



**UNAUDITED UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR 2012**

Zagreb, February 2013

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I UNAUDITED FINANCIAL STATEMENTS

Reporting period:		01.01.	to	31.12.2012.
Quarterly financial statement for insurance and reinsurance companies - TFI-OSIG				
Tax number(MB):	<input type="text" value="03276147"/>			
Company registration number (MBS):	<input type="text" value="080051022"/>			
Personal identification number (OIB):	<input type="text" value="26187994862"/>			
Issuing company:	<input type="text" value="CROATIA osiguranje d.d."/>			
Postal code and place:	<input type="text" value="10000"/>	<input type="text" value="ZAGREB"/>		
Street and house number:	<input type="text" value="MIRAMARSKA 22"/>			
E-mail address:	<input type="text"/>			
Internet address:	<input type="text" value="www.crosig.hr"/>			
Municipality/city code and name:	<input type="text" value="133"/>	<input type="text" value="ZAGREB"/>		
County code and name:	<input type="text" value="21"/>	<input type="text" value="GRAD ZAGREB"/>	Number of employees:	<input type="text" value="2.827"/>
Consolidated report:	<input type="text" value="NO"/>		(quarter end) NKD code:	<input type="text" value="6512"/>
Companies of the consolidation subject (according to):	Seat:	MB:		
<input type="text"/>	<input type="text"/>	<input type="text"/>		
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<input type="text"/>	<input type="text"/>	<input type="text"/>		
<input type="text"/>	<input type="text"/>	<input type="text"/>		
Bookkeeping service:	<input type="text"/>			
Contact person:	<input type="text" value="KATICA KUZMANOVIĆ"/>			
Telephone:	<input type="text" value="01/6333-117"/>	Telefaks:	<input type="text" value="01/6332-073"/>	
E-mail address:	<input type="text" value="katica.kuzmanovic@crosig.hr"/>			
Family name and name:	<input type="text" value="FABIJANČIĆ IVAN, STARČEVIĆ KREŠIMIR"/>			
	<input type="text" value="(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				

 Član Uprave Ivan Fabijančić	 Predsjednik Uprave Kresimir Starčević
(potpis osobe ovlaštene za zastupanje)	

COMPREHENSIVE PROFIT REPORT
(Profit & Loss Account)
For the period from 01.01.2012. until 31.01.2012.

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	341.703.274	1.988.004.619	2.329.707.893	363.930.271	1.943.918.729	2.307.849.000
1. Gross written premiums	125	341.732.078	2.447.128.712	2.788.860.790	363.819.427	2.343.874.377	2.707.693.805
2. Coinsurance premium	126		3.920.226	3.920.226			
3. Value adjustment and collected insurance/coinsurance premium value adjustment	127		-66.048.930	-66.048.930		-52.173.832	-52.173.832
4. Premiums ceded to reinsurance	128	-282.572	-406.688.732	-406.971.304	-222.024	-377.743.981	-377.966.005
5. Premiums ceded to coinsurance	129		-4.304.247	-4.304.247		-3.950.576	-3.950.576
6. Change in gross unearned premium provision	130	253.630	21.425.918	21.679.549	330.352	32.907.106	33.237.458
7. Change in unearned premium provision, reinsurer's share	131		138	-7.428.329	2.516	1.005.634	1.008.150
8. Change in unearned premium provision, coinsurer's share	132						
II. Income from investments (AOP 134 + 135 + 139 + 140 + 141 + 145 + 146)	133	125.955.184	304.785.234	430.740.418	133.576.098	275.537.193	409.113.291
1. Income from branch-offices, associated companies and joint ventures	134		34.558.009	34.558.009		61.986.202	61.986.202
2. Income from investments into land and buildings (136 to 138)	135		62.583.072	62.583.072		40.282.145	40.282.145
2.1. Income from rental fees	136		6.831.290	6.831.290		23.089.486	23.089.486
2.2. Income from increased value of land and buildings	137		55.751.782	55.751.782		17.101.150	17.101.150
2.3. Income from real estate sale	138					91.508	91.508
3. Interest income	139	100.482.773	127.224.864	227.707.637	103.208.811	117.159.940	220.368.751
4. Unrealized profits from investment at fair value	140	2.460.726	2.769.591	5.230.317	19.173.222	17.682.021	36.855.243
5. Gain on sale (realization) of financial investments (142 to 145)	141	3.081.729	5.921.987	9.003.716	7.126.149	5.690.301	12.816.450
5.1. Investment at fair value through profit and loss account	142	3.081.729	4.223.430	7.305.159	6.064.757	4.075.684	10.140.441
5.2. Investment available for sale	143		1.698.556	1.698.556	1.061.391	1.614.618	2.676.009
5.3. Other gains on sale of financial investments	144						
6. Net positive exchange rate differences	145	19.867.052	13.086.273	32.953.324	3.906.397	3.029.264	6.935.661
7. Other investment income	146	62.905	58.641.438	58.704.343	161.520	29.707.320	29.868.840
III. Income from commissions and fees	147	69.101	24.166.257	24.235.359	25.901	25.335.080	25.360.981
IV. Other insurance-technical income, net of reinsurance	148	108.336	15.831.248	15.939.584	180.377	13.958.518	14.138.895
V. Other income	149	1.346.297	27.522.063	28.868.360	627.517	38.967.738	39.595.255
VI. Expenses for insured events, net of reinsurance (AOP 151 + 155)	150	-306.871.028	-1.139.989.853	-1.446.860.881	-256.819.307	-1.126.611.377	-1.383.430.684
1. Paid claims (AOP 152 to 154)	151	-313.225.335	-1.197.308.597	-1.510.533.931	-260.364.269	-1.131.413.594	-1.391.777.863
1.1. Gross amount	152	-313.225.335	-1.427.832.183	-1.741.057.518	-260.364.269	-1.340.982.733	-1.601.347.002
1.2. Coinsurer's share	153		-60.093	-60.093			
1.3. Reinsurer's share	154		230.583.679	230.583.679		209.569.139	209.569.139
2. Change in claims provision (AOP 156 to 158)	155	6.354.306	57.318.744	63.673.050	3.544.962	4.802.218	8.347.179
2.1. Gross amount	156	6.354.306	-55.807.852	-49.453.546	3.544.962	68.516.500	72.061.462
2.2. Coinsurer's share	157						
2.3. Reinsurer's share	158		113.126.596	113.126.596		-63.714.283	-63.714.283
VII. Change in mathematical reserve and other technical reserves (AOP 160 + 163)	159	-45.550.833	-8.670.000	-54.220.833	-103.613.599	-16.125.600	-119.739.199
1. Change in mathematical insurance provision (AOP 161 + 162)	160	-45.550.833		-45.550.833	-103.613.599		-103.613.599
1.1. Gross amount	161	-45.703.716		-45.703.716	-103.679.159		-103.679.159
1.2. Reinsurer's share	162	152.883		152.883	65.559		65.559
2. Change in other technical provision, net of reinsurance (AOP 164 do 166)	163		-8.670.000	-8.670.000		-16.125.600	-16.125.600
2.1. Gross amount	164		-8.670.000	-8.670.000		-16.125.600	-16.125.600
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	4.700.768		4.700.768	4.947.345		4.947.345
1. Gross amount	168	4.700.768		4.700.768	4.947.345		4.947.345
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. Depending on results (bonuses)	172						
2. Irrespective of results (discounts)	173						

