

Consolidated Annual Report 2016

VIG FUND, a.s. (formerly: VIG FUND uzavřený
investiční fond, a.s.)

VIG  FUND

1. Index

1. Index.....	2
2. Basic Company Information.....	4
a) Members of the board of directors, supervisory board and auditor of the Company	4
b) Persons in which the Company had a qualified holding.....	7
c) Persons who had a qualified holding in the Company	8
d) Persons who were interconnected with the Company in personnel terms	8
e) Persons who acted in concert with the Company	9
f) Name of the Company and its Identification pursuant to the International Securities Identification Numbering (ISIN) system or another Securities Identification Numbering (SIN) system	9
g) Changes to the facts registered in the Commercial Register	10
h) Facts with a significant impact on the performance of activities by the Company	10
3. Particulars of the Annual Report according to Section 291 of Act no. 240/2013 Coll.	10
a) Investment Company	10
b) Development of the Assets	11
c) Equity capital of the Group and the equity capital falling upon one share	11
d) Liabilities of the Group	11
e) Changes in the Statute of the Company.....	11
f) Remuneration of the employees and the management of VIG AM	11
g) Measures preventing the conflict of interest	11
h) The period for which the Company was set up.....	12
4. Particulars of the Annual Report according to Annex no. 2 to Decree No. 244/2013 Coll.	12
a) Portfolio manager.....	12
b) Depository of the Company.....	12
c) The person who ensures the safekeeping or some other custody of the assets of the Company.....	12
d) Persons authorized to provide the Company with investment services	12
e) Identification of the assets.....	12
f) The development of the value of a share of the Company (as defined in annex no. 2 to Decree No. 244/2013 Coll.).....	13
5. Particulars of the Annual Report according to Section 118/4 of the Act on Capital Market - no. 256/2004 Coll.	13
a) Internal control system.....	13

b)	Statutory and Supervisory body of the Company	14
c)	The rights and obligations related to the shares of the Company	15
d)	Competence of the General meeting	15
e)	Monetary or non-monetary benefits and principles of the remuneration of the members of Board of Directors and members of the Supervisory Board of the Company	17
f)	Shares and options owned by the members of the Supervisory Board or members of the Board of Directors	17
g)	Code of Corporate Governance of the Company	17
h)	Remuneration charged by the auditors	18
i)	Figures and information about the financial position, business activities and financial results	18
6.	Information on facts that occurred after the date of balance sheet and are significant for fulfilling the purpose of the Annual Report	18
7.	Report of the Board of Directors on Business Activities and Status of Properties	18
8.	Expected Company development in 2017	19
9.	Other information	20
10.	Report on relationships between related parties	21
11.	Report of the Supervisory Board	26
12.	Related Parties and equity participation of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	27
13.	Consolidated financial statements for 2016	33
14.	Auditor's report	33

2. Basic Company Information

Company: VIG FUND, a.s. (formerly: VIG FUND uzavřený investiční fond, a.s.)

Company address: Templová 747/5, Staré Město, 110 00 Praha 1

Legal form: joint-stock company

Identification no.: 24220809

Date of balance: 31st December 2016

Accounting period: 1st January 2016 – 31st December 2016

VIG FUND, a.s. (formerly: VIG FUND uzavřený investiční fond, a.s.) was founded by registration in the Commercial Register of the Municipal Court in Prague, Section B, File no. 17896 on 1st March 2012 (hereinafter referred to as "VIG FUND" or the "Company").

Until 31st December 2016 the Company was a fund of qualified investors pursuant to the Act No 240/2013 Coll., on Investment Companies and Investment Funds („Act“). Upon the Company's request the Company was deregistered of the list of funds kept by CNB with effective date 01.01.2017. As a consequence the Company's name was changed from VIG FUND uzavřený investiční fond, a.s. to VIG Fund, a.s..

VIG FUND is a joint-stock company, managed by VIG Asset Management, a.s. (formerly: VIG Asset Management investiční společnost, a.s.), ID no. 24838233, with registered office at Templová 747/5, Staré Město, 110 00 Praha 1, registered in the Commercial Register of the Municipal Court in Prague, Section B, File no. 17131 (hereinafter referred to as "VIG AM" or "Investment Company").

The consolidated Annual Report includes the following companies, which are fully consolidated: SK BM s.r.o., Bratislava, EUROPEUM BUSINESS CENTER, s.r.o., Bratislava and HUN BM Kft., Budapest (all together hereinafter referred to as the "Group"), for details see the Section b) below.

a) Members of the board of directors, supervisory board and auditor of the Company

Board of Directors

VIG Asset Management, a.s. - sole Member of the Board of Directors

Templová 747/5, Staré Město, 110 00 Prague 1,

Company ID no.: 248 38 233

Function established on: 16th July 2014

represented by:

Dípl. Ing. Caroline Mocker, MSc, MRICS

Chairperson of the Board of Directors of VIG AM

Function established on: 27th April 2011

- Graduate of the Vienna University of Technology (Architecture)

- Postgraduate studies at the Vienna University of Technology (Real Estate Management and Pricing)
- Member of Royal Institution of Chartered Surveyors

Experience:

- since 04/2011 International real estate expert (Vienna Insurance Group AG)
- 12/2010 - 03/2011 Project management "Smashing Suns" Franchise GmbH
- 07/2009 - 11/2010 Project manager of group investments (Bank Austria Real Invest GmbH)
- 01/2008 - 06/2009 Investment manager for Real Invest Austria (RIA) and Real Invest Europe (RIE)
- 01/2007 - 12/2007 Head of the Portfolio Management Department (Bundesimmobiliengesellschaft mbH)
- 11/2005 - 12/2006 Portfolio manager (Bundesimmobiliengesellschaft mbH)
- 02/1998 - 10/2005 Technical employee and work on free-lance basis

Ing. Luděk Marek**Member of the Board of Directors of VIG AM**Function established on: 11st October 2011

- Graduate of the University of Economics in Prague, Faculty of Economics, Finances

Experience:

- since 2002 Head of the Treasury Division (Kooperativa pojišťovna, a.s., Vienna Insurance Group)
- 1993 – 2001 Head of the Portfolio and Liquidity Management Department (Kooperativa pojišťovna, a.s., Vienna Insurance Group)
- 1991 – 1993 Trade certificate for the area of business consulting
- 1987 – 1991 Česká státní pojišťovna – Economy Department
- 1985 – 1987 Československá obchodní banka

Ing. Mag. Christoph Roiser (until 28.04.2016)**Member of the Board of Directors of VIG AM**Function established on: 11st October 2011

- Graduate of the Vienna University of Economics and Business (Business Economics, Production and IT Management)
- Study abroad at the University of Illinois at Urbana-Champaign, USA (Production)
- Study abroad at the Jiangxi University of Finance and Economics, China (International Management and Accounting)

Experience:

- since 2008 Deputy manager of the Real Estate Department, (WIENER STÄDTISCHE Versicherung AG Vienna Insurance Group)
- 2005-2008 Business manager (general manager) of the "Electronic Assembly" operational unit for Central and Eastern Europe (Siemens AG Austria, Automation & Drives)
- 2002-2004 Senior Controller of Sales (Siemens AG Germany, Logistics & Assembly)

- 1999-2002 Project manager
(Siemens AG Austria, Siemens Dematic)

MMag. Dr. Wolfgang M. Hajek

Member of the Board of Directors of VIG AM

Function established on: 29.04.2016

- Graduate of Doctoral Studies at Juridicum Wien
- Graduate of Business and Management as well as Law at Karl Franzens Universität Graz
- MBA Graduate at Maastricht School of Management, the Netherlands

Experience:

- Since 2016 Member of Board of VIG AM
- 2012 - 2016 VIG AM, Strategic Portfolio Management and Strategic Decision Implementation Officer
- Since 2011 Deputy Head of Affiliated Companies Department
- 2007-2011 Volksbanken Group
- 2007 Austrian Financial Market Authority

Supervisory Board

Dr. Martin Simhandl

Chairperson of the Supervisory Board

Function established on: 1st March 2012

- Graduate of the University of Vienna (Law)

Experience:

- since 11/2004 Member of the Board of Directors
Vienna Insurance Group AG Wiener Versicherung Gruppe
- 1994 - 2004 Management of subsidiaries
(Head of Subsidiary Management since 1998)
- 1985 – 1993 Legal department (proxy holder since 1991)
- 1985 Start in Vienna Insurance Group

Mag. Roland Gröll

Member of the Supervisory Board

Function established on: 1st March 2012

- Graduate of the Vienna University of Economics and Business

Experience:

- Since 01/2016 Member of the Board of Directors
Vienna Insurance Group AG Wiener Versicherung Gruppe
- 01/2014 – 12/2015 Head of the Financial and Accounting Department
Vienna Insurance Group AG Wiener Versicherung Gruppe
- 01/2010 – 12/2013 Member of the Board of Directors
Donau Versicherung AG Vienna Insurance Group
- 10/2008 - 12/2013 Deputy of the Board of Directors
Vienna Insurance Group AG Wiener Versicherung Gruppe
- 02/2008-2010 Member of the Extended Board of Directors

- since 03/2008 Vienna Insurance Group Wiener Städtische Versicherung AG
Head of the Financial and Accounting Department
- since 06/2003 Proxy holder, WIENER STÄDTISCHE Versicherung AG
Vienna Insurance Group
- 05/2003-02/2008 Deputy manager of the Financial and Accounting Department
- 01/2001 Proxy holder
- 02/1994 Start in WIENER STÄDTISCHE Versicherung AG
Vienna Insurance Group, Financial and Accounting Department

Gary Wheatley Mazzotti**Member of the Supervisory Board**Function established on: 17th April 2012

- Graduate of the University of Reading (Economics)
- ACA chartered accountant

Experience:

- Since 4/2014 Member of the Board of Directors
Kooperativa pojišťovna, a.s., Vienna Insurance Group
- Since 3/2012 Senior Executive
Vienna Insurance Group AG Wiener Versicherung Gruppe
- 10/2010-01/2012 Senior Investment Director, PPF, a.s.
- 09/2008-10/2010 Chief Financial Officer Private Equity Division, PPF, a.s.
- 09/2007-09/2008 Chief Executive Officer, ENERGY 21, a.s.
- 01/2006-08/2007 Chief Operating Officer, AAA Auto, a.s.
- 09/2001-12/2005 Chief Financial Officer, AAA Auto, a.s.
- 04/1994-08/2001 Finance Director,
Sound and Media Group (Part of Virgin Group)
- 03/1991-04/1994 Group Operational Review Manager, Atlantic Computers PLC
- 09/1988-03/1991 Financial Controller, Greyhound Leasing

Auditor

The Financial statements of the Company have been audited by KPMG Česká republika Audit, s.r.o. (registration no. 71).

b) Persons in which the Company had a qualified holding

The Company has qualified interest in:

- **SK BM s.r.o.:** The Company holds 100 % of the shares of SK BM s.r.o., with its registered office at Štefanovičova 4, 816 23 Bratislava, ID no.: 46423427, registered in the Commercial Register at the Municipal Court Bratislava, File no. 77149/B. SK BM is a real estate company according to VIG FUND's statute and complies with the investment orientation of the fund according to its statute;

Managing Director:

Dipl. Ing. Caroline Mocker, MSc. MRICS

Ing. Mag. Christoph Roiser (until 09.06.2016)

MMag. Dr. Wolfgang M. Hajek (from 10.06.2016)

- **HUN BM Kft:** The Company holds 100 % of the shares of HUN BM Koriátoft Felelősségű Társaság with its registered office at Baross utca 1, 1082 Budapest, Trade Register No: Cg.01-09-972521. HUN BM is a real estate company according to VIG FUND's statute and complies with the investment orientation of the fund according to its statute;

Managing Director:

Dipl. Ing. Caroline Mocker, MSc. MRICS
 Ing. Mag. Christoph Roiser (until 19.07.2016)
 MMag. Dr. Wolfgang M. Hajek (from 20.07.2016)

- **EUROPEUM Business Center s.r.o.:** with its registered office at Suché Mýto, 811 03 Bratislava, ID no.: 36770876, registered in the Commercial Register at the Municipal Court Bratislava, File no. 45714/B. EUROPEUM Business Center s.r.o. is a real estate company according to VIG FUND's statute and complies with the investment orientation of the fund according to its statute;

Managing Director:

Dipl. Ing. Caroline Mocker, MSc. MRICS
 MMag. Dr. Wolfgang M. Hajek

c) Persons who had a qualified holding in the Company

VIG-CZ Real Estate GmbH, Vienna (71.57 %) and Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague (16.70 %) had a qualified holding in the Company.

d) Persons who were interconnected with the Company in personnel terms

The representatives of the sole Member of the Board of Directors and Members of the Supervisory Board of the Company had inter alia the following relevant mandates in the reported period:

Dipl. Ing. Caroline Mocker, MSc. MRICS

EUROPEUM Business Center s.r.o.	Managing Director
HUN BM Kft.	Managing Director
SK BM s.r.o.	Managing Director
VLTAVA majetkovosprávní a podílová spol. s r.o.	Managing Director
VIG Asset Management, a.s.	Chairperson of Board of Directors
VIG AM Services GmbH	Managing Director

Ing. Mag. Christoph Roiser (until 28.04.2016)

Anděl Investment Praha s.r.o.	Managing Director
HUN BM Kft.	Managing Director
SK BM s.r.o.	Managing Director
VIG Asset Management, a.s.	Member of Board of Directors
VIG AM Services GmbH	Managing Director

MMag. Dr. Wolfgang M. Hajek (from 29.04.2016)

EUROPEUM Business Center s.r.o.	Managing Director
---------------------------------	-------------------

HUN BM Kft.	Managing Director
SK BM s.r.o.	Managing Director
VIG FUND Revoluční, s.r.o.	Managing Director
VIG Asset Management, a.s.	Member of Board of Directors
VIG AM Services GmbH	Managing Director
<u>Ing. Luděk Marek</u>	
VIG Asset Management, a.s.	Member of Board of Directors
VIG FUND Revoluční s.r.o.	Managing Director
VIG ND, a.s.	Member of Board of Directors
<u>Dr. Martin Šimhandl</u>	
InterRisk Lebensversicherungs-AG Vienna Insurance Group	Chairperson of the Supervisory Board
InterRisk Versicherungs-AG Vienna Insurance Group	Chairperson of the Supervisory Board
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	Member of the Board of Directors
VIG Asset Management, a.s.	Chairperson of the Supervisory Board
<u>Mag. Roland Gröll</u>	
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	Member of the Board of Directors
VIG Asset Management, a.s.	Member of the Supervisory Board
Wiener Osiguranje Vienna Insurance Group d.d., Zagreb	Member of the Supervisory Board
<u>Mr. Gary Wheatley Mazzotti</u>	
Anděl Investment Praha s.r.o.	Managing Director
Česká podnikatelská pojišťovna, a.s.	Member of Board of Directors
Kooperativa pojišťovna, a.s. Vienna Insurance Group	Member of Board of Directors
VIG Asset Management, a.s.	Member of the Supervisory Board
VIG ND, a.s.	Member of the Supervisory Board
VIG RE zajišťovna, a.s.	Member of the Supervisory Board

e) Persons who acted in concert with the Company

In 2016, the Company did not act in concert with any person, who is not listed in paragraph a) to c).

f) Name of the Company and its identification pursuant to the International Securities Identification Numbering (ISIN) system or another Securities Identification Numbering (SIN) system

Name of the Company until 31.12.2016: VIG FUND uzavřený investiční fond, a.s.

