

**Counterproposal to a Resolution
of the 39th General Meeting of Shareholders of Zavarovalnica Triglav d.d.**

Pursuant to Article 298 and Article 300 of the Companies Act (ZGD-1) and to the Ljubljana Stock Exchange Rules, the Management Board of Zavarovalnica Triglav d.d. in accordance with Article 296 of ZGD-1 hereby announces

**a counterproposal to the 39th General Meeting of Shareholders of Zavarovalnica Triglav d.d.,
Miklošičeva 19, 1000 Ljubljana, to be held on 10 June 2014 at 2:00 pm in Conference Hall B1,
Verovškova ulica 60b, Ljubljana.**

I.

Counterproposal

On 12 May 2014, Zavarovalnica Triglav d.d. received the following counterproposal from the shareholder Vseslovensko združenje malih delničarjev, Salendrova 4, 1000 Ljubljana (PanSlovenian Shareholders' Association – hereinafter also referred to as: VZMD) holding one ordinary share of Zavarovalnica Triglav d.d.

“VZMD-Vseslovensko združenje malih delničarjev, Salendrova 4, 1000 Ljubljana, a shareholder of Zavarovalnica Triglav (hereinafter also referred to as: the submitting shareholder) based on Article 300 of the (ZGD-1) hereby files a counterproposal to Draft Resolution no. 3.1, Item 3 of the agenda of the convened General Meeting of Shareholders and informs the Management Board that at the Meeting the submitting shareholder will challenge the announced draft resolution and make other shareholders vote in favour of the following counterproposal:

Counterproposal to Draft Resolution no. 3.1:

"The accumulated profit totalling EUR 77,826,169.51 as at 31 December 2013 shall be distributed as follows:

- A part of accumulated profit in the amount of EUR 56,837,870.00 for gross dividend payments of EUR 2.50 per share, payable to the shareholders entered in the Share Register two days following the date of the General Meeting of Shareholders. The dividends shall be paid within 30 days of the date this resolution is passed.
- The distribution of the remaining accumulated profit of EUR 20,988,299.51 shall be decided in the next few years.”

Shareholder's explanation of the counterproposal:

In view of the performance of the Company and the difficult economic situation VZMD firmly believes that it is appropriate and wanted from the Company to allocate a greater portion of accumulated profits to dividend payments to shareholders. This will not only reinforce confidence in the shares issued by Zavarovalnica Triglav d.d., but it will also inspire greater optimism and improve the general economic climate. The submitting shareholder is of the opinion that the Company is able to make such dividend payments to its shareholders without any detriment to the normal business and development plans of the Company.”

Opinion of the Management Board on the above Counterproposal to Draft Resolution 3.1:

The Management Board of Zavarovalnica Triglav d.d. opposes the counterproposal filed by VZMD – Vseslovensko združenje malih delničarjev regarding a gross dividend of EUR 2.50 per share.

The Management Board is of the opinion that the Company’s good performance in the future, maintenance of its financial stability and prudent and selective market growth gives an optimistic outlook of the future to over 5,300 employees of the Group and over 28,600 of the Company’s shareholders (of whom 98% domestic), which also helps improve the general economic climate in Slovenia. Zavarovalnica Triglav is one of the few, if not the only financial institution in Slovenia to have been assigned “A-“ credit rating by the leading credit rating agencies with a stable medium-term outlook. It is wrong to ascertain that dividend payments above the amount proposed by the Management and Supervisory Boards would be without any detriment to the normal business and development plans of the Company.

Today, the Triglav Group is the leading insurance and financial group in Slovenia and one of the leading groups in South-East Europe, where it is present in eight markets in seven countries. Nevertheless, the Group faces difficulties in sales and financial markets as well as strong

competition. The Development Strategy of the Triglav Group to 2017 was reformulated in late 2013 to account for these circumstances. The Triglav Group is planned to continue growing and developing by 2017 and to gain at least 10% of the existing markets. In certain markets this will result from organic growth and in others, where this is not sufficient, market shares will be potentially increased with acquisitions of selected competitors. At the same time capital adequacy and target credit rating have too be maintained.

According to our assessment the capital adequacy of the Triglav Group is above the required level to an extent which enables Zavarovalnica Triglav d.d. to pay out a gross dividend of EUR 1.10 per share, as proposed, while at the same time implement its strategic objectives given the presently available information and expectations. Considerably higher dividend payments would prevent the Company from pursuing its strategic objectives and its further growth and development in the region.

The Management Board assesses that the proposed gross dividend of EUR 1.10 per share is appropriate and suitable not only from the point of view of the shareholders and adopted dividend policy (the proposed gross dividend of EUR 1.10 per share is more than one third of total consolidated net profits) but also from the point of view of the Company and its strategic plans.

Ljubljana, 16 May 2014

Management Board of Zavarovalnica Triglav d.d.