



Group Embedded Value Results 2008

March 31, 2009

Change in Scope

Extended Scope of GEV-Reporting

- Included for the first time are CPP in the Czech Republic, BENEFIA-LIFE and BENEFIA, INTERRISK and PZM in Poland and the newly acquired insurance operations of ERSTE BANK in Austria, Czech Republic, Slovakia, Hungary, Romania and Croatia.
- BACA-Versicherung in Austria and UNITA in Romania were sold in 2008.
- Group Embedded Value (GEV) calculated as Life & Health (L&H) EEV or TEV plus Adjusted Net Asset Value (ANAV) for Property & Casualty (P&C).
- Methodology, assumptions and calculations reviewed by B&W Deloitte GmbH, Cologne.

Results

Group Embedded Value - Dec 31, 2008 (Dec 31, 2007)

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in €mn

	L&H		P&C		Total	
	2008	2007(*)	2008	2007(*)	2008	2007(*)
Austria/Germany						
Free Surplus	403.6	525.3				
Required Capital	320.5	325.9				
ANAV	724.1	851.2	151.4	426.6	875.5	1,277.8
PVFP	1,233.9	1,568.5	n/a	n/a	1,233.9	1,568.5
- TVFOG	- 172.3	- 56.8	n/a	n/a	- 172.3	- 56.8
- CoC/FCRC	- 43.5	- 48.7	n/a	n/a	- 43.5	- 48.7
- CRNHR	- 71.8	- 54.2	n/a	n/a	- 71.8	- 54.2
VIF	946.3	1,408.8			946.3	1,408.8
Subtotal A/G	1,670.4	2,260.0	151.4	426.6	1,821.8	2,686.6
CEE						
Free Surplus	306.6	266.5				
Required Capital	135.4	113.5				
ANAV	442.0	380.0	1,371.6	1,340.7	1,813.6	1,720.7
PVFP	610.1	539.0	n/a	n/a	610.1	539.0
- TVFOG	- 36.7	- 29.6	n/a	n/a	- 36.7	- 29.6
- CoC/FCRC	- 23.1	- 20.5	n/a	n/a	- 23.1	- 20.5
- CRNHR	- 23.3	- 21.1	n/a	n/a	- 23.3	- 21.1
VIF	527.0	467.8			527.0	467.8
Subtotal CEE	969.0	847.8	1,371.6	1,340.7	2,340.6	2,188.5
Total	2,639.4	3,107.8	1,523.0	1,767.3	4,162.4	4,875.1

(*) The GEV 2007 is after restatement and opening adjustments.

Changes in Methodology and Assumptions (1)

Comments on GEV Results

- All results based on local GAAP
- GEV reflects amounts deemed to be distributable to shareholders
- EEV and TEV for L&H:
 - Adjusted Net Asset Value (ANAV) *plus*
 - Value of In-Force (VIF) *determined as*
 - Present Value of Future Profits (PVFP) *minus*
 - Time Value of Financial Options and Guarantees (TVFOG) – EEV only *minus*
 - Cost of Capital (CoC) – TEV only / Frictional Cost of Required Capital (FCRC) – EEV only *minus*
 - Cost for Residual Non-Hedgeable Risks (CRNHR) – EEV only
- ANAV for P&C includes Surplus in Claims Reserves based on undiscounted, actuarial best estimates of claims payments

Changes in Methodology and Assumptions (2)

Comments on GEV Results

- EEV based on stochastic cashflow projections and allows for management actions (e.g. in respect of profit participation and asset allocation) and policyholder behaviour. First time allowance for Cost for Residual Non-Hedgeable Risk.
- TEV based on deterministic projections
- The reference interest rates used for the EEV calculations are based on the corresponding swap rates at December 31, 2008 and include a liquidity spread of 50 bp for all terms
- Volatilities used to calibrate the economic scenario generator at December 31, 2008 are based on average volatilities over 2008
- All results shown after minorities and tax
- GEV allows for all consolidation effects

Return on Adjusted Embedded Value

Results

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in €mn

	L&H	P&C	Total
Austria / Germany			
EV Dec 31, 2008	1,670.3	151.4	1,821.7
EV Dec 31, 2007 Reported	2,012.7	617.5	2,630.2
EV Dec 31, 2007 Restated	2,037.4	570.7	2,608.1
EV Dec 31, 2007 Restated and Adjusted	2,260.0	426.6	2,686.6
+ Dividends	- 34.3	- 79.4	- 113.7
+/- Closing Transfers	- 281.7	286.5	4.8
<i>Return on EV</i>	- 871.4 -44.0%	11.3 1.6%	- 860.1 -32.0%
CEE			
EV Dec 31, 2008	969.1	1,371.6	2,340.7
EV Dec 31, 2007 Reported	546.7	1,374.2	1,920.9
EV Dec 31, 2007 Restated	569.4	1,197.1	1,766.5
EV Dec 31, 2007 Restated and Adjusted	847.8	1,340.7	2,188.5
+ Dividends	- 0.7	- 1.1	- 1.8
+/- Closing Transfers	- 46.8	42.0	- 4.8
<i>Return on EV</i>	74.5 9.3%	72.9 5.3%	147.4 6.8%
Return on Total GEV	- 796.9 -25.6%	84.2 4.8%	- 712.7 -14.6%

New Business Values

Results

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in €mn

	L&H		
	2008	2007	+ / - %
Austria / Germany			
NBV	61.6	76.2	- 19.2%
APE	259.1	262.2	
<i>APE-Ratio</i>	23.8%	29.1%	
PVNBP	2,479.2	2,398.6	
<i>PVNBP-Ratio</i>	2.5%	3.2%	
CEE			
NBV	92.2	68.8	+ 34.0%
APE	211.1	213.8	
<i>APE-Ratio</i>	43.7%	32.2%	
PVNBP	1,311.5	1,121.1	
<i>PVNBP-Ratio</i>	7.0%	6.1%	
NBV-Total	153.8	145.0	+ 6.1%
APE-Total	470.2	476.0	
<i>APE-Ratio Total</i>	32.7%	30.5%	
PVNBP-Total	3,790.7	3,519.7	
<i>PVNBP-Ratio Total</i>	4.1%	4.1%	

- The NBV represents the value generated by new business sold during the reporting period.
- The NBV in A/G has decreased due to lower margins on the participating life insurance business as a result of the lower interest rates and higher volatility.
- The total new business volumes in A/G have not changed relative to the previous year.
- The total new business volumes in CEE as measured by PVNBP have increased.
- The NBV in CEE has increased due to higher new business margins.
- The higher NBV in CEE offsets the reduction in A/G and leads to an overall higher NBV for the group.

- Solid Group Embedded Value despite exceptional financial market dislocation
- Extended scope of GEV reporting due to inclusion of newly acquired insurance operations of ERSTE BANK and more VIG companies in Czech Republic and Poland
- Additional change of scope due to disposal of BACA-Versicherung in Austria and UNITA in Romania
- Positive return on GEV in CEE
- Significant increase of NBV in CEE and increase of NBV in total
- Explicit allowance for Cost for Residual Non-Hedgeable Risk

Cautionary statement regarding forward-looking information

- This presentation contains forward-looking statements.
- Forward-looking statements involve inherent risks and uncertainties, and it might not be possible to achieve the predictions, forecasts, projections and other outcomes described or implied in forward-looking statements.
- A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in these forward-looking statements.
- These forward-looking statements will not be updated except as required by applicable laws.