X. Business expenditures(AOP 175+179)	174	-93.974.897	-857.850.479	-951.825.376	-102.319.084	-819.563.867	-921.882.952
1. Sales expenses (AOP 176 to 178)	175	-26.252.743	-220.127.545	-246.380.288	-21.458.321	-215.954.950	-237.413.271
1.1. Commission	176	-18.379.139	-156.605.807	-174.984.946	-15.547.789	-166.530.634	-182.078.423
1.2. Other sales expenses	177	-7.873.604	-63.521.738	-71.395.342	-5.910.532	-49.424.316	-55.334.848
1.3. Change in split sales expenses	178						
2. Management expenses (AOP 180 to 182)	179	-67.722.155	-637.722.933	-705.445.088	-80.860.764	-603.608.918	-684.469.681
2.1. Depreciation of tangible assets	180	-1.629.044	-45.365.594	-46.994.638	-1.698.688	-46.114.510	-47.813.198
2.2. Salaries, taxes and salary contributions (from and on salary)	181	-41.165.922	-323.690.899	-364.856.821	-41.045.625	-316.178.831	-357.224.455
2.3. Other management expenses	182	-24.927.189	-268.666.440	-293.593.629	-38.116.451	-241.315.577	-279.432.028
XI. Investment expenses(AOP 184 to 189)	183	-20.209.546	-183.948.594	-204.158.141	-28.379.348	-134.791.694	-163.171.042
1. Depreciation (buildings not intended for business activities of the company)	184						
2. Interest	185					-27.664	-27.664
3. Investment impairments	186	-12.043.534	-38.472.266	-50.515.800	-23.815.095	-74.421.745	-98.236.841
4. Losses from sale (realizations) of investment	187	-2.575.940	-17.360.943	-19.936.884	-3.076.766	-204.056	-3.280.822
5. Adjustment of financial assets at fair value through P&L	188	-5.089.978	-6.752.054	-11.842.032	-887.183	-677.844	-1.565.027
6. Net foreign exchange losses	189						
7. Other investment costs	190	-500.095	-121.363.330	-121.863.424	-600.303	-59.460.385	-60.060.688
XII. Other technical expenses, net of reinsurance (AOP 192 + 193)	191	-131.816	-71.469.884	-71.601.700	-267.483	-71.677.739	-71.945.223
1. Prevention activities expenses	192						
2. Other technical expenses	193	-131.816	-71.469.884	-71.601.700	-267.483	-71.677.739	-71.945.223
XIII. Other expenses, including value adjustment	194		-825.855	-825.855		-475.596	-475.596
XIV. Profit or loss before taxes (124+133+147+148+149+150+159+167+171+174+183+191+194)	195	7.144.839	97.554.756	104.699.595	11.888.687	128.471.386	140.360.073
XV. Taxation (AOP 197+198)	196	-2.497.347	-23.535.504	-26.032.851	-2.377.737	-25.694.277	-28.072.015
1. Current tax expenses	197	-1.562.582	-23.344.228	-24.906.810	-2.377.737	-25.694.277	-28.072.015
2. Deferred tax expenses	198	-934.765	-191.276	-1.126.041			
XVI. Net profit or loss for the period(AOP 195-196)	199	4.647.492	74.019.253	78.666.745	9.510.950	102.777.108	112.288.058
1. Attributable to majority owners	200						
2. Attributable to minority interests	201						
XVII. TOTAL INCOME	202	468.247.428	2.360.118.145	2.828.365.573	498.340.164	2.297.717.258	2.796.057.422
XVIII. TOTAL EXPENSES	203	-463.599.936	-2.286.096.892	-2.749.698.828	-488.829.214	-2.194.940.150	-2.683.769.364
IX. Other comprehensive profit (205 to 211 - 212)	204	-24.407.721	-37.744.686	-62.152.408	-783.037	-41.364.653	-42.147.690
1. Profit / loss from translation of financial statements	205						
2. Profit / loss from revaluation of financial assets available for sale	206	-24.407.721	-40.080.760	-64.488.481	-783.037	-36.014.335	-36.797.372
3. Profit / loss from revaluation of operational land and buildings	207		2.336.074	2.336.074		-5.350.318	-5.350.318
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	-19.760.229	36.274.566	16.514.337	8.727.913	61.412.456	70.140.368
1. Attributable to majority owners	214						
2. Attributable to minority interests	215						
XXI. Reclassification adjustments	216						

REPORT ON COMPANY STATUS (BALANCE SHEET)

as at 31.12.2012.

