

2008

RAPORT ANUAL



Protejăm viitorul

We protect the future

ASTRA
ASIGURĂRI

Member of UNIQA Group Austria



ASTRA ASIGURĂRI, ROMANIAN PROTECTION

When managers draw the line and start evaluating the results of a year of work, they experience some of the most varied array of feelings. This is why I think it is only natural to begin my evaluation with a confession: it was pure pleasure to look at the numbers at the end of 2008. In a year marked deeply by the world economic crisis, the ASTRA Asigurări team managed to report a 31% higher profit than the one estimated at the end of the previous year.

ASTRA Asigurări's list of achievements in 2008 includes a 74% increase in the number of gross written premiums. Most notable among these were the premiums for general insurance, with the CASCO segment reporting a 175% growth compared to 2007, and aviation insurance, which increased from 13 million lei to almost 23 million. Maritime insurance also reported a 12% growth compared to the previous year, while property premiums increased by 112%.

As recognition of its market leader position in the air and sea insurance segment, ASTRA Asigurări was awarded the prize for the Largest Insurer, RC air and naval transport insurance class, during the first edition of the FINMEDIA AWARDS GALA – TOP INSURANCE COMPANIES, a publication that analyzes the insurance system based on quantity and quality indicators.

Gross written premiums in the property segment increased by 112% compared to the previous year, this line of business reporting written premiums of 44,020,957 lei.

In 2008, we developed new property products, such as CasAsigura, CasAsigurăPlus and Asigurarea de Asistență a Locatarului (Lodger's Assistance Insurance) – a product that was awarded the Product of the Year 2008 Prize in General Insurance by Xprim magazine during the Insurance Market Awards GALA.

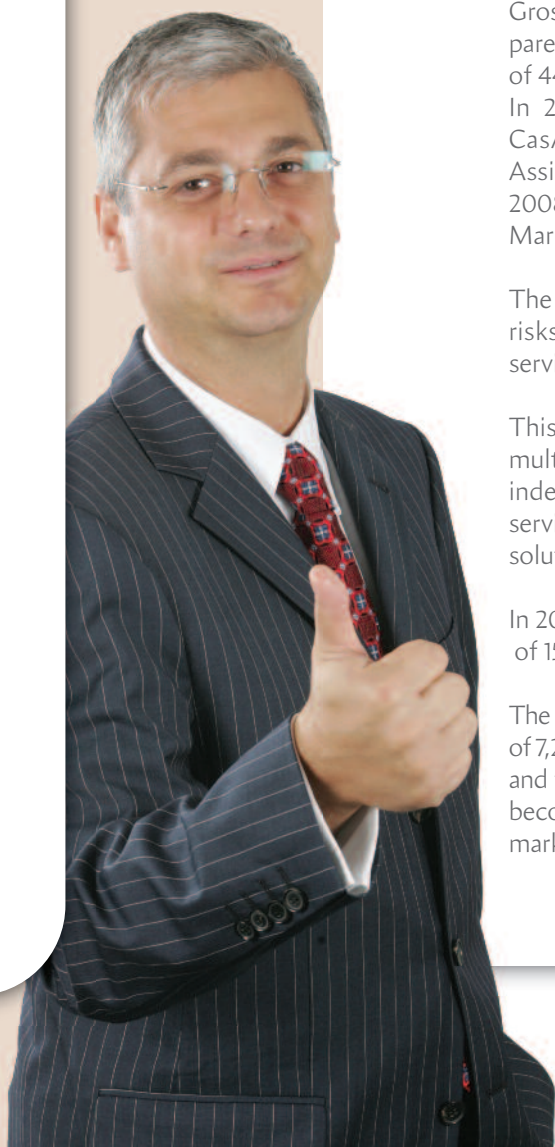
The Lodger's Assistance Insurance protects the lodging both against usual risks (fire, lightning etc.) and for accidental damage for which specialized services and support are granted.

This is an unique product on the Romanian market, being specialized and multi-risk. It can be sold either as an additional clause to home insurance or independently. The contract is based on a collaboration agreement with service providers from the entire country so that we can cover demands for solutions in case of emergency situations anywhere in the country.

In 2008, the RCA segment reported a total of written premiums of 154,814,987 lei, at the same level as the previous year.

The life insurance segment also had a dynamic evolution, with written premiums of 7,279,908 lei, as result of the launch of new life and health insurance products and the development of this department's activity. Because ASTRA plans to become one of the most important players on the voluntary health insurance market in Romania, in the second half of the year we developed and launched

GROWTH



a new line of business – ASTRAMEDICA, a voluntary health insurance valid on Romanian territory, with the possibility of extending it abroad, destined to corporate clients. Other strategic objectives set for 2008 included the development of bancassurance partnerships with other banks and the development of new sales channels.

To be closer to our customers, in 2008 we opened a Center for Damage Appraisal in Bucharest. The launch of this center has the purpose of offering quality post-sale services by providing customers with a specialized structure working in damage management. The center serves both Bucharest and surrounding areas. Here, insurance beneficiaries can have their damage evaluated and open their damage file, with maximum efficiency and in the shortest time possible.

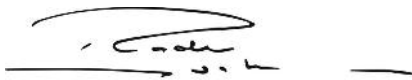
To us, 2008 was a year of challenges and reached targets, but also of involvement in social responsibility actions. We began a new partnership with the Romanian Athletics Federation and got involved in sponsoring sports such as car racing, sports aviation, football, basketball or Formula 1 on water. Starting from 2008, ASTRA Asigurări offers the Romanian Athletics Federation the champion jerseys bearing the logos of the two institutions together with the Romanian flag. We are honored by this partnership, which is already in its second year. Today's national champions are the ones who will represent Romania everywhere in the world in Olympic and world competitions. We are glad to be by their side because ASTRA believes in cultivating Romanian values.

