



Vienna Insurance Group – Expanding the CEE Insurance Business

Roadshow US/Canada October 2007

A **Investment Proposition**

B **Targets and Summary**

C **6M 2007 Highlights**

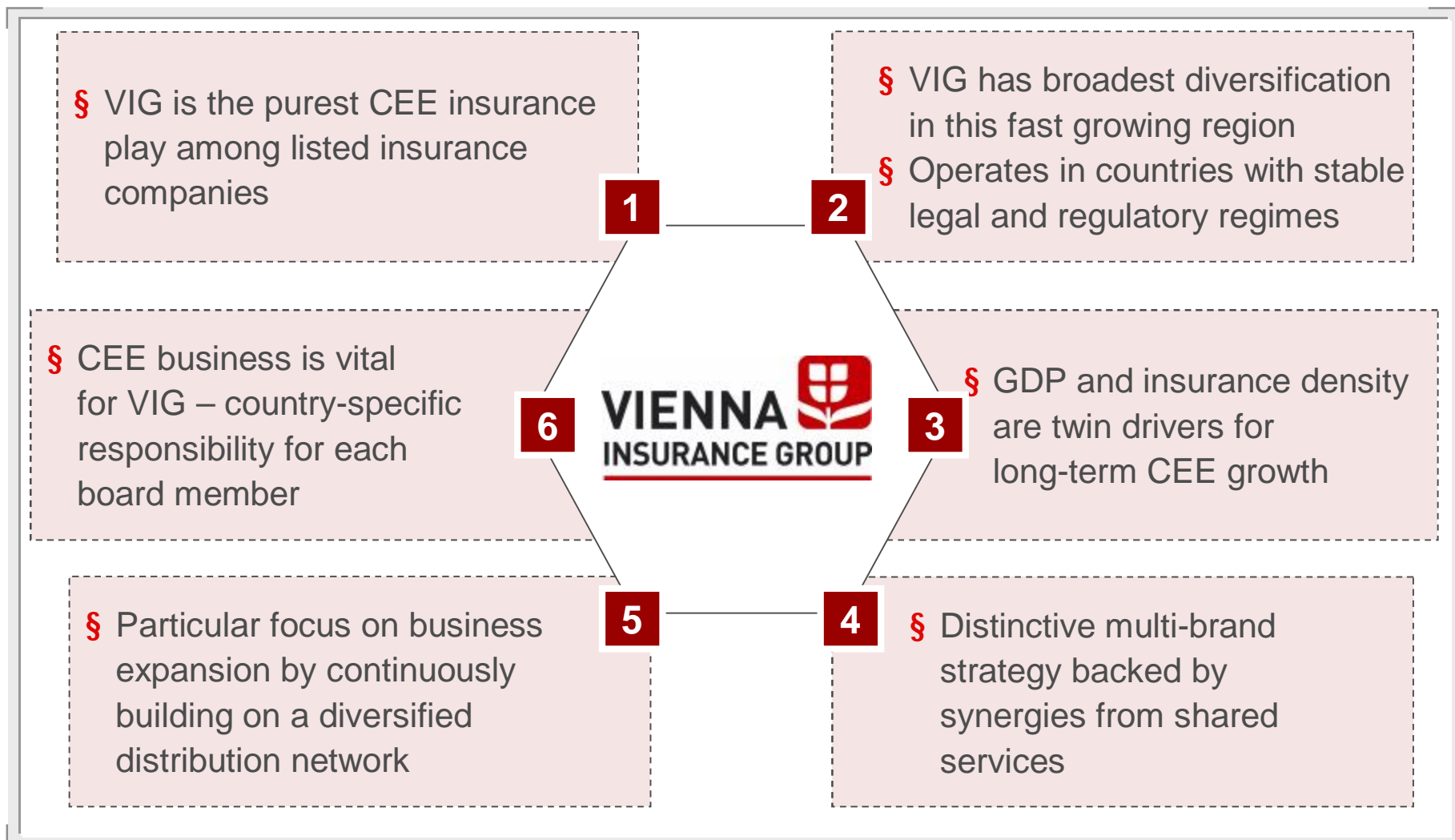
D **P&L and Balance Sheet**

E **Appendix**

Investment Case in Brief

What is unique about VIG?

A 3

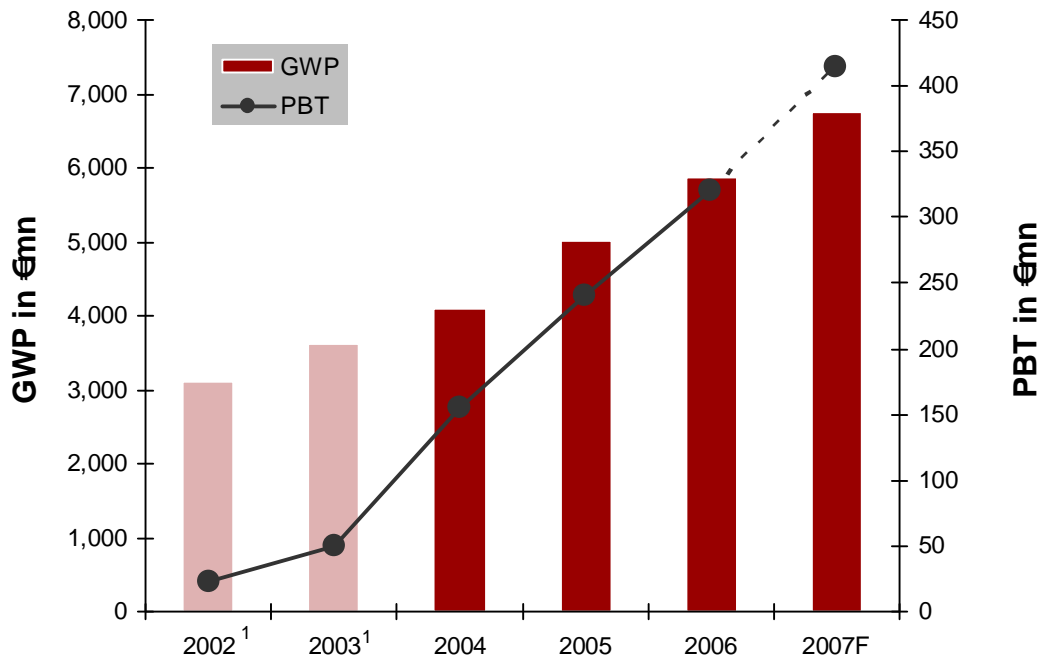


VIG Strategy Delivers

Strong increase in profitability

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VIG's Path of Profitability



1: Figures for 2002 and 2003 according to Austrian Commercial Code

Comments

- § From 2002 to 2006 VIG succeeded in nearly doubling Group Gross Written Premiums implying a CAGR of more than 17%
- § From 2004 to 2007F VIG increases Profit before Tax from € 156mn to € 410+mn corresponding to a CAGR of 38.0%

Geographical Overview

VIG is the leading Austrian insurance group operating in 20 countries

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Footprint



Data

	Statistical Background
GDP (bn USD)	2,657
Population (mn)	378
Market Volume (bn USD)	86
Market Volume Life (bn USD)	28
Market Volume Non-life (bn USD)	58
Average Density (USD) ¹	212.5
Average Density Life (USD) ¹	60.4
Average Density Non-life (USD) ¹	152.1
EU 15 Density (USD)	3,305.1
EU 25 Density (USD)	2,459.5

