

**Vienna Insurance Group –
Focused on Growth in CEE and Austria**

ING EMEA Conference – April 11, 2006

Vienna Insurance Group – Focused on Growth in CEE and Austria

- § Leading Austrian insurance group operating in 17 countries
- § Focused on long-term earnings growth
- § No. 2 foreign insurer in the CEE region and largest CEE insurance pure play
- § Attractive Austrian franchise with 21% market share¹
- § Successful multi-brand strategy with focus on local management
- § Strongly diversified customer access through multi-channel distribution
- § Conservative risk management approach

¹ For 2004.

Source: For market share VVO (Austrian Association of Insurance Companies)

VIG is the Leading Austrian Insurance Group Operating in 17 Countries

including Russia and Georgia

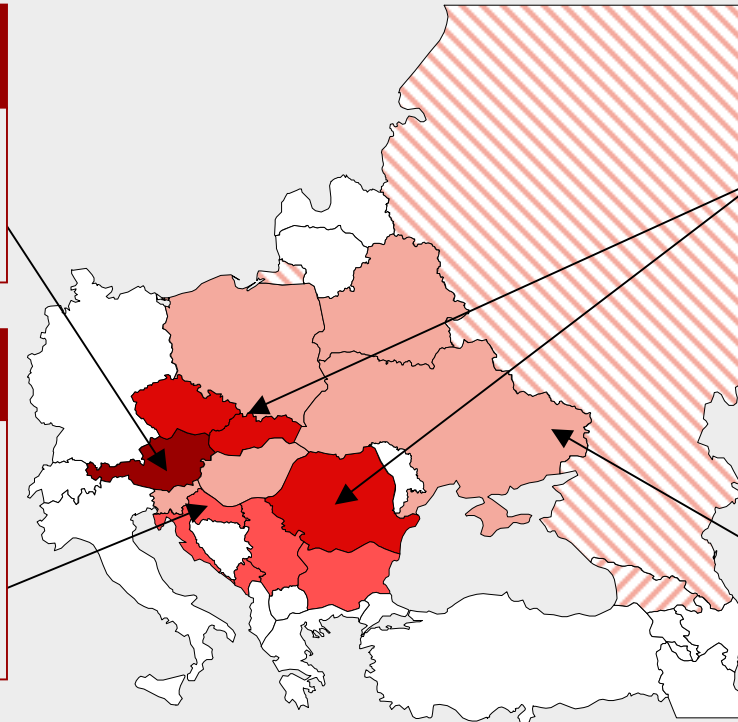
More than 17 million customers in Austria and CEE

Leading Position in Austria

- § #1 in Property & Casualty
- § #1 in Life
- § #2 in Health
- § Total GWP of €3.2 billion in 2005

Top 5 Positions in Bulgaria, Croatia, Serbia & Montenegro

- § #2 in Bulgaria with a 18% market share¹
- § #4 in Croatia with a 5% market share
- § #4 in Serbia & Montenegro with a 3% market share
- § Total GWP of €69 million² in 2005



No. 1 in Romania No. 2 in the Czech Republic and Slovakia

- § #1 in Romania with a 20% market share
- § #2 in the Czech Republic with a 25% market share
- § #2 in Slovakia with a 28% market share
- § Total GWP of €1.4 billion in 2005

Strong Positions in Other CEE Countries

- § Poland
- § Hungary
- § Ukraine
- § Belarus
- § Slovenia
- § Total GWP of €132 million in 2005

¹ Including the acquisition of Kardan Financial Services.

² Excluding the acquisition of Kardan Financial Services.

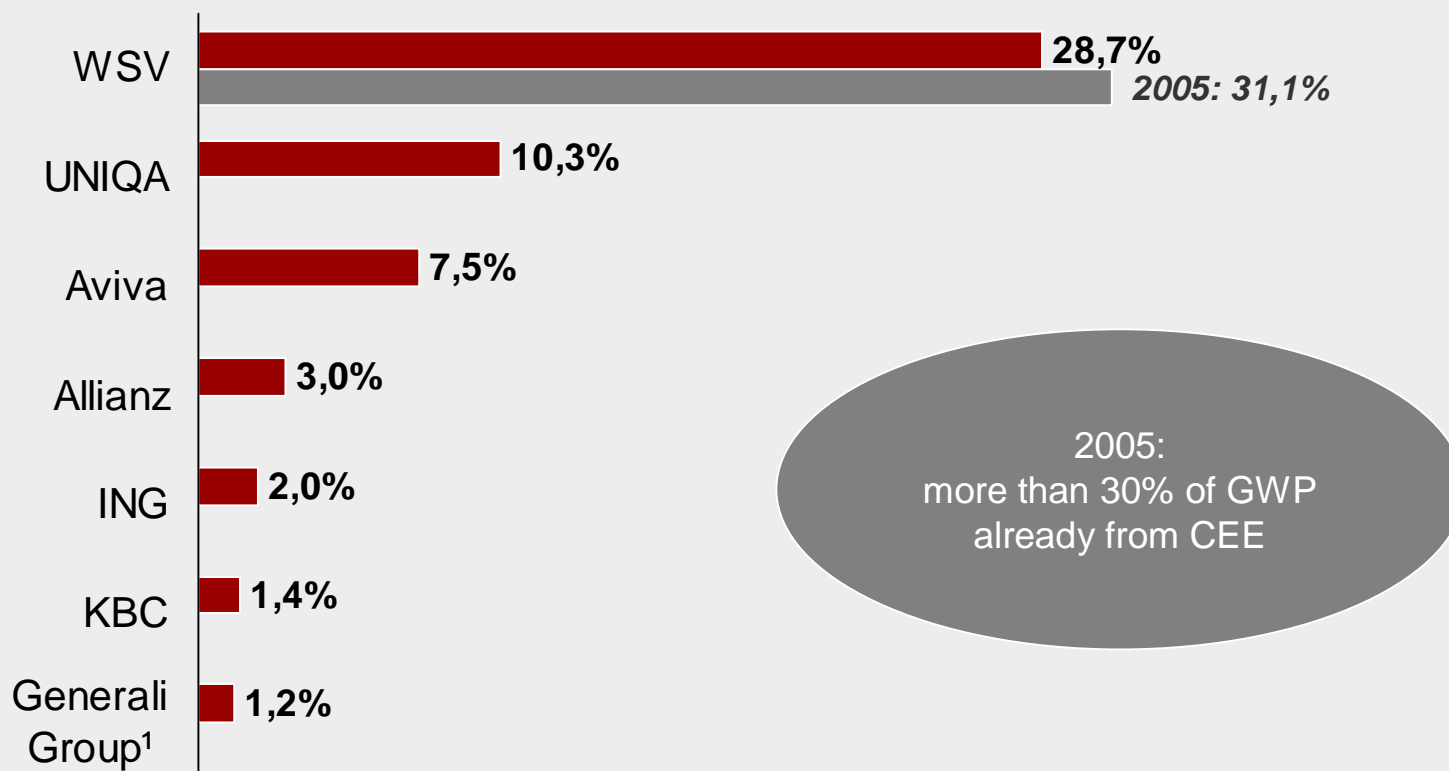
Note: All market shares as of 1H 2005, except for Austria, Czech Republic and Serbia (as of 31-Dec-2004 and pro-forma for acquisitions undertaken in 2005), GEP based on consolidated IFRS accounts