ASTRA Asigurări has promptly honored its responsibility to partners in 2008, paying damages for non-life insurance amounting to almost 300 million lei, 64% more than in 2007. The largest damage was paid to TAROM in February and March, after a charter flight taking off from Henri Coandă Airport and heading to Sharm El Sheikh hit a utility vehicle on the runway. The plane was severely damaged, it skidded off the runway and pulled to a halt 300 meters away from the place of impact. The 117 passengers and crew members were safely evacuated. But, given that the TAROM fleet is under ASTRA Asigurări protection, the accident resulted in zero financial losses to the company.

ASTRA Asigurări is the only insurance company in Romania with largely local shareholders and capital. Strong shareholders, TNG-The Nova Group, which owns 72.8% of the shares and is one of the largest holdings in Romania, and UNIQA Group, an international player active in 20 European countries, are the guarantee of a solid company, which can protect its partners in the most difficult situations.

This is why even in 2009, an extremely difficult year for the European insurance market, ASTRA Asigurări expects a 19% increase compared to 2008 and a total of gross written premiums of about 800 million lei, a target perfectly achievable due to our team, to whom I wish to thank for its commitment in 2008.

Best wishes,



RADU MUSTĂȚEA
President of ASTRA Asigurări Directorate

ASTRA ASIGURĂRI & UNIQA GROUP AUSTRIA

ASTRA Asigurări has separated from state-run ADAS in 1991, becoming the second private insurance company in Romania. The company has permanently maintained an important position on the insurance market, becoming one of the first companies in the country as regards turnover.

In 2005, UNIQA Group Austria purchased 27% of ASTRA shares. Once the two companies launched their collaboration, ASTRA's visual identity was completed with the UNIQA logo.

UNIQA is one of the most well-known brands in the field of insurance, being leader of the Austrian insurance market and one of the largest groups in Central Europe. UNIQA currently gathers over 100 companies, with more than 17,500 employees working both in Austria and on 20 other European markets: Slovenia, Romania, Bosnia-Herzegovina, Bulgaria, Serbia, Ukraine, Czech Republic, Slovakia, Hungary, Croatia, Poland, Italy, Switzerland, Germany, Liechtenstein, as well as Albania, Kosovo, Macedonia and Montenegro.

ASTRA-UNIQA	ROMÂNIA LIBERĂ HIPARION UNITED PRINT CMP	BAUMEISTER	INTERNATIONAL BUSINESS CENTER MODERN CITY BUSINESS CENTER UNIREA SHOPPING CENTER	MEGA CONSTRUCT
INSURANCES	MEDIA	CONSTRUCTIONS	REAL ESTATE	ENERGY

II TNG – The NOVA Group

TNG, ONE OF THE LARGEST HOLDINGS IN ROMANIA, OWNS 72.86 % OF ASTRA ASIGURĂRI. THE GROUP HAS SET UP SEVERAL SUCCESSFUL COMPANIES COVERING A WIDE RANGE OF BUSINESSES: INSURANCE, CONSTRUCTIONS, REAL ESTATE, MEDIA AND ENERGY.

Medien Holding includes daily România liberă, Hiparion magazines, United Print printing house and a corporate publishing company, CMP.

România liberă, founded in 1977, is the most popular newspaper among those seeking to develop their professional career, and takes pride in being the paper with the highest number of regional issues, in the country.

Hiparion magazines offer a complete view of the real estate, construction and interior design and construction installations market, but also ideas for vacations across the country and around the world.

United Print has been operational since 2001 and is printing some of the most famous publications on the local media market: România liberă, Academia Cațavencu, Gazeta Sporturilor, Libertatea and several other dailies and weeklies.

CMP (Corporate Media Publishing) offers creative services and solutions to companies' publishing needs: financial annuals, internal magazines, business to business magazines, brochures, catalogs, press kits etc.

Baumeister is a construction company set up in 1997 which carries out civil use and infrastructure constructions. Some of the built objectives include: Kaufland Logistic Center Ploiești, Westhouse Central Apartments and Coralia, Unirea Shopping Center Brașov, Opera Center – Bucharest, Smart Office – Otopeni, Europe House – Bucharest, ING Bank – Ploiești, Millenium Office Building – Bucharest, Floreasca Tower.

TNG is one of the real estate developers leaving a strong mark on the capital's appearance, and its list of buildings includes Unirea Shopping Center, International Business Center Modern and City Business Center. Other important real estate projects are currently under way in Bucharest, Ploiești and Constanța.

Mega Construct distributes and supplies natural gas on Romanian territory in four concessions. Being under continuous development, S.C. MEGA CONSTRUCT S.A. expects that within 18 months, it will have about 4,000 customers to whom it will distribute 10,000,000 cubic meters of natural gas per year.

II Financial landmarks ASTRA 2008

ASTRA S.A. was set up on January 1, 1991, based on Government Decision 1279/08.12.1990. The company is authorized to practice all kinds of optional insurance as provided by Law no. 32/2000, amended by Law no. 76/2003, including life insurance and civil responsibility insurance for damage to third parties in automobile accidents.

At the same time, the company was delegated to manage and liquidate the reinsurance portfolio written by former ADAS, within the limits provided by the G.D. 1279/1990.

The social capital written and paid of the company on December 31, 2008 was of 192,712,534 lei, at the level of the previous year, and contains 72,448,321 shares at the nominal value of 2.66 lei.

