

■ VIG – continuing the CEE story



Erste Group Investor Conference
Stegersbach

05/06 October 2011

VIG – Investment proposition

Outline of VIG's markets

Management focus

Financials and outlook

Appendix

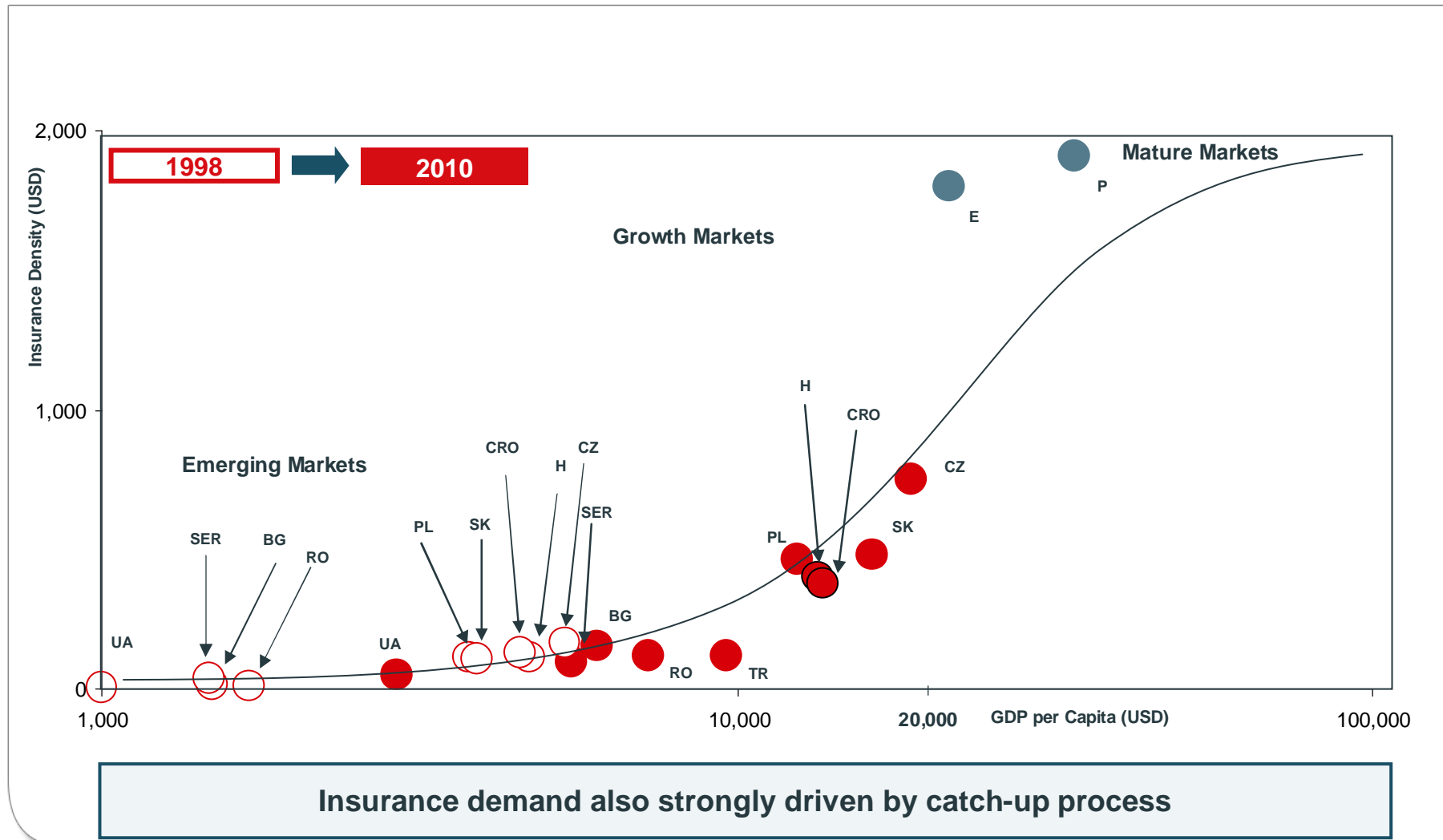
VIG – Investment Proposition



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VIG – Investment proposition

GDP growth and under-penetration are insurance drivers



Catch-up Potential in CEE

Austrian example to be followed

Austrian Insurance Market ¹				
Year	Premium Income (€bn)	Insurance penetration (%)	Density (€)	GDP/Capita (€)
1970	0.81	3.0%	109	3,659
1978	2.41	3.8%	318	8,329
	x1.5		x4.0	
1984	3.98	4.2%	526	12,469
2010	16.80	5.9%	1,997	33,856

CEE Insurance Markets in 2010 ²			
Country	Insurance Penetration (%)	Density (€)	GDP/Capita (€)
Ukraine	1.9%	41	2,907
Serbia	1.8%	75	4,133
Romania	1.7%	93	5,464
Bulgaria	2.5%	115	4,526
Hungary	3.0%	301	10,108
Croatia	2.8%	286	10,286
Poland	3.7%	244	9,399
Slovakia	3.0%	362	12,293
Czech Republic	4.0%	568	14,152

Insurance market development in CEE:

- Currently similar starting line as in Austria 30 years ago
- Strong catch-up potential recognized
- Higher growth dynamics than in Austria to be expected

Source: 1: local insurance association, 2: Sigma

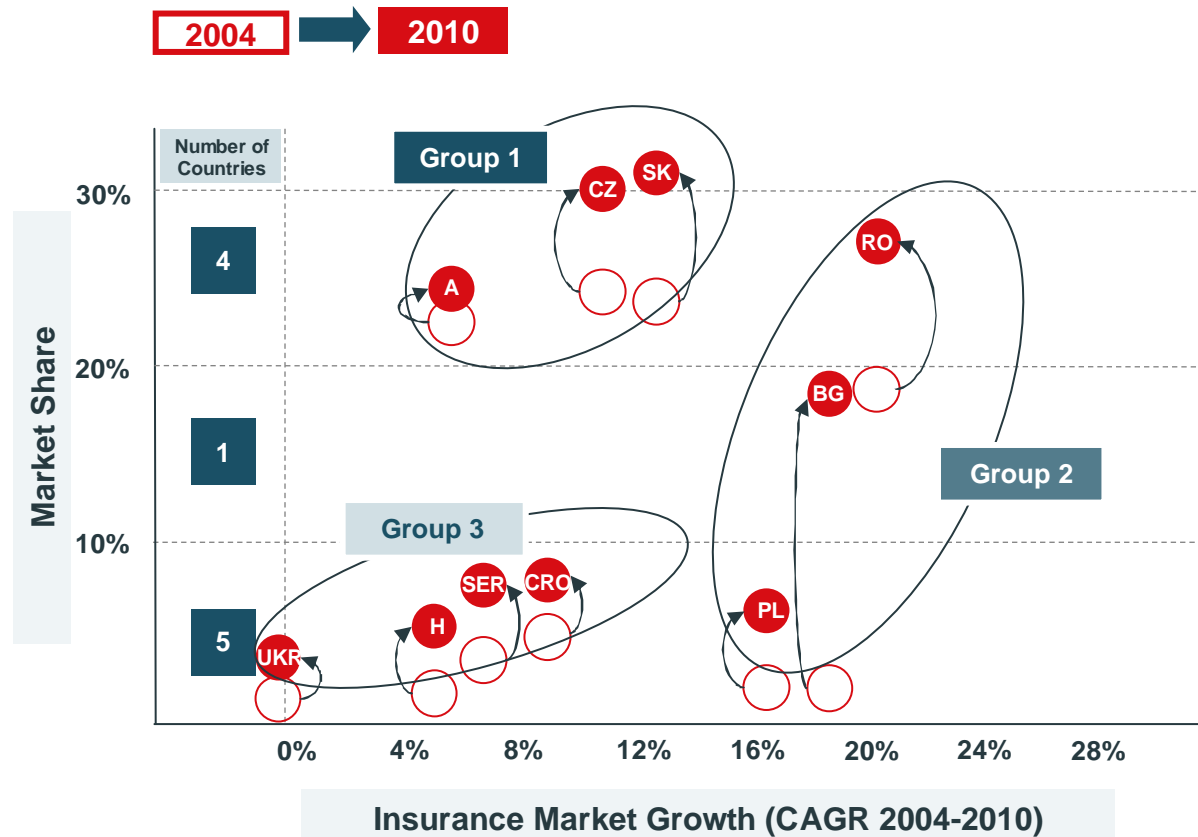
VIG Is Well Positioned in its Core Markets



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VIG – Investment proposition

Steady increase of market share within short period



Group 1

Pop: 24.3mn
GDP/Cap.: \$ 27,202 ¹
Density: \$ 1,349 ²

Group 2

Pop: 67.1mn
GDP/Cap.: \$ 10,075 ¹
Density: \$ 321 ²

Group 3

Pop: 67.1 mn
GDP/Cap.: \$ 5,455 ¹
Density: \$ 132 ²

Source: Swiss RE 04/2005; 02/2011, company data YE 2004; 9M 2010, VVO

1: Weighted average GDP/Cap. of respective group

2: Weighted average density of respective group

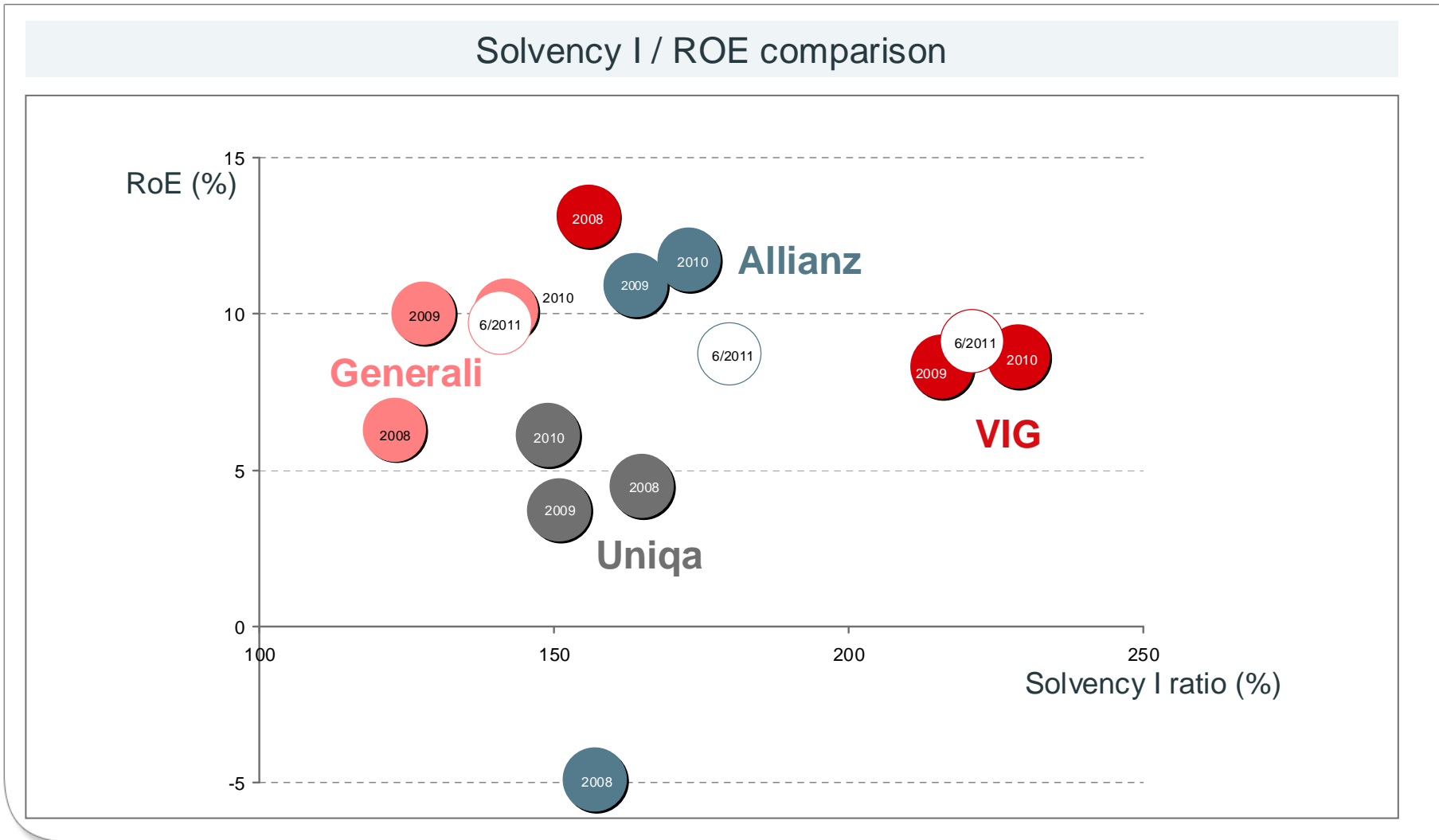
Peer Group Comparison



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VIG – Investment proposition