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		7.116.440	7.116.440		11.486.212	11.486.212
1. Goodwill	005						
2. Other intangible assets	006		7.116.440	7.116.440		11.486.212	11.486.212
C. TANGIBLE ASSETS (008 to 010)	007		1.215.012.430	1.215.012.430		1.176.044.464	1.176.044.464
1. Land and buildings used for insurance activities	008		1.175.813.525	1.175.813.525		1.143.937.615	1.143.937.615
2. Equipment	009		33.736.317	33.736.317		26.978.763	26.978.763
3. Other tangible assets and reserves	010		5.462.588	5.462.588		5.128.086	5.128.086
D. INVESTMENTS (012+013+017+036)	011	1.940.782.115	3.390.168.120	5.330.950.235	2.044.717.246	3.569.046.401	5.613.763.647
I. Investments in land and buildings not intended for business activities of the company	012		814.142.982	814.142.982		853.380.926	853.380.926
II. Investments in branch-offices, associated companies and participating in joint investments (014 to 016)	013		431.372.755	431.372.755		413.344.809	413.344.809
1. Shares and stakes in branch-offices	014		424.146.655	424.146.655		409.085.109	409.085.109
2. Shares and stakes in associate companies	015		7.226.100	7.226.100		4.259.700	4.259.700
3. Participating in joint investments	016						
III. Other financial investments (018 + 021 + 026 + 032)	017	1.940.782.115	2.144.652.383	4.085.434.498	2.044.717.246	2.302.320.666	4.347.037.912
1. Investments kept till maturity date (019 + 020)	018	1.253.893.760	755.313.902	2.009.207.662	1.298.755.857	868.542.458	2.167.298.314
1.1. Debt securities and other securities with fixed income	019	1.253.893.760	755.313.902	2.009.207.662	1.298.755.857	868.542.458	2.167.298.314
1.2. Other investments kept till maturity date	020						
2. Investments available for sale (022 to 025)	021	60.422.034	192.541.118	252.963.152	32.798.471	142.531.935	175.330.405
2.1. Stocks, shares and other securities with variable income	022	24.314.237	113.622.134	137.936.371	30.699.243	104.538.549	135.237.792
2.2. Debt securities and other securities with fixed income	023						
2.3. Stakes in investment funds	024	36.107.797	78.918.984	115.026.780	2.099.228	37.993.386	40.092.613
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	211.571.393	412.073.295	302.074.884	465.768.836	767.843.720
3.1. Stocks, shares and other securities with variable income	027		7.515.667	7.515.667		13.120.108	13.120.108
3.2. Debt securities and other securities with fixed income	028	83.590.987	92.961.341	176.552.328	122.744.891	128.491.777	251.236.668
3.3. Derivative financial instruments	029						
3.4. Stakes in investment funds	030	116.910.916	111.094.385	228.005.300	179.329.993	324.156.951	503.486.944
3.5. Other investments	031						
4. Deposits, loans and receivables (033 to 035)	032	425.964.418	985.225.970	1.411.190.388	411.088.035	825.477.437	1.236.565.472
4.1. Bank deposits	033	383.060.840	662.923.629	1.045.984.469	343.665.118	691.902.891	1.035.568.008
4.2. Loans	034	42.903.578	322.302.341	365.205.919	67.422.917	133.574.547	200.997.464
4.3. Other loans and receivables	035						
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	11.425.214		11.425.214
F. REINSURANCE PORTION IN TECHNICAL RESERVES (039 to 045)	038	164.628	411.769.714	411.934.342	232.704	349.061.066	349.293.769
1. Unearned premiums, reinsurance share	039	138	46.703.405	46.703.543	2.654	47.709.039	47.711.693
2. Mathematical insurance provision, reinsurance share	040	164.490		164.490	230.049		230.049
3. Claims provision, reinsurance share	041		365.066.310	365.066.310		301.352.027	301.352.027
4. Provision for premium returns depending and not depending on result (bonuses and discounts), reinsurance share	042						
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	2.408.707	2.756.393	5.165.100	2.408.707	2.766.429	5.175.136
1. Deferred tax assets	047	2.408.707	2.756.393	5.165.100	2.408.707	2.756.393	5.165.100
2. Current tax assets	048					10.036	10.036
H. RECEIVABLES (050 + 053 + 054)	049	7.816.611	713.606.884	721.423.494	15.516.310	838.210.173	853.726.483
1. Receivables from direct insurance activities (051 + 052)	050	43.746	588.277.703	588.321.449	95.048	545.150.877	545.245.925
1.1. Receivables from policyholders	051		585.059.115	585.059.115		543.888.617	543.888.617
1.2. Receivables from insurance agents	052	43.746	3.218.587	3.262.333	95.048	1.262.260	1.357.308
2. Receivables from coinsurance and reinsurance activities	053		16.129.222	16.129.222		6.592.015	6.592.015
3. Other receivables (055 to 057)	054	7.772.865	109.199.959	116.972.823	15.421.262	286.467.281	301.888.543
3.1. Receivables for other insurance activities	055		26.964.094	26.964.094		177.979.517	177.979.517
3.2. Receivables for returns on investments	056	1.935.304	5.862.135	7.797.439	1.452.106	2.488.816	3.940.922
3.3. Other receivables	057	5.837.561	76.373.730	82.211.290	13.969.156	105.998.947	119.968.104
I. OTHER ASSETS (059 + 063 + 064)	058	1.889.059	36.914.836	38.803.894	12.681.997	65.107.728	77.789.725
1. Money in bank and in cash (060 to 062)	059	1.824.734	24.128.164	25.952.898	12.616.602	53.050.337	65.666.939
1.1. Money on business account	060		23.951.866	23.951.866		52.919.691	52.919.691
1.2. Money on mathematical provision account	061	1.819.331		1.819.331	12.615.532		12.615.532
1.3. Cash money	062	5.403	176.298	181.700	1.071	130.646	131.716
2. Long-term assets intended for sale and business termination	063						
3. Other	064	64.325	12.786.672	12.850.996	65.395	12.057.391	12.122.786
J. PREPAID EXPENSES OF THE FUTURE PERIOD AND UNDUE COLLECTION OF INCOME (066 to 068)	065	22.229.797	30.797.002	53.026.799	27.316.541	33.527.329	60.843.870
1. Split interest and rental fees	066	22.185.161	14.966.325	37.151.486	27.258.055	18.131.672	45.389.727
2. Split sales costs	067						
3. Other paid expenses of the future period and undue income collection	068	44.636	15.830.677	15.875.313	58.486	15.395.657	15.454.143
K. TOTAL ASSETS (001+004+007+011+037+038+046+049+058+065)	069	1.991.611.543	5.808.141.817	7.799.753.360	2.114.298.719	6.045.249.803	8.159.548.521
L. NON-BALANCE SHEET RECORDS	070		670.302.250	670.302.250		1.050.374.591	1.050.374.591