SHAREHOLDERS' STRUCTURE HAS REMAINED THE SAME AS IN 2007:

SC NOVA TRADE SA:	140,069,256	72.68300 %
UNIQA INT BETEILIGUNGS	52,063,132	27.01596 %
NATURAL AND LEGAL PERSONS:	580,146	0.30104 %

AT THE END OF 2008, THE SUPERVISION BOARD'S (C.A.) STRUCTURE WAS THE FOLLOWING:

Dan Grigore Adamescu	President
Alexander Bogdan Adamescu	Member
Ovidiu Botocan	Member

ON DECEMBER 31, 2008, THE DIRECTORSHIP'S STRUCTURE WAS THE FOLLOWING:

Radu Mustăţea	President
Dacian Vinereanu	Vicepresident
Răzvan Ieremia	Member

In 2008, an accounting gain of 3,488,366 lei was reported, compared to an accounting loss of 69,925,693 lei at the end of 2007. The turnover was of 462,533,644 lei, compared to 326,041,571 lei for the previous year, which means a 42 % increase.

	2007	2008	increase
General insurance (lei)	321,325,651	456,632,465	42%
Life insurance (lei)	4,715,920	5,901,179	25 %

II Gross written premiums

The volume of gross premiums written in 2008 was of 649,895,617 lei, a 74% increase compared to 373,777,649 lei in 2007.

TOTAL PREMIUMS WRITTEN 2008 (net without cancellation) (lei)	649,895,617
General insurance activity	642,615,709
premiums written	664,210,082
premiums canceled	21,594,373
Life insurance activity	7,279,908
premiums written	7,279,908
premiums canceled	0

Gross premiums cashed from insurance activities in 2008 were of 425,122,204 lei, a 34% increase compared to 317,530,433 lei in 2007.

TOTAL PREMIUMS CASHED IN 2008 (lei)	425,122,204
General insurance activity	418,703,121
cashed premiums	440,297,494
canceled premiums	21,594,373
Life insurance activity	6,419,083
cashed premiums	6,419,083
canceled premiums	0

Damage regularization from insurance consisted in payments of 272,906,150 lei, compared to 168,566,659 lei in 2007. A damage ratio compared to premiums written of 64% resulted, a 53% increase compared to the figure reported in 2007.

	2007	2008	increase
TOTAL (lei)	168,566,659	272,906,150	62%
general insurance damage	167,827,031	272,202,606	
life insurance damage	739,628	703,550	

In 2008, incomes from insurance recovery and retention reached 12,333,213 lei, a 101% increase compared to 6,131,808 lei in 2007.

Reinsurance activity resulted in a negative technical balance of 23,061,247 lei. The previous year, the negative technical balance was of 23,521,949 lei.

Incomes from reinsurance reached 31,550,009 lei, an

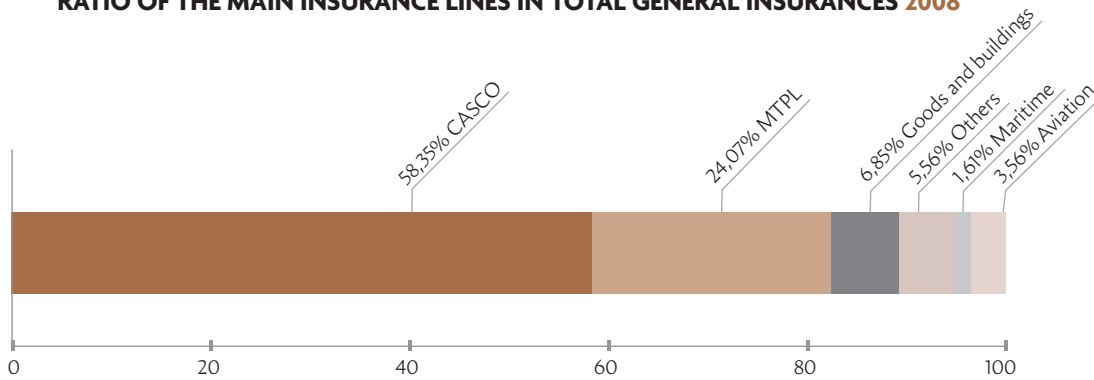
increase by 327% since 2007. Reinsurance expenses went up to 54,611,256 lei, 77% more than reported a year before. Expenses to attract insurers reached 89,637,789 lei, 9% higher than the figures reported in 2007.

On December 31, 2008, the company had a network of 230 territorial units, of which 49 were branches. The number of employees increased to 1,498, from 1,383 in 2007.

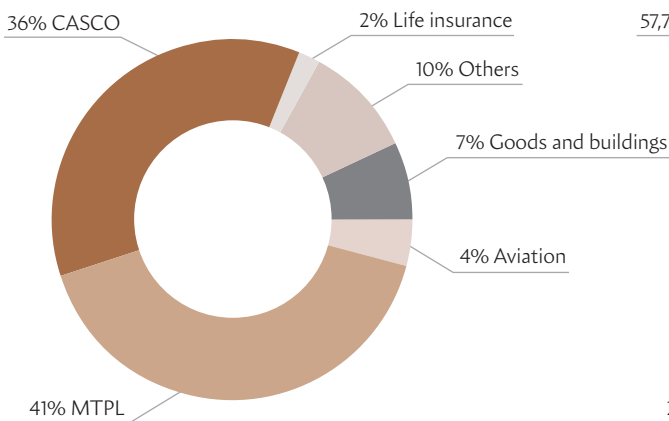
GROSS WRITTEN PREMIUMS (M. EURO)

TYPES OF RISKS	GROSS PREMIUMS 2007	GROSS PREMIUMS 2008	GROWTH BY %
Means of terrestrial transportation	136.05	374.96	175.60
MTPL	154.67	154.67	0.00
Fire and other goods damages	20.76	44.02	112.04
Maritime and transportation	9.28	10.36	11.64
Aviation	13.68	10.60	-21.93
Personal and life insurance	16.69	30.18	80.83
Others	22.87	25.02	9.40
TOTAL	374	649.89	73.77

