

19th Annual General Meeting

Vienna, 29 June 2010

20 years in CEE
Milestones 1990 - today

Leading Austrian position as basis for international growth

1990 – Pioneer in CEE

- ▶ **Early mover advantage due to exploiting opportunities offered by emerging markets in CEE**

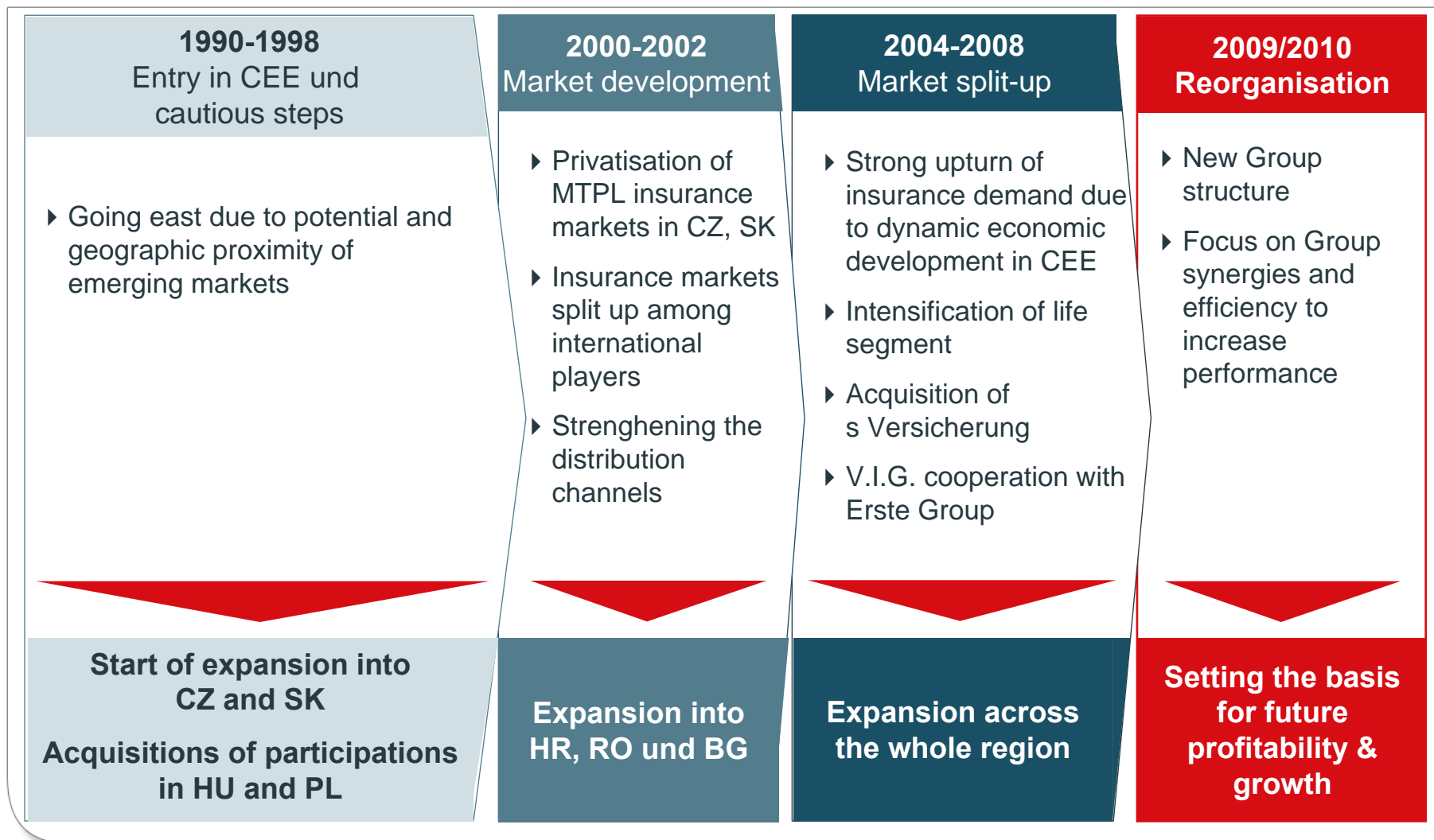
- ▶ **Gross written premiums: EUR 1.2bn**
- ▶ **Profit before tax: EUR 86mn**
- ▶ **Employees: ~ 5,800**
- ▶ **Presence in Austria**
- ▶ **Market share in Austria: ~ 18%**

Markets 1990



Building a strong brand

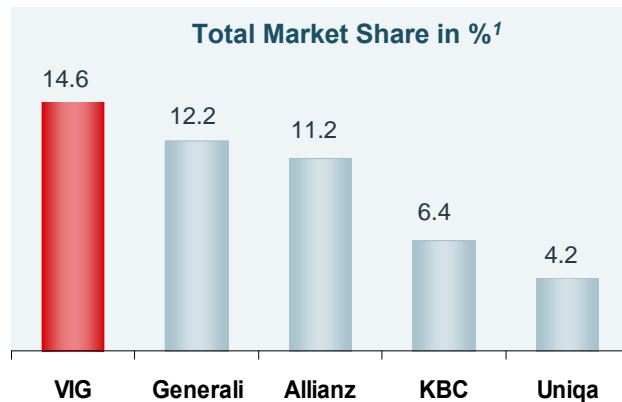
Dynamic yet risk-aware expansion into CEE