Source: For market shares National Insurance Associations, except for Romania (Insurance Profile Feb-2005)

Largest CEE Insurance Pure Play

Only Vienna Insurance Group widely captures CEE potential

CEE Premiums (2004) as % of Total Consolidated Group Premiums



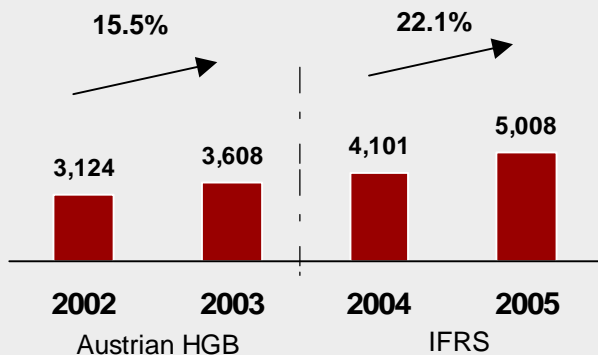
Source: Annual reports, analyst presentations, Goldman Sachs

¹ Generali CEE premiums reported as GEP, total premiums reported as GWP.

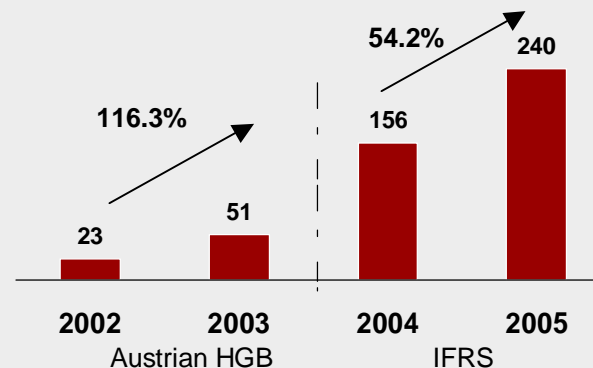
Year 2005 Financial Highlights (I)

