

# Quarterly Performance Report

30.9.2013

## Content

Description of the Company .....	3
Company Management.....	6
Company's shareholders structure.....	9
Information on Group structure .....	10
Structure of ČP Group.....	14
Financial information .....	16

## Description of the Company

### Basic Company information

<i>Company name</i>	Česká pojišťovna a.s.
<i>Legal form</i>	Joint stock company
<i>Registered office</i>	Spálená 75/16, 113 04 Praha 1
<i>ID number</i>	452 72 956
<i>Tax ID number</i>	CZ 4527 2956
<i>Bankers</i>	UniCredit bank Czech republic, a.s.
<i>Account number</i>	100511/2700
<i>Date of inception</i>	1 May 1992 The Company was founded as a going concern.
<i>Legal regulation</i>	The Company was founded (pursuant to Section 11(3) of Act No. 92/1991 Coll. on the Conditions for the Transfer of State Property to Other Entities, as amended) by the National Property Fund of the Czech Republic under a Founder's Deed dated 28 April 1992 and was incorporated by registration in the Commercial Register on 1 May 1992.
<i>Incorporation in Commercial Register</i>	Prague Municipal Court Part B, Entry 1464
<i>Date of incorporation in Commercial Register</i>	1 May 1992
<i>Date and reason for the last change in Commercial Register</i>	24 September 2013 Mr. Štefan Tillinger has been elected as a member of board of directors.
<i>Date of publication of the Quarterly Performance Report</i>	11 November 2013
<i>Share capital</i>	CZK 4,000,000,000 Paid up: 100 %

### Shares issued by Česká pojišťovna

As at 30 September 2013 the approved share capital consisted of 40,000 booked, registered shares of common stock with a total amount of CZK 4,000,000,000.

<b>Issue (ISIN)</b>	<b>CZ0009106043</b>
Type of security	common stock
Form	registered
Appearance	booked
Nominal value	CZK 100,000
Number of securities	40,000
Total volume	CZK 4,000,000,000
Issue date	15 November 2006
Listing in regulated (public) markets	Unlisted security (not traded in public markets)

Česká pojišťovna did not hold any of its own shares, interim certificates or participating securities during the period ending 30 September 2013.

There were no changes to the Company's share capital during the period ending 30 September 2013.