A leading insurer in CEE

2009 No. 1 in its Core Markets

- ▶ Gross written premiums: EUR 8.0bn
- ▶ Profit before tax: EUR 441mn
- ▶ Employees: over 23,000
- ▶ Presence in 23 countries
- ▶ Clear No. 1 position in CEE¹ core markets: ~ 15%



Markets 2009



¹: CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia and Slovakia; Source: National insurance associations of the respective countries as of YE 2009

Welcome to the family of VIENNA INSURANCE GROUP



AUSTRIA

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onau
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S-VERSICHERUNG
VIENNA INSURANCE GROUP

CZECH REPUBLIC

Kooperativa
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ČPP
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POJIŠTOVNA
ČESKÉ SPORITELNÝ
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SLOVAKIA

Kooperativa
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KOMUNÁLNA
poistovňa
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POIŠTOVNĀ
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CROATIA

KVARNER
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HELIOS
VIENNA INSURANCE GROUP

ERSTE OSIGURANJE
VIENNA INSURANCE GROUP

BULGARIA

BULSTRAD
VIENNA INSURANCE GROUP

Life
BULSTRAD
VIENNA INSURANCE GROUP

БЪЛГАРСКИ
ИМОТИ
VIENNA INSURANCE GROUP

ROMANIA

OMNIASIG
VIENNA INSURANCE GROUP

ASIROM
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BCR ASIGURARI
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POLAND

COMPENSA
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InterRisk
VIENNA INSURANCE GROUP

BENEFIA
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GERMANY

InterRisk
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SLOVENIA BRANCH

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ESTONIA

COMPENSA
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SERBIA

WIENER STÄDTISCHE
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DE VIATA
BCR ASIGURARI
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PZM
TU S.A.
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HUNGARY

UNION
BIZTOSÍTÓ
VIENNA INSURANCE GROUP

ERSTE BIZTOSÍTÓ
VIENNA INSURANCE GROUP

ITALY BRANCH

WIENER STÄDTISCHE
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ALBANIA

SIGMA
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LATVIA

COMPENSA
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UKRAINE

КНЯЖА
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RUSSIA

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МСК-Лайф
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LIECHTENSTEIN

VIENNA-LIFE
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RAYSIGORTA
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IRAO
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MACEDONIA

WINNER
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Victoria
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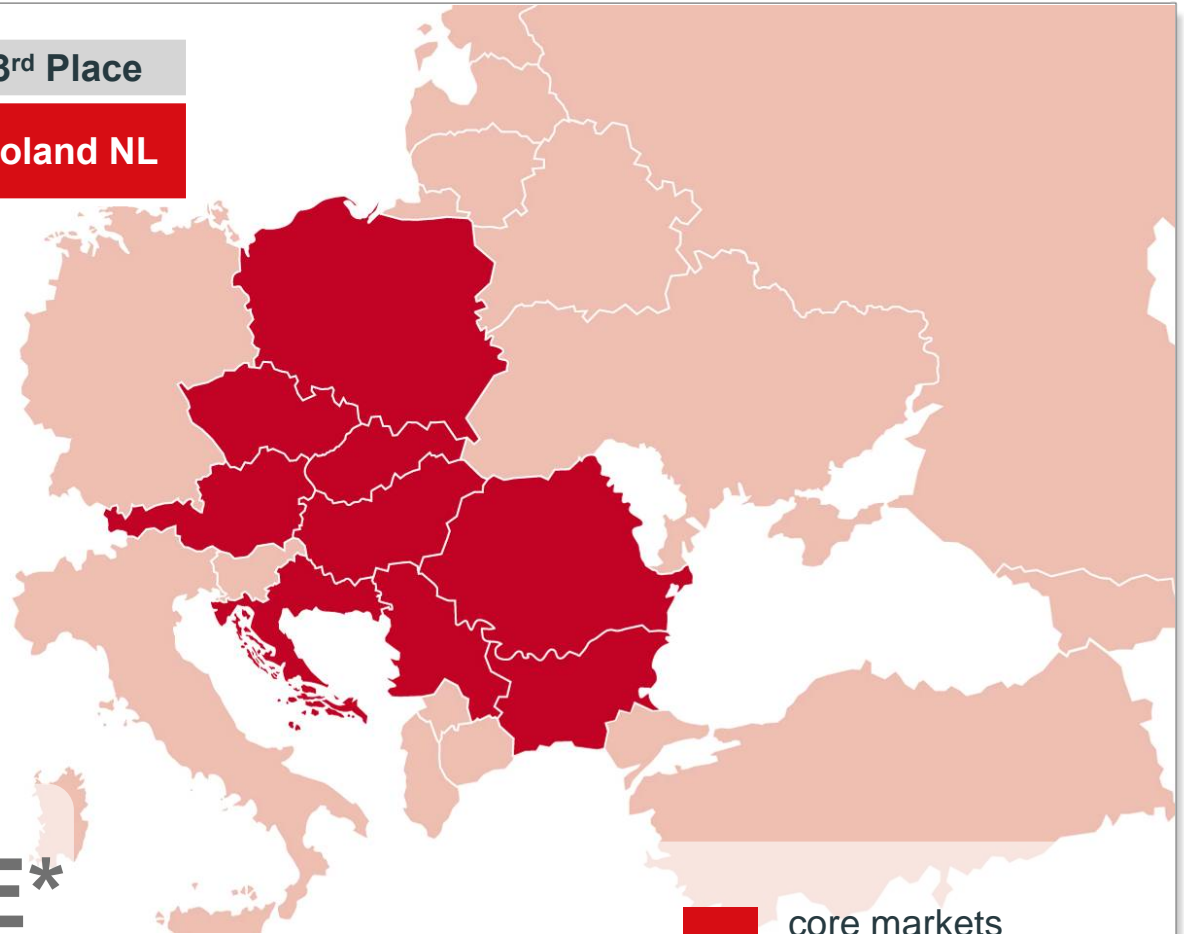
ЮПІТЕР
VIENNA INSURANCE GROUP

