

**GODIŠNJI IZVJEŠTAJ**

**2006**

**ANNUAL REPORT**



## PORUKA DIREKTORA



U tridesetogodišnjem poslovanju 2006. godina neće biti obilježena kao jedna od uspješnijih, mada je, u jednom segmentu svog poslovanja, Bosna RE ostvarila do sada najbolji rezultat. Godina je okončana sa profitom u visini od KM 2.9 miliona što je za 16,59% više u odnosu na 2005. godinu. Neto profit je KM 2.5 miliona i u odnosu na prethodnu godinu povećanje iznosi 22,34%. Povrat na dionički kapital iznosi gotovo 50%, a povrat na ukupnu imovinu 3,65%. Zarada po dionici je KM 652,91 što je 22,67% više od ostvarenja u 2005. godini. Dividenda od 9% je zasigurno nešto čime će biti zadovoljni dioničari Bosna RE iz jednostavnog razloga što je to dosta više od kamate na ulaganje koja se može dobiti na tržištu Bosne i Hercegovine. Svakako treba naglasiti da je dividenda Bosna RE-a i nadalje jedna od najvećih koja se ostvaruje u djelatnosti osiguranja. Ostatak profita bit će raspoređen u rezerve što je daljnje jačanje Društva, a time i pozicije dioničara. U posljednje dvije godine kapital Bosna RE je iz poslovanja povećan za 42,55% i sada iznosi preko KM 14.20 miliona. Po prvi puta ove godine stavljene su pod „nadzor“ neovisnog revizora i metode izračunavanja tehničkih rezervi. Naravno, metode su potvrđene kao dobre, a rezultat njihove primjene je visina tehničkih rezervi od KM 15.38 miliona što je povećanje od 88,22% za posljednje dvije godine.

Međutim, ono čime nikako nismo zadovoljni je ostvarena premija reosiguranja za 2006. godinu, koja je manja od premije ostvarene u 2005. godini za 0,77%. Ovo zasigurno nije iznenađenje i uzroci leže kako u okruženju u kojem posluje Bosna RE, tako i u položaju Bosna RE u odnosu na konkurenciju iz okruženja.

Nažalost sve ono što je rečeno o stanju domaće ekonomije u poruci koju sam dao uz Izvještaj za 2005. godinu moglo bi se ponoviti gotovo od riječi do riječi, a da se ne da niti jedna pogrešna kvalifikacija. Ključni problemi ekonomije Bosne i Hercegovine i dalje ostaju neriješeni. Loša politička klima u zemlji, potpuna razdijeljenost i nerazumijevanje među entitetima i političkim strankama i njihova neodgovornost za stanje u zemlji još više pogoršavaju ekonomske prilike i perspektive zemlje svode na minimum preživljavanja. Svakako to ima velikog uticaja na djelatnost osiguranja. Ponovno i ponovno isti problemi. Tržište podijeljeno po entitetskim i nacionalnim granicama te nemogućnost gotovo bilo kakvog planskog razvoja doveli su djelatnost osiguranja na veoma nisku razinu zadovoljavanja osnovnih potreba građana BiH za osiguranjem. Naravno, takvo okruženje u kojemu postoje tri agencije za nadzor osiguranja, a niti jedna nije spremna za puni nadzor, odnosno ostvarenje svoje uloge, je idealno za one koji osiguranje shvaćaju kao izvor brze zarade kroz svođenje osiguranja na manje-više trgovinu bez bilo kakvih tehničkih podloga. Svakako, to se odrazilo i na spori rast premijskog prihoda tržišta osiguranja, koji u 2006. godini u F BiH iznosi svega 9,15% u svim klasama osiguranja, a u klasi neživotnih osiguranja svega 7,18%. Podaci za cijelu BiH još uvijek nisu dostupni, ali sigurno neće biti mnogo bolji. U takvim uslovima veoma je teško raditi, posebno što na podijeljenom tržištu Bosna RE nema pristupa do određenih klijenata, bez obzira na činjenicu da gotovo niko drugi ne može pružiti bolju uslugu reosiguranja. Nažalost, problem je političke a ne ekonomske prirode.



## A WORD BY DIRECTOR

In our thirty years of operation business year 2006 will not be remembered as the most successful one, although in one of the aspects Bosna RE achieved the best result ever. Year ended with a profit of KM 2.9 million which is for 16,59% more in comparison to 2005. Net profit is KM 2.5 million which is an increase of 22,34% from 2005 level. Return on shareholders capital is almost 50%, and return on overall assets 3,65%. Earning per share is KM 652,91 which is 22,67% higher from achievement in 2005. Dividend of 9% is certainly something with which shareholders of Bosna RE can be pleased simply as it is considerably higher from interest on deposits that can be achieved on the market of Bosnia and Herzegovina. It certainly has to be emphasized that dividend of Bosna RE is still among the highest seen in local insurance industry. The rest of the profit will be distributed into reserves enabling further strengthening of the Company and thus position of shareholders too. Over last two years capital of Bosna RE was increased on account of normal operations for 42,55% and now amounts over KM 14.20 million. For the first time this year methods of calculation of technical reserves have been monitored by an independent auditor. Of course, methods have been proved to be good and result of application of such methods is amount of technical reserves of KM 15.38 million that represents an increase of 88,22% over last two years.

However, one thing we cannot be happy about is realized reinsurance premium for 2006, which is for 0,77% lower from the one achieved in 2005. This is certainly no surprise and causes are in environment in which Bosna RE conducts business as well as in position of Bosna RE in respect of the competition in the region. Unfortunately, everything I said about the situation in local economy in a message I gave in Report for 2005 could be repeated word by word without fear to make a single wrong qualification. Key problems of economy in Bosnia and Herzegovina still remain unsolved. Bad political climate in country, full separation and lack of understanding between entities and political parties and their irresponsibility for the situation in country make economic circumstances even worse and reduce prospects of the country to pure survival. This surely influences greatly insurance industry. Same problems over and over again. Market divided on entity and national boundaries and impossibility of any planned development brought insurance industry to a very low level of being possible to satisfy just basic needs of BiH citizens for insurance. Surely, environment in which there are three supervisory agencies, none of them ready for full supervision and implementation of its role, is ideal opportunity for those who understand insurance as a source of quick profit by reducing insurance on trading without any technical ground. This has effects on a slow growth of premium income of insurance market that in 2006 was only 9,15% for all classes of insurance and in non-life insurance only 7,18%. Information for whole BiH is still not available, but it is almost certain they will not be much better. In such conditions it is very hard to operate, especially as on divided market Bosna RE has no access to certain clients, no matter that almost nobody else can offer better reinsurance services. Unfortunately, problem is of political and not of economical nature.

In 2006 reinsurance premium from BiH grew for 10,64% which is just above the expected growth of overall insurance premium. Such a growth on domestic market does not satisfy ambitions of Bosna RE. This is one of the reasons for turning to foreign markets, at least to those accessible for us. Few years ago, we were well positioned on markets of Republic of Croatia and Republic of Macedonia. However, by entrance of large European companies to these markets we were forced to give over our business to their reinsurers, not because they offered better services but because of the lack of rating required by those insurance companies. This is why participation of reinsurance premium achieved abroad in 2006 fell to 16,58% from 25,19% a year before, or from 42,40% in 2004. Keeping in mind this fact, we turned to some other markets to partly compensate for the loss.



U 2006. godini premija reosiguranja iz BiH porasla je za 10,64% što je nešto malo više od očekivanog rasta ukupne premije osiguranja. Ovakav rast ostvaren na domaćem tržištu ne zadovoljava ambicije Bosna RE. To je svakako i jedan od razloga okretanja prema inozemnim tržištima, barem onima koja su nam dostupna. Prije nekoliko godina stvorene su veoma dobre pozicije na tržištu R Hrvatske i R Makedonije. Međutim, ulaskom velikih europskih kompanija na ova tržišta bili smo prisiljeni prepuštati svoje poslove njihovim reosiguravačima, ne stoga što su oni nudili bolju uslugu nego više iz razloga nedostatka rejtinga koji je zahtijevan od tih društava za osiguranje. Stoga je i učešće premije reosiguranja ostvarene u inozemstvu u ukupnoj premiji za 2006. godinu palo na 16,58% sa 25,19% koliko je bilo u prethodnoj godini ili 42,40% koliko je to iznosilo 2004. godine. Imajući u vidu ovu činjenicu postepeno smo se počeli okretati drugim tržištima kako bi dijelom nadomjestili dio izgubljenog.

Jedno je sigurno pred Bosna RE je težak period pun poteškoća i izazova, ali svakako i novih mogućnosti. Odličan kadar koji pored reosiguranja veoma dobro poznaje i direktni posao osiguranja, veoma dobra informatička i ak-tuarska podrška pretpostavka su da će Bosna RE znati iskoristiti svaku pogodnost koja joj se pruži. A tamo gdje ne možemo sami imamo veliki broj naših prijatelja i partnera koji su spremni pomoći nam. I na kraju treba naglasiti, naš optimizam je i nadalje naša pokretačka snaga.

Zato smo sigurni da i narednim periodima rezultati neće izostati. Kolebanja su moguća i prihvatljiva, ali čak i tada bit će ostvarivani zacrtani ciljevi.

Naravno niti jedan rezultat ne bi bio moguć bez povjerenja naših klijenata, kojima smo veoma zahvalni na odanosti i podršci. Također, našu zahvalnost dugujemo i našim partnerima, čija pomoć je izuzetna podrška našem radu. Nikako ne smijemo zaboraviti i značajnu podršku naših dioničara. Na kraju iskrene zahvale svim radnicima Bosna RE-a, bez čijeg napornog rada ovi rezultati ne bi mogli biti ostvareni.



It is certain that Bosna RE faces hard period full of difficulties and challenges, but also new possibilities as well. Excellent staff having exceptional knowledge not only of reinsurance business but also of direct insurance, adequate IT and actuarial support are guarantees that Bosna RE will use every open opportunity. Where we cannot do it on our own, we have a large number of friends and partners who are ready to help us. And at the end it should be stressed that our optimism is still our driving force.

Therefore we are certain that in the periods to come results will not be left out. Fluctuations are possible and acceptable, but even then planned goals will be achieved.

Naturally, no result would be possible without trust from our clients, to whom we are very grateful for loyalty and support. Also, we owe our gratitude to our partners whose help is extraordinary support to our work. We must not forget significant support of our shareholders. Sincere thanks go to all employees of Bosna RE without whose hard work these results would not be achieved.



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## NIČIJA ZEMLJA

Priča o dva vojnika, Čikiju i Ninu, Bosancu i Srbinu koji su se zatekli između neprijateljskih linija, ni na čijoj zemlji, za vrijeme konflikta u Bosni, 1993. godine.

Dok Čiki i Nino pokušavaju da smisle kako da se izvuku iz neprilike, hrabri narednik UN-a odlazi da im pomogne uprkos naređenju da se ne miješa. Za njim kreće i armija novinara koji tu vijest pretvaraju u međunarodni incident. U napetom primirju između mnogih strana umiješanih u konflikt i dok svjetska štampa čeka ishod, Čiki i Nino pokušavaju da izvuku živu glavu iz ratnog ludila.

## NO MAN'S LAND

Ciki (Branko Đurić) and Nino (Rene Bitorajac), a Bosnian and a Serb are soldiers stranded in No Man's Land – a trench between enemy lines during a Bosnian war. They have no one to trust, no way to escape without getting shot and a fellow soldier is lying on the trench with spring – loaded bomb set to explode beneath him if he moves. The absurdity of their situation would be comical if it didn't have such dire consequences.

When the two men stuck in a bizarre predicament, a frustrated UN sergeant tries to help, despite orders to remain at his post. When a journalist waylays the sergeant while pushing for an exclusive scoop, she affects the unfolding of events and turns a news story into an international circus. With a world press waiting for an outcome, no one willing to take action (less they accept responsibility), and the soldier still stuck with a bomb beneath him, Ciki and Nino try to keep their humanity amidst the insanity of war.



Oscar 2002  
Danis Tanović - Najbolji strani film  
Ničija zemlja



## PODACI O BOSNA RE D.D.

### Pun naziv, sjedište Društva i broj telefona

Bosna Reosiguranje d.d.

Sarajevo, Despićeva br. 4

Broj telefona: +387 33 72 55 00

### Naziv suda i broj rješenja iz sudskog registra:

Rješenje Kantonalnog suda u Sarajevu, broj UF/I 2282/00

### Poslovne banke i broj računa

- » UPI banka d.d. Sarajevo, broj 1540011100374760
- » Raiffeisen bank d.d. Sarajevo, broj 1610000004490044
- » UniCredit Zagrebačka banka d.d. Mostar, broj 1650011000018104

### Matični broj - identifikacijski broj: 4200066680006

Članovi Nadzornog odbora, Uprave, Odbora za reviziju i revizorska kuća

### Nadzorni odbor:

- » Mirsad Letić, predsjednik

### Članovi NO po abecednom redu:

- » Fejsal Hrustanović
- » Husnija Kurtović
- » Jasmina Spahić
- » Midhat Terzić

### Uprava Bosna RE d.d.:

- » Damir Lačević, direktor
- » Hasan Delić, izvršni direktor za financije
- » Zlatan Filipović, izvršni direktor za reosiguranje

### Odbor za reviziju:

- » Prof. dr. Zijad Njuhović, predsjednik

### Članovi po abecednom redu:

- » Esad Bektešević
- » Ismet Hadžić

### Revizorska kuća:

Deloitte d.o.o. Sarajevo





**INFORMATION ON BOSNA RE CO. LTD.****Full name, seat of the Company and phone no.**

Bosna Reinsurance Co. Ltd.

Sarajevo, Despićeva no. 4

Phone: +387 33 72 55 00

**Court of authority and number of Court Register Decision:**

Decision of Cantonal Court in Sarajevo, number UF/I 2282/00

**Business banks and bank accounts**

- » UPI banka d.d. Sarajevo, no. 1540011100374760
- » Raiffeisen bank d.d. Sarajevo, no. 1610000004490044
- » UniCredit Zagrebačka banka d.d. Mostar, no. 1650011000018104

**Registration - identification number: 4200066680006**

Members of Supervisory Board, Management, Auditing Board and auditor

**Supervisory Board:**

- » Mirsad Letić, Chairman

**Members of Supervisory Board in alphabetical order:**

- » Fejsal Hrustanović
- » Husnija Kurtović
- » Jasmina Spahić
- » Midhat Terzić

**Management of Bosna RE Co. Ltd.:**

- » Damir Lačević, Director
- » Hasan Delić, Executive Director Finance
- » Zlatan Filipović, Executive Director Reinsurance

**Auditing Board:**

- » Prof. dr. Zijad Njuhović, Chairman

**Members in alphabetical order:**

- » Esad Bektešević
- » Ismet Hadžić

**Auditor:**

Deloitte d.o.o. Sarajevo



## **2. NAPOMENE UZ IZVJEŠTAJ O RADU BOSNA RE D.D. ZA 2006. GODINU**

- » Ovaj Izvještaj se temelji na tačnim i vjerodostojnim knjigovodstvenim podacima i računovodstvenim standardima koji važe za Federaciju BiH. Izvještaj je urađen u skladu sa obavezama iz člana 53. važećeg Statuta Bosna Reosiguranja d.d. Izvještaj je urađen od strane Uprave Bosna RE d.d.
- » Reviziju finansijskog poslovanja obavila je renomirana svjetska kuća DELOITTE. Izvještaj ove revizorske kuće objavljuje se kao poseban separat.
- » U skladu sa odredbama Zakona i Statuta Bosna RE, Odbor za reviziju uradio je izvještaj, koji se posebno objavljuje.
- » Delegati u Skupštini dioničara imaju sve Zakonom predviđene izvještaje za odlučivanje.

