



Group Embedded Value Results 2007

March 27, 2008

- Austria / Germany (Life & Health); CEE - Czech Republic / Slovakia (Life)
European Embedded Value (EEV): Bottom-up, market consistent methodology fully compliant with EEV Principles
- CEE – Hungary / Poland (Life)
Traditional Embedded Value (TEV): Deterministic calculations that allow for risk on the basis of risk discount rates
- 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

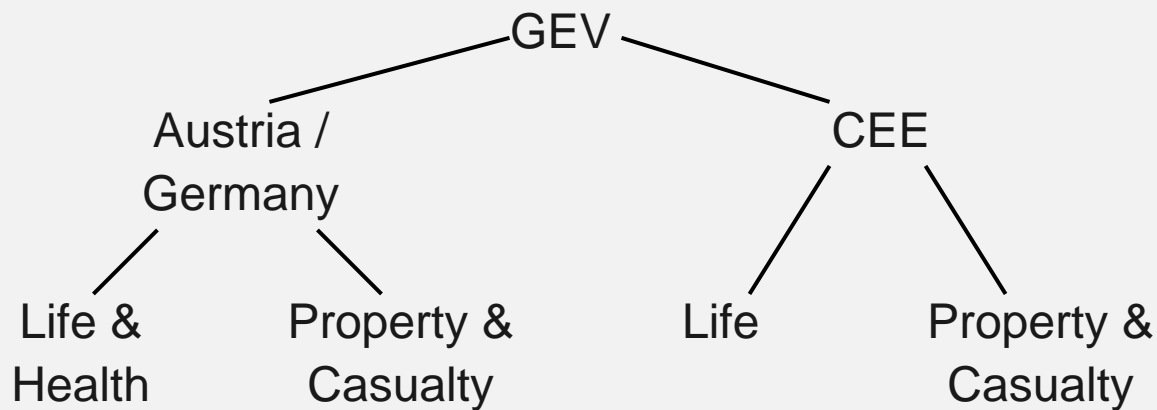
- All results based on local GAAP
- GEV reflects amounts deemed to be distributable to shareholders
- ANAV for P&C includes Surplus in Claims Reserves based on undiscounted, actuarial best estimates of claims payments
- EEV based on stochastic cashflow projections using market consistent capital market scenarios and allows for management actions (e.g. in respect of profit participation and asset allocation) and policyholder behaviour
- TEV based on deterministic projections
- Assumed policyholder profit participation allows for local supervisory laws and contractual agreements and current company practice
- Best estimate actuarial assumptions for expenses, mortality, etc

- EEV and TEV for L&H determined as
Adjusted Net Asset Value (ANAV) plus
Value of In-Force (VIF) minus
Cost of Capital (CoC) minus
Cost of Non-Market Risk (CoNMR) – only for EEV
- EEV-VIF includes explicit allowance for time value of financial options and guarantees
- Reported EEV 2006 for UNION and BACA-Versicherung in Austria restated after merger in 2007
- New Business Value (NBV) calculated as VIF for the new business in 2007 reduced by the New Business Strain, CoC and CoNMR

Group Embedded Value (GEV)

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GEV is split into four segments



- GEV allows for consolidation adjustments and minority interests
- Within CEE, the EEV, TEV (L) and ANAV (P&C) only calculated for the KOOOPERATIVAs in the Czech Republic / Slovakia and for the UNION in Hungary and for COMPENSA-LIFE and COMPENSA in Poland; all other companies included on the basis of the IFRS equity
- Goodwill eliminated in respect of companies for which EEV, TEV or ANAV has been calculated

Group Embedded Value - Dec 31, 2007

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in €mn

	Life & Health	Property & Casualty	Total
Austria/Germany			
ANAV	735.4	617.5	1,352.9
VIF	1,384.5	n/a	1,384.5
- FOG	-31.6	n/a	-31.6
- CoCNMR	-75.7	n/a	-75.7
	2,012.6	617.5	2,630.1
CEE			
ANAV	148.2	1,374.2	1,522.4
VIF	429.1	n/a	429.1
- FOG	-17.5	n/a	-17.5
- CoCNMR	-13.1	n/a	-13.1
	546.7	1,374.2	1,920.9
Total	2,559.3	1,991.7	4,551.0