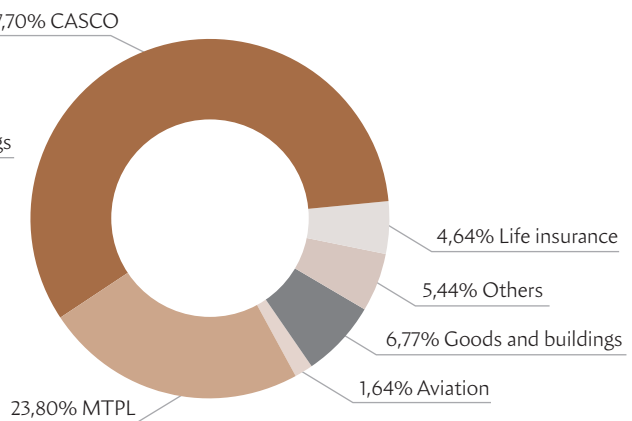
RATIO OF THE MAIN INSURANCE LINES IN TOTAL GENERAL INSURANCES 2008



PORTFOLIO STRUCTURE 2007



PORTFOLIO STRUCTURE 2008



II Profit and loss account

A total of 77,16% of incomes from operations come from gross premiums written, a 74% increase in 2008 compared to the previous year. Incomes from operations also include other types of incomes.

OTHER INCOMES FROM OPERATIONS	lei	% FROM THE TOTAL OF INCOMES
Incomes from asset yielding	109,729,388	12.60
Incomes from regressions	12,333,212	1.42
Incomes from exchange rates differences	32,120,103	3.69
Incomes from reinsurance	31,550,009	3.62
Incomes from commissions	235,693	0.03
Incomes from rents	659,417	0.08
Other incomes (penalties etc.)	5,261,760	0.60

Incomes from exchange rates differences result from:

- » reevaluation of money available in foreign currency in current accounts, deposits and the cashier's;
- » reevaluation of debits from insurance activities;
- » reevaluation of debits and debts in foreign currency that come from insurance activities.

Financial incomes (7,632,079 lei) include: incomes from interests, of 7,607,303 lei and incomes from dividends, of 24,776 lei, from Germanischer Lloyd, in which ASTRA owns participation titles. Incomes from interests increased by 231% since 2007, when they reached 2,295,958 lei.

The investment budget for 2008 was used for buying shares worth 5,403 lei. Incomes from adjustments were of 270,520 lei, gains coming from adjustments of value of corporal immobilizations. At the same time, adjustments were set up for exchange debits of reinsurance- transfer out or in, and for debits resulting from recovery and regression.

Financial expenses, of 4,049,532 lei, mainly contain interest rates from leasing contracts and credit contracts. Set administrative expenses, of 64,017,062 lei, increased by 9% since the previous year (58,792,688 lei). These expenditures include expenses on salaries and other related contributions, taxes for buildings, land, cars, headquarters repair and maintenance, redeeming corporal and non-corporal immobilization investments, expenses on postal and telecommunication services, protocol, insuring the company's buildings and vehicles, expenses on notary and lawyer fees. Set administrative expenses represent 15% of the cashed premiums.

PROFIT AND LOSS ACCOUNT (lei)	31.12.2007	31.12.2008
Income from gross premiums	374,182,933	649,927,051
Income from placements (interest rates)	4,843,011	7,607,303
Other income	56,188,530	213,614,920
of which		
Other technical income (regressions, exchange rates differences)	20,475,326	44,555,604
Other income	35,713,204	169,059,316
TOTAL INCOME	435,214,474	871,149,274
Expenses with damages	171,481,789	280,560,691
Acquisition and administrative expenses	141,164,270	165,228,534
Other expenses	192,494,108	421,871,683
TOTAL EXPENSES	505,140,167	867,660,908
Current result	-69,925,693	3,488,366
PROFIT TAX	0	
NET PROFIT	-69,925,693	3,488,366

II Solvency and liquidity ratios

The Solvency ratio in insurance, as a ratio between the available solvency margin and the minimum margin, and the liquidity ratio on December 31, 2008:

	2007	2008	MINIMUM LEVEL
General insurance			
solvency ratio	2.26	1.91	1.0
liquidity ratio	1.11	1.08	1.0
Life insurance			
solvency ratio	16.23	8.27	1.0
liquidity ratio	4.8	1.34	1.0

II Balance sheet

The balance sheet was put together based on data registered with the accounting office, under new accounting regulations in line with specific European directives for the field of insurance, as published by order C.S.A. no. 3129/2005. All accounts of the company have been inventoried, based on Decision no. 587/29.12.2008, according to legal provisions.

No compensations were operated between balance accounts (active and passive) or between incomes and expenditures. Asset total on 31.12.2008 was of 818,903,098 lei, a 53% increase since 2007, when asset total reached 533,503,554 lei.

ASSETS

Non-corporal assets in 2008 worth 17,811,643 lei, higher than 17,478,770 lei in 2007, following the acquisitions that were carried out.

Investments in corporal immobilizations

- » Land and construction: 105,623,487 lei, a 42% drop since 2007 (181,378,386 lei), following the ceding of some assets
- » Ongoing corporal immobilizations: 384,441 lei, a 19% increase since 2007 (323,801 lei).

Other investments in financial immobilizations, 19,671,452 lei, 0,03% lower compared to 2007 (19,677,108 lei), refer to:

- » participations: 19,312,265, a 0,03% increase since the previous year (19,306,862 lei).
- » guarantees: 359,187 lei, a 3% increase since 2007 (370,246 lei).

Other financial investments in 2009: 93,449,629 lei, include banking deposits in lei and exchange (92,878,505 lei), the last ones growing by 87% than in December 2008 (49,732,192 lei).