Name of the Company from 01.01.2017: VIG FUND, a.s.

Neither ISIN nor SIN was assigned to VIG FUND.

g) Changes to the facts registered in the Commercial Register

In the reported period, the records in the Commercial Register were changed in the following way:

In 2016 the Company increased its registered capital, the capital increase was entered on 8th July 2016. The Company's share capital had been increased solely by monetary investments by CZK 308,800, i.e. by issuing 1,544 pcs of new unquoted ordinary shares issued in the name and in documentary form, each in the nominal value of CZK 200.

On 31st December 2016 with effective date 1st January 2016, as a consequence of the merger with VIG FUND Revoluční s.r.o., the capital of the VIG FUND Revoluční s.r.o. was transferred to VIG FUND as a succession company.

Mr. Christoph Roiser was deleted from the Commercial Register on 19.08.2016 as member of the board of VIG AM being the Board of Directors of the Company.

Mr. Wolfgang Hajek was placed on register on 19.08.2016 as member of the board of VIG AM being the Board of Directors of the Company.

h) Facts with a significant impact on the performance of activities by the Company

In 2016, the Company performed the following two acquisitions:

- On 21st June 2016 the Company acquired 100 % of EUROPEUM Business Center s.r.o. with its registered office at Suché Mýto, 811 03 Bratislava, Slovakia, ID no.: 36770876, registered in the Commercial Register at the Municipal Court Bratislava, File no. 45714/B
- on 15th July 2016 the Company acquired 100% of VIG Fund Revoluční s.r.o. (former: MARKLAND Revoluční, s.r.o.) with its registered office at 110 00 Praha 1, Revoluční 1/665, ID 27147274, registered in the Commercial Register of the Municipal Court in Prague, Section C, File no. 99860.

In the reporting period the Company performed a merger with VIG Fund Revoluční s.r.o., all assets and liabilities of VIG Fund Revoluční s.r.o. were transferred to VIG FUND, as a succession company.

3. Particulars of the Annual Report according to Section 291 of Act no. 240/2013 Coll.**a) Investment Company**

VIG FUND was managed by VIG AM. VIG AM was granted the license to operate as an investment company by the Czech National Bank on 21st October 2011. In 2016, VIG AM managed the properties of the Company from the position of the sole member of the Board of Directors of the Company. The performance of the office of the sole member of the Board of Directors is governed by Act no. 240/2013 Coll. and by the Contract on performance of office executed on 17th July 2014.

VIG AM gave back its licence as an investment company to the Czech National Bank (ČNB) with effective date 28.02.2017. The Contract on performance of office, signed between the Company and VIG AM will be adjusted accordingly. VIG AM will continue to manage VIG Fund's assets.

b) Development of the Assets

Date	Assets of the Group
31.12.2014	TEUR 292,807
31.12.2015	TEUR 260,564
31.12.2016	TEUR 312,243

c) Equity capital of the Group and the equity capital falling upon one share

Date	Equity capital of the Group	Equity capital per share
31.12.2014	TEUR 129,753	EUR 7,576
31.12.2015	TEUR 131,775	EUR 7,694
31.12.2016	TEUR 148,770	EUR 7,968

No shares were repurchased by the Company and all shares were paid.

The Company paid dividends in the total amount of TEUR 3,014 in 2016. The dividend payment per 1 share amounted to EUR 176.

The profit per one share for the period 01.01.2016 – 31.12.2016 amounts to EUR 372.

d) Liabilities of the Group

The liabilities of the Group as of 31st December 2016 amounted to TEUR 163,473.

e) Changes in the Statute of the Company

In 2016 no changes were made in the Statute of the Company.

f) Remuneration of the employees and the management of VIG AM

Remuneration	
Number of managers	3
Number of other employees	5
Fixed component of the remuneration	EUR 172,744
Variable component of the remuneration	EUR 50,519

g) Measures preventing the conflict of interest

In connection with the provision of Act No. 240/2013 Coll., Commission delegated regulation (EU) No 231/2013 of 19th December 2012 and Decree No. 244/2013 Coll., providing for more detailed regulations applicable to act in investment companies and investment funds, the Investment Company defined in its internal rules (see also Article 5. g) of this Annual Report) following to prevent the conflict of interest:

- the processes relating to closing deals by persons having special relationships to the Investment Company,

- the processes leading to identification of conflicts of interest, preventing any prospective conflicts of interests, limiting possibilities that a conflict of interests occurs and managing conflicts of interest,
- the rules of the exercise of voting rights.

h) The period for which the Company was set up

The Company was set up for an indefinite period.

4. Particulars of the Annual Report according to Annex no. 2 to Decree No. 244/2013 Coll.

a) Portfolio manager, external manager

The management of assets is carried out by representatives of VIG AM. Identification data and description of experience of representatives of VIG AM are stated in part 2 of this annual report.

b) Depositary of the Company

In the reported period, Česká spořitelna, a.s., with registered office at 140 00 Praha 4, Olbrachtova 1929/62, ID no. 45244782, registered in the Commercial Register of the Municipal Court in Prague, Section B, File no. 1171, was the only depositary of the Company. In the reported period, the Company paid the amount of TEUR 44 to its depositary.

c) The person who ensures the safekeeping or some other custody of the assets of the Company

In 2016, Česká spořitelna, a.s. ensured safekeeping or other custody of the assets of the Company.

d) Persons authorized to provide the Company with investment services

The Company did not trade in securities in the reported period; therefore no broker or investment firm performed activities of an investment firm for the Company.

e) Identification of the assets

As of 31st December 2016, the Company's assets consisted of:

Name of Assets	Acquisition value	Fair value
Investment Properties	TEUR 312,445	TEUR 290,570
Shares in Subsidiaries	TEUR 0	TEUR 0
Loans to group entities	TEUR 0	TEUR 0
Trade and tax receivables	TEUR 1,053	TEUR 1,053

Cash and cash equivalents	TEUR 17,966	TEUR 17,966
Accrued assets	TEUR 1,422	TEUR 1,422
Other assets	TEUR 0	TEUR 0

f) The development of the value of a share of the Company (as defined in annex no. 2 to Decree No. 244/2013 Coll.)

The value of a share of the Company increased from EUR 7,694 (as at 31st December 2015) to EUR 7,968 (as at 31st December 2016).

The value of the shares does not copy any Index or other indicator.

5. Particulars of the Annual Report according to Section 118/4 of the Act on Capital Market - no. 256/2004 Coll.

a) Internal control system

The internal control system is generally a part of the usual, daily activity and helps to achieve the Company's strategic and business objectives and reduces the risks to which the Company is exposed, notably the operational risk. The internal control system is an integral part of the Company's management.

The levels of the internal control system are composed of:

- control carried out by each personnel during the work performance,
- control carried out by the Board of Directors and managing personnel during both the discharge of their managing functions and the performance of their work,
- activities by compliance,
- activities by internal audit

The internal control system also includes activities by the Supervisory Board carried out in accordance with the law, the Articles of Association and Supervisory Board resolutions.

The internal control system includes the consistent monitoring of the changing environment, including the evaluation of related risks, and the subsequent adaptation of organizational structures, capacities, equipment, procedures and activities.

The internal control system includes regular reconciliation and physical control; the physical control is mainly concerned with limiting access to the tangible property, investment instruments and other financial assets and with regular asset inventory checks.