VIG combines high profitability and strong capitalisation



Source: Company reports, Uniqa 6M data not available

VIG – Investment proposition

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Outline of VIG's Major Markets (I)



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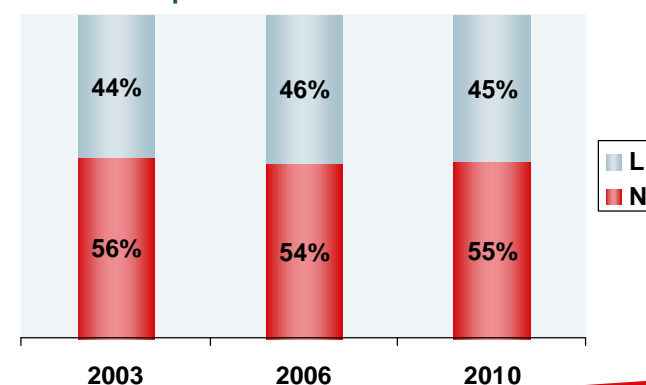
Outline of VIG's markets

Austria

Market Statistics

	2006	2009	2010
Austrian Insurance Market			
Market Volume (€mn) ¹	15,589	16,420	16,756
Insurance Density (\$) ²	2,397	2,737	2,651
VIG Austria (%)¹			
Growth	8.1	-2.5	5.3
Market Share Non-Life	20.8	21.0	20.8
Market Share Life	28.1	26.7	28.3

Proportion of Non-Life & Life²



Remarks

- ▶ Low unemployment rate throughout cycle ensures continuous growth of private consumption => positive for non-motor non-life
- ▶ Mature market in non-life: still potential in motor comprehensive insurance
- ▶ Still underpenetrated in life due to generous social security system in the past
- ▶ Market dominated by Top 4 players (~70% market share)

Current trends:

- ▶ **MTPL market with attractive claims ratio (~67%), currently at bottom of pricing cycle**
- ▶ **Increasing demand for multi-year contracts from corporate clients => hardening of tariffs expected**
- ▶ **Recent mixed legal changes (tax advantage of life insurance vs. fund business, increase of minimum contract period for single premium business to 15 ys; lowering of statutory rates to 2%) => single premium decreased substantially in 6M 2011**

Source: 1: local insurance association, 2: Sigma

Outline of VIG's Major Markets (II)



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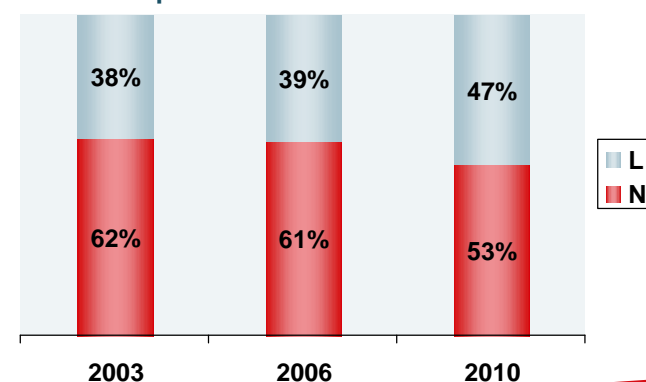
Outline of VIG's markets

Czech Republic

Market Statistics

	2006	2009	2010
Czech Insurance Market			
Market Volume (€mn) ¹	4,309	5,293	5,987
Insurance Density (\$) ²	520	746	753
VIG Czech Republic (%)¹			
Growth	2.9	3.0	-0.8
Market Share Non-Life	32.6	34.6	34.4
Market Share Life	14.9	27.4	28.6

Proportion of Non-Life & Life²



Remarks

- ▶ Sound fiscal situation with low debt levels supports economic recovery
- ▶ Most developed CEE core market, nevertheless still clearly underpenetrated in Non-life and Life
- ▶ High level of market concentration, top 5 players dominate market with a market share of more than 80%

Current trends:

- ▶ Increasing competition for market share, decline in new car sales and trend to smaller cars leads to weaker motor business
- ▶ Non-motor non-life showing solid growth rates
- ▶ Excellent banking cooperation is growth driver for life business; rising demand for unit-/index-linked life contracts

Source: 1: local insurance association, 2: Sigma

Outline of VIG's Major Markets (III)



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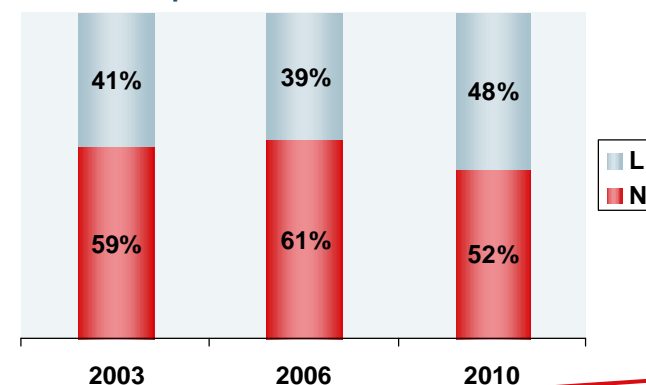
Outline of VIG's markets

Slovakia

Market Statistics

	2006	2009	2010
Slovak Insurance Market			
Market Volume (€mn) ¹	1,444	2,018	2,067
Insurance Density (\$) ²	337	517	481
VIG Slovakia (%)¹			
Growth	10.8	0.9	0.3
Market Share Non-Life	31.0	33.8	31.9
Market Share Life	22.9	29.6	31.9

Proportion of Non-Life & Life²



Remarks

- ▶ Change in private consumption due to economic crises
- ▶ Strong economic recovery under way
- ▶ High level of market concentration, Top 5 players dominate market with market share of about 75%

Current trends:

- ▶ Currently competitive motor market results in subdued non-life premiums
- ▶ Overall premium growth driven by life insurance with rising demand for single premium policies

Source: 1: local insurance association, 2: Sigma

Outline of VIG's Major Markets (IV)



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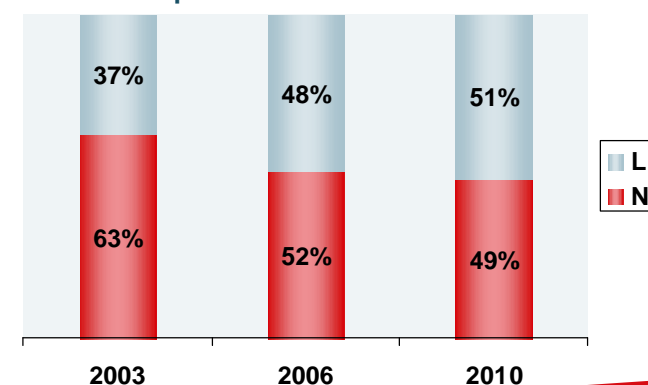
Outline of VIG's markets

Poland

Market Statistics

	2006	2009	2010
Poland Insurance Market			
Market Volume (€mn) ¹	9,634	11,503	13,559
Insurance Density (\$) ²	310	430	466
VIG Poland (%)¹			
Growth	47.7	-12.7	0.5
Market Share Non-Life	5.9	9.0	9.9
Market Share Life	2.4	2.4	2.4

Proportion of Non-Life & Life²



Remarks

- ▶ Only European economy which showed sustainable GDP growth rates throughout the crisis
- ▶ Non-life and life business nearly evenly split, life share of business so prominent due to tax driven products
- ▶ Competition: despite shrinking market share former monopoly insurer still dominates market (~30%); recent SPO of market leader should support profitability of this market

Current trends:

- ▶ **Motor business facing strong growth rates due to extension of distribution and new corporate customers**
- ▶ **NL growth supported by rise in tariffs**
- ▶ **Distribution cooperation with local banks results in recovery of life business (single premium)**

Source: 1: local insurance association, 2: Sigma

Outline of VIG's Major Markets (V)



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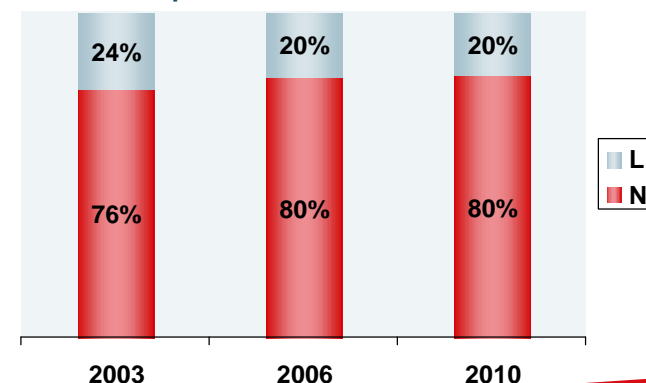
Outline of VIG's markets

Romania

Market Statistics

	2006	2009	2010
Romanian Insurance Market			
Market Volume (€mn) ¹	1,625	2,114	1,988
Insurance Density (\$) ²	94	136	123
VIG Romania (%)¹			
Growth	1.5	-1.0	-1.0
Market Share Non-Life	17.8	30.9	29.2
Market Share Life	4.2	21.3	24.5

Proportion of Non-Life & Life²



Remarks

- ▶ Difficult economic situation also affecting insurance market
 - Cut in salary of civil servants by 25%
 - Increase of VAT from 19% to 24%
- ▶ Non-life business still accounts for about 82% of total market

Current trends:

- ▶ Decreasing motor business, due to poor leasing business, leads to weaker overall market
- ▶ Unsatisfactory results of two companies in 6M 2011 => substantial restructuring measures under way
- ▶ Successful banking cooperation with BCR bank especially in life

Source: 1: local insurance association, 2: Sigma

VIG Has Good Position in Other Core Markets



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Outline of VIG's markets

Current situation and recent steps

Bulgaria	Croatia	Hungary	Serbia	Ukraine
Pop.: 7.5 mn	Pop.: 4.4 mn	Pop.: 10.0 mn	Pop.: 7.3 mn	Pop.: 45.4 mn
GDP/Cap.: \$ 6 k	GDP/Cap.: \$ 14 k	GDP/Cap.: \$ 13 k	GDP/Cap.: \$ 5 k	GDP/Cap.: \$ 3 k
Density NL: \$ 134	Density NL: \$ 278	Density NL: \$ 186	Density NL: \$ 84	Density NL: \$ 52
Density L: \$ 18	Density L: \$ 101	Density L: \$ 213	Density L: \$ 15	Density L: \$ 2
Market share: 15.5%	Market share: 8.6%	Market share: 4.4%	Market share: 8.7%	Market share: 3.0%