- COMPENSA-LIFE and COMPENSA in Poland included for the first time
- GEV for CEE is shown as a combination of EEV and TEV
- The Group does not defer acquisition costs under IFRS unless it is common practice under local GAAP; liabilities under IFRS set equal to the local statutory liabilities; conservative valuation of some assets

Results

Group Embedded Value - Dec 31, 2006 Restatement

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in €mn

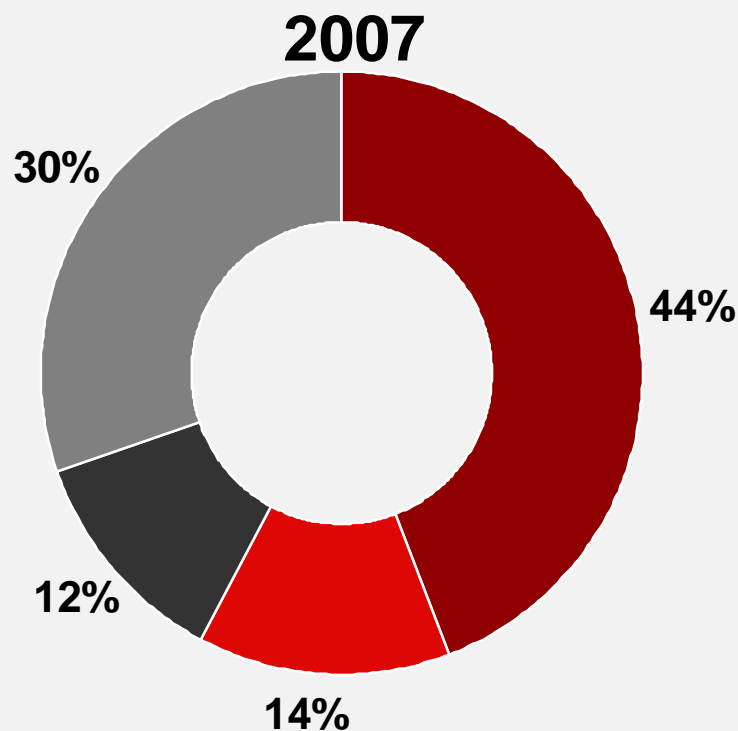
	Life & Health	Property & Casualty	Total
Austria/Germany			
ANAV	1,053.1	832.4	1,885.5
VIF	1,214.1	n/a	1,214.1
- FOG	-32.6	n/a	-32.6
- CoCNMR	-62.7	n/a	-62.7
	2,171.9	832.4	3,004.3
CEE			
ANAV	109.0	833.6	942.6
VIF	358.8	n/a	358.8
- FOG	-34.3	n/a	-34.3
- CoCNMR	-12.6	n/a	-12.6
	420.9	833.6	1,254.5
Total	2,592.8	1,666.0	4,258.8

- Results as restated
- Restatement includes TEV for COMPENSA-LIFE and ANAV for COMPENSA