## **2. REMARKS ON ANNUAL REPORT OF BOSNA RE Co. LTD. FOR 2006**

- » This Report is based on true and credible bookkeeping data accounting standards in force in Federation of BH. Report is prepared in accordance with obligations arising out of Article 53. of Articles of Association of Bosna Reinsurance Co. Ltd. in force. Report was prepared by the management of Bosna RE Co. Ltd.
- » Audit of financial operations was made by world renowned company DELOITTE. Report by this auditing company is published separately.
- » In accordance with provisions of the law and Articles of Association of Bosna RE, Auditing Board prepared its report that is published separately.
- » Representatives in Shareholders Assembly have all reports needed to take decisions, as provided for by the law.



## UPRAVA / MANAGEMENT



- » Zlatan Filipović, Izvršni direktor za reosiguranje / Executive Director Reinsurance
- » Damir Lačević, Direktor / Director
- » Hasan Delić, Izvršni direktor za financije / Executive Director Finance



### 3. DRUŠTVENO - EKONOMSKI USLOVI U KOJIMA SU OSTVARENI REZULTATI BOSNA I HERCEGOVINA

Kao ni za prethodne godine, ni za 2006. godinu se ne bi moglo reći da je bila godina ekonomskog razvoja i rasta. Kako je stanje ekonomije jedan od bitnih uslova razvoja industrije osiguranja, spori rast premije osiguranja u prethodnoj godini je manje-više očekivan. Prema podacima Agencije za nadzor osiguranja F BiH, rast premije osiguranja za 2006. godinu u odnosu na isti period 2005. godine iznosio je svega 9,15%. Od rasta premije osiguranja u R Srpskoj ovisi da li će u konačnici rast premije osiguranja u BiH preći 10%. Nažalost, bit će potrebno čekati dosta vremena da bi se saznali rezultati, ako to uopšte bude moguće, jer Agencija za osiguranje RS nikada do sada nije ni objavljivala zvanične podatke.

U tabeli 1 prikazano je kretanje učešća premije osiguranja u bruto nacionalnom dohotku (BNP) i kretanje premije osiguranja po glavi stanovnika.

#### PREMIJA OSIGURANJA U ODNOSU NA BNP I PREMIJA OSIGURANJA PER CAPITA

Tabela 1

Očekivanja

Godina	2000	2001	2002	2003	2004	2005	2006
BNP u KM mio	10.908,00	11.909,00	12.650,00	13.324,00	14.658,00	15.749,00	16.599,45
Premija osiguranja u KM	226.729.144	227.396.502	266.467.664	263.866.897	295.804.289	336.729.509	367.726.399
Premija u % od BNP	2,08%	1,91%	2,11%	1,98%	2,02%	2,14%	2,22%
Premija per capita (u KM)	59,97	59,87	69,61	68,32	76,97	87,60	95,51
BNP u EUR mio	5.577,17	6.088,98	6.467,84	6.812,45	7.494,52	8.052,34	8.487
Premija osiguranja u EUR	115.924.771	116.265.985	136.242.753	134.913.002	151.242.331	172.167.064	188.015.522
Premija u % od BNP	2,08%	1,91%	2,11%	1,98%	2,02%	2,14%	2,22%
Premija per capita (u EUR)	30,66	30,61	35,59	34,93	39,36	44,79	48,84
Broj stanovnika u hiljadama	3.781	3.798	3.828	3.862	3.843	3.844	3.850

Podaci pokazuju da su promjene u učešću premije osiguranja u BNP veoma spore. Za period od 7 godina (2000. – 2006.) povećanje iznosi svega 6,58% što je izuzetno malo. Premija osiguranja po glavi stanovnika je u stalnom porastu i sa 2006. godinom porasla je za 59,28%. Međutim, ukoliko se ovi podaci uporede sa zemljama iz okruženja ili nekim drugim evropskim zemljama onda se dobiva poražavajuća istina a to je da građani BiH troše najmanje novca na osiguranje u poređenju sa ostatkom Evrope.

Rezultat ovakvog dosta niskog rasta premije osiguranja odrazio se i na relativno nizak porast premije reosiguranja u odnosu na 2005. godinu. Sa izuzetkom 2002. i 2003. godine, kada je zabilježena opća stagnacija u industriji osiguranja koja se ogledala u padu premije osiguranja, a time i premije reosiguranja, 2006. godina ima najniži indeks rasta premije u posljednjih 10 godina. Ovakav porast je rezultat nekoliko činjenica, a to je:

- » Ekonomska situacija u zemlji gdje se na osiguranje gleda kao na trošak koji treba izbjeći ili ga smanjiti na minimum. Ovo potvrđuju i događanja u 2006. godini. Naime u toj godini u BiH su se desila tri „velika“ požara. U dva slučaja imovina nije bila osigurana.
- » Konkurencija među društvima za osiguranje se sa polja AO prenijela i na ugovorna osiguranja. Zakon o javnim nabavkama i obavezni tenderi još su više podstakli ovu konkurenciju. Premija osiguranja se svodi na minimum i cijela tehnika osiguranja se bazira na manje ili više sretnim okolnostima a ne na statistici i matematskim proračunima.

Jedan dio društava za osiguranje shvata problem u kojem se tržište nalazi ali očigledno dok problem ne shvate i osiguranici, a posebno Država, teško da će se nešto popraviti.

Imajući sve ovo u vidu mora se konstatovati da je 2006. godina bila izuzetno teška i da su sve navedene činjenice bitno uticale na rezultat poslovanja za 2006. godinu, za koji se ukratko može reći da je dobar.

### 3. SOCIO - ECONOMIC ENVIRONMENT IN WHICH BOSNA RE RESULTS WERE ACHIEVED

The same as previous years, 2006 cannot be described as a year of economic development and growth. As status of economy is one of main preconditions for development of insurance industry, slow growth of insurance premium in past year was expected. According to the information from Insurance Supervision Agency of F BH, growth of insurance premium in 2006 compared to 2005 was only 9,15%. It is dependent on insurance premium growth in Republic of Srpska whether the growth of insurance premium in BH will in the end surpass 10%. Unfortunately, it will take some time to hear about the results, if at all, as Insurance Agency of Republic of Srpska has never published official information.

Table 1 shows movements of participation of insurance premium in relation to Gross Domestic Product (GDP) and of insurance premium per capita.

#### INSURANCE PREMIUM IN RELATION TO GDP AND INSURANCE PREMIUM PER CAPITA

Table 1

Year	Projection						
	2000	2001	2002	2003	2004	2005	2006
GDP in KM mio	10.908,00	11.909,00	12.650,00	13.324,00	14.658,00	15.749,00	16.599,45
Insurance premium in KM	226.729.144	227.396.502	266.467.664	263.866.897	295.804.289	336.729.509	367.726.399
Premium as % of GDP	2,08%	1,91%	2,11%	1,98%	2,02%	2,14%	2,22%
Premium per capita KM	59,97	59,87	69,61	68,32	76,97	87,60	95,51
GDP in EUR mio	5.577,17	6.088,98	6.467,84	6.812,45	7.494,52	8.052,34	8.487
Insurance premium in EUR	115.924.771	116.265.985	136.242.753	134.913.002	151.242.331	172.167.064	188.015.522
Premium as % of GDP	2,08%	1,91%	2,11%	1,98%	2,02%	2,14%	2,22%
Premium per capita in EUR	30,66	30,61	35,59	34,93	39,36	44,79	48,84
Population (in thousands)	3.781	3.798	3.828	3.862	3.843	3.844	3.850

Data show very slow changes in participation of insurance premium in GDP. For period of 7 years (2000 – 2006) increase was only 6,58% which really is not much. Insurance premium per capita is constantly growing and the growth in this period ended with 2006 was 59,28%. However, if such data is compared to neighboring or some other European countries than devastating truth is revealed that citizens of BH spend much less money on insurance in comparison to the rest of Europe.

Such a low insurance premium growth reflected on relatively low growth of reinsurance premium in comparison to 2005. With exception of 2002 and 2003, when general stagnation was recorded in insurance industry and reflected itself in drop of insurance premium and therefore reinsurance premium, 2006 has the lowest growth index in last 10 years. This growth is result of several facts, namely:

- » Economic situation in country where insurance is observed as an expense that should be avoided or reduced to a minimum. This is proven by the events in 2006. That year three „large“ fires occurred in BH. In two cases property was not insured.
- » Competition among insurance companies has moved from MTPL to voluntary insurances. Law on public purchases and compulsory tenders stimulated competition even more. Insurance premium is reduced to a minimum and entire insurance technique is based more or less on luck and not on statistics and mathematical calculations.

Some of insurance companies understand the problem the market is in but obviously, until the problem is understood by the insureds and especially by the state, there would be little chance for improvement.

Having all this in mind, it has to be stated that 2006 was exceptionally hard year and that all the facts aforementioned influenced considerably business results in 2006. Still, it can be described as a good one.



## GRBAVICA

Samohrana majka Esma živi sa svojom dvanaestogodišnjom kćerkom Sarom u sarajevskom naselju Grbavica, u kojem se život, nakon ratova u bivšoj Jugoslaviji devedesetih godina, još uvijek sastavlja.

U nemogućnosti da sa skromnom socijalnom pomoći koju dobija sastavi kraj sa krajem, Esma se zapošljava kao konobarica u jednom noćnom klubu. Cjelonoćni rad je fizički naporan za Esmu, te ona protiv svoje volje biva primorana da provodi manje vremena sa svojom kćerkom. Esmu još uvijek progone nasilni događaji iz prošlosti, te ona prisustvuje grupnim terapijama u jednom lokalnom centru za žene. Uz svoju najbolju prijateljicu Sabinu, na koju se često oslanja, Esma nalazi srodnu dušu i u Peldi, saosjećajnom kolegi iz noćnog kluba.

## GRBAVICA

Single mother Esma lives with her 12-year-old daughter Sara in Sarajevo's Grbavica neighborhood, where life is still being reconstructed after the 1990s Yugoslav wars.

Unable to make ends meet with the meager government aid she receives, Esma takes a job as a cocktail waitress in a nightclub. Working all night is difficult for Esma physically and it also forces her to reluctantly spend less time with her daughter. Still haunted by violent events in her past, Esma attends group therapy sessions at the local Women's Center. In addition to relying on her best friend Sabina, Esma also finds a kindred spirit in Pelda, a compassionate male co-worker from the nightclub.

Berlinale 2006  
Jasmila Žbanjić - Najbolji film  
Grbavica



## 4. PREMIJA I ŠTETE REOSIGURANJA

Pregled ostvarene premije i plaćenih šteta reosiguranja za 2006. godinu dan je u tabeli 2.

Ostvarena premija reosiguranja u 2006. godini iznosi KM 29.932.347, što je za 0,77% manje od ostvarene premije u 2005. godini. Razlog smanjenja ostvarene premije u odnosu na ostvarenje u prethodnoj godini je pad premije reosiguranja koja se ostvaruje u inozemstvu.

Naime, ugovori o reosiguranju, koji su zaključeni sa nekim od društava za osiguranje u R Makedoniji, imali su manji premijski prihod od očekivanog. Treba naglasiti da porast premije reosiguranja ostvarene u BiH u visini od gotovo 11%, nije mogao u cjelosti kompenzirati ovaj gubitak.

Kretanje premije reosiguranja, ostvarene u Bosna RE u posljednjih 11 godina dano je u tabeli 3.

Tabela 3 / Table 3

Godina / Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Premije reosiguranja / Reinsurance Premium	2,377,100	7,083,261	8,702,914	12,698,807	16,761,244	20,180,723	24,556,025	27,696,659	30,986,250	30,163,596	29,932,347
Index rasta premija / Premium Growth Index	100.00	297.98	122.87	145.91	131.99	120.40	121.68	112.79	111.88	97.35	99.23

Učešće Bosna RE u štetama, odnosno plaćene štete reosiguranja za 2006. godinu dane su u tabeli 4.

Tabela 4 / Table 4

Godina / Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Štete reosiguranja / Reinsurance Losses	675,000	3,212,632	4,477,551	7,493,841	7,316,841	7,316,318	7,758,011	9,838,326	13,579,294	19,509,583	14,084,978
Index rasta šteta / Losses Growth Index	100.00	475,95	139,37	167,36	97,63	99,65	106,41	126,82	138,02	143,67	72,20

## 4. REINSURANCE PREMIUM AND LOSSES

The review of realized reinsurance premium and losses paid in 2006 is given in the Table 2.

The reinsurance premium realized in 2006 amounts KM 29.932.347, which is 0,77% less than the premium realized in 2005. Reason for this reduction of premium is drop of reinsurance premium realized from abroad.

Namely, reinsurance treaties concluded with some of the insurance companies from Republic of Macedonia had lower premium income than expected. It should be mentioned that growth of reinsurance premium in BH of almost 11% could not compensate entirely this loss.

Trends in reinsurance premium realized by Bosna RE for the last 11 years are given in the Table 3.

Participation of Bosna RE in the losses, i.e. reinsurance losses paid up in 2006 is presented by Table 4.

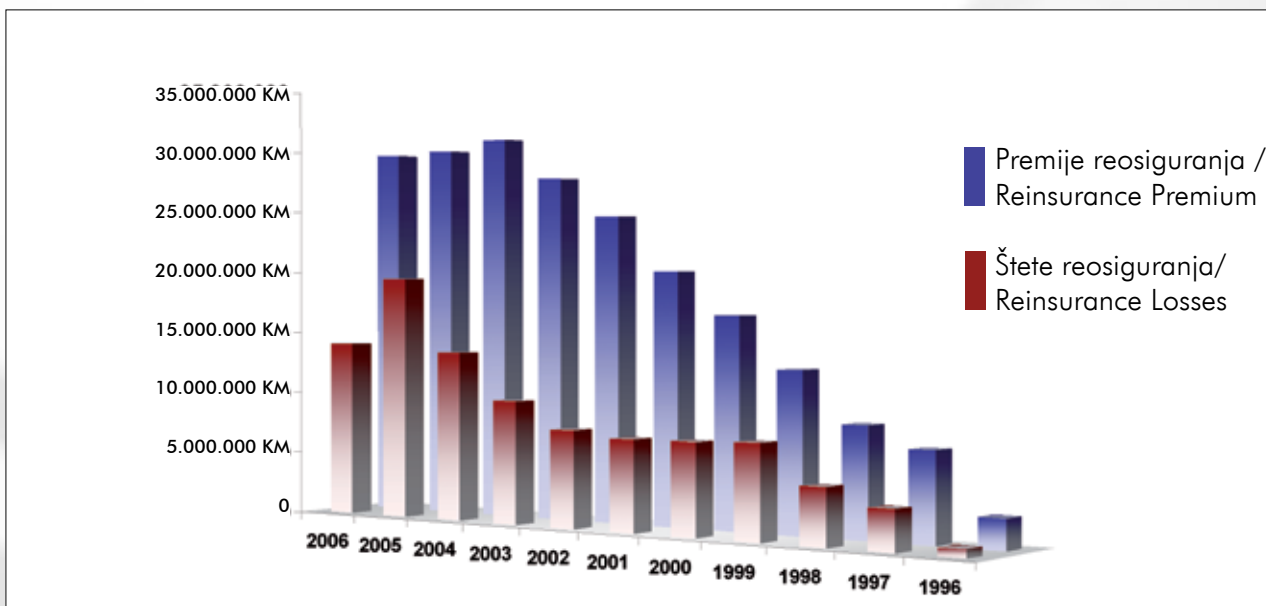
Ukupno isplaćene štete iznose KM 14.084.978 što je 37,80% manje od plaćenih šteta u prethodnoj godini. Ostvarene premije i plaćene štete u 2006. godini prikazani su i u grafikonu 2, a u grafikonu 3 dat je pregled indeksa rasta premija i šteta reosiguranja.

