

12 May 2009

Vienna Insurance Group continues the trend set by outstanding 2008 annual result in the first quarter 2009:

Profit (before taxes) of approximately EUR 121 million

Important CEE markets record double digit premium growth on a local basis

“The Group companies of the Vienna Insurance Group show a very stable development in the first quarter of 2009 despite the ongoing difficult economic environment. These quarterly results continue the trend of outstanding business development seen in the previous year. The acquisition of the insurance activities of the Erste Group last year was a forward-looking decision to provide security in terms of the Group’s sales strength, but we can also demonstrate that we continue to grow in the CEE region,” comments **Günter Geyer, CEO of the Vienna Insurance Group**, regarding the Group’s development during the first quarter of 2009. *“On local basis we see that there is double digit growth in premiums in the Czech Republic, Slovakia, Hungary and Croatia.”*

I. OVERVIEW OF KEY GROUP DATA FOR THE 1st QUARTER OF 2009 (according to IFRS)*

In the first quarter of 2009, the **Vienna Insurance Group** achieved a total of **premiums written (consolidated)** of **EUR 2.35 billion**. Based on euros, this corresponds to an increase of **1.5 percent** compared to the same period of the previous year.

The **Group profit (before taxes, consolidated)** amounted to about **EUR 121 million** in the first quarter. This implies virtually the repeat of the very good result in the first quarter 2008. Actually, after tax expenses and minority interests a profit growth of close to **4 percent** was achieved.

The **combined ratio of the Group after reinsurance** (not considering investment income) was **96.4 percent** for the first three months of the current year.

The **financial results** amounted to **EUR 238.15 million** for the first quarter of 2009. This increase of **35.6 percent** is primarily the result of an increase in current income generated by the newly acquired companies of the s Versicherung Group.

As of 31 March 2009, the **investments of the Group** amounted to **EUR 23.88 billion**. Compared to the same period of the previous year the investments increased by **18.8 percent**.

* All statements for the first quarter of 2009 include figures from the s Versicherung Group and the BCR insurance companies. BA-CAV and Unita are only included in comparisons to the first quarter of 2008.

Wiener Städtische (AT) • Donau (AT) • s Versicherung Group (AT, CZ, HR, HU, SK) • Sigma (AL) • Bulstrad (BG) • Bulstrad Life (BG) • Bulgarski Imoti (BG) • Kupala (BY) • Victoria (BY) • Kooperativa (CZ) • CPP (CZ) • VIG RE (CZ) • InterRisk (DE) • Compensa Life (EE, LT, LV) • GPIH (GE) • IRAO (GE) • Kvarner (HR) • Cosmopolitan Life (HR) • Helios (HR) • Union Biztosito (HU) • Vienna-Life (LI) • Sigma (MK) • Compensa (PL) • InterRisk (PL) • Benefia (PL) • PZM (PL) • Omnisig (RO) • Omnisig Life (RO) • Asirom (RO) • BCR Asigurari (RO) • BCR Asigurari de Viata (RO) • Wiener Städtische Beograd (RS) • MSK-Life (RU) • Kooperativa (SK) • Komunálna poisťovňa (SK) • Kontinuita (SK) • Ray (TR) • Kniazha (UA) • Globus (UA) • Jupiter (UA) • USG (UA) • Branches: Wiener Städtische (IT), Wiener Städtische (SI)

II. GROUP DATA CLASSED BY SEGMENTS 1st QUARTER 2009 (consolidated)

Property/casualty insurance

In the **CEE markets**, the Group companies generated **premiums written** in this segment amounting to **EUR 737.72 million** (minus 3.1 percent due to currency effects). Based on local currency up to double digit growth rates were determined.

In the **non-CEE countries**, the **premiums** in this segment reached **EUR 634.54 million**. Compared to the same period in the previous year, this corresponds to an increase of **2.1 percent**. In **Austria**, the Group companies achieved solid growth of **2.0 percent** to record **premiums of EUR 614.35 million**. In **Germany**, the **premiums** were **EUR 20.19 million**, corresponding to an increase of **4.6 percent**.

In total, in the property and casualty insurance segment, **premiums of EUR 1.37 billion** were achieved (based on euros minus 0.7 percent).