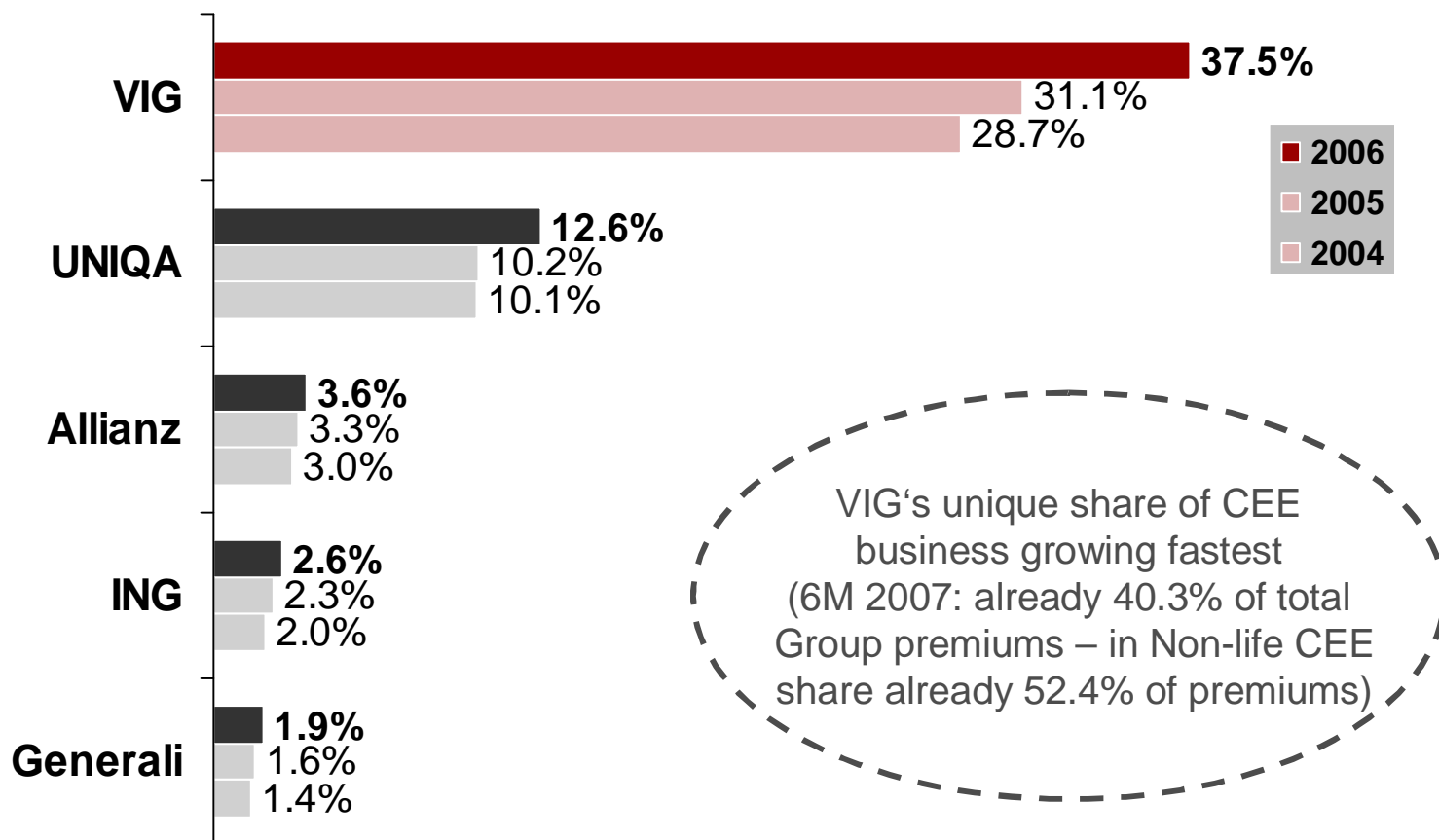
1: Weighted average

Source: SwissRE Sigma 04/2007

Purest CEE Insurance Play

Only Vienna Insurance Group widely captures CEE potential

CEE Premiums as % of Total Group Premiums



VIG Has Excellent CEE Market Position

VIG an early mover in CEE

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Overview of Core Markets

Slovakia	Czech Rep.	Bulgaria	Romania
Pop.: 5.4 mn	Pop.: 10.2 mn	Pop.: 8.2 mn	Pop.: 21.6 mn
GDP/Cap.: \$ 10 k	GDP/Cap.: \$ 14 k	GDP/Cap.: \$ 4 k	GDP/Cap.: \$ 5 k
Density NL: \$ 207	Density NL: \$ 316	Density NL: \$ 88	Density NL: \$ 76
Density L: \$ 130	Density L: \$ 204	Density L: \$ 13	Density L: \$ 19
Market share: 29.8%	Market share: 27.7%	Market share: 20.8%	Market share: 17.7%
Croatia	Serbia	Poland	Hungary
Pop.: 4.6 mn	Pop.: 8.2 mn	Pop.: 38.5 mn	Pop.: 10.1 mn
GDP/Cap.: \$ 9 k	GDP/Cap.: \$ 4 k	GDP/Cap.: \$ 9 k	GDP/Cap.: \$ 11 k
Density NL: \$ 286	Density NL: \$ 69	Density NL: \$ 160	Density NL: \$ 184
Density L: \$ 82	Density L: \$ 8	Density L: \$ 151	Density L: \$ 192
Market share: 7.4%	Market share: 6.4%	Market share: 4.3%	Market share: 2.5%

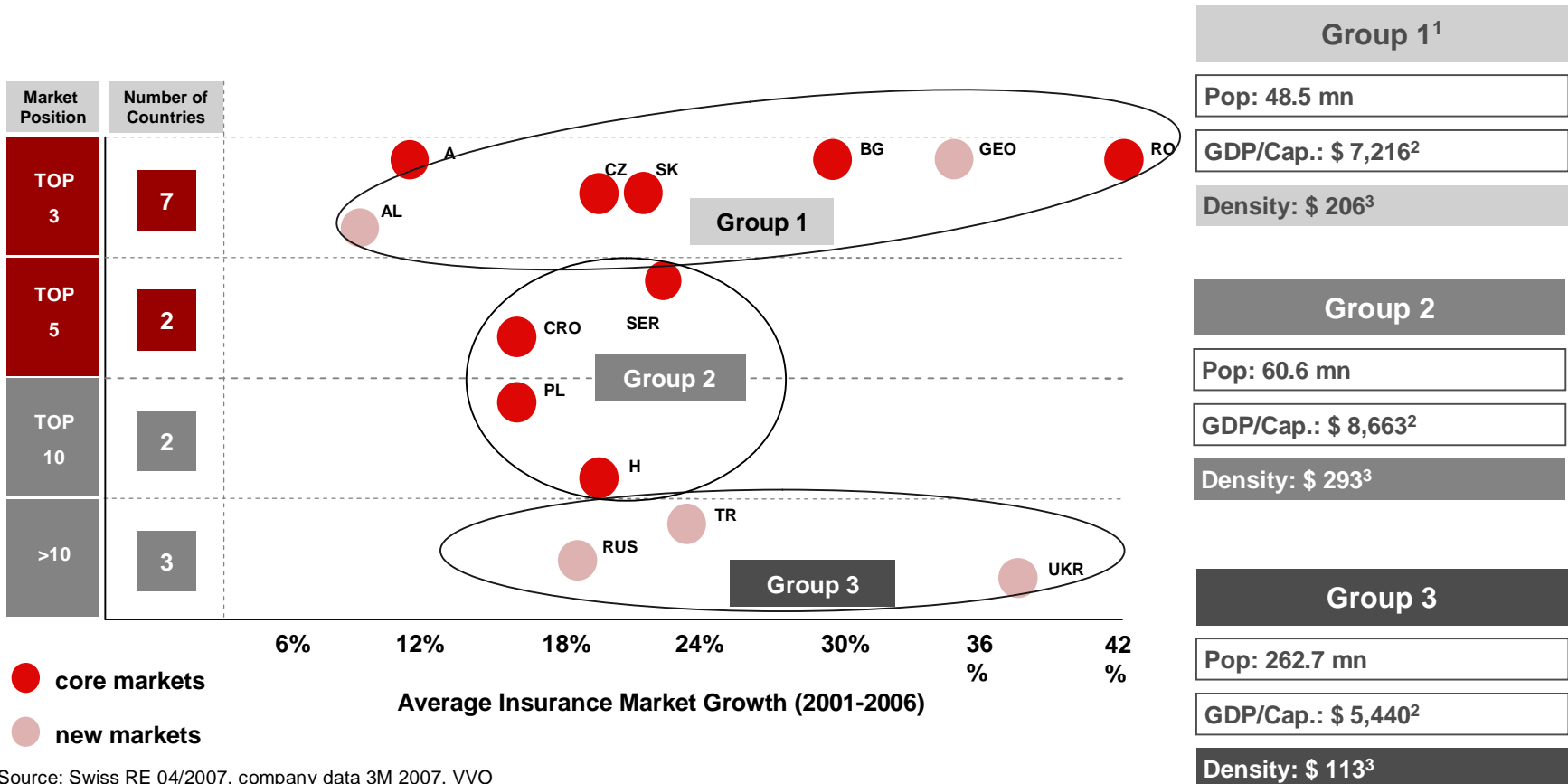
Details

- § leading market position in nearly all core markets
 - § strong market positions also in Turkey, Ukraine, Georgia and Albania
-
- § focus on retail business
 - § systematic market entry
 - § tight operational management

Source: Swiss RE 04/2007,
Market shares: company data, 3M 2007

VIG Is Well Positioned in Its Markets

Broad portfolio of insurance markets with different dynamics



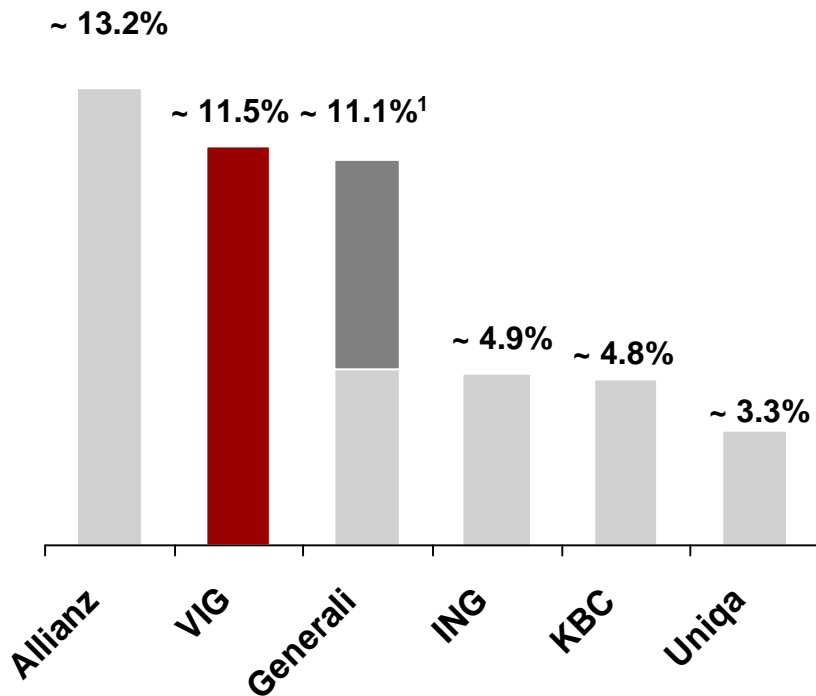
Source: Swiss RE 04/2007, company data 3M 2007, VVO

- 1: Excluding Georgia due to lack of data
- 2: Weighted average GDP/Cap. of the group
- 3: Weighted average density of the group