LIABILITIES							
A. CAPITAL AND RESERVES (072 + 076 + 077 + 081 + 085 + 088)	071	115.588.079	1.525.498.057	1.641.086.136	124.315.991	1.592.035.033	1.716.351.024
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	398.598.480	442.887.200	44.288.720	398.598.480	442.887.200
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	-15.653.736	475.745.296	460.091.559	-16.436.773	434.380.643	417.943.869
3.1. Revaluation of land and buildings	078		486.476.755	486.476.755		481.126.437	481.126.437
3.2. Revaluation of investments in financial assets	079	-15.653.736	-10.731.460	-26.385.196	-16.436.773	-46.745.794	-63.182.568
3.3. Other revaluation reserves	080						
4. Reserves (082 to 084)	081	78.314.936	378.151.842	456.466.778	79.651.090	399.432.377	479.083.468
4.1. Legal provision	082	489.554	19.152.617	19.642.171	721.929	22.853.579	23.575.508
4.2. Statutory provision	083	2.325.382	92.288.398	94.613.780	3.429.161	109.867.971	113.297.132
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	3.990.667	198.983.187	202.973.853	7.302.005	256.846.424	264.148.429
5.1. Retained profit	086	3.990.667	198.983.187	202.973.853	7.302.005	256.846.424	264.148.429
5.2. Retained loss (-)	087						
6. Profit or loss for the period (089 + 090)	088	4.647.492	74.019.253	78.666.745	9.510.950	102.777.108	112.288.058
6.1. Profit for the period	089	4.647.492	74.019.253	78.666.745	9.510.950	102.777.108	112.288.058
6.2. Loss for the period (-)	090						
B. MINORITY INTEREST	091						
C. TECHNICAL PROVISION (093 to 098)	092	1.855.979.443	3.850.258.182	5.706.237.624	1.955.783.288	3.764.960.176	5.720.743.463
1. Unearned premiums, gross amount	093	3.360.431	946.409.517	949.769.947	3.030.079	913.502.410	916.532.489
2. Mathematical insurance provision, gross amount	094	1.816.581.911		1.816.581.911	1.920.261.070		1.920.261.070
3. Claims provision, gross amount	095	36.037.101	2.880.421.665	2.916.458.766	32.492.139	2.811.905.165	2.844.397.304
4. Provision for premium returns dependent upon or independent of result (bonuses and discounts), gross amount	096						
5. Provision for claims fluctuation, gross amount	097					1.725.600	1.725.600
6. Other technical insurance provision, gross amount	098		23.427.000	23.427.000		37.827.000	37.827.000
D. SPECIAL PROVISION FOR THE GROUP LIFE INSURANCE WHERE THE POLICYHOLDER ASSUMES THE INVESTMENT RISK, gross amount	099	16.320.627		16.320.627	11.425.214		11.425.214
E. OTHER PROVISION (101 + 102)	100	2.443.980	80.050.105	82.494.085	16.343.980	103.784.756	120.128.736
1. Provision for pensions	101	2.443.980	78.169.725	80.613.705	16.343.980	101.904.375	118.248.355
2. Other provision	102		1.880.381	1.880.381		1.880.381	1.880.381
F. DEFERED AND CURRENT TAX LIABILITY (104 + 105)	103		128.204.750	128.204.750	2.377.737	146.146.017	148.523.754
1. Deferred tax liability	104		121.789.319	121.789.319		120.451.740	120.451.740
2. Current tax liability	105		6.415.430	6.415.430	2.377.737	25.694.277	28.072.015
G. DEPOSITS RETAINED FROM BUSINESS CEDED TO REINSURANCE	106						
H. FINANCIAL LIABILITIES (108 to 110)	107		105.193	105.193		50.085.478	50.085.478
1. Loan liabilities	108		105.193	105.193		50.085.478	50.085.478
2. Outstanding securities	109						
3. Other financial liabilities	110						
I. OTHER LIABILITIES (112 to 115)	111	1.258.486	189.444.060	190.702.545	2.206.097	191.063.496	193.269.593
1. Liabilities derived from direct insurance activities	112	1.223.389	96.882.454	98.105.843	2.099.551	81.632.590	83.732.141
2. Liabilities derived from coinsurance and reinsurance activities	113	1.693	5.602.704	5.604.397	3.196	17.952.945	17.956.141
3. Liabilities for misappropriation and discontinued operations	114						
4. Other liabilities	115	33.403	86.958.902	86.992.305	103.350	91.477.961	91.581.311
J. DEFERRED PAYMENT OF EXPENSES AND INCOME OF THE FUTURE PERIOD (117+118)	116	20.929	34.581.471	34.602.400	1.846.411	197.174.847	199.021.258
1. Reinsurance commission split	117						
2. Other deferred costs payment and future income	118	20.929	34.581.471	34.602.400	1.846.411	197.174.847	199.021.258
K. TOTAL LIABILITIES (071+091+092+099+100+103+106+107+111+116)	119	1.991.611.543	5.808.141.817	7.799.753.360	2.114.298.719	6.045.249.803	8.159.548.521
L. NON-BALANCE SHEET RECORDS	120		670.302.250	670.302.250		1.050.374.591	1.050.374.591
ADDITION TO BALANCE SHEET (only for consolidated financial statements)							
M. CAPITAL AND RESERVES (122+123)	121	0	0	0	0	0	0
1. Attributable to majority owners	122			0			0
2. Attributable to minority interests	123			0			0

REPORT ON CHANGES IN EQUITY

for the period from 01.01.2012. until 31.12.2012.