Miscellaneous

- ▶ Life insurance company in Montenegro recently set up
- ▶ Life insurance licence for Macedonia already obtained
- ▶ Distribution of products in cooperation with Erste Group subsidiaries

Albania

- ▶ Acquisition of Interlbanian insurance (no. 3 in the market) and Intersig (no. 6 in the market)
- ▶ VIG now no. 1 in motor business and overall no. 2

Ukraine

- ▶ VIG core market with promising economic recovery
- ▶ Rising MTPL tariffs (new legislation) are driving premium volumes

Russia

- ▶ Decision to withdraw from this non-core market amid Group restructuring at cooperation partners

Source: Sigma 2/2010; Market shares of YE 2010;

VIG – Investment proposition

Outline of VIG's markets

Management focus

Financials and outlook

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Management Focus (I)

Remain committed to proven fundamentals

Steering approach	Multi-brand	Multi-channel																																													
<ul style="list-style-type: none"> ▶ Multi-brand supports entrepreneurship of management and distribution partners and allows for internal benchmarking ▶ Backbone of distribution are tied agents (employed or freelancers) ▶ Bankchannel gaining importance in life business ▶ Regular appraisal of brands and channels for efficiency – otherwise streamlining 		<table border="1"> <thead> <tr> <th></th> <th>Tied agents</th> <th>Banks</th> <th>Brokers</th> <th>Other¹</th> </tr> </thead> <tbody> <tr> <td>Austria</td> <td>●</td> <td>●</td> <td>●</td> <td>○</td> </tr> <tr> <td>Czech Rep.</td> <td>●</td> <td>○</td> <td>○</td> <td>○</td> </tr> <tr> <td>Slovakia</td> <td>●</td> <td>○</td> <td>●</td> <td>○</td> </tr> <tr> <td>Romania</td> <td>●</td> <td>○</td> <td>●</td> <td>○</td> </tr> <tr> <td>Poland</td> <td>●</td> <td>●</td> <td>●</td> <td>○</td> </tr> <tr> <td>Hungary</td> <td>○</td> <td>●</td> <td>●</td> <td>●</td> </tr> <tr> <td>Croatia</td> <td>●</td> <td>○</td> <td>○</td> <td>○</td> </tr> <tr> <td>Others</td> <td>●</td> <td>●</td> <td>●</td> <td>○</td> </tr> </tbody> </table>		Tied agents	Banks	Brokers	Other ¹	Austria	●	●	●	○	Czech Rep.	●	○	○	○	Slovakia	●	○	●	○	Romania	●	○	●	○	Poland	●	●	●	○	Hungary	○	●	●	●	Croatia	●	○	○	○	Others	●	●	●	○
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Others	●	●	●	○																																											

Multi-brand and multi-channel remain core success factors for VIG

¹: direct insurance, leasing, car dealers, affinity groups,...

Management Focus (II)

Broadening the basis of business

Diversification

Life in CEE

- ▶ Cooperation with Erste Group, focus on UL, extension into 10 countries

Geographic

- ▶ VIG present in markets with different dynamics
- ▶ Ukraine recently declared new core market, further expansion in Albania

Completion

- ▶ Excellent implementation of VIGRe
- ▶ Preparation for health insurance business in CEE
- ▶ Launch of motor legal expenses insurance business in CZ, SK and PL

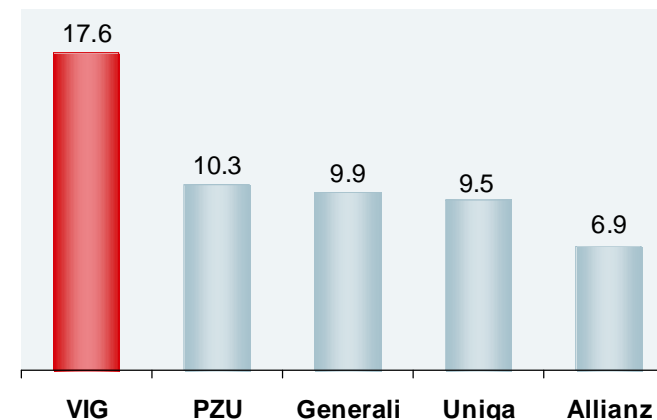
Efficiency

- ▶ Accelerated implementation of shared services concept to back up multi-brand approach in CEE to be continued in 2011
- ▶ Bundling of IT systems and procurement activities in CEE

Cooperation of s Versicherung

- ▶ s Versicherung shows strongest growth dynamic in CEE (=> about 15.2% in 6M 2011), in CZ premium increase of 15.6%, also strong in RO (+12.7%)
- ▶ Profitability of s Versicherung operations well ahead of schedule
- ▶ Banking distribution was paramount to become new no. 1 in Life in core¹ markets

Market Share Life¹



1: Austria, Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia and Ukraine; National insurance associations of the respective countries as of YE 2010

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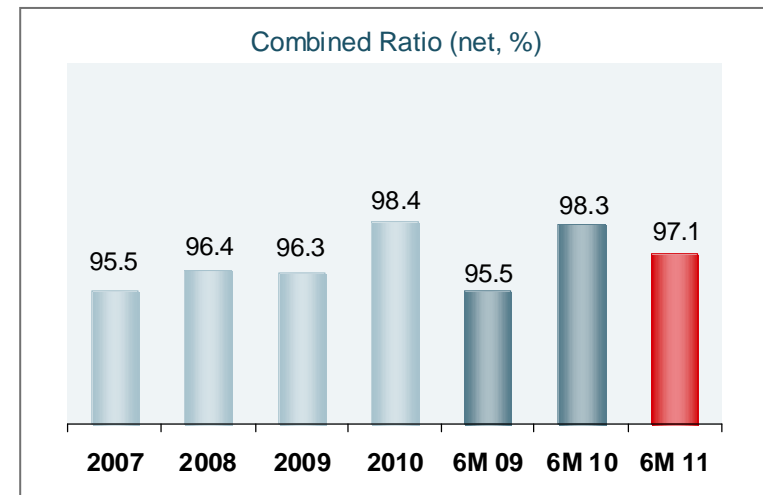
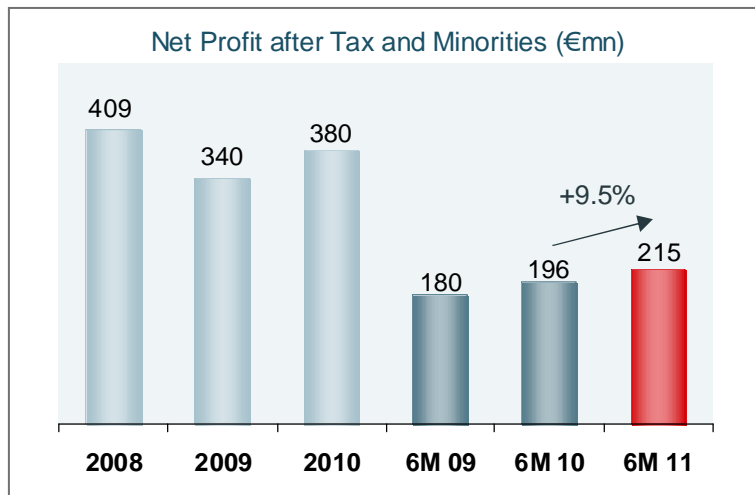
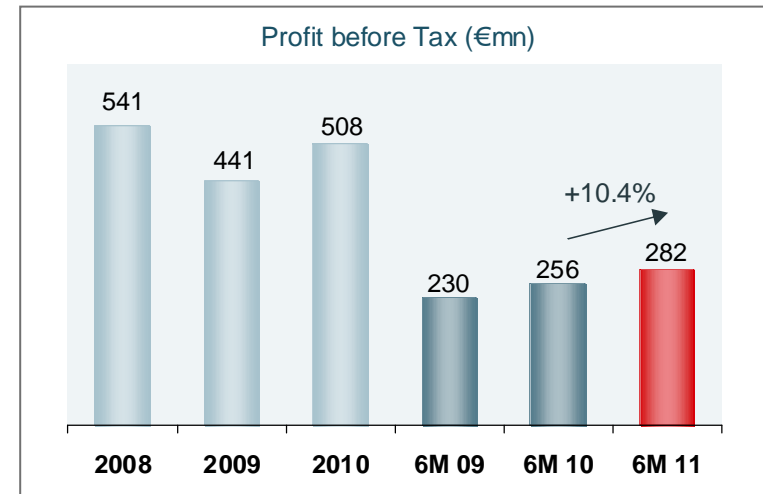
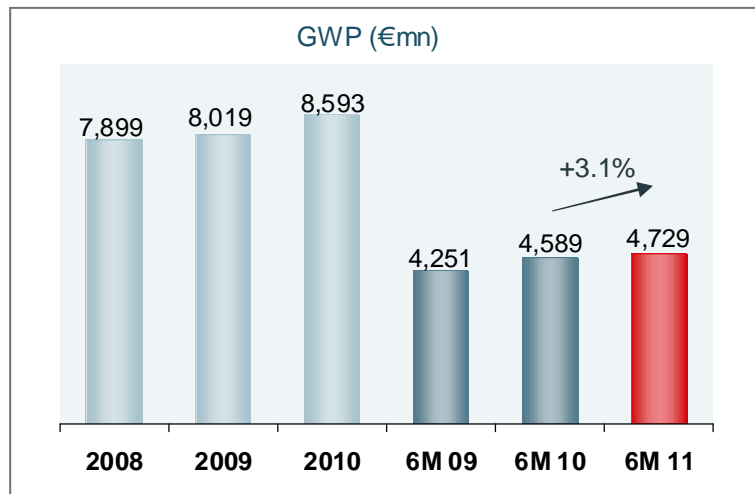
6M 2011 Financial Highlights (I)



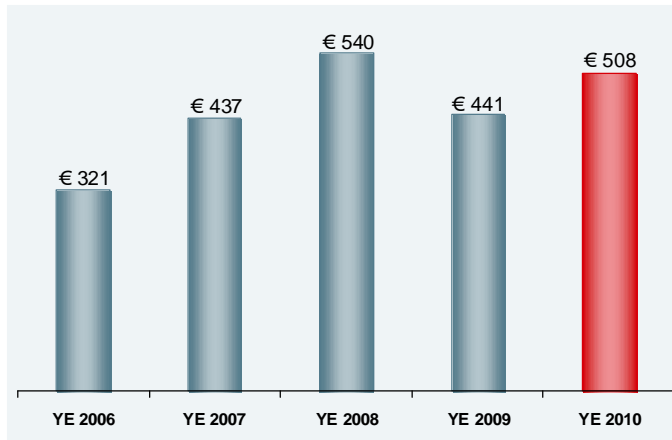
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Financials and outlook

PBT increase driven by CEE performance



VIG's Path of Profitability (€mn)

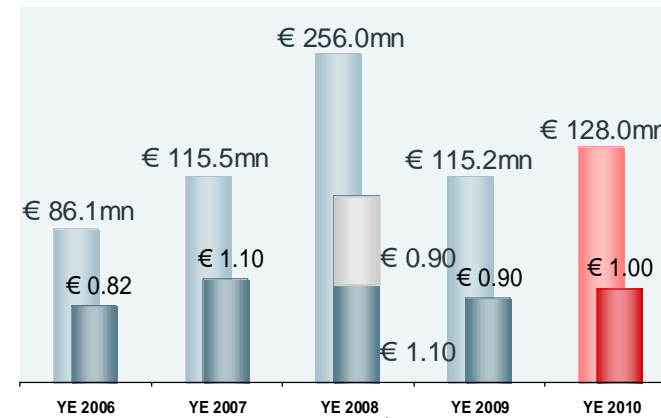


2011

Positive results drive to be sustained in 2011:

- PBT to increase again by about 10%
 - Low percentage premium growth expected
 - Combined ratio of about 97%
- ▶ Subject to overall economic and legal environment and benign Nat Cat trend

Development of Dividend

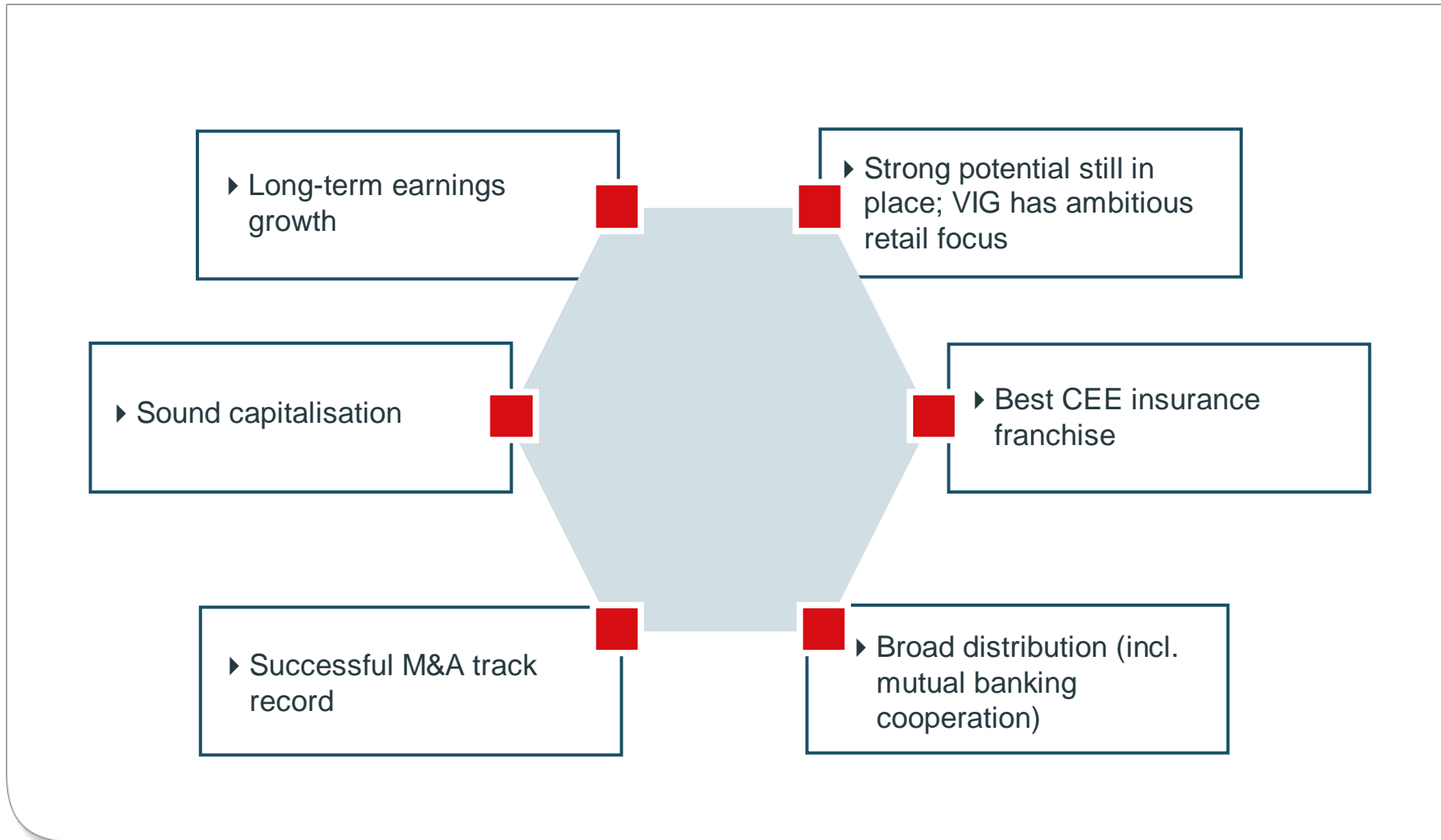


*: One-off bonus dividend paid out in 2009

- Payout volume
- Dividend/share
- Bonus dividend/share

▶ VIG keeping to its dividend policy which is defined as a payout ratio of minimum 30% of Group net profit

Investment Case



VIG – Investment proposition

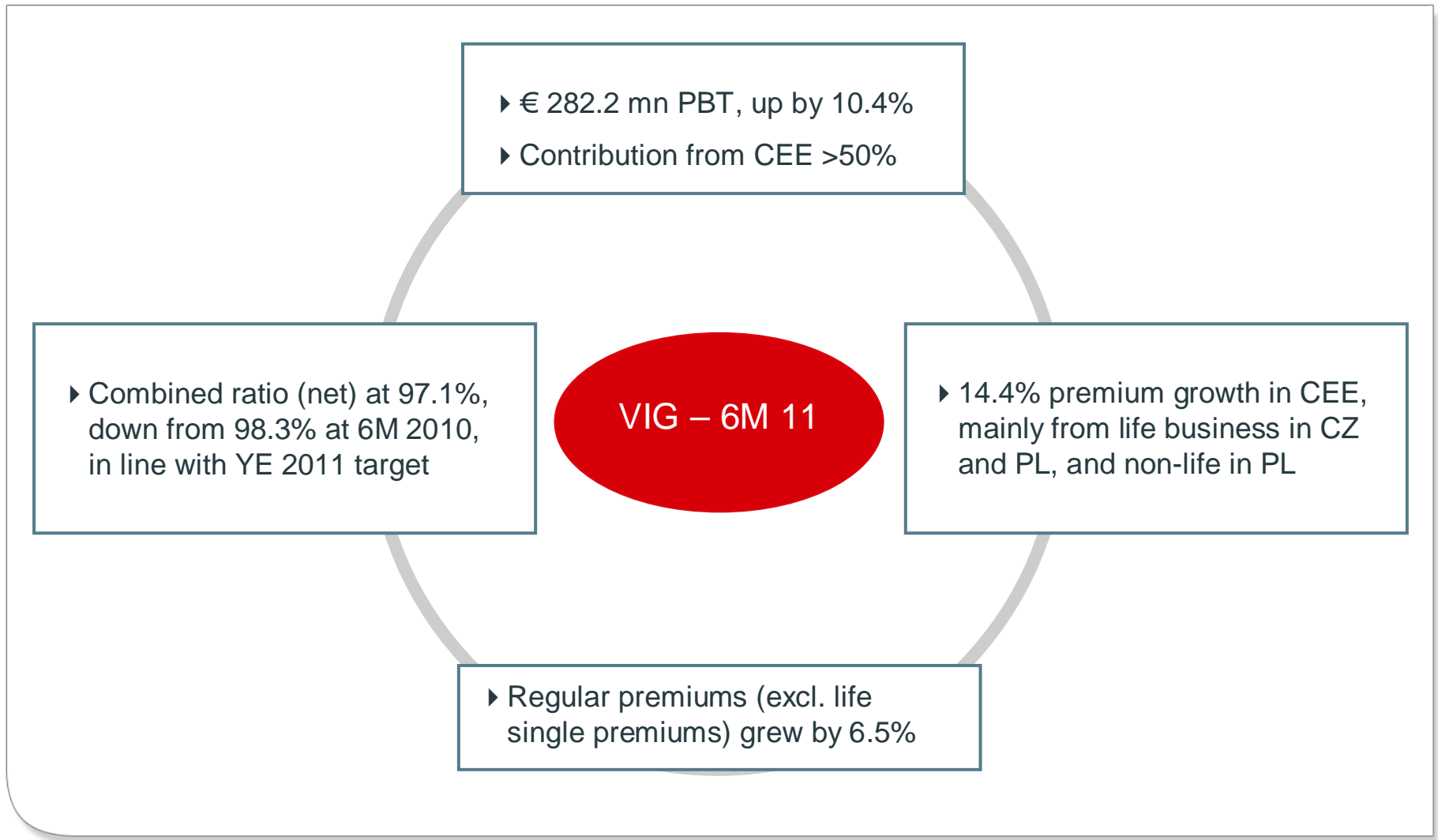
Outline of VIG's markets

Management focus

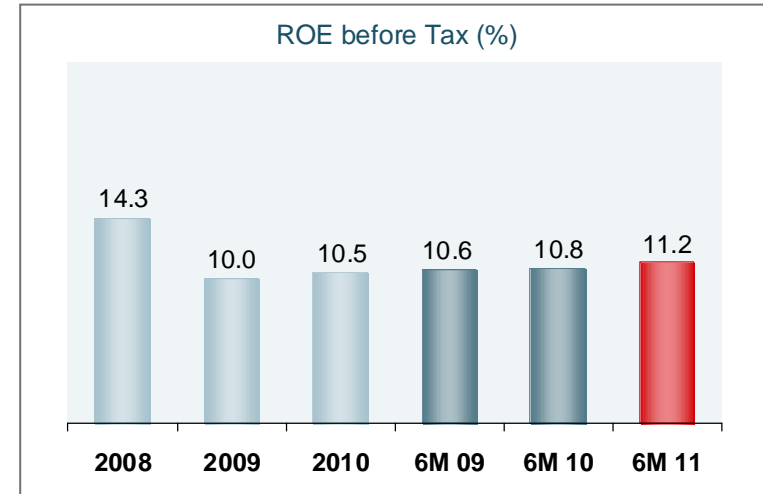
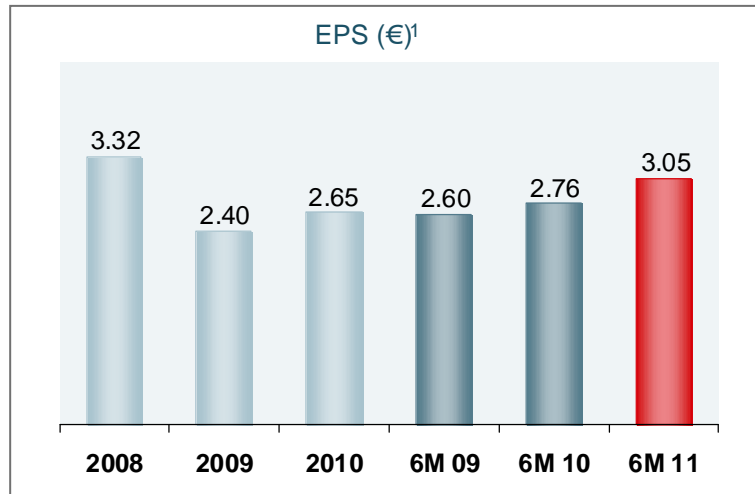
Financials and outlook

Appendix

6M 2011 Performance Drivers



6M 2011 Financial Highlights (II)



1: anualised values net of hybrid interest

6M 2011 Income Statement



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Appendix

IFRS (€mn)