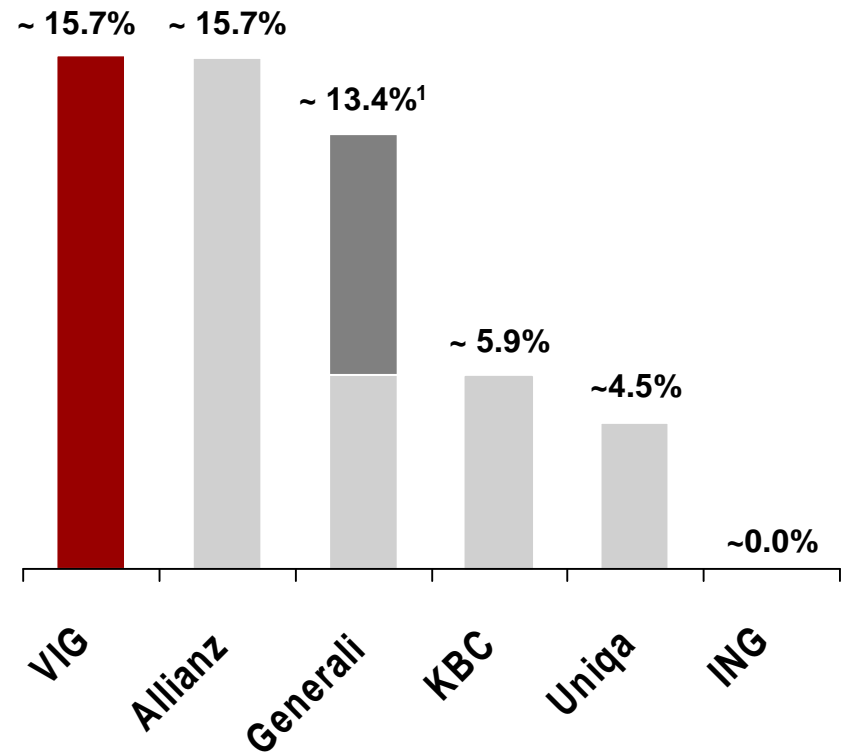
VIG – Top Player in CEE

Number 2 among international insurance groups

Market Share in CEE²



Market Share in CEE² Non-life



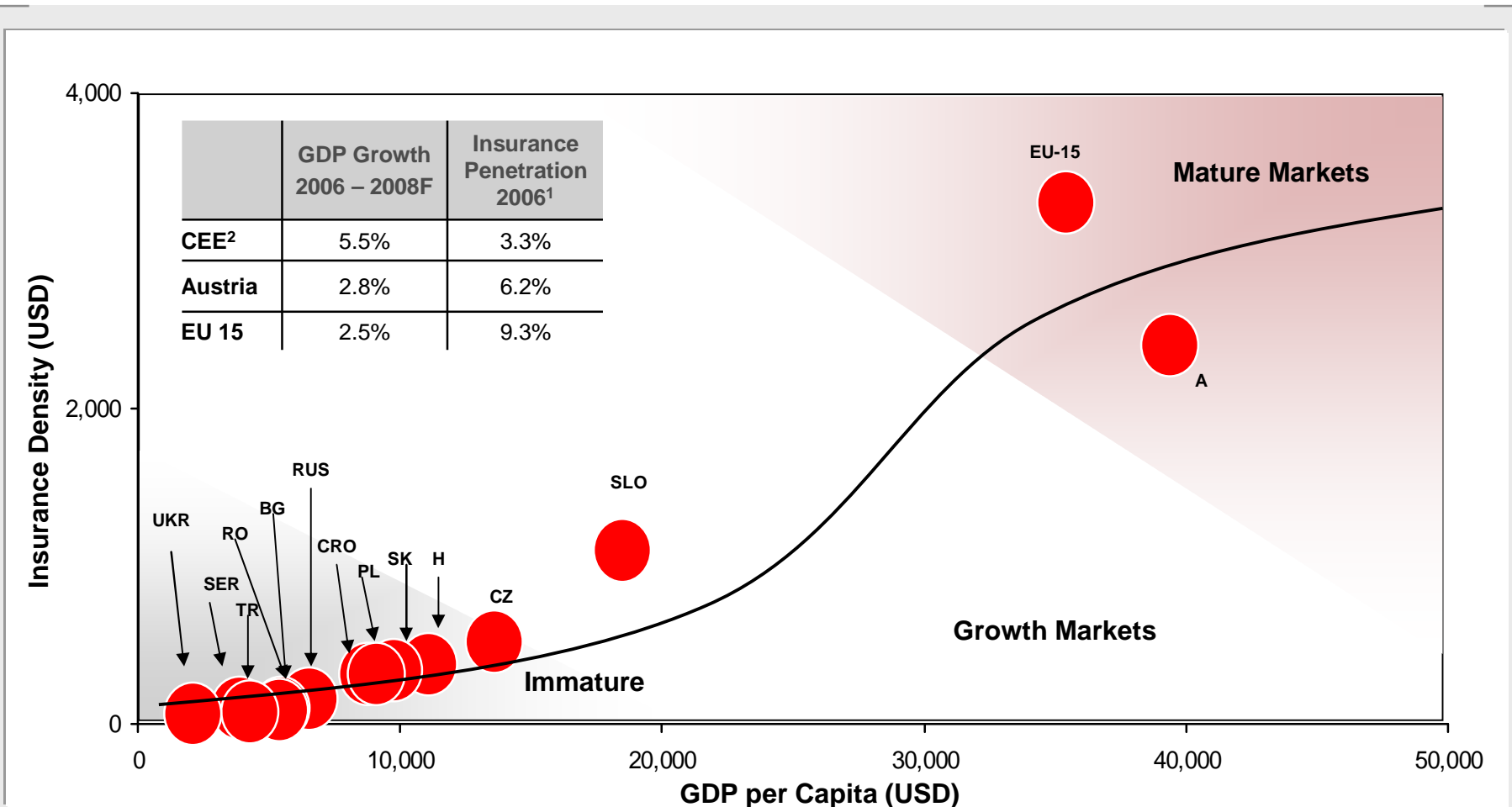
1: pro forma incl. recent acquisition, 6M 2007

2: CEE is defined as: Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania and Slovakia

CEE Region Offers Twin Growth

Sustainable growth through GDP and insurance penetration

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¹ Premiums in % of GDP.

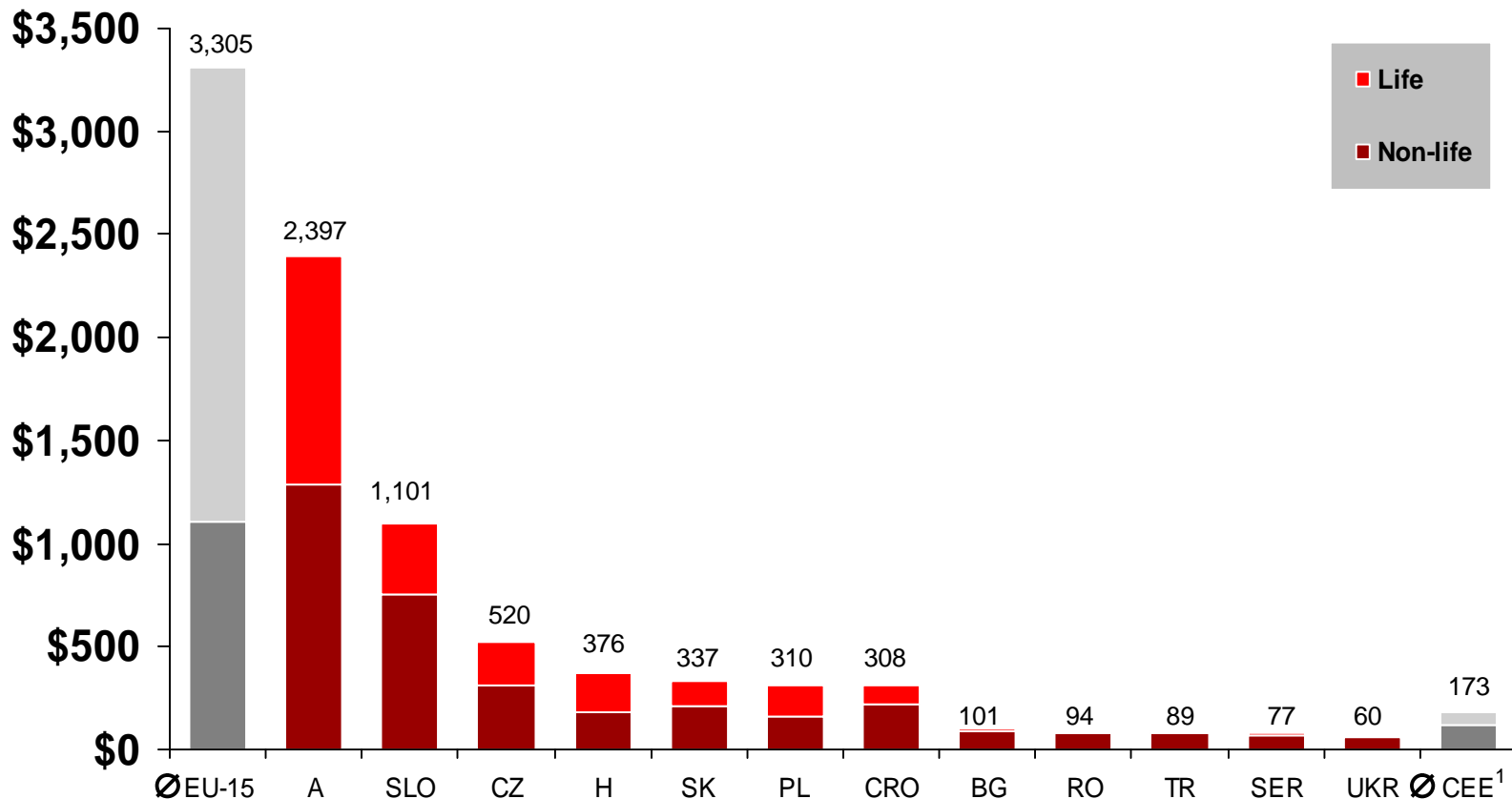
² Weighted average for CEE. CEE is defined as Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.

Source: For GDP Growth IMF(World Economic Outlook as of 2007). For all other data Swiss Re Sigma Nr. 4/2007 (July 2007)

VIG Markets – Underpenetrated in Insurance

Insurance Density, 2006 (Premiums per Capita)

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Source: Swiss Re, Sigma Nr. 4/2007

1: Weighted average, CEE is defined as Bulgaria, Croatia, Czech Republic, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey and Ukraine.

CEE – A Long-term Growth Perspective

Markets need at least 20 years to catch up with the Austrian level of 2000

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Austrian Insurance market				
Year	Premium income (EUR bn)	Insurance penetration (%)	Density (EUR)	GDP/Capita (EUR)
1967	0.59	2.8%	79	2,813
1977	2.19	3.7%	289	7,883
1982	3.44	4.1%	454	11,140
2000	11.68	5.7%	1,440	25,486

Note: Blue dashed circles highlight the 2000 values. Blue arrows indicate growth from 1977 to 2000: Premium income (x 1.5) and GDP/Capita (x 3.2).

CEE Insurance markets in 2006			
	Insurance penetration (%)	Density (EUR)	GDP/Capita (EUR)
Serbia	1.8%	61	3,267
Romania	1.7%	75	4,504
Bulgaria	2.6%	80	3,260
Poland	3.3%	245	7,780
Croatia	3.5%	247	7,123
Slovakia	3.4%	268	8,156
Hungary	3.4%	299	8,847
Czech Republic	3.8%	414	10,977

Note: Brackets on the right group countries into Group 1 (Serbia, Romania, Bulgaria) and Group 2 (Poland, Croatia, Slovakia, Hungary).