Excellent earnings growth

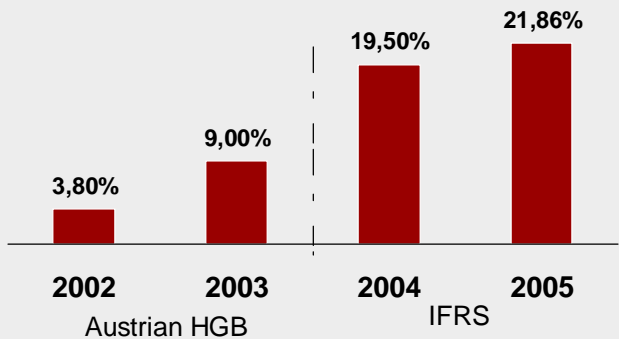
GWP



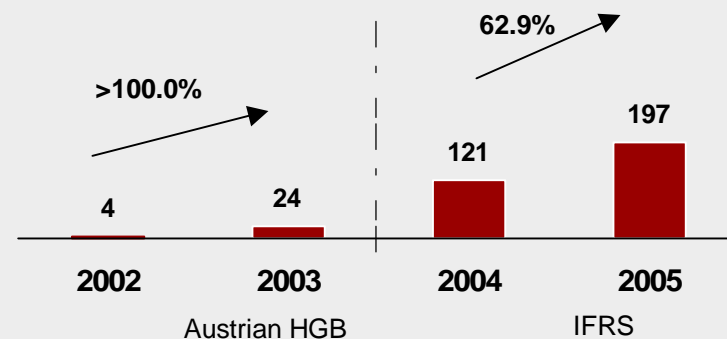
Profit before Tax



RoE before Tax



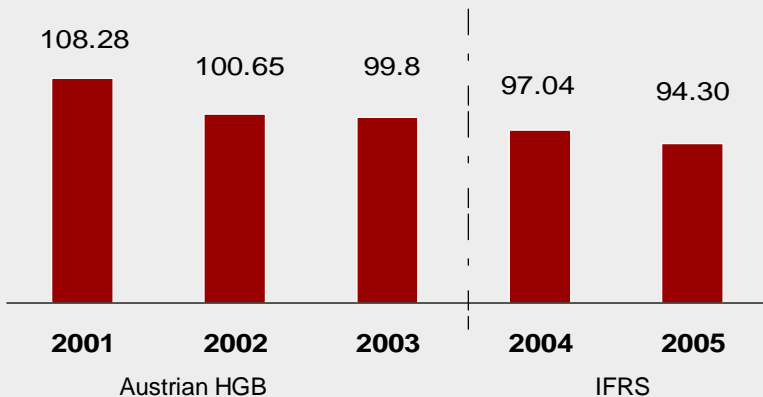
Profit after Tax and Minorities



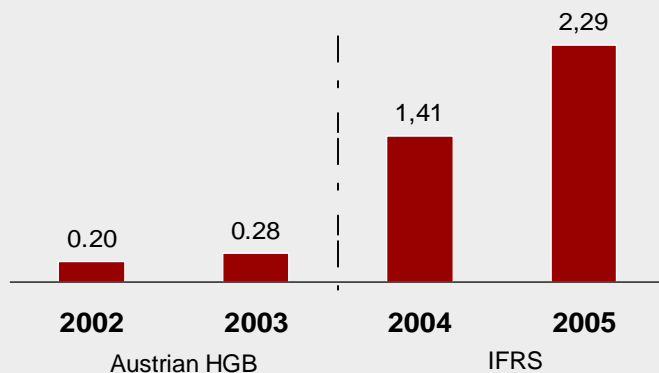
Note: For 2002-2003 according to Austrian HGB, for 2004 and 2005 according to IFRS

Year 2005 Financial Highlights (II)

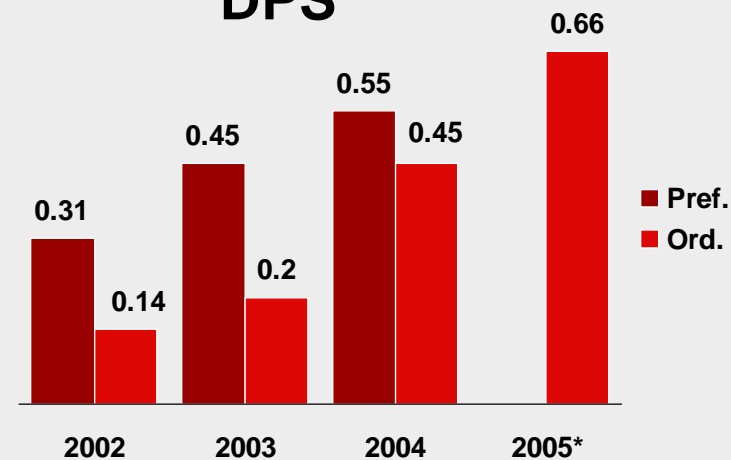
Net Combined Ratio



EPS



DPS

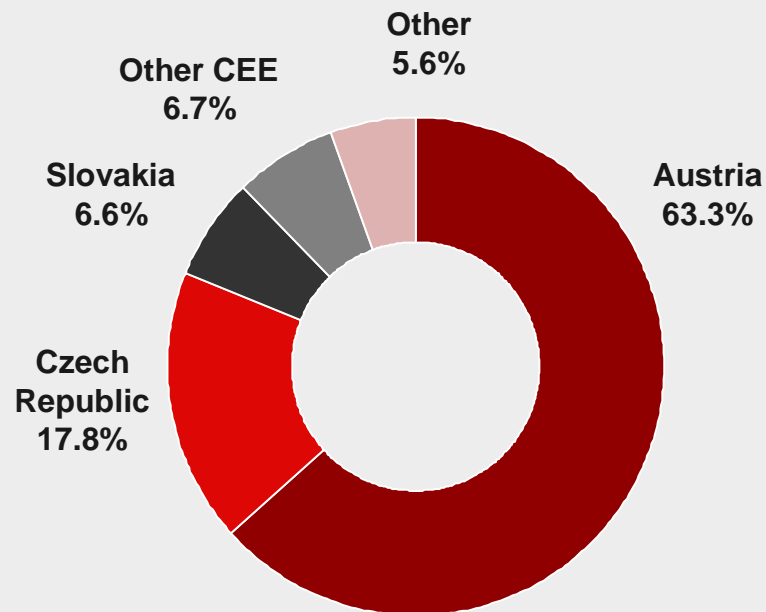


* Subject to approval by AGM

Highlights of VIG in CEE

- § CEE share of total P&C business is 45.2%
- § CEE contribution to Group PBT reached 36.7% in 2005 (32.6% in 2004)
- § For the first time all CEE markets feature positive results
- § Pioneer in CEE expansion
- § Strong acquisition and integration track record
- § Strong growth focus – Top 5 target for core CEE markets