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		530.698.408	443.930.661	192.072.963	43.603.887	1.653.193.120		1.653.193.120
1. Change in accounting policy	002									
2. Correction of previous period errors	003			-783.465		825.966		42.501		42.501
II. Balance at 1 January - previous year (corrected) (AOP 001 to 003)	004	442.887.200		529.914.943	443.930.661	192.898.929	43.603.887	1.653.235.621		1.653.235.621
III. Comprehensive profit or loss - previous year (AOP 006+007)	005			-69.823.383		7.670.975	78.666.745	16.514.337		16.514.337
1. Profit/loss of the previous period	006						78.666.745	78.666.745		78.666.745
2. Other comprehensive profit/loss of the previous year (AOP 008 do 011)	007			-69.823.383		7.670.975		-62.152.408		-62.152.408
2.1. Unrealized profit/loss from tangible assets (land and buildings)	008			-6.118.371		6.780.054		661.683		661.683
2.2. Unrealized profit/loss from financial assets available for sale	009			-45.640.033				-45.640.033		-45.640.033
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					890.921		890.921		890.921
IV. Transactions with owners (previous period) (AOP 013 to 016)	012				12.536.117	2.403.949	-43.603.887	-28.663.821		-28.663.821
1. Increase/decrease of share capital	013									
2. Other payments by the owners	014									
3. Payment of shares in profit/dividends	015						-28.663.821	-28.663.821		-28.663.821
4. Other distribution to the owners	016				12.536.117	2.403.949	-14.940.066			
V. Balance at 31 December - previous period (AOP 004+005+012)	017	442.887.200		460.091.560	456.466.778	202.973.853	78.666.745	1.641.086.136		1.641.086.136
VI. Balance at 1 January - current year	018	442.887.200		460.091.560	456.466.778	202.973.853	78.666.745	1.641.086.136		1.641.086.136
1. Change in accounting policy	019									
2. Correction of previous period errors	020					-583.377		-583.377		-583.377
VII. Balance at 1 January - current period (corrected) (AOP 018 to 020)	021	442.887.200		460.091.560	456.466.778	202.390.476	78.666.745	1.640.502.759		1.640.502.759
VIII. Comprehensive profit or loss - current period (AOP 023+024)	022			-42.147.690		6.687.898	112.288.058	76.828.266		76.828.266
1. Profit/loss of the previous period	023						112.288.058	112.288.058		112.288.058
2. Other comprehensive profit/loss of the current year (AOP 025 to 028)	024			-42.147.690		6.687.898		-35.459.792		-35.459.792
2.1. Unrealized profit/loss from tangible assets (land and buildings)	025			-5.350.318		6.687.898		1.337.580		1.337.580
2.2. Unrealized profit/loss from financial assets available for sale	026			-36.423.027				-36.423.027		-36.423.027
2.3. Realized profit/loss from financial assets available for sale	027			-374.345				-374.345		-374.345
2.4. Other non-ownership changes in capital	028									
IX. Transactions with owners (current period) (AOP 030 to 033)	029				22.616.689	55.070.056	-78.666.745	-980.000		-980.000
1. Increase/decrease of share capital	030									
2. Other payments by the owners	031									
3. Payment of shares in profit/dividends	032						-980.000	-980.000		-980.000
4. Other distribution to the owners	033				22.616.689	55.070.056	-77.686.745			
X. Balance at 31 December - current period (AOP 021+022+029)	034	442.887.200		417.943.870	479.083.467	264.148.429	112.288.058	1.716.351.024		1.716.351.024

REPORT ON MONEY FLOW – INDIRECT METHOD for the period from 01.01.2012. until 31.12.2012.