Assuming that group 1 catches up within 10 years to group 2 the CAGR for this periods is >13 %

Assuming that group 2 catches up within 5 years to Czech Rep. the CAGR for this periods is >10 %

A systematic approach

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Acquisition Process

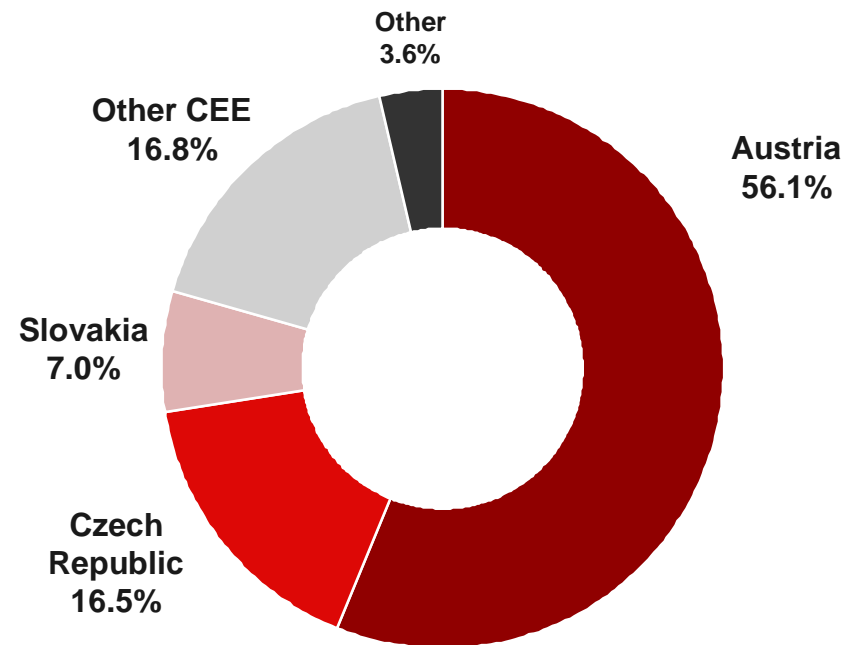
Criteria

- § Sound risk assessment of target company
- § What does the company add to help us grab the lion's share of future growth
- § Appraisal of management skills

Principles

- § Leveraging of local brand names in the context of multi-brand approach combined with shared services concept for back office
- § Strong local management with in-depth market experience and full discretionary power
- § Backed by Group and supervision (re-insurance, actuarial, asset management)
- § Long-term goal to reach CZ and SK ROE levels

GWP by Geography 6M 07



6M 2007 Total: €3.5bn

Management Approach

Excellent track record in integrating CEE subsidiaries into VIG

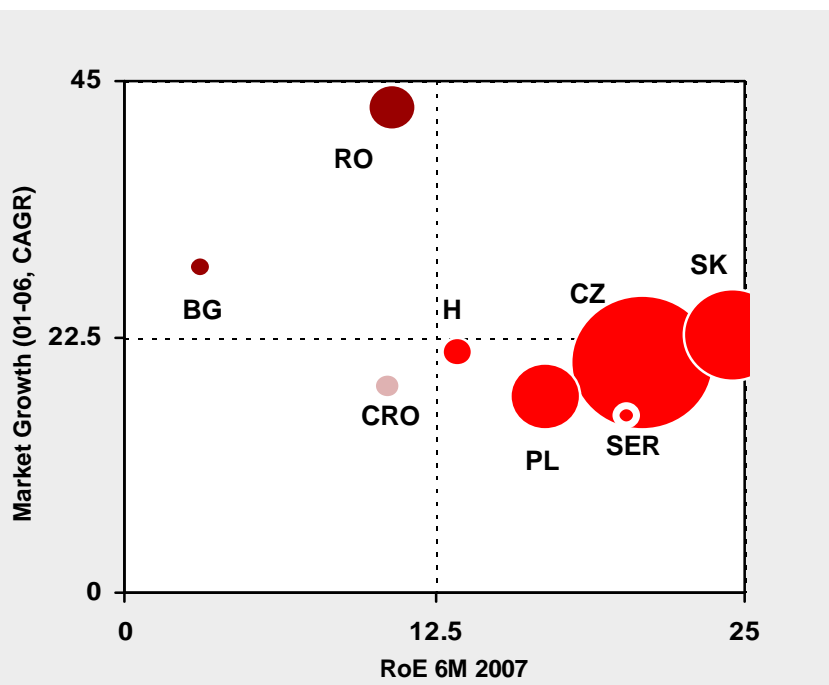
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Management Approach

- § Local incumbent management is responsible for sales and profitability - usually one board member delegated from Austria
- § Each board member of VIG parent has responsibility for CEE countries
- § Hands-on approach of VIG board members with subsidiaries to build know-how and for quick decisions
- § Long-term focus on retail customers
- § Capital
 - available capital concentrated at parent level
 - allocation to Group companies according to their needs to fund organic growth
- § 2-4 years to reach break-even, accelerated growth of profitability thereafter

Track Record

- § CEE already contributes 40 percent of premium income and more than 30 percent of Group profits



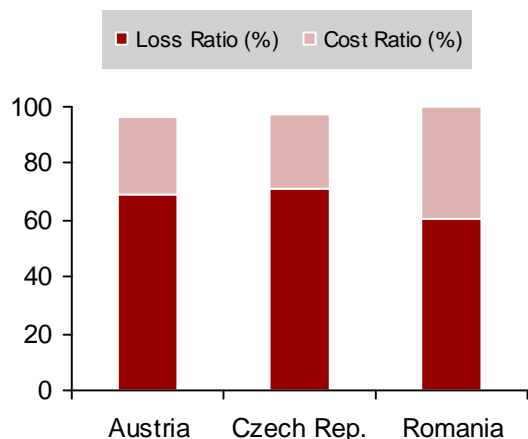
Source: SwissRE Sigma 04/2007, company data

Profit Drivers in CEE

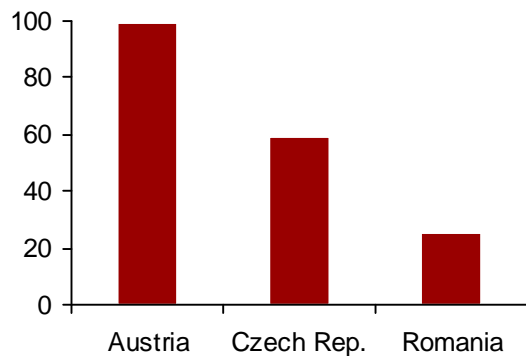
Creating value from cost ratio, investment income and reinsurance

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Earnings Potential



Claims reserves in % of NEP (%)



Comments

§ Decrease in cost ratio

- economies of scale in less advanced markets
- cost reduction programmes in advanced markets
- shared services

§ Investment income from reserves

- long-term building up of reserves
- long tail products gaining weight (GTPL)
- going forward life business will create major reserves

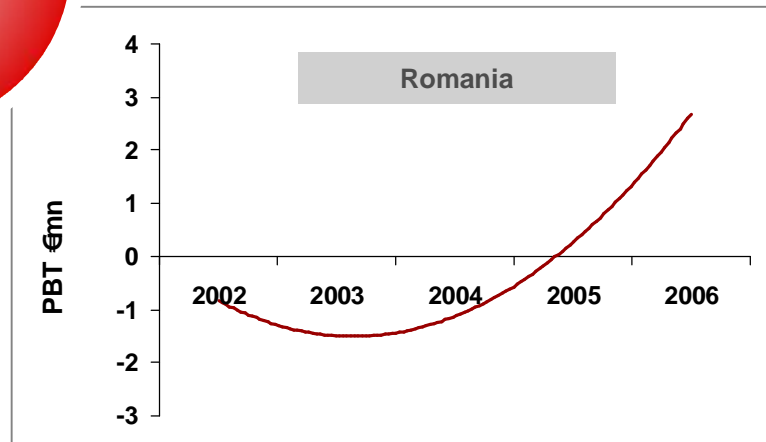
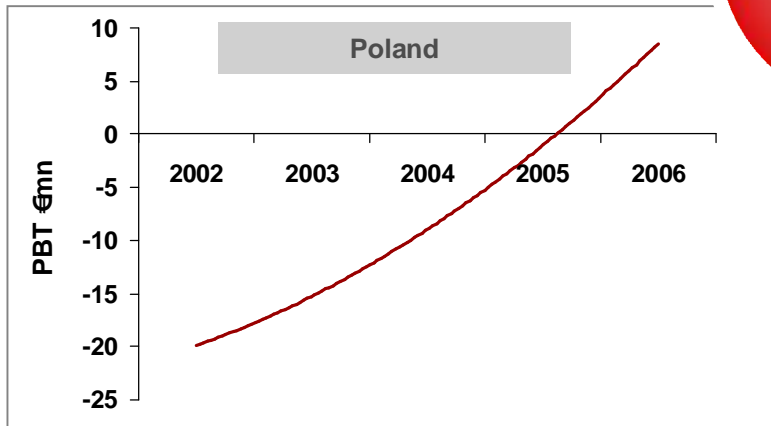
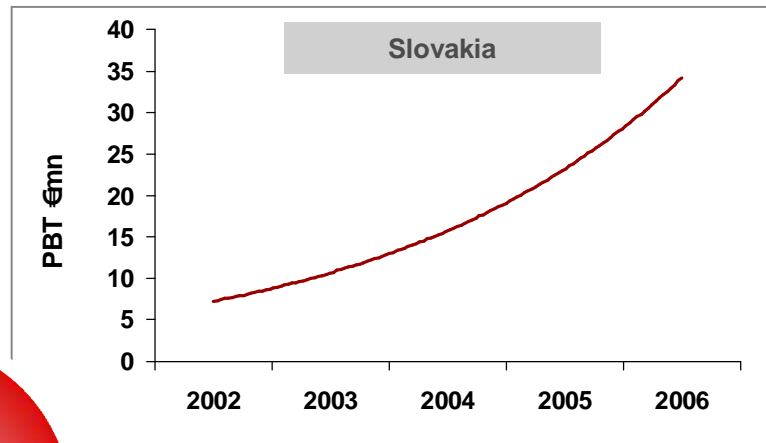
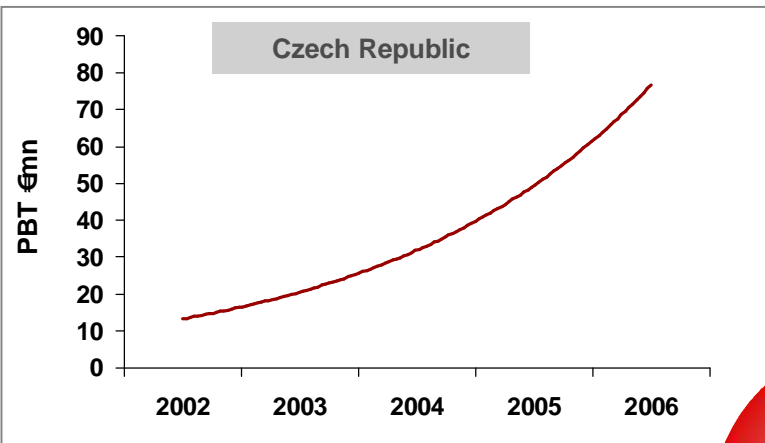
§ Reinsurance

- increasing risk bearing capacity of growing Group companies
- creation of Group wide reinsurance cover packages (e.g. NatCat)

Proof of VIG's strategy

Development of PBT in selected CEE markets from 2002 - 2006

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VIG – Distribution Is Key (I)

Multi-brand policy to retain loyalty

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Multi-brand



Features

- § VIG is umbrella brand and “family name” of Group companies
- § Local companies retain individual brands as “first name”
- § Strong brand awareness in local markets
- § Retain loyalty of employees and management, customers, affinity groups and distribution networks with well established local brands
- § Sales are local responsibility
- § Multi-brand also strongly supports multi-channel distribution

Multi-brand & multi-channel differentiate VIG from most of its competitors

VIG – Distribution Is Key (II)

Multi-channel strategy to get access to customers

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Strong Multi-channel distribution