€mn	6M 2011	6M 2010	+/-%
1. Gross premiums written	4,729.2	4,588.6	3.1
2. Net earned premiums	4,070.5	4,000.3	1.8
3. Financial result ¹	554.2	646.6	-14.3
4. Other income	45.5	85.5	-46.7
Total income	4,670.2	4,732.3	-1.3
6. Expenses for claims and insurance benefits	-3,348.7	-3,416.6	-2.0
7. Operating expenses	-897.1	-885.8	1.3
8. Other expenses	-142.3	-174.3	-18.3
Total expenses	-4,388.1	-4,476.7	-2.0
Profit before taxes	282.2	255.6	10.4
Taxes	-51.7	-45.8	12.8
Net profit before minorities (Profit for the period)	230.5	209.8	9.9
Minorities	-15.4	-13.4	15.3
Net profit after minorites	215.1	196.4	9.5

1: Incl. result from equity participations

6M 2011 Balance Sheet



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Appendix

IFRS (€mn)

€mn	30.6. 2011	31.12.2010	+/-%
Intangible assets	2,072	2,104	-1.5
Investments	27,973	28,160	-0.7
Unit- and index-linked investments	5,618	5,479	2.5
Reinsurers' share in underwriting provisions	1,231	1,118	10.1
Receivables	1,777	1,681	5.7
Tax receivables and advance payments out of income tax	101	68	47.5
Deferred tax assets	92	108	-14.3
Other assets	356	359	-0.8
Cash and cash equivalents	1,071	396	>100
Total assets	40,293	39,473	2.1
Shareholders' equity	5,098	5,030	1.4
<i>thereof minorities</i>	402	396	1.4
Subordinated liabilities	533	539	-1.3
Underwriting provisions	24,709	24,018	2.9
Unit- and index-linked technical provisions	5,387	5,228	3.0
Non-underwriting provisions	533	558	-4.4
Liabilities	3,603	3,675	-2.0
Tax liabilities out of income tax	86	64	34.7
Deferred tax liabilities	124	127	-3.0
Other liabilities	221	234	-5.5
Total liabilities and equity	40,293	39,473	2.1

6M 2011 P&L– Gross Written Premiums

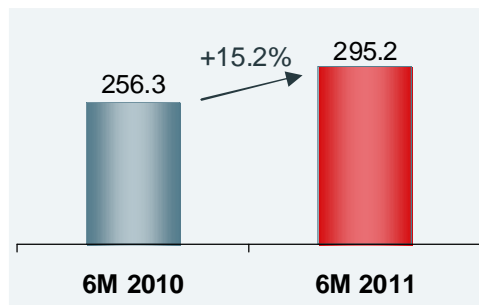
Growth with different dynamics by lines and markets (€mn)

€mn	GWP Non-life			GWP Life			Total		
	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%
Austria	1,210.1	1,131.1	7.0	1,022.4	1,188.7	-14.0	2,232.4	2,319.8	-3.8
Czech Rep.	542.3	519.3	4.4	431.5	350.0	23.3	973.7	869.3	12.0
Slovakia	171.3	167.2	2.4	167.7	159.1	5.4	339.0	326.3	3.9
Poland	323.3	270.9	19.4	174.8	75.7	131.0	498.1	346.5	43.7
Romania	225.2	225.7	-0.2	50.5	48.3	4.6	275.8	274.0	0.6
Remaining	270.4	232.1	16.5	139.9	220.6	-36.6	410.3	452.6	-9.4
Total	2,742.5	2,546.3	7.7	1,986.7	2,042.3	-2.7	4,729.2	4,588.6	3.1

- ▶ Austria: sound non-motor growth; weak life single premiums due to new tax regime
- ▶ Czech Republic: weak motor market; life strong both in regular and single premiums
- ▶ Slovakia: more selective underwriting in motor; strong single premium life business from Erste Bank channel
- ▶ Poland: non-life growing above market; dynamics in life from tax-driven single premiums
- ▶ Romania: weak motor comprehensive business; sound growth in single premium life

- ▶ Remaining: very mixed picture by country and business line; main factor in life is sharp drop in single premiums in Liechtenstein

s Versicherung Group CEE¹ GWP



- ▶ Premium growth of 15.6% in CZ
- ▶ In Romania, banking distribution increased by 12.7%, mainly from single premiums
- ▶ Significant premium increase in all major CEE markets

1: s Versicherung Group excluding BCR Non-Life

Note: First time consolidation of UIG, Georgia and TBIH as of Q3 2010, full consolidation of Ray Sigorta as of Q3 2010

6M 2011 – Expenses for Claims Incurred

Loss ratio improving due to absence of NatCat events

Appendix

- ▶ Group loss ratio (net) down by 1.6% pts
- ▶ Austria and Czech Republic recorded loss ratio down by 0.5% pts and 2.4% pts as a consequence of better weather conditions
- ▶ In Slovakia, loss ratio improved by 3.6% pts as mandatory reserving for former MTPL state monopoly is no longer required
- ▶ Poland: decrease of loss ratio by 3.5% pts due to absence of NatCat claims and improved motor rates
- ▶ Romania saw increase of claims ratio by 2.8% pts reflecting difficult motor claims situation
- ▶ Remaining: loss ratio improved by 4.6% pts, mainly from Ukraine, Hungary and Germany

No NatCat claims in 6M 2011

%	Claims Ratio		
	6M 2011	6M 2010	+/- %-pts
Austria	65.6	66.0	-0.5
Czech Rep.	65.0	67.5	-2.4
Slovakia	55.6	59.2	-3.6
Poland	66.6	70.1	-3.5
Romania	73.0	70.2	2.8
Remaining	62.0	66.6	-4.6
	65.4	66.9	-1.6

€mn	P&C	
	6M 2011	6M 2010
Net Earned Premiums:	1,926.8	1,814.9
Expenses for Claims Incurred:	1,259.2	1,214.9
Ratio	65.4%	66.9%

6M 2011 – Operating Expenses

Cost ratio fairly stable

- ▶ Group cost ratio (net) increased by 0.4% pts
- ▶ Stable cost ratio in Austria, the Czech Republic and Romania
- ▶ In Slovakia, cost ratio up by 3.7% pts due to lower reinsurance commissions and change of distribution structure
- ▶ Poland recorded a reduction of the cost ratio by 1.8% pts due to raised motor rates
- ▶ In Remaining, cost ratio increased by 3.4% pts, influenced by Germany (change of reinsurance structure) and Turkey (legal change in personal damage regulation)

%	Cost Ratio		
	6M 2011	6M 2010	+/- %-pts
Austria	28.9	29.1	-0.2
Czech Rep.	28.6	28.2	0.4
Slovakia	39.7	36.0	3.7
Poland	33.5	35.3	-1.8
Romania	32.9	33.1	-0.2
Remaining	39.7	36.3	3.4
	31.8	31.4	0.4

€mn	P&C	
	6M 2011	6M 2010
Net Earned Premiums:	1,926.8	1,814.9
Operating Expenses:	612.4	569.1
Ratio	31.8%	31.4%

1: Including other underwriting result of €54.6mn for 6M 2011 (6M 2010: € 48,7mn)

6M 2011 P&L Major Items – Financial Result



VIENNA INSURANCE GROUP

Appendix

Lower appreciations and income from disposals

Income	P&C		Life		Health		Total	
	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010
in € '000								
Current income	246,497	94,855	452,327	547,229	21,789	22,291	720,613	664,375
Income from appreciations	3,158	7,513	5,815	45,797	230	648	9,203	53,958
Income from the disposal of investments	15,362	41,308	65,742	73,549	4,502	2,538	85,606	117,395
Other income	5,352	1,189	16,788	12,634	22	139	22,162	13,962
Total Income	270,369	144,865	540,672	679,209	26,543	25,616	837,584	849,690

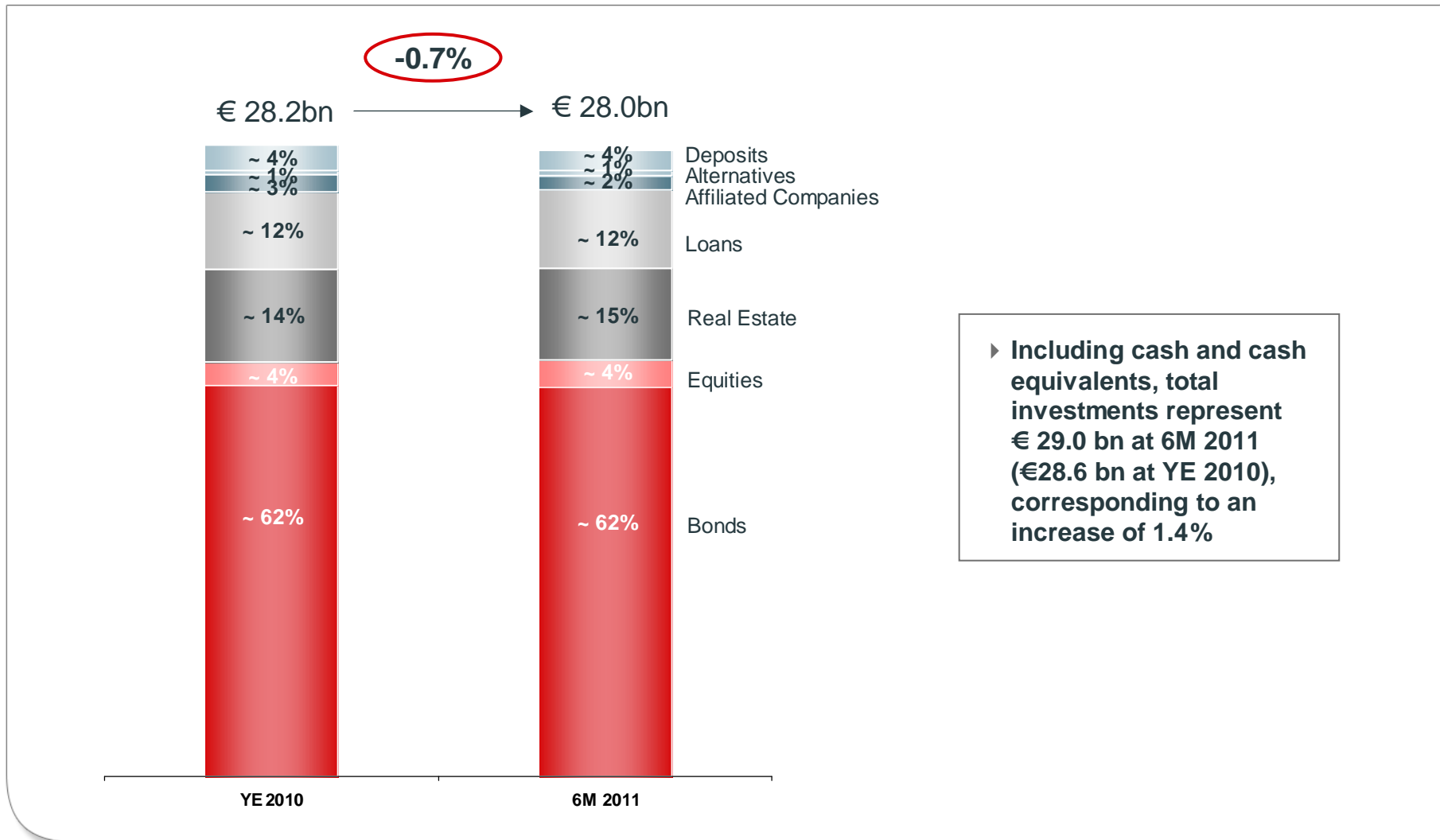
Expenses	P&C		Life		Health		Total	
	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010
in € '000								
Depreciation of investments	48,131	8,293	23,066	49,610	1,066	2,542	72,263	60,445
Impairment of investments	1,545	4,151	23,648	5,883	206	2,968	25,399	13,002
Exchange rate changes	773	-3,920	6,476	-5,037	8	10	7,257	-8,947
Losses from the disposal of investments	6,080	4,800	20,807	19,132	766	745	27,653	24,677
Interest expenses	35,541	11,919	15,718	39,482	2,762	2,969	54,021	54,370
Other expenses	63,801	13,079	29,525	44,462	3,465	2,031	96,791	59,572
Total Expenses	155,871	38,322	119,240	153,532	8,273	11,265	283,384	203,119