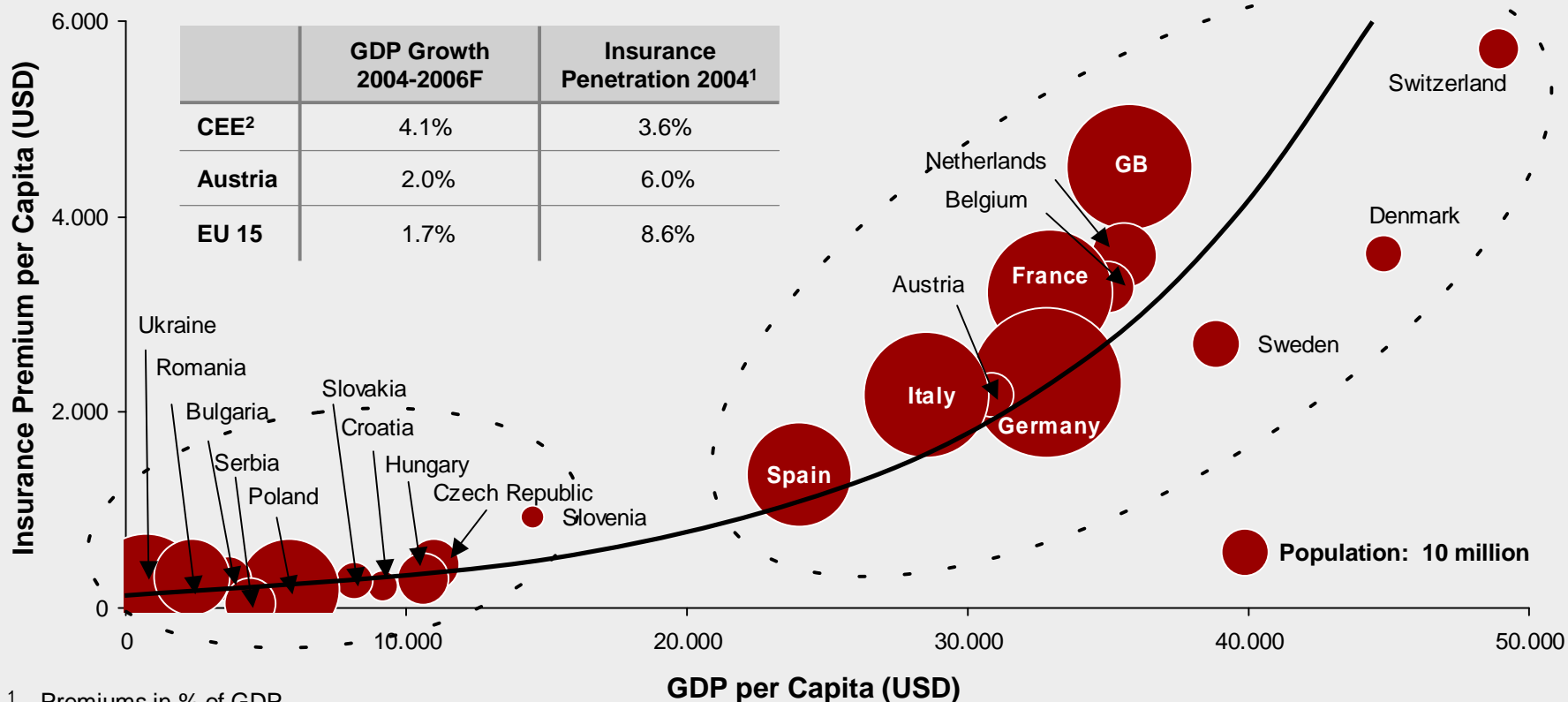
VIG GWP by Geography



YE 2005 Total: €5.01bn

CEE Region Offers „Double Leverage“

Sustainable growth through GDP and insurance penetration

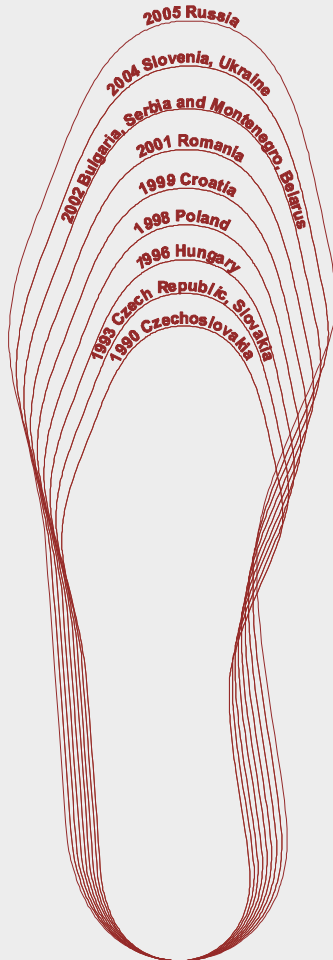


¹ Premiums in % of GDP.

² Weighted Averages for CEE. CEE defined as Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia & Montenegro, Slovakia, Slovenia and Ukraine.

Source: For GDP Growth IMF(World Economic Outlook as of Sep 2005). For all other data Swiss Re Sigma Nr. 2/2005 (May 2005)

VIG Has Been a Pioneer in the CEE Region Following a Very Targeted Expansion Strategy



§ Focus

- Retail

§ Investment philosophy

- Step-by-step market entry
- Tight operational management
- 2-4 years to reach break-even, accelerated growth thereafter
- Czech and Slovak business have reached 25-30% RoE before tax

VIG: Attractive Franchise (I)

Distribution is key: Multi-brand strategy



Austria



CEE



etc.....

§ VIG is umbrella brand

§ local companies keep well established brands to support distribution

Distribution is key: Multi-channel strategy

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Strong Multi-Channel Distribution

§ Austria:

Roughly 30/30/30% split between tied agents/ bank distribution/ brokers etc. in new business

§ CEE:

Different from country to country according to market practice and legal regulations



Attractive franchise plus growth potential in life insurance

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- § Leading market position in all business lines
 - #1 in property & casualty with 20% market share
 - #1 in life with 22% market share
 - #2 in health with 21% market share

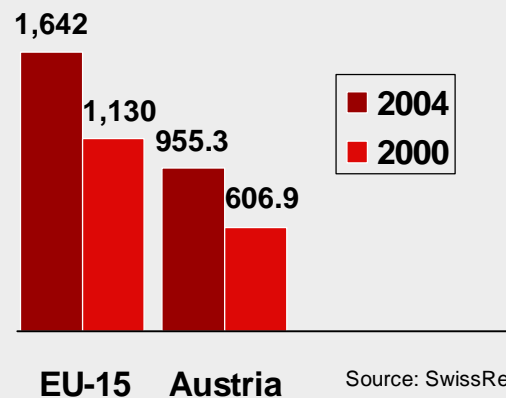
§ Overall market share gains through organic growth

§ Austrian p&c highly profitable with declining C/R

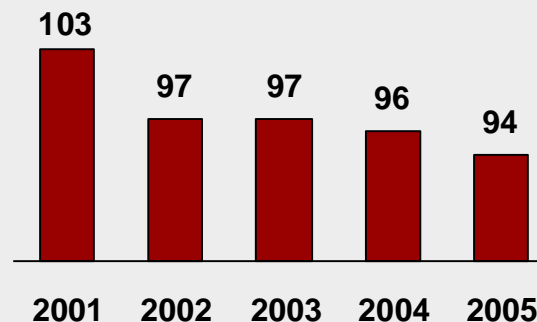
§ strong growth potential in life insurance: Austria lags behind EU-15 in premium per capita

§ Ongoing reforms of social security system to generate strong demand for life savings products

Life Premium per Capita (USD)



Net Combined Ratio % (WSV AG)



Financial Targets for VIIG

Targets for 2006 and 2007 confirmed

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	2006T	2007T
Profit before tax	€270 - €290million	€320 - €350 million
Net combined ratio	<100%	<100%
RoE before tax	~16%	17%-18%
Payout ratio (as % of net income)	>30%	>30%