Details

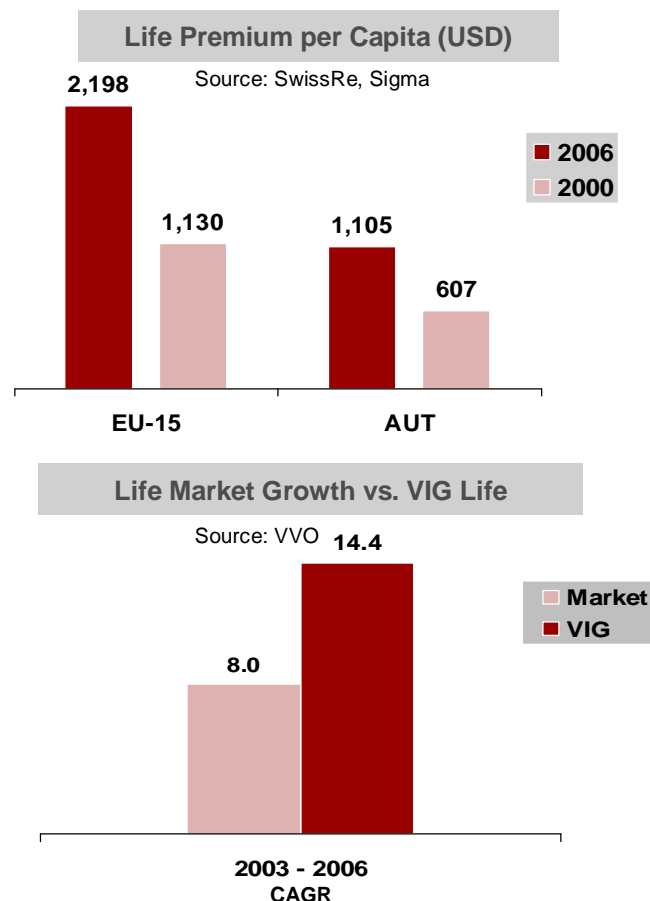
- § Tied agents (employed sales force and/or exclusive agents) are backbone in all markets
- § Extensive use of brokers, bank cooperations, multilevel and direct distribution
- § The Group builds on existing distribution networks of acquired companies in CEE pursuing a clear bottom-up strategy
- § Building powerful distribution channels is one of the key success factors for CEE expansion
- § Distribution differs according to market conditions

Attractive franchise plus catch up potential in life insurance

Situation in Austria

- § Leading market position in all business lines
 - #1 in property & casualty with 21% market share
 - #1 in life with 23% market share
 - #2 in health with 21% market share
- § Overall market share gains through organic growth
- § Strong growth potential in life: Austria lags behind EU-15 in premium per capita
- § Ongoing reforms of social security system to generate strong demand for life savings and pension products
- § Austrian business is very profitable and WST AG has been outperforming market in C/R for years

Details



A Investment Proposition

B Targets and Summary

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Financial Targets

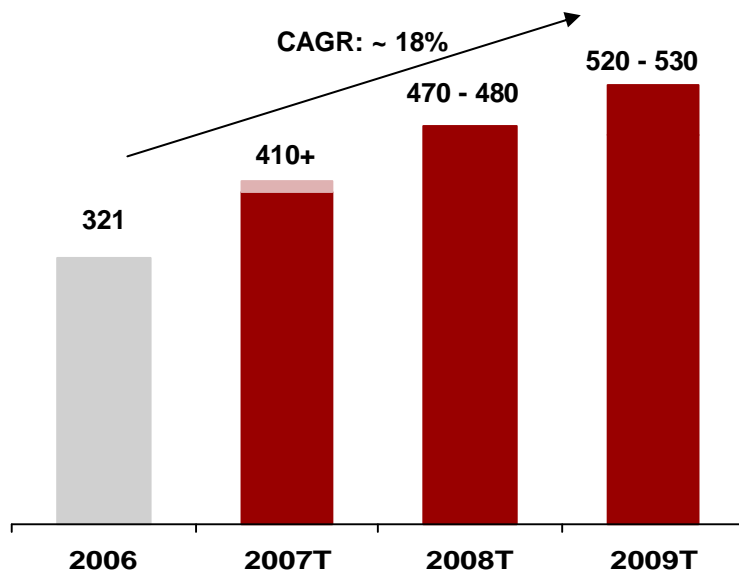
2007 profit target will be exceeded; dividend increase of 25%

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VIG's financial targets

Comments

Profit before Tax Targets in €mn



RoE before Tax



- § Based on the 1st HY results the 2007 profit target of € 410mn will be exceeded
- § VIG dividend policy is defined as a payout ratio of min. 30% of Group net profit
- § For the year 2007, management will propose a dividend of above € 1.0 per share, an increase of 25% compared to the previous year
- § It is company policy to keep the Net Combined Ratio well below 100% throughout the business cycle

Plan two years ago

- § Strengthening of leading position in Austria
- § Expansion of CEE business through acquisitions and organic growth
 - Benefit from twin growth drivers of GDP and insurance (penetration/density)
- § Increase of profitability
- § Improve spread of business portfolio

Position today

- § Increased market share in Austria by more than 2% pts thus attaining number one position
- § VIG almost doubled CEE premium volume
- § Ongoing expansion
- § Top 5 position in nearly all core markets
- § EPS boosted despite SPO
- § Share of Other CEE segment has overtaken Czech Republic and Slovakia

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VIG expanding by organic growth and acquisitions

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VIG building swiftly on its unique CEE play

§ Above market organic growth in all major markets – increase of market shares

- VIG no.1 in Non-life in Czech Republic with 34.3% market share

- VIG no. 1 in motor business in Slovakia with 42.1% market share

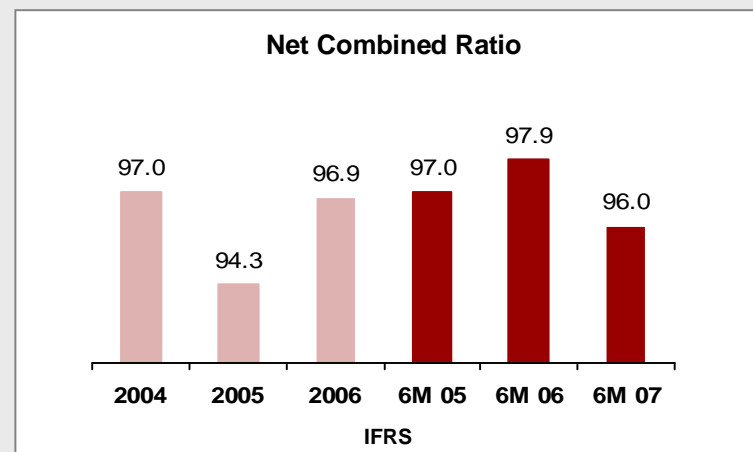
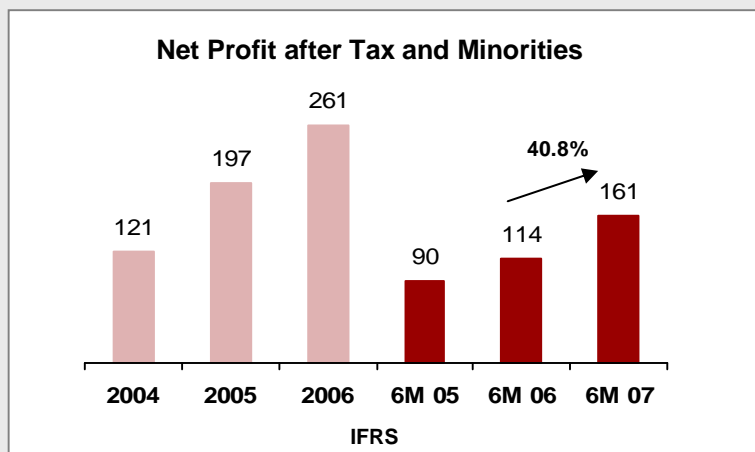
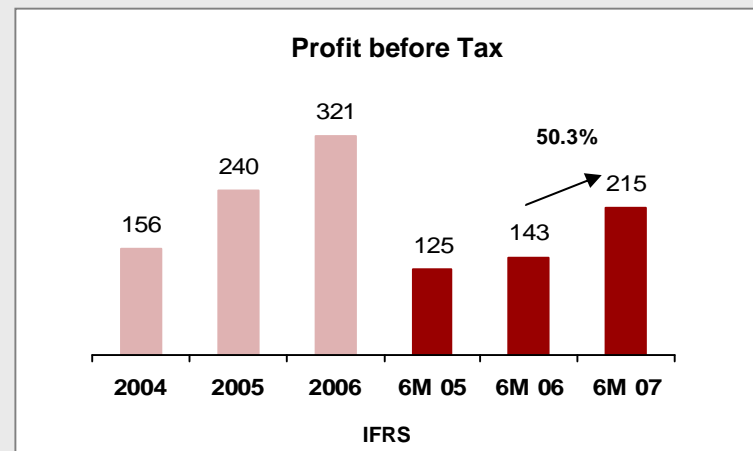
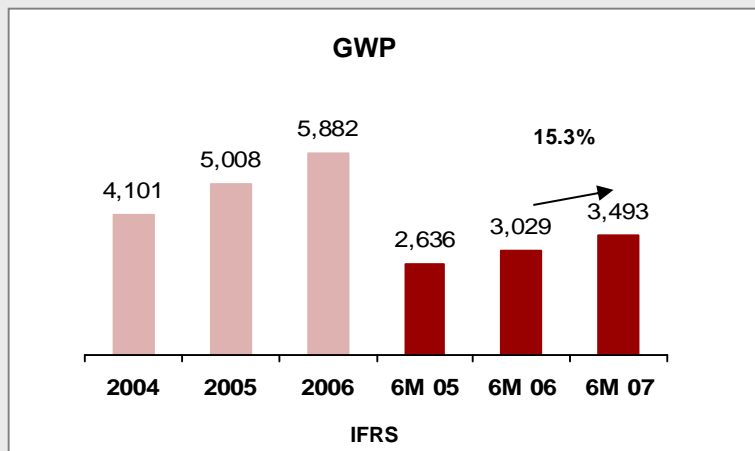
§ CEE premium share above 40%

§ For the first time in HY € 1bn premium mark passed in Non-life in CEE

§ Further diversification of markets

6M 2007 Highlights (II)

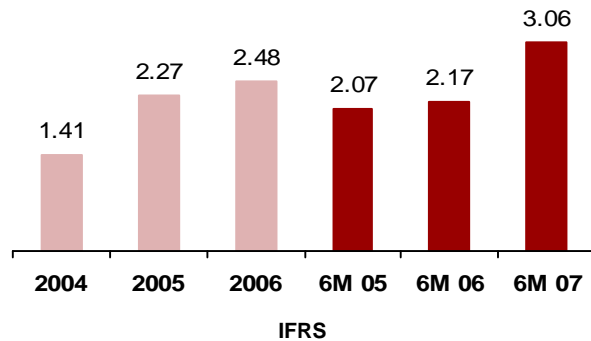
GWP up by 15.3%; profitability rising significantly