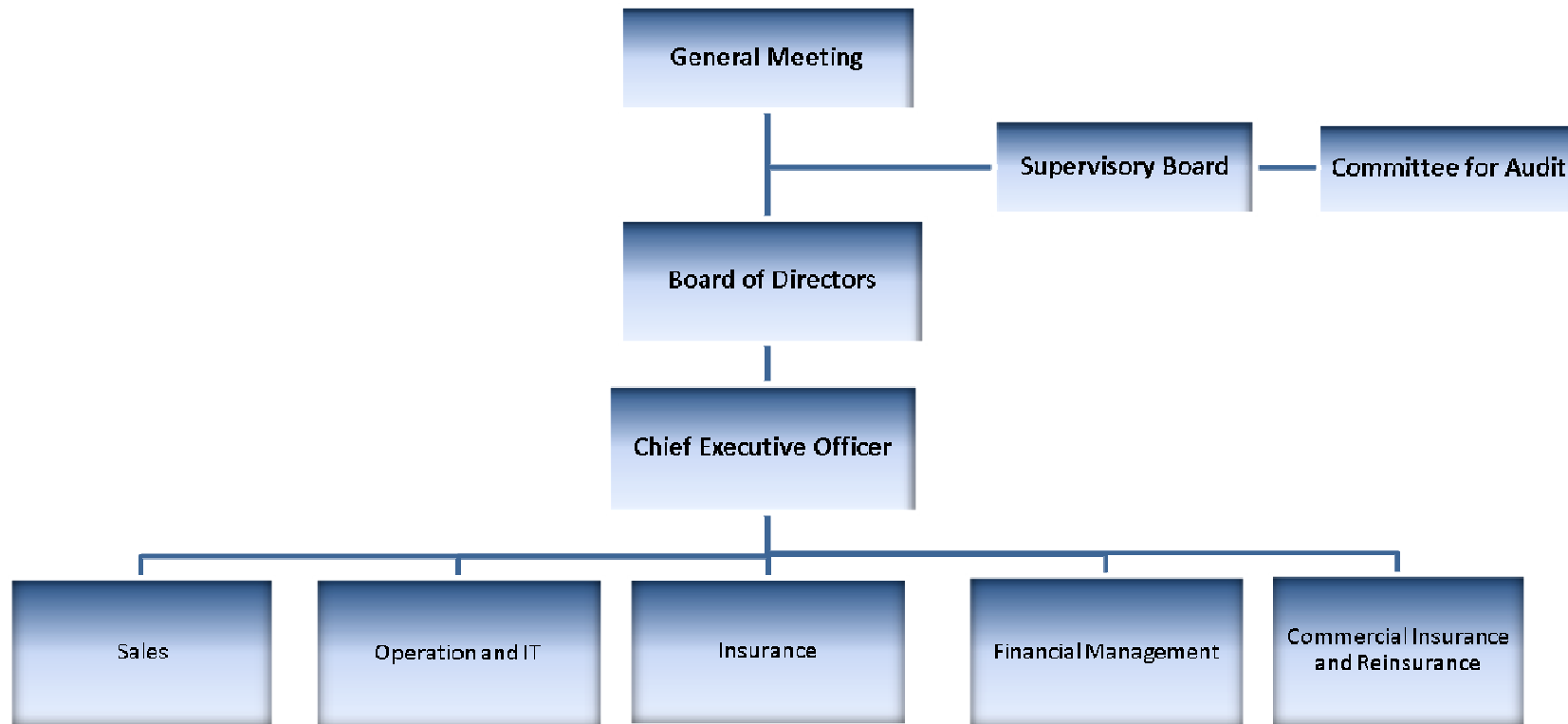
## Principal Businesses:

1. Insurance activity pursuant to of Act 277/2009 Coll. on insurance, as amended, consisting of:
  - life insurance classes set forth in the Annex no. 1 to the Insurance Act, Part A, subparagraph I, II, III, VI, VII and IX
  - non-life insurance classes set forth in the Annex no. 1 to the Insurance Act, Part B, subparagraph 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18.
2. Reinsurance activity for all types of reinsurance activities pursuant to the Insurance Act
3. Activities related to insurance and reinsurance activity, )
  - acting as an intermediary in relation to insurance and reinsurance activity under the Insurance Act,
  - consulting activity associated with insurance for individuals and legal entities under the Insurance Act,
  - investigating insured loss events under an agreement with an insurer under the Insurance Act,
  - exercising rights and meeting obligations in the name and for the account of the Czech Insurers Bureau pursuant to Act No. 168/1999 Coll., as amended,
  - arranging for the following financial services (items 1 through 10 , below):
    1. arranging the acceptance of deposits and other funds from the public, including acting as an intermediary in the areas of building savings and supplemental pension insurance,
    2. arranging loans of all kinds including – inter alia – consumer loans, mortgage loans, factoring and financing of business transactions,
    3. arranging finance leases,
    4. arranging all payments and money transfers, including credit and debit cards, travelers' cheques, and bank bills of exchange,
    5. arranging guarantees and promissory notes,
    6. arranging for customer trading on individual customer accounts on the stock exchange or other markets, for cash or otherwise, concerning negotiable instruments and financial assets,
    7. arranging for the management of assets such as cash or portfolios, all forms of management of collective assets, administration of pension funds, escrow accounts and custodianships,
    8. arranging for payment and clearing services relating to financial assets, including securities, derivatives and other transferable instruments,
    9. consulting activity, acting as an intermediary, and other ancillary financial services relating to all activities set forth in items 1) through 8), including loan references and analysis thereof, research and consulting in the area of investments and portfolios, consulting work concerning mergers & acquisitions, corporate restructurings and corporate strategy,
    10. arranging for the provision and transmission of financial information and processing of financial data (including related computer software) by providers of ancillary financial services,
  - training activity for insurance intermediaries and independent loss adjusters.