Total Financial Result¹	114,498	106,543	421,432	525,677	18,270	14,351	554,200	646,571
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1: Incl. result from equity participations

6M 2011 Investment Split

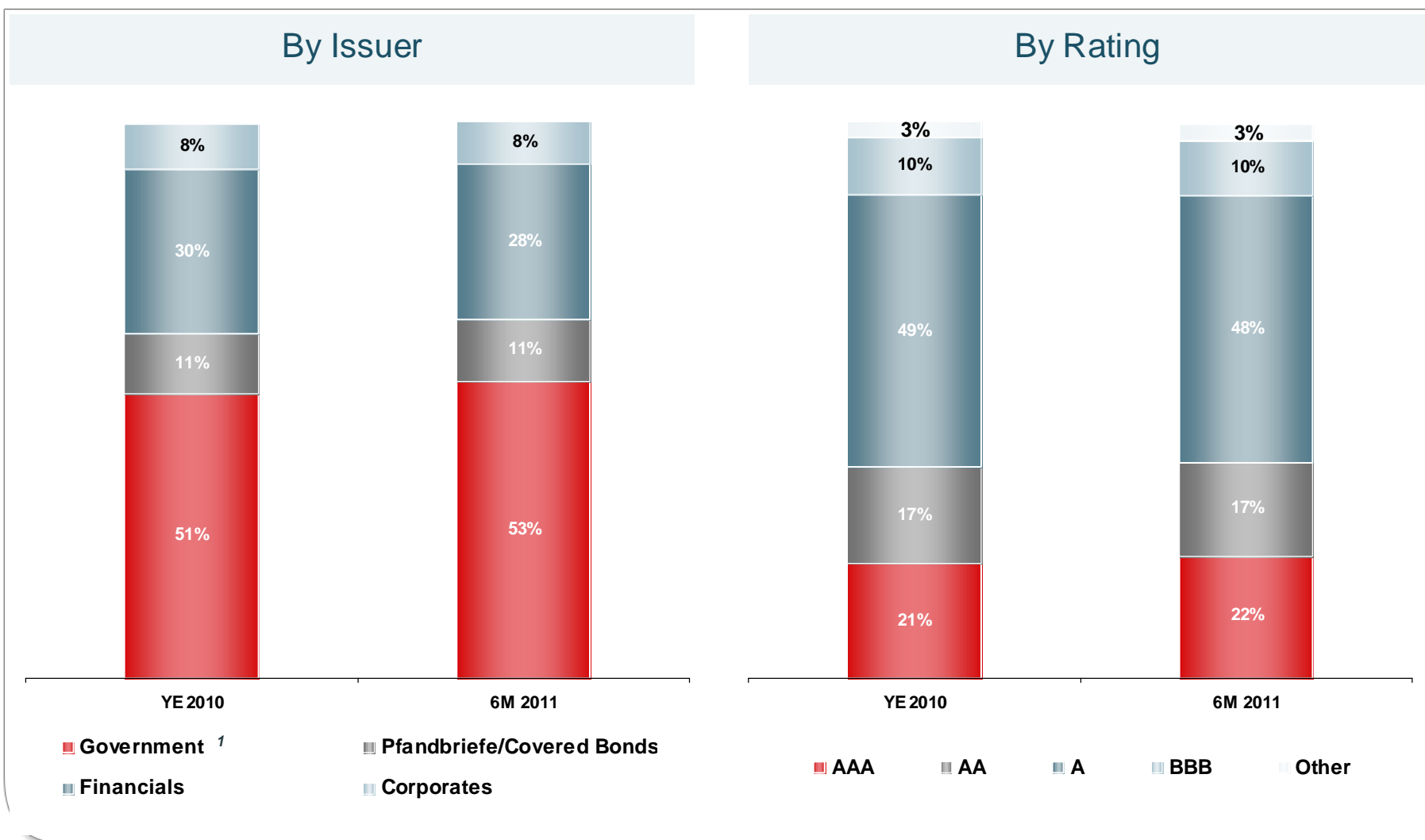
VIG follows a consistent investment approach



► Including cash and cash equivalents, total investments represent € 29.0 bn at 6M 2011 (€28.6 bn at YE 2010), corresponding to an increase of 1.4%

Development of Bond Portfolio

VIG follows a consistent investment approach



1: Government and government guaranteed

PIIGS – Government Bonds

Direct government exposure

Appendix

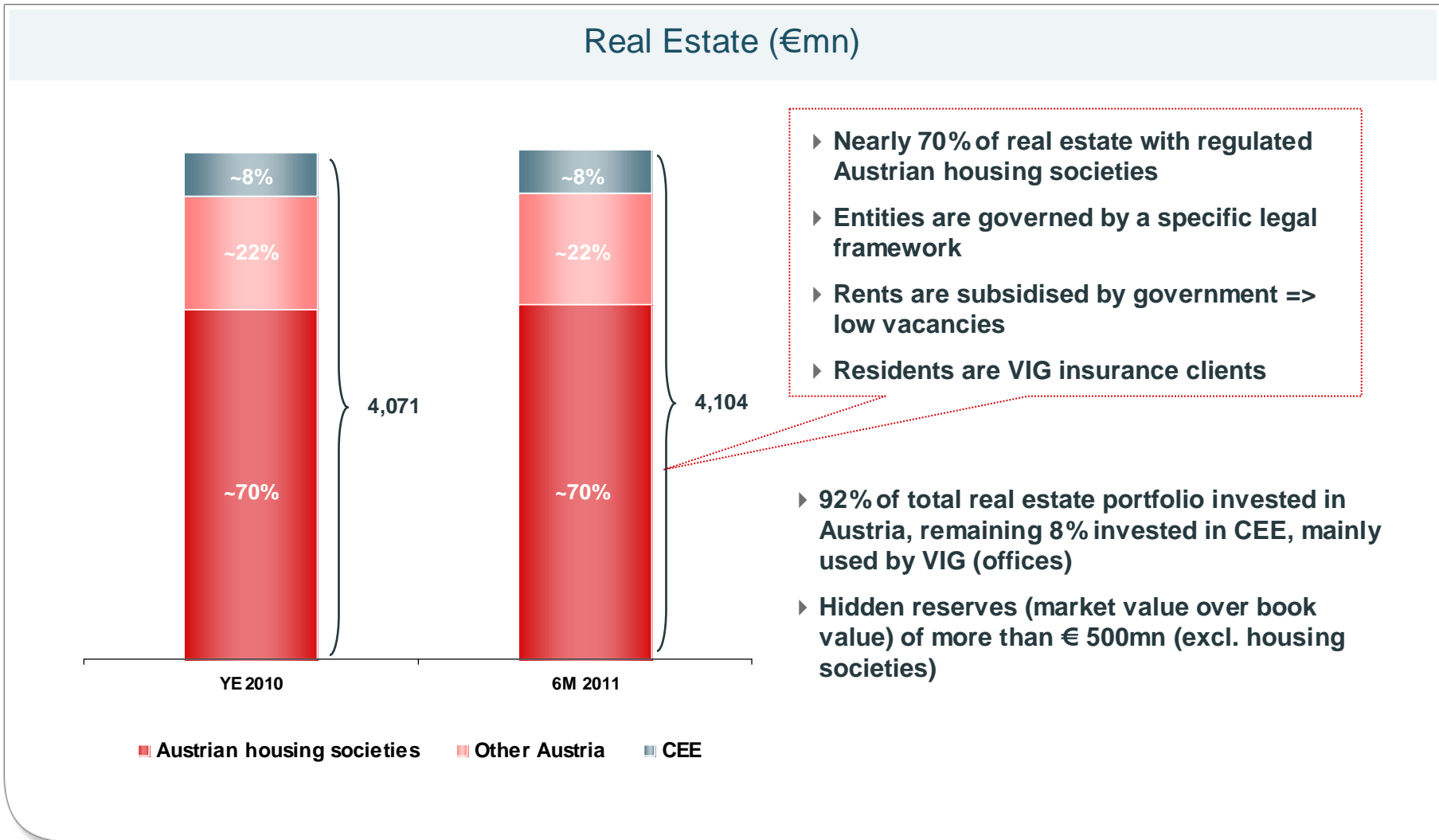
€mn	Book value
Portugal	-
Ireland ¹	52
Italy	16
Greece ¹	33
Spain	8
Total	109

▶ Approximately 0.4% of total investments

1: Net of YE 2010 impairments of about 20%

Composition of Real Estate

Increase from consolidation of a further housing society

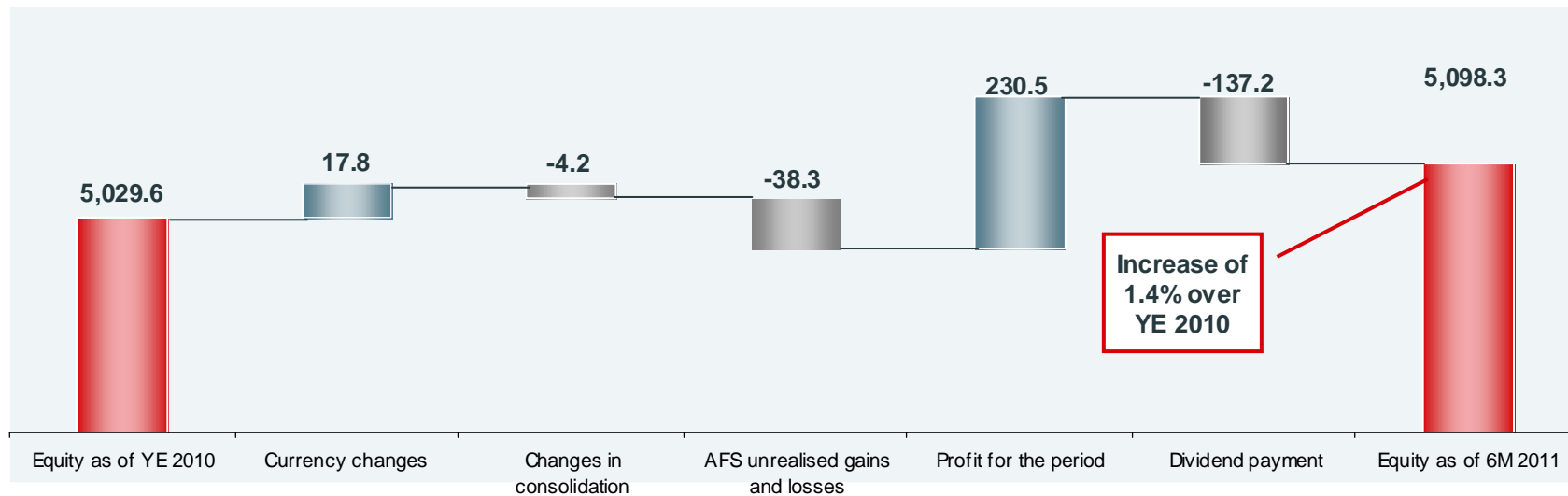


6M 2011 Shareholders' Equity

Shareholders' equity supports strong capitalisation

Appendix

Change in Group Shareholders' Equity (€mn)