Appendix

Financials, Shareholder Structure, Contact

YE 2005 Income Statement

IFRS (€m)

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	2005	2004	+/- %
1. Gross written premiums	5,007.8	4,101.4	22.1
2. Net earned premiums	4,240.9	3,447.3	23.0
3. Net investment income ¹	605.4	448.8	34.9
4. Other income	46.3	34.4	34.7
Total income	4,892.6	3,930.5	24.5
6. Expenses for claims incurred	-3,618.4	-2,878.2	25.7
7. Operating expenses	-891.8	-771.5	15.6
8. Other expenses	-142.0	-124.9	13.7
Total expenses	-4,652.2	-3,774.6	23.2
Profit before tax	240.3	155.9	54.2
Taxes	-41.6	-34.4	21.1
Net profit before minorities (Profit for the year)	198.7	121.6	63.5
Minorities	-1.8	-0.6	>100.0
Net profit after minorities	197.0	121.0	62.9

¹ including income from associated and affiliated companies

YE 2005 Balance Sheet

IFRS (€m)

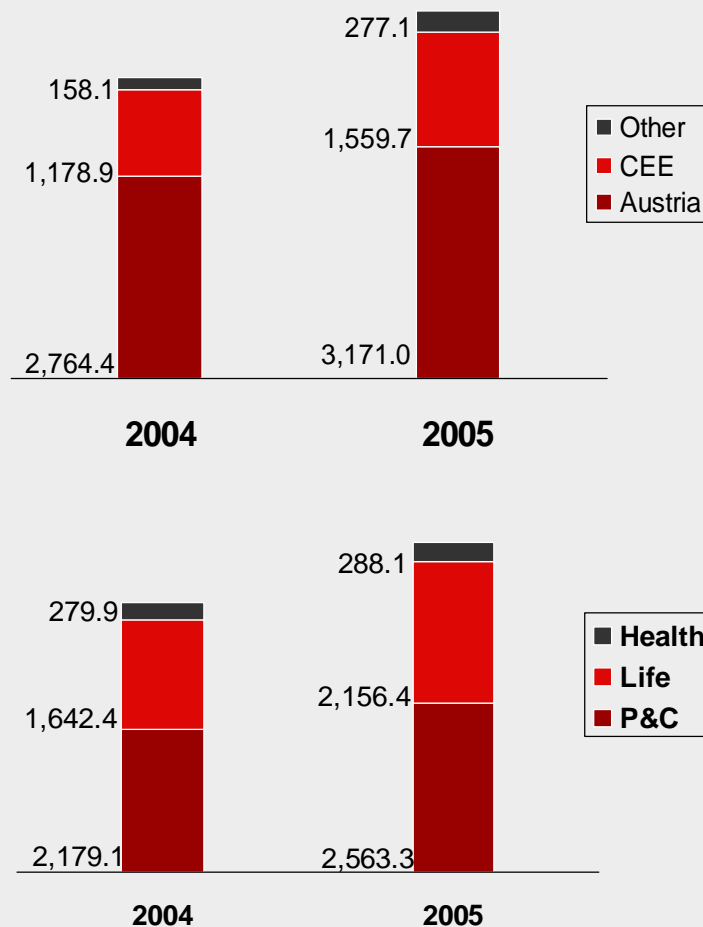
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	Dec-2005	Dec-2004	+/- %
Intangible assets	317	116	>100.0
Total investments	15,163	12,368	22.6
Unit- and index-linked investments	1,762	1,120	57.4
Reinsurers' share in technical provisions	840	680	23.6
Receivables	857	716	19.6
Deferred tax assets	12	7	59.7
Other assets	201	231	-13.0
Cash and cash equivalents	290	193	50.1
Total assets	19,442	15,431	26.0
Shareholders' equity	2,059	914	>100.0
<i>thereof minorities</i>	58	65	-11.1
Subordinated liabilities	413	113	>100.0
Technical provisions	13,086	11,290	15.9
Unit- and index-linked technical provisions	1,730	1,119	54.6
Non-technical provisions	871	886	-1.7
Liabilities	1,075	939	14.4
Deferred tax liabilities	124	110	13.2
Other liabilities	83	60	38.9
Total liabilities and equity	19,442	15,431	26.0

YE 2005 P&L Major Items – Gross Written Premiums

Strong premium growth in all business segments and regions (€m)

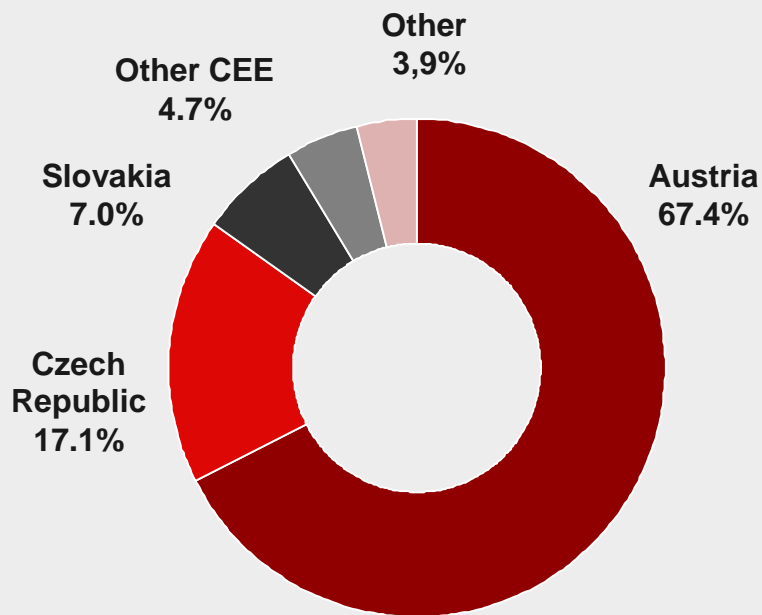
- § Group GWP increase by 22.1% to pass 5bn mark
- § Austrian total GWP up 14.7% to reach €3.2bn. Life up 24.8% at €1.5bn due to demand for state subsidised pension products and single premiums
- § Sound growth of Austrian p&c by 7.4% to €1.4bn
- § GWP in Czech Republic increased by 27% evenly in life and p&c to reach €891,5mn (incl. 6M CPP)
- § In Slovakia more moderate growth by 15.6% to €330.9mn due to weaker MTPL but life business booming
- § High double digit growth in all Other CEE markets