Life insurance

In the life insurance segment, the Group companies of the **Vienna Insurance Group** recorded total **premiums written** of **EUR 889.26 million**, which represents growth of **5.0 percent** compared to the previous year. The local companies of s Versicherung Group, above all, contributed to this result.

Outstanding growth in this segment of **24.0 percent** was achieved in the **CEE markets**, with **premiums written** of **EUR 321.09 million**. The premium share of the Group companies in CEE in this business line thus experienced a significant increase of about 6 percentage points compared to the previous year and is now **36.1 percent**, i.e. more than one third. Premium growth in the life segment was particularly impressive in the Czech Republic and Slovakia, with both countries showing high double digit growth.

In **non-CEE markets**, **premiums written** in the life segment amounted to **EUR 568.17 million**. This is a decrease of 3.4 percent compared to the same period in the previous year.

Health insurance

In the health insurance segment, the **Vienna Insurance Group** recorded growth of **2.7 percent**, with **premiums written** of **EUR 83.91 million**. As one of the leading health insurers, Wiener Städtische Versicherung AG Vienna Insurance Group in Austria is the only Group company selling a sizeable volume of health insurance products. In 2009, the initiative to extend the health insurance business also to CEE markets was successfully launched.

III. GROUP DATA CLASSED BY REGIONS 1st QUARTER 2009 (consolidated)

Austria

In the first quarter of 2009, Group companies of the Vienna Insurance Group in Austria achieved total **premiums written** of **EUR 1.24 billion**, representing growth of **2.4 percent**. The **non-life** segment achieved growth of **2.0 percent** with **premiums** amounting to **EUR 614.35 million**, while the **life** segment experienced growth of **2.7 percent** and a **premium volume** of **EUR 546.36 million**.

The decrease in single premium business was balanced by the newly consolidated Sparkassen Versicherung.

The **profit (before taxes)** also reflects the activities of Wiener Städtische as the holding of the Group and was increased by **1.6 percent** to **EUR 77.26 million** compared to the same period of the previous year.

The **combined ratio** in the first quarter of 2009 was **93.8 percent** and thus improved slightly compared to the same period of the previous year.

Czech Republic

Based on local currency, in the first quarter of 2009, the Group companies in the Czech Republic significantly increased both their premium volume in total as well as in the individual segments. In total, the premium increase was at an excellent **20.2 percent** and, thus, continued the very good development of the pre-year period. The increase in premium volume amounted to **8.5 percent in non-life** and to **63.1 percent in life**.

Based on euros, in the first quarter of 2008 total **premiums** of **EUR 404.47 millions (plus 12.5 percent)** were achieved. In **non-life**, the premiums amounted to **EUR 273.47 million** (minus 0.8 percent) and in **life** to **EUR 131.00 million (plus 56.2 percent)**.

The **profit (before taxes)** increased by **17.8 percent** to **EUR 24.21 million**.

The **combined ratio** in the first quarter of 2009 was an excellent **89.9 percent**.

Slovakia

The total premium volume of the Vienna Insurance Group companies in Slovakia continued to display ongoing strong development in the first quarter of 2009. With **premiums written** of **EUR 186.23 million**, the companies achieved overall **growth of 15.5 percent**.

In the **non-life** segment, premiums in the amount of **EUR 114.30 million** showed a growth rate of **8.7 percent**.

The development of the Vienna Insurance Group in Slovakia in the area of **life insurance** was even more pleasing. The 2009 first quarter **premiums** in this segment amounted to **EUR 71.93 million**. This corresponds to a **plus of 28.2 percent** compared to the same period of the previous year.

The **profit (before taxes)** was **EUR 4.91 million** in the first quarter of 2009.

Poland

Based on local currency, the Vienna Insurance Group was able to increase **premiums** in Poland in all business segments in the first three months of 2009. In total, growth of **3.7 percent** was achieved – with a **premium** increase of **6.3 percent in non-life** and **0.1 percent in life**.

Based on euros, the Polish Group companies earned **premiums written** of **EUR 143.09 million** (minus 17.8 percent) in the first three months of 2009.

In the **non-life** segment, the **Vienna Insurance Group** registered **premiums** amounting to **EUR 84.23 million** (based on euros minus 15.5 percent) in the first quarter of 2009.