The control activities consist of the supervision of compliance with:

- universally binding legislation,
- binding measures of supervisory bodies, their methodical materials, instructions and opinions,
- internal regulations, limits,
- process of giving approval and authorization for transactions above the stipulated limits,
- economical and effective performance of activities and transactions, verifying transaction details,
- verifying outputs of systems and risk management methods in use,
- ethical standards, standards and habits generally recognized in the financial market,
- contractual relationships,
- economical and efficient performance of activities.

b) Statutory and Supervisory body of the Company

Board of Directors

The Company's Board of Directors has one Member. Member of the Board of Directors is elected and removed by the Supervisory Board. A member of the Board of directors may only be a person within the meaning of Section 9 (1) of Act no. 240/2013 Coll.

Members of the Board of Directors can be elected repeatedly. The term of office of Members of the Board of Directors is five years.

The Board of Directors is the governing body of the Company. The Board of Directors decides on all matters of the Company which are not reserved for the competence of the General Meeting or the Supervisory Board under universally binding regulations or Articles of Association of the Company.

Supervisory board

The Supervisory Board has three Members. Members of the Supervisory Board are elected and removed by the General Meeting. The Supervisory Board elects and removes the Chairperson and Vice-Chairperson of the Supervisory Board from among its Members. A person may be elected a Member of the Supervisory Board repeatedly. The term of office of Supervisory Board Members is five years. The office of a Supervisory Board Member also expires by election of a new Supervisory Board Member.

The Supervisory Board is the Company's supervisory body.

The Supervisory Board takes decisions at its meetings. The Supervisory Board takes decisions by absolute majority all Members' votes, with each Member always having one vote. The Supervisory Board is able to adopt decisions if at least half of its Members, including the Chairperson, or, if absent; the Vice-Chairperson, are present at its meeting. In case of a deadlock, the Chairperson, or, if absent, the Vice-Chairperson, shall have the decisive vote.

The Supervisory Board may adopt decisions even outside its meetings, by vote in writing or, where appropriate, by fax, e-mail, etc.

c) The rights and obligations related to the shares of the Company

The registered capital of the Company is divided into 18.671 (eighteen thousand six hundred and seventy one) ordinary registered shares issued as share certificates, with the nominal value of CZK 200 (in words: two hundred Czech crowns) per share. Each share entitles its holder to one vote in voting at the General Meeting. The same rights and obligations are associated with all the Company's shares. These rights and obligations are set out in the relevant provisions of the Company's Articles of Associations and Act No 90/2012 Coll., on companies and cooperatives (hereinafter referred to as the "Corporations Act").

d) Competence of the General meeting

The General Meeting is the Company's supreme body. The General Meeting consists of all shareholders present. Shareholders may be present and vote at the General Meeting with the use of technical means. Decisions may be made per rollam.

The General Meeting shall have a quorum if shareholders who hold shares with the total nominal value or number equaling 60 % (sixty percent) of the registered capital of the Company are present or participate in the General Meeting by technical means.

The sole competence of the General Meeting includes:

- a. decisions on assumption of effect of acts on behalf of the Company prior to its incorporation;
- b. decisions to change the Articles of Association unless the change is due to an increase in registered capital which was delegated, by a General Meeting resolution, to the Company's Board of Directors or unless the change is due to other legal circumstances; the right of the asset manager to change the Articles of Association under Section 277 (2) of the Investment Companies and Investment Funds Act, pertaining to the governing body, is not affected;
- c. decisions on an increase or decrease of the registered capital, on authorization of the Board of Directors to adopt decision(s) on an increase of the registered capital and on any set-off of a pecuniary receivable due from the Company against a receivable for paying up the issue price;
- d. decisions on the possibility to acquire or, to accept as collateral, treasury shares or shares of a controlled person;
- e. appointment and removal of a liquidator of the Company;
- f. election and removal of Members of the Supervisory Board;
- g. laying down the policies for the activities of the Board of Directors and the Supervisory Board, and approving the instructions binding on the Board of Directors and on the Supervisory Board;
- h. approving the regular or extraordinary financial statements and the consolidated financial statements and, where required by law, also the interim financial statements; decisions to distribute profit or to settle loss (in compliance with Article 28 of the Articles

- of Association), and the determination of royalties and due dates, as well as the place of dividend and royalty payments;
- i. remuneration decisions in respect of Members of the Supervisory Board;
 - j. discussing the report on the Company's business activities and on the balance of its assets;
 - k. discussing the proposals and measures put forward by the Board of Directors under Article 18 (4) of the Articles of Association;
 - l. approval of the report of the Supervisory Board on the review of the annual financial statements and the profit distribution proposal as well as other outcomes of supervision activities of the Supervisory Board that the Supervisory Board presents (Section 449 (1) of the Corporations Act);
 - m. decision to wind up the Company with liquidation, and approval of the proposal to distribute the proceeds of the liquidation;
 - n. decisions on a merger or demerger or, where appropriate, a decision to change the Company's legal form;
 - o. discussion of the final report on the progress of liquidation;
 - p. approving the agreement on the performance of an office of a Member of the Supervisory Board under Section 59 (2) of the Corporations Act;
 - q. decisions to preclude or restrict the preferential right to subscribe new shares under Section 488 of the Corporations Act;
 - r. suspension of performance of the office of a member of a body or issue of a prohibition of execution of a contract in case of conflict of interest (Sections 54 - 58 of the Corporations Act);
 - s. granting authorization to the Board of Directors to determine the issue price of the shares issued in relation to registered capital increase;
 - t. appointing the auditor of the Company;
 - u. decisions on other matters of the Company which the Corporations Act, the Investment Companies and Investment Funds Act or other legal regulations or the Articles of Association include in the competence of the General Meeting.

Decision making

The General Meeting takes decisions by a simple majority of votes of the shareholders present, unless the law stipulates other majority or the Articles of Association stipulate a higher number of votes to pass a resolution.

e) Monetary or non-monetary benefits and principles of the remuneration of the members of Board of Directors and members of the Supervisory Board of the Company

Remuneration for the members of the Board of Directors

The remuneration according to the agreement on the performance of office consists of a fixed and a variable component and a success fee.

The variable component is derived from the average value of the Company's assets.

The success fee is paid in case the Cash to Equity of the Company exceeds defined threshold.

The fee covers the total remuneration of VIG AM for its activities and responsibilities as an investment company for VIG FUND.

Fee	TEUR 625
Non-monetary remuneration	none

Remuneration of Supervisory Board members

The Supervisory Board members do not receive any monetary or natural income from the Company for the performance as Supervisory Board members.

Members of the Supervisory Board:

- Dr. Martin Simhandl
- Mag. Roland Gröll
- Gary Wheatly Mazzotti

f) Shares and options owned by the members of the Supervisory Board or members of the Board of Directors

Neither member of the Supervisory Board nor a member of the Board of Directors of the Company or closely related individuals own stock or similar securities representing a share in the Company, nor hold any options or similar investment instruments related to the stock or similar security representing a share in the Company, nor be the contracting parties of such contracts or have such contracts concluded in their favor.

g) Code of Corporate Governance of the Company

Corporate governance is assured by VIG AM. VIG AM complies with all applicable legal regulations. Additionally a system of internal rules has been implemented by VIG AM, with the aim to assure good corporate governance of the Company. The board of directors, the Supervisory Board and the employees are fully committed to the system of internal rules. Internal rules are available at the Company's headquarter.

h) Remuneration charged by the auditors

During 2016 the Company's auditors charged a remuneration of EUR 28,000.

i) Figures and information about the financial position, business activities and financial results

Information about the financial position, business activities and financial results are stated in part 13 of this annual report.

6. Information on facts that occurred after the date of balance sheet and are significant for fulfilling the purpose of the Annual Report

With effective date 01.01.2017 the Company became a standard business corporation pursuant to the Act No. 90/2012 Coll. on business corporations, upon the Company's request VIG Fund was deleted of the list of Investment funds kept by Czech National Bank with the before mentioned date and as a consequence the name of the Company was changed to VIG FUND, a.s.