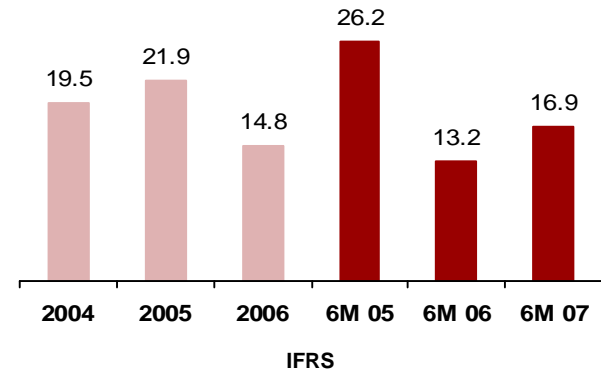
6M 2007 Highlights (III)

Sound increase in EPS

EPS (annualised)



ROE before Tax (%)



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6M 2007 Income Statement

IFRS (€mn)

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	6M 2007	6M 2006	+/-%
1. Gross written premiums	3.493,1	3.029,3	15,3
2. Net earned premiums	2.829,1	2.411,3	17,3
3. Net investment income ¹	553,2	361,1	53,2
4. Other income	20,7	29,0	-28,9
Total income	3.403,0	2.801,4	21,5
6. Expenses for claims incurred	-2.420,6	-2.045,4	18,3
7. Operating expenses	-677,4	-526,3	28,7
8. Other expenses	-89,6	-86,4	3,7
Total expenses	-3.187,6	-2.658,1	19,9
Profit before tax	215,4	143,3	50,3
Taxes	-41,1	-24,5	67,8
Net profit before minorities (Profit for the year)	174,3	118,8	46,6
Minorities	-13,6	-4,7	187,3
Net profit after minorities	160,6	114,1	40,8

¹ incl. income from associated and affiliated companies

6M 2007 Balance Sheet

IFRS (€mn)

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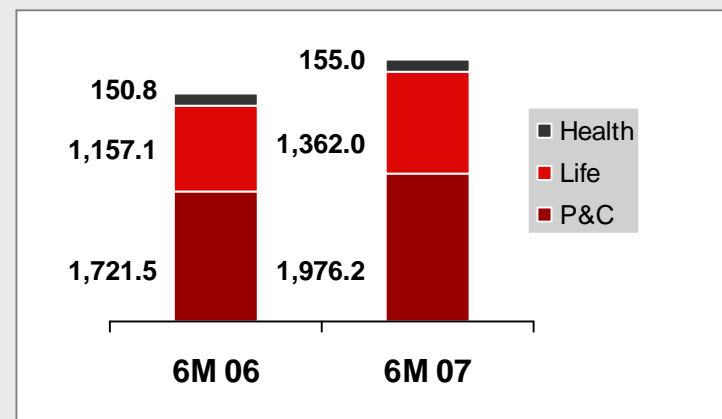
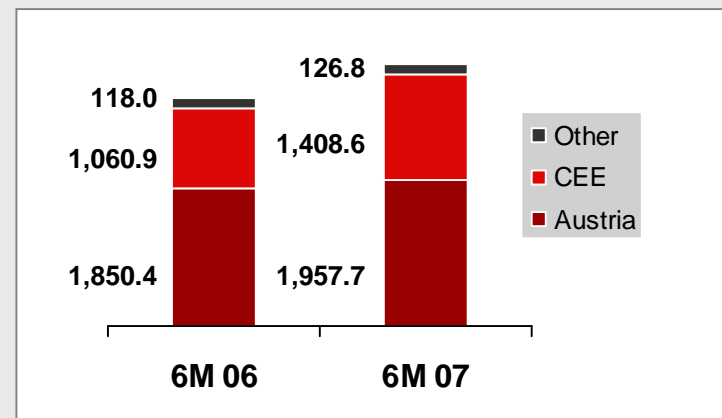
	6M 2007	2006	+/- %
Intangible assets	496	461	7.4
Total investments	18,912	17,260	9.6
Unit- and index-linked investments	2,825	2,341	20.7
Reinsurers' share in technical provisions	1,188	963	23.3
Receivables	1,220	984	24.0
Deferred tax assets	38	24	63.1
Other assets	241	224	7.4
Cash and cash equivalents	235	226	3.9
Total assets	25,155	22,483	11.9
Shareholders' equity	2,324	2,283	1.8
<i>thereof minorities</i>	110	71	55.3
Subordinated liabilities	433	413	4.9
Technical provisions	16,671	14,628	14.0
Unit- and index-linked technical provisions	2,701	2,239	20.6
Non-technical provisions	783	836	-6.4
Liabilities	2,045	1,856	10.2
Deferred tax liabilities	126	122	3.8
Other liabilities	72	106	-32.0
Total liabilities and equity	25,155	22,483	11.9

6M 2007 P&L Major Items – Gross Written Premiums

Largely growing above market in Austria and CEE (€ mn)

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- § Group GWP increased by 15.3% to €3,493mn
- § Austria: total GWP up 5.8% to reach €1,958mn. Life up 9.6% at €895.7mn with sound growth in subsidised pensions vs. weaker demand in single premiums in line with market; includes ~€100mn premium effect from full consolidation of Austrian subsidiary Union; Non-life up 2.8% at €907.0mn influenced by weaker pricing in motor market (VIG still growing above market)
- § The Czech Republic saw GWP growing by 8.3% to €577.1mn with Life gaining 17.2% to reach €134.8mn and Non-life up 5.9% at €442.3mn.
- § In Slovakia business grew by 22.1% to reach €243.8mn, with Life up 30.2% at €82.9mn and P&C up 18.4% at €160.8mn.
- § Sharp increase in Other CEE markets of 78.8% amounting to €587.7mn, with high double digit organic growth
- § Other Markets show regular growth with 7.5%



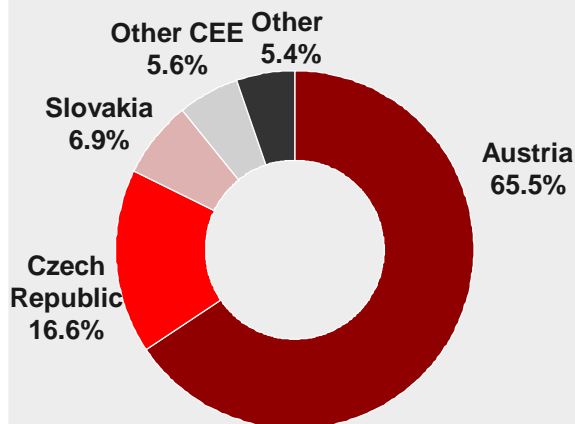
Note: the following companies were included as of Q2 06 only:
Cigna (Poland) and the TBIH insurance companies (Bulstrad, Helios)

GWP Split by Region

Share of Other CEE markets going up significantly

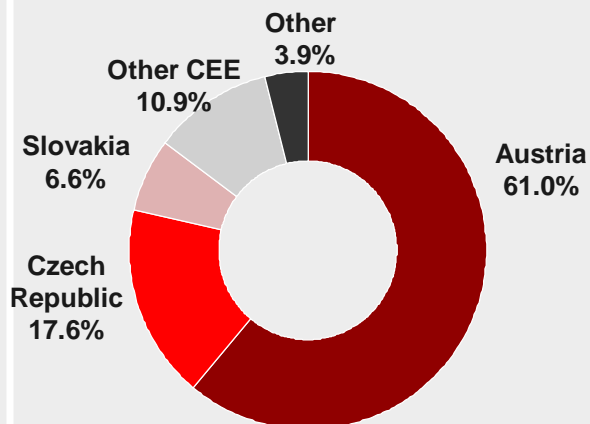
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GWP by Geography 6M 05



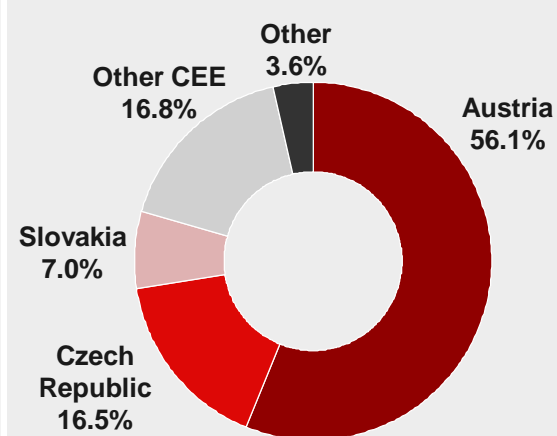
6M 2005 Total: €2.6bn

GWP by Geography 6M 06



6M 2006 Total: €3.0bn

GWP by Geography 6M 07



6M 2007 Total: €3.5bn

- § Other CEE is growing fastest by 11% pts to nearly 17%
- § Czech Republic and Slovakia stable
- § Broader diversification of portfolio attained

6M 2007 P&L Major Items – Expenses for Claims Incurred

Loss ratio reduced substantially

D 32

- § Group loss ratio (net) with marked improvement by 2.9% to 64.7% despite €10mn net effect from Kyrill storm in Q1 2007
- § Austrian loss ratio lower by 1.9% pts at 66.9% thus reaching regular level
- § Czech Republic which was severely affected by snow pressure and floodings in 2006 saw loss ratio improving by 8.6% pts
- § In Slovakia loss ratio went up by 6.3% due to increased motor claims and single large loss in commercial business, to reach normalised level by year end
- § Other CEE recorded loss ratio (61.6%) at normal level

EUR mn	P&C		Life		Health	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Net Earned Premiums:	1,331.9	1,118.3	1,344.3	1,144.6	152.9	148.4
Expenses for Claims Incurred:	861.5	755.4	1,423.9	1,158.4	135.3	131.6
Ratio	64.7%	67.6%	105.9%	101.2%	88.5%	88.6%

6M 2007 P&L Major Items – Operating Expenses

Cost ratio impacted by strong business growth

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- § Group cost ratio (net) up at 31.3%, driven by acquisition costs: VIG does not account for DACs which affects cost ratio roughly by 2% pts (premium income is high at start of the year and leads to higher deferrals while acquisition costs are not deferred); benign Group-wide development of administrative costs
- § Austrian cost ratio stable with balancing effects from IT development costs (Group wide standardisation) and ongoing cost cutting exercises
- § Benign development of costs in the Czech Republic with cost ratio stable at 27.3%
- § Cost ratio in Slovakia showing marked improvement by 4.0%
- § Stable cost ratio in Other CEE influenced by economies of scale and capital expenditure for shared services

EUR mn	P&C		Life		Health	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Net Earned Premiums:	1,331.9	1,118.3	1,344.3	1,144.6	152.9	148.4
Operating Expenses: ¹	417.3	339.9	294.1	226.8	21.0	20.1
Ratio	31.3%	30.4%	21.9%	19.8%	13.7%	13.6%