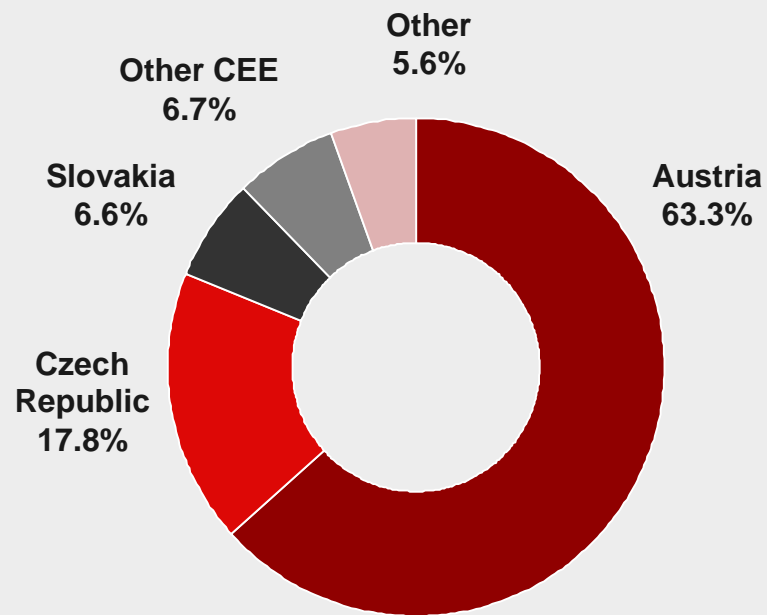
VIG's GWP Split by Region

Shift from Austria to CEE

GWP by Geography



YE 2004 Total: €4.1bn



YE 2005 Total: €5.01bn

YE 2005 P&L Major Items – Expenses for Claims Incurred

Basic trend of moderate decline (€m)

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- § Both in Austria and CEE trend of declining claims ratios in p&c continued in 2005
- § In Austria claims frequency in p&c shows slight decrease
- § In general, claims in CEE continue to show positive trend, in part influenced by modified claims management, but varying by country
- § Reduction of claims settlement expenses in Austria and CEE
- § New mortality tables applicable for Austria have been fully accounted for, thus higher benefits/premiums ratio in life in 2005
- § Health division stable, technical reserves raised for possible higher claims going forward

	P&C		Life		Health	
	2005	2004	2005	2004	2005	2004
Net Earned Premiums:	1,834.8	1,570.2	2,119.0	1,603.2	287.0	273.9
Expenses for Claims Incurred:	1,179.1	1,034.5	2,186.5	1,604.5	252.9	239.2
Ratio	64.3	65.9	103.2	100.1	88.1	87.3

YE 2005 P&L Major Items – Operating Expenses

Decrease due to strict cost management (€m)

20

- § VIG's push to cut costs throughout the Group bear fruit
- § For the first time in Austria less employees in operations than in business procurement in 2005
- § In Austria integration of back-offices of life subsidiaries Union and BACAV yield well
- § Smaller Group companies in CEE feature economies of scale through strong business growth
- § Effective reorganisation measures (claims organisation, policy administration, printing&mailing) in larger CEE subsidiaries

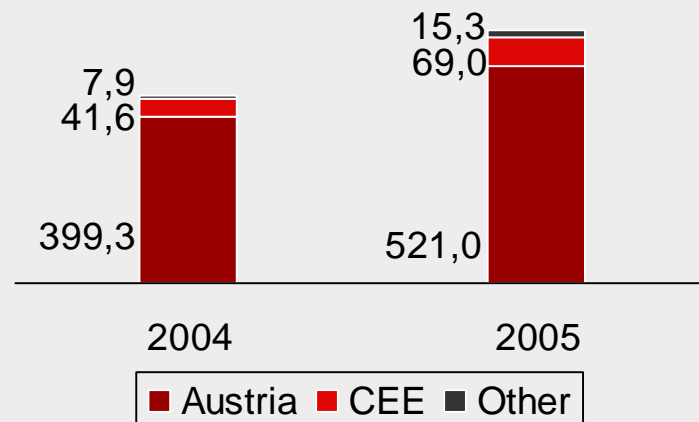
	P&C		Life		Health	
	2005	2004	2005	2004	2005	2004
Net Earned Premiums:	1,834.8	1,570.2	2,119.0	1,603.2	287.0	273.9
Operating Expenses:	481.0	430.2	375.7	306.2	35.1	35.1
Ratio	26.2	27.4	17.7	19.1	12.2	12.8

YE 2005 P&L Major Items – Net Investment Income

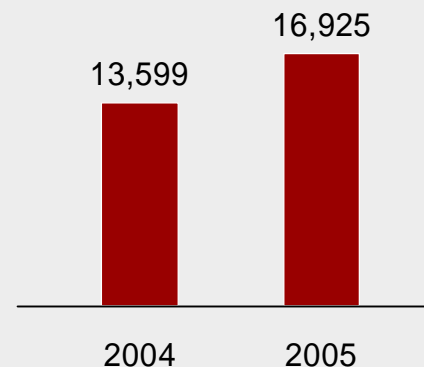
Favourable Capital Markets (€m)

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- § Increase in Net Investment Income by 33.0% based on generally favourable capital markets
- § Increment in Austria by 30.5% mainly due to €41mn one-off gain from sale of stake in Investkredit bank
- § CEE investment result reflects higher investments due to growing life business



Total Investments



YE 2005 P&L – Business Segments

Property & Casualty, IFRS (€m)