The Company's bonds were delisted upon the Company's request from the Prague stock exchange with effective date 28.02.2017.

7. Report of the Board of Directors on Business Activities and Status of Properties

In 2016, the Company significantly increased its investment volume and further diversified its real estate portfolio. It successfully performed the following two acquisitions:

- On 21st June 2016 the Company acquired 100% of the shares of Europeum Business Center s.r.o, Bratislava and
- on 15th July 2016 the Company acquired 100% of the shares VIG Fund Revoluční s.r.o, (formerly: MARKLAND Revoluční s.r.o.) with registered office at Revoluční, Prague 1.

In order to finance its acquisitions the Company increased its registered capital, which was registered in July 2016 and took out a long term loan.

The Company performed the intended merger with the Company VIG Fund Revoluční s.r.o with effective date 31st December 2016. As a consequence of this merger, the Company's indirect investment in the property Revoluční changed into a direct real estate investment.

In 2016 the Company decided to become a standard business corporation and with effective date 1st January 2017 VIG Fund was deleted of the list of Investment funds kept by Czech National Bank.

Upon the Company's request VIG Fund's bonds were delisted from the Prague Stock Exchange with effect 28 February 2017.

The economic activities of the Company ended with a profit of TEUR 6,953 for the period from 1st January to 31st December 2016.

The portfolio of VIG FUND

<i>Property</i>	<i>Location</i>
BBC - C	Prague
Havlíčková Plaza	Prague
Burzovní Palác	Prague
Revoluční	Prague
Jasna	Warsaw
Libra	Warsaw
Europeum	Bratislava
Retail Portfolio	Czech Republic
Retail Portfolio	Slovakia
Retail Portfolio	Hungary

Status of Properties

Assets

In balance sheet as of 31st December 2016, the Company reported assets amounting to TEUR 312,243 (out of which TEUR 290,570 represent investment properties and shares).

Liabilities

Total liabilities of the Company amounted to TEUR 163,473.

Registered share capital

The Company's registered share capital amounts to TCZK 3,734.2.

The management of the Company is not aware of any other facts that would significantly affect the financial situation of the Company as of the date of generating the annual report for 2016. The management is furthermore not aware of any substantial lawsuits (active or passive) that could affect the financial situation of the Company for 2016.

8. Expected Company development in 2017

The Company will continue its growth strategy by acquiring additional real estate investments in Central and Eastern Europe and on managing the already acquired properties.

9. Other information

Activities in the area of research and development

The Company is currently not active in the area of research and development.

Activities in the area of environmental protection and labor-law relations

With respect to environmental protection and labor-law relations, the Company adheres to the corresponding legally binding regulations.

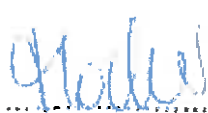
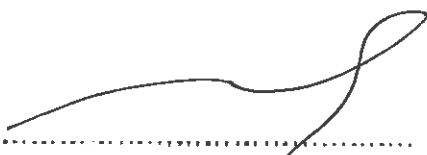
Organizational units abroad

The Company has no organizational unit abroad but holds two properties in Poland directly.

Information on lawsuits or arbitrations

The Company was not involved in lawsuits or arbitrations in 2015. The Board of Directors hereby declares that to its knowledge, the consolidated annual report gives a true and fair view of the financial position, business activities and results of the Company and of the consolidated group for the reported period and a true and fair view of the future outlook for the financial situation, business activities and financial results.

17th March 2017



.....

VIG Asset Management, a.s. (Member of the Board of Directors), represented by *Dipl. Ing. Caroline Mocker, MSc. MRICS and Ing. Luděk Marek*

10. Report on relationships between related parties

The controlled company: VIG FUND, a.s.

The Company is part of the Vienna Insurance Group consolidation group with the ultimate parent company being VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna, Austria.

Company purpose

The Company, being a fund of qualified investors, enables other companies within the VIG Group to invest into real estate market in CEE.

The controlling companies:

Shareholder	Share on registered capital
VIG-CZ Real Estate GmbH, Vienna	71.57 %
Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague	16.70 %
VIG RE zajišťovna, a.s., Prague	3.11 %
Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, Praha	0.35 %
Pojišťovna České spořitelny, a.s., Vienna Insurance Group, Pardubice	0.75 %
InterRisk Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Insurance Group, Warsaw	0.79 %
Compensa Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Insurance Group, Warsaw	0.79 %
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	0.44 %
InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden	0.72 %
Poisťovňa Slovenskej sporiteľne, a.s. Vienna Insurance Group, Bratislava	0.79 %
Komunálna poisťovňa, a.s. Vienna Insurance Group, Bratislava	1.06 %
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group, Bratislava	1.59 %

Wiener Osiguranje Vienna Insurance Group d.d., Zagreb	1.33 %
VIG ND, a.s., Prague	0.01 %
Total	100.00 %

Method and means of controlling

Company is controlled through ownership of shares. VIG AM serves as the sole director of the company.

Related Parties

A list of the subsidiaries of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe is stated in part 12 of this annual report.

Real concern

The Company did not conclude any control agreement with Related Parties.

Contracts and agreements concluded between entities within the Group

The following contracts between the Company and entities within the group were in force in the reported period:

Contract	Contracting party of the Group
Insurance Policy No. 7720716986 and Amendment no. 1 to the Insurance Policy No. 7720716986	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720794414 and Amendment no. 1 to the Insurance Policy No. 7720794414	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720997921	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720826500 and Amendment no. 1 to the Insurance Policy No. 7720826500	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720921271	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720987010	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720980394	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720981580	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy No. 080802622	Kooperativa pojištovna, a.s., Vienna Insurance Group
Insurance Policy Type 9802 No. 31770 (Property against all risks insurance)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group

Insurance Policy Type 1301 No. 000051879 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 9802 No. 31769 (Property against all risks insurance)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 1301 No. 000051880 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Loan Agreement 1	Wiener Städtische Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group
Loan Agreement 2	Wiener Städtische Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group InterRisk Lebensversicherung-AG Vienna Insurance Group InterRisk Versicherung-AG Vienna Insurance Group
Loan Agreement 3	InterRisk Lebensversicherung-AG Vienna Insurance Group
Loan Agreement 4	Wiener Städtische Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group
Loan Agreement 5	Wiener Städtische Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group
Loan Agreement 6	Wiener Städtische Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Compensa Life Vienna Insurance Group SE Compensa Vienna Insurance Group InterRisk Versicherung-AG Vienna Insurance Group InterRisk Lebensversicherung-AG Vienna Insurance Group Poist'ovňa Slovenskej sporiteľne, a.s. Vienna Insurance Group Komunálna poisťovňa, a.s. Vienna Insurance Group

Contract on performance of office	VIG Asset Management, a. s.
Amendment of the Contract on performance of office	VIG Asset Management, a. s.
Sub-lease contract	VIG Asset Management, a. s.
Service contract	SK BM s.r.o
Guarantee agreement	SK BM s.r.o
Service contract	Europeum Business Center s.r.o.
Service contract	HUN BM Korlátolt Felelősségű Társaság
Guarantee agreement	HUN BM Korlátolt Felelősségű Társaság
Agreement on subscription and purchase of notes	Kooperativa poisťovňa, a.s., Vienna Insurance Group Komunálna poisťovňa, a.s., Vienna Insurance Group Poisťovňa Slovenskej sporiteľne, a.s., Vienna Insurance Group
Agreement on subscription and purchase of notes	Kooperativa pojišťovna, a.s., Vienna Insurance Group Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group Compensa Life Vienna Insurance Group SE InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group Poisťovňa Slovenskej sporiteľne, a.s., Vienna Insurance Group Wiener Städtische Versicherung AG Vienna Insurance Group Sparkassen Versicherung AG Vienna Insurance Group DONAU Versicherung AG Vienna Insurance Group
Lease contract and Amendments	KAPITOL pojišťovací a finanční poradenství, a.s.
Insurance Policy No. K4-X560.142-1 and Amendment to the Insurance Policy No. K4-X560.142-1	Donau Versicherung AG, Vienna Insurance Group
Insurance Policy No. K4-X581.801-5 and Amendment	Donau Vienna Insurance Group
Insurance Policy No. K4-X581.826-3	Donau Vienna Insurance Group

Other proceedings at the instigation or in the interest of Related Parties

The Company executed no other proceedings in the interest of Related Parties and did not receive or realize other provisions in the interest of or based on instructions of Related Parties.