УКРАЇНСЬКА
СТРАХОВА ПУБЛІКА
VIENNA INSURANCE GROUP


- ▶ **Leading in its core markets**
- ▶ **Further strengthening of the strategic position**
- ▶ **Preparation of the market entry in Montenegro**
- ▶ **Access to the life-segment in Macedonia**
- ▶ **Access to the property insurance business in Lithuania**
- ▶ **Reorganisation**

Top market positions of the Vienna Insurance Group

1 st Place	2 nd Place	3 rd Place
Austria	Serbia L	Poland NL
Czech Republic	Albania	
Slovakia	Ukraine	
Romania		
Bulgaria		
Croatia L		
Georgia		



No. 1 in CEE*

 core markets
 further V.I.G.-markets

*CEE-Market share: Czech Republic, Slovakia, Poland, Romania, Bulgaria, Hungary, Croatia, Serbia

► **Big Award for Vienna Insurance Group**

„Best Regional Insurance Company in CEE“

V.I.G. clearly wins in the category

„Best Regional Insurance Company (CEE)“ of
„UNiBA Partners“-research.

**Flexibility, customer and solution oriented
acting as well as quick decisions in
problematic cases characterise the V.I.G.**



Business development 2009
Vienna Insurance Group

2009

- ▶ Excellent development of the Group
 - ➔ **Leading in its core markets**
- ▶ **Premium volume** first time over **EUR 8 billion**
- ▶ **Profit before tax: EUR 441.2 million**
- ▶ **Combined Ratio: 96.3%**

Premium income

Positive premium development 2009 despite tough economic conditions

in EUR million	2009	2008	+/- yoy in %
Property/Casualty	4,206.75	4,278.85	-1.7%
Life	3,491.17	3,305.73	5.6%
Health (Austria only)	321.36	314.28	2.3%
Vienna Insurance Group¹²	8,019.28	7,898.87	1.5%
thereof Austria ¹	3,874.15	3,755.72	3.2%
thereof CEE ²	3,933.15	3,925.02	0.2%

¹ incl. s Versicherung from July 1st, 2008; BA-CAV and Unita only included for the period 1-6/2008

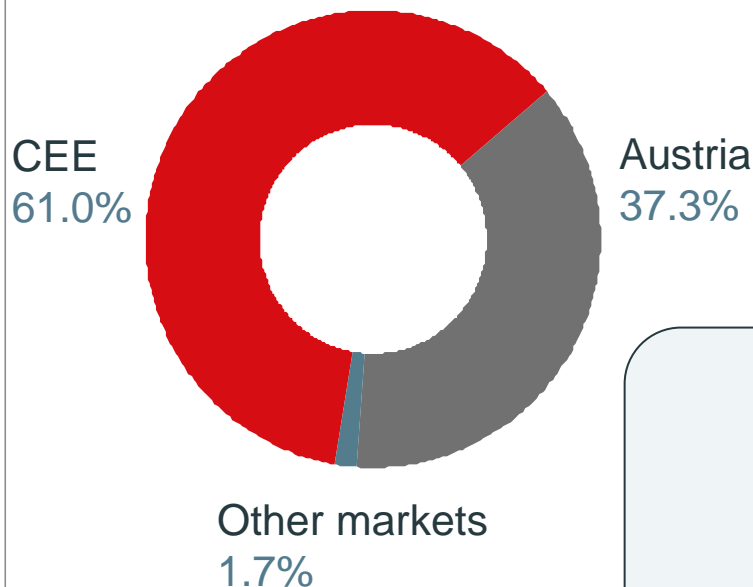
² incl. s Versicherung CEE Group from October 1st, 2008 (without BCR Property and BCR Life)