VIG has a Solvency I ratio of more than 200%

6M 2011 P&L – Business Segments

Property & Casualty, IFRS (€mn)

Appendix

€mn	6M 2011	6M 2010	+/-%
1. Gross premiums written	2,561.8	2,381.3	7.6
2. Net earned premiums	1,926.8	1,814.9	6.2
3. Financial result	114.5	106.5	7.5
4. Other income	27.9	22.2	25.3
Total income	2,069.2	1,943.7	6.5
6. Expenses for claims and insurance benefits	-1,259.2	-1,214.9	3.6
7. Operating expenses	-557.7	-520.4	7.2
8. Other expenses	-103.6	-81.8	26.7
Total expenses	-1,920.5	-1,817.0	5.7
Profit before taxes	148.8	126.7	17.4

6M 2011 P&L – Business Segments

Life, IFRS (€mn)

APPENDIX

€mn	6M 2011	6M 2010	+/-%
1. Gross premiums written	1,986.7	2,042.4	-2.7
2. Net earned premiums	1,966.8	2,022.7	-2.8
3. Financial result	421.4	525.7	-19.8
4. Other income	17.6	63.2	-72.1
Total income	2,405.9	2,611.6	-7.9
6. Expenses for claims and insurance benefits	-1,935.7	-2,058.9	-6.0
7. Operating expenses	-320.0	-346.8	-7.7
8. Other expenses	-38.2	-92.4	-58.7
Total expenses	-2,293.9	-2,498.1	-8.2
Profit before taxes	112.0	113.5	-1.3

6M 2011 P&L – Business Segments

Health, IFRS (€mn)

Appendix

€mn	6M 2011	6M 2010	+/-%
1. Gross premiums written	180.7	164.9	9.6
2. Net earned premiums	176.9	162.6	8.8
3. Financial result	18.3	14.4	27.3
4. Other income	0.0	0.0	>100
Total income	195.2	177.0	10.3
6. Expenses for claims and insurance benefits	-153.8	-142.7	7.8
7. Operating expenses	-19.4	-18.6	3.9
8. Other expenses	-0.6	-0.2	>100
Total expenses	-173.8	-161.5	7.6
Profit before taxes	21.4	15.5	38.5

6M 2011 P&L – Split by Regions (I)



VIENNA INSURANCE GROUP

Appendix

Regional segments, IFRS (€mn)

€mn	Austria			Czech Republic		
	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%
1. Gross premiums written	2,232.4	2,319.8	-3.8	973.7	869.3	12.0
2. Net earned premiums	1,831.4	1,963.9	-6.7	877.2	780.3	12.4
3. Financial result	392.9	480.5	-18.2	68.4	61.7	10.8
4. Other income	9.3	5.6	66.0	15.2	7.4	104.1
Total income	2,233.6	2,450.1	-8.8	960.8	849.4	13.1
6. Expenses for claims/benefits	-1,748.6	-1,958.6	-10.7	-615.9	-544.9	13.0
7. Operating expenses	-324.2	-336.6	-3.7	-214.6	-202.7	5.9
8. Other expenses	-20.7	-16.8	23.4	-38.9	-34.1	14.0
Total expenses	-2,093.6	-2,312.0	-9.4	-869.4	-781.8	11.2
Profit before taxes	140.0	138.1	1.4	91.3	67.6	35.0
Combined Ratio	94.4%	95.1%		93.6%	95.7%	

6M 2011 P&L – Split by Regions (II)

Regional segments, IFRS (€mn)

€mn	Slovakia			Poland			Romania		
	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%
1. Gross premiums written	339.0	326.3	3.9	498.1	346.5	43.7	275.8	274.0	0.6
2. Net earned premiums	298.1	286.6	4.0	450.6	313.6	43.7	264.6	250.4	5.6
3. Financial result	23.7	23.0	2.8	26.4	26.3	0.3	11.1	20.2	-45.2
4. Other income	2.8	2.4	16.9	2.7	3.0	-10.5	6.9	9.0	-23.6
Total income	324.5	312.0	4.0	479.7	342.9	39.9	282.5	279.7	1.0
6. Expenses for claims/benefits	-228.3	-228.6	-0.1	-324.5	-195.8	65.7	-195.9	-180.6	8.5
7. Operating expenses	-49.1	-44.3	10.8	-125.2	-131.8	-4.9	-74.8	-75.8	-1.3
8. Other expenses	-18.6	-26.2	-29.1	-5.4	-5.2	4.5	-10.2	-9.0	13.6
Total expenses	-296.0	-299.1	-1.0	-455.1	-332.7	36.8	-281.0	-265.3	5.9
Profit before taxes	28.6	12.9	121.6	24.6	10.2	140.3	1.6	14.3	-89.1
Combined Ratio	95.3%	95.2%		100.1%	105.4%		105.9%	103.3%	

6M 2011 P&L – Split by Regions (III)

Regional segments, IFRS (€mn)

€mn	Remaining			TOTAL		
	6M 2011	6M 2010	+/-%	6M 2011	6M 2010	+/-%
1. Gross premiums written	410.3	452.6	-9.4	4,729.2	4,588.6	3.1
2. Net earned premiums	348.7	405.5	-14.0	4,070.5	4,000.3	1.8
3. Financial result	31.9	34.8	-8.5	554.2	646.6	-14.3
4. Other income	8.6	57.9	-85.2	45.5	85.5	-46.7
Total income	389.1	498.2	-21.9	4,670.2	4,732.3	-1.3
6. Expenses for claims/benefits	-235.5	-308.2	-23.6	-3,348.7	-3,416.6	-2.0
7. Operating expenses	-109.1	-94.6	15.3	-897.1	-885.8	1.3
8. Other expenses	-48.5	-83.0	-41.6	-142.3	-174.3	-18.3
Total expenses	-393.0	-485.8	-19.1	-4,388.1	-4,476.7	-2.0
Profit before taxes	-3.9	12.5	na	282.2	255.6	10.4
Combined Ratio	101.6%	102.8%		97.1%	98.3%	

6M 2011 Results by Country



VIENNA INSURANCE GROUP

Appendix

IFRS (€mn)

€mn	GWP Non-Life		Life GWP		GWP Total		Profit before Taxes		Net Combined Ratio	
	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010	6M 2011	6M 2010
Austria	1,210.1	1,131.1	1,022.4	1,188.7	2,232.4	2,319.8	140.0	138.1	94.4%	95.1%
Czech Rep.	542.3	519.3	431.5	350.0	973.7	869.3	91.3	67.6	93.6%	95.7%
Slovakia	171.3	167.2	167.7	159.1	339.0	326.3	28.6	12.9	95.3%	95.2%
Poland	323.3	270.9	174.8	75.7	498.1	346.5	24.6	10.2	100.1%	105.4%
Romania	225.2	225.7	50.5	48.3	275.8	274.0	1.6	14.3	105.9%	103.3%
Remaining	270.4	232.1	139.9	220.6	410.3	452.6	-3.9	12.5	101.6%	102.8%
<i>Hungary</i>	24.0	24.5	32.5	39.9	56.5	64.5	3.0	2.5	97.0%	103.5%
<i>Croatia</i>	20.4	25.2	27.2	30.0	47.6	55.2	2.5	4.5	106.5%	100.8%
<i>Serbia</i>	16.3	16.9	11.4	9.8	27.6	26.7	1.1	1.6	96.7%	98.1%
<i>Bulgaria</i>	56.6	68.5	7.0	6.6	63.6	75.1	-2.3	-2.2	110.6%	107.5%
<i>Ukraine</i>	26.9	10.2	0.9	0.6	27.8	10.8	0.6	-2.1	101.6%	139.4%
<i>Turkey</i>	56.7	37.5	-	-	56.7	37.5	-1.3	-1.8	109.2%	105.5%
<i>Georgien</i>	19.1	-	-	-	19.1	-	1.6	-	93.8%	-
<i>Baltics</i>	-	-	11.6	8.5	11.6	8.5	0.3	0.5	-	-
<i>Albania</i>	7.2	8.5	-	-	7.2	8.5	1.0	0.6	89.5%	96.8%
<i>Macedonia</i>	4.7	3.1	-	-	4.7	3.1	0.3	0.1	89.2%	96.3%
<i>Netherlands</i>	-	-	-	-	-	-	-21.8	-	-	-
<i>Liechtenstein</i>	-	-	18.0	94.8	18.0	94.8	0.2	0.1	-	-
<i>Germany</i>	38.5	37.6	31.3	30.4	69.8	68.0	10.9	8.7	82.7%	86.7%
Total	2,742.5	2,546.3	1,986.7	2,042.3	4,729.2	4,588.6	282.2	255.6	97.1%	98.3%

Change in Group Shareholders' Equity

IFRS (€ '000)

	1.1. - 30.6.2011	1.1. - 30.06.2010
Equity as of 1 January	5,029,647	4,628,573
Exchange rate changes	17,757	658
Changes in scope of consolidation	-4,179	-10,562
Capital increase	-	-
Unrealised gains and losses from financial instruments available for sale	-38,283	49,165
Profit for the period	230,483	209,799
Dividend payment	-137,150	-3,447
Equity as of 30 June	5,098,275	4,874,186

Life Insurance Premium Split

IFRS (€mn)

Premiums written - direct business	6M 2011	6M 2010	+/- %
Regular premiums	1,164.0	1,120.2	3.9%
Single premiums	815.6	914.0	-10.8%
Total premiums written - direct business	1,979.5	2,034.2	-2.7%
thereof:			
Policies with profit participation	977.3	976.4	0.1%
Policies without profit participation	169.1	159.2	6.2%
unit linked life insurance	724.2	704.5	2.8%
index linked life insurance	108.9	194.1	-43.9%

Group Embedded Value 2010

Results (€mn)

	L&H		P&C		Total	
	2010	2009 (*)	2010	2009 (*)	2010	2009 (*)
Austria / Germany						
Free Surplus	342.8	207.8				
Required Capital	394.1	381.4				
ANAV	736.9	589.1	-197.4	73.9	539.5	663.0
PVFP	1,484.8	1,444.0			1,484.8	1,444.0
- TVFOG	-222.0	-185.7			-222.0	-185.7
- CoC/FCRC	-48.9	-49.3			-48.9	-49.3
- CRNHR	-99.2	-105.7			-99.2	-105.7
VIF	1,114.7	1,103.2			1,114.7	1,103.2
Subtotal A/G	1,851.6	1,692.4	-197.4	73.9	1,654.2	1,766.3
CEE						
Free Surplus	461.5	278.6				
Required Capital	216.7	184.8				
ANAV	678.2	463.4	1,858.1	1,706.6	2,536.3	2,170.0
PVFP	1,004.9	840.6			1,004.9	840.6
- TVFOG	-55.0	-50.4			-55.0	-50.4
- CoC/FCRC	-15.2	-15.3			-15.2	-15.3
- CRNHR	-62.5	-43.8			-62.5	-43.8
VIF	872.2	731.1			872.2	731.1
Subtotal CEE	1,550.4	1,194.5	1,858.1	1,706.6	3,408.5	2,901.1
Total	3,402.0	2,886.9	1,660.7	1,780.5	5,062.7	4,667.4

(*) The results shown above are after restatement

Remarks

- ▶ All results are based on local GAAP
- ▶ GEV reflects the present value of amounts deemed to be distributable to shareholders
- ▶ EEV is based on stochastic cash flow projections using market consistent capital market scenarios and an allowance for liquidity premiums. The EEV allows for management actions (e.g. in respect of profit participation and asset allocation) and policyholder behaviour
- ▶ Assumed policyholder profit participation allows for local supervisory laws and contractual agreements and current company practice
- ▶ Best estimate actuarial assumptions for expenses, mortality, etc.
- ▶ ANAV for P&C includes Surplus in Claims Reserves based on undiscounted

