

**ANNUAL REPORT 2013 OF
POWSZECHNY ZAKŁAD UBEZPIECZEŃ
SPÓŁKA AKCYJNA**



Warsaw, March 2014

Annual Report 2013 of Powszechny Zakład Ubezpieczeń Spółka Akcyjna contains:

1. Selected items from financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (in accordance with PAS).
2. The Chairman's of the Management Board Representation of Powszechny Zakład Ubezpieczeń Spółka Akcyjna.
3. Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. opinion on the audit of the financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for a period ended 31 December 2013.
4. Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp. k. report on the audit of the financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for a period ended 31 December 2013.
5. Financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for a period ended 31 December 2013 (in accordance with PAS).
6. Management's report of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for 2013.

SELECTED ITEMS FROM FINANCIAL STATEMENTS OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA (IN ACCORDANCE WITH PAS)

Items from statement of financial position	31 December 2013 PLN '000	31 December 2012 PLN '000	31 December 2013 EUR '000	31 December 2012 EUR '000
Assets	30 136 572	29 913 216	7 266 727	7 316 965
Share capital	86 352	86 352	20 822	21 122
Total equity	12 259 761	13 452 581	2 956 154	3 290 588
Weighted average basic and diluted number of ordinary shares	86 352 300	86 352 300	86 352 300	86 352 300
Book value per share (in PLN/EUR)	141,97	155,79	34,23	38,11

Items from non-life technical account and general profit and loss account	1 January – 31 December 2013 PLN '000	1 January – 31 December 2012 PLN '000	1 January – 31 December 2013 EUR '000	1 January – 31 December 2012 EUR '000
Gross written premiums	8 273 900	8 453 498	1 964 830	2 025 469
Technical result on non-life insurance	1 061 855	640 118	252 162	153 373
Net profit or loss on investment activities*	4 633 302	2 472 660	1 100 285	592 453
Net profit (loss)	5 106 345	2 580 720	1 212 621	618 344
Weighted average basic and diluted number of ordinary shares	86 352 300	86 352 300	86 352 300	86 352 300
Basic and diluted profit (loss) per ordinary share (in PLN/EUR)	59,13	29,89	14,04	7,16

* Including "Share in net profit (loss) of entities measured using equity method".

Items from statements of cash flows	1 January – 31 December 2013 PLN '000	1 January – 31 December 2012 PLN '000	1 January – 31 December 2013 EUR '000	1 January – 31 December 2012 EUR '000
Net cash flows generated by operating activities	1 076 004	1 091 181	255 522	261 448
Net cash used in/generated by investment activities	2 927 984	886 569	695 318	212 423
Net cash used in financing activities	(3 966 013)	(2 044 120)	(941 822)	(489 774)
Total net cash flows	37 975	(66 370)	9 018	(15 902)

The following exchange rates have been applied to present selected financial data:

EUR / PLN	1 January – 31 December 2013	31 December 2013	1 January – 31 December 2012	31 December 2012
Average rate	4.2110	4.1472	4.1736	4.0882

The rates are:

- average rates of the National Bank of Poland ruling as of the balance sheet date – for the statement of financial position;
- rates determined as the arithmetic mean of the rates published by the National Bank of Poland, ruling as of the last day of each month of a given period - for the income statement, statement of comprehensive income and statement of cash flows.