Share in premium volume by regions

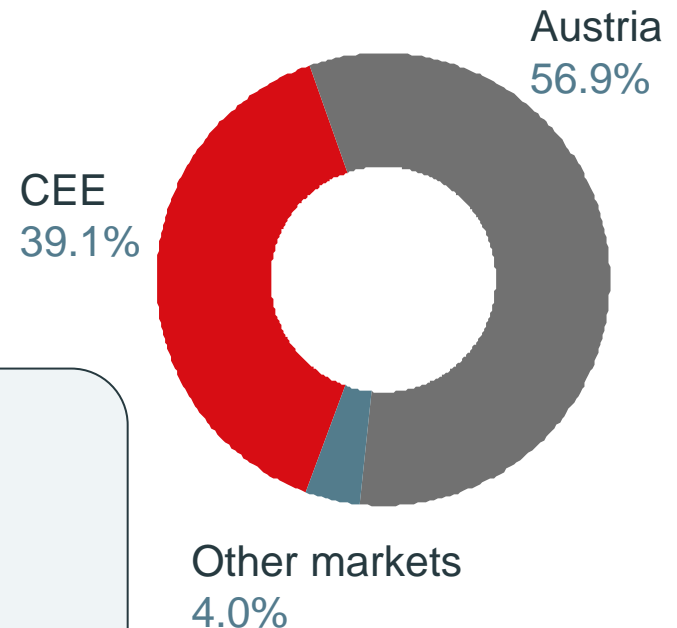
Premiums written 2009

**More than 60% of premiums in the Property/Casualty segment
and almost 40% in the Life segment generated in CEE**

Property/Casualty



Life



Total

Austria: 48.3%
CEE: 49.1%
Other markets: 2.6%

Results contribution of countries

- ▶ **Leading insurance group in Austria with 23.8% market share**

Gross premiums written

EUR 3,874mn (+3.2%)

Profit before tax

247.49mn (-28.1%)

Combined Ratio

96.0%

Total market share

23.8% (1st place)



- ▶ **1st place** in life-segment for the **first time** with **27.44 % market share**
- ▶ Q1 2010:
First time No. 1 on overall market

2009:

Gross premiums written

CZK 42.38bn (+19.5%)

Profit before tax

CZK 3.25bn (+21.2%)

Combined Ratio

91.2%

Total market share

31.5% (2nd place)



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▶ **Kooperativa**

3rd time
Insurance Company of the year



▶ **PČS**

Life insurance of the year



▶ **ČPP**

3rd place in Non-life segment
2nd place Motor segment



- ▶ **No. 1** on overall market
- ▶ **No. 1** in Life segment
- ▶ **No. 1** in Motor segment
- ▶ Merger of Kontinuita and Komunálna

Gross premiums written

EUR 628.38mn (+3.8%)

Profit before tax

EUR 23.01mn (+361.0%)

Combined Ratio

90.8%

Total market share

31.5% (1st place)



- ▶ **Poist'ovňa Slovenskej sporiteľne, a.s.**
Vienna Insurance Group

2nd place „Insurance company of the year“

**Award from the economic magazine „Trend“
for extraordinary business results**

- ▶ **No. 3** in Non-life segment
- ▶ **strengthened market position**

Non-life segment

PLN 1,662.12mn (+14.5%)

Total premiums*

PLN 2,372.67mn (-15.0%)

Profit before tax

PLN 118.66mn (+29.4%)

Combined Ratio

~100%

Market share Non-Life

9.0% (3rd place)



* Rückgang beim Einmalerlag

▶ **Compensa Non-life**

„Best Insurance Company of the last 20 years“



▶ **Benefia Non-life**

„Best Insurance Company 2009“



- ▶ **No. 1** on the overall market
- ▶ **No. 1** in Non-life segment
- ▶ **No. 2** in Life segment

Life premiums

RON 369.86mn (+157.2%)

Total premiums*

RON 2,572.19mn (+14.8%)

Profit before tax**

RON 102.56mn (+59.5%)

Combined Ratio

99.3%

Total market share

29.0% (1st place)



* decrease in single paid premium

** adjusted due to sale of Unita in 2008 / BCR Asigurari S.A. and BCR Asigurari de Viata S.A. are not included to the basis of consolidation in 2008

► **BCR Asiguari de Viata, V.I.G.**

DE VIATA
BCR ASIGURARI
VIENNA INSURANCE GROUP

„Company of the year – Life insurance“



Group profit
Vienna Insurance Group

Group profit of 2007 exceeded

in EUR million	2009	2008	2007	+/- yoy in %
Property/Casualty	238.86	414.23	265.07	-9.9%
Life	177.77	102.40	157.20	13.1%
Health	24.62	24.17	15.03	63.8%
Vienna Insurance Group^{1,2}	441.25	540.80	437.30	0.9%

¹ incl. s Versicherung CEE Group from October 1st, 2008 (without BCR Property and BCR Life)

² incl. s Versicherung from July 1st, 2008; BA-CAV and Unita only included for the period 1-6/2008