Total losses paid up amounts to KM 14.084.978 that is for 37,80% less than losses paid up in previous year. Realized premium and losses paid up in 2006 are shown in Graph 2, while Graph 3 gives the review of reinsurance premium and losses growth index.

Grafikon 2 / Graph 2

KRETANJE PREMIJE I ŠTETA REOSIGURANJA ZA PERIOD 1996. - 2006. GODINA

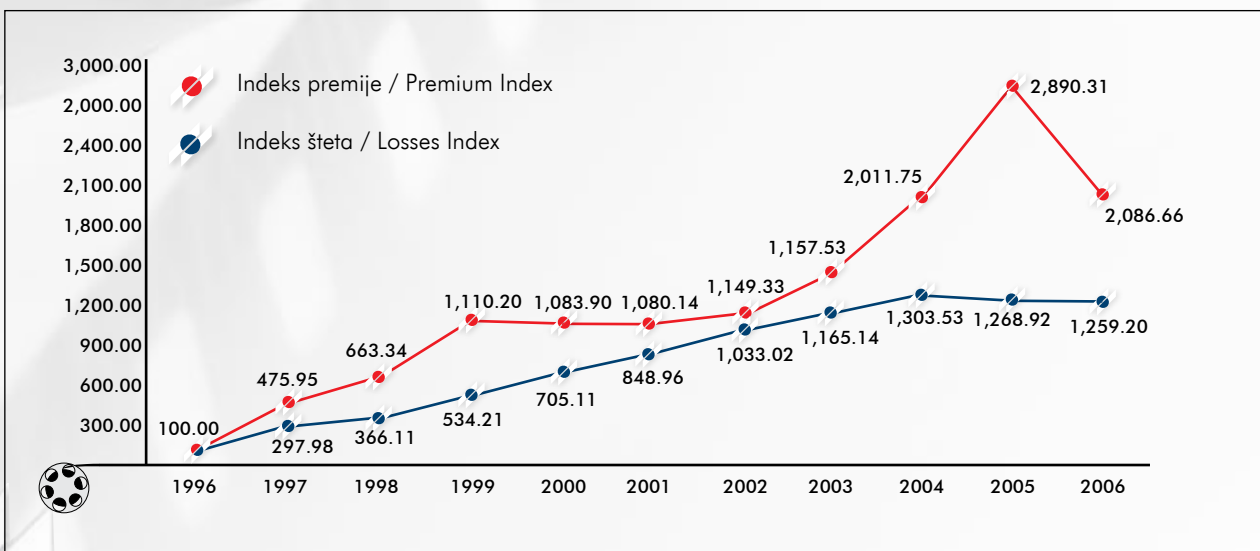
REINSURANCE PREMIUM AND LOSSES PERIOD 1996 - 2006



Grafikon 3 / Graph 3

INDEKS RASTA/PADA PREMIJA I ŠTETA REOSIGURANJA ZA PERIOD 1996. - 2006. GODINA

REVIEW OF REINSURANCE PREMIUM AND LOSSES GROWTH/FALL INDEX PERIOD 1996 - 2006





U nominalnom iznosu, štete reosiguranja su mnogo manje od premije, međutim, trend rasta šteta je gotovo dvostruko brži od trenda rasta premije. U periodu od 10 godina, štete reosiguranja su porasle za 28 puta, a premija reosiguranja za svega 12 puta. Ovaj desetogodišnji trend rasta šteta reosiguranja prekinut je 2006. godine u kojoj je registriran pad od navedenih 37,80%. Još uvijek nije jasno definisan razlog za ovakvo kretanje šteta. Dosta visoko stanje rezervisanih šteta na dan 31.12. 2006. godine govori da je jedan veći broj šteta ostao neriješen kod cedenata i da će ovaj iznos na kraju vjerovatno biti jednak prethodnim godinama.

Shodno kapacitetima Bosna RE-a, dio premije reosiguranja se zadržava u vlastitom samopridržaju, a ostatak predstavlja premiju koja se predaje u retrocesiju, kao naknada za portfelj koji je dalje distribuiran na međunarodno tržište reosiguranja.

Premija reosiguranja u vlastitom samopridržaju iznosi KM 9.09 miliona, što je dosta manje nego je to bilo u prethodnoj godini.

Ovo se vidi iz tabele 5 i grafikona 4.

In its nominal amount, reinsurance losses are significantly lower than the premiums but losses tend to grow twice as fast as premiums do. In the period of 10 years, reinsurance paid up losses grew 28 times and reinsurance premium only 12 times. This ten years tendency of loss growth was interrupted in 2006 when mentioned 37,80% drop was registered. The reason for such loss trend is still not clearly defined. High outstanding losses as at 31.12.2006 tell us that large number of losses remains still unsolved with cedants and this amount at the end will, probably, become equal to that of previous years.

In compliance with the capacities of Bosna RE, part of the premium is retained as net retention, and the rest is the premium given into retrocession, as a compensation for the portfolio distributed to international reinsurance market.

Self-retained reinsurance premium amounts KM 9.09 million, which is considerably less than in previous year. This is shown in the Table 5 and Graph 4.

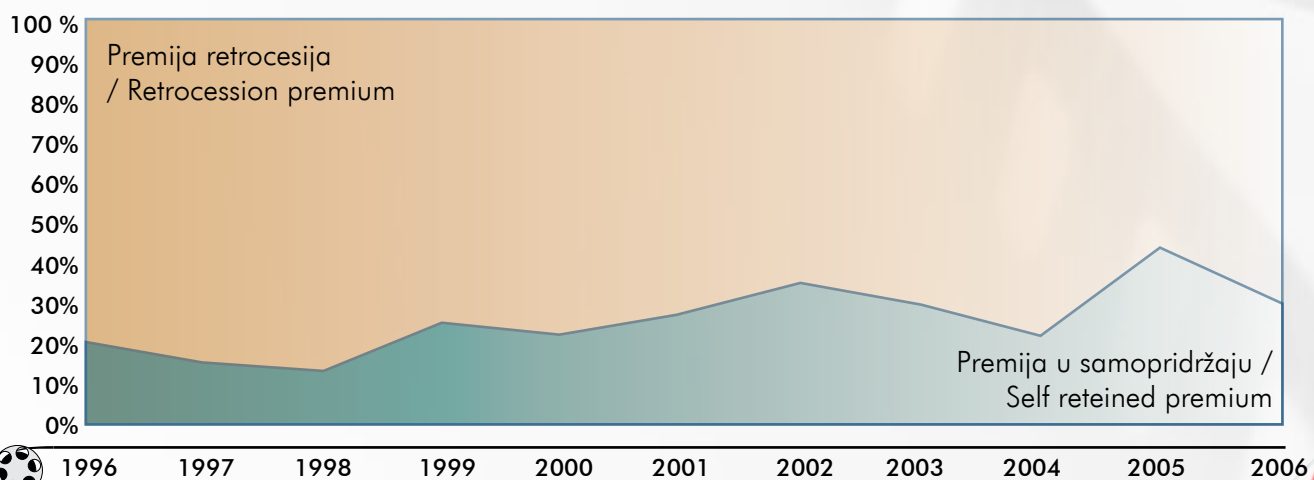
#### UKUPNA PREMIJA, PREMIJE U RETROCESIJI I PREMIJA U SAMOPRIDRŽAJU ZA PERIOD 1996. – 2006. GODINA

#### TOTAL PREMIUM, RETROCESSION PREMIUM AND SELF-RETAINED PREMIUM FOR THE PERIOD 1996 – 2006

Tabela 5 / Table 5

Bosna RE d.d.	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Ukupna premija / Reinsurance premium	2.377.100	7.083.261	8.702.914	12.698.807	16.761.244	20.180.723	24.556.026	27.696.659	30.986.250	30.163.596	29.932.347
Premija retrocesija / Retrocession premium	1.889.706	5.968.412	7.510.263	9.438.442	12.944.731	14.614.791	15.947.480	19.498.141	24.128.741	16.930.545	20.833.435
Premija u samopridržaju/ Self retained premium	487.394	1.114.849	1.192.651	3.260.365	3.816.512	5.565.932	8.608.546	8.198.518	6.857.509	13.233.051	9.098.912

Grafikon 4 / Graph 4



## OTAC NA SLUŽBENOM PUTU

Priča filma se odvija u ranim pedesetim godinama, poznatim u političkoj historiji Jugoslavije pod imenom "vrijeme informbiroa". Meho, otac iz naslova filma, uspješan je činovnik na republičkom nivou. Jedna njegova neoprezna i usputna izjava pred ljubavnicom, udružena sa njenom ljubomorom i osvetoljubivošću, odvodi ga u zatvor. To će izazvati seriju promjena u njegovom životu i u životu njegove porodice. Njegov mlađi sin, šestogodišnji Malik, posmatra i komentariše sve što se događa oko njega, ali će tu biti dosta stvari koje on neće moći nikada da razumije.

## WHEN FATHER WAS AWAY ON BUSSINES

Set in post-World War II Bosnia during the Informbiro period, the film tells the story of a young boy whose father (played by Miki Manojlović) has been suspected of working for Cominform and sent to a labor camp after a careless remark about a political newspaper cartoon. The story is from the perspective of the boy, Malik, who is led to believe that his father is on a business trip. Malik is a chronic sleepwalker.



Cannes Film Festival 1985

Emir Kusturica - Najbolji film

Otac na službenom putu



Bosna RE

Sniženje premije reosiguranja u samopridržaju Bosna RE je rezultat povećane brige za portfelj preuzet u reosiguranje i samim tim briga za povećanu sigurnost cedentata, a time i Bosna RE. Struktura portfelja je veoma nehomogena, podložna velikim promjenama ostvarenjem samo jedne veće štete. Dvije velike štete po osnovu krađe novca u transportu, nekoliko velikih šteta na energetskim objektima, bez dobre izbalansiranosti samopridržaja Bosna RE i dijela koji se daje u retrocesiju mogle su dovesti Bosna RE u veoma neugodan položaj. Klimatske promjene i sve više šteta zbog ostvarenja prirodnih opasnosti su također razlog za kupovinu dodatnih zaštita Bosna RE-a.

Naravno, ne treba zaboraviti da je Bosna RE i na inozemnim tržištima, koja su još podložnija ovim promjenama. Obezbeđenje najveće moguće sigurnosti Bosna RE-a je i nadalje na prvom mjestu, a to je i potpuna sigurnost za cedente.

Treba naglasiti da još uvijek veliki broj cedentata Bosna RE ima malo iskustva u poslovima osiguranja. Procjena PML-a, upravljanje rizicima i vlastitim portfeljima predstavlja veliki problem za određene cedente. Stoga je kao stalni zadatak u Bosna RE-u prihvaćena praksa maksimalne pomoći klijentima, u pogledu prihvatanja rizika u osiguranje.

Uporedni indeksi rasta ukupne premije reosiguranja, premije retrocesije i premije u samopridržaju, dani su u grafikonu 5 i pripadajućoj tabeli.

Lower self-retained reinsurance premium of Bosna RE comes as a result of greater care for portfolio taken into reinsurance and therefore care for higher security of the cedants and in that way of Bosna RE. Portfolio structure is very non-homogeneous, subject to large changes due to occurrence of only one larger loss. Two large theft losses on cash in transit, few large losses on power production plants, without good balance of net retention and part retroceded could have brought Bosna RE in unpleasant position. Climate changes and ever increasing number of losses due to natural catastrophes are another reason for purchase of additional protections for Bosna RE.

Of course, Bosna RE's presence on foreign markets should not be neglected, as these markets are even more subject to these changes. Providing the highest possible level of security for Bosna RE still has top priority, and that makes full security for cedants.

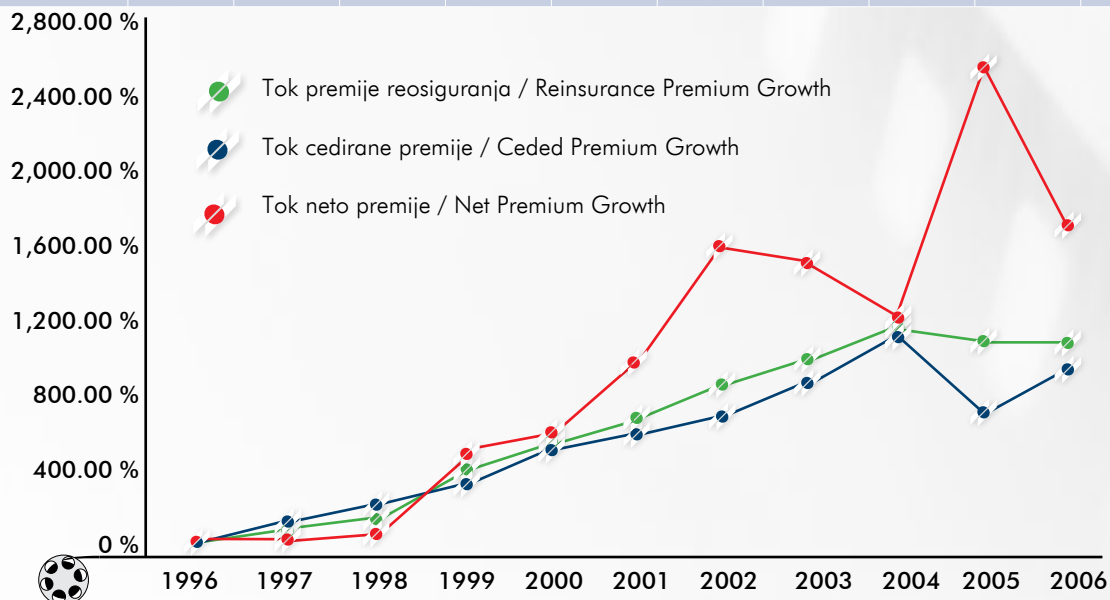
It should be mentioned that still a large number of cedants of Bosna RE has little experience in insurance. Assessment of PML, risk management and portfolio management represents a major problem for some cedants. Thus, Bosna RE set as a permanent task maximum support to clients in respect of underwriting of the risk.

Comparative growth indices of total reinsurance premium, retrocession premium and self-retained premium are shown in the Graph 5 and accompanying table.