Transactions with Related Parties

Transactions with related parties	2016	2015
STATEMENT OF FINANCIAL POSITION		
Accrued assets	35	29
Interest bearing liabilities	52 305	23 693
Bonds and interests	41 770	43 439
Trade payables	16	10
STATEMENT OF COMPREHENSIVE INCOME		
Indirect expenditures	-625	-595
Operating expenses	-1	-10
Interest expenses	-2 817	-3 496
Insurance paid	-103	-71

Conclusion

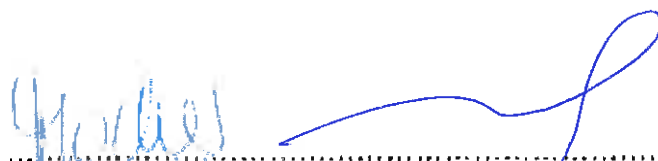
The Company is embedded in the network of Vienna Insurance Group and uses benefits from membership in this international group.

Processing of the Report on relations between Related Parties was ensured by the Board of directors of the Company.

The Board of directors of the Company claims that no damage for the Company was incurred in respect of the contracts listed above, their implementation and relationships with Related Parties.

All agreements with related parties were closed and are performed at arm's length, conditions and all contractual fulfillments, both received and provided, were provided at conditions usual in business relationships.

17th March 2017



VIG Asset Management, a.s. (Member of the Board of Directors), represented by Dipl. Ing. Caroline Mocker, MSc. MRICS and Ing. Luděk Marek

11. Report of the Supervisory Board

The Supervisory Board has received the annual financial statements for 2016 from the Board of Directors as well as the report on business activities and the status of properties of the Company dating to 31st December 2016. The Supervisory Board has carefully read and reviewed these documents. Based on this review, the Supervisory Board has unanimously agreed to approve the annual financial statements prepared by the Board of Directors and the Board of Directors' proposal on the distribution of result of 2016.

Furthermore, the Supervisory Board notes that it was able, both as a whole and individually, through its Chairman and deputies, to supervise the activities of the Company. This was also achieved through regular meetings with representatives of the member of the Board of Directors, which provided sufficient explanation and evidence of the business activities of the Company based on official books and written documents.

In 2016, three Shareholder's Meeting were held, as well as four meetings of the Supervisory Board.

The Supervisory Board hereby informs the Shareholder's Meeting that the Company's annual financial statements for 2016 were audited by KPMG Česká republika Audit, s.r.o. (registration no. 71), an auditing company; that the Supervisory Board obtained, reviewed and discussed the financial statements of the Company, and that said review and its final result did not give rise to any issues. The Supervisory Board hereby declares that it has nothing to append to the auditor's report.

In April 2017

.....
Dr. Martin Simhandl
Chairperson of the Supervisory Board

12. Related Parties and equity participation of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

Company	Registered Office	participation %
Fully consolidated companies		
"BULSTRAD LIFE VIENNA INSURANCE GROUP" EAD	Bulgaria	100,00
"Baltikums Vienna Insurance Group" AAS	Latvia	100,00
"Grüner Baum" Errichtungs- und Verwaltungsges.m.b.H.	Austria	100,00
"POLISA-ZYCIE" Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	99,43
ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A.	Romania	99,57
ATBIH N.V.	Netherlands	100,00
AXA Nezivotno Osiguranje akcionarsko drustvo za osiguranje Beograd	Serbia	100,00
Alpenländische Heimstätte, gemeinnützige Wohnungsbau- und Siedlungsgesellschaft m.b.H.	Austria	94,84
Andel Investment Praha s.r.o.	Czech Republic	100,00
Anif-Residenz GmbH & Co KG	Austria	100,00
Arithmetica Versicherungs- und Finanzmathematische Beratungs-Gesellschaft m.b.H.	Austria	100,00
BCR Asigurari de Viata Vienna Insurance Group S.A.	Romania	93,98
BML Versicherungsmakler GmbH	Austria	100,00
BTA Baltic Insurance Company AAS	Latvia	90,00
Blizzard Real Sp. z o.o.	Poland	100,00
Bulgarski Imoti Asistans EOOD	Bulgaria	100,00
Business Insurance Application Consulting GmbH	Austria	100,00
Businesspark Brunn Entwicklungs GmbH	Austria	100,00
Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni	Moldova	99,99
CAL ICAL "Globus"	Ukraine	100,00
CAPITOL, akciová spoločnosť	Slovakia	100,00
CENTER Hotelbetriebs GmbH	Austria	80,00
COMPENSA Holding GmbH	Germany	100,00
Central Point Insurance IT-Solutions GmbH	Austria	100,00
Ceská podnikatelská pojist'ovna, a.s., Vienna Insurance Group	Czech Republic	100,00
Compensa Life Vienna Insurance Group SE	Estonia	100,00
Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group	Poland	100,00
Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	99,94
Compensa Vienna Insurance Group, uzdaroji akcine draudimo bendrove	Lithuania	100,00
DBLV Immobesitz GmbH	Austria	100,00
DBLV Immobesitz GmbH & Co KG	Austria	100,00
DBR-Liegenschaften GmbH & Co KG	Germany	100,00

DBR-Liegenschaften Verwaltungs GmbH	Germany	100,00
DONAU Versicherung AG Vienna Insurance Group	Austria	99,24
DVIB GmbH	Austria	100,00
Deutschmeisterplatz 2 Objektverwaltung GmbH	Austria	100,00
Donau Brokerline Versicherungs-Service GmbH	Austria	100,00
ELVP Beteiligungen GmbH	Austria	100,00
ERSTE Vienna Insurance Group Biztosító Zrt.	Hungary	95,00
Erste gemeinnützige Wohnungsgesellschaft Heimstätte Gesellschaft m.b.H.	Austria	99,77
Erste osiguranje Vienna Insurance Group d.d.	Croatia	95,00
Europeum Busniss Center s.r.o.	Slovakia	100,00
Gemeinnützige Industrie-Wohnungsaktiengesellschaft	Austria	55,00
Gemeinnützige Mürz-Ybbs Siedlungsanlagen-GmbH	Austria	99,92
Gesundheitspark Wien-Oberlaa Gesellschaft m.b.H.	Austria	100,00
HUN BM Kft.	Hungary	100,00
IM31 Floridsdorf am Splitz GmbH	Austria	100,00
INSURANCE JOINT-STOCK COMPANY "BULSTRAD VIENNA INSURANCE GROUP"	Bulgaria	99,38
INTERSIG VIENNA INSURANCE GROUP Sh.A.	Albania	89,98
Insurance Company Nova Ins EAD	Bulgaria	100,00
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje Vienna Insurance Group	Makedonia	94,26
InterRisk Lebensversicherungs-AG Vienna Insurance Group	Germany	100,00
InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	99,98
InterRisk Versicherungs-AG Vienna Insurance Group	Germany	100,00
Joint Stock Company Insurance Company GPI Holding	Georgia	90,00
Joint Stock Company International Insurance Company IRAO	Georgia	100,00
KOMUNÁLNA poisťovna, a.s. Vienna Insurance Group	Slovakia	100,00
KOOPERATIVA poisťovna, a.s. Vienna Insurance Group	Slovakia	100,00
Kaiserstraße 113 GmbH	Austria	100,00
Kapitol poisť'ovací a finanční poradenství, a.s.	Czech Republic	100,00
Kooperativa, poisť'ovna, a.s. Vienna Insurance Group	Czech Republic	98,39
KÁLVIN TOWER Immobilienentwicklungs- und Investitionsgesellschaft m.b.H.	Hungary	100,00
LVP Holding GmbH	Austria	100,00
Limited Liability Company "UIG Consulting"	Ukraine	100,00
MAP Bürodienstleistung Gesellschaft m.b.H.	Austria	100,00
MH 64 Immobilienanlage GmbH	Austria	100,00
NEUE HEIMAT Oberösterreich Gemeinnützige Wohnungs- und SiedlungsgesmbH	Austria	99,82
Neuland gemeinnützige Wohnbau-Gesellschaft m.b.H.	Austria	61,00
OMNIASIG VIENNA INSURANCE GROUP S.A.	Romania	99,50
PFG Holding GmbH	Austria	89,23
PFG Liegenschaftsbewirtschaftungs GmbH & Co KG	Austria	92,88
Private Joint-Stock Company "Insurance company" Ukrainian insurance group"	Ukraine	100,00

PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNAZHA VIENNA INSURANCE GROUP"	Ukraine	99,99
Private Joint-Stock Company "INSURANCE COMPANY "KNAZHA LIFE VIENNA INSURANCE GROUP"	Ukraine	97,80
PROGRESS Beteiligungs-ges.m.b.H.	Austria	60,00
Palais Hansen Immobilienentwicklung GmbH	Austria	56,55
Passat Real Sp. z o.o.	Poland	100,00
Pension Insurance Company Doverie AD	Bulgaria	92,58
Poisťovna Slovenskej sporiteľne, a.s. Vienna Insurance Group	Slowakia	95,00
Pojist'ovna České sporitelny, a.s. Vienna Insurance Group	Czech Republic	95,00
Projektbau GesmbH	Austria	100,00
Projektbau Holding GmbH	Austria	90,00
Rathstraße 8 Liegenschaftsverwertungs GmbH	Austria	100,00
Ray Sigorta Anonim Sirketi	Turkey	94,96
SCHWARZATAL Gemeinnützige Wohnungs- und Siedlungsanlagen GmbH	Austria	100,00
SECURIA majetkovosprávna a podielová s.r.o.	Slowakia	100,00
SIGMA INTERALBANIAN VIENNA INSURANCE GROUP Sh.A.	Albania	89,06
SK BM s.r.o.	Slowakia	100,00
SOZIALBAU gemeinnützige Wohnungsaktiengesellschaft	Austria	54,17
SVZ GmbH	Austria	100,00
SVZI GmbH	Austria	100,00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH	Austria	100,00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH & Co KG	Austria	100,00
Senioren Residenz Fultererpark Errichtungs- und Verwaltungs GmbH	Austria	100,00
Senioren Residenz Veldidenapark Errichtungs- und Verwaltungs GmbH	Austria	66,70
Sparkassen Versicherung AG Vienna Insurance Group	Austria	96,00
T 125 GmbH	Austria	100,00
TBI BULGARIA EAD	Bulgaria	100,00
UNION Vienna Insurance Group Biztosító Zrt.	Hungary	100,00
Untere Donaulände 40 GmbH & Co KG	Austria	100,00
Urbanbau Gemeinnützige Bau-, Wohnungs- und Stadterneuerungsgesellschaft m.b.H.	Austria	51,46
V.I.G. ND, a.s.	Czech Republic	100,00
VIG Properties Bulgaria AD	Bulgaria	99,97
VIG RE zajišťovna, a.s.	Czech Republic	100,00
VIG REAL ESTATE DOO	Serbia	100,00
VIG Real Estate GmbH	Austria	100,00
VIG Services Ukraine, LLC	Ukraine	100,00
VIG-CZ Real Estate GmbH	Austria	100,00
VLTAVA majetkovosprávní a podilová spol.s.r.o.	Czech Republic	100,00
Vienna Life Towarzystwo Ubezpieczeń na Życie S.A. Vienna Insurance Group	Poland	100,00

Vienna Life Vienna Insurance Group Biztosító Zártkörűen Működő Részvénytársaság	Hungary	100,00
Vienna-Life Lebensversicherung AG Vienna Insurance Group	Liechtenstein	100,00
WGPV Holding GmbH	Austria	100,00
WIENER RE akcionarsko društvo za reosiguranje, Beograd	Serbia	100,00
WIENER STÄDTISCHE Beteiligungs GmbH	Austria	100,00
WIENER STÄDTISCHE Finanzierungsdienstleistungs GmbH	Austria	100,00
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group	Austria	99,90
WIENER VEREIN BESTATTUNGS- UND VERSICHERUNGSSERVICE-GESELLSCHAFT M.B.H	Austria	100,00
WILA GmbH	Austria	100,00
Joint Stock Insurance Company WINNER-Vienna Insurance Group	Makedonia	100,00
WNH Liegenschaftsbesitz GmbH	Austria	100,00
WOFIN Wohnungsfinanzierungs GmbH	Austria	100,00
WSBV Beteiligungsverwaltung GmbH & Co KG	Austria	100,00
WSV ImmoHolding GmbH	Austria	100,00
WWG Beteiligungen GmbH	Austria	87,07
Wiener Osiguranje Vienna Insurance Group ad	Bosnia and Herzegovina	100,00
WIENER STÄDTISCHE OSIGURANJE akcionarsko društvo za osiguranje, Beograd	Serbia	100,00
Wiener osiguranje Vienna Insurance Group dioničko društvo za osiguranje	Croatia	99,47

Company	Country	participation %
At equity consolidated companies		
AIS Servis, s.r.o.	Czech Republic	100,00
Benefita, a.s.	Czech Republic	100,00
Beteiligungs- und Immobilien GmbH	Austria	25,00
Beteiligungs- und Wohnungsanlagen GmbH	Austria	25,00
CPP Servis, s.r.o.	Czech Republic	100,00
CROWN-WSF spol. s.r.o.	Czech Republic	30,00
ERSTE društvo s ograničenom odgovornošću za upravljanje obveznim i dobrovoljnim mirovinskim fondovima	Croatia	25,30
GLOBAL ASSISTANCE, a.s.	Czech Republic	100,00
Gewista-Werbegesellschaft m.b.H.	Austria	33,00
Global Expert, s.r.o.	Czech Republic	100,00
HOTELY SRNI, a.s.	Czech Republic	100,00
KIP, a.s.	Czech Republic	100,00
S - budovy, a.s.	Czech Republic	100,00
S-správa nemovitosti, a.s.	Czech Republic	100,00
SURPMO, a.s.	Czech Republic	100,00
Sanatorium Astoria, a.s.	Czech Republic	100,00
VBV - Betriebliche Altersvorsorge AG	Austria	23,56
Österreichisches Verkehrsbüro Aktiengesellschaft	Austria	36,58