Excellent profit development in CEE

in EUR million	2009	2008	+/- yoy in %
Czech Republic	122.91	107.45	14.4%
Slovakia	23.01	4.99	361.1%
Poland	27.43	26.11	5.1%
Romania	24.19	17.46*	38.5%
Other CEE markets	-23.75	-14.41	-

* 2008 without special item of Unitá

- ▶ Increase of equity

by EUR 500 million to EUR 4.63 billion

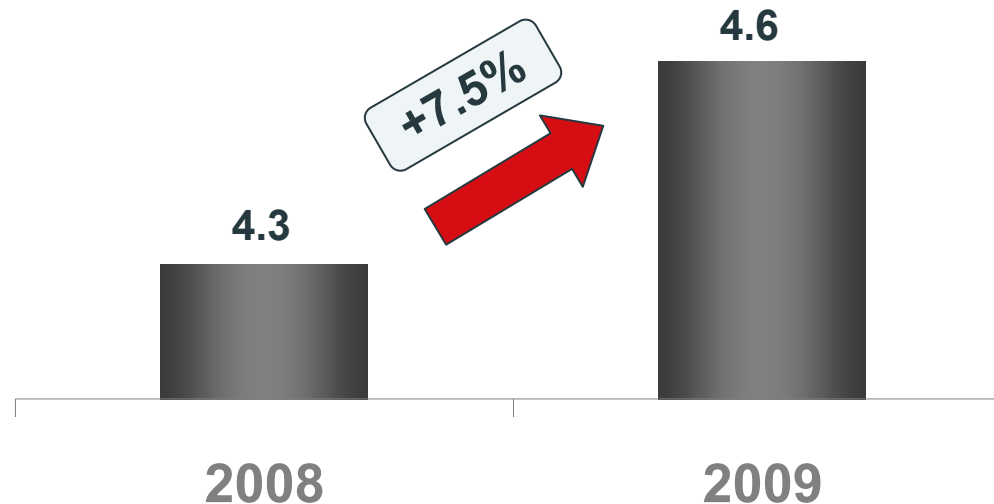
- ▶ therefore the legal minimum capital requirements are met by

more than 200% !

Embedded Value

in EUR billion

Embedded Value¹ increased again



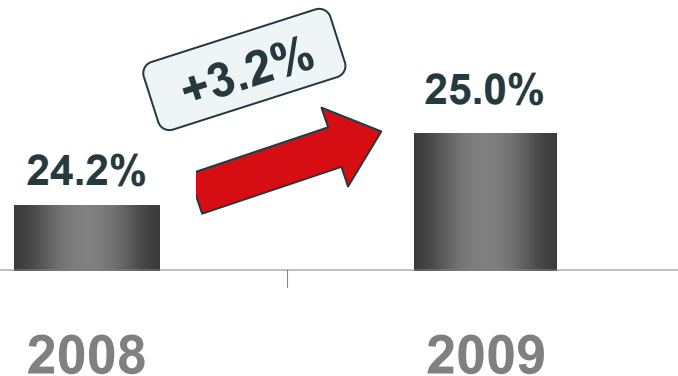
¹ Embedded Value = Asset value of company + value of life insurance- and health insurance asset (without new businesses)