The technical reserve share corresponding to reinsurance contracts was of 64,929,145 lei, a 45% increase compared to 2007 (44,805,489 lei).

Debits from insurance operations (gross written premiums and non-cashed) reached 367,171,098 lei, 219% higher than in 2007 (115,264,072 lei).

Debits from reinsurance operations for risk transfer out or in, as part of reinsurance, were of 11,338,985 lei, 84% more than the previous year (6,162,107 lei).

Other debts: 51,925,131 lei, 61% less than in 2007 (32,254,582 lei). Value of corporal immobilizations and advance payments for immobilization was of 8,440,780 lei, a 16% increase.

Reserves in 2008 reached 487,712 lei, reporting a 54% decrease since 2007 (1,060,963 lei). Cash and bank accounts reached a level of 12,425,597 lei, 46% less than in 2007 (23,190,779 lei).

LIABILITIES

Social capital underwritten and paid remained the same, at 192,712,534 lei.

Reevaluation reserve in 2008 reached 62,900,017 lei, 112% higher than 2007 (29,633,712 lei). Legal reserves increased up to 948,539 lei, by allocating the 5% quota of the achieved profit. Other reserves in 2008 reached 22,738,835 lei, an increase by 6,852,103 lei since the previous year. Gross technical reserves in 2008 reached 552,673,478 lei, 98% more than in 2007 (279,616,974 lei).

TECHNICAL RESERVES	2007 (lei)	2008 (lei)	%
General insurance reserves	273,272,899	542,721,745	198.60
Approved damage reserves	86,264,023	86,819,828	100.64
Non-approved damage reserves	45,162,691	61,684,468	136.58
Natural disaster reserves	6,435,386	29,201,653	453.77
Premium reserves	135,358,174	365,015,633	269.67
Other reserves	52,625	163	0.31
Life insurance reserves	6,344,074	9,951,733	156.87
TOTAL	279,616,973	552,673,478	197.65

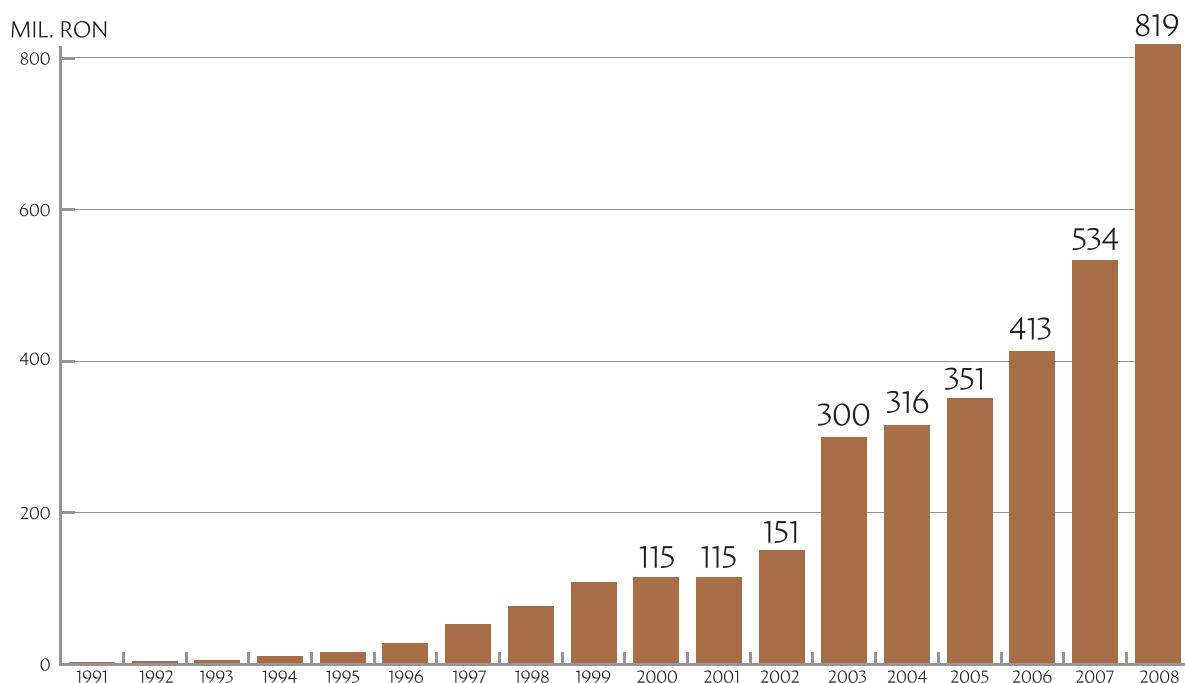
Debts from reinsurance in 2008 reached 33,469,189, 97% higher than the last year (16,961,265 lei). Other debts, including in taxes, reached 86,115,800 lei, a 70% increase.

Advance incomes dropped by 39%, to 12,027,291 lei. They include incomes from RCA and optional premiums in advance, contracts for which the underwritten period began after 31.12.2008. The profit reported by this date was of 3.488.366 lei.

