

Re: Announcement of the intention to divide Česká pojišťovna a.s. by a spin-off with the incorporation of a new company within the meaning of Section 220zb of Act No. 513/1991, the Commercial Code, as amended in Act No. 56/2006

On 18 April 2006 the Board of Directors of Česká pojišťovna a.s. (having its registered office at Praha 1, Spálená 75/16, Postal Code 11304, Company No. [IČ] 45272956) approved, as a follow up to the announcement of the sole shareholder, PPF Group N.V., the intention to divide Česká pojišťovna a.s. (hereinafter “ČP”) via a spin-off of a part of its assets with the incorporation of a new company. The title to the shares held by ČP in HC Holding a.s. (having its registered office in the Czech Republic, Brno, Moravské náměstí 249/8, Postal Code: 60200, Company No. [IČ]: 26978601) and in Home Credit B.V. (having its registered office in the Netherlands, Herengracht 450, 1017CA Amsterdam, Reg. No. 34126597) shall pass to the new company. ČP’s obligations arising from the bonds issued under “ČP VAR/06” ISIN: CZ0003700569, and ČP’s obligations arising from the Subordinated Loan Agreement executed between ČP and PPF Group N.V. on 10 June 2003, shall also pass to the new company.

The relevant day for the division via a spin-off has been set at 1 January 2006. The main reason for this reorganisation is to demerge different lines of business not related directly to the insurance business; this move will support the development of a clear-cut business profile and improvements in the management of both ČP and the companies whose shares will be transferred to the newly incorporated company as part of the spin-off.

A meeting of the “ČP VAR/06” ISIN: CZ0003700569 bondholders will only be convened once more detailed information has become available in respect of the terms and conditions of the spin-off, which now has the form of only a general intention.