Company practices all business registered in the Commercial Register.

None of the businesses was limited or suspended by the Czech National Bank.

### Basic Organization Chart of Česká pojišťovna<sup>1</sup>



<sup>1</sup> Organization Chart as at 1 October 2013.

## Company Management

### **Chief Executive Officer and Vice-Chairman of the Board of Directors**

Jaroslav Mlynář

Term of office: since 1 June 2013

Born: 1954

Education: Technical University of Brno (Faculty of Mechanical Engineering)

Experience: Generali in Vienna, Generali pojišťovna, Generali Slovakia

### **Chief Financial Officer**

Petr Bohumský

Term of office: since 1 June 2013

Born: 1971

Education: Charles University in Prague, University of Pittsburgh – Joseph M. Katz Graduate School of Business, Advance Healthcare Management Institute

Experience: Česká pojišťovna ZDRAVÍ, Česká pojišťovna a.s., Generali PPF Holding

### **Chief Insurance Officer**

Jiří Fialka

Term of office: since 1 August 2013

Born: 1971

Education: Charles University in Prague

Experience: Deloitte, KMPG

### **Chief Operation Officer**

Marie Kovářová

Term of office: since 1 Juli 2013

Born: 1972

Education: Charles University in Prague

Experience: MC Kinsey, Generali PPF Holding

### **Chief Sales Officer**

Štefan Tillinger

Term of office: since 1 September 2013

Born: 1970

Education: Technical University in Brno

Experience: Generali PPF Holding, ING Czech Republic, ING Penzijní fond, BRM Europe

The company owns a branch in Poland, which was registered into the Polish Commercial Register on 23 August 2012. Activities of the branch are identical to those of the founder and are subject to supervision of the Czech National Bank. All data are reported including the Polish branch.

Average number of employees as at 30 September 2013 was 4,005.

## Directors and Officers

### Board of Directors

#### Chairman

Dr. Luciano Cirinà

Term of office: since 14 May 2013

Born: 1965

Education: Business Administration

Experience: Head of the Corporate Risks Division for Austria and CEE countries in Vienna, CEO of Generali Versicherung AG in Austria, Generali Holding Vienna

#### Vice-Chairman

Jaroslav Mlynář

Term of office: since 14 May 2013

Born: 1954

Education: Technical University in Brno (Faculty of Mechanical Engineering)

Experience: Generali in Vienna, Generali pojišťovna, Generali Slovakia

#### Member

Milan Beneš

Term of office: since 1 February 2011

Born: 1968

Education: Faculty of Electrical Engineering, University of West Bohemia, Plzeň

Experience: ZČE Plzeň a.s., FCC Folprecht s.r.o., LogicaCMG, Accenture Central Europe B.V.

#### Member

Jiří Fialka

Term of office: since 13 September 2013

Born: 1971

Education: Charles University in Prague

Experience: Deloitte, KMPG

#### Member

Petr Bohumský

Term of office: since 18 September 2013

Born: 1971

Education: Charles University in Prague, University of Pittsburgh – Joseph M. Katz Graduate School of Business, Advance Healthcare Management Institute

Experience: Česká pojišťovna ZDRAVÍ, Česká pojišťovna a.s., Generali PPF Holding

#### Member

Marie Kovářová

Term of office: since 13 September 2013

Born: 1972

Education: Charles University in Prague

Experience: MC Kinsey, Generali PPF Holding

#### Member

Štefan Tillinger

Term of office: since 24 September 2013

Born: 1970

Education: Technical University in Brno

Experience: Generali PPF Holding, ING Czech Republic, ING Penzijní fond, BRM Europe