ASSETS	31.12.2007 (lei)	31.12.2008 (lei)
Non-corporal assets		
Non-corporal immobilization	17,478,770	17,811,643
Investments		
Land and constructions	181,702,187	106,007,928
Other investments in financial immobilization	19,677,108	19,671,452
Other financial investments	727,757	93,449,629
Debits	153,680,761	430,435,214
Liquidities	71,967,278	12,425,597
Reported acquisition	34,420,306	63,450,869
Other active elements	53,849,387	75,650,766
ACTIVE	533,503,554	818,903,098

LIABILITIES - CAPITAL AND DEBTS	31.12.2007 (lei)	31.12.2008 (lei)
Own capitals TOTAL	124,830,885	134,617,340
Under-written capital and capital reserves	192,712,534	192,712,534
Other reserves	16,660,853	23,687,374
Reserves from reevaluation	29,633,712	62,900,017
Current profit/loss	-69,925,693	3,488,366
Uncovered loss	-44,250,521	-148,170,951
Subordinated debts	0	
Gross technical reserves	279,616,973	552,673,478
Premium reserves	138,267,310	369,293,534
Mathematical reserves	3,260,762	1,427,659
Damage reserves	131,448,007	148,968,440
Benefit participation reserves	171,600	163
Catastrophe reserves	6,435,386	29,201,653
Equalization reserves	33,908	0
Debits	109,249,222	119,584,989
Advance incomes	19,806,474	12,027,291
	533,503,554	818,903,098

|| Asset Evolution



EVOLUTION OF COMPANY ASSETS

VOLUME OF ASSETS

INCREASE BY %

Year	Volume of Assets	Increase by %
1991	620,000	0
1992	2,057,100	231.79
1993	5,629,900	173.68
1994	10,011,200	77.82
1995	15,112,200	50.95
1996	27,805,100	83.99
1997	53,225,900	91.42
1998	75,789,300	42.39
1999	108,496,600	43.16
2000	114,857,500	5.86
2001	115,132,600	0.24
2002	150,657,200	30.86
2003	299,955,100	99.10
2004	315,980,100	5.34
2005	350,787,025	11.02
2006	412,811,038	17.68
2007	533,503,554	29.24
2008	818,903,098	53.00

Technical account of general insurance (31.12.2008)

INDICATOR NAME	NO.	AMOUNTS DURING THE PERIOD UNDER SCRUTINY	
		PREVIOUS (lei)	CURRENT (lei)
Incomes from net reinsurance premiums			
a) incomes from gross premium written (+)	01	367,207,389	642,647,143
b) premiums transferred out under reinsurance (-)	02	27,750,496	46,897,605
c) premium reserve variation (+/-)	03	61,481,066	227,551,771
d) variation of premium reserve transferred out under reinsurance (+/-)	04	3,806,042	19,942,721
TOTAL (lines 01-02-03+04)	05	281,781,869	388,140,488
Net income quota (difference between investment incomes and expenses or investment transferred from non-technical account (+))	06		4,265,359
Other technical incomes, net for reinsurance (+)	07	20,475,326	44,453,316
Expenses with damage payments, net for reinsurance			
a) paid damage (lines 09-10)	08	165,120,180	250,924,749
- gross amounts	09	170,742,161	279,857,141
- reinsurers' share (-)	10	5,621,981	28,932,392
b) damage reserve variation, net for reinsurance (+/-)	11	62,475,487	10,423,266
TOTAL (lines 08+11)	12	227,595,667	261,348,015
Other technical reserves' variation, net for reinsurance, of which:			
a) Variation of reserve for unexpired risks (+/-)	13	0	0
b) Catastrophe reserve variation (+/-)	14	2,208,261	-2,486,364
c) Other technical reserves' variation (+/-)	15	0	0
TOTAL (lines 13+14+15)	16	2,208,261	-2,486,364
Variation of reserves for participation in benefits and returns (+/-)	17	18,717	-18,554
Net exploitation expenses			
a) acquisition expenses	18	81,000,416	87,577,907
b) variation of reported acquisition expenses (+/-)	19	0	11,534,904
c) administration expenses	20	57,731,001	63,024,430
d) commissions from reinsurers and benefit participants (-)	21	1,359,026	2,586,183
TOTAL (lines 18+19+20-21)	22	137,372,391	159,551,058
Other technical expenses, net for reinsurance	23	9,651,419	16,480,788
Equalization reserve variation (+/-)	24	33,908	-33,908
Technical result of general insurance			
Profit (lines 05+06+07-12-16-17-22-23-24)	25	0	2,018,128
Loss (lines 12+16+17+22+23+24-05-06-07)	26	71,396,194	0

II Technical account of life insurance (31.12.2008)

INDICATOR NAME	NO..	AMOUNTS DURING THE PERIOD UNDER SCRUTINY	
		PREVIOUS (lei)	CURRENT (lei)
Incomes from net reinsurance premiums			
a) incomes from gross premiums written (+)	01	6,975,544	7,279,908
b) premiums transferred out under reinsurance (-)	02	74,728	59,109
c) premium reserve variation, net for reinsurance (-)	03	2,261,192	1,378,729
TOTAL (lines 01-02-03)	04	4,639,624	5,842,070
Investment incomes			
a) Incomes from participations in companies where there are participation interests, of which:	05	0	0
- incomes from investments in affiliated companies	06	0	0
b) Incomes from other investments with presentation of incomes from investment into affiliated companies	07	0	0
- incomes from land and constructions	08	0	0
- incomes from other investments	09	0	0
c) Incomes fom depreciation/loss of investment value adjustment	10	0	34,827
d) Incomes from investment completion	11	104,340	325,307
TOTAL (lines 05+07+10+11)	12	104,340	360,134
Capital gains not from investment	13	0	0
Other technical incomes, net for reinsurance	14	0	510
Expenses with damage payments, net for reinsurance			
TOTAL (lines 16+19)	15	743,908	1,146,401
a) paid amounts (lines 17-18)	16	739,628	703,550
- gross amounts	17	739,628	703,550
- reinsurers' share (-)	18	0	0
b) damage reserve variation (+/-) (lines 20-21)	19	4,280	442,851
- gross amount	20	4,280	442,851
- reinsurers' share (-)	21	0	0
Technical reserves' variation on life insurance			
TOTAL (lines 23+26+29)	22	1,009,312	1,797,458
a) mathematical reserve variation (lines 24-25)	23	1,115,121	-1,831,687
- gross amount	24	1,132,981	-1,833,103
- reinsurers' share (-)	25	17,860	-1,416
b) variation of reserves for participation in benefits and returns (lines 27-28)	26	-105,809	3,629,145
- gross amount	27	-105,809	3,629,145
- reinsurers' share (-)	28	0	0
c) other technical reserves' variation (lines 30-31)	29	0	0
- gross amount	30	0	0
- reinsurers' share (-)	31	0	0
Variation of mathematical reserve associated with life insurance for which investment risks are transferred to the contractor, under reinsurance (=/-)			
TOTAL (lines 33-34)	32	0	0
- gross amount	33	0	0
- reinsurers' share (-)	34	0	0