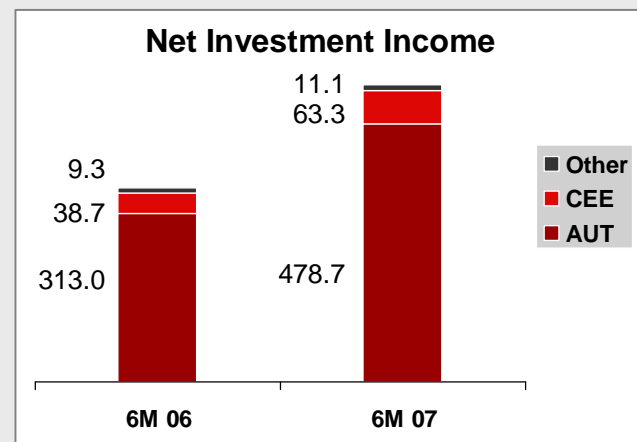
¹ incl. Other technical result (Other underwriting profits and expenses)

6M 2007 P&L Major Items – Net Investment Income

Sound growth in line with business expansion (€mn)

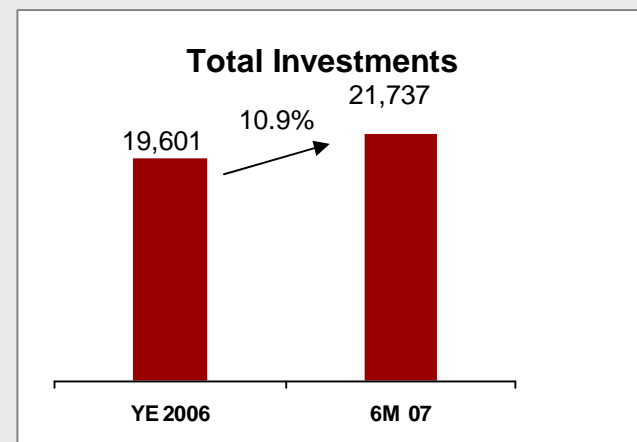
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- § Increase in Group Net Investment Income by 53.2% to €553.2mn
- § Austria grew by 53.0% influenced by trading gains, full consolidation of Austrian life subsidiary Union (+ €40.0mn) and by deferred profit participation (- €70.0mn) due to strict lower of cost or market accounting of fixed income bonds at parent company
- § Increases of net investment income in the Czech Republic (up 23.7%), Slovakia (up 54.6%) and Other CEE in line with business expansion
- § Larger CEE subsidiaries also show continuous improvement in asset allocation



	6M 2007	6M 2006
Investment Income	702.7	509.5
<i>thereof: Current Income</i>	409.5	359.5
<i>thereof: Investment income from disposal</i>	263.8	137.0
Expenses for investments and interest	-152.5	-152.0
<i>thereof: realised investment losses</i>	-28.0	26.2
<i>thereof: depreciation of investments</i>	-53.9	-53.5
Total¹	550.2	357.0

¹ excl. income from associated and affiliated companies



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6M 2007 P&L – Business Segments

Property & Casualty, IFRS (€mn)

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	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,976.2	1,721.5	14.8
2. Net earned premiums	1,331.9	1,118.3	19.1
3. Net investment income	93.3	56.8	64.2
4. Other income	11.9	14.4	-17.4
Total income	1,437.2	1,189.6	20.8
6. Expenses for claims incurred	-861.5	-755.4	14.0
7. Operating expenses	-377.3	-294.5	28.1
8. Other expenses	-64.3	-60.6	6.0
Total expenses	-1,303.1	-1,110.5	17.3
Profit before tax	134.1	79.0	69.7

6M 2007 P&L – Business Segments

Life, IFRS (€mn)

E 37

	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,362.0	1,157.1	17.7
2. Net earned premiums	1,344.3	1,144.6	17.4
3. Net investment income	445.8	292.2	52.6
4. Other income	8.7	14.6	-40.2
Total income	1,798.8	1,451.4	23.9
6. Life benefits	-1,423.9	-1,158.4	22.9
7. Operating expenses	-279.6	-212.3	31.7
8. Other expenses	-24.7	-25.2	-2.0
Total expenses	-1,728.2	-1,395.9	23.8
Profit before tax	70.7	55.5	27.4

6M 2007 P&L – Business Segments

Health, IFRS (€mn)

E 38

	6M 2007	6M 2006	+/-%
1. Gross written premiums	155.0	150.8	2.8
2. Net earned premiums	152.9	148.4	3.0
3. Net investment income	14.1	12.1	16.5
4. Other income	0.0	0.0	-100.0
Total income	166.9	160.5	4.0
6. Expenses for claims incurred	-135.3	-131.6	2.8
7. Operating expenses	-20.5	-19.6	4.4
8. Other expenses	-0.6	-0.5	11.9
Total expenses	-156.3	-151.7	3.0
Profit before tax	10.7	8.8	20.6

6M 2007 P&L - Split by Regions (I)

Regional segments, IFRS (€mn)

E 39

	Austria			Czech Republic			Slovakia		
	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%
1. Gross written premiums	1,957.7	1,850.4	5.8	577.1	532.7	8.3	243.8	199.6	22.1
2. Net earned premiums	1,611.2	1,524.1	5.7	445.8	392.4	13.6	189.9	139.6	36.0
3. Net investment income	478.7	313.0	53.0	21.6	17.5	23.7	12.2	7.9	54.6
4. Other income	4.4	11.9	-62.9	5.5	4.1	34.0	1.2	3.6	-66.3
Total income	2,094.4	1,849.0	13.3	472.9	413.9	14.2	203.3	151.1	34.5
6. Expenses for claims incurred	-1,617.8	-1,431.6	13.0	-310.4	-285.9	8.6	-126.8	-87.6	44.7
7. Operating expenses	-308.4	-294.1	4.9	-108.5	-84.2	29.0	-40.9	-31.2	31.2
8. Other expenses	-29.6	-21.4	38.6	-18.6	-25.6	-27.1	-18.0	-20.4	-11.8
Total expenses	-1,955.8	-1,747.0	12.0	-437.6	-395.6	10.6	-185.7	-139.2	33.4
Profit before tax	138.5	101.9	35.9	35.3	18.3	92.5	17.6	11.9	48.0
Combined Ratio	94.3%	95.8%		95.4%	104.4%		90.8%	88.5%	

6M 2007 P&L - Split by Regions (II)

Regional segments, IFRS (€mn)

E 40

	Other CEE			Other			TOTAL		
	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%	6M 2007	6M 2006	+/-%
1. Gross written premiums	587.7	328.7	78.8	126.8	118.0	7.5	3,493.1	3,029.3	15.3
2. Net earned premiums	470.2	251.3	87.1	112.0	103.9	7.8	2,829.1	2,411.3	17.3
3. Net investment income	29.5	13.4	120.3	11.1	9.3	19.4	553.2	361.1	53.2
4. Other income	6.9	6.9	1.2	2.6	2.6	-0.8	20.7	29.0	-28.9
Total income	506.6	271.6	86.5	125.7	115.8	8.5	3,403.0	2,801.4	21.5
6. Expenses for claims incurred	-268.3	-152.9	75.5	-97.2	-87.4	11.2	-2,420.6	-2,045.4	18.3
7. Operating expenses	-206.3	-103.0	100.3	-13.3	-13.9	-4.6	-677.4	-526.3	28.7
8. Other expenses	-14.7	-10.8	35.4	-8.6	-8.2	5.6	-89.6	-86.4	3.7
Total expenses	-489.3	-266.7	83.5	-119.2	-109.6	8.7	-3,187.6	-2,658.1	19.9
Profit before tax	17.4	4.9	253.7	6.5	6.2	4.9	215.4	143.3	50.3
Combined Ratio	101.9%	100.2%		88.6%	85.5%		96.0%	97.9%	

6M 2007 Results by Country

IFRS (€mn)

E 41

	Non-Life		Life		Total		Profit before Tax		Combined Ratio	
	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006	6M 2007	6M 2006
Austria	1,062.0	1,032.9	895.7	817.5	1,957.7	1,850.4	138.5	101.9	94.3%	95.8%
Czech Rep.	442.3	417.7	134.8	115.0	577.1	532.7	35.3	18.3	95.4%	104.4%
Slovakia	160.8	135.9	82.9	63.7	243.8	199.6	17.6	11.9	90.8%	88.5%
Other CEE	432.3	254.0	155.4	74.7	587.7	328.7	17.4	4.9	101.9%	100.2%
Romania	184.9	101.8	7.4	5.6	192.3	107.5	4.2	1.5	100.1%	100.3%
Poland	156.2	93.0	91.3	34.6	247.6	127.6	8.7	2.4	101.8%	101.3%
Hungary	21.5	17.3	24.7	12.5	46.2	29.8	1.7	0.5	107.4%	80.7%
Croatia	23.1	17.3	19.0	15.2	42.0	32.5	1.4	0.4	112.1%	111.9%
Serbia	12.2	8.1	9.5	5.2	21.7	13.2	1.2	0.0	99.0%	95.2%
Bulgaria	34.5	16.4	3.4	1.7	37.9	18.1	0.2	0.2	103.4%	100.7%
Other	33.7	31.8	93.1	86.2	126.8	118.0	6.5	6.2	88.6%	85.5%
Liechtenstein	-	-	66.8	60.9	66.8	60.9	0.6	0.5	-	-
Germany	33.7	31.8	26.3	25.3	60.0	57.1	6.0	5.7	88.6%	85.5%
Total	2,131.2	1,872.2	1,362.0	1,157.1	3,493.1	3,029.3	215.4	143.3	96.0%	97.9%

Change in Group Shareholders' Equity / APE

IFRS

E 42

	1.1. - 30.06.2007	1.1. - 30.06.2006
Equity as of 1 January	2.283.208	2.059.332
Currency Changes	-1.957	-2.999
Changes in consolidation	39.396	15.995
Capital Increase	-	-
Unrealised Gains and Losses on financial instruments available for sale	-69.667	-61.274
Profit for the period	174.251	118.828
Dividend payment	-101.698	-74.584
Equity as of 30 June	2.323.533	2.055.298

APE Life & Health	6M 2007	6M 2006	+/-%
Austria, Germany	109,9	117,3	-6,3%
CEE (CZ, SK)	25,0	18,3	36,6%
	134,9	135,6	-0,5%

Q2 2007 Income Statement

IFRS (€mn)

E 43

	Q2 2007	Q2 2006	+/-%
1. Gross written premiums	1,474.8	1,277.1	15.5
2. Net earned premiums	1,364.8	1,164.0	17.2
3. Net investment income ¹	347.9	199.1	74.8
4. Other income	11.8	13.2	-10.9
Total income	1,724.4	1,376.3	25.3
6. Expenses for claims incurred	-1,235.8	-996.4	24.0
7. Operating expenses	-329.7	-262.9	25.4
8. Other expenses	-44.2	-46.5	-5.0
Total expenses	-1,609.7	-1,305.8	23.3
Profit before tax	114.7	70.4	62.8
Taxes	-22.6	-12.1	87.4
Net profit before minorities (Profit for the year)	92.1	58.4	57.7
Minorities	-7.4	-2.7	178.7
Net profit after minorites	84.6	55.7	51.9