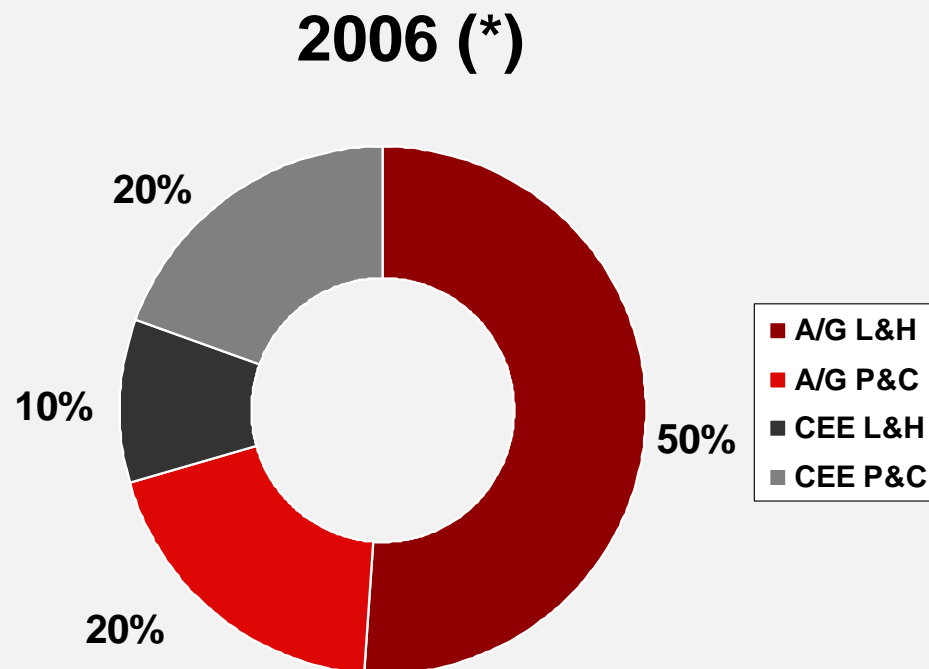
Results

Group Embedded Value - Dec 31, 2007

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GEV = €4,551.0 mn



GEV = €4,258.8 mn
(* restated)

- VIF for P&C personal lines segments of Wiener Städtische AG and Donau
- Only in respect of business sold via employed sales forces
- These inforce portfolios are comparable to the run off of a life insurance portfolio
- VIF amounts to € 602.3 mn
- Used internally as a key performance indicator
- Not included in the GEV due to lack of peer comparisons

New Business Values

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in €mn

	Life & Health		
	2007	2006	+ / - %
Austria / Germany			
NBV	63.1	50.9	+ 24.0%
APE	205.1	225.1	
<i>APE-Ratio</i>	30.7%	22.6%	
PVNBP	1,906.3	1,982.6	
<i>PVNBP-Ratio</i>	3.3%	2.6%	
CEE			
NBV	45.0	30.7	+ 46.6%
APE	71.0	45.4	
<i>APE-Ratio</i>	63.3%	67.5%	
PVNBP	409.7	262.4	
<i>PVNBP-Ratio</i>	11.0%	11.7%	
NBV-Total	108.1	81.6	+ 32.5%
APE-Total	276.1	270.5	
<i>APE-Ratio Total</i>	39.1%	30.9%	
PVNBP-Total	2,316.0	2,245.0	
<i>PVNBP-Ratio Total</i>	4.7%	3.6%	

Sensitivities (EEV) Dec 31, 2007
Austria / Germany – Life & Health

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in €mn

		Value	As % of Base	
Base value		2,012.6	100.0%	
Change in Yield Curve	1%	2,044.2	101.6%	
	-1%	1,922.8	95.5%	
Equity and Property Prices	-10%	1,957.6	97.3%	
Interest volatility	10%	2,004.7	99.6%	
Equity volatility	10%	2,009.3	99.8%	
Administration Expenses	10%	1,963.1	97.5%	
	-10%	2,061.4	102.4%	
Lapses	-10%	2,027.6	100.7%	
	10%	1,997.1	99.2%	
Mortality	for assurances	-5%	2,017.1	100.2%
	for annuities	-5%	2,012.2	100.0%

Sensitivities (EEV/TEV) Dec 31, 2007

CEE – Life

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in €mn

		Value	As % of Base	
Base value		546.7	100.0%	
Change in Yield Curve	1%	552.4	101.0%	
	-1%	525.7	96.2%	
Equity and Property Prices	-10%	543.6	99.4%	
Interest volatility	10%	544.7	99.6%	
Equity volatility	10%	544.4	99.6%	
Administration Expenses	10%	526.6	96.3%	
	-10%	564.0	103.2%	
Lapses	-10%	562.1	102.8%	
	10%	530.1	97.0%	
Mortality	for assurances	-5%	551.8	100.9%
	for annuities	-5%	544.9	99.7%

Results

Sensitivities NBV (EEV) Dec 31, 2007

Austria / Germany – Life & Health

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in €mn

		Value	As % of Base	
Base value		63.1	100.0%	
Change in Yield Curve	1%	62.8	99.6%	
	-1%	59.6	94.6%	
Interest volatility	10%	62.1	98.5%	
Equity volatility	10%	62.3	98.8%	
Administration Expenses	10%	59.2	93.9%	
	-10%	66.6	105.6%	
Lapses	-10%	65.7	104.1%	
	10%	60.7	96.2%	
Mortality	for assurances	-5%	63.5	100.7%
	for annuities	-5%	63.0	99.9%