Grafikon 5/ Graph 5

Tok premije reosiguranja, premije retrocesije i neto premije u periodu 1996. - 2006. godine /  
Index of total reinsurance premium, retrocession premium and Bosna RE self-retained premium growth in period 1996 - 2006

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Tok premije reosiguranja / Reinsurance premium growth	100,00%	197,98%	266,11%	434,21%	605,11%	748,96%	933,02%	1065,14%	1203,53%	1168,92%	1159,19%
Tok cedirane premije / Ceded premium growth	100,00%	215,84%	297,43%	399,47%	585,01%	673,39%	743,91%	931,81%	1176,85%	795,94%	1002,47%
Tok neto premije / Net premium growth	100,00%	128,73%	144,70%	568,93%	683,04%	1041,97%	1666,22%	1582,10%	1306,96%	2615,03%	1766,83%



Kretanje šteta reosiguranja unutar vlastitog samopridržaja Bosna RE i retrocesije, dani su u tabeli 6, a njihov procentualni odnos prikazan je na grafikonu 6.

Movements of Bosna RE's net retained reinsurance losses and retrocession are given in the Table 6, and their percentage ratio in the Graph 6.

**UKUPNE ŠTETE, ŠTETE IZ RETROCESIJE  
I ŠTETE U SAMOPRIDRŽAJU  
ZA PERIOD 1996. – 2006. GODINA**

**TOTAL LOSSES, RETROCESSION LOSSES  
AND SELF-RETAINED LOSSES  
FOR THE PERIOD 1996 – 2006**

Tabela 6 / Table 6

Bosna RE d.d.	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Ukupne štete / Reinsurance losses	675.000	3.212.632	4.477.551	7.493.841	7.316.318	7.290.913	7.758.011	9.838.326	13.579.294	19.509.583	14.084.978
Štete iz retrocesije / Retrocession losses	600.750	2.827.116	3.671.592	5.920.134	5.950.608	5.555.949	4.859.996	6.701.543	12.194.214	14.437.992	7.137.045
Štete u samopridržaju/ Self retained losses	74.250	385.516	805.959	1.573.707	1.365.710	1.734.963	2.898.015	3.136.783	1.385.080	5.071.591	6.947.934

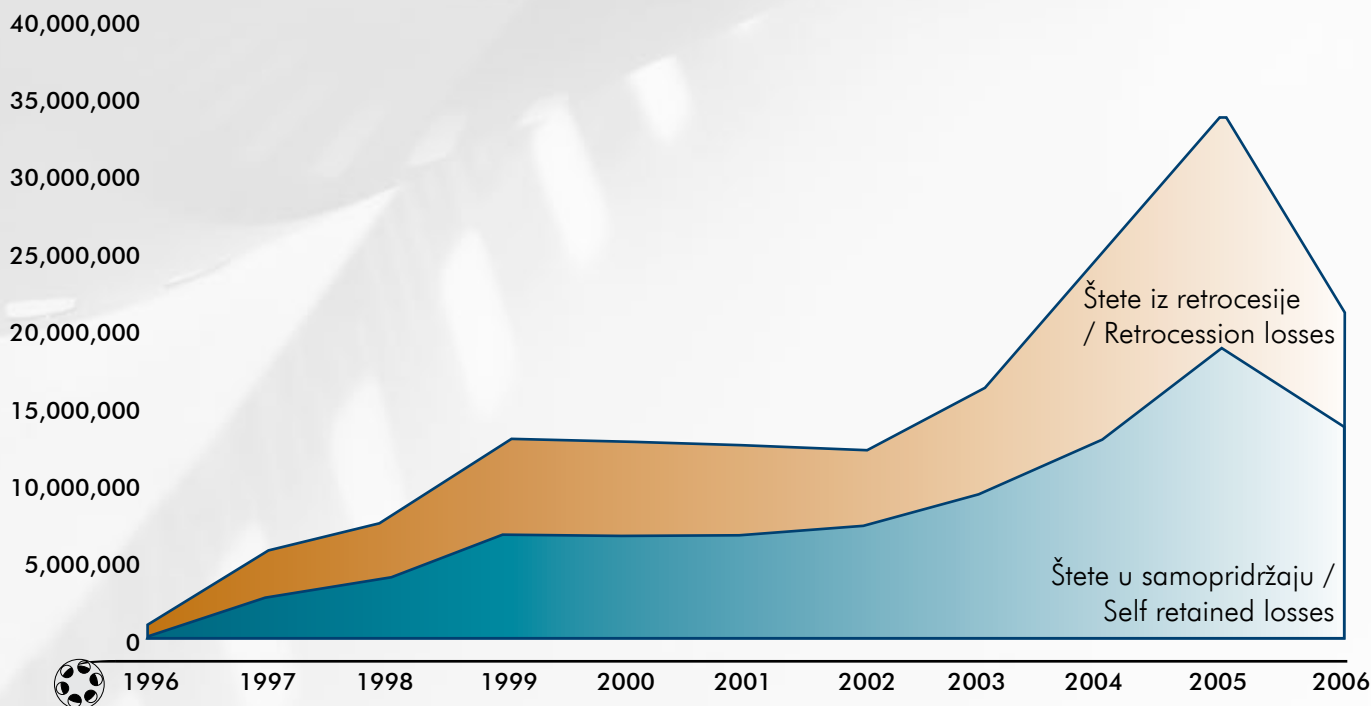
Ukupno plaćene štete po osnovu retrocesije iznose KM 7.13 miliona, što je za 50,56% manje u odnosu na prethodnu godinu. Štete koje su teretile vlastiti samopridržaj su u visini od KM 6.94 miliona i predstavlja povećanje od 36,99% u odnosu na 2005. godinu.

Total losses paid up on the basis of retrocession amounts KM 7.13 million, for 50,56% less than in previous year. The losses in self-retention amount KM 6.94 million which is 36,99% increase in comparison to 2005.

Grafikon 6 daje grafički prikaz odnosa isplaćenih šteta na teret samopridržaja Bosna RE i retrocesije.

The Graph 6 gives the ratio of losses paid out of Bosna RE self-retention and retrocession.

Grafikon 6 / Graph 6



Struktura premije reosiguranja prema vrstama osiguranja, iskazana u apsolutnim veličinama prikazana je u tabeli 7. Premija ostvarena u 2006. godini u većini vrsta osiguranja slična je onoj koja je ostvarena u 2005. godini. Premija avionskog kaska i osiguranja odgovornosti u zračnom prometu ima veoma visok rast što je posljedica niske osnovice, koja u 2005. godini nije odražavala premijski prihod za punu godinu. U ovu kategoriju visokog rasta može se svrstati i vrsta osiguranja 16.

U vrstama osiguranja nezgode, auto kaska, robe u prevozu i automobilske odgovornosti i opće odgovornosti zabilježen je rast premije koji se kreće od minimalnog 0,98%, pa do dosta visokog 17,93% - 25,94%.

U ostalim vrstama, premija se kreće u okvirima koji se mogu nazvati zabrinjavajućim. Enorman pad premije u pomorskom kasku je izostanak osiguranja, odnosno reosiguranja jedne manje plovne jedinice, ali pad premije osiguranja u vrstama 8 i 9 (požar i ostala osiguranja imovine) od 11,18% i 19,31% je direktan gubitak u vrstama koje predstavljaju osnovu, odnosno čine gotovo 50% ukupne premije reosiguranja.

The structure of reinsurance premium in respect of insurance classes, expressed in absolute values, is shown in Table 7. The premium realized in 2006 for the majority of insurance classes is similar to the premium realized in 2005. Aircraft Hull and Aviation TPL recorded high growth on a low starting point as 2005 figure did not reflect premium income for the whole year. The category of high growth accounts also for class 16.

Insurance classes personal accident, motor hull, goods in transit, motor TPL and general TPL showed growth from minimal one 0,98% to considerably high 17,93% - 25,94%.

Premium in other classes is within frame that is worrying. Enormous fall of marine hull comes from lack of insurance and reinsurance of a small vessel, but fall of insurance premium in classes 8 and 9 (fire and other property) of 11,8% and 19,31% is a direct loss in basic classes that represent almost 50% of total reinsurance premium.

#### STRUKTURA PREMIJE REOSIGURANJA PO VRSTAMA OSIGURANJA

#### THE STRUCTURE OF REINSURANCE PREMIUM IN RESPECT OF INSURANCE CLASS

Tabela 7 / Table 7

	2005	2006	INDEX	RAST PAD
1. Osiguranje od nezgode / Accident	1,061,799	1,337,216.29	125.94	↑
2. Zdravstveno osiguranje / Health	1,200,858	1,100,142.40	91.61	↓
3. Osiguranje cestovnih vozila - kasko / Motor Hull	6,549,042	7,723,069.45	117.93	↑
4. Osiguranje tračnih vozila / Railway Hull	0	0.00	0.00	
5. Osiguranje zračnih letjelica - kasko / Aircraft Hull	393,456	545,162.07	138.56	↑
6. Osiguranje pomorskog, riječnog i jezerskog kaska / Marine Hull	11,519	7,956.08	69.07	↓
7. Osiguranje robe u prijevozu / Goods in Transit	925,952	1,173,071.84	126.69	↑
8. Osiguranje imovine od požara i nekih drugih opasnosti / Fire and Other Perils	6,235,953	5,538,741.19	88.82	↓
9. Ostala osiguranja imovine / Property Other	11,101,798	8,957,586.74	80.69	↓
10. Osiguranje od automobilske odgovornosti / Motor TPL	1,113,494	1,538,294.15	138.15	↑
11. Osiguranje od odgovornosti u zračnom prometu / Aviation TPL	140,291	406,041.71	289.43	↑
12. Osiguranje od odgovornosti brodara / Marine TPL	0	25,694.13	0.00	
13. Ostala osiguranja od odgovornosti / General Liability	785,990	793,705.23	100.98	↗
14. Osiguranje kredita / Credit	0	0.00	0.00	
15. Osiguranje jamstva / Guarantee	0	14,926.76	0.00	
16. Osiguranje različitih financijskih gubitaka / Financial Loss	85,680	142,106.01	165.86	↑
17. Osiguranje pravne zaštite / Legal Protection	0	0.00	0.00	
18. Osiguranje pomoći / Assistance	0	0.00	0.00	
UKUPNO NEŽIVOTNA OSIGURANJA / TOTAL NONLIFE	29,605,832	29,303,714	98.98	↓
19. Životna osiguranja (osiguranja života i rentna osiguranja) / Life Assurance (Life Assurance and Annuity Assurance)	793,266	628,633	79.25	↓
<b>SVEUKUPNO / TOTAL (Classes 1-19)</b>	<b>30,399,098</b>	<b>29,932,347</b>	<b>98.46</b>	<b>↓</b>

## GORI VATRA

Priča o raspadu jedne porodice. Priča o našoj poslijeratnoj stvarnosti. Priča o čudu ljudi koji su spremni da trpe sve, da sačuvaju nadu i odluče da se bore za bolji život.

Bosna i Hercegovina, dvije godine poslije rata.

Tešanj, mali, ni po čemu izuzetan gradić - na površini dobri, otvoreni ljudi, skroman, pošten život, pijaca, tradicija i komšiluk. Ali ispod površine: glad, etnička netrpeljivost, kriminal, prostitucija i totalna korupcija.

Onda stiže vijest o skoroj posjeti američkog predsjednika - Bila Klintonu gradu, i njegovoj spremnosti da tom prilikom postane počasni građanin i kum opštine.

## FUSE

Tale of a family collapsing. Tale of post-war reality. Tale of the miracle of people who are ready to stand everything, who remain hopeful and who decide to struggle to live better.

Tešanj, a small picturesque Bosnian town.

On the surface - good, open people, humble and decent lives, a market place, tradition, and neighbourhood.

Under the surface - ethnic intolerance, crime, prostitution and total corruption.

Suddenly, the news that the US President Clinton is soon coming to visit the town and that he is willing to accept the "honour" of becoming citizen and the "godfather" of their municipality.



Locarno International Film Festival 2003

Pjer Žalica - 2003

Gori vatra

Bosna RE



Iz tabele 8 u kojoj je dana struktura šteta reosiguranja, jasno se vide razlozi ovako velikog pada šteta reosiguranja. Veoma veliki pad bilježi klasa osiguranja 10 (AO), iskazano u apsolutnom iznosu gotovo KM 3.8 miliona. Ovo je posljedica činjenice da Bosna RE nije pokrivala reosiguranje zelene karte BiH u posljednje tri godine. Također oko KM 2.1 milion je manje šteta i u klasi ostalih osiguranja imovine. Ovako veliki pad šteta nije uspio nadomjestiti istovremeni rast u vrstama osiguranja požara i auto – kaska.

Table 8, which gives structure of reinsurance losses, make the reasons for such a large fall of reinsurance losses very clear. Insurance class 10 (motor TPL) recorded very large fall of almost KM 3.8 million. This is the result of the fact Bosna RE has not covered BH green card reinsurance in last three years. Class other property had around KM 2.1 million losses less. Such a large fall of losses was not covered by the growth at the same time of losses in classes such as fire and motor hull.

### STRUKTURA ŠTETA REOSIGURANJA PO VRSTAMA OSIGURANJA

### THE STRUCTURE OF REINSURANCE LOSSES IN RESPECT OF INSURANCE CLASS

Tabela 8 / Table 8	2005	2006	INDEX	RAST PAD
1. Osiguranje od nezgode / Accident	879,811	709,507	80.64	↓
2. Zdravstveno osiguranje / Health	263,350	431,564	163.87	↑
3. Osiguranje cestovnih vozila - kasko / Motor Hull	4,322,796	5,467,751	126.49	↑
4. Osiguranje tračnih vozila / Railway Hull	0	0	0.00	
5. Osiguranje zračnih letjelica - kasko / Aircraft Hull	0	5,454	0.00	
6. Osiguranje pomorskog, riječnog i jezerskog kaska / Marine Hull	14,689	11,436	77.85	↓
7. Osiguranje robe u prijevozu / Goods in Transit	1,431,236	2,963	0.21	↓
8. Osiguranje imovine od požara i nekih drugih opasnosti / Fire and Other Perils	1,462,707	1,868,741	127.76	↑
9. Ostala osiguranja imovine / Property Other	6,544,518	4,640,665	70.91	↓
10. Osiguranje od automobilske odgovornosti / Motor TPL	4,437,879	639,178	14.40	↓
11. Osiguranje od odgovornosti u zračnom prometu / Aviation TPL	0	0	0.00	
12. Osiguranje od odgovornosti brodarica / Marine TPL	0	0	0.00	
13. Ostala osiguranja od odgovornosti / General Liability	67,803	69,345	102.27	↗
14. Osiguranje kredita / Credit	0	0	0.00	
15. Osiguranje jamstva / Guarantee	0	0	0.00	
16. Osiguranje različitih finansijskih gubitaka / Financial Loss	0	51,239	0.00	
17. Osiguranje pravne zaštite / Legal Protection	0	0	0.00	
18. Osiguranje pomoći / Assistance	0	0	0.00	
UKUPNO NEŽIVOTNA OSIGURANJA / TOTAL NONLIFE	19,424,789	13,897,842	71.55	↓
19. Životna osiguranja (osiguranja života i rentna osiguranja) / Life Assurance (Life Assurance and Annuity Assurance)	84,794	187,136	220.70	↑
SVEUKUPNO / TOTAL (Classes 1-19)	19,509,583	14,084,978	72.20	↓



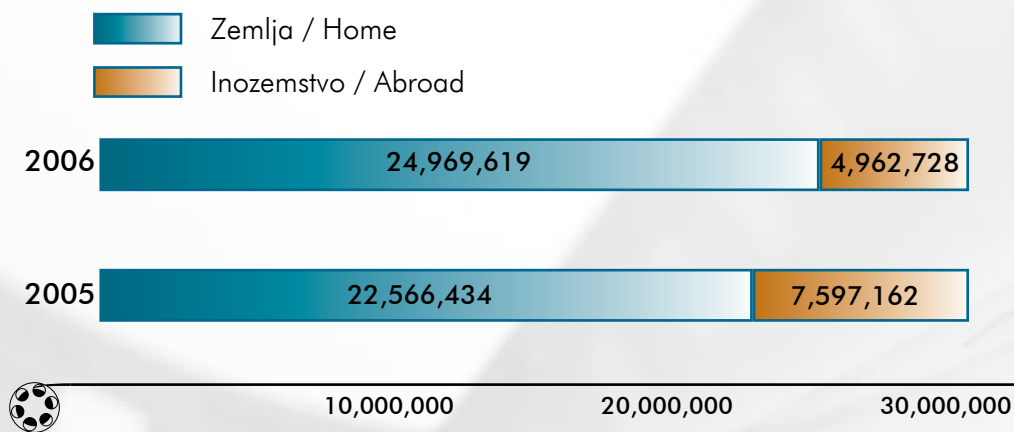
Struktura premije reosiguranja, prema porijeklu (Bosna i Hercegovina, inozemstvo) dana je u narednim grafikovima 7 i 8. U odnosu na prethodnu godinu, smanjena je premija reosiguranja iz inozemstva, što je posljedica gubitka dijela portfelja reosiguranja u R Makedoniji. Smanjenje premije osiguranja u inozemstvu odrazilo se i na smanjenje plaćenih šteta. Na ovo smanjenje je uticala i činjenica da je sa protekom vremena sve manje šteta iz run off-a za ugovore koje je Bosna RE imala do kraja 2005. godine u R Hrvatskoj.