in HRK

Position	AOP	Previous period	Current period
1	2	3	4
I. CASH FLOWS FROM OPERATING ACTIVITIES (002+013+031)	001	226.393.768	-115.819.754
1. Cash flow before change in business property and liabilities (AOP 003+004)	002	-163.003.389	-66.886.834
1.1. Profit before tax	003	104.699.595	140.360.073
1.2. Adjustment: (AOP 005 to 012)	004	-267.702.985	-207.246.907
1.2.1. Depreciation and amortization of immovables and equipment	005	44.284.222	44.218.441
1.2.2. Depreciation and amortization of intangible property	006	2.710.415	-3.594.757
1.2.3. Impairment and profits/losses from adjustment to fair value	007	57.127.515	62.946.625
1.2.4. Interest expenses	008		27.664
1.2.5. Interest income	009	-227.707.637	-220.368.751
1.2.6. Share in profit of associated companies	010	-34.558.009	-61.986.202
1.2.7. Profits/losses from sale of tangible property (including real estate)	011	10.933.168	-26.728.286
1.2.8. Other adjustments	012	-120.492.660	-8.951.155
2. Increase/decrease in business property and liabilities (AOP 014 to 030)	013	415.430.008	-20.860.905
2.1. Increase /decrease in investments available for sale	014	155.643.263	77.632.747
2.2. Increase /decrease in investment estimated at fair value	015	-126.951.308	-402.154.252
2.3. Increase / decrease in deposits, loans and receivables	016	132.732.901	10.416.461
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	6.054.340	4.895.412
2.6. Increase /decrease of reinsurance stakes in technical provision	019	-105.851.287	62.640.573
2.7. Increase/decrease of taxable property	020	5.023.285	-10.036
2.8. Increase/decrease in receivables	021	300.555.118	26.067.209
2.9. Increase/decrease in other assets	022		
2.10. Increase/decrease in prepaid expenses of the future period and undue collection of income	023	-9.711.530	-7.817.070
2.11. Increase/decrease in technical provision	024	82.147.713	14.505.839
2.12. Increase/decrease in life insurance technical provision when the policyholder bears investment risk	025	-6.054.340	-4.895.412
2.13. Increase/decrease in tax liabilities	026	2.805.519	20.319.005
2.14. Increase/decrease in deposits held from activities ceded to reinsurance	027		0
2.15. Increase/decrease in financial liabilities	028		0
2.16. Increase/decrease in other liabilities	029	-1.843.048	13.119.763
2.17. Increase/decrease in deferred payment of expenses and income of the future period	030	-19.120.617	164.418.858
3. Income tax paid	031	-26.032.851	-28.072.015
II. CASH FLOW FROM INVESTMENT ACTIVITIES (AOP 033 to 046)	032	-160.856.152	112.778.705
1. Receipts from sale of tangible assets	033		38.967.965
2. Expenditures for the purchase of tangible assets	034	-6.609.362	-44.218.441
3. Receipts from sale of intangible assets	035		0
4. Expenditures for the purchase of intangible assets	036	1.628.428	-7.964.530
5. Receipts from sale of land and buildings not intended for business activities of the company	037		0
6. Expenditures for the purchase of land and buildings not intended for business activities of the company	038	-81.376.244	-22.136.795
7. Increase/decrease of investments in branch-offices, associated companies and participation in joint investments	039	40.116.167	80.014.148
8. Receipts from investments kept till maturity	040		0
9. Expenditures for investments kept till maturity	041	-136.543.365	-158.090.652
10. Receipts from sale of securities and stakes	042		0
11. Expenditures for investments in securities and stakes	043		0
12. Receipts from dividends and profit share	044	36.546.359	61.998.554
13. Receipts from long term and short term loans	045	313.725.823	359.521.875
14. Expenses for long term and short term loans	046	-328.343.958	-195.313.420
III. CASH FLOW FROM FINANCIAL ACTIVITIES (AOP 050 to 054)	047	-32.597.611	48.962.541
1. Receipts from capital stock increase	048		
2. Receipts from short-term and long-term loans	049	6.569	50.031.466
3. Expenditures for short-term and long-term loans	050	-51.079	-78.845
4. Expenditures for purchase of treasury shares	051		0
5. Expenditures for payment of profit share (dividends)	052	-32.553.100	-990.080
NET CASH FLOW (AOP 001 + 032 + 049)	053	32.940.005	45.921.492
IV. EFFECTS OF CHANGES IN RATES OF FOREIGN CURRENCIES	054	-32.953.324	-6.935.661
V. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (055+056)	055	-13.319	38.985.831
Cash and cash equivalents at the beginning of the period	056	38.817.213	38.803.894
Cash and cash equivalents at the end of the period (AOP 057 + 058)	057	38.803.894	77.789.725

II MANAGEMENT INTERIM REPORT

The current global financial crisis is reflected in the insurance market too. Among the markets in the region, most affected have been the two leading markets, the Slovenian and the Croatian one. The negative trend in the written premium was still present in the year 2012.

In 2012 CROATIA osiguranje d.d. realized the total written premium amounting to HRK 2,707.7 million, which is a decrease of 3.0% in comparison to the same period of the previous year. The non-life written premium fell by 4.4%, while in the life insurance segment the Company recorded an increase of 6.5% in comparison to the same period of the previous year.

In 2012 the market share of CROATIA osiguranje d.d. in the total written premium of all insurance companies in the Republic of Croatia was 30.0%, while the daughter company Croatia zdravstveno osiguranje recorded a market share of 1.1%.

The gross paid claims in the period from January to December 2012 amounted to HRK 1,601.3 million, which is a decrease of 8.0%, i.e. HRK 139.7 million, in comparison to the same period of the previous year. The gross paid claims under non-life insurance decreased by 6.1%, whereas gross paid claims under life insurance recorded a decrease of 16.9% in comparison to the same period of the previous year.

The total revenues of CROATIA osiguranje d.d. amounted to HRK 2,796.1 million, which is a decrease of 1.2 % in comparison to the same period of the previous year. The total expenditures without the profit tax amounted to HRK 2,655.7 million, which is a decrease of 2.5% in comparison to the same period of the previous year.

The gross profit of the Company amounted to HRK 140.4 million, which is an increase of 34.1% in comparison to the same period of the previous year.

The consolidated gross profit of the Group before the eliminations amounted to HRK 201.8 million, which is an increase of 8.6% in comparison to the same period of the previous year. The profit of the Group after the eliminations, tax and minority shareholders' stake amounted to HRK 106.5 million.

On 31 December 2012 the liquidity ratio was 22.2.