## Supervisory Board

### Chairman

#### Member

Irena Špatenková

Term of office: since 23 September 2011

Born: 1956

Education: University of Economics

Address: Na Pankráci 1720/123, 140 21 Praha, Czech Republic

#### Member

Marco Maffioli

Term of office: since 11 Juli 2013

Born: 1969

Education: University Degli Studi di Trieste (technology and business)

Adress: 34 100 Terst, Via San Zaccaria 3

#### Member

Martin Sturzlbaum

Term of office: since 13 September 2013

Born: 1963

Education: University in Vienna

Adress: 1070 Vienna Döblergasse 4/15, Austria

## Additional information on Persons with an Executive Authority

Persons with an executive authority are members of the Board of Directors and members of the Supervisory Board.

No member of the Company's Board of Directors or Supervisory Board is in a conflict of interest due to membership of other companies' governing bodies.

Principal activities of members of the Board of Directors and Supervisory Board in other companies, to the extent they are material for the Company:

- Jaroslav Mlynář: Member of the Supervisory Board of Penzijní společnost České pojišťovny, a.s., ČP DIRECT, a.s., Generali PPF Services a.s., , Generali Pojišťovna a.s. and member of the Board of Directors of Generali PPF Holding B.V.,
- Štefan Tillinger: Member of the Supervisory Board of Penzijní společnost České pojišťovny, a.s., ČP DIRECT, a.s.,
- Marco Maffioli: Member of the Supervisory Board of Penzijní společnost České pojišťovny, a.s.

No member of the Board of Directors or Supervisory Board has been convicted of a fraud-related crime.

As at 30 September 2013, the Company did not have any records of loans or advances extended to members of the Board of Directors or the Supervisory Board.



## Company's shareholders structure

As at 30 September 2013, Česká pojišťovna was part of a group, of which the holding company is Generali PPF Holding B.V. Česká pojišťovna's ultimate owner is Assicurazioni Generali S.p.A., which holds a 76% stake in the voting rights associated with the shares of Generali PPF Holding B.V. (a 24% stake is held by PPF Group N.V.). The Company's sole shareholder is CZI Holdings N.V.

### CZI Holdings N.V.

Legal form:	joint stock company
Registered office:	Stravinskylaan 933, Tower B, Level 9, 1077 XX Amsterdam (change in registered office effective 1 April 2007) The Netherlands
File number at the Register of the Amsterdam Chamber of Commerce and Industry:	34245976
Share capital:	EUR 100,000,000
Stake in the voting rights:	100%
Date of inception:	6 April 2006
Principal businesses:	holding company activities and financing thereof

The Company has not entered into a control agreement with its sole shareholder, CZI Holdings N.V. The Company compiles a Report on Relations Between the Company and Related Entities pursuant to Section 66a(9) of Act No. 513/1991 Sb.

## Information on Group structure

### Controlling entities

Next to the sole shareholder CZI Holdings N.V. below are other controlling entities of the Company:

#### Generali PPF Holding B.V.

Legal form:	limited company
Registered office:	Strawinskylaan 933, 1077XX Amsterdam The Netherlands
File number at the Register of the Amsterdam Chamber of Commerce and Industry:	34275688
Share capital:	EUR 500,000
Stake in the voting rights:	100% (indirect)
Share of Share capital:	100% (indirect)
Date of inception:	8 Jun 2007
Principal businesses:	holding activities and financing thereof

#### Assicurazioni Generali S.p.A

Legal form:	joint stock company
Registered office:	Piazza Duca degli Abruzzi 2, Trieste, Italy
Trieste Companies' Register number:	00079760328
Share capital:	EUR 1,556,873,283
Stake in the voting rights:	76% (indirect)
Share of Share capital:	76% (indirect)
Date of inception:	26 December 1831
Principal businesses:	providing insurance and finance products

Amounts of receivables and payables of the Company towards controlling entities is shown in the following table.