Reinsurance premium structure upon its origin (Bosnia and Herzegovina, foreign) is given in the following Graphs 7 and 8. In comparison to previous year, foreign reinsurance premium was reduced, which comes as a result of loss of reinsurance portfolio in Republic of Macedonia. Run-off for treaties we had until 2005 in Republic of Croatia and lower participation in foreign treaties brought to the fall of losses paid abroad.

**STRUKTURA PREMIJE REOSIGURANJA**

**REINSURANCE PREMIUM STRUCTURE**

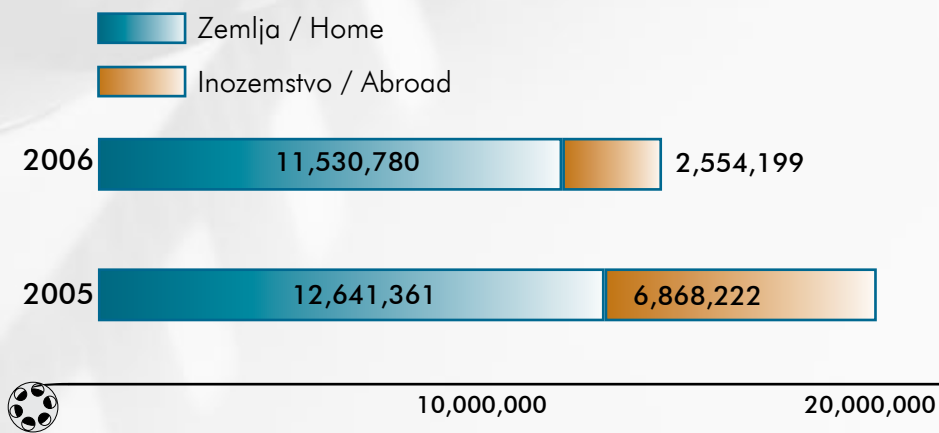
Grafikon 7 / Graph 7



**STRUKTURA ŠTETA REOSIGURANJA**

**REINSURANCE LOSSES STRUCTURE**

Grafikon 7 / Graph 7





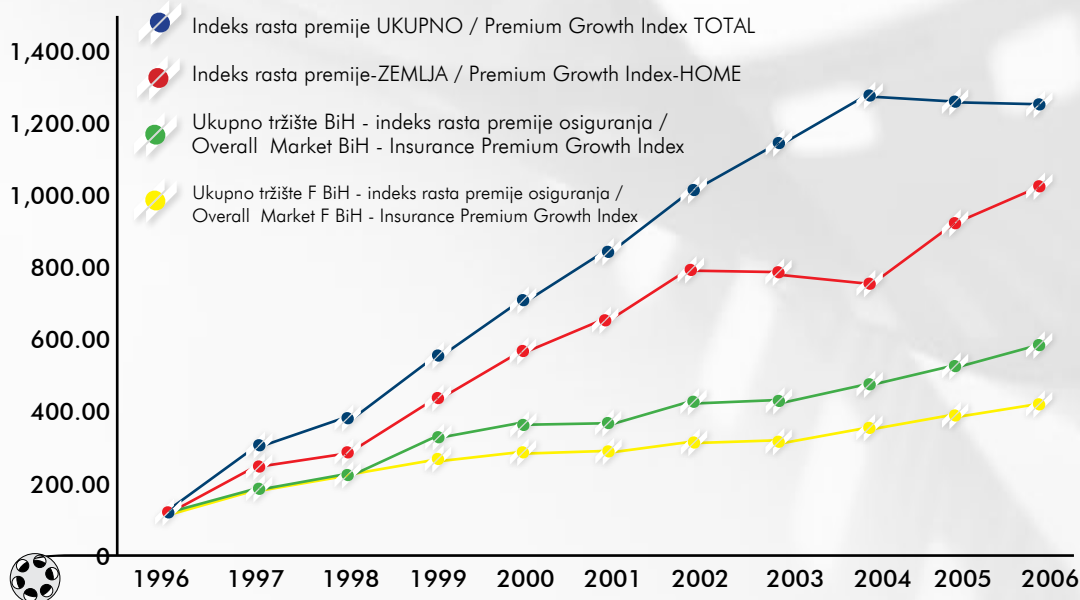
S obzirom da je tržište reosiguranja Bosne i Hercegovine prioritetno za Bosna RE, u narednom grafikonu dana je usporedba kretanja indeksa ostvarene premije reosiguranja u BiH i ostvarene premije osiguranja na ovom tržištu. Iako je porast premije reosiguranja brži od rasta premije osiguranja u cjelokupnom promatranom periodu, teško da se i sa jednim od ovih rezultata može biti zadovoljan. Premija osiguranja raste veoma sporo, pa čak i stagnira u jednom periodu. Rijetke su godine kada je ovaj porast mogao da se iskaže dvocifrenim brojem. Premija reosiguranja manje-više prati ovako spori rast. Međutim, posljednje tri godine premija reosiguranja ima sporiji rast od rasta premije osiguranja. Postoje dva osnovna razloga za ovakvo stanje. Prvi razlog je već naveden, a to je spori rast tržišta, što se vidi i iz grafikona. Drugi razlog je pristup društava za osiguranje reosiguranju. Nerealno visoki samopridržaji, pokušaj „uštede“ i nerazumijevanje funkcije reosiguranja.

Considering BH reinsurance market as Bosna RE's priority, next graph gives comparable trends of indices of realized reinsurance premium in BH and realized insurance premium in the market. Although the growth of reinsurance premium is higher than the growth of insurance premium in overall observed period, none of the results is satisfying. Growth of insurance premium is slow, even stagnating in one period. In few years growth was presented with two digits. Reinsurance premium follows more or less such a slow growth. However, in last three years reinsurance premium is growing slower than insurance premium. There are two basic reasons for that. First one, slow growth of insurance market that can be seen in the graph, was mentioned earlier. Second one is attitude of insurance companies towards reinsurance. Unrealistically high self-retentions, attempts of „saving the costs“ and poor understanding of reinsurance role.

Grafikon 10 / Graph 10

**INDEKS RASTA PREMIJE REOSIGURANJA  
BOSNA RE, OSTVARENE U BiH U ODNOSU NA  
PREMIJU OSIGURANJA OSTVARENE U BiH  
I F BiH ZA PERIOD 1996.-2006. GODINA**

**BOSNA RE REINSURANCE PREMIUM GROWTH  
INDEX, REALISED IN BiH AS COMPARED TO THE  
INSURANCE PREMIUM REALISED IN BiH AND  
FEDERATION BiH FOR THE PERIOD 1996-2006**



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Indeks rasta premije UKUPNO / Premium Growth Index TOTAL	100,00	297,98	366,11	534,21	705,11	848,96	1.033,02	1.165,14	1.303,53	1.268,92	1.259,20
Indeks rasta premije-ZEMLJA / Premium Growth Index-HOME	100,00	239,10	274,59	427,37	570,27	659,38	809,36	782,54	750,94	949,33	1.050,42
Ukupno tržište BiH - indeks rasta premije osiguranja / Overall Market BiH - Insurance Premium Growth Index	100,00	176,85	211,25	318,43	363,89	364,82	427,67	423,50	474,76	536,06	590,19
Ukupno tržište F BiH - indeks rasta premije osiguranja / Overall Market F BiH - Insurance Premium Growth Index	100,00	176,85	211,25	258,30	285,85	286,24	310,09	312,14	356,66	390,73	426,48

## LJETO U ZLATNOJ DOLINI

Ovaj film je zaista veoma dobar, jer u njemu glume lokalni glumci, a predstavlja sirovu realnost Sarajeva. Film prikazuje grad koji još pati od štetnih posljedica nedavnog rata. Dokaz za ovo je ponuđen kroz nekoliko elemenata: korupcija policije, kidnapovanja, nasilje u gradu, konzumiranje droge i nepostojanje perspektive. Film sve ove elemente prikazuje na veoma promišljen način putem dječaka koji treba da ispoštuje porodičnu tradiciju i oda počast svom ocu. Gradski pejzaži su takođe prikazani u filmu i to ga čini još interesantnijim, jer će gledaoci moći vidjeti Sarajevo. Veliko pitanje koje film postavlja je: kako preživjeti/živjeti u takvom okruženju, u kojem dominiraju postratna obilježja, sekularna tradicija i potpuno novi zapadnjački uticaji?

## SUMMER IN THE GOLDEN VALLEY

The film is really very good as it brings local actors and presents a crude reality of Sarajevo. It shows a city that still suffers the harmful effects of a recent war. Several ingredients are present to prove this: police corruption, kidnappings, urban violence, drug consumption and lack of perspectives. The film unveils all these elements in a very meaningful way through a boy who needs to dignify his family traditions and honour his father. The city landscape is also shown in the film and this makes it more interesting as people will be able to observe Sarajevo. The big question that the film presents is: how to survive/live in such an environment, dominated by post war scars, secular tradition and brand new western influences?

Rotterdam International Film Festival 2004

Srdan Vuletić - 2004

Ljeto u zlatnoj dolini



Bosna RE

## 10 MINUTA

Godina 1994. Rim i Sarajevo. Koliko različitih stvari može da se desi za 10 minuta!  
Kratki film Deset minuta je osvojio Nagradu Evropske Filmske akademije za najbolji kratki film 2002.

## 10 MINUTES

10 minutes by Ahmed Imamovic. 1994. Sarajevo, Bosnia and Rome, Italy. How many different things can happen for only 10 Minutes.  
The film won the award of European Film Academy for the best European short film in 2002.



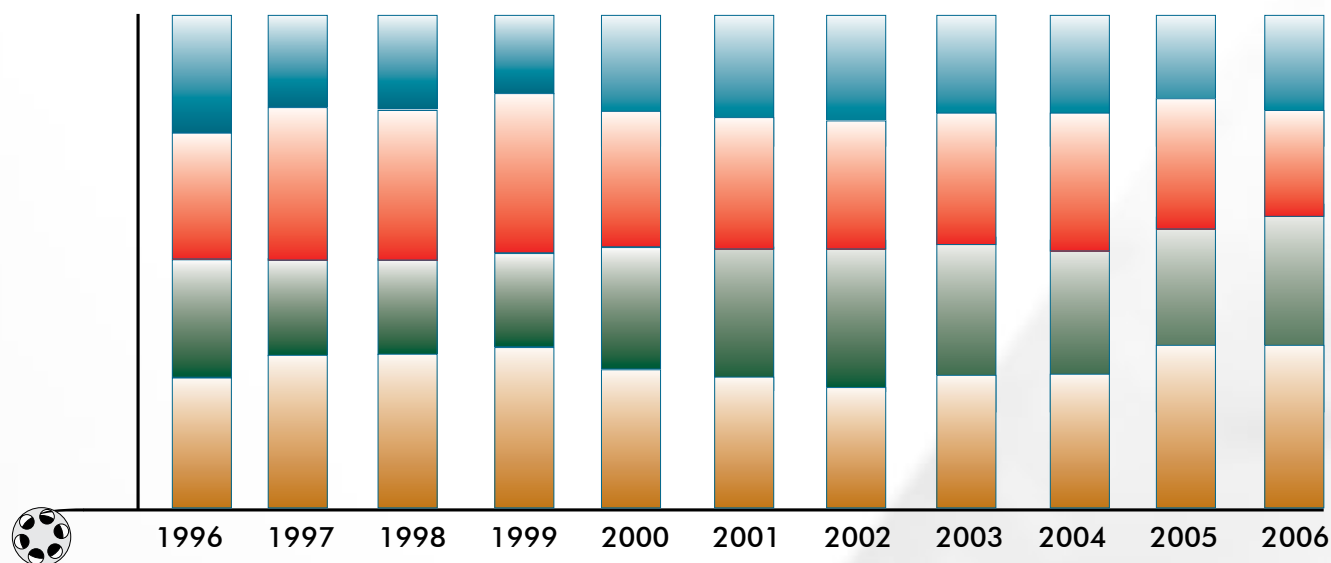
European Film Award 2002  
Ahmed Imamović - Najbolji kratki film  
10 Minuta



Bosna RE



Grafikon 11 / Graph 11



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Učešće premije reosiguranja u premiji osiguranja u BiH / Reinsurance Premium in Insurance Premium BiH	3,82%	5,16%	4,96%	5,12%	5,98%	6,90%	7,22%	7,05%	6,03%	6,74%	6,79%
Učešće šteta reosiguranja u štetama osiguranja u BiH / Reinsurance Losses in Insurance Losses BiH	4,36%	8,58%	8,28%	10,81%	8,59%	8,92%	9,02%	9,75%	8,28%	10,42%	7,76%
Učešće premije reosiguranja u premiji osiguranja u F BiH / Reinsurance Premium in Insurance Premium F BiH	3,82%	5,16%	4,96%	6,31%	7,61%	8,79%	9,96%	9,56%	8,03%	9,27%	9,40%
Učešće šteta reosiguranja u štetama osiguranja u F BiH / Reinsurance Losses in Insurance Losses F BiH	4,36%	8,58%	8,28%	10,81%	8,59%	8,92%	8,31%	9,75%	8,28%	13,04%	11,70%

Pokazatelji dani u prethodnom grafikonu i tabeli možda najbolje odražavaju položaj Bosna RE i odnos prema reosiguranju na tržištu BiH.

Ukupna premija reosiguranja, koju Bosna RE ostvari u BiH u poređenju sa ostvarenom premijom osiguranja u Bosni i Hercegovini iznosi 6,79%. Ovaj procent je nešto veći ukoliko se ova premija poredi na nivou F BiH i iznosi 7,76%. Istovremeno učešće Bosna RE u ukupno plaćenim štetama osiguranja u BiH iznosi 9,40%, a u F BiH 11,70%.

