 to 054)	047	-17.540.035	279.634
1. Receipts from capital stock increase	048		
2. Receipts from short-term and long-term loans	049		385.109
3. Expenditures for short-term and long-term loans	050	-17.543.059	-105.475
4. Expenditures for purchase of treasury shares	051		
5. Expenditures for payment of profit share (dividends)	052	3.024	
NET CASH FLOW (AOP 001 + 032 + 049)	053	-10.254.477	12.701.921
IV. EFFECTS OF CHANGES IN RATES OF FOREIGN CURRENCIES	054	309.434	5.930.620
V. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (055+056)	055	-9.945.043	18.632.541
Cash and cash equivalents at the beginning of the period	056	85.212.974	94.656.787
Cash and cash equivalents at the end of the period (AOP 057 + 058)	057	75.267.931	113.289.328

II BOARD OF MANAGEMENT'S REPORT

During the year 2012 any significant recuperation of the insurance industry is not expected according to the actual forecasts of the insurance experts. During the first quarter of 2012 the global insurance market recorded a decrease in written premium that continued from the previous periods.

During the period I-III 2012 the Croatia osiguranje Group realized income amounting to HRK 826.4 mil. that is an increase of 1.3% compared to the same period of the previous year. The total expenditures of the Group recorded an increase of 2.5% i.e. HRK 776.7 mil. The net profit after taxation and minority shares in the net profit amounting to HRK 40.3 mil. that is a decrease of 17.2% compared to the same period of the previous year.

During the period I-III 2012 the gross written premium of the Group amounted to HRK 1,061.8 mil. and recorded a decrease of 2.3%. The non-life gross written premium amounted to HRK 968.2 mil. that is a decrease of 2.4% while the life insurance gross written premium amounted to HRK 93.6 mil. that is a decrease of 2.2%.

During the period I-III 2012 the gross paid claims amounted to HRK 431.1 mil. that is a decrease of 1.3% compared to the same period of the previous year. The non-life insurance gross paid claims recorded a decrease of 0.9% while the life insurance paid claims recorded a decrease of 3.1% compared to the same period of the previous year.

In investment business of non-life and life insurance the Group recorded income from investments amounting to HRK 86.2 mil.

As at 31/03/2012 the total assets of the Group amounted to HRK 9,413.2 mil. that is an increase of 4.0% compared to 31/12/2011.

The accounted technical provisions in the accounting period amounted to HRK 6,639.4 mil. that is an increase of 5.3% compared to the accounted technical provisions at 31/12/2011.

Key business indicators for the Group:

DESCRIPTION	GROUP			
	1	2	3	4
PROFIT&LOSS ACCOUNT	I-III 2011.	I-III 2012.	INDEX 3/2	
Total income	815,562	826,373	101.3	
Total expenditure	757,679	776,743	102.5	
Written gross premium	1,087,288	1,061,82	97.7	
- non-life	991,622	968,239	97.6	
- life	95,666	93,581	97.8	
Paid claims (gross)	436,930	431,080	98.7	
- non-life	352,867	349,654	99.1	
- life	84,063	81,426	96.9	
Profit before taxation	57,883	49,630	85.7	
Profit after taxation	50,413	41,490	82.3	
Profit after minority interest	48,637	40,287	82.8	
BALANCE	31.12.2011.	31.03.2012.	INDEX 3/2	
Total assets	9,052,111	9,413,200	104.0	
Equity and provision	1,959,054	2,006,865	102.4	
- subscribed capital	442,887	442,887	100.0	
- revaluation provision	496,994	503,873	101.4	
- legal provision	19,642	19,642	100.0	
- statutory provision	94,614	94,614	100.0	
- other provision	342,211	342,211	100.0	
- retained profit	455,659	563,351	123.6	
- current period profit	107,047	40,287	37.6	
Technical provision	6,307,419	6,639,404	105.3	
- unearned premium, gross	1,118,778	1,401,723	125.3	
- LIMP	1,945,988	1,947,702	100.1	
- claim provision	3,170,413	3,225,361	101.7	
- provision for premium returns dependent and independent on the result (bonus & discount), gross	5,813	4,191	72.1	
- other technical insurance provision, gross	66,427	60,427	91.0	
Life insurance special provision-policyholder's investment risk, gross	16,321	15,682	96.1	
Investment	6,053,542	6,088,881	100.6	
KEY BUSINESS INDICATORS	I-III 2011.	I-III 2012.	INDEX 3/2	
ROA (%) (net profit / assets)	0.5	0.4	85.6	
ROE (%) (net profit / equity and provision)	2.4	2.0	83.6	
Gross profit margin (%) (gross profit / total income)	7.1	6.0	84.6	

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.