Scope of GEV-Reporting:

- ▶ Group Embedded Value (GEV) calculated as Life & Health (L&H) EEV plus Adjusted Net Asset Value (ANAV) for Property & Casualty (P&C)
- ▶ Change to EEV for all companies formerly on TEV basis: Interrisk (DE), Erste Osiguranje (HR), Union and Erste Biztosito (HU), Compensa Life and Benefia Life (PL), BCR Life (RO) PCS in Czech Republic and PSLSP in Slovakia: Change from TEV to EEV
- ▶ Calculation of EEV and ANAV for the first time: VIG RE (CZ) and Komunalna (SK)
- ▶ Inclusion of VIG Holding company
- ▶ Methodology, assumptions and calculations reviewed by B&W Deloitte GmbH, Cologne

Group Embedded Value 2010

Return on Adjusted Embedded Value (€mn)

	L&H		P&C		Total	
Austria / Germany						
EV Dec 31, 2010	1,851.6		-197.4		1,654.2	
EV Dec 31, 2009 Reported	1,684.2		73.3		1,757.5	
EV Dec 31, 2009 Restated	1,692.4		73.9		1,766.3	
EV Dec 31, 2009 Restated and	1,772.0		-142.0		1,630.0	
Dividends	-52.1		63.7		11.6	
Closing Adjustments	0.0		-46.3		-46.3	
<i>Return on EV</i>	79.6	4.5%	-9.1	-6.4%	70.5	4.3%
CEE						
EV Dec 31, 2010	1,550.4		1,858.1		3,408.5	
EV Dec 31, 2009 Reported	1,093.3		1,734.4		2,827.7	
EV Dec 31, 2009 Restated	1,194.5		1,706.6		2,901.1	
EV Dec 31, 2009 Restated and	1,316.9		1,692.2		3,009.1	
Dividends	-24.2		-102.7		-126.9	
Closing Adjustments	0.0		46.3		46.3	
<i>Return on EV</i>	233.5	17.7%	119.6	7.1%	353.1	11.7%
Return on Total GEV	313.1	10.1%	110.5	7.1%	423.6	9.1%

Change in Methodology and Assumptions

- ▶ The reference rates used for the EEV calculations are based on the corresponding swap rates at December 31, 2010 and include a liquidity spread of 25 bp for all terms
- ▶ Volatilities used to calibrate the economic scenario generator are based on market implied volatilities as at December 31, 2010
- ▶ All results shown after minorities and tax
- ▶ GEV allows for all consolidation effects

In YE 2010 P&C surplus in claims reserve increased by 9.7% to € 482.3mn

Group Embedded Value 2010

New Business Values (€mn)

Austria / Germany	2010	2009 (*)	+ / - %
NBV	49.8	51.5	- 3.3%
APE	216.5	203.8	+ 6.3%
PVNBP	2,045.1	1,987.5	+ 2.9%
APE-Ratio	23.0%	25.3%	- 9.0%
PVNBP-Ratio	2.4%	2.6%	- 6.1%
CEE	2010	2009 (*)	+ / - %
NBV	148.9	81.6	+ 82.4%
APE	224.3	178.8	+ 25.4%
PVNBP	1,506.8	1,140.3	+ 32.1%
APE-Ratio	66.4%	45.7%	+ 45.4%
PVNBP-Ratio	9.9%	7.2%	+ 38.1%
Total	2010	2009 (*)	+ / - %
NBV	198.7	133.1	+ 49.3%
APE	440.8	382.6	+ 15.2%
PVNBP	3,552.0	3,127.8	+ 13.6%
APE-Ratio	45.1%	34.8%	+ 29.5%
PVNBP-Ratio	5.6%	4.3%	+ 31.4%

(*) The results shown above are after restatement

Comments

- ▶ The NBV represents the value generated by new business sold during the reporting period
- ▶ Significant increase of life insurance business in CEE
- ▶ Stable profit margins in A/G
- ▶ Increased profitability in CEE
- ▶ 75% of NBV is now generated in CEE

6M 2011 Exchange Rates

National currency unit per EUR

6M 2011			
Country	Curr.	Balance Sheet EUR	P & L EUR
Bulgaria	EUR/BGN	1.9558	1.9558
Croatia	EUR/HRK	7.3975	7.4018
Estonia	EUR/EEK	1.0000	1.0000
Liechtenstein	EUR/CHF	1.2694	1.2071
Poland	EUR/PLN	3.9527	3.9903
Romania	EUR/RON	4.1798	4.2435
Serbia	EUR/CSD	101.8757	102.4631
Slovakia	EUR	-	-
Czech Republic	EUR/CZK	24.3495	24.3450
Hungary	EUR/HUF	269.4495	266.1100
Turkey	EUR/TRY	2.2081	2.3500
Ukraine	EUR/UAH	11.1665	11.5000
Albania	EUR/ALL	140.9517	141.4100
Macedonia	EUR/MKD	61.5455	61.6200
Georgia	EUR/GEL	2.4206	2.4054
Belarus	EUR/BYR	5218.5033	7152.1300

6M 2010	
Balance Sheet EUR	P & L EUR
1.9558	1.9558
7.1980	7.2663
15.6466	15.6466
1.3283	1.4359
4.1470	4.0020
4.3700	4.1494
104.3704	100.0290
-	-
25.6910	25.7296
286.0000	271.6874
1.9400	2.0213
9.6450	10.5600
136.4500	138.0600
61.5467	61.5009
2.3276	2.2484
3886.9817	3689.8100

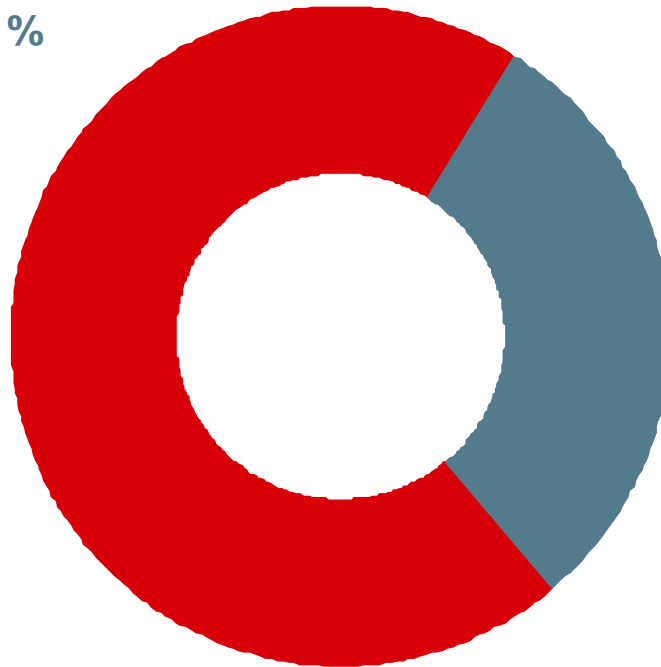
Shareholder Structure (I)

Total number of shares 128,000,000

Appendix

**Wiener Städtische
Wechselseitiger Versicherungsverein -
Vermögensverwaltung – Vienna Insurance Group**

~70 %



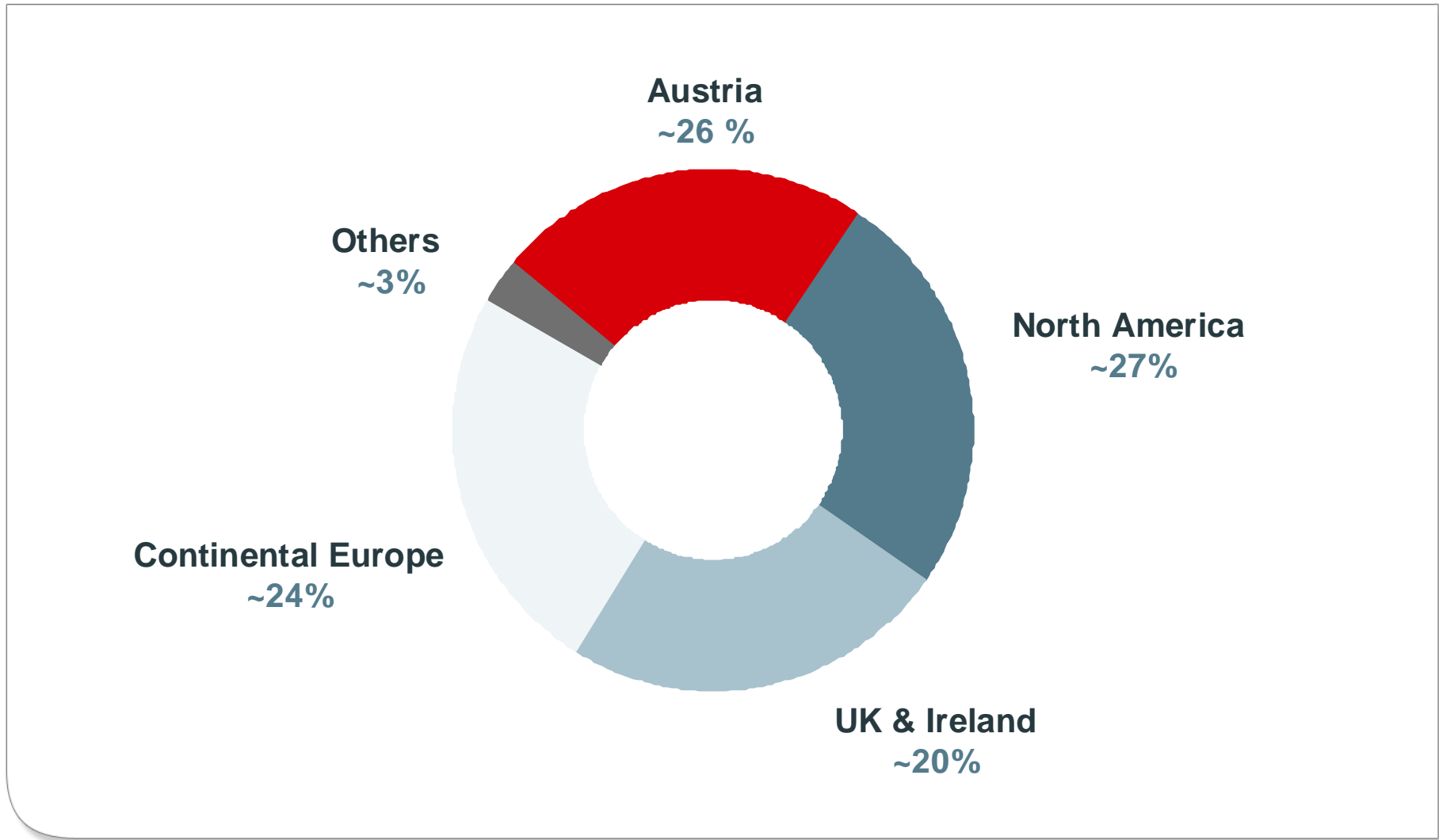
Free Float

~ 30 %

Shareholder Structure (II)

Free float split

Appendix



VIG Share & Contact Details



VIENNA INSURANCE GROUP

Appendix

Investor Relations

VIG Share

- ▶ Number of common shares
128mn
- ▶ ISIN
AT0000908504
- ▶ Listing
Vienna – since 17 Oct. 1994
Prague – since 5 Feb. 2008
- ▶ Ticker symbol
VIG
- ▶ Bloomberg
VIG AV / VIG CP
- ▶ Reuters
VIGR.VI / VIGR.PR

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