(In CZK thousands)	Receivables	Payables
Generali PPF Holding B.V.	60	15,253

Česká pojišťovna has no securities issued by controlling entities. Company has not accepted any guarantees from controlling entities no has provided any guarantees to such entities.

**Controlled entities**

Name	Legal form	Registered office
ČP DIRECT, a.s.	joint stock company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Česká pojišťovna ZDRAVÍ a.s.	joint stock company	Litevská 1174/8, Praha 10, 10005, Česká republika
ČP INVEST invest. spol., a.s.	joint stock company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
ČP INVEST Realitní Uzavřený Investiční Fond a.s.	joint stock company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Generali PPF Services a.s.	joint stock company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Nadace České pojišťovny	foundation	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Pankrác Services s.r.o.	limited company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
ČP Strategic Investments N.V.	joint stock company	Tower B, Strawinskylaan 933, 1077 XX, Amsterdam
REFICOR s.r.o.	limited company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Univerzální správa majetku, a.s.	joint stock company	Na Pankráci 1658/121, Praha 4, 14021, Česká republika
Generali SAF de Pensii Private S.A.(Generali Fond de Pensii S.A.)	limited company	str Polizu, nr 58-60, 11062, Bukurest, Rumunsko
City Empiria a.s.	joint stock company	Hvězdova 1716/2b, Praha 4, Nusle, 14078, Česká republika
Solitaire Real Estate a.s.	joint stock company	Rozkošného 1058/3, Praha 5, 15000, Česká republika
Penzijní společnost České pojišťovny, a.s.	joint stock company	Truhlářská 1106/9, Praha 1, 11000, Česká republika
Apollo Business Center IV a.s.	joint stock company	Gorkého 3, Bratislava 811 01
Finansový servis o.o.o.	limited company	Ul. Pravdy 8, 125040, Moskva, Ruská federace
Pařížská 26, s.r.o.	limited company	Václavské náměstí 823/33, Nové Město, 110 00 Praha 1
ČP ASISTENCE s.r.o.	limited company	Praha 4, Na Pankráci 1658/121, PSČ 140 21

Following table shows stake of the Company in the voting rights and share capital of controlled entities.

Name	Direct share on Share capital (%)	Indirect share on Share capital (%)	Direct stake in the voting rights (%)	Indirect stake in the voting rights (%)	Number of shares held by the Company	Nominal value of shares/ participation interest in CZK thousands <sup>2</sup>	Purchase price of shares/ participation interest in CZK thousands (on a acquisition date)
ČP DIRECT, a.s.	100		100		8	20,000	29,400
Česká pojišťovna ZDRAVÍ a.s.	100		100		100	100,000	191,250
ČP INVEST invest. spol., a.s.	100		100		2,170	91,000	45,758
ČP INVEST Realitní Uzavřený Investiční Fond a.s.	68		68		50	50,320	725,000
Generali PPF Services a.s.	80		80		24	2,400	122,403
Nadace České pojišťovny	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pankrác Services s.r.o.	100		100		N/A	200	269,848
ČP Strategic Investments N.V	96.7		96.7		2,719,688	5,646	3,016,648
REFICOR s.r.o.	100		100		N/A	100	73
Univerzální správa majetku, a.s.	100		100		10	1,000	1,103
Generali SAF de Pensii Private S.A. (Generali Fond de Pensii S.A.)	99.9		99.9		88,991,100	517,928	1,076,857
City Empiria a.s		68		68			
Solitaire Real Estate a.s.		68		68			
Penzijní společnost České pojišťovny, a.s.		96.7		96.7			
Apollo Business Center IV a.s.	100		100		1	649	827,261
Finansový servis o.o.o.	100		100		N/A		1,566
Pařížská 26, s.r.o.	100		100		N/A		
ČP ASISTENCE s.r.o.	51		51		N/A	1,530	5,100

<sup>2</sup> Foreign currency is translated using CNB exchange rate as at 30 September 2013.