Company	Country	participation %
Non-consolidated companies		
"Assistance Company "Ukrainian Assistance Service" LLC	Ukraine	100,00
"Compensa Services" SIA	Latvia	100,00
"Eisenhof" Gemeinnützige Wohnungsgesellschaft m.b.H.	Austria	20,13
"Medical Clinic "DIYA" LLC	Ukraine	100,00
"Neue Heimat" Stadterneuerungsgesellschaft m.b.H.	Austria	79,51
AQUILA Hausmanagement GmbH	Austria	99,90
ARFAI IS I iegenschaftsmanagement GmbH	Austria	49,95
AXA Zivotno Osiguranje akcionarsko drustvo za osiguranje Beograd	Serbia	100,00
Amadi GmbH	Germany	100,00
Anlf-Residenz GmbH	Austria	99,90
Autosig SRL	Romania	99,50
B&A Insurance Consulting s.r.o.	Czech Republic	49,00
Benefia Ubezpieczenia Spolka z ograniczona odpowiedzialnoscia	Poland	99,94
Brunn N68 Sanierungs GmbH	Austria	49,95
Bulstrad Trudova Meditzina EOOD	Bulgaria	99,38
CAPITOL BROKER DE PENSII PRIVATE S.R.L.	Romania	98,15
CAPITOL INTERMEDIAR DE PRODUSE BANCARE S.R.L.	Romania	98,15
CAPITOL INTERMEDIAR DE PRODUSE DE LEASING S.R.L.	Romania	98,15
CAPITOL Spolka z Ograniczona odpowiedzialnoscia	Poland	99,98
CARPLUS Versicherungsvermittlungsgesellschaft GmbH	Austria	99,90
CCA EDV für Versicherungswirtschaft GmbH	Austria	24,28
Camelot Informatik und Consulting Gesellschaft m.b.H.	Austria	90,18
Ceska Kooperativa London Ltd.	United Kingdom	98,39
Compensa Dystrybucja Spolka z ograniczona odpowiedzialnoscia	Poland	99,99
DIRECT-LINE Direktvertriebs-GmbH	Austria	99,90
DV Asset Management EAD	Bulgaria	100,00
DV CONSULTING EOOD	Bulgaria	100,00
DV Invest EAD	Bulgaria	100,00
DVS Donau-Versicherung Vermittlungs- und Service-Gesellschaft m.b.H.	Austria	94,40
EBS Wohnungsgesellschaft mbH Linz	Austria	24,97
EBV-Leasing Gesellschaft m.b.H.	Austria	73,92
EGW Datenverarbeitungs-Gesellschaft m.b.H.	Austria	71,92
EGW Liegenschaftsverwertungs GmbH	Austria	71,92
EGW Wohnbau gemeinnützige Ges.m.b.H.	Austria	71,92
EXPERTA Schadenregulierungs-Gesellschaft mbH	Austria	95,78
Erste Bank und Sparkassen Leasing GmbH	Austria	48,95
Erste Biztositasi Alkusz Kft	Hungary	95,00
European Insurance & Reinsurance Brokers Ltd.	United Kingdom	84,47
Foreign limited liability company "InterInvestUchastie"	Belarus	100,00
Finanzpartner GmbH	Austria	49,96
GELUP GmbH	Austria	33,30
GEO HOSPITALS LLC	Georgia	93,50

GGVier Projekt-GmbH	Austria	54,95
GLOBAL ASSISTANCE SERVICES s.r.o.	Czech Republic	100,00
GLOBAL ASSISTANCE SLOVAKIA s.r.o.	Slowakia	100,00
Glamas Beteiligungsverwaltungs GmbH	Austria	23,31
Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG	Austria	23,31
Global Services Bulgaria JSC	Bulgaria	99,69
HORIZONT Personal-, Team- und Organisationsentwicklung GmbH	Austria	98,58
Hausservice Objektbewirtschaftungs GmbH	Austria	20,72
Henderson Global Investors Immobilien Austria GmbH	Austria	34,97
IMOVE Immobilienverwertung- und -verwaltungs GmbH	Austria	20,72
Immodat GmbH	Austria	20,72
InterRisk Informatik GmbH	Germany	100,00
Jahorina auto d.o.o.	Bosnia and Herzegovina	100,00
Joint Stock Company "Curatio"	Georgia	90,00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group Skopje	Makedonia	100,00
KUPALA Belarusian-Austrian Closed Joint Stock Insurance Company	Belarus	98,26
KWC Campus Errichtungsgesellschaft m.b.H.	Austria	49,95
LiSciV Muthgasse GmbH & Co KG	Austria	23,31
MC EINS Investment GmbH	Austria	49,95
Money & More Pénzügyi Tanácsadó Zártkörűen Működő Részvénytársaság	Hungary	100,00
Nußdorfer Straße 90-92 Projektentwicklung GmbH & Co KG	Austria	94,93
PFG Liegenschaftsbewirtschaftungs GmbH	Austria	74,45
People's Pharmacy LLC	Georgia	45,00
Privat Joint-Stock Company "OWN SERVICE"	Ukraine	100,00
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H.	Austria	50,44
Renaissance Hotel Realbesitz GmbH	Austria	37,76
Risk Consult Bulgaria EOOD	Bulgaria	50,44
Risk Consult Polska Sp.z.o.o.	Poland	67,78
Risk Expert Risk ve Hasar Danismanlik Hizmetleri Limited Sirketi	Turkey	63,80
Risk Experts s.r.o.	Slowakia	50,44
Risk Logics Risikoberatung GmbH	Austria	50,44
S. C. SOCIETATEA TRAINING IN ASIGURARI S.R.L.	Romania	98,43
S.C. CLUB A.RO S.R.L.	Romania	99,60
S.C. Risk Consult & Engineering Romania S.R.L.	Romania	50,44
S.O.S. - EXPERT d.o.o. za poslovanje nekretninama	Croatia	100,00
SB Liegenschaftsverwertungs GmbH	Austria	40,26
SVZ ImmoHolding GmbH	Austria	94,93
SVZ ImmoHolding GmbH & Co KG	Austria	94,93
Senioren Residenzen gemeinnützige Betriebsgesellschaft mbH	Austria	99,90
Slovexperta. s.r.o.	Slowakia	100,00
Soleta Beteiligungsverwaltungs GmbH	Austria	23,31

Sparkassen-Versicherungsservice Gesellschaft m.b.H.	Austria	94,93
Spółdzielnia Usługowa VIG EKSPERT W WARSZAWIE	Poland	99,96
Spółdzielnia Vienna Insurance Group IT Polska	Poland	99,95
TBI Info EOOD	Bulgaria	99,88
TOGETHER Internet Services GmbH	Austria	24,28
UAB "Compensa Life Distribution"	Lithuania	100,00
UAB "Compensa Services"	Lithuania	100,00
UNION-Informatikai Szolgáltató Kft.	Hungary	100,00
Untere Donaulände 40 GmbH	Austria	97,70
VIG AM Services GmbH	Austria	100,00
VIG Asset Management, a.s.	Czech Republic	100,00
VIG Management Service SRL	Romania	98,43
VIG Services Bulgaria EOOD	Bulgaria	99,38
VIG Services Shqiperi Sh.p.K.	Albania	89,36
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H.	Austria	33,30
Vienna Insurance Group Polska Spółka z ograniczona odpowiedzialnoscia	Poland	99,99
Vienna International Underwriters GmbH	Austria	100,00
VÖB Direkt Versicherungsagentur GmbH	Austria	49,95
WAG Immobilien Einsiedlergasse GmbH	Austria	24,98
WAG Wohnungsanlagen Gesellschaft m.b.H.	Austria	24,98
WINO GmbH	Austria	99,90
WSBV Beteiligungsverwaltung GmbH	Austria	99,90
WSV Beta ImmoHolding GmbH	Austria	99,90
WSV Vermögensverwaltung GmbH	Austria	99,90
Wien 3420 Aspern Development AG	Austria	24,44
Wiener Städtische Donau Leasing GmbH	Austria	99,90
Akcionarsko društvo za zivotno osiguranje Wiener Städtische Podgorica, Vienna Insurance Group	Montenegro	100,00

13. Consolidated financial statements for 2016

14. Auditor's report

