

KPMG

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**Auditors' report on financial statements of
Republican Unitary Enterprise "Belarusian national reinsurance
organization" for 2014**

To Edgorova Tatiana Yuryevna
Chief accountant of
Republican Unitary Enterprise "Belarusian national reinsurance organization"
14 Chkalov St.
Minsk, Republic of Belarus
220039

Certificate of State Registration

Issued following the decision of the Ministry of Finance of the Republic of Belarus
as of 16 November 2006

Tax identification number 806000232

Ref. No. 2602-03

We have audited the accompanying financial statements of Republican Unitary Enterprise "Belarusian national reinsurance organization" (hereinafter - Enterprise), which comprise the statements of financial position as at 31 December 2014, profit and loss statement, net worth changes statement, cash flow statements for the year ended 31 December 2014 and also notes to the balance sheet.

Management's Responsibility for the Financial Statement

Management of the Enterprise is responsible for the preparation and fair presentation of these financial statements as required by the law of the Republic of Belarus and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Law of the Republic of Belarus No. 56-3 as of 12 July 2013 "On auditing activity", republican rules of auditing activity and international auditing standards. Those standards require that we comply with relevant 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 our 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, we consider internal control relevant to the enterprise'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 enterprise's internal control. An audit also includes evaluating the appropriateness of accounting principles 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Republican Unitary Enterprise "Belarusian national reinsurance organization" as of 31 December 2014 and its financial performance and cash flows for the year ended that day in accordance with the law of the Republic of Belarus in respect to the preparation of financial reports.

Emphasis of matter

Without qualifying our opinion, we draw attention to the fact that is described in paragraph 4 on the first page of the Notes to the balance sheet. In accordance with the requirements set by the legislation, the Enterprise has changed the way of the recognition of the revenue from insurance premiums and now reflects it on accrual basis. Cash accounting had been used before that date. The change of the way of the recognition of the revenue from insurance premiums has led to the single use recognition of the revenue, referring to the previous periods, in 2013 and it affects compatibility of data for the current and previous reporting period.

Volskis Edgars
Deputy Director on general audit
Shestak Olga Vladimirovna
Auditor
26 February 2015
Minsk, Republic of Belarus
KPMG LLC

State Registration Certificate was issued by Minsk City Council following the decision as of 10.02.2011; Registration number in Unified State Register of Legal Entities and Private Entrepreneurs is No. 191434140.