¹ incl. income from associated and affiliated companies

6M 2007 Exchange Rates

Country	Curr.	6M 2007		6M 2006	
		Balance Sheet EUR	P & L EUR	Balance Sheet EUR	P & L EUR
Bulgaria	BGN	0.511300	0.511300	0.511300	0.511300
Croatia	HRK	0.136921	0.135913	0.138036	0.136773
Liechtenstein	CHF	0.604120	0.612838	0.638081	0.640615
Poland	PLN	0.265414	0.260139	0.246633	0.257064
Romania	RON	0.319081	0.300223	0.280089	0.282405
Serbia	CSD	0.012654	0.012461	0.011765	0.011533
Slovakia	SKK	0.029731	0.029366	0.026076	0.026617
Czech Republic	CZK	0.034821	0.035521	0.035096	0.035098
Hungary	HUF	0.004063	0.003994	0.003529	0.003838

Acquisition of Asiom

Strengthening VIG's no.1 position in dynamic Romanian market

E 45

Acquisition of Asiom¹



30 %

Asiom

- § listed Non-life and Life insurance company with €190mn premium volume in 2006
- § 160 branches, 2,200 employees and nation-wide non-bank distribution system
- § well positioned also in Life
- § best insurance brand in Romania

Romanian Insurance Market

Population (mn)	21.6
GDP/Capita	5,463 USD
Penetration	1.7%
Density	94.5 USD
Market Growth (01-06, CAGR)	42.8%

- § Market growth in Non-life was 40.7% yoy vs. Life growth by 15.4% yoy in 2006
- § Top-five insurance groups have a total market share of nearly 60% in Q1 2007
- § VIG had a market share of 17.7% in Q1 2007

Source: SwissRe 04/2007

1: subject to approval of authorities

VIG Enters two New Promising Markets

Turkey and Albania offer high growth potential

	GDP Growth 2004-2006F ²	Penetration 2006	Density 2006 (USD)
EU 15	1.7%	9.3%	3,305
Austria	2.0%	6.1%	2,397
CEE ¹	4.2%	3.3%	173
Turkey	7.5%	1.6%	89
Albania	5.5%	0.5%	14

Turkish market data

Population (mn)	74.2
GDP/Capita	5,431 USD
Market Growth (01-06, CAGR)	26.7%

- § market growth is driven by Non-life business (+17.4% yoy)
- § 84% of insurance business is produced by agents or placed directly with insurers
- § in 2005 EU entry negotiations started with Turkey

Albanian market data³

Population (mn)	3.6
GDP/Capita	2,993 USD
Market Growth (01-06, CAGR)	8.8%

- § last European insurance market that was de-monopolised
- § market volume of €~37mn
- § booming number of contracts, market growth (~+12.0% yoy) is driven by Non-life business

Turkey/Albania: Acquisition Details

Ray Sigorta and Sigma

E 47

Acquisition of Ray Sigorta

TBIH
(60% owned by VIG)

~75%

Ray Sigorta

- § listed Non-life insurance company with € 136mn premium volume (+30% yoy), market share of roughly 3.3%
- § 530 insurance agents, 220 employees and nationwide distribution system

Details of transaction:

- § Price: € 62mn for 58.2% stake
- § after mandatory offer for 22 percent free float TBIH holds ~75% stake
- § Capital increase for a maximum total amount of € 23mn in 2007 agreed

Acquisition of Sigma

TBIH
(60% owned by VIG)

75%

Sigma Sh.a

- § founded in 1998, Non-life insurance company with € 15mn premium volume in 2006, market share of roughly 18 percent
- § present in Macedonia and Kosovo, overall 25 branch offices as well as agents

Details of transaction:

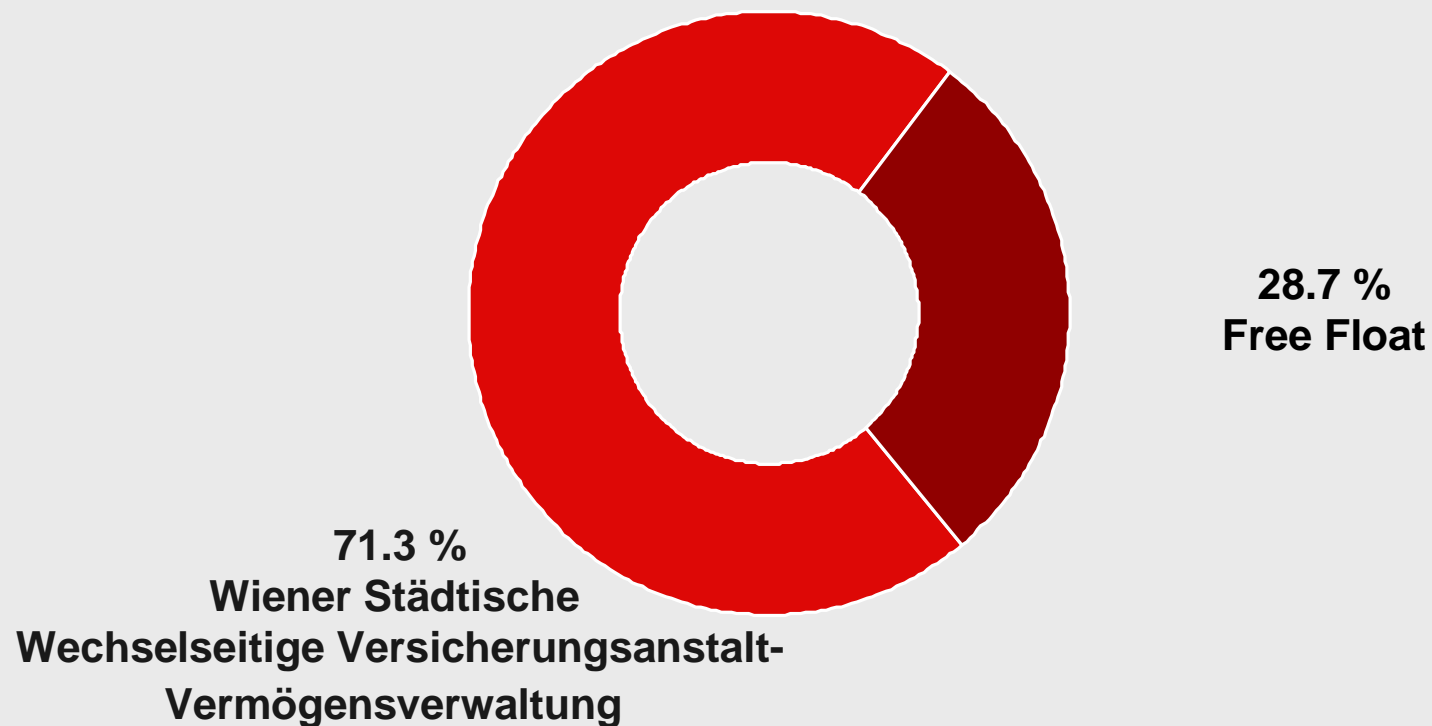
- § Price: € 16.13mn
- § Acquisition closed
- § Options for the remaining stake in first HY 2011 and 2012

Shareholder Structure (I)

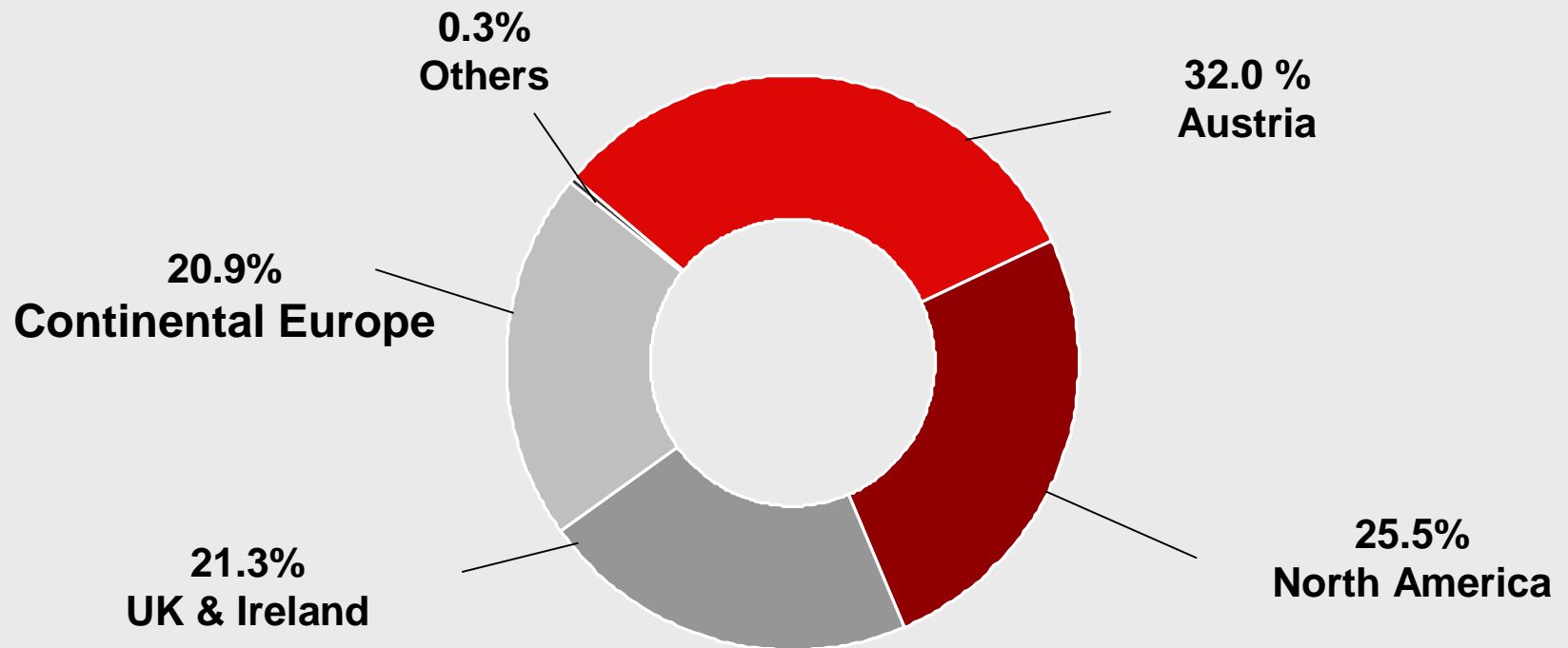
Total number of shares 105,000,000

E 48

Shareholder Structure



Free Float Geographical Split



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