22

	2005	2004	+/- %
1. Gross written premiums	2,563.3	2,179.1	17.6
2. Net earned premiums	1,834.8	1,570.2	16.9
3. Net investment income	43.4	16.5	>100.0
4. Other income	32.1	26.2	22.5
Total income	1,910.4	1,612.9	18.4
6. Expenses for claims incurred	-1,179.1	-1,034.5	14.0
7. Operating expenses	-481.0	-430.2	11.8
8. Other expenses	-104.8	-85.6	22.4
Total expenses	-1,764.9	-1,550.3	13.8
Profit before tax	145.5	62.6	>100.0

YE 2005 P&L – Business Segments

Life, IFRS (€m)

23

	2005	2004	+/- %
1. Gross written premiums	2,156.4	1,642.4	31.3
2. Net earned premiums	2,119.0	1,603.2	32.2
3. Net investment income	538.7	413.7	30.2
4. Other income	14.1	8.1	74.6
Total income	2,671.8	2,025.0	31.9
6. Expenses for claims incurred	-2,186.5	-1,604.5	36.3
7. Operating expenses	-375.7	-306.2	22.7
8. Other expenses	-36.2	-37.7	-3.8
Total expenses	-2,598.4	-1,948.4	33.4
Profit before tax	73.4	76.6	-4.2

YE 2005 P&L – Business Segments

Health, IFRS (€m)

24

	2005	2004	+/- %
1. Gross written premiums	288.1	279.9	2.9
2. Net earned premiums	287.0	273.9	4.8
3. Net investment income	23.3	18.6	25.3
4. Other income	0.0	0.1	-30.2
Total income	310.4	292.6	6.1
6. Expenses for claims incurred	-252.9	-239.2	5.7
7. Operating expenses	-35.1	-35.1	0.0
8. Other expenses	-1.0	-1.6	-38.0
Total expenses	-288.9	-275.9	4.7
Profit before tax	21.5	16.7	28.1

YE 2005 P&L - Split by Regions (I)

Regional segments, IFRS (€m)

25

	Austria		Czech Republic		Slovakia	
	2005	2004	2005	2004	2005	2004
1. Gross written premiums	3,171.0	2,764.4	891.5	702.0	330.9	286.3
2. Net earned premiums	2,838.7	2,449.3	695.3	549.8	229.0	190.3
3. Net investment income	521.0	399.3	33.3	17.5	16.4	13.8
4. Other income	15.8	12.8	10.9	8.0	8.5	5.5
Total income	3,375.6	2,861.4	739.6	575.3	253.9	209.6
6. Expenses for claims incurred	-2,657.6	-2,218.2	-470.1	-352.0	-136.7	-123.1
7. Operating expenses	-541.3	-500.0	-159.1	-133.3	-60.1	-50.5
8. Other expenses	-32.2	-34.4	-50.3	-50.3	-32.1	-15.9
Total expenses	-3,231.1	-2,752.6	-679.5	-535.6	-228.9	-189.5
Profit before tax	144.5	108.8	60.1	39.7	25.0	20.1
Combined Ratio	94.3%	97.9%	92.4%	93.6%	89.1%	93.1%

YE 2005 P&L - Split by Regions (II)

Regional segments, IFRS (€m)

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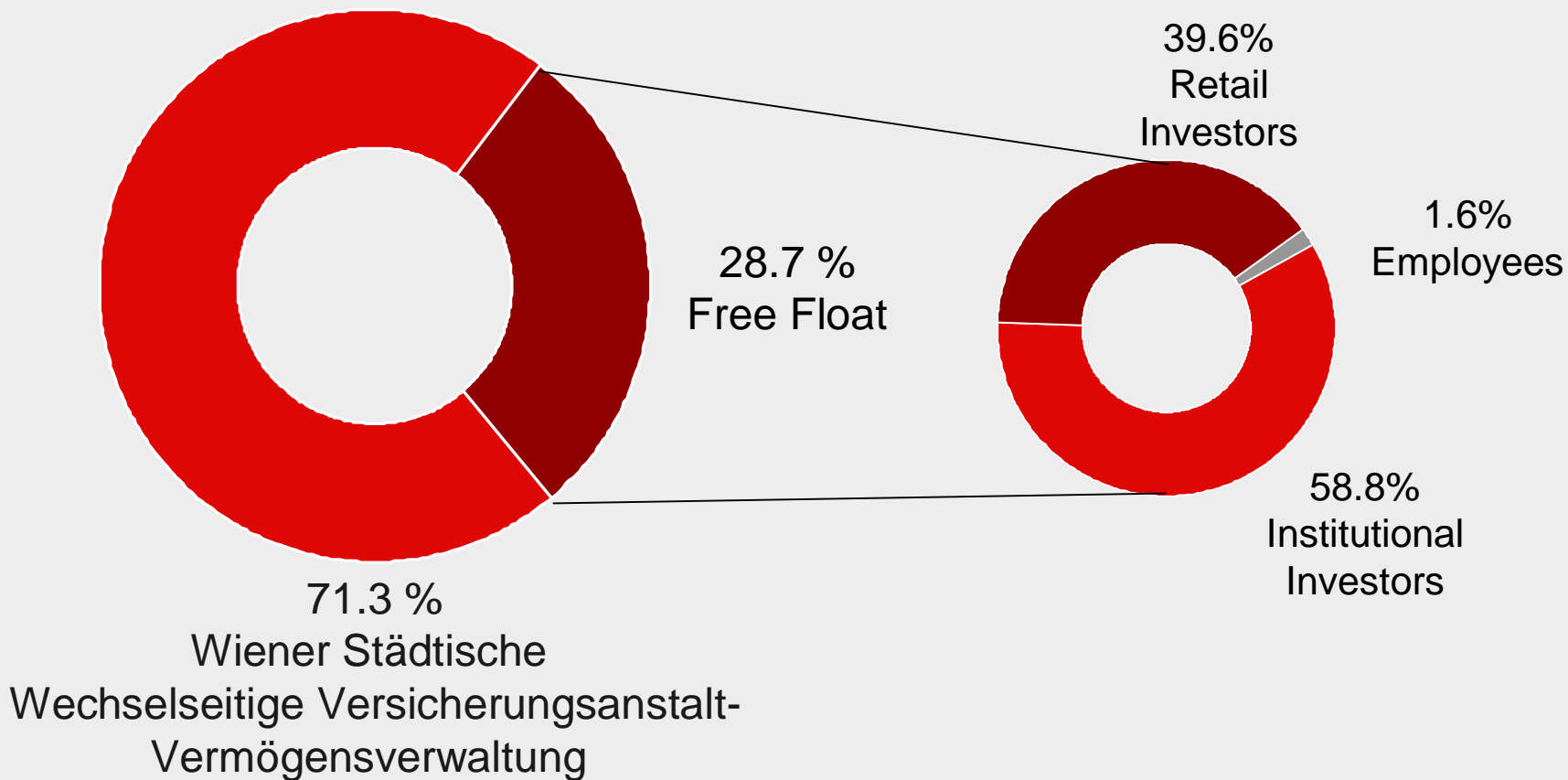
	Other CEE		Other		TOTAL	
	2005	2004	2005	2004	2005	2004
1. Gross written premiums	337.3	190.6	277.1	158.1	5,007.8	4,101.4
2. Net earned premiums	227.7	126.7	250.1	131.2	4,240.9	3,447.3
3. Net investment income	19.3	10.3	15.3	7.9	605.4	448.8
4. Other income	6.5	5.0	4.6	3.1	46.3	34.4
Total income	253.5	142.0	270.0	142.3	4,892.6	3,930.5
6. Expenses for claims incurred	-142.3	-80.6	-211.7	-104.4	-3,618.4	-2,878.2
7. Operating expenses	-98.3	-62.6	-32.9	-25.2	-891.8	-771.5
8. Other expenses	-9.6	-7.8	-17.9	-16.4	-142.0	-124.9
Total expenses	-250.3	-150.9	-262.5	-146.1	-4,652.2	-3,774.6
Profit before tax	3.2	-9.0	7.5	-3,8	240.3	155.9
Combined Ratio	105.8%	112.4%	90.2%	92.3%	94.3%	97.0%