Business indicators are set out as follows:

In HRK

DESCRIPTION	I-XII 2011.	I-XII 2012.	Index 3 : 2
1	2	3	4
PROFIT AND LOSS ACCOUNT			
Total income	2.829.491.614	2.796.057.422	98,8
Written gross premium	2.792.781.016	2.707.693.805	97,0
Total expenditure	2.724.792.019	2.655.697.349	97,5
Paid claims (gross)	1.741.057.518	1.601.347.002	92,0
Profit before taxation (gross profit)	104.699.595	140.360.073	134,1
Profit after taxation (net profit)	78.666.745	112.288.058	142,7
BALANCE			
Total assets	7.799.753.360	8.159.548.521	104,6
Equity and provision	1.641.086.136	1.716.351.024	104,6
Technical provision	5.706.237.624	5.720.743.463	100,3
Life insurance special provision-policyholder's investment risk	16.320.627	11.425.214	70,0
Investments	5.330.950.235	5.613.763.647	105,3
INDICATORS OF PROFITABILITY			
ROA (%) (net profit / assets)	1,01	1,38	136,4
ROE (%) (net profit / equity and provision)	4,79	6,54	136,5
Gross profit margin (%) (gross profit / total income)	3,70	5,02	135,7

The unaudited unconsolidated financial statements for 2012 will be available at the websites of Croatia osiguranje d.d. and the Zagreb Stock Exchange (Zagrebačka burza), in the Official Register of Prescribed Information and will be publicly revealed by the Croatian News Agency (HINA).

Key events

At the meeting of the Supervisory Board of Croatia osiguranje held on 27 April 2012, the approval of the following reports was granted: the Annual Report on the Position of the Company in 2011, the Annual financial statements for 2011, as well as the Consolidated Annual Report of the Company and the Consolidated Annual Financial Statements for 2011. The Supervisory Board also granted approval of the proposal for Decision on the distribution of profit for 2011. The Decision on the distribution of profit was submitted for approval to the 36th General Assembly of Croatia osiguranje d.d. held on 15 June 2012.

The above-mentioned 36th General Assembly of CROATIA osiguranje d.d. considered the Annual Report on the position of Croatia osiguranje d.d. and the Consolidated Annual Report of Croatia osiguranje d.d. The report of the Supervisory Board and the Annual Financial Statements of Croatia osiguranje d.d. for 2011 were also considered as well as the Consolidated Annual Financial Statements of Croatia osiguranje d.d. for 2011 that were approved by both the Management Board and the Supervisory Board of Croatia osiguranje d.d.

The following decisions that were on the agenda were adopted by a majority of the voting rights held by the shareholders present:

1. a) Decision on the distribution of profit for the year 2011
b) Decision on granting discharge to the Management Board of Croatia osiguranje d.d.
c) Decision on granting discharge to the Supervisory Board of Croatia osiguranje d.d.
2. Decision on the appointment of the auditor of CROATIA osiguranje d.d. for the year 2012
3. Decision on the recall of the members of the Supervisory Board of Croatia osiguranje d.d.
4. Decision on the appointment of members of the Supervisory Board of Croatia osiguranje d.d.

The realized net profit of CROATIA osiguranje d.d. amounting to HRK 78,666,744.93 will be distributed as follows:

1. Legal provisions	HRK	3,933,337.25
2. Statutory reserves	HRK	18,683,351.92
3. Dividend on preferred stock	HRK	980,000.00
4. Retained profit	HRK	55,070,055.76

The dividend on preferred shares amounted to HRK 112.00 per share.

Description of main risks and uncertainties

The Company recognizes the significance of the existence of an efficient and effective risk management system. The basic goal in managing financial, insurance, operational and other risks is to keep the capital level adequate to the scope and type of insurance business it underwrites while taking into account the risks to which the company is exposed. The Company also needs to ensure the continuity of business operations in unforeseeable situations (unexpected economic changes, natural disasters and the like)

The Company actively manages the assets using the approach that creates a balance between the quality, diversification, coordination of assets and liabilities, solvency and return on investments. The Company examines and approves target portfolios, determines investment guidelines and limits, and supervises the process of managing assets and liabilities. Due attention is also paid to the compliance with the regulations defined by the Insurance Act.

The Company also actively manages its liabilities by regularly keeping track of them in the manner prescribed by the professional rules and the Insurance Act. The most important risks and uncertainties are described in the 2011 Annual Report.

Zagreb, 14 February 2013

Član Uprave

Ivan Fabijančić

Predsjednik Uprave

Krešimir Starčević

III NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD FROM JANUARY TO DECEMBER 2012

1. General Data

CROATIA osiguranje d.d. was founded in 1884. Ever since its foundation CROATIA osiguranje d.d. has maintained its leading position in the insurance market, which makes it the most successful insurance company in the country as well as in the region.

CROATIA osiguranje d.d. (Company) with the seat in Zagreb, Miramarska 22, is entered into the Commercial Court Register in Zagreb under the subject registration number (MBS): 080051022. The principal activity of the Company is made up of all types of life and non-life insurance business as well as other closely connected business activities.

The Company also performs the following activities directly or indirectly related to the insurance business:

- mediation at sale, i.e. the sale of property acquired by the Company through insurance activities,
- taking measures aimed at prevention and elimination of perils endangering insured persons and property,
- estimation of the level of risk exposure of an insured object and loss assessment,
- other intellectual and technical services related to the insurance business.

Supervisory Board and Management Board

Pursuant to the Companies' Act, Insurance Act and the Articles of Association the bodies of the Company are as follows: the Management Board, The Supervisory Board and the General Assembly. The liability and responsibility of the members of these bodies are regulated by the above-mentioned acts.

Members of the Supervisory Board of the Company:

On 15 June 2012 the 36th General Assembly of Croatia osiguranje d.d. made a Decision on the recall of the members of the Supervisory Board of Croatia osiguranje d.d., as well as a Decision on the appointment of members of the Supervisory Board of Croatia osiguranje d.d.

The following members of the Supervisory Board were recalled:

Prof. D.Sc. Nikola Mijatović, Chairman
Nataša Duspara, Deputy Chairwoman
D.Sc Gzim Redžepi, Member
Josip Zaher, Member
Ante Obuljen, Member

Newly appointed members of the Supervisory Board are:

Mladen Blažević, Chairman
Vesna Trnokop - Tanta, Deputy Chairwoman
Prof. D.Sc. Josip Tica, Member
Prof. D.Sc. Petar Miladin, Member

Đurđa Hunjet, Member

Miroslav Hrašćanec, Member, Representative of the employees

Management Board

On 27 July 2012 the Supervisory Board of Croatia osiguranje d.d. held its 6th meeting and made a Decision on dismissal of the members of the Management Board of Croatia osiguranje d.d. as well as a Decision on the appointment of members of the Management Board of Croatia osiguranje d.d. The new Management Board started its work on 31 August 2012, after receiving the license from CFSSA and being entered into the court register.