Results

Sensitivities NBV (EEV/TEV) Dec 31, 2007

CEE – Life

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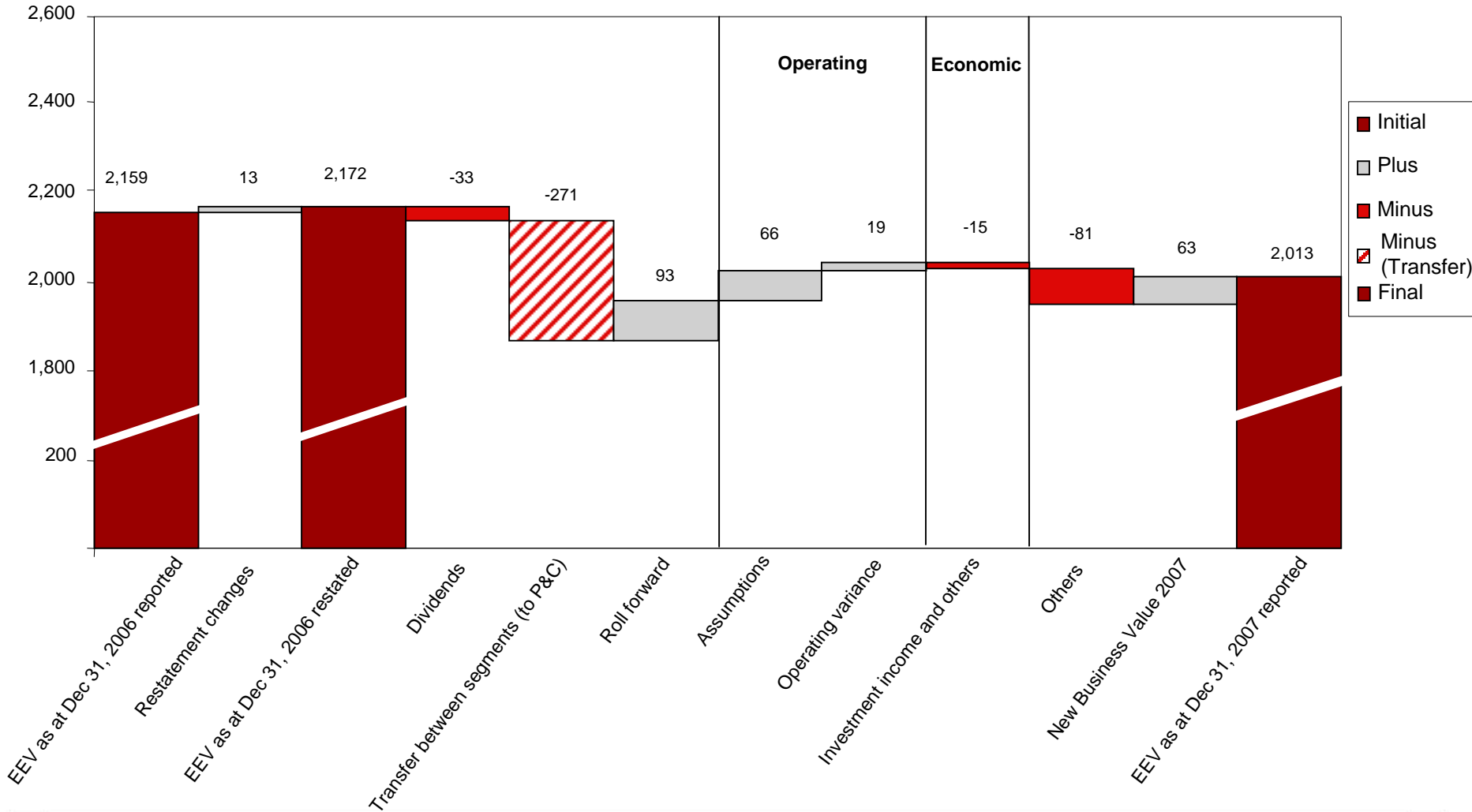
in €mn

