

II. Independent Auditor's Report

To the Management and Supervisory Board of Zavarovalnica Triglav d.d., Ljubljana



Independent Auditor's Report

To the Shareholders of Zavarovalnica Triglav, d.d.

We have audited the accompanying consolidated financial statements of the company Zavarovalnica Triglav d.d. and its subsidiaries (the Triglav Group), which comprise the consolidated statement of financial position as at 31 December 2011, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by EU, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Triglav Group as at 31 December 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Emphasis of matter

Without qualifying our opinion we draw your attention to Note 6.11 to the consolidated financial statements (Equity, revenue reserves), referring to the inconsistency of requirements of the Insurance Act with the International Financial Reporting Standards as adopted by the European Union. The Group forms and discloses equalization provisions within equity in accordance with the International Financial Reporting Standards as adopted by the European Union. If these consolidated financial statements were prepared according to provisions of the Insurance Act, these equalization provisions would have been formed and charged against the operating profit or loss and disclosed among technical provisions.

Other matters

As required by the Slovenian Companies Act we herewith confirm that the information in the management report is in conformity with the accompanying consolidated financial statements.

Simona Korošec Lavrič, M.Sc.Ec.

Certified Auditor

Ljubljana, 29 March 2012

KPMG SLOVENIJA,
podjetje za revidiranje, d.o.o.

Katarina Sitar Suštar, B.Sc.Ec.

Certified Auditor

Partner

KPMG Slovenija, d.o.o.
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