The following members of the Management Board were granted discharge:

Zdravko Zrinušić, President of the Board

Silvana Ivančić, Member of the Board

New members appointed to the Management Board are:

Krešimir Starčević, President of the Board

Ivan Fabijančić, Member of the Board

In the period from 1 January to 31 December 2012, the Company's Management Board held 46 meetings at which it discussed and made decisions pursuant to the Acts, Rules of procedure for the Management Board and the Company's Articles of Association. By 31 December 2012 the Supervisory Board held twelve meetings.

Capital stock and shares

The capital stock of the Company amounts to HRK 442,887,200.00 and is divided in 316,348 shares with 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, either the ordinary or the preferred one, entitles to 1 (one) vote at the General Assembly of the Company. All shares are paid in total, issued in a dematerialized form, freely transferable and recorded in the depository of the Central Depository & Clearing Company Inc. Croatia osiguranje d.d. has no ownership stake in its shares.

Ownership structure of CROATIA osiguranje d.d. as at 31 December 2012

Shareholder	Number of Shares	31/12/2012	
		Amount HRK	% Share
1. AUDIO / Republic of Croatia	253.807	355.329.800,00	80,23
2. Raiffeisenbank Austria d.d.- custody account	19.774	27.683.600,00	6,25
3. Hrvatska poštanska banka d.d.- basic and custody account	6.579	9.210.600,00	2,08
4. Societe Generale- Splitska banka d.d.- custody account	6.550	9.170.000,00	2,07
5. Hypo alpe-adria-bank d.d.- custody account	3.595	5.033.000,00	1,14
6. PBZ d.d.- custody account	1.800	2.520.000,00	0,57
7. Kraš d.d.	1.400	1.960.000,00	0,44
8. Auto Hrvatska d.d.	1.004	1.405.600,00	0,32
9. Erste&Steiermärkische Bank d.d. - basic and custody account	709	992.600,00	0,22
10. Komercijalna banka d.d. in liquidation	700	980.000,00	0,22
11. Bahovec Srećko	566	792.400,00	0,18
12. Adriacommerce	500	700.000,00	0,16
13. Radić Antun	412	576.800,00	0,13
14. Tankerska plovdba	400	560.000,00	0,13
15. Škaro Miroslav	380	532.000,00	0,12
16. Fran Mihaljević - klinika za infekt. bolesti	330	462.000,00	0,10
17. Cemex Hrvatska d.d.	249	348.600,00	0,08
18. Interkapital vrijednosni papiri d.o.o.-basic and custody account	234	327.600,00	0,07
19. Končar-elektroindustrija d.d.	230	322.000,00	0,07
20. Eko Međimurje d.d.	226	316.400,00	0,07
21. Other shareholders	16.903	23.664.200,00	5,35
TOTAL:	316.348	442.887.200,00	100,00

2. Basis of preparation of financial statements

Financial statements are prepared pursuant to the provisions of the Insurance Act (Official Gazette: 151/05, 87/08, 82/09), the Accounting Act (Official Gazette 109/07) and the International Financial Reporting Standards (IFRS) published by the International Financial Reporting Standards Committee (Official Gazette: 140/06, 30/08, 130/08, 137/08, 29/09), and pursuant to the Ordinance on the structure and contents of supervisory statements of insurance companies (Official Gazette 132/10).

Financial statements are prepared by applying the fundamental accounting assumption of recognizing the business transaction effects as they occur and recording them in respective periodic financial statements as well as by applying the fundamental accounting going-concern assumption.

Reporting currency

The financial statements are presented in Croatian kuna (HRK). On 31 December 2012 the official exchange rate of the Croatian kuna was HRK 7.55 to 1 Euro and HRK 5.73 to 1 USD.

Use of estimate

The preparation of financial statements in conformity with the IFRS requires the management to pass judgements, make use of estimates and assumptions that affect the application of accounting policies and the presented amounts of assets, liabilities, revenues and expenditures. The estimates and the underlying assumptions are based on historical experience and various other factors considered reasonable under the given circumstances and the information available by the day of the preparation of financial statements the result of which makes up the basis for judging the book value of assets and liabilities that is otherwise not easy to determine from other sources. The actual results may differ from these estimates. The estimates and the underlying assumptions are continuously examined. Changes in the accounting estimates are recognized in the period in which they were made as well as in the future periods if the changes affect them too.

Accounting Policies

The accounting policies used in the preparation of the unaudited unconsolidated financial statements for 2012 are consistent with the accounting policies used in the preparation of the audited financial statements for the year 2011.



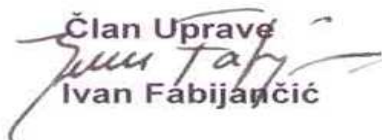
Based on Article 20 of the Articles of Association of CROATIA osiguranje d.d. of 27 September 2012 and Article 410 of the Capital Market Act (Official Gazette 88/08) the Management Board of the Company issues the following

STATEMENT

that to the best of its knowledge:

- the unaudited unconsolidated financial statements of the issuer for 2012, prepared by applying the relevant financing reporting standards offer a wholesome and true presentation of assets and liabilities, losses and gains, financial position and business operations of the issuer and the companies included in the consolidation as a whole,
- the Management Report contains a true presentation of the development and business operation results and the financial position of the issuer and the companies included in the consolidation, as well as a description of major risks and uncertainties to which the issuer and the companies are exposed as a whole.

Zagreb, 14 February 2013

Član Uprave

Ivan Fabijančić

Predsjednik Uprave

Krešimir Starčević

Member of the Management Board

President of the Management Board