		Value	As % of Base	
Base value		45.0	100.0%	
Change in Yield Curve	1%	43.4	96.5%	
	-1%	47.7	106.1%	
Interest volatility	10%	45.0	100.1%	
Equity volatility	10%	45.0	100.0%	
Administration Expenses	10%	42.9	95.3%	
	-10%	47.3	105.0%	
Lapses	-10%	49.3	109.6%	
	10%	41.1	91.3%	
Mortality	for assurances	-5%	46.6	103.5%
	for annuities	-5%	45.0	100.0%

Analysis of Change

Life & Health – Austria / Germany

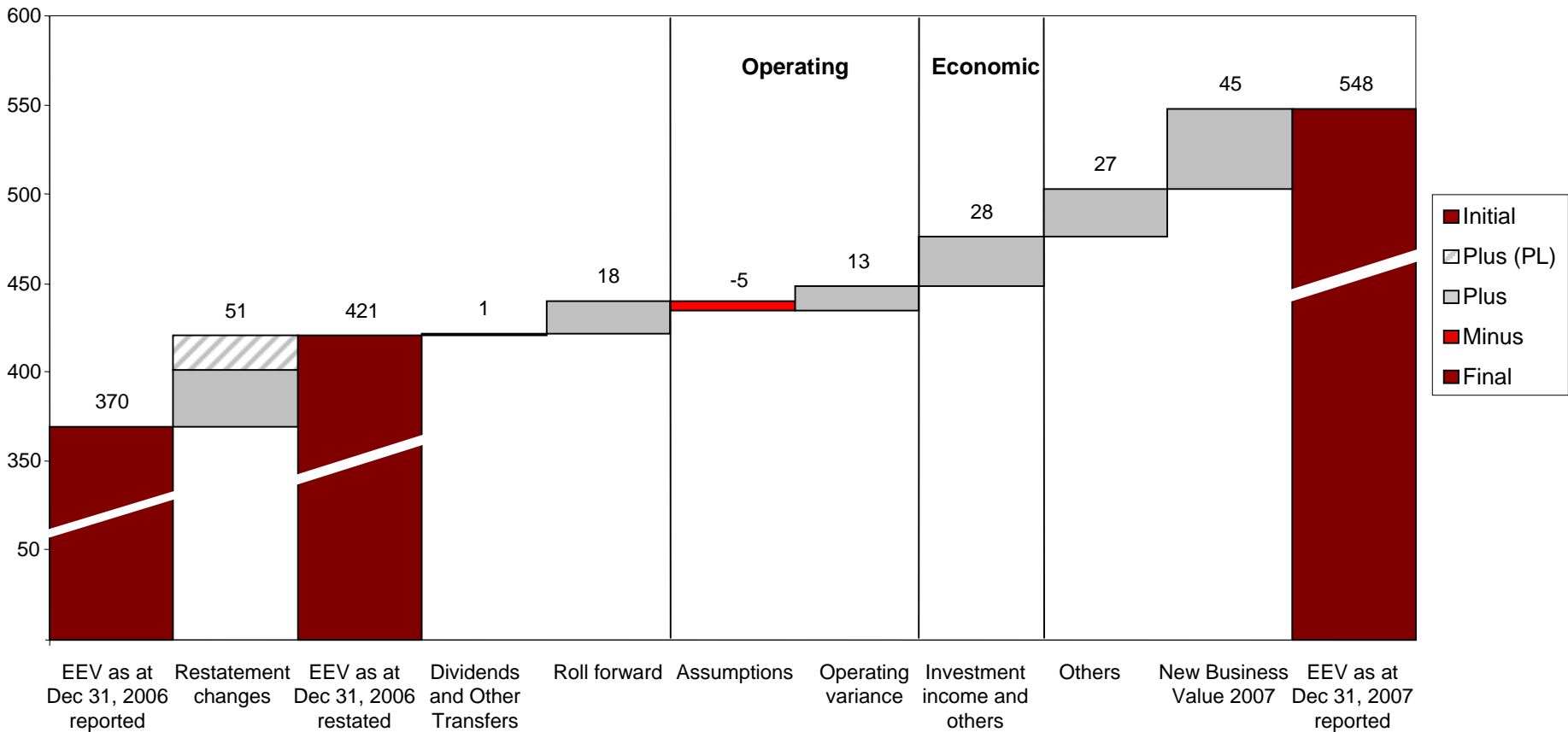
in €mn



Analysis of Change

Life – CEE

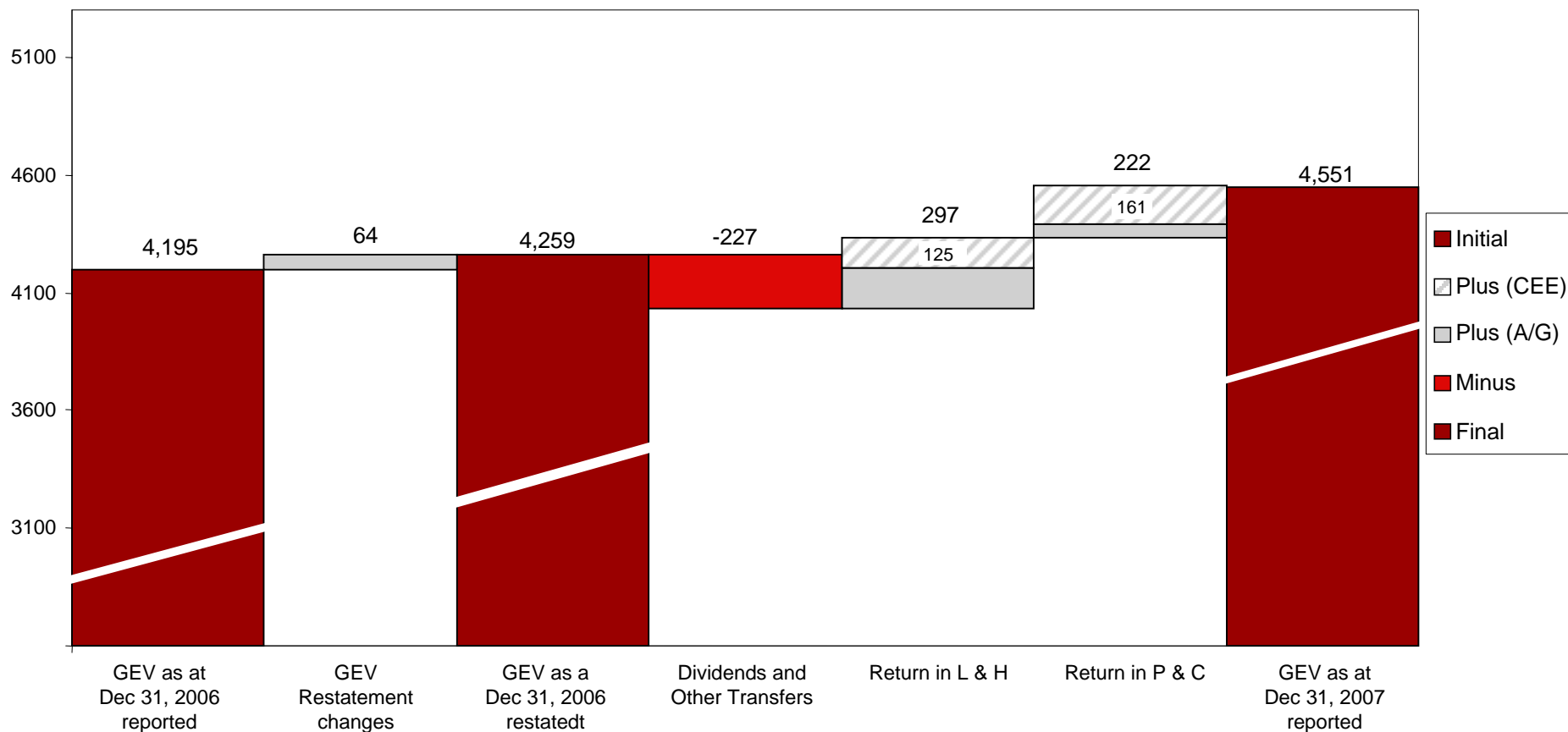
in €mn



Development

Total: Group Embedded Value

in €mn



Reconciliation

IFRS Equity ⇒ ANAV

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in €mn

	2007	2006
Consolidated IFRS equity	2,615.6	2,283.2
Minorities	-277.5	-70.8
Intangible assets	-513.2	-461.4
<i>Sub Total</i>	<i>1,824.9</i>	<i>1,751.0</i>
Add back goodwill for non GEV companies	399.1	320.7
Differences in capital consolidation	-13.6	118.2
Differences in valuation of capital assets	248.0	224.5
P&C Surplus in Claims Reserves	416.9	371.6
Other differences	0.0	23.5
<i>Total differences</i>	<i>1,050.4</i>	<i>1,058.5</i>
Adjusted Net Asset Value	2,875.3	2,809.5

Key assumptions

EEV: Life & Health – Austria / Germany

Yield curve		
	2007	2006