Group Embedded Value 2009

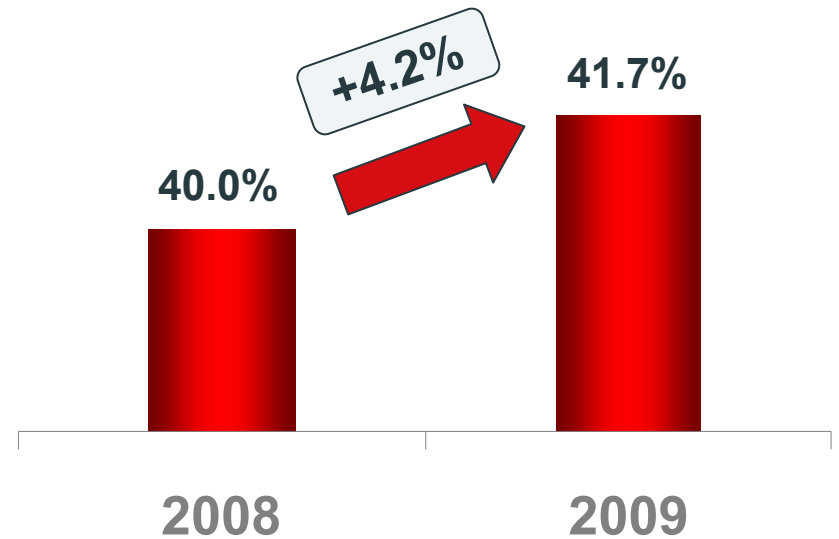
in EUR million

Profitability in % of the new businesses value

Austria/Germany



CEE

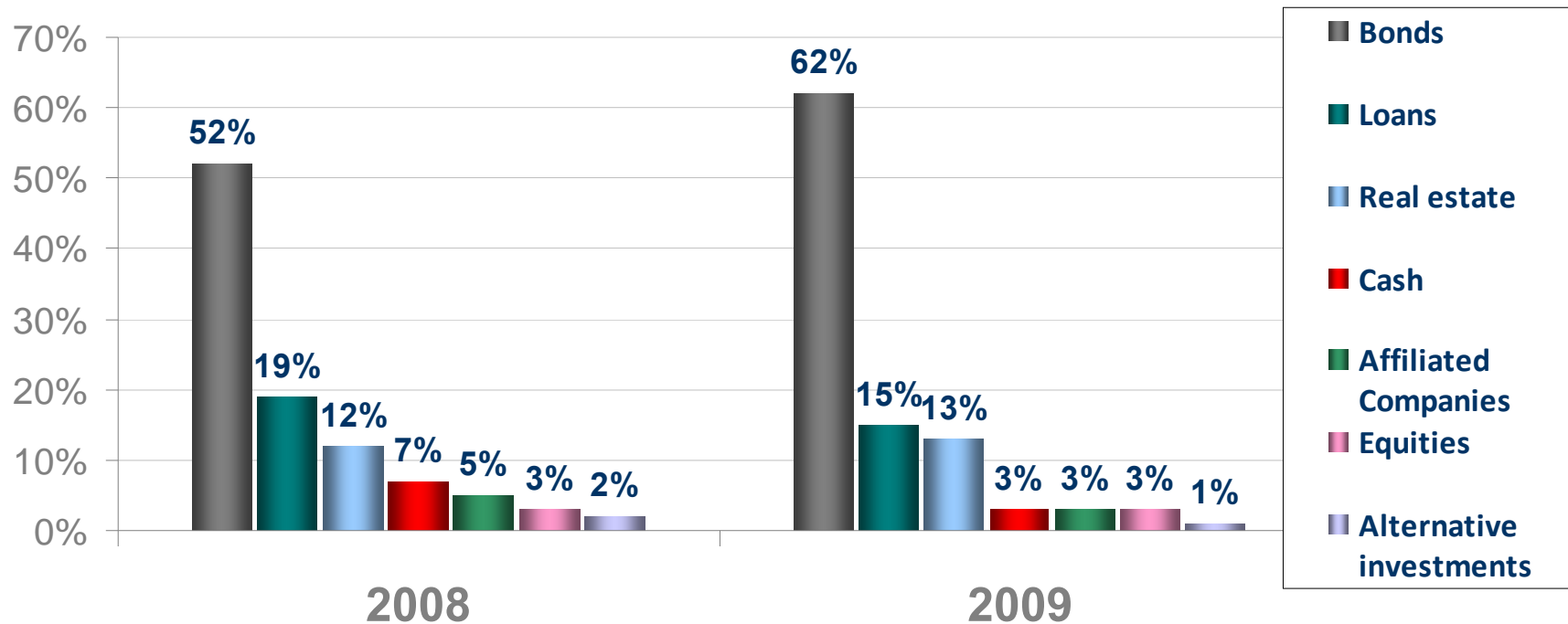


Investments

Investments 2009 – Portfolio Overview

in %

V.I.G. follows a conservative investment policy



+5.5%

Investments: EUR 24.5bn



EUR 25.9bn

Dividends

in EUR

Dividend policy provides attractive payout

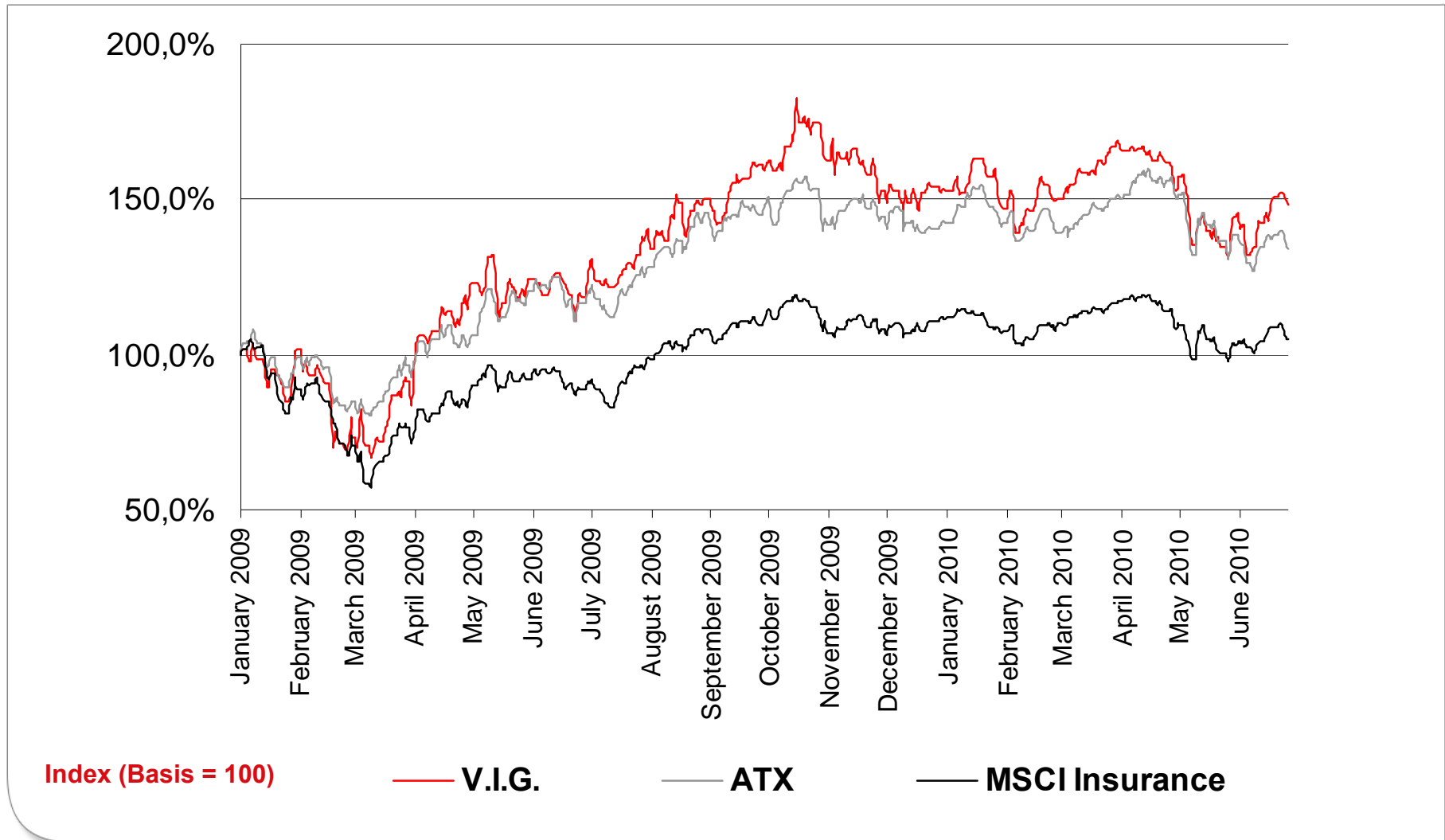
- ▶ Suggested dividend payout 2009 in the amount of

EUR 0.90

- ▶ Payout policy of at least 30% of the group profit to be kept

Performance 1.1.2009 – 25.06.2010

V.I.G. compared to ATX and MSCI Insurance Index



Wiener Städtische Austria
FY 2009
Annual financial statement

Premium income

Premiums written, UGB

in EUR million	2009	2008	+/- yoy in %
Property/Casualty	1,076.11	1,201.57	-10.4%
Life	937.40	1,067.80	-12.2%
Health	321.36	314.28	2.3%
Wiener Städtische	2,334.87	2,583.65	-9.6%

UGB, incl. Group effects

in EUR million	2009	2008	+/- yoy in %
Gross premiums written	2,334.87	2,583.65	-9.6%
Gross expenses for insurance claims ¹	2,155.66	1,907.24	13.0%
Gross administrative expenses	434.34	489.76	-11.3%
Results from ordinary activities	169.98	215.12	-20.9%
Investments ²	14,633.13	13,648.30	7.2%

¹ incl. change in mathematical reserve

² incl. unit- and index-linked investments of life insurance

Results from ordinary activities