With **premiums of EUR 58.85 million**, a decrease of 20.9 percent (based on euros) was experienced in the **life insurance** business in the first quarter of 2009 due to uncertainty in the capital markets.

The **profit (before taxes)** was **EUR 6.29 million**.

The **combined ratio** was **99.2 percent**.

Romania

In comparison to the strong growth of the previous year period and based on local currency, in Romania the local companies again achieved an increase of **0.2 percent in premiums**. In the **life** segment, an extraordinary increase of **65.8 percent** was even recorded, whereas the **non-life** segment was kept stable with a slight decrease of **3.7 percent**.

Based on euros, the Group companies of the Vienna Insurance Group in Romania achieved **premiums written of EUR 167.83 million** (minus 16.4 percent). In the **non-life** segment, the **premium volume** amounted to **EUR 151.47 million** (minus 20.0 percent).

In **life insurance**, a **premium volume of EUR 16.35 million** was achieved which corresponds to an **increase of 43.3 percent** (based on euros). This is, on the one hand, due to the first time consolidation of the newly acquired company BCR Life. On the other hand, the figures illustrate the continuing demand for life insurance products in Romania.

The **profit (before taxes)** significantly increased to **EUR 6.28 million**.

Other CEE markets

The results in the first quarter of 2009 for the Group companies of the Vienna Insurance Group in the segment Other CEE markets include the following countries: Bulgaria, Croatia, Hungary, Serbia, Turkey and Ukraine. The three Baltic markets are also included for the first time, with the Vienna Insurance Group represented in these countries by Compensa Life (formerly Seesam). Premium growth based on euros was particularly impressive in Hungary (plus 48.5 percent), Croatia (plus 17.4 percent) and Bulgaria (plus 55.1 percent).

The **premiums written** from these countries increased compared to the same period in the previous year by **26.5 percent** to **EUR 157.19 million**.

In the **non-life** segment, premiums written of **EUR 114.24 million** equated to a significant growth of **25.4 percent**.

In the **life** segment, the premiums amounted to **EUR 42.95 million**, thus a very pleasing increase of **29.3 percent** compared to the previous year-period.

Other markets

In **Germany and Liechtenstein**, the Group companies achieved total **premiums of EUR 42.01 million** in the first quarter of 2009.

The **profit (before taxes)** amounted to **EUR 4.42 million**.

The listed Vienna Insurance Group (VIG) is one of the leading insurance groups in CEE headquartered in Vienna. Outside of its home base in Austria, Vienna Insurance Group is also active, through subsidiaries and insurance holdings, in Albania, Bulgaria, Germany, Estonia, Georgia, Croatia, Latvia, Liechtenstein, Lithuania, Macedonia, Poland, Romania, Russia, Serbia, Slovakia, the Czech Republic, Turkey, Hungary, Ukraine and Belarus. It also has branches in Italy and Slovenia.

On the Austrian market, the Vienna Insurance Group (VIG) positions itself with Wiener Städtische Versicherung, Donau Versicherung and Sparkassen Versicherung.

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All news releases are also available at www.viennainsurancegroup.com/ir > IR News.

Consolidated Balance Sheet (IFRS) 31 March 2009

Assets (in TEUR)	31/03/2009	31/12/2008	+/- %
A. Intangible assets	1,981,787	1,648,941	20.2
B. Investments	23,880,133	24,547,565	-2.7
C. Investments of unit- and index-linked life insurance	3,769,901	3,602,404	4.6
D. Reinsurers' share in underwriting provisions	1,081,299	1,222,261	-11.5
E. Receivables	1,802,001	1,500,067	20.1
F. Deferred tax assets	134,423	131,170	2.5
G. Other assets	729,994	393,385	85.6
H. Cash and cash equivalents	556,028	619,327	-10.2
Total Assets	33,935,566	33,665,120	0.8

Liabilities and Shareholders' Equity (in TEUR)	31/03/2009	31/12/2008	+/- %
A. Shareholders' equity	4,175,694	4,138,790	0.9
B. Subordinated liabilities	505,288	501,242	0.8
C. Underwriting provisions	21,773,795	21,682,367	0.4
D. Unit- and index-linked underwriting provisions	3,507,406	3,346,773	4.8
E. Non-underwriting provisions	696,220	752,022	-7.4
F. Liabilities	2,885,669	2,842,755	1.5
G. Deferred tax liabilities	134,532	141,483	-4.9
H. Other liabilities	256,962	259,688	-1.0
Total Liabilities and Shareholders' Equity	33,935,566	33,665,120	0.8