INDICATOR NAME	NO.	AMOUNTS DURING THE PERIOD UNDER SCRUTINY	
		PREVIOUS (lei)	CURRENT (lei)
8. Net exploitation expenses			
a) acquisition expenses	35	1,371,166	2,098,661
b) variation of reported acquisition expenses	36	0	0
c) administration expenses	37	1,061,687	992,632
d) commissions from reinsurers and benefit participants (-)	38	0	0
TOTAL (lines 35+36+37-38)	39	2,432,853	3,091,293
9. Investment expenses:			
a) investment management expenses, including interests expenses	40	23,484	28,274
b) expenses for investment value adjustment	41	0	0
c) losses from investment completion	42	0	0
TOTAL (lines 40+41+42)	43	23,484	28,274
10. Capital losses not from investment	44	0	0
11. Other technical expenses, net for reinsurance	45	0	0
12. Quota of net income from investment transferred to non-technical account	46	0	0
13. Technical result of life insurance			
Profit (lines 04+12+13+14-15-22-32-39-43-44-45-46)	47	534,407	139,288
Loss (lines 15+22+32+39+43+44+45+46-4-12-13-14)	48	0	0

II Non-technical account (31.12.2008)

INDICATOR NAME	NO.	AMOUNTS DURING THE PERIOD UNDER SCRUTINY	
		PREVIOUS (lei)	CURRENT (lei)
Technical result of general insurance			
Profit	01	0	2,018,128
Loss	02	71,396,194	0
Technical result of life insurance			
Profit	03	534,407	139,288
Loss	04	0	0
Incomes from investments			
a) Incomes from participations in companies where there are participation interests	05	96,622	24,776
of which incomes from investments in affiliated companies	06	0	0
b) Incomes from other investments	07	0	0
of which, incomes from investments in affiliated companies	08	0	0
- incomes from land and constructions	09	0	0
- incomes from other investments	10	0	0
c) Incomes from depreciation/loss of investment value adjustment	11	0	235,693
d) Incomes from investment completion	12	4,738,671	8,043,700
TOTAL (lines 05+07+11+12)	13	4,835,293	8,304,169
Capital gains not from investments	14	0	0
Quota of net income from investments transferred from the technical account of life insurance	15	0	0
Investment expenses			
TOTAL (lines 17+18+19)	16	1,608,319	4,038,810
a) investment management expenses, including interests expenses	17	1,608,319	4,038,810
b) expenses for investment value adjustment	18	0	0
c) losses from investment completion	19	0	0
Capital losses not from investments	20		0
Quota of net income from investments transferred into the general insurance technical account	21	3,226,974	4,265,359
Other non-technical incomes	22	16,840,721	114,991,148
Other non-technical incomes, including commissions and value adjustments	23	15,904,627	113,660,198
Incomes from administration of optional pension funds*	24	0	0
Expenses on administration of optional pensions funds*	25	0	0
Profit from the administration of the optional pension funds* (lines 24-25)	26	0	0
Losses from the administration of optional pension funds* (lines 25-24)	27	0	0

INDICATOR NAME	NO.	AMOUNTS DURING THE PERIOD UNDER SCRUTINY	
		PREVIOUS (lei)	CURRENT (lei)
Current result			
Profit (lines 01-02+03-04+13+14+15-16-20-21+22-23+26-27)	28	0	3,488,366
Loss (lines 02-01+04-03-13-14-15+16+20+21-22+23-26+27)	29	69,925,693	0
Extraordinary incomes	30	0	0
Extraordinary expenses	31	0	0
Extraordinary result			
Profit (lines 30-31)	32	0	0
Loss (lines 31-30)	33	0	0
Total incomes	34	435,214,474	871,149,274
Total expenses	35	505,140,167	867,660,908
Gross result			
Profit (lines 34-35); (lines 28-29+32-33)	36	0	3,488,366
Loss (lines 35-34); (lines 29-28+33-32)	37	69,925,693	0
Tax on profit	38	0	0
Other taxes (not mentioned above)	39	0	0
Net result of operations			
Profit (lines 36-37-38-39)	40	0	3,488,366
Loss (lines 37+38+39-36)	41	69,925,693	0

INDEPENDENT AUDITORS' REPORT
TO THE MANAGEMENT OF S.C. ASIGURARE-REASIGURARE ASTRA S.A.

1. We have audited the annexed financial situation reports of the company S.C. ASTRA S.A. ("Company") which include the accounting balance sheet signed on December 31, 2008, as well as the profit and loss account, the situation of own capital modifications and of treasury flows for the accounting period closed on the above-mentioned date and a summary of significant accounting policies and other explanatory notes. t

2. The Company's management bears responsibility for the truthful development and presentation of these financial situation reports in line with CSA Order no. 3129/2005, with subsequent modifications and with accounting policies described in the notes to financial situation reports. This responsibility includes: designing, implementing and maintaining a relevant internal control for the truthful development and presentation of financial situation reports, which should not include significant distortions due to fraud or error; selecting and applying adequate accounting policies; developing reasonable accounting estimates under the given circumstances.