The indicators above present in the best way the position of Bosna RE and attitude of BH insurance market towards reinsurance.

Total reinsurance premium Bosna RE realized in BH in comparison to insurance premium realized in BH is 6,79%. This percentage is somewhat higher when premium is compared on the level of F BH and amounts 7,76%. At the same time, participation of Bosna RE in paid up insurance losses in F BH amounts 9,40%, and in F BiH 11,70%.

U narednim tabelama dana je kvota šteta ukupno za sve klase reosiguranja Bosna RE, zatim za dio u samoprdržaju i dio predan u retrocesiju.

Following tables provide loss ratios for all reinsurance classes of Bosna RE and for self-retained part and retroceded part.

<b>Kvota šteta ukupno / Loss ratio overall business</b>							
	2000	2001	2002	2003	2004	2005	2006
Neživotne vrste osiguranja / Total Non Life classes	43,84%	36,09%	31,80%	35,66%	44,01%	66,14%	47,43%
Osiguranja života i rentna osiguranja / Life assurance (Life assurance and Annuity Assurance)	0,00%	106,44%	0,00%	6,20%	16,53%	10,69%	29,77%
Ukupno neživotne i vrste osiguranja života / Total Non Life and Life	43,65%	36,13%	31,59%	35,52%	43,82%	64,68%	47,06%

<b>Kvota šteta samoprdržaj / Loss Ratio Retained Business</b>							
	2000	2001	2002	2003	2004	2005	2006
Neživotne vrste osiguranja / Total Non Life classes	35,79%	31,01%	33,70%	38,29%	20,22%	38,22%	76,49%
Osiguranja života i rentna osiguranja / Life assurance (Life assurance and Annuity Assurance)	0,00%	112,59%	-16,95%	12,83%	5839,46%	539,35%	57,19%
Ukupno neživotne i vrste osiguranja života / Total Non Life and Life	35,78%	31,17%	33,66%	38,26%	20,20%	38,33%	76,36%

<b>Kvota šteta retrocesija / Loss Ratio Retroceded Business</b>							
	2000	2001	2002	2003	2004	2005	2006
Neživotne vrste osiguranja / Total Non Life classes	46,23%	38,02%	30,77%	34,55%	50,84%	89,02%	34,47%
Osiguranja života i rentna osiguranja / Life assurance (Life assurance and Annuity Assurance)	0,00%	0,00%	0,58%	5,76%	17,20%	8,78%	26,73%
Ukupno neživotne i vrste osiguranja života / Total Non Life and Life	45,97%	38,02%	30,48%	34,37%	50,54%	85,28%	34,26%



## SASVIM LIČNO

“SASVIM LIČNO” je scenarij koji kroz dokumentarističko-igranu formu obuhvata period od 47 godina.

(1958 – 2003.)

Naime, toliko godina (u ovom momentu) ima scenarista i reditelj ovog filma.

To je «dovoljan» vremenski period da autor zapamti vrijeme komunizma, socijalizma ili titoizma, kako god hoćete.

To je dovoljan period da autor zapamti i vrijeme rata i vrijeme poslije rata u Bosni, kada socijalizma više nije bilo.

Ove (historijske) periode autor prolazi kroz sasvim ličnu dioptriju, ograničavajući svoje obzorje na porodicu, prijatelje.

Ponirući u zrnca vlastitog iskustva, autor, hronologijom odrastanja, slaže male filmske vinjete, strukturirajući priču satkanu od sjećanja, promišljanja i zapažanja, i situiranu u različite historijske i socijalne kontekste...

## TOTALLY PERSONAL

The film «Totally Personal» is a film that – using a conceptual form - covers the life span of 47 years (1958 – 2003).

Namely, that is the age (at this point in time) of the script-writer and director of the film.

It is a “sufficient” time for the author to have remembrances about the childhood, about growing up in the times of Communism, Socialism or Titoism, whichever way you want to put it.

It is also a sufficient time for the author to be capable of recalling the time before and after the war in Bosnia and Herzegovina, when the Socialism was no longer, and when everything changed.

The author covers these historical periods through a very personal lens by limiting himself to portrayal of his family, friends and micro events.

Delving deep into his innermost self and following the chronology of his growing up, the author composes small film vignettes thereby structuring the story composed of reminiscences, thoughts and observations, and situated in different historical and social contexts...



Jihlava International Film Festival 2006  
Nedžad Begović - Najbolji dokumentarni film  
**Sasvim lično**



Bosna RE

## 6. FINANCIJSKI POKAZATELJI

Bilans stanja i Bilans uspjeha za poslovnu 2006. godinu sačinjeni su na osnovu zakona o osiguranju, Zakona o računovodstvu i Kodeksa računovodstvenih načela i Računovodstvenih standarda. Neovisna revizorska kuća Deloitte d.o.o. iz Sarajeva izvršila je reviziju finansijskih izvještaja i dala svoje neovisno revizorsko mišljenje, koje je sastavni dio bilansnih izvještaja.

Osnovna načela odnosno pravila i metode ocjenjivanja bilansnih pozicija koja su primjenjivana u poslovanju u protekloj godini su :

- » Materijalna i nematerijalna stalna sredstva vode se po nabavnoj vrijednosti.
- » Amortizacija se obračunava po linearnoj metodi, uz primjenu Odluke Vlade Federacije BiH, kao i odluke Uprave Društva.
- » Revalorizacija stalnih sredstava, potraživanja i obaveza nisu vršene jer je indeks cijena proizvođača industrijskih proizvoda ispod 10%.
- » Potraživanje i obaveze iz inostranstva kursiraju se po srednjem kursu na dan 31.12.2006. godine.
- » Ispravka vrijednosti potraživanja vrši se za potraživanja starija od godinu dana u skladu sa međunarodnim računovodstvenim standardom.

U narednoj tabeli dan je pregled ostvarenja ukupnog prihoda, ukupnog rashoda te bruto i neto dobiti za 2006. godinu. Ostvareni ukupan prihod u 2006. godini iznosi KM 51.02 miliona, što je za 3,41% više u odnosu na plan za 2006. godinu, odnosno manje za 6,81% od ostvarenja u prethodnoj godini.

### STANJE PRIHODA I RASHODA ZA 2006. GODINU

	Ostvarenje / Realization 31.12.2005	Plan za / Plan for 2006	Ostvarenje / Realization 2006	3/1	3/2
	1	2	3	4	5
Ukupno prihodi / Total income	54,756,119.14	49,345,000.00	51,026,064.44	93.19	103.41
Ukupno rashodi / Total expenses	52,206,811.52	47,844,000.00	48,053,754.29	92.04	100.44
Bruto dobit / Gross profit	2,549,307.62	1,501,000.00	2,972,310.15	116.59	198.02
Porez na dobit / Income tax	490,083.03		453,124.90		
<b>Neto dobit / Net Profit</b>	<b>2,059,224.59</b>		<b>2,519,185.25</b>	<b>122.34</b>	<b>0.00</b>

## 6. FINANCIAL INDICATORS

Balance sheet and Profit and Loss Account for 2006 business year are made in accordance to the Insurance Law, Accounting Law and Code of Accounting Principles and Accounting Standards. Independent Auditors Deloitte d.o.o. Sarajevo audited financial statements and issued its independent auditors report that is incorporated in balance statements.

Basic principles, rules and methods of valuation of balance items applied in business operation last year were:

- » Tangible and non-tangible assets are recorded at their purchase value.
- » Depreciation is calculated per linear method, applying the Decision by Government of Federation BH and decision of the Management of the Company.
- » Revaluation of permanent assets, receivables and liabilities has not been done as price index of manufacturers of industrial products was lower than 10%.
- » Receivables and liabilities from abroad are converted under the average rate of exchange as at 31.12.2006.
- » Correction of the value of receivables is made for receivables older than one year in accordance with international accounting standard.

Following table presents overview of total income, total expenses and gross and net profit for 2006. Realized total income in 2006 amounts to KM 51.02 million, which is for 3,41% more compared to plan for 2006, but 6,81% less than realization in previous year.

### STATEMENT OF INCOME AND EXPENSES FOR 2006

Premija reosiguranja čini 58,66% ukupnog prihoda i iznosi KM 29.93 miliona. Štete po osnovu retrocesije su u visini od KM 7.13 miliona i čine 13,98% ukupnog prihoda. Provizija reosiguranja dobivena po osnovu retrocesije predstavlja 10,01% ukupnog prihoda i veća je za 3,78% od one koja je ostvarena u prethodnoj godini. Smanjenje rezervisanja i prenosnih premija čini KM 2.58 miliona, odnosno 5,07% ukupnog prihoda.

Ostali prihodi čine čak 17,33% ukupnog prihoda.

Ukupni rashodi reosiguranja u 2006. godini iznose KM 48,05 miliona i za 0,44% su manja od planiranih, tj. 7,96% manji u odnosu na rashode ostvarene u 2005. godini. Najveći udio u strukturi rashoda, 43,35% imaju rashodi po osnovu plaćene premije retrocesije u visini od KM 20.83 miliona. Plaćene štete reosiguranja od KM 14.08 miliona čine 29,31% ukupnih rashoda. Dio od 11,25% ukupnog rashoda čine plaćene provizije reosiguranja. Tehnička rezervisanja učestvuju sa 8,95% ukupnog prihoda. Svi ostali troškovi, uključujući i amortizaciju čine preostalih 7,12% ukupnog prihoda, od čega na plaće i ostale naknade otpada 2,85% što je niže u odnosu na ostvarenje u 2005. godini.

Bruto dobit za 2006. godinu iznosi KM 2.972.315,15 što je za 16,59% više u odnosu na ostvarenje u prethodnoj godini.

Porez iz dobiti je KM 453.124,90 i rezultat je poreskog bilansa koji je sačinjen u skladu sa Zakonom o porezu na dobit.

Neto dobit iznosi KM 2.519.185,25 i za 22,34% je veća u odnosu na dobit ostvarenu prethodne godine. Raspored neto dobiti bit će izvršen odlukom Skupštine, a na prijedlog NO Bosna RE.

Naredne tabele predstavljaju finansijske pokazatelje revidirane od strane revizijske kuće Deloitte, čije mišljenje je u prilogu.

Reinsurance premium makes 58,66% of total income and amounts KM 29.93 million. Losses from retrocession amounts to KM 7.13 million and make 13,98% of total income. Reinsurance commission on basis of retrocession represents 10,01% of total income and is for 3,78% higher than the one realized in previous year. Reduction of outstandings and unearned premium makes KM 2.58 million, or 5,07% of total income.

Other income makes 17,33% of total income.

Total reinsurance expenses in 2006 amount KM 48,05 million and are for 0,44% less than planned, i.e. are for 7,96% lower than the expenses realized in 2005. The largest participation in structure of expense, 43,35%, has expenses for paid retrocession premium amounting KM 20.83 million. Paid reinsurance losses of KM 14.08 million make 29,31% of total expenses. Paid reinsurance commissions constitute 11,25% of total expenses. Technical provisions participate with 8,95% of total income. All other expenses, including depreciation, make the rest 7,12% of total income, out of which salaries and fees make for 2,85% which is lower than realization in 2005.

Gross profit for 2006 amounts KM 2.972.315,15 that is 16,59% more than realization in previous year.

Income tax is KM 453.124,90 and is a result of tax balance made in accordance to the Income Tax Law.

Net profit amounts KM 2.519.185,25 and is for 22,34% higher than the profit realized in previous year. Distribution of net profit will be made by the decision of the Assembly upon proposal of the Supervisory Board of Bosna RE.

The following tables present financial indicators audited by external auditor Deloitte that has issued the following opinion:







## DIONIČARIMA BOSNA REOSIGURANJE D.D. SARAJEVO:

### Izvještaj nezavisnog revizora

Obavili smo reviziju finansijskih izvještaja Bosna Reosiguranje d.d. Sarajevo (u daljnjem tekstu: "Društvo"), prikazanih na stranama 3 do 27 koji se sastoje od bilansa stanja na dan 31. decembra 2006. godine, bilansa uspjeha, izvještaja o promjenama na kapitalu i izvještaja o novčanim tokovima za godinu koja je tada završila, te sažetog prikaza značajnih računovodstvenih politika i drugih napomena uz finansijske izvještaje.

### Odgovornost uprave za finansijske izvještaje

Uprava je odgovorna za pripremanje i fer prezentiranje priloženih finansijskih izvještaja u skladu sa Međunarodnim standardima finansijskog izvještavanja. Odgovornosti Uprave obuhvataju: dizajniranje, uspostavljanje i održavanje internih kontrola vezanih za pripremanje i fer prezentiranje finansijskih izvještaja koji ne sadrže materijalno značajne pogreške, bilo zbog prevare ili grešaka; odabir i dosljednu primjenu odgovarajućih računovodstvenih politika; te davanje razboritih računovodstvenih procjena u datim uvjetima.

### Odgovornost revizora

Naša je odgovornost izraziti nezavisno mišljenje o priloženim finansijskim izvještajima na temelju naše revizije. Reviziju smo obavili u skladu sa Međunarodnim revizijskim standardima. Navedeni standardi zahtijevaju da postupamo u skladu s etičkim pravilima te da reviziju planiramo i obavimo kako bismo se u razumnoj mjeri uvjerali da finansijski izvještaji ne sadrže materijalno značajne pogreške.

Revizija uključuje primjenu postupaka kojima se prikupljaju revizijski dokazi o iznosima i drugim podacima objavljenim u finansijskim izvještajima. Odabir postupaka zavisi od prosudbe revizora, uključujući i procjenu rizika materijalno značajnog pogrešnog prikaza finansijskih izvještaja, bilo kao posljedica prevare ili pogreške. U procjenjivanju rizika, revizor procjenjuje interne kontrole koje su relevantne za sastavljanje te objektivno prezentiranje finansijskih izvještaja kako bi odredio revizijske postupke primjerene datim okolnostima, a ne kako bi izrazio mišljenje o učinkovitosti internih kontrola u Društvu. Revizija također uključuje i ocjenjivanje primjerenosti primijenjenih računovodstvenih politika te značajnih procjena Uprave, kao i prikaza finansijskih izvještaja u cjelini.

Uvjereni smo da su revizijski dokazi koje smo prikupili dostatni i primjereni kao osnova za izražavanje našeg mišljenja.

### Neslaganje sa Računovodstvenim politikama—Neodgovarajuća računovodstvena metoda— Kvalifikovano mišljenje

Kao što je objašnjeno u napomenama 2., 13. i 14., Društvo ima podružnice i pridružena pravna lica, i u skladu sa Međunarodnim standardima finansijskog izvještavanja obavezno je pripremati konsolidirane finansijske izvještaje. Kao što je opisano u napomeni 2 uz finansijske izvještaje, Društvo nije pripremila konsolidovane finansijske izvještaje. Ulaganja u podružnice i pridružena pravna lica knjižena su po trošku sticanja, umanjena za umanjene vrijednosti, ukoliko postoji, a prihodi od dividendi priznaju se po nastanku. Da su priloženi finansijski izvještaji pripremljeni u skladu sa Međunarodnim standardima finansijskog izvještavanja, MRS 27 "Konsolidovani i odvojeni finansijski izvještaji" i MRS 28, "Ulaganja u pridružena pravna lica" ukupna imovina na dan 31. decembra 2006. godine bi bila uvećana za 7.034 hiljada KM, ukupne obaveze bi bile uvećane za 1.820 hiljada KM, zadržana dobit za 5.214 hiljada KM, a neto dobit za godinu koja je tada završila za 1.228 hiljada KM.

