

BUY OUT OF SHARES

Česká pojišťovna a.s. summoned an extraordinary meeting of shareholders on 25 July 2005, with the only item on the agenda, which is proposed buy out of shares by Cespo B.V., the principal shareholder.

The proposal is based on the recently adopted amendment of Commercial Code, which enables to do so, providing one shareholder holds more than 90% of shares.

Cespo B.V. offers CZK 21, 288 for one share to minority shareholders.

Expert opinion was provided by E & Y Valuations.