3. Our responsibility is, based on the conducted audit, to express an opinion on these financial situation reports. We have conducted the audit according to audit standards adopted by the Chamber of Financial Auditors in Romania. These standards require us to respect the Chamber's ethical requirements, to plan and conduct the audit in order to obtain reasonable assurance that the financial situation reports do not include significant distortions.

4. An audit consists of conducting procedures to obtain audit evidence about the amounts and information presented in the financial situation reports. Selected procedures depend on the auditor's professional reasoning, including the evaluation of risks of significant distortion of financial situation reports, due to fraud or error. When evaluating these risks, the auditor takes into consideration the relevant internal control for the truthful development and presentation of the company's financial situation reports in order to establish relevant audit procedures under the given circumstances, but not to the purpose of expressing an opinion on the efficiency of the company's internal control. An audit also includes an assessment of the level of adequacy of the used accounting policies and the reasonability of accounting estimates issued by the management, along with an evaluation of the financial situation reports' presentation in their entirety

5. We hold that the audit evidence we obtained is sufficient and adequate to constitute the base of our audit opinion.



6. In our opinion, these financial situation reports offer a truthful and just image of the company's financial situation on December 31, 2008, but also on the financial performance and cash flow for the accounting period closed on this date, in line with the provisions of the CSA Order 3129/2005 and with the accounting policies described in the notes to the financial situation reports.

7. Without expressing any reserves, we draw attention to the lack of some relevant information regarding an estimate of the probable value of debentures to be cashed from various debtors.

8. We have read the administrators' report attached to the financial situation reports. The administrators' report is not part of the annual financial situation reports. In the administrators' report, we have not identified any financial information that is not in agreement with the information presented in the attached financial situation reports.

9. The Company has respected legal provisions, policies and internal norms referring to:

- calculation methodology and keeping records of technical reserves;
- asset categories accepted to cover technical reserves;
- rules for dispersion of investment.

10. The Company has respected calculation methodology and legal provisions regarding the insurer's solvability margin and the liquidity coefficient.

11. The Company has respected internal regulations regarding the re-insurance program for the 2008 accounting period.

12. Following the evaluation of control systems applied in the accounting period under audit, it has been decided that the company respected legal provisions regarding the organization of internal control activity, as specified in the Order of the Insurance Supervisory Commission no. 113117/2006.

13. This report by independent auditors was compiled to be filed with the Ministry of Public Finances, the Insurance Supervisory Commission and the Trade Register Office and cannot be used for any other purposes by any other third parties without the approval of the S.C. ASIGURARE-REASIGURARE – ASTRA S.A. management.

April 15, 2009

S.C. Societatea de Contabilitate, Expertiza
si Consultanta Contabila – SOCECC S.R.L.
through Cristea Viorel



II Safety in the air and on water, guaranteed by ASTRA

IN SPITE OF THE WORLD ECONOMIC CRISIS, 2008 WAS A YEAR OF CONSIDERABLE GROWTH FOR ASTRA AND, OF COURSE, GIVEN THE NATURE OF OUR ACTIVITY, A YEAR IN WHICH WE PROMPTLY AND EFFICIENTLY PROTECTED OUR PARTNERS.

Throughout this year, the company paid the first two largest damages on the entire insurance market, following the compensatory payments for aviation accidents reported by air operators Tarom and Romavia. Moreover, two other payments for damaged sea ships are among the top ten damage payments on the market.

The largest damage was of 10.4 million dollars. A Boeing 737, scheduled to fly from Henri Coandă Airport to Egypt, hit a utility vehicle on the runway during take-off. The plane was severely damaged, but, fortunately, the 117 passengers and six crew members were evacuated safely.

The plane was declared a constructive total loss and, based on the Airline Hull & Liability policy (Casco and Air Line Liability), ASTRA paid Tarom the insured value of the jet, worth 10,000,000 dollars. The payment was done in two installments, in February and March 2008. Besides this

amount, ASTRA also paid 432,400 dollars for moving the ship's wreck in September last year.

The second largest damage, of 4.2 million dollars, was paid to Romavia after a plane was damaged during landing in April 2008.

Because of unfavorable weather conditions, the plane, on a Carpatair flight between Craiova and Bucharest Otopeni, could no longer be controlled, skidded off the runway and suffered extensive damage as one of its engines and the tip of the right wing were affected upon ground impact. The 67 passengers and six crew members were evacuated safely.

The plane was eventually declared a constructive total loss and, based on the Airline Hull & Liability policy, ASTRA paid Romavia the plane's insured value in December 2008.

10,4M dollars

THE LARGEST DAMAGE ON THE INSURANCE MARKET PAID BY ASTRA FOR A SEVERELY AFFECTED TAROM PLANE





SEA DAMAGE PAID BY ASTRA, IN TOP 10

The biggest maritime damage ASTRA paid in 2008, was for Transbora ship, weighting 15,000 tones, which ran aground on the Georgian coast of the Black Sea on the 7th of November 2006. The attempt to recover the ship has failed. The amount paid by ASTRA was of 2,814,461.76 US dollars.

The second biggest paid damage reached 725,000 dollars, was paid for the constructive total loss of a ship that ran aground in March 2007, in the Belgroddinyaporskiy area, Ukraine. The policy was of the kind H&M (Sea Casco), under ASTRA SA conditions, Turkish customer / ship owner. The amount was paid in 2008.

ASTRA also paid damages to the ship Eastwind, on a Mediterranean Sea voyage at the beginning of March last year. The company paid for damage on the main engine and a joint damage. The policy was also a Hull&Machinery, under ASTRA SA conditions, to a Panama ship owner. The amount, paid in 2008, was of 551,347.33 dollars.

2.8M dollars

DAMAGE PAID BY ASTRA ASIGURĂRI FOR A SHIP THAT RAN AGROUND IN GEORGIA