Wiener Städtische AG, UGB, incl. Group effects

in EUR million	2009	2008*	+/- yoy in %
Property/Casualty	148.51	168.72	-11.9%
Life	9.64	36.98	-73.9%
Health	11.83	9.42	25.6%
Results from ordinary activities Wiener Städtische (incl. Group effects)	169.98	215.12	-20.9%

* 2008: special item selling BACAV

1st Quarter 2010

Premium income – Q1 2010

Premiums written, IFRS

Excellent premium development in Q1 2010

in EUR million	Q1 2010	Q1 2009	+/- yoy in %
Property/Casualty	1,384.07	1,372.26	0.9%
Life	1,062.10	889.26	19.4%
Health	84.78	83.91	1.0%
Vienna Insurance Group	2,530.95	2,345.43	7.9%



for the first time over EUR 2.5bn premiums



highest premium volume in company history
in the 1st quarter

Premium income – Q1 2010

Net earned premiums, IFRS

Double-digit growth rate in net earned premiums

in EUR million	Q1 2010	Q1 2009	+/- yoy in %
Czech Republic	392.64	320.57	22.5%
Slovakia	147.65	139.62	5.8%
Poland	157.05	131.91	19.1%
Romania	135.18	129.12	4.7%
Other CEE markets	119.30	111.02	7.5%
Total CEE	951.82	832.24	14.4%
Austria	980.68	934.11	5.0%
Other markets	114.67	31.90	259.5%
Total Non-CEE	1,095.35	966.01	13.4%
Vienna Insurance Group	2,047.17	1,798.25	13.8%

Historical group profit in the 1st quarter 2010

in EUR million	Q1 2010	Q1 2009	+/- yoy in %
Property/Casualty	86.34	81.71	5.7%
Life	37.57	34.72	8.2%
Health	9.52	4.39	116.9%
Vienna Insurance Group	133.44	120.82	10.4%