### Mišljenje

Po našem mišljenju, izuzev za efekte kako je navedeno u prethodnom paragrafu, priloženi finansijski izvještaji prikazuju objektivno u svim materijalnim stavkama finansijski položaj Društva na dan 31. decembra 2006. godine, te rezultate njegovog poslovanja i promjene u novčanom toku za godinu koja je tada završila u skladu sa Međunarodnim standardima finansijskog izvještavanja.

Deloitte d.o.o.

Sarajevo, 23. februara 2007. godine

## TO THE SHAREHOLDERS OF BOSNA REOSIGURANJE D.D. SARAJEVO

### Independent Auditor's Report

We have audited the accompanying financial statements of Bosna Reosiguranje d.d. Sarajevo ("the Company"), set out on pages 3 to 27, which comprise the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company'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 financial statements.

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

### Disagreement on Accounting Policies—Inappropriate Accounting Method—Qualified Opinion

As disclosed in the Notes 2, 13 and 14, the Company has subsidiaries and associates and is required by International Financial Reporting Standards to prepare consolidated financial statements. As described in Note 2 to the financial statements, the Company has not prepared consolidated financial statements. Investments in subsidiaries and associates are recorded at cost, less impairment losses, if any, and income is recognized when dividends from the subsidiaries and associates are receivable. Should the attached financial statements be prepared in accordance with International Financial Reporting Standards, IAS 27, "Consolidated Financial Statements and Accounting for Investments in Subsidiaries" and IAS 28, "Investments in Associates" it would appear that as at 31 December 2006 total assets would be increased by KM 7,034 thousand, total liabilities would be increased by KM 1,820 thousand, retained earnings by KM 5,214 thousand and the net profit for the year then ended by KM 1,228 thousand.

### Opinion

In our opinion, except for the effects on the financial statements of the matters referred to in the preceding paragraph, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2006, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Deloitte d.o.o.  
Sarajevo, 23 February 2007



**BOSNA REOSIGURANJE D.D. SARAJEVO****BILANS USPJEHA****ZA GODINU KOJA JE ZAVRŠILA 31. DECEMBRA 2006.**

(svi iznosi su izraženi u KM)

	Napomena	2006.	2005. Izmijenjeno
Prihodi od reosiguranja	4	30.103,376	28.533,907
Prihod od premije ustupljen reosiguravatelju, neto	4	(20.899.485)	(17.108.941)
<b>Neto prihod od premije</b>		<b>9.203.891</b>	<b>11.424.966</b>
Štete i troškovi po reosiguranju	5	(19.032.168)	(39.926.997)
Štete i troškovi po reosiguranju pokriveni od reosiguravatelja, neto	5	9.751.190	31.546.822
<b>Neto troškovi šteta</b>		<b>(9.280.978)</b>	<b>(8.380.175)</b>
Prihod od provizije		5.045.327	4.788.695
Troškovi provizije		(5.517.379)	(6.083.635)
<b>Neto troškovi provizija</b>		<b>(472.052)</b>	<b>(1.294.940)</b>
<b>Neto (gubitak) / prihod od osiguranja</b>		<b>(549.139)</b>	<b>1.749.851</b>
Prihod od ulaganja	6	4.848.444	3.036.017
Ostali operativni prihodi	7	1.401.393	292.329
Prodajni, administrativni i ostali operativni troškovi	8	(2.690.648)	(2.559.408)
(Negativne) / pozitivne kursne razlike, neto		(37.740)	30.519
<b>Dobit prije oporezivanja</b>		<b>2.972.310</b>	<b>2.549.308</b>
Porez na dobit	9	(453.125)	(490.083)
<b>Neto dobit</b>		<b>2.519.185</b>	<b>2.059.225</b>
<b>Zarada po dionici</b>	<b>10</b>	<b>652,91</b>	<b>532,24</b>

**4. PRIHODI OD REOSIGURANJA**

	2006.	2005.
Prihod od reosiguranja u zemlji	24.969.618	22.566.433
Prihod od reosiguranja u inostranstvu	4.962.728	7.597.163
Povećanje ispravke za nenaplaćena potraživanja	(166.445)	(970.352)
Promjene na prenosnim premijama	337.475	(659.337)
Prihod od reosiguranja ostvaren po izdatim ugovorima o reosiguranju	30.103.376	28.533.907
Prihod od premije ustupljene reosiguravatelju	(20.833.435)	(16.930.545)
Promjene na prenosnim premijama prenesenim reosiguravatelju	(66.050)	(178.396)
Premije reosiguranja prenesene reosiguravatelju	(20.899.485)	(17.108.941)
	<b>9.203.891</b>	<b>11.424.966</b>



**BOSNA REOSIGURANJE D.D. SARAJEVO****INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2006**

(All amounts are expressed in KM)

	Notes	2006	2005 Restated
Reinsurance premium revenue	4	30.103,376	28.533,907
Reinsurance premium ceded to reinsurers, net	4	(20.899.485)	(17.108.941)
<b>Net reinsurance premium revenue</b>		<b>9.203.891</b>	<b>11.424.966</b>
Reinsurance claims and loss adjustment expenses	5	(19.032.168)	(39.926.997)
Reinsurance claims recovered from reinsurers, net	5	9.751.190	31.546.822
<b>Net claims and loss adjustment expenses</b>		<b>(9.280.978)</b>	<b>(8.380.175)</b>
Commission income		5.045.327	4.788.695
Commission expenses		(5.517.379)	(6.083.635)
<b>Net commissions</b>		<b>(472.052)</b>	<b>(1.294.940)</b>
<b>Net income from insurance</b>		<b>(549.139)</b>	<b>1.749.851</b>
Investment income	6	4.848.444	3.036.017
Other operating income	7	1.401.393	292.329
Sales, administrative and other operating expenses	8	(2.690.648)	(2.559.408)
Foreign exchange (losses) gains		(37.740)	30.519
<b>Profit before tax</b>		<b>2.972.310</b>	<b>2.549.308</b>
Income tax expense	9	(453.125)	(490.083)
<b>Net profit</b>		<b>2.519.185</b>	<b>2.059.225</b>
<b>Earning per share</b>	<b>10</b>	<b>652,91</b>	<b>532,24</b>

**4. NET REINSURANCE PREMIUM**

	2006	2005
Reinsurance premium, domestic	24.969.618	22.566.433
Reinsurance premium, foreign	4.962.728	7.597.163
Increase in allowance for impairment of receivables	(166.445)	(970.352)
Change in the unearned premium provision	337.475	(659.337)
Premium revenue arising from the insurance contracts issued	30.103.376	28.533.907
Reinsurance premium ceded to reinsurers	<b>(20.833.435)</b>	<b>(16.930.545)</b>
Change in the unearned premium provision ceded to reinsurers	(66.050)	(178.396)
Reinsurance premium ceded to reinsurers, net	(20.899.485)	(17.108.941)
	<b>9.203.891</b>	<b>11.424.966</b>



**5. ŠTETE I TROŠKOVI PO REOSIGURANJU**

	<b>2006.</b>	<b>2005.</b>
Štete i troškovi po reosiguranju u zemlji	11.530.780	12.607.807
Štete i troškovi po reosiguranju u inostranstvu	2.554.198	6.869.769
Promjene ispravke rezerve za nastale štete	3.209.914	6.460.716
Promjene ispravke rezerve za nastale a neprijavljene štete	1.737.276	13.988.705
Štete i troškovi po reosiguranju pokriveni od reosiguravatelja	19.032.168	39.926.997
Štete i troškovi pokriveni od reosiguravatelja	(7.137.045)	(15.408.344)
Promjene ispravke rezerve za nastale štete	<b>(3.141.941)</b>	<b>(5.008.716)</b>
Promjene ispravke rezerve za nastale a neprijavljene štete	527.796	(11.129.762)
Štete i troškovi po reosiguranju pokriveni od reosiguravatelja, neto	(9.751.190)	(31.546.822)
	<b>9.280.978</b>	<b>8.380.175</b>

**6. PRIHOD OD ULAGANJA**

	<b>2006.</b>	<b>2005.</b>
Prihod po investicijskom ugovoru	3.971.086	-
Kamata na bankarski depozit	576.267	333.156
Dividende	219.571	50.537
Smanjenje ispravke za umanjenje vrijednosti zajmova	81.520	34.388
Prihod od prodaje ulaganja	-	2.617.936
	<b>4.848.444</b>	<b>3.036.017</b>

**7. OSTALI OPERATIVNI PRIHODI**

	<b>2006.</b>	<b>2005.</b>
Naplaćena otpisana potraživanja	1.023.367	-
Najamnina	152.445	139.345
Prihod od prodaje nekretnina, postrojenja i opreme, neto	142.590	13.044
Ostalo	82.991	139.940
	<b>1.401.393</b>	<b>292.329</b>



**5. REINSURANCE CLAIMS AND LOSS ADJUSTMENT EXPENSES**

	<b>2006</b>	<b>2005</b>
Reinsurance claims and loss adjustment expenses, domestic	11.530.780	12.607.807
Reinsurance claims and loss adjustment expenses, foreign	2.554.198	6.869.769
Change in the provision for incurred but not reported claims	3.209.914	6.460.716
Change in the provision for reported but not settled claims	1.737.276	13.988.705
Reinsurance claims arising from the insurance contracts issued	19.032.168	39.926.997
Reinsurance claims recovered from reinsurers	(7.137.045)	(15.408.344)
Change in the provision for incurred but not reported claims	(3.141.941)	(5.008.716)
Change in the provision for reported but not settled claims	527.796	(11.129.762)
Reinsurance claims recovered from reinsurers, net	(9.751.190)	(31.546.822)
	<b>9.280.978</b>	<b>8.380.175</b>

**6. INVESTMENT INCOME**

	<b>2006</b>	<b>2005</b>
Investment contract income	3.971.086	-
Interest on bank deposits	576.267	333.156
Dividends	219.571	50.537
Decrease in allowance for impairment of loans	81.520	34.388
Income from sale of investments	-	2.617.936
	<b>4.848.444</b>	<b>3.036.017</b>

**7. OTHER OPERATING INCOME**

	<b>2006</b>	<b>2005</b>
Collected written off receivables	1.023.367	-
Rent	152.445	139.345
Gain on disposal of property, plant and equipment, net	142.590	13.044
Other	82.991	139.940
	<b>1.401.393</b>	<b>292.329</b>



**8. ADMINISTRATIVNI I OPŠTI TROŠKOVI**

	<b>2006.</b>	<b>2005.</b>
Plaće i naknade	1.026.125	1.007.650
Usluge	255.280	279.376
Naknade radnicima i Upravi	252.145	296.444
Amortizacija	249.052	256.476
Porezi koji ne ovise o rezultatu	170.292	151.023
Premije osiguranja	156.399	120.799
Naknade radnicima (topli obrok i prijevoz)	108.815	104.209
Članarine	70.759	68.714
Reklama i reprezentacija	65.681	68.422
Održavanje	58.934	97.089
Materijal i energija	49.760	67.422
Troškovi platnog prometa	38.631	29.322
Donacije	19.700	11.080
Ostali troškovi	169.075	1.382
	<b>2.690.648</b>	<b>2.559.408</b>

**9. POREZ NA DOBIT**

Svođenje dobiti iskazane u bilansu uspjeha na oporezivu dobit može se prikazati kako slijedi:

	<b>2006.</b>	<b>2005.</b>
Dobit prije oporezivanja	2.972.310	2.549.308
Porezni učinak nepriznatih rashoda	180.079	88.681
Dividende i udjeli u dobiti na koje je plaćen porez na dobit	(29.459)	(21.983)
Izdvajanje u rezerve	(445.847)	(382.396)
Ukupno oporeziva dobit	2.677.083	2.233.610
Porez na dobit u zemlji po stopi od 30%	803.125	670.083
Umanjenje poreske obaveze na osnovu reinvestiranja u nekretnine, postrojenja i opremu	(350.000)	(180.000)
Trošak poreza na dobit za godinu	453.125	490.083
Efektivna poreska stopa za godinu	15,24%	19,22%

**ZARADA PO DIONICI**

	<b>2006.</b>	<b>2005.</b>
Neto dobit	2.519.185	2.059.225
Ponderisani broj redovnih dionica za izračunavanje dobiti po dionici	3.858	3.869
<b>Zarada po dionici</b>	<b>652,91</b>	<b>532,24</b>





**8. SALES, ADMINISTRATIVE AND OTHER OPERATING EXPENSES**

	<b>2006</b>	<b>2005</b>
Salaries	1.026.125	1.007.650
Services	255.280	279.376
Employee and management compensation	252.145	296.444
Depreciation	249.052	256.476
Taxes	170.292	151.023
Insurance premiums	156.399	120.799
Other employee benefits (meal allowance and transportation)	108.815	104.209
Memberships	70.759	68.714
Advertising and entertainment	65.681	68.422
Maintenance	58.934	97.089
Material and energy	49.760	67.422
Bank fees	38.631	29.322
Donations	19.700	11.080
Other	169.075	1.382
	<b>2.690.648</b>	<b>2.559.408</b>

**9. INCOME TAX EXPENSE**

The taxable income can be reconciled to the profit per the income statement as follows:

	<b>2006</b>	<b>2005</b>
Profit before income tax	2.972.310	2.549.308
Tax effect of non-recognized expenses	180.079	88.681
Dividends and portion in profit for which taxes have been paid	(29.459)	(21.983)
Income allocation to reserves	(445.847)	(382.396)
Total taxable profit	2.677.083	2.233.610
Income tax at 30%	803.125	670.083
Income tax relief from investment in property, plant and equipment	(350.000)	(180.000)
Tax expense for the year	453.125	490.083
Effective tax rate for the year	15,24%	19,22%

**EARNINGS PER SHARE**

	<b>2006</b>	<b>2005</b>
Net profit	2.519.185	2.059.225
Weighted average number of ordinary shares for the purposes of calculating earnings per share	3.858	3.869
<b>Earnings per share</b>	<b>652,91</b>	<b>532,24</b>



**BOSNA REOSIGURANJE D.D. SARAJEVO****BILANS STANJA****NA DAN 31. DECEMBRA 2006.**

(svi iznosi su izraženi u KM)

	2006.	2005. Izmijenjeno
<b>IMOVINA</b>		
<b>Dugoročna imovina</b>		
Nekretnine, postrojenja i oprema	792.517	1.065.511
Ulaganja u nekretnine	1.033.960	1.085.422
Ulaganja u podružnice	184.720	14.270
Ulaganja u pridružena pravna lica	3.175.975	3.044.405
<b>Finansijska imovina</b>		
Vlasnički instrumenti		
Ulaganja raspoloživa za prodaju	2.537.903	2.395.501
Dužnički instrumenti		
Imovina u posjedu do dospelja	10.531.539	8.774.764
Kredit	1.360.000	233.341
Potraživanja po osnovu reosiguranja (udio reosiguravatelja u obavezama po poslovima reosiguranja)	30.571.220	28.023.126
Potraživanja po osnovu premija reosiguranja i za štete pokrivene od strane reosiguravatelja	9.908.913	11.493.000
Ostala potraživanja	956.532	96.484
Novac i novčani ekvivalenti	7.801.881	6.100.085
<b>UKUPNO IMOVINA</b>	<b>68.855.160</b>	<b>62.325.928</b>
<b>KAPITAL I OBAVEZE</b>		
Dionički kapital	5.029.700	5.029.700
Vlastite dionice	(18.200)	-
Rezerve sigurnosti	6.495.633	4.949.081
Zadržana dobit	2.699.185	2.179.225
	14.206.318	12.158.006
<b>OBAVEZE</b>		
Obaveze po poslovima reosiguranja	45.954.468	41.344.753
Obaveze po osnovu premija reosiguranja i udjela u štetama	6.508.313	6.197.418
Ostale obaveze	2.186.061	2.625.751
	54.648.842	50.167.922
<b>UKUPNO KAPITAL I OBAVEZE</b>	<b>68.855.160</b>	<b>62.325.928</b>