The unaudited consolidated financial statements for the first quarter 2012 shall be available on Croatia osiguranje d.d.'s, the Zagreb Stock Exchange's, the Register of Prescribed Information's web sites as well as publicly disclosed by HINA.

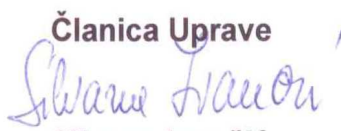
Description of Main Risks and Uncertainties

During financial and insurance risk management the basic target of the Group 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's 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 returns. 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 Act 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 risk is described in the Audited Annual Report for the year 2011.

Zagreb, 26.04.2012

Članica Uprave

Silvana Ivančić

Predsjednik Uprave

Zdravko Zrinišić

III NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER OF 2012

1. GENERAL

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

Daughter companies	Activity	Country
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	Insurance representation	Bosnia&Herzegovina
Croatia osiguranje a.d., društvo za osiguranje života, Skopje	Insurance	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 Act on Commercial Companies, Insurance Act and the Company's Act, 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

Capital stock and shares

On 31/03/2012 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 31/03/2012 is set below:

Shareholder	Number of Shares	31/03/2012	
		Amount HRK	% Share
1. AUDIO / Republic of Croatia	253,807	355,329,800	80.23
2. Raiffeisenbank Austria d.d.- custody account	19,720	27,608,000	6.23
3. Hrvatska poštanska banka d.d.- basic and custody account	6,510	9,114,000	2.06
4. Societe Generale- Splitska banka d.d.- custody account	6,182	8,654,800	1.95
5. PBZ d.d.- custody account	2,189	3,064,600	0.69
6. Zvon ena holding d.d.	2,122	2,970,800	0.67
7. Hypo alpe-adria-bank d.d.- custody account	1,505	2,107,000	0.48
8. Kraš d.d.	1,400	1,960,000	0.44
9. Auto Hrvatska d.d.	1,004	1,405,600	0.32
10. Erste&Steiermärkische Bank d.d. - basic and custody account	709	992,600	0.22
11. Komercijalna banka d.d. in liquidation	700	980,000	0.22
12. Bahovec Srećko	566	792,400	0.18
13. Adriacommerce	500	700,000	0.16
14. Radić Antun	408	571,200	0.13
15. Tankerska plovidba	400	560,000	0.13
16. Škaro Miroslav	380	532,000	0.12
17. Fran Mihaljević - klinika za infekt. bolesti	330	462,000	0.10
18. Cemex Hrvatska d.d.	249	348,600	0.08
19. Končar-elektroindustrija d.d.	230	322,000	0.07
20. Eko Međimurje d.d.	226	316,400	0.07
21. Other shareholders	17,211	24,095,400	5.45
UKUPNO:	316,348	442,887,200	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 31 March 2012 the official exchange rate of the Croatian kuna was HRK 7.51 to 1 Euro and HRK 5.62 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 first quarter of 2012 correspond to the accounting policies used during making of the audited financial statements for the year 2011.



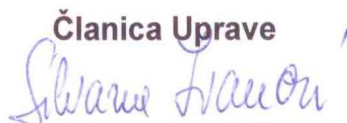
On the basis of the Article 20 of the Statute of CROATIA osiguranje d.d. of 30 April 2008 and Article 410 of the Act on Equity Market (NN 88/08) the Management Board of the Company gives the

STATEMENT

To the best of its knowledge:

- The unaudited consolidated financial statements of the issuer for the first quarter 2012, 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, 26/04/2012

Članica Uprave

Silvana Ivančić

Predsjednik Uprave

Zdravko Zrinušić