1 year	3.88%	3.87%
5 years	4.13%	3.91%
10 years	4.44%	4.02%
15 years	4.65%	4.10%
20 years	4.66%	4.11%
25 years	4.68%	4.11%

The yields shown are risk-free euro-zone spot rates.

(*) 5 into 5 implied swaption volatility

Interest rate volatility (*)	
2007	2006
14.64%	14.25%

Equity volatility	
2007	2006
27.32%	22.31%

Medical inflation	
2007	2006
2.00%	2.00%

Tax rate		
	2007	2006
Austria	25.00%	25.00%
Germany	40.00%	40.00%

Key assumptions

EEV: Life – Czech Republic

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	Czech Republic	
Yield curve	2007	2006
1 year	4.32%	2.94%
5 years	4.43%	3.41%
10 years	4.72%	3.87%
15 years	5.11%	4.18%
20 years	5.27%	4.24%
25 years	5.45%	4.33%

The yields shown are risk-free spot rates.

	Czech Republic	
	2007	2006
Interest rate volatility (*)	14.16%	15.89%
Equity volatility	25.02%	24.73%
Tax rate	24.00% (2007) 21.00% (2008) 20.00% (2009) 19.00% (2010+)	24.00%
Currency rate (CZK for 1 EUR)	26.63	27.49

(*) 5 into 5 implied swaption volatility

Key assumptions

EEV: Life – Slovakia

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	Slovakia	
Yield curve	2007	2006
1 year	3.88%	4.88%
5 years	4.13%	4.19%
10 years	4.44%	4.19%
15 years	4.65%	4.19%
20 years	4.66%	4.19%
25 years	4.68%	4.19%