**BOSNA REOSIGURANJE D.D. SARAJEVO****BALANCE SHEET****AS AT 31 DECEMBER 2006**

(All amounts are expressed in KM)

	2006	2005 Restated
<b>Non-current assets</b>		
Property, plant and equipment	792.517	1.065.511
Investments in property	1.033.960	1.085.422
Investments in subsidiaries	184.720	14.270
Investments in associates	3.175.975	3.044.405
<b>Financial assets</b>		
Equity instruments		
Available for sale	2.537.903	2.395.501
Debt instruments		
Held to maturity	10.531.539	8.774.764
Loans	1.360.000	233.341
Reinsurance assets (reinsurers' share of reinsurance liabilities)	30.571.220	28.023.126
Reinsurance premium receivables and for claims recovered from reinsurers	9.908.913	11.493.000
Other receivables	956.532	96.484
Cash and cash equivalents	7.801.881	6.100.085
<b>TOTAL ASSETS</b>	<b>68.855.160</b>	<b>62.325.928</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	5.029.700	5.029.700
Treasury shares	(18.200)	-
Safety reserves	6.495.633	4.949.081
Retained earnings	2.699.185	2.179.225
	14.206.318	12.158.006
<b>LIABILITIES</b>		
Reinsurance liabilities	45.954.468	41.344.753
Reinsurance premium and claims payables	6.508.313	6.197.418
Other liabilities	2.186.061	2.625.751
	54.648.842	50.167.922
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>68.855.160</b>	<b>62.325.928</b>



<b>NEKRETNINE, POSTROJENJA I OPREMA</b>						
	Zemljište	Zgrade	Oprema i namještaj	Računarska oprema	Softver	Ukupno
<b>NABAVNA VRIJEDNOST</b>						
Stanje 31. decembra 2005.	4.630	1.331.379	695.626	177.655	297.444	2.506.734
Povećanja	-	-	138.448	13.795	35.609	187.852
Rashodovanja	-	(320.000)	(120.084)	(12.830)	-	(452.914)
Stanje 31. decembra 2006.	4.630	1.011.379	713.990	178.620	333.053	2.241.672
<b>ISPRAVKA VRIJEDNOSTI</b>						
Stanje 31. decembra 2005.	-	556.818	569.789	114.375	200.241	1.441.223
Trošak amortizacije	-	41.927	74.827	41.741	39.076	197.571
Rashodovanja	-	(57.000)	(119.809)	(12.830)	-	(189.639)
Stanje 31. decembra 2006.	-	541.745	524.807	143.286	239.317	1.449.155
<b>NETO KNJIGOVODSTVENA VRIJEDNOST</b>						
Stanje 31. decembra 2006.	4.630	469.634	189.183	35.334	93.736	792.517
Stanje 31. decembra 2005.	4.630	769.639	125.837	63.280	97.203	1.060.589

<b>ULAGANJA U PRIDRUŽENA PRAVNA LICA</b>					
Ulaganja u pridružena pravna lica prema trošku je kako slijedi:					
Naziv kompanije	Datum izvještavanja	Djelatnost	Kapital i pravo glasa %	2006.	2005. Izmijenjeno
DUF Prof-in d.o.o., Sarajevo	31. decembar	Društvo za upravljanje fondovima	35,03	589.138	460.415
Triglav BH osiguranje d.d. Sarajevo	31. decembar	Osiguranje	28,59	1.282.490	1.282.490
Sarajevostan d.d., Sarajevo	31. decembar	Održavanje stambenih objekata	21,54	1.304.347	1.301.500
				<b>3.175.975</b>	<b>3.044.405</b>

<b>ULAGANJA RASPOLOŽIVA ZA PRODAJU</b>				
Naziv kompanije	Osnovna djelatnost	Udio u vlasništvu %	2006.	2005. Izmijenjeno
Sarajevo osiguranje d.d. Sarajevo	Osiguranje	1,45	660.408	660.408
Bosna osiguranje d.d., Sarajevo	Osiguranje	13,75	418,400	418,400
PIF Prof plus d.d., Sarajevo	Privatizacijski investicioni fond	2,42	968,524	826,425
Lido osiguranje d.d., Tuzla	Osiguranje	5,18	145,160	145,160
Croatia Lloyd d.d., Zagreb, Hrvatska	Društvo za reosiguranje	0,34	106,434	106,129
ABS banka d.d., Sarajevo	Bankarstvo	0,08	12,000	12,000
PBS d.d., Sarajevo	Bankarstvo	0,00	8,700	8,700
Sava reosiguranje d.d., Ljubljana, Slovenija	Društvo za reosiguranje	0,001	3,428	3,430
Union banka d.d., Sarajevo	Bankarstvo	0,62	210,580	210,580
Cony d.o.o., Beograd, Srbija	Trgovačko društvo	0,43	4.269	4.269
			<b>2,537,903</b>	<b>2,395,501</b>

**PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings	Equipment & furniture	Computer equipment	Software	Total
<b>COST OR VALUATION</b>						
At 31 December 2005-Restated	4.630	1.331.379	695.626	177.655	297.444	2.506.734
Additions	-	-	138.448	13.795	35.609	187.852
Disposals	-	(320.000)	(120.084)	(12.830)	-	(452.914)
At 31 December 2006	4.630	1.011.379	713.990	178.620	333.053	2.241.672
<b>ACCUMULATED DEPRECIATION</b>						
At 31 December 2005-Restated	-	556.818	569.789	114.375	200.241	1.441.223
Depreciation	-	41.927	74.827	41.741	39.076	197.571
Disposals	-	(57.000)	(119.809)	(12.830)	-	(189.639)
At 31 December 2006	-	541.745	524.807	143.286	239.317	1.449.155
<b>CARRYING AMOUNT</b>						
At 31 December 2006	4.630	469.634	189.183	35.334	93.736	792.517
At 31 December 2005	4.630	769.639	125.837	63.280	97.203	1.060.589

**INVESTMENTS IN ASSOCIATES**

The Company's investment in its associates at cost is as follows:

Company name	Reporting Date	Business	Equity and Voting Interest	2006	2005 Restated
DUF Prof-in d.o.o., Sarajevo	31 December	Privatization fund managing company	35,03	589.138	460.415
Triglav BH osiguranje d.d. Sarajevo	31 December	Insurance	28,59	1.282.490	1.282.490
Sarajevostan d.d., Sarajevo	31 December	Housing service	21,54	1.304.347	1.301.500
				<b>3.175.975</b>	<b>3.044.405</b>

**AVAILABLE FOR SALE**

Company name	Principal activity	Proportion of ownership	2006	2005 Restated
Sarajevo osiguranje d.d. Sarajevo	Insurance	1,45	660.408	660.408
Bosna osiguranje d.d., Sarajevo	Insurance	13,75	418,400	418,400
PIF Prof plus d.d., Sarajevo	Privatization investment fund	2,42	968,524	826,425
Lido osiguranje d.d., Tuzla	Insurance	5,18	145,160	145,160
Croatia Lloyd d.d., Zagreb, Croatia	Reinsurance	0,34	106,434	106,129
ABS banka d.d., Sarajevo	Banking	0,08	12,000	12,000
PBS d.d., Sarajevo	Banking	0,00	8,700	8,700
Sava reosiguranje d.d., Ljubljana, Slovenia	Reinsurance	0,001	3,428	3,430
Union banka d.d., Sarajevo	Banking	0,62	210,580	210,580
Cony d.o.o., Beograd, Serbia	Limited company	0,43	4.269	4.269
			<b>2,537,903</b>	<b>2,395,501</b>

**FINANSIJSKA IMOVINA KOJA SE DRŽI DO DOSPIJEĆA**

	<b>2006.</b>	<b>2005.</b>
Dugoročni depoziti		
Raiffeisen bank d.d. BiH Sarajevo, dospijeva u 2009. god., kamatna stopa 4,80% p.a (2005, 5,2%)	2,991,679	2,991,679
UPI banka d.d. Sarajevo, dospijeva u 2007. god., kamatna stopa 5,00% p.a	2,599,885	2,599,885
UPI banka d.d. Sarajevo, dospijeva u 31. decembra 2006. god., kamatna stopa 2,80% p.a	1.170.026	-
Raiffeisen Bank d.d. BiH Sarajevo, dospijeva 2009. god., kamatna stopa 4,80% p.a. (2005. 5,45%)	654,000	654,000
Raiffeisen Bank d.d. BiH Sarajevo, dospijeva 2009. god., kamatna stopa 4,80% p.a. (2005. 5,45%)	85,000	85,000
UPI banka d.d. Sarajevo, dospijeva 2007. god., kamatna stopa 4,50% p.a	600.000	600,000
Raiffeisen Bank d.d. BiH Sarajevo, dospijeva 2007. god., kamatna stopa 4,80% p.a. (2005. 5,45%)	573,000	573,000
UPI banka d.d. Sarajevo, dospijeva 2008. god., kamatna stopa 5.20% p.a.	400,000	400,000
UPI banka d.d. Sarajevo, dospijeva 2008. god., kamatna stopa 5.00% p.a.	340,000	340,000
UPI banka d.d. Sarajevo, dospijeva 2007. god., kamatna stopa 5.20% p.a.	300,000	300,000
UPI banka d.d. Sarajevo, dospijeva 2009. god., kamatna stopa 3.00% p.a.	231.200	231,200
Hypo-Alpe-Adria Bank d.d. Mostar, dospijeva 2008. god., kamatna stopa 5.20% p.a.	586.749	-
	<b>10.531.539</b>	<b>8.774.764</b>



**FINANCIAL ASSETS HELD TO MATURITY**

	<b>2006</b>	<b>2005</b>
Non-current deposits		
Raiffeisen Bank d.d. BiH Sarajevo, matures in 2009, bearing interest at the rate of 4.80% p.a. (2005, 5.20%)	2,991,679	2,991,679
UPI banka d.d. Sarajevo, matures in 2007, bearing interest at the rate of 5.00% p.a.	2,599,885	2,599,885
UPI banka d.d. Sarajevo, maturity 31 December 2006, bearing interest at the rate of 2.80%	1.170.026	-
Raiffeisen Bank d.d. BiH Sarajevo, matures in 2009, bearing interest at the rate of 4.80% p.a. (2005, 5.45%)	654,000	654,000
Raiffeisen Bank d.d. BiH Sarajevo, matures in 2009, bearing interest at the rate of 4.80% p.a. (2005, 5.45%)	85,000	85,000
UPI banka d.d. Sarajevo, matures in 2007, bearing interest at the rate of 4.50% p.a.	600.000	600,000
Raiffeisen Bank d.d. BiH Sarajevo, matures in 2007, bearing interest at the rate of 4.80% p.a. (2005, 5.45%)	573,000	573,000
UPI banka d.d. Sarajevo, matures in 2008, bearing interest at the rate of 5.20% p.a.	400,000	400,000
UPI banka d.d. Sarajevo, matures in 2008, bearing interest at the rate of 5.00% p.a.	340,000	340,000
UPI banka d.d. Sarajevo, matures in 2007, bearing interest at the rate of 5.20% p.a.	300,000	300,000
UPI banka d.d. Sarajevo, matures in 2009, bearing interest at the rate of 3.00% p.a.	231.200	231,200
Hypo-Alpe-Adria Bank d.d. Mostar, matures in 2008, bearing interest at the rate of 5.20% p.a.	586.749	-
	<b>10.531.539</b>	<b>8.774.764</b>



**BOSNA REOSIGURANJE D.D. SARAJEVO**  
**IZVJEŠTAJ O PROMJENAMA NA KAPITALU**  
**ZA GODINU KOJA JE ZAVRŠILA 31. DECEMBRA 2006.**

(svi iznosi su izraženi u KM)

	Dionički kapital	Vlastite dionice	Rezerve sigurnosti	Dividende	Zadržana dobit	Ukupno
<b>Stanje 31. decembra 2004.</b>	<b>5.029.700</b>	<b>-</b>	<b>4.263.020</b>	<b>-</b>	<b>1.208.437</b>	<b>10.501.157</b>
Raspored zadržane dobiti	-	-	606.061	402.376	(1.008.437)	-
Prijenos (sa) na	-	-	80.000	-	(80.000)	-
Isplata dividendi	-	-	-	(402.376)	-	(402.376)
Neto dobit 2005. godine	-	-	-	-	2.059.225	2.059.225
<b>Stanje 31. decembra 2005.</b>	<b>5.029.700</b>	<b>-</b>	<b>4.949.081</b>	<b>-</b>	<b>2.179.225</b>	<b>12.158.006</b>
Raspored zadržane dobiti	-	-	1.426.552	452.673	(1.879.225)	-
Prijenos (sa) na	-	-	120.000	-	(120.000)	-
Isplata dividendi	-	-	-	(452.673)	-	(452.673)
Kupovina vlastitih dionica	-	(18.200)	-	-	-	(18.200)
Neto dobit 2006. godine	-	-	-	-	2.519.185	2.519.185
<b>Stanje 31. decembra 2006.</b>	<b>5.029.700</b>	<b>(18.200)</b>	<b>6.495.633</b>	<b>-</b>	<b>2.699.185</b>	<b>14.206.318</b>





**BOSNA REOSIGURANJE D.D. SARAJEVO**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**AS AT 31 DECEMBER 2006**  
 (All amounts are expressed in KM)

	Share capital	Treasury shares	Safety reserves	Dividends	Retained profit earnings	Total
<b>At 31 December 2004</b>	<b>5.029.700</b>	<b>-</b>	<b>4.263.020</b>	<b>-</b>	<b>1.208.437</b>	<b>10.501.157</b>
Allocation of retained profit	-	-	606.061	402.376	(1.008.437)	-
Transfer (from) to	-	-	80.000	-	(80.000)	-
Dividend payment	-	-	-	(402.376)	-	(402.376)
Net profit for 2005	-	-	-	-	2.059.225	2.059.225
<b>At 31 December 2005</b>	<b>5.029.700</b>	<b>-</b>	<b>4.949.081</b>	<b>-</b>	<b>2.179.225</b>	<b>12.158.006</b>
Allocation of retained profit	-	-	1.426.552	452.673	(1.879.225)	-
Transfer (from) to	-	-	120.000	-	(120.000)	-
Dividend payment	-	-	-	(452.673)	-	(452.673)
Treasury shares	-	(18.200)	-	-	-	(18.200)
Net profit for 2006	-	-	-	-	2.519.185	2.519.185
<b>At 31 December 2006</b>	<b>5.029.700</b>	<b>(18.200)</b>	<b>6.495.633</b>	<b>-</b>	<b>2.699.185</b>	<b>14.206.318</b>







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Sarajevo, April 2007