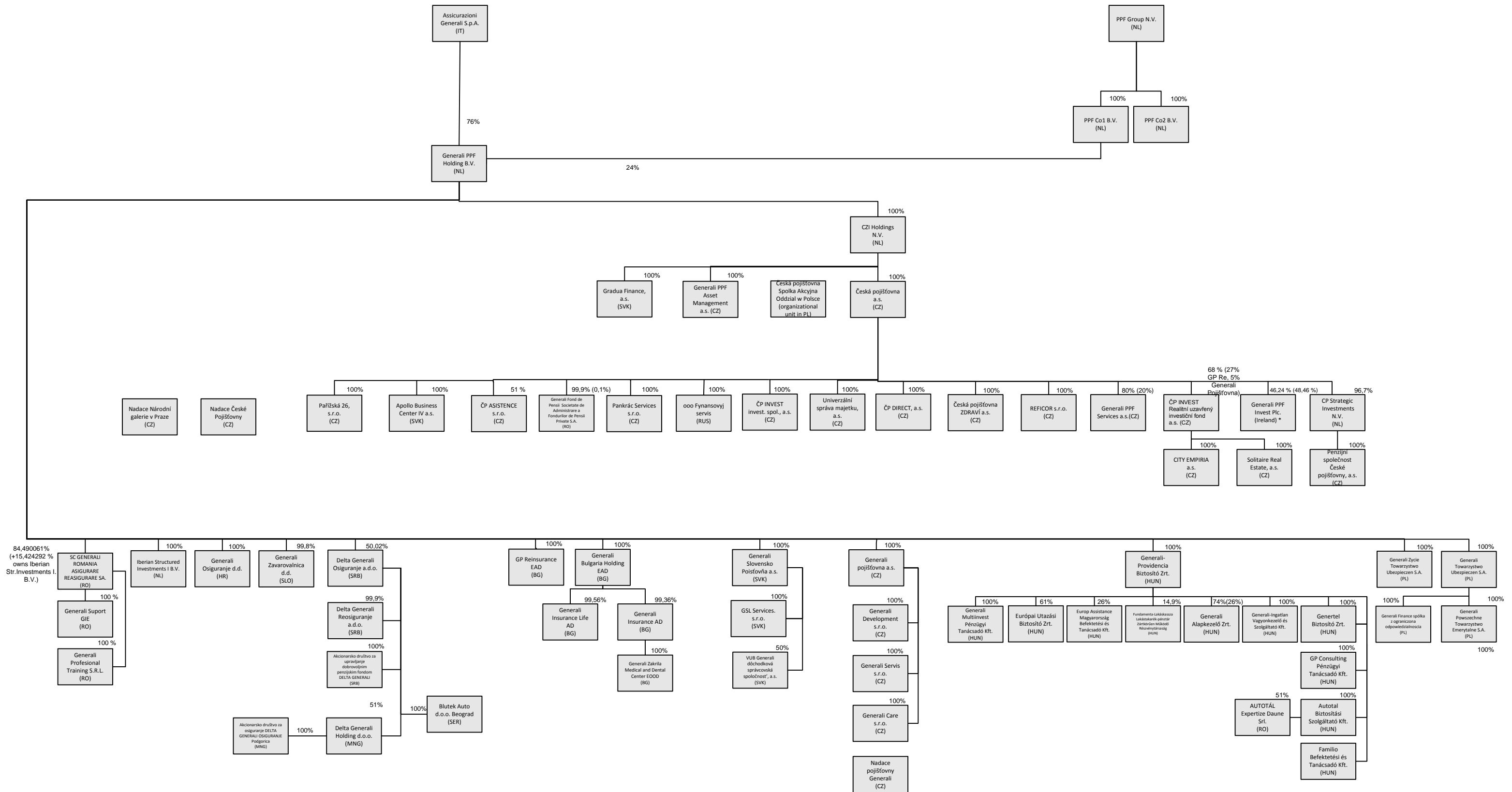
Amounts of receivables and payables of the Company towards controlled entities is shown in following table.