Shareholder Structure

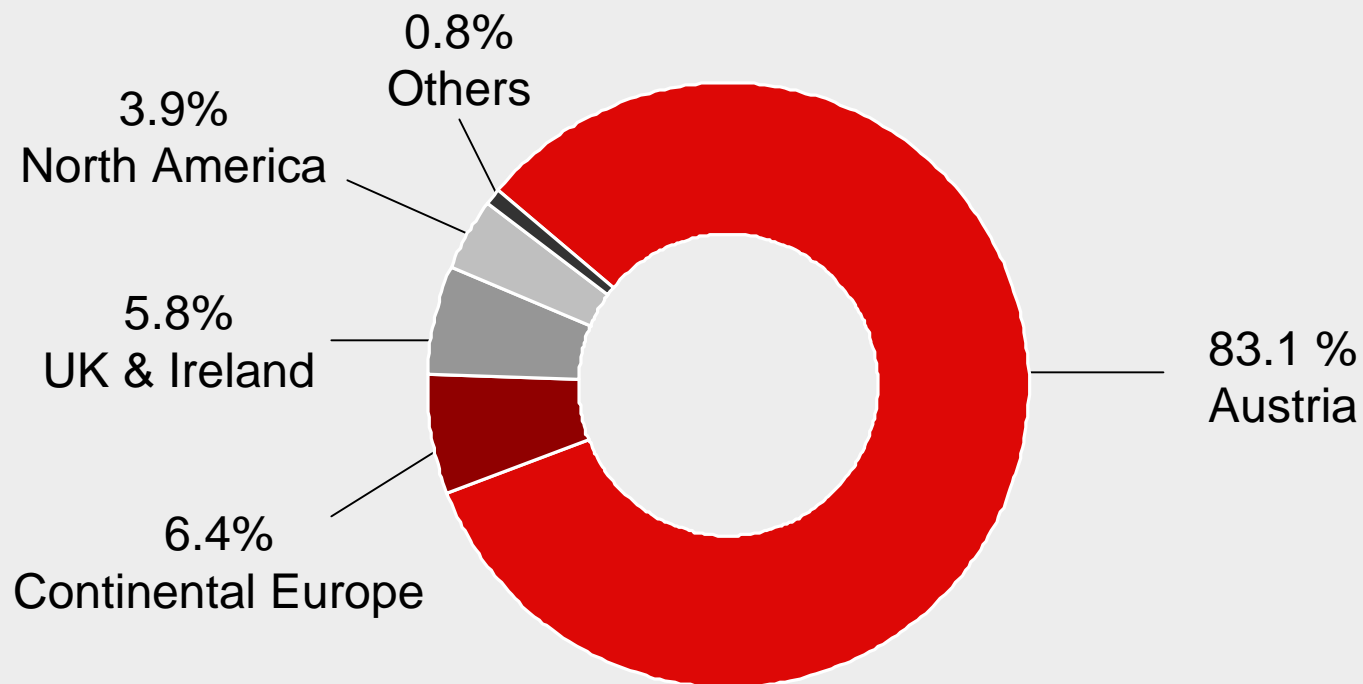
Total number of shares 105,000,000

Shareholder Structure

Split Free Float



Geographical Split



Wiener Städtische Allgemeine Versicherung AG

Schottenring 30, 1010 Vienna, Austria

www.wienerstaedtische.at

Vienna Stock Exchange: WST
Reuters: WISV.VI
Bloomberg: WST AV

§ **Thomas Schmee**
Tel. +43 (0)50 350 - 21900 t.schmee@staedtische.co.at

§ **Nina Higatzberger**
Tel. +43 (0)50 350 - 21920 n.higatzberger@staedtische.co.at

§ **Sabine Pulz (Assistant)**
Tel. +43 (0)50 350 - 21919 s.pulz@staedtische.co.at

Fax +43 (0)50 350 99 - 23303 investor.relations@staedtische.co.at

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