The yields shown are risk-free euro-zone spot rates due to the planned inclusion of Slovakia into the euro-zone.

	Slovakia	
	2007	2006
Interest rate volatility (*)	14.16%	15.89%
Equity volatility	25.02%	24.73%
Tax rate	19.00%	19.00%
Currency rate (SKK for 1 EUR)	33.58	34.44

(*) 5 into 5 implied swaption volatility

Key assumptions

TEV: Life – Hungary

	Hungary	
	2007	2006
Average reinvestment rate	7.63%	7.55%
10 year government bonds	6.90%	6.71%
Risk discount rates	9.89%	10.50%
Tax rate	20.00%	20.00%
Currency rate (HUF for 1 EUR)	253.73	251.77

Key assumptions

TEV: Life – Poland

	Poland	
	2007	2006
Average reinvestment rate	6.01%	5.40%
10 year government bonds	5.93%	5.23%
Risk discount rates	9.93%	9.23%
Tax rate	19.00%	19.00%
Currency rate (PLN for 1 EUR)	3.59	3.83

- Traditional Embedded Value for COMPENSA-LIFE and ANAV for COMPENSA in Poland included
- All results shown after corporation tax and minority interests
- 2007 Return on GEV amounts to €519.5 mn (12.9%)
 - Significant increase of CEE-share from 30% to 42% of total GEV
 - Combined ratio for P&C below 100%
 - High value of new business for L&H
 - Positive impact of ongoing efficiency programs in CEE

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.