(in CZK thousands)	Receivables	Payables	Value of securities owned by ČP and issued by controlled entity	
			Value of securities (purchase price)	Value of securities (book value)
ČP DIRECT, a.s.	4	(9,328)	29,400	29,400
Česká pojišťovna ZDRAVÍ a.s.	2,236	(32,436)	191,250	191,250
ČP INVEST invest. spol., a.s.	360	(1,333)	45,758	45,758
ČP INVEST Realitní Uzavřený Investiční Fond a.s.			725,000	725,000
Generali PPF Services a.s.	6,501	(24,663)	122,403	2,403
Pankrác Services s.r.o.	6	(10)		
ČP Strategic Investments N.V			3,016,648	3,016,648
REFICOR s.r.o.	6	(1,120)		
Univerzální správa majetku, a.s.	6		1,103	1,103
Generali SAF de Pensii Private S.A.(Generali Fond de Pensii S.A.)			1,076,857	1,076,857
Solitaire Real Estate a.s.	101			
Penzijní společnost České pojišťovny, a.s.	17,698	(16,060)		
Apollo Business Center IV a.s.			827,261	827,261
Pařížská 26, s.r.o.				
ČP ASISTENCE s.r.o.	24,085	2,288		

The Company has not provided any guarantee to controlled entities nor has accepted any guarantee from such entities.

The Company has no liabilities relating to securities issued by controlled entities.

# Generali PPF Holding B.V. - structure as of 30.09.2013



Česká pojišťovna is subject to adjusted solvency capital requirement. Following controlled entities are included in a calculation of the adjusted solvency capital requirement:

- Česká pojišťovna ZDRAVÍ a.s.,
- Generali "Foreign Insurance Company Inc.",
- JSC Generali Life.

## Financial information

### Financial statements

#### Statement of Financial Position

In CZK thousands

	Current period 30.09.2013	Previous period 31.12.2012
Investments in subsidiaries and associates	6,194,245	5,405,460
Intangible assets	1,704,481	1,843,314
Tangible assets	445,630	477,059
Investments	88,457,142	91,595,431
Investment properties	64,764	64,791
Loans	3,804,111	1,018,924
Available-for-sale ("AFS")	63,770,623	68,048,162
Financial assets at fair value through profit or loss	20,694,856	22,082,290
Other investments	122,788	381,264
Reinsurance assets	10,627,874	9,702,028
Receivables	6,307,502	6,647,711
Deferred tax asset		13,943
Other assets	828,286	969,601
Cash and cash equivalents	6,779,530	5,088,994
<b>Total assets</b>	<b>121,344,690</b>	<b>121,743,541</b>
Share capital	4,000,000	4,000,000
Capital and revenue reserves	15,928,485	17,330,712
<b>Total equity</b>	<b>19,928,485</b>	<b>21,330,712</b>
Insurance provisions	84,319,399	85,640,343
Other provisions	1,206,556	1,209,440
Financial liabilities	6,815,078	3,854,181
Payables	7,513,349	7,877,122
Deferred tax liability	8,681	
Other liabilities	1,553,142	1,831,743
<b>Total liabilities</b>	<b>101,416,205</b>	<b>100,412,829</b>
<b>Total equity and liabilities</b>	<b>121,344,690</b>	<b>121,743,541</b>