Consolidated Income Statement (IFRS) 1 Jan. 2009 - 31 March 2009

(in EUR mn)	3M 2009	3M 2008	+/- %
Gross written premiums	2,345.43	2,311.25	1.5
Net earned premiums	1,798.25	1,736.81	3.5
Net investment income	238.15	175.58	35.6
Other income	41.21	17.46	>100
Claims and insurance benefits	-1,473.06	-1,359.11	8.4
Operating expenses	-409.91	-391.59	4.7
Other expenses	-73.82	-54.30	36.0
Profit before taxes	120.82	124.85	-3.2
Tax expense	-21.80	-25.98	-16.1
Profit for the period	99.02	98.87	0.2
Minority interests	-4.27	-7.46	-42.8
Net profit after minorities	94.75	91.41	3.7

Combined Ratio (net)	96.4%	95.5%
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Segment Reporting 1 Jan. 2009 - 31 March 2009

Split by Business Segments:

(in EUR mn)	P&C		Life		Health		Total	
	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
<i>Gross written premiums</i>	1,372.26	1,382.58	889.26	846.99	83.91	81.68	2,345.43	2,311.25
A. Net earned premiums	848.24	841.94	869.73	816.82	80.29	78.05	1,798.25	1,736.81
B. Net investment income ¹	53.02	23.80	186.52	154.80	-1.38	-3.02	238.15	175.58
C. Other income	26.02	7.68	15.19	9.78	0.00	0.00	41.21	17.46
D. Claims and insurance benefits	-559.65	-538.37	-847.80	-758.37	-65.61	-62.38	-1,473.06	-1,359.11
E. Operating expenses	-239.69	-235.29	-161.44	-145.35	-8.77	-10.95	-409.91	-391.59
F. Other expenses	-46.22	-38.58	-27.47	-15.43	-0.13	-0.29	-73.82	-54.30
G. Profit before taxes	81.71	61.18	34.72	62.25	4.39	1.41	120.82	124.85

Split by Regions:

(in EUR mn)	Austria		Czech Republic		Slovakia		Poland	
	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
<i>Gross written premiums</i>	1,244.62	1,215.81	404.47	359.67	186.23	161.31	143.09	174.04
A. Net earned premiums	934.11	895.65	320.57	268.35	139.62	122.65	131.91	157.45
B. Net investment income ¹	167.51	148.06	13.91	6.38	8.76	4.76	6.56	2.60
C. Other income	2.41	4.78	6.33	3.32	1.43	0.71	1.19	4.09
D. Claims and insurance benefits	-851.68	-808.78	-212.14	-183.43	-108.81	-80.83	-79.69	-82.66
E. Operating expenses	-163.99	-152.20	-87.47	-60.34	-26.52	-25.72	-50.14	-69.39
F. Other expenses	-11.10	-11.46	-17.00	-13.72	-9.57	-10.81	-3.55	-4.75
G. Profit before taxes	77.26	76.05	24.21	20.55	4.91	10.77	6.29	7.34

(in EUR mn)	Romania		Other CEE		Other		Total	
	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008	3M 2009	3M 2008
<i>Gross written premiums</i>	167.83	200.86	157.19	124.29	42.01	75.26	2,345.43	2,311.25
A. Net earned premiums	129.12	136.44	111.02	90.52	31.90	65.75	1,798.25	1,736.81
B. Net investment income ¹	17.46	6.22	19.40	4.11	4.56	3.45	238.15	175.58
C. Other income	15.96	0.72	3.18	3.15	10.71	0.70	41.21	17.46
D. Claims and insurance benefits	-112.52	-92.04	-85.33	-59.44	-22.91	-51.92	-1,473.06	-1,359.11
E. Operating expenses	-40.00	-45.75	-36.45	-31.62	-5.35	-6.59	-409.91	-391.59
F. Other expenses	-3.76	-2.88	-14.37	-4.07	-14.48	-6.61	-73.82	-54.30
G. Profit before taxes	6.28	2.70	-2.54	2.66	4.42	4.78	120.82	124.85

¹ including result from shares in at-equity consolidated companies