Combined Ratio 97.5%

IFRS

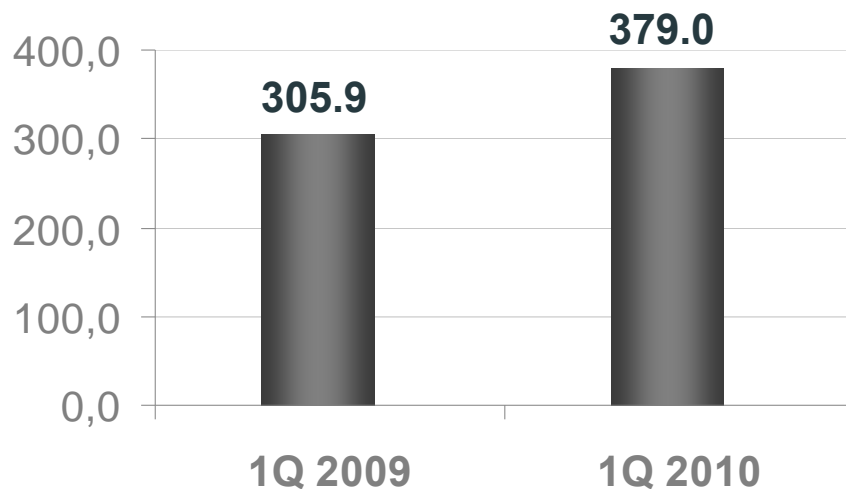
Outstanding profit development in CEE

in EUR million	Q1 2010	Q1 2009	+/- yoy in %
Czech Republic	31.47	24.21	30.0%
Slovakia	10.09	4.91	105.5%
Poland	7.17	6.29	14.0%
Romania	7.41	6.28	18.1%
Other CEE markets	2.80	-2.54	-
TOTAL-CEE	58.94	39.15	50.5%

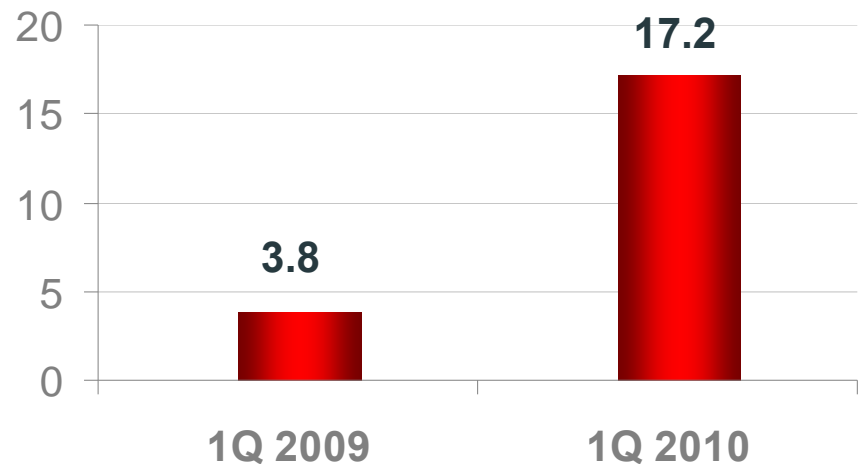
in EUR million

Continuation of growth in 1st quarter 2010

Premiums



Profit before tax



Continuing highly dynamic life segment

Current developments

Next steps to further growth

Further strengthening V.I.G.'s earning power

- ▶ **Single-digit premium growth rate**
- ▶ **Increase of profit before tax of more than 10 percent expected**
- ▶ **Cost-cutting programme continues**



- ▶ **Establishment of a Life insurance company projected**
- ▶ therefore Vienna Insurance Group **represented in 24 countries**
- ▶ Cooperation with Erste Group

Facts and figures

- ▶ Capital: Podgorica
- ▶ Inhabitants: 630,000 (July 2009)
- ▶ GDP/capita (EUR): ~11,100
- ▶ Insurance density per capita (EUR): 95
- ▶ Insurance penetration in % of GDP: 1.79

After the market entry in Montenegro now access to the life-segment in Macedonia



- ▶ **Establishment of a Life insurance company projected**
- ▶ Extension of business activity
- ▶ Cooperation with Erste Group

Facts and figures

- ▶ Capital: Skopje
- ▶ Inhabitants: ~ 2.1 Mio.
- ▶ GDP/capita (EUR): 3,151 (2009)
- ▶ Insurance density per capita (EUR): 49.44
- ▶ Insurance penetration in % of GDP: 1.53



- ▶ **Establishment of a subsidiary of the Compensa Non-life (Poland)**
- ▶ Entry into the **property insurance business**
- ▶ **Start: April 2010**

COMPENSA 
VIENNA INSURANCE GROUP

Facts and figures

- ▶ Insurance density per capita (EUR): 172.75
- ▶ Insurance penetration in % of GDP: 1.78

Donau Versicherung further extends business



- ▶ Entry into motor vehicle business in Italy
- ▶ Start of health insurance in Austria

Thank you for your attention!