## Income Statement

In CZK thousands

	Current period 30.09.2013	Previous period 30.09.2012
<b>Net earned premiums revenue</b>	16,296,758	16,191,240
Insurance premium revenue	24,187,266	23,964,979
Insurance premium ceded to reinsurers	(7,890,508)	(7,773,739)
Interests and other investment income	1,822,078	1,777,901
Income from subsidiaries and associated companies	165,622	95,491
Other income from financial instruments and other investments	1,152,429	876,217
Net income from financial instruments at fair value through profit or loss	(169,605)	1,904,121
Other income	920,225	490,658
<b>Total income</b>	<b>20,187,507</b>	<b>21,335,628</b>
Net insurance benefits and claims	(10,931,342)	(11,756,149)
Gross insurance benefits and claims	(15,493,463)	(15,306,998)
Reinsurers' share	4,562,121	3,550,849
Interest expense	(28,478)	(34,344)
Costs from subsidiaries and associated companies	(4,361)	
Other expenses for financial instruments and other investments	(957,627)	(487,725)
Acquisition costs	(2,458,742)	(2,573,848)
Administration costs	(1,604,973)	(1,645,233)
Other expenses	(1,115,162)	(1,504,544)
<b>Total expenses</b>	<b>(17,100,685)</b>	<b>(18,001,843)</b>
Profit before tax	<b>3,086,822</b>	<b>3,333,785</b>
Income tax expense	(525,836)	(530,274)
<b>Net profit for the year</b>	<b>2,560,986</b>	<b>2,803,511</b>

## Statement of comprehensive income

In CZK thousands

	Current period 30.09.2013	Previous period 30.09.2012
<b>Net profit for the year</b>	2,560,986	2,803,511
<b>Other Comprehensive income</b>		
The exchange rate revaluation in equity	(2,804)	
Land and buildings revaluation gain/loss on derecognition in retained earnings	(1)	
Land and buildings revaluation realized in retained earnings from previous years	4	
Available-for-sale financial assets revaluation in equity	(341,698)	3,221,666
Available-for-sale financial assets revaluation realised in income statement	(453,008)	(314,262)
Available-for-sale impairment losses	105,078	105,298
<b>Other comprehensive income before tax effects</b>	<b>(692,429)</b>	<b>3,012,702</b>
Tax on items of Other comprehensive income	129,216	(572,413)
<b>Other Comprehensive income, net of tax</b>	<b>(563,213)</b>	<b>2,440,289</b>
<b>Total Comprehensive income</b>	<b>1,997,773</b>	<b>5,243,800</b>

## Fair value and nominal value of derivatives

As at 30.09.2013 (In CZK thousands)	Fair value	Nominal value
Hedging derivatives	(707,404)	33,128,516
Trading derivatives	(268,287)	19,089,089

## Solvency

(in CZK billions)	31.12.2012
<b>Life insurance</b>	
Solvency Capital Requirement	2.9
Available Solvency Capital	13.3
Available and Required Solvency Capital Ratio	4.6
<b>Non-life insurance</b>	
Solvency Capital Requirement	2.2
Available Solvency Capital	6.5
Available and Required Solvency Capital Ratio	2.9
<b>Minimum Solvency Capital</b>	1.7
<b>Minimum and Available Solvency Capital Ratio</b>	0.09

## Adjusted Solvency Capital Requirement

(in CZK million)		31.12.2012
<b>Sum of Available Solvency Capital of ČP and relevant subsidiaries</b>	<b>Part A - UMS</b>	
Available Solvency Capital of ČP	DMSp	20,290
Available Solvency Capital of relevant subsidiaries	Sum of (qi * DMSi) on all relevant subsidiaries	19,784
		505
<b>Sum of other items according to § 16 par. 4 of the Decree of relevant subsidiaries and Solvency Capital Requirement of ČP and relevant subsidiaries</b>	<b>Part B - UMS</b>	
Sum of other items according to § 16 par. 4 of the Decree of all relevant subsidiaries	Sum of UHPi on all relevant subsidiaries	5,739
Solvency Capital Requirement of ČP	PMSp	387
Solvency Capital Requirement of relevant subsidiaries	Sum of (qi * PMSi) on all relevant subsidiaries	5,142
		210
<b>Adjusted Solvency Capital Requirement</b>	<b>USp = A - B</b>	14,551

## Ratios

		30.09.2013
Return on average assets (ROAA)		2.11%
Return on average equity (ROAE)		12.41%
Non-